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SENATE—*Thursday, June 11, 1987*

The Senate met at 12:30 p.m. and was called to order by the Honorable THOMAS A. DASCHLE, a Senator from the State of South Dakota.

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

Hast thou not known? hast thou not heard, that the everlasting God, the Lord, the Creator of the ends of the Earth fainteth not, neither is weary? There is no searching of His understanding. He giveth power to the faint and to them that have no might He increaseth strength. Even the youths shall faint and be weary, and the young men shall utterly fall: But they that wait upon the Lord shall renew their strength; they shall mount up with wings as eagles; they shall run, and not be weary; and they shall walk, and not faint.—Isaiah 40: 28-31.

Merciful Father in heaven, we do not handle failure very well—and the more powerful, the less willing we are to acknowledge it. We tend not to tolerate failure in others, especially spouses and children. We refuse to admit failure in ourselves despite which the greatest exploits in human history have evolved out of failure. Thank You, Lord, for one of the finest freedoms bestowed upon us—freedom to fail. Help us realize we are not failures, no matter how often we fail, until we accept failure as final. Give us grace to accept failure in ourselves and allow for the failure of others as we grow and mature and achieve. Your will be done on Earth as it is in heaven. In Jesus name. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. STENNIS].

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, June 11, 1987.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable THOMAS A. DASCHLE, a Senator from the State of South Dakota, to perform the duties of the Chair.

JOHN C. STENNIS,
President pro tempore.

Mr. DASCHLE thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. Under the standing order, the majority leader is recognized.

THE JOURNAL

Mr. BYRD. Mr. President, I ask unanimous consent that the Journal of the proceedings be approved to date.

The ACTING PRESIDENT pro tempore. Without objection it is so ordered.

CAMPAIGN FINANCING REFORM

Mr. BYRD. Mr. President, today other Senators and I will be introducing an amendment to the campaign financing reform bill. Senator BOREN and others will be on the floor to debate that amendment. I would hope to go until 6 o'clock or thereabouts. I may be prepared to offer a cloture motion on that amendment before the day is over.

At the moment, I do not anticipate any other business today. There could be a conference report prepared and ready, or there may not be. There could be other business to be transacted by unanimous consent. But, for the most part, the attention this afternoon, once morning business is concluded, will be riveted on campaign financing reform.

I have been disturbed this morning to find in a Louisville paper that our colleague, Senator MCCONNELL, is being reported as having said that "Senate Republicans met late yesterday and, with one GOP Senator dissenting, agreed to bind themselves as a caucus to vote against the new version and any subsequent version that contains spending limits"—"spending limits"; let me repeat the words—"spending limits—and public financing."

Mr. President, I ask unanimous consent that the entire article to which I have referred be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

MCCONNELL, FORD SPLIT ON CAMPAIGN FINANCING

(By Robert T. Garrett)

WASHINGTON.—In a minidrama in which Kentucky's senators are playing lead roles, Senate Democrats agreed yesterday to scale back their proposal for public financing of congressional elections.

But few if any Republicans were reported willing to break ranks and help end a week-old Senate impasse on campaign-finance legislation.

Helping to craft the compromise that Senate leaders hope will keep Democrats in line and peel away wavering Republicans was Kentucky Democratic Sen. Wendell Ford.

With each passing day, Ford is finding the bill before the Senate more to his liking. It increasingly seems to be stirring his combative juices.

Also feeling feistier and more confident with each passing day, though, is Kentucky Republican Sen. Mitch McConnell.

In his most visible role since coming to the Senate in 1985, McConnell has been one of two GOP senators leading a filibuster against the bill. McConnell has helped devise the minority party's strategy and has worked to keep Republicans almost rock-solid in their opposition.

The bill, among other things, would create the first system of public financing of congressional campaigns. In exchange for agreeing to limit their campaign spending, future candidates for the Senate would receive some public funds.

The debate on the Senate bill, sponsored by Democrats Robert Byrd of West Virginia and David Boren of Oklahoma, has focused on whether to impose spending limits and create the mandated system of public financing that would make the limits possible.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

> After the Democrats failed on Tuesday to cut off the filibuster—they needed 60 votes to do so, and got only 52—they began rewriting the bill. Some of their skull sessions have been held in Ford's office. Ford is the chairman of the committee that approved the bill in April.
>
> The new version they drafted yesterday left its spending limits for participating Senate candidates intact (just over $2 million in Kentucky and, in Indiana, nearly $2.7 million) and did not alter its limits on how much money such candidates could draw from political-action committees.
>
> But it cut by half or more the cost of the public-financing scheme. Under the proposed new version, candidates could receive, at most, only 40 percent of their general-election finances from public funds—not 80 percent, as in the original bill.
>
> They could receive federal matching money only for gifts of $250 or less from individuals.
>
> A spokesman for Byrd, the Senate Democratic leader, said it had not been decided last night whether to allow the public subsidies to candidates to come, first, from $1 amounts taxpayers donated from their income-tax refunds; then from similar amounts taxpayers opted to have diverted from their tax payments.
>
> McConnell said Senate Republicans met late yesterday and, with one GOP senator dissenting, agreed to bind themselves as a caucus to vote against the new version and any subsequent version that contains spending limits and public financing.

Mr. BYRD. Mr. President, there is too much money in politics. The people of this country know that and they want something done about it, and we know it. We know that the current system which results in a money chase that is taking more and more time, becoming more and more intense, taking us away from our duties and our families more and more and more, the money chase, is undermining this institution—when I speak of "this institution," I mean not only the Senate but also the House—and we have to do something about it.

Now we Democrats are offering to do something about it. We have had S. 2 and the committee substitute before the Senate for several days. We tried to invoke cloture. We got 52 votes. We need 60. We cannot possibly get 60 votes unless we have votes from the other side of the aisle. Therefore, we cannot ever reach a vote on S. 2 if we do not get cloture.

Now, in order to meet the objections, in order to show that we are ready on this side to try to develop a workable, effective compromise, we are offering an amendment today. The distinguished Republican leader and I have indicated publicly here on this floor that we want to work to develop legislation to deal with this serious problem. We are both committed by our own statements to try to do that. I believe that the Republican leader wants to do that, and I believe that there are other Members on the other side of the aisle who want to do that.

But if we are entertaining the notion that we can have reform without limitations on campaign expenditures and limitations on PAC contributions, we are kidding ourselves and we ought not to try to kid anybody else.

Now, it is becoming pretty clear that all of the opposition, talk about public financing is pretty much a smokescreen; that the real problem, apparently, on the other side of the aisle is that of putting limits on campaign spending. And we ought not to try to fool anybody. If we attempt to make believe that we can have true campaign financing reform without having limitations on campaign expenditures, we will be fooling nobody.

So, let us just move away the veil, spread aside the smoke and the fog that have arisen over this issue. It is not public financing that is the basic concern of those who are opposed to this legislation, it is obviously that of putting a limitation on campaign expenditures.

The legislation that will be introduced today will reduce—and it will be explained better, in more detail, later, but just for now—it will reduce public financing more than half of what would be the case in the committee substitute for S. 2, which will be pending as soon as morning business is concluded. So we are meeting halfway, more than halfway, that objection.

I regret to have read this news story that our Republican friends have met and have attempted to act in a secret caucus to bind their Members against voting for this amendment or any subsequent amendment that puts a limitation on campaign expenditures.

It is too bad, if that is what we have come to. I would appeal to those on the other side of the aisle who believe—and I know that there are those who do believe we need campaign financing reform—I would appeal to them to work with us. Let us work together and attempt to find a way, to not only develop, but also pass, effective, meaningful, genuine campaign financing reform legislation that will put a limit on campaign spending.

Mr. President, I yield the floor.

RESERVATION OF TIME FOR REPUBLICAN LEADER

Mr. BYRD. Mr. President, I ask unanimous consent that the time of the distinguished Republican leader be reserved for his use later.

The ACTING PRESIDENT pro tempore. Without objection, the time will be reserved.

BICENTENNIAL MINUTE

JUNE 11, 1880: BIRTH OF JEANNETTE RANKIN

Mr. DOLE. Mr. President, on June 11, 1880, 107 years ago today, Jeannette Rankin was born near Missoula, MT. A longtime spokeswoman for peace and women's rights, Rankin could also claim several congressional "firsts." Rankin was not only the very first woman ever elected to the U.S. Congress, but she was also the first woman to run for a seat in the Senate.

Rankin was elected to the House in 1916, 4 years before the 19th amendment gave women the right to vote. Women in Montana, and other Western States, had gained that right through State action before women in the East. Rankin had long been involved in suffrage and reform movements, and she campaigned across Montana for the State's "at large" seat in the House on a platform of Federal suffrage; an 8 hour day for women; tax law reform; legislation to protect children; and prohibition.

Rankin was best known during her first term in Congress for her vote against World War I; but she worked hardest at getting the suffrage amendment passed. In 1918, Rankin decided to run for the Senate. After losing the Republican primary, she ran as a candidate of the National Party, a coalition of progressives, farmers, and prohibitionists. Her stand against the war led to her defeat, although she received 23 percent of the votes cast.

A quarter century later, Jeannette Rankin returned to Congress on the eve of the Second World War. Still an ardent pacifist, she was the only Member of Congress to cast a dissenting vote against America's entry into World War II. She was, in fact, the only Member of Congress to vote against both World Wars. After casting her vote, Rankin needed protection from the Capitol Police to get back to her office in the Cannon Building.

After this second term, Rankin retired from Congress to devote the rest of her life to working for peace. In 1968, at 88, she was back in Washington to lead several thousand women in a demonstration on the steps of the Capitol to protest the Vietnam war. Jeannette Rankin died in 1973 at the age of 94.

ADMINISTRATION PULLS BACK MAVERICK MISSILE SALE

Mr. DOLE. Mr. President, as I'm certain most everyone here knows, the administration is withdrawing its proposed sale of Maverick air-to-air surface missiles to Saudia Arabia.

Some might say that the administration merely read the handwriting on the wall—a resolution calling for the disapproval of the sale had well over 60 cosponsors.

But in fact, the administration has shown its willingness to both listen to Congress, and be responsive to it throughout this whole episode. And this is just another indication—as the consultations and reporting on the gulf situation and the reflagging issue showed—that on foreign policy matters the White House wants to keep the lines of communications with Congress open.

Last week, Secretary of State Shultz came to my office for a meeting with a number of Senators—from both sides of the aisle—who wanted to express their concern about the Maverick sale. He listened to all their arguments, and within a short time the State Department notified Congress that it was extending the period of review for the sale from 30 to 50 days. It did so with the hope that "this additional time would provide an opportunity for a fuller dialog on the merits of this proposed sale prior to any legislative action."

But it became readily apparent by yesterday that the overwhelming sentiment was against the sale, and the administration pulled back.

A number of Senators had questions about the role of the Saudis—their role in the *Stark* incident, their role in supporting the PLO, their role in being a constructive force in the Middle East peace process, and their future role in providing military assistance to the United States in protecting the gulf.

Some of these questions have been answered, some of the concerns allayed. But until we have complete and credible answers, it is going to be very difficult for the administration to convince Congress to allow sales of sophisticated military equipment to the Saudis. It's that simple.

The administration wants to cooperate with Congress on these arms sales—it made that clear at each and every step of this most recent process. And I have no doubts that it will continue to do so.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order there will now be a period for the transaction of morning business, not to extend beyond the hour of 1 p.m., with Senators permitted to speak therein for a period not to exceed 5 minutes.

The Senator from Tennessee.

TRANSPORTATION OF NUCLEAR WASTE

Mr. SASSER. Mr. President, on Monday, a tractor trailer rig carrying seven 8,000-pound casks of enriched low-level uranium overturned at a busy exit on Interstate 40 in a very highly populated area just outside Knoxville, TN.

I am happy to report this incident did not result in the release of radioactivity into the atmosphere, though emergency procedures were taken as a precaution.

There was, in this case, no health threat. There was no loss of life.

But that overturned rig must serve as a warning, and we in this body must heed that warning.

The transportation of highly radioactive materials is an inherently risky business. In fact, accidents of the type that occurred outside Knoxville appear, statistically speaking, to be unavoidable.

In this instance it would appear that 5 of the truck's 10 brakes were out of adjustment. We all know that such negligence has become commonplace. We know that tractor-trailer related accidents have been all-too-frequent in recent years.

Absolute enforcement of truck safety regulations is a virtual impossibility, but the added potential of a nuclear catastrophe, a catastrophe that could threaten entire communities, simply must force us to take extraordinary precautions in the shipment of radioactive materials.

There are things that we can do. The obvious first step is to limit the transport of such materials through densely populated areas.

Mr. President, it is a violation of simple common sense to pursue a nuclear waste disposal plan that we know is exposing more citizens to risk than is necessary.

Unfortunately, that is precisely what the Department of Energy is proposing right now. Instead of seeking a final underground repository in sparsely populated areas, as the Nuclear Waste Policy Act mandates, DOE is hell-bent on putting an above-ground monitored retrievable storage facility in Oak Ridge, TN.

In short, we are talking about a plan that could store all of the nuclear waste produced in this country, above ground, in one of the most highly populated areas of Tennessee, directly adjacent to the most visited national park east of the Mississippi River.

And the access route to Oak Ridge, Interstate 40, the artery on which the trailer overturned this Monday—that interstate is one of the most heavily traveled in the country.

In short, Mr. President, the DOE's proposal for a monitored retrievable storage site in Oak Ridge maximizes risk. It represents a totally unnecessary act of foolhardy brinksmanship. I would contend that the overturned rig on Interstate 40, the State officials trying to weigh the health threats, the local residents anxiously considering evacuation, that frightening scene is only a small beginning of what we can expect if we allow DOE to continue with its ill-advised plan.

The Department of Energy proposal means that some 854 additional shipments of highly dangerous nuclear waste will pass through the Knoxville/Oak Ridge area along I-40 and I-75.

Quite frankly, given the traffic on those interstates and given our experience with truck safey, we are literally begging for calamity.

Mr. President, we can do better than play Russian roulette with our nuclear wastes.

To my colleagues in States adjacent to Tennessee, make no mistake about it, the Department of Energy plan endangers your interstates and your citizens too, and it does so unnecessarily.

Disposing of nuclear wastes does pose risks which are unavoidable. There is no doubt about that. But we certainly don't need to increase the peril by seeking out the most highly populated areas through which to move these hazardous materials.

The technological age frequently leaves policymakers looking for the lesser of two evils. It is the very definition of poor policymaking to pursue, actively, the greater evil. Certainly we must avoid doing that in formulating this country's nuclear waste disposal policy.

Mr. President, I ask unanimous consent that an excellent editorial from the Knoxville Journal concerning this issue be included in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

[From the Knoxville (TN) Journal, June 10, 1987]

ACCIDENT ONE MORE REASON TO BAR MRS

An accident like the one Monday in which a truck carrying nuclear fuel overturned on Watt Road is just one more reason why Oak Ridge shouldn't be the site of a nuclear waste storage facility.

The truck was carrying seven 8,000-pound casks of enriched low-level radioactive uranium from a Columbia, S.C. Westinghouse manufacturing facility to a Missouri power plant where it was to be used.

If the U.S. Department of Energy locates a Monitored Retrievable Storage (MRS) facility in Oak Ridge, nuclear waste shipments—of high level materials such as spent fuel rods from the nation's nuclear power plants—will grow on Knoxville area highways up to 1,600 percent, according to DOE projections.

That means that 854 shipments, nuclear waste shipments, would travel along the area's interstates each year.

While radioactive levels in Monday's accident didn't rise because the storage casks didn't break, one need only drive along I-40 or I-75 in and around Knoxville to worry about one of the commonly seen reckless drivers swerving in front of a nuclear waste truck, causing it to wreck and leak radioactive materials.

Or the brakes will fail on one of the trucks and this time, cause injury or death and the release of radioactivity.

Proponents of the MRS argue that the casks in which radioactive waste is stored will not break. They have been thrown against brick walls, crashed by trains and otherwise tested only to remain intact.

But others warn that the casks that hold both new and spent nuclear materials are not accident-proof.

Poor design or a careless worker leaving out a crucial bolt can weaken the casks and leave them open not only to destruction in an accident, but also to external contamination.

Last year, the Nebraska governor forbade casks from coming through that state for fear of such external contamination.

A report prepared earlier this year by the Environmental Policy Group of the Tennessee Department of Health and Environment indicated there are concerns about the health and safety of Tennessee residents if the MRS were located here.

Several state senators expressed worry over the safety of transporting radioactive material through Tennessee during the recent legislative session.

The Radioactive Waste Campaign, which is opposed to the MRS, estimates that the trucks carrying the waste will have five wrecks per million miles traveled. If a site is located in Tennessee, the number of accidents is expected to be two to three per year, given the average 500-mile trip the trucks would have to travel.

The decision whether to build an MRS and whether to locate it on the site preferred by DOE is up to Congress.

A showdown could come soon, as a key Senate committee chairman has introduced legislation approving the site, in reponse to Gov. Ned McWherter's veto last month of the DOE plan.

Congress should consider two key aspects.

First, Oak Ridge is too populated and is too near even larger population centers to make it a reasonable site for the storage of nuclear waste, even on a temporary basis.

And second, Congress should consider the implications of the transportation question. The MRS is designed to store the waste above ground, then repackage it and ship it on to underground permanent sites in another state, probably in the West.

But this creates needless miles of travel, which in turn increase the chance of accidents.

Those two to three wrecks per year involving trucks carrying the radioactive materials could happen in any Congressman's district.

The materials, which are kept in casks whose safety no one can guarantee despite claims to the contrary, should not be shipped twice—once to the so-called temporary site in propulated Tennessee, then again later out West.

The miles these containers and their hazardous content travel should be limited to one trip—to a permanent site in the sparsely populated West.

Mr. SASSER. Mr. President, I wish to express my appreciation to the distinguished senior Senator from Wisconsin for yielding in advance to me.

The ACTING PRESIDENT pro tempore. The Senator from Wisconsin is recognized.

IS THE FED CHAIRMAN AN ECONOMIC POWERHOUSE? THINK AGAIN

Mr. PROXMIRE. Mr. President, just how much power has the Chairman of the Federal Reserve Board? Respondents to a poll conducted by U.S. News & World Report have in the past rated the FED Chairman as the second most powerful man in the country after only the President of the United States. How about this comparison? Does it make sense? The answer is No. Emphatically no.

This is an absurd comparison. In spite of all the so-called checks and balances of the Constitution, the President of the United States has enormous power. First, he is Commander in Chief of what's arguably the most powerful military force on Earth. He can if he wishes almost totally control our foreign policy. He and he alone can initiate a nuclear strike against a foreign country. Although the Constitution gives the President limited power to determine our laws, in fact, he has an immense legislative power, far more than any Member of the Congress and often more than the entire Congress combined.

It is the President who initiates most major legislation. It is the President who has the power to determine how vigorously legislation is executed and, indeed, whether legislation is executed at all. And, of course, the President alone can block almost all controversial legislation by simply exercising his veto.

But it is in the total domination of the executive branch that a President can exercise his most effective power. He appoints all top executive policymakers to office. He can fire them at will. The Senate almost never challenges Presidential nominees. Our form of government has rightly been called a Presidential government—not a congressional government but a Presidential government, and it is. The President's power is only limited by the President's ability, his energy, and his desire to lead.

Now compare all this with the Chairman of the Federal Reserve Board. The FED Chairman's power is limited primarily to control over the supply of credit to our economy. He has no voice in military policy. He has an international economic policy influence which he can achieve only through negotiations with the central bank leaders of other countries. And even then it is circumscribed within the narrow limits of international credit. He has a very modest bank regulatory power which he shares with two other Federal commercial bank regulators and 50 State bank regulators.

Furthermore, the FED Chairman's power is limited by the fact that he owes his office to the President who appoints him. Every last vestige of power the Chairman exerts comes to him from the Congress. The Constitution gives the Congress the money power. The Congress has delegated that power to its created Federal Reserve Board. It can abolish the Federal Reserve Board any time at will. The Congress can reclaim its own constitutional power over the Nation's credit supply at any time in whole or in part.

But the real limit on the power of the FED Chairman comes from the fact that he has just one vote in a seven member Board. The Chairman's term as Chairman lasts only 4 years. The terms of his colleagues on the Board last 14 years. The Chairman does control the highly skilled FED staff. He does allocate duties among the Board members. But he can only institute or sustain bank regulatory policy with the agreement of a majority of the other six members of the Board. Those other members can and do disagree with the Chairman.

Now, how about monetary or credit policy? This is the real cutting edge of the Federal Reserve Board's power. How full is the Chairman's power in this respect? Here the Chairman's power is especially diluted. He must share his power with 11 other members of the Open Market Committee. That means the six other Federal Reserve Board members plus five presidents of Federal Reserve Banks who serve on the Open Market Committee. So the "powerful" FED Chairman has one-twelfth of the power to make the most important decisions he can make: The decisions that determine this country's monetary policy.

Now, of course, it is true that—in fact because of the intelligence, judgment, and personal force of the most recent FED Chairman, they have wielded the very modest power of the office with very considerable success. For most of the past 36 years, three remarkable men—William McChesney Martin, Arthur Burns, and Paul Volcker—have exercised considerable power, because of their own quality, not because of the power of the office. In fact, the power of the FED Chairman is extra ordinarily circumscribed. It represents a small, in fact, a tiny fragment of authority compared to the immense power exercised by the President of the United States. It is fair to say that the FED Chair is not even in the same power league as the President. But then, who is?

EXTENSION OF TIME FOR MORNING BUSINESS

Mr. BYRD. Mr. President, I ask unanimous consent that the period for the transaction of morning business, under the provisions heretofore stated, be extended to the hour of 1:30 p.m. today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The Senator from Michigan [Mr. RIEGLE] is recognized.

Mr. RIEGLE. I thank the Chair.

THE UNITED STATES AS DEBTOR NATION

Mr. RIEGLE. Mr. President, I rise today to begin to discuss in a serious way our trade problem in this country. It has been announced by the majority leader that when we complete action on the campaign finance reform legislation, the next action scheduled on the Senate floor will be the trade bill. We have produced within the Finance Committee a trade proposal which will be the matter that will be before the Senate at that time. I wanted today to begin the discussion that has to precede the consideration of that trade bill by indicating exactly where we are in our trade circumstance today.

Frankly, we are in terrible trouble. I brought with me three charts today to illustrate this in, I think, a powerful fashion.

The first chart depicts our trade deficit. The line at the top of the chart indicates the balance of trade. You can see from looking at the chart that in the early seventies, we were more or less holding our own in the trade account. In the late seventies, however, we came down to a deficit position and remained there, on a plateau, for several years, until 1982.

Then, suddenly, our trade situation got much worse and, as this chart shows, we began to hemorrhage in terms of our trade situation. The U.S. trade deficit last year was nearly $170 billion. It is incredible to imagine that we bought $170 billion more of foreign goods than we were able to sell overseas. Nothing in our contemporary history touches that kind of trade performance.

If you think of this chart on our trade balance each year as a credit statement, I would like to show what our balance sheet looks like, because this shows an even more troubling picture of our negative circumstance.

Mr. PROXMIRE. Mr. President, will the Senator yield?

Mr. RIEGLE. Yes, Mr. President.

Mr. PROXMIRE. I commend the Senator on what he is doing. I think this is extremely important. I am sure that in Michigan, as well as in Wisconsin, this has a terrific impact on the jobs that are available.

Is it not true that when you have a $170 billion adverse balance of trade, that means you lose between 3.5 and 5 million jobs? In other words, the fact that we have around 8 million people unemployed in the country can be traced in very large part—in fact, most of it—to the fact that we have such a devastating adverse balance of trade.

Mr. RIEGLE. That is exactly right. I would say further than because some of the important goods are high-value-added goods, they represent high-paying jobs. They represent skilled jobs. They represent the jobs that we have used in the past in this country to build the middle class, so that many of the jobs that are disappearing are some of the best jobs in our society. We are losing the jobs but we are losing jobs that are very hard to replace.

In addition to the jobs, let me go to the issue of our underlying financial strength. This will also be of interest to the Senator from Wisconsin because of the emphasis he gives to these kinds of issues.

This chart shows also that as these trade deficits have multiplied; we have crossed the line and become a debtor nation. If you look at the chart that shows our underlying financial position, you will see that until roughly 1984, going all the way back to 1914, we were a creditor nation. We had a very stong international financial position. That carried us through the Great Depression, the world wars, and so forth.

But about 1984, as this chart shows, we crossed out of the creditor nation status shown in blue here, and we became a debtor nation for the first time since 1914. In a short period of time—the 2 years since—we have gone speeding into this debtor nation status to the point where we have passed everybody else on that list. We hear about Poland, Mexico, Brazil—we are now the No. 1 debtor nation. Interestingly and alarmingly, we are adding new international debt at the rate of $1 billion every 2½ days. That is the slope we are on now.

If you think in terms of the change in circumstance from this high point just about 4 years ago to this low point today, to imagine our fortunes have changed that dramatically, it is really a breathtaking change. The New York Federal Reserve Board has estimated that by 1990, which is only 3½ years away, we are going to owe the rest of the world roughly $1 trillion.

What has happened? I want to relate this now to the Venice summit. The President went to Venice and hoped to persuade our allies to help us in certain ways—the Persian Gulf, trade barriers, terrorism, et cetera. And basically, he got the cold shoulder. The reading is that our allies are not too willing to help us.

It turns out that much of the debt we now owe, we owe to our allies. They are our creditors. In the case of the Western European nations, we now owe them about $238 billion. In the case of Japan, we owe Japan about $73 billion. We are in debt to them. These nations, in effect, are our creditors. So when the President of our country goes to deal with these foreign powers, to whom we are so deeply in debt and going more deeply into debt each day, it is not surprising that we do not have so much leverage. It is not surprising that we are not able to exercise very much influence because we are in a weak position. We are in a weak position because we put ourselves in hock with this kind of massive debt.

When the trade bill comes to the floor, we are going to have an opportunity to do something about reversing these trend lines, restoring the balance of trade, and starting to work our way out of this debtor-nation status. But we do not have long to do it, because it is a very dangerous situation.

I think it is beginning to hurt us in every area of our national conduct.

I shall give another example. Recently, we had a major Treasury refinancing, as we have to do periodically, to roll over the debt. The Japanese for a time indicated that maybe they would not participate in that financing. This set off a shock in the financial markets and interest rates kicked up suddenly. Anybody who has an adjustable rate mortgage knows it has just been adjusted upward, because the prime rate has gone up. The nations to whom we are so deeply in debt are now beginning to pull the string on us and show us we are going to have to have higher interest rates in order to attract them, if they are going to have an interest in that money.

So now even though the economy is not all that robust in the United States today, we are finding that interest rates have gone up at a time when it would be better for economic growth and job creation if interest rates could stay down and perhaps go even lower.

We are caught in an extraordinary dilemma. When the trade bill comes to the floor, I will be offering an amendment that we are still refining—and we are working with members of the Finance Committee now—that will be an alternative to the Gephardt amendment. It will be an amendment that will deal with the unfair trade barriers in foreign countries that have helped create these terrible conditions.

I want to show one final chart. This is a depiction of our bilateral trade deficit with just the nation of Japan. It is incredible to see how, from 1976 through 1986, this annual trade deficit has expanded at such an alarming rate, this despite a 40-percent change in the value of the dollar versus the yen, which should have had an effect of improving the situation but in fact did not and has not as yet.

We have a very serious problem. We have trade barriers in Japan today that are valued at an annual estimated amount of $15 billion. We have American products and American services that we are ready to sell in Japan and that we are trying to sell in Japan. They are better products, they are cheaper, and they could be sold there but for the Japanese Government and the Japanese economic system which will not let those American products be sold. Some are agricultural products, some are manufacturing products. We know about other problems, but just the sheer barriers in Japan to keep out our products that could be sold there today amount to 15 billion dollars' worth of this total.

So the amendment that I am crafting to make the trade laws fair will address just those items where the cheating is going on that prevents our products—and the workers jobs those products represent—from being able to be sold on a fair basis in countries like Japan with these huge surpluses.

There are really three countries that are in the most offending category today with huge bilateral surpluses and very considerable barriers to products. They are Japan, Taiwan, and Korea. My amendment will deal with all countries that fall into that category, but those are the three chief offenders now.

So I indicate to my colleagues that this is the purpose and background of why we have to craft something reasonable, something that keeps the trading system open, that gives us a chance to work our way out of this terrible debtor nation condition so that we have the economic strength for the future, so that when our President does go to a summit meeting he does not have to go hat in hand. He does not have to go, in a sense, talking to people to whom we are deeply in debt to try to get them to do something where they are in a very powerful position and basically give us the brush-off, as they are increasingly doing.

This is the background for everyone as we approach this major trade debate. I will be circulating in due course a letter to colleagues asking for their support on this trade amendment that I will be offering which, as I say, will be an alternative, a replacement for the Gephardt amendment. It will only go against the unfair trade practices in foreign countries. There is a formula by which it will be done, and I think it is a reasonable, balanced amendment. We have no more time to lose. We are in desperately serious economic financial trouble internationally and it is time we acted to change that.

The PRESIDING OFFICER (Mr Wirth). The time of the Senator from Michigan has expired.

Mr. RIEGLE. I thank the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Montana.

GEPHARDT II

Mr. BAUCUS. Mr. President, yesterday I began a series of statements explaining why I feel that the Gephardt amendment would be a bad trade law. This morning we heard from the Senator from Michigan who explained that he is going to be offering to the trade bill a son of Gephardt, a variation of the Gephardt amendment. As I understand the Senator, I think the amendment, the modification, the rewrite of Gephardt is a slight improvement of a very bad amendment, but in my judgment it does not go nearly far enough, and I will explain why.

Yesterday, I focused on what life would be like under the Gephardt amendment. Today, I would like to explain why Gephardt and its variations, as we have heard thus far, are not a conceptually sound approach to trade policy.

UNFAIR TRADE PRACTICES—NOT THE ENTIRE PROBLEM

Mr. Gephardt and his supporters argue that certain countries trade unfairly in order to maintain excessive trade surpluses with the United States. They argue that the structure of these economies denies us market access, that only dramatic action will jolt them into opening their markets.

You know what? They are right, but only by about 10 percent. Those nations do trade unfairly and it is correct for us to attack them for their trade practices. But the problem with the Gephardt amendment is that it does not address the heart of the problem. The Gephardt amendment takes a bachelor's degree approach to today's trade problems, but America needs to take a Ph.D. approach.

Today we live in a world in which Japan's overriding concern has been to maintain its export base with little priority given to improving its people's standard of living. Meanwhile, the United States gives top priority to maintaining its standard of living artificially through an excessive budget deficit and short-term consumption. Japan refuses to stimulate its economy. The United States has made very few concrete efforts to improve its own competitive position. In other words, getting tough on the Japanese will not do much good unless we also get tough on ourselves.

These are broader problems that must be solved before our trading posture will improve. Eliminating unfair trade practices is part of the solution, but it is only a small part of the solution. There is much more. In fact, Gephardt himself concedes that these unfair trade practices account for no more than 15 percent of the overall trade deficit. If all of our major trading partners' trade barriers were eliminated, U.S. exports would increase by no more than $30 billion, which is something but is not much in the face of a $170 billion overall trade deficit.

In contrast, a recent study by the Federal Reserve Board indicated that 50 to 75 percent of the trade deficit was attributable to the inflated exchange rate of the U.S. dollar caused by the U.S. fiscal budget deficit. In other words, the U.S. budget deficit is the main engine driving the U.S. trade deficit. Further, the Wharton School of Economics recently estimated that 20 percent of the U.S. trade deficit was caused by declining U.S. competitiveness in world markets. Until the United States can produce products that are competitive with their Japanese counterparts, we will always have a trade problem, a severe trade problem.

So I do not oppose the Gephardt amendment because it does not address a legitimate problem. It does. Rather, I oppose the Gephardt amendment because it does not address the problem in a way that will do the most good for this country. We have a choice. We can make our trade policy by blaming all of our trade problems on our trading partners—we are the good guys, they are the bad guys and we shoot the heck out of the bad guys—or we can recognize the complexity of the situation. Many countries trade more unfairly than do we, but the United States causes some of its own problems, too, and we can structure a trade policy that faces those tough questions. The good guys versus the bad guys trade policy does feel better but the honest trade policy is more likely to get results and help our constituents. We owe it to them to make the right choice. The Gephardt amendment is not only inadequate trade policy, it is also harmful trade policy. Tomorrow I will take a good look at the impact that the Gephardt amendment and its variations would have on consumers and upon the economy generally.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Chair recognizes the Senator from North Carolina.

Mr. HELMS. Mr. President, I thank the Chair.

JUDGE SENTELLE AND MASONRY

Mr. HELMS. I feel obliged to comment on a matter that has developed with regard to the nomination of the Honorable David Sentelle to the U.S. Court of Appeals for the District of Columbia Circuit.

Judge Sentelle is a prominent and highly respected North Carolinian. His nomination to the D.C. Circuit Court of Appeals has been before the Senate since February 2. The hearing on his nomination was conducted by the Senate Judiciary Committee on April 1 and was reported unanimously—unanimously—from the Judiciary Committee on April 29 along with the nomination of Ronald Lew of California to the Federal bench of the central district of California.

Mr. President, it had been reasonably assumed that both nominations would be quickly and routinely confirmed by the Senate—and, in fact, the nomination of Judge Lew was confirmed on May 7.

But not the nomination of Judge Sentelle. The distinguished Senator from Illinois [Mr. Simon] placed a "hold" on the Sentelle nomination because Senator SIMON stated that he had some concern about Judge Sentelle's being a member of the Masonic Order. I certainly do not criticize Senator SIMON for seeking information about Masonry if he was not aware that Masonry is among the Nation's most historic and most highly respected organizations, and throughout the history of the United States there have been literally thousands of this Nation's top leaders, including President George Washington, who were and are Masons.

Indeed, Mr. President, both the majority leader of the Senate [Mr. BYRD] and the minority leader [Mr. DOLE] are 33-degree Masons. So is the distinguished assistant minority leader [Mr. SIMPSON].

I shall address that general point in more detail momentarily. Let me now return to the Sentelle nomination, which has been delayed for the better part of 6 weeks for no reason whatsoever.

Last week I talked with Senator SIMON and he readily agreed to lift his "hold" on the Sentelle nomination. Presumably my friend, the able Senator from Illinois, had received the assurances that he needed from the American Bar Association. In any event, Senator SIMON did, in fact, withdraw his "hold" on the Sentelle nomination.

Then, Mr. President, the distinguished Senator from Massachusetts [Mr. KENNEDY] put his "hold" on the Sentelle nomination—for, insofar as I know, no stated reason.

Now, let me make it clear that I support the courtesy extended to all Senators to place "holds" on any nomination about which they have a question. It is essential to the advise-and-consent process which makes it the right and duty under the Constitution to exercise their responsibility in approving or disapproving a nomination.

I myself in my 14½ years in the Senate have exercised that responsibility. I have placed many "holds" on nominations. I shall continue to do so when I think it important to do it. But I never have been frivolous about it, and if there is any question about that I shall be delighted to sit down with any Senator who may doubt it and explain specifically and in detail why, in each instance, I have placed the "hold." There have been those who may have disagreed with my reasoning in the instance of the holds that I have placed in past time. But I can assure them, and demonstrate to them, I believe, my good faith in exercising my constitutional responsibility as a Senator with respect to advise and consent.

I say that to emphasize that I have never criticized any Senator who was led to place such a "hold" on any nomination when it was placed in good faith. But when a "hold" is placed for a frivolous or political reason, if and when that should ever happen, it is regrettable and it is totally inconsistent with the advise-and-consent process of the Senate under the Constitution.

And if any Senator can find fault with the character, ability, dedication, personal life, loyalty or the beliefs of David Sentelle and wishes to delay or oppose Judge Sentelle's nomination for any of those reasons, there will be no complaint from me.

But to delay the confirmation of Judge David Sentelle because he is a Mason, because he is and has been a Mason goes beyond the pale. I do hope that the leadership will proceed to bring up the Sentelle nomination unless a Senator can provide a complaint beyond the fact that the Senator may dislike the fact that Judge Sentelle is a Mason.

I should mention, Mr. President, that I have been a Mason for four decades. I am honored to be a Mason. While I am one step behind Senators BYRD and DOLE, who are 33d degree Masons—I am a 32d degree Mason—I am nonetheless a Mason and honored to be one. And during my 40 years in Masonry, I am yet to see or hear one bigoted statement or action by a Mason. It is a remarkable organization of dedicated men.

As for Judge Sentelle specifically, he was rated "well qualified" by the American Bar Association for both the district court on which he now sits and the circuit court to which he has been appointed. The ABA knew he was a Mason when it rated him well qualified.

He has exceptionally broad experience, having served as an attorney in private practice, an assistant U.S. attorney, a State court judge and a Federal judge. He also has experience as a Federal appellate court judge, having sat by designation with the Fourth Circuit Court of Appeals.

While in private practice, he gave extensively of his time in the pro bono representation of people who could not afford the legal assistance they needed. His academic record is exemplary and his reputation for intelligence, honesty, fairness, and dedication to equal justice for all has seldom if ever been matched by any nominee to the Federal bench.

Mr. President, Judge Sentelle belongs to two Masonic lodges in North Carolina. I think the distinguished majority leader will agree with me that Masons are reknown for their charitable devotion of time, energy, and finances for the benefit of needy people, most notably the Shriners' hospitals for crippled children. Masons are a centuries old fraternity of brothers and do not restrict membership on the basis of race, religion, or national origin, but do not have women members.

If membership in a Masonic lodge were a disqualification for public service, American history books would be bereft. Nine signers of the Declaration of Independence, 13 signers of the Constitution, 15 of our 40 presidents—including George Washington, both Roosevelts, Harry Truman, Lyndon Johnson, and Gerald Ford—5 of our 15 Chief Justices and at least 35 other Supreme Court Justices—including Earl Warren, Hugo Black, Potter Stewart, and William O. Douglas—at least 18 members of the Senate—Majority Leader ROBERT BYRD and Minority Leader ROBERT DOLE, SAM NUNN, JOHN GLENN, MARK HATFIELD, ARLEN SPECTER, STROM THURMOND, ERNEST HOLLINGS, JAMES MCCLURE, CHARLES GRASSLEY, J. BENNETT JOHNSTON, JOHN STENNIS, JAMES EXON, JESSE HELMS, QUENTIN BURDICK, LLOYD BENTSEN, ROBERT STAFFORD, and ALAN SIMPSON—and at least 58 Members of the House of Representatives, including Speaker of the House JIM WRIGHT, DON EDWARDS, CLAUDE PEPPER, DAN GLICKMAN, GUY VANDER JAGT, WILLIAM FORD, TRENT LOTT, HAMILTON FISH, and DELBERT LATTA, are Masons.

Furthermore, eight of the nine members of the Supreme Court that decided Brown versus Board of Education were Masons. Canon 2's restriction on judges' membership in groups that practice "invidious discrimination" was clearly not intended to put organizations such as the Masons off limits for judges. If canon 2 is held to prevent judges from belonging to all groups that discriminate on the basis of race, religion, or sex, no member of any organized religion can be confirmed as a judge because church membership is not open to people of other religions.

Mr. President, let me reiterate for the purpose of emphasis: I do not question any Senator's right to place a "hold" on any nomination. I reiterate that I have done it myself in the past, am doing it now, and will undoubtedly do it in the future. But I have never failed to state my reasons.

And I say again that if Senator KENNEDY or any other Senator can identify any defect in the character of Judge Sentelle, or any lack of ability, or any failure to conduct himself as a decent, honorable, and totally loyal American citizen, I will have no complaint about further delay of the Sentelle nomination.

But to delay David Sentelle's nomination because he is a Mason borders on being unconscionable. I am hopefully confident that this is not the basis for the further delay of the Sentelle nomination and I do hope that it can be presented promptly for consideration by the Senate.

EXTENDING MORNING BUSINESS FOR 45 MINUTES

Mr. BYRD. Mr. President, I ask unanimous consent that the period for morning business be extended for 45 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STEVENS. Mr. President, while the distinguished leader is here, I had intended to make a statement on the pending business before going to a conference at 2 o'clock. Is there going to be a limit on the time a Senator may speak during this extended period?

Mr. BYRD. Mr. President, in response to my friend, I ask unanimous consent that Senators may speak out of order during this period for morning business and that they may speak for not to exceed 15 minutes each and that the speech, if it relates to the unfinished business, may appear in the RECORD at a place which would be appropriately connected with that unfinished business at such time as the Senate returns to the unfinished business.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STEVENS. Mr. President, I thank my good friend for his usual courtesy and kindness.

(The remarks of Mr. STEVENS will appear in the RECORD when the Senate resumes consideration of the Senatorial Election Campaign Act.)

EXTENSION OF MORNING BUSINESS

Mr. BYRD addressed the Chair.

The PRESIDING OFFICER (Mr. ROCKEFELLER). The majority leader.

Mr. BYRD. Mr. President, I ask unanimous consent that the period for morning business be extended under the same restrictions as heretofore ordered for an additional 30 minutes beyond the hour of 2:17 today.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Was the earlier agreed to period to end at 2:17 p.m.?

The PRESIDING OFFICER. The Senate majority leader is correct.

Mr. BYRD. I thank the Chair. Then morning business would be extended to the point of 2:47 p.m.?

The PRESIDING OFFICER. The majority leader is again correct.

Mr. BYRD. I thank the Chair.

Mr. REID addressed the Chair.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, I ask unanimous consent that the remarks I give at this time, even though in morning business, appear when the unfinished business is taken up and be laid in the RECORD at that time.

The PRESIDING OFFICER. Those are, in fact, the terms and conditions under which we are in morning business.

(Mr. REID's remarks, as well as Mr. WIRTH's remarks, are printed later in the RECORD when the Senate resumes consideration of the Senate Election Campaign Act.)

CALMING TROUBLED WATERS: TIME FOR A DIALOG ON THE PERSIAN GULF

Mr. PELL. Mr. President, on June 4, I introduced legislation to keep the United States out of the Iran-Iraq war by barring the "reflagging" of Kuwaiti tankers with the American flag—wrapping the American flag as a lifesaver around these vessels. In my statement, I argued that the benefits of reflagging—and the provision of United States naval escorts to the Kuwaiti tankers—were minimal while the risks are substantial. I would like to explore these issues a bit further today.

The administration asserts, with great rhetorical flourish, that the reflagging of 11 Kuwaiti tankers and their escort by the United States Navy is essential to American interests in freedom of navigation in the Persian Gulf. In fact, some 600 ships travel through the Strait of Hormuz each month, or roughly one every hour. Each of these ships is vulnerable to attack from Chinese Silkworm missiles, soon, apparently, to be operational on the Iranian shores.

Further, at any given time there are some 100 ships in the gulf. These are vulnerable to aerial attack from either Iran or Iraq.

Since 1983, Iran and Iraq have been waging war against ships calling at each other's ports. Iran has repeatedly stated that if Iraq cuts off its shipping throughout the gulf, Iran will make sure no other country may make use of the gulf.

Protecting 11 Kuwaiti tankers will not make even a modest contribution to freedom of navigation in the gulf. Protecting all 600 ships transiting in and out of the gulf would require a commitment of resources on a scale not contemplated by the administration.

Freedom of navigation, then, is no argument for the reflagging. A second argument advanced is that if the United States does not provide naval escorts, then the Soviets will. A Soviet reflagging would, it is contended, give them a foothold in the gulf.

I have never been persuaded that we should do something merely because the Soviets are doing it, or might do it. This is especially true if the action is contrary to our own interests.

In this case, the Soviets have acted with far greater caution then we have. The Soviets have not increased their naval presence in the gulf and, in spite of a Soviet tanker being struck by an Iranian mine, have carefully avoided bellicose rhetoric.

According to First Deputy Foreign Minister Yuli M. Vorenstov, cited in an interview published in Sunday's New York Times, the Soviet Union has been engaged in discussions with Iran, Iraq, India, and other countries on the Persian Gulf situation. Further, the Soviets have proposed talks with the United States on how to protect shipping in the gulf.

We should accept the Soviet offer for discussions. In fact, a United States-Soviet dialog provides the best opportunity to limit the Soviet naval presence in the Persian Gulf.

Instability creates opportunities for the Soviet Union. If the reflagging, and naval escort plan, results in a United States-Iranian clash, then a Soviet involvement in the gulf could be more likely and substantially more dangerous. I thought our former colleague, Senator Howard Baker, had it right the first time when he endorsed such a dialog.

Finally, the lack of enthusiasm of our allies for our Persian Gulf policy—as evidenced by the weak language of the Venice communique—should serve as further cause for caution. Except for Britain and Canada our summit partners are far more dependent on Persian Gulf oil then we are. Yet, they seem to recognize the limited benefits to their own interest in the free flow of oil reflected in the reflagging plan.

As a result of the Reagan administration's covert policy of selling Iran weapons, United States credibility in the Persian Gulf region is at an all-time low. Our allies and the regional states view our plans with great skepticism, a skepticism shared by the American people.

A go-it-alone, high risk, highly rhetorical policy will not reestablish U.S. credibility. On the contrary, it risks further damage to U.S. prestige and influence.

Now is the time to talk softly—at the United Nations, to our allies, to the Soviet Union, and to the regional states—about protecting shipping in the Persian Gulf, and above all, about ending the Iran-Iraq war.

Mr. President, I yield the floor.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXTENSION OF MORNING BUSINESS

Mr. BYRD Mr. President, I ask unanimous consent that the period for the extension of morning business be extended until 3:15 p.m.; that Senators may speak therein up to 15 minutes each, and, provided further, that any speeches that are on the subject of campaign financing reform appear in the Record at such place as occurs when S. 2, the unfinished business, is again laid before the Senate.

The PRESIDING OFFICER. Without objection, it is so ordered.

The PRESIDING OFFICER (Mr. Adams). The Senator from Nebraska.

SMALL BUSINESS

Mr. KARNES. Mr. President, I take the Senate floor today to apprise my colleagues of action taken by the Senate Small Business Committee this morning. Our action was to mark up a bill to address two critical problems in our economy today: the problems of small businesses in the world marketplace and the huge U.S. trade deficit. I am pleased to be a cosponsor of S. 1344, the Small Business International Trade and Competition Enhancement Act, which was acted on favorably by the Small Business Committee this morning on a bipartisan 17-to-0 vote. I feel this legislation can provide American small businesses with the opportunity and the resources to expand into and compete effectively in international markets.

The innovative and entrepreneurial nature of small businesses provides our Nation's economy with vitality. Through creativity and diversity, small businesses add strength and stability to the economic foundation upon which this country was built. These innovative and diverse businesses employ nearly half of the private sector work force and have created nearly two-thirds of the Nation's new jobs in the last decade.

This proposal will have a significant impact not only upon the national economy but also upon my State's economy. Nebraska's economy is very dependent on small businesses. The Nebraska Department of Economic Development estimates that 99.2 percent of the State's business are considered small businesses.

The Small Business Administration has informed me that there are approximately 60,000 businesses in Nebraska. The Nebraska Department of Economic Development estimates that roughly 450 Nebraska businesses currently export or have exported in the past 7 years. This means that only about three-quarters of 1 percent of Nebraska businesses are exporting in the world markets. My colleagues will discover that a similar situation exists in many of their States.

Much of our Nation's economic growth can be attributed to small businesses. This is why Congress must not overlook this important business sector as we strive to regain our leadership role in the world marketplace.

Any trade enhancement policy which Congress adopts must include export initiatives for America's small businesses. S. 1344 will initiate programs designed to provide small businesses with the ability to actively pursue new international markets for their goods and services.

This bill provides small business with greater access to necessary capital, credit, and trade data so that they may venture into the international marketplace. It provides for a greater integration of already established governmental programs which will serve as conduits in the search for new trading partnerships.

The legislation will improve small businesses' ability to compete in international markets by increasing the distribution of information about demand in foreign markets, market leads, export financing programs, and other available trade data. The framework for gathering and disseminating this information is already constructed and ready to be utilized. The bill will expand the mandate of the existing Small Business Administration International Trade Office. Furthermore, it will expand the functions of the Department of Commerce and the Small Business Administration by bringing them together in a cooperative relationship designed to develop and promote exports by small businesses. The measure will give small businesses access, through localized SBA networks, to the vast resources of the Department of Commerce and other relevant Federal agencies.

The legislation will provide for the development of trade promotion programs within States by creating Small Business Export Assistance Centers. These centers will be operated through already existing entities such as the Small Business Development Centers. The Small Business Export Assistance Centers will serve as information dispersement centers and will also serve as a delivery clearinghouse for small businesses that wish to participate in the international marketplace.

The Small Business Development Centers are excellent vehicles by which trade expansion programs can reach out to small business. Nebraska has one of the original pilot centers which is now known as the Nebraska Business Development Center. The NBDC holds around 120 workshops and seminars, and consults on about 1,200 cases per year through its 5 statewide locations. A review of last year's NBDC report provides ample proof of the center's effectiveness in assisting small businesses in Nebraska.

This type of network is in place not only in Nebraska but all over the country. The network is there and should be utilized to draw our innovative small businesses out into the international markets. As legislators, we should always be looking at where we have invested our resources in the past and build upon and expand those programs which are successful.

A great deal of effort has been put forth by the Federal Government to set up this SBDC center network. As we look outward for opportunities in the world market we must also look inward for American businesses which can take advantage of the opportunities that we discover. I think this bill will provide the avenue which will link our small businesses with the world marketplace. I hope that S. 1344 receives the overwhelming support which it deserves when it is put before the full Senate.

Mr. President, I look upon S. 1344 as a vehicle ensuring that the small business interests of America will be included in the comprehensive trade reform legislation which Congress intends to enact in the very near future.

EXTENSION OF TIME FOR MORNING BUSINESS

The PRESIDING OFFICER. Is there further morning business?

Mr. BYRD. Mr. President, I ask unanimous consent that morning business be extended, under the same restrictions as heretofore, until 3:30 p.m. today.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ALTERNATIVE DISPUTE RESOLUTION

Mr. GRASSLEY. Mr. President, I rise today to speak on a question that goes to the heart of our American legal system. That is, how do we resolve disputes in this country?

For many years before his retirement, Chief Justice Warren Burger warned that if our legal system did not change to cope with our excessive urge to have the courts settle all disputes, our way of life would be jeopardized.

Justice Burger's fear may be the reality. We are, by any measure, the most litigious society in the world. Many other experts within the legal establishment have been joined by lay critics who believe that we are suffering from too many laws, too many lawsuits, too many legal entanglements, and too many lawyers.

In fact, the United States has the largest number and rate of lawyers in the world—the number having more than doubled since 1960 to more than 600,000.

These men and women are hard at work. The proof is in the 16 million civil lawsuits pending in our State and Federal courts—1 lawsuit for every 15 Americans.

Of course, only a small percentage of these cases—roughly 5 to 10 percent—actually go all the way to judicial resolution. But all of these cases are costly. In fact, the only thing that's certain about a lawsuit is the expense.

Although the Government subsidizes many of the costs of running the courts, their full use requires expensive lawyers and the time of the disputants. This means that courts are generally inaccessible to all but the most wealthy parties.

Along with many others—lawyers and nonlawyers alike—I have reached the following conclusion:

Our society cannot and should not rely exclusively on the courts for the resolution of disputes. Other mechanisms may be superior in a variety of controversies. These alternatives may be less expensive, faster, less intimidating, more sensitive to the concerns of the parties, and more responsive to underlying problems.

In my view—as a citizen, a legislator, a member of the Judiciary Committee, and as one with a desire to improve the regard which our people hold the legal system—the answer to our legal dilemma is in alternative dispute resolution.

The methods of ADR are not new. Arbitration, mediation and negotiation and the like have been with us for years. State and Federal courts are trying a range of alternatives to adjudication.

ADR methods now resolve consumer complaints, small commercial disputes, insurance claims, employment grievances, even divorce cases.

The administrative conference of the United States, the American Bar Association and private sector groups have studied and implemented some of these techniques, on occasion.

On the Federal level, it is a fact that administrative agencies now decide far more cases than do the Federal courts—hundreds of thousands annually.

The subject matter of these cases covers every aspect of our lives—disability claims, civil rights, labor relations, health and safety, grants, loans and procurement, trade issues, and so on.

The irony is that while agencies' procedures were set up as an alternative to excessively formal court rules, many agencies' decisions now get hamstrung in procedural redtape. Agencies have become too much like mimics of the courts.

It is true that some Federal agencies have taken tentative steps toward use of alternative dispute resolution. But in my view, we in the Congress ought to do more to promote the increased and thoughtful use of ADR.

Shortly, I will be introducing legislation encouraging greater agency use of alternative dispute resolution. The same forces that make ADR methods attractive to private disputes can make them useful in Government cases decided by a Federal agency.

Of course, just as alternative dispute resolution offers great promise, it also raises many questions. For example, how do we decide which mechanism is most appropriate in a particular case? How should these alternatives be financed? How should the outcomes be enforced? Will the alternatives to court be viewed as second class justice? Is the desire to avoid costly legal fights outweighed when the vindication of civil rights are at issue?

I look forward to joining with my colleagues, and the administration and the private bar in finding the answers to these questions. If we succeed, we will immeasureably improve the public perception—and the reality—of our American justice system.

As former Chief Justice Burger said that is a very important goal for us to have and a very important concern that we ought to be dealing with.

Mr. President, I yield the floor.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE CLEAN AIR ACT

Mr. WIRTH. Mr. President, I wish to speak briefly during this time of morning business on the introduction of legislation to reform and strengthen the Clean Air Act, legislation introduced yesterday by the Senator from Maine [Mr. MITCHELL], joined by the Senator from Rhode Island [Mr. CHAFEE], the Senator from Vermont [Mr. STAFFORD], the Senator from Florida [Mr. GRAHAM], and myself.

Mr. President, I commend the Senator from Maine for his leadership on this extraordinarily important issue. In my home state of Colorado, and across the country, too many cities are failing to meet the Clean Air Act's deadline for reducing pollution levels for carbon monoxide and ozone. There is no doubt that the pollution in these cities is a threat to our health, especially for the most vulnerable among us, our children and the elderly.

The increasing medical evidence, Mr. President, on the impact that air pollution is having on the mental capacities and the nervous systems of our children is absolutely astonishing, and as Senator MITCHELL pointed out yesterday if the American public had available to them in detail the kind of testimony that we have received from medical personnel, medical experts, growing effects of air pollution on health, mental well-being, nervous system of our children, they would not only back this bill but a much, much stronger one.

At the same time, many of these cities now not in compliance simply will not meet the Clean Air Act's deadlines. That is a fact of life. As a result, these cities face the imposition of penalties—from the cutoff of highway trust funds to various other construction bans.

The legislation that the Senator from Maine introduced yesterday is a fair solution to this problem. This legislation tells the States and cities that we are serious about reducing pollution in the Nation's urban areas. While we are going to extend the deadline, we are also going to demand that the States and cities develop and implement plans to bring air pollution under control.

I emphasize the word "implement" because the bill being introduced by the Senator from Maine and others of us in the Senate very wisely contains tough provisions that will prevent the States and cities from relaxing their efforts once they have a new plan in place. In other words, we are not giving them just a deadline to say, "We are going to extend the deadline; don't worry about it." They have to implement very, very tough steps outlined in this legislation. The legislation tells local governments that they must implement these plans so that the public and the Congress can see steady, significant improvement in air quality.

This legislation also recognizes that there are a number of steps that the Federal Government can, and must, take to reduce air pollution.

This legislation will strengthen the emission standards for cars, trucks, and buses. That will mean continued improvement in air quality across this country.

And we hope for a diminution in the particulates in the air that contribute to a lot of the haze that one sees in the cities, particularly the brown cloud that one sees down the front range in Colorado.

This legislation gets tough as well on auto testing and inspection. It requires automakers to ensure that all of their cars and trucks meet all the Federal clean air standards. It requires careful inspection and testing in the field. And it gives the States and EPA the authority to order recalls if the cars and trucks do not measure up to the Federal standards.

This legislation also recognizes the very important contribution that oxygenated fuels—ethanol, methanol, and other alternative fuels—can make not only to cleaning up the air but also to enhancing the Nation's energy security. The bill being introduced by the Senator from Maine means that fleet owners will be converting their vehicles to these alternative fuels. That will, I am sure, lead to widespread acceptance of these fuels, and their wider use and availability. It may be that we could go farther on this point—and I will speak about that in a minute—but that is an issue we can continue to work on.

This is a good, fair bill, Mr. President. It differentiates between cities that are serious about cleaning up the air and the cities that are not. It establishes tough, but workable schedules and conditions to ensure that we will see air quality improve. And it gives EPA the direction, and the tools, that it needs to clean up emissions from mobile sources and emissions from gasoline and diesel fuel.

The air pollution problem in many of the Nation's cities is serious. According to the EPA, more than 80 metropolitan areas will fail to meet the clean air standard for carbon monoxide. This problem is especially acute in the 166 high altitude areas of the Rocky Mountain area. EPA puts the number of ozone nonattainment areas at 72, and adds that more than one-half will fail to meet the deadline at the end of this year. That means, Mr. President, that one out of three Americans is exposed to ozone levels that exceed the Federal standard—a standard that, in itself, provides very, very little or no margin of safety.

As I said, Mr. President, this is a serious problem. It affects the health of millions of Americans, particularly the old and the young. It results in incalculable environmental damage. And in many communities, like Denver, air pollution is simply bad economics. As we compete with other cities for new business investments and economic development, companies are going to have a second thought as they look at that brown cloud that emerges daily in the Rocky Mountain region. It is good business to clean up our air, as well.

This legislation by the Senator from Maine is a serious response to this problem, not only for Denver, Los Angeles, and Houston, but for Chicago and cities in the State of Maine. I commend the Senator for his work. We look forward to working with him, particularly on three additional areas that we want to consider very carefully for addition to the legislation.

The first of those is high-altitude testing. We know that vehicles perform less efficiently at high altitudes than they do at sea level. We know that emissions equipment is required in automobiles and yet there is no testing at this point of emissions equipment and how it performs at high altitude. So how can we be assured at high altitude and how can the public know and how can the public health interests be assured if, in fact, we do not know that equipment is behaving at high altitude the way it is designed to behave at sea level?

It should also be, Mr. President, that EPA conducts a significant high-altitude testing program. It does not today. Those laboratories were dismantled. Those testing facilities were closed down. I think we want to go back and require once again high-altitude testing.

A second area that we want to talk with the committee staff about for possible amendment relates to the requirement on oxygenated fuels. Within the legislation today, there is only the requirement that fleets that are centrally fueled be required to use oxygenated fuels. It may well be that we can develop a way in which we can require, say, 10 or 15 percent of all fuels sold in cities like Denver that have an attainment problem, that fuels sold there be oxygenated fuels, which would make a signficant contribution to the air pollution problem.

Many of the traditional oil interests suggest that would be damaging to them; that if we did that sort of thing that would cut down on their ability to sell their more traditional oil products. Other oil companies are saying, "Yes, we would like to get into that business. Please come up with this requirement that will encourage us and help to push the market."

I think we can work this out. I think that the evidence is increasingly strong that having a requirement for oxygenated fuel for all automobiles would be very helpful.

A third area that I hope we are able to discuss is the issue of daylight savings. If we are able to extend daylight savings, the chances are that that will have more people driving during daylight hours, and that in turn will have a positive effect on the ozone. I cannot speak, Mr. President, to the chemistry of how it works. But, if we are to extend, according to the scientific evidence made available to me, if we are able to extend daylight savings, that can also have a positive impact on a number of cities. If they extend the daylight savings and have more people driving in more daylight, in more sunshine, it will break up some of the chemcial compounds and have a positive impact on air pollution.

In closing, Mr. President, I again want to commend the Senator from the State of Maine and the Committee on Environment and Public Works that have moved quickly on this legislation. I hope we can move that rapidly through the committee and onto the floor, and that our colleagues in the House of Representatives will have similar wisdom and perspective and that we can have legislation passed before the end of the year. That deadline is important for all of the cities like those in Colorado and elsewhere that are now not going to be in attainment at the end of the year. This is a good carrot-stick piece of legislation. I urge my colleagues to consider it very carefully and I hope they will join with us in supporting this legislation.

200TH ANNIVERSARY OF CHARTER TO COLUMBIA COLLEGE AND AWARDING OF HONORARY DEGREE TO SENATOR MOYNIHAN

Mr. PELL. Mr. President, on April 25 Columbia University celebrated the bicentennial of the charter to Columbia College. The University also chose that auspicious occasion to award an honorary doctor of laws degree to Senator Daniel Patrick Moynihan, the senior U.S. Senator from New York.

In his convocation address Senator Moynihan gave a lively and provocative speech.

I commend Senator Moynihan's Columbia University address to all of my colleagues. His are creative, original, and forthright remarks and they most certainly merit very serious thought and consideration. I can say without any hesitation whatsoever that the U.S. Senate is a far richer place because of his presence and his candor.

Mr. President, I ask unanimous consent that the citation awarding Senator Moynihan the doctor of laws degree and the text of the Senator's convocation address be inserted in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

(Following is the text of the citation by Columbia University President Michael I. Sovern in awarding an honorary Doctor of Laws degree to Senator Daniel Patrick Moynihan at a convocation at the University celebrating the bicentennial of the present charter of Columbia College.)

Daniel Patrick Moynihan—For the Degree of Doctor of Laws

Legislator, diplomat, scholar, orator, you serve the people of New York, the nation and the world as a leading intellectual in the United States Senate. Beginning in modest circumstances not far from where we stand today, you interrupted your student days to serve in the Navy, your first tour of duty with the government. You then combined a distinguished academic career with service under four U.S. Presidents—in the Labor Department, on the White House staff, and as ambassador to India and the United Nations.

You have worked unceasingly to improve the way government and society serve those least able to help themselves: the young, the poor, and the disadvantaged. As a scholar, you frequently offered new and enduring insights that would ultimately help to shape informed discussion of public policy. As a diplomat, you spoke up for America and for our friends around the world. As a legislator, you have been the defender of Social Security, the passionate spokesman for welfare reform and the untiring champion of education. As Vice Chairman of the Senate Intelligence Committee, you have provided wise counsel and you have steadfastly insisted on Congressional oversight. The enormous majority you achieved in your re-election to the Senate demonstrates the confidence and affection your fellow New Yorkers hold for you.

Now, in recognition of your distinguished service, Columbia University is honored to confer upon you the degree of Doctor of Laws, honoris causa.

Convocation Speech by Senator Daniel Patrick Moynihan

One measure of the morale of a civilization is the manner in which it observes the notable dates of its history. On this score Columbia College has acquitted itself well over the centuries. The festivities of 1837 emerge by every amount as admirable and aspiring: speeches, poems, and Latin odes. 1887, as befitted that gilded age, saw a stately procession to the old Metropolitan Opera House where a veritably Wagnerian three score honorary degrees were conferred. In 1937, busy with the affairs of the nation, the College seems to have noticed the sesquicentennial slip by, which given the state of those affairs, was not the worst thing, especially now that the bicentennial makes such handsome amends.

The trick is to combine a respect for the past without too much reverence; indeed intimidation. There is enough of the latter in Western civilization just now: thinking ourselves outthought and out performed by predecessors. Yet surely the greater danger is to suppose ourselves too well endowed, the benefactors of some perpetual, compounding trust. The art historian Robert Byron observed how in the latter half of the nineteenth century, the disease of complacency fastened on Englishmen. "Misfortune comes to the complacent," he wrote, "brought not by some moral law, but because complacence is the parent of incompetence."

Let me take this for my text as I speak about the condition of our universities, and especially our private universities.

Here we encounter an extraordinary legacy which is unmistakably beginning to be threatened by complacency.

A first fact. The United States is the only nation on earth in which there *are* truly private universities. Elsewhere the state, be it benevolent or coercive, reigns supreme. It is no accident that ours should be a plural arrangement: this is the deepest of our constitutional and societal impulses. The balance is indeed quite exceptionally just that. If you will accept the judgment of the American Association of Universities that its fifty-six members represent the ranking research faculties of North America, then note that twenty-eight half, are private, and the other twenty-eight are public.

This is not to say that private universities do not receive public support. Most received some early on. In 1784, just as the University of the State of New York was being established, with its Chancellor and Board of Regents, and Columbia College its only charge, John Jay set it down that:

". . . universities . . . ought no longer to be regarded in the light of mere private corporations. The government should extend to them their constant care; and the State treasuries afford them necessary supplies."

But this, mind, in the context of the 1784 legislation, the title of which reads:

"An Act for granting certain Privileges to the College heretofore called King's College, for altering the Name and Charter thereof, and erecting an University within this State."

In the main these privileges—across the nation—continue unimpaired, but not wholly. Indeed it is possible to see them as threatened, and seriously so, not least because so many of those who should know better choose not to be concerned, which is the most conspicuous feature of complacency.

I think here of the events of the Tax Reform Act of 1986, concerning the issuance of tax exempt bonds by private universities. The details will not much interest faculty, and will verge on the incomprehensible to students, but I am here to argue their transcendent importance. In an age of "capital intensive science" (and declining Federal support), such bonds make possible the libraries and laboratories and infrastructure of a research university. More, the status of the bonds defines the status of the institutions. Praise God and Alexander Hamilton that the President of this institution agrees.

In brief, in 1968 Congress enacted the first statutory limits on what are known as "industrial development bonds." These were defined as bonds used in the trade or business of any entity that was not an "exempt person." An "exempt person" was further defined as *either* a unit of government—shall we say the State of New York—or "an organization described in Section 501(c)(3)" of the Internal Revenue Code—shall we say Columbia University.

A nice equivalency, you will agree, and an indispensable one, you would think.

Or such was the case until the fall of 1984 when the present administration in Washington proposed a massive restructuring of the tax code which effectively stripped universities of the status of "exempt persons." The House of Representatives, where tax legislation must originate in the Congress, accepted this change. The House bill classified all tax-exempt bonds as either "governmental" or "nonessential function" bonds. Bonds for universities (and private hospitals and suchlike institutions) were placed in the "nonessential" category.

We drew up a bill in the Senate which specifically and deliberately preserved the exempt person category shared by governmental units and universities. We argued that it was profoundly mistaken public policy to relegate the private universities and colleges of the nation to the status of solid waste disposal plants. (And, of course, hospitals, and similar institutions.)

We lost. Oh, in conference with the House, we got fairly generous allowances in terms of the amount of tax exempt bonds private institutions *can* issue, but we lost the principle that these are unique institutions with privileges not unlike the immunities of government units in a Federal system. Money was not the issue with the administration. The issue was changing the status of the likes of Columbia.

Let me say I do not think this would have happened save for the silent acquiescence of the present Secretary of Education. This is not a person much noted for reticence in public discourse. Scarcely a week passes that we do not learn something noteworthy from this gentleman. Thus the Associated Press reported from Washington on March 26.

"An Education Department official who wrote a paper linking bilingual education to communism and terrorism expressed personal views that will not influence department policy . . . the Secretary of Education, said in a letter released Tuesday."

Indeed he has become something of a village explainer inside the Beltway. It appears it is not true, as reported by the Washington Post on February 20 that he told the 14th annual meeting of the Conservative Political Action Conference:

"I asked the presidents of universities to write a letter to their students saying "No drugs on campus, period." I got back a letter from Harvard saying they have 30 courses in moral reasoning."

The explanation here being that it wasn't a *letter* from Harvard but something he "heard" at Harvard.

As Gertrude Stein observed, of village explainers, fine if you're a village; if not, not.

But the point isn't the politics of the incumbent Secretary of Education. The point is that there *is*—now—a Secretary of Education in Washington.

The Department of Education was created, of course, in 1979. If it is now largely in the hands of assertively conservative Republicans, it was wholly the creation of lavishly liberal Democrats who assumed that bringing all the education activities of the Federal Government together in one place would increase support for education. The Senate vote was 72 to 21, with a mere 5 Democrats in opposition.

The debate that April was not long, but it had moments of some intensity. It fell to me to ask David Riesman, the most eminent commentator of higher education of the present age, if we might have its judgment in the matter. This came in a brief letter which belongs on tablets somewhere.

I read it to the Senate:

"Education, contrary to people who speak of it as an "establishment," is a weak power, subject to whims and fashions in the country at large, and these show up in the attitudes of individual members of Congress and their aides, assistants and others. Therefore education is best served by being part of a much more powerful coalition in which it is joined with the rest of H.E.W. with its labor union and medical and other affiliations. Furthermore, education is, because of its weakness, vulnerable to attack because something done in one of the three thousand accredited postsecondary institutions by somebody may offend somebody or get in the papers. It therefore needs to have many diverse sources of support, combined with a certain precious obscurity.

"Once it is separate, its target quality and actual weakness will be visible and this is a weakness not only vis-a-vis potential critics but potential lobbyists—captors—in the country. Education is best served by decentralization, not only in this huge and diverse country, but also within the federal government and its many agencies."

I went on to state that, that in creating a single agency, we risked nothing less than the politicization of education itself.

"and . . . it will come about in ways that the system of education itself will not be able to resist."

As for example in the tax code.

If the Secretary of Education was silent when the private institutions of higher education were being stripped of their previous status in the tax code, what of the representatives of higher education when the post of Secretary of Education was being created?

Silent, also. That is to say the American Association of Universities, under pressure from the White House, no less political for being Democratic as against Republican pressure, said nothing. Its executive committee knew better. The Department was a political reward for election support from elementary and secondary school teachers. There is nothing the matter with political rewards, but in Washington the educational activities of the national government are overwhelmingly directed to higher education. Inevitably it would be higher education that would be most affected, and which has been. (A February 20 statement of the Board of Regents of the University of the State of New York described the Administration's proposed cuts in education aid, principally affecting higher education, as "devastating.")

The mood of the moment will pass. The distemper of the 1980s, is in most ways a delayed response to the disorder of the 1960s, that "slum of a decade" to cite Dick Nofstatder. It is about spent. One can almost imagine a certain reasonableness descending on the capital, rippling outwards. Yet that is but another invitation to complacency and to the incompetence it breeds.

A generation ago Schumpeter warned us that the transformation of liberal society would come not through some Marxist convulsion but rather from the steady "conquest" of the private sector by the public sector. This is now commencing in higher education and will continue unless understood and overcome.

The men who gave Columbia College its name knew something of taking destiny into their own hands. Cannot their successors learn? Ought they not? *Must* they not.

Let me suggest a good beginning. The candidates now running for their party's nomination for President should be asked to state in writing that if successful, whatever the politics of their administration their Secretary of Education will be expected to stay out of them. From Martin C. Barell back to John Jay, the Chancellor of the University of the State of New York has done as much here, where the Federal government began. Let Washington learn by our example.

Further, the candidates should be asked to promise, win *or* lose, to support the restoration of the tax exempt status of universities and comparable institutions. If enough do, we can almost surely get a bill through this Congress. The power to tax is the power to destroy and candidates should so state.

And so, Lion—ROAR!

18TH ANNUAL SPECIAL OLYMPICS MARYLAND SUMMER GAMES

Mr. SARBANES. Mr. President, tomorrow we will see the start of the 18th Annual Special Olympics Maryland Summer Games at the Towson State University Stadium. From the very beginning when the parade of over 1,500 athletes kicks off the games, until the closing ceremonies, there will be displays of skill, courage, sharing, and joy. For almost two decades athletes, coaches, huggers, and volunteers have joined together to participate in the Maryland Special Olympics and to make it a very special event. I am sure that the games this year will be as special and significant to the participants as they have been in the past, and I look forward to joining them in Towson this weekend.

The Special Olympics games have grown from Eunice Kennedy Shriver's day care camp in 1963 to games held today nationwide and worldwide. Under the sponsorship of the Joseph P. Kennedy, Jr. Foundation, Special Olympics games have sprung up on the local, State, and regional levels and are now held in over 20,000 communities in the United States. This year more than 1 million athletes will compete in all 50 States and in 65 foreign countries. Many of these athletes will then represent their State and country this August at the 1987 International Summer Special Olympics Games in Indiana.

One of the primary and most important goals of these games is to provide the special olympians with a healthy self-image. Many heartwarming stories have been experienced and retold from the Special Olympics that clearly show this goal is met by the games. Many of the stories are representative of what the games are all about—stories of skill, courage, sharing, and joy.

A recent article in the Evening Sun, June 10, 1987, follows on the "Triumphs of the Special Olympics."

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Baltimore Evening Sun, June 10, 1987]

Triumphs of the Special Olympics

Sam DeCrispino doesn't remember the little girl's name. But he remembers the moment. It was 1979 and he was teaching racquetball at the International Special Olympics when the little girl first walked on the court.

The little girl had her problems with this strange new game.

Each time Sam bounced the ball, she took a mighty swing at it and missed. The grim ritual—bounce, swing, miss; bounce, swing, miss—continued for the better part of an hour.

And then something wonderful happened.

It happened without warning, as these things often do. On what was it—her 50th swing? 60th?—the little girl hit the ball.

It shot off her racquet and arched toward the front wall, clean and sure as a double off the wall at Fenway Park.

The tiny gallery exploded in applause. The little girl shrieked. And on her face now was a smile you wanted to press between the pages of a book.

"She just lit up," DeCrispino recalls. "I'll never forget it. That moment gave me a bigger thrill than anything I've ever done in athletics."

These are the kinds of stories that spill out over and over again as the Maryland Special Olympics prepares to get under way this weekend at Towson State.

They are stories of both small triumphs and triumphs against overwhelming odds. They are stories of grit and determination and quiet courage—all against the backdrop of the largest program of athletic competition for the mentally disabled.

A young man stumbles across the finish line in his first race and lets out a yelp of pure delight. A little girl swims her first lap and scrambles from the pool and leaps into the arms of her mother. You listen to people like Sam DeCrispino, a teacher at Parkville High and a Special Olympics instructor for eight years now, and the stories of individual triumph never seem to end.

Perhaps the most famous story is the one they tell about Roberta Cameron.

Roberta Cameron was a Special Olympian who trained long and hard with a friend for her race.

She broke cleanly from the starting blocks and soon held a 20-yard lead on the rest of the field.

But with the finish line in sight, Roberta Cameron suddenly stopped. She ran back to where her friend had fallen, picked her up, and the two crossed the finish line together.

Roberta Cameron didn't win a medal that day. But her actions on that dusty track spoke so eloquently of the underlying theme of these Games, which is still love and caring.

"These Games are the truest essence of sports," says DeCrispino. "The athletes want to win. But it's not win at any cost."

This year nearly 1,600 Special Olympians from throughout Maryland will converge on Towson State.

They will be joined by an equal number of organizers, coaches and "huggers," volunteers who serve as special friends offering encouragement during the competition.

Each participant earns a ribbon; the more gifted and determined will go on to win gold, silver and bronze medals. But the goal, as always, will be to try, not to necessarily win. It will be to experience, not necessarily conquer.

Mainly, it will be to gain in self-confidence, improve in self-image.

"They're the best students in the world," says DeCrispino, the teacher, of the Special Olympians. "They'll do anything you tell them to do. If they can't they'll break their back trying."

One more quick story on the meaning of Special Olympics, culled from an incident that took place after the Games at Towson State three years ago.

Sam DeCrispino happened to be walking across campus when he fell behind the path of a young Special Olympian. She was walking with her hugger, no one except Sam was within 100 yards of the pair.

Suddenly the girl paused and screamed at the heavens: "I'm so proud of myself!"

It was a cry as pure and joyful as any the teacher had ever heard.

"I don't think she even had a medal," he says.

She didn't seem to miss one, either.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

SENATORIAL ELECTION CAMPAIGN ACT

The PRESIDING OFFICER. The clerk will report the unfinished business before the Senate.

The legislative clerk read as follows:

> A bill (S.2) to amend the Federal Election Campaign Act of 1971 to provide for a voluntary system of spending limits and partial public financing of Senate general election campaigns, to limit contributions by multicandidate political committees, and for other purposes.

The Senate resumed consideration of the bill.

Mr. STEVENS. Mr. President, I have become increasingly concerned about the pending bill, S. 2, and its effect upon current campaign finance legislation. I must confess that my concern comes primarily from having been present on the floor one day early in 1985 when my former colleague, the Senator from Arizona, Barry Goldwater, addressed the Senate. I thought he gave a very succint statement on the problems of campaign financing and I listened to what he had to say with great interest. I think it would be wise for everyone to reflect back to the comments of the man that we all call the conscience of the Senate.

I think the Members of the Senate know I have been trying to find some way to bring the opposing sides together regarding the bill that has been presented by the distinguished majority leader, by Senator BOREN, and by others. It appears that is really not possible in terms of S. 2 for one basic reason, and that is the requirement for public financing which is such a major focus of the bill.

Senator Goldwater, when he spoke here on the floor on January 3, 1985, made some comments I think bear repeating. He said:

> Mr. President, the most expensive election in U.S. history was completed 2 months ago. New funding records were set for Presidential and congressional candidates. Contributions by political action committees rose to a higher percentage of total congressional campaign receipts that ever before.
>
> The problems of what this unprecedented rise in campaign spending means to the Nation and when it will end are lost in the rush to raise even more money to pay off old debts or begin campaign treasuries for the next election. Few people seem to care that present campaign law, as applied since the decision of the U.S. Supreme Court on January 30, 1976, in Buckley against Valeo, has opened the doors for virtually unchecked huge independent and personal political spending and that this spending threatens the very basis of the free election process. The Nation is now enduring what one legal commentator has called "the new Constitutional right to buy elections."

Again Mr. President, I am quoting Senator Barry Goldwater. I am skipping some of his comments in the interest of time, but he went on to say this:

> Mr. President, I believe the answer to these dangers is simple. We must set a rational ceiling on total congressional and Presidential campaign spending by all sources, the candidates themselves, political parties, PAC's, and individuals.

Senator Goldwater at that time, had indicated his support for campaign finance reform legislation that would be introduced. He later gave his support to Senator BOREN. Subsequently Senator BOREN introduced, in December, comments that were prepared for Senator Goldwater, who was unable to be here because of the unfortunate illness of his wife.

In a written statement that was placed in the RECORD by Senator BOREN, Senator Goldwater commented upon the time that it takes to raise campaign money. Senator Goldwater said this:

> What disturbs me is the fact that it is becoming more and more obvious—that money can get people elected. When I think back to my first campaign in 1952, where I spent $45,000, and then think of my last one just five years ago, where I put out $1.25 million, there is a vast difference there, not just in the sums of money, but in the campaign itself and what is going on.
>
> We now have experts in the field campaigning in almost every big city in the country. They tell the candidate how to comb his hair, what color shirt to wear, what kind of tie to wear, and what is the best suit for them to wear. They take polls in every nook and cranny of the state or city or country to determine what issues should be discussed on this street corner and the next street corner and, frankly, I do not think that is any way to elect people in this country.

He went on to say this:

> You know and I know that there is not a night in the week in every month during the year that a member of Congress cannot attend one or two fund raising dinners for a colleague. Every one of us is asked to be sponsors for I do not know how many candidates, all in the interest of raising money.
>
> Now my idea of a candidate running for office is a person who will stand four square with the principles of the Constitution and our way of life, and of party, if he agrees with party positions, but he will stand for something other than the mishmash of everything that comes out of support from hundreds of different PACs and other sources of money in this country.
>
> A man or woman should run with a deep demonstration of personal regard for the American form of government, for protecting that government from foreign sources and, I might add, from harmful domestic sources, too. I sum it all up and I think the whole matter has gone far enough.
>
> I urge my colleagues to vote for the Boren amendment so that before too much time has gone by which we can call wasted or head down the wrong track we can bring this thing down to stop. The answer is not greater spending by political parties or anyone else. The answer is less campaign spending by all sources and PAC's are the place to start.

Mr. President, it is most unfortunate that Senator Goldwater is now being referred to, in an advertising campaign throughout the country, as supporting the legislation which is now before us.

I had my staff call Senator Goldwater yesterday. I was not able to talk to him. I understand he is traveling or has traveled, now, here to the Nation's Capitol.

I understand he has sent a telegram to the Senator from Oklahoma, and I quote that telegram which was read to my staff on the phone. It is from Senator Goldwater and it says:

> Understand S. 2 now contains Federal financing. I cannot support the bill if that is the truth.

Now, Mr. President, I have gone to great length to bring to the Senate the statements that Barry Goldwater previously made concerning campaign financing. I think he is right. The place to start is with the Boren bill that Senator Goldwater cosponsored last year, a bill which many of us voted for in 1986. The centerpiece of the bill was the concept of changing the mix of financing to reduce the amount that can be contributed by PAC's, and to increase the amount which can be contributed by individuals.

I have made a similar suggestion, and added to that the concept of new controls on soft money expenditures through the simple act of requiring disclosure. The proposal I placed in the RECORD yesterday, that I intend to offer at the appropriate time, is the Boren-Goldwater bill of last year plus public disclosure of soft money expenditures in Federal elections.

I think that is the place to start. I think the wrong place to start is at the place where Senator Goldwater, the leading Republican exponent of campaign finance reform says he is unwilling to go; where he was unwilling to go before. He is still unwilling to go to public financing and that is the position of the Senator from Alaska.

I have tried my best to see if we could not get an agreement on legislation that would start the process of trying to control the amount of campaign money and the amount of campaign spending, but I think that, unfortunately, the desire of some is the public financing element of the bill that is before us now. Instead, we should try and achieve the ultimate end of the process that Senator BOREN and Senator Goldwater commenced so well last year.

Thank you, Mr. President.

Mr. PACKWOOD. Mr. President, I want to congratulate my good friend from Alaska [Mr. STEVENS] for the compromise bill he has put in. He has worked very hard on this. He has done as much as he can do to put forth a reasonable, consolidated Republican position, and it is about that position and about S. 2 that I would like to talk, if I might, for a few moments, because I think there is a misimpression being put out by Common Cause, and I will say it very frankly, as to what S. 2 is.

When you read all of the advertisements around the country that Common Cause is putting out, what you discover is that their advertisements and their direct mail pieces are, "Stop the special interests, break up the PAC's, reform." They do not tell the public that reform in their mind is public financing of campaigns.

I think it is well to call to the attention of the Senate the Senate Watergate Committee report of over a decade ago, which was spawned out of the 1972 elections. That report was very clear in saying that the committee adamantly opposed public financing of campaigns.

That report said that the 1972 election was an example beyond compare of the Government being involved in campaigns, in this case, theft, felonies, the use of the CIA, the use of the FBI. It was the Government using its powers to attempt to influence an election.

So the Senate Watergate Committee, in its recommendations, said there should not be public money, Federal money, involved in campaigns because the danger to this Republic was great.

Let us go a step further. After the Watergate Committee report we adopted the so-called Watergate reforms, $1,000 individual contribution limit; $5,000 PAC contribution limit. That was thought to be a step forward, a reform. Those were the Watergate reforms.

At that time you had about 400 political action committees. Prior to the campaign reforms in 1971, 1972, 1973, and 1974 any individual could give us as much as he or she wanted. Clement Stone gave over $2 million to Richard Nixon's campaign, legally, in 1972. Max Kovalesky gave over $600,000 to George McGovern. We said that is not right. Individuals should not have that kind of influence. Bring it down. Do not let them have that kind of influence.

Political action committees could give what they wanted, although there were not a lot of political action committees.

The alleged influence of political action committees now is not the result of a few committees giving a lot of money. It is that now, instead of 400 political action committees, we have over 4,000. So, naturally the quantity of money that they give is greater than when 400 gave.

That is all history and background. What are the two things that reformers say they want? One, get the special interests out of politics. And that is normally meant to be the PAC's. The criticism is: But PAC's can still give to political parties. Fine. We will amend our bill so PAC's cannot give to political parties.

The other criticism is: PAC's can still bundle the money. Bundling means that when the lobbyist for AT&T can no longer get Sally Smith and Jimmy Jones to put up $10 apiece to the AT&T PAC because the PAC is no longer permitted to contribute to a candidate, the lobbyist can still collect all the checks. Instead of Jimmy Jones making the check payable to the AT&T PAC, he makes it payable to Packwood for Senate and Sally Smith makes it payable to Packwood for Senate.

The lobbyist gathers up all these $10 checks and hands them over in a bundle, $5,000 worth of $10 checks in a bundle, to the candidate. So the argument is made the PAC's can by bundling, get around the prohibition on giving.

Senator McConnell and I say: Fine, prohibit bundling. PAC's cannot give to parties. PAC's cannot bundle. PAC's cannot give to candidates. They are out.

That takes care of one thing that the reformers want and they know jolly well that can be done without passing S. 2, period.

Now, what is the second thing the reformers want? The argument is that campaigns cost too much, Mr. President, cost too much.

The allegation is they are evil. The concentration of the money, even though it is legal, even though it might come in $10 or $20 donations from all of the employees of AT&T PAC's, the concentration of the money from all of these employees is bad. Because when you get a contribution of $3,000 or $4,000 or $5,000 from the AT&T PAC you are not thinking that he presented you all the little donations of $5 and $10 and $15 that Sally Smith and John Jones and all the others put up. What you are thinking is: there is the lobbyist for AT&T. He gave me $5,000. And, therefore, you are unduly beholden to him.

So, without getting into an argument as to whether or not you are beholden, or he has your ear and somebody else does not—reformers say he does, PAC's are evil, PAC's must be diminished, PAC's must be diluted, must be eliminated—let us assume we want to eliminate PAC's. PAC's can no longer give.

We can pass a law right now. PAC's can now only give $5,000. We can pass a law that says PAC's can only give $3,000, $2,000, $1,000, or zero.

The Senator from Kentucky and myself and a number of others are sponsors of a bill that says PAC's cannot give anything, period.

Now, bear in mind, we can get rid of the PAC's. They are gone. They cannot give. They cannot bundle, cannot participate. They are out.

Now the only way to get the costs down is public financing. And here is the hook.

In 1976, the Supreme Court looked at some of the campaign reform laws that we had passed in 1973 and 1974 containing expenditure limitations.

The Congress had said: Individuals, if they want to spend on their own campaign, can only spend a certain amount of money and campaigns can only spend a certain amount of money. In a nutshell, the Supreme Court struck down as unconstitutional expenditure limitations. You are wealthy, you have $1 million, you want to spend $1 million on your campaign. This is not a contribution.

The Court upheld contribution limits. If you want to spend $1 million on your campaign, the Court said you cannot limit those expenditures. That is your free speech. That limit violates your first amendment. The same held for campaigns expenditures. You cannot put a limit on campaign expenditures. That violates the first amendment.

You can put a limit on what people can contribute to campaigns. They upheld that part of the law. But you cannot put a limit on what the campaign can spend, you cannot put a limit on what the individual can spend on their own in behalf of the campaign. You can put a limit on what they can give, but not what they can spend on their own.

The only way around the Supreme Court decision, allegedly—I say allegedly because it is not the only way around it—say the reformers, is public financing. If the Federal Government gives you some of the taxpayers' money for your campaign, as a quid pro quo for accepting that money, we can pass a law that says, as a condition of accepting the money, you can only spend so much in the campaign. You do not have to accept the money, but if you do, we can put an expenditure limitation on.

Reformers would say that is the only way you can get the cost of campaigns down. The average cost of a Senate campaign last year was apparently about $3 million—some more, some less, but average about $3 million. Mr. President, I opine there is another way you can get it down. The present contribution limit now for individuals is $1,000. That is the most an individual can give to a campaign. Together, an individual and his or her spouse can give $2,000, or they can each give $1,000 to the primary and $1,000 to the general. But we normally use the term $1,000. So if you take PAC's out of it altogether—no more special interests, allowing only individual contributions—the next thing you can do if you want to get the expenditures down is cut the $1,000 individual contribution down to $100. Cut it down to $50 if you want.

You achieve two things. One, very few people outside of your State are likely to give you great quantities of small money. Maybe under current law somebody in a special-interest group who lives in West Virginia or Georiga or a lobbyist in Washington, DC, will give you $5,000 because he or she wants your ear, or maybe a rich individual will give you $1,000 because he or she wants your ear. But not many people are going to give you $20 or $30 unless they live in your State. If they are going to give any money, they are going to give it to the congressional or Senate race in their State, not to somebody outside their State whom they know nothing about.

So you lower the individual contribution limit to, say, $100. Now, if an average Senate campaign costs $3 million and if your contribution limit were $100, you would have to have 30,000 contributors at $100 apiece to reach $3 million. The problem is if the contribution limit is $100, the average contribution in my experience is about $20. So now, if you want to raise $3 million, you would have to have 150,000 contributors with an average contribution of $20 apiece.

It is not likely you are going to achieve that. So the effect of bringing the contribution limit down will be to bring down the cost of campaigns because the candidates just will not be able to raise that much money.

So, we could achieve the reforms the reformers want. We could get rid of the special interest giving which is legal under current law. Change the law so PAC's cannot give, get them out. We can lower the individual contribution limit to further lower the cost of campaigns. Those are the twin goals that most of the reformers seek.

But do you know why these so-called reformers really want public financing, Mr. President? Really want it? If you wanted to try to raise $1 million or $2 million of $3 million per campaign at an average contribution of $20, it is a whale of a lot of work. You are going to have to have a tremendous volunteer organization. You are going to have to have a lot of people who believe in you. You are going to have to motivate those people and they are going to have to go out and rap on doors, stop at businesses, say, "Will you give $20 to the Packwood campaign," "Will you give $20 to the Packwood campaign," "Please give $20."

It is a lot of work, Mr. President, for us. So what do the reformers say? Well, they say it comes down to us working that hard or the taxpayer working that hard. They say let the taxpayer work that hard and give us the money. We will not have to work so hard, we will not have to spend so much time raising it.

Mr. President, I am willing to take that case to the public. We can achieve the reforms the reformers want. We can get the costs of campaigns down, we can eliminate the special interests, and we can finance these campaigns from small donations from thousands of people, millions of people throughout the country. It would be a good step for democracy if we had 2, 3, 4, 5 million people putting up $20 or $30 or $50 each. They would have an interest in the campaign. But it is a lot of work. Good work. It is worthwhile work. When you ask somebody to give you $20 and they give you the $20, they may want to ask you what you stand for on some issues. They will want to know if you are with them. Given the choice of our working hard versus the taxpayer working hard, I am going to opt on the side of our working hard.

We have $150 to $200 billion deficits. Depending on whom you talk with in the Senate, we are either not funding the Defense Department sufficiently or not funding Medicaid or Medicare or education or the environment sufficiently. They are all short of funds. At least their supporters think so. And we still have $150 or $200 billion deficits. We have plenty of worthwhile areas on which to spend money.

If we adopt S. 2 and include the House—it only includes the Senate now—then we are talking about spending someplace between $300 and $500 million per election of the taxpayers' money thereby freeing candidates from having to go out and work hard to get the money to run their races. It is $300 million we are not going to spend on education or defense or the environment or Medicaid or something else. And, Mr. President, it is not necessary; it is not necessary to spend the taxpayers' money on our campaigns.

It is one thing to tap the taxpayer for money for a critical national need, a need we have to meet, when we cannot get it anyplace else. Then we will have a debate about the need. If there is a need, we will have a debate about whom we should tax to pay for it. I hope we would be willing to tax to pay for it instead of borrowing it. Those are fair debates. They are policy debates about what the purpose of this country should be, what we should spend money on, how we should get the money. But there will be $300 million to $500 million less if we adopt the campaign reform bill that is now on the floor, $300 million to $500 million that could otherwise be raised voluntarily, that could not only be raised voluntarily but would serve this country well if it were raised voluntarily because we would involve 3 million, or 4 million, or 5 million people giving $10 or $20 or $30 in campaigns.

Those people would feel that they had a part in that campaign. They would do more than give money. If they would give $10 or $20, they would come down once a week and make phone calls, address envelopes, help put up lawn signs.

Mr. President, that is good for democracy. No one gets a great sense of participation if, on their income tax, they check a box that says, take some more money out of the Treasury and give it to a campaign. That is not participation.

So, for all of those reasons, I hope S. 2 will be defeated. I hope the Democrats and other reformers would be willing to join with the Senator from Kentucky and myself in eliminating all political action committee contributions, all political action committee contributions to individuals or parties, all bundling by PAC's. And I hope that they would join us in the other steps we have suggested.

But I am frank to say I do not think they will. Because they are pushed down to a choice of who is going to work hard. Given that, they would rather the taxpayer work than that we work.

I yield the floor, Mr. President.

The PRESIDING OFFICER. Who seeks time? The Senator from Kentucky.

Mr. McCONNELL. Mr. President, I commend my friend and colleague from Oregon [Mr. PACKWOOD] for an outstanding speech on this issue. He certainly has summed it up well. The larger question, of course, is just what kind of America do we want to have? Because, ultimately, how we determine the players in the political process has a major impact on what this country is like and how it is governed.

Make no mistake about it, Mr. President, under S. 2, when you put a cap on participation—and that is what a cap on spending is—and when you shift the burden of that spending to the taxpayers in an involuntary sense, you indeed put a restriction on participation. That is what this argument is all about: are we going to encourage participation or are we going to snuff it out?

It is also a question of what kind of contribution is bad. S. 2 presumes that a cash contribution is bad, but an in-kind contribution is OK. It seems to me, Mr. President, that that discriminates against the busy American who is out making a living every day, is involved in the Boy Scouts, in church, and a variety of other activities and may not have time to go door to door and get involved in the process in that way. He wants to have an impact but he wants to have an impact in the way that is consistent with the way he is living. And so he wants to contribute to Senator PACKWOOD or in the case of Senator DOMENICI, as he has pointed out, with over 20,000 contributors in New Mexico alone.

So the fundamental issue is, do we want to encourage people to participate in the process? For most Americans that participation is going to take the form of a contribution, a contribution of money. There is nothing inappropriate about it. There is nothing wrong with it. The amount of money that is being spent in American politics is not scandalous or obscene as some who support S. 2 have said. We spend really very little on politics compared to almost anything else that we spend money on in our society.

As the debate goes on, Mr. President, let us think about what kind of America do we want. Do we want an America in which people are encouraged to participate, in which candidates are encouraged to go out and get just as much support as they can? We should not tell candidates there is a cap on how much support they can get. There should not be any limit on that whatsoever. We ought to be able to go out and get as much support as possible from a broad array of people. And with the post-Watergate reform legislation there is a limit on what people can contribute. It is fully disclosable and so any candidate who raises a large amount of money obviously is going to get it from a whole lot of people unless he happens to be a millionaire. All of us in this body I think would like to solve the millionaire loophole problem, but it is a constitutional problem. If we can figure out a way to solve that, let us do that.

But in terms of participation beyond that loophole, we ought to be encouraging people to be a part of the process, to get involved, to make a contribution, and we ought to encourage our candidates to work hard, as Senator PACKWOOD has said. It is better the candidate work hard than the taxpayer in an involuntary fashion have to give up his tax dollars for this purpose.

So the discussion continues, Mr. President. It is a most important issue, an issue that I think the Senate wisely spends its time upon. We look forward to continuing the discussion. I yield the floor.

Mr. REID. Mr. President, there has been a lot of talk in these last few days about a compromise, which is I think, in keeping with the Senate's history, because as we all know legislation is the art of compromise. We do our best when acting in a bipartisan fashion.

We all recognize in this instance there is a problem with the way campaigns are financed and funded, and I think it is important that we as a body work together to solve this problem. I think it is important, Mr. President, to recognize, however, that compromise does not mean ignoring problems or surrendering principles. On certain issues we must resolve existing problems and not just paper them over. There is no better example of the need to do that than when we talk about financing campaigns in the United States today.

A short time ago, I heard my friend, the Senator from Oregon, talking about a problem that we all recognize, the problem of bundling. I would like to talk about a personal example of bundling and try to relate how it is not just something that we talk about but really exists.

My predecessor, Paul Laxalt, announced last August that he was not going to run for reelection. I decided a few days later that I would be a candidate for the U.S. Senate to replace Paul Laxalt. From August until March, I basically was the only candidate in the race. I organized, I worked hard, I spent a considerable amount of time raising money so that I could be competitive in the Senate race in Nevada. So, when I learned I was going to have an opponent, based on the experience I had, I knew that it was very, very difficult to raise money. It is hard and it takes a lot of time.

So, I felt that I would have an advantage over the person who was going to be running against me because I had had an advance of 6 or 7 months over him. I was starting ahead of him, and I recognized that even though he may have more access to money than I, it would still take a lot of time to raise money according to the rules and the law as I understood them.

Interestingly enough, Mr. President, something that had taken me 7 months to do he did in 1 day. How did he do it? Through bundling. The exact figures are with the Federal Election Commission, but I had raised by that time approximately $500,000. It was done by my opponent in essentially just 1 day, because the Republican National Committee, through conduiting, was able to take money and direct it to my opponent.

Now, the law is that in a Senate race in Nevada, the Senatorial Campaign Committee can give approximately $100,000. That was exceeded many, many times over in a very short period of time. So, although I had worked very hard for 7 months to keep ahead of the opposition, they caught up with me in 1 day and thereafter I was always behind.

Mr. President, we have to do something about bundling. The practice is an invitation to abuse the process. It is an invitation to avoid the rules and the law. I talked last week, Mr. President, about what bundling really is. I have given an example here today but basically where the perversion of the concept occurs is when solicitations are made to send in money, for example, to the Republican Senatorial Campaign Committee. Somebody writes out a check to the Republican Senatorial Campaign Committee. It comes in to the committee, and they redirect the money to a candidate.

The New York Times went out and interviewed people and said, "Did you really give money to candidate X?" They said, "I don't know who you are talking about. I gave money to the Senatorial Campaign Committee." It is illegal, it is unfair, and the person who does it does not play by the rules.

During the campaign, as I indicated, not only in my race but many senatorial races around the country, there was irrefutable evidence that massive amounts of money were improperly infused into various people's campaigns. Mine is only one example.

I raise this example, Mr. President, not to rehash the past but to present a problem that is going to exist in the future as it exists today unless we do something about it.

Let us remove the temptation by forbidding conduiting.

Another evil, another problem that exists is something called party passthroughs. Party passthroughs allow an organization to give money to a party, and they pass that money through to a candidate. The way it is often done is wrong and, in the minds of most, illegal.

Let me give another personal example. In my State of Nevada, a State of 72 million acres, wide-open spaces, one of the effective campaign methods are signs that say, "Vote for me."

I was very concerned when suddenly I woke up one morning and my opponent's signs were spread all over the State of Nevada—not 50 or 100 but, thousands and thousands of signs, all over the State.

I thought to myself, that is a lot of money to spend on signs. It took a little while before I realized that if you look at the fine print of these huge signs, you found that they were paid for by the State Republican Party.

This is a passthrough we are talking about. Thousands and thousands of dollars were spent on my opponent's campaign through this improper, wrong, unfair, and, in the minds of most, as I have said, illegal method.

Negative radio ads and mailings paid for by the State and county parties in the State of Nevada, were run against me. This far exceeded the $100,000 limit I talked about before which was permissible under the Republican Senatorial Campaign Committee or the Democratic Senatorial Campaign Committee. Signs all over the State, negative radio ads, newspaper ads, mailings, and I do not know what else, were paid for by the State party. We were only able to find out these matters because they printed a little disclosure on the signs, and of course there was a disclaimer in the mailings, on the radio ads, and in the newspapers.

We do not know how many people had their wages paid. We do not know how many workers were paid directly or indirectly through the county and State parties.

I think we have to address this in the legislation that is now before the Senate.

There are real examples, not things which are figments of someone's imagination or speculation about what might happen in the future. These are wrongs which have occurred. It happened in every Senate race that was competitive in the century. It happened in the State of Nevada.

We had bundling, conduiting, and party passthroughs. It is wrong, and it should be stopped, and that is what this legislation is about: to try to make level the ball field upon which we all have to run.

Mr. President, while we look at compromise, I would like the opportunity to ask some questions about the McConnell-Packwood bill in the hope that sometime during this debate, there will be some answers to these questions.

Those on the other side of the aisle said that their proposal would outlaw PAC contributions to candidates. That may be true; but I suspect that the Federal Trade Commission, if the Federal Trade Commission had jurisdiction, would raise some questions about truth in advertising.

We all know what a PAC is. It collects money from like-minded people or people with the same special interest and delivers the money to a candidate.

First, would anything in their bill prohibit that practice? I know the answer, but let us hear the answer from the other side. Current law prevents these organized special interests from contributing more than $5,000 to a candidate for each election. Would anything in their bill prevent these special interests from making unlimited contributions? I'd like an answer.

They claim, on the other side of the aisle, to have put limits on PAC's. Would anything in their proposal limit PAC contributions to a national party, a congressional campaign committee, a State or local party, as we have talked about during the day, an independent expenditure campaign, which has been discussed numerous times in this body in the past week?

Senator after Senator has come to this floor in the past week or 10 days and decried the amount of money we spend and the distortion of the role that results from having to raise the money in large amounts. Would anything in their proposal guarantee that the amounts of money spent to influence elections would be reduced?

Another question: Would anything in their proposal reduce the amount of money which, if it could not go directly to a candidate, could just pop up elsewhere? I have given examples of that earlier today.

Next question: Am I not correct that the PAC money that they claim they want to ban or limit could, under their proposal, go in unlimited amounts to parties or to campaign committees or for so-called soft expenditures, corporate expenditures?

Let us talk about soft money or corporate money. They have said that they want to do something about soft money, so please help. As I read their proposal, the other party would open a huge, new loophole by allowing unlimited soft money contributions for the administrative costs of party committees. It does not take much to realize the abuse that would take place if this loophole were allowed.

Does that mean, Mr. President, that their proposal would allow corporations and labor unions to foot the entire bill for operating a national, State, or local party committee? I understand the law to be that these contributions have been illegal since 1908, almost 80 years. So, why would they want to change the law that citizens, not giant corporations or labor unions, ought to control a political party?

When I started my statement, Mr. President, I talked about compromise, because I have no doubt that in order for us to achieve in this instance—that is, achieve something that relates to campaign reform—there will have to be a compromise. The history of this Government, the history of this body, the U.S. Senate, is a history of compromise. As I indicated, legislation is the art of compromise.

We would not have a transcontinental railroad but for a classic compromise. We would not have our great National Park System but for a compromise that was reached in this body. We would not have our Interstate Highway System but for compromise. We would not have the Grand Coulee Dam but for compromise. We would not have the Bureau of Reclamation, which has done much in this country, but for compromise. We would not have the Federal Bureau of Investigation, but for compromise. We would not have the Peace Corps but for compromise. I think if there were ever an instance where compromise is needed, it is in the area of campaign reform.

Mr. President, I speak as someone who has been through a tough campaign, just a few months ago. I think we have to make a playing field that is level for everyone. We have to make this system of Government, which we love so much, a system of fairness.

When I talk about compromise, we need only look back at the time 200 years ago, in Philadelphia, when our Founding Fathers were meeting in the hot Philadelphia summer, to try to do something to save these thirteen Colonies. How did they do it? They did it through compromise. These men were able to get together and work out compromises on many different issues: the size of the Senate, the length of the term of the Members of the House of Representatives—that there would be three separate but equal branches of government. That was a compromise it took a long time to achieve. The Constitution itself, that document that we refer to on a daily basis in this body, was arrived at on the basis of compromise.

So there is nothing wrong with talking compromise. It is needed. It is needed on the most glaring deficiency we now have in our system, that is, campaign financing.

Edmund Burke said that "All government—indeed, every human benefit and enjoyment, every virtue and every prudent act—is founded on compromise."

Samuel Eliot Morison said: "Franklin may be considered one of the Founding Fathers of American democracy, since no democratic government can last long without conciliation and compromise."

It is absolutely necessary that we are talking about working something out. It needs to be done.

Mr. President, I would like to end this statement by saying to my friends on the other side of the aisle, let us reason together, and let us meet somewhere around the halfway mark. Let us compromise. It will be in the best interest of America and own duty will be fulfilled if we do what is right in this instance and reform the way campaigns are financed in this country.

I yield back the remainder of my time, Mr. President.

The PRESIDING OFFICER. The Senator from Colorado.

Mr. WIRTH. Thank you, Mr. President.

I start my remarks this afternoon by commending the Senator from Nevada on the substantive points that he made on some of the current abuses in the way in which campaigns are run and financed.

The Senator from Nevada and I both came out of very difficult, very expensive, and very trying campaigns, some of which we are proud of and some of which we are not.

Also, I commend the Senator from Nevada on his final statement on the need for us to bring together all of the parties here who are concerned about getting reform in our campaign finance system and arrive at a compromise.

I could not agree with him more, and I hope that the various parties involved most specifically day to day in this are going to be able to come together.

I also commend the Senator from Oregon [Mr. PACKWOOD] on much of his earlier statement this afternoon. Senator PACKWOOD spoke very eloquently on two broad themes that have been of concern to many of us.

One of those was the fact that this institution in American politics is becoming beholden to a few interests. The Senator is correct in his analysis that that is one of the major thrusts of our concern about reforming campaigns. He is also correct in his analysis of another broad concern that campaigns cost too much.

I do not think there are very many people who have been through elections recently, either on the giving, working, or campaigning side, who would not agree that campaigns do cost too much.

Unfortunately, the Senator's analysis said that one of the key areas that was really at the root of this legislation was who was willing to work hard in campaigns and who was not willing to work hard. Unfortunately, after giving a very good analysis of the issues the discussion then tailed off into a kind of trivialization of the issue by saying who is willing to work hard and who is not willing to work hard. If those who are not willing to work hard want the public to finance campaigns, that truly is trivializing what is an important issue for us all.

I would hope that the debate would stay above that level and maintain itself into the level of the real issues involved.

Others involved issues which have been raised over and over again in the last week, what are we going to do about the purchase of elections by a few wealthy individuals? We have apparently a constitutional constraint on limiting expenditures of those who want to spend money on their own campaigns.

What we do have to do is get to a point where this institution and other political institutions do not become the purview just of the wealthy. If we allow us only to have people who have a lot of money to spend money on campaigns, we are going to limit the capacity of this country to maintain its truly democratic nature.

A second area that was not discussed in the debate earlier today was independent expenditures, a major, major abuse of outside groups coming in and running this extraordinary barrage of negative campaigning.

A third area that we have to figure out what we are going to do about touched on by the Senator from Nevada in his good remarks is the soft money issue which also has to be addressed so that you do not get a few corporations or unions, or whatever, being able to come in and spend a great deal of money unaccounted for or accounted for and fuel the political process that way.

But the room is there for compromise.

We hear the Senator from Oregon, very carefully and thoroughly and I thought well, talking about the abuse by special interest, talking about campaigns costing too much. That is correct. The Senator from Nevada was talking about soft money; the Senator from Kentucky was talking about the purchasing of elections by wealthy individuals.

I have expressed concerns on a number of occasions about independent expenditures. The concerns are all there. Let us bring people together and come up with a piece of legislation that we can all get behind and be proud of as we reform the political process.

Mr. SANFORD. Mr. President, I would like to make a few remarks about S. 2, the Campaign Reform Act.

I think the reason that we are concerned with election campaign contribution reform is simply because we have been spending too much money.

We have been spending so much money that it has reached the point of a national embarrassment. We have been spending so much money that it is almost obscene.

Surely, there is a far better way that we can spend our money—through charities or for almost any other worthwhile purpose—rather than spending millions and millions of dollars for campaigns.

It makes the political system so very costly; it keeps a great many people from running; and worse than all of that, it discredits our political system.

The people get the feeling that you have to have money to be in politics. They get the feeling that money talks. In fact, money does talk.

So, in this free society, how do we go about regulating ourselves to bring campaign spending back into some rational framework?

I know, in North Carolina in the 1984 Senate election, it is reported that some $25 million was spent. There is no way to justify that kind of spending. There is no way to see it as anything but a potential danger, as it tends to undermine the confidence that people have in their self-government. That is why we need and why we are talking about campaign contribution reform—because we think that things have gotten out of hand. That is why I am interested in finding a way to restore reason and confidence to our system of elections.

In our campaign reform efforts, we run up against the Constitution of the United States. Hardly, one could argue, did the Founding Fathers anticipate that free speech and money would be so intertwined that when we protect free speech we also protect the right to let money speak. Money speaks so much louder than individuals; therein lies our problem.

Because the interpretation is that spending money on a campaign is protected as the right of freedom of expression, there is not any way, as it now stands to force limitations of so-called independent expenditures. If, indeed, we could limit expenditures to *x* times the salary of the office, or *x* times the number of people voting or some other formula, that would be a neat way to do it. That would be an adequate way to do it. But we cannot do it that way because the Constitution prohibits it.

I do not quarrel with that interpretation. I think it is a bit strained, but it is, nonetheless the interpretation; it is the law. So the only way that we can limit campaign expenditures is to do it on a voluntary basis. And the only way we can do it on a voluntary basis, as I understand the law, is to provide public financing. In exchange for public financing, the candidate volunteers to limit expenditures.

Now, if I am right in my assumption, and maybe I am not, that we all think there should be some reasonable ceiling on campaign spending, then it follows that this is the way to go.

If indeed we are talking about something else, if that is not the purpose of this debate, then we are going to be at loggerheads here continually. For, one group of Senators feels that expenditures should be limited and, if another group feels that campaign expenditures should not be limited, that is a difference that cannot be reconciled by the approach we are taking in this bill. I had been under the impression, until I listened to the last few days of debate in this Chamber, that we all wanted to limit expenditures but we wanted to find the best way to do it, and that the best way to do it was probably not with public expenditures. I think now that maybe I misunderstood. I think maybe a great many Senators do not want any limitation on campaign expenditures.

That is all right—that is, it is all right for them to have that opinion. I do not happen to agree. I said in the beginning that I think runaway campaign spending affects the credibility of our entire system. I think it is almost immoral to spend $10 million, $15 million, or $20 million to seek a seat in the U.S. Senate. So we have come with an approach that says we will provide some public money if those accepting that money will agree to hold down total expenditures. That is the crux of it.

How do we provide that money? We provide it in several ways. First, we require that, in order to qualify for public financing, you have to work extremely hard to get a great many people in your own home State to give contributions of no more than $250. By the time you get that many contributions, you have done a good job of campaign fundraising. It is a tough job to raise money like that, so you do get a great many people participating at the entry point of the campaign.

Then you limit overall spending absolute ceiling, which is determined by a factor multiplied by the voting age population. I think perhaps we have taken a figure that is yet too high; nevertheless, we have established a figure; 30 cents, for each voting age citizens of that State.

That is a fair determination. It might be better if it were lower. But it does give each side about the same amount of money, a limited amount of money at that.

It seems to me that the biggest criticism has been that somehow, we do not want to spend public money for this kind of endeavor; that if we spend public money, we will be diverting it from so many other important things. I agree; there are a great many priorities in the Nation that are not being met in our budget.

But I would argue and have argued that this is not really public expenditure. We call it that, and, on the face of it, it appears to be that, but it is not. This is no more public financing than a contribution to the United Fund or a contribution to the museum or a contribution to any tax-exempt organization. It is a contribution that an individual has decided to make.

I know there are economists and there are certainly plenty of people in the budget office who contend that all of the money belongs to the Government and whatever you give away is public expenditure. They actually list it that way. If there is a tax deduction for contributions to the Boy Scouts, it is listed here in the budget office and in the Treasury as a public expenditure because the Treasury did not get it; the citizens who earned it gave it away before the Government could tax it.

Tax deductibility is a concept of charitable giving that I believe has had a great deal to do with the soundness of American society. Under the pluralistic concept, people can support all kinds of organizations. It gets us away from Government doing everything. It is a very solid part of the American foundation, that, if you earn money, you can give a certain part of it away and you do not have to pay taxes on it. I do not find anything wrong with that principle. I think we ought to nourish it. The last tax bill altered it somewhat, but we still have the concept. It is not the Government's money that the donor is giving away. It is the donor's money that he or she earned and is giving away before it becomes taxable income. I find no fault with that, in spite of this theory that anytime you give away money, you are giving away the Government's money because you take a tax deduction; the Government would get part of it if you have not given it to a charity.

I do not go along with that philosophy because I have seen too many benefits from the pluralistic approach to charitable giving that we have always had in this country. I do not subscribe to this philosophy, I suppose, because I was president of a private university for 16 years, and I needed people to support that institution. I think that institution and institutions like it deserve support from taxpayers, and I never thought that we were taking money away from the Federal Treasury when we got a contribution for Duke University. I could say the same for the Boy Scouts, the Salvation Army, or any other charitable institution.

That brings us to this charge that is constantly made that we are giving away the taxpayers' money, that the taxpayers will be paying for senatorial campaigns if this bill is passed. That is not, in my opinion, an accurate statement of the facts. This is just another way of making a charitable contribution, a contribution to a tax-exempt organization, you might say.

The Senate campaign fund, the kitty into which the money goes, could very well be set up as a separate organization, into which you could contribute up to $4 or up to whatever Congress says. You could contribute to this fund and you could take a deduction for this contribution on your income tax form, and there you are; you have made another contribution to another organization that is a part of our pluralistic concept. It so happens that it is far simpler to let the Treasury act as the conduit for that kind of freewill contribution. So I contend that this is not a public expenditure, this is simply a way that an individual can voluntarily say, "I want to contribute to a fund that helps clean up politics, helps restore the credibility of our election process. I want to make that kind of contribution."

It is an individual decision. I can make it and say that it goes to the Democrats or I can make it and say that it goes to the Republicans, but I am making a decision to make one more contribution of the various contributions that an individual will make during a tax year.

So, there it is. It is a voluntary contribution. If the money comes in, it is divided up. If not enough comes in, then it is divided up pro rata. No more tax money is poured in here. It is the money that people have decided voluntarily that they want to go for this purpose that they consider worthwhile. So charitable contribution it may be; contribution to an independent agency, organization, and purpose it may be; but I do not think by any stretch of the imagination that is a tax expenditure. It is a voluntary contribution.

Now, we have several ways to go. We have various paths to get there. We have several ways of drawing up the allocation. I am not satisfied with all of them. I am not satisfied, really, with the overall limitations. I am not at all satisfied with the fact that, even with this bill, we cannot quite get hold of the independent expenditures and the thought that any individual can come in and say, "I am going to be campaigning against candidate A. I do not have anything to do with candidate B."

Well, I may be spending several million dollars to elect candidate B, but in our interpretation of the Constitution, there is nothing much we can do about it.

We attempt in this bill to do something about it. I wish we could deal directly with it. I wish we could outlaw it, but we cannot without a constitutional amendment. I wish we could limit it, but we cannot. I wish we could at least make it accountable, but we cannot. But in any event, whether we handle that fully or not, we get at it a little bit. And that goes for almost all of this bill. It is not going to be perfect. It is not going to be entirely satisfactory. But something needs to be done. Our current campaign spending is a national disgrace, in my opinion. This is about the best shot that we have to reform it. I certainly hope that we will not let this session go by without passing the kind of campaign contribution reform that will restore some of the credibility that we have been losing.

Mr. President, I yield.

Mr. McCONNELL. Will the Senator from North Carolina respond to a question?

Mr. SANFORD. Yes.

Mr. McCONNELL. I listened with interest to the observations by my friend from North Carolina about desirability of limiting campaign spending. As my friend knows, there are really two kinds of spending and two kinds of giving. There is the cash contribution which S. 2 seeks to limit, and then there is soft money.

Mr. SANFORD. There is what?

Mr. McCONNELL. Soft money. Those expenditures by corporations, labor unions, and others. I was wondering if my friend could tell me how S. 2 deals with the issue of soft money as opposed to cash money?

Mr. SANFORD. I do not believe that S. 2 deals with soft money, does it?

Mr. McCONNELL. My friend is correct, except for the disclosure in a limited sort of way.

Mr. SANFORD. I would have no problem with legislation dealing with soft money. I think soft money for certain purposes, educational purposes, properly limited, properly defined, can be worthwhile. But that, too, is something that has been subject to abuse. I do not fault S. 2 for not dealing with soft money, but I think we should.

Mr. McCONNELL. As my friend from North Carolina knows, there is no constitutional problem with doing something about not only disclosure of soft money expenditures but also it could even be limited so a cash contribution could be treated just like a soft money contribution.

We have been talking in the Chamber for the last week about possible areas of compromise, and I am wondering if my friend would not agree that that is an area we possibly ought to address better than we have?

Mr. SANFORD. I will support S. 2 if the Senator will support S. 2, and I will support limiting soft money if the Senator wants to do that. I think we need S. 2. I think we do need some definition of soft money. Of course, soft money, if I understand the definition of the term as the Senator is using it, does not actually go into a specific campaign, although of course it goes for the benefit of that campaign.

Mr. McCONNELL. Much like the independent expenditure.

Mr. SANFORD. Except we can do something about soft money, and we cannot do something about independent expenditures. I have no problem with that.

Mr. McCONNELL. Precisely. The independent expenditure is constitutionally protected. The soft money expenditure is not constitutionally protected and has been a gaping loophole in the post-Watergate legislation that many have talked about. It seems to the Senator from Kentucky that it might be appropriate not only to have full disclosure of soft money, not just by political parties, as S. 2 would do, but by labor unions, corporations, and others, as well as even considering a limitation.

The other area I wanted to touch on just briefly with the Senator from North Carolina was his suggestion that the public money being allocated under S. 2 was somehow voluntary. It is true, of course, that the checkoff is voluntary. But is it not true that the money is diverted from another Government program? It is not an add-on to the tax bill of the taxpayer; it is a decision to divert, is it not, the $1 from another Government program into this pool?

Mr. SANFORD. I take it that if the taxpayer has checked it off for a specific purpose as authorized under the law, it could not be used for another purpose.

Mr. McCONNELL. It is the understanding of the Senator from Kentucky, under the checkoff he simply diverts, he does not add $1 to this tax bill. He simply says to the Government, divert that $1 away from another Government program over into the campaign fund. Is that not correct?

Mr. SANFORD. Well, you see, some several years ago a professor of economics at Harvard University, of all places, came up with this theory that all the money belonged to the Government, all the money anybody earned belonged to the Government, and any time you diverted any of that by giving it to Duke University, you were diverting money from the Treasury to give to a private institution. You can believe that I have never followed that philosophy. I think it is the same philosophy here. It assumes that that $1 runs through the Treasury, but if we had a pot here in front of the taxpayers' booth, we could put the $1 right in there and it would be the same as if it were just a tax credit.

So I get the difference, but I think the point is that this is a tax deductible item, just as our $50 tax credit, which we have now removed from the books, which permitted an individual to give $100 to campaigns and take a partial tax credit. It is the same thing in my opinion.

Mr. McCONNELL. In conclusion, I would say the way it works under the Chiles budget, which the Senate has passed, there is roughly $100 million set aside for this purpose, and where that money would come from presumably would be the decision by the taxpayer to divert $1 from his payment into the Government over to this fund and consequently it comes from another Government purpose that would otherwise have been funded.

Mr. SANFORD. I would not think so. It would seem to me that we set the $100 million off simply as a bookkeeping device not knowing how much was coming in, and if indeed less came in, this is not an appropriation so what in effect the Chiles budget has done is anticipated—and surely OMB has anticipated—the checkoff in projecting the revenues.

AMENDMENT NO. 305

(Purpose: To provide for matching payments.)

Mr. BYRD. Mr. President, on behalf of Mr. BOREN and myself, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from West Virginia (Mr. BYRD), for himself and Mr. BOREN, proposes an amendment numbered 305.

Mr. BYRD. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment reads as follows:

In lieu of the matter proposed to be inserted, insert the following:

That this Act may be cited as the "Senatorial Election Campaign Act of 1987".

SEC. 2. The Federal Election Campaign Act of 1971 is amended by adding at the end the following new title:

"TITLE V—SPENDING LIMITS AND PUBLIC MATCHING PAYMENTS FOR SENATE ELECTION CAMPAIGNS

"DEFINITIONS

"SEC. 501. For purposes of this title—

"(1) unless otherwise provided in this title the definitions set forth in section 301 of this Act apply to this title;

"(2) the term 'authorized committee' means, with respect to any candidate for election to the office of United States Senator, any political committee which is authorized in writing by such candidate to accept contributions or make expenditures on behalf of such candidate to further the election of such candidate;

"(3) the term 'candidate' means an individual who is seeking nomination for election, or election to the office of United States Senator and such individual shall be deemed to seek nomination for election, or election, if such individual meets the requirements of subparagraph (A) or (B) of section 301(2);

"(4) the term 'contribution' includes a payment described in section 301(8)(B)(x), made by a State or local committee of a political party, if—

"(A) the sum of the amount of such payment and the total amount of all previous such payments by such committee during the same election cycle exceeds the amount determined by multiplying one cent times the voting age population of the State in which the election is held; or

"(B) if any portion of such payment is used—

"(i) for the purpose of purchasing, leasing, or otherwise procuring, or procuring the use of, any telephone, computer, computer program, or mass mailing equipment; or

"(ii) for any purpose other than the purchase of materials described in section 301(8)(B)(x) which are to be used by individuals in the performance of services described in section 301(8)(B)(i) or are to be distributed by individuals providing such services;

"(5) the term 'election cycle' means—

"(A) in the case of a candidate or the authorized committee of a candidate, the term beginning on the day after the date of the last previous general election for such office or seat which such candidate seeks and ending on the date of the next election; or

"(B) for all other persons, such term shall begin on the first day following the date of the last general election and ending on the date of the next election;

"(6) the term 'eligible candidate' means a candidate who is eligible under section 502 to receive payments under this title;

"(7) the term 'expenditure' includes a payment described in section 301(9)(B)(viii), by a State or local committee of a political party if—

"(A) the sum of the amount of such payment and the total amount of all previous such payments by such committee during the same election cycle exceeds the amount determined by multiplying one cent times the voting age population of the State in which the election is held; or

"(B) if any portion of such payment is used—

"(i) for the purpose of purchasing, leasing, or otherwise procuring, or procuring the use of, any telephone, computer, computer program, or mass mailing equipment; or

"(ii) for any purpose other than the purchase of materials described in section 301(9)(B)(viii) which are to be used by individuals in the performance of services described in section 301(8)(B)(i) or are to be distributed by individuals providing such services;

"(8) the term 'general election' means any election which will directly result in the election of a person to the office of United

States Senator, but does not include an open primary election;

"(9) the term 'general election period' means the period beginning on the day after the date on which the candidate qualifies for the general election ballot under the law of the State involved and ending on the date of such election or the date on which the candidate withdraws from the campaign or otherwise ceases actively to seek election, whichever occurs first;

"(10) the term 'immediate family' means a candidate's spouse, and any child, stepchild, parent, grandparent, brother, half-brother, sister or half-sister, of the candidate and the spouse of any such person and any child, stepchild, parent, grandparent, brother, half-brother, sister or half-sister of the candidate's spouse and the spouse of any such person.

"(11) the term 'major party' means 'major party' as defined in section 9002(6) of the Internal Revenue Code of 1986, the Presidential Election Campaign Fund Act, provided that a candidate in a general election held by a State to elect a Senator subsequent to an open primary in which all the candidates for the office participated and which resulted in the candidate and at least one other candidate qualifying for the ballot in the general election, shall be treated as a candidate of a major party for purposes of this title;

"(12) the term 'primary election' means any election which may result in the selection of a candidate for the ballot of the general election;

"(13) the term 'primary election period' means the period beginning on the day following the date of the last Senate election for the same Senate office and ending on the date of the first primary election for such office following such last Senate election for such office or the date on which the candidate withdraws from the election or otherwise ceases actively to seek election, whichever occurs first;

"(14) the term 'runoff election' means the election held after a primary election, and prescribed by applicable State law as the means for deciding which candidate(s) should be certified as nominee(s) for the Federal office sought;

"(15) the term 'runoff election period' means the period beginning on the day following the date of the last primary election for such office and ending on the date of the runoff election for such office;

"(16) the term 'Senate Fund' means the Senate Election Campaign Fund maintained by the Secretary of the Treasury in the Presidential Campaign Fund established by section 9006(a) of the Internal Revenue Code of 1986; and

"(17) the term 'voting age population' means the resident population, 18 years of age or older, as certified pursuant to section 315(e).

"ELIGIBILITY TO RECEIVE PAYMENTS

"SEC. 502. (a) To be eligible to receive payments under this title a candidate shall, within 7 days after qualifying for the general election ballot under the law of the State involved or, if such candidate is a candidate in a State which has a primary election to qualify for such ballot after September 1, within 7 days after the date such candidate wins in such primary, as determined by the Commission—

"(1) certify to the Commission under penalty of perjury that during the period beginning on January 1 of the calendar year preceding the year of the general election involved, or in the case of a special election for the office of United States Senator, during the period beginning on the day on which the vacancy occurs in that office, and ending on the date of such certification, such candidate and the authorized committees of such candidate have received contributions in an amount at least equal to 10 cents multiplied by the voting age population of such State or at least equal to $150,000, whichever is greater, up to an amount that is not more than $650,000;

"(2) certify to the Commission under penalty of perjury that all contributions received for purposes of paragraph (1) have come from individuals and that no contribution from such individual, when added to all contributions to or for the benefit of such candidate by such individual, was taken into account to the extent such amount exceeds $250;

"(3) certify to the Commission under penalty of perjury that such candidate and the authorized committees of such candidate have not expended and will not expend, for the primary election, more than the amount equal to 67 percent of the general election spending limit applicable to such candidate pursuant to section 503(b) or more than $2,750,000, whichever amount is less, unless such amount is increased pursuant to section 503(g);

"(4) certify to the Commission under penalty of perjury that such candidate has not expended and will not expend for runoff elections, if any, more than 20 percent of the maximum amount of the limitation applicable to such candidate as determined under section 503(b), unless such amount is increased pursuant to section 503(g);

"(5) certify to the Commission under penalty of perjury that 75 per centum of the aggregate amount of contributions received for purposes of paragraph (1) have come from individuals residing in such candidate's State;

"(6) certify to the Commission under penalty of perjury that at least one other candidate has qualified for the same general election ballot under the law of the State involved;

"(7) agree in writing that such candidate and the candidate's authorized committees—

"(A) have not made and will not make expenditures which exceed the limitations established in section 503, except as otherwise provided in this title;

"(B) will not accept any contributions in violation of section 315;

"(C) will not accept any contribution for the general election involved in excess of the limitation on expenditures established in section 503(b);

"(D) will deposit all payments received under this section at a national or State bank in a separate checking account which shall contain only funds so received, and will make no expenditures of funds received under this section except by checks drawn on such account;

"(E) will furnish campaign records, evidence of contributions and other appropriate information to the Commission;

"(F) will cooperate in the case of any audit and examination by the Commission under section 507; and

"(G) will not use any broadcast station, as such term is used in section 315 of the Communications Act of 1934, for the television broadcasting of a political announcement or advertisement during which reference is made to an opponent of such candidate unless such reference is made by such candidate personally and such candidate is identified or identifiable during at least 50 percent of the time of such announcement or advertisement, if such opponent has agreed to the requirements of this title or has received funds pursuant to the provisions of this title; and

"(8) apply to the Commission for payments as provided for in section 504.

"(b) For the purposes of subsection (a)(1) and paragraph (2) of section 504(a), in determining the amount of contributions received by a candidate and the candidate's authorized committees—

"(1) no contribution other than a gift of money made by a written instrument which identifies the person making the contribution shall be taken into account;

"(2) no contribution made through an intermediary or conduit referred to in section 315(a)(8) shall be taken into account;

"(3) no contribution received from any person other than an individual shall be taken into account, and no contribution received from an individual shall be taken into account to the extent such contribution exceeds $250 when added to the total amount of all other contributions made by such individual to or for the benefit of such candidate beginning on the applicable date specified in paragraph (4) of this subsection; and

"(4) no contribution received prior to January 1 of the calendar year preceding the year in which the general election involved or received after the date on which the general election involved is held shall be taken into account, and in the case of a special election for the office of United States Senator no contribution received prior to the date on which the vacancy occurs in that office or received after the date on which the general election involved is held shall be taken into account.

"(c) The threshold amounts in subsection (a)(1) shall be increased at the beginning of each calendar year based on the increase in the price index as determined under section 315(c), except that for purposes of determining such increase, the term 'base period', as used in such section shall mean the calendar year of the first election after the date of enactment of the Senatorial Election Campaign Act of 1987.

"LIMITATIONS ON EXPENDITURES

"SEC. 503. (a) No candidate who receives a payment for use in a general election under this title shall make expenditures from the personal funds of such candidate, or the funds of any member of the immediate family of such candidate, aggregating in excess of $20,000, during the election cycle.

"(b) Except as otherwise provided in this Act, no candidate who receives matching payments for use in a general election under this title shall make expenditures for such general election which in the aggregate exceed $400,000, plus—

"(1) in States having a voting age population of 4 million or less, 30 cents multiplied by the voting age population; or

"(2) in States having a voting age population over 4 million, 30 cents multiplied by 4 million plus 25 cents multiplied by the voting age population over 4 million;

except that the amount of the limitation under this subsection, in the case of any candidate, shall not be less than $950,000, nor more than $5,500,000.

"(c) The limitations on expenditures in subsections (b), (d), and (e) shall be subject to the provisions of subsections (b) and (c) of section 504.

"(d) No candidate who is otherwise eligible to receive payments for a general election under this title may receive any such payments if such candidate spends, for the primary election, more than the amount equal to 67 percent of the limitation on expenditures for the general election determined under subsection (b), or more than $2,750,000, whichever amount is less, except as provided in subsection (g).

"(e) No candidate who is otherwise eligible to receive payments for a general election under this title may receive any such payments if such candidate spends for a runoff election, if any, more than an amount which in the aggregate exceeds 20 percent of the maximum amount of the limitation applicable to such candidate as determined under subsection (b), except as provided in subsection (g).

"(f)(1) For purposes of this section, the amounts set forth in subsections (b), (d), and (e) of this section shall be increased at the beginning of each calendar year based on the increase in the price index as determined under section 315(c), except that for purposes of determining such increase the term 'base period', as used in section 315(c), means the calendar year of the first election after the date of enactment of the Senatorial Election Campaign Act of 1987.

"(2) Notwithstanding the provisions of subsection (b), in any State with no more than one transmitter for a commercial Very High Frequency (VHF) television station licensed to operate in that State, no candidate in such State who receives a payment for use in a general election under this title shall make expenditures for such general election which in the aggregate exceed the higher of—

"(A) $950,000; or

"(B) $400,000 plus 45 cents multiplied by the voting age population up to a population of 4 million, plus 40 cents multiplied by the voting age population over 4 million, up to an amount not exceeding $5,500,000.

"(3) The limitation set forth in subsection (b) shall not apply to expenditures by a candidate or a candidate's authorized committees from a compliance fund established to defray the costs of legal and accounting services provided solely to insure compliance with this Act; provided however that—

"(A) the Fund contains only contributions (including contributions received from individuals which, when added to all other contributions and matching payments, exceed the limitations on expenditures) received in accordance with the limitations, prohibitions, and reporting requirements of this Act;

"(B) the aggregate total of contributions to, and expenditures from, the Fund will not exceed 10 percent of the limitation on expenditures for the general election determined under subsection (b); and

"(C) no transfers may be made from the Fund to any other accounts of the candidate's authorized committees, except that the Fund may receive transfers from such other accounts at any time.

In the event that, subsequent to any general election, a candidate determines that the costs of necessary and continuing legal and accounting services require contributions to and expenditures from the Fund in excess of the limitations of this paragraph, the candidate may petition the Commission for a waiver of such limitations up to any additional amounts as the Commission may authorize in connection with such waiver. Any waiver, or denial of a waiver, by the Commission under this paragraph shall be subject to judicial review under section 508. Any funds left when the candidate terminates or dissolves the fund, shall be—

"(i) contributed to the United States Treasury to reduce the budget deficit, or

"(ii) transferred to a fund of a subsequent campaign of that candidate.

"(g) If, during the two-year election cycle preceding the candidate's election, independent expenditures by any person or persons aggregating an amount in excess of $10,000 are made in opposition to a candidate or for the opponent of such candidate, the limitations provided in subsection (d) and subsection (e), as they apply to such candidate, shall be increased in an amount equal to the amount of such expenditures.

"(h) If the provisions of section 506(c) apply and such candidate does not receive his full entitlement to matching payments, such candidate may accept aggregate contributions in an amount which, when added to the aggregate expenditures made by such candidate do not exceed the limitation on expenditures applicable to such candidate pursuant to section 503.

"ENTITLEMENT OF ELIGIBLE CANDIDATES TO PAYMENTS

"SEC. 504. (a) Except as otherwise provided in section 506(c)—

"(1) eligible candidates shall be entitled to matching payments under section 506 in an amount equal to the amount of each contribution received by such candidate and such candidate's authorized committees, provided that in determining the amount of each such contribution—

"(A) the provisions of section 502(b) shall apply; and

"(B) the contributions required by section 502(a)(1) shall not be eligible for matching payments under this title; and

the total amount of payments to which a candidate is entitled under this paragraph shall not exceed 50 percent of the amount equal to the difference between the amount of the limitation for such candidate determined under section 503(b) and the amount required to be raised by such candidate to establish eligibility under section 502(a)(1);

"(2)(A) an eligible candidate who is a candidate of a major party shall be entitled to a payment under section 506 in an amount equal to the amount of the limitation determined under section 503(b) with regard to such candidate, if any candidate in the same general election not eligible to receive funds under this title either raises aggregate contributions or makes aggregate expenditures for such election which exceed the amount of the limitation determined under section 503(b) for such election;

"(B) an eligible candidate who is not a candidate of a major party shall be entitled to matching payments under section 506, equal to the amount of contributions received by such candidate and the candidate's authorized committees if any candidate in the same general election not eligible to receive payments under this title either raises aggregate contributions or makes aggregate expenditures for such election which exceed the amount of the limitation determined under section 503(b) for such election, provided that in determining the amount of each such contribution—

"(i) the provisions of section 502(b) shall apply; and

"(ii) contributions matched under subparagraph (A) of this paragraph or required to be raised under section 502(a)(1) shall not be eligible to be matched under this paragraph; and

the total amount of payments to which a candidate is entitled under this subsection shall not exceed 50 percent of the amount of the limitation determined under section 503(b) applicable to such candidate;

"(3) all eligible candidates shall be entitled to—

"(A) the broadcast media rates provided under section 315(b) of the Communications Act of 1934; and

"(B) payments under section 506 equal to the aggregate total amount of independent expenditures made or obligated to be made, in the general election involved by any person in opposition to, or on behalf of an opponent of, such eligible candidate, as reported by such person or determined by the Commission under subsection (f) or (g) of section 304.

"(b) A candidate who receives payments under paragraph (2) or (3)(B) of subsection (a) may spend such funds to defray expenditures in the general election without regard to the provisions of section 503(b).

"(c) A candidate who receives payments under this section may receive contributions and make expenditures for the general election without regard to the provisions of subparagraphs (A) and (C) of section 502(a)(7) or subsections (a) or (b) of section 503 if and when any candidate in the same general election not eligible to receive payments under this section either raises aggregate contributions or makes aggregate expenditures for such election which exceed twice the amount of the expenditure limit applicable to such candidate under section 503(b) for such election.

"(d) Payments received by a candidate under this section shall be used to defray expenditures incurred with respect to the general election period for such candidate. Such payments shall not be used (1) to make any payments, directly or indirectly, to such candidate or to any member of the immediate family of such candidate, (2) to make any expenditure other than expenditures to further the general election of such candidate, (3) to make any expenditures which constitute a violation of any law of the United States or of the State in which the expenditure is made, or (4) to repay any loan to any person except to the extent the proceeds of such loan were used to further the general election of such candidate.

"(e)(1) Except as provided in paragraph (2), a candidate eligible to receive payments pursuant to this title shall be entitled to matching payments equal to the amount of contributions eligible to be matched which are received from individuals in amounts of $250 or less, to be paid in—

"(A) multiples of $20,000 under section 506, if, with respect to each such payment, the eligible candidate and the authorized committees of such candidate have received, in addition to the amount of contributions certified by the candidate to the Commission under section 502(a)(1), contributions aggregating $20,000 which have not been matched under this section and which qualify for matching funds; and

"(B) a final payment (designated as such by the candidate involved) of the balance of the matching funds to which such candidate is entitled under this section.

"(2) The total of the payments to which a candidate is entitled under paragraph (1) shall not exceed 50 per centum of the amount equal to the difference between the amount of the limitation for such candidate determined under section 503(b) and the amount required to be raised by such candidate to establish eligibility under section 502(a)(1).

"CERTIFICATION BY COMMISSION

"SEC. 505. (a) No later than 48 hours after an eligible candidate files a request with the Commission to receive payments under section 506 the Commission shall certify such eligibility to the Secretary of the Treasury for payment in full of the amount to which such candidate is entitled, unless the provisions of section 506(c) apply. The request referred to in the preceding sentence shall contain—

"(1) such information and be made in accordance with such procedures, as the Commission may provide by regulation; and

"(2) a verification signed by the candidate and the treasurer of the principal campaign committee of such candidate stating that the information furnished in support of the request, to the best of their knowledge, is correct and fully satisfies the requirements of this title.

"(b) Certifications by the Commission under subsection (a) and all determinations made by the Commission under this title, shall be final and conclusive, except to the extent that they are subject to examination and audit by the Commission under section 507 and judicial review under section 508.

"ESTABLISHMENT OF FUND; PAYMENTS TO ELIGIBLE CANDIDATES

"SEC. 506. (a) The Secretary shall maintain in the Presidential Election Campaign Fund (hereafter referred to as the 'Fund') established by section 9006(a) of the Internal Revenue Code of 1986, in addition to any other accounts maintained under such section, a separate account to be known as the 'Senate Fund'. The Secretary shall, from time to time, deposit into the Senate Fund, for use by candidates eligible to receive payments under this title, the amounts available after the Secretary determines that the amounts in the Fund necessary for payments under subtitle H of the Internal Revenue Code of 1986 are adequate for the next presidential election. The monies designated for such account shall remain available without fiscal year limitation.

"(b) Pursuant to the priorities provided in paragraph (3) of subsection (c), upon receipt of a certification from the Commission under section 505, the Secretary shall promptly pay to the candidate involved in the certification, out of the Senate Fund, the amount certified by the Commission.

"(c)(1) If at the time of a certification by the Commission under section 505 for payment to an eligible candidate, the Secretary determines that the monies in the Senate Fund are not, or may not be, sufficient to satisfy the full entitlement of all such eligible candidates, the Secretary shall withhold from such payment such amount as he determines to be necessary to assure that an eligible candidate will receive a pro rata share of such candidate's full entitlement. Amounts so withheld shall be paid when the Secretary determines that there are sufficient monies in the Senate Fund to pay such amounts, or portions thereof, to all eligible candidates from whom amounts have been withheld, but, if there are not sufficient monies in the Senate Fund to satisfy the full entitlement of an eligible candidate, the amounts so withheld shall be paid in such manner that each eligible candidate receives his or her pro rata share of his or her full entitlement. The Secretary shall notify the Commission and each eligible candidate by registered mail of the reduction in the amount to which that candidate is entitled under section 505.

"(2) If the provisions of this subsection result in a reduction in the amount to which an eligible candidate is entitled under section 505 and payments have been made under this section in excess of the amount to which such candidate is entitled, such candidate is liable for repayment to the Fund of the excess under procedures the Commission shall prescribe by regulation.

"(3) If the provisions of this subsection apply and the monies in the fund are not sufficient to satisfy the full entitlement of all candidates, in addition to the procedures provided in paragraph (2), the Secretary shall give priority to general election payments and pay such payments, or portions thereof, before other payments made pursuant to this title.

"(d) On February 28, 1993, and each February 28 of any odd-numbered calendar year thereafter, the Commission shall determine the total amount in the Fund attributable to amounts designated under section 6096 of the Internal Revenue Code of 1986 and evaluate if such amount exceeds the total estimated expenditures of the Fund for the election cycle ending with the next Federal election. If it is determined that an excess amount exists, the Secretary of the Treasury shall transfer such excess to the general funds of the Treasury of the United States.

"EXAMINATION AND AUDITS; REPAYMENTS

"SEC. 507. (a)(1) After each general election, the Commission shall conduct an examination and audit of the campaign account of 10 per centum of the eligible candidates of each major party and 10 per centum of all other eligible candidates, as designated by the Commission through the use of an appropriate statistical method of random selection to determine, among other things, whether such candidates have complied with the expenditure limits and other conditions of eligibility and requirements of this title.

"(2) After each special election, the Commission shall conduct an examination and audit of the campaign accounts of each eligible candidate in such election to determine whether such candidates have complied with the expenditure limits and other conditions of eligibility and requirements under this title.

"(3) The Commission may conduct an examination and audit of the campaign accounts of any eligible candidate in a general election if the Commission, by an affirmative vote of four members, determines that there exists reason to believe that such candidate has violated any provision of this title.

"(b) If the Commission determines that any portion of the payments made to a candidate under this title was in excess of the aggregate payments to which such candidate was entitled, the Commission shall so notify such candidate, and such candidate shall pay to the Secretary an amount equal to the excess.

"(c) If the Commission determines that any amount of any payment made to a candidate under this title was not used as provided for in this title, the Commission shall so notify such candidate and such candidate shall pay to the Secretary an amount equal to 200 per centum of the amount of such funds.

"(d) If the Commission determines that any candidate who has received payments under this title has made expenditures which in the aggregate exceed by 5 per centum or less the limitation set forth in section 503(b), the Commission shall so notify such candidate and such candidate shall pay to the Secretary an amount equal to the amount of the excess expenditure.

"(e) If the Commission determines that any candidate who has received payments under this title has made expenditures which in the aggregate exceed by more than 5 per centum the limitation set forth in section 503(b), the Commission shall so notify such candidate and such candidate shall pay the Secretary an amount equal to three times the amount of the excess expenditure up to an amount not in excess of the payments received pursuant to section 504.

"(f) Any amount received by an eligible candidate under this title may be retained for a period not exceeding sixty days after the date of the general election for the liquidation of all obligations to pay general election campaign expenses incurred during this general election period. At the end of such sixty-day period any unexpended funds received under this title shall be promptly repaid to the Secretary.

"(g) No notification shall be made by the Commission under this section with respect to an election more than three years after the date of such election.

"(h) All payments received under this section shall be deposited in the Senate Fund.

"CRIMINAL PENALTIES

"SEC. 507A. (a) No candidate shall knowingly or willfully accept payments under this title in excess of the aggregate payments to which such candidate is entitled or knowingly or willfully use such payments for any purpose not provided for in this title or knowingly or willfully make expenditures from his personal funds, or the personal funds of his immediate family, in excess of the limitation provided in this title.

"(b) Any person who violates the provisions of subsection (a) shall be fined not more than $25,000, or imprisoned not more than 5 years, or both. Any officer or member of any political committee who knowingly consents to any expenditure in violation of the provisions of subsection (a) shall be fined not more than $25,000, or imprisoned not more than 5 years, or both.

"(c)(1) It is unlawful for any person who receives any payment under this title, or to whom any portion of any such payment is transferred, knowingly and willfully to use, or authorize the use of, such payment or such portion except as provided in section 504(d).

"(2) Any person who violates the provisions of paragraph (1) shall be fined not more than $10,000, or imprisoned not more than 5 years, or both.

"(d)(1) It is unlawful for any person knowingly and willfully—

"(A) to furnish any false, fictitious, or fraudulent evidence, books, or information (including any certification, verification, notice, or report), to the Commission under this title, or to include in any evidence, books, or information so furnished any misrepresentation of a material fact, or to falsify or conceal any evidence, books, or information relevant to a certification by the Commission or an examination and audit by the Commission under this title, or

"(B) to fail to furnish to the Commission any records, books, or information requested by it for purposes of this title.

"(2) Any person who violates the provisions of paragraph (1) shall be fined not more than $10,000, or imprisoned not more than 5 years, or both.

"(e)(1) It is unlawful for any person knowingly and willfully to give or accept any kickback or any illegal payment in connection with any payments received by any candidate who receives payments under this title, or the authorized committees of such candidate.

"(2) Any person who violates the provisions of paragraph (1) shall be fined not more than $10,000, or imprisoned not more than 5 years, or both.

"(3) In addition to the penalty provided by paragraph (2), any person who accepts any kickback or illegal payment in connection with any payments received by any candidate pursuant to the provisions of this title, or received by the authorized committees of such candidate, shall pay to the Secretary for deposit in the Fund, an amount equal to 125 percent of the kickback or payment received.

"JUDICIAL REVIEW

"SEC. 508. (a) Any agency action by the Commission made under the provisions of this title shall be subject to review by the United States Court of Appeals for the District of Columbia Circuit upon petition filed in such court within thirty days after the agency action by the Commission for which review is sought. It shall be the duty of the Court of Appeals, ahead of all matters not filed under this title, to advance on the docket and expeditiously take action on all petitions filed pursuant to this title.

"(b) The provisions of chapter 7 of title 5, United States Code, apply to judicial review of any agency action, as defined in section 551(13) of title 5, United States Code, by the Commission.

"PARTICIPATION BY COMMISSION IN JUDICIAL PROCEEDINGS

"SEC. 509. (a) The Commission is authorized to appear in and defend against any action instituted under this section and under section 508 either by attorneys employed in its office or by counsel whom it may appoint without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and whose compensation it may fix without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title.

"(b) The Commission is authorized through attorneys and counsel described in subsection (a), to institute actions in the district courts of the United States to seek recovery of any amounts determined under section 507 to be payable to the Secretary.

"(c) The Commission is authorized, through attorneys and counsel described in subsection (a), to petition the courts of the United States for such injunctive relief as is appropriate in order to implement any provision of this title.

"(d) The Commission is authorized on behalf of the United States to appeal from, and to petition the Supreme Court for certiorari to review, judgments or decrees entered with respect to actions in which it appears, pursuant to the authority provided in this section.

"REPORTS TO CONGRESS; REGULATIONS

"SEC. 510. (a) The Commission shall, as soon as practicable after each election, submit a full report to the Senate setting forth—

"(1) the expenditures (shown in such detail as the Commission determines appropriate) made by each eligible candidate and the authorized committees of such candidate;

"(2) the amounts certified by the Commission under section 505 for payment to each eligible candidate;

"(3) the amount of repayments, if any, required under section 507, and the reasons for each payment required; and

"(4) the balance in the Presidential Election Campaign Fund, and the balance in the Senate Fund and any other account maintained in the Fund.

Each report submitted pursuant to this section shall be printed as a Senate document.

"(b) The Commission is authorized to prescribe such rules and regulations in accordance with the provisions of subsection (c), to conduct such examinations and investigations, and to require the keeping and submission of such books, records, and information, as it deems necessary to carry out the functions and duties imposed on it by this title.

"(c) Thirty days before prescribing any rules or regulation under subsection (b), the Commission shall transmit to the Senate a statement setting forth the proposed rule or regulation and containing a detailed explanation and justification of such rule or regulation.

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 511. There are authorized to be appropriated to the Commission for the purpose of carrying out functions under this title, such sums as may be necessary.".

SENATE FUND

SEC. 3. Section 6096(a) of the Internal Revenue Code of 1986 is amended—

(1) by striking out "$1" each place it appears in that subsection and inserting in lieu thereof "$2"; and

(2) by striking out "$2" each place it appears in that subsection and inserting in lieu thereof "$4".

BROADCAST RATES

SEC. 4. Section 315(b)(1) of the Communications Act of 1934 (47 U.S.C. 315(b)(1)) is amended by striking the semicolon and inserting in lieu thereof the following: ": *Provided*, That in the case of candidates for United States Senator in a general election, as such term is defined in section 501(8) of the Federal Election Campaign Act of 1971, this provision shall apply only if such candidate has been certified by the Federal Election Commission as eligible to receive payments under title V of such Act;".

REPORTING REQUIREMENTS

SEC. 5. (a) Section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434) is amended by adding at the end thereof the following new subsections:

"(d)(1) Not later than the day after the date on which a candidate for the United States Senate qualifies for the ballot for a general election, as such term is defined in section 501(8), each such candidate in such election shall file with the Commission a declaration of whether or not such candidate intends to make expenditures in excess of the amount of the limitation on expenditures for such election, as determined under section 503(b).

"(2) Any declaration filed pursuant to paragraph (1) may be amended or changed at any time within 7 days after the filing of such declaration. Such amended declaration may not be amended or changed further.

"(e)(1) Any candidate for United States Senator who qualifies for the ballot for a general election, as such term is defined in section 501(8)—

"(A) who is not eligible to receive payments under section 502, and

"(B) who either raises aggregate contributions or makes aggregate expenditures for such election which exceed the amount of the limitation determined under section 503(b) for such Senate election,

shall file a report with the Commission within 24 hours after such contributions have been raised or such expenditures have been made or within 24 hours after the date of qualification for the general election ballot, whichever is later, setting forth the candidate's total contributions and total expenditures for such election. If such total is less than two times the limit, such candidate thereafter shall file a report with the Commission within 24 hours after either raising aggregate contributions or making aggregate expenditures for such election which exceed twice the amount of the limitation determined under section 503(b), setting forth the candidate's total contributions and total expenditures for such election.

"(2) The Commission, within 24 hours after such report has been filed, shall notify each candidate in the election involved who is eligible to receive payments pursuant to the provisions of this title under section 504, about each such report, and shall certify, pursuant to the provisions of subsection (i), such eligibility to the Secretary of the Treasury for payment of the amount to which such candidate is entitled.

"(3) Notwithstanding the reporting requirement established in this subsection, the Commission may make its own determination that a candidate in a general election, as such term is defined in section 501(8), who is not eligible to receive payments under section 504, has raised aggregate contributions or made aggregate expenditures for such election which exceed the amount of the limitation determined under section 503(b) for such election or exceed double such amount. The Commission, within 24 hours after making such determination, shall notify each candidate in the general election involved who is eligible to receive payments under section 504 about each such determination, and shall certify, pursuant to the provisions of subsection (i), such eligibility to the Secretary of the Treasury for payment of the amount to which such candidate is entitled.

"(f)(1) All independent expenditures, if any (including those described in subsection (b)(6)(B)(iii)), made by any person after the date of the last Federal election with regard to a general election, as such term is defined in section 501(8), and all obligations to make such expenditures incurred by any person during such period, if any, shall be reported by such person to the Commission as provided in paragraph (2), if such expenditure or obligation is described in such paragraph.

"(2) Independent expenditures by any person as referred to in paragraph (1) shall be reported within 24 hours after the aggregate amount of such expenditures incurred or obligated first exceeds $10,000. Thereafter, independent expenditures referred to in such paragraph made by the same person in the same election shall be reported, within 24 hours after, each time the aggregate amount of such expenditures incurred or obligated, not yet reported under this subparagraph, exceeds $5,000.

"(3) Each report under this subsection shall be filed with the Commission and Secretary of State for the State of the election involved and shall contain (A) the information required by subsection (b)(6)(B)(iii) of this section, and (B) a statement filed under penalty of perjury by the person making the independent expenditures, or by the person incurring the obligation to make such expenditures, as the case may be, that identifies the candidate whom the independent expenditures are actually intended to help elect or defeat. If any such independent expenditures are made during the general election cycle, and if such candidate is eligible to receive payments pursuant to title V of this Act, the Commission shall, within 24 hours after such report is made, notify such candidate in the election involved about each such report, and shall certify such eligibility to the Secretary of the Treasury for payment of the amount to which such candidate is entitled.

"(4)(A) Notwithstanding the reporting requirements established in this subsection, the Commission may make its own determination that a person has made independent expenditures, or has incurred an obligation to make such expenditures, as the case may be, with regard to a general election, as defined in section 501(8), that in the aggregate total more than the applicable amount specified in paragraph (2).

"(B) The Commission shall, within 24 hours after such determination is made, notify each candidate in the election involved who is eligible to receive payments under section 504 about each determination under subparagraph (A), and shall certify, pursuant to the provisions of subsection (i), such eligibility to the Secretary of the Treasury for payment in full of the amount to which such candidate is entitled.

"(g)(1) When two or more persons make an expenditure or expenditures in coordination, consultation, or concert (as described in paragraph (2) or otherwise) for the purpose of promoting the election or defeat of a clearly identified candidate, each such person shall report to the Commission, under subsection (f), the amount of such expenditure or expenditures made by such person in coordination, consultation, or concert with such other person or persons when the total amount of all expenditures made by such persons in coordination, consultation, or concert with each other exceeds the applicable amount provided in such subsection.

"(2) An expenditure by one person shall constitute an expenditure in coordination, consultation, or concert with another person where—

"(A) there is any arrangement, coordination, or direction with respect to the expenditure between such persons making the expenditures, including any officer, director, employee or agent of such person;

"(B) in the same two-year election cycle, one of the persons making the expenditures (including any officer, director, employee or agent of such person) is or has been, with respect to such expenditures—

"(i) authorized by such other person to raise or expend funds on behalf of such other person; or

"(ii) receiving any form of compensation or reimbursement from such other person or an agent of such other person;

"(C) one of the persons making expenditures (including any officer, director, employee or agent of such person) has communicated with, advised, or counseled such other person in connection with such expenditure; or

"(D) one of the persons making expenditures and such other person making expenditures each retain the professional services of the same individual or person in connection with such expenditures.

"(h)(1) Every political committee, as defined in section 301(4), active in non-Federal elections and maintaining separate accounts for this purpose shall file with the Commission reports of funds received into and disbursements made from such accounts for activities which may influence an election to any Federal office. For purposes of this section, activities which may influence an election to any Federal office include, but are not limited to—

"(A) voter registration and get-out-the-vote drives directed to the general public in connection with any election in which Federal candidates appear on the ballot;

"(B) general public political advertising which includes references, however incidental, to clearly identified Federal as well as non-Federal candidates for public office; or which does not clearly identify Federal candidates but urges support for or opposition to all the candidates of a political party or other candidates in a classification or context which includes Federal candidates; and

"(C) any other activities which require an allocation of costs between a political committee's Federal and non-Federal accounts reflecting the impact on Federal elections in accordance with regulations prescribed or Advisory Opinions rendered by the Commission.

"(2) Reports required to be filed by this subsection shall be filed for the same time-periods required for political committees under section 304(a), and shall include:

"(A) a separate statement, for each of the activities in connection with which a report is required under paragraph (1), of the aggregate total of disbursements from the non-Federal accounts; and

"(B) supporting schedules, providing an identification of each donor together with the amount and date of each donation with regard to those receipts of the non-Federal account which comprise disbursements reported under subparagraph (A), provided, however, that such schedules are required only for donations from any one source aggregating in excess of $200 in any calendar year.

"(3) Reports required to be filed by this subsection need not include donations made to or on behalf of non-Federal candidates or political organizations in accordance with the financing and reporting requirements of State laws, or other disbursements from the non-Federal accounts in support of exclusively non-Federal election activities, provided that such donations or disbursements are governed solely by such State laws and not subject to paragraph (1) of this subsection.

"(i) The certification required by this section shall be made by the Commission on the basis of reports filed with such Commission in accordance with the provisions of this Act, or on the basis of such Commission's own investigation or determination, notwithstanding the provisions of section 505(a).".

(b) Section 301(8)(B) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(8)(B)) is amended by—

(1) inserting "except for purposes of reporting and disclosing, pursuant to section 304, such amounts in excess of $200," at the beginning of subparagraphs (v), (viii), (x), and (xii); and

(2) inserting at the end thereof the following:

"(C) The exclusions provided in subparagraphs (v), (viii), (x), and (xii) of paragraph (B) shall not be exclusions from the definition of contributions for purposes of reporting contributions as required by section 304, and all such contributions shall be reported.".

(c) Section 301(4) of the Federal Election Campaign Act of 1971 is amended by adding at the end thereof the following:

"For purposes of this section, the receipt of contributions or making of expenditures shall be determined by the Commission on the basis of facts and circumstances, in whatever combination, demonstrating a purpose of influencing any election for Federal office, including, but not limited to, the representations made by any person soliciting funds about their intended uses; the identification by name of individuals who are candidates for Federal office, as defined in paragraph (2) of this section, or of any political party, in general public political advertising; and the proximity to any primary, run-off, or general election of general public political advertising designed or reasonably calculated to influence voter choice in that election.".

(d) Section 301(9)(B) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(9)(B)) is amended by—

(1) inserting "except for purposes of reporting and disclosing, pursuant to section 304, such amounts in excess of $200," at the beginning of subparagraphs (iv), (vi), (viii), and (ix); and

(2) inserting at the end thereof the following:

"(C) The exclusions provided in subparagraphs (iv), (vi), (viii), and (ix) of paragraph (B) shall not be exclusions from the definition of expenditures for purposes of reporting expenditures as required by this Act, and all such expenditures shall be reported.".

(e) Section 301 of the Federal Election Campaign Act of 1971 (2 U.S.C. 431) is amended by adding at the end thereof the following:

"(20) The term 'election cycle' means—

"(A) in the case of a candidate or the authorized committees of a candidate, the term beginning on the day after the date of the last previous general election for such office or seat which such candidate seeks and ending on the date of the next election; or

"(B) for all other persons, the term beginning on the first day following the date of the last general election and ending on the date of the next election.".

(f) Section 304(b)(2) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(b)(2)) is amended by striking out "for the reporting period and calendar year," and inserting in lieu thereof "for the reporting period and calendar year in the case of committees other than authorized committees of a candidate, and for the reporting period and election cycle in the case of authorized committees of candidates,".

(g)(1) Section 304(b)(4) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(b)(4)) is amended by striking out "for the reporting period and calendar year," and inserting in lieu thereof "for the reporting period and calendar year in the case of committees other than authorized committees of a candidate, and for the reporting period and election cycle in the case of authorized committees of candidates,".

(2) Section 304(b)(3) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(b)(3)) is amended—

(A) in subparagraph (A), by inserting after "calendar year," the following: "in the case of committees other than authorized committees or in excess of $200 within the election cycle in the case of authorized committees,";

(B) in subparagraph (F), by inserting after "calendar year," the following: "in the case of committees other than authorized committees or in excess of $200 within the election cycle in the case of authorized committees,"; and

(C) in subparagraph (G), by inserting after "calendar year," the following: "in the case of committees other than authorized committees or in excess of $200 within the election cycle in the case of authorized committees,".

(3) Section 304(b)(5)(A) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(b)(5)(A)) is amended by inserting after "calendar year," the following: "in the case of committees other than authorized committees or in excess of $200 within the election cycle in the case of authorized committees,".

(4) Section 304(b)(6)(A) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(b)(6)(A)) is amended by striking out "calendar year" and inserting in lieu thereof "election cycle".

(h) Section 301(13) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(13)) is amended by striking out "mailing address" and inserting in lieu thereof "permanent residence address".

(i) Section 304(b)(5)(A) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(b)(5)(A)) is amended by adding before the semicolon at the end thereof the following: ", except that if a person to whom an expenditure is made is merely providing personal or consulting services and is in turn making expenditures to other persons who provide goods or services to the candidate or his authorized committees, the name and address of such other person, together with the date, amount and purpose of such expenditure shall also be disclosed".

LIMITS ON CONTRIBUTIONS BY MULTICANDIDATE POLITICAL COMMITTEES AND SEPARATE SEGREGATED FUNDS

SEC. 6. (a) Section 315(a)(2) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(2)) is amended by—

(1) striking out "or" at the end of subparagraph (B);

(2) striking out the period at the end of subparagraph (C) and inserting in lieu thereof a semicolon; and

(3) adding at the end the following new subparagraphs:

"(D) to any candidate for the office of Member of, or Delegate or Resident Commissioner to, the House of Representatives and the authorized political committees of such candidate with respect to—

"(i) a general or special election for the office of Representative in, or Delegate or Resident Commissioner to, the Congress (including any primary election, convention, or caucus relating to such general or special election) which exceed $100,000 ($125,000 if at least two candidates qualify for the ballot in the general or special election involved and at least two candidates qualify for the ballot in a primary election relating to such general or special election), when added to the total of contributions previously made by multicandidate political committees and separate segregated funds, other than multicandidate committees of a political party, to such candidate and his authorized political committees with respect to such general or special election (including any primary election, convention, or caucus relating to such general or special election); or

"(ii) a runoff election for the office of Representative in, or Delegate or Resident Commissioner to, the Congress which exceed $25,000 when added to the total of contributions previously made by multicandidate political committees and separate segregated funds, other than multicandidate committees of a political party, to such candidate and his authorized political committees with respect to such runoff election;

"(E) to any candidate for the office of Senator and the authorized political committees of such candidate with respect to—

"(i) a general or special election for such office (including any primary election, convention, or caucus relating to such general or special election) which, when added to the total of contributions previously made by multicandidate political committees and separate segregated funds, other than multicandidate committees of a political party, to such candidate and his authorized political committees with respect to such general or special election (including any primary election, convention, or caucus relating to such general or special election) exceeds an amount equal to 30 percent of the amount provided in section 315(i); or

"(ii) a runoff election for the office of United States Senator which exceeds, when added to the total of contributions previously made by multicandidate political committees and separate segregated funds, other than multicandidate committees of a political party, to such candidate and his authorized political committees with respect to such runoff election, an amount equal to 30 percent of the limitation on expenditures provided in section 315(j), for runoff elections; or

"(F) to any State committee of a political party, including any subordinate committee of a State committee, which, when added to the total of contributions previously made by multicandidate political committees and separate segregated funds, other than multicandidate committees of a political party, to such State committee exceeds an amount equal to—

"(i) 2 cents multiplied by the voting age population of the State of such State committee, or

"(ii) $25,000,

whichever is greater. The limitation of this subparagraph shall apply separately with respect to each two-year Federal election cycle, covering a period from the day following the date of the last Federal general election held in that State through the date of the next regularly scheduled Federal general election.".

(b)(1) Section 315 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a) is amended by adding at the end thereof the following:

"(i) For purposes of subsection (a)(2)(E)(i), such limitation shall be an amount equal to 67 percent of the aggregate of $400,000, plus—

"(1) in States having a voting age population of 4 million or less, 30 cents multiplied by the voting age population; or

"(2) in States having a voting age population over 4 million, 30 cents multiplied by 4 million plus 25 cents multiplied by the voting age population over 4 million;

except that such amount shall not be less than $950,000, nor more than $5,500,000.

"(j) For purposes of subsection (a)(2)(E)(ii), such limitation shall be an amount equal to 20 percent of the aggregate of $400,000, plus—

"(1) in States having a voting age population of 4 million or less, 30 cents multiplied by the voting age population; or

"(2) in States having a voting age population over 4 million, 30 cents multiplied by 4 million plus 25 cents multiplied by the voting age population over 4 million;

except that such amount shall not be less than $950,000, nor more than $5,500,000.".

(2) Section 315(c) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(c)) is amended by—

(A) striking out "subsection (b) and subsection (d)" in paragraph (1) and inserting in lieu thereof "subsections (b), (d), (i), and (j)"; and

(B) inserting "for subsections (b) and (d) and the term 'base period' means the calendar year of the first election after the date of enactment of the Senatorial Election Campaign Act of 1987, for subsections (i) and (j)" before the period at the end of paragraph (2)(B).

(c) Section 315(d) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(d)) is amended—

(1) in paragraph (1), by striking out "(2) and (3)" and inserting in lieu thereof "(2), (3), (4), and (5)";

(2) by adding at the end thereof the following:

"(4) No congressional campaign committee may accept, during any two-year election cycle, contributions from multicandidate political committees and separate segregated funds which, in the aggregate, exceed 30 percent of the total expenditures which may be made during such election cycle by that committee on behalf of candidates for Senator, Representative, Delegate, or Resident Commissioner pursuant to the provisions of paragraph (3).

"(5) No national committee of a political party may accept contributions from multicandidate political committees and separate segregated funds, during any two-year election cycle, which, in the aggregate, equal an amount in excess of an amount equal to 2 cents multiplied by the voting age population of the United States.

"(6) The limitations contained in paragraphs (2) and (3) shall apply to any expenditure through general public political advertising, whenever made, which clearly identifies by name an individual who is, or is seeking nomination to be, a candidate in the general election for Federal office of President, Senator or Representative; provided that this paragraph shall not apply to direct mail communications designed primarily for fundraising purposes which make only incidental reference to any one or more Federal candidates.".

INTERMEDIARY OR CONDUIT

SEC. 7. (a) Section 315(a)(8) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(8)) is amended to read as follows:

"(8) For purposes of this subsection—

"(A) contributions made by a person, either directly or indirectly, to or on behalf of a particular candidate, including contributions which are in any way earmarked or otherwise directed through an intermediary or conduit to such candidate, shall be treated as contributions from such person to such candidate;

"(B) contributions made by a person either directly or indirectly, to or on behalf of a particular candidate, through an intermediary or conduit, including all contributions delivered or arranged to be delivered by such intermediary or conduit, shall also be treated as contributions from the intermediary or conduit, if—

"(i) the contributions made through the intermediary or conduit are in the form of a check or other negotiable instrument made payable to the conduit or intermediary rather than the intended recipient; or

"(ii) the conduit or intermediary is a political committee, other than an authorized committee of a candidate, within the meaning of section 301(4), or an officer, employee or other agent of such a political committee, or an officer, employee or other agent of a connected organization, within the meaning of section 301(7), acting in its behalf; and

"(C) the limitations imposed by this paragraph shall not apply to—

"(i) bona fide joint fundraising efforts conducted solely for the purpose of sponsorship of a fundraising reception, dinner, or other event in accordance with rules and regulations prescribed by the Commission by (I) two or more candidates, (II) two or more national, State, or local committees of a political party within the meaning of section 301(4) acting on their own behalf, or (III) a special committee formed by (a) two or more candidates or (b) one or more candidates and one or more national, State, or local committees of a political party acting on their own behalf;

"(ii) fundraising efforts for the benefit of a candidate which are conducted by another candidate within the meaning of section 301(2).

In all cases where contributions are made by a person either directly or indirectly to or on behalf of a particular candidate through an intermediary or conduit, the intermediary or conduit shall report the original source and the intended recipient of such contribution to the Commission and to the intended recipient.".

INDEPENDENT EXPENDITURES

SEC. 8. (a) Section 301(17) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 (17)) is amended by adding at the end thereof the following: "An expenditure shall constitute an expenditure in coordination, consultation, or concert with a candidate and shall not constitute an 'independent expenditure' where—

"(A) there is any arrangement, coordination, or direction with respect to the expenditure between the candidate or the candidate's agent and the person (including any officer, director, employee or agent of such person) making the expenditure;

"(B) in the same election cycle, the person making the expenditure (including any officer, director, employee or agent of such person) is or has been—

"(i) authorized to raise or expend funds on behalf of the candidate or the candidate's authorized committees,

"(ii) serving as an officer of the candidate's authorized committees, or

"(iii) receiving any form of compensation or reimbursement from the candidate, the candidate's authorized committees, or the candidate's agent;

"(C) the person making the expenditure (including any officer, director, employee or agent of such person) has communicated with, advised, or counseled the candidate or the candidate's agents at any time on the candidate's plans, projects, or needs relating to the candidate's pursuit of nomination for election, or election to Federal office, in the same election cycle, including any advice relating to the candidate's decision to seek Federal office;

"(D) the person making the expenditure retains the professional services of any individual or other person also providing those services to the candidate in connection with the candidate's pursuit of nomination for election, or election to Federal office, in the same election cycle, including any services relating to the candidate's decision to seek Federal office;

"(E) the person making the expenditure (including any officer, director, employee or agent of such person) has communicated or consulted at any time during the same election cycle about the candidate's plans, projects, or needs relating to the candidate's pursuit of election to Federal office, with: (i) any officer, director, employee or agent of a party committee that has made or intends to make expenditures or contributions, pursuant to subsections (a), (d), or (h) of section 315 in connection with the candidate's campaign; or (ii) any person whose professional services have been retained by a political party committee that has made or intends to make expenditures or contributions pursuant to subsections (a), (d), or (h) of section 315 in connection with the candidate's campaign; or

"(F) the expenditure is based on information provided to the person making the expenditure directly or indirectly by the candidate or the candidate's agents about the candidate's plans, projects, or needs, provided that the candidate or the candidate's agent is aware that the other person has made or is planning to make expenditures expressly advocating the candidate's election."

INDEPENDENT EXPENDITURE BROADCAST DISCLOSURE

SEC. 9. Section 318(a)(3) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441d(a)(3)) is amended by deleting the period at the end thereof and inserting in lieu thereof the following: ", except that whenever any person makes an independent expenditure through (A) a broadcast communication on any television station, the broadcast communication shall include a statement clearly readable to the viewer that appears continuously during the entire length of such communication setting forth the name of such person and in the case of a political committee, the name of any connected or affiliated organization, or (B) a newspaper, magazine, outdoor advertising facility, direct mailing or other type of general public political advertising, the communication shall include, in addition to the other information required by this subsection, the following sentence: 'The cost of presenting this communication is not subject to any campaign contribution limits.', and a statement setting forth the name of the person who paid for the communication and, in the case of a political committee, the name of any connected or affiliated organization and the name of the president or treasurer of such organization."

PERSONAL LOANS

SEC. 10. Section 315(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)), as amended by section 7 of this Act, is further amended by adding at the end thereof the following paragraph:

"(9) For purposes of the limitations imposed by this section, no contributions may be received by a candidate or the candidate's authorized committees for the purpose of repaying any loan by the candidate to the candidate or to the candidate's authorized committees.".

REFERRAL TO THE DEPARTMENT OF JUSTICE

SEC. 11. Section 309(a)(5)(C) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g(a)(5)(C)) is amended by striking out "may refer" and inserting in lieu thereof "shall refer".

EXTENSION OF CREDIT

SEC. 12. Section 301(8)(A) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(8)(A)) is amended by—

(1) striking out "or" at the end of clause (i);

(2) striking out the period at the end of clause (ii) and inserting in lieu thereof "; or"; and

(3) adding at the end thereof the following:

"(iii) with respect to a candidate for the office of United States Senator and his authorized political committees, any extension of credit for goods or services relating to advertising on broadcasting stations, in newspapers or magazines, by direct mail (including direct mail fund solicitations) or other similar types of general public political advertising, if such extension of credit is—

"(I) in an amount of more than $1,000; and

"(II) for a period of more than 60 days after the date on which such goods or services are furnished, which date in the case of advertising by direct mail (including a direct mail solicitation) shall be the date of the mailing.".

SEVERABILITY

SEC. 13. If any provision of this Act or any amendment made by this Act, or the application of any such provision to any person or circumstance is held invalid, the validity of any other such provision and the application of such provision to other persons and circumstances shall not be affected thereby.

EFFECTIVE DATE

SEC. 14. (a) Except as provided in subsection (b), this Act and the amendments made by this Act shall become effective for any election in 1990 or thereafter.

(b) The amendments made by section 3, section 7, section 8, and section 9 shall become effective on the date of enactment of this Act.

Mr. BYRD. Mr. President, I will not keep the floor long, just a minute or so. I believe that Senators should be prepared for a rollcall vote or rollcall votes this afternoon. There will be a point of order made by the distinguished Senator from Texas [Mr. GRAMM] and that may result in one or more rollcall votes.

CLOTURE MOTION

Mr. BYRD. Mr. President, I send to the desk a cloture motion.

The PRESIDING OFFICER. The cloture motion having been presented under rule XXII, the Chair directs the clerk to read the motion.

The legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of Rule XXII of the Standing Rules of the Senate, hereby move to bring to a close debate on the committee substitute for S. 2, to amend the Federal Election Campaign Act of 1971 to provide for a voluntary system of spending limits and partial public financing of Senate general election campaigns, to limit contributions by multicandidate political committees, and for other purposes.

Senators Spark Matsunaga, David Boren, Daniel P. Moynihan, Wendell Ford, Alan Cranston, Kent Conrad, Carl Levin, Wyche

Fowler, Jr., Terry Sanford, Tom Harkin, Paul Sarbanes, Jim Sasser, Patrick J. Leahy, Barbara A. Mikulski, John Kerry, and Donald Riegle.

SENATORIAL ELECTION CAMPAIGN ACT

Mr. BYRD. Mr. President, I wonder if we could agree, before the distinguished Senator from Texas makes his point of order—and I intend to yield the floor so that he can make it—could we agree to have, with the distinguished Republican leader on the floor, could we agree to have a time for debate with respect to this amendment, say, if we could agree to have debate for 1 hour and then let the Senator be recognized to make his point of order so we could have some debate?

I have to be off the floor at 4 o'clock. I have to go over and talk with the Speaker about another matter. I would like to be free at least to do that until 4:30.

If we could make it 1 hour of debate on this amendment, with the time to be equally divided between the distinguished Republican leader and Mr. BOREN, or their designees, after which hour Mr. GRAMM would be recognized to make his point of order.

Mr. DOLE. There would be no disposition of the amendment? You are just talking about debate on the amendment?

Mr. BYRD. No, no disposition of the amendment. Just debate on it.

Mr. DOLE. That would accommodate your schedule?

Mr. BYRD. Yes. I really wanted to go over to talk to the Speaker at 4 o'clock about the budget. That is what I want to do. But I do not want to be absent and I do not want to keep him waiting.

Mr. GRAMM. Will the distinguished majority leader yield?

Mr. BYRD. Yes.

Mr. GRAMM. If it would make no difference to the distinguished majority leader and others, it would help me, in terms of my schedule, if I could simply raise the point of order and have the distinguished majority leader move to waive the point of order and then set a time certain when we would vote on that, so I would not have to wait around another hour to raise it. If no one objected to that, I would be happy to do it that way. But I would accept the majority leader's suggestion if mine is not acceptable.

Mr. BYRD. I will be glad to meet the distinguished Senator halfway. Would it be agreeable to have the Senator make his point of order at this time and have, say, 1 hour and 15 minutes and let me be recognized at that time to either put in a quorum call or make a motion to waive?

Mr. GRAMM. Would the distinguished leader yield further?

Mr. BYRD. Yes.

Mr. GRAMM. I do not require any debate on my side on the point of order. I was simply proposing that I be recognized to make a point of order, that the distinguished majority leader move to waive the Budget Act, and that we would just delay the vote until the distinguished majority leader was ready to vote on it. I do not anticipate any debate. I can make my point in 2 minutes and require no further time.

Mr. BYRD. I was seeking to have some debate on the amendment so that it would be explained fully and, at the same time, protect myself while going over to the House and, at the same time, accommodating the distinguished Senator.

Mr. President, if the distinguished Senator from Texas would allow me to follow the course of the first proposal that I made, I would like to make that request, if I might. I will make it and then, if the Senator wishes to reserve the right to object, he may.

UNANIMOUS-CONSENT AGREEMENT

Mr. BYRD. Mr. President, I ask unanimous consent that the Senate proceed with debate, to be equally divided on both sides, controlled by Mr. DOLE, or his designees, and Mr. BOREN, or his designees, to extend until the hour of 4:45 p.m. today, at which time the distinguished Senator from Texas would be recognized to make his point of order; provided further, that, in the meantime, during the debate, no motions or actions be in order, other than the call of the quorum, to be charged appropriately. So this protects the Senator.

Mr. GRAMM. Mr. President, if the distinguished majority leader will yield, may I be certain that in this unanimous-consent request, debate on this amendment will occur until 4:45; that at that point I would be recognized to make a point of order, but debate would not have ended on this amendment? This amendment would then be, under the Rules of the Senate, infinitely debatable?

Mr. BYRD. Yes, yes. I am only dividing and controlling debate on this amendment until the hour of 4:45 p.m., at which time the distinguished Senator will be recognized to make his point of order and, pending the outcome of that, or depending upon the outcome of the point of order, of course, that does not mean that the debate on the amendment is ended. It does not mean that at all.

The PRESIDING OFFICER. Is there objection? The Chair hears none. Without objection, it is so ordered.

Mr. BYRD. Yes. The limitation on control of debate is simply to obtain during the time between this moment and the hour of 4:45 p.m. today. I thank the distinguished Senator from Texas. I thank the distinguished Republican leader. I yield the floor.

Mr. BOREN. Mr. President, I am pleased and proud to join in the amendment which has just been offered by the distinguished majority leader on my behalf and on behalf of himself.

We have been discussing the need, the pressing need, for campaign reform in this country over the past several days.

During the course of that discussion, we have emphasized, again and again, in order for us to have campaign reform, in order for us to have action this year, we must fashion a bipartisan proposal.

As we have pointed out again and again, what is happening to the election process in this country is not a Democratic problem. It is not a Republican problem. It is an American problem. It is a threat to the integrity of the election process itself.

When we see what is happening, when we see that in just the past 10 years the average cost of running a successful campaign for the U.S. Senate in this country in an average-sized State has gone from $600,000 to $3 million in this latest election cycle, it is clear that something is badly wrong.

When Members of the Senate have to spend an increasing amount of their time raising money and more money and more money in order to run for reelection, instead of devoting their time to solving the problems of this country, there is obviously something badly wrong.

When the perception begins to exist in this country, the cynical perception, that we are putting the highest offices in this land on the auction block for sale to the highest bidder—with election outcomes being determined by those who can raise the most money, not those who can present the best set of qualifications or the best proposals for solving the Nation's problems—something is badly wrong.

I would suggest, Mr. President, this kind of emphasis upon the raising of money and campaigns is one of the reasons why more and more members of the electorate are becoming disheartened, not even bothering to go to the polls and vote in a process where they think that money has undue influence.

The status quo is clearly not allowing opportunity to new people to enter the process; 80 percent of all the money from the special interest groups in the last election cycle went to incumbents, making it more and more difficult for new people, with new ideas, to enter the system. Almost half of the Members elected to Congress in the last election received a majority of their campaign contributions from special interest groups—many of them with absolutely no contact with their home States and home districts—instead of from the people back home at the grassroots.

That is why those of us who have joined together in sponsoring S. 2 have said that the need for action is urgent. We cannot afford to wait for another election cycle to take action. We are talking about the heart and soul of the democratic process; we are talking about the integrity of the election process itself, in this bicentennial year of our Constitution.

We, who are sworn to uphold the Constitution and uphold the integrity of the constitutional process, certainly have a high responsibility and a duty to see to it that the basic building block on which this whole system rests, the election process itself, be protected.

So, we have had debate on this subject over the last several days. In the course of that debate there have been those on the other side of the aisle who have said that their principal concern was the public financing aspect of the legislation which had been presented; they have indicated, too, that that is a major sticking point; that while they understand that under the Supreme Court decisions if we are going to have any kind of limit on spending under the Buckley versus Valeo case, we can only have voluntary spending limits and that there must be some incentive to induce candidates to accept voluntary spending limits.

While they have certainly indicated an understanding of the fact that we have been utilizing partial—and I emphasize the word "partial"—public financing as a means to get candidates to accept voluntary spending limits, they have come to the floor and many of them have stated they simply think too much public money is involved; that there is too much public financing in the proposal under S. 2.

Mr. President, we are most anxious to meet those on the other side of the aisle halfway. In presenting this amendment today, the majority leader and I and other Members on this side of the aisle, others who join together in sponsoring S. 2, are sending a loud and clear message: We are ready to work for a reasonable compromise to meet those on the other side of the aisle halfway; to meet their objections so that we can go forward in a bipartisan fashion, now, to achieve true campaign reform for this country and to secure and protect our constitutional system.

Therefore, we have made two essential changes in this particular substitute. It differs from the original S. 2 proposal, and that reported by the Rules Committee, in two important respects.

First of all, concern has been raised about the effective date of the legislation. There have been those who have said we simply cannot put this in place now for the 1988 election because fundraising is already proceeding and it would be too disruptive. To meet that objection in this particular amendment which we have offered today, we change the effective provisions to apply only beginning with the 1990 elections.

Second, and, as I said, since those who have been opposing S. 2 have emphasized their desire to try to reduce the amount of public financing in the system, we have more than cut in half, under this proposal, the amount of partial public financing that would be required. That constitutes the most important element of the compromise which we are offering to the other side. We have more than cut in half the amount of public financing that would have been involved under our original proposal.

To summarize it, Mr. President: Under the original proposal, while primary election contests would be totally financed through private contributions under S. 2, in the general election a candidate, once nominated and having accepted the voluntary spending limits, would have to raise a threshold amount in private contributions, private contributions of $250 or less, 75 percent from the home State of that candidate, in order to qualify for Federal funds out of the voluntary income tax checkoff system.

Once that threshold was met, and the threshold was approximately 20 percent of the total spending limit in the general election, then the funds from the checkoff system, the public funds, would be used to make up the balance.

In other words, that 80 percent under the original proposal, once the threshold was met, 20 percent was raised from private contributions principally in the home State of the candidate, than the balance of the funds up to the spending limit would come from the public fund created through the checkoff system; in other words, approximately 80 percent.

Under this new proposal, once the 20-percent threshold is met, the balance of the funds would be allocated on a matching basis. Under this proposal, we would require the candidate to raise an additional dollar of private contributions, small amounts, before that candidate could get $1 of matching funds from the public voluntary income tax checkoff fund.

So, you would have to raise the dollar for a dollar. That would mean that of that final 80 percent, approximately half of it would come, then, from individual, private contributions to be matched by the public payment out of the checkoff fund.

We would be reducing the amount of public funds to a maximum possible percentage of 40 percent in the general election. Only contributions by individuals, small contributions by individuals, would be matched by the public fund. It would still be lawful to expand PAC moneys up to an aggregate PAC limit, the very same limit that was set in S. 2. Those funds would not be matched from the public checkoff fund. If a candidate decided after raising the 20-percent threshold to spend another 20 percent within the limits of the law of PAC funds, only 60 percent would be left.

That would be matched dollar for dollar. In that example, public funds would only be 30 percent. So the bottom line is this: We are ready to reach a reasonable compromise. We are not going to let some preannounced position on a specific provision of the bill stand in the way of reaching a reasonable compromise and we are trying to move to meet the others halfway. We have moved a giant step in reducing the amount of public funds to less than 50 percent, less than half of that we have in the first proposal.

At the same time, this compromise preserves the two essentials of reform. First, if we are to have true campaign reform, we must find a way to limit campaign spending, we must find a way to stop the ever-growing amount of money that is being spent on campaigns in the escalation of those costs. This particular substitute amendment does that. It still has a mechanism to bring about voluntary spending limits and still has enough incentives built into the bill for the matching system set up in the general election, $1 of private contributions to be raised by $1 of the checkoff fund only for those candidates who accept voluntary spending limits.

It still has the incentives to be effective in terms of limited spending. Second, it still contains the very same provisions as in the original bill in terms of limiting the aggregate amount of PAC funds or special-interest funds that can be accepted by a candidate. Without those two essentials, there can be no reform.

We are anxious to do our part to meet the other side halfway. We hope they will now respond by moving from their original positions to move toward us so we can begin to form a consensus in the interest of this Nation on a bipartisan basis to deal with a critical American problem.

I commend the majority leader for his willingness to set aside any kind of partisan feelings to reach out to the other side to try to forge this sort of compromise for the benefit of this country. We must not allow party politics to stand in the way of doing something to clean up the election process itself, to stop the scandal of the increasing amount of money that has to be raised and spent in order for people to render a public service. We must do something about it.

I commend the majority leader for his willingness to take the first step to reach out to the other side with a reasonable proposal. My hope is that those on the other side of the aisle will accept this offer, will meet us halfway in this proposal, will vote for cloture so that we can move ahead and write this provision into law and do something very positive for the future of this country and our political system.

Mr. BYRD. Mr. President, will the distinguished Senator yield me some time?

Mr. BOREN. I shall be happy to yield to the majority leader as much time as he requires.

Mr. BYRD. Will he yield me 7 minutes?

Mr. BOREN. I yield the majority leader 7 minutes.

Mr. BYRD. Mr. President, I thank the distinguished Senator.

Mr. BYRD. Mr. President, my statement will be very short and simple.

We are here because our campaign financing system is a disgrace, and is eroding trust and confidence in our democratic system of government. The perception is widespread that the Congress is for sale. We are foolish, indeed, if we do not invest all our creativity and energy in taking effective actions to change this perception.

We who serve here know that we spend countless hours chasing campaign funds all around the country, to the detriment of our duties and our constituents. Both incumbents and challengers alike spend great amounts of time during campaigns seeking contributions instead of debating issues and learning of constituents' concerns.

We watch as the amounts spent for Senate primary and general elections soar off the charts—rising by inconceivable proportions from one election to the next. This trend exacerbates the other two problems I have just noted, and gives the public the sense that the best candidate is not the one best equipped to contribute to solutions of this Nation's complex and gripping problems, but the one who is the most successful fundraiser.

We have to change that.

My colleagues on both sides of the aisle know that this will be changed only if we impose spending limits on campaigns. These must be reasonable. They must permit realistic challenges to incumbents. But there must be limits.

My colleagues on both sides of the aisle also know, as the distinguished Senator from Oklahoma [Mr. BOREN] has stated, that the Supreme Court decision in Buckley versus Valeo created a situation in which the only constitutional way to obtain spending limits is for those limits to be voluntary. And the only way for those voluntary limits to be functional is to link them to some form of public financing.

The question then, Mr. President, is whether those who so far have opposed the bill reported by the Rules Committee agree that we need spending limits, or whether they believe we ought to permit campaign spending to continue to soar in unrestricted fashion.

The amendment I have proposed on behalf of Mr. BOREN and myself, Mr. President, is designed to provide those Senators an opportunity to show how they feel on that question. The principal criticism directed toward this bill by most of its critics is that it costs too much or will cost taxpayers too much because of its public financing. The amendment I have sent to the desk cuts the cost of the bill by more than half, as Mr. BOREN has just stated.

Those of us who have so strongly supported campaign financing reform are willing to make this much movement because we believe obtaining real campaign finance reform—notably including effective spending limits—is the very core of reform.

We also are willing to make this much movement because we sincerely want the legislation that emerges from the Senate on this subject to be bipartisan. This legislation is not now and never has been an attempt to hurt the Republican Party, as some have charged.

Mr. President, this amendment speaks for itself. It shows that we who support campaign finance reform are willing to meet those who have expressed criticisms of the bill before us more than halfway. I am very hopeful that those Senators will choose to move toward us as we have been willing to move toward them. Because, if they do, the 100th Congress can take a truly historical step in enacting effective campaign finance reform legislation that will help mightily to restore confidence in the integrity of our democratic system of Government.

The people of this Nation are watching what we do here. Too many in this city underestimate the intelligence and perceptivity of the people out there who are watching. The people will know who supports real reform and who does not support real, genuine, effective, meaningful campaign finance reform. They will know who is putting up a smoke screen and who is serious. Nothing less than the public's perception of the integrity of this body—and, indeed, of our Democratic Government—is what is at stake. It will be a true tragedy if we let party politics get in the way of what we need to be doing on this subject—if we cannot work together to achieve what the people want us to achieve: real reform.

I hope those who have opposed this campaign finance reform bill will support this amendment.

Mr. President, I ask unanimous consent that an editorial from today's Washington Post entitled "Drowning in Money" be printed in the RECORD at this point.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

DROWNING IN MONEY

Knowing they'd lose if it came to a vote, Republicans have done as threatened and blocked the Senate from proceeding with campaign finance reform. They say the sticking point is the public financing the bill would provide for Senate campaigns—that the democratic bill is a grabby effort by a lazy majority to perpetuate itself in office at public expense; that the present system is not the cozy trade of clout for cash the critics portray; that public finance will create a Senate not more responsive to the public will but less so.

This is a false issue. A comparable public financing scheme has been in effect at the presidential level for three elections now. The view almost everywhere is that it has helped in mucking out the stables. Ronald Reagan has taken public money three times, more than $90 million in all; he seems to have survived it. Bob Dole has indicated he will take it in his presidential campaign. Why at one level is it a cleansing influence, at the other to be deplored? Which side of this no doubt moral issue is the minority leader on?

The current congressional financing system is at the very edge of rot. Sensible members of both parties understand that. The cost of office leaps ahead in every election cycle, more than doubling in 10 years: $3 million for the average Senate seat, more if the seat is contested; $300,000 for a seat in the House. The democratic process drowns in amounts like these; the members have been driven to the PACs, which are only too happy to oblige. The answer is spending limits, but the Supreme Court has said that spending limits are only constitutional if they are part of a quid pro quo. That is why public spending is in this bill. You don't have to take the money, but if you do, you have to abide by the terms on which it is given. If not public spending, what do the Republicans propose? They would bid the price of office to the moon.

Some Republicans have suggested, instead of caps on spending, shifts in the sources and mix of funds. The idea is to let the PACs give less, individuals and parties more. A good beginning—the individual limit of $1,000 per election has not been changed since 1974 and is much eroded by inflation—but not enough; these alternatives skate on the surface of the problem. A few others in both parties say the answer is not legislation but a constitutional amendment that would permit spending limits without the window-dressing of public finance. But constitutional amendments take forever, and we wince at the idea of making Swiss cheese of the First Amendment.

The issue is not public-versus-private financing, as the Republicans would have it. The real-world issue is whether and how to limit the role of megadollars in our politics. Yesterday's vote showed that the Democratic bill can pass. The Republicans don't like it, but neither can they want the present system hung around their necks. If not the Democratic bill, then an alternative that will also limit spending and take the Senate off the present race course: that is what the Republicans must help provide.

Mr. President, I yield back any time that I may have remaining to the distinguished Senator from Oklahoma.

Mr. McCONNELL. Will the Senator from Oklahoma yield for a question?

Mr. BOREN. Will this be on the time of the Senator from Kentucky?

Mr. McCONNELL. Frankly, it makes no difference to the Senator from Kentucky. He will be happy to use his time.

Mr. BOREN. I will be happy to yield on his time.

Mr. McCONNELL. I just wanted to ask the Senator from Oklahoma, as he well knows in the original version of S. 2 as reported out by the committee, if one chose as a matter of principle, let us say, to not opt for public funding and to fund his campaign privately, there was under the committee reported version of S. 2 a provision for what we call, for lack of a better term, a second entitlement from the Treasury.

For example, in the State of Oklahoma, should the Senator's opponent in 1990 choose to go private rather than opt for public funding, once he exceeded the general election spending level of $1,113,700 the Senator in this hypothetical would get a second check from the Government for an equal amount of $1,113,700. And so my question to my friend is, is that second entitlement payment still triggered by the approachment of the level of spending of the candidate who chooses to fund his campaign privately?

Mr. BOREN. Mr. President, the Senator is correct. In other words, as far as raising the money initially, we are not asking the Treasury to raise all of the money after the candidate has met the threshold. Let us take a State where the limit is $1 million to take an example. You raise the $1 million privately, 75 percent within your own State, contributions of $250 or less. After that, if the candidate involved continues to raise individual contributions as opposed to spending PAC money, those individual contributions will be matched dollar for dollar. The actual mechanism is if the candidate raised $20,000 in his State from small contributions, then $20,000 will come out of the fund. So when you get through with that first $1 million under our example, 60 percent of it will have been raised through private contributions and a maximum of 40 percent would come from the public checkoff fund.

Now, let us suppose then that the opponent, who has not accepted the voluntary spending limit, breaks through the barrier and the opponent goes on and spends $2 million. At that point, the additional funds would come to the person accepting the spending limit from the voluntary public checkoff fund. This is their enforcement mechanism to try to ensure fairness so people will not attempt to buy elections. If I want to be a good citizen, if I want to fight the election out on the issues and on the qualifications for office, instead of on the basis of who can raise the most money to buy the election, then I should not be penalized for trying to be a responsible candidate. If the other side wants to buy the election, then, yes, funds would come in from the public checkoff system, from people who voluntarily checked their income tax returns. Funds would come out of that public fund to equalize the race so that the candidate who wanted to be responsible, who wanted to run on his merits, who wanted to run on the issues, instead of running on the basis of buying the election by raising an enormous amount of money and spending an enormous amount of money, that fund would be used, yes, to preserve the integrity of the election process. That is exactly right.

Mr. McCONNELL. I thank my friend from Oklahoma. As he knows, one of our shared concerns—we do have a few shared concerns in this Chamber—is the so-called millionaire's loophole. It exists under current law. It would exist under S. 2. It would exist under the amended version of S. 2. It would exist under McConnell-Packwood. It exists because it is a constitutional problem. One of the things I fear about even the most recent version of S. 2 is that it makes it even more difficult for the candidate who is not wealthy to compete with the millionaire candidate. Certainly the second entitlement from the Treasury would be a deterrent to one who is only a little bit wealthy, but to someone who has vast wealth—and we have some of our colleagues sitting in this body today who have vast wealth and who have spent that vast wealth in behalf of their ambitions to come to the Senate—this would simply provide a limit for the candidate who chose to fund his campaign partially privately and partially publicly but would not be much of a deterrent to the really wealthy candidate who is prepared to dip into his pocket to go the whole way. And so, unfortunately, none of the versions we have discussed will deal with that problem. If there were a way to construct a constitutional amendment, as we probably should construct it, to deal with that problem, the Senator from Kentucky would certainly be more than happy to join in support of such a constitutional amendment.

With all due respect to the majority leader and the Senator from Oklahoma, the amended version of S. 2 is largely a cosmetic alteration of the taxpayer financing feature existing in the earlier version. The expense laid on the taxpayers' backs will be changed from about $117 million per election to about $76 million per election, a 35-percent reduction in the amount of taxpayers' money going into campaigns.

I do not think that is a significant alteration of the problem. Most of the Senators certainly on this side of the aisle—and I think a great many of the Senators on that side of the aisle, at least quietly—do not favor the use of taxpayers' funds for the funding of political races.

Beyond that, as many of us have said frequently in the debate over the last few months, is it appropriate to limit participation? When you put a cap on spending, when you put a cap on participation, when you put a cap on the ability of one to go out and get as much support as his skill and ability will enlist, it seems to me that is not reform.

It appears to me, with all due respect to my friend from Oklahoma, that we still are in fundamental disagreement about what adds up to reform. To the Senator from Kentucky, reform means disclosure of soft money, reform means possibly the limitation of soft money. It means greater disclosure of independent expenditures. It means doing something about the special interests. The Senator from Oregon and myself proposed a bill that would eliminate PAC contributions to candidates. We would be happy to carry that over to parties as well. If the issue is special-interest influence, if the issue is undue influence, if the issue is that somehow we have fallen into the clutches of special interests in this town, we can eliminate those contributions and we can do it in this debate, but unfortunately S. 2 does not do that.

In conclusion, Mr. President, I appreciate the effort of the Senator from Oklahoma, the spirit of compromise, but it seems to me that the amended version of S. 2 retains the most objectional features of the earlier version and that is public funding and spending limits. And so I must respectfully suggest that this is not a compromise that has gone far enough. I yield the floor.

Mr. BOREN addressed the Chair.

The PRESIDING OFFICER. Who yields time?

The Senator from Oklahoma.

Mr. BOREN. How much time remains on this side?

The PRESIDING OFFICER. Thirteen and a half minutes.

Mr. BOREN. Thirteen and a half minutes?

The PRESIDING OFFICER. Thirteen and a half minutes remain for the side of the proponents.

Mr. BOREN. I yield myself 8 minutes.

The PRESIDING OFFICER. The Senator is recognized for 8 minutes.

Mr. BOREN. Mr. President, there are a number of issues that have been raised by the distinguised Senator from Kentucky and I express my disappointment that the Senator from Kentucky does not feel that this particular compromise can be accepted. As we have said, we have gone more than half way. If the true objection was the objection to some partial public financing, we have reduced by more than half the amount of public financing that would be involved in the general election. We have left the primary system totally under private financing.

I would hope that if this cannot be accepted, there would be proposals on the other side which would take a giant step toward meeting us—we have attempted to take a large step toward meeting the objections on that side—so we will not let this opportunity for true reform slip through our fingers once again. Every year that we wait the problem simply becomes more and more serious.

Several matters have been raised and I want to address them. The first is the millionaire's loophole. There seems to have been the implication that Senate bill 2 and the substitute offered today do not deal with the so-called millionaire's loophole, the ability of a candidate who is very wealthy in his or her own right to spend a lot of money in order to get elected, whereas the opponent does not have the funds and this advantage. This bill does deal with a very meaningful way with the so-called millionaire's loophole. First of all, we provide that any candidate who participates in the system, who accepts the voluntary spending limits, who gets the lower advertising rate, who is eligible for the matching fund out of the checkoff system, will first of all agree not to spend more than $20,000 of his own money.

This is in great contrast to the proposal of the Senator from Kentucky and the Senator from Oregon. They allow an individual to spend $250,000 of his own money before any particular provision triggers or any particular protection triggers.

So I submit that if we are concerned about doing something about preventing those with enormous amounts of personal wealth from using their own money to buy an office, our proposal is much more effective than theirs.

Second, we should look at what happens if the candidate exceeds the amount of money that is allowed.

First of all, under our provision, if a millionaire exceeds the voluntary spending limit, then the opponent who does not have the access to that personal wealth will be eligible for funds out of the checkoff system, an impartial checkoff system, to combat that amount of money.

The solution offered, on the other hand, in the McConnell-Packwood proposal is to allow the candidate who is up against the millionaire candidate to raise the individual contributor limit on funds they can accept from $1,000 up to $10,000. In other words, they compound the problem.

The only way of dealing with it, if the millionaire spends over $250,000 of his own money, which they allow, is to raise the contributions so that people can give $10,000 to a candidate instead of only $1,000.

In my opinion, that creates what I would call a double loophole, so far as big money influence is concerned. We are just compounding the problem of allowing other millionaries, who can now give only $1,000 to a candidate, to now give that candidate $10,000. How does that enhance the ability of the average citizen at the grassroots, who cannot afford to make such contributions, to participate on a fair and equal basis in the election process? I say it does not. I think the terms of S. 2 are much more effective in dealing with this problem.

Let me indicate that I think we are getting at the basis of what is really the reason for the dispute on the other side of the aisle. It is not really public financing. We have talked here about reducing the amount of public financing. It is really, spending limits. The objection to public financing, I think, has been thrown up as a smoke screen. The real reason some on the other side are not for this proposal is that it achieves spending limits.

I was interested to read an article this morning in the Louisville Courier Journal quoting our distinguished colleague, for whom I have great respect. We have worked together on a number of issues. He said that the Senate Republicans met late yesterday and agreed to bind themselves as a caucus to vote against any new version that would impose spending limits—spending limits.

I must say that I was very discouraged by that, because, as long as the problem was simply a mechanism of getting spending under control, concern about the amount of public financing involved, I felt certain that we could move to reach an agreement, that we could move to have a consensus. There cannot be any real reform without some kind of spending limits. We must limit the influence of special interests and the amount that is being spent on campaigns.

This Senator is not overjoyed with the idea of putting any public funds into the election process, but it becomes necessary, and I think it is important for the American people to understand.

In the past, we had laws that limited the amount of money you could spend getting elected to Congress or to State offices across this country, and we kept it on a fair basis, so that any candidate could not buy the election by being able to have more money himself or herself or raise more money. We had to keep a level playing field to elect people on their qualifications rather than on the basis of how successful they were in raising huge amounts of money, often from those who had an interest in legislation pending in Congress.

Then the Supreme Court came along, in the case of Buckley versus Valeo, and said it is now unconstitutional, in the opinion of the Court, to impose spending limits. So we had to come up with some new mechanism to find a way to constrain total spending.

The example before us, which has been upheld by the courts, was the example of the Presidential system, which has worked very well and kept the cost of running for President from escalating at all.

It stayed more or less the same since this system was put in place. That is, you can have voluntary spending limits. Why would a candidate accept spending limits, especially if they are concerned about an opponent not abiding by spending limits?

Well, we put in a system under which there is a matching fund. Only candidates who accept the voluntary spending rule limit will qualify to obtain matching public funds. We have to come up with a bundle of carrots, with incentives, to induce a candidate to accept a voluntary spending limit. That is the only way, under the Court decision. It is a Court decision I do not happen to like, but it is the Court decision. It is now the law of the land; and, like it or not, we have to deal with it, and we have to come up with a system that will enable us to impose spending limits through a voluntary system. However, with a voluntary system, you have to have some inducement, a mechanism, to get a candidate to accept that limit; and to make sure he accepts it is to have inducement, even overriding his fear that his opponent will outspend him.

So, that is what this debate is really about. Is it good for America to allow candidates to spend on campaigns absolutely without limit? That is what is so discouraging to me.

I do not believe that a majority of people in this country, in either political party, think it is good for America, for the cost of campaigns to continue to escalate at such an alarming rate. If you took a poll of the American people, I do not believe that you would have more than a tiny fraction of the American people say that it is a good thing that the cost of running for the U.S. Senate has gone up from $600,000 to $3 million in just 10 years. I do not think you could get many people in the United States of America to say that they think it is a good thing that if just the present rate of increase continues, 12 years from now it will cost an average of $15 million in a small

State to run for a seat in the U.S. Senate.

I think they would agree with the feelings of the high school students I mentioned on the first day of this debate.

I asked them: "Are you interested in serving your country, perhaps running for office, running for the U.S. Senate someday?" A number of hands went up. They were 12 years away from running for the Senate.

When I asked them how many, I told them to think about how they would raise the $15 million, which, at the current rate of increase, it would take for them to run for the U.S. Senate. I wish my colleagues could have seen the looks on their faces. We cannot afford to dash their idealism and their hopes to serve.

What can anyone be afraid of, to get an equal chance to raise money with equal limits? Yes, they have to be high enough to help you bring your case to the American people, to tell the people what you believe and what you hope to do if elected. But how much is enough? Should we allow a system to exist that would allow a person to raise $50 million, $100 million? Some think it is great that it has gone from $600,000 to $3 million. I suppose they think it would be better to rise to $15 million. Is it enough to allow us to raise $100 million to run for the U.S. Senate, so that we could spend nearly all our time raising money and none of our time solving the problems of the country?

Let us compete on qualifications and ideas, on a fair and equal basis, before the American people. Let us tell the people what we want to do if elected to office. Let us tell them our proposals for solving the national problems. Let us not make the major element of competition for public office the raising of the most money, rather than those people who would be most dedicated to serving their country and most able, because of their ideas, to make a clear contribution to the future of this country. Yes, we want competition in politics, on ideas and ideals, and not on money, money, and more money, to auction off the high offices of this land to the highest bidder.

The PRESIDING OFFICER. Who yields time?

Mr. McCONNELL. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has just under 24 minutes.

Mr. McCONNELL. Mr. President, in part I believe I agree with my friend from Oklahoma. The issue is spending, but spending put another way is participation. The question is, is it good for America to limit participation in campaigns?

The American people are busy. Most of the American people have jobs. They are involved in the Girl Scouts, the Boy Scouts, a variety of other endeavors.

What is the easiest and most effective way for the American people to participate is to make a contribution to their favorite candidate.

So what my friend from Oklahoma is really saying is let us limit participation in the political system. Let us say to candidate X in Oklahoma, "No matter how much support you've got out there, this is all you can get, this is all you can get."

The Supreme Court decision has been cited by many with disdain. What the Supreme Court said about limiting spending was that it was a violation of the first amendment, and the Supreme Court was right on point. I repeat what the Supreme Court said, that a limit on spending on behalf of a candidate was a violation of the first amendment.

We revere the first amendment in this country. The Supreme Court interpreted this right appropriately, and it is not good for America to put a limit on participation.

We all agree that the so-called millionaire loophole is a problem and none of the bills before this body will solve that problem. But to the extent that we are talking about the raising of funds from others, the accumulation of that support is not bad. It is good. It is a constitutionally protected right under the Supreme Court decision.

I make no bones about defending the right of political candidates to go out and get a lot of support from a lot of people which is required under our system, as much as they can get.

When the Senator from Oklahoma talks to his schoolchildren about running for the U.S. Senate, his answer to the schoolchildren ought to be it will be difficult to run for the U.S. Senate; you have to get a lot of people to support you, and nobody is going to send you a check from the Federal Government to run your race; you are going to have to have a lot of support to pull it off. It is not easy to be elected to the U.S. Senate. That is what the Senator from Oklahoma should say to his schoolchildren. They can get support like anyone else can.

Mr. President, I did not intend to make another speech at this point, but since I am controlling the time on our side I would like to yield 6 minutes to the Senator from Arizona.

Mr. McCAIN. Thank you very much, Mr. President.

I thank my colleague from Kentucky in his earnest labor on this very crucial issue to the American people.

Mr. President, when this debate started, I was very confused about something and that was what my colleague from Oklahoma, Senator BOREN, stated in the initial debate that Senator Barry Goldwater, my distinguished predecessor, was in support of this bill. I was very confused about that. And I must say in all candor that I was confused because I know Barry Goldwater, and I know that Barry Goldwater would never support public financing—raiding the public till to the tune of a quarter of a billion dollars every couple of years in order to finance political campaigns.

I just finished talking to Senator Barry Goldwater on the telephone. Senator Goldwater said he was misinformed as to what the content of S. 2 was. Senator Goldwater said he could never, and his colleague, Senator BOREN, I believe, should have known that, support a bill that required taxpayers to foot the bill for political campaigns.

I hope that my distinguished, and I mean distinguished and revered, friend, Senator BOREN, will retract his statements from the record which indicate that Senator Barry Goldwater was in support of S. 2 because Senator Barry Goldwater is not and will not be in support of that legislation.

I understand that my colleague from Alaska, Senator STEVENS, has already received a telegram to that effect.

Let me mention, Mr. President, now that we are talking about special interests, last Sunday a special interest group decided to get into Arizona politics. One is from Washington, DC. They took a full page ad out in the largest newspaper in my State, stating that "Senator McCAIN is about to vote on whether to end a national scandal. The Senate's integrity is at stake. What will Senator McCAIN do? Paid for by Common Cause, Washington, DC."

There are a couple of things interesting about this advertisement or however one wants to describe this. First of all, it says, "Senator Barry Goldwater supports S. 2." False.

Then it is very interesting that it focuses on political action committees. In fact, the opening statement in this ad is: "Too much money is given to candidates by special-interest PAC's."

What they do not go on to say is that political action committee participation is allowed by S. 2. On the first day of debate my colleague from Oregon, Senator PACKWOOD, and I said to the distinguished author of this bill that we would accept an amendment to the bill which will do away with all political action committee participation, whether it be to an individual candidate or to a party.

We thus find ourselves in a strange situation indeed, particularly in view of all of these wonderful editorials from all over the country that have been put on my desk that are entitled "PAC," "PAC racket," "PAC reform," "Big money PAC's do not help the little people." If that is the focus of the American people's dissatisfaction with the political process, Mr. President, let us do away with political action committees. If we want an honest bill out of this U.S. Senate then, Mr. President, let's deal with an amendment I've suggested a couple of days ago which does away with all political action committee participation, both to individuals or to parties.

I think that is the way, Mr. President, to address the concern of the American people, who believe either rightly or wrongly that political action committees corrupt the political process and exert undue influence on the legislative process.

Let me add again, Mr. President, if I could, there is no mention in this or any other of the stack of editorials that I have seen that even mention that it is the American people who S. 2 is asking to foot the bill for this legislation, the American taxpayer.

Everyone knows full well that, if a bill of this nature passes the Senate, then we will have public financing for the House of Representatives as well. That is a political reality around this body, and that will increase the expenditures in the estimation that I have seen of somewhere around a quarter of a billion dollars every 2 years. I think that is an outrage.

I agree with my colleague, Senator Goldwater, my distinguished predecessor that this is not the approach to take.

My distinguished colleague, Senator Boren, just said public financing is a smoke screen. I say to my colleague and distinguished colleague from Oklahoma that is not the view of Senator Goldwater. The difference between his support and nonsupport of this bill is public financing.

Mr. BOREN. Mr. President, will the Senator yield?

Mr. McCAIN. I will yield when I have time.

I very much appreciate the response of my distinguished friend from Oklahoma. Public financing is not a smoke screen. In my opinion and in the opinion, I think, of many Americans, it is indeed the crux or one of the most crucial parts of this issue.

The Senator from Oklahoma says that a fraction of the American people believe that campaigns cost about enough. I would suggest that a fraction of the American people believe that we should again raid the Treasury to pay for campaigns.

Let us look at another approach—limiting the size of individual contributions.

We had very compelling testimony from our distinguished colleague from Florida, who has been sent back on several occasions by the majority of the people in his State. He accepts no PAC money. He limits his contributions to $100 per individual.

Why do we not look at that way rather than asking for the easy way which is just asking the taxpayer to bear a burden.

The question is: Do I have to spend, or did I in the last campaign, have to spend too much time raising money for my campaign? The answer is "yes." I also had to spend too much time knocking on doors in 115 degree heat in Tucson, AZ. I had to spend too much time attending as many as seven barbecues in 1 day. I had to spend too much time, an inordinate length of time, as a political campaign does, raising money from people, particularly on the basis of $5, $10, $15, and $20. The average contribution in my campaign in the last election was $20—which is a way of involving people in the political process.

Mr. President, if we want true reform let us do this. Let us address the evil, as the American people view it and as all of these editorials that have been placed on my desk view it, and that is the political action committee.

Let us not limit it. Let us do away with it. That is what I feel is indeed the evil as perceived by the public.

Second of all, let us look at the limits on the individual contributions rather than asking the taxpayers to foot the bill for our political campaigns and taking the burden off of us to get people to participate in our campaigns in which contributing to one's campaign is an integral part.

I yield to my distinguished colleague from Oklahoma.

Mr. BOREN. Mr. President, I just want to say to my good friend from Arizona that, as he knows, I would never in any way try to misconstrue what his former colleague, for whom I have a great respect and long friendship, Senator Goldwater, would say on this matter.

I want to enter into the Record a letter that I wrote to Senator Goldwater on February 23, 1987, which was accompanied by copies of the bill and details of provisions of the bill.

I ask unanimous consent that the text of the letter be printed in the Record.

There being no objection, the letter was ordered to be printed in the Record, as follows:

U.S. Senate,
Washington, DC, February 23, 1987.

Hon. Barry Goldwater,
Scottsdale, AZ.

Dear Barry: As we discussed late last year before you left the Senate, the fight to clean up the Congressional election process could greatly benefit from your continued interest and commitment.

I wanted to send to you some material on a bill I introduced the first day back in the 100th Congress. I hope that you can take a close look at the details of S. 2—the "Senatorial Election Campaign Act of 1987". It is an expanded version of the bill we pushed together last year.

Like you, I have felt the real solution to problems in campaign finance is to have overall spending limits. However, the only practical way to do so, without appearing to go against the Buckley vs. Valeo Supreme Court decision, is to tie the limits to a system of voluntary, partial public financing. An attempt to amend the Constitution could take years.

Unlike some bills in the past, S. 2 has a provision to require several, small, in-state contributions as an eligibility requirement to receive the public money. As well, it specifies that if a non-participating opponent twice exceeds that state's spending limit, the limit is taken off for the participating candidate. This helps insure that there is a budgetary ceiling on what the program ultimately costs.

I am sure you share with me the strong feeling that with the tone of and money pumped into the 1986 elections, moving to this system is a small price to pay to preserve and secure the integrity of the election process and to restore public faith in the Congress.

I hope that after looking over the summary of the bill and the other enclosed materials, that you can give your support to the legislation.

I greatly valued our partnership on this issue in the 99th Congress. Knowing your sincere concern for this institution, I look forward to having your help again.

Sincerely,

David L. Boren,
U.S. Senator.

Mr. BOREN. Mr. President, in the letter, I say:

> However, the only practical way to do so, without appearing to be against the Buckley vs. Valeo Supreme Court decision, is to tie the limits to a system of voluntary, partial public financing.

I go on to say that to have eligibility to receive public money, I would require the——

The PRESIDING OFFICER. The time of the Senator from Arizona has expired.

Who yields time?

Mr. BOREN. Mr. President, I think I am running short on time, but I would yield myself 1 minute to complete my answer.

So I did explain to Senator Goldwater how the system works. Senator Goldwater wrote back to me a letter of March 7, 1987, which I ask unanimous consent to have printed in the Record.

There being no objection, the letter was ordered to be printed in the Record, as follows:

Scottsdale, AZ,
March 7, 1987.

Hon. David Boren,
U.S. Senate,
Washington, DC.

Dear Dave: I have had a good opportunity to read your proposed legislation, and frankly Dave, I like it a little better than what we put in last year.

The important thing is to eliminate the growing, dreadful use of money, money to get elected. It is a costly procedure, and I think any kind of a law that would prohibit, or limit, expenditures on certain items, such as television and other advertising, would be a boon to everyone running for politics.

As I sit on the outside now, and look back at my time of campaigning, I almost get sick at the amount of money I had to spend to achieve what I did.

My best wishes are with you for your success in this. I think you are doing a great thing for our country.

With all good wishes.

BARRY GOLDWATER.

Mr. BOREN. Mr. President, in that letter, he says:

> I have had a good opportunity to read your proposed legislation, and frankly Dave, I like it a little better than what we put in last year.

Then I want to read this sentence—and I hope my friend from Arizona will listen, in particular, to this particular sentence from Senator Goldwater's letter:

> The important thing is to eliminate the growing, dreadful use of money, money to get elected. It is a costly procedure, and I think any kind of a law that would prohibit, or limit, expenditures on certain items, such as television and other advertising, would be a boon to everyone running for politics.
>
> As I sit on the outside now, and look back at my time of campaigning, I almost get sick at the amount of money I had to spend to achieve what I did.

I do not know if the Senator from Arizona has been convinced since he wrote me the letter to have a concern about the public financing portion. We have reduced the amount of public funds with the new proposal we made today.

And I know the Senator from Arizona clearly feels very, very strongly that we are spending too much money to run for office and we badly need some kind of system to limit that spending.

Mr. McCONNELL. Mr. President, I yield a minute of my time to the Senator from Arizona.

Mr. McCAIN. I thank the Senator from Kentucky.

Mr. President, I understand that there has been some confusion on this issue, but I also say that I am sure that the Senator from Oklahoma is very aware of the long record that Senator Goldwater had against public financing of almost anything, much less political campaign. In his letter to the distinguished Senator from Oklahoma, Senator Goldwater is in favor of limiting campaign spending. He is, indeed, as we all are, alarmed about the amount of money that is spent on political campaigns. But I think it is very clear that he, consistently throughout his career, has opposed, as in last year's bill which he cosponsored with the distinguished Senator from Oklahoma, he has consistently opposed public financing.

So I think we come back to the basics that we all share—that there is a need to reform. The question is: Do we need public financing to do it, and do we need to eliminate or limit political action committees?

Mr. BOREN. Will the Senator yield for one very brief question?

Mr. McCAIN. Yes.

Mr. BOREN. Would he agree that, given what I just read from Senator Goldwater's letter——

The PRESIDING OFFICER. The Senator's 1 minute has expired.

Mr. McCONNELL. I yield 1 minute of my time to the Senator from Oklahoma.

Mr. BOREN. I thank the Senator from Kentucky for his understanding and generosity in this matter.

I would just ask, having just read those comments from Senator Goldwater, knowing his concern about total spending, does the Senator think Senator Goldwater would agree to a provision to say that any burden, which includes spending limits—let us set aside the issue of public financing—should be opposed? I would think, from what everything Senator Goldwater said, he would like to see spending limits if we could get them.

Mr. McCAIN. I agree. But Senator Goldwater would not, obviously, because of what he told me, favor that proposal in conjunction with public financing, and he cannot support the bill because of the public financing aspect.

Mr. BOREN. He would not be philosophically opposed to spending limits if they could be acquired otherwise?

Mr. McCAIN. That is my understanding.

Mr. McCONNELL. How much time do I have remaining?

The PRESIDING OFFICER. The Senator from Kentucky has about 11 minutes remaining.

Mr. McCONNELL. I understand the Senator from Maine has a statement. I would like to yield the Senator from Maine 4 minutes. The Senator from Oklahoma is out of time, is that correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. McCONNELL. I yield 4 minutes to the Senator from Maine off of my time.

Mr. MITCHELL. Mr. President, that is very gracious of the Senator from Kentucky. I appreciate it.

I am pleased to support this substitute amendment to S. 2.

For the last several days, there has been considerable debate on the Senate floor about the merits of the proposal reported out of the Senate Rules Committee. In my judgment S. 2 is a good bill that will restore confidence in our election system by removing the taint of undue influence.

S. 2 is a carefully constructed proposal that represents many months of hard work to produce a balanced bill. It is reasonable in cost and bipartisan in effect.

Nevertheless, there remains considerable opposition to the bill. Listening to the speeches on the Senate floor, I get the impression that there is a consensus that change is in order—that our present system of campaign finance is not serving the national interest—but opponents have some problems with the approach in S. 2.

If that is the case, we should attempt to reach a compromise. This issue is too important, and we have come too far, to simply give up. We should make the extra effort to settle our differences.

The substitute amendment offered today is an attempt to reach common ground. It is an attempt to respond to the arguments that have been presented on the Senate floor over the last several days—to answer those arguments and move toward passage of a bill that is vitally needed.

The principal difference between this amendment and the committee bill is that the amendment changes the S. 2 grant mechanism for public funds into a matching mechanism whereby small individual contributions of $250 or less would be matched. To qualify for the matching funds, a candidate would first have to show that he or she has broad public support by raising enough private, small, individual, contributions to meet a threshold. In most States that threshold would be around 20 percent of the expenditure limit.

That means that, at the most, the public portion of the funding would be 40 percent of the expenditure limit for the general election.

That would be the maximum amount. In practice, the public spending portion would undoubtedly be far lower because many contributions—all PAC contributions, individual contributions in excess of $250, and party contributions—would not be matched.

This change in S. 2 responds to the two principle arguments of the opponents of the bill. First, it ensures a continuing—indeed it places a premium on—an active and important role for small contributors in the election process. Time after time over the last few days we have heard the complaint that S. 2 would take the electorate out of the process because there would be no need to raise funds from one's constituents.

That complaint was lacking in merit because S. 2 would still have required that more than half of the total expenditure limit—in both primary and general election—be raised in private contributions. Nevertheless, this substitute being offered today responds to the argument. It would limit the public financing portion to a maximum of less than 25 percent of the total expenditure limits. In most cases the limit would be less than 20 percent. This would occur because, in both S. 2 and the substitute, all primary spending would be raised from private funds, as under current law.

The second complaint that has been made against S. 2 is that we cannot afford the cost of public financing. In my judgment, that argument is without merit. According to the Congressional Budget Office, S. 2 would cost $38 million a year to fund Senate election campaigns. That is $38 million to restore some dignity to our election process.

In an attempt to address that argument, the substitute amendment reduces by at least one-half the amount of public funds. Actually, the cost of the substitute would be less than one-half the cost of S. 2 because candidates will be relying to a greater extent on contributions from individuals and political committees that are not matchable.

Thus, the cost of this substitute would be less than $19 million a year. Is there a Member of this body who really believes that this country cannot afford $19 million a year to clean up our system of campaign finance, I want to hear it. This Nation spends $19 million every 33 minutes to fund the Defense Department. Surely it can spend the same amount in 1 year to restore confidence in our system of Government.

That is really what is at stake here. Our system of campaign finance goes to the heart of our governmental system.

If the American people do not have faith that their Government fairly represents them, functions in the best overall interests of the Nation, and respects the guarantees of liberty and justice on which our system rests, the authority of Government is undermined.

There is no more certain way for Government to lose the public confidence—and with it the substance of its authority—than for Government to appear to be beholden to narrow, special and favored interests, separate from the common good.

Nowhere in Government do we risk eroding public faith and undermining public confidence more than through the manner in which we finance our election campaigns.

The 1986 congressional election campaign was the most expensive in history. Almost $400 million was spent on the 469 elections for congressional office, up 20 percent in just 2 years.

For Senate campaigns, spending increased almost 30 percent between 1984 and 1986. It more than doubled over the last 6 years.

And what did that money buy? Many races degenerated into nonstop fundraising efforts to finance television commercials rebutting rival commercials. Where in such a spectacle is there time for candidates to meet ordinary voters, to set out ideas and proposals, to debate opposing views?

Something must be done to reform the manner of raising funds and to control the costs of running for elective office.

The substitute being offered today provides the solution. The essential element of this legislation is the overall spending limits that would be placed on campaigns for election to the Senate. Unfortunately, the Supreme Court decided in the case of Buckley versus Valeo that the Constitution does not permit Congress to impose mandatory spending limits on campaigns for Federal office. Such limits can be imposed only on a voluntary basis. That has left Congress with only one alternative—to provide public financing as an inducement for candidates to agree to overall spending limits.

Public financing of congressional campaigns enjoys widespread and bipartisan public support, and it has for years. Senate Democrats, including myself, have worked for years to put in place a system of public financing that would limit spending for Senate campaigns. We did this while we were the minority party in the Senate and we have continued now that we are the majority party.

Why? Because public financing is in the national interest.

There has been what we call around here extended debate on this bill. That is, an attempt to keep talking to prevent enactment of campaign finance reform even though a majority support its enactment. Why? Not because the Members of this body are not in agreement that the current system is out of control and badly in need of change. Rather, because each of us perceives this issue through the prism of our personal interest or what we believe to be the interest of the political party of which we are members. Because the stakes are so great, there is a fear of change.

But this issue demands more. We must put aside our self interest and act for the common good. We have an opportunity in this 100th Congress to restore public confidence in the election process. We must not again let that opportunity pass.

Mr. President, in the few minutes that the Senator from Kentucky has graciously yielded to me, I simply want to say that this substitute amendment is a sincere effort to address the objections to S. 2 that have been raised on the floor in the debate of recent days. As we have just heard expressed by the Senator from Arizona, the principal concern is what he describes as the raid on the Treasury, the asking of the American taxpayers to contribute to the cost of elections.

In an attempt to address that argument squarely, the substitute amendment reduces by more than half the amount of public funds that would be involved. Actually, the cost of the substitute would be less than one-half the cost of S. 2 because candidates will be relying, to a greater extent, on contributions from individuals and political committees that are not matchable. Thus, the cost of this substitute would be less than $19 million a year.

Is there a Member of this Senate who really believes that the United States cannot afford $19 million a year to clean up our system of campaign financing? This Nation spends $19 million every 33 minutes to fund the Defense Department. In the 4 hours since the Senate began debating this issue this afternoon, the Defense Department has spent about $150 million. We all support a strong defense and we recognize the need for it. It is simply an effort to put this into perspective.

This is an effort, a genuine effort, in good faith to meet the objections raised concerning the amount of money being spent. The reality is that the central problem in our political system today is the rapidly rising, already excessive cost of political campaigns and the enormous demands that places on candidates to meet that funding requirement, the disproportionate time involved, the corrosive influence of the entire process, which demeans all participants. It demeans the candidates, it demeans those who are badgered and harassed for contributions.

This substitute also meets the other concern raised by the opponents—a good faith concern—that they do not want to shut the average citizens out of the process. So, by saying that you are going to reduce the amount of public financing to make it a matching system for private contributions throughout the campaign process, the substitute meets the two objections raised by the opponents; that is, the amount of money spent and the participation by average citizens.

The substitute's adoption means that average citizens could participate throughout the process, that the amount of public financing would be extremely small and would serve principally as an inducement to participation in voluntary agreements to limit spending. That is the heart of this reform.

Campaign finance reform without spending limits is not campaign finance reform. That should be clear. Above all else, that should be clear, because the central problem is and remains the dramatic, rapidly rising, already excessive costs of American political campaigns, and all the other ills which have been addressed here flow directly from that central reality.

So I hope, Mr. President, that our colleagues will consider this as a good faith effort and try to work for a common objective, and I again express my sincere gratitude to the Senator from Kentucky for granting that time to me.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. McCONNELL. There is, indeed, a serious disagreement on whether the limitation on participation is reform. It is the view of the Senator from Kentucky that limitation on participation is not reform but a step backward. The receiving of contributions from a lot of individuals is a good thing, an indication of support.

But, even under the proposal of the Senator from Oklahoma and the Senator from West Virginia, there will not, in the judgment of the Senator from Kentucky, be a reduction in campaign spending.

So, let us analyze S. 2, as amended.

First of all, Mr. President—and these are conservative estimates—assuming that, in every election cycle, the incumbent does not have an opponent and that there are two opponents competing in the primary opposite the incumbent, a rather conservative estimate, the spending limits in the primaries across America every cycle will be $101,151,000. Then, in the general election, Mr. President, assume a Republican candidate, a Democratic candidate, and, yes, an independent candidate. Again, this is a conservative estimate because I think under S. 2 there will be more than one independent candidate because independent candidates are entitled to get their hands into the Treasury as well. Under S. 2 an independent candidate who can raise the threshold amount, postprimary, will get on a dollar-for-dollar basis up to one-half of the entitlement that the Republican or Democratic candidate would get.

But assuming, Mr. President, just one independent candidate—and in Kentucky we often have more than one—just one independent candidate for general election, that is a general election spending limit of $102,509,000; a goodly portion of that coming from the Treasury. But that is the overall limit in the general election.

There is also under S. 2 a provision for the responding to an independent's expenditures. So that if one is attacked by an independent's expenditure, he can dip into the Treasury to respond to that independent's expenditure.

Assuming that we had the same number of dollars spent in an independent's expenditures in the next cycle as we had in 1986, that would be another $4.4 million

Mr. President, I stand corrected on one figure that I used earlier. The $102 million figure would just be for the Republican and Democratic candidates in the general election. Independent candidates, assuming just one in each of 33 races, would be another $51 million, so we are talking $101 million in the primary, $102 million for the principal candidates in the general election, $51 million for one independent candidate in the general election, $4 million in independent expenditure response funds, and $10 million in compliance.

Now, what does that all add up to, Mr. President, in terms of overall spending under S. 2? Overall spending, under S. 2, both public and private funds, would come out to right at $270 million compared to $211 million spent in the 1986 Senate election cycle.

What you have, Mr. President, is a 28-percent increase in spending under S. 2.

As part of that $270 million in overall allowable spending, $76 million would come from the Treasury.

S. 2's amended version lowers from our version of $117 million cost down to $76 million cost from the Treasury. But the overall spending limit, if that is the issue, would actually, in all likelihood, go up 28 percent.

Clearly, S. 2, in its original version, its committee version or its amended version, does not even get a good handle on what it is designed to get a handle on, and that is the limitation of spending.

Clearly, it seems to me, the conclusion to be drawn is that that is not a business we ought to get into in the first place; that is, a limitation on participation.

A candidate's ability to gather support should not be limited and, for most reasons, the form of support that is easiest to give is a small contribution.

So, yes, indeed, the issue is spending limits. It is public financing, also, but it is spending limits. It is participation limits.

Is that reform, Mr. President? I think not. And that is a central difference of opinion, as the Senator from Oklahoma has correctly stated, between the version that he advocates and the version that we advocate, on this side of the aisle.

Mr. President, I yield the floor.

How much time do I have remaining please?

The PRESIDING OFFICER. The Senator has one-half minute remaining.

Mr. McCONNELL. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quroum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I am going to protect the distinguished Senator from Texas. Here he is. I was just going to say I was going to protect him, but I was going to express the hope that he would not have me protect him too long.

Mr. GRAMM. I appreciate the protection of the distinguished majority leader.

Mr. GRAMM addressed the Chair.

The PRESIDING OFFICER. Under the previous order, the hour of 4:45 having arrived, the Senator from Texas is recognized for the purpose of raising a point of order.

Mr. GRAMM. Mr. President, the bill that is currently before us provides for a new entitlement. The entitlement is an entitlement of candidates who are nominees of either of the two major parties or the nominees of any smaller party to Federal funds if they are able to reach a qualifying threshold of fundraising. This creates new budget authority and new entitlement authority in years for which a budget resolution has not been adopted.

The purpose of this budget point of order is to prevent Congress from creating new entitlements—in this case, entitlement for itself—in years before a budget is adopted and therefore affect the deficit in that year.

On the basis of the fact that the bill currently before us creates $76 million in new budget authority and new entitlement authority in fiscal year 1988, and on the basis that there has been no budget resolution adopted for that year, Mr. President, I make a point of order against the bill as reported on the grounds that it violates section 303(a) of the Budget Act by creating new entitlement authority for a fiscal year for which a budget resolution has not been adopted.

Mr. BYRD. Mr. President, I move, pursuant to section 904, to waive section 303 of the Budget Act for consideration of the bill S. 2 and any relevant amendments thereto. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

CLOTURE MOTION

Mr. BYRD. Mr. President, I send a cloture motion to the desk.

The PRESIDING OFFICER. The cloture motion having been presented under rule XXII, the Chair directs the clerk to read the motion.

The assistant legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of Rule XXII of the Standing Rules of the Senate, hereby move to bring to a close debate on the Committee substitute for

S. 2, to amend the Federal Election Campaign Act of 1971 to provide for a voluntary system of spending limits and partial public financing of Senate general election campaigns, to limit contributions by multicandidate political committees, and for other purposes.

Senators Robert C. Byrd, Donald W. Riegle, Tom Daschle, Bill Proxmire, Max Baucus, David Boren, Timothy H. Wirth, Daniel K. Inouye, Claiborne Pell, Spark Matsunaga, Harry Reid, Lawton Chiles, Brock Adams, John J. Rockefeller IV, Terry Sanford, Alan Cranston, and Wyche Fowler.

MOTION TO WAIVE

Mr. BYRD. Mr. President, what is the question before the Senate?

The PRESIDING OFFICER. The question is on agreeing to the motion to waive the Budget Act.

Mr. GRAMM. Mr. President, is this motion debatable?

The PRESIDING OFFICER. The motion is debatable.

Mr. GRAMM. Mr. President, I shall be brief. I want Members to understand exactly what we are voting on here.

We are voting on whether or not to waive the Budget Act, and waive a point of order that exists under the Budget Act, in order to create a new entitlement, an entitlement for people to run for the U.S. Senate, an entitlement for those Members of this body who seek reelection under this law and, in the process of creating that entitlement in an outyear, adding to the deficit in a year for which a budget has not been adopted.

The House did not write a budget that in any way accommodated this new spending. So the issue here could not be clearer: if you want to waive the Budget Act, create a new entitlement, and increase the deficit, if you want to vote in favor of taxpayer funding of elections, then you want to waive the Budget Act. However, if you think that we should not waive the Budget Act so that Members of the Senate can run for reelection at the taxpayers' expense, then you want to vote against this budget waiver. I urge my colleagues to vote no.

The PRESIDING OFFICER. Is there further debate? If not, the question is on agreeing to the motion. The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. EXON. Mr. President, on this vote I have a pair with the Senator from Rhode Island [Mr. PELL]. Were he present and voting, he would be voting "aye." If I were at liberty to vote, I would vote "nay." Therefore, I withhold my vote.

Mr. CRANSTON. I announce that the Senator from Delaware [Mr. BIDEN], the Senator from Tennessee [Mr. GORE], the Senator from Vermont [Mr. LEAHY], and the Senator from Rhode Island [Mr. PELL] are necessarily absent.

I further announce that, if present and voting, the Senator from Tennessee [Mr. GORE] would vote "yea."

Mr. DOLE. I announce that the Senator from Oregon [Mr. HATFIELD], the Senator from Pennsylvania [Mr. HEINZ], the Senator from Oregon [Mr. PACKWOOD], the Senator from New Hampshire [Mr. RUDMAN], the Senator from Wyoming [Mr. SIMPSON], the Senator from Vermont [Mr. STAFFORD], and the Senator from South Carolina [Mr. THURMOND] are necessarily absent.

On this vote, the Senator from Vermont [Mr. STAFFORD] is paired with the Senator from Pennsylvania [Mr. HEINZ].

If present and voting, the Senator from Vermont would vote "yea" and the Senator from Pennsylvania would vote "nay."

I further announce that, if present and voting, the Senator from South Carolina [Mr. THURMOND] and the Senator from Wyoming [Mr. SIMPSON] would each vote "nay."

The PRESIDING OFFICER (Mr. DOLE). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 46, nays 42—as follows:

[Rollcall Vote No. 149 Leg.]

YEAS—46

Adams
Baucus
Bentsen
Bingaman
Boren
Bradley
Breaux
Bumpers
Burdick
Byrd
Chafee
Chiles
Conrad
Cranston
Daschle
DeConcini
Dixon
Dodd
Ford
Fowler
Glenn
Graham
Harkin
Inouye
Johnston
Kennedy
Kerry
Lautenberg
Levin
Matsunaga
Melcher
Metzenbaum
Mikulski
Mitchell
Moynihan
Nunn
Pryor
Reid
Riegle
Rockefeller
Sanford
Sarbanes
Sasser
Simon
Stennis
Wirth

NAYS—42

Armstrong
Bond
Boschwitz
Cochran
Cohen
D'Amato
Danforth
Dole
Domenici
Durenberger
Evans
Garn
Gramm
Grassley
Hatch
Hecht
Heflin
Helms
Hollings
Humphrey
Karnes
Kassebaum
Kasten
Lugar
McCain
McClure
McConnell
Murkowski
Nickles
Pressler
Proxmire
Quayle
Roth
Shelby
Specter
Stevens
Symms
Trible
Wallop
Warner
Weicker
Wilson

PRESENT AND GIVING A LIVE PAIR AS PREVIOUSLY RECORDED—1

Exon, against.

NOT VOTING—11

Biden
Gore
Hatfield
Heinz
Leahy
Packwood
Pell
Rudman
Simpson
Stafford
Thurmond

So the motion to waive was agreed to.

Mr. BYRD. Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mr. CRANSTON. Mr. President, I move to lay that motion on that table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The point of order, therefore, falls.

Mr. BYRD. Mr. President, may I have the attention of the Senate?

The PRESIDING OFFICER. All conversation will cease or be conducted in respected cloakrooms. The Senate will be in order.

The majority leader.

SCHEDULE

Mr. BYRD. Mr. President, if I may state the schedule so Senators will be aware, I have introduced two cloture motions. The Senate cannot go out from Thursday over to Tuesday without the approval of the other body. However, I would like to go out from today over until Monday.

I would like on Monday to just meet pro forma. This would qualify both cloture motions for votes on Tuesday. I would like by unanimous consent to agree that the second cloture vote would occur on Wednesday. I can achieve that by coming in, but I would rather us not come in and have the pro forma over to Monday, no business, just in and out for the purpose of meeting the requirements of rule XXII on the first cloture vote, also with the consent that Senators may submit amendments on Monday, by 1 o'clock. Those amendments would be received just as though the Senate were in session so that they would have their rights preserved under rule XXII in respect to amendment in the event cloture has been invoked on Tuesday.

We would come in pro forma on Monday, but my consent would provide that Senators may submit their first-degree amendments under rule XXII on Monday if they file them in a timely fashion by 1 o'clock, as they would have to under the rule anyhow. So all Senators' rights would be preserved.

The Senate will go over until Monday pro forma, no business, no speeches, just in and out, and the pro forma meeting on Monday would qualify the cloture motion to be voted on Tuesday, and I would want consent of the Senate then to have the second cloture vote automatically occur in Wednesday rather than on Tuesday following the first vote if the first vote did not succeed.

I can do all of this by coming in tomorrow and by coming in Monday without consent.

So it is a bargain I would think.

Mr. HARKIN. Mr. President, what time on Tuesday would the cloture vote occur?

Mr. BYRD. The question is what time on Tuesday would the cloture vote occur. It would be certainly following the conferences so it would be 2 o'clock or later, but we could agree as of now that it would be not earlier than 2 o'clock, so as to accommodate both conferences.

Mr. HARKIN. I thank the Senator.

Mr. DOLE. Mr. President, has the majority leader made the request?

Mr. BYRD. No; I have not.

UNANIMOUS-CONSENT AGREEMENT

Mr. President, I will propound the request.

Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in adjournment until the hour of 12 noon on Monday; provided further, that on Monday beginning at 12 noon there be a pro forma session only, no business, no debate, the Senate comes in and immediately goes out; provided further, that at the close of business on Monday, the Senate then adjourn over until Tuesday at the hour of 10 a.m.; provided further, that the time between 10 o'clock and 12 noon be equally divided between the two leaders or their designees, that at the hour of noon on Tuesday, the Senate stand in recess until the hour of 2 p.m. on Tuesday, and that the vote on cloture occur at the hour of 5 o'clock, on Tuesday, that at the conclusion of business on Tuesday the Senate adjourn over until Wednesday until an hour to be agreed upon later but that a second cloture motion mature on Wednesday next.

The **PRESIDING OFFICER.** Is there objection to the request of the Senator from West Virginia?

Mr. **DOLE.** Mr. President, reserving the right to object.

Mr. **MURKOWSKI.** Mr. President, will the majority leader yield for a question on clarification?

The **PRESIDING OFFICER.** The minority leader, the Senator from Kansas.

Mr. **DOLE.** Mr. President, I want to reserve the right to object, and I will yield to the Senator from Alaska for the purpose of asking the question, but I would just say as I understand or as I know the majority leader can accomplish this in two or three other ways coming in pro forma tomorrow and pro forma on Monday and file his second cloture motion on Monday, which will ripen on Wednesday in any event, so I will have no objection, but I first want to make certain that no one on this side may have a problem.

Mr. **MURKOWSKI.** I thank the minority leader.

I am wondering if the majority leader could indicate on Wednesday when he might anticipate the cloture vote?

Mr. **BYRD.** I naturally want to win that vote if I can.

I do not think I should put myself in a box today as to when the Wednesday vote will occur when I do not have to.

We can decide that on Tuesday and I could come in on Tuesday at whatever hour will be most convenient for the carrying of the cloture vote, if that is possible.

Mr. **MURKOWSKI.** I would simply convey, if there is a possibility that it could be made in the afternoon on Wednesday and the 5 o'clock vote on Tuesday could be 3 o'clock, from the standpoint of the junior Senator from Alaska, it would be greatly appreciated. I just leave that message with the Senator.

Mr. **BYRD.** I thank the distinguished Senator.

I did not mean to give the Senator a flippant answer in what I said. It is just that I would rather not, at this point, attempt to set the hour for the vote on Wednesday.

Mr. **DOLE.** Reserving the right to object, just one additional question. Would it be the intention of the majority leader, if cloture is not invoked on Tuesday and you are adjourning over then until Wednesday, would it be the intention of the majority leader to stay on S. 2 on Wednesday or to move to some other legislation?

Mr. **BYRD.** I cannot say at this point. It might be an advantage overall to the Senate to take up a conference report or some such. There is the conference report on the homeless relief legislation which we hope will be coming forth, and it is possible we could have a conference report on the budget.

Mr. **DOLE.** I am thinking in terms of the trade bill or DOD. Is there any intention to move to any other legislation other than the conference reports?

Mr. **BYRD.** No, it is not my intention to go to the trade bill or the Department of Defense authorization bill on Tuesday or Wednesday.

The **PRESIDING OFFICER.** Is there further objection?

Mr. **BYRD.** Will the Chair withhold for just a minute?

Mr. President, it has been called to my attention that I did not include in the overall unanimous-consent package the provisions that would protect Senators' rights to submit their amendments on Monday as the interim day prior to the vote on Tuesday on cloture, nor did I include a provision that would protect Senators' rights to file their amendments on Tuesday.

The **PRESIDING OFFICER.** The Senator will suspend for just a second. The Senate will be in order so that we can hear the unanimous-consent request being propounded by the majority leader. Senators please pay attention to the majority leader.

The majority leader.

Mr. **BYRD.** Mr. President, I did not include in my overall consent request a provision that would protect Senators' rights to offer first-degree amendments on Monday anent the cloture vote on Tuesday and, again, protect their rights on Tuesday anent the cloture vote that will occur on Wednesday. So I make that request so that Senators will be fully protected and may offer their amendments in the first degree on Monday by 1 o'clock, looking to the cloture vote on Tuesday, and on Tuesday by 1 o'clock, looking to the cloture vote on Wednesday.

The **PRESIDING OFFICER.** Is there objection to the unanimous-consent request as modified by the majority leader? If not, the unanimous-consent request is agreed to.

Mr. **BYRD.** Mr. President, I thank all Senators and I thank the distinguished Republican leader.

I have no desire to stay in further, unless some Senators would like to make some statements in morning business or statements in regard to the pending measure.

What is the wish of the Senate?

Mr. **D'AMATO.** I ask unanimous consent that I be permitted to proceed as if in morning business for not to exceed 5 minutes.

MORNING BUSINESS

Mr. **BYRD.** Mr. President, if the Senator will withhold, I ask unanimous consent that the Senate now proceed to morning business for not to exceed 1 hour, and that Senators may speak therein for not to exceed 5 minutes each.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

Mr. **D'AMATO** addressed the Chair.

The **PRESIDING OFFICER.** The Senator from New York.

Mr. **BYRD.** Mr. President, will the Senator yield to me?

Mr. **D'AMATO.** Certainly.

Mr. **BYRD.** Mr. President, there are a good many Seators on the floor. It is conceivable that there could be rollcall votes, may I advise my colleagues and both cloakrooms, there could be, could be rollcall votes on Tuesday between the hours of 10 and 12 and between the hours of 2 and 5 when the cloture vote is to occur. So I would not want Senators to labor under the misunderstanding that there would be no rollcall votes on Tuesday prior to the hour of 5 o'clock.

I thank the Senator for his courtesy.

HAMADEI EXTRADITION

Mr. **D'AMATO.** Mr. President, I am deeply disappointed at the report that, despite the personal entreaties of President Reagan, the West German Government is apparently inclined not to extradite Mohammed Hamadei to the United States. This report appears to confirm what has long been suspected: That the matter has not been in the German judicial system, as the Ambassador of Germany has suggested to this Senator, but rather has been awaiting a political decision at the highest levels of the German Government. It was this suspicion that prompted me and 64 of my colleagues to cosponsor a resolution expressing our deep concern and outrage, and for Senator Dole and myself to reiterate our concern to the President before his departure for Venice.

The victims of the hijacking of TWA flight No. 847 were predominantly

American. More important, Robert Stethem, the victim of brutal cold-blooded murder in the course of that incident was an American citizen and a United States serviceman. The German connection to these events is incidental—one might say almost accidental. The crime was not committed on German soil. On the basis of these facts, other circumstances, and international law, the United States is the most appropriate venue for trial of those thought to be responsible.

Some may be satisfied merely if the West German Government does not deal with the terrorists and decides to prosecute Hamadei on charges of hijacking and conspiracy to murder. I believe, however, that this would be setting a precedent that will pay bloody dividends in the future.

Therefore, I strongly urge, and I believe my colleagues will join me, that the administration continue the most strenuous efforts by all means at its disposal to secure the extradition of Hamadei for trial in the United States.

In any case, the West German Government cannot but be aware of the deep feelings this matter stirs in the U.S. Congress and among the American people. It must certainly realize that any deals made with any terrorist individuals or organizations, or any failure to bring Hamadei to justice, may well have an adverse impact on the good relations between our countries. The precedent created by any such failure would be disastrous to the cause of the rule of law and would be deplored by civilized people everywhere.

Mr. President, I cannot help but believe that we have not been nearly as vigorous as we should in seeking Hamadei's extradition to the United States for trial here for the crime of murder. I must say to you, I am deeply disappointed that the State Department has not raised this to the level that I believe it commands.

It is my very, very serious intention to keep pressing this matter because I believe that the German Government has not been dealing fairly with us in connection with this matter.

I refer to the inquiries that we made previously, and to the fact that the West German Ambassador indicated to me, personally, and by way of letter, that this matter was being handled in a judicial forum. That is not the case. We sought for this to be handled judicially, to have a judicial decision in the German process and this is nothing more than a political decision, not the rule of law being undertaken.

I think that the results will shake that strong bond, that strong relationship, that we have.

Again, I reiterate, in the fullness of time, I think it is a blow to the rule of law and it will encourage these kinds of terrorists' activities in the future.

Mr. PROXMIRE addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Wisconsin.

THE CASE FOR CAMPAIGN FINANCE REFORM

Mr. PROXMIRE. Mr. President, I support the effort of Senators BYRD and BOREN to reform our campaign finance laws.

This bill has a number of virtues. It places limits on campaign spending, a feature the American people will surely cheer. It provides a voluntary system of public campaign financing, using the tax check off approach, which makes the limits on campaign spending constitutional. It reduces the influence of special interests by cutting back the power of political action committees. And best of all, this bill will pass the Senate if allowed to come to vote.

The debate to this point demonstrates that these virtues are not universally admired. Campaign finance reform goes to the very essence of a democracy—who wins elections. It raises fundamental questions about relations between our two major parties, between these parties and other fringe parties, between incumbents and challengers, and between powerful interest groups. And if these questions were not complicated enough, underneath them are first amendment issues about who will be able to communicate their political ideas.

These are thorny issues and the Senate should debate them fully before passing a bill. But much of the debate so far has been about an issue which is tangential at best—the cost of public financing.

Opponents of public financing have made its cost a major issue in this debate. They have argued that this cost—$200 to $300 million a year, at most—is a gigantic rip off of the taxpayers. They have characterized this cost as food stamps for politicians. They contend that this spending bill will increase the deficit.

Mr. President, nothing could be further from the truth. The average taxpayer will never make a better investment, will never take a more positive step to reduce the deficit, than to dedicate $1 of his taxes toward public financing of Senate campaigns.

Why do I say this? Take a look at how the present system works and the answer is simple.

Who contributes to campaigns? Some of the money comes from friends and supporters who know and truly believe in the candidate. Some comes from those who like the stand a candidate takes on an issue. But if we take a clear-eyed look at the system, most of the money comes from those who have an economic interest at stake.

This money is not really a contribution. It is an investment. One director of a major political action committee was quoted as saying that when he made a contribution he bought legislation. Most who make these contributions are more circumspect. But their discretion does not change the fact that these contributions are made with a quid pro quo in mind. That quid pro quo is this: I will make a contribution and in return you will be expected to support legislation I favor.

When an election approaches, these interests put together a list of votes they consider important and see how incumbents voted on those issues. If the incumbent voted right, they can count on a contribution. Or if they happen to chair a powerful committee or subcommittee, they can count on some money merely as a gesture of good will.

If these contributions are investments, how do they bear fruit? Look for a tax loophole retained or expanded. Look for some language or a little special provision in an appropriation bill. Look for some regulatory relief in an authorization bill. You do not have to look that hard to find these provisions as legislation moves through the Senate.

Mr. President, I do not want to overstate my case. Much of the money we appropriate is truly necessary. Many of the special provisions in the tax law are there for a good reason. Many of the Members of Congress would vote the way they do without regard to campaign contributions. Special interests are inevitable in a democracy. This bill will not mean that the deficit will be eliminated or that special interests will suddenly disappear.

But remember the cost of public financing—$200 to $300 million a year. This Senator asserts that we could reduce the deficit by at least 10 times that amount—$2 to $3 billion a year—if Members were not beholden to special interests for campaign contributions. And consumers would probably save 10 times that amount—$20 to $30 billion a year—if our economy could rid itself of the expensive special provisions built into the law by those same interests.

These provisions cannot be justified by any reasonable criterion of sound public policy. The General Accounting Office studies them and recommends that they be done away with. The Congressional Budget Office says they are inefficient. Professors of public administration analyze them, and wonder how they survive.

They endure because they are not that costly—$75 million here, $140 million there—and because the benefiting interests are well-organized. These days well-organized means that they have a political action committee. And that committee is always active in contributing money to those who serve on the committees which have jurisdiction over that benefit.

Public financing would break this link. This Senator believes that it would be much easier to eliminate these provisions if they were not protected by a thicket of campaign contributions. Their elimination would more than offset the cost of public financing of congressional campaigns.

Mr. President, public financing can be reasonably opposed on philosphical grounds. Perhaps the tax system should never be used to finance a political campaign, although this bill makes such support voluntary. If we can find a way to reduce campaign spending without making even voluntary use of the tax system, this Senator will certainly be willing to take a look at that approach.

But do not argue that public financing will increase the deficit. It will do exactly the opposite.

Mr. President, I suggest the absence of a quorum and yield the floor.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

PERMISSION FOR COMMITTEES TO FILE REPORTS

Mr. BYRD. Mr. President, I ask unanimous consent that committees may report legislation or executive business on Friday and Monday between the hours of 10 a.m. and 3 p.m. each day.

The PRESIDING OFFICER. Without objection, it is so ordered.

DIVISION OF TIME ON TUESDAY AFTERNOON

Mr. BYRD. Mr. President, I ask unanimous consent that the time on Tuesday between the hours of 2 p.m. and 5 p.m. be equally divided and controlled by the distinguished Republican leader and the majority leader.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXECUTIVE CALENDAR

Mr. BYRD. Mr. President, I hope and expect, beginning next week, to be in a position to see some movement on nominations on the Executive Calendar, especially nominations that have been on the Executive Calendar for a month or more.

Today, I inquire of the distinguished Republican leader if Calendar Orders numbered 197 and 198, under the Judiciary, are cleared on his side.

Mr. DOLE. They are, Mr. President.

EXECUTIVE SESSION

Mr. BYRD. I ask unanimous consent that the Senate go into executive session to consider the two nominations referred to; and that they be considered and confirmed en bloc; that the President be notified of their confirmation; and that the motion to reconsider be laid on the table and the Senate return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

The nominations considered and confirmed en bloc are as follows:

THE JUDICIARY

Haldane Robert Mayer, of Virginia, to be U.S. circuit judge for the Federal circuit.

Layn R. Phillips, of Oklahoma, to be U.S. district judge for the Western District of Oklahoma.

IN SUPPORT OF THE NOMINATION OF JUDGE HALDANE ROBERT MAYER

Mr. WARNER. Mr. President, it is my great pleasure to rise today on behalf of a distinguished Virginian, Judge Haldane Robert Mayer, whom the Senate has today confirmed as a judge for the Federal Circuit Court of Appeals in Washington.

Judge Mayer began his academic career at the West Point Academy, where he graduated in 1963 with a bachelor of science degree.

Judge Mayer graduated first in his class from the Marshall-Wythe School of Law at the College of William and Mary in Williamsburg, VA where he was editor-in-chief of the Law Review.

Judge Mayer is also a graduate of the Judge Advocate General's School at the University of Virginia.

In addition to a brilliant academic record, Judge Mayer has distinguished himself in the military, serving in Vietnam as a Ranger Battalion adviser in combat operations, and as an electronics engineer in the Army's research and development program.

Judge Mayer attended law school during an unpaid leave of absence, and returned to active duty in the Judge Advocate General's Corps after graduation.

He was honorably discharged from the Army in 1975, and retired in 1985 with the rank of lieutenant colonel.

From 1975 to 1977, Judge Mayer practiced law with the firm of McGuire, Woods & Battle in Charlottesville, VA.

In 1977, he was chosen by Chief Justice of the United States, Warren E. Burger to be his special assistant.

Judge Mayer served as senior counsel to the Chief Justice for approximately 3½ years before joining the law firm of Baker & McKenzie in Washington, DC in 1980.

After 18 months as Deputy Special Counsel of the Merit Systems Protection Board, Judge Mayer was appointed to the U.S. claims court bench in 1982, for a term of 15 years.

Since that time, he has been a respected and revered member of the bench, and will most certainly continue his service in the judiciary as a judge for the Federal Circuit Court of Appeals in the same outstanding fashion.

Mr. President, it is my extreme pleasure to join my colleagues in supporting the confirmation of Judge Mayer. I am confident that the country will be well served by his presence on the Federal bench.

LEGISLATIVE SESSION

The Senate returned to legislative session.

STAR PRINT—S. 1159

Mr. BYRD. Mr. President, I ask unanimous consent that there be a star print of S. 1159, a bill to establish the National Aviation Authority, the text of which I send to the desk.

The PRESIDING OFFICER. Without objection, it is so ordered.

AUTHORIZATION FOR PRODUCTION OF DOCUMENTS BY SENATE COMMITTEE

Mr. BYRD. Mr. President, I send to the desk a Senate resolution on behalf of myself and Mr. DOLE, and I ask for its immediate consideration.

The PRESIDING OFFICER. The resolution will be stated by title.

The legislative clerk read as follows:

A Senate resolution (S. Res. 231) to authorize the production of documents by the Senate Permanent Subcommittee on Investigations.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. BYRD. Mr. President, the Permanent Subcommittee on Investigations of the Committee on Governmental Affairs began an inquiry last summer into the operations of door-to-door magazine and cleaning products sales organizations. This past April 6, 1987, it held a public hearing at which one of the witnesses was the attorney general of the State of New York, Robert Abrams.

The New York attorney general's office has since written to the subcommittee indicating that it is conducting its own investigation of the door-to-door sales business in New York and requesting that the subcommittee provide it with copies of certain documents which the subcommittee has obtained. The Senate's purpose in doing so would be to facilitate the New

York investigation and avoid unnecessary duplication of effort.

This resolution would authorize the chairman and ranking minority member of the subcommittee, the Senator from Georgia [Mr. NUNN] and the Senator from Delaware [Mr. ROTH], acting jointly, to honor that request from the New York attorney general and any other law enforcement authority. Mr. President, I move adoption of the resolution.

The **PRESIDING OFFICER.** The question is on agreeing to the resolution.

The resolution (S. Res. 231) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, is as follows:

S. RES. 231

Whereas, the Permanent Subcommittee on Investigations of the Committee on Governmental Affairs has been conducting an inquiry into the operations of door-to-door magazine and cleaning products sales organizations;

Whereas, the Office of the Attorney General for the State of New York has for its own investigatory purposes requested access to records obtained by the Subcommittee;

Whereas, by the privileges of the Senate of the United States and Rule XI of the Standing Rules of the Senate, no evidence under the control or in the possession of the Senate can, by the administrative or judicial process, be taken from such control or possession but by permission of the Senate;

Whereas, when it appears that documents, papers, and records under the control or in the possession of the Senate are needed in an investigation by an appropriate authority, the Senate will take such action as will promote the ends of justice consistent with the privileges and rights of the Senate: Now, therefore, be it

Resolved, That the Chairman and Ranking Minority Member of the Permanent Subcommittee on Investigations, acting jointly, are authorized to provide upon request to law enforcement authorities records of the Subcommittee's investigation of door-to-door sales operations.

Mr. BYRD. I move to consider the vote by which the resolution was agreed to.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

THE NATIONAL PROFESSIONAL LIABILITY REFORM ACT OF 1987

Mr. HECHT. Mr. President, I rise today to join in cosponsoring the National Professional Liability Reform Act of 1987. This bill, which is similar to legislation that I cosponsored in the 99th Congress, would provide Federal incentive payments to States that adopt tort and other reforms which have proven effective in controlling the medical liability insurance problem.

Almost 1 full year ago I conducted a series of hearings in my home State of Nevada to document the harmful effects of the liability insurance crisis. During these hearings, I heard from physicians and hospital administrators, both of whom presented graphic examples of the liability insurance problem as it affects the medical community. Moreover, Mr. President, while there is less attention paid to the situation today, the problems of the medical liability insurance crisis still persist. These problems need to be addressed; as the quality and availability of health care in our country continue to be threatened.

Mr. President, one policy goal of the Reagan administration and the Congress over the past few years has been to stifle the increase in health care costs. Relevant to this topic, a particularly troublesome fact with which I became acquainted during my aforementioned Nevada field hearings, is that a significant portion of today's health care costs may be attributed to the practice, by physicians, of defensive medicine. It is unfortunate, but true, that all doctors must engage, to some extent, in the practice of defensive medicine as a result of our present malpractice injury compensation system. And, of course, the increased costs associated with this practice are in turn passed on to the health care consumer. Further, Mr. President, while it is up to the country's State legislatures to enact the reforms necessary to address the present medical liability insurance situation, the Federal Government, as an affected health care consumer through the various federally financed health care programs, has an important stake in seeing these necessary reforms initiated.

Mr. President, the experience in States which have implemented reforms similar to those set forth in this act indicates that it is, indeed, possible to reduce unnecessary expenditures related to health care liability claims, while at the same time providing more rapid and efficient compensation for individuals injured by malpractice. For this reason, and particularly because the Federal Government has a distinct financial interest, I would urge my colleagues to join in cosponsoring this timely initiative. With this legislation's enactment, incentives will be provided to States in order that they may undertake reforms to address the problem of today's medical malpractice insurance situation.

WITHDRAWAL OF PROPOSED MAVERICK MISSILE SALE

Mr. HELMS. Mr. President, this morning the administration decided to withdraw its formal proposal to sell 1,600 Maverick "D" missiles to Saudi Arabia. This was in my judgment a wise decision on the part of the White House, as there clearly was widespread bipartisan support for the resolutions of disapproval in both Houses of Congress.

I was glad to hear that the decision had been made to withdraw this sale. As I made clear in yesterday's hearing in the Foreign Relations Committee, I believe this sale to be inadvisable at this time, and I stress, at this time.

Mr. President, the question of selling arms to Middle Eastern nations still technically at war with Israel is traditionally one of the more difficult items to come before Congress.

On one hand, it is in the American interest to maintain a good relationship with moderate Arab countries, and to assure that they are not threatened militarily by more radical neighbors. It is also many times in Israel's interest for us to maintain this relationship.

On the other hand, it is in the American interest to have a secure Israel. To the extent we provide weapons which represent a threat to Israel, we often have to turn around and provide Israel with military assistance necessary to deter any such threat.

Saudi Arabia is an important ally for our country. Its oil reserves, our strong trading ties and the fact that the Saudis are the keeper of the two holiest shrines of Islam makes Saudi Arabia important.

It is absolutely vital to the interests of the United States that we maintain a cordial relationship with the Saudis, and it is just as vital to us that the Saudis be able to provide for their legitimate defensive needs. Indeed, it is also in the interest of Israel to have a stable Saudi Arabia allied with the West.

So it is in the interest of neither the United States nor Israel for Congress to reject every Saudi arms deal to come down the pike. Each should be examined on its own merits.

In examining this particular proposed sale, I am very concerned about continued Saudi support for the PLO and Syria. Our State Department's refusal to stand up to the Saudi's funding of these major sources of terrorism seems to me inconsistent with the antiterrorism pronouncements coming out of the Venice summit.

I am also concerned about the continual refusal by the Saudis to honor our requests for basing rights despite the fact that our taxpayers spend $40 billion a year keeping the Persian Gulf open to oil tankers—many of them carrying oil from Saudi Arabia.

Mr. President, we should all be concerned about our basic policy in the Middle East. The main threat to the moderate Arab states and Israel is the Soviet Union, and its radical clients. Yet our State Department is trying to bring the Soviets further into Middle Eastern affairs through its persistent efforts to convene an international conference.

As opposed to the State Department's efforts on the international conference, our policy in the Middle East needs to be based firmly upon what is—and what is not—in the American interest. In light of the concerns listed above, especially the continuing Saudi support for the PLO, I do not believe the sale of Maverick "D" missiles to Saudi Arabia is in the American interest.

The evidence of Saudi support for the PLO is clear and convincing. At the Baghdad Conference of 1978, the oil producing Arab countries made a commitment to bankroll the PLO. Specifically, Saudi Arabia pledged $85.5 million a year; Algeria, $21 million; Iraq, $44.6 million; UAE, $34.3 million; Qatar, $19 million; Kuwait, $47.1 million, and Libya; $47.1 million.

But of all these countries, Saudi Arabia appears to stand alone in consistently fulfilling its commitment to fund the PLO. According to an official of the Fatah Central Committee interviewed in December of last year, Saudi Arabia is "the only country that has not defaulted on its obligations since it undertook them."

According to the report from the 17th session of the Palestinian National Conference, held in November 1984, "Saudi Arabia . . . met all its commitments for 1983 and 1984. The other countries which had promised to help did not pay anything in 1983 and 1984."

What does the PLO do with this Saudi contribution? At yesterday's hearing, Assistant Secretary Murphy reiterated his belief that the Saudis intended these payments to go for nonmilitary and humanitarian uses. However, there is strong evidence that Saudi support has gone for military purposes.

According to this same PNC report, payments received from "the Saudi Arabian kingdom" during their 1983/84 fiscal year "were not put into the account of the national fund's income, as the chairman of the executive committee of the PLO put them directly into the account of the financial administration of the army."

A PLO document found in Lebanon recording the minutes of a July 1981 meeting of the PLO military council reported that "Saudi Arabia promised to fulfil all our request for the supply of arms and ammunition." A May 1982 article by London correspondent Colin Legum reported that Saudi Arabia had agreed to grant the PLO "$250 million to pay for new weapons from Soviet-bloc countries."

The PLO is perhaps the most vicious terrorist organization there in the world. It should come as no surprise that its leaders have a history of aiding and abetting the Sandinistas.

Cooperation between the PLO and the Sandinistas began as early as 1969 when arrangements were made for joint PLO-Cuban training in Lebanon for 50 to 70 Sandinistas. The PLO assisted Sandinista efforts to seize power in Nicaragua by helping to arrange for the delivery of arms from North Korea and Vietnam. In 1979, the PLO was caught ferrying 47 tons of Soviet arms to the Sandinistas.

In 1980, the PLO provided the Sandinistas with a $212-million loan, and shortly after sent 25 military technicians to instruct the Sandinistas in the use of Eastern-block weapons. In January 1981, a group of PLO pilots were sent to Nicaragua to assist the Sandinistas in flying helicopters and aircraft. By May 1981, the PLO was deeply involved in military and guerrilla training activities in Nicaragua, and by mid-1982 PLO officers were providing the Sandinista with extensive training in the tactics of guerrilla war.

It should come as no surprise that the Sandinistas returned the favor by participating in PLO terrorist activities. PLO-trained Sandinistas participated in the PLO's efforts to overthrow King Hussein in 1970. Sandinista Patrick Arguello Ryan was killed in the PLO's hijack of an El Al jet en route from Tel Aviv to London.

While these activities did take place some time ago, Sandinistas sympathy for the PLO and their activities remain. The Sandinistas now rever Arguello as a hero, and a large dam under construction has been named in his honor.

This close relationship between the PLO and the Sandinistas should be of great concern to all Americans. I don't know to what extent the consistent and reliable Saudi financing of the PLO made this support for the Sandinistas possible. I don't know if anyone could make that determination.

Mr. President, friendship is a two-way street, and our State Department is obliged to make it clear to the Saudis just how strongly we feel about the PLO with its terrorist attacks against Americans abroad, and the PLO's support for the Communist Sandinistas in our own back yard. Until this occurs, it is going to be difficult for many of us in the Congress to support arms sales such as the Maverick missile.

KAMEHAMEHA DAY

Mr. MATSUNAGA. Mr. President, today, the people of the State of Hawaii are celebrating Kamehameha Day, honoring King Kamehameha I, the monarch who united the Hawaiian Islands into a single nation after a bitter 10-year civil war in the late 18th century.

In Hawaii, this State holiday is marked by parades and luaus or feasts, while in the Nation's Capitol, Kamehameha Day will be observed this Sunday, June 14, when the congressionally chartered Hawaii State Society will hold its annual ceremony in front of the statue of King Kamehameha I in Statuary Hall. At that time, the great King's golden statue will be draped with fragrant, fresh flower leis flown in from Hawaii for the occasion, and authentic Hawaiian chants will be sung while hula dances will be performed by costumed musicians and dancers.

Kamehameha was a truly remarkable leader who, as a lawmaker, tempered justice with mercy, and dignified labor by working side by side with his people. As a conservationist he placed high priority in protecting and developing his country's human and natural resources. He was also preeminent for his self-denial and his regard for the welfare of his people, which he put before his personal claims. He loved peace more than war and the good of his country more than his many victories in war.

A man of deep convictions, Kamehameha is credited with preserving and strengthening the ancient Hawaiian way of life, while having a great appreciation of the advantages to be gained from friendly relations with foreigners. His was a great era of integration for crossing racial lines. He took into his court men of other cultures, and those of recognized wisdom he chose for his cabinet.

In his regard for the rights of others, and in his concern for social justice, he had a great deal in common with those who united the Thirteen Colonies and fought to establish a new, democratic nation: the United States of America. It is entirely appropriate, therefore, that his statue stands in Statuary Hall along with George Washington, Thomas Jefferson, and other Founding Fathers of this great Nation.

The people of Hawaii happily share Kamehameha's achievements with our fellow Americans and with all people of the world. In his memory we say: Ke Alii, Hauole La Hanau. To the King, Happy Birthday.

I urge my colleagues and their families to join the Hawaii congressional delegation and the Hawaii State Society for Sunday's celebration, which begins at 12:30 p.m. in Statuary Hall of the Capitol.

MESSAGES FROM THE HOUSE

At 12:41 p.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 1900. An act to amend the Child Abuse Prevention and Treatment Act, the Child Abuse Prevention and Treatment and Adoption Reform Act of 1978, and the Family Violence Prevention and Services

Act to extend through fiscal year 1991 the authorities established in such acts; and

H.R. 2112. An act to authorize appropriations for fiscal year 1988 for intelligence and intelligence-related activities of the U.S. Government, for the intelligence community staff, for the Central Intelligence Agency Retirement and Disability System, and for other purposes.

ENROLLED BILL SIGNED

The message also announced that the Speaker has signed the following enrolled bill:

S. 626. An act to prohibit the imposition of an entrance fee at the Statue of Liberty National Monument, and for other purposes.

The enrolled bill was subsequently signed by the President pro tempore (Mr. STENNIS).

At 2:31 p.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the House has passed the following bill and joint resolutions, in which it requests the concurrence of the Senate:

H.R. 812. An act to amend the Stevenson-Wydler Technology Innovation Act of 1980 to establish a National Quality Award, with the objective of encouraging American business and other organizations to practice effective quality control in the provision of their goods and services;

H.J. Res. 17. Joint resolution to designate the third week in June 1987 as "National Dairy Goat Awareness Week"; and

H.J. Res. 181. Joint resolution commemorating the bicentennial of the Northwest Ordinance of 1787.

MEASURES REFERRED

The following bills and joint resolutions were read the first and second times by unanimous consent, and referred as indicated:

H.R. 812. An act to amend the Stevenson-Wydler Technology Innovation Act of 1980 to establish a National Quality Award, with the objective of encouraging American business and other organizations to practice effective quality control in the provision of their goods and services; to the Committee on Commerce, Science, and Transportation.

H.R. 1900. An act to amend the Child Abuse Prevention and Treatment Act, the Child Abuse Prevention and Treatment and Adoption Reform Act of 1978, and the Family Violence Prevention and Services Act to extend through fiscal year 1991 the authorities established in such acts; to the Committee on Labor and Human Resources.

H.R. 2112. An act to authorize appropriations for fiscal year 1988 for intelligence and intelligence related activities of the U.S. Government, for the intelligence community staff, for the Central Intelligence Agency Retirement and Disability System, and for other purposes; to the Select Committee on Intelligence.

H.J. Res. 17. Joint resolution to designate the third week in June 1987 as "National Dairy Goat Awareness Week"; to the Committee on the Judiciary.

H.J. Res. 181. Joint resolution commemorating the bicentennial of the Northwest Ordinance of 1787; to the Committee on the Judiciary.

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that on today, June 11, 1987, he had presented to the President of the United States the following enrolled bill:

S. 626. An act to prohibit the imposition of an entrance fee at the Statue of Liberty National Monument, and for other purposes.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. JOHNSTON, from the Committee on Energy and Natural Resources, with an amendment:

S. 52: A bill to direct the cooperation of certain Federal entities in the implementation of the Continental Scientific Drilling Program (Rept. No. 100-67).

By Mr. JOHNSTON, from the Committee on Energy and Natural Resources, without amendment:

S. 84: A bill to amend the Land and Water Conservation Fund Act of 1965 (Rept. No. 100-68).

H.R. 191: A bill to authorize the establishment of a Peace Garden on a site to be selected by the Secretary of the Interior (Rept. No. 100-69).

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. NUNN, from the Committee on Armed Services:

The following-named officer under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 3033:

To be chief of staff

Gen. Carl E. Vuono, [redacted], U.S. Army.

Mr. NUNN. Mr. President, from the Committee on Armed Services, I report favorably the attached listing of nominations.

Those identified with a single asterisk (*) are to be placed on the Executive Calender. Those identified with a double asterisk (**) are to lie on the Secretary's desk for the information of any Senator since these names have already appeared in the CONGRESSIONAL RECORD and to save the expense of printing again.

*Lt. Gen. Thomas F. Healy, U.S. Army, to be placed on the retired list in the grade of lieutenant general (Ref. 357).

**In the Army Reserve there are 30 promotions to the grade colonel and below (list begins with Kenneth N. Hall) (Ref. 358).

**In the Army National Guard there are 59 promotions to the grade colonel and below (list begins with Issac A. Alvardo, Jr.) (Ref. 359).

*Lt. Gen. Charles J. Cunningham, Jr., U.S. Force, to be placed on the retired list in the grade of lieutenant general (Ref. 377).

*Lt. Gen. Leo Marquez, U.S. Air Force, to be placed on the retired list in the grade of lieutenant general (Ref. 378).

*Maj. Gen. Michael J. Dugan, U.S. Air Force, to be lieutenant general (Ref. 379).

*Maj. Gen. Charles C. McDonald, U.S. Air Force, to be lieutenant general (Ref. 380).

*Lt. Gen. Merrill A. McPeak, U.S. Air Force, to be reassigned in the grade of lieutenant general (Ref. 381).

*Vice Adm. Powell F. Carter, Jr., U.S. Navy, to be Admiral (Ref. 382).

*Vice Adm. Cecil J. Kempf, U.S. Navy, to be placed on the retired list in the grade of vice admiral (Ref. 383).

*Rear Adm. John H. Fetterman, Jr., U.S. Navy, to be vice admiral (Ref. 384).

*Rear Adm. James A. Zimble, U.S. Navy, to be vice admiral and to be Chief of the Bureau of Medicine and Surgery and Surgeon General (Ref. 385).

*Joseph P. Smyth, U.S. Navy, to be rear admiral (lower half) (Ref. 386).

**Edward R. Hoffman, U.S. Army, to be major (Ref. 387).

**In the Marine Corps there are 74 appointments to the grade of colonel (list begins with John C. Astle) (Ref. 388).

*Rear Adm. John T. Parker, Jr., U.S. Navy, to be vice admiral (Ref. 395).

**Beckly L. Gering, U.S. Air Force, to be lieutenant colonel (Ref. 396).

**In the Air Force there are 12 promotions to the grade of lieutenant colonel and below (list begins with Roger D. Billica) (Ref. 397).

**In the Army there are 14 promotions to the grade of colonel (list begins with Charles V. Adams) (Ref. 398).

**In the Army there are 40 promotions to the grade of lieutenant colonel (list begins with John A. Bauer) (Ref. 399).

**In the Army there are 42 promotions to the grade of major (list begins with Jeffrey Addicott) (Ref. 400).

**In the Air Force there are 76 promotions to the grade of colonel (list begins with Robert J. Achterberg) (Ref. 401).

**In the Air Force there are 198 promotions to the grade of lieutenant colonel (list begins with John R. Abel) (Ref. 402).

**In the Air Force there are 505 promotions to the grade of major (list begins with John L. Alonge) (Ref. 403).

**In the Marine Corps there are 182 appointments to the grade of second lieutenant (list begins with Paul C. Aanonsen) (Ref. 404).

**In the Navy there are 499 promotions to the grade of commander (list begins with Gregory Hugh Adkisson) (Ref. 405).

**In the Navy there are 721 promotions to the grade of commander (list begins with Richard Lewis Aarnes) (Ref. 406).

Total: 2,466.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The nominations ordered to lie on the Secretary's desk are printed in the RECORD of May 19, May 29, and June 2, 1987, at the end of the Senate proceedings.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. KASTEN:

S. 1353. A bill to amend the Internal Revenue Code of 1986 to exempt certain livestock breeding from the rules requiring capitalization of preproductive expenses and to preclude farmers with gross receipts in excess of $5 million from using a cash method accounting; to the Committee on Finance.

By Mr. CHILES:

S. 1354. A bill to establish the National Center for Biotechnology Information within the Department of Health and Human Services as a component of the National Library of Medicine; to the Committee on Labor and Human Resources.

By Mr. GRAMM (for himself and Mr. Nickles):

S. 1355. A bill to ensure energy security for the Nation by expanding the domestic petroleum reserve base; to the Committee on Finance.

By Mr. BURDICK:

S. 1356. A bill entitled the "Riverdale, North Dakota, School Rehabilitation Act"; to the Committee on Environment and Public Works.

By Mr. WILSON:

S. 1357. A bill to amend section 3210 of title 39, United States Code, to prohibit congressional newsletters; to the Committee on Rules and Administration.

By Mr. DECONCINI:

S. 1358. A bill to amend title 11, U.S. Code, the Bankruptcy Code, to clarify the transfer provisions; to the Committee on the Judiciary.

By Mr. McCAIN:

S. 1359. A bill to recognize the organization known as the Red River Valley Fighter Pilot Association; to the Committee on the Judiciary.

By Mr. BURDICK (for himself, Mr. Inouye, Mr. Evans, Mr. Daschle, and Mr. McCain):

S. 1360. A bill to amend the Indian Financing Act of 1974, and for other purposes; to the Select Committee on Indian Affairs.

By Mr. DECONCINI (for himself, Mr. D'Amato, and Mr. Wilson):

S. 1361. A bill to amend the Controlled Substances Act to suppress the diversion and trafficking of precursor chemicals and essential chemicals utilized in the illicit manufacture of controlled substances; to the Committee on the Judiciary.

By Mr. PRYOR (for himself, Mr. Bumpers, Mrs. Kassebaum, Mr. Riegle, Mr. Hollings, Mr. Glenn, Mr. Heinz, Mr. Bradley, Mr. Mitchell, Mr. Boren, Mr. Nunn, Mr. Specter, Mr. Gore, Mr. Lautenberg, Mr. Dole, Mr. Cochran, Mr. Dixon, Mr. Shelby, Ms. Mikulski, Mr. Warner, Mr. Chiles, and Mr. Matsunaga):

S.J. Res. 158. A joint resolution designating September 30, 1987, as "National Nursing Home Residents' Rights Day"; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. BYRD (for himself and Mr. Dole):

S. Res. 231. A resolution to authorize the production of documents by the Senate Permanent Subcommittee on Investigations; considered and agreed to.

By Mr. RIEGLE (for himself and Mr. D'Amato):

S. Res. 232. A resolution concerning the denial of freedom of religion and other human rights in Soviet-occupied Lithuania; to the Committee on Foreign Relations.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. KASTEN (for himself and Mr. Quayle):

S. 1353. A bill to amend the Internal Revenue Code of 1986 to exempt certain livestock breeding from the rules requiring capitalization of preproductive expenses and to preclude farmers with gross receipts in excess of $5,000,000 from using a cash method of accounting; to the Committee on Finance.

LIVESTOCK PRODUCERS TAX RECORDKEEPING RELIEF ACT

Mr. KASTEN. Mr. President, today my distinguished colleague from Indiana, Senator Quayle, and I are introducing the Livestock Producers Tax Recordkeeping Relief Act of 1987. This legislation would repeal the requirement that farmers capitalize the expense of raising their livestock.

The Tax Reform Act of 1986 contains a provision which originated in the House that established new rules for taxing income from livestock—for example, the sale of milk, cattle or beef, or horses. Instead of allowing farmers to deduct the expenses of raising livestock as they are incurred, the Tax Reform Act requires that farmers include these costs in the basis of the asset. This is called capitalization. These costs can only be recovered through depreciation.

The Tax Reform Act did allow farmers the option of continuing to expense their preproductive costs—that is, to deduct them in the tax year they are incurred—but requires farmers doing this to depreciate all assets related to the livestock business using straightline depreciation. Straightline depreciation is much less favorable than the method by which farm assets are otherwise depreciated. In some cases, this can cut tax benefits from first-year depreciation in half.

Farmers are thus left with a choice between a tax accounting procedure that will artificially inflate their taxable income and one that would impose a staggering recordkeeping burden on them.

To give my colleagues an idea of just how much recordkeeping we are talking about here, imagine a typical Wisconsin dairy farmer required to capitalize preproductive expenditures on his cows.

When the typical dairy farmer sees one of his cows coming into heat, he will have her inseminated artificially. The cows gestation period will be about 9 months, with an 80- to 90-percent success rate being considered adequate. During that time, expenses to feed and house the cow will be incurred. The calf, once born, may require special food, housing, vaccinations and other medical treatment, et cetera before coming into the milking string 2 years or more after conception.

The farmer, in order to be in compliance with the capitalization requirement, will have to keep records of all of the above expenses. Evidently, though, he will need to separate out after the fact the cost of such things as:

Inseminations that do not result in conception;

Stillborn calves—and caring for the cows that give birth to such calves; and

Calves which die, or are born with or develop some deformity that prevents them from entering the milking string.

Most obviously, the farmer would need to separate out expenses for conceiving and raising male calves, which of course do not enter the milking string at any time. Beef producers and horse breeders would face a similar amount of recordkeeping in sorting out expenses incurred in the preproductive phase of an income producing asset from those that result in no income or a different kind of income.

For the dairy farmer, it would be a little like naming a cow at the time of insemination, and keeping track of all the expenses incurred in raising that cow. The record wouldn't be any good if the cow named, say, Gertrude, Elsie, or Hortense turned out to be a bull calf, obviously the names would need to be changed as well, or if she/he didn't quite make it to conception. I can well imagine some of the larger dairy farmers in my State running out of names eventually, and maybe needing to put up an extra building to put the records in, too.

In short, the impact of the capitalization requirement will be to drown farmers in a tidal wave of paper—and the Government gets little more out of it than the farmers do. The Joint Committee on Taxation estimates that repealing the provision outright would cost the Government a mere $900 million over the next 4 years. It is a price well worth paying to spare our dairy farmers, beef producers, and horse breeders an inconvenience bordering on hardship.

Mr. President, my colleagues will remember that amendments to the Tax Reform Act last year were routinely rejected if they lost revenue. And rightly so—at a time of large deficits, it would be irresponsible to reduce revenue in one area without increasing them in another.

The legislation I am introducing compensates for the repeal of the capitalization rules by barring farms with sales of more than $5 million from using cash accounting for tax purposes. The Joint Committee on Taxation advises that this change will net the Government about $1.5 billion over the next 4 years, making the bill a net revenue gainer. This provision was first proposed in the President's Treasury I tax reform bill.

When the income tax was begun in the early years of this century, it was decided to allow farmers to deduct their business expenses in the tax year they were incurred—cash accounting. It was felt at the time that farmers were too unsophisticated to conveniently use the accrual method of accounting that most other businesses had to use.

A good case could be made that requiring family farmers to use accrual accounting would impose a significant burden on them. Clearly, however, this is not true for the very largest farms. Whether family run or not, any business with sales of over $5 million must clearly be run by very able, sophisticated businesspeople.

It is ludicrous to continue to allow the 400 largest farms in the country, with annual sales ranging from $8 million to $1.5 billion, to use cash accounting on the pretext that accrual accounting would be too complicated for them to understand. All cash accounting allows these large farming-related businesses to do is to present to the Government a distorted picture of their financial situation—and to pay less than their fair share of taxes.

Mr. President, it is time we ended this situation. I was frankly disappointed that we did not end it when we considered the Tax Reform Act last year. In fact, the subject of cash accounting was never voted on in either the House or Senate during consideration of the Tax Reform Act.

In short, Mr. President, the Kasten-Quayle legislation is oriented toward the family farmer. It eliminates a potentially enormous recordkeeping burden on small to midsized family farmers while requiring large, sophisticated agribusinesses to use regular business accounting procedures for tax purposes. It is a much-needed improvement to the Tax Code, and I invite my colleagues to join me in supporting it.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 1353

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. CERTAIN LIVESTOCK BREEDING EXEMPT FROM RULES REQUIRING CAPITALIZATION OF PREPRODUCTIVE EXPENSES.

Subsection (c) of section 263A of the Internal Revenue Code of 1986 (relating to general exceptions to capitalization and inclusion in inventory costs of certain expenses) is amended by adding at the end thereof the following new paragraph:

"(6) Livestock breeding.—This section shall not apply to livestock bred by the taxpayer (other than by embryo transplant).".

SEC. 2. DENIAL OF USE OF CASH ACCOUNTING FOR ALL FARMERS WITH GROSS RECEIPTS IN EXCESS OF $5,000,000.

(a) In General.—Section 447 of the Internal Revenue Code of 1986 (relating to method of accounting for corporations engaged in farming) is amended—

(1) by striking out subsections (c) and (e),

(2) by redesignating subsections (f), (g), (h), and (d) as subsections (d), (e), (f), and (g), respectively, and

(3) by inserting after subsection (b) the following new subsection:

"(c) Exception for Corporations Having Gross Receipts of $5,000,000 or Less.—For purposes of subsection (a), a corporation shall be treated as not being a corporation if, for each prior taxable year beginning after December 31, 1985, such corporation (and any predecessor corporation) did not have gross receipts exceeding $5,000,000. For purposes of the preceding sentence, all corporations which are members of a controlled group of corporations (within the meaning of section 1563(a)) shall be treated as 1 corporation.".

(b) Conforming Amendments.—

(1) Subsection (f)(1) of section 447 of the Internal Revenue Code of 1986, as redesignated by subsection (a)(2), is amended by striking out "subsection (d)(1)" and "subsection (d)" each place it appears and inserting in lieu thereof "subsection (g)(1)" and "subsection (g)", respectively.

(2) Subsection (g) of section 447 of such Code, as redesignated by subsection (a)(2), is amended by striking out "subsection (c)(2)" and inserting in lieu thereof "subsection (f)(1)".

SEC. 3. EFFECTIVE DATE.

The amendments made by this Act shall apply to taxable years beginning after December 31, 1986.

Mr. QUAYLE. Mr. President, I am today joining my colleague from Wisconsin, Senator Kasten, in introducing the Livestock Producers' Tax Recordkeeping Relief Act of 1987.

Although an overriding objective of the Tax Reform Act [TRA] of 1986 was to simplify the Tax Code, the inside-the-beltway crowd in Washington has complicated the life of farmers once again.

Congress and the lawyers at the Internal Revenue Service should have learned back in 1985 that farmers have better ways to spend their time than to maintain overly detailed, intrusive records. It was that year that the Government mandated farmers to keep "contemporaneous" auto logs on all usage of farm trucks. There was such an outcry—justifiably so—from farmers across the Nation, that Congress was forced to repeal this unreasonable provision.

But rather than learning its lesson, the bureaucracy has now drafted regulations to implement the Tax Reform Act that impose more unreasonable demands on livestock farmers. It's one thing to beef up the revised tax law with new rules, but in this case, the Treasury Department's ludicrous regulations have only stirred up a most justified stampede of protest by livestock producers.

The Tax Reform Act of 1986 provides that taxpayers must capitalize the pre-productive period of an asset if that period exceeds 2 years. The productive assets of livestock producers are, of course, their breeding animals, and according to the Treasury Department's interpretation, their pre-productive period begins at conception and ends when the animals first give birth. This obviously entails two gestation periods, and the requirement to monitor them both places an extreme burden of uncertainty on livestock producers, particularly cattle and horse producers.

Where prior law allowed for expensing of the costs associated with livestock production, current law requiries distinguishing between the costs of the breeding stock and the rest of the herd. But separating out costs is impractical in a cattle operation. A livestock producer who previously could expense for his entire herd such costs as feed, veterinary services, insurance, electricity, building maintenance, and fuel, is now required to capitalize the portion of such costs attributable to the replacement breeding stock. At a minimum, this new requirement will force livestock farmers to be highly subjective as they maintain their tax records. But this regulation is more than inconvienent. It is also highly impractical.

Under the new regulation, costs must be attributed and recorded for an animal before it is born, which is to say before the farmer knows its sex. If the calf turns out to be a bull or the foal is instead a colt, all the time the farmer dutifully has spent keeping records is wasted.

Furthermore, farmers typically do not choose their replacement breeding stock until the animals reach breeding age, when their health and suitability for breeding can be fully evaluated. But in the meantime, records must be kept on all females in the herd, with estimates of the portion of the costs attributable to the replacement animals, until the farmer selects which heifers or fillies will actually be replacement stock. Here again, the time the producer has spent keeping records on the animals that are culled is wasted—and the detailed accounting of costs attributed to the replacement animals will be highly subjective at best.

Under the new law, farmers may elect to expense the costs associated with the pre-productive period of replacement stock, but to do so, they are then required to use straight-line depreciation on all farm assets in use during the election period—not just those assets used in livestock production. This provision wrongly takes no account of—and will be detrimental to—diversified farm operations.

The bill that Senator Kasten and I are introducing would rectify the many deficiencies of the Treasury's ruling on the new tax law as it applies to livestock production by repealing and replacing it with the previous system.

In order to pay for restoring the old law to the books, our bill would limit cash accounting for tax purposes for farmers with net sales over $5 million. This restriction was a provison of the original Treasury I tax reform proposal. Cash accounting for large operations does not always reflect true economic income, yet accrual accounting can be unnecessarily burdensome for small operations. The limit on cash accounting nets $1.5 billion over 4 years, while restoring the expensing provision for livestock production will lose $600 million in revenues. Our total package, therefore, will yield a net deficit reduction of $900 million over 4 years.

To ensure that we do nothing more than restore some common sense to the tax laws with which farmers must comply, we specifically do not restore the expensing provision for embryo transplants. These transplants can result in significant tax avoidance, where capitalization would reflect a truer tax liability.

Mr. President, our bill will return simplicity and credibility to the tax treatment of livestock production, and it will also restore tax equity between the small to medium-size farm operations and the huge agricultural operations that keep two sets of books—one for tax purposes and one for financial records.

By Mr. CHILES:

S. 1354. A bill to establish the National Center for Biotechnology Information within the Department of Health and Human Services as a component of the National Library of Medicine; to the Committee on Labor and Human Resources.

NATIONAL BIOTECHNOLOGY INFORMATION ACT

● Mr. CHILES. Mr. President, new understanding of the human gene is leading to a new era in medicine. The exciting field of biotechnology, based on our new knowledge of genetics, has already led to medical miracles.

Diabetics now have pure human insulin produced by bacteria. These bacteria are "programmed" to produce insulin through genetic engineering. In the past, diabetic patients often suffered severe and sometimes fatal reactions to insulin extracted from animals.

Alpha interferon, produced in the same way, has provided new hope to those with rare forms of leukemia. And interleukin 2, a new genetically engineered drug, shows promise in fighting a whole range of cancers.

As exciting as these developments are, they are only the beginning. We have only begun to understand and map the human gene, which controls how our bodies grow, how we age, and whether or not we are likely to get certain diseases. This information is carried in thousands of chemical sequences. The sequences made up the language of genetics.

Up until now, various bits and pieces of the genetic code have been unlocked and then recorded in different data bases around the world. There is no one source, and no easy way to get access to all of this important genetic information.

That's why I am introducing legislation to establish a National Center for Biotechnology Information. This bill, the National Biotechnology Information Act of 1987, is a companion measure to legislation introduced earlier in the House by Congressman PEPPER. The center, within the National Library of Medicine, will bring together all existing information on the human gene and will include all new information as we unlock the genetic code.

Having such a center will avoid costly duplication and make sure we get more return for our research dollars. One of the quickest ways to advance research is to bring all information on the human gene together in one easily accessible data base.

Access to information, made possible by computers, has greatly speeded advances in all scientific fields. In years past research results were published and slowly made available to other researchers. Now access is almost immediate, and scientists literally around the world can communicate and build on each others' discoveries.

Understanding the human gene is one of the most exciting projects ever undertaken by medical science. We have already seen how research can lead to new vaccines to prevent disease and better drugs to fight them. Soon we will have more early warnings for inherited diseases. Continued research may lead to an understanding and control of dreaded conditions such as Alzheimer's and Huntington's disease.

The future is unlimited, and it is my hope that this new data system will lead to discoveries we can't even imagine today.

Mr. President, I ask unanimous consent that the text of my bill be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1354

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "National Biotechnology Information Act of 1987".

SEC. 2. FINDINGS.

The Congress finds that—

(1) biotechnology advances understanding of fundamental human growth and disease processes;

(2) knowledge in the field of biotechnology is accumulating faster than it can be reasonably assimilated by present methods;

(3) it is essential that advances in information science and technology be made so that this vast new knowledge can be organized, stored, and manipulated;

(4) there are numerous independent computer data bases which hold portions of the burgeoning biotechnological discoveries and such data bases lack common technology, central coordination, and adequate support;

(5) the National Library of Medicine is uniquely suited, by virtue of its preeminence in the field of biomedical communications, service, and information science research, to facilitate the rapid advance of biotechnology; and

(6) a biotechnology information initiative could take advantage of the unique facilities of the National Library of Medicine to develop new communications tools and serve both as a repository and as a center for the distribution of molecular biology information to American research scientists and health practitioners.

SEC. 3. ESTABLISHMENT OF NATIONAL CENTER FOR BIOTECHNOLOGY INFORMATION.

Part D of title IV of the Public Health Service Act is amended by adding at the end the following new subpart:

"Subpart 3—National Center for Biotechnology Information

"PURPOSE, ESTABLISHMENT, FUNCTIONS, AND FUNDING OF THE NATIONAL CENTER FOR BIOTECHNOLOGY INFORMATION

"SEC. 478. (a) In order to focus and expand the collection, storage, retrieval, and dissemination of the results of biotechnology research by information systems, and to support and enhance the development of new information technologies to aid in the understanding of the molecular processes that control health and disease, there is established the National Center for Biotechnology Information (hereinafter in this section referred to as the "Center") in the National Library of Medicine.

"(b) The Secretary, through the Center and subject to section 465(d), shall—

"(1) design, develop, implement, and manage automated systems for the collection, storage, retrieval, analylsis, and dissemination of knowledge concerning human molecular biology, biochemistry, and genetics;

"(2) perform research into advanced methods of computer-based information processing capable of representing and analyzing the vast number of biologically important molecules and compounds;

"(3) enable persons engaged in biotechnology research and medical care to use systems developed under paragraph (1) and methods described in paragraph (2); and

"(4) coordinate, as much as is practicable, efforts to gather biotechnology information on an international basis.

"(c) For the purpose of performing the duties specified in subsection (b), there are authorized to be appropriated not to exceed $10,000,000 for each of fiscal years 1988, 1989, 1990, 1991, and 1992. Funds appropriated under this subsection shall remain available until expended.".●

By Mr. DeCONCINI:

S. 1358. A bill to amend title 11, United States Code, the Bankruptcy Code, to clarify the transfer provisions; to the Committee on the Judiciary.

BANKRUPTCY CODE AMENDMENT

Mr. DeCONCINI. Mr. President, I am introducing legislation designed to correct an intolerable uncertainity cast upon sections 547 and 548 of the Bankruptcy Code by the fifth circuit's decision in Durrett versus Washington National Insurance Company.

The Durrett decision marked the first time in the more than four centuries since the law of fraudulent conveyances was first codified that a noncollusive, regularly conducted foreclosure sale was held to be a fraudulent transfer within the meaning of the constructive fraud provisions of the Bankruptcy Code without regard to the intent of the parties. Durrett holds that a noncollusive foreclosure sale can indeed be set aside as fraudulent if the buyer fails to give what the court deems to be "fair consideration." In reaching its decision, the court applied what is now section 548(a)(2) of the Bankruptcy Code, which makes a showing of the fraudulent intent unnecessary so long as three criteria are met. First, the transfer must take place while the transferor is insolvent. Second, the transfer must take place within a year of the transferor's bankruptcy. And finally, the transfer price must be less than reasonably equivalent value. While none of these criteria requires a showing of actual fraud, their development over the years clearly indicates that their only real purpose is to allow courts to set aside those transfers that are designed to put property outside the reach of creditors.

Durrett misapplies these traditional rules regarding constructive fraud, and places an intolerable burden on the reliability of land records and the freedom of people to enter into lawful contractual relationships. Durrett allows a bankruptcy trustee to move to strike down a foreclosure sale as a fraudulent transfer anywhere from 1 to 20 years after the foreclosure sale. In at least one jurisdiction, there may be no limit at all on the reachback period. These varying time limits are the results of section 544(b) of the Bankruptcy Code, which permits the use of State fraudulent conveyance laws to attack a transfer.

Some may question the need for this legislation because the Durrett opinion itself indicates that only a sale price less than 70 percent of court determined value will be treated as less than reasonably equivalent. But this figure really doesn't provide any reliable guidance. Real estate valuation is far from an exact science. It involves a subjective evaluation of a number of factors, including the characteristics of a particular piece of property, and a prediction of how great inflationary pressures are likely to be in the future. A slight difference of opinion between the appraiser and the bankruptcy judge regarding the weight to be given one of these factors may result in the court arriving at a figure well in excess of what the property was really worth on foreclosure.

The impact of the Durrett rule extends beyond nonjudicial foreclosure sales. It has been applied to judicial foreclosure sales under the Bankruptcy Code, to terminations of contracts for deed, to foreclosures of security interests under article nine of the Uniform Commercial Code, and to termination of leases on default by the tenant.

Perhaps even more disturbing are at least two recent decisions that have struck down foreclosures as unlawful preferences under section 547 of the Bankruptcy Code. These decisions were based on the theory that a foreclosure is a transfer made in consideration of an antecedent debt and is thus subject to being set aside as an unlawful preference if it occurs during the reachback period. Reasonably equivalent value is not even considered in this instance. So every mortgage foreclosure sale becomes subject to attack. This theory is clearly wrong because a mortgage sale is made for contemporaneous consideration—a mortgage is exchanged for property—and because it could open the door to frivolous lawsuits challenging the validity of every mortgage foreclosure.

The law in this area must be clarified in order to prevent confusion, inequitable results, and continued misapplication of these provisions of the Bankruptcy Code. My bill accomplishes these goals by making it clear that a person who acquires an interest of a debtor through a noncollusive foreclosure proceeding has by definition given reasonably equivalent value; by providing that the termination of a lease or a contract pursuant to the terms of the lease or contract is not voidable under the Bankruptcy Code; and finally, by ensuring that an interest acquired at a foreclosure sale will be treated as having been acquired for new value, and not in consideration of an antecedent debt.

I see this bill as a starting point for discussion with the bankruptcy bar and other interested parties in shaping an effective solution which will not be overreaching or overbroad.

By Mr. WILSON:

S. 1357. A bill to amend section 3210 of title 39, United States Code, to prohibit congressional newsletters; to the Committee on Rules and Administration.

PROHIBITING CONGRESSIONAL NEWSLETTERS

Mr. WILSON. Mr. President, I rise today to introduce legislation to eliminate Federal funding for congressional newsletters. While protecting our ability to correspond with constituents, this legislation would prevent Congress from sending newsletters under the congressional franking privilege.

Mr. President, we have been engaged in debate on this floor for some time now on the subject of election campaign reform.

If this Congress is serious about revamping our Nation's electoral laws, we should act now to clean up the disgrace in our own backyard. I ask that the Senate lead the charge to eliminate the electoral abuse of the congressional franking system, which I think is, frankly, a disgrace.

Last year, on a vote of 95 to 2, the Senate approved an amendment I proposed to the budget resolution designed to eliminate spending on unsolicited mass mailings. However, this nonbinding amendment has fostered no action at all by the appropriate authorizing committees.

Let me take just a minute to explain the substance of this simple amendment. This amendment eliminates the use of the franking privilege for mass mailings. Mass mail is defined as mailings of more than 500 pieces in which the content of the matter mailed is substantially identical, but with several exceptions. These exceptions I have inserted in this revised legislation in order to respond to the legitimate concerns expressed by a number of colleagues, that, in the effort to end this abuse, we do not become overinclusive and prevent legitimate correspondence. This restriction includes unaddressed postal patron mailings, except if the sole purpose of such a mailing is to give notice of a town meeting. However, in no way can this amendment be construed to limit the substantive exchange of views between Members of the House and Senate and their constituents. That, clearly, is not the purpose.

So we have designed seven exceptions in this amendment that seek to permit an unchecked, legitimate exchange of views through correspondence between Members of Congress and their constituents. Members of the House and Senate would not be prevented from sending an unlimited number of letters of constituents in direct response to their questions on specific legislative and administrative issues, and updates on specific issues to constituents who have written previously on those issues. This bill would not prevent Members from mailing substantive letters on specific issues to chief officers and members of boards of directors of corporations or other organizations with an interest in the specific issue. In addition, this legislation sets no limits on mailings to colleagues in the Congress or to other elected or appointed Government officials. Informing the news media of our actions is not limited under this bill, as mailing of news releases are unlimited, except that no more than 500 releases may be sent to people not connected to the news media.

The two other exceptions are worth noting. Town meeting notices are not limited by this bill. Finally, in no way would this bill limit a Member in his ability to send to constituents materials not prepared by or relating to that

Member of Congress—for example, public service pamphlets prepared by a noncongressional organization to be distributed by a Member of Congress to his or her constituents. In other words, Mr. President, given these extensive exceptions, the only type of mailing of more than 500 pieces which would be prohibited to Members of Congress would be those in which they have engaged in sending matter that frankly promotes themselves—newsletters.

According to recent estimates, less than 5 percent of the Senate's postage budget is used to respond to letters sent to us by our constituents. In other words, our direct responses amount to 5 percent of our entire postal budget. Newsletters constitute at least 75 percent of the Congress' postal budget. Yet, most newsletters wind up in the trash, unread and unwanted, I suspect. At 1987 spending levels, this translates into about $70 million that are used for extravagant, unread mailing that, in many cases, are barely distinguishable from campaign literature.

Indeed, the fact that many, if not most, newsletters are basically self-promotion pieces demonstrates the importance of the Congress passing this legislation. Most newsletters sent to constituents are simply federally funded campaign tools. While some newsletters may contain useful information, most seek only to enhance the author's name recognition at home, especially during election years.

Predictably, mailing costs for the U.S. Congress have risen dramatically in election years. Only the passage of Gramm-Rudman has helped slow the increases. Our franking privilege cost the American taxpayer $95.7 million in 1986 after the automatic sequestration took place. To be sure, this total is about $15 million less than in 1984, the previous election year. However, in nonelection year 1987, postage costs will drop by only 5 percent, still about $5 million higher than during the previous nonelection year, 1985. Congressional spending postage costs for fiscal year 1987 are estimated to hit at least $91.4 million.

Mr. President, if we need any evidence that there is a strange fluctuation and a dramatic rise in these postal costs during election years, that evidence is abundant and clear. I have a table which illustrates dramatically the congressional spending totals for the last 10 years, and I invite the attention of my colleagues to the enormous increases from nonelection to election years.

In 1978, an election year, the cost was $47 million. The next year, a nonelection year, that cost dropped by about $10 million. In 1980, it rose from not quite $20 million the preceding election year, to $64.4 million. It then dropped about $20 million in 1981, a nonelection year. In 1982, an election year, it rose another $25 million over the previous high, to $97 million. Then, in 1983, a nonelection year, it dropped about $10 million. In 1984, another election year and another record, $111.1 million, to drop in the next year, a nonelection year, back to $86.7 million.

Last year, I am sure we would have had another new high had it not been for the sequestration under Gramm-Rudman. So it totaled only $95.7 million. This year, it is estimated that it will be $91.4 million.

Some would argue that the solution to this problem is to appropriate less money for the franking budget during debate on the legislative appropriations bill. I would be the first to vote for such an amendment. However, even if actual franking costs exceed the postal appropriation, the Congress is not forced to increase the franking budget to pay for the mailings. Instead, the Postal Service is required to pay for those costs out of its budget; in other words, those that buy stamps will eat the difference—costs which ultimately are passed on to taxpayers and postal users.

I should note, Mr. President, that included in both the recently passed House and Senate supplemental appropriations bills is a provision which expressly refuses to provide $3.4 million to reimburse the Postal Service for the cost of franked congressional mail, leaving the Postal Service to absorb the loss if Members' mailing costs this year exceed the $91.4 million already appropriated.

I want to emphasize once again that passage of this amendment would in no way limit the ability of a Member of Congress to keep his or her constituents informed of the work we do here in Washington. After all, that is why Congress was granted the franking privilege. However, not only are newsletters mainly an incumbent's unique reelection tool, they are also a tremendously inefficient way to communicate a Member's actions to constituents. It is not as though there were not other means available. Events in Washington have never been reported by the media to the extent that we see now. Both Houses have their proceedings televised. We all return to our individual States and congressional districts regularly to meet with constituents.

Mr. President, the time has come to quit winking at this abuse. The time has come for Congress to become accountable for the franking privilege. We cannot justify congressional self-promotion at the taxpayers' expense at any time, least of all one in which we are called upon to make spending cuts in what are arguably essential services. This clearly is not an urgent public priority. It is unconscionable to reduce spending in important programs to spend tens of millions of Federal dollars on what is essentially a self-promotion activity by Members of Congress.

Some may recall that when we voted 95 to 2 in the Senate last year it was for the announced purpose of shifting that expenditure to pay for research in AIDS and Alzheimer's.

I urge my colleagues to work for speedy passage of this legislation, and I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1357

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, section 3210(a)(6) of title 39, United States Code, is amended to read as follows:

"(6)(A) It is the intent of Congress that a Member of, or Member-elect to, Congress may not mail any mass mailing as franked mail.

"(B)(i) For purposes of this paragraph, the term 'mass mailing' means a mailing of more than five hundred pieces in which the content of the matter mailed is substantially identical.

"(ii) Such term does not include mailings—

"(I) which are in direct response to communications from persons to whom the matter is mailed;

"(II) which consist of individually addressed responses on a specific issue to constituents who have previously written on the issue;

"(III) to colleagues in the Congress or to elected or appointed Government officials (whether Federal, State, or local);

"(IV) of news releases to the communications media;

"(V) which consist of news announcements on a specific issue individually addressed to the chief officer and any member of the board of directors of a corporation or organization with an interest in the specific issue;

"(VI) which consist of materials not prepared by or relating to a Member of, or Member-elect to, Congress; or

"(VII) the sole purpose of which is to give notice of a town meeting.

"(C) The Select Committee on Ethics of the Senate and the House Commission on Congressional Mailing Standards shall prescribe for their respective Houses rules and regulations, and shall take other action as the Committee or the Commission considers necessary and proper for Members and Members-elect to comply with the provisions of this paragraph and applicable rules and regulations. The rules and regulations shall include provisions prescribing the time within which mailings shall be mailed at or delivered to any postal facility and the time when the mailings shall be deemed to have been mailed or delivered to comply with the provisions of this paragraph.".

By Mr. GRAMM (for himself and Mr. NICKLES):

S. 1355. A bill to insure energy security for the Nation by expanding the domestic petroleum reserve base; to the Committee on Finance.

NATIONAL PETROLEUM SECURITY ACT

Mr. GRAMM. Mr. President, I introduce today the National Petroleum Security Act of 1987.

This bill is a bill that is aimed at trying to provide incentives for the production of oil and gas in the United States. It is also the goal of this bill to solve an economic problem occuring in Texas and the rest of the Nation.

Since oil prices declined 2 years ago, we have seen roughly a 1-million-barrel-per-day increase in oil imports and we have seen the level of dependence on foreign oil grow dramatically.

What this bill seeks to do is to examine the options that are available to us to increase domestic petroleum production through the use of production incentives, deregulation, and environmental reform. These proposals provide direct incentives to increase the production of oil by about 1½ million barrels a day which will more than offset the domestic oil decline that has been created during the last 2 years.

Additionally this bill contains language that would open up the Arctic National Wildlife Refuge; action which if undertaken today would provide another 1½ million barrels of oil by the end of this century.

I hope my colleagues will look at this bill and will decide that it is worthy of their support and their cosponsorship.

Mr. President, I introduce this bill and ask unanimous consent that it be referred to the appropriate committee, and I ask unanimous consent that the bill and an outline of the bill be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

THE NATIONAL PETROLEUM SECURITY ACT OF 1987—SUMMARY OF PROPOSALS

PRODUCTION INCENTIVES

Windfall Profit Tax. The bill repeals the Windfall Profit Tax (supported by the President).

Exploration and Marginal Production Tax Credits. The bill provides a tax credit for exploration and development of oil and gas. This credit equals 10% for the first $10 million in expenses and 5% thereafter and would be sunset in three years. A 10% tax credit on qualified costs for stimulating production from marginal wells is also provided.

Alternative Minimum Tax Relief. The bill removes Intangible Drilling Costs (IDC) as a tax preference item for purposes of computing alternative minimum taxes (AMT). The bill also provides current expensing of domestic Intangible Drilling Costs (IDC) for all producers.

Geological and Geophysical Costs. The bill provides for current expensing of geological and geophysical costs paid or incurred prior to drilling.

Transfer of Property. The bill repeals the depletion transfer rule (supported by the President).

Income Limitation. The bill increases the depletion limitations to 100% (supported by the President).

REGULATORY REFORM PROVISIONS

Federal Leasing. The bill amends the Mineral Lands Leasing Act of 1920 to open the coastal plain of the Artic National Wildlife Refuge (ANWR) to leasing by the Secretary of the Interior (supported by the President).

Natural Gas Prices. The bill amends the Natural Gas Policy Act to decontrol all natural gas prices at the wellhead (supported by the President).

Transportation of Natural Gas. The bill requires the Federal Energy Regulatory Commission to mandate the transportation of natural gas without discrimination as to class of shipper or recipient (supported by the President).

Cooperative Exemption. The bill permits a limited antitrust exemption to independent producers to contract for the pooling of natural gas for sale.

Oil Pipelines. The bill repeals federal rate regulation of those oil pipelines that operate in a competitive market (supported by the President).

Strategic Petroleum Reserve. The bill requires that 50% of the purchases for the Strategic Petroleum Reserve be from domestic sources. Oil would be acquired at prices no less favorable to the U.S. than comparable foreign oil (supported by the President).

ENVIRONMENTAL PROVISIONS

Underground Tanks. The bill clarifies Solid Waste Disposal Act requirements imposed on underground storage tanks and specifies that petroleum well cellars, sumps, drip collection devices, hydraulic lift reservoris and oil water separators are not "tanks" (supported by the President).

Recycling Activities. The bill expresses the sense of the Congress that recycling activities designed to conserve resources should not be curtailed when there is no data to demonstrate that such recycling practices pose any threat to human health and the environment (supported by the President).

Land Treatment Sites. The bill expresses the sense of the Congress that any land treatment of petroleum waste should be encouraged so long as such treatment transforms the waste into an environmentally acceptable form which does not pose any threat to human health and the environment (supported by the President).

Underground Injection Control Program. The bill revises certain requirements for underground injection systems in order to facilitate the use of such systems.

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Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "National Petroleum Security Act of 1987".

SEC. 2. FINDINGS.

Congress finds and declares that—

(1) the Nation is witnessing the most dramatic decline in petroleum exploration and development in the history of the industry,

(2) since 1982, literally thousands of economic entities in the petroleum industry have been liquidated, including independent producers, drilling contractors, supply and equipment firms, and financial institutions,

(3) a viable, domestic petroleum industry is vital to the economic security of the United States, and

(4) it is therefore necessary to promote petroleum exploration and development by granting tax incentives, deregulating oil pipelines and the natural gas market, providing access to Federal lands and developing more balanced environmental regulations.

TITLE I—FINANCIAL INCENTIVES TO STIMULATE OIL AND GAS PRODUCTION

SEC. 101. WINDFALL PROFIT TAX REPEAL.

(a) Chapter 45 of the Internal Revenue Code of 1986 (referred to in this title as the "Code") is repealed.

(b)(1) Sections 6050C, and 6076, 6232, 6430, and 7241 of the Code are repealed.

(2)(A) Sections (a) of section 164 of the Code is amended by striking paragraph (4), and redesignating the subsequent paragraphs as paragraphs (4) and (5), respectively.

(B) The following provisions of the Code are each amended by striking "44, or 45" each place it appears and inserting "or 44":

(i) section 6211(a),
(ii) section 6211(b)(2),
(iii) section 6212(a),
(iv) section 6213(a),
(v) section 6213(g),
(vi) section 6214(c),
(vii) section 6214(d),
(viii) section 6161(b)(1),
(ix) section 6344(a)(1), and
(x) section 7422(e).

(C) Subsection (a) of section 6211 of the Code is amended by striking "44, and 45" and inserting "and 44".

(D) Subsection (b) of section 6211 of the Code is amended by striking paragraphs (5) and (6).

(E) Paragraph (1) of section 6212(b) of the Code is amended—

(i) by striking "chapter 44, or chapter 45" and inserting "or chapter 44", and

(ii) by striking "chapter 44, chapter 45, and this chapter" and inserting "chapter 44, and this chapter".

(F) Paragraph (1) of section 6212(c) of the Code is amended—

(i) by striking "of chapter 42 tax" and inserting "or of chapter 42 tax", and

(ii) by striking ", or of chapter 45 tax for the same taxable period".

(G) Subsection (e) of section 6302 of the Code is amended by striking "(1) For" and inserting "For", and by striking paragraph (2).

(H) Section 6501 of the Code is amended by striking subsection (m).

(I) Section 6511 of the Code is amended by striking subsection (h) and redesignating subsection (i) as subsection (h).

(J) Subsection (a) of section 6512 of the Code is amended—

(i) by striking "of tax imposed by chapter 41" and inserting "or of tax imposed by chapter 41", and

(ii) by striking ", or of tax imposed by chapter 45 for the same taxable period".

(K) Paragraph (1) of section 6512(b) of the Code is amended—

(i) by striking "of tax imposed by chapter 41" and inserting "or of tax imposed by chapter 41", and

(ii) by striking ", or of tax imposed by chapter 45 for the same taxable period".

(L) Section 6611 of the Code is amended by striking subsection (h) and redesignating subsections (i) and (j) as subsections (h) and (i), respectively.

(M) Subsection (d) of section 6724 of the Code is amended—

(i) by striking clause (i) in paragraph (1)(B) and redesignating clauses (ii) through (x) as clauses (i) through (ix), respectively, and

(ii) by striking subparagraphs (A) and (K) of paragraph (2) and redesignating subparagraphs (B), (C), (D), (E), (F), (G), (H), (I), (J), (L), (M), (N), (O), (P), (Q), (R), (S), and (T) as subparagraphs (A), (B), (C), (D), (E), (F), (G), (H), (I), (J), (K), (L), (M), (N), (O), (P), (Q), and (R), respectively.

(N) Subsection (a) of section 6862 of the Code is amended by striking "44, and 45" and inserting "and 44".

(O) Section 7512 of the Code is amended—

(i) by striking ", by chapter 33, or by section 4986" in subsections (a) and (b) and inserting "or chapter 33", and

(ii) by striking ", chapter 33, or section 4986" in subsections (b) and (c) and inserting "or chapter 33".

(3)(A) The table of contents of subtitle (D) of the Code is amended by striking the item relating to chapter 45.

(B) The table of contents of subpart B of part III of subchapter A of chapter 61 of the Code is amended by striking the item relating to section 6050C.

(C) The table of contents of part V of that subchapter is amended by striking the item relating to section 6076.

(D) The table of contents of subchapter C of chapter 63 of the Code is amended by striking the item relating to section 6232.

(E) The table of contents of subchapter B of chapter 65 of the Code is amended by striking the item relating to section 6430.

(F) The table of contents of part II of subchapter A of chapter 75 of the Code is amended by striking the item relating to section 7241.

(c) The amendments made by this section shall apply to crude oil removed from the premises after the date of the enactment of this Act.

SEC. 102. MARGINAL PRODUCTION CREDIT.

(a) Subpart B of part IV of subchapter A of chapter 1 of the Code is amended by adding at the end thereof the following new section:

"SEC. 30. CRUDE OIL PRODUCTION CREDIT FOR MAINTAINING ECONOMICALLY MARGINAL WELLS.

"(a) Allowance of Credit.—There shall be allowed as credit against the tax imposed by this chapter for the taxable year to the producer of eligible crude oil an amount equal to 10 percent of the qualified cost of each barrel of such oil (or fractional part thereof) produced during the taxable year.

"(b) Qualified Cost.—For purposes of this section, the term 'qualified cost' means, with respect to each barrel of eligible crude oil the sum of—

"(1) such barrel's pro rata share of—

"(A) the lease operating expenses (other than business overhead expenses) paid or incurred by the producer of such barrel during the taxable year in which such barrel was produced,

"(B) the amount allowed to such producer for such taxable year for depreciation under section 167 and 168 with respect to the property used in the production of such barrel,

"(C) the amount allowed to such producer for such taxable year for depletion under section 611 (but not in excess of the adjusted basis of the property), and

"(D) the business overhead expenses paid or incurred during such taxable year by such producer, plus

"(2) the amount of severance tax paid or incurred by such producer with respect to such barrel.

"(c) Definitions.—For purposes of this section—

"(1) Eligible crude oil.—The term 'eligible crude oil' means domestic crude oil which is—

"(A) from a stripper well property within the meaning of the June 1979 energy regulations, or

"(B) heavy oil, or

"(C) oil recovered through a tertiary recovery method.

"(2) Other definitions.—

"(A) Crude oil.—The term 'crude oil' has the meaning given to such term by the June 1979 energy regulations.

"(B) Barrel.—The term 'barrel' means 42 United States gallons.

"(C) Domestic.—The term 'domestic', when used with respect to crude oil, means crude oil produced from a well located in the United States or in a possession of the United States.

"(D) United states.—The term 'United States' has the meaning given to such term by paragraph (1) of section 638 (relating to Continental Shelf areas).

"(E) Possession of the united states.—The term 'possession of the United States' has the meaning given to such term by paragraph (2) of section 638.

"(F) Heavy oil.—The term 'heavy oil' means all crude oil which is produced from a property if crude oil produced and sold from such property during—

"(i) the last month before July 1979 in which crude oil was produced and sold from such property, or

"(ii) the taxable year had a weighted average gravity of 20 degrees API or less (corrected to 60 degrees Fahrenheit).

"(G) Tertiary recovery method.—The term 'tertiary recovery method' means—

"(i) any method which is described in subparagraphs (1) through (9) of section 212.78(c) of the October 1979 energy regulations, or

"(ii) any other method to provide tertiary enhanced recovery which is approved by the Secretary for purposes of this section.

"(H) Severance tax.—The term 'severance tax' means a tax imposed by a State or political subdivision thereof with respect to the extraction of crude oil.

"(I) Energy regulations.—

"(i) In general.—The term 'energy regulations' means regulations prescribed under section 4(a) of the Energy Petroleum Allocation Act of 1973 (15 U.S.C. 753(a)).

"(ii) June 1979 energy regulations.—The June 1979 energy regulations shall be the terms of the energy regulations as such terms existed on June 1, 1979.

"(iii) October 1979 energy regulations.—The October 1979 energy regulations shall be the terms of the energy regulations as such terms existed on October 30, 1979.

"(iv) Continued application of regulations after decontrol.—Energy regulations shall be treated as continuing in effect without regard to decontrol of oil prices or any other termination of the application of such regulations.

"(d) Limitation Based on Amount of Tax—

"(1) Liability for tax.—The credit allowable under subsection (a) for any taxable year shall not exceed the greater of—

"(A) the taxpayer's tentative minimum tax liability under section 55(b) for such taxable year determined without regard to this section or,

"(B) the excess of—

"(i) the taxpayer's regular tax liability for such taxable year (as defined in section 26(b)), over

"(ii) the sum of the credits allowable against such tax liability under part IV (other than section 43 and this section).

"(2) Application of the credit.—Each of the following amounts shall be reduced by the full amount of the credit determined under paragraph (1):

"(A) the taxpayer's tentative minimum tax under section 55(b) for the taxable year, and

"(B) the taxpayer's regular tax liability (as defined in section 26(b)) reduced by the sum of the credits allowable under part IV (other than section 43 and this section). If the amount of the credit determined under paragraph (1) exceeds the amount described in subparagraph (B) of paragraph (2), then the excess shall be deemed to be the adjusted net minimum tax for such taxable year for purposes of section 53.

"(3) Carryback and carryforward of unused credit.—

"(A) In general.—If the amount of the credit allowed under subsection (a) for any taxable year exceeds the limitation under paragraph (1) for such taxable year (hereinafter in this paragraph referred to as the 'unused credit year'), such excess shall be—

"(i) an oil production credit carryback to each of the 5 taxable years preceding the unused credit year, and

"(ii) an oil production credit carryforward to each of the 3 taxable years following the unused credit year, and shall be added to the amount allowable as a credit under subsection (a) for such years. If any portion of such excess is a carryback to a taxable year ending prior to January 1, 1987, this section shall be deemed to have been in effect for such taxable year for purposes of allowing such carryback as a credit under this section. The entire amount of the unused credit shall be carried to the earliest of the 8 taxable years to which such credit may be carried, and then to each of the other 7 taxable years to the extent that, because of the limitation contained in subparagraph (B), such unused credit may not be added for a prior taxable year to which such unused credit may be carried.

"(B) Limitations.—The amount of the unused credit which may be taken into account under subparagraph (A) for any succeeding taxable year shall not exceed the amount by which the limitation provided by paragraph (1) for such taxable year exceeds the sum of—

"(i) the credit allowable under subsection (a) for such taxable year, and

"(ii) the amounts which, by reason of this paragraph, are added to the amount allowable for such taxable year and which are attributable to taxable years preceding the unused credit year.

"(e) Pass-Thru in the Case of Estates and Trusts.—Under regulations prescribed by the Secretary, rules similar to the rules of subsection (d) of section 52 shall apply.

"(f) Termination of Credit.—No credit shall be allowed under this section for any qualified cost paid or incurred in any taxable year beginning after the date which is three years after the date of the enactment of the National Energy Security Act of 1987.".

(b) The table of sections for subpart B of part IV of subchapters A of chapter 1 of the Code is amended by adding at the end thereof the following new item:

"Sec. 30. Crude oil production credit for maintaining marginally economic wells.".

(c) The amendments made by this section shall apply to oil produced after December 31, 1986.

SEC. 103. CRUDE OIL AND NATURAL GAS EXPLORATION AND DEVELOPMENT CREDIT.

(a) Section 38(b) of the Code is amended—

(1) by striking "plus" at the end of paragraph (4),

(2) by striking the period at the end of paragraph (5) and inserting in lieu thereof ", plus", and

(3) by adding at the end thereof the following new paragraph:

"(6) the crude oil and natural gas exploration and development credit determined under section 43(a).".

(b) Subpart D of part IV of subchapter A of chapter 1 of the Code is amended by adding at the end thereof the following new section:

"SEC. 43. CRUDE OIL AND NATURAL GAS EXPLORATION AND DEVELOPMENT CREDIT.

"(a) GENERAL RULE.—For purposes of section 38, the crude oil and natural gas exploration and development credit determined under this section for any taxable year shall be an amount equal to the sum of—

"(1) 10 percent of so much of the taxpayer's qualified investment for the taxable year as does not exceed $10,000,000, plus

"(2) 5 percent of so much of such qualified investment for the taxable year as exceeds $10,000,000.

"(b) QUALIFIED INVESTMENT.—For purposes of this section, the term 'qualified investment' means amounts paid or incurred—

"(1) for the purpose of ascertaining the existence, location, extent, or quality of any crude oil or natural gas deposit, including core testing and drilling test wells, or

"(2) for the purpose of developing a property on which there is a reservoir capable of commercial production and such amounts are paid or incurred in connection with activities which are intended to result in the recovery of crude oil or natural gas on such property, or

"(3) for the purpose of performing secondary or tertiary recovery technique on a well located in the United States or in a possession of the United States as defined in section 638.

"(c) TERMINATION OF CREDIT.—

"(1) IN GENERAL.—Except as provided in paragraph (2), no credit shall be allowed under this section with respect to expenditures made in any taxable year beginning after the date which is three years after the date of the enactment of the National Energy Security Act of 1987.

"(2) BINDING COMMITMENTS.—Paragraph (1) shall not apply with respect to any qualified investment made pursuant to a binding contract entered into before the date determined under paragraph (1).".

(c) Section 38(c) of the Code is amended—

(1) by redesignating paragraph (4) as paragraph (5), and

(2) by inserting after paragraph (3) the following new paragraph:

"(4) EXPLORATION CREDIT MAY OFFSET MINIMUM TAX.—To the extent the credit under subsection (a) is attributable to the application of section 43, the limitation of paragraph (1) shall be the greater of—

"(A) the limitation as determined under paragraph (1), or

"(B) the taxpayer's tentative minimum tax for the taxable year.".

(d) The table of sections for subpart D of part IV of subchapter A of chapter 1 of the Code is amended by adding at the end thereof the following new item:

"Sec. 43. Crude oil and natural gas exploration and development credit.".

(e) The amendments made by this section shall apply to expenditures paid or incurred after December 31, 1986.

SEC. 104. REMOVAL OF INTANGIBLE DRILLING COSTS FROM THE ALTERNATIVE MINIMUM TAX.

(a) Sections 57(a)(2) and 57(b) of the Code are hereby repealed.

(b) The repeal made by this section shall apply to costs paid or incurred after the date of the enactment of this Act, in taxable years ending after such date.

SEC. 105. EXPENSING GEOLOGICAL AND GEOPHYSICAL COSTS.

(a) Part VI of subchapter B of chapter 1 of the Code is amended by adding at the end thereof the following new section:

"SEC. 197. GEOLOGICAL AND GEOPHYSICAL COSTS.

"(a) ALLOWANCE OF DEDUCTION.—There shall be allowed as a deduction for the taxable year an amount equal to the geological and geophysical cost paid or incurred by the taxpayer during such taxable year.

"(b) DEFINITION.—For purposes of this section, the term "geological and geophysical costs" means any expenditure paid or incurred by the taxpayer for the purpose of ascertaining the existence, location, extent, or quality of any deposit of oil or gas within the United States or a possession of the United States. This term shall not include costs described under section 263(c).".

(b) The table of sections for part VI of subchapter B of chapter 1 of the Code is amended by adding at the end thereof the following new item:

"Sec. 197. Geological and Geophysical costs.".

(c) The amendments made by this section shall apply to costs paid or incurred after the date of the enactment of this Act, in taxable years ending after such date.

SEC. 106. EXPENSING OF INTANGIBLE DRILLING AND DEVELOPMENT COSTS.

(a) Section 291(b) of the Code is repealed.

(b) Section 263(c) of the Code is amended by striking out "or 291".

(c) The repeal and amendment made by this section shall apply to costs paid or incurred after the date of the enactment of this Act, in taxable years ending after such date.

SEC. 107. INCREASE IN NET INCOME LIMITATION.

(a) Section 6133(a) of the Code is amended by adding ", except that in the case of an oil or gas well, the allowance shall not exceed 100 percent," after the words "50 percent".

(b) Section 613A(c)(7)(C) of the Code is amended by adding "or 100 percent in the case of an oil or gas well" after the words "50 percent".

(c) Section 613A(d)(1) of the Code is amended by striking "shall not exceed 65 percent" and inserting in its place, "shall not exceed 100 percent".

(d) The taxpayer shall have the right to revoke the election provided in section 614(b)(2) by attaching a statement to the income tax return filed for the first taxable year after the enactment of this Act.

(e) The amendments made by this section shall apply to taxable years beginning after the date of the enactment of this Act.

SEC. 108. REPEAL OF THE TRANSFER RULE.

(a) Section 613A(c) of the Code is amended by—

(1) striking paragraphs (9) and (10);

(2) redesignating paragraphs (11), (12), and (13) as paragraphs (9), (10), and (11) respectfully; and

(3) striking subparagraphs (C) and (D) of paragraph (11), as redesignated.

(b) The amendments made by this section shall apply to production after the date of the enactment of this Act.

TITLE II—FEDERAL LEASING REFORM PROVISIONS

SEC. 201. LEASING OF THE ARCTIC NATIONAL WILDLIFE REFUGE.

The Mineral Lands Leasing Act of 1920, 41 Stat. 437, as amended, is further amended by adding a new Subchapter X at the end of Chapter 3A—Leases and Prospecting Permits, 30 U.S.C. 181, to read as follows:

"SUBCHAPTER X—COASTAL PLAIN LEASING

"AUTHORIZATION FOR LEASING OF THE COASTAL PLAIN

"SEC. 288. (a)(1) The Congress hereby authorizes and directs the Secretary of the Interior through whatever agency of the Department he deems appropriate and other appropriate Federal officers and agencies to take such actions as are necessary to establish and promptly implement a competitive oil and gas leasing program that will ensure the expeditious exploration, development and production of the oil and gas resources of the public lands of the Coastal Plain.

"(2) This authorization includes, incorporates and supplements the provisions of the Mineral Leasing Act of 1920 and other existing Federal laws on oil and gas leasing, exploration and development on public lands, and grants such new legislative authority as is necessary to enable the Secretary to authorize and permit all such activities as are required to achieve the expeditious exploration, development and production of the oil and gas resources within the public lands of the Coastal Plain. These authorizations include all activities associated with and required in the exploration, development, production and transportation of the oil and gas resources of the public lands within the Coastal Plain, and include, but are not limited to, the authorization and granting of rights-of-way, permits, leases, use permits and such other authorizations as are necessary to facilitate exploration, development, production and transportation of oil and gas resources on the public lands within the Coastal Plain.

"(3) The Coastal Plain leasing program required by subsection (a) shall include the following elements:

"(A) The first lease sale shall be conducted within twelve months of the date of enactment of this Act.

"(B) The Secretary is authorized to grant to the highest responsible qualified bidder or bidders by competitive bidding, under regulations promulgated in advance, oil and gas leases on unleased public lands within the Coastal Plain. Such regulations may provide for the deposit of cash bids in an interest-bearing account until the Secretary announces his decision on whether to accept the bids, with the interest earned thereon to be paid to the Treasury as to bids that are accepted and to the unsuccessful bidders as to bids that are rejected. The bidding shall be conducted as determined by the Secretary pursuant to bidding systems included in section 205(A)(1) (A) through (H) of the Outer Continental Shelf Lands Act, as amended, of 1978 (43 U.S.C. 1331).

"(C) An oil and gas lease issued pursuant to this Act for public lands within the Coastal Plain shall be for a lease tract consisting of a compact area and not exceeding more than two thousand five hundred and sixty (2,560) acres, as the Secretary may in his discretion determine.

"(D) Each lease shall be issued for an initial period of up to ten years and shall be extended for so long thereafter as oil and gas is produced in paying quantities from the lease or unit area to which the lease is committed or as drilling or reworking operations as approved by the Secretary are conducted thereon.

"(E) In the conduct of competitive lease sales under the authority provided by this Act, the Secretary shall seek to maximize the revenue paid to the Treasury, but in doing so shall make reasonable efforts to conduct lease sales in a manner which will enable independent oil and gas producers, acting alone or in combination with other independent producers, to have a competitive opportunity to successfully bid on leases granted under the authority of this Act.

"(4) This Act shall be considered the primary land management authorization for all activities associated with exploration, development, and production of oil and gas on public lands within the Coastal Plain. No land management review shall be required except as specifically authorized by this Act.

"(5) Activities undertaken pursuant to this section shall include or provide for such conditions, restrictions, and prohibitions as the Secretary deems necessary or appropriate to mitigate reasonably foreseeable significant adverse effects on fish and wildlife and their habitat pursuant to subsection 288(b) of this Act.

"(6) The Secretary is authorized to permit, subject to reasonable rules and regulations, on public lands within the Coastal Plain all activities described in subsection 288(a) which are conducted by the owners of private lands within and/or adjacent to the public lands within the Coastal Plain.

"(7) All receipts from the sales, rentals, bonuses, and royalties on leases issued pursuant to this Act shall be deposited into the Treasury and allocated in accordance with applicable law.

"OTHER LEASING PROVISIONS AND CONSIDERATIONS

"(b)(1) Prior to conducting a competitive oil and gas lease sale pursuant to section 288(a), the Secretary shall promulgate such stipulations, rules, and regulations as he determines are necessary and appropriate to ensure that oil and gas exploration, development, production, and transportation activities undertaken in the public lands within the Coastal Plain are conducted in a manner to achieve the reasonable protection of the fish and wildlife resources, environment and subsistence users which utilize the public lands within the Coastal Plain.

"(2) The 'Coastal Plain Resource Assessment' (April 1987) prepared by the Secretary pursuant to section 1002(h) of the Alaska National Interest Lands Conservation Act of 1980 (Public Law 96-487) and the legislative environmental impact statement incorporated into the Coastal Plain Resource Assessment pursuant to the National Environmental Policy Act of 1969 (Public Law 91-190) shall satisfy all legal requirements under those laws with respect to any action taken to develop rules and regulations and procedures for a competitive oil and gas leasing program or to conduct particular lease sales on the public lands within the Coastal Plain. No further studies, reports, or assessments shall be required before the Secretary or other appropriate federal officials may take such action.

"(3) Nothing in this Act shall be construed to affect the applicability of the National Environmental Policy Act of 1969 to phases of oil and gas development, production, and transportation conducted subsequent to initial leasing and exploration. Consistent with the general authority of the Secretary as described in subsection 288(a) of this Act, all Federal and State environmental laws of general applicability to oil and gas operations and permitting shall continue to be applied.

"TRANSPORTATION ALTERNATIVES FOR CANADA'S BEAUFORT SEA AND MCKENZIE DELTA DISCOVERIES

"(c) The Secretary of State is authorized and encouraged to initiate discussions with the Canadian government to determine whether it would serve the environmental and economic interests of the United States and Canada to explore the feasibility of engaging in mutual planning for the future development and transportation of the crude oil and natural gas resources previously discovered or projected to exist in the Arctic region under the respective jurisdiction of each country, both on shore and offshore. The subject matter of such discussions may include, but is not limited to, the exchange of environmental, fish and wildlife, and oil and gas related information; joint planning; the development of privately owned joint facilities for transport of crude oil or natural gas; the development of contingency plans to deal with any anticipated or associated environmental risks or problems; and the proposal of private Canadian companies for the transport of crude oil in tankers from offshore discoveries in Canadian waters along the Arctic coast line of the State of Alaska to a point west of Barrow, Alaska for transshipment to larger tankers.

"DEFINITIONS

"(d) for purposes of this section—

"(1) The term 'Secretary' means the Secretary of the Interior; and

"(2) The term 'Coastal Plain' means those public lands identified in section 1002(b)(1) of the Alaska National Interest Lands Conservation Act of 1980 (Public Law 96-487)."

TITLE III—OIL REGULATORY REFORM PROVISIONS

SEC. 301. STRATEGIC PETROLEUM RESERVE PETROLEUM ACQUISITION.

Section 160 of the Energy Policy and Conservation Act (42 U.S.C. 6240) is amended by adding after subsection (e) the following new subsection:

"(f)(1) The Secretary shall assure that at least 50 percent, by volune, of the petroleum products acquired for storage in the Strategic Petroleum Reserve during each fiscal year, exclusive of crude oil produced from the Naval Petroleum Reserves or received in kind as royalties from production of Federal lands, are derived from domestic crude oil production, provided that these domestic petroleum products can be acquired at delivered prices that are no less favorable to the United States than the price of comparable foreign petroleum products available to the Reserves, exclusive of duty.

"(2) If, during the acquisition of domestic petroleum products for the Strategic Petroleum Reserve, the Secretary determines that the requirement in paragraph (1) of this section cannot be met, the Secretary may acquire imported petroleum products totaling more than 50 percent of the petroleum products acquired for storage in the Reserve for the fiscal year.

"(3) The Secretary may issue the regulations and directives necessary to carry out this subsection.".

SEC. 302. REGULATION OF PIPELINES TRANSPORTING OIL.

(a) The Department of Energy Organization Act (42 U.S.C. 7101-7352) is amended by adding the following new section 408:

"SEC. 408. REGULATION OF PIPELINES TRANSPORTING OIL.

(a) DEFINITIONS.—As used in this section—

"(1) the term 'pipeline' means any fully interconnected pipeline system owned by one person and subject to Commission regulatory jurisdiction or which would be subject to Commission regulatory jurisdiction except for this section;

"(2) the term 'existing pipeline' means a pipeline brought into service on or before the effective date of this Act;

"(3) the term 'new pipeline' means a pipeline brought into service after the effective date of this Act;

"(4) the term 'person' means an individual, firm, partnership, association, corporation, joint venture or other legal or business entity;

"(5) the term 'Secretary' means the Secretary of Energy or the Secretary's designee;

"(6) The term 'Attorney General' means the Attorney General of the United States or the Attorney General's designee;

"(7) The term 'Commission' means the Federal Energy Regulatory Commission;

"(8) The term 'Commission regulatory jurisdiction' means those functions and authorities transferred by sections 306 and 402(b) of the Department of Energy Organization Act (42 U.S.C. 7155, 7172(b));

"(9) the term 'adjudication' means an agency hearing to be determined on the record as governed by section 554 of title 5, United States Code; and

"(10) the term 'Act' means the Oil Pipeline Regulatory Reform Act of 1987.

"(b) INITIAL CONSIDERATION OF PIPELINE REGULATORY STATUS.—

"(1) PETITION BY THE ATTORNEY GENERAL.—

"(A) Within sixty days of the effective date of this Act, the Attorney General may petition the Secretary for an adjudication of whether continued regulation of an existing pipeline is in the public interest. Upon receipt of such a petition, the Secretary shall conduct such adjudication in accordance with subsection (b)(2).

"(B) Commission regulatory jurisdiction over an existing pipeline that is not the subject of a petition filed under subsection (b)(1)(A) shall terminate one hundred and twenty days after the effective date of this Act, unless before then a joint resolution is enacted directing the Secretary to conduct an adjudication of whether regulation of such a pipeline is in the public interest. Upon enactment of such a joint resolution, the Secretary shall conduct the adjudication in accordance with subsection (b)(2).

"(2) ADJUDICATION BY THE SECRETARY.—

"(A) The Secretary shall find that regulation of a pipeline is in the public interest only if it is demonstrated that regulation is necessary to constrain the exercise of substantial market power in a significant portion of the markets in which the pipeline operates. Unless the Secretary finds that regulation of a pipeline is in the public interest, the Secretary shall find that regulation of the pipeline is not in the public interest.

"(B) Any finding pursuant to subsection (b)(2)(A) shall be issued within one year after the petition of an adjudication is filed with the Secretary or the enactment of the joint resolution directing an adjudication unless the Secretary, in the event of unusual circumstances, determines that he is unable to issue the finding within one year. In any such case, the Secretary shall make specific findings as to the unusual circumstances necessitating the delay, and shall specify a date certain by which the Secretary will issue the finding, but in no event shall the Secretary's finding be issued more than two years after the petition is filed with the Secretary or the enactment of the joint resolution.—

"(3) Termination of Commission Regulatory Jurisdiction.—

If the Secretary finds that regulation of an existing pipeline is not in the public interest, Commission regulatory jurisdiction over that pipeline shall terminate at a time the Secretary designates, but in no event shall Commission regulatory jurisdiction continue beyond sixty days after the Secretary issues the finding.

"(c) Reconsideration of Pipeline Regulatory Status.—

"(1) Pipelines not subject to commission regulatory status.—

"(A) The Secretary may conduct an adjudication of whether, as a direct result of changed circumstances, regulation of an existing pipeline not then subject to Commission regulatory jurisdiction is in the public interest in accordance with subsection (b)(2)(A), but no such adjudication may be conducted with respect to a pipeline less than ten years after regulation of that pipeline has been terminated under subsection (b)(1), (b)(3), or (c)(2), or less than ten years after a prior adjudication conducted under subsection (c)(1). The Secretary shall notify the Attorney General of any petition for adjudication or decision to conduct an adjudication.

"(B) For purposes of subsection (c)(1)(A), 'changed circumstances' means any material change in the circumstances in effect when regulation of the pipeline was terminated under subsection (b)(1), (b)(3), or (c)(2), or, with respect to a pipeline which was the subject of a prior adjudication conducted under subsection (c)(1), any material change in the circumstances in effect at the time of that adjudication.

"(C) If the Secretary finds that regulation of an existing pipeline not then subject to Commission regulatory jurisdiction is in the public interest, that pipeline shall be subject to Commission regulatory jurisdiction at such future time as the Secretary shall designate.

"(2) Pipelines subject to commission regulatory jurisdiction.—

"(A) The Secretary may conduct an adjudication of whether regulation of an existing pipeline subject to Commission regulatory jurisdiction is in the public interest in accordance with subsection (b)(2). The Secretary shall notify the Attorney General of any petition for adjudication or decision to conduct an adjudication.

"(B) If the Secretary finds that regulation of an existing pipeline subject to Commission regulatory jurisdiction is not in the public interest, Commission regulatory jurisdiction shall terminate at such time as the Secretary designates, but in no event shall Commission regulatory jurisdiction continue beyond 60 days after the Secretary issues the finding.

"(d) New Pipelines.—New pipelines shall not be subject to Commission regulatory jurisdiction.

"(e) Commission Regulatory Jurisdiction.—

"(1) The termination pursuant to this section of Commission regulatory jurisdiction does not apply to Commission regulatory jurisdiction over crude oil or refined oil products transported prior to the termination.

"(2) Commission regulatory jurisdiction over a pipeline made subject to its jurisdiction under subsection (c)(1) shall be prospective only. No crude oil or refined oil products transported by the pipeline prior to the time designated under subsection (c)(1)(C) shall be subject to Commission regulatory jurisdiction.

"(3) Commission regulatory jurisdiction terminated under this section, including Commission regulatory jursidiction over new pipelines, shall not revert back to, be delegated to, or otherwise transfer to the Department of Energy, the Interstate Commerce Commission, or any other agency of the Federal Government.

"(4) Notwithstanding any other provision of law, no agency of the Federal Government may regulate any pipeline with respect to which Commission regulatory jurisdiction has been terminated pursuant to this section, including Commission regulatory jurisdiction over new pipelines, to the extent that such regulation is similar in nature to those functions and authorities constituting Commission regulatory jurisdiction which are terminated under this section. Such provisions include, but are not limited to, subsections 5(e) and 5(f) of the Outer Continental Shelf Lands Act (43 U.S.C. 1334 (e) and (f)) and subsection 28(r) of the Mineral Leasing Act of 1920 (30 U.S.C. 185(r)).

"(f) Trans-Alaska Pipeline Exclusion.—This section does not apply to the Trans-Alaska Pipeline authorized by chapter 34 of title 43, United States Code.

"(g) Judicial Review.—

"(1) Notwithstanding section 502 of the Department of Energy Organization Act (42 U.S.C. 7192), the United States Court of Appeals for the District of Columbia Circuit shall have exclusive original jurisdiction over any petition of judicial review under this section.

"(2) Any action of the Attorney General under this section, including without limitation any decision to petition or not to petition for any adjudication under this section, is an agency action committed to agency discretion by law, and shall not be subject to judicial review in any manner.

"(h) Regulations.—Notwithstanding section 501 of the Department of Energy Organization Act (42 U.S.C. 7191), the Secretary and the Attorney General may each promulgate in accordance with section 553 of title 5, United States Code, regulations necessary or appropriate to carry out their respective responsibilities under this section. Regulations proposed by the Secretary implementing this section or any other actions taken by the Secretary under this section shall not be subject to section 404 of the Department of Energy Organization Act (42 U.S.C. 7174).".

(b)(1) Section 402(b) of the Department of Energy Organization Act (42 U.S.C. 7172(b)), is amended by striking out "There" and inserting in its place "Subject to the provisions of section 408 of this Act, there".

(2) Section 404(a) of the Department of Energy Organization Act (42 U.S.C. 7174(a)), is amended by striking out "section 403" and by inserting in its place "sections 403 and 408".

(3) Section 1 of the Department of Energy Organization Act (42 U.S.C. 7101) (the Table of Contents) is amended by adding the following new item to the table of contents after the item for section 407:

"Sec. 408. Regulation of pipelines transporting oil.".

(c) All laws of the United States relating to unlawful restraints and monopolies and to combinations, contracts, or agreements in restraint of trade shall continue to be applicable to the transportation by pipeline of crude oil or refined oil products.

TITLE IV—NATURAL GAS REGULATORY REFORM PROVISIONS

SEC. 401. OPEN ACCESS TO TRANSPORTATION—NONDISCRIMINATORY AUTHORIZATIONS.

Section 311(a) of the Natural Gas Policy Act of 1978 (15 U.S.C. 3371(a)) is amended by—

(1) amending paragraph (1) to read as follows:

"(1) In general.—The Commission, by rule or order, may authorize any pipeline to transport natural gas on behalf of any person.";

(2) redesignating subparagraph (1)(B) as paragraph (2);

(3) deleting subparagraph (2)(A);

(4) redesignating subparagraphs (2)(B)(i), (2)(B)(ii), (2)(B)(ii)(I), and (2)(B)(ii(II) as subparagraphs (3)(A), (3)(B), (3)(B)(i), and (3)(B)(ii), respectively, and

(5) by adding a new paragraph (4) to read as follows:

"(4) Nondiscrimination.—

"(A) A pipeline transporting gas pursuant to this subsection shall do so without discrimination.

"(B) A pipeline receiving gas pursuant to this subsection shall provide transportation service pursuant to this subsection without discrimination.".

SEC. 402. OPEN ACCESS CARRIAGE.

(a) Title III of the Natural Gas Policy Act of 1978 (15 U.S.C. 3361-3375) is amended by adding at the end the following new section:

"SEC. 316. OPEN ACCESS CARRIAGE.

"Upon request by any person, the Commission shall direct an interstate pipeline to provide transportation service, unless the pipeline demonstrates to the Commission it is incapable or rendering the service. The pipeline shall provide this transportation service without discrimination. The rates and charges for this transportation service shall be just and reasonable within the meaning of the Natural Gas Act. The Commission may implement this section by rule or order, and may attach appropriate terms and conditions consistent with the fullest practicable use of capacity.".

(b) The table of contents of the Natural Gas Policy Act of 1978 (15 U.S.C. 3301 note) is amended by adding after the item relating to section 315 the following:

"Sec. 316. Open access carriage.".

SEC. 403. REMOVAL OF WELLHEAD PRICE CONTROLS.

Section 121 of the Natural Gas Policy Act of 1978 (15 U.S.C. 3331) is amended by adding at the end thereof the following new subsections:

"(f) Special Rule for Certain Gas.—The provisions of subtitle A shall not apply to—

"(1) natural gas subject to any contract for the first sale of natural gas executed after the date of enactment of the Natural Gas Policy Act Amendments of 1987, or

"(2) natural gas subject to any contract for the first sale of natural gas renegotiated after the date of enactment of the Natural Gas Policy Act Amendments of 1987, if the renegotiated contract expressly provides the provisions of subtitle A shall not apply.

"(g) REMOVAL OF WELLHEAD PRICE CONTROLS ON NATURAL GAS.—Beginning April 1, 1988, the provisions of subtitle A shall cease to apply to the first sale of any natural gas.".

SEC. 404. REPEAL OF COMMISSION JURISDICTION OVER FIRST SALES OF NATURAL GAS.

(a) Section 601(a)(1)(B) of the Natural Gas Policy Act of 1978 (15 U.S.C. 3431(a)(1)(B)) is amended to read as follows:

"(B) COMMITTED OR DEDICATED NATURAL GAS.—For purposes of section 1(b) of the Natural Gas Act, the provisions of the Natural Gas Act and the jurisdiction of the Commission under such Act shall not apply to natural gas which was committed or dedicated to interstate commerce as of the day before the date of enactment of the Natural Gas Policy Act Amendments of 1978 solely by reason of any first sale of such natural gas.".

(b) Section 315 of the Natural Gas Policy Act of 1978 (15 U.S.C. 3375) is repealed, and the item relating to section 315 is stricken from the table of contents of that Act.

SEC. 405. EFFECT OF AREA RATE CLAUSES.

(a) Title III of the Natural Gas Policy Act of 1978 (15 U.S.C. 3361-3375) is amended by adding the following new section:

"SEC. 315. EFFECT OF AREA RATE CLAUSES.—With respect to gas that would be subject to a maximum lawful price under section 104 or 106(a) of this Act except for section 121(g), the last price paid for the gas while it was subject to a maximum lawful price under section 104 or 106(a) shall be considered a federally established rate or price for purposes of an area rate clause. This section shall apply only to a contract that has no indefinite price escalator clause, other than an area rate clause, and that was executed at a time when the inclusion of any indefinite price escalator clause other than an area rate clause was proscribed by Federal regulation.".

(b) The table of contents of the Natural Gas Policy Act of 1978 (15 U.S.C. 3301 note) is amended by adding after the item relating to section 314 the following:

"Sec. 315. Effect of area rate clauses.".

SEC. 406. LIMITED ANTITRUST EXEMPTION FOR INDEPENDENT PRODUCER COOPERATIVES.

(a) There shall be available as a defense to any civil or criminal action brought under the Federal antitrust laws as that term is defined in section 2(37) of the Natural Gas Policy Act of 1978, or any similar State law, with respect to actions taken to develop cooperative associations of independent producers or actions taken by such cooperative associations to carry out any voluntary agreement or plan of action to market natural gas released for sale pursuant to subsections (e) and (f) of section 131 of the Natural Gas Policy Act of 1978 provided that—

(1) such action is necessary to market natural gas, and

(2) such action is not taken for the purpose of reducing competition.

(b) For the purposes of this section, the term "independent producer" has the same meaning as that term is defined in section 4992(b) of the Internal Revenue Code of 1986.

TITLE V—ENVIRONMENTAL PROVISIONS

SEC. 501. UNDERGROUND STORAGE TANKS.

Section 9001(1) of the Solid Waste Disposal Act (42 U.S.C. 6991(1)) is amended—

(1) in subparagraph (H) by inserting ", well cellars, sumps, or drip collection devices" and "lines" and by striking out "or" at the end thereof; and

(2) by redesignating paragraph (I) as paragraph (J) and by adding after paragraph (H) the following:

"(I) hydraulic life reservoirs in petroleum marketing operations, oil/water separators in petroleum marketing, production, and refining operations, and sumps in petroleum marketing and refining operations, or".

SEC. 502. RECYCLING ACTIVITIES.

It is the sense of Congress that the "mixture" and "derived from" rules in 40 CFR 261.3 were promulgated to address intentional dilution of hazardous wastes—a mismanagement practice designed to avoid regulation. These rules should not be involved to curtail recycling activities in the petroleum industry designed to conserve resources or minimize wastes when there is no information to demonstrate that such recycling practices pose any threat to human health and the environment.

SEC. 503. LAND TREATMENT SITES.

It is the sense of Congress that—

(1) the Administrator of the Environmental Protection Agency should encourage continued use of land treatment for petroleum waste to the extent consistent with protection of human health and the environment;

(2) protection of human health and the environment from air emissions at land treatment units under the Solid Waste Disposal Act should be addressed solely through promulgation of standards under section 3004(n) of such Act;

(3) land treatment should be determined to be protective of human health and the environment under subsections (d), (e), and (g) of section 3004 of the Solid Waste Disposal Act where an owner or operator demonstrates there will be no statistically significant increase of hazardous constituents over background to groundwater arising from placement of hazardous waste at the land treatment unit; and

(4) land treatment of petroleum waste should be considered to be a method of treatment which meets the requirements of section 3004(m) of the Solid Waste Disposal Act.

SEC. 504. UNDERGROUND INJECTION CONTROL PROGRAM.

Sections 1421(b)(2)(A), 1422(c)(1), and 1425(a)(1) of the Safe Drinking Water Act (42 U.S.C. 300h(b)(2)(A), 42 U.S.C. 300h-1(c)(1), and 42 U.S.C. 300h-4(a)(1)) are amended—

(1) by inserting "utilized or" after "brine or other fluids which are"; and

(2) by inserting "and storage operations" after "oil or natural gas production".

Mr. NICKLES. Mr. President, I am pleased to cosponsor the National Energy Security Act of 1987. Enactment of the provisions of this bill is critical to improving the dismal state of this Nation's oil and gas industry, and to reverse the damage inflicted on the domestic industry by OPEC manipulation of the world market price during the past 18 months.

The Committee on Energy and Natural Resources has held several hearings this year on the implications of the reduced world oil prices for the United States. It is clear from these hearings that the drop in world oil prices has created a tremendous loss in domestic oil production, and that the instability in the price has made it difficult for many to raise capital to increase exploration and development activities. Moreover, these hearings have also made it clear that the rapidly growing amount of oil imports is a very serious national security and economic welfare matter for the entire Nation.

The Department of Energy's recent "Report on Energy Security" projected that the U.S. level of foreign oil dependency could rise to 45 percent by 1990 and 57 percent by 1995. As I again brought to DOE's attention at the hearing. I expect that the United States will be 50-percent dependent on imports by 1990 and 60 percent by 1995.

Clearly, if any of these projections are realized, the United States will be seriously vulnerable to a major oil supply interruption. As you recall, just prior to the 1973 Arab oil embargo, the United States was only dependent on foreign oil for one-third of its net petroleum needs.

The recent attack on the U.S.S. *Stark* brings into focus the dangers of a national policy that ignores our growing dependency on oil supplies from the Middle East. In 1986, we imported more than twice as much oil from Arab OPEC countries as we did in 1985. It will not help solve our import dependency problems by increasing U.S. imports only from friendly and stable trading partners such as Great Britain, Canada, Mexico, and Venezuela. Oil is a worldwide commodity, each country dependent on the other for supply and price. What happens to oil production in Iran affects the oil industry in the United States and every other producing and consuming nation.

At a time when we are increasing our dependency on foreign oil, we should be doing everything possible to ensure that we don't put our domestic industry out of business. We need to repeal unreasonable regulatory restraints, like we did the Fuel Use Act only a few weeks ago. That action is going to help consumers. And enacting the National Energy Security Act of 1987 makes sound domestic energy policy as well.

Many of the recommendations of the Department of Energy's "Energy Security Report" are included in this comprehensive bill. In fact, the administration has already recommended three of these tax changes to the Congress. These tax changes would repeal the windfall profit tax, increase the net income limitation to 100 percent per property, and repeal the transfer rule with respect to percentage depletion.

No other industry is saddled with a so-called windfall profit tax which was designed simply to take away revenue earned by the energy industry. It may be good politics to bash big oil in some States, but it makes bad policy. Who suffers for this lack of congressional foresight? Consumers in all 50 States.

These three energy tax changes are included in the National Energy Security Act of 1987. The National Energy Security Act also contains several additional provisions that will improve the investment climate for domestic oil production. These additional provisions include: excluding intangible drilling costs from the alternative minimum tax; allowing expensing of geological and geophysical costs; and providing for exploration and marginal production tax credits.

I am particularly concerned that the Congress has made intangible drilling costs subject to the alternative minimum tax. It makes no sense as a matter of equity or consistency to treat intangible drilling costs as preferences. IDC's are the most fundamental deduction available to the independent oil and gas producer. IDC's are out of pocket, actual expenses paid by the businessmen drilling the well. IDC's include labor, fuel, repairs, hauling, and supplies that are necessary to drill the wells and prepare them for production.

Placing these expenses into the alternative minimum tax has created nonsensical Federal energy policy. There are independent producers in my State who have already had to stop drilling activities because for every additional foot they drill, they do not get any deduction on their Federal taxes. Thus, the recent change in the Tax Code reducing the 100-percent net income offset against IDC preferences has had the unintended consequence of reducing exploration and development of domestic oil and gas resources. I support the principle of an alternative minimum tax, but I view the reduction of the 100-percent net income offset for IDC's on the alternative minimum tax as totally inappropriate because it penalizes capital formation for oil and gas drilling.

The National Energy Security Act of 1987 also contains the administration's oil pipeline deregulation proposal. I am currently reviewing this language and may reintroduce an oil pipeline deregulation bill at a later date.

I urge my colleagues to join in support of the National Energy Security Act and enact these much needed reforms in Federal law that will improve the ability of the domestic oil and gas industry to meet the national security needs of our Nation despite OPEC manipulations of the world oil price.

By Mr. BURDICK:

S. 1356. A bill entitled the "Riverdale, North Dakota, School Rehabilitation Act;" to the Committee on Environment and Public Works.

RIVERDALE, NORTH DAKOTA, SCHOOL REHABILITATION ACT

Mr. BURDICK. Mr. President, all of us in the Senate from time to time have encountered instances when our constituents have been given the run around by the Federal bureaucracy. They do not happen often, but they do regrettably occur. The legislation I have just introduced will remedy one of the most serious examples of this bureaucratic blundering that I have ever encountered. I am referring, Mr. President, to the condition of the school at Riverdale, ND, which was transferred to the people of that community by the Corps of Engineers on July 26, 1986.

Mr. President, the people of Riverdale sought for years to become a self-governing community and to remove the stigma of living in a town owned and operated entirely by the Federal Government. The Congress granted them their wish, and when Riverdale became an incorporated community, the title to all public property, including the Riverdale School, was turned over by the Corps of Engineers to local control. Unfortunately, Mr. President, the corps was transferring damaged goods. The Riverdale School, which was built in 1947, had received no maintenance or repair by the Federal Government in almost 30 years.

For 30 years this facility just weathered the extremes of Dakota winters and summers. The wood frame structure is now in such a dilapidated state that I seriously question its safety, Mr. President. None of its electrical wiring has ever been replaced. Lead pipes run through the building. The walls of the school are buckling.

When I asked the Corps of Engineers how a school building could have been turned over for local management in such a condition, I was told by the Omaha district of the Corps of Engineers that they were not responsible for the condition of the building. They had turned over maintenance responsibility to the Department of Education back in the mid 1950's. Naturally, the Education Department said they were not responsible for the condition of the building either.

Lost in the flurry of debate between the Omaha district office of the corps and the Education Department was the plain simple truth that the Federal Government was clearly responsible for the condition of that building, that the Federal Government had been negligent in its responsibility to maintain that school building, of disrepair amounted to the equivalent of selling them the Brooklyn Bridge.

Mr. President, I am pleased to say that the Corps of Engineer's headquarters officials in Washington, and General Hatch in particular, have been sensitive to this problem.

We have discussed the school's condition many times. The legislation I have introduced will give the corps the necessary authority to rehabilitate the Riverdale school, the authority to conduct the repairs which they should have performed in good conscience before even proposing to transfer the facility out of Federal hands. They are also the most competent agency to do the job.

Mr. President, I ask unanimous consent that a copy of the Riverdale, ND, School Rehabilitation Act be inserted into the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1356

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

The Section entitled "TRANSFER OF FEDERAL TOWNSITES" in the Supplemental Appropriations Act, 1985, Title 1, Chapter IV (Public Law 99-88, 99 Stat. 317) as amended by Section 1123 of the Water Resources Development Act, 1986 (Public Law 99-662, 100 Stat. 4242-43) is further amended as follows: ". . . and in addition, $5,000,000 to remain available until expended, for the repair and rehabilitation of the existing school building at Riverdale, North Dakota, in order to bring said building up to current State standards for continued safe operation, subject to the Riverdale Public School District No. 89 (Mercer and McLean Counties) North Dakota providing the necessary real estate interests and agreeing to accept the improvements as full and complete fulfillment of responsibilities of the United States following completion of the project.".

By Mr. McCAIN:

S. 1359. A bill to recognize the organization known as the Red River Valley Fighter Pilots Association; to the Committee on the Judiciary.

RED RIVER FIGHTER PILOTS ASSOCIATION

● Mr. McCAIN. Mr. President, today I am introducing a bill that would provide a Federal charter to the organization known as the Red River Valley Fighter Pilots Association.

For the past two decades, the Red River Valley Fighter Pilots Association has been devoted to serving veterans and their families. Comprised of over 4,500 members, the "River Rats," as they are commonly known as, was founded by men who flew along the Red River Valley in Viet Nam. The group originally assembled in 1967 for the purpose of increasing aircrew efficiency and reducing combat losses. But these individuals not only shared aerial tactics information, they also created a strong network of support that was fostered on trust. Indeed, they developed a unique brotherhood which continued upon their return to the United States.

Upon their return, the River Rats concentrated their efforts toward generating an awareness of the plight of the prisoner of war, and those missing in action or killed in action. Through their concern for families of POW's, MIA's and KIA's, they have used their talents and interests in many areas. Their scholarship program is one of their most important philanthropic endeavors. Over 400 students have already been recipients of financial assistance, and children of any aircraft crew member in Southeast Asia in the MIA/KIA category, as well as children of those who participated in the ill-fated rescue attempt in Iran and the raid on Libya are eligible for these scholarships.

In addition to their scholarship program, the Red River Valley Fighter Pilots Association provides counseling to veterans and their families. Also, many of the members continue to act as consultants for aerial fighter tactics. Their experience in Viet Nam has been instrumental in developing an understanding of the challenges they faced and of the obstacles they had to overcome. This dedication is indicative of the strong commitment this association has made to the continued service to their country.

Mr. President, the charitable efforts of the Red River Valley Fighter Pilots Association have already served the families of over 2,400 servicemen reported missing in action. These survivors of the most recent and volatile aerial combat war remain strongly committed to the memory of the American soldiers left behind. Though their actions cannot completely alleviate the pain that has resulted from such a perilous war, they will never cease their services to veterans and families in need. I strongly urge my colleagues to support this legislation. Our small part in granting the Red River Valley Fighter Pilots Association a Federal charter will ensure their continued honorable service for a great many years.●

By Mr. BURDICK (for himself, Mr. Inouye, Mr. Evans, Mr. Daschle, and Mr. McCain):

S. 1360. A bill to amend the Indian Financing Act of 1974, and for other purposes; to the Select Committee on Indian Affairs.

INDIAN FINANCING ACT AMENDMENTS

Mr. BURDICK. Mr. President, I am pleased to introduce today amendments to the Indian Financing Act of 1974. These amendments would improve the availability of future financing for American Indian economic growth.

In the past banks and other financial institutions have generally been reluctant to invest their funds on Indian reservations. The Indian Financing Act Loan Guarantee Program was created to overcome the obstacles to conventional bank financing for business projects on Indian reservations. It provides a form of credit support which addresses the legitimate concerns of private lenders based on trust property constraints, the sovereign immunities enjoyed by a tribe when acting in a business capacity and the uncertainties associated with tribal jurisdiction over commercial transactions on the reservation.

By relying on the evaluation and commitment of private lenders before making a guarantee commitment, the Federal Government provides support for Indian business development in a manner which is most appropriate. It would be very unfortunate if the tremendous interest in private enterprise development now being demonstrated in Indian country were not to be supported with a relatively modest level of Federal commitment represented in these amendments to the Indian Financing Act.

Mr. President, the Indian Financing Act amendments that we propose today would address a number of limitations of the current act. The limitation on the amount of loans to individual Indians would increase from $350,000 to $500,000. This is a more realistic ceiling than the previous $350,000 figure as it reflects the amount of capital needed to start a business today and is comparable to other Government efforts such as the Small Business Administration's [SBA] loan guarantee program.

We also propose to raise the loan guarantee authorization from $200,000,000 to $500,000,000. In recent years guaranteed loans have replaced direct loans as the primary emphasis on Bureau of Indian Affairs [BIA] investment financing. Consequently the $200,000,000 limit must be raised to meet the growing demand for issuing new guaranteed loans. Unless this limit is raised, the BIA will be prevented from issuing further loan gurantees.

Mr. President, another amendment would provide that a loan guaranteed under the act, including security given for the loan, may be sold or assigned by the lender to any "person." As you know, under section 1 of title 1, United States Code, the term "person" used in acts of Congress includes "corporations, companies, associations, firms, partnerships, societies, and joint stock companies, as well as individuals." The current act now limits the sale or assignments of guaranteed to "financial institutions" regulated by a government. This limitation on use of existing secondary market for Indian finance guaranteed loans—similar to SBA and other loan guarantee programs—directly impacts the financing available to Indians since banks have less of an incentive to originate Indian Financing Act loans.

Finally, we are proposing a clarification with respect to the availability of Indian Financing Act guarantees for tribal bond issues to finance business ventures which would not be exempt from interest taxation.

Mr. President, this program is becoming a cornerstone of economic development for the American Indian people. It is heartening to see the Indian business community moving away from reliance on Federal loans and subsidies for its success and instead turning to banks and other customary lending institutions for financing. We feel strongly that this proposal furthers the U.S. Government's longstanding policy of self-determination and self-sufficiency in Indian affairs.

Mr. President, I ask that this bill be printed in the Record immediately following these remarks.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 1360

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

STATEMENT OF PURPOSE

Section 1. Section 201 of the Indian Financing Act of 1974 (25 U.S.C. 1481) is amended by adding at the end thereof the following sentence: "For purposes of this title (but not for any purpose under title III), the term "loan" includes a bond issue of a tribe or an economic enterprise which is wholly owned by Indians.

LIMITATIONS ON AMOUNT OF LOANS TO INDIVIDUAL INDIANS OR ECONOMIC ENTERPRISES

Sec. 2. Section 204 of the Indian Financing Act of 1974 (25 U.S.C. 1484) is amended by striking out "$350,000" and inserting in lieu thereof "$500,000".

ASSIGNMENT OF LOANS

Sec. 3. Section 205 of the Indian Financing Act of 1974 (25 U.S.C. 1485) is amended to read as follows:

"Sec. 205. Any loan guaranteed under this title, including the security given for such loan, may be sold or assigned by the lender to any person.".

AGGREGATE LOANS LIMITATION

Sec. 4. Section 217 of the Indian Financing Act of 1974 (25 U.S.C. 1497) is amended by striking out "$200,000,000" in subsection (b) and inserting in lieu thereof "$500,000,000".

AUTHORIZATION OF APPROPRIATIONS FOR LOSSES ON LOANS

Sec. 5. Subsection (e) of section 217 of the Indian Financing Act of 1974 (25 U.S.C. 1497(e)) is amended by striking out the last sentence and inserting in lieu thereof the following: "All amounts appropriated under the authority of this section shall remain available until expended. In the event that insufficient funds are available to make payments required because of losses on loans guaranteed or insured under this title, the Secretary shall promptly submit to the Congress a request for additional appropriations to make such payments.

By Mr. DeCONCINI (for himself, Mr. D'Amato, and Mr. Wilson):

S. 1361. A bill to amend the Controlled Substances Act to suppress the diversion and trafficking of precursor chemicals and essential chemicals utilized in the illicit manufacture of controlled substances; to the Committee on the Judiciary.

CHEMICAL DIVERSION AND TRAFFICKING ACT

Mr. DeCONCINI. Mr. President, recently in New York City, undercover narcotics officers busted a cocaine producing laboratory operating on the fifth floor of a populated eight floor apartment building. When agents raided the lab, they found a large supply of highly flammable ether with candles burning through the room. A time bomb just waiting to go off—and with it—the lives of many innocent victims.

In 1986, a total of 509 clandestine laboratories in the United States were seized by the Drug Enforcement Administration. In 1982, 197 labs were seized. This is an increase of over 150 percent in just 4 years. These labs are used to produce cocaine, heroin, PCP, methamphetamine, LSD, and many other illegal drugs. Agents confiscated more than 1,000 firearms during these raids. Many of the labs also contained explosives and were protected with bobby traps.

The largest cocaine processing facility ever seized was a laboratory complex in Colombia in March 1984. It was discoverd as the result of the investigation of a shipment of 76 barrels of ether purchased by Colombian traffickers in the United States. Over 10,000 barrels of chemicals were seized at that lab.

Because of our efforts to control the supply of essential chemicals to cocaine laboratories in South America, an ever increasing number of South American cocaine traffickers are moving their cocaine labs to the United States. This is happening because of the ease with which they can obtain the chemicals necessary to produce cocaine.

The Drug Enforcement Administration has maintained an active voluntary program with the U.S. chemical industry. It involves monitoring the sales of precursor and essential chemicals from legitimate industry to detect suspicious sales which may be destined for the illicit market.

Precursor chemicals are chemicals used in the chemical process of manufacturing the drug and which are incorporated into the final product. An example is piperidine, which is used in the manufacture of PCP. An essential chemical is a substance that may be used in the manufacturing process as solvent, re-agent or catalyst. Examples of these are ethyl ether, used to process cocaine, and acetic anhydride, used to process heroin.

Despite the voluntary program that DEA has operated and its work with foreign law enforcement agencies, the extent of diversion and trafficking in these chemicals has continued to grow. As the problem has grown in magnitude, so have the complexity and difficulty of monitoring and investigating this traffic.

A single unscrupulous businessman can have an enormous impact. Recently DEA investigated and prosecuted principals in three chemical companies in the Western United States. The evidence developed in these cases revealed that these companies had supplied literally hundreds of illicit labs, many of which had been seized by DEA or State authorities.

The major problem that exists is curtailing availability of these chemicals while at the same time ensuring their availability for legitimate use.

Today, my good friends and colleagues, Senators ALFONSE D'AMATO and PETE WILSON join me in introducing a piece of legislation that I believe is long overdue in our continuing war on drugs.

The Chemical Diversion and Trafficking Act of 1987 establishes a system of recordkeeping and identification requirements. The bill was drafted by the Justice Department and the Drug Enforcement Administration. It requires manufacturers, distributors, importers, and exporters to maintain records concerning types and quantities of chemicals sold and to whom they were sold. These records would have to be kept for 5 years and would be subject to inspection by DEA. Additionally, the purchaser of a chemical listed in the proposed legislation would be required to provide identification as well as certification of lawful use to the chemical supplier.

Because of the extensive international traffic in precursor and essential chemicals, the bill would also require that the chemicals listed only be imported or exported pursuant to permit or declaration being approved in advance by DEA. This is similar to the system currently in use for controlled drugs.

The act also establishes penalties for trafficking in listed precursor and essential chemicals as well as penalties for violations of the record keeping and reporting requirements. The bill establishes criminal penalties for knowing and intentional trafficking in drug manufacturing equipment. It also establishes a requirement for the reporting of sales or other transfer of commercial tableting and encapsulating machines.

Past voluntary efforts have provided little success in dealing with the production of these deadly poisons. This bill will not eliminate illegal drugs, but it will send a message to foreign countries that we take this problem seriously and we expect the same from them.

Mr. President, I ask unanimous consent that the full text of the bill as well as a section-by-section analysis be included at this point in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1361

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Chemical Diversion and Trafficking Act of 1987".

SEC. 2. PRECURSOR CHEMICALS AND ESSENTIAL CHEMICALS.

Section 310 of the Controlled Substances Act (21 U.S.C. 830) is amended to read as follows:

"PRECURSOR CHEMICALS AND ESSENTIAL CHEMICALS

"SEC. 310. (a)(1) Except as provided under paragraph (3), any person who manufactures, distributes, imports or exports a substance listed under subsection (d) shall maintain records and make reports as the Attorney General may by regulation require concerning the distribution, receipt, sale, importation or exportation of the listed substances. Such records shall be in a form that is readily retrievable from ordinary business records and shall be kept and made available, for at least 5 years, for inspection and copying by officers or employees of the United States authorized by the Attorney General. In establishing regulations concerning required records and reports, the Attorney General may establish a threshold quantity for record-keeping and reporting requirements for each listed chemical. The Attorney General may include in the information required to be maintained or reported the following:

"(A) The quantity, form, and manner in which, and date on which, the substance was distributed, imported or exported.

"(B)(i) In the case of the distribution or exportation to an individual, the name, address, and age of the individual and the type of identification presented to establish the identity of the individual.

"(ii) In the case of the distribution or exportation to an entity other than an individual, the name and address of the entity and the name, address, and title of the individual ordering or receiving the substance and the type of identification presented to establish the identity of the individual and of the entity.

"(2)(A) Except as provided under paragraph (3), no person may distribute or export a substance listed under subsection (d) unless the recipient or purchaser presents to the distributor a certification of lawful use and identification in order to establish the identity of the recipient or purchaser (and any entity which the recipient or purchaser represents).

"(B) The certification of lawful use and identification shall be of such a type as the Attorney General establishes by regulation.

"(3) Under such conditions and to such extent as the Attorney General establishes, paragraphs (1) and (2) shall not apply to—

"(A) the distribution of listed substances between agents or employees within a single facility (as defined by the Attorney General), if such agents or employees are acting in the lawful and usual course of their business or employment;

"(B) the delivery of listed substances to or by a common or contract carrier for carriage in the lawful and usual course of its business, or to or by a warehouseman for storage in the lawful and usual course of its business; but where such carriage or storage is in connection with the distribution, importation, or exportation of substances to a third person, this subparagraph shall not relieve the distributor, importer, or exporter from compliance with paragraph (1) or (2);

"(C) any distribution, importation, or exportation with respect to which the Attorney General determines that the reports or records required by paragraph (1) or the presentation of identification or certification required by paragraph (2) is not necessary for the enforcement of this subchapter; or

"(D) any distribution, importation, or exportation of any drug product which contains a listed substance and which can be lawfully marketed in the United States under the provisions of the Food, Drug, and Cosmetic Act.

"(b) It shall be unlawful for any person knowingly or intentionally—

"(1) to import into the customs territory of the United States from any place outside thereof (but within the United States), or to import into the United States from any place outside thereof, any substance listed under subsection (d) unless the substance is imported for commercial, scientific, or other legitimate uses, and—

"(A) in the case of substances listed in subsection (d)(1), is imported pursuant to a permit issued by the Attorney General; or

"(B) in the case of substances listed in subsection (d)(2), is imported pursuant to such notification or declaration requirements as the Attorney General may by regulation prescribe; and

"(2) to export from the United States to any other country a substance listed under subsection (d) unless there is furnished (before export) to the Attorney General documentary proof that exportation is not contrary to the laws or regulations of the country of destination for consumption for medical, commercial, scientific, or other legitimate purposes, and—

"(A) in the case of substances listed in subsection (d)(1), such exportation is pursuant to a permit issued by the Attorney General; or

"(B) in the case of substances listed in subsection (d)(2), such exportation is pursuant to such notification or declaration requirements as the Attorney General may by regulation prescribe.

"(c) The Attorney General may by rule—

"(1) add substances to the list in subsection (d) if the Attorney General finds that—

"(A) such substance is a precursor or essential chemical which can be used to manufacture a controlled substance; and

"(B) such substance is being used in the manufacture of controlled substances in violation of this title; or

"(2) delete a substance listed in subsection (d) or added to the list by rule if the Attorney General finds that its listing no longer meets the criteria set forth in paragraph (1).

"(d) The provisions of this title shall apply to the following:

"(1) Precursor chemicals:
"(A) N-Acetylanthranilic acid.
"(B) Anthranilic acid.
"(C) Ergotamine tartrate.
"(D) Ergonovine maleate.
"(E) Phenylacetic acid.
"(F) Ephedrine.
"(G) Pseudoephedrine.
"(H) Benzyl cyanide.
"(I) Benzyl chloride.
"(J) Piperidine.
"(2) Essential chemicals:
"(A) Potassium permaganate.
"(B) Acetic anhydride.
"(C) Acetone.
"(D) Ethyl ether.

"(e) Any information which is reported to or otherwise obtained by the Attorney General under this section and which is exempt from disclosure pursuant to subsection (a) of section 552 of title 5, United States Code, by reason of subsection (b)(4) thereof shall be considered confidential and shall not be disclosed, except that such information may be disclosed to officers or employees of the United States concerned with carrying out this title or title III or when relevant in any proceeding for the enforcement of this title or title III or when necessary to meet United States treaty obligations.

"(f) For purposes of this title:

"(1) The term 'import' has the meaning given such term in section 1001 of title III (21 U.S.C. 951(a)(1)).

"(2) The term 'customs territory of the United States' has the meaning assigned to such term by section 1001 of title III (21 U.S.C. 951(a)(2)).

"(g)(1) No person may distribute, sell, import, export, or otherwise transfer to another person any commercial tableting machine or encapsulating machine unless the purchaser, recipient, transferee, or his agent presents to the distributor or supplier a certification of lawful use and identification to establish the identity of the recipient or purchaser (and any entity which the recipient or purchaser represents) of such a type as the Attorney General by regulation may establish.

"(2) Any person who distributes, sells, imports, exports, or otherwise transfers to another person any commercial tableting machine or encapsulating machine shall report the transfer to the Attorney General in such a form as the Attorney General may by regulation require. The Attorney General may require such information as the date of sale or transfer, name and address of transferee, purpose for which the machine is intended, and the serial numbers and make and model of the machine.".

SEC. 3. CRIMINAL PENALTIES.

(a) Section 401(d)(1) (21 U.S.C. 841(d)(1)) of the Controlled Substances Act is amended by—

(1) striking out "piperidine" and inserting in lieu thereof "precursor chemical or essential chemical listed under section 310(d)"; and

(2) striking out "phencyclidine" and inserting in lieu thereof "any controlled substance".

(b) Section 401(d)(2) (21 U.S.C. 841(d)(2)) of the Controlled Substances Act is amended by—

(1) inserting "or distributes" after "possesses";

(2) striking out "piperidine" the first place it appears and inserting in lieu thereof "precursor chemical or essential chemical listed under section 310(d)";

(3) striking out "piperidine" the second place it appears and inserting in lieu thereof "precursor chemical or essential chemical"; and

(4) striking out "phencyclidine" and inserting in lieu thereof "any controlled substance".

(c) Section 401(d) (21 U.S.C. 841(d)) of the Controlled Substances Act is amended by—

(1) striking out "or" after the comma in paragraph (1); and

(2) adding new paragraphs (3), (4), and (5) as follows:

"(3) manufacturers, distributes, imports, or exports a precursor chemical or essential chemical listed under section 310(d) except as provided for by this title,

"(4) possesses any precursor chemical or essential chemical listed under section 310(d), with knowledge that the recordkeeping or reporting requirements of section 310(a) or regulations issued pursuant to section 310(a) have not been complied with, or

"(5) with the intent of causing the evasion of the recordkeeping or reporting requirements of section 310(a) of the regulations issued thereunder, receives or distributes a reportable amount of any chemical listed under section 310(d) in units small enough so that the making of records or filing of reports under section 310(a) is not required,".

(d) Section 402(a)(9) (21 U.S.C. 842(a)(9)) of the Controlled Substances Act is amended by—

(1) striking out "or sell piperidine" and replacing it with "a precursor chemical or essential chemical listed under section 310(d)"; and

(2) adding "or certification" after "identification".

(e) Section 402(c)(2) (21 U.S.C. 842(c)(2)) of the Controlled Substances Act is amended by striking out subparagraph (C).

(f) Section 403(a) (21 U.S.C. 843(a)) of the Controlled Substances Act is amended—

(1) in paragraph (4)(B) by striking out "piperidine" and inserting in lieu thereof "a precursor chemical or essential chemical listed under section 310(d)";

(2) in paragraph (4)(B) by adding "or certificate" after "identification" where it appears;

(3) in paragraph (4) by striking out "or" after the semicolon;

(4) in paragraph (5) by striking out the period and inserting in lieu thereof "; or"; and

(5) by adding the following paragraphs at the end thereof:

"(6) to possess any drug manufacturing equipment, tableting or encapsulating machines, or gelatin capsules with intent to manufacture a controlled substance except as authorized by this title; or

"(7) to manufacture, distribute, or import any drug manufacturing equipment, tableting or encapsulating machines, or gelatin capsules knowing, or having reasonable cause to believe, that they will be used to manufacture a controlled substance except as authorized by this title.".

(g) Section 403(c) (21 U.S.C. 843(c)) of the Controlled Substances Act is amended by adding at the end of the paragraph the following: "In addition, any person convicted of a violation of this section or section 401 relating to the receipt, distribution, importation, or exportation of substances listed in section 310(d) shall be enjoined from conducting business activities with such substances for a minimum of 10 years.".

SEC. 4. FORFEITURES.

Section 511(a) of the Controlled Substances Act (21 U.S.C. 881) is amended by adding a new paragraph (9) as follows:

"(9) All chemicals listed under section 310(d), all drug manufacturing equipment, all tableting or encapsulating machines, and all gelatin capsules, which have been imported, exported, manufactured, possessed, distributed, or intended to be distributed, in violation of this title, as well as all conveyances and equipment, including aircraft, vehicles, or vessels, which are used, or are intended for use, to transport, or in any way facilitate the transportation, distribution, receipt, possession, or concealment of precursor chemicals and essential chemicals, drug manufacturing equipment, tableting or encapsulating machines, or gelatin capsules, in violation of this title, except as provided for under subparagraphs (A) and (B) of paragraph (4).".

SEC. 5. DEFINITIONS.

Section 102 (21 U.S.C. 802) of the Controlled Substances Act is amended—

(1) in paragraph (11), by inserting after "a controlled substance" both places it appears the following: "or a precursor chemical or essential chemical listed under section 310(d)";

(2) in paragraph (8), by inserting "or a precursor chemical or essential chemical" after "a controlled substance"; and

(3) by adding at the end thereof the following new paragraphs:

"(33) The term 'precursor chemical' means a substance that may be used in the chemical process of manufacturing controlled substances and which is incorporated into the final product and is therefore critical to its manufacture.

"(34) The term 'essential chemical' means a substance that may be used in the chemical process of manufacturing controlled substances as a solvent, reagent, or catalyst.".

SEC. 6. TECHNICAL AMENDMENTS.

(a) Section 506(a) (21 U.S.C. 876(a)) of the Controlled Substances Act is amended by adding "or precursor chemicals or essential chemicals" after "with respect to controlled substances".

(b) The table of sections for part C of the Controlled Substances Act is amended by deleting the item relating to section 310 and inserting the following in lieu thereof:

"310. Precursor chemicals and essential chemicals.".

SEC. 7. ACTIVE DOJ CONTROL PROGRAM.

The Attorney General shall maintain an active program, both domestic and international, to curtail the diversion of precursor chemicals and essential chemicals used in the illicit manufacture of controlled substances. This program shall include appropriate controls on the purchase, sale, import, and export of these chemicals and development of cooperative efforts with foreign drug control authorities.

SEC. 8. EFFECTIVE DATE.

This Act shall take effect 120 days after the date of enactment of this Act.

SECTION-BY-SECTION ANALYSIS

SEC. 1.—Title.

SEC. 2. This is the section that provides the basic framework of the control mechanisms of the "Chemical Diversion and Trafficking Act of 1987" by amending Section 310 of the Controlled Substances Act (21 U.S.C. 830) to provide the following:

Section 310(a)(1) makes manadatory the maintenance of records and the making of reports by any person who distributes, purchases, imports or exports a listed precursor or essential chemical. It also requires that the records be kept separately and be readily retrievable and available for inspection for five years. The Attorney General is authorized to designate by regulation the required records and reports, including establishing a minimum threshold for each substance under which records and reports need not be made. Failure to make required reports or keep required records would be punishable under 21 U.S.C. 842 or 843, or under 21 U.S.C. 841(d) for knowing or intentional violations.

Subparagraphs (A) and (B) provide details as to the extent of the information the Attorney General may require. This primarily involves names, addresses, dates, type of chemical, quantity and other relevant information concerning distribution, import or export.

Section 310(a)(2) establishes an identification requirement similar to the identification requirement in the existing piperidine legislation. However, there is an additional requirement of certification by the purchaser that the purchase is not for unlawful purposes. The exact form of the certification would be established by regulation. But, it is expected that it will include, at a minimum, that the purchase is not for unlawful purposes and that the purchaser has not made purchases from other sources in order to avoid record-keeping and reporting requirements.

Subsection (a)(3) provides an exemption for agents, employees, common carriers, and those exempted by the Attorney General. This, again, is the same as currently exists for piperidine and, in some cases, controlled drugs. Additionally, it clarifies that these provisions do not apply to drug products lawfully marketed under the Federal Food, Drug and Cosmetic Act containing these listed chemicals.

Section 310(b) establishes an import/export permit requirement for listed precursors and a declaration requirement for essential chemicals. It also sets the grounds that can be used to deny permits or declarations.

Section 310(c) establishes a mechanism and criteria for adding or deleting chemicals from the lists.

Section 310(d) establishes two lists. One list is for precursors and the other for essential chemicals.

Section 310(e) establishes confidentiality of information and exemption from release under Freedom of Information except for enforcement purposes.

Section 310(f) defines "customs territory" and "import". Other definitions are included elsewhere in the Controlled Substances Act.

Section (g) provides for required identification for tableting and encapsulating machines, as well as for certification of lawful use by the purchaser.

Section (h) Establishes a reporting requirement for the distribution, sale, import or export of tableting or encapsulating machines.

SEC. 3.—This section has three primary purposes. Section 3(a) amends Section 401(d)(1) (21 U.S.C. 841(d)(1)) of the Controlled Substances Act to establish criminal penalties for possession of listed chemicals with intent to illicitly manufacture controlled substances.

Section 3(b) amends Section 401(d)(2) (21 U.S.C. 841(d)(2)) of the Controlled Substances Act to establish criminal penalties for possession or distribution of precursor or essential chemicals with knowledge that they will be used in illicit manufacture.

Section 3(c) provides penalties for knowingly or intentionally manufacturing, distributing, importing, or exporting precursor or essential chemicals except as provided by this Act. It also makes the possession of these chemicals illegal when they are possessed with knowledge that the record-keeping or reporting requirements have not been adhered to. Finally, it prohibits the receipt or distribution of a reportable amount of a listed chemical in small units with the intent of evading the record-keeping or reporting requirements.

Sec. 4.—Subsection (a) of this section amends Section 402(a)(9) (21 U.S.C. 842(a)(9)) of the Controlled Substances Act to establish for all listed chemicals the penalties for distribution or sale when there is a violation of identification or certification requirements.

Subsection (b) deletes Section 402(c)(2)(C) (21 U.S.C. 842(c)(2)(C)), concerning piperidine reporting violations.

Sec. 5.—This section establishes prohibited acts under Section 403(a) (21 U.S.C. 843(a)) for violations involving listed chemicals as well as for manufacture, distribution, sale, import or export of drug manufacturing equipment, tableting or encapsulating machines, or gelatin capsules with intent to violate the Controlled Substances Act.

Sec. 6.—Adds to the penalties for violations of the Act, a provision for enjoining violators from futher activity involving listed chemicals for a period of at least ten years.

Sec. 7.—Authority to seize and forfeit chemicals, drug manufacturing equipment, and gelatin capsules under Sec. 511 (21 U.S.C. 881).

Sec. 8.—Establishes intent of Congress that the Attorney General will maintain an active program against the diversion and trafficking of chemicals both domestically and worldwide.

Sec. 9.—Amends the definitions of "distribute" and "deliver" to include delivery of a listed precursor or essential chemical. Also establishes definitions for "precursor chemicals" and "essential chemicals".

Sec. 10.—Amends Section 506(a) (21 U.S.C. 876(a)) authorizing the Attorney General to issue subpenas with respect to "precursor chemicals" and "essential chemicals".

Sec. 11.—Amends the table of sections for the Controlled Substances Act.

Sec. 12.—Provides a delayed effective date for the Chemical Diversion and Trafficking Act of 1987.

Mr. D'AMATO. I am proud to join my good friends and colleagues, Senators DECONCINI and WILSON, in introducing the Chemical Diversion and Control Act.

Three days ago, at a hearing of the Senate Caucus on International Narcotics Control that I chaired with Senator DECONCINI in New York, the DEA presented very convincing evidence of the need for this legislation.

The DEA needs this legislation to enable it to track down the criminal operators of illegal drug labs. Drug traffickers, who are completely lacking in any concern for human life, are storing highly volatile and explosive either and acetone through this Nation.

In New York State, cocaine labs were first discovered in rural areas, such as Montgomery County, where a cocaine laboratory exploded in April 1985.

Increasingly, these labs are being found in densely populated neighborhoods. DEA has seized six active cocaine labs and four lab sites in New York City in the last year alone.

Perhaps most alarming is the increasing number of lab explosions that have occurred recently.

On March 20, 1987, three storefront businesses in the Fordham section of the Bronx were seriously damaged by the explosion and fire. DEA agents seized nearly 10 gallons of ether in the basement of the building.

On March 21, in Rego Park, Queens, 15 gallons of ether were removed from a single-family house, where an explosion and fire had occurred.

Robert Stutman, DEA special agent in charge of the New York Field Division, cites one very alarming incident. In a cocaine lab located in a 6-story apartment building in Brooklyn, lit candles were in the same room as open drums of ether.

There could easily have been an explosion killing children playing in the hallway outside the apartment door, and many other residents of that building and adjoining buildings.

Unless we act to bring these chemicals under tighter control, the number of explosions and fires will increase, resulting in the death and severe injury of hundreds of people.

The problem this bill addresses is one of enormous national and international significance. In fiscal year 1986, DEA and other law enforcement agencies seized 464 clandestine labs in the United States. The following is a listing of the drugs manufactured at these sites, and the number of labs producing each substance: methamphetamine (330); amphetamine (65); precursor chemicals for amphetamines and methamphetamines (21); cocaine (22); hallucinogens (18); methaqualone (4); fentanyl, or synthetic heroin (3); and heroin (1).

The total number of seized labs has increased steadily, from 197 in 1982, to 464 last year.

The extent of the illicit international market for these chemicals is suggested by the fact that, in 1986, 65,892 gallons of ether and 57,450 gallons of acetone destined for use in cocaine processing in South America were seized in international commerce. Since May 1986, the U.S. Customs Service has identified huge amounts of "target chemicals" being shipped from three United States ports to South America, including acetone (1,634,500 gallons) and ether (20,800 gallons), which are essential for the making of cocaine.

Controlling the chemicals used to make illicit drugs can, of course, serve to reduce the supply of those drugs. The Justice Department estimates that 95 percent of the ether going into Colombia, for example, was for illicit purposes. One-half of this came from the United States.

Cocaine, heroin, PCP, and amphetamine/methamphetamine accounted for over 44,000 hospital emergency room episodes in the first 6 months of last year. These drugs cannot be made without the chemicals this bill seeks to control.

This bill includes the chemicals used to make designer drugs among those it seeks to control in order to help prevent the spread of these killers. Designer drugs have been responsible for over 100 deaths in California alone.

Finally, the Chemical Diversion and Trafficking Act also establishes criminal penalties for the illicit trafficking in drug manufacturing equipment, and requires the reporting of sales of commercial tableting and encapsulating machines.

The following is a brief summary of this bill's provisions. A more detailed explanation is included in the section-by-section analysis accompanying the Chemical Diversion and Trafficking Act, which Senator DeConcini and I are introducing into the Congressional Record today.

The summary is as follows:

1. Recordkeeping and identification of buyer.

Anyone who manufactures, distributes, sells, imports or exports the chemicals listed in the Act must keep records, for five years, of what was sold and to whom it was sold.

The purchaser is required to provide identification, and must certify that the purpose is not for unlawful purposes, and this information must be maintained by the seller.

Small quantity sales would not require records and reports under guidelines established by the Justice Department.

2. Punishable offenses.

A. Possession of listed chemicals with intent to illicitly manufacture controlled substances; or with knowledge that the recordkeeping or reporting requirements have not been adhered to.

B. Possession of drug manufacturing equipment with intent to manufacture a controlled substance.

C. Knowingly or intentionally manufacturing, distributing, importing, or exporting listed chemicals, except as provided in the Act.

D. Providing false information.

E. Failure to keep records or make reports.

3. Penalties.

A. Up to 5 years and $15,000 fine for knowing or intentional violations.

B. Up to $25,000 fine for civil violations, primarily failure to keep required records.

C. Forfeiture of equipment and chemicals used to make narcotics.

D. Injunction against violators' conducting business with these chemicals for at least ten years.

4. Export/import controls.

The Act establishes a system similar to the one now used for controlled drugs. Listed precursor chemicals can only be imported or exported under a permit issued by the Attorney General. Essential chemicals can only be imported and exported pursuant to an advance declaration.

5. Chemicals covered and the drugs they are used to make:

A. Precursor Chemicals: N-Acetylanthranilic Acid (methaqualone); Anthranilic Acid (methaqualone); Ergotamine (LSD); Ergonovine (LSD); Phenylacetic acid (methamphetamine); Ephedrine (methamphetamine); Pseudoephedrine (methamphetamine); Benzyl cyanide (methamphetamine); Benzyl chloride (methamphetamine); Piperidine (PCP).

B. Essential Chemicals: Acetic anhydride (heroin); Potassium permaganate (cocaine); acetone (cocaine); Ethyl ether (cocaine).

By Mr. PRYOR (for himself, Mr. Bumpers, Mrs. Kassebaum, Mr. Riegle, Mr. Hollings, Mr. Glenn, Mr. Heinz, Mr. Bradley, Mr. Mitchell, Mr. Boren, Mr. Nunn, Mr. Specter, Mr. Gore, Mr. Lautenberg, Mr. Dole, Mr. Cochran, Mr. Dixon, Mr. Shelby, Ms. Mikulski, Mr. Warner, Mr. Chiles, and Mr. Matsunaga):

S.J. Res. 158. Joint resolution designating September 30, 1987, as "National Nursing Home Residents' Rights Day"; to the Committee on the Judiciary.

NATIONAL NURSING HOME RESIDENTS' RIGHTS DAY

● Mr. PRYOR. Mr. President, today I am introducing legislation to establish September 30, 1987, as "National Nursing Home Residents' Rights Day." A number of my colleagues (Senators Bumpers, Kassebaum, Riegle, Hollings, Glenn, Heinz, Bradley, Mitchell, Boren, Nunn, Specter, Gore, Lautenberg, Dole, Cochran, Dixon, Shelby, Mikulski, Warner, Chiles, and Matsunaga) have joined me in this effort, and I hope we will see prompt enactment of this measure.

In previous years on National Nursing Home Residents' Day, individuals and organizations in cities, towns, and nursing homes throughout the country have honored nursing home residents as important members of their communities and for the significant contributions they have made toward the growth and development of our Nation. These activities have resulted in greater community support and involvement in the lives of nursing home residents, and increased interest in the quality of care provided. There has been mutual enrichment from these activities.

This year nursing home residents and their relatives have good cause for celebration. In response to the issuance of the Institute of Medicine report "Improving the Quality of Care in Nursing Homes" there has been renewed interest in enacting comprehensive nursing home reform legislation, and a consensus is building among consumer groups, providers, and public policymakers with respect to the form that legislation should take. It appears that there is good reason to hope that this consensus-building effort will result in legislative action in the coming months.

Mr. President, this is an important day for nursing home residents; I hope that it will prove to be a landmark year, as well, for this very special population. This year we have changed the name of this special day to National Nursing Home Residents' Rights Day to accentuate the importance of the preservation of the dignity and individual freedom of residents in nursing institutions. I urge my colleagues to join me in working for the enactment of legislation to honor the rights of the residents in these facilities throughout the country.●

ADDITIONAL COSPONSORS

S. 38

At the request of Mr. Moynihan, the names of the Senator from North Carolina [Mr. DeConcini], the Senator from Hawaii [Mr. Inouye], and the Senator from California [Mr. Cranston] were added as cosponsors of S. 38, a bill to increase the authorization of appropriations for the Magnet School Program for fiscal year 1987 to meet the growing needs of existing Magnet School Programs, and for the establishment of new Magnet School Programs.

S. 74

At the request of Mr. Gramm, the names of the Senator from Colorado [Mr. Armstrong] and the Senator from Alabama [Mr. Heflin] were added as cosponsors of S. 74, a bill to amend the Internal Revenue Code of 1986 to allow a charitable contribution deduction for certain amounts paid to or for the benefit of an institution of higher education.

S. 182

At the request of Mr. Riegle, the name of the Senator from Washington [Mr. Adams] was added as a cosponsor of S. 182, a bill to amend title 3, United States Code, and the Uniform Time Act of 1966 to establish a single poll closing time in the Continental United States for Presidential general elections.

S. 220

At the request of Mr. Symms, the name of the Senator from Alabama [Mr. Heflin] was added as a cosponsor of S. 220, a bill to require the voice and vote of the United States in opposition to assistance by international financial institutions for the production of commodities or minerals in surplus, and for other purposes.

S. 473

At the request of Mrs. Kassebaum, the name of the Senator from Arizona [Mr. McCain] was added as a cosponsor of S. 473, a bill to regulate interstate commerce by providing for uniform standards of liability for harm arising out of general aviation accidents.

S. 541

At the request of Mr. Pryor, the names of the Senator from Indiana [Mr. Quayle], the Senator from Oregon [Mr. Hatfield], the Senator from California [Mr. Wilson], and the Senator from Florida [Mr. Graham] were added as cosponsors of S. 541, a bill to amend title 39, United States Code, to extend to certain officers and employees of the U.S. Postal Service the same procedural and appeal rights with respect to certain adverse personnel actions as are afforded under title 5, United States Code, to Federal employees in the competitive services.

S. 604

At the request of Mr. Pryor, the name of the Senator from Oklahoma [Mr. Boren] was added as a cosponsor of S. 604, a bill to promote and protect taxpayer rights, and for other purposes.

S. 721

At the request of Mr. Inouye, the name of the Senator from Washington [Mr. Adams] was added as a cosponsor of S. 721, a bill to provide for and promote the economic development of Indian tribes by furnishing the necessary capital, financial services, and technical assistance to Indian owned business enterprises and to stimulate the development of the private sector of Indian tribal economies.

S. 736

At the request of Mr. Harkin, the name of the Senator from Arkansas [Mr. Bumpers] was added as a cosponsor of S. 736, a bill to prohibit the performance of certain functions at arsenals and manufacturing facilities of the Department of Defense from being converted to performance by private contractors.

S. 776

At the request of Ms. Mikulski, the name of the Senator from Arizona [Mr. DeConcini] was added as a cosponsor of S. 776, a bill to amend title XIX of the Social Security Act to protect the welfare of spouses of institutionalized individuals under the Medicaid Program.

S. 784

At the request of Mrs. Kassebaum, the name of the Senator from Vermont [Mr. Stafford] was added as a cosponsor of S. 784, a bill to provide that receipts and disbursements of the highway trust fund and the airport and airway trust fund shall not be included in the totals of the budget of the U.S. Government as submitted by the President or the congressional budget.

S. 839

At the request of Mr. Johnston, the name of the Senator from Idaho [Mr. Symms] was added as a cosponsor of S. 839, a bill to authorize the Secretary of Energy to enter into incentive agreements with certain States and affected Indian tribes concerning the storage and disposal of high-level radioactive waste and spent nuclear fuel, and for other purposes.

S. 887

At the request of Mr. Bumpers, his name was added as a cosponsor of S. 887, a bill to extend the authorization of appropriations for and to strengthen the provisions of the Older Americans Act of 1965, and for other purposes.

S. 934

At the request of Mr. Cranston, the name of the Senator from Maryland [Ms. Mikulski] was added as a cosponsor of S. 934, a bill to authorize payments to States to assist in improving the quality of child-care services.

S. 950

At the request of Mr. Heflin, the names of the Senator from Arkansas [Mr. Bumpers], the Senator from Mississippi [Mr. Stennis], the Senator from Ohio [Mr. Metzenbaum], the Senator from Arizona [Mr. DeConcini], and the Senator from Arkansas [Mr. Pryor] were added as cosponsors of S. 950, a bill to establish a specialized corps of judges necessary for certain Federal proceedings required to be conducted, and for other purposes.

S. 970

At the request of Mr. Harkin, the names of the Senator from Hawaii [Mr. Inouye], the Senator from Tennessee [Mr. Gore], the Senator from Iowa [Mr. Grassley], the Senator from North Dakota [Mr. Burdick], and the Senator from North Dakota [Mr. Conrad] were added as cosponsors of S. 970, a bill to authorize a research program for the modification of plants focusing on the development and production of new marketable industrial and commercial products, and for other purposes.

S. 997

At the request of Mr. Pell, the name of the Senator from Minnesota [Mr. Boschwitz] was added as a cosponsor of S. 997, a bill to require the Director of the National Institute on Aging to provide for the conduct of clinical trials on the efficacy of the use of tetrahydroaminoacidine in the treatment of Alzheimer's disease.

S. 998

At the request of Mr. DeConcini, the name of the Senator from North Carolina [Mr. Sanford] was added as a cosponsor of S. 998, a bill entitled the "Micro Enterprise Loans for the Poor Act."

S. 1059

At the request of Mr. Moynihan, the name of the Senator from North Carolina [Mr. Sanford] was added as a cosponsor of S. 1059, a bill to terminate the application of certain Veterans' Administration regulations relating to transporation of claimants and beneficiaries in connection with Veterans' Administration medical care.

S. 1080

At the request of Mr. Boschwitz, the name of the Senator from Minnesota [Mr. Durenberger] was added as a cosponsor of S. 1080, a bill to amend the Automobile Information Disclosure Act to provide information as to whether or not certain motor vehicles are capable of using gasohol.

S. 1081

At the request of Mr. BINGAMAN, the name of the Senator from Maine [Mr. MITCHELL] was added as a cosponsor of S. 1081, a bill to establish a coordinated national nutrition monitoring and related research program, and a comprehensive plan for the assessment of the nutritional and dietary status of the U.S. population and the nutritional quality of the U.S. food supply, with provision for the conduct of scientific research and development in support of such program and plan.

S. 1109

At the request of Mr. HARKIN, the names of the Senator from Indiana [Mr. LUGAR], the Senator from South Dakota [Mr. PRESSLER], and the Senator from North Dakota [Mr. BURDICK] was added as cosponsors of S. 1109, a bill to amend the Federal Food, Drug, and Cosmetic Act to require certain labeling of foods which contain tropical fats.

S. 1162

At the request of Ms. MIKULSKI, the name of the Senator from Tennessee [Mr. GORE] was added as a cosponsor of S. 1162, a bill to amend chapter 89 of title 5, United States Code, to provide authority for the direct payment or reimbursement to certain health care professionals; to clarify certain provisions of such chapter with respect to coordination with State and local law; and for other purposes.

S. 1181

At the request of Mr. PRYOR, the name of the Senator from Mississippi [Mr. COCHRAN] was added as a cosponsor of S. 1181, a bill to amend the Federal Salary Act of 1967 and title 5 of the United States Code to provide that the authority to determine levels of pay for administrative law judges be transferred to the commissions on executive, legislative, and judicial salaries.

S. 1187

At the request of Mr. PRYOR, the name of the Senator from Arkansas [Mr. BUMPERS] was added as a cosponsor of S. 1187, a bill to amend the Internal Revenue Code of 1954 to conform the treatment of residential lot interest expenses to current law treatment of second home interest expense.

S. 1224

At the request of Mr. KASTEN, the name of the Senator from North Carolina [Mr. HELMS] was added as a cosponsor of S. 1224, a bill to provide for 3 years duty free treatment of certain power-driven weaving machines and parts thereof.

S. 1240

At the request of Mr. GRAHAM, the name of the Senator from Connecticut [Mr. DODD] was added as a cosponsor of S. 1240, a bill to amend title XVIII of the Social Security Act to provide coverage for certain preventive care items and services under part B and to provide a discount in premiums under such part for certain individuals certified as maintaining healthy lifestyle.

S. 1241

At the request of Mr. GRAHAM, the name of the Senator from Connecticut [Mr. DODD] was added as a cosponsor of S. 1241, a bill to amend title IV of the Older Americans Act of 1965 to establish demonstration projects for community care preventive health services.

S. 1340

At the request of Mr. PRYOR, the name of the Senator from Louisiana [Mr. BREAUX] was added as a cosponsor of S. 1340, a bill to provide for computing the amount of the deductions allowed to rural mail carriers for use of their automobiles.

S. 1344

At the request of Mr. SASSER, the names of the Senator from Iowa [Mr. HARKIN] and the Senator from South Dakota [Mr. PRESSLER] were added as cosponsors of S. 1344, a bill to amend the Small Business Act to enhance the ability of small businesses to compete for international export markets, and for other purposes.

SENATE JOINT RESOLUTION 26

At the request of Mr. PELL, the names of the Senator from Oklahoma [Mr. NICKLES] and the Senator from Georgia [Mr. NUNN] were added as cosponsors of Senate Joint Resolution 26, a joint resolution to authorize and request the President to call a White House Conference on Library and Information Services to be held not later than 1989, and for other purposes.

At the request of Mr. LAUTENBERG, his name was added as a cosponsor of Senate Joint Resolution 26, supra.

SENATE JOINT RESOLUTION 72

At the request of Mr. GORE, the names of the Senator from West Virginia [Mr. BYRD], the Senator from West Virginia [Mr. ROCKEFELLER], the Senator from Georgia [Mr. FOWLER], the Senator from Pennsylvania [Mr. HEINZ], the Senator from Arizona [Mr. McCAIN], the Senator from Iowa [Mr. GRASSLEY], the Senator from Idaho [Mr. McCLURE], and the Senator from Utah [Mr. GARN] were added as cosponsors of Senate Joint Resolution 72, a joint resolution to designate the week of October 11, 1987, through October 17, 1987, as "National Job Skills Week."

SENATE JOINT RESOLUTION 87

At the request of Mr. RIEGLE, the names of the Senator from Florida [Mr. GRAHAM] and the Senator from Washington [Mr. ADAMS] were added as cosponsors of Senate Joint Resolution 87, a joint resolution to designate November 17, 1987, as "National Community Education Day."

SENATE JOINT RESOLUTION 101

At the request of Mr. CRANSTON, the names of the Senator from Minnesota [Mr. DURENBERGER], the Senator from South Carolina [Mr. THURMOND], the Senator from Mississippi [Mr. STENNIS], the Senator from Hawaii [Mr. MATSUNAGA], the Senator from Montana [Mr. BAUCUS], the Senator from New York [Mr. D'AMATO], the Senator from Texas [Mr. BENTSEN], the Senator from West Virginia [Mr. BYRD], the Senator from Oregon [Mr. PACKWOOD], the Senator from Colorado [Mr. ARMSTRONG], the Senator from Mississippi [Mr. COCHRAN], the Senator from North Carolina [Mr. HELMS], and the Senator from Nebraska [Mr. KARNES] were added as cosponsors of Senate Joint Resolution 101, a joint resolution designating June 19, 1987, as "American Gospel Arts Day."

SENATE JOINT RESOLUTION 109

At the request of Mr. DURENBERGER, the names of the Senator from Illinois [Mr. DIXON], the Senator from Rhode Island [Mr. CHAFEE], the Senator from Georgia [Mr. FOWLER], and the Senator from Alaska [Mr. MURKOWSKI] were added as cosponsors of Senate Joint Resolution 109, a joint resolution to designate the week beginning October 4, 1987, as "National School Yearbook Week."

SENATE JOINT RESOLUTION 120

At the request of Mr. SYMMS, the name of the Senator from Arizona [Mr. McCAIN] was added as a cosponsor of Senate Joint Resolution 120, a joint resolution to void certain agreements relating to the site of the Soviet Union's Embassy in the District of Columbia.

SENATE JOINT RESOLUTION 122

At the request of Mr. METZENBAUM, the names of the Senator from Michigan [Mr. LEVIN], the Senator from Minnesota [Mr. DURENBERGER], the Senator from North Carolina [Mr. HELMS], the Senator from Illinois [Mr. DIXON], the Senator from Illinois [Mr. SIMON], and the Senator from Nevada [Mr. HECHT] were added as cosponsors of Senate Joint Resolution 122, a joint resolution to designate the period commencing on October 18, 1987, and ending on October 24, 1987, as "Gaucher's Disease Awareness Week".

SENATE JOINT RESOLUTION 128

At the request of Mr. DODD, the names of the Senator from Iowa [Mr. HARKIN], the Senator from Wisconsin [Mr. PROXMIRE], the Senator from Nebraska [Mr. EXON], the Senator from Michigan [Mr. RIEGLE], the Senator from North Carolina [Mr. SANFORD], the Senator from Illinois [Mr. SIMON], and the Senator from Vermont [Mr. LEAHY] were added as cosponsors of Senate Joint Resolution 128, a joint resolution prohibiting the sale to Honduras of certain defense articles and related defense services.

SENATE JOINT RESOLUTION 136

At the request of Mr. HUMPHREY, the Senator from Mississippi [Mr. STENNIS] was added as a cosponsor of

Senate Joint Resolution 136, a joint resolution to designate the week of December 13, 1987, through December 19, 1987, as "National Drunk and Drugged Driving Awareness Week".

SENATE JOINT RESOLUTION 142

At the request of Mr. Weicker, the names of the Senator from Rhode Island [Mr. Pell] and the Senator from Texas [Mr. Gramm] were added as cosponsors of Senate Joint Resolution 142, a joint resolution to designate the day of October 1, 1987, as "National Medical Research Day".

SENATE JOINT RESOLUTION 148

At the request of Mr. D'Amato, the names of the Senator from Tennessee [Mr. Gore] and the Senator from Arkansas [Mr. Bumpers] were added as cosponsors of Senate Joint Resolution 148, a joint resolution designating the week of September 20, 1987, through September 26, 1987, as "Emergency Medical Services Week."

SENATE JOINT RESOLUTION 153

At the request of Mr. Packwood, the names of the Senator from Arizona [Mr. McCain] and the Senator from Alaska [Mr. Murkowski] were added as cosponsors of Senate Joint Resolution 153, a joint resolution prohibiting the enhancement or upgrade in the sensitivity of technology of, or the capability of, Maverick missiles for Saudi Arabia.

SENATE JOINT RESOLUTION 154

At the request of Mr. Pell, the name of the Senator from Rhode Island [Mr. Chafee] was added as a cosponsor of Senate Joint Resolution 154, a joint resolution to designate the period commencing on November 15, 1987, and ending on November 22, 1987, as "National Arts Week".

SENATE CONCURRENT RESOLUTION 20

At the request of Mr. Gore, the name of the Senator from Hawaii [Mr. Matsunaga] was added as a cosponsor of Senate Concurrent Resolution 20, a concurrent resolution to express the sense of Congress that funding for the vocational education program should not be eliminated.

SENATE CONCURRENT RESOLUTION 23

At the request of Mr. Cranston, the names of the Senator from Illinois [Mr. Simon] and the Senator from Utah [Mr. Garn] were added as cosponsors of Senate Concurrent Resolution 23, a concurrent resolution designating jazz as an American national treasure.

SENATE CONCURRENT RESOLUTION 29

At the request of Mr. DeConcini, the name of the Senator from Alaska [Mr. Murkowski] was added as a cosponsor of Senate Concurrent Resolution 29, a concurrent resolution expressing the sense of Congress regarding the inability of American citizens to maintain regular contact with relatives in the Soviet Union.

SENATE CONCURRENT RESOLUTION 43

At the request of Mr. Stevens, the names of the Senator from North Dakota [Mr. Conrad], the Senator from Wisconsin [Mr. Proxmire], the Senator from Utah [Mr. Garn], and the Senator from Rhode Island [Mr. Chafee] were added as cosponsors of Senate Concurrent Resolution 43, a concurrent resolution to encourage State and local governments and local educational agencies to provide quality daily physical education programs for all children from kindergarten through grade 12.

SENATE RESOLUTION 231—AUTHORIZING THE PRODUCTION OF CERTAIN DOCUMENTS BY THE SENATE PERMANENT SUBCOMMITTEE ON INVESTIGATIONS

Mr. BYRD (for himself and Mr. Dole) submitted the following resolution; which was considered and agreed to:

S. Res. 231

Whereas, the Permanent Subcommittee on Investigations of the Committee on Governmental Affairs has been conducting an inquiry into the operations of door-to-door magazine and cleaning products sales organizations;

Whereas, the Office of the Attorney General for the State of New York has for its own investigatory purposes requested access to records obtained by the Subcommittee;

Whereas, by the privileges of the Senate of the United States and Rule XI of the Standing Rules of the Senate, no evidence under the control or in the possession of the Senate can, by the administrative or judicial process, be taken from such control or possession but by permission of the Senate;

Whereas, when it appears that documents, papers, and records under the control or in the possession of the Senate are needed in an investigation by an appropriate authority, the Senate will take such action as will promote the ends of justice consistent with the privileges and rights of the Senate: Now, therefore, be it

Resolved, That the Chairman and Ranking Minority Member of the Permanent Subcommittee on Investigations, acting jointly, are authorized to provide upon request to law enforcement authorities records of the Subcommittee's investigation of door-to-door sales operations.

SENATE RESOLUTION 232—RELATING TO THE DENIAL OF FREEDOM OF RELIGION AND OTHER HUMAN RIGHTS IN LITHUANIA

Mr. RIEGLE (for himself and Mr. D'Amato) submitted the following resolution; which was referred to the Committee on Foreign Relations:

S. Res. 232

Whereas 1987 marks the 600th anniversary of the Christianization of Lithuania, when the Lithuania nation embraced Roman Catholicism;

Whereas freedom of religion is a fundamental human right which is explicitly guaranteed by the Universal Declaration of Human Rights, the International Covenants on Human Rights, and the Final Act of the Conference on Security and Cooperation in Europe;

Whereas the Soviet Union has violated the Universal Declaration of Human Rights, the International Covenants on Human Rights, and the Final Act of the Conference on Security and Cooperation in Europe by engaging in the ongoing denial of religious liberty and other human rights in Soviet-occupied Lithuania and elsewhere;

Whereas Lithuanian children are legally prohibited from attending church without their parents and from participating in church activities, parents are actively discouraged from teaching their faith to their own children at home and banned from teaching religion to other children, priests are forbidden to give religious instruction to any children, and children who are religious believers are discriminated against by teachers and school officials;

Whereas adult lay believers in Lithuania are victimized by job discrimination, their access to religious literature is actively restricted, and they are subject to various forms of harassment such as house searches, interrogations, and arbitrary arrest;

Whereas religious orders are legally prohibited in Lithuania, admission to the one seminary is strictly regulated, and administration of that seminary is subject to government interference;

Whereas priests in Lithuania who conscientiously perform their pastoral duties are subject to persecution, and those who protest Soviet mistreatment of religious believers and petition the state for redress of their grievances, such as Father Alfonsas Svarinskas and Father Sigitas Tamkevicius, founders of the Catholic Committee for the Defense of Believers' Rights, are subject to imprisonment;

Whereas Soviet authorities have seized numerous churches against the religious community's will and converted then to other uses;

Whereas Soviet authorities restrict the domestic production and importation of religious literature and materials to small quantities, and subject the publishers of religious literature and underground human rights publications such as the "Chronicle of the Catholic Church in Lithuania" to arrest and imprisonment; and

Whereas the Soviet Union has consistently blocked efforts by Pope John Paul II to visit Lithuania and has taken other steps to limit Lithuania's celebration of the 600th anniversary of its Christianization: Now, therefore, be it

Resolved, That the Senate deplores Soviet denial of religious liberty and other human rights in Lithuania and elsewhere, and on the occasion of the 600th anniversary of Christianity in Lithuania—

(1) sends its greetings to the Lithuanian people as they mark this solemn occasion in the life of their nation;

(2) voices its support for those Lithuanians who are persecuted for attempting to exercise freedom of religion;

(3) urges the President, the Secretary of State, and the U.S. delegation to the Vienna Review Meeting of the Conference on Security and Cooperation in Europe to continue to speak out forcefully against violations of religious liberty everywhere and specifically in Lithuania during this aniversary year, and to solicit the support of our allies in this effort; and

(4) calls upon the Soviet Union to abide by the Universal Declaration of Human Rights, the International Covenants on Human Rights, and the Final Act of the Conference on Security and Cooperation in Europe, including the provisions on regligious liberty.

● Mr. RIEGLE. Mr. President, today, I am pleased to be joined by my colleague from New York, Mr. D'AMATO, in submitting a resolution marking the 600th anniversary of Christianity in Soviet-occupied Lithuania.

As proclaimed by the Chicago-based Lithuanian Christianity Jubilee Committee, this anniversary celebration seeks to acknowledge Christianity as the great spiritual treasure of the Lithuanian nation and its decisive role in Lithuanian history and culture. It presents an opportunity to renew our solidarity with oppressed Lithuanian believers in their struggle for religious freedom, to call the attention of the world to their plight, and to win greater moral support for persecuted Christians in Lithuania.

In keeping with those objectives, the resolution I am submitting today reaffirms the Senate's support for the Lithuanian people in their struggle for religious liberty. Second, it urges the President, the Secretary of State, and the U.S. delegation to the Vienna CSCE Review Meeting to continue to speak out forcefully against violations of religious liberty in Lithuania and throughout the Soviet Union, and to solicit the support of our allies in that effort. Finally, the resolution calls upon the Soviet Union to honor its pledge to guarantee religious freedom as a signatory to numerous international agreements.

The Soviet authorities have sought to diminish Lithuania's celebration of the 600th anniversary of its Christianization, and have taken steps to prevent Pope John Paul II from visiting the faithful in Lithuania. They have forbidden Catholic lay believers to travel to Rome to participate in the papal celebration of the anniversary on June 28, 1987, and have baned all travel to Lithuania by foreigners, including Americans of Lithuanian descent, during the month of June. Lithuanian clergy have been warned that any anniversary activities not approved in advance by the Soviet Government and not restricted to churches may result in reprisals.

Mr. President, the Lithuanian people's efforts to celebrate this 600th anniversary of Christianity in their country deserve our support. I urge my colleagues to join me in expressing solidarity with their cause by cosponsoring this resolution.●

AMENDMENTS SUBMITTED

SENATORIAL ELECTION CAMPAIGN ACT OF 1987

BYRD (AND OTHERS) AMENDMENT NO. 305

Mr. BYRD (for himself, Mr. BOREN, and Mr. MOYNIHAN) proposed an amendment to the bill (S. 2) to amend the Federal Election Campaign Act of 1971 to provide for a voluntary system of spending limits and partial public financing of Senate general election campaigns, to limit contributions by multicandidate political committees, and for other purposes; as follows:

In lieu of the matter proposed to be inserted, insert the following:

That this Act may be cited as the "Senatorial Election Campaign Act of 1987".

SEC. 2. The Federal Election Campaign Act of 1971 is amended by adding at the end the following new title:

"TITLE V—SPENDING LIMITS AND PUBLIC MATCHING PAYMENTS FOR SENATE ELECTION CAMPAIGNS

"DEFINITIONS

"SEC. 501. For purposes of this title—

"(1) unless otherwise provided in this title the definitions set forth in section 301 of this Act apply to this title;

"(2) the term 'authorized committee' means, with respect to any candidate for election to the office of United States Senator, any political committee which is authorized in writing by such candidate to accept contributions or make expenditures on behalf of such candidate to further the election of such candidate;

"(3) the term 'candidate' means an individual who is seeking nomination for election, or election to the office of United States Senator and such individual shall be deemed to seek nomination for election, or election, if such individual meets the requirements of subparagraph (A) or (B) of section 301(2);

"(4) the term 'contribution' includes a payment described in section 301(8)(B)(x), made by a State or local committee of a political party, if—

"(A) the sum of the amount of such payment and the total amount of all previous such payments by such committee during the same election cycle exceeds the amount determined by multiplying one cent times the voting age population of the State in which the election is held; or

"(B) if any portion of such payment is used—

"(i) for the purpose of purchasing, leasing, or otherwise procuring, or procuring the use of, any telephone, computer, computer program, or mass mailing equipment; or

"(ii) for any purpose other than the purchase of materials described in section 301(8)(B)(x) which are to be used by individuals in the performance of services described in section 301(8)(B)(i) or are to be distributed by individuals providing such services;

"(5) the term 'election cycle' means—

"(A) in the case of a candidate or the authorized committee of a candidate, the term beginning on the day after the date of the last previous general election for such office or seat which such candidate seeks and ending on the date of the next election; or

"(B) for all other persons, such term shall begin on the first day following the date of the last general election and ending on the date of the next election;

"(6) the term 'eligible candidate' means a candidate who is eligible under section 502 to receive payments under this title;

"(7) the term 'expenditure' includes a payment described in section 301(9)(B)(viii), by a State or local committee of a political party if—

"(A) the sum of the amount of such payment and the total amount of all previous such payments by such committee during the same election cycle exceeds the amount determined by multiplying one cent times the voting age population of the State in which the election is held; or

"(B) if any portion of such payment is used—

"(i) for the purpose of purchasing, leasing, or otherwise procuring, or procuring the use of, any telephone, computer, computer program, or mass mailing equipment; or

"(ii) for any purpose other than the purchase of materials described in section 301(9)(B)(viii) which are to be used by individuals in the performance of services described in section 301(8)(B)(i) or are to be distributed by individuals providing such services;

"(8) the term 'general election' means any election which will directly result in the election of a person to the office of United States Senator, but does not include an open primary election;

"(9) the term 'general election period' means the period beginning on the day after the date on which the candidate qualifies for the general election ballot under the law of the State involved and ending on the date of such election or the date on which the candidate withdraws from the campaign or otherwise ceases actively to seek election, whichever occurs first;

"(10) the term 'immediate family' means a candidate's spouse, and any child, stepchild, parent, grandparent, brother, half-brother, sister or half-sister, of the candidate and the spouse of any such person and any child, stepchild, parent, grandparent, brother, half-brother, sister or half-sister of the candidate's spouse and the spouse of any such person.

"(11) the term 'major party' means 'major party' as defined in section 9002(6) of the Internal Revenue Code of 1986, the Presidential Election Campaign Fund Act, provided that a candidate in a general election held by a State to elect a Senator subsequent to an open primary in which all the candidates for the office participated and which resulted in the candidate and at least one other candidate qualifying for the ballot in the general election, shall be treated as a candidate of a major party for purposes of this title;

"(12) the term 'primary election' means any election which may result in the selection of a candidate for the ballot of the general election;

"(13) the term 'primary election period' means the period beginning on the day following the date of the last Senate election for the same Senate office and ending on the date of the first primary election for such office following such last Senate election for such office or the date on which the candidate withdraws from the election or otherwise ceases actively to seek election, whichever occurs first;

"(14) the term 'runoff election' means the election held after a primary election, and prescribed by applicable State law as the means for deciding which candidate(s) should be certified as nominee(s) for the Federal office sought;

"(15) the term 'runoff election period' means the period beginning on the day following the date of the last primary election for such office and ending on the date of the runoff election for such office;

"(16) the term 'Senate Fund' means the Senate Election Campaign Fund maintained by the Secretary of the Treasury in the Presidential Campaign Fund established by section 9006(a) of the Internal Revenue Code of 1986; and

"(17) the term 'voting age population' means the resident population, 18 years of age or older, as certified pursuant to section 315(e).

"ELIGIBILITY TO RECEIVE PAYMENTS

"SEC. 502. (a) To be eligible to receive payments under this title a candidate shall, within 7 days after qualifying for the general election ballot under the law of the State involved or, if such candidate is a candidate in a State which has a primary election to qualify for such ballot after September 1, within 7 days after the date such candidate wins in such primary, as determined by the Commission—

"(1) certify to the Commission under penalty of perjury that during the period beginning on January 1 of the calendar year preceding the year of the general election involved, or in the case of a special election for the office of United States Senator, during the period beginning on the day on which the vacancy occurs in that office, and ending on the date of such certification, such candidate and the authorized committees of such candidate have received contributions in an amount at least equal to 10 cents multiplied by the voting age population of such State or at least equal to $150,000, whichever is greater, up to an amount that is not more than $650,000;

"(2) certify to the Commission under penalty of perjury that all contributions received for purposes of paragraph (1) have come from individuals and that no contribution from such individual, when added to all contributions to or for the benefit of such candidate by such individual, was taken into account to the extent such amount exceeds $250;

"(3) certify to the Commission under penalty of perjury that such candidate and the authorized committees of such candidate have not expended and will not expend, for the primary election, more than the amount equal to 67 percent of the general election spending limit applicable to such candidate pursuant to section 503(b) or more than $2,750,000, whichever amount is less, unless such amount is increased pursuant to section 503(g);

"(4) certify to the Commission under penalty of perjury that such candidate has not expended and will not expend for runoff elections, if any, more than 20 percent of the maximum amount of the limitation applicable to such candidate as determined under section 503(b), unless such amount is increased pursuant to section 503(g);

"(5) certify to the Commission under penalty of perjury that 75 per centum of the aggregate amount of contributions received for purposes of paragraph (1) have come from individuals residing in such candidate's State;

"(6) certify to the Commission under penalty of perjury that at least one other candidate has qualified for the same general election ballot under the law of the State involved;

"(7) agree in writing that such candidate and the candidate's authorized committees—

"(A) have not made and will not make expenditures which exceed the limitations established in section 503, except as otherwise provided in this title;

"(B) will not accept any contributions in violation of section 315;

"(C) will not accept any contribution for the general election involved in excess of the limitation on expenditures established in section 503(b);

"(D) will deposit all payments received under this section at a national or State bank in a separate checking account which shall contain only funds so received, and will make no expenditures of funds received under this section except by checks drawn on such account;

"(E) will furnish campaign records, evidence of contributions and other appropriate information to the Commission;

"(F) will cooperate in the case of any audit and examination by the Commission under section 507; and

"(G) will not use any broadcast station, as such term is used in section 315 of the Communications Act of 1934, for the television broadcasting of a political announcement or advertisement during which reference is made to an opponent of such candidate unless such reference is made by such candidate personally and such candidate is identified or identifiable during at least 50 percent of the time of such announcement or advertisement, if such opponent has agreed to the requirements of this title or has received funds pursuant to the provisions of this title; and

"(8) apply to the Commission for payments as provided for in section 504.

"(b) For the purposes of subsection (a)(1) and paragraph (2) of section 504(a), in determining the amount of contributions received by a candidate and the candidate's authorized committees—

"(1) no contribution other than a gift of money made by a written instrument which identifies the person making the contribution shall be taken into account;

"(2) no contribution made through an intermediary or conduit referred to in section 315(a)(8) shall be taken into account;

"(3) no contribution received from any person other than an individual shall be taken into account, and no contribution received from an individual shall be taken into account to the extent such contribution exceeds $250 when added to the total amount of all other contributions made by such individual to or for the benefit of such candidate beginning on the applicable date specified in paragraph (4) of this subsection; and

"(4) no contribution received prior to January 1 of the calendar year preceding the year in which the general election involved or received after the date on which the general election involved is held shall be taken into account, and in the case of a special election for the office of United States Senator no contribution received prior to the date on which the vacancy occurs in that office or received after the date on which the general election involved is held shall be taken into account.

"(c) The threshold amounts in subsection (a)(1) shall be increased at the beginning of each calendar year based on the increase in the price index as determined under section 315(c), except that for purposes of determining such increase, the term 'base period', as used in such section shall mean the calendar year of the first election after the date of enactment of the Senatorial Election Campaign Act of 1987.

"LIMITATIONS ON EXPENDITURES

"SEC. 503. (a) No candidate who receives a payment for use in a general election under this title shall make expenditures from the personal funds of such candidate, or the funds of any member of the immediate family of such candidate, aggregating in excess of $20,000, during the election cycle.

"(b) Except as otherwise provided in this Act, no candidate who receives matching payments for use in a general election under this title shall make expenditures for such general election which in the aggregate exceed $400,000, plus—

"(1) in States having a voting age population of 4 million or less, 30 cents multiplied by the voting age population; or

"(2) in States having a voting age population over 4 million, 30 cents multiplied by 4 million plus 25 cents multiplied by the voting age population over 4 million;

except that the amount of the limitation under this subsection, in the case of any candidate, shall not be less than $950,000, nor more than $5,500,000.

"(c) The limitations on expenditures in subsections (b), (d), and (e) shall be subject to the provisions of subsections (b) and (c) of section 504.

"(d) No candidate who is otherwise eligible to receive payments for a general election under this title may receive any such payments if such candidate spends, for the primary election, more than the amount equal to 67 percent of the limitation on expenditures for the general election determined under subsection (b), or more than $2,750,000, whichever amount is less, except as provided in subsection (g).

"(e) No candidate who is otherwise eligible to receive payments for a general election under this title may receive any such payments if such candidate spends for a runoff election, if any, more than an amount which in the aggregate exceeds 20 percent of the maximum amount of the limitation applicable to such candidate as determined under subsection (b), except as provided in subsection (g).

"(f)(1) For purposes of this section, the amounts set forth in subsections (b), (d), and (e) of this section shall be increased at the beginning of each calendar year based on the increase in the price index as determined under section 315(c), except that for purposes of determining such increase the term 'base period', as used in section 315(c), means the calendar year of the first election after the date of enactment of the Senatorial Election Campaign Act of 1987.

"(2) Notwithstanding the provisions of subsection (b), in any State with no more than one transmitter for a commercial Very High Frequency (VHF) television station licensed to operate in that State, no candidate in such State who receives a payment for use in a general election under this title shall make expenditures for such general election which in the aggregate exceed the higher of—

"(A) $950,000; or

"(B) $400,000 plus 45 cents multiplied by the voting age population up to a population of 4 million, plus 40 cents multiplied by the voting age population over 4 million, up to an amount not exceeding $5,500,000.

"(3) The limitation set forth in subsection (b) shall not apply to expenditures by a candidate or a candidate's authorized committees from a compliance fund established to defray the costs of legal and accounting services provided solely to insure compliance with this Act; provided however that—

"(A) the Fund contains only contributions (including contributions received from individuals which, when added to all other contributions and matching payments, exceed the limitations on expenditures) received in accordance with the limitations, prohibitions, and reporting requirements of this Act;

"(B) the aggregate total of contributions to, and expenditures from, the Fund will not exceed 10 percent of the limitation on expenditures for the general election determined under subsection (b); and

"(C) no transfers may be made from the Fund to any other accounts of the candidate's authorized committees, except that the Fund may receive transfers from such other accounts at any time.

In the event that, subsequent to any general election, a candidate determines that the costs of necessary and continuing legal and accounting services require contributions to and expenditures from the Fund in excess of the limitations of this paragraph, the candidate may petition the Commission for a waiver of such limitations up to any additional amounts as the Commission may authorize in connection with such waiver. Any waiver, or denial of a waiver, by the Commission under this paragraph shall be subject to judicial review under section 508. Any funds left when the candidate terminates or dissolves the fund, shall be—

"(i) contributed to the United States Treasury to reduce the budget deficit, or

"(ii) transferred to a fund of a subsequent campaign of that candidate.

"(g) If, during the two-year election cycle preceding the candidate's election, independent expenditures by any person or persons aggregating an amount in excess of $10,000 are made in opposition to a candidate or for the opponent of such candidate, the limitations provided in subsection (d) and subsection (e), as they apply to such candidate, shall be increased in an amount equal to the amount of such expenditures.

"(h) If the provisions of section 506(c) apply and such candidate does not receive his full entitlement to matching payments, such candidate may accept aggregate contributions in an amount which, when added to the aggregate expenditures made by such candidate do not exceed the limitation on expenditures applicable to such candidate pursuant to section 503.

"ENTITLEMENT OF ELIGIBLE CANDIDATES TO PAYMENTS

"SEC. 504. (a) Except as otherwise provided in section 506(c)—

"(1) eligible candidates shall be entitled to matching payments under section 506 in an amount equal to the amount of each contribution received by such candidate and such candidate's authorized committees, provided that in determining the amount of each such contribution—

"(A) the provisions of section 502(b) shall apply; and

"(B) the contributions required by section 502(a)(1) shall not be eligible for matching payments under this title; and

the total amount of payments to which a candidate is entitled under this paragraph shall not exceed 50 percent of the amount equal to the difference between the amount of the limitation for such candidate determined under section 503(b) and the amount required to be raised by such candidate to establish eligibility under section 502(a)(1);

"(2)(A) an eligible candidate who is a candidate of a major party shall be entitled to a payment under section 506 in an amount equal to the amount of the limitation determined under section 503(b) with regard to such candidate, if any candidate in the same general election not eligible to receive funds under this title either raises aggregate contributions or makes aggregate expenditures for such election which exceed the amount of the limitation determined under section 503(b) for such election;

"(B) an eligible candidate who is not a candidate of a major party shall be entitled to matching payments under section 506, equal to the amount of contributions received by such candidate and the candidate's authorized committees if any candidate in the same general election not eligible to receive payments under this title either raises aggregate contributions or makes aggregate expenditures for such election which exceed the amount of the limitation determined under section 503(b) for such election, provided that in determining the amount of each such contribution—

"(i) the provisions of section 502(b) shall apply; and

"(ii) contributions matched under subparagraph (A) of this paragraph or required to be raised under section 502(a)(1) shall not be eligible to be matched under this paragraph; and

the total amount of payments to which a candidate is entitled under this subsection shall not exceed 50 percent of the amount of the limitation determined under section 503(b) applicable to such candidate;

"(3) all eligible candidates shall be entitled to—

"(A) the broadcast media rates provided under section 315(b) of the Communications Act of 1934; and

"(B) payments under section 506 equal to the aggregate total amount of independent expenditures made or obligated to be made, in the general election involved by any person in opposition to, or on behalf of an opponent of, such eligible candidate, as reported by such person or determined by the Commission under subsection (f) or (g) of section 304.

"(b) A candidate who receives payments under paragraph (2) or (3)(B) of subsection (a) may spend such funds to defray expenditures in the general election without regard to the provisions of section 503(b).

"(c) A candidate who receives payments under this section may receive contributions and make expenditures for the general election without regard to the provisions of subparagraphs (A) and (C) of section 502(a)(7) or subsections (a) or (b) of section 503 if and when any candidate in the same general election not eligible to receive payments under this section either raises aggregate contributions or makes aggregate expenditures for such election which exceed twice the amount of the expenditure limit applicable to such candidate under section 503(b) for such election.

"(d) Payments received by a candidate under this section shall be used to defray expenditures incurred with respect to the general election period for such candidate. Such payments shall not be used (1) to make any payments, directly or indirectly, to such candidate or to any member of the immediate family of such candidate, (2) to make any expenditure other than expenditures to further the general election of such candidate, (3) to make any expenditures which constitute a violation of any law of the United States or of the State in which the expenditure is made, or (4) to repay any loan to any person except to the extent the proceeds of such loan were used to further the general election of such candidate.

"(e)(1) Except as provided in paragraph (2), a candidate eligible to receive payments pursuant to this title shall be entitled to matching payments equal to the amount of contributions eligible to be matched which are received from individuals in amounts of $250 or less, to be paid in—

"(A) multiples of $20,000 under section 506, if, with respect to each such payment, the eligible candidate and the authorized committees of such candidate have received, in addition to the amount of contributions certified by the candidate to the Commission under section 502(a)(1), contributions aggregating $20,000 which have not been matched under this section and which qualify for matching funds; and

"(B) a final payment (designated as such by the candidate involved) of the balance of the matching funds to which such candidate is entitled under this section.

"(2) The total of the payments to which a candidate is entitled under paragraph (1) shall not exceed 50 per centum of the amount equal to the difference between the amount of the limitation for such candidate determined under section 503(b) and the amount required to be raised by such candidate to establish eligibility under section 502(a)(1).

"CERTIFICATION BY COMMISSION

"SEC. 505. (a) No later than 48 hours after an eligible candidate files a request with the Commission to receive payments under section 506 the Commission shall certify such eligibility to the Secretary of the Treasury for payment in full of the amount to which such candidate is entitled, unless the provisions of section 506(c) apply. The request referred to in the preceding sentence shall contain—

"(1) such information and be made in accordance with such procedures, as the Commission may provide by regulation; and

"(2) a verification signed by the candidate and the treasurer of the principal campaign committee of such candidate stating that the information furnished in support of the request, to the best of their knowledge, is correct and fully satisfies the requirements of this title.

"(b) Certifications by the Commission under subsection (a) and all determinations made by the Commission under this title, shall be final and conclusive, except to the extent that they are subject to examination and audit by the Commission under section 507 and judicial review under section 508.

"ESTABLISHMENT OF FUND; PAYMENTS TO ELIGIBLE CANDIDATES

"SEC. 506. (a) The Secretary shall maintain in the Presidential Election Campaign Fund (hereafter referred to as the 'Fund') established by section 9006(a) of the Internal Revenue Code of 1986, in addition to any other accounts maintained under such section, a separate account to be known as the 'Senate Fund'. The Secretary shall, from time to time, deposit into the Senate Fund, for use by candidates eligible to receive payments under this title, the amounts available after the Secretary determines that the amounts in the Fund necessary for payments under subtitle H of the Internal Revenue Code of 1986 are adequate for the next presidential election. The monies designated for such account shall remain available without fiscal year limitation.

"(b) Pursuant to the priorities provided in paragraph (3) of subsection (c), upon receipt of a certification from the Commission under section 505, the Secretary shall promptly pay to the candidate involved in the certification, out of the Senate Fund, the amount certified by the Commission.

"(c)(1) If at the time of a certification by the Commission under section 505 for payment to an eligible candidate, the Secretary determines that the monies in the Senate Fund are not, or may not be, sufficient to satisfy the full entitlement of all such eligible candidates, the Secretary shall withhold from such payment such amount as he determines to be necessary to assure that an eligible candidate will receive a pro rata share of such candidate's full entitlement. Amounts so withheld shall be paid when the Secretary determines that there are sufficient monies in the Senate Fund to pay such amounts, or portions thereof, to all eligible candidates from whom amounts have been withheld, but, if there are not sufficient monies in the Senate Fund to satisfy the full entitlement of an eligible candidate, the amounts so withheld shall be paid in such manner that each eligible candidate receives his or her pro rata share of his or her full entitlement. The Secretary shall notify the Commission and each eligible candidate by registered mail of the reduction in the amount to which that candidate is entitled under section 505.

"(2) If the provisions of this subsection result in a reduction in the amount to which an eligible candidate is entitled under section 505 and payments have been made under this section in excess of the amount to which such candidate is entitled, such candidate is liable for repayment to the Fund of the excess under procedures the Commission shall prescribe by regulation.

"(3) If the provisions of this subsection apply and the monies in the fund are not sufficient to satisfy the full entitlement of all candidates, in addition to the procedures provided in paragraph (2), the Secretary shall give priority to general election payments and pay such payments, or portions thereof, before other payments made pursuant to this title.

"(d) On February 28, 1993, and each February 28 of any odd-numbered calendar year thereafter, the Commission shall determine the total amount in the Fund attributable to amounts designated under section 6096 of the Internal Revenue Code of 1986 and evaluate if such amount exceeds the total estimated expenditures of the Fund for the election cycle ending with the next Federal election. If it is determined that an excess amount exists, the Secretary of the Treasury shall transfer such excess to the general funds of the Treasury of the United States.

"EXAMINATION AND AUDITS; REPAYMENTS

"SEC. 507. (a)(1) After each general election, the Commission shall conduct an examination and audit of the campaign account of 10 per centum of the eligible candidates of each major party and 10 per centum of all other eligible candidates, as designated by the Commission through the use of an appropriate statistical method of random selection to determine, among other things, whether such candidates have complied with the expenditure limits and other conditions of eligibility and requirements of this title.

"(2) After each special election, the Commission shall conduct an examination and audit of the campaign accounts of each eligible candidate in such election to determine whether such candidates have complied with the expenditure limits and other conditions of eligibility and requirements under this title.

"(3) The Commission may conduct an examination and audit of the campaign accounts of any eligible candidate in a general election if the Commission, by an affirmative vote of four members, determines that there exists reason to believe that such candidate has violated any provision of this title.

"(b) If the Commission determines that any portion of the payments made to a candidate under this title was in excess of the aggregate payments to which such candidate was entitled, the Commission shall so notify such candidate, and such candidate shall pay to the Secretary an amount equal to the excess.

"(c) If the Commission determines that any amount of any payment made to a candidate under this title was not used as provided for in this title, the Commission shall so notify such candidate and such candidate shall pay to the Secretary an amount equal to 200 per centum of the amount of such funds.

"(d) If the Commission determines that any candidate who has received payments under this title has made expenditures which in the aggregate exceed by 5 per centum or less the limitation set forth in section 503(b), the Commission shall so notify such candidate and such candidate shall pay to the Secretary an amount equal to the amount of the excess expenditure.

"(e) If the Commission determines that any candidate who has received payments under this title has made expenditures which in the aggregate exceed by more than 5 per centum the limitation set forth in section 503(b), the Commission shall so notify such candidate and such candidate shall pay the Secretary an amount equal to three times the amount of the excess expenditure up to an amount not in excess of the payments received pursuant to section 504.

"(f) Any amount received by an eligible candidate under this title may be retained for a period not exceeding sixty days after the date of the general election for the liquidation of all obligations to pay general election campaign expenses incurred during this general election period. At the end of such sixty-day period any unexpended funds received under this title shall be promptly repaid to the Secretary.

"(g) No notification shall be made by the Commission under this section with respect to an election more than three years after the date of such election.

"(h) All payments received under this section shall be deposited in the Senate Fund.

"CRIMINAL PENALTIES

"SEC. 507A. (a) No candidate shall knowingly or willfully accept payments under this title in excess of the aggregate payments to which such candidate is entitled or knowingly or willfully use such payments for any purpose not provided for in this title or knowingly or willfully make expenditures from his personal funds, or the personal funds of his immediate family, in excess of the limitation provided in this title.

"(b) Any person who violates the provisions of subsection (a) shall be fined not more than $25,000, or imprisoned not more than 5 years, or both. Any officer or member of any political committee who knowingly consents to any expenditure in violation of the provisions of subsection (a) shall be fined not more than $25,000, or imprisoned not more than 5 years, or both.

"(c)(1) It is unlawful for any person who receives any payment under this title, or to whom any portion of any such payment is transferred, knowingly and willfully to use, or authorize the use of, such payment or such portion except as provided in section 504(d).

"(2) Any person who violates the provisions of paragraph (1) shall be fined not more than $10,000, or imprisoned not more than 5 years, or both.

"(d)(1) It is unlawful for any person knowingly and willfully—

"(A) to furnish any false, fictitious, or fraudulent evidence, books, or information (including any certification, verification, notice, or report), to the Commission under this title, or to include in any evidence, books, or information so furnished any misrepresentation of a material fact, or to falsify or conceal any evidence, books, or information relevant to a certification by the Commission or an examination and audit by the Commission under this title, or

"(B) to fail to furnish to the Commission any records, books, or information requested by it for purposes of this title.

"(2) Any person who violates the provisions of paragraph (1) shall be fined not more than $10,000, or imprisoned not more than 5 years, or both.

"(e)(1) It is unlawful for any person knowingly and willfully to give or accept any kickback or any illegal payment in connection with any payments received by any candidate who receives payments under this title, or the authorized committees of such candidate.

"(2) Any person who violates the provisions of paragraph (1) shall be fined not more than $10,000, or imprisoned not more than 5 years, or both.

"(3) In addition to the penalty provided by paragraph (2), any person who accepts any kickback or illegal payment in connection with any payments received by any candidate pursuant to the provisions of this title, or received by the authorized committees of such candidate, shall pay to the Secretary for deposit in the Fund, an amount equal to 125 percent of the kickback or payment received.

"JUDICIAL REVIEW

"SEC. 508. (a) Any agency action by the Commission made under the provisions of this title shall be subject to review by the United States Court of Appeals for the District of Columbia Circuit upon petition filed in such court within thirty days after the agency action by the Commission for which review is sought. It shall be the duty of the Court of Appeals, ahead of all matters not filed under this title, to advance on the docket and expeditiously take action on all petitions filed pursuant to this title.

"(b) The provisions of chapter 7 of title 5, United States Code, apply to judicial review of any agency action, as defined in section 551(13) of title 5, United States Code, by the Commission.

"PARTICIPATION BY COMMISSION IN JUDICIAL PROCEEDINGS

"SEC. 509. (a) The Commission is authorized to appear in and defend against any action instituted under this section and under section 508 either by attorneys employed in its office or by counsel whom it may appoint without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and whose compensation it may fix without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title.

"(b) The Commission is authorized through attorneys and counsel described in subsection (a), to institute actions in the district courts of the United States to seek recovery of any amounts determined under section 507 to be payable to the Secretary.

"(c) The Commission is authorized, through attorneys and counsel described in subsection (a), to petition the courts of the United States for such injunctive relief as is appropriate in order to implement any provision of this title.

"(d) The Commission is authorized on behalf of the United States to appeal from, and to petition the Supreme Court for certiorari to review, judgments or decrees entered with respect to actions in which it appears, pursuant to the authority provided in this section.

"REPORTS TO CONGRESS; REGULATIONS

"SEC. 510. (a) The Commission shall, as soon as practicable after each election, submit a full report to the Senate setting forth—

"(1) the expenditures (shown in such detail as the Commission determines appropriate) made by each eligible candidate and the authorized committees of such candidate;

"(2) the amounts certified by the Commission under section 505 for payment to each eligible candidate;

"(3) the amount of repayments, if any, required under section 507, and the reasons for each payment required; and

"(4) the balance in the Presidential Election Campaign Fund, and the balance in the Senate Fund and any other account maintained in the Fund.

Each report submitted pursuant to this section shall be printed as a Senate document.

"(b) The Commission is authorized to prescribe such rules and regulations in accordance with the provisions of subsection (c), to conduct such examinations and investigations, and to require the keeping and submission of such books, records, and information, as it deems necessary to carry out the functions and duties imposed on it by this title.

"(c) Thirty days before prescribing any rules or regulation under subsection (b), the Commission shall transmit to the Senate a statement setting forth the proposed rule or regulation and containing a detailed explanation and justification of such rule or regulation.

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 511. There are authorized to be appropriated to the Commission for the purpose of carrying out functions under this title, such sums as may be necessary.".

SENATE FUND

SEC. 3. Section 6096(a) of the Internal Revenue Code of 1986 is amended—

(1) by striking out "$1" each place it appears in that subsection and inserting in lieu thereof "$2"; and

(2) by striking out "$2" each place it appears in that subsection and inserting in lieu thereof "$4".

BROADCAST RATES

SEC. 4. Section 315(b)(1) of the Communications Act of 1934 (47 U.S.C. 315(b)(1)) is amended by striking the semicolon and inserting in lieu thereof the following: ": *Provided*, That in the case of candidates for United States Senator in a general election, as such term is defined in section 501(8) of the Federal Election Campaign Act of 1971, this provision shall apply only if such candidate has been certified by the Federal Election Commission as eligible to receive payments under title V of such Act;".

REPORTING REQUIREMENTS

SEC. 5. (a) Section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434) is amended by adding at the end thereof the following new subsections:

"(d)(1) Not later than the day after the date on which a candidate for the United States Senate qualifies for the ballot for a general election, as such term is defined in section 501(8), each such candidate in such election shall file with the Commission a declaration of whether or not such candidate intends to make expenditures in excess of the amount of the limitation on expenditures for such election, as determined under section 503(b).

"(2) Any declaration filed pursuant to paragraph (1) may be amended or changed at any time within 7 days after the filing of such declaration. Such amended declaration may not be amended or changed further.

"(e)(1) Any candidate for United States Senator who qualifies for the ballot for a general election, as such term is defined in section 501(8)—

"(A) who is not eligible to receive payments under section 502, and

"(B) who either raises aggregate contributions or makes aggregate expenditures for such election which exceed the amount of the limitation determined under section 503(b) for such Senate election,

shall file a report with the Commission within 24 hours after such contributions have been raised or such expenditures have been made or within 24 hours after the date of qualification for the general election ballot, whichever is later, setting forth the candidate's total contributions and total expenditures for such election. If such total is less than two times the limit, such candidate thereafter shall file a report with the Commission within 24 hours after either raising aggregate contributions or making aggregate expenditures for such election which exceed twice the amount of the limitation determined under section 503(b), setting forth the candidate's total contributions and total expenditures for such election.

"(2) The Commission, within 24 hours after such report has been filed, shall notify each candidate in the election involved who is eligible to receive payments pursuant to the provisions of this title under section 504, about each such report, and shall certify, pursuant to the provisions of subsection (i), such eligibility to the Secretary of the Treasury for payment of the amount to which such candidate is entitled.

"(3) Notwithstanding the reporting requirement established in this subsection, the Commission may make its own determination that a candidate in a general election, as such term is defined in section 501(8), who is not eligible to receive payments under section 504, has raised aggregate contributions or made aggregate expenditures for such election which exceed the amount of the limitation determined under section 503(b) for such election or exceed double such amount. The Commission, within 24 hours after making such determination, shall notify each candidate in the general election involved who is eligible to receive payments under section 504 about each such determination, and shall certify, pursuant to the provisions of subsection (i), such eligibility to the Secretary of the Treasury for payment of the amount to which such candidate is entitled.

"(f)(1) All independent expenditures, if any, (including those described in subsection (b)(6)(B)(iii)) made by any person after the date of the last Federal election with regard to a general election, as such term is defined in section 501(8), and all obligations to make such expenditures incurred by any person during such period, if any, shall be reported by such person to the Commission as provided in paragraph (2), if such expenditure or obligation is described in such paragraph.

"(2) Independent expenditures by any person as referred to in paragraph (1) shall be reported within 24 hours after the aggregate amount of such expenditures incurred or obligated first exceeds $10,000. Thereafter, independent expenditures referred to in such paragraph made by the same person in the same election shall be reported, within 24 hours after, each time the aggregate amount of such expenditures incurred or obligated, not yet reported under this subparagraph, exceeds $5,000.

"(3) Each report under this subsection shall be filed with the Commission and Secretary of State for the State of the election involved and shall contain (A) the information required by subsection (b)(6)(B)(iii) of this section, and (B) a statement filed under penalty of perjury by the person making the independent expenditures, or by the person incurring the obligation to make such expenditures, as the case may be, that identifies the candidate whom the independent expenditures are actually intended to help elect or defeat. If any such independent expenditures are made during the general election cycle, and if such candidate is eligible to receive payments pursuant to title V of this Act, the Commission shall, within 24 hours after such report is made, notify such candidate in the election involved about each such report, and shall certify such eligibility to the Secretary of the Treasury for payment of the amount to which such candidate is entitled.

"(4)(A) Notwithstanding the reporting requirements established in this subsection, the Commission may make its own determination that a person has made independent expenditures, or has incurred an obligation to make such expenditures, as the case may be, with regard to a general election, as defined in section 501(8), that in the aggregate total more than the applicable amount specified in paragraph (2).

"(B) The Commission shall, within 24 hours after such determination is made, notify each candidate in the election involved who is eligible to receive payments under section 504 about each determination under subparagraph (A), and shall certify, pursuant to the provisions of subsection (i), such eligibility to the Secretary of the Treasury for payment in full of the amount to which such candidate is entitled.

"(g)(1) When two or more persons make an expenditure or expenditures in coordination, consultation, or concert (as described in paragraph (2) or otherwise) for the purpose of promoting the election or defeat of a clearly identified candidate, each such person shall report to the Commission, under subsection (f), the amount of such expenditure or expenditures made by such person in coordination, consultation, or concert with such other person or persons when the total amount of all expenditures made by such persons in coordination, consultation, or concert with each other exceeds the applicable amount provided in such subsection.

"(2) An expenditure by one person shall constitute an expenditure in coordination, consultation, or concert with another person where—

"(A) there is any arrangement, coordination, or direction with respect to the expenditure between such persons making the expenditures, including any officer, director, employee or agent of such person;

"(B) in the same two-year election cycle, one of the persons making the expenditures (including any officer, director, employee or agent of such person) is or has been, with respect to such expenditures—

"(i) authorized by such other person to raise or expend funds on behalf of such other person; or

"(ii) receiving any form of compensation or reimbursement from such other person or an agent of such other person;

"(C) one of the persons making expenditures (including any officer, director, employee or agent of such person) has communicated with, advised, or counseled such other person in connection with such expenditure; or

"(D) one of the persons making expenditures and such other person making expenditures each retain the professional services of the same individual or person in connection with such expenditures.

"(h)(1) Every political committee, as defined in section 301(4), active in non-Federal elections and maintaining separate accounts for this purpose shall file with the Commission reports of funds received into and disbursements made from such accounts for activities which may influence an election to any Federal office. For purposes of this section, activities which may influence an election to any Federal office include, but are not limited to—

"(A) voter registration and get-out-the-vote drives directed to the general public in connection with any election in which Federal candidates appear on the ballot;

"(B) general public political advertising which includes references, however incidental, to clearly identified Federal as well as non-Federal candidates for public office; or which does not clearly identify Federal candidates but urges support for or opposition to all the candidates of a political party or other candidates in a classification or context which includes Federal candidates; and

"(C) any other activities which require an allocation of costs between a political committee's Federal and non-Federal accounts reflecting the impact on Federal elections in accordance with regulations prescribed or Advisory Opinions rendered by the Commission.

"(2) Reports required to be filed by this subsection shall be filed for the same time-periods required for political committees under section 304(a), and shall include:

"(A) a separate statement, for each of the activities in connection with which a report is required under paragraph (1), of the aggregate total of disbursements from the non-Federal accounts; and

"(B) supporting schedules, providing an identification of each donor together with the amount and date of each donation with regard to those receipts of the non-Federal account which comprise disbursements reported under subparagraph (A), provided, however, that such schedules are required only for donations from any one source aggregating in excess of $200 in any calendar year.

"(3) Reports required to be filed by this subsection need not include donations made to or on behalf of non-Federal candidates or political organizations in accordance with the financing and reporting requirements of State laws, or other disbursements from the non-Federal accounts in support of exclusively non-Federal election activities, provided that such donations or disbursements are governed solely by such State laws and not subject to paragraph (1) of this subsection.

"(i) The certification required by this section shall be made by the Commission on the basis of reports filed with such Commission in accordance with the provisions of this Act, or on the basis of such Commission's own investigation or determination, notwithstanding the provisions of section 505(a).".

(b) Section 301(8)(B) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(8)(B)) is amended by—

(1) inserting "except for purposes of reporting and disclosing, pursuant to section 304, such amounts in excess of $200," at the beginning of subparagraphs (v), (viii), (x), and (xii); and

(2) inserting at the end thereof the following:

"(C) The exclusions provided in subparagraphs (v), (viii), (x), and (xii) of paragraph (B) shall not be exclusions from the definition of contributions for purposes of reporting contributions as required by section 304, and all such contributions shall be reported.".

(c) Section 301(4) of the Federal Election Campaign Act of 1971 is amended by adding at the end thereof the following:

"For purposes of this section, the receipt of contributions or making of expenditures shall be determined by the Commission on the basis of facts and circumstances, in whatever combination, demonstrating a purpose of influencing any election for Federal office, including, but not limited to, the representations made by any person soliciting funds about their intended uses; the identification by name of individuals who are candidates for Federal office, as defined in paragraph (2) of this section, or of any political party, in general public political advertising; and the proximity to any primary, run-off, or general election of general public political advertising designed or reasonably calculated to influence voter choice in that election.".

(d) Section 301(9)(B) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(9)(B)) is amended by—

(1) inserting "except for purposes of reporting and disclosing, pursuant to section 304, such amounts in excess of $200," at the beginning of subparagraphs (iv), (vi), (viii), and (ix); and

(2) inserting at the end thereof the following:

"(C) The exclusions provided in subparagraphs (iv), (vi), (viii), and (ix) of paragraph (B) shall not be exclusions from the definition of expenditures for purposes of reporting expenditures as required by this Act, and all such expenditures shall be reported.".

(e) Section 301 of the Federal Election Campaign Act of 1971 (2 U.S.C. 431) is amended by adding at the end thereof the following:

"(20) The term 'election cycle' means—

"(A) in the case of a candidate or the authorized committees of a candidate, the term beginning on the day after the date of the last previous general election for such office or seat which such candidate seeks and ending on the date of the next election; or

"(B) for all other persons, the term beginning on the first day following the date of the last general election and ending on the date of the next election.".

(f) Section 304(b)(2) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(b)(2)) is amended by striking out "for the reporting period and calendar year," and inserting in lieu thereof "for the reporting period and calendar year in the case of committees other than authorized committees of a candidate, and for the reporting period and election cycle in the case of authorized committees of candidates,".

(g)(1) Section 304(b)(4) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(b)(4)) is amended by striking out "for the reporting period and calendar year," and inserting in lieu thereof "for the reporting period and calendar year in the case of committees other than authorized committees of a candidate, and for the reporting period and election cycle in the case of authorized committees of candidates,".

(2) Section 304(b)(3) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(b)(3)) is amended—

(A) in subparagraph (A), by inserting after "calendar year," the following: "in the case of committees other than authorized committees or in excess of $200 within the election cycle in the case of authorized committees,";

(B) in subparagraph (F), by inserting after "calendar year," the following: "in the case of committees other than authorized committees or in excess of $200 within the election cycle in the case of authorized committees,"; and

(C) in subparagraph (G), by inserting after "calendar year," the following: "in the case of committees other than authorized committees or in excess of $200 within the election cycle in the case of authorized committees,".

(3) Section 304(b)(5)(A) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(b)(5)(A)) is amended by inserting after "calendar year," the following: "in the case of committees other than authorized committees or in excess of $200 within the election cycle in the case of authorized committees,".

(4) Section 304(b)(6)(A) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(b)(6)(A)) is amended by striking out "calendar year" and inserting in lieu thereof "election cycle".

(h) Section 301(13) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(13)) is amended by striking out "mailing address" and inserting in lieu thereof "permanent residence address".

(i) Section 304(b)(5)(A) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(b)(5)(A)) is amended by adding before the semicolon at the end thereof the following: ", except that if a person to whom an expenditure is made is merely providing personal or consulting services and is in turn making expenditures to other persons who provide goods or services to the candidate or his authorized committees, the name and address of such other person, together with the date, amount and purpose of such expenditure shall also be disclosed".

LIMITS ON CONTRIBUTIONS BY MULTICANDIDATE POLITICAL COMMITTEES AND SEPARATE SEGREGATED FUNDS

SEC. 6. (a) Section 315(a)(2) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(2)) is amended by—

(1) striking out "or" at the end of subparagraph (B);

(2) striking out the period at the end of subparagraph (C) and inserting in lieu thereof a semicolon; and

(3) adding at the end the following new subparagraphs:

"(D) to any candidate for the office of Member of, or Delegate or Resident Commissioner to, the House of Representatives and the authorized political committees of such candidate with respect to—

"(i) a general or special election for the office of Representative in, or Delegate or Resident Commissioner to, the Congress (including any primary election, convention, or caucus relating to such general or special election) which exceed $100,000 ($125,000 if at least two candidates qualify for the ballot in the general or special election involved and at least two candidates qualify for the ballot in a primary election relating to such general or special election), when added to the total of contributions previously made by multicandidate political committees and separate segregated funds, other than multicandidate committees of a political party, to such candidate and his authorized political committees with respect to such general or special election (including any primary election, convention, or caucus relating to such general or special election); or

"(ii) a runoff election for the office of Representative in, or Delegate or Resident Commissioner to, the Congress which exceed $25,000 when added to the total of contributions previously made by multicandidate political committees and separate segregated funds, other than multicandidate committees of a political party, to such candidate and his authorized political committees with respect to such runoff election;

"(E) to any candidate for the office of Senator and the authorized political committees of such candidate with respect to—

"(i) a general or special election for such office (including any primary election, convention, or caucus relating to such general or special election) which, when added to the total of contributions previously made by multicandidate political committees and separate segregated funds, other than multicandidate committees of a political party, to such candidate and his authorized political committees with respect to such general or special election (including any primary election, convention, or caucus relating to such general or special election) exceeds an amount equal to 30 percent of the amount provided in section 315(i); or

"(ii) a runoff election for the office of United States Senator which exceeds, when added to the total of contributions previously made by multicandidate political committees and separate segregated funds, other than multicandidate committees of a political party, to such candidate and his authorized political committees with respect to such runoff election, an amount equal to 30 percent of the limitation on expenditures provided in section 315(j), for runoff elections; or

"(F) to any State committee of a political party, including any subordinate committee of a State committee, which, when added to the total of contributions previously made by multi-candidate political committees and separate segregated funds, other than multi-candidate committees of a political party, to such State committee exceeds an amount equal to—

"(i) 2 cents multiplied by the voting age population of the State of such State committee, or

"(ii) $25,000,

whichever is greater. The limitation of this subparagraph shall apply separately with respect to each two-year Federal election cycle, covering a period from the day following the date of the last Federal general election held in that State through the date of the next regularly scheduled Federal general election.".

(b)(1) Section 315 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a) is amended by adding at the end thereof the following:

"(i) For purposes of subsection (a)(2)(E)(i), such limitation shall be an amount equal to 67 percent of the aggregate of $400,000, plus—

"(1) in States having a voting age population of 4 million or less, 30 cents multiplied by the voting age population; or

"(2) in States having a voting age population over 4 million, 30 cents multiplied by 4 million plus 25 cents multiplied by the voting age population over 4 million;

except that such amount shall not be less than $950,000, nor more than $5,500,000.

"(j) For purposes of subsection (a)(2)(E)(ii), such limitation shall be an amount equal to 20 percent of the aggregate of $400,000, plus—

"(1) in States having a voting age population of 4 million or less, 30 cents multiplied by the voting age population; or

"(2) in States having a voting age population over 4 million, 30 cents multiplied by 4 million plus 25 cents multiplied by the voting age population over 4 million;

except that such amount shall not be less than $950,000, nor more than $5,500,000.".

(2) Section 315(c) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(c)) is amended by—

(A) striking out "subsection (b) and subsection (d)" in paragraph (1) and inserting in lieu thereof "subsections (b), (d), (i), and (j)"; and

(B) inserting "for subsections (b) and (d) and the term 'base period' means the calendar year of the first election after the date of enactment of the Senatorial Election Campaign Act of 1987, for subsections (i) and (j)" before the period at the end of paragraph (2)(B).

(c) Section 315(d) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(d)) is amended—

(1) in paragraph (1), by striking out "(2) and (3)" and inserting in lieu thereof "(2), (3), (4), and (5)";

(2) by adding at the end thereof the following:

"(4) No congressional campaign committee may accept, during any two-year election cycle, contributions from multicandidate political committees and separate segregated funds which, in the aggregate, exceed 30 percent of the total expenditures which may be made during such election cycle by that committee on behalf of candidates for Senator, Representative, Delegate, or Resident Commissioner pursuant to the provisions of paragraph (3).

"(5) No national committee of a political party may accept contributions from multicandidate political committees and separate segregated funds, during any two-year election cycle, which, in the aggregate, equal an amount in excess of an amount equal to 2 cents multiplied by the voting age population of the United States.

"(6) The limitations contained in paragraphs (2) and (3) shall apply to any expenditure through general public political advertising, whenever made, which clearly identifies by name an individual who is, or is seeking nomination to be, a candidate in the general election for Federal office of President, Senator or Representative; provided that this paragraph shall not apply to direct mail communications designed primarily for fundraising purposes which make only incidental reference to any one or more Federal candidates.".

INTERMEDIARY OR CONDUIT

SEC. 7. (a) Section 315(a)(8) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(8)) is amended to read as follows:

"(8) For purposes of this subsection—

"(A) contributions made by a person, either directly or indirectly, to or on behalf of a particular candidate, including contributions which are in any way earmarked or otherwise directed through an intermediary or conduit to such candidate, shall be treated as contributions from such person to such candidate;

"(B) contributions made by a person either directly or indirectly, to or on behalf of a particular candidate, through an intermediary or conduit, including all contributions delivered or arranged to be delivered by such intermediary or conduit, shall also be treated as contributions from the intermediary or conduit, if—

"(i) the contributions made through the intermediary or conduit are in the form of a check or other negotiable instrument made payable to the conduit or intermediary rather than the intended recipient; or

"(ii) the conduit or intermediary is a political committee, other than an authorized committee of a candidate, within the meaning of section 301(4), or an officer, employee or other agent of such a political committee, or an officer, employee or other agent of a connected organization, within the meaning of section 301(7), acting in its behalf; and

"(C) the limitations imposed by this paragraph shall not apply to—

"(i) bona fide joint fundraising efforts conducted solely for the purpose of sponsorship of a fundraising reception, dinner, or other event in accordance with rules and regulations prescribed by the Commission by (I) two or more candidates, (II) two or more national, State, or local committees of a political party within the meaning of section 301(4) acting on their own behalf, or (III) a special committee formed by (a) two or more candidates or (b) one or more candidates and one or more national, State, or local committees of a political party acting on their own behalf;

"(ii) fundraising efforts for the benefit of a candidate which are conducted by another candidate within the meaning of section 301(2).

In all cases where contributions are made by a person either directly or indirectly to or on behalf of a particular candidate through an intermediary or conduit, the intermediary or conduit shall report the original source and the intended recipient of such contribution to the Commission and to the intended recipient.".

INDEPENDENT EXPENDITURES

SEC. 8. (a) Section 301(17) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 (17)) is amended by adding at the end thereof the following: "An expenditure shall constitute an expenditure in coordination, consultation, or concert with a candidate and shall not constitute an 'independent expenditure' where—

"(A) there is any arrangement, coordination, or direction with respect to the expenditure between the candidate or the candidate's agent and the person (including any officer, director, employee or agent of such person) making the expenditure;

"(B) in the same election cycle, the person making the expenditure (including any officer, director, employee or agent of such person) is or has been—

"(i) authorized to raise or expend funds on behalf of the candidate or the candidate's authorized committees,

"(ii) serving as an officer of the candidate's authorized committees, or

"(iii) receiving any form of compensation or reimbursement from the candidate, the candidate's authorized committees, or the candidate's agent;

"(C) the person making the expenditure (including any officer, director, employee or agent of such person) has communicated with, advised, or counseled the candidate or the candidate's agents at any time on the candidate's plans, projects, or needs relating to the candidate's pursuit of nomination for election, or election to Federal office, in the same election cycle, including any advice relating to the candidate's decision to seek Federal office;

"(D) the person making the expenditure retains the professional services of any individual or other person also providing those services to the candidate in connection with the candidate's pursuit of nomination for election, or election to Federal office, in the same election cycle, including any services relating to the candidate's decision to seek Federal office;

"(E) the person making the expenditure (including any officer, director, employee or agent of such person) has communicated or consulted at any time during the same election cycle about the candidate's plans, projects, or needs relating to the candidate's pursuit of election to Federal office, with: (i) any officer, director, employee or agent of a party committee that has made or intends to make expenditures or contributions, pursuant to subsections (a), (d), or (h) of section 315 in connection with the candidate's campaign; or (ii) any person whose professional services have been retained by a political party committee that has made or intends to make expenditures or contributions pursuant to subsections (a), (d), or (h) of section 315 in connection with the candidate's campaign; or

"(F) the expenditure is based on information provided to the person making the expenditure directly or indirectly by the candidate or the candidate's agents about the candidate's plans, projects, or needs, provided that the candidate or the candidate's agent is aware that the other person has made or is planning to make expenditures expressly advocating the candidate's election.".

INDEPENDENT EXPENDITURE BROADCAST DISCLOSURE

SEC. 9. Section 318(a)(3) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441d(a)(3)) is amended by deleting the period at the end thereof and inserting in lieu thereof the following: ", except that whenever any person makes an independent expenditure through (A) a broadcast communication on any television station, the broadcast communication shall include a statement clearly readable to the viewer that appears continuously during the entire length of such communication setting forth the name of such person and in the case of a political committee, the name of any connected or affiliated organization, or (B) a newspaper, magazine, outdoor advertising facility, direct mailing or other type of general public political advertising, the communication shall include, in addition to the other information required by this subsection, the following sentence: 'The cost of presenting this communication is not subject to any campaign contribution limits.', and a statement setting forth the name of the person who paid for the communication and, in the case of a political committee, the name of any connected or affiliated organization and the name of the president or treasurer of such organization.".

PERSONAL LOANS

SEC. 10. Section 315(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)), as amended by section 7 of this Act, is further amended by adding at the end thereof the following paragraph:

"(9) For purposes of the limitations imposed by this section, no contributions may be received by a candidate or the candidate's authorized committees for the purpose of repaying any loan by the candidate to the candidate or to the candidate's authorized committees.".

REFERRAL TO THE DEPARTMENT OF JUSTICE

SEC. 11. Section 309(a)(5)(C) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g(a)(5)(C)) is amended by striking out "may refer" and inserting in lieu thereof "shall refer".

EXTENSION OF CREDIT

SEC. 12. Section 301(8)(A) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(8)(A)) is amended by—

(1) striking out "or" at the end of clause (i);

(2) striking out the period at the end of clause (ii) and inserting in lieu thereof "; or"; and

(3) adding at the end thereof the following:

"(iii) with respect to a candidate for the office of United States Senator and his authorized political committees, any extension of credit for goods or services relating to advertising on broadcasting stations, in newspapers or magazines, by direct mail (including direct mail fund solicitations) or other similar types of general public political advertising, if such extension of credit is—

"(I) in an amount of more than $1,000; and

"(II) for a period of more than 60 days after the date on which such goods or services are furnished, which date in the case of advertising by direct mail (including a direct mail solicitation) shall be the date of the mailing.".

SEVERABILITY

SEC. 13. If any provision of this Act or any amendment made by this Act, or the application of any such provision to any person or circumstance is held invalid, the validity of any other such provision and the application of such provision to other persons and circumstances shall not be affected thereby.

EFFECTIVE DATE

SEC. 14. (a) Except as provided in subsection (b), this Act and the amendments made by this Act shall become effective for any election in 1990 or thereafter.

(b) The amendments made by section 3, section 7, section 8, and section 9 shall become effective on the date of enactment of this Act.

NOTICES OF HEARINGS

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. JOHNSTON. Mr. President, I would like to announce for the information of the Senate and the public that a hearing has been scheduled to consider the following civilian radioactive waste disposal related bills: S. 1007, S. 1141, S. 1211 and S. 1266.

This hearing will take place on July 16, 1987 at 9:30 a.m. in room SD-366 in the Senate Dirksen Office Building in Washington, DC.

Those wishing to submit written testimony should address it to the Committee on Energy and Natural Resources, U.S. Senate, Washington, DC 20510.

For further information, please contact Mary Louise Wagner at 202-224-7569.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON ARMED SERVICES

Mr. BYRD. Mr. President, I ask unanimous consent the Committee on Armed Services be authorized to meet during the session of the Senate on Thursday, June 11, 1987, to receive testimony on the military implications of the administration's plan for United States military forces to protect "reflagged" Kuwaiti oil tankers and to receive testimony on H.R. 2533, a bill to require a report by the Secretary of Defense on the administration's plan.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate on Thursday, June 11, 1987, to continue hearings concerning oil and gas leasing in the Coastal Plain of the Arctic National Wildlife Refuge, Alaska.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

OUTSTANDING MILITARY REPRESENTATIVES FROM COLORADO

● Mr. WIRTH. Mr. President, I would like to commend several young Americans who, through their outstanding military service to both our country and the State of Colorado, have recently been recognized at two important ceremonies in the State of Colorado.

The first of these ceremonies was a military awards luncheon in Colorado Springs, CO, on May 13, 1987. This presentation was the highlight of Armed Forces Week, sponsored by the Colorado Springs Chamber of Commerce.

Sgt. Gregory D. West, a member of an elite guard at the North American Aerospace Defense Command, was named top service person in the E1 through E4 category. Sergeant West was also Airman of the Year in 1986 at Peterson Air Force Base in Colorado Springs, CO. Others receiving top honors in the E1 through E4 division were: A1c. Dirk O. McDowell, Academy Airman of the Year in 1986; Pvt.2 Brenda L. Landry, last year's Military Community Outstanding Woman at Hanau, Germany; and Sr. A Jeffery J. Bostford, U.S. Space Command's Junior Enlisted of the Year in 1986.

T. Sgt. Joeseph G. Santoro—NCO of the Year at Peterson AFB last year—was named best service person in the E5 through E6 division. Also receiving top honors in the E5 through E6 category were, Sgt. Marlon Merritt, runnerup to Division Support Command NCO last year, T. Sgt. Michael Sizemore, the Air Force Academy's NCO of the year in 1986; and T. Sgt. Diana L. Benefield, Headquarters NCO of the Year last year.

SFC Charles K. Moneypenny was named top serviceman in the E7 through E9 category. Moneypenny is an honor graduate of the Army Drill Sergeant School, and is presently stationed at Fort Carson in Colorado Springs, CO. Others receiving top honors in the E7 through E9 division were: M. Sgt. George W. Meadows Jr., Senior NCO of the Year in 1986 at the Air Force Academy; Sr. M. Sgt. John P. Cheyney III, the Senior NCO of the Year at Peterson AFB in 1986; and Sr. M. Sgt. Ronald E. Bennett, Senior NCO at the Space Command Center last year.

At the second ceremony, the 1987 commencement at the Air Force Academy in Colorado Springs, six cadets received top graduation honors in recognition of their high achievements in both academics and military performance. The Air Force Academy provides a balanced program of military training, academics, athletics, and character development. Recognized as one of the finest colleges in the Nation, the academy has produced 27 Rhodes Scholars in its 33-year history.

Cadet 1c. Jeffery M. Rhodes of Denver, CO, was named the outstanding cadet in military performance and outstanding group commander for the class of 1987. Rhodes' selection was based on exceptional leadership qualities, and the achievements of his group and overall control of his command.

Cadet 1c. Eric A. Boe was named recipient of the Civil Air Patrol Honor Roll Award. Cadet Boe's first active duty assignment will be at Shepard Air Force Base in Texas. He will join the prestigious Euro-NATO Joint Jet Pilot Training Program and will earn his silver wings after a year of intensive training.

Cadet 1c. Hoang Nhu Tran was named top academic performer for the class of 1987, graduating with an overall grade point average of 3.83. Cadet Tran is a Rhodes Scholar and the recipient of the Loyalty, Integrity, and Courage Award for the cadet who best exemplifies the highest ideals in those areas for the class of 1987.

Cadet 1c. Mark R. Arlinghaus has been named the outstanding cadet squadron commander for the class of 1987. Cadet Arlinghaus was selected for the honor based on his leadership qualities, his squadron's achievements while under his direction, and his overall control of the squadron.

Cadet 1c. Terrence A. Brown and Cadet 1c. Dale A. Holland were recognized as outstanding wing commanders. Both cadets have received special recognition for their exemplary leadership abilities during the 1986-87 academic year. Both Brown and Holland will have their names inscribed on the Glenn H. Curtiss Trophy, which is kept on display in the Arnold Hall lobby.

Mr. President, all of these outstanding young people deserve our congratulations and our gratitude for a job well done. I am certain that we will hear more from them in the years to come.

Let me also take the time to note that, among the 968 new graduates of the Air Force Academy, 45 of them are from Colorado. I ask that their names, their parents, and hometowns be included in the Record at this point.

The graduates from Colorado Springs are: James Earl Abbott Jr., son of Capt. and Mrs. James E. Abbott; Brett Eugene Berg, son of Maj. and Mrs. Eugene Berg; Michael Patrick Bettner, son of Mrs. Maurine Bettner; Jeffrey Carter Cliatt, son of Col. and Mrs. Edward R. Cliatt; Miles Davidson Dahlby, son of Mr. David M. Dahlby; Steven Craig Dufaud, son of retired Air Force Lt. Col. and Mrs. Paul Dufaud; Sharon Anne Hullinger, daughter of retired Air Force Lt. Col. and Mrs. W. Hullinger; Brenda Setsuko Lewis, daughter of retired Air Force SMSgt. and Mrs. Joe Lewis; Rodolfo Llobet, son of Mr. Rodolfo Llobet; Timothy John Matson, son of Mrs. Dianne B. Burdekin and Mr. Earl E. Matson; Carolyn Ann Moore, daughter of retired Air Force T.Sgt. and Mrs. Jessie Moore; Bruce Hubert McClintock, son of Mrs. Christine McClintock; Roger Stewart Pierce, son of Mrs. Liese Lotte Pierce; Don Lee Redford, son of retired Air Force SMSgt. and Mrs. Ivan Redford; Michael Joseph Russel, son of Mr. and Mrs. Robert Russel; Stephen E. Turner Jr., son of Mr. and Mrs. Stephen E. Turner Sr.; and Ezra Gene Vance, son of SMSgt. and Mrs. John E. Vance.

The graduates from Denver are: Rhett Leroy Butler, son of retired Air Force M.Sgt. and Mrs. G.R. Butler; Robert Vance Clewis, son of T.Sgt. and Mrs. Robert Clewis; Scott Alan Haines, son of Mr. and Mrs. William Haines; Kevin Charles Martin, son of Mrs. Glende Lea Martin; Michele Rene Morris, daughter of Mrs. Grace C. Morris; and Thomas Joseph Rotello, son of Mr. and Mrs. Rocco Rotello.

From Aurora, the graduates are: Floyd Wilson Dunstan, son of Mr. and Mrs. Floyd Dunstan; John Fontaine Erskine Jr., son of Col. John Erskine; and Robert Michael Morse, son of Mrs. Linda C. Morse.

The two graduates from Greeley are William Joseph Lamb, son of Mrs. Mrytle Lamb; and John Virgil Teague, son of Mr. and Mrs. John V. Teague.

From Longmont the Air Force Academy graduates are: Rex Carlton Heiby, son of Mr. and Mrs. Edward Heiby; and Steve Michael Kokora, son of Mr. Gerald Kokora and Mrs. Pete Peters of Boulder.

Graduates from additional Colorado communities include: Cholene Danielle Espinoza, daughter of Mrs. Sharolyn R. Johnston of Arvada; Richard Marvin Warner, son of Mr. and Mrs. Robert Warner of Littleton; Kent William Borchelt, son of Mr. and Mrs. William R. Borchelt of Evergreen; Daryl Thomas Brondum, son of Mrs. Shirley A.F. Brondum of Widefield; Farrell Beatty Howell Jr., son of Dr. and Mrs. F.B. Howell of Lakewood; Dee Ann Michelle Fouts, daughter of Mr. and Mrs. D.L. Fouts of Pueblo; Carlton Ashley Glitzke, son of Mr. and Mrs. Carl Glitzke of Manitou Springs; Tricia Ann Heller, daughter of Mr. and Mrs. William Heller of Broomfield; Gregory Copeland Johnston, son of Lt. Col. and Mrs. Thomas Johnston of Fort Collins; Dale Allen Holland, son of Mr. and Mrs. David Holland of Hooper; Patricia Mary Riccillo, daughter of Mr. John A. Riccillo of Grand Junction; Kirk Allen Schneider, son of Mr. and Mrs. Charles Schneider of Pine; William Edward Paige III, son of Dr. and Mrs. Peter L. Durante of Englewood; and Timothy Alfred Paige Jr., son of Mr. and Mrs. Timothy Paige of Lakewood.●

THE ORDER OF DAEDALIANS

● Mr. GARN. Mr. President, after the Armistice in 1918, World War I pilots of the military services discussed the creation of an organization that would perpetuate the spirit of patriotism, love of country, and the high ideals of self-sacrifice which place service to the Nation above personal safety or position. In addition, they wanted to perpetuate the memories, sad and pleasant, of their service in World War I which bound them together in that critical hour of their Nation's need.

On March 26, 1934, a representative group of World War I pilots established a national fraternity of military pilots and named it the Order of Daedalians after the mythological character Daedalus, the first person to accomplish heavier-than-air flight.

The original constitution limited active membership in the order to those individuals in the Armed Forces of the United States who held commissions and ratings as pilots of heavier-than-air aircraft prior to November 12, 1918. There were approximately 14,000 pilots in this group. All are listed and considered "founder members," even though some did not, during their lifetime, participate as active members. Later the constitution was amended to provide "named memberships" for active or retired commissioned officers of the military services who are rated as pilots of heavier-than-air aircraft. They are named to the membership of our founder members, thereby insuring the order's survival even after the demise of all founder members. Over 100 of these "founder members" still live today to perpetuate the legacy of national air power. They serve as senior statesmen to the Daedalian fraternity—a group of over 16,500 commissioned military pilots from the Air Force, Army, Coast Guard, Marine Corps, and Navy.

Since World War I, Daedalians have been the exponents of air power as an instrument of national policy, and they have been the builders of our Nation's military and civilian air fleets. They work to insure that America will always be preeminent in air and space by encouraging flight safety, fostering an esprit de corps in the military forces, promoting military careers, and aiding deserving young people in specialized higher education through the establishment of fellowships.

I am proud to have served as a member of this fraternity of military aviators since 1975, and I am equally as proud to carry on the legacy for my founder member, Thomas G. Cassidy, a World War I ace credited with nine victories in aerial combat.

I rise today to recognize the Order of Daedalians and the contributions these great Americans have made to our Nation through the furtherance of air power and safety of flight. On June 10-14, Gateway Flight 26, Scott AFB, IL, will host the 1987 Daedalian Convention in St Louis, MO. This will be a special opportunity to celebrate the heritage of the order by honoring the "founder members" and presenting national awards to various members of the services and civilian airline community. The motto of the order will be richly upheld—"volabamus"—we flew; "volamus"—we fly.●

NAUM MEIMAN

● Mr. SIMON. Mr. President, Naum Meiman is still trying to cope with the loss of his beloved wife, Inna. Inna was allowed to leave the Soviet Union in hope of receiving critical medical treatment for spinal cancer. However, her release did not take place soon enough, because a short while after her arrival in the United States, Inna died. Naum was not allowed to accompany his wife during her difficult treatment, nor was he able to attend her funeral.

The Soviet Union has continued to cause Naum heartache. He has been an active member of the Helsinki Watch Movement for many years. Because of his political activism, Naum has been subjected to unnecessary harassment and religious persecution.

Naum's only wish is to emigrate to Israel. I strongly urge the Soviet Union to allow Naum an exit visa.●

SOUTHEAST ASIA REFUGEE PROGRAM

● Mr. HATFIELD. Mr. President, next week will be a very important week for those of us who believe the U.S Government should recommit itself immediately to a generous and humane refugee program in Southeast Asia. Secretary Shultz will be meeting with ASEAN Foreign Ministers to discuss many issues, foremost of which in my view is the hardening of attitudes of first-asylum and resettlement countries toward the region's 400,000 refugees. The timing of this conference coincides with last weekend's shelling of site II, a huge camp of Cambodian and Vietnamese refugees living along the Thai-Cambodian border, which resulted in yet more deaths and injuries to civilians. And despite the continued great needs of the Southeast Asian refugees, rumors are circulating that ASEAN countries will declare all refugees in the region "displace persons" and end the special protections which have been provided in the past. I have every reason to believe that the United States will not tolerate such an indiscriminate categorization of such diverse populations of people, nor permit the abandonment of thousands of people to whom the United States has a moral obligation.

Mr. President, the United States can exercise new and creative leadership by committing to Thailand and the other first-asylum countries a willingness to help share in the burden of Southeast Asia refugee camps by maintaining current appropriations and current resettlement levels for the rest of this decade. This is really the foundation of S. 814, the Indochinese Refugee Resettlement and Protection Act, which enjoys the cosponsorship of 18 Senators and the enthusiastic support of countless organizations and citizens throughout America. And the word on the bill is just getting out so I anticipate even broader support in the coming months. I ask that an editorial which appeared two Saturdays ago in the Minneapolis Star and Tribune entitled "To help Thailand help refugees," which states the problem and the solution in terms I wholeheartedly endorse, be printed in the Record.

The article follows:

To Help Thailand Help Refugees

The U.S. State Department reports the welcome news that 1,400 Hmong refugees held by Thai authorities in a remote prison camp have received vital medical and food supplies. That should relieve anxiety among Twin Cities residents who have relatives in the camp. But the refugees need more than temporary relief from starvation and disease. They deserve humane living conditions, access to international refugee officials and freedom from fear of forced repatriation. The United States has an important role to play in ensuring that Thailand meets those basic needs.

Like all front-line nations, Thailand bears a refugee burden it did not create and cannot control. More than 300,000 Cambodian, Vietnamese and Lao refugees remain in Thailand. In an apparent effort to discourage further Hmong migration from Laos, the Thais have made an example of the 1,400 people held at the remote Nan Pun camp. Refugee officials have been denied access to the camp on grounds that the Nan Pun Hmong are not true refugees but resistance fighters against the Lao government. The Hmong's only option, the Thais say is to return to Laos. Thailand apparently strives to make that option more appealing by providing inadequate care at Nan Pun. The Thais also have forcibly repatriated more than 100 Hmong to Laos.

A first rule of international refugee agreements is that all who seek should be provided "first asylum." In a recent speech, Ambassador Jonathan Moore, U.S. coordinator for refugee affairs, explained first asylum: "When a flood of humanity surges across a border, it matters little whether the persons arriving are legally eligible to be considered refugees. . . the response is to care for them, provide them the necessities of life and sort out identities, priorities and criteria later." Thailand has fallen grossly short of that standard. It must be pressed to improve.

The United States should do much of the pressing. It helped create the problem by sending confusing messages on American refugee policy. With its initial open door for refugees from Southeast Asia, the United States encouraged emigration from Cambodia, Thailand and Laos—then tightened its criteria and left first-asylum nations with large refugee camps and no way to empty them. Thailand needs help in providing extended first asylum, and it needs assurances that U.S. refugee admissions will not shrink severely through the next several years.

Sen. Mark Hatfield and Rep. Chet Atkins have authored a bill that would provide what Thailand needs. In addition to financial aid for Thailand, the bill would guarantee reasonable refugee quotas for Southeast Asia through 1989 to help drain Thai camps of their long-term residents. It would also give control of refugee programs in that region to the State Department. The Immigration and Naturalization Service has proven too slow and too prone to reject admission requests.

Immediate action is needed on the Hatfield proposal. Thai officials say they will close all refugee camps on July 1, raising the possibility of mass forced repatriation. But they've also said they support the Hatfield legislation and implied they will review their decision should it pass Congress. Although the legislation enjoys strong, bipartisan support from the Minnesota congressional delegation, it has failed to advance in either House or Senate. Minnesotans should encourage the delegation to redouble its efforts for quick passage.

Mr. HATFIELD. I also would like to bring to the attention of my colleagues two other pieces which are relevant to the upcoming ASEAN discussions and which contribute to the debate on the future of a U.S. refugee program in Southeast Asia, and ask that they be printed in the RECORD.

The material follows:

REFUGEES AND FOREIGN POLICY: IMMEDIATE NEEDS AND DURABLE SOLUTIONS

(Ambassador Jonathan Moore, U.S. Coordinator for Refugee Affairs at the John F. Kennedy School of Government, Harvard University)

I

I have an irritation and a dilemma which have distracted me into this speech, so to speak. For a long time it has bothered me to hear people talking about how important it is to keep their favorite cause out of politics—currently, as in: "We can't let humanitarian assistance to refugees be dominated by foreign policy interests." And both in my political experience before coming to the Institute and the Kennedy School and in my reflection while here I have come to be extremely wary of single issue, special interest groups—but what do I do now that I'm involved with one? Even though I know what is meant about politics corrupting goodness and the value of concentrated advocacy, I have tended to view politics as a necessary way of getting from here to there and to be more comfortable approaching public policy as the reconciliation of a variety of contending needs.

I've been trying to work out in my own mind what refugee policy should be, if there is such a thing, and more particularly what role it plays within larger international contexts, what the relationship is—reciprocity—between refugees and foreign policy. But before laying out even some elementary propositions, in order to have an idea what we're talking about let's first explore the anatomy, the topography, of refugee phenomena in the world, and review responses and remedies pursued by the international community, including the United States, to deal with them. In doing this, we can start to test two principles which I have in mind at the outset: first, that the commitments we engage and the insights we gain from attending to some of the urgent needs of refugees and enriching our society by bringing some of them here can help enlighten our foreign policy as a whole; second, that there can be found more affinity and mutual reinforcement than conflict or contradiction among the various components constituting a comprehensive U.S. approach to the world's challenges.

So I will take a quick yet exhausting global tour of refugee problems, causes, characteristics, programs and trends; then consider the efforts undertaken to address the immediate needs of refugees in place and the three so-called "durable solutions" to deal with refugee populations over the longer run; and finally examine what needs to be done to get at the root causes which generate and perpetuate refugees—where the refugee-foreign policy relationship is fully revealed and challenged.

II

Currently, there are over 10 million refugees across the globe—and millions more who are displaced or "at risk" in "refugee-like circumstances." For example, in Mozambique approximately 5 million people, one-third of the entire country, have been placed at risk by a savage civil war which is currently tearing that country apart, yet only one-tenth of that population is outside of Mozambique. Malawi is host to some 150,000 Mozambican refugees, with expectations there will be over 200,000 by this year's end; the Republic of South Africa has within its borders approximately 200,000. All of the countries surrounding Mozambique are impacted, as are those countries which abut Angola. In Ethiopia, warfare, repressive government policies such as forced resettlement, and tribal persecution have forced well over one million people into exile. There are some 450,000 Ethiopian refugees in neighboring Somalia. Sudan is host to some 650,000 refugees from Ethiopia, plus several hundred thousand more from Uganda and Chad. In Africa especially, refugee movements driven by insurgency wars have been exacerbated by drought, famine, and economic frailty.

The biggest single generator of refugees has been the invasion by the Soviet Union of Afghanistan. Almost one-third of that country's pre-1979 population has sought asylum, some 2.8 million of its citizens in Pakistan and almost 2 million in Iran—almost twice the number of refugees as in all of Africa.

In Southeast Asia, the turmoil following the Vietnam War has sent 1.3 million refugees out of Vietnam, Laos and Cambodia. The flow of boat people leaving Vietnam continues today, averaging some 20,000 people annually, and smaller numbers of refugees continue to leave Cambodia and Laos. Thailand is the most heavily impacted country in the region with some 130,000 refugees in first asylum, and a population of some 260,000 Cambodian "displaced persons" located in camps near the Thai-Cambodian border fleeing from and warring against an occupying power.

The longest existing refugee situation in the world, of course, is that of the Palestinians in the Middle East, refugees since 1948. There are now more than two million refugees residing in Lebanon, Israel, Jordan and Syria, caught stateless, fleeing and fomenting violence, some seething, some captive in their own land, now starting a third generation.

Refugees from Eastern Europe and the Soviet Union including Jewish emigres continue to seek asylum and are received through well-established procedures in both Western Europe and in the other major resettlement countries: Australia, Canada, New Zealand, Israel and the United States. Since 1975, 185,000 of these people have sought a new life in this country. The flow continues, held in check by restrictive emigration policies of the Communist Bloc countries. As new influxes to Europe from Africa and the Near East—Iran, Iraq, Ethiopia and other parts of Africa—seek asylum, the question of how to process their requests and what to do with those rejected from asylum status is becoming increasingly difficult and politically disruptive.

In Central America, the total number of acknowledged refugees in first asylum within the region is 230,000, fleeing persecution and war, economic and social dislocation, insurgency-intricated in various ways.

It has been said that refugees are "human rights violations made visible." They live in dislocated, deprived, marginal, ambiguous circumstances with bleak futures. Most remain victims of violence—in the countries they have fled and the wars they sometimes bring with them, from hostile local populations and their own incipient factionalism. They usually go to countries which are extremely impoverished themselves—the average per capita GNP for the primary nations of first asylum is $822.

An ambitious international system of multilateral and bilateral programs utilizing a huge far-flung array of collaborators administers crucial assistance to refugees. These services include life-sustaining support, food, water, shelter, medical supplies and health aid, education, protection and security, development and impact assistance, representation and negotiation to improve immediate and future treatment of refugees, and resettlement. The partners in the effort include multilateral agencies led by the United Nations High Commissioner for Refugees; international organizations such as the International Committee of the Red Cross and the Intergovernmental Committee for Migration; a multitude of non-profit, non-governmental, voluntary agencies with enormous commitment and skill; and nation-states who receive refugees in first asylum, donate money, resettle refugees, and even in some instances facilitate their return. The United States has sustained its leadership in providing humanitarian assistance across the globe through a traditional, bipartisan commitment as a major donor and resettlement state, having welcomed well over a million refugees since 1975. This international enterprise has saved and continues to save millions of lives, and supports the continued provision of first asylum. It is heroic, absolutely essential, and inadequate.

Trends in refugee affairs include: a "tightening up" of formerly open and generous policies by many first asylum countries; increasing pressure on states hosting large numbers of refugees for scarce resources and services; a tailing off of admissions and funding by resettlement and donor countries, including the United States; a proportional increase of economic migrants and illegal immigrants—aided by better communications and transportation technology crossing increasingly distant boundaries—as distinct from victims of persecution per se; a downward yet continuing flow of refugees from Vietnam, Afghanistan and Ethiopia; a shift of emphasis from reliance upon resettlement to pressing for repatriation of refugees; increased arrivals of third world asylum-seekers into Western Europe and North America; and a continuation of population increases outstripping development. We can expect a rise in international migration during the balance of this century and beyond of people seeking one, employment, and two, physical safety.

When a flood of humanity surges across a border, it matters little whether the persons arriving are legally eligible to be considered refugees, or displaced persons, or persons of concern under the High Commissioner for Refugees' extended mandate, or just plain hungry, sick, fearful people—the response is to care for them, provide them the necessities of life itself, and sort out identities, priorities and criteria late. But the question of how to define a refugee is a major concern, as it has implications for a country's immigration and asylum policies, as well as for its attitude toward refugee assistance. Definitions are subject to the political interest of various parties, and people of similar origins and in similar conditions may be labeled differently. Definitions tend ultimately to be more prescriptive than descriptive.

The most commonly held definition of a refugee is that found in the 1951 Geneva Convention and its accompanying 1967 Protocol, which define a refugee as a person outside his or her country of habitual residence who cannot or will not return "because of a well-founded fear of persecution on account of race, religion, nationality, membership in a particular social group, or political opinion." This is the definition that the United States adheres to when considering an individual for admission to the U.S. as a refugee. Other definitions are considerably more inclusive. For example, the Organization of African Unity extends beyond the "well-founded fear of persecution" criterion to include "every person who, owing to external aggression, occupation, foreign domination or events seriously disturbing public order in either part or the whole of his country of origin or nationality, is compelled to seek refuge in another place outside his country or nationality."

This broader definition is important, given the need to provide immediate assistance, and to continue to provide care and protection for an extended period of time. Our own laws facilitate this definition, allowing international assistance funds from the U.S. to flow flexibility. Our Migration and Refugee Assistance Act of 1962 provides the authority for assistance in place, as opposed to resettlement, without defining refugees specifically, but allowing, for instance, contributions to the UNHCR for assistance to "refugees under his mandate or persons on behalf of whom he is exercising his good offices" and for meeting unexpected urgent refugee and migration needs."

III

The international refugee effort concentrates its efforts—not exclusively but primarily—on immediate assistance to refugees in place, in first asylum, where the need for help occurs first and is the most acute. The capacity to provide this help effectively has improved in recent years and can be the difference between life and death, although in some instances access to the suffering populations can't be achieved and in others the help provided is very meager. What are the barriers and the limits to such assistance? What are the pressures and dangers of refugee life in camps and settlements, and how permanent are these "temporary" sanctuaries? Most refugees want above all to return to their homes, yet conditions of safety and stability enabling them to do so remain elusive.

The behavior of the receiving country is the most significant variable. The response of the international community—advanced by the UNHCR—is next, but usually is available and reliable. Receiving countries have security, political, economic and cultural interests and values which together will determine what their response will be. Often it is most generous and patient. Naturally, internal political stability, conflicts with neighboring states, the relationship of the given refugee population to insurgency ambitions or apprehensions, old ethnic rivalries, contrasts in standard of living, and consideration of foreign alliances and assistance will play a role in determining the refugee policies of the host nation. The whole experience of refugees is an intense mix of dedication and exploitation, and this is where it begins. Perceptions of first asylums are sometimes determined by distance—what looks like a politically persecuted refugee from far away may appear more like an illegal immigrant up close, or as a hard-boiled American politician of local renown once put it, "It's easier to be liberal further away from home."

The negative economic and political impact on local goods, services and populations, despite substantial imports of outside assistance—the burden of the host country of large refugee influxes staying for long periods—is intensive, divisive and destabilizing. Consider the effect of having well over two million needy Afghans settle "temporarily" in Pakistan for over six years, where even before their arrival the per capita GNP was less than $400.

To try to soften the impact of massive refugee influxes, the U.S. and the international community have developed a variety of programs aimed at encouraging self-sufficiency among refugee populations, and providing assistance to local populations disrupted by the refugees' arrival. These programs range from reforestation, irrigation, and road building projects with the World Bank in Pakistan, to water projects and direct food supplements to affected villages in Thailand. In El Salvador and Uganda, U.S. aid programs help repatriated refugees and returned displaced persons in resettlement and agricultural self-sufficiency projects. In Lebanon, UN agencies offer food and medical supplies to needy local communities in addition to those suffering within the refugee camps.

What are the conditions of the refugees who stay in camps or settlements for protracted periods of time? Their situation can differ widely. For some, refugee camps are closed—that is, the refugees are not allowed to leave the camps and are densely concentrated. For others, they may be distributed in more open settlements and permitted to have some access to the markets and jobs of the host country. The psyche shrivels and the morale wanes faster, of course, in the former instance. The fabric of life generally in refugee camps is characterized by all sorts of pathology, despite the courage, will and resilience of their inhabitants: disruption and disorientation, dependency, apathy, powerlessness, loss of self-esteem, claustrophobia, pressure on the family, deterioration of authority structures, and the random violence which follows. The longer refugees remain refugees the more these characteristics are intensified, moral strength is sapped, frustration sets in. Anger and hate can grow and multiply, and the potential for "Palestinization"—a profoundly tragic term even if the phenomenon was never repeated—increases, as perhaps in the case of the 260,000 Khmer displaced persons along the Thai border, the 2.8 million Afghans in Pakistan, or even the 400,000 Oromo and ethnic Somalis from Ethiopia in Somalia since 1979.

So immediate, "emergency and temporary" assistance is critical. We can never fail to provide it and for as long as it takes, but it cannot become permanent, it's a wasting option, and its unrelieved, unliberated continuance is both unacceptable and probable. What happens next? Are there effective possibilities which lie between taking care of the emergency, and attacking the root causes of refugee problems? This brings us the three classical "durable solutions" which the international community relies on as long-run alternatives to immediate assistance in place:

Repatriation—the voluntary return to the country from which the refugees fled;

Local integration—establishing new homes in the country of first asylum; and

Third country resettlement—transporting and transplanting refugees to a distant country where there is the opportunity to begin a new life.

How dynamic, how viable, how extensive are they?

Resettlement to a third country ideally should be the last option to be considered. This is difficult for the strongest among us, extremely so for refugees who often lack the resources, education or adaptability for a new environment. To make such a transition a success requires a tremendous effort both on the part of the refugees and those taking them in. The process is difficult, it is expensive, and many cannot meet the restrictive eligibility requirements necessary to qualify for permanent admission to third countries. There is also the risk that resettlement itself will be seen as a route for migration, a "magnet effect" which attracts further refugee flows.

This is not to say that resettlement does not remain a viable option for a limited few, a necessary component in the mix of solutions needed to cope with problems as we seek other solutions. It is not to say that many refugees do not make the transition successfully, and flourish in their new homes. The U.S. has been the world's leader in resettling refugees from distant lands, particularly Indochina, from where over 800,000 refugees have arrived in the past 11 years, adding rich new thread to the fabric of the American tapestry. But as a solution with broad applicability, resettlement has reached a plateau, and will fall off. We will continue to resettle refugees, as will other countries who have generously opened their doors to those in need. About one-third of the U.S. refugee assistance budget for FY 87 of $340 million goes for resettlement of roughly 65,000 refugees in this country—and about two-thirds for international assistance for roughly 10 million refugees in place. Resettlement can be a solution for only about one percent of the world's refugees.

First asylum countries around the world are currently among the poorest in their own right, and are often struggling under the burden of newly arrived populations in need of assistance. Although their response has been remarkable, in the long run they are unlikely to be able provide significant opportunities for the second durable solution—permanent local integration—of large numbers of refugees. Exceptions where hospitality has been warm and in-country integration has worked well can be found, especially in Africa where hundreds of thousands of refugees have found new homes in Burundi, Rwanda, Sudan, Tanzania, Uganda, Zaire, and Zambia. But even in Africa, things are beginning to constrict, countries are becoming less willing or their fragile economies less able to bear the weight of new populations. In Southeast Asia, where first asylum countries, supported by efforts of the UNHCR and the resettlement countries, have granted refugees asylum for more than a decade with no end in sight, there are accumulating pressures, and early prospects for refugees settling in the region are not bright.

Voluntary repatriation, the most desirable traditional durable solution, is also often the most difficult to achieve. For a person to be willing to return home, the conditions which forced him or her to become a refugee in the first place must be resolved. All too frequently, the causes of refugee flight are intractable, and unlikely to disappear soon.

Some repatriation is taking place, and the UNHCR is taking the lead with attempts at cooperation by certain members of the international community. As a goal, we believe that more situations where repatriation is possible must be encouraged and will develop. In Africa, again, voluntary repatriation is a natural and active phenomenon. Over a dozen different repatriations there are occurring now or have recently, either spontaneously or assisted by the UNHCR or other organizations. Large numbers of refugees have repatriated to Ethiopia from Sudan, Somalia, and Djibouti; to Chad from the Central African Republic, Sudan and Cameroon; and to Uganda from Rwanda, Sudan, and Zaire. So there are ebbs as well as flows—although they are not symmetrical given the stubborn disruptions across major portions of the continent, and Africa is an exception in this respect to begin with.

What is key to recognize is that the three classical durable solutions, while important and valuable options in managing refugee situations, are today limited and insufficient in and of themselves. If we are really serious about aiding people who have reached such a state of fear and discouragement that they are willing to abandon everything, we must not only "manage" refugees once they arrive in first asylum and press all three durable solutions, but also find ways to achieve conditions which allow them to stop being refugees and to prevent them from becoming refugees in the first place.

IV

We have come to the final and fundamental two questions. Do nation-states, individually and in concert, have the imagination and the political will to address effectively the root causes of the refugee problem? Can refugee issues be reconciled with other forces and interests in the formulation of U.S. foreign policy? "Wouldn't it be pretty to think so?" said Jake to Lady Brett in response to her romantic projection of the future on the last page of the Sun Also Rises.

We have already confronted and accommodated many juxtapositions of refugee issues and foreign policy needs in getting to this stage of our discussion, but in addressing root causes, the interrelationship—which is a complex, dynamic, inevitable, and critical one—is most tested. Refugee consequences tend to be the result rather than the aim of foreign policy thrusts; refugees tend to become a foreign policy issue when they happen, they are not deliberately provoked; they tend not, as an original matter, to be a significant factor in policy-making—the fact that they can become a horrendous by-product may suggest this should change.

Foreign policy strategies affect refugee interests and refugee realities infect foreign policy in a variety of ways; refugees tend to be highly impactful in international relations. The decision to be a refugee is a political statement differentiating between countries, and the decision to grant asylum, aside from humanitarian motivation, can be seen as a hostile act by a neighbor. The same nation-states which are providing significant humanitarian assistance to refugees may at the same time be pursuing policies that have the effect of generating refugees. Refugees are volatile, sometimes prone to destabilizing activity; they are vulnerable, sometimes subject to destructive exploitation. They are burdensome and intrusive in terms of economic and social progress, affecting international resource competition and allocation. They often participate in insurgencies which are international by the fact of their location on the other side of an international border and by the support they may receive from foreign sources, posing crucial foreign policy decisions. The fact that they are freedom fighters does not mean that they aren't also refugees, the definitions are frequently combined or blurred; and the relatives and camp followers are even harder to type—are they coconspirators, hapless pawns, or innocents, and what should be done with them? External aggression creates refugees which then have to be dealt with, as in Afghanistan and Cambodia. Refugee populations may themselves become powerful factors in regional struggles, such as the Palestinian refugees. Interested countries have to decide what weight to give aid to refugees or to refugee-affected states; whether to try to change or prevent change in governments tied up with refugee problems to support or oppose refugee insurgencies, to press for first asylum or repatriation at the cost of other interests. Trade policies, security needs, deficit-fighting initiatives—all can influence or be influenced by refugees.

So much for the interdependence; what are the root causes which our foreign policy would have to address in order that refugee phenomena be radically alleviated? It is an intimidating list, particularly if you even pause to consider what might actually be done about its entries, which essentially divide into three clusters, each threatening, constant, and widespread: (1) war and violence—a huge number of continuing armed conflicts in various areas of the world; (2) the brutal violation and abuse of human rights, systematic and particular, in most of the countries of this planet; and (3) the ruthless disparity of rich and poor, or more precisely, grinding poverty brought on by various natural and manmade causes, again suffered by most of the world's peoples. As a hypothetic exercise, calculatingly if not redemptively indulgent of refugee needs, if foreign policy could work magic, what would it effect? What if those of us seized with refugee issues could have our druthers and behave as if they were the only problems we had to worry about? What if we did not have to contend with conflicting policy interests, if foreign policy was in fact refugee policy, which of course is not so, and what other interests might be served and problems lessened in doing so?

We would try to bring to an end insurgencies and military occupations—in Afghanistan and Cambodia, in Mozambique and Angola, in Nicaragua and El Salvador. We would try to terminate the traffic in arms around the world. We would press closed societies harder for legal emigration accords eliminating the need for dangerous flight and for agreements providing safe voluntary repatriation. We would greatly increase our economic development aid to help remove the seeds both of economic migration and the kinds of disequilibriums that bloom into refugee-generating situations. Radical efforts would focus on aiding those countries wallowing in economic morass to build viable economies capable of providing opportunities for their people, staving off both the specter of true hunger and the hunger for a better life elsewhere. If this, our Panglossian mission, were successful, citizens in all countries would be provided access to the political institutions which influence their destiny, fear of perscution and repression would have no place in the human condition, and true democracy, religious tolerance, and economic freedom would reign.

So much for dreaming—although it does reveal the profoundness of our problems, the near daunting challenge even of how to begin to address them, the commonality of refugee and other less esoteric aspirations, and how improbable it is that all this will come about. In order to advance refugee policy not at the expense of but within the pluralism of foreign policy, what is required is elevation and integration.

Refugee values should play a more influential role at the higher levels of macro-policy making and in the competition of forces which determines its shape. Refugees are just one facet in the multi-faceted competition among legitimate interests which must be coordinated and reconciled in the molding of foreign policy. To move toward affecting those conditions so as to bring relief to the world refugee situation, refugee interests should become more, not less, political, more relevant and less isolated, if they are to influence the scale of foreign policy decision making in their favor. Specifically, this must be achieved in deliberations with those officials responsible for regional and bilateral relationships in the State Department and with the NSC staff; in representations with nations abroad and with multilateral agencies; in program design and budget planning across the executive branch; in intensive consultations with Congress; in public education; and finally, in relations with voluntary agencies, churches, state governments, resettlement communities, and ethnic organizations. Accepting the narrow view or the narrow management of refugee interests is self-defeating in two ways: it denies reality and falsely inflates expectations, and it locks into a parochialism where you are constantly chasing your tail and losing ground.

To come back from where we started tonight, we must seek affinity and mutual benefit—this is both idealistic and sophisticated, and it had better be both. The task is extremely arduous, almost futile, requiring affirmation and resoluteness, rejecting complacency and cynicism. First, by actively inserting refugees into the fray of competing interests with influential actors, there is a higher possibility of arriving at a policy that will be less likely to generate or exacerbate refugees. Second, if a policy is decided upon which has refugee consequences, it will be with foreknowledge, and responsible officials will be better prepared to deal with the results. Third, engagement with these humanitarian concerns will serve to enlighten policy makers generally at a level where critical decisions are made, presumably to the benefit of other interests as well.

Thank you.

[From the Bangkok Post, Apr. 3, 1987]

U.S. SENATOR RAPS REFUGEE EXPULSION

(By Pornpimol Kanchanalak)

WASHINGTON.—Thailand's recent expulsion of H'mong refugees to Laos came under fire at a US Senate sub-committee hearing at which a Republican senator suggested aid to Thailand be tied to Bangkok's treatment of refugees.

Refugee officers at the US Embassy in Bangkok were also strongly criticised for not doing their job of refugee protection.

At a hearing of the Senate Appropriations Committee's sub-committee on foreign operations last week, the latest expulsion of 38 H'mong "illegals" from Ban Vinai camp dominated the entire discussion when the panel took up the administration's proposed budget for migration and refugee assistance programmes for fiscal 1988.

Senator Bob Kasten (Rep-Wisconsin) voiced strong concern at what he termed the "beginning of a pattern" of Thai treatment of refugees. He suggested a letter of protest from the US did not suffice and that the foreign assistance budget be tied to Thailand's actions on refugees.

Mr. Kasten said the expulsion was aimed at putting pressure on the US. "Thailand should be told they will not win military aid or economic aid with this kind of action, but the opposite is going to be true." he said.

Testifying before the panel, Ambassador Jonathan Moore, US coordinator for refugee affairs and director of State Department's Bureau for Refugee Programme, said the H'mong repatriation was intended to attract US attention.

Thailand had been burdened with a huge number of refugees for several years and had behaved admirably and patiently and worked hard with the US as well as the UNHCR, he said.

Mr. Moore said Thailand had security problems to worry about and discontent among its own displaced people.

In reply, Mr. Kasten told Mr. Moore bluntly not to make excuses on behalf of Thailand for its "unjustifiable actions."

Senator K. Inouye (Dem-Hawaii), acting chairman of the sub-committee, asked why US refugee officers in Bangkok were not present when the expulsion took place.

Earlier, Senator Mark Hatfield (Rep-Oregon), in his speech to a religious organisation, was quoted saying his staff members had made more visits to Thai refugee camps than some refugee officers at the Bangkok embassy.

The panel also discussed the number of "carryover" refugees, which has recently dropped significantly. The discussion centered on the poor performance of the Immigration and Naturalization Service in processing refugees for resettlement.

The "Carryover" issue is one of the many differences of the many differences between Thailand and the US. Thailand starts the counting when the refugees leave Thailand while the US begins counting when the refugees set foot on US soil.

The problem is there is a time lag of six months when refugees are sent to the training camp in Bataan, the Philippines. The result is only refugees who leave Thailand during the first six months of a fiscal year will be resettled in US in the same fiscal year. Refugees processed during the second half of each fiscal year will be carried over to the next year. This creates confusion. The drop in the carryover figure indicated the delay of the INS processing procedure.

Congressional and State Department sources told the Bangkok Post they knew there have been efforts to tie the refugee issue to foreign assistance, but they were surprised that is was brought up by the Appropriations Committee so soon.

State Department officials and Mr. Hatfield strongly opposed the attempt, reasoning it would reduce the flexibility of the US in dealing with the refugee problem and that the problem stems from the lack of a firm and tangible commitment on the part of the US itself.

The administration requests $314.5 million in 1988 fiscal year for the migration and refugee assistance programme, a decrease of about $10 million.

Of this amount, $28 million is being sought for refugee assistance in Thailand, including $1 million for anti-piracy efforts.

Mr. HATFIELD. The first is an article from the front page of the April 3 edition of the Bangkok Post entitled, "U.S. Senator raps refugee expulsion." This article accurately relates a dialog which took place at a March hearing of the Foreign Operations Subcommittee of the Appropriations Committee when my colleague, Senator Kasten, voiced concerns a number of us share involving the March pushback of scores of Hmong refugees. Senator Kasten, the former chairman of the subcommittee, knows the issues well and he articulated them well with his customary zeal and emotion. He cares about the refugees of the region and has worked to ensure adequate funding for U.S. programs. While some may disagree on whether aid to Thailand should now be conditioned to the Thai refugee performance, all of us share his concern that no further pushbacks occur.

In this article the current chairman of the subcommittee, Senator Inouye, with whom I have joined in past efforts to improve protection of Vietnamese land people at Site II, again distinguished himself as a champion of refugee protection. I am deeply grateful for the leadership and expertise he has exhibited over the years, and I look forward to working with him this year to carry on one of America's proudest programs. If this first hearing is an indication of the close scrutiny the chairman is going to give U.S. efforts and first-asylum countries' performance, then the Congress will benefit greatly from his role as custodian of U.S. refugee policy.

The Bangkok Post article goes on to discuss one of the underlying issues dividing the U.S. and Thailand on refugees—the carryover problem—and I commend it to my colleagues' attention.

Finally, Ambassador Jonathan Moore, the U.S. Coordinator for Refugee Affairs, delivered a thoughtful speech on April 6, 1987, at Harvard University. This speech evidences Ambassador Moore's compassion and intellect, and I hope it receives the attention it deserves. All of us who look to the United States for continued leadership in addressing the needs of refugees in the world will continue to look to Ambassador Moore for courage and boldness in ushering in the needed recommitment.

Recently he visited Minnesota and was asked about S. 814 and he said:

> The motivation and the purposes I share. I am very sympathetic. The Hatfield bill seeks to make a lot of major changes in the way the U.S. Government makes refugee policies and pursues refugee policies.

I am encouraged by Ambassador Moore's statement, and like all of my colleagues who feel the United States can be generous to a handful of refugees when it grants legal status to millions of economic migrants, the refugee ceilings for 1988 which he will propose to Congress will be the first real test of his leadership. I am very confident that he will be equal to this worthy challenge.●

BALTIC FREEDOM DAY

● Mr. RIEGLE. Mr. President, during the night of June 13-14, 1941, the secret police forces of the Soviet Union began a rampage of terror in the Baltic States of Lithuania, Latvia, and Estonia. In the span of a few hours, Soviet agents deported over 50,000 Baltic men, women, and childen to barren Siberian destinations from which few ever returned. With such genocidal terror, the Soviet Union destroyed the hard-won independence of the Baltic States in an occupation that continues to this day.

In recognition of these tragic events and in recognition of the Baltic peoples' ongoing struggle for freedom, the Senate has unanimously adopted Senate Joint Resolution 5, which I joined Senator D'Amato in introducing, designating Sunday, June 14, 1987 as "Baltic Freedom Day." In so doing, the Senate, on behalf of the American people, reaffirmed United States solidarity with the people of Lithuania, Latvia, and Estonia in their quest for true liberty and independence.

This year, due to the bold action of a group of young Latvian human rights activists, Baltic Freedom Day will be marked in a special way. "Helsinki '86," the only Helsinki monitoring committee still operating in the Soviet Union, has announced that it will hold an unprecedented public ceremony in honor of the innocent victims of the June 1941 Soviet deportations. Inviting all other Latvians "who are not indifferent to our fate" to join them, the group plans a peaceful and legal ceremony of "a minute of silence and the placing of flowers" at the Monument of Freedom in Riga.

The Baltic people's desire to commemorate an event of such emotional and historical significance is a legitimate one. However, preparing and announcing even a simple ceremony in the Baltic republics is a true act of courage. Today, 46 years after the fact, the Soviet Government continues to deny that arbitrary deportations of Balts ever took place. Demonstrations, such as the one being organized in Latvia, have been suppressed in the past, and those who have called for official recognition of the deportations have been arrested as anti-Soviet agitators.

Clearly this Sunday's observance will reveal the true limits and depth of glasnost and the new spirit of openness which have been proclaimed by General Secretary Gorbachev. Just as clearly, "Helsinki '86" is depending on

Western attention to stay the hand of the KGB.

In a letter to General Secretary Gorbachev, delivered to the Soviet Embassy today, I and 16 of my Senate colleagues have called upon the Soviet leadership to allow this important gathering to take place unhindered, and to honor the participants' rights of free expression and assembly as guaranteed by the Constitution of the U.S.S.R. We have further called upon Mr. Gorbachev to promptly release three prominent Baltic prisoners of conscience: Balys Gajauskas of Lithuania, Gunars Astra of Latvia, and Mart Niklus of Estonia. The text of this letter is being broadcast today to the Baltic people by the "Voice of America."

Through this action we have served notice to the Kremlin that its policies in the Baltic republics are closely observed, and that the American people will not hesitate to speak out when the rights and liberties of the Baltic people are violated.

It remains to be seen whether Mr. Gorbachev's commitment to reform Soviet society is genuine. Nevertheless, we must recognize that glasnost may bring some positive changes to the Baltic republics. The actions of "Helsinki '86" show that Baltic nationalists will test the new mood of openness by publicly voicing their beliefs. It is our hope that they will also be able to use the opportunities afforded by the new reforms to assert the primacy of their national cultures and decrease the abuse of human rights. Through our public support and pressure, we can help these activists in their efforts to transform glasnost into meaningful change for the Baltic nations.

Mr. President, I ask that the statement of the Latvian Helsinki Monitoring Group "Helsinki '86," announcing their planned demonstration in Riga, Latvia, on Sunday, June 14, 1987, as well as the letter which I and 16 of my Senate colleagues have sent to General Secretary Gorbachev in this regard be printed in the RECORD.

The material follows:

HUMAN RIGHTS ACTIVISTS IN LATVIA ANNOUNCE PLANS TO HOLD DEMONSTRATION IN RIGA ON JUNE 14

[The following is a translation from Latvia of a statement released by the Latvian Helsinki Monitoring Group, "Helsinki 86":]

On the night of June 14-15, 1941, the first mass deportations of Latvians took place, from which very few ever returned.

Men were separated from women and children. People were transported in cattle cars under dreadful conditions. Children and the elderly were the first to depart from this world, ending up in graves alongside the tracks, in a foreign land.

This act of genocide was undertaken under the direction of the Communist Party. Still, to this day, the Party has not seen it as necessary to apologize, not to mention provide compensation for moral and material losses. All that is heard are some kind of nebulous phrases about some kind of cult.

We, the group "Helsinki 86," have decided to honor the victims of Latvia's genocidal Sovietization, on June 14 at 3:00 PM, by placing flowers at the Monument of Freedom in Riga.

We invite all other Latvians who are not indifferent to our people's fate, to honor the innocent victims with a minute of silence and the placement of flowers at the Monument of Freedom in Riga on the 14th of June.

[signed] LINARDS GRANTINS,
"Helsinki 86".
ROLANDS SILARAUPS.
RAIMONDS BITENIEKS.
GUNTIS ANDERSONS.
MARTINS BARISS.

U.S. SENATE,
Washington, DC, June 11, 1987.

Hon. MIKHAIL S. GORBACHEV,
General Secretary of the Communist Party, Union of Soviet Socialist Republics, c/o Embassy of the U.S.S.R, 1125 16th St., NW, Washington, DC.

DEAR MR. GENERAL SECRETARY: On this, the 47th anniversary of the incorporation of the formerly independent states of Estonia, Latvia and Lithuania into the Soviet Union, we write to express our deepest concern over the continuing violation of human rights in the Baltic republics.

We are following with great interest the initiatives you have undertaken to reform Soviet society, and are hopeful that they indicate your desire for greater openness and freedom throughout the Soviet Union. However, we note that, despite your government's professed commitment to protect the rights of its citizens, Baltic human rights activists remain imprisoned, freedom of expression is denied, and important aspects of Baltic history continue to be distorted or ignored.

In this regard we understand that the Helsinki ‘86 Monitoring Group has announced its intention to hold a legal and peaceful demonstration in Riga on June 14, 1987, to honor the Latvian victims of the massive deportations which occurred during and after World War II. In light of your own interest in achieving a more complete and honest accounting of the history of Soviet-Polish relations, we hope you can appreciate the desire of the Baltic people to publicly commemorate an important chapter in their own history, which has never been officially acknowledged by your government.

Permitting this ceremony to take place will demonstrate an appreciation of the great emotional significance which the events of June 14, 1941 hold for the Baltic people, and will send the clear signal that your government is truly interested in promoting freedom of expression and assembly, as guaranteed by the constitution of the USSR.

As a further indication of your government's interest in guaranteeing these freedoms, we urge you to grant full and unconditional amnesty to three prominent prisoners of conscience from the Baltic republics: Balys Gajauskas of Lithuania, Gunars Astra of Latvia, and Mart Niklus of Estonia.

These brave men represent principles of liberty and truth cherished by all Americans, and their continued incarceration and exile belie the spirit of change which you have begun in your country.

Your favorable action on behalf of these three individuals, as well as in allowing the peaceful ceremony in Riga to take place without interference, will be important indicators of your commitment to "glasnost." We hope that this commitment is genuine and that it is demonstrated in the days and weeks to come.

Sincerely,

Paul Simon, Christopher J. Dodd, Alfonse M. D'Amato, John Heinz, Donald W. Riegle, Jr., Frank R. Lautenberg, Alan J. Dixon, John F. Kerry, Quentin Burdick, Daniel Patrick Moynihan, William Proxmire, Patrick J. Leahy, Pete Wilson, Dennis DeConcini, Frank H. Murkowski, Paul S. Sarbanes, Carl Levin.●

MANDATORY PLANT CLOSING LEGISLATION WILL SHUT DOWN THE AMERICAN JOBS MACHINE

● Mr. HUMPHREY. Mr. President, in a recent New York Times op-ed piece, Beryl W. Sprinkle, Chairman of the President's Council of Economic Advisers, makes a convincing argument against mandatory plant closing legislation.

Specifically, Dr. Sprinkle's data demonstrates the folly of emulating the European style plant closing/hiring/layoff laws. These laws, common throughout Europe, have failed to accomplish their primary goal: The preservation of jobs. Indeed, as Dr. Sprinkle states, employment growth in Europe has been flat for well over a decade.

Contrast the European experience to that of the United States. Despite undergoing three recessions since 1973, the U.S. economy has created some 25 million jobs, a phenomenal 38-percent growth over a 14-year time span.

There is no doubt that closings and layoffs are a hardship on workers. Nobody relishes the prospect of being unemployed. But in this country, unlike Europe, we have a relatively dynamic economy that responds to changing conditions and, in doing so, generates new jobs.

Flexibility has been a key to American job growth. Mandatory legal restraints on closings and layoffs would inhibit flexible response. As the Europeans have discovered, the rigid approach does not lay the foundation for the creation of new jobs. The Senate should pursue that which works, and steer clear of that which is a proven failure.

Mr. President, I ask that Dr. Sprinkle's article be printed in the RECORD.

The article follows:

[From the New York Times, June 5, 1987]

LET'S NOT TORPEDO THE GROWTH OF JOBS

(By Beryl W. Sprinkel)

WASHINGTON.—Many people who believe—wrongly—that America is creating primarily low-skill, dead-end jobs are devising schemes for job protection and Government intervention. Such schemes have been tried in Europe and have failed; indeed, several countries attending next week's economic summit conference are now busily attempting to reverse interventionist policies that have prevented the creation of new jobs.

In contrast, our economy has been extremely successful in generating new employment. More than 13.6 million jobs have been created during the 55-month expansion. The proportion of the working-age population that is employed reached 61.7 percent in April, a record high. More than 60 percent of the increase in employment during this expansion has been in the highest paying occupations—those with median weekly full-time earnings over $390 in 1986. These occupations include managerial and professional jobs, finance and business services and precision production.

Only 12 percent of the increase in employment has been in the lowest-paying, low-skill service occupations. The vast majority of the new jobs—some 92 percent—are full-time. The proportion of part-time workers who cannot find full-time jobs, although still high by historical standards, has fallen since 1982 and was about 5 percent of all people at work in 1986.

A 1987 study by Marvin H. Kosters and Murray N. Ross of the American Enterprise Institute found that employment shifts toward service industries had only a small effect on slowing increases in wages. Contrary to the belief that job shifts are leading to a decline in the middle class, they report that differentials in workers' hourly earnings have narrowed in recent years.

The argument that we have been creating low-wage jobs has drawn its major support from a frequency cited report prepared for the Joint Economic Committee of Congress by Barry Bluestone and Bennett Harrison. This work has serious shortcomings, many of which Janet L. Norwood, Commissioner of Labor Statistics, has pointed out.

The report exaggerates the number of low-wage jobs because it counts everyone who worked at all during a given year, even part-time summer workers. The findings, moreover, are highly sensitive to the years examined. The report compares new employment created between 1973 and 1979 with that created between 1979 and 1984—the latter including two recessions. The Bureau of Labor Statistics has updated the calculations to 1985, showing that even using Bluestone-Harrison methods, the 80's have been years of strong growth and high-paying jobs.

Those who maintain that mostly low-wage jobs have been created believe that excessive reliance on market forces and increasing competition from abroad are at fault and that Congressional action is required to help those who would otherwise get the bad jobs. They recommend measures for protection against international competition restrictions on plant closings and minimum-wage increases.

Such policies would benefit some groups of workers, but more likely those who are already highly paid. Many workers would be harmed because they would face reduced opportunities for jobs, training and advancement. Consumers would be harmed because prices would rise. Increased protectionism would confine our economy to sectors where we are relatively less efficient; it could curtail expansion where we are now efficient. Future growth in productivity and wages would be impaired, along with overall employment and output.

Employment has grown in America by 38 percent over the past 16 years; employment growth has been negligible in Western Europe. Similarly, our unemployment rate has fallen sharply since 1982, but in many European countries unemployment has risen during this period to levels well above earlier postwar peaks.

Many summit countries with high unemployment rates have been saddled with burdensome employment restrictions, including constraints on hiring and firing. To insure continued success in creating new jobs, America should further reduce market barriers rather than toy with new Government interference.●

THE ACID RAIN PARTNERSHIP PROJECT

● Mr. GLENN. Mr. President, I rise today to bring attention to a unique, year-long effort by citizens from Ohio and New Hampshire: the acid rain partnership project. My colleague from New Hamphshire [Mr. RUDMAN] is joining me today in coming to the Senate floor to discuss the consensus recommendations of this project. The acid rain partnership, by working through Americans at a grassroots level from all walks of life, has achieved something very unique and very afirmative on one of the most regionally devisive and difficult policy issues of our day. The acid rain partnership found a middle of the road approach to addressing the acid rain problem in a way that is designed to meet the social and economic concerns Ohio has for acid rain control and the environmental and economic concerns New Hampshire has about acid rain damage.

The Ohio delegation to the partnership consisted of persons from diverse backgrounds including a coal miner, two engineers, a utility employee, a city manager, two professors, a secretary, a real estate appraiser, and a retired systems analyst. These individuals were able to put aside their differences and engage in a constructive debate. Their success in reaching consensus agreement can serve as effective model for Congress in crafting legislation on this difficult issue.

Through a process of education and negotiation, the 208 partners and 18 delegates of the acid rain partnership produced the project's program for addressing acid rain, the consensus recommendations. The five principal recommendations reflect the philosphy of the partnership which centers around the concept that the acid rain problem should be handled in a way that harms neither the environment nor jobs and economic opportunity.

As stated in the report by the delegates the five recommendations are as follows. First, a program to deal with acid deposition and related air pollutants should be developed by Congress now, involving aggressive yet prudent phase-in of control measures and new technologies to reduce sulfur dioxide and nitrogen oxide emissions, as well as continued monitoring and evaluation of the program's effectiveness. Second, this program should be constructed in a way that leaves high sulfur coal reserves competitive, even if this involves passing on to the public, in an equitable way, the costs of developing and implementing technologies that reduce sulfur and nitrogen emissions. Third, an equitable distribution of costs for these undertakings should be balanced by equally significant cost-sharing on the part of emitters. Fourth, urgent attention should be given to developing a system of incentives and rewards to encourage early and significant reduction of emissions. Finally, conservation should be utilized as a major strategy in meeting emission reduction goals.

Mr. President, I believe that these are reasonable and productive recommendations. I wholeheartedly commend the partnership's success in transcending political, geographic, and economic boundaries to reach a consensus on an extremely divisive issue.●

NEW HAMPSHIRE-OHIO ACID RAIN PARTNERSHIP

● Mr. RUDMAN. Mr. President, I would like to join Senator GLENN today in bringing to the attention of our colleagues a remarkable initiative which was undertaken by our constituents in New Hampshire and Ohio in an effort to transcend regional differences which stand in the way of solving the problem of acid rain.

The "acid rain partnership" involved 200 citizens, half from Ohio and half from New Hampshire, who spent a year studying the problem of acid rain and learning about the concerns of their partner State. The members were drawn from diverse backgrounds including coal miners, maple sugar producers, farmers, utility employees, teachers, and others. They corresponded, studied together, visited key sites in their partner States, and finally, developed a consensus document containing recommendations for Congress. Congress in turn must take this problem seriously, as they did, listen to all affected parties in the acid rain debate, as they attempted to do, and finally have the courage to confront and solve the very real problem of acid rain.

For the Ohioans who visited the White Mountain National Forest and saw the red spruce which are discolored and sagging due to damage from acid rain, it was no longer possible to discount the concerns of their New Hampshire partners, for whom the natural beauty of the State is such a source of pride. For the New Hampshire members who spent several days with coal miners' families in Ohio, the economic reality of the issue struck home. A sincere effort was made to understand both sides of the issue, and from that, a substantial body of policy recommendations emerged.

In their final report, the New Hampshire and Ohio acid rain partnership made the following recommendations:

First. A program to deal with acid deposition and related air pollutants should be developed by Congress now. Such a program must include an aggressive yet prudent phase-in control measures and new technologies to reduce sulfur dioxide and nitrogen oxide emissions, as well as continued monitoring and evaluation of the program's effectiveness.

Second. This program should be constructed in a way which leaves high sulfur coal reserves competitive, even if this involves passing on to the public, in an equitable way, the costs of developing and implementing technologies which reduce sulfur and nitrogen emissions.

Third. An equitable distribution of costs for these undertakings should be developed that involves a significant public contribution balanced by equally significant cost sharing on the part of emitters.

Fourth. Urgent attention should be given to developing a system of incentives and rewards to encourage early and significant reduction of emissions.

Fifth. Conservation can play a key role in meeting emission reductions. Programs need to be funded and developed which promote energy efficiency.

It has not been 1 year since the acid rain partnership completed their work and published their report. Meanwhile, the acid rain debate drags on in the Congress, still apparently snagged on opposing regional interests. Our constitutents in New Hampshire and Ohio managed to transcend their differences and map out a plan of action. Not everyone will be able to endorse every point of the group's consensus report. However, I think we can all heartily endorse the honest process which enabled them to look each other in the eye, roll up their sleeves, and get down to the business of solving the problem.

It is my sincere hope that we will follow our constituents' example and pass responsible legislation in this session of Congress to control acid rain.

I ask that the acid rain partnership consensus report of delegates be reprinted in the CONGRESSIONAL RECORD.

The report follows:

ACID RAIN PARTNERSHIP—CONSENSUS REPORT OF DELEGATES

We, the undersigned, are citizens of Ohio and New Hampshire. We were convened through the Acid Rain Partnership to examine the acid rain [1] problem as it affects Ohio and New Hampshire. In doing so, we are drawn inexorably to the broader picture of air pollution as a problem that respects no geographic or political boundary. Worldwide, literally millions of tons of pollutants are being dumped into the air with only limited understanding of the effects on our health or our surroundings.

We want to reduce this pollution because we believe we cannot continue to use the air we breathe as a dumping place for harmful materials. The focus of our study, however, has been on acid deposition as an air pollution problem in the United States, and we realize that we must limit our remarks to this particular aspect of the larger air pollution problem.

We have prepared and agree to this report and its recommendations on ways to deal with three related issues:

How to reduce emissions of sulfur and nitrogen compounds that contribute to acid deposition;

The economic, social, and environmental consequences of such emissions and the proposed reductions;

The need for continuing evaluation of the acid deposition problem.

All of us participated as "partners" in an extensive exchange of views among 216 citizens from our two states. (See summary of the Partnership exchange.) The partners all have an interest in the issue and come from many walks of life—bankers, farmers, engineers, coal miners, realtors, teachers, and homemakers, to name a few. The partners are not a special interest group, nor a collection of experts.

We who have negotiated this document are a cross-section of the 216 partners. There are only 18 of us because it is not practical to debate the text of a document among 216 people. We have received extensive comments from the partners in helping to form these recommendations. We have approached the writing of this report with the sense that we are surrogates for a larger citizenry, and we treat this as a serious responsibility.

WHAT ARE OUR BIASES?

Each of us has approached this task from a different perspective. As we have gotten to know each other, we have come to respect each others' needs and interests. This is our basis: We are sensitive to each others' concerns. We want to deal with the acid deposition problem in a way that harms neither the environment nor jobs and economic opportunity. We realize that solutions will not be simple, and that they go beyond the consideration of just our two states. In an effort to find solutions, however, we have sought to deal with each others' interests and to work together to find mutually acceptable answers, rather than to seek advantage over each other.

WHAT ARE OUR PRINCIPAL CONCLUSIONS?

We know there is controversy about acid deposition, even among experts. We recognize, however, that emissions from power plants, industry, and motor vehicles contribute to both locally-produced and transported pollution.

We want prudent steps taken to assure significant reductions in sulfur and nitrogen emissions. This means emission limits should be established that are reasonable and effective. We also want an intensive, ongoing effort to define further and evaluate the extent of the problem, the effectiveness of the actions taken, and the long-term goals for emission reductions.

We know there has been a decline in employment in high sulfur coal mines and related industries. Coal from these mines is a valuable resource. We believe it should be used in ways that can protect coal miners' jobs, provide economic development, and contribute to reduction of acid deposition.

We believe the costs should be shared broadly just as the problem is shared broadly. With the energy from its coal, the industrial states produce goods and materials that are consumed all across the country. In this sense, we all share in the production of the emissions that contribute to acid deposition, and we should all share in the costs of addressing the problem.

While there appears to be scientific consensus on some of the problems of acid deposition, scientists and economists do not all agree and are not able to show us with absolute certainty the best path. Perhaps this is because they can tell us only about facts and uncertainties, not about our will as a citizenry to work together in addressing this problem. We, citizens of Ohio and New Hampshire, write this report as an expression of the will to get on with the job of dealing with the acid deposition problem in a mutually constructive way and to pay for what we believe needs to be done.

We would urge readers to avoid the game of criticism for criticism's sake or the promotion of a special interest. We would urge citizens to recognize that what is needed is an adequate way to deal with a real and difficult problem that has been thrust unwittingly upon our society, and that is fully within the capability of the nation to manage and pay for successfully.

We have five principal recommendations. The remainder of this report elaborates on these five points, and proposes practical steps that should be taken to build broad support for this approach to resolving the acid deposition problem.

1. A program to deal with acid deposition and related air pollutants should be developed by Congress now, involving aggressive yet prudent phase-in of control measures and new technologies to reduce sulfur dioxide and nitrogen oxide emissions, as well as continued monitoring and evaluation of the program's effectiveness.

2. This program should be constructed in a way which leaves high sulfur coal reserves competitive, even if this involves passing on to the public, in an equitable way, the costs of developing and implementing technologies which reduce sulfur and nitrogen emissions.

3. An equitable distribution of costs for these undertakings should be developed that involves a significant public contribution balanced by equally significant cost-sharing on the part of emitters.

4. Urgent attention should be given to developing a system of incentives and rewards

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[1] Our use of the terms "acid rain" and "deposition" are meant to include acid rain, snow, sleet, fog, and cloud water as well as dry acid particle deposition. We use the term acid rain because of its national recognition.

to encourage early and significant reduction of emissions.

5. Conservation can play a key role in meeting emission reductions. Programs need to be funded and developed which promote energy efficiency.

RECOMMENDATION 1: DEVELOPMENT OF EMISSION REDUCTION PROGRAM

1-A. *Congressional legislation addressing the acid deposition problem is both necessary and appropriate. Congress should make a policy commitment now.*

We accept that sulfur and nitrogen emissions are transported across state and national boundaries and can contribute to acid deposition in other states and countries. Existing national laws do not adequately address the long range transport of air pollutants, and states alone cannot effectively correct a long range transport problem unless all participate.

The problem of acid deposition also has the potential to place unfair economic burdens on different regions of the country or segments of society. An individual state that passes a law reducing its own emissions does not have to consider the economic impact its actions may have on other states. Similarly, a state receiving acid deposition cannot protect its resources from another state's emissions. Congressional action is essential to solving the problem in such a way that no one region or segment of society is unfairly burdened.

This commitment does not take away from the substantial progress already made under the Clean Air Act. Emission reductions have taken place, but we recognize that targets for further reduction are necessary.

1-B. *Congress should establish a reasonable timetable for reducing sulfur dioxide and nitrogen oxide emissions.*

The timetable for reducing emissions must strike a balance between addressing environmental damage and preventing unfair new economic burdens. Our understanding of pollution control technologies leads us to believe that overall emission reductions could be achieved which would prevent unreasonable environmental damage.

Sulfur dioxide emission reductions

Our Partnership dialogue has suggested a reduction goal of 10-12 million tons of sulfur dioxide, which is in the range of reductions suggested by the findings of the National Academy of Sciences. We support a goal of this magnitude while recognizing the need for on-going assessment of program effectiveness, which may suggest mid-course adjustments.

Accordingly, we believe that this program should be implemented at the earliest practical date, and that, after commencement of the program, a timetable should be established for sulfur dioxide reductions that would:

(a) Within five years, reduce annual emissions by five million tons from 1980 levels (this relates to a utility emission rate of approximately 2.2-2.4 lb/mmBtu). Current information leads us to believe that existing control methods and implementation of the Reagan/Mulroney agreement can be the basis for this reduction.

(b) Within 12 years, subject to re-evaluation by the seventh year, reduce annual emissions by 10-12 million tons from 1980 levels, using currently available control methods as well as clean-burning technologies now under development.

(c) Waiver provision: States opting to use control technologies that are still in the demonstration stage can request a time waiver from EPA on the first phase of reductions under the following guidelines:

(1) At least half of the first phase reduction must be met within the five year limit;

(2) An implementation plan must be submitted which documents the steps that will be taken to bring control technology on line; and

(3) The plan must substantiate that phase II goals will be met on time.

There should be on-going research throughout the first phase as outlined in 1-C below, in order to establish a data base for evaluating the effectiveness of first phase reductions. Within two years of completion of the first phase, the EPA Administrator shall prepare a report to Congress on the reduction program including any recommendations for adjustments in secondary phase reduction goals. EPA's recommendations shall be implemented unless Congress passes legislation to the contrary.

Nitrogen oxide emission reductions

A timetable for nitrogen oxide reductions should be established that would:

(a) Within three years, reduce nitrogen oxide emissions from mobile sources to the following levels:

Vehicle type	Standard
Passenger cars	0.7gpm.
Gasoline powered trucks weighing up to 8,500 lb	1.2gpm.
Gasoline powered trucks weighing from 8,500 to 14,000 lb	1.7g/Bhp-hr.
Diesel trucks weighing up to 6,000 lb	1.2gpm.
Diesel trucks weighing from 6,000 to 8,500 lb	1.7gpm.

gpm=grams per mile.
g/Bhp-hr=grams per brake horsepower hour.

(b) Within 12 years reduce annual nitrogen oxide emissions from stationary sources by two million tons from 1980 levels.

(c) We recognize that the state of California has instituted much stricter standards for all vehicles, using existing technology. On-going research and evaluation should be conducted and national standards should be revised if necessary within seven years of implementation.

We are convinced that such a reduction program including both sulfur dioxide and nitrogen oxides can address in good faith the environmental needs of states receiving acid deposition, while also considering economic concerns and retraining options for future use of promising new technologies.

1-C. *In order to determine the effectiveness of the emission control program, Congress should authorize funds for on-going research to monitor the effectiveness of the emission control program and to evaluate the need for adjustments in regulations.*

A comprehensive program of research is necessary in order to understand better the full extent of the impacts from acid deposition and related air pollutants and waste by-products from control technologies. With such research continuing throughout the reduction program, the effectiveness of emission reductions can be monitored and can provide direction for possible adjustments in later phases of the program.

The evaluation should include research done by federal and state agencies, educational institutions, and industry, with overall coordination by the EPA.

1-D. *The emission reduction program should include all 50 states when fully developed and implemented.*

There is great variation among the 50 states in sulfur and nitrogen emissions produced. Citizens in all 50 states, however, consume a vast array of goods and materials produced in the states that are the largest sources of sulfur dioxide and nitrogen oxides. Citizens in all 50 states also drive vehicles that contribute to nitrogen oxide emissions. In that sense, we are all emitters and are all a part of the problem. Our country is not a simple union of independent states, but a complex, interdependent society. We all have a stake and must all ultimately participate in the solution.

RECOMMENDATION 2: STRUCTURE OF AN EQUITABLE EMISSION REDUCTION PROGRAM

2-A. *The emission reduction program should require control technology to the extent needed to allow for competitiveness of high sulfur coal.*

Two approaches to sulfur dioxide reduction are generally proposed—switching to low sulfur fuels, or using various sulfur reduction technologies. Fuel switching may be cheaper for utilities in the short term, but the socio-economic costs to coalfield communities are extensive. The resulting economic decline means loss of jobs in related business and industry and loss of tax revenue at all levels. These factors and the added cost of long distance transportation make fuel switching a false economy. Solutions allowing full use of our energy resources, including high sulfur coal, contribute to economic stability and build on a larger resource base.

The tall stacks allowed in the early days of the Clean Air Act offered a short-term solution to local air pollution but created long range transport problems. In the same way, a strategy that relies on fuel switching would be equally shortsighted for it would cause job losses and regionally depressed economies, not to mention the abandonment of the high sulfur coal resource that one day the country will need again.

While further research and development is necessary in clean burner technology, a number of proven technologies now exist which will provide significant sulfur dioxide emission reductions in the near term. Coal washing, for instance, should be applied more extensively. Scrubbers, highly effective in sulfur dioxide removal, can be used on those power plants which are the best candidates, usually the larger, younger units with the highest emissions.

This approach would achieve both the desired short-term reduction goals and the related social goals of providing safeguards to the high sulfur coal market.

2-B. *The Reagan-Mulroney agreement should be implemented immediately with appropriate commitment of money and with a strict timetable for demonstrating new coal burning technologies within five years as pledged.*

Ohio citizens have made a significant commitment to clean coal technologies through establishment of a $100 million research program. The U.S. Department of Energy is implementing a $400 million Clean Coal Reserve program. A significant national commitment is needed now to bring these technologies from the research and development stage into commercial application within an expeditious time frame. The Reagan-Mulroney agreement in March 1986 recommended a $5 billion joint investment by the federal government and industry for such commercial demonstrations. This program should be implemented by Congress and begun by 1987.

2-C *The emission reduction program should require appropriate levels of control of nitrogen oxides.*

Evidence of the role of nitrogen oxides in causing forest stress and damage has mounted (nitrogen oxides are a precursor to ozone), and we believe that nitrogen oxides emissions must specifically be included in an acid rain control program. Currently, approximately 44 percent of nitrogen oxides emissions come from motor vehicles, 29 percent from utilities, and 22 percent from industrial boilers. While primary standards for nitrogen oxides reduction have been set under the Clean Air Act, the New Source Performance Standards that apply to new utility and non-utility boilers are only slightly lower than emissions from unregulated sources.

We believe that New Source Performance Standards should be strengthened. Motor vehicle standards should be set at currently proposed levels as set forth in Recommendation 1-B. In addition, a program to control diesel emissions should be developed and inspection and maintenance programs should be put into effect nationwide to insure the appropriate maintenance and use of vehicle emission control devices.

2-D. *Each state should develop a State Implementation Plan (SIP) to achieve emission reductions, giving full consideration to environmental and socio-economic impacts and providing for public input.*

The State Implementation Plan should give full consideration to the following: environmental impacts; socio-economic impacts; and long range cost-effectiveness.

In developing the SIP, the responsible state agency shall also consult with any state regulators concerned with air and water quality and waste management and disposal and shall provide ample opportunity for public participation and comment. Proposed new plants should be included in the SIP.

In recognition of the fact that certain coal dependent regions have suffered severe economic problems in recent years, and that clean air laws have and could continue to contribute to creating these economic difficulties, we urge that in the development of state implementation plans, where new technology is to be demonstrated or installed, priority be given to locating facilities first in areas of the most economic distress.

2-E. *The emission reduction program should provide states flexibility in implementation to promote cost-effective reductions.*

Flexibility should be provided to regulators, utilities, and industry to decide which technology is most appropriate for which source. Each power plant or industry has its own unique circumstances which argue for site-by-site decisions for selecting the most cost-effective technique. Evaluation of cost-effectiveness is intended to include consideration of electric rate increases and socio-economic impacts. Old boilers are a concern that should be addressed, however, the Partnership realizes retrofitting old boilers frequently does not achieve cost efficiency nor desirable socio-economic goals. Therefore, we also encourage advanced coal cleaning and burning technology, coal washing, and conservation programs where they are most cost efficent.

2-F. *The emission reduction program should anticipate the need to offset future emissions to maintain the overall progress and effectiveness in the program.*

A national effort to promote energy conservation such as that proposed in Recommendation 5 would contribute significantly to offsetting the project growth in emissions.

RECOMMENDATION 3: PAYING FOR EMISSION REDUCTION

It is far easier to calculate the costs of control than the costs of damage associated with acid deposition. We recognize, however, that damage done to lakes, forests, crops, materials, and related jobs can be just as significant as the costs of control. No value can be placed on the quality of life.

Emission controls must be paid for. The prevailing mood in the country at the present favors deficit reduction, a cap on runaway federal expenditures, and tax simplification. These sentiments will ultimately affect Congressional decisions about financing acid rain controls.

Yet there is another mood in the country. It is one reflected in numerous opinion polls in which citizens state their willingness to pay for pollution controls. The Partnership exchange affirms this willingness. The federal budget reflects many choices. One choice Congress must now make is to share the cost of acid rain control.

Good public policy will integrate the interests of utilities, industries, coal miners, environmentalists, consumers—all those upwind and downwind of the acid rain problem—so that disadvantages to any one sector are minimized and costs are spread among the major parties.

3-A. *Money for emission reductions should be derived from several sources including: federal and state government; private industry; and a Trust Fund, which itself draws on a number of sources for its revenues.*

We visualize the principal source of federal money as that outlined in the Reagan-Mulroney agreement which provides for $2.5 billion of federal money matched by $2.5 billion from private industry. As can be seen in the example provided by Ohio in its dedication of $100 million for clean coal technologies, state appropriations can also play a role.

Private industry should continue to have a central role in investing in its own future development and operation.

We envision a federal Trust Fund as described in 3-B below, which draws on the following sources for its revenues: an emissions fee levied on emitters; a rate surcharge levied on consumers of electricity; and vehicular registration surcharges levied by state governments (to include motorcycles, power boats, and aircraft).

3-B. *Money from the federal Trust Fund should be allocated by the EPA to the states. A Board of Trustees in each state would distribute funds for specified air pollution reduction purposes.*

Administration of the Trust Fund has the following elements:

(1) Trust fund allocations to the states would be based on a formula which would relate to each state's proposed state implementation plan (SIP) cost and required emission reductions;

(2) A State Board of Trustees, representing a broad constituency interested in emission controls and effects, should decide how to distribute money;

(3) This money would be used to make loans or grants for development or installation of: coal washing facilities; advanced coal cleaning and burning technologies; old boiler retrofits; scrubbers; retraining and job placement programs; and conservation programs.

(4) Emitters above a defined size would submit individual proposals according to EPA-set criteria, to achieve emission limits assigned by the State. Such proposals would be similar to an environmental impact statement in that they would address all costs and environmental and socio-economic benefits associated with implementation;

(5) Each State Board of Trustees would decide which of these applications in its state is meritorious and should be funded.

3-C. *The cost of purchase and installation of emission control equipment should be partially paid for out of a Trust Fund.*

The cost of capital investments to be made by utilities and industry in installing emission control technologies is likely to be several billion dollars per year. Funds could be provided to utilities and industries in the form of pollution control bonds, direct grants, matching grants, or low and no-interest loans from the Trust Fund.

Money would be used for advanced coal cleaning and burning technologies and old boiler retrofits. In addition, we wish to encourage the increased washing of high sulfur coal as soon as possible to meet short-term reductions, using the most advanced proven technology that is available. High sulfur coal washing facilities should be eligible for Trust Fund grants.

3-D. *The cost of research and development should be the responsibility of government, industry, and the consumers.*

Money for the development and testing of innovative technologies pursuant to the Reagan/Mulroney agreement should be equally shared between government and industry.

Money for research related to monitoring and data evaluation of the emission reduction program should be borne by government and the Trust Fund.

Money for research on nitrogen oxide emission reductions should be drawn from vehicular registration surcharges.

3-E. *Operating and maintenance costs of emission control equipment should ultimately be borne by the utility or industry and their customers and made part of the regular costs of doing business.*

The cost of operating and maintaining emission controls also is high, amounting to several hundred million dollars per year. While some emitters have expressed a need to have these expenses subsidized, we believe it more appropriate for on-going operating costs to be internalized into the rate structure and the prices charged by emitting sources for their products.

RECOMMENDATION 4: INCENTIVES AND REWARDS FOR EMISSION REDUCTIONS

4-A. *Incentives and rewards should be integral to the emission reduction program so that emitting facilities have positive incentives for reaching emission reduction goals.*

A program of incentives and rewards for achieving emission reduction goals should be devised. At a minimum, a program such as the Army-Navy E program of World War II should be developed to acknowledge publicly the excellence of utilities and other corporations that meet emission reduction goals in a responsible and timely manner.

While the government's regulatory role is essential to ensure compliance with the standards proposed in this document, we feel it is important that industry should be rewarded more publicly for timely achievements. Incentives and rewards could change pollution control compliance from an unrewarded obligation to something for which there are strong positive motivations visible and felt in society.

Trust fund allocations should be increased to those technologies that promote coal washing and clean burning options. Other incentives could be tax-free bonds, accelerated return on capital costs, depreciation allowances, dollar bonuses for early project completions, and construction work in progress (CWIP).

RECOMMENDATION 5: CONSERVATION

It is predicted that emissions will rise in the next century due to new power plant construction and increased number of vehicles, even if Congress enacts curbs now on emissions. We believe the best way to lessen the need for new power plants is to use energy more efficiently. Energy conservation does not require major capital investments and the technology is relatively simple. There are many energy conservation opportunities that have not yet been developed and implemented.

Several utilities in this country have embarked on demand management and energy efficiency strategies. These strategies have reduced costs considerably over comparable costs for new power plant construction. These savings seem persuasive, and we believe that steps should be taken to encourage widespread application of energy efficiency measures and to ensure that future energy needs do not result in a growth of emissions.

5-A. *Money from the Trust Fund should be available for conservation.*

Use of these funds would be restricted to conservation programs as determined by the Trustees. Requests could be made by individuals, communities, organizations, industries, and energy producers.

5-B. *Education and publicity on the problems of pollution and the importance of conservation are essential to long-term reductions of energy demand.*

An expanded series of TV ads, posters, and school courses should be developed and presented (in much the same way as was done for littering or smoking).

5-C. *The national appliance standards law should be implemented as soon as possible.*

In 1978 Congress passed a law which would establish national energy efficiency standards for major appliances. This law has not been implemented. Congress should take action to ensure immediate implementation.

5-D. *The Department of Energy's state and community conservation programs and research and developmoent programs should be protected from budget cuts.*

The Department of Energy Policy Plan describes efficiency as a cornerstone of federal energy policy. In its 1984 annual report to Congress the Department of Energy stated, "Continued developments in energy conservation create important opportunities for further improving energy and economic productivity and for advancing the nation's competitive position in technology leadership and international trade." These funds should be protected from budget cuts to ensure that conservation remains a commercially viable solution.

5-E. *Congress should continue to appropriate money for technology sharing programs.*

Federal support is needed to disseminate and promote the exchange of available conservation technology research and impact studies.

5-F. *Public Utility Commissions must consider conservation measures prior to authorizing new plants.*

A representative of the National Association of Regulatory Commissions has stated, "The general consensus of the regulatory community is that building power plants should be the last option." We agree with this concept and propose a federal law that would require utilities to show that new construction is the least expensive method of providing energy.

Carolyn Baldwin, Martha Bauman, Becki Bean, Dennis Bigler, John Billing, Mary Anne Broshek, Charlie Call, Paul Doscher, Cynthia Edmunds, Patricia Fair, Hilton A. Farley, George Moulton, Donald R. Myers, Allan Palmer, John Rininger Jr., Donald R. Sinclair.

LUPUS AWARENESS MONTH

● Mr. D'AMATO. Mr. President, I rise today in support of a joint resolution, designating October 1987 as "Lupus Awareness Month."

Lupus erythematosus, or lupus as it is commonly known, is a chronic and debilitating immune system disorder that afflicts over 500,000 Americans. This disease attacks females at an almost 9 to 1 ratio over males, with the onset occurring most often during the childbearing years.

Lupus may begin with any number and combination of symptoms. These symptoms may range in severity from a mild skin rash to fever, joint pains, weight loss, anemia, kidney malfunction, nausea, and mental and emotional problems.

There is presently no cure for lupus. It can, however, in many cases, be treated and controlled. For most lupus patients, their symptoms can be reduced in severity, or eliminated entirely, through prompt diagnosis and treatment. It is therefore imperative that individuals learn to recognize the symptoms of lupus, and that those with lupus symptoms seek medical consultation, early diagnosis and treatment.

A national Lupus Awareness Month will play a vital role in disseminating information about this little-known and tragic disease. Increased awareness will lead not only to better treatment through early diagnosis, but will also point to the need for accelerated research into the causes of and cure for lupus. I urge my colleagues to join me in support of this important resolution.●

SALUTE TO KENNETH GIBSON, FORMER MAYOR OF NEWARK, NJ

● Mr. LAUTENBERG. Mr. President, I rise to salute a man who played an important role in shaping the city of Newark, NJ; Kenneth A. Gibson.

Kenneth Gibson was first elected to office in 1970—not a quiet year in the history of Newark. Once a thriving cultural and economic center, by the late 1960's, many middle and upper income residents had fled the city, and Newark had become a textbook case of what ailed urban America. Like other major American cities in the 1960's, Newark suffered from a myriad of economic and social ills. The city was plagued by poverty, unemployment, racial strife, and the cloud of official misconduct. The needs of the city's disadvantaged were going unmet. Newark needed new leadership.

Ken Gibson had grown up in Newark, the son of a butcher and a seamstress. He worked his way through college and earned a degree from the New Jersey Institute of Technology, then known as the Newark College of Engineering. He worked as an engineer in the 1950's and 1960's for the New Jersey Department of Transportation, Newark Redevelopment and Housing Authority, and the Newark Bureau of Buildings. He gained experience working in the civil rights movement and Newark's business and industry council.

In 1966, Newark's black leaders urged Gibson to lead their challenge to the political machine and run against the incumbent Democratic Mayor Hugh J. Addonizio. While he didn't win, Gibson did force a runoff between the mayor and his opponent. This was quite a feat for a candidate who had entered the race just 6 weeks before the election and had raised only $2,000. Addonizio was reelected.

But by 1967, Newark's problems worsened and the stage was set for large-scale dissent. That year, the city was wracked by some of the worst riots in the history of the Nation. But Gibson didn't turn away from his city. In 1970, he ran again for mayor, even more determined to heal Newark's wounds and to turn the city around. This time Gibson won, leading a field of seven candidates in the primary and beating the incumbent in a runoff election in which a record 73 percent of registered voters turned out. That victory launched Gibson into the national spotlight as he became the first black mayor of Newark and the first black mayor of a large eastern city.

Gibson knew the problems troubling his city, and he knew the enormous task ahead. His first challenge was to restore public confidence in the city. His faith in Newark often led him to pronounce, "Wherever America's cities are going, Newark will get there first." Gibson became adept at mobilizing Federal resources to his city in the critical areas of housing, health care, and economic development. During Gibson's term, Newark saw the development of the Gateway complex, which has formed the nucleus of a reviving downtown business center. He saw Newark Airport grow and become an important gateway. The development of Rutgers University, the University of Medicine and Dentistry of New Jersey, the New Jersey Institute of Technology and Essex County College made Newark an educational center.

Gibson's success earned him a term from 1976 to 1977 as the president of the U.S. Conference of Mayors, one of the leading voices on behalf of the Nation's cities. Gibson has consistently spoken about the need for a national urban policy. He has testified before Congress and has spoken before numerous National and State organizations. He ran twice in the Democratic primary for Governor of New Jersey, giving the voters a candidate who would represent the interests of New Jersey's large cities. In each of these elections, he received over 85,000 votes.

Ken Gibson once said:

> The cities are the heart of our nation, pumping blood of survival into the towns, townships, hamlets and rural areas of our nation, and they return the flow back to the heart. Collectively, we are the circle of life in this nation. We * * * must work to enlighten those who have been misled into thinking in isolationist terms of urban, suburban or rural interests.

For his courage to steer Newark and America's cities into the future, Gibson was awarded the prestigious, Fiorello H. LaGuardia Award by the innovative New School for Social Research in New York. He was recognized by Time magazine as one of America's 200 outstanding young men, and cited by the Times of London newspaper as an example of the type of international political leadership which would be developed in the near future.

Mr. President, many of Mr. Gibson's friends will join to honor this man who dedicated 16 years of service to the citizens and city of Newark. This tribute, hosted by the mayor of Newark, Sharpe James, will be held on June 18, 1987. I am honored to be able to join Mr. Gibson's friends and supporters at this special event.●

TRADE AND COMPETITIVENESS

● Mr. WARNER. Mr. President, I would like to share with our colleagues in the Senate a letter I recently received from Mr. Hamish Maxwell, chairman and chief executive officer of Philip Morris Co., Inc.

I am taking the unusual step of submitting this letter for the RECORD because it contains important information on trade and competitiveness and how one U.S. company views its position in the international marketplace.

While I do not necessarily endorse all that this writer states, I do endorse the notion that virtually every action of the Congress which effects business and commerce can ultimately affect international trade and competitiveness.

While Philip Morris enjoys a positive balance of trade based on its export of tobacco products, the information which Mr. Maxwell imparts could easily be characteristic of many U.S. companies doing business in global markets. For that reason, I commend the letter to the attention of my colleagues.

The letter follows:

PHILIP MORRIS COS. INC.,
New York, NY, May 29, 1987.

Hon. JOHN W. WARNER,
U.S. Senate,
Washington, DC.

DEAR SENATOR WARNER: The current debate on trade legislation has encouraged me to share with you some pertinent facts about Philip Morris and the tobacco industry in relation to international trade.

Philip Morris has a successful export business, does not request protection from imports to the United States and is principally concerned with additional market access overseas. Legislation which is not protectionist in character and which will encourage additional market access for U.S. exports, seems to us to represent the most positive approach to both enhancing trade generally and encouraging U.S. exports.

In tobacco and cigarettes the United States produces products which set the standards of quality and consumer acceptability throughout the world. American brands are much more popular in world markets than cigarettes from any other source. This alone makes our products unusual. Japan, the nation with which the United States runs its largest trade deficit, has a domestic cigarette market with an estimated value and retail of $15 billion annually. However, this is a market which, until recently, was virtually closed to U.S. tobacco products. The problem never has been a lack of Japanese demand for our tobacco products, but rather, government-imposed restrictions and policies that priced U.S. cigarettes beyond the reach of the average consumer.

As a result of vigorous efforts by U.S. cigarette manufacturers working closely with the Congress and the Executive Branch of the U.S. government, the government of Japan has altered its protectionist tobacco policies. Effective April 1, 1987, the tariff on cigarettes imported in Japan was abolished, thus making U.S. cigarettes price-competitive for the first time. The U.S. government has projected that with price competitiveness in the Japanese market, U.S. tobacco products could achieve a 20% share of that market. With each share of market valued at nearly $50 million dollars, achievement of a 20% share of that market could be worth almost $1 billion annually in U.S. exports. This clearly represents a significant reduction in the U.S. trade deficit with Japan.

Statistics for the first quarter of 1987 indicate that American products are making full use of the increased access to the Japanese cigarette market. According to figures compiled from census data and provided by the Tobacco Merchants Association, exports for the first quarter of 1987 have increased 292% in volume and 286% in value over the same period of 1986. Although a small part of this increase represented a build up of stocks prior to the April 1st tariff reduction, industry experts conservatively estimate that American exports to Japan will, at least, double in 1987.

The U.S. tobacco industry, as a whole, had a positive balance of trade of more than $2 billion in 1986 and has produced positive trade balances of over $1 billion for every year since 1976. Philip Morris alone ranked 14th in 1986 among America's largest exporters and is first in consumer packaged goods; most of our exports are cigarettes and tobacco.

The number of foreign markets that are open to cigarette imports from the U.S. is limited, because most countries protect their domestic cigarette and tobacco industries. There is little doubt that our industry exports could multiply if more foreign markets were open.

In seeking to expand our export business we have received extraordinarily valuable support from this and past administrations and from the Congress. We are particularly grateful for your help in improving access to markets such as Japan and Taiwan. In spite of recent changes however, it remains virtually impossible to export to Korea.

It is in this context of trade that I respectfully request that you and the Congress avoid legislative action designed simply to punish the cigarette industry and the 60 million Americans who enjoy our products.

Specifically, legislative initiatives have been proposed to increase excise taxes, ban advertising and promotions, make marketing expenditures nondeductible for tax purposes and restrict or prohibit smoking in public places. These initiatives, when taken in the United States, are observed and are likely to be copied in many foreign countries without further reference to the merits.

The effects of such initiatives therefore are not simply domestic. They tend to hurt the reputation of our products abroad and discourage the future investment needed to assure the quality and efficiency required for a successful export business. They may well renew farm surplus problems by further reducing overseas demand for our tobacco.

Aside from their effect on trade competitiveness, I suggest that these initiatives could establish precedents which would allow similar measures to be applied to many other products and industries which may from time to time attract public criticism or concern. Surely this would be undesirable.

We at Phillip Morris Companies Inc. will strive to ensure that our products maintain their competitive advantage. In that way, I hope that we will continue to contribute to an improving trade balance for the U.S.A.

Sincerely,

HAMISH MAXWELL.●

S. 943—RIGHTS OF AIRLINE EMPLOYEES

● Mr. D'AMATO. Mr. President, I rise today to cosponsor S. 943, legislation designed to ensure the fair treatment of airline employees in airline mergers and similar transactions. This bill was introduced by my colleague, Senator ADAMS, on April 7, 1987.

S. 943 provides that in any case in which the Secretary of Transportation concludes that a merger or transaction between two air carriers would cause a reduction in employment and/or adversely affect the wages and working conditions of any air carrier employees, labor protective provisions developed to alleviate such consequences will be imposed as a subject of approval.

Under current law, there are no set guidelines to protect the rights of airline employees in the event of an airline merger or takeover. The Department of Transportation has, in the past, left it up to the acquiring carrier to see to it that employees' rights and salaries are handled fairly. Generally, this has been an effective approach, however, with the recent wave of air carrier mergers, some air carriers have tried to cut costs at the expense of their employees. S. 943 will help assure that airline employees will not be the victims of deregulation.

Mr. President, the airline industry, airline employees, and the traveling public will all benefit from this legislation. I urge my Senate colleagues to support this important bill.●

JACK EVANS: OIL FORECASTER AND ENTREPRENEUR

● Mr. MATSUNAGA. Mr. President, the Nation's energy future has long been a concern of mine, and one of my most valued advisers in ths regard is a broad-gauged oil man of vision and accomplishment knowledgeable in world petroleum markets and the ways of Government here in Washington. I refer to John K. Evans, who has been an international petroleum consultant here in the past and was instrumental in the establishment of Hawaiian Independent Refinery, Inc., a subsidiary of Pacific Resources, Inc., a Fortune 500 energy corporation based in my home State of Hawaii.

I value "Jack" Evans' views not only because of his long, varied, and successful career in the oil business but because of the scope of his interest in our Nation's future energy "mix" and his recognition of the need to develop alternative, renewable energy sources. A philanthropist and entrepreneur currently promoting photovoltaic cells in Florida, Jack shows little evidence of slowing down although he has passed his 80th birthday; he also keeps busy by carrying on an extensive worldwide correspondence with people in all walks of life.

As one in the Government sector who was involved from the very beginning in assisting Jack Evans and Jim Gary, founder of Pacific Resources, Inc., in their visionary effort to install healthy business competition in the 50th State, I was pleased to read an account of a very interesting interview by a writer for the Pacific Business News as to how Hawaiian Independent Refinery, Inc. got started in 1968. Because this is an absorbing story of how a most successful private enterprise was established with Government assistance for the benefit of the consumer, I believe my colleagues and others will benefit from reading the article. I, therefore, ask that it be printed in the Record, immediately following my statement. I make this request as a means of expressing my deep appreciation, belated and inadequate as it may be, to Jack Evans and Jim Gary for all they have done for the people of Hawaii, whom I represent in the U.S. Senate.

The article follows:

[From the Pacific Business News, Mar. 23, 1987]

Evans Recalls Origins of Oil Refinery

(By Nancy Davlantes)

At age 80, Jack Evans is still making deals.

Ostensibly retired in Jacksonville, Fla., this multimillionaire philanthropist can be found working on deals in hydroplants in Maine and photovoltaic cells in Florida.

It was his consummate deal-making ability that brought Evans to Hawaii almost 30 years ago, and led—against sizable odds—to the creation of the *Hawaiian Independent Refinery Inc.*, a subsidiary of *Pacific Resources Inc.*

Still a major stockholder in and advisory director to PRI, Evans was in town recently to be honored by the Shriners Hospital Philanthropic Society for his $1 million gift to the Shriners hospitals here and in Tampa, Fla.

Novels have been written with far less material than Evans' life story, from being orphaned at 10 years old in Wales where he was born, to emigrating to Canada and then to the U.S. as an illegal alien, to his career with Royal Dutch Shell, then the foreign operation of Shell Oil Co.

It was his expertise in the oil business that led to his first visit to Hawaii, back in 1968, at the request of his good friend Stuart Udall, former U.S. Secretary of the Interior.

At that time he was en route to deal-making in Taiwan and Korea, but Udall wanted Evans to see his friend, then-Gov. John Burns to advise him on the oil business here.

"When I came here," Evans recounted, "I was making big money trading. I told Udall, 'I'm not a consultant—I want a piece of the action.' "

His initial visit with Burns, he said, was a game of cat and mouse.

"I thought I'd give him a lot of malarkey about the oil business. I'll never forget that character. After keeping me waiting, he asked me 'What can I do for you?' I said to him, 'What do you want?' "

Evans said Burns had no idea what he wanted, other than he was anxious to inject competition into the oil business here.

"I told him there was only one way to do it," said Evans. "You'll never attract independent marketers here when there's no way to get oil in. You have to have an independent refinery."

What do you need? asked Burns.

Land that's near water, said Evans, and so he was sent over to the Estate of James Campbell where he obtained an option on 110 acres at Campbell Industrial Park for six months.

After agreeing with Burns that the new refinery should be a Hawaiian company, Evans was put in touch with James Gary, then president of the Honolulu Gas Co.

Together they organized a coterie of investors and set about getting the necessary approvals—no small task, especially from the federal government.

"I knew we had to build a small refinery (less than 30,000 barrels a day)," Evans recalled. "The whole oil industry was against us. The independent producers fought it, and so did the major companies."

Not only that, but the oil import program passed in 1959 established quotas for existing refineries on imported oil, and any refineries that were not importers of record got no quota.

But, said Evans, "there's always a gimmick."

The gimmick in this case was setting up a foreign trade zone at the refinery site, in effect establishing a foreign country not subject to the quotas.

A foreign trade zone (FTZ) would allow the new refinery to import crude from foreign sources and pipe its refined products back out to tankers. Since sales to the U.S. Department of Defense were also considered foreign sales, the refinery had an outlet for almost all it could produce.

The idea was great, but getting the zone established was another matter.

The federal government, it turned out, was afraid that the FTZ idea would catch on, leading more refineries to apply for the same deal.

Nonetheless, Evans and his group pursued the idea. But first they had to prove they had the market, the technology, the engineering, and the money to put their project together before they'd get the approval.

"When you're putting a deal together," he said, "it's a question of what comes first, the chicken or the egg. You have to start somewhere."

So through his connections Shell gave the refinery, still in the planning stages, a contract to supply it crude with "enough volume to make us legitimate."

Evans spent most of the next four years in Washington, D.C., lobbying for the foreign trade zone.

"I knew if we didn't get the permit in that (the Johnson) administration, we'd have to start all over with Nixon. We got the FTZ on the last day of Johnson's regime."

The Hawaiian Independent Refinery now produces almost 70,000 barrels a day, and, Evans said, "It shows what can be done in partnership between private enterprise and government."

The oil business today isn't nearly as much fun, Evans mused.

"Now it's the day of commodity trading—it's just speculation. Prices are based on psychology rather than what's going on in the marketplace. You no longer have control."

Those prices, he predicted, are going to be very volatile for the next several years, "but the general feeling is that OPEC will keep the price from falling through the floor. But it's anybody's guess by the 1990s. By then the major reserves here will be depleted, and OPEC will be in the catbird's seat."●

ORDER OF PROCEDURE

Mr. BYRD. I inquire of the distinguished Republican leader if he has anything to say for the information of the Senate or just has anything to say?

Mr. DOLE. I thank the majority leader. I have nothing further to say.

SCHEDULE FOR TUESDAY, JUNE 16, 1987

Mr. BYRD. Mr. President, the Senate will shortly adjourn over until Monday for a pro forma session at 12 noon, with no business, no debate, and the Senate will immediately upon adjourning, go over until Tuesday next to convene at the hour of 10 a.m.

On Tuesday, there will be 2 hours prior to the regular luncheon conferences of the two parties, 2 hours between the hours of 10 a.m. and 12 noon, for debate or following the two leaders.

ORDER FOR MORNING BUSINESS ON TUESDAY AND RESUMPTION OF CONSIDERATION OF S. 2

Mr. BYRD. Mr. President, I ask unanimous consent that following the two leaders on Tuesday under the standing order, there be a period for the transaction of morning business to extend not beyond the hour of 11 a.m., at the conclusion of which morning business, the Senate will resume consideration of the unfinished business.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, the remaining time between that moment at the conclusion of morning business and the hour of 12 o'clock noon, the two leaders will control that time equally. Then the Senate will stand in recess for 2 hours.

The hours between 2 p.m. and 5 p.m. will be equally divided and controlled by the leaders or their designees and the debate will ensue on the pending amendment, which is an amendment to the committee substitute to S. 2. A vote on cloture will occur circa 5 p.m. on Tuesday, and on Wednesday there will be a second cloture vote on the amendment to the committee substitute to S. 2, the campaign financing reform bill.

There may be other business that would be called up during each of those 2 days by unanimous consent. I am thinking in terms of conference reports, hopefully, on homeless relief legislation and on the budget. There may be other unanimous-consent business that can be transacted. There may be executive business that can be transacted. I would like, as I have already indicated, to get to some of the nominations on the calendar. For the remainder of next week, I would see the campaign financing reform legislation. So there may be rollcall votes on Tuesday prior to 5 o'clock p.m. I underscore that statement.

Mr. DOLE. Will the majority leader yield?

Mr. BYRD. Yes.

Mr. DOLE. I thank the distinguished majority leader. On next Tuesday, the President will be having lunch with Republican Senators and the majority leader was gracious enough to permit us to use S–207 for that purpose. I want the RECORD to reflect that.

Mr. BYRD. Mr. President, the Republican leader is very kind to make reference to the Democratic leadership in that regard. It was felt that in the interests and the best security of the President, if he wants to come up and the Republican leadership wants that room in which to have lunch with the President on Tuesday, why, the Democrats will gladly give it up and we will have our little meeting in S. 211. Very well.

ADJOURNMENT UNTIL MONDAY, JUNE 15, 1987

Mr. BYRD. Mr. President, there being no further business to come before the Senate, I move, in accordance with the order previously entered, that the Senate stand in adjournment until 12 noon on Monday next.

The motion was agreed to; and the Senate, at 5:59 p.m., adjourned until Monday, June 15, 1987, at 12 noon.

CONFIRMATIONS

Executive nominations confirmed by the Senate June 11, 1987:

THE JUDICIARY

Haldane Robert Mayer, of Virginia, to be U.S. circuit judge for the Federal circuit.

Layn R. Phillips, of Oklahoma, to be U.S. district judge for the western district of Oklahoma.

HOUSE OF REPRESENTATIVES—*Thursday, June 11, 1987*

The House met at 10 a.m.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

We are appreciative of so many blessings, O God, that give meaning to life. We particularly are thankful for family and friends who support us and care for us, who pray for us and encourage us at all the moments of life. We recognize, O God, that there are times when we are uncertain about our situations and the bonds of friendship to which we can in turn offer a source of hope and comfort and peace. For these family and friends whose names are known to You, O God, we offer this word of prayer. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate had passed a bill and joint resolution of the following titles, in which the concurrence of the House is requested:

S. 958. An act to dedicate the North Cascades National Park to Senator Henry M. Jackson; and

S.J. Res. 88. Joint resolution to designate the period commencing November 15, 1987, and ending November 21, 1987, as "Geography Awareness Week."

THE ACID DEPOSITION CONTROL ACT OF 1987

(Mr. SIKORSKI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SIKORSKI. Mr. Speaker, John F. Kennedy said, "We must use time as a tool, not a couch. We must carve our own destiny."

Today I am introducing legislation to carve our destiny by controlling the threat of acid rain. With this bill, we can forge a cleaner environment, a sounder economy, and a healthier world for ourselves and our children.

Our colleagues TOM TAUKE, SILVIO CONTE, and HENRY WAXMAN and others join in sponsoring this new bill, which is nearly identical to last year's acid rain legislation, H.R. 4567. With over 170 cosponsors from every region of the United States, H.R. 4567 was the most widely supported and successful acid rain legislation in the history of the House. Today we are ready to move ahead from where we left off.

Mr. Speaker, we cannot lounge languidly on the couch of time, letting America's future slip away. Our people, our children, deserve more than a destiny of dirty air, devastated resources, and damaged lungs. We must stop acid rain now.

BREAKING THE CYCLE OF POVERTY

(Mr. McMILLAN of North Carolina asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. McMILLAN of North Carolina. Mr. Speaker, I rise in support today of a number of provisions in H.R. 4. I would like to call particular attention to an amendment I offered in committee. Section 120, the public housing transition demonstration, goes a long way toward providing a means of breaking the cycle of Government dependency. Under the present system, we are trapping families by imposing disincentives to self-reliance. Section 120 provides these families a way out. A housing authority can contract with the residents for training, counseling, and education in order to meet their individual needs and goals. At the second stage in the program, the resident will begin working and not be penalized for doing so until well-established in the workplace. These families will know what is expected of them and the benefits they will get in return for their participation and success. This plan assumes that most do not want to be dependent on Government. We need to give these people a chance to make it on their own. Section 120 is vital to any housing and welfare reform policy if we truly want to break the cycle of poverty.

PROGRESS ON GARRISON DIVERSION

(Mr. DORGAN of North Dakota asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DORGAN of North Dakota. Mr. Speaker, today I want to commend the members of the Appropriations Subcommittee on Energy and Water Development for the work they've done to make certain that Congress keeps its commitments to assist the States with water development around America.

As you know, the Garrison diversion project in North Dakota is a product of a bargain between the Federal Government and the State of North Dakota. It provided that if North Dakota would allow a permanent flood to exist in our State behind the Garrison Dam the Federal Government would fund a water resource development project so that we could move water behind that dam around our State for economic development purposes. The project itself, the Garrison diversion project, was authorized after 20 years and then reformulated in a major compromise 2 years ago. It's an economically sound and environmentally sound project that we need for our State's economic future.

The President, in his budget for water development projects, offered a proposal that would have radically increased funding for two very large projects in Western States and dramatically cut funding for the Garrison project and others to which the Federal Government had made commitments. That approach didn't make any sense and I'm pleased that the Appropriations Subcommittee rejected that approach and met its commitment to North Dakota and other States. The subcommittee has done the responsible thing and I appreciate that.

Let me make one final statement about water development projects. The key to economic growth is water. It always has been and always will be. Without water resources, long-term economic growth is virtually impossible. In our region—a region with 15 to 17 inches annual rainfall—we need the opportunity to use our water resources within the Garrison Dam. It offers an exciting economic promise to create jobs, strengthen our agricultural industry, and also to diversify our economic base. That's why water resource development in the northern Great Plains is so critical. And that's why I and others fight so hard to make certain the Federal Government keeps its promise to a State like North Dakota that's kept its promise to the Federal Government.

LIABILITY EXPLOSION AT RISK

(Mr. HENRY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HENRY. Mr. Speaker, just last month, a medium-sized machine shop in my district, for years the largest and most respected woodworking ma-

☐ This symbol represents the time of day during the House proceedings, e.g., ☐ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

chinery manufacturer in the United States, was forced to file under Federal bankruptcy laws in order to gain protection against liability lawsuits, some arising from machinery built 40 years ago, machines that were sold and resold over and over before any accidents happened.

Hearings have begun on this issue and on H.R. 1115, the Uniform Product Safety Act. While I am greatly encouraged by the fact that hearings have begun—and I commend the chairman of the committee and others who supported this effort and have facilitated this degree of movement on this critical issue, I want to also add a note of urgency for passage of such legislation. H.R. 115 will not save the 200 or so jobs involved at the machine shop in my district. But every day that we delay more jobs are put at risk and more markets are lost to foreign competition.

Perhaps worse than our slowness in responding to the liability crisis by passing substantive reform legislation, this House will soon be considering legislation which, by all accounts, will greatly exacerbate the liability situation. That legislation is H.R. 162, the so-called risk notification bill. Much has been said, and much more will be, about whether such a risk notification program would actually help to prevent disease and reduce suffering—a point about which there is much debate. But there is no debate about this bill's impact on liability—and it would be utterly contradictory for my colleagues to support this legislation and then to maintain to the employer community back home that something must be done about liability costs.

IMPROPRIETY OF SBA OFFICIALS IN ADMINISTERING 8(a) PROGRAM

(Mr. COLEMAN of Texas asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COLEMAN of Texas. Mr. Speaker, when an administration decides it wants to terminate a given agency or a specific program, it faces several choices as to how best to achieve that objective. One way is to appoint people of dubious professional or moral character to implement programs with little or no supervision of their actions. Sooner or later, you can almost be assured that problems will emerge, complaints will be filed, and the critics of these activities will be so moved as to call for the abolition of the program in question.

An example of this phenomenon can be found in the current manner by which the Small Business Administration continues to implement its 8(a) Minority Business Set-Aside Program. Despite a host of complaints nationwide of the abuses associated with this program and the stated opposition to it by administration officials, the SBA continues to exercise little or no oversight on the management of this program.

In my own congressional district, allegations of impropriety on the part of SBA officials in administering the 8(a) program continue to rock the community and erode the confidence of those the program is supposed to serve. It is time to get a handle on the 8(a) program and make sure that Federal tax dollars are not being used to line the pockets of a few at the expense of the American people.

MEMBERS SUPPORT COMMUNISTS

(Mr. McCOLLUM asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. McCOLLUM. Mr. Speaker, during the Iran-Contra hearings last week I brought the fact that some of our colleagues have been fundraising for organizations which support the Communist guerrillas in El Salvador and the Communist Sandinista government in Nicaragua. The gentleman from California [Mr. DYMALLY] took offense and during a 1-minute accused me of acting like a McCarthy-ite. I did not accuse or infer that Mr. DYMALLY, Mr. CONYERS, or Mrs. SCHROEDER were Communists. In light of attacks being made on the administration for fundraising on behalf of the Contras, my purpose was simply to point out that several Members of Congress have been fundraising for organizations which support the other side. Since the Communist guerrillas in El Salvador are trying to destroy a democracy we strongly support, it seems to me that the fundraising activities of these Congressmen is very wrong, if not illegal.

So that everybody can read what I am talking about, I am placing in today's CONGRESSIONAL RECORD copies of the three letters involved and some very recent cables from our Embassy in El Salvador which names 14 Congressmen who are sponsors of another organization which has been aiding the Communist rebels in El Salvador. I hope my colleagues will read these materials. We need to get our own house in order before we criticize someone elses'.

THE TEXTILE AND APPAREL TRADE ACT OF 1987

(Mr. CLARKE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CLARKE. Mr. Speaker, there are many obstacles facing the American textile industry. Imports of textile and apparel products have doubled since 1980, increasing nearly 20 percent each year. They now account for more than half of the domestic market. During this past February alone, textile and apparel imports rose 13.5 percent above the February 1986 total to a record 1.2 billion square yards.

While the U.S. textile industry experienced an upswing in business during 1986, it was only in comparison with 1985, the worst year on record for the industry.

If we have any kind of economic downturn in the next few years, imports will severely cripple the American textile industry.

Foreign countries have used many unfair trading practices to boost their textile imports to us. These countries give their textile companies special tax breaks. Some of their textile workers are paid as little as 16 cents an hour.

To get around United States quotas, one Taiwanese importer sewed shirts and skirts together and shipped almost 10,000 dozen of them to the United States as dresses, which had a lower duty rate and larger quota. The items were separated after entry and sold as shirts and skirts here.

In North Carolina alone, over 48,000 textile and apparel jobs have disappeared since 1980. Nationally, almost 300,000 textile workers lost their jobs during the same period. Closing a textile plant can destroy the economy of a small town. Many textile workers are older people who would find it very hard to retrain for another job.

This Congress must pass H.R. 1154, the Textile and Apparel Trade Act of 1987. This bill establishes import quotas for all categories of textile and apparel products, based on the level of imports in that category for the year 1986. Each nation's quota increases 1 percent a year, consistent with the long-term growth trend of the American market.

I urge my colleagues strongly to support the Textile and Apparel Trade Act of 1987.

DEPARTMENT OF AGRICULTURE RESEARCH FACILITY AT TEXAS TECH UNIVERSITY

(Mr. COMBEST asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COMBEST. Mr. Speaker, today along with my colleagues Chairman DE LA GARZA and Mr. STENHOLM, I am introducing a bill to authorize the construction of a new department of agriculture plant stress and water conservation research facility at Texas Tech University, Lubbock, TX.

The Southwestern Great Plains are an important food and fiber producing area for the United States. Over 50 million acres of U.S. farmland, accounting for over 25 percent of our Nation's crop production, is dependent upon the virtually unrechargeable ogalalla aquifer as an irrigation water source. With challenges for agriculture growing every day, efficient use of our precious water resources is critically important. Construction of this facility will be an important tool in meeting this need. The lab will also be instrumental in improving our understanding of plant efficiency in drought and extreme environmental stress.

The need for a plant stress program and research facility was recognized as early as 1959 by the USDA and the Congress. Later, a team of scientists with expertise in the plant sciences and water conservation fields determined that Lubbock, TX, was the most ideal location for such a laboratory. With Texas Tech as a center for agricultural sciences research, utilization of their facility and campus was an important component in the creation of a program and facility. If we are to sustain and encourage the continuing success of this important research effort, the construction of a facility to house the cooperative effort between USDA and Texas Tech is absolutely necessary and the time is critical.

I urge you to join me and my colleagues in sponsoring this bill which will provide an opportunity to ensure our ability to produce an adequate food and fiber supply and our place as the innovators of technology in the world of agriculture community.

□ 1015

INTRODUCTION OF LEGISLATION REQUIRING PCB FACILITIES TO MEET HAZARDOUS MATERIAL GUIDELINES

(Mr. McCLOSKEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. McCLOSKEY. Mr. Speaker, last night, shock waves from an earthquake were felt in 13 States from Missouri to Virginia. The center of the tremor, which reached 5.0 on the Richter scale was located in Lawrenceville, IL, which is only 55 miles north of Evansville, IN, the largest city in my district.

Last year Union Carbide received an EPA permit to build a PCB-removal plant in Henderson, KY, which is located on the Ohio River just across from Evansville. The Ohio is the primary source of drinking water for a number of communities in my district. This permit was granted even after substantial evidence was provided to EPA that this area is sitting on the new Madrid Fault, and there existed a strong possibility of a major earthquake before the end of the century. Hearings were held, and several law suits have been filed, but EPA continued to assert that they had no authority to deny the permit since PCB's, which have been banned due to their cancer causing properties, are controlled under TSCA rather than RCRA, and no site location criteria are in effect.

In addition, even though EPA found that some risks did exist, they determined the percentages were low and therefore acceptable. Mr. Speaker, the EPA was playing the odds with peoples' lives, and it appears that the bluff has been called.

Therefore, I am today introducing a bill which I introduced last year to require that facilities which handle PCB's meet the site location guidelines for other hazardous materials. Luckily no serious injuries occurred this time, but we can no longer play Russian roulette with this issue.

A LOSS OF PATIENCE

(Mr. GINGRICH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GINGRICH. Mr. Speaker, when the House Ethics Committee issued a whitewash of a committee chairman, I waited for someone to complain. As Members were mentioned in the press with serious ethics complaints, I waited for someone to complain. When Congressmen and Senators began arrogantly prejudging and condemning serving members of the U.S. military without a hearing and without a trial, I waited for someone to complain.

Frankly, your quote in the morning paper is one of three items which finally broke my patience.

Mr. Speaker, your suggestion that the administration exhibits "arrogance, lawlessness, and greed" is in itself an absurd act of arrogance. If you cannot clean up the House, including your own records and those of your committee chairmen, it ill serves either the House or the country for you to attack others.

U.S. OLYMPIC FESTIVAL, JULY 13-26

(Mr. PRICE of North Carolina asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PRICE of North Carolina. Mr. Speaker, today, I, along with my North Carolina colleagues, Mr. VALENTINE, Mr. COBLE, Mr. JONES, Mr. ROSE, Mr. HEFNER, Mr. NEAL, Mr. LANCASTER, and Mr. CLARKE am introducing a joint resolution designating the period beginning on July 13, 1987 and ending on July 26, 1987, as "United States Olympic Festival—1987 Celebration," and designating July 17, 1987, as "United States Olympic Festival—1987 Day."

The U.S. Olympic Festival is a sanctioned event of the U.S. Olympic Committee. It began in 1978 under the name—"National Sports Festival."

Today, the Olympic Festival provides a means for America's Olympic hopefuls to develop and improve their athletic skills. Many Olympic stars, such as Mary Lou Retton, Greg Louganis, and Carl Lewis, have participated in past festivals.

This year's United States Olympic Festival will be held in Raleigh, Durham, Chapel Hill, Cary, and Greensboro, NC, beginning July 13, 1987. There will be 4,000 trainers, athletes, and coaches, 7,000 volunteers, and over 300,000 spectators participating in or observing over 34 athletic events.

We have all experienced the patriotic pride associated with seeing American athletes defy the odds and win medals in the spirit of friendly international Olympic competition. This resolution provides the Congress with the opportunity to honor America's Olympic hopefuls and to indicate the support of the American people for their endeavors. A successful 1987 Olympic Festival will serve as a strong springboard for the U.S. athletes who will represent our Nation and its ideals in next year's Olympic competition.

INDIAN TRIBAL CONSTITUTIONS

(Mr. RHODES asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RHODES. Mr. Speaker, today, for myself and the gentleman from Arizona [Mr. UDALL], I am introducing legislation to assist Indian tribes which wish to take advantage of the governmental organization provisions of the Indian Reorganizaion Act of 1934.

Recently, a California Federal court held that under the 1934 act, the Secretary of the Interior can refuse to approve a tribally ratified constitution, but he does not have the right to refuse a tribe's request for a secretarially supervised election to ratify the Constitution. Consistent with the decision in Coyote Valley Band of Pomo Indian versus United States, this legislation would provide for the calling of elections in a timely fashion. Additionally, it would provide that secretarial refusal to call an election on a disapproval of a ratified constitution only be made in cases where a constitution is in violation of Federal law.

Similar legislation was introduced last Congress by Mr. UDALL, and was passed by the House. This bill incorporates several of the administration suggestions to improve the bill in the last Congress. Unfortunately, the other body did not have time to consider the bill. Today, Mr. UDALL joins me in this introduction, and I urge my colleagues to support my legislation.

PRESIDENT IS STARTING TO WAFFLE ON TRADE

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, the President has gone from being the Great Communicator at election time to the Great Stonewall of Iranscam, and now I have to say that he is starting to act like the Great Waffler on trade.

The President, to no one's surprise, is loosening up on his sanctions against the Japanese in the microchip field. What is next? You know, when Mr. Nakasone was over here, he said that America and Japan need a new two-lane bridge crossing the Pacific and linking the two great nations together.

The problem is that Mr. Nakasone wants the American taxpayers to build the bridge, then he wants free access to America, and Japan will put a toll road to their country on the American people and on our goods.

I think that it is time, Mr. President, that you do not waffle on trade. You were to go to Venice to do the job that the American people need.

This President has acted and talked like John Wayne, and I think that it is time that he starts performing like John Wayne on trade, before this country does not have one manufacturing job left.

DEMOCRATS WISH TO KEEP THE POOR DEPENDENT

(Mr. WALKER asked and was given permission to address the House for 1 minute.)

Mr. WALKER. Mr. Speaker, yesterday on this floor the majority very definitely told us what they think of poor people. Their votes on the Kemp amendment made it quite clear that they think that the poor are people who should be kept dependent, that they should not be offered the room of independence in management of their own affairs, that they ought to be kept in a place where they cannot own their own homes, and that they ought to be kept as totally dependent upon Government.

The majority yesterday told us that what they are in favor of is a liberal welfare state. They do not want opportunity, they want dependents, who thereby are important to them on election day because of that dependence.

I think that yesterday's vote clearly indicates who in this House believes in a liberal welfare state rather than a conservative opportunity society, and I think that the American people have made it quite clear over a period of years that they want opportunity in this society, not more and more welfare.

I would say to the American people, look at the vote yesterday. You will find out who wants to create dependence in this society. You will find out who is against independence. You will find out who is prowelfare. The vote yesterday made it very, very clear.

INTRODUCTION OF H.R. 2644, CHILD CARE COORDINATION AND INFORMATION ACT OF 1987

(Mrs. COLLINS asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. COLLINS. Mr. Speaker, safe, affordable, quality child care is the family issue of 1987.

A serious void, however, exists at the Federal level to meet this crying need.

Today, there is little or no coordination of federally funded child care programs. Equally important, we really do not have a complete understanding of this Nation's child care needs.

For these reasons, yesterday the gentlewoman from Connecticut [Mrs. NANCY JOHNSON] and I introduced H.R. 2644, the Child Care Coordination and Information Act of 1987.

The bill has two objectives. First, it mandates that Health and Human Services better manage all federally funded child care programs by consolidating them under one office. In typical fashion for the Government, these services are currently scattered among a hodgepodge of programs, including Social Services block grants, Head Start, and the child care tax credit.

Second, our bill directs the Department to undertake a comprehensive study of our day care needs. This includes gathering data on such issues as:

The types of child care available;

The quality of training given to child care providers;

A review of employer-provided day care; and

The need for financial incentives to expand the availability of such services.

Everybody knows the days of the father as the sole breadwinner are rapidly vanishing. Indeed, if present trends continue over the next 8 years, 3 out of 4 school age children, and 2 out of 3 preschool children, will have mothers in the work force.

Equally significant, the issue of safe, adequate, affordable child care is an important issue for workers productivity. A Fortune magazine survey confirms that "problems with child care are the most significant predictors of absenteeism and unproductive time at work."

I urge my colleagues to join my distinguished colleague from Connecticut and me in sponsoring this vitally needed legislation.

□ 1025

LET US BECOME MORE COMPETITIVE, NOT LESS COMPETITIVE

(Mr. LIGHTFOOT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LIGHTFOOT. Mr. Speaker, this body may soon be asked to consider legislation which, if passed, will shake the very foundation of American small business. These measures would force employers to provide certain benefits such as minimum health insurance and maternity leave with full benefits to all of their employees.

The sponsors claim they are looking out for the worker, but mandating benefits does not increase the employees' benefits pie. It has the opposite effect. As a small businessman myself, I know that if forced to provide benefits I cannot afford, then something else must give—such things as wage levels, new jobs, or planned expansions.

The increased costs and reduced options that will come in the wake of mandated benefits will render American small business less competitive in a time when our singular national economic goal is to become more competitive in the world market.

The members of the National Federation of Independent Business have ranked these mandated benefits as their No. 1 concern. They know what they are talking about. For over 200 years, we have worked under a system of free choice and individual liberty, with the hopes that such choices will encourage free enterprise, economic growth and economic opportunity. Mandated benefits run directly counter to their ideals.

GROUND THE ARMY'S OV-1 FLEET

(Mr. DARDEN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DARDEN. Mr. Speaker, our military personnel deserve the most efficient and the safest equipment for defending our Nation. Today, I am expressing grave concern about whether the OV-1 Mohawk surveillance aircraft meets that standard.

Since 1972, more than 30 servicemen have died in OV-1 crashes. More of these aircraft have crashed in peacetime than were shot down during the Vietnam war. Last month, two Georgia Air National Guardsmen based in my district were killed while conducting the very vital mission of drug suppression and interdiction.

Even in fatal OV-1 crashes attributed partly to pilot error, some sort of mechanical or structural failure often has been cited as well. Clearly, this alarming pattern demands investigation.

I have asked Secretary of the Army Marsh to consider grounding the Army's OV-1 fleet until a full assessment of this aircraft's safety record is completed.

We cannot ignore the alarming string of accidents and deaths associated with the OV-1—to do so would only cast doubt upon our commitment to the well-being of those whose daily task is the preservation of our freedom.

HOUSE NOT SERIOUS ABOUT BUDGET RESOLUTION

(Mr. LOTT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LOTT. Mr. Speaker, this is not April 15; it is not May 15; it is almost June 15. Where is the budget resolution?

Nobody seems to be able to find it. It is still in conference, I guess, with no apparent hope of a conference report being received anytime soon.

As a matter of fact, in this morning's news media, the chairman of the Committee on the Budget seems to be indicating, well, we will just both proceed, the House on its own little course, and the other body on its own course with no budget resolution.

I realized at the beginning of the year that the Democrats were not going to work and agree with Republicans on budget numbers, but I am becoming more and more amazed, not amused, that Democrats cannot even agree among themselves.

The House Democrats are saying, we want to devastate defense, and we want the Members to agree in advance to raise taxes.

Even the Democrats in the other body will not go along with it, and yet what is happening here in the House. Yesterday we had an opportunity to save $1.7 billion in housing, to try to deal with the budget deficit. This House would not go along with it.

I am afraid that is what is going to happen all year long. The budget resolution will be ignored, even if we should ever have one. We just waive the limitations from the Committee on Rules, if we need to, and go forward spending as we always do.

It is obvious that our colleagues here in the House on the Democratic Budget Committee are not serious about budgets or deficits.

SOME MEMBERS SERIOUS ABOUT BUDGET PROCESS

(Mr. COELHO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COELHO. Mr. Speaker, I am intrigued with comments from the other side of the aisle about the budget process, particularly from individuals who are commenting about the inability of House Democrats to reach a budget.

The gentlemen on the other side of the aisle that have commented know, as well as I do, that the Republicans on the Committee on the Budget refuse to even submit a budget to be considered. The Members refuse to be a part of the process; and when there were votes, the Members voted present. The Members did not note yes or no. These Members basically have withdrawn from the budget process.

These Members have withdrawn from the need to resolve the deficit issue. These Members have withdrawn from the need to make sure that we get this Government moving again and get this country moving again. These Members are not interested in that process, but interested in political rhetoric, in standing up and beating out the fact that we are trying to come to a conclusion in this process. We are serious about it.

The Members know it, and we know it. The Members are just frustrated because they have an inability on their side of the aisle to reach an agreement on some type of budget resolution. They have yet to present one.

We are intrigued, we are intrigued with their cheap advice.

WHERE ARE THE DEMOCRATS IN THE BUDGET PROCESS?

(Mr. BUECHNER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BUECHNER. Mr. Speaker, I am a little bit stunned at the remarks of the gentleman from California. Were the lights on behind, and if the gentleman was able to look at the names of the Members of the House and been able to count those names, I think the gentleman would understand that there are more Democrats than there are Republicans. When you are in the minority, and you come up with wonderful ways in which to handle the budget, and the gentleman from Mississippi [Mr. LOTT] just pointed out that there was an effort yesterday to save money on housing, and every time on this floor that there has been an effort to save money, the majority, which is the Democrat Party, I would remind the gentleman from California, the majority has rejected those attempts to save money.

The budget process is a joke. To ask, where is the budget, is to also say, where is America's fiscal policy. It frankly should be on the floor of this House, but unfortunately it is hidden in Chambers over in the other body where the majority party of the House and the other body has met covertly.

The people of America want to know what taxes are you going to raise. The people of America want to know, are you going to make any spending cuts. When the President's budget came out months ago, the majority party castigated it, said you are going to cut this and this and this.

In reality, what the majority party said was, we do not know what is going to happen, but we want to promise more. When we asked to lead, America gave the Democrats both Houses.

The real question is not where are the Republcians in the budget process. It is, Will you straight-shoot with the American people? The real question is, Will you tell them what taxes you are going to raise? The answer is, not now.

The question is, Where are you going to save money? The answer is, not now.

The real question is, Where is the majority party; and the answer is, hidden away, not out here, not on television, not in the press, but hidden away.

When you have got an answer, give it; do not point the finger at a body that is outnumbered 2 to 1. Do not say you do not have an answer, because the real thing is, you do not know which questions the public is asking because you do not have the answers.

NATIONAL CHILD SUPPORT ENFORCEMENT MONTH

(Mr. BIAGGI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BIAGGI. Mr. Speaker, today I am introducing legislation to designate the month of August as "National Child Support Enforcement Month."

I introduced similar legislation in 1983, which served as a catalyst for the 1984 child support enforcement amendments—monumental legislation which provided the means necessary to enforce and collect child support payments. It is my hope that the legislation I am introducing today can have the same success. There was some progress after the enactment of the 1984 law but certainly not enough. It is time to renew our commitment to resolving this problem.

Today there are some 8.7 million single parent families, where the mother is the parent. In 42 percent of these families, child support was never awarded. Of those awarded child support, only half ever receive their full entitlement and one-quarter never receive any payment.

In the most recent year we have data for, 1983, $10.1 billion was owed in child support, of this only 70 percent was ever paid. This left over 3 million children without child support. This is a national disgrace.

We have come far in the goal of providing adequate and accurate child support, but we still have far to go. Our Nation's public assistance roster contains many families who need not be dependent if the parent contributed child support. This is a disgrace both to the parent who is shirking his/her responsibility and for the family who must rely on Federal charity for shelter and food.

This Congress, as we are examining the reform of our welfare system, let us ensure the enforcement of child support awards as well as ensuring that child support is awarded wherever it's due. A positive step in this direction is "Child Support Enforcement Month."

I call upon President and Mrs. Reagan, who have been leaders in this cause, and my colleagues in the House to join me in supporting National Child Support Enforcement Month and renew our commitment to fight the scandal on nonpayment of child support.

BROOMFIELD AMENDMENT TO INTELLIGENCE AUTHORIZATION ACT

(Mr. INHOFE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. INHOFE. Mr. Speaker, we hear a lot of negative criticism. Here is something positive for a change.

Mr. Speaker, 2 days ago the House approved the Intelligence Authorization Act for fiscal 1988, which includes an important amendment offered by Congressman BROOMFIELD. The amendment requires the Department of Defense to review and assess the Soviet electronic espionage capabilities from the new Soviet Embassy on Mount Alto here in Washington. This comprehensive assessment will give us a firm basis upon which to take action regarding occupation of the new Soviet Embassy.

There is no question that the new Soviet Embassy is uniquely situated to carry on electronic surveillance and espionage in ways that were not properly appreciated at the time the Mount Alto site was approved. If in fact Soviet occupation of the Mount Alto Embassy compromises United States national security—which it clearly does—then such occupation should not be permitted. Particularly in light of Soviet degradation of security at the new U.S. Embassy in Moscow, there is absolutely no reason for us to continue to live with the consequences of the foolishly mistaken embassy agreement.

Mr. Speaker, I applaud the action of the House in accepting and passing the Broomfield amendment. We must retard rather than accept Soviet electronic espionage in our Nation's Capital.

CONGRESS MUST ENACT A HOUSING REAUTHORIZATION BILL

(Mr. MANTON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MANTON. Mr. Speaker, today the House will resume consideration of H.R. 4, the Housing, Community Development, and Homelessness Prevention Act of 1987. This is one of the most important pieces of legislation the House will consider this year.

Mr. Speaker, America is in the midst of a housing crisis. More than 2 million Americans, many of them young children, are homeless. In New York City, families with children comprise 76 percent of the homeless population.

Across the country waiting lists for housing assistance continue to grow as the supply of affordable housing continues to shrink. One-half of those low-income families who have been fortunate enough to find housing are paying more than 60 percent of their income for rent.

Mr. Speaker, there is no mystery to the basis of our housing crisis. Since 1981, the Reagan administration has slashed Federal housing support by more than 60 percent. Funding for assisted housing has fallen from $26 billion in 1981 to just over $10 billion this year.

Mr. Speaker, it is time for Congress to reaffirm the Federal Government's historic commitment to provide safe, decent, affordable housing for all Americans. I urge my colleagues to join me in supporting H.R. 4.

□ 1040

PENTAGON MUST APPRISE CONGRESS WHEN PROBLEMS ARISE IN A MORE TIMELY MANNER

(Mr. ROWLAND of Connecticut asked and was given permission to address the House for 1 minute.)

Mr. ROWLAND of Connecticut. Mr. Speaker, yesterday it was revealed in the Committee on Armed Services that one-third of our silo-based MX missiles are not operable. The problem is due to severe delays in the contractor's delivery of the guidance system, called the IMU. As a matter of fact, the problem has gotten so bad that the Air Force has terminated all payments to the Northrop Electronics Division and a number of investigations are also in progress.

Delivery problems aside, it has also become known that of the 36 guidance systems which have been delivered to the Air Force, 14 did not work and had to be returned to Northrop for repair. Also, a number of Government agencies are following up on numerous charges of fraud and abuse by the contractor.

I bring this up because the situation endangers our national security. It raises very serious questions about our military capabilities. I must also note that the Air Force has become aware of this situation several years ago and yet they failed to notify the committee until just recently.

I believe this Congress deserves better. I believe the American people deserve better. I think the time has come to enact legislation which places a very strict and firm reporting timetable over which the Pentagon must apprise our committee when problems arise with defense contractors.

SUPPORT H.R. 4, HOUSING BILL

(Mrs. BOGGS asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. BOGGS. Mr. Speaker, I rise in support of the Housing, Community Development and Homelessness Prevention Act. This is important legislation that is long overdue. There has been no major housing legislation enacted for the past several years and, during this same period, we have experienced, as has been pointed out, a dramatic 60 percent reduction in funding for housing and community development activities.

It is critical, at this point, that the authorization process be reactivated to give important policy direction. The bill addresses serious needs for affordable, decent housing for the poor, the elderly, the disabled, and the homeless and it offers assistance in the attainment of homeownership.

It is time for positive action rather than the negative tearing apart of our Nation's commitment to housing. It is time to reassert the importance of housing Americans in decent, safe, and sanitary housing—a commitment made in the 1949 Housing Act. I congratulate the chairman and the members of the Housing Subcommittee and dedicated staff members on an excellent and much-needed bill.

CONGRATULATIONS, MRS. SCHROEDER

(Mrs. MARTIN of Illinois asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. MARTIN of Illinois. Mr. Speaker, I make this as a note of congratulations to a Member on the opposite side of the aisle. I, as many of the other Members, read in the paper that another Member of the House is thinking of running for the Presidency. We already have the chairman of the

Democratic caucus and the chairman of the Republican conference running for the Presidency and I think that speaks well for the House. But I also think it speaks well for the gentlewoman from Colorado to be considering such a run.

She and I do not agree on many, in fact, most issues. But I welcome the presence of a woman candidate just as I welcome the presence of such people as Elizabeth Dole, Jeane Kirkpatrick, and Senator NANCY KASSEBAUM on our side of the aisle.

And I say this carefully: that as of yet, while every candidate talks about the new generation and the baby boomers it is wise to remember that half of that generation are women and that the candidates who will address the concerns of women—and they are the concerns of the economy, the concerns of a safe Nation, but, yes, the concerns of family, future and careers—will make a difference. Whatever the decisions of the gentlewoman from Colorado, she does us all a service by having another Member of the House so honored and I offer that from the other side of the aisle.

RALLY 'ROUND THE FLAG
JUNE 14

(Mr. LOWERY of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LOWERY of California. Mr. Speaker, the flag has been a tattered rag limply draped on a stick or wire in battlefields from France to Vietnam. Often it grew tired and worn as did the soldiers who fought to keep it flying.

On our fighting ships, it has billowed while smoke obscured it and it has become blackened and torn by the fires of war. Again, it suffered along with the marines and sailors who fought to keep it aloft.

Throughout its history, the U.S. flag has stirred and compelled, inspired, and sustained. It is draped across the caskets of our fallen and crisply folded into the arms of their surviving loved ones with a silent voice that says, "The Nation honors your sacrifice."

But despite the honor accorded our flag in our hearts and minds—in reality it is often displayed incorrectly, left out overnight without illumination, placed in the wrong position and flown incorrectly lower than other flags. Flags are being flown that are dirtier than those on a battlefield.

A constituent wrote to ask if something could be done to make the Nation more aware of the etiquette of displaying the flag.

June 14 is Flag Day. I would like to suggest that as we fly our flag on that day, each flag owner ascertain if he or she is displaying the flag properly—and assure my constituent that she is not the only one who cares enough to rally 'round the flag.

HOUSING, COMMUNITY DEVELOPMENT, AND HOMELESSNESS PREVENTION ACT OF 1987

The SPEAKER. Pursuant to House Resolution 191 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 4.

□ 1046

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 4) to amend and extend certain laws relating to housing, community and neighborhood development and preservation, and shelter assistance for the homeless and displaced, and for other purposes, with Mrs. BOGGS [Chairman pro tempore] in the chair.

The Clerk read the title of the bill.

The CHAIRMAN pro tempore. When the Committee of the Whole House rose on Wednesday, June 10, 1987, title II was open for amendment at any point.

Are there any amendments to title II?

If not the Clerk will designate title III.

The text of title III is as follows:

TITLE III—MORTGAGE INSURANCE AND SECONDARY MORTGAGE MARKET PROGRAMS

Subtitle A—FHA Mortgage Insurance Programs

SEC. 301. PERMANENT INSURANCE AUTHORITY FOR FHA.

(a) REPEALS.—Each of the following provisions of law is repealed:

(1) Section 217 of the National Housing Act.

(2) The fifth sentence of section 221(f) of the National Housing Act.

(3) The last sentence of section 235(h)(1), section 235(m), and the last sentence of section 235(q)(1), of the National Housing Act.

(4) Section 244(d), and the last sentence of section 244(h), of the National Housing Act.

(5) The last sentence of section 245(a) of the National Housing Act.

(6) The second sentence of section 809(f) of the National Housing Act.

(7) The second sentence of section 810(k) of the National Housing Act.

(8) The second sentence of section 1002(a) of the National Housing Act.

(9) The second sentence of section 1101(a) of the National Housing Act.

(b) AMENDMENT.—The first sentence of section 2(a) of the National Housing Act is amended by striking "and not later than September 30, 1987,".

SEC. 302. LIMITATION ON AMOUNT TO BE INSURED UNDER NATIONAL HOUSING ACT.

Section 531 of the National Housing Act is amended to read as follows:

"LIMITATION ON COMMITMENTS TO INSURE LOANS AND MORTGAGES

"SEC. 531. (a) The authority of the Secretary to enter into commitments to insure loans and mortgages under this Act shall be effective for any fiscal year only to such extent or in such amounts as are or have been provided in appropriation Acts for such fiscal year.

"(b) Notwithstanding any other provision of law and subject only to the absence of qualified requests for insurance, to the authority provided in this Act, and the limitation in subsection (a), the Secretary shall enter into commitments during fiscal year 1988 to insure mortgages under this Act with an aggregate principal amount of $100,000,000,000.".

SEC. 303. LIMITATION ON FEDERAL HOUSING ADMINISTRATION INSURANCE PREMIUMS.

Section 203(c) of the National Housing Act is amended by adding at the end the following new sentence: "In the case of any mortgage secured by a 1- to 4-family dwelling, the total premium charge shall not exceed an amount equal to 3.8 percent of the original principal obligation of the mortgage if the Secretary requires (1) a single premium charge to cover the total premium obligation of the insurance of the mortgage; or (2) a periodic premium charge over less than the term of the mortgage.".

SEC. 304. TREATMENT OF CLOSING COSTS IN SINGLE FAMILY MORTGAGE INSURANCE PROGRAMS.

Section 203 of the National Housing Act is amended by inserting after subsection (e) the following new subsection:

"(f)(1) For purposes of applying any limitation established in this title on the maximum loan-to-value ratio for insuring a mortgage secured by a 1- to 4-family dwelling, the estimate of the Secretary of the closing costs shall be added to the appropriate value or cost of the property.

"(2) For purposes of this subsection, the term 'closing costs' means the nonrecurring, reasonable, and customary charges (as determined by the Secretary) that a mortgagor pays in connection with a real estate settlement under this title. The term includes—

"(A) charges to compensate the mortgages for expenses incurred in orginating and closing the loan; and

"(B) charges for recording fees and other costs incident to recordation, credit reports, surveys, title examination, title insurance, and appraisal, inspection, and attorney fees.".

SEC. 305. LIMITATION ON USE OF SINGLE FAMILY MORTGAGE INSURANCE BY INVESTORS.

(a) IN GENERAL.—Section 203 of the National Housing Act is amended by inserting the following new subsection before subsection (h):

"(g)(1) The Secretary may insure a mortgage under this title that is secured by a 1- to 4-family dwelling, or approve a substitute mortgagor with respect to any such mortgage, only if the mortgagor is to occupy the dwelling as his or her principal residence or as a secondary residence, as determined by the Secretary.

"(2) The occupancy requirement established in paragraph (1) shall apply only if the mortgage involves a principal obligation that exceeds, as appropriate, 75 percent of—

"(A) the appraised value of the dwelling;

"(B) the estimate of the Secretary of the replacement cost of the property;

"(C) the sum of the estimates of the Secretary of the cost of repair and rehabilitation and the value of the property before repair and rehabilitation; or

"(D) the sum of the estimates of the Secretary of the cost of repair and rehabilitation and the amount (as determined by the Secretary) required to refinance existing indebtedness secured by the property, and, in the

case of a property refinanced under section 220(d)(3)(A), any existing indebtedness incurred in connection with improving, repairing, or rehabilitating the property.

"(3) The occupancy requirement established in paragraph (1) shall not apply to any mortgagor (or co-mortgagor, as appropriate) that is—

"(A) a public entity, as provided in section 214 or 247;

"(B) a private nonprofit or public entity, as provided in section 221(h) or 235(j);

"(C) an Indian tribe, as provided in section 248; or

"(D) a serviceperson who is unable to meet such requirement because of his or her duty assignment, as provided in section 216 or subsection (b)(4) or (f) of section 222.

"(4) For purposes of this subsection, the term 'substitute mortgagor' means a person who, upon the release by a mortgagee of a previous mortgagor from personal liability on the mortgage note, assumes such liability and agrees to pay the mortgage debt.".

(b) CONFORMING AMENDMENTS.—

(1) Section 203(b)(2) of the National Housing Act is amended—

(A) in the first sentence, by striking "(whether" and all that follows through "purposes)"; and

(B) in the second sentence, by striking the following: "to be occupied as a principal residence of the owner".

(2) Section 203(b) of the National Housing Act is amended by striking paragraph (8).

(3) Section 203(h) of the National Housing Act is amended by striking "is the owner and occupant and".

(4) Section 203(i) of the National Housing Act is amended—

(A) by striking the first proviso; and

(B) by striking "further" the first place it appears.

(5) The first sentence of section 203(o)(2) of the National Housing Act is amended by striking "occupant".

(6) The first sentence of section 203(p)(2) of the National Housing Act is amended by striking "owner-occupant" and inserting "owner".

(7) The fourth sentence of section 214 of the National Housing Act is amended by striking the following: "shall be the owner and occupant of the property or".

(8) Section 216 of the National Housing Act is amended—

(A) by striking "that the mortgagor be the occupant" and inserting "with respect to the occupancy of the mortgagor"; and

(B) by striking "occupy the property" each place it appears and inserting "meet such requirement".

(9) Section 220(d)(3)(A) of the National Housing Act is amended—

(A) by inserting "and" at the end of clause (i);

(B) by striking clauses (ii) and (iii);

(C) in clause (iv), by striking the following: "(except as provided in clause (iii))"; and

(D) by redesignating clause (iv) as clause (ii).

(10) Section 221(d)(2) of the National Housing Act is amended—

(A) by striking the colon at the end of subparagraph (A)(iv) and all that follows through "Provided further, That" the first place it appears, and inserting ", except that";

(B) by striking "Provided, That (i)" and all that follows through "(1) in" and inserting the following: "Provided, That (i)(1) in";

(C) by striking the penultimate proviso; and

(D) in the last proviso, by striking the following: ", if the mortgagor is the owner and an occupant of the property such" and inserting "the".

(11) Section 221(d)(6)(ii) of the National Housing Act is amended by striking the following: "is an owner-occupant of the property and".

(12) The first sentence of section 221(h)(6) of the National Housing Act is amended by striking "and occupied".

(13) Section 221(h)(8) of the National Housing Act is amended by striking the following: "if one of the units is to be occupied by the owner".

(14) Subsections (b)(4) and (f) of section 222 of the National Housing Act are amended by inserting "as a principal residence" after "occupies the property" each place it appears.

(15) Section 223(a) of the National Housing Act is amended by inserting after "this Act," the first place it appears the following: "other than the limitation in section 203(g),".

(16) The first sentence of section 223(e) of the National Housing Act is amended by inserting after "title XI," the following: "other than the limitation in section 203(g),".

(17) Section 234(c) of the National Housing Act is amended by striking the fourth sentence.

(18) Section 235(i)(3)(A) of the National Housing Act is amended by striking the following: "one of the units of which is to be occupied by the owner and".

(19) Section 235(j)(6) of the National Housing Act is amended by striking the following: "if one of the units is to be occupied by the owner".

(c) REPEAL OF VACATION AND SEASONAL HOME INSURANCE PROGRAM.—Section 203 of the National Housing Act is amended by striking subsection (m).

(d) APPLICABILITY.—The amendments made by this section shall apply only with respect to—

(1) mortgages insured—

(A) pursuant to a conditional commitment issued on or after the date of the enactment of this Act; or

(B) in accordance with the direct endorsement program (24 CFR 200.163), if the approved underwriter of the mortgagee signs the appraisal report for the property on or after the date of the enactment of this Act; and

(2) the approval of substitute mortgagors, referred to in the amendment made by subsection (a), if the original mortgagor was subject to such amendment.

(e) TRANSITION PROVISIONS.—Any mortgage insurance provided under title II of the National Housing Act, as it existed immediately before the date of the enactment of this Act, shall continue to be governed (to the extent applicable) by the provisions specified in subsections (a) through (c), as such provisions existed immediately before such date.

SEC. 306. ACTIONS TO REDUCE LOSSES UNDER SINGLE FAMILY MORTGAGE INSURANCE PROGRAM.

Section 203 of the National Housing Act is amended by adding at the end the following new subsections:

"(r) The Secretary shall take appropriate actions to reduce losses under the mortgage insurance program carried out under this section. Such actions shall include—

"(1) independent verification by the Secretary after loan approval of the ability of borrowers to pay, to be carried out by the least expensive method of verification—

"(A) with respect to not less than 10 percent of the mortgage applications submitted by each lender in both the direct endorsement and prior approval programs; and

"(B) with respect to not less than 20 percent of the mortgage applications involving properties located in administrative regions of the Department of Housing and Urban Development where the default rate on mortgages insured under this section exceeds 120 percent of the national default rate on such mortgages during the most recent 12-month period for which data are available;

"(2) an annual review by the Secretary of the rate of early serious defaults and claims, in accordance with subsection (t);

"(3) independent verification by the Secretary of all credit reports in the case of sales of investor-owned properties when the mortgagors have no prior credit history;

"(4) independent verification by the Secretary of all appraisals involving investor-owned property that is acquired by the investor less than 12 months prior to the date of the mortgage application; and

"(5) requiring reviews of the credit standing of each person seeking to assume a mortgage insured under this section during the 24-month period following (A) the date on which the mortgage is endorsed for insurance; or (B) the date of a previous assumption of the mortgage.

"(s) In conducting field reviews of appraisals, the Secretary may not use the services of fee appraisers who are employed by the Secretary to appraise single-family dwellings that are subject to mortgages insured under this title.

"(t)(1) To reduce losses in connection with mortgage insurance programs under this section, the Secretary shall review, not less than annually, the rate of early serious defaults and claims involving mortgagees approved under this section. On the basis of the review, the Secretary shall notify each mortgagee who for the administrative region, as determined by the Secretary, has an above-normal rate of early serious defaults and claims during the preceding year. In the notification, the Secretary shall require each mortgagee to submit a report, by a date determined by the Secretary, that contains (A) an explanation for the above-normal rate of early serious defaults and claims; (B) a plan for corrective action (if applicable), both with respect to mortgages in default and the general mortgage-processing system of the mortgagee; and (C) the date by which the corrective action will be begun and completed. If the Secretary does not agree with the plan or schedule for implementation, a mutually agreeable plan and schedule shall be determined.

"(2) Failure of a mortgagee to submit a report acceptable to the Secretary by the date determined by the Secretary or to commence or complete the plan for corrective action by the date agreed upon by the Secretary may be cause for suspension of the mortgagee from participation in programs under this Act.".

SEC. 307. INSURANCE OF GRADUATED PAYMENT MORTGAGES.

(a) AUTHORITY TO INSURE REFINANCING.—Section 223(a)(7) of the National Housing Act is amended in the first proviso by inserting after "except that" the following: "(A) the principal amount of any such refinancing mortgage may equal the outstanding balance of an existing mortgage insured pursuant to section 245, if the amount of the monthly payment due under the refinancing mortgage is less than that due under the ex-

isting mortgage for the month in which the refinancing mortgage is executed; and (B)".

(b) TERMINATION OF AUTHORITY TO INSURE.—Section 245(b) of the National Housing Act is amended by adding at the end the following new sentence: "No loan or mortgage may be insured under this subsection after the date of the enactment of the Housing, Community Development, and Homelessness Prevention Act of 1987, except pursuant to a commitment to insure entered into on or before such date.".

SEC. 308. REFINANCING MORTGAGE INSURANCE FOR HOSPITALS, NURSING HOMES, INTERMEDIATE CARE FACILITIES, AND BOARD AND CARE HOMES.

(a) STATE CERTIFICATION REQUIREMENT.—Section 223(f)(4)(D) of the National Housing Act is amended to read as follows:

"(D) the applicable requirements for certificates, studies, and statements of section 232 (for the existing nursing home, intermediate care facility, board and care home, or any combination thereof, proposed to be refinanced) or of section 242 (for the existing hospital proposed to be refinanced) have been met.".

(b) REFINANCING INSURANCE FOR NURSING HOMES, INTERMEDIATE CARE FACILITIES, AND BOARD AND CARE HOMES.—Section 223(f) of the National Housing Act is amended—

(1) in paragraph (1), by inserting after "existing hospital" the following: "(or existing nursing home, existing intermediate care facility, existing board and care home, or any combination thereof)"; and

(2) in paragraph (4) (other than in subparagraph (D)), by inserting after "existing hospital" each place it appears the following: "(or existing nursing home, existing intermediate care facility, existing board and care home, or any combination thereof)".

(c) REGULATIONS.—The Secretary of Housing and Urban Development shall issue such regulations as may be necessary to carry out the amendment made by this section by not later than the expiration of the 90-day period following the date of the enactment of this Act.

SEC. 309. MORTGAGE INSURANCE FOR NURSING HOMES, INTERMEDIATE CARE FACILITIES, AND BOARD AND CARE HOMES.

(a) INSURANCE FOR PUBLIC NURSING HOMES.—Section 232(b)(1) of the National Housing Act is amended by inserting "public facility," before "proprietary".

(b) REQUIREMENT OF STATE APPROVAL.—Section 232(d)(4)(A) of the National Housing Act is amended by inserting at the end the following new sentences: "If no such State agency exists, or if the State agency exists but is not empowered to provide a certification that there is a need for the home or facility or combined home and facility as required in clause (i) of the first sentence, the Secretary shall not insure any mortgage under this section unless (i) the State in which the home or facility or combined home and facility is located has conducted or commissioned and paid for the preparation of an independent study of market need and feasibility that (I) is prepared in accordance with the principles established by the American Institute of Certified Public Accountants; (II) assesses, on a marketwide basis, the impact of the proposed home or facility or combined home and facility on, and its relationship to, other health care facilities and services, the percentage of excess beds, demographic projections, alternative health care delivery systems, and the reimbursement structure of the home, facility, or combined home and facility; (III) is addressed to and is acceptable to the Secretary in form and substance; and (IV) in the event the State does not prepare the study, is prepared by a financial consultant who is selected by the State or the applicant for mortgage insurance and is approved by the Secretary; and (ii) the State complies with the other provisions of this subparagraph that would otherwise be required to be met by a State agency designated in accordance with section 604(a)(1) or section 1521 of the Public Health Service Act. The proposed mortgagor may reimburse the State for the cost of the independent feasibility study required in the preceding sentence. In the case of a small intermediate care facility for the mentally retarded or developmentally disabled, or a board and care home housing less than 10 individuals, the State program agency or agencies responsible for licensing, certifying, financing, or monitoring the facility or home may, in lieu of the requirements of clause (i) of the third sentence, provide the Secretary with written support identifying the need for the facility or home.".

(c) REGULATIONS.—The Secretary of Housing and Urban Development shall issue such regulations as may be necessary to carry out the amendments made by this section by not later than the expiration of the 90-day period following the date of the enactment of this Act.

SEC. 310. REQUIREMENT OF STATE APPROVAL FOR MORTGAGE INSURANCE FOR HOSPITALS.

(a) IN GENERAL.—Section 242(d)(4) of the National Housing Act is amended by inserting at the end the following new sentences: "If no such State agency exists, or if the State agency exists but is not empowered to provide a certification that there is a need for the hospital as set forth in clause (A) of the first sentence, the Secretary shall not insure any mortgage under this section unless (A) the State in which the hospital is located has conducted or commissioned and paid for the preparation of an independent study of market need and feasibility that (i) is prepared in accordance with the principles established by the American Institute of Certified Public Accountants; (ii) assesses, on a marketwide basis, the impact of the proposed hospital on, and its relationship to, other health care facilities and services, the percentage of excess beds, demographic projections, alternative health care delivery systems, and the reimbursement structure of the hospital; (iii) is addressed to and is acceptable to the Secretary in form and substance; and (iv) in the event the State does not prepare the study, is prepared by a financial consultant selected by the State and approved by the Secretary; and (B) the State complies with the other provisions of this paragraph that would otherwise be required to be met by a State agency designated in accordance with section 604(a)(1) or section 1521 of the Public Health Service Act. The proposed mortgagor may reimburse the State for the cost of the independent feasibility study required in the preceding sentence.".

(b) REGULATIONS.—The Secretary of Housing and Urban Development shall issue such regulations as may be necessary to carry out the amendment made by this section by not later than the expiration of the 90-day period following the date of the enactment of this Act.

SEC. 311. MORTGAGE INSURANCE FOR PUBLIC HOSPITALS.

(a) ELIMINATION OF ADDITIONAL COLLATERAL REQUIREMENTS FOR PUBLIC HOSPITALS.—Section 242(a) of the National Housing Act is amended by adding at the end the following: "Such assistance shall be provided regardless of the amount of public financial or other support a hospital may receive, and the Secretary shall neither require additional security or collateral to guarantee such support, nor impose more stringent eligibility or other requirements on publicly owned or supported hospitals.".

(b) CREDIT FOR EXISTING EQUIPMENT AND IMPROVEMENTS.—Section 242(d)(2) of the National Housing Act is amended by striking the matter preceding subparagraph (A) and inserting the following:

"(2) The mortgage shall involve a principal obligation in the amount requested by the mortgagor if such amount does not exceed 90 percent of the estimated replacement cost of the property or project including—".

(c) CONTINUED USE OF LETTERS OF CREDIT.—Section 242(d) of the National Housing Act is amended by adding at the end the following new paragraph:

"(6) To the extent that a private nonprofit or public facility mortgagor is required by the Secretary to provide cash equity in excess of the amount of the mortgage to complete the project, the mortgagor shall be entitled, at the option of the mortgagee, to fund the excess with a letter of credit. In such event, mortgage proceeds may be advanced to the mortgagor prior to any demand being made on the letter of credit.".

(d) IMMEDIATE PROCESSING OF APPLICATIONS FOR PUBLIC HOSPITALS.—Section 242(f) of the National Housing Act is amended by adding at the end the following: "The Secretary shall begin immediately to process applications of public facilities for mortgage insurance under this section in accordance with regulations, guidelines, and procedures applicable to facilities of private nonprofit corporations and associations.".

SEC. 312. MORTGAGE INSURANCE ON HAWAIIAN HOME LANDS AND INDIAN RESERVATIONS.

(a) APPLICABILITY OF MORTGAGE INSURANCE ON HAWAIIAN HOME LANDS.—Section 247(c)(1) of the National Housing Act is amended by inserting before the period at the end the following: "(or, in the case of an individual who succeeds a spouse or parent in an interest in a lease of Hawaiian home lands, such lower percentage as may be established for such succession under section 209 of the Hawaiian Homes Commission Act, 1920, or under the corresponding provision of the Constitution of the State of Hawaii adopted under section 4 of the Act entitled 'An Act to provide for the admission of the State of Hawaii into the Union', approved March 18, 1959 (73 Stat. 5))".

(b) MORTGAGE INSURANCE ON HAWAIIAN HOME LANDS AS OBLIGATIONS OF GENERAL INSURANCE FUND.—Section 247 of the National Housing Act is amended—

(1) by redesignating subsection (c) as subsection (d); and

(2) by inserting after subsection (b) the following new subsection:

"(c) Notwithstanding any other provision of this Act, the insurance of a mortgage using the authority contained in this section shall be the obligation of the General Insurance Fund established in section 519. The mortgagee shall be eligible to receive the benefits of insurance as provided in section 204 with respect to mortgages insured pursuant to this section, except that (1) all references in section 204 to the Mutual Mortgage Insurance Fund or the Fund shall be construed to refer to the General Insurance Fund; and (2) all references in section 204 to section 203 shall be construed to refer to the section under which the mortgage is insured.".

(c) Mortgage Insurance on Indian Reservations as Obligations of General Insurance Fund.—Section 248 of the National Housing Act is amended—

(1) in paragraphs (3) and (5) of subsection (f), by striking "insurance fund" each place it appears and inserting "General Insurance Fund";

(2) by redesignating subsections (f), (g), and (h) as subsections (g), (h), and (i), respectively; and

(3) by inserting after subsection (e) the following new subsection:

"(f) Notwithstanding any other provision of this Act, the insurance of a mortgage using the authority contained in this section shall be the obligation of the General Insurance Fund established in section 519. The mortgagee shall be eligible to receive the benefits of insurance as provided in section 204 with respect to mortgages insured pursuant to this section, except that (1) all references in section 204 to the Mutual Mortgage Insurance Fund or the Fund shall be construed to refer to the General Insurance Fund; and (2) all references in section 204 to section 203 shall be construed to refer to the section under which the mortgage is insured.".

SEC. 313. CO-INSURANCE PROGRAM.

Section 244 of the National Housing Act is amended by striking subsection (c).

SEC. 314. INCREASE IN AUTHORITY TO INSURE ADJUSTABLE RATE SINGLE FAMILY MORTGAGES.

(a) In General.—Section 251(c) of the National Housing Act is amended to read as follows:

"(c) The aggregate number of mortgages and loans insured under this section in any fiscal year may not exceed 20 percent of the aggregate number of mortgages and loans insured by the Secretary under this title during the preceding fiscal year.".

(b) Conforming Amendments.—

(1) Section 245(c) of the National Housing Act is amended in the last sentence by striking ", section 251,".

(2) Section 252(g) of the National Housing Act is amended—

(A) by striking the first comma and inserting "and"; and

(B) by striking ", and section 251".

SEC. 315. PENALTIES FOR EQUITY SKIMMING.

(a) Purchase of Dwelling Subject to Loan in Default.—Section 912 of the Housing and Urban Development Act of 1970 is amended—

(1) in paragraph (1), by inserting "(including condominiums and cooperatives)" after "dwellings";

(2) in paragraph (2), by inserting after "due" the following: ", regardless of whether the purchaser is obligated on the loan"; and

(3) in the matter following paragraph (3)—

(A) by striking "$5,000" and inserting "$250,000"; and

(B) by striking "three" and inserting "5".

(b) Use of Funds Derived From Property Subject to Loan in Default.—Title II of the National Housing Act is amended by adding at the end the following new section:

"EQUITY SKIMMING PENALTY

"Sec. 254. Whoever, as an owner, agent, or manager, or who is otherwise in custody, control, or possession of property that is security for a mortgage note that is insured, acquired, or held by the Secretary pursuant to section 203, 207, 213, 220, 221(d)(3), 221(d)(4), 223(f), 231, 232, 234, 236, 238(c), 241, 242, 244, 608, or 810, or title XI, or is made pursuant to section 202 of the Housing Act of 1959, willfully uses or authorizes the use of any part of the rents, assets, proceeds, income or other funds derived from property covered by such mortgage note during a period when the mortgage note is in default or the project is in a nonsurplus cash position as defined by the regulatory agreement covering such property, for any purpose other than to meet actual or necessary expenses that include expenses approved by the Secretary if such approval is required under the terms of the regulatory agreement, shall be fined not more than $250,000 or imprisoned not more than 5 years, or both.".

(c) Conforming Amendments.—Section 239 of the National Housing Act is amended—

(1) by striking "INSURED" in the section heading;

(2) by striking "(a)" after "Sec. 239."; and

(3) by striking subsection (b).

SEC. 316. AUTHORITY FOR SECRETARY TO IMPOSE CIVIL MONEY PENALTIES.

(a) In General.—Title II of the National Housing Act (as amended by section 315 of this Act) is further amended by adding at the end the following new section:

"AUTHORITY FOR SECRETARY TO IMPOSE CIVIL MONEY PENALTIES

"Sec. 255. (a) In General.—

"(1) Whenever a mortgagee approved under section 203 or an individual violates any of the requirements of this Act, as set forth in subsection (b), the Secretary may impose a civil money penalty on the mortgagee or individual in accordance with the provisions of this section. This penalty shall be in addition to any available civil remedy or any other available civil or criminal penalty, and may be imposed whether or not the Secretary imposes other administrative sanctions.

"(2) The amount of the penalty may not exceed $1,000 for each violation, as determined by the Secretary, except that the maximum penalty for all violations by a particular mortgagee or individual during any 1-year period shall not exceed $1,000,000. In the case of a continuing violation, as determined by the Secretary, each day shall constitute a separate violation.

"(b) Violations for Which Penalty May Be Imposed.—The Secretary may impose a civil money penalty under subsection (a) for any of the following violations by a mortgagee or individual:

"(1) Unless expressly permitted by statute or regulation, transfer of a mortgage insured under section 203 to a mortgagee not approved by the Secretary.

"(2) Failure of a nonsupervised mortgagee, as defined by the Secretary—

"(A) to segregate all escrow funds received from a mortgagor for ground rents, taxes, assessments, and insurance premiums; or

"(B) to deposit such funds in a special account with a financial institution whose accounts are insured by the Federal Deposit Insurance Corporation, the Federal Savings and Loan Insurance Corporation, or the National Credit Union Administration.

"(3) Disbursal of escrow funds for any purpose other than the purpose for which such funds are received.

"(4) Submission to the Secretary of information that the mortgagee or individual knew was false, in connection with any mortgage insured under section 203.

"(5) Hiring or retaining in employment an officer, director, principal, or employee with knowledge that, at the time of hire or while in employment (as appropriate), the person was under suspension or debarment by the Secretary.

"(6) Submission of a false certification to the Secretary.

"(7) Failure to comply with an amendment, certification, or condition of approval set forth—

"(A) on the application of a mortgagee for approval by the Secretary; or

"(B) on the notification by a mortgagee to the Secretary concerning establishment of a branch office.

"(8) Significant or substantial violation of any contract with the Secretary under section 203, any statute or implementing regulation that applies to the programs administered by the Secretary under section 203, or handbook instruction or mortgagee letter that is issued under this Act and mailed, sent, or delivered to a mortgagee under section 203.

"(c) Agency Procedures.—

"(1) The Secretary shall establish standards and procedures governing the imposition of civil money penalties under subsection (a). The standards and procedures—

"(A) shall provide for the imposition of a penalty only after the mortgagee or individual has been given an opportunity for a hearing on the record by a hearing officer authorized by the Secretary to conduct hearings; and

"(B) may provide for—

"(i) use of an administrative entity to make the determination to impose a penalty, subject to a hearing if requested; and

"(ii) review of any determination or order, or interlocutory ruling, arising from a hearing.

"(2) In determining the amount of a penalty under subsection (a), the Secretary shall take into account the gravity of the offense, degree of culpability, any history of prior offenses, ability to pay, size of the business entity, effect upon ability to continue in business, and such other factors as the Secretary may determine in regulations to be appropriate.

"(3) The determination of the Secretary or order of the Secretary imposing a penalty under subsection (a) shall not be subject to review, except as provided in subsection (d).

"(d) Judicial Review of Agency Determination.—After exhausting all administrative remedies established by the Secretary under subsection (c)(1), a mortgagee or individual against whom the Secretary has imposed a civil money penalty under subsection (a) may obtain judicial review of the determination or order of the Secretary in the appropriate United States district court, as provided in chapter 7 of title 5, United States Code.

"(e) Action by Secretary to Collect Penalty.—If any mortgagee or individual fails to comply with the determination or order of the Secretary imposing a civil money penalty under subsection (a), after the determination or order is no longer subject to review as provided by subsections (c)(1) and (d), the Secretary may, acting through the General Counsel of the Department of Housing and Urban Development, bring an action in an appropriate United States district court to obtain a monetary judgment against the mortgagee or individual and such other relief as may be available. The monetary judgment may, in the discretion of the court, include the attorneys fees and other expenses incurred by the Secretary in connection with the action.

"(f) Settlement by Secretary.—The Secretary may compromise, modify, or remit any civil money penalty that may be, or has been, imposed under this section.

"(g) Regulations.—The Secretary shall issue such regulations as may be necessary to carry out this section.

"(h) DEPOSIT OF PENALTIES IN INSURANCE FUNDS.—All civil money penalties collected under this section shall be deposited in the appropriate insurance fund or funds established in this Act, and shall be available for use to the extent approved in appropriation Acts.".

(b) APPLICABILITY.—The amendment made by subsection (a) shall apply only with respect to—

(1) violations that occur on or after the effective date of the regulations issued to carry out such amendment; or

(2) in the case of a continuing violation (as determined by the Secretary of Housing and Urban Development), any portion of the violation that occurs on or after such effective date.

SEC. 317. HOME EQUITY CONVERSION MORTGAGE INSURANCE DEMONSTRATION.

(a) IN GENERAL.—Title II of the National Housing Act (as amended by section 316 of this Act) is further amended by adding at the end the following new section:

"DEMONSTRATION PROGRAM OF INSURANCE OF HOME EQUITY CONVERSION MORTGAGES FOR ELDERLY HOMEOWNERS

"SEC. 256. (a) PURPOSE.—The purpose of this section is to authorize the Secretary to carry out a demonstration program of mortgage insurance designed—

"(1) to meet the special needs of elderly homeowners by reducing the effect of the economic hardship caused by the increasing costs of meeting health, housing, and subsistence needs at a time of reduced income, through the insurance of home equity conversion mortgages to permit the conversion of a portion of accumulated home equity into liquid assets;

"(2) to encourage and increase the involvement of mortgagees and participants in the secondary mortgage market in the making and servicing of home equity conversion mortgages for elderly homeowners; and

"(3) to require the evaluation of data to determine—

"(A) the extent of the need and demand among elderly homeowners for insured and uninsured home equity conversion mortgages;

"(B) the types of home equity conversion mortgages that best serve the needs and interests of elderly homeowners, the Federal Government, and lenders; and

"(C) the appropriate scope and nature of participation by the Secretary in connection with home equity conversion mortgages for elderly homeowners.

"(b) DEFINITIONS.—For purposes of this section:

"(1) The terms 'elderly homeowner' and 'homeowner' mean any homeowner who is, or whose spouse is, at least 62 years of age or such higher age as the Secretary may prescribe.

"(2) The terms 'mortgage', 'mortgagee', 'mortgagor', and 'State' have the meanings given such terms in section 201.

"(3) The term 'home equity conversion mortgage' means a first mortgage which provides for future payments to the homeowner based on accumulated equity and which a housing creditor (as defined in section 803(2) of the Garn-St Germain Depository Institutions Act of 1982) is authorized to make (A) under any law of the United States (other than section 804 of such Act) or applicable agency regulations thereunder; (B) in accordance with section 804 of such Act, notwithstanding any State constitution, law, or regulation; or (C) under any State constitution, law, or regulation.

"(c) INSURANCE AUTHORITY.—The Secretary may, upon application by a mortgagee, insure any home equity conversion mortgage eligible for insurance under this section and, upon such terms and conditions as the Secretary may prescribe, make commitments for the insurance of such mortgages prior to the date of their execution or disbursement to the extent that the Secretary determines such mortgages—

"(1) have promise for improving the financial situation or otherwise meeting the special needs of elderly homeowners;

"(2) will include appropriate safeguards for mortgagors to offset the special risks of such mortgages;

"(3) have a potential for acceptance in the private mortgage market; and

"(4) be eligible for purchase by a secondary market institution.

"(d) ELIGIBILITY REQUIREMENTS.—To be eligible for insurance under this section, a mortgage shall—

"(1) have been made to, and be held by, a mortgagee approved by the Secretary as responsible and able to service the mortgage properly;

"(2) have been executed by a mortgagor who—

"(A) qualifies as an elderly homeowner;

"(B) has received adequate counseling by a third party (other than the lender) as provided in subsection (g); and

"(C) meets any additional requirements prescribed by the Secretary;

"(3) be secured by a dwelling that is designed principally for a 1-family residence and is occupied by the mortgagor and that has a value not to exceed the maximum dollar amount established by the Secretary under section 203(b)(2) for a 1-family residence;

"(4) provide that prepayment, in whole or in part, may be made without penalty at any time during the period of the mortgage;

"(5) provide for a fixed interest rate, as agreed upon by the mortgagor and the mortgagee;

"(6) contain provisions for satisfaction of the obligation satisfactory to the Secretary;

"(7) provide that the homeowner shall not be liable for any difference between the net amount of the remaining indebtedness of the homeowner under the mortgage and the amount recovered by the mortgagee from—

"(A) the foreclosure sale; or

"(B) the insurance benefits paid pursuant to subsection (i)(1)(C); and

"(8) contain such terms and provisions with respect to insurance, repairs, alterations, payment of taxes, default reserve, delinquency charges, foreclosure proceedings, anticipation of maturity, additional and secondary liens, and other matters as the Secretary may prescribe.

"(e) DISCLOSURES BY MORTGAGEE.—The Secretary shall require each mortgagee of a mortgage insured under this section to make available to the homeowner—

"(1) at the time of the loan application, a written list of the names and addresses of third-party information sources who are approved by the Secretary as responsible and able to provide the information required by subsection (f);

"(2) at least 10 days prior to loan closing, a statement explaining the homeowner's rights, obligations, and remedies with respect to temporary absences from the home, late payments, and payment default by the lender, all conditions requiring satisfaction of the loan obligation, and any other information that the Secretary may require; and

"(3) on an annual basis (but not later than January 31 of each year), a statement summarizing the total principal amount paid to the homeowner under the loan secured by the mortgage, the total amount of deferred interest added to the principal, and the outstanding loan balance at the end of the preceding year.

"(f) INFORMATION SERVICES FOR MORTGAGORS.—The Secretary shall provide or cause to be provided by entities other than the lender the information required in subsection (d)(2)(B). Such information shall be discussed with the mortgagor and shall include—

"(1) options other than a home equity conversion mortgage that are available to the homeowner, including other housing, social service, health, and financial options;

"(2) other home equity conversion options that are or may become available to the homeowner, such as sale-leaseback financing, deferred payment loans, and property tax deferral;

"(3) the financial implications of entering into a home equity conversion mortgage; and

"(4) a disclosure that a home equity conversion mortgage may have tax consequences, affect eligibility for assistance under Federal and State programs, and have an impact on the estate and heirs of the homeowner; and

"(5) any other information that the Secretary may require.

"(g) LIMITATION ON INSURANCE AUTHORITY.—No mortgage may be insured under this section after September 30, 1991, except pursuant to a commitment to insure issued on or before such date. The total number of mortgages insured under this section may not exceed 2,500. In no case may the benefits of insurance under this section exceed the maximum dollar amount established under section 203(b)(2) for a 1-family residence.

"(h) ADMINISTRATIVE AUTHORITY.—The Secretary may—

"(1) enter into such contracts and agreements with Federal, State, and local agencies, public and private entities, and such other persons as the Secretary determines to be necessary or desirable to carry out the purposes of this section; and

"(2) make such investigations and studies of data, and publish and distribute such reports, as the Secretary determines to be appropriate.

"(i) PROTECTION OF HOMEOWNER AND LENDER.—

"(1) Notwithstanding any other provision of law, and in order to further the purposes of the demonstration program authorized in this section, the Secretary shall take any action necessary—

"(A) to provide any mortgagor under this section with funds to which the mortgagor is entitled under the insured mortgage or ancillary contracts but that the mortgagor has not received because of the default of the party responsible for payment;

"(B) to obtain repayment of disbursements provided under subparagraph (A) from any source; and

"(C) to provide any mortgagee under this section with funds not to exceed the limitations in subsection (g) to which the mortgagee is entitled under the terms of the insured mortgage or ancillary contracts authorized in this section.

"(2) Actions under paragraph (1) may include—

"(A) disbursing funds to the mortgagor or mortgagee from the General Insurance Fund;

"(B) accepting an assignment of the insured mortgage notwithstanding that the *mortgagor is not in default under its terms, and calculating the amount and making the payment of the insurance claim on such assigned mortgage;*

"(C) requiring a subordinate mortgage from the mortgagor at any time in order to secure repayments of any funds advanced or to be advanced to the mortgagor;

"(D) requiring a subrogation to the Secretary of the rights of any parties to the transaction against any defaulting parties; and

"(E) imposing premium charges.

"(j) SAFEGUARD TO PREVENT DISPLACEMENT OF HOMEOWNER.—The Secretary may not insure a home equity conversion mortgage under this section unless such mortgage provides that the homeowner's obligation to satisfy the loan obligation is deferred until the homeowner's death, the sale of the home, or the occurrence of other events specified in regulations of the Secretary (as long as the homeowner is not involuntarily displaced). For purposes of this subsection, the term 'homeowner' includes the spouse of a homeowner.

"(k) REPORTS TO CONGRESS.—

"(1) The Secretary shall, not later than September 30, 1989, submit an interim report to Congress describing—

"(A) design and implementation of the demonstration;

"(B) number and types of reverse mortgages written to date;

"(C) profile of participant homeowner-borrowers, including incomes, home equity, and regional distribution; and

"(D) problems encountered in implementation, including impediments associated with State or Federal laws or regulations governing taxes, insurance, securities, public benefits, banking, and any other problems in implementation that the Secretary encounters.

"(2) Not later than March 30, 1992, the Secretary shall submit to Congress a preliminary evaluation of the program authorized in this section. Such evaluation shall include an updated report on the matters referred to in paragraph (1) and shall in addition—

"(A) describe the types of mortgages appropriate for inclusion in such program;

"(B) describe any changes in the insurance programs under this title, or in other Federal regulatory provisions, determined to be appropriate;

"(C) describe any risk created under such mortgages to mortgagors and mortgagees or the insurance programs under this title, and whether the risk is adequately covered by the premiums under the insurance programs;

"(D) evaluate whether such program has improved the financial situation or otherwise met the special needs of participating elderly homeowners;

"(E) evaluate whether such program has included appropriate safeguards for mortgagors to offset the special risks of such mortgages;

"(F) evaluate whether home equity conversion mortgages have a potential for acceptance in the private market; and

"(G) evaluate whether such program has increased secondary mortgage market activity with respect to home equity conversion mortgages.

"(3) The preliminary evaluation shall incorporate comments and recommendations solicited by the Secretary from the Board of Governors of the Federal Reserve System, the Secretary of Health and Human Services, the Federal Council on Aging, Federal Home Loan Bank Board, the Comptroller of the Currency, and the National Credit Union Administration Board regarding any of the matters referred to in paragraph (1) or (2).

"(4) Following submission of the preliminary evaluation, the Secretary shall, on a biennial basis, submit to the Congress an updated report and evaluation covering the period since the most recent report under this subsection and shall include analysis of the repayment of the home equity conversion mortgages under this demonstration during such period.".

(b) REGULATIONS.—The Secretary of Housing and Urban Development shall—

(1) not later than 6 months after the date of enactment of this Act, consult with lenders, insurers, and organizations and individuals with expertise in home equity conversion in developing proposed regulations implementing section 254 of the National Housing Act; and

(2) not later than 9 months after the date of the enactment of this Act, issue proposed regulations implementing section 254 of the National Housing Act.

SEC. 318. ASSURANCE OF ADEQUATE PROCESSING OF APPLICATIONS FOR LOAN AND MORTGAGE INSURANCE.

Title V of the National Housing Act is amended by adding at the end the following new section:

"ASSURANCE OF ADEQUATE PROCESSING OF APPLICATIONS FOR LOAN AND MORTGAGE INSURANCE

"SEC. 533. In order to ensure the adequate processing of applications for insurance of loans and mortgages under this Act, the Secretary shall maintain not less than one office in each State to carry out the provisions of this Act.".

SEC. 319. CLOSING OF ANY OFFICE PROHIBITED BEFORE COMPLETION OF CERTAIN STUDIES.

Title V of the National Housing Act (as amended by section 318 of this Act) is further amended by adding at the end the following new section:

"CLOSING OF ANY OFFICE PROHIBITED BEFORE COMPLETION OF CERTAIN STUDIES

"SEC. 534. The Secretary may not implement any proposal or determination to close any office maintained by the Secretary in any State (on or after October 1, 1985) to carry out the provisions of this Act until at least 30 days after the completion of any investigation, study, or review by any other Federal agency or department or any committee of either House of the Congress of the proposal or determination of the Secretary to close the office.".

SEC. 320. PROHIBITION OF REQUIREMENT OF MINIMUM PRINCIPAL LOAN AMOUNT.

(a) ORIGINAL LOANS.—Title V of the National Housing Act (as amended by section 319 of this Act) is further amended by adding at the end the following new section:

"PROHIBITION OF REQUIREMENT OF MINIMUM PRINCIPAL LOAN AMOUNT

"SEC. 535. A mortgagee or lender may not require, as a condition of providing a loan insured under this Act or secured by a mortgage insured under this Act, that the principal amount of the loan exceed a minimum amount established by the mortgagee or lender or that the interest rate and discount points charged on the loan exceed the interest rate and discount points charged by the mortgagee or lender for mortgages or loans having the maximum principal amount permitted for insurance under this Act.".

(b) REFINANCINGS.—Section 223(a)(7) of the National Housing Act (as amended by section 307(a) of this Act) is further amended by striking "; and (B)" and inserting the following: "; (B) a mortgagee may not require a minimum principal amount to be outstanding on the loan secured by the existing mortgage or require that the interest rate and discount points charged on the loan exceed the interest rate and discount points charged by the mortgagee or lender for mortgages or loans having the maximum principal amount permitted for insurance under this Act; and (C)".

SEC. 321. STUDY OF VOLUNTARY STANDARDS FOR MODULAR HOMES.

(a) IN GENERAL.—In order to facilitate the construction and delivery of housing, the Secretary of Housing and Urban Development shall prepare and submit to the Congress not later than 6 months after the date of the enactment of this Act a report describing feasible alternative systems for implementing one or more voluntary preemptive national codes for modular housing, including the method for inspecting the structures to ensure compliance with the selected code or set of codes. Such codes may be national model codes and shall provide for periodic upgrading through recognized model code development procedures and the development of modular housing standards for construction, design, and performance that ensure quality, durability, and safety and are in accordance with life-cycle cost-effective energy conservation standards established by the Secretary of Housing and Urban Development and designed to ensure the lowest total construction and operating costs over the estimated life of such housing.

(b) DEFINITION.—For purposes of this section, the term "modular housing" means factory-built single-family and multifamily housing (including closed wall panelized housing) not subject to the requirements of the National Manufactured Housing Construction and Safety Standards Act of 1974.

SEC. 322. REPEAL OF REQUIREMENT TO PUBLISH PROTOTYPE HOUSING COSTS FOR 1- TO 4-FAMILY DWELLING UNITS.

The Housing and Community Development Act of 1977 is amended by striking section 904.

SEC. 323. DOUBLE DAMAGES REMEDY FOR UNAUTHORIZED USE OF MULTIFAMILY HOUSING PROJECT ASSETS AND INCOME.

(a) ACTION TO RECOVER ASSETS OR INCOME.—

(1) The Secretary of Housing and Urban Development (referred to in this section as the "Secretary") may request the Attorney General to bring an action in a United States district court to recover any assets or income used by any person in violation of (A) a regulatory agreement that applies to a multifamily project whose mortgage is insured or held by the Secretary under title II of the National Housing Act; or (B) any applicable regulation. For purposes of this section, a use of assets or income in violation of the regulatory agreement or any applicable regulation shall include any use for which the documentation in the books and accounts does not establish that the use was made for a reasonable operating expense or necessary repair of the project and has not been maintained in accordance with the requirements of the Secretary and in reasonable condition for proper audit.

(2) For purposes of a mortgage insured or held by the Secretary under title II of the National Housing Act, the term "any person" shall mean any person or entity which owns a project, as identified in the regulatory agreement, including but not limited to any stockholder holding 25 percent or more interest of a corporation that owns the project; any beneficial owner under any

business or trust; any officer, director, or partner of an entity owning the project; and any heir, assignee, successor in interest, or agent of any owner.

(b) INITIATION OF PROCEEDINGS AND TEMPORARY RELIEF.—The Attorney General, upon request of the Secretary, shall have the exclusive authority to authorize the initiation of proceedings under this section. Pending final resolution of any action under this section, the court may grant appropriate temporary or preliminary relief, including restraining orders, injunctions, and acceptance of satisfactory performance bonds, to protect the interests of the Secretary and to prevent use of assets or income in violation of the regulatory agreement and any applicable regulation and to prevent loss of value of the realty and personalty involved.

(c) AMOUNT RECOVERABLE.—In any judgment favorable to the United States entered under this section, the Attorney General may recover double the value of the assets and income of the project that the court determines to have been used in violation of the regulatory agreement or any applicable regulation, plus all costs relating to the action, including but not limited to reasonable attorney and auditing fees. Notwithstanding any other provision of law, the Secretary may apply the recovery, or any portion of the recovery, to the project or to the applicable insurance fund under the National Housing Act.

(d) TIME LIMITATION.—Notwithstanding any other statute of limitations, the Secretary may request the Attorney General to bring an action under this section at any time up to and including 6 years after the latest date that the Secretary discovers any use of project assets and income in violation of the regulatory agreement or any applicable regulation.

(e) CONTINUED AVAILABILITY OF OTHER REMEDIES.—The remedy provided by this section is in addition to any other remedies available to the Secretary or the United States.

SEC. 324. MISCELLANEOUS MORTGAGE INSURANCE PROVISIONS.

Section 234(e)(3) of the National Housing Act is amended by inserting after "design;" the following: "except that each of the foregoing dollar amounts is increased to the amount established for a comparable unit in section 221(d)(3)(ii);".

SEC. 325. INCREASE IN MAXIMUM MORTGAGE AMOUNT UNDER SINGLE FAMILY INSURANCE PROGRAM.

(a) IN GENERAL.—Section 203(b)(2)(A) of the National Housing Act is amended by striking "133⅓ per centum" and inserting "150 percent".

(b) STUDY.—Not later than 4 months after the date of the enactment of this Act, the Secretary of Housing and Urban Development shall submit to the Congress a report analyzing the feasibility of providing, for geographic areas experiencing particularly high prevailing housing sales prices, administrative exemptions from the principal amount limitations established in section 203(b)(2) of the National Housing Act. Such report shall include any recommendations of the Secretary for authorizing legislation.

SEC. 326. CALCULATION OF MAXIMUM MORTGAGE AMOUNT UNDER SINGLE FAMILY INSURANCE PROGRAM.

Section 203(b)(2) of the National Housing Act is amended by inserting after the first sentence the following: "For purposes of the preceding sentence, the term 'area' means a county, or a metropolitan statistical area as established by the Office of Management and Budget, whichever results in the higher dollar amount.".

SEC. 327. APPROVAL OF INDIVIDUAL RESIDENTIAL WATER PURIFICATION OR TREATMENT UNITS.

(a) IN GENERAL.—When the existing water supply does not meet the minimum property standards established by the Department of Housing and Urban Development and a permanent alternative acceptable water supply is not available, a continuous supply of water may be provided through the use of approved residential water treatment equipment or a water purification unit that provides bacterially and chemically safe drinking water.

(b) APPROVAL PROCESS.—A performance-based approval of the equipment or unit and the maintenance, monitoring, and replacement plan for such equipment or unit shall be certified by field offices of the Department of Housing and Urban Development based upon general standards recognized by the Department as modified for local or regional conditions. As a part of such approved plan, a separate monthly escrow account may be required to be established through the lender to cover the cost of the approved yearly maintenance and monitoring schedule and projected replacement of the equipment or unit.

SEC. 328. DIRECT LOANS TO PREVENT DEFAULTS BY MULTIFAMILY PROJECTS.

Section 203(f) of the Housing and Community Development Amendments of 1978 (as so redesignated by section 162(d) of this Act) is amended—

(1) by inserting "(1)" after the subsection designation; and

(2) by inserting at the end the following new paragraph:

"(2) If the Secretary determines that a mortgage insured by the Secretary that covers a multifamily housing project is at risk of going into default and if the mortgagee indicates to the Secretary that it will not agree to a request to accept partial payment of a claim under the mortgage insurance contract and to recast the mortgage in accordance with paragraph (1), the Secretary may make a loan to the mortgagor from the applicable insurance fund in order to assist the mortgagor to avoid a default under the mortgage. To be eligible for a loan under this paragraph—

"(A) the amount of the loan or loans made with respect to any mortgage shall not exceed the amount necessary to cover the sum over a 36-month period of the taxes, principal, and interest on the mortgage debt, mortgage insurance premiums, and hazard insurance premiums;

"(B) the mortgagor shall agree to repay the Secretary;

"(C) the loan shall have a maturity satisfactory to the Secretary, which shall not extend beyond the term of the original mortgage;

"(D) the loan shall bear interest at such rate as may be agreed upon by the mortgagor and the Secretary;

"(E) the mortgagor shall provide the Secretary with a note and mortgage or deed of trust, in recordable form, together with a deferred recordation agreement; and

"(F) the loan shall be subject to such other terms and conditions as the Secretary may prescribe.".

SEC. 329. EXPIRATION OF CERTIFICATES OF REASONABLE VALUE.

If a certificate of reasonable value issued by the Administrator of Veterans' Affairs is relied upon for the purpose of determining the value of a single-family property in connection with the insurance of a mortgage under the National Housing Act, the expiration of the certificate of reasonable value shall be considered to be 12 months from the date of issuance, or such shorter period as may be established by the Administrator of Veterans' Affairs to reflect local market conditions.

SEC. 330. REGULATION OF RENTS IN INSURED PROJECTS.

After May 1, 1987, the Secretary of Housing and Urban Development shall continue to control rents and charges for any multifamily housing project insured under the National Housing Act if—

(1) the project owner and the Secretary have not executed, during the period of April 19, 1983, through May 1, 1987, an amendment to the regulatory agreement electing to utilize an alternative formula for determining the maximum allowable rents pursuant to regulations published by the Secretary on April 19, 1983; and

(2)(A) the project was, as of May 1, 1987, receiving a housing assistance payment under a contract pursuant to section 8 of the United States Housing Act of 1937 (other than under the existing housing certificate program of section 8(b)(1) of such Act); or

(B) not less than 50 percent of the units in the project are occupied by lower income families (as defined in section 3(a)(2) of the United States Housing Act of 1937).

SEC. 331. MORTGAGE INSURANCE TECHNICAL AMENDMENTS.

(a) ADMINISTRATIVE PROVISIONS.—The second sentence of section 1 of the National Housing Act is amended by striking the last comma.

(b) APPLICABILITY.—Section 9 of the National Housing Act is amended by inserting the following section heading:

"APPLICABILITY".

(c) MISCELLANEOUS HOUSING INSURANCE.—

(1) Section 223(a)(7) of the National Housing Act is amended—

(A) in the first proviso, by striking "a rate not in excess of the maximum rate prescribed under the applicable section or title of this Act" and inserting the following: "such rate as may be agreed upon by the mortgagor and the mortgagee";

(B) in the second proviso, by striking "maturity, a principal obligation, and an interest rate" and inserting the following: "maturity and a principal obligation"; and

(C) by inserting before the semicolon at the end the following: ", and shall bear interest at such rate as may be agreed upon by the mortgagor and the mortgagee".

(2) Section 223(d)(1) of the National Housing Act is amended by striking "bear interest (exclusive of premium charges for insurance) at not to exceed the per centum per annum currently permitted for mortgages insured under the section under which it is to be insured" and inserting the following: "bear interest at such rate as may be agreed upon by the mortgagor and the mortgagee".

(d) INSURANCE FOR NURSING HOMES, INTERMEDIATE CARE FACILITIES, AND BOARD AND CARE HOMES.—

(1) Section 232(b) of the National Housing Act is amended—

(A) by indenting as a separate paragraph (in the same manner as paragraph (1)) "(3) a nursing" and all that follows through "day; and";

(B) in such new paragraph (3)—

(i) by inserting "the term" after the paragraph designation; and

(ii) by striking "and" at the end;

(C) by redesignating the second paragraph (3) as paragraph (4); and

(D) by redesignating the paragraph (4) as paragraph (5).

(2) Section 232(i)(2)(B) of the National Housing Act is amended to read as follows:

"(B) bear interest at such rate as may be agreed upon by the mortgagor and the mortgagee;".

(e) CO-INSURANCE.—Section 244(h) of the National Housing Act is amended by striking "coinsurance" each place it appears and inserting "co-insurance".

(f) INSURANCE ON HAWAIIAN HOME LANDS.—Section 247(a)(2) of the National Housing Act is amended by striking "Mortgagor" and inserting "mortgagor".

(g) DEFENSE HOUSING FOR IMPACTED AREAS.—The first sentence of section 810(h) of the National Housing Act is amended—

(1) by striking "(exclusive of premium charges for insurance) at not to exceed the rate applicable to mortgages insured under section 207" and inserting the following: "at such rate as may be agreed upon by the mortgagor and the mortgagee"; and

(2) by striking "not to exceed the rate applicable to mortgages insured under section 203" and inserting the following: "such rate as may be agreed upon by the mortgagor and the mortgagee".

Subtitle B—Secondary Mortgage Market Programs

SEC. 341. LIMITATIONS ON CERTAIN SECONDARY MORTGAGE MARKET FEES.

(a) FEDERAL NATIONAL MORTGAGE ASSOCIATION.—Section 304 of the Federal National Mortgage Association Charter Act is amended by adding at the end the following new subsection:

"(f) Except for fees paid pursuant to section 309(g), no fee or charge may be assessed or collected by the United States (including any executive department, agency, or independent establishment of the United States) on or with regard to the purchase, acquisition, sale, pledge, issuance, guarantee, or redemption of any mortgage, asset, obligation, trust certificate of beneficial interest, or other security by the corporation. No provision of this subsection shall affect the purchase of any obligation by the Secretary of the Treasury pursuant to subsection (c).".

(b) FEDERAL HOME LOAN MORTGAGE CORPORATION.—Section 306 of the Federal Home Loan Mortgage Corporation Act is amended by adding at the end the following new subsection:

"(i) Except for fees paid pursuant to section 303(c) or 306(c), no fee or charge may be assessed or collected by the United States (including any executive department, agency, or independent establishment of the United States) on or with regard to the purchase, acquisition, sale, pledge, issuance, guarantee, or redemption of any mortgage, asset, obligation, or other security by the Corporation. No provision of this subsection shall affect the purchase of any obligation by any Federal home loan bank pursuant to section 303(a).".

SEC. 342. FNMA CUMULATIVE VOTING.

Section 303(a) of the Federal National Mortgage Association Charter Act is amended by inserting after the first sentence the following new sentence: "The corporation may eliminate such rights of cumulative voting by a resolution adopted by its board of directors and approved by the holders of a majority of the shares of common stock voting in person or by proxy at the annual meeting, or other special meeting, at which such resolution is considered.".

SEC. 343. PERMANENT AUTHORITY TO PURCHASE SECOND MORTGAGES ON SINGLE-FAMILY PROPERTIES.

(a) FEDERAL NATIONAL MORTGAGE ASSOCIATION.—Section 302(b)(5)(A)(i) of the Federal National Mortgage Association Charter Act is amended by striking "until October 1, 1987,".

(b) FEDERAL HOME LOAN MORTGAGE CORPORATION.—Section 305(a)(4)(A)(i) of the Federal Home Loan Mortgage Corporation Act is amended by striking "until October 1, 1987,".

SEC. 344. PERIOD FOR APPROVAL OF ACTIONS OF FNMA.

Section 309(i) of the Federal National Mortgage Association Charter Act is amended in the second sentence by inserting before the period at the end the following: ", but such 45-day period may not be extended for any other reason or for any period in addition to or other than such 15-day period".

SEC. 345. PROHIBITION OF LIMITATION ON FHLMC MORTGAGE OPERATIONS.

Section 305 of the Federal Home Loan Mortgage Corporation Act is amended by adding at the end the following new subsection:

"(c) The Board of Directors may not impose any annual limitation on the maximum aggregate principal amount of mortgages purchased by the Corporation.".

SEC. 346. LIMITATION ON GNMA GUARANTEES OF MORTGAGE-BACKED SECURITIES.

Section 306(g)(2) of the Federal National Mortgage Association Charter Act is amended to read as follows:

"(2) Notwithstanding any other provision of law and subject only to the absence of qualified requests for guarantees, to the authority provided in this subsection, and to any funding limitation approved in appropriation Acts, the Association shall enter into commitments for fiscal year 1988 to issue guarantees under this subsection for such fiscal year in an aggregate amount of $150,000,000,000.".

The CHAIRMAN pro tempore. Are there any amendments to title III?

AMENDMENT OFFERED BY MR. HEFLEY

Mr. HEFLEY. Madam Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HEFLEY: Strike section 321 beginning on page 229, line 1.

Mr. GONZALEZ. Madam Chairman, I have a point of order.

The CHAIRMAN pro tempore. The gentleman will state it.

Mr. GONZALEZ. Madam Chairman, we have not seen a copy of the amendment. We do not have a copy of the amendment on our side.

The CHAIRMAN pro tempore. The Chair must tell the gentleman that that does not constitute a point of order, but the Clerk will provide a copy.

The gentleman from Colorado [Mr. HEFLEY] is recognized for 5 minutes in support of the amendment.

Mr. HEFLEY. Madam Chairman, I am proposing an amendment to strike section 321 of H.R. 4. Section 321 is inappropriately titled, "A Study of Voluntary Standards for Modular Homes." It is perhaps more deserving of the title, "A Back Door Attempt to Subvert the Prerogatives of the States."

The section calls on HUD to create a plan for implementing a national building code for modular home construction, that would preempt State regulation of that industry.

In an attempt to disguise the true nature of this provision, its supporters have come up with one of the best oxymorons I've heard in a long time. In the section, the national codes to be created under the bill are referred to as, "voluntary preemptive."

The real intent of the section comes out in the report language. Quoting from the report, I read:

> Once the system is in place, factory-built homes that meet the construction standard recommended by HUD and are certified as meeting that standard, would be exempt from state and local construction requirements. [Report 100-122, p. 66]

Who supports this legislation?

I was alerted to this provision when Colorado's Governor and the State Housing Commissioner notified me of their objection to this section stealing the State's prerogative.

The homebuilders in my State agreed that building codes are a local matter the Federal Government should keep its hands off.

I thought maybe the Manufactured Housing Institute wanted to see this in the bill. Their national headquarters said they would support an amendment to strike section 321 from H.R. 4.

The National Conference of States on Building Codes and Standards recently came out with a report that supported the elimination of just this section as it appeared in the committee print of the bill under section 416.

I followed up with the Council of American Building Officials. When I suggested that it might be a good idea to amend the language to make it clear that congressional intent was not to circumvent State authority, they suggested striking the whole section.

It is clear that the States think the language preempts their authority. The industry doesn't support it. And the professionals would like to see the whole idea tossed in the ash can.

The administration, the last possible source of support for the section, was sympathetic to my concerns.

In summary, my Democratic Governor is opposed to the section. My Republican administration is opposed to the section. My homebuilders are opposed to the section.

The Manufactured Housing Institute wanted this section kept out of the bill. The National Conference of States on Building Codes and Standards wanted this section kept out of the bill. The Council of American Building Officials wanted this section kept out of the bill.

This section should not be here. My amendment would strike it. Call your homebuilders. Call your State housing officials. Then come down here and join me in exorcising what never should have made its way on to the floor of the House.

Mr. GONZALEZ. Madam Chairman, I move to strike the last word and I rise in opposition to the amendment.

At the very outset I do not understand what homebuilders the gentleman is talking about. I have a letter here from the National Association of Home Builders strongly endorsing this section. I would like to place this in the RECORD and if a motion to do so is required after we go into the full House I will do it then.

I will read from it. It is addressed to me:

"Dear Mr. Chairman, On behalf of the 147,000 members of the National Association of Home Builders, I am writing to urge you to retain section 321 of H.R. 4, the Housing, Community Development, and Homelessness Prevention Act of 1987. We would strongly oppose an amendment expected to be offered by Representative HEFLEY, Republican of Colorado, which would delete this provision of the bill.

"Section 321 provides for a study," which indeed it does. All it is is a study. There is nothing mandatory about the study. I just feel that the RECORD should show that those statements made purporting to show that there will be some mandatory something happening are totally unfounded, groundless and just not factual.

I continue: "Section 321 provides for a study by the Department of Housing and Urban Development which would analyze and evaluate alternatives for implementing a voluntary preemptive national code for modular housing."

Now the gentleman refers to the mobile home manufacturers. Well, the reason they may not be interested in anybody else having preemptive standards is that they have those already for themselves on a national basis. So what this really reflects is an attempt to knock out a much-studied proviso which reflects section 321's asking for a study by HUD and nothing else. It is one that is a result of hearings we have had, testimony we have heard, the absolute unequivocal support of the National Association of Home Builders and, I might say further, H.R. 4 in its entirety is also supported 100 percent by the National Mortgage Bankers Association and above all the National Real Estate Board. So I think that we ought to see this in what it actually is. I invite any Member who has any doubts to look at section 321 right now and see that we are all asking for a study. I cannot understand any objection except those propounded by those in conflict in interest in these various areas of production, mostly mobile homes against fixed or stick built homes, et cetera, et cetera.

The test of the letter referred to is as follows:

NATIONAL ASSOCIATION OF
HOME BUILDERS,
Washington, DC, June 11, 1987.

Hon. HENRY B. GONZALEZ,
Chairman, House Subcommittee on Housing and Community Development, Washington, DC.

DEAR MR. CHAIRMAN: On behalf of the 147,000 members of the National Association of Home Builders, I am writing to urge you to retain section 321 of H.R. 4, the Housing, Community Development, and Homelessness Prevention Act of 1987. We would strongly oppose an amendment expected to be offered by Representative Hefley (R-CO) which would delete this provision of the bill.

Section 321 provides for a study by the Department of Housing and Urban Development which would analyze and evaluate alternatives for implementing a voluntary pre-emptive national code for modular housing. Modular housing includes factory-built housing (both single- and multi-family) which is not covered by the pre-emptive HUD code for mobile manufactured housing.

As you are well aware, the modular housing industry has been hampered by a multiplicity of state and local housing codes and transportation restrictions which vary from state to state and from region to region. These often conflicting requirements have cost home manufacturers considerable time and money. These increased costs have been passed on to the homebuyer.

Since this study provision was included in H.R. 1 during the 99th Congress, we have made some progress in the South, particularly Florida, Georgia, South Carolina and Alabama, working with state government cooperative efforts. We believe that inclusion of this study provision in the housing bill has already given impetus to efforts being undertaken today by the industry and the states. And we thank you for your foresight in including this provision in H.R. 1 during the last Congress.

There are currently 35 states with statewide pre-emptive industrialized housing acts. But there are fewer than 10 states which currently have any reciprocity agreements. And the average modular manufacturer transports homes to five states. Clearly, there remains substantial work that needs to be done before an effective uniform national interstate reciprocity system is in place. We strongly believe that the study authorized in this bill will further the goal of promoting reciprocity and perhaps develop new alternatives which will promote uniform regulation of modular home construction.

Ultimately, all of this activity will benefit the housing consumer by providing lower cost and more affordable housing, particularly for young families seeking to purchase their first home.

Mr. Chairman, we appreciate your leadership in including this innovative provision in the housing bill. Frankly, we are at a loss to understand the opposition to this study from any individual or organization concerned with affordable housing. We believe the report language on H.R. 4 (attached to this letter) clearly provides ample opportunity for all interested parties to be involved with the study. The Report states, "It is expected that HUD will consult with the National Institute of Building Sciences, the National Conference of States on Building Codes and Standards, model and local code officials, as well as manufacturers and consumer representatives in developing the report to Congress."

We urge you to retain this important provision for the housing consumer and the modular housing industry in H.R. 4, and congratulate you on ably guiding the housing bill toward enactment this year.

Sincerely,

JAMES M. FISCHER, JR.,
President.

□ 1055

Mr. HILER. Madam Chairman, will the gentleman yield at that point?

Mr. GONZALEZ. I yield to the gentleman from Indiana.

Mr. HILER. Madam Chairman, I have about as much contact with the manufactured housing people as anybody in this body and I have got to say that I did not have the first contact on this particular section relative to the gentleman's amendment; so when the gentleman says that the only people interested in doing this are the folks who produce manufactured housing, I am not sure from whence the gentleman gets his information, but I have never heard the subject brought up with any manufacturer in that industry.

Mr. GONZALEZ. Madam Chairman, if the gentleman will yield, I think the gentleman has misunderstood. What I am saying is that the only one supportive apparently from what the gentleman from Colorado [Mr. HEFLEY] says of his amendment to strike this section are the mobile home segments of the industry.

Mr. HILER. Madam Chairman, if the gentleman will yield, I thought the gentleman had read a long list of people who were supporting it that made their statements in response to his call, not in response to their call to him to ask to offer an amendment, so I just think the record needs to be clarified.

Mr. WYLIE. Madam Chairman, I move to strike the requisite number of words.

Madam Chairman, this letter from the National Association of Home Builders has become controversial here. I think maybe the author of the amendment ought to have an opportunity to explain his position, and if he did in fact see this letter from the National Association of Home Builders, which apparently is in opposition to the amendment and in support of the study which is recommended in the bill as it presently comes to us.

Madam Chairman, I yield to the gentleman from Colorado for an explanation.

Mr. HEFLEY. Madam Chairman, I thank the gentleman very much.

The letter from the National Association of Home Builders, if you listen carefully to the list that I read there, it never mentioned mobile homes, because we are not talking about mobile homes here. We are talking about modular homes. It never mentioned mobile homes at all.

This thing first came to my attention from my Democratic Governor in the State of Colorado.

When I talked about the homebuilders, I talked about the homebuilders in the State of Colorado and I challenged the gentleman to call the homebuilders in the gentleman's State and I think we will find they agree this is a local prerogative.

Now, why the National Association of Home Builders have come out in support of it, I am not quite sure.

We talk about it as just being a study, but as I quoted from the report language, it does not talk about just being a study. It talks about when the standards are in place.

Now, that sounds like a great deal more is in mind here than just a study when the standards are in place. It talks about preemptive standards. Now, to me, preemptive standards do not have much to do with voluntary.

Mr. GONZALEZ. Madam Chairman, will the gentleman yield?

Mr. WYLIE. I yield to the gentleman from Texas.

Mr. GONZALEZ. Madam Chairman, I think it is important at this point that we clarify this and I think that is the basic of the misunderstanding.

There is no way that this section could result in any mandate whatsoever. If the study is ever completed by HUD, as we desire, the choice will be up to the manufacturer. It is still a choice. It is still voluntary. There is nothing mandated as the result of the completion of a study; so I think the gentleman ought to have that clear in his mind because I think he has either misinterpreted or perhaps has been misinformed, but I refer to the plain reading of the section for the best source of interpretation.

I thank the gentleman for yielding.

Mr. WYLIE. Madam Chairman, I would say that the gentleman from Texas apparently does have a point which I think ought to be clarified, because it says that the committee bill directs HUD within 6 months of enactment to prepare a report to Congress which describes several feasibility alternatives for implementing a voluntary preemptive national code for modular housing. That is not mobile homes. That is modular housing.

Then on the other hand, this letter from the National Association of Home Builders says they support section 321 and would strongly oppose an amendment expected to be offered by Representative HEFLEY which would delete the provisons of this bill, because they want to study and analyze and evaluate the alternatives for implementing a voluntary preemptive national code for modular housing.

Mr. HEFLEY. Madam Chairman, will the gentleman yield?

Mr. WYLIE. I yield to the gentleman from Colorado.

Mr. HEFLEY. Madam Chairman, I think the question here, the National Association of Home Builders obviously are opposed to the amendment. Why they are opposed to the amendment, I am not clear on.

The local home builders, and I think each of us would find that in most of our districts, if not all of them, are opposed to this because they feel very strongly that building codes ought to be the prerogative of a local jurisdiction, not of the Federal Government.

This is a first step on leading us to those kinds of standards, those kinds of Federal standards.

I guess I would like to ask the gentleman from Texas what his interpretation is of preemptive voluntary.

What it appears to be to me is that if they comply with the Federal standards, they are let out from under the State standards because they are preemptive, so they are let out from under the State standards.

The State of California, for instance, has very strict building standards.

Mr. GONZALEZ. That is right.

Mr. HEFLEY. And they could get out from under those standards based on this kind of a standard.

Mr. GONZALEZ. Madam Chairman, will the gentleman yield?

Mr. WYLIE. I yield to the gentleman from Texas.

Mr. GONZALEZ. Madam Chairman, just to answer that, I think that is what I have been attempting, maybe very poorly, to point out, that as a matter of fact I would never have offered or sanctioned without questioning anything that would mandate. I am an enemy of mandates.

I can assure the gentleman that I think perhaps his misunderstanding arises from the use of the word preemptive. This calls for a study.

The CHAIRMAN pro tempore (Mrs. BOGGS). The time of the gentleman from Ohio has expired.

(By unanimous consent, Mr. WYLIE was allowed to proceed for 2 additional minutes.)

Mr. GONZALEZ. Madam Chairman, if the gentleman will yield further, if and when HUD has completed a study, and let us say they arrive at some rules and regulations accruing from that study, the builder has a choice. He can build under a national code or under a local code. If the builder chooses to use a national code, it would preempt local codes, naturally, if that is his choice. It does not have to be.

What I am saying is that the reason we are requesting the study is that hearing after hearing, request after request has arisen because of the myriad of conflicting codes and zoning provisions throughout our 50 States. Therefore, in the case of modular homes, if I may say, the desire is to have a HUD-conducted study. If HUD is already indicative that it does not favor on its own recommendation any kind of a mandated national proviso, the gentleman can well see that we are far from any potential of such a thing happening as a state or local regulation being necessarily preemptive on a mandated no-choice basis. I just do not know how else we could put it.

Mr. WYLIE. Madam Chairman, may I say that there does appear to be some ambiguity and maybe some ambivalence in the language, because it says:

> Feasible alternatives for implementing a voluntary preemptive national code.

I do not know if we can have a preemptive voluntary national code.

Mr. GONZALEZ. Madam Chairman, if the gentleman will yield further, as I said, in the event such a code is promulgated, the builder has a choice. He can refuse. He might prefer the stricter California standards or some other State which has a long practice in some construction lines. As you know, we have different climates, we have different construction techniques. To that extent I think that none of us are in disagreement.

The CHAIRMAN pro tempore. The time of the gentleman from Ohio has again expired.

(By unanimous consent, Mr. WYLIE was allowed to proceed for 2 additional minutes.)

Mr. GONZALEZ. Madam Chairman, will the gentleman yield further?

Mr. WYLIE. I yield to the gentleman from Texas.

Mr. GONZALEZ. Madam Chairman, we do not want to arbitrarily mandate an abrogation of the local or the State provisos. What I am saying is that even if HUD, as a result of its study, is able to construct a national standard code, it is still voluntary.

Mr. WYLIE. Madam Chairman, I yield to the gentleman from Colorado [Mr. HEFLEY] for a further explanation.

Mr. HEFLEY. Madam Chairman, I think what we want are the different standards, based upon different needs in different areas. We want the different standards. So when we put this in, we give the manufacturer of modular homes the opportunity to choose. I am sure the national standard is not going to be as strict as the California standard, for instance; so we give him the opportunity to choose the lesser of those standards and all of a sudden we have modular homes competing in an unfair advantage with the stick built homes locally who have to comply with the local building standards. That is why I think the Federal Government ought to keep their hands off this. That is why I do not think we need a study, because I think the study is just one step from going ahead and putting in the standards.

Mr. WYLIE. Madam Chairman, I think the bottom line is right there. It has to do with the concern about competition between modular homes and stick-built homes.

Mr. RHODES. Madam Chairman, I move to strike the requisite number of words.

Madam Chairman, I strongly support the amendment presented by the gentleman from Colorado for many of the reasons which have been stated here earlier this morning.

Standards that are suitable for the State of California or the State of Colorado or the State of Texas may not be suitable for the State of Arizona or the State of New Jersey. Standards for homes built in earthquake-prone areas are not suitable for homes built in areas that are not subject to earthquakes.

Local jurisdictions should have their rights to determine what standards they wish to impose on housing, be it stick-built or modular housing.

Finally, and perhaps most importantly, I think this amendment is very appropriate and should be adopted because it is fairly clear from the discussions we have had on the floor that there is not a unanimity of opinion even among the members of the committee as to just exactly what this section means. There is ambiguity in the section. There appears to be conflict between the section and the language in the report. For those reasons alone, the amendment of the gentleman from Colorado [Mr. HEFLEY] is very appropriate and should be considered favorably by the Members of the House.

Mr. HEFLEY. Madam Chairman, will the gentleman yield,

Mr. RHODES. I am happy to yield to the gentleman from Colorado.

Mr. HEFLEY. Madam Chairman, I thank the gentleman from Arizona [Mr. RHODES].

I just would like to quote from the Housing Community Development Homeless Prevention Act Report, where it speaks that these recommendations from HUD are in order to ensure compliance with the recommended codes.

Now, what does that say to me? That says the Federal Government is going to come up with a study that is going to ensure compliance. I think that is the key.

I think as the gentleman from Texas said, I do not think most of us want the Federal Government to reach out into this area of local concern and make these kinds of demands. This is the place to stop it, not after the study, because it builds up a momentum of its own and down the line it is going to be more difficult. Let us stop it right now by just taking this out.

Mr. RHODES. Madam Chairman, I thank the gentleman, and I agree. This is the first step toward a federally mandated building and housing code. I think we do not want to take that step. I do not see any reason why the Department of Housing and Urban Development should spend the time and the money on a study that is going to lead us in a direction that I do not think any of us want to go. I strongly urge my colleagues to support the Hefley amendment.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Colorado [Mr. HEFLEY].

The question was taken; and on a division (demand by Mr. HEFLEY) there were—ayes 7, noes 3.

Mr. GONZALEZ. Madam Chairman, I demand a recorded vote, and pending that, I make the point of order that a quorum is not present.

The CHAIRMAN pro tempore. Evidently a quorum is not present. Pursuant to the provisions of clause 2, rule XXIII, the Chair announces that she will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device, if ordered, will be taken on the pending question following the quorum call. Members will record their presence by electronic device.

The call was taken by electronic device.

The following Members responded to their names:

[Roll No. 173]

ANSWERED "PRESENT"—407

Ackerman
Akaka
Alexander
Anderson
Andrews
Annunzio
Anthony
Applegate
Archer
Armey
Atkins
AuCoin
Badham
Baker
Ballenger
Barnard
Bartlett
Barton
Bateman
Beilenson
Bennett
Bereuter
Berman
Bevill
Biaggi
Bilbray
Bilirakis
Bliley
Boehlert
Boggs
Boland
Borski
Bosco
Boucher
Boulter
Boxer
Brennan
Brooks
Broomfield
Brown (CA)
Brown (CO)
Bruce
Bryant
Buechner
Bunning
Burton
Bustamante
Byron
Callahan
Campbell
Cardin
Carper
Carr
Chandler
Chapman
Chappell
Cheney
Clarke
Clay
Clinger
Coats
Coble
Coelho
Coleman (MO)
Coleman (TX)
Collins
Combest
Conte
Conyers
Cooper
Coughlin
Coyne
Craig
Crane
Crockett
Daniel
Dannemeyer
Darden
Daub
Davis (IL)
DeFazio
DeLay
Dellums
Derrick
DeWine
Dickinson
Dicks
Dingell
DioGuardi
Donnelly
Dorgan (ND)
Dornan (CA)
Dowdy
Downey
Dreier
Duncan
Durbin
Dwyer
Dymally
Dyson
Early
Eckart
Edwards (CA)
Edwards (OK)
Emerson
English
Erdreich
Espy
Evans
Fascell
Fawell
Fazio
Feighan
Fields
Flake
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Frank
Frost
Gallegly
Gallo
Garcia
Gejdenson
Gekas
Gibbons
Gilman
Glickman
Gonzalez
Goodling
Gordon
Gradison
Grandy
Grant
Gray (IL)
Green
Gregg
Guarini
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Hansen
Harris
Hastert
Hatcher
Hawkins
Hayes (IL)
Hayes (LA)
Hefley
Hefner
Henry
Herger
Hertel
Hiler
Hochbrueckner
Holloway
Hopkins
Horton
Houghton
Howard
Hoyer
Hubbard
Huckaby
Hughes
Hunter
Hutto
Hyde
Inhofe
Ireland
Jacobs
Jeffords
Jenkins
Johnson (CT)
Johnson (SD)
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kasich
Kastenmeier
Kennedy
Kennelly
Kildee
Kleczka
Kolbe
Kolter
Konnyu
Kostmayer
Kyl
LaFalce
Lagomarsino
Lancaster
Lantos
Latta
Leach (IA)
Leath (TX)
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lewis (CA)
Lewis (FL)
Lightfoot
Lipinski
Livingston
Lloyd
Lott
Lowery (CA)
Lowry (WA)
Lujan
Luken, Thomas
Lukens, Donald
Lungren
Mack
Madigan
Manton
Markey
Marlenee
Martin (IL)
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCollum
McCurdy
McDade
McEwen
McGrath
McHugh
McMillan (NC)
McMillen (MD)
Meyers
Mfume
Mica
Michel
Miller (CA)
Miller (OH)
Miller (WA)
Mineta
Moakley
Molinari
Mollohan
Montgomery
Moody
Moorhead
Morella
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Murtha
Myers
Nagle
Natcher
Neal
Nelson
Nichols
Nielson
Nowak
Oakar
Obey
Olin
Ortiz
Owens (NY)
Owens (UT)
Oxley
Packard
Panetta
Parris
Pashayan
Patterson
Pease
Pelosi
Penny
Pepper
Perkins
Petri
Pickett
Pickle
Price (IL)
Price (NC)
Pursell
Quillen
Rangel
Ravenel
Regula
Rhodes
Richardson
Ridge
Rinaldo
Ritter
Roberts
Robinson
Rodino
Roe
Roemer
Rogers
Rose
Rostenkowski
Roth
Roukema
Rowland (CT)
Rowland (GA)
Roybal
Russo
Sabo
Saiki
Savage
Sawyer
Saxton
Schaefer
Scheuer
Schneider
Schroeder
Schuette
Schulze
Schumer
Sensenbrenner
Sharp
Shaw
Shumway
Shuster
Sikorski
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter (NY)
Slaughter (VA)
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Snowe
Solarz
Solomon
Spence
Spratt
St Germain
Staggers
Stallings
Stangeland
Stark
Stenholm
Stokes
Stratton
Studds
Stump
Sundquist
Sweeney
Swift
Swindall
Synar
Tallon
Tauke
Taylor
Thomas (CA)
Thomas (GA)
Torricelli
Towns
Traficant
Traxler
Udall
Upton
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Vucanovich
Walgren
Walker
Watkins
Waxman
Weber
Weiss
Weldon
Wheat
Whittaker
Whitten
Williams
Wilson
Wise
Wolf
Wolpe
Wortley
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (FL)

☐ 1120

The CHAIRMAN. Four hundred seven Members have answered to their name, a quorum is present, and the Committee will resume its business.

RECORDED VOTE

The CHAIRMAN. The pending business is the demand of the gentleman from Texas [Mr. GONZALEZ] for a recorded vote. Five minutes will be allowed for the vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 129, noes 282, not voting 22, is follows:

[Roll No. 174]

AYES—129

Archer
Armey
Badham
Baker
Ballenger
Barton
Bateman
Bereuter
Bilbray
Bilirakis
Bliley
Boulter
Brown (CO)
Buechner
Bunning
Burton
Callahan
Campbell
Cheney
Clinger
Coats
Combest
Craig
Crane
Dannemeyer
Daub
Davis (IL)
DeLay
DeWine
Dickinson
DioGuardi
Dornan (CA)
Dreier
Duncan
Edwards (OK)
Emerson
Fawell
Fields
Ford (MI)
Gallegly
Gallo
Gekas
Goodling
Gradison
Grandy
Gregg
Gunderson
Hall (TX)
Hansen
Hastert
Hefley
Herger
Hiler
Holloway
Hopkins
Houghton
Hunter
Hutto
Hyde
Inhofe
Ireland
Johnson (CT)
Johnson (SD)
Kasich
Kolbe
Konnyu
Kyl
Lagomarsino
Leath (TX)
Lewis (CA)
Lewis (FL)
Livingston
Lott
Lowery (CA)
Lujan
Lukens, Donald
Mack
Madigan
Marlenee
Martin (IL)
Meyers
Michel
Miller (WA)
Moorhead
Morrison (WA)
Nielson
Oxley
Packard
Patterson
Penny
Petri
Pursell
Quillen
Regula
Rhodes
Ridge
Roberts
Roemer
Rogers
Roukema
Schaefer
Schuette
Sensenbrenner
Shaw
Shumway
Shuster
Skeen
Slaughter (VA)
Smith (NE)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Solomon
Stallings
Stump
Sweeney
Swindall
Tauke
Thomas (CA)
Upton
Valentine
Vander Jagt
Vucanovich
Weber
Weldon
Whittaker
Wylie
Young (AK)
Young (FL)

NOES—282

Ackerman
Akaka
Alexander
Anderson
Andrews
Annunzio
Anthony
Applegate
Aspin
Atkins
AuCoin
Barnard
Bartlett
Beilenson
Bennett
Berman
Bevill
Biaggi
Boehlert
Boggs
Boland
Borski
Bosco
Boucher
Boxer
Brennan
Brooks
Broomfield
Brown (CA)
Bruce
Bryant
Bustamante
Byron
Cardin
Carper
Carr
Chandler
Chapman
Chappell
Clarke
Clay
Coble
Coelho
Coleman (MO)
Coleman (TX)
Collins
Conte
Conyers
Cooper
Coughlin
Coyne
Crockett
Daniel
Darden
de la Garza
DeFazio
Dellums
Derrick
Dicks
Dingell
Dixon
Donnelly
Dorgan (ND)
Dowdy
Downey
Durbin
Dwyer
Dymally
Dyson
Early
Eckart
Edwards (CA)
English
Erdreich
Espy
Evans
Fascell
Fazio
Feighan
Flake
Flippo
Florio
Foglietta
Foley
Ford (TN)
Frank
Frost
Garcia
Gejdenson
Gibbons
Gilman
Glickman
Gonzalez
Gordon
Grant
Gray (IL)
Green
Guarini
Hall (OH)
Hamilton
Hammerschmidt
Harris
Hatcher
Hawkins
Hayes (IL)
Hayes (LA)
Hefner
Henry
Hertel
Hochbrueckner
Horton
Howard
Hoyer
Hubbard
Huckaby
Hughes
Jacobs
Jeffords
Jenkins
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kastenmeier
Kennedy
Kennelly
Kildee
Kleczka
Kolter
Kostmayer
LaFalce
Lancaster
Lantos
Latta
Leach (IA)
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lightfoot
Lipinski
Lloyd
Lowry (WA)
Luken, Thomas
Lungren
MacKay
Manton
Markey
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCollum
McCurdy
McDade
McEwen
McGrath
McHugh
McMillan (NC)
McMillen (MD)
Mfume
Mica
Miller (CA)
Miller (OH)
Mineta
Moakley
Molinari
Mollohan
Montgomery
Moody
Morella
Morrison (CT)
Mrazek
Murphy
Murtha
Myers
Nagle
Natcher
Neal
Nelson
Nichols
Nowak
Oakar
Obey
Olin
Ortiz
Owens (NY)
Owens (UT)
Panetta
Parris
Pashayan
Pease
Pelosi
Pepper
Perkins
Pickett
Pickle
Price (IL)
Price (NC)
Rangel
Ravenel
Richardson
Rinaldo
Ritter
Robinson
Rodino
Roe
Rose
Rostenkowski
Roth
Rowland (CT)
Rowland (GA)
Roybal
Russo
Sabo
Saiki
Savage
Sawyer
Saxton
Scheuer
Schneider
Schroeder
Schulze
Schumer
Sharp
Sikorski
Sisisky
Skaggs
Skelton
Slattery
Slaughter (NY)
Smith (FL)
Smith (IA)
Smith (NJ)
Smith, Robert (OR)
Snowe
Solarz
Spence
Spratt
St Germain
Staggers
Stangeland
Stark
Stenholm
Stokes
Stratton
Studds
Sundquist
Swift
Synar
Tallon
Taylor
Thomas (GA)
Torricelli
Towns
Traficant
Traxler
Udall
Vento
Visclosky
Volkmer
Walgren
Walker
Watkins
Waxman
Weiss
Wheat
Whitten
Williams
Wilson
Wise
Wolf
Wolpe
Wortley
Wyden
Yates
Yatron

NOT VOTING—22

Bates
Bentley
Boner (TN)
Bonior (MI)
Bonker
Courter
Davis (MI)
Fish
Frenzel
Gaydos
Gephardt
Gingrich
Gray (PA)
Kemp
Lewis (GA)
McCandless
Oberstar
Porter
Rahall
Ray
Tauzin
Torres

□ 1135

Mrs. SAIKI and Messrs. MURPHY, PARRIS, WOLF, and LUNGREN changed their votes from "aye" to "no."

So the amendment was rejected.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mr. OBERSTAR. Mr. Speaker, on rollcall 174 I was absent for the vote on the Hefley amendment to delete the study of voluntary standards for modular homes. Had I been present, I would have voted "no." However, I was attending my daughter Noel's high school graduation this morning at that time.

Mr. GONZALEZ. Mr. Chairman, I move to strike the last word.

Mr. SWIFT. Mr. Chairman, will the gentleman yield?

Mr. GONZALEZ. I yield to the gentleman from Washington.

Mr. SWIFT. I thank the gentleman for yielding.

Mr. Chairman, I commend the committee, both sides of the aisle for the way they have worked out an effective compromise on the issue of FmHA prepayment.

Mr. Chairman, last winter in my district, 30 elderly and low-income people were evicted from their homes in a federally subsidized housing project. This was a perfectly legal action. Fortunately, the community responded magnificently and with hard work, ingenuity, and the cooperation of a variety of governmental agencies, other housing was eventually found for all those who had been evicted. I learned then that this kind of thing has been happening in other parts of the country and that it could happen—soon—in my own district again.

The problem arises from the prepayment of Farmers Home Administration section 515 loans whose projects were placed in service prior to 1979. Upon prepayment of the loan, the projects are no longer subject to the use restrictions, including low rents, of the FmHA 515 Program. Upon prepayment, the owner may legally raise the rent, thus forcing the low-income tenants to find other homes. When this happened last year in Marysville, WA, in my district, other housing was found. It would be impossible for this essentially rural community to absorb another 30 persons, should another prepayment occur. Yet, there are two other projects in the immediate area which are eligible for prepayment.

This is a classic case of competing equities. Owners of the projects have contract rights which Congress must honor. But Congress also has an obligation to protect the rights of the tenants in these federally subsidized units.

The compromise arrived at in H.R. 4 is a fair solution. It doesn't answer all the questions, but it contains the necessary elements of a true compromise. Of course, no one is completely happy with it, but Congress hasn't run roughshod over the owners and the elderly and low-income tenants will be assured, for the time being, of decent, affordable living quarters. The "equity buyout" program provides a way for owners to leave the 515 Program without losing their investment, while at the same time keeping the project under the use restrictions of the 515 Program. The compromise also recognizes that the new Tax Code discourages owners and investors from continuing participation in the 515 Program and offers provisions to offset those disincentives. I would urge that future legislation be explored along these lines. If the 515 Program is not attractive to owners and investors, it is the elderly and low-income in our society who ultimately suffer.

The members of the Housing and Community Development Subcommittee are to be commended—especially Representative RICK LEHMAN, who devoted long hours working with the interested parties, and Representative JOHN HILER, whose cooperation was essential to the compromise. In addition, Chairman GONZALEZ, who understands the problem and lent his support, has reason to be proud of this effort.

Mr. GONZALEZ. I thank the gentleman for his statement. He has been very supportive.

Mr. Chairman, I yield such time as he may consume to the gentleman from the great State of Pennsylvania [Mr. RIDGE].

Mr. RIDGE. I thank the gentleman for yielding.

Mr. Chairman, at the full committee markup of H.R. 4, I offered an amendment that prohibits lenders from charging an effective interest rate on low principal FHA loans which is larger than an effective rate charged by the same lender for loans the maximum principal amount permitted for FHA loans.

Mr. chairman, I would ask unanimous consent that a statement relative to this amendment which the Chairman graciously accepted during the full committee markup be inserted in the RECORD at this point.

STATEMENT OF CONGRESSMAN TOM RIDGE ON TITLE III OF H.R. 4, JUNE 11, 1987

Mr. Speaker, at this time, I would like to call attention to an amendment I offered at the markup of H.R. 4 which was approved by the House Banking Committee and now is found in section 420 of the bill. This amendment prohibits lenders from charging an effective interest rate on low principal, FHA loans which is larger than the effective rate charged by the same lender for loans having the maximum principal amount permitted for FHA loans. This provision of H.R. 4 in combination with a provision which was originally offered by Mr. Kleczka that prohibits lenders from setting minimum amounts on FHA loans, are two important steps in redirecting FHA to low- and moderate-income Americans.

Reason and compassion dictate that national housing policy should direct Federal assistance to those least able to afford decent housing. This is true in both direct Federal subsidy programs and the programs which guarantee credit. Section 420 is in keeping with this basic premise because it ensures that families purchasing lower priced homes, have equal access to Federal mortgage insurance and no higher financing costs than families purchasing homes which cost $100,000.

In H.R. 4 we raised the FHA loan limits to $101,250. This was done so that homebuyers throughout the country, even those located in areas where real estate prices have soared, could have access to the Government guarantee programs. Section 420 was offered with the same public policy considerations in mind—access to the FHA insurance program by low and moderate income Americans. In the case of section 420, however, access is given to families seeking modest loans, rather than loans at the higher end of the market. Support for raising the FHA loan limits, therefore, is commensurate with support for protection for those individuals seeking modest loans.

Once we have finalized this "housekeeping legislation," I urge the Housing Subcommittee, as have several of my colleagues during markup, to study FHA to determine how we can make the program better serve low- and moderate-income Americans. The facts which came to light during the markup of H.R. 4 and which caused me to introduce my amendment, indicate to me that FHA is not always serving the lower end of the market and that we have been quick to expand the program to the higher end of the market, without examining who it is really serving. In 1985 only 21.7 percent of FHA loans on existing homes had a principle amount under $38,000. At the same time, over a third of FHA loans on existing homes had a mortgage amount of over $60,000. This has caused me to question whether low- and moderate-income homebuyers in my district, or in similarly situated areas of the country have adequate access to FHA. I must point out that the median value of a home in the 21st District of Pennsylvania is $37,600. This means that over half the homebuyers in my district are being minimally served by FHA and this half is the one that needs a government program the most.

It also is important to note that in 1985 only 17 percent of all borrowers receiving an FHA insured loan on an existing property had an income under $25,000. This concerns me since once again it indicates that low- and moderate-income home buyers in my district, where the median value of a home is $37,600 are receiving minimal assistance from FHA.

I am strong supporter of the FHA program and continue to support its goals of better enabling homeownership for many Americans who might not otherwise enjoy the fruits of homeownership. I am simply concerned that the program not lose sight of those who need it most.

Mr. GONZALEZ. Mr. Chairman, I yield such time as he may consume to my distinguished colleague from Texas, Mr. ANDREWS, for the purpose of pursuing a colloquy.

Mr. ANDREWS. I thank the gentleman for yielding.

Mr. Chairman, I rise to engage the distinguished chairman of the subcommittee on Housing and Community Development in a colloquy on a matter of deep concern to many Members of this body.

The question of equity and fairness in the implementation of the Community Development Block Grant and the Urban Development Action Grant Programs has been a topic of much debate over the years in this Chamber. In my work on these matters one problem has stood as an obstacle to progress and resolution of this debate. That obstacle is the lack of detailed, current, and usable data.

It is our belief, therefore, that a well-focused and defined study would provide the foundation for resolution of the concerns that persist about these programs.

Specifically, it is my hope that the subcommittee would direct the General Accounting Office to conduct a study of these programs aimed at several points of concern.

First, how effective in relation to each other are the currently used criteria, such as age of housing, growth lag, number of overcrowded units, and income levels, in measuring and targeting the need for assistance? Are there other criteria not currently used that could improve the targeting of assistance? This would be important information in assuring that the criteria used are the best.

Second, the creation of the alternate formula for the Community Development Block Grant Program in 1977 altered the flow of funds in the program. It would be helpful to have an assessment of exactly how it changed the flow of funds, did it make the distribution more responsive to poverty and overcrowding, and how this change is reflected in historical trend data on funding across the Nation. In addition, the new formula included a hold harmless provision to protect the existing recipients of assistance. Ten years later are these recipients still being protected from harm?

Third, the report should evaluate in detail the accuracy and currency of economic and social data used by HUD in awarding funds under these programs. Are there other data that would assist in the more accurate targeting of grants based on the level of economic distress? Would more frequent collection of existing data be of assistance? GAO could give us guidance in improving our data base for evaluating these programs.

I would ask the distinguished chairman whether he would support the gathering of such information and analysis?

Mr. GONZALEZ. I wish to reply to the gentleman that it is a very valuable suggestion, it is one that we welcome and accept and I can pledge to the gentleman that the subcommittee will make such a request as the gentleman is suggesting to the GAO. I ask if it would be acceptable to the gentleman if we could delegate our staffs to work together to set the parameters for our request to GAO for this study.

Mr. ANDREWS. That is acceptable to me, Mr. Chairman. I thank you for your consideration of this matter.

At this point I wonder if the chairman would yield to the gentleman from Florida?

Mr. GONZALEZ. Mr. Chairman, I yield such time as he may consume to the gentleman from Florida [Mr. SHAW] to join us in this colloquy.

Mr. SHAW. I thank the gentleman for yielding.

Mr. Chairman, I would like to support the action by both gentlemen from Texas, which calls for a study by the General Accounting Office on community development block grants and urban development action grants.

This study is very important, in that, it will gather much needed data on the allocation of funds for these two programs and will reveal the accuracy of the current formulas being used by HUD.

It is my hope that this study will reflect which communities most need these funds and I compliment the gentleman for requesting this study.

Mr. GONZALEZ. I want the record to show that we are grateful to both gentlemen, the gentleman from Texas [Mr. ANDREWS] and the gentleman from Florida [Mr. SHAW] because we have been struggling on this subcommittee with this same desire to have a better data base, to see the workability of such a program as UDAG based on the standards of evaluation that have been set forth through rule and regulation by HUD. So we are deeply grateful to these two gentlemen.

The CHAIRMAN. Are there additional amendments to title III?

If not, the Clerk will designate title IV.

The text of title IV is as follows:

TITLE IV—COMMUNITY DEVELOPMENT AND MISCELLANEOUS PROGRAMS

Subtitle A—Community and Neighborhood Development and Preservation

SEC. 401. COMMUNITY DEVELOPMENT AUTHORIZATIONS.

(a) COMMUNITY DEVELOPMENT BLOCK GRANTS.—The second sentence of section 103 of the Housing and Community Development Act of 1974 is amended to read as follows: "There is authorized to be appropriated for purposes of assistance under sections 106 and 107 $3,000,000,000 for fiscal year 1988.".

(b) DISCRETIONARY FUND.—

(1) The first sentence of section 107(a) of the Housing and Community Development Act of 1974 is amended to read as follows: "Of the total amount provided in appropriation Acts under section 103 for fiscal year 1988, $60,000,000 may be set aside in a special discretionary fund for grants under subsection (b).".

(2) Section 107 of the Housing and Community Development Act of 1974 is amended—

(A) by redesignating subsections (c) and (d) as subsections (d) and (e), respectively; and

(B) by inserting after subsection (b) the following new subsection:

"(c) Of the amount set aside for use under subsection (b) in any fiscal year, the Secretary shall, to the extent approved in appropriation Acts, make available not less than $2,500,000 in the form of grants to institutions of higher education, either directly or through areawide planning organizations or States, for the purpose of continuing programs in effect during fiscal year 1984 for providing assistance to economically disadvantaged and minority students who participate in community development work study programs and are enrolled in full-time graduate or undergraduate programs in community and economic development, community planning, or community management. Such grants may be made only to institutions of higher education receiving grants for such purpose under subsection (b) for fiscal year 1984, and may only be provided to such institutions in the same manner as such grants are provided during such fiscal year.".

(c) URBAN DEVELOPMENT ACTION GRANTS.—Section 119(a) of the Housing and Community Development Act of 1974 is amended by striking the second and last sentences and inserting the following new sentences: "There is authorized to be appropriated to carry out this section $225,000,000 for fiscal year 1988. Any amount appropriated under this subsection shall remain available until expended.".

SEC. 402. TARGETING OF BENEFITS TO PERSONS OF LOW AND MODERATE INCOME.

(a) PRIMARY OBJECTIVE.—Section 101(c) of the Housing and Community Development Act of 1974 is amended in the second sentence by striking "51 percent" and inserting "75 percent".

(b) SPECIFIC OBJECTIVES.—Section 101(c)(6) of the Housing and Community Development Act of 1974 is amended by striking "to attract persons of higher income".

(c) CERTIFICATION.—Section 104(b)(3) of the Housing and Community Development Act of 1974 is amended by striking "51 percent" and inserting "75 percent".

SEC. 403. CITY AND COUNTY CLASSIFICATIONS.

(a) METROPOLITAN CITY.—Section 102(a)(4) of the Housing and Community Development Act of 1974 is amended—

(1) in the second sentence, by striking "September 30, 1987" and inserting "September 30, 1988";

(2) by striking the third sentence and inserting the following: "Any unit of general local government that becomes eligible to be classified as a metropolitan city, and was not classified as a metropolitan city in the immediately preceding fiscal year, may, upon submission of written notification to the Secretary, defer its classification as a metropolitan city for all purposes under this title, if it elects to have its population included in an urban county under subsection (d). Any city classified as a metropolitan city pursuant to the second sentence may elect not to retain its classification so that it may be included in an urban county."; and

(3) by adding at the end the following new sentence: "Any city classified as a metropolitan city pursuant to the first or second sentence of this paragraph, and that no longer qualifies as a metropolitan city under such first or second sentence in a fiscal year beginning after fiscal year 1988, shall retain its classification as a metropolitan city for such fiscal year and the succeeding fiscal year, except that in such succeeding fiscal year (A) the amount of the grant to such city shall be 50 percent of the amount calculated under section 106(b); and (B) the remaining 50 percent shall be added to the amount allocated under section 106(d) to the State in which the city is located and the city shall be eligible in such succeeding fiscal year to receive a distribution from the State allocation under section 106(d) as increased by this sentence.".

(b) URBAN COUNTY.—Section 102(a)(6) of the Housing and Community Development Act of 1974 is amended—

(1) in clause (B), by striking "has a combined population of two hundred thousand or more" and inserting the following: "has a population of 200,000 (excluding the population of metropolitan cities therein) and has a combined population of 50,000 or more";

(2) by inserting before the period at the end of the first sentence the following: ", or (D) has a current population in excess of 177,000 (exclusive of all metropolitan cities therein), with more than 50 percent of the housing units of the area unsewered and with the unsewered housing units contributing to the degradation of an aquifer that has been declared a sole source aquifer by the Environmental Protection Agency; and such term includes Knox County in the State of Tennessee, and Beaver County in the State of Pennsylvania";

(3) in the second sentence—

(A) by inserting "or 1984" after "fiscal year 1983"; and

(B) by striking "September 30, 1987" and inserting "September 30, 1988"; and

(4) by adding at the end the following new sentence: "Any county classified as an urban county pursuant to the first, second, or third sentence of this paragraph, and that no longer qualifies as an urban county under such first, second, or third sentence in a fiscal year beginning after fiscal year 1988, shall retain its classification as an urban county for such fiscal year and the succeeding fiscal year, except that in such succeeding fiscal year (A) the amount of the grant to such an urban county shall be 50 percent of the amount calculated under section 106(b); and (B) the remaining 50 percent shall be added to the amount allocated under section 106(d) to the State in which the urban county is located and the urban county shall be eligible in such succeeding fiscal year to receive a distribution from the State allocation under section 106(d) as increased by this sentence.".

(c) ADDITIONAL QUALIFICATION AS METROPOLITAN CITY.—During 1987 and each succeeding fiscal year, any city within a metropolitan area shall be considered to be a metropolitan city under section 102(a)(4) of the Housing and Community Development Act of 1974 if such city—

(1) was entitled to a grant of a hold-harmless amount under section 106(h) of such Act as such section was in effect prior to the enactment of Public Law 96-399;

(2) had, according to the 1980 decennial census, a population of 36,957; and

(3) received a preliminary grant approval on March 8, 1984, for an urban development action grant under section 119 of the Housing and Community Development Act of 1974.

A city that qualifies as a metropolitan city pursuant to paragraphs (1), (2), and (3) shall be eligible in fiscal year 1987 for a grant under section 106(b)(1) of the Housing and Community Development Act of 1974, notwithstanding the provisions of section 102(d) of such Act, except that any such city that had entered into a cooperation agreement to include its population in that of an urban county, as provided in section 102(a)(6)(B)(ii) of such Act, shall only be eligible for such a grant if both the city and urban county mutually agree to terminate such cooperation agreement for such fiscal year.

(d) INCLUSION OF UNITS OF GENERAL LOCAL GOVERNMENT IN URBAN COUNTIES.—Section 102(d) of the Housing and Community Development Act of 1974 is amended by striking the last sentence.

(e) DEFINITION OF URBAN COUNTY FOR PURPOSES OF ALLOCATION.—Section 106(b)(2)(A)(i) of the Housing and Community Development Act of 1974 is amended by inserting before the semicolon at the end the following: "(except that, for purposes of this clause, the population of any county qualifying as an urban county under section 102(a)(6)(B) shall be the population of the portion of the urban county complying with the requirements of clauses (i) or (ii) of such section)".

SEC. 404. CALCULATION OF MEDIAN INCOME FOR NONENTITLEMENT AREAS.

Section 102(a)(20)(A) of the Housing and Community Development Act of 1974 is amended by inserting before the period at the end the following: ", except that in the case of any nonentitlement area the Secretary shall determine the median income on the basis of the median income of the area, or of all nonentitlement areas in the State, whichever is higher".

SEC. 405. STATEMENT OF ACTIVITIES AND REVIEW.

Section 104(a)(1) of the Housing and Community Development Act of 1974 is amended by striking out the last sentence.

SEC. 406. ALLEVIATION OF LAKEFRONT FLOODING AND EROSION.

Section 104(b)(3) of the Housing and Community Development Act of 1974 is amended—

(1) by inserting "(A)" after "except that"; and

(2) by inserting before the semicolon at the end the following: "; and (B) notwithstanding any other provision of this section, grantees that border on the Great Lakes and that experience significant adverse financial and physical effects due to lakefront erosion or flooding may include in the projected use of funds activities that are clearly designed to alleviate the threat posed, and rectify the damage caused, by such erosion or flooding".

SEC. 407. ACTIVITIES TO PRESERVE AND EXPAND LOWER INCOME HOUSING.

(a) GRANTEE CERTIFICATION.—Section 104(b)(4) of the Housing and Community Development Act of 1974 is amended—

(1) by inserting "(A)" before "identifies"; and

(2) by striking "and" the second place it appears and inserting the following: "; (B) includes provisions to preserve or expand the availability of housing for persons of low and moderate income, to minimize the displacement of such persons, and to provide relocation assistance when such displacement is unavoidable, and specifies separately the provisions developed for persons of low income and the provisions developed for persons of moderate income; and (C)".

(b) HOUSING ASSISTANCE PLAN.—Section 104(c)(1) of the Housing and Community Development Act of 1974 is amended—

(1) by striking "and" at the end of subparagraph (B);

(2) by striking the period at the end of subparagraph (C) and inserting "; and"; and

(3) by adding at the end the following new subparagraph:

"(D) specifies activities that will be undertaken annually to minimize displacement and preserve or expand the availability of housing for persons of low and moderate income, such as the preservation of single room occupancy housing and the development by public and private nonprofit organizations of vacant properties that become available under in rem proceedings, and specifies separately the activities that will be undertaken for persons of low income and the activities that will be undertaken for persons of moderate income.".

SEC. 408. HOUSING ASSISTANCE PLANS.

(a) ASSESSMENT OF HOUSING ASSISTANCE NEEDS OF THE HOMELESS.—Section 104(c)(1)(A) of the Housing and Community Development Act of 1974 is amended—

(1) in the second parenthetical phrase, by inserting "homeless persons," after "assistance,"; and

(2) in the last parenthetical phrase, by inserting "and homeless persons" after "persons".

(b) TECHNICAL AMENDMENTS.—Section 104(c)(1) of the Housing and Community Development Act of 1974 is amended—

(1) by striking "lower income persons" each place it appears and inserting "persons of low and moderate income"; and

(2) in subparagraph (C)(ii), by striking "low-income persons" and inserting "persons of low and moderate income".

SEC. 409. ECONOMIC DEVELOPMENT STRATEGY.

Section 104 of the Housing and Community Development Act of 1974 is amended—

(1) by redesignating subsections (d) through (j) as subsections (e) through (k), respectively; and

(2) by inserting after subsection (c) the following new subsection:

"(d) Any grant under section 106 shall be made only if the grantee certifies that it is following a detailed economic development strategy with respect to the economic development activities to be carried out with the grant. The economic development strategy shall—

"(1) describe the economic development needs of persons of low and moderate income and the manner in which the economic development activities will meet the needs;

"(2) describe the nature and amount of long-term employment that will be created by the economic development activities for persons of low and moderate income who are unemployed and underemployed;

"(3) ensure that the employment, training, and vocational development created by the economic development activities will be targeted to persons of low and moderate income residing or expected to reside in the jurisdiction of the grantee;

"(4) promote neighborhood revitalization goals and activities that include planning, promotion, and financing of voluntary neighborhood improvement efforts by neighborhood-based nonprofit organizations located in low and moderate income neighborhoods or controlled by persons of low and moderate income;

"(5) minimize displacement of existing businesses and jobs in neighborhoods through the use of economic development funds under section 106;

"(6) include measures for documenting the extent to which the project activities actually benefit persons of low and moderate income, including records demonstrating the numbers and income levels of those who benefit from the employment, business opportunities, and housing and public services generated by the activities.".

SEC. 410. CITIZEN PARTICIPATION PLAN.

Section 104 of the Housing and Community Development Act of 1974 is amended—

(1) by redesignating subsections (e) through (k) (as so redesignated by section 409 of this Act) as subsections (f) through (l), respectively; and

(2) by inserting after subsection (d) (as added by section 509 of this Act) the following new subsection:

"(e) Any grant under section 106 shall be made only if the grantee certifies that it is following a detailed citizen participation plan. The citizen participation plan shall—

"(1) provide for and encourage citizen involvement at the neighborhood level, as well as on a city-wide basis, with particular emphasis on persons of low and moderate income who are residents of distressed areas, and on areas where a significant amount of activity is proposed or ongoing;

"(2) provide citizens with reasonable and timely access to local meetings, information, and records relating to the proposed and actual use of funds under this title;

"(3) provide for continuity of citizen involvement in all stages of the community development program of the grantee, including all plans and strategies required under this title, the development, implementation, and evaluation of programmatic activities, and the selection of activities assisted by any contingency or local option funds;

"(4) provide for technical assistance to groups that are representative of persons of low and moderate income and are seeking to develop proposals and statements of views and to plan and operate programs and projects;

"(5) provide for a sufficient number of public hearings to obtain citizen views and to respond to proposals and questions at all stages of the community development program, which hearings shall be held after adequate notice, at times and locations convenient to potential or actual beneficiaries, and with accommodation for handicapped and non-English speaking residents; and

"(6) provide for the answering of complaints and grievances in writing within 15 working days of receipt.".

SEC. 411. CONSERVING NEIGHBORHOODS AND HOUSING BY PROHIBITING DISPLACEMENT.

Section 104 of the Housing and Community Development Act of 1974 is amended—

(1) by redesignating subsections (f) through (l) (as so redesignated by section 410 of this Act) as subsections (g) through (m), respectively; and

(2) by inserting after subsection (e) (as added by section 510 of this Act) the following new subsection:

"(f) Any grant under section 106 shall be made only if the grantee certifies that it is following a detailed antidisplacement and relocation assistance plan that has been approved by the Secretary. The antidisplacement and relocation assistance plan shall—

"(1) generally prohibit the involuntary displacement of persons of low and moderate income due to activities assisted under section 106;

"(2) permit such displacement only if unavoidable or in the best interest of the households and community affected; and

"(3) in the event of such displacement, provide that—

"(A) governmental agencies or private developers shall provide one for one replacement of all low and moderate income dwelling units demolished or converted within the same area;

"(B) such replacement housing shall be affordable, of equal size, of equal or improved quality, and located in an area approved by the displaced persons;

"(C) such replacement housing shall be designed to remain affordable to persons of similar income to those being displaced; and

"(D) provide for relocation benefits for displaced persons, including—

"(i) reimbursement for moving expenses, security deposits, credit checks, and other moving-related expenses, including any interim living costs;

"(ii) compensation sufficient to ensure that, for a 15-year period, the household shall not bear, after relocation, a ratio of shelter costs to income that exceeds the lower of—

"(I) the ratio of the shelter costs of the household to the income of the household prior to displacement; or

"(II) 30 percent; and

"(iii) permitting the displaced person to elect to participate in a housing cooperative or mutual housing association, in which case sufficient compensation shall be pro-

vided to enable the person to capitalize the value of the compensation described in clause (ii) in order to secure participation in a cooperative or mutual housing association and to maintain the ratio of the shelter costs of the household to the income of the household.".

SEC. 412. COMMUNITY DEVELOPMENT BLOCK GRANT PUBLIC SERVICE ACTIVITIES.

Section 105(a)(8) of the Housing and Community Development Act of 1974 is amended—

(1) by inserting "(A)" after "paragraph unless"; and

(2) by inserting before the semicolon at the end the following: "; or (B) the Secretary authorizes such unit of general local government to use more than 15 percent (but not more than the highest percentage permitted to be used under subparagraph (A) by another unit of general local government located in the same metropolitan area) of the assistance received under this title for such activities following (i) a determination by such unit of general local government that the activities carried out using the amounts authorized under this subparagraph are appropriate to support proposed community development activities; and (ii) submission to the Secretary of a request for such authorization by such unit of general local government".

SEC. 413. LIMITED NEW CONSTRUCTION OF HOUSING UNDER COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM.

Section 105(a) of the Housing and Community Development Act of 1974 is amended—

(1) by striking out "and" at the end of paragraph (17);

(2) by striking out the period at the end of paragraph (18) and inserting in lieu thereof "; and"; and

(3) by adding at the end thereof the following new paragraph:

"(19) provision of assistance to facilitate new construction or substantial reconstruction in instances in which persons of low and moderate income own and occupy a home that the grantee determines is not suitable for rehabilitation.".

SEC. 414. STATE CERTIFICATIONS FOR RECEIVING COMMUNITY DEVELOPMENT BLOCK GRANTS FOR NONENTITLEMENT AREAS.

Section 106(d)(2) of the Housing and Community Development Act of 1974 is amended—

(1) in subparagraph (C), by striking out "the Governor must certify that the State" and inserting in lieu thereof "the State must certify that it"; and

(2) in subparagraph (D), by striking out "the Governor of each State" and inserting in lieu thereof "the State".

SEC. 415. MULTIYEAR AND MULTIPURPOSE DISTRIBUTIONS FOR NONENTITLEMENT AREAS.

Section 106(d)(2) of the Housing and Community Development Act of 1974 is amended by adding at the end the following new subparagraph:

"(E) The Governor of any State may make commitments to units of general local government under this paragraph for multiyear or multipurpose funding.".

SEC. 416. ADMINISTRATIVE EXPENSES OF STATES DISTRIBUTING FUNDS TO NONENTITLEMENT AREAS.

Section 106(d)(3)(A) of the Housing and Community Development Act of 1974 is amended by striking "$102,000" and inserting "$100,000".

SEC. 417. COMMUNITY DEVELOPMENT BLOCK GRANT LOAN GUARANTEES.

(a) Limitation on Commitments.—The last sentence of section 108(a) of the Housing and Community Development Act of 1974 is amended—

(1) by striking "fiscal year 1984" and inserting "fiscal year 1988"; and

(2) by striking "$225,000,000" and inserting "$150,000,000".

(b) Prohibition on Fees.—Section 108 of the Housing and Community Development Act of 1974 is amended by adding at the end the following new subsection:

"(m) No fee or charge may be imposed by the Secretary or any other Federal agency on or with respect to a guarantee made by the Secretary under this section after the date of the enactment of the Housing, Community Development, and Homelessness Prevention Act of 1987.".

(c) Eligible Uses of Loan Guarantees.—Section 108(a) of the Housing and Community Development Act of 1974 is amended in the first sentence—

(1) by inserting "(1)" after "purposes of financing"; and

(2) by inserting before the period at the end the following: "; (2) housing rehabilitation; or (3) economic development activities permitted under paragraphs (14), (15), and (17) of section 105(a)".

SEC. 418. URBAN DEVELOPMENT ACTION GRANT SELECTION CRITERIA.

(a) Project Quality Criteria.—Section 119(d)(1) of the Housing and Community Development Act of 1974 is amended—

(1) by inserting a dash before "(A)";

(2) by indenting subparagraphs (A) and (B) in the same manner as subparagraphs (C), (D), and (E), as inserted by this subsection;

(3) in subparagraph (A), by striking "as the primary criterion,";

(4) by striking "and" at the end of subparagraph (B); and

(5) by striking subparagraph (C) and inserting the following new subparagraphs:

"(C) the following other criteria:

"(i) the extent to which the grant will stimulate economic recovery by leveraging private investment;

"(ii) the number of permanent jobs to be created and their relation to the amount of grant funds requested;

"(iii) the proportion of permanent jobs accessible to lower income persons and minorities, including persons who are unemployed;

"(iv) the extent to which the project will retain jobs that will be lost without the provision of a grant under this section;

"(v) the extent to which the project will relieve the most pressing employment or residential needs of the applicant by—

"(I) reemploying workers in a skill that has recently suffered a sharp increase in unemployment locally;

"(II) retraining recently unemployed residents in new skills;

"(III) providing training to increase the local pool of skilled labor; or

"(IV) producing decent housing for low- and moderate-income persons in cases where such housing is in severe shortage in the area of the applicant;

"(vi) the impact of the proposed activities on the fiscal base of the city or urban county and its relation to the amount of grant funds requested;

"(vii) the extent to which State or local government funding or special economic incentives have been committed; and

"(viii) the extent to which the project will have a substantial impact on physical and economic development of the city or urban county, the proposed activities are likely to be accomplished in a timely fashion with the grant amount available, and the city or urban county has demonstrated performance in housing and community development programs;

"(D) the failure of the city or urban county to receive a preliminary grant approval under this section—

"(i) on or after December 21, 1983; or

"(ii) during the 12-month period preceding the date on which applications are required to be submitted for the grant competition involved; and

"(E) whether the project will utilize one or more small business concerns owned and controlled by socially and economically disadvantaged individuals (as such term is defined in section 8(d) of the Small Business Act (15 U.S.C. 637(d)).

An application shall be considered to produce housing for low- and moderate-income persons under subparagraph (C)(v)(IV) only if such application proposes that—

"(i) not less than 51 percent of all funds available for the project shall be used for dwelling units and related facilities; and

"(ii) not less than 30 percent of all funds used for dwelling units and related facilities shall be used for dwelling units to be occupied by persons of low and moderate income, or not less than 20 percent of all dwelling units made available to occupancy using such funds shall be occupied by persons of low and moderate income, whichever results in the occupancy of more dwelling units by persons of low and moderate income.".

(b) Selection Limitations and Criteria Weight.—Section 119(d) of the Housing and Community Development Act of 1974 is amended by adding at the end the following new paragraphs:

"(3) The Secretary shall award points to each application as follows:

"(A) not more than 35 points on the basis of the factors referred to in paragraph (1)(A);

"(B) not more than 35 points on the basis of the factors referred to in paragraph (1)(B);

"(C) not more than 33 points on the basis of the factors referred to in paragraph (1)(C);

"(D)(i) 2 additional points on the basis of the factor referred to in paragraph (1)(D)(i); or

"(ii) 1 additional point on the basis of the factor referred to in paragraph (1)(D)(ii); and

"(E) not less than 1 additional point on the basis of the factor referred to in paragraph (1)(E).

"(4) The Secretary shall distribute grant funds under this section so that to the extent practicable during each funding cycle—

"(A) 65 percent of the funds is first made available utilizing all of the criteria set forth in paragraph (1); and

"(B) 35 percent of the funds is then made available solely on the basis of the factors referred to in subparagraphs (C), (D), and (E) of paragraph (1).

"(5)(A) For each fiscal year, the Secretary shall hold—

"(i) 3 competitions for grants under paragraph (1) for cities not described in the first sentence of subsection (i) (relating to small cities) and urban counties; and

"(ii) 3 competitions for cities described in the first sentence of subsection (i) (relating to small cities).

"(B) Each competition for grants described in any clause of subparagraph (A) shall be for an amount equal to the sum of—

"(i) approximately ⅓ of the funds available for such grants for the fiscal year;

"(ii) any funds available for such grants in any previous competition that are not awarded; and

"(iii) any funds available for such grants in any previous competition that are recaptured.

"(6) In determining the score to be awarded each of the criteria under subparagraphs (A) through (E) of paragraph (1) for applications for grants for urban counties, the Secretary shall compare such applications only with other applications for grants for urban counties.".

(c) Use of Repaid Grant Funds.—Section 119(f) of the Housing and Community Development Act of 1974 is amended by adding at the end the following: "In any case in which the project proposes the repayment to the applicant of the grant funds, such funds shall be made available by the applicant for economic development activities that are or would be eligible activities under this section or section 105. The applicant shall annually provide the Secretary with a statement of the projected receipt and use of repaid grant funds during the next year together with a report acceptable to the Secretary on the use of such funds during the most recent preceding full fiscal year of the applicant.".

(d) Nondiscrimination.—Section 119(r) of the Housing and Community Development Act of 1974 is amended to read as follows:

"(r) In utilizing the discretion of the Secretary when providing assistance and applying selection criteria under this section, the Secretary may not discriminate against applications on the basis of (1) the type of activity involved, whether such activity is primarily housing, industrial, or commercial; or (2) the type of applicant, whether such applicant is a city or urban county.".

(e) Reports of Comptroller General.—

(1)(A) Not later than the expiration of the 1-year period following the date of the enactment of this Act and every 3 years thereafter, the Comptroller General of the United States shall prepare and submit to the Congress a comprehensive report evaluating the eligibility standards and selection criteria applicable under section 119 of the Housing and Community Development Act of 1974.

(B) Such report shall evaluate in detail the standards and criteria specified in such section that measure the level or comparative degree of economic distress of cities and urban counties and the effect of the grants awarded on the basis of such standards and criteria on stimulating the maximum economic development activity.

(C) Such report shall also evaluate in detail the extent to which the economic and social data utilized by the Secretary in awarding grants under such section is current and accurate, and shall compare the data used by the Secretary with other available data. The Comptroller General shall make recommendations to the Congress on whether or not other data should be collected by the Federal Government in order to fairly and accurately distribute grants under such section based on the level or comparative degree of economic distress. The Comptroller General shall also make recommendations on whether or not existing data should be collected more frequently in order to ensure that timely data is used to evaluate grant applications under such section.

(2) Not later than the expiration of the 3-month period following the date of the final competition for grants for fiscal year 1987 under section 119 of the Housing and Community Development Act of 1974, the Comptroller General of the United States shall prepare and submit to the Congress a comprehensive report describing the effect of the amendments made by this section on—

(A) the targeting of grant funds to cities and urban counties having the highest level or degree of economic distress;

(B) the distribution of grant funds among regions of the United States;

(C) the number and types of projects receiving grants;

(D) the per capita funding levels for each city, urban county, or identifiable community described in subsection (p) of such section 119, receiving assistance under such section 119; and

(E) the stimulation of the maximum economic development activity.

(f) Regulations.—The Secretary of Housing and Urban Development shall issue such regulations as may be necessary to carry out the amendments made by this section. Such regulations shall be published for comment in the Federal Register not later than 60 days after the date of the enactment of this Act.

(g) Applicability.—The amendments made by this section shall be applicable to the making of urban development action grants that have not received the preliminary approval of the Secretary of Housing and Urban Development before the date on which final regulations issued by the Secretary under subsection (f) become effective.

SEC. 419. PROHIBITION ON USE OF URBAN DEVELOPMENT ACTION GRANTS FOR BUSINESS RELOCATIONS.

(a) In General.—Section 119(h) of the Housing and Community Development Act of 1974 is amended—

(1) by inserting after the subsection designation the following: "(1) Speculative projects.—";

(2) by adding at the end of paragraph (1) (as so redesignated by paragraph (1) of this subsection) the following new sentence: "The provisions of this paragraph shall apply only to projects that do not have identified intended occupants."; and

(3) by adding at the end the following new paragraphs:

"(2) Projects with identified intended occupants.—No assistance may be provided or utilized under this section for any project with identified intended occupants that is likely to facilitate—

"(A) a relocation of any operation of an industrial or commercial plant or facility or other business establishment—

"(i) from any city, urban county, or identifiable community described in subsection (p), that is eligible for assistance under this section; and

"(ii) to the city, urban county, or identifiable community described in subsection (p), in which the project is located; or

"(B) an expansion of any such operation that results in a reduction of any such operation in any city, county, or community described in subparagraph (A)(i).

"(3) Significant and adverse effect.—The restrictions established in paragraph (2) shall not apply if the Secretary determines that the relocation or expansion does not significantly and adversely affect the employment or economic base of the city, county, or community from which the relocation or expansion occurs.

"(4) Appeal of adverse determination.—Following notice of intent to withhold, deny, or cancel assistance under paragraph (1), the Secretary shall provide a period of not less than 90 days in which the applicant can appeal to the Secretary the withholding, denial, or cancellation of assistance. Notwithstanding any other provision of this section, nothing in this section or in any legislative history related to the enactment of this section may be construed to permit an inference or conclusion that the policy of the Congress in the urban development action grant program is to facilitiate the relocation of businesses from one area to another.

"(5) Definitions.—For purposes of this subsection, the term 'operation' includes any plant, equipment, facility, position, employment opportunity, production capacity, or product line.

"(6) Regulations.—Not later than 60 days after the date of the enactment of the Housing, Community Development, and Homelessness Prevention Act of 1987, the Secretary shall issue such regulations as may be necessary to carry out the provisions of this subsection. Such regulations shall include specific criteria to be used by the Secretary in determining whether there is a significant and adverse effect under paragraph (3).".

(b) Applicability.—The amendments made by this section shall be applicable to urban development action grants that have not received the preliminary approval of the Secretary of Housing and Urban Development before the date of the enactment of this Act.

SEC. 420. CONSERVING NEIGHBORHOODS AND HOUSING BY PROHIBITING DISPLACEMENT.

Section 119 of the Housing and Community Development Act of 1974 is amended by adding at the end the following new subsection:

"(s) Any grant under this section shall be made only if the grantee certifies that it is following a detailed residential antidisplacement and relocation assistance plan that has been approved by the Secretary. The residential antidisplacement and relocation assistance plan shall—

"(1) generally prohibit the involuntary displacement of persons of low and moderate income due to activities assisted under this section;

"(2) permit such displacement only if unavoidable or in the best interest of the households and community affected;

"(3) in the event of such displacement, provide that—

"(A) governmental agencies or private developers shall provide one-for-one replacement of all low- and moderate-income dwelling units demolished or converted within the same area;

"(B) such replacement housing shall be affordable, of equal size, of equal or improved quality, and located in an area approved by the displaced persons;

"(C) such replacement housing shall be designed to remain affordable to persons of similar income to those being displaced; and

"(D) provide for relocation benefits for displaced persons, including—

"(i) reimbursement for moving expenses, security deposits, credit checks, and other moving-related expenses, including any interim living costs;

"(ii) compensation sufficient to ensure that, for a 15-year period, the household shall not bear, after relocation, a ratio of

shelter costs to income that exceeds the lower of—

"(I) the ratio of the shelter costs of the household to the income of the household prior to displacement; or

"(II) 30 percent; and

"(iii) permitting the displaced person to elect to participate in a housing cooperative or mutual housing association, in which case sufficient compensation shall be provided to enable the person to capitalize the value of the compensation described in clause (ii) in order to secure participation in a cooperative or mutual housing association and to maintain the ratio of the shelter costs of the household to the income of the household.".

SEC. 421. PROHIBITION ON USE OF COMMUNITY DEVELOPMENTS FUNDS TO INCREASE MARKET SHARE OF NONDOMESTIC CORPORATIONS.

(a) IN GENERAL.—Title I of the Housing and Community Development Act of 1974 is amended by adding at the end the following new section:

"PROHIBITION ON USE OF FUNDS TO INCREASE MARKET SHARE OF NONDOMESTIC CORPORATIONS

"SEC. 122. (a) IN GENERAL.—No assistance may be provided or utilized under this title for any project that the Secretary determines will be used to expand the market share of a nondomestic business entity in a manner that decreases the market share or operations of a domestic business entity.

"(b) DEFINITIONS.—For purposes of this section:

"(1) The term 'domestic business entity' means any business entity not described in paragraph (2).

"(2) The term 'nondomestic business entity' means any business entity—

"(A) more than 50 percent of the ownership of which is held by persons who are not citizens of the United States or permanent residents of the United States;

"(B) that is controlled by persons who are not citizens or permanent residents of the United States; or

"(C) that is a subsidiary of, or is controlled by, another business entity described in subparagraph (A) or (B).

"(3) The term 'operation' includes any plant, equipment, facility, position, employment opportunity, production capacity, or product line.".

(b) APPLICABILITY.—The amendment made by this section shall be applicable to all assistance provided under title I of the Housing and Community Development Act of 1974 after the date of the enactment of this Act.

SEC. 422. URBAN HOMESTEADING.

(a) CONVEYANCES OF PROPERTY BY STATE AND LOCAL GOVERNMENTS FOR CONSIDERATION.—Section 810 of the Housing and Community Development Act of 1974 is amended—

(1) in subsection (b)(1), by inserting after "consideration" the following: "in the case of a lower income family or individual, or for such consideration (if any) as may be agreed upon by the entity and the family or individual in the case of a family or individual that is not a lower income family or individual";

(2) by striking "and" at the end of subsection (b)(3)(C);

(3) by inserting "and" after the semicolon at the end of subsection (b)(3)(D);

(4) by adding at the end of subsection (b)(3) the following new subparagraph:

"(E) pay the agreed upon consideration (if any) for the property, in the case of a family or individual that is not a lower income family or individual;";

(5) in subsection (b)(5), by inserting after "consideration" the following: "in the case of a lower income family or individual, or for such consideration (if any) as may be agreed upon by the entity and the family or individual in the case of a family or individual that is not a lower income family or individual,";

(6) in subsection (b)(7)—

(A) by striking "and" at the end of subparagraph (B);

(B) by striking the period at the end of subparagraph (C) and inserting a semicolon; and

(C) by adding at the end the following new subparagraphs:

"(D) prohibits the unit of general local government, State, or public agency designated by a unit of general local government or a State, from charging consideration for a property, if such charge results in excluding any prospective recipient qualified for the special priority under subparagraph (A); and

"(E) prohibits the conveyance of any property under this section to a family or individual that is not a lower income family or individual, if there is a qualified applicant who is a lower income family or individual.";

(7) by adding at the end of subsection (b) the following new sentences: "Any unit of general local government, State, or public agency designated by a unit of general local government or a State, that receives consideration in connection with the conveyance of a property to an individual or family under this section shall remit to the Secretary any amount received, in such manner and at such time as the Secretary may prescribe. The Secretary shall deposit any amount remitted under the preceding sentence in a revolving fund, which shall be available to the Secretary, to the extent approved in appropriation Acts, for purposes of carrying out this section."; and

(8) in subsection (h)(3), by striking "subsection and subsection (i)" and inserting "section".

(b) PURCHASE OF TAX DELINQUENT PROPERTIES FOR PROGRAM.—Section 810(g) of the Housing and Community Development Act of 1974 is amended by adding at the end the following new paragraph:

"(3) The Secretary may purchase properties that become available in satisfaction of public liens such as tax liens for purposes of transferring such properties under subsection (a).".

(c) INCREASED ASSISTANCE FOR COMMUNITIES HAVING HIGH RATES OF FORECLOSURES.—Section 810 of the Housing and Community Development Act of 1974 is amended—

(1) by redesignating subsection (k) as subsection (l); and

(2) by inserting after subsection (j) the following new subsection:

"(k)(1) Any unit of general local government in which the rate of foreclosure on mortgages on single-family dwellings insured under title II of the National Housing Act exceeds by more than 20 percent such rate of foreclosure in such unit of general local government during the preceding year may apply to the Secretary for an increase in its assistance under this section.

"(2) Any unit of general local government applying for an increase in assistance under this subsection shall provide the Secretary with documentation describing the rate of foreclosure referred to in paragraph (1), the administrative capacities of the homestead program of such unit of general local government, and the likely effect of the use of additional assistance under this subsection on such rate of foreclosure.

"(3) The Secretary may not approve an increase in assistance under this subsection that exceeds an amount equal to 50 percent of the assistance requested by the unit of general local government under this section in its original application.".

(d) TRANSFER OF PROPERTY TO QUALIFIED COMMUNITY ORGANIZATIONS.—Section 810 of the Housing and Community Development Act of 1974 is amended—

(1) by redesignating subsection (l) (as so redesignated by subsection (c) of this section) as subsection (m); and

(2) by inserting after subsection (k) (as added by subsection (c) of this section) the following new subsection:

"(l) A unit of general local government or a State, or a public agency designated by a unit of general local government or a State, may transfer any real property that it receives under subsection (a) or purchases under subsection (i) to a qualified community organization. Qualified community organizations shall be limited to organizations that—

"(1) are incorporated and controlled by a board of directors whose members receive no compensation of any kind for the performance of their duties;

"(2) are organized exclusively for charitable, educational, scientific purposes, or the promotion of social welfare, and qualify as exempt organizations under paragraph (3) or (4) of section 501(c) of the Internal Revenue Code of 1986;

"(3) agree to assist the applicable State or unit of general local government with the selection of homesteaders, the selection, inspection, and rehabilitation of the properties, and to perform such other functions as may be agreed between the State or unit of general local government and the qualified nonprofit organization, including the acceptance of title to property from the relevant Federal agency and the direct conveyance of the property to the homesteaders subject to the terms and conditions specified in this section.".

(e) AUTHORIZATION OF APPROPRIATIONS.—The first sentence of section 810(m) of the Housing and Community Development Act of 1974 (as so redesignated by subsection (d) of this section) is amended to read as follows: "To reimburse the housing loan funds for properties transferred pursuant to this section, and to carry out subsections (c), (g), (h), and (i), there is authorized to be appropriated $12,000,000 for fiscal year 1988.".

SEC. 423. REHABILITATION LOANS.

(a) EXTENSION OF LOAN AUTHORITY.—Section 312(h) of the Housing Act of 1964 is amended by striking "September 30, 1987" and inserting "September 30, 1988".

(b) PROHIBITION OF CERTAIN FEES.—Section 312(g) of the Housing Act of 1964 is amended by adding at the end the following new sentence: "No risk premium or loan fee may be imposed by or for the Secretary or any other Federal agency on or with respect to a loan made under this section after the date of the enactment of the Housing, Community Development, and Homelessness Prevention Act of 1987.".

(c) PROHIBITION OF LOAN SALES.—Section 312 of the Housing Act of 1964 is amended by adding at the end the following new subsection:

"(l) The Secretary may not sell any loan made under this section.".

SEC. 424. NEIGHBORHOOD REINVESTMENT CORPORATION.

(a) AUTHORITY OF MEMBERS TO DESIGNATE ALTERNATE MEMBERS.—Section 604(a) of the Neighborhood Reinvestment Corporation Act is amended by inserting ", or a designee" before the semicolon or period at the end of each paragraph.

(b) AUTHORIZATION OF APPROPRIATIONS.—Section 608(a) of the Neighborhood Reinvestment Corporation Act is amended to read as follows:

"(a) There is authorized to be appropriated to the corporation to carry out this title $19,000,000 for fiscal year 1988.".

SEC. 425. NEIGHBORHOOD DEVELOPMENT DEMONSTRATION PROGRAM.

(a) HOUSING FOR THE HOMELESS.—Section 123(a)(1) of the Housing and Urban-Rural Recovery Act of 1983 is amended—

(1) by striking "or" at the end of subparagraph (D);

(2) by striking the period at the end of subparagraph (E) and inserting "; or"; and

(3) by adding at the end the following new subparagraph:

"(F) acquiring, developing, or rehabilitating property to serve as permanent housing for families and individuals who—

"(i) are lower income families and individuals (including lower income families and individuals who are elderly families and individuals or handicapped families and individuals), as such terms are defined in section 3(b) of the United States Housing Act of 1937; and

"(ii) lack traditional or permanent housing, or reside in overcrowded conditions.".

(b) MATCHING FUNDS.—

(1) Section 123(b)(1) of the Housing and Urban-Rural Recovery Act of 1983 is amended by inserting "or metropolitan areas" after "neighborhoods".

(2) Section 123(e)(1) of the Housing and Urban-Rural Recovery Act of 1983 is amended by inserting "or metropolitan area" after "neighborhood".

(c) AUTHORIZATION OF APPROPRIATIONS.—Section 123(g) of the Housing and Urban-Rural Recovery Act of 1983 is amended to read as follows:

"(g) There is authorized to be appropriated to carry out this section $2,000,000 for fiscal year 1988.".

SEC. 426. PARK CENTRAL NEW COMMUNITY PROJECT.

(a) HOUSING ASSISTANCE.—Section 213 of the Housing and Community Development Act of 1974 is amended by adding at the end the following new subsection:

"(e) The Secretary shall enter into an annual contributions contract for a term of 180 months to obligate sufficient funds to provide assistance payments pursuant to section 8(b)(1) of the United States Housing Act of 1937 on behalf of 500 lower income families from budget authority made available for fiscal year 1988, so long as such families occupy properties in the Park Central New Community Project or in adjacent areas that are recognized by the unit of general local government in which such Project is located as being included within the Park Central New Town In Town Project. If a lower income family receiving assistance payments pursuant to this subsection ceases to qualify for assistance payments pursuant to the provisions of section 8 of such Act or of this subsection during the 180-month term of the annual contributions contract, assistance payments shall be made on behalf of another lower income family who occupies a unit identified in the previous sentence.".

(b) COMMUNITY DEVELOPMENT ASSISTANCE.—Section 107(a) of the Housing and Community Development Act of 1974 is amended by adding at the end the following new sentence: "Of the amount set aside for grants under subsection (b) for fiscal year 1988, $5,000,000 shall be made available by the Secretary for purposes of grants under subsection (b)(1) for the Park Central New Community Project.".

SEC. 427. LIMITATION ON RECAPTURE OF CERTAIN RESERVATIONS OF ASSISTANCE.

After the reservation of assistance for any person or governmental entity under section 312 of the Housing Act of 1964 or section 810 of the Housing and Community Development Act of 1974, the Secretary of Housing and Urban Development shall not recapture any of the assistance included in such reservation due to the failure of such person or governmental entity to utilize, obligate, or expend such assistance during the fiscal year in which such amount is received or during the succeeding fiscal year.

SEC. 428. USE OF URBAN RENEWAL LAND DISPOSITION PROCEEDS AND CERTAIN OTHER COMMUNITY DEVELOPMENT FUNDS.

(a) IN GENERAL.—Notwithstanding any other provision of law or other requirement, each unit of general local government referred to in subsection (b) is authorized to retain any land disposition proceeds from the specified financially closed-out urban renewal projects not paid to the Department of Housing and Urban Development and to use such proceeds in accordance with the requirements of the community development block grant program specified in title I of the Housing and Community Development Act of 1974. Each such unit of general local government shall retain such proceeds in a lump sum and shall be entitled to retain and use, in accordance with this section, all past and future earnings from such proceeds, including any interest.

(b) APPLICABILITY.—The units of general local government and projects to which subsection (a) applies are as follows:

(1) The City of Hartford, in the State of Connecticut, with respect to the Sheldon-Charter Oak, Section A Urban Renewal Project (No. Conn. R. 77).

(2) The City of Lebanon, in the State of Pennsylvania, with respect to the Southside Urban Renewal Project (R-635(C)).

(3) The City of Richmond, in the State of Virginia, with respect to the following projects:

(A) The Washington Park Conservation Project (No. VA-A-3-1).

(B) The Fulton Redevelopment Project (No. VA-A-3-2).

(C) The George Mason Redevelopment Project (No. VA-A-3-3).

(D) The Jefferson Park Conservation Project (No. VA-A-3-4).

(E) The Randolph Redevelopment and Conservation Project (No. VAR-58).

(4) The City of Milwaukee, in the State of Wisconsin, with respect to urban renewal projects (Nos. R-1 and R-20).

(c) ADDITIONAL AUTHORIZATIONS.—

(1) Notwithstanding any other provision of law or other requirement, the Village of Northfield in the State of Illinois (A) shall repay to the original grantee, Cook County in the State of Illinois, an amount equal to the 2 subgrants of community development block grant funds made on September 20, 1976, and December 20, 1977; and (B) is authorized to retain any land disposition proceeds from such subgrants and to use such proceeds in accordance with Phase II and Phase III of its Central Business District Development Plan and the requirements of the community development block grant program specified in title I of the Housing and Community Development Act of 1974. The Village of Northfield shall retain such proceeds in a lump sum and shall be entitled to retain and use, in accordance with this paragraph, all past and future earnings from such proceeds, including any interest.

(2) Notwithstanding any other provision of law or other requirement, the City of Nanticoke in the State of Pennsylvania is authorized to retain any categorical settlement grant funds that remain after the financial closeout of the Lower Broadway Disaster Urban Renewal Project (No. B-79-UR-42-0001) and to use such funds in accordance with the requirements of the community development block grant program specified in title I of the Housing and Community Development Act of 1974. The City of Nanticoke shall retain such funds in a lump sum and shall be entitled to retain and use, in accordance with this paragraph, all past and future earnings from such funds, including any interest.

SEC. 429. REGULATIONS TO IMPLEMENT CDBG PROVISIONS OF HOUSING AND URBAN-RURAL RECOVERY ACT OF 1983.

The Secretary of Housing and Urban Development shall, not later than the expiration of the 30-day period following the date of the enactment of this Act, issue regulations to carry out the provisions of, and amendments made by, part A of title I of the Housing and Urban-Rural Recovery Act of 1983 (Public Law 98-181).

SEC. 430. COMMUNITY DEVELOPMENT TECHNICAL AMENDMENTS.

Section 123(e)(3) of the Housing and Urban-Rural Recovery Act of 1983 is amended by striking "Act" and inserting "section".

Subtitle B—Flood and Crime Insurance Programs

SEC. 441. EXTENSION OF FLOOD INSURANCE PROGRAM.

(a) GENERAL AUTHORITY.—Section 1319 of the National Flood Insurance Act of 1968 is amended by striking "September 30, 1987" and inserting "September 30, 1988".

(b) EMERGENCY IMPLEMENTATION.—Section 1336(a) of the National Flood Insurance Act of 1968 is amended by striking "September 30, 1987" and inserting "September 30, 1988".

(c) ESTABLISHMENT OF FLOOD-RISK ZONES.—Section 1360(a)(2) of the National Flood Insurance Act of 1968 is amended by striking "September 30, 1987" and inserting "September 30, 1988".

(d) LIMITATION ON PREMIUMS.—The premium rates charged for flood insurance under any program established pursuant to the National Flood Insurance Act of 1968 may not be increased during the period beginning on the date of the enactment of this Act and ending on September 30, 1988, by more than a prorated annual rate of 5 percent.

SEC. 442. EXTENSION OF CRIME INSURANCE PROGRAM.

(a) PERMANENT EXTENSION.—Section 1201(b)(1) of the National Housing Act is amended in the matter preceding subparagraph (A) by striking "and parts C and D shall terminate on September 30, 1987,".

(b) CONFORMING AMENDMENTS.—Section 1201(b)(1) of the National Housing Act is amended—

(1) in subparagraph (A)—

(A) by striking "direct insurance";

(B) by striking "sections 1223(b) and 1231(c)" and inserting "section 1223(b)"; and

(C) by striking ", and September 30, 1986, respectively";

(2) in subparagraph (B), by striking "and directly insured losses"; and

(3) in subparagraph (C), by striking "and direct insurance programs" and inserting "program".

(c) Limitation on Premiums.—The premium rates charged for crime insurance under any program established pursuant to part C of title XII of the National Housing Act may not be increased during the period beginning on the date of the enactment of this Act and ending on September 30, 1988, by more than a prorated annual rate of 5 percent.

SEC. 443. STUDIES UNDER NATIONAL FLOOD INSURANCE PROGRAM.

Section 1376(c) of the National Flood Insurance Act of 1968 is amended to read as follows:

"(c) There is authorized to be appropriated for studies under this title $37,773,000 for fiscal year 1988. Any amount appropriated under this subsection shall remain available until expended.".

SEC. 444. SCHEDULE FOR PAYMENT OF FLOOD INSURANCE FOR STRUCTURES ON LAND SUBJECT TO IMMINENT COLLAPSE OR SUBSIDENCE.

Section 1306 of the National Flood Insurance Act of 1968 is amended by adding at the end the following new subsection:

"(c)(1) If any structure covered by flood insurance under this title is condemned by a State or local authority because the structure is located on land that is along the shore of a lake or other body of water and is subject to imminent collapse or subsidence as a result of erosion or undermining caused by waves or currents of water exceeding anticipated cyclical levels, the Director shall (following verification of the reason for condemnation in accordance with procedures established by the Director) pay amounts under such flood insurance coverage as follows:

"(A) Following the condemnation, 40 percent of the value of the structure.

"(B) Following the demolition of the structure (including any septic containment system) prior to collapse—

"(i) 60 percent of the value of the structure; and

"(ii) 10 percent of the value of the structure, or the actual cost of demolition, whichever amount is less.

"(2) If the land on which any structure described in paragraph (1) is located collapses or subsides before the owner demolishes the structure, but after the owner has a reasonable period of time after condemnation (or after the date of the enactment of the Housing, Community Development, and Homelessness Prevention Act of 1987, whichever occurs later) to demolish the structure, the Director shall not pay more than the amount provided in paragraph (1)(A) with respect to the structure.

"(3) For purposes of paying flood insurance pursuant to this subsection, the value of a structure shall be whichever of the following is lowest:

"(A) The fair market value of a comparable structure that is not located on land subject to imminent collapse or subsidence.

"(B) The price paid for the structure and any improvements to the structure, as adjusted for inflation in accordance with an index determined by the Director to be appropriate.

"(C) The insured value of the structure under this title.

"(4)(A) The provisions of this subsection shall apply to contracts for flood insurance under this title that are in effect on, or entered into after, the date of the enactment of the Housing, Community Development, and Homelessness Prevention Act of 1987 (including contracts with respect to structures condemned before the date of the enactment of this Act).

"(B) The provisions of this subsection shall not apply to any structure not subject to a contract for flood insurance under this title on the date of the condemnation of the structure.".

SEC. 445. MORATORIUM ON CERTAIN FLOOD INSURANCE REGULATIONS RELATING TO MOBILE HOMES.

The regulation changes to parts 59 and 60 of title 44, Code of Federal Regulations, promulgated by the Federal Emergency Management Agency and set forth at 51 Federal Register 30306-30309 (August 25, 1986), which amended the definition, placement, and exclusion of mobile homes in an existing mobile home park or mobile home subdivision, as previously defined, shall not be effective during the 6-month period beginning on the date of the enactment of this Act. During such period, the Director of the Federal Emergency Management Agency shall (1) solicit and receive public comments on such regulation changes; and (2) prepare and submit to the Congress a study of the impact of such regulation changes on small business.

SEC. 446. FLOOD AND CRIME INSURANCE TECHNICAL AMENDMENTS.

(a) Crime Insurance Program Authority.—Section 1201(b) of the National Housing Act is amended—

(1) by striking paragraphs (2) and (3);

(2) by striking "(b)(1)" and inserting "(b)"; and

(3) by redesignating subparagraphs (A) through (C) as paragraphs (1) through (3), respectively.

(b) Reinsurance Agreements.—Section 1222(c) of the National Housing Act is amended by striking "section 3679(a) of the Revised Statutes of the United States (31 U.S.C. 665(a))," and inserting "section 1341(a) of title 31, United States Code,".

(c) National Insurance Development Fund.—Section 1243(d) of the National Housing Act is amended by striking "by law (sections 102, 103, and 104 of the Government Corporation Control Act (31 U.S.C. 847-849))" and inserting "by sections 9103 and 9104 of title 31, United States Code,".

(d) National Flood Insurance Fund.—Section 1310(e) of the National Flood Insurance Act of 1968 is amended by inserting a comma after "Code".

(e) Flood Insurance in Colorado River Floodway.—The National Flood Insurance Act of 1968 is amended by inserting the following section heading for section 1322: "COLORADO RIVER FLOODWAY".

(f) FEMA Treasury Borrowings.—The third sentence of section 15(e) of the Federal Flood Insurance Act of 1956 is amended by inserting a comma after "Code".

Subtitle C—Miscellaneous Programs

SEC. 461. FAIR HOUSING INITIATIVES PROGRAM.

(a) In General.—The Secretary of Housing and Urban Development (in this section referred to as the "Secretary") may make grants to, or (to the extent of amounts provided in appropriation Acts) enter into contracts or cooperative agreements with, State or local governments or their agencies, public or private nonprofit organizations or institutions, or other public or private entities that are formulating or carrying out programs to prevent or eliminate discriminatory housing practices, to develop, implement, carry out, or coordinate—

(1) programs or activities designed to obtain enforcement of the rights granted by title VIII of the Act of April 11, 1968 (commonly referred to as the Civil Rights Act of 1968), or by State or local laws that provide rights and remedies for alleged discriminatory housing practices that are substantially equivalent to the rights and remedies provided in such title VIII, through such appropriate judicial or administrative proceedings (including informal methods of conference, conciliation, and persuasion) as are available therefor; and

(2) education and outreach programs designed to inform the public concerning rights and obligations under the laws referred to in paragraph (1).

(b) Program Administration.—

(1) Not less than 30 days before providing a grant or entering into any contract or cooperative agreement to carry out activities authorized by this section, the Secretary shall submit notification of such proposed grant, contract, or cooperative agreement (including a description of the geographical distribution of such contracts) to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Banking, Finance and Urban Affairs of the House of Representatives.

(2) The Secretary shall provide to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Banking, Finance and Urban Affairs of the House of Representatives a quarterly report that summarizes the activities funded under this section and describes the geographical distribution of grants, contracts, or cooperative agreements funded under this section.

(c) Regulations.—

(1) The Secretary shall issue such regulations as may be necessary to carry out the provisions of this section.

(2) The Secretary shall, for use during the demonstration authorized in this section, establish guidelines for testing activities funded under the private enforcement initiative of the fair housing initiatives program. The purpose of such guidelines shall be to ensure that investigations in support of fair housing enforcement efforts described in subsection (a)(1) shall develop credible and objective evidence of discriminatory housing practices. Such guidelines shall apply only to activities funded under this section, shall not be construed to limit or otherwise restrict the use of facts secured through testing not funded under this section in any legal proceeding under Federal fair housing laws, and shall not be used to restrict individuals or entities, including those participating in the fair housing initiatives program, from pursuing any right or remedy guaranteed by Federal law. Not later than 6 months after the end of the demonstration period authorized in this section, the Secretary shall submit to Congress the evaluation of the Secretary of the effectiveness of such guidelines in achieving the purposes of this section.

(3) Such regulations shall include provisions governing applications for assistance under this section, and shall require each such application to contain—

(A) a description of the assisted activities proposed to be undertaken by the applicant, together with the estimated costs and schedule for completion of such activities;

(B) a description of the experience of the applicant in formulating or carrying out programs to prevent or eliminate discriminatory housing practices;

(C) available information, including studies made by or available to the applicant,

indicating the nature and extent of discriminatory housing practices occurring in the general location where the applicant proposes to conduct its assisted activities, and the relationship of such activities to such practices;

(D) an estimate of such other public or private resources as may be available to assist the proposed activities;

(E) a description of proposed procedures to be used by the applicant for monitoring conduct and evaluating results of the proposed activities; and

(F) any additional information required by the Secretary.

(4) Regulations issued under this subsection shall not become effective prior to the expiration of 90 days after the Secretary transmits such regulations, in the form such regulations are intended to be published, to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Banking, Finance and Urban Affairs of the House of Representatives.

(5) The Secretary shall not obligate or expend any amount under this section before the effective date of the regulations required under this subsection.

(d) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out the provisions of this section, including any program evaluations, $5,000,000 for fiscal year 1988, of which not more than $3,000,000 shall be for the private enforcement initiative demonstration. Any amount appropriated under this section shall remain available until expended.

(e) TERMINATION OF DEMONSTRATION.—The demonstration period authorized in this section shall end on September 30, 1989.

SEC. 462. COLLECTION OF CERTAIN DATA.

To assess the extent of compliance with Federal fair housing requirements (including the requirements established under title VI of Public Law 88-352 and title VIII of Public Law 90-284), the Secretary of Housing and Urban Development and the Secretary of Agriculture shall each collect, not less than annually, data on the racial and ethnic characteristics of persons eligible for, assisted, or otherwise benefiting under each community development, housing assistance, and mortgage and loan insurance and guarantee program administered by such Secretary. Such data shall be collected on a building by building basis if the Secretary involved determines such collection to be appropriate.

SEC. 463. REGULATORY AUTHORITY.

(a) DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT.—Section 7(o) of the Department of Housing and Urban Development Act is amended by adding at the end thereof the following new paragraphs:

"(7) The Secretary shall, on a quarterly basis, transmit to both Committees a summary (or, upon the request of the Chairman of either Committee, a copy) of each notice or handbook to be issued by the Secretary not less than 15 days before the date of such issuance.

"(8) The Secretary shall include with each rule or regulation, notice, or handbook required to be transmitted to the Committees under this subsection a detailed summary of all changes required by the Office of Management and Budget that prohibit, modify, postpone, or disapprove such rule or regulation, notice, or handbook in whole or part.".

(b) FARMERS HOME ADMINISTRATION.—Section 534 of the Housing Act of 1949 is amended by adding at the end thereof the following new subsections:

"(d) The Secretary shall, on a quarterly basis, transmit to both Committees referred to in subsection (b) a summary (or, upon the request of the Chairman of either Committee, a copy) of each notice or handbook to be issued by the Secretary under this title not less than 15 days before the date of such issuance.

"(e) The Secretary shall include with each rule or regulation, notice, or handbook required to be transmitted to the Committees under this section a detailed summary of all changes required by the Office of Management and Budget that prohibit, modify, postpone, or disapprove such rule or regulation, notice, or handbook in whole or part.".

SEC. 464. TIMELY PAYMENT OF SUBCONTRACTORS.

It is the policy of the United States that each prime contractor of the Department of Housing and Urban Development should establish procedures to ensure the timely payment of amounts due pursuant to the terms of the subcontracts of such prime contractor.

SEC. 465. RESEARCH AND DEVELOPMENT.

(a) AUTHORIZATION OF APPROPRIATIONS.—Section 501 of the Housing and Urban Development Act of 1970 is amended by striking the second and third sentences and inserting the following: "There is authorized to be appropriated to carry out this title $17,000,000 for fiscal year 1988.".

(b) ADDITIONAL RESEARCH PROGRAMS.—Title V of the Housing and Urban Development Act of 1970 is amended by adding at the end the following new sections:

"PUBLIC HOUSING ENERGY IMPROVEMENTS

"SEC. 513. In carrying out activities under section 501, the Secretary shall develop a system that may be used by public housing agencies to monitor energy use in public housing projects and to identify energy conservation improvements that are cost-effective (taking into consideration alternative financing mechanisms).

"LOWER COST BUILDING TECHNOLOGIES

"SEC. 514. In carrying out activities under section 501, the Secretary shall conduct research on new building technologies that are designed to lower the cost of construction of single- and multi-family housing.".

SEC. 466. HOME MORTGAGE DISCLOSURE.

(a) APPLICABILITY TO MORTGAGE BANKING AFFILIATES.—

(1) Section 303(2) of the Home Mortgage Disclosure Act of 1975 is amended—

(A) by striking "or" the first place it appears; and

(B) by inserting before the semicolon at the end the following: ", mortgage banking subsidiary of a bank holding company or savings and loan holding company, or savings and loan service corporation that originates or purchases mortgage loans".

(2) Section 304 of the Home Mortgage Disclosure Act of 1975 is amended by adding at the end the following new subsection:

"(g) The requirements of subsections (a) and (b) shall not apply with respect to mortgage loans that are—

"(1) made by any mortgage banking subsidiary of a bank holding company or savings and loan holding company or by any savings and loan service corporation that originates or purchases mortgage loans; and

"(2) approved by the Secretary for insurance under title I or II of the National Housing Act.".

(3) The first sentence of section 311 of the Home Mortgage Disclosure Act of 1975 is amended by inserting after "306(b)" the following: "(and for each mortgagee making mortgage loans exempted under section 304(g))".

(4) The amendments made by this subsection shall be applicable to calendar years beginning after December 31, 1986.

(b) RECORDS ON MORTGAGE LOANS SECURED BY PROPERTY OUTSIDE METROPOLITAN STATISTICAL AREAS.—Section 304(a)(2)(B) of the Home Mortgage Disclosure Act of 1975 is amended by inserting ", by State," after "paragraph (1)".

(c) AVAILABILITY OF DISCLOSURE STATEMENTS.—Section 304(f) of the Home Mortgage Disclosure Act of 1975 is amended by adding at the end the following new sentence: "Disclosure statements shall be made available to the public at such central depository of data not later than June 1 of the year following the calendar year on which the statements are based.".

(d) PERMANENT EXTENSION OF GENERAL AUTHORITY.—The Home Mortgage Disclosure Act of 1975 is amended by striking section 312.

(e) STUDY OF DATA COLLECTION REQUIREMENTS.—

(1) The Federal Financial Institutions Examination Council shall conduct a study to assess the following:

(A) The estimated cost incurred by depository institutions for the preparation and dissemination of disclosure reports pursuant to the requirements of the Home Mortgage Disclosure Act of 1975, based upon the results an independent analysis of the actual costs incurred by a representative sample of such institutions located in at least 3 and not more than 6 metropolitan statistical areas.

(B) The estimated usage of the data available to the public pursuant to the Home Mortgage Disclosure Act of 1975, based upon the results of a survey of both direct and indirect usage of such data over a 12-month period following the date of the enactment of this Act.

(C) The obstacles to the usage by the public of the data made available pursuant to the Home Mortgage Disclosure Act of 1975 and recommendations for action to be taken by the Federal financial institutions regulatory agencies to increase public awareness about the availability of such data.

(2) The Council shall submit a report on the results of such a study to the Congress not later than 36 months following the date of the enactment of this Act.

SEC. 467. LEAD-BASED PAINT POISONING PREVENTION.

(a) LEAD-BASED PAINT POISONING PREVENTION PROCEDURES.—Section 302 of the Lead-Based Paint Poisoning Prevention Act is amended—

(1) in the first sentence, by inserting after "Secretary" the following: ", except as provided in subsections (b) and (d)";

(2) in clause (1) of the second sentence, by inserting after "exposed" the following: ", including intact lead-based paint on the interior and exterior surfaces of such housing";

(3) by striking the third sentence;

(4) by inserting "(a)" after the section designation; and

(5) by adding at the end the following new subsections:

"(b)(1) The provisions of this subsection shall apply to any application for mortgage insurance on a 1- to 4-family dwelling to be insured under title II of the National Housing Act.

"(2)(A) The appraiser or other customary inspector shall inspect the dwelling for defective (cracking, scaling, chipping, peeling, or loose) paint surfaces. If the appraiser or

inspector determines that the dwelling contains a defective paint surface or surfaces, the commitment or other approval document shall contain the requirement that the surface or surfaces shall be treated in order to abate the possibility of ingestion.

"(B) Upon the expiration of the 3-year period (4-year period in the case of any rural area) beginning on the date of the enactment of the Housing, Community Development, and Homelessness Prevention Act of 1987, the appraiser or other customary inspector shall inspect the dwelling for intact lead-based paint. If the appraiser or inspector determines that the dwelling contains lead-based paint, the results shall be disclosed to the purchaser prior to sale.

"(3) The mortgagee shall be responsible for providing a brochure to a mortgagor purchasing housing constructed prior to 1978 at or before settlement. The brochure shall be developed by the National Institute of Building Sciences and the Department of Housing and Urban Development not later than 180 days after the date of the enactment of the Housing, Community Development, and Homelessness Prevention Act of 1987, and shall outline the hazards represented by lead-based paint that may be present in housing constructed prior to 1978, and provide recommendations for appropriate abatement techniques for lead-based paint.

"(4) Any mortgagor who leases housing subject to paragraph (3) to another person shall be responsible for providing a brochure to the prospective tenant prior to the signing of any lease.

"(5) The Secretary may impose a fine or administrative sanctions on any person who fails to provide a brochure required under paragraph (3) or (4), as determined by the Secretary to be appropriate.

"(c) The Secretary shall make a periodic determination of whether housing constructed during or after 1950 but prior to 1978, except for housing constructed or rehabilitated between 1973 and 1978 that was approved by the Secretary prior to the start of construction or rehabilitation, presents hazards of lead-based paint. The Secretary shall apply the procedures established under this section to such housing constructed during or after 1950 but prior to 1978 if such housing presents immediate hazards of lead-based paint.

"(d) The provisions of this section shall not apply to housing that is covered by an application for mortgage insurance under section 202 of the Housing Act of 1959 and sections 232 and 242 of the National Housing Act or that is a 0 bedroom unit.

"(e) In the case of any multifamily dwelling unit that is subject to an application for mortgage insurance under title II of the National Housing Act, such as any mortgage insured under section 207, 221(d)(2), 221(d)(3), 221(d)(4), 223(f), or 236 and any other multifamily insured and direct assistance housing program under the National Housing Act, or in the case of any dwelling unit receiving any housing assistance payment under section 8 of the United States Housing Act of 1937, the cost of carrying out the abatement of lead-based paint after the unit becomes vacant shall be a permissible activity under the following programs if other funds are not available, with priority to the abatement of defective paint surfaces:

"(1) For any individual participating in the multifamily housing preservation loan program established in subtitle C of title II of the Housing, Community Development, and Homelessness Prevention Act of 1987, the Secretary shall have the authority to waive section 274(b)(2)(A) of such Act when a loan will be used to finance a project where it is necessary to abate lead-based paint from any unit within the project.

"(2) The Secretary shall amend existing housing assistance contracts, certificates, and vouchers under section 8 of the United States Housing Act of 1937 to allow for rent increases for units in projects where abatement of lead-based paint is required.

"(3) The Secretary shall give priority consideration under section 241 of the National Housing Act for any loan that will be used for the abatement of lead-based paint.

"(4) The Secretary may authorize the use of flexible subsidy funds under section 201 of the Housing and Community Development Act of 1978 for the abatement of lead-based paint.

"(5) Not less than 5 percent of the funds that an eligible locality receives under the community development block grant program under title I of the Housing and Community Development Act of 1974 shall be set aside for the abatement of lead-based paint in multifamily housing projects covered in this subsection, if the locality has a lead-based paint problem.

"(6) The Secretary, in providing refinancing insurance under section 223(f) of the National Housing Act, shall allow rehabilitation costs to be increased by up to 25 percent to cover the cost of abatement of lead-based paint as required.

"(7) The Secretary may provide assistance under section 107 of the Housing and Community Development Act of 1974 for the abatement of lead-base paint.

"(f) The Secretary shall take such actions as may be necessary to ensure that each public housing agency owning or operating housing assisted under the United States Housing Act of 1937 complies with the procedures established by the Secretary under this section.".

(b) Regulations.—Not later than the expiration of the 90-day period following the date of enactment of this Act, the Secretary of Housing and Urban Development shall issue such regulations as may be necessary to carry out the amendments made by this section.

(c) Study.—Not later than 18 months after the date of the enactment of this Act, the National Institute of Building Sciences shall submit to the Secretary of Housing and Urban Development a report on the results of a study of the scope of the existing lead-based paint problem in 1- to 4-family dwellings insured under the National Housing Act and its recommendations for safe, cost-effective testing and treatment of intact lead-based paint. The Secretary may provide not more than $100,000 from the funds available for the Office of Policy Development and Research for purposes of such study.

SEC. 468. COUNSELING.

Section 106(a)(3) of the Housing and Urban Development Act of 1968 is amended—

(1) by striking "fiscal year 1984" and inserting "fiscal year 1988"; and

(2) by striking "$3,500,000" and inserting "$3,651,000".

SEC. 469. MEDIAN AREA INCOME.

For purposes of calculating the median income for any area that is not within a metropolitan statistical area (as established by the Office of Management and Budget) for programs under title I of the Housing and Community Development Act of 1974, the United States Housing Act of 1937, the National Housing Act, or title V of the Housing Act of 1949, the Secretary of Housing and Urban Development or the Secretary of Agriculture (as appropriate) shall use whichever of the following is higher:

(1) the median income of the county in which the area is located; or

(2) the median income of the entire nonmetropolitan area of the State.

SEC. 470. REMOVAL OF MAXIMUM FEE FOR INTERSTATE LAND SALES REGISTRATION.

Section 1405(b) of the Interstate Land Sales Full Disclosure Act is amended by striking out "a fee, not in excess of $1,000" and inserting in lieu thereof "a reasonable fee".

SEC. 471. SOLAR ENERGY AND ENERGY CONSERVATION BANK.

(a) Extension of Bank.—Section 505(a) of the Solar Energy and Energy Conservation Bank Act is amended by striking "1987" and inserting "1988".

(c) Authorization of Appropriations.—Section 522(a) of the Solar Energy and Energy Conservation Bank Act is amended by striking "1985" and inserting "1988".

SEC. 472. ANNUAL REPORTING OF INNOVATIVE HOUSING AND NEIGHBORHOOD DEVELOPMENT BY NONPROFITS.

(a) In General.—The Secretary of Housing and Urban Development shall include in the annual report required in section 8 of the Department of Housing and Urban Development Act a comprehensive section detailing innovative housing, neighborhood and community development initiatives for low and moderate income families throughout the United States. Such section shall include—

(1) a State by State identification of nonprofit housing rehabilitation, new construction, or community or neighborhood development initiatives for low and moderate income families involving any public-private partnership, State and local government sponsored and church or community based efforts;

(2) project name, contact, location, project sponsor, organizational affiliation, if any, geographic area served or project size (number of units), financing mechanism, including (but not limited to) downpayment and income requirements, use of any Federal program, sales price or average rent, and a description of the special features of the project;

(3) an analysis and detailed description of the non-Federal public and private financial or other contributions made to reduce the cost of construction, rehabilitation, or development;

(4) an analysis of the demographic characteristics of the population served, including service to any special target population, family size, number of children, family income, sources of family income, race, age, and sex; and

(5) an evaluation by the Secretary, including any recommendations or modifications in any existing program under the jurisdiction of the Secretary or creation of new Federal programs to promote or expand any of the innovative programs.

(b) Availability of Data.—The Secretary of Housing and Urban Development shall also make available upon request the data used to compile the reporting required in subsection (a) in an appropriate format so as to facilitate specific project inquiries.

SEC. 473. REPORT ON EMPLOYMENT OPPORTUNITIES FOR LOWER INCOME PERSONS.

(a) In General.—The Secretary of Housing and Urban Development shall prepare and submit to the Congress a detailed report set-

ting forth the activities carried out under section 3 of the Housing and Urban Development Act of 1968 during the 10-year period preceding the date of the enactment of this Act.

(b) Specific Requirements.—The report required in this section shall include the following:

(1) A separate description of the activities carried out under section 3 of the Housing and Urban Development Act of 1968 with respect to each program of the Secretary of Housing and Urban Development providing direct financial assistance.

(2) A description of the categories of projects with respect to which such activities have been carried out.

(3) A description of the business concerns awarded contracts pursuant to paragraph (2) of such section 3, and the categories of work performed by such business concerns.

(4) The recommendations of the Secretary of Housing and Urban Development for legislative and administrative actions that may be taken to improve the effectiveness of such section 3.

(c) Date of Submission.—The Secretary of Housing and Urban Development shall submit the report required in this section before the expiration of the 9-month period beginning on the date of the enactment of this Act.

SEC. 474. MANUFACTURED HOUSING CONSTRUCTION AND SAFETY STANDARDS.

Section 604 of the National Manufactured Housing Construction and Safety Standards Act of 1974 is amended by adding at the end the following new subsection:

"(i)(1) The Federal manufactured home construction and safety standards established by the Secretary under this section shall include energy conservation standards in accordance with this subsection.

"(2) The energy conservation standards established under this subsection shall be requirements relating to construction of a manufactured home that ensure that its thermal performance is equivalent to such performance required of newly constructed single-family homes insured under title II of the National Housing Act.".

SEC. 475. MISCELLANEOUS PROGRAMS TECHNICAL AMENDMENTS.

(a) HUD Administrative Provisions.—

(1) Section 502(a) of the Housing Act of 1948 is amended by striking the fourth sentence.

(2) Section 502(b) of the Housing Act of 1948 is amended—

(A) by striking "United States Housing Authority" each place it appears and inserting "Secretary of Housing and Urban Development"; and

(B) by striking "the Authority" each place it appears and inserting "the Secretary of Housing and Urban Development".

(3) Section 502(c)(2) of the Housing Act of 1948 is amended by adding "and" at the end.

(b) Annual Report of Secretary.—Section 802 of the Housing Act of 1954 is amended by inserting the following section heading:

"ANNUAL REPORT OF SECRETARY".

(c) Energy Conservation in New Buildings.—Section 303(11) of the Energy Conservation Standards for New Buildings Act of 1976 is amended by striking "Secretary of Housing and Urban Development" and inserting "Secretary of Energy".

(d) Weatherization Assistance.—Section 412(9)(G) of the Energy Conservation in Existing Buildings Act of 1976 is amended by striking the first comma after "determine".

(e) Solar Energy and Energy Conservation Bank.—Sections 506(f)(1), 509(b)(2)(E), 509(c), 515(b)(1)(A)(iii), 515(b)(1)(B), 515(b)(1)(C)(ii), 515(b)(1)(D), and 515(b)(2) of the Solar Energy and Energy Conservation Bank Act are amended—

(1) by striking "section 38" each place it appears and inserting "section 23";

(2) by striking "section 44C" each place it appears and inserting "section 38"; and

(3) by striking "Internal Revenue Code of 1954" each place it appears and inserting "Internal Revenue Code of 1986".

(f) National Institute of Building Sciences.—

(1) Section 809(g)(4) of the Housing and Community Development Act of 1974 is amended by striking "and its" and inserting "of its".

(2) Section 809(h) of the Housing and Community Development Act of 1974 is amended by striking "preceeding" in the last sentence and inserting "preceding".

(g) Real Estate Settlement Procedures.—Section 8(c)(5) of the Real Estate Settlement Procedures Act of 1974 is amended by striking "clause 4(B)" and inserting "clause (4)(B)".

(h) Home Mortgage Disclosure.—Section 304(a)(1) of the Home Mortgage Disclosure Act of 1975 is amended by striking "at at" and inserting "at".

AMENDMENT OFFERED BY MR. JONES OF NORTH CAROLINA

Mr. JONES of North Carolina. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Jones of North Carolina: Section 444(a) is amended by striking all after "subsection:" on line 24, page 293, and inserting in lieu thereof the following:

"(c)(1) If any structure covered by flood insurance under this title and located on land that is along the shore of a lake or other body of water is certified by a State or local authority to be subject to imminent collapse or subsidence as a result of erosion or undermining caused by waves or currents of water exceeding anticipated cyclical levels, the Director shall (following verification that the certification was made in accordance with procedures established by the Director) pay amounts under such flood insurance coverage for proper demolition as follows:

"(A) Following verification by the Director, 40 percent of the value of the structure.

"(B) Following the demolition of the structure (including any septic containment system) prior to collapse—

"(i) 60 percent of the value of the structure; and

"(ii) 10 percent of the value of the structure, or the actual cost of demolition, whichever amount is less.

"(2) If the owner of a structure described in paragraph (1) chooses to relocate the structure, the Director shall pay amounts under such flood insurance coverage for proper relocation as follows:

"(A) Following verification by the Director, 20 percent of the value of the structure.

"(B) Following proper relocation (including removal of any septic containment system) prior to collapse, 20 percent of the value of the structure.

"(C) Total payments under subparagraphs (A) and (B) shall not exceed the actual cost of relocation.

"(3) If any structure certified under paragraphs (1) and (2) collapses or subsides before the owner demolishes or relocates the structure, but after the owner has a reasonable period of time after verification by the Director (or after the enactment of the Housing, Community Development, and Homelessness Prevention Act of 1987, whichever occurs later) to demolish or relocate the structure, the Director shall not pay more than the amount provided in paragraph (1)(A) with respect to the structure.

"(4) For purposes of paying flood insurance pursuant to this subsection, the value of a structure shall be whichever of the following is lowest:

"(A) The fair market value of a comparable structure that is not subject to imminent collapse or subsidence.

"(B) The price paid for the structure and any improvements to the structure, as adjusted for inflation in accordance with an index determined by the Director to be appropriate.

"(C) The insured value of the structure under this title.

"(5)(A) The provisions of this subsection shall apply to contracts for flood insurance under this title that are in effect on, or entered into after, the date of the enactment of the Housing, Community Development, and Homelessness Prevention Act of 1987.

"(B) The provisions of this subsection shall not apply to any structure not subject to a contract for flood insurance under this title on the date of a certification under paragraph (I).

"(6) For any parcel of land on which a structure is subject to a certification under paragraph (1) no flood insurance coverage shall be available for any structure that is constructed or relocated, subsequent to the certification, at a point seaward of the 30-year erosion setback.

"(7)(A) The Director shall promulgate regulations and guidelines to implement the provisions of this subsection.

"(B) Prior to issuance of regulations regarding the state and local certifications pursuant to paragraph (1), all provisions of this subsection shall apply to any structure which is determined by the Director—

"(i) to otherwise meet the requirements of this section; and

"(ii) to have been condemned by a State or local authority because it is subject to imminent collapse or subsidence as a result of erosion or undermining caused by waves or currents of wate exceeding anticipated cyclical levels."

Mr. JONES of North Carolina. Mr. Chairman, I would like to congratulate my colleague from Texas for his fine work in bringing this important bill before the House. I support this measure wholeheartedly.

I rise to seek the support of my colleagues in offering an amendment to a relatively minor portion of the bill, but a portion which is of utmost importance to my district in coastal North Carolina. These provisions are embodied in section 444, and concern amendments to the National Flood Insurance Program [NFIP].

Mr. Chairman, coastal erosion is an insidious problem facing homeowners and communities nationwide. It is common to the coasts of the Atlantic, the gulf, the Pacific, and to the Great Lakes.

Currently, under the National Flood Insurance Program, a person is not eligible to receive an insurance payment until their house has actually been destroyed by flood or erosion. This has acted as a disincentive for homeowners to move away from flood- or erosion-prone areas before a storm actually destroys their houses. In my State of North Carolina, for instance, State agencies are trying to identify erosion-threatened structures and to encourage relocation, but these efforts have mostly proven ineffective because of the disincentives built into the Flood Insurance Program.

Section 444, as reported from committee, addresses this irony by authorizing advance insurance payments for the demolition of structures which are condemned by States or local authorities because they are in imminent danger of collapse due to erosion. Flood insurance payments of up to 110 percent of the value of the structure would be provided to demolish and rebuild.

My amendment makes three important changes to section 444. First, the triggering mechanism is changed from condemnation—a locally variable and time-consuming legal process—to an administrative process of State or local certification. Second, the less costly alternative of relocation—versus demolition—is encouraged where it is safe to do so. Third, the amendment promotes responsible redevelopment by conditioning the availability of further flood insurance coverage upon reconstruction or relocation in an area which is landward of the 30-year erosion setback; that is, beyond the expected, 30-year extent of erosion. Three important changes—State and local certification, relocation, and responsible redevelopment.

The process of State or local certification will provide for a more predictable and uniform implementation than the varying array of local condemnation authorities. Nationally applicable standards and procedures for certifications of imminent collapse can be developed and applied uniformly by State and local authorities. The Federal Emergency Management Agency [FEMA] will be able to verify that proper procedures and standards have been applied. Therefore, this process of certification will benefit States and localities by ensuring predictability and, at the same time, providing for action at the community-level. It will also benefit the Federal taxpayer by adding an element of national control and accountability.

By emphasizing relocation, when it is safe to do so, as an alternative to demolition, the amendment adds an element of common sense and fiscal constraint. Common sense, because it makes no sense to require demolition of a structure which may be perfectly sound; if it can be moved, given safety and engineering constraints, then it should be moved rather than demolished. Because it will cost at least 70 percent less to relocate than to demolish and rebuild, this amendment adds an important element of fiscal constraint.

Finally, the amendment promotes responsible redevelopment. When a State or local government certifies that a structure is subject to imminent collapse, this amounts to a finding that the underlying property is erosion prone. Therefore, certain constraints on redevelopment are appropriate. In particular, my amendment provides that redevelopment—either new construction or relocation—must occur landward of the 30-year erosion setback. That is, it must be beyond the expected 30-year extent of erosion. If any structure is located seaward of this line, it will not be eligible for further flood insurance coverage. In concert with other applicable State and local building standards, a Federal policy of responsible redevelopment, will help to move homes out of harm's way; we will be promoting public safety, and reducing the potential for repetitive claims against the flood insurance fund.

Mr. Chairman, this amendment preserves the integrity and intent of the original proposal embodied in section 444. However, it adds important new dimensions of administrative predictability, fiscal constraint, and prevention of repetitive losses due to coastal erosion.

The Congressional Budget Office [CBO] has indicated that this amendment will result in "no significant increase in outlays in comparison to existing law." I believe that, over the long term, it will save millions of dollars in claims through the National Flood Insurance Program, as well as reduce personal suffering and potential loss of life.

I ask my colleagues to support this amendment.

Mr. DAVIS of Michigan. Mr. Chairman, I would like to speak in support of Mr. JONES' amendment to H.R. 4. My home State of Michigan, as well as all Great Lakes States, are currently facing millennium-high water levels. The usually placid waters of Lake Michigan are scouring our beaches and biting deep into the bluffs ringing the shore. Every week, my office receives letters from residents who erected their homes in an area which at that time—years ago—was safe from erosion. Now, their homes are tumbling down the bluffs or clinging to their edges.

Mr. JONES' amendment would give homeowners a welcomed option to save homes which are structurally sound, but threatened, not to mention saving their families. More importantly, these homes would no longer be threatened by future damage nor are their owners likely to file flood insurance claims because they would be moved back from harm's way—beyond the 30-year erosion setback line. It is possible that under Mr. JONES' amendment the flood insurance fund can be conserved, as only up to 40 percent of the value of the structure moved back would be payable, as opposed to up to 100 percent of the value of the home to be demolished.

In conclusion, I hope that we can all support Mr. JONES' amendment—which does not sacrifice a citizen's investment in his home, contributes to sound coastal area planning, and may reduce the amount of claims against the Federal Flood Insurance Fund.

Mr. ECKART. Mr. Chairman, I rise in strong support of the amendment offered by my friend and colleague Mr. JONES of North Carolina. This amendment only makes sense in this era of belt tightening in our Federal budget.

My district in northeast Ohio has more than 50 miles of Lake Erie shoreline. As my colleagues have heard me testify in the past, homes all along the shore of the Great Lakes have been literally falling into the lake from the devastating effects of erosion.

Just 2 days ago, Mayor Bill Ryan of Willoughby, Ohio called me to say that several homes in his city were on the verge of being claimed by the erosion of the shoreline. Although the homes are covered by national flood insurance policies, the owners can't get any help until the house actually falls into the lake. Once the home is under water, the Federal Government, through the National Flood Insurance Program, will pay to replace it, spending far more than might be necessary to prevent it from sinking in the first place.

Mr. Chairman, it only makes sense that an ounce of prevention is worth a pound of cure. Why don't we spend a little now to save an otherwise structurally sound home rather than to wait until the entire structure is underwater? The savings to the Federal Government could enable us to improve and retain the existing housing stock on our Nation's shoreline rather than to continually spend more on replacing homes that otherwise are wholly inhabitable and in which families have invested generations of time and money.

I urge my colleagues to support this amendment to reform the means by which our constituents are served by the National Flood Insurance Program. I thank my colleague for yielding.

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AMENDMENT OFFERED BY MR. UPTON TO THE AMENDMENT OFFERED BY MR. JONES OF NORTH CAROLINA

Mr. UPTON. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. UPTON to the amendment offered by Mr. JONES of North Carolina: The amendment offered by Mr. JONES of North Carolina is amended by adding, after paragraph (5)(B), the following new subparagraph—

"(C) The provisions of this subsection shall not apply to any structure unless the structure is covered by a contract for flood insurance under this title—

"(i) On or before June 1, 1988; or

"(ii) For a period of two years prior to certification under paragraph (1), or;

"(iii) For the term of ownership if less than two years.".

Mr. UPTON (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The CHAIRMAN. The gentleman from Michigan [Mr. UPTON] is recognized for 5 minutes in support of his amendment.

Mr. JONES of North Carolina. Mr. Chairman, will the gentleman yield?

Mr. UPTON. I yield to the gentleman from North Carolina.

Mr. JONES of North Carolina. Mr. Chairman, we on this side accept the amendment.

Mr. UPTON. Mr. Chairman, I would just like to say that this is a very noncontroversial amendment closing a loophole in the existing program. I have cleared it with both sides of the aisle and with the Committee on Merchant Marine and Fisheries as well as the Housing Subcommittee. We have gone to great lengths to do that. I believe we will need no further discussion on this, and I urge that the amendment be accepted.

Mr. Chairman, I yield back the balance of my time.

Mrs. ROUKEMA. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I just wish to indicate that I think this is sound policy. Certainly we have approved the amendment on our side and have no problem with it. We endorse it.

Mr. TRAFICANT. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I want to commend the committee chairman, the gentleman from North Carolina [Mr. JONES] for his leadership and his effort, and I just want to place the House on notice that his amendment is very timely for the types of problems experienced around the Great Lakes region. The taxpayers of our country are paying $70 to $80 million in flood damages around the Great Lakes, and this amendment, through the leadership of the committee chairman, the gentleman from North Carolina [Mr. JONES], will afford an opportunity for those homeowners to some justice under the laws of our country.

So, Mr. Chairman, I commend the gentleman from North Carolina [Mr. JONES], and I want to thank him as a young Member for all the advice and counsel he has given me.

Mr. Chairman, I yield back the balance of my time.

Mr. GONZALEZ. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of both amendments.

Mr. Chairman, the reason I rise is that I feel that the Members who are not privy to the course taken here on the subcommittee level, the Subcommittee on Housing, must be asking questions as to why the distinguished chairman of the Committee on Merchant Marine and Fisheries is here offering an amendment. The reason is simple. Given the very diligent work by the gentleman from Michigan [Mr. UPTON] with respect to a very difficult situation in the Great Lakes area which involves the Federal Emergency Management Agency, over which we have jurisdiction, had an amendment which was fine honed and very acceptable until the perceptive and knowledgeable and experienced eye of the chairman of the committee, the gentleman from North Carolina [Mr. JONES], saw that it had implications with respect to more than the Great Lakes area.

So we want to express our gratitude to Chairman JONES for having perfected what might have been an insinuative, though unpremeditated, result if we had in good faith gone on ahead. But, of course, we did not.

I also want to have the record show that the gentleman from Michigan [Mr. UPTON] has been most diligent, most active, and most effective, and we have, therefore, had a perfection in the processes involving FEMA.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan [Mr. UPTON] to the amendment offered by the gentleman from North Carolina [Mr. JONES].

The amendment to the amendment was agreed to.

Mr. UPTON. Mr. Chairman, I move to strike the last word.

The CHAIRMAN. Without objection, the gentleman from Michigan [Mr. UPTON] is recognized for 5 minutes.

There was no objection.

Mr. UPTON. Mr. Chairman, I rise in strong support of the amendment offered by the gentleman from North Carolina [Mr. JONES]. I appreciate his very diligent work to improve the committee bill. It is fiscally responsible and environmentally sound. It justly assists homeowners in their time of need and at the time of relocation. The amendments are truly bipartisan in nature.

I would like to thank a number of my distinguished colleagues for their wonderful support: the gentleman from Ohio [Mr. WYLIE], the gentleman from Texas [Mr. GONZALEZ], the gentlewomen from New Jersey [Mrs. ROUKEMA], and our dear departed colleague, Mr. McKinney of Connecticut, who was an original cosponsor of the bill.

I would like to clarify that under this amendment FEMA would be required to promulgate regulations which would define the conditions under which the State or local authorities may properly certify the affected property because of imminent collapse or subsidence. Prior to the development of those regulations, the director of FEMA must approve assistance for insured structures which are, in fact, condemned because of imminent collapse or subsidence. These changes are designed to ensure that there is Federal consistency in the program.

The regulations should not, however, be used as a mechanism for impeding the program by setting up arbitrary or unnecessary requirements for verification.

Mr. JONES of North Carolina. Mr. Chairman, if the gentleman will yield, let me say that the gentleman's understanding is correct as I interpret the bill.

Mr. UPTON. Mr. Chairman, I thank the gentleman from North Carolina [Mr. JONES] and I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from North Carolina [Mr. JONES], as amended.

The amendment, as amended, was agreed to.

AMENDMENT OFFERED BY MR. RUSSO

Mr. RUSSO. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. RUSSO: Page 318, after line 23, insert the following new section (and redesignate the subsequent sections, and conform the table of contents, accordingly):

SEC. 475. FORECLOSURE PROCEDURES FOR MORTGAGES HELD BY SECRETARY ON SINGLE-FAMILY PROPERTIES.

(a) PART HEADING.—The heading for part 6 of the Housing and Community Development Amendments of 1981 is amended to read as follows:

PART 6—Secretary-Held Mortgage Foreclosure".

(b) SHORT TITLE.—Section 361 of the Multifamily Mortgage Foreclosure Act of 1981 is amended by striking "Multifamily Mortgage Foreclosure Act of 1981" and inserting "Secretary-Held Mortgage Foreclosure Act of 1987".

(c) FINDINGS AND PURPOSE.—Section 362 of the Multifamily Mortgage Foreclosure Act of 1981 is amended—

(1) in subsection (a)(1), by inserting "and single-family residential properties" after "properties";

(2) in subsection (a)(1), by inserting "and properties" after "projects";

(3) in subsection (a)(2), by inserting ", homeowners," after "projects"; and

(4) in subsection (b), by inserting "and single-family residential" after "nonresidential".

(d) DEFINITIONS.—Section 363(2) of the Multifamily Mortgage Foreclosure Act of 1981 is amended to read as follows:

"(2) 'Secretary-held mortgage' means a mortgage held by the Secretary pursuant to title II of the National Housing Act or section 312 of the Housing Act of 1964 covering any property;".

(e) APPLICABILITY.—Section 364 of the Multifamily Mortgage Foreclosure Act of 1981 is amended by striking "Multifamily mortgages held by the Secretary" and inserting "Secretary-held mortgages".

(f) DESIGNATION OF FORECLOSURE COMMISSIONER.—Section 365 of the Multifamily Mortgage Foreclosure Act of 1981 is amended in the second sentence by striking "where the Secretary is the holder of a multifamily mortgage," and inserting "In the case of a Secretary-held mortgage,".

(g) PREREQUISITES TO FORECLOSURE.—Section 366 of the Multifamily Mortgage Foreclosure Act of 1981 is amended in the first sentence by striking "multifamily mortgage" and inserting "Secretary-held mortgage".

(h) NOTICE OF DEFAULT AND FORECLOSURE SALE.—Section 367(b)(2)(A) of the Multifamily Mortgage Foreclosure Act of 1981 is amended by inserting "multifamily" before "property" each place it appears.

(i) COMMENCEMENT OF FORECLOSURE.—Section 368(a) of the Multifamily Mortgage Foreclosure Act of 1981 is amended in the first sentence by striking "multifamily mortgage" and inserting "Secretary-held mortgage".

Mr. RUSSO (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. RUSSO. Mr. Chairman, I am offering this amendment today in the hope that it will help solve a problem, a serious problem in all parts of America, one that has led to the destruction of neighborhoods and the death of communities. As you know, I have long been an opponent of many Federal housing programs. This opposition springs from all too much first-hand experience with poorly designed or poorly managed Federal housing projects in Chicago. I don't have to tell you about these, however. You can read about them for yourselves in any national paper. CHA, the Chicago Housing Authority, is a disgrace—a shameful example of corruption and greed at worst, and a glaring example of mismanagement at best. The mention of Cabrini Green is shorthand nationwide for the failure of massive public housing projects. In our highly commendable efforts to ensure that all Americans are housed decently, Congress has made misjudgements and miscalculations, with often disastrous results. Naturally, the large housing projects are the most visible to the casual observer, but they should not be our only concern. Neighborhoods can be destroyed by disastrous mortgage policies just as easily as by bulldozers, and it is the FHA Mortgage Guarantee Program that my amendment today addresses.

In Chicago, many neighborhoods have rapidly deteriorated when a number of FHA-Guaranteed mortgagors lost their homes through foreclosure. These homes are boarded up while the foreclosure process takes its course. These boarded up homes deteriorate rapidly through fire, vandalism and the rigors of winter. Subsequently, the value of these homes and the surrounding property drops, and soon these neighborhoods are transformed into ghosttowns. I've personally witnessed this process and the heartache it engenders. I've worked with HUD and FHA Officials to improve mortgage-guarantee policies, and I think real progress has been made. Nevertheless, the problem still exists.

This amendment attempts to address the problem by shortening the foreclosure process. Currently in many States, after an individual has lost his or her home through foreclosure, there is a period in which the individual has a right to attempt to reclaim the property. This is called the right of redemption. During this time, the houses are usually boarded up. The right of redemption adds up to 12 months to the foreclosure process, and very, very few people actually get their homes back through it. I believe that the marginal gains achieved through the redemption process are more than outweighed by the cost to these communities of keeping these homes unoccupied for this additional time.

For these reasons, in 1981 Congress passed the Multifamily Mortgage Foreclosure Act of 1981. It addressed the problem simply but effectively. This legislation pre-empted State redemption laws with regard to multiunit residential and nonresidential properties. My amendment would expand the provisions included in this act to cover single-family residences as well.

I think that it's important to point out that this amendment doesn't throw people out of their homes. Individuals would still be protected by a lengthy and deliberate foreclosure process. However, the amendment removes the confusion caused by the many different State laws, and ensures that these homes will not deteriorate through up to an additional year or more of disuse. This amendment would go a long way toward curbing the destruction of vibrant neigborhoods and communities. I strongly urge my colleagues to support this amendment.

Mr. GONZALEZ. Mr. Chairman, will the gentleman yield?

Mr. RUSSO. I yield to the gentleman from Texas.

Mr. GONZALEZ. Mr. Chairman, I want to say that we have been in communication on this. The gentleman has a very good amendment, one that will save money in the FHA administration, and we thank him. It is a good amendment. It perfects our legislation, it perfects FHA, and we certainly accept the amendment on this side.

Mr. WYLIE. Mr. Chairman, will the gentleman yield?

Mr. RUSSO. I yield to the gentleman from Ohio.

Mr. WYLIE. Mr. Chairman, the gentleman has been courteous enough to provide us with a copy of the amendment, and he has worked with us and with HUD. I might say that HUD has no objection to it, they say it is all right, and we accept the amendment on this side of the aisle.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois [Mr. RUSSO].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. WYLIE

Mr. WYLIE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WYLIE: Page 292, strike line 14 and all that follows through page 293, line 4, and insert the following:

(a) GENERAL AUTHORITY.—Section 1201(b)(1) of the National Housing Act is amended by striking "September 30, 1987" in the matter preceding subparagraph (A) and inserting "September 30, 1989".

(b) CONTINUATION OF EXISTING CONTRACTS.—Section 1201(b)(1)(A) of the National Housing Act is amended by striking "September 30, 1986" and inserting "September 30, 1990".

Mr. WYLIE. Mr. Chairman, what my amendment would do is to extend the Crime Insurance Program for 2 years rather than having a permanent extension which is now in the bill.

I have discussed this with the gentleman from New York [Mr. SCHUMER], and he knows that I am not a big proponent of crime insurance. As a matter of fact, I put out a letter early last year indicating that I think the Federal Crime Insurance Program should be eliminated, that it has outlived its usefulness, and that it really only applies to one State or one community.

So I would not agree to an amendment which would extend it forever, which is in the bill. The gentleman from New York understands my trepidation about the program. There is nothing in the Senate bill which has passed with reference to this.

So I think the gentleman from New York is willing at least not to speak in opposition but to accept my amendment which would make the Crime Insurance Program extended for only 2 years.

Mr. Chairman, I yield back the balance of my time.

Mr. SCHUMER. Mr. Chairman, I move to strike the last word.

Mr. Chairman, the gentleman from Ohio and I certainly disagree on the Crime Insurance Program. I think it is an excellent program. I think it is a program that is needed. I think it is a program just like flood insurance.

However, I will support the gentleman's amendment. If in fact in conference the conferees vote to extend crime insurance only for 1 year or go for only a 1-year authorization, I would in conference support just a 1-year extension of crime insurance, as the gentleman and I had agreed.

This gives crime insurance a chance to continue. It gives us a chance to put off another rancorous debate, as we did last year, and I very much appreciate the gentleman's cooperation. So I would ask my colleagues to accept the amendment offered by the gentleman from Ohio [Mr. WYLIE].

Mr. WYLIE. Mr. Chairman, will the gentleman yield?

Mr. SCHUMER. I yield to the gentleman from Ohio.

Mr. WYLIE. Mr. Chairman, I thank the gentleman from New York for his cooperation.

Mr. GONZALEZ. Mr. Chairman, will the gentleman yield?

Mr. SCHUMER. I yield to the gentleman from Texas.

Mr. GONZALEZ. Mr. Chairman, I thank my distinguished colleague for yielding, and I rise merely to say that the amendment is acceptable on our side. We deeply appreciate the good spirit of cooperation the gentleman from Ohio has manifested all along. Certainly this amendment is acceptable to us.

Mr. SCHUMER. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio [Mr. WYLIE].

The amendment was agreed to.

Mr. FAZIO. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in strong support of H.R. 4 and urge its adoption. This reauthorization bill is long overdue and much needed.

The bill is fiscally responsible. The committee has reported out a bill which meets the spending targets included in the House-passed budget resolution.

And, at the same time, the bill recommends modest and responsible programs to address the enormous housing and community development needs of our Nation.

Mr. Chairman, I would also like to thank the committee for its willingness to consider in next year's authorization bill a proposal by the Neighborhood Reinvestment Corporation to establish a network housing associations to address the accelerating gap between the growing number of poor families and the shrinking number of rental units available to low income families.

I have been impressed by the low-key, effective work of the Neighborhood Reinvestment Corporation in building a network of Neighborhood Housing Services serving over 2.7 million Americans in over 130 cities. This proposal would have the Corporation develop and provide financial and technical assistance to a parallel network of Mutual Housing Associations, producing, owning, and managing housing for their members in areas of need throughout the country.

A severe lower income rental housing shortage is predicted for the rest of this century and beyond, due to a combination of forces. First, during the past 10 years the percentage of the population that is poor has grown from 12 to 15 percent of all Americans. During the same time period, there has been a reduction of almost 20 percent in the low-rent housing stock.

The second force is the expected impact of the Tax Reform Act on lower income rental housing: (a) through the rent increases that will be necessary in order for owners of rental housing to show a profit as tax shelter income is reduced; and (b) through the lack of new production as incentives disappear for the private sector to produce new low-, moderate-, and middle-income units.

Third, the privately owned, low-income rental units with project based Federal assistance totaled 1,890,000 units in fiscal year 1985. Because of expiring Federal contracts and use restrictions, as many as 889,000 units could be conventionally refinanced and escape Federal use restrictions by 1995.

The combined impact of these three forces will be steadily increasing displacement of lower income renters. In many tight housing markets displacement will mean families relegated to substandard housing, doubled up with other households or forced into outright homelessness—with concomitant costs in human lives, in social breakdown, and in governmental and social services.

A network of Mutual Housing Associations located in communities of need throughout the United States will be one bulwark against the envisioned results of this rental housing crisis. Mutual Housing Associations can serve those households which cannot be served by either the private sector or by public housing. During the next two decades, there will be a market of hundreds of thousands of households for the services of the Mutual Housing Association network.

A 5-year Mutual Housing Association pilot program would put as many as 18,000 units of affordable housing in place at a remarkably low cost to the Federal Government. The first year costs are currently estimated at roughly $21 million.

Mr. Chairman, again, I urge the adoption of the bill and commend the chairman, Mr. GONZALEZ, for his leadership on this important issue.

AMENDMENT OFFERED BY MR. TRAFICANT

Mr. TRAFICANT. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. TRAFICANT: Page 245, after line 15, insert the following new subsection:

(d) CONGRESSIONAL POLICY ON COMMUNITY DEVELOPMENT FUNDING.—It is the policy of the Congress that the amounts appropriated for the community development block grant and urban development action grant programs under title I of the Housing and Community Development Act of 1974 for fiscal year 1988 and each succeeding fiscal year should not be less than the amounts appropriated for such programs for fiscal year 1987.

Mr. TRAFICANT (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. TRAFICANT. Mr. Chairman, this is a straightforward amendment which basically states that UDAG and the community development block grant money are very important to many parts of our country for reconstructing economically depressed communities. One of the problems that the local communities have is that they seem to be on a roller coaster, not knowing what future projects may be subjected to if these two very viable and integral programs for their reconstruction and cut or terminated.

My straightforward policy amendment states in specifics that any of the amounts appropriated for the Community Development Block Grant and Urban Development Action Grant Programs under title I of the Housing and Community Development Act of 1974 for fiscal year 1988 and each succeeding year should not be less than the amounts appropriated for such programs for fiscal year 1987.

This is not a cast-in-stone amendment that will set forward future funding, but a sense of the Congress that these two programs are very instrumental and very worthwhile, and the communities must have some continuity of funding so as to develop long-range programming.

In that regard it says that the Congress supports those programs, supports them at least at the levels funded for the year 1987.

Specifically, in closing, Sharon Steel, a company in our area that is under chapter 11, in bankruptcy action, is very much dependent now on a UDAG grant for the refurbishing of its blast furnace, which may keep alive that facility. UDAG has become very important, and I believe it significant that Congress should set the pattern that we want to maintain a reasonable funding level for these programs, and that Congress should support that level, at least for 1987.

Mr. GONZALEZ. Mr. Chairman, will the gentleman yield?

Mr. TRAFICANT. I yield to the chairman of the subcommittee.

Mr. GONZALEZ. Mr. Chairman, I thank my colleague, and I wish to say we certainly are in agreement with the gentleman. We accept and accede to his amendment, and I want to point out that by approving and passing H.R. 4, that in effect will be a stamp of approval on the thrust of the gentleman's amendment.

Mr. TRAFICANT. Mr. Chairman, I thank the gentleman, and I yield back the balance of my time.

Mr. WYLIE. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I must reluctantly oppose the gentleman's amendment. While most Members would have no problem with regard to the Community Development Block Grant Program, the UDAG Program on the other hand, has been very controversial. There are questions as to its effectiveness and its priority in light of the tight budgetary restraints under which we are working. I happen to be one of those who thinks that the UDAG Program is not an appropriate program for the Federal Government to be involved in. On the other hand, with reference to this amendment, I do not believe, if we are going to have one, that it is a good idea to tie the hands of Congress on a funding level for UDAG at this time.

□ 1205

Moreover, there is a provision in the bill creating a revised selection formula for UDAG. This formula would more evenly distribute the funds under the program.

Now, I can understand why the gentleman wants to target it to a high unemployment area. The gentleman has a high employment area.

Mr. TRAFICANT. Mr. Chairman, will the gentleman yield?

Mr. WYLIE. I yield to the gentleman from Ohio.

Mr. TRAFICANT. Mr. Chairman, I believe the gentleman is addressing himself to an amendment that was upon agreement between both sides of the aisle, pulled and withdrawn.

The amendment that is before the House today sets a congressional policy of maintaining levels for these programs at the same funding levels as a barometer and threshold for future years at the 1987 level; so I believe the gentleman is discussing the change in the awarding of points under the UDAG formula. That amendment has been withdrawn and the gentleman is discussing an amendment that is not before the floor, that has been withdrawn on the advice of counsel and the chairman, and he said he would address himself to that in future planning and future planning needs.

This is simply a congressional policy, sense of Congress, that the UDAG's CDBG programs are important and that the funding level for the 1987 level should not be reduced further.

Mr. WYLIE. Sure; that is what I am discussing. The UDAG formula proposal is still in the bill. This amendment, as I understand it, would modify that, is that right, or have we been given the wrong amendment?

Mr. TRAFICANT. No, it would not modify the formula.

Mr. WYLIE. This in no way modifies the formula that was in the bill?

Mr. TRAFICANT. This is not a modification to the formula involved with UDAG.

Mr. WYLIE. All right, the staff has just sent over to me a copy of the gentleman's new amendment which I have not seen before, and if the gentleman can give me the assurance that it does not modify the formula in the bill, then I would not oppose it.

Mr. TRAFICANT. The gentleman has such assurance and I am glad to see that the matter has been corrected.

Mr. WYLIE. Mr. Chairman, I thank the gentleman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio [Mr. TRAFICANT].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. HILER

Mr. HILER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HILER: Page 266, at the end of line 2, strike ".", insert "; and", and insert the following new subparagraph:

(F)(i) whether the project will utilize a building of at least 100,000 square feet, or land upon which is principally sited a building that is at least 100,000 square feet, that is at least 20 years old, has been vacant for at least 3 years, and is no longer functionally useful for its originally intended purpose; and

(ii) whether a State or local community has established a significant program, such as tax incentives, targeted toward this class of structure or land.

Page 267, line 10, strike "and".

Page 267, at the end of line 12, strike ".", insert "; and", and insert the following new subparagraph:

(F)(i) 1 additional point on the basis of the factors referred to in paragraph (1)(F)(i); and

(ii) 1 additional point on the basis of the factor referred to in paragraph (1)(F)(ii).

Page 267, line 21, strike "and (E)" and insert "(E), and (F)".

Page 268, line 15, strike "(E)" and insert "(F)".

Mr. HILER (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. HILER. Mr. Chairman, at this time last year, I stood in the well of the House and offered an amendment to the housing bill to end the Urban Development Action Grant Program.

I noted that one congressional district had received more UDAG dollars in the history of the program than 145 other districts combined. I noted that six States had each received more UDAG dollars than 21 States combined. I noted that $422,000 had been awarded in UDAG's for the construction of a "high quality" horse arena, $25.5 million to develop a hotel and retail facility featuring a 77-boat marina and yacht club, and $2.25 million in UDAG's had been awarded to build and operate a ski resort.

I argued that the formula used to determine which projects received UDAG funds did not achieve a fair, national distribution, and I argued that too often, taxpayers' dollars were funding the most dubious of projects.

Since that time, the formula has been changed to accommodate a better, if still not perfect, spread of dollars across the country and to target the money toward more worthwhile projects.

I remain skeptical about the value of retaining the UDAG Program compared to the value of reducing the deficit, but progress has been made, and those who worked to change the formula deserve our thanks. However, one very minor change would make the formula better still.

In many, if not most, communities throughout the Nation, large, vacant buildings are not being rehabilitated or torn down: The cost of renovating the structure compared to the cost of new construction may not be favorable, or the cost of razing the building to construct a new facility may exceed the value of the land. In either case, cities and States lose revenue, and development or redevelopment in the contiguous area may be hampered.

Communities in your district and mine are left with depressing, empty hulks of buildings that remind us of the past, when in their place should be useful, productive facilities that point to the future.

Under the proposed new selection criteria in H.R. 4, UDAG applications are awarded up to 35 points based on economic impact, 35 points based on economic distress, and up to 33 points based on project merit. Also under H.R. 4, additional, or preference, points can be awarded. In cities that have not received a preliminary grant approval on or after December 21, 1983, projects can receive two preference points. Or, if a city has not received a UDAG in the past 12 months, one preference point is awarded. If the project employs small businesses, it qualifies for at least one additional point.

Under my amendment, projects that renovate buildings or reuse the land upon which they are located could also qualify for one additional preference point, and if the State or local government has established a significant program targeted to the use of such buildings or land, the project would qualify for another point. In short, my amendment would add only two points, at most, to the 107 regular and preference points contemplated in H.R. 4.

The amendment also specifies that to qualify for the preference points, the building must be at least 100,000 square feet in area, have been vacant for at least 3 years, must be at least 20 years old, and must be unsuited to the function it was originally built for. Similarly, to qualify for the points, any land reused must be the site of such a building.

My home State of Indiana just passed what they called "dinosaur" legislation, or a program of tax credits to help renovate some 23 empty, behemoth buildings. I think the UDAG Program and the individual congressional districts throughout the country would benefit by a similar, but more modest, approach, and I ask that you support my amendment.

The CHAIRMAN. The time of the gentleman from Indiana has expired.

(By unanimous consent, Mr. HILER was allowed to proceed for 2 additional minutes.)

Mr. HILER. Now, Mr. Chairman, in the State of Indiana, the particular bill passed there was directed toward buildings that were 300,000 square feet or larger, and we had 23 such buildings located throughout our State. My amendment will be directed toward buildings 100,000 square feet or bigger.

Some have said, "Well, Congressman HILER, isn't this a special purpose amendment, some type of single interest amendment directed toward the Studebaker complex?"—that was for the most part shut down in 1963 in my home district.

The fact of the matter is that no, it is not. If I wanted to direct a single interest or special interest amendment toward that particular facility, I would have targeted my amendment much differently. That particular facility is 1.7 million square feet. I would have constructed my amendment so that it would only affect buildings of say over 1 million square feet and that had been built 100 years ago and that had been abandoned for at least 20 years, but I did not do that, because what the Studebaker complex demonstrated to me as I look at it in my community of South Bend is that there are buildings like this throughout the country that were built at one time with the particular kind of building technology that no longer is useful, that you can no longer go in and do the originally intended purpose, and yet in a community like South Bend, and there are communities throughout the country, it may be that the value of the land or the cost of renovation is so excessive that you cannot do anything with these sites, so they just sit there year after year.

If the UDAG Program is truly going to be a program that helps to renovate and revitalize decayed areas in our Nation's cities, then why not add at most two preference points to the projects that address the kinds of problems that many communities have and that problem is what do you do with very old, very vacant, very unusable property?

I think the amendment would be a very, very modest change to the formula, to try to give one or two points to projects which would try to utilize this kind of land or property.

Mr. Chairman, I would urge my colleagues to support this proposal.

Mr. MORRISON of Connecticut. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I think this amendment cannot be taken in isolation in terms of considering whether or not it would be a good idea for UDAG to be used for the reuse of abandoned factory buildings. Perhaps that is a good idea. There are a lot of good ideas for the use of UDAG. We could take the UDAG formula apart again and start picking at it on this item or that item.

Many of us are satisfied with the UDAG formula as it currently exists. Certainly, the city I represent has been very favored under the current UDAG formula and it has addressed important needs. I come from the seventh poorest city in the United States and we have been able to do significant economic development that was very important to the revitalization of that community and the creation of jobs for people who need them.

There has been a process in the Congress that has gone on for the last two Congresses related to a compromise to keep the UDAG Program alive. In order to do that, people were asked to make concessions on the UDAG formula and to set up a new system with two parts, with different points that would be allocated on the basis of merit of the proposal and the economic circumstances of the community.

We reached this compromise and both the House and the Senate have previously passed the language that is in H.R. 4. That language, in fact, at one point was going to be forced through the House as part of the appropriation process, rather than through the authorization process.

Now, we all agree that we were ready when the time came to reach that agreement as long as it was part of an overall housing bill. That is where we are at this point.

Now, it seems to me that to start meddling with this agreement in one particular way opens up the whole question again for everybody as to whether we should go back and rethink and refight and rework that compromise, which as I understand it has basically been accepted on both sides of Capitol Hill.

Mr. ST GERMAIN. Mr. Chairman, will the gentleman yield?

Mr. MORRISON of Connecticut. I am happy to yield to the chairman of the full committee, the gentleman from Rhode Island.

Mr. ST GERMAIN. Mr. Chairman, I thank the gentleman for yielding.

I want to concur in what the gentleman is stating. The UDAG section has been very carefully crafted as a result of participation by a great many parties.

We did discuss this amendment in the full committee markup. At that time I asked the gentleman to withdraw the amendment, because I feel very strongly that it would indeed upset the apple cart. For that reason I, too, rise in opposition to the amendment and hope that it will not be accepted so we can go on with consideration of the legislation.

I just think we should have a vote up or down right now.

Mr. TRAFICANT. Mr. Chairman, will the gentleman yield?

Mr. MORRISON of Connecticut. I am happy to yield to the gentleman from Ohio.

Mr. TRAFICANT. Mr. Chairman, I rise in oppostion, reluctantly. I think Representative HILER is now starting to touch a chord that we have to look at. I think we also have to look in the future at some money to perhaps take down some of these eyesores that are symbols of a failed past and have a new direction in the country; but I think to play with the formula—and I am not a member of the committee—would not be in the best interests of the country now.

I have in fact pulled an amendment in regard to that myself; but for us maybe to plow money in at this particular point for renovation and rehabilitation as a primary focus, I think would be a disservice.

I think the gentleman is on the right track. I am hoping to support some of the gentleman's efforts in the future. Hopefully, there will be some money down the line for some of these plants that have to be torn down.

So I reluctantly oppose the amendment, but I commend the gentleman for the effort he has taken in this regard and for the communities that suffer problems like that.

Mr. VENTO. Mr. Chairman, will the gentleman yield?

Mr. MORRISON of Connecticut. I yield to the gentleman from Minnesota.

Mr. VENTO. I thank the gentleman for yielding.

Mr. Chairman, I look at this amendment, and obviously this is an improvement. The gentleman from Indiana has consistently opposed USAG's, but now I guess he is suggesting that if he can write the formula so that it benefits a specific type of structure, that that apparently would be all right.

What is so significant about a plant or land of 100,000 square feet? Is there some magic? If it is 99,000, does that mean that you do not get the two points? I guess it does. Or 20 years old? Why should it not be 10 years old? What if it is only 1 year old and that size? What is the significant of that? I do not know. At least 3 years vacant?

That means that it has to sit there for 3 years and wait so it can qualify for this particular formula?

I just think that it shows the folly of trying to write a formula on the floor.

The fact is that if you look at one of the UDAG pots where there are only 35 points—what is the significance of adding 2 points to 35 when we have this special pool where we have a competition on merit only?

The CHAIRMAN. The time of the gentleman from Connecticut [Mr. MORRISON] has expired.

(On request of Mr. VENTO, and by unanimous consent, Mr. MORRISON of Connecticut was allowed to proceed for 2 additional minutes.)

Mr. VENTO. Mr. Chairman, will the gentleman yield further?

Mr. MORRISON of Connecticut. I yield to the gentleman from Minnesota.

Mr. VENTO. Well, obviously it would vitiate that because it would be superimposed over that, and basically would cause a very obvious skew in terms of how these are awarded.

There is, I suppose, nothing inherently wrong with saying that these are the characteristics that they should have, but I do not know of any testimony or objective data that would support these characteristics as being the keystone to success. The formula itself is far from perfect, no doubt about it, but the fact is that at least we are using objective, at least as nearly as I know, criteria, agreed-upon criteria.

We know what the impact is. This has been a successful program. We do not need to manipulate and write the formula on the floor based on really what I think are some subjective characteristics whatever the intent. There are vacant buildings all over the country. That does not mean that they should be receiving some superimposed type of benefit in terms of formula on the floor. I think that the amendment should just be defeated on that basis.

Mr. MORRISON of Connecticut. I thank the gentleman for his comments, and I think that the underlying point is that we would take many risks and gain undertain benefits in supporting this amendment. I hope rather that the House would vote the amendment down.

Mr. WYLIE. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, I have been opposed to the UDAG Program too, and this amendment, may I say, will not benefit my district. I think, as the gentleman from Youngstown said, that the gentleman from Indiana [Mr. HILER] is on the right track, and if he is on the right track, we ought to encourage him to go down that track.

As he has pointed out, under the proposed new selection criteria UDAG applications are awarded up to 35 points based on economic impact, 35 points based on economic distress, and up to 33 points based on project merit.

The gentleman's amendment would award 2 points only to cities that have not received a preliminary grant approval on or after December 21, 1983, and 1 point if they have not received one within the last year. That does not seem to be very many points.

Mr. HILER. Mr. Chairman, will the gentleman yield?

Mr. WYLIE. I yield to the gentleman from Indiana.

Mr. HILER. I thank the gentleman for yielding.

Mr. Chairman, those preference points that the gentleman just mentioned are in the current H.R. 4. What my amendment would do is to add 1 preference point if the project envisioned utilizing a building that was at least 100,000 square feet in size, was at least 20 years old, had been vacant at least 3 years, and was no longer functionally useful for the purpose for which it was originally intended. If it met these criteria, there could possibly be another point if the State had a program that in some way substantially affected the same type of property.

I think that the gentleman brings up a good point when he talks about, you know, when we look at all these other things, what is wrong here? The gentleman from Minnesota said, "What's magic about 20 years? What's magic about 3 years?" He is exactly right, there is nothing magic about it, but it seems to me that we now have a formula that we currently look at leveraging ratios and job lags and jobs created, jobs retained, lower-income jobs, reemployment of skilled workers, retraining, training, low and moderate housing, taxes, State and local participation, preforties housing, poverty, population lag, per capita income, unemployment, you know, we look at a great number of things.

It seems to me that when you physically go into a community, no matter how wealthy the community may be, but if you physically go into a community and you see a large abandoned old factory that is an eyesore upon which there is very little economic development taking place, it seems to me that consideration for that type of project makes every bit as much good sense as the amount of taxes that a State or local government may have.

Mr. WYLIE. Well, to bottom line it and to state specifically then, the gentleman's amendment would add 1 project point, 1 additional preference point, if you please, if the State or local government has established a program targeting use of a building or facility with at least 100,000 square feet which has not been in use for a while.

Mr. HILER. That is correct.

Mr. WYLIE. It seems to me, as I said a littler earlier, that the gentleman from Ohio [Mr. TRAFICANT] said that the gentleman's amendment is on the right track.

Mr. MORRISON of Connecticut. Mr. Chairman, will the gentleman yield?

Mr. WYLIE. I yield to the gentleman from Connecticut.

Mr. MORRISON of Connecticut. I thank the gentleman for yielding.

Mr. Chairman, I dare say he may be on the right track; I think that he has the wrong train. I think the fact that the gentleman, who is the ranking minority member of our full committee, needs to have this amendment explained to him and try to figure out on the floor whether it is the right answer or the wrong answer is just illustrative of the problem of rewriting formulas on the floor with uncertain effects both politically and substantively. I hope that the House will not support such an amendment.

Mr. WYLIE. Mr. Chairman, I think that the amendment has been explained quite adequately by the gentleman from Indiana, and right now in the bill there is, as I said a little earlier, preference points up to 35 points based on economic impact, 33 points based on project merit, 2 points if the city has not had a grant approval within the last 2 years, 1 if it has not had one within the last 12 months.

That is language that is in the bill. The gentleman's amendment would add 1 additional preference point, which is not very much of a preference point in the overall, and for that reason I think that he is not asking for very much, and it would be beneficial, and if we have an old building that has not been used for 20 years and it can be benefited through rehabilitation from a UDAG agent, then I think that this is a good amendment.

Mr. RIDGE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the amendment. I would like to congratulate my distinguished colleague, the gentleman from Indiana [Mr. HILER], on his amendment to encourage the use of urban development action grants for the renovation or removal of large, vacant buildings, quite frankly I cannot understand the objection or the hyperbole used in trying to defeat the amendment. I just do not understand the objection to adding 2 points to a 107 rating system when the preference points involve very specific criteria.

The first criteria requires that the building be of a certain size, have been vacant for a certain period of time. Most probably these buildings or plants are in the middle of urban areas. They may be too expensive to tear down or may even be too valuable to tear down. In either event, the community may want to do something with them and cannot, and may look to the Urban Development Action Grant Program to improve their condition. For that they get 1 preference point.

The second point that would be added to the formula is simply a very good incentive, albeit a very small incentive, but a very good incentive: 1 preference point is provided if a State has a program to deal with these old buildings. We presently have a system that is based on 107 points, and I know that there is some objection to dealing with formulae on the floor. Nonetheless. The gentleman specifically identifies how and when and where 2 additional points will be added to the formula. We hear all this rhetoric about somehow it is just not workable, that it is so difficult and confusing to change formulae on the floor. Frankly some Members just do not want to change it on the floor. There are 107 points. We want to take it to 109 and weight it accordingly.

Mr. Chairman, I commend the gentleman for his amendment.

Mr. VENTO. Mr. Chairman, will the gentleman yield?

Mr. RIDGE. I yield to the gentleman from Minnesota.

Mr. VENTO. I thank the gentleman for yielding.

Mr. Chairman, the reason that there is concern about it is that the gentleman acts as if the 2 points do not mean anything. The fact is that most of the projects that are successful are successful on the basis of 1½ or 2 points' difference. In other words, that is the difference between receiving the grant and not. So what the gentleman is absolutely doing is, after all the criteria are gone through, he is going to turn it upside down based on the additional 2 points, which is of course the maximum that we are talking about. Maybe it would just be 1 point. But the competition is so keen in these cases that these 2 points would simply skew the entire results of both pots.

Now of course in the 107, the other one, where there is merit, that would especially of course skew it in this direction. So since we are awarding these on the basis of a half a point, 1 point, or 2 points, it absolutely would change the entire awarding under this.

In other words, all of a sudden we would have a new impetus, and the impetus would be only to go out and use these types of buildings with UDAG. Almost all of the funds would solely go, at least in the initial rounds, in this type of direction.

□ 1230

I mean to portray this as only being a minor change in the formula begs the question. In other words, the formula, I do not care if there are 300 points.

The awards are based on the difference of 1, 1½, and 2 points. This completely skews the results of who will receive the UDAG's. Maybe you understand that.

Mr. RIDGE. I appreciate that. My knowledge with the Urban Development Action Grant Program is somewhat different.

We have several grants that have been very effectively utilized in northwestern Pennsylvania. A series of them has been very effective and useful in helping to renovate an entire urban community in Erie, PA.

They have been the catalyst.

My experience working with the UDAG people does not corroborate the gentleman's conclusion that 1 or 2 points makes a significant difference in awarding of grants. That is not normally the experience as I understand the facts.

When they rate those UDAG programs, and there are small and large cities rounds, the difference between those that win and those that fail to get UDAG grants is a point, rarely a point and a half.

I am saying to the gentleman, your experience is different than mine. These two additional preference points may affect a couple, but not very many applications.

The second point is a good incentive to get the States more involved as well.

Mr. VENTO. Mr. Chairman, we have the housing and urban development. It does affect it. That is what the information is that I have.

Mr. TRAFICANT. Mr. Chairman, will the gentleman yield?

Mr. RIDGE. Mr. Chairman, I yield to the gentleman from Ohio.

Mr. TRAFICANT. Mr. Chairman, I thank the gentleman for yielding.

Probably few Members in the House have done a better job in utilizing the opportunities that UDAG has afforded than the gentleman from Pennsylvania [Mr. Ridge].

The CHAIRMAN. The time of the gentleman from Pennsylvania [Mr. Ridge] has expired.

(On request of Mr. Traficant and by unanimous consent, Mr. Ridge was allowed to proceed for 2 additional minutes.)

Mr. TRAFICANT. Mr. Chairman, will the gentleman yield further?

Mr. RIDGE. Mr. Chairman, I yield to the gentleman from Ohio.

Mr. TRAFICANT. Mr. Chairman, I thank the gentleman for yielding.

That, I mean sincerely. The gentleman has brought a focus that has been helpful in the whole region over there. This specific amendment does not provide any opportunities for the raising of these dilapidated facilities.

These are for renovation, construction of only new.

To put an emphasis on that, and I had an amendment in earlier that would give the greater weight of advantage for chronic unemployment over a long period of time.

The committee has done an exhaustive study and given me their word that they would continue to work toward those types of programs within UDAG.

I appreciate this amendment, and there has to be some money available in the future for the taking down of some eyesores, but at this particular point, it does not have any money in it for that, and that is the concern I have.

Mr. HILER. Mr. Chairman, will the gentleman yield?

Mr. RIDGE. Mr. Chairman, I yield to the gentleman from Indiana.

Mr. HILER. Mr. Chairman, I thank the gentleman for yielding.

To clarify for the gentleman, my amendment does that. It could either be the reuse or renovation of the building or the land upon which the building is located. In some cases, the building has to be torn down.

I know of cases where a building that would cost $1 million, on a 5-acre site, would cost $1 million to tear it down, $200,000 an acre just in preparing the land, getting the old building off, so this amendment addresses that kind of situation.

Mr. TRAFICANT. Mr. Chairman, will the gentleman yield?

Mr. RIDGE. Mr. Chairman, I yield to the gentleman from Ohio.

Mr. TRAFICANT. Mr. Chairman, I thank the gentleman for yielding.

If we are going to direct ourselves in looking at the wisdom of the committee, handling the formula here, there would be other priorities greater than this, if we look at the formula.

This is a fair and equitable decision. I am going to stand with the committee on this. Hopefully, the committee will consider what the outcome will be in the future.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Indiana [Mr. Hiler].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. HILER. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 163, noes 245, not voting 25, as follows:

[Roll No. 175]

AYES—163

Archer
Armey
Badham
Baker
Ballenger
Bartlett
Barton
Bateman
Bennett
Bilirakis
Bliley
Boulter
Broomfield
Brown (CO)
Buechner
Bunning
Burton
Callahan
Carper
Chandler
Cheney
Clinger
Coats
Coble
Coughlin
Crane
Dannemeyer
Daub
Davis (IL)
DeFazio
DeLay
DeWine
Dickinson
DioGuardi
Dornan (CA)
Dreier

Duncan
Edwards (OK)
Emerson
Fawell
Fields
Gallegly
Gallo
Gilman
Gingrich
Goodling
Gradison
Grandy
Gregg
Gunderson
Hammerschmidt
Hansen
Hastert
Hayes (LA)
Hefley
Henry
Herger
Hiler
Hopkins
Horton
Houghton
Hunter
Hyde
Inhofe
Ireland
Jacobs
Johnson (CT)
Kasich
Kemp
Konnyu
Kostmayer
Lagomarsino
Latta
Leach (IA)
Lent
Lewis (CA)
Lewis (FL)
Lightfoot
Lipinski
Livingston
Lott
Lowery (CA)
Lukens, Donald
Lungren
Mack
Marlenee
Martin (IL)
Martin (NY)
McCollum
McDade
McEwen
McGrath
McMillan (NC)
Michel
Miller (OH)
Miller (WA)
Molinari
Moorhead
Morrison (WA)
Murphy
Myers
Oxley
Packard
Parris
Penny
Petri
Porter
Pursell
Quillen
Ravenel
Regula
Rhodes
Ridge
Ritter
Roberts
Robinson
Rogers
Roukema
Rowland (CT)
Saiki
Saxton
Schaefer
Schuette
Schulze
Sensenbrenner
Sharp
Shaw
Shumway
Shuster
Skeen
Slattery
Slaughter (VA)
Smith (NE)
Smith (NJ)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Snowe
Solomon
Spence
Spratt
Stump
Sundquist
Sweeney
Swindall
Tauke
Taylor
Thomas (CA)
Upton
Vander Jagt
Visclosky
Vucanovich
Walgren
Walker
Weber
Weldon
Whittaker
Wolf
Wortley
Wylie
Yatron
Young (FL)

NOES—245

Ackerman
Akaka
Alexander
Anderson
Andrews
Annunzio
Anthony
Applegate
Aspin
Atkins
AuCoin
Barnard
Bates
Beilenson
Bereuter
Berman
Bevill
Biaggi
Bilbray
Boehlert
Boggs
Boland
Bonker
Borski
Bosco
Boucher
Boxer
Brennan
Brooks
Bruce
Bryant
Bustamante
Byron
Campbell
Cardin
Carr
Chapman
Chappell
Clarke
Clay
Coelho
Coleman (MO)
Coleman (TX)
Collins
Combest
Conte
Conyers
Cooper
Coyne
Craig
Crockett
Daniel
Darden
de la Garza
Dellums
Derrick
Dicks
Dingell
Dixon
Donnelly
Dorgan (ND)
Dowdy
Downey
Durbin
Dwyer
Dymally
Dyson
Early
Eckart
Edwards (CA)
English
Erdreich
Espy
Evans
Fascell
Fazio
Feighan
Flake
Flippo
Florio
Foglietta
Foley
Ford (TN)
Frank
Garcia
Gejdenson
Gekas
Gibbons
Glickman
Gonzalez
Gordon
Grant
Gray (IL)
Green
Guarini
Hall (OH)
Hall (TX)
Hamilton
Harris
Hatcher
Hawkins
Hayes (IL)
Hefner
Hertel
Hochbrueckner
Howard
Hoyer
Hubbard
Huckaby
Hughes
Hutto
Jenkins
Johnson (SD)
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kastenmeier
Kennedy
Kennelly
Kildee
Kolbe
Kolter
Kyl
LaFalce
Lancaster
Lantos
Leath (TX)
Lehman (CA)
Lehman (FL)
Leland
Levin (MI)
Levine (CA)
Lewis (GA)
Lloyd
Lowry (WA)
Luken, Thomas
MacKay
Manton
Markey
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCurdy
McHugh
McMillen (MD)
Meyers
Mfume
Mica
Miller (CA)
Mineta
Moakley
Mollohan
Montgomery
Moody
Morella
Morrison (CT)
Mrazek
Murtha
Nagle
Natcher
Neal
Nelson
Nichols
Nielson
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens (NY)
Owens (UT)
Panetta
Patterson
Pease
Pelosi
Perkins
Pickett
Pickle
Price (IL)
Price (NC)
Rahall
Rangel
Richardson
Rinaldo
Rodino
Roe
Roemer
Rose
Rostenkowski
Roth
Rowland (GA)
Roybal
Russo
Sabo
Savage
Sawyer
Scheuer
Schneider
Schroeder
Schumer
Sikorski
Sisisky
Skaggs
Skelton
Slaughter (NY)
Smith (FL)
Smith (IA)
Solarz
St Germain
Staggers
Stallings
Stark
Stenholm
Stokes
Stratton
Studds
Swift
Synar
Tallon
Thomas (GA)
Torricelli
Towns
Traficant
Traxler
Udall
Valentine
Vento
Volkmer
Watkins
Waxman
Weiss
Wheat
Whitten
Williams
Wilson
Wise
Wolpe
Wyden
Yates
Young (AK)

NOT VOTING—25

Bentley
Boner (TN)
Bonior (MI)
Brown (CA)
Courter
Davis (MI)
Fish
Ford (MI)
Frenzel
Frost
Gaydos
Gephardt
Gray (PA)
Holloway
Jeffords
Kleczka
Lujan
Madigan
McCandless
Pashayan
Pepper
Ray
Stangeland
Tauzin
Torres

□ 1245

Mr. NIELSON of Utah and Miss SCHNEIDER changed their votes from "aye" to "no."

Mr. HORTON changed his vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mr. PEPPER. Mr. Chairman, I was at a meeting in the Cannon Building and missed the last vote which terminated just as I reached the Chamber. Had I been present I would have voted "no."

Mr. BEREUTER. Mr. Chairman I move to strike the last word.

Mr. Chairman, I wish to address a few remarks to section 402 and then to engage in a colloquy with the chairman of the subcommittee, the distinguished gentleman from Texas [Mr. GONZALEZ].

Section 402 would increase from 51 to 75 percent the amount of Community Development Block Grant money that must be spent to benefit low- and moderate-income families. That seems good. Yet one needs to look at the fact that low- and moderate-income family really means, according to the definition, lower income families. That would be those whose incomes do not exceed 80 percent of the median income of an area.

So what we are doing is saying that 75 percent of the CDBG money must be spent for those types of families. I would have perferred that this section, this change would have received more attention because I am not absolutely sure of the consequences for most of the states in the distribution of the CDBG money or the entitlement cities. I also hope that there is a way HUD may use a national aggregate figure in weighing whether or not in fact the 75-percent threshold is met. But I do have some remarks to the chairman for clarification on the language that is in the bill. I would like to say to the distinguished chairman that I would like to clarify the section of the bill that would increase from 51 to 75 percent the amount of development block grant funds that must be spent to benefit low- or moderate-income families. I understand the 75-percent requirement does not apply to the individual activities or communities. I understand the 75-percent requirement does not apply to individual activities or communities but applies to the aggregate total received by each State or by each entitlement community. I will ask the chairman if that is a correct understanding that I have.

Mr. GONZALEZ. Mr. Chairman, will the gentleman yield?

Mr. BEREUTER. I yield to the chairman.

Mr. GONZALEZ. I thank the gentleman for yielding.

The gentleman is correct. It applies to the aggregate, not the individual.

Mr. BEREUTER. I thank the chairman. Beyond that is it also correct to say that this 75-percent requirement will apply to the average spent over a 1-, 2-, or 3-year period, whatever period the grantee state or entitlement community selects for planning purposes?

Mr. GONZALEZ. That is correct, the interpretation of the gentleman is absolutely correct.

Mr. BEREUTER. I thank the chairman for that clarification. I think that clarification will provide some assurances to the states that have expressed concern about the distribution of the CDBG money to small communities.

Mr. GONZALEZ. Mr. Chairman we are the ones who are grateful to the gentleman from Nebraska who, incidentally, is a very hard working, very effective worker on the subcommittee on housing. This helps us because it gives us legislative language in clarifying what the committee has intended.

Mr. BEREUTER. I thank the chairman for his kind comments and for his help in clarifying this.

Mr. Chairman, I yield back the balance of my time.

MODIFICATION OF AMENDMENT OFFERED BY MR. DREIER OF CALIFORNIA

Mr. DREIER of California. Mr. Chairman, I ask unanimous consent to reconsider and modify an amendment which I offered yesterday to title IV regarding citizen participation.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

The CHAIRMAN. The Clerk will report the modification.

The Clerk read as follows:

Modification of amendment offered by Mr. DREIER of California: On page 2, line 17 strike "involvement" and insert "participation in an advisory role,".

Page 2, line 24, strike "and statements of views".

Page 3, line 8 strike "the answering of" and insert "a response to".

Mr. DREIER of California (during the reading). Mr. Chairman, I ask unanimous consent that the modification be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

The text of the amendment, as modified, is as follows:

Amendment offered by Mr. DREIER of California, as modified: Strike section 410 and insert the following:

SEC. 410. CITIZEN PARTICIPATION PLAN.

Section 104 of the Housing and Community Development Act of 1974 is amended—

(1) by redesignating subsections (e) through (k) (as so redesignated by section 409 of this Act) as subsections (f) through (l), respectively; and

(2) by inserting after subsection (d) (as added by section 509 of this Act) the following new subsection:

"(e)(1) Any grant under section 106 shall be made only if the grantee certifies that it is following a detailed citizen participation plan. The citizen participation plan shall—

"(A) provide for and encourage citizen participation, with particular emphasis on persons of low and moderate income who are residents of slum and blight areas, and in areas where section 106 funds are proposed, provided that grantees described in section 106(a) shall provide for participation of residents in low and moderate income neighborhoods as defined by the local jurisdiction;

"(B) provide citizens with reasonable and timely access to local meetings, information, and records relating to the proposed and actual use of funds under this title;

"(C) provide for continuity of citizen participation in an advisory role, in all stages of the community development program of the grantee, including all plans and strategies required under this title, the development, implementation, and evaluation of programmatic activities;

"(D) provide for technical assistance to groups that are representative of persons of low and moderate income and are seeking to develop proposals;

"(E) provide for public hearings to obtain citizen views and to respond to proposals and questions at all stages of the community development program, including at least the development of needs, the review of proposed activities, and review of program performance, which hearings shall be held after adequate notice, at times and locations convenient to potential or actual beneficiaries, and with accommodation for the handicapped;

"(F) provide for a response to complaints and grievances in writing within 15 working days of receipt; and

"(G) identify how the needs of non-English speaking residents shall be accommodated for the public hearings when a significant number of non-English speaking residents can be reasonably expected to participate.

"(2) No provision of this subsection may be construed to restrict the responsibility or authority of the grantee for the development and execution of its community development program.".

Mr. DREIER of California. Mr. Chairman, this is a very minor modification which deals with citizen participation to which I referred yesterday. There is a very small problem with the wording that deals with bringing citizens in different communities into the process and I believe that the wording which we have in the modification does provide, Mr. Chairman, a degree of benefit to both the community and to the citizens in those communities who are concerned with being involved with the decisionmaking process relative to the CDBG Program.

□ 1300

I understand that there is an agreement on both sides here to this amendment, and I yield to either side if there is any Member who might have any kind of concern with the modification.

Mr. GONZALEZ. Mr. Chairman, will the gentleman yield?

Mr. DREIER of California. I am happy to yield to the distinguished chairman of the subcommittee.

Mr. GONZALEZ. Mr. Chairman, we are well aware of the ongoing discussions between the two gentlemen from California. I think one is in middle California or adjacent to the district of the gentleman from California [Mr. TORRES]. This is an improvement, and we are delighted that the gentleman is perfecting his language.

Mr. DREIER of California. Mr. Chairman, I thank the chairman of this subcommittee very much for his contribution.

The CHAIRMAN. The amendment is so modified.

AMENDMENT OFFERED BY MR. TRAFICANT

Mr. TRAFICANT. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. TRAFICANT: Page 318, after line 23, insert the following new section (and redesignate the subsequent sections, and conform the table of contents, accordintly):

SEC. 475. USE OF AMERICAN MATERIALS AND PRODUCTS FOR CONSTRUCTION AND REHABILITATION.

(a) IN GENERAL.—None of the amounts made available under this Act may be used to purchase any material or product to be used in the construction or rehabilitation of any structure unless the material or product is mined or produced in the United States.

(b) EXCEPTION.—The requirements of subsection (a) shall not apply if the material or product is not mined or produced in the United States in sufficient and reasonably available quantities and of a satisfactory quality.

Mr. TRAFICANT (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. TRAFICANT. Mr. Chairman, earlier this morning during the 1-minutes there was a Member who talked about the difference between the potential conservative opportunity system in America and a liberal welfare system in America. That Member was talking about the opportunity for individuals to work and be self-activated, make a living, take care of their families, and not rely upon the Government for a handout.

The amendment which I bring forward, known as the "buy America" amendment, addresses some issues that heretofore have not in my opinion been addressed. Very few of our committees have factored in the cost of unemployment compensation, of food stamps, of welfare, of soldiers and sailors' relief, of Aid to Dependent Children, and crime, crime that goes hand in hand with communities suffering tremendous unemployment.

The "buy America" amendment simply says that any HUD construction or rehabilitation must use products mined or materials made in the United States. Now, it does have a provision that states that if any of these products mined or produced are not in sufficient or reasonably available quantities or qualities, then HUD need not comply.

Specifically, before moving the question, let me say that 2 years ago the housing authority in my community, in a housing project, bought radiators and hot water heating systems from Sweden. Further, they bought the pipe from West Germany, and while they were doing that, Mr. Chairman, a pipe mill owned by LTV was shutting down less than 2 miles away.

I believe this is an amendment whose time is long overdue. The House has seen fit to approve this type of legislation in other bills. It deals only with HUD construction or rehabilitation money. I am glad to have the support of the chairman of the subcommittee.

With that, Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio [Mr. TRAFICANT].

The amendment was agreed to.

Mr. HILER. Mr. Chairman, I move to strike the last word.

Mr. Chairman, during the Housing Subcommittee's markup of H.R. 4, I offered an amendment to delete language that would increase the energy standards manufactured homes already meet. While it passed in subcommittee, an amendment was offered at full committee to restore similar language to the bill. Our efforts to defeat that amendment failed, so the housing authorization bill we consider today will raise the cost of our Nation's most affordable housing.

I have asked for time today not to offer an amendment to delete section 474 of H.R. 4, but to express my concerns again about increasing the energy requirements for homes built to HUD's manufactured housing construction and safety standards.

I do this because our debate today reveals that all of us are concerned about the availability of affordable housing for our constituents. The average cost of a site-built home now exceeds $100,000, while the typical single-section manufactured home costs an average of $17,800 and the typical multisection manufactured home costs only $30,000. If our intention here is to help, not hurt, the home buyer, then we must be sensitive to preserving the stock and cost of homes that most Americans can afford.

One way of doing this is preserving the national, pre-emptive energy standards HUD's manufactured housing construction code offers. Because the cost of manufactured home reflects the efficiencies of factory construction and mass distribution, a pre-emptive energy standard is essential. HUD's plan to deregulate these energy standards—and I am great supporter of deregulation—is ill-conceived and harmful to consumers. To the extent that H.R. 4 preserves the pre-emptive nature of the energy standards, there is some good in it.

But in our efforts to protect and help consumers this way, we must also realize that increasing the energy standards already in existence may end up hurting those we are trying hardest to help. Yes, we must be concerned about monthly utility costs, but increasing the energy standards in the wrong way may raise the monthly mortgage payments and down payment requirements to the point where utility costs will be irrelevant—low-income families most in need of this type of housing won't be able to afford it anyway.

The report accompanying H.R. 4 makes a bad situation better, and I hope that if the bill goes to conference, Members will particularly heed report language that recognizes the unique design and construction of manufactured homes and thus the need for unique approaches to measuring and achieving energy efficiency; that they will consider that what may work for site-built homes may not work for manufactured homes; and that they will again consider whether imposing increased energy standards may not be ruining a market system that already provides low income families with the most affordable housing available.

Mr. WYLIE. Mr. Chairman, I move to strike the last word.

Mr. Chairman, in anticipation of a vote here shortly, I would suggest a "no" vote on final passage.

The one point I would like to make is that this bill, H.R. 4, after the amendments of yesterday, is now about $2 billion in deficit. The bill also would probably get a veto in its present form. I have a letter here from Mr. Jim Miller, who is the Director of the Office of Management and Budget. This just arrived a little while ago, and he says:

> H.R. 4 is a budget-busting housing bill which is headed in the wrong direction with each amendment. As reported by the Banking Committee, it would now add $5.2 billion in outlays to the President's budget for fiscal year 1988. It is a costly and burdensome measure and one that I am confident will be vetoed by the President should it reach his desk.

Yesterday we offered a substitute which I thought was much preferable. It was turned down.

When the time comes, I will offer a motion to recommit with instructions. But I think that the bill in its present form is not acceptable or should not be acceptable to the House, and that it provides too much in spending. It provides too much in the way of micromanagement of housing programs, and it is not, I think, the direction in which we want to go if we are to have a good housing bill.

I believe that based on the fact that it would almost certainly be vetoed, what we ought to do is to turn the bill down now and go back to committee and find a way to write a better bill. The bill still has in it several costly and ineffective HUD programs such as HODAG. And, as I said, I think there are some ill-advised new housing programs in it such as the Nehemiah Program.

So for these reasons, Mr. Chairman, at the proper time I would urge a no vote on passage of H.R. 4.

Mr. MORRISON of Connecticut. Mr. Chairman, will the gentleman yield?

Mr. WYLIE. I yield to the gentleman from Connecticut.

Mr. MORRISON of Connecticut. Mr. Chairman, I just want to make an inquiry of the gentleman. The gentleman made some comment about this being $2 billion over budget.

This bill, when reported by the committee, was below the level of the House budget last year. I do not understand the gentleman's figures.

Mr. WYLIE. Yes. Mr. Chairman, I understand that what the gentleman is saying is that we do not have a budget at the present time. As the gentleman says, there was a budget resolution passed by the House, and there was a budget resolution by the Senate, but the differences have not been resolved. So the $5.2 billion over in outlays refers, of course, to the President's budget.

We think the President's budget is too low. The figure of $11.2 billion is probably too low, and we came up with the figure of $14.2 billion, which we think is more realistic. The $14.2 billion figure was based on fiscal year 1987 appropriations, plus a 9.1-percent decrease, which would meet the Gramm-Rudman target for balancing the budget by 1991.

We feel that there is a bigger problem out there, and that is trying to come to grips with the budget deficit. I believe we do need to meet the Gramm-Rudman target. I think we are on that path right now, and we ought to stay on it.

The substitute which we offered would do that. We think the bill which is about to be voted on, H.R. 4, would add too much to the budget and, therefore, add too much to the deficit.

Mr. MORRISON of Connecticut. Mr. Chairman, if the gentleman will yield further, the gentleman's point is the same point that he was making for his substitute, that he thinks the amount of spending ought to be the same amount reflected by the gentleman's amendment which was rejected yesterday?

The CHAIRMAN. The time of the gentleman from Ohio [Mr. WYLIE] has expired.

(On request of Mr. MORRISON of Connecticut, and by unanimous consent, Mr. WYLIE was allowed to proceed for 1 additional minute.)

Mr. MORRISON of Connecticut. Mr. Chairman, if the gentleman will yield further, do I understand correctly that the gentleman from Ohio is essentially saying that he thinks the spending level should be limited as it was in his substitute?

Mr. WYLIE. That is essentially what I am saying. I am also saying that there is too much micromanagement in this bill, and that ought to be cleared up. Maybe we can clear those points up in conference, but I think there ought to be a strong signal on the House floor here today that we do not necessarily sign off on all of these points.

The CHAIRMAN. The time of the gentleman from Ohio [Mr. WYLIE] has expired.

Mrs. ROUKEMA. Mr. Chairman, I move to strike the last word.

Mr. Chairman, this has been a long debate, and it has been quite useful, I believe. But I think we have to go back to the early hours of yesterday when we began the debate by discussing the merits of the Wylie-Roukema substitute versus H.R. 4, and I think it would do us well, before we come to this vote on H.R. 4, to review what the essential problems are that we have with H.R. 4.

Yesterday 179 Members voted for the Wylie-Roukema substitute. That was a good number, but it was not good enough. But I want to make a plea, before we have a final vote here, that perhaps some of those Members who did not vote with us will today reconsider their vote, having heard the full debate, and maybe having slept on it, they will reconsider. I think they should do that for some good reasons.

The reason we want H.R. 4 to be voted down and why we think we should have a "no" vote is because we really want a bill and not a veto. Clearly this bill is veto bait, without question.

There is another reason we should have a "no" vote today. We want a permanent FHA extension, and if this bill is vetoed, then I think there is little prospect for having that permanent extension, and we will be back to the uncertainties that we have been engaged in in the last year or so.

Those of us who voted for the Wylie-Roukema substitute want budget compliance, and we want to focus on the fact that we are about deficit reduction and we are serious about it. The deficit is now standing at about $177 billion. We have got to be serious about this deficit. That is another reason for a "no" vote.

It has already been pointed out that today, after the amendments, we are now facing a bill that hovers around $16 billion, as I understand it. So it is more money today than we were talking about yesterday in H.R. 4.

Those of us who want a no vote also believe that we should be stretching Federal dollars through a mix of section 8 certificates and vouchers, and I think this is very important. We are stressing that we should be using modernization over new construction.

We must remember that we already have 60,000 vacant units that cannot be maintained, and yet H.R. 4 would have us put more scarce resources into new building.

There is one more point that should be made, and I think it is very important. I want to point out that, even under the stringent budgetary restrictions that we have, we can nevertheless continue the 12,000 units under section 202 for elderly and handicapped.

I would suggest to the Members that a "no" vote, rather than a veto, will let us take this back to the committee where we can hammer out a compromise. I think the chairman of the subcommittee will attest to the fact that over the time of this debate we were coming very close to a compromise, a compromise that could receive bipartisan support, and one that we, including the gentleman from Ohio [Mr. Wylie] and myself, could honestly and in good faith go to the White House with and argue the case and urge the President to sign such a bill.

So I would say that we need a "no" vote. We can go back to the committee and come up with the compromise we have all been searching for and come up with a fine bill this year.

The CHAIRMAN. Are there additional amendments to title IV?

Mr. BARTLETT. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I have moved to strike the last word in order to call to the attention of the House and to detail the instructions that will be included in the motion to recommit by the ranking minority member when we do rise.

□ 1315

Mr. Chairman, the motion by the ranking member, the gentleman from Ohio [Mr. Wylie], to recommit will not be a motion to merely recommit and thus to defeat the legislation. No, it will be a motion to recommit with specific instructions that it would come back immediately in the same form that H.R. 4 is now in, with the additional amendment of what is known as the Kemp-Armey amendment on homeownership for public housing tenants; so the motion of the gentleman from Ohio will be a motion to recommit with instructions to add the Kemp-Armey language which we did not get the opportunity to vote on yesterday.

Here is the sequence of what has happened. Last year, in 1986, on June 11, the House by a vote of 238 to 176 on a rollcall vote agreed to adopt the Kemp-Armey amendment that would provide for homeownership of public housing tenants. That was a clear and resounding rollcall vote by Members of this House in which a strong majority went on record as favoring that specific legislation.

Yesterday the Kemp-Armey amendment was attempted to be added in the form of an amendment to H.R. 4 in virtually the same form, but the gentleman from Connecticut offered a substitute which in effect went back to the original H.R. 4 language, with one change, and thus the House was denied the opportunity to vote on the Kemp-Armey urban homesteading amendment.

So the motion to recommit will be a motion with instructions so that we can cast the same vote today that we cast a year ago on June 11, 1986, the motion to recommit with instructions to permit public housing tenants to buy their units.

It does contain one improvement from last year. The improvement is that the Kemp-Armey amendment this year contains a provision for the replacement of those units that are sold, but with the improvement, and I think everyone acknowledges that it is an improvement, the instructions will have the same amendment as was contained in the June 11, 1986, vote which carried this House by 238 to 176.

Mr. MORRISON of Connecticut. Mr. Chairman, will the gentleman yield?

Mr. BARTLETT. I am happy to yield to the gentleman from Connecticut.

Mr. MORRISON of Connecticut. Mr. Chairman, is the gentleman suggesting that the House did not know what it was doing yesterday when it voted in clear preference for the substitute over the amendment of the gentleman from New York? Because it seems to be the implication of the gentleman to say that it was a clear vote yesterday and I would expect the Members of the House would repeat their vote of yesterday. The gentleman implies that somehow they did not know that was the choice that was before them.

Mr. BARTLETT. Well, Mr. Chairman, I thank the gentleman for his question. I would never imply such a thing to the Members of the House.

I would suggest that yesterday the House did not get the opportunity to vote, in a very legitimate parliamentary maneuver, nothing wrong with it, but the House did not get the opportunity to vote up or down on the Kemp-Armey urban homesteading amendment.

I think the House through this procedure has the right to vote just as they did last year; so by the motion to recommit with instructions, the House will have the opportunity to cast that vote which was denied to them yesterday by the substitute of the gentleman from Connecticut. It will be the same vote as 1 year ago, the same amendment, with one improvement to provide for replacement housing, but it is the same vote. If you voted Kemp-Armey last year, you ought to vote for Kemp-Armey today.

The CHAIRMAN. Are there additional amendments to title IV?

If not, the Clerk will designate title V.

The text of title V is as follows:

TITLE V—NEHEMIAH HOUSING OPPORTUNITY GRANTS

SEC. 501. STATEMENT OF PURPOSE.

It is the purpose of this title—

(1) to encourage homeownership by families in the United States who are not otherwise able to afford homeownership;

(2) to undertake a concentrated effort to rebuild the depressed areas of the cities of the United States and to create sound and attractive neighborhoods; and

(3) to increase the employment of neighborhood residents.

SEC. 502. DEFINITIONS.

For purposes of this title:

(1) The term "Fund" means the Nehemiah Housing Opportunity Fund established in section 509(a).

(2) The term "home" means any 1- to 4-family dwelling. Such term includes any dwelling unit in a condominium project or cooperative project consisting of not more than 4 dwelling units, any town house, and any manufactured home.

(3) The term "lower income families" has the meaning given such term in section 3(b)(2) of the United States Housing Act of 1937.

(4) The term "metropolitan statistical area" means a metropolitan statistical area as established by the Office of Management and Budget.

(5) The term "nonprofit organization" means a private nonprofit corporation, or other private nonprofit legal entity, that is approved by the Secretary as to financial responsibility.

(6) The term "Secretary" means the Secretary of Housing and Urban Development.

(7) The term "State" means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Northern Mariana Islands, the Trust Territory of the Pacific Islands, and any other territory or possession of the United States.

(8) The term "substantial rehabilitation" means—

(A) rehabilitation involving costs in excess of 60 percent of the maximum sale price of a home assisted under this title in the market area in which it is located; or

(B) the rehabilitation of a vacant, uninhabitable structure.

(9) The term "unit of general local government" means any borough, city, county, parish, town, township, village, or other general purpose political subdivision of a State.

SEC. 503. ASSISTANCE TO NONPROFIT ORGANIZATIONS.

(a) IN GENERAL.—The Secretary may provide assistance to nonprofit organizations to carry out Nehemiah housing opportunity programs in accordance with the provisions of this title. Such assistance shall be made in the form of grants.

(b) APPLICATIONS.—Applications for assistance under this title shall be made in such form, and in accordance with such procedures, as the Secretary may prescribe.

SEC. 504. USE OF ASSISTANCE.

(a) IN GENERAL.—Any nonprofit organization receiving assistance under this title shall use such assistance to provide loans to families purchasing homes constructed or substantially rehabilitated in accordance with a Nehemiah housing opportunity program approved under this title.

(b) SPECIFIC REQUIREMENTS.—Each loan made to a family under this section shall—

(1) be secured by a second mortgage held by the Secretary on the property involved;

(2) be in an amount not exceeding $15,000;

(3) bear no interest; and

(4) be repayable to the Secretary upon the sale, lease, or other transfer of such property.

SEC. 505. PROGRAM REQUIREMENTS.

(a) IN GENERAL.—Assistance provided under this title may be used only in connection with a Nehemiah housing opportunity program of construction or substantial rehabilitation of homes.

(b) FAMILY NEED.—Each family purchasing a home under this title shall—

(1) have a family income on the date of such purchase that is not more than whichever of the following is higher:

(A) 115 percent of the median income for a family of 4 persons in the metropolitan statistical area involved; or

(B) the national median income for a family of 4 persons; and

(2) not have owned a home during the 3-year period preceding such purchase.

(c) DOWNPAYMENT.—

(1) Each family purchasing a home under this title shall make a downpayment of not less than 5 percent of the sale price of such home, or of such greater amount determined by the nonprofit organization involved to be appropriate.

(2) Any downpayment made under this subsection shall accrue interest from the date on which such downpayment is made through the date of settlement, at a rate not less than the passbook rate. Such interest shall be paid by the nonprofit organization involved to the family purchasing the home for which such downpayment was made.

(d) LEASING PROHIBITION.—No family purchasing a home under this title may lease such home.

SEC. 506. TERMS AND CONDITIONS OF ASSISTANCE.

(a) LOCAL CONSULTATION.—No proposed Nehemiah housing opportunity program may be approved by the Secretary under this title unless the nonprofit organization involved demonstrates to the satisfaction of the Secretary that—

(1) it has consulted with and received the support of residents of the neighborhood in which such program is to be located; and

(2) it has the approval of each unit of general local government in which such program is to be located.

(b) PROGRAM SCHEDULE.—Each nonprofit organization applying for assistance under this title shall submit to the Secretary an estimated schedule for completion of its proposed Nehemiah housing opportunity program, which schedule shall have been agreed to by each unit of general local government in which such program is to be located.

(c) MINIMUM PARTICIPATION.—No nonprofit organization receiving assistance under this title may commence any construction or substantial rehabilitation (except with respect to homes to be constructed or substantially rehabilitated for the purpose of display) until not less than 25 percent of the homes to be constructed or substantially rehabilitated are contracted for sale to purchasers who intend to live in such homes and the required downpayments are made.

(d) FINANCIAL FEASIBILITY.—The Secretary may not provide any assistance under this title to any nonprofit organization unless such nonprofit organization demonstrates the financial feasibility of its proposed Nehemiah housing opportunity program, including the availability of non-Federal public and private funds.

(e) HOME QUALITY AND LOCATION.—A Nehemiah housing opportunity program may be approved under this title only if it provides that—

(1) the number of homes to be constructed or substantially rehabilitated under such program will not be less than whichever of the following is less:

(A) the greater of (i) 50 homes; or (ii) 0.25 percent of the number of existing dwelling units in the unit of general local government that provides the most assistance to such program; or

(B) 250 homes;

except that the Secretary may waive the requirements of this paragraph for particular areas of a State if the Governor of the State requests such waiver and certifies with supporting documentation that such requirements will prevent the State from being able to use such program effectively;

(2) each home constructed or substantially rehabilitated under such program will comply with—

(A)(i) applicable local building code standards; or

(ii) in any case in which there is not an applicable local building code, a nationally recognized model building code mutually agreed upon by the sponsoring nonprofit organization and the Secretary; and

(B) the energy performance requirements established under section 526 of the National Housing Act;

(3) all homes constructed or substantially rehabilitated under such program will be located in census tracts, or identifiable neighborhoods within census tracts, in which the median family income is not more than 80 percent of the median family income of the area in which such program is to be located, as such median family income and area are determined for purposes of assistance under section 8 of the United States Housing Act of 1937;

(4) all homes constructed or substantially rehabilitated under such program will be concentrated in a single neighborhood and located on contiguous parcels of land, except that if the unit of general local government in which the project is located certifies that such land cannot be made available for a program of the size required by paragraph (1), homes may be constructed in up to 4 identifiable neighborhoods; and

(5) sales contracts entered into under such program will contain provisions requiring repayment of any loan made under this title upon the sale or other transfer of the home involved, unless the Secretary approves a transfer of such home without repayment (in which case the second mortgage held by the Secretary on such home shall remain in force until such loan is fully repaid).

(f) PRIORITY FOR RESIDENTS OF FEDERALLY ASSISTED HOUSING.—

(1) A Nehemiah housing opportunity program may be approved by the Secretary only if it provides that—

(A) the sponsor will give priority in selecting program participants to households residing in housing assisted under the United States Housing Act of 1937, or in housing assisted under comparable State and local programs serving low-income households; and

(B) the sponsor has developed an affirmative marketing plan, which plan shall include—

(i) a description of how such priority will be carried out, including (but not limited to) joint marketing efforts with local public housing agencies, units of general local government, and organizations representing tenants in housing assisted under the programs specified in subparagraph (A); and

(ii) an affirmative marketing goal specifying the estimate of the sponsor of how many program participants residing in housing described in subparagraph (A) it anticipates will be placed in housing assisted under this program.

(2) The Secretary shall not approve any application for assistance for Nehemiah housing opportunity grants unless the application includes a copy of the affirmative marketing plan described in paragraph (1)(B) and a certification by the applicant agency that it will conform with the requirements of paragraph (1)(A).

SEC. 507. PROGRAM SELECTION CRITERIA.

(a) IN GENERAL.—In selecting Nehemiah housing opportunity programs for assistance under this title from among eligible programs, the Secretary shall make such selection on the basis of the extent to which—

(1) non-Federal public or private entities will contribute land necessary to make each program feasible;

(2) non-Federal public and private financial or other contributions (including tax abatements, waivers of fees related to development, waivers of construction, development, or zoning requirements, and direct financial contributions) will reduce the cost of homes constructed or substantially rehabilitated under each program;

(3) each program will produce the greatest number of units for the least amount of assistance provided under this title, taking into consideration the cost differences among different market areas;

(4) each program is located in a neighborhood of severe physical and economic blight (and, in determining the degree of physical blight, the Secretary shall consider the condition of the housing, other buildings, and infrastructure, in the neighborhood of the proposed program);

(5) each program uses construction methods that will reduce the cost per square foot below the average construction cost in the market area involved; and

(6) each program provides for the involvement of local residents in the planning, and construction or substantial rehabilitation, of homes.

(b) EXCEPTION.—To the extent that non-Federal public entities are prohibited by the law of any State from making any form of contribution described in paragraph (1) or (2) of subsection (a), the Secretary shall not consider such form of contribution in evaluating such program.

SEC. 508. DISTRIBUTION OF ASSISTANCE TO NONPROFIT ORGANIZATIONS.

(a) RESERVATION OF AMOUNTS.—Following the selection of any Nehemiah housing opportunity program for assistance under this title, the Secretary shall reserve sufficient amounts in the Nehemiah Housing Opportunity Fund for such assistance.

(b) DISTRIBUTION OF ASSISTANCE.—Following the sale of any home constructed or substantially rehabilitated under a Nehemiah housing opportunity program selected for assistance under this title, the Secretary shall provide to the sponsoring nonprofit organization an amount equal to the amount of the loan made to the family purchasing such home. Such amount shall be provided not more than 30 days after the sale of such home.

(c) MAXIMUM ASSISTANCE.—The assistance provided to any nonprofit organization under this title may not exceed $15,000 per home.

SEC. 509. NEHEMIAH HOUSING OPPORTUNITY FUND.

(a) ESTABLISHMENT.—There is established in the Treasury of the United States a revolving fund, to be known as the Nehemiah Housing Opportunity Fund. The Fund shall be available to the Secretary, to the extent approved in appropriation Acts, for purposes of providing assistance under section 503.

(b) ASSETS.—The Fund shall consist of—

(1) any amount appropriated under section 512;

(2) any amount received by the Secretary under section 504(b)(4); and

(3) any amount received by the Secretary under subsection (c).

(c) ADMINISTRATION.—Any amount in the Fund determined by the Secretary to be in excess of the amount currently required to carry out the provisions of this title shall be invested by the Secretary in obligations of, or obligations guaranteed as to both principal and interest by, the United States or any agency of the United States.

SEC. 510. ANNUAL REPORT.

The Secretary shall annually prepare and submit to the Congress a comprehensive report setting forth the activities carried out under this title. Such report shall include—

(1) an analysis of the characteristics of the families assisted under this title during the preceding year, including family size, number of children, family income, sources of family income, race, age, and sex;

(2) an analysis of the market value of homes purchased under this title during the preceding year;

(3) an analysis of the non-Federal public and private financial or other contributions made during the preceding year to reduce the cost of homes constructed or substantially rehabilitated under each program;

(4) an analysis of the sales prices of homes under this title during the preceding year;

(5) an analysis of the amounts of the grants made to programs under this title during the preceding year; and

(6) any recommendations of the Secretary for modifications in the program established by this title in order to ensure the effective implementation of such program.

SEC. 511. REGULATIONS.

The Secretary shall issue such regulations as may be necessary to carry out the provisions of this title. Any such regulations shall be issued in accordance with section 553 of title 5, United States Code, notwithstanding the provisions of subsection (a)(2) of such section.

SEC. 512. AUTHORIZATION OF APPROPRIATIONS.

There is authorized to be appropriated to carry out this title $100,000,000 for fiscal year 1988. Any amount appropriated under this section shall be deposited in the Nehemiah Housing Opportunity Fund, and shall remain available until expended.

The CHAIRMAN. Are there amendments to title V?

If not, the Clerk will designate title VI.

The text of title VI is as follows:

TITLE VI—ENTERPRISE ZONE DEVELOPMENT

SEC. 601. DESIGNATION OF ENTERPRISE ZONES.

(a) DESIGNATION OF ZONES.—

(1) DEFINITION.—For purposes of this section, the term "enterprise zone" means any area that—

(A) is nominated by one or more local governments and the State or States in which it is located for designation as an enterprise zone (in this section referred to as a "nominated area"); and

(B) the Secretary of Housing and Urban Development designates as an enterprise zone, after consultation with—

(i) the Secretaries of Agriculture, Commerce, Labor, and the Treasury, the Director of the Office of Management and Budget, and the Administrator of the Small Business Administration; and

(ii) in the case of an area on an Indian reservation, the Secretary of the Interior.

(2) NUMBER OF DESIGNATIONS.—

(A) IN GENERAL.—The Secretary of Housing and Urban Development may designate not more than 100 nominated areas as enterprise zones.

(B) MINIMUM DESIGNATION IN RURAL AREAS.—Of the areas designated under clause (i), not less than ⅓ shall be areas that—

(i) are within a local government jurisdiction or jurisdictions with a population of less than 50,000 (as determined under the most recent census data available);

(ii) are outside of a metropolitan statistical area (as designated by the Director of the Office of Management and Budget); or

(iii) that are determined by the Secretary, after consultation with the Secretary of Commerce, to be rural areas.

(3) AREAS DESIGNATED BASED SOLELY ON DEGREE OF POVERTY.—

(A) IN GENERAL.—Except as provided in subparagraph (B), the Secretary shall designate the nominated areas with the highest average ranking with respect to the criteria set forth in subparagraphs (C), (D), and (E) of subsection (c)(3). For purposes of the preceding sentence, an area shall be ranked within each such criterion on the basis of the amount by which the area exceeds such criterion, with the area that exceeds such criterion by the greatest amount given the highest ranking.

(B) EXCEPTION WHERE INADEQUATE COURSE OF ACTION, ETC.—An area shall not be designated under subparagraph (A) if the Secretary determines that the course of action with respect to such area is inadequate.

(C) SEPARATE APPLICATION TO RURAL AND OTHER AREAS.—Subparagraph (A) shall be applied separately with respect to areas described in paragraph (2)(B) and to other areas.

(4) LIMITATION ON DESIGNATIONS.—

(A) PUBLICATION OF REGULATIONS.—Before designating any area as an enterprise zone, the Secretary shall prescribe by regulation not later than 4 months following the date of the enactment of this Act, after consultation with the officials described in paragraph (1)(B)—

(i) the procedures for nominating an area under paragraph (1)(A);

(ii) the parameters relating to the size and population characteristics of an enterprise zone; and

(iii) the manner in which nominated areas will be evaluated based on the criteria specified in subsection (d).

(B) TIME LIMITATIONS.—The Secretary shall designate nominated areas as enterprise zones only during the 24-month period beginning on the later of—

(i) the 1st day of the 1st month following the month in which the effective date of the regulations described in subparagraph (A) occurs; or

(ii) July 1, 1987.

(C) PROCEDURAL RULES.—The Secretary shall not make any designation under paragraph (1) unless—

(i) the local governments and the State in which the nominated area is located have the authority—

(I) to nominate such area for designation as an enterprise zone;

(II) to make the State and local commitments under subsection (d); and

(III) to provide assurances satisfactory to the Secretary that such commitments will be fulfilled;

(ii) a nomination therefor is submitted in such a manner and in such form, and contains such information, as the Secretary shall by regulation prescribe;

(iii) the Secretary determines that any information furnished is reasonably accurate; and

(iv) the State and local governments certify that no portion of the area nominated is already included in an enterprise zone or in an area otherwise nominated to be an enterprise zone.

(5) NOMINATION PROCESS FOR INDIAN RESERVATIONS.—In the case of a nominated area on an Indian reservation, the reservation governing body (as determined by the Secretary of the Interior) shall be deemed to be both the State and local governments with respect to such area.

(b) PERIOD FOR WHICH DESIGNATION IS IN EFFECT.—

(1) IN GENERAL.—Any designation of an area as an enterprise zone shall remain in effect during the period beginning on the date of the designation and ending on the earliest of—

(A) December 31 of the 24th calendar year following the calendar year in which such date occurs;

(B) the termination date designated by the State and local governments as provided for in their nomination pursuant to subsection (a)(4)(C)(ii); or

(C) the date the Secretary revokes such designation under paragraph (2).

(2) REVOCATION OF DESIGNATION.—The Secretary, after consultation with the officials described in subsection (a)(1)(B) and a hearing on the record involving officials of the State or local government involved, may revoke the designation of an area if the Secretary determines that the local government or the State in which it is located is not complying substantially with the State and local commitments pursuant to subsection (d).

(c) AREA AND ELIGIBILITY REQUIREMENTS.—

(1) IN GENERAL.—The Secretary may make a designation of any nominated area under subsection (a)(1) only if it meets the requirements of paragraphs (2) and (3).

(2) AREA REQUIREMENTS.—A nominated area meets the requirements of this paragraph if—

(A) the area is within the jurisdiction of the local government;

(B) the boundary of the area is continuous; and

(C) the area—

(i) has a population, as determined by the most recent census data available, of not less than—

(I) 4,000 if any portion of such area (other than a rural area described in subsection (a)(2)(B)(i)) is located within a metropolitan statistical area (as designated by the Director of the Office of Management and Budget) with a population of 50,000 or more; or

(II) 1,000 in any other case; or

(ii) is entirely within an Indian reservation (as determined by the Secretary of the Interior).

(3) ELIGIBILITY REQUIREMENTS.—For purposes of paragraph (1), a nominated area meets the requirements of this paragraph if the State and local governments in which it is located certify and the Secretary, after such review of supporting data as he deems appropriate, accepts such certification, that—

(A) the area is one of pervasive poverty, unemployment, and general distress;

(B) the area is located wholly within the jurisdiction of a local government that is eligible for Federal assistance under section 119 of the Housing and Community Development Act of 1974, as in effect on the date of the enactment of this Act;

(C) the unemployment rate, as determined by the appropriate available data, was not less than 1.5 times the national unemployment rate for that period;

(D) the poverty rate (as determined by the most recent census data available) for each populous census tract (or where not tracted, the equivalent county division as defined by the Bureau of the Census for the purpose of defining poverty areas) within the area was not less than 20 percent for the period to which such data relate; and

(E) the area meets at least one of the following criteria:

(i) Not less than 70 percent of the households living in the area have incomes below 80 percent of the median income of households of the local government (determined in the same manner as under section 119(b)(2) of the Housing and Community Development Act of 1974).

(ii) The population of the area decreased by 20 percent or more between 1970 and 1980 (as determined from the most recent census available).

(4) ELIGIBILITY REQUIREMENTS FOR RURAL AREAS.—For purposes of paragraph (1), a nominated area that is a rural area described in subsection (a)(2)(B) meets the requirements of paragraph (3) if the State and local governments in which it is located certify and the Secretary, after such review of supporting data as he deems appropriate, accepts such certification, that the area meets—

(A) the criteria set forth in subparagraphs (A) and (B) of paragraph (3); and

(B) not less than one of the criteria set forth in the other subparagraphs of paragraph (3).

(d) REQUIRED STATE AND LOCAL COMMITMENTS.—

(1) IN GENERAL.—No nominated area shall be designated as an enterprise zone unless the local government and the State in which it is located agree in writing that, during any period during which the area is an enterprise zone, such governments will follow a specified course of action designated to reduce the various burdens borne by employers or employees in such area. A course of action shall not be treated as meeting the requirements of this paragraph unless the course of action include provisions described in not less than 4 of the subparagraphs of paragraph (2).

(2) COURSE OF ACTION.—The course of action under paragraph (1) may be implemented by both such governments and private nongovernmental entities, may be funded from proceeds of any program administered by the Secretary of Housing and Urban Development or of any program administered by the Secretary of Agriculture under title V of the Housing Act of 1949, and may include, but is not limited to—

(A) a reduction of tax rates or fees applying within the enterprise zone;

(B) an increase in the level of public services, or in the efficiency of the delivery of public services, within the enterprise zone;

(C) actions to reduce, remove, simplify, or streamline paperwork requirements within the enterprise zone;

(D) involvement in the program by public authorities or private entities, organizations, neighborhood associations, and community groups, particularly those within the nominated area, including a written commitment to provide jobs and job training for, and technical, financial, or other assistance to, employers, employees, and residents of the nominated area;

(E) the giving of special preference to contractors owned and operated by members of any minority; and

(F) the gift (or sale at below fair market value) of surplus land in the enterprise zone to neighborhood organizations agreeing to operate a business on the land.

(3) RECOGNITION OF PAST EFFORTS.—In evaluating courses of action agreed to by any State or local government, the Secretary shall take into account the past efforts of such State or local government in reducing the various burdens borne by employers and employees in the area involved.

(4) PROHIBITION OF ASSISTANCE FOR BUSINESS RELOCATIONS.—

(A) IN GENERAL.—The course of action implemented under paragraph (1) may not include any action to assist—

(i) any establishment relocating from one area to another area; or

(ii) any subcontractor whose purpose is to divest, or whose economic success is dependent upon divesting, any other contractor or subcontractor of any contract customarily performed by such other contractor or subcontractor.

(B) EXCEPTION.—The limitations established in subparagraph (A) shall not be construed to prohibit assistance for the expansion of an existing business entity through the establishment of a new branch, affiliate, or subsidiary if the Secretary—

(i) finds that the establishment of the new branch, affiliate, or subsidiary will not result in an increase in unemployment in the area of original location or in any other area where the existing business entity conducts business operations; and

(ii) has no reason to believe that the new branch, affiliate, or subsidiary is being established with the intention of closing down the operations of the existing business entity in the area of its original location or in any other area where the existing business entity conducts business operations.

(e) DEFINITIONS.—For purposes of this section:

(1) GOVERNMENT.—If more than one government seeks to nominate an area as an enterprise zone, any reference to, or requirement of, this section shall apply to all such governments.

(2) LOCAL GOVERNMENT.—The term "local government" means—

(A) any county, city, town, township, parish, village, or other general purpose political subdivision of a State;

(B) any combination of political subdivisions described in subparagraph (A) recognized by the Secretary; and

(C) the District of Columbia.

(3) SECRETARY.—The term "Secretary" means the Secretary of Housing and Urban Development.

(4) STATE.—The term "State" includes Puerto Rico, the Virgin Islands, Guam, American Samoa, the Northern Mariana Islands, and any other possession of the United States.

SEC. 602. EVALUATION AND REPORTING REQUIREMENTS.

Not later than the close of the 4th calendar year after the year in which the Secretary of Housing and Urban Development first designates areas as enterprise zones, and at the close of each 4th calendar year thereafter, the Secretary shall prepare and submit to the Congress a report on the effects of such designation in accomplishing the purposes of this title.

SEC. 603. INTERACTION WITH OTHER FEDERAL PROGRAMS.

(a) COORDINATION WITH RELOCATION ASSISTANCE.—The designation of an enterprise zone under section 601 shall not—

(1) constitute approval of a Federal or federally assisted program or project (within the meaning of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 U.S.C. 4601 et seq.)); or

(2) entitle any person displaced from real property located in such zone to any rights or any benefits under such Act.

(b) ENTERPRISE ZONES TREATED AS LABOR SURPLUS AREAS.—Any area that is designated as an enterprise zone under section 601 shall be treated for all purposes under Federal law as a labor surplus area.

SEC. 604. WAIVER OR MODIFICATION OF HOUSING AND COMMUNITY DEVELOPMENT RULES IN ENTERPRISE ZONES.

(a) IN GENERAL.—Upon the written request of the governments that designated and approved an area that has been designated as an enterprise zone under section 601, the Secretary of Housing and Urban Development (or, with respect to any rule issued under title V of the Housing Act of 1949, the Secretary of Agriculture) may, in order to further the job creation, community development, or economic revitalization objectives of the zone, waive or modify all or part of any rule that the Secretary has authority to promulgate, as such rule pertains to the carrying out of projects, activities, or undertakings within the zone.

(b) LIMITATION.—No provision of this section may be construed to authorize the Secretary to waive or modify any rule adopted to carry out a statute or Executive order that prohibits, or the purpose of which is to protect persons against, discrimination on the basis of race, color, religion, sex, marital status, national origin, age, or handicap.

(c) SUBMISSION OF REQUESTS.—A request under subsection (a) shall specify the rule or rules to be waived or modified and the change proposed, and shall briefly describe why the change would promote the achievement of the job creation, community development, or economic revitalization objectives of the enterprise zone. If a request is made to the Secretary of Agriculture, the requesting governments shall send a copy of the request to the Secretary of Housing and Urban Development at the time the request is made.

(d) CONSIDERATION OF REQUESTS.—In considering a request, the Secretary shall weigh the extent to which the proposed change is likely to further job creation, community development, or economic revitalization within the enterprise zone against the effect the change is likely to have on the underlying purposes of applicable statutes in the geographic area that would be affected by the change. The Secretary shall approve the request whenever the Secretary finds, in the discretion of the Secretary, that the public interest that the proposed change would serve in furthering such job creation, community development or economic revitalization outweighs the public interest that continuation of the rule unchanged would serve in furthering such underlying purposes. The Secretary shall not approve any request to waive or modify a rule if that waiver or modification would—

(1) directly violate a statutory requirement; or

(2) be likely to present a significant risk to the public health, including environmental health or safety.

(e) NOTICE OF DISAPPROVAL.—If a request is disapproved, the Secretary shall inform the requesting governments in writing of the reasons therefor and shall, to the maximum extent possible, work with such governments to develop an alternative, consistent with the standards contained in subsection (d).

(f) PERIOD FOR DETERMINATION.—The Secretary shall discharge the responsibilities of the Secretary under this section in an expeditious manner, and shall make a determination on requests not later than 90 days after their receipt.

(g) APPLICABLE PROCEDURES.—A waiver or modification of a rule under subsection (a) shall not be considered to be a rule, rulemaking, or regulation under chapter 5 of title 5, United States Code. To facilitate reaching a decision on any requested waiver or modification, the Secretary may seek the views of interested parties and, if the views are to be sought, determine how they should be obtained and to what extent, if any, they should be taken into account in considering the request. The Secretary shall publish a notice in the Federal Register stating any waiver or modification of a rule under this section.

(h) EFFECT OF SUBSEQUENT AMENDMENT OF RULES.—In the event that the Secretary proposes to amend a rule for which a waiver or modification under this section is in effect, the Secretary shall not change the waiver or modification to impose additional requirements unless the Secretary determines, consistent with standards contained in subsection (d), that such action is necessary.

(i) EXPIRATION OF WAIVERS AND MODIFICATIONS.—No waiver or modification of a rule under this section shall remain in effect for a longer period than the period for which the enterprise zone designation remains in effect for the area in which the waiver or modification applies.

(j) DEFINITIONS.—For purposes of this section:

(1) RULE.—The term "rule" means—

(A) any rule as defined in section 551(4) of title 5, United States Code; or

(B) any rulemaking conducted on the record after opportunity for an agency hearing pursuant to sections 556 and 557 of such title 5.

(2) SECRETARY.—The term "Secretary" means the Secretary of Housing and Urban Development or, with respect to any rule issued under title V of the Housing Act of 1949, the Secretary of Agriculture.

SEC. 605. COORDINATION OF HOUSING AND URBAN DEVELOPMENT PROGRAMS IN ENTERPRISE ZONES.

Section 3 of the Department of Housing and Urban Development Act is amended by adding at the end the following new subsection:

"(d) The Secretary shall—

"(1) promote the coordination of all programs under the jurisdiction of the Secretary that are carried on within an enterprise zone designated pursuant to section 601 of the Housing, Community Development, and Homelessness Prevention Act of 1987;

"(2) expedite, to the greatest extent possible, the consideration of applications for programs referred to in paragraph (1) through the consolidation of forms or otherwise; and

"(3) provide, whenever possible, for the consolidation of periodic reports required under programs referred to in paragraph (1) into one summary report submitted at such intervals as may be designated by the Secretary.".

SEC. 606. COORDINATION WITH CDBG AND UDAG PROGRAMS.

It is the policy of the Congress that amounts provided under the community development block grant and urban development action grant programs under title I of the Housing and Community Development Act of 1974 shall not be reduced in any fiscal year in which the provisions of this title are in effect.

The CHAIRMAN. Are there amendments to title VI?

Mr. MOLINARI. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I am going to support H.R. 4, and for one very important reason. There is a provision in H.R. 4 that is extremely important to my district and that is to put in place a rent cap that would provide for the stabilization of public housing in my district and many other districts throughout the country. Unfortunately, the minority side did not have that provision in this year. They did last year. For that reason, I am going to be forced to support the committee bill and I would ask others to do the same that are in like position.

Mr. Chairman, I have long been concerned that the current openended, rent-to-income policy for public housing tenants places a significant financial burden on working families.

Over the past several years, many public housing officials and residents have told me that this policy is forcing the most stable, working tenants out of public housing, thereby eroding the social and financial future of many projects and surrounding neighborhoods. I believe their fears are well founded.

In response to this situation, I introduced legislation in the 98th, the 99th, and the 100th Congresses that would allow public housing authorities, at their discretion, to establish maximum rents based on operating expenses and debt service for units, as well as other relevant factors. Let me emphasize that the cap is not imposed upon public housing authorities, but is rather made available as an option which can be used based on an authority's individual economic considerations. My legislation passed the House last year as part of this body's comprehensive housing bill. A modified version of this legislation appears in H.R. 4, the Housing and Community Development Act of 1987.

A rent ceiling is necessary for the long-term future of this Nation's public housing program. In order to maintain an economic mix—a cross-section of lower, low, and lowest income families—and prevent the isolation of the very poor, public housing authorities must have this flexibility. I believe enough evidence has been produced to illustrate that social change and economic mobility are enhanced by encouraging housing in which families of different incomes and age groups can live together.

A broad income mix includes those who are largely self-supporting but still need some help in obtaining decent housing. This group includes people with upward mobility who will provide leadership in developing good and stable communities. Should these lower income working tenants, many who serve as role models in the community, leave public housing due to higher rents, we would be left with dense concentrations of the very poorest tenants. Again, experience has shown that this may bring on higher maintenance and social service costs, as well as having a detrimental effect on the neighborhood.

The positive effect these working tenants have on housing cannot be denied. In fact, the New York City Housing Authority, which runs one of the most successful housing programs in the country, states that the integration of various income groups is one of the main reasons for its success over the past 50 years.

Apart from promoting an economic mix, there is another very important reason for allowing housing authorities to establish a rent ceiling. If the lower income working tenants are driven out of public housing due to the inability to pay a higher rent, there will be a drastic loss in rental income to the authority because the incoming tenants will have significantly reduced incomes and rent levels. The result of this would be increased operating subsidies by the Federal Government and the American taxpayer. In these times of great concern over Federal deficits, this does not seem to be the course of action we would want to follow.

The loss of a rent cap does not affect only large metropolitan areas. I have received letters of endorsement from such cities as Pueblo, CO and Bloomington, IL, on the need for a rent cap to ensure the future of their public housing programs. In addition, my rent cap legislation has been endorsed by the National Association of Housing and Redevelopment Officials, the Council of Large Public Housing Authorities, and the Public Housing Authorities Director's Association, three major public housing organizations.

While I would have preferred that H.R. 4 establish an open ended, maximum rent program for public housing tenants, this legislation nevertheless will enhance the quality of life in our public housing developments. It is a step in the right direction in addressing this important public housing issue.

AMENDMENT OFFERED BY MR. HILER

Mr. HILER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HILER: Page 353, after line 9, add the following new title and conform the table of contents accordingly:

TITLE VII—BUDGET ENFORCEMENT

SEC. 701. ENFORCEMENT PROVISIONS.

If this Act and the amendments made by this Act provide for new budget authority, budget outlays, or new entitlement authority, for fiscal year 1988 in excess of the level established (for any budget function or subfunction applicable to programs authorized by this Act and the amendments made by this Act) by the concurrent resolution on the budget for such fiscal year as passed by the House of Representatives or the Senate (whichever is lower), each amount provided by this Act and the amendments made by this Act for such budget function or subfunction shall be reduced by an equal percentage to ensure compliance with such level.

SEC. 702. DEFINITIONS.

For purposes of this title, the terms "budget authority", "budget outlays", "concurrent resolution on the budget", and "entitlement authority" have the meanings given such terms in section 3 of the Congressional Budget Act of 1974 (2 U.S.C. 622).

POINT OF ORDER

Mr. GONZALEZ. Mr. Chairman, I make a point of order on this amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Texas [Mr. GONZALEZ] on the point of order.

Mr. GONZALEZ. Mr. Chairman, this amendment is invalid on the face of it because it would commit the House to an improbability of action on the part of the other body, over which we have no jurisdiction whatsoever.

It is premised on an illusory contingency which may or may never happen. We do not even do that to the Appropriations Committee; so I object on the basis that it foists on the House an unacceptable mandate under the rules.

The CHAIRMAN. Does the gentleman from Indiana wish to be heard on the point of order?

Mr. HILER. Yes, Mr. Chairman.

The CHAIRMAN. The gentleman from Indiana is recognized.

Mr. HILER. Mr. Chairman, I do not think the point of order is in place. It is clear that what we are doing with this amendment is trying to bring this bill within an appropriation budget level, as we do on many, many bills when we have similar kinds of language. I do not think the point of order should be sustained.

Mr. VENTO. Mr. Chairman, I rise to support the point of order, because this is an attempt to change the Budget Act which is not before us, to put in place a new mechanism and a unique mechanism for enforcement of the Budget Act, which is not a part of this legislation.

The fact is that it specifies and directs the Secretary in a certain way to enforce this on the Budget Act. It extends to the Budget Act that cannot be amended. It goes to the reconciliation process and to other processes in the 1974 Budget Act, which is not the subject of this measure that is before us. However important the budget mechanisms that are in place, it is an attempt to modify them in a unique way and I think in a cumbersome way in terms of this issue.

I would hope the Chair would rule against this.

The CHAIRMAN (Mr. DONNELLY). The Chair will rule that the amendment does not amend the Budget Act. The Budget Act is only a reference point, and levels in the budget resolution are measures of availability of funds authorized or provided by the pending bill.

The Chair will rule that it is not in violation of the rules of the House. No rule of the House requires the Chair to rule on or to determine the workability or unworkability of an amendment.

The Chair will rule that the amendment is germane and the point of order does not lie.

The gentleman from Indiana [Mr. HILER] is recognized for 5 minutes in support of his amendment.

Mr. HILER. Mr. Chairman, I would say to my colleagues in the House, this is really a very, very simple amendment. Notwithstanding the fact that we debated the point of order and that it took awhile to read, it is a very, very simple amendment.

What this amendment would do would be to bring this bill within the budget authorization level for these functions as passed by the House or the other body, whichever is lower.

Now, yesterday we passed several amendments, the Gray amendment and the Traficant amendment, which will have the effect of raising this authorization above the House-passed budget resolution, so we now have an authorization bill that is above the House budget resolution passed several months ago.

Now, we do not know when the Budget Committee is going to report back to this House and to the other body a conference report on the budget. It could be this week. It could be next week. It could be next year. We do not know when that is going to happen, so it is important that we make sure that our authorization bills are in line with some type of restriction, some type of limitation placed upon us. Otherwise, we could just pass very, very high authorization bills, and we would end up imposing on the Appropriations Committee all the responsibility for trying to have responsible spending.

So what my amendment would do is to bring the authorization for this bill in line with either the House-passed budget resolution or the other body's budget resolution, whichever is lower.

Now, the other body's budget resolution for these functions had authority of about $15.6 billion. Our budget resolution was about $15.9 billion. With the Gray and the Traficant amendments, our authorization is something above that $15.9 billion.

So make no mistake about it, this amendment will bring the authorization down. It will bring it down until we get to a responsible level that meets one or the other budget resolutions, whichever is lower, as scored by the CBO.

Mr. Chairman, I would ask my colleagues to support this amendment. I believe it is a fiscally responsible amendment and I think it makes eminent good sense.

Mrs. ROUKEMA. Mr. Chairman, will the gentleman yield?

Mr. HILER. I am happy to yield to the gentlewoman from New Jersey.

Mrs. ROUKEMA. Mr. Chairman, I want to commend the gentleman from Indiana for his leadership here and for offering this amendment. I totally support it and think that the House should agree.

AMENDMENT OFFERED BY MR. GONZALEZ TO THE AMENDMENT OFFERED BY MR. HILER

Mr. GONZALEZ. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. GONZALEZ to the amendment offered by Mr. HILER: In the matter proposed to be inserted by the amendment—

(1) strike "in excess of" and insert ", the amounts provided shall not exceed"; and

(2) strike "as passed" and all that follows through "applicable level."

(3) strike " or subfunction" the first place it appears.

Mr. HILER. Mr. Chairman, I reserve a point of order on the amendment.

PARLIAMENTARY INQUIRY

Mr. GONZALEZ. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. GONZALEZ. Mr. Chairman, did the Chair recognize the gentleman's interposition of a point of order?

The CHAIRMAN. The Chair will state that the gentleman from Indiana was on his feet and he has properly maintained his right to reserve a point of order.

Mr. GONZALEZ. Mr. Chairman, may I pursue my parliamentary inquiry?

The CHAIRMAN. The gentleman may proceed.

Mr. GONZALEZ. Mr. Chairman, it is my recollection that I had been recognized by the Chair on my amendment, at which time the gentleman interposed his objection.

In my opinion and according to the precedents I have listened to, that is not in a timely fashion interposing a motion.

The CHAIRMAN. The Chair states that the gentleman was on his feet at the time that the gentleman from Texas was recognized. The matter of precedent does not lie on this case.

Does the gentleman from Indiana insist on his point of order?

Mr. HILER. Mr. Chairman, I would like to reserve my point of order.

The CHAIRMAN. The gentleman from Indiana reserves his point of order.

The gentleman from Texas [Mr. GONZALEZ] is recognized for 5 minutes in support of his amendment.

Mr. GONZALEZ. Mr. Chairman, the amendment which I am proposing would assure that the total authorization budget and outlays provided for in this act for fiscal year 1988 would comply with the totals established in any applicable budget, that is, any budget function, in the concurrent budget resolution for fiscal year 1988.

This principle is also included in H.R. 4, and I am very much distressed and quite disappointed in the efforts of the gentleman from Indiana to disrupt agreements reached in the Banking Committee.

In addition, the House and Senate Budget Committees are presently in conference on the fiscal year 1988 budget. They will reach agreements that will affect the programs authorized in this bill.

I agree that the totals in our bill should be within the totals specified by the concurrent budget resolution as agreed to by the House and the Senate, and my amendment would assure that that happens.

The gentleman's effort to require our bill to be lower than the total agreed to by the House and the Senate proposes unreasonable restrictions and impositions.

I urge support of this very reasonable amendment.

Mr. VENTO. Mr. Chairman, will the gentleman yield?

Mr. GONZALEZ. I yield to the gentleman from Minnesota.

Mr. VENTO. I thank the gentleman for yielding.

Mr. Chairman, I commend the chairman, and I think that the gentleman from Indiana [Mr. HILER] should also receive some credit for attempting to try to keep this within budget. I think that the concern that the chairman raised is one that all of us would have if we tried to slice a little out of each program to make the budget amount, or to try and reframe or recast the programs.

So I would hope that with this compromise and with the intention again stated that perhaps we could move forward and accept the chairman's amendment, and I guess that in my own view I think that a lot of this is redundant in terms of the Budget Act, which has all of the procedures in it which address this particular concern, but I think that it highlights the concern that we all have with regard to the budget.

Hopefully we could come to some agreement with regard to this and expedite the business of the House in this particular matter.

Mr. MORRISON of Connecticut. Mr. Chairman, will the gentleman yield?

Mr. GONZALEZ. I yield to the gentleman from Connecticut.

Mr. MORRISON of Connecticut. I thank the gentleman for yielding.

Mr. Chairman, to the extent that the amendment of the gentleman from Indiana is intended to make clear that the House wants the housing function to be abided by with respect to the budget, I do not think that there is any disagreement. I would say that the Housing Subcommittee has been as diligent as any authorizing committee in this Congress in trying to conform its authorization numbers to the applicable budget numbers at the time. That is an agreement that we have reached on both sides of the aisle and that we have worked toward.

We have adopted in the committee both specified cuts to programs and specific changes in the language to conform to that. So if that is the goal of the amendment, it seems to me that the chairman's amendment should properly be accepted, because the problem with the gentleman's amendment is severalfold.

First of all, it undercuts the budget conferees on behalf of this House at this time. This House has passed a budget. It is not necessarily a budget that every Member of this body supports, but the House has passed a budget and sent its conferees to negotiate with the Senate over that budget. To pass with respect to this function or any other an instruction essentially to say that the housing function should be the lower number of the House or the Senate seems to me to totally undercut our own representatives in the conference which is currently ongoing.

Second, this function-by-function, that is, subfunction-by-subfunction targeting, is more precision in budgeting than is intended by the Budget Act. In fact, the Appropriations Committe is not bound by the overall function limit, but rather by just the overall authority which they redistribute within their own discretion differently from the way in which the Budget Committee decides it. So to impose on the authorizing committee an even more stringent standard than is envisioned by the Budget Act is unwise and inappropriate. We ought to abide by the budget. The gentleman's amendment to the amendment would say that we intend to abide by the budget.

Finally, the gentleman's amendment selects a pro rata reduction of all functions in order to conform to the budget. That is not the best way to do it. If the House were to pass the gentleman's substitute for the amendment of the gentleman from Indiana, when we go to conference on this bill, if we have a budget, we can conform to that budget by making judgments about different functions rather than some form of pro rata reduction. So I think that the gentleman from Texas has offered what is really an improving amendment, and it is not at war at all with the idea of conforming this bill to the budget.

Mr. SUNDQUIST. Mr. Chairman, will the gentleman yield for a question?

Mr. GONZALEZ. I yield to the gentleman from Tennessee.

Mr. SUNDQUIST. I thank the gentleman for yielding.

Mr. Chairman, my question is this. There is some confusion over this as to how much would have to be cut between the chairman's amendment and the amendment offered by the gentleman from Indiana. Would it be possible for the distinguished chairman to find out for us what the amount is in the House-approved budget and how much would have to be cut to conform to the amendment of the gentleman from Indiana?

The CHAIRMAN. The time of the gentleman from Texas [Mr. GONZALEZ] has expired.

(On request of Mr. SUNDQUIST and by unanimous consent Mr. GONZALEZ was allowed to proceed for 1 additional minute.)

Mr. GONZALEZ. Mr. Chairman, H.R. 4, to begin with—and I am glad that the gentleman is raising the issue, because it is one that has been confused and distorted somewhat—is within the aggregate House concurrent budget resolution approved by the House.

Mr. SUNDQUIST. Mr. Chairman, would the gentleman continue to yield for another question?

Mr. GONZALEZ. I yield to the gentleman from Tennessee.

Mr. SUNDQUIST. Mr. Chairman, I appreciate that information, but I would like to see, if we could, the details of that from the House-passed budget resolution. I am on the Budget Committee, and I have been unable to find out what the numbers are, and if the distinguished gentleman would be able to give us those numbers, it would be very helpful.

The CHAIRMAN. The time of the gentleman from Texas [Mr. GONZALEZ] has expired.

(By unanimous consent, Mr. GONZALEZ was allowed to proceed for 1 additional minute.)

Mr. GONZALEZ. Mr. Chairman, if the gentleman will look at the report accompaning the bill, he will see that what we have there is in total arithmetic count $15.9 billion, as within the House-approved aggregate resolution, so that to say that H.R. 4 was not is to say that we would never had the consensus at the very outset of the consideration of H.R. 4 that we did get.

Now, the Senate has approved a housing authorization bill. Their amount is about 3.6 less because of the inflation factor that they did not factor in. But on our side and in our bill, as the committee print will show——

The CHAIRMAN. The time of the gentleman from Texas [Mr. GONZALEZ] has expired.

(On request of Mr. SUNDQUIST and by unanimous consent, Mr. GONZALEZ was allowed to proceed for 2 additional minutes.)

Mr. SUNDQUIST. Mr. Chairman, will the gentleman yield?

Mr. GONZALEZ. I yield to the gentleman from Tennessee.

Mr. SUNDQUIST. I thank the gentleman for yielding.

Mr. Chairman, I believe the information that the gentleman has described, and I appreciate it, is in the cost estimate. What I would like to know is, what is the House-passed budget resolution for housing? How much?

Mr. GONZALEZ. It is in that range that I mentioned.

Mr. SUNDQUIST. How much precisely? Not in the range, Mr. Chairman.

Mr. GONZALEZ. Well, I said precisely. It is a $15.9 billion figure.

Mr. SUNDQUIST. What is the Senate number, then?

Mr. GONZALEZ. $15.9 billion.

Mr. SUNDQUIST. Both the Senate and the House?

Mr. GONZALEZ. No, no. The House budget resolution in its housing component provides that amount, because it factors in a 3-percent inflationary amount, unlike the Senate, which came in with $15.6.

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Mr. SUNDQUIST. Mr. Chairman, if the gentleman will yield further, the Senate number is $15.6 billion. The House-passed budget resolution is $15.9 billion.

If this bill is in excess of $15.9 billion, according to the gentleman's resolution, then it would have to be brought back to $15.9.

Mr. GONZALEZ. Mr. Chairman, it would have to conform with whatever the final budget aggregate amount is, yes, sir.

We are committed. We are committed to conforming to the budget when and if and whatever is the final determination.

In case that is the final budget determination, we would have to come to that figure, yes, sir.

Mrs. ROUKEMA. Mr. Chairman, will the gentleman yield?

Mr. GONZALEZ. Mr. Chairman, I yield to the gentlewoman from New Jersey.

Mrs. ROUKEMA. Mr. Chairman, I thank the gentleman for yielding.

As I understand the gentleman's amendment, it refers to the budget resolution, correct?

The gentleman has just indicated, and I did not hear the gentleman's precise language; but if or when we came up with a budget resolution, it would revert back to the $15.9 billion.

The CHAIRMAN. The time of the gentleman from Texas [Mr. GONZALEZ] has expired.

(On request of Mrs. ROUKEMA and by unanimous consent, Mr. GONZALEZ was allowed to proceed for 2 additional minutes.)

Mrs. ROUKEMA. Mr. Chairman, will the gentleman yield further?

Mr. GONZALEZ. Mr. Chairman, I yield to the gentlewoman from New Jersey.

Mrs. ROUKEMA. Mr. Chairman, I thank the gentleman for yielding.

The question to the gentleman from Texas [Mr. GONZALEZ], my distinguished chairman, what happens under the gentleman's amendment if there is not budget resolution?

Mr. GONZALEZ. If there is no budget resolution?

Mrs. ROUKEMA. If there is no budget resolution arrived at by both parties, under your amendment, sir?

Mr. GONZALEZ. Mr. Chairman, I yield to the gentleman from New York [Mr. SCHUMER], my distinguished colleague, who is on the Committee on the Budget, and the gentleman can reply to the gentlewoman's inquiry.

Mr. SCHUMER. Mr. Chairman, I thank the gentleman for yielding.

Basically, what would happen if the House and the other body failed to agree, would be that the House would then pass a resolution that would say all House 302(b) allocations, not just for housing, for everything, must comply with the House budget resolution, and we would be under that under this amendment.

That is what we did in 1985.

Mr. SUNDQUIST. Mr. Chairman, will the gentleman yield?

Mr. GONZALEZ. Mr. Chairman, I yield to the gentleman from Tennessee.

Mr. SUNDQUIST. Mr. Chairman, I thank the gentleman for yielding.

As I understand then, the House budget resolution is $15.9 billion and the Senate is $15.6.

This bill that we will be voting on shortly is $15.9 plus $500 million that was added on as an amendment, so this bill in effect would be in excess of the House budget amount, both the House and the other body?

Mr. GONZALEZ. If the gentleman will recall, during the discussion of the amendment by the gentleman from Illinois [Mr. GRAY] pending at that time, there is no agreement that that figure of $500 million is correct.

We have quite a bit of evidentiary information to indicate that it would be considerably lower than that.

The CHAIRMAN. The time of the gentleman from Texas [Mr. GONZALEZ] has again expired.

Does the gentleman from Indiana [Mr. HILER] press his point of order?

Mr. HILER. Mr. Chairman, I withdraw my point of order.

The CHAIRMAN. The point of order is withdrawn.

Mr. HILER. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the gentleman's amendment.

It is not my intention, Mr. Chairman, to prolong the activities of the House this afternoon; but the amendment of the gentleman from Texas is contingent upon several things: No. 1, that we are ever going to see a concurrent budget.

The fact is that the House and the other body have been locked in negotiations for a long time, and I do not know, maybe the gentleman can tell us, when that budget will come out; but we have no indication when and if we will ever have a budget.

In the past years we always had a Democrat House, and the other body controlled by the other party; and that was the justification for not having a budget resolution.

This year we no longer have that justification. Obviously, something else is taking place.

Some Members want to raise taxes more than others, and I guess that is some of the problem; but we have no concurrent budget resolution at this point.

So, the amendment of the gentleman from Texas is contingent upon that. My amendment is not.

My amendment says that we will meet a limit, irrespective of whether we have a budget or not. The second reason that I got into the subfunctions level is that I do not believe that the amendment of the gentleman from Illinois [Mr. GRAY], that passed yesterday, should impact on the CDBG Program, and that is why we added that the subfunctions would be effective.

If we are going to provide additional money in assisted housing, let us not take that money out of CDBG; so that was why the language was worded in the way it was.

Mr. PURSELL. Mr. Chairman, will the gentleman yield?

Mr. HILER. Mr. Chairman, I yield to the gentleman from Michigan.

Mr. PURSELL. Mr. Chairman, I thank the gentleman for yielding.

If I understand correctly, the amendment of the gentleman from Texas will now put this bill over budget, either the House or Senate numbers, whatever comes out. The gentleman is at 16 plus.

Would the gentleman give us the straight numbers here, because the Hiler amendment is direct, whichever is lower, so the gentleman from Indiana is trying to conform to the budget resolution. The gentleman from Texas is not.

The amendment of the gentleman from Texas will put it above the budget numbers, either Senate or House, or conference agreement.

The gentleman is going to have to lower the numbers in this bill in order to conform to the budget.

Mr. HILER. Mr. Chairman, I yield back the balance of my time.

Mr. SCHUMER. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

I am on the Committee on the Budget; and as Members on both sides of the aisle can testify, we have worked very hard, and every committee, including this Subcommittee on Housing and Economic Development, to meet the budget resolution.

The amendment of the gentleman from Texas would do just that. It would say whether the House and the other body come to an agreement or whether we operate under simply the House budget approved by both bodies, we would have to conform to the budget resolution which means that in conference either the Gray amendment would not be adopted or, if it would, the numbers would hve to be cut to meet at most the 15.9 billion that the House supported.

The amendment of the gentleman from Texas to the amendment is indeed a mechanism to bring us into compliance with the budget resolution, and we may not get agreement between the House and the other body, as the gentleman from Indiana has stated. That is true.

If that happens, we would, and I repeat, we would go back to the scenario we used in 1985.

The House would then pass a resolution on the floor of this House stating that the House numbers would apply, the 302(b) allocations would be made under the House numbers; and indeed the entire House would have to comply with the budget, so the amendment of the gentleman from Texas is a good amendment.

It is a cost-cutting amendment. It is an amendment that says we must, no matter what else happens, agree to either the Senate-House conference agreement on budget numbers or the House agreement on budget numbers.

Mr. HILER. Mr. Chairman, will the gentleman yield?

Mr. SCHUMER. I am happy to yield to the gentleman from Indiana.

Mr. HILER. I have a simple question. In the amendment I have that the gentleman from Texas [Mr. GONZALEZ] offered, it appears to me the gentleman struck the language that said comply with the House of Representatives numbers, so his sentence ends by "the concurrent resolution on the budget for such fiscal year."

MODIFICATION OFFERED BY MR. SCHUMER TO THE AMENDMENT OFFERED BY MR. GONZALEZ TO THE AMENDMENT OFFERED BY MR. HILER

Mr. SCHUMER. Mr. Chairman, I ask unanimous consent to change a word in the Gonzalez amendment from "applicable level" to "such level."

Mr. Chairman, I think that might clear up the confusion.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

The CHAIRMAN. The modification is agreed to.

The text of the amendment, as modified, is as follows:

Amendment offered by Mr. GONZALEZ, as modified, to the amendment offered by Mr. HILER, in the matter proposed to be inserted by the amendment—

(1) strike "in excess of" and insert ", the amounts provided shall not exceed"; and

(2) strike "as passed" and all that follows through such level."

(3) strike "or subfunction" the first place it appears.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas [Mr. GONZALEZ], as modified, to the amendment offered by the gentleman from Indiana [Mr. HILER].

The question was taken; and the Chairman announced that the ayes appeared to have it.

RECORDED VOTE

Mr. HILER. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 242, noes 166, not voting 25, as follows:

[Roll No. 176]

AYES—242

Akaka
Alexander
Anderson
Andrews
Annunzio
Anthony
Applegate
Aspin
Atkins
AuCoin
Barnard
Bates
Beilenson
Bennett
Berman
Bevill
Biaggi
Bilbray
Boehlert
Boggs
Boland
Borski
Bosco
Boucher
Boxer
Brennan
Brooks
Bruce
Bryant
Bustamante
Campbell
Carper
Carr
Chapman
Chappell
Clarke
Clay
Coelho
Coleman (TX)
Collins
Conte
Conyers
Cooper
Coyne
Crockett
Darden
de la Garza
DeFazio
Dellums
Derrick
Dicks
Dingell
DioGuardi
Dixon
Donnelly
Dorgan (ND)
Dowdy
Downey
Durbin
Dwyer
Dymally
Early
Eckart
Edwards (CA)
English
Erdreich
Espy
Evans
Fascell
Fazio
Feighan
Flake
Flippo
Florio
Foglietta
Foley
Ford (MI)
Frank
Frost
Garcia
Gejdenson
Gibbons
Gilman
Glickman
Gonzalez
Gordon
Grant
Gray (IL)
Green
Guarini
Hall (OH)
Hall (TX)
Hamilton
Harris
Hatcher
Hawkins
Hayes (IL)
Hayes (LA)
Hefner
Hertel
Hochbrueckner
Horton
Howard
Hoyer
Hubbard
Huckaby
Hughes
Jeffords
Jenkins
Johnson (CT)
Johnson (SD)
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kastenmeier
Kennedy
Kennelly
Kildee
Kolter
Kostmayer
LaFalce
Lancaster
Lantos
Leath (TX)
Lehman (CA)
Lehman (FL)
Leland
Levin (MI)
Levine (CA)
Lewis (GA)
Lipinski
Lloyd
Lowry (WA)
Luken, Thomas
MacKay
Manton
Markey
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCurdy
McDade
McHugh
McMillen (MD)
Mfume
Mica
Miller (CA)
Mineta
Moakley
Mollohan
Moody
Morella
Morrison (CT)
Mrazek
Murphy
Murtha
Nagle
Natcher

Neal
Nelson
Nichols
Nowak
Oakar
Oberstar
Obey
Ortiz
Owens (NY)
Owens (UT)
Panetta
Patterson
Pease
Pelosi
Pepper
Perkins
Pickett
Pickle
Price (IL)
Price (NC)
Rahall
Rangel
Richardson
Rinaldo
Rodino
Roe
Rose
Rostenkowski
Rowland (CT)
Rowland (GA)
Roybal
Russo
Sabo
Savage
Sawyer
Scheuer
Schroeder
Schumer
Sharp
Sikorski
Sisisky
Skaggs
Skelton
Slattery
Slaughter (NY)
Smith (FL)
Smith (IA)
Smith (NJ)
Solarz
Spratt
St Germain
Staggers
Stark
Stokes
Stratton
Studds
Swift
Synar
Tallon
Torricelli
Towns
Traficant
Traxler
Udall
Valentine
Vento
Visclosky
Volkmer
Walgren
Watkins
Weiss
Wheat
Whitten
Williams
Wilson
Wise
Wolpe
Wyden
Yates
Yatron

NOES—166

Archer
Armey
Badham
Baker
Ballenger
Bartlett
Barton
Bateman
Bentley
Bereuter
Bilirakis
Bliley
Boulter
Broomfield
Brown (CO)
Buechner
Bunning
Burton
Byron
Callahan
Chandler
Cheney
Clinger
Coats
Coble
Coleman (MO)
Combest
Coughlin
Craig
Crane
Daniel
Dannemeyer
Daub
Davis (IL)
DeLay
DeWine
Dickinson
Dornan (CA)
Dreier
Duncan
Dyson
Edwards (OK)
Emerson
Fawell
Fields
Gallegly
Gallo
Gekas
Gingrich
Goodling
Gradison
Grandy
Gregg
Gunderson
Hammerschmidt
Hansen
Hastert
Hefley
Henry
Herger
Hiler
Holloway
Hopkins
Houghton
Hunter
Hutto
Hyde
Inhofe
Ireland
Jacobs
Kasich
Kemp
Kolbe
Konnyu
Kyl
Lagomarsino
Latta
Leach (IA)
Lent
Lewis (CA)
Lewis (FL)
Lightfoot
Lott
Lowery (CA)
Lujan
Lukens, Donald
Lungren
Mack
Madigan
Marlenee
Martin (IL)
Martin (NY)
McCollum
McEwen
McGrath
McMillan (NC)
Meyers
Michel
Miller (OH)
Miller (WA)
Molinari
Montgomery
Moorhead
Morrison (WA)
Myers
Nielson
Olin
Oxley
Parris
Pashayan
Penny
Petri
Porter
Pursell
Quillen
Ravenel
Regula
Rhodes
Ridge
Roberts
Robinson
Roemer
Rogers
Roth
Roukema
Saiki
Saxton
Schaefer
Schneider
Schuette
Schulze
Sensenbrenner
Shaw
Shumway
Shuster
Skeen
Slaughter (VA)
Smith (NE)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Snowe
Solomon
Spence
Stangeland
Stenholm
Stump
Sundquist
Sweeney
Swindall
Tauke
Taylor
Thomas (CA)
Upton
Vander Jagt
Vucanovich
Walker
Weber
Weldon
Whittaker
Wolf
Wortley
Wylie
Young (AK)
Young (FL)

NOT VOTING—25

Ackerman
Boner (TN)
Bonior (MI)
Bonker
Brown (CA)
Cardin
Courter
Davis (MI)
Fish
Ford (TN)
Frenzel
Gaydos
Gephardt
Gray (PA)
Kleczka
Livingston
McCandless
Packard
Ray
Ritter
Stallings
Tauzin
Thomas (GA)
Torres
Waxman

Mr. ATKINS changed his vote from "no" to "aye."

So the amendment, as modified, to the amendment was agreed to.

The result of the vote was announced as above recorded.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Indiana [Mr. HILER], as amended.

The amendment, as amended, was agreed to.

PERSONAL EXPLANATION

Mr. FISH. Mr. Chairman, I had the distinct honor to be with our Speaker's illustrious predecessor, Speaker O'Neill, when he was given an honorary degree at Harvard University this morning; and, therefore, I was absent on rollcall 174. Had I been present, I would have voted no.

I was also absent on rollcall 175. Had I been present, I would have voted yes; and, likewise, on rollcall 176, I would have voted yes.

Mr. GONZALEZ. Mr. Chairman, I move to strike the last word.

Mr. DEFAZIO. Mr. Chairman, will the gentleman yield?

Mr. GONZALEZ. I yield to the gentleman from Oregon.

Mr. DEFAZIO. I thank the gentleman for yielding.

Mr. Chairman, in my home State of Oregon and throughout the country, the vast majority of residents in mobile home parks own their homes. It is expensive to move a mobile home. Local moves can cost $1,500 or more and it can be difficult to find a new location.

Therefore, if park residents are faced with high rent increases, or a park is closed to make way for other development, the residents often face a tremendous problem. One answer is resident-ownership of mobile home parks. However, due to the fact that a large percentage of mobile home residents are low income and because cooperative ownership is a complex process, resident-ownership is generally not feasible.

It seems to me that the use of section 8 certificates for this purpose would be useful. Mr. Chairman, I believe that Congress should encourage the Department of Housing and Urban Development to use section 8 certificates to assist mobile home residents in cooperatively purchasing parks.

Mr. GONZALEZ. I absolutely agree with my colleague. This would be a valuable way to use section 8 certificates. I will be happy to work with you and the Department on this important program.

Mr. DEFAZIO. Mr. Chairman, I thank the gentleman.

Mr. GONZALEZ. Mr. Chairman, I yield back the balance of my time.

□ 1410

Mr. CONYERS. Mr. Chairman, I move to strike the last word.

Mr. Chairman, last year I had introduced the Jesse Gray housing amendment. I will not do it this year because the chairman of the subcommittee has agreed that we will have hearings in the subcommittee.

I think this is an important and unique development for creating not only additional low-cost housing but the jobs and the means of financing the housing.

I urge that we continue to pay this unique method of creating additional low-cost public housing the careful attention that the subcommittee chairman has paid to it over the past year since I introduced this amendment. It is a unique one that would require far more money than is in the budget. In view of the excellent way we have moved on the brandnew initiative on H.R. 4, I refrain from introducing the amendment, based on the excellent cooperation I have had from the chairman of the subcommittee.

Mr. GONZALEZ. Mr. Chairman, will the gentleman yield?

Mr. CONYERS. I yield to the gentleman from Texas.

Mr. GONZALEZ. First, Mr. Chairman, we want to express our appreciation to the gentleman from Michigan for his forbearance in not insisting on reintroducing the amendment he introduced last year. In recognition that what he would ask for, which incidentally has my total support, the gentleman understands it would be far in excess of our budget authority, but I would point out that the Jesse Gray approach epitomizes and evokes the memory of a great, heroic American.

I will remind the gentleman that the subcommittee is pledged to joining him in his district, in the name of the subcommittee, and will review the activities of public housing and assisted housing generally in the city of Detroit, and particularly in the gentleman's district.

Mr. CONYERS. Mr. Chairman, I thank the subcommittee chairman.

The Jesse Gray National Tenants Organization, of course, is present almost in every State of the Union. We have 2 dozen Members of Congress who support this bold initiative. I realize that it is not appropriate to try to debate the issue here, but the subcommittee chairman's continuing concern about this matter is extremely well taken.

Mr. Chairman, I thank the gentleman and his committee, and I yield back the balance of my time.

Mr. ARMEY. Mr. Chairman, I move to strike the last word.

Mr. Chairman, we are nearing the completion of this bill. We will soon rise, and when we do rise, the distinguished minority leader of this committee, the gentleman from Ohio [Mr. WYLIE], will offer a motion to recommit, and that motion to recommit will be with instructions that this body bring the bill back with the provisions that have come to be known as the Armey-Kemp amendment.

I would like to remind the Members of this body what the Armey-Kemp amendment is all about and what it does, but before I do that I would like to remind them that this is the same amendment that this body passed by a vote of 238 to 176 a year ago. It was passed in a bill that this body passed in turn by a vote of 419 to 1.

Now, when the amendment was introduced the last time, 1 year ago, it was opposed by the committee. They felt it was unnecessary and unwanted, but as the debate proceeded it became clear that this amendment was not born out of the efforts of Mr. ARMEY or the gentleman from New York [Mr. KEMP]. This amendment was born out of the efforts of people who have become the folk heroes of public housing, the people who have taken control of the projects themselves and their neighbors because they know the Government has failed them.

When I first became interested in public housing, it was academic. I did not know the facts. I had never lived there, I had never known anybody who did, but I could see, and what I saw was, I thought, failure. So I went to visit the public housing units, and what I saw in these units across the Nation was living conditions that break one's heart.

Mr. Chairman, I have seen a little girl with rat bites, and I did not like what I saw. I have seen mothers and fathers come together even after having been separated because within the context of tenant management and the dream of home ownership, they knew they could beat the welfare rap and save their children. I have seen them suffer under one false promise after another from prior Congresses. Time after time they held out hope that they might go forward, and they found within the legislation that first gave them hope another broken dream because of a legislative sham that put within that legislation obstacles, that allowed everybody to give lip service to the dream that no more would we have dope pushers preying on our children, no more would the teenage pregnancy rate be out of hand, no more would the fathers have to leave home so their children could be fed and clothed. These were obstacles that were gimmicks that they did not see in the fine print.

And this time these folks, led by people like Kimi Gray and Bertha Gilkey, have read the fine print, and they tell me in words that are very clear—words like "H.R. 4 stinks" with its present provisions, "that we will no longer be treated as second class citizens"—have you heard this language before?—that "we are sick and tired of living on plantations built by the Federal Government, and we want control of our lives."

They have asked me to do a simple thing, not something that is very big in this process, but they have asked me to speak for them on this floor because they are not elected to do so for themselves. And so I do that, and I am saying that Kimi Gray and Bertha Gilkey and all those children and those residents have proven to us time and time again that they have all the ability that was discounted in the debate yesterday.

I do not want to hear that these people cannot do it. I do not want to hear that these people are not ready yet. I do not want to hear that they are not able to learn or they cannot be trusted. That is baloney. It is the Government that is not able to learn and cannot be trusted, and they know it.

Mr. Chairman, I ask the Members to vote yes on the recommittal and do something out of their hearts for people who have a right to expect this body to do what is right.

Mr. HUNTER. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I just want to address my remarks to my friend, the gentleman from Texas [Mr. ARMEY], and thank him for taking me and other Members down to the housing project that Kimi Gray has devoted so much time to. I remember that we asked her how she and other leaders in this project managed to bring down the teenage pregnancy rate, bring down tht drug addiction rate, and solve the other problems they had, and she said, very simply. "We raised the horizons of our young people."

I would ask my colleagues in this House to follow the recommendations of the gentleman from Texas [Mr. ARMEY] and raise the horizons of so many people in public housing projects by giving them a chance at the American dream. I would urge a "yes" vote on this amendment.

Mr. GILMAN. Mr. Chairman, I rise in strong support of H.R. 4, the Housing and Community Development Act of 1987. I commend the distinguished committee chairman, the gentleman from Texas [Mr. GONZALEZ] and the ranking minority member, the gentleman from Ohio [Mr. WYLIE] for their leadership and perseverance in bringing this bill before us today. I would also like to take this opportunity to pay tribute to our deceased colleague from Connecticut, Mr. McKinney, who championed housing legislation throughout his tenure in Congress. His influence on this bill is deeply appreicated, and we will sorely miss his dedicated efforts to provide better housing for our Nation.

I support this bill, as I have similar housing measures in the past, because I believe that decent, affordable housing is a pressing issue that deserves our favorable consideration. In my own congressional district, low-income housing and housing for the homeless is in dire need. Affordable housing for middle-income families is also becoming scarce, and is an issue that certainly deserves Federal attention. H.R. 4, which authorizes housing and community development programs for fiscal year 1988, will touch the lives of many families throughout the Nation by providing them with housing that they can afford.

Among other important provisions, H.R. 4 increases funding for the Department of Housing and Urban Development [HUD], housing programs, and provides $3.4 billion for rural housing loan and rental assistance programs under the Farmers Home Administration. This legislation makes the Federal Housing Administration mortgage insurance program permanent, as well as setting its annual loan credit limit at $100 billion. H.R. 4 also sets the annual credit limit of the Government National Mortgage Association, Ginnie Mae, at its present level of $150 billion. Furthermore, H.R. 4 continues to fund the Community Development Block Grant [CDBG] Program and the Urban Development Action Grant [UDAG] Program at their current levels. I believe that these programs have been instrumental in developing housing in depressed areas and feel that their continued funding is essential. H.R. 4 also authorizes $100 million for the Nehemiah Program to build low- and moderate-income housing in depressed areas, and it authorizes HUD to designate up to 100 "enterprise zones" to encourage businesses to locate in areas of high unemployment. I feel that these provisions will make positive changes in areas where housing is inadequate and jobs are unavailable.

Mr. Chairman, this legislation is overdue and addresses not only a present problem, but a problem which is likely to worsen in the coming years. Housing is one of the most elemental needs of people. I strongly believe that we should do what we can to provide housing for those who need assistance, and in general make housing more affordable. Accordingly, it is imperative that we adopt the Housing and Community Development Act, and I invite my colleagues to join me in support of H.R. 4.

Mr. HAYES of Illinois. Mr. Chairman, I rise in strong support of H.R. 4. I want to commend Chairman GONZALEZ for bringing to the House a housing authorization measure that we can all be proud of. While this bill may not go far enough for some Members, it is a beginning and one that should be supported on both sides of the aisle.

There are about 8 million people who are currently unemployed and because of their lack of income, it would stand to reason that many of them rely on federally assisted housing to provide shelter for themselves and their families. President Reagan's previous cuts in federally assisted housing and his current attempts to reduce those funding levels even more are morally wrong. The fact is that those unemployed citizens are in desperate need of affordable and decent housing. H.R. 4 attempts to address their needs as opposed to the Reagan administration. We should not be concerned with what Mr. Reagan may or may not sign into law. We have a Federal responsibility to provide for those citizens who cannot provide for themselves.

Americans have a duty and responsibility to pay taxes. In turn, the Federal Government has a duty and responsibility to them. It should provide decent housing for its citizens to live in. Our duty is to craft good laws that deliver opportunities and services, equitably to the greatest number of American people. H.R. 4 does exactly that.

We have heard that in light of our current Federal deficit, H.R. 4 calls for too much spending. Let us be clear, poor people are not to blame for our deficit problems. They did not create our monumental budget deficit. Why is it that the very administration which caused this problem, time and time again, attempts to reduce that deficit by placing the burden of spending reductions on the backs of poor people?

Fortunately, attempts to introduce a voucher system for public housing have been soundly defeated. Vouchers simply are not the answer for low rent housing, or for any other Federal program where poor people are concerned. They simply are bad policy. Poor people don't need vouchers to help supplement their income because for the most part they don't have incomes sufficient to supplement. What they need is not to be used as scapegoats for deficit reduction.

Mr. Chairman, I do not have to remind you of the important responsibility and opportunity that we have before us today. It has been 4 long years since the last housing authorization legislation was passed by the Congress. Men and women of good will throughout the length and breadth of our country are watching us to see whether we have the fortitude to stand by our convictions. Men and women of good will want to see us accept this responsibility and set policies for our country that can reflect the high moral vision which will, in fact, distribute the benefits of this Nation's assets fairly, and equitably to all of the American people. I appeal to you, my colleagues, to think this matter through, and you will know that if a positive future of our great and good country is to be realized, for all citizens, we must fashion an environment where the strong may achieve their highest ambitions, and the weak are protected from abuse. We need an America where all people live useful productive and fulfilling lives.

Recently, we enacted legislation to address the neediest in our society, the homeless. Now we have an opportunity to pass legislation to provide decent housing for people to live positive lives of quality and hopefulness. Home ownership is a fundamental element which undergirds the American family, the local community, village, city, county, and State which collectively make up this wonderful country of ours.

Our focus should be on articulating the collective needs of our constituents.

I believe that you who believe in good government, who believe in good legislation, should vote for H.R. 4.

Mrs. KENNELLY. Mr. Chairman, I rise today in strong support of H.R. 4, the Housing, Community Development and Homelessness Prevention Act of 1987. I would like to commend the chairman of the subcommittee, Mr. GONZALEZ, for his relentless pursuit of comprehensive housing legislation. Without his leadership we would not have this legislation before us today. I would also like to recognize the efforts of the subcommittee, once again bringing a bipartisan, comprehensive housing bill to the floor. The Congress has not passed housing and community development authorizing legislation since 1983, despite the best efforts of the House of Representatives, and we must continue our efforts to pass this legislation.

In this country, we are fighting a daily battle to provide the most basic necessities to many of our citizens. Although we all know that food, clothing, and shelter are the minimum requirements for life, it is not clear that we have made providing them a priority in our national agenda. We devote time and resources to other matters, but we seem to have forgotten that for many Americans a very serious long-term crisis in housing exists.

In the Housing Act of 1949, our Nation dedicated itself to the goal of "a decent home in a suitable living environment" for all Americans. Since then, we have made some progress in what some term the "American Dream." The proportion of Americans who own their own homes was only about two in five at the time of the Great Depression; today it is two out of three. In 1960, one dwelling in eight lacked plumbing facilities, but by 1980 the ratio was 1 in 40. These figures indicate major achievements in housing, but they do not mean we should declare victory and turn our attention to other matters.

Federal housing policies and housing assistance programs have undergone drastic changes since 1981. Funding for low-income housing programs administered by HUD has been cut by 58 percent since fiscal year 1981, going from $26 billion in fiscal year 1981 to $10.9 billion in fiscal year 1987. Little public housing beyond what was begun during the Carter administration has been built. To replace construction subsidies, HUD is shifting more money into housing vouchers. While some feel that this policy has worked in a few areas, in the majority of cities there aren't enough affordable rental units available for low-income persons, even with Federal assistance.

In response to the decreasing Federal role, States across the Nation have been stepping in to fill the void by deep cuts in Federal housing aid. For instance, in fiscal year 1983 Connecticut provided $30.5 million for major rehabilitation and construction of new units while in fiscal year 1988 they must provide $94.8 million to compensate for Federal cuts. In Connecticut, there is a growing demand for housing, particularly that which is affordable for low and moderate income persons. Despite substantial increases in State resources and lower interest rates, housing production for low and moderate income families has not kept pace with this demand. According to the 1980 census in Connecticut, 156,547 renter households, of which 73 percent had income less than $10,000, live in either substandard or overcrowded conditions or pay more than 30 percent of their incomes for rent. Connecticut's economic boom has not made a difference for the hard core unemployed and their families; rather, it has at least partially fueled rapid increases in housing costs, leaving those already least able to afford decent homes in an even tighter bind.

H.R. 4 provides $17.2 billion for Federal housing and community development programs. I am particularly pleased that the bill authorizes approximately $10.6 billion for HUD housing programs, of which $5.9 billion is for section 8 low-income assistance and $2 billion for public housing modernization and construction, although it is recognized that there is a need for even greater funding. H.R. 4 is a further step toward meeting our neglected national goal of decent housing for all Americans, and we should approve this critical bill overwhelmingly.

Mr. KLECZKA. Mr. Chariman, I strongly support passage of the Housing, Community Development, and Homelessness Prevention Act of 1987.

The antipathy of the current administration toward a Federal role in housing and community development has prevented passage of a freestanding housing bill since 1980.

With passage of this measure, we can begin to renew that commitment.

This responsible bill, which comes within the budget limits set by the House budget resolution, generally holds funding for housing programs at current levels.

It provides $7.9 billion for assisted housing, including section 8, elderly and handicapped housing, congregate housing, a limited amount of new public housing construction, and grants for comprehensive public housing rehabilitation.

In addition, H.R. 4 provides $3.0 billion for the Community Development Block Grant Program. This is equal to this year's appropriation, but $500 million more than requested by the administration. The support for this essential program was clear both last year and this year when the Congress rejected administration attempts to defer and rescind already allocated CDBG funds. The bill also authorizes $225 million for the Community Development Block Grant Program, a program the administration sought to eliminate entirely.

While the amount of funds authorized in this legislation are significant, especially when compared to the wholly inadequate budget request put forth by the administration, I believe that this bill will best be remembered for legislative changes of a nonbudget nature.

The measure includes much-needed reforms in the FHA mortgage insurance program, reforms which should aid in the reduction of fraud and abuse which surfaced in my own city of Milwaukee and in other areas. The measures also ensures that those who make FHA loans can no longer set minimum FHA loan amounts, a practice which reflects a type of subtle redlining against persons of moderate means. In addition, H.R. 4 revises current law to allow localities in the Great Lakes area to use CDBG funds for the prevention of lakeshore erosion, a change in the law which will certainly aid such efforts in Milwaukee County.

Mr. Chairman, conflicting district business prevents me from being present today to vote on final passage on H.R. 4. Were I able to be present, I would vote aye.

Mr. TRAFICANT. Mr. Chairman, those letters and statistical data in support of the foreclosure counseling assistance amendment offered by me on Wednesday, June 10, 1987, clarify and offer assistance and support to this legislation.

HOUSING COUNSELING SERVICES,
Phoenix, AZ, June 1, 1987.

JAMES A. TRAFICANT, Jr.,
House of Representatives,
Washington, DC.

DEAR CONGRESSMAN TRAFICANT: I received your letter dated May 25, 1987 requesting support of the "Emergency Homeownership Counseling Act of 1987." We have a counseling agency that is very active in mortgage default counseling. Last fiscal year, the agency assisted 123 homeowners to reinstate their defaulted mortgages. Since it cost taxpayers and HUD approximately $18,000 for every loan that is insured by HUD and subsequently forclosed by mortgage lenders, the agency alone saved the Government and Taxpayers $2.2 million in mortgage insurance claims. Hence, the $100 million Homeownership Counseling Act of 1987 would be extremely cost effective because of the number of HUD certified Housing Counseling Agencies that are currently in operation.

Please be advised that I fully support your effort in introducing H.R. 2307. I wish you the greatest of success. I feel that the financial and quantitative efforts of homeownership counseling have not been actually realized by the general public and many practicing politicians.

It is of paramount importance that H.R. 2307 be passed to keep the American Dream of owning a home alive.

Respectfully,

ALBERT H. KNOX,
Housing Counselor Supervisor.

MOBILE HOUSING BOARD,
Mobile, AL, June 2, 1987.

J.A. TRAFICANT, Jr.,
House of Representatives,
Washington, DC.

DEAR CONGRESSMAN TRAFICANT: This is to acknowledge your letter of May 28, 1987 in which you advise you have introduced legislation H.R. 2307 entitled the "Emergency Homeownership Counseling Act of 1987." We are delighted to hear that you have introduced this bill, and we assure you of our full support.

Our agency has provided housing counseling for many years, and we fully realize the value of such a program to the average homeowner. Any money put to this use will be money well spent. Technically, correct advice and assistance at the appropriate time has saved many families' homes.

We note one feature of your bill would provide the family protection from a foreclosure proceedings for a period of six months. On the surface, this appears to be desirable. However, our counselors tell me that it would be better to leave the foreclosure proceeding deadline at three months, rather than having to wait the full six months. The reason for this is that once the property is foreclosed, HUD takes over and the family has three years to catch up its payments. HUD pays off the mortage holder. If you drag out foreclosure for a full six months, the families' suffering is prolonged three months longer than the present regulation provides. And in most cases, the accumulated back payments over an extended period of time cannot be paid immediately upon the wage earner being reemployed.

We appreciate your efforts in behalf of homeowners. You have our full support for H.R. 2307.

Yours very truly,

JAMES A. ALEXANDER, Jr.,
Secretary-Executive Director.

HOPE PROGRAM

CONCEPT

The HOPE Program helps homeowners having trouble meeting payments on their mortgage, utilities and other bills and facing cut-off of utilities, loss of credit and investment in their home, foreclosure and eviction. Under the HOPE Program, trained housing counselors provide the following at no charge to their client families:

a. Analyze and evaluate the homeowner's financial situation and family background.

b. Develop a family budget.

c. Instruct homeowner and family on how to budget and meet monthly mortgage, utility and other payments due to creditors.

d. Advise homeowner and family on spending priorities.

e. Act as liaison with lenders and utilities.

f. Contact creditors and negotiate a payment plan for repaying past due balances and for meeting the current monthly payments for the mortgage, utilities and other items.

g. Provide homeowners and their families with food from HOI's own food bank.

h. Provide employment counseling including job training and placement.

i. At no interest, loan the homeowner funds to bring the mortgage payments and utility unpaid bills current and stop foreclosure proceedings.

j. Help homeowner and family enroll in academic and vocational training programs to increase their income and become self-sufficient.

k. Refer homeowners and their families to assistance programs provided by local government, utilities and private community organizations.

l. Sponsor "Adopt-A-Family Program whereby businesses, groups and individuals contribute funds on a monthly basis to meet the financial needs of a particular family in their area until the family is self-supporting.

DEMONSTRATIONS

HUD has provided funds for:

a. Expanding the HOPE program in five southwestern Pennsylvania counties for homeowners in default on HUD-insured and Secretary-Held mortgages.

b. Providing technical services to HUD-approved counseling agencies to replicate the HOPE Program in four other high priority areas with a considerable number of defaults on HUD-insured and Secretary-Held mortgatges.

c. Delivering comprehensive housing counseling services under the HOPE Program in the four other priority areas.

Funds provided by HUD consist of:

Fiscal year	Source and purpose	Amount
1984	Housing, for the delivery of HOPE comprehensive housing counseling services.	$75,000
1985	Housing, as above	162,000
1985	CP&D—for technical services Secretary's Discretionary Fund.	275,000
Total		512,000
Sept. 30, 1986	Housing counseling money	475,000

EVALUATION OF HOPE PROGRAM

Using HUD funds, HOI has provided comprehensive housing counseling services under the HOPE Program for 192 defaulting mortgagors of which 139 mortgagors were under HUD-insured mortgages and the balance of 53 mortgagors were under Secretary-Held mortgages. HOI has achieved the following results:

47 mortgagors—current in their monthly mortgage payments.

30 mortgagors—mortgages assigned to HUD.

39 mortgagors—under a forbearance payment plan.

4 mortgagors—homes sold.

5 mortgagors—homes foreclosed.

5 mortgagors—deed-in-lieu of foreclosure.

62 mortgagors—HOPE counseling continuing. 192 total.

These HOPE cases are located within the five southwestern Pennsylvania counties in the Pittsburgh area and under the jurisdiction of the HUD Pittsburgh Office. The five default cases resulting in foreclosure provide a foreclosure rate of 2.6 percent. This compares favorably with the HUD SDFMS No. R17FRCA Report for defaults and foreclosure rates for the period ending November 30, 1985. The Report discloses 708 defaults and 211 foreclosures for the month of November 1985 covering the HUD Pittsburgh Office or a foreclosure rate of thirty percent. Applying this foreclosure rate to the 192 default cases counseled under the HOPE Program yields 58 foreclosures against HOI's 5 foreclosures. The savings to HUD appear below:

HUD Pittsburgh office: 58 foreclosures at $18,000 per foreclosure	$1,044,000
HOI's HOPE Program: 5 foreclosures at $18,000 per foreclosure	90,000
Gross savings to HUD	954,000
Less: HOI's funding by HUD	75,000
Net savings to HUD	879,000

THE WHITE HOUSE,
Washington, July 7, 1986.

I congratulate all the families, staff, and lending organizations who work with the McKeesport Home Ownership Protective Effort. HOPE means exactly what it says. It gives unemployed families a chance to retain their homes and budget carefully to meet utility and other obligations. Most important, it gives families an opportunity to get back on their feet and achieve independence. HOPE says a lot about America. No American likes to see another person down on his luck with nowhere to go. Lending a helping hand, figuring out ways to solve problems, working together—that's the way Americans have behaved from our earliest days. HOPE carries on this noble tradition. I commend you warmly for all you have done.

God bless you.

RONALD REAGAN.

Mr. MANTON. Mr. Chairman, I rise in strong support of H.R. 4, the Housing Community Development, and Homelessness Prevention Act of 1987. As a member of the Housing Subcommittee and an original cosponsor of H.R. 4, I want to commend the distinguished chairman of the subcommittee, Mr. GONZALEZ, and the distinguished chairman of the full Banking

Committee, Mr. St Germain, for their outstanding work on this vital legislation.

Mr. Chairman, the need for this legislation could not be more clear. Since 1981, the administration has slashed funding for assisted housing programs by more than 60 percent. As a result, this Nation is suffering from a serious lack of affordable low-and moderate-income housing. This tragic loss of low-income housing has led to an explosive growth in the number of homeless Americans. An estimated 2 million Americans, many of them young children, are being forced to live in overcrowded homeless shelters, unsanitary welfare hotels, or worse yet, the streets. Over half of those low-income families who have been fortunate enough to find housing are paying more than 60 percent of their income for rent.

New York City is in the midst of a severe housing crisis. Each night more than 30,000 New Yorkers live in homeless shelters. More than 200,000 people are on the waiting list for public housing. Thousands of families are doubled-up in assisted housing with friends or relatives. This unsafe overcrowding is placing a severe strain on New York City's low-Income housing stock, which is already in a state of serious disrepair.

Mr. Chairman, the administration's budget proposal for assisted housing completely fails to address this Nation's acute housing needs. The administration would cut assisted housing programs by another 50 percent, completely eliminating all funds for rental housing development grants and the section 202 Elderly and Handicapped Housing program. Furthermore, the administration would impose severe new restrictions of Federal mortgage insurance programs that would make it increasingly difficult for young families to own a home. Under the administration's proposal, down payment requirements and closing costs would be dramatically increased for most FHA borrowers.

Mr. Chairman, H.R. 4 is a responsible and compassionate alternative to the President's proposal. H.R. 4 would provide roughly $10.6 billion for HUD assisted housing programs. This funding level is enough to maintain programs at existing levels after adjusting for inflation. Under the legislation, an additional 63,000 families will receive some form of housing assistance. In addition, the bill rejects the administration's proposal to terminate housing for the elderly by providing more than $620 million for the highly successful section 202 program.

H.R. 4 would also authorize $100 million for a new low-income homeownership initiative based on the highly successful Nehemiah concept. Under the program, the Federal Government would provide assistance to nonprofit neighborhood groups to build or renovate one-to-four family homes. Low- and moderate-income families would receive affordable financing to purchase the homes. With the help of the New York City and State governments, church groups, builders, and developers, the Nehemiah program has made the dream of homeowership possible for hundreds of families in New York City. H.R. 4 will make it possible for other areas of the country to benefit from this innovative program.

Furthermore, H.R. 4 rejects the administration's proposals to undermine the FHA Mortgage Insurance Program. The legislation prohibits an increase in the mortgage insurance premium as proposed by the administration, and maintains the current down payment requirements.

Mr. Chairman, during the markup of H.R. 4, I offered several amendments to strengthen the provisions dealing with the congregate services program, FHA mortgage insurance and mortgage insurance for public hospitals. First, I cosponsored an amendment with my colleague from Minnesota, Mr. Vento, to increase the authorization for the Congregate Services Program from $4 million to $13 million. The Congregate Services Program offers much needed support services to frail elderly residents of public housing and section 202 housing projects. Many of the more than 1.7 million older Americans who live in assisted housing need help going to the store for groceries, preparing meals, or maintaining their apartment. The congregate services program is an effective and humane alternative to the premature institutionalization of elderly residents of assisted housing. The amendment was adopted by voice vote.

Second, I offered an amendment with my colleague from California, Mr. Lehman, to increase the maximum mortgage amount that could qualify for FHA insurance in high cost areas from $90,000 to $101,250. FHA mortgage limits have not been increased since 1979. However, over the past 8 years, housing costs and land values have risen dramatically. Existing home prices have increased by more than 44 percent since 1979.

In New York, very little new housing can qualify for FHA morgage insurance. In 1986, the median sales price of a single family home in the New York Metropolitan Area was $147,200. The current FHA maximum loan limit has shut many young families in New York out of the housing market. Our amendment, which was adopted by voice vote, will allow many of these families to take advantage of the FHA Program.

Finally, Mr. Chairman, I offered a series of amendments that will make it possible for public hospitals to acquire affordable financing to complete much needed modernization and renovation projects under the section 242 Hospital Mortgage Insurance Program. The 1983 Housing Act contained a provision making public hospitals eligible for section 242 insurance. However, HUD has proposed regulations that would make it virtually impossible for any public hospital to qualify for insurance under the program. My amendments would simply prohibit HUD from imposing unnecessary and burdensome requirements on public hospitals seeking section 242 mortgage insurance and would require HUD to immediately begin to process applications for public hospitals under current regulatory guidelines for nonprofit hospitals.

Mr. Chairman, the section 242 Hospital Mortgage Insurance Program has enabled nonprofit hospitals which serve the poor and elderly in economically distressed areas to obtain affordable credit for critically needed renovation projects. Most public hospitals serve the same communities and desperately need affordable capital for overdue modernization projects. My amendments, which were adopted by voice vote, will make certain this important insurance program is made available to public hospitals, as intended by Congress.

Mr. Chairman, I urge my colleagues to vote for H.R. 4. We must reaffirm the Federal Government's commitment to providing safe, decent, and affordable housing for all Americans.

Mr. BRENNAN. Mr. Chairman, I rise in support of H.R. 4.

Congress is on the brink of giving the American people their first housing legislation since 1983—their first freestanding authorization bill since 1980.

We are making an important statement here—that we are not going to tolerate further cuts in our already decimated housing and community development programs.

Over the last 6 years, funding for low-income housing programs administered by HUD have been cut by 58 percent. There have been almost no new public housing units built. As if this isn't enogh, the administration:

Wants to cut HUD housing assistance by half

Increase fees to moderate-income families using Federal mortgage insurance programs to purchase homes

Reduce funds for CDBG's by 17 percent

Terminate all of the FmHA rural housing programs

And eliminate assistance for elderly and handicapped housing.

Well, Congress should finally say "enough"!

There's a housing crisis out there, and it's getting worse. There are too many homeless Americans, and a growing number of them are families with children. Many hardworking Americans can't afford to buy a house, any house. As an example, 10 years ago about 65 percent of the people in the State of Maine could afford to buy their own home. If those people were looking today, it is estimated that only about 38 percent would be able to afford an average-priced home.

Elderly Americans might have a house, but rising maintenance costs can make it impossible to hold onto this important piece of security. Often, the elderly avoid home equity loans for fear that borrowing on their home could endanger their present security as well as their ability to pass their home on to their children.

This bill addresses some of these problems. It authorizes desperately needed public housing starts, and creates various incentives and opportunities for low-income individuals to improve, manage, and even buy their own housing projects. It provides for demonstration programs in daycare and innovative home equity conversions.

It also makes it easier for middle-income people to buy a home by including closing costs in FHA mortgages * * * often, the closing costs alone make home ownership impossible.

It prohibits the imposition of higher interest rates on FHA loans.

It increases the maximum mortgage limit for high-cost areas from the current level of $90,000 to $101,250. In short, it injects a little reality into the FHA Program and brings the dream of home ownership several steps closer for many Americans.

I was pleased to see the House pass an amendment that would reduce the amount elderly tenants living in federally assisted housing would have to pay from 30 to 25 percent of their adjusted income. I support this amendment because it reduces the housing costs to these individuals to a more realistic level, allowing them to spend more of their limited incomes on basic food, clothing and medical needs.

Clearly, this legislation won't solve all of our housing problems. But it sends a clear message to the Reagan administration that the Congress cares about our fellow Americans who are in desperate need of affordable housing.

Mr. CHAPMAN. Mr. Chairman, I am pleased to rise in strong support of H.R. 4, the Housing and Community Development Act of 1987. The bill being offered today is the culmination of years of hard work and I would like to commend the distinguished chairman of the Subcommittee on Housing and Community Development, the gentleman from Texas, Mr. GONZALEZ, for his dedication and commitment to maintain the viability of our Nation's housing programs.

I believe this legislation addresses many of the critical housing and community development issues that face our Nation. In particular, this legislation addresses the needs of rural America. Today, rural America represents approximately one-fourth of the total population. However, rural areas contain a disproportionate number of the Nation's poor. These low-income families are faced with numerous housing problems. Much of the present rural housing has structural defects, inadequate plumbing and electrical facilities, deficiencies in sewage systems, unacceptable water resources, and occurrences of overcrowding. Throughout this debate, we have discussed the importance of enacting legislation that will provide people decent living conditions in order to restore their self-respect, dignity, and hope for a brighter future. I suggest such, legislation should become a solid commitment by this Congress not only for the benefits of the individuals in rural areas but for the improvement of the entire rural community life.

Specifically, H.R. 4 authorizes about $2 billion in fiscal year 1988 for rural housing programs under the Farmers Home Administration [FmHA]. Since 1949, these rural housing programs have assisted more than 2 million rural families in affording decent housing. Still, the Reagan administration has consistently proposed to terminate existing FmHA rural housing programs and shift the responsibility of rural housing to HUD. I argue that the FmHA housing programs were designed to meet specific needs of rural residents. Having 1,930 county offices, 270 district offices and 46 State offices, the FmHA is able to provide a customized service that is easily available to rural residents. Should we lose this network of offices, we may decrease our ability to effectively administer to the growing needs of our rural communities. I strongly support the goal of helping rural America and have witnessed the extensive utilization of our housing programs throughout my congressional district.

The need to provide decent rural housing programs will always be an objective of Federal policymakers. Rural America needs our help now. I urge my colleagues to support H.R. 4.

Mr. KEMP. Mr. Chairman, the New York Times today headlined the vote on the Morrison amendment as "House Rejects Measure to Allow Tenants To Buy Units at Discount." The House, it continues "defeated a key provision that would give tenants of public housing the right to buy their apartments at 25 percent of market value."

Mr. Chairman, the New York Times has no illusions about what we did yesterday to urban homesteading and the hopes for low-income homeownership and neither should you. This vote—today—is about one simple, but revolutionary idea: Will you give poor people a genuine chance to own their own homes. Or will you give them an empty gesture that will ultimately explode in their faces? The Kemp amendment is genuine urban homesteading—it's genuine homeownership—the Morrison bill is a pale imitation—pure and simple—that will disappoint the Kimi Grays and tenant leaders and the poor throughout this Nation.

I sincerely believe that H.R. 4—while incorporating some of our ideas—denies tenants their dreams and their dignity. I hope that sincere and sympathetic colleagues will consider just three fatal flaws of H.R. 4.

First: H.R. 4 does not contain a cap on the purchase price of the homes or guarantee a low-Interest-rate mortgage. We are dealing with an extraordinarily poor population whose neighborhoods are sometimes red lined against loans and mortgage financing. Even at 25 percent of market value and preferential financing only one-fifth of tenants can afford homeownership. Even with our deep discounts—a poor person still needs an $8,000 to $10,000 income to afford a home. We must have a guaranteed discount and preferential financing or we are offering an empty dream.

Second. The second flaw is that H.R. 4 does not permit tenants to resell their homes or apartments to anyone but other public housing residents, and it requires an elaborate formula to determine the price which tenants can resell their homes—a price which would be far below market value. Ladies and gentleman, are we giving these people genuine property rights and genuine control over their own homes or are we going to use the same old tired formulas of regulation and restriction that will doom this bill to failure?

Third. The third flaw of H.R. 4 is that it has no provisions for the rehabilitation and sale of 70,000 vacant public housing. Our amendment specifically guarantees that vacant units will be open to homeownership. The Morrison amendment also denies "the right to buy" individual apartments that may not need tenant management. We believe all public housing tenants deserve the right to buy, not a select few.

There is one legitimate concern about our bill last year which we have taken into account in this year's bill: the issue of replacement of sold units. Let's remember fundamentally that we are simply turning renters into homeowners. We are still serving the same population. But going even further, our amendment also gives the local PHA the right of first refusal if tenants wants to resell their unit; plus we require the Federal Government to issue one new housing voucher for every unit sold—an ironclad one for one replacement that is not in H.R. 4. Finally, we require the local PHA to implement a plan to replace sold units, according to local housing conditions, by new construction, rehabilitation, or vouchers.

Mr. Chairman, we have the most far-reaching, ironclad, leakproof legal provisions in the history of public housing to protect the public housing stock while serving many more low-income people. We have answered this concern—low-income housing needs will be met under the Kemp amendment.

The other issues raised by my colleagues yesterday are bunk—I'm almost ashamed to raise them on the floor of the House.

First, are the poor smart enough to handle their own affairs? Won't they just default on their mortgages—don't they need PHA bueaucrats to handle the details of daily living. Ladies and gentleman, giving poor people control over their lives is what this amendment is all about. Our position is clear—I'll simply let my colleagues judge this question.

Second, how can we allow the poor to make a profit from their homes? CHARLES SCHUMER and BARNEY FRANK and others suggested that the poor might sell their homes for $200,000 or more, or worse, pass on their estate to their children. Horrors. Egads. Can you imagine making profits off your home. It may come as a surprise to some of my colleagues but there are people in Montgomery County and McLean and Capitol Hill who have doubled or tripled their original investment. There are even some of our constituents who have become millionaires by developing land and constructing office buildings and homes. Not to mention capital gains in stocks and bonds.

Perhaps, before we start shouting about the "obscene" profits potentially made by the poor, each one of us should identify if we have ever made profits on our homes or stocks or bonds. Mr. Chairman, isn't that what freedom and property is all about? A chance to get a stake in the economic system, a chance to get some protection from inflation, a chance to participate in economic growth and development and progress? How can we teach our children about saving and investing and the opportunities to participate in the free enterprise, if we deny the poor the same dreams and hopes and opportunities? Isn't it time we give poor people the same access to wealth and financial security—and a stake in our democratic capitalism system—that we want for our children and our families?

Let's also be frank about this point. I wonder how many of our colleagues have seen a public housing project? I wonder how many actually know what conditions are like? Yes, there are some on valuable land—and under current law many of these projects are being developed and the poor people being thrown off. Our amendment gives tenants the right to stay on that property and the opportunity to make a profit rather than the housing bureaucrats.

But the overwhelming number of public homes are not going to make poor people millionaires.

The suggestion that we are giving poor people an overwhelming windfall is simply ridiculous. If you really believe that Kimi Gray and her tenants are getting such a great "gift" I invite you to visit her complex and see what it's all about.

Yes, it has improved, and yes, it is well maintained. But if you believe we are selling mansions, you have a lot to learn about the state and nature of public housing in America. We are selling modest homes—probably worth $20,000 to $40,000 a piece when fixed up. I can't imagine why our Democratic friends—who claim such concern for the poor—would deny them this modest stake in their neighborhoods.

In summary, let me say that our tenant leaders know what is true homeownership and what is a farce. H.R. 4 is a farce—urban homesteading is the real thing. If you vote for H.R. 4—let me be blunt—you will simply be buying into the same old cycle of poverty, defeatism, and public housing bureacracy which has created so many of our problems in the past. If you want to give tenants genuine hope for the future, a reason to save and investment, a reason to have new faith in our system—then vote for urban homesteading.

I have noticed that a number of people today are talking about "community" as opposed to blatant individualism or unbridled greed. Well here is a chance to restore communities, to build up neighborhoods, and activate positive forces for change and cooperation across America.

Ladies and gentlemen, don't let tenants down—don't deny poor people the opportunity to become homeowners with independence and new hope. Some of you ran from this vote yesterday, hiding behind the Morrison amendment. Today, that fig leave won't be there. Your constituents will know what you really believe about the poor. With this vote, public housing tenants across America will know where you stood when they needed your help, your commitment, your courage—your vote.

Today, we face a watershed in housing policy. Will you continue with the failed policies of the past: the deteriorating projects, the cycle of dependency, the creation of new homeless, the dependency, and despair? Or will you embrace radical, revolutionary change to empower the poor through genuine, nostrings attached private home ownership?

Once and for all, we can decide. I hope you will decide with the forces of progress and hope.

Mr. HOUGHTON. Mr. Chairman, I supported the housing authorization bill which was before the House this week, although I had some reservations about it. However, I was persuaded by the fact that there has not been a regular housing bill approved since 1980. Since that time housing and community development programs have been reduced from 5.3 percent of the Federal budget in 1980 to 1.3 percent in 1987. Had other Federal programs experienced similar reductions, the Federal budget could be operating at a surplus today.

In addition, the bill provides assurance to residents of Salamanca, NY, that they will be eligible for Federal Housing Administration home loans. The Indian lease problem in Salamanca has made FHA officials reluctant to provide them. In order to reassure those officials that loan approvals should go forward, Congress last year approved language saying it was their intent that citizens of Salamanca have access to the same benefits from the program available to other U.S. citizens. FHA is still not convinced, and this bill includes language insisting that loans be provided for eligible citizens of Salamanca.

The bill also continues Farmers Home Administration loans at a reasonable level. That program, which has helped over 2 million families afford decent housing since 1949, has been cut by 50 percent since 1980. There will be a shortage of 375,000 units by 1990.

The UDAG Program is one of the few economic development tools left for local governments. The Westinghouse project in Elmira and Bush Industries in Jamestown were recipients of UDAG funds over the last 2 years. More than 1,000 jobs have been created as a result. This bill extends the program at the current funding level.

It's important to have a housing bill this year to make sure these provisions become law. For 5 years Congress has not approved housing legislation, choosing instead to continue the programs with a catchall bill at the end of the fiscal year. These programs deserve better treatment.

The CHAIRMAN. The question is on the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. DONNELLY, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 4) to amend and extend certain laws relating to housing, community and neighborhood development and preservation, and shelter assistance for the homeless and displaced, and for other purposes, pursuant to House Resolution 191, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER. Under the rule the previous question is ordered.

Is a separate vote demanded on any amendment to the committee amendment in the nature of a substitute adopted by the committee of the Whole? If not, the question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT OFFERED BY MR. WYLIE

Mr. WYLIE. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. WYLIE. I am, in its present form, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. WYLIE moves to recommit the bill H.R. 4 to the Committee on Banking, Finance and Urban Affairs with instructions to report the same back to the House forthwith with the following amendment: Strike section 126 and insert the following (and conform the table of contents accordingly):

SEC. 126. PUBLIC HOUSING HOMEOWNERSHIP OPPORTUNITIES.

(a) IN GENERAL.—The United States Housing Act of 1937 (as amended by section 125 of this Act) is further amended by adding at the end the following new section:

"PUBLIC HOUSING HOMEOWNERSHIP OPPORTUNITIES

"SEC. 22. (a) PURCHASES BY RESIDENT MANAGEMENT CORPORATIONS.—

"(1) RIGHT TO PURCHASE.—The families residing in each public housing project shall be provided with the opportunity to purchase the dwelling units in the project through a resident management corporation.

"(2) FORMATION OF RESIDENT MANAGEMENT CORPORATION.—As a condition for public homeownership under this subsection—

"(A) the adult resident of a public housing project shall have formed a resident management corporation in accordance with regulations and requirements established by the Secretary.

"(B) the resident management corporation shall have entered into a contract with the public housing agency establishing the respective management rights and responsibilities of the resident management corporation and the public housing agency; and

"(C) the resident management corporation shall have demonstrated its ability to manage public housing effectively and efficiently for a period of not less than 3 years.

"(3) CONDITIONS OF PURCHASE.—A resident management corporation may purchase all or part of a public housing project following a determination by the Secretary that—

"(A) the resident management corporation has been established in accordance with paragraph (2);

"(B) the resident management corporation is prepared to undertake the ownership, management, and maintenance of the project with continued assistance from the Secretary;

"(C) the resident management corporation has held one or more public hearings to obtain the views of citizens regarding the proposed purchase;

"(D) the purchase will not interfere with the rights of other families residing in public housing, will not harm the efficient operation of other public housing, and is in the interest of the community (which determinations shall be made following consultation with the public housing agency); and

"(E) the project meets the minimum safety and livability standards applicable under section 14, and the physical condition, management, and operation of the project is sufficient to permit and encourage affordable homeownership by the families residing in the project.

"(b) DIRECT PURCHASES BY FAMILIES.—

"(1) RIGHT TO PURCHASE.—Each family residing in a public housing project shall be provided with the opportunity to purchase directly from the public housing agency the dwelling unit in which the family resides.

"(2) Conditions of purchase.—A family may purchase a dwelling unit under this subsection following a determination by the Secretary that—

"(A) the purchase will not interfere with the rights of other families residing in public housing, will not harm the efficient operation of other public housing, and is in the interest of the community (which determination shall be made following consultation with the public housing agency); and

"(B) the dwelling unit meets the minimum safety and livability standards applicable under section 14, and the physical condition, management, and operation of the project in which the dwelling unit is located are sufficient to permit and encourage affordable homeownership by the family.

"(c) Terms of purchases.—

"(1) Purchase price limitation.—The price for any purchase under subsection (a) or (b) shall be not more than 25 percent of the fair market value of the property involved, as determined by the Secretary.

"(2) Purchase arrangements.—A purchase under subsection (a) or (b) may be made under any of the following arrangements, at the option of the resident management corporation or family making the purchase:

"(A) Lease-purchase.

"(B) Shared appreciation, except that not less than 50 percent of the future appreciation in the value of the property involved shall be reserved to the resident management corporation or family making the purchase.

"(C) Cooperative ownership.

"(D) Condominimum ownership.

"(E) Purchase with amounts borrowed on the security of the property involved.

"(F) Any other arrangement determined by the Secretary to be appropriate.

"(3) Low interest rate loans from public housing agencies.—For purposes of assisting any purchase by a resident management corporation or family under subsection (a) or (b), the public housing agency involved shall make a loan on the security of the property involved to the resident management corporation or family at a rate of interest equal to 70 percent of the market interest rate for conventional mortgages on the date on which the loan is made.

"(4) Use of proceeds.—The proceeds from any sale shall be paid to the public housing agency, to be used only to rehabilitate or increase the number of public housing dwelling units available for occupancy.

"(d) Limitations on Resale.—

"(1) Right of first refusal.—If any family owns (or has ownership rights in) a public housing dwelling unit initially purchased by a resident management corporation under subsection (a) and plans to sell the dwelling unit or rights to a family that is not a lower income family, the resident management corporation or public housing agency involved shall have the right to purchase the dwelling unit or right at the price for which the family has received a firm offer.

"(2) Recapture at time of sale.—If any purchaser of property under this section, including a resident management corporation, sells the property before the expiration of the 5-year period following the date of the purchase, the purchaser shall pay to the public housing agency the following percentage of any excess of the sales price over the purchase price:

"(A) 100 percent, if the sale occurs during the 1st 1-year period following such date.

"(B) 100 percent, if the sale occurs during the 2nd 1-year period following such date.

"(C) 75 percent, if the sale occurs during the 3rd 1-year period following such date.

"(D) 50 percent, if the sale occurs during the 4th 1-year period following such date.

"(E) 25 percent, if the sale occurs during the 5th 1-year period following such date.

"(e) Homeownership Assistance.—

"(1) Assurance of appropriate conditions for homeownership.—The Secretary shall provide comprehensive improvement assistance under section 14 to public housing projects in which homeownership activities under this section are conducted in order to ensure that the physical condition, management, and operation of the projects are sufficient to permit and encourage homeownership by the families residing in the projects.

"(2) Training and technical assistance.—The Secretary, and the public housing agency owning and operating each public housing project, shall provide such training, technical assistance, and educational assistance as the Secretary determines to be necessary to prepare the families residing in the project, and any resident management corporation established under subsection (a), for homeownership.

"(f) Tenants Rights.—

"(1) In general.—Families renting a dwelling unit in a building purchased by a resident management corporation shall have all rights provided to tenants of public housing under this Act.

"(2) Eviction prohibition.—No family residing in a dwelling unit in a public housing project may be evicted by reason of the sale of the project to a resident management corporation under this section.

"(3) Rental assistance.—If any family resides in a dwelling unit in a public housing project purchased by a resident management corporation, and the family decides not to purchase the dwelling unit, the Secretary may offer to provide to the family assistance under subsection (b) or (o) of section 8, as determined by the Secretary to be appropriate to permit the family to continue to reside in the dwelling unit.

"(4) Relocation assistance.—If any family resides in a dwelling unit in a public housing project in which other dwelling units are purchased under this section, and the family decides not to purchase the dwelling unit, the Secretary may offer—

"(A) to assist the family in relocating to a dwelling unit in another public housing project; or

"(B) to provide to the family assistance under subsection (b) or (o) of section 8, as determined by the Secretary to be appropriate to permit the family to obtain comparable alternative housing.

"(g) Financial Assistance.—

"(1) Assistance for public housing agencies.—The Secretary shall provide to public housing agencies such financial assistance as the Secretary determines is necessary to permit such agencies to carry out the provisions of this section.

"(2) Annual contributions.—Notwithstanding the purchase of all or part of a public housing project under this section, the Secretary shall continue to pay annual contributions with respect to the project. Such contributions may not exceed the maximum contributions authorized in section 5(a).

"(3) Operating subsidy.—The operating subsidy for a project managed by a resident management corporation shall not be less than the public housing agency per unit monthly amount provided in the previous year. Such subsidy may not be reduced during the 3-year period beginning on the date on which the resident managed housing is transferred to resident ownership, except that if the total income of the public housing agency is reduced the income provided by the public housing agency to the resident owned project may be reduced in proportion to the total revenue reduction of the public housing agency.

"(h) Additional Homeownership Opportunities.—

"(1) In general.—No provision of this section may be construed to preclude the Secretary or any public housing agency from providing additional homeownership opportunities under section 5(h), section 6(c)(4)(D), or any other provision of this Act.

"(2) Purchase of unoccupied units.—Any qualified public housing resident or qualified applicant for public housing residence may purchase any unoccupied dwelling unit in a public housing project, subject to the conditions of this section.

"(i) Regulations.—The Secretary shall issue such regulations as may be necessary to carry out the provisions of this section. Such regulations may establish any additional terms and conditions for homeownership under this section that are determined by the Secretary to be appropriate.

"(j) Annual Report.—The Secretary shall annually submit to the Congress a report setting forth—

"(1) any need for the development of additional public housing dwelling units as a result of the sale of public housing dwelling units under this section;

"(2) recommendations of the Secretary for additional budget authority to carry out such development; and

"(3) recommendations of the Secretary to ensure decent homes and decent neighborhoods for lower income families.

"(k) Limitation.—Any authority of the Secretary under this section to provide financial assistance, or to enter into contracts to provide financial assistance, shall be effective only to such extent or in such amounts as are or have been provided in advance in appropriation Acts.".

"(b) Assisted Housing Replacement for Public Housing Dwelling Units Sold.—Section 5(c) of the United States Housing Act of 1937 is amended by adding at the end the following new paragraph:

"(8)(A) Each public housing agency shall implement a plan to replace (by the provision of housing vouchers, rehabiliation of vacant public housing units, or construction of new public housing) public housing units sold under section 22, which plan shall provide for replacement of such percentage of the units sold as the public housing agency determines is justified by the local supply of lower income housing.

"(B) In addition to the other budget authority provided for in this subsection, the budget authority available for assistance under subsections (b) and (o) of section 8 is authorized to be increased by such amounts as may be necessary to provide one additional housing assistance certificate or voucher for each public housing dwelling unit sold under section 22.".

(c) Effective Date.—The amendments made by this section shall take effect on October 1, 1987, or the date of the enactment of this Act, whichever occurs later.

Mr. WYLIE (during the reading). Mr. Speaker, I ask unanimous consent that the motion to recommit be considered as read and printed in the Record.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The SPEAKER. The gentleman from Ohio [Mr. WYLIE] is recognized for 5 minutes in support of his motion to recommit.

Mr. WYLIE. Mr. Speaker, the motion which I have just made incorporates precisely the same amendment, as the gentleman from Texas [Mr. ARMEY] pointed out a little earlier, that was adopted on June 11 last year by a vote of 238 to 176 on this House floor. The amendment is the same amendment that was offered by the gentleman from New York [Mr. KEMP] and the gentleman from Texas [Mr. ARMEY] yesterday, and through a parliamentary maneuver, there was never a vote on it. I think the gentleman from New York [Mr. KEMP] and the gentleman from Texas [Mr. ARMEY] deserve a vote on their amendment which was so overwhelmingly adopted less than a year ago.

If we can get people off the public rolls and into private housing, it seems to me that that is very, very desirable. That is the goal of this amendment. It is an excellent amendment. It goes toward privatizing public housing. Both the amendments, the amendment in the bill and this amendment, would allow the tenants a right to buy or purchase their public housing units.

□ 1425

While giving the tenants a strong endorsement of the right to buy concept, the amendment in the bill as now presented is too cumbersome. We are not giving enough incentive to go through the process of home ownership.

The amendment which is in H.R. 4 imposes severe restrictions on resale. The argument was made yesterday, "Why should they be able to resell it?"

I say, why not? Why should they not be able to resell it if they can make some money on a public housing unit and improve their lot in life, it might get them off welfare.

Armey-Kemp keeps the American tradition of financial gain on property intact.

The Armey-Kemp amendment provides as the PHA deems necessary that the use of all existing HUD programs may be used as a replacement resource, including the use of vouchers.

Armey-Kemp places no such restrictions and leaves the choice with the tenants.

There are some restrictions in the bill as it is now presented, as I indicated a little earlier, which would be punitive and would not allow for these tenants to buy their property.

Armey-Kemp places no restriction and would allow nonprofit or family members to assist in the financing opportunity, something H.R. 4 does not do.

Mr. ARMEY. Mr. Speaker, will the gentleman yield?

Mr. WYLIE. I yield to the gentleman from Texas [Mr. ARMEY], the author of the amendment.

Mr. ARMEY. Mr. Speaker, I thank the gentleman for yielding.

If I can just take one very quick moment, I have just received a letter from Kimi Gray regarding the action we took yesterday. She writes me:

COUNCIL FOR A BLACK
ECONOMIC AGENDA,
Washington, DC., June 11, 1987.

DEAR CONGRESSMAN: We are outraged! Public housing residents across the country will hold our representatives accountable to this action on the part of the House to hold as hostage our dreams for homeownership.

We urge the House to re-commit the bill, H.R. 4, with instructions to put back the original Kemp/Armey Urban Homestead provisions, approved by this same body last year. We will not accept half a loaf, nor the right to buy housing with restrictions that guarantee failure. We remind the Congress of past failures of Turnkey and Section 5(h) homeownership programs.

Vote "Yes" on the Motion to Re-Commit H.R. 4, to grant our dream of homeownership.

Yours in the Struggle,
KIMI GRAY,
Chairperson, Public Housing Resident-Tenant Coalition.

P.S.—Support us as we supported you.

Now, I read that because I want the Members to understand, this is not my amendment. It has got nothing to do with my life. It has to do with the lives of people who for so long and too long and too many generations have not participated in the American dream. They have spoken in this letter and I hope that we will listen.

Mr. WYLIE. Mr. Speaker, that is a very significant letter, because Kimi Gray was one of those who started this whole program of tenant management in the first place. I heard her before our committee and she is an impressive lady and knows what she is doing.

Mr. BARTLETT. Mr. Speaker, will the gentleman yield?

Mr. WYLIE. I yield to the gentleman from Texas.

Mr. BARTLETT. Mr. Speaker, the House needs to understand the specifics of the motion. It is a motion to recommit with instructions so that a vote for the motion to recommit with instructions is not a vote against, for or against the housing bill. It is a motion simply to put the Kemp-Armey language into the bill and it would be done in the Committee of the Whole. It would come immediately back to the full House for a final vote on final passage.

This motion is to recommit with specific instructions. It is in effect a vote on the Kemp-Armey language, no more, no less. If you are for Kemp-Armey, you should vote for it, whether or not you are for or against the bill on final passage.

Mr. WYLIE. Mr. Speaker, I reserve the balance of my time.

The SPEAKER. The gentleman has consumed all but 30 seconds of his time and under the rule must use his time or sacrifice it.

Mr. WYLIE. Mr. Speaker, I urge Members to vote for the motion to recommit with instructions, with the Armey-Kemp amendment in it. It would help those tenants and tenant leaders, like Kimi Gray, attain their American dream of homeownership. I think the amendment deserves support. I think the motion should be passed. It simply says that these people can buy these homes at 25 percent of the market price.

The tenant is given the authority to buy these homes and also get a low interest rate mortgage so they can participate in the American dream of homeownership.

Mr. MORRISON of Connecticut. Mr. Speaker, I rise in opposition to the motion. I am not going to take the full 5 minutes. Everybody is ready to vote.

Let me just say, you voted on this question yesterday. You voted on the Morrison substitute to the Kemp-Armey language. You had a clear choice of whether you preferred a mandatory program as crafted by the committee or a program which involved giving away millions of taxpayers' dollars without accountability and not replacing the housing stock that would be lost with anything that would be dependable. It was a simple vote and the vote in the House yesterday was 258 to 161 in favor of the committee language and in opposition to the language that is being proposed now. I think everybody knows how they voted. I am sure they want to vote consistently and I would ask that we vote "no."

The SPEAKER. The question is on the motion to recommit.

The question was taken; and the Speaker announced that the noes appeared to have it.

RECORDED VOTE

Mr. WYLIE. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The SPEAKER. Pursuant to the provisions of clause 5 of rule XV, the Chair announces that he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device, if ordered, will be taken on the question of passage. Members will record their votes by electronic device.

The vote was taken by electronic device, and there were—ayes 162, noes 243, not voting 28, as follows:

[Roll No. 177]

AYES—162

Anderson
Archer
Armey
Badham
Baker
Ballenger

Bartlett
Barton
Bateman
Bentley
Bereuter
Bilirakis
Bliley
Broomfield
Brown (CO)
Buechner
Bunning
Burton
Byron
Callahan
Chandler
Cheney
Clinger
Coats
Coble
Coleman (MO)
Combest
Coughlin
Courter
Craig
Crane
Daniel
Dannemeyer
Daub
Davis (IL)
DeLay
DeWine
Dickinson
DioGuardi
Dornan (CA)
Dreier
Duncan
Edwards (OK)
Emerson
Fawell
Fields
Fish
Gallegly
Gallo
Gekas
Gingrich
Goodling
Gradison
Grandy
Gregg
Gunderson
Hammerschmidt
Hansen
Hastert
Hefley
Henry
Herger
Hiler
Holloway
Hopkins
Horton
Houghton
Hunter
Hyde
Ireland
Jeffords
Johnson (CT)
Kasich
Kolbe
Konnyu
Kyl
Lagomarsino
Latta
Leach (IA)
Lent
Lewis (CA)
Lewis (FL)
Lightfoot
Lipinski
Lott
Lowery (CA)
Lujan
Lukens, Donald
Lungren
Mack
Madigan
Marlenee
Martin (IL)
McCollum
McEwen
McGrath
McMillan (NC)
Meyers
Michel
Miller (OH)
Miller (WA)
Molinari
Moorhead
Morrison (WA)
Myers
Nielson
Oxley
Parris
Pashayan
Petri
Porter
Pursell
Quillen
Ravenel
Rhodes
Ridge
Rinaldo
Ritter
Roberts
Roemer
Rogers
Roukema
Saiki
Saxton
Schaefer
Schuette
Schulze
Sensenbrenner
Shaw
Shumway
Shuster
Skeen
Slaughter (VA)
Smith (NE)
Smith (NJ)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Snowe
Solomon
Spence
Stangeland
Stump
Sundquist
Sweeney
Swindall
Tauke
Taylor
Thomas (CA)
Upton
Valentine
Vucanovich
Walker
Weber
Weldon
Whittaker
Wolf
Wortley
Wylie
Young (AK)
Young (FL)

NOES—243

Akaka
Alexander
Andrews
Annunzio
Anthony
Applegate
Aspin
Atkins
AuCoin
Barnard
Bates
Beilenson
Bennett
Berman
Bevill
Biaggi
Bilbray
Boehlert
Boggs
Boland
Borski
Bosco
Boucher
Boxer
Brennan
Brooks
Bruce
Bryant
Bustamante
Campbell
Carper
Chapman
Chappell
Clarke
Clay
Coelho
Coleman (TX)
Collins
Conte
Conyers
Cooper
Coyne
Crockett
Darden
de la Garza
DeFazio
Dellums
Derrick
Dicks
Dingell
Dixon
Donnelly
Dorgan (ND)
Dowdy
Downey
Durbin
Dwyer
Dymally
Dyson
Early
Eckart
Edwards (CA)
English
Erdreich
Espy
Evans
Fascell
Fazio
Feighan
Flake
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Frank
Frost
Gaydos
Gejdenson
Gibbons
Gilman
Glickman
Gonzalez
Gordon
Grant
Gray (IL)
Green
Guarini
Hall (OH)
Hall (TX)
Hamilton
Harris
Hatcher
Hawkins
Hayes (IL)
Hayes (LA)
Hefner
Hertel
Hochbrueckner
Howard
Hoyer
Huckaby
Hughes
Hutto
Jacobs
Jenkins
Johnson (SD)
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kastenmeier
Kennedy
Kennelly
Kildee
Kolter
Kostmayer
LaFalce
Lancaster
Lantos
Leath (TX)
Lehman (CA)
Lehman (FL)
Leland
Levin (MI)
Levine (CA)
Lewis (GA)
Lloyd
Lowry (WA)
Luken, Thomas
MacKay
Manton
Markey
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCurdy
McDade
McHugh
McMillen (MD)
Mfume
Mica
Miller (CA)
Mineta
Moakley
Mollohan
Montgomery
Moody
Morrison (CT)
Mrazek
Murphy
Murtha
Nagle
Natcher
Neal
Nelson
Nichols
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens (NY)
Owens (UT)
Panetta
Patterson
Pease
Pelosi
Penny
Pepper
Perkins
Pickett
Pickle
Price (IL)
Price (NC)
Rahall
Rangel
Regula
Richardson
Robinson
Rodino
Roe
Rose
Rostenkowski
Rowland (CT)
Rowland (GA)
Roybal
Russo
Sabo
Savage
Sawyer
Scheuer
Schneider
Schroeder
Schumer
Sharp
Sikorski
Sisisky
Skaggs
Skelton
Slattery
Slaughter (NY)
Smith (FL)
Smith (IA)
Solarz
Spratt
St Germain
Staggers
Stark
Stenholm
Stokes
Stratton
Studds
Swift
Synar
Tallon
Thomas (GA)
Torricelli
Towns
Traficant
Traxler
Udall
Vento
Visclosky
Volkmer
Walgren
Watkins
Waxman
Weiss
Wheat
Whitten
Williams
Wilson
Wise
Wolpe
Wyden
Yates
Yatron

NOT VOTING—28

Ackerman
Boner (TN)
Bonior (MI)
Bonker
Boulter
Brown (CA)
Cardin
Carr
Davis (MI)
Frenzel
Garcia
Gephardt
Gray (PA)
Hubbard
Inhofe
Kemp
Kleczka
Livingston
Martin (NY)
McCandless
Morella
Packard
Ray
Roth
Stallings
Tauzin
Torres
Vander Jagt

□ 1450

The Clerk announced the following pairs:

On this vote:

Mr. Kemp for, with Mr. Brown of California against.

Mr. Roth for, with Mr. Bonior of Michigan against.

Mr. Boulter for, with Mr. Torres against.

Messrs. **CONTE**, **BATES**, and **WALGREN** changed their votes from "aye" to "no."

Mr. **DELAY**, Mrs. **ROUKEMA**, and Mr. **RAVENEL** changed their votes from "no" to "aye."

So the motion to recommit was rejected.

The result of the vote was announced as above recorded.

The **SPEAKER**. The question is on the passage of the bill.

The question was taken; and the Speaker announced that the ayes appeared to have it.

RECORDED VOTE

Mr. **GONZALEZ**. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The **SPEAKER**. The Chair will advise Members this is a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 285, noes 120, not voting 28, as follows:

[Roll No. 178]

AYES—285

Akaka
Alexander
Anderson
Andrews
Annunzio
Anthony
Applegate
Aspin
Atkins
AuCoin
Ballenger
Barnard
Bates
Beilenson
Bennett
Bentley
Bereuter
Berman
Bevill
Biaggi
Bilbray
Boehlert
Boggs
Boland
Borski
Bosco
Boucher
Boxer
Brennan
Brooks
Broomfield
Bruce
Bryant
Buechner
Bustamante
Byron
Campbell
Carper
Chapman
Chappell
Clarke
Clay
Clinger
Coble
Coelho
Coleman (MO)
Coleman (TX)
Collins
Conte
Conyers
Cooper
Coughlin
Courter
Coyne
Crockett
Darden
de la Garza
DeFazio
Dellums
Derrick
Dicks
Dingell
DioGuardi
Dixon
Donnelly
Dorgan (ND)
Dowdy
Downey
Duncan
Durbin
Dwyer
Dymally
Dyson
Early
Eckart
Edwards (CA)
Emerson
English
Erdreich
Espy
Evans
Fascell
Fazio
Feighan
Fish
Flake
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Frank
Frost
Gallo
Gaydos
Gejdenson
Gibbons
Gilman
Glickman
Gonzalez
Goodling
Gordon
Grant
Gray (IL)
Green
Guarini
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Harris
Hatcher
Hawkins
Hayes (IL)
Hayes (LA)
Hefner
Hertel
Hochbrueckner
Holloway
Horton
Houghton
Howard
Hoyer
Huckaby
Hughes
Hutto
Jacobs
Jeffords
Jenkins
Johnson (CT)
Johnson (SD)
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kastenmeier
Kennedy
Kennelly
Kildee
Kolter
Kostmayer
LaFalce
Lancaster
Lantos
Leath (TX)
Lehman (CA)
Lehman (FL)
Leland
Levin (MI)
Levine (CA)
Lewis (GA)
Lloyd
Lowry (WA)
Luken, Thomas
MacKay
Manton
Markey
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCurdy
McDade
McHugh
McMillan (NC)
McMillen (MD)
Mfume
Mica
Miller (CA)
Mineta
Moakley
Molinari
Mollohan
Montgomery
Moody
Morella
Morrison (CT)
Mrazek
Murphy
Murtha
Nagle
Natcher
Neal
Nelson
Nichols
Nowak
Oakar
Oberstar
Obey
Ortiz
Owens (NY)
Owens (UT)
Panetta
Patterson
Pease
Pelosi
Pepper
Perkins
Pickett
Pickle
Price (IL)
Price (NC)
Pursell
Rahall
Rangel
Ravenel
Richardson
Rinaldo
Ritter
Robinson
Rodino
Roe
Roemer
Rogers
Rose
Rostenkowski
Rowland (CT)
Rowland (GA)
Roybal
Sabo
Saiki
Savage
Sawyer
Saxton
Scheuer
Schneider
Schroeder
Schuette
Schumer
Sharp
Sikorski
Sisisky
Skaggs
Skelton
Slattery
Slaughter (NY)
Smith (FL)
Smith (IA)
Smith (NJ)
Snowe
Solarz
Spence
Spratt
St Germain
Staggers
Stangeland
Stark
Stenholm
Stokes
Stratton
Studds
Swift
Synar
Tallon
Thomas (GA)
Torricelli
Towns
Traficant
Traxler
Udall
Valentine

Vento
Visclosky
Volkmer
Vucanovich
Walgren
Watkins
Waxman
Weiss
Weldon
Wheat
Whitten
Williams
Wilson
Wise
Wolf
Wolpe
Wyden
Yates
Yatron
Young (AK)
Young (FL)

NOES—120

Archer
Armey
Badham
Baker
Bartlett
Barton
Bateman
Bilirakis
Bliley
Brown (CO)
Bunning
Burton
Callahan
Chandler
Cheney
Coats
Combest
Craig
Crane
Daniel
Dannemeyer
Daub
Davis (IL)
DeLay
DeWine
Dickinson
Dornan (CA)
Dreier
Edwards (OK)
Fawell
Fields
Gallegly
Gekas
Gingrich
Gradison
Grandy
Gregg
Gunderson
Hansen
Hastert
Hefley
Henry
Herger
Hiler
Hopkins
Hunter
Hyde
Ireland
Kasich
Kolbe
Konnyu
Kyl
Lagomarsino
Latta
Leach (IA)
Lent
Lewis (CA)
Lewis (FL)
Lightfoot
Lipinski
Lott
Lowery (CA)
Lujan
Lukens, Donald
Lungren
Mack
Madigan
Marlenee
Martin (IL)
McCollum
McEwen
McGrath
Meyers
Michel
Miller (OH)
Miller (WA)
Moorhead
Morrison (WA)
Myers
Nielson
Olin
Oxley
Parris
Pashayan
Penny
Petri
Porter
Regula
Rhodes
Ridge
Roberts
Roukema
Russo
Schaefer
Schulze
Sensenbrenner
Shaw
Shumway
Shuster
Skeen
Slaughter (VA)
Smith (NE)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Solomon
Stump
Sundquist
Sweeney
Swindall
Tauke
Taylor
Thomas (CA)
Upton
Walker
Weber
Whittaker
Wortley
Wylie

NOT VOTING—28

Ackerman
Boner (TN)
Bonior (MI)
Bonker
Boulter
Brown (CA)
Cardin
Carr
Davis (MI)
Frenzel
Garcia
Gephardt
Gray (PA)
Hubbard
Inhofe
Kemp
Kleczka
Livingston
Martin (NY)
McCandless
Packard
Quillen
Ray
Roth
Stallings
Tauzin
Torres
Vander Jagt

The Clerk announced the following pairs:

On this vote:

Mr. Kleczka for, with Mr. Roth against.

Mr. Quillen for, with Mr. Boulter against.

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. INHOFE. Mr. Speaker, I was unavoidably absent from House proceedings. Had I been present, I would have voted "no" on rollcall No. 178, final passage of H.R. 4, the housing auhtorization bill.

PERSONAL EXPLANATION

Mr. KLECZKA. Mr. Speaker, conflicting business in my congressional district prevents me from being present today for the quota on final passage on H.R. 4, the Housing, Community Development, and Homelessness Prevention Act of 1987, a measure of which I am an original cosponsor.

If I were present, I would cast my vote in favor of final passage of this essential legislation.

PERMISSION FOR COMMITTEE ON ENERGY AND COMMERCE TO HAVE UNTIL MIDNIGHT TOMORROW TO FILE A REPORT ON H.R. 1315, NUCLEAR REGULATORY COMMISSION AUTHORIZATION, 1988 AND 1989

Mr. SHARP. Mr. Speaker, I ask unanimous consent that the Committee on Energy and Commerce have until midnight tomorrow, June 12, to file a report on H.R. 1315, a bill authorizing appropriations for the Nuclear Regulatory Commission for fiscal years 1988 and 1989, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

AUTHORIZING THE CLERK TO MAKE CORRECTIONS IN ENGROSSMENT OF H.R. 4, HOUSING, COMMUNITY DEVELOPMENT, AND HOMELESSNESS PREVENTION ACT OF 1987

Mr. GONZALEZ. Mr. Speaker, I ask unanimous consent that, in the engrossment of the bill, H.R. 4, the Clerk be authorized to correct section numbers, cross references, punctuation, and indentation, and to make such other technical and conforming changes as may be necessary to reflect the actions of the House.

THE SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

GENERAL LEAVE

Mr. GONZALEZ. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and to include extraneous matter, on H.R. 4, the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

STATE REFINANCING OF TAX-EXEMPT BONDS

(Mr. SCHUMER asked and was given permission to address the House for 1 minute.)

Mr. SCHUMER. Mr. Speaker, by a memo of March 19, 1987, HUD requested that all State housing finance agencies and section 11(b) public housing agencies make their best efforts to refinance outstanding tax-exempt bonds used to finance projects with the financial adjustment factor [FAF] in the early 1980's. The lower interest rates of the late 1980's makes savings possible as a result of these proposed refinancings.

However, HUD has stated that it will receive all savings from these refinancings. This ruling does not provide any incentive for States to make these deals high in their priorities.

If HUD instead rules that the Federal and State governments will share equally in the savings from the refinancings, then States will be encouraged to refinance. Such a ruling would keep the housing dollars in housing and in the States where they originated. In addition, it would allow State and local governments to determine the best use of the funds to meet their needs: new units or rehabilitation projects.

Today's low interest rates make savings from refinancings possible. However, State and local issuers will not act unless they have an incentive. Time is of the essence, as interest rates may rise in several years, eliminating the possibility of any savings from the refinancings.

I would like to ask the distinguished chairman if he shares the belief that Congress and HUD should attempt to provide an incentive through shared savings for State agencies to renegotiate these deals. Is it also the chairman's understanding that it is the sense of the House that Members from both bodies should meet soon in order to allocate some of the savings from these transactions to State and local bodies?

Mr. GONZALEZ. Mr. Speaker, if the gentleman will yield, I agree.

□ 1505

RESIGNATION AS MEMBER AND APPOINTMENT AS MEMBER OF COMMISSION ON EDUCATION OF THE DEAF

The SPEAKER. The Chair has been advised of the resignation of Nanette Fabray MacDougall as a member of Commission on Education of the Deaf.

Pursuant to section 301 of Public Law 99-371, the Chair appoints as a member from private life on the part of the House to the Commission on Education of the Deaf Mr. Dennis B. Gjerdingen, from Northampton, MA, to fill the existing vacancy thereon.

APPOINTMENT OF CONFEREES ON H.R. 27, FEDERAL SAVINGS AND LOAN INSURANCE CORPORATION RECAPITALIZATION ACT OF 1987

Mr. ST GERMAIN. Mr. Speaker, pursuant to clause 1 of rule XX and by the direction of the Committee on Banking, Finance and Urban Affairs, I move to take from the Speaker's table the bill (H.R. 27), to facilitate the provision of additional financial resources to the Federal Savings and Loan Insurance Corporation and, for purposes of strengthening the reserves of the Corporation, to establish a forbearance program for thrift institutions and to provide additional congressional oversight of the Federal Home Loan Bank Board and the Federal home loan bank system, with the Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The Clerk read the title of the bill.

The SPEAKER. Does the gentleman from Rhode Island desire debate time on his motion?

Mr. ST GERMAIN. No, Mr. Speaker. I ask for the vote.

The SPEAKER. The question is on the notion offered by the gentleman from Rhode Island [Mr. ST GERMAIN].

The motion was agreed to.

The SPEAKER. The Chair appoints the following conferees: Messrs. ST GERMAIN, ANNUNZIO, HUBBARD, BARNARD and LAFALCE, Ms. OAKAR, Messrs. VENTO, SCHUMER, LEHMAN of California, and ROEMER, Ms. KAPTUR, and Messrs. NELSON of Florida, WYLIE, LEACH of Iowa, SHUMWAY, PARRIS, WORTLEY, DREIER of California, and MCCOLLUM.

As additional conferees only for consideration of title I of the House bill and title III of the Senate amendment: Mr. NEAL and Mr. BARTLETT.

LEGISLATIVE PROGRAM

(Mr. LOTT asked and was given permission to address the House for 1 minute.)

Mr. LOTT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute for the purpose of receiving the schedule for the balance of the day and the week.

For that purpose I would be pleased to yield to the distinguished majority leader.

Mr. FOLEY. I thank the distinguished Republican whip for yielding.

Mr. Speaker, the House will consider the bill H.R. 1777, Department of State authorization for fiscal 1988 and 1989 today, but we will consider only the rule and 1 hour of general debate. Tomorrow the House will be in pro forma session and on Monday the House will meet at noon to consider the Consent Calendar and three suspensions under suspension of the rules: H.R. 145, Computer Security Act of 1987, House Concurrent Resolution 74 to express the appreciation of the Congress regarding the Government of Colombia's efforts to combat drug trafficking and drug abuse and House Concurrent Resolution 113 concerning military unrest in Argentina. All votes ordered on suspension debated on Monday will be postponed until Tuesday, June 16.

On Tuesday, the House will meet at noon, to consider the recorded votes ordered on suspensions voted on Monday and to continue consideration of H.R. 1777, the Department of State Authorization Act.

Mr. LOTT. If the gentleman would yield for just a moment, you have on that bill H.R. 1777, the Department of State Authorization Act "complete consideration." There are a number of amendments which already have been put into the RECORD and others can be filed tomorrow in the RECORD. I presume that, very simply, if we do not complete it on Tuesday you will carry it over to Wednesday, is that the plan?

Mr. FOLEY. Well, we will carry it over until Wednesday or Thursday, I am not sure which day. We are going to have to need to examnine the amendments filed in the RECORD tomorrow to determine what schedule change might be made in case we do not finish the bill on Tuesday. On Wednesday and the balance of the week, June 17, 18, and 19, the House will meet at 11 a.m. on Wednesday and 10 a.m. on Thursday and Friday. It is my intention to ask unanimous consent that the House meet at 11 a.m. on Wednesday of next week. We will consider H.R. 281, Construction Industry Labor Law Amendments of 1987, subject to a rule, H.R. 2342, Coast Guard Authorization for fiscal 1988, subject to a rule and H.R. 157, Constitution Day, open rule 1 hour of debate. H.R. 281, the Construction Industry Labor Law Amendments of 1987 is sometimes known as the doublebreasted bill, for the information of Members.

Mr. LOTT. You are just saying that that will come up on Wednesday or the balance of the week, is that what you are saying on that last bill?

Mr. FOLEY. It will come up on Wednesday, I assume we will complete the bill on Wednesday. We presently intend that we will begin Wednesday's session with H.R. 281, and H.R. 1777 if it requires additional time will probably go over until Thursday, but I cannot advise the gentleman definitely about that at this time.

Mr. LOTT. Does the gentleman anticipate the necessity for a Friday, June 19 session?

Mr. FOLEY. No; I do not anticipate such a need and I think Members might confidently expect that the House will be in pro forma session, pro forma session on Friday next, without votes being expected.

Mr. LOTT. I know this is reaching into the future a little, but it helps Members to know as far in advance as possible when they might be expected to be here on a Friday, for instance. The rumor is all around that we are probably going to have votes and probably be in on Friday, June 26. Is that the gentleman's intention?

Mr. FOLEY. Yes, the gentleman is correct. And I take this time to suggest to the Members that we will start on the 23d of June to consider appropriation bills, subject to continued consultation with the Committee on Appropriations and its distinguished chairman and subcommittee chairman. We are anticipating that there will be virtually daily scheduling of appropriation bills starting on Tuesday, the 23d of June, and including Friday, the 26th of June, and Monday the 29th of June.

I will repeat again. We expect that the House will be in session with votes on Friday, the 26th of June, and Monday the 29th of June.

Mr. LOTT. And in all probability there will be an appropriation bill scheduled each one of those days, is that correct?

Mr. FOLEY. The gentleman is correct. On the other hand, we are not meeting except in pro forma session tomorrow. We will be postponing votes on Monday, June 15, and we do not expect that we will be in more than pro forma session on Friday, June 19th, and Members can assume the likelihood that on Monday, the 22d of June, the week after next Monday, that is, that we will probably be considering suspensions with votes being rolled until the following Tuesday, June 23.

Mr. LOTT. That means that we can complete five or six, perhaps, appropriation bills before the Fourth of July weekend.

So I assume then that they would be out that week after the Fourth of July so that Members would have an opportunity to be with their families and their constituents at that very important time during the year and I know that Members have been willing to work hard and were looking forward to having that opportunity to do their duty, both to their country, the constituencies and their families. Could the gentleman tell me?

Mr. FOLEY. Well, the phrase sometimes is that the gentleman protests too much and he assumes too much in his recent statement.

Mr. LOTT. Does that mean that we will be having a session?

Mr. FOLEY. That means that we will be returning from the Fourth of July recess as scheduled and announced earlier. And we will be returning on Tuesday, the 7th of July. And there will be business and votes scheduled on Tuesday, the 7th of July, and Members should be under no other expectation. We are trying to give advance notice to Members on what the schedule will be. We have told the Members today, the gentleman and I have tried to do this—what the session will be tomorrow, what it will be next Monday, what it will be next Friday, what it will be the following Monday and what will happen on the following Monday and Friday.

Mr. LOTT. I must compliment the gentleman. Even though it is bad news at least we are getting a little bit more in advance than we have in the past. I guess, you know, after loping along lazily all year with a total of 43 days in which we had recorded votes, it would be only appropriate that we would work around the Fourth of July when everybody else, of course, has other things on their minds.

One last question: Does the gentleman have any idea when we might expect a conference report on the budget resolution?

Mr. FOLEY. We are hoping that the conference report on the budget resolution may be as early as next week but we are not in a position yet to advise the membership on that in a definitive way.

Mr. LOTT. I thank the gentleman for his very good spirits in which he takes these arrows that he so richly deserves.

Mr. FOLEY. The gentleman and I enjoy the possibility of these exchanges, I know.

ADJOURNMENT TO MONDAY, JUNE 15, 1987

Mr. FOLEY. Mr. Speaker, I ask unanimous consent that when the House adjourns on Friday, June 12, 1987, it adjourn to meet at noon on Monday, June 15, 1987.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

HOUR OF MEETING ON WEDNESDAY, JUNE 17, 1987

Mr. FOLEY. Mr. Speaker, I ask unanimous consent that when the House adjourns on Tuesday, June 16, 1987, it adjourn to meet at 11 on Wednesday, June 17, 1987.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. FOLEY. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule be dispensed with on Wednesday next.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

PROVIDING FOR CONSIDERATION OF H.R. 1777, FOREIGN RELATIONS AUTHORIZATION ACT, FISCAL YEARS 1988 AND 1989

Mr. HALL of Ohio. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 190 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 190

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 1777) to authorize appropriations for fiscal years 1988 and 1989 for the Department of State, the United States Information Agency and for other purposes, and the first reading of the bill shall be dispensed with. All points of order against the consideration of the bill for failure to comply with the provisions of section 401(b)(1) of the Congressional Budget Act of 1974, as amended (Public Law 93-344, as amended by Public Law 99-177) are hereby waived. After general debate, which shall be confined to the bill and which shall not exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Foreign Affairs, the bill shall be considered for amendment under the five-minute rule. It shall be in order to consider the amendment in the nature of a substitute recommended by the Committee on Foreign Affairs now printed in the bill as an original bill for the purpose of amendment under the five-minute rule, said substitute shall be considered for amendment by titles instead of by sections, each title shall be considered as having been read, and all points of order against said substitute for failure to comply with the provisions of section 303(a) of the Congressional Budget Act of 1974, as amended, are hereby waived. No amendment to said substitute shall be in order except those amendments printed in the Congressional Record on or before June 12, 1987. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the committee amendment in the nature of a substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

□ 1520

The SPEAKER pro tempore (Mr. MONTGOMERY). The gentleman from Ohio [Mr. HALL] is recognized for 1 hour.

Mr. HALL of Ohio. Mr. Speaker, I yield the customary 30 minutes to the gentleman from Missouri [Mr. TAYLOR] for purposes of debate only, and pending that, I yield myself such time as I may consume.

Mr. Speaker, House Resolution 190 is a modified open rule providing for the consideration of H.R. 1777, the Department of State authorization for fiscal 1988 and fiscal 1989.

The rule provides for 1 hour of general debate to be equally divided and controlled by the chairman and ranking minority member of the Committee on Foreign Affairs.

The rule further makes in order the amendment in the nature of a substitute recommended by the Committee on Foreign Affairs now printed in the bill as the original text for the purpose of amendment under the 5-minute rule. The substitute shall be considered for amendment by titles instead of by sections, with each title considered as having been read.

There are two technical waivers of the Congressional Budget Act in this rule. As introduced, H.R. 1777 violates section 401(b)(1) of the Budget Act, and as reported, violates section 303(a) of the Budget Act.

Section 401(b)(1) of the Budget Act prohibits the consideration of any bill providing new entitlement authority which is effective prior to the first day of the fiscal year which begins during the calendar year in which such bill is reported. Since section 211 of the bill, as introduced, provided for immediate compensation for a Director and was reported in calendar year 1987, the bill technically is in violation of section 401(b)(1). For this reason, a waiver of this provision against consideration of the bill is needed.

Section 303(a) of the Budget Act prohibits the consideration of any measure which provides new funding authority for a fiscal year before the adoption of the Budget Resolution for that fiscal year. Section 134 and section 135 of the amendment in the nature of a substitute provide for compensation for certain State Department officials at rates effective October 1, 1987. Since these provisions would create fiscal 1988 funding authority prior to the adoption of the budget resolution, a technical waiver is needed for the substitute.

The Rules Committee has been advised that the Committee on Foreign Affairs will offer floor amendments to correct these technical Budget Act violations. In addition, the Budget Committee has written to the Rules Committee that it has no objection to technical waivers of these sections of the Budget Act in order to permit consideration of the bill and the committee substitute.

It should be noted that the rule provides that only those amendments printed in the CONGRESSIONAL RECORD on or before June 12, 1987, shall be in order. Generally, the Rules Committee is reluctant to impose a printing requirement for a measure intended to be open to germane amendments. However, in the case of H.R. 1777, the Rules Committee has made a judgment that amendments should be printed in advance in the RECORD.

The State Department Authorization bill is one of the few legislative vehicles for the debate of foreign policy that is expected to be considered by the full House this year. Since it is difficult to predict how many and what kind of amendments might be offered to this specific legislation, it will be helpful to the managers to have fair advance notice of the contents of potential amendments. This will facilitate efficient use of House floor time and allow ample opportunity to resolve any questions regarding the germaneness of some of the amendments that might be offered.

My colleagues should also recall that H.R. 1777 was reported on March 27, 1987, and had been expected to be considered by the full House in April. Therefore, Members have had sufficient time to contemplate amendments that could be printed in the RECORD on or before June 12, 1987.

Finally, the rule provides for one motion to recommit with or without instructions.

Mr. Speaker, this is a bipartisan rule. It enjoys the support of Members on both sides of the aisle from both the Foreign Affairs Committee and the Rules Committee. It is designed to expedite floor consideration of the often complex and sometimes controversial issues relating to the funding for State Department and related agencies.

Mr. Speaker, H.R. 1777 authorizes funding in fiscal 1988 for State Department and related agencies at levels which are consistent with the House-passed budget resolution. It is my understanding that the administration supports moving this legislation forward.

Mr. Speaker, I urge my colleagues to adopt this rule so that the House can consider the important issues raised by this legislation.

Mr. TAYLOR. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, House Resolution 190 is a restrictive rule under which the House will consider legislation imposing a fiscal year 1988 budget freeze on the State Department and related agencies.

The bill made in order by this rule, H.R. 1777, violates the Budget Act and could not be considered by the House without the waivers provided by the Committee on Rules.

In addition, the rule restricts the freedom of the Members by requiring Members to print their amendments to H.R. 1777 in the CONGRESSIONAL RECORD on or before tomorrow, Friday, June 12.

Mr. Speaker, the bill made in order by this rule, H.R. 1777 is a routine authorization for the State Department for fiscal years 1988 and 1989. The bill authorizes $3.9 billion in funding for 1988 and $4.5 billion in 1989.

The bill is $851 million under the President's budget request of $4.75 billion for 1988. The committee says that its authorization level is an overall budget freeze at fiscal year 1987 appropriations levels.

Mr. Speaker, the administration opposes H.R. 1777 in the form reported from the Committee on Foreign Affairs, because:

It is below funding levels requested by the President;

It contains excessive earmarking and unwarranted line-item authorizations;

It creates a new bureau which will mean budget cuts in other areas; and

It contains other foreign policy provisions that render the conduct of foreign affairs by the administration particularly difficult.

There is bipartisan Foreign Affairs Committee leadership, the chairman of the committee, the gentleman from Florida [Mr. FASCELL], and the ranking Republican member of the committee, the gentleman from Michigan [Mr. BROOMFIELD] plan to offer an amendment dealing with diplomatic security and reciprocity issues with the Soviet Union.

This amendment substantially improves the bill, because it takes a tough line with the Soviets in response to their outrageous conduct with regard to our new Embassy in Moscow.

Mr. Speaker, the administration detailed its objections to the bill in a policy statement sent to the Rules Committee, that I will insert in the RECORD at the appropriate point.

The amendments sought by the administration will not be allowed under this rule unless Members print them in the RECORD by tomorrow, Friday, June 12.

In addition to the prior notice on amendments, the rule has two Budget Act waivers that Members should also be aware of.

As introduced, the bill violated section 401(b)(1) of the Budget Act because it provided new entitlement authority for compensation for a staff position beginning immediately in 1987.

The Budget Act prohibits consideration of this bill because the new entitlement authority would be effective prior to the first day of fiscal 1988, and the bill was reported during 1987.

As reported, the bill violates section 303(a)(1) of the Budget Act because it provides new budget authority for salaries for new staff positions. The bill thereby creates fiscal 1988 entitlement authority in advance of adoption of the first budget resolution.

Mr. Speaker, I would conclude by pointing out that this is the 12th rule out of 24 reported by the Committee on Rules so far this session that restricts, in some way, the Members.

This rule marks the 12th time out of 24 that we have taken up rules that were less than open.

Mr. Speaker, I believe the Members of this House have the right to expect a better batting average than .500 for open rules from the Committee on Rules.

Mr. Speaker, I yield 1 minute to the gentleman from Pennsylvania [Mr. WALKER].

Mr. WALKER. Mr. Speaker, I thank the gentleman very much for yielding time to me.

This rule is another rule that contains Budget Act waivers. Vote "no."

I thank the gentleman for yielding.

Ms. SNOWE. Mr. Speaker, I rise in support of the rule presently under consideration. As the ranking Republican on the International Operations Subcommittee, which will bring this legislation to the House for action next week, I believe the Rules Committee has crafted a fair and reasonable rule.

As the gentlemen before me have indicated, this is a modified open rule, permitting any germane amendment that has been printed in the CONGRESSIONAL RECORD of June 12, 1987.

Because of the complexity and many technical issues involved in this legislation, we requested, and the Rules Committee approved, a rule that requires amendments to be printed in the RECORD prior to consideration of the bill by the House. I support this provision, and believe it will allow each amendment to be reviewed for germaneness, and to ensure that amendments are properly drafted before they are offered on the House floor.

With the prospect that consideration of the foreign assistance authorization may be delayed, this bill could become the vehicle for a number of amendments, many of which would normally fall outside the jurisdiction of the Subcommittee on International Operations. As such, we believe the simple printing requirement contained in the rule will allow appropriate review of all proposed amendments.

Mr. Speaker, the bill made in order under this rule provides the authorization for the Department of State, the U.S. Information Agency, the Board for International Broadcasting, and other international organizations. The funding level in our bill is consistent with the fiscal year 1987 continuing resolution. Meeting that goal required some difficult choices and denials of requested funding.

In fact, the administration would prefer a higher overall authorization level for State Department and related activities than is contained in our legislation. The bill does, however, include many provisions that were requested by the administration.

I would also like to address the committee amendment to be offered by Chairman MICA and me. It is based on legislation we introduced following our investigation of security at both the new and old Embassies in Moscow.

This amendment would prohibit the Soviets' use of their new Embassy on Mount Alto, unless it conclusively does not pose a security threat to the United States. Further, it could not be occupied by the Soviets until we can occupy a fully secure facility in Moscow. The amendment also contains a number of other measures designed to strengthen Embassy security and prevent future security lapses.

Mr. Speaker, I believe H.R. 1777 is balanced legislation that can be supported by all Members of the House. I thank the members of the Rules Committee for their assistance on this rule, and urge my colleagues to adopt the rule to allow consideration of this important legislation.

Mr. TAYLOR. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. HALL of Ohio. Mr. Speaker, I have no requests for time, and I move the previous question and the resolution.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. WALKER. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 238, nays 134, not voting 61, as follows:

[Roll No. 179]

YEAS—238

Akaka
Alexander
Anderson
Andrews
Annunzio
Anthony
Applegate
Armey
Aspin
Atkins
AuCoin
Bates
Beilenson
Bennett
Bereuter
Berman
Bevill
Biaggi
Bilbray
Boggs
Borski
Boucher
Boxer
Brennan
Brooks
Broomfield
Brown (CA)
Bruce
Bryant
Buechner
Bustamante
Campbell
Carper
Chapman
Chappell
Cheney
Clarke
Clinger
Coleman (TX)
Collins
Conte
Conyers
Cooper
Coyne
Crockett
DeFazio
Dellums
DeWine
Dicks
Dingell
Dixon
Donnelly
Dorgan (ND)
Dowdy
Downey
Duncan
Durbin
Dwyer
Dyson
Early
Eckart
Edwards (CA)
Erdreich
Espy
Evans
Fascell
Fazio
Feighan
Fish
Flake
Flippo
Foglietta
Foley
Ford (MI)
Frank
Frost
Gaydos
Gejdenson
Gibbons
Gilman
Glickman
Gonzalez
Gordon
Grant
Gray (IL)
Green
Guarini
Hall (OH)
Hall (TX)
Hamilton
Harris
Hatcher
Hawkins
Hayes (IL)
Hayes (LA)
Hefner
Hertel
Hochbrueckner
Howard
Hoyer
Hughes
Hutto
Jeffords
Jenkins
Johnson (SD)
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kasich
Kastenmeier
Kennedy
Kennelly
Kildee
Kostmayer
LaFalce
Lancaster
Lantos
Lehman (CA)
Lehman (FL)
Leland
Levin (MI)
Levine (CA)
Lewis (GA)
Lipinski
Lloyd
Lowry (WA)
Mack
Manton
Markey
Martinez
Matsui
Mazzoli
McCloskey
McCurdy
McDade
McGrath
McHugh
McMillen (MD)
Mfume
Mica
Miller (CA)
Miller (WA)
Mineta
Moakley
Mollohan
Montgomery
Moody
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Myers
Nagle
Natcher
Neal
Nelson
Nichols
Nowak
Oberstar
Obey
Olin
Ortiz
Owens (NY)
Owens (UT)
Panetta
Parris
Patterson
Pease
Pelosi
Pepper
Perkins
Petri
Pickett
Price (IL)
Price (NC)
Rahall
Rangel
Regula
Richardson
Ridge
Rinaldo
Robinson
Rodino
Roe
Rostenkowski
Roukema
Rowland (GA)
Roybal
Russo
Sabo
Savage
Sawyer
Scheuer
Schroeder
Schumer
Sharp
Sikorski
Sisisky
Skaggs
Skelton
Slattery
Slaughter (NY)
Smith (FL)
Smith (IA)
Smith (NJ)
Snowe
Solarz
Spratt
Staggers
Stark
Stokes
Stratton
Studds
Swift
Synar
Torricelli
Towns
Traficant
Traxler
Udall
Valentine
Vento
Visclosky
Volkmer
Walgren
Waxman
Weiss
Whitten
Wilson
Wise
Wolf
Wolpe
Wyden
Yates
Yatron
Young (AK)
Young (FL)

NAYS—134

Archer
Badham
Baker
Ballenger
Barnard
Bartlett
Barton
Bateman
Bentley
Bilirakis
Bliley
Boehlert
Brown (CO)
Bunning
Burton
Callahan
Chandler
Clay
Coats
Coble
Coleman (MO)
Combest
Coughlin
Craig
Crane
Daniel
Dannemeyer
Daub
DeLay
Dickinson
DioGuardi
Dornan (CA)
Dreier
Dymally
Edwards (OK)
Emerson
English
Fawell
Fields
Gallegly
Gallo
Gekas
Gingrich
Goodling
Gradison
Grandy
Gregg
Gunderson
Hammerschmidt
Hansen
Hastert
Hefley
Henry
Herger
Hiler
Holloway
Hopkins
Houghton
Huckaby
Hyde
Ireland
Jacobs
Johnson (CT)
Kolbe
Konnyu
Kyl
Lagomarsino
Latta
Leach (IA)
Lent
Lewis (CA)
Lewis (FL)
Lightfoot
Lott
Lujan
Luken, Thomas
Lungren
Madigan
Martin (IL)
McCollum
McEwen
McMillan (NC)
Meyers
Michel
Miller (OH)
Molinari
Moorhead
Morella
Nielson
Oxley
Pashayan
Penny
Porter
Ravenel
Rhodes
Roberts
Roemer
Rogers
Rowland (CT)
Saiki
Saxton
Schaefer
Schuette
Schulze
Sensenbrenner
Shaw
Shumway
Shuster
Skeen
Slaughter (VA)
Smith (NE)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Solomon
Spence
Stangeland
Stenholm
Stump
Sundquist
Sweeney
Swindall
Tauke
Taylor
Thomas (CA)
Upton
Vucanovich
Walker
Watkins
Weber
Weldon
Whittaker
Wortley
Wylie

NOT VOTING—61

Ackerman
Boland
Boner (TN)
Bonior (MI)
Bonker
Bosco
Boulter
Byron
Cardin
Carr
Coelho
Courter
Darden
Davis (IL)
Davis (MI)
de la Garza
Derrick
Florio
Ford (TN)
Frenzel
Garcia
Gephardt
Gray (PA)
Horton
Hubbard
Hunter
Inhofe
Kaptur
Kemp
Kleczka
Kolter
Leath (TX)
Livingston
Lowery (CA)
Lukens, Donald
MacKay
Marlenee
Martin (NY)
Mavroules
McCandless
Murtha
Oakar
Packard
Pickle
Pursell
Quillen
Ray
Ritter
Rose
Roth
Schneider
Smith, Robert (OR)
St Germain
Stallings
Tallon
Tauzin
Thomas (GA)
Torres
Vander Jagt
Wheat
Williams

□ 1535

The Clerk announced the following pair:

On this vote:

Mr. Quillen for, with Mr. Boulter against.

Mr. HOLLOWAY changed his vote from "yea" to "nay."

Mr. HOCHBRUECKNER and Mr. HOYER changed their votes from "nay" to "yea."

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. INHOFE. Mr. Speaker, I was unavoidably absent from House proceedings. Had I been present, I would have voted "aye" on rollcall No. 179, the rule for consideration of H.R. 1777, the Department of State Authorization Act for Fiscal Year 1988.

A TRIBUTE TO THE PAGES

(Mr. EMERSON asked and was given permission to address the House for 1 minute.)

Mr. EMERSON. Mr. Speaker, since we will only be in a pro forma session tomorrow, that tomorrow will be the last working day for this wonderful group of pages that we have had with us here in the school year 1987, I thought Members would want to be advised of that. I think we have had a very outstanding group of pages. I think they have done honor to the system this year.

We hope that the next crop coming on will be equally as good. I have been particularly privileged to have my own page, Kelly Richardson, in this session.

I know a number of other Members have had pages. I just want the pages to know how proud we are of all of you and your accomplishments and we wish you well as you go on to other endeavors.

□ 1550

Mr. KILDEE. Mr. Speaker, will the gentleman yield?

Mr. EMERSON. I yield to the gentleman from Michigan, the distinguished chairman of the Page Board.

Mr. KILDEE. I thank the gentleman for yielding.

Mr. Speaker, I can think of no group that deserves our applause more than the pages, and I thank the gentleman from Missouri [Mr. EMERSON] for taking this time to honor them.

As chairman of the Page Board I really have learned a great deal from the pages this year. As a teacher in real life, more than just teaching my students, I used to learn from them, and I have learned a great deal from the pages this year.

In the year 2000, and even before, these pages and their generation will be taking leadership positions in this Nation, and I feel very confident when I look at the group of pages that we have had this year that they will do a very, very good job in that.

I thank them for their service to this House, I thank them for having made me grow in my job as chairman of the Page Board, and again I thank the gentleman for taking this special time for them.

Mr. EMERSON. Mr. Speaker, I thank the gentleman for his comments, and I am delighted now to yield to another distinguished former page, the gentleman form Arizona [Mr. KOLBE].

Mr. KOLBE. I thank the gentleman for yielding.

Mr. Speaker, it was 29 years ago this last January that I came here to the Congress of the United States as a page myself. I remember very well the emotions and the feelings that I had, and I remember very well the feelings that I had 3 years later when I left the Congress to begin college.

So today it is with a very special sense of farewell that we wish these young men and women who have served us so ably their very best. I know the importance this experience had for me in shaping my values and shaping my interests, and hopefully a little bit in the career that I have followed since that time.

I think that perhaps we tend to take the pages for granted. We assume that everything will get delivered. We assume that the floor will be ready when we go into session. We assume that the telephone will be answered and we will be found for those telephones. But if we were to take them out of here, we realize how quickly this place would not operate or function very well without them.

We will miss them, but we also know, as we bid them farewell, that this will be an important experience in their lives, and we hope that they will carry what they have learned here throughout their lives and add to those of others.

So to my own page, Mike Elliott, who has served so well this year, and to all the others, I want to say that we wish them very well and Godspeed.

INTRODUCTION OF LEGISLATION TO REQUIRE IMMINENT DANGER PAY FOR MEMBERS OF MILITARY SERVING IN PERSIAN GULF

(Mrs. SCHROEDER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SCHROEDER. Mr. Speaker, today I am introducing legislation to require that members of the military who are deployed in or around the Persian Gulf receive danger pay.

Under section 310 of title 37, the Secretary of Defense may provide special pay to a member of the uniformed service who is "On duty in a foreign area in which he was subject to the threat of physical harm or imminent danger on the basis of civil insurrection, civil war, terrorism, or wartime conditions." If that does not describe our sailors in the Persian Gulf today, I do not know what does.

I was surprised to learn that we are not now paying hostile fire or danger pay to our troops in the Persian Gulf. My colleagues may remember that it took an act of Congress in 1983 to get danger pay for our marines in Lebanon. I am afraid it may take an act of Congress to provide danger pay in the Persian Gulf as well.

Danger pay is only $110 a month. It hardly compensates our brave sailors for the dangers they face patrolling the gulf. Still, it provides an important recognition of the hardships these individuals confront.

The bill is retroactive to May 1, 1987, and continues in effect until the President certifies that members of the military serving in the Persian Gulf are no longer subject to imminent danger.

I will be talking with the chairman of the Committee on Armed Services and with the leadership to find some way to move this bill quickly.

FOREIGN RELATIONS AUTHORIZATION ACT, FISCAL YEARS 1988 AND 1989

The SPEAKER pro tempore. Pursuant to House Resolution 190 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 1777.

□ 1555

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R 1777) to authorize appropriations for fiscal years 1988 and 1989 for the Department of State, the U.S. Information Agency, and for other purposes, with Mr. SWIFT in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the first reading of the bill is dispensed with.

Under the rule, the gentleman from Florida [Mr. MICA] will be recognized for 30 minutes and the gentleman from Michigan [Mr. BROOMFIELD] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Florida [Mr. MICA].

Mr. MICA. Mr. Chairman, I yield such time as he may consume to the gentleman from Florida [Mr. FASCELL].

Mr. FASCELL. Mr. Chairman, I rise in support of H.R. 1777, the Foreign Relations Authorization Act, fiscal years 1988 and 1989.

At the outset, I would like to commend my distinguished colleagues on the Committee on Foreign Affairs for their fine efforts to forge a bipartisan agreement on the contents of this vital legislation which authorizes appropriations for U.S. Foreign Affairs agencies for the next 2 fiscal years. I especially want to compliment the chairman of the Subcommittee on International Operations, the gentleman from Florida [Mr. DAN MICA] and the ranking minority member, the gentlewoman from Maine [Ms. SNOWE] for the exemplary leadership in the crafting of this legislation.

Mr. Chairman, H.R. 1777 specifically authorizes funding for the Department of State, the U.S. Information Agency the Board for International Broadcasting, the Voice of America, and the Asia Foundation. Programs covered under these catagories range from the administration of narcotics control overseas, to embassy security, to migration and refugee assistance, to counterterrorism coordination, to undergraduate scholarship programs, as well as a score of other important and vital programs and activities relating to the conduct of foreign affairs.

The total authorizations contained in this legislation, $3.9 billion for fiscal year 1988, are in compliance with the assumptions of the House-passed budget resolution for the International Affairs Function. While this funding is well below what the administration requested, it is necessary to understand, in light of the continuing budget restraints brought on by the Gramm-Rudman-Hollings Deficit Reduction Act, that our foreign affairs agencies need to tighten their belts. The committee made its best effort to allocate funding in a way that will keep our embassies and consulates abroad operating, continue the upgrade of embassy security recommended by the Inman Commission and mandated by Congress last August, fulfill our international commitment to refugee programs, and to continue our important overseas broadcasting and educational exchange programs.

I would, however, caution Members that by freezing the total authorization at current fiscal year 1987 levels, we are cutting dangerously close to the bone. I would therefore urge Members to support the funding levels as recommended by the committee, and oppose any efforts to reduce these levels.

One point that should be made before going any further is that the committee has seriously examined our participation in the United Nations and its specialized agencies in light of past congressional cuts in our assessed contributions and other policy restrictions. This legislation directly addresses the principal concern of Congress with respect to the United Nations; namely, the budget decision-making process in the U.N. General Assembly.

Due in some measure to the excellent work of my good friends and colleagues Dan Mica and the gentleman from New York [Mr. Gerry Solomon] who were congressional members of the U.S. delegation to the 40th General Assembly, the administration has succeeded in persuading the United Nations to adopt far reaching budget and management reforms which will result in giving major donors such as the United States a greater and more appropriate role in the budget process. In recognition of these efforts, the committee has amended the Kassebaum-Solomon requirement in law to allow increased, but not full, payment of our assessed contribution provided that the President can certify to Congress that the United Nations is indeed implementing the promised reforms.

Therefore, I would strongly urge Members to resist the temptation to slash this account any further. According to our permanent representative at the United Nations, Vernon Walters, further cuts would send a dangerous signal to the members of the General Assembly and could very well sabotage the reform effort.

Finally, Mr. Chairman, I want to congratulate the subcommittee chairman, Mr. Dan Mica, and ranking member, Ms. Olympia Snowe, for their superb efforts with respect to the security problems which have come to light as a result of the situation at the U.S. Embassy in Moscow. Their investigation of the problems in Moscow and subsequent staff inquiries into the security of our embassies in Eastern Europe and other vulnerable embassies, has resulted in strong bipartisan support for an amendment addressing these problems. That amendment will be offered by Mr. Mica and Ms. Snowe when the House continues consideration of this legislation next Tuesday. It contains provisions suggested by my colleagues on both sides of the aisle, including Mr. Broomfield, Mr. Courter, Mr. Armey, Mr. Atkins, Mrs. Schroeder, and Mr. Edwards. The committee also worked very closely with the Department of State's Office of Foreign Missions, particularly in crafting the reciprocity requirements contained in the amendment.

In sum, Mr. Chairman, H.R. 1777, including the committee amendment, addresses important foreign policy concerns, while balancing these concerns with the reality of our budget constraints. I urge the unanimous adoption of this legislation.

Mr. MICA. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I would like to clear up immediately some confusion on this bill. I know that there has been, even in the last few moments, some confusion as to what the rule was, let alone the bill.

We just voted on a modified open rule on the State Department authorization, and we are about to proceed on the State Department authorization bill, not—I repeat, not—the foreign aid bill. There has been some confusion on that.

H.R. 1777 authorizes appropriations for the Department of State, the U.S. Information Agency, the Voice of America, Radio Free Europe, Radio Liberty, and the Asia Foundation. The bill authorizes the following amounts, and I would restate what my colleague and chairman of the committee, the gentleman from Florida [Mr. Fascell], just indicated, we are within the constraints of the budget resolution for 1988: $2.9 billion for the State Department; the USIA, $628 million; the Voice of America, $193 million; the Board for International Broadcasting, $170 million; and the Asia Foundation, $13.7 million.

The total authorization for the entire bill for fiscal year 1988 is $3.9 billion, and for fiscal year 1989, $4.5 billion, which is within, as I indicated, the House-passed budget resolution for these budget functions.

The authorization is essentially frozen at 1987 levels, with some minor adjustments.

Now, let me clear up something that I am sure will be muddied thoroughly by this time next week. The administration does not support this bill—or, if I may phrase it another way, the administration will not support the bill if we add provisions dealing with the Moscow Embassy and Mount Alto. But I want to make it perfectly clear that the minority side strongly supports those provisions. I will not support the bill without those provisions and the administration indicates that it will not support the bill if they are in the bill.

Now that should be perfectly clear to everyone.

□ 1600

The bottom line is that we do have a contentious amendment, one that I essentially support, and I think we have done a reasonable job in trying to bring together some very strong concerns of this body.

I think the fact that the administration opposes it, and so many Members feel that this is important, indicates that there is a misconnection downtown as to the importance of this issue here in the Congress, and, certainly, I believe a misreading of the importance of the issue.

With regard to the specifics in the figures, I think that all Government agencies must look at essentially minimal or no growth budgets.

One of the additional reasons that the administration opposes the State Department bill is because there is not enough money in the bill.

That is a very strange position for us to be facing here in the Congress, and may be the first bill this year that I can think of that is being opposed by the administration because there is not enough money. Nonetheless, our committee was faced with the task of not only reporting out a responsible bill, but a bill that indeed met the budget requirements.

Under the restrictions that we in this Congress face since Gramm-Rudman, and without any opportunity for additional revenues, a no growth budget, coupled with the purchasing power lost due to the plummeting dollar and high overseas inflation, this has created indeed a real crisis for our foreign missions and our foreign affairs agencies.

They will have to review completely their priorities. We have tried to review those priorities as best we can.

Posts will have to be closed, consulates or missions, employees furloughed, programs cut back or curtailed; and we are not just talking about cutting the fat.

I acknowledge openly that we will be cutting to the bone in some cases, but we have no other choice if we are to meet the tough budget requirements placed on our committee. The requirements and these adjustments in this budget may bring about fundamental changes in our foreign affairs operation. Indeed, I think it is the beginning of those fundamental changes.

Many will be disruptive in the short run, but I, as chairman, and the gentlewomen from Maine [Ms. Snowe], my ranking minority member, decided early on in the hearing process that we would not bring to this floor a bill that was beyond the budget contraints presented to the committee.

That was not an easy task, and I understand that; but we have done it, and we have done it with some regrets that we do not have more money. This is the reality of the day.

We will not ask Members for further domestic budget cuts, while we would ask to increase funds for this type of international or foreign spending. I think it is unreal and unfair, and even if I did not, I do not think this would pass this body, making cuts at home and spending moneys for facilities or functions abroad.

Much attention has been focused on the recent security problems relating to our new office building in Moscow and the Soviets' new office building here in Washington, DC.

Again, the gentlewomen from Maine [Ms. SNOWE] and I have visited the Moscow site with our staff, after security breaches and problems came to our attention. Indeed, I think the Congress should know that we have been looking at a number of these problems for well over a year trying to focus attention on them, and we have studied the findings that we brought back, that or committee and others have made available to us, and crafted an amendment, H.R. 2410, which addresses the major problems that we feel we have uncovered in this investigation.

The gentlewoman from Maine [Ms. SNOWE], the gentleman from Michigan [Mr. BROOMFIELD], myself and others will offer and support this amendment to say in effect, we want some reciprocity with the Soviet Union.

They are not going to occupy their embassy while we are left in the cold in Moscow. There will be some similar treatment with regard to the way we are treated in Russia and the way they are treated here.

We will place some conditions for the first time in the law that we feel the Soviets must comply with. We think we have done it in a reasonable way.

We have given the President the opportunity, on the basis of national security, to offer a waiver to some of these conditions; but, nonetheless, we stand firm on the conditions that are required, and in retrospect we wonder why this was not done before.

The bottom line is, it is a realistic approach. It is an honest approach. It meets the budget criteria, and to summarize, to say that when the administration is opposing a portion of it, some Democrats oppose a portion of it, and some Republicans oppose a portion of it and there is a broad mixture of support for the opposition, the Members can be sure that we will have, hopefully, the best bill that we could get under the circumstances.

Mr. Chairman, I reserve the balance of my time.

The CHAIRMAN pro tempore (Mr. MONTGOMERY). The gentleman from Florida [Mr. MICA] has consumed 10 minutes.

Mr. BROOMFIELD. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, this bill authorizes funds to keep our foreign affairs agencies running so that the United States can conduct diplomacy in support of its national security objectives and can broadcast the words of freedom to closed societies.

I want to emphasize to all Members that this is not—I repeat—this is not the foreign aid bill.

Mr. Chairman, our colleagues DANTE FASCELL, DAN MICA, and OLYMPIA SNOWE deserve our thanks for the fine leadership they have demonstrated in bringing to the floor H.R. 1777 and the all-important committee security amendment. They have shown that effective leadership can forge a bipartisan consensus on important foreign affairs issues.

With the bipartisan committee amendment to H.R. 1777, the bill will take a tough line on diplomatic reciprocity and security issues with the Soviet Union.

The free ride for the Soviet Union in its diplomatic relations with the United States is over.

The answer to increased Soviet espionage and to Soviet abuse of United States personnel in the Soviet Union will now be strong action mandated by the Congress—not just more polite diplomatic protest notes.

Mr. Chairman, it will come as no surprise that the State Department opposes the bipartisan committee security amendment. They don't want the Congress to tell them to improve their security and to get tougher with the Soviets.

The fact that the State Department is working so hard to kill the bipartisan committee amendment is the best endorsement the amendment could have.

If the Soviets want diplomatic relations with the United States, then the United States must have secure office buildings in which to conduct our business and decent living conditions for our diplomats.

The State Department may want to keep the Soviets happy at the expense of United States interests, but the Congress is not going to put up with Soviet abuse any longer.

The bipartisan committee amendment will make the Soviets understand that the Congress of the United States is serious about defending United States national security secrets and about protecting its diplomats abroad.

With adoption of that bipartisan committee amendment, I urge all Members to support passage of the bill. If it fails, I urge my colleagues to oppose this bill.

Mr. Chairman, I yield the balance of my time to the gentlewoman from Maine [Ms. SNOWE], the ranking member of the Subcommittee on International Operations.

The CHAIRMAN pro tempore. The gentleman from Michigan [Mr. BROOMFIELD] has consumed 3 minutes.

The gentlewoman from Maine [Ms. SNOWE] is recognized for such time as she may consume.

Ms. SNOWE. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, the legislation before us today authorizes the budgets of the State Department, U.S. Information Agency, Board for International Broadcasting, and the United Nations. This legislation is tightly drafted and fiscally prudent.

I hope it will be augmented by an amendment to be offered by the gentleman from Florida [Mr. MICA] and me addressing the problems that have arisen at the U.S. Embassy in Moscow. We will be joined as primary sponsors by the distinguished chairman, Mr. FASCELL, and ranking Republican, Mr. BROOMFIELD, of the full Foreign Affairs Committee. This amendment is identical, except for two minor technical adjustments, to H.R. 2410, the Diplomatic Reciprocity and Security Act.

Over the past 2 months, following indications of security problems at our post in Moscow, the subcommittee has conducted an investigation into technical security problems at our Embassies overseas. As a part of that process, the gentleman from Florida and I traveled to Moscow to examine specific problems at both our new and existing Embassies there.

Moscow is the highest intelligence threat post in the world. Yet we discovered an Embassy where attitudes toward security were lax, security procedures were inadequate, and technical equipment was outdated and unreliable.

We also discovered an existing Embassy building which may have been totally compromised by Soviet espionage activities, and a new unfinished Embassy building which we allowed to be constructed and compromised by the Soviets. We found conditions unacceptable in both Embassy buildings—conditions created by marines granting Embassy access to Soviet agents, by inadequate safeguards taken by American personnel and by the zealous espionage efforts of the Soviets.

Our amendment will address all of these issues. It will establish tough new security procedures at the Department of State, and reorganize the security structure in the Department to raise its prominence. Our amendment will also require strict reciprocity in diplomatic relations between the United States and the Soviet Union. I will discuss the amendment in more detail at the appropriate time, but I wanted to make all Members aware of this comprehensive bipartisan amendment on the Moscow Embassy situation. I urge my colleagues to give it their full support. Regrettably, the administration doesn't support these provisions regarding Embassy security, but I believe they are reasonable given the grave circumstances with serious security lapses at our new and present Embassies.

From the time we first began work on this legislation, the gentleman from Florida [Mr. MICA] and I recognized the fiscal constraints necessary to produce responsible legislation this year, and we were determined to work within those constraints. For this reason, we adopted the fiscal year 1987 continuing resolution as both our baseline and spending target, and I am pleased to say that we have achieved our goal of a freeze at current appropriated levels.

In freezing the budgets of the foreign affairs agencies at the fiscal year 1987 appropriated level, we have essentially cut those budgets by nearly $200 million. The foreign affairs agencies this year will have to absorb the substantial costs due to the loss of purchasing power of the dollar overseas. Other built-in increases include overseas inflation and the cost of implementing the new Federal retirement system.

Cuts in the range of $200 million have necessitated some difficult choices. We have attempted to maintain as much as possible the core operations of the foreign affairs agencies. To do this, we have eliminated all funds for the modernization programs of the Voice of America and Radio Free Europe/Radio Liberty. In recent years, Congress has strongly supported these long overdue radio modernization programs, but current fiscal constraints require that we put a hold on capital programs of this type in order to ease other cuts in the agencies' core operating budgets.

Fiscal year 1988 was going to be the year that Radio Free Europe and Radio Liberty completed the upgrade of their existing transmitting facilities. This would have provided RFE/RL with a much stronger signal into the countries of Eastern Europe where jamming is most intense. At present, increased jamming in Poland and the Soviet Union is threatening to make RFE/RL nearly inaudible. At some point we will still have to face this problem.

Next year was also supposed to be the year that the Voice of America finally received bids for its major purchase of powerful 500-kilowatt transmitters. But our elimination of new modernization money will not provide sufficient funds for that entire contract to move forward. Therefore, VOA will have to reassess its modernization program to determine how it can continue that program on a more modest scale.

Even the elimination of new modernization money for the radios, however, did not produce sufficient funds to compensate for the built-in losses of the foreign affairs agencies. In this authorization, there will be a $70 million shortfall in the State Department's salaries and expenses account. This will require a major restructuring of the Department's organization here in Washington, and continued retrenchment abroad.

Last year, eight consulates were closed, and this year another seven posts are in the process of closing. At the funding level contained in this bill, the Department will probably have to close another 15 or more consulates next year. Some of these will have to be major diplomatic posts to achieve the level of savings necessary.

Along with the fiscal discipline in this bill are several important legislative initiatives which I would like to highlight.

Through the work of our colleague from New York, Mr. SOLOMON, this bill revises the existing Kassebaum-Solomon amendment to recognize steps taken at the United Nations for real budgetary reform. The gentleman's new U.N. amendment, which is already contained in this bill, will allow Kassebaum-Solomon cuts to be restored at the end of this year if the President determines this year that the United Nations' new budget reform process is being implemented faithfully. The key to that determination is whether budget ceilings are set and adhered to at every point in the process on a strict consensus basis. If the United States opposes the U.N. budget at any point, this legislation will consider the budget process to have broken down, and withholding will resume.

I am sure that our colleague from New York will describe his amendment in more detail, but I would like to emphasize that if the United States should resume withholding a portion of its contribution to the United Nations, the administration would have the flexibility to provide any level of funding for the United Nations, from no funding at all up to but not exceeding the 20-percent funding cap provided for under the original Kassebaum-Solomon amendment. This gives the administration the tools it needs to ensure that the United Nations does not simply slip back into the habit of passing budgetary add-ons over the objection of the major donors.

I would also like to emphasize that should the reforms actually be carried out, any increased funding for the United Nations would not increase the overall cost of this legislation. A provision I had added to this bill requires that any such additional funds would come out of existing unearmarked funds authorized either by this bill or by the foreign aid bill.

Another provision in this bill requires the Soviet Union to cease abusing the U.N. system by providing housing to Soviet U.N. Secretariat employees. This practice runs counter to U.N. regulations; it is an abuse of the principle of diplomatic immunity; and it presents a threat to U.S. national security interests. Since the United Nations clearly intends to take no action, Congress has a duty to bring this practice to an end.

This legislation also rectifies an inequity that has existed for 6 years. In 1981, legislation was enacted which provides former spouses of Foreign Service Officers with a share of retirement benefits based on the length of their marriage during the time of service. Foreign Service marriages present a special problem for families because of the length of time spent abroad, usually in a series of short tours of duty. This makes it extremely difficult for a spouse of a Foreign Service Officer to develop a separate career.

Unfortunately, the legislation 6 years ago cut out 70 to 80 women who were divorced from Foreign Service Officers prior to 1981. These women are particularly deserving because, during the time of their marriages, they were rated right along with their husbands. Their performance of official representational and other duties were often key considerations in the advancement of their spouse's career.

This legislation takes the modest and overdue action of providing the same benefits to all former Foreign Service spouses. But because this provision is retrospective, it was drafted so it would not reduce benefits now being provided to any retired Foreign Service Officer.

Our success in eliminating this inequity in law is the result of close cooperation between the Foreign Affairs and Post Office and Civil Service Committees. I would particularly like to recognize the efforts of the gentleman from Florida [Mr. MICA] from the Foreign Affairs Committee, and the gentlewoman from Colorado [Ms. SCHROEDER] and the gentleman from Michigan [Mr. FORD] from the Post Office and Civil Service Committee. Without their efforts in resolving potential jurisdictional problems, it would not have been possible to move this bill forward on such an expedited schedule.

The kind of cooperation and bipartisanship exhibited in this bill is a hallmark of the International Operations Subcommittee, where I serve as ranking Republican. For the 2 years that I have worked with the current chairman, the gentleman from Florida [Mr. MICA], Republicans and Democrats alike have received fair and evenhanded treatment. This has also been a characteristic of the full Foreign Affairs Committee, due to the cooperation and joint leadership of the gentleman from Florida [Mr. FASCELL] and the gentleman from Michigan [Mr. BROOMFIELD]. I also want to commend the staff for their outstanding and diligent work on this authorization.

In sum, this legislation is both fiscally and programmatically responsible. I urge passage of this legislation.

□ 1615

Mr. Chairman, I reserve the balance of my time.

The CHAIRMAN pro tempore (Mr. Montgomery). The gentlewoman from Maine [Ms. Snowe] has consumed 7 minutes.

Mr. MICA. Mr. Chairman, before I yield additional time to the gentleman from Pennsylvania, I would like to add to my previous statement that we are working as quickly as we can to prepare an amendment on minority recruitment and retention practices in the State Department and I hope to have that ready to introduce today or at the latest tomorrow on this bill.

Mr. Chairman, I yield 3 minutes to the gentleman from Pennsylvania [Mr. Yatron].

Mr. YATRON. Mr. Chairman, I thank the gentleman from Florida, the chairman of the subcommittee for yielding this time to me.

Mr. Chairman, I rise in strong support of H.R. 1777, which was recently reported out of the House Foreign Affairs Committee. Mr. Chairman, this is one of the most important bills we will consider in this session of Congress. Passage of this legislation is vitally important to the conduct and management of American foreign policy and U.S. operations worldwide.

The various initiatives and authorizations contained in H.R. 1777 represent the best possible means to project U.S. interests and values abroad. This bill authorizes appropriations for the U.S. Information Agency, the Voice of America, and other essential international communications. We simply cannot effectively advance American foreign policy without these agencies. As it now stands, the Soviets are outspending us significantly in the international communications arena.

Mr. Chairman, H.R. 1777 authorizes our participation in many very important international organizations, including the International Atomic Energy Agency. The IAEA is the principal international organization designed to prevent the spread of nuclear weapons. Among its many responsibilities, the IAEA's Nuclear Safeguards Program is the best mechanism available to the international community to ensure that nuclear material is not diverted for nonpeaceful purposes. Without the IAEA, the threat of nuclear war would escalate dramatically.

The bill also provides the necessary authority and appropriations for diplomatic security and for U.S. efforts to combat international terrorism. Our people in the Foreign Service and other U.S. personnel, who are doing an outstanding job representing U.S. interests abroad, are at the front lines in implementing our policies. Their lives are at risk, and it is incumbent upon us to provide them with adequate protection. This legislation seeks to do just that.

Finally, Mr. Chairman, the budgetary problems confronting the Congress have not been ignored, with respect to the formulation of this bill. This is a streamlined budget. Reconciling U.S. foreign policy interests with budgetary considerations is an extremely difficult task. But under the outstanding leadership of the gentleman from Florida [Mr. Mica] and the gentlelady from Maine [Ms. Snowe] this bill is a bipartisan effort to address the competing interests confronting our legislative agenda. I strongly urge our colleagues to support the bill.

Mr. MICA. Mr. Chairman, I yield 3 minutes to the gentleman from Pennsylvania [Mr. Kostmayer].

Mr. KOSTMAYERS. Mr. Chairman, I want to commend the distinguished gentleman from Florida, the chairman of the subcommittee, for the outstanding job he has done in handling this bill in bringing it to the floor, he has done a masterful job with enormous skill. He is a Member of great capacity for whom I have the highest regard. I want to commend him for his fairness and the treatment which he has extended to all of the members of the subcommittee. And I want to commend the gentlewoman from the great State of Maine for the magnificent job she has done and for the bipartisan approach which she has brought to this important piece of legislation.

Mr. Chairman, as my colleague from Pennsylvania, [Mr. Yatron] said, this is a very important piece of legislation which the committee considers today and it carries with it some of the most important programs our country has to offer. It really is, I think, the link between the United States and many people around the world. It establishes the programs through which people see the United States: the Fulbright Scholarship Program in which more than 6,200 Americans and foreigners participate in academic exchanges; the Hubert H. Humphrey Program under which promising midcareer professionals from third world countries spend a year in the United States in an educational institution, a program for disadvantaged Central American students wherein students from that region of the world can receive up to 2 years of undergraduate study at an American college; an international youth exchange which supports exchange programs for Americans aged 15 to 25 abroad; the Library and Book Program which sends important American books translated into foreign languages overseas; and the Arts America Program which sends fine art exhibitions and American artists overseas; the Afghan Media Program, a congressionally mandated program which will assist the representatives of free Afghanistan in making their plight known to the world.

These are the kinds of programs which I think represent the very best in our own country to many people abroad. Those who oppose this legislation, Mr. Chairman, ought to recognize that they are going to be opposing the Voice of America, they are going to be opposing Radio Free Europe, they are going to be opposing Radio Free Liberty, they are going to be opposing Radio Marti, which ought to be opposed, but that is another subject. That is the only bad program in this entire piece of legislation.

So I urge its adoption since I think we have reached a reasonable budget figure. I am delighted to be a member of this subcommittee and look forward to supporting this legislation when it comes to the floor of the House I believe on Tuesday next.

Mr. MICA. Mr. Chairman, I would just like to thank the gentleman from Pennsylvania for that gracious and eloquent comment with regard to the leadership that Ms. Snowe and myself and other members of the subcommittee have offered.

He is one of the more eloquent members of the committee.

Mr. Chairman, I yield 3 minutes to the gentleman from Massachusetts [Mr. Atkins].

Mr. ATKINS. I thank the gentleman for yielding time to me.

Mr. Chairman, I rise today to express support for the State Department authorization bill presently before us and to thank my colleagues on the Foreign Affairs Committee—especially my subcommittee chairman, Mr. Mica, and the ranking member, Ms. Snowe—for crafting a fair and reasonable bill under very trying circumstances.

The budget crisis has impinged on every committee's ability to adequately fund agencies and programs within their purview. Given the scope and breadth of our foreign policy interests throughout the world, the Foreign Affairs Committee wishes it could escape the constraints imposed by our budget deficit and give more generously to the Secretary of State, to the Director of AID, and the Director of USIA so that they can carry out their mandates and satisfy international commitments. Sadly, we have imposed limitations at a time when military security, economic development, Embassy security needs all require more attention and a greater infusion of funds.

It is my hope that there will come a time in the not-too-distant future when we can be more generous with countries in need and when we can enhance and improve American representation overseas. For the moment, in the bill before us today, we have sought to establish priorities and still allow the State Department the tools it needs to conduct a balanced foreign policy.

I am especially pleased because, with this bill, we are able to preserve for the United States a leadership role in resettling and giving safe haven to refugees escaping persecution or certain death in their own country. Notwithstanding funding limitations, we are still able to join others in supporting international relief operations so that refugees—such as Cambodians and Laotians and many others throughout the world—might have basic health care and food and shelter as they live in temporary refugee camps awaiting the opportunity to return to their own countries in more peaceful times.

There are many other aspects of this bill that strengthen our humanitarian and leadership roles abroad. I commend this bill to my colleagues as it seeks, in a balanced way, to equip our State Department and other agencies to wisely and fairly conduct foreign policy.

I again commend especially the distinguished leadership of the subcommittee, the chairman, the gentleman from Florida [Mr. MICA] and the ranking minority member, the gentlewoman from Maine, [Ms. SNOWE] for a very fine job under certainly very difficult circumstances.

Ms. SNOWE. Mr. Chairman, I yield 3 minutes to the gentleman from California [Mr. DORNAN].

Mr. DORNAN of California. I thank the gentlewoman.

Mr. Chairman, I rise in support of this bill. I think, through many hours of hard work in the full Foreign Affairs Committee, we crafted a fine piece of legislative work here.

Mr. Chairman, I rise not only to support the bill but to express some satisfaction that three amendments of mine are embodied in this piece of legislation. They were all accepted unanimously.

One was a sense of the Congress on further enlightened increased emigration from the Soviet Union of those people who feel that they are oppressed. This is not only tens of thousands of Jewish citizens but Pentecostals and other people who feel their religious rights have not been allowed to be expressed in the Soviet Union. This went through unanimously, as I said. We try to do this every year.

There has been a crack in the wall. As a matter of fact, glasnost, whatever this amorphous spirit is coming out of the Soviet Union, reached a surprising new high with me this morning. I was allowed to call into the Soviet Union to a refusenik family that has been beaten up, unfairly imprisoned, the grandfather has been thrown in prison, the father has been put in prison, drugs were planted in the house after they made a search with bloodhound dogs they came back and placed in a Hebrew text a fake packet of drugs. In spite of all this persecution—the 17-year-old son has been beaten up at school—suddenly under General Secretary Gorbachev we do have this opening of the door, ever so slightly.

I remember when I came here as a freshman in 1977 we could call into the Soviet Union and then suddenly it has been cut off and has remained for the better part of this decade impossible to call people in the Soviet Union except them calling out by mistake.

So I hope that the Politburo is sincere about trying to open up the emigration and maybe we can get back to those high levels of 60,000 allowed to come out before the invasion of Afghanistan.

Also I put in an amendment unanimously accepted to implore the Soviet Union to stop interfering with the international mails. This has been another part of this dark period of the last decade where thousands upon thousands of letters have been bottled up, never reached the people to whom they were written.

□ 1630

This is in contravention of every promise, signed promises made in all the Helsinki series of the so-called baskets and promises we talked about when that document was signed in the early 1970's in Helsinki and confirmed again in Madrid a few years later.

Then another amendment I was happy to see accepted unanimously was the sense of the Congress about the religious persecution of the Hungarian minority in that part of Romania called Transylvania. A lot of Americans, because of Hollywood movies and Bram Stoker's Dracula and a lot of good fiction written over the last three-quarters of a century, do not realize that there is a part of the world called Transylvania. In that part of the world the Romanian Government has tried to stamp out an Hungarian heritage, and I hope this message gets through.

The CHAIRMAN. The time of the gentleman from California [Mr. DORNAN] has expired.

Ms. SNOWE. Mr. Chairman, I yield 2 additional minutes to the gentleman from California [Mr. DORNAN].

Mr. DORNAN of California. Mr. Chairman, I hope that this bill will pass overwhelmingly on this House floor so that these and a lot of the other fine amendments that my colleagues on both sides of the aisle have put into this State Department authorization bill as part of these messages will go out in the name and in the interest of human rights around this world.

I have another thought on the State Department authorization. I was not aware as a Congressman of 4 years' standing when I first got on the Foreign Affairs Committee back in 1981 that this was the only budget that we had for any of the President's 13 Cabinet officers and their agencies that was under $1 billion. There were larger budgets for even newly created agencies, agencies created in the last decade under President Carter—Transportation and Energy—with budgets far beyond the State Department budget.

The State Department is one of the five original agencies that were given to President George Washington. One of them, the Postmaster, has been downgraded. But the Secretary of State and his agency goes back to the very birth of this country 200 years ago, and yet it is our smallest funded agency. To cut its budget, there is no rationale for that. There is no reason to hold them below inflationary growth when what we are trying to do is extend freedom around the world and keep a solid American presence worthy of our superpower status in as many corners of the world as we can.

I do not know of a tougher, stronger conservative or Republican who is serving in a more sensitive spot and doing a better job than our permanent representative to the U.N., Ambassador Vernon Walters. He was downstairs this morning in room H-137 with about as tough a group of fiscal conservatives as we will ever get together in this House—about 15 of us, and Vernon Walter—I thought he was going to tell it to us in the 14 languages he is fluent in—begged us not to cut the State Department authorization and make this great United States in our third century look like some fourth-rate power.

So I hope the conservatives and liberals will come together on this House floor when we go through the amendment process and see if we can perfect this fine piece of legislation brought to us by our chairman, the gentleman from Florida [Mr. FASCELL].

Mr. Chairman, I rise proudly in support of this bill and hope that it gets vigorous support and a large vote in this Chamber next week.

Mr. MICA. Mr. Chairman, I yield 3 minutes to my distinguished colleague, the gentleman from Florida [Mr. SMITH].

Mr. SMITH of Florida. Mr. Chairman, I thank the gentleman for yielding this time to me.

Mr. Chairman, I want to say that I am very proud to serve as a member of this subcommittee. The chairman, the gentleman from Florida [Mr. MICA], and the ranking member, the gentlewoman from Maine [Ms. SNOWE] have both done an excellent job, not only in working with each other in order to perfect a good bill and during the year holding a good series of hearings on many issues, but also have been very good, I think, at working on some of the problems which the subcommittee has found. I do not think there are very many of us who do not remember the days when we could see them in Moscow working on the problems of the new and the old Embassies in Moscow, trying to figure out what to do and how to cure a major problem. I think that the legislation before us, looking at part of it, does in fact come to grips with that problem and solves it in a very appropriate fashion.

Mr. Chairman, it is interesting that there is never really any great constituency for either the State Department authorization bill or the foreign aid bill. People tend to view, especially in light of all the economic problems we have here in the United States, giving money to the State Department or giving money overseas as something we ought not to do when the reality is that it is an extremely important part of America's role worldwide. Like it or not, America has a very important role to play worldwide.

In addition, who of us can be unmoved when just 2 days ago we saw pictures again of a bombing at an Embassy in Rome? Here Americans who are working to bring democracy, bring justice, and bring the kinds of appropriate Americanism and Americana to all the corners of the world have to risk their lives, only because they are Americans. It is very important to understand that it is an absolutely necessary job that the State Department does, and we should not, if we can avoid it, make them go out around this world, sometimes in very hostile areas, without all the tools they need to do that job well. And in many instances they do. The career Foreign Service, which to a large degree makes up most of the people who are funded under this bill, does an excellent job under very severe conditions, and I only hope that the Members of this body will remember, during the course of some heated debate which may occur on this floor on some of the amendments which will be offered, that this bill mainly allows the implementation and discourse of American foreign policy and diplomatic relations around the world through the efforts of the American career Foreign Service, those people who day in and day out work for and put their lives on the line for their own country.

There are good parts in this bill, in addition to the State Department itself. Radio Free Europe and Radio Liberty, broadcasting to Eastern Europe and to the Soviet Union, are things that need to be addressed.

The CHAIRMAN. The time of the gentleman from Florida [Mr. SMITH] has expired.

Mr. MICA. Mr. Chairman, I yield 3 additional minutes to the gentleman from Florida [Mr. SMITH].

Mr. SMITH of Florida. Mr. Chairman, I thank the gentleman for yielding additional time to me.

Mr. Chairman, Radio Free Europe and Radio Liberty, as I said, broadcasting to Eastern Europe and the Soviet Union in many different languages, transmits the voice of Americanism, the voice of democracy, the voice of hope, the voice of freedom. This is an important job, a job that would not be done otherwise. People there who listen intently wait sometimes hours and days, if they can get through the jamming, to hear the truth about what is going on in their own country.

And there is the Voice of America, funded under this bill, which is broadcasting in Europe as well to the Soviet Union, broadcasting the truth about what is going on around the world, broadcasting the news from the United States, unfetteed, unchanged by the ideologues form the Soviet Union, presenting the news only as they see it, giving people the truth. These are people who care about freedom even though they may live elsewhere.

This bill represents the best effort that we can make to perform a very, very important job.

Mr. Chairman, as I said, there will be some amendments offered that may create some rancor and difficulty, but let us never lose sight of the fact that the unlying legislation is vital and necessary to the best interests of the people of the United States. Without the State Department, the Foreign Service, and those other agencies which are funded in this bill, we would not be able to bring freedom, peace, and democracy around the rest of the world. And that is what this bill attempts to do.

Mr. Chairman, again I want to thank the subcommittee chairman, the gentleman from Florida [Mr. MICA], and the ranking member, the gentlewoman from Maine [Ms. SNOWE], who constantly do such a fine job.

Mr. FASCELL. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Florida. I am happy to yield to the chairman of the committee.

Mr. FASCELL. Mr. Chairman, I just want to compliment the gentleman from Florida [Mr. SMITH] on his statement, first of all, because I know he is a hard-working member not only on the full committee but on this subcommittee.

It has just been so popular over a long period of time to take potshots at the State Department, the USIA, and the other people involved here, but as the gentleman said, they are in the front lines everywhere, and they are trying to do what is right for this country and to protect our interests. They are a professional corps of people who work very, very hard.

We cannot emphasize too strongly how much we owe to them to carry out this responsibility for the United States. I think that the gentleman's statement with regard to the people who are in the Services is well taken, very appropriate, and very necessary.

Mr. Chairman, I have one final note. This bill, as the subcommittee chairman has pointed out, is a bare-bones bill. I do not know what level we are at in terms of real dollars, but we have really cut into these operations.

We have to remember this: we are talking about facilities, we are talking about people, we are talking about services for the benefit of the United States. So every dollar that is cut out of these budgets has to be cut in one of those three places, and every bit of it means it makes it more difficult for those people on the front lines to do their job.

Mr. SMITH of Florida. Mr. Speaker, I thank the gentleman, and I thank the gentleman from Florida [Mr. MICA] for yielding me the time.

Mr. GILMAN. Mr. Chairman, I rise in support of H.R. 1777, the State Department authorization legislation for fiscal year 1988.

Mr. Chairman, the provisions of this legislation have been ably explained by the distinguished chairman of the subcommittee. I would like to take just a moment to pay tribute to the work of the subcommittee chairman, the gentleman from Florida [Mr. MICA] and the subcommittee ranking Republican, the gentlelady from Maine [Ms. SNOWE] who have worked long and hard to bring this legislation to this point. As a former ranking Republican on this subcommittee, I am fully aware of the myriad of detail which they and their staffs have had to examine in their effort to craft responsible legislation.

Their work has been made more difficult by incredible budget constraints, which have forced us to make some very hard, and in some cases, contentious decisions. But those decisions were made openly and, although I did not support each one in committee, I am prepared to support the process and the bill.

The issue of diplomatic security in all of its ramifications has come to the fore of late. Of course, the Committee on Foreign Affairs has been hard at work on the improvement of technical and physical security, as well as personnel security, for a good many years. This bill, in fact, contains funding for improvements in these aspects. An amendment will be offered by the committee leadership which will provide a tool to the President to deal with the situation on Mount Alto.

This legislation provides money for the essential foreign affairs activities of the United States; it is within the budget and last years' appropriation. It was arrived at in a bipartisan fashion. Accordingly, it deserves the support of my colleagues.

Ms. SNOWE. Mr. Chairman, having no further requests for time, I yield back the balance of my time.

The CHAIRMAN. The gentleman from Florida [Mr. MICA] has 5 minutes remaining.

Mr. MICA. Mr. Chairman, I yield myself the balance of my time.

Mr. Chairman, I will not use the entire 5 minutes.

Mr. Chairman, as I close, I wish to add just one more word of commendation for the chairman of the full committee, the gentleman from Florida [Mr. FASCELL], and all of the members of our subcommittee for the tremendous work they have done on this bill. I appreciate their support and cooperation.

Mr. Chairman, it has been difficult. This is a modified open rule, and any Member who wants to can offer what the State Department has requested, and that is an amendment for about $1 billion in additional funding to make this bill more palatable. I wish we could pluck that amount out of the air.

As both my colleagues from Florida so aptly put it, there are front-line personnel for America around the world. These are the people who put their lives on the line. We want to do the best by them that we possibly can. This is a bare-bones budget because we are, as I indicated earlier, meeting budget restrictions and requirements. I think we have done the best we can. If any Member wants to offer an amendment for that additional money; I would be happy to have that happen before the full House. I do not know that we can offer $1 billion more here and go home and be asked to cut Medicaid or Medicare or other health programs or domestic programs. I think we have done a good job.

With regard to the Moscow amendment, the gentlewoman from Maine [Ms. SNOWE] and I have worked as hard as we could and as long as we could to craft an amendment that would not only satisfy the legitimate concerns of the Members of this body but also give the appropriate leeway for the President and for the administration so that we do not violate treaties, so that we do not act improperly, and so we do not just have emotion coming from this House but legislation that expresses the concerns we have and that gives the appropriate tools to the President.

Mr. Chairman, I am pleased and I am proud of what we have done. Again I commend the gentlewoman from Maine [Ms. SNOWE], our committee chairman, the gentleman from Florida [Mr. FASCELL], and all the Members who worked with us on this. We look forward to dealing with the amendments next week.

Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore [Mr. SMITH of Florida] having assumed the chair, Mr. MONTGOMERY, Chairman pro tempore of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H.R. 1777), to authorize appropriations for fiscal years 1988 and 1989 for the Department of State, the U.S. Information Agency, and for other purposes, had come to no resolution thereon.

GENERAL LEAVE

Mr. MICA. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 1777, the bill just under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

BALTIC FREEDOM DAY

Ms. OAKAR. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service and the Committee on Foreign Affairs be discharged from further consideration of the Senate joint resolution (S.J. Res. 5) designating June 14, 1987, as "Baltic Freedom Day," and ask for its immediate consideration.

The Clerk read the title of the Senate joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Ohio?

Mrs. MORELLA. Mr. Speaker, reserving the right to object, I do not object but would simply like this body to know that the minority has no objection to the legislation before it.

Mr. Speaker, I yield to the gentlewoman from Ohio [Ms. OAKAR].

□ 1645

Ms. OAKAR. Mr. Speaker, I thank my friend for yielding and I appreciate the cooperation of the minority.

This is a resolution on the House side that was introduced by the gentleman from Michigan [Mr. HERTEL].

Mr. Speaker, I think the thrust of this resolution is very, very important. We know that the Baltic Republics of Lithuania, Latvia, and Estonia have cherished the principles of religious and political freedom and independence. There is today in the Soviet Union, as most people know, an attempt to deprive these Baltic peoples of their individual and separate cultures and traditions and languages, which are distinctly foreign to that of the Soviet Union, Russia.

June 14, 1987, would designate the anniversary of the mass deportation of the Baltic peoples from their homelands in 1941. By naming it Baltic Freedom Day, this would serve as a symbol of the solidarity of the American people with the aspirations of the Baltic peoples who are really deprived of their human rights.

I think it is a very, very important resolution. I am honored to be able to substitute for the chairman, the gentleman from California [Mr. DYMALLY]. As a cosponsor, I am very happy to be able to say a few words about it.

Mrs. MORELLA. Mr. Speaker, further reserving the right to object, I would like to commend the gentlewoman from Ohio for her comments, with which I completely concur. I am also a consponsor of the House joint resolution that is comparable to Senate Joint Resolution 5.

Mr. Speaker, I rise in support of Senate Joint Resolution 5, designating June 14, 1987, as "Baltic Freedom Day."

Mr. Speaker, on June 14, 1940, 47 years ago, the Soviet Union forcibly occupied and incorporated the Baltic States of Latvia, Lithuania, and Estonia into the U.S.S.R.

Before the conquest of these three nations, they had a short yet glorious period of independence. Latvia, Lithuania, and Estonia all declared their independence following World War I and enjoyed a democratic government. Under Stalin, tens of thousands of the Baltic people were killed and over 1 million were deported to slave labor camps. Many others were removed from their homelands because of the resistance to the subjugation or because of their political and religious views. The Baltic people were replaced by people from the Soviet Empire. This exchange of population has substantially altered the ethnic composition of the Baltic nations.

Throughout the free world, the peoples of Estonian, Latvian, and Lithuanian origin have maintained their traditional civic, cultural, and church organizations and bravely continue their efforts on behalf of their enslaved compatriots held captive within the U.S.S.R.

The plight of the Baltic people is equal in gravity to that of the Poles and Afghans but they have not received the intense media attention that these more recent examples of Soviet expansion and tyranny have for the simple reason that their battle for freedon is an old one. Despite their 47 year fight for autonomy, these states remain under Soviet domination. Yet this has neither dampened their spirit of determination, nor lessened their strong sense of culture and tradition that unifies them.

As we draw attention to this tragic anniversary, we must recognize that it is the responsibility of the United States to support the cause of freedom for these Baltic people. Only with the end of political repression, religious persecution, and cultural genocide in these three nations can the legitimate aspirations of the Baltic people be fulfilled.

I urge my colleagues to join me in supporting this resolution designating June 14, 1987, as "Baltic Freedom Day" and applaud the unyielding courage of the Baltics in the continuous pursuit of freedom.

Mr. HOYER. Mr. Speaker, this Sunday, June 14, marks the beginning of a sad chapter in the history of the Baltic peoples. On that day in 1941 the Soviet Army deported, imprisoned, and executed tens of thousands of Latvians, Lithuanians, and Estonians in what became the bloodiest day of Soviet occupation since the invasion of those nations a year earlier. I would like to commend my distinguished colleagues, DENNIS HERTEL and DON RITTER, for their leadership in sponsoring House Joint Resolution 159 designating June 14, 1987, as Baltic Freedom Day. It is a day we should not forget.

Those of us who support Baltic Freedom Day share a common purpose, to bring to light the repression of the Baltic nations by the Soviet Union in an attempt to change this dismal situation. Since they were swallowed by the Soviet Union in 1940, these nations have been subjected to fierce programs of Sovietization—in reality, russification—designed to destroy their national heritage and forcibly incorporate them into Soviet society.

Despite the Soviet Government's harsh treatment of religious and nationalist dissent in the Baltic nations, the people of Latvia, Lithuania, and Estonia have long been characterized by resistance to the assimilation of Russian language and culture and by their determined quest for genuine human rights and freedoms. This unswerving devotion to freedom is manifested in the creation of several human rights groups in the last decade, the latest of which is the Latvian Helsinki Monitoring Group, Helsinki 86. As I speak, members of Helsinki 86 are preparing for a peaceful demonstration this Sunday to honor the victims of the Soviet deportation 47 years ago.

By adopting House Joint Resolution 159, Congress will show its solidarity with this group as they demonstrate their commitment to regain their basic human rights, and will show the world that we do not recognize the illegal incorporation of the Baltic nations into the Soviet Union. I addition, we shall be reaffirming our own commitment to those ideals of national freedom and self-determination inherent in our Constitution.

Mr. GILMAN. Mr. Speaker, I rise in strong support of Senate Joint Resolution 5, designating Sunday, June 14, 1987, as Baltic Freedom Day. I commend the gentleman from Michigan, [Mr. HERTEL], for the leadership he provided in introducing the House companion measure, House Joint Resolution 159, which I was pleased to cosponsor.

Baltic Freedom Day is our annual reminder that the Soviet Union continues to suppress the unique cultural heritage of the Baltic States of Estonia, Lithuania, and Latvia. Moreover, as members of "captive nations" the people of the Baltic States have been forcibly incorporated into the Soviet Union and are subject to domination by the Soviet Union's political structure.

The people of the United States must stand together with the people of the Baltic States in order to express disapproval of the refusal of the Soviet Union to recognize the sovereignty of the Baltic Republics. We sincerely respect the efforts of Americans of Baltic descent to bring the plight of their loved ones to the attention of the American people.

The concern we have for the fate of the people of the Baltic States will not diminish as time passes. Each year there is another event which draws our attention on new aspects of Soviet rule which is so detrimental to the welfare of the Baltic people.

Accordingly, I invite my colleagues to join in support of Senate Joint Resolution 5, and celebrate Baltic Freedom Day. We look forward to the day when the Baltic people will be able to exercise the freedom that they have been denied for so long.

Mrs. MORELLA. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Ohio?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

S.J. RES. 5

Whereas the people of the Baltic Republics of Lithuania, Latvia, and Estonia have cherished the principles of religious and political freedom and independence;

Whereas the Baltic Republics have existed as independent, sovereign nations belonging to and fully recognized by the League of Nations; and

Whereas the people of the Baltic Republics have individual and separate cultures, national traditions, and languages distinctively foreign to those of Russia;

Whereas the Union of the Soviet Socialist Republics (U.S.S.R.) in 1940 did illegally seize and occupy the Baltic Republics and by force incorporate them against their national will and contrary to their desire for independence and sovereignty into the U.S.S.R.;

Whereas the U.S.S.R. since 1940 has systematically removed native Baltic peoples from their homelands by deporting them to Siberia and caused great masses of Russians to relocate in the Baltic Republics, thus threatening the Baltic cultures with extinction;

Whereas the U.S.S.R. has imposed upon the captive people of the Baltic Republics an oppressive political system which has destroyed every vestige of democracy, civil liberties, and religious freedom;

Whereas the people of Estonia, Latvia, and Lithuania find themselves today subjugated by the U.S.S.R., locked into a union they deplore, denied basic human rights, and persecuted for daring to protest;

Whereas the U.S.S.R. refuses to abide by the Helsinki accords which the U.S.S.R. voluntarily signed;

Whereas the United States stands as a champion of liberty, dedicated to the principles of national self-determination, human rights, and religious freedom, and opposed to oppression and imperialism;

Whereas the United States, as a member of the United Nations, has repeatedly voted with a majority of that international body to uphold the right of other countries of the world, including those in Africa and Asia, to determine their fates and be free of foreign domination; and

Whereas the U.S.S.R. has steadfastly refused to return to the people of the Baltic States of Latvia, Lithuania, and Estonia, the right to exist as independent republics separate and apart from the U.S.S.R. or permit a return of personal, political, and religious freedoms: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the Congress of the United States recognizes the continuing desire and the right of the people of Lithuania, Latvia, and Estonia for freedom and independence from the domination of the U.S.S.R., deplores the refusal of the U.S.S.R. to recognize the sovereignty of the Baltic Republics and to yield to their rightful demands for independence from foreign domination and oppression and that the fourteenth day of June 1987, the anniversary of the mass deportation of Baltic peoples from their homelands in 1941, be designated "Baltic Freedom Day" as a symbol of the solidarity of the American people with the aspirations of the enslaved Baltic people and that the President of the United States be authorized and requested to issue a proclamation for the observance of Baltic Freedom Day with appropriate ceremonies and activities.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Ms. OAKAR. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the Senate joint resolution just passed.

The SPEAKER pro tempore (Mr. NEAL). Is there objection to the request of the gentlewoman from Ohio?

There was no objection.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania [Mr. KANJORSKI] is recognized for 5 minutes.

[Mr. KANJORSKI addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

DREAMS COME TRUE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania [Mr. RITTER] is recognized for 5 minutes.

Mr. RITTER. Mr. Speaker, Dream Come True is a nonprofit organization located in my congressional district, dedicated to easing the mental and physical anguish of terminally ill children. Last year, Hope Manley and the other children at Dream Come True were asked, "If you had the opportunity, with whom would you want to communicate your thoughts?"

Hope's request was most unusual and indicated the person she would want to "meet" would be the Princess of Wales. As a result, the officials of Dream Come True arranged for Hope to "speak to" Princess Diana by way of a video tape recording.

I was pleased to forward that recording to the Princess by way of Ambassador Antony Acland and I include the Ambassador's reply at this point:

British Embassy,
Washington, DC, November 13, 1986.
Hon. Don Ritter,
Rayburn House Office Building,
Washington, DC.

Dear Congressman Ritter: Thank you very much for your letter of 31 October about "Dream Come True" and the video tape prepared for Her Royal Highness The Princess of Wales. I am arranging for it to be forwarded to Buckingham Palace. We will let you know when we receive a response.

Please pass my best wishes to Hope Manley and her family. I enclose a photograph of the Princess of Wales which Hope may like to have.

Yours sincerely,
Antony Acland.

Mr. Speaker, we were all delighted that Hope was able to communicate with Princess Diana and appreciated the cooperation of the British Embassy. Moreover, I was very pleased to note the April 15, 1987, edition of Cable Television Business carried a story on "Dreams Come True." Incidentally, this publication is the cable industry's most widely read trade journal.

I am pleased to have the opportunity to call this article to the attention of my colleagues which outlines the fine work of Twin County Trans Video, Inc.

Mr. Speaker, the article follows:

DREAMS COME TRUE

Deregulation is now a reality. Most responsible cable operators are approaching rate increases with good business sense and moderation.

At this critical point in cable's development, many point to the wisdom of an ongoing community relations program.

Twin County Trans-Video, Inc., a 2,000 mile system serving 46 municipalities in the Lehigh Valley area of Pennsylvania, has boosted its community relations by proving that dreams do come true.

In early spring 1986, Twin County Cable received a call from an organization called Dream Come True. This group is dedicated to helping youngsters with life-threatening afflictions realize their dreams. Consider these cases:

A 10-year-old girl, the victim of cystic fibrosis, had one small dream: she wanted The Disney Channel. Twin County owner Bark Lee Yee made sure she received TDC—and all other services—free of charge. Later, the system sent the girl and her family to Disney World.

Johnny, an 8-year-old suffering from terminal leukemia, made his wish known: he wanted to go to a live circus. Fortunately, a circus was coming to Allentown, Pa., and Twin County arranged to have the top clown visit the boy in the hospital.

In the afternoon prior to Johnny's circus visit, an elephant race was held featuring Twin County's sports director Bob Gehris, other local media celebrities and Easton, Pa., Mayor Sal Panto. When the big night arrived, Johnny was brought into the center ring—riding a live elephant—and performed as a VIP guest clown. In the VIP seats watching were 60 Dream Come True youngsters—all with serious or terminal illness—and their parents.

To illustrate the urgency of these dreams, young Johnny—though he looked healthy on June 2, 1986 at the circus—was buried only five months later.

A youngster, a Philadelphia Phillies fan, had a simple wish: to meet Mike Schmidt, star third baseman. Bob Gehris accompanied the boy and his parents to Veterans Stadium in Philadelphia and had a private meeting with the baseball star.

Bryana, a 5-year-old with kidney problems and confined to a dialysis machine 8 to 10 hours per day, wanted to meet "Aunt Patsy," a Twin County TV 4 personality.

Aunt Patsy called on Bryana at her home and presented her with a remote-controlled coverter so that during dialysis the child could change channels by herself. Twin County also added another children's favorite, The Disney Channel.

Ricky—an 11-year-old muscular dystrophy victim—also wanted to meet Mike Schmidt. Ricky and his family, with help from a local limousine service, was transported to Philadelphia, and, thanks to the Phillies' owners and management, spent 90 minutes on the field during batting practice. Nearly every member of the Phillies team came over to meet Ricky and autograph his baseball.

Hope's request was most unusual, and as yet only partially fulfilled. The young lady suffers from cystic fibrosis and has one desire: to meet Princess Diana of England. Recognizing that it's probably not possible, she made a tape in Twin County's studio and we forwarded her videotaped request to Pennsylvania congressman Don Ritter, who had it hand-carried to the British Embassy. From there it was sent via diplomatic pouch to England.

Early on in the relationship with Dream Come True, it became very apparent the organization needed substantial funding. So Twin County volunteered to conduct a live telethon on its LO channel.

Planning for the show started in late spring of 1986 and it was aired live on Nov. 7, 1986. In addition to hours of entertainment, taped interviews were featured with many of the youngsters who had already realized their dreams. Elected public officials from most of the 46 municipalities served by Twin County appeared to make pleas to their constituents as well as the county executives of the two counties in the service area. State senators and legislators appeared in behalf of Dream Come True, as did Philadelphia Phillies baseball personnel. Prism announcers sent videotaped messages, as did sportscasters from Philadelphia Park, the local racetrack. School organizations such as Key Clubs and Honor Societies also raised funds. The schoolchildren of Emmaus, a small town nearby, alone raised more than $2,000.

Moreover, the American Legion Auxiliary of Pennsylvania committed to donate substantial funds in late summer of 1987, so the contributions continue.

In fact, the six-hour telethon netted more than $43,000 for the Dream Come True organization. "Netted" is an accurate term, because Dream Come True was not charged for anything. Twin County donated all of the time, personnel, material and studio facilities necessary to stage the event.—Bill Stone.

(Bill Stone is vice president of Twin County Trans Video, Inc. of Allentown, PA.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. Annunzio] is recognized for 5 minutes.

[Mr. ANNUNZIO addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin [Mr. Kleczka] is recognized for 5 minutes.

[Mr. KLECZKA addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. Bustamante] is recognized for 5 minutes.

[Mr. BUSTAMANTE addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

WITHDRAWAL OF PROPOSED SAUDI MILITARY SALE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida [Mr. Fascell] is recognized for 5 minutes.

Mr. FASCELL. Mr. Speaker, the administration is to be commended for its decision, announced this morning, to withdraw its proposal to sell Saudi Arabia 1,600 upgraded Maverick missiles.

Along with an almost certain majority in the House I opposed this sale. Likewise sentiments in the other body were overwhelmingly against this sale. The administration's action simply reflects recognition of Congress overwhelming opposition and continued confusions over what our policy is in the Persian Gulf. U.S. foreign policy can only be effective when it is understood and supported by the Congress and the American people.

Now is simply not the time for the United States to be making sophisticated arms sales to countries in the Persian Gulf region in the absence of a complete understanding of all the facts surrounding this sale or future sales. Congress has serious questions about the direction of U.S. policy in that important area. Also, support of U.S. efforts in the region is not at all clear in its scope. If our forces are to assume increased risks on behalf of security in that region of the world we should be able to count on appropriate support from those who benefit from our presence and from the support we give them to enhance their own security.

Arms sales to Persian Gulf states also must be seen in the broader context of the Middle East. The United States commitment to Israel is the cornerstone of our relations in the entire region. Thus we cannot ignore the possibility that efforts we may make to strengthen our Arab friends will increase the military threat confronting Israel. If we are to have a fully cooperative relationship with all our friends in the region it is essential that there be a renewed effort to breathe life into the Middle East peace process. We urge our friends in that region to more actively participate in this process.

Mr. Speaker, revelations of the last 7 months have further exacerbated the tensions between Congress and the executive branch over the shaping of foreign policy. The trust essential to effective cooperation has been seriously eroded. The confusion surrounding administration intentions in the gulf have not been helpful.

We live in a dangerous world. We cannot afford endless internal confrontation concerning foreign policy. We must take concrete steps to give real meaning to the words bipartisan, cooperation, consultation, and concurrence. I have outlined my own ideas in this regard in a letter I sent to the Secretary of State also expressing questions regarding the Persian Gulf policy.

I urge the administration to give serious consideration to my proposal and to give urgent attention to developing their own initiatives for building a better working relationship with Congress.

The text of my letter to the Secretary of State follows:

COMMITTEE ON FOREIGN AFFAIRS,
Washington, DC, May 28, 1987.

Hon. GEORGE P. SHULTZ,
Secretary of State, Department of State, Washington, DC.

DEAR MR. SECRETARY: For nearly forty years, U.S. national security interests in the Persian Gulf have been maintained by a combination of U.S. diplomatic activities and military presence in this strategically-important region. However, the seven-year-old Iran/Iraq war, the proposal to re-flag Kuwaiti tankers, and the tragic U.S.S. *Stark* incident have placed continued U.S. diplomatic and military activities in the region in fundamental question.

In order to give our best advice and ultimately consent to administration plans to satisfy our national security interests in the region, we in Congress need the administration's perspective on how best to preserve and enhance U.S. foreign policy objectives in the area.

With this in mind, I am requesting that the Committee on Foreign Affairs be formally advised on an ongoing basis before the implementation of any new directions, obligations, or responsibilities that the administration proposes to assume with respect to U.S. activities and presence in the Persian Gulf.

In this respect, I plan to convene a meeting of the Committee at the earliest possible date to receive information from the administration on the following major points:

A definitive articulation of the national security objectives we are pursuing in the Gulf and the various means the administration proposes to use to meet these objectives;

Applicability of the War Powers Resolution;

An update on the nature of both the Iranian and Iraqi threat to U.S. military forces and commercial interests in the Gulf;

A delineation of the rules of engagement under which our U.S. military forces are now operating or will in the future operate and alternatives to these rules should they prove ineffective;

The precise nature of any cooperative arrangements with our major European and Asian allies in the Gulf;

The increased role and presence of the Soviet Union within the region; and

The contribution of Gulf states to the restoration of regional stability in the Gulf.

Fulfilling this request is fundamental to the understanding and ultimate acceptance by the American people of U.S. activities in the Gulf. With it, U.S. Interests can best be served. Without it, we unnecessarily risk failure.

As one reflects generally upon the formulation and implementation of our country's national security policy—be it the use of U.S. military forces and capabilities, or arms control, or anti-terrorism activities—there is an urgent need to improve the consultative relationship between the Executive and Legislative branches of our Government.

Given this need—which the President so aptly recognized in his recent call for a new national security policy that "reflects the will of the Congress"—I recommend the establishment of a Congressional Consultative Committee on National Security to serve as an ongoing informal structure for Executive branch consultations with Congress on major national security issues.

The Congressional Consultative Committee would meet with the President and his senior foreign policy advisors on a regular and ongoing basis, and more frequently as necessary in crisis situations.

A envisioned in the War Powers Resolution, such a committee would bring to bear on a regular basis the collective judgement of the President and the Congress in the decision-making process regarding major national security issues that impact on our constitutionally-granted national security obligations.

Such a Congressional Consultative Committee would:

Consist of a maximum of 18 senior members from both the House and the Senate;

Hold regular closed meetings with the senior foreign policy decisionmakers within the Executive branch;

Engage in discussions on major foreign policy ideas and developments and not on day-to-day management considerations; and

Serve as an informal consultative mechanism offering both senior Congressional and Executive branch personnel opportunities for candid exchanges and assessments on the direction of our country's national security and foreign policy.

I know you share my view that it is critical for us to restore and sustain a national security and foreign policy that has bipartisan support in Congress. Such a development would then have the support of the American people and command respect from our friends and adversaries alike in the Persian Gulf and around the world.

With every best wish, I remain,

Sincerely yours,

DANTE B. FASCELL,
Chairman.

CONGRESSMAN PEASE INTRODUCES EXTENDED UNEMPLOYMENT INSURANCE REFORM ACT OF 1987

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio [Mr. PEASE] is recognized for 5 minutes.

Mr. PEASE. Mr. Speaker, today, I am pleased to introduce the Extended Unemployment Insurance Reform Act of 1987. I am joined today by my cochairman of the Northeast-Midwest Congressional Coalition's Task Force on Unemployment Insurance, BILL CLINGER, and a number of our colleagues in calling for an overhaul of the badly flawed Federal Extended Benefits [EB] Program.

Official unemployment levels have gradually declined during the last few years, and we can be thankful for that. Congress ought to seize this opportunity, when we aren't facing a crisis, to simplify and improve our complex system of long-term unemployment benefits. Our current system is inflexible and ineffective, and now is the time to create a better program that is more efficient, more responsive to the needs of the workers, and that targets compensation to areas that need it most.

The bill we are introducing today is an expanded version of legislation considered in the 99th Congress. It would provide between 10 and 30 weeks of additional benefits to workers who have exhausted their 26 weeks of regular unemployment insurance in States with prolonged, higher-than-average unemployment. The bill would qualify States with the greatest levels of unemployment for the most weeks of additional benefits, and it would allow a State to use its total unemployment rate (which includes all the State's unemployed rather than just those receiving regular unemployment insurance benefits) to determine eligibility and benefit levels. The bill would provide Federal financial participation for the program on a sliding scale, so that as the State's unemployment rate increases, so will the Federal share of its EB funding.

The bill also offers for congressional scrutiny some innovative approaches to unemployment compensation which were highlighted in a recent study entitled, "reemploying UI," produced under the auspices of the Northeast-Midwest Institute. For example, the bill addresses some of the larger questions of getting workers back into jobs. We are proposing a five-State demonstration project to test the feasibility of allowing individuals to use their unemployment insurance to start-up a small business; a five-State demonstration project to test the use of substate triggers (statewide triggers currently used fail to address the fact that pockets of extremely high and prolonged unemployment often exist in States with overall unemployment rates that fall below the trigger rate for extended compensation); a demonstration project to promote training for individuals receiving unemployment compensation. We have also included a proposal to strengthen the capability of State employment services to help the unemployed through testing, assessment and counseling to guide displaced workers to new jobs and retraining opportunities.

The basic purpose of this bill is to remedy problems we came across in the extended benefits program during the last recession, and in turn, create a program that will really help workers who have been out of work for extended periods of time—both in terms of keeping food on the table and finding new jobs. I believe these proposals constitute a comprehensive, enlightened system which deals with the realities of long-term unemployment.

To me, it seems only common sense that Congress should act now—while official unemployment levels are relatively low—to correct the serious problems with the EB system which became painfully apparent during the last recession and its aftermath. The system we have now is inflexible and ineffective. Only Alaska, Idaho, and Wyoming currently are qualified for extended benefits, despite the fact that long-term unemployment is a major problem in many other areas, including parts of my own State of Ohio.

In trying to promote these ideas in the past few years, I have learned that the problems of the unemployed get much less attention during a time when the unemployment rates are going down. However, I think Congress can and should deal with this issue calmly and thoughtfully while we have the chance.

THE SUPERCONDUCTING SUPER COLLIDER

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. BROWN] is recognized for 5 minutes.

Mr. BROWN of California. Mr. Speaker, the superconducting super collider has been the subject of much discussion as States vie for the opportunity to have this accelerator built in their home territory. Lost in what is often a parochial debate is what the superconducting super collider means for science and technology, for this Nation, and for the world community.

The superconducting super collider, or the SSC for short, will be the world's largest and most powerful accelerator—a truly supersized machine for looking at the tiniest constituents of matter. With this unique tool, physicists from around the world would search for new particles that can only be created in the artificial world of a super high energy accelerator.

The SSC is designed as a 53-mile oval racetrack around which protons will be accelerated in opposite directions by superconducting magnets. The head-on collision of these two streams of particles will create energies 20 times greater than ever produced before. Physicists predict that such high energies will permit the discovery of new classes of particles that could explain the relationships between electromagnetism, nuclear forces, and perhaps even gravity. This new understanding could in turn lead to the establishment of a new theory on the origins of the universe.

The SSC could provide the key to a high energy unified field theory bringing together the known forces of nature. This grand theory eluded Einstein for 30 years, and continues to challenge the international scientific community. The potential discoveries from the SSC could revolutionize the way in which we understand the universe. The technology that will accompany such a scientific challenge will have consequences throughout the technical—and commercial—world.

Some scientists fear that a large commitment of Federal funds to the SSC in the current fiscal climate could be deadly to small science. The answer to that legitimate concern is simple: A commitment to the SSC must be accompanied by a commitment to a comprehensive program of national R&D. The NSF budget request for fiscal year 1988 is $1.9 billion, and is projected to double over the next 5 years. This money will provide modest, much needed increases for science and technology across the board. However, the SSC is a major new initiative that stands on its own merits. Funds for the construction and operation of the SSC must come as a new allocation.

The estimated total cost of the SSC is $4.4 billion, which would be spent over a decade. Up to $1 billion may be contributed to building the SSC by Japan, Italy, Canada, and other countries.

To put the money into perspective, consider that our Nation spends almost $1 billion every day on military programs—much of which is spent on the wasteful procurement of weapons systems that have questionable benefit to our national security.

Mr. Speaker, the SSC would cost less than 1 percent of the Nation's expenditures on R&D. Furthermore, the SSC would strengthen international relations as an open scientific laboratory that brings together scientists and engineers from around the world.

Some people have expressed concerns that the SSC will be more costly than projected. However, cost estimates for the accelerator have been stable for the last 3 years. Consider the case of the construction of FermiLab, at which time similar concerns were expressed. Despite alarming predictions of cost overruns, FermiLab was finished almost within budget and on schedule.

The United States can and should seek financial commitments from other countries toward the SSC as soon as possible. This will both stabilize finances and guarantee other countries a role in the planning and use of the SSC.

Should we be supporting SSC, while the European Center for Nuclear Research [CERN] in Geneva needs support for upgrading their facilities? Scientifically, the answer appears to be "yes." CERN is constructing an accelerator ring that will be capable of producing energies of 4 to 5 times higher than the world record set at FermiLab in Illinois. The CERN accelerator will be a valuable tool for studying nuclear structure.

Accelerator time is a valuable scientific commodity that is in short supply. On that basis alone, there is justification for the construction of the SSC.

However, in addition to the type of experiments that will be done at CERN, the SSC will permit a new class of experiments that will not be possible in Geneva. The SSC will be able to produce energies 4 to 5 times still higher than CERN, or 20 times higher than the FermiLab record. The SSC will also produce particle fluxes 1,000 times greater than the FermiLab accelerator.

The ultra-high energies for which the SSC is designed have cosmological significance.

The basic unit of energy to a physicist is the electron volt, abbreviated as the eV. This unit is the energy gained by an electron that has been accelerated by a potential of 1 volt. The following list illustrates the energy levels typical of different processes in nature, each successively more energetic by a factor of 1,000:

eV—molecular vibrations and chemical reactions
KeV—inner shell electron transitions
MeV—nuclear processes and radioactivity
GeV—quark interactions
TeV—physics of the early universe

Not even the largest nuclear explosion produces particles with energies in the GeV range. Supernovas are not that energetic. A very few cosmic rays have such high energies, but they fall to Earth where they may—rarely into the hands of a waiting scientist. It is only in accelerators that GeV and TeV energies can be produced and studied in a controlled laboratory environment.

The high energies of the SSC will enable scientists to reproduce conditions that existed in the first few moments in the history of the universe. Cosmological theory predicts the unification of electromagnetism with gravity and the strong and weak nuclear forces, and the unification of matter and energy, in the earliest stages of the formation of the universe.

Scientists believe that the universe began as an extremely hot, dense speck, smaller than a proton, with no distinguishable features. The universe blew apart in a "big bang" that was so energetic that the remnants of that energy can still be observed in the cosmos. As the universe expanded and cooled, various "condensations" occurred.

Higgs particles were among the first identifiable matter to appear. In the rapid expansion of the "big bang," the Higgs particles quickly decayed into the ordinary matter that populates the present-day universe. According to the theory, the energy for which the SSC is designed—20 TeV—will be high enough to observe Higgs particles. Such a discovery would be critical to theories unifying the forces of nature.

In the 19th century, scientists discovered the links between electricity and magnetism, leading to an electromagnetic theory that explained the nature of light. Accelerator experiments led to the discovery of the W and Z particles, providing experimental confirmation of a theory linking the electromagnetic force with a nuclear force that governs radioactive decay. With the SSC, it may be possible to extend the theory to the strong nuclear force that binds together particles in atomic nuclei. This in turn would strengthen theories that incorporate the gravitational force.

Observations of Higgs particles with the SSC might not only provide clues to unified field theory, but to an important cosmological problem as well. Astronomers have observed that the universe appears to be expanding. The rate of expansion appears to conform to a delicate balance between a growing rate that would cause the universe to expand indefinitely, and a slowing rate of expansion that would eventually be overcome by gravitational collapse. The "inflationary" model of the universe, which incorporates the Higgs model, is able to predict the character of this expansion with great precision.

The SSC has intrinsic scientific value that the new accelerator at CERN will not be able to provide. Would it answer the ultimate question of the origin of the universe for all time? In all likelihood, the answer is "No." However, it may help peel back the next major layer of the mystery. The discovery of new particles would help us understand two extremely fundamental questions: First, the nature of the four known physical forces as manifestations of a single force; and second, the early stages of the universe when matter first appeared, and the evolution of the expanding universe to the present observable world.

Some people have suggested that the decision to proceed with the SSC should be postponed until the newly discovered high temperature superconducting materials can be made available. The breakthroughs in research on these new superconductors are coming so fast and furious that the best sources of up-to-date information are online data bases and newspapers. Scientists are giddy from lack of sleep, journalists are getting carried away, and policymakers are seizing upon this chaos as a weapon against the SSC.

Temperature is only one of three parameters that describe the limits of superconductivity. Superconductors are also limited by the amount of current they can carry, and the strength of the magnetic field they can withstand. The temperature, current, and magnetic field are interrelated, so that, for example, a superconductor can carry more current at low temperatures and low magnetic fields. Clearly, making a powerful superconducting magnet is a major challenge.

Conventional superconductors must be kept below 20 degrees Kelvin, close to absolute zero, but they can operate at magnetic fields about 400,000 times stronger than the magnetic field of the Earth, and greater than a million amps per square centimeter. To make a superconducting magnet, special techniques had to be developed for stability. The superconducting material must be surrounded by a regular conductor such as copper to protect against local, transient supercriticality.

The new high temperature superconducting materials are much less capable. The highest current density reported, in a special single crystal film, is just high enough to be considered for applications. Bulk ceramic superconductors carry currents 500 times smaller, well below what would be needed for practical applications. The ceramics are brittle, and so cannot be drawn into wires for magnet windings. The new materials exhibit some chemical reactivity that causes the material to revert to semiconducting rather than superconducting behavior.

It took two decades before conventional superconducting materials became usable in large superconducting magnets. Where the research on ceramic superconductors will lead is anyone's guess. The discovery of such a new class of materials will undoubtedly lead to a new class of applications. Research on the high-temperature superconductors should be supported, but it is safe to say that applications of the high-temperature superconductors will not be available for a period of a decade or more. The time scale is certainly long enough that there is no justification in delaying the SSC to wait for high-temperature superconductors.

It is not at all clear that the new superconducting materials will be capable of sustaining the high currents and magnetic fields necessary for the production of high-strength magnets needed for high-energy accelerators. If such developments occur, they could easily be retrofitted, at relatively low cost, into the SSC in the future, making the accelerator much more powerful.

It seems clear to me that the scientific basis for the SSC is compelling enough that such an accelerator will be built. The question is, which country will win out in the international equivalent of the current SSC competition between the States? Why not take the opportunity to build the SSC accelerator, with the assistance of other nations, in this country?

Mr. Speaker, I wish to ask for the support of my colleagues to develop a unified plan of support for the superconducting super collider. The United States will need to act decisively to take a leadership role. We should commit funds to the SSC as a new start, so that it does not come at the expense of small science. At the same time, we should solicit financial commitments from the international community.

This country has had a proud history in high-energy physics. We and our neighbors around the world have benefited tremendously from the work of top-notch scientists and engineers in a wide variety of ambitious research programs. Let us carry on with that tradition by giving the superconducting super collider our full support.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan [Mr. CONYERS] is recognized for 5 minutes.

[Mr. CONYERS addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

COMPETITIVENESS IN AMERICA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. DELAY] is recognized for 60 minutes.

Mr. DELAY. Mr. Speaker, I am going to take a few minutes today to talk about something that I have been worried about for the last 10 or 15 years, and that is competitiveness in America, our ability to compete not only in the world, but compete with one another in the United States.

I want to talk about what I consider an attack on our ability to compete.

Mr. Speaker, there is a long line of issues that are on the way to the floor of the House, starting possibly next week with a bill, H.R. 281, called the double breasting bill, that will lead off a series of issues that I think will seriously attack our ability to compete, issues that interestingly enough, looking at England right now, which is going through a national election to probably reelect a woman who has been bringing Britain out of this sort of attack on their ability to compete.

England has for the last few years recognized and admitted that these sorts of laws have seriously hampered their ability to compete and seriously lowered the standard of living of their citizens and the job opportunities for their citizens and job security for their citizens; yet here in the U.S. Congress, through this House, is ready to make Europe out of the United States and bring us to a point where we will not be able to compete in the world market.

□ 1700

I think that H.R. 281 has a more accurate name. That might be the "Guaranteed Union Membership Amendments of 1987."

Common sense dictates that I should oppose this legislation, and that is why I have called this special order, to try to clarify what double breasting is and what it is not, and how it will affect the average American citizen's standard of living, his job opportunity, and his job security, and then to urge my colleagues to make their decision on this bill based on educational, factual points.

Mr. BARTLETT. Mr. Speaker, will the gentleman yield?

Mr. DELAY. I yield to the gentleman from Texas, who is one of the leaders in this House on competitiveness and trying to stop such types of legislation.

Mr. BARTLETT. I appreciate the gentleman's yielding.

Mr. Speaker, I think that we are all grateful throughout the country that the gentleman from Texas has called this special order for an opportunity to visit with this House and to get on record exactly what will be happening next week with regard to H.R. 281.

I would like if I could to take just a moment on the gentleman's time to walk through a bit of what the legislation that is before us next week would do with some precision, and how it not only hurts competitiveness, but in fact hurts American workers rather substantially.

Let me begin taking several points consecutively.

First, it is important to understand that the double-breasting legislation that is on the House floor next week, H.R. 281—the antidouble-breasting legislation—in fact does not attempt to reform double breasting or to prohibit those illegal types of double breasting or bad double breasting, but H.R. 281 in the form in which it is being presented prohibits double-breasted operations in all forms. It just simply prohibits from owning two subsidiaries, one open shop and one union shop.

Now to understand the devastation of that in the construction market, we really have to first remember that double breasting is a longstanding construction practice which is not in anyone's book per se bad. In fact, double breasting, legal double breasting, and ethical double breasting, is just simply that situation where an employer owns more than one subsidiary in different markets in different kinds of activities constructing different kinds of operations, and so long as that employer keeps those subsidiaries separate and independent under terms of well-known case law, in fact that is legal double breasting, and is the kind of double-breasted operation in which more workers get more jobs, that company is more successful, and can compete in more markets.

Now, there is also illegal double breasting, that is illegal today under current case law, that prohibits one employer from having two companies or more than one subsidiary—one union and one nonunion—and interrelating those activities. That case law is very, very clear. It simply says that if it has common ownership and also has common management, interrelated activities, and common control of operations, then that is illegal double breasting.

Some of the Members of this Congress I think have been misled by some who would come to them and say, "All that we want is a bill to prohibit illegal double breasting or sham operations," and I would suggest that Members need to understand that those are already illegal and prohibited and a very rare circumstance, because there are very substantial penalties.

Whether one accepts that illegal double breasting is a frequent occurrence or an infrequent occurrence, the fact is that H.R. 281 prohibits all double breasting, both legal and illegal.

Second, it is important to understand that in each geographic market there is more than one market for the construction business. There are multiple markets for construction companies building different kinds of buildings with different kinds of owners and different kinds of needs at that particular time.

To clarify that let me offer the two clearest examples of two different kinds of markets.

There is a market in every city in this country for a constructor of high-rise buildings. That is not always, but is often, a union market, because of the very high levels of skills that are involved with those high-rise buildings. In those same cities there is also, in all cases, a market for the construction of residences, whether it is single-family or multifamily. Residential construction is not always, but almost always, nonunion construction. It is generally bid under an open shop construction, and that is because of the nature of that work.

What legal double-breasting permits is for one company to own a high-rise construction contractor with a union shop and also own a residential construction company under an open shop agreement and provide jobs and build buildings and compete in both of those markets and in other types of markets so long as they are independent.

H.R. 281 would force that contractor to choose: "I'm either going to apply my collective bargaining agreements of my union shop of the high-rise construction to my residential construction company, or I would apply open shop rules to my union shop high-rise."

Neither of those alternatives are acceptable, but frankly one of the ironies of this is that most people think that one of the results of H.R. 281, if it were to be adopted, is contractors would increasingly begin to opt to apply their open shop to their currently union shop construction company, and no one is helped.

Mr. DELAY. The gentleman is telling us that there is a high likelihood, because of the rising number of open shop contractors that are out there, that a contractor that is engaged in double breasting might choose the open shop part of his business rather than the union part of his business, therefore, closing down and laying off union members? Union members would lose their jobs in those situations? Or it could be reversed the other way. People would lose their jobs.

Mr. BARTLETT. If the gentleman will yield further, two things would happen. The first is that people who have not voted or had the opportunity to vote to be bound by a collective-bargaining agreement would immediately find themselves bound by the terms and conditions of a union agreement that they had no choice in.

Second, as prehire agreements then began to expire over a 1-, 2-, or 3-year period, contractors would have to choose which methodology—an open shop contractor or a union shop contractor—would make the most sense for them. It is believed, and I believe, and most people do, that contractors faced with the choice of being all union shop or all open shop in today's economy would in increasing numbers, and probably a vast majority of them, choose to be all open shop if forced to make that choice. Thus, the real loser in all of this would be union shop construction workers who would find themselves without union shops to work for, and that is the perversity in the entire bill and the irony of it.

So, the gentleman is correct. Not only does it not save jobs, it first forces people who have not bargained in good faith, bargained as a collective-bargaining unit, to have collective-bargaining agreements applied to them whether or not they agreed to them. Then, second, 1 year or 2 years or 3 years later, it forces all of those workers, including the original union shop workers, to be essentially booted out of the union or be booted out of work.

Now the House needs to know one other key ingredient. We did vote on this in 1986, and the House did pass, by about a 50-vote margin, an antidouble-breasting bill, again, H.R. 281.

Some things have changed since then. I think that the House made a mistake then, but I think for those Members who voted for that bill that year, I think that those Members need to take a look at recent National Labor Relations Board decisions, including a decision called the De Klewa decision.

There has been a significant change in case law since that vote was cast, and that change comes in the De Klewa decision. That change in the De Klewa decision says this: It says explicitly that if a contractor has a prehire agreement, which is the construction industry equivalent to a collective-bargaining agreement, with a union or a series of unions, that contractor has to abide by that prehire agreement for the term of the agreement, and that contractor can no longer, under the De Klewa decision—it is current case law—cannot unilaterally abrogate his prehire agreements.

So, for those Members who voted for 281 last year because they believed that in some cases employers could or would abrogate their union agreements, their prehire agreements, for those Members who voted for it last year because of that, I think that those Members need to declare victory and say as a result perhaps of the margin in the House that year that the National Labor Relations Board has now acted to prohibit the abrogation of contracts, and if a contractor has an agreement, he has to abide by it, has to abide by it for the term of it.

□ 1710

In fact, after the term, he would then have to negotiate and to bargain with the union. Neither side would have to enter into anything and, in fact, the workers' rights would be protected by agreeing to a confidential vote if, in fact, that was required.

One other think I would say to my good friend from Texas who has been a real stalwart on competitiveness on this House floor, I want to say just a word about the politics of this, because too many Members here are being pushed by the politics and not by the substance, I fear. The fact is the politics on this whole vote are wrong. It does not bother me to cast a vote on H.R. 281. I have already voted against it. It does not bother the gentleman from Texas, a Republican from Houston, to cast a vote on H.R. 281. He has already voted against it.

The real political losers in all of this are those Members from the other party who do not want to vote on the issue, who believe in their heart of hearts that the De Klewa decision has solved the problem, and they have a political problem back home in appearing to have to switch their vote. It seems to me that those Members should be going to their leadership and saying that since the House of Representatives has already voted on this issue twice in 1986, and the Senate has never voted on the issue, it seems to me that the leadership of this body on the other side of the aisle, if they want to have a political vote, they should look at that issue, and they should agree that this House of Representatives has no business taking up this issue again so soon after we have already voted on it until and unless the Senate votes on it first. Otherwise, it becomes a purely political exercise without even a veneer of substance.

So, for those who are strongly in favor of passing H.R. 281, for reasons which I do not agree with, those Members should be in favor of not bringing it to the House of Representatives floor, but first taking it to the Senate to have it acted on there. It was the Senate that did not act on it last year and will not act on it this year. And for those who are not so interested in passing H.R. 281 but, in fact, they do not believe that they ought to have to vote on this time and time again until the Senate acts, I think that is a fair request, and I think that request ought to be made loud and clear when we vote on the House rule next week.

When we bring up that House rule, the House rule is the rule that we vote on which decides whether or not we are going to bring up an issue, and under what rules we are going to bring it up. In my judgment, the House of Representatives ought to say, whether we are for it or against it, we ought to say once and for all there is no reason to play politics, just put H.R. 281 and the anti-double-breasting decision on ice and see if the other body acts on it. If they do, then we can bring it back here and debate it at that point. If the Senate is not going to act on it, then but for the politics, we have no reasons to act at all, and we ought to move on to some other business in this body. We ought to be moving on to taxes, the budget, the deficit and the appropriation bills.

I do want to thank the gentleman for taking out this special order.

Mr. DELAY. I thank the gentleman from Texas for coming and spending his time. I know he wants to get back to his home and his family in Dallas. I thank the gentleman for coming to this floor and showing why he is a leader on this issue and that he totally understands the issue and how it affects the working man and his family, how it affects the businessman and his family, and how the politics is breaking in on this issue.

Mr. Speaker, I would like to reinforce some of what the gentleman from Texas was talking about. In brief, this bill expands compulsory unionism by forcing nonunion employees of dual shop operations to pay union fees.

Furthermore, it gives prehire agreements the immediate status of fully bargained agreements and imposes them on not yet hired employees regardless of their wishes.

What does that mean; what does all of this mean? It means that if we pass this legislation we will be disregarding the rights of construction workers in our districts to choose whether or not they want to join a union. We will be forcing union memberships down our constituents' throats when we should be preserving their freedom of economic choice.

The foundation of our market economy is the premise that parties must compete. We must compete for markets, we must compete for votes, and we must compete for membership. By requiring individuals to become members of a union, this bill interferes with that competitive process and weakens our economic system as a whole.

If unions are to increase their ranks and their treasuries, it must be through fair competition, not through a Federal mandate. Why, one would think that this Chamber is becoming the collective-bargaining chamber of America with the whole list of collective-bargaining items that are coming to this floor in the nature of bills, which are items which should be left to collective bargaining in the private sector, with private sector pressures pulling and pushing, whether a company can or cannot have mandated benefits, whether a company can or cannot have parental leave or plant closing or antidouble-breasting where unionism is forced on the workers.

Some argue that under existing law an employer can get around a collective-bargaining agreement by setting up a nonunion business. This is not true. The National Labor Relations Board, as the gentleman from Texas so aptly pointed out, has consistently recognized that such sham operations are unlawful and has ruled accordingly. On record are dozens and dozens of such rulings.

Do not be deceived by the rhetoric. Protecting the rights of labor unions to organize is not the issue. That right is clearly protected and has been protected by the NLRB.

What is at stake here is the right of an individual, an individual worker to choose whether to participate in a union or not, and how that affects the competitiveness of that individual and the company he works for.

Now that I have dispensed with the principal argument in favor of this legislation I would like to discuss the background of this issue, and then point out the numerous and grave effects H.R. 281 would have on our Nation's economy if enacted.

Let us back up a moment and talk about what double breasting actually is. I feel this is important to know because I am sure that some of my colleagues are unsure or confused about the meaning of what the issue actually is. Double breasting has been around for many years. It is a longstanding practice in the construction industry whereby a business owns two or more companies or subsidiaries, at least one of which is run on a union basis and another by a nonunion or open shop. Usually, the businesses within the double-breasted operations are the ones that are commonly owned but separately operated. Frequently contractors go through considerable expense and a lot of headache to make sure that their operations are completely double breasted and separated.

In a properly set up double-breasted organization, each company handles their own business affairs and labor relations practices. Each maintains their own office, their own overhead, their own staff, and their own business clients. Bidding on building projects is never coordinated not overlapped.

Again, I would like to point out that contractors that are not properly established or operated and which fail to maintain separateness under the long established rule of the National Labor Relations Board and the Federal courts are breaking the law and subject to penalties. The law is already in place. Let us not confuse this with the intentions of this legislation, H.R. 281.

The practice of double breasting is commonplace among large and small construction firms alike, and although the idea only been practiced on a large scale for the last 15 or 20 years, contractors operate dual shops in order to have access to as many markets as possible. In fact, our laws over the past 20 to 30 years have forced companies into setting up, and now we are trying to pass a law that will give them the flexibility to be able to compete in different markets, in as many markets as possible.

What the construction industry has been proving over the last 2 decades is their desire to maximize their competitive ability. Double breasting is the result of the growth of open shops in the construction industry.

Back in the 1940's, unionized contractors controlled about 70 percent of all construction, but today that share has slipped to less than 25 percent. This decrease is due in large part to an increase in competition from abroad. However, here at home, domestic manufacturers were forced to reduce all costs including construction, and over time consumers began to insist on the maximnum return for their construction dollar.

Since our free market works the way it does, open shop contractors who were not burdened by obsolete work rules which have developed over the years in the union sector were better able to meet the demands. Double-breasting emerged as the natural outgrowth of this shift in consumer demands and the free enterprise system.

Competitiveness within the industry demanded an answer to the problem of foreign competition and high prices. Double breasting was and still is that answer.

There are essentially three types of construction projects There are the projects that are subject to a mandatory provision that makes all contractors sign union agreements. There are other jobs that can go either union or open shop, depending on the lowest responsible bid. Finally, there are projects that are awarded to open shop contractors exclusively.

Obviously, the same company cannot usually bid on all three types of projects. Contractors with union ties that wish to compete for open shop jobs have chosen to open a separate company to perform that type of work. At the same time, growing open shop operators have crafted unionized entities in order to compete in what union markets still remain.

The point is that the practice of double breasting has increased healthy competition within all of the construction markets, both unionized and open shops.

Having explained what double breasting is, I also want to point out what it is not.

As I stated earlier, double breasting does not create sham corporations set up to steal work from a union to a nonunion company. No; this practice has always been illegal and will continue to be illegal under current law.

It is also not a means of avoiding obligations under collective-bargaining agreements. The coverage of a collective-bargaining agreement is agreed to by the employer and the union.

Finally, double breasting is not the cause of the decline in the union construction market. That decline was well underway before double breasting was even a factor, and even though this is a union-sponsored bill, it is ironic to see a union-sponsored bill that, in my opinion, will put union workers out of jobs.

As the gentleman from Texas and I explained earlier, a company might choose to go totally nonunion, open shop. If they do that, then the company they have that is union will close, and those union members will be out of a job.

So if I were a union member, I would be very concerned about what my leadership is doing to my job security, to my job opportunity, to my standard of living, and to my family.

It is the result of natural market forces that competition has dictated this trend. Double breasting is an integral, established and accepted practice in the construction industry.

□ 1725

It promotes fair competition within the industry and clearly results in lower costs to the construction consumer. This fact can only stand to benefit everyone, the consumer and the public at large.

Now, it seems to me when we talk about competitiveness, it seems competitiveness as an issue in America has seemed to disappear in this Chamber. For 4 months that is all this Chamber could talk about, competitiveness, competitiveness, save American jobs.

We passed a trade bill, a bill that is totally anticompetitive and then we have taken care of competitiveness for America.

We do not talk about it anymore because we have waiting in the wings this kind of legislation that will seriously affect every American's standard of living, his job opportunity and his job security.

If I were in construction right now I would be very worried about this piece of legislation; I would be worried about my job, I would be worried about what this means to my standard of living because when you add costs to projects by forcing them to be union, for instance, and you add those costs and pull out that capital out of the world of money that goes into building and construction, then what you do is you lower the ability of your company to make a profit. And if your company does not make a profit then they cannot give you those raises that they would love to give you, they cannot give you those bonuses that they want to give you, they cannot give you a higher standard of living and it will seriously affect your standard of living.

And if they do not have the profits, they do not have the jobs out there, they cannot compete for them, and they cannot promote you. They seriously will hurt your job opportunities, your opportunity to advance, your opportunity to have a better life, a better job, more responsibility and therefore a higher standard of living.

And if there are not those contracts out there because jobs are costing the projects, the construction projects are costing too much, then you are in serious jeopardy of losing your job. We talked earlier about a company picking between an open shop and a union shop and whichever way they pick people are going to lose their jobs. But more importantly if there are not enough jobs out there because the construction projects themselves have increased in price, then the profits are not there, then the companies have to seriously look at cutting back forces because a company, whether you like it or not, a company when they are losing profits the first thing they look at is cutting back their labor force.

So, it does affect that construction worker's standard of living, his job opportunity and his job security.

Now, what does it mean to other Americans? You heard the gentleman from Texas talking about two different markets. And now if all those construction firms as purported by the supporters of this bill, all consturction firms will be union and that is what they are going home and telling their rank and file members, "We are going to make everybody union and we are going to protect your jobs by making everybody union," then what you are doing in the residential market is you are raising the cost because you know that the cost of labor in union shops is much, much higher than the cost of labor in open shop construction firms.

So, you are raising, by this bill, the cost of residences, the cost of homes for Americans.

What happens when you raise the cost of homes to Americans? What happens is your standard of living goes down because you do not have the money that you should be having if the home costs less, that you are not having that ability to purchase things for your family. You cannot go out and buy that car, maybe, because you had to spend too much money on a house, because it was built by too expensive labor that was not competing for efficient and low-cost housing. You cannot go out and send that son or daughter to college, maybe, or you have got to go borrow money to send them to college because your house payments have been increased because the cost of housing has been increased. So, your standard of living does go down. What happens when there is not that money running around out there? Your job opportunities have been lessened in one way or another and, who knows, your job security may be seriously affected because there is not as much money flowing out through the markets.

So, this is an anticompetitive bill, H.R. 281, make no mistake about it. In fact, I challenge those Members of the Congressional Competitive Caucus that if they vote "aye" on this H.R. 281, then they should resign from that caucus because they are voting for an egregious anticompetitive bill, because they are voting to make us a Europe, a more socialized federally controlled economy. They are voting against the ability of that man to compete for a job or that man to have a company and compete for those projects. They are voting for anticompetitiveness. As I have outlined many times on this floor, we are watching those votes. We are going to rate whether a Member is procompetitive or anticompetitive. No longer can a Member go home—go back home and say "We have to get competitive," and then come up here and vote for bills like this. We are going to let the American people know who is for a higher standard of living for Americans, who is for job opportunities, who is for protecting American jobs.

You are not for all those things if you vote for H.R. 281.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. NEAL). Under a previous order of the House, the gentleman from Texas [Mr. GONZALEZ] is recognized for 60 minutes.

[Mr. GONZALEZ addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Maryland [Mrs. BENTLEY] is recognized for 60 minutes.

[Mrs. BENTLEY addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.]

THE IRAN-CONTRA HEARINGS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania [Mr. KOSTMAYER] is recognized for 60 minutes.

Mr. KOSTMAYER. Mr. Speaker, the American people have been watching every day on television and reading in the American press about the Iran-Contra hearings and I think they have been watching and listening and reading with a growing sense of dismay at the conduct of officials in the highest levels of the American Government.

Some journalists in the country, Mr. Speaker, have said that the President and members of his party have been provided a forum for their point of view through the Iran-Contra hearings. I disagree with that. I think that the American people have seen through the speeches by the minority party and those who support the President's policies in Central America and that the Contras and their point of view have not been enhanced by the Iran-Contra hearings despite the speeches on their behalf.

So, I want to join some other Members tonight, Mr. Speaker, in taking just a very few minutes to remind the Congress and to remind the American people about some of the basic facts which I think have been obscured in recent weeks, some very basic facts about the Contras.

We ought to remember those allegations pending still about the involvement with drugs and the Contras. I recall an article earlier this year from the New York Times from which I now read, and I quote:

> Investigators working for one committee member, Senator John Kerry, Democrat of Massachusetts, said they had found witnesses and uncovered evidence that suggested a private network had been organized by the National Security Council and the Central Intelligence Agency to provide military equipment to the insurgents in Nicaragua.
>
> The investigators said they believed the same network was also involved in shipping cocaine and marijuana back to the United States, with the possibility that the profits were then used to obtain still more arms for the insurgents, known as contras.

The evidence accumulated thus far by Senator KERRY's staff leads to at least one significant conclusion and I quote from that staff report: "The Contras and the Contra network, its infrastructure have been involved in the cocaine trade and in trafficking into southern Florida." What we are talking about, Mr. Speaker, is a very direct relationship about the most serious allegations that the Contras have been involved in shipping illegal drugs into the United States, this fighting force in Nicaragua which is the beneficiary of the generosity of American taxpayers.

I think these are the most serious allegations. I do not think another dime should go to the Contras until these allegations have been thoroughly cleared up.

Recently we heard from the Iran-Contra hearings, Mr. Speaker, the testimony of one Robert Owen, a member of the staff of Lieutenant Colonel North who told us a number of things that I think many of us in the Congress had already believed about the Contras. And in an article characterizing Mr. Owen's testimony, the New York Times said in an article headed "In Public, Praise for Contras; In Private, a Darker U.S. View."

The article goes on to say:

> While American officials were publicly touting the virtues of the Nicaraguan rebel leaders, Government officials and other participants in the contras' private aid network viewed some leaders of the movement as wasteful, incompetent and possibly corrupt, according to Congressional testimony and documents, the contra movement had only one leader: Adolfo Calero, the former Coca-Cola bottler turned revolutionary who appeared today before the Congressional committees investigating the Iran-contra affair.
>
> Mr. Calero told the committee members that in 1985 he gave Colonel North $90,000 in blank travelers' checks that could be cashed by the bearer. Congressional investigators said they had been unable to determine how Colonel North spent much of that money.

Again, Mr. Speaker, we are talking about tax dollars, we are talking about the Contras and we are talking about their conduct. I do not think we should forget it for a moment.

Referring again to Mr. Owen, I quote:

> Mr. Owen's long, typed memos told Colonel North of charges circulating among the contras and their supporters of being victimized by "sweetheart deals," referring to arms transactions with retired Maj. Gen. Richard V. Secord.

Now, some United States officials who work with the Contras say they are concerned that should the Contras ever attain power in Nicaragua their leaders may indeed be ill-suited to run that country. Mr. Owen's memo—and keep in mind Mr. Owen is a supporter of the Contras and indeed he was a staff member of the National Security Council—and I quote:

> Mr. Owen's memo, whose conclusions were endorsed by Government officials, said Mr. Calero surrounded himself with aides who were "liars and greedy and power-motivated," adding:
>
> "This war has become a business to many of them. There is still a belief the Marines are going to have to invade, so let's get set so we will automatically be the ones put into power."
>
> As for the contra aid package approved by Congress in 1986, Mr. Owen wrote that without improvements, it "will be like pouring money down a sinkhole," and added: "Things will not get better, they will get worse. The heavy hand of the gringo is needed."

These are the words, Mr. Speaker, of a member of the staff of Lt. Col. Oliver North, a member of the staff of the National Security Council.

What was being said in private, in memos exchanged between members of this administration, was not what was being told to the American people or to the Congress, the public.

I think that the American people have the right to know how these millions and millions and millions of dollars have been squandered and wasted by the Contras in Nicaragua. And how have the Contras themselves lived, Mr. Speaker? Here is an article from Newsweek magazine earlier this year:

> Beset by doubts about their military prowess and by persistent reports of human-rights abuses in the Nicaraguan war zone, the Contra high command has succumbed to internal feuding.

I also talk about featherbedding in the UNO bureaucracy. UNO stands for United Nicaraguan Opposition. It goes on to state, "UNO's directors are said to be paid upwards of $80,000 per year in salary while some 40 staffers and consultants are said to earn a minimum of $36,000 per year. There is talk about travel expenses of up to $500 per day and much criticism of United Nicaraguan Opposition's representatives abroad.

Mr. Speaker, I do not think that the American people, I do not think that the American taxpayers envisioned when Ronald Reagan characterized these people as the moral equivalent of the Founding Fathers, I do not think they envisioned salaries of $80,000 per year.

□ 1740

I do not think they envisioned consultants earning $36,000 a year. When they listen to the President speaking about the Contras in Nicaragua, I do not think the people we represent recognize or approve of $500 per day in travel vouchers.

Mr. Speaker, this is what the Contras are all about.

But it is not only the Contras, Mr. Speaker, it is also our own State Department. Here is an article, believe it or not—I would not believe it if I did not see it in black and white—that states that the U.S. State Department was said to pay $276,186 to hire a public relations company in Washington, DC, to promote the cause of the Contras in Nicaragua.

Well, the people out there listening, who listen to these special orders every evening, the people out there who have been listening to the speeches by members of the Republican Party defending the Contras, I think they ought to ask themselves, did they talk about the $276,000 to a PR firm in Washington, DC, to defend the Contras? Did they talk about $80,000 a year in salaries or $36,000 a year in salaries or $500 per day in travel expenses? I think they did not, Mr. Speaker, and with good reason.

These are serious issues, but they are not nearly as serious as some others; in fact, they are almost frivolous compared to the very serious violations in the area of human rights that have been brought against the Contras. Virtually every major American human rights monitoring group and international groups as well, highly reputable groups, have condemned most vigorously the Contras in Nicaragua.

Mr. Speaker, they have condemned the Sandinistas, too. We have no brief for the Sandinista government, but we are not funding the Sandinista government. President Reagan is not asking this coming fall for $105 million for the Sandinista government. The issue is not the conduct of the Sandinistas, which we deplore and of which I disapprove, speaking only for myself. The issue is the behavior of those people we fund, those people to whom we have given literally millions and millions of taxpayer dollars.

I believe we have an obligation in the Congress and in the country to hold those to whom we extend our national Treasury to a higher standard than those to whom we do not extend American foreign aid. So we have to examine, I think, very closely and with great seriousness the record of the human rights violations by the Contras.

Again reading from an article in the New York Times of this past February, February 10, 1987, speaking of a report by an organization involved with human rights called Americas Watch, the report said:

> The Contras also engage in widespread kidnapping of civilians, apparently for purposes of recruitment as well as intimidation.
>
> "The escalating brutality of Contra practices," the report said, "leads Americas Watch to conclude that disregard for the rights of civilians has become a de facto policy of the Contra forces."

Mr. Speaker, this is what our tax dollars are being used to pay for when we sustain the Contras in Nicaragua—bringing more illegal drugs into the United States, hiring a public relations firm with State Department dollars to defend the Contras, the lavish life style of the Contras themselves.

We remember the missing $27 million in humanitarian assistance which is now the subject of a criminal investigation in the United States to find out precisely what happened to the $27 million which was extended to the Contras. And finally, and most seriously, there are human rights violations by the Contras in Nicaragua, including recently the death of a young American named Ben Linder, who was, as the best evidence indicates, shot by the Contras as he lay wounded on the ground. This has extended not only throughout Nicaragua but now even to our own country.

Mr. DeFAZIO. Mr. Speaker, will the gentleman yield?

Mr. KOSTMAYER. I am delighted to yield to my distinguished colleague, the gentleman from Oregon.

Mr. DeFAZIO. Mr. Speaker, I would just like to say a few words on the subject of Mr. Linder. We have people here, the Contras, who tell us that they want to bring peace to the region, and that they are going to overthrow the government of the Sandinistas. Yet if there is anyone who is bringing peace into the region, if there is anyone who was attacking the root cause of the unrest in the region of Central America, it was Ben Linder.

He was a young man from my home State, from Portland, OR, an idealistic young man who went there. And what was his offense? For what reason was he killed by the Contras, by these people who are the "moral equivalent of our Founding Fathers?" He was killed because he was constructing or was at that time in fact planning the second small hydroelectric dam, attempting to bring electricity to isolated rural villages so that they could have television and radio and some very basic things that we take very much for granted in our country.

If there was a freedom fighter in Nicaragua, that freedom fighter was Ben Linder, because this man was there truly in the cause of peace, showing what democracy and education can do for a nation. He was allowed to go there freely by the United States, as we are allowed to travel freely. He was educated in the United States, and he took that education and he went to Nicaragua, and he was trying to help the people of that country.

I believe that Mr. Linder typifies more what the United States should be doing in that region than all the money that we have dumped into these Contras in their attempt to provoke and perpetuate a war in that region.

Mr. KOSTMAYER. Mr. Speaker, I share the sentiments of the gentleman from Oregon and concur with him entirely. I think that the Ben Linders in the world represent the very best aspects of our country, those young Americans and Americans of all ages who participate in activities such as the Peace Corps. These are the people, I think, who represent the very best part of our country, and not those such as the Contras who impose their violent ways on the people of Nicaragua.

I hope that we can begin to examine this policy when the President makes, as I anticipate he will, Mr. Speaker, his request for another $105 million next year for military assistance for the Contras, and I hope that the House and Senate will join in rejecting this request so that we can begin to find a way to resolve the dispute in Nicaragua and to make a number of things clear to the Sandinista government: That there are things that are unacceptable to the United States, that we are not going to tolerate, for example, the placement of Soviet MIG's in Nicaragua, that we are not going to allow it to become a Soviet base in this hemisphere, that we are not going to allow the placement of offensive weapons, as a great Democratic President, John Kennedy, did not allow the placement of offensive nuclear weapons by the Soviet Union in this hemisphere, that those things are unacceptable and the Democratic Party feels very strongly about that.

But, on the other hand, we do not believe that the U.S. Government and our American taxpayers should be providing millions and millions of dollars in an effort to illegally overthrow another government and to fund a group involved in bringing drugs into the United States and bringing in lavish life styles and serious human rights violations. That is not what is best for our country, and we hope that come this fall the American people will reject that policy.

Mr. DeFAZIO. Mr. Speaker, will the gentleman yield?

Mr. KOSTMAYER. I yield to the gentleman from Oregon.

Mr. DeFAZIO. Mr. Speaker, I would like to continue a bit along the lines where the previous speaker left off. I have heard so much that has made me so angry about this subject in the past weeks.

It was not too long ago that we were on the floor debating whether or not to rescind or to not pay the additional $40 million to the Contras to pursue this war in Central America.

During that debate I asked a question which my friends, my colleagues from the other side of the aisle, have yet to answer, and that is, if there were a single program in the domestic economy of the United States, the Food Stamp Program or a program that provides housing or medical care for our senior citizens, if we had established such a program last year and we had allocated $40 million or $27 million, as we did 2 years ago, and we could not account for $17 million of that total, I wonder, would my friends on that side of the aisle stand up and ask us to give more money to that program? The answer was then, as it is now, a resounding silence from that side of the Chamber. They would not tolerate that in a domestic program. They would not tolerate that in a program that benefits the citizens of the United States.

Yet when it comes to the Contras, when the Contras get $27 million and $17 million disappears, when part of that money is traced to bank accounts in the Caribbean and $2.3 million is traced to a corner grocery store in Tegucigalpa, Honduras, which just happens to be owned by some Honduran military colonels, we hear this story. When they went to interview the manager of that store, a small store like many of us have in our neighborhoods, they asked, "Have the Contras been in here? We have traced over $2 million in expenditures to your store."

The gentleman said, "Well, yes, they come in every once in a while, and they buy a little beer. I think they are Contras, but I am not sure." But he could not tell us where the $2.3 million went. It had not been spent in his store to buy provisions or humanitarian goods.

Yet that money is still unaccounted for, and our friends on the other side of the aisle still want to give more. They want to give the additional $40 million, and they want to give $105 million next fall. I just cannot understand this contradiction. It is just mind boggling to think that we are going to apply a double standard when it comes to the Contras. We say that when $5 million or $10 million or $15 million is missing, that is OK, but when it comes to the senior citizens of the United States or the youth of America or our students, we want every single penny accounted for. I think they have it backward.

I think if we are going to cut slack anywhere, we should cut it in the programs that benefit the people of America, although I do not even advocate that, but it certainly should not be allowed for the Contras. We should not be setting aside our fiscal conservatism when it comes to the Contras.

Mr. Owen, testifying just recently here on Capitol Hill, made some astounding statements, and he also put some interesting quotes in memos. He was talking about the same people our President has talked about, the people who are the "moral equivalent of our Founding Fathers." Let us hear a few quotes from Mr. Owen:

> They are not first-rate people. In fact, they are liars and greed-and-power-motivated.

I do not believe that that characterizes the Founding Fathers of the United States of America.

> The FDN has done a good job of keeping competence out of the organization.

I do not believe that characterizes the Founding Fathers and the spirit of the people who fought so hard to establish a democracy in the United States of America.

> This war has become a business to many of them. There is still a belief the marines are going to have to invade, so let's get set so we will automatically be the ones put into power.

These are all quotes from someone who knows them all too well.

Well, if you had said that to our Founding Fathers as they stood around in the winter at Valley Forge with their feet wrapped in rags, and begged for money and contributions for bullets and clothes to arm our Revolution against an oppressive government, if they had had that attitude, we would not be a free Nation today.

I do not believe these people are the Founding Fathers or the equivalent of the Founding Fathers of our country.

Here is another quote:

> If the $100 million is approved and things go on as they have these last 5 years, it will be like pouring money down a sinkhole.

Well, there I agree with the gentleman. If we cannot account for the moneys we have given them in the past, we certainly should not give them any money in the future. And the moneys we can account for have not gone to a purpose which I would condone—the killing of Ben Linder, the killing of innocent civilians, and the destruction of medical clinics and hydroelectric projects.

Are we going to continue to support a foreign policy that is guaranteed to fail, or are we going to begin to support a genuine effort toward a negotiated peace in Central America? We must move toward a negotiated peace, and I believe we can achieve a negotiated peace if we act firmly and we act within the principles of the United States of America and we do not support these corrupt practices and these people who enjoy no popular support in the Government within the country of Nicaragua.

Mr. Speaker, I thank the gentleman for yielding.

Mr. KOSTMAYER. Mr. Speaker, I yield back the balance of my time.

□ 1755

RESPECT FOR HUMAN RIGHTS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. MINETA] is recognized for 60 minutes.

Mr. MINETA. Mr. Speaker, respect for human rights are the basic set of moral standards which we have established as a minimum level for our behavior. These basic tenets of our existence differ from any other rights we may possess, for they are never to be suspended—no matter what the circumstances.

We, as a democratic nation, have always placed a strong emphasis on human rights. Our Nation's founders emphasized the importance of human rights to our Nation by providing for them under our Constitution. However, it has become apparent that the Contras, who we support in the Nicaraguan civil war, are guilty of significant human rights violations.

Why should we be so concerned about the human rights abuses of a rebel army in Central America? We must keep in mind that in the most recent years, the administration has guided the activities of the Contras and served as their principal political proponent, and of course the administration provides their principal funding. Accordingly, we must share the responsibility for their abuses of human rights.

The Contras have repeatedly violated human rights by failing to make a sincere, effective effort to protect the civilian population of Nicaragua. Reports of these violations are not just propaganda as the Contras have claimed, but instead they have been independently verified by a number of sources which include American journalists and respected human rights Catch groups.

In fact, Contra attacks on civilians have been so commonplace as to constitute a clear Contra practice, and we must therefore conclude are their actual policy. These outrages against human rights have involved more than just attacks on civilians. Other abuses have included kidnapings, poor treatment of prisoners, numerous outrages against human dignity, and violations against medical and relief personnel.

These attacks upon civilians, which include both selective and indiscriminate killings, are an absolute outrage. One incident documents a Contra attack upon a cooperative in Camoapa, Ghontales. As a result of this attack, a 12-year-old girl, a 5-year-old girl, and a woman were killed when a grenade was thrown into their home. Further, one man was killed attempting to defend the cooperative and another woman was simply shot to death. In addition to the five killed, many were also wounded. After the attack, the Contras proceeded to burn down five homes and a shack containing cattle, medicine, and tools. As the Contras left, they kidnaped five people.

The term recruitment is one which is used quite loosely by the Contras. Often what is described as recruitment, amounts to little more than kidnaping. In one account, a group of Contras entered the village of Jinotega and forcibly recruited 18 men and a woman. Kidnaping civilians into their armed forces is in reality enslavement.

In addition to the human rights abuses already mentioned, human dignity is often disregarded in the treatment of prisoners. In fact, one civilian prisoner known to have been held by the Contras was found dead. In addition to being shot, this man's body showed obvious signs of mutilation.

Because of these vicious violations of human rights, the administration, supported the establishment of a human rights commission to monitor and investigate the allegations against the Contras. So, in 1985, the United Nicaraguan Opposition [UNO], the umbrella organization of the Contra groups, established a human rights office in Costa Rica known as the United Nicaraguan Opposition-Human Rights Commission [UNO-CDH]. This office operated, like the rest of the Contra movement, on our funding.

However, in August of 1986, Contra leader Enrique Bermudez dissolved the UNO-CDH. During its brief tenure, the UNO-CDH compiled information on 21 cases in which it recommended prosecution. Of these 21 cases, 19 actually led to a conviction. What is not revealed by these seemingly optimistic numbers, is that out of these 19 convictions, only one case involved an attack upon a Nicaraguan civilian. Among the other cases, incidents of abuses by Contra soldiers against other Contra soldiers are involved. So, out of all the attacks on civilians in Nicaragua, the UNO-CDH was only able to document one case.

The continuing onslaught of human rights violations caused the formation of another human rights commission, which established offices in Costa Rica and Honduras. Again, this organization came at the urging and funding of our Government.

This new group, the Asociacion Nicaraguense Pro Derechos Humanos [the ANPDH], has so far been unable to establish itself as anything more than an arm of the Contras anti-Sandinista propaganda effort.

In one of the more well-known cases, an attack on the village of El Nispero, the findings of the ANPDH were in broad contrast to independent reports compiled by a team of investigators from Americas Watch, a reporter from the Washington Post, and a reporter from the Miami Herald.

In the ANPDH's account of the incident, El Nispero was taken for 4 hours by a contingent of Contra soldiers, after which Nicaraguan Government troops proceeded to mutilate and decapitate bodies. However, in the three other reports on this incident, the facts seem quite different. Two elderly women were shot in their home, by a spray of Contra submachinegun fire. Another woman was shot to death fleeing the post and a 1-year-old infant died from bullet wounds inflicted as the Contras took another building in the town.

Another 1-year-old infant, who during the confusion of the attack had been left in the military post, was found the next morning in a ditch with its throat slit. In addition to killing five civilians, the Contras also abducted three other villagers, stole a number of personal belongings, and drank 13 cases of soda.

Because the three other sources could find no information verifying the charge that Nicaraguan troops had arrived and mutilated bodies of the dead, the ANPDH report is reduced to little more than a propaganda effort.

Given the fact that the Washington representative of the ANPDH told the organization Americas Watch that ANPDH considers itself directly accountable to the United States, it is especially important that we work to see that the truth is uncovered. The findings of the ANPDH in the incident at El Nispero destroyed any credibility which the organization might have possessed as a human rights concern group.

Because of our support of the Contra movement, it is especially important that we monitor their actions. In previous years, we have gone further than simply arming the Contras, we have organized and trained them. Since we have taken such an active role in assisting the Contra movement, we must also take an active role in assuming part of the responsibility for the human rights violations and abuses they commit. We in the U.S. Congress, who appropriated $100 million in aid to these Contras, must share in this responsibility.

Whether or not one is in favor of our policy of aiding the Contras is irrelevant. If you are a supporter of the Contra movement, then these abuses should be of even greater concern.

Yet the effort must be made to win the people over to the cause of establishing a democratic government, if the Contras are to be successful. In some cases, Contra violence against civilians has been great enough to turn public feeling against the Contra forces.

Most importantly, we must monitor and seek improvement in the human rights in this situation as human beings, not in the name of a political philosophy. Allowing gross violations of our minimum standard of moral behavior, erodes these standards. So, as the leaders of the United States and simply as civilized human beings, we must combat the violations of basic human rights occurring in the name of democracy.

Mr. MOODY. Mr. Speaker, will the gentleman yield?

Mr. MINETA. Mr. Speaker, I yield to the gentleman from Wisconsin.

Mr. MOODY. Mr. Speaker, I thank the gentleman for yielding.

I associate myself with the comments of the gentleman from California, and those comments of the other Members who spoke before the gentleman.

I would ask the gentleman in the well if the gentleman would agree with me that the three main questions before us are: No. 1, do the tactics employed by the Contras in battle comport with U.S. values, basic U.S. values? That is No. 1.

We have to ask ourselves that question, because we are footing the bill.

No. 2, and this is a generic question, however worthy we might consider the goal to be to put pressure on the Sandinista government to negotiate, some people would say to overthrow them, but at a minimum to negotiate, however worthy that goal may be, does that goal justify the means which are being employed?

We like to think that the key difference between our society, a democracy, and a totalitarian system, whether the right or the left, is, we do not believe any goals can be used to justify terrorist or undemocratic or counterhuman values. The ends do not justify the means.

No. 3 is, in fact, are the Contras actually winning over the hearts and minds of the Nicaraguan people in this effort? In other words, there is a moral question. There is a responsibility to us, because we are the bill payers; and there is the third question on pragmatic grounds. Are the people of Nicaragua enhancing their belief in America, and are they becoming more skeptical of the Nicaraguan Government because of the Contras?

It seems to me that the answer to all three questions is a pretty negative one. Maybe the gentleman could comment on that way of looking at the problem.

Mr. MINETA. No question that I agree with the gentleman from Wisconsin, Mr. MOODY, when he poses the three questions and answers them as well.

Obviously, if there really was a movement toward the support of the work of the Contras in Nicaragua, then it seems to me there would be a momentum of what is going on in terms of getting to the Government of Nicaragua, the one that is constituted right now.

That is not occurring, and so it seems to me the kinds of abuses that we have outlined are really not winning the people of Nicaragua to the Contra forces, and that we ought not to continue funding the Contras on a military basis.

Mr. MOODY. If we look at the history of Nicaragua, it seems to me that any movement that we associate ourselves with and fund and mobilize and equip is to some extent suspect, because of the fact that we have occupied that country with our own troops, the U.S. Marines some 20 years, totaling after some three separate occasions; and we supported the Somoza dictatorship, father and son, for another 40 years.

□ 1810

So there is a sense I think in Nicaragua, at least I felt it from visiting there three times, that the United States has really not had the interest of Nicaragua at heart, but rather has used Nicaragua and kind of pushed it around. We have not accorded to these small Central American countries the same kind of respect and dignity that we have to let us say Brazil, Argentina, and other countries in that hemisphere.

With that in mind, anything we do is going to some extent be suspect; but when we compound the problem by supporting groups that are not observing human rights, it seems only playing to that very historic sense of being pushed around that the Nicaraguans feel this. The irony of this is that while they feel that Uncle Sam has been a rather insensitive, callous and exploitive neighbor, the average Nicaraguan likes America. They like Americans. They want to be friendly with Americans. Most Nicaraguans that I meet say:

> We don't think your government is pursuing a very intelligent policy. Even though we have our differences with the Sandinistas, we cannot support what you are doing to try to overthrow them, but we like you as Americans, as individuals. We wish your policies would change so that we could once again be friendly to your country.

That is sort of the tragedy of it, that we are aligning ourselves with the worst elements, and in some cases simply poorly disciplined and poorly led young people in the field who may not have human rights training; but the net result, it seems to me, we are not winning the hearts and minds of the Nicaraguans. We know from the Vietnam experience how essential that is in the long run to winning the war, because a determined people will in the end throw out any foreign oppressor or foreign group that comes in.

No. 2, in the last analysis we have to be held accountable for the value system that is being implemented in our name and with our tax dollars. So whether it is effectiveness in the pragmatic sense or whether it is the ends justifying the means or whether it is being able to stand up and say that we support what the Contras are doing in terms of human rights, it seems to me the answer is a pretty sad one on all three counts.

I appreciate the gentleman bringing these points up in his own presentation.

Mr. MINETA. Mr. Speaker, I thank the gentleman from Wisconsin.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. NEAL). The Chair wishes to clarify that the gentleman from California [Mr. MINETA] has been addressing the House without objection.

COMMUNICATION FROM CHAIRMAN OF COMMITTEE ON THE BUDGET REGARDING CURRENT LEVEL OF SPENDING AND REVENUES FOR FISCAL YEAR 1987

Mr. DERRICK. Mr. Speaker, on behalf of Chairman WILLIAM H. GRAY III, pursuant to the procedures of the Committee on the Budget and section 311 of the Congressional Budget Act as amended, I am submitting for printing in the CONGRESSIONAL RECORD the official letter to the Speaker advising him of the updated current level of spending, credit, and revenues for fiscal year 1987. The most recent current level report of this session of Congress was filed on May 7, 1987. Since that report, the Congress has cleared S. 626, to prohibit the imposition of an entrance fee at the Statue of Liberty National Monument; changing budget authority and outlay estimates for fiscal year 1987.

The term "current level" refers to the estimated amount of budget authority, outlays, credit authority and revenues that are available—or will be used—for the full fiscal year in question based only on enacted law.

Current level reports are intended to provide Members information to compare enacted spending and revenues with the aggregate ceilings on budget authority, outlays, and revenues established in a budget resolution; and also to compare enacted legislation with the allocations of new discretionary budget authority, entitlement authority, and new credit authority made to a committee pursuant to subsection 302(a) of the Budget Act, as amended. This report compares the spending, credit, and revenue levels in current level with those assumed in the budget resolution for fiscal year 1987, Senate Concurrent Resolution 120, adopted on June 26, 1986.

Current level reports provide information that is necessary for enforcing section 311 of the Budget Act, as amended. Subsection 311(a) prohibits the consideration of a spending or revenue measure if the adoption of that measure would cause the ceiling on total new budget authority or total outlays set in the budget resolution for a fiscal year to be exceeded or would cause revenues to be less than the appropriate level of revenues set in the budget resolution.

Subsection 311(b) provides an exception to the 311(a) point of order for measures which would breach the ceilings on total spending set in the budget resolution but would not cause a committee to exceed its "appropriate allocation" of discretionary spending authority made pursuant to section 302(a) of the Budget Act. Such an exception was first provided by the budget resolution for fiscal year 1985, House Concurrent Resolution 280, 98th Congress. The exception was made permanent by the amendments to the Budget Act included in the Balanced Budget and Emergency Deficit Control Act of 1985 (Public Law 99-177, Gramm-Rudman-Hollings). This exception is intended to protect a committee that has stayed within its allocation of discretionary budget authority and new entitlement authority from points of order if the total spending ceilings have been breached for reasons outside of its control. The fiscal year 1987 302(a) allocations to House committees made pursuant to the conference report on Senate Concurrent Resolution 120 were printed in House Report 99-666, July 9, 1986.

Section 311(c) of the Budget Act, provides that for purposes of enforcing section 311 in the House of Representatives the levels of new budget authority, entitlement authority, outlays, and revenues shall be determined on the basis of estimates made by the Committee on the Budget. Current level reports represent partial fulfillment of this enforcement responsibility of the Budget Committee by providing both estimates of enacted aggregate spending and revenues; and, for purposes of determining the applicability of the section 311(b) exception, estimates of the relationship between the budgetary effect of enacted legislation within a committee's jurisdiction and the allocation of spending authority made to that committee.

Because current levels reports are intended both to inform the Members of the House and to be used in determining appropriate enforcement of the Budget Act, this report includes two sets of aggregate expenditure and revenue levels. The first set of estimates is included for the purpose of enforcing section 311 of the Budget Act.

These estimates are based on economic and technical assumptions in place at the time of the adoption of the budget resolution, Senate Concurrent Resolution 120, on June 26, 1986. This is intended to protect committees which acted on the basis of the assumptions of the budget resolution from changes in economic and technical factors over which they have no control. Unless the Congress adopts a subsequent budget resolution which alters the assumptions about legislative actions, committees should be able to expect that measures that conform with the budget resolution will not be subject to points of order for violation of the Budget Act. To do otherwise and base enforcement on constantly changing economic and technical estimates would seriously disrupt the legislative process, penalize committees which are unable to complete work on legislation within a short period after adoption of a budget resolution, and undermine respect for budget enforcement procedures.

The second set of estimates is included solely for information purposes. It is based on the latest economic and technical data and gives the best available estimates of the actual spending and revenue situation for fiscal year 1987. They are intended to provide a realistic picture of the current budget situation.

In addition to section 311, the Budget Act contains another point of order which requires Budget Committee estimates for enforcement. Section 302(f) of the Budget Act, as amended, prohibits the consideration of a measure providing new budget authority, entitlement authority or new credit authority if the adoption of that measure would cause a committee to exceed its allocation of new spending or credit authority made pursuant to subsection 302(b) of the Budget Act. The 302(b) allocation is a subdivision of the new spending, entitlement and credit authority allocated to a committee pursuant to section 302(a), among either the subcommittees of that committee or among programs over which the committee has jurisdiction. This provision was added to the Budget Act by the amendments included in the Balanced Budget and Emergency Deficit Control Act of 1985.

Section 302(g) provides that the enforcement of section 302 shall be based on estimates of spending and credit authority made by the Committee on the Budget. The Budget Committee intends to fulfill this responsibility by providing, as necessary, a separate section 302 status report to the Speaker.

For information purposes only, current level reports will continue to include a comparison of the budget and credit authority divided among the Appropriations subcommittees by that committee's 302(b) division with the actual enacted spending and credit legislation within each subcommittee's jurisdiction.

As chairman of the budget process task force, and on behalf of Chairman GRAY, I intend to keep the House informed regularly on the status of the current level.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON THE BUDGET,
Washington, DC, June 10, 1987.

Hon. JAMES C. WRIGHT, Jr.,
Speaker, U.S. House of Representatives, Washington, DC

DEAR MR. SPEAKER: On January 30, 1976, the Committee on the Budget outlined the procedure which it had adopted in connection with its responsibilities under Section 311 of the Congressional Budget Act of 1974 to provide estimates of the current level of revenues and spending.

I am herewith transmitting the status report under S. Con. Res. 120, the Concurrent Resolution on the Budget for Fiscal Year 1987.

In the House of Representatives, the procedural situation with regard to the spending ceilings (total budget authority and total outlays) is affected by Section 311(b) of the Congressional Budget Act of 1974, as amended by P.L. 99-177. Enforcement against possible breaches of the spending ceilings under 311(a) of the Budget Act would not apply when a measure would not cause a committee to exceed its "appropriate allocation" of "new discretionary budget authority" or "new entitlement authority" made pursuant to Section 302(a) of the Budget Act. It should be noted that under this procedure the committee's outlay allocation is not considered.

The intent of Section 311(b) of the Budget Act is to protect a committee that has stayed within its spending authority allocations—discretionary budget authority or new entitlement authority—from points of order if the total spending ceilings have been breached for reasons outside of its control. The 302(a) allocations to House committees made pursuant to the conference report on S. Con. Res. 120 were printed in H. Rept. 99-666 (July 9, 1986).

The enclosed tables compare enacted legislation to each committee's 302(a) allocation of discretionary budget authority, new entitlement authority, new direct loan obligations and new primary loan guarantee commitments. The estimates of spending and revenues for purposes of the application of points of order under the Budget Act are based upon the economic and technical assumptions underlying the most recently agreed to budget resolution.

Sincerely,

WILLIAM H. GRAY III,
Chairman.

REPORT TO THE SPEAKER OF THE U.S. HOUSE OF REPRESENTATIVES FROM THE COMMITTEE ON THE BUDGET ON THE STATUS OF THE FISCAL YEAR 1987 CONGRESSIONAL BUDGET ADOPTED IN SENATE CONCURRENT RESOLUTION 120

REFLECTING COMPLETED ACTION AS OF JUNE 9, 1987

[In millions of dollars]

	Budget authority	Outlays	Revenues
Appropriate level	1,093,350	995,000	852,400
Current level	1,084,973	990,382	860,139
Amount under ceilings	8,377	4,618	
Amount over ceilings			
Amount under floor			
Amount over floor			7,739

BUDGET AUTHORITY

Any measure providing budget or entitlement authority which is not included in the current level estimate and that exceeds $8,377 million in budget authority for fiscal year 1987, if adopted and enacted, would cause the appropriate level of budget authority for that year as set forth in S. Con. Res. 120 to be exceeded.

OUTLAYS

Any measure providing budget or entitlement authority which is not included in the current level estimate and that exceeds $4,618 million in budget authority for fiscal year 1987, if adopted and enacted, would cause the appropriate level of budget authority for that year as set forth in S. Con. Res. 120 to be exceeded.

REVENUES

Any measure that would result in a revenue loss which is not included in the current level estimate and exceeds $7,739 million for fiscal year 1987, if adopted and enacted, would cause revenues to be less than the appropriate level for that year as set forth in S. Con. Res. 120.

Fiscal year 1987 budget authority comparison of current level and budget resolution allocation by committee pursuant to section 302

[In millions of dollars]

	Current level budget authority
House authorizing committee:	
Agriculture	(+960)
Armed Services	(...)
Banking, Finance, and Urban Affairs	(+110)
District of Columbia	(...)
Education and Labor	(+10)
Energy and Commerce	(+692)
Foreign Affairs	(+1)
Government Operations	(...)
House Administration	(...)
Interior and Insular Affairs	(+176)
Judiciary	(−53)
Merchant Marine and Fisheries	(+93)
Post Office and Civil Service	(+106)
Public Works and Transportation	(−5)
Science and Technology	(+2)
Small Business	(+438)
Veterans' Affairs	(...)
Ways and Means	(+530)

NOTE.—Committees are over (+) or under (−) their 302(a) allocation.

FISCAL YEAR 1987 BUDGET AUTHORITY COMPARISON OF CURRENT LEVEL AND BUDGET RESOLUTION SUBDIVISIONS OF THE HOUSE APPROPRIATIONS COMMITTEE PURSUANT TO SECTION 302

[In millions of dollars]

House appropriations subcommittee subdivisions	Current level budget authority	Direct loans	Primary loan guarantees
Commerce, State, Justice	(−548)	(..........)	(−24)
Defense	(−5,468)	(..........)	(..........)
District of Columbia	(−1)	(..........)	(..........)
Energy and Water	(−541)	(+2)	(..........)
Foreign Operations	(+405)	(−187)	(−26)
HUD/Independent Agencies	(−1,427)	(−21)	(+12,434)
Interior	(−248)	(..........)	(..........)
Labor, HHS, Education	(+135)	(+142)	(+15)
Legislative branch	(−23)	(..........)	(..........)
Military construction	(−66)	(..........)	(..........)
Rural development and agriculture	(+114)	(−396)	(+12)
Transportation	(−38)	(−24)	(..........)
Treasury, Postal Service	(−3)	(..........)	(..........)
Total	(−7,709)	(−484)	(+12,411)

Note.—Subcommittees are over (+) or under (−) their 302(b) subdivisions of discretionary action.

FISCAL YEAR 1987 ALLOCATION OF NEW ENTITLEMENT AUTHORITY [NEA] PURSUANT TO SECTION 302

[In millions of dollars]

Committee	Allocation	Enacted
Armed Services	0	+1,469
Education and Labor	+11	−45
Energy and Commerce	+108	+145
Foreign Affairs	0	+1
Interior and Insular Affairs	0	+205
Judiciary	0	+9
Post Office and Civil Service	−100	+1
Veterans' Affairs	+172	+122
Ways and Means	−315	−2,891

U.S. Congress,
Congressional Budget Office,
Washington, DC, June 10, 1987.

Hon. William H. Gray III,
Chairman, Committee on the Budget, U.S. House of Representatives, Washington, DC.

Dear Mr. Chairman: Pursuant to section 308(b) and in aid of section 311 of the Congressional Budget Act, as amended, this letter and supporting detail provide an up-to-date tabulation of the current levels of new budget authority, estimated outlays, estimated revenues, and direct and guaranteed loan levels in comparison with the appropriate levels for those items contained in the most recently agreed to concurrent resolution on the 1987 budget (S. Con. Res. 120). This report for fiscal year 1987 is tabulated as of close of business June 9, 1987. A summary of this tabulation is as follows:

[In millions of dollars]

	Current level	Budget resolution S. Con. Res. 120	Current level +/− resolution
Budget authority	1,084,973	1,093,350	−8,377
Outlays	990,382	995,000	−4,618
Revenues	860,139	852,400	7,739
Direct loan obligations	33,782	34,550	−768
Guaranteed loan commitments	114,964	100,750	14,214

Since my last report Congress has completed action on S. 626, prohibiting entrance fees at the Statue of Liberty monument, changing budget authority and outlays.

At the request of the Committee staff, we have enclosed a table showing the major differences between the current level for 1987 and CBO's revised baseline.

With best wishes,
Sincerely,

Edward M. Gramlich,
Acting Director.

PARLIAMENTARIAN STATUS REPORT, 100TH CONGRESS, 1ST SESSION, HOUSE SUPPORTING DETAIL, FISCAL YEAR 1987 AS OF CLOSE OF BUSINESS JUNE 9, 1987

[In millions of dollars]

	Budget authority	Outlays	Revenues
I. Enacted in previous sessions:			
Revenues			860,137
Permanent appropriations and trust funds	736,815	637,732	....
Other appropriations	533,865	549,039	....
Offsetting receipts	−196,917	−196,917	....
Total enacted in previous sessions	1,073,763	989,854	860,137
II. Enacted this session:			
Water Quality Act of 1987 (P.L. 100–4)	−4	−4	....
Emergency Supplemental for the Homeless (P.L. 100–6)	−7	−1	....
Surface Transportation and Relocation Act (P.L. 100–17)	10,466	−90	2
Federal Employees Retirement System Technical Corrections (P.L. 100–20)	1	1	....
Total enacted this session	10,456	−94	2
III. Continuing resolution authority			
IV. Conference agreements ratified by both Houses: Prohibit entrance fees at the Statue of Liberty Monument (S. 626)	1	1	....
V. Entitlement authority and other mandatory items requiring further appropriation action:			
Claims, defense	11	11	....
Payments to air carriers, DOT	2	2	....
Retired pay—Coast Guard	6	....	....
Family social services	61	....	....
Guaranteed student loans	140	....	....
Special milk program	8	3	....
Advances to unemployment trust fund [1]	(9)	(9)	....
Black lung disability trust fund	314	314	....
Veterans readjustment benefits	9	9	....
Civilian agency pay raises	202	282	....
Total entitlements	753	621	....
Total current level as of June 9, 1987	1,084,973	990,382	860,139
1987 budget resolution (S. Con. Res. 120)	1,093,350	995,000	852,400
Amount remaining:			
Over budget resolution			7,739
Under budget resolution	8,377	4,618	....

[1] Interfund transactions do not add to budget totals.

Note: Numbers may not add due to rounding.

Fiscal year 1987 level compared with CBO revised baseline major reestimates

[In billions of dollars]

	Outlays
CBO revised baseline, February 2, 1987	1,009.8
Current Level as of June 9, 1987	990.4
Total Difference	19.4
Due to revised economic assumptions:	
Outer Continental Shelf	2.4
Medicare	.4
Unemployment trust fund	.3
Other income security (subfunction 609)	−.2
Medicaid	−.3
Social Security	−.8
Net interest	−12.3
Due to technical reestimates:	
Commodity Credit Corporation	5.9
Federal Deposit Insurance Corporation	5.0
Federal Savings and Loan Insurance Corporation	2.7
National Defense (function 050)	2.6
Net interest	2.3
Medicare	2.6
Medicaid	1.4
Other income security (subfunction 609)	.9
Custom user fees (budget reclassification)	1.0
Unemployment trust fund	.9
Rural Development Insurance Fund	.8
Employer share, employee retirement	.7
Civil Service Retirement & Disability	.7
Tennessee Valley Authority	.6
Rural Housing Insurance Fund	.6
Agricultural Credit Insurance Fund	.5
Oil overcharge (budget reclassification)	.4
Economic Support Fund	.3
Rural Electrification Administration	.4
Federal Housing Administration Fund	.5
Employees Health Benefits Fund	.3
Outer Continental Shelf	.2
Veterans Education Benefits Fund	−.3
Repayments of loans to the District of Columbia	−.3
Social Security	−.5
Postal Service	−1.8
Other reestimates	1.5

Fiscal year 1987 current revenue level compared with CBO February baseline

[In billions of dollars]

	1987
CBO revised baseline, February 2, 1987	834.1
Current revenue level as of June 9, 1987	860.1
Total difference	−26.0
Due to revised economic assumptions	−28.7
Due to technical reestimates	2.7
Due to changes in legislation	(1)

[1] Less than $10 million.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. Bonior of Michigan (at the request of Mr. Foley), for today, on account of illness.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. DeLay) to revise and extend their remarks and include extraneous material:)

Mr. Ritter, for 5 minutes, today.

Mr. Crane, for 60 minutes, on June 23.

(The following Members (at the request of Ms. Oakar) to revise and extend their remarks and include extraneous material:)

Mr. KANJORSKI, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. KLECZKA, for 5 minutes, today.

Mr. BUSTAMANTE, for 5 minutes, today.

Mr. FASCELL, for 5 minutes, today.

Mr. PEASE, for 5 minutes, today.

Mr. BROWN of California, for 5 minutes, today.

Mr. CONYERS, for 5 minutes, today.

Ms. OAKAR, for 60 minutes, on June 15.

Mr. DURBIN, for 60 minutes, on June 16.

Mr. FRANK, for 60 minutes, on June 18.

(The following Members (at the request of Mr. MINETA) to revise and extend their remarks and include extraneous material:)

Mr. MINETA, for 60 minutes, today.

Mr. GONZALEZ, for 60 minutes, on June 12.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. MCCOLLUM, and to include extraneous material notwithstanding the fact that it exceeds two pages of the RECORD and is estimated to cost $5,401.

□ 1450

Mr. OBERSTAR, after rollcall 174 in the Committee of the Whole today.

Mr. FISH, after rollcall 176 in the Committee of the Whole today.

Mr. GILMAN, during general debate on H.R. 4.

(The following Members (at the request of Mr. DELAY) and include extraneous matter:)

Mr. GILMAN.

Mr. BROOMFIELD in three instances.

Mr. MCCOLLUM.

Mr. COMBEST.

Mr. PACKARD.

Mr. RITTER.

Mr. WELDON.

Mr. STANGELAND.

Mr. PORTER.

Mrs. SAIKI.

Mr. DAUB.

Mr. LENT in two instances.

Mr. FIELDS.

Mr. KEMP.

Mr. CONTE.

Mr. SCHULZE.

Mr. CLINGER.

Mr. BADHAM.

Mr. HENRY.

Mr. LENT.

Mr. MORELLA.

Mr. FISH.

(The following Members (at the request of Ms. OAKAR) and to include extraneous matter:)

Mr. SOLARZ.

Mr. SMITH of Florida.

Mr. MONTGOMERY.

Ms. KAPTUR in two instances.

Mr. ROE.

Mr. SWIFT.

Mr. DONNELLY.

Mr. KOLTER in four instances.

Mr. MRAZEK.

Mr. MANTON.

Mr. SHARP.

Mr. HOYER.

Mrs. SCHROEDER.

Mr. TRAXLER.

Mr. BERMAN.

Mr. WEISS.

Mr. ATKINS.

Mr. HERTEL.

Mrs. KENNELLY.

Mr. DOWNEY of New York.

Mr. LANTOS in two instances.

Mr. FORD of Michigan.

Mr. RICHARDSON.

Mr. ASPIN.

Mrs. BYRON.

Mr. TOWNS.

Mr. DORGAN of North Dakota.

Mr. CARDIN.

Mr. TALLON.

Mr. MATSUI.

Mr. GUARINI.

Mr. ORTIZ.

Mr. MOLLOHAN.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 958. An act to dedicate the North Cascades National Park to Senator Henry M. Jackson; to the Committee on Interior and Insular Affairs.

S.J. Res. 88. Joint resolution to designate the period commencing November 15, 1987, and ending November 21, 1987, as "Geography Awareness Week"; to the Committee on Post Office and Civil Service.

BILL AND JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. ANNUNZIO, from the Committee on House Administration, reported that that committee did on June 10, 1987, present to the President, for his approval, a bill and a joint resolution of the House of the following titles.

H.R. 1947. An act to amend title 5, United States Code, to provide enhanced retirement credit for U.S. magistrates; and

H.J. Res. 283. Joint resolution recognizing the service and contributions of the Honorable Wilbur J. Cohen.

ADJOURNMENT

Mr. MINETA. Mr. Speaker, I move the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 12 minutes p.m.), the House adjourned until tomorrow, Friday, June 12, 1987, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1591. A letter from the Secretary of Energy, transmitting the calendar year 1985 report on the Department's Industrial Energy Efficiency Improvement Program, pursuant to 42 U.S.C. 6345(e); to the Committee on Energy and Commerce.

1592. A letter from the Director, Defense Security Assistance Agency, transmitting notification of the withdrawal of Transmittal No. 87-A concerning the proposed enhancement or upgrade of capability or sensitivity of technology of a defense article previously sold to Saudi Arabia (Ex. Com. No. 1496), pursuant to 22 U.S.C. 2776(b)(5), AECA, Sec. 36(b) (90 Stat. 741; 93 Stat. 708, 709, 710; 94 Stat. 3134; 94 Stat. 1520); to the Committee on Foreign Affairs.

1593. A letter from the Chairman, Board of Foreign Scholarships, transmitting 23rd annual report of the Fulbright Program, pursuant to 22 U.S.C. 2457; to the Committee on Foreign Affairs.

1594. A letter from the Secretary of Transportation, transmitting the semiannual report of the activities of the Inspector General for the period ended March 31, 1987, pursuant to 5 U.S.C. app. (Inspector General Act of 1978) 5(b); to the Committee on Government Operations.

1595. A letter from the Deputy Administrator, Agency for International Development, transmitting the semiannual report of the Inspector General for the period October 1, 1986 through March 31, 1987, pursuant to 5 U.S.C. app. (Inspector General Act of 1978) 5(b); to the Committee on Government Operations.

1596. A letter from the Director, Office of Personnel Management, transmitting the agency's annual report, fiscal year 1986, on actions taken to increase competition for contracts, pursuant to 41 U.S.C. 419; to the Committee on Government Operations.

1597. A letter from the Deputy Associate Director for Royalty Management, Department of the Interior, transmitting notification of proposed refunds of excess royalty payments in OSC areas, pursuant to 43 U.S.C. 1339(b); to the Committee on Interior and Insular Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. ROE: Committee on Science, Space, and Technology. H.R. 145. A bill to provide for a computer standards program within the National Bureau of Standards, to provide for Government-wide computer security, and to provide for the training in security matters of persons who are involved in the management, operation, and use of Federal computer systems, and for other purposes; with an amendment (Rept. 100-153, pt 1). Ordered to be printed.

Mr. BROOKS: Committee on Government Operations. H.R. 145. A bill to provide for a computer standards program within the National Bureau of Standards, to provide for Government-wide computer security, and to provide for the training in security matters of persons who are involved in the management, operation, and use of Federal computer systems, and for other purposes; with an amendment (Rept. 100-153, pt. 1). Referred to the Committee of the Whole House on the State of the Union.

Mr. JONES of North Carolina: Committee on Merchant Marine and Fisheries. H.R. 2342. A bill to authorize appropriations for the Coast Guard for fiscal year 1988, and for other purposes; with an amendment (Rept. 100-154). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. FRANK: Committee on the Judiciary. H.R. 945. A bill for the relief of Allen H. Platnick (Rept. 100-143). Referred to the Committee of the Whole House.

Mr. FRANK: Committee on the Judiciary. H.R. 1477. A bill for the relief of Beulah C. Shifflett, (Rept. 100-144). Referred to the Committee of the Whole House.

Mr. FRANK: Committee on the Judiciary. H.R. 1387. A bill for the relief of O. Edmund Clubb (Rept. 100-145). Referred to the Committee of the Whole House.

Mr. FRANK: Committee on the Judiciary. H.R. 1418. A bill for the relief of Rick Hangartner, Russell Stewart, and David Walden (Rept. 100-146). Referred to the Committee of the Whole House.

Mr. FRANK: Committee on the Judiciary. H.R. 1386. A bill for the relief of Marsha D. Christoper (Rept. 100-147). Referred to the Committee of the Whole House.

Mr. FRANK: Committee on the Judiciary. H.R. 1275. A bill for the relief of Joyce G. McFarland (Rept. 100-148). Referred to the Committee of the Whole House.

Mr. FRANK: Committee on the Judiciary. H.R. 1134. A bill for the relief of Whiteworth Incorporated of Gardena, California (Rept. 100-149). Referred to the Committee of the Whole House.

Mr. FRANK: Committee on the Judiciary. H.R. 712. A bill for the relief of Lawrence K. Lunt (Rept. 100-150). Referred to the Committee of the Whole House.

Mr. FRANK: Committee on the Judiciary. H.R. 525. A bill for the relief of John M. Gill with an amendment (Rept. 100-151). Referred to the Committee of the Whole House.

Mr. FRANK: Committee on the Judiciary. H.R. 441. A bill for the relief of the heirs of Master Sergeant Nathaniel Scott, United States Army, retired, deceased (Rept. 100-152). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ALEXANDER:

H.R. 2659. A bill to amend the Trade Act of 1974 to provide for appointment of additional official advisors to United States trade delegations; to the Committee on Ways and Means.

By Mr. ARCHER:

H.R. 2660. A bill to amend the Social Security Act and related laws to extend coverage, to correct anomalies in payment provisions, to make adjustments in the disability offset, and to make management improvements in the Old-Age, Survivors, and Disability Insurance Program, to make various improvements in the Supplemental Security Income Program, and for other purposes; to the Committee on Ways and Means.

By Mr. BIAGGI:

H.R. 2661. A bill to clarify merchant seamen citizenship requirements for U.S.-flag vessels; to the Committee on Merchant Marine and Fisheries.

By Mr. BOULTER (for himself, Mr. Kemp, Mr. Archer, Mr. Cheney, Mr. Edwards, of Oklahoma, Mr. Hall of Texas, Mr. Watkins, Mr. Fields, Mr. Huckaby, Mr. Barton of Texas, Mr. DeLay, Mr. Armey, Mr. Combest, Mr. Dannemeyer, Mr. Smith of Texas, Mr. Bartlett, Mr. Sweeney, Mr. Schaefer, and Mr. Holloway):

H.R. 2662. A bill to insure energy security for the Nation by expanding the domestic petroleum base; jointly, to the Committees on Ways and Means, Energy and Commerce, Interior and Insular Affairs, and the Judiciary.

By Mr. COMBEST (for himself, Mr. de la Garza, and Mr. Stenholm):

H.R. 2663. A bill to authorize the establishment by the Secretary of Agriculture of a plant stress and water conservation research laboratory and program at Lubbock, TX; to the Committee on Agriculture.

By Mr. CONYERS:

H.R. 2664. A bill to amend chapter 89 of title 18, United States Code, to provide penalties for nondisclosure of serious concealed dangers by certain business entities and personnel; to the Committee on the Judiciary.

By Mr. FIELDS (for himself and Mr. Davis of Michigan):

H.R. 2665. A bill to amend the Panama Canal Act of 1979 to establish a Panama Canal Revolving Fund, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. SIKORSKI (for himself, Mr. Conte, Mr. Tauke, Mr. Rinaldo, Mr. Scheuer, Mr. Boehlert, Mr. Jeffords, Mr. Mineta, Mr. Green, Mrs. Kennelly, and Mr. Waxman):

H.R. 2666. A bill to amend the Clean Air Act to reduce acid deposition, and for other purposes; to the Committee on Energy and Commerce.

By Mr. HALL of Ohio:

H.R. 2667. A bill to establish a commission to examine the issues associated with the teaching of values in elementary, secondary, and postsecondary schools and in institutions of higher learning; jointly, to the Committees on Education and Labor and Rules.

By Mr. LENT (for himself, Mr. Rinaldo, Mr. Moorhead, Mr. Whittaker, Mr. Tauke, Mr. Ritter, Mr. Coats, Mr. Bliley, Mr. Fields, Mr. Oxley, Mr. Nielson of Utah, Mr. Bilirakis, Mr. Schaefer, and Mr. Callahan):

H.R. 2668. A bill to amend the Securities Exchange Act of 1934, and for other purposes; to the Committee on Energy and Commerce.

By Mr. HANSEN:

H.R. 2669. A bill to amend the Internal Revenue Code of 1986 to exempt distributions under the Federal retirement system from the additional tax on early distributions; to the Committee on Ways and Means.

By Mr. HENRY (for himself, Mr. Ford of Michigan, and Mr. Grandy):

H.R. 2670. A bill to amend the Internal Revenue Code of 1986 to provide that the exclusion from gross income for qualified scholarships shall include scholarships received for travel, research, and living expenses; to the Committee on Ways and Means.

By Mr. JOHNSON of South Dakota:

H.R. 2671. A bill to authorize the Secretary of the Interior to construct, operate, and maintain the Lake Andes-Wagner Unit and the Marty II Unit, South Dakota Pumping Division, Pick-Sloan Missouri Basin Program, South Dakota; to the Committee on Interior and Insular Affairs.

By Ms. KAPTUR:

H.R. 2672. A bill to amend title 38, United States Code, for the purpose of improving veterans' housing programs, to the Committee on Veterans' Affairs.

By Mr. LANTOS (for himself and Mr. Gilman):

H.R. 2673. A bill to facilitate implementation of the 1980 Hague Convention on the Civil Aspects of International Child Abduction, and for other purposes; jointly, to the Committees on the Judiciary and Ways and Means.

By Mr. MANTON:

H.R. 2674. A bill to amend the Omnibus Crime Control and Safe Streets Act of 1968 to provide a lump sum payment to public safety officers who become totally and permanently disabled as a result of a catastrophic injury sustained in the line of duty; to the Committee on the Judiciary.

By Mr. MICA:

H.R. 2675. A bill to amend title XVIII of the Social Security Act to improve the quality of services furnished by health maintenance organizations and competitive medical plans to medicare beneficiaries, and for other purposes; jointly, to the Committees on on Ways and Means and Energy and Commerce.

By Mr. PEASE (for himself, Mr. Clinger, Mr. Levin of Michigan, Mr. Tauzin, Mr. Frank, Mr. Eckart, Mr. Wolpe, Ms. Kaptur, Mr. Ford of Michigan, Mr. Hall of Ohio, Mr. Wyden, and Mr. Wilson):

H.R. 2676. A bill to provide an improved program of extended unemployment compensation, and for other purposes; to the Committee on Ways and Means.

By Mr. RHODES (for himself and Mr. Udall):

H.R. 2677. A bill to establish procedures for review of tribal consitutions and bylaws or amendments thereto pursuant to the act of June 18, 1934 (48 Stat. 987); to the Committee on Interior and Insular Affairs.

By Mrs. SAIKI:

H.R. 2678. A bill to establish a program for repayment of certain student loans on behalf of persons who teach in public elementary, secondary, or vocational schools; to the Committee on Education and Labor.

H.R. 2679. A bill to amend the Internal Revenue Code of 1986 to provide that the port use excise tax shall not apply to cargo transported between Hawaii and any possession of the United States, and for other purposes; to the Committee on Ways and Means.

By Mrs. SCHROEDER:

H.R. 2680. A bill to require the payment of special pay for duty subject to hostile fire for members of the Armed Forces performing duty in or over the Persian Gulf or in the vicinity of the Persian Gulf; to the Committee on Armed Services.

By Mr. STUMP:

H.R. 2681. A bill to terminate all participation by the United States in the United Nations, and to remove all privileges, exemptions, and immunities of the United Nations; to the Committee on Foreign Affairs.

By Mr. BIAGGI (for himself and Mrs. Roukema):

H.J. Res. 313. Joint resolution designating the month of August 1987 as "National Child Support Enforcement Month"; to the Committee on Post Office and Civil Service.

By Mr. GREEN:

H.J. Res. 314. Joint resolution urging the Union of Soviet Socialist Republics to allow Doctor Semyon Gluzman and his family to emigrate to Israel; to the Committee on Foreign Affairs.

By Mr. HERTEL (for himself, Mr. Anderson, Mr. Bennett, Mr. Biaggi, Mr. Carr, Mr. Coelho, Mr. Crockett, Mr. Daniel, Mr. de la Garza, Mr. Dornan of California, Mr. Evans, Mr. Fauntroy, Mr. Feighan, Mr. Frost, Mr. Gray of Illinois, Mr. Hefner, Mr. Henry, Mr. Horton, Mr. Hunter, Mr. Kasich, Mr. Kostmayer, Mr. Lagomarsino, Mr. Levin of Michigan, Mr. Martin of New York, Mr. Martinez, Mr. Mfume, Mr. Montgomery, Ms. Oakar, Mr. Pursell, Mr. Richardson, Mr. Roe, Mr. Savage, Mr. Shumway, Mr. Roberts, Mr. Vander Jagt, Mr. Vento, Mr. Wylie, and Mr. Yatron):

H.J. Res. 315. Joint resolution designating the week beginning September 4, 1988, as "National Bowling Week"; to the Committee on Post Office and Civil Service.

By Mr. PRICE of North Carolina (for himself, Mr. Valentine, Mr. Coble, Mr. Jones of North Carolina, Mr. Rose, Mr. Hefner, Mr. Neal, Mr. Lancaster, and Mr. Clarke):

H.J. Res. 316. Joint resolution designating the period beginning on July 13, 1987, and ending on July 26, 1987, as "United States Olympic Festival—1987 Celebration," and designating July 17, 1987, as "United States Olympic Festival—1987 Day"; to the Committee on Post Office and Civil Service.

By Mr. DORGAN of North Dakota (for himself, Mr. Pease, Ms. Slaughter of New York, and Ms. Kaptur):

H. Con. Res. 138. Concurrent resolution expressing the sense of the Congress that the Internal Revenue Service should be reorganized in order to strengthen the taxpayer assistance and enforcement divisions and narrow the $100 million tax gap; to the Committee on Ways and Means.

By Mr. McMILLAN of North Carolina (for himself, Mr. Armey, Mr. Ballenger, Mr. Barnard, Mr. Broomfield, Mr. Coble, Mr. Courter, Mr. Daniel, Mr. Dickinson, Mr. Edwards of Oklahoma, Mr. Fawell, Mr. Hefner, Mr. Henry, Mrs. Johnson of Connecticut, Mr. Hunter, Mr. Kyl, Mr. Leath of Texas, Mr. Lewis of California, Mr. Mack, Mr. Montgomery, Mr. Miller of Washington, Mr. Owens of New York, Mrs. Patterson, Mr. Rhodes, Mr. Ridge, Mrs. Saiki, Mr. Skelton, Mr. Stump, Mr. Smith of New Hampshire, Mr. Denny Smith, Mr. Spratt, Mr. Stenholm, Mr. Tauke, Mr. Valentine, and Mr. Walker):

H. Con. Res. 139. Concurrent resolution to express the sense of the Congress that the United States should enter into negotiations with countries which participate in a common defense alliance with the United States for the purpose of a more equitable apportionment of the burden of financial support for the alliance; to the Committee on Foreign Affairs.

By Mr. DAUB (for himself, Mr. Dorgan of North Dakota, Mr. Glickman, Mr. Madigan, Mr. Durbin, and Mr. Leach of Iowa):

H. Res. 193. Resolution expressing the sense of the House with respect to the use of ethanol, methanol, and other oxygenated fuels as an accepted air pollution control strategy in nonattainment areas designated by the Environmental Protection Agency; to the Committee on Energy and Commerce.

By Mr. DOWNEY of New York (for himself, Mr. Studds, and Mr. Leach of Iowa):

H. Res. 194. Resolution urging the President to seek a meeting of the United Nations Security Council for the purpose of protecting nonbelligerent shipping in the Persian Gulf; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

Mr. RICHARDSON introduced a bill (H.R. 2682) for the relief of Hilario R. Armijo, Timothy W. Armijo, Allen M. Baca, Vincent A. Chavez, David G. Chinana, Victor Chinana, Ivan T. Gachupin, Michael J. Gachupin, Frank Madalena, Jr., Dennis P. Magdalena, Anthony M. Pecos, Lawrence A. Seonia, Jose R. Toledo, Roberta P. Toledo, Nathaniel G. Tosa, Allen L. Toya, Jr., Andrew V. Waquie, and Benjamin P. Waquie; which was referred to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 17: Mr. Mazzoli and Mr. Hutto.

H.R. 18: Mr. Garcia.

H.R. 47: Mr. Lewis of Georgia.

H.R. 66: Mr. Pepper and Mr. Armey.

H.R. 130: Mr. Dannemeyer and Mr. Tauzin.

H.R. 145: Mr. Hughes, Mr. Bustamante, Mr. Neal, and Mr. Edwards of California.

H.R. 285: Mr. Skelton.

H.R. 303: Mr. Wise, Mr. Bustamante, and Mr. Wolf.

H.R. 378: Mr. Davis of Michigan, Mr. Pepper, Mr. Flake, Mr. St Germain, and Mr. Nowak.

H.R. 382: Mr. Hammerschmidt.

H.R. 388: Mr. Price of Illinois, Mr. Stallings, and Ms. Kaptur.

H.R. 544: Mr. Chapman.

H.R. 618: Mr. Savage and Mr. Ford of Michigan.

H.R. 637: Mr. Valentine and Mr. Lewis of Florida.

H.R. 666: Mr. Dyson, Mr. Clinger, Mr. Solomon, Mr. Hughes, and Mr. Nielson of Utah.

H.R. 671: Mrs. Byron.

H.R. 778: Mr. Flake.

H.R. 786: Mr. Davis of Illinois, Mr. Petri, Mr. Stenholm, and Mr. Packard.

H.R. 792: Mr. Lent, Mr. Jontz, Mr. Shumway, Mr. Livingston, and Mr. Hutto.

H.R. 954: Mr. Bennett, Mr. Rodino, and Mr. Coelho.

H.R. 977: Mr. Jeffords.

H.R. 1068: Mr. Kolter and Mr. Moody.

H.R. 1076: Mr. Coleman of Texas.

H.R. 1278: Mr. Roberts, Mrs. Bentley, Mr. Wortley, Mr. Thomas of Georgia, Mr. Porter, Mr. Bustamante, Mrs. Martin of Illinois, Mr. Davis of Illinois, Mr. Garcia, and Mr. Stump.

H.R. 1313: Mr. Swift, Mr. Thomas of Georgia, Mr. Levine of California, Mr. Gonzalez, Mr. Glickman, Mr. Hammerschmidt, Mr. Gordon, and Mr. Lowry of Washington.

H.R. 1516: Mr. Brown of California, Mr. Weber, Mr. Wortley, Mr. Crockett, Mr. Buechner, Mr. Miller of California, Mr. Bilbray, and Mr. Smith of New Hampshire.

H.R. 1546: Mr. Murphy, Mr. Sunia, Mrs. Boxer, Mr. Kemp, Mr. Molinari, Mr. Borski, Mr. Solomon, Mr. LaFalce, Mr. Stratton, Mr. Wolpe, Mr. Manton, Mr. Florio, Mr. Kolter, Mr. Nowak, Mr. Foglietta, Mr. Durbin, Mr. Lipinski, Mr. Dwyer of New Jersey, Mr. Jacobs, Mr. Flake, Mr. Beilenson, Mr. Applegate, Mr. Murtha, Mr. Guarini, and Mr. Coyne.

H.R. 1566: Mr. LaFalce.

H.R. 1641: Mr. Clinger.

H.R. 1734: Mr. Borski.

H.R. 1742: Mr. Chapman.

H.R. 1752: Mr. Schuette.

H.R. 1786: Mr. Derrick, Mr. Shaw, Mr. McCollum, Mr. Sensenbrenner, and Mr. Mazzoli.

H.R. 1811: Mr. Wise, Mr. Skeen, and Mr. McCloskey.

H.R. 1816: Mr. Walgren.

H.R. 1834: Mr. Kennedy, Mr. de Lugo, Mr. Brennan, Mr. Swift, and Mr. Towns.

H.R. 1873: Mr. Bates and Mr. Traficant.

H.R. 1891: Mr. Armey, Mr. Edwards of Oklahoma, Mr. Wise, Mr. St Germain, Mr. Hochbrueckner, Mr. Gordon, Mr. Rahall, Mr. Boehlert, and Mr. Towns.

H.R. 1917: Mr. McEwen, Mr. Smith of Iowa, Mr. Richardson, Ms. Slaughter of New York, Mr. de Lugo, Mr. Florio, Mr. Bilbray, Mr. Duncan, and Mr. Neal.

H.R. 1933: Mr. Shumway and Mr. Jeffords.

H.R. 1986: Mr. Nielson of Utah.

H.R. 2083: Mr. DeLay, Mr. Smith of New Jersey, Mr. Inhofe, Mr. Hyde, Mr. Barton of Texas, Mrs. Bentley, Mr. Hall of Texas, and Mr. Crane.

H.R. 2084: Mr. Burton of Indiana.

H.R. 2114: Mr. Wise.

H.R. 2120: Mr. Lewis of Georgia, Mr. Jones of North Carolina, and Mrs. Boxer.

H.R. 2125: Mr. Rahall.

H.R. 2141: Mr. Smith of New Hampshire, Mr. Williams, Mr. Panetta, Mr. Dellums, and Mr. Bonker.

H.R. 2151: Mr. Jeffords, Mr. Rahall, Mr. Coelho, Mr. Stark, Mr. Frank, and Mr. Roe.

H.R. 2163: Mr. Lowry of Washington.

H.R. 2183: Mr. Coelho, Mr. Gray of Illinois, Mr. Ravenel, Mr. Alexander, Mr. Tauzin, Mr. St Germain, Mr. Obey, Mr. Schaefer, Mr. McCloskey, Mr. Jontz, Mr. Shumway, Mr. Swindall, and Mr. Johnson of South Dakota.

H.R. 2188: Mr. Boehlert.

H.R. 2200: Mr. Lujan.

H.R. 2240: Mr. Lowry of Washington.

H.R. 2248: Mr. Archer and Mr. Stratton.

H.R. 2249: Mr. McEwen, Mr. Feighan, Mr. Cardin, and Mr. Foglietta.

H.R. 2279: Mr. Clay, Mr. Foglietta, Mr. Garcia, Mr. Towns, Mr. Akaka, and Mr. Miller of California.

H.R. 2312: Mr. Derrick, Mr. Oberstar, and Mr. Gejdenson.

H.R. 2337: Mr. Garcia, Mr. Wortley, Mr. Green, Mr. Owens of New York, Mr. Gilman, Mr. Lent, and Mr. Fish.

H.R. 2344: Mr. Jenkins.

H.R. 2346: Mr. Jenkins.

H.R. 2383: Mr. FUSTER, Mr. JEFFORDS, Mr. BENNETT, and Mr. DE LUGO.

H.R. 2404: Mr. NICHOLS.

H.R. 2482: Mr. BORSKI, Mr. THOMAS A. LUKEN, and Mr. TOWNS.

H.R. 2491: Mr. TOWNS, Mr. LAGOMARSINO, Mr. ACKERMAN, Mr. PRICE of Illinois, Mr. WORTLEY, and Mr. LAFALCE.

H.R. 2500: Mr. ECKART.

H.R. 2556: Mr. BUNNING, Mr. FRENZEL, and Mr. FUSTER.

H.R. 2565: Mr. ROE, Mr. DANIEL, Mr. BUSTAMANTE, and Mr. TOWNS.

H.R. 2571: Mr. ACKERMAN, Mr. BEILENSON, Mrs. BENTLEY, Mr. BERMAN, Mrs. BOXER, Mr. BUSTAMANTE, Mr. CLARKE, Mr. DEFAZIO, Mr. DORGAN of North Dakota, Mr. EDWARDS of California, Mr. FOGLIETTA, Mr. FRANK, Mr. KOSTMAYER, Mrs. LLOYD, Mr. MARKEY, Mr. MINETA, Mr. MOAKLEY, Mr. MURPHY, Mr. OWENS of New York, Mr. RICHARDSON, Mr. SMITH of Florida, Mr. TRAFICANT, Mr. WYDEN, and Mr. MARTINEZ.

H.R. 2573: Mr. SIKORSKI.

H.R. 2576: Mr. STALLINGS, Mr. JONTZ, and Mr. OBERSTAR.

H.R. 2610: Mr. STALLINGS.

H.R. 2620: Mr. BATES, Mrs. COLLINS, Mr. LEWIS of Georgia, Mr. CONYERS, and Mr. DAVIS of Illinois.

H.J. Res. 114: Mr. BEVILL, Mr. GRAY of Pennsylvania, Mr. HUGHES, Mr. HALL of Texas, Mr. HATCHER, Mr. OWENS of Utah, Mr. FROST, Mr. ERDREICH, Mr. HORTON, Mr. NIELSON of Utah, Mr. MANTON, Mr. TRAXLER, Mr. ROEMER, Mr. BROOKS, Mr. CONYERS, Mr. BROWN of Colorado, Mr. FOGLIETTA, Mr. ROWLAND of Georgia, Mr. GEKAS, Mr. WALGREN, Mr. THOMAS A. LUKEN, Mr. BATES, Mr. TORRICELLI, Mr. KILDEE, Mr. GUARINI, Mr. SMITH of Texas, Mr. WISE, Mr. MURPHY, Mr. SIKORSKI, Mr. UPTON, Mrs. BYRON, and Mr. WEBER.

H.J. Res. 134: Mr. IRELAND, Mr. RINALDO, Mr. THOMAS of Georgia, Mr. PORTER, Mr. KOLTER, Mr. SHAW, Mr. KENNEDY, Ms. SLAUGHTER of New York, Mr. UDALL, Mr. MCHUGH, Mr. BRUCE, Mr. STALLINGS, Mrs. BOGGS, Mr. ROBINSON, Mr. PRICE of North Carolina, Mr. COLEMAN of Texas, Mr. CLARKE, Mr. DAVIS of Illinois, Mr. LAFALCE, and Mr. OBEY.

H.J. Res. 143: Mr. PACKARD.

H.J. Res. 159: Mr. EVANS, Mr. SOLARZ, Mr. HAYES of Illinois, Mr. ORTIZ, Mr. RAVENEL, Mr. ROEMER, Mr. MCDADE, Mr. TAUZIN, Mr. EARLY, Mr. JENKINS, Mr. LEHMAN of California, Mr. HATCHER, Mr. STANGELAND, Mr. KOLTER, Mr. CARDIN, Mr. BILIRAKIS, Mr. MURPHY, Mr. BRENNAN, Mr. MACK, Mr. TORRICELLI, Mr. SISISKY, Mr. ESPY, Mr. SYNAR, Mr. PICKETT, Mr. BEVILL, Mr. DAVIS of Michigan, Mr. MCMILLEN of Maryland, Mr. WEISS, Mr. LANCASTER, Mr. FASCELL, Mr. DELAY, and Mr. SUNDQUIST.

H.J. Res. 180: Mr. VOLKMER, Mr. STAGGERS, Mr. BIAGGI, Mr. SMITH of Texas, Mr. MOLLOHAN, and Mr. JONTZ.

H.J. Res. 246: Mr. BUECHNER, Mr. CONYERS, Mr. JEFFORDS, Mr. LEVINE of California, Mr. FAZIO, Mr. HAYES of Louisiana, Mr. DEFAZIO, Mr. HARRIS, Mr. UDALL, Mr. HOCHBRUECKNER, Mr. LEHMAN of Florida, Mr. MCMILLEN of Maryland, Mr. CAMPBELL, Mr. NEAL, Mr. MFUME, Mr. NIELSON of Utah, Ms. OAKAR, MR. COLEMAN of Missouri, and Mr. BORSKI.

H.J. Res. 255: Mr. ESPY.

H.J. Res. 261: Mr. PEPPER.

H.J. Res. 266: Mr. LANCASTER, Mr. OWENS of Utah, Mr. SOLARZ, Mr. LEWIS of Georgia, Mr. BUSTAMANTE, Mr. WYDEN, and Mr. FROST.

H.J. Res. 302: Mr. HALL of Texas, Miss SCHNEIDER, Mr. SMITH of New Hampshire, Mr. SUNDQUIST, Mr. WALKER, Mr. KOSTMAYER, Mr. HENRY, Mr. PORTER, Mrs. MARTIN of Illinois, Mr. PURSELL, Mr. CHANDLER, Mr. MOLLOHAN, Mr. SWEENEY, Mr. FASCELL, Mr. CARPER, Mr. ROWLAND of Connecticut, Mr. CALLAHAN, Mr. CHAPMAN, Mr. DONALD E. LUKENS, Mrs. BENTLEY, Mr. SMITH of Texas, Mr. DOWDY of Mississippi, Mr. OBERSTAR, Ms. PELOSI, Mr. CLINGER, Mr. HUTTO, Mr. AKAKA, Mr. BAKER, Mrs. BOGGS, Mr. BONER of Tennessee, Mr. BURTON of Indiana, Mr. BUSTAMANTE, Mr. CLARKE, Mr. COUGHLIN, Mr. DONNELLY, Mr. DWYER of New Jersey, Mr. EARLY, Mr. GALLEGLY, Mr. GALLO, Mr. GRANT, Mr. HOWARD, Mr. KASICH, Mr. KEMP, Mrs. KENNELLY, Mr. LANCASTER, Mr. LEACH of Iowa, Mr. MCMILLEN of Maryland, Mr. MOAKLEY, Mr. PENNY, Mr. SISISKY, Mr. SKELTON, Ms. SLAUGHTER of New York, Mr. STALLINGS, Mr. THOMAS of Georgia, Mr. TORRES, Mr. TOWNS, Mr. TRAXLER, Mr. UDALL, Mr. VENTO, Mr. WALGREN, Mr. BOULTER, Mr. ORTIZ, Mr. SWIFT, and Mr. STARK.

H. Con. Res. 61: Mr. WAXMAN, Mr. BERMAN, Mr. KONNYU, Mr. SWIFT, Mr. FUSTER, Mr. ROE, Mr. SOLARZ, Mr. GRAY of Pennsylvania, Mr. RODINO, Mr. MCMILLEN of Maryland, Mr. HENRY, Mr. DIXON, Mr. RAHALL, Mr. WOLF, Mr. WEISS, Mr. GEJDENSON, Mr. MFUME, Mr. LAGOMARSINO, Mr. DE LUGO, Mr. BOUCHER, Mr. THOMAS A. LUKEN, Mr. EDWARDS of California, Mr. TOWNS, Mr. WILSON, and Mr. FORD of Michigan.

H. Con. Res. 68: Mr. BRYANT, Mr. BUECHNER, Mr. DICKS, Mr. FAZIO, Mr. GUNDERSON, Mr. HENRY, Mr. INHOFE, Mr. LIVINGSTON, Mr. MARTINEZ, Mr. MOODY, Mr. NEAL, Mr. RICHARDSON, Mr. RODINO, Ms. SLAUGHTER of New York, Mr. TOWNS, Mr. VANDER JAGT, Mr. VISCLOSKY, Mr. WELDON, Mr. YATRON, and Mr. YOUNG of Alaska.

H. Con. Res. 108: Mr. BEVILL, Mr. NICHOLS, Mr. RAY, and Mr. WATKINS.

H. Con. Res. 112: Mr. DANNEMEYER, Mr. SLAUGHTER of Virginia, and Mr. MOORHEAD.

H. Con. Res. 114: Mr. TOWNS.

H. Con. Res. 130: Mr. SHUMWAY, Mr. HUCKABY, Mr. BEVILL, Mr. WORTLEY, Mr. DAVIS of Illinois, Mr. LAGOMARSINO, Mr. DYSON, Mr. OLIN, Mr. WELDON, and Mr. WEBER.

H. Res. 18: Mr. ATKINS.

H. Res. 40: Mr. GALLEGLY, Mrs. SAIKI, and Mr. UPTON.

H. Res. 114: Mr. DORNAN of California, Mr. LIVINGSTON, Mr. SMITH of New Jersey, and Mr. BADHAM.

H. Res. 137: Mr. HUCKABY.

H. Res. 158: Mr. GRANDY.

H. Res. 162: Mr. FASCELL, Mrs. BENTLEY, Mr. BONIOR of Michigan, Mr. CHANDLER, Mr. PORTER, Mrs. SCHROEDER, Mr. SMITH of Florida, Mr. TORRES, and Mr. VENTO.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 1777

By Mr. BAKER:

—Page 27, after line 13, insert the following section:

SEC. 137. LIMITATION ON CERTAIN SERVICE IN THE UNITED STATES MARINE CORPS SECURITY GUARD PROGRAM.

(a) LIMITATION.—Except as provided in paragraph (b) no individual may perform guard functions at United States diplomatic or consular posts in any Communist country for an aggregate period of more than 180 days.

(b) EXCEPTION.—The limitation under subsection (a) shall not apply to any commander of a Marine Corps security detachment at any United States diplomatic or consular post in a Communist country.

(c) DEFINITON.—As used in this section, the term "Communist country" means a country listed in section 620(f) of the Foreign Assistance Act of 1961.

(d) EFFECTIVE DATE.—This section shall take effect 180 days after the date of enactment of this Act.

By Mr. BARTON of Texas:

—Page 70, after line 16, insert the following:

TITLE VII—ANTITERRORISM SANCTIONS

SEC. 701. ACTIONS AGAINST COUNTRIES REPEATEDLY PROVIDING SUPPORT FOR INTERNATIONAL TERRORISM.

The Act entitled "An Act to prohibit the destruction of, or injury to, certain property moving in interstate or foreign commerce, and for other purposes", approved September 13, 1961 (15 U.S.C. 1281 and 1982), is amended by adding at the end thereof the following new section:

"SEC. (a) Notwithstanding any other provision of law, with respect to any foreign country while it is listed pursuant to section 6(j) of the Export Administration Act of 1979 as a country that repeatedly provides support for international terrorism—

"(1) the President shall terminate, withdraw, or suspend any portion of any trade agreement or treaty that relates to the provision of nondiscriminatory (most-favored-nation) trade treatment to such country;

"(2) such country shall be denied nondiscriminatory (most-favored-nation) trade treatment by the United States and the products of such country shall be subject to the rates and duty set forth in column number 2 of the Tariff Schedules of the United States;

"(3) the provisions of title V of the Trade act of 1974 (19 U.S.C. 2461, et seq.) shall not apply with respect to the products of such country;

"(4) the provisions of the Caribbean Basin Economic Recovery Act (19 U.S.C. 2701, et seq.) shall not apply with respect to the products of such country, during the period in which such identification is in effect; and

"(5) the Secretary of Commerce may not consult with the government of that country under section 3(a)(9) of the International Travel Act of 1961 (22 U.S.C. 2123(a)(9)) regarding international travel and tourism.

"(b)(1) The President may waive all, or any portion of, the provisions of subsection (a) with respect to any foreign country if the President determines that such a waiver would be in the best interests of the United States. The President shall submit to the Congress written notice of any waiver granted under this paragraph.

"(2) Any waiver granted under paragraph (1) may be revoked by the President at any time.

"(3)(A) Any waiver granted under paragraph (1) shall take effect only after the close of the thirty-day period that begins on the date on which the President submits to the Congress written notice of such waiver.

"(B) The following days shall be excluded in determining the thirty-day period described in subparagraph (A)—

"(i) the days on which either House of Congress is not in session because of an adjournment of more than three days to a day certain or an adjournment of the Congress sine die; and "(ii) any Saturday and Sunday, not excluded under clause (i), when either House of Congress is not in session.".

By Mr. BROOMFIELD:

—Page 37, strike out line 21 and all that follows through line 4 on page 38, and insert in lieu thereof the following:

(b) Section 306 of the Foreign Service Act of 1980 (22 U.S.C. 3946) is amended by adding at the end thereof the following new subsection:

"(c) Nothing in this section shall be construed to limit the authority of the Secretary or the Foreign Service Grievance Board under section 1107 of this Act.".

(c) Section 610(a)(2) of the Foreign Service Act of 1980 (22 U.S.C. 4010(a)(2)) is amended by adding after the first sentence the following new sentence: "If such cause is not established at such hearing, the Grievance Board shall have the authority to direct the Department to pay reasonable attorneys fees to the extent and in the manner provided by section 1107(b)(5) of this Act.".

—Page 38, beginning on line 6, strike out "based on conduct which occurred" and insert in lieu thereof "filed".

By Mr. BROOKS:

—Page 70, after line 21, insert the following new title:

TITLE VII—DISPOSITION OF PERSONAL PROPERTY ABROAD

SEC. 701. DISPOSITION OF PERSONAL PROPERTY ABROAD.

(a) AMENDMENT TO STATE DEPARTMENT BASIC AUTHORITIES ACT OF 1956.—The State Department Basic Authorities Act of 1956 (P.L. 84-885; 22 U.S.C. 2269 et seq.) is amended by adding at the end of the following new title:

"TITLE III—DISPOSITION OF PERSONAL PROPERTY ABROAD

"SEC. 301. DEFINITIONS.

"For purposes of this title, the following terms have the following meanings:

"(1) The term 'employee' means an individual who is under the jurisdiction of a chief of mission to a foreign country (as provided under section 207 of the Foreign Service Act of 1980 (22 U.S.C. 3927)) and who is—

"(A) an employee as defined by section 2105 of title 5, United States Code;

(B) an officer or employee of the United States Postal Service or of the Postal Rate Commission;

"(C) a member of a uniformed service who is not under the command of an area military commander; or

"(D) an expert or consultant as authorized pursuant to section 3109 of title 5, United States Code, with the United States or any agency, department, or establishment thereof; but is not a national or permanent resident of the foreign country in which employed.

"(2) The term 'contractor' means—

"(A) an individual employed by personal services contract pursuant to section 2(c) of this Act (22 U.S.C. 2669(c)), section 636(a)(3) of the Foreign Assistance Act of 1961 (22 U.S.C. 2396(a)(3)), or pursuant to other similar authority, including, in the case of an organization performing services under such authority, an individual involved in the performance of such services; and

"(B) such other individuals or firms providing goods or services by contract as are designated by regulations issued pursuant to section 303;

but, does not include a contractor with or under the supervision of an area military commander.

"(3) The term 'charitable contribution' means a contribution or gift as defined in section 170(c) of the Internal Revenue Code of 1986, or other similar contribution or gift to a bona fide charitable foreign entity as determined pursuant to regulations or policies issued pursuant to section 303.

"(4) The term 'chief of mission' has the meaning given such term by section 102(3) of the Foreign Service Act of 1980 (22 U.S.C. 2902(3)).

"(5) The term 'foreign country' means any country or territory, excluding the United States, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, the Trust Territory of the Pacific Islands, American Samoa, Guam, the Virgin Islands, and other territories or possessions of the United States.

"(6) The term 'personal property' means any item of personal property, including automobiles, computers, boats, audio and video equipment, and any other items acquired for personal use, but excluding items of minimal value as determined by regulation or policy issued pursuant to section 303.

"(7) The term 'profit' means any proceeds (including cash and other valuable consideration but not including amounts of such proceeds given as charitable contributions) for the sale, disposition, or assignment of personal property in excess of the basis for such property. For purposes of this title, basis shall include initial price, inland and overseas transportation costs (if not reimbursed by the United States Government), shipping insurance, taxes, customs fees, duties or other charges, and capital improvements, but shall not include insurance on an item while in use, or maintenance and related costs. For purposes of computing profit, proceeds and costs shall be valued in United States dollars at the time of receipt or payment, at a rate of exchange as determined by regulation or policy issued pursuant to section 303.

"SEC. 302. LIMITATIONS ON DISPOSITION OF PERSONAL PROPERTY.

"(a) Except as authorized under subsection (b), employees or members of their family shall not sell, assign, or otherwise dispose of personal property within a foreign country which was imported into or purchased within that foreign country and which, by virtue of the official status of the employee, was exempt from import limitation, customs duties, or taxes which would otherwise apply.

"(b) The chief of mission to a foreign country, or a designee of such chief of mission, is authorized to approve within that foreign country sales, assignment, or other dispositions of property by employees under the chief of mission's jurisdiction (as described in section 207 of the Foreign Service Act of 1980 (22 U.S.C. 3927)) to the extent that such sale, assignment, or other disposition is in accordance with regulations and policies, rules, and procedures issued pursuant to section 303.

"(c) Violation of this section, or other importation, sale, or other disposition of personal property within a foreign country which violates its laws or regulations or governing international law and is prohibited by regulations and policies, rules, and procedures issued pursuant to section 303, shall be grounds for disciplinary action against an employee.

"SEC. 303. REGULATIONS.

"(a) The Secretary of State may issue regulations to carry out the purposes of this title.

"(b) Such regulations shall require that, to the extent contractors enjoy importation or tax privileges in a foreign country because of their contractual relationship to the United States Government, after the effective date of this title contracting agencies shall include provisions in their contracts to carry out the purpose of this title.

"(c) In order to ensure that due account is taken of local conditions, including applicable laws, markets, exchange rate factors, and accommodation exchange facilities, such regulations may authorize the chief of mission to each foreign country to establish more detailed policies, rules, or procedures for the application of this title within that country to employees under the chief of mission's jurisdiction.".

(b) EFFECTIVE DATE.—This section shall take effect 180 days after the date of enactment of this Act.

By Mr. DORNAN of California:

—Page 55, after line 25, add the following new section:

SEC. 192. MEMBERSHIP OF BYELORUSSIA AND THE UKRAINE IN THE UNITED NATIONS.

The President shall instruct the United States Ambasssador to the United Nations to introduce in the General Assembly of the United Nations a resolution to cease the recognition of Byelorussia and the Ukraine as members of the United Nations.

By Mr. COURTER:

—Page 27, after line 13, add the following:

SEC. 137. PROHIBITION ON CERTAIN EMPLOYMENT AT UNITED STATES DIPLOMATIC AND CONSULAR MISSIONS IN WARSAW PACT COUNTRIES.

(a) PROHIBITION.—After September 30, 1989, no national of a Warsaw Pact country may be employed as a foreign national employee at United States diplomatic or consular missions in any Warsaw Pact country.

(2) Paragraph (1) shall not apply with respect to any foreign national employee who is not permitted access to—

(A) United States embassy or consulate grounds, vehicles, or buildings which are sited in the compound of the embassy or consulate (including living quarters);

(B) the residence, wherever located, of the chief of mission or the deputy chief of mission.

(b) WARSAW PACT COUNTRY.—For the purposes of subsection (a), the term "Warsaw Pact country" means any country which is a signatory to the Treaty of Friendship, Mutual Assistance and Co-operation (done at Warsaw, Poland on May 14, 1955; commonly referred to as the "Warsaw Pact").

(c) ADDITIONAL FUNDS FOR HIRING UNITED STATES PERSONS.—The Congress expresses its willingness to provide additional funds to the Department of State for the expenses of employing United States citizens to replace the individuals let go by reason of subsection (a).

By Mr. FASCELL:

—Page 4, line 12, strike out "$1,375,974,000" and insert in lieu thereof "$1,376,224,000"; line 13, strike out "$1,431,013,000" and insert in lieu thereof "$1,431,263,000"; and before the period at the end of line 13, insert the following: ", of which not less than $250,000 for each fiscal year shall be available only for use by the Bureau of International Communications and Information Policy to support international institutional development and other activities which promote international communications and information development".

—Page 4, line 12, strike out "$1,375,974,000" and insert in lieu thereof "$1,377,274,000"; line 13, strike out "$1,431,013,000" and insert in lieu thereof "$1,432,313,000"; and page 27, after line 13, insert the following:

SEC. 137. LATIN AMERICAN AND CARIBBEAN DATA BASE.

The Secretary of State, in consultation with the heads of appropriate departments and agencies of the Government, shall use not less than $1,300,000 of the funds authorized to be appropriated for each of the fiscal years 1988 and 1989 by section 101(a)(1) of this Act (relating to salaries and expenses for the Department of State) to provide for the establishment of a Latin American and Caribbean Data Base.

By Mr. FRENZEL:

—Page 65, line 26, insert the following after the comma: "or inconsistent with United States international obligations with respect to government procurement from a foreign country,".

By Mr. HERGER:

—Page 58, strike out lines 3 through 12 (section 203), and redesignate succeeding sections accordingly.

By Mr. HUNTER:

—Page 56, before line 1, insert the following new section:

SEC. 192. CONCERNING A CASE OF INTERNATIONAL ESPIONAGE.

(a) REPORT.—Not later than 30 days after the date of the enactment of this Act, the Secretary of State shall submit to the appropriate committees of the Congress a report concerning.

(1) The status of the Japanese government investigation of the transfer of milling machines to the Soviet Union by Toshiba Machine Company, including any prosecution, fine, or other government action.

(2) The status of the Norwegian government investigation of the transfer of numerical controllers by Kongsberg Vappenfabrik (KV) to the Soviet Union, including any prosecution, fine, or other government action.

(3) Actions undertaken by the Japanese and Norwegian governments to ensure that such transfers or other breaches of security related to international espionage do not recur.

(4) Actions and plans of the United States government to respond to such case of international espionage.

(b) DISCUSSIONS.—The Secretary of State shall enter into discussions with Japan and Norway regarding compensation for damage to United States national security resulting from such case of international espionage. The Secretary shall submit a preliminary report to the appropriate committees of the Congress concerning the status of such discussions 180 days after the date of enactment of this Act and shall submit a final report 360 days after the date of enactment of this Act. The Secretary may submit such other subsequent reports as may be appropriate.

By Mr. KASICH:

—Page 39, after line 4, add the following:

SEC. 147. FOREIGN SERVICE HEALTH CARE.

It is the sense of Congress that section 904 of the Foreign Service Act of 1980 (22 U.S.C. 4084) requires the establishment of a health care program, but does not require the Department of State to be the primary insurer under such program.

By Mr. LOTT:

—Page 39, after line 4, add the following:

SEC. 147. PROHIBITION ON MEMBER OF A FOREIGN SERVICE UNION NEGOTIATING ON BEHALF OF THE DEPARTMENT OF STATE.

Section 1018 of the Foreign Service Act of 1980 (22 U.S.C. 4118) is amended by adding at the end thereof the following:

"(e) A member of the exclusive representative may not negotiate on behalf of the Department.".

—Page 70, after line 16, add the following:

TITLE VII—LIMITATION ON APPROPRIATIONS

SEC. 701. LIMITATION ON APPROPRIATIONS.

(a) GENERAL LIMITATION.—Notwithstanding any other provision of this Act, the aggregate amount appropriated pursuant to the authorizations of appropriations provided by this Act for a fiscal year may not exceed the amount which is two-thirds of the aggregate amount authorized to be appropriated by this Act (but for this section) for that fiscal year.

(b) EXCEPTION.—Subsection (a) shall not apply with respect to the amounts authorized to be appropriated in sections 101(b) (relating to the diplomatic security program) and 102(a) (relating to assessed contributions to international organizations).

—Page 4, line 12, strike out "$1,375,974,000" and insert in lieu thereof "$1,169,577,900".

Page 4, line 13, strike out "$1,431,013,000" and insert in lieu thereof "$1,216,361,050".

—Page 27, after line 13, add the following:

SEC. 137. IMPLEMENTATION OF GRACE COMMISSION REPORT BY SECRETARY OF STATE.

Not later than 6 months after the date of enactment of this Act, the Secretary of State shall submit a report to the Congress on the extent to which the Secretary has implemented those recommendations made by the Executive Committee of Private Sector Survey on Cost Control in the Federal Government (commonly referred to as the "Grace Commission") which apply to the Department of State. Such report shall include a discussion of which recommendations have not been implemented, and when the Secretary intends to implement such recommendations.

—Page 70, after line 16, add the following:

TITLE VII—LIMITATION ON AMOUNTS MADE AVAILABLE FOR TRAVEL

SEC. 701. LIMITATION.

Of the amounts authorized to be appropriated by this Act, not more than two-thirds of the amount obligated or expended in fiscal year 1987 for expenses associated with domestic and foreign travel may be obligated or expended in each of the fiscal years 1988 and 1989 for such expenses.

—Page 27, after line 13, insert the following:

SEC. 137. CLOSING OF DIPLOMATIC AND CONSULAR POST IN ANTIGUA AND BARBUDA.

(a) PROHIBITION ON USE OF FUNDS.—None of the funds made available for the Department of State for any fiscal year may be used for the expenses of maintaining a United States diplomatic or consular post in Antigua and Barbuda.

(b) EFFECTIVE DATE.—The prohibition contained in subsection (a) shall take effect 60 days after the date of enactment of this Act.

By Mr. McCOLLUM:

—Page 70, after line 16, insert the following:

TITLE VII—AMERICANS WORKING FOR THE SANDINISTA GOVERNMENT OF NICARAGUA

SEC. 701. REPORT TO CONGRESS.

The Secretary of State shall, within 30 days after the date of the enactment of this Act, transmit to the Congress an unclassified document listing all United States citizens known to be working for, directly or indirectly, in a paid or in a volunteer capacity, the Sandinista Government of Nicaragua.

By Mr. MICA:

—Page 27, after line 4, insert the following:

(c) BUDGET ACT.—Any new spending authority (as defined in section 401(c) of the Congressional Budget Act of 1974) provided by this section shall be effective for any fiscal year only to such extent or in such amounts as are provided in advance in appropriation Acts.

—Page 4, line 13, before the period insert the following: ", of which not less than $250,000 for each fiscal year shall be available only for use by the Bureau of International Communications and Information Policy to support international institutional development and other activities which promote international communications and information development".

—Page 70, after line 16, add the following:

TITLE VII—EARMARKS

SEC. 701. REDUCTION IN EARMARKS IF APPROPRIATIONS ARE LESS THAN AUTHORIZATIONS.

If the amount appropriated for fiscal year pursuant to any authorization of appropriations provided by this Act is less than the authorization amount and a provision of this Act provides that a specified amount of the authorization amount shall be available only for a certain purpose, then the amount so specified shall be deemed to be reduced for that fiscal year to the amount which bears the same ratio to the specified amount as the amount appropriated bears to the authorization amount.

—Page 26, after line 14, insert the following:

(f) BUDGET ACT.—Any new spending authority (as defined in section 401(c) of the Congressional Budget Act of 1974) provided by this section shall be effective for any fiscal year only to such extent or in such amounts as are provided in advance in appropriation Acts.

—Strike out section 126 and insert in lieu thereof the following:

SEC. 126. REQUIREMENTS APPLICABLE TO GIFTS USED FOR REPRESENTATIONAL PURPOSES.

The last sentence of section 25(b) of the State Department Basic Authorities Act of 1956 (22 U.S.C. 2697(b)) is amended by inserting before the period the following: ", but shall not be expended for representational purposes at United States missions except in accordance with the conditions that apply to appropriated funds".

—Page 27, after line 13, insert the following:

SEC. 137. UNITED STATES EMBASSY IN HUNGARY.

(a) FINDINGS.—The Congress finds that—

(1) the full implementation of the security program of a United States diplomatic mission to a Communist country cannot be accomplished if employees of that mission who are citizens of the host country are present in the same facilities where diplomatic and consular activities of a sensitive nature are performed;

(2) the facilities currently housing the offices of the United States diplomatic mission to Hungary are totally inadequate for the proper conduct of United States diplomatic activities, and unnecessarily expose United States personnel and their activities to the scrutiny of the intelligence services of the Government of Hungary;

(3) the presence of local citizens in a facility where sensitive activities are performed, as well as their access to certain unclassified administrative information, greatly en-

hances the ability of the host government's intelligence services to restrict our diplomatic activities in that country;

(4) since the United States Government owns a substantial amount of property in Budapest, it is in a unique position to build new facilities which will substantially enhance the security of the United States diplomatic mission to Hungary; and

(5) the United States Corps of Engineers and the Navy Construction Battalion are uniquely qualified to construct such facilities in an eastern bloc country.

(b) Statement of Policy.—It is the sense of the Congress that—

(1) the Department of State should proceed in a timely fashion to conclude an agreement with the Government of Hungary to allow for the construction of new chancery facilities in Budapest which would totally segregate sensitive activities from those of an unclassified and public-oriented character; and

(2) any such agreement should ensure that the United States Government will have the right to employ only American construction personnel and materials and will have complete control over access to the chancery site from the inception of construction.

(c) Earmark of Funds.—Of the funds authorized to be appropriated for fiscal year 1987 by title IV of the Diplomatic Security Act, $60,000,000 shall be available only for the construction of new chancery facilities for the United States embassy in Budapest, Hungary.

—Redesignate sections 161 through 164 of the committee amendment as sections 151 through 154, respectively; redesignate sections 181 through 191 of the committee amendment as sections 161 through 171, respectively; and at the end of title I of the committee amendment (page 55, after the text follows line 25) insert the following new part:

Part F—Diplomatic Reciprocity and Security Act

CHAPTER 1—SOVIET EMBASSY IN THE UNITED STATES AND UNITED STATES EMBASSY IN THE SOVIET UNION

SEC. 181. WITHDRAWAL FROM UNITED STATES-SOVIET EMBASSY AGREEMENT, PROHIBITION ON USE OF MOUNT ALTO SITE.

(a) Findings.—The Congress finds that—

(1) the Government of the Union of Soviet Socialist Republics has violated the diplomatic privileges and immunities of the United States Embassy in Moscow by surreptitiously entering the premises of that Embassy to conduct espionage;

(2) the Soviet Government's penetration of the United States Embassy constitutes a gross violation of international law and has inflicted grave damage on the national security of the United States;

(3) the Soviet Government has also penetrated the new United States Embassy under construction in Moscow, implanting numerous electronic listening devices in its structure;

(4) due to actions of the Government of the Union of Soviet Socialist Republics, United States Government personnel cannot communicate in confidence, as the national security of the United States requires, within the present United States Embassy in Moscow or within the new United States Embassy being constructed in Moscow;

(5) the Soviet Government plans to use the new Soviet Embassy site on Mount Alto in Washington, District of Columbia, as a platform to conduct highly sophisticated electronic surveillance of both United States Government communications involving diplomatic, military, and intelligence matters and private communications of United States citizens and businesses;

(6) the Soviet Government's electronic surveillance of United States communications damages the national security of the United States;

(7) the location of the new Soviet Embassy on Mount Alto is ideal for electronic surveillance;

(8) the agreements between the United States and the Union of Soviet Socialist Republics concerning the proposed new locations in Moscow and Washington of the Embassies of those countries incorporate a reservation (implied by the principle, to which both the United States and the Soviet Union subscribe, that the premises of an embassy are inviolable) that a party to the agreements may withdraw from the agreements to the extent the national security interests of the party so require; and

(9) to protect the national security of the United States, the United States must exercise the implied reservation to withdraw from the Embassy agreements unless the threat to the national security posed by adherence to those agreements can be overcome.

(b) Withdrawal From Embassy Agreement.—

(1) Withdrawal.—The United States hereby withdraws from the Agreement between the Government of the United States and the Government of the Union of Soviet Socialist Republics on the Reciprocal Allocation for Use Free of Charge of Plots of Land in Moscow and Washington (signed at Moscow, May 16, 1969) and related agreements, notes, and understandings.

(2) Effective date.—Paragraph (1) shall take effect on the date specified by subsection (e), except as provided in subsection (f).

(c) Notification of Unavailability of Mount Alto.—The Secretary of State shall, within 5 days after the date of enactment of this Act, notify the Government of the Union of Soviet Socialist Republics that the Mount Alto site will cease to be available to that Government for any purpose as of the date specified by subsection (e), subject to subsection (f).

(d) Prohibition on Future Use of Mount Alto Site by Foreign Missions.—If subsection (b)(1) takes effect, the Mount Alto site may not be made available for use thereafter by a foreign mission for any purpose.

(e) Effective Date.—The date referred to in subsections (b) and (c) is—

(1) the date which is 1 year and 10 days after the date of enactment of this Act; or

(2) such earlier date as may be agreed upon by the Government of the United States and the Government of the Union of Soviet Socialist Republics.

(f) Waiver.—

(1) Presidential determinations required.—The President may waive subsection (b)(1) if he determines that—

(A) it is vital to the national security of the United States that the United States not withdraw from the agreement (and related agreements, notes, and understandings) described in subsection (b)(1);

(B) steps have been or will be taken that will ensure that the new chancery building for the United States Embassy in Moscow can be safely and securely occupied by the United States and used for its intended purposes; and

(C) steps have been or will be taken to eliminate, no later than October 1, 1989, the damage to the national security of the United States due to electronic surveillance from Soviet facilities on Mount Alto and from other Soviet facilities in the United States.

(2) When determinations may be made.—The President may not make the determination and waiver permitted by paragraph (1) before the end of the 6-month period beginning on the date of enactment of this Act.

(3) Report to congress.—The waiver permitted by paragraph (1) shall not be effective until the determination and waiver are reported to the Congress. Any such report shall include a detailed justification for each of the determinations and shall specify the steps that have been or will be taken to achieve the requirements of paragraphs (1)(B) and (C).

(4) Nondelegatability.—The President may not delegate the responsibility for making the determination and waiver permitted by paragraph (1).

SEC. 182. RECOVERY OF DAMAGES INCURRED AS A RESULT OF SOVIET INTELLIGENCE ACTIVITIES DIRECTED AT THE NEW UNITED STATES EMBASSY IN MOSCOW.

It is the sense of the Congress that the arbitration process between the United States and the Union of Soviet Socialist Republics, which is currently under way with respect to damages arising from delays in the construction of the new United States Embassy in Moscow, should be expanded to include Soviet reimbursement of the full costs incurred by the United States as a result of the intelligence activities of the Soviet Union directed at the new United States Embassy in Moscow.

SEC. 183. UNITED STATES-SOVIET RECIPROCITY IN MATTERS RELATING TO EMBASSIES.

(a) Requirement for Reciprocity in Certain Matters.—The Secretary of State shall exercise the authority granted in title II of the State Department Basic Authorities Act of 1956 (relating to foreign missions) to achieve the following objectives by October 1, 1989:

(1) Finance.—United States diplomatic and consular posts in the Soviet Union not pay more than fair value for goods or services as a result of the Soviet Government's control over Soviet currency valuation and over the pricing of goods and services.

(2) Access to goods and services.—United States diplomatic and consular posts in the Soviet Union have full access to goods and services, including utilities.

(3) Real property.—The real property used for office purposes, the real property used for residential purposes, and the real property used for all other purposes by United States diplomatic and consular posts in the Soviet Union is equivalent in terms of quantity and quality to the real property used for each of those purposes by diplomatic and consular posts of the Soviet mission to the United States. In implementing this paragraph, the Secretary of State—

(A) shall require that the Soviet Union close (within 30 days after the date of enactment of this Act) one or more diplomatic or consular offices of the Soviet missions in the United States which, in the aggregate, have a total square footage which is not less than 20 percent of the difference between—

(i) the total square footage occupied by the Soviet missions in the United States, and

(ii) the total square footage occupied by United States diplomatic and consular posts in the Soviet Union; and

(B) shall not allow the Soviet mission to the United States to occupy any new consulate in the United States until the United States mission in Kiev is occupying secure, permanent facilities.

(b) Secretary of the Treasury.—The Secretary of the Treasury shall provide to the Secretary of State such assistance with respect to the implementation of paragraph (1) of subsection (a) as the Secretary of State may request.

(c) Reports to Congress.—Not later than 60 days after the date of enactment of this Act and annually thereafter, the Secretary of State shall submit to the Congress a report setting forth the actions taken and planned to be taken in carrying out subsection (a).

SEC. 184. REPORT ON PERSONNEL OF SOVIET STATE TRADING ENTERPRISES.

Not later than 60 days after the date of enactment of this Act, the Secretary of State shall submit to the Congress a report discussing whether the number of personnel of Soviet state trading enterprises in the United States should be reduced.

CHAPTER 2—IMPROVING STATE DEPARTMENT PERSONNEL PRACTICES AND ORGANIZATION TO COUNTER HOSTILE INTELLIGENCE THREATS

SEC. 187. COUNTERINTELLIGENCE POLYGRAPH SCREENING OF DIPLOMATIC SECURITY SERVICE PERSONNEL.

(a) Implementation of Program.—Under the regulations issued pursuant to subsection (b), the Secretary of State shall implement a program of counterintelligence polygraph examinations for members of the Diplomatic Security Service (established pursuant to title II of the Diplomatic Security Act) during fiscal years 1988 and 1989.

(b) Regulations.—The Secretary of State shall issue regulations to govern the program required by subsection (a). Such regulations shall provide that the scope of the examinations under such program, the conduct of such examinations, and the rights of individuals subject to such examinations shall be the same as those under the counterintelligence polygraph program conducted pursuant to section 1221 of the Department of Defense Authorization Act, 1986 (Public Law 99-145).

SEC. 188. PERSONNEL SECURITY PROGRAM FOR EMBASSIES IN HIGH INTELLIGENCE THREAT COUNTRIES.

(a) Special Security Program.—The Secretary of State shall develop and implement, within three months after the date of enactment of this Act, a special personnel security program for personnel of the Department of State assigned to United States diplomatic and consular posts in high intelligence threat countries who are responsible for security at those posts and for any individuals performing guard functions at those posts. Such program shall include—

(1) selection criteria and screening to ensure suitability for assignment to high intelligence threat countries;

(2) counterintelligence awareness and related training; and

(3) security reporting and command arrangements designed to counter intelligence threats.

(b) Report to Congress.—Not later than 6 months after the date of enactment of this subsection, the Secretary of State shall report to the Congress on the special personnel security program required by subsection (a).

(c) Definition.—As used in subsection (a), the term "high intelligence threat country" means—

(1) a country listed as a communist country in section 620(f) of the Foreign Assistance Act of 1961; and

(2) any other country designated as a high intelligence threat country for purposes of this section by the Secretary of State, the Secretary of Defense, the Director of Central Intelligence, or the Director of the Federal Bureau of Investigation.

SEC. 189. ACCOUNTABILITY REVIEW BOARDS.

(a) Establishment of a Board.—Section 301 of the Diplomatic Security Act (22 U.S.C. 4831) is amended by inserting ", and in any case of a serious breach of security involving intelligence activities of a foreign government directed at a United States Government mission abroad," after "mission abroad".

(b) Board Findings.—Section 304(a) of that Act (22 U.S.C. 4834(a)) is amended by inserting "or surrounding the serious breach of security involving intelligence activities of a foreign government directed at a United States Government mission abroad (as the case may be)" after "mission abroad".

SEC. 190. PROHIBITION ON CERTAIN EMPLOYMENT AT UNITED STATES DIPLOMATIC AND CONSULAR MISSIONS IN COMMUNIST COUNTRIES.

(a) Prohibition.—

(1) After September 30, 1989, no national of a communist country may be employed as a foreign national employee at United States diplomatic and consular missions in any Communist country.

(2) Paragraph (1) does not apply with respect to any foreign national employee who is not permitted access to—

(A) United States Embassy or consulate grounds, vehicles, or buildings which are sited in the compound of the Embassy or consulate (including living quarters); and

(B) the residence, wherever located, of the chief of mission or the deputy chief of mission.

(b) Definition.—As used in this section, the term "communist country" means a country listed in section 620(f) of the Foreign Assistance Act of 1961.

(c) Additional Funds for Hiring United States Citizens.—The Congress expresses its willingness to provide additional funds to the Department of State for the expenses of employing United States citizens to replace the individuals dismissed by reason of subsection (a).

SEC. 191. TERMINATION OF RETIREMENT BENEFITS FOR FOREIGN NATIONAL EMPLOYEES ENGAGING IN HOSTILE INTELLIGENCE ACTIVITIES.

(a) Termination.—The Secretary of State shall exercise the authorities available to him to ensure that the United States does not provide, directly or indirectly, any retirement benefits of any kind to any present or former foreign national employee of a United States diplomat or consular post who the Secretary reasonably believes engaged in intelligence activities directed against the United States.

(b) Waiver.—The Secretary of State may waive the applicability of subsection (a) on a case-by-case basis with respect to an employee if he determines that it is vital to the national security of the United States to do so and he reports such waiver in advance to the appropriate committees of the Congress.

SEC. 192. REPORT ON EMPLOYMENT OF FOREIGN NATIONALS AT FOREIGN SERVICE POSTS ABROAD.

Not later than 6 months after the date of enactment of this Act, the Secretary of State shall submit to the Congress a report discussing the advisability of employing foreign nationals at foreign service posts abroad.

SEC. 193. UNDER SECRETARY OF STATE FOR SECURITY, COMMUNICATIONS, CONSTRUCTION, AND MISSIONS

(a) Establishment of Position.—The first section of the Act entitled "An Act to strengthen and improve the organization and administration of the Department of State, and for other purposes", approved May 26, 1949 (22 U.S.C. 2652), is amended by striking out "and an Under Secretary of State for Management" and inserting in lieu therefore "an Under Secretary of State for Budget, Personnel, and Administration, and an Under Secretary of State for Security, Communications, Construction, and Missions".

(b) Responsibilities.—The Under Secretary of State for Security, Communications, Construction, and Missions shall be responsible for—

(1) the Bureau of Diplomatic Security (established by section 104 of the Diplomatic Security Act);

(2) the Office of Communications;

(3) the Office of Foreign Buildings (established to carry out the Foreign Service Buildings Act, 1926); and

(4) the Office of Foreign Missions (established pursuant to section 203 of the State Department Basic Authorities Act of 1956).

(c) Reorganization.—

(1) Period for implementation.—The Secretary of State shall complete implementation of the reorganization required by this section within 6 months after the date of enactment of this Act, including the transfer of personnel and funds to the Under Secretary of State for Security, Communications, Construction, and Missions.

(2) Plan for implementation.—Not later than 60 days after the date of enactment of this Act, the Secretary of State shall submit a report to the Congress on the steps to be taken in reorganizing the Department of State pursuant to this section.

(d) Conforming Amendments.—

(1) Office of foreign missions.—Section 203(a) of the State Department Basic Authorities Act of 1956 (22 U.S.C. 4303(a) is amended in the third sentence by striking out "an Under Secretary of State" and inserting in lieu thereof "the Under Secretary of State for Security, Communications, Construction, and Missions".

(2) Positions at executive level III.—Effective October 1, 1987, section 5314 of title 5, United States Code, is amended by striking out "Under Secretary of State for Political Affairs and Under Secretary of State for Economic Affairs and an Under Secretary of State for Coordinating Security Assistance Programs and Under Secretary of State for Management." and inserting in lieu thereof the following: "Under Secretaries of State (5)."

(3) Budget act.—Any new spending authority (as defined in section 401(c) of the Congressional Budget Act of 1974) provided by this subsection shall be effective for any fiscal year only to such extent or in such amounts as are provided in advance in appropriation Acts.

(e) Transition.—The individual holding the position of Under Secretary of State for Management on the date of enactment of this Act shall assume the duties of the Under Secretary of State for Budget, Personnel, and Administration and shall not be required to be reappointed by reason of the enactment of this section.

SEC. 194. ASSISTANT SECRETARY OF STATE FOR FOREIGN MISSIONS.

(a) ESTABLISHMENT OF POSITION.—Section 203(a) of the State Department Basic Authorities Act of 1956 (22 U.S.C. 4303(a)) is amended in the second sentence by striking out "a Director," and inserting in lieu thereof "the Assistant Secretary of State for Foreign Missions, who shall be".

(b) CONFORMING AMENDMENTS—

(1) AMENDMENTS TO THE FOREIGN MISSIONS ACT.—Title II of that Act is amended—

(A) in section 202 (22 U.S.C. 4302), by striking out paragraph (3), by redesignating paragraphs (1) and (2) as paragraphs (2) and (3), respectively, and by inserting the following new paragraph (1) after the introductory clause:

"(1) 'Assistant Secretary' means the Assistant Secretary of State for Foreign Missions;";

(B) in section 203 (22 U.S.C. 4303)—

(i) in the third and fifth sentences of subsection (a), by striking out "Director" and inserting in lieu thereof "Assistant Secretary";

(ii) by repealing the fourth sentence of subsection (a);

(iii) in subsection (b), by striking out "Deputy Director of the Office of Foreign Missions" and inserting in lieu thereof "Deputy Assistant Secretary of State for Foreign Mission"; and

(iv) in subsection (C), by striking out "Director" and inserting in lieu thereof "Assistant Secretary"; and

(C) in section 204 (22 U.S.C. 4304), section 204A (22 U.S.C. 4304a), section 205 (22 U.S.C. 4305), and section 208 (22 U.S.C. 4308), by striking out "Director" each place it appears and inserting in lieu thereof "Assistant Secretary".

(2) NUMBER OF ASSISTANT SECRETARIES.—The first section of the Act entitled "An Act to strengthen and improve the organization and administration of the Department of State, and for other purposes", approved May 26, 1949 (22 U.S.C. 2652), is amended by striking out "fifteen" and inserting in lieu thereof "sixteen".

(3) POSITIONS AT EXECTIVE LEVEL IV.—Effective October 1, 1987, section 5315 of title 5, United States Code, is amended by striking out "(15)" following "Assistant Secretaries of State" and inserting in lieu thereof "(16)".

(4) BUDGET ACT.—Any new spending authority (as defined in section 401(c) of the Congressional Budget Act of 1974) provided by this subsection shall be effective for any fiscal year only to such extent or in such amounts as are provided in advance in appropriation Acts.

(c) TRANSITION.—The individual holding the position of Director of he Office of Foreign Missions on the date of enactment of this Act shall assume the duties of the Assistant Secretary of State for Foreign Missions and shall not be required to be reappointed by reason of the enactment of this section.

PART C—ADDITIONAL MEASURES TO PROTECT AGAINST HOSTILE INTELLIGENCE THREATS

SEC. 196. IMPROVING SECURITY OF UNITED STATES DIPLOMATIC AND CONSULAR FACILITIES.

In addition to funds otherwise available for such purposes, there are authorized to be appropriated to the Secretary of State $86,700,000 for fiscal year 1988 and $90,168,000 for fiscal year 1989 for "Salaries and Expenses" to carry out the diplomatic security program, which amounts shall be available only to improve security at United States diplomatic and consular posts.

SEC. 197. PERIODIC SURVEYS TO DETERMINE SECURITY WEAKNESSES AT UNITED STATES DIPLOMATIC AND CONSULAR POSTS.

(a) SURVEYS.—The Secretary of State shall conduct periodic surveys to determine the weaknesses in the programs, practices, and procedures for protecting classified information at United States diplomatic and consular posts, giving priority attention to posts in Communist countries. Such surveys shall be conducted at least annually with respect to posts in Communist countries and in such other countries as the Secretary may determine. Based on those surveys, the Secretary shall take appropriate corrective action.

(b) OTHER AGENCIES.—In carrying out subsection (a), the Secretary of State shall consult with the heads of such other agencies as may be appropriate. The heads of other agencies shall assist the Secretary as necessary in implementing subsection (a).

(c) REPORTS TO CONGRESS.—Not later than January 15 each year, the Secretary shall report to the Congress with respect to the surveys conducted during the previous year pursuant to subsection (a). These reports shall include a description of the actions taken as the result of the surveys and recommendations for such administrative or legislative action as the Secretary deems appropriate.

SEC. 198. PROTECTION FROM FUTURE HOSTILE INTELLIGENCE ACTIVITIES IN THE UNITED STATES.

Section 205 of the State Department Basic Authorities Act of 1956 (22 U.S.C. 4305) is amended by adding at the end the following:

"(d)(1) After the date of enactment of this subsection, real property in the United States may not be acquired (by sale, lease, or other means) by or on behalf of the foreign mission of an unfriendly foreign country if, in the judgment of the Secretary of Defense (after consultation with the Secretary of State), the acquisition of that property might improve the capability of that country to intercept communications involving United States Government diplomatic, military, or intelligence matters.

"(2) After the date of enactment of this subsection, real property in the United States may not be acquired (by sale, lease, or other means) by or on behalf of the foreign mission of an unfriendly foreign country if, in the judgment of the Director of the Federal Bureau of Investigation (after consultation with the Secretary of State), the acquisition of that property might improve the capability of that country to engage in intelligence activities directed against the United States Government (excluding the type of intelligence activities described in paragraph (1)).

"(3) The Secretary of State shall inform the Secretary of Defense and the Director of the Federal Bureau of Investigation immediately upon notice being given pursuant to subsection (a) of this section of a proposed acquisition of real property by or on behalf of the foreign mission of an unfriendly foreign country.

"(4) As used in this subsection, the term 'unfriendly foreign country' means—

"(A) any country listed as a Communist country in section 620(f) of the Foreign Assistance Act of 1961;

"(B) any country determined by the Secretary of State, for purposes of section 6(j) of the Export Administration Act of 1979, to be a country which has repeatedly provided support for acts of international terrorism; and

"(C) any other country designated as an unfriendly foreign country for purposes of this subsection by the Secretary of State, the Secretary of Defense, or the Director of the Federal Bureau of Investigation.".

By Mr. PARRIS:

—Page 70, after line 16, add the following:

TITLE VII—LIMITATION ON FUNDING OF UNITED NATIONS

SEC. 701. LIMITATION ON FUNDING OF UNITED NATIONS.

No funds authorized to be appropriated by this Act may be obligated or expended to pay to the United Nations or to any United Nations affiliated agency any amount which exceeds 50 percent of the total payments by the United States for its assessed contributions to such organization or agency in 1986, except that the limitation under this section shall not apply to payments for peacekeeping activities of any such organization.

—Page 70, after line 16, add the following:

TITLE VII—LIMITATION ON FUNDING OF UNITED NATIONS

SEC. 701. LIMITATION ON UNITED STATES FUNDING OF UNITED NATIONS.

Notwithstanding any other provision of law, the total amount of the assessed contributions of the United States to the United Nations and its affiliated agencies (including any United Nations organization or program) during any fiscal year may not exceed the total amount of such contributions of the Soviet Union, including Byelorussia and the Ukraine, for 1985.

By Mr. PETRI:

—Page 20, strike line 15 and all that follows through line 19 on page 21.

By Mrs. SCHROEDER:

—Page 39, after line 4, add the following new section:

SEC. 147. REAFFIRMATION OF EXISTING LAW ON PERFORMANCE OF CONGRESSIONAL DUTIES ABROAD.

Section 207 of the Foreign Service Act of 1980 (22 U.S.C. 3927) is amended by adding at the end thereof the following new subsection:

"(d) Nothing in this section may be construed to affect the performance of official duties by Members or employees of the Congress or employees of the General Accounting Office.".

By Mr. SHAW:

—Page 27, after line 13, insert the following section:

SEC. 137. CONTROLLED SUBSTANCES TESTING PROGRAM FOR EMPLOYEES OF THE DEPARTMENT OF STATE HAVING ACCESS TO CLASSIFIED INFORMATION.

(a) ESTABLISHMENT OF PROGRAM.—Within one year after the date of enactment of this Act, the Secretary of State shall establish and implement a controlled substances testing program for employees of the Department of State (including individuals under contract with such agency) whose duties involve access to classified information.

(b) REPORTING.—The results of any test administered pursuant this section shall be reported—

(1) to the individual tested; and

(2) to the Secretary of State or a designee of the Secretary of State.

(c) REPORT TO CONGRESS.—The Secretary of State shall submit to the appropriate committees of the Congress an annual report concerning the controlled substances testing program under this section.

(d) Definition.—For purposes of this section—

(1) the term "employee of the Department of State" means any employee of the Department of State, including any member of the Foreign Service; and

(2) the term "classified information" has the meaning given such term by section 1 of the Classified Information Procedures Act (94 Stat. 2025; 18 U.S.C. App.).

By Mr. SMITH of New Jersey:

—Page 55, after line 25, insert the following new section:

SEC. 192. CONCERNING AMERASIAN CHILDREN IN VIETNAM.

(a) Findings and Declarations.—The Congress makes the following findings and declarations:

(1) Thousands of children in the Socialist Republic of Vietnam were fathered by American civilians and military personnel.

(2) It has been reported that many of these Amerasian children are ineligible for ration cards and often beg in the streets, peddle black market wares, or prostitute themselves.

(3) The mothers of Amerasian children in Vietnam are not eligible for government jobs or employment in government enterprises and many are estranged from their families and are destitute.

(4) Amerasian children and their families have undisputed ties to the United States and are of particular humanitarian concern to the United States.

(5) The United States has a longstanding and very strong commitment to receive the Amerasian children in Vietnam, if they desire to come to the United States.

(6) In September 1984, the United States informed the Socialist Republic of Vietnam that all Amerasian children in Vietnam, their mothers, and qualifying family members would be admitted as refugees to the United States during a three-year period.

(7) Amerasian emigration from Vietnam increased significantly in fiscal year 1985 under the Orderly Departure Program of the United Nations High Commissioner on Refugees.

(8) On January 1, 1986, the Socialist Republic of Vietnam unilaterally suspended interviews of all individuals seeking to leave Vietnam legally under the auspices of the Orderly Departure Program for resettlement in the United States.

(9) In September of 1986, the Socialist Republic of Vietnam submitted to the United States a list of approximately 1500 Amerasians and family members whom it considers eligible for emigration, however, Vietnam has not resumed interviews for such individuals.

(10) On November 4, 1986, while meeting in Geneva under the auspices of the United Nations High Commissioner on Refugees, the Socialist Republic of Vietnam agreed to a bilateral meeting on the emigration of Amerasians, although no date has been offered for such bilateral meeting.

(b) Sense of the Congress.—It is the sense of the Congress that—

(1) the United States should maintain its strong commitment to receive the Amerasian children in the Socialist Republic of Vietnam and their families;

(2) the interviewing process is essential to the emigration of such Amerasian children and their families who desire to live in the United States; and

(3) the Socialist Republic of Vietnam should resume the processing of Amerasians for emigration.

By Ms. SNOWE:

—Page 32, strike out line 8 and all that follows through line 19, and insert in lieu thereof the following:

"(b) If an election has been made with respect to such former spouse under section 2109 or 806(f), then the survivor annuity under subsection (a) of such former spouse shall be equal to the full amount of the participant's or former participant's annuity referred to in subsection (a) less the amount of such election.

"(c) A former spouse shall not be entitled to a survivor annuity under this section if—

"(1) the former spouse remarries before age 55; or

"(2) the former spouse was not married to the participant at least 10 years during service of the participant which is creditable under this chapter with at least 5 years occurring while the participant was a member of the Foreign Service.

Page 32, line 20, strike out "(c)(1)" and insert in lieu thereof "(d)(1)".

Page 34, line 3, strike out "(d)" and insert in lieu thereof "(e)".

Page 34, line 13, strike out "(e)" and insert in lieu thereof "(f)".

—Page 53, line 19, insert after "Assembly" the following: ", that the 50 percent limitation on seconded employees of the Secretariat as called for by the Group of High Level Intergovernmental Experts to Review the Efficiency of the Administrative and Financial Functioning of the United Nations (Group of 18) is being implemented (recommendations 55 and 57), and that the 15 percent reduction in the staff of the Secretariat is being equitably applied among the nationals on such staff".

By Mr. SUNDQUIST:

—Page 56, before line 1, insert the following section:

SEC. 192. CONCERNING THE AWARD OF SENIOR EXECUTIVE SERVICE MERIT BONUSES TO CERTAIN INDIVIDUALS.

(a) Findings.—The Congress makes the following findings:

(1) On May 7, 1987, Ronald I. Spiers (Under Secretary of State for Management), Robert E. Lamb (Assistant Secretary of State for Diplomatic Security), and Arthur A. Hartman (former United States Ambassador to the Soviet Union) were awarded executive service merit bonuses.

(2) An investigation is being conducted concerning violations of security and the status of security at the United States embassy in Moscow.

(3) The investigation could result in findings or allegations of possible negligence or nonfeasance of certain officials, including the individuals designated in paragraph (1).

(b) Sense of the Congress.—It is the sense of the Congress that in consideration of the pending investigation of security at the United States embassy in Moscow, it was inappropriate for the Secretary of State to award senior executive service merit bonuses to the individuals designated in subsection (a)(1) before such investigation was completed and a determination was made on the basis of the findings of such investigation that negligence or nonfeasance relating to the official duties of such individuals was not involved in security violations under such investigation.

(c) Report.—Not later than 180 days after the date of enactment of this Act, the Secretary of State shall submit to the Committee on Foreign Affairs of the House of Representatives a report which sets forth the basis on which senior executive service merit bonuses were awarded to the individuals designated in subsection (a)(1).

By Mr. SWINDALL:

—Page 55, after line 25, add the following:

SEC. 192. REPORT ON POLICIES PURSUED BY OTHER COUNTRIES IN INTERNATIONAL ORGANIZATIONS.

The last sentence of section 117 of the Department of State Authorization Act, Fiscal Years 1984 and 1985 is amended by inserting before the period the following: ", together with the amount and type of foreign assistance (if any) made available by the United States for the preceding fiscal year to each such country under the Foreign Assistance Act of 1961, the Arms Export Control Act, the Export-Import Bank Act of 1945, and the Peace Corps Act".

—Page 55, after line 25, add the following:

SEC. 192. PROBABLE EXEMPTIONS TO THE UNITED NATIONS EMPLOYEE HIRING FREEZE.

(a) Findings.—The Congress makes the following findings:

(1) In April 1986, the Secretary-General of the United Nations adopted a freeze on the hiring of personnel within the United Nations Secretariat.

(2) The conditions of the freeze were such that, as the terms of office for the personnel expired, replacements would not be recruited or hired to fill the vacant positions, with minor exceptions.

(3) The freeze was designed to reduce United Nations personnel by 15 percent over three years, as recommended by the Group of High-Level Intergovernmental Experts to Review the Efficiency of the Administrative and Financial Functioning of the United Nations (commonly referred to as the "Group of 18 Experts").

(4) On May 5, 1987, the Secretary-General reported to the Department of State that he was considering granting 156 exceptions to the hiring freeze.

(5) Of these 156 probable exceptions, 104 would be Soviet and Soviet-bloc nationals currently employed in the United Nations Secretariat—of 298 Soviet and Soviet-bloc nationals currently employed in the United Nations Secretariat—who would be replaced over the next 18 months.

(6) According to a report from the Select Committee on Intelligence of the Senate on "Soviet Presence in the United Nations Secretariat" (Senate Print 99-52, May 1985), approximately one-fourth of the Soviets in the United Nations Secretariat are intelligence officers, many more are co-opted by the Soviet intelligence agencies, and all Soviets in the United Nations Secretariat must respond to KGB requests for assistance.

(7) Other United States intelligence authorities estimate that as many as one-half of the Soviet and Soviet-bloc nationals in the United Nations Secretariat are officers of the KGB or the GRU.

(8) If the Secretary-General's probable exemptions are adopted, the Sovet Union will be allowed ro replace retiring Soviet and Soviet-bloc personnel with new, highly skilled and well-trained intelligence officers of the KGB or the GRU.

(9) The Secretary-General's proposed exceptions would thus provide the Soviet Union with the capability to rebuild its intelligence apparatus within the United States, which was devastated in recent years when the United States ordered severe reductions in the size of the Soviet mission to the United Nations, the Soviet Embassy in Washington, District of Columbia, and the

Soviet Consulate in San Francisco, California.

(10) Article 100 of the United Nations Charter calls for the establishment of an international civil service whose members are neutral and loyal only to the United Nations.

(11) Section 3 of Article 101 of the United Nations Charter calls for the appointment of individuals who are professionally qualified for the positions they are to fill and maintains that due regard shall be paid to the importance of recruiting the staff on as wide a geographical basis as possible.

(12) As of September 1985, 442 of 446 Soviet nationals employed throughout the United Nations system are "seconded", that is, serve on short, fixed-term contracts.

(13) Through the abuse of short, fixed-term contracts, the Soviet Union has maintained undue influence and control over major offices of the United Nations Secretariat, thereby effectively using the United Nations Secretariat in the conduct of its foreign relations, in clear violation of Articles 100 and 101 of the United Nations Charter.

(14) The Secretary-General's proposed exceptions to the hiring freeze (as described in paragraphs (1) through (5)) would continue the gross violations of Articles 100 and 101 of the United Nations Charter described in paragraph (13).

(15) The Secretary-General's proposed exceptions to such hiring freeze would be clearly inconsistent with the terms of the United Nation's self-imposed reform program.

(16) The United Nations has not yet achieved its reform goals and there is no indication that the United Nations can afford to make such large exceptions to such hiring freeze.

(b) REPORT TO CONGRESS.—(1) The Secretary of State shall report to the Congress not later than 90 days after the date of enactment of this Act and annually thereafter as to the status of secondment within the United Nations by the Soviet Union and Soviet-bloc member-nations.

(2) Such report shall contain as a minimum, a thorough analysis of the following issues:

(A) The number of Soviet and Soviet-bloc nationals who are currently seconded to the United Nations system on short, fixed-term contracts in New York, Geneva, Vienna, and Nairobi, and the percentage such number is to the total number of Soviet and Soviet-bloc nationals so seconded.

(C) The number of Soviet and Soviet-bloc nationals who are currently employed in the United States system on long-term contracts.

(D) The measures undertaken by the United States to persuade the United Nations Secretariat to enforce the provisions of the United Nations Charter which specifically govern the behavior and activities of United Nations employees, especially Articles 100 and 101.

(E) The measures undertaken by the United States either through bilateral or multilateral channels with the Soviet Union and other members of the Soviet-bloc to end their abuse of secondment.

(F) The measures undertaken by the United States to challenge Soviet and Soviet-bloc nationals' credentials and to deny them entry visas, in order to keep Soviet and Soviet-bloc intelligence operatives out of the United States and United Nations.

(G) The counterintelligence efforts undertaken by the United States to protect United States national security from hostile intelligence activities directed against the United States by Soviet and Soviet-bloc intelligence operatives employed by the United Nations.

(c) SENSE OF THE CONGRESS.—It is the sense of the Congress that—

(1) the President should take all such actions necessary to ensure compliance with the hiring freeze rule, including withholding all assessed United States contributions to the United Nations, and denying United States entry visas to Soviet and Soviet-bloc applicants coming to the United States to replace Soviet and Soviet-bloc nationals currently serving in the United Nations Secretariat;

(2) the President, through the Department of State and the United States mission to the United Nations, should express to the Secretary-General of the United Nations the insistence of the American people that the hiring freeze continue indefinitely, or until the United Nations has complied with the Group of 18 recommendations and can thus afford to make exceptions to the freeze;

(3) the Secretary-General should revoke all exceptions to the hiring freeze rule, excepting those member-nations which have 15 or fewer nationals serving in the United Nations Secretariat, or those positions not subject to geographical representation, such as those of the general service category;

(4) the long-term, flagrant violations of Articles 100 and 101 of the United Nations Charter and the abuse of secondment by the Soviet Union and Soviet-bloc member-nations are reprehensible;

(5) the United Nations should adopt the recommendations of the Group of 18 (as referred to in subsection (a)(3)) that no member-nation be allowed to have more than 50 percent of its nationals employed under fixed-term contracts;

(6) the Soviet Union is hereby condemned for—

(A) its refusal to adhere to the principles of the United Nations Charter calling for an international civil service,

(B) its abuse of secondment, and

(C) its absolute disregard of the solemn purpose of the United Nations to be an international civil service; and

(7) if the Soviet Union and the Soviet-bloc intend to remain member-nations of the United Nations, they should adhere to Articles 100, 101, and all other principles of the United Nations Charter to which every other member-nation must adhere.

(d) DEFINITION.—For the purposes of this section, the term "Soviet-bloc" means the countries of Bulgaria, Cuba, Czechoslovakia, East Germany, Hungary, Nicaragua, North Korea, Poland, and Romania.

—Page 27, after line 13, add the following:

SEC. 137. TRAVEL RESTRICTIONS WITH RESPECT TO CERTAIN FOREIGN MISSIONS AND FOREIGN ORGANIZATIONS IN THE UNITED STATES.

(a) IMPOSITION OF RESTRICTIONS.—The State Department Basic Authorities Act of 1956 (as amended by section 128) is amended by adding at the end of title II (22 U.S.C. 4301 et seq.; commonly referred to as the "Foreign Missions Act") the following:

"SEC. 216. TRAVEL RESTRICTIONS WITH RESPECT TO CERTAIN FOREIGN MISSIONS AND FOREIGN ORGANIZATIONS IN THE UNITED STATES.

"(a) TRAVEL RESTRICTIONS.—The travel of any individual while in the United States, other than a national or permanent resident alien of the United States, who is one of the personnel of—

"(1) an international organization defined in section 209(b)(1),

"(2) an official mission to an organization defined in section 209(b)(1) from a country specified in subsection (c)(1),

"(3) any organization specified in subsection (c)(2) which has a standing invitation to participate in the sessions and the work of the General Assembly of the United Nations as an observer and maintains a permanent office at the United Nations headquarters,

"(4) any organization specified in subsection (c)(2) which is not described in paragraph (3), or

"(5) any foreign mission (as defined in section 202(4)) of a country specified in subsection (c)(1),

shall be limited to the municipal city limits of the city in which such organization or mission is located, except that for purposes of travel between missions of a country, direct access shall be permitted to and from airports serviced by major air carriers providing interstate or intrastate service.

"(b) SPECIAL RULE FOR WASHINGTON, DISTRICT OF COLUMBIA.—For purposes of paragraphs (4) and (5) of subsection (a), the metropolitan area of Washington, District of Columbia, is that portion of the area which is encircled by interstate route 495 on the west and 95 on the east (commonly referred to as the 'Beltway').

"(c) COUNTRIES AND ORGANIZATIONS TO WHICH RESTRICTION APPLIES.—

"(1) The countries referred to in subsection (a) are Afghanistan, the Czechoslovak Socialist Republic, the Democratic People's Republic of Korea, the German Democratic Republic, the Hungarian People's Republic, Iran, Libya, the Mongolian People's Republic, Nicaragua, the People's Democratic Republic of Yemen, the People's Republic of Bulgaria, the People's Republic of China, the Polish People's Republic, the Republic of Cuba, the Socialist Republic of Romania, the Socialist Republic of Vietnam, Syria, and the Union of Soviet Socialist Republics (including the Byelorussian S.S.R. and the Ukrainian S.S.R.).

"(2) The organizations referred to in subsection (a)(1) are the African National Congress, the Palestine Liberation Organization, and the South West Africa People's Organization.

"(d) WAIVER.—The Attorney General of the United States, in consultation with the Secretary, may waive the restrictions in subsection (a) 30 days after providing written notification of such a waiver, together with the reasons for such waiver, to the Committee on the Judiciary, the Committee on Foreign Affairs, and the Permanent Select Committee on Intelligence of the House of Representatives and the Committee on the Judiciary, the Committee on Foreign Relations, and the Select Committee on Intelligence of the Senate.".

(b) REPORTS.—The Attorney General of the United States and the Secretary of State shall prepare and transmit to the Committee on the Judiciary, the Committee on Foreign Affairs, and the Permanent Select Committee on Intelligence of the House of Representatives and the Committee on the Judiciary, the Committee on Foreign Relations, and the Select Committee on Intelligence of the Senate—

(1) not later than 30 days after the date of enactment of this section, a report describing the plans of the Attorney General and the Secretary of State for implementing the

provisions of the amendment made by subsection (a); and

(2) not later than 6 months after the date of enactment of this section, a report describing the actions taken pursuant to these plans.

(c) Effective Date.—The amendment made by subsection (a) shall take effect 90 days after the date of enactment of this Act.

—Page 27, after line 13, add the following:

SEC. 137. TRAVEL RESTRICTIONS WITH RESPECT TO CERTAIN FOREIGN MISSIONS AND FOREIGN ORGANIZATIONS IN THE UNITED STATES.

(a) Imposition of Restrictions.—The State Department Basic Authorities Act of 1956 (as amended by section 128) is amended by adding at the end of title II (22 U.S.C. 4301 et seq.; commonly referred to as the "Foreign Missions Act") the following:

"SEC. 216. TRAVEL RESTRICTIONS WITH RESPECT TO CERTAIN FOREIGN MISSIONS AND FOREIGN ORGANIZATIONS IN THE UNITED STATES.

"(a) Travel Restrictions.—The travel of any individual while in the United States, other than a national or permanent resident alien of the United States, who is one of the personnel of—

"(1) an international organization defined in section 209(b)(1),

"(2) an official mission to an organization defined in section 209(b)(1) from a country specified in subsection (c)(1),

"(3) any organization specified in subsection (c)(2) which has a standing invitation to participate in the sessions and the work of the General Assembly of the United Nations as an observer and maintain a permanent office at the United Nations headquarters,

"(4) any organization specified in subsection (c)(2) which is not described in paragraph (3), or

"(5) any foreign mission (as defined in section 202(4)) of a country specified in subsection (c)(1),

shall be limited to the municipal city limits of the city in which such organization or mission is located, except that for purposes of travel between missions of a country, direct access shall be permitted to and from airports serviced by major air carriers providing interstate or intrastate service.

"(b) Special Rule for Washington, District of Columbia.—For purpose of paragraphs (4) and (5) of subsection (a), the metropolitan area of Washington, District of Columbia, is that portion of the area which is encircled by interstate route 495 on the west and 95 on the east (commonly referred to as the 'Beltway').

"(c) Countries and Organizations to Which Restriction Applies.—

"(1) The countries referred to in subsection (a) are Afghanistan, the Czechoslovak Socialist Republic, the Democratic People's Republic of Korea, the German Democratic Republic, the Hungarian People's Republic, Iran, Libya, the Mongolian People's Republic, Nicaragua, the People's Democratic Republic of Yemen, the People's Republic of Bulgaria, the People's Republic of China, the Polish People's Republic. the Republic of Cuba, the Socialist Republic of Romania, the Socialist Republic of Vietnam, Syria, and the Union of Soviet Socialist Republics (including the Byelorussian S.S.R. and the Ukrainian S.S.R.).

"(2) The organizations referred to in subsection (a)(1) are the African National Congress, the Palestine Liberation Organization, and the South West Africa People's Organization.

"(d) Waiver.—The Attorney General of the United States may waive the restrictions in subsection (a) if the Attorney General, in consultation with the Secretary, determines and reports to the Committee on the Judiciary, the Committee on Foreign Affairs, and the Permanent Select Committee on Intelligence of the House of Representatives and the Committee on the Judiciary, the Committee on Foreign Relations, and the Select Committee on Intelligence of the Senate that—

"(1) the national security and foreign policy interests of the United States require that such restrictions be waived in specific circumstances with respect to the missions of a country; or

"(2) the national security and foreign policy interests of the United States require that such restrictions be waived in specific circumstances with respect to an individual.".

(b) Reports.—The Attorney General of the United States and the Secretary of State shall prepare and transmit to the Committee on the Judiciary, the Committee on Foreign Affairs, and the Permanent Select Committee on Intelligence of the House of Representatives and the Committee on the Judiciary, the Committee on Foreign Relations, and the Select Committee on Intelligence of the Senate—

(1) not later than 30 days after the date of enactment of this section, a report describing the plans of the Attorney General and the Secretary of State for implementing the provisions of the amendment made by subsection (a); and

(2) not later than 6 months after the date of enactment of this section, a report describing the actions taken pursuant to these plans.

(c) Effective Date.—The amendment made by subsection (a) shall take effect 90 days after the date of enactment of this Act.

—Page 55, after line 25, add the following:

SEC. 192. LIMITATION ON NUMBER OF SOVIET NATIONALS SERVING AT THE SOVIET, BYELORUSSIAN, AND UKRAINIAN MISSIONS TO THE UNITED NATIONS.

(a) Limitation.—(1) The number of nationals of the Soviet Union admitted to the United States to serve as members of the Soviet, Byelorussian, or Ukrainian mission at the United Nations headquarters shall not exceed the number of United States nationals who serve as members of the United States mission at the United Nations headquarters, unless—

(A) the excess number of nationals of the Soviet Union serving as members of the Soviet, Byelorussian, or Ukrainian mission at the United Nations headquarters is the result of the routine replacement of personnel and is not more than 10 percent of the number of United States nationals who serve as members of the United States mission at the United Nations headquarters; or

(B) the President determines (and so reports to the committees of Congress specified in paragraph (2)) that the admission to the United States of additional Soviet nationals to serve as members of the Soviet, Byelorussian, or Ukrainian mission at the United Nations headquarters would be in the interests of the United States.

(2) Beginning six months after the date of enactment of this Act, and every six months thereafter, the Secretary of State shall prepare and transmit to the Committee on Foreign Relations, the Committee on the Judiciary, and the Select Committee on Intelligence of the Senate and to the Committee on Foreign Affairs, the Committee on the Judiciary, and the Permanent Select Committee on Intelligence of the House of Representatives a report setting forth the number of Soviet nationals admitted during the preceding six-month period to the United States pursuant to a determination of the President under paragraph (1)(B) and their duties with the Soviet, Byelorussian, or Ukrainian mission at the United Nations headquarters.

(3) Nothing in this subsection may be construed as including any dependent or spouse who is not a member of a mission at the United Nations headquarters in the calculation of the number of members of a mission at the United Nations headquarters.

(b) Report.—The Secretary of State and the Attorney General shall, not later than 30 days after the date of enactment of this Act, prepare and transmit to the Committee on Foreign Relations, the Committee on the Judiciary, and the Select Committee on Intelligence of the Senate and to the Committee on Foreign Affairs, the Committee on the Judiciary, and the Permanent Select Committee on Intelligence of the House of Representatives a report setting forth a plan for ensuring that the number of Soviet nationals described in subsection (a)(1) does not exceed the limitation described in that subsection.

(c) Definitions.—For purposes of this Act—

(1) the terms "members of the Soviet, Byelorussian, or Ukrainian mission" and "members of the United States mission" are used within the meaning of the term "members of the mission", as defined by Article 1(b) of the Vienna Convention on Diplomatic Relations, done April 18, 1961;

(2) the term "mission at the United Nations headquarters" means a mission to the United Nations in New York City and includes missions in New York City to specialized agencies of the United Nations, as defined in Article 57 of the Charter of the United Nations; and

(3) the term "nationals of the Soviet Union" includes Soviet nationals as well as nationals of the Byelorussian Soviet Socialist Republic and the Ukrainian Soviet Socialist Republic.

By Mr. UDALL:

—Page 62, after line 22, add the following new section:

SEC. 211. UNITED STATES-SOVIET STUDENT EXCHANGES.

Of the amounts authorized to be appropriated for "Educational and Cultural Exchange Programs" by section 201(2), not less than $2,000,000 for fiscal year 1988 and not less than $2,000,000 for the fiscal year 1989 shall be available only for students exchanges between the United States and the Soviet Union pursuant to Article IV of The General Agreement Between the Government of the United States of America and the Government of the Union of Soviet Socialist Republics on Contracts, Exchanges and Cooperation in the Scientific, Technical, Educational, Cultural and Other Fields (done at Geneva on November 21, 1985).

By Mr. WALKER:

—Page 70, after line 16, add the following:

TITLE VII—STATE DEPARTMENT ACTION TO RESTRICT TRAVEL IN SUPPORT OF COMMUNISM IN CENTRAL AMERICA

SEC. 701. PASSPORT RESTRICTIONS.

(a) Finding.—The Congress finds that travel by United States citizens to Central America for the purpose of performing services or providing other assistance for the Government of Nicaragua or for Communist or Communist-supported guerrilla groups causes serious damage to the national security and foreign policy of the United States.

(b) DESIGNATION OF PASSPORTS AS RESTRICTED FOR CERTAIN TRAVEL TO CENTRAL AMERICA.—Accordingly, the Secretary of State shall designate all United States passports—

(1) as restricted for travel to and use in Nicaragua if the purpose of the travel is to perform services or provide other assistance for the Government of Nicaragua; and

(2) as restricted for travel to and use anywhere in Central America if the purpose of the travel is to perform services or provide other assistance for any group which the President has designated as a Communist guerrilla group or as a guerrilla group which receives assistance from the Soviet Union, Cuba, or Nicaragua.

(c) TERMINATION OF RESTRICTIONS REGARDING NICARAGUA.—Paragraph (1) of subsection (b) shall remain in effect until the President certifies to the Congress that the Government of Nicaragua is abiding by the commitments made to the Organization of American States in July 1979.

EXTENSIONS OF REMARKS

A PAINLESS WAY TO RAISE OVER $100 BILLION IN FEDERAL REVENUES

HON. BYRON L. DORGAN

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 11, 1987

Mr. DORGAN of North Dakota. Mr. Speaker, many of us in Congress are now scurrying about looking for at least $18 billion in new revenue that will satisfy the requirements of the Senate and House budget resolutions. No option appears to be very palatable. We cringe at the thought of tampering with the income tax rates established just last year in the Tax Reform Act. We hesitate to commit ourselves to the imposition of larger excise taxes.

The startling fact about this whole search is that there is a very simple way of raising revenue staring us in the face. It will not raise all the revenue we need overnight, but if we begin now, we can raise enough revenue in the next few years to meet many of our budget needs. This alternative would not involve imposing new or increasing current taxes. The alternative is to close the tax gap of $100 billion.

Several months ago I established a task force to study the tax gap problem and make recommendations to close the gap. The tax gap represents the difference between the amount of taxes owed to the Federal Government, and those actually collected. Chairing the task force were former IRS Commissioners Donald C. Alexander and Jerome Kurtz. They were joined by several distinguished public tax officials and tax experts. Last month I released the task force report, which concluded that just as any wise corporation should invest in an area promising the best return, so too should the Federal Government. Thus, it recommended closing the $100 billion tax gap by investing more in the Internal Revenue Service.

If the administration and Congress followed the recommendations which were outlined in the "Dorgan Task Force Report on Narrowing the $100 Billion Tax Gap," the Treasury would reap at least $105 billion by fiscal year 1992. The task force recommendations would cost $3.6 billion over 5 years, but would raise $7 billion in fiscal year 1988, reaching $35 billion in the fifth year, for a cumulative total of $105 billion. This is no smoke and mirrors trick; this is real revenue.

While the large majority of American taxpayers comply with our tax laws, some do not. Just 81.5 percent of American taxpayers complied in 1986. The Internal Revenue Service estimated that taxpayers owed the Federal Government about $556 billion in income taxes in 1986, but would voluntarily pay only $453 billion. That means there is a tax gap of over $100 billion. More alarming than this figure is that by 1992 the IRS predicts that the tax gap will exceed $200 billion.

Today, I and my colleagues Mr. PEASE, Ms. SLAUGHTER, Ms. KAPTUR, are introducing a sense of Congress resolution which will put the Congress on record in support of efforts to close the current $100 billion tax gap by investing in the IRS.

There are two major areas for investment at the IRS. The first is taxpayer assistance. The taxpayer who views the IRS as efficient, helpful, and available will be more apt to comply with the law. But, in the last several years the taxpayers assistance division has suffered funding cuts which have impaired the ability of the IRS to carry out its mission. The task force concluded that the IRS needed to get closer to the communities it serves and upgrade the quality of its assistance.

The second area of investment would be in the enforcement division. Nothing undermines the tax system more than the perception that evading taxes goes undetected and unpunished. The task force recommended increasing the appropriate resources in order to find the freeloaders.

The costs of implementing these initiatives will be small in comparison to the benefits. For every dollar the Government spends, it will get up to $20 in return. This plan represents one of the simplest and most promising ways of reducing the huge Federal deficit confronting our Nation and ensuring the strength of our voluntary tax compliance system.

I am requesting that you go on record in support of closing the $100 billion tax gap. I am seeking your cosponsorship of a resolution that points the way to solving many of our budget woes and of ensuring the continued stability of our tax system.

The text of the resolution follows:

H. CON. RES. 138

Whereas the Internal Revenue Service estimates that the amount of taxes owed for 1986 will exceed the amount of taxes collected for such year by $100,000,000,000;

Whereas this "tax gap" is growing at an alarming rate, and, according to Internal Revenue Service estimates, will increase to $200,000,000,000, by 1992;

Whereas, from 1973 to 1986, the taxpayer compliance rate has dropped from 84 percent to just 81.5 percent;

Whereas the Internal Revenue Service estimates that for each 1 percentage point increase in the taxpayer compliance rate revenues to the Treasury will increase annually by approximately $7,000,000,000, which amounts to a cumulative total of $105,000,000,000 over a 5-year period;

Whereas, from 1976 to 1986, the audit rate has declined from 2.5 percent to just 1.1 percent;

Whereas the increasing perception that tax evasion goes undetected and unpunished undermines the voluntary tax system;

Whereas, from 1981 to 1986, the taxpayer service division of the Internal Revenue Service has suffered staffing and funding cuts;

Whereas the General Accounting Office has indicated that the response time and accuracy levels in certain areas of taxpayer assistance are below average;

Whereas taxpayers will be more likely to pay the full amount of taxes owed if they view the Internal Revenue Service as a service-oriented agency and anticipate quality service;

Whereas the implemetation of the Tax Reform Act of 1986 will strain the already limited resources at the Internal Revenue Service, especially in the taxpayer service division;

Whereas the benefits of enhancing taxpayer service and enforcement resources far exceed the costs of such measures; and

Whereas the enhancement of such resources is a simple and promising way to reduce the huge Federal budget deficit confronting our Nation: Now, therefore, be it:

Resolved by the House of Representatives (the Senate concurring), That—

(1) the administration and the Congress should substantially increase appropriate resources for the taxpayer assistance and enforcement divisions of the Internal Revenue Service; and

(2) the Internal Revenue Service should implement most, if not all, of the following recommendations:

(A) Increase the prominence of taxpayer service efforts in order to better balance such efforts with enforcement efforts.

(B) Offer taxpayers more efficient and higher quality service by—

(i) providing more one-to-one tax preparation services and more walk-in offices during tax filing season;

(ii) expanding taxpayer education programs;

(iii) instituting a pilot program of taxmobiles and tax fairs with special concentration in rural areas;

(iv) improving telephone information assistance;

(v) expanding the number of hours during which telephone information assistance is available on weeknights and weekends during filing season;

(vi) improving computer capabilities;

(vii) providing more prompt mail response; and

(viii) reporting to the Congress annually on the level and quality of taxpayer services.

(C) Enhance enforcement efforts by—

(i) raising the audit rate from the current 1.1 percent to 2.5 percent;

(ii) restoring resources to criminal investigations and the collection of delinquent accounts;

(iii) enhancing efforts to crack down on foreign source income abuses and foreign tax havens; and

(iv) requesting the General Accounting Office to study arrangements between the Internal Revenue Service and the Justice Department for the prosecution of alleged violations of the tax laws.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

RECOGNIZING LT. COMDR. MARIO RUNCO, JR.

HON. PATRICIA F. SAIKI

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 11, 1987

Mrs. SAIKI. Mr. Speaker, I take this opportunity to congratulate Lt. Comdr. Mario Runco, Jr., of Pearl Harbor on his selection as an astronaut. One of fifteen astronaut trainees appointed by the National Aeronautics and Space Administration, Commander Runco specializes in oceanography and meteorology in the Navy.

Commander Runco has been dedicated to the space program since he first heard about it in 1958. His fascination with the field finally has paid off, as he now prepares to join what he has called "the leading edge of science and technology."

Commander Runco hopes to use his appointment to investigate oceanography and meteorology from space-based platforms. Through his special skills he will enrich our national space program, and his research will be of value to Hawaii and the Pacific.

I am confident that Commander Runco will meet the high standards set by Col. Ellison Onizuka, Hawaii's first astronaut. To Commander Runco I extend my warmest aloha and best wishes for a successful new career.

INTRODUCTION OF H.R. 2668—THE SECURITIES TRADING REFORM ACT OF 1987

HON. NORMAN F. LENT

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 11, 1987

Mr. LENT. Mr. Speaker, today, I am joining my Republican colleagues on the Energy and Commerce Committee in introducing the Securities Trading Reform Act of 1987.

We need strong securities law reform now. The preeminence of our securities markets as the most honest and efficient in the world is at stake. The changes involved in takeovers and reorganizations are not merely winner-take-all games of chance. They are part of a new, high-stakes financial revolution that has long-term consequences for millions of Americans. They have a direct effect on how we revitalize our industries, how businesses obtain capital, and how fairly investors can participate in industrial growth. They involve jobs, economic prosperity, and our future in the world market.

Our bill is a strong response to these issues. Our intent in introducing it is move this important debate forward another step, so that the final product of our committee, the full House and the Congress is careful, strong legislation that does what it is supposed to do—protect the interests of shareholders and the investing public. We are acting today because we want to assure that the final product is bipartisan and that it does not disrupt either the ability of American business to raise capital smoothly and efficiently or the securities markets to respond to investor decisions.

Our bill requires timely and complete disclosure by purchasers of over 5 percent of a company's stock—including a legally binding certification of the intent of the investment. We restrict defensive tactics like poison pills as well as greenmail and poison parachutes—unless the shareholders approve. We extend the current tender offer period to 30 business days. We allow the SEC to curtail restrictions on shareholder voting rights that are inconsistent with the neutrality required by the Williams Act.

We also require that purchases of over 20 percent of a company's stock must be by tender offer. We require one share/one vote for all new stocks listed on any exchange. We require secret proxy voting, and give significant shareholders equal access to the proxy machinery.

In the area of enforcement, we give the SEC the full authorization it has requested for the next 3 years, without restriction. We require the SEC to set and enforce standards for exchange and firm surveillance systems, and impose liability on those firms which fail to establish or maintain their systems to those standards.

Finally, we direct the SEC to establish a blue ribbon panel to explore enforcement and takeover financing issues.

Mr. Speaker, I am inserting in the RECORD at this point an outline of the major provisions of the Securities Trading Reform Act.

OUTLINE OF THE MAJOR PROVISIONS OF THE SECURITIES TRADING REFORM ACT

TITLE I: TAKEOVERS AND TENDER OFFERS

Closes the "13(d)" Window. Requires that those who purchase 5 percent of the stock of a company disclose to the SEC by noon on the next business day.

Requires a separate public announcement of the tender offer to be issued by noon on the next business day following the acquisition.

Requires bidders to disclose whether they are using junk bonds or other types of financing.

Clarifies disclosure requirements to require explicit disclosure of intent of investment, and general description of expected community and employment plans.

Imposes new civil penalty of up to 1 percent of the value of the securities for each day of any violation of section 13(d).

Defines a "group" for section 13(d) reporting purposes. The current definition of a group is broadened, with SEC authority to further define by rulemaking.

Requires tender offers to be kept open for 30 business days.

Directs the SEC to ban "poison pills", "lock-ups", and "tin parachutes" unless approved by shareholders, and to ban any corporate action in a takeover or tender offer which attempts to manipulate proxy voting or other requirements of state law, if such an action is not in the public interest or for the protection of investors, or upsets the balance between shareholders and bidders, as defined by SEC regulations.

Requires a "Plain English" summary of the tender offer in the disclosure statement.

Prohibits "street sweeps". Bidders cannot buy control through brokers and arbitrageurs for 30 days after the end of a tender offer.

Prohibits "golden parachutes" unless approved by shareholders.

Prohibits "creeping tenders". Purchases of over 20 percent of a company's stock must be by tender offer, except purchases of up to 2 percent annually, and block trades in the normal course of business.

Curtails "greenmail". Requires disgorging of the difference between the greenmail price and the average price of the stock for the 15 days before or after the greenmail is paid, if that price is lower, unless the greenmail payment is offered to all shareholders or approved by the shareholders.

Requires "one-share/one-vote" for all stocks traded on national exchanges or on the NASDAQ National Market System computer network. Existing securities would be grandfathered.

Allows the "primary marketplace" in a security to halt all trading in securities for one day subject to SEC review. Primary marketplace and SEC would have explicit authority to halt trading in order to assure that an orderly market is preserved in stocks, especially in takeover and program trading situations.

Requires secret proxy voting of all shares. Beneficial owners could assign their proxy authorizations on a confidential basis.

Allows any owner or owners of 5% or $5,000,000 of a company's stock equal access to the proxy statement to describe or express a position on any matter presented for decision by shareholders.

Clarifies SEC's general rulemaking authority to regulate tender offers.

Prohibits companies from providing "misleading" responses to questions about mergers and tender offers, and gives the SEC rulemaking authority to define "misleading" so as not to disrupt confidential, ongoing merger negotiations.

TITLE II: NEW SEC ENFORCEMENT POWERS

Increases SEC authorization to $153.9 million for FY 88, $169 million for FY 89, and $181 million for FY 90.

Provides new subpoena authority to allow SEC to cooperate in enforcing foreign subpoenas if foreign nation cooperate in SEC attempts to gain access to international financial records in enforcement cases.

Requires SEC to establish rules for firm and SRO surveillance systems, and for firm ethical and compliance standards, to provide for SEC approval of individual firm and SRO systems and standards, to require SRO enforcement and monitoring of those systems and standards, and to provide for firm and SRO liability if violations take place and systems and standards have not been in place or operating as required.

Requires SROs to establish intermarket surveillance systems in accordance with SEC regulations.

TITLE III: BLUE RIBBON COMMISSION ON ENFORCEMENT ISSUES

Requires the SEC to establish a panel of experts to study and investigate the adequacy of Federal securities laws with respect to insider trading, market surveillance, State and Federal coordination of enforcement, and activities of unregulated brokers and dealers. The panel would also evaluate whether current resources and remedies were adequate, and other pertinent matters. Report would be due within one year of enactment.

SHIMODA MEMORANDUM

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 11, 1987

Mr. RICHARDSON. Mr. Speaker, recently I presented these 10 papers at two conferences dealing with trade and arms control. I am submitting them for review by my colleagues:

From: Bill Richardson, Member, U.S. House of Representatives Donald Stillman, Director of Governmental and International Affairs, United Automobile, Aerospace & Agricultural Implement Workers of America.

Re: Views on Reducing Trade Imbalances.

A strong U.S.-Japan relationship is extremely important to both our nations and the world. The extreme difficulties confronting that relationship center around the current trade friction.

Both nations have a stake in moving to reduce that friction as a precondition to a further strengthening of bi-lateral ties.

There can be no solution to growing U.S.-Japan tensions without a reduction in the trade imbalance between our countries. The massive surplus enjoyed by Japan must be reduced—it is the fundamental cause of current friction. So far, that surplus continues to grow, rather than decline. So, too, will the sentiment for strong U.S. action on trade grow.

The bilateral trade deficit of the U.S. with Japan skyrocketed from $12 billion in 1980 to nearly $60 billion in 1986. In only one sector—automotive products—Japan had a surplus of nearly $30 billion with the U.S.

Despite reasonably favorable economic conditions in Japan, U.S. exports to Japan since 1980 have stagnated. Yet during this same time, Japan's exports to the U.S. tripled, even with slower growth in the U.S. economy.

This massive $60 billion surplus enjoyed by Japan comes in the broader environment in which the U.S. has been running an overall trade deficit of $170 billion.

The U.S. manufacturing sector has suffered particularly, with it going from a surplus in 1980 of $12 billion to a deficit in manufactured goods of $145 billion last year.

The U.S. has also seen its high technology trade surplus go from $27 billion to a deficit of $3 billion. Imports of computer and business equipment into U.S. have jumped 451 percent in 6 years. In agricultural products, the U.S. ran a surplus of $23 billion in 1980—that has plummeted and now we're experiencing deficits in key farm products.

Because the Japanese trade surplus is the single largest bilateral surplus for the U.S., its continued growth has fueled strong political sentiment for an effective trade bill in the U.S. Congress.

The U.S. Commerce Department estimates that for each $1 billion in the U.S. trade deficit, America loses 25,000 jobs. Thus, some 1.5 million workers have suffered joblessness because of the bilateral deficit and some 3-4 million workers have suffered economic dislocation due to the overall U.S. trade deficit.

There is a greater awareness today of the unfair trade practices of other nations, including Japan. The non-tariff barriers that exist worldwide often result in Japanese goods targeted to go to the U.S. because other countries—developed and developing—have barriers to protect their own industrial bases and workers.

In 1980, with an overall U.S. trade deficit at $36 billion, the American people were told: work harder, take wage cuts and reduce labor costs; and shift to a high technology/service base.

What has happened in the six years since? U.S. productivity in manufacturing has gone up 23 percent—output per hour since 1981 has risen 46 percent faster than the post-war average of 2.6 percent and more than twice the rate recorded between 1973 and 1981.

Wage growth has slowed by 65 percent;

Direct labor now account for only 15 percent of total manufacturing costs, compared with 53 percent for materials and 32 percent for overhead.

Less of our GNP is in basic industry and more output is coming from high tech/services.

Taking the auto industry, for example, the U.S. has taken major steps to improve competitiveness. Auto productivity has been rising at about 6 percent a year—a massive increase by any standard.

Chrysler, for example, has reduced the work hours that go into building a car by 43 percent. The gap in the cost of building a vehicle in Japan versus the U.S. has gone from $2,500 to about $650. Quality of the products in auto has improved measurably—indeed, U.S. automakers now are offering 7-year/70,000 mile warranties so far unmatched by Japanese producers. And major gains have occurred in labor-management relations as the UAW and the companies seek to improve further their competitiveness.

While major gains have been made on the competitiveness side, the auto surplus of Japan continues to grow even with voluntary restraint limits of 2.3 million units per fiscal year in place. The U.S. has welcomed and encouraged direct investment by the Japanese auto companies, which last year assembled about 500,000 units in the U.S.

Unfortunately, there has been an extremely low level of U.S. content in those so-called "transplant" vehicles—30 percent in many cases has come from the the U.S. and 70 percent from abroad. Those content levels are far too low and have resulted in part in the Japanese surplus in auto parts rising to $7 billion last year. In addition, there is no evidence that units assembled in the U.S. replaced fully built-up units imported from Japan—indeed, they were in addition to those Japanese imports.

With the bilateral auto deficit at $30 billion with Japan and the overall deficit at $60 billion, what has been the response of the U.S. Administration?

Earlier, the Reagan Administration denied there was a problem. They said the strong dollar was a sign of economic strength. They said the squeeze on U.S. exports to the Third World wasn't a problem. They ignored industry after industry as decline accelerated and our industrial base eroded—action occurred seldom and then at the prodding of the Congress.

Now, we've seen the dollar fall for two years and, to date, there is no evidence of the dollar value of the U.S. trade deficit with Japan falling. Administration calls for expansion by Japan and West Germany have not resulted in any major response in terms of concrete outcome. Indeed, the weakness of this approach is the assumption that this would result in major increases in demand for U.S. products, when in fact other countries certainly will be aggressively seeking whatever openings that do occur.

The other strategy of the Administration has been a focus on endless rounds of product-by-product negotiations with Japan. One day the U.S. in focusing on the problem of citrus—the next day negotiations shift to fighting barriers on imported chocolate or the day after on baseball bats.

Most of their negotiations are valid, but the end result of them seems to be handshakes and agreements that do little to alter the actual trade imbalance. After eight or nine "trade liberalization" announcements or new "market opening initiatives" since 1980, we see only a stagnant level of U.S. exports to Japan and a tripling of Japanese exports to the U.S.

Much of the blame for the worsening of the U.S.-Japan trade imbalance belongs not with Japan, but with the lack of a clear, coherent trade policy by the U.S. Government.

Japan is doing extremely well at seeking to advance economically—even under the terrific strain of "endaka." Japan is pursuing the course it sees as most advantageous for its workers, farmers and industries. And it has even tried to be responsive to what it perceives to be U.S. trade and other policy priorities.

The central problem is that the Reagan Administration has failed to articulate and pursue a trade policy that would do for the American public what Japan has done for its people.

What the U.S. must put into effect is an "outcome" oriented trade policy. It must be a policy based not on a hodge-podge of sectoral negotiations and item-by-item bickering that so far has only increased tensions between our two nations.

Henry Kissinger and Democrats were often at odds but Kissinger has an excellent proposal in an article warning of the danger of protectionism in U.S.-Japan trade. Kissinger wrote:

"Once the genie of protectionism is out of the bottle, every special interest group will insist on its special claims . . . The current item-by-item approach has the dual disadvantage of producing tension without providing a remedy.

"It would be far preferable to tackle the issue frontally, to seek to alter the Japanese consensus rather than to tilt against its manifestations. Instead of the current protracted war over details, negotiations, with Japan should set the goal of reducing the American trade deficit to an agreed level within a specified number of years. This should not be done by haggling over an endless shopping list of individual items, but by specifying the overall total which Japan will not exceed. It would then be up to Japan to stay within this figure by its own internal processes. It could decide whether to reduce exports or to increase imports or both. If the agreed adverse balance was exceeded, the United States would impose penalties until it is achieved.

"Such an approach would oblige Japan to put its consensus system into service of an agreed objective, instead of using it as a roadblock in individual negotiations."

Although lacking some specific detail, such an approach is very close to that passed last year by the U.S. House of Representatives. A similar provision will be offered later this month in the House by Rep. Gephardt. As Majority Leader Tom Foley has indicated, the Gephardt proposal will be adopted in the House. Many believe that concept will be included in the final version of the congressional trade bill.

The Gephardt approach would seek to eliminate unfair trading practices of trading partners running extremely large surpluses with the U.S.

Action would occur only when a country exports 75 percent more to the U.S. than it imports and only if that country has a pattern of unfair trading practices.

A period of negotiation would then be entered into aimed at achieving the removal of those unfair trade barriers.

Ultimately, the provision would mandate a 10 percent annual reduction in the country's surplus with the U.S.—through opening of markets or a reduction of exports to the U.S. or a combination. Most of the countries that would be affected have trade surpluses with the U.S. that have been growing by more than that 10 percent figure.

A 10 percent reduction in Japan's case would mean Japan would still run a surplus with the U.S. of $54 billion—still a sizable trade advantage.

The goal of the approach is a "result-oriented" and quantifiable move away from a continually increasing Japanese trade surplus that is jeopardizing the bilateral relationship. The expectation is that the punitive quota/tariff actions contained in the provision would not have to be employed—that presented with this reality, Japan would move to adjust its surplus.

(Several other high surplus countries, such as Taiwan and South Korea, would also fall under the provision, because of their unfair trade practices and excessive surpluses. The President also could waive the provision on applying sanctions if they would damage the interests of the U.S. or unduly penalize a country carrying a heavy debt burden.)

In conclusion, there can be no strengthening of the U.S.-Japan relationship—which is so crucial to both countries—without a reduction in the bilateral trade deficit. A $60 billion imbalance cannot be sustained.

The time has come for the U.S. to adopt a clear, cohesive trade policy that establishes what levels of surpluses it will accept as it also seeks to push removal of trade barriers and unfair practices.

TALKING POINTS—ARMS CONTROL

The Aftermath of Reykjavik: The proposals which President Reagan and General Secretary Gorbachev discussed at the Reykjavik meeting caught many observers in the United States unprepared. There was much confusion as to what the two men had proposed and discussed in relation to reductions in strategic offensive systems. The two sides returned to a "zero-option" for Europe in intermediate nuclear forces (INF), where agreement seemed most likely. Finally, there was the future of SDI and the future course of research, testing and development.

The prevailing U.S. assessment of Reykjavik was that its prospects toppled over the Soviet insistence on a comprehensive arms control agreement that included U.S. agreement to restrict development, testing and deployment of SDI. Although some American observers wanted the President to show more flexibility on this issue, a majority appear to have supported the President's decision not to accept the Soviet linkage of SDI to an arms control agreement in other arenas.

The reasons for Gorbachev's linkage of SDI seem to transcend Soviet concerns about the system and fears that it might give the U.S. a first-strike capability. In retrospect, Gorbachev's strategy seems to have worked to his advantage. Although it was Gorbachev who made the link, the President, in the view of critics, missed an opportunity for an agreement by not agreeing to the traditional interpretation of the ABM Treaty, which prohibits the development testing and deployment of space-based defenses. Adhering to this interpretation which had been U.S. policy for 13 years prior to a reinterpretation prohibiting only deployment in 1985 might well have produced a Vladivostok-type agreement at Reykjavik.

Some political polls in Europe after the Reykjavik meeting showed that those surveyed in Britain and West Germany believed that Gorbachev was more interested in an arms control agreement than President Reagan. Gorbachev's efforts to appeal to European public opinion are of concern to the Congress. His speech at the end of February, which removed the link between SDI and INF agreement, appears to have been another adroitly presented effort to play on European concerns as well as to explore the terms for an agreement.

INF Negotiations: At present the prospects for an arms control agreement are highest in this area; although, they appear to have dimmed some in recent weeks. There are two stumbling blocks:

Short-range systems: The "zero-option" proposal placed the spotlight on the imbalance in short-range systems (300-600 miles) favoring the Warsaw pact. There is agreement in the West that this issue must be addressed. The problem is how strongly one links the issue of short-range systems to an INF agreement. Should the U.S. seek a comprehensive agreement on all systems, or should it defer settlement of the short-range question until a second set of negotiations? Should a freeze enabling a U.S. build-up at short-range systems (possibly reconfigured Pershing IIs) be pursued or should major reductions in SRINF be sought together with an INF agreement? The questions to be answered are whether one loses the chance of an INF settlement over the short-range issue and what would be the effect of this on public opinion and the arms control process.

Verification: At Reykjavik, the Soviets agreed in general terms to a U.S. proposal for an effective verification package including an exchange of data before and after reductions, on-site observation of weapons, and effective monitoring arrangements after the systems are destroyed. The specific details on how these would be implemented remained open. Since Gorbachev's INF speech, questions have been raised about the security problems caused by verification teams operating in the Soviet Union, the U.S. and Western Europe. The U.S. realizes it would have to consult with its allies in shaping a verification procedure acceptable to their own security concerns.

Europe and INF: It has not been easy for U.S. observers to determine exactly how Western Europe views the "zero-option." On an official level, the Administration states the allies support the U.S. plan, as the allies did in the INF negotiations in late 1981 and 1982. However, on unofficial levels we hear a variety of signals from Europe. Will the "zero-option" decouple Western Europe from the United States and its strategic systems? Will such an agreement leave in its wake a conventional imbalance that significantly favors the Warsaw Pact? Will the removal of INF systems compromise the strategy of "flexible response" which has been a part of NATO policy since 1967? Will the United States conclude that its ground forces in Europe are more vulnerable against a Warsaw Pact and therefore choose to remove them?

These concerns have been raised frequently in press reports and informal discussions. Informed American observers, like Les Aspin, Sam Nunn, and Henry Kissinger, have expressed reservations about "zero-option" because of concerns about its impact on NATO strategy and defensive capabilities. Aspin and Kissinger support leaving some INF systems in place, and there is discussion of a five-year phased withdrawal of INF systems.

It is crucial that the U.S. understand what its allies actually want in the INF negotiations. In short, is there genuine support for INF, or does Europe believe it has been saddled with a bad proposal which it believes it must support out of alliance loyalty? Immediately after Reykjavik European officials complained of inadequate consultations by the U.S.; here is a case where consultations could have answered some of these questions.

Strategic Systems: The prospects for an agreement by 1988 on strategic systems are more distant. Underneath the breathtaking reductions which were discussed at Reykjavik rest major areas of disagreement. In the aftermath the Reykjavik meeting there was much confusion as to what was discussed. The U.S. claimed it had sought to eliminate all strategic ballistic missiles, while the Soviets insisted there had been an agreement to eliminate all nuclear weapons. The U.S. proposal has held to the elimination of strategic ballistic missiles. Either proposal would create serious problems for strategic deterrence, and conventional/defense efforts, and the political support in Europe for nuclear and conventional defense spending. The speed, failure to consult with the JCS as well as the European allies, and the perception that the U.S. was drawn into a negotiating process that was not carefully considered has caused great concerns.

Within the strategic arms talks there are a number of unresolved issues which will be difficult to clarify:

Sub-limits on categories of strategic nuclear delivery vehicles and strategic nuclear warheads;

Missile Throwweight;

Verification procedures; and

Linkage of strategic reductions to either a 5 or 10 year period for non-withdrawal from the Anti-Ballistic Missile Treaty.

An additional concern is the view of the European allies. Would the elimination of all U.S. strategic systems be accepted in Europe? We have heard concerns that some Europeans fear this would break the strategic link with the United States and leave Western Europe vulnerable to the Warsaw Pact. As does the U.S. proposal on INF, the formula posed at Reykjavik presents basic challenges to present Western security policy. Future consultations between the United States and its allies will be essential.

SDI and the ABM Treaty: The Reykjavik meeting examined a formula which would link strategic reductions to a non-withdrawal period from the ABM Treaty. The Soviets proposed a ten year period. The negotiations broke down over two issues. First, U.S. acceptance of the proposal hinged upon a broad interpretation of the treaty, while the Soviets wanted no development, testing, or deployment of SDI. Second large differences remained on what would happen after the 10-year extension of the treaty. The U.S. wanted to abrogate the treaty and to deploy an SDI defense; the Soviets proposed that the ABM Treaty remain in force.

The events at Reykjavik and subsequent U.S. debate over the interpretation of the ABM Treaty show the great distance that exists between the two sides on SDI. Supporters of the ABM Treaty see it as the last major arms control with the Soviets which still stands, and they argue it has worked to reinforce the limits on offensive nuclear missiles set by the SALT I (1972) and SALT II (1979) agreements. Its opponents argue that the Soviets have violated the treaty in both ground based defensive systems as well as their ongoing work on space-based systems, and that the Treaty acts as an impediment to the development of an effective U.S. defensive system.

It is well known that since October 1985 the administration has explored a "broad" interpretation of the ABM Treaty. This interpretation would permit extensive development and testing of antimissile systems based on new technologies other than those existing at the time that the treaty was negotiated. This reading of the treaty would, in the view of its proponents, allow the Strategic Defense Initiative to move from research to testing and development unhindered by arms control limits, and would only prevent actual deployment of an SDI defense.

Earlier this year the administration indicated it was going to make an early decision on the issue of the treaty's interpretation. However, the signals from the Congress appear to have slowed the Administration's intentions. The speeches of Senator Nunn on the treaty issue endorsing the traditional interpretation of the ABM Treaty to be historically and legally accurate were a clear statement that Nunn, a key Democrat spokesman on defense, would not accept such Administration action. Nunn's message contained obvious implications for the level of SDI funding if the Administration carried forth with its reinterpretation of the ABM Treaty. Also, the Administration must ask what the consequences of an ABM reinterpretation would be on the arms control process. For example, would the Soviets tighten their position on SDI and re-establish the link with INF which Gorbachev has removed.

This latter concern raises a factor which the U.S. must fully consider in its arms control policy. Gorbachev has shown substantial ability to exploit public opinion and to seek to gain the initiative in arms control. The United States must not rush to the table to sign an agreement, but it should not let the Soviets control the initiative either. Prospects for an arms control agreement by 1988 may not be high, but it is still possible to continue the process along positive lines between now and the next election.

SOKOL U.S.A. SLET

HON. JOE KOLTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 11, 1987

Mr. KOLTER. Mr. Speaker, I rise today to honor a very significant event to be held in the District of Columbia from June 24 to 27, known as the Sokol U.S.A. Slet.

The Sokol is a fraternal organization founded by Miroslav Tyrs in Czechoslovakia in 1862 and brought to the United States by immigrants. It has since become a national organization known as the Slovak Gymnastic Union of the United States of America.

On this 125th anniversary of the organization, members from the United States, Canada, and Europe will meet in the District of Columbia for a gymnastics competiton, followed by a slet, which is a gymnastics festival, at the District of Columbia Armory on Saturday, June 27.

This very meaningful event will attract 1,200 participants and will include mass calisthenic exercises to music, Czechoslovakian folk dancing and olympic style gymnastics.

Other Sokols participating will include the Yugoslavia Sokol of the Free World, the American Sokol, the D.A. Sokol of New York, and the Czechoslovakia Sokol Abroad.

I also wish to honor Dr. Stephen Banjak, a constituent of my Fourth Congressional District, who will direct the Sokol U.S.A. Slet. Dr. Banjak is assistant professor of physical education at Slippery Rock University in Butler County, PA. He is a graduate of the University of Iowa and the University of Pittsburgh and has been a gymnastics coach for 16 years.

Dr. Banjak's immigrant grandparents supported the Sokol throughout their lives and his father, at age 74, still teaches in a Sokol gymnasium in Farrell, in western Pennsylvania.

I am proud to inform my colleagues of an event of this magnitude and of an organization that has done so much to enrich our country's heritage. I commend Dr. Stephen Banjak and his family, as well as all of the other Czechoslovakians who continue to support this wonderful tradition.

A LITTLE HELP FROM FRIENDS

HON. LAWRENCE J. SMITH

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 11, 1987

Mr. SMITH of Florida. Mr. Speaker, I would like to recognize Driftwood Middle School's innovative peer counseling and tutoring program which has recently gained national attention.

Cable News Network was first in opening the Nation's eyes to Driftwood's innovative ideas in counseling. Fortunately, if Florida citizens from Dade and Broward County missed the CNN segment, they will have another opportunity to learn about the Driftwood counseling program. On June 14, 1987, students from Driftwood Middle School will appear on Charles Kuralt's Sunday Morning show to share the success of Driftwood's unique peer counseling and tutoring program.

Driftwood is setting a perfect example for other schools to follow. The catalyst was ideal—if peers can be influenced to take drugs and drink alcohol, couldn't they be influenced to improve their grades and self-esteem? That is precisely what seventh and eighth graders of Driftwood are helping troubled sixth graders to do.

By counseling, helping with homework and discussing problems, the seventh and eighth graders of Driftwood have helped their fellow sixth grade peers improve their grades, self-esteem, and attitude. The program consists of 30 sixth graders who are matched with an older peer. The success rate is testament to the emotional and educational support peers can lend to other peers.

Everyone knows that the road gets a little bumpy when you're growing up. It's nice to know you can get a little help from your friends. I would like to congratulate Driftwood Middle School in setting an example for our Nation's schools to follow.

VETERANS' HOUSING REHABILITATION AND PROGRAM IMPROVEMENT ACT OF 1987

HON. MARCY KAPTUR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 11, 1987

Ms. KAPTUR. Mr. Speaker, during the past several months, the Subcommittee on Housing and Memorial Affairs has held extensive hearings on the VA Home Loan Guaranty Program. We have heard from veterans organizations, mortgage bankers, homebuilders, realtors, and many other individuals who have experience with the program or the housing industry in general.

The bill I am introducing today represents a composite of the views of all of the interested parties who presented testimony before the subcommittee.

In essence, it reaffirms the fact that the VA Home Loan Guaranty Program is a veterans' benefit.

It approaches the program not only from the perspective of helping veterans finance the purchase of homes with favorable interest and loan terms; but also after a veteran is in that home, of helping him/her keep it.

Toward this end, my bill requires more intensive efforts toward servicing delinquent loans. Foreclosures continue at a high level. Although the VA's experience is comparable to FHA and conventional lenders, the VA paid 29,438 claims in calendar year 1985 and 34,750 in calendar year 1986. This is an increase of 18.1 percent. The VA does have servicing procedures. However, the large influx of VA home loan guaranty applications last year coupled with reduced staffing levels resulted in a serious deterioration of quality and timeliness in delivery of services to this program. It is my belief that increased servicing on loans would result in fewer foreclosures and my bill attempts to address this matter. In addition, it provides for the furnishing of procedures alternative to foreclosure and establishes a mortgage foreclosure relief program by making loans up to a maximum of $8,400 to veterans facing foreclosure through no fault of their own.

Mr. Speaker, we hear time and time again how veterans who have had their loans assumed when selling their homes often are liable to the Government for the debt of the new occupant if the house goes into foreclosure. We also hear about certain frauds being perpetuated against veterans such as equity skimming because of the easy assumability feature of the VA guaranteed home loan. Although we still plan to keep the assumability feature in place, the bill will require new underwriting on assumed loans. This will assure safer loans resulting in fewer foreclosures, and will release the veteran from future liability.

Mr. Speaker, another new initiative will be to remove the loan guaranty ceiling and provide a uniform guaranty of 30 percent for single-family, condominiums, and manufactured housing loans. This will help veterans in their efforts to purchase homes in higher cost areas such as Washington but will also establish a uniform policy on veterans' debts which accrue when foreclosure occurs. The formula today is set up in such a way that veterans with a $60,000 loan can end up with as great a debt as veterans with a $100,000 loan. My provision takes care of this inequity.

Mr. Speaker, when the inevitable happens and foreclosure occurs, the VA must make a decision to either acquire the property in an effort to reduce its losses or to simply pay off the claim and leave the property with the lender. In fiscal year 1986, the VA acquired 85 percent of all foreclosed properties. Although some properties sell easily and quickly, the VA has experienced some problems with properties staying in the inventory for long periods of time. Obviously, vacant properties start deteriorating and my bill has proposals to move some of these properties more expeditiously.

As an example, my bill would authorize additional amounts to prospective purchasers as may be necessary for rehabilitation purposes. It would also authorize up to 25 percent discounts on properties to organizations who agree to use veterans through the Job Training Act to rehabilitate same and would give priority to veterans in the purchase of these rehablitated homes. Lastly, it encourages organizations and political subdivisions to acquire difficult-to-sell foreclosed properties to assist homeless veterans and authorizes the Administrator to discount properties for that purpose.

The subcommittee has also heard from mortgage bankers in certain areas of the country such as Houston who have been particularly hard-hit by high foreclosures. They have recommended certain modifications to the VA property acquisition policy and my bill would stop the accrual of interest for calculations purposes in cases where delays are caused by the VA or the lender exercises forbearance at the request of the VA. Since lenders have said they would forfeit the right to be reimbursed for such interest if the VA acquires the property, this modification seems reasonable.

In addition to the benefits aspect of the program, the bill addresses certain management problems which were brought to the attention of the subcommittee during our hearings. One of these is the prohibition of loan portfolio sales unless at 100 percent of par or above. Because of the high foreclosure rate over the last several years, the VA has sometimes sold parts of their loan portfolio at a loss for quick revenue purposes. In the fiscal year 1988 budget, the Administration proposed yet another revision to its loan policy sales procedures. This would have required the VA to sell all of its loans without repurchase agreements. Earlier this year, VA officials indicated that this change in policy would result in an average loss of 30 percent of the face value of these loans. In the latest trial sale, the VA received offers as low as 55 cents on the dollar and in one instance the offer was 15 cents on the dollar. Mr. Speaker, although the VA did not accept these offers, this type of fire sale mentality imposed by OMB is appalling. It is time for the Congress to step in. The VA must be allowed to take full advantage of existing secondary credit markets and to maximize the proceeds of loan sales.

Mr. Speaker, since there are no uniform certification procedures for appraisers, my bill outlines qualifications for VA fee-basis appraisers. It also authorizes appraisal reports to be sent directly to certain lenders for expedited review and reasonable value determination. Since 75 percent of all VA guaranteed loans are underwritten by automatic lenders, this seems to be a reasonable step. It will expedite new loans and free up personnel to more fully service delinquent loans.

Mr. Speaker, we are all familiar with the Administration's attempts to increase the 1 percent user fee charged to veterans when they purchase a home through the VA Home Loan Guaranteed Program. This 1-percent fee is scheduled to expire September 30, 1987. Frankly, I don't like the 1-percent fee and one of the provisions of the bill would suspend the fee at such time as the revolving fund balance is sufficient to pay claims for 1 year. In the meantime, I will extend the 1-percent fee for 2 years as it does bear a responsible relationship to the administrative costs of servicing the program but plan to look at other alternatives in the future.

Mr. Speaker, there are several other provisions contained in my bill which would allow for easier refinancing and other modifications. Again, I wish to emphasize that this is a pro-veterans bill and I look forward to additional input on this legislation at the subcommittee's June 23 hearing.

"YEADON, HOME OF THE FOUNDER OF FLAG DAY"

HON. CURT WELDON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 11, 1987

Mr. WELDON. Mr. Speaker, I rise today to share with my colleagues an excellent article from the Yeadon Borough Newsletter. I do so because many of us may not know that the driving force behind the original celebration of Flag Day was William T. Kerr of Yeadon, PA. This coming Sunday, June 14, 1987, we will celebrate this great day. I would like to take this early opportunity to remember the man who made this day possible.

Mr. Speaker, I join with the people of Yeadon in taking special pride in this remarkable achievement, and commend to my colleagues the following article:

"YEADON, HOME OF THE FOUNDER OF FLAG DAY"

Is it possible to wave the flag too much? I believe that we are not waving our flag enough. Every flag should be flying on every rooftop and from every home and building. The flag is a symbol of our national unity. It is the spirit of our undying devotion to our country. It stands for the best this is in us . . . for loyalty, character, and faith in democracy.

The national observance of Flag Day each June 14 is due to the untiring efforts of William T. Kerr. For more than a half-century, Kerr campaigned for the establishment of Flag Day, appealing to every United States President from William McKinley to Harry Truman, leading rallies and continually promoting the idea of a special day honoring "Old Glory." He visited the White House annually to discuss the importance of Flag Day with the President. In 1937, June 14 was declared a legal holiday in Pennsylvania. Thus, the state where the first American flag was adopted, became the first state to officially recognize its anniversary.

The fulfillment of Kerr's boyhood dream came true when President Harry S. Truman personnally telephoned and invited William T. Kerr to the White House to attend and participate in the signing of Public Law 203 of our the 81st Congress. This historic event occurred on August 3, 1949 and read:

"Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, that the 14th day of June of each year is hereby designated as "Flag Day" and the President of the United States is authorized and requested to issue annually a proclamation calling upon the officials of the government to display the flag of the United States on all government buildings on such day, and urging the people to observe the day as the anniversary of the adoption on June 14, 1777, by the Continental Congress of the Stars and Strips as the official flag of the United States of America."—Signed August 3, 1949, Harry S. Truman, President.

After the signing of the bill the President gave Mr. Kerr the pen he had used in signing it, and graciously invited him into the President's office where they had a leisurely vist.

During the Bicentennial Year, 1976, the Borough of Yeadon honored William T. Kerr by having gold and silver coins struck by the Franklin Mint. On one side is the likeness of Mr. Kerr, with a flag in the background and the words "Founder of Flag Day", William T. Kerr, Yeadon, Pa. On the other side is a scane depiciting the founding fathers of our country as they adopted the stars and strips as our nations' symbol.

UNITED STATES COULD TRIUMPH AT VENICE

HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 11, 1987

Mr. GARCIA. Mr. Speaker, the Venice summit is over, and although the lack of discernible results was expected, it is nonetheless disappointing. We still face exchange rate imbalances, projected slow global economic growth and the ever present LDC debt problem.

One of the people who foresaw the great opportunities for success at Venice was our colleague JOHN LAFALCE. In an article in the June 8 edition of the Journal of Commerce he succinctly delineates the areas in which the United States could have triumphed at Venice. I attach his article and recommend it to my colleagues.

UNITED STATES COULD TRIUMPH AT VENICE

(By John J. LaFalce)

The annual economic summit now under way in Venice provides a chance for the United States to take the leadership role that only we can play in the re-creation of a stable worldwide economic climate. The world debt crisis poses great problems today, but it also provides the United States with a great opportunity to make Venice a political triumph.

The international economy is suffering from major strains that put its future at risk. World commodity prices remain flat. Industrial countries refuse to stimulate their economies. Exchange rate instability among the industrial countries leads to a pessimistic expectation of economic growth in 1987—and perhaps for a year or two beyond. The risk of recession next year is real.

The Latin American debtor countries are in desperate economic shape, with inflation over 100% a year in Brazil, Mexico and Peru, and with hopes for economic recovery fading. The debt crisis has forced commercial creditors to accept some piecemeal restructuring of debt. But no permanent arrangements have been made on future financing, and the net drain of capital from Latin America last year was $29 billion. This is not sustainable in the long run. The debtor countries in Sub-Saharan Africa are in even more desperate straits. Meanwhile, the failure to resolve the U.S. trade deficit means that there are limits to our ability to continue absorbing imports from the Third World.

Perhaps the debtors could have coped with the instabilities of the world economy if the Baker proposal has succeeded. It has not. The historic significance of Citicorp's decision to provide for up to $3 billion in Third World credit losses is that it undermines the position of Treasury Secretary James A. Baker III that any restructuring of international debt must impose no costs or losses on the banks. It also indicates that commercial banks are reluctant to provide new loans to most debtor countries in the near future.

The administration response to these pressures has been weak because of its unwillingness to face the realities of U.S. budget policy and global debt management. With regard to the latter, the administration seems to be far more concerned with maintaining U.S. bank profits than with restoring growth in Latin America, the kind of growth that could reduce our own trade deficit and put the debt crisis behind us.

Given the likely stalemate over U.S. fiscal policy for the next year—large budget deficits will continue to limit improvements in our trade deficit—the key goals at Venice should be to avoid a slowdown in economic growth, to push for more open market access in the industrialized countries, and to prevent the debt crisis from further damaging debtor economies, with the inevitable repercussions on the U.S. and world economies.

The Japanese government's proposal to channel $20 billion in new lending to the Third World can help to achieve these aims. The recycling of Japanese savings to Latin America would provide a stronger stimulus to the U.S. economy than would an equal increase in Japanese government spending. But at least one additional action is needed for increased Japanese lending to significantly benefit the world economy. It is important that the new loans represent a net increase in funds for investment in Latin America, not simply a mechanism for additional repayments to the private banks. To ensure that the new credits actually increase the net flow of resources, the Japanese proposal should be combined with a mechanism for restructuring and reducing the existing debts.

We should consider the creation of an Inernational Debt Management Facility that could acquire the banks' credits at a discount and pass along the savings to the debtor nations in the form of reduced interest rates, subject to appropriate adjustment policies by the debtor governments. Private banks voluntarily selling their loans to the facility would improve their balance sheets. This proposal, now part of both the House and Senate trade bills, is a natural complement to the Japanese initiative. It provides a way of avoiding the problem of new loans going simply to bail out old loans. Debtors would receive a double dose of relief, and our trade and economic growth would improve.

The administration should embrace the Japanese initiative as an opportunity to develop a new debt management strategy and encourage the World Bank to work with Japan on the disbursement of this added capital. The tools to meet the debt challenge are at hand. All that is lacking is the will to use them.

LEHIGH VALLEY WORKERS MEAN IT WHEN THEY SAY "BUILT LIKE A MACK TRUCK"

HON. DON RITTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 11, 1987

Mr. RITTER. Mr. Speaker, May 4, 1987 established a landmark labor agreement between Mack Trucks, Inc, Local 677, and the International United Auto Workers. The agreement represented a historic moment in Pennsylvania labor relations and creates a new partnership that has and will continue to have a tremendous economic and psychological impact in the Lehigh Valley and beyond.

We have many winners emerging in this struggle to reach common goals—the workers of the Lehigh Valley are winners, with some 5,000 jobs being saved—the UAW is a winner because they keep thousands of members—the State of Pennsylvania is a winner, with Mack Trucks committing millions of dollars in new investment in the Commonwealth—and Mack Trucks is a winner, because their leadership took risks to save jobs and continuity as they struggle to become more competitive.

I knew from the beginning this would be a complex problem and worked closely with Mack, UAW personnel and others to promote a settlement that kept Mack Trucks in the Lehigh Valley.

Mr. Speaker, I point with pride that eventually all sides came together for the common good. On May 4, 1987, in Allentown, PA, at Mack Trucks world headquarters, the Governor of Pennsylvania and his key staff, officials of Mack Trucks and the UAW, and local and regional officials and community leaders were present for the historic, formal announcement of the agreement. I was proud to be present for that memorable occasion, during which the president of Mack Trucks eloquently addressed the gathering. At this time, Mr. Speaker, I include the May 4 remarks of Mack president, Jack Curcio, in the RECORD.

J.B. CURCIO'S REMARKS FOR PRESS CONFERENCE, MAY 4, 1987

Thank you, Mr. Harris. I can't tell you what a great pleasure it is to stand before you this morning and to recognize everybody who has contributed to what I believe is a very historic contract between Mack Trucks and the UAW. The key elements of this unprecedented agreement will provide significant job and income security to our Mack employees, while affording Mack the ability to compete more effectively in the heavy-duty market of both today and tomorrow.

We at Mack Trucks fully recognize that our survival requires us being more cost competitive in today's fiercely competitive global truck markets, and we are currently implementing our long-term strategic plan to do just that.

We have recognized the need to make investments in new plants and new technology; to improve our manufacturing efficiencies, to decrease our costs and also to maintain the uncompromising quality of our Mack products, which have had a worldwide reputation for excellence for over 87 years. Mack is firmly committed to demonstrating that manufacturers in Pennsylvania and in the United States *can* compete in today's global economy. But we also recognize that changes in the way we do business are imperative, if that competitive edge is to be achieved again. Changes in the way we manage our business and in the role of organized labor are essential for the survival of manufacturing in Pennsylvania and in the United States. We recognize our responsibility and are currently implementing an aggressive long-term strategic plan to ensure our growth and profitability well into the twenty-first century. Furthermore, we at Mack also applaud our employees for recognizing their responsibility to contribute to Mack's competitiveness in this heavy-duty truck market.

For many reasons, achieving the new contract between Mack and the UAW was a long and difficult process. But, because of the help and support of many people—far too many to even mention here this morning—but particularly a fellow coal-cracker, Gov. Bob Casey; Secretary of Labor and Industry Harris Wofford; our great mediator, Bill Usery; and also Gov. Schaefer of Maryland played a role, and Congressman Ritter, and my friend, State Representative Paul McHale; and so many of our business, community and political leaders here in the state of Pennsylvania. Because of all these efforts, we were successful.

But, as Bill Usery has said many times, and I agree with him so much, our job has certainly not ended. Reaching an agreement is only the start of the changes in the relationship between all Mack employees that must occur if we are to join in our efforts to help Mack face the challenges of the 1990's and beyond. We must take advantage of the 5½ years of this contract to establish a new era of relationships at Mack so that Mack can continue to become more competitive and the UAW can assure its members of both job and income security. We are committed to that effort, since the only true job security is our success in the marketplace.

I want to thank everyone who has personally contributed to this great success, but most importantly to those on both sides of this agreement, those who spent so many months of sustained effort to successfully complete this task. I recognize and sincerely appreciate the personal sacrifices made by you and your families, and I thank you all for a job well done.

But now is the time to put this long, grueling task of negotiations behind us and begin to refocus our attention on the future of Mack Trucks, all of our futures. Throughout the '80's Mack has undergone many changes needed to reshape the Company to face the 1990's. Our new signed historic agreement with the UAW is just one more step in the plan which I believe will keep Mack "The Greatest Name in Trucks."

PRESIDENTIAL SELECTION PROCESS

HON. AL SWIFT

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 11, 1987

Mr. SWIFT. Mr. Speaker, the Subcommittee on Elections, which I chair, has held hearings several times over the last few years on the Presidential selection process.

We have wrestled with questions about whether the current system of Presidential primaries and caucuses is too long and expensive, or whether it serves a useful purpose by testing Presidential candidates in a variety of places over a period of time. We have asked whether a handful of small States have too much influence in the process, or whether they provide a needed opportunity for relatively unknown but well-qualified candidates to emerge. We have also pondered: if we were to determine that changes need to be made, exactly what should those changes be, and what constitutional authority would Congress have to make them?

Currently we have laid these questions aside, important though they are, in deference to the States that have embarked on one avenue of change by establishing their own systems of regional primaries and caucuses, especially in the South.

During and after the 1988 Presidential election, I expect that many of the same questions we have considered before will again be raised. Recently, for instance, the following item appeared in the New York Times. This is a point of view that should be examined in the ongoing debate on this topic, and I would like to bring it to the attention of my colleagues.

The article follows:

[From the New York Times, May 31, 1987]

THE IOWA CAUCUSES HAVE NO CLOTHES

(By Gilbert Cranberg)

DES MOINES.—"Get thee to Iowa," political soothsayers advised Democratic candidates in the aftermath of the funny thing that happened to Gary Hart on his way to the White House. I have a better suggestion: Stay away.

If enough Presidential candidates boycotted the Feb. 8 precinct caucuses, the event no longer would be invested with significance—significance it does not deserve.

Iowans are sensible, literate people. The system their politicians cooked up to give them a piece of the Presidential-nominating action is unworthy of them. It is dumb—so dumb that most Iowans do not participate.

The 1984 Democratic precinct caucuses attracted eight candidates. The contenders criss-crossed the state for months, wearing out themselves, their workers and, apparently, their audience. The Iowa and national press covered the contest breathlessly. And on caucus night only 75,000—just 14 percent—of the state's 534,000 registered Democrats went to the precinct meeting places. The caucuses disfranchise Iowans who are out of town or who work nights or are handicapped or too frail to brave a nasty winter night.

A caucus is a neighborhood gathering. The 2,500 Democratic caucuses feature an arcane delegate-election procedure that requires wheeling and dealing, sometimes for hours. All in public. If you do not relish political wrangling with neighbors, or you cherish the secret ballot, the caucuses are not for you—as they are not for most Iowa Democrats.

Republican caucuses are more sedate, though no better attended. The big event is a straw vote on the candidates. That tally makes the next day's headlines. The most significant event, though, is the election of delegates to G.O.P. county conventions. Those elections shape Iowa's delegation to the national convention. The press hardly pays attention to caucus selection of these delegates because Republicans have not figured out a way to make it newsworthy by providing hard numbers.

Political activists dominate both party caucuses. The fuss over the caucuses is about the choices by small numbers of elites, charged up over causes ranging from the arms race to abortion to evangelical Christianity, in a state that, in any case, is atypical demographically and economically.

Campaigning for the caucuses is akin to finding needles in a haystack. The candidates who find the most needles—that is, the likely caucuses-goers—get anointed as front-runners and top challengers. Obscured by the hoopla is the insignificant fraction of voters who decide the outcomes. Mr. Hart was judged by the press to be Walter F. Mondale's chief rival in 1984 after luring a mere 9,000 or so followers to the caucuses.

So candidates roam rural Iowa looking for straw votes by offering photo opportunities wth pigs. A former governor pedals across the state. The search for scarce caucus participants puts the candidates on a merry-go-round of picnics, coffees and living-room tete-a-tetes.

An estimated 2,000 members of the national press corps will report the doings, much to the delight of the state's tourism and economic-development promoters. Toss in expenditures for campaign offices, staff, ads, meals, auto rentals and hotels, and Iowa has a thriving election industry. Given the intrinsic worth of the caucuses, they are a classic case of the proverbial rube taking city slickers to the cleaners.

Yes, Iowa's caucuses give underfinanced unknowns a shot at the Presidency. The relatively low cost of a campaign is more than offset, though, by the toll in stamina and time taken by the ordeal. The Iowa parties may be among the chief victims when their best workers become too pooped to politick in the general election after 18 months of battling each other.

The youngster who blurted the truth, "Look ma, the Emperor has no clothes" brought people to their senses. Politicians who proclaimed the idiocy of the Iowa caucuses, refused to participate and demanded reform of the hodgepodge of offshoots would perform a similar service. The purpose of a nominating process is to demonstrate fitness for office: Opting out of the madness by tossing a towel into the ring instead of a hat would do exactly that.

REPEAL THE VERRAZANO BRIDGE ONE-WAY TOLL

HON. TED WEISS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 11, 1987

Mr. WEISS. Mr. Speaker, on June 4, 1987, I testified in New York City at a public hearing regarding the disastrous Verrazano Bridge one-way toll experiment. I am calling this matter to the attention of my colleagues in order to remind them that in 1985, the U.S. Congress forced New York to change the way tolls are collected on the Verrazano Bridge. As my colleagues will also recall, this House subsequently voted to undo the damage but the repeal was lost in conference with the Senate.

My testimony explains the consequences of this unprecedented and unjustified Federal action.

TESTIMONY OF CONGRESSMAN TED WEISS BEFORE THE TRIBOROUGH BRIDGE AND TUNNEL AUTHORITY

THE ONE-WAY TOLL ON THE VERRAZANO-NARROWS BRIDGE

I am pleased to have the opportunity to testify before you today. My views on the Verrazano one-way toll are no secret. I have been opposed to it since its inception and have been a leader in the fight to repeal it.

It is truly ironic that today, more than one year after the toll experiment began in March of 1986, we are assessing a draft Environmental Impact Statement (DEIS) on the one-way toll. EIS' are normally performed before and not after a proposed action. Had this logical and responsible sequence been followed, residents of lower Manhattan could have been spared fourteen months of needless suffering.

In fact, a study was released in 1984 by the TBTA, which predicted that a one-way toll on the Verrazano would cause serious traffic congestion in Brooklyn and Manhattan, safety problems, and an annual revenue loss of over $7 million. Following this study, the New York State Legislature rejected a one-way toll proposal. Had the U.S. Congress heeded the will of the State Legislature, this entire fiasco could have been avoided.

The DEIS confirms what we have been saying for months, in short: the toll experiment is a failure. The toll change has caused a substantial loss of revenue, a significant increase in traffic problems, and a hazardous deterioration of air quality in lower Manhattan.

Consider the following facts from the DEIS:

In six out of the eight roadway sections cited for significant changes in peak hour vehicular travel time, the toll change has had a negative impact.

Travel time in lower Manhattan on weekday evenings has increased. (Westbound traffic on Canal Street and southbound traffic on Varick Street has increased by 6 minutes and 3 minutes respectively.)

The travel time savings achieved on the Staten Island Expressway eastbound is equal to the increase in travel time on the Brooklyn-Queens/Gowanus Expressways.

Simply put, traffic problems have been shifted—not solved.

In three out of the four locations affected by the toll change, traffic conditions have been impaired. Only one location has benefitted—the Staten Island Expressway east of the Slosson Avenue Upgrade. In lower Manhattan, however, traffic conditions have been significantly impaired on approach routes to the Holland Tunnel. Moreover, the DEIS points out that the effects of increased congestion in an urban street system such as Lower Manhattan's are more severe than on an expressway because there are more opportunities for vehicle conflicts and incidents that further impair traffic. Again, the DEIS confirms that small gains in Staten Island are outweighed by serious damage in Lower Manhattan.

Although the toll-change has eliminated one air pollution "hot spot" near the Verrazano toll-plaza area, it has resulted in increased carbon monoxide levels and the creation of three new "hot spots" in lower Manhattan.

Finally, annual toll revenues have been reduced by an estimated $8.2 million and net revenues are estimated to have been reduced by approximately $7 million.

In detailing criteria for repeal of the one-way toll, Section 324 of the 1986 Transportation Appropriations Act contains only two provisions: a) that there has been a substantial loss of revenue and, b) that there has been a significant increase in traffic problems. The DEIS confirms that both have occurred.

Although technically, these two conditions are enough to require the immediate revocation of the one-way toll, I would like to offer two additional reasons why Governor Cuomo should petition U.S. Secretary of Transportation Elizabeth Dole to revoke immediately the one-way toll.

First, the Verrazano Bridge is a local bridge, built and maintained with local funds. The unprecedented Federal mandate, which created the one-way toll, impinges on the sovereignty and integrity of New York. It is a gross violation of the basic principles of Federalism.

Last year the Appropriations Subcommittee on Transportation recognized this grave violation and approved a compromise measure which would have returned the Bridge decision to local control. Shortly thereafter, the House of Representatives demonstrated its support for allowing local authorities to determine the fate of the Verrazano toll. By a vote of 253-168, the House struck down an Amendment which would have repealed the compromise language. The Amendment, offered by my colleague, Representative Guy Molinari, was not supported by a single Representative from New York City or New Jersey. Unfortunately, the compromise measure was lost in conference with the Senate.

Second, the December 31, 1987 Clean Air Act compliance deadline is looming in the very near future. New York City is among the approximately seventy areas which will fail to meet the December 31 deadline to attain ambient air quality for ozone and/or carbon monoxide. Congress has been asked to seek and support an extension of the deadline. If the deadline is not extended, New York will face stiff penalties, which include the denial of federal highway funds and bans on construction of new industrial facilities.

New York's EPA-approved State Implementation Plan (SIP) commits the State to eliminate all air pollution "hot spots" by the December 31 deadline. Instead, as I have pointed out, the toll-change has created three new hot spots in Manhattan—placing New York State in further violation of it's own SIP. I think it would be difficult for the New York City Congressional delegation to press for another Clean Air Act extension if steps are not taken to resolve the Verrazano situation.

Joined by a bipartisan coalition of Representatives from New York City and New Jersey, I have reintroduced legislation to repeal the one-way toll. Moreover, eight members of the New York City congressional delegation joined me in a letter to Governor Cuomo, urging him to act swiftly. It is my hope that approaching this issue at both the Federal and State levels will help to resolve the toll dilemma expeditiously.

I would like to digress at this point to express my opposition to any proposal to make trucks pay tolls in both directions, while continuing the one-way toll for cars. At first glance this sounds like a fair solution; after all, trucks rerouting to avoid the toll are the primary source of both increased traffic and lost revenues in New York City. However, the truth of the matter is, this proposal is very dangerous.

According to Sam Schwartz, First Deputy Commissioner of the New York City Department of Transportation, this proposal would be a disaster. The leading cause of accidents is differential vehicular speeds. If implemented, this plan would result in dramatic differences in vehicular speeds at the toll plaza. Trucks would be a virtual standstill waiting to pay the westbound toll, while cars would continue to pass by in adjacent lanes at speeds in the range of 45-50 miles per hour. Inevitably, a few cars would find themselves inadvertently stuck in the long truck queues and would attempt to move out into where traffic would be moving at the higher speed. The accident potential is staggering.

I am sympathetic to Staten Island's traffic and air pollution problems and would be pleased to support safe, effective remedial measures. However, shifting these problems to Manhattan, which is already beleaguered by traffic congestion and air pollution is not the appropriate solution.

The original six month experiment required by the statute ended in September of 1986. The time for talk has long passed, the information presented in the DEIS is clear and convincing. There can no longer be any doubt about the necessary course of action: for the well-being of thousands of residents of New York City, the one-way toll must be repealed.

WE NEED AN ACID RAIN BILL THAT WILL PASS

HON. NORMAN F. LENT

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 11, 1987

Mr. LENT. Mr. Speaker, today, Mr. Speaker, several of my colleagues on the Energy and Commerce Committee will be introducing legislation to control acid rain. I would like to take this opportunity to commend the sentiments they are expressing as well as their faithful efforts in this area. I support acid rain control legislation, but I will not be cosponsoring this particular proposal. I would like to take this opportunity to explain why.

Mr. Speaker, the legislation they are introducing is similar, if not identical, to legislation we introduced in the 99th Congress—H.R. 4567. Last year the proposal received broad support, but was still unable to attract enough votes to move forward in the House. Its prospects for passage this Congress on the committee have declined dramatically.

The undeniable truth is that with the new Congress has come changes to the Energy and Commerce Committee. Of the five members we lost on the committee, four of them supported H.R. 4567. Most observers believe that, with the changes in membership, H.R. 4567 has even less chance than it did last Congress, when it died in committee.

Furthermore, the current proposal fails to carry forward key amendments made last year during subcommittee markup of the bill. These amendments were needed to accommodate the concerns of members and move the bill out of subcommittee. Their omission now has added to my strong feeling that this is not a viable approach and it will not get us any closer to passing acid rain legislation in the House.

Mr. Speaker, I fear that introducing this proposal now will send the wrong message to the people of this country. By introducing the bill, people outside the beltway will be led to believe that we are doing something on acid rain. They will believe what I know not to be true—that this legislation is politically acceptable to a majority of members on the Energy and Commerce Committee.

Mr. Speaker, it is exactly the grassroots interest and effort we need in order to forge a bill that could be acceptable to the diverse membership of the committee. Instead of defusing this energy, I would like to increase it so that it will provide momentum for a bill that truly has a chance to pass.

INTRODUCTION OF JEMEZ PUEBLO INDIAN FIREFIGHTERS BILL

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 11, 1987

Mr. RICHARDSON. Mr. Speaker, I am very proud today to introduce a bill which provides access to our Federal courts for 14 Jemez Pueblo Indian firefighters and the legal representatives of four Jemez firefighters who were killed or injured during firefighting operations in Boise National Forest in Idaho on August 24, 1986. This bill to allow access to the courts is the only avenue affording these bereaved families a hope of obtaining adequate compensation for their loss.

The subjects of this bill are proud members of the Jemez Eagles, a group of Indians from the Jemez Pueblo in New Mexico, who agreed to fight forest fires on our national forest lands. They were sent to Idaho to fight a fire in Boise National Forest in August 1986. During the firefighting operation there was a tragic accident. The transport truck carrying the Jemez Eagles went off the road and careened down a steep mountainside. Four of the firefighters were killed and 14 others were injured in the accident, some of them seriously. The driver of the truck was a member of the Idaho National Guard and the Jemez firefighters were merely passengers.

Unfortunately, due to the peculiar legal status of the Idaho National Guard driver and the Jemez Eagles, these brave men and women, and their families, do not have an adequate remedy for their loss. Under Federal law, the driver is considered a Federal employee, which precludes any legal liability on his part or the State of Idaho. A Federal court recently held that the driver cannot even be prosecuted for a violation of the State motor vehicle law. But claims against the United States are also barred because the Secretary of Labor has determined that the firefighters were covered by the Federal Employees Compensation Act [FECA]. Coverage under FECA precludes a claim under the Federal Tort Claims Act, which is the normal remedy for a person seeking redress against the United States for a personal injury.

The FECA provides Federal employees with compensation for injuries suffered in the workplace. The amount of compensation, however, depends on the employee's earnings, and, in the case of death, on proof of economic dependency of certain relatives. This system is totally inappropriate and inadequate for these firefighters who worked infrequently and for low wages. For example, the mother of one of the deceased firefighters could expect to receive only approximately $4,300 in a lump sum payment for the loss of her son.

A wrongful death tort claim on behalf of the estate of this same firefighter could be worth in excess of $250,000. This is because tort law takes into account the monetary value of the life of the deceased, in this case factoring in the deceased firefighter's relative youth, long work life expectancy, and earning ability. Tort law also allows recovery for the value of lost household services to the family of the deceased. This is especially important in this case because each Pueblo Indian male is expected to contribute substantial services both to his immediate family and to his parents, grandparents, siblings and entire extended family.

Mr. Speaker, I am sure you can imagine the frustration of the families of the four deceased firefighters with a system of justice which denies them any meaningful or adequate recompense for the wrongful deaths of their loved ones. It is a cruel irony that the Federal scheme that deems both the Jemez Eagles and the National Guardsmen Federal employees precludes an effective avenue of relief. This was not the intent of these Federal statutes. A primary reason for designating National Guardsmen as Federal employees was to allow Federal tort recovery by innocent victims of the Guardsmen's negligence. The anamolous result in this case penalizes the very people who would otherwise have been helped by the provisions of the statutes. These cracks in the judicial system threaten to engulf these bereaved families. Legislation is the only avenue of reasonable relief.

Mr. Speaker, the bill I am introducing today simply allows the injured firefighters and the legal representatives to bring a claim under the Federal Tort Claims Act. It does not make any monetary award to the firefighters or their survivors. Under this bill they can present their case to the court and let it decide if the United States was at fault for their injuries.

The Jemez Eagles bravely went to help their Nation by fighting fires on national forest land. They were aware of the dangers attendant in that work and were willing to accept that risk. But they did not sign up with the notion they were assuming the risk of negligence in their transport to the site of their work. The terrible accident was not a normal or foreseeable consequence of their work, nor one that these young Indians had any possibility of avoiding.

Mr. Speaker, these firefighters and their families ask only that they be able to present their case in our Federal courts. They will never again enjoy the company of their loved ones who have been lost. They will never again be truly whole. They deserve the chance to seek that compensation available under our judicial system. I urge my colleagues in the House to pass this legislation and give these Jemez Eagles and their survivors that chance. Let them have their day in court.

H.R. —

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. TORT CLAIM.

(a) AUTHORITY TO COMMENCE ACTION.—Notwithstanding section 8116(c) of title 5, United States Code, each individual listed in subsection (b), or the legal representative of the estate of such individual, may commence an action under chapter 171 of title 28, United States Code, upon a claim against the United States for injuries or death sustained by such individual in a truck accident as a result of the alleged negligence of members of the Idaho National Guard and employees of the United States during firefighting operations in the Boise National Forest, Idaho, in August 1986.

(b) DESCRIPTION OF INDIVIDUALS.—The individuals referred to in subsection (a), members of firefighting crew number 4 of the Jemez Eagles of Jemez Pueblo, New Mexico, are the following:

(1) Hilario R. Armijo.
(2) Timothy W. Armijo.
(3) Allen M. Baca.
(4) Vincent A. Chavez.
(5) David G. Chinana.
(6) Victor Chinana.
(7) Ivan T. Gachupin.
(8) Michael J. Gachupin.
(9) Frank Madalena, Jr.
(10) Dennis P. Magdalena.
(11) Anthony M. Pecos.
(12) Lawrence A. Seonia.
(13) Jose R. Toledo.
(14) Roberta P. Toledo.
(15) Nathaniel G. Tosa.
(16) Allen L. Toya, Jr.
(17) Andrew V. Waquie.
(18) Benjamin P. Waquie.

SEC. 2. PRESENTATION OF CLAIM TO FEDERAL AGENCY.

Section 2401(b), and subsections (a) and (b) of section 2675, of title 28 of the United States Code shall not apply with respect to an action authorized by section 1(a).

SEC. 3. REDUCTION OF AWARD OF SETTLEMENT.

Any judgment awarded with respect to an individual listed in section 1(b) in an action authorized by section 1(a) shall be reduced by the amount of any compensation paid under subchapter I of chapter 81 of title 5, United States Code, to, or on behalf of, such individual.

STEVE ZAVACKY JR.

HON. JOE KOLTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 11, 1987

Mr. KOLTER. Mr. Speaker, today I rise to honor a constituent of the Fourth Congressional District of Pennsylvania who will be honored June 17, 1987, by the community of Butler, in appreciation of years of volunteer work.

Mr. Steve Zavacky, Jr., a retired electrician of 41 years service at Armco Steel Co., has received numerous awards. He has been a member of the Butler County Safety Council for 36 years, serving as president and, for 33 years as parade marshall. In 1987 he received the Hanna-Miller Award in Safety.

Mr. Zavacky is a life member of American Legion Post 778, holding offices of second and first vice commander, treasurer, and historian. He received the Legionnaire of the Year Award in 1981.

He is a life member of the Veterans of Foreign Wars, having served 4 years in the Army Engineers in China, Burma, and India. He is a member of the Penn Township Volunteer Fire Co., the Highfield Community Center, and received the Penn Township Board of Supervisors Award for designing and building the Penn Township Veterans Monument in 1987. In 1983, Mr. Zavacky was presented the North Deanery Award by the Metropolitan Archdiocese of Munhall.

Mr. Zavacky, despite numerous awards has never stopped giving to his community. His dedicated service has been invaluable to Butler County and I am proud to honor this distinguished, respected man by informing my colleagues of his untiring efforts.

ANTI-CASTRO EDITORIAL

HON. LAWRENCE J. SMITH

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 11, 1987

Mr. SMITH of Florida. Mr. Speaker, I would like to draw the Nation's attention to an editorial in the Tuesday, June 9, 1987, issue of the Miami Herald. For some, the article sheds light on the international issue of Castro adventurism. For others, the editorial reveals, for the first time, the evils of the Castro regime. For all Americans, the editorial should vividly point out Castro's blatant disregard for human rights and world peace.

FLEEING CUBA

Cuba's Foreign adventurism is greater than previously thought. From London, the military periodical Jane's Defence Weekly says that Cuban troops have been seen in Afghanistan, in a camp at Kandahar near the airport of Kabul, the capital.

Further, an article by Pamela Falk in the current Foreign Affairs magazine enumerates the Cuban troops in various African countries. In Angola, for example, Ms. Falk says that Cuba has instructors who supervise the MPLA Army, along with 25,000 to 30,000 troops and 5,000 to 10,000 civilian advisers. In Ethiopia, 11,000 Cuban troops guard the Horn of Africa. Cuba also has 2,500 troops in Mozambique, 3,000 troops and advisers in Congo, and 3,500 troops in Libya and Algeria.

In addition, Cuba has 200 troops in Zambia, 250 in Uganda, 240 in Equatorial Guinea, and 500 in Sao Tome e Principe. Not included in this head count are the Cubans who provide support to the Polisario rebels fighting for Western Sahara's independence from Morocco. Nor does it include 50 civilian advisers in Benin, 150 in Sierra Leone, and 125 in Guinea-Bissau.

Cuba has between 50,000 to 60,000 men in Africa. Even taking into account that the Soviet Union provides Cuba its military hardware free of charge, the Castro government's expenditures in 17 African countries represent 11 percent of Cuba's annual budget, according to Ms. Falk. This does not take into consideration the Cubans in Nicaragua and in other parts of the world.

Add to this the million-plus Cubans who have fled the island to the United States, Spain, and Latin America. Count the recent defection of Brig. Gen. Rafael del Pino and his family. Include the 13 men who landed in a small boat in the Florida Keys last week. Consider that Mr. Castro said in a May interview with the French newspaper L'Humanite that he would not mind if another 100,000 Cubans left.

The numbers speak for themselves: Mr. Castro is happiest when Cubans are not in Cuba. Wouldn't it be happier for all if he were the one to leave?

THE 120TH ANNIVERSARY OF THE TOLEDO MAENNERCHOR

HON. MARCY KAPTUR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 11, 1987

Ms. KAPTUR. Mr. Speaker, on June 20–21, my district's German-American community will be celebrating the 120th anniversary of the Toledo Maennerchor. During this time, the Teutonia Maennerchor of Toledo will host the 30th District Saengerfest of Ohio. This is the first time this century that Toledo has hosted a songfest.

This unique songfest will attract more than 800 singers of German-American descent from Ohio and Pennsylvania. It is expected that our community will play host to more than 1,000 guests from Ohio, Indiana, Michigan, Pennsylvania, and Ontario, Canada, on this weekend.

The important contributions of German Americans to the Nation and the greater Toledo area have been numerous and diverse; in the arts and sciences, community development, athletics, religion, government service, and education. Their commitment to their communities and neighborhoods is inspiring.

I am looking forward to celebrating the 120th anniversary of the Toledo Maennerchor with my good friends in Toledo's German-American community. I know my colleagues in the U.S. House of Representatives join me in congratulating the Toledo Maennerchor and wish them every success during the upcoming celebration.

ANOTHER SUCCESSFUL OPERATION BY THE U.S. MARSHALS SERVICE

HON. CURT WELDON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 11, 1987

Mr. WELDON. Mr. Speaker, I rise today to congratulate the U.S. Marshals Service on yet another successful fugitive operation. Under the direction of Stanley E. Morris, a U.S. Marshals Task Force recently completed a 9-week narcotic fugitive manhunt. This operation resulted in some 210 arrests, to include: longtime drug traffickers fleeing bonds in excess of $1,000,000, fugitives evading arrest, and those continuing their drug activity while at large.

Project WANT [Warrant Apprehension Narcotics Team], combined teams of U.S. Marshals in cooperation with Drug Enforcement Administration agents for this outlaw roundup.

The first step for the WANT teams was to assign a high priority to fugitives considered to be of significant danger to the public. Having targeted these high priority fugitives, a new computer system, developed by U.S. Marshal personnel, was used to sort the mass of information in each case file into a set of investigative leads. These leads eventually led to 166 narcotics fugitives and 44 others whose criminal activity was identified during the manhunt.

Attorney General Edwin Meese III pointed to several reasons why the U.S. Marshals have been so successful in their attempts to put these criminals back behind bars. The U.S. Marshals Service has proven to be an innovative agency, adapting to a changing breed of criminal. In many cases these fugitives have substantial resources from their drug trafficking profits, as well as from legitimate businesses funded by illegitimate proceeds.

Since the appointment of the first 13 marshals in 1789, the U.S. Marshals Service has taken on a diverse range of responsibilities. As always the marshals have professionally and aggressively attacked the problem at hand to preserve the integrity of the Constitution of the United States.

I would like to congratulate the U.S. Marshals Service on behalf of this 100th Congress and wish for them the best of luck in future operations.

NEW YORK WINES OUTSHINE CALIFORNIA AND FRANCE

HON. AMO HOUGHTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 11, 1987

Mr. HOUGHTON. Mr. Speaker, those of us who have spent a lifetime in the wine and grape areas of New York State have known all along what the New York Times reported yesterday.

The good news is that New York State wines are beginning to outshine California and French wines!

According to Howard Goldberg of the Times, "A wine making revolution is under way. The bad old days are fading."

"It's about time the public began to realize that serious young wine makers—and serious wine—are taking over." And of course that means the Empire State.

I urge my colleagues to sample our fine product from the vineyards of New York State and to read the entire New York Times review printed here.

[From the New York Times, June 10, 1987]

WINE TALK—SORRY, FRANCE. TOO BAD, CALIFORNIA. SOME NEW YORK WINES OUTSHINE EVEN YOURS

(By Howard G. Goldberg)

To put my cards on the table, I champion New York wines. This is not chauvinism. It is clear-eyed realism. Anyone who keeps an eye on the Finger Lakes, Long Island, the Hudson Valley and the Lake Erie district sees a wine-making revolution under way.

The bad old days are fading. Yes, labrusca grapes, which stereotyped New York State as America's sweet-wine capital, are still around. Nearly 31,000 acres of them—Concord, Catawba, Niagara, Delaware—flourish upstate. But most now go into juice and wine coolers.

By the way, don't knock labrusca wines for tasting like jam and soda pop. They have a big, dedicated following. I thrive on a brand that turns the taste buds to neon: Widmer's nonvintage Lake Niagara ($2.92).

But labrusca is not where this state's leading-edge vintners are pointed. Their ambitions lie in classic vinifera—in chardonnay, riesling, cabernet sauvignon, merlot and pinot noir. It's about time the public began to realize that serious young wine makers—and serious wine—are taking over.

One index of the future is the growth of vinifera plantings statewide. In 1980, it was 324 acres, and in 1985, according to the latest Federal and state data, it was 1,600. That is an increase of nearly 394 percent. It is true that 1,600 acres amount to a kitchen garden in the Napa Valley of California, but the significance lies in the trend, not in the absolute number.

Yes, too many flawed and failed New York wines turn up in stores—but growth and development of anything is uneven. The bottom line is this: The 1980's have stacked up more and more layers of evidence of winery finesse.

Why would the talented Jim Gifford, the wine maker at Domaine Mumm, the Seagram-owned sparkling-wine house, throw over his high-profile job in Napa lotus land to return to the Finger Lakes, where he once made excellent wine for the now-defunct Gold Seal Vineyards?

For one thing, he is becoming president of Glenora Wine Cellars, which recently merged with Finger Lakes Wine cellars, a fine boutique winery. In 10 years, Glenora has emerged as one of New York's standout producers.

More important for the consumer, he sees a future in the reborn Finger Lakes district, where capital investment, technology and state-of-the-art wine making and grape growing are converging.

Grape growing and wine making—"wine growing," as Europeans wisely name the continuum—is a risky, mostly thankless business. If nature isn't against you, the economy is; if the economy is with you, your own New York State neighbors are apathetic. It's hard to take.

"We're fighting reverse discrimination: if it's local it can't be good," said James Trezise, president of the New York Wine and Grape Foundation, based in the Finger Lakes. He should know. His 19-month-old organization, created and partly financed by the state, promotes the state's wines.

His constituents are the men and women who work their hearts out and empty their bank accounts in an upbill battle against consumer indifference, if not hostility, and who deserve attention, respect, even admiration.

Now and then, amid the pearly day-in and day-out sampling of ethereal—and, to put it politely, not so ethereal—wines from France, from California, from Italy, I get angry. I wonder why so many New Yorkers, plunk down so many dollars for European and Pacific Coast wines that are real dogs but reflexively refuse to pay the same amount, or a bit more, for a truly satisfying Hudson Valley or Lake Erie white.

Last week, Food and Wines from France, a trade organization, put on, at the behest of Loire Valley producers, a splashy tasting of wines from that region. The setting was terrific: the Water Club at 30th Street and the East River. There were muscadets, Vouvrays, sparkling wines and plenty of rosés d'Anjou, mostly 85's. For two hours, I hiked from table to table, glass in hand, looking for something to drink, with less than rousing success.

Sure, there were a few attractive wines. Very few. Far to many were thin, acidic or flabby—not worth the time of day. What on earth, I asked myself, are the French (and their importers and distributors) trying to foist on us? Why spend so much money to hire an expensive hall and then pour this vapid stuff for retailer and restaurateurs?

Would anybody in this town think it made sense to ignore the Mets and root for, say, a Marseilles soccer team? Of course not.

You can bet your bottom dollar—and given today's exchange rates, that's what it will come to—that wine buffs might well take out second mortgages to finance trips to Burgundy this summer. Not a bad idea, if you can afford it.

But do they ever put in a couple of hours driving up the Hudson to Mark Miller's handsome Benmarl Wine Company in Marlboro, N.Y., to stand transfixed at the boundless beauty of the hills and valleys rolling into the distance? The curving sweep of his vines, the ripeness of his wines, make the outing worthwhile. You come home happy.

Pleasure, after all, is what wine is about, first and foremost. Legitimately, oceans of ink are spilled—and endless palaver wears down eardrums—trying to analyze, define, describe and explain that pleasure.

Surround that Tower of Babel with a barbed-wire mystique—with the intricacies of wine as an investment, with wine as a symbol of social mobility (snobbery)—and you're off course.

In the social-mobility scale, New York wine is nowhere—fortunately. In the taste-good scale, it is everywhere—fortunately. that was plainly evident at a tasting last week sponsored by the Wine and Grape Foundation at the International Wine Center, a Manhattan wine school. the theme was "Summer Wines From New York."

In my private Loire vs New York contest, New York won hands down. Ironically, one measure of that victory lay in flavorsome wines made from French-American varietals—seyval blanc, vidal blanc, ravat.

Sorry, Monsieur Henri Wines Ltd., I'll pass up your watery Carter muscadet ($4.69), which deserves immortality in the warehouse. I'll wash down my hommard—pardon me, lobster—with the Bridgehampton Winery's '86 Première Cuveé Blanc, and off-dry medley of riesling and gewürztraminer ($7.99).

Sorry, Seagram Classics Wine Company, your boring '85 Barton & Guestier Vouvray ($6.02) is cloying and disjointed. I'll have a nosh with the '86 ravat from Walker Valley Vineyards, a Hudson Valley boutique winery ($5.99). The fruit jumps out of the glass. A description by the owner and wine maker, Gary Dross—a man with a Midas liquid-gold touch—hit the bull's-eye: "It starts sweet and finishes dry."

Peconic Bay Vineyards, with a snappy '85, again shows it has a way with Long Island chardonnay. Its brisk, slightly oaky '86 ($9.99) invites you back for a second glass. The premium wines of the Hargrave Vineyard on Long Island, and of the Hermann J. Wiemer Vineyard and Heron Hill Vineyards in the Finger Lakes, would invite you back, too. Alas, they were absent from the tasting.

I want to walk into a shop anywhere in this state and ask for an '85 Linda's Blush ($5.50) from Chateau Georges (soon to be renamed Rivendell Winery). Or an '85 Summertide ($5.99), a Cascade Mountain Vineyard white. I want the clerk to say, "The customer over there—in our Hudson Valley department—just asked for the same wines."

VALUES EDUCATION

HON. TONY P. HALL

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 11, 1987

Mr. HALL of Ohio. Mr. Speaker, today I am introducing legislation to create a Commission on Values Education. The purpose of this bill is to find out how we can better educate people to become productive members of society by identifying and promoting basic values.

Our Nation is in the grips of a moral recession. Our country has witnessed Watergate, Abscam, and Irangate. We pick up the papers and read about insider trading scandals, fraud in scientific research, bribery, kickbacks, and corruption.

Cheating in the schools is out of control. Teen pregnancy, teen suicide, and drug abuse are on the rise.

We are raising a generation of children who cannot distinguish between right and wrong. They are not prepared to make tough choices when there are gray areas or when values seem to conflict.

Mr. Speaker, I am not arguing that this is the fault of our schools. But schools can play a role in helping to instill values in individuals. The 1960's and 1970's saw a move toward "values free" teaching in which students were given the options, but no guidance toward answers. Now, many educators agree that schools should teach civic viture and take clear positions on right or wrong behavior.

Leaders from a wide range of political and social arenas and religious backgrounds have called for strengthening the teaching of democratic values.

H.R. —

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Commission on Values Education Act of 1987".

SEC. 2. PURPOSE.

The purposes of this Act are—

(1) to establish a commission to examine the issues associated with the teaching of values in elementary, secondary, and post-secondary schools, and in institutions of higher learning;

(2) to recommend to the President and to Congress how the Federal Government, through executive action and legislation, can promote the teaching of values in American schools, including (but not limited to) encouraging the offering of independent courses on values; and the integration of values in existing courses;

(3) to explore and assess a variety of approaches to teaching values;

(4) to identify those values supported by a consensus of Americans as essential to a complete education and preparation for becoming productive members of society, and which may be appropriately endorsed and promoted by the Federal Government; and

(5) to identify the ways in which judgments of values and of right and wrong are implicated in matters of public and private concern.

SEC. 3. FINDINGS.

The Congress finds that—

(1) many Americans no longer made determinations of right and wrong as to their own actions or the actions of others, and this phenomenon crosses economic, social, religious, and age lines, and is evident in matters of both public and private concern;

(2) institutions of education, which have traditionally played a role in assisting students to make such determinations, have abdicated this responsibility;

(3) this abdication is evident in a national epidemic of incidents in which people have failed to consider the ethics governing their behavior, in governmental and political activities, scientific research, and business and commerce;

(4) statistics show alarming increases in the incidence of teenage pregnancy, drug and substance abuse, and suicide among both young people and adults;

(5) polls reflect that Americans overwhelmingly prize values such as honesty, but believe that people are less honest today than in the past;

(6) this national moral recession has impaired the proper functioning of our system of democratic government;

(7) leaders across a wide spectrum of political, social, and religious beliefs believe that education for democracy must extend to education in moral issues, and have called for strengthening the teaching of democratic values; and

(8) while education remains the responsibility of local and State government, the Congress and Federal Government may appropriately provide assistance to educational agencies and institutions attempting to include values education in their curriculums.

SEC. 4. ESTABLISHMENT.

There is hereby established a Commission on Values Education, hereafter in this Act referred to as the "Commission".

SEC. 5. DUTIES.

The Commission shall—

(1) consider the widest range of values for inclusion in the consensus of values that should be taught, including traditional Judeo-Christian values, honesty, integrity, tolerance, self-discipline, self respect, civility, importance of family, justice, equality, the rule of law, individual rights, the common good, love of country, love of knowledge, responsibility and accountability, protection of oneself and others from degradation and abuse;

(2) conduct interviews, meetings, hearings, and conferences in various regions and localities in the United States to gather the opinions of a wide variety of individuals, including educators and educational administrators, students, parents, philosophers and theologians, civic, religious, and professional leaders, social service professionals, political leaders, persons prominent in the arts, entertainment, and sports, and concerned citizens;

(3) report its findings and recommendations to Congress and the President not later than one year after the enactment of this Act;

(4) include in such report its recommendations for specific legislation or executive actions, as well as broad policy goals and objectives;

(5) include in such report a recommendation as to the establishment within the Federal Government of a clearinghouse for current programs and ideas on values education;

(6) include in such report a recommendation to Congress as the appropriateness of institutional changes in the House of Representatives and the Senate, including the establishment of a Select Committee on Values Education;

(7) seek the cooperation, advice, and assistance of the Department of Education and such other Federal, State, and local agencies, and private and religious organizations, institutions, and associations, as may be helpful in carrying out its purposes and duties;

(8) recognize those individuals and institutions which have demonstrated outstanding success in teaching values; and

(9) identify the potential of values education for reducing the incidence of such problems as those mentioned in section 3(4) of this Act.

SEC. 6 MEMBERSHIP AND APPOINTMENT OF COMMISSION.

(a) MEMBERSHIP.—The Commission shall be composed of 17 members as follows:

(1) Seven members each appointed by the Speaker of the House of Representatives and the majority leader of the Senate, in consultation with the respective minority leaders, from among individuals who are broadly representative of, but not restricted to, the following groups—

(A) professional educators and educational administrators;

(B) parents of students at elementary, secondary, and postsecondary levels;

(C) students at secondary and post-secondary levels;

(D) philosophers, theologians, and religious leaders;

(E) State and local elected and appointed government officials, including members of State and local boards of educations;

(F) persons prominent in sports, the arts, and entertainment;

(G) persons active in business, the professions, or civic activities;

(H) social service professionals; and

(I) the general public.

(2) One member each of the House of Representatives and the Senate, designated by the Speaker of the House and the majority leader of the Senate, respectively.

(3) The Secretary of Education or his designee.

(b) VACANCIES.—A vacancy in the Commission shall be filled in the manner in which the original appointment was made.

(c) TERMS.—Members of the Commission shall be appointed for the life of the Commission.

(d) CO-CHAIRS OF COMMISSION.—The Speaker of the House and the majority leader of the Senate shall each designate one of their appointees as co-chair of the Commission.

SEC. 7. COMPENSATION.

(a) PAY.—Members of the Commission shall serve without compensation.

(b) TRAVEL EXPENSES.—Members of the Commission shall be allowed reasonable travel expenses, including a per diem allowance, in accordance with section 5703 of title 5, United States Code, when performing duties of the Commission.

SEC. 8. POWERS.

(a) MEETINGS.—The Commission shall first meet not more than 30 days after the date on which members are appointed, and the Commission shall meet thereafter upon the call of the chair or a majority of the members.

(b) HEARINGS AND SESSIONS.—The Commission may hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence as the Commission considers appropriate. The Commission may administer oaths or affirmations to witnesses appearing before it.

(c) ACCESS TO INFORMATION.—The Commission may secure directly from any Federal agency information necessary to enable it to carry out this title. Upon the request of the either co-chair of the Commission, the head of such agency shall furnish such information to the Commission.

(d) EXECUTIVE DIRECTOR.—The co-chairs of the Commission shall select an executive director of the Commission, who shall be paid at a rate no greater than that payable for grade GS-18 of the General Schedule.

(e) STAFF.—The executive director shall appoint such staff members as may be necessary to perform the work of the Commission. In allocating authorized, appropriated, and contributed funds, priority shall be given to those activities, such as hearings and conferences, designed to elicit the broadest public participation in the Commission's deliberations, rather than to the payment of professional staff.

(f) GIFTS AND BEQUESTS.—The Commission is authorized to accept, use, solicit, and dispose of donations of money, property, or personal services to perform the duties hereinbefore described. No donation may be accepted which prescribes or limits the purpose for which it may be used, or which exceeds $25,000 in the case of an individual donor, or $100,000 in the case of a corporation, partnership, association, or other organization or business association.

(g) USE OF SERVICES AND FACILITIES.—Upon the request of the Commission, the head of any Federal agency may make available to the Commission any of the facilities and services of such agency.

(h) PERSONNEL FROM OTHER AGENCIES.—Upon the request of the Commission, the head of any Federal agency may detail any of the personnel of such agency to assist the Commission in carrying out its duties.

SEC. 9. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to carry out this title $300,000 for fiscal year 1987, and such sum as may be necessary for fiscal year 1988. Amounts appropriated pursuant to this section are authorized to remain available until expended.

SEC. 10. TERMINATION.

The Commission shall terminate 30 days after the date of the submission of its final report to the Congress.

SEC. 11. CONGRESSIONAL HEARINGS REQUIRED.

Within 90 days after the submission of the Commission's report to the Congress, the Committee on Education and Labor of the House of Representatives and the Committee on Labor and Human Resources of the Senate shall conduct hearings on such report and the recommendations contained therein, and shall report to their respective Houses on the results of those hearings within 30 days after the completion of the hearing.

OUR INVOLVEMENT IN THE PERSIAN GULF

HON. THOMAS J. DOWNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 11, 1987

Mr. DOWNEY of New York. Mr. Speaker, today I am introducing a House resolution which maybe, just maybe, will bring a new, and much needed sense of direction to our involvement in the Persian Gulf.

I don't think that anyone in the House would stand in this well and assert that we have no legitimate interests in the Persian Gulf. We clearly do. But we also have an interest, I would think, in fostering the greatest possible sense of stability in that explosive region. In the interest of promoting that stability, Mr. Speaker, I think it is time that this Congress asked the President to request a meeting of the U.N. Security Council for the purpose of establishing a U.N. Peacekeeping Naval Task Force in the gulf.

I think it is equally clear that very few of my colleagues would come to this well and proclaim that the United Nations has been the vanguard of peace and security that it was originally designed to be. To do so might even be considered dangerous. It is equally dangerous, however, to deny the possibility that someday the United Nations might just provide the answer we need to one of the world's stickier international disputes.

We now have at least four nations "floating their boats" in or near the gulf: the United States, the Soviet Union, Great Britain, and France. And no matter how hard we try, we are unlikely to get any of them to leave, especially the Soviets. But wouldn't it make more sense to have those navies, and perhaps others, patrolling the gulf while flying the U.N. flag? Their mission would be straightforward—to ensure safe passage for nonbelligerent shipping in the gulf.

The United States has already paid dearly for its presence in the gulf, yet our national interests in the area remain the same: freedom of navigation, an end to the Iran-Iraq war, and avoidance of a superpower conflict in the gulf. Maybe the time is right to look to the U.N. Security Council for at least a partial solution to the problems that endanger those interests. I urge my colleagues to support this resolution.

I am submitting the text of my resolution for inclusion in the RECORD.

The resolution follows:

H. RES. –

Resolved, That (a) the House of Representatives urges the President to seek—

(1) a meeting of the United Nations Security Council for the purpose of establishing a United Nations peacekeeping naval force for the purpose of protecting nonbelligerent shipping in the Persian Gulf, and

(2) an immediate end to the Iran-Iraq war.

(b) The House of Representatives also urges the members of the North Atlantic Treaty Organization and all members of the United Nations Security Council to support the establishment of such a naval force as an effective instrument in bringing greater stability to the present situation in the Persian Gulf.

THE INEQUITY OF EXCISE TAXES

HON. MERVYN M. DYMALLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 11, 1987

Mr. DYMALLY. Mr. Speaker, I wish to share with my colleagues, information which shows serious inequities in proposals to raise Federal excise taxes, particularly as they affect minorities, blue-collar workers and women. This year we will consider many different options for raising revenues in order to reduce the Federal deficit. No doubt we will see complex analyses of the dollar value of those options. I hope that in this effort, we will not forget to carefully weigh the equity of these revenue proposals.

Excise taxes affect a host of everyday items such as gasoline, telephone service, cigarettes, and beer. It is clear that the impact of these regressive taxes hit low-income Americans much harder than wealthier Americans—as much as 15 times harder, according to a recent report by the Congressional Budget Office.

But perhaps less obvious is the alarming impact on particular population groups. Let me use as an example, tobacco excise taxes. I refer to my colleagues to a June 1986 report by the Policy Economics Group, entitled, "An Analysis of the Burden of Tobacco Taxes on Selected Demographic Groups." According to this detailed study, which considered average income, as well as behavorial factors, the tobacco excise tax is a significantly greater burden on the Nation's blacks, Hispanics, blue-collar families and female-headed households.

The excise tax burden on black households and blue-collar households is more than 30 percent higher than the average burden on all American families. The burdens on Hispanic and female-headed households are also significantly above average. Only white households show a tax burden below the national average.

These data illustrate the serious inequities which will result from utilizing excise taxes as a solution to our Federal deficit, inequities which already exist in our current excise tax policy. It is unacceptable to compound the damage by further increasing these taxes.

I am attaching an executive summary of the Policy Economic Group for your review.

EXECUTIVE SUMMARY

This report examines the burden of state and federal tobacco taxes by income class for five population subgroups. These subgroups are whites, blacks, Hispanics, blue collar households, and households headed by working women.

Data on actual smoking behavior by sex, age, income, race, and other characteristics of the population were used with a microsimulation model to determine the tobacco taxes paid by families in each income class within each population subgroup. The total tobacco taxes paid were compared to the total income of each income class to determine the distributional impact of combined state and federal tobacco taxes for each of the five subgroups and the total U.S. population.

At 1983 levels of income and taxes, the average effective tobacco tax rate in the United States was 0.32 percent of Household Income. However, a disproportionately large share of these taxes were paid by low income households. The effective tax rates for lower income families is much higher than the effective rate for higher income families.

The burden of tobacco taxes varies widely among different population groups. Of the population subgroups analyzed in this report, only whites have an effective tax rate that is below the average for all households. The other population groups examined have higher than average effective tax rates, reflecting differences in their incomes and smoking behaviors. The relative burden of tobacco taxes on black households and blue collar households is approximately 30 percent higher than the average burden on all families. The effective tobacco tax rates for each of the population subgroups are 0.31 percent for whites, 0.34 percent for households headed by working women, 0.35 percent for Hispanics, 0.42 percent for blue collar households, and 0.43 percent for blacks.

Only whites have a relative tax burden below average. Each of the other subgroups examined have higher than average tobacco tax burdens. Of these groups, the greatest tax burden is on black families and blue collar families, each of which has an effective tobacco tax rate that is more than 30 percent higher than average.

MICHAEL CHUHRA

HON. JOE KOLTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 11, 1987

Mr. KOLTER. Mr. Speaker, today I rise to honor a constituent of the Fourth District of Pennsylvania who will be honored June 17, 1987, by the community of Butler, in appreciation of years of volunteer work.

Mr. Michael Chuhra, a retired metallurigist of 24 years service at Armco Steel Co., has been active in scouting since February 17, 1924. He is a charter member of Boy Scout Troop No. 16 in Lyndora where he earned the rank of Eagle Scout. In 1944, Mr. Chuhra received the Silver Beaver Award, the highest award in scouting, for the many hours he has dedicated to young people.

Since 1931, Mr. Chuhra has been a Red Cross Instructor for first aid and CPR. He has trained thousands of State policemen, city and township police and firemen, Boy Scouts, Girl Scouts, school bus drivers and members of social service and community agencies. In 1985, he received an award from the Butler County Mental Health Association for the patient and sensitive manner in whch he taught CPR to mentally handicapped people.

He also donated 15 years of volunteer service to the Lyndora VFD Girls Drum and Bugle Corps.

For all these unselfish hours of giving and the many volunteer hours that were to follow, the Butler County Chamber of Commerce honored Mr. Chuhra with the 1983 Man of the Year Award.

Mr. Chuhra, despite numerous awards has never stopped giving to his community. His dedicated service has been invaluable to Butler County and I am proud to honor this distinguished, respected man by informing my colleagues of his untiring efforts.

THE PANAMA CANAL REVOLVING FUND OF 1987

HON. JACK FIELDS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 11, 1987

Mr. FIELDS. Mr. Speaker, I am today pleased to join with some of my colleagues from the House Merchant Marine and Fisheries Committee in introducing the Panama Canal Revolving Fund Act of 1987.

This legislation which is a product of several years of careful consideration will make a fundamental change in the financial structure of the Panama Canal Commission.

By way of background, the Panama Canal Commission [PCC] is an appropriated fund agency of the U.S. Government provided for by the Panama Canal Treaty of 1977 and established by the Panama Canal Act of 1979.

The Commission was established to operate, manage, and maintain the Panama Canal, its installations and equipment, and to provide for the orderly transit of vessels through the canal. Under the provisions of the treaty, the Commission will perform these functions until December 31, 1999, when the Republic of Panama will assume full operational responsibility for the canal.

By law, the Commission is required to recover through tolls and other revenues all costs of operating and maintaining the canal, including interest in the U.S. investment in the canal, depreciation, capital for plant replacement, expansion and improvements, and payments to the Republic of Panama as stipulated by the Panama Canal Treaty of 1977. In addition, the canal is required to operate on a break-even basis at no cost to the U.S. taxpayer.

While it has been 10 years since the signing of the Panama Canal Treaty and nearly 8 years since the creation of the PCC, this agency and its operation continues to be a source of great confusion for many Members of the House of Representatives.

In fact, the best example of this confusion may have occurred just last year during the debate on the Balance Budget and Emergency Deficit Control Act of 1985.

While no taxpayer funds are authorized or appropriated to the Commission, the PCC was, nevertheless, included under the automatic reduction enforcement provisions of the Gramm-Rudman-Hollings law.

As enacted, the Commission faced the devastating prospect of having its fiscal year 1986 appropriations level reduced by $18.3 million. While the Commission is a U.S. agency, it was inappropriate to subject the Commission to the provisions of this law since any budget savings could not be used to help balance the Federal budget but would have to be paid to the Republic of Panama as stipulated in paragraph 4(c) of article XIII of the Panama Canal Treaty of 1977.

While fortunately the Congress approved legislation, which I authored, to exempt the Panama Canal Commission from the Gramm-Rudman-Hollings law, it is clear that the Commission will continue to be subjected to further budget reduction efforts in the future.

Because of the unique and self-sustaining nature of the PCC, it makes no sense and is, frankly, counterproductive for this agency to have to fight every year to retain its own self-generated revenues.

It is for this reason, Mr. Speaker, that I am today introducing legislation to replace the PCC's burdensome financial structure with a more simplified and efficient one.

While there are several ways to accomplish that goal, I believe the best approach is to replace the Commission's current appropriated fund structure with that of a revolving fund system.

I will say to my colleagues that this approach was not selected in haste but is based on several years of discussion and testimony before the House Panama Canal/OCS Subcommittee, of which I am the ranking minority member.

This legislation, which is supported by both the Reagan administration and the Republic of Panama, has been carefully drafted to allow the Commission greater flexibility to operate without giving up congressional control over the financial workings of this agency.

If enacted, a revolving fund would allow the Commission to simplify its financial structure, to respond more quickly to changing business and shipping conditions and to eliminate the problem of not having sufficient capital in the beginning of each fiscal year.

In addition, a revolving fund would allow the Commission to avoid having to go through the agonizing budget process of trying to compete for its fair share of its own revenues.

Mr. Speaker, while I intend to submit for the RECORD a detailed section-by-section of the analysis of this proposal, I would like to briefly highlight several key provisions.

First, this legislation transfers all unexpended revenues form the Panama Canal Commission Fund and the Panama Canal Emergency Fund to the newly created Panama Canal Revolving Fund. In this way, the Commission will be able to obligate and spend its financial resources in a much more timely and effective manner. In addition, it is clear that this approach will eliminate a serious and persistent accounting problem now facing the Panama Canal Commission. This problem is caused because of the significant timelag between when canal revenues are deposited in the U.S. Treasury and when they become available to the PCC. As a result, the Commission invariably has a cash-flow problem at the beginning of each fiscal year.

Second, because the Commission will now have ready access to their revenues, they will no longer require the use of, as a backstop, two types of U.S. taxpayer funds. These include: the $85.0 million which represents the unpaid balance from the Commission's original appropriation in fiscal year 1980 from the general fund and the $61.2 million in interest payments on our investment in the canal which were deposited in the PCC Fund from October 1, 1979, to December 31, 1985.

While these funds would have been transferred to the U.S Treasury on December 31, 1999, this legislation accelerates that transfer by 12 years and ensures that the U.S. taxpayers receive the benefit now of some $147 million.

Third, this bill will allow the Panama Canal Commission to borrow from the U.S. Treasury up to $100 million. While the Commission does not anticipate having to utilize this authority, this will ensure that in case of an emergency, like the massive landslide last year, the Commission can respond quickly to those conditions and the canal will remain open and safe for all international shipping. In addition, under this proposal any borrowing would have to be repaid by the Panama Canal Commission.

Fourth, the bill will allow the nine members of the Panama Canal Commission Board of Directors, to receive expenses and compensation when they travel on official Panama Canal business as authorized by the Chairman of the Board.

Fifth, this proposal will allow the PCC to negotiate its own lease for office space and any improvements in those contracts. Since U.S. taxpayer funds are not used to pay the rent on these facilities, it makes little sense for the Commission to fall under the auspices of the General Services Administration.

Finally, while this bill will give the Commission an increasing amount of flexibility, there is a need for Congress to retain some active control over the budget requirements of this U.S. agency. As drafted, this legislation will require the Commission to receive an annual authorization from the Congress. However, in the event that the Congress is unable, for whatever reason, to enact such an authorization bill into law, then the Commission will be able to operate for an additional fiscal year with the limitation that is spend no more than is deposited in the Panama Canal Revolving Fund.

Mr. Speaker, there is no logical reason to continue to subject the Commission to the burdensome, ineffective and inefficient accounting system which they currently operate under as an appropriated fund agency. I urge my colleagues to carefully review this important legislation and join me in supporting the Panama Canal Revolving Fund Act of 1987.

Mr. Speaker, I would ask unanimous consent that the section-by-section analysis of the bill appear in the RECORD at this point.

ANALYSIS OF THE PANAMA CANAL REVOLVING FUND ACT

I. INTRODUCTION

The following analysis is to accompany the Panama Canal Revolving Fund Act of 1987, an Act to convert the Panama Canal Commission from an appropriated-fund agency to a revolving-fund agency.

The most significant change which this Act would accomplish is to convert the Panama Canal Commission from an appropriated-fund agency to a revolving-fund agency. The Congress has established a number of revolving funds to improve and give flexibility to certain business-type activities of the Federal Government that are required to operate on a self-sustaining basis. Bringing the Panama Canal Commission under the revolving-fund arrangement would not only simplify its financial structure, but would also offer it the flexibility in expenditures necessary to meet unforeseen business conditions. The Commission would continue to be subject to review and control by the Congress.

II. SECTION-BY-SECTION ANALYSIS

Section 1. Short title, etc.—This section provides a short title, the "Panama Canal Revolving Fund Act."

Section 2. Panama Canal Revolving Fund.—This section amends section 1302 of Public Law 96-70 to establish the "Panama Canal Revolving Fund" and to terminate the "Panama Canal Commission Fund". This section also provides for the appropriation to the Panama Canal Revolving Fund, on the effective date of this Act, the unappropriated balance in the Panama Canal Commission Fund, and the transfer of the unexpended balance of appropriations available to the Commission. It also terminates the Panama Canal Emergency Fund and transfers the balance remaining in it to the Panama Canal Revolving Fund.

Subsection (b) of section 1302 also provides for the transfer from the Panama Canal Revolving Fund to the general fund of the Treasury amount attributable to interest on the United States' investment in the Panama Canal which accrued after October 1, 1979 and before January 1, 1986 and the transfer of the balance of the fiscal year 1980 appropriation. Unlike appropriations enacted since that fiscal year, appropriations for fiscal year 1980 were not derived from Commission revenues, and the Treasury has not been fully reimbursed for this appropriation. The Commission has retained these funds in order to provide the Commission adequate financial resources to backstop its obligations. Because this amendment would require the funds to be transferred to the general fund, the Act provides a substitute obligational authority in the form of a borrowing authority. (See Section 3 of this Act.) With this payment, the Treasury would be made whole for all funds appropriated for fiscal year 1980.

This section requires that all receipts be deposited into the Panama Canal Revolving Fund and prohibits the Commission from obligating its funds, except in accordance with Congressional authorization. In the event that, for any reason, authorizing legislation is not enacted for a fiscal year, this section authorizes the Panama Canal Commission to continue operating for not longer than the fiscal year following the fiscal year in which the authorization bill failed to pass. Spending limitations of not more than 30 percent of that amount included in the President's budget pertaining to the Panama Canal may be expended for each quarter of the fiscal year. The total amount of expenditures shall not exceed 100% of the funds deposited in the revolving fund, excluding borrowing authority. This section is intended to preserve the authority of Congress to oversee and authorize each year's budget. Finally, subsection (d) provides that moneys of the Fund may be deposited in any depository, as agreed between the Commission and the Secretary of the Treasury.

Section 3. Borrowing Authority.—This section adds section 1304 to Public Law 96-70 to allow the Panama Canal Commission to borrow money from the Treasury up to $100,000,000 for any of the purposes of the Commission. Section 1303 requires that any amounts borrowed under this authority be repaid to the U.S. Treasury no later than December 31, 1999. It also provides that any amounts borrowed cannot be used for payments to Panama under Article XIII of the Panama Canal Treaty of 1977 and requires the Commission to report to the Congress and to the Office of Management and Budget on any borrowing made under this authority. This section also requires that any amounts borrowed shall increase the investment of the United States in the Panama Canal and repayments shall decrease the investment. Interest payments to the Treasury would increase and decrease accordingly.

Section 1302(b) of the Panama Canal Act as amended by this Act requires the Commission to transfer to the general fund of the Treasury: (1) interest accrued before January 1986 and, (2) the unreimbursed portion of the fiscal year 1980 appropriation. In the past these two amounts provided an essential backstop obligational authority for the Commission, and, without these funds, some other obligational authority is required. The Panama Canal Company had a similar borrowing authority (in the amount of $40 million). It is anticipated that the Commission, like the Canal Company, will not actually need to draw on this authority but will use it as a backstop to assure its continued solvency.

Section 4. Calculation of Interest.—This section amends section 1603(b) of Public Law 96-70 to increase the investment of the United States in the Panama Canal by the amount of expenditures made from the Panama Canal Revolving Fund and decrease that investment by the amount of funds deposited in the Panama Canal Revolving Fund. Amended section 1603 would provide that interest on the investment of the United States in the Panama Canal be paid into the Treasury as miscellaneous receipts, and, accordingly, deposits of interest will not serve to reduce the investment base.

Section 5. Payments to the Republic of Panama.—This section amends section 1341(e) of Public Law 96-70 by adding to the list of items to be taken into account in determining whether Panama is to receive a payment under paragraph 4(c) of Article XIII of the 1977 Treaty amounts programmed to meet working capital requirements. (See discussion under section 7, below.)

Section 6. Insurance.—This section amends section 1419 of Public Law 96-70 to authorize the Commission to purchase insurance to protect it against unpredictable events in addition to catastrophic marine accidents. This would include authority to purchase insurance to cover business interruptions including those which may result from earthquakes, landslides, civil commotions, or labor strife.

Section 7. Bases of Tolls.—This section amends section 1602(b) of Public Law 96-70 to add a provision to include working capital requirements as an element to be recovered from tolls. This working capital provision is necessary to insure that, over time, the solvency of the Commission is not impaired. It would provide a source of funds not presently available to cover the cost of increased working capital requirements which may be needed when necessary inventory levels are increased either in real terms or by inflation. This provision gives recognition to the fact that, under the Panama Canal Act, the Commission is, for all practical purposes, precluded from generating profits which, along with borrowed funds, is the principal source used by the business world for financing working capital needs. For example, if the Commission were to require an increase in inventory levels (or were the values of such levels impacted severely by inflation) it would, without this provision, have no resources available to meet these requirements.

Section 8. Compensation for Board Members.—Members of the Board are allowed travel or transportation expenses and are authorized to be compensated at the daily equivalent of the annual rate of basic pay in effect for grade GS-18 of the General Schedule under section 5332 of title 5, United States Code, for each day during which they are traveling to or from or attending meetings of the Board.

This section permits the same expenses and compensation to be paid to Members when they are traveling on other official Panama Canal Commission business as authorized by the Chairman. Such other official business would include travel to Washington, D.C. for appearances before federal government agencies and before the Congress.

Section 9. Authority to Lease Office Space.—Currently, the Washington Office of the Panama Canal Commission is required to lease office space through the General Services Administration (GSA). GSA, in March 1985, required the office to relocate from 13th Street to its current office at 2000 "L" Street. With the expiration of the current lease agreement in 1988, it is entirely possible that this office would be required to move to another building in Washington since GSA is embarked on a program of consolidation of leased space. Another move would be of considerable disruption to Commission operations. This authority would save funds for the U.S. taxpayer in that any directed move is paid for by GSA funds.

This section exempts the Commission from GSA control and authorizes it to negotiate its own lease for office space and contracts for improvements thereof. This authority will be of no cost to the U.S. taxpayer.

Section 10. Technical and Conforming Amendments.—This section makes technical amendments to sections 1246, 1343, and 1344(b)(4) of Public Law 96-70, as amended, to conform those sections to the relevant provisions of this Act. It also makes a technical amendment to section 8348(i)(2) of title 5, United States Code, to conform that section to the relevant provisions of this Act.

Section 11. Effective Date.—This section provides that the Act is effective on October 1, 1987.

INTRODUCTION OF LAKE ANDES-WAGNER BILL

HON. TIM JOHNSON

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 11, 1987

Mr. JOHNSON of South Dakota. Mr. Speaker, I have today introduced a bill to authorize the Secretary of the Interior to construct, operate, and maintain the Lake Andes-Wagner unit and the Marty II unit as elements of the Pick-Sloan Missouri Basin Program.

Both Lake Andes-Wagner and Marty II are located in Charles Mix County in south central South Dakota, almost literally in the shadow of Fort Randall Dam, one of the six Pick-Sloan dams on the mainstem of the Missouri itself. It is from Lake Francis Case, the reservoir formed by Fort Randall, that the water suppy for these units would come.

The Lake Andes-Wagner unit would irrigate about 45,000 acres, including about 1,700 acres of Indian-owned land located on the Yankton-Sioux Reservation. This is substantially less acreage than the 97,000 acres available in the Lake Andes-Wagner irrigation district. All of the lands that are included in the Lake Andes-Wagner unit are being dry-land farmed. No new acreage will be brought in. The Marty II unit is made up entirely of Indian-owned land, about 3,000 acres, located entirely on the Yankton-Sioux Reservation and would be operated by the Yankton-Sioux Tribe.

As is well known, the Pick-Sloan Missouri Basin Program was authorized by section 9 of the Flood Control Act of 1944. Inseparable from Pick-Sloan itself is the O'Mahoney-Millikin amendment contained in section 1 of the 1944 act. O'Mahoney-Millikin guarantees to the arid and semiarid regions of this country the integrity of their State water laws. It does this by providing that in the vast area of our country stretching from the State transected by the 98th meridian westward to the Pacific, comprising the 17 reclamation States, the waters flowing in the river systems of that region will not be preempted, when needed for upstream beneficial consumptive uses, by prior navigation use.

O'Mahoney-Millikin made it possible to coordinate the separate Pick and Sloan plans into one overall basin-wide program. The central theme of that program was that the great mainstem dams would, on the one hand, provide storage for the flood control and navigation benefits to downstream Missouri basin States and, on the other hand, these reservoirs would also provide mainstream water to irrigate substantial acres of land in the upper basin States. An additional feature of Pick-Sloan was the development also of tributary streams, again for flood control but principally for irrigation and other consumptive uses. Nebraska and Kansas, particularly, have benefited from that tributary irrigation development.

Pick-Sloan has always been regarded as a framework in which adjustments and modifications could and would be made while achieving its promised goals. In other words, the means might change, but not the ends.

The mainstream Pick-Sloan dams were built relatively early. Fort Peck, completed in 1939, actually preceded Pick-Sloan itself, but under the Pick-Sloan it has been integrated into the entire program. Therefore it is considered to be one of the six Pick-Sloan mainstem reservoirs. Fort Randall itself was completed in 1952, Oahe and Gavins Point in 1955, Garrison in 1956, and Big Bend in 1963.

The promised upstream irrigation using mainstem Pick-Sloan water has not only lagged but even today it remains nonexistent. In large measure the irrigation from mainstem Missouri waters was intended to compensate the upper basin Missouri River basin States for the vast acreage of bottom lands that became the reservoirs created by the mainstem dams. Unfortunately, that commitment remains unfulfilled.

Nevertheless, time and again Congress has recognized and repeated the Pick-Sloan commitment, we need look no further back than November 17 of last year when Public Law 99-662, the Water Resources Development Act of 1986, was signed into law. Section 1122 of that act renews Congress' commitment to achieve the goals of Pick-Sloan within the framework of the principles underlying that program.

The consequences of the failure thus far to achieve the upstream consumptive uses promised by Pick-Sloan have been particularly severe on South Dakota as well as North Dakota. Of the six mainstem reservoirs, three are located entirely in South Dakota. These are Lake Francis Case, formed by Fort Randall Dam, Lake Sharpe, formed by Big Bend Dam, and Lewis and Clark Lake formed by Gavins Point Dam. A fourth reservoir, Lake Oahe, formed by Oahe Dam, occupies extensive areas in both North and South Dakota. It is ironic that two of these reservoirs are named for South Dakotans who labored hard and long to reach the agreement with the lower basin States that made the 1944 authorization possible. Francis Case in 1944 was a member of the House of Representatives from South Dakota who took an active part in the forging of Pick-Sloan and O'Mahoney-Millikin, M.Q. Sharpe was then the Governor of South Dakota. Governor Sharpe, with his fellow-Missouri River basin State Governors, hammered out the resolution of agreement of the basin State Governors which cleared away the last obstacle to Congress' enactment of both O'Mahoney-Millikin and Pick-Sloan.

As stated earlier, both the Lake Andes-Wagner unit and the Marty II unit are located in Charles Mix County, SD, as is Fort Randall Dam and the greater portion of Lake Francis Case. All in all, a total of about 58,000 acres in Charles Mix County are under the water stored by Fort Randall Dam and have been for more than three decades. An additional 63,000 acres in the neighboring Gregory, Brule and Lyman Counties also have been a part of the reservoir area for the same period. State-side, South Dakota has lost over 500,000 acres to the mainstem Pick-Sloan dams and reservoirs.

The adverse economic impact in South Dakota alone of these land losses is staggering. A research report has been prepared by Dr. Jay A. Leitch of Moorhead, MN, for the State of South Dakota which documents the economic losses suffered by South Dakota. I include here the "Highlights" portion of Dr. Leitch's report:

> "Land inundated by the Oahe, Big Bend, Fort Randall, and Gavins Point dams and associated reservoirs has resulted in a significant amount of foregone economic activity in South Dakota. The amount of potential economic activity in 1985 was estimated for a counterfactual situation where the water projects were absent and the 500,000 acres of land were not inundated. Economic activity foregone due to inundation includes dryland and irrigated cropland, pastureland, and woodland. Expenditures resulting from these activities were applied to an input-output model to estimate foregone personal income, retail trade activity, total business activity, and employment.
>
> "Oahe Reservoir was the largest of the four South Dakota projects with an inundated area estimated at 319,000 acres in 1985. Economic activity foregone as a result of Lake Oahe was estimated to include the loss of $18 million in personal income, $18 million in retail trade activity, and $53 million in total business activity. Also, 835 jobs were lost because of the foregone economic activity from that land.
>
> "The other projects covered smaller acreages, and, as would be expected, had smaller foregone levels of economic activity. Total economic activity lost for Big Bend, Fort Randall, and Gavins Point amounted to $8 million, $15 million, and $4 million, respectively, for 1985. Foregone personal incomes for Big Bend ($2.5 million), Fort Randall ($5.3 million), and Gavins Point ($1.3 million) were smaller than those for the Oahe Reservoir, but were not insignificant. Corresponding lower levels of retail trade activity foregone for the three projects were estimated at $2.8 million, $5.2 million and $1.3 million, respectively.
>
> "Estimated sales and use tax collections lost to South Dakota as a result of inundated land amounted to $1.1 million for 1985. Cumulative foregone personal income over the approximately 30 years of inundation may be as much as $378 million. The key economic indicators presented provide an indication of the foregone economic activity that South Dakota has incurred because of land inundated for the four dams and associated reservoirs."

For Fort Randall and Lake Francis Case alone, Dr. Leitch determined that just for the year 1985 $15,167,000 in business activity was foregone. Jobs foregone for that year totaled 230. The cumulative adverse impact on economic activity from the loss of land occasioned by Fort Randall is $81,000,000 in personal income, $92,000,000 in retail trade, for a total cumulative business activity foregone of $256,000,000. The comparable figure for South Dakota as a whole is $1,118,000,000 in foregone business activity. No doubt adverse impacts of similar magnitude occur in North Dakota and in the other upper basin States.

The magnitude of these figures helps explain why the upper basin States are so concerned about the delay in the Federal water development aspects of Pick-Sloan that they had every right to expect in order to recompense the sacrifices they made so that downstream States can enjoy the navigation and flood control benefits of Pick-Sloan.

The massive 750,000 acre Oahe Irrigation unit which was to be the principal Pick-Sloan irrigation benefit for South Dakota is no longer a possibility. It is now incumbent, if the promise of Pick-Sloan water resource development in South Dakota is to materialize rather than remain a mere mirage, to get worthwhile and desperately needed water development projects underway. The Lake Andes-Wagner and Marty II units meet those tests.

As the Bureau's feasibility report on the Lake Andes-Wagner unit observes:

> The area is sparsely populated * * *. Since 1950, Charles Mix County has experienced a net outmigration, and the rural population has continued to decline. Agriculture is the mainstay of the economy. About 20 percent of the population in the immediate project area are native Americans of the Yankton Sioux Indian Tribe, among whom the unemployment rate is about 78 percent.—*Lake Andes-Wagner Unit, Planning Report/Final Environmental Statement,* S-i. (Hereinafter, the 'feasibility report' or the Lake Andes-Wagner feasibility report.)

The feasibility report also explains—table 15 at p. 73—that the entire population of Charles Mix County is 9,680—1980 census—and that with existing conditions, and so forth, the no action alternative, the projection is for a further 4-percent decrease in population by 2010. On the other hand, with the project, the county's population would increase about 8 percent by the year 2010.

In sum, without the project, the area's economy and population will continue to shrink.

These facts explain why the local sponsors of the unit are not only willing but anxious to proceed under the conditions spelled out in the bill. They realize that the financial burdens they will bear are heavy but they are willing to bear them if that will enable the project to become a reality. For them it means the difference between continuing the existing economic degeneration and a reasonable chance at economic survival.

The burdens the would-be water users of Lake Andes-Wagner are willing to bear include a reasonable degree of cost sharing over and above the cost sharing that the project sponsors have already provided and the income they have already foregone as a result of the productive land loss that resulted from Fort Randall's construction.

Cost sharing possibilities are being intensively considered by the irrigation district and Gov. George S. Mickelson with the assistance of the South Dakota Department of Water Resources. The Governor expects shortly to be in a position to present proposals to the Interior Department and to the Congress.

In this connection I would emphasize that the local people have already made a major cost sharing contribution and they will take on themselves additional substantial costs even in the absence of the further cost sharing that they expect to propose. For example:

The Lake Andes-Wagner Irrigation District has expended $1,093,043 for planning and design. These funds were obtained by a bond issue which the district is still paying off with interest.

The project sponsors have also incurred $600,000 in loan obligations to the State of South Dakota to finance additional planning, surveying and design.

The Southern Missouri Water Development District assisted the project sponsors with technical and financial assistance totaling an additional $35,000.

If the Lake Andes-Wagner unit is authorized, the Lake Andes-Wagner Irrigation District is committed to design and to construct the distribution system at a savings to the Federal Government of an estimated $6,450,000. That saving is reflected in the Federal construction cost stated in the Lake Andes-Wagner feasibility report.

The foregoing already existing cost sharing totals $9,378,043. That alone represents an initial cost sharing of almost 6 percent of the total Lake Andes-Wagner estimated construction cost of $157,650,000.

A typical Charles Mix County farm is an integrated livestock and feed grain operation with the farmers growing feed grains—corn, barley, oats, and grain sorghum—as feed for their livestock. A principal reason for the continuing decline in the local economy is the erratic precipitation pattern. When an all too often dry year hits the area, feed grain and alfalfa production suffers and if the operations are to continue, livestock feed must be imported and purchased. Unfortunately, the high cost of feed and hay and related transportation costs often create economic hardship in dry years. As a consequence, when the drought is severe, the farmer is forced to sell off his livestock, including breeding stock, usually at depressed prices. It is little wonder that the number of farmers has been declining for the past 37 years and will continue to decline in the absence of irrigation opportunities.

The project sponsors are, of course, aware that acreage reduction programs are in effect under the provisions of the Agricultural Act of 1949 as amended by Public Law 99-198 and Public Law 99-260 (7 U.S.C. section 1421 et seq.) for corn, barley, oats, and grain sorghum. Indeed, the farmers in the project area participate in those programs which are specifically authorized for the period 1986-90 by title V of Public Law 99-198—7 U.S.C. sections 1461-69.

The plan for the Lake Andes-Wagner unit described in the Bureau's feasibility report calls for a diversification of the area's agriculture by transferring some of the acreage now devoted to feed grains to specialty crops such as potatoes. A recent privately funded feasibility study demonstrates that there is a market for processed potatoes through the establishment of a processing plant in the area. The proposed irrigation development will make this possible. The Bureau's studies substantiate the fact that, under irrigation, potatoes can be successfully grown in the area. The planning report anticipates that an average of 12,000 out of the 45,000 irrigable acres in the unit could be converted from feed grains to specialty crops.

The yield of the lands remaining in feed grains would be stabilized under irrigation, substantially reducing or eliminating the need for purchase and import of feed grains and hay in the dryer years, thereby stabilizing the integrated family farm operation.

In the recently adopted Garrison legislation—Public Law 99-924, May 12, 1986—there was included a provision, section 7, that a "surplus crop production charge" equal to 10 percent of full cost of irrigation development be imposed annually on the delivery of project water for the production of surplus crops. This charge would be in addition to the annual payment of construction and operation, maintenance and replacement charges required from the water users under their 40-year repayment contracts. A similar provision requiring payment of 100 percent of full construction cost would be required if H.R. 1443, 100th Congress, were to be enacted.

The argument offered in support of such surcharges is that they would eliminate so-called "double subsidies"—one subsidy being that the water users on Federal reclamation projects pay only those irrigation costs which are within their repayment ability, with the balance, without interest, being repaid from other project revenues, such as project power revenues. The other subsidy referred to is the payment made to the farmer under the Farm Program.

This rationale overlooks some significant factors. One is that since, by definition, under the Federal reclamation laws, water user payments are tied to ability to pay, where small, family type farm operations are carried on—as would be the case in Lake Andes-Wagner—there are no excess land holdings, the surcharge means that the farmer will not sign repayment contracts because the cost of water would be prohibitive. The practical result is that the irrigation project would not be undertaken. In the case of Lake Andes-Wagner, without irrigation the area's economy will continue its slow decline and the already sparse population will continue to become smaller. The double subsidy would certainly be eliminated under such circumstances by the simple fact of not having an irrigation project. In the end, in the case of Charles Mix County, there would be no agricultural subsidy at all because the farmers would have to leave the area. That would, of course, bring about its own social costs or subsidies if you will. Is that really a desirable solution to the family farm problem?

A second factor overlooked is that to qualify for farm support payments a substantial percentage of the land previously devoted to supported crops—in this case feed grains—must be retired from such production.

The farmers who constitute the Lake Andes-Wagner Irrigation District propose, and this is reflected in section 2(e) of this bill, propose to eliminate any issue of double subsidy by a workable and realistic provision.

The Feed Grain Program now in effect was established under the provisions of the Food Security Act of 1985, Public Law 99-198, as amended by the 1986 amendments, Public Law 99-260. It is codified as 7 U.S.C. sections 1461-1469. Under that program, if land is converted from dry-land farming to irrigated farming, with a consequent increase in per acre yield, payment for the 1986 and 1987 crop years must be based only on the established dry-land yield determined upon the basis of a formula which involves the previous 5 year dry-land production and acreage. For the 1988 and subsequent crop years, the Secretary of Agriculture is authorized—but not required—to include the preceding year's production in the determination of the 5-year average.

In order that there can be no inclusion of increases in crop yield due to irrigation, in determining payments under 7 U.S.C. sections 1461-1469, section 2(e) would for the Lake Andes-Wagner and Marty II units require that the Feed Grain Program acreages and production be based upon the dry-land production and acreage. Specifically, the base acreage to which the reduction in acreage planted would be applied would be the average based on the Food Security Act formula applied to the 5 crop years immediately preceding the year in which the development period is initiated. Similarly, the average per acre yield upon which payments are calculated would, for Lake Andes-Wagner and Marty II, be the average per acre yield determined on the basis of the same period. Furthermore, these same bases would, in the case of Lake Andes-Wagner and Marty II, continue in effect during any future extensions of feed grain programs which Congress may enact to succeed the present program which expires with the 1990 crop year.

Under this approach, the Lake Andes-Wagner and Marty II farmers would not be deprived of the Pick-Sloan irrigation benefits which are necessary for their survival as viable farmers but they would not receive additional subsidies because of increased production per acre by reason of converting lands from dry-land to irrigated farming.

A section-by-section analysis of this measure follows.

Section 1(a) recognizes that the authorizations of the Lake Andes-Wagner unit and of the Marty II unit are in partial response to the loss of lands, both non-Indian and Indian, occasioned by construction and operation of the mainstem Missouri River reservoirs which are included in the Pick-Sloan Missouri Basin Program. The adverse economic impact of the taking of lands for Fort Randall Dam and Lake Francis Case is considered at length above.

Section 1(b) provides that construction and operation of the 45,000 acre Lake Andes-Wagner unit—which includes about 1,700 acres of Indian-owned lands—shall be substantially in accordance with the Bureau of Reclamation feasibility report. The feasibility report describes in detail the physical features that would be constructed, the location and irrigability of the lands involved and the facilities for mitigation of adverse environmental impacts and for the enhancement of environmental conditions. Environmental impacts and mitigation are discussed in detail in chapters III and V and the environmental commitments are summarized in appendix A-3—A-5. For convenience this appendix is included with these remarks following the text of the bill itself.

Section 1(c) relates specifically to the Marty II unit and is described separately below.

Section 2(a) is a standard provision by which newly authorized Pick-Sloan units are integrated with the entire Pick-Sloan Missouri Basin Program. This assures, among other things, the availability of Pick-Sloan power reserved for project pumping and assistance in repayment of irrigation costs from Pick-Sloan power revenues, in accordance with the Pick-Sloan principles reaffirmed by Congress in section 1122 of the Water Resources Development Act of 1986, Public Law 99-662.

Section 2(b) deals with the 1,700 acres of Indian lands included in the Lake Andes-Wagner unit. It provides an exception in favor of these Indian lands to the limitation that prevails as to other Pick-Sloan lands against both the availability of power for on-farm irrigation facilities as a project use and the providing of on-farm irrigation facilities as project features. For non-Indian lands, project pumping power is to be available for pumping and distribution only to and including the so-called first lift, which excludes on-farm irrigation use. And on-farm irrigation facilities are the responsibility of the individual farmers rather than of the unit itself. The exception for the Indian lands is in recognition of the special economic needs of the Indians. The cost estimates in the planning report and the amounts authorized to be appropriated—section 4(a)—take these special circumstances into account.

Section 2(c) assures that repayment of irrigation costs will be in accordance with existing reclamation law for the non-Indian lands and in accordance with the Leavitt Act for Indian lands. As to repayment by the water users of irrigation construction costs of non-Indian lands, under section 9 of the Reclamation Project Act of 1939, the repayment period may not exceed 40 years following the development period. The feasibility report assumes a 2-year development period.

Section 2(d) authorizes the acquisition by the Secretary of the Interior of right-of-way over Indian lands by exchange as an alternative—but not to the preclusion of—acquisition of such lands by other authorized means.

Section 2(e) precludes the so-called double subsidy. This provision has been addressed in detail above.

Section 3 is the standard provision which invokes the body of Federal reclamation law except as otherwise provided in the bill, for example, the special provisions dealing with Indian lands.

Section 4 covers the authorizations for appropriations for both the Lake Andes-Wagner and the Marty II units. The formula for indexing is standard.

It should be borne in mind that, as already explained, the appropriation authorizations for the Lake Andes-Wagner unit are net of the more than $9,340,000 which has already been provided as cost sharing. Also, as discussed earlier, the Governor of South Dakota, with the assistance of the South Dakota Department of Water Resources, and the Lake Andes-Wagner Irrigation District are jointly exploring additional cost-sharing possibilities which Governor Mickelson expects to present in the near future. Such cost sharing proposals, if accepted, would of course further reduce the need for appropriations.

Sections 1(c)(1) and (2) are specific with respect to the Marty II unit. While detailed planning for that unit is not yet complete, studies already completed cover the land classification, enable a specification of the maximum acreage involved and the preparation of the cost-estimate. Section 1(c)(1) includes the authorization for Pick-Sloan power for pressurization and for on-farm irrigation facilities.

Because planning is not yet complete, section 1(c)(2) precludes the initiation of construction of the Marty II unit until the Secretary of the Interior certifies the land classification and completes the environmental impact statement which will include the mitigation plan.

The text of the Lake Andes-Wagner bill follows, together with the list of environmental commitments for the Lake Andes-Wagner unit—appendix A-3—A-5 inclusive.

H.R. —

A bill to authorize the Secretary of the Interior to construct, operate, and maintain the Lake Andes-Wagner Unit and the Marty II Unit, South Dakota Pumping Division, Pick-Sloan Missouri Basin Program, South Dakota

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SEC. 1(a) In partial recognition of the inundation of lands in South Dakota, including lands in the Yankton Sioux Indian Reservation, by mainstem Missouri River reservoirs constructed and operated by the United States under the comprehensive plan approved and authorized by Section 9 of the Flood Control Act of December 22, 1944 (58 Stat. 887, 891) as amended and supplemented (hereinafter the "Pick-Sloan Missouri Basin Program") the Secretary of the Interior (hereinafter the "Secretary") is authorized to construct, operate and maintain the Lake Andes-Wagner Unit and the Marty II Unit, South Dakota, as Units of the South Dakota Pumping Division, Pick-Sloan Missouri Basin Program.

(b) The Lake Andes-Wagner Unit shall be constructed, operated and maintained to serve approximately 45,000 acres substantially as provided in the Lake Andes-Wagner Unit Planning Report/Final Environmental Impact Statement filed September 17, 1985.

(c)(1) The Marty II Unit shall include a river pump, irrigation distribution system, booster pumps, irrigation sprinkler systems, farm and project drains, electrical distribution facilities, and pressurization to serve approximately 3,000 acres of Indian owned land in the Yankton Sioux Indian Reservation.

(2) Construction of the Marty II Unit shall not be undertaken until certification of the irrigability of the lands by the Secretary and completion of an environmental impact statement and mitigation plan for any adverse effects.

SEC. 2(a) The Lake Andes-Wagner Unit and the Marty II Unit shall be integrated physically and financially with other Federal works constructed under the Pick-Sloan Missouri Basin Program.

(b) The Lake Andes-Wagner Unit shall include on-farm pumps, irrigation sprinkler systems and other on-farm facilities necessary for the irrigation of approximately 1,700 acres of Indian-owned lands and use of electric power and energy required to operate the facilities for the irrigation of such Indian-owned lands and to provide pressurization therefor shall be deemed a project use.

(c) Repayment of construction costs of the Lake Andes-Wagner and Marty II Units allocated to irrigation (both those assigned for return by the water users and those assigned for return from power revenues of the Pick-Sloan Missour Basin Program) shall as to each unit be accomplished in not to exceed forty years following the development period, except that repayment of such costs allocated to irrigation of Indian-owned lands shall be governed by 25 U.S.C. § 386a.

(d) Indian-owned lands, or interests therein, required for the Lake Andes-Wagner or Marty II Units may, as an alternative to their acquisition under authority available to the Secretary under existing law, be acquired by exchange for lands or interests therein of equal or greater value which are owned by the United States and administered by the Secretary or which may be acquired for that purpose by the Secretary.

(e) For purposes of participation of lands in the Lake Andes-Wagner and Marty II Units in programs covered by Title V of the Agricultural Act of 1949 as amended, 7 U.S.C. §§ 1461-1469, and in any successor programs established for crop years subsequent to 1990, the five crop years upon the basis of which the crop acreage base is determined under and pursuant to 7 U.S.C. § 1464 and upon the basis of which the program payment yield is determined under and pursuant to 7 U.S.C. § 1466 shall be the five crop years preceding the crop year in which the development period for each Unit is initiated.

SEC. 3. This Act is a supplement to the Federal reclamation laws (Act of June 17, 1902, 32 Stat. 388, and Acts amendatory thereof and supplemental thereto). The Federal reclamation laws shall govern the construction, operation and maintenance of the works herein authorized, except as otherwise herein provided.

SEC. 4(a) There are authorized to be appropriated (1) $150,000,000 (October 1984 price levels) for construction of the Lake Andes-Wagner Unit (other than the facilities described in section 2(b)) and (2) $1,200,000 (October 1984 price levels) for construction of the facilities described in section 2(b), which amounts include costs of the Lake-Wagner Irrigation District in administering design and construction of the irrigation distribution and drainage systems.

(b) There are authorized to be appropriated $15,000,000 (October 1984 price levels) for construction by the Bureau of Reclamation in consultation with the Bureau of Indian Affairs of the Marty II Unit.

(c) The amounts authorized to be appropriated by subsection (a) and (b) shall be plus or minus such amounts, if any, as may be required by engineering cost indexes applicable to such construction.

(d) There are authorized to be appropriated such sums as may be necessary for the operation and maintenance of each Unit.

LIST OF ENVIRONMENTAL COMMITMENTS

1. Pumping Plant:

a. ¼-mesh fish screens will be installed on each pumping bay.

b. Intake velocity at .5 foot per second.

c. Top lip of intakes will be maintained at a depth of 20 feet during spawning and rearing periods.

2. To mitigate for wetland losses, up to 4,500 acre-feet of water (Lake Francis Case quality) will be provided to Owens Bay and Red Lake via turnouts and 365 acres of existing wetlands will be purchased and provided a controlled water supply. When practical, operational wastes will be used. In addition, a wetland easement will be acquired for 4 acres.

3. Approximately 2,185 acres will be purchased and seeded to native grasses. Canal and lateral rights-of-way would be seeded to native grasses. All seeded areas will be protected from grazing and other disturbances until the grasses have been established (generally 3 years). Habitat values on acquired tracts will be estimated using habitat evaluation procedures, and purchases will continue until lost habitat values are replaced.

4. Approximately 175 acres of land will be purchased in concert with grassland acres for the planting of woody vegetation.

5. To the extent possible, lands purchased for mitigation of grasslands and woodlands would be adjacent to existing Federal and State wildlife areas or existing wetlands to provide wildlife complexes. If lands in these areas cannot be purchased from willing sellers, other parcels will be sought, with a minimum size of 40 acres. These units would be managed by the U.S. Fish and Wildlife Service or South Dakota Department of Game, Fish and Parks.

6. The mitigation plan will be implemented concurrently with the construction of the rest of the project.

7. Uneconomical land remnants retained in Federal ownership will be managed to offset grassland habitat losses.

8. New project powerlines will be buried except for the 0.5-mile 115-kV line into the main pumping plant. Installation of powerlines will be in accordance with *Suggested Practices for Raptor Protection in Powerlines, the State of the Art in 1981, Raptor Research Report No. 4,* Raptor Research Foundation, Inc., 1981.

9. Water quality sampling and analysis of Choteau Creek and Lake Andes will continue for TDS, nutrient levels, dissolved oxygen, trace elements, and pesticides and herbicides. After construction, the cost of this program will be part of the project OM&R. A ring dike will be constructed to dilute project return flows into Choteau Creek to meet State water quality standards of 2,500 mg/1 TDS. Water will also be added to Lake Andes to meet the State water quality standard.

10. Ring dike construction may require habitat mitigation. Upon final site selection a habitat evaluation team will be assembled and recommend appropriate mitigation measures. After the appropriate review the recommendations will be incorporated into the construction plan.

11. Known sites will be avoided where possible. If any cultural resource sites cannot be avoided, determinations of their significance/eligibility for the National Register of Historic Places will be made. If any sites are determined to be significant, appropriate mitigation measures will be developed in consultation with State Historic Preservation Officer and Advisory Council on Historic Preservation.

12. The South Dakota Department of Game, Fish and Parks will be consulted regarding appropriate measures to be taken during the spawning season during construction of the main pumping plant.

13. The project may require modification of 15 miles of existing drainageways. When these sites are identified, South Dakota Department of Game, Fish and Parks and U.S. Fish and Wildlife Service will be contacted and appropriate mitigation measures will be established.

14. Proposed 50-acre fish rearing pond is included as a project feature.

15. Topsoil will be stripped to a predetermined depth, stockpiled, protected from erosion and compaction, and replaced in all disturbed areas.

16. The following permits will be obtained:

1. Section 10 permit required by the River and Harbor Act

2. Sections 402 and 404 permits required by the Clean Water Act

3. Soil and water compatability permit from the State of South Dakota

4. Water right from the State of South Dakota

17. It is recognized that certain agricultural chemicals can pose hazards to wildlife and water supplies. As part of the Irrigation Management System, chemical types used on the project will be updated every 5 years and useage of less hazardous chemicals will be encouraged.

HISTORIC REHABILITATIONS DROP DESPITE CONTINUED TAX CREDIT

HON. BARBARA B. KENNELLY

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 11, 1987

Mrs. KENNELLY. Mr. Speaker, last year we witnessed the enactment of tax legislation of historic proportions, the Tax Reform Act of 1986. As a Member of the Ways and Means Committee, I was fortunate enough to have had the opportunity to shape that legislation in some areas that I believed to be important to this country, to my State, and to the city of Hartford. One of those significant areas was the retention of tax incentives to preserve and rehabilitate the old and historic buildings in this country.

Like everything else in the tax law, however, the Rehabilitation Tax Credit Program underwent intensive scrutiny and was cut back by a third. By retaining a 20-percent credit for the rehabilitation of historic structures and a 10-percent credit for the rehabilitation of structures built prior to 1936, Congress reaffirmed its commitment to this program, a program that has done so much to revitalize our cities and neighborhoods, and preserve our historic heritage since its enactment in 1981.

Unfortunately, what Congress thought it was retaining on the one hand, it actually appears to have taken away with the other. The passive activity limitations, newly enacted by this act, apply to the rehabilitation credit as well as to losses generated by rehabilitation projects. While a limited exception from these rules was made for the rehabilitation and low-income housing credits, we are finding that this exception—the deduction equivalent of $25,000, or generally $7,000 per taxpayer per year, assuming a top-bracket taxpayer—is not nearly enough to generate continued investment in old buildings.

It seems to me that the impact of the new passive activity limitations on rehabilitation is a far cry from what Congress anticipated last year in approving the 1986 Tax Reform Act. Those of us that thought we had preserved the incentives to invest in old neighborhoods are now quite concerned with the results.

I would like, at this point, to include in the RECORD the following article from the Wall Street Journal of last Wednesday, June 3, 1987. This article graphically depicts the difficulties the Rehabilitation Program is facing since the enactment of the Tax Reform Act of 1986.

HISTORIC REHABILITATIONS DROP DESPITE CONTINUED TAX CREDIT

(By Robert Guenther)

Since his St. Louis firm has been deeply involved in rehabilitating historic buildings, Guy S. McClellan should have been delighted that the Tax Reform Act of 1986 retained the tax credit for investing in rehabilitation. Not so, Mr. McClellan, a principal in Mead-McClellan Partnership, says the tax credit now is "practically unusable."

Others seem to be thinking the same thing. Ian D. Spatz, legislative counsel for the National Trust for Historic Preservation, says that applications to the National Park Service to qualify for the tax credit have plummeted to about 150 a month since mid-1986, from an earlier rate of 270 a month.

"Very clearly, the volume of certified historic buildings being rehabilitated is way, way off, especially those smaller projects which relied on a limited number of large investors," say Mr. Spatz. "It's the projects costing $750,000 to $5 million that are having the greatest difficulties."

Many of the projects that are going ahead were either already under way, involve big offerings through securities firms or else reflect special circumstances. For instance, William Abeloff, a Richmond, Va., developer, anticipated difficulties in rehabilitating a big warehouse complex in Richmond called Tobacco Row into apartments and offices under the new law. So he persuaded his congressional delegation to get the $130 million project exempted as part of the transition rules in the new law. Now, the more generous old tax laws governing the historic rehabilitations and financings using industrial revenue bonds apply to his project. "Without the transition rules, there's no way this project could be financed now," says Mr. Abeloff.

In St. Louis, the new tax law's toll on rehabilitation is especially noticeable. From 1981 through 1986, the city, with its wealth of old brick buildings and homes, led the nation in the amount of commercial and residential rehabilitation activity. But this year, Barbara Geisman, the former director of the local Community Development Agency, expects about 300 to 400 dwelling units to be rehabilitated, less than one fourth the pace of recent years.

Especially affected are firms such as Mead-McClellan, whose projects aren't massive in size, whose partnership offerings have been placed privately rather than through large securities firms, and whose partnerships haven't resorted to exotic financing variations, such as zero-coupon debt, to make the deals look good. This year, Mead-McClellan has no plans to start any rehabilitations.

The reason that the 1986 tax law hits historic rehabilitations so hard isn't apparent on the surface. After all, the historic rehabilitation tax credit is one of only two tax credits for real estate that wasn't eliminated by congress. It was reduced to 20% from 25% however.

The problem arises with the investment disincentives caused by other features of the law. Various benefits for real estate investors, such as 19-year depreciation, disappeared with the new law. Moreover, the law limits the maximum credit that an investor can apply against his income to $7,000.

But the big blow to rehabilitations comes from the phasing out of tax credits from passive investments as an investor's income rises above $200,000. Investors earning $250,000 or more can't use the rehabilitation credit at all. And these are the people who have supplied the bulk of the equity for historic rehabilitations. "Our investors can't use a dime of that write-off," says Mr. McClellan.

Other sponsors of limited partnerships are putting together large public offerings aimed at smaller investors who can use the deduction. But some question whether the expenses associated with public offerings coupled with the inherently risky nature of rehabilitation projects make these investments worthwhile for small investors. "The fact is that big developers don't do rehab housing because it's the hardest thing to do," says Mr. McClellan. "With rehabs a lot of things can go wrong."

The tax benefits were not only useful from the standpoint of attracting investors but also for competing against rentals in the suburbs. "We counted on the tax law to allow us to spend 40% more on our units than the typical new units in (St. Louis) county," says Mr. McClellan. "Our units averaged 1,000 square feet in size and cost us $60,000 to $75,000 to rehabilitate. We rent them for about 55 to 60 cents a square foot a month."

Moreover, Mr. McClellan says the new tax law will discourage investment in inner cities. Without incentives for capital, he says, "landlords will be tempted to milk projects."

Ironically, the slowdown in rehabilitation activity should benefit some existing Mead-McClellan partnerships. Vacancies in their apartments now stand at 12%; within four months, Mr. McClellan expects the vacancy rate to drop to 5% to 6%.

Except for a work-out on a troubled rehabilitation taken over by a lender, Mead-McClellan is forcusing its energies on three new construction projects—two condominiums and a miniwarehouse. "As a company, we're going to be around," Mr. McClellan says. "Over the last four or five years, we've averaged $6 million to $8 million a year in deals. This year we'll do $4 million to $5 million. But we may end up richer as a result."

The firm will also be abandoning an ample supply of historic properties yet to be saved. Says Mr. Spatz of the National Trust: "There are 500,000 structures on the register of historic places nationwide. Only 10,000 have been done since 1981, so there are plenty of opportunities out there."

THE NATIONAL TRAILS SYSTEM IMPROVEMENTS ACT OF 1987

HON. BEVERLY B. BYRON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 11, 1987

Mrs. BYRON. Mr. Speaker, earlier this week, I introduced the "National Trails System Improvements Act of 1987."

The intent of this legislation is to allow for and encourage the development of State, local, and Federal trails. My bill would do this in two ways. First, with respect to abandoned rights-of-ways associated with Federal parkland and forests in the West, it would encourage conversion to trail use. Second, if in a particular case such a conversion is not possible, the Secretary of the Interior is authorized to sell the right-of-way and provide State and local agencies and groups with the funding needed to acquire and develop trails throughout the United States.

Thousands of miles of railroad track are abandoned each year. With the proper program to facilitate the conversion of these miles, the possibilities are endless. The demand for trails, particularly near urban centers, has exploded in the past few years. Trails are among our most useful recreational assets. They can be used for walking, hiking, jogging, horseback riding, and bicycling. They enable us to access camping sites, fishing areas, and scenic vistas. The recently issued report of the President's Commission on Americans Outdoors [PCAO] resoundingly endorsed trails as a principal means of addressing the recreational needs of our growing population. As a result, hikers, runners, bikers, and horseback riders are now approaching their elected officials with a unified voice calling for more trails. My legislation responds to this voice in a way that provides exciting possibilities for recreationalists at little cost to the Federal Government.

The bill has been officially endorsed by the Rails-to-Trails Conservancy, American Recreation Council, Paralyzed Veterans of America, and the American Horse Council. I am pleased to say that I am introducing it with seven original cosponsors: Chairman MORRIS UDALL, Congressmen RAHALL, COEHLO, KOSTMAYER, BEREUTER, CAMPBELL, and LEWIS. I have included a section-by-section summary of "The National Trails System Improvements Act of 1987" in order to provide Members with a clear understanding of the bill's intent.

In conclusion, I want to simply urge all of my colleagues to cosponsor this very worthwhile piece of legislation which follows:

SECTION-BY-SECTION ANALYSIS FOR NATIONAL TRAILS SYSTEM IMPROVEMENTS ACT OF 1987

Section 1.—This section specifies the short title for the legislation.

Section 2.—This section notes that state and local governments have a special role to play in acquiring and developing trails and that timely funding is frequently a difficult problem, especially for trail acquisition. A revolving fund would assist in addressing this problem.

Section 3.—This section adds new subsections (c)-(f) to section 9 of the National Trails System Act. New subsection (c) prospectively amends the Act of March 8, 1922 (43 U.S.C. 912) to retain the federal interest in rights-of-way arising from old federal grants upon abandonment or forfeiture, except to the extent embraced within a public highway as currently provided in said Act. New subsection (d) provides that to the extent included in a federal conservation system unit or National Forest, the retained rights-of-way shall be incorporated in such unit or Forest. Retained rights-of-way not within but contiguous to or adjacent to such unit or Forest shall be managed pursuant to the Federal Land Policy and Management Act of 1976 (FLPMA) and other applicable law. Retained rights-of-way located outside the boundaries of a unit or Forest which are suitable for recreational trail and similar uses shall be managed by the Secretary of Interior for such purposes, except that the Secretary may transfer the property to a state or local government or other qualified entity for use only for public recreation. Property outside the boundaries of a conservation system unit or national forest, and not contiguous or adjacent to same, and meeting the disposal criteria of the FLPMA may be sold, with the proceeds deposited in the Treasury in the Trails Fund. New subsection (f) contains definitions.

Section 4.—This section establishes a revolving trails development fund to be known as the Trails Fund in the Treasury. The Secretary of Interior may use the fund for the acquisition of new trails, or for the construction and reconstruction of existing trails, and for loans for these purposes to state, local and federal agencies and qualified private organizations. At least 60% of the funds shall be made available in each fiscal year for loans to state or local agencies or qualified private organizations. At least 60% of the funds shall be devoted to the acquisition of new trails. The Secretary is empowered to determine whether or not to charge interest on the loans, and may establish the rate of interest consistent with the purposes of this Act. The Secretary is required to issue regulations to implement section 9 of the Trails Act and this section. The regulations must provide a mechanism to make funds timely available so that agencies and qualified private organizations can successfully exercise their rights under regulations and orders issued by federal agencies with respect to rights-of-way, such as by the ICC in authorizing rail abandonments subject to public use conditions and so forth. An annual report to the relevant oversight Committees is required. Subsection (e) authorizes appropriations of $200,000 per year for administration and $500,000 for fiscal years 1988 and 1989 as seed money for the Trails Fund.

QUESTIONS AND ANSWERS

1. Are recreational trails desirable?

Answer. Yes. Recreational trails are used for virtually all forms of outdoor recreation, such as jogging, walking, horseback riding, and bicycling. They are used to get to prime areas for swimming, fishing, camping, birdwatching and photography. They are a low-cost efficient type of recreational resource. They were indorsed in the recent report of the President's Commission on Americans Outdoors.

2. One of the principal types of rights-of-way available for use for trails are about-to-be abandoned railroad rights-of-way. Will this legislation alter ICC regulation of such rights-of-way?

Answer. No. This legislation neither approves nor disapproves current ICC regulation, and is designed not to affect it. Rather, the legislation creates a revolving fund to provide loans so that agencies and qualified private organizations can obtain access to money to acquire rights-of-way under the existing law. For example, ICC under current law will afford a trail user up to 180 days to negotiate with a railroad after authorization for abandonment to acquire the right-of-way. Frequently state and local agencies are unable to obtain the necessary funds in this time period. A revolving fund will provide a funding alternative.

3. Will this legislation affect shipper or short line rail operator remedies before the ICC?

Answer. No. As indicated, this legislation will not alter ICC regulation.

4. Will this legislation compel transfer of about-to-be abandoned rail rights-of-way for trail or recreational use?

Answer. No. This legislation merely provides a source of funds for acquisition of rights-of-way under existing law.

5. Will this legislation affect any vested property rights?

Answer. No. This legislation will not affect any right to rights-of-way which has already vested.

6. Can grants be made for right-of-way acquisition or development by state or local agencies or private groups under this legislation?

Answer. No. As currently drafted, the legislation provides only for loans, but the loans can be low or no interest.

7. What is a qualified private organization for purposes of the funding provisions in this legislation?

Answer. In several states, private, generally not-for-profit groups have undertaken trail acquisition and development. This is consistent with the emphasis on voluntarism in the National Trails System Act generally. Existing provisions in the Trails Act (e.g., 16 U.S.C. 1247(d)) provide for qualified private organizations to acquire rights-of-way for trails. The legislation envisions that the Secretary of Interior would issue regulations describing those kinds of private organizations qualified to obtain funds from the revolving fund to acquire or to construct recreational trails. The principal constraint in the definition would be to provide reasonable assurance that the loan would be repaid. This in many cases may be accomplished by securing the loan with the property acquired.

8. Can rights-of-way acquired with funds provided by this legislation be used for purposes compatible with trails use?

Answer. A qualified yes. Compatible uses are not intended to be excluded by this legislation. However, it is not the intent of this legislation to fund the acquisition of, for example, a highway or mass transit right-of-way merely because it will have a bikeway alongside it. The principal purpose of the acquisition should be recreational trail use.

9. Will this legislation add to the deficit?

Answer. No. In the last Congress, several millions of dollars were appropriated to acquire a single right-of-way on federal land which belonged to the federal government under existing law. This legislation clarifies further existing law and should assist in preventing recurrence of such problems, thus saving money. The legislation does authorize limited appropriations ($200,000 per year) for administration and $500,000 for two fiscal years as seed money. The chief source of revenue for the revolving fund is proceeds from the sale of retained federal rights-of-way (which are currently given away).

INTRODUCTION OF LEGISLATION TO REQUIRE IMMINENT DANGER PAY FOR MEMBERS OF MILITARY SERVING IN THE PERSIAN GULF

HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 11, 1987

Mrs. SCHROEDER. Mr. Speaker, today I am introducing legislation to require that members of the military who are deployed in or around the Persian Gulf receive danger pay.

Under section 310 of title 37, the Secretary of Defense may provide special pay to a member of the uniformed service who is "on duty in a foreign area in which he was subject to the threat of physical harm or imminent danger on the basis of civil insurrection, civil war, terrorism, or wartime conditions." If that does not describe our sailors in the Persian Gulf today, I do not know what does.

I was surprised to learn that we are not now paying hostile fire or danger pay to our troops in the Persian Gulf. My colleagues may remember that it took an act of Congress in 1983 to get danger pay for our marines in Lebanon. I am afraid it may take an act of Congress to provide danger pay in the Persian Gulf as well.

Danger pay is only $110 a month. It hardly compensates our brave sailors for the dangers they face patrolling the gulf. Still, it provides an important recognition of the hardships these individuals confront.

The bill is retroactive to May 1, 1987 and continues in effect until the President certifies that members of the military serving in the Persian Gulf are no longer subject to imminent danger.

I will be talking with the chairman of the Committee on Armed Services and with the leadership to find some way to move this bill quickly.

H.R. 2068

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SPECIAL PAY FOR DUTY SUBJECT TO HOSTILE FIRE FOR MEMBERS OF THE ARMED FORCES SERVING IN THE PERSIAN GULF.

(a) SPECIAL PAY.—A member of the Armed Forces shall be paid special pay under section 310 of title 37, United States Code, for each month during which that member performs duties in or over the Persian Gulf or in the vicinity of the Persian Gulf while assigned or attached to a naval vessel or other unit deployed in, or in the vicinity of, the Persian Gulf.

(b) EFFECTIVE DATE.—Subsection (a) shall take effect on May 1, 1987.

(c) TERMINATION.—Subsection (a) shall terminate upon a determination by the President that members of the Armed Forces performing duty in the Persian Gulf or in the vicinity of the Persian Gulf are no longer subject to the threat of physical harm or imminent danger on the basis of civil insurrection, civil war, terrorism, or wartime conditions.

MEMBERS SUPPORT COMMUNISTS

HON. BILL McCOLLUM

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 11, 1987

Mr. McCOLLUM. Mr. Speaker, attached are documents which discuss and elaborate on the composition of the front groups which operate in the United States on behalf of the Communist guerrillas in El Salvador and the Marxist regime in Nicaragua.

These documents also show fundraising letters signed by Members of Congress.

The documents in order are:

First, fundraising letter for the Committee in Solidarity with the Peoples of El Salvador [CISPES] signed by Congressman MERVYN DYMALLY.

Second, fundraising letter for New El Salvador Today [NEST], signed by Congressman JOHN CONYERS, JR.

Third, fundraising letter for the Nicaragua Network signed by Congresswoman SCHROEDER.

Fourth, a series of nonclassified cables from the U.S. Embassy in El Salvador to the U.S. State Department on the activities and relationship of the front groups and the armed Communist guerrillas in El Salvador.

Fifth, a two page flyer on CISPES stationary describing the organization.

Sixth, a news article from the Guardian, a self-proclaimed radical weekly newspaper. This article, dated March 9, 1983, describes the activities of CISPES and medical aid to El Salvador, [MAES].

Seventh, an excerpt from the book, "The Revolution Lobby" by Allan C. Brownfield and J. Michael Waller describing the activities of front groups in the United States.

COMMITTEE ON FOREIGN AFFAIRS,
Washington, DC.

DEAR FELLOW AMERICAN CITIZEN: The United States is deeply involved in a civil war in El Salvador—a war which has cost over a billion taxpayer dollars, killed 50,000 Salvadorans, and driven over one and a half million more from their homes.

U.S. arms provide firepower in the Salvadoran civil war. U.S. advisors provide training and oversight, and U.S. pilots use infrared equipment to identify targets.

The war will not stop without your help.

There are three things you can do to help stop the bombing in El Salvador and end U.S. aid to the Nicaraguan Contras. But before telling you what they are, I must make clear how seriously I view this situation.

During my six years on the Foreign Affairs Committee, I have listened to witnesses chronicle our deepening military involvement in Central America. In my Los Angeles County home district, Salvadoran refugees have told me about the high human toll of the war.

Sporadic news reporting fails to convey a full picture of the intensity of the fighting or of its impact:

Our tax dollars fund an escalating air war which features daily bombings of civilian areas. U.S.-trained pilots fly AC-47 gunships which can put a bullet in every square foot of an area the size of a football field—within three seconds.

Since January, the Salvadoran military has been conducting "Operation Phoenix"—a massive drive to depopulate Guazapa Province, a few miles north of El Salvador's capital city.

Once, 50,000 people—mainly farmers—lived in the area around the Guazapa Volcano. Now, less than 1,500 civilians are estimated to be left. The army has methodically killed livestock, burned fields and fruit trees, and destroyed food stocks—all violations of the Geneva Accords.

According to an April 18th report from the Christian Committee for the Displaced of El Salvador, Operation Phoenix has produced 245 civilians murdered, including 5 pregnant women; 1,345 civilians captured; and 13 villages totally destroyed.

On January 13, 1986 the Washington Post (p. A21) reported, "El Salvador's Roman Catholic Archbishop [Arturo Rivera y Damas] said he witnessed a government aerial bombardment of a populated area during his pastoral visit to guerilla-controlled areas this week . . . he witnessed the bombing last Monday as residents of the embattled northern Chalatenango Province were singing songs of welcome to him. . . . Defense officials denied that there was any bombing in the area where Rivera y Damas visited."

The American people and their representatives in Congress must not allow our government to support the bombing of civilians. That is why the U.S. Committee in Solidarity with the People of El Salvador (CISPES) is organizing a National Emergency Campaign to Stop the Bombing. I ask you to support the campaign.

Members of CISPES are working in local communities across the country, informing their neighbors about the threat of full-scale war in Central America—and asking them to also take action.

With 450 committees in towns and cities in all 50 states, and close working relationships with any other organizations, CISPES is ideally suited to inspire public opposition to the widening U.S. role in Central America. Through films, slide-shows, and public discussions in churches, communities centers, and homes, CISPES' volunteer members are showing Americans what is really happening in Central America.

In its 5½ years of existence, CISPES has helped hundreds of thousands of Americans take action for peace—many for the first time.

CISPES efforts have motivated thousands to call Members of Congress and to write letters voicing opposition to the U.S. war in Central America.

CISPES volunteers are breaking through the news media blackout on El Salvador. Op-ed articles, letters to the editor, and newspaper ads are telling the facts. "Stop the Bombing" bus and subway placards are up in urban transit systems across the country.

CISPES has sent hundreds of thousands of dollars to help meet the basic human needs of those in El Salvador suffering from war. In 1985 alone, CISPES grassroots committees sent over $180,000 in humanitarian aid.

My House and Senate colleagues have access to the same information as do I. "War stories" will not change their votes—unless they also know that a consensus in opposition to the war is building among their own constituents.

Through organization, that consensus can be built. That is why CISPES is embarking on a two-year educational campaign in 50 key Congressional districts. With trained full-time organizers, CISPES will reach the unconvinced, recruit volunteers and build effective opposition to the bombing.

With generous initial contributions, CISPES has begun the effort—and already shown results in Congress:

47 Members of Congress have co-sponsored a resolution by Rep. John Conyers condemning the continuing human rights violations in El Salvador and calling for a halt to the indiscriminate air and ground attacks on civilians.

At CISPES' urging, House Ways and Means Chair Dan Rostenkowski wrote letters to our colleagues, David Obey, Chair of the Foreign Operations Appropriations Subcommittee, and Michael Barnes, Chair of the Western Hemisphere Subcommittee of the Foreign Affairs Committee. He voiced opposition to the Administration's supplemental request of $54 million in Central American police training funds.

The police training measure failed—thanks in part to the opposition of Rep. Rostenkowski and other members of Congress contacted by CISPES.

Following Rep. Rostenkowski's letter and thousands of letters from CISPES members, Rep. Barnes held Subcommittee hearings on the human rights situation in El Salvador.

Rep. Frank Annunzio, a former supporter of military aid to El Salvador, credits CISPES members in his district with changing his point of view about the effects of that aid in El Salvador.

But now our government is escalating the U.S. military role in Central America in ways reminiscent of the expansion of the war in Vietnam—and we must all redouble our efforts to respond.

Here are the three things you can do Right Now to help Stop The Bombing:

(1) Write a check to CISPES today for $35—or for $25, $50 or $100—and send it to us in the enclosed postage-paid envelope.

The day-to-day work of CISPES is carried out by volunteers, and the CISPES staff are paid subsistence wages. But other expenses are unavoidably high. To finance its National Emergency Campaign to Stop the Bombing, CISPES must raise over $45,000 in the next two weeks—and most of it must come from individuals like yourself.

(2) Sign the "Urgent Reply Memorandum" I am enclosing and return it along with your contribution. We need to obtain thousands of signatures as part of CISPES' effort to deliver these pledges by the truckload to Members of Congress. Your representatives must recognize that you want them to act to stop the bombings.

(3) If you wish to participate actively in your local community as well, write down your phone number on the enclosed reply memorandum. CISPES staff or other volunteers in your area will contact you with details about grassroots activities in which you may take part.

The Reagan Administration and the Congress are at a crossroads. You can help point out the right path.

One path leads to peace and economic justice. It is the route to the recognition of human rights and the sanctity of human life.

The other path—the way of death squads and massive bombardment—leads to large-scale death and destruction. We took that path in Southeast Asia.

Let us not allow our government to lead us down that path again.

Sincerely,

MERVYN M. DYMALLY,
Member of Congress.

P.S.—Your check for $100 or more will be tax-deductible if made payable to the "Institute for Effective Action". Contributions will fund CISPES' ongoing educational work.

[Urgent Reply Memorandum]

To CISPES NATIONAL OFFICE,
Washington, DC.

YES, you can count on me to help CISPES' fast-growing national grassroots organizing campaign to stop the bombing in El Salvador and end U.S. aid to the Nicaraguan Contras.

Here is my gift (payable to "CISPES") for:
( ) $35 ( ) $100 ( ) $25 ( ) $50 ( ) $——.

( ) Rep. Dymally may use my name in his effort to persuade his colleagues on the House Foreign Affairs Committee to stop the bombing.

( ) CISPES may contact me about local CISPES efforts to end U.S. intervention in Central America. My phone number is ( ) ——.

Signed: ——————.

( ) I am sending my check along with this form in the postage-paid envelope included in your "Jet Express" envelope.

CISPES,
Washington, DC.

DEAR FRIEND: Since I began my involvement with CISPES just five years ago, I have been fortunate to see our work move many thousands of people from despair to action.

I've come to learn first-hand what I always sensed was true: that most Americans want to end the war in Central America, but they need to be given hope—and a way to help.

CISPES is giving them just that. Our nationwide campaign to Stop the Bombing in El Salvador is bringing people all across the country together to educate themselves and their neighbors—and to act.

Most importantly, we're putting pressure where it's needed most. In 50 key Congressional districts, CISPES is helping tip the balance on critical legislation. Never before have I seen such an opportunity to make an important difference—and you can help.

Your gift of $35 will support a CISPES organizer in the field for one day—and every additional gift will keep us out there just that much longer.

So, won't you please help? Together I believe that we really can stop this brutal and immoral war.

Thank you so much,

ANGELA SANBRANO,
National Coordinator.

HOUSE OF REPRESENTATIVES,
Washington, DC.

DEAR FRIEND: I know you share with me a commitment to peace in Central America, and that's why I'm writing you now.

For the twenty-one years I've served as a U.S. Congressman, I've been proud of the desire of most Americans to protect human rights and their willingness to help those less fortunate when help is necessary.

Today our help is desperately needed in El Salvador.

You are no doubt aware of the shocking facts about the human toll of El Salvador's war—50,000 persons killed largely by the military and right-wing death squads over the past five years; 500,000 refugees struggling for survival within El Salvador alone.

Now in the Salvadoran countryside, human suffering has taken on a new face—a face molded, in large part, by the more than $1.7 billion in U.S. aid to El Salvador during the Reagan administration.

And the chief victims are El Salvador's civilians.

Determined to destroy any base for the opposition movement, the Duarte government and the Salvadoran military forces are attacking their own people with unrestrained savagery.

Every day planes bought with U.S. tax dollars fly over countryside considered "enemy territory," machine-gunning, firing mortars and dropping anti-personnel bombs on whatever moves below. Ground forces ruthlessly carry out "search and destroy" missions—standard procedures ordered by their U.S. advisors.

And every day, caught up in a war not of their making, hundreds of children, women and men are forced to flee their homes in terror of the military's raids or aerial attacks.

A handful of U.S. observers have taken the perilous journey into these war zones. They have brought back bloodchilling testimonies of military massacres.

Old women unable to run—mowed down with machine guns.

Children stabbed, shot and mutilated.

Babies crying in pain from white phosphorus burns.

When the Salvadoran army mounts a drive through a village, the people flee to avoid the wrath of the military. These marches—called guindas (pronounced "GEEN-duz")—sometimes last for weeks.

The guindas take a shocking toll on children and the elderly. Often safe drinking water and food are simply unavailable. Without adequate shelter, without medicine, without rest, often the very youngest and the very oldest simply die. As one eyewitness said:

"Sometimes we have suffered for eight days or ten days without water during the different times when we had to be fleeing. I have two children who died and, really, I blame that on the [military] because they didn't have to die. * * *"

"A lot of times when we had to leave, I might be right in the middle of making tortillas or whatever and there was no choice, you just had to leave everything. There have been so many massacres that when you have to leave, you just leave. * * *"

And when the survivors return, bravely determined to rebuild some semblance of a normal life, this is what they find: the military has burned down their houses, killed their chickens and pigs, even razed their newly planted crops. Deprived of their only sources of livelihood and nourishment, they are desperately hungry.

You might well ask: how can this be?

While a wealthy minority controls the bulk of the country's resources, the majority of Salvadorans are trapped in poverty and landlessness. Peaceful attempts at land reform or other democratic change that might ease this chronic impoverishment have been ruthlessly thwarted by the Salvadoran military.

It is not difficult to comprehend why some who oppose the Salvadoran government's war on its own people have fought back in desperation.

But it is difficult to comprehend why the Salvadoran military, in seeking to stop this opposition, is attacking the unarmed population with such ferocious brutality.

In destroying the rural economy and deliberately targeting civilians, Napoleon Duarte's "democratic" government hopes to undercut support for its opposition. But the true sufferers are the innocent.

"Every time when soldiers have come here they have either burnt the fields or trampled down the new plants, so you never know. These are things they are doing against the civilian population because we are not [guerrillas] here. . . ."

We can no longer avoid addressing what is being done in our name in El Salvador.

On the floor of Congress, I have adamantly opposed military aid to the Salvadoran government. And, though Congress ended up approving additional U.S. military assistance to El Salvador, I believe the American public stands with me in opposing this tragic use of our tax dollars.

I hope that someday our government will correct itself, just as it finally extricated itself from the Vietnam War. But until that happens, we cannot help but shoulder part of the responsibility for our country's role in heightening the conflict in El Salvador—and for the human suffering this conflict is causing.

I know that you share my concern for the civilian victims of El Salvador. So I am eager to tell you about a way in which we can help, not hurt, the people of El Salvador.

A small and resourceful organization called New El Salvador Today (N.E.S.T.) is working to provide emergency help for the children, women and men living in economic desperation because of El Salvador's war.

N.E.S.T. is a non-profit tax-exempt foundation which is sending humanitarian aid to those whose lives are most affected by the violence of the U.S.-supported war. Already N.E.S.T. has succeeded in channeling over $225,000 to the civilian populations in El Salvador's war zones.

The situation these thousands of families face is truly a life-or-death emergency.

They lack even the most basic requirements for life:

Because their crops have been destroyed, they need food.

Because they had to flee for their lives, leaving everything behind, they need clothing.

Because they have walked for weeks on end, wearing out what footwear they had before, they need shoes.

And, most of all, despite their incredible resilience and determination, they need our immediate help.

To respond to this urgent need, N.E.S.T. is mounting an Emergency Relief Campaign to raise $100,000 for desperately needed food and everyday necessities.

Because the situation is so critical, N.E.S.T. is appealing to individual Americans like you who care enough to support this Emergency Relief Campaign right now.

I am asking you to give whatever you can—$25, $35, $50 or more. Your contribution will be used immediately to support N.E.S.T.'s efforts to provide clothing and food for the civilian populations impoverished by this violent civil conflict. These supplies will then be transported at great risk—often on people's backs—into El Salvador's war zones.

Our government sends billions of dollars to El Salvador that destroy lives. Here is a chance to send something to save human lives.

And it takes so little to help! Simply fill out the enclosed reply form and return it with your tax-deductible contribution—whatever you can afford to give.

As a supporter of N.E.S.T.'s Emergency Relief Campaign, you will have the satisfaction of knowing that you are helping to redress the destruction being done by the U.S. military aid sent to El Salvador.

On behalf of N.E.S.T. and the people El Salvador, I thank you.

Sincerely,
CONGRESSMAN JOHN CONYERS, Jr.,
1st District, MI.

P.S. Every day is critical now for the people of war-torn El Salvador. So, please, don't put this letter aside. I urge you to take a moment to send in your contribution to N.E.S.T.'s Emergency Relief Campaign today.

April 28, 1986.

To my dear friends at NEST:

We wish to express our gratitude for the many times you have come to our aid over these last years. On this occasion the 29,350 colones ($5,000) Tracey has delivered will help us to meet our most critical needs, the most urgent of which is food. Because of a recent operation carried out in our region by the government armed forces, we have lost all our goods such as corn, beans, and crops—leaving us without the means to feed our children.

We want you to know that your help gives us strength, and reminds us that we are not alone. Please continue your work, as we know that we are not the only ones in need of your vital assistance.

With infinite gratitude,
EVARISTO LOPEZ.
MARIA SERRANO.

YOU CAN HELP THEM

These children[1] fled their village in Chalatenango, El Salvador, when army bombers destroyed their homes, fields and livestock. Now they and their families are returning to rebuild their lives—and you can help them.

$15 will buy one hand plow.

$25 will provide one month's supply of vitamins for 150 children.

$35 will plant one half acre of beans.

$50 will pay for enough medicine to treat 30 people for malaria.

$100 will plant an acre of corn.

$1000 will provide enough tools and farm equipment of an entire village.

Help NEST bring new life to Chalatenango—and all of El Salvador.

NEST—New El Salvador today.

APPENDIX B.—CONGRESSWOMAN PATRICIA SCHROEDER'S FUNDRAISING LETTER FOR THE NICARAGUA NETWORK, 1985

WASHINGTON, DC.

DEAR FELLOW AMERICAN CITIZEN: I want you to join me in a growing nationwide citizens movement to redeem our country's honor by reversing the Reagan Administration's tragically misguided policy toward Nicaragua.

Our government is responsible for launching a terrorist war of attrition against a poor nation with a population about the same as that of my home state, Colorado.

Thousands of Nicaraguans have been killed—and thousands more have been maimed or raped—by the so-called "contras."

Every international human rights group which has investigated the contras' war has turned up appalling evidence of repeated atrocities.

And our tax dollars made all this possible.

Admiral Stansfield Turner, former Director of the CIA, recently termed the Reagan Administration policy "state-supported terrorism."

My constituents in Denver want no part of terrorism and rape. I'm sure you don't, either.

In fact, recent public opinion polls reveal that only one in every seven Americans thinks we should supply military aid to the contras. Yet the Administration continues to press for tens of millions of dollars to arm and supply them in their war against the people of Nicaragua.

To make matters even worse, the U.S. government has undermined the peace negotiations undertaken by Nicaragua's neighbors. It has created severe problems for the Nicaraguan economy by initiating a trade embrago. And it has escalated the war of rhetoric beyond belief by likening the contras to our Founding Fathers and the brave men and women of the French Resistance.

Well, now there is something you and I can do about this.

If you want to change our country's policies toward Nicaragua, you can join me in the Nicaragua Network.

The Nicaragua Network is a resourceful and imaginative group based here in Washington which has been working quietly since

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[1] [Photograph not reproducible for the RECORD.]

1979 to educate the American public about Nicaragua and to build people-to-people connections between our two countries.

Working with a bare-bones budget, they've accomplished wonders:

The Nicaragua Network has channeled over $320,000 in direct material aid to Nicaragua, showing the humane side of the American character. Its goal for 1985 is to deliver another $300,000.

The Nicaragua Network has sent over 700 North Americans to Nicaragua as members of work projects—to help in reforestation, erosion control and reconstruction of community centers as well as picking cotton or coffee. hundreds more are scheduled to depart later this year.

The Nicaragua Network has built a grassroots network of 150 local committees in 32 states throughout the United States. And it has established close working relationships with nearly all the other major national groups working to bring sanity to our country's Central American policies.

There are many ways in which the Nicaragua Network is refreshingly unique:

It coordinates its work with other groups, so we can all use our scarce resources more effectively—for example, leaving lobbying on Capitol Hill to other organizations and funneling its material aid through larger and longer-established groups already on the scene. Much of the work of the Nicaragua Network is almost invisible as a result—but it's nonetheless real and effective.

It organizes protest against the Administration's Nicaragua policies, but it also takes positive actions to show the true face of the American people. For example, the Nicaragua Network has worked with city councils in ten municipalities which have established sister-city relationships with Nicaraguan towns, and ten more are in the works.

It's helping thousands of Americans gain first-hand knowledge of Nicaragua, not just by organizing its own projects and helping other groups organize theirs, but also by helping to promote and facilitate group and individual travel there. Since the Nicaragua Network was founded in 1979, as many as 50,000 U.S. citizens have visited Nicaragua. The Nicaragua Network didn't help all of them travel there—but it's doing it's best to get in touch with them, and to stay in touch, after their return.

Its material aid program—called "Let Nicaragua Live!"—is not just providing emergency assistance and medical aid to cushion the blow of contra attacks and the U.S. trade embargo. It's also helping build a new society: training rural health care workers, supplying farm co-ops, and building childcare centers, schools and clinics.

There are many ways you can help the Nicaragua Network:

You can display the enclosed decal on your car or in a window at home.

You can get a local group—at a church or synagogue, a political club, a student group or a labor union—to become a local committee in the Nicaragua Network.

You can write or call your Representative in Congress and express your feelings about or country's support of the contras—or write a letter to the editor of your local newspaper.

But more than anything else, the Nicaragua Network needs your financial support.

You and I receive a great number of fundraising appeals every week, and many of them are from worthy, hard-working groups whose goals we support. But in a complicated and difficult world, we have to pick and choose.

I hope you'll agree with me that this critical point in the history of our country, the way we act toward the people of Nicaragua is an issue of the very highest priority. If you do agree, I hope you'll decide to give this appeal your immediate attention.

To my mind, it's absolutely vital that you and I do everything within our power to press our government to play a peaceable and constructive role in Nicaragua—and to show the people of that tiny, struggling nation that we wish them well.

After all, aren't we big enough and rich enough to "Let Nicaragua Live?"

You can help the Nicaragua Network meet the immense challenge of reversing our country's misguided policy toward Nicaragua by sending a check today for $100, $50, or even $25. Please send as much as you can afford—but send it without delay.

The Nicaragua Network must raise $33,940 simply to pay its bills for the next 90 days. But expenses are mounting quickly in the current crisis, and most of that sum is needed right away.

Some day, you and I can look back and know that—whatever anyone else did—we did our best to avert disaster and regain a sense of pride in our country's democratic tradition.

Thank you very much for your support.

Sincerely,

PATRICIA SCHROEDER,
Member of Congress.

P.S. The citizens' movement spearheaded by the Nicaragua Network is built on contributions of $25, $50, and $100. But the financial reality is that larger contributions are needed, too. If you can afford a gift of $200 or more and want a tax deduction, please join me as a sponsor of the Nicaragua Network by making your check payable to "Sisters of Loretto/Nicaragua Network." Smaller checks should be made out simply to the "Nicaragua Network."

[Cable 1]

Subject: Third/Fourth U.S.-Based FMLN/FDR Support Activities Underway.

1. Summary.—The FMLN/FDR continues efforts to activate its U.S.-based support network. Coordinated by the Washington, DC-based National Office of Salvadoran Communist Party front—organization CISPES (Committee in Solidarity with the People of El Salvador) four activities have been initiated in the past few weeks: the November 13-15 Fenastras Labor Convention (ref A), the November 22-23 UNTS/CISPES Conference (Ref B), and the November 30-December 4 medical aid for El Salvador visit. A fourth effort by Berkeley, California-based new El Salvador Today (NEST) is also underway to raise funds for FMLN projects in FPL areas of influence on Chalatenango Province.

2. MAES.—Medical Aid for El Salvador (MAES) aircraft and 32 member delegation arrived in El Salvador November 29. Charter aircraft delivered medical supplies to the Archbishopric of San Salvador. Point of contact in the Archbishopric's office is Rev. Octavio Cruz, who has been identified by defectors from the FMLN-controlled nongovernmental human rights commission as a point of contact of the FMLN in the Archbishopric. We can not confirm this assertion. Delegation began a four-day fact finding visit including briefing by charge December 1. In discussion, delegation members, who included representatives from several other U.S. peace and church groups, described MAES as a non-partisan humanitarian organization primarily concerned about the internationally protected medical rights of civilians living in areas outside government controls (Note: Congressional sponsors of MAES include: Reps. Conyers, George Brown, George Crockett, Ron Dellums, Julian Dixon, Mervyn Dymally, Walter Fauntroy, Thomas Foglietta, Robert Garcia, Mickey Leland, Parren Mitchell, Pete Stark, Bruce Vento and Sen. Tom Harkin). MAES reps defended the August 1986 program to provide microsurgery for captured PRTC-member Nidia Diaz as consistent with group's declared charter. Group members did not comment on June 19, 1985 PRTC assassination of Embassy marines, Diaz's exchange for the kidnapped daughter of President Duarte or her current broadcasts for Radio Havana. Group was denied a meeting with President Duarte but did meet with other government officials, including EMC Chief General Blandon. Visit has received virtually no public notice in the local media.

3. NEST.—A fourth FMLN support activity is also underway. New El Salvador Today (NEST) has begun a fundraising drive for projects in FPL-influenced areas of Northern Chalatenango. NEST defines itself as a "a tax-exempt non-profit foundation sending humanitarian aid to those whose lives are most affected by the violence of the U.S. supported war." Other literature states that "today, in areas protected by the FMLN, zones of control, 300,000 Salvadorans are beginning to live new lives, to build a new society." Among NEST's board of director's is Berkeley, CA. Mayor Gus Newport (Newport is identified as a member of the World Peace Council and the U.S. Peace Council. The latter is a member of the Advisory Council of CISPES. The U.S. Peace Council is run by members of the Communist Party USA).

4. Congressional testimony—Mayor Newport testified in the May 14, 1986 hearings before the House Western Hemisphere Subcommittee on the "air war" in El Salvador concerning his March 1985 visit to FPL "zones of control" in Chalatenango. This is the same area visited in September-October 1985 by medical aid for El Salvador Director Sand Brim and President Christina Cortwright (Note: Dave Cortwright is Executive Director of SANE and was a participant in the UNTS Conference.

The NEST fundraising request went out under the signature of Rep. John Conyers (D-MI) who also testified in the May 14, 1986 hearings. (Note: Reps. Conyers, Dymally and Dellums hosted a reception welcoming NEST to Washington July 10, 1986. Ms. Scott, AA to Conyers submitted a statement for the record in the May 14 hearings on her travels of April 24- May 4, 1986 to Chalatenango as a member of a delegation). Ref (A) noted the participation of Rep Michael Urquhart at the UNTS/CISPES conference and that he had also testified in the hearing on behalf of the Washington area labor committee on Central America and the Caribbean. Ellen Purcell, who testified in the hearing on behalf of San Francisco Archbishop John Quinn Executive Director of the Salvadoran Humanitarian Air Research and Education Foundation (SHARE). Purcell travelled to El Salvador in late October as part of the MAES advance team.

Members of the various visiting groups have all indicated to the embassy that they intend to continue their efforts to terminate U.S. military assistance to El Salvador, that they believe the climate will be changed in the wake of the Iran-Contra issue, and they intend to press early on in the new session of congress for hearings on the findings of their recent visits.

Comment: In anticipation of congressional hearings based on the results of their visits and the requirement to prepare congressional testimony, the embassy recommends that departments early on establish with the members of the relevant committees the background on the organizations mentioned in embassy reporting. CISPES literature onpenly states its support of the FMLN/FDR. Further background on CISPES and the interlocking relationships of the various front groups is contained in the November 9, 1983 statements for the congressional record by Reps. Crane, and Bliley. These statements recorded at that time are based on a study of CISPES published by J. Michael Waller of the United Students of America Foundation. The Waller Document is based primarily on the Farid Handal document released by the department which exposed the establishment of CISPES in October 1980 by Farid Handal, brother of Salvadoran Communist Party Head Shafik Handal and on the CISPES-circulated State Department dissent memo entitled "Dissent Paper on El Salvador and Central America dated November 6, 1980 which was identified by the Department as a KGB active measure. Activity over the past few weeks by these Front groups is consistent with the pattern established by CISPES since its inception.

[Cable 2]

Subject: Background on FMLN/FDR U.S. Support Campaign.

1. Following is article from July/August 1986 issue of Alert (described in this publication as follows: Alert is the national publication of the Committee in solidarity with the People of El Salvador (CISPES). Founded in October 1980, CISPES seeks to educate and mobilize public opinion against U.S. intervention in El Salvador and Central America and in solidarity with the FMLN-FDR, the legitimate representative of the Salvadoran people. CISPES activities include fundraising and legislative campaigns, educational and outreach programs, and mass mobilizations, conducted on national, regional, and local grassroots levels.)

2. Begin text of article: Material Aid Training Mobilizes for $¼ Million Goal.

CISPES has closed its campaign to stop the bombing, and has now begun a new cycle of material aid fundraising as part of our campaign to promote peace with justice in El Salvador.

The culminating event of "stop the bombing" took place on June 20 in Washington, D.C.—a dinner to benefit CISPES' healing the wounds of war medical campaign in which CISPES pledged to raise $130,000 for medical aid for El Salvador and Salvadoran medical relief fund. The dinner itself raised over $1,500, and featured as speakers Gus Newport, the mayor of Berkeley, CA, and Violetta Delgado, a Salvadoran physician.

CISPES kicked off its new cycle of material aid fundraising with a material aid training in Washington, D.C. July 9-13. The National Coordinators Conference in May set the ambitious goal of $250,000 to be raised by December, and called for this training to help us meet the challenge. The NCC designate the money to fund projects for new El Salvador today (NEST), medical aid for El Salvador and Salvadoran Medical Relief Fund.

Fourteen people attended the material aid training representing 10 committees in the New England, Mid-Atlantic, Midwest, and Northwest regions. Ken Jacobs, formerly of NEST of Berkely, led the training as the new national office material aid coordinator. He considers the most important contribution of the training to be the trainees' increased understanding of just how critical material aid work is in the solidarity movement. The training also increased participants' understanding of how to carry out material aid work, particularly how to integrate it with the rest of the program. The participants learned in skills workshops how to do outreach, bring new people into committees, and increase their visibility within the community through their material aid work.

One of the primary objectives of the training was to show the participants that they could raise a lot more material aid than they thought they could—and the inspiration proved immediate. A goal of $1,500 had been set for the hands-on phone-banking and streetwork, and the trainees surpassed it by raising $2,250.

Trainers included staff from NEST, the CISPES National Office, and CISPES regional offices. Diane Greene from NEST told the trainees that those who raise material aid for El Salvador should feel personally responsible for the thousands of lives that are saved through material aid.

Beth Westgarde of San Francisco CISPES gave a workship on producing dance-athons. Beth has worked for two years on Give Peace A Dance (GPAD), a 12-hour dance marathon which after three years has become a bay area tradition, and an astonishingly successful fundraiser. 3,500 dancers participated in GPAD '86, sponsored by San Francisco and Oakland/Berkeley CISPES and the San Francisco Freeze. The event grossed an incredible $110,000, netting over $70,000 and Oakland/Berkeley CISPES earmarked half of their share for their medical aid for El Salvador project. (For more information call San Francisco or Oakland/Berkeley CISPES at (415) 861-0425 or (415) 644-3636.)

The participants agreed that one of the greatest strengths of the training was its success in bringing together people from different sized communities and different geographic areas to share experiences and work together. The trainees are now energized to take on the $250,000 goal; most importantly, they're ready to take the training back to their committees and to other committees in their area, and pass on the information and the inspiration they received.

SUBJECT: GUERRILLA FINANCES—WHERE DOES THE MONEY COME FROM?

1. This is an action message. See para 20.

2. Summary.—Since 1980, the Farabundo Marti National Liberation Front (FMLN) has conducted a widespread guerrilla war that has proved costly in human and material terms. The FMLN receives most of its arms through Nicaragua and other Communist bloc countries. However, the bulk of its funds come from donations collected in western democracies as well as funds channeled to it by sympathetic human rights groups, unions, and elements in the Catholic Church. The FLMN supplements this income with contributions from the Socialist Bloc and local Salvadoran collaborators and income obtained from kidnappings and the collection of "war taxes." Western donations have declined in the last two years, while the support of Socialist states remains static. To cover the resulting budgetary shortfall, the FMLN has increasingly resorted the banditry, extortion and kidnapping, the primary funding sources of the 1970's. In the absence of new sources of funding. We may expect these activities to increase substantially in the near future.

Much of the information for this report came from an interview with former FMLN guerrilla leader Miguel Castellanos, who served on the Finance Committee of the Popular Forces of Liberation (FPL) in 1978 and defected from the movement in 1985. Additional information was provided from the documents captured in April 1985 with Nidia Diaz, commandante of the Revolutionary Party of Central American Workers (PRTC)—another of the five organizations making up the FMLN. Salvadorans who were victims of guerrilla extortion also provided first hand accounts of guerrilla fundraising efforts.

For secstate: This document, as prepared by mission, is unclassified. Request department review and declassify. This message may be read in conjunction with San Salvador 8057 (revolutionary networking) to gain a comprehensive view of guerrilla political activities in the U.S.

3. Guerrilla finance in the seventies.—During the seventies, the Salvadoran insurgency was a small urban-based force which relied on terrorizing the political and economic elite for most of its funds. Due to its small size, guerrilla financial requirements for food, housing, and other recurring costs were modest; however, the guerrillas had to purchase their arms on the high-priced world market. The guerrillas acquired most of their funds from 1970s kidnappings conducted in San Salvador. This enabled them simultaneously to support themselves and to terrorize the urban rich.

4. The transformation to guerrilla warfare: An expensive proposition.—Spurred by government and right-wing repressive measures, the FMLN was transformed from a self-sustaining urban force into a large, rural-based guerrilla army. This dramatically altered the nature of their fiscal requirements. From 1980 onward, the guerrillas no longer had to worry about financing the purchase of arms and ammunition. Munitions flowed quantity from Nicaragua and other Communist bloc countries. The FMLN had only to guarantee the safe passage of the weapons. At the same time, however, guerrilla leaders found themselves confronted with millions of dollars of expenses to provision their rapidly expanding army.

5. Where does the money go?—The documents captured in April 1985 with PRTC commandante Nidia Diaz included a number of financial documents, among which was an estimated budget for 1984. Projected annual expenditures for 1984 for the PRTC alone were about $580 thousand. Housing, food, and health-related expenditures accounted for the bulk of the projected outlays. The PRTC also budgeted $10,200 yearly for trips to obtain external financing, $15,000 to cover overseas subscriptions to newspapers and magazines, and $500 for international phone calls. Funds were also required to purchase and fuel vehicles and buy other provisions and supplies.

6. Support from the East—Let them eat rifles.—The guerrilla organizations originally planned to obtain the bulk of their funds from fraternal Socialist States. To their dismay, although weapons were provided, only Cuba, Libya, and, to a lesser extent, Nicaragua were responsive to requests for money. According to Castillanos, Facundo Guardado, a member of the FPL and of the Finance Committee of the FMLN, visited Libya in 1981. During his visit Col. Muamar

Qadhafi offered the FMLN $4 million in direct assistance. By 1984, at least $2 million had been delivered. East Germany, in contrast, offered only uniforms and medicine to the guerrillas. The Soviet Union ignored all direct requests for help, preferring to channel its assistance through Cuba. The extent of past (and current) Soviet assistance to the FMLN is therefore very difficult to estimate.

7. Direct fund-raising efforts in the West.—The Western democracies became the largest source of cash for the guerrillas during the 1980's. The various constituent fronts of the FMLN and its political ally, the Revolutionary Democratic Front (FDR) set up "solidarity" organizations in Western Europe, the United States, Canada, and other Latin American countries. In churches and town halls, on campuses and street corners, these support groups painted a horrific picture of government oppression and portrayed the FMLN-FDR as a force for positive change. The resulting funds soon became the most important source of income for the FMLN, raising millions of dollars in hard currency. In 1982, for example, the "Arms for El Salvador" campaign in West Germany raised approximately $2 million for the Popular Forces of Liberation (FPL).

8. From FMLN records.—The documents captured with Nidia Diaz clearly reflect the dominant role of external funding as a source of guerrilla financing. One of the documents, dated April 10, 1984, provided a complete accounting of PRTC dollar and colon accounts in 1983. During 1983, 93 percent of the PRTC's total annual revenues came from direct dollar donations. According to the captured financial records, total dollar receipts came to $389,954. The PRTC during 1983/84 was the smallest of the guerrilla armies, and probably represented less than 10 percent of the total guerrilla combatants in El Salvador. Assuming other guerrilla organizations received similar levels of direct dollar contributions from Western sources relative to the size of their groups, we conservatively estimate that at least $4 million was donated to the FMLN in 1983.

9. Development projects—To feed hungry guerrillas.—In addition to the direct contributions which were openly associated with the Leftist cause, the FMLN-FDR set itself up in the economic development business, them proceeded to siphon off the bulk of the project assistance to FMLN combatants. Former FMLN Comandante Castellanos has provided a detailed explanation of how these organizations function. In 1981, Guillermo Ungo's National Revoluntionary Movement (MNR—one of three parties belonging to the FDR) founded the Social Action Investment Center (CIAS). The CIAS collected donations from humanitarian organizations and the general public specifically to support FMLN projects in El Salvador. The projects were in areas of strong FMLN persistence and directed to their "masas" support base. A typical project involved the purchase of seed and fertilizer for peasant followers of the FPL. According to Castellanos, many of the projects were fictitious, created to impress Westerners with the FPL's technical sophistication, compassion, and economic need. Only about 30 percent of these donations actually reached the projects; the FPL used the other 70 percent to maintain its combatants.

The success of the CIAS-FPL effort encouraged other FMLN groups to tap private development assistance funds to support their war efforts. The proliferation of these groups and the FMLN's greed to mine this rich and easy vein was counterproductive. So little care was taken to maintain the facade of requesting funds for legitimate development projects, that, in at least one case, two different guerrilla groups presented virtually identical project proposals to the same international group. The CIAS and the other "Development" Front Groups eventually lost credibility in the West. Donor agencies began to require detailed accounting of the use of their funds, including photographs of the projects and copies of receipts. The ability of the CIAS to collect funds for the FPL diminished in 1984, and it was eventually disbanded.

10. More from Nidia Diaz.—The Nidia Diaz documents reflect that the PRTC also milked the development projects as a source of finance. The colon account shows receipts of $21,996.50 from "projects" in 1983, or five percent of total PRTC revenues. The same April 1984 report projects a budget for 1984 and lists as a method to obtain funds "an increase in projects proposed to CIAS, Liaconia, and other sources." The picture had clearly changed by 1985. In a section entitled "The Humanization Source," a document explaining financing sources dated 16 March 1985 and addressed to Front Commanders cynically states that "in the last few years a good quantity of funds from these agencies has been received by presenting projects that need developing in various zones. It is essential to develop the projects in an effective way since reports have to be furnished in case of a visit from the agencies * * * being able to show proof, we lose credibility * * * ourselves off from the possibility of receiving * * * resources."

11. The Church steps in.—With the discrediting of CIAS and other guerrilla fronts development agencies, the Catholic Church, * * * Diaconia, became a leading management agency for funneling private development donations to qualified projects. According to Castellanos, the church's involvement brought with it much tighter controls over the use of the funds. For example, the church-sponsored projects required the approval of local parish priests. The closer controls * * * stymied widespread guerrilla appropriation of project funds. Castellanos said there were * * * complaints within the FMLN because the church * * * little for FMLN projects.

12. The "Human Rights" link.—As a consequence of the diminution of project funding, the FMLN fronts were forced to create new, more * * * fund-raising organizations in the West * * * of these new groups—CRIPDES (Christian Committee * * * the displaced of El Salvador), CDHES (Non-Government Human Rights Commission of El Salvador), Comadres (Committee of Mothers and Relatives of Political Prisoners, Disappeared and Assassinated of El Salvador Monsignor Oscar Arnulfo Romero), and CONIP (National Coordinating Conference of the Popular Church) were essentially reconstituted versions of the CIAS—they solicited funds for humanitarian reports and channeled the funds to FMLN fronts. Some of these groups have recently lost credibility as well—particularly since the recent defection and public testimony of two of their members in June—and they will likely be reincarnated under new names, according to Castellanos.

13. Labor organizations channel funds to guerrillas.—The guerrillas have found that they can obtain a substantial amount of capital from donations from labor unions which they control. Groups like FENASTRAS (National Federation of Workers' Unions), FUSS (United Federation of Salvadoran Unions), ASIES (Independent Union Association of El Salvador), ANDES (National Association of Salvadoran Educators—21st of June), and CCACES (Confederation of Cooperative Associations of El Salvador) all channel Western donations to the FPL. As "representatives" of the Salvadoran working class, these organizations attract sympathy and support from many Westerners who would not consciously assist a Communist insurgency. Castellanos stated that the wife of French President Francois Mitterrand provided ANDES with $40,000 in 1984, much of which found its way to the FPL's coffers. Castellanos estimates that the FPL receives about 50 percent of the funds donated by the West to labor groups like ANDES.

14. Auxiliary funding sources.—Assistance from abroad, though substantial, has never provided enough money to fund the guerrilla effort completely. The guerrillas have thus found it necessary to supplement their income with local means of support. Relying on local sources for each month's revenue is not possible, as a memo which accompanied the PRTC's 10 April 1984 financial report noted. Flows may be relatively strong one month, then dry up completely the next. Unlike the external financing and the project financing, which are centrally controlled by each guerrilla organization, auxiliary funding sources are managed independently at the front or sub-front level. Cash is also sent from Nicaragua. In 1985, for instance, a lada from Nicaragua crashed in Honduras. A search of the vehicle revealed secret compartments which contained arms and $27,400 in cash. Castellanos said this was not destined for the FPL, and he considered it "amateurish."

15. Collaborators.—The guerrillas prefer, of course, to obtain funds through donations offered by collaborators. This is a painless, easy way to procure money, but it is not lucrative, because FMLN collaborators are few and generally relatively poor. A letter dated March 13, 1984, which was captured with Nidia Diaz discusses recent progress in generating resources. "The ranch will be ready shortly and will be handed over to some collaborators. We have thought about sending Victor to the front. His wife will remain in Santa Tecla and help set up a small business."

16. Kidnappings.—Another guerrilla fund-raising technique involves kidnapping. The FMLN does not discriminate in the selection of its victims; it kidnaps small cotton farmers in Usulutan and big businessmen in San Salvador. A survey of recent incidents shows that ransoms range from as little as $20 to more than $60,000, with the bulk in the $4,000 to $6,000 range. By early 1986, the need for money had driven the guerrillas to seek to rebuild their capability to conduct large-scale kidnapping activities. The FMLN conducted kidnapping operations in Costa Rica and Honduras; Castellanos attributes the kidnapping of a Japanese businessman in Costa Rica in the early 1980s to the FPL.

Although potentially far more lucrative than contributions from collaborators, this strategy is problematic. It is difficult and expensive to create urban commando units which are capable of carrying out successful kidnappings. The task is all the more difficult now, because the urban infrastructure of the guerrillas is in shambles as a result of the government's thorough investigations of the Inez Duarte kidnapping and the Zona

Rosa massacre. Although in need of additional professionalism, the security forces have improved their anti-terrorist capabilities. The kidnapping of wealthy members of San Salvador's elite would prove both ideologically satisfying and remunerative to the FMLN, but the guerrillas do not now appear to be in the position to carry out many of these operations.

As a result, FMLN groups direct the bulk of their operations against small farmers in rural—and generally impoverished—areas. This places the self-proclaimed "representatives of the people" in the uncomfortable position of victimizer. The victims rarely have anything to do with the government and are often individuals of modest means. Indeed, those kidnapped by one guerrilla front are sometimes sympathizers of another; on more than one occasion, says Castellanos, this type of mistake has strained relations between allied guerrilla bands. This kind of infighting has also been revealed in numerous captured documents.

17. War taxes.—"War taxes" provide another means of guerrilla finance. This is the guerrilla term for the banditry and blackmail which they perpetrate. Guerrillas sometimes stop buses and rob or "solicit" money and watches from the indigent, working-class passengers. They also demand extortion payments (often a combination of cash and provisions) from farmers and businessmen who work in areas of guerrilla activity. Because of FMLN weakness in Salvadoran cities, urban dwellers and businesses usually are not subject to war taxes. According to Castellanos, the FMLN leadership does not like to rely on these activities, because they reveal the guerrillas as enemies of the people and make it difficult for the leadership to prevent their groups from deteriorating into bands of common thieves.

Two typical examples of war taxes follow. The manager of a small coffee farm received a form letter in late 1985 from the FMLN informing him that if he wished to harvest his coffee in peace, he had to:

(A) Comply with the salary schedule endorsed by the FMLN;

(B) Pay 10,000 colones in cash ($2,000);

(C) Deliver 15 pounds of aluminum oxide, 10 pounds of potassium chlorate, 10 meters of slow wick, and 10 fiades.

The manager was given 17 days to purchase and deliver the cash and the goods. Another grower, who received a similar form letter, faced much stiffer demands. This time the guerrillas demanded 250,000 colones ($50,000), 100 pounds each of aluminum oxide and potassium chlorate, 200 blasting caps, and a rotary multicopier. The coffee grower had only 11 days to respond.

Guerrillas also asked for boots, materials for uniforms, and knapsacks, as well as money.

Nonetheless, as foreign funding sources diminish, some fronts increasingly rely on war taxes. Castellanos says that since 1984 the San Vicente front of the FPL has received much of its funds from war tax collections. Property owners in a village in the western shadow of the San Vicente volcano report that guerrilla harassment over the past year has been at its highest level in years. A middle class resident of the village was kidnapped and ransom notes were distributed not only to his family, but to a dozen of the leading villagers as well. (Although many of the villagers did not accede to the extortion demands, the victim eventually was released.) The guerrillas also prevented property owners from harvesting from the higher elevations. Posing as small farmers, they harvested the coffee themselves and sold it to incafe. Transportation interruptions and collections of war taxes have greatly increased in frequency in this area.

18. Current trends in guerrilla finance.—Finances are a grave problem for the FMLN. Castellanos estimates the FPL's amount of nonmilitary expenses in 1985 at 800,000 colones; its monthly income from external donations had dropped from 300-400,000 colones in earlier years to 200,000 in 1985. It had to collect the rest from its union allies and through auxiliary measures. The crux of the shortfall lies in the increasing difficulty of raising funds for the Salvadoran guerrilla movement in the west. Past donors are no longer convinced of the inevitability of guerrilla victory, and they have turned their attention to newly urgent areas of struggle like Chile and South Africa. Parring spectacular FMLN military triumphs on severe political or human rights deterioration in El Salvador, the decline in western contributions to the guerrillas will accelerate.

Unless the guerrillas manage to convince the socialist FICC to increase its financial assistance to their cause, they will find it necessary to deepen their reliance on auxiliary measures. Because potential increases in collaborator donations are marginal, the FMLN will have to collect more war taxes and conduct more kidnapping operations, especially of wealthy targets. The financial exigencies of FMLN guerrilla warfare will subject Salvadorans to heightened levels.

19. * * * Directed from: this document * * * use for central congressional and * * *

20. Action request.—Request department review, revise where appropriate or needed, and declassify. Upon declassification, please * * * all addresses.

[Cable 4]

Subject: U.S. Groups Working With FMLN To Increase Support for Guerrillas

1. Summary.—U.S. * * * groups are planning a series of activities to take * * * action in El Salvador in November and December aimed at increasing U.S. public and material support for the * * * ln-dr and pressuring Congress to cut off U.S. aid to El Salvador. The groups hope their activities will obtain publicity which will refocus the attention of the U.S. public on El Salvador. The two major U.S. groups involved are the Committee in Solidarity with the People of El Salvador [CISPES] and Medical Aid to El Salvador [MAES]. CISPES has openly proclaimed its support for the FMLN-FDR [the self-avowed Marxist-Leninist guerrilla organization whose stated purpose is to replace by force the democratically-elected government of El Salvador with a one-party Communist government]. MAES has given funds to set up FMLN military hospitals in the past. Its current activities support the archbishopric. The most prominent Salvadoran group working with CISPES is the National Unity of Salvadoran Workers [UNTS], a leftist labor umbrella group composed almost entirely of FMLN-connected unions.

2. CISPES is co-sponsoring with units UNTS a conference which will kick off November 22 with a demonstration in front of Embassy San Salvador and end November 24 with a press conference. MAES hopes to airlift one million dollars of medical supplies to El Salvador on November 30. Celebrities will accompany the airlift to deliver the supplies and ensure publicity. End summary.

3. UNTS—Background.—UNTS, which is co-sponsoring the November 22-23 "U.S.-El Salvador Conference in Search of Peace" with CISPES, is a labor umbrella group composed almost entirely of FMLN-connected unions. Though CISPES claims that UNTS is the "largest and most representative array of labor and peasant organizations in El Salvador's history" and that it has 300,000 members, UNTS in reality has only about 55,000 members. By contrast, the Democratic Labor Umbrella Group, the National Workers-Campesinos Union [UNOC] represents between 215,000 and 290,000 members. As "proof" that UNTS is democratic, CISPES emphasizes that the popular democratic unity [UPD], which supported the Christian Democratic Party [PDC] in the elections, belongs to UNTS. In fact, the UPD formally withdrew from the UNTS on November 15 because UNTS "limited the pluralistic work of the UPD." In June 1986, the Clat-Affiliated Salvadoran Workers Central [CTS] quit UNTS because of "ideological differences."

4. Fenastras—background.—The National Federation of Salvadoran workers (FENASTRAS) is a labor federation with close links to the FAPU/FARN guerrilla components of the FMLN. Fenastras has observer status with the Moscow-line world federation of trade unions (WFTU) headquartered in Prague. Fenastras L.S. representative Francisco Acosta is also U.S. co-director of the cispes-unts conference. In a letter inviting certain U.S. labor leaders to attend Fenastras' November 13-15 congress in San Salvador, Acosta called Fenastras "Democratic" in spite of its guerrilla and WFTU connections. Only two U.S. labor officials attended the congress. One of them, Jerry Oliveira of the international association of machinists (IAM), endorsed Fenastras by allowing his name to be placed on a Fenastras newspaper ad. British labor M.P. Jeremy Corbyn and French, Australian, and Swiss union members also lent their names to the ad. unclassified

Subject: U.S. groups working with FMLN to increase

5. CISPES—*background*—CISPES is a U.S. organization founded by the leader of the Salvadoran communist party, Shafik Handal, in 1980. At its 1985 convention, CISPES proclaimed that one of its goals was to "Provide political support for the FMLN-FDR." In a 1986 issue of CISPES' newsletter "alert," CISPES wrote it "seeks to educate and mobilize public opinion against U.S. intervention in El Salvador and in solidarity with the FMLN-FDR, the legitimate representative of the Salvadoran people." CISPES also states that it strives to have all U.S. aid to El Salvador cut off.

6. CISPES organizing efforts—CISPES has been active in organizing letter and telegram campaigns to President Duarte, the embassy and members of congress protesting against the arrest of people with clear ties to the FMLN (REFTEL). As part of this program, CISPES urges its members to persuade people to sign a form authorizing CISPES to send telegrams in their name "when a human rights emergency occurs." CISPES brags that it targeted eight house foreign operations subcommittee members' congressional districts during the elections and, as a result, representatives have moved closer to opposing aid to El Salvador. CISPES mentions that it launched a major media campaign in the districts of Matt McHugh (D-NY) and David Obey (D-WI).

CISPES also noted that the May 14 hearings before the subcommittee on western hemisphere affairs of the house committee on foreign affairs on "the air war and political developments in El Salvador" was a CISPES project to pressure Congress.

7. CISPES hopes to raise 290,000 dollars for the Non-Governmental Human Rights Commission in El Salvador (ODHES), which has been identified as an FMLN-front group by former ODHES leaders. CISPES asks that L.S. teacher groups support the Salvadoran teachers union. Andes 21 de union and U.S. student groups, donate funds to AGEUS, an FMLN-front group at the National University. Miguel Castellanos, an FPL (one of the five groups in the FMLN) political officer who defected to the government, has said that the FPL controls ANDES and that ANDES gives about 90 percent of the donations it receives to the guerrillas. CISPES also encourages people to channel funds through the Salvadoran medical relief fund (SMRF), New El Salvador Today (NEST), and Medical Aid for El Salvador (MAES), all of which are U.S.-based groups.

8. CISPES-UNTS conference.—CISPES has been working energetically with UNTS to sponsor a November 22-23 conference at the Jesuit-run Central American University (LCA) in San Salvador. The conference will kick-off with a demonstration in downtown San Salvador and end with a press conference. CISPES claims a 250-member delegation of U.S. labor, community, and religious leaders, elected officials, and media personalities will attend the conference entitled "In Search of Peace: A U.S.-El Salvador Conference." Among those CISPES lists as "current endorsers" of the conference are Rev. Jesse Jackson, Dr. Benjamin Spock, and Amalgamated Clothing and Textile Workers Union International Vice President Ed Clark.

9. CISPES claims the conference will "bring Salvadoran and U.S. representatives together to explore and propose concrete steps toward peace and to work for a negotiated settlement to the war." CISPES states in other parts of its literature, however, that "just unclassified.

Subject: U.S. groups working with FMLN to increase knowing that there are people in the United States who oppose the war our government is waging is a tremendous boost to the people's will to go on." CISPES also says that "focusing on support to the popular opposition in El Salvador now is one of our greatest opportunities to affect the fight for justice there and to build broad understanding here about how bankrupt the whole (U.S.) regional policy is." (Note: CISPES repeatedly refers to the FMLN as the popular opposition.)

10. In its letter recruiting delegates to the conference CISPES stipulates that each delegate "must be recommended by an organization or individual endorsing the conference as well as send in a recommendation from the organization, church, union, school, etc. that they will be representing at the conference." Delegates must have a a valid passport and visa, attend or receive an orientation and "agree to abide by conference regulations." One regulation requires delegates to arrive in El Salvador on November 20 and depart by November 24. According to CISPES, this is "to ensure that our delegation is respectful of and acts responsible toward our hosts. No one connected with the conference can stay in El Salvador longer than this time period unless previous arrangements have been made." A CISPES-connected organization, Tacomans for Peace in Central America (TAPICA), states that "for safety reasons" participants can only remain from November 18 to November 25 unless they are part of another organized delegation.

11. "A million voices for peace".—CISPES wants to obtain pledges from one million Americans for a resolution to cut all U.S. and economic aid to El Salvador and "support a peaceful solution to the conflict among the Salvadorans." CISPES advises its followers to identify an "internal advocate" in institutions and groups it is trying to convince to endorse the pledges, which are to be delivered at the conference. CISPES includes "how-to's," a sample letter, and a "sample rap" in its packet of advice on obtaining endorsements. CISPES tells its members to inform audiences that the Duarte government "continues to imprison, torture, and even murder trade unionists, human rights activists, and others who speak out for peace and justice." Nowhere in the packet does CISPES say that prospective endorsers of the pledge should be informed that CISPES supports the FMLN-FDR.

12. Medical aid for El Salvador—background.—Medical aid for El Salvador [MAES] was founded in February 1982. Its most famous board of directors member is actor Edward Asner. Dr. Charles Clements, whose book "Witness to War" describes a year he spent working with FMLN guerrillas and their supporters in the Glazapa volcano area, is also a MAES member. According to MAES, it has donated over 750,000 dollars worth of medical aid which "has gone to rural areas where government bombardment of civilian targets has made the need for health care most critical." MAES also reports that in January 1983, it spent 80,000 dollars to train and equip 110 medical "brigadistas." MAES claims that in August 1985, it gave 195,000 dollars worth of medical supplies to a student-run clinic and pharmacy at the national university. (Note: They were never established, and the supplies "disappeared." Presumably they were given to the guerrillas.) MAES' biggest coup came in 1985 when it sent a surgical team to El Salvador to operate on the hand of Nidia Diaz, an FMLN guerrilla commander who was wounded and captured in a battle with the Salvadoran armed forces. MAES refers to Diaz as a political prisoner and its literature states the operation took place in a prison though it occurred in a hospital. A CISPES article which praised the operation referred to Diaz as "a participant in the La Palma peace talks." Both groups unclassified

Subject: U.S. groups working with FMLN to increase fail to mention that Diaz was among those released in exchange for freedom for President Duarte's kidnapped daughter.

13. MAES funds hospitals in conflictive zones. The descriptions of these hospitals by MAES leads us to suspect these hospitals treat FMLN wounded as well as civilians. MAES says that the hospitals must be able to move constantly in case of military attacks. One hospital MAES funded was on Guazapa Volcano and another is in the northern part of La Union Department.

14. Medical airlift to El Salvador.—On November 30, MAES plans to fly one million dollars worth of medical supplies and a 40-member "fact finding" team of labor, Congress, religious, and medical, community leaders and celebrities to El Salvador.—Those among the one million war refugees (Note: There are actually about 500,000 displaced persons in El Salvador); civilian as well as combatant amputees; and, Salvadorean children who are sick or wounded because of the war. Some of these children are to be brought back to the U.S., and their accompanying family members will be hosted by "sanctuary congregations."

MAES literature states that the airlift will be used as "an organization tool for the Central American peace movement." MAES hopes the airlift will attract publicity to "refocus the American public's attention on the problems in El Salvador. "

15. In a packet asking support for the airlift in the form of tax-deductible donations, MAES also includes a translation of a letter from San Salvador Archbishop Rivera Damas. In his letter the Archbishop accepts aid and blesses the airlift and promises the church will ensure the help will reach the most needy. MAES apparently brought in much of the medical supplies intended for the airlift during the earthquake relief effort. Those supplies as well as a single planeload to arrive November 30 are consigned to the Archbishop. MAES states it is looking for an overt vehicle to continue its medical program in conflictive zones, i.e., FMLN military hospitals.

16. The MAES delegation plans to depart San Salvador on December 6 for Mexico City accompanied by Salvadoran children and their families. MAES claims it has a meeting scheduled in Mexico City on December 7 with Contadora foreign ministers and leaders of the Salvadoran opposition (i.e. FMLN-FDR).

U.S. COMMITTEE IN SOLIDARITY WITH THE PEOPLE OF EL SALVADOR [CISPES]

WHAT IS CISPES?

The 450 committees of CISPES work nationwide to end U.S. intervention in Central America. As we complete our fifth year, CISPES continues to grow, uniting students, community and religious activists, third world and women's groups, academics and trade unionists in community-based action. We build at the grassroots level, organizing people in their communities and providing them with the means to act through creative, effective programs.

CISPES also provides current information about the social, military and political reality of Central America, as well as the U.S. involvement there. We have consistently united education with action, giving the means of dissent to thousands of Americans. We give voice and visibility to the movement through demonstrations, ballot initiatives, grassroots lobbying, material aid fundraising, and other efforts. We work to transform opposition to U.S. intervention into a national political force.

CISPES programs are nationally coordinated, and carried out at the community level. Our committees also initiate programs, using a regional and sub-regional decision-making process which maximizes their participation. Over the years, we have conducted many programs and national campaigns, among them:

Local and national demonstrations, such as the November 12 Demonstration, a coalition effort we helped to organize, which brought 40,000 people to the streets of Washington, DC.

Material aid for refugee relief, medical assistance, and economic production in El Salvador. In 1985, we raised over $180,000 for medical and developmental aid.

Human rights campaigns to free the captured and "disappeared." In 1981, our campaign freed Ramon Cardona of the FDR/FMLN from prison and certain death in Honduras.

Tours of Salvadoran, sponsored in 350 cities, have reached an estimated 17,000 people directly, and millions more through effective local and national media.

Street work and canvassing efforts, like the National Neighborhood Project to End U.S. Intervention, which reached 75,000 people at their doors, put up 30,000 window signs, and raised $30,000 to buy 79 billboards in 40 towns and cities.

Congressional action, and national skills training, such as our Grassroots Organizer Training Project, described on the other side of this letter.

CISPES GRASSROOT ORGANIZER TRAINING PROGRAM

The goal of our program is to train and establish 50 grassroot organizers in targeted congressional districts by mid-1987. These organizers will launch intensive STOP THE BOMBING CAMPAIGNS, to pressure Congresspeople to speak and vote against the U.S. sponsored air war in El Salvador. The Congressional targets sit on the House Foreign Affairs or Appropriations Committees, or exert influence in Congress on U.S. Central America policy.

Our project grows out of an experiment in Fort Worth, Texas in the district of influential House Majority Leader Jim Wright. During the summer of 1984, CISPES and other groups held a five-week intensive community organizer training. Fifteen talented activists from across the country came together to learn methods developed by Fred Ross, program director for the United Farm Workers, during 40 years of labor and community organizing.

The Fort Worth training yielded excellent results, and important lessons. We learned that the training must be coupled with a long-term national political strategy to stop U.S. intervention. Organizers and their committees must make a year's commitment to the project to implement the strategy. Only prolonged organizing and pressure campaigns will induce the Congressional targets to speak out and vote against the war in Central America. The trainees held 85 house meetings, educated thousands of citizens about the effects of U.S. policies, and got them to take action. The drive raised over $4,000, and set up a pledge system for $1,000 every month. The drive brought out many new volunteers and has kept them active, invigorating the Fort Worth Interreligious Task Force with new leadership.

Organizer John Adler applied those lessons that next winter in Chicago. A highly successful CISPES organizing drive took place in the district of House Ways and Means Committee chair Dan Rostenkowski. A permanent core of 150-active members formed a new STOP THE BOMBING committee. The activists collected $3,000 and increased the monthly sustainer base of Chicago CISPES. At our request, Rostenkowski publicly opposed President Reagan's supplemental aid request for Central American police training.

From August to October, 1985, John trained five more organizers in the nearby district of Representative Frank Annunzio. Five activists from our committees in Champaign-Urbana and Chicago, IL, Kalamazoo and Detroit, MI, and Washington, DC, conducted an eight-week organizing drive which brought 165 new people together for a meeting against the air war.

The next training, April, 1986 will be in Los Angeles, with 10 participants from the Midwest and Southwest. Later this summer, we will conduct training in another region for 10 organizers from other key districts. CISPES has developed a successful and promising strategy which in time will challenge U.S. intervention. Our organizing will recruit hundreds of new volunteers, and enlarge the funding base and effectiveness of the U.,S. anti-intervention movement.

For more information, contract our national CISPES office in D.C.

[From the Guardian, Mar. 9, 1983]

CISPES AIDS CLINICS IN REBEL-HELD AREAS

A national "People-to-People Aid to Build the New El Salvador" campaign has been organized to raise money for medical supplies to be sent to clinics in areas under the control of the Farabundo Marti National Liberation Front (FMLN).

CISPES, the Committee in Solidarity with the People of El Salvador, is sponsoring the campaign, which will continue until April 30. "The goal of the campaign is to raise money while educating the broad public about the FMLN-FDR (Democratic Revolutionary Front), and presenting a picture of the new society being built in the FMLN zones of control," explained Beth Perry, national coordinator for the CISPES campaign.

"We want to give people a concrete way of opposing U.S. government military and economic aid, and of showing their solidarity with the Salvadoran people." Money raised will be channeled through the Los Angeles-based organization "Medical Aid for El Salvador," supported by actor Ed Asner. From there, the money is sent to an FMLN-FDR approved team of physicians in Mexico, who buy medical supplies to be taken clandestinely into FMLN-controlled areas of El Salvador.

"The recent escalation to air attacks against the Salvadoran people, waged with U.S. government-supplied bombers," said Perry, "makes the need for medical supplies more critical than ever—from antibiotics and anesthetics to bandages and surgical equipment. Swiss army knives are being used to perform amputations, often with no anesthetics."

Fundraising plans include concerts, parties, raffles, church collections, film showings, door-to-door canvassing and the distribution of collection boxes.

Checks should be made payable to "Medical Aid for El Salvador and mailed to: People-to-People Aid, P.O. Box 12056, Washington, D.C. 20005; tel.: 202-887-5019. For more information, contact the CISPES National Office at 202-887-5019 or your local CISPES chapter.

THE REVOLUTION LOBBY

(Allan C. Brownfeld and J. Michael Waller)

COMMITTEE IN SOLIDARITY WITH THE PEOPLE OF EL SALVADOR (CISPES)

One of the most active organizations lobbying to end American support for a free El Salvador calls itself CISPES, the Committee in Solidarity with the People of El Salvador. CISPES, along with many other groups, has won the support of Congressmen such as Tom Harkin, Edward Markey (D-MA), Barbara Mikulski (D-MD), Patricia Schroeder (D-CO), and Gerry Studds (D-MA). Other public figures like Jesse Jackson, Ed "Lou Grant" Asner, former Ambassador Andrew Young, and actress Jane Fonda have also given CISPES their support.

CISPES' stated goal is to end American military aid to the Salvadoran government, allowing the people of El Salvador to determine their own destiny. However, CISPES also has a hidden agenda.

As we have seen, CISPES was formed in 1980 as a result of an organizational tour by an agent for the Salvadoran FMLN guerrillas. Orginally set up to oppose the weak policy of President Jimmy Carter toward El Salvador (which in itself should demonstrate its extremist political orientation), CISPES is a coalition of political, service, and religious groups. It was formed months before President Carter sent American military advisors to the region in the final days of his term. Carter's tepid support for the socialist-leaning junta led by Jose Napoleon Duarte was reason enough for CISPES to oppose his policies.

During his organizational tour, Farid Handal met with and received assistance from the Cuban Mission to the United Nations, the Institute for the Policy Studies, the Washington Office on Latin America, the Central Committee of the Communist Party USA, and the office of Congressman Ronald Dellums. Handal's contact at the IPS was Isabel Letelier. Handal also met with Philip Wheaton of EPICA and Counter-spy; Wheaton became a CISPES advisory board member.

Congressman Edward Boland (D-MA) released a report title Soviet Active Measures which revealed that at about the time of Handal's trip to the United States, the guerrillas were setting up a political front of their own in Mexico City. At that time, they had not yet unified under the name Farabundo Marti National Liberation Front (FMLN). This report revealed that "with Soviet and Cuban encouragement and participation, Salvadoran leftists in the spring of 1980 established the Democratic Revolutionary Front (FDR), the political front that represents the insurgency abroad. In June 1980, Salvadoran leftists created the United Revolutionary Directorate (DRU), the central political and military planning and tasking operation for the insurgents."

The report added that "These two organizations collaborate closely but not always openly with the Soviets, Cubans and East Europeans. Nevertheless, they represent themselves as indigenous, independent organizations in an effort to conceal the Soviet and Cuban role in planning and supporting their activities."

It was the DRU which "called for the establishment of solidarity committees" worldwide "to serve as propaganda outlets, conduits for aid, and organizers of solidarity meetings and demonstrations," the report said organizers of "solidarity committee" was CISPES.

The CISPES leadership denies that it was founded or influenced by the FMLN, and in the May 1984 edition of its monthly El Salvador Alert, it printed an editorial denouncing people who dared make the charge. Yet the FMLN itself has admitted that it was responsible for setting up its own support apparatus in America and elsewhere. On March 13, 1983, the FMLN's Radio Venceremos said, "We have organized a large solidarity apparatus that encompasses the whole planet, even in the United States, where one of the most active centers of solidarity exists."

Documents captured from the FMLN guerrillas by the Salvadoran army, and others obtained by journalists from CISPES sources indicate that CISPES was indeed organized by FMLN agent Farid Handal, by the Central Committee of the Communist Party USA, and with help from Cuban intelligence operatives at the United Nations. Former Newsweek foreign correspondent Arnaud de Borchgrave also determined this from his own sources, and has described CISPES as "a Cuban active measures operation." The Washington Post, as we have seen, has also reported on CISPES' ties to Communist Party fronts, saying that the United States Peace Council is a CISPES steering committee member and that it may have given clandestine funds to CISPES.

Democracy and freedom are not the goals of CISPES, which has shunned the electoral process. An analysis of each of CISPES' monthly El Salvador Alert newsletters will show that CISPES has not deviated from the FMLN line. It has condemned American aid to the Salvadoran government—including humanitarian aid such as food, medicine, and agricultural assistance. The only aid CISPES supports is medical aid to the FMLN and its controlled areas, thereby freeing up funds to purchase military supplies. In 1983, CISPES raised over $450,000 in cash, food and clothing for the FMLN's "liberated zones," working through fronts called "People to People Aid," and "Medical Aid to El Salvador." Actors Ed Asner and Martin Sheen have signed direct mail fund-raising letters for these campaigns.

CISPES' lies have been repeated by well-meaning, sincere Americans who believe that by supporting CISPES they are supporting the cause of the suffering people in El Salvador. Even leaders of the Protestant and Catholic churches have been taken in by CISPES' aggressive well-organized campaign.

In spite of its mild Congressional support and its enthusiastic support of religious and "human rights" groups, CISPES is a dangerous organization. One of its leading speakers has been Rafael Cancel-Miranda, who was one of four Puerto Rican terrorists who shot up the House of Representatives in 1954, wounding five congressmen. He and two others were pardoned by President Carter. Other speakers at CISPES events have included diplomats from Communist Vietnam, Nicaragua and Grenada. In spite of its "No more Vietnams" rhetoric, CISPES has distributed flyers at radical events saying, "Vietnam has won. El Salvador will win."

In March 1984, FBI director William Webster appeared before the Senate Subcommittee on Security and Terrorism, where he was questioned about CISPES links to terrorist groups in the United States. He said he would answer in detail only in secret. CISPES activists in Minnesota were questioned by the FBI in relation to the November 1983 bombing of the U.S. Capitol. Press reports nearly a year after the bombing said that "congressional sources with access to classified information said CISPES appears to be the focus" of an FBI investigation "and that six to 12 other groups are also being investigated." But a CISPES spokesman denied any ties to terrorism. In any case, CISPES is not a mainstream group.

Nevertheless, CISPES has made itself felt in the halls of Congress by creating public pressure against American policy in El Salvador through an aggressive, emotional, grassroots disinformation campaign. Along with other Communist front groups, CISPES has organized demonstrations on college campuses and in cities across the country protesting against U.S. aid to El Salvador. It is the country's leading grassroots pressure group on behalf of the FMLN. In addition to raising funds for the Communist guerrillas, CISPES has coordinated letter-writing and phone campaigns to United States representatives and senators in all fifty states. It is expanding its focus to the other Central American republics.

FMLN defector Alejandro Montenegro, who was intimately involved in the guerrilla leadership, told a group on Capitol Hill in July 1984 that CISPES is "managed from Managua." Captured guerrilla documents back up his claim.

Cuban influence over CISPES was further displayed when the Castro government hosted a "consultative meeting" of solidarity committees from 16 nations in Havana in November 1984. Reports from Mexico said that CISPES and similar groups operating under the World Front in Solidarity with the People of El Salvador attended, in order to "help the guerrillas of the Farabundo Marti Front in El Salvador and the pro-Soviet Sandinista regime in Nicaragua." Another attendee, according to the Mexican report which originated in Havana, was a group called the Committee in Solidarity with Nicaragua, known in the United States as the National Network in Solidarity with the Nicaraguan People.

NATIONAL NETWORK IN SOLIDARITY WITH THE NICARAGUAN PEOPLE (NNSNP) (NICARAGUA NETWORK)

The Sandinistas began setting up their own solidarity committee in the United States three years before the FMLN sent Farid Handal to Washington to organize CISPES. While working out of bases in Costa Rica prior to the overthrow of Somoza, the Sandinistas invested heavily in propaganda to influence the American Congress and President Carter. In 1977, Sandinista activist Miguel Bolanos and two other Nicaraguans started a solidarity committee at Louisiana State University in Baton Rouge. This was two years before the U.S. Peace Council's National Conference on Nicaragua, and two years after the "victory" in Vietnam.

Bolanos returned to Nicaragua, and after the revolution, became a highly-placed intelligence officer. Upon the birth of his son in the fall of 1982, Bolanos became disillusioned with the totalitarian nature of the Sandinista regime, and in May 1983, he seized a plane to Costa Rica and eventually brought his young family to safety in the United States. In an interview with the Institute on Religion and Democracy, Bolanos described how the National Network in Solidarity with the Nicaraguan People (NNSNP) was founded.

Independently setting up solidarity committees at LSU, the University of Texas at Austin, and "in other parts of the south," Bolanos said, "We sent all the money and other aid we collected to the headquarters in Costa Rica. And we received our directions and propaganda from Costa Rica. What we were creating became the National Network in Solidarity with the People of Nicaragua." The movement quickly lost its independence, according to Bolanos, who said, "by 1978 the Sandinistas realized the value of the solidarity committees in the United States. So they placed a couple of key people from the Sandinista organization in charge of the solidarity network in this country. They were under orders from the Sandinista directorate."

Bolanos later told the council for Inter-American Security that the National Network in Solidarity with the Nicaraguan People is "guided by the intelligence organs of Cuba."

The National Network was initially housed in the office of the Ecumenical Program for Interamerican Communication and Action (EPICA), the educational-action project which focuses on the social, economic and political struggles (euphemisms for Communist revolutions) in Central America and the Caribbean.

An EPICA "task force" published a document describing the purpose of the National Network in Solidarity with the Nicaraguan People as being to "educate" the American public on "the true nature" of the Nicaraguan struggle and to "underscore the imperialist role of special U.S. interests." Naturally, EPICA and the NNSNP ignore any imperialist role of Cuban or Soviet interests.

The purpose of the National Network is, like CISPES, to spread propaganda and raise funds for a Communist revolutionary movement, in this case, the Sandinistas. Its new national office, now at 2025 I Street in northwest Washington, distributes pro-Sandinista literature, helps furnish speakers, and organizes tours to Nicaragua through the official Sandinista travel agency, and on the official Sandinista airline, Aeronica.

These trips are "Potemkin village" type tours, which leave most guests lavishing praise on the Sandinista regime. One student who went on the tour in June 1984 was unable to see members of the Jewish community, the Miskito Indians, the Catholic Church hierarchy, and other representatives he had been promised he could visit. He described the tour as "first-rate propaganda" and added that most participants are sympathetic to the Sandinista regime and are eager to overlook its faults during the tour.

These tours, coordinated by the National Network and the Sandinista Interior Ministry, create a favorable impression of the revolution among the visitors, while generating the hard currency the Marxist government needs. Other tours organize Venceremos Brigade-style trips to pick cotton and coffee on Sandinista plantations; like those in Cuba, they also pick sugar cane and work on construction projects. The Marxist Guardian noted that "the strong impact" of a visitor's "experience in Nicaragua can be seen in the kind of enthusiasm many have shown in solidarity work on their return." Miguel Bolanos said that the tours are managed by the Sandinista Directorate for State Security (DGSE), which he said is "effectively controlled by Cubans." The DGSE is modeled after the KGB; its director is, appropriately, named Lenin Cerna.

Staffers with the National Network can often be reached by phone at the Sandinista Embassy in Washington; the Embassy itself said that the National Network is a part of the Embassy's operations. A Council for Inter-American Security staffer called the Sandinista Embassy for information, and was given the number of the National Network by the Embassy receptionist.

The National Network in Solidarity with the Nicaraguan People is an agent for the Sandinista government in Managua, performing "public relations" duties and raising money for the Sandinistas through a variety of grassroots educational and health projects such as its tax-deductible fund, Humanitarian Aid for Nicaraguan Democracy (HAND).

Demonstrations against American support for the democratic resistance forces in Nicaragua are often sponsored by the NNSNP, sometimes in conjunction with CISPES. This solidarity committee has fueled the intense public debate on aiding the democratic guerrilla contras fighting the Sandinistas, and has found comfort in the actions of Congressmen Michael Barnes and Edward Boland, House Speaker Tip O'Neill, Senators Edward Kennedy and Christopher Dodd, and others of similar ideological persuasion.

In 1985, changed its name to "Nicaragua Network." Congressman Patricia Schroeder (D-CO) signed a direct-mail fundraising appeal for it that July.

THE RETIRED SENIOR VOLUNTEER PROGRAM

HON. WILLIAM J. HUGHES

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 11, 1987

Mr. HUGHES. Mr. Speaker, it is with great pleasure that I rise today to pay tribute to the Retired Senior Volunteer Program which this year celebrates its 15th anniversary of service. As you know this program was designed to create opportunities to involve and utilize the talents of our Nation's senior citizens 60 years and over in meaningful volunteer positions.

For the past 15 years these caring individuals have been serving their communities in a truly significant manner. Their efforts are highly commendable. These selfless volunteers provide an invaluable assistance to their communities by performing tasks in settings such as health care centers and schools to helping to feed the homeless by transporting food and preparing it.

There are many in our country who think of retirement as the termination of a career and working life. Some do not realize the valuable skills and experience that retirees can and do offer to their communities. This program rightfully asserts, among other things, that the participants are productive, civic-minded, and community conscious members of our society. They are all of this and more.

I recently had the good fortune of hearing first hand about the remarkable record of achievement by one such program in Cumberland County, NJ. The 458 workers in the county who are associated with the RSVP, including 378 volunteers, are a shining example of the high productivity and value of the program. Goldie Wulderk, the director of RSVP: in Cumberland County, NJ., her staff, the board and advisory committee members as well as the hundreds of volunteers are part of a team that make this outstanding program possible. I am proud of their great work.

At this point in the RECORD, Mr. Speaker, I would like to submit the text of a speech given by Goldie Wulderk which most eloquently articulates their accomplishments.

GOLDIE'S SPEECH

Congressman Hughes, Mr. Chairman, County Freeholders and friends, I present to you once again the largest group of workers in Cumberland County R.S.V.P. (the Retired Senior Volunteer Program)—funded in part by ACTION, the Older American's Volunteer Act (the domestic volunteers) a Federal agency and granted to the County Board of Chosen Freeholders—The Honorable Charles (Chuck) Fisher, chairman.

We involve and utilize the talents of our senior citizens 69 years and over in meaningful volunteer positions.

We have 378 volunteers, 24 R.S.V.P. advisory council members, 10 senior thrift and Craft Center, Inc. board members, 28 volunteers temporarily on sick leave, 5 new volunteers waiting to be placed, 3 paid staff, a full-time volunteer in the Fayette Street office, 3 Green Thumb employees in our downtown center, 8 "friends of R.S.V.P." for a total of 458 people working for R.S.V.P. and Cumberland County. Our thanks to the New Jersey State Green Thumb for all their support.

They serve in 58 different non-profit organizations and businesses all over the county, made and gave out hundreds of bed pads and cancer dressings to the bedfast and frail elderly. (Our thanks to the county health dept. for materials.) Our volunteers have picked up and distributed surplus food over 50,000 lbs. of cheese, 19,000 lbs. of dry milk, hundreds of loaves of breads, muffins and pita bread, 3,000 lbs. of rice, 30,000 lbs. of flour, 25,000 lbs. of cornmeal and 500 quarts of honey to the daily meals for the needy, street people and jobless. Even delivering this food to the shut-ins and to the rural isolated senior citizens. They have distributed over 2,433 cases of frozen food pizza, strudle, pancakes, muffins, popcorn, and frozen vegetables. Thanks to the efforts of Lou Amico and the Pillsbury Co. who felt it was needed here in Cumberland rather than all going to Philadelphia and Newark.

Our volunteers serve in 58 volunteer stations that include 4 hospitals, 6 nursing homes, 2 day care centers, enrichment center for the blind, visually impaired, 3 Red Cross chapters, 5 nutrition centers, they deliver Meals on Wheels to the shut-ins and serve at the Good Sheppard dining room. Where the needy families and street people can go for a free meal every week day.

They have provided transportation for the frail elderly and handicapped to doctors, drug stores, hospitals, nursing homes—even for groceries and to the bank.

Frail elderly can now stay in their homes because these volunteers bring hot food, do chores, call and check on their needs, walk and ride the neighborhoods so they can once again feel secure.

They act as secretaries, receptionists, nursing and clinical aides, library aides, stuff envelopes, serve food at nutrition sites, take garbage out, etc. Hospital volunteers just visit and give a smile to the shut-ins, even put on fashion shows for entertainment.

They teach crafts and deliver materials so the shut-ins might participate once again with a feeling of dignity and pride not just sit with their hands in their laps waiting to die.

Even residents of hospitals and nursing homes now participate by helping those residents not able to help themselves. The handicapped now prove they have a lot to contribute to society. They are here tonight.

You have served 101,895 hours this past year. Our goal was 70,000 hours. They have surpassed it by 31,895 hours thus fulfilling our personal goal of 100,000 hours. Our "friends or R.S.V.P." have served 1,934 hours.

When you multiply that number of hours by the minimum wage of $3.35 an hour, it adds up to a whopping $341,351.25 (bringing it closer to a half million dollars in service).

An even more impressive total is the 873,364 hours served since the programs inception in 1973 this came to a tidy $2,925,769.40. You retired people putting your skills and talents gained from a life time of experience, and your youthful exuberance gained from keeping your minds and bodies busy and alert to very constructive use.

This is all accomplished on a $35,399 (cut by Gramm-Rudman by $1,285) Federal ACTION grant and $22,250 appropriated by our grantee for a total of $62,399.

These volunteers have accomplished miracles.

With the purchase and restoration of our own building and big red truck (totally without Federal and State funds or taxpayers money). We have realized a dream of our own center where no one can say, you have to move on.

This has all been done through the hard work and generosity of volunteers and citizens of Cumberland County except for where codes, etc. were required to have the expertise of licensed tradesmen.

I would like to give thanks to Mr. Phil Lipman and his staff who have helped to acquire our 501-C3 Federal tax exempt status, reincorporated our store board and much needed funds. The city of Bridgeton and Upper Deerfield Township for their support. With their help our center has become a reality.

The building is a caring center, a volunteer station where community needs are met by volunteers who care. A place where seniors can wait on the bus, get a cup of coffee, find companionship and a waiting friend.

When there is a disaster in South Hersey the first thought is of R.S.V.P. We have the knowledge of where to refer—or the materials to meet the need. Clothing, furniture, linens and food for the burned our victims, clothing for children who might not be able to attend school due to family illness or parents out of work, good fresh vegetables for all the needy.

Do you know what our application form is? Just an open hand. No red tape, no one falls between the cracks. Our private non-profit caring center board makes this possible.

This past year our cleaning volunteers and Green Thumb workers gathered from area farms and distributed to the needy over 4,000 baskets of apples, peaches, zucchini, nectarines, egg plants, cucumbers lettuce, cabbages, greens and much more. This food would have otherwise gone to the pigs.

Our thanks to the area farmers, Blue Valley Farms, Sunny Slope, B&B Farms, Levari, Pearlsteins, Bisconti's, Romano, Sorantino and Sparcio Farms—for their patience and generosity.

They have picked up thousands of articles of clothing household articles, furniture tools, etc. All have been donated by the citizens of Cumberland, County.

To these people our thanks—for they have made it possible for us to help the needy in our community and finance and maintain the center from where our volunteers, provide all these services.

Just because most of the these employees work for nothing. This should not minimize their importance. They are fulfilling a need where there are no longer funds to provide the services.

Our thanks to the Board of Chosen, Freeholders and Chairman, Chuck Fisher for their financial support. For providing us with office space and technical and moral support.

Also I would like to thank Henry Ricci (Office on Aging & disabled executive staff) for their support.

They have made my life and that of my staff a more secure happier existence.

Again, I salute all the volunteers tonight for their courage, unselfishness and sensitivity for helping to pull our community a little closer together thru their efforts.

NEW USDA PLANT AT TEXAS TECH UNIVERSITY

HON. LARRY COMBEST

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 11, 1987

Mr. COMBEST. Mr. Speaker, today I am introducing, along with Mr. DE LA GARZA and Mr. STENHOLM of Texas, a bill to authorize the construction of a new Department of Agriculture [USDA] Plant Stress and Water Conservation Research Laboratory at Texas Tech University. This research facility is needed to house an existing cooperative research program that is fragmented between the Texas Tech campus and temporary buildings located on land owned by USDA/ARS. There is an immediate need for greater emphasis on research which seeks genetic crop improvement in environmental extremes such as drought and high temperature, and which pursues cropping systems that conserve water. Architectural plans for this facility have already been funded and completed, and a long-term land lease with Texas Tech University has been in place since 1980. A program with excellent State and USDA/ARS research personnel has been developed over the last 7 years. A new research facility will allow this program to continue the momentum of its development, and to fullfill its research commitment.

In Texas, as well as most other Western and Southern States, crops often experience unpredicted and extensive periods of environmental stress during their yearly growth cycle usually attributable to drought or extreme temperature. As a result of these stress periods, crop yields often are dramatically reduced if supplemental water for irrigation is unavailable or limited. On the great plains of our United States, a land area of approximately one-fifth of the total United States, over one-half of the food and fiber is produced on land that is irrigated by pumping water from the virtually nonrechargable Ogallala aquifer. In total, over 50 million acres of United States crop land is dependent on periodic irrigation during the growing season. While this irrigated acreage represents approximately 10 percent of the total cropland in the United States, it accounts for more than 25 percent of the crop production due to a decrease in water availability and to higher water pumping costs. World population projections of a doubling of the population by the year 2030 will put new and unprecedented demands on the ability of agriculture to produce higher yields on currently available lands with less water and with better tolerance to unpredictable weather extremes. The extended 1986 drought in the southeastern United States brought many of us back to the real world of weather unpredictability and the vulnerability of our current agronomic ecosystems to environmental stress.

The research currently underway by the plant stress and water conservation research program at Texas Tech is seeking to improve agronomic management systems to prevent water loss from open fields and to improve water use efficiency ot cropland. The improvement of water use efficiency involves changes in cultural practices that can be implemented in the short term and in improved genetic design of crops in the system. To make such genetic advances, basic physiological and biochemical processes that control water and gas uptake and loss from plants must be precisely defined. The genetic control of these mechanisms must then be differentiated at the gene level. Planned genetic design of plants to survive the extremes of drought, temperatures, and other stresses is possible only through concerted efforts of cooperative research teams such as those which exist in the program at tech. While Lubbock scientists are developing essential research linkages with other research groups, the breadth and depth of expertise at Lubbock must also be expanded to include scientists expert in the new technologies of genetic engineering and gene movement and expression. Such expansion is dependent on the proposed building.

Planning for a Plant Stress and Water Conservation Research Laboratory was initiated as a result of a 1959 Senate report— Senate Document 59—entitled "Facility Needs—Soil and Water Conservation Research" developed by a working group appointed by the Secretary of Agriculture. Discussions continued between Members of Congress and administrators of USDA that resulted in an appropriation of $100,000 in fiscal year 1977 for a feasibility study of a plant and Moisture Stress Laboratory by a blue ribbon committee of distinguished scientists appointed by the Department of Agriculture. This committee visited many sites including Lubbock, and concluded in the feasibility report to Congress that Lubbock would be the most ideal location for such a facility. For fiscal year 1979 Congress appropriated $800,000 to initiate planning for the research program and proposed facility in cooperation with Texas Tech University at Lubbock. An architectural plan of the proposed laboratory has been prepared which contains approximately 67,000 square feet of research space for 22 permanent senior scientists. The location for the building was established in 1980 by a long-term lease for 50 acres on the Texas Tech campus.

Specific research program dollars designated for the Plant Stress and Water Conservation Program were initiated for fiscal year 1980 when Congress appropriated $200,000 for basic research on the problem. Subsequent appropriations have been $400,000 for fiscal year 1981, $450,000 for fiscal year 1982, $750,000 for fiscal year 1983, $750,000 for fiscal year 1984, $900,000 for fiscal year 1985, $1,150,000 for fiscal year 1986, and $1,150,000 for fiscal year 1987.

The current USDA/ARS Research Program works closely with Texas Tech University scientists and scientists associated with the Texas Agricultural Experiment Station—Lubbock. Scientists from all three units are members of the regular appointments in the Department of Plant and Soil Science in the Coillege of Agricultural Sciences. Graduate and postgraduate research training programs are in place and are an integral part of the overall philosophy of the research program. Other linkages of program scientists are evolving into fertile collaborative research ventures with scientists from private, State, and Federal institutions throughout the Southwest and Great Plains.

It is our strong hope that the Agriculture Committee, the House and the Senate will recognize the urgency of this research program, and concur with our opinion that it is time to appropriate the monies required to construct the Plant Stress and Water Conservation Research Laboratory at Texas Tech University. Further delays in providing adequate research space and facilities for the scientists involved in this already-dynamic research program would seriously affect the progress of a research effort that is critically needed as we address the problems of food and fiber production in the 21st century.

FAIR TRADE AND WORKERS' RIGHTS

HON. STEPHEN J. SOLARZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 11, 1987

Mr. SOLARZ. Mr. Speaker, it is an article of faith in this country that fair trade is a condition for free trade. Increasingly, moreover, there is the realization that one component of fair trade is observance of basic standards of workers' rights by countries which export to the United States. In this regard, I commend to my colleagues an article which appeared in the business section of the New York Times on May 31, 1987, written by Charles D. Gray, the executive director of the Asian-American Free Labor Institute.

[From the New York Times, May 31, 1987]

DO WE SUBSIDIZE EXPLOITATION OF FOREIGN WORKERS?—PUTTING HUMAN RIGHTS INTO TRADE POLICY

(By Charles D. Gray)

Trapped by locked doors and barred windows, 19 persons died in a fire that swept a small factory in a Bangkok suburb one night last year. The victims, part of a work force of 30 producing leather goods, had bedded down for the night on three floors of their factory. Their normal work day was from 8 A.M. to 11 P.M. On that fatal night they had worked till 1 A.M.

In the teeming metropolitan areas of that Thai capital and other third world cities, it is not uncommon for men, women and children to work long hours. Nor is it unusual for workers to spend 24 hours a day in a factory compound. The workers who died in the Bangkok fire, many of them rural migrants, did not earn enough to pay for housing. Their wages were between $20 and $80 a month, with the lower pay going to 13- and 14-year-olds.

In Southeast Asia, the huge textile and electronic export industries thrive on th exploitation of young unmarried women between 16 and 23. According to the International Labor Organization, the women work long hours for lower pay than men and are subjected to sexual harassment, job insecurity and psychological stress.

The Bangkok tragedy and the I.L.O. report underscore a reality that confounds conventional wisdom among economists. According to their view, the United States must reduce its wages and working standards to adjust to the global economy. A Brookings Institution economist recently prescribed that the steel industry cut wages in half to meet foreign competition. The advice is wrong-headed.

Why stop there? If the highest priority in international commerce is to beat the competition, we should also consider the following:

Putting a large number of high-school-age children into the full-time labor force.

Abolishing rules and practices that save lives and limbs on the job.

Giving manufacturers greater leeway to pollute the environment at work and in the community.

Removing the penalties that now apply to discrimination against women and minorities.

There is another choice. Rather than adjusting our way of life—our standard of living—to that of nations with lower standards, we can help them raise their standards closer to ours. We can make the rights of working men and women more of a factor in international commerce.

Most Americans would abstain from buying a foreign-made shirt or blouse, even at discount prices, if they knew it was stained with the sweat of exploited 13- and 14-year-old girls hired because they are more likely than older women to accept starvation wages and night-time work. But most consumers are uninformed. In any case, the whole burden of making moral choices in the huge international marketplace should not be left to consumers.

That principle was recognized in Federal law as early as 1890 when Congress banned the import of goods made by convict labor. Since then there have been only piece-meal efforts, always strongly resisted by business, to put a human rights dimension into American trade and investment policy.

A major breakthrough came with the passage of the Trade and Tariff Act of 1984, which renewed duty-free privileges of certain imported goods from 114 developing countries under what is called the Generalized System of Preferences. Countries had already been ineligible for G.S.P. privileges if they expropriated the property of American citizens without compensation, failed to prevent drug trafficking to the United States or failed to meet several other conditions. The 1984 law added a human rights element to those conditions.

At the urging of the A.F.L.-C.I.O. and over the opposition of the Administration, Congress now requires countries to follow certain "internationally recognized workers rights" to continue to qualify for trade benefits. The President must withhold duty-free privileges from a country that "has not taken or is not taking steps to afford internationally recognized worker rights to workers."

Those rights, spelled out in the conventions of the I.L.O., include the right to organize and bargain collectively, a minimum age for the employment of children and acceptable conditions of work with respect to minimum wage, maximum hours and occupational safety and health.

These worker rights provisions should be extended beyond G.S.P., which covers less than 5 percent of imports, to the entire range of our international trade. In fact, the trade bill now before Congress would do just that. It is essential that these provisions be preserved.

Pasting the label of "protectionism" on these concerns for human welfare is a gross error. At one time, most Americans did not care what happened in other states—plantation owners could do what they wanted with their slaves, just so consumers got their cotton cheap. That callous indifference is no longer acceptable. In domestic commerce, we find no contradiction between free trade and fair labor standards, such as a prohibition of child labor.

In today's vastly more interdependent global economy, indifference to human rights abuses outside our boundaries is also becoming less tolerable to Americans. Thanks to television, people now can see naked exploitation, whether of migrant workers in the United States or blacks in South Africa. Whatever its final form, the trade bill should reflect a commitment to a trade policy that fosters basic rights in the workplace.

AMNESTY PROGRAM IN CHICAGO INSENSITIVE TO IMMIGRANTS' NEEDS

HON. WILLIAM O. LIPINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 11, 1987

Mr. LIPINSKI. Mr. Speaker, I would like to take this opportunity to bring to the attention of my colleagues recent events involving the amnesty program.

Yesterday, June 10, 1987, the Chicago Office of Immigration and Naturalization refused to take action on a request from numerous Hispanic organizations to place a legalization center in at least one of three highly populated Hispanic neighborhoods in the city of Chicago. They chose instead to stand by their decision to place centers in neighborhoods with few or no Mexican aliens. Their only concession in this matter was to promise to study the placement question for the next 90 days. This program is already 1 month old, a further delay of 90 days will effectively remove the need for additional legalization centers—this is totally unacceptable.

The failure of INS to establish a legalization office in the Pilsen, Little Village, or Back of the Yard communities was both a mistake and a major oversight on their part. This decision places an undue hardship on Mexican and Eastern European aliens seeking to benefit from the amnesty program.

It was my understanding that the INS intended to establish offices in places that can best serve a community. If that is the premise we are to follow, then the neighborhoods of Pilsen, Little Village, and the Back of the Yards deserve a center. These are the areas where the program will be fully utilized.

If we are to be truly sensitive to the needs of all those eligible under the amnesty program we must provide them with reasonable access to a legalization facility. The current program set up by the INS in Chicago is not, in my opinion, sensitive to the needs of the people it purports to help—I intend to do all that I can to change that.

TRIBUTE TO THE HONORABLE ANTONIO H. WON PAT

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 11, 1987

Mr. BIAGGI. Mr. Speaker, it was with a great deal of sadness that I pay tribute to our former colleague, the Honorable Antonio H. Won Pat, who served the people of Guam from 1973 to 1985. Tony passed away at the age of 78, and his passing leaves a void in the hearts of his beloved family, friends, and those of us who had the honor to serve with him.

I was one who served alongside Tony during his tenure in the House of Representatives. Throughout those years, I had many opportunities to get to know Tony, and found him keenly devoted to the people of his island. Before coming to Washington, Tony was a key figure in the move that gained U.S. citizenship for Guamanians in 1950. Additionally, he served as Speaker of the Guam Territorial Assembly and then of its legislature. His role as chief lobbyist for Guam before being elected to Congress in 1972 provided him with endless opportunities to find the best way to help the people of Guam. Once he was elected to Congress in 1972 as Guam's first nonvoting delegate, Tony continued to fight for the rights of his constituency, most of whom are employed by the Federal Government. Guam, which is almost entirely dependent on Federal funding for its economy, needed a strong voice, and Tony's voice could always be heard loud and clear. His concern for the public welfare of his people brought them increased funding for a variety of social services, including urban renewal projects, VISTA, and food stamps. He also was responsible for the creation of a national cemetery honoring Guam's war veterans.

Tony's leadership on the Committee on Interior and Insular Affairs, where he served as chairman of its Subcommittee on Insular Affairs ensured that Guam would always receive its fair share of Federal appropriations. He never wavered from his goal—to secure the most possible benefits for the people of Guam.

Although as a delegate, Tony had no vote on the floor of the House, his presence was always felt. Although he did not return to Congress after his narrow defeat in 1984, he remained in Washington, staying abreast of any activity that would affect Guam and other U.S. territories. At the time of his passing, Tony was in Washington to monitor Senate Appropriations Committee hearings concerning U.S. territories.

Tony's death has brought great sorrow to me, because he was my friend. I knew I could always count on his support. Antonio H. Won Pat may have been a man slight in stature, but he was a man who was very, very big in the eyes of the people who cared for him. I would like to extend my sincere condolences to his family during this time of sadness, to Tony's wife, Ana, and to their eight children, my thoughts are with you. Tony is certainly missed.

CONGRATULATIONS TO JOHN JORDAN FOR DEDICATION AND SERVICE TO HIS PROFESSION

HON. SOLOMON P. ORTIZ

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 11, 1987

Mr. ORTIZ. Mr. Speaker, I would like to pay tribute to a dedicated man that has served his community for many years. Mr. John Jordan is a retiring leader from the Postal Service. He has served as a Texas legislative chairman and president of the Texas State Association of Letter Carriers. Under Mr. Jordan's leadership, Texas letter carriers have been ably represented.

John was elected a district 5 board member in 1972 at the Laredo, TX, convention. He was elected vice president of the Texas State Association of Letter Carriers in 1978. He also took on the job as a State legislative chairman.

John was elected president of the State association in 1985. He previously served as president of the Corpus Christi branch. He has worked with Texas State AFL-CIO and been a shop steward within his National Association of Letter Carriers branch.

Many Members of Congress know John personally. Some of his finest work was as legislative chairman. In that capacity, I have met with John many times and have the highest regard for him. The National Association of Letter Carriers will greatly miss his leadership. Enjoy your retirement, John.

HONORING THE UKRANIAN-AMERICAN VETERANS

HON. DENNIS M. HERTEL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 11, 1987

Mr. HERTEL. Mr. Speaker, I rise today to honor the 40th anniversary of the National Ukranian-American Veterans.

Although the permanent national organization was not established until the 1940's, this important organization has a long and proud history. It was first envisioned by two Ukranian veterans of the Spanish-American War; Denis Labovsky and Fedko Kochan, both from Pennsylvania. However, it was not until after World War I that Post No. 1 was officially chartered. This post helped to initiate a number of other posts throughout the Eastern States with the help of its most active charter and lifetime member, Maj. Michael Darmopray, who served under George Patton.

After World War II, Post No. 1 was renamed for Anthony Bylyi. This young sailor's interest in the sea began even before his enlistment into the U.S. Navy. He died in the Japanese attack on Pearl Harbor at the age of 20. During this time, other posts throughout the East were officially chartered. One of these posts was the forerunner of the veterans' welfare fund, which helps members and families in emergency situations. The Ukranian Youth League also founded a post in Philadelphia.

Ukranian-American Veterans became active in many community and military activities, including the distribution of a newsletter, The Bugler, to the Armed Forces; and keeping lines of communication open between soldiers in various combat zones around the world.

It was during a convention of the Ukranian Youth League of North America, in 1947, that the first steps were taken to establish a permanent national Ukranian-American veterans organization. A feasibility study was ordered, and a united national Ukranian-American Veteran's organization became a reality.

Post No. 101, from Warren, MI, in my district, was founded in early 1983 by a small group of World War II, Korean, and Vietnam veterans. They chose the No. 101 as a symbolic title in hopes of someday reaching that number on their membership roles. After becoming formally installed in 1984, they became extremely active in our community. This post has initiated and given leadership to a number of human rights causes, lobbied for national reforms, and helped to preserve the rich cultural fabric of the Ukranian community.

To this end, the almost 90 members of this young post are proudly hosting the 40th anniversary convention in Warren, MI. This event will feature a banquet and ball, and calls upon Ukranian-American veterans everywhere to "remain ever vigilant" in the fight against the "tyranny and totalitarian ideology * * * led by the Soviet Union."

I call upon my colleagues and ask them to join with me in honoring the Ukranian-American veterans who have fought for our freedom, and to thank them for their sacrifices in the name of the United States of America.

IN RECOGNITION OF THE OUTSTANDING WORK OF CHARLES FAZIO

HON. CHARLES E. SCHUMER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 11, 1987

Mr. SCHUMER. Mr. Speaker, I would like to call the attention of my colleagues to the longstanding service of Charles Fazio.

On June 30, 1987, Charles Fazio, financial secretary of St. Pius X Council Knights of Columbus, will retire after 25 years of service. Mr. Fazio was appointed chief financial officer of the Knights of Columbus Council on May 12, 1962, and has since served with distinction and integrity in the administrations of 12 grand knights.

In addition to his work for the Knights of Columbus, Charlie Fazio has played an important role in many neighborhood organizations. He has been an elected member of Community School Board 18 since its inception in July 1970, and currently serves as secretary-treasurer. A member of the board of the Canarsie Mental Health Clinic, Charlie was honored as their "Man of the Year" in a 1982 tribute for his accomplishments in community service. Mr. Fazio served as commodore and chief executive officer of the Midget Squadron Yacht Club from 1984 to 1986, under his leadership club members were drawn to participate in community service work.

Charles Fazio was selected as the first recipient of the Community Service Award by the St. Pius X Council, Knights of Columbus at their annual community breakfast in June 1984. He was recognized for his contribution to the people of Canarsie and for his dedicated efforts on their behalf.

Charles is a lifelong Canarsie resident and has been married for 38 years to his lovely wife, Carol. They have four beautiful daughters and sons-in-law, and five wonderful grandchildren.

Charles Fazio's hard work and sincere commitment to the principles of charity, unity, fraternity, and patriotism have earned him the respect and admiration of his brother knights and his friends in the Canarsie community. I share their admiration for his decades of dedication and hard work. Charlie is a unique individual, treasured by Iris and myself and I ask my colleagues to join me in wishing him well in his future endeavors.

DENNIS GJERDINGEN NAMED TO NATIONAL COMMISSION

HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 11, 1987

Mr. CONTE. Mr. Speaker, I am delighted that today you are appointing one of my constituents, Dennis B. Gjerdingen of Northampton, MA to be a member of the National Commission on the Education of the Deaf.

Mr. Gjerdingen is a distinguished educator who has devoted virtually his entire career to the education of the deaf. As the father of a deaf child and a hearing-impaired individual himself, Dennis brings a personal understanding of deafness to his professional duties.

As a Member of the National Commission, his unique perspective will be a great asset as he joins his fellow commissioners in reviewing existing education programs and services, identifying deficiencies in the current system, and recommending better ways of serving the education needs of deaf Americans.

Dennis currently serves as president of the Clarke School for the Deaf in Northampton and has done a wonderful job there since his appointment in 1981. Under his leadership, the reputation of Clarke School for the Deaf has continued to grow so that today it is one of the finest institutions for deaf people in the Nation.

Mr. Speaker, the fact that you have appointed Mr. Gjerdingen today to serve on the National Commission is a recognition of his own reputation not only in Massachusetts, but throughout the country. Dennis has served as headmaster of the Central Institute for the Deaf in Missouri, as an assistant professor of education for the deaf at Washington University in St. Louis, and as president of the respected Alexander Graham Bell Association for the Deaf.

I am pleased that I was able to bring Mr. Gjerdingen to your attention, Mr. Speaker, and honored to have been able to support his candidacy. I commend you for making this appointment and I congratulate Dennis Gjerdingen on this wonderful opportunity to continue his contributions to the education of the deaf.

MILTON HIGH PICKED AS ONE OF NATION'S BEST

HON. BRIAN J. DONNELLY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 11, 1987

Mr. DONNELLY. Mr. Speaker, I wish to share with my colleagues an article from the May 28, 1987 Patriot Ledger reporting on the selection of Milton High School as one of the best in the Nation. It is the third school in Milton to receive a Federal award in the last 2 years.

The Excellence in Education award is a well-deserved recognition of the hard work and endless dedication of the school administration, faculty, and students of Milton High School. The Milton High School parents deserve special recognition for their contribution in promoting a positive student attitude toward the school.

I wish to add my name to the list of those who have joined in congratulating Milton public schools and all the residents of the town of Milton on this proud occasion.

MILTON HIGH PICKED AS ONE OF NATION'S BEST

(By Della Klemovich)

MILTON.—Milton High School has been chosen one of the best in the nation by the U.S. Department of Education.

Only two other Massachusetts secondary schools were selected for the annual Excellence in Education awards announced in Washington yesterday.

Students and educators said today that they are thrilled with the award, adding that it proves that there is little justification for Milton families to choose private education over the public high school. One out of four Milton youngsters of high school age attends a private school.

"I'm very happy for the school," said high school senior Joan Winchester, the student member of the Milton School Committee. "I think Milton is finally getting the recognition it deserves. A lot of parents send their children to private schools. Now maybe they'll send them here."

She herself chose the high school over private education four years ago.

"My parents are glad I did," said Winchester, who will attend Dartmouth come fall.

"I feel we're very honored," said high school Principal Allen Adams this morning. "It's a tribute to our faculty. It's certainly a tribute to our students. And it's a tribute to our community, which has supported us."

Adams, who has been principal for six years, said federal evaluators were impressed by a newly positive attitude of students and parents towards the school, which has helped stem the drain to private education. The positive attitude contributes to the school's low dropout rate, paucity of drug-related incidents, and an atmosphere of order and discipline, he said.

In announcing the winners, Education Secretary William J. Bennett said:

"Excellent schools like these renew our faith in American education. They have worked extraordinarily hard and, as a result, they have much to show for it,"

For years, Milton typically lost one-third of its high school population to Catholic and private schools. And high school attendance was frequently poor, Adams said.

But now, Adams said, a more structured school day and a continually updated and enriched curriculum have helped reduce transfer to private schools from one-third to 25 percent. Attendance "has improved dramatically," too, he said.

Milton High School is one of 271 schools in 46 states to receive the Excellence in Education award. The two other Massachusetts schools honored: the private Northfield Mount Hermon School in Northfield and the public Wayland High School.

The high school is the third Milton school to receive a federal award within two years. Last year, the Tucker Elementary School was named one of 270 outstanding public and private schools in the country. In 1985, the Pierce Middle School was named one of the best secondary schools in the country by the U.S. Education Department.

Schools nominated for this year's award nationwide were judged by a panel of 71 reviewers—two-thirds of them from outside the field of education—on a wide range of attributes, from test scores to dropout rates. They checked attendance rates for both students and faculty and the school's civil rights record.

Schools got points for being drug-free. They also were judged on how well they taught citizenship and the U.S. Constitution in the bicentennial year of its signing.

The winning school principals and superintendents will be invited to Washington at their own expense this fall for a ceremony bestowing on each a "flag of excellence."

INTRODUCTION OF LEGISLATION TO CONTROL ACID RAIN

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 11, 1987

Mr. WAXMAN. Mr. Speaker, I am pleased to cosponsor the Acid Deposition Control Act of 1987, introduced today by my colleague, Congressman GERRY SIKORSKI.

This bill is needed to curb the severe health and environmental damage caused by acid rain.

The bill requires significant nationwide cutbacks in acid rain forming pollutants; 10 million tons of sulfur dioxide and 4 million tons of nitrogen oxide would be eliminated by 1997. Those that contribute the most to acid rain—electric utilities, industrial boilers, factories, and cars and trucks—would be required to reduce emissions.

In addition to achieving significant reductions, the bill provides strong worker and consumer ratepayer protections.

Our legislation recognizes that the Governors of each affected State are in the best position to create sensible and effective acid rain control strategies. Governors may decide to install technology to protect high-sulfur coal jobs in their States. Governors may also decide to switch to less polluting fuels if they conclude that this solution would minimize costs. Or the Governors can select any mix of control methods.

This flexibility ensures that decisions are made with the best information available. Governors are in the best position to make tough choices. Moreover, the bill includes provisions to assure that residential rates will not increase more than 10 percent as a result of acid rain control technologies. Most residential ratepayers will face less than a 1 percent rate increase.

I urge my colleagues to signal their support for control of acid rain by cosponsoring this vital legislation.

ACID DEPOSITION CONTROL ACT OF 1987

HON. GERRY SIKORSKI

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 11, 1987

Mr. SIKORSKI. Mr. Speaker, John F. Kennedy said, "We must use time as a tool, not a couch. We must carve our own destiny."

Today I am introducing legislation to carve our destiny by controlling the threat of acid rain. With this bill, we can forge a cleaner environment, a sounder economy, and a healthier world for ourselves and our children.

SILVIO CONTE, TOM TAUKE, HENRY WAXMAN, and others join me in sponsoring this new bill, H.R. 2666, which is nearly identical to last year's acid rain legislation, H.R. 4567. With over 170 cosponsors from every region of the United States, H.R. 4567 was the most widely supported and successful acid rain legislation in the history of the House. Today we are ready to move ahead from where we left off.

H.R. 2666 has five major features, combining solid environmental policy with job protection, cost efficiency, and flexibility.

First, it reduces sulfur dioxide emissions by 10 million tons and nitrogen oxides by 4 million tons. That includes tougher standards for new powerplants and new cars and trucks.

Second, the legislation is flexible and cost efficient. Governors decide how to meet those standards in their respective States in the most cost-effective way.

Third, our approach is fair. All States must meet the same emissions standard.

Fourth, consumers are protected against "rate shock," Residential utility bills will not increase more than 10 percent, with rate increases averaging 25 cents to 50 cents per month.

And finally, this bill would protect jobs. Each Governor will promote his or her State's best interests by choosing an emissions reduction plan suited to the local economy. Federal trust fund money will be available to those States that want to cleanup and protect jobs in the high sulfur coal industry.

After years of research and reports, hearings and markups, summits and special envoy pronouncements, the time to act is now. We cannot lounge languidly on the couch of time, letting America's future slip away. Our people, our children deserve more than a destiny of dirty air, devastated resources, and damaged lungs.

Last year, opponents of acid rain control spent more than any other special interest group lobbying against H.R. 4567. That's a true measure of our success. But despite the $3 million they spent to twist arms on acid rain, our support is stronger than ever.

Just last week, the House rejected an amendment for more research moneys because it was concerned that this amendment meant no real action on acid rain cleanup; and the vote was 124 to 278. That vote contains an important message: We already have over 6,000 studies and we'll never have all the answers. It's impossible to link a particular auto exhaust pipe to a particular dead fish, one smokestack to one dead lake, one powerplant to one destroyed national forest. But we do know enough to move ahead. And the scientists 6 years ago told us that if we wait any longer, it may be too late.

There's no point in operating if the patient has already died. The Congress is ready to move ahead while there is still time. I look forward to working with my colleagues to enact acid rain control this year.

A summary of H.R. 2666 follows:

SUMMARY OF SIKORSKI-CONTE ACID RAIN BILL

The program would result in a ten million ton reduction in sulfur dioxide emissions and a four million ton reduction in nitrogen oxide emissions from a 1980 base by 1997 through the following steps:

(1) *State-developed strategies are required to reduce sulfur and nitrogen oxide emissions.* A two phase program is mandated giving States until 1993 to reduce sulfur emissions by five million tons from electric utilities, and until 1997 to reduce sulfur emissions by an additional five million tons from major stationary sources. States are given until 1997 to reduce nitrogen oxide emissions by about two million tons from electric utilities and industrial boilers. Each state would have the flexibility to pursue any control strategy within the source category to achieve the required reductions. Failure of a state to submit an approvable plan would result in congressionally imposed emission limitations. Western smelters would have to be in compliance with the Clean Air Act by 1988.

(2) *Congressional midcourse correction is possible before phase II.* EPA is required to submit a study to Congress in 1993 to determine the reduction in acid rain achieved under phase I and the feasibility of meeting phase II requirements. If Congress fails to act to adjust the program by January 1994, Phase II requirements go into effect.

(3) *A Federal subsidy program to keep residential rates from increasing more than 10%.* A Governor can receive Federal assistance if residential rates exceed 10% as a result of the sulfur dioxide control program. To be eligible for the subsidy, the Governor must take steps to substantially equalize and levelize residential rate hikes attributable to the program. A Federal trust fund is created by levying fee on electricity generated not to exceed ½ mill per Kwh (about 25 to 50 cents per month on a typical electric bill). The fund would be available to pay for program control costs to maintain residential electric rates below 10%.

(4) *Allowance for Innovative Technologies.* A Federal program can be established at the option of interested states to promote the use of innovative technologies as control methods for sulfur dioxide and nitrogen oxides.

(5) *Tougher standards for new power plants.* The new source performance standards would be tightened for nitrogen oxide emissions from new power plants. This tightening would reduce nitrogen oxide emissions by about 1 million tons by 1997.

(6) *Tighter standards for new cars and trucks.* New trucks would have to meet tighter standards for nitrogen oxide and hydrocarbon emissions. The levels required for trucks would be comparable to those already being achieved by new cars. New cars would have to meet tighter standards for nitrogen oxide emissions.

RETIREMENT OF SANFORD HOWARD

HON. HAMILTON FISH, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 11, 1987

Mr. FISH. Mr. Speaker, It gives me great pleasure to have the opportunity to recognize a resident of my district who is about to retire after an especially successful and rewarding career as a school administrator, principal and teacher. Mr. Sanford A. Howard, Sandy as he likes to be called, has been principal of the Nassau Spackenkill School, located in the town of Poughkeepsie, NY for 20 years. In all these years, this caring man has helped many children and their families as they passed through the school doors. Sandy has that quality of making school an enjoyable experience.

Sandy always enjoyed teaching history, visiting classes from time to time. His excitement and enthusiasm for the subject is so contagious that the students truly looked forward to his classes.

This tireless enthusiasm and excitement extend to all he does. For the past 20 years, he has supervised over 150 sixth-grade students on a 3-day trip to the Nation's Capital. Sandy inspires them with his love of country, the pride he has in his profession, and a show of sincere concern that they learn all he has to offer. While never losing sight of the "3 R's", Sandy looks to the future unafraid of instituting new programs to improve the quality of education.

Sandy is a veteran of the Korean conflict, 1950–53, serving as a quartermaster aboard the U.S.S. *Roanoke,* U.S.S. *Missouri,* and the U.S.S. *Raymond.* His love for country shows, as he tells the children stories about this period. A loving husband and father, he still finds time to become involved in community projects.

His love, his concern, and his respect for all the children are deep roots that we can all build on. I take great pride in sharing his accomplishments with my colleagues.

REVIVING THE FARM CREDIT SYSTEM

HON. ARLAN STANGELAND

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 11, 1987

Mr. STANGELAND. Mr. Speaker, I rise today for the purpose of focusing on the Farm Credit System. There has been much discussion in recent weeks about what needs to be done to revive this System. Before any changes are made, we must thoughtfully and carefully examine the successes and failures this System has had in implementing its goals. To obtain a clear picture, we must be willing to listen to people who are involved with the System. I would like to therefore enter into the RECORD the contents of a statement of a constituent of mine before the Agriculture Subcommittee on Conservation, Credit and Rural Development. I feel the following comments made by Mr. Wally Nord are worth the attention of all my colleagues:

Mr. Chairman and Members of the Subcommittee: My name is Wally Nord and I am a stockholder of the Farm Credit System. I am also a member of the executive committee of the National Association of Farm Credit Stockholders, formerly known as the National Federation of Federal Land Banks. In addition to this, I have served as Chairman of the Board of a local association for 15 years, and let me emphasize, a very successful association.

For those of you who may not be familiar with the National Association of Farm Credit Stockholders, our organization was created more than 30 years ago. We have always been responsive to the changing conditions of American agriculture. For example, our bylaws were amended 3 years ago to make the organization available to all Farm Credit Stockholders, rather than only Federal Land Bank members. I feel compelled to tell you that our organization in 1980 sent 4 members of its executive committee, of which I was one, to discuss with then Governor of the Farm Credit Administration, Donald Wilkinson, what we thought were severe problems developing in the Farm Credit System. At that time, we told him collateral values were being set too high and that nothing was being done to pay the extra cost of high priced bonds. Our ideas were totally rejected. Perhaps they shouldn't have been. By examining the successes and failures of past policies, we can develop a better future.

The Congress is now debating whether to use public funds to save the Farm Credit System from possible collapse. If the plans serve the best interest of the national economy, then we think they are necessary. However, the request made by the System seems to indicate to stockholders that most of the funds would be directed toward the System's bureaucratic form. In other words, it would open the vault and let them conduct business as usual. The System was built like a pyramid and now in the last decade that pyramid has been inverted. We are opposed to any assistance that would allow Farm Credit System to conduct business-as-usual. The Farm Credit Service Center or Association is the most important entity in the Farm Credit System. Management must be able to directly manage its own loan portfolio and also be held responsible for that portfolio.

There are certain fundamental principles which need to be followed if there is going to be financial assistance to the Farm System. These principles are:

1. Farm Credit Service Centers or Associations should be the primary lenders. Agency Centers with centralized capital stimulates unresponsive management.

2. There should be a central entity which would be responsible for the orderly sale of bonds. The central entity should be responsible for examinations of service centers or associations with the authority to take appropriate action if they are not operated according to law.

The Farm Credit System has lost sight of its fundamental goal of delivering dependable credit to farmers and ranchers at the lowest possible cost.

The stockholders of the Farm Credit System have experienced tremendous changes over the last decade. The unbelievable increases in the cost of operation coupled with the loss of markets has created an impossible situation. There are many stockholders paying their bills on time. They are also paying a premium on the interest rate because of the inflation of the late 1970's and the decisions that were made during that time.

The National Association of Farm Credit Stockholders is willing to work with Congress to insure that assistance to the Farm Credit System be directed toward improving the delivery of competitive funds, rather than enhancing the bureaucratic system.

CONGRESSIONAL SALUTE TO ARTHUR GLOVER, 34 YEARS OF SERVICE TO HOUSING AUTHORITY OF THE CITY OF PASSAIC, NJ

HON. ROBERT A. ROE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 11, 1987

Mr. ROE. Mr. Speaker, today I rise to pay tribute to a man who has spent his life aiding others in the pursuit of one of the most fundamental necessities of life, clean adequate shelter. Mr. Arthur Glover has spent the past 34 years in the service of the housing authority of the city of Passaic, NJ, and on June 16 he will be honored for his work by his colleagues at a retirement reception. Mr. Speaker, I know you and our fellow Members of Congress will want to join me in extending our best wishes on an outstanding job well done. Arthur Glover has performed in an exemplary fashion and we applaud his endeavors in the vanguard of service to his community.

Mr. Glover is truly an example of the American work ethic. Born in Cordele, GA, on March 20, 1918, he migrated to Passaic in December 1929 and began work for the housing authority on December 15, 1953. From his start as a building maintenance worker, Mr. Glover rose through the ranks as a grounds worker; foreman of the building maintenance workers; and supervisor of the grounds, equipment, and maintenance repairmen.

On November 9, 1969, the PHA Board of Commissioners, then chaired by Maurice J. Miller and the executive director of the PHA Edward Rabb, elevated Mr. Glover to the post of assistant executive director, a position he held for nearly 18 years. He currently holds the title of public housing manager and was recognized with 25 year and 30 year service awards.

Mr. Glover is active in his community not only as part of his employment, but he has been and continues to be a vital part of the Union Baptist Church in Passaic. A member for some 50 years, Mr. Glover holds the distinct honor of being a church deacon. In addition to also serving on the church's advisory youth committee, he is blessed with a fine bass baritone and sings with the male chorus and the inspirational choir and acts as adviser for the young adult choir.

Married in 1939, Mr. Glover has two sons, Marvin and Kenneth; a daughter, Melissa; and four grandchildren. He was educated and has resided in Passaic for most of his life, serving God and his community.

Mr. Speaker, it is individuals such as Arthur Glover which truly represent what is best in public service. Helping the less fortunate to fulfill a basic need and performing that duty in a kind and admirable fashion is a difficult task, and yet it is one which Mr. Glover has done for 34 years. Mr. Glover attributes his success and perserverance to cooperation and teamwork. Important words which are often spoken, then neglected in practice. It is obvious that Arthur Glover did not neglect them, and both he and all who serve the public interest can certainly be proud of what he has achieved.

Mr. Speaker, this man is not only an inspiration to those serving the needs of the people but indeed for the people themselves. He has worked his way up the ladder in the strongest tradition of hard work and honest effort which has allowed so many of our citizens to improve their lives. Doing this, as Mr. Glover has done, in the service of his fellow man serves to emphasize the importance of his contribution to society. I am sure, Mr. Speaker, that my colleagues in Congress join me honoring this fine individual.

THE RETIREMENT OF MR. JAMES CREGAN

HON. WILLIAM D. FORD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 11, 1987

Mr. FORD of Michigan. Mr. Speaker, the Committee on Post Office and Civil Service, which I have the honor of chairing, has lost one of its most valuable staff members.

I refer to Mr. James Cregan, who for the past several years has been the committee's deputy general counsel specializing in postal matters. Mr. Cregan has entered the private practice of law in Washington with David Minton, another former lawyer with the committee esteemed by his colleagues.

Mr. Speaker, to say that Mr. Cregan will be missed is an understatement. I seriously doubt that there is another lawyer in this country who knows any more about postal law than Mr. Cregan. Moreover, Mr. Cregan has proven himself a shrewed and capable negotiator.

I certainly do not envy the adversaries he will encounter in the private practice of law. They do indeed have their work cut out for them.

Mr. Cregan is another poignant example of just how difficult it is to keep our very best people in Government. For many years, out of dedication, Mr. Cregan rejected opportunities in the private sector with substantial sacrifice. There comes a time, however, when the pressing needs of one's family must take precedence.

I, personally, want to thank Mr. Cregan for his outstanding service. There is no question in my mind that his presence on the committee made a difference. The people of our Nation were well served by his talent and devotion.

MEDICARE HMO/CMP IMPROVEMENT ACT OF 1987

HON. DAN MICA

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 11, 1987

Mr. MICA. Mr. Speaker, today I am pleased to introduce the Medicare Health Maintenance Organization Quality Improvement Act, a collection of reforms which was partially enacted in 1986.

Today I will testify before an Aging Committee hearing which was convened to review Federal HMO operations. This hearing was also convened in response to a dire situation in south Florida, wherein the Federal Medicare contract of International Medical Centers, one of the Nation's largest HMO's, was terminated by the Health Care Financing Administration. IMC served 130,000 Medicare beneficiaries at the time of the contract termination. Currently, IMC is in receivership with the office of Florida's Insurance Commissioner. The president of IMC has been criminally indicted.

I am sure that this is not a situation which we would like to have repeated in the future. The provisions of this bill would enhance Federal oversight of HMO's and specifically address the financial solvency of these organizations. It would require the Federal Government to make a greater effort to monitor the fiscal health of an HMO's affiliates; it would make it illegal for health care service providers to dun HMO members for services; it would require the Secretary of Health and Human Services to study the quality of care provided to HMO members as compared to the kind of care offered by other health care provider structures.

I have long been an advocate of the HMO concept of health care, and I would encourage efforts to increase the enrollment of Medicare beneficiaries in HMO's. However, we must make strenuous efforts to safeguard not only the significant Federal monetary investment in these organizations, but, most importantly, we must be vigilant in our oversight of the kind of care HMO's provide our Nation's seniors.

A TRIBUTE TO DR. PAUL VOCHKO

HON. JOE KOLTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 11, 1987

Mr. KOLTER. Mr. Speaker, today I rise to pay tribute to a constituent of my Fourth District of Pennsylvania, Dr. Paul R. Vochko.

An educator for 40 years and superintendent of the Ambridge Area School District for 20 years, Dr. Vochko of Ambridge, PA, has contributed greatly to his community as a civic leader and a humanitarian.

Dr. Vochko was graduated from Geneva College and did graduate and doctoral work at the University of Pittsburgh and Slippery Rock State University. He attained certification in secondary school studies, history, physical science, and guidance.

He served as Senator ARLEN SPECTER'S official representative for the service academies for Beaver County, and on the board of directors of the Ambridge Chamber of Commerce, the Laughlin Memorial Library, the Beaver County Federated Library Association, Harmonie Associates, and the Geneva College Alumni.

Dr. Vochko developed and administered a licensed practical nursing school program in the Ambridge area as well as administering a successful preschool program. He organized and administered a standard evening high school program for adults and developed a community relations newsletter.

Dr. Vochko was appointed to the State board of education for a 5-year term scheduled to end in 1989.

His professional associations include membership of the National and Pennsylvania School Board Associations. He served as a member of the advisory board of the University of Pittsburgh Tri-State Study Council, and on the Intermediate Unit Task Force for Special Education. He served on committees for the United Fund, the Heart Fund, Muscular Dystrophy, St. Mary's Church Committee, the Inter-Faith Clergy Advisory Committee and the Greek Catholic Union.

Dr. Vochko served in the Air Force for 2½ years and later became a member of numerous armed service organizations. He is also a Phi Delta Kappa and a Delta Pi Epsilon.

Because of Dr. Vochko's outstanding community activities, he has been awarded with honors such as "Man of the Year in 1972" by the Ambridge Chamber of Commerce, and the St. Nicholas Award in 1977, the highest honor bestowed by the Archbishop of Pittsburgh Diocese, Byzantine Catholic Rite. He has been honored with numerous other local, church, civic and ethnic awards.

The dedicated service of Dr. Paul R. Vochko has been a valuable asset to the Ambridge community and I am proud to introduce him and his achievements to my colleagues in the full House of Representatives.

JOSEPH NARDONE, LABOR LEADER FROM BAYONNE, HONORED ON HIS RETIREMENT

HON. FRANK J. GUARINI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 11, 1987

Mr. GUARINI. Mr. Speaker, on June 18, 1987, a testimonial dinner marking the retirement of one of my constituents is being held. The function, which will be attended by several hundred friends, coworkers, and business affiliates of Joseph Nardone of Bayonne, NJ, will be held at the Casino in the Park, Lincoln Park, Jersey City.

Joseph Nardone is retiring as president and chief financial officer of the labor organization he founded, Production Worker's Union, Local 148, the unit is affiliated with AFL-CIO.

Mr. Nardone was born on June 24, 1917, in Boston's North End. He was married on February 7, 1953 to former Sylvia DeCicco and they have one son, Joseph Nardone, Jr. The best man at their wedding, the Honorable Edward F. Zampella, is now Hudson County's central judicial processing judge.

Joseph Nardone described by his son as a self-made, self-educated man who speaks very few words. Denied a formal education because of the depression, he had to go to work to assist his mother in raising a brother and sister. Doing so was quite difficult, but indeed he assisted.

According to those who know Mr. Nardone, he always possessed a thirst for knowledge which he instilled in his son, assuring him every educational opportunity possible. Nardone's doctrine was to avoid easy money, to work hard every day, building and investing in solid things.

Joseph Nardone is described as a man from the old school. He often did business with a handshake. He would often say, to his business associates that formal agreement or not, his handshake guaranteed what he agreed to live up to.

The periods of history during which Joseph has lived were indeed trying ones. His year of birth saw America's entry into the war against Germany, World War I on April 6, 1917, causing many difficult days for families seeking to survive.

After the war ended, Joe Nardone's early years, during the 1920's, welcomed Winnie Winkle, George White's Scandals, Babe Ruth's career, 14 years with the New York Yankees, and the Black Sox Scandal, and with the first Miss America being crowned at Atlantic City in 1920.

In 1921, the U.S. sweat shop operators resisted efforts by union men to organize garment workers in big city loft factories with signs that read: "If you do not come in Sunday, do not come in Monday."

On July 2 that year, Jack Dempsey knocked out George Carpentier at Boyle's 30 Acres in Jersey City at boxing's first $1 million gate.

It was in 1929 when the Nardone family, with Joseph nearing his teen years, felt the impact of the stock market price crashing in Wall Street. For the next several years the Nardone family saw lean days.

No doubt in an effort to correct some wrongs that he witnessed, Joe Nardone began his love affair with organized labor.

There is no question that Joe Nardone was motivated by the philosophy of Samuel Gompers who led the American Federation of Labor until his death in 1924.

Gompers said,

> * * * to recognize that first things must come first. The primary essential in our mission has been the protection of the wage-worker, how to increase his wages, to cut hours off the long work-day, which was killing him, to improve the safety and the sanitary conditions of the workshop, to free him from the tyrannies, petty or otherwise, which serve to make his existence a slavery.

While the ranks of labor were growing it was most specialized and crafts and laboring people who were organized. Joe Nardone saw a need for the little people working in small establishments to have the benefit of a productive union. His concern has led to the Production Workers Union, Local 148, to represent thousands of workers in scores of businesses.

Joe Nardone believed it is the function for every union to develop the philosophy indicating that the interests of labor are one without distinction by race or nationality, religion, profession, or creed. Every individual deserves a fair day's pay for a fair day's work. He has earned the respect of the laboring man and the employers he has dealt with.

When learning of Joe Nardone's retirement this year, one corporate vice president wrote,

> I sincerely doubt if any man has contributed more to the progress of relations between a local and their corporate associates than you have. I am certain too that no man has ever left behind him a more gratifying record of loyalty and devotion to the highest ideals of union and management.

While another colleague wrote,

> I do remember some trying times, but always, the thoughts that crystallize are of a friend, an advisor, a worthy adversary, and a fair negotiator * * * Part of our growth derives from the working relationship that we have had with this union. We have always found that those, represented by Joe Nardone, have kept the interest of the employer in mind, as well as those of the members they represent. Joe's philosophy has always been that without employers there would be no jobs, and he must keep them alive and profitable for his members to prosper. I am proud to be counted as one of Joe's friends.

Joe Nardone is known in Hudson County as a low-key, honest, hard-working respectful individual. Only recently has he gotten due recognition for helping thousands of working people and their families when the city of Jersey City gave the building, which houses his union headquarters, the address of One Nardone Place.

Joseph Nardone has done an excellent job for his family, maintaining a beautiful residence in Bayonne. He has served as a role model to Joseph, Jr., and has inculcated many of his own attributes and ambitions. He heads the Top Cat Sound Recording Studio in New York City, which has many Hollywood and Broadway entertainers as clients.

I am sure we will hear a lot from Joseph Nardone, Jr., in the labor and business world because, the apple does not fall far from the tree.

When this tribute to Joseph Nardone is given to him, he will be surrounded by hundreds of his friends at his surprise retirement dinner being held at the Casino in the Park. It has been my pleasure to salute a man who came into this world at the height of World War I, helped his family survive the depression, stood with America during World War II, in Korea and Vietnam conflicts, witnessed several recessions and contributed to many worthwhile charitable causes while representing the working class.

I am certain that my colleagues here in the House of Representatives wish to join me in wishing Joe Nardone and his wife Sylvia, and his family good health and peace during his retirement years.

EXCLUDING EDUCATIONAL GRANTS AND SCHOLARSHIP

HON. PAUL B. HENRY

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 11, 1987

Mr. HENRY. Mr. Speaker, I am pleased to join today with my colleagues Congressman William Ford and Congressman Fred Grandy in introducing legislation to revise one aspect of the Tax Reform Act of 1986—the provision by which grants and scholarships awarded to college and university students may be subject to Federal tax.

The Tax Reform Act provides that grants and scholarships—which include everything from Federal Pell grants to NSF research grants to State and privately funded scholarships—are taxable except to the extent that they are used by degree candidates to pay for tuition and "course related" fees, books, supplies, and equipment. In contrast, previous law exempted all scholarships and grants received by degree candidates, as well as amounts up to $300 per month received by nondegree candidates from tax exempt organizations or Government agencies. The Tax Reform Act also made other changes pertaining to amounts received which are actually payments for past, present, or future services. The legislation which we have introduced only affects the first of these changes—it broadens the exclusion in the case of degree candidates to include scholarship and grant amounts used for "travel, research and living expenses—including room and board."

The Department of Treasury has, at least for the present, provided relief from one of the most obvious problems caused by the 1986 change in the tax law—the recordkeeping burden on students and institutions to be able to document which portion of grant and scholarship funds, which are often not divided or earmarked, was used for taxable and which for nontaxable purposes. However, while this ruling provided relief from the immediate concern, there remains the problem that taxpayers will still have to be able to substantiate the share of scholarships and grants used for excludible expenses.

It is not likely, however, that we are about to change the law simply to relieve this recordkeeping burden, no matter how unwarranted. But the 1986 changes have more serious problems, both from the viewpoint of a coherent Federal education policy, and because they work unfairly against some of the lowest income students and families.

Each year Congress makes available about $5 billion in grants and scholarships. In addition, the Federal Government encourages States and private parties to contribute scholarships, through tax incentives, leveraging funds, and so forth. We do so essentially for two purposes—to allow students who for income reasons could otherwise not afford to attend the schools of their choices, and to encourage and facilitate the fulfillment of national manpower and research needs. Thus each of our programs has, in that sense, been historically "needs based." It is indeed ironic that in the same year in which there has been so much talk about our national needs in both of these areas, we have begun to treat scholarships and grants like just another payment.

The effect of taxing a portion of grants and scholarships is to either reduce the value for recipients or force grantors to increase the size of the grant in order to maintain the same "buying power." Thus the National Science Foundation, recently increased the size of graduate student stipends by $1,200 per year, to prevent the tax law from reducing the value of the fellowship.

The change in the Tax Reform Act also works unfairly against many low income students. The following example illustrates this problem.

Student A, who is from a low-income family and has tuition and books paid for by private scholarships, has $4,100 in earnings from employment and receives a $2,000 Pell grant award for a total of $6,100 in taxable income. This student must pay $165 in tax—15 percent of $1,100.

Student B, who is from a middle-income family, has $4,100 in earnings from employment and receives $2,000—which is not considered as income—from his parents for a total of $4,100 in taxable income. This student pays $0 in tax. Further, to obtain the $2,000 the parents have taken out a home equity loan, for which the interest is fully deductible. This student also receives a scholarship for tuition and books.

As described above, Student A clearly is disavantaged. In addition to coming from a low-income family, he must pay $165 in taxes, thereby reducing the value of the Pell Grant. Student B, on the other hand, has the same amount of money as Student A, pays no tax, and his parents receive a tax benefit for borrowing the $2,000 against their home mortgage.

Some of our colleagues have introduced legislation which would simply repeal the changes made in section 123 of last year's Tax Reform Act. Our bill does not do that. It only addresses what we think is a contradictory and unfair Federal education policy. Other changes in the Tax Reform Act, particularly those tightening the line between service connected payments and truly "no-strings" education grants, we do not seek to change.

Finally, the Joint Committee on Taxation has estimated that this bill would cost $72 million in lost revenues in the first year, with somewhat higher numbers in the following years. While we disagree with those numbers, they also need to be considered in the context of the appropriations process, as was illustrated with the recent NSF action.

OIL EXPLORATION IN ARCTIC NATIONAL WILDLIFE REFUGE

HON. PETER A. DeFAZIO

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 11, 1987

Mr. DeFAZIO. Mr. Speaker, I rise to commend to my colleagues the recent review by Robie G. Russell, Regional Administrator of the Environmental Protection Agency for EPA region 10, of the Department of Interior's final legislative environmental impact statement on its proposal to allow oil exploration within the Arctic National Wildlife Refuge.

I would, in particular, emphasize two lines from the comments:

"Although additional discussion has been provided in response to many of our comments, the majority of EPA's concerns have not been adequately addressed in the final LEIS. In several important instances, EPA's level of concern has been increased by the revisions to the document."

U.S. Environmental Protection Agency,
Region 10,
Seattle, WA, June 1, 1987.

Re: Arctic National Wildlife Refuge Report Final Legislative Environmental Impact Statement.

Hon. William P. Horn,
Assistant Secretary for Fish and Wildlife and Parks, U.S. Department of the Interior, Washington, DC.

Dear Mr. Horn: The Environmental Protection Agency (EPA) has reviewed the final Legislative Environmental Impact Statement (LEIS) and Report to Congress concerning the proposal to allow oil exploration, development, and production within the Arctic National Wildlife Refuge (ANWR). This letter, with its enclosure, provides EPA's comments on the recommended action and alternatives that were considered.

On February 6, 1987, EPA commented on the draft LEIS and recommended that several elements of the document were in need of revision or expansion. The final LEIS has undergone significant revision since the draft LEIS. Although additional discussion has been provided in response to many of our comments, the majority of EPA's concerns have not been adequately addressed in the final LEIS. In several important instances, EPA's level of concern has been increased by the revisions made to the document.

In reviewing the final LEIS, EPA found a document incomplete in its presentation of scientific data that would support the impact conclusions and the Secretary's recommendation. A large body of scientific information on the 1002 area's resources has been collected in recent years by the U.S. Fish and Wildlife Service (FWS). Likewise, information specific to the existing environmental regulatory program (including monitoring information) is available. Yet, this information does not appear to be reflected in the final LEIS.

The final LEIS constitutes the first step in the Secretary's recommendation for Congressional decision-making that must balance economic needs and environmental risks. Greater attention to, and better use of, the resource data that have been generated in ANWR and elsewhere on Alaska's North Slope can provide for a better understanding of the following environmental priorities:

Assurances that the overall significance of environmental impacts, including cumulative impacts, and the ability to mitigate them are properly stated. In particular, we do not believe it appropriate to suggest that the Prudhoe Bay experience would be duplicated in ANWR. The data in the LEIS are insufficient to support such a conclusion.

A wider range of limited exploration/development leasing alternatives are developed and considered. The impacts of the limited leasing alternative (Alternative B) as revised in the final LEIS are now of the same high level of concern as for full leasing (Alternative A).

Identify potential regulatory conflicts which may involve interagency coordination. We are concerned about potential regulatory conflicts if, for example, leasing were proposed in environmentally sensitive areas for which the granting of other necessary permits would be inconsistent with existing laws and policies.

These and other concerns are discussed further in the enclosure which represents a summary of our more detailed technical review comments.

Based upon the inadequacy of the information presented in the final LEIS, EPA would normally recommend that a revised document be prepared. The final LEIS remains in need of corrective measures that require substantial changes, including the expansion of the range of alternatives, in order for it to be an adequate basis for any Congressional action. Since Congressional hearings have already begun, EPA recommends that the Secretary of the Interior's final recommendation to Congress be modified to better reflect the available scientific information.

Thank you for the opportunity to review the final LEIS. If the Department of the Interior has questions about EPA's comments, please feel free to contact me directly or Mr. Alvin L. Ewing, EPA's Assistant Regional Administrator in Anchorage. We look forward to answering your questions and helping you prepare the final recommendation to Congress.

Sincerely,

Robie G. Russell,
Regional Administrator.

Enclosure.

EPA Review Comments, Arctic National Wildlife Refuge Final Legislative Environmental Impact Statement

The primary issues and concerns identified during EPA's review of the ANWR final LEIS are outlined below. Comments are broadly organized under three major headings: Responsiveness to Comments, Technical/Scientific Issues, and Alternatives Analysis.

RESPONSIVENESS TO COMMENTS

The final LEIS has acknowledged most of EPA's concerns expressed in our comments on the draft document. However, an adequate analysis of the impacts associated with these issues is not apparent. Detailed analysis of the following issues, as referenced from our previous correspondence, remains a prerequisite to rational decision-making.

Air quality: Available knowledge of Prudhoe Bay development effects was not utilized, evaluation is deferred to future analyses.

Water and gravel supply needs: Significant shortages are acknowledged, but the final LEIS has not presented an adequate analysis to show whether water quantity/gravel quantity are sufficient to support the recommended action. The final LEIS assumes that major adverse effects can be handled in a manner which will not result in adverse impacts to water quality or habitat.

Marine transportation facilities: Existing significant impacts due to causeways around Prudhoe Bay are not reflected.

Wetlands: Only a very limited evaluation of large-scale hydrologic impacts and habitat fragmentation has been conducted. If the hydrologic impacts are greater than the brief discussions imply, the large amount of wetland acreage that could be affected could be greater.

Mitigation: The effectiveness of proposed measures is not evaluated. Discussions about rehabilitation are incomplete.

Regulatory processes: There is no discussion of how the new authorities requested by the Secretary in his recommendations would relate to existing environmental laws, other than that a leasing program 'might' require compliance with NEPA, the Clean Water Act, and the Clean Air Act.

Noise impacts: There is no quantitative evaluation of noise levels which makes it difficult to reliably assess the disturbance effects on sensitive wildlife species.

Cumulative effects: The final LEIS acknowledges cumulative effects by providing a list of projects which might occur but does little to actually evaluate their effects.

Subsistence impacts: An expanded discussion of the off-ANWR effects on distant inland native settlements has been provided. The impacts to the exchange network from the recommended action have not been evaluated.

These issues remain important even from a programmatic perspective. Their significance is increased by the Secretary's proposed recommendation that the final LEIS be statutorily adopted as the EIS for the leasing program itself. We disagree that this document is adequate for that purpose. Specifically the leasing program inferred from the final LEIS might not provide the opportunity to consider alternatives for individual lease block deletions. Such deletions could be aimed at locally reducing risk to environmentally sensitive tracts. A greater degree of site-specific information (e.g. a tiered EIS) is necessary to evaluate such a program.

TECHNICAL/SCIENTIFIC ISSUES

In a variety of instances, the final LEIS conclusions and the Secretary's Recommendations do not appear to be well substantiated by the information provided in the draft and final LEIS.

Definitions of impact significance

Definitions of significance of impacts are inappropriate in many cases. For example, impacts are not considered "major" in the final LEIS unless they exceed 30 years or more duration. For many fish and wildlife species, several generations could be adversely affected within this time, leading to severe population- and community-level impacts.

The final FEIS is inconsistent in its application of impact definitions. Often discussions in the text describe a "moderate" effect, but it is labeled in the conclusions as "minor."

Also, impacts are in many cases downgraded from the draft LEIS without any explanation or justification. The final LEIS has numerous examples of impact conclusions that are minimized in this manner. It is not clear on what basis these changes were made in the preparation of the final LEIS. As one example, modification of 12,650 acres of wetlands was evaluated in both the draft and final LEIS. The draft labeled this as a "moderate" effect, but in the final it was down-graded to "minor" with no explanation. Considering the potential for hydrologic disruption and habitat fragmentation, the impact could be "major".

Underestimation of impacts

Potential underestimation of impacts occurs throughout the LEIS. This is particularly true of impacts predicted for the Porcupine Caribou Herd (PCH), largely because they are based on selectively-chosen data from the Central Arctic Herd (CAH) in the vicinity of Prudhoe Bay. For example, the text notes that although the CAH no longer calves where development occurs around Prudhoe Bay, it has nonetheless increased in size. This is used as a basis to conclude that development in the 1002 area (and subsequent displacement) should similarly not affect the PCH. However, the text notes a variety of important differences between these two herds which include:

(1) the CAH has a much lower population density;

(2) the majority of the CAH's important calving grounds have not experienced development activities;

(3) the CAH's calving grounds have not become overcrowded (even with displacement due to development around Prudhoe Bay); and

(4) predation by wolves and brown bears on the CAH has been minimized.

These differences strongly suggest that the LEIS predictions, based on data for the CAH, are likely to underestimate impacts to the PCH.

Placing such emphasis on CAH data is not necessary. A large body of data on the PCH (summarized in the 1002 Area Final Baseline Report) has been gathered by FWS in the last few years. The Final Baseline Report contains additional PCH data that appear to not be adequately reflected in this final LEIS. The final LEIS conclusions are apparently not based on all the available information.

Mitigation

The mitigation discussions throughout the final LEIS raise several concerns. The entire 1002 area has been designated Resource Category 2. However, several discussions in the text make a distinction in habitat value. The overall "2" designation is not supported by the information in the final LEIS. The final LEIS indicates that site-specific habitat designations will be conducted during the site-specific development/production phase. Characterization of habitat after leasing and exploration has occurred could result in habitat being upgraded to Resource Category 1. The impacts may not be mitigatable.

Mitigation discussions in the final LEIS are incomplete. The final LEIS assumes that mitigation measures will be both consistently implemented and completely successful. No analysis or references are provided to support these assumptions. Rather, the final LEIS states that the experience at Prudhoe Bay provides a basis for minimizing or eliminating adverse effects through the careful application of mitigation measures tested in that area. As the Corps of Engineers noted in its comments on the draft LEIS, industry has been reluctant to apply compensatory mitigation and restoration techniques on the North Slope, except in very limited experimental circumstances. EPA's own extensive experience with the major operators at Prudhoe Bay supports this conclusion; rehabilitation technology for the North Slope is particularly lacking.

Cumulative effects

Cumulative effects are not adequately evaluated in the final LEIS. The final LEIS provides a list of criteria for determining which actions should be included in the cumulative effects analysis. The criteria appear to be unduly restrictive and narrow the focus of the analysis. By using these criteria, a list of projects that constitute the cumulative case scenario has been developed for the final LEIS. Use of the criteria has resulted in only existing projects being considered. The potential for future large-scale development of offshore Beaufort Sea leases, oil and gas development in the Canadian Arctic, and construction of large diameter gas pipelines are only marginally considered.

The final LEIS suggests a particular development infrastructure that may result from ANWR leasing; however, other scenarios are possible. No useful cumulative effects analysis is presented either for those projects and activities listed or for other reasonably foreseeable scenarios. For any scenario, an adequate effects analysis must begin with a full reflection of existing impacts. For example, the LEIS could have described the existing cumulative effects to anadromous fish attributed to causeway construction in the Prudhoe Bay area. These effects are "major" by the final LEIS definitions. Conclusions regarding level of impacts should include the cumulative effects that are reasonably foreseeable.

Air Quality

The final LEIS does not adequately assess primary and secondary air quality impacts. Secondary air quality effects (e.g., arctic haze and acidification of tundra) may result from upset situations and normal low level emissions even if standards are being met. Impairment of visibility is a potential impact where there is increasing concern relative to existing north slope emission sources.

ALTERNATIVES ANALYSIS

Alternative B, limited leasing, has been substantially revised in the final LEIS. This alternative is purported to reduce the impacts to the PCH; it implies that the most important calving area would be protected by setting aside the area where multiple years of heavy use overlap. However, the basic concept behind the limited leasing alternative appears to be flawed. The "overlap" area is merely the FOCUS of where concentrated calving has repeatedly occurred in the most recent years.

Alternative B is further complicated by other assumptions within the final LEIS. For example, the document states that only 27 percent of the "concentrated" calving area for the PCH exists in the 1002 area. In contrast, the draft LEIS stated that 80 percent of "core" calving was in the 1002 area. Although both statements may be statistically correct, the final LEIS does not point out that the 1002 area's 27 percent of the PCH's "concentrated" calving grounds has experienced approximately 85 percent of the PCH's total calving. The question of whether this small area can physically support calving for a significant proportion of the PCH casts doubt on the potential for Alternative B to satisfactorily reduce identified environmental risks.

Changes made to Alternative B have reduced the geographical area slated for maximum protection within the 1002 study area. The rationale for these changes have not been tied to a biological foundation. Therefore, Alternative B is now the same high level of concern as Alternative A (full leasing). EPA believes that a new limited leasing option should be developed that can achieve the stated objective of substantially reducing impacts to the PCH while still allowing for development of oil resources. Alternative C, further exploration only, remains environmentally preferred should Congress consider only those alternatives presented by the Department of the Interior. Independent expert review of all information generated during the exploration activities outlined in Alternative C should be encouraged.

THE DEDICATION OF BENIGNO AQUINO TRIANGLE

HON. GARY L. ACKERMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 11, 1987

Mr. ACKERMAN. Mr. Speaker, I would like to bring to the attention of my colleagues an important event which will take place this Saturday, June 13, in Hollis, Queens County, NY. On that date, the intersection of Hillside Avenue with 184th Place and 185th Street will be dedicated as "Benigno Aquino Triangle."

In the excitement of victory and the establishment of a new constitutional government, the public tends to overlook the signifigance of Benigno Aquino's life-long struggle. He was a man who had a clear sense of purpose, who realized the problems facing his country, and who sought to rectify them. He did so fully cognizant of the fact that in opposing the forces of repression, he risked becoming the victim of these injustices. His quest for freedom brought him pain and suffering. Through personal experience, he knew the inhumanity of Ferdinand Marcos and felt the isolation and frustration of being driven from the country he loved. But he never stopped fighting for the rights and freedoms he knew should be enjoyed by all people—not only the rich and corrupt. At great peril, like Daniel entering the lion's den, Benigno Aquino returned to the Philippines. As we know, he was tragically gunned down as he disembarked from the airplane that flew him home.

Mr. Speaker, Nino's adversaries hoped that with his death, the dream of a free Philippines would also perish. But this was not to be. The struggle intensified and the power that Marcos and his cronies so viciously defended was overwhelmed by the mass of popular support under the banner of "People Power."

From the streets of Manila to streets of New York, the Filipino community made clear its desire to see an end to tyranny. When tanks were halted by human barricades, the entire world took notice. In those few intense moments, when life or death hung in the balance, the strength inherent in goodness was reaffirmed.

Now Nino's widow, Cory Aquino, stands at the helm and is guiding the country toward her husband's goals. The struggle will be long and difficult, but she is not alone. New York's Filipino-American community and the Congress of the United States are committed the survival of democracy in the Philippines.

My colleagues, I need not remind you that the United States and the Philippine Islands share a long history of mutual sacrifice in the name of freedom. Benigno Aquino may not have survived to see his dream fulfilled but that does not diminish the importance of his life. His strength still guides Cory's hand and instills confidence in the people of the Philippines. His life was dedicated to the preservation of those precious values that both our Nations have held sacred. We must be committed to defend the foundation Benigno Aquino constructed. The dedication of the Benigno Aquino Triangle reminds everyone who passed by that a great man paid the ultimate price for his country and for freedom.

REFORM THE UNEMPLOYMENT INSURANCE SYSTEM

HON. WILLIAM F. CLINGER, JR.

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 11, 1987

Mr. CLINGER. Mr. Speaker, now is the time to reform the unemployment insurance system. We need to correct the serious problems with the extended compensation system so that we are prepared for whatever economic eventuality might be faced in the future—and we need to act now while unofficial unemployment levels are low. Towards that end, Representative DON PEASE and I are today introducing legislation to provide a fair, more understandable and predictable system of unemployment insurance, one that includes some important incentives for training, retraining and job search assistance.

In 1935, Congress created the Nation's unemployment compensation system as part of the Social Security Act to avoid a repetition of the desperate plight of millions of Americans that found themselves jobless during the Great Depression.

Now, after more than 50 years, the unemployment insurance system has not kept pace with the considerable changes in our economy. During the profound economic transformation of the last decade, we patched up the system whenever an emergency presented itself instead of having a system which was responsive in its own right.

In my State of Pennsylvania, the profile of heavy manufacturing is changing rapidly yet the industry continues to play a crucial role in the economy. Throughout the country, companies are reorganizing, diversifying and introducing new technologies. The result of this is the present system does not work for those dislocated workers who are permanently unemployed and do not have the necessary skills to find another job.

In addition, the unemployment insurance system discourages people from seeking retraining for a new job because they are afraid of losing their unemployment benefits.

Representative PEASE and I feel that the reforms we have introduced will make the unemployment insurance system more responsive to changes in the economy, more effective in providing relief and help to put people back to work.

Our legislation includes a sliding scale of Federal reimbursements for benefits in States hardest hit by unemployment and a mechanism for combining training with unemployment benefits. It also changes the formula for repaying unemployment insurance indebtedness to ensure that States will not pay more than they owe annually and strengthens the capability of the employment service to aid the unemployed by testing, assessment and counseling to guide displaced workers to new jobs and retraining opportunities. Also proposed is a demonstration project to test the feasibility of paying unemployment insurance in a lump sum to displaced workers who want to start a business.

Clearly, the present unemployment insurance system penalizes the long-term unemployed and we do not know—nor can we predict—what the next economic cycle will bring, nor where workers will fall victim to economic dislocation. Reform of the unemployment insurance under the guidelines we have introduced today will help hard hit States and localities wherever they may be.

I urge my colleagues on both sides of the aisle to carefully consider this proposal and I welcome their comments on improving this legislation.

VA EMPLOYEES VOICE STRONG SUPPORT FOR THEIR MEDICAL COMPUTER SYSTEM

HON. G.V. (SONNY) MONTGOMERY

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 11, 1987

Mr. MONTGOMERY. Mr. Speaker, a controversy over the effectiveness and cost of the Veterans' Administration's medical computer system, known as the Decentralized Hospital Computer Program [DHCP] system, has arisen in the Congress. As chairman of the Committee on Veterans' Affairs, I have scheduled many oversight hearings on this important medical computer system over the past several years and the reports on its effectiveness and costs have been uniformly very positive.

Since our hearing of April 8, 1987, on this important subject, I have received many letters from veterans and Veterans' Administration employees in support of the DHCP.

I would like to share with my colleagues a copy of a letter which I received from Mr. Smith Jenkins, Jr., Director of the VA Medical Center at Brockton and West Roxbury, MA, that demonstrates how the VA employees feel about "their" medical computer system. The letter follows:

Brockton/West Roxbury VAMC,
BROCKTON, MA, MAY 19, 1987.

Hon. G.V. MONTGOMERY,
Chairman, Committee on Veterans Affairs, U.S. House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN, I am writing to express my concern over the deliberations by the Appropriations Subcommittees on HUD-Independent Agencies to curtail the expenditures of $35 million in DHCP funds by the Veterans Administration. This funding is vital to the continued development and expansion of the computerization effort within the VA.

During the past several years, the VA has taken major strides in developing an integrated ADP system to assist in the delivery of medical care to our veteran patients. The treatment teams have accurate up-to-the-minute information on medications, laboratory test results, x-ray interpretations—data which is vital in the management of the patient's care. Other disciplines such as Dietetics, Mental Health, Nursing and Surgery have or are in the process of developing modules that will be integrated into the system.

The software that has been written is "user friendly" requiring minimal training time for the staff and is easily customized by the individual Medical Centers to meet their unique programs and circumstances. In addition, through the use of the data base manager (FILEMAN), the extraction of data and/or reports is easily available to mangers at all levels. The development of the DHCP software has been accomplished internally by the VA and, therefore, is sensitive to the various needs of the agency at all levels. To abandon this effort now would be devastating to the agency as well as demoralizing to the staff.

Also under discussion is the notion of changing to commercial vendors for the software. This VA has had previous experience with this concept and it did not prove to be effective. The inability of the vendor to make expeditious changes to the programming was a detriment to the delivery of medical care as well as being expensive to accomplish. DHCP allows for effective and efficient changes to the software and through the use of FILEMAN, the extraction of reports/data of various types is determined to be necessary by local VA Medical Center management teams.

I urge you to carefully consider the long-term benefits that the VA will realize through the expanded development of DHCP. Your continued support of this effort will ensure the delivery of the best medical care possible for our veterans to whom we owe so much.

Sincerely,

SMITH JENKINS, Jr.,
Medical Center Director.

TRIBUTE TO NORMAN MAWBY

HON. RICHARD T. SCHULZE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 11, 1987

Mr. SCHULZE. Mr. Speaker, today I rise in order to pay tribute to a special person in the Fifth Congressional District, Norman Mawby.

For nearly 23 years, Norm Mawby has ably served as Tredyffrin Township manager. During Norman's tenure, Tredyffrin has grown from a mostly rural area to a thriving suburban community which is experiencing unparalled growth and economic prosperity. Through it all, Norm has faithfully served the residents and has expertly guided Tredyffrin through this dramatic transition.

While at Tredyffrin Township, Norm was instrumental in building both the Paoli and Strafford Libraries. He was active in securing the passage of the home rule charter in 1976 and was instrumental in the preparation of the 1970 comprehensive growth plan. He has charted the growth of the township and has improved public services; he oversaw the construction of the public sanitary system for over 95 percent of the township.

Norman Mawby has successfully managed the important transition which has given us the Tredyffrin Township of today and has laid the groundwork for its future. In 1964, when Norm took the reins of township management, there were approximately 13,000 residents; today, that number is well above 25,000 and climbing rapidly. In 1964, there were only about 5,300 dwellings; today Tredyffrin has roughly 9,600. Tredyffrin Township offers businesses 8.5 million square feet of office space, and that too is growing rapidly. All of this growth required a man who could professionally develop, provide, and maintain services to the residents of Tredyffrin. I think Norm Mawby has done an outstanding job.

Thus, Mr. Speaker, it is with great pleasure that I join the people of Tredyffrin Township in extending a special thanks to Norman Mawby for his over 20 years of outstanding service to our community.

ARTIST ALICE LOK CAHANA PAYS TRIBUTE TO WALLENBERG THROUGH HER ART

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 11, 1987

Mr. LANTOS. Mr. Speaker, today I would like to recognize Alice Lok Cahana. Her works, which are currently on exhibit at the Skirball Museum at the Hebrew Union College at Los Angeles, honor a great man, Raoul Wallenberg, who gave hope through a dark night of hate and intolerance.

Cahana, who is Hungarian by descent, is an artist whose earlier abstract works of mixed media and poetry were rooted in her desire to testify artistically to her first-hand experiences during the war years. But a trip to her homeland in 1978 changed her artistic style and focus dramatically. Living amongst her people revealed that fellow Hungarians had left no memorial to the many Jews who had contributed so much to Hungarian society. Her artistic style became less abstract and more real, and to communicate adequately to viewers the reality of her message, she incorporated into her works a number of photos and other memorabilia of the renowned Swedish diplomat, Raoul Wallenberg, who risked his life to save her people.

Mr. Speaker, on earlier occasions I have taken the opportunity to praise Raoul Wallenberg for his unsolicited heroism and immeasurable courage which effectively saved the lives of 100,000 Hungarian Jews. Their lives, doomed unjustifiably by a vicious and evil doctrine of racial superiority, were then snatched from the executors' hands by the brave and ingenious exploits of a man who was not Jewish, not Hungarian, and not a partisan in the great war which witnessed the genocide of more than 6 million jews.

Alice Cahana's art and her poetry manifest an enduring determination to overcome the indifferent silence of history. One very enlightening commentary on Cahana is found in Barbara Rose's essay "From Ashes to the Rainbow: A Tribute to Raoul Wallenberg, Works by Alice Lok Cahana." She writes,

> She believed that art could not be a negative statement, and that her message had to be about the transcendence of the human spirit, the triumph of human spirituality over inhuman evil and bestiality. From the horror of her experience, there was one positive image: that of Raoul Wallenberg, the young Swedish diplomat who risked his life to save the Jews of Budapest.

So, Mr. Speaker, just as we have recognized Raoul Wallenberg on various past occasions, so may we recognize artists, such as Alice Cahana, who continues to keep alive his legacy of hope and compassion through her creations.

WHY ARE WE THERE?

HON. ROBIN TALLON

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 11, 1987

Mr. TALLON. Mr. Speaker, the fatal attack on the U.S. *Stark*, and the administration's subsequent announcement of its plan to protect Kuwaiti oil tankers with naval support, has raised a number of questions in the minds of Americans. The most obvious is simply, what are we doing there?

According to the administration, we are there to protect oil shipments through the Persian Gulf to the West. Certainly, the United States has national and strategic interests in maintaining access to the gulf region. But, the interests of our allies in the region are even greater.

The United States now imports only about 3 percent of its oil from the Persian Gulf while Europe gets 35 percent and Japan 60 percent. Yet, American warships continue to patrol the gulf alone, without assistance from allied nations.

Our national security should be measured in terms of economic as well as military strength. With the dollar falling, a trade deficit of $170 billion, and a budget deficit of $107 billion for 1988, our economic security is fragile at best. In an effort to provide an umbrella of military and economic security to other friendly nations, we are jeopardizing our own security.

Look at the cycle: U.S. warships protect the tankers leaving the Persian Gulf. The tankers steam to Japan where the oil is offloaded and piped to an automobile factory. That factory uses the oil to produce low-priced cars which are then driven on cargo ships. United States warships stand guard while these ships steam over the sealanes linking Japan with the American west coast. The United States then imports these cars by the thousands to the detriment of our own domestic auto industry.

While spending almost one-half of our defense budget on NATO, we have assumed almost the entire burden of defending Western interests in the Middle East and southwest Asia. Most of our allies spend considerably less than 4 percent of their GNP on defense, yet the Untied States is spending approximately 6.7 percent. Japan represents the most severe instance, spending just 1 percent of its very healthy GNP on defense. Ironically, we seem to provide greatest protection to those allied nations with whom we have the greatest trade deficit.

And, as the U.S.S. *Stark* tragedy demonstrates, not only are we paying in financial terms but we have also paid the ultimate price of human lives. Enough is enough. The burden simply must be shared. That is why I am cosponsoring the Defense Protection Act which addresses the inequitable burden of financial support for the alliance, particularly NATO and our defense agreement with Japan.

The defense protection fee bill which imposes a defense protection fee on countries relying on the United States for their defense. Under the bill, allied countries would be required to pay an import duty equivalent to the share of the GNP spent on defense minus the percentage of GNP spent on defense by the exporting ally.

The bill would establish a defense protection fee to be collected at the point that foreign goods enter the United States. The percentage of the defense protection fee is calculated first by categorizing all countries which sell goods to the United States into one of three groups:

Category A: Adversaries of the United States or nations which support terrorism against the United States.

Category B: Countries which are neutral.

Category C: Countries which are parties to mutual defense arrangements with the United States, countries which host American military bases, and countries which, by custom or practice, rely on the United States for defense or territory or lanes of communication and transportation.

The defense protection fee on goods from countries in category A would be 10 percent of the value of the goods. The fee on goods from countries in cateogy B would equal the percent of gross domestic product which goes to defense, currently about 6.6 percent. The fee on goods from countries in category C would equal the percentage of gross domestic product which goes to defense—for example, 1 percent in the case of Japan or 3.4 percent in the case of Germany. In no case, however, would the defense protection fee go below zero percent. So, for category C countries, the fee would range from zero percent—for a country like Israel, which spends more than we do, as a percentage of GDP on defense—to 5.6 percent—in the case of Japan.

I do not see how we can expect American taxpayers to continue to spend large amounts of U.S. tax revenues for the defense of the alliance if the allied nations themselves are not willing to join in the effort. It only makes sense that the United States should not be alone in defending Western interests in the Persian Gulf. This legislation will be a clear signal to our alliies that we are serious about achieving a better balance of defense expenditures.

Currently, Western European nations are making a strong effort to extend their commercial and political contacts in the Arab states of the gulf while we provide the necessary protection. They are doing so in the hope that, whatever the coming shifts in the region's political and religious tides, they will be in a position to continue their presence. Thus, they speak softly and the United States carries the big stick.

This situation has to change. The United States must demand a minimum general support for the importance on keeping the straits open and protecting the vitality of gulf shipping.

Recently, Defense Secretary Weinberger called for volunteer gestures of support from among the defense ministers of the North Atlantic Treaty Organization. His request was to no avail. The response of Italy's acting Prime Minister to these request was simply, "We are not Marines." Is that the sort of allied attitude we reward by protecting their future energy supplies? I say, no way.

A TRIBUTE TO THE ST. GEORGE SOCIETY

HON. BOB TRAXLER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 11, 1987

Mr. TRAXLER. Mr. Speaker, I rise today to pay tribute to the Saint George Society of Bay City, MI. This year commemorates St. George's centennial and I am honored to recognize this distinguished organization for its many years of service and its contribution to the ethnic culture of Michigan's Eighth Congressional District.

I would like to take this opportunity to share with my colleagues some important information about the St. George Society and the role it has played in the surrounding community. Through the early years of this newly organized society it was a hardship for the members to keep up their sworn duty to aid their sick and needy members. With the minor dues of 25 cents per month, which were paid by each member, it was soon insufficient to meet the request of aid to sick members. When the treasury was in very poor condition the members contributed to a collection at the meetings which was used to aid the needy sick members. It is exactly this kind of effort and dedication to helping the needy that exemplifies today's St. George Society.

Lending a helping hand to those in need hardly tells the whole story of the St. George Society. A significant contribution has been made to the community by providing an ethnic base for the Polish-Americans of the area. After all, this country's overall moral fabric lay in each individual ethnic subculture. Since taking ownership of Pulaski Hall, a building which provided a meeting place for the members of St. George since the turn of the century, the society soon became a place where the Polish members of the area could meet and share the common bond of their ethnic heritage.

The success of many of its members can be attributed to the close, personal ethnic experience which the St. George Society provided. The society has had a number of notable figures on its roster including: judges, city managers, attorneys, doctors, and numerous elected officials. Membership continues to flourish and now has extended into areas outside greater Bay City.

Today I am greatly honored to pay tribute to the St. George Society. For we as Americans can all be grateful to organizations such as St. George's for providing a cultural homeland for those committed to maintaining a strong sense of ethnic heritage.

EXPLANATION OF VOTE

HON. JOHN EDWARD PORTER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 11, 1987

Mr. PORTER. Mr. Speaker, I was unavoidably absent during the roll call vote on the Hefley amendment—Rollcall No. 174, had I been present and voting, I would have voted "aye."

THE COSTA MESA CHAMBER OF COMMERCE AND ORANGE COAST DAILY PILOT MAN AND WOMAN OF THE YEAR

HON. ROBERT E. BADHAM

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 11, 1987

Mr. BADHAM. Mr. Speaker, it is my privilege today to recognize two truly outstanding citizens who have devoted countless hours to community service. Mr. Nate Reade and Mrs. Orville Amburgey are long-time residents of southern California and long-time community volunteers. They received special recognition for their service on June 3, 1987, when they were named Costa Mesa Chamber of Commerce and Orange Coast Daily Pilot Man and Woman of the Year.

Bea Amburgey, a fifth-generation California, moved to Costa Mesa on June 21, 1953, 2 days before residents voted to form a city. Since then, she has served the Costa Mesa Junior Women's Club, St. John the Baptist School Auxiliary, the Costa Mesa-Newport Harbor Lions' Club, the Cub Scouts, the Girl Scouts, and the Mesa Verde School PTA. She told the Daily Pilot that the work most important to her is the work she does for Share Our Selves, a group that provides medical help for people who have no money or insurance.

Mr. Speaker, we can certainly learn from Mrs. Amburgey's involvement with Share Our Selves. This is an example of a group that through its private initiatives has done unmeasurable good for those less fortunate among us. I hope Share Our Selves can serve as a model for other such organizations in our country. Indeed, it is an example of the spirit of voluntarism that President Reagan has been asking us to promote for years now.

Nate Reade, who moved with his parents to Costa Mesa about 40 years ago, has participated in more than 20 community organizations. He recently retired following 10 years as executive manager for the Costa Mesa Chamber of Commerce. Perhaps his most significant work has been done for the Child Guidance Center of Orange County, an organization that helps mentally disturbed children.

Mr. Reade has also been chairman of Costa Mesa's United Way Fund, president of the Costa Mesa/Newport Harbor Lions Club and a member of the Costa Mesa Planning Commission. He expresses the spirit of voluntarism very well.

He told the Daily Pilot:

> I think people should help each other and you can't help each other if you're not involved in things.

Mr. Reade and Mrs. Amburgey are certainly involved in things and they deserve our recognition for their sincere efforts to help our fellow citizens. On behalf of my colleagues, I would like to thank Mr. Reade and Mrs. Amburgey and hereby bestow that recognition upon them.

REMEMBERING HOMELESS CHILDREN

HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 11, 1987

Mr. TOWNS. Mr. Speaker, I would like to bring to the attention of my colleagues the dedication and support of the Children's Community Fair Committee of Williamsburg, NY. Founded by Mr. Ismael Torres in June 1983, the committee has, in the last 5 years, sponsored a country fair bringing farm animals, horses, et cetera, to inner city children. Each year the committee has perpetuated a theme in honor of their children. This year they have chosen the theme of "Homeless Children."

Mr. Speaker, I ask my colleagues to join me in recognizing the Children's Community Fair Committee of Williamsburg for their years of community service and in wishing them continued success in keeping us every mindful of the plight of America's homeless children.

ROYCROFT RENAISSANCE

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 11, 1987

Mr. KEMP. Mr. Speaker, more than 90 years ago, an entrepreneur turned philosopher established a campus in East Aurora, NY, dedicated to "better art, better work, and a better and more reasonable way of living." This entrepreneur/philosopher was Elbert Hubbard, and founder and guiding light of the American Craftsman Movement, which reached its renaissance in the early 1900s.

The Roycroft Campus in East Aurora embodied Hubbard's ideal "to make beautiful things and to make them as well as they can be made." During its heyday, the Roycroft Campus employed more than 500 Roycrofters, who produced some of America's finest decorative Arts and Crafts pieces, including furniture, metalware, and hand-bound books. Today, these pieces are valued by collectors for their functional design and high quality.

The participants in the Roycroft experience did more than produce beautiful decorative arts pieces. They also celebrated Hubbard's philosophy emphasizing self-reliance, individualism, and a commitment to exploring the full potential of human ability and ingenuity. While the Arts and Crafts movement faded during the Great Depression, Hubbard and the other Roycrofters made an invaluable contribution to our cultural heritage.

The Roycroft spirit and philosophy have enjoyed a renaissance in recent years through the tremendous efforts and diligence of two very outstanding individuals, Kitty Turgeon and Bob Rust. Both Kitty and Bob have devoted their considerable energy and talents to restoring the Roycroft Campus as a living interpretive museum, where artisans once again create works of high quality and where visitors can still enjoy fine food and lodgings surrounded by original Roycroft furniture and other period pieces.

Kitty first became involved in revitalizing the Roycroft Campus in the early 1970s. She was instrumental in having the campus placed on the National Register of Historic Places in 1974. She also founded the Roycrofters-At-Large Association in 1976; this group is dedicated to rekindling arts-and crafts activities, as well as the philosophy of the original Roycrofters.

In 1982, Kitty and Bob purchased the Roycroft Inn, which they continue to operate and refurbish. Just last year, they were successful in their efforts to have the Roycroft Campus designated as a National Historic Landmark, in recognition of its significant contribution of our Nation's heritage.

Spurred on by their vision for the Roycroft Campus, Kitty and Bob have worked tirelessly to find the resource to restore the Inn so it can continue as the cornerstone for the Roycroft Renaissance, as well as an exciting addition to Western New York's tourism industry. Those of us who know Kitty and Bob, and have supported their efforts, are confident that they will succeed in this endeavor as well.

Kitty and Bob have fought long and hard to preserve and extend the spirit and dream that the Roycroft Campus embodies. Due to their efforts, as well as those of a loyal core of Roycroft supporters, the national treasure remains a jewel attraction in our western New York community, which is a richer place for it. I am sure my colleagues join with me in extending thanks and gratitude to Kitty and Bob for their commitment to a Roycroft Renaissance.

A WINNING COMBINATION

HON. HAL DAUB

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 11, 1987

Mr. DAUB. Mr. Speaker, today along with a number of my colleagues, I am introducing a resolution—House Resolution 193—urging the Environmental Protection Agency to approve the use of ethanol, methanol, and other oxygenated fuels as an accepted air pollution control strategy.

It is rare when we have at hand a public policy option like alcohol fuels that addresses so many thorny problems at once. Alcohol fuels can assist in energy independence, reduce air pollution, reduce farm program costs, and increase demand and thus price, for the farmer.

With the uneasy military situation in the Persian Gulf, we are reminded again of the tenuous nature of foreign fuel supplies. Alcohol fuels can reduce foreign oil dependence.

Furthermore, grain supply gluts overhang markets depressing prices farmers receive and driving up the costs of Government farm programs. Aggressive alcohols fuels use can relieve these pressures on the farmer and taxpayer alike.

Finally, air pollution is still a chronic problem in some 80 urban areas. Unacceptable carbon monoxide levels mean that these areas will be out of compliance with the Clean Air Act early next year; 90 percent of the problem is caused by auto emissions.

A 10 percent ethanol gasoline blend could reduce these carbon monoxide emissions by over 25 percent. Furthermore, alcohol fuels reduce the use of cancer causing gasoline additives like benezene.

States are now proposing air pollution control plans. This resolution urges EPA to encourage States to include alcohol blends as one important pollution control strategy. I urge my colleagues to join me in this effort, and cosponsor House Resolution 193.

INTRODUCTION OF THE STEVEN McDONALD PUBLIC SAFETY OFFICER COMPENSATION ACT

HON. THOMAS J. MANTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 11, 1987

Mr. MANTON. Mr. Speaker, as a former New York City police officer, it is my great privilege today to introduce the Steven McDonald Public Safety Officer Compensation Act. This much needed and long overdue piece of legislation will provide a cash benefit to State and local public safety officers who are permanently disabled as the result of an injury they receive in the performance of their duties. This bill is named in honor of Steven McDonald, a young New York City police officer who is permanently paralyzed as the result of a shooting.

On July 12, 1986, Officer McDonald was gunned down as he confronted three young suspects. As a result of this heinous act, Steven McDonald now faces the lifelong trials and tribulations of a quadriplegic. His will not be an easy life. Yet, he and his family have faced this ordeal with unparalleled strength and courage. Only last March, at the baptism of Officer McDonalds first child, Steven issued a statement forgiving his assailant, a 12-year-old youth. The courage and spirit of forgiveness Steven has shown should be an inspiration to us all. In speaking to him about my intention of introducing this legislation, Steven thanked me, not for himself, but for future public safety officers who may suffer a similar debilitating experience in the line of duty.

For more than three generations, Steven McDonald's family has served the citizens of New York as police officers. Steven followed in the footsteps of his father and grandfather in joining the New York City Police Force. His goal was simply to be a good cop and to help his fellow citizens. In doing so, he has been permanently disabled. While many in New York have pitched-in to help the McDonald family, they will face many hardships in the years ahead. The legislation I am introducing today provides a small monetary benefit from the Federal Government for Steven and others like him to help ease the burden. This is a recognition by the Federal Government of the service of our Nation's public safety officers.

The legislation I am introducing today expands upon existing law, which provides a one-time Federal payment to the family of a public safety officer killed in the line of duty, by providing the exact same benefit to those members of State and local police, fire, and ambulance squads who suffer a total and permanent disability as a result of an injury suffered in service to their communities. Many of these individuals like Steven McDonald face a lifetime of pain and suffering because of their dedication to ensuring the safety of others. This small effort on the part of the Federal Government will provide them with a small token of the Nation's appreciation for their service to their fellow citizens.

Mr. Speaker, I hope the House will act expeditiously on this humanitarian effort. We need to enact this legislation for Steven McDonald, for his family, and for the many other public safety officers throughout our country who might face similar hardships. In closing, Mr. Speaker, I offer my best wishes to Steven, his wife, Patti Ann, and his 5-month-old son, Conor Patrick.

H.R. 900

HON. ALAN B. MOLLOHAN

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 11, 1987

Mr. MOLLOHAN. Mr. Speaker, on May 27, 1987, H.R. 900, the West Virginia National Interest River Conservation Act, passed the House of Representatives. H.R. 900 seeks to establish the Gauley River National Recreation Area and designated segments of the Meadow, Bluestone, and Greenbrier Rivers as components of the National Wild and Scenic Rivers System. The bill also modifies the boundaries and provides several specific management directives for the New River Gorge National River.

As a cosponsor of H.R. 900, I supported the legislation because it seeks to conserve some of the finest scenic and recreational rivers in the Eastern United States. I also believed that H.R. 900 would maintain and enhance existing recreational opportunities within the designated areas. Unfortunately, this was not the case. H.R. 900, as passed by this body, excludes a traditional recreational use of these areas' wildlife resources. The traditional use I am referring to is trapping. Trapping and the associated businesses are important to West Virginians. In addition, the bill clearly impinges on the State fish and wildlife agency's authority to conserve and manage resident fish and wildlife.

The reason for this extraordinary situation began several years ago when the National Park Service revised its regulations governing park management. According to these regulations, activities such as hunting and especially trapping are prohibited, unless there is specific authority for these activities contained in the legislation creating each area. Such regulatory policy clearly denies a historic and traditional recreational use of many areas and removes State authority for managing resident fish and wildlife.

H.R. 900 does permit hunting, a traditional recreational use. Trapping, like hunting, is a traditional recreational use of wildlife resources. Creation of federally designated recreation areas and wild and scenic rivers should not deny the public recreational opportunities and should not interfere with any State's authority to manage its resident fish and wildlife resources.

This legislation has elevated a serious concern among State fish and wildlife agencies and sportsmen. The National Park Service policy erroneously challenges historical recreational uses. I, too, share these concerns and in the future will be working to ensure that proper State authorities remain intact as well as the provisions for traditional and historical activities, particularly hunting and trapping.

ACID RAIN: THE TIME IS AT HAND

HON. SHERWOOD L. BOEHLERT

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 11, 1987

Mr. BOEHLERT. Mr. Speaker, no one should be surprised that the debate over cleaner air has not gone away. I'm referring specifically to the debate over new acid rain controls, although we are learning every day that this popular term vastly oversimplifies the weaknesses of the Clean Air Act.

As we all know, there was a heated debate on the House floor last week, in which some of my colleagues argued we should spend more money on acid rain research before ordering tighter air pollution standards.

A very strong, bipartisan vote of this body rejected that argument, demonstrating quite clearly that we can pass a package of strengthening amendments to the Clean Air Act in this Congress, if only we can summon the courage to reach a compromise in the Energy and Commerce Committee, and report a bill to the floor. Various factors convince me that the time for acid rain controls is at hand.

Mr. Speaker, today I am joining with Congressmen SIKORSKI, CONTE, TAUKE, RINALDO, JEFFORDS, SCHEUER, MINETA, KENNELLY, and GREEN in introducing the "Acid Deposition Control Act of 1987," which is essentially the same as H.R. 4567 of the 99th Congress. As chairman of the House Republican Working Group on Acid Rain, a group of about 40 from across the spectrum and across the country which took a major role in drafting this legislation last year, I welcome this opportunity to kick off the debate in the 100th Congress.

Let me begin by making a few things perfectly clear. First, none of us who are offering this bill for the second time around view it as the final solution, but we believe it is a good starting point. We are proud that it enjoyed a record-breaking 171 cosponsors in 1986; we are proud that it cleared the Health and Environment Subcommittee by a strong, bipartisan 16-to-9 vote; and most of all, we are proud that it embodies the moderate, reasonable principles upon which the final solution will be based.

Those principles are deep reductions in nitrogen oxides and sulfur dioxide emissions; maximum flexibility for States and industry to comply, so costs and economic impacts and the need for cost sharing can be minimized; and regional equity. All regions must reach exactly the same pollution rate; heavily impacted regions have the freedom to develop strategies which will protect their economic resources; and regions which have already invested heavily in cleaner air are not penalized with redundant new requirements.

Just the same, I am willing to recognize that more work toward a consensus package is necessary. I believe I can speak for my fellow procontrol Republicans when I say that this bill is meant to spur debate, not conclude it. In fact, I strongly supported a change which was adopted by the subcommittee last year to add greater flexibility in calculating the pollution rate. We are exploring promising ideas to modify this bill's language and gain a strong, bipartisan, interregional vote to report a bill from the Energy and Commerce Committee to the full House.

At this point, I would like to address a few of the most common concerns offered as reasons to delay or even reject new controls.

First, we are told again and again that scientific uncertainty still exists, that we should wait until 1990 for the results of the congressionally mandated NAPAP study before ordering new controls. As I said in floor debate last week, I am a strong supporter of continued research because we will never know enough about this or any other natural phenomenon.

But the General Accounting Office has just told us that NAPAP is 2½ years behind schedule, and has discontinued the kind of cost-benefit analyses that we need to evaluate whatever controls are adopted. In other words, in 1990 Congress will still have to make a decision in the absence of concrete scientific conclusions, or allow the environmental damage to continue.

And in any case, if the House debate and vote last week is any guide, more and more Members of Congress are coming to the same conclusion: we have enough scientific evidence in hand to determine the cause of the problem and to begin taking corrective action. Scientists around the world, from Western Europe to Canada to our own National Academy of Sciences tell us that the causes and effects of acid rain are complex, and include natural factors as well as manmade. But the majority will also agree that over $300 million of American Government research and more than 1,200 university studies all point to the same conclusion: that airborne emissions of NOx and SO_2 are the smoking gun in the widespread deterioration of freshwater ecosystems, forest and crop health, visibility, materials damage, and even human health.

A second reason we are urged to resist new acid rain controls is that the high-sulfur coal mining economies of the so-called polluting States are already weakened by the requirements of the Clean Air Act, which is working to reduce SO_2 emissions. Now certainly my colleagues are aware that I am not the kind of green eye-shade Republican who ignores economic dislocation. I come from an area that has seen more than its share of painful job losses, and share my colleagues' sincere concern for their districts.

But the Clean Air Act is not working to control acid rain. Current levels of emissions are too high. The older, dirty powerplants which we expected to be replaced by new Clean Air Act plants are having their lives extended far beyond original projections. The Clean Air Act has not been enforced with an eye toward acid rain control; in fact, the decision to meet Clean Air Act standards by encouraging tall smokestacks has exacerbated the problem. And finally, the Clean Air Act does not guard against growth in emissions, which could easily occur in the absence of stricter controls.

What I suggest is that these areas have more to gain by participating in the solution than they do by opposing all solutions in a knee-jerk fashion. If my coalition's efforts have been hampered by a supposed lack of understanding of the polluters' concerns, my opponents simply invite punitive, overambitious legislation by refusing to make a constructive counteroffer.

Studies have shown that thousands of jobs can be created in this country as new technologies are developed to control emissions. I understand that Ohio and Illinois, two of the States who would face some of the deepest reduction requirements, have the most advanced technology development programs in the country, and that could translate into more high-sulfur coal mining jobs. And thousands of jobs can be created in the depressed Eastern and Western low-sulfur fields. With the crises in oil and nuclear energy, we have an opportunity to expand coal use, and an acid rain bill, constructed appropriately, will not affect that fact.

Some Members are concerned about the impact of higher electricity rates on our economic competitiveness. Here again, let me emphasize that we are receptive to ways to smooth out economic impacts. Let me point out that last year the Office of Technology Assessment estimated this legislation would produce rate increases of 3 percent or less in 44 States, 7 percent or less in 3 States, and greater than 7 percent in only 3 States. Sponsors repeatedly expressed their desire to do more to limit electricity rate hikes, and the same holds true today.

Also, we can look to the Federal Republic of Germany, which probably has the worst environmental damage in the world due to acid rain. West Germany has witnessed electricity rate increases due to very stringent new controls, but enjoys one of the most prosperous economies in the world. Our competitiveness problems have many causes, but let me point out that some of the Midwestern States have cheaper electricity than the booming areas of the Northeast and Far West. There are many steps we can take to improve our economic performance, and a properly written acid rain law need not interfere.

Finally, it is said that the ozone nonattainment problem is far more severe than acid rain, and that a solution to that crisis should not be held hostage to the acid rain impasse. Since we know that opportunities for amendments to the Clear Air Act are few and far between, it would be irresponsible to address ozone alone. In fact, the ozone and acid rain crises have a pollutant in common: NO_x.

There are reasonable steps we can take to reduce ambient levels of ozone; one of the best would be tighter limits on NO_x emissions from powerplants, which is required by our bill. The industry is well aware that better NO_x control technology is available, and is inexpensive to implement.

In addition, my colleagues should note that our standards for cars and trucks are a far cry from those proposed in other legislation. We would require EPA to ratchet NO_x standards down to the current California standards. We know these standards are being met without upheaval in the Nation's largest new auto market, and in fact, many 1987 models are already in compliance with these standards. As the greatest source of NO_x and hydrocarbon emissions, autos and trucks must be covered by any ozone solution, and this provision of our bill offers a way to do it without draconian pressures.

In closing, Mr. Speaker, let me repeat a phrase I have referred to often. It was spoken by the Republican Governor of New Jersey, Mr. Kean, and it goes as follows: "If all we do is continue to study the problem, we'll end up with the best documented environmental disaster in history." The visible destruction in West Germany occurred almost overnight, and God willing that won't happen here.

But destruction is already occurring, and we have the knowledge to stop it. The legislation we are offering today is a first step, and I'm confident that working with my colleagues in a consensus, bipartisan spirit, we can enact a reasonable, responsible package of amendments to the Clean Air Act in the 100th Congress.

HAROLD AND SYBIL EFFRON CELEBRATE 50TH ANNIVERSARY

HON. BENJAMIN L. CARDIN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 11, 1987

Mr. CARDIN. Mr. Speaker, on Saturday, June 13, two of my constituents will celebrate their 50th wedding anniversary. I am proud to honor this momentous occasion in their lives.

I congratulate Harold and Sybil Effron for their lifelong commitment to values which have made this country great. Through their 50 years of wedded bliss they have raised a fine family which is devoted to them and follows their fine example.

I am happy to salute Harold and Sybil Effron and their family—Tova, Barry, Leslie and Michelle Effron; Deborah, James, Jill, and Melissa Effron; Rochele, Mark, Malcah, and Shoshana Effron.

A CONGRESSIONAL SALUTE TO ELAINE W. HUTCHISON

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 11, 1987

Mr. ANDERSON. Mr. Speaker, I rise to pay tribute to Elaine W. Hutchison, chairman of the board of the Long Beach Area Chamber of Commerce and president of the California Apartment Association. The Long Beach Area Chamber of Commerce board of directors will hold a special celebration and installation of the 1987-88 officers and directors at the 96th Inaugural Celebration Friday June 19, 1987 at the Spruce Goose Dome Banquet.

Elaine W. Hutchison was born in North Dakota but her roots in Long Beach go back to World War II when she came to Long Beach with her family. After graduating from Wilson High School, Elaine majored in sociology at California State University at Long Beach. Upon graduation, Elaine pursued graduate studies in urban planning and development. She also completed numerous courses in tax work, business, and real estate. Elaine's background and interest in real estate eventually lead to her founding of Paragon Equities Inc., specializing in real estate investment, management, and development.

In addition to Elaine's substantial professional commitment, she also has an extensive history in local government, and community development. Elaine chaired the mayor's blue ribbon task force on the issue of restructuring city government which resulted in the passage of a successful ballot measure calling for the popular election of the mayor of Long Beach. She also chaired Mayor Ernie Kell's year 2000 task force on housing and neighborhoods, and is currently serving on the year 2000 implementation task force. Elaine serves as trustee of the Memorial Women's Hospital and the Psychiatric Clinic for the Youth. For 2 years Elaine served as vice president of the board of the Public Corporation for the Arts, and continues to serve on their board of directors. Locally, Elaine served two terms as president of the board of directors of the Apartment Association of California Southern Cities.

My wife, Lee, joins me in congratulating Elaine on her accomplishments and we wish Elaine and her husband John all the best in the years to come.

McCLATCHY HIGH SCHOOL—CLASS OF 1987

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 11, 1987

Mr. MATSUI. Mr. Speaker, it is with great pleasure that I offer my congratulations to the members of the 50th graduating class of McClatchy High School—the Class of 1987.

I take great personal pride in being a part of McClatchy's 50 years of history as a member of the Class of 1959. As a former McClatchy Lion, I firmly believe that no other Sacramento school can match or surpass the accomplishments of McClatchy High. Since the school first opened its doors to students in the fall of 1937, over 20,000 young men and women have graduated. As one of the city's oldest schools, many members of the community are emotionally attached to McClatchy, as parents have seen their children, and, ultimately, their grandchildren attend their alma mater.

Through the school's renovation project in the late 1970's, the public demonstrated its strong attachment and support of McClatchy, despite pressure that it would be simpler to tear the structure down. Thankfully, Sacramento voters wisely passed several ballot measures that allowed the facility to remain intact. It would have been quite an emotional blow to me personally, to know that the campus which became as familiar to me as my home would only exist in my memories and yearbooks.

The Class of 1987 is yet another fine example of McClatchy's continuing excellence in education. Although many will follow in the footsteps of past McClatchy graduates and receive recognition for their achievements as scientists, doctors, lawyers, teachers and politicians, it is important to always remember that one person's measure of success can be very different from another's. No matter what they aspire to, achieving the goals they have set for themselves is essential to establishing a sense of satisfaction and accomplishment in their lives.

Mr. Speaker, again, I congratulate the graduating Class of 1987 on their fine work and accomplishments and wish them continued success.

TWO HUNDRED YEARS AGO TODAY AT THE CONSTITUTIONAL CONVENTION—JUNE 11

HON. PHILIP R. SHARP

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 11, 1987

Mr. SHARP. Mr. Speaker, during the summer of 1787 there were several crucial moments when a compromise appeared to save the Convention from a seemingly impossible deadlock.

On June 11, Connecticut's Roger Sherman offered such a rescue plan on the question of how votes in the National Legislature would be proportioned among the States. Sherman proposed that one house allocate its membership by the State's number of free citizens while the other house maintain the system of equal representation that was used in the Continental Congress.

Sherman hoped to satisfy representatives of the larger States who wanted more power and the smaller States who worried about losing influence in the new nation. This system, he noted, had worked well in England's House of Commons and House of Lords.

The plan did not initially gain support. But by the end of the Convention it turned out to be the basis of the compromise which both groups could accept.

IN HONOR OF THE RENEWAL OF UKRAINIAN INDEPENDENCE

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 11, 1987

Mr. BROOMFIELD. Mr. Speaker, I want to take this occasion to mark an important date for Ukrainian people everywhere. June 30 of this year is the 46th anniversary of the renewal of Ukrainian independence. I want to commend the Ukrainian Congress Committee of America, and Mr. Bohdan Fedorak in particular, for their efforts to commemorate this important event on June 28 in Warren, MI.

We all know the tragic history of the Ukraine and its people. The Ukraine issued its proclamation of independence on January 22, 1918, and enjoyed the freedoms of a western democracy for a scant 3 years. An elected parliament governed the Ukraine and that nation had close diplomatic ties with England, France, and other countries while the Ukrainian people pursued their own destinies and practiced their own religion.

That free nation was quickly crushed by the soldiers of the expanding Soviet Empire. The Bolshevik armies swept into Ukrainian cities and a puppet government was soon established. The freedom-loving Ukrainian people then began their years of sufferng under the oppression and tyranny of the Kremlin dictators.

The Ukrainian people, however, were not ready to submit to slavery imposed by either the Soviets or the Nazis. In 1941, the German Army invaded the Ukraine and met heavy resistance from representatives of the Ukrainian National Liberation Movement and a provisional Ukrainian Government. As the Soviet troops retreated, the Ukrainian underground broadcast the declaration of restoration of independence and established a Ukrainian free state. Hitler's response to this event precipitated the Nazi-Ukrainian war of 1941 to 1944. This long and bitter conflict cost the Ukraine over 7 million of her citizens.

The Nazi imprisonment and murders of members of the Ukrainian Government and leaders of the organization of Ukrainian nationalists failed to crush the brave Ukrainian resistance. The nationalists in the Ukraine undertook a program of civil disobedience, sabotage, and resistance warfare which challenged the German occupation forces. The Ukrainian Insurgent Army forced the Nazi occupiers to retreat to heavily defended garrisons. Large areas of the Ukraine came under the control of the Ukrainian Insurgent Army. It is important to note that all of this was accomplished without any external assistance to the Ukrainian resistance. With the collapse of the German war machine in the east, the Ukrainian Peoples' Army became the third military and political power in Eastern Europe at the end of World War II. As we all know, peace would not come to the Ukraine. The freedom-loving resistance fighters would soon turn their efforts against their Soviet oppressors.

The Soviets were forced to commit in excess of 1 million troops and police in their efforts to crush the Ukrainian Freedom Fighters. The Ukrainian resistance was never defeated in a military sense, and they continued their struggle underground.

Today, over 47 million people suffer under Soviet domination in the Ukraine. They have no assurances of civil or political rights. Another 2 million Ukrainians live in the United States where these descendants of a rich Ukrainian heritage hold high the beacon of liberty. All of us share a common desire to see the Ukraine free again.

This is why the 46th anniversary of the renewal of Ukrainian independence is important to free men everywhere. We must all renew our resolve to fight communism and to free all of the captive peoples under Soviet rule. I commend the Ukrainian Congress Committee of America, southeastern Michigan branch, for their outstanding efforts in celebrating this historic event and for their deep commitment to freedom and democracy.

THE CHILD CARE INFORMATION AND COORDINATION ACT OF 1987

HON. NANCY L. JOHNSON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 11, 1987

Mrs. JOHNSON of Connecticut. Mr. Speaker, I am delighted to join Representative CARDISS COLLINS in introducing the Child Care Information and Coordination Act of 1987. This legislation will stitch together the patchwork of day-care programs across the Nation, to form a more holistic policy to determine and meet the needs of families.

Not since the Lanham Act in the 1940's, when the first significant Federal child-care funding was provided for working mothers, has there been a concerted Federal effort to assist working parents with child care.

The Lanham Act was discontinued after World War II, when it was felt that mothers could go home again. But child care assistance is every bit as necessary today as when mothers were mobilized for the war effort. Today, the Bureau of Labor Statistics estimates that nearly 10 million children under age 6—nearly half the children in that age group—live in households where the mother works.

Child care assistance authorities today span the Federal bureaucracy: moneys are administered through the Department of Health and Human Services, the Department of Labor, the Department of Agriculture, the Department of Defense and the IRS. And, Federal support is not limited to funding for day care services—we also provide funds to help train workers in day care settings, business incentives, and assist working parents by partially offsetting the cost of child care.

But despite the range of child-care assistance, we do not have comprehensive information on child care. Child-care tax benefits are not monitored; reporting requirements in title XX of the social services block grant are minimal. States may set their own policies and within States, counties may set their own policies. A recent book on child care policy calls the United States a country with at least 50 different child care policies, maybe more.

Our bill would designate the Federal Administration for Children, Youth and Families as the locus for all federally authorized child-care moneys. It would also authorize ACYF to conduct a comprehensive survey, and issue a report on the availability and impact of current programs and policies on the provision and quality of services.

We simply believe that any serious effort to help parents and children must be backed up by the basics: information about and coordination of existing programs and services.

TRIBUTE TO RICHARD M. VENTRE

HON. HOWARD L. BERMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 11, 1987

Mr. BERMAN. Mr. Speaker, I rise today to pay tribute to a truly outstanding program Project HEAVY/SFV—Human Efforts Aimed at Vitalizing Youth and Families in the San Fernando Valley—and to its newly appointed executive director, Richard M. Ventre. I ask my colleagues to join me in honoring this exceptional program as it enters its 12th year of community service and to join me in congratulating Mr. Ventre on his appointment.

Project HEAVY/SFV was founded in 1975 to help the youth of the San Fernando Valley lead full and satisfying lives, free from drugs and crime. The project is noted for its exemplary job training and placement program which provides both classroom and on-the-job training. In just the last 6 years this program has placed over 1,600 young adults in full-time positions.

Project HEAVY/SFV also maintains a Juvenile Delinquency Prevention Program [JDPP], one of the most successful programs of this type in the country. The JDPP provides counseling, educational, employment, and recreational services to over 18,000 youth and their families. By helping youth find alternatives to delinquency and gang affiliation, this program has seen nearly 90 percent of its participants reject crime as a way of life. All of the organization's programs are premised on the idea that through the assistance of community and family, youth can be guided to productive involvement in society.

Richard Ventre has been with Project HEAVY/SFV almost since its inception. He first worked on the streets, reaching out to youth on the periphery of San Fernando Valley gangs. His success in this work led to a position as Gang Consortium Director, followed by a position as Juvenile Justice Delinquency Prevention Project Coordinator. In 1985 he was appointed deputy director of Project HEAVY/SFV, and in 1986 he assumed the duties of acting executive director. On April 22 he was unanimously chosen by the project's board as executive director.

Throughout his tenure, Rick's work has been instrumental to the success of Project HEAVY/SFV. His rapport with youth, law enforcement personnel, State agencies, and the community has enabled him to achieve much success in the San Fernando Valley. As executive director, his efforts will become even more meaningful.

It is my distinct pleasure and honor to pay tribute to Rick Ventre and Project HEAVY/SFV, who together have helped countless young people find better lives and have provided an invaluable service to the community.

CONVENTION DELEGATES DEBATE OVER REPRESENTATION IN THE HOUSE AND SENATE

HON. RON PACKARD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 11, 1987

Mr. PACKARD. Mr. Speaker, 200 years ago today, the Convention Delegates resumed their heated debate over representation in the House and Senate. The discussion fell into such disarray that Benjamin Franklin delivered a short speech which first complimented the delegates for the "coolness and temper" of their earlier debates, then criticized those who came to the Convention with a "fixed opinion" who "neither enlighten nor convince" the other delegates. These words seemed to mellow the delegates and soon they passed a plan which allowed for representation in the House in proportion to the number of citizens living in each State.

Later that day, the Convention considered Resolution 13 of the Virginia plan which provided for amending the National Constitution. Though some delegates found no reason to support such a resolution, Col. Mason urged the necessity of the proposal. He pointed to the faults in the Articles of Confederation as proof of the inevitable changes in the Nation's needs. This resolution was then agreed to by the Convention.

Years after this historic meeting, Thomas Jefferson wrote for Samuel Kerchual, ". . . I am certainly not an advocate for frequent and untried changes in laws and constitutions. . . . but I know also, that laws and institutions must go hand in hand with the progress of the human mind." Though the "progress of the human mind" has outpaced many systems and traditions, the thoughtfull construction of the Constitution makes sure that it still provides a sure framework upon which we build our dreams for a better world.

COLLOQUY WITH THE HONORABLE ROY DYSON CONCERNING IMPROVED ACOUSTIC PROCESSOR

HON. LES ASPIN

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 11, 1987

Mr. ASPIN. Mr. Speaker, during consideration of H.R. 1748, the Department of Defense authorization bill, on May 19, 1987 I engaged in a colloquy with the gentleman from Maryland, Mr. DYSON, concerning the Navy's SQR-17 acoustic processor. Apparently there has been some confusion about the Armed Services Committee's intentions with respect to this matter, and so I would like to state clearly what those intentions are.

The committee recognizes the need for continued improvement of the Navy's antisubmarine capabilities as the Soviet submarine threat improves at an accelerated pace. In recognition of this need, the committee established a program for an improved acoustic processor that would be obtained by competitive procurement. As a result, the committee agreed to an addition of $12 million in the Navy's fiscal year 1988 budget for this purpose.

Mr. Speaker, I trust that this will clear up any uncertainties as to the committee's intentions about this matter.

FATHER RICHARD CONWAY

HON. CHESTER G. ATKINS

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 11, 1987

Mr. ATKINS. Mr. Speaker, today I rise to honor Father Richard Conway, who on June 15, will be leaving his position as pastor at St. Patrick's Church in Lowell, MA to assume new responsibilities at Our Lady Help of Christians in Newton, MA.

Father Conway began his association with St. Patrick's as the church administrator in 1980. Two years later, he was called to the position of pastor. During his tenure at St. Patrick's, Father Conway worked tirelessly to revitalize St. Patrick's parish—a congregation that will sorely miss him.

Father Conway's dedication to humanitarian causes lead him outside the church walls and into the community as a prominent leader. He was often at the homeless shelters lending a hand in whatever needed to be done. He was a resource to new immigrants in Lowell, providing clothes, food, furniture, shelter, and most importantly friendship. Respected and trusted by the city's youth, he was a vital member of the Mayor's Task Force on Drug and Alcohol Abuse. His ability to communicate with teenagers provided the committee with valuable insights, and the teens with a place to turn.

On Saturday, June 13, the Lowell community is gathering to honor Father Conway and the work he has performed for all the citizens of Lowell.

On this day I rise on behalf of the citizens of Lowell to pay tribute to Father Richard Conway, whose tireless dedication, and invaluable contributions to our community will be remembered always.

HOUSE OF REPRESENTATIVES—*Friday, June 12, 1987*

The House met at 10 a.m. and was called to order by the Speaker pro tempore [Mr. McCurdy].

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

Washington, DC,
June 12, 1987.

I hereby designate the Honorable Dave McCurdy to act as Speaker pro tempore on this day.

Jim Wright,
Speaker of the House of Representatives.

PRAYER

The Reverend Charles Mallon, permanent deacon, Holy Family Church, Mitchellville, MD, offered the following prayer:

Hear my prayer, O Lord; let my cry come to Thee! Do not hide Thy face from me in the day of my distress! Incline Thy ear to me; answer me speedily in the day when I call.—Psalm 102: 1–2.

Father, allow Your love to dwell among us, Your power to strengthen us, and Your wisdom to sustain us. Let our Nation be a sign to the world as we reflect Your love, strength, and wisdom. Protect our Government and keep it attentive to the needs of Your people. Keep this Congress in mind as it legislates the rule and order of future events and allow the laws that come forth from this Congress to be ratified in the hearts and minds of all men.

We ask this through the intercession of Christ Your Son. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. Durbin) to revise and extend their remarks and include extraneous material:)

Mr. Annunzio, for 5 minutes, today.

Mr. Gonzalez, for 60 minutes, on June 15.

Mr. Gonzalez, for 60 minutes, on June 18.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Member (at the request of Mr. Roth) and to include extraneous matter:)

Mr. Broomfield in three instances.

(The following Member (at the request of Mr. Durbin) and to include extraneous matter:)

Mr. Solarz.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled joint resolution of the Senate of the following title:

S.J. Res. 5. Joint resolution designating June 14, 1987, as "Baltic Freedom Day."

ADJOURNMENT

Mr. DURBIN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 10 o'clock and 4 minutes a.m.), under its previous order, the House adjourned until Monday, June 15, 1987, at 12 noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1598. A letter from the Secretary of Education, transmitting final regulations regarding the Secretary's Discretionary Program, pursuant to 20 U.S.C. 1232(d)(1); to the Committee on Education and Labor.

1599. A letter from the Secretary of Energy, transmitting the eighth annual report on the use of alcohol in fuels, pursuant to 26 U.S.C. 4041 nt.; to the Committee on Ways and Means.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. DINGELL. Committee on Energy and Commerce. H.R. 1315. A bill to authorize appropriations for the Nuclear Regulatory Commission for fiscal years 1988 and 1989, and for other purposes; with an amendment (Rept. 100-90, Pt. 2). Referred to the Committee of the Whole House on the State of the Union.

REPORTED BILLS SEQUENTIALLY REFERRED

Under clause 5 of rule X, bills and reports were delivered to the Clerk for printing, and bills referred as follows:

Mr. UDALL. Committee on Interior and Insular Affairs. H.R. 791. A bill to authorize the water resources research activities of the U.S. Geological Survey, and for other purposes; with an amendment; referred to the Committees on Agriculture, Energy and Commerce, Public Works and Transportation, and Science, Space, and Technology for a period ending not later than September 11, 1987, for consideration of such portions of the bill and amendments as fall within the jurisdictions of those committees pursuant to clause 1 (a), (h), (p), and (r), rule X, respectively (Rept. 100-155, Pt. 1). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII,

Mr. UDALL introduced a bill (H.R. 2683) to amend the Atomic Energy Act of 1954 to improve security procedures, and for other purposes, which was referred to the Committee on Interior and Insular Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. DELLUMS introduced a bill (H.R. 2684) for the relief of Cathleen S. O'Regan, which was referred to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

[Omitted from the Record of June 11, 1987]

H.J. Res. 159. Mr. Sisisky, Mr. Espy, Mr. Synar, Mr. Pickett, Mr. Bevill, Mr. Davis of Michigan, Mr. McMillen of Maryland, Mr. Weiss, Mr. Lancaster, Mr. Fascell, Mr. DeLay, and Mr. Sundquist.

[Submitted June 12, 1987]

H.R. 344: Mr. Bliley.

H.R. 954: Mr. Wolpe, Mr. Edwards of California, and Mrs. Bentley.

H.R. 1504: Mr. Robinson.

H.R. 2272: Mr. Holloway.

H.R. 2273: Mr. Holloway.

H.R. 2607: Mr. Swift, Mr. Towns, and Mr. Gray of Illinois.

H. Con. Res. 8: Mr. Bliley.

PETITIONS, ETC.

Under clause 1 of rule XXII.

48. The Speaker presented a petition of R. B. Lagaspi, Hilo, HI, relative to the Older Americans Act of 1965; which was referred to the Committee on Education and Labor.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 281.

By Mr. JEFFORDS:

—Page 2, strike line 5 and all that follows through page 5, line 4 and insert the following:

Sec. 2. (a) Definition of Single Employer.—Section 2(2) of the National Labor relations Act (29 U.S.C. 152 (2)) is amended by adding at the end thereof the following new sentence: "Any two or more business entities with substantial common ownership engaged primarily in the building and construction industry, performing work within the geographical area covered by a collective bargaining agreement to which any of the entitites is a party, performing building or construction work of the type described in such agreement, and having substantial commonality based on the following three factors—

"(1) common management;

"(2) Centralized control of labor relations; and

"(3) interrelation of operations,

shall be deemed a single employer. Such commonality shall be presumed where there is a practice of:

(a) transfer among the entities of employees performing work described in the collective bargaining agreement;

(b) direct competition among the entities in submitting bids for the same work; or

(c) deprivation of work by one entity against another.

Provided, That the existence of a contractor-subcontractor relationship between any two or more business entities working at a common construction site shall not be deemed to create a single employer or be considered as evidence of commonality with respect to the factors described in paragraphs (1) through (3), within the meaning of this sentence.".

(b) Concerning Scope of Duty to Bargain.—Section 8(d) of such Act (29 U.S.C. 158(d)) is amended by adding at the end thereof the following new sentence: "Whenever the collective bargaining involves employees of a business entity comprising part of a single employer in the building and construction industry, as defined in section 2(2) of this Act, and such employees share a sufficient community of interest (as determined solely on the basis of similarities in skills and work performed) to constitute a unit appropriate for purposes of bargaining, the duty to bargain collectively, for the purposes of this section, shall include the duty to apply the terms of a collective bargaining agreement between such business entity and a labor organization to all other business entities comprising the single employer and performing building or construction work of the type described in the collective bargaining agreement within the geographical area covered by the agreement.".

SEC. 3. PREHIRE AGREEMENTS IN THE CONSTRUCTION INDUSTRY.

(a) Amendment to Section 8(f).—Section 8(f) of the National Labor Relations Act (29 U.S.C. 158(f)) is amended by inserting before the period at the end of such section the following new proviso: ": *Provided further,* That any agreement lawfully made pursuant to this subsection may not be repudiated unless the Board certifies the results of an election conducted pursuant to section 9(c) in which the employees in an appropriate bargaining unit select a bargaining representative other than the labor organization with which such agreement was made or choose not to be represented by a labor organization. Upon expiration of such agreement, the emloyer and the labor organization shall not be under an obligation to bargain collectively unless the majority status of the labor organization has been established pursuant to an election conducted under section 9(c) or in some other manner determined to be appropriate by the Board in which the confidentiality of employee perferences is ensured."

(b) Issuance of Procedures.—Within one year after the date of the enactment of this Act, the National Labor Relations Board shall prescribe procedures for determining majority status in a timely and confidential manner and conducting elections under section 9(c) of the National Labor Relations Act (29 U.S.C. 159(c)) among employees hired pursuant to an agreement made under section 8(f) of such Act (29 U.S.C. 158(f)), as amended by subsection (a).

SEC. 4. EFFECTIVE DATE.

(a) Except as provided in subsection (b), the amendments made by section 2 shall take effect six months after the date of the enactment of this Act.

(b) The requirement imposed by the amendment made by section 2(b) shall take effect one year after such date of enactment with respect to any building and construction project for which the contract was entered into by an employer before the date of the enactment of this Act.

—Page 2, strike line 5 and all that follows through page 3, line 23 (subsections (a) and (b)) and insert the following new subsections:

(a) Definition of Single Employer.—Section 2(2) of the National Labor Relations Act (29 U.S.C. 152(2)) is amended by adding at the end thereof the following new sentence: "Any two or more business entities with substantial common ownership engaged primarily in the building and construction industry, performing work within the geographical area covered by a collective bargaining agreement to which any of the entities is a party, performing building or construction work of the type described in such agreement, and having substantial commonality based on the following three factors—

"(1) common management;

"(2) centralized control of labor relations; and

"(3) interrelation of operations,

shall be deemed a single employer. Such commonality shall be presumed where there is a practice of:

(a) transfer among the entities of employees performing work described in the collective bargaining agreement;

(b) direct competition among the entities in submitting bids for the same work; or

(c) deprivation of work by one entity against another.

Provided, That the existence of a contractor-subcontractor relationship between any two or more business entities working at a common construction site shall not be deemed to create a single employer or be considered as evidence of commonality with respect to the factors described in paragraphs (1) through (3), within the meaning of this sentence.".

(b) Concerning Scope of Duty To Bargain.—Section 8(d) of such Act (29 U.S.C. 158(d)) is amended by adding at the end thereof the following new sentence: "Whenever the collective bargaining involves employees of a business entity comprising part of a single employer in the building and construction industry, as defined in section 2(2) of this Act, and such employees share a sufficient community of interest (as determined solely on the basis of similarities in skills and work performed) to constitute a unit appropriate for purposes of bargaining, the duty to bargain collectively, for the purposes of this section, shall include the duty to apply the terms of a collective bargaining agreement between such business entity and a labor organization to all other business entities comprising the single employer and performing building or construction work of the type described in the collective bargaining agreement within the geographical area covered by the agreement.".

—Page 2, strike line 5 and all that follows through page 3, line 11 (subsection (a)) and insert the following new subsection:

(a) Definition of Single Employer.—Section 2(2) of the National Labor Relations Act (29 U.S.C. 152(2)) is amended by adding at the end thereof the following new sentence: "Any two or more business entities with substantial common ownership engaged primarily in the building and construction industry, performing work within the geographical area covered by a collective bargaining agreement to which any of the entities is a party, performing building or construction work of the type described in such agreement, and having substantial commonality based on the following three factors—

"(1) common management;

"(2) centralized control of labor relations; and

"(3) interrelation of operations,

shall be deemed a single employer. Such commonality shall be presumed where there is a practice of:

"(a) transfer among the entities of employees performing work described in the collective bargaining agreement;

"(b) direct competition among the entities in submitting bids for the same work; or

"(c) deprivation of work by one entity against another.

Provided, That the existence of contractor-subcontrator relationship between any two or more business entities working at a common construction site shall not be deemed to create a single employer or be considered as evidence of commonality with respect to the factors described in paragraphs (1) through (3), within the meaning of this sentence.".

—Page 2, line 6, after the word "employer", insert the following: "if there is a practice of interchanging employees in the bargaining unit among the entities or if any such entity directly competes with or intentionally deprives other such entities of work.".

—Page 2, strike line 5 and all that follows through page 3, line 23 (subsections (a) and (b) of section (2) and insert the following new subsection:

Section 8(e) of such Act (29 U.S.C. 158(e)) is amended by inserting before the colon at the end of the first proviso of such section the following new proviso: *Provided further,* That nothing in this subsection (e) shall be construed to prohibit any agreement, in the context of a collective bargaining relationship between a labor organization and an employer in the construction industry, from including any prohibition, restriction, or requirement on such employer with regard to the ownership, management, or control of other business entities in the same geographic area that are engaged in the type of work described in the agreement."

Page 3, line 24, strike "(c)" and insert "(b)".

—Page 2, strike line 5 and all that follows through page 3, line 23 (subsections (a) and (b)).

Page 3, line 24, strike (c) and insert (a).

—Page 2, strike line 5 and all that follows through page 3, line 11 (subsection (a)).

Page 3, line 12, strike (b) and insert (a)

Page 3, line 24, strike (c) and insert (b)

—Page 2, strike line 5 and all that follows through page 4, line 16 (section 2) and renumber succeeding section accordingly.

—Page 3, strike line 12, and all that follows through line 23 (subsection (b)) and insert the following new subsection:

(b) CONCERNING SCOPE OF DUTY TO BARGAIN.—Section 8(d) of such Act (29 U.S.C. 158(d)) is amended by adding at the end thereof the following new sentence: "Whenever the collective bargaining involves employees of a business entity comprising part of a single employer in the building and construction industry, as defined in section 2(2) of this Act, and such employees share a sufficient community of interest (as determined solely on the basis of similarities in skills and work performed) to constitute a unit appropriate for purposes of bargaining, the duty to bargain collectively, for the purposes of this section, shall include the duty to apply the terms of a collective bargaining agreement between such business entity and a labor organization to all other business entities comprising the single employer and performing building or construction work of the type described in the collective bargaining agreement within the geographical area covered by the agreement.".

—Page 3, strike line 12 and all that follows through page 3, line 23 (subsection (b)).

Page 3, line 24, strike (c) and insert (b).

—Page 3, strike line 24 and all that follows through page 4, line 16 (subsection (c)).

—Page 4, strike line 17 and all that follows through page 5, line 4 (section 3).

—Page 4, strike line 17 and all that follows through page 4, line 19 (subsection (a)).

Page 4, line 20, strike "(b)".

—Page 4, strike line 20 and all that follows through page 5, line 4.

—Page 17, strike line 17 and all that follows through page 5, line 4 (section 3) and insert the following new section:

SEC. 3. The amendments made by section 2 shall apply only with respect to any collective bargaining agreement entered into after the date of the enactment of this Act.

—Strike out all after the enacting clause and insert in lieu thereof the following:

That this Act may be cited as the "Building and Construction Industry Labor Law Amendments of 1987".

SEC. 2. (a) DEFINITION OF SINGLE EMPLOYER.—Section 2(2) of the National Labor Relations Act (29 U.S.C. 152(2)) is amended by adding at the end thereof the following new sentence: "Any two or more business entities with substantial common ownership engaged primarily in the building and construction industry, performing work within the geographical area covered by a collective bargaining agreement to which any of the entities is a party, performing building or construction work of the type described in such agreement, and having substantial commonality based on the following three factors—

"(1) common management;

"(2) centralized control of labor relations; and

"(3) interrelation of operations,

shall be deemed a single employer. Such commonality shall be presumed where there is a practice of:

(a) transfer among the entities of employees performing work described in the collective bargaining agreement;

(b) direct competition among the entities in submitting bids for the same work; or

(c) deprivation of work by one entity against another.

Provided, That the existence of a contractor-subcontractor relationship between any two or more business entities working at a common construction site shall not be deemed to create a single employer or be considered as evidence of commonality with respect to the factors described in paragraphs (1) through (3), within the meaning of this sentence.".

(b) CONCERNING SCOPE OF DUTY TO BARGAIN.—Section 8(d) of such Act (29 U.S.C. 158(d)) is amended by adding at the end thereof the following new sentence: "Whenever the collective bargaining involves employees of a business entity comprising part of a single employer in the building and construction industry, as defined in section 2(2) of this Act, and such employees share a sufficient community of interest (as determined solely on the basis of similarities in skills and work performed) to constitute a unit appropriate for purposes of bargaining, the duty to bargain collectively, for the purposes of this section, shall include the duty to apply the terms of a collective bargaining agreement between such business entity and a labor organization to all other business entities comprising the single employer and performing building or construction work of the type described in the collective bargaining agreement within the geographical area covered by the agreement.".

SEC. 3. PREHIRE AGREEMENTS IN THE CONSTRUCTION INDUSTRY.

(a) AMENDMENT TO SECTION 8(f).—Section 8(f) of the National Labor Relations Act (29 U.S.C. 158(f)) is amended by inserting before the period at the end of such section the following new proviso: ": *Provided further,* That any agreement lawfully made pursuant to this subsection may not be repudiated unless the Board certifies the results of an election conducted pursuant to section 9(c) in which the employees in an appropriate bargaining unit select a bargaining representative other than the labor organization with which such agreement was made or choose not to be represented by a labor organization. Upon expiration of such agreement, the employer and the labor organization shall not be under an obligation to bargain collectively unless the majority status of the labor organization has been established pursuant to an election conducted under section 9(c) or in some other manner determined to be appropriate by the Board in which the confidentiality of employee preferences is ensured."

(b) ISSUANCE OF PROCEDURES.—Within one year after the date of the enactment of this Act, the National Labor Relations Board shall prescribe procedures for determining majority status in a timely and confidential manner and conducting elections under section 9(c) of the National Labor Relations Act (29 U.S.C. 159(c)) among employees hired pursuant to an agreement made under section 8(f) of such Act (29 U.S.C. 158(f)), as amended by subsection (a).

SEC. 4. EFFECTIVE DATE.

(a) Except as provided in subsection (b), the amendments made by section 2 shall take effect six months after the date of the enactment of this Act.

(b) The requirement imposed by the amendment made by section 2(b) shall take effect one year after such date of enactment with respect to any building and construction project for which the contract was entered into by an employer before the date of the enactment of this Act.

By Mrs. ROUKEMA:

—Page 3, strike line 24 and all that follows through line 16 (subsection (c)) and insert the following new subsection:

(c) Section 8(f) of the National Labor Relations Act (29 U.S.C. 158(f)) is amended by inserting before the period at the end of such section the following new proviso: ": *Provided further,* That any agreement lawfully made pursuant to this subsection may not be repudiated unless the Board certifies the results of an election conducted pursuant to section 9(c) in which the employees in an appropriate bargaining unit select a bargaining representative other than the labor organization with which such agreement was made or choose not to be represented by a labor organization. Upon expiration of such agreement, the employer and the labor organization shall not be under an obligation to bargain collectively unless the majority status of the labor organization has been established pursuant to an election conducted under section 9(c) or in some other manner determined to be appropriate by the Board in which the confidentiality of employee preferences is ensured."

(b) ISSUANCE OF PROCEDURES.—Within one year after the date of the enactment of this Act, the National Labor Relations Board shall prescribe procedures for determining majority status in a timely and confidential manner and conducting elections under section 9(c) of the National Labor Relations Act (29 U.S.C. 159(c)) among employees hired pursuant to an agreement made under section 8(f) of such Act (29 U.S.C. 158(f)), as amended by subsection (a).

—Page 3, line 17, after the first comma, insert the following: "and such employees share a sufficient community of interest (as determined solely on the basis of similarities in skills and work performed) to constitute a unit appropriate for purposes of bargaining,"

—Strike out all after the enacting clause and insert in lieu thereof the following:

That this Act may be cited as the "Building and Construction Industry Labor Law Amendments of 1987".

SECTION 1. PREHIRE AGREEMENTS IN THE CONSTRUCTION INDUSTRY.

(a) AMENDMENT TO SECTION 8(f).—Section 8(f) of the National Labor Relations Act (29 U.S.C. 158(f)) is amended by inserting before the period at the end of such section the following new proviso: ": *Provided further,* That any agreement lawfully made pursuant to this subsection may not be repudiated unless the Board certifies the results of an election conducted pursuant to section 9(c) in which the employees in an appropriate bargaining unit select a bargaining organization representative other than the labor organization with which such agreement was made or choose not to be represented by a labor organization. Upon expiration of such agreement, the employer and the labor organization shall not be under an obligation to bargain collectively unless the majority status of the labor organization has been established pursuant to an election conducted under section 9(c) or in some other manner determined to be appropriate by the Board in which the confidentiality of employee preferences is ensured."

(b) Issuance of Procedures.—Within one year after the date of the enactment of this Act, the National Labor Relations Board shall prescribe procedures for determining majority status in a timely and confidential manner and conducting elections under section 9(c) of the National Labor Relations Act (29 U.S.C. 159(c)) among employees hired pursuant to an agreement made under section 8(f) of such Act (29 U.S.C. 158(f)), as amended by subsection (a).

H.R. 1777

By Mr. ARMEY:

—Page 70, after line 16, add the following:

TITLE VII—SOVIET EMBASSY IN THE UNITED STATES

SEC. 701. WITHDRAWAL FROM UNITED STATES-SOVIET EMBASSY AGREEMENT; PROHIBITION ON USE OF MOUNT ALTO SITE.

(a) Findings.—The Congress finds that—

(1) the Government of the Union of Soviet Socialist Republics has violated the diplomatic privileges and immunities of the United States Embassy in Moscow by surreptitiously entering the premises of that Embassy to conduct espionage;

(2) The Soviet Government's penetration of the United States Embassy constitutes a gross violation of international law and has inflicted grave damage on the national security of the United States;

(3) the Soviet Government has also penetrated the new United States Embassy under construction in Moscow, implanting numerous electronic listening devices in its structure;

(4) due to actions of the Government of the Union of Soviet Socialist Republics, United States Government personnel cannot communicate in confidence, as the national security of the United States requires, within the present United States Embassy in Moscow or within the new United States Embassy being constructed in Moscow;

(5) the Soviet Government plans to use the new Soviet Embassy site on Mount Alto in Washington, District of Columbia, as a platform to conduct highly sophisticated electronic surevillance of both United States Government communications involving diplomatic, military, and intelligence matters and private communications of United States citizens and businesses;

(6) the Soviet Government's electronic surveillance of United States communications damages the national security of the United States;

(7) the location of the new Soviet Embassy on Mount Alto is ideal for electronic surveillance;

(8) the agreements between the United States and the Union of Soviet Socialist Republics concerning the proposed new locations in Moscow and Washington of the Embassies of those countries incorporate a reservation (implied by the principle, to which both the United States and the Soviet Union subscribe, that the premises of an embassy are inviolable) that a party to the agreements may withdraw from the agreements to the extent the national security interests of the party so require; and

(9) to protect the national security of the United States, the United States must exercise the implied reservation to withdraw from the Embassy agreements unless the threat to the national security posed by adherence to those agreements can be overcome.

(b) Withdrawal From Embassy Agreement.—

(1) Withdrawal.—The United States hereby withdraws from the Agreement between the Government of the United States and the Government of the Union of Soviet Socialist Republics on the Reciprocal Allocation for Use Free of Change of Plots of Land in Moscow and Washington (signed at Moscow, May 16, 1969) and related agreements, notes, and understandings.

(2) Effective date.—Paragraph (1) shall take effect on the date specified by subsection (e).

(c) Notification of Unavailability of Mount Alto.—The Secretary of State shall, within 5 days after the date of enactment of this Act, notify the Government of the Union of Soviet Socialist Republics that the Mount Alto site will cease to be available to that Government for any purposes as of the date specified by subsection (e).

(d) Prohibition of Future Use of Mount Alto Site by Foreign Missions.—If subsection (b)(1) takes effect, the Mount Alto site may not be made available for use thereafter by a foreign mission for any purpose.

(e) Effective Date.—The date referred to in subsections (b) and (c) is—

(1) the date which is 1 year and 10 days after the date of enactment of this Act; or

(2) such earlier date as may be agreed upon by the Government of the United States and the Government of the Union of Soviet Socialist Republics.

By Mr. BURTON of Indiana:

—Page 55, after the text following line 25, insert the following:

SEC. 192. UNITED NATIONS PROJECTS WHOSE PRIMARY PURPOSE IS TO BENEFIT THE PALESTINE LIBERATION ORGANIZATION OR THE AFRICAN NATIONAL CONGRESS.

(a) Palestine Liberation Organization.—Section 114(a) of the Department of State Authorization Act, Fiscal Years 1984 and 1985 (22 U.S.C. 287e note), is amended—

(1) by redesignating paragraphs (3) through (6) as paragraphs (4) through (7), respectively; and

(2) by inserting the following new paragraph (3) after paragraph (2):

"(3) 25 percent of the amount budgeted for that year for the Special Committee to Investigate Israeli Practices Affecting the Human Rights of the Population of the Occupied Territories (or any similar successor entity);".

(b) African National Congress.—Section 114 of that Act is further amended—

(1) in subsection (a)(4), as so redesignated by subsection (a) of this section—

(A) by striking out "it or" and inserting in lieu thereof "it,", and

(B) by inserting before the semicolon ", or to the African National Congress"; and

(2) in subsection (b)—

(A) by striking out "it or" and inserting in lieu thereof "it,", and

(B) by inserting before the period at the end thereof ", or to the African National Congress".

—Page 55, after the text following line 25, insert the following:

SEC. 192. FORCED DETENTION CAMPS OF THE AFRICAN NATIONAL CONGRESS.

No later than 90 days after the date of enactment of this Act, the Secretary of State shall submit a report to the Congress on the forced detention camps maintained by the African National Congress.

—Page 55, after line 25, insert the following new section:

SEC. 192. PROHIBITION ON MEETINGS WITH AFRICAN NATIONAL CONGRESS.

(a) Findings.—The Congress finds that the African National Congress is supported by the Soviet Union and engages in terrorists acts to achieve its goals.

(b) Prohibition.—Neither the Secretary of State nor the employees of the Department of State may engage in official meetings with officials of the African National Congress until the President makes the determination described in subsection (c).

(c) Determination.—The determination referred to in subsection (b) is a determination that—

(1) the African National Congress has severed its ideological and financial ties with the Soviet Union; and

(2) the African National Congress has terminated its terrorist activities.

—Page 70, after line 16, insert the following:

TITLE VII—HUMAN RIGHTS VIOLATIONS BY THE GOVERNMENT OF CUBA

SEC. 701. LIMITATIONS ON THE FREE FLOW OF INFORMATION IN CUBA AND THE RIGHT OF CUBANS TO TRAVEL FREELY.

(a) Findings.—The Congress finds that—

(1) the Universal Declaration of Human Rights, which was adopted and proclaimed by the General Assembly of the United Nations, states in paragraph 2 of Article 13 that "Everyone has the right to leave any country, including his own, and to return to this country";

(2) the Government of Cuba has suspended implementation of the 1984 bilateral migration agreement (commonly referred to as the "Mariel migration agreement") pursuant to which Cuba was to take back 2,746 of its nationals who are excludable from the United States for reason of having committed serious common crimes or for suffering from severe mental disability, and was to permit the migration to the United States of Cuban nationals wishing to emigrate from Cuba;

(3) the Universal Declaration of Human Rights states in Article 19 that "Everyone has the right to freedom of opinion and expression; this right includes freedom to hold opinions without interference and to seek, receive, and impart information and ideas through any media and regardless of frontiers";

(4) Fidel Castro has violated the Cuban people's fundamental human rights, including the "freedom of opinion and expression" recognized by the Universal Declaration of Human Rights; and

(5) Radio Marti, which is in accordance with Article 19 of the Universal Declaration of Human Rights, broadcasts "information and ideas through any media and regardless of frontiers".

(b) Sense of Congress.—It is the sense of the Congress that—

(1) Fidel Castro's actions in limiting the free flow of information, and in limiting the right of Cubans to travel in and out of their country freely, are both a violation of the Cuban people's internationally recognized human rights and a major obstacle to improved United States-Cuban relations; and

(2) Cuba should implement the 1984 Mariel migration agreement.

(c) Distribution of Text to U.N. Members.—The Secretary of State shall cause the text of this section to be circulated by the United States among the members of the United Nations in order to highlight

Cuba's behavior in violation of the Universal Declaration of Human Rights.

—Page 70, after line 16, add the following:

TITLE VII—CONFLICT AND FAMINE IN MOZAMBIQUE

SEC. 701. STATEMENT OF POLICY AND REPORT.

(a) SENSE OF THE CONGRESS.—It is the sense of the Congress that—

(1) the conflict in Mozambique is causing tremendous suffering and famine in Mozambique;

(2) the United States should encourage the combatants to pursue a negotiated solution to the conflict, leading to free elections for all Mozambicans and the removal of all foreign troops;

(3) United States food and other disaster assistance should be administered by parties recognized as being neutral in the conflict; and

(4) the combatants should allow international relief agencies to distribute food to anyone in need in Mozambique, regardless of their position in the conflict.

(b) REPORT.—The Secretary of State shall report to the Congress, within 90 days after the date of enactment of this Act, on the steps taken by the United States in accordance with subsection (a)(2) to encourage the combatants in Mozambique to enter into negotiations and on the steps taken by the United States in accordance with subsection (a)(3) to ensure the neutral distribution of food to people in all regions of Mozambique, regardless of their position in the conflict.

By Mr. CONYERS:

—On page 56, strike out lines 23 through line 2 on page 57.

On page 61, strike lines 16 through line 2 on page 62 and on line 3 on page 62 redesignate "SEC. 210" as "SEC. 208".

On page 62, following line 22, insert the following new section:

SEC. 209. REPEAL OF THE NATIONAL ENDOWMENT FOR DEMOCRACY ACT.

The National Endowment for Democracy Act is hereby repealed.

Redesignate all sections, subsections, and the table of contents accordingly.

By Mr. FASCELL:

—Page 4, line 12, strike out "$1,375,974,000" and insert in lieu thereof "$1,376,224,000"; line 13, strike out "$1,431,013,000" and insert in lieu thereof "$1,431,263,000"; and before the period at the end of line 13, insert the following: ", of which not less than $250,000 for each fiscal year shall be available only for use by the Bureau of International Communications and Information Policy to support international institutional development and other activities which promote international communications and information development".

By Mr. MICA:

—Page 39, after line 4, insert the following:

SEC. 147. WOMEN AND MINORITIES IN THE FOREIGN SERVICE.

(a) FINDINGS.—The Congress finds that the Department of State and other Foreign Service agencies have not been successful in their efforts—

(1) to recruit and retain members of minority groups in order to increase significantly the number of members of minority groups in the Foreign Service; and

(2) to provide adequate career advancement for women and members of minority groups in order to increase significantly the numbers of women and members of minority groups in the senior levels of the Foreign Service.

(b) A MORE REPRESENTATIVE FOREIGN SERVICE.—The Secretary of State and the head of each of the other agencies utilizing the Foreign Service personnel system—

(1) shall substantially increase their efforts to implement effectively the plans required by section 152(a) of the Foreign Relations Authorization Act, Fiscal Years 1986 and 1987, so that the Foreign Service becomes truly representative of the American people throughout all levels of the Foreign Service; and

(2) shall ensure that those plans effectively address the need to promote increased numbers of qualified women and members of minority groups into the senior levels of the Foreign Service.

By Mr. OBERSTAR:

—Page 27, after line 13, insert the following:

SEC. 137. PROHIBITION ON OPENING NEW CONSULATES IF CERTAIN EXISTING CONSULATES ARE CLOSED.

No funds authorized to be appropriated for fiscal year 1987, 1988, or 1989 by this or any other Act may be used for the expenses of opening any United States consulate which was not open on the date of enactment of this Act if any United States consulate in Austria, the Federal Republic of Germany, France, Italy, or Sweden which was open on January 1, 1987, has been closed and has not been reopened.

—Page 27, after line 13, insert the following:

SEC. 137. KEEPING CERTAIN CONSULATES OPEN.

(a) FUNDS TO KEEP CERTAIN CONSULATES OPEN.—In addition to the amounts otherwise authorized to be appropriated, there are authorized to be appropriated for "Salaries and Expenses" for the Department of State $3,100,000 for each of the fiscal years 1988 and 1989, which amounts shall be used for the expenses necessary to continue to operate those consulates in Austria, the Federal Republic of Germany, France, Italy, and Sweden which are currently scheduled to be closed during fiscal year 1987.

(b) PROHIBITION.—No funds authorized to be appropriated for fiscal year 1987, 1988, or 1989 by this or any other Act may be used for the expenses of opening any United States consulate which was not open on the date of enactment of this Act if any United States consulate in Austria, the Federal Republic of Germany, France, Italy, or Sweden which was open on January 1, 1987, has been closed and has not been reopened.

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SEC. 137. FUNDS TO KEEP CERTAIN CONSULATES OPEN.

In addition to the amounts otherwise authorized to be appropriated, there are authorized to be appropriated for "Salaries and Expenses" for the Department of State $3,100,000 for each of the fiscal years 1988 and 1989, which amounts shall be used for the expenses necessary to continue to operate those consulates in Austria, the Federal Republic of Germany, France, Italy, and Sweden which are currently scheduled to be closed during fiscal year 1987.

By Mr. RICHARDSON:

—Page 27, after line 13, add the following:

SEC. 137. DEPARTMENT OF STATE HIRING PRACTICES OF MINORITIES.

The Secretary of State shall obtain a six-percent minority hiring rate for positions at the Assistant Secretary and Bureau level of the Department of State by increasing the percentage of minorities employed in these positions by one percent per year until the six-percent goal is reached.

—Page 27, after line 13, add the following:

SEC. 137. DEPARTMENT OF STATE HIRING PRACTICES OF MINORITIES.

The Secretary of State shall include annually as part of the report required to be submitted pursuant to section 105(d)(2) of the Foreign Service Act of 1980—

(1) a report on the progress made at the Assistant Secretary and Bureau level of the Department of State in increasing the presence of minorities and women at all levels in the Foreign Service and Civil Service workforces of the Department of State; and

(2) the specific actions taken to address the lack of Hispanic Americans, Asian Americans, and Native Americans in the Senior Executive Service and Senior Foreign Service of the Department of State.

—Page 55, after line 25, insert the following:

SEC. 192. SENSE OF CONGRESS REGARDING PANAMA.

(a) The Congress expresses its deep concern over internal disturbances in Panama including suspension of most constitutional rights.

(b) The Congress supports free and constitutional elections in Panama.

(c) The Congress does not support military or economic assistance for the present Panamanian Government.

—Page 55, after line 25, insert the following:

SEC. 192. FOREIGN POLICY WITH REGARD TO CUBAN NATIONALS.

(a) VISAS.—The Department of State shall take steps as may be necessary to ensure that immigrant visas are issued under section 203(a) or 202(e) of the Immigration and Nationality Act to Cuban nationals—

(1) without regard to section 243(g) of the Immigration and Nationality Act (relating to the refusal to accept the return of nationals);

(2) without regard to the site of application for such visas, whether within or outside Cuba; and

(3) without regard for the date of departure from Cuba of such applicants in the case of applications for such visas outside Cuba.

—Page 55, after line 25, insert the following:

SEC. 192. TREATMENT OF CUBAN POLITICAL PRISONERS.

(b) REFUGEE POLICY.—The Department of State shall take steps as may be necessary to ensure that applications of Cuban political prisoners and their families for refugee status will be processed without regard to the duration of their imprisonment. Former political prisoners living in third countries will also be entitled to have their applications processed according to this refugee policy.

(c) DEFINITIONS.—For purposes of this section—

(1) The term "process means the acceptance and review of applications and the preparation of necessary documents and the making of appropriate determinations with respect to such applications.

—Page 55, after line 25, insert the following:

SEC. 192. TREATMENT OF CUBAN POLITICAL PRISONERS.

(a) The Congress expresses its deep concern that Cuba continues to violate the human rights of its citizens, and calls on Cuba to release all political prisoners without delay.

(b) REFUGEE POLICY.—The Department of State shall take steps as may be necessary to ensure that once applications for refugee status have been processed for Cuban political prisoners who have served 10 years or more and their families, additional applications for Cuban political prisoners and family members will be processed with preference given to those who have served longest. Unless the Secretary of State determines otherwise on the basis of humanitarian or other compelling considerations, the required order of admitting these additional prisoners will be as follows:

Prisoners who have served 5 or more years.

Prisoners who have served 3 or more years.

Prisoners who have served 1 or more years.

Prisoners who have served less than one year with preference given to those who have served longest.

Former political prisoners living in third countries will also be entitled to have their applications processed according to this refugee policy.

(c) DEFINITIONS.—For purposes of this section—

(1) The term "process" means the acceptance and review of applications and the preparation of necessary documents and the making of appropriate determinations with respect to such applications.

—Page 55, after line 25, add the following:

SEC. 192. HUMAN RIGHTS IN ETHIOPIA AND PARAGUAY.

(a) FINDINGS WITH RESPECT TO PARAGUAY.—The Congress finds that—

(1) the police authorities in Paraguay regularly arrest and hold individuals in an arbitrary manner;

(2) the state of siege provision of the Constitution of Paraguay provides for the detention of individuals for an indefinite period of time without trial; and

(3) there are credible charges that police authorities have tortured and physically abused prisoners.

(b) FINDINGS WITH RESPECT TO ETHIOPIA.—The Congress finds even more deplorable human rights abuses in Ethiopia, including the following:

(1) The Government of Ethiopia exercises absolute power over the majority of Ethiopians.

(2) Ethiopians have no civil or political freedoms and no institutions or laws to protect their human rights.

(3) Reliable reports that approximately 60 political prisoners in Ethiopia were executed in October 1985 without benefit of a trial.

(4) Over 1,000,000 Ethiopians have fled the country.

(c) SENSE OF CONGRESS.—The Congress expresses its outrage at the human rights abuses specified in subsections (a) and (b) and pledges to continually speak out against governments, such as the governments of Paraguay and Ethiopia, which torture and maim human beings.

—Page 70, after line 16, add the following:

TITLE VII—CHLOROFLUOROCARBONS

SEC. 701. CHLOROFLUOROCARBONS.

(a) The Congress finds that—

(1) the stratospheric ozone layer is an exceedingly valuable resource for the present and future population of the world, that layer has been, is being, and will continue to be, adversely affected or depleted by the long-lived chlorine molecules which stem from the world-wide release of chlorofluorocarbons into the atmosphere;

(2) the stratospheric ozone layer depletion, by permitting greater quantities of harmful ultraviolet radiation to reach the Earth surface, will pose significant (even if currently difficult to quantify fully) unacceptable risks on human health and the environment through the world;

(3) there is an urgent need to foster and encourage the development of safe, effective, and nontoxic substitutes in a reasonable time for fully halogenated chlorofluorocarbons used in aerosols, refrigeration, air conditioning, rigid foam insulation, flexible upholstery foam, fire extinguishers, cleaning solvents, and other purposes and to expand opportunities for the recovery and recycling of such ozone depleting chemicals;

(4) the United States and other countries have already taken formal precautionary measures for reducing emissions of chlorofluorocarbons by imposing a unilateral ban on the use of chlorofluorocarbons as aerosol propellants, but believes that international action is urgently needed;

(5) section 156 of the Clean Air Act directs the President to enter into international agreements to develop standards and regulations which protect the stratosphere;

(6) the Vienna Convention for the Protection of the Ozone Layer signed in March 1985 under the auspices of the United Nations Environment Program and ratified, consistent with such section 156 of the Clean Air Act, by the United Nations in August 1986, was an important first international step in protecting the stratospheric ozone layer;

(7) the United States is now engaged in international negotiations under the auspices of the United Nations Environment Program on a protocol to the convention which would provide for global regulatory controls on ozone-depleting chemical; and

(8) any international agreement negotiated by the United States must accomplish two important goals—the protection of the public health and the environment and the protection of American jobs.

(b) The Congress supports the President in seeking appropriate global measures, pursuant to section 156 of the Clean Air Act, to protect human health and the environment against adverse effects resulting from the release of chlorofluorocarbons that can significantly deplete the ozone layer through the development and adoption of a protocol to the Vienna Convention for the Protection of the Ozone Layer signed in March 1985.

(c) The Congress further urges the President to negotiate as part of such protocol an immediate reduction in the use of chlorofluorocarbons in the European Community and in the other nations.

(d) The Congress further urges the President to negotiate as part of such protocol, as expeditiously as practicable, a worldwide program for the development of safe effective, and nontoxic nonozone depleting chemicals and for the elimination, in a reasonable time of fully halogenated chlorofluorocarbons that may deplete the ozone layer.

—Page 70, after line 16, add the following:

TITLE VII—CHLOROFLUOROCARBONS

SEC. 701. CHLOROFLUOROCARBONS.

The Congress—

(1) supports the Secretary of State's position in seeking appropriate global measures to protect human health and the environment against adverse effects resulting from the release of chlorofluorocarbons that can significantly deplete the ozone layer through the development and adoption of a protocol to the Vienna Convention for the Protection of the Ozone Layer, signed March 1985;

(2) urges the Secretary of State to negotiate as part of such protocol an immediate reduction in the use of chlorofluorocarbons in the European Community and in the other nations; and

(3) urges the Secretary of State to negotiate as part of such protocol, as expeditiously as practicable, a worldwide program for the development of safe, effective, and nontoxic nonozone depleting chemcials and for the elimination, in a reasonable time, of fully halogenated chlorofluorocarbons that may deplete the ozone layer.

—Page 70, after line 16, add the following:

TITLE VII—UNITED STATES-MEXICO RELATIONS

SEC. 701. UNITED STATES-MEXICO FREE TRADE ZONE.

The Secretary of State shall prepare and submit to the Congress, within 1 year after the date of enactment of this Act, a report on improvements in United States-Mexico relations which could be made by utilizing a United States-Mexico Free Trade Zone. In the report, the Secretary shall—

(1) recommend unilateral and bilateral actions that may be taken by the Governments of the United States and Mexico to improve relations, reduce immigration problems, and promote economic cooperation including, but not limited to—

(A) the stimulation of joint investment and coproduction by United States and Mexico joint ventures in those areas in both countries that are adjacent to the international border and the provision of duty-free treatment to articles produced by such ventures, and

(B) the eventual establishment of a free trade area between the United States and Mexico;

By Mr. SOLARZ:

—Page 70, after line 16, insert the following:

TITLE VII—DEMOCRACY IN TAIWAN

SEC. 701. CONGRESSIONAL FINDINGS AND STATEMENT OF POLICY.

(a) FINDINGS.—The Congress finds that—

(1) stability and peace prevail on the island of Taiwan and in the Western Pacific region;

(2) prosperity and educational progress on the island of Taiwan have created conditions in which a democratic system of government can thrive;

(3) the people on Taiwan, in both national and local elections, have shown themselves fully capable of participating in a democratic political process;

(4) only a small minority of the seats in the central legislature and central electoral college are filled through periodic elections, with the vast majority of seats still being held by individuals who took office in the late 1940s;

(5) on October 7, 1986, Taiwan's paramount leader, Chiang Ching-kuo, announced that the Kuomintang regime intended to end the state of martial law and lift the ban on the creation of new political parties;

(6) the Kuomintang regime has also indicated a desire over the next few years to make more representative Taiwan's central representative bodies, to broaden decision-making within the Nationalist Party, to enhance the rule of law, and to increase the powers of local-level government;

(7) on September 28, 1986, Taiwan's democratic opposition announced the formation of the Democratic Progressive Party; and

(8) an acceleration of progress towards a full democracy on Taiwan, including full respect for human rights, will strengthen United States ties with the people on Taiwan.

(b) SENSE OF CONGRESS.—The Congress—

(1) commends the authorities on Taiwan, the Democratic Progressive Party, and the people of the island for the recent progress in building a framework for full democracy in Taiwan;

(2) will welcome the day that the state of martial law is ended and the ban on new political parties is lifted; and

(3) urges the authorities on Taiwan to continue and accelerate progress toward a fully democratic system of government, in particular by—

(A) guaranteeing freedom of speech, expression, and assembly; and

(B) moving toward a fully representative government, including the free and fair election of all members of all central representative bodies.

By Mr. TOWNS:

—Page 6, after line 15, insert the following:

(e) ENHANCED LANGUAGE TRAINING.—In addition to the amounts authorized to be appropriated by other subsections of this section, there are authorized to be appropriated for "Salaries and Expenses" for the Department of State $2,200,000 for each of the fiscal years 1988 and 1989 for use for enhanced training in "hard" languages and needed improvements in other Washington and field language training.

EXTENSIONS OF REMARKS

CRISIS IN PANAMA

HON. STEPHEN J. SOLARZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, June 12, 1987

Mr. SOLARZ. Mr. Speaker, Panama, our neighbor to the south, is in the grip of a serious political crisis. Col. Diaz Herrera, until very recently the No. 2 man in the Panama Defense Forces, has publicly disclosed what many Panamanians and many Americans feared was true—that General Noriega was indeed involved in systematic electoral fraud in the 1984 presidential elections, and that he was involved in the gruesome murder of Hugo Spadafora, a critic of the regime.

As a result of these revelations, thousands of Panamanians have poured into the streets to protest the abuses of power alleged against General Noriega. In response, military units known as Dobermans have engaged in excessive force against the demonstrators. Mr. Ricardo Arias Calderon, the distinguished leader of Panama's Christian Democratic Party, was hurt, and his wife was seriously beaten.

Panama has a strategically important location. the United States-Panamanian security relationship, which is a partnership between two sovereign countries, is a critical element in preserving the peace and maintaining the balance of power in Central America and the Caribbean. Yet that relationship is jeopardized by political instability in Panama. Political earthquakes in Panama send shock waves throughout the hemisphere.

One cannot blame the people of Panama for being outraged at highly credible reports that General Noriega has denied democracy by manipulating vote counts and by seeking the grisly execution of a political opponent. The only effective way to end the confrontations which are occurring in Panama today is for the military to go back to the barracks and for a genuinely democratic system to be established. Political freedom will assure stability.

A key indication that the tide had turned against the Marcos dictatorship in February 1986 was the defection of senior military leaders. Perhaps the revelations made by Col. Diaz Herrera represent the beginning of Noreiga's end and the opportunity for Panamanian people power. For the sake of democracy in Panama, and the future of United States-Panama relations, I hope that the United States Government will stand foursquare behind the people of Panama in their hour of peril.

CONGRATULATIONS TO DR. JOY CHERIAN

HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, June 12, 1987

Mr. GARCIA. Mr. Speaker, I am happy to say that a friend of mine has been nominated to be an EEOC Commissioner, Dr. Joy Cherian. Joy has long been an outspoken advocate for a variety of civil rights issues, particularly those issues affecting the Asian-American Community.

I am certain that Joy's appointment will only serve to strengthen the Commission. I know him to be a man of compassion and intelligence. I first met Joy when he was president of the Indian-American Forum for Political Education. It was through his work at the IAFPE that I came to appreciate that Joy's concern for civil rights issues extended beyond his community to all minority communities. I strongly urge our colleagues in the other body to support Dr. Cherian's nomination.

I am inserting information on Joy in the RECORD for my colleagues' perusal.

A FEW WORDS ABOUT J. CHERIAN

In 1982, Dr. Joy Cherian and a few friends started an informal study group to discuss political issues in the United States which affect Americans of Asian Indian descent. This group formed the basis of the Indian American Forum for Political Education (IAFPE), a national organization whose purpose is to function as a catalyst for promoting political awareness and developing civil consciousness. Under Cherian's leadership, the IAFPE testified before Congressional committees, organized White House briefings, helped to form the Asian American Voters Coalition and developed a new momentum of pride and hope among the 650,000 U.S. citizens and permanent residents of Asian Indian origin. Furthermore, the IAFPE established effective communication channels with the Republican and Democratic parties, both Houses of Congress and the White House. Cherian also took the initiative to bring together leaders of all national Indian associations to discuss issues of common interest to the Indian community in the U.S. In recognition of Cherian's community services, President Ronald Reagan invited him to a state dinner in honor of Indian Prime Minister Rajiv Gandhi in June 1985. On May 3, 1985 Cherian stepped down from the presidency of the IAFPE. At present, as Chairman of the Asian American Voters Coalition, Cherian is working with national leaders of Chinese, Japanese, Filipino, Korean, Vietnamese and other ethnic communities to politically motivate 5.2 million Asian Americans.

Educated in science and law at the Universities of Madras and Kerala, India, Joy Cherian was awarded his Master's degree (1970) and his Ph.D. (1974) in International Law by the Catholic University of America in Washington, D.C. He also received a Master of Comparative Law (American Practice) degree (1978) from the George Washington University's National Law Center in Washington. In 1975, Dr. Cherian's book, "Investment Contracts and Arbitration", was published by Sijthoff Press, the Netherlands. It is used as a text and reference book by major law and business schools in the United States and abroad.

Dr. Cherian has spent most of his professional career in the U.S. as a staff member of the Law Department, American Council of Life Insurance in Washington, DC, where he serves as Director, International Insurance Law. He has been instrumental in establishing a dialogue between insurance companies and the U.S. government—and with state governments—on the subject of international trade in services. A senior-level official U.S. life insurance trade mission to the Far East (1985) and Europe (1986), designed by Cherian, established contracts with several Asian and European governments and insurance trade groups. Recently, he was appointed a member of the Industry Sector Advisory Committee, a joint inter-agency advisory group of the Department of Commerce and the U.S.T.R. Cherian has also been active in the American Bar Association and has chaired several committees. Presently he is Chairman of the Committee on International Insurance Law.

Cherian was born in Cochin, Kerala, India on May 18, 1942. He resides in Wheaton, Maryland with his wife Alice and their two children Sheela and Saj.

JOY CHERIAN GETS WHITE HOUSE JOB

An Indian American has made an impressive foray into the White House by receiving the high ranking nomination of Commissioner of the Equal Employment Opportunity Commission (EEOC).

President Reagan appointed Joy Cherian to this full time Government position on Monday May 4th, at a special ceremony held on the lawn of the White House to honor Asian & Pacific Americans on the occasion of Asian/Pacific American Heritage Week.

Addressing the 200 Asian-American community leaders and Administration appointees gathered at the White House from across the nation, Reagan said:

"It is my pleasure to nominate as our new Commissioner to the Equal Employment Opportunity Commission, Joy Cherian.

His post is equal to that of an Assistant Secretary.

Cherian was singled out for an appointment at the event. According to Betsy Canfield, a White House press spokesperson, "The decision to nominate him had been made and we thought the event to celebrate Asian/Pacific American Heritage Week was a good opportunity to appoint an Asian-American."

The non-partisan appointment which requires a Senate confirmation, puts Cherian in the ranks of the highest ranking Asians in the Administration.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

"I was surprised at the announcement," a delighted Joy Cherian told News India.

He said that he knew that the Administration was reviewing his candidacy for the appointment but was not aware they would make an announcement to that effect at the event.

"They were trying to find an Asian-American to serve in the White House. I am not as influential as many other Asian-Americans but I think they chose me because I was always fighting for the community and against discrimination in my capacity as Chairman of the Asian-American Voters Coalition."

Cherian asserted that his first priority was to help uphold anti-discrimination laws and ensure that nobody is discriminated against on the basis of national origin.

"I bring first-hand knowledge of issues concerning Asian-Americans to the Commission as well as a sensitivity to foreign born American myself," he added.

Cherian has been appointed as one of the five members of the EEOC.

Since Cherian's appointment does not depend on the Presidency, he will not go out with the President but can be reappointed for an additional five years on the expiry of his present term on July 1, 1988.

AMENDMENT TO H.R. 1777

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, June 12, 1987

Mr. SOLOMON. Mr. Speaker, this is an amendment I plan to offer to H.R. 1777, the State Department authorization bill, when the House resumes consideration on Tuesday, June 19, 1987:

AMENDMENT TO H.R. 1777 OFFERED BY MR. SOLOMON

Page 70, after line 21 insert the following new section:

SEC. 602. Expressing the sense of the Congress concerning human rights in the People's Republic of China.

Whereas the advancement of human rights is a stated objective of the foreign policy of the United States;

Whereas the constitutional guarantees of freedom of speech, press, and peaceful assembly have not been respected in the People's Republic of China;

Whereas the exercise of religious activities has a detrimental effect on a participant's civil, social, and economic status within the People's Republic of China;

Whereas the rights of citizens within the People's Republic of China to travel freely throughout the country, to have contact with foreigners, and to form trade unions and other voluntary associations are severely curtailed;

Whereas there have been some encouraging developments including an effort by the current leadership of the People's Republic of China to develop economic policies without regard to a rigid application of Maoist ideology; and

Whereas the American people desire to extend their moral support to the struggle for freedom and justice within the People's Republic of China: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That it is the sense of the Congress that the leadership of the People's Republic of China should take necessary steps toward establishing a more democratic society, with a free and open political system that will protect the essential human rights of all people living within that country.

TRIBUTE TO THE TOWN OF ALEXANDER, N.Y.

HON. LOUISE M. SLAUGHTER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, June 12, 1987

Ms. SLAUGHTER of New York. Mr. Speaker, I rise today to pay tribute to the town of Alexander, NY, on the occasion of its 175th anniversary.

The town was formed from neighboring Batavia on June 12, 1812, and is named after its founders, Alexander and Nancy Jones Rea. In 1833, a handful of men formed a fire brigade which has continued to this day. The brigade is the oldest organized fire brigade in the State of New York.

Agriculture is the major industry for the town of 2,353 residents. Unique to few towns and villages today, the townspeople have maintained a friendly small town atmosphere where ties to church, family, and friends remain strong.

The entire citizenry remains intensely proud of their heritage. They plan to recognize this history with a celebration this month. The celebration will include horse-drawn carriage rides, antique car shows, a craft festival, and a slide show depicting the area at the turn of the century.

I commend the residents of the town of Alexander for their work in organizing these events. I know that my colleagues will join me in honoring the town of Alexander during its 175th anniversary and in wishing the entire community continued success and good fortune in the years to come.

SOCIAL SECURITY AMENDMENTS OF 1987

HON. BILL ARCHER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, June 12, 1987

Mr. ARCHER. Mr. Speaker, at the request of the Department of Health and Human Services, I am introducing H.R. 2660, the Social Security Amendments of 1987.

This bill is a composite of provisions, some of which have previously been introduced. In fact, the Social Security Subcommittee held a hearing on March 5 to consider the FICA tax proposals covered in title I of this bill. The subcommittee is proceeding with a markup shortly and, in that context, it is appropriate to consider the technical amendments incorporated in titles II–IV of this bill.

Most of these technical amendments are designed to correct program anomalies and inequities, or to modify provisions which have proven unduly cumbersome to administer. To cite one example, current law requires that a different computation be used to calculate a Social Security benefit for one who also receives a pension based on noncovered employment. The statute requires that SSA take into account the amount of the public pension that would have been payable had the employee retired when first entitled, regardless of when the worker actually retires. From the standpoint of the employer, this requires a second hypothetical computation, which in turn frequently delays the computation of the Social Security payment. H.R. 2660 would substitute the amount actually payable at the time the worker becomes eligible for the noncovered pension. Eliminating the hypothetical computation will save the employer clerical time, and expedite Social Security payments to the beneficiary. The bill as a whole nets $3.2 billion over 5 years, with most of the savings stemming from the FICA tax proposals, not the technicals.

Few of these amendments should be controversial, and I ask that my colleagues on the Ways and Means Committee give them careful and thoughtful consideration.

JAMMING AMERICA'S RADIOS

HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, June 12, 1987

Mr. GARCIA. Mr. Speaker, Thursday's Washington Post ran an excellent editiorial on the intensified jamming by the Soviet Union of Radio Free Europe and Radio Liberty. Apparently their recent decision to stop jamming Voice of America has caused them to step up efforts against RFE/RL.

As chairman of the North Atlantic Assembly's Civilian Affairs Committee, which has a special Subcommittee on the Free Flow of Information and People, I have come to appreciate just how important RFE/RL are to the people of the Soviet Union and other Eastern bloc nations. This intensified jamming is a clear signal that Soviets also view these two voices of freedom in the same light.

It is with that in mind that I urge my colleagues to read the Post editorial and to support all efforts by RFE/RL to combat this recent Soviet action.

[From the Washington Post, June 11, 1987]

JAMMING AMERICA'S RADIOS

Now for the first time, the Kremlin has stopped jamming broadcasts of the U.S. government's official Voice of America to the Soviet Union. The halt lets Moscow reap a certain international credit plus the presumed domestic benefits of a more open interior dialogue. But it also allows the Soviets to apply the jamming apparatus they formerly devoted to the Voice (and to the BBC, also recently relieved) to Radio Free Europe and Radio Liberty. These nominally private but congressionally funded American stations are beamed to East Europe and the Soviet Union. Emphasizing internal Soviet-bloc affairs, they hit a nerve more sensitive to the region's communist rulers than do the internationally focused broadcasts of the Voice.

So glasnost—openness—turns out here to deserve a big asterisk. The new status of the Voice is fine, but the strengthened controls on RFE and RL are not. A little side dispute has sprung up over whether the administration has done what it can to ease Soviet suppression of RL and RFE. A suspicion that it has not has flickered ever since U.S. Information Agency director Charles Wick, at Reykjavik, spoke with a Soviet counterpart about linking (1) Moscow's putting an end to jamming of the Voice to (2) Washington's helping the Russians gain medium-wave access in the United States.

In fact, the evidence is that Moscow had its own reasons to free up the Voice, and it has its own reasons to keep jamming Radio Free Europe and Radio Liberty. Still, there are steps Washington can take to serve the American purpose of widening Soviet listening and cultural choices. It can keep the heat on Moscow in international forums—such pressure surely helped along the Soviet decision to free up the Voice and BBC. It can continue exploring new media and exchange possibilities, notwithstanding the dim results of talks on an exchange of medium-range broadcasts. And Congress can vote the funds requested to upgrade RFE's and RL's transmitters, the better to break through the jamming.

In this connection, it seems anomalous that the State Department now requires accredited Soviet-bloc correspondents to be escorted to briefings in the building; previously they could walk in by themselves as other correspondents do. Described as a routine security measure, the new rule has the look of a bureaucratic control imposed without due sensitivity to the political overtones. Is it really necessary?

PERSONAL EXPLANATION

HON. DAVID E. BONIOR

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, June 12, 1987

Mr. BONIOR of Michigan. Mr. Speaker, I have been absent from House proceedings since the afternoon of Thursday, June 4, 1987, because of hospitalization due to a recurring back problem. Had I been present, on the following rollcall votes I would have voted:

"Aye" on rollcall vote 167.
"Aye" on rollcall vote 168.
"No" on rollcall vote 169.
"No" on rollcall vote 170.
"Aye" on rollcall vote 171.
"Aye" on rollcall vote 172.
"No" on rollcall vote 174.
"No" on rollcall vote 175.
"Aye" on rollcall vote 176.
"No" on rollcall vote 177.
"Aye" on rollcall vote 178.
"Aye" on rollcall vote 179.

MEMORIAL HOSPITAL RETIRED SENIOR VOLUNTEER PROGRAM

HON. LAWRENCE J. SMITH

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 12, 1987

Mr. SMITH of Florida. Mr. Speaker, I would like to take a moment to commend Memorial Hospital, which is located in my district of Hollywood, FL, for their continued excellence in the Retired Senior Volunteer Program.

I recently read an article in the Miami Herald describing two senior citizens who are invaluable as volunteers to Memorial Hospital. Edward and Mildred Silver, residents of Hallandale, were recently honored for 15 years, over 3,000 hours, of volunteer work. This recognition instills pride and aspiration for all senior citizen volunteers. Senior citizens bring special qualities to the hospitals and patients they work with—a lifetime of experience and wisdom.

I congratulate both the senior citizens for their countless hours of volunteer time and Memorial Hospital for providing the opportunity for senior citizens to help those in need. Volunteers are an integral addition to hospitals like Memorial. The Retired Senior Volunteer Program is a success and Memorial Hospital should be proud.

SENATE—*Monday, June 15, 1987*

The Senate met at 11:58 a.m. and was called to order by the Honorable JOHN BREAUX, a Senator from the State of Louisiana.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The **PRESIDING OFFICER**. The clerk will please read a communication to the Senate from the President pro tempore [Mr. STENNIS].

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, June 15, 1987.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable JOHN BREAUX, a Senator from the State of Louisiana, to perform the duties of the Chair.

JOHN C. STENNIS,
President pro tempore.

Mr. **BREAUX** thereupon assumed the chair as Acting President pro tempore.

ADJOURNMENT UNTIL 10 A.M. TUESDAY, JUNE 16, 1987

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will stand in adjournment until 10 a.m. on Tuesday, June 16, 1987.

Thereupon, at 11:58 and 20 seconds a.m., the Senate adjourned, under the order of Thursday, June 11, 1987, until Tuesday, June 16, 1987, at 10 a.m.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

HOUSE OF REPRESENTATIVES—*Monday, June 15, 1987*

The House met at 12 noon.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

May our minds and hearts be open, O gracious God, to all the wonders of Your world and the unique ways each of us has to promote understanding and good will. Let us not be content with a toleration of evil in any form—any prejudice or false pride—but let us use the gifts that You have given to us, to be peacemakers with every group from every region, of differing faiths and cultures, that we may better reflect Your light of truth and beauty and peace. Amen.

THE JOURNAL

The **SPEAKER**. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

CONSENT CALENDAR

The **SPEAKER**. This is the day for the call of the Consent Calendar. The Clerk will call the first eligible bill on the Consent Calendar.

CHARLES E. CHAMBERLAIN FEDERAL BUILDING AND U.S. POST OFFICE

The Clerk called the bill (H.R. 307) to designate the Federal Building and U.S. Post Office located at 315 West Allegan Street in Lansing, MI, as the "Charles E. Chamberlain Federal Building and United States Post Office."

Mr. SUNIA. Mr. Speaker, H.R. 307 would designate the Federal Building and U.S. Post Office located at 31 West Allegan Street in Lansing, MI, to be known as the "Charles E. Chamberlain Federal Building and U.S. Post Office." Mr. Chamberlain was elected to the 85th Congress from the State of Michigan in 1957 and served with distinction in the House of Representatives until January 1974.

Mr. Speaker, I urge enactment of H.R. 307.

Mr. HOWARD. Mr. Speaker, I rise in support of H.R. 307, a bill to designate the Federal Building and U.S. Post Office located at 315 West Allegan Street in Lansing, MI, as the "Charles E. Chamberlain Federal Building and U.S. Post Office."

Charles E. Chamberlain was born on a farm in Locke Township, MI, on July 22, 1917. He attended public school in Michigan and went on to graduate from the University of Virginia in Charlottesville in 1941 and from law school at the same university in 1949. That same year he was admitted to both Virginia and Michigan bars.

During World War II, he served as apprentice seaman in the U.S. Coast Guard where he attained the rank of lieutenant commander. After his service in the Coast Guard, he went on to work for the Treasury Department in 1946 and 1947. From the period of 1950 through 1956, he served in a number of legal capacities including city attorney of East Lansing, legal counsel to the Michigan Senate Judiciary Committee, and prosecuting attorney of Ingham County.

Congressman Chamberlain was elected to the 85th Congress and to the eight succeeding Congresses serving in the House from January 1957 to January 1974.

During his years in the Congress he served on the House Administration Committee, House Armed Services Committee, and the House Ways and Means Committee. He also represented the House as a member of the NATO Parliamentarian Conferences from 1963 to 1968, and again in 1974. Through his hard work and diligence, Mr. Chamberlain brought honor to this House and to the ideal of the public servant with his attentive care of the concerns of the people of the then Sixth Congressional District of Michigan.

In view of his outstanding record of public service, it is most fitting and appropriate to name the Federal Building and U.S. Post Office in Lansing, MI, as the "Charles E. Chamberlain Federal Building and U.S. Post Office."

There being no objection, the Clerk read the bill, as follows:

H.R. 307

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. DESIGNATION OF BUILDING.

The Federal Building and United States Post Office located at 315 West Allegan Street in Lansing, Michigan, shall hereafter be known and designated as the "Charles E. Chamberlain Federal Building and United States Post Office".

SEC. 2. LEGAL REFERENCES TO BUILDING.

Any reference in any law, regulation, document, record, map, or other paper of the United States to the building referred to in section 1 is deemed to be a reference to the "Charles E. Chamberlain Federal Building and United States Post Office".

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WARREN E. BURGER FEDERAL BUILDING AND U.S. COURTHOUSE

The Clerk called the bill (H.R. 436) to designate the Federal Building and U.S. courthouse at 316 North Robert Street, St. Paul, MN, as the "Warren E. Burger Federal Building and U.S. Courthouse".

There being no objection, the Clerk read the bill, as follows:

H.R. 436

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. DESIGNATION OF BUILDING.

The Federal Building and United States Courthouse located at 316 North Robert Street, St. Paul, Minnesota, shall be known and designated as the "Warren E. Burger Federal Building and United States Courthouse".

SEC. 2. LEGAL REFERENCES.

Each reference in a law, map, regulation, document, record, or other paper of the United States to such building shall be deemed to be a reference to the "Warren E. Burger Federal Building and United States Courthouse".

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LEWIS M. PARAMORE DIVERSION UNIT

The Clerk called the bill (H.R. 517) to designate Soldier Creek Diversion Unit in Topeka, KS, as the "Lewis M. Paramore Diversion Unit".

There being no objection, the Clerk read the bill, as follows:

H.R. 517

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. DESIGNATION.

The Soldier Creek Diversion Unit in Topeka, Kansas, shall be known and designated as the "Lewis M. Paramore Diversion Unit".

SEC. 2. LEGAL REFERENCES.

Each reference in a law, map, regulation, document, record, or other paper of the United States to such diversion unit shall be deemed to be a reference to the "Lewis M. Paramore Diversion Unit".

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HUGO L. BLACK U.S. COURTHOUSE

The Clerk called the bill (H.R. 614) to designate the new U.S. courthouse in Birmingham, AL, as the "Hugo L. Black U.S. Courthouse."

Mr. SUNIA. Mr. Speaker, H.R. 614 would designate the new U.S. Courthouse located at 5th Avenue and 17th Street North in Birmingham, AL, as the "Hugo L. Black U.S. Courthouse." Hugo Black was elected to the U.S.

☐ This symbol represents the time of day during the House proceedings, e.g., ☐ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

Senate in 1927 for the first of two terms. President Roosevelt appointed Judge Black to the U.S. Supreme Court in 1937 and he served with great distinction in that position until 1971.

Mr. Speaker, I urge enactment of H.R. 614.

Mr. HOWARD. Mr. Speaker, I rise in support of H.R. 614, a bill to designate the new U.S. Courthouse in Birmingham, AL, as the "Hugo L. Black U.S. Courthouse."

Justice Black was born in Ashland, AL, in 1886. He attended law school at the University of Alabama in Tuscaloosa, and then in 1907, moved to Birmingham, where he practiced law for 20 years. During this time, Justice Black served as police court judge and Jefferson County solicitor. He resigned his position as Jefferson County solicitor to volunteer for service in the Army during the World War I and was commissioned a major in the field artillery. Following the war, Black returned to his law practice in Alabama and became known throughout the State as a special prosecutor for violations of the prohibition law.

In 1926, Justice Black ran for the U.S. Senate and took office in 1927. During his two terms in the Senate, Justice Black was a strong supporter of President Roosevelt's programs.

President Roosevelt appointed Black to the U.S. Supreme Court in 1937. For 34 years, Justice Black was a fierce advocate for strengthening individual freedoms under our Constitution, and for binding the Bill of Rights to the States. He helped cement the right of every man to legal counsel in criminal cases, and the one-man, one-vote calculus on which the American electoral system is based.

Hugo Black is the only Alabamian in this century to serve on the U.S. Supreme Court. His local and Federal service, unparalleled in Alabama, makes it fitting to name the new Federal courthouse in Birmingham, AL, as the "Hugo L. Black U.S. Courthouse."

There being no objection, the Clerk read the bill, as follows:

H.R. 614

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the United States courthouse located at 5th Avenue and 17th Street North in Birmingham, Alabama, shall be known and designated as the "Hugo L. Black United States Courthouse". Each reference to such courthouse in a law, map, regulation, document, record, or other paper of the United States shall be deemed to be a reference to the "Hugo L. Black United States Courthouse".

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LAKE JACK LEE

The Clerk called the bill (H.R. 1276) to name the lake formed by the Felsenthal Dam on the Ouachita River, AR, as "Lake Jack Lee."

There being no objection, the Clerk read the bill, as follows:

H.R. 1276

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the lake formed by the Felsenthal Dam on the Ouachita River, Arkansas, shall be known and designated as "Lake Jack Lee". Each reference in a law, map, regulation, document, record, or other paper of the United States to such lake shall be deemed to be a reference to "Lake Jack Lee".

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WARD R. BURKE FEDERAL COURT BUILDING

The Clerk called the bill (H.R. 1473) to designate the building which will house the Federal Court for the Eastern District of Texas in Lufkin, TX, as the "Ward R. Burke Federal Court Building."

Mr. HOWARD. Mr. Speaker, I rise in support of H.R. 1473, a bill to designate the building which will house the United States District Court for the Eastern District of Texas in Lufkin, TX, as the "Ward R. Burke United States Courthouse."

Ward Burke earned his doctor of law degree from the law school of the University of Texas in 1939 and has practiced law in Lufkin since that time, except for the period during World War II when he served as a major in the U.S. Marine Corps from 1942 to 1946, 26 months of which was in the Pacific theater of operations.

Ward Burke has served as president and director, Angelina County Chamber of Commerce; board member and president of Lufkin Independent School District; member, cofounder and president of the Association for Retarded Citizens of Angelina County; member of the board of directors for the Association for Retarded Citizens of Texas; member of the board of Texas State Hospitals and Special Schools; on the board of managers of Woodland Heights General Hospital in Lufkin; chairman of the Board on Mental Health and Mental Retardation of the State of Texas; chairman of the administrative board for the First Methodist Church in Lufkin; member of the board and cofounder of the Lufkin Workshop and Opportunity Center, Inc.; coorganizer and on the board of the Deep East Texas Regional Mental Health—Mental Retardation Services; coorganizer and president of the Texas Council of Community MH/MR Centers, Inc.; cofounder and president of the Citizens for Human Development and member of the Texas Mental Advisory Council for Developmental Disabilities.

Honoring Ward R. Burke, a dedicated public servant, by naming the U.S. courthouse in Lufkin, TX, as the "Ward R. Burke United States Courthouse," is most fitting and appropriate.

Mr. SUNIA. Mr. Speaker, H.R. 1473 would designate that the building which will house the United States District Court for the Eastern District of Texas in Lufkin, TX, be known as the "Ward R. Burke United States Courthouse." Ward R. Burke is a native of Angelina County in which the U.S. courthouse is located, and is a dedicated public servant serving for over a decade in positions on the chamber of commerce, and the Lufkin school district, just to mention a few.

Mr. Speaker, I urge enactment of H.R. 1473.

There being no objection, the Clerk read the bill, as follows:

H.R. 1473

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the building which will house the Federal Court for the Eastern District of Texas at Third Street and Lufkin Avenue in Lufkin, Texas, shall hereafter be known and designated as the "Ward R. Burke Federal Court Building". Any reference in any law, map, regulation, document, record, or other paper of the United States to such building shall be deemed to be a reference to the "Ward R. Burke Federal Court Building".

With the following committee amendment in the nature of a substitute:

Strike out all after the enacting clause and insert in lieu thereof the following:

SECTION. 1. DESIGNATION OF BUILDING.

The building which will house the United States District Court for the Eastern District of Texas at Third Street and Lufkin Avenue in Lufkin, Texas, shall be known and designated as the "Ward R. Burke United States Courthouse".

SEC. 2. LEGAL REFERENCES.

Any reference in a law, map, regulation, document, record, or other paper of the United States to the building referred to in section 1 shall be deemed to be a reference to the "Ward R. Burke United States Courthouse".

The committee amendment in the nature of a substitute was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title of the bill was amended so as to read: "A bill to designate the building which will house the United States District Court for the Eastern District of Texas in Lufkin, Texas, as the 'Ward R. Burke United States Courthouse'."

A motion to reconsider was laid on the table.

□ 1210

KENNETH G. WARD BORDER STATION

The Clerk called the bill (H.R. 2100) to designate the border station at 9931 Guide Meridian, Lynden, WA, as the "Kenneth G. Ward Border Station."

Mr. SUNIA. Mr. Speaker, H.R. 2100 would designate that the border station in Lynden, WA, be known as the "Kenneth G. Ward Border Station." Kenneth G. Ward was a U.S. Customs inspector who was slain while performing a routine check on a vehicle entering the United States from British Columbia, Canada, on May 24, 1979. This bill has the support of both the U.S. Customs Service and the General Services Administration which owns the building.

Mr. Speaker, I urge enactment of H.R. 2100.

Mr. HOWARD. Mr. Speaker, I rise in support of H.R. 2100, a bill to designate the border station in Lynden, WA, as the "Kenneth G. Ward Border Station."

The purpose of this legislation is to honor Kenneth G. Ward, a United States customs inspector who was slain while performing a routine check on a vehicle entering the United States from British Columbia, Canada, on May 24, 1979.

Kenneth G. Ward was hardworking and dedicated, exemplifying the best qualities of Federal service. His outstanding ability and dedication to duty continually produced large quantities and high quality work. Inspector Ward was a superb inspector who was highly regarded and respected by his coworkers. This legislation was originated by the local Customs Service officers who served with Kenneth Ward. It is supported by the U.S. Customs Service and the General Services Administration.

Although Inspector Ward was only 34 when he was killed, he already served as an Inspector for 8 years, and had done so with distinction. Kenneth G. Ward was born on February 6, 1945, in San Francisco, CA. He graduated from high school in 1964 and attended college at Wichita State University in Kansas for a time. Inspector Ward served in the U.S. Army from 1962 to 1965 and worked for the Immigration and Naturalization Service from 1970 through 1971.

Designating the border station at 9931 Guide Meridian, Lynden, WA, as the "Kenneth G. Ward Border Station" will inspire others to do their jobs with the same dedication and excellence as Inspector Ward.

There being no objection, the Clerk read the bill as follows:

H.R. 2100

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. DESIGNATION.

The border station at 9931 Guide Meridian, Lynden, Washington, shall be known and designated as the "Kenneth G. Ward Border Station".

SEC. 2. LEGAL REFERENCES.

Any reference in a law, map, regulation, document, record, or other paper of the United States to the border station referred to in section 1 shall be deemed to be a reference to the "Kenneth G. Ward Border Station".

With the following committee amendment:

On page 2, line 2, insert "Road" after "Guide Meridian".

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title of the bill was amended so as to read: "A bill to designate the border station at 9931 Guide Meridian Road, Lynden, Washington, as the 'Kenneth G. Ward Border Station'."

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. GORDON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the several bills passed under the Consent Calendar this morning.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

THE BOLAND AMENDMENT

(Mr. ALEXANDER asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. ALEXANDER. Mr. Speaker, I take this time to announce that following the regular business today I have taken a special order in order to discuss the Boland amendment and the congressional intent of Congress.

As the first phase of the Iran-Contra hearings have concluded, the central issue that is presented for the President's defense may have joined the issue of whether or not the law as embraced in the Boland amendment applies to the President and to the National Security Council. I have asked the Library of Congress to assemble all debate on the Boland amendment during the various processes and stages when it went through Congress, and I will submit that compendium for the RECORD.

REPRESENTATIVE HAMILTON'S COMMENTS ON IMPEACHMENT

(Mr. SOLOMON asked and was given permission to address the House for 1 minute.)

Mr. SOLOMON. Mr. Speaker, I have before me an article which appeared in today's Washington Post entitled: "Hamilton Speculates on Impeachment Possibility."

Mr. Speaker, I think this is politics at its worst for any Member of Congress to even bring up such a subject when it pertains to something called the Boland amendment, an ill-conceived law that is constitutionally questionable at best, but nevertheless a law, a law with not even a criminal penalty attached, not even a misdemeanor penalty attached. Therefore, one does not talk about impeachment for a high act of treason or a high crime committed against the State. Mr. HAMILTON gets headlines by inferring that "If the President saw this memo or that memo, he might become subject to impeachment proceedings."

Let me pose an "If" Mr. HAMILTON. If Mr. HAMILTON is one of those Members of Congress that rushes out of the Intelligence Committee and blurts all of the classified information he has just received, that is a felony, that is a criminal offense, and those Members of Congress who do that should go to jail, not to mention that they should be expelled from the Congress.

I do not believe the gentleman from Indiana [Mr. HAMILTON], would ever do such a thing. He is too honorable a man, but there are dozens of instances where Members have left classified briefings and immediately divulged the information to the press. Maybe the next round of hearings we will deal with this subject.

IRAN-CONTRAS HEARINGS

(Mr. RICHARDSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RICHARDSON. Mr. Speaker, since the Iran-Contra hearings went into recess, I have heard three words I didn't want to hear: "smoking gun" and "impeachment." These words were uttered with a big "if" by the House chairman, LEE HAMILTON, who is known and respected for his evenheadedness. Like most Americans, I hope we don't have to use those three words in the months ahead. It would help, however, if the President came clean and cleaned house. Instead of taking on the Congress on every issue, he should cooperate and work with us. The first steps, however, is to get rid of this Iran-Contra cloud by starting with a new foreign policy team and by taking charge.

According to Chairman HAMILTON, the hearings are a text book on how not to run foreign policy.

The hearings, according to HAMILTON, have shown the following about the Reagan administration, specifically that they:

First, created a private network to carry out American foreign policy, contrary to the law;

Second, enlisted philanthropists and profiteers to buy and sell arms for Iran and the Contras;

Third, sent emissaries begging money from Third World countries,

Fourth, ransomed hostages, contrary to their pious denials; and

Fifth, lied about it all.

Mr. President, take charge. Come clean and clean house.

CHATEAU SHULTZ

(Mr. PETRI asked and was given permission to address the House for 1 minute.)

Mr. PETRI. Mr. Speaker, it is still there in the State Department authorization bill coming to the floor tomorrow.

I am, of course, talking about Chateau Shultz, Secretary of State Shultz' plan to acquire an official mansion for the Secretary of State.

Now, I ask you: if the Secretary of State gets a grand mansion, can we deny this same perk to the Secretary of Defense? How about the Secretary of the Treasury and the Director of the CIA? They'll want and deserve lovely mansions, too.

But then, you can't have two distinct levels of the Cabinet. By and by, the rest of the Cabinet, and all major officials—yes, even the Speaker of the House—would end up holding forth like great lords in grand princely palaces scattered about the city.

This is unacceptable in a democracy like ours, where public officials are supposed to be servants of the people, rather than the people being subjects of a privileged governmental aristocracy.

Accordingly, when the State Department authorization bill comes to the floor, I intend to offer an amendment to strike the provision which would permit the Secretary of State to acquire Chateau Shultz.

THE CHAMPION LOS ANGELES LAKERS

(Mr. LEVINE of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LEVINE of California. Mr. Speaker, yesterday the Los Angeles Lakers reclaimed the championship of the National Basketball Association by crushing the impressive but overmatched Boston Celtics.

An awesome third quarter surge allowed the Lakers to blow the game open and eliminate any doubt about who is the preeminent power in the NBA today.

James Worthy's inspirational steal and diving pass to a streaking Magic Johnson ignited the Laker second half show. Kareem Abdul-Jabbar led the Lakers with 32 points and blocked shots and pulled down rebounds with strength and power which belied his age. Mychal Thompson's play proved that Jerry West is as talented a general manager as he was a player. Pat Riley once again demonstrated that he is one of the best coaches in the NBA. And, predictably, Magic Johnson showcased the talents that made him the league's regular season MVP and the playoff MVP.

Mr. Speaker, I am honored to represent the fabulous Forum, the home of the Lakers and the site of yesterday's blowout. I am pleased to ask my colleagues to join with me in complimenting the Lakers on their richly deserved championship.

Mr. SOLOMON. Mr. Speaker, will the gentleman yield?

Mr. LEVINE of California. I am delighted to yield to the gentleman from New York.

Mr. SOLOMON. Mr. Speaker, we do congratulate the Lakers, and on behalf of all the Boston Celtic fans let me say, wait till next year.

REPUBLICAN TASK FORCE ON INDIAN AFFAIRS ORGANIZED

(Mr. RHODES asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RHODES. Mr. Speaker, I am pleased to announce that the Republican Task Force on Indian Affairs of the Committee on Interior and Insular Affairs has been organized for the 100th Congress. I am honored to serve as the chairman of this task force, which has had a distinguished list of past chairmen and has well-served our native American people.

The Republican Task Force on Indian Affairs was first organized in 1979 when the Interior Committee began considering Indian issues at the full committee without a subcommittee. Its purpose is to coordinate policy for the Republican members of the committee, and its chairman acts as manager of the Republican members of the committee, and on the floor. Past chairmen include now Senator JOHN McCAIN of Arizona—98th and 99th Congress—former Congressmen Dan Marriot of Utah—97th Congress—Jim Johnson of Colorado—96th Congress—and the Honorable DOUG BEREUTER of Nebraska—97th Congress. Serving with me as members of the task force for the 100th Congress are the Honorable DON YOUNG of Alaska, the Honorable MANUEL LUJAN of New Mexico, the Honorable ROBERT LAGOMARSINO of California, the Honorable LARRY CRAIG of Idaho, the Honorable BARBARA VUCANOVICH of Nevada, the Honorable BEN BLAZ of Guam, and the Honorable ELTON GALLEGLY of California. This wide diversity of experience and locality benefits native peoples across this country. We intend to be an active element of the Interior Committee and of the 100th Congress.

THE POST CALLS THEM FLUBBOCRATS

(Mr. BARTLETT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BARTLETT. Mr. Speaker, the Washington Post is to be congratulated for its editorial last Friday calling attention to the woeful Democratic bungling on the budget this year. I can't think of a more apt name for the would-be budgeteers than "Flubbocrats," which the Post dubbed them.

Here are some of the more cogent observations in the Post editorial:

> The Democrats started the year with great fanfare. In control of the Senate again as well as the House, they were going to prove to the country they knew how to govern. What they're well on their way to proving instead is that they cannot even produce the budget resolution, which is a plan for government * * *.
>
> (Democratic) conferees have now spent a month on work that should have taken a day. They are divided much less by substance than by stubborness. If they continue to bungle the work as they have so far, these would-be leaders of the republic will be hooted off stage—and not even their mothers may mourn.

The Post concludes that "if the Flubbocrats can't govern, put them back on the bench."

To this, Mr. Speaker, I say "amen." The Democrats' failure to produce a budget on time this year is becoming a national disgrace and I am glad to see that the Washington Post has recognized it.

Another budget deadline passed today, with the Democrats still failing to meet it. Today—June 15—was the day that Congress was to have completed action on a reconciliation bill, pursuant to instructions contained in the budget resolution. We don't even have the budget resolution, much less reconciliation.

Get moving, Flubbocrats. The country is hurting. Congress should start acting.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER pro tempore. (Mr. SPRATT) laid before the House the following communication from the Clerk of the House of Representatives:

> WASHINGTON, DC,
> *June 12, 1987.*
>
> Hon. JIM WRIGHT,
> *Speaker, House of Representatives, Washington, DC.*
>
> DEAR MR. SPEAKER: This is to notify you, pursuant to Rule L(50) of the Rules of the House of Representatives, that I have been served with a subpoena issued by the Superior Court of the District of Columbia. After consultation with my General Counsel, I will notify you of my determinations as required by the House Rule.
>
> With great respect, I am,
> Sincerely yours,
> DONNALD K. ANDERSON,
> *Clerk, House of Representatives.*

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER pro tempore laid before the House the following communication from the Clerk of the House of Representatives:

> WASHINGTON, DC,
> *June 12, 1987.*
>
> Hon. JIM WRIGHT,
> *Speaker, House of Representatives, Washington, DC.*
>
> DEAR MR. SPEAKER: I have previously notified you of the receipt of a subpoena issued by the Superior Court of the District of Columbia. After consultation with my General Counsel, pursuant to Rule L(50) of the Rules of the House of Representatives, I have determined that compliance with the supoena is consistent with the privileges and precedents of the House.

With great respect, I am,
Sincerely Yours,
Donnald K. Anderson,
Clerk, House of Representatives.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The **SPEAKER** pro tempore. Pursuant to the provisions of clause 5 of rule I, the Chair announces that he will postpone further proceedings today on each motion to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 4 of rule XV.

Such rollcall votes, if postponed, will be taken on Tuesday, June 16, 1987.

EXPRESSING APPRECIATION OF CONGRESS REGARDING COLUMBIA'S EFFORTS TO COMBAT DRUG TRAFFICKING AND DRUG ABUSE

Mr. **LEVINE** of California. Mr. Speaker, I move to suspend the rules and agree to the concurrent resolution (H. Con. Res. 74) expressing the appreciation of the Congress to President Virgilo Barco and the people of Columbia for their efforts to combat drug trafficking and drug abuse, and for other purposes, as amended.

The Clerk read as follows:

H. Con. Res. 74

Whereas the grave problems caused by the illicit production, trafficking, and consumption of drugs continue to plague the United States and other nations;

Whereas narcotics trafficking and drug abuse are a scourge against all mankind;

Whereas cocaine trafficking jeopardizes the health of our citizens and undermines our societal institutions;

Whereas the Government of Colombia has recently extradited Carlos Enrique Lehder Rivas, reputed to be one of the world's foremost cocaine drug kings and a leading member of the infamous "Medellin Cartel", to the United States where he faces 39 counts of criminal charges for conspiracy and drug trafficking;

Whereas the extradition of Carlos Lehder demonstrates that it is possible to capture and prosecute even the largest dealers of illicit drugs in the world;

Whereas the "Medellin Cartel" is reported to control over 80 percent of the cocaine smuggled into the United States, including an estimated 58 tons of cocaine smuggled into our Nation between 1981 and 1985;

Whereas the Colombian cocaine trade has fueled terrorist actions, both within Colombia and the United States;

Whereas the drug traffickers in Colombia have repeatedly demonstrated their enormous ruthlessness, including the assassination of Justice Minister Rodrigo Lara Borilla, news editor Guillermo Cano Isaza, Colonel Jaime Ramirez Gomez, commander of the famous Colombian special antinarcotics unit, and attempts to murder Colombian Ambassador Enrique Parejo Gonzales in Budapest; and

Whereas since 1984, the "Medellin Cartel" has murdered four judges, including a Supreme Court Justice, three high level security officials, and played a major role in the 1985 guerrilla raid on Colombia's Palace of Justice that resulted in the murder of nearly half of 24 members of that nation's Supreme Court: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That the Congress of the United States—

(1) extends its sincere appreciation to President Virgilio Barco and the people of Colombia for their determination and courage in apprehending Carlos Lehder and extraditing him to the United States;

(2) recognizes the difficulties of the Government of Colombia in reaching this decision and commends President Barco for his courage;

(3) urges the Government of Colombia to continue its efforts to extinguish the illicit production and trafficking in drugs originating in that nation, to make a renewed effort to arrest and prosecute narcotics growers and traffickers, and to continue to extradite to the United States those accused of drug-related crimes; and

(4) reaffirms its intention to work with the Government of Colombia in combating drug trafficking and drug abuse from both our nations.

The **SPEAKER** pro tempore. Is a second demanded?

Mr. **GILMAN**. Mr. Speaker, I demand a second.

The **SPEAKER** pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The **SPEAKER** pro tempore. The gentleman from California [Mr. Levine] will be recognized for 20 minutes and the gentleman from New York [Mr. Gilman] will be recognized for 20 minutes.

The Chair recognizes the gentleman from California [Mr. Levine].

Mr. **LEVINE** of California. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, House Concurrent Resolution 74 expresses the appreciation of the Congress to President Virgilio Barco and the people of Columbia for their efforts to combat drug trafficking. The resolution's original sponsors include two very distinguished members of the Foreign Affairs Committee, Mr. Gilman and Mr. Dornan, as well as the distinguished chairman of the Select Committee on Narcotics, Mr. Rangel.

House Concurrent Resolution 74 was unanimously adopted by the Subcommittee on Western Hemisphere Affairs on May 27, and by the full Foreign Affairs Committee on June 2.

Mr. Speaker, I believe this resolution represents an important signal to both the government and the people of Colombia of the support of the United States for their efforts to combat drug trafficking. In particular, it states the appreciation of the Congress for the courage and determination that was necessary to apprehend and extradite Carlos Lehder, one of the world's foremost cocaine drug kings and a leader of the infamous "Medellin Cartel."

It is important that we remember exactly what we mean when we recognize the courage that it took for the Colombians to agree to this extradition. The Colombian drug traffickers are some of the most ruthless in the world. They have taken their revenge on Colombian citizens from all walks of life, including the assassination of journalists, diplomats, and more than two dozen members of the judicial branch.

Clearly, this decision was one of life and death—many Colombians could be killed in retaliation. This determination by the Colombian Government to stand up to terrorist threats deserves our wholehearted support. I am pleased to have been involved in the passage of this resolution.

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Mr. **GILMAN**. Mr. Speaker, I yield myself such time as I may consume.

(Mr. GILMAN asked and was given permission to revise and extend his remarks.)

Mr. **GILMAN**. I thank the gentleman for his kind remarks in support of the resolution.

Mr. Speaker, as coauthor of House Concurrent Resolution 74, expressing the appreciation of the Congress to President Virgilio Barco and the people of Colombia for their efforts to combat drug trafficking and drug abuse, I rise in support of this resolution. I also want to commend the distinguished gentleman from Florida [Mr. Smith], chairman of the Foreign Affairs Task Force on International Narcotics Control and a member of our Narcotics Select Committee; the distinguished gentleman from Michigan [Mr. Crockett] and the distinguished gentleman from California [Mr. Lagomarsino], respectively the chairman and ranking minority members of our Foreign Affairs Subcommittee on Western Hemisphere Affairs, for their efforts in bringing House Concurrent Resolution 74 to the floor for early consideration.

Mr. Speaker, this resolution is not controversial. It acknowledges our appreciation for the courage that the people and the Government of Colombia have undertaken in extraditing Carlos Lehder, who is reputed to be one of the world's foremost cocaine drug kings and who is a leading member of the famous "Medellin Cartel," which is reported to control over 80 percent of the cocaine that is smuggled into the United States.

Last March, Mr. Rangel, the distinguished chairman of our Select Committee on Narcotics Abuse and Control, with whom I have the pleasure of serving as the ranking minority member, and I traveled to Colombia at the request of our distinguished Speaker, Mr. Wright, to represent the House of Representatives at a meeting of the Andean Parliament. While there, we had an opportunity to see at first hand the results of the violence associated with drug trafficking in that troubled nation. We stood outside the gutted building that houses Colombia's Palace of Justice, which is Colombia's equivalent of our Supreme Court. The Justice Building, which had been taken over by Narco-terrorists, who were holding the supreme court judges hostage, was retaken by government troops and tanks. Tragically, that incident resulted in the murder of nearly half of the members of that nation's highest court.

The aim of the drug traffickers is to intimidate the Government of Colombia and its citizenry. They have tried to achieve that objective by assassinating cabinet ministers, judges, civil servants, journalists, and high ranking officers of the armed forces. But the people of Colombia have not been intimidated. They are courageously mobilizing public opinion against the Narco-terrorists and, at great personal risk, the leaders of Colombian society are doing their very best to preserve their democratic institutions.

Accordingly, I urge my colleagues to support this resolution, which pays tribute to the brave efforts of the Colombian people in combating the drug trafficking and drug abuse that has caused such havoc in their country and which affects so many other nations throughout the world.

Mr. LAGOMARSINO. Mr. Speaker, I rise in strong support of the resolution sponsored by the two gentlemen from New York [Mr. GILMAN and Mr. RANGEL] and the gentleman from California [Mr. DORNAN]. I am a cosponsor of this resolution and strongly support the measure commending President Barco of Colombia for the efforts of his Government to combat international drug trafficking.

The threats and violence carried out by drug traffickers in Colombia affect the lives not only of Colombians but of Americans and other nationalities as well. The Colombian Government has worked diligently to face that threat and has refused to be blackmailed into turning a blind eye to what the drug traffickers are trying to do in that country. The brutal murders of government officials, newspapermen, and private citizens by those involved in the drug trade have not deterred the Colombian Government from pursuing virgorously those responsible for this terrible scourge.

The extradition to the United States of reputed drug lord Carlos Lehder was a major step in the fight to combat drug trafficking. It is imperative that we continue to give support and encouragement to President Barco in his courageous stand to oppose the international drug cartel basing its operations in Colombia.

I urge my colleagues to give their strong support to this resolution.

Mr. LEVINE of California. Mr. Speaker, I yield such time as he may consume to the distinguished gentleman from Arkansas [Mr. ALEXANDER].

Mr. ALEXANDER. Mr. Speaker, I rise in support of House Concurrent Resolution 74, an expression of our gratitude to the Government of Colombia for that country's efforts to combat drug trafficking. Although illegal trafficking and abuse of drugs in our Nation's communities continues to plague our society, Colombia has made a significant contribution to the removal of these various poisons from our streets.

President Virguilio Barco and the people of Colombia have shown a vigorous intent to cooperate with the United States in her efforts to rid the communities of the world of illicit drugs. By boldly extraditing the famed drug kingpin, Carlos Enrique Lehder Rivas, Colombia has made clear her intention to seek out and punish those individuals responsible for the influx of drugs in this country.

Drug traffickers in Colombia and elsewhere in the world have displayed their lack of concern for the law. They have adopted terrorist tactics.

In their efforts to intimidate and blackmail a people, their nation and their elected government, drug traffickers have caused multiple assassinations of high government officials. Among the victims of their terrorist bullets and bombs have been a Justice Minister, a newspaper editor, the commander of the Colombian special antinarcotics unit, four judges, and 24 members of the Colombian Supreme Court. Such flagrant disregard for the law is heinous.

In a day when drug trafficking is the economic mainstay for the debt-ridden Colombia, I feel President Barco has shown rare and extreme courage in moving forward to cooperate in the extradition of a powerful yet corrupt man such as Carlos Rivas.

It is always helpful to the United States when a neighboring country shows good faith by bringing such a criminal to justice. However, it is important to realize that as a society and an institution, one individual is not responsible or accountable for the disproportionate drug use in our country.

As legislators and lawmakers must continue our commitment to demonstrate strong and determined action to attack the problem at both ends—at the production level and at the consumption level.

The greatest natural resource of America has always been her children. American children and youth have been among the groups most heavily targeted by the drug-trafficking purveyors of destruction and death. In the war against illegal drugs, the people of Colombia have shown courage on their own behalf, and on behalf of our children.

It is right that we take this step to encourage them and other nations who join the battle against those who would sacrifice human beings to the incredible misery and degradation of drug addiction in order to satisy their own lust for money and power.

Mr. Speaker, I commend the bravery of President Barco and urge the adoption of this resolution.

Mr. DORNAN of California. Mr. Speaker, as coauthor of House Concurrent Resolution 74, I rise to thank my colleagues on the House Select Committee on Narcotics Abuse and Control, Mr. GILMAN and Mr. RANGEL, for their support of this important legislation. I must also take this opportunity to express my appreciation to the full Foreign Affairs Committee for the bipartisan approach with which House Concurrent Resolution 74 was handled throughout the consideration process.

House Concurrent Resolution 74 is quite simply, Mr. Speaker an expression of long overdue congratulations to the Government of Colombia for its efforts to combat drug trafficking. I consider this legislation to be an important statement of U.S. commitment to combatting the drug epidemic. Our efforts in this country to reduce demand must dovetail with the battle internationally if we are ever to win the war on drugs.

House Concurrent Resolution 74 specifically congratulates the Government of Colombia for the extradition of Carlos Enrique Lehder Rivas to the United States for prosecution. Lehder was extradited to the United States within 24 hours of his arrest in Medellin, Colombia, in early March of this year and faces 39 counts of criminal charges for conspiracy and drug trafficking. Lehder is one of three drug lords of the so-called Medellin Cartel which is responsible for trafficking over 80 percent of the cocaine trade to the United States.

Mr. Speaker, it is important to let the Colombian Government know that we fully back their courageous efforts to continue to combat this enormous drug problem undermining the moral and social fabric of this Nation. We have to bear in mind that the drug billionaires of Colombia have a strangle-hold on Colombian society which threatens the most basic security of that nation. It is imperative that Congress let the Colombians know that we stand squarely with them in this fight for survival.

House Concurrent Resolution 74 recognizes the "enormous ruthlessness" of the Medellin Cartel which is responsible for countless assassinations including the Justice Minister and the assault on the Ministry of Justice in Bogota in which 11 of 24 supreme court judges died.

Mr. Speaker, I believe that it is also important to recognize publicly that intelligence reports indicate that the Colombian drug traffickers are planning to retaliate against United States judges which will prosecute Lehder and are also targeting high officials in the United States Government involved in the fight against drugs. It should be absolutely clear that a full-blown drug war is on our doorstep. These drug lords have shown that they can strike at will here in the United States, in Colombia or behind the Iron Curtain to kill and intimidate their opponents. The time to work together with our Latin neighbors is now.

Please help us send a clear signal to those on the front lines of this battle on narcotics by supporting House Concurrent Resolution 74.

Mr. RANGEL. Mr. Speaker, I strongly support passage of House Concurrent Resolution 74, which expresses the appreciation of the

Congress to President Virgilio Barco and the people of Colombia for their efforts to combat drug trafficking and drug abuse.

The drug traffickers in Colombia have repeatedly demonstrated their enormous ruthlessness, including the assassination of Justice Minister Rodrigo Lara Borilla, news editor Guillermo Cano Isaza, Col. Jaime Ramirez Gomez, commander of the Colombian special antinarcotics unit, and attempts to murder Colombian Ambassador Enrique Parejo Gonzales in Budapest, Hungary. Also, since 1984, the "Medellin Cartel" has murdered four judges, including a supreme court justice, three high-level security officials, and played a major role in the 1985 guerrilla raid on Colombia's Palace of Justice that resulted in the murder of nearly half of 24 members of that nation's supreme court.

Because of the intimidation placed on the Colombian judicial system by the drug traffickers, it required tremendous personal courage for President Barco to order the extradition to the United States a few months ago of Carlos Enrique Lehder Rivas, who is reported to be one of the world's foremost drug kings and a leading member of the "Medellin Cartel." Mr. Lehder faces 39 counts of criminal charges for conspiracy and drug trafficking. Mr. Chairman, extradition to the United States to face drug charges is one of the most effective tactics we can employ in the never-ending war against drug trafficking.

It bears repeating that it is not just the so-called consuming nations that suffer from drug trafficking. Inevitably drug-producing nations, themselves, become victims of drug trafficking. Thus, it is in the ultimate self-interest of drug-producing nations to take action against drug traffickers. President Barco by extraditing Carlos Lehder to the United States has shown that he understands this reality.

Mr. Speaker, Congressman BENJAMIN A. GILMAN, the distinguished ranking minority member of the Select Committee on Narcotics, and I were privileged earlier this year to represent House Speaker JIM WRIGHT at the Sixth Ordinary Session of the Andean Parliament in Colombia. The Andean group is composed of legislators from Bolivia, Colombia, Ecuador, Peru, and Venezuela.

A bright spot in our 3 days of discussions with these leaders was the growing recognition on the part of the Andean nations that regional and international cooperation is necessary to solve the drug problem in their region. At the meeting of the Andean Parliament, Congressman GILMAN and I suggested that President Reagan convene a meeting of the Presidents and Prime Ministers of the countries of North and South America to discuss the problem of international drug trafficking and what can be done to prevent it. I am pleased to say that this proposal is receiving active consideration at the White House and in the State Department.

While Congressman GILMAN and I were in Colombia we visited the burned-out ruins of the Colombian Supreme Court building. This was a very graphic illustration of the ruthlessness and brutality of the Colombian drug traffickers. House Concurrent Resolution 74 expresses much deserved recognition and support for President Virgilio Barco and all of the people of Colombia for their stand against the drug traffickers.

As a show of solidarity between our two nations, I urge my colleagues to support passage of House Concurrent Resolution 74.

Mr. GILMAN. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. LEVINE of California. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. SPRATT). The question is on the motion offered by the gentleman from California [Mr. LEVINE] that the House suspend the rules and agree to the concurrent resolution, House Concurrent Resolution 74, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the concurrent resolution, as amended, was agreed to.

The title of the concurrent resolution was amended so as to read: "Concurrent resolution expressing the appreciation of Congress to President Virgilio Barco and the people of Colombia for their efforts to combat drug trafficking and drug abuse, and for other purposes."

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. LEVINE of California. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the concurrent resolution just agreed to.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

CONCERNING MILITARY UNREST IN ARGENTINA

Mr. LEVINE of California. Mr. Speaker, I move to suspend the rules and agree to the concurrent resolution (H. Con. Res. 113), concerning military unrest in Argentina, as amended.

The Clerk read as follows:

H. CON. RES. 113

Whereas the recent unrest within the armed forces of Argentina created great concern both in Argentina and in the United States regarding the future of democracy in Argentina;

Whereas the Argentine people clearly expressed their desire during this time of crisis for a free, democratic society, by making their voices heard in the streets in a manner strongly reminiscent of the recent democratic revolution in the Philippines;

Whereas President Alfonsin of Argentina took decisive and prudent action to deal with the crisis, by meeting personally and directly with the forces in rebellion and preventing any bloodshed from occurring;

Whereas continued internal unrest within the armed forces of Argentina sustains the instability which is so dangerous to a young democracy;

Whereas it is in the national interests of the United States for Argentina to remain a free, democratic society, committed to the basic human rights which all democracies place high value on; and

Whereas the peaceful resolution of the situation in Argentina sends a message to all of Latin America that the future of the region lies in democracy and that the people of the region have again firmly rejected military rule as a resolution to their problems: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That it is the sense of the Congress that—

(1) President Alfonsin is to be commended for his courageous and statesmanlike actions in resolving the recent military unrest in Argentina; and

(2) the President of the United States is to be commended for taking prompt action, and should continue to take all appropriate action, to indicate the support of the United States for the current democratic regime in Argentina and the principles of a free democratic society for the people of Argentina.

The SPEAKER pro tempore. Is a second demanded?

Mr. HYDE. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from California [Mr. LEVINE] will be recognized for 20 minutes and the gentleman from Illinois [Mr. HYDE] will be recognized for 20 minutes.

The Chair recognizes the gentleman from California [Mr. LEVINE].

Mr. LEVINE of California. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, House Concurrent Resolution 113 is a bipartisan resolution expressing the sense of Congress that President Raul Alfonsin of Argentina is to be commended for his handling of the recent military unrest in that country and that the administration should take all appropriate action to indicate the support of the United States for the current democratic regime and the principles of a free democratic society in Argentina.

I introduced this resolution along with a bipartisan group of my colleagues on the Foreign Affairs Committee in response to some very significant recent events in Argentina.

As many Members are aware, Argentina's democratic Government has faced strong pressure from the Argentine military establishment ever since the initial transition from military rule in 1983.

In this period of readjustment, much of Argentina's attention has focused on the Government's efforts to bring those accused of human rights abuses under military rule to trial. The efforts to bring those responsible for the so-called dirty war to justice have led to increasing discontent within the Argentine military.

Friction between the Government and the armed forces came to a head during the month of April, when a group of military officers took over the infantry school at Argentina's largest military base, Campo de Mayo, and demanded a blanket amnesty for officers accused of crimes under the old military regime. It was feared that one wrong step could trigger chaos within the military and the Government, and lead to a violent confrontation.

But these fears were soon allayed by a stirring demonstration of the same kind of people power which made a democratic revolution in the Philippines possible. As news of the rebellion reached the cities, some 200,000 Argentines turned out in the streets of Buenos Aires to demonstrate for democracy and the rule of law. President Alfonsin was met with roaring approval when he declared to the crowds that "Argentina's democracy is not negotiable." The opposition Peronist party organized progovernment demonstrations outside Campo de Mayo, and the labor movement threatened a general strike unless the rebels laid down their arms.

Then President Alfonsin, in a remarkable display of personal and political courage, went alone to meet with the officers in rebellion. Soon after, he brought back to the crowds the news that the rebels had surrendered without a single shot being fired.

President Alfonsin faced a very difficult situation with courage and statesmanship, A crisis which could have thrown the country into civil war instead resulted in a ringing reaffirmation by the Argentine people of their commitment to democracy.

Naturally, these events have a postscript. Although the crisis now appears past, it is easy to see that many problems remain for President Alfonsin. The Argentine military establishment remains restive. Pressure on the Government to ease its reforms is unabated. This is evidenced by the consideration by the Argentine Congress of a bill to end the prosecution of low- and mid-ranking officers accused of human rights abuses, on the grounds that they were simply carrying out orders from their superiors.

Consideration of this legislation reflects the very difficult confines within which President Alfonsin must negotiate. I think most of us would prefer that normal channels of justice be used in melting out appropriate punishment for past human rights abuses. I am confined that President Alfonsin recognizes this desire and shares it. However, we also must demonstrate our confidence in President Alfonsin and his ability to keep Argentina on the road to full democracy. I hope that the passage of this bipartisan resolution expressing our support for democratic rule and respect for human rights in Argentina will help him with that task over the long run.

Finally, Mr. Speaker, House Concurrent Resolution 113 notes that the reaffirmation of democracy in Argentina which has taken place sends a message to all of Latin America that the future of the region lies in democracy, and that the people of the region have once again rejected military rule as a solution to their problems.

Latin America remains a deeply troubled region today. Even as we again cast our eyes to the seemingly endless violence in the Middle East, we must not forget that we have deep and lasting problems right here in our back yard. The nations of Latin America are mired in debt, struggling to get their economies on a course for growth.

We must recognize that economic strength and political stability are inextricably linked. If we hope to see events like the ones which triggered this resolution repeated, we are going to have to spend more time finding effective ways to help Latin America to escape from the devastating poverty which was so often provided fertile ground for authoritarian regimes.

I hope my colleagues will give their overwhelming support to this bipartisan resolution.

Mr. Speaker, I reserve the balance of my time.

Mr. HYDE. Mr. Speaker, I yield such time as he may consume to one of the most valuable members of the Committee on Foreign Affairs, the gentleman from New York [Mr. GILMAN].

Mr. GILMAN. Mr. Speaker, I wish to commend the gentleman from California [Mr. LEVINE] for this very timely resolution, a resolution which expresses our firm support for the initiatives undertaken by President Alfonsin in trying to quell the rebellion which occurred in his nation.

Many of us who visited the Argentine Government during the troubled years when the military was attempting to stamp out all kinds of resistance and all kinds of opposition, it overextended itself in a highly authoritarian manner and created a number of human rights violations. We do not want to see us have to return in Argentina to that situation again. For that reason, President Alfonsin's demonstration of courage was a breath of fresh air and we hope that the Argentine people are going to continue to support his efforts to bring true democracy to that government in Latin America, one of the leading governments in Latin America.

Mr. HYDE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of House Concurrent Resolution 113, concerning military unrest in Argentina.

I wish to commend the sponsors of this resolution the gentlemen from California [Mr. LEVINE and Mr. LAGOMARSINO].

The challenges to democracy in Argentina have been great over the past four decades; the period has been marked by military rule interspersed with democratically elected civilian governments. In December 1983, President Raul Alfonsin was inaugurated, thus, reestablishing democracy in Argentina.

Perhaps one of the greatest threats to President Alfonsin's administration occurred this past April when military officers at Campo de Mayo challenged the President's efforts to prosecute certain members of the military for crimes committed by the State security forces during the earlier military regime.

Hundreds of thousands Argentines demonstrated in the streets, opposition party members organized rallies in support of the Government and the labor movement threatened a strike if the military rebels did not back down. In spite of the dangers he faced, President Alfonsin went alone to meet with the rebelling officers and compelled them to surrender.

The Reagan administration responded immediately to this challenge to democracy in Argentina conveying to President Alfonsin and to Foreign Minister Caputo the United States Government's strong support and encouragement for the efforts to preserve and strengthen constitutional rule.

President Alfonsin's unflinching courage and his dedication to preserving democratic government deserve our strongest commendation and respect. The recognition of the Congress as represented by this resolution is an appropriate indication of our continued concern and good will in seeing that democratic rule be maintained in Argentina.

I urge my colleagues to give their strong support to this resolution.

Mr. LAGOMARSINO. Mr. Speaker, I am pleased to join my colleague from California as a cosponsor of this resolution commending President Alfonsin of Argentina.

As many of my colleagues of the Foreign Affairs Committee have heard me say, I had the honor of attending the inauguration of President Alfonsin in December 1983 as part of the official U.S. delegation accompanying Vice President BUSH. At the time of his inauguration, President Alfonsin faced the delicate task of forcing a strong, civilian administration, and I remember thinking what a formidable challenge he faced in taking his country from military rule to democratic government. His actions over the past 4 years have demonstrated his courage and his statesmanship in building and strengthening the democratic institutions of his nation.

The greatest challenge to Alfonsin's administration was the crisis Argentina faced in April when a military rebellion contested the President's constitutional authority. The Argentine President put his life on the line in meeting the rebelling officers. President Alfonsin prevailed and, thus, preserved democracy for Argentina. President Alfonsin deserves our strongest commendation and the continued support of the United States for his government and his dedication to preserving and strengthening constitutional government in Argentina.

I believe the administration deserves the commendation of the Congress as well for its prompt and strong support of President Alfonsin at the time of this tense confrontation. U.S. Ambassador to Argentina Theodore Gildred conveyed his strong support for President Alfonsin at the time of the military rebellion as did the State Department and the White House. That was followed immediately by a letter from President Reagan to President Alfonsin and a letter from Secretary of State Shultz to Foreign Minister Caputo. Both Foreign Minister Caputo and President Alfonsin replied to those letters expressing their appreciation for the support demonstrated by the United States and the Reagan Administration.

I am pleased to be a cosponsor of this resolution and I urge my colleagues to give it their unanimous support.

Mr. HYDE. Mr. Speaker, I have no further requests for time and I yield back the balance of my time.

Mr. LEVINE of California. Mr. Speaker, I have no further requests for time and I yield back the balance of my time.

The **SPEAKER** pro tempore. The question is on the motion offered by the gentleman from California [Mr. LEVINE] that the House suspend the rules and agree to the concurrent resolution, H. Con. Res. 113, as amended.

The question was taken: and (two-thirds having voted in favor thereof) the rules were suspended and the concurrent resolution, as amended, was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. LEVINE of California. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the concurrent resolution just agreed to

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

□ 1240

THE BOLAND AMENDMENT: INTENT OF CONGRESS

The **SPEAKER** pro tempore. (Mr. SPRATT). Under a previous order of the House, the gentleman from Arkansas [Mr. ALEXANDER] is recognized for 5 minutes.

Mr. ALEXANDER. Mr. Speaker, last week part 1 of the House Select Committee To Investigate the Covert Arms Transactions With Iran hearings concluded. The tedious process of questioning 18 witnesses over 147 hours in public view has been necessary to uncover and thus reveal the secret policies and activities of President Reagan and his administration to the American people.

The revelations included the operations of a government operating secretly outside the fundamental law set forth by the Constitution of the United States and the regular process of Federal law.

The evidence describes a monumental lawless affair of Government officials conspiring to circumvent the constitutional process, to disobey the law, destroy evidence, and conspire to keep silent thereby obstructing justice. The defenders of Mr. Reagan and his administration have recently raised the defense, "The law (Boland amendment) does not apply to the President." Indeed, Mr. Reagan said: "It so happens it does not apply to me, * * * and there is nothing that has ever been in the Boland amendment that could keep me from asking other people from helping the rebels." (U.S. News & World Report, May 25, 1987.) Thus, the President wishes the issue to be joined on the question of the congressional intent embraced in the Boland amendment.

The Boland amendment: Does this amendment apply to the President and the National Security Council? What then do we know about the legislative intent of the Congress?

To aid the American people in judging the legality and credibility of the President's defense I have asked the Library of Congress to collect all debate on the Boland amendment except for the secret sessions that took place.

The importance of the debate is underscored by the fact that the first secret session ever convened by the U.S. House of Representatives was held to hear the administration's arguments against the Boland amendment. Conspiciously absent from any prior debate is the assertion that the law to be enacted in the Boland amendment did not apply to the President or the National Security Council.

While the record of the debate of the secret sessions is held in camera and not available for reporting, I wish to congratulate the Congressional Research Service of the Library of Congress for its excellence which has become its standard and herewith submit for the consideration of the American people all reported debate on the issue.

Now that the record is collected in one compendium it will be easier for legal scholars and journalists to analyze the debate and to report thereon.

One footnote to the text. While the President now claims to be immune from law as stated in the Boland amendment the Republican manager of the rule—procedure—the gentleman from Missouri [Mr. TAYLOR] began the debate on the Boland amendment with a quite different interpretation which is tantamount to an admission, to wit:

> Mr. Speaker, this rule sets the stage for what will be a very important foreign policy debate. The bill made in order by this rule is strongly opposed by the administration because it severely restricts the President's ability to conduct an effective foreign policy in Central America. (CONGRESSIONAL RECORD, July 14, 1983, p. 19135.)

Most Members of Congress knew in advance, prior to debate, that the President was attempting an overthrow of the Government of Nicaragua pursuing what was commonly called "a military solution to the problem in Central America." I stated during the debate on the Boland amendment, and I affirm again today what we are seeing "* * * is a policy of simple-minded deception of the Congress and the American people. * * *" (CONGRESSIONAL RECORD, July 14, 1983, p. 19135.)

In an attempt to carry out the solemn oath administered to the Members of Congress to "defend the Constitution of the United States," the elected representatives of the people of the United States, in Congress assembled, attempted through the regular process of lawmaking to preserve and protect the Constitution and to prevent lawlessness of the officers of our Government by enacting the Boland amendment. In the words of Representative LEE HAMILTON, of Indiana, chairman of the Select Committee to Investigate the Covert Arms Transactions with Iran, "The question now is how we now prevent it from happening again?"

LEGISLATIVE HISTORIES OF STATUTORY RESTRICTIONS ON FUNDING FOR COVERT ASSISTANCE FOR MILITARY OR PARAMILITARY OPERATIONS IN NICARAGUA, FY 1983-FY 1986

INTRODUCTION

In late 1981, the Central Intelligence Agency first briefed the House Permanent Select Committee on Intelligence on the administration's program to support the anti-Sandinista insurgency in Nicaragua. H. Rep. 98-122, part 1, at 7. During the briefing, Chairman EDWARD P. BOLAND and other committee members voiced concern about the "number and tactics of the insurgents to be supported, whether these insurgents would be under U.S. control and the possiblity of military clashes between Nicaragua and Honduras." *Id.* at 7-8. Similar concerns persist among some Members of Congress five and a half years later, even though many of these same members have favored some U.S. assistance for the insurgency.

Congress began in 1982 to restrict intelligence support for the insurgents or contras, in a series of provisions commonly known as the Boland Amendments. The first legislative restriction on the use of funds by intelligence agencies to support the contras evidently was contained in the classified annex to the conference report on the FY 83 Intelligence Authorization Act. This restriction, which barred support for the purpose of overthrowing the Sandinistas or of provoking a confrontation between Nicaragua and Honduras, later was enacted as statutory language in the FY 83 Defense Appropriation Act. The FY 83 restriction was followed by a $24 million cap for FY 84 on all intelligence agency support of military or paramilitary operations in Nicaragua. It is not clear when in FY 84 this cap was reached. Congress initially barred use of any intelligence agency funds during FY 85 for assisting the contras, subject to authority to expend funds upon issuance of certain presidential findings and subsequent congressional approval. Toward the end of FY 85, however, Congress appropriated $27 million for humanitarian assistance, such sums to have been available through March 1986. Meanwhile, the general restriction against intelligence agency expenditures in support of the contras' military or paramilitary efforts was extended through FY 86 by the intelligence authorization for that year. In early FY 87, Congress made a significant amount of money available to support the contras. At the same time, Congress has continued a requirement that all intelligence agency support of the contras be specifically authorized by law or made in accordance with specified spending provisions.

This report reproduces the legislative histories of unclassified funding restrictions for FY 83 through FY 86 on assistance to the contras by agencies involved in intelligence activities. The primary focus in preparing these histories was to compile materials that might shed light on the intended meaning of the various statutory restrictions. Accordingly, each history includes a brief narrative overview and excerpts from unclassified committee reports and public floor debates on the pertinent statutory language. Some materials pertaining to consideration of procedural rules governing debate of the restrictions may have been omitted, as may have some materials pertaining to other related matters. Furthermore, no excerpts from hearings have been included in this report, nor have excerpts from any relevant classified reports or non-public debate. Also, because funding restrictions for any fiscal year were enacted in both authorization and appropriation statutes and because the history of these restrictions often are so intertwined, several of the histories in this report encompass more than one law. Finally, a chart summarizing the history of the various funding restrictions and indicating their respective effective and termination dates is appended.

1. SECTION 793 OF THE DEFENSE APPROPRIATIONS ACT, FY 1983, PUB. L. 97-377, 96 STAT. 1865: BAN ON FUNDS TO OVERTHROW SANDINISTAS

SEC. 1793. None of the funds provided in this Act may be used by the Central Intelligence Agency or the Department of Defense to furnish military equipment, military training or advice, or other support for military activities, to any group or individual, not part of a country's armed forces, for the purpose of overthrowing the Government of Nicaragua or provoking a military exchange between Nicaragua and Honduas.

A. OVERVIEW

This restriction represents a compromise between legislators who desired no limitation on U.S. assistance to the contras and those who favored broader restrictions. It was clearly understood at the time of enactment that the compromise would not cut off all direct or indirect assistance to the contras. At that time, the administration had been asserting that U.S. assistance was intended for use to confine the Sandinistas to Nicaragua and not for the purpose of overthrowing them.

The final language evolved from a floor amendment offered by Representative Harkin that would have barred funds "for the purpose of assisting [any group or individual, not part of a country's armed forces] in carrying out *military activities in or against Nicaragua*." Representative BOLAND's amendment to the Harkin amendment, which evidently was similar to sense of the House language in the classified annex to the intelligence authorization bill (P.L. 97-269), passed by a vote of 411-0. Prior to a final House vote on the bill, the House rejected a Harkin amendment to the Boland substitute that would have barred providing funds to a group or individual, not part of a country's armed forces,

[CRS-2]

that was known to "have the intent of overthrowing the Government of Nicaragua or of provoking a military conflict between Nicaragua and Honduras."

The Senate subsequently tabled a hortatory amendment by Senator Dodd that declared that no funds should be expended in support of the contras. The conference later adopted the Boland amendment, there being no comparable Senate language. Neither the conference report explanation nor the subsequent floor debate addressed the substance of the final contra aid restriction.

[CRS-3]

B. HOUSE FLOOR DEBATE (12/8/82)

AMENDMENT OFFERED BY MR. HARKIN

Mr. HARKIN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HARKIN: Page 73, immediately after line 16, insert the following new section:

SEC. 793. None of the funds provided in this Act may be used by the Central Intelligence Agency or the Department of Defense to furnish military equipment, military training or advice, or other support for military activities, to any group or individual, not part of a country's armed forces, for the purpose of assisting that group or individual in carrying out military activities in or against Nicaragua.

Mr. HARKIN. Mr. Chairman, Members of the Committee, news reports of late coming out of Central America and widely distributed in the U.S. press and the press abroad clearly indicate that we are becoming ever more mired into the jungles and swamps of Latin America, and in a way that behooves us here to call a halt at this time to what we have been doing in Central America. In Honduras, we are arming the old Somocista national guardsmen who have encamped along the Nicaraguan border and now, with our aid and support and with the support of the Central Intelligence Agency and our Department of Defense through the CIA, these Somocistas are armed incursions into Nicaragua and already destabilizing further a very tenuous situation in that Central American region. The fact that we are involved is no longer even open to question. The New York Times today in their editorial headlined their editorial by stating it is, "The worst kept secret war."

The Newsweek magazine, in their cover story, on November 8, 1982, called it, "America's secret war target—Nicaragua."

Let me just quote both from the Newsweek article and from another source as to the linkage involved in our supporting the old Somocista guardsmen. The Newsweek article starts off by talking about several men standing at a bar in Tegucigalpa, and I quote:

> The smoky bar in Tegucigalpa was a cousin to Rick's Café in "Casablanca," a nightly gathering place for the dangerous and the desperate in Honduras. Squeezed into a corner one evening last week were four Argentine military advisers, speaking machine-gun Spanish and occasionally stealing furtive glances around the room. A half-dozen Americans stood in a loose line at the bar, drinking beer and talking too loudly about guns. In the center of the room, grouped around a table that listed far right, were seven men drinking rum. One of them wore a gold earring. He explained that the seven men were Nicaraguan exiles who belonged to various factions of la contra, a band of counterrevolutionaries trying to topple the leftist Sandinista regime. They

> were ready to move toward Managua, one of the men said. "We just need to hear from The Boss that it's time to go." Who was The Boss? The man with the earring was impatient with stupid questions. "He's the man you call 'Mr. Ambassador'."
>
> The envoy in question was John D. Negroponte, the American ambassador in Honduras. Official sources told Newsweek last week that Negroponte is overseeing an ambitious covert campaign to arm, train and direct Nicaraguan exiles.

Earlier this fall a camera crew, a film crew from the Canadian Broadcasting Corp., was in Honduras, tramping around the hills. They were captured by some counterrevolutionaries and taken into one of the Somocista camps. It was the first time that a group of newspeople had ever entered one of the Somocista camps in Honduras. They were held overnight and released the next day. They wanted to film, but they were not allowed to do so.

The person who filed the story with the Canadian Broadcasting Corp., Gavin Hewitt, said that he observed that "the camps were efficient, most of the men carried American-made M-16 rifles, they had radio communication with other camps, an indication of the degree of organization." Then, they stayed overnight, and the next day they met the commander of the base. "He introduced himself as Commander Lopez. He said the decision regarding the filming would be communicated through the usual channels, which, to our surprise, he identified as John Negroponte, the American Ambassador. We were later to be introduced to a German businessman called Gunther Havig who confirmed the embassy link. Mr. Havig was clearly of some seniority. He indicated over lunch that they had plenty of money which he said everyone knew was coming from the CIA. It also became apparent that we would never be allowed to film."

Time magazine, also in a separate story again talked about what was going on in Honduras in our arming the old Somocista guards. I quote again from the Time magazine article of December 6:

> But at some point, according to a U.S. intelligence source in Honduras, the U.S. started to lose it grip on the entire effort and its goals. The F.D.N., for one thing, is interested not just in intimidating the Sandinistas but in starting a real war against Nicaragua. "We will start to pick up the tempo before December," predicted an F.D.N. official. "We will be in Managua by spring."
>
> War or no war, the operation has already had unfortunate side effects on Honduras' fragile democracy. After years of military rule, the Hondurans elected Roberto Suazo Córdova last January as their first civilian President since 1971. The troubles in neighboring countries have given Chief of the Armed Forces Gustavo Alvarez Martinez an excuse to extend his authority.

The CHAIRMAN pro tempore. The time of the gentleman from Iowa has expired.

(By unanimous consent, Mr. HARKIN was allowed to proceed for 5 additional minutes.)

Mr. HARKIN. So, we find that the elected civilian government in Honduras has given way to the military once again. But, I guess the real mistake that we are making is not only in doing something that is clearly illegal, but in siding with perhaps the most hated group of Nicaraguans that could exist outside of the borders of Nicaragua, and I talk about the Somocistas. Again, I quote from Time magazine:

> In spite of all its efforts, Washington, ironically enough, may be backing the wrong contras. "They are making the biggest possible mistake," observed a leading opposition figure of the Sandinistas in Managua. "The Nicaraguan people are first anti-Somocista, and only secondly anti-Communist."

Again, I would quote from the Newsweek article in showing that the people that we are supporting are the ones that, on the one hand unify more than anything else the Sandinista directorate in Nicaragua; and second, that are those that are really antithetical to our own beliefs and what we want in Central America.

As a result, according to this article, Mr. Negroponte is supporting a group of vicious, cutthroat murderers: "There is no question that Nicaragua is ripe for a change," said one European observer in the region, "but the United States is supporting the only wrong, the only truly evil alternative."

Let me just quote then, last, from the New York Times editorial of today, "The Worst Kept Secret War."

In the Times editorial, it correctly points out that:

> These are, to begin with, illegal activities. The Neutrality Act expressly forbids the raising of secret armies to unseat a regime that the United States recognizes as lawful. Flouting that law is no way to rally the hemisphere against meddling by Cuba and Nicaragua in other nations' conflicts.
>
> Even if these secret armies were never meant to be used in a big way, they are a dangerous instrument of diplomacy.

What the Times is getting to here is quite possibly that the Contras, the Somocista Guards, were armed by the CIA in order to interdict the alleged flow of arms, from Nicaragua to El Salvador. What the Times has pointed out is, even if you do that, if you give people with a political grudge a gun and the means to fire it, if they do they are impossible to disown once they start. Even if they do not, they are extremely difficult to disband.

□ 1710

What has happened is that perhaps on one pretext of interdicting the supposed arms shipments from Nicaragua to El Salvador, we have armed the old Somocista Guards. They now have at least 10 camps. They have somewhere between 5,000 and 10,000 people. The magazine reports differ, but we are told that between 50 and 200 CIA advisers in Honduras are working with them.

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What they are doing is nothing more or nothing less than provoking a conflict with Nicaragua. They have crossed the border into Nicaragua. They have committed atrocities in the small town of San Francisco del Norte. They invaded the town and took some of the town's people down to the local square and slashed their throats, and after they withdrew, they identified themselves proudly as counterrevolutionaries, members of the old Somocista Guard, and they swore that they would be back to topple the Sandinista regime.

Let me just conclude by saying that regardless how one may feel about the Sandinistas and how one may feel about the direction the Nicaraguan Government has been going, what we are doing, in arming and supporting the old Somocista Guard along the Honduras border is, No. 1, clearly illegal. No. 2, if you do not like the Nicaraguan Government, there probably would be nothing you could do to strengthen their hand better than supporting the very hated Somocista Guards along the Honduran border. And, third, if nothing else, what my amendment does is it says that we have to stop all of the arms and all of the money used to arm and support these people who are not part of the legitimate armed forces, but are truly the remnants of the evil, murderous National Guard.

In the name of all that is right and just and decent, we should end our involvement with this group.

My amendment does not speak to the Honduran military, not at all. It only speaks to arming those individuals who are not part of the country's regular armed forces and who use those arms to invade, to go into Nicaragua to seek to disrupt the Nicaraguan Government.

So, Mr. Chairman, I ask support for this amendment to prevent our becoming further intertwined in the jungles and swamps of Central America.

Mr. LEACH of Iowa. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, I am pleased to join my distinguished colleague from Iowa (Mr. HARKIN) along with the distinguished gentleman from Minnesota (Mr. OBERSTAR) in offering this amendment to prohibit U.S. support for offensive military or paramilitary operations against the people and territory of Nicaragua.

The legislative record should be clear at the outset that this amendment is not intended to interfere with standard U.S. intelligence gathering operations in Central America nor is it intended to prevent U.S. support to countries in the region if confronted by a military attack from Nicaragua. It is important, as well, to point out that the amendment is not directed against U.S. support for efforts by the Honduran Government to interdict any illegal arms traffic flowing from Nicaragua to other countries through Honduras.

The amendment is, however, specifically directed against the type of activity which has been widely reported in the U.S. press and on which the administration refuses to comment. Those activities, which allegedly include the arming, training, and advising of Nicaraguan exiles by American personnel, reach far beyond any reasonable mandate of intelligence gathering or defense. Instead, much of the publicly available evidence appears to suggest that this administration, weary of its consistently unproductive bilateral diplomatic efforts, is now flirting dangerously with an overt—and arguably illegal—interventionist policy toward Nicaragua, albeit by covert means. Great power interventionism, as international law and the lessons of history for both East and West demonstrate, is an idea whose time on the clock of history has passed.

Interventionist activities are in direct contravention of international law and the legally binding treaty obligations of the United States under both the Charter of the United Nations as well as the Charter of the Organization of American States.

For example, Article 2 of the United Nations Charter states:

> All Members shall settle their international disputes by peaceful means in such a manner that international peace and security, and justice are not endangered. All Members shall refrain in their international relations from the threat or use of force against the territorial integrity or political independence of any State * * *

Article 18 of the OAS Charter sets forth similar obligations:

> No State or group of States has the right to intervene, directly or indirectly, for any reason whatever, in the internal or external affairs of any other State. The foregoing principle prohibits not only armed force but also any other form of interference or attempted threat against the personality of the State or against its political, economic, and cultural elements.

Legality aside, it would appear hypocritical for the United States to charge the Nicaraguan Government with the export of subversion and terrorism if, in fact, the United States is engaged in much the same type of activity against other nations, such as Nicaragua. Such actions, when undertaken by a superpower such as the United States, are no less illegal under international law than when undertaken by a much smaller and poorer nation like Nicaragua.

The arguments against interventionist policies are not only philosophical and legal; they are deeply practical. Great power interventionism as the last two decades have taught us, is simply counterproductive. This was the final lesson of the Vietnam war and the lesson the Soviets are learning for themselves in Afghanistan today. The desire of peoples to make their own mistakes, to preserve and advance their own culture and way of life is unquenchable.

The administration is erring profoundly in seeking to apply military solutions to the political and economic problems of Central America. American military intervention is exactly what the leftists in Central America want in their own efforts to more broadly popularize their own causes of violence in the name of Marxism. U.S. military interventionism—either covert or overt—offers extremist elements the opportunity to turn a largely Marxist oriented campaign into a nationalist crusade against "yankee imperialism."

U.S. military interventionism not only broadens the popular base of leftist groups but, by example, helps legitimize the use of violence and armed force to accomplish political objectives. In addition, U.S. support for insurgent activities against the Government of Nicaragua undermines the moral underpinning of U.S. policy against the use of force by armed insurgents elsewhere in Central America. Violence simply begets more violence.

The apparent decision by the administration to resolve through force what it is unable to accomplish through diplomatic channels bodes ill for the future of U.S. foreign policy. It strikes many of us that long-term American interests in Latin America are better served by an increased emphasis on economic aid instead of military assistance; by increased reliance on Peace Corps volunteers distributing food surpluses rather than the CIA training secret armies.

Ironically, just as the Cubans are providing weapons with destabilizing intent to insurgent groups in Central America, so they are sending doctors, nurses, teachers, and technicians to countries like Nicaragua. It appears as most graphically demonstrated in these latest developments involving covert action, that the United States is responding to the Cuban-Nicaraguan challenge too exclusively with the sword. The administration risks making a grave mistake if it fails to recognize the error of "staying the course" of military involvement in Central America and continues to overlook our own Peace Corps as perhaps our most potent tool for protecting and advancing U.S. interests in the region.

Sadly, U.S. support for covert military operations appears to have provided a convenient pretext for the Nicaraguan Government to impose heavy restrictions internally on the free exercise of political and civil rights by the democratic elements remaining in Nicaragua, both in the business as well as the political community. Ironically, the administration

[CRS-5]

has jeopardized the prospect for achieving its ultimate objective in Nicaragua of replacing the current Marxist regime with an authentically democratic one by its choice of covert military means to that end. By engaging in confrontational action and rhetoric, the United States is actively contributing to the disappearance of the last democratic hope for that country.

Finally, U.S. covert military involvement in Central America raises again troubling questions related to the authorities of the executive branch under the War Powers Act. The War Powers Act may not precisely have been intended to apply to situations where retired U.S. military or intelligence officers are used in paramilitary or military operations. But the legislative history of the War Powers Act documents the concern that the law be

> * * * to prevent secret, unauthorized military support activities and to prevent a repetition of many of the most controversial and regrettable actions in Indochina. The ever deepening ground combat involvement of the United States in South Vietnam began with the assignment of U.S. "advisers" to accompany South Vietnamese units on combat patrols; and in Laos, secretly and without Congressional authorization, U.S. "advisers" were deeply engaged in the war in northern Laos. (Senate Report 93-220)

Clearly the situation confronting the Congress today raises the question as to whether the administration is committed to a policy in Central America which may lead to a violation of the spirit if not the letter of the War Powers Act. Just as the assignment of official U.S. military personnel to places of foreign combat carries significant risks, so does the conduct of secret wars by secret armies. We can hope that the convert activities of our CIA or Defense Department do not provoke a full blown military response from the Nicaraguan Armed Forces. But hope under the circumstances is not enough.

Congress should act today to hold the administration accountable for its activities under the War Powers Act as well as under the formal treaty obligations of the United States.

Mr. OBERSTAR. Mr. Chairman, I am proud to be associated with this responsible effort to prevent the prolongation of a serious foreign policy blunder by our country.

Common sense demands that we reject a policy of destabilization directed against the Government of Nicaragua.

That policy will result in diplomatic disaster for the United States, and worse, potential war and further suffering for the people of Central America.

A war between Honduras and Nicaragua will mean tragedy for the people, and the likely end of the developing democracy in Honduras.

A policy of destabilization offers no goal beyond the end of Sandinista Nicaragua. I can see no benefit in these operations for the people of the United States or furthering their democratic principles.

It is absurdly inconsistent that, as the United States continues to support militarily a regime in El Salvador responsible for gross human rights violations, we would spend taxpayer dollars to fund operations directed at destabilizing a government with whom we have diplomatic relations.

The Sandinista government is far from perfect. It is not the government which I would choose, nor is it one under which I would like to live. However, the Sandinista government is totally lacking in the bloodthirstiness characteristic of the military regime in El Salvador.

A mindless insistence upon unquestioning support for rightwing poliicial causes in Latin America has undercut American interests in that region. Covert operations directed against Nicaragua will destroy the remnants of pro-American elements within that country. It will strengthen hard line, anti-American elements.

An option of the Harkin amendment will place us on record as opposing the absurdity of current administration policy.

Peace is the proper objective. Covert destabilization is not the means. The key is negotiations—a dialog with the intent to terminate hostilities with a negotiated settlement.

Clearly that is what is needed between Honduras and Nicaragua today. Their border skirmishes threaten to launch a regional war. There must also be larger regional discussion involving those countries and El Salvador to agree on ending all acts of subversion by one country against another.

None of these negotiations, however, will lead to a lasting settlement in my judgment unless there are internal negotiations in each of El Salvador, Guatemala, and Nicaragua.

In El Salvador, a negotiating process must include at least elements from the present government, including the army, and the FDR-FMLN. In Guatemala, they must include the government, political parties not presently associated with the government but still in Guatemala on the one hand, and the guerrillas (URNG) and allied political groups on the other. In Nicaragua, a similar process would have to include the Sandinista, led government and both exiled and in country democratic opposition groups. It is unreasonable to expect the people of Nicaragua at this time to accept the reemergence into politics of forces associated with former President Somoza.

These are the players and yet in each of the countries, one side or another will not sit down and even begin to talk. In El Salvador, the Government backed by the Reagan administration will only discuss how to allow the parties tied to the FDR-FMLN to participate in elections if their forces lay down their guns. No mention is made of the army and the security forces which would keep their guns and who over the course of 3 years have killed tens of thousands of the supporters of these groups, the precinct workers of these parties.

In Guatelama, the Government offered dialog. It is now silent. The guerrillas there and their associated political groups have always rejected the offer.

In Nicaragua, the Government has on and off dialog with political parties still inside the country, but routinely announces it will not negotiate with Eden Pastora, the leading symbol of resistance. Pastora has yet to propose negotiation.

The reason for resistance to negotiate is clear. In Latin America today, a negotiated settlement will receive widespread international support only if the solution includes elections. The holding of free and genuinely open elections and establishing an interim neutral government to preside over them would involve in every case some surrender of power or the prospect of holding total power.

The Army of El Salvador has ruled that country for 50 years. It has shared some little power with some civilians. But it does not want to risk a government coming to power with the left having real authority. The guerrillas in Guatemala apparently desire total victory and are not willing to give up that dream. The Sandinista leadership apparently has decided that although the moderates were useful in achieving victory, there is no reason to let them truly compete for power in a democratic manner.

Those are unacceptable positions. Those who hold them are the obstacles to peace in Central America. They are the ones who are opposing political solutions and democracy.

To promote negotiations leading to elections should be the policy of the United States. To encourage others to risk their power or their dreams of power in the democratic process is what our diplomats should do.

And we too should be willing to lose some of our influence by negotiating with the Cubans an agreement on both our sides to limit, if not eliminate, advisers and military aid going to the region.

That is how to achieve peace, not covert operations.

Mr. Chairman, I can think of nothing more mindless or insensitive to international relations than a policy of the United States of giving military support for a band of warriors to invade another country with which we have diplomatic relations.

How can the administration profess on the one hand to be advocating peace through this Caribbean Basin Initiative, and on the other hand, be instigating war by arming and training a group of people committed to the violent overthrow of a government? In this country we would call them revolutionaries and criminals, but when it is a matter of invading Nicaragua, the Reagan administration, provides support and says that this is in the interest of democracy. What I see is a dangerous policy leading us toward military confrontation in a region of the world that is already explosive, that is torn with internal conflict, and where we are surely perpetrating war among countries which need not war but peace, which need to feed the hungry and need to rebuild their domestic economies.

[CRS-6]

A war between Honduras and Nicaragua will surely be the result of our policy of arming and training the Somocistas and encouraging them to a violent return to their native land, and it will also mean the likely end of developing democracy in Honduras. There is no benefit to the United States in that policy. Surely there is no benefit to the people of Nicaragua or to the people of Honduras.

The gentleman from Iowa (Mr. HARKIN) and I visited El Salvador and Nicaragua earlier this year. Businessmen, some of whom were not in support of the Sandinistas, said to us: "When your government talks about arming Somocistas for an invasion of our country, we believe them. You invaded us three times. We take that threat seriously. But if that should occur, remember that we will fight for our homeland whether we agree with this government or not."

I can only recall a parallel in 1948 in Yugoslavia. When Stalin wanted to crush Tito, the Yugoslav people resisted and they said, "We may dislike Tito 100 percent, but we hate the Russians 105 percent and we will fight them to the last."

We have not enamored ourselves to the peoples of Central America and of the Caribbean. We should have, but we have not, and we will engender greater resistance by following this madness of a policy. There is no benefit in it for us.

We should be putting this $17 million, or however other millions are to be committed to military intervention in Nicaragua, to a peaceful purpose. We could build up the developing cooperatives that we visited. We could build up the rural areas of that country that need to grow crops and provide food and income for their people. We could build up the rural health clinics. But let us not arm others for an invasion of that country. It will be a worse mark on the honor and record of America in Central America than anything we have done thus far.

Mr. Chairman, I urge support of the Harkin amendment.

Mr. DELLUMS. Mr. Chairman, I rise in support of the amendment to prohibit the use of funds to wage clandestine warfare against the Government of Nicaragua.

Following the widespread publicity of the CIA's involvement in the overthrow of democratically elected Salvador Allende in 1973, the Congress empowered committees to investigate U.S. intelligence activities. In analyzing CIA covert operations, the committees asked the following questions: Are covert operations important to the national security of the United States? Are covert activities antithetical to our principles and ideas as a nation? Has the Executive resorted to covert actions to avoid bureaucratic, congressional, and public debate? If revealed, will covert activities damage the reputation of the United States throughout the world, and limit our capacity for ethical and moral leadership?

I believe that if these questions are asked about President Reagan's covert project to destabilize or overthrow the Government of Nicaragua, the American people and the Congress would overwhelmingly reject it.

Covert operations against the Government of Nicaragua cannot be justified by strict national security criteria. The Sandanista government has never committed a hostile act against the United States or U.S. citizens. Our intelligence sources have not identified a single Nicaraguan fighting in El Salvador, and the evidence of major material support for the insurgents is not compelling. Furthermore, the Government of Nicaragua has repeatedly expressed its willingness to negotiate with the United States and the Government of Honduras to reduce regional tensions and cooperate in patrolling its borders to stop further arms which may flow through Nicaragua.

Indeed, covert operations themselves may endanger U.S. national security. The militarization of the Honduran border and the involvement of the Honduran military in cross-border raids threatens to engulf the entire region in warfare. Covert operations have undercut the position of pro-American moderates in Nicaragua, and strengthened antidemocratic elements in Honduras as well.

In addition to being unjustified in terms of national security, the techniques and methods of the present covert operation against Nicaragua are incompatible with our principles and ideals as a nation. Arming, training, and supporting the degenerate and hated remnants of Somoza's National Guard is a fundamental perversion of everything our country stands for.

Finally, it seems clear that covert operations were undertaken to avoid the democratic process in our own country. Public opinion polls, newspaper editorials, and grassroots activities indicate overwhelming opposition to President Reagan's Central American policies. The Congress is increasingly reluctant to appropriate additional funds for military aid to El Salvador's armed forces. The Congress and the American people favor a mediated settlement to Salvador's bloody struggle, and have no desire to extend that struggle to other countries in the region.

The Church committee report in the other body concluded that:

> Given the open and democratic assumptions on which our government is based, the Committee gave serious thought to proposing a total ban on all forms of covert action . . . The most basic conclusion reached by the Committee is that covert action must be seen as an exceptional act to be undertaken only when national security requires it.

I believe that there is no justification for the CIA's exceptional act against the Government of Nicaragua, and urge your support for an amendment to prohibit it.

□ 1720

Ms. MIKULSKI. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, I rise in support of the amendment for several reasons. I have been to Honduras and I have been to Nicaragua and feel that I have some understanding of this issue.

However, the first reason that I want to support the amendment is that our covert activity in the Honduran-Nicaraguan area violates an international agreement; it violates the OAS Charter, article 18, that clearly states that—

> No state or group of states has the right to intervene directly or indirectly for any reason whatever in the internal or external affairs of any other state. The foregoing principle prohibits not only armed force but any other force of interference or attempted threat against the state.

So we, in my estimation, are in violation of that international agreement.

Second, because of our activity, Honduras is being destabilized. Honduras has finally had the first democratic government in over 10 years.

While Honduras has many problems and they are struggling to deal with those problems, we need to identify with the aspirations and needs of the Honduran people and follow the program suggested by the gentleman from Minnesota (Mr. OBERSTAR). We need to talk about land reform. We need to talk about health care, helping in education and the development of business. Yet, instead, the biggest business we are funding is military interventionism.

The military, strengthened by escalating American assistance, has used regional turmoil as an excuse to extend its authority.

The Chief of the Armed Services, General Alvarez, has obtained constitutional changes that would broaden his power. Honduran politics has been polarized and there has been increasing reports of human rights violations and rightwing death squad activity.

At the same time the Honduran Foreign Minister was speaking of peaceful accommodation with Nicaragua, General Alvarez, thanks to our encouragement, has declared that Honduras is locked in a war to the death with Nicaragua and called for a military alliance grouping Honduras with El Salvador, Guatemala against Nicaragua.

[CRS-7]

Now we are about to precipitate a regional war in Central America. I do not want to see that and I do not want to see us cause another Vietnam.

At the same time I would like to speak about Nicaragua. I visited Nicaragua and my concerns there are not that the Sandinistas are some type of saints, that we should overlook some of the problems that they have had and the problems that they have caused, nor is the junta some group of people on a religious mission or crusade.

However, one thing we do know about Nicaragua is that Somoza was a bully and that he was a crook and that he was a thug and that we supported him. As a result, the only way the Nicaraguan people could have an opportunity to have a chance for life in their own country was to launch a national liberation effort, and that they did.

When the war was over, what did we offer to the Sandinista government to stabilize itself and grow? I asked the Nicaraguans what we offered in the area of health care, something that I have a special expertise in. I found out that while the Cubans brought in vaccinations and immunizations and sent in nurses-midwives and physicians to help people in the barrios, there is only a small band of Maryknoll nuns doing that from the American side with any American identification.

What we were going to send in is military medical personnel from Panama to run their hospitals.

Well, would that not just be swell, our military guys running the Nicaraguan hospitals. Maybe they could have told them how to order a CAT scanner and get third-party reimbursements. But it certainly did not help the Nicaraguan people where one-third of the children under 5 die because of polio, diarrhea, and other problems.

What we should be doing again is identifying with the struggles of the people. The reason there are national liberation movements is because we support the bullies and we support the bullies because they say they are anti-Communist.

The reason you have national liberation movements that are to the left is because they are the only ones identifying with the needs of the people.

We made this mistake in China 40 years ago. We made this mistake in Vietnam and we made it throughout Asia. For God's sake, let us not make this same mistake in Central and Latin America.

I urge the adoption of the Harkin amendment and yield back the balance of my time.

Mr. JOHN L. BURTON. Mr. Chairman, I move to strike the requisite number of words and I rise to speak in support of the amendment.

This really I hope will not be read as an historic day. It will be read as an historic day if we vote down the Harkin amendment because we will be opening up ourselves to another Vietnam.

This will not happen next year and it will not happen the year after, but sooner or later, as we arm Somoza's friends—and he was a thief and he was a thug and he was a fascist and he was corrupt. He took out of that country with a lot of American taxpayers' dollars that were given in aid to the people of that country and not to him personally, but he took them unto himself personally.

We will have American advisers in there. I would remind my colleagues that the war in Vietnam started in 1954 with 36 airplane mechanics.

JOHN STENNIS stood on the floor of the U.S. Senate and said when you send these mechanics you will send the American flag. When you send the American flag you send an American commitment and you send our honor and certain things will happen.

If my colleagues read the speech by the distinguished Senator from Mississippi, it looks like a history of Vietnam except it was written in advance.

If we do not stop the CIA now from engaging in covert activities to overthrow a government of another country we will be involved not just only in Nicaragua but throughout Central America because we do not somehow understand that they are no longer banana republics owned by the United Fruit Co., but they are sovereign nations that are run by the people of that country.

They may not be run in a way that we would like but then this administration is not run in a way that people in this country like. The Carter administration, Democratic administrations are always not run in a manner that the Republicans like. But that is just the way of life.

But it is their country and it is their government and we have no business screwing around over there, causing trouble that is going to lead this country into military adventurism. It will start with a covert activity and it will progress to a paramilitary adventure. We will end up in a full-blown military adventure because you cannot defeat another people in their own country and that is something we should have learned.

I strongly urge the people of this body of this committee to support the Harkin amendment. All that it really says is that the CIA, that rogue elephant, has to obey the law, has to obey the law. They are taking your constituents' tax dollars and my constituents' tax dollars and starting trouble down in Central America. I did not give them that authority and you did not give them that authority and the people of this country, everyone is worried about deficits in spending and balanced budgets.

Let us chop off $17 million or $20 million here and save it. It is the wrong thing for this country of ours to be doing, to be messing in the affairs of another sovereign nation.

I would strongly urge my colleagues to support the Harkin amendment.

Mr. BEDELL. Mr. Chairman, will the gentleman yield?

Mr. JOHN L. BURTON. I am happy to yield to my friend from Iowa.

Mr. BEDELL. Mr. Chairman, I join my colleagues in support of this amendment.

When will we learn from our past mistakes of military intervention?

When will we learn that the people of the world are not stupid?

I object to Castro's effort to bring down governments through military means.

I believe it is a legitimate objection.

But will someone please tell me how we can possibly say that it is wrong for Castro to do something, which is perfectly all right if it is done by the United States of America.

I commend my colleague TOM HARKIN for this amendment.

Mr. JOHN L. BURTON. I thank the gentleman and yield back the balance of my time.

□ 1730

Mr. DORGAN of North Dakota. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, this is a very important issue, and I do not pretend to be an expert in foreign affairs. But I have watched the proceedings in Congress for many, many years on foreign affairs issues and I have become rather distressed with what goes on. I want to speak on this issue because I think it is critical to the direction of our foreign affairs in the years ahead.

I spoke to a high school class a while back, and a young high school senior said to me, "The Soviets are really involved in a lot of adventures all across the globe, aren't they?"

I said, "You bet they are. And they do not just leave their fingerprints; they leave truck tracks, they leave uniforms. The fact is, they are involved in adventures all across the globe, and they do meddle all across this globe, and that is wrong. But the fact is, young man, so does America meddle far too much all around this globe. The fingerprints of this country on internal affairs of other nations are all over the history of American foreign policy, and that is wrong as well."

About a year ago we had a meeting up in the Longworth Building, for Members who wanted to attend, and the former Ambassador to El Salvador, Ambassador White, said to a number of us who attended: "You know, I cannot prove it, but you listen

[CRS-8]

to the news, your read the things that are written about what is going on down in Central America, and those of us who are diplomats, those of us who have been involved in the foreign service learn to pick up hints about what is happening." He, said, "I cannot prove it, but all of the things that I see and read tell me that there is a destabilization effort going on down in Nicaragua sponsored by the U.S. Government."

Well, about 6 or 8 months later, reports started creeping up in the newspapers, in the magazines, that yes, indeed, there are destabilization efforts, there are covert actions down in that region of the country by the CIA of the United States. And I think it is wrong.

I am not suggesting that we do not have vital interests around this globe. We do. But I support the Harkin amendment. I think the Harkin amendment makes good sense. The Harkin amendment does not prohibit legitimate intelligence gathering by this country.

We do have vital interests in Central America. I do not think anybody questions that. And our interests in Central America are not always in concert with the interests of those who now govern Nicaragua. I do not think anybody questions that, either. But the fact that our interests are not in concert with those who now govern Nicaragua does not justify attempts by our Government, covert attempts or overt attempts, to overthrow the Government of Nicaragua, and I think that is what this question is all about.

I support the Harkin amendment. It makes good sense. It puts this country back on a course of foreign policy that makes sense for our future and the future of the world.

Mr. EDGAR. Mr. Chairman, will the gentleman yield?

Mr. DORGAN of North Dakota. I yield to the gentleman from Pennsylvania.

Mr. EDGAR. Mr. Chairman, I commend the gentleman for his comments, and I just want to say to the gentleman that I appreciate his statement. I think that the important issue is whether or not the United States should be involved in covert or overt actions toward the nation of Nicaragua, and I think the Harkin amendment addresses this in a positive way. I thank the gentleman for his statement.

Mr. DORGAN of North Dakota. I appreciate that. And let me just say, in conclusion, that there are those who will stand up and say, "Well, my God, we do have vital interests down there and we ought to protect those vital interests."

I am not suggesting that we ought not protect our vital interests around this globe. I am saying that the fact that the other governments do not believe in the same things that our Government does, does not justify the U.S. Government to be involved in covert actions to destabilize or overthrow foreign governments. I think that the record of the 1960's and the 1970's shows us that we have got foreign policies, covert foreign policies, that we ought to be ashamed of. I think this body is starting to recognize that, and I think this body is going to steer us on a course of a better foreign policy by telling us that we should not be involved in that kind of activity, particularly now in Central America and particularly with respect to Nicaragua.

Mr. STUDDS. Mr. Chairman, will the gentleman yield?

Mr. DORGAN of North Dakota. I yield to the gentleman from Massachusetts.

Mr. STUDDS. Mr. Chairman, I would like to commend the gentleman for his statement, and I would like to associate myself with the remarks of those who have spoken thus far in support of the amendment.

Let me just say that the operations in question are not covert. They are on the front page of the papers of this Nation. They are politically inept. They will backfire. They will be what the State Department calls, in its unique language, counterproductive. They are, as has been pointed out, a clear violation of international law, and they will not work. They are doomed to failure. Otherwise, they are a perfectly fine idea.

If I may impose upon the gentleman's time for about 30 seconds to read a statement made by Walter Lippmann 21 years ago, immediately after the failure of the Bay of Pigs invasion, Lippmann pointed out at that time that the failure of the CIA involvement in fomenting that invasion was inevitable because it was inconsistent with the character of the American people and it was in conflict with every notion that we as a nation have about the proper method of achieving political change. Lippmann wrote:

> The ultimate reason why the Cuban affair was incompetent is that it was out of character, like a cow that tried to fly or a fish that tried to walk. It follows that in the great struggle with communism, we must find our strength by developing and applying our own principles, not in abandoning them. I am very certain that we shall have the answer to Mr. Khrushchev if, but only if, we stop being fascinated by the cloak and dagger business and, being true to ourselves, take our own principles seriously.

Mr. Chairman I rise in support of the Harkin-Oberstar amendment to prohibit U.S. support for covert operations directed against Nicaragua.

These operations are:

First, not covert; one of the burdens of a free society is that the people have both the right and, often, the ability to keep their government from carrying out foolish and destructive activities in their name, and with their money.

Second, politically inept, for they have generated a propaganda bonanza for the radical left, an excuse for a military buildup in Managua, and a growing threat of regional war. They have shifted the focus of world attention from Nicaragua's errors in policy to ours and contributed to a political atmosphere inside that country within which moderate and democratic elements cannot long survive.

Third, a clear violation of international law; they violate fundamental provisions of the U.N. Charter, the OAS Charter, and numerous other international agreements. In supporting covert military action against Nicaragua, we are guilty of precisely what we have accused the Nicaraguans of doing with respect to El Salvador; and we are demonstrating the same attitude toward international law for which we strongly—and justly—criticize the Soviet Union.

Fourth, doomed to fail; the United States is grievously in error if it believes it can place a group of thugs and murderers—for this is what the ex-National Guardsmen and their allies are—back in power in Managua. The world is not that simple any more. The question of who should hold power in Nicaragua is a question for Nicaraguans themselves to decide.

Back in 1961, following the Bay of Pigs, Walter Lippmann wrote a column in which he stated that the failure of that expedition was inevitable, because it was inconsistent with the character of the American people. He wrote that we should not attempt such things, for the simple reason that undermining foreign governments through secret military operations is not something at which we are very good. We cannot keep them secret; and, as a people, we know they are wrong. They conflict with every notion we have about the proper method of achieving political change.

There are Americans who might argue that Lippmann was wrong, and that actions such as those we are now supporting in Nicaragua are consistent with U.S. values and interests, but I suggest that those holding that cynical view—and I suspect most of them have spent far too much of their lives in Washington—have lost touch with the people in whose name this Government is supposed to act.

I commend the gentleman, and I thank him for yielding.

Mr. OTTINGER. Mr. Chairman, will the gentleman yield?

Mr. DORGAN of North Dakota. I yield to the gentleman from New York.

Mr. OTTINGER. Mr. Chairman, I, too, would like to commend the gentleman for his statements and join him in his efforts.

Mr. Chairman, as one who set up the Peace Corps in South and Central America, I can tell you that this kind of effort appearing on the front page revives all of the specter of American imperialism in the Americas and will indeed redound to the great benefit of the Communists who feed off of the kind of instability that is created.

[CRS-9]

I think the Harkin amendment, of which the gentleman is one of the cosponsors, is an absolutely correct response, and I hope it will receive the support of this body.

Mr. Chairman, I want to commend the authors of this amendment, Congressmen HARKIN, LEACH and OBERSTAR, for their efforts to help forge a sound U.S. policy toward Nicaragua and Central America.

Recent press reports have confirmed that up to 200 CIA personnel are arming, advising and training Nicaraguan exiles (including members of former President Somoza's National Guard) in a concerted and costly effort to destabilize the Nicaraguan Government. The Washington Post has estimated the cost of this project to be $19 million.

These covert activities are the heart of Reagan administration policies toward Central America which are shortsighted, reckless, illegal and counter to our Nation's interests in every respect.

This policy contradicts President Reagan's stated goal of thwarting Soviet expansionism in Central America. In Nicaragua, we are driving Nicaragua into the hands of the communists. Other Latin American countries will eschew United States association for fear of interference in their internal affairs.

Far from promoting stability in Central America, this covert operation fuels the chaos that has gripped the region. It creates border skirmishes, exacerbates hostilities and further militarizes Central America. Indeed, no policy could more increase the possibility of regional conflagration.

Our present involvement against Nicaragua makes a mockery of the President's desire to weaken the hardline anti-American elements in the Sandinista government. If anything, the administration's support of covert maneuvers has strengthened these forces, undermined the efforts of the democratic opposition in Nicaragua, and diminished the prospects of any potential political reconciliation between political groups in Nicaragua.

The Reagan administration's policies will also weaken a fragile democratic ally in Central America: Honduras. We have polarized Honduran politics and locked that nation into a war footing with Nicaragua, resulting in an increased authoritarian climate, greater poverty, and instability. The long-range effects of our covert operations may include rising dissent and anti-American sentiments in Honduras. In short, we are forcing that nation down the same path traveled by Iran, and Nicaragua itself, and may soon find ourselves opposing a new Honduran Government alined with Moscow.

The administration seeks to enhance U.S. prestige and influence in Central America, yet our covert maneuvers have discredited our Government and dismayed our allies. It has bolstered anti-American elements throughout the region and validated Soviet claims that we are willing to violate international law—specifically the Charters of the United Nations and the Organization of American States—in our efforts to topple governments.

Instead of pursuing this dangerous and illegal course, we should formulate policies which stress peace, democracy, development and conciliation among opposing forces in Central America. Nicaragua has indicated its willingness to negotiate, yet incredibly the Reagan administration has rejected those overtures, opting instead for destabilizing military solutions. I urge my colleagues to support this amendment to prohibit U.S. backing for covert military and paramilitary operations in Nicaragua.

Mr. **MILLER** of California. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, for all of the reasons that my colleagues have cited, I, too, rise in support of the Harkin amendment.

I think it is most important that the Congress of the United States makes its feelings known about whether or not we are to engage in covert action in Honduras, Nicaragua, and elsewhere in Latin America.

For some months now it has been a matter of speculation whether or not the United States has been engaged directly or indirectly, whether or not we have been hiring Argentinians to train individuals in Honduras, whether or not runways were being extended or not being extended for the purposes of action in Nicaragua, whether or not we have been supplying arms, or whether or not we have been supplying third party arms so that they could then give their arms to the Somoza allies.

I think what is clear now is that no longer can you as a Member of the Congress of the United States fail to respond to the demands of the Harkin amendment because you do or do not know whether or not activity, covert activity, by the United States of America against the Government of Nicaragua is taking place.

The fact of the matter is, this Congress had better go on record in getting control of those agencies who have convinced the White House to substitute covert action for policy, to substitute covert action for diplomacy, and take an action that without the express consent of this Congress is in fact illegal, unethical and against the best interests of this country.

It is no longer speculation about the use, direct and indirect use, of American personnel and money for this effort. And for that reason, it is most important that the Harkin amendment be supported.

Very often Members get up here and they suggest that we are approaching another Vietnam, that if we do not do something, we will all look back in horror. Well, I will suggest to you that perhaps today is that day when you can vote, perhaps today—in fact, today is the day—when you can vote either to continue covert action, to continue the indirect action of this country in the affairs of Nicaragua, on the border of Honduras and Nicaragua, or you can vote to terminate that action. The fact that this action is taking place is no longer speculation. I assure you it is. And I assure you that today is the vote, if you seek not to apologize for what is already taking place at a future date, if you seek to go back to your constituents and tell them that in fact you discharged your job as a duly elected Member of this body, because unlike the congressional pay raise, where some people were able to go home and say, "I did not know what was in the legislation," we know what is in this legislation now, we know that there is money in here to disrupt the duly formed government of a sovereign country that this administration does not happen to agree with, but nevertheless it is illegal to engage in armed action against those individuals and against that government, but the money is in this legislation, the activities are taking place, the press knows about it, the world community knows about it, the American Government knows about it, the Congress of the United States knows about it.

Now, the issue is: Do you want to let it continue? Or do you want to stop it?

□ 1750

You are now on notice. This is not speculation about another Vietnam. This is a first step of our Vietnam. Some of us came here to stop Vietnam. And here is a chance to stop the new one. The action is taking place, the money is being spent, the advisers are being sent, payments to third parties are taking place, sales to one government, military sales to one government are taking place so those arms can be sent to the Sandanistas, and our hands are supposedly clean.

Our hands are not clean, they can never be clean until you recognize the Harkin amendment for what it is. It is an opportunity for those of us who time and again have expressed that concern about this country drifting into war, about this country drifting into a position a whole generation died for, that a country found untenable, that chased a President of the United States from office, I think now there is a decision.

This is not just some other amendment dealing with somebody's concerns about our intervention in the Third World. This is the last opportunity you will have of this Congress to cut off an unacceptable and illegal and an immoral action. And I would hope that the Members would all support the Harkin amendment.

[CRS-10]

Mr. **DORNAN** of California. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, the debate so far is rife with repeated references to the past horrors of the Vietnam war. We just heard from a forceful speaker from California the word "immoral" applied to our efforts in Vietnam. Immoral my assets.

First, before I address myself specifically to this terribly flawed amendment, which I vigorously oppose, let me address myself to a weird and tragic phenomenon in this House, without impugning anybody's motives, but taking notice of and analyzing the deafening silence that I have noticed for 6 years coming from the more liberal Members on the other side about the gut-ripping atrocities being committed in Laos, Cambodia, and Vietnam now and for the last 7 years since we pulled out. Certainly not all the Members on the other side are silent, only the most liberal, our most highly decorated Vietnam veteran sits on the majority side, Mr. Don Bailey, and he regularly reminds this body of the current agony of Vietnam. Yesterday he spoke passionately of the rioting this month in Saigon, now sadly called Ho Chi Minh City, and about how this rioting for freedom went almost without reference in American prestige media. Don told this House how the story was buried in the back of the Washington Post.

Now, why is it that I have never heard a speech—one may have been made but I have never heard it—from Mr. Harkin, Mr. Miller, Mr. Dellums, some of the more committed liberal speakers on the other side, about, for example, the vicious and brutal genocide of 2 million innocent men, women, and children in Cambodia. How is it that only George McGovern, a former liberal Member of the other body was the only Member or former Member who midway throughout that awful genocide of almost 2 million people, condemned it. He was so distraught, that he urged the United States of America to invade Cambodia to stop the massive killing. He, of course, was condemned by the Tom Haydens and Jane Fondas of the world.

Only Joan Baez, of antiwar fame, seemed to be equally upset about that genocide.

How is it that we hear nothing from House liberals about inhumanity to mankind that is going on in Vietnam today. Nightmares such as Soviet poison gas, "Red Rain" and "Yellow Rain" being used on civilians in Laos and Kampuchea. This is a war crime. The red rain poison gas and the blue rain nerve gas being used against freedom fighters in Afghanistan, how is it that we hear nothing from you liberal moralists on the other side. How about you fast-speaking liberals, just once, talking about the 600,000 boat people who did not make it, who died on the South China Sea by drowning, shark attack, dehydration, and rape-murder.

The boat people survivors in those wretched refugee camps have a motto, more a prayer, "Some of us are here and free, the rest are with God and free forever." How about just once, just once, a liberal making a 1-minute speech for "the wretched refuse of those teeming shores, the tempest tossed."

Mr. JOHN L. BURTON. Mr. Chairman, will the gentleman yield?

Mr. DORNAN of California. I will yield briefly and then I will yield more extensively, if you desire.

Mr. JOHN L. BURTON. Mr. Chairman, it is not our Government that is doing it. It is not our Congress that ratifies that. It is not our taxpayers that are paying for it. That is why.

Mr. DORNAN of California. Interesting point. Except that does not preclude you or any other liberal getting up on your feet in righteous indignation to condemn the genocide or the war between Vietnam, one Communist conquerer against their former ally Communist China who invaded them. It does not prevent you from condemning the brutality to the boat people and the unnecessary deaths of hundreds of thousands of women and children.

Mr. JOHN L. BURTON. If the gentleman will yield further, I will introduce an amendment to prohibit funds from this bill going for that purpose.

Mr. DORNAN of California. What is that supposed to mean nonsensical. I do not yield.

Mr. JOHN L. BURTON. Would you accept that amendment?

Mr. DORNAN of California. No; I do not accept nonsensical amendments and I will tell you why. What in hell or heaven precludes anybody from your side ending this damnable deafening silence, your refusal to condemn the human rights violations by Communist regimes or the Soviet poison gas atrocities taking place now in four countries across the globe. All the speeches and continuing references about the illegality and immorality of U.S. involvement in Vietnam rings hollow and foul as long as you maintain your silence about Communist brutality.

I support Mr. Bailey's and President Reagan's remarks about our Vietnam efforts, that whatever we did wrong, it was a noble cause, and at least we tried. We tried to keep freedom alive in one more remote corner of the globe. That noble effort has been vindicated by the worst predictions of a bloodbath coming true. The unbelievable brutality that exists in Southeastern Asia at this very moment screams out for condemnation, and for humble apologies to our fighting men of the Vietnam war, living and dead, who tried and tried to prevent the holocaust of the 1970's, of the 1980's.

Now, let us analyze the Harkin amendment and why I am against it.

Without trying to twist its intent or meaning, for clarity let me leave out a few key phrases such as "the Central Intelligence Agency" and just read several phrases to show the mischief that could be reaped from this amendment.

> None of the funds provided in this act may be used by the Department of Defense to furnish advice to any individual for the purpose of assisting that individual to carry out military activities inside a country.

Now, since the Mujadeen freedom fighters, who are operating out of Pakistan, are not part of the military puppet forces of the phony Communist government in Kabul in the once sovereign country of Afghanistan, does the intent of the Harkin amendment mean that if someone at the Defense Department gives advice to a Mujadeen freedom fighter about how to blow up some Soviet Mil-8 "Hind" helicopters that are flying poison gas missions against the humble tribes people in the Afghanistan hills, that we can expect another Harkin amendment against those freedom fighters next week?

If we are going to write foreign policy in this Chamber for our Nation, I suggest that Mr. Harkin, since he has traveled several times to Nicaragua, traveled to Afghanistan and Pakistan as I have done to see if there is any type of anti-Communist freedom fighter on the face of the planet that he would not try to block from receiving our advice or aid.

I cannot believe since the capital city of San Salvador is closer to southern California, than is Washington, D.C., to southern California, that only a handful of Members have ever been down to Central America, and only one of us has been down there more than twice, me. I have been there four times. Some of you have furtively tiptoed up to the Honduran border with El Salvador, sponsored in your journey by groups with an obvious bias, but refused to go to El Salvador, to be briefed first hand on Nicaraguan involvement with the terrorist killing in that country. Why? I have taken my son and later my wife down to El Salvador. It is not dangerous if you obey our Embassy's security rules.

The CHAIRMAN pro tempore. The time of the gentleman from California (Mr. Dornan) has expired.

(By unanimous consent, Mr. Dornan of California was allowed to proceed for 3 additional minutes.)

Mr. DORNAN of California. Now, I ask you, Are there Members in either party that would like to disenfranchise here in Washington, D.C., the governments in exile of Latvia, Estonia, or Lithuania? How about a Harkin amendment denying Defense or CIA advice to them? I would hate to pull a Senator Biden type quiz on some of the more intelligent Members of this House to find out if they even know that we allow and recognize govern-

[CRS-11]

ments in exile for those three small captive nation Baltic States.

Suppose some Ukrainian freedom fighter (the Ukraine has a vote in the U.N. as though it is a separate sovereign nation apart from the U.S.S.R.)

came to the Defense Department to ask advice about running a gutty in-country operation to fight for freedom from the Soviet Union for the Ukraine. Do we tell the Ukrainian fighter that TOM HARKIN wants him to get lost? Do we cut off his legs as we did the Alpha-66 people from Cuba, while Castro sends us his rapists, terrorists, and murderers, the kind of vicious criminals that even Lenin called the lumpen proletariat? Now we have a Cuban crime wave on the east coast and starting up in Los Angeles costing the U.S. taxpayers millions of dollars and costing the lives of hundreds of innocent citizens because we gave up trying to destabilize Castro. Should we have told the freedom fighters who fought with Castro to overthrow the pig dictator Batista, that when they found their revolution betrayed to communism and came to us for advice and assistance to get lost, the Harkins of the world do not mind betrayed revolutions.

One gentleman from California forcefully referred to Nicaragua as "the duly formed government of sovereign Nicaragua." What utter bull. The Sandinistas gave up rightful sovereignty and any claim to a "duly formed government" when they put off any elections for 5 years, which means to the Marxists down there for your lifetime, Mr. MILLER. There has never been an election in Cuba—not in 22 years. There will never be an election in the lifetime of any of you liberals in a Communist run Vietnam, and there will never be an election in a Marxist Nicaragua because there is not a duly formed government of the people, by the people, or for any people except those who accept Marxist subjugation.

And since there are heroes who fought against the pig dictator Somoza, who are now in exile in Costa Rica and/or in exile in Honduras, who feel their revolution was betrayed into a Communist Marxist puppet state under Cuban influence, what do we tell these true revolutionaries under a Harkin amendment?

I think that if we take an objective look at Chile, the regime under Allende bankrupting that democracy was far worse than the economic mess there today. And there is hope for democracy there someday. Elections would have disappeared forever under Allende. When we look back at Castro bringing nuclear weapons into the Carribean—and he may yet do it again—and when we look at his nuclear weapon capable Mig-27's, not just Mig-23's, but Mig-27 nuclear weapon capable fighter bombers sitting down there right now, plus a brigade of Soviet combat troops that Jimmy Carter said he would not tolerate—but he did—if you look at the Cuban troops in Africa in spite of the mess in Cuba, why should not we have destabilized Castro? Look at the countries around the world where there are freedom fighters on their own with no assistance from us such as leader Son San of Cambodia. I say for shame. I just say simply this: One man's terrorist is another man's freedom fighter.

When I overheard Mr. HARKIN in Communist China as he put on a Mao hat say, and he did not realize I could hear him, "It is an honor to wear a worker's hat"; that is the hat of Mao who killed 30, 40, maybe 50 million people, I realized what is Mr. HARKIN's terrorist is my freedom fighter, and what is my freedom fighter is his terrorist.

I implore the Members to vote down this mischievous amendment.

Mr. JOHN L. BURTON. Mr. Chairman, I demand that the gentleman's words be taken down.

Mr. DORNAN of California. I hope someday he and I can debate Central America at length on an equal-time basis.

□ 1750

Mr. JOHN L. BURTON. Mr. Chairman, I demand the gentleman's words be taken down about our colleague, Mr. HARKIN, supporting terrorists.

The CHAIRMAN pro tempore. Does the gentleman from California (Mr. BURTON) withdraw his request?

Mr. JOHN L. BURTON. No, Mr. Chairman.

The CHAIRMAN pro tempore. Is the gentleman from California (Mr. DORNAN) willing to request that his remarks be modified in any way?

Mr. DORNAN of California. Did you ask, Would I modify my remarks, Mr. Chairman?

The CHAIRMAN pro tempore. Yes.

Mr. DORNAN of California. No; it is a matter of personal perception. I repeat, what is Mr. HARKIN's terrorist is my freedom fighter. What is my freedom fighter is obviously his terrorist. I may be wrong. He may be wrong. That is up to the judgment of the Members, but my perception about his misperceptions stands.

Mr. JOHN L. BURTON. I have seen people crawfish. That is good enough for me.

Mr. Chairman, I withdraw my request.

Mr. DORNAN of California. I repeated the same words, however, I point out to the great mystic from the bay area.

After the gentleman has traveled some in his newly found spare time maybe we will debate this issue some more. I say to the gentleman from California (Mr. BURTON), please just one little speech, before we depart, against current Communist atrocities—anywhere—pick your terror. "Red Rain" would be fine for openers.

Mr. BOLAND. Mr. Chairman, I move to strike the requisite number of words.

First of all, I appreciate the fact that the gentleman from California (Mr. JOHN L. BURTON) has withdrawn his objection and having the words taken down. It gives me my time.

Those who are supporting the Harkin amendment had a field day here and I do not blame them. I would like to direct my comments to the gentleman from Iowa.

I can say to my friend and all of those who have made these magnificent appeals that I share their concern for the news stories, the spate of news stories emanating from Central America that have been in Newsweek and Time, the Post, the New York Times, and about every newspaper in America.

Further, I can say to the gentleman that these concerns are shared by the Permanent Select Committee on Intelligence, make no mistake about it.

As chairman of that committee, I have made it a rule not to confirm or to deny reports of alleged intelligence activities that come within the purview of that committee. I think most Members here will agree that that is a sound position. It is a good one. It is a good rule and I will stick with it today.

What I have to say can be said without addressing the truth or falseness of all those reports.

What I can say is that your Intelligence Committee is as concerned about the substances of the allegations concerning paramilitary activities in Nicaragua and Central America as all of you who have spoken here this afternoon who have spoken so well.

That concern led to the language in the classified annex that accompanies Public Law 97-269, the Intelligence Authorization Act for fiscal year 1983. That language—and listen to it—that language expresses the sense of the conferees that no funds authorized by the act should be used "to overthrow the Government of Nicaragua or to provide a military exchange between Nicaragua and Honduras."

Mr. Chairman, I believe that this restriction ought to go a long way towards allaying the concerns of the gentleman from Iowa and others who have spoken here today, and I say this for three reasons.

First, it is the agreed-upon position of the two Intelligence Committees in the House and in the Senate.

Second, it is agreeable to the executive branch. They do not like it, but it is agreeable to them.

Third, the Permanent Select Committee on Intelligence takes very seriously its duty of overseeing all covert action operations, and I must say that that is a position that I think must be agreed upon, or at least it is the consensus of the Members of this House that it agrees with what the Intelligence Committee has done and I think perhaps we have won the respect of the membership of this House and

[CRS-12]

others with the way that we review these actions regularly.

I can assure the House that in the case of any activity that would involve the use of lethal force, the review process is continuous and it occurs about every month.

I make this statement and offer these assurances for a reason. I believe the gentleman's amendment is not necessary.

I further believe that it sets a bad precedent.

We ought not to legislate in an area such as this without the benefit of all the facts. That is why the Intelligence Committee was established and its effectiveness depends on its ability to keep the Nation's secrets and exercise sensible and prudent oversight. At times that can really be a tightrope act.

I can say that the committee certainly does understand its obligations to rein in activities which can get out of control or which could threaten to involve this Nation or its allies in a war.

For all these reasons, I urge the gentleman to withdraw his amendment. I believe that the Intelligence Committee's oversight is such that the assurances I have given can be relied upon.

Mr. HARKIN. Mr. Chairman, will the gentleman yield?

Mr. BOLAND. I am delighted to yield to the gentleman from Iowa.

Let me say, I commend the gentleman for the action he has taken. As I told the gentleman in conversations we had in the last couple of days, that the gentleman is driving this Government to the point where all of us agree it ought to be and we are making some progress here. I would hope that in view of that, the gentleman would consider the request and withdraw his amendment and I will offer a substitute to it if the gentleman does not.

Mr. HARKIN. I understand and I appreciate what the gentleman has said. I have always tried to be open and aboveboard with the gentleman from Massachusetts and it goes without saying that there is no one for whom I have a higher respect than the gentleman from Massachusetts and greater faith and confidence in; but there are things that bother me. As I said in our private conversations, "Yes, I have faith in you; yes, I have faith in our Intelligence Committees to exercise their proper function."

The CHAIRMAN pro tempore. The time of the gentleman from Massachusetts has expired.

Mr. HARKIN. Mr. Chairman, I ask unanimous consent that the gentleman be allowed 3 additional minutes.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Iowa?

Mr. KAZEN. Mr. Chairman, reserving the right to object, let me make an inquiry under my reservation.

If I am correct, all time will expire in 4 minutes on this amendment and on all amendments to the bill.

The CHAIRMAN pro tempore. The gentleman is correct. All time expires on the bill and all amendments thereto.

Mr. KAZEN. Further reserving the right to object, Mr. Chairman, I want to bring this to the attention of the House.

I objected or held a reservation to object to the ending of debate at 5 o'clock for fear that the rest of the amendments would not be adequately debated and I am, therefore, under my reservation giving notice that at 6 o'clock I will object to the extension of time any further.

Mr. BOLAND. Mr. Chairman, in that event then, I have the 3 minutes. I appreciate the time the gentleman has given me.

The CHAIRMAN pro tempore. Without objection, the gentleman from Massachusetts (Mr. BOLAND) is recognized for 3 additional minutes.

There was no objection.

Mr. BOLAND. Mr. Chairman, let me ask whether the gentleman from Iowa would withdraw his amendment, and if the gentleman does not, I want the opportunity to offer the substitute.

Mr. HARKIN. Mr. Chairman, I would like the gentleman to offer the substitute to mine.

Mr. Chairman, I would like, if I could, ask unanimous consent that this committee continue on debate on this amendment and all amendments to this bill until 6:45.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Arkansas?

Mr. KAZEN. Mr. Chairman, I object.

The CHAIRMAN pro tempore. Objection is heard.

Mr. HARKIN. Mr. Chairman, I ask unanimous consent that the committee be allowed to continue until 6:30.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Iowa?

Mr. McDONALD. Mr. Chairman, I object.

The CHAIRMAN pro tempore. Objection is heard.

Mr. HARKIN. Mr. Chairman, I ask unanimous consent that the Committee be allowed to go to at least 6:15.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Iowa?

Mr. HUNTER. Mr. Chairman, I object.

The CHAIRMAN pro tempore. Objection is heard.

Mr. BARNES. Mr. Chairman, will the distinguished gentleman yield?

Mr. BOLAND. I will be delighted to yield, but just give me about 30 seconds so I can get the substitute in.

I yield to the gentleman from Maryland.

Mr. BARNES. Mr. Chairman, I thank the distinguished chairman of the Intelligence Committee for yielding and I will be very, very brief.

I just want to say, as chairman of the Subcommittee on InterAmerican Affairs, that the Intelligence Committee has been very careful on this issue and has worked diligently and those of us on the Foreign Affairs Committee have great respect for the work particularly that the chairman has done.

I feel it is terribly important that this House go on record with respect to our concern on this issue. I will support the substitute that will be offered, if it is the one that I saw earlier by the chairman of the Intelligence Committee, in the hopes that our colleagues will also support it so that we can go on record, that if we do not pass the substitute offered by the chairman of the Intelligence Committee that we will not pass anything, I fear, and I will support the chairman's substitute, and I thank the chairman for yielding.

Mr. ROBINSON. Mr. Chairman, will the gentleman yield?

Mr. BOLAND. Yes, I yield to the distinguished minority member of the Committee on Intelligence, the gentleman from Virginia (Mr. ROBINSON).

Mr. ROBINSON. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I rise in support of the gentleman from Massachusetts and the comments that he has made and the amendment in the form of a substitute that the gentleman is about to offer.

● Mr. LELAND. Mr. Chairman, I rise in support of the Harkin-Leach amendment to delete any funds related to covert military activity directed against Nicaragua. This is not the first time we have had this debate.

Only a few months ago, we debated the merits of using military construction funds for building and expanding military landing strips in Honduras. It was clear from prior debate in the other body that these landing strips were intended for use by the United States—and more specifically, for "up to a squadron of U.S. tactical fighter aircraft." One hundred and nine Members of the House objected to the appropriation of those funds. It was our fear that this action would not strengthen but rather gravely endanger the fragile Honduran democracy, born only 1 year ago after years of military rule. It was our fear also, that this military commitment would feed the fires which are dragging Honduras into a war with its Nicaraguan neighbor.

Today, several months later, it appears that our worst fears are being borne out. On November 8, Newsweek ran as its cover story an article entitled "America's Secret War; Target: Nicaragua." Informed by U.S. intelligence sources, that article made it pointedly clear that the much-cited administration covert destabilization plan against Nicaragua is now more than a plan: It is already in place and in action. More worrisome, the article claims the covert military action is now out of control.

[CRS-13]

Mr. Chairman, it is clear to me that the President's Central American policies have gone beyond the limits of what this body and this Nation can tolerate. The House should not tolerate this Nation being associated with common criminals who are attempting to unseat the Managua Government, but who never once attempted to improve the lot of the majority of their own impoverished countrymen. We should not tolerate a policy which will surely lead to the fatal debilitation of Honduran democracy. And we should not tolerate a covert action plan which could easily be the spark to ignite a Honduran-Nicaraguan war which could eventually engulf the entire region. Lastly, we should not tolerate actions of our administration which violate the spirit and the letter of treaties to which we are bound.

I reiterate my support for this amendment, and hope that the House will approve it.●

● Mr. MATSUI. Mr. Chairman, I would like to express my support for the amendment offered to H.R. 7355, the Department of Defense appropriations bill, by Representatives HARKIN, LEACH, and OBERSTAR. Passage of this amendment, which would prohibit U.S. assistance for military or paramilitary action against Nicaragua, is crucial if we are to maintain a positive U.S. influence in Latin America and foster peace in Central America. Congress must act decisively to cut off U.S. covert action that can only lead toward further bloodshed and instability in the region.

Current covert activities sponsored by the United States against Nicaragua have been well documented in the press. It is clear that the CIA and other U.S. operatives have armed, trained, and directed Nicaraguan exiles based in Honduras. The ostensible purpose is to stop the flow of arms from Nicaragua through Honduras to leftist forces in El Salvador. Numerous sources indicate, however, that the operation is also aimed at overthrowing the Government of Nicaragua.

This course is both ill advised and doomed to failure. Instead of assisting the moderate forces within Nicaragua to speak out against the Government, U.S. action has united the country against the external danger and enabled the Sandinista Government to adopt new, more repressive measures. Moreover, the fact that Nicaraguan insurgents are based in Honduras has created a genuine threat of war between Nicaragua and Honduras, and threatens the stability of the democratically elected Government of Honduras. Thus, U.S. covert actions could spark a major regional war in Central America and lead to the downfall of a friendly, democratic government.

In addition, the covert policy is damaging U.S. relations with the nations of Latin America at a time when it is to our best interest and theirs to establish closer ties. Nations such as Mexico and Costa Rica may well question our good intentions in offering economic and security assistance when we are simultaneously setting the stage for a regional war that would damage their political and economic stability.

I believe that passage of this amendment will provide a vitally needed signal to the administration and to the Latin American community that Congress will not support this type of CIA activity in Central America. The action will also reaffirm the authority and responsibility of Congress and the American people to participate in foreign policy decisions. Only in this way can we prevent the reoccurrence of such debacles as the Bay of Pigs and Vietnam.

As we assert our responsibility, we must also emphasize our Nation's support for working closely with other countries of the hemisphere in finding a negotiated solution to the conflicts in Central America. We must affirm America's willingness to assist in developing a dialog and bona fide negotiations with all parties in order to achieve peace.●

● Mr. BONIOR of Michigan. Mr. Chairman, evidence has been accumulating for nearly a year that the United States is involved in an escalating, covert campaign, a secret war aimed at Nicaragua. Earlier this year, the Washington Post reported that President Reagan authorized $19 million so the CIA could advise, train, and arm paramilitary forces along the Honduran/Nicaragua border. At a minimum, and without going beyond what the administration has conceded, the purpose of this operation was to stop the flow of arms across that border, and to engage in hit and run raids and sabotage to harass the Nicaraguan Government.

There is reason to fear that the operation has gone far beyond that. It has brought the United States into a working arrangement with former members of President Somoza's national guard, who are committed to the violent overthrow of the Nicaraguan Government. This is a sordid alliance, with people who promise "a massacre in Nicaragua" and who boast that when they return to power "there will be bodies from the border to Managua."

The uprooted, the wounded, and the dead in Nicaragua bear painful witness to the thrust of this campaign. Scores of Nicaraguans have been killed, and others have fled the region as guerilla bands sweep down on isolated villages. Although still abetted by the United States, the actions of these paramilitary forces have gained momentum beyond U.S. control.

Let us be clear. U.S. support for covert activities against Nicaragua endangers not just the security of Nicaragua, but of the United States. It poses issues with respect to the United States actual interest in Central America and with respect to the process of forming United States foreign policy.

To oppose United States support for those covert activities is not to proclaim that the Nicaraguan Government is without problems. It is merely to proclaim that United States policy in the region should not be formed through the implications of covert activities. These activities commit us to a specific foreign policy that has never been openly defended and supported, and whose outcome cannot be guided by our own democratic institutions.●

AMENDMENT OFFERED BY MR. BOLAND AS A SUBSTITUTE FOR THE AMENDMENT OFFERED BY MR. HARKIN

Mr. BOLAND. Mr. Chairman, I offer an amendment as a substitute for the amendment.

The Clerk read as follows:

Amendment offered by Mr. BOLAND as a substitute for the amendment offered by Mr. HARKIN. Strike the matter proposed by the Harkin amendment and insert in lieu thereof the following:

"SEC. 793. None of the funds provided in this Act may be used by the Central Intelligence Agency or the Department of Defense to furnish military equipment, military training or advice, or other support for military activities, to any group or individual, not part of a country's armed forces, for the purpose of overthrowing the Government of Nicaragua or provoking a military exchange between Nicaragua and Honduras."

□ 1800

The CHAIRMAN pro tempore. The gentleman from Massachusetts (Mr. BOLAND) is recognized for 1 minute on his substitute.

Mr. BOLAND. Mr. Chairman, the amendment speaks for itself. I do not want to foreclose the gentleman from Iowa either, but the amendment speaks for itself.

None of the moneys provided in this bill will be used for the purpose of overthrowing the Government of Nicaragua or provoking a war between Nicaragua and Honduras.

It is plain, it is simple, it is a great step to take, and I would urge all the Members of this Committee to take that step.

Mr. DICKS. Mr. Chairman, I think we ought to give the gentleman from Massachusetts 5 minutes to explain his substitute amendment, and I would ask unanimous consent that he be allowed to do that.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Washington?

Mr. COURTER. I object, Mr. Chairman.

Mr. BOLAND. Mr. Chairman, I really do not want the 5 minutes. I am wondering whether or not the chairman of the subcommittee would accept this amendment.

The CHAIRMAN pro tempore. The time of the gentleman from Massachusetts (Mr. BOLAND) has expired.

[CRS-14]

All time has expired on the bill and amendments thereto.

AMENDMENT OFFERED BY MR. HARKIN TO THE AMENDMENT OFFERED BY MR. BOLAND AS A SUBSTITUTE FOR THE AMENDMENT OFFERED BY MR. HARKIN

Mr. HARKIN. Mr. Chairman, I offer an amendment to the amendment offered as a substitute for the amendment.

The Clerk read as follows:

Amendment offered by Mr. HARKIN to the amendment offered by Mr. BOLAND as a substitute for the amendment offered by Mr. HARKIN: Strike out all that follows the section number of the section proposed to be added to the bill by the substitute and insert in lieu thereof the following:

None of the funds provided in this Act may be used by the Central Intelligence Agency or any agency of the Department of Defense to furnish military equipment, military training or advice, or other support for military activities, to any individual or group which is not part of a country's armed forces and which is already known by that agency to have the intent of overthrowing the Government of Nicaragua or of provoking a military conflict between Nicaragua and Honduras.

The CHAIRMAN pro tempore. The question is on the amendment offered by Mr. HARKIN to the amendment offered by Mr. BOLAND as a substitute for the amendment offered by Mr. HARKIN.

The question was taken; and on a division (demanded by Mr. HARKIN) there were—ayes 13, noes 27.

H9148-59

C. SENATE FLOOR DEBATE (12-18-82)

UP AMENDMENT NO. 1541

(Purpose: To declare congressional support for restrictions on certain types of operations in Central America)

Mr. DODD. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Connecticut (Mr. DODD) proposes an unprinted amendment numbered 1541.

To the end of H.J. Res. 631, add a new section as follows:

"SEC. . Congress hereby declares that no funds should be obligated or expended, directly or indirectly, after January 20, 1983 in support of irregular military forces or paramilitary groups operating in Central America."

Mr. DODD. Mr. President, I think this amendment speaks for itself for those who heard it read. Basically, it amounts to a policy declaration by this body that no funds should be expended directly or indirectly in support of paramilitary activities operating in Central America.

I should say at the outset, Mr. President, that I offer this amendment with a degree of reluctance. I wish there was a more proper vehicle which would enable us to conduct a longer and more detailed debate about what I consider to be a very important matter.

Mr. President, I would prefer that we were offering this at another time when we had more than 30 minutes to debate. It is what I consider to be one

[CRS-15]

of the most pressing and threatening foreign policy issues that this country faces.

Mr. President, I offer this amendment not because I am in any way interested in supporting, defending, or apologizing for Sandinistas in the Government of Nicaragua or the Government of Honduras, but because of my deep concern of what I believe our country is about to enmesh itself into unwittingly. It is sort of a deja vu of 20-odd years ago when we began a similar set of activities without the kind of public, open debate about a set of activities which eventually threw us into a larger conflict.

Had we then, at the outset, had a better opportunity to debate the rationale for our original decisions, we might have dealt with the larger issues we confronted later more intelligently.

I happen to believe, Mr. President, that we are presently involved, or could be involved, in a far more expanded conflict in Central America than already exists. We are all too well aware of the problems in El Salvador and Guatemala, and we certainly are aware of the potential threats that are posed by the Government of Nicaragua.

One of the reasons that we run the risk for an expanded conflict in Central America is because we may be supporting paramilitary groups in Central America which are determined in their way, whether or not we are, to overthrow the Government of Nicaragua.

I believe that that kind of activity is going to lead exactly to that result. There will be a substitute amendment offered to this amendment which I have offered this morning. The substitute amendment will say that none of the funds in this particular continuing resolution can be expended for the overthrow of the Nicaraguan Government. That amendment was offered in the other body as a substitute to an amendment not dissimilar from the one that I am offering. There are some major distinctions between those two propositions.

One is that the continuing resolution, while it contains funds or does potentially contain funds—we do not know the exact amount—to support paramilitary, covert activities, does not include all funds we have authorized for those activities. What I am suggesting is that, by putting a prohibition on these particular funds, we do not deal with all funds that could be used for those activities.

Second, the amendment that will be offered is limited to the overthrow of the Nicaraguan Government and to support a conflict between Honduras and Nicaragua. That is the House language, and I assume that that will be the same language offered this morning. I suggest that there are any number of ways of circumventing that prohibition. In effect, it is going to provide a green light for the continued activity that we have seen reported, over and over again, in the last several weeks and months, suggesting that we are already deeply involved in a broader conflict in Central America.

Third, the extent of the substitute that will be offered as a substitute to my amendment is extemely restrictive. It says that none of the funds, notwithstanding any other provision of law, shall be expended for that particular purpose I have just identified.

My amendment is more open ended, more of a declaration of policy. It is a policy statement. It allows for greater flexibility in that sense than what will be offered by the substitute to this amendment.

For those three reasons, Mr. President, I believe that the approach I am suggesting this morning gives us greater flexibility, is not as binding as what will be offered, yet makes the clear policy declaration that we have to stop this activity before it expands even further and we find ourselves once again unwittingly drawn into a conflict far larger than what we already have in Central America.

I do not think there is anybody in this Chamber who has read a newspaper or magazine for the last month or so who does not believe that there are groups operating on the Honduran border that have as their purpose the overthrow of the Nicaraguan Government. I do not think anybody doubts that. There are the old Guardia troops, Somoza troops, operating on that border. What we are proposing to do is cut off our paramilitary support for them.

There will be arguments that we do not intend to overthrow the Nicaraguan Government. I do not think that avoids the responsibility that we are supporting those who are. That is what I believe we are doing and that is what my amendment is designed to curtail.

Mr. President, my amendment addresses the issue of covert support for military operations in Central America, and it addresses this issue with a clear-cut congressional policy declaration, a declaration which puts Congress on record in opposition to support for irregular military forces or paramilitary groups operating in Central America.

Mr. President, going back to March of this year, there has been a growing number of authoritative press accounts which leave little doubt that the present administration is providing support, in one fashion or another, to paramilitary groups and irregular military forces operating in Central America.

On March 10, for example, the Washington Post reported that President Reagan had authorized the Central Intelligence Agency "to build and fund a paramilitary force of up to 500 Latin Americans, who are to operate out of commando camps along the Nicaraguan-Honduran border." Similarly, and more recently, Newsweek in its cover story of November 8, claimed that in December of last year, the Reagan administration approved a $20 million CIA plan to create a 500-man paramilitary force based in Honduras to cut off Nicaraguan supplies to Salvadoran leftists. In further describing this program Newsweek added, "The plan's unofficial goal: To undermine or overthrow the Sandinistas."

Shortly after the appearance of the Newsweek article, the New York Times said it had confirmation of the basic outline of the program from senior administration officials who, at the same time, disclaimed any administration intention of bringing down the Managua-based government. The Time article began this way: "The United States is supporting small-scale clandestine military operations against Nicaragua intended to harass but not to overthrow the Nicaraguan Government, senior administration officials said today." In providing additional details, the Times article went on to say:

> A senior national security official insisted that the scope of clandestine operations was limited to hit-and-runs raids into Nicaragua by small paramilitary units based in Honduras, skirmishes with Nicaraguan troops along the Honduran border, and financial support for political opponents of the Sandinist government.
>
> The official said that no Americans were directly involved in the paramilitary operations, but acknowledged that the CIA was providing money and military equipment to the units. He added that Americans were also helping to train anti-Sandinist forces, which are made up primarily of Nicaraguan refugees.

In keeping its readers informed and up to date, Time magazine reported earlier this month:

> A U.S. intelligence source in Honduras estimates that there are not about 200 CIA personnel in Honduras, four times as many as previously reported. Biweekly flights from Panama bring in rifles, machine guns, mortars, and grenade launchers. The Contras themselves have grown in number from about 500 in 1980 to as many as 4,500 now.

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Mr. DODD. Mr. President, what does it all add up to? What do these and similar reports mean? Well, there does not seem to be much mystery about it—the administration, through the Defense Department and the intelligence community, is supporting if not sponsoring an "overt-covert" military operation in Central America. All in all, it adds up to "The Worst-Kept Secret War", as the New York Times labeled it in a very thoughtful editorial on December 8.

Mr. President, for a variety of reasons, U.S. involvement in "The Worst-Kept Secret War" provides additional evidence that, when it comes to Central America, this administration is hell-bent on pursuing the wrong policy at the wrong time in the wrong place:

It belies any fundamental understanding of the social, economic, and political forces at work in the region;

It signals our interest in promoting military solutions to political problems;

It identifies us with the status quo, if not reactionary, forces in the region;

It puts us at loggerheads with the major democracies in the region, namely Mexico, Venezuela, and Colombia;

It plays into the hands of Fidel Castro and his cohorts who, while they did not create the deplorable conditions in Central America, are fully prepared to take advantage of them; and

It evidences a complete disregard for binding treaty commitments which bar us from intervening in the internal affairs of the nations of this hemisphere.

Mr. President, let me put the administration's policy in political perspective.

To believe that U.S. support for paramilitary forces in Central America is sound policy is to believe that Tacho Somoza and his crowd were Jeffersonian Democrats who simply got a bum rap;

To believe that covert military operations in Central America make good sense is to believe that democracy is more a function of bullets than of ballots; and

To believe that military aid to rightwing insurgents provides a foundation for democratic rule in Central America is to believe that if you leave the airport lights on long enough, Amelia Earhart will return.

None of these are true. And no amount of wishful thinking, or of slick rhetoric, or of ideological commitment, or of under-the-table military assistance will make them true.

What is true is that when it comes to Central America, this administration has yet to untie its shoelaces;

What is true is that this administration is prepared to the last man to defend the military slum landlords of Central America, just as it is prepared to label those who stand up for human rights as dupes of an alien ideology; and

What is true is that when the cheering stops and the smoke clears, this administration's epitaph for Central America will read: "We had to destroy this region in order to save it."

Mr. President, the time has come to put a stop to this underhanded military adventurism—to call a halt to it—to say, "Enough is enough; no more." For this purpose I offer the amendment before us.

Simply put, this amendment lays out a straightforward policy position. I draw my colleagues' attention to the actual language of the amendment:

> Congress hereby declares that no funds should be obligated or expended, directly or indirectly, after January 30, 1983 in support of irregular military forces or paramilitary groups operating in Central America.

Clearly, this provision is directed exclusively at the question of U.S. support for extra-legal military and security operations in the Central American nations. On the other hand, this provision would not—I repeat, would not—affect our normal, ongoing military assistance, training and sales programs, which are designed to aid and assist the regular, duly-authorized armed forces within the region. No, these programs are not at issue in the amendment I am offering.

Mr. President, the time has come for the Senate to face up to the issue of U.S. support for covert military operations in Central America. It is an issue of paramount importance and it deserves to be divorced from the ideological caste in which it has been placed.

If we cannot make this separation, if we cannot divorce the substance of the issue from its ideological bearings, then the issue itself will continue to be defined in terms of "One man's terrorist being another man's freedom fighter." And so today, the Reagan administration, because of its particular ideological moorings, has decided to aid and abet the remnants of the old Somoza national guard. But what about tomorrow? And what about the ideological underpinnings of future Presidents and future administrations? They may decide to provide covert military aid to a peasant militia in

Brazil or to radicalized Christian Democrats in Chile.

In my view, Mr. President, it makes no sense to support either. Such support simply gets us embroiled in a local situation over which we have no control. Nor should we. Ultimately, the people of Nicaragua, or the people of Honduras—of El Salvador—Brazil or Chile must determine their own fate. The best we can do is set an example, a standard—and make sure that that example, that standard, faithfully embodies and reflects the traditions and values which our people and our country strive to uphold.

Support for extralegal military or security forces is not a part of our value system. And it should not be—it is a road to nowhere—it takes us into an ideological wasteland.

Mr. President, for these reasons I offer my amendment to put Congress on record as opposing U.S. support for paramilitary groups operating in Central America.

To sum up: Such support is contrary to our national interests; contrary to the values of our people and contrary to our normal governmental processes and procedures. It lays the groundwork for an unmitigated foreign policy disaster. Commonsense ought to tell us that gunboat diplomacy is no more popular in Central America today than it was at the turn of the century.

Mr. President, I hope my amendment will be adopted by a wide margin.

Mr. President, I would like to urge, if I may, that the proponents of the substitute come forward because I would like the opportunity to question them about a number of points that I think should be raised with regard to their substitute. I urge my colleagues to take a close look at both of these amendments, the one that I have offered and the one that will be offered as a substitute.

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UP AMENDMENT NO. 1542

Mr. MOYNIHAN. Mr. President, I send to the desk an amendment in the form of a substitute and ask for its consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from New York (Mr. MOYNIHAN) for himself and Mr. CHAFEE, proposes an unprinted amendment numbered 1542 as a substitute to amendment numbered 1541.

The amendment of Mr. DODD is amended as follows:

Strike entire amendment and inset in lieu thereof the following:

"None of the funds provided in this Act may be used by the Central Intelligence Agency or the Department of Defense to furnish military equipment, military training or advice, or other support for military activities, for the purpose of overthrowing the government of Nicaragua or provoking a military exchange between Nicaragua and Honduras."

Mr. MOYNIHAN. Mr. President, I shall speak briefly, then hope to hear from my colleague, the Senator from Rhode Island (Mr. CHAFEE).

The PRESIDING OFFICER. The Chair wants to correct a mistake he made on the time. The time is not equally divided. There are 22 minutes now remaining as previously stated.

Mr. MOYNIHAN. I thank the Chair; that was my understanding.

Mr. President, may I ask my colleagues to hear me when I say that Senator CHAFEE and I are speaking for the Select Committee on Intelligence. I see another distinguished member of that body, the Senator from New Mexico (Mr. SCHMITT) is present, also. When Congress established the select committee in 1976, it was created to oversee and make studies of and to provide vigilant legislative oversight over the intelligence activities of the United States. This committee was properly designed to be bipartisan and to be select, in evidence of which you find me speaking on behalf of the committee as vice chairman. The rules, singular in this regard, provide that in the absence of the chairman, the vice chairman presides. I wish to report to this body two things.

First, in this Senator's judgment, our committee had provided vigilant oversight of U.S. activities in Central America as well as elsewhere and we have given, in confidential annexes and classified annexes to the appropriations bill under which the Central Intelligence Agency now operates, the most explicit instructions as to what it may and may not do in Central America.

Those instructions obtained, and, Mr. President, those instructions were repeated by the House at the behest of the chairman of the House select committee, our distinguished friend, Representative BOLAND, and language in the present resolution to that effect is before us.

It is the judgment of the select committee that that language is adequate and it is also our judgment, unhappily, that it is necessary to repeat it, but that it is sufficient to do that. The more generic proposals such as the one of the Senator from Connecticut, while one might not differ from their purpose, would not serve the objective of intelligence oversight and instruction in the present law.

I see the Senator from Rhode Island is on the floor. I welcome his further thoughts.

Mr. CHAFEE. I thank the Senator.

Mr. President, may we have order?

Mr. MOYNIHAN. May we have order, Mr. President? This is a matter of very gravest concern to this body.

The PRESIDING OFFICER. The Senate will suspend and give time for Senators to either be seated or to leave the Chamber.

The Senate will be cognizant of the request of the Senator from New York that the Senate is not in order and that this is a very important issue.

The Chair believes that the Senator from Rhode Island now wants to be recognized.

Mr. CHAFEE. Mr. President, what is the time situation?

The PRESIDING OFFICER. The time situation is that the Senator from Connecticut has 18 minutes——

Mr. CHAFEE. It was a half-hour evenly divided, was it not?

The PRESIDING OFFICER. That is not the understanding of the Chair.

Mr. DODD. Will the Senator yield?

Mr. CHAFEE. I want to know what the time is. How much time do we have on this side?

The PRESIDING OFFICER. As the Chair was beginning to state, we have 18 minutes 49 seconds remaining.

Mr. CHAFEE. Are we not dividing this time evenly?

The PRESIDING OFFICER. It was not divided equally is the understanding of the Chair.

Mr. CHAFEE. This is a curious arrangement.

Mr. MOYNIHAN. We were just being accommodated.

Mr. CHAFEE. All right, Mr. President, if the Chair would be good enough to alert me at the end of 4 minutes, I would appreciate it.

The PRESIDING OFFICER. The Chair will do that.

Mr. CHAFEE. Mr. President, I think there are two factors to consider here: first, what is the proposal of the Dodd amendment?

The Dodd proposal says, "Congress hereby declares that no funds should be obligated or expended, directly or indirectly."

Mr. President, that is an extreme injunction to impose on the activities of the United States, directly or indirectly.

Now, I was not able to hear the presentation of the Senator from Connecticut, but in previous discussions he has indicated that this is only laudatory language, just language admonishing, that the language is just that the Congress declares and that no funds "should" rather than no funds "shall."

But, Mr. President, we do not pass language like this without having a severe impact on the activities of the United States. When we say no funds should be obligated or expended, directly or indirectly, in support of the irregular military forces operating in South America, that is in effect an injunction about any activities of the United States aiding or abetting or in support of irregular military forces or paramilitary forces.

Mr. President, I do not think we have ever had an injunction like this.

Mr. President, may we have some order in the Chamber?

Mr. MOYNIHAN. Mr. President, we must have order.

Mr. CHAFEE. I wish those Senators wanting to negotiate would negotiate elsewhere.

The PRESIDING OFFICER. The Chair will try to accomplish what the Senators from Rhode Island and New York request. The Chair tried once before. He evidently was not successful, so I think we should just stop until the necessary quiet is obtained, because it is a foreign policy issue and requires reliance upon the expertise of our colleagues who are on the Intelligence Committee.

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Is the Senator from Rhode Island satisfied now?

Mr. CHAFEE. Yes. I appreciate the Chair's accommodation.

The PRESIDING OFFICER. The Senator from Rhode Island asked the Chair to remind him when he used up 4 minutes. The Senator still has about 2½ minutes remaining.

Mr. CHAFEE. Mr. President, a similar suggestion like this came up in the House of Representatives, and the chairman of the House Intelligence Committee, Congressman EDWARD BOLAND from Massachusetts came forward with a substitute, which is the substitute in effect which we have at the desk today.

What this says is that none of the funds provided in this act may be used by the Central Intelligence Agency or the Department of Defense to furnish military equipment, military training or advice, or other support for military activities for the purpose of over throwing the Government of Nicaragua or for military exchange between Nicaragua and Honduras.

The Senator from Connecticut, I presume, is going to say, "Well, that is big enough to drive a truck through."

Mr. President, the question really before us is, is this body going to insert a complete prohibition of activities against this Nation? We are making no concession that activities are taking place anywhere, but are we going to tie the hands of the President? After all, it is the President who is at the top of the heap in this. And those of us on the Intelligence Committee do not believe that we should do so.

I do not believe we have ever imposed a draconian restriction such as proposed by the Senator from Connecticut in the past with "no activities, direct or indirect."

Mr. President, speaking also in behalf of the Intelligence Committee, which, as the distinguished Senator from New York indicated earlier, is a nonpartisan committee, we have a situation where, when the chairman, a Republican, of the committee cannot be present because of illness in Arizona, the vice chairman, a Democrat under the rules of the committee, which we all approve of, speaks for the committee. I am here speaking as the ranking Republican on that committee.

Mr. President, I rise in support of the substitute which the Senator from New York has, I presume, sent to the desk. This has the support of our committee and I believe takes care of the situation that concerns some Members of this body.

Mr. MOYNIHAN. Mr. President, may I be allowed 1 second to say the amendment at the desk is submitted by me on behalf of myself and the Senator from Rhode Island.

Mr. PELL addressed the Chair.

Mr. MOYNIHAN. Mr. President, I observe that the distinguished ranking member of the Committee on Foreign Relations desires 1 minute; our colleague from New Mexico desires 1 minute. I desire no more time until the Senator from Connecticut shall have had a chance for rebuttal.

Mr. DODD. Mr. President, is it my understanding that the substitute of the Senator from New York has at this juncture been reported at the desk?

Mr. MOYHIHAN. That is correct.

May I ask the Chair, is that not correct?

The PRESIDING OFFICER. The Senator from New York is correct.

Mr. MOYNIHAN. May I yield a minute to the Senator from Rhode Island and then a minute to the Senator from New Mexico.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. PELL. I thank my colleague from New York.

I strongly support the thrust of both amendments because I would certainly vote against the heinous activity of overthrowing governments. If I did not have to leave for family reasons, I would have voted for the Moynihan language because it is the strongest and more specific of the two proposals.

If it by any chance failed, I would most certainly have supported the amendment of the Senator from Connecticut of which I was a cosponsor.

Mr. MOYNIHAN. I thank the Senator from Rhode Island.

The PRESIDING OFFICER. Did not the Senator from New York yield to the Senator from New Mexico?

Mr. MOYNIHAN. One minute.

Mr. HELMS. Mr. President, will the Senator yield for that purpose?

Mr. SCHMITT. I am happy to yield.

Mr. President, we have a confusing set of circumstances here. We have two amendments double tracking, neither of which should be considered without adequate discussion, and the situation that has now developed is that any of us who want to point out that we are playing with fire with either one of them will not have a chance.

I hope we can divide this time so I can have at least 5 or 6 minutes to discuss the implications of both of these amendments.

The PRESIDING OFFICER. Is the Senator making a request that he gets 5 minutes of the time remaining?

Mr. HELMS. I am trying to get the Chair to tell me how both of us who question both amendments can have a say.

Now the ball is being bounced between the two amendments as it now stands, Mr. President, and we are playing with fire in foreign policy.

I happen to be chairman of the Western Hemisphere Affairs Subcommittee, and I know a little bit about the situation in Central and South America, and I think we should have a chance to express our opinion on both of these amendments and not play them off one against another.

The PRESIDING OFFICER. Is the Senator requesting time?

Mr. HELMS. I request that I have 7 minutes.

The PRESIDING OFFICER. Is there objection?

Mr. RUDMAN. Mr. President, reserving the right to object, I cannot agree to that without talking to the distinguished chairman of the Appropriations Committee, which I will.

If the Senator sets his request aside, I will try to get information from him. My instructions from the chairman are that no time agreements entered into are to be modified without his consent.

Mr. HELMS. That is a fair proposition. I know the Senator to be fair. I thank him very much.

Mr. SCHMITT. Mr. President, before I speak on my time, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. SCHMITT. Could we have the specific language of the time agreement read to the Senate that concerns this particular matter?

The PRESIDING OFFICER. If the Senator will withhold we can send for a transcript.

Mr. SCHMITT. Yes. I think there may be time on the substitute amendment. The waiting may allow for discussion on this. I have no idea.

Mr. PROXMIRE. Mr. President, I apologize to my good friend, if the Senator will yield for 1 minute for a procedural request.

Mr. SCHMITT. I am happy to yield.

Mr. PROXMIRE. Mr. President, Members told me they have to leave and they will object to any additional time on this amendment. It is an important amendment. They want to be here to vote. That is their privilege. They are going to object.

So there will be no further time allowed on this amendment.

Mr. SCHMITT. Mr. President, on my 1 minute, the Senate established the Intelligence Committee to act as its oversight arm relative to intelligence activities conducted by the United States and counterintelligence activities conducted by the United States.

It is extremely important that we recognize this committee for what it is, a bipartisan literally, as the Senator from Rhode Island has said, a nonpartisan shield.

Again, Mr. President, this bipartisan and indeed nonpartisan committee was established specifically to be a shield between the Intelligence Committee and abuses or misjudgments that might come from that community. It is really the only mechanism that I have been able to conceive of, and I am extremely proud of this body for having conceived of it long before I arrived here, the only mechanism by which a democracy, a representative

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democracy can have such a shield to protect itself and its people from abuses during activities that are counter to the basic principles of a democracy but activities that we must have in order to protect ourselves in this world.

So I hope this body not only on this matter but on other matters in the future will rely on the judgment of the Select Committee on Intelligence. We must do that. There really is no other way to handle this kind of a problem.

I thank the Senator for yielding.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. DODD. Mr. President, may I inquire what time remains?

The PRESIDING OFFICER. Eleven minutes and nineteen seconds.

Mr. DODD. Eleven minutes?

The PRESIDING OFFICER. Eleven minutes and nineteen seconds.

Mr. DODD. I thank the Chair.

Mr. President, first of all, let me point out to my colleagues there is a substantial difference, as I noted, between what was offered in the other body by Mr. BOLAND of Massachusetts and what is being offered here.

I draw my colleagues' attention to an extremely important clause included in the House language that is not included in the Senate language.

The House language reads:

Or other support for military training.

The first part of it is exactly the same as the Senate substitute.

Or other support for military activities to any group or individual not part of a country's armed forces.

That clause is missing in the Senate language.

In effect, what we are doing with the Moynihan substitute is prohibiting any funds from going to the Honduran Army, for that matter, from the Department of Defense in this general area. That is far broader than anything I intended to do.

I am talking in my amendment specifically about paramilitary groups, insurgency groups, and this clause missing in this particular proposition I think makes it even more dangerous than what I had suggested at the outset.

I remind my colleagues it is a simple enough proposition. I am merely offering a sense-of-the-Senate resolution putting us on record in a very flexible way that says we do not believe that there should be funds expended in Central America to support counterinsurgency groups or paramilitary groups at this particular hour. It also allows, if the agencies or others come back or they want to make a case for it, for flexibility.

What is being proposed by the distinguished Senator from New York and the distinguished Senator from Rhode Island is more restrictive in one sense and yet it allows for that activity to go on virtually unchecked.

The Senator from New York has said in his amendment that we will not support or fund activities which would result in the overthrow of the Nicaraguan Government or promote a conflict between Nicaragua and Honduras.

I ask my distinguished colleague from New York or the distinguished Senator from Rhode Island, does support for groups who support and are actively involved in the overthrow of another government constitute a violation of the law should the Senator's amendment be adopted?

Mr. MOYNIHAN. I answer yes, and I take the further position and say that the reason the clause in the House amendment has been left out is that it could be read to interpret that we are free to provide funds to the government of the army of Honduras or name which country you will for the purpose of overthrowing the Government of Nicaragua, et cetera.

We deny any such rights.

Mr. DODD. I would not object to the unanimous-consent request to modify the Senate substitute to include that operative paragraph. That was included in the House language.

Mr. MOYNIHAN. I might say my friend misunderstood me. If he would read it carefully it suggests it is all right to give it to the army but not to irregular forces. We deny either.

Mr. RUDMAN. Mr. President, if the Senator from New York will withhold for 1 minute, I ask unanimous consent that the Chair not charge this time against this amendment or against the floor managers.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. RUDMAN. Mr. President, the problem with time has now arisen. There is an objection being lodged against the granting of some additional time to accommodate the request of the Senator from North Carolina. Presently there is something in the vicinity of 8 minutes remaining under this time agreement. The Senator from North Carolina has requested he have at least a few moments to speak.

I wonder if we might accommodate him since there is some confusion as to how this time agreement is presently being allocated.

Mr. DODD. Mr. President, I certainly do not object to asking for it. I will yield to him or others for a period of time. We all wish to be able to explain our proposition here. I wish to have several days to discuss this, quite frankly, and I wish there were another vehicle to do it on; 30 minutes is hardly enough time to discuss all of this.

Mr. RUDMAN. Mr. President, I am going to ask unanimous consent that we extend 5 minutes to this time agreement.

Mr. PELL. Mr. President, I must object specifically to extension of time to this time agreement.

Mr. MOYNIHAN. Mr. President, I will tell the manager that we are happy to yield 2 minutes to the Senator from North Carolina.

The PRESIDING OFFICER. The Senate will be in order.

Mr. MOYNIHAN. There is little time remaining.

The PRESIDING OFFICER. The Senate will be in order.

The Senator from New Hampshire has the floor.

Mr. RUDMAN. Mr. President, I made my request, there has been objection. I understand the sponsors of the amendment are willing to yield 2 minutes to the Senator from North Carolina, and I will let him speak for himself, and again until we settle this, this should not be charged against this amendment.

The PRESIDING OFFICER (Mr. SYMMS). Without objection, it is so ordered.

Mr. HELMS. Mr. President, am I to understand I am to be granted 2 minutes out of 30 to oppose the amendment?

Mr. MOYNIHAN. Mr. President, we must have order. We have to hear the Senator from North Carolina, it is so important and so abbreviated.

Mr. HELMS. I do not know whether it is important, but it is important to me, and I thank the Senator from New York.

Let me tell Senators they had better not consider these amendments as just a roll-through because we are playing with fire. We are about to lose Latin America.

I know the Senate would like to detach itself from this question, have nothing to do with it, and make it long ago and far away in Nicaragua, in Honduras, Costa Rica, Guatemala, and all the rest. But we have been debating this matter in the Foreign Relations Committee for months, and for us to now undertake to adopt a foreign policy matter on this continuing resolution is playing with fire.

We are about to lose to the Marxists the entire length and breadth of South America. To tie the hands of the intelligence forces, and to tie the hands of the administration, when the administration is trying to work this thing out is utter folly.

Now, Senators may do what they wish, but I warn you, you will rue the day when you start enacting foreign policy decisions into a continuing resolution.

So, Mr. President, I reiterate my opposition to the proposed amendment. Of course, many of our colleagues sympathize with any Senator who wants to keep the United States as far away from the tumult in Central America as possible; but there is far more to this matter than the immediate conflict in that region, and we cannot consider this matter today without allowing the discussion of some pertinent points.

First of all, Mr. President, the Sandinista government of Nicaragua is patently, de facto, committed to anti democratic principles. In fact, on many occasions, their leaders brag about their affection for Marxism-Leninism, and they practice very well the

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systematic terror and control which characterize such totalitarian regimes; they practice it at home, with block committees, persecution of the church, forced separation of family members, and wholesale forced marches of whole populations from their traditional homelands; abroad they perpetrate all manner of encouragement and supply of guerrilla movements throughout Central America, all ordained to overthrow democratic regimes whose combined defenses do not amount to the number of men under arms in Nicaragua.

Second, Mr. President, the Sandinista government is collapsing of its own weight. Once the heir of a revolution which promised democracy in Nicaragua, the Sandinistas now will have nothing of elections, and are constantly fighting any group on record in favor of basic human rights—free speech, free exercise of religion, democratic processes, and so on. And the people of Nicaragua, far from happy with the situation, are, as one would expect, anxious to find another path to the freedom and democracy which their revolution sought 3 years ago. In fact, Mr. President, the sandinista government is an illegitimate government; it came to power by force of arms, and maintains its power by brute force. It is the Nicaraguan people, Mr. President, who want to restore legitimacy to the government of Nicaragua.

Now, Mr. President, I want to ask a question: If we—the United States—are supportive in any way to the forces of freedom in Nicaragua—if we provide information, moral support, encouragement and cooperation and the like, to the groups seeking legitimate institutions within Nicaragua—could this not be interpreted by enemies of freedom in that country as aiding the overthrow of the Sandinista government? I am specifically mindful of President Reagan's speech in London on June 8 of this year, where he called for the establishment of democratic and free regimes throughout the world, including those behind the iron curtain—where Nicaragua is quickly becoming an unwilling addition. Does President Reagan, in calling for democracy in Nicaragua, help to overthrow its antidemocratic, totalitarian regime? Personally, I hope that the United States will always stand for freedom, how attractive the cause that would thwart it.

Mr. President, I think it is clear that the President needs no admonition on how much to spend on what dimensions of the ongoing struggle for freedom and democratic institutions in Central America. He certainly needs no moralistic pronouncement like that before us today, which will do nothing but serve the friends of the Sandinistas as they continue to trumpet their disinformation and vituperative propaganda against the United States around the world.

The United States does not, and should not, try to overthrow the Sandinista government, in my judgment, unless the Sandinista government proves irreconcilably and belligerently devoted to the destruction of the peace, harmony, and freedom of all the countries in Central America, a goal which is central to U.S. interests in the region. Perhaps the Sandinistas have already passed the point of no return—sometimes they seem determined to make us think so, in any case. But, in the last analysis, it is President Reagan who is responsible for the conduct of our foreign policy, and he should be free to exercise that direction by all the means normally open to the Chief Executive, especially in such a tense situation as that in Central America, where so many interests of the United States and all the countries who love freedom in this hemisphere are at stake.

I do not know whether I used up that grand 2 minutes or not, but that is my message.

Mr. DODD. Mr. President, let me say what I said at the outset. I wish you did not have to deal with it on this particular vehicle, but we do not have another vehicle before us.

I would say to my friend from North Carolina that in one sense I agree with him. I think failure to adopt language and make it clear to certain elements of this Government that we are not going to tolerate the kind of behavior of conducting a secret war in this hemisphere would be disastrous. I would join with the Senator in saying that we will lose this war to the Marxists if we proceed on the course we are pursuing, if we conduct and encourage a war in Central America. This body had better take a stand, if we find the stories that they are telling us, are true.

In that event we are the ones who are encouraging and goading the elements into it. We are going to be right back here in months deciding whether or not to back up our initial actions, and I will tell you we had better know what we are doing there in terms of supporting or encouraging guerrillas as counterinsurgency forces. We are supplying them, we are encouraging them to destabilize and to overthrow a government. After they do that, do you know what we will do? We will leave them there and we will find other countries coming into Nicaragua and attacking them. We will then sit back and say, "We do not know what you are talking about," and you will have Marxist governments in Central America, mark my word. This could be a second Gulf of Tonkin resolution if we do not put a stop to it now.

Mr. HELMS. Mr. President, will the Senator yield?

Mr. DODD. I yield.

Mr. HELMS. Yes; mark my words. Let me hark back to the delivery of $75 million of American money to the Sandinistas that propped them up. They were on their last legs, and I think the Senator knows that, and there was an effort made to gird them up and help them so that they could move over into Honduras and do their dirty work, along with Castro in Cuba.

I say we are playing with fire if we adopt either of these amendments.

Mr. DODD. Mr. President, does the Senator from North Carolina believe it is in our interest to support the Somoza counterinsurgency forces on the Honduran borders? Does the Senator think we ought to do that?

Mr. HELMS. Will the Senator repeat that, will you repeat that question?

Mr. DODD. Does the Senator from North Carolina believe we ought to financially back, train, and advise the Somozista forces on the Honduran border?

Mr. HELMS. The Senator from North Carolina is simply saying do not try to tie the hands of those who are trying to keep——

Mr. DODD. That was not my question. Does the Senator from North Carolina think we ought to be doing that?

Mr. HELMS. I think the Senator from Connecticut and the Senator from New York ought to let the Intelligence and Foreign Relations Committees try to deal with this sensitive subject, and not try to pass it on the floor at this crucial time when it cannot possibly be given adequate consideration.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. CHAFEE. Mr. President, so that there will be no confusion, the substitute which has been sent to the desk by the Senator from New York on behalf of himself and the Senator from Rhode Island has the support of the administration. Second, this is the same resolution, with even a tighter provision in it, that was adopted by the House by 411 to 0, the so-called Boland language.

So I do hope when the vote comes and the procedure, if I understand it correctly, Mr. President, will be that the first vote will be upon the substitute, and I urge my colleagues to vote aye on the substitute and then, Mr. President, parliamentary inquiry, just to see if I have this correct, the first rollcall, vote will be on the Moynihan-Chafee substitute; is that correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. CHAFEE. The vote will be yea or nay. If the yeas prevail then the next thing that will come up will be a vote on the total amendment which, in effect, will be another vote on the Moynihan-Chafee substitute?

The PRESIDING OFFICER. The Senator is correct.

The PRESIDING OFFICER. It will be on the Dodd amendment, as amended.

Mr. DODD. Mr. President, what time remains?

The PRESIDING OFFICER. Three minutes.

[CRS-20a]

Mr. DODD. Mr. President, let me just——

Mr. DENTON. A parliamentary inquiry, Mr. President. I would request a response as to what the time agreement was by which the Senator from Connecticut propounds an amendment for which the Senator from North Carolina spoke to for about 2 minutes in rebuttal and the rest of the time has been given to propounding of an amendment to that amendment by the Senators from New York and Rhode Island? I do not understand how there is any equality or proportionality with respect to the kind of issue being discussed here. It seems that although the administration may support one view there are points of view here positive and negative. There is no proportionality to the representation being given by the procedure.

The PRESIDING OFFICER. There originally was an order for 30 minutes equally divided. After the amendments were offered then there was an order that the time be abrogated and no provisions remained for divided time.

Mr. DENTON. May I suggest to the floor manager that perhaps some other more altruistic and useful unanimous-consent agreement can be obtained.

Mr. RUDMAN. Mr. President, will the Senate be in order? We cannot hear the Senator from Alabama.

The PRESIDING OFFICER. Will all Senators please suspend. Can we have order in the Chamber? Will all those Members of the staff in the back please suspend conversations. All Senators will remain quiet so we may hear the floor managers and the Senator from Alabama. The Senator from Connecticut has the floor.

Mr. RUDMAN. I want to respond to the Senator from Alabama as the acting floor manager. Let me point out what occurred here was that amendments were proposed by the Senator from Connecticut which was opposed by the Senator from New York, the acting chairman of the Intelligence Committee, and joined in by the ranking Republican, the Senator from Rhode Island. They opposed that, and had a substitute, and thus when the time agreement was made it was divided essentially between those two parties, who then among themselves decided to aggregate their time. That may be unusual but it was probably reasonable under the circumstances.

Mr. PELL. Mr. President, I ask for the regular order.

The PRESIDING OFFICER. The regular order is a half-minute remaining to the Senator from Connecticut.

Mr. DODD. Thank you. This happened last night when we were working out the unanimous-consent agreement time allocations. Objection was raised when an extension of the time allotted to my amendment was suggested. We then tried to work out some agreement between the respective sides here, and it was finally understood that there would be 30 minutes for both amendments and we tried to equally divide the time which we have done fairly well.

Let me finally say in support of my amendment, I am not here this morning or this afternoon to support the Sandinistas or other groups or the Hondurans, for that matter, or the groups residing in their country at this time.

What I am concerned about is our foreign policy, and all I am suggesting by this amendment is that we have a better understanding of what we are starting. If we do not have a sense of what we are doing when we start, we inevitably run into the problem of how we deal with events as they overtake us.

All I am concerned about here is I believe, based on information I have outside of the intelligence community, that we are encouraging certain paramilitary groups operating in Central America, particularly on the border of Honduras, to conduct certain forays into Nicaragua to overthrow that government. That is what they want to do.

Whether or not that is our intention is irrelevant at this point. We are supplying and supporting those elements and they are provoking a conflict.

All I am suggesting here is, if that happens, if, in fact, the conflict develops, are we then prepared to follow up with what we have started?

The PRESIDING OFFICER. All time has expired.

Mr. HELMS addressed the Chair.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. HELMS. Mr. President, I move to table the underlying amendment and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from North Carolina (Mr. HELMS) to table the amendment of the Senator from Connecticut (Mr. DODD). The yeas and nays have been ordered and the clerk will call the roll.

The legislative clerk called the roll.

Mr. STEVENS. I announce that the Senator from New Jersey (Mr. BRADY), the Senator from Arizona (Mr. GOLDWATER), and the Senator from Pennsylvania (Mr. HEINZ) are necessarily absent.

Mr. ROBERT C. BYRD. I announce that the Senator from California (Mr. CRANSTON), the Senator from Washington (Mr. JACKSON) and the Senator from Massachusetts (Mr. KENNEDY) are necessarily absent.

I further announce that if present and voting, the Senator from Washington (Mr. JACKSON), would vote "yea."

I further announce that if present and voting, the Senator from Massachusetts (Mr. KENNEDY) would vote "nay."

The PRESIDING OFFICER. Are there any other Senators in the Chamber wishing to vote?

The result was announced—yeas 56, nays 38—as follows:

[Rollcall Vote No. 445 Leg.]

YEAS—56

Abdnor
Andrews
Armstrong
Baker
Bentsen
Boren
Byrd,
  Harry F., Jr.
Chiles
Cochran
Cohen
D'Amato
Danforth
DeConcini
Denton
Dole
Domenici
East
Exon
Ford
Garn
Grassley
Hatch
Hatfield
Hawkins
Hayakawa
Heflin
Helms
Hollings
Huddleston
Humphrey
Jepsen
Johnston
Kasten
Laxalt
Long
Lugar
Mattingly
McClure
Murkowski
Nickles
Nunn

Packwood
Percy
Pryor
Quayle
Roth
Rudman
Schmitt
Stennis
Stevens
Symms
Thurmond
Tower
Wallop
Warner
Zorinsky

NAYS—38

Baucus
Biden
Boschwitz
Bradley
Bumpers
Burdick
Byrd, Robert C.
Cannon
Chafee
Dixon
Dodd
Durenberger
Eagleton
Glenn
Gorton
Hart
Inouye
Kassebaum
Leahy
Levin
Mathias
Matsunaga
Melcher
Metzenbaum
Mitchell
Moynihan
Pell
Pressler
Proxmire
Randolph
Riegle
Sarbanes
Sasser
Simpson
Specter
Stafford
Tsongas
Weicker

NOT VOTING—6

Brady
Cranston
Goldwater
Heinz
Jackson
Kennedy

So the motion to lay on the table (UP amendment No. 1541) was agreed to.

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II. SECTIONS 108 AND 109 OF THE INTELLIGENCE AUTHORIZATION ACT FOR FISCAL YEAR 1984, PUB. L. 98-215, 97 STAT. 1475; SECTION 775 OF THE DEPARTMENT OF DEFENSE APPROPRIATIONS ACT, 1984, PUB. L. 98-212, 97 STAT. 1452: $24 MILLION CAP FOR MILITARY ASSISTANCE TO THE CONTRAS, FY 1984

SECTIONS 108 AND 109 OF THE INTELLIGENCE AUTHORIZATION ACT, FY 84

LIMITATION ON COVERT ASSISTANCE FOR MILITARY OPERATIONS IN NICARAGUA

SEC. 108. During fiscal year 1984, not more than $24,000,000 of the funds available to the Central Intelligence Agency, the Department of Defense, or any other agency or entity of the United States involved in intelligence activities may be obligated or expended for the purpose of which would have the effect of supporting, directly or indirectly, military or paramilitary operations in Nicaragua by any nation, group, organization, movement, or individual.

CONGRESSIONAL FINDINGS

SEC. 109. (a) The Congress finds that—

(1) the Government of National Reconstruction of Nicaragua has failed to keep solemn promises, made to the Organization of American States in July 1979, to establish full respect for human rights and political liberties, hold early elections, preserve a private sector, permit political pluralism, and pursue a foreign policy on nonaggression and nonintervention;

(2) by providing military support (including arms, training, and logistical, command and control, and communications facilities) to groups seeking to overthrow the Government of El Salvador and other Central American governments, the Government of National Reconstruction of Nicaragua has violated article 18 of the Charter of the Organization of American States which declares that no state has the right to intervene, directly or indirectly, for any reason whatsoever, in the internal or external affairs of any other state;

(3) the Government of Nicaragua should be held accountable before the Organization of American States for activities violative of promises made to the Organization and for violations of the Charter of that Organization; and

(4) working through the Organization of American States is the proper and most effective means of dealing with threats to the peace of Central America, of providing for common action in the event of aggression, and of providing the mechanisms for peaceful resolution of disputes among the countries of Central America.

(b) The President should seek a prompt reconvening of the Seventeenth Meeting of Consultation of Ministers of Foreign Affairs of the Organization of American States for the purpose of reevaluating the compliance by the Government of National Reconstruction of Nicaragua—

(1) with the commitments made by the leaders of that Government in July 1979 to the Organization of American States; and

(2) with the Charter of the Organization of American States.

(c) The President should vigorously seek actions by the Organization of American States that would provide for a full range of effective measures by the member states to bring about compliance by the Government of National Reconstruction of Nicaragua with those obligations, including verifiable agreements to halt the transfer of military equipment and to cease furnishing of military support facilities to groups seeking the violent overthrow of governments of countries in Central America.

(d) The President should use all diplomatic means at his disposal to encourage the Organizations of American States to seek resolution

[CRS-22]

of the conflicts in Central America based on the provisions of the Final Act of the San Jose Conference of October 1982, especially principles (d), (e), and (g), relating to nonintervention in the internal affairs of other countries, denying support for terrorist and subversive elements in other states, and international supervision of fully verifiable arrangements.

(e) The United States should support measures at the Organization of American States, as well as efforts of the Contadora Group, which seek to end support for terrorist, subversive, or other activities aimed at the violent overthrow of the governments of countries in Central America.

(f) Not later than March 15, 1984, the President shall report to the Congress on the results of his efforts pursuant to this Act to achieve peace in Central America. Such report may include such recommendations as the President may consider appropriate for further United States actions to achieve this objective.

SECTION 775 OF THE DOD APPROPRIATIONS, FY84

SEC. 775. During fiscal year 1984, not more than $24,000,000 of the funds available to the Central Intelligence Agency, the Department of Defense, or any other agency or entity of the United States involved in intelligence activities may be obligated or expended for the purpose or which would have the effect of supporting, directly or indirectly, military or paramilitary operations in Nicaragua by any nation, group, organization, movement, or individual.

These provisions may be considered in conjunction with the following general funding restriction contained in section 103 of the authorization bill and reported by the conference as follows:

CONGRESSIONAL NOTIFICATION OF EXPENDITURES IN EXCESS OF PROGRAM AUTHORIZATIONS

SEC. 103. During fiscal year 1984, funds may not be made available for any intelligence or intelligence-related activity unless such funds have been specifically authorized for such activity or, in the case of funds appropriated for a different activity, unless the Director of Central Intelligence or the Secretary of Defense has notified the appropriate committees of Congress of the intent to make such funds available for such activity, except that, in no case may reprogramming or transfer authority be used by the Director of Central Intelligence or the Secretary of Defense unless for higher priority intelligence or intelligence-related activities, based on unforeseen requirements, than those for which funds were originally authorized, and in no case where the intelligence or intelligence-related activity for which funds were requested has been denied by Congress.

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SECTION 103

The House bill contained a provision, section 103, that had three parts. It stipulated that during fiscal year 1984, no funds may be appropriated or otherwise made available through transfer, reprogramming, etc., for intelligence or intelligence-related activities unless specifically authorized or unless the appropriate committees of Congress have been notified of the intent to make such funds available. Section 103 also contained the requirement that all transfers of funds from one account to another be for a higher priority program. Lastly, section 103 stated that no funds may be provided to support a program denied by Congress. The Senate amendment contained a provision, Section 101(c), which included only the first part of Section 103.

The conferees agreed to the House provision with the understanding that, if the proposed activity is materially different from that denied funding with prejudice, section 103 would not present any bar to a release from the Reserve for Contingencies or a reprogramming request.

A. OVERVIEW

The compromise resulting in the firm $24 million cap arose from a desire by the House to curtail all covert support for the contras, while the Senate favored funding such support both through earmarked funds and use of the CIA reserve for contingencies. According to Representative Boland, the effect of the compromise language would be to place an absolute $24 million cap on covert support that would prohibit the CIA (or presumably any other entity involved in intelligence activities) from expending funds from reserves or elsewhere once the specifically appropriated funds ran out. This position arguably may be reinforced by language in section 103 of the DOD appropriations that bars making funds available for activities for which funds were denied by Congress (e.g., covert support of the contras after the $24 million cap had been reached).

Mr. Boland estimated that the cap would be reached in June 1984 at then current support levels. Reports indicate that the cap may have been reached before that time.

[CRS-24]

B. BOLAND-ZABLOCKI: GENESIS OF COMPREHENSIVE RESTRICTIONS

1. Language introduced and as reported

[H.R. 2760, 98th Cong., 1st sess.]

A BILL To amend the Intelligence Authorization Act for Fiscal Year 1983 to prohibit United States support for military or paramilitary operations in Nicaragua and to authorize assistance, to be openly provided to governments of countries in Central America, to interdict the supply of military equipment from Nicaragua and Cuba to individuals, groups, organizations, or movements seeking to overthrow governments of countries in Central America

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Intelligence Authorization Act for Fiscal Year 1983

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is amended by adding at the end thereof the following new title:

"TITLE VIII—PROHIBITION ON COVERT ASSISTANCE FOR MILITARY OPERATIONS IN NICARAGUA; AUTHORIZATION OF OVERT INTERDICTION ASSISTANCE

"PROHIBITION ON COVERT ASSISTANCE FOR MILITARY OPERATIONS IN NICARAGUA

"SEC. 801. (a) None of the funds appropriated for fiscal year 1983 or 1984 for the Central Intelligence Agency or any other department, agency, or entity of the United States involved in intelligence activities may be obligated or expended for the purpose or which would have the effect of supporting, directly or indirectly, military or paramilitary operations in or against Nicaragua by any nation, group, organization, movement, or individual.

"(b) This section shall take effect 45 days after the date of enactment of this section.

"AUTHORIZATION OF OVERT INTERDICTION ASSISTANCE

"SEC. 802. (a) The Congress finds that—

"(1) in the absence of a state of declared war, the provision of military equipment to individuals, groups, organizations, or movements seeking to overthrow governments of countries in Central America violates international treaty obligations, including the Charter of

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the United Nations, the Charter of the Organization of American States, and the Rio Treaty of 1949; and

"(2) such activities by the Governments of Cuba and Nicaragua threaten the independence of El Salvador and threaten to destabilize the entire Central American region, and the Governments of Cuba and Nicaragua refuse to cease those activities.

"(b) The President is authorized to furnish assistance, on such terms and conditions as he may determine, to the government of any friendly country in Central America in order to provide such country with the ability to prevent use of its territory, or the use of international territory, for the transfer of military equipment from or through Cuba or Nicaragua to any individual, group, organization, or movement which the President determines seeks to overthrow the government of such friendly country or the government of any other country in Central America. Assistance under this section shall be provided openly, and shall not be provided in a manner which attempts to conceal United States involvement in the provision of such assistance.

"(c) Assistance may be provided to a foreign country under this section only if that country has agreed that it will not use any assistance provided by the United States under this section, the Foreign Assistance Act of 1961, or the Arms Export Control Act to destabilize or overthrow the

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government of any country in Central America and will not make any such assistance available to any nation, individual, group, organization, or movement which seeks to destabilize or overthrow any such government.

"(d) At least 15 days before providing assistance to a foreign country under this section, the President shall submit an unclassified report which describes the proposed assistance to the Speaker of the House of Represenatives and to the chairman of the appropriate committees of the Senate.

"(e) There is authorized to be appropriated to the President to carry out this section $30,000,000 for the fiscal year 1983 and $50,000,000 for the fiscal year 1984.".

[CRS-28]

[H.R. 2760, 98th Cong., 1st Sess.]

A BILL To amend the Intelligence Authorization Act for Fiscal Year 1983 to prohibit United States support for military or para-military operations in Nicaragua and to authorize assist-

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ance, to be openly provided to governments of countries in Central America, to interdict the supply of military equipment from Nicaragua and Cuba to individuals, groups, organizations, or movements seeking to overthrow governments of countries in Central America.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Intelligence Authorization Act for Fiscal Year 1983 is amended by adding at the end thereof the following new title:

"TITLE VIII—PROHIBITION ON COVERT ASSISTANCE FOR MILITARY OPERATIONS IN NICARAGUA; AUTHORIZATION OF OVERT INTERDICTION ASSISTANCE

"PROHIBITION ON COVERT ASSISTANCE FOR MILITARY OPERATIONS IN NICARAGUA

"SEC. 801. (a) None of the funds appropriated for fiscal year 1983 or 1984 for the Central Intelligence Agency or any other department, agency, or entity of the United States involved in intelligence activities may be obligated or expended for the purpose or which would have the effect of supporting, directly, or indirectly, military or paramilitary operations in **[**or against**]** Nicaragua by any nation, group, organization, movement, or individual.

["(b) This section shall take effect 45 days after the date of enactment of this section.**]**

[CRS-30]

This section shall take effect upon the date prescribed in the classified annex to the Committee report accompanying this bill.

"(b) This section shall take effect upon the date prescribed in the classified annex to the report of the Permanent Select Committee on Intelligence of the House of Representatives to accompany the bill H.R. 2760 (98th Congress).".

"AUTHORIZATION OF OVERT INTERDICTION ASSISTANCE

"SEC. 802. (a) The Congress finds that—

"(1) in the absence of a state of declared war, the provision of military equipment to individuals, groups, organizations, or movements seeking to overthrow governments of countries in Central America violates international treaty obligations, including the Charter of the United Nations, the Charter of the Organization of American States, and the Rio Treaty of 1949; and

"(2) such activities by the Government of Cuba and Nicaragua threaten the independence of El Salvador and threaten to destabilize the entire Central American region, and the Governments of Cuba and Nicaragua refuse to cease those activities.

"(b) The President is authorized to furnish assistance, on such terms and conditions as he may determine, to the government of any friendly country in Central America in

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order to provide such country with the ability to prevent use of its territory, or **to prevent to the extent permitted by international law** the use of international territory, for the transfer of military equipment from or through Cuba or Nicaragua *or any other country or agents of that country* **or any other country or agents of that country** to any individual, group, organization, or movement which the President determines seeks to overthrow the government of such friendly country or the government of any other country in Central America. Assistance under this section shall be provided openly, and shall not be provided in a manner which attempts to conceal United States involvement in the provision of such assistance.

"(c) Asssistance may be provided to a *friendly* **friendly** foreign country under this section only if that country has agreed that it will not use any assistance provided by the United States under this section, the Foreign Assistance Act of 1961, or the Arms Export Control Act to destabilize or overthrow the government of any country in Central America and will not make any such assistance available to any nation, individual, group, organization, or movement which seeks to destabilize or overthrow any such government.

"(d) At least 15 days before providing assistance to a foreign country under this section, the President shall submit an unclassified report which describes the proposed

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assistance to the Speaker of the House of Representatives and to the chairman of the appropriate committees of the Senate.

"(e) There is authorized to be appropriated to the President to carry out this section $30,000,000 for the fiscal year 1983 and $50,000,000 for the fiscal year 1984.**[**".**]**

"(f) Funds to carry out this section shall be made available for any friendly country in Central America only for the purpose of interdicting the transfer of military equipment to any country in Central America.".

[CRS-33]

2. Committee explanations

a. Intelligence Committee

AMENDMENT TO THE INTELLIGENCE AUTHORIZATION ACT FOR FISCAL YEAR 1983

The Permanent Select Committee on Intelligence, to whom was referred the bill (H.R. 2670) to amend the Intelligence Authorization Act for Fiscal Year 1983 to prohibit United States support for military or paramilitary operations in Nicaragua and to authorize assistance, to be openly provided to governments of countries in Central America, to interdict the supply of military equipment from Nicaragua and Cuba to individuals, groups, organizations, or movements seeking to overthrow governments of countries in Central America, having considered the same, report favorably thereon and recommend the bill do pass with amendments.

AMENDMENTS

The amendments adopted by the Committee are as follows:

On page 2, lines 15, strike "or against."

On page 2, line 17, after "(b)", strike everything through line 18 and insert in lieu thereof the following:

"This section shall take effect upon the date prescribed in the classified annex to the Committee report accompanying this bill.".

On page 3, line 14, after "ragua", insert the following: "or any other country or agents of that country."

On page 3, line 21, after "a", insert "friendly".

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OVERVIEW

The Committee's action on H.R. 2760 comes at a time when U.S. foreign policy towards Central America is at the forefront of discussion in the Congress and throughout the nation. Attention has been focused on events in that troubled region not only because of their daily depiction in news reports but because of the President's April 27 address to a joint session of the Congress. As the President so forcefully noted, Central America has a strategic importance to the United States, yet some Central America nations friendly to the United States are now under attack. The danger of a broader regional conflict looms.

The focal point of United States effort in Central America is of course El Salvador. There a strong insurgent coalition threatens the elected government supported by the United States. El Salvador's many troubles have their root cause in the serious economic, social and political shortcomings of the long-entrenched Salvadoran social order. U.S. aid to El Savador is weighted towards helping to restructure Salvadoran economic, social and political models, but it is a sad fact that such reforms are impractical in a climate of unrest and denial of basic services. Both are caused by the activities of Salvadoran insurgents who, unwilling to limit their attacks to military targets, have launched successful and very damaging attacks on the power, water, and transportation infrastructure of El Salvador.

The success of the insurgents in El Salvador has not been matched by political victories. It is not popular support that sustains the insurgents. As will be discussed later, this insurgency depends for its lifeblood—arms, ammunition, financing, logistics and command-and-control facilities—upon outside assistance from Nicaragua and Cuba. This Nicaraguan-Cuban contribution to the Salvadoran insurgency is longstanding. It began shortly after the overthrow of Somoza in July, 1979. It has provided—by land, sea and air—the great bulk of the military equipment and support received by the insurgents.

No U.S. security assistance to El Salvador can ignore this chain of support. However, neither El Salvador nor its close neighbors possesses the capability to interdict arms supplies reaching the insurgents. These nations have neither the financial resources, the knowhow, nor the trained personnel to conduct effective interdiction activities in their own territory.

U.S. policy has not been directed at providing these nations with the necessary interdiction capability. Rather encouragement and support has been provided to Nicaraguan exiles to foster insurgency within Nicaragua. The end purpose of this support has been stated to be the interdiction of arms flowing through Nicaragua into El Salvador. It has also been explained as an attempt to force the Sandinista regime in Nicaragua to "turn inward"—away from its support of the Salvadoran insurgency. Later, other goals—"bringing the Sandinistas to the bargaining table" and forcing the scheduling of "promised elections" were added as ends to be achieved.

Those ends have not been achieved. Rather, entirely opposite results have been produced. Sandinista commitment to the Salvadoran insurgents has strengthened. The Salvadoran insurgents themselves have become more, not less, militarily active and may have increased in number. Their activities are well supplied and often well coordinated.

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More ominous is that the Sandinistas have stepped up their support for insurgents in Honduras.

In Nicaragua itself, as military clashes between insurgents and government forces have increased, even domestic opponents of the Sandinistas have come to support the government in the face of a U.S.-sponsored threat. The Nicaraguan government has declared a state of siege and assumed martial law powers. This situation only promises to continue. The prospect for real elections seems dim.

Throughout these developments. U.S. diplomacy has been unable to find a formula for discussing with Nicaragua the problem of its attempts to export revolution. First bilateral and now milti-lateral approaches have failed to bring the Sandinistas to point of even admitting its arms trafficking activities. Those negotiations which offer some present prospect of hope for either bilateral or multilateral talks emphasize strongly the unproductive and indeed counterproductive nature of outside sponsored insurgencies on the peace process. An observation that seems called for is that if Nicaraguan/Cuban sponsored insurgents will not force the Salvadoran government to negotiate with the insurgents, the same will be true in the case of a U.S. sponsored insurgency and the Nicaraguan government.

The fact of U.S. support for the anti-Sandinista insurgents has had further unfortunate repercussions. Having twice sent U.S troops to Nicaragua in this century, this country has once again been cast in the role of interventionist. The United States has allied itself with insurgents who carry the taint of the last Nicaraguan dictator, Somoza. It has, in effect, allowed the spotlight of international opprobrium to shift from Sandinista attempts to subvert a neighboring government to a U.S. attempt to subvert that of Nicaragua. If ever there was a formula for U.S. policy failure in Central America, it would involve two elements: (1) acts that could be characterized as U.S. interventionism in Nicaragua; and (2) an alliance with the followers of Somoza. Both characterizations can now be made. The isolation within the international community that Nicaragua should feel has been diminished by this doubly insensitive involvement by the U.S. in Nicaraguan affairs.

As it watched the development of the Nicaraguan insurgency and as members of the Committee concluded that U.S. policy was employing the wrong means to achieve its objectives, the Committee sought alternative solutions to achieve the same ends. It attempted restraints on the range of activities supported by the U.S. Two attempts of this kind were the language of the fiscal year 1983 Intelligence Authorization Act which sought to limit insurgent activity to arms interdiction, and the Boland Amendment, an amendment to the fiscal year 1983 Defense Appropriations Act that prohibited assistance for the purpose of overthrowing the government of Nicaragua or provoking a military exchange between Nicaragua and Honduras.

Both proved ineffective as moderate curbs on insurgent activity or U.S. policy. Hostilities within Nicaragua intensified. There was no discernable effect on the arms flow. Throughout, executive branch officials made little effort to mask U.S. support, going so far in April, 1983 as to encourage media discussion.

Faced with these circumstances, the Committee met several times in April, 1983, to consider alternatives. What emerged from these dis-

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cussions was a strong consensus on U.S. security interests in Central America and agreement on U.S. goals for the region fully consistent with those later enunciated by the President in his April 27 address. The Committee supplemented its discussions by hearing from Secretary of State Shultz and CIA Director Casey. Some members met with the President.

Following the President's address, the Committee amended and then adopted H.R. 2760. The bill is a twofold approach to the problem of arms shipments from Nicaragua to the Salvadoran insurgents. It would deny funding now and in the next fiscal year for any direct or indirect support of military or paramilitary activities in Nicaragua. Support could continue for a period of time following enactment of the bill, but for the purpose of permitting insurgents who wished to make an orderly withdrawal from Nicaragua. The time period specified is a time certain but remains classified for the protection of those who choose to withdraw.

The second part of the bill proposes an alternative approach to arms interdiction. $30 million in fiscal year 1983 and $50 million in fiscal year 1984 would be authorized to be made available to friendly nations in Central America to develop programs or establish the capability to prevent the use of their territory, or international territory, for shipment of military equipment to insurgents in any Central American country. These funds would grant assistance in addition to that already requested for military aid to nations in this region. Assistance necessary to establish capabilities to interdict arms also could require the use of U.S. military trainers or advisors. No assistance provided under this part of the bill could be transferred to insurgents seeking to overthrow or destabilize any government.

H.R. 2760 is a comprehensive approach crafted to fit within existing U.S. policy initiatives, by directly countering the threat of Nicaraguan and Cuban arms support to the Salvadoran insurgents. It addresses the most basic security concern listed by the President—preventing the export of revolution from Nicaragua and Cuba—as it returns U.S. policy to a position from which it can assail this activity without fear of criticism. It thus would turn the tables on the Sandinista regime in Nicaragua. It is their support for revolution that would then bear the brunt of international security and the renewed criticism of their Latin neighbors. It would place additional pressure on Nicaragua to negotiate within the framework of one of the several regional proposals now being put forward. With the cessation of outside support for insurgents, it would once again allow the internal focus in Nicaragua to shift to political, social and economic problems—and to the accounting that the Sandinistas must give to the people of Nicaragua.

In adopting H.R. 2760, the Committee did not seek to usurp the President's duties as director and expositor of foreign policy. It sought only to change the means of achieving the President's goals—with which it was in agreement. The Committee recognizes that its proposal for arms interdiction assistance is a new variation of U.S. security assistance, and that the program envisioned by H.R. 2760 is an expensive one. Nonetheless. H.R. 2760 is the only comprehensive solution on which the Committee could agree that addresses both the

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problem of Nicaraguan and Cuban aggression and an end to U.S. policy failures in Nicaragua.

ACTIVITIES OF CUBA AND NICARAGUA

The Committee has regularly reviewed voluminous intelligence materials on Nicaraguan and Cuban support for leftist insurgencies since the 1979 Sandinista victory in Nicaragua. The Committee's review was indicated not only because of the importance of Central American issues for U.S. foreign policy, but because of decisions which the Congress was called upon to make on questions of aid to countries in the region. The Committee has encouraged and supported a full range of intelligence collection efforts in Central America.

Full discussion of intelligence materials in public reports would pose serious security risks to intelligence sources and methods. Necessarily, therefore, the Committee must limit its treatment of Cuban and Nicaraguan aid for insurgencies to the judgments it has reached. Such judgments nonethless constitute a clear picture of active promotion for "revolution without frontiers" throughout Central America by Cuba and Nicaragua.

The Committee has not come newly to its judgments. In March 4, 1982, after a major briefing concerning the situation in El Salvador, the chairman of the Committee made the following statement:

"The Committee has received a briefing concerning the situation in El Salvador, with particular emphasis on the question of foreign support for the insurgency. The insurgents are well trained, well equipped with modern weapons and supplies, and rely on the use of sites in Nicaragua for command and control and for logistical support. The intelligence supporting these judgments provided to the Committee is convincing.

"There is further persuasive evidence that the Sandinista government of Nicaragua is helping train insurgents and is transferring arms and financial support from and through Nicaragua to the insurgents. They are further providing the insurgents bases of operation in Nicaragua. Cuban involvements—espacially in providing arms—is also evident.

"What this says is that, contrary to the repeated denials of Nicaraguan officials, that country is thoroughly involved in supporting the Salvadoran insurgency. That support is such as to greatly aid the insurgents in their struggle with government forces in El Salvador."

On September 22, 1982, the Committee released a staff report of its Subcommittee on Oversight and Evaluation entitled "U.S. Intelligence Performance on Central America: Achievements and Selected Instances of Concern." That report noted:

"The intelligence community has contributed significantly to meet the needs of policymakers on Central America. Over the last two years perhaps its greatest achievement lies in determining with considerable accuracy the organization and activities of the Salvadoran guerrillas, and in detecting the assistance given to them by Cuba and other communist coun-

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tries. Although amounts of aid and degrees of influence are difficult to assess, intelligence has been able to establish beyond doubt the involvement of communist countries in the insurgency."

At the time of the filing of this report, the Committee believes that the intelligence available to it continues to support the following judgments with certainty:

"A major portion of the arms and other material sent by Cuba and other communist countries to the Salvadoran insurgents transits Nicaragua with the permission and assistance of the Sandinistas.

"The Salvadoran insurgents rely on the use of sites in Nicaragua, some of which are located in Managua itself, for communications, command-and-control, and for the logistics to conduct their financial, material and propaganda activities.

"The Sandinista leadership sanctions and directly facilitates all of the above functions.

"Nicaragua provides a range of other support activities, including secure transit of insurgents to and from Cuba, and assistance to the insurgents in planning their activities in El Salvador.

"In addition, Nicaragua and Cuba have provided—and appear to continue providing—training to the Salvadoran insurgents."

Cuban and Sandinista political support for the Salvadoran insurgents has been unequivocable for years. The Committee concludes that similarly strong military support has been the hidden complement of overt support. As the Assistant Secretary of State for Inter-American Affairs, Thomas O. Enders, stated (April 14, 1983) to the Committee on Foreign Affairs:

"In 1980 (just as in 1978 Castro had brought the three main Sandinista factions together in Havana), Cuban agents brought five guerrilla factions from El Salvador together in Managua, worked out a unity pact amoung them, then set up a joint command and control apparatus in the Managua area and organized logistic and training support on Nicaraguan soil. Since that time, the great bulk of the arms and munitions used by the insurgents in El Salvador have flowed through Nicaragua."

Another area of serious concern to the Committee is the significant military buildup going on within Nicaragua. The President and other executive branch officials have addressed this subject publicly and exhaustively. Considering the small population of Nicaragua—two and one-half million people—and its weakened economic status—such a buildup cannot be explained away as solely defensive. Within the Central American isthmus, it poses a potential threat to its neighbors. The substantial Nicaraguan support for the Salvadoran insurgents offers no assurance that the Sandinistas will constrain their growing military might within Nicaragua's own borders.

Such a conclusion can be extrapolated from those discusssions between the United States and Nicaragua about Sandinista support for the Salvadoran insurgents. According to Mr. Enders' April 14 testimony, three such discussions—in August 1981; in the spring of 1982;

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and in October, 1982—have already rendered fruitless U.S. efforts to end Sandinista support for the Salvadoran insurgents. While the Committee has reason to question certain elements of the U.S. negotiating posture, it is certainly clear that Nicaragua, backed fully by Cuba, has committed itself to continue full support for the insurgency in El Salvador.

U.S. POLICY RESPONSE

The President, in his April 27 address, outlined the basic goals and elements of U.S. policy for Central America. The Committee also has elicited descriptions of U.S. policy in the region. The basic thrust of that policy, as explained to the Committee, over a two year period, is to stop the spread of communism by revolution. The threat of communism is embodied in the efforts of Cuba, Nicaragua, and less openly, the Soviet Union itself.

Specific U.S. efforts to defeat communist expansion in Central America are directed at certain changes in regional conditions, but they focus on El Salvador and Nicaragua. By trying to bring Nicaragua into regional negotiations with its neighbors. U.S. policy seeks to realize: regional improvements in democratization; removal of all foreign military advisors; an end to cross border subversion and acquisition of heavy weapons from outside the region; and international monitoring of frontiers.

Congress and the public are more familiar with other U.S. programs of economic and security assistance to Central American nations. El Salvador has been the nation most threatened by insurgency and its military and socio-economic troubles are the most familiar points of concentration in debate about U.S. policy for Central America. There has been a hidden program of Central American policy, however, which has important consequences for the viability of the public aspects of the policy. This hidden program is the nominally covert provision of U.S. support and training to anti-Sandinista insurgents.

The Committee is cognizant of the great amount of news reporting and speculation about the nature of this covert program. The Committee is constrained in addressing these stories, some of which are accurate. Because of security constraints, this report can contain no further information about the actual facts of the program. A report on the program is required in order to understand the recommendations of the Committee embodied in H.R. 2760. The Committee has determined that, in order to protect intelligence sources and methods and the lives of those involved in the program, such a report should be given by the Committee in a secret session of the House. The unanimous decision of the Committee was to request such a secret session in the near future, most probably in connection with House consideration of H.R. 2760. While this report therefore cannot describe the program further, it can provide some outline of the Committee's consideration of the program and the conclusions reached in connection with the Committee's recommendations.

COMMITTEE OVERSIGHT

From the Committee's first briefing, in December, 1981, on the program to support anti-Sandinista insurgency, serious concerns were expressed by members of the Committee. These concerns went to

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the number and tactics of the insurgents to be supported, whether these insurgents would be under U.S. control and the possibility of military clashes between Nicaragua and Honduras.

Five days after this first briefing, the Chairman of the Committee reiterated these concerns in a letter to the principal executive branch briefer. He emphasized that the concerns were shared by members of both parties and asked that they be addressed by senior policymakers. Significantly, he indicated that the Committee would require briefings on the program at regular intervals, a requirement considered important within the Committee because of uncertainties expressed in this letter.

In April, 1982, following several such briefings, the Committee considered the fiscal year 1983 intelligence authorization budget bill. At a mark-up of the bill on April 5, 1983, the Committee considered, but rejected, motions to strike all funds for the program. Instead, the Committee adopted language in the classified annex to the report accompanying the bill that limited the uses to which funds authorized for the program could be applied. The program was to be directed only at the interdiction of arms to the insurgents in El Salvador. Funds in the program were not to be used to overthrow the government of Nicaragua or provoke a military exchange between Nicaragua and Honduras. The Committee insisted upon these restrictions in conference with the Senate on the authorization bill and they were retained, with modifications. Responsible executive branch officials were knowledgeable of, and participated in, these revisions. The conference report on the fiscal year 1983 intelligence authorization bill was filed and approved by both Houses in August 1982.

Throughout the period following its April budget markup, the Committee received additional briefings on this program. Then, in December, 1982, an amendment in the House was offered to the FY 83 Defense appropriations bill which would have prohibited any form of support for the anti-Sandinista insurgents. Not without some misgiving, the chairman of the Committee proposed a substitute to that amendment prohibiting support "for the purpose of overthrowing the government of Nicaragua or provoking a military exchange between Nicaragua and Honduras," a restriction identical to that contained in the classified annex to accompany the conference report on the fiscal year 1983 intelligence authorization act.

The substitute amendment referred to above was adopted by the House be a vote of 411-0. In offering the amendment, the Chairman of the Committee noted that it was the duty of the Intelligence Committee to insure that activities involving lethal force did not get out of control.

The effect of the amendment adopted by the House—and subsequently accepted in the conference on the fiscal year 1983 continuing resolution—was to reinforce the restrictions of the fiscal year 1983 intelligence conference report while permitting continuation of the program. At the time of the adoption of the Committee, there was still a belief by the majority of members of the Committee that the program could be restrained within acceptable limits.

Following the enactment of the continuing resolution, the Committee increased the frequency of its briefings on the program. By the time of the first such briefing, however, Committee members were

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expressing renewed distress at the number of insurgents supported by the program, the serious nature of fighting then occurring within Nicaragua, and the lack of success in meeting the program's goals. In this period also, executive branch briefers discussed other goals and gave different emphases to the program than those originally described to the Committee.

By the beginning of April, 1983, press accounts of the program's contribution to the anti-Sandinista insurgency, which had been occurring for more than a year, had greatly unmasked any pretense of the program's covertness. Some of these accounts may have been deliberately encouraged by executive branch officials.

By this time, also the question of whether the program was complying with legislative directions was fully before the Committee. In exploring this question, and in reviewing throughly the 17 months of the program's operation, the Committee heard from the Secretary of State and the Director of Central Intelligence. A forerunner draft of H.R. 2760 was circulated within the Committee in mid-April. In two meetings of the Committee concerning the program, votes or determinations were deferred, in the last case in order to hear the President's April 27 address to the Congress on Central America. A meeting is scheduled the day following this address was also adjourned with our decision on H.R. 2760. Finally, on May 3, 1983, the Committee met and ordered reported H.R. 2760, as amended.

CONSIDERATION OF AMENDMENTS

The Committee adopted several amendments. The first amendment struck from Sec. 801(a) the words "or against," thus rendering the prohibition on the expenditure of funds in that section a ban on either direct or indirect support for military or paramilitary operations in Nicaragua, instead of "in or against Nicaragua." The Committee did not adopt this change to lessen the effect of section 801(a), but rather to remove any doubt that the section could be read to prohibit acts by a recipient of section 802(b) aid within its own territory or international territory to indirect arms, no matter what the nationality of the arms traffickers. The amendment also served to remove the argument that the section could prohibit the collection by the United States of intelligence about Nicaragua and its provision to any recipient nation. The amendment did not "water down" the provision to any recipient nation. The amendment did not "water down" the prohibitions of section 801(a) because the words "directly or indirectly" still apply to the ban on military or paramilitary operations in Nicaragua. Thus activities outside Nicaragua which have the effect of supporting military or paramilitary operations inside that country are not permitted by section 801(a).

The Committee also adopted an amendment which sets a time period from the enactment after which the provisions of Sec. 801(a) take effect. This period is set forth in the classified annex to this report. The purpose of this amendment was to provide for as orderly a withdrawal as possible of anti-Sandinista insurgents within Nicaragua without providing Nicaraguan forces with the exact timetable for such a withdrawal.

The Committee also adopted an amendment providing that grant security assistance authorizated by section 802(b) could be provided to

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friendly Central American nations to interdict arms shipments from or through countries other than Cuba and Nicaragua. Lastly, the Committee adopted a clarifying amendment correcting a drafting error.

The Committee considered two other amendments, the first of which would have made the effective date of section 801(a) hinge on the end of Sandinista arms, training, command-and-control or logistical support for the Salvadoran insurgents. The second amendment modified the first to make the effective date of section 801(a) depend on the Sandinistas agreement to a verifiable agreement to cease such support.

This second amendment was debated fully by the Committee. In rejecting it, the Committee did not reject negotiations to stop the export of revolution. The Committee fully supports negotiations—regional or bilateral or both—which seek this end. What it was unwilling to do was to condition an end to support for the anti-Sandinista insurgency upon possible negotiations of the kind which the executive branch has been reluctant to enter into with Nicaragua. The Committee has been disturbed by a lack of vigor in those diplomatic exchanges that have occurred. The Committee doubted the likelihood of Sandinista agreement in the face of what they consider an effort to overthrow them. Memers of the Committee made this observation based on the effect this program had had on Sandinista conduct to increase, rather than decrease, support for the Salvadoran insurgents.

Members of the Committee also questioned the willingness of the executive branch to reach agreement with Nicaragua on the issue of a verifiable end to arms shipments. Based on frequent presentations to the Committee, it seemed unlikely that the executive branch would limit its demands to an end of Sandinista support for the Salvadoran insurgents. Present policy also seeks to force internal Nicaraguan political changes and military reductions. The record of failed dialogue with the Sandinista regime is a long one, and although the Committee hesitates to criticize executive branch handling of U.S. diplomatic relations in this area, it must observe that the record suggests a reluctance to modify in any way the present executive branch view of an optimal Central American solution. International perception of U.S. intransigence has further limited U.S. negotiating efforts.

The Committee rejected the amendments in question in the belief that continued support for the anti-Sandinista insurgency is contrary to U.S. interests. It strengthens internal and international support for the Sandinista regime; undermines the reputation of the United States abroad by calling into question U.S. support for the principles of international law; and polarizes this nation on foreign policy. This makes it very difficult to gain support for funding a strong U.S. posture in Central America, particularly in El Salvador, the real cockpit of action in the region.

COMMITTEE JUDGMENTS

Although the Committee must curtail severely its discussion, judgments concerning the program of support for the anti-Sandinista insurgency are necessary as a base from which to discuss the recommendations of H.R. 2760.

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In its final review of the program, the Committee asked three questions:

Is the program consistent with the law and with the direction of the Congress?

Is the program a wise one?

Is the program successful?

While individual members give different emphasis to each of these questions, the following answers can be given.

As to the first question, the law says that the program may not have the purpose to overthrow the government of Nicaragua or provoke a military exchange between Nicaragua and Honduras. The fiscal year 1983 intelligence authorization conference report directs that funds may be used only for the purpose of the interdiction of arms. The Committee has reached the point where it is unwilling to assure the House that the present program meets both these requirements. The reasons for this judgment are as follows:

The activities and purposes of the anti-Sandinista insurgents ultimately shape the program. Their openly acknowledged goal of overthrowing the Sandinistas, the size of their forces and efforts to increase such forces, and finally their activities now and while they were on the Nicaraguan-Honduran border, point not to arms interdiction, but to military confrontation. As the numbers and equipment of the anti-Sandinista insurgents have increased, the violence of their attacks on targets unrelated to arms interdiction has grown, as has the intensity of the confrontation with Sandinista troops.

These groups are not controlled by the United States. They constitute an independent force. The only element of control that could be exercised by the United States, cessation of aid, is something that the executive branch has no intention of doing.

There are certainly a number of ways to interdict arms, but developing a sizable military force and deploying it in Nicaragua is one which strains credibility as an operation only to interdict arms.

Finally, and most importantly, the program has not interdicted arms. While this goes as much to whether the program is effective—the third question posed by the Committee—it also bears on compliance, if only because the only real results have been a challenge to the regime and heightened tensions with Honduras. In 18 months the Committee has not seen any diminishment in arms flow to the Salvadoran guerrillas, but rather repeated border clashes followed recently by heavy fighting well inside Nicaragua. In the process, innocent lives have been lost.

The second question is—is this wise? The Committee is forced to respond in the negative. Inflicting a bloody nose on nations achieves a purpose no different with nations than with individuals. It tends to instill a deep desire to return the favor. The Sandinistas are no different. Their policies have not softened. They have hardened. Eden Pastora, the former Sandinista "Commandante Zero," and now an opponent of the Sandinistas, has said that this program helps the Sandinistas in power. It tends to bind the Nicaraguan population—even those with little enthusiasm for the Sandinistas—together against the threat of attack. It is the best guarantee that the free elections the executive branch says it wants will not take place, and that the Cuban influence it seeks to diminish will grow.

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Besides that, however, this is no longer a covert operation. The public can read or hear about it daily. Anti-Sandinista leaders acknowledge U.S. aid. Executive branch officials—in both official and unofficial statements—have made no secret of the elements of the program.

Finally, the Central Intelligence Agency, which until recently had a right to feel that it had regained some of the public confidence lost during the period of the mid-70s is once again the subject of public scrutiny. It is being asked to continue an action whose principal elements are known to all the world. This again offers much food for propaganda to the Sandinista regime. It hurts the CIA, which is merely executing policy. It has put CIA witnesses—who do not make policy—in the increasingly uncomfortable position of trying to sell the program to an increasingly skeptical Congress.

The last question is—has this operation been successful? Some reasons listed above go to why the Committee believes the program has been counterproductive—why it achieves the very results the executive branch seeks to prevent—but the acid test is that the Salvadoran insurgents continue to be well armed and supplied. They have grown in numbers and have launched more and longer offensives. All this requires an uninterrupted flow of arms.

What also have increased, of course, have been even larger and more serious military exchanges between the paramilitary groups and Nicaraguan forces. The Committee does not view these exchanges as having impeded the arms flow. In fact, as they increase, there is an exponential growth in the loss of innocent life and the added possibility of clashes between Honduran and Nicaraguan troops. Neither results are legitimate nor justifiable.

A closing but timely note to these judgments can be made from the report of the Senate Select Committee To Study Government Operation With Request To Intelligence Activities (the Church Committee). In its discussion of paramilitary programs like the one that is the subject of this report, the Church Committee observed:

"There are two principal criteria which determine the minimum success of paramilitary operations: (1) achievement of the policy goal; (2) maintenance of deniability. If the first is not accomplished, the operation is a failure in any case; if the second is not accomplished, the paramilitary option offers few if any advantages over the option of overt military intervention. On balance, in these terms, the evidence points toward the failure of paramilitary activity as a technique of covert action."

The above discussion sets forth how the Permanent Select Committee on Intelligence answered the questions it has posed, but a solution is also called for. No member of the Committee believes that ending support for the anti-Sandinista insurgency will by itself induce a corresponding end in Sandinista support for the Salvadoran insurgents. The Committee does not wish to impose a unilateral restriction on U.S. policy. Rather, it seeks to end an ineffective program which does real harm to the image of the U.S. as a defender of democratic, peaceful change. That ineffective program must be replaced by a scheme of security assistance with direct U.S. participation, openly

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offered and received, that aims to create a capability among friendly nations where none now exists.

The Committee has been told that an end to the program of support for the anti-Sandinista insurgency could cause a cataclysmic reorientation of nations friendly to the United States. Those nations, this Committee has been warned, would seek accommodiation with Nicaragua and Cuba in the face of a failure of will by the United States. Floods of refugees would flock to the United States because of the Committee's recommendation.

The Committee finds these arguments lacking in merit, for its recommendation would replace the present "covert" program with open commitments, backed by substantial amount of aid, to provide its friends in the region the means to keep their borders secure. That is a reaffirmation—and a stronger one—of U.S. commitment than conducting a secret war. The United States has a substantial stake in Central America, which the President has set forth to the nation. For the price of a somewhat larger security assistance program, U.S. foreign policy can regain the high, firm ground it must maintain to bring the scrutiny of world opinion upon Nicaraguan and Cuban adventurism in Central America. Such scrutiny—and its self-interest in strong economic relations within a prosperous Central America—are what will bring Nicaragua to the bargaining table.

The Committee, of course, can only recommend the favorable adoption of the security assistance program proposed by H.R. 2760. That power lies with the Committee on Foreign Affairs, which must reconcile the bill with the full U.S. range of assistance in Central America. The Committee feels compelled to note, however, that Sandinista support for the Salvadoran insurgents continues to be important for the continuation of that insurgency. To ignore this key link is to provide an important military edge to these insurgents. Ending the U.S. program supporting anti-Sandinista insurgency will not alone change this aspect of Sandinista policy. The Committee agrees with the executive branch that U.S commitment to its friends in Central America must be seen as strong and enduring. Such commitments balanced by economic assistance and political reform, and coupled with one or more of the peace intitiatives now being advanced within the region, offer the only real prospect of preventing the export of revolution. The United States must therefore cease providing its adversaries the specter of another "Bay of Pigs," of renewed Latin interventionism, and restructure its support for democracy in Central America. The discussions now sponsored by the Contadora group of nations presently offer the best framework for structuring the U.S. approach to Central America along these lines. Such an effort should be encouraged and then implemented.

SECTION-BY-SECTION ANALYSIS

Section 801(a)

This subsection prohibits the obligation or expenditure of any funds appropriated in either fiscal year 1983 or fiscal year 1984 to the Central Intelligence Agency or any other part of the United States government involved in intelligence activities intended for, or resulting in, directly or indirectly, support for military or paramilitary operations in Nicaragua by any foreign country or by any group, or-

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ganization, movement, or individual. Because publications apply to any obligations or expenditures which directly or indirectly support military or paramilitary operations by those entities in Nicaragua, it prohibits support of entities located outside Nicaragua which operate within the territory of Nicaragua. Even indirect support, such as training, which is provided exclusively outside Nicaragua, but which is given in preparation for military or paramilitary activity in Nicaragua, is prohibited.

At the same time, section 801(a) does not prohibit the collection, production, or analysis of intelligence by U.S. intelligence elements, nor the provision of such intelligence to friendly foreign countries, as long as such activity does not support military or paramilitary operations in Nicaragua by any foreign nations or other entity.

In time of war, or in the case of a commitment of U.S. military forces during a period covered by a report from the President under the War Powers Resolution, support for military or paramilitary operations to compliment those by U.S. forces may be appropriate. Such might be the case if Honduras or Costa Rica were attacked by Nicaragua. In such an event, the President would no doubt request a relaxation of the strictures on foreign insurgencies. Such an adjustment undoubtedly would be accomplished expeditiously.

It is also important to note that this section in no way limits the ability of the United States to provide assistance—under section 802 or any other provision of law—which would help any friendly Central American nation in policing its sovereign territory. Thus, U.S. military or other assistance to any such country could be used within its borders or in international territory to defend that country or to prevent the use of its territory by those who seek to illegally transship arms or materially support uprising against it.

Section 802(b)

This subsection provides that subsection (a) shall take effect at a time certain after the date of enactment of the bill. The period of time is set forth in the classified annex accompanying the bill. The time period is estimated by the Committee to be a reasonable time for the orderly withdrawal of forces whose logistical support would be cut off by the action of subsection (a). The specific time period is classified so as to forestall hostile military action against such forces during or towards the end of the period in question. Thus, it is hoped that withdrawal can be accomplished in a less vulnerable fashion than might result if the withdrawal period were known publicly.

Section 802(a)

This subsection states that it is the finding of Congress that, absent a state of war, providing military equipment to entities seeking to overthrow Central American governments is a violation of international law, including the Charters of the United Nations and the Organization of American States, and the Rio Treaty of 1949; and that Cuba and Nicaragua are engaged in such actions, which threaten the independence of El Salvador and threaten to destabilize all of Central America; and that Cuba and Nicaragua refuse to stop such actions. These findings are borne out by the facts set forth in the body of the report.

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Section 802(b)

This subsection authorizes the President to provide to any friendly Central American country grant security assistance specifically designed to assist such country to acquire the capability to prevent the transfer of military equipment from or through Cuba or Nicaragua or any other country or its agents which the President decides is intended to be used to overthrow that or any other Central American government. The President sets the terms and conditions of such assistance and is also required to determine which entities or individuals seek to overthrow the government of any Central American nation. The President may delegate his responsibilities under this subsection. The Committee would expect that the Secretary of State would be the appropriate official should the President do so.

The grant assistance authorized by this subsection must be openly provided. It is, as such, another form of U.S. security assistance, although perhaps unique in its purpose. Such assistance therefore should be administered and reported to Congress, as far as possible, in the same manner as other U.S. security assistance programs. The subsection specifically prohibits attempts to conceal U.S. sponsorship of the assistance programs contemplated by this bill.

The Committee understands that the types of grant assistance which could be offered under this subsection cover a broad spectrum. Such assistance may include, but is not limited to, support for detection, tracking, blocking or preventive action by recipient nations to help prevent arms trafficking through their territory or international territory. In the first category—detection efforts—would be included the purchase of sensors, surveillance or reconnaissance equipment, training in their use, and the operation of such equipment.

The second category—tracking efforts—could embrace the purchase of radar or other intelligence collection equipment, training or advice on its use or in other tracking efforts, as well as operations involving implementation of this equipment and training.

The third category—blocking efforts—could include erection of barriers or other engineering devices, and advice or training in the erection and use of such devices.

The last category—prevention action—would take into account any border patrol or interdiction-type missions, training or advice in the development of such techniques, and any military, police, customs, or other activities that serve the purpose of preventing arms trafficking. This category could also include any efforts to support multilateral or bilateral, verifiable, and reciprocal agreements to bring about a halt in the fighting in Central America. An example in this last area might be the kind of international policing force recently requested by Costa Rica from the Organization of American States. U.S. assistant under this subsection could be used by Costa Rica to defray the cost of maintaining such a force.

The Committee feels that such agreements offer the best hope for curbing externally-supported insurgencies and wishes to endorse and encourage the concept of regional peace initiative.

A friendly foreign country is understood by the Committee to be a country considered by the President to be a country friendly to the United States at the time the President decides to furnish assistance under this subsection to that country.

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The Committee expects that much of the assistance—particularly training, technical assistance or advice—provided under the authority of this subsection could involve the use of U.S. military personnel. It should be emphasized that, since the program of assistance envisioned by this subsection is intended to supplement other types of security assistance, any outstanding restrictions on the numbers of U.S. military advisors permitted within a recipient country would constrain significantly the efficacy of that program. Accordingly, any such restrictions should be reviewed by the Committee on Foreign Affairs with this in mind.

The Committee is also compelled to note that the Secretary of Defense has indicated that, in his view and that of the Joint Chiefs of Staff, the goal of providing friendly Central American nations with the capability—which they would then exercise—to effectively interdict the Nicaraguan/Cuban arms flow through their territory contemplated by this subsection may be very difficult to achieve. Nonetheless, the aim of the programs to be established in subsection (b) is to provide—through initial training, assistance, and advice—recipient nations with the capability to eventually do the task of arms interdiction on their own. This is why the bill authorizes funds only for fiscal year 1983 and fiscal year 1984. The Committee intends that this program be reviewed before continuation in later years so that questions like the number and need for U.S. military advisors can be revisited by the Congress. In other words, the Committee views the capabilities transfer authorized by this bill to be a transfer process which will at some point in the forseeable future no longer require direct U.S. assistance or training.

Section 802(c)

This subsection conditions the provisions of any U.S. assistance to any friendly Central American nation upon the stipulation of that country that it will not use any such assistance to destabilize or overthrow the government of any other Central American nation or provide any such assistance to another nation, individual, or entity that seeks to destabilize or overthrow the government of another Central American nation.

The Committee wishes to emphasize that activities by any recipient nation within its own territory to defend itself or prevent the use of such territory for the transfer of military equipment intended to be used to overthrow any Central American government does not fall within the concepts of destabilization or attempting to overthrow another government. Rather, such activity, or actions clearly incidental thereto, is self-defense or the exercise of a police power which is the right of any sovereign nation. This is true even if the individuals affected by such defensive or policing actions are nationals—even military personnel—of another nation.

In time of war, the same will also hold true. As long as a recipient nation's efforts are to defend itself and its territory, it cannot be considered to be attempting to destabilize or overthrow another country's government. Rather, its efforts would be aimed at the defeat of another country's military forces, not the overthrowing of that country's government. Numerous modern examples—Turkish action in Cyprus, Israel's incursion into Lebanon, and Britain's recovery of the Falk-

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land Islands—serve to reinforce this point. The Committee intends, in short, that this subsection be interpreted in the same vein as are comparable provisions of the Foreign Assistance Act and the Arms Export Control Act. Therefore, when questions arise as to the nature of activities or anticipated activities engaged in by recipient nations, what is called for are consultations and clarifications with recipient nations. The reports of any U.S. advisors involved in assistance programs contemplated by this bill can assist in such discussions.

Section 802(d)

This subsection would require the President to provide the Congress an unclassified report describing the nature of assistance proposed to be provided to a particular foreign country under subsection (b). Such reports are required to be provided at least 15 days prior to the actual provision of such assistance, thus allowing for congressional inquiry about the proposed aid.

While the report required by the subsection is the only one stipulated by the bill, the Committee expects that the Committee on Foreign Affairs will from time to time require information from the executive branch so as to review the progress and accomplishments of assistance programs in recipient countries. Such oversight, as well as reviews by the Committee on Appropriations, is necessary to ensure successful implementation of arms interdiction assistance. Budget requests beyond fiscal year 1984 would require the preparation of justification materials similar to those provided for other security assistance programs.

Section 802(e)

This subsection authorizes appropriations in fiscal year 1983 of $30 million and in fiscal year 1984 of $50 million for the provision of the assistance proposed by the bill.

Two aspects of these figures require comment. First, the Committee recommends the sum of $50 million in fiscal year 1984 principally on the basis of a full year's comparable expenditures in a number of related areas. This estimate also allows for inflation and a modest margin of unforeseen cost escalation. Thus the figure represents the Committee's rough estimate of what a comprehensive arms interdiction assistance program would cost, but is based upon what ongoing comparable efforts would amount to in fiscal year 1984.

While the Committee's cost estimates are rough ones, it is clear that some endeavors appropriate for arms interdiction in the rough jungle terrain of Central America will be expensive. Two such approaches the Committee feels have merit are radar and barrier fencing.

Much of the arms now flowing from Nicaragua to El Salvador has in the past gone via small planes or helicopters. The necessary radar equipment to acquire and track such air traffic is expensive. For instance, the TPS-3, the radar system now in Honduras, is the same radar used by the Argentine forces at Port Stanley during the Falkland Islands conflict. That search and surveillance radar, with an effective range of 300 miles, costs $10 million with necessary support equipment and requires 20 trained personnel for its operation.

In the area of fencing, it is apparent that in discrete areas where such barriers can be effective, it will take miles of fencing to cordon off key land supply routes. The Committee does not contemplate

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fencing entire borders. Nonetheless, a single fence line constructed in the United States can cost $168,000 per mile on level ground; the cost of a double fence could escalate to $227,000 per mile. The Committee would anticipate that costs for similar fencing in the often rough terrain in Central America could be similarly expensive.

For the fiscal year 1983 figure, the Committee has estimated that a half year's effort would be provided, assuming approval of the bill within a reasonable time. The additional $5 million represents an estimate of up-front logistical equipment, and transportation costs that likely would arise with the initiation of such a program in fiscal year 1983.

The second point to be made is that the Secretary of Defense has indicated to the Committee that an effective interdiction program in Central America may be more costly than contemplated by the bill. The Committee, as of the time of the filing of this report, was attempting to seek further clarification of this statement.

Further details of the cost estimates in fiscal year 1983 and fiscal year 1984, as well as the letter of the Secretary of Defense, are included in the classified annex to this report.

COMMITTEE POSITION

On May 3, 1983, the Permanent Select Committee on Intelligence, a quorum being present, approved the bill with amendments and ordered it favorably reported by a recorded vote of 9 to 5.

OVERSIGHT FINDINGS

With respect to clause 2(l)(3)(A) of Rule XI of the House of Representatives, the Committee has held extensive briefings, hearings, and meetings regarding the nature and conduct of intelligence activities that would be affected by this legislation. This review and the recommendations of the Committee are summarized in the body of this report and its classifed annex and will be further amplified in a secret session of the House of Representatives at an appropriate time in the future.

FISCAL YEAR COST PROJECTIONS

With respect to clause 2(l)(3)(B) of Rule XI of the House of Representatives and section 308(a) of the Congressional Budget Act of 1974, this legislation does not provide new budget authority or tax expenditures. The Committee estimates, pursuant to clause 7(a)(1) of Rule XIII of the House of Representatives, that the outlays which will occur in fiscal year 1983 will not exceed $30 million and that outlays which will occur in fiscal year 1984 will not exceed $50 million. This bill does not authorize expenditures beyond fiscal year 1984 and the Committee would anticipate that additional legislation would be required if expenditures beyond fiscal year 1984 are necessary. The executive branch has not submitted any budget estimates with which the Committee can compare its own estimates.

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b. Foreign Affairs Committee

AMENDMENT TO THE INTELLIGENCE AUTHORIZATION ACT FOR FISCAL YEAR 1983

The Committee on Foreign Affairs, to whom was referred the bill (H.R. 2760) to amend the Intelligence Authorization Act for fiscal year 1983 to prohibit United States support for military or paramilitary operations in Nicaragua and to authorize assistance, to be openly provided to governments of countries in Central America, to interdict the supply of military equipment from Nicaragua and Cuba to individuals, groups, organizations, or movements seeking to overthrow governments of countries in Central America, having considered the same, report favorably thereon with amendments and recommend that the bill as amended do pass.

The amendments (stated in terms of the page and line numbers of the introduced bill) are as follows:

Page 2, line 15, strike out "or against".

Page 2, strike out lines 17 and 18, and insert in lieu thereof the following:

"(b) This section shall take effect upon the date prescribed in the classified annex to the report of the Permanent Select Committee on Intelligence of the House of Representatives to accompany the bill H.R. 2760 (98th Congress)."

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Page 3, line 12, immediately before "the use of international territory", insert "to prevent to the extent permitted by international law".

Page 3, line 14, immediately after "Nicaragua", insert "or any other country or agents of that country".

Page 3, line 21, immediately after "to a", insert "friendly".

Page 4, line 12, strike out the closing quotation marks and the second period; and after line 12, insert the following:

"(f) Funds to carry out this section shall be made available for any friendly country in Central America only for the purpose of interdicting the transfer of military equipment to any country in Central America."

COMMITTEE ACTION

On April 27, 1983, Hon. Edward P. Boland, chairman of the Permanent Select Committee on Intelligence, and Hon. Clement J. Zablocki, chairman of the Committee on Foreign Affairs, introduced H.R. 2760, which was referred jointly to those two committees. On May 3, 1983, the Permanent Select Committee on Intelligence met in closed session and ordered favorably reported H.R. 2760 by a recorded vote of 9-5. Subsequently, the bill was reported to the House on May 13 (H. Rept. 98-122, pt. I).

The Committee on Foreign Affairs met in executive session on May 12 to receive testimony from executive branch witnesses. On June 6, the committee proceeded to mark up the legislation in both closed and open sessions, and on June 7 completed consideration of the bill in open session, and ordered H.R. 2760 favorably reported with amendments by a recorded vote of 20-14.

PURPOSE OF H.R. 2760

H.R. 2760 has two purposes:

The first purpose is to prohibit U.S. covert assistance for military or paramilitary operations in Nicaragua.

The second purpose is to authorize overt assistance to friendly countries in Central America to interdict the transfer of military equipment from or through Nicaragua, Cuba or any other country or agents thereof to any group which seeks to overthrow the government of any Central American country. The bill authorizes $30 million for fiscal year 1983 and $50 million for fiscal year 1984 to carry out this purpose.

BACKGROUND

The Permanent Select Committee on Intelligence report on H.R. 2760 (H. Rept. No. 98-122, pt. I), provides an extensive discussion of the background for this legislation and related issues.

COMMITTEE AMENDMENTS

The Committee on Foreign Affairs essentially duplicated the action taken by the Permanent Select Committee on Intelligence. As a result, the section-by-section analysis on pages 13-18 of the Intelligence Committee report applies here as well.

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Committee amendments 1, 2, 4, or 5 were adopted by the committee en bloc and (except for technical drafting differences in amendments) are identical to those adopted by the Permanent Selected Committee on Intelligence. Therefore, the legislative history for those amendments established on pages 9-10 of the Permanent Select Committee on Intelligence report expresses the intentions of the Committee on Foreign Affairs.

Committee amendment No. 3 originated in the Committee on Foreign Affairs and is designed to clarify that overt interdiction assistance may be provided to Central American countries to prevent the use of international territory for arms transfers from other countries only to the extent permitted by international law.

Committee amendment No. 6 adds a new subsection (f) to section 802 to make clear that the overt assistance authorized by this section may be used only for arms interdiction and not for any other purpose.

The provisions of the bill, including the committee amendments, are described in the section-by-section analysis which follows.

SECTION-BY-SECTION ANALYSIS

SECTION 801—PROHIBITION ON COVERT ASSISTANCE FOR MILITARY OPERATIONS IN NICARAGUA

Subsection (a) provides that none of the funds appropriated for fiscal year 1983 or 1984 for the Central Intelligence Agency or any other department, agency, or entity of the United States involved in intelligence activities may be obligated or expended for the purpose or which would have the effect of supporting, directly or indirectly, military or paramilitary operations in Nicaragua by any nation, group, organization, movement, or individual.

Committee amendment No. 1 struck the words "or against" from section 801(a), thus making the prohibition applicable to covert support for military or paramilitary operations "in" Nicaragua instead of "in" or "against" Nicaragua. This amendment is identical to one adopted by the Permanent Select Committee on Intelligence. The purposes of the amendment, as stated in that committee's report are: (1) To eliminate any doubt that the prohibition applies to legitimate interdiction activities by recipients of section 802(b) recipient countries; and (2) to make clear that the prohibition does not apply to the collection by the United States of intelligence about Nicaragua and its provision to any recipient nation.

Subsection (b) provides that the prohibition on covert assistance contained in this section shall take effect upon the date prescribed in the classified annex to the report of the Permanent Select Committee on Intelligence of the House of Reprsentatives to accompany the bill H.R. 2760 (98th Congress).

This subsection reflects committee amendment No. 2, which struck language in the bill provided that the prohibition would take effect 45 days after enactment of the bill and substituted the language described above. This amendment is the same as one adopted by the Permanent Select Committee on Intelligence. The purposes of the amendment, as stated in that committee's report, is to provide for an orderly withdrawal of insurgent forces in Nicaragua without providing the Nicaraguan forces with the exact timetable for such a withdrawal.

[CRS-54]

SECTION 802—AUTHORIZATION OF OVERT ASSISTANCE

Subsection (a) states a congressional finding that: (1) in the absence of a state of declared war, the provision of military equipment to individuals, groups, organizations, or movements seeking to overthrow governments of countries in Central America violates international treaty obligations, including the Charter of the United Nations, the Charter of the Organization of American states, and the Rio Treaty of 1949; and, (2) such activities by the Governments of Cuba and Nicaragua threaten the independence of El Salvador and threaten to destabilize the entire Central American region, and that the Governments of Cuba and Nicaragua refuse to cease those activities.

Subsection (b) provides that the President is authorized to furnish assistance, on such terms and conditions as he may determine, to the government of any friendly country in Central America in order to provide such country with the ability to prevent use of its territory, or to prevent to the extent pemitted by international law the use of international territory, for the transfer of military equipment from or through Cuba or Nicaragua or any other country or agents of that country to any individual, group, organization, or movement which the President detemines seeks to overthrow the government of such friendly country or the government of any other country in Central America. The subsection further states that assistance under this section shall be provided openly, and shall not be provided in a manner which attempts to conceal U.S. involvement in the provision of such assistance. The committee agrees with the permanent Select Committee on Intelligence that this assistance should be in the form of grant military assistance and training.

Committee amendment No. 3 states that the overt interdiction assistance authorized in this legislation can be provided to assist a friendly foreign country in preventing the use of international territory for the transfer of arms "to the extent permitted by international law."

In adopting this amendment, the committee was particularly concerned with insuring that U.S. assistance provided for interdiction activities in international territory not be used for actions, such as naval blockades, which are not permitted by international law. The committee seeks to emphasize through this amendment respect for international law and urges the executive branch and recipient states in the region to fulfill their obligations under the U.N. Charter, the OAS Charter, and the 1947 Inter-American Treaty of Reciprocal Assistance (Rio Treaty) to seek the pacific settlement of disputes or, if force is required, to take such action only in accord with the provisions of such treaties and relevant principles of international law.

Committee amendment No. 4 provides that the grant security assistance authorized by this subsection may be provided to Central American nations to interdict arms shipments from or through Cuba or Nicaragua, "or any other country or agents of that country". This amendment is identical to one adopted by the Permanent Select Committee on Intelligence,

Subsection (c) states that assistance may be provided to a friendly foreign country under this section only if that country has agreed that it will not use any assistance provided by the United States under this section, the Foreign Assistance Act of 1961, or the Arms Export Control Act to destabilize or overthrow the government of any country in Central America and will not make any such assistance available to any nation, individual, group, organization, or movement which seeks to destabilize or overthrow any such government.

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Committee amendment No. 5 clarifies that the overt assistance authorized in this section may be provided to a "friendly" foreign country. This amendment is identical to one adopted by the Permanent Select Committee on Intelligence.

Subsection (d) states that at least 15 days before providing assistance to a foreign country under this section, the President shall submit an unclassified report which describes the proposed assistance to the Speaker of the House of Representatives and to the chairman of the appropriate committees of the Senate.

Subsection (e) authorizes to be appropriated to the President to carry out this section $30 million for fiscal year 1983 and $50 million for fiscal year 1984.

Subsection (f) is a new subsection added by committee amendment No. 6. It states that funds to carry out this section shall be made available for any friendly country, Central America only for the purpose of interdicting the transfer of military equipment to any country in Central America. This amendment is intended to eliminate any doubt or uncertainty regarding the purpose for which the funds authorized in section 802 may be spent.

REQUIRED REPORTS SECTION

COST ESTIMATE

The committee estimates that, assuming the full appropriation of the amounts authorized in this bill, the budget authority required to carry out this bill is $30 million for fiscal year 1983 and $50 million for fiscal year 1984. The fiscal year allocation of the total cost is set forth, in the congressional budget estimate below. The committee agrees with the projected cost estimate of the Congressional Budget Office.

INFLATIONARY IMPACT STATEMENT

The inflationary impact of the $80 million authorized in the bill, in comparison with a Federal budget in excess of $800 billion must be considered as negligible. The committee further believes that the national security interests which are served by the bill far outweigh any possible inflationary impact.

STATEMENTS REQUIRED BY CLAUSE (2) (L) (3)

(a) Oversight findings and recommendations

Among the principal oversight activities which are relevant to H.R. 2760 have been:

(1) Hearings by the Subcommittee on Western Hemisphere Affairs and by the full committee on events in Central America and U.S. policy toward Nicaragua; and

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3. Floor action

a. House-passed language and debate (7/28/83)

[H.R. 2760, 98th Cong., 1st sess.]

AN ACT To amend the Intelligence Authorization Act of Fiscal Year 1983 to prohibit United States support for military or paramilitary operations in Nicaragua and to authorize assistance, to be openly provided to governments of countries in Central America, to interdict the supply of military equipment from Nicaragua and Cuba to individuals, groups, organizations, or movements seeking to overthrow governments of countries in Central America

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Intelligence Authorization Act for Fiscal Year 1983 is amended by adding at the end thereof the following new title.

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"TITLE VIII—PROHIBITION ON COVERT ASSISTANCE FOR MILITARY OPERATIONS IN NICARAGUA. AUTHORIZATION OF OVERT INTERDICTION ASSISTANCE

"PROHIBITION ON COVERT ASSISTANCE FOR MILITARY OPERATIONS IN NICARAGUA

SEC. 801. (a) None of the funds appropriated for fiscal year 1983 or 1984 for the Central Intelligence Agency or any other department agency, or entity of the United States involved in intelligence activities may be obligated or expended for the purpose or which would have the effect of supporting, directly or indirectly, military or paramilitary operations in Nicaragua by any nation, group, organization, movement, or individual.

"(b) This section shall take effect upon the date prescribed in the classified annex to the report of the Permanent Select Committee on Intelligence of the House of Representatives to accompany the bill H.R. 2760 (98th Congress).

"AUTHORIZATION OF OVERT INTERDICTION ASSISTANCE

"SEC. 802. (a) The Congress finds that—

"(1) in the absence of a state of declared war, the provision of military equipment to individuals, groups, organizations, or movements seeking to overthrow governments of countries in Central America violates international treaty obligations, including the Charter of

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the United Nations, the Charter of the Organization of American States, and the Rio Treaty of 1949; and

"(2) such activities by the Governments of Cuba and Nicaragua threaten the independence of El Salvador and threaten to destabilize the entire Central American region, and the Government of Cuba and Nicaragua refuse to cease these activities.

"(b) The President is authorized to furnish assistance, on such terms and conditions as he may determine, to the government of any friendly country in Central America in order to provide such country with the ability to prevent use of its territory, or to prevent to the extent permitted by international law the use of international territory, for the transfer of military equipment from or through Cuba or Nicaragua or any other country or agents of that country to any individual, group, organization, or movement which the President determines seeks to overthrow the government of such friendly country or the government of any other country in Central America. Assistance under this section shall be provided openly, and shall not be provided in a manner which attempts to conceal United States involvement in the provision of such assistance.

"(c) Assistance may be provided to a friendly foreign country under this section only if that country has agreed that it will not use any assistance provided by the United

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States under this section, the Foreign Assistance Act of 1961, or the Arms Export Control Act to destabilize or overthrow the government of any country in Cental America and will not make any such assistance available to any nation, individual, group, organization, or movement which seeks to destabilize or overthrow any such government.

"(d) At least 15 days before providing assistance to a foreign country under this section, the President shall submit an unclassified report which describes the proposed assistance to the Speaker of the House of Representatives and to the chairman of the appropriate committees of the Senate.

"(e) There is authorized to be appropriated to the President to carry out this section $30,000,000 for the fiscal year 1983 and $50,000,000 for the fiscal year 1984.

"(f) Funds to carry out this section shall be made available for any friendly country in Central America only for the purpose of interdicting the transfer of military equipment to any country in Central America.".

SEC. 2. (a) The Congress finds that—

(1) the Government of National Reconstruction of Nicaragua has failed to keep solemn promises, made to the Organization of American States in July 1979, to establish full respect for human rights and political liberties, hold early elections, preserve a private sector,

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permit political pluralism, and pursue a foreign policy of nonaggression and nonintervention;

(2) by providing military support (including arms, training, and logistical, command and control, and communications facilities) to groups seeking to overthrow the Government of El Salvador and other Central American governments, the Government of National Reconstruction of Nicaragua has violated article 18 of the Charter of the Organization of American States which declares that no state has the right to intervene, directly or indirectly, for any reason whatsoever, in the internal or external affairs of any other state;

(3) the Government of Nicaragua should be held accountable before the Organization of American States for activities violative of promises made to the Organization and for violations of the Charter of that Organization; and

(4) working through the Organization of American States is the proper and the most effective means of dealing with threats to the peace in Central America, of providing for common action in the event of aggression, and of providing the mechanisms for peaceful resolution of disputes among the countries of Central America.

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(b) The President shall seek a prompt reconvening of the Seventeenth Meeting of Consultation of Ministers of Foreign Affairs of the Organization of American States for the purpose of reevaluating the compliance by the Government of National Reconstruction of Nicaragua—

(1) with the commitments made by the leaders of that Government in July 1979 to the Organization of American States; and

(2) with the Charter of the Organization of American States.

(c) The President shall vigorously seek prompt actions by the Organization of American States that would provide for a full range of effective measures by the member states to bring about compliance by the Government of National Reconstruction of Nicaragua with those obligations, including verifiable agreements to halt the transfer of military equipment and to cease furnishing of military support facilities to groups seeking the violent overthrow of governments of countries in Central America.

(d) The President shall use all diplomatic means at his disposal to encourage the Organization of American States to seek resolution of the conflicts in Central America based on the provisions of the Final Act of the San Jose Conference of October 1982, especially principles (d), (e), and (g), relating to nonintervention in the internal affairs

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of other countries, denying support for terrorist and subversive elements in other states, and international supervision of fully verifiable arrangements.

(e) The United States shall support measures at the Organization of American States, as well as efforts of the Contadora Group, which seek to end support for terrorist, subversive, or other activities aimed at the violent overthrow of the governments of countries in Central America. Funds authorized to be appropriated by this Act may be used to provide United States support for activities with respect to Nicaragua which are designed to end the conflict in the region and which are approved by the Organization of American States, including international surveillance and supervision activities, peacekeeping forces, border patrols, and election supervisors.

(f) Not later than March 15, 1984, the President shall report to the Congress on the results of his efforts pursuant to this Act to achieve peace in Central America and to end the flow of arms to Central America. Such report may include such recommendations as the President may consider appropriate for further United States actions to achieve these objectives, including requests for the authorization and appropriation of additional funds to carry out the purposes of this Act.

[CRS-63]

Passed the House of Representatives July 28, 1983.

Attest: Benjamin J. Guthrie, *Clerk.*

[CRS-63a]

PROVIDING FOR CONSIDERATION OF H.R. 2760, AMENDMENT TO INTELLIGENCE AUTHORIZATION ACT FOR FISCAL YEAR 1983

Mr. BONIOR of Michigan. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 261 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. Res. 261

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII and rule XXIX, declare the House resolved into a secret session of the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 2760) to amend the Intelligence Authorization Act for Fiscal Year 1983 to prohibit United States support for military or paramilitary operations in Nicaragua and to authorize assistance, to be openly provided to governments of countries in Central America, to interdict the supply of military equipment from Nicaragua and Cuba to individuals, groups, organizations, or movements seeking to overthrow governments of countries in Central America, the first reading of the bill shall be dispensed with, and all points of order against the consideration of the bill for failure to comply with the provisions of section 402(a) of the Congressional Budget Act of 1974 (Public Law 93-344) are hereby waived. Pending the Speaker's declaration, he is authorized to declare a recess of the House in order to make appropriate arrangements for a secret session. General debate in the secret session of the Committee of the Whole shall first continue not to exceed two hours, equally divided and controlled by the chairman and ranking minority member of the Permanent Select Committee on Intelligence, to make confidential communications relevant to the bill to the Members of the House and shall then continue not to exceed two hours, to be confined to the bill, one hour to be equally divided and controlled by the chairman and ranking minority member of the Permanent Select Committee on Intelligence, and one hour to be equally divided and controlled by the chairman and ranking minority member of the Committee on Foreign Affairs. At the conclusion of such time the secret session of the Committee of the Whole shall terminate, the Committee of the Whole shall rise, and the Speaker is authorized to declare a recess of the House to make appropriate arrangements for the reconvening of the House in open session. All proceedings in the secret session shall be kept secret unless otherwise ordered by the House on the recommendations of the Permanent Select Committee on Intelligence and the Committee on Foreign Affairs. At any time after the House has reconvened in open session, the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the State of the Union for the further consideration of the bill H.R. 2760. After general debate in open session, which shall be confined to the bill and shall continue not to exceed two hours, one hour to be equally divided and controlled by the chairman and ranking minority member of the Permanent Select Committee on Intelligence and one hour to be equally divided and controlled by the chairman and ranking minority member of the Committee on Foreign Affairs, the bill shall be considered for amendment under the five-minute rule. It shall be in order to consider the bill, as modified by the amendments recommended by the Committee on Foreign Affairs now printed in the bill, which shall be considered to have been adopted in the House and in the Committee of the Whole, as an original bill for the purpose of amendment under the five-minute rule. No amendment to the bill, as so modified, shall be in order except: (1) germane amendments printed in the Congressional Record by July 15, 1983; (2) an amendment offered by Representative Wright of Texas, and (3) an amendment offered by Representative Michel of Illinois. At the expiration of twelve hours of consideration of the bill under the five-minute rule, no further amendments shall be in order and the question shall occur on any pending amendment or amendments. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit, and debate on any motion to recommit with instructions shall continue not to exceed thirty minutes, equally divided and controlled by the proponent of the motion and a Member opposed thereto.

□ 1330

The SPEAKER pro tempore. The gentleman from Michigan (Mr. Bonior) is recognized for 1 hour.

Mr. BONIOR of Michigan. Mr. Speaker, for the purposes of debate only, I yield the customary 30 minutes to the gentleman from Missouri (Mr. Taylor), pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 261 provides for the consideration of H.R. 2760, an amendment to the Intelligence Authorization Act of 1983. The Committee on Rules reported House Resolution 247 on June 29, which originally provided for the consideration of H.R. 2760. In reporting that resolution (H. Res. 247) the Committee on Rules acted in accordance with a request made by both the chairman of the Committee on Foreign Affairs and the chairman of the Permanent Select Committee on Intelligence, on the chairmen's understanding that the House would begin floor consideration of H.R. 2760 on the 13th of July. The chairmen requested, and House Resolution 247 provided, that only amendments printed in the Congressional Record by July 11 of this year would be in order, with the exception of amendments offered by the majority and minority leaders, which need not be printed.

Subsequent to the action of the Committee on Rules in reporting House Resolution 247, including this provision, floor consideration of the bill itself, H.R. 2760, was rescheduled for July 19. So in order for us to provide for the timely printing of amendments in the Congressional Record, the Committee on Rules has complied with Chairman Boland's request to revise House Resolution 247 to make in order any amendment printed in the Congressonal Record by the 15th of July. With the exception of this revision, House Resolution 261 contains precisely the same provisions as House Resolution 247. Therefore, in order to proceed to the consideration of the bill itself, H.R. 2760, in an orderly and expeditious manner, House Resolution 261 provides for a modified open rule.

[CRS-63b]

The rule allows, as was just read, amendments recommended by the Committee on Foreign Affairs to be considered as adopted in the House and in the Committee of the Whole and provides that the bill, as modified, be considered as original text for the purpose of amendment. The rule makes in order only those amendments printed in the Congressional Record by the 15th of July, with the exception of an amendment, if offered, by Representative Wright of Texas or an amendment, if offered, by Representative Michel of Illinois, which do not have to be preprinted in the Congressional Record.

The rule also allows 12 hours for consideration of amendments so made in order. Amendments shall be considered under the 5-minute rule. Due to the highly sensitive nature of the bill, H.R. 2760, and because the bill focuses on covert operations in Nicaragua, and because there is every reason to believe currently classified information will have to be presented in order to facilitate frank and open discussion, Chairman Boland requested that time be allotted for discussion of the matter in a secret session.

Consequently, the rule provides that the Speaker may, pursuant to clause 1 (B) of rule XXIII, and rule XXIX of the House of Representatives, declare the House resolved into a secret session of the Committee of the Whole House on the State of the Union for the consideration of the major bill, which is H.R. 2760.

The rule provides for a 4-hour secret session. The first 2 hours of the secret session shall be reserved for the purposes of a confidential briefing by the

Permanent Select Committee on Intelligence, which has conducted continuous oversight of the covert operations in Central America for the past 18 months. Time in the first block of 2 hours is to be equally divided, as was mentioned, by the chairman and the ranking minority member of the Permanent Select Committee on Intelligence.

The second block of 2 hours within the 4-hour secret session shall be used for debate purposes to discuss those portions of the bill and amendments offered to the bill which could entail classified matters.

One hour shall be equally divided and controlled by the Permanent Select Committee on Intelligence and the other hour shall be equally divided and controlled by the chairman and ranking minority member of the Committee on Foreign Affairs. At the termination of the 4 hours, the secret session of the Committee of the Whole shall terminate. The Speaker is authorized to declare a recess of the House to make the appropriate arrangements for the secret session prior to that session and, of course, the Speaker is also authorized to declare a recess at the conclusion of the secret session to restore the Chamber.

At the termination of the secret session, the rule provides for 2 hours of general debate of the bill in open session to be followed by 12 hours for the consideration of amendments under the 5-minute rule.

The rule also allows for one motion to recommit, or if a motion to recommit with instructions is offered, the rule allows 30 minutes for debate on that motion, with the time equally divided and controlled by the proponent of the motion and a Member opposed.

In order to provide this House with the opportunity to consider H.R. 2760 in a very timely fashion, it was necessary for the Committee on Rules to waive section 402(a) of the Congressional Budget Act against consideration of the bill. Under this section, bills authorizing the enactment of new budget authority for a fiscal year must be reported in the House on or before the 15th of May preceding the beginning of such fiscal year.

House Resolution 261 provides for the consideration of H.R. 2760, and amendment to the Intelligence Authorization Act of 1983 which would prohibit the use of funds to support military or paramilitary operations in Nicaragua. The bill authorizes open assistance to countries in Central America which are making efforts to interdict the flow of arms and other military equipment being transported through their territories from Nicaragua and Cuba to other destinations in the region.

H.R. 2760 also authorized $30 million in fiscal year 1983 and $50 million in fiscal year 1984, in addition to military funds previously requested for Central America, to assist countries so inclined, to successfully interdict the flow of military equipment from Nicaragua and Cuba.

Mr. Speaker, I believe this is a good and eminently fair rule. It is a rather complex rule, but we believe it is a fair rule which provides full debate of the issues while preserving the integrity and the confidentiality of classified U.S. intelligence information.

The rule provides adequate time for general debate and for the consideration of amendments. In order to facilitate discussion of the full range of viewpoints and opinions, the rule makes in order any germane amendment or amendment which otherwise does not violate the rules of the House and which is printed in the Congressional Record by the 15th of this month.

Chairmen Boland and Zablocki were eager to accommodate the need for expression on both sides of the aisle regarding this extremely important bill. I believe this rule facilitates honest and thorough debate and I urge its adoption.

Mr. TAYLOR. Mr. Speaker, I thank the gentleman for yielding. I yield myself such time as I may consume.

Mr. Speaker, House Resolution 261 is a modified rule under which the House will conduct a secret session to receive classified information concerning the specifics of our Government's involvement in assisting rebels in Nicaragua, and to then consider a bill that would supplant the President's foreign policy ability to deal effectively with Communist influence in Central America.

The rule waives section 402(a) of the Budget Act against the consideration of H.R. 2760, a bill which prohibits U.S. support for military or paramilitary operations in Nicaragua.

Without this waiver, the bill would be subject to a point of order because it is an authorization that was not reported in compliance with the Budget Act. In this situation, the two committees involved, the Permanent Select Committee on Intelligence and the Committee on Foreign Affairs, desire to have the legislation apply to the current fiscal year but they did not report the bill prior to May 15 of last year.

The rule provides for a rare secret session of the Committee of the Whole House, with the first 2 hours to be devoted to a confidential briefing from the Committee on Intelligence, and the second 2 hours for debate on the bill.

Mr. Speaker, this rule presents a highly unusual situation to the House. This will be the first time that the Committee on Intelligence has recommended legislation to end a so-called covert operation by American agencies. The bill made in order by this rule would cut off our financial aid and logistical support for several thousand freedom fighters in Nicaragua.

The rule provides that after completion of the secret session, which is presently scheduled for next week, there will be 2 hours of general debate in open session.

The most striking limitation contained in this rule, and one which all Members should be aware of, is the requirement that amendments be printed in the Congressional Record by this Friday, July 15.

This provision is recommended by the Committee on Rules at the request of both opponents and proponents of the legislation, but I do think all Members need to know today that they had better have their amendments prepared and filed by Friday if they want to preserve their rights.

The publication requirement does not extend to two specific amendments. These are amendments to be offered by the gentleman from Texas, the majority leader (Mr. Wright), and the gentleman from Illinois, the minority leader (Mr. Michel).

Mr. Speaker, the rule allows 12 hours of time for the consideration of amendments under the 5-minute rule. When the 12 hours is concluded, the previous question will occur on the then pending amendment or amendments.

[CRS-63c]

This provision of the rule will not be suitable to some Members, because it does not guarantee that all amendments will, in fact, be considered.

Here again, I urge all Members who decide to file amendments to be sure that they are present on the floor when the bill is considered, so that they may participate fully.

I would also point out that during the time set aside for amendments, the normal legislative process will apply and amendments to amendments are not precluded.

Lastly, the rule provides for one motion to recommit. If that recommittal motion is offered with instructions, there will be 30 minutes of debate time under this rule. Under the rules of the House, debate on motions to recommit is limited to 10 minutes, so this provision allows for some extra time.

Mr. Speaker, this rule sets the stage for what will be a very important foreign policy debate. The bill made in order by this rule is strongly opposed by the administration because it severely restricts the President's ability to conduct an effective foreign policy in Central America.

The Committee on Rules has recommended a rule that will permit the House to manage the legislative conflict between the supporters of the bill and its opponents.

The members of the two committees involved are in strong disagreement over how the United States should deal with Communist-supplied weapons and Communist-influenced revolution in Central America.

The Committee on Rules is recommending this rule in hope that we will not have parliamentary chaos on the floor when the bill is considered.

□ 1340

Mr. Speaker, at this time, if I might, I would like to ask a question of my colleague, the distinguished gentleman from Michigan (Mr. BONIOR).

Is it the gentleman's understanding that after the adoption of this rule a unanimous-consent request will be made to extend the deadline for the filing of amendments in the RECORD?

Mr. BONIOR of Michigan. Will the gentleman yield?

Mr. TAYLOR. I yield to the gentleman from Michigan.

Mr. BONIOR of Michigan. That is my understanding, yes.

Mr. TAYLOR. Would the gentleman explain the reason for this procedure?

Mr. BONIOR of Michigan. If the gentleman will yield, as I explained earlier in my explanation of this rule, the Rules Committee did go back into session to file another rule, the rule which we are considering, because the scheduling of the bill, H.R. 2760, the intelligence bill, had been delayed, and to facilitate the filing of amendments in a timely manner. We agreed then that we would go back into committee and report this particular rule out which extended the time from July 11 to July 15 for the amendments to be offered.

Another delay has occurred with respect to bringing this bill up, so it will be necessary for those who want to offer amendments to be granted additional time for filing into the CONGRESSIONAL RECORD those amendments which they would like to have debated in the Committee of the Whole.

It is my understanding that the gentleman from Massachusetts will be asking unanimous consent and the committee agrees and I agree that we should go along with unanimous-consent requests to extend that period from July 15 to July 21.

Mr. TAYLOR. From the 15th until when?

Mr. BONIOR of Michigan. The 21st.

Mr. TAYLOR. Until July 21?

Mr. BONIOR of Michigan. The gentleman is correct, July 21.

Mr. TAYLOR. The 15th through the 21st of July.

Mr. Speaker, at this time I yield as much time as he may consume to my colleague from Missouri (Mr. COLEMAN).

Mr. COLEMAN of Missouri. I appreciate the gentleman yielding.

Let me propound a question to the gentleman from Michigan.

The sequence of events would be after the gentleman from Massachusetts (Mr. BOLAND) asks for unanimous consent, a person who sits in the secret session, who learns new information or wants to create an amendment based upon that information would be able to timely file his amendment and still have that opportunity for that amendment to be heard under the sequence of events the gentleman is suggesting would occur under the rule; is that correct?

Mr. BONIOR of Michigan. Will the gentleman yield?

Mr. COLEMAN of Missouri. I yield to the gentleman from Michigan.

Mr. BONIOR of Michigan. The gentleman is correct. It is my understanding that the secret session under the whip schedule and the leadership schedule will occur on the 20th of this month and the gentleman would have until the 21st.

Mr. COLEMAN of Missouri. Then we would have the secret session on the 20th, and the gentleman from Massachusetts (Mr. BOLAND) would say you had until the 21st to file amendments?

So that sequence of events will occur?

I think that it is important that the schedule not be changed and that we live by this calendar because of the sequence of events.

Mr. BONIOR of Michigan. I stand corrected. The secret session is on the 19th, so you have 2 additional days.

Mr. COLEMAN of Missouri. I think it is important the schedule be maintained so that the sequence of events would occur with the secret session coming first and then you would still have the opportunity to file amendments based on information in the secret session and still have that opportunity?

The gentleman from Massachusetts (Mr. BOLAND) nods his approval, and I understand that that is what we are agreeing to under this rule.

Mr. BONIOR of Michigan. That is my understanding.

Mr. COLEMAN of Missouri. I thank the gentleman.

Mr. BONIOR of Michigan. Mr. Speaker, I yield 3 minutes to the gentleman from Arkansas (Mr. ALEXANDER).

Mr. ALEXANDER. Mr. Speaker, I would like to commend the excellent work of the chairmen of the Intelligence and Foreign Affairs Committees. I support their efforts and will do everything I can to help enact the Boland-Zablocki bill.

I would emphasize the importance of the secret session that has been announced and hope that every Member will attend. I think it is particularly important because of the complexity of the issues that are presented by the Boland-Zablocki bill.

The CIA is apparently trying at this very moment to intensify its covert operations in Nicaragua. I repeat; the administration seems poised to step up a dangerous new phase of military escalation in Central America.

They talk of negotiations. I have been a part of some of those negotiations and I will not violate any confidences. They talk of bipartisanship. The President came before a joint session of the Congress and asked for a bipartisan solution to the problems in Central America. They talk about conciliation. But at this moment they plan more covert action and seem headed for military escalation.

I fear the administration is not extending an olive branch but a fig leaf cloaking a bayonet.

I fear we are seeing the ominous signs of a policy of simple-minded deception of the Congress and the American people where words of diplomacy mask the actions of cloaks and daggers.

The House should enact the Boland-Zablocki bill and send it to the other body in order to put pressure on the Republican leadership to respond to the initiative that has taken place in the House. We should halt covert action in Nicaragua. We should save President Reagan from some of his more reckless advisers and head off further military escalation that would surely increase bloodshed in the Central American region.

As a matter of fundamental principle the covert action program is unbecoming to this great Nation. It is unworthy of a people with our values in America. It is unworkable and counterproductive in practice, and it is unsupported by our allies and our friends abroad. It is undeserving of the support of the U.S. Congress or the American people.

[CRS-63d]

Mr. Speaker, at this time I include in the RECORD an article entitled "Nicaragua's Imperiled Revolution" (Foreign Affairs, summer 1983) by Arturo J. Cruz, who was until November 1981 Nicaragua's Ambassador to the United States:

NICARAGUA'S IMPERILED REVOLUTION

(By Arturo J. Cruz)

Nicaragua's Revolution is, in my judgment, in danger of dying in its infancy.

I joined the Revolutionary Government with appreciation and pride. I served it with a loyalty founded on the conviction that the Revolution would be good, first and foremost, for Nicaragua. My experience has disillusioned me: dogmatism and adventurism seen to have wiped out the democratic and pluralistic ideals which, in 1979, united all Nicaraguan advocates of freedom. My lamentation and criticism is that these ideals have been shattered and the moral defenses of the Revolution have well-nigh vanished. It was because of my profound dissent from the conduct of that government and the direction of the revolutionary process, as well as the realization of my own inability to influence them, that I subsequently chose to return to private life.

Now, as a Nicaraguan citizen, I reiterate my belief that the Revolution should be the most important landmark in our nation's history. Moreover, I confess that I am unable to understand how the Revolutionary Government, which in July 1979 enjoyed the almost unanimous support of the Nicaraguan people and the respect and admiration of other peoples and governments throughout the world, has suffered, in less than four years, a tremendous erosion in international solidarity and has become isolated from its neighbors and important sectors of the nation. The insurgency it faces is the more painful insofar as it is launched both by the true enemies of the Revolution and by many of its own children, who wish to rescue it from the present course which they cosider an error.

Moreover, it has to be admitted that the lamentable condition in which the Revolution finds itself is not solely due to the fact that Washington has reached the limit of its tolerance, or to the ideological opposition of the reactionary sectors of Nicaragua. There is also an element of self-destruction in the present conduct of the Revolution. Certain Sandinista revolutionary leaders rejection of pragmatism is puzzling. The allegiance to an internationalist ideology, which they seem to profess—perhaps unwittingly—at the expense of the basic interests of the nation-state of Nicaragua, is unacceptable. The deaths from both sides in this nightmarish conflict must cease.

Elucidating these delicate and sensitive questions is a taxing endeavor. The polarized debate over Nicaragua, particularly in the context of the Central American crisis, quite frequently focuses on one of two arguments. Some say that it is a clear case of rebellion against injustice; others see it as a reflection of the East-West confrontation and thereby as affecting the security of the United States. Very few approach the analysis from the premise that there may be a combination of both factors. In order to accurately explain my views, I must rely on my personal experiences not only with the Sandinista Revolution and its leaders—several of whom I personally hold in high regard—but also with representatives of other groups or organizations within the original broad alliance, with most of whom I still have a good rapport.

I have never belonged in the sanctum sanctorum of the Sandinistas, let alone been privy to their innermost secrets. However, I have dealt rather closely with their leadership. In a way, I have been a participant and an observer from a unique vantage point. Based on that experience, I can say that had the Revolutionary Government sought to achieve domestic peace with greater determination, and pursued, perhaps with more sincerity, a truly nationalist foreign policy, the Revolution might not be as seriously threatened as it is today.

I do not wish to sound as if, from a position of comfort and safety abroad—far from the tragedy—I am pontificating about the responsibilities of the revolutionary leaders, who, in Nicaragua, must deal with insurgency, acute economic problems and international confrontations. I merely wish to single out those areas where I think the Revolution has gone wrong. I do so with the same candor I employed during the time I served the Revolutionary Government.

It may not be naive that many Nicaraguans continue to hope that the United States will soon vigorously implement a policy of accommodation with the Revolution in my country. Likewise, not a few Nicaraguans pray to God Almighty that the Sandinistas—who are courageous in war and show real concern for the destitute—may see the wisdom of admitting the government's errors and, more important, that they may have the will to redress them in order to save the Revolution for the sake of Nicaragua.

One day in 1977, in a room in the Madison Hotel in Washington, D.C., I listened with immense delight as three compatriots told me that the Frente Sandinista de Liberación, Nacional (FSLN) would soon be ready to meet Somoza's armed forces (the Guardia Nacional) in full combat, defeat them and establish a democratic Revolutionary Government in Nicaragua. I was then asked to join a group for political support to the embryonic Sandinista movement, which later became known as "Los Doce" (The Twelve). Due to the understandable personal limitations imposed by my career as an officer in an international institution, sometimes my contribution, of necessity, was somewhat marginal.

Not even in my wildest dreams had I thought such a long shot would succeed. I had many reasons to admire the Sandinistas: they had displayed tenacity, valor and a selfless willingness to sacrifice their own lives in order to free the Nicaraguan people from the asphyxia of a dictatorship too long in power. I realized that among these young men and women there was an abundance of heroes that my generation had lacked. Of course, there had been martyrs before, but heroes in the struggle against Somoza had been rare. There were two distinguished exceptions. One was the anti-Somoza leader, Fernando Chamorro-Rappacioli, who in 1960 led a daring attack against the garrisons of the towns of Jinotepe and Diriamba, holding them a whole night againt overwhelming odds. The other was Pedro Joaquín Chamorro-Cardenal, the editor of *La Prensa,* who courageously preached freedom and social justice.

The turning point in the Revolution was Pedro Joaquín Chamorro-Cardenal's assassination in early 1978. Nicaraguans from all walks of life were incensed, and world opinion demanded an end to the Somoza dynasty. Thereafter, Somoza's days in power were numbered. Nicaragua was ripe for upheaval. A revolutionary ferment pervaded the country—notably among the young, including children of affluent families—and a new social order was warranted.

It was no secret that the hard core of the Sandinistas was Marxist. However, the non-Marxists in this alliance of political parties, labor unions, businessmen, students and professionals were comforted by the pluralistic spirit which then prevailed. Nearly everyone felt confident that the Marxist vanguard was going to promote a social democracy. Theirs was not blind faith. As a matter of fact, there was a clear demand for assurance that the following elements should be present in the anticipated revolutionary system:

The creation of non-political armed forces.

Democratic elections to be held at a reasonable time after victory.

The promotion of pluralism and the preservation of legitimate private property.

Self-determination under the objective conditions influencing a nation-state placed by Divine Providence in the Western Hemisphere.

Furthermore, three events, shortly before victory, buttressed this confidence:

The appointment of two highly-respected individuals to the five-member Junta: Violeta Barrios de Chamorro, widow of the martyred journalist, and Alfonso Robelo, a businessman and political leader.

The approval by the Junta of a government plan which was supposed to become the basis for achieving political pluralism, a mixed economy and external nonalignment.

The Organization of American States' (OAS) decision to expel Somoza so that a provisional government might undertake the task of establishing democracy and pluralism. The Junta committed itself to those goals.

III

On July 19, 1979, a delirious people greeted the Junta in Managua: "Había llegado un nuevo amanecer"—the days of happiness had arrived.

I was offered, and accepted, the presidency of the Central Bank. Although I was already 55 years old, my opposition to the Somoza dynasty had precluded my working in the public sector. The Central Bank had managed to preserve itself as an island of professionalism and honesty. It resisted, almost to the bitter end and under trying circumstances, the political pressures which were rampant in the previous regime. My predecessors, Francisco Laínez, Gustavo Guerrero and Roberto Incer, had the foresight to train abroad—including studies in "Ivy League" universities—a large number of professionals who constituted the best cadres in the civil service of Nicaragua. I was reassured by the fact that many of them stayed with us. Unfortunately, the primitive "anti-bourgeois" rhetoric which was soon to appear and the stress of forced participation in neighborhood committees "for the defense of the Revolution" was too much for some of my new colleagues. As a result, they became part of the first waves of brain-drain. What a mortal blow to any prospect for reactivating the national economy!

The new government found a chaotic economic situation. However, foreign aid came to the rescue of the fledgling Revolution, in substantial amounts and with great speed. To offset the lack of hard currency during the first week (we found only $3.5 million in the treasury), the United States provided an $8.5-million grant, and the president of the Inter-American Development Bank, Antonio Ortiz Mena, obtained for us a $20-million bridging loan from the Venezuelans. Other balance-of-payment support followed shortly thereafter, including an International Monetary Fund compensatory loan. Multilateral and bilateral aid was flexible, e.g., conditions to be set prior to disbursement of funds were eased.

[CRS-63e]

The United States favored the approval of loans to our country in international development institutions. In addition, existing Agency for International Development loan agreements were adapted to the new requirements. U.S. Ambassador Lawrence Pezzullo and his aides, Thomas O'Donnell and Lawrence Harrison, worked in earnest to provide the government with emergency supplies of food and medicine. A $75-million loan was likewise approved; unfortunately, due to restrictions attached by the U.S. Congress, it was never totally disbursed, thus furnishing the radicals with fuel for anti-Yankee speeches and for taunting the non-Marxists.

With all the financial and technical cooperation being received from the Western world and, on a more limited scale, the Socialist bloc, a rapid return to normalcy should have been achieved. But weeks went by and we could not see the same spirit that was shown by the people of Managua in December of 1972, when, just two days after an earthquake had obliterated the city, one could see signs amid the rubble announcing that shops were again operating.

We did everything possible to encourage businessmen and farmers by making credit available on soft terms. Notwithstanding, production did not fully recover and the private sector made no new investments. It was becoming clear that it would be hard to implement socialism in Nicaragua.

The government nationalized the banking system and exports of the main commodities. (Shortly afterward, a new government in El Salvador did almost exactly the same.) These measures were predicated on the fact that it was necessary to reassure depositors, preserve Nicaragua's international credit, guarantee a more effective collection of foreign-exchange revenues and taxes, and provide higher prices to producers.

The most serious problem was—and continues to be—the absence of investment by the private sector. This has been the main stumbling block since the inception of the Revolution. Thus far, it is estimated that only about half of the investment required for a sustained growth of the gross domestic product is being obtained—and almost entirely from the public sector.

It soon became obvious that the paralysis of the economy was basically due to the private sector's fears about an uncertain future. So far, the radicals in the Revolution have closed their eyes to one reality, i.e., that no economic model will be viable if there is not a political system acceptable to the mainstream of the nation. They stubbornly insist on imposing a system that is viscerally rejected by most Nicaraguans. They delude themselves by watching their own propaganda films of students picking cotton. Meanwhile, as a result of arbitrary expropriation and other abuses, the best cotton planters (who are as sophisticated as their U.S. counterparts) have fled the country. It is for this reason that, after four seasons, production has failed to reach the level of a normal 500,000-bale crop.

On the other hand, in the early stages of the Revolution the Sandinistas launched some programs worthy of praise and targeted at improving the living conditions of the Nicaraguan people. Among these were a literacy campaign and a public health service reform designed to benefit the entire country. However, the new leaders seem to overlook the simple fact that social programs must be financed out of public revenue. Frankly, we virtually emptied the well of fiscal revenue with the establishment of the so-called People's Property Area (PPA). This is a holding composed of properties formerly owned by Somoza and his closest followers. An additional large number of farms and factories owned by other citizens—which have been de facto occupied, nationalized or expropriated—have similarly been incorporated into the holding. Therefore, the much ballyhooed 60-percent private/40-percent public ownership of property is no longer accurate. The PPA is a guzzler of resources. It is neither a good credit risk nor a reliable taxpayer. The government refuses to recognize that what is really significant for the state is the control of surplus. Instead, it is obsessed with state ownership of means of production. The consequences of such policies are increases in the money in circulation, arrears in public loan portfolios, and fiscal and balance-of-payment deficits. Nicaragua is condemned to be an international begger.

IV

The latter part of 1979 became a period of jockeying in a contest to define the ideological content of the Revolution. It also was a time of "sloganeering." The slogan chanted most frequently and loudly was "Vencimos en la Insurrección, Venceremos en la Alfabetización" . . . etc. ("We were triumphant in the insurrection . . . we shall triumph in any other undertaking.") This slogan epitomizes a macho attitude which appears to be the hallmark of Sandinista rhetoric. The pundits, radical ideologues of the party, would consider defeatist the mere thought that our limitations should lead Nicaragua to take a more pragmatic attitude, accepting compromise as a means, rather than hindrance, to reaching the Revolution's objectives.

Nevertheless, I would be unfair and ungrateful if I failed to publicly recognize the Sandinistas' gestures of political goodwill and generosity toward non-Sandinistas, one of which was my own appointment to various official positions.[1] It is indeed significant that "San Antonio," the largest Central American sugar plantation, continues, as of this writing, under the ownership and management of scions of the wealthiest Nicaraguan families. "San Antonio" is a model enterprise.[2] In contrast, the frequent and arbitrary seizure of farms, houses and factories, for example of "Jabonería Prego," Nicaragua's most important soap-manufacturing company, is a gross injustice. Its owners paid salaries above the levels required by law, had no debts and invested their profits in the country. The expropriation, so far without compensation, of medium-sized properties that are often the products of the arduous work of self-made men, is even more regrettable.

It is thus distressing to observe how totalitarian trends are gaining the upper hand in the process of defining Nicaragua's Revolution. In the pursuit of a thorough emasculation of the "establishment," the radical zealots are prone to exhibit iconoclastic contempt for highly respected people and institutions. As a result, the moral authority of the Revolution has been impaired.

One error was the unwarranted vilification of Fernando Aguero, former president of the Conservative Party of Nicaragua and head of state, and Eduardo Montealegre, founder and president of Banco Nicaraguense, which headed a financial conglomerate. This has not gone unnoticed in Nicaragua. Under the circumstances prevailing in Somoza's Nicaragua, an opposition like Aguero could not have avoided participating in the political arena; nor could an independent banker such as Montealegre eschew formal relations with the government. Ironically, they were treated as rigorously as if they had been collaborationists, when in fact each in his own field strongly opposed Somoza.

The Sandinistas have also sparked public indignation by their rough treatment of the highly respected president of the Nicaraguan Red Cross, Ismael Reyes.

The harassment of Archbishop Miguel Obando y Bravo is yet another example of the boorish behavior which is costing the Revolution a political fortune. After all, the Archbishop is Nicaragua's most charismatic personality, beloved and respected by his people. Moreover, the Popular Church, sponsored by the Sandinistas in order to mortify the traditional Church, is more fiction than reality, designed to appeal to the staunch supporters of the Revolution, especially those abroad, who want to see the Sandinista Revolution through Pollyanna's eyes.

And there are no words to describe the shabby treatment of the Pope.

Censoring La Prensa—falsely calling its editors CIA stooges—is not only a violation of the freedom of the press, but a folly which jeopardizes any popular legitimacy of the Revolution.

It should not be forgotten that "dissidence" by non-Marxist revolutionary individuals or groups is the opposite of "counter-revolutionary" sentiment. It does not represent a challenge to Sandinista power, but rather an appeal to moderation. No one rejects the Sandinistas' preeminence, and this is not simply because of their military power. They earned their moral authority during the war of liberation.

As was to be expected, though nonetheless regrettable, extreme leftist radicals consider dissent as treason. Therefore, the dissenting views of the former guerrilla chieftain, Edén Pastora, provoked chagrin and wrath on their part—and, by symbiosis, these feelings are shared by the extreme right. With the announcement in Costa Rica of his dissident stand, on April 15, 1982, "Cero," as he is popularly known, released the dissidents from their "straitjackets." They can now march with him, a man viewed by many Nicaraguans as a true Sandinista hero. They may be called "traitors" by fanatics, but the Nicaraguan people know the truth. Pastora has the power to greatly increase the number of dissidents.

It is truly a pity, tragic by any standards, that Nicaragua's Revolutionary Government may waste an opportunity to build a unique, model revolution, not just a replay of any other. I have heard people say that the reason revolutions in Latin America choose socialism is that it conforms to our cultural preference for authoritarianism. However, I strongly believe that my country does not have an indigenous vocation for tyranny. On the contrary, it has every right to aspire to a revolution as originally proposed by the Sandinistas, from which they are currently deviating and to which they should return. Any people, however backward, aspiring to justice and freedom, cannot accept absolutism as synonymous with revolution.

[CRS-63f]

Likewise, those who have the good fortune to live in democratic countries, but prescribe socialism without freedom for developing nations, might, unintentionally, be adopting postures as patronizing as those who are nostalgic for paternalistic exploitation. The greatest disservice to Nicaragua's Revolution has been the "blank-check" solidarity given to its leaders through thick and thin—and regardless of their faults—by some governments and groups abroad. I am not suggesting that foreign aid be stopped. On the contrary, it must be continued. Nonetheless, I think that those sympathetic governments, if they are true friends of the Revolution, should use their leverage to bolster freedom and justice in Nicaragua. Otherwise, they may be fanning the fire for the self-destruction of Nicaragua's Revolution. Unconditional support, whether for reasons of idealism or partisanship, risks taking my country on a round trip; from the past to the past. As a matter of fact, Ernesto Cardenal, a renowned Nicaraguan poet and currently Minister of Culture, in one of his poems, scores the United States for its chutzpah: having first intervened in the international affairs of Nicaragua to put Somoza in power, the United States then used the principle of "non-intervention" as a pretext for keeping him in power in spite of his dictatorial rule.[3] Today, faced by the new reality of a Marxist dictatorship, some supporters of the FSLN seem to react with a similar double standard.

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[1] One of the three members of the current Junta is a conservative. Likewise, the Cabinet, Supreme Court of Justice and Council of State include non-Sandinistas.

[2] The most important sugar operation in the region, with extensive sugar cane plantations, it is controlled by the Nicaragua Sugar-Estates Corporation. Among its principal stockholders are members of such prominent families as Pellas and Benard. Management has a distinguished record for efficient production and a genuine social concern for the well-being of its workings.

V

In April of 1980, after nine months in government, I was confronted with a difficult decision. I had already become deeply disturbed by the indiscriminate and speedy radicalization of the Revolution amid a great deal of confusion and sudden changes. As I confided to one of the revolutionary commanders, I was learning the meaning of "vertiginous speed"; in fact, I felt dizzy. More seriously, I was frustrated by revolutionary "purification," which was eliminating not only the weeds but sometimes the roses as well. I was approached to fill one of the vacancies on the five-member Junta created by the resignations of Violeta Barrios de Chamorro and Alfonso Robelo. Mrs. Chamorro is a lady of great moral stamina; Alfonso Robelo an excellent administrator. Although they had borne the brunt of participating in a troubled alliance, they had now reached the limits of their patience, as a result of the unexpected increase, above and beyond the number originally stipulated, in Sandinista representatives on the Council of State.

After a painful process of soul-searching—which included weighing opinions across the spectrum—I joined the Junta a few months before the celebration of the first anniversary of the Revolution. I remained in that position somewhat less than a year.

During that period, I observed a push for the "Sandinisation" of almost everything in the land. It seemed as if the Sandinistas, in their paranoia, were driven by an urge to assert their authority, their primacy, and this, in turn, provoked an overreaction among the non-Sandinistas. Sensing their rejection, these groups would occasionally test the Sandinistas' tolerance, to the point of quasi-provocation. This unfortunate situation had several negative effects. In the first place, it discredited broad alliances, making them appear to be mere tactical devices used by the Marxists to attain power. Consequently, the struggles of other revolutionary movements in the region were rendered more arduous. Internally, it meant that the unification of the Nicaraguan nation would be more difficult—and perhaps even impossible.

At that time, our foreign policy began to show how senseless our goals were. Instead of dedicating all our energy to building the ideal society for which our people had hoped, we were chasing chimeras abroad. It was a game with a high cost, bringing us to where we are today: we have exchanged the well-being of Nicaragua for a seat on the Security Council of the United Nations. Declaring ourselves nonaligned, we were, in fact, leaning to the Socialist bloc. Our actions belied our lip-service to nonalignment; it was difficult to explain our position vis-a-vis the Soviet invasion of Afghanistan. No less astonishing was our silence about the heroic struggle of Solidarity in Poland. Political analysts detected the contradictions, the most bewildering of which was that we did not seek the establishment of relations with the largest Socialist nation on earth—the People's Republic of China. Furthermore, the Taiwanese ambassador, envoy of a government which had been openly pro-Somoza, was among the first to present his credentials. It seemed that, acting as a loyal pawn, we were applying an old principle of political conduct—"My friend's enemy is my enemy; and my enemy's enemy is my friend." Were you about to change our status from "hacienda" to satellite?

I reached the conclusion that, given my position as a member of the Junta, the dissent which I manifested publicly on various occasions was not in harmony with the unity—I do not mean unanimity—which should exist in the executive branch of government. I considered it my duty to resign.

VI

Upon my resignation from the Junta, I accepted with enthusiasm my appointment—which I specifically requested be limited in duration—as Ambassador to the United States. Before departing for Washington, I was assured by the National Directorate of the FSLN that they were moved by a genuine desire to reach an honorable settlement with the United States. I now faced the overriding question of how to reconcile Washington's understandable concern for U.S. national security with Nicaragua's inalienable right to self-determination. I have always felt that, for negotiations to be successful, it is essential that both sides have good intentions. It should not be a game of each side trying to outsmart the other.

During my first days in my new post, I received the impression that the United States would not tolerate a leftist military victory in El Salvador. In addition, some remarks by the U.S. Ambassador to Nicaragua, Lawrence Pezzullo, hammered persistently on my mind. Ambassador Pezzullo, I venture to say, had developed sincere feelings of sympathy for my country. It was one day in the spring of 1981—some time after the failure of the Salvadoran guerrillas' January "final offensive"—when he pleaded, amicably and candidly, that the government in Managua refrain from aiding insurrection in the neighboring nations. The Ambassador stressed that this was important for Nicaragua's own well-being.

In August of 1981, the Assistant Secretary of State for Inter-American Affairs, Thomas Enders, met with my superiors in Managua, at the highest level. His message was clear: in exchange for non-exportation of insurrection and a reduction in Nicaragua's armed forces, the United States pledged to support Nicaragua through mutual regional security arrangements as well as continuing economic aid. His government did not intend to interfere in our internal affairs. However, "you should realize that if you behave in a totalitarian fashion, your neighbors might see you as potential aggressors." My perception was that, despite its peremptory nature, the U.S. position vis-a-vis Nicaragua was defined by Mr. Enders with frankness, but also with respect for Nicaragua's right to choose its own destiny. He indicated that there was a fork in the road: one way leading to friendship between the United States and Nicaragua; the other to separation between the two countries. Maybe, he said, Nicaragua had already advanced along this second route. However, it was not too late to discuss an understanding.

When the conversations concluded, I had the feeling that the U.S. proposal had not been received by the Sandinistas as an imperialist diktat. However, nothing positive developed; Managua and Washington remained at loggerheads; tensions increased.

In the meantime, the frequent shutdowns of La Prensa and the imprisonment of business leaders for criticizing the government undermined me personally. At such a delicate time, when a head-on collision with the United States was imminent, I realized that, in view of the fact that I dissented from my government regarding its domestic policies and disagreed with its foreign policy, I could not continue being an effective envoy. I therefore left the government permanently.

In retrospect, I see that, as a Nicaraguan citizen, in spite of my loyalty to and admiration for the Sandinistas, I was never able to accept—without a popular referendum to sanction their pretensions—the belief that an offense to their governments is an offense to our fatherland; that the actions of their political party are the actions of our people.

VII

At this point in time, the conclusions that can be drawn regarding Nicaragua's revolutionary process are the following:

The Sandinista leaders as guerrillas were authentic classics—daring, shrewd, flawless. They conquered power.

They have not proved successful statesmen and are overwhelmed by the responsibilities of government, which they render more complex by their own dogmatism.

After 45 months of Sandinista rule, the nation is in a calamitous state. The people are divided by hatred and resentment; the economy is in a shambles and war rages, threatening to reach the level of intensity that existed when Somoza was put at bay.

I am dedicated to my profession and do not consider myself as having a vocation for politics. However, like most of my compatriots, I remain keenly interested in my country's future. I am sympathetic to Eden Pastora and the other leaders of the Alianza Revolucionaria democratica (ARDE) because they profess to seek the democratic rescue of the Revolution. It is my understanding that Pastora has made proposals for a dialogue; and, since April 1982, he has indicated that he favors a policy of persuasion. Unable to effect a dialogue with the Sandinista leadership, Pastora finally has resorted to the use of force but claims he would still be open to a peaceful solution.

I follow, with disenchantment, the continuing and traumatic erosion of the Revolution. As its former followers become increasingly discontented with the regime, the United States is hardening its position. Disillusioned, key men in the Revolution are leaving the government. The departure, for instance, of Alfredo César, who served the

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[3] He wrote about U.S. support to Somoza: "Lo subió la intervención y lo mantiene la no intervención."

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government with distinction and had the full support of the FSLN in the renegotiation of the foreign debt and in other delicate assignments, such as minister-president of the Central Bank of Nicaragua, is a setback for the Revolution.

Counterrevolutionary forces, backed by the United States, are bolder in their attacks against the Revolution.

The confrontation with the United States has reached its outer limits. Washington has admitted its involvement in Nicaragua, even qualifying its intentions toward the Revolutionary Government—"We do not seek its overthrow. * * * Our purpose * * * is to prevent the flow of arms to El Salvador. * * *" Indeed, the President recently outlined his Central American policy before a joint session of Congress, referring to Central America's problems as directly affecting the security and well-being of the American people. Moreover, he stressed the strategic importance of the isthmus, and has labeled the Sandinistas' government "a new dictatorship." However, I respectfully express my confidence that subsequent remarks attributed to the President by the press do not amend his statement that U.S. support of insurgent forces is not intended to overthrow the Sandinistas.

Embarrassingly for the Sandinistas, the Brazilian authorities caught red-handed four Libyan airplanes loaded with weapons and ammunition destined for Nicaragua, which the Libyans had declared contained "medicines." How tragic it is that my country's government gambles with the security (and safety) of its people—misguided by its delusions of grandeur, seeing itself, foolishly, as an important piece on the chessboard of world politics.

Pablo Antonio Cuadra, an exemplary and erudite citizen, in one of his forceful editorials in *La Prensa*, reminded the Sandinistas that, if indeed they love Nicaragua, they should start by being prudent in order to protect it from any harm and avoid exposing it to danger.

The Frente Democratico Nicaraguense (FDN), Whose "contras" are successfully carrying out guerrilla activities deep inside Nicaraguan territory, and which—they boast—is "backed by the mightiest nation in the world," represents a moral defeat for the Revolution. It is indeed humiliating to those who really care for the Revolution that some FDN members who were civic cadavers have been resuscitated politically and vindicated morally by the excesses of the Revolution. Other members are citizens who have been victims of oppression—like the Miskito Indians and small farmers—or those who simply wish to see a different political system in our country. An even more significant indication of the despair experienced by a wide range of citizens is that the national directorate of the organization is composed of people with good credentials, such as Adolfo Calero, Marco, Zeledón, Alfonso Callejas and Lucía Salazar.[4] The fact remains, however, that most of those persons in positions of military authority within the FDN are ex-members of the National Guard, who unconditionally supported Somoza until the end, against the will of the Nicaraguan people.

In the event of a complete FDN victory, however remote the possibility, this national directorate would bear the difficult responsibility of controlling events so as to prevent the reinitiation of the vicious cycle of extreme right-wing oppression and exploitation, followed by insurrection and, finally, the return to power of extreme leftist absolutism; and, more important, to prevent acts of revenge.

Carrying perhaps an even greater responsibility, those who sustain the forces inimical to the Sandinistas must not ignore the fact that idealistic young boys and girls constitute the Revolution's rank and file. Therefore, those who aid insurrection in my country—whose disenchantment with the Revolution's course and concern for the security of their own country I do not dispute—should be aware of the risk they take of bearing a historical responsibility for contributing, albeit indirectly and unintentionally, to a possible mass execution of the flower of our youth. A line of distinction should be drawn, now more than ever, between "contras" and armed dissidents.

Backing the "contras" indiscriminately could prove self-defeating to the United States. It weakens the moderating forces and strengthens the role of the extremists in Nicaragua. I do not pretend to ignore the disposition of these Sandinista radicals to totalitarianism. But neither do I wish to advocate selective U.S. support for Nicaraguan insurrectionary elements. Nonetheless, no one should ignore the strength of Edén Pastora's will, clearly shown after less than four years of FSLN dictatorship, to rebel. (During 45 years of the Somozas' rule, neither the National Guard as an institution, nor the Somocistas as a political party, ever showed a genuine will to resist their tyranny.) More important, Pastora's insurgency does not seek the destruction of the Revolution, but rather its redemption from Sovietizing influence—for which, I believe, our people are deeply yearning.

It is ironic that Nicaragua may have missed an opportunity to liberate its political destiny from eternal dependency on the United States. We could still achieve our self-determination if only the revolutionary leadership would choose a new path for the Revolution—one of less notoriety, where we could bury the grudges of the past, live in the present with realism and move into the future with optimism. Unfortunately, we have again become entangled with the United States, in great measure by our own doing. As in the past, Washington might once again become the arbiter of our destiny.

President Reagan has asked Congress for a bipartisan U.S. policy toward Central America. I hope this can be accomplished so that the United States may deal with our crisis in a more objective way. Perhaps a more uniform human rights policy can be applied to Central America as a whole. In my judgment, a bipartisan policy would facilitate a consensus between Congress and the Executive, which is necessary to deal with this issue, so vital to the United States and to Central America. Such a consensus could lead to a better understanding by the United States and its allies of how to assist Central Americans in the achievement of permanent peace. Likewise, a human rights policy applied with equal rigor to both leftist and right-wing regimes would enhance U.S. credibilty.

The present crisis is a monster with two heads. One of them is underdevelopment and social injustice. To deal with it, social reforms and financial assistance are required. However, this will be a futile effort if the other head—violence—is not also severed. Consequently, and as President Reagan indicated, negotiations to remove all foreign military advisers and troops from the region are most desirable. However, in order to ensure success in this search for peace, efforts to attain a settlement in the region, such as those being undertaken by the Contadora group, composed of Mexico, Venezuela, Colombia and Panama, and the proposal for a dialogue put forth by Ambassador Sol Linowitz and Galo Plaza, former secretary general of the OAS, should be promoted. Outside support of insurrection in El Salvador as well as in Nicaragua must be halted.

Even if rescuing the Revolution may now appear an unattainable goal, the fact is that the Revolution ought to be irreversible. Therefore, the United States, while preserving its security from any threat, should understand that the Nicaraguan Revolution, while in a state of sickness, is still worthy of an effort to heal it.

It is my honest opinion that Edén Pastora is today one of our most valuable political assets and that we can call upon him to uproot the contradictions and vices hindering the process of social, political and economic transformation in Nicaragua which justice and decency demand. "Cero" has an important role to play in our history. In his last proclamation, on April 15th of this year, "Cero" reiterated his commitment to peace and explained his decision to launch an armed struggle against his former comrades as his answer to a call from the people to defend the national honor and expel from our soil the new intervention—the "internationalists" who virtually occupy Nicaragua today. In addition, Pastora swears to uphold freedom and democracy. He reaffirms his conviction that rescuing the original revolutionary project is the only way to attain these goals. A warrior like "Cero" who vows to put an end to despotic militarism deserves respect.

The United States has already shown its resolve to oppose Nicaragua's exporting of Marxist revolution through Central America. Its most effective and least confrontational weapons are economic measures. The recent reduction in Nicaragua's sugar quota is Washington's warning of what might follow, e.g., suspension of purchases of beef, coffee, shrimp and other products, and of sales of critical equipment. Even if the Socialist bloc were willing and, above all, able to replace the United States as the main trading partner, it could do so only under such poor conditions that Nicaragua would achieve at best a pyrrhic victory. On the other hand, if Managua were ready to give the United States acceptable assurances for a solid settlement, Washington should restore its economic relations with Nicaragua, on a basis of mutual respect.

An initial reconciliation between the FSLN and ARDE, as proposed by Edén Pastora and his allies, remains a valid option: commitment to pluralism, a mixed economy and normal relations with the Soviet bloc. Subsequently, this reconciliation should include all Nicaraguans—which is essential to ending the diaspora or exile of thousands, freeing those in prison, and redressing injustices. * * *

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[4] Jorge Salazar, her late husband, was an outstanding, fine and courageous man who helped the FSLN to overthrow Somoza and worked with great devotion to organize unions of small producers; he was a gallant defender of democratic principles. His assassination by state forces, in circumstances never clarified, casts an ugly shadow on the Revolution.

Mr. GONZALEZ. Mr. Speaker, will the gentleman yield?

Mr. ALEXANDER. I yield to the gentleman from Texas.

Mr. GONZALEZ. I want to add my voice to the gentleman's position and statement. I hope the Congress and the Nation will listen, too, because he is right.

Mr. BONIOR of Michigan. Mr. Speaker, I yield 2 minutes to my colleague from Texas (Mr. GONZALEZ).

Mr. GONZALEZ. I asked for the time for the purpose of asking some questions, though I want to say the

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Rules Committee has done admirably well under the circumstances.

However, I am very much concerned. I have been in Congress now about 22 years and only one time do I recall, as my memory best serves me, have we had one secret session, and I was disturbed then about it, and I am very much now.

□ 1350

And I feel that after that one lonely secret session: There was no reason for it. There was nothing that transpired that we could not have all the windows and all the doors open and let all our citizens participate with us. What I am afraid of in this case is that what the gentleman from Arkansas has so realistically painted for us will be aided and abetted by the fact that we will be constrained through a secret session.

Now, my question is, because I do not remember the proceedings of that one that I did attend:

Is it, under the rules, possible to have substantive action or decisions taken during the time that we are in secret session?

Mr. BONIOR of Michigan. No. If you mean by "substantive," can we adopt amendment? No. We can debate amendments. We will be discussing classified information in the secret session and then we will devote lots of time to the debate of that information and amendments that might be offered in the open session but there will be no votes in the secret session.

Mr. GONZALEZ. So that the secret session is more or less for adducing information?

Mr. BONIOR of Michigan. That is my understanding.

Mr. GONZALEZ. And discussing it, but not taking any definite or definitive position on any particular course of action to be taken in open session subsequently?

Mr. BONIOR of Michigan. It is to be used to make decisions in open session but my understanding is that there will be not votes of substantive nature with respect to amendments in the secret session.

Mr. GONZALEZ. I thank the gentleman.

Mr. TAYLOR. Mr. Speaker, I would simply say that this is a very, very important bill. It is one that deals with the national security of our country and the administration's ability to act in its best interest. I hope that we will have full participation and attendance when this very important session, as authorized by this rule, is held, because I think that it is important to the security of this Nation that strict attention be given to the debate that will ensue.

I have no further requests for time and I yield back the balance of my time.

Mr. BONIOR of Michigan. Mr. Speaker, let me simply say first of all, I commend the House on the action it took prior to our discussion of this rule with respect to the Caribbean Basin Initiative. For those of us on our side of the aisle who have argued that the policies of this administration, the military policies of this administration are going in the wrong direction, I think to have an economic policy despite the fact that it has some shortcomings, speaks in a positive way about what this Congress can do. I am pleased that we reaffirmed that positive action by the vote that we just had on the CBI.

Second, let me commend my colleague from Massachusetts and my colleague from Wisconsin, Messrs. BOLAND and ZABLOCKI, for their leadership on this issue. I would encourage, as I am sure they would encourage, all Members to take part in the secret session so that they can avail themselves of the information that will be presented, so we can make intelligent and hopefully wise decisions when we come into open session and vote on these very important amendments and of course on the bill itself.

With that, Mr. Speaker, I yield back the balance of my time.

Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

House Resolution 247 was laid on the table.

[CRS-63i]

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. Pursuant to House Resolution 261, the Chair will make a statement.

The Chair desires to read to the Members the contents of rule XXIX of the Rules of the House of Representatives.

Rule XXIX reads as follows:

> Whenever confidential communications are received from the President of the United States, or whenever the Speaker or any Member shall inform the House that he has communications which he believes ought to be kept secret for the present, the House will be closed of all persons except the Members and officers thereof, and so continue during the reading of such communications, the debates, and proceedings thereon, unless otherwise ordered by the House.

According to the rule of the House, the Chair is now going to order that the galleries and the House Chamber shall be cleared of all persons except the Members of the House and those officers and employees as specified by the Speaker whose attendance on the floor is essential to the functioning of the secret session of the House.

Every employee and officer present in the Chamber during the secret session pursuant to my order will sign an oath of secrecy, which is in the Speaker's lobby to the Chair's right.

All preceedings in the House during such consideration shall be kept secret until otherwise ordered opened by the House.

The Chair is going to declare a recess long enough for this order to be carried out.

The Chair will ask all Members to leave the Chamber temporarily until the security check is so completed.

Three bells will be rung approximately 15 minutes before the House reconvenes to go into secret session.

We anticipate that the bells will be rung in 30 minutes.

RECESS

The SPEAKER. The House will be in recess.

Accordingly (at 1 o'clock p.m.), the House stood in recess subject to the call of the Chair.

AFTER RECESS

The recess having expired, the House was called to order by the Speaker at 2 o'clock and 10 minutes p.m.

AMENDMENT TO THE INTELLIGENCE AUTHORIZATION ACT FOR FISCAL YEAR 1983

The SPEAKER. Pursuant to House Resolution 261, rule XXIII and rule XXIX, the Chair declares the House in a secret session of the Committee of the Whole House on the State of the Union for consideration of the bill, H.R. 2760.

The Chair appoints the gentleman from Kentucky (Mr. NATCHER) to preside over the Committee of the Whole.

(Proceedings held in secret session in the Committee of the whole.)

Accordingly (at 6 o'clock and 12 minutes p.m.), the Committee rose; and the Speaker, having resumed the chair. Mr. NATCHER, Chairman of the

Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 2760) to amend the Intelligence Authorization Act for fiscal year 1983 to prohibit U.S. support for military or paramilitary operations in Nicaragua and to authorize assistance, to be openly provided to governments of countries in Central America, to interdict the supply of military equipment from Nicaragua and Cuba to individuals, groups, organizations, or movements seeking to overthrow governments of countries in Central America, had come to no resolution thereon.

ANNOUNCEMENT BY THE SPEAKER

The **SPEAKER**. Pursuant to House Resolution 261, the Chair will make the following statement:

The Chair would remind the Members that the House has not at this point voted to remove the injunction of secrecy and that Members are bound not to release, revise, or to make public any of the transcript of the closed session or any of the classified information made available therein until further order of the House.

Pursuant to House Resolution 261, to enable the House to evaluate the transcript of the Secret Session, the Chair will refer the transcript to the Permanent Select Committee on Intelligence and to the Committee on Foreign Affairs for their report thereon as soon as possible. The committees' report will remain executive session record of those committees for examination by the Members and ultimate disposition by the House.

The **SPEAKER**. The Chair would further announce that having consulted with the leadership on the other side of the aisle, the first item of business tomorrow is expected to be the privileged reports of the Standards Committee filed last week.

There will be no further business today except the special order.

RECESS

The **SPEAKER**. Pursuant to House Resolution 261, the Chair declares the House in recess just long enough to prepare the Chamber for an open session. There will be no further legislative business today.

Accordingly (at 6 o'clock and 15 minutes p.m.), the House stood in recess subject to the call of the Chair.

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□ 1245

The **SPEAKER** pro tempore. (Mr. MINISH). On this rollcall 395 Members have recorded their presence by electronic device, a quorum.

Under the rule, further proceedings under the call are dispensed with.

AMENDMENT TO THE INTELLIGENCE AUTHORIZATION ACT FOR FISCAL YEAR 1983

The **SPEAKER** pro tempore. Pursuant to House Resolution 261 and rule XXIII, the Chair declares the House in the Committee of the Whole on the State of the Union for the further consideration of the bill, H.R. 2760.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 2760) to amend the Intelligence Authorization Act for fiscal year 1983 to prohibit U.S. support for military or paramilitary operations in Nicaragua and to authorize assistance, to be openly provided to governments of countries in Central America, to interdict the supply of military equipment from Nicaragua and Cuba to individuals, groups, organizations, or movements seeking to overthrow governments of countries in Central America, with Mr. NATCHER in the chair.

The Clerk read the title of the bill.

The **CHAIRMAN**. Pursuant to the rule, the gentleman from Massachusetts (Mr. BOLAND) will be recognized for 30 minutes; the gentleman from Virginia (Mr. ROBINSON) will be recognized for 30 minutes; the gentleman from Wisconsin (Mr. ZABLOCKI) will be recognized for 30 minutes; and the gentleman from Michigan (Mr. BROOMFIELD) will be recognized for 30 minutes.

The Chair now recognizes the gentleman from Massachusetts (Mr. BOLAND).

Mr. **BOLAND**. Mr. Chairman, I yield myself such time as I might desire.

Mr. Chairman, last week the House met in secret session.

At that time, the Intelligence Committee provided details of the covert action which the United States now funds in Nicaragua.

I cannot go into those details today, but we all know that the subject matter of H.R. 2760, the bill before the House today, is this not-so-secret war against the Sandinista regime in Nicaragua.

H.R. 2760 represents the Intelligence Committee's judgment, and that of the Committee on Foreign Affairs, that this secret war is bad U.S. policy—because it does not work; because it is in fact counterproductive to U.S. interests; because it is illegal.

However, the bill not only cuts off the covert action, it authorizes, in its stead, openly provided security assistance funds—$30 million in fiscal year 1983, $50 million in fiscal year 1984—to give friendly nations in the region the capability to prevent the transfer of arms to insurgencies in the region.

Now, as everyone here today knows, this bill is strongly opposed by the administration.

It represents the most serious stage of disagreement the Intelligence Committee has ever reached, with this, or any other Administration, on a covert action.

However, it is not based on a disagreement with the President about the seriousness of developments in Central America.

It is not based on a different set of U.S. policy goals for Central America.

Most members of the committees have no disagreement with the President, on the goals U.S. policy should achieve.

The disagreement lies in the means by which he seeks to achieve them.

There has been much talk recently about a compromise amendment to this bill—about the need to find a middle ground, between those who wish to cut off the covert action, and those who wish to see it continue and expand.

Well, let me say to those who take this view that H.R. 2760 is not a negative bill. It contains a positive alternative approach. It is not a partisan bill. It was an attempt, to seek a bipartisan approach, to the problem of arms shipments to the Salvadoran guerrillas. It is, however, an alternative the President has rejected.

Let me just summarize why the committee reached the view that the covert action should be stopped, and then develop for you why the committee believes that security assistance is the more appropriate response to the problem.

First of all, you must realize that the committee developed its view of this covert action over a period of 18 months. It first learned of the covert action in December of 1981. It was told the effort would involve a small number of paramilitary fighters who would be trained and armed to conduct raids against the Sandinistas' supply of arms to the Salvadoran guerrillas.

Gradually, however, the scope of the program was broadened by the administration. They wanted internal political changes in Nicaragua.

Today, the number of troops supported by the program is in the thousands. They are engaged not in efforts to intercept arms shipments, but in fighting Nicaraguan military units.

At the same time, the Hondurans have been drawn into this spiral of violence. Increasingly, mortar barrages are exchanged between Nicaragua and Honduras by the armies of both nations.

The committee tried twice to limit this covert action—once, in its classified report to the Intelligence Authorization Act, where we said funds could be used "solely" for arms interdiction.

Second, in an amendment to the Defense appropriations bill in December of 1982, which sought to prohibit an overthrow of the Government of Nicaragua or a military exchange between Nicaragua and Honduras. Neither of these efforts seemed to have restrained activities under the program.

Finally, in May of this year, the committee met and made three judgments.

First, it concluded that the covert action had strayed beyond the bounds set by the law, and in the fiscal year 1983 conference report. It was, we judged, an effort that went beyond the necessity of arms interdiction, by using groups whose avowed aim was the overthrow of the Sandinistas, and by employing tactics which involved military confrontation.

The committee also concluded that the covert action was unwise. The committee looked at the effects of the covert action—continued arms shipments by the Sandinistas to the Salvadoran guerrillas, an increased Cuban presence in Nicaragua, the suppression of dissent by the Sandinistas, and a polarlization of the Nicaraguan populace against the insurgency.

The committee then looked at the overall goals of U.S. foreign policy in the region—the elimination of foreign military advisers, elimination of the Cuban presence, guarantees for democracy in Central American nations—especially a willingness by the Sandinistas to tolerate dissent—and most importantly, an end to the war in El Salvador. None of these goals has been advanced by the covert action.

The committee looked at the chances for a negotiated settlement to regional problems. It judged that an insurgency aimed at the jugular of the Sandinista regime would not encourage the Sandinistas to relinquish points, on which they felt deeply, and where they were confident of Cuban assistance.

Lastly, the committee viewed with alarm the numerous border clashes involving ambushes of Sandinista troops. It saw the increasing number of encounters between Sandinista and Honduran troops. It saw the sustained flow of arms into El Salvador. It saw an active and stronger El Salvadoran insurgency. It saw internal repression and totalitarianism inside Nicaragua. In short, it saw all the things which the covert action was meant to prevent.

Let me emphasize the committee has no brief for the Sandinistas. We do not endorse their policies, or their politics, but we did judge that the covert action would not change those policies, or those politics.

Because the committee felt that the pressure represented by the insurgency would not force changes from the Sandinistas, it concluded that the only effective way to prevent arms from reaching the Salvadoran insurgents was by assistance to Nicaragua's

[CRS-65]

neighbors—to help them prevent the arms flow.

The committee received little assistance in developing this overt part of the bill. Administration witnesses, including those from the Department of Defense, did not want to talk about overt arms interdiction. They kept telling us the covert action was the answer.

There will be those here today who will say that we vastly underpriced what it will cost to effectively interdict arms. To those who say this, I say we should spend what will be necessary and useful to do the job.

To those who say that this overt security assistance could cost American lives or will mean a significant number of American advisers, I ask—where do they think our present policy is taking us?

If, as the President says, we cannot allow communism to gain a foothold in Central America, how do you suppose we are going to prevent that from happening? Who is going to do it? Who will confront this army we are told the Nicaraguans are amassing? Who will confront the Cuban troops who are there? Who will defend the Hondurans and the Costa Ricans?

Mr. Chairman, let me close with a last thought, and let me call it to the particular attention of those who were not serving in this body in 1964. When we adopted the Gulf of Tonkin resolution that year, we did not have all the facts. We could not—many of us could not—see where it would take us.

Today the House does not suffer from that disadvantage.

You have heard in secret session the numbers of fighters armed, the cost of the program, the plans for expansion. At the same time, you know the Sandinistas are not wearing white hats.

Lastly, you know that this is no longer just a matter for the 14 members of the Intelligence Committee. It is an action that must be justified in the full light of American values, American responsibilities, and future American involvement.

There is a better way. H.R. 2760 turns from the secret war, to openly helping our friends in the region. It takes the high road forward—toward firmer ground.

□ 1300

Mr. ROBINSON. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, as on previous occasions, let me restate my highest respect for my chairman, the gentleman from Massachusetts. Because of his leadership, this committee has been able to function effectively over the past 6 years. We have avoided the pitfalls and the problems that befell the Pike committee. It is because of the chairman's unwavering commitment to approach problems in a nonpartisan manner that I have my gravest concerns regarding the politicizing of this particular issue. I cannot help but feel that had we worked harder, had we done more to bridge the differences of opinion in the committee, we could have found the solution—a compromise, if you will—that could have avoided the uncharacteristic confrontations in which this committee finds itself embroiled. The House and the intelligence community have benefited by this new experiment in intelligence oversight. I only hope that this issue before us today is truly an exception to the committee's historical commitment to a bipartisanship approach on issues of common interest in national security. Now, I would like to make five quick points about the bill before us today.

I think it is generally conceded that there is at least one matter upon which we all should agree. That is, that Nicaragua is dedicated in its efforts to export revolution and terrorism throughout Central America. The Nicaraguan action contributes to the destabilization of the entire region. As stated on page 2 of the majority report:

> The insurgency in El Salvador depends for its lifeblood—arms, ammunition, financing, logistics, and command and control facilities—upon outside assistance from Nicaragua and Cuba.

Overwhelming evidence of Nicaragua's support for the insurgency in El Salvador, Nicaragua's unwavering commitment to continue that support, coupled with Nicaragua's significant military buildup, should lead the most skeptical of individuals to the inescapable conclusion that Nicaragua poses a serious threat to all of its neighbors in Central America.

Judging from their past actions, Nicaragua does not seem inclined to constrain their export of revolution and terrorism. The Sandinistas consider their commitment to Cuba and Communism far more important than their commitments and promises to the Nicaraguan people.

However well intended the origination, this bill, H.R. 2760, was predicated on the assumption that the administration was not complying with the intent of the Boland amendment. The original Presidential finding was directed at the Cuban presence in Nicaragua and elsewhere in Central America.

At the time the finding and the covert action was described to the committee, this administration made some very strong statements that the program did not represent an effort to overthrow the Government of Nicaragua. Let me be clear on this point—at the time the proposed covert action was presented to the committee, everyone was well aware that this project included covert operations in Nicaragua. I bring this up because at that time the standard which was discussed with regard to covert action was that we would not be involved in any operation to overthrow the Government of Nicaragua. The administration was—and is—in agreement with such a provision.

The language, ultimately termed the Boland amendment, provided for covert action of the type which the administration supports. The House voted down a legislative amendment which would have denied funds for the purpose of carrying out a covert activity and denied funds to groups and individuals known to have the intent of overthrowing the Nicaraguan Government.

The House, however, adopted the Boland amendment by a vote of 411 to 0. In so doing, the House approved the concept embodied in the Boland amendment that a covert paramilitary operation in Nicaragua was acceptable.

H.R. 2760 prohibits all covert paramilitary operations in Nicaragua and establishes a new overt interdiction assistance fund. This bill seems to me to be a distinct change in direction and policy—a 180 degree change of direction. The Boland amendment contemplated and approved the covert action in Nicaragua—H.R. 2760 prohibits all covert action in Nicaragua. We must ask ourselves—is there truly a need for such a dramatic reversal of position and—after the Congress has essentially approved the initiation of the President's actions, are we prepared to live with the consequences of changing our minds in midstream?

As I have said for some time, in my mind the consequences are not as cut and dried as the proponents of H.R. 2760 may try to lead you to believe. A change in direction could—

Indicate to United States friends and allies that the United States is unwilling to defend its legitimate national interests close to its own border;

Cause countries and people in the region to realize that there is no longer any pressure on the Nicaraguan Government to negotiate; and

Cause many governments in the area to feel that because of the Nicaraguan/Cuban military superiority, they must try to cut their own deal, so to speak, with Nicaragua or fear reprisals.

If El Salvador or Guatemala were to fall to Communist insurgents—Honduras, Costa Rica, or even Panama could be next on the guerrilla hit list.

I believe that at this time changing directions to establish an overt interdiction assistance fund raises the stakes and increases the risks of interstate war in Central America. I must agree with the Secretary of Defense and the chairman of the Joint Chiefs of Staff that overt action will be "substantially more costly and politically contentious than our present policy and be less likely to succeed." [June 23 letter from Secretary of Defense to Mr. Robinson.]

Overt interdiction may not be acceptable to friendly governments for reasons of domestic and international politics. What do we do in such instances? Do we establish our own interdiction capability?

[CRS-66]

Another point which I hope my colleagues and media will note—the majority report noted that the nations in the immediate Central American area do not possess the capability to provide an effective interdiction program without the involvement of U.S. troops.

This disturbs me greatly. Most of us do not take lightly the dispatch of U.S. troops and advisors and trainers anywhere in the world. However, the majority report—not the administration—proposes and even encourages escalating use of U.S. military personnel in Central America. I heard a news report Monday that officials in the Pentagon had advocated increasing U.S. military trainers and advisers in Central America. I invite you to carefully read and review the Intelligence Committee report which accompanied H.R. 2760 to find out for yourselves that on May 13, 1983, the majority report first advocated increasing U.S. troop commitment in Central America.

You will hear from several of our distinguished colleagues from the majority side of the aisle that the presence of anti-Sandinista insurgents in Nicaragua has not been successful. To the contrary—given its limited goals and operational objectives, the program has been successful.

It has only been recently, and partially due to our successful efforts to keep pressure on Nicaragua and to force the Nicaraguans to turn inward and seek solutions to their own problems, that we have been successful in communicating to the Nicaraguans that we are serious about our commitment to support stable, peaceful governments in the region. Our willingness to make the point that the Nicaraguan/Cuban influenced government will not be allowed to operate freely in imposing their will upon other countries, now offers some real and present prospect of hope for either bilateral or multilateral negotiations.

It has been confirmed on several occasions that the Sandinistas have been unable to supply insurgents in El Salvador with needed ammunition and weapons. It also has been indicated that in one instance the Sandinistas were preparing to send a group of terrorists/guerrillas into Honduras but the plans were abandoned because it was too hot to successfully transport such a guerrilla group into Honduras.

To sum up, with respect to H.R. 2760—I believe it is ill-advised and ill-conceived to embrace a program which does not—

Deter the massive buildup in Nicaragua;

Halt the Nicaraguan efforts to overthrow the Government of El Salvador;

Protect any of our friends or allies in Central America against Nicaraguan/Cuban-backed insurgencies in their countries; nor

Bring pressure to bear for negotiations to begin.

I do not believe we should enact legislation which provides a type of sanctuary for Nicaraguan-based guerrillas who will strike out with impunity against their neighbors—nor should we unilaterally restrict United States conduct without regard to Nicaraguan behavior in Central America.

It is for these reasons that I urge my colleagues to join in the support to find the common ground—a compromise position which protects the security interests of the United States and preserves our integrity at home and abroad. If this is not possible, H.R. 2760 should be rejected.

Mr. Chairman, I yield such time as he may consume to the gentleman from Vermont (Mr. JEFFORDS).

Mr. JEFFORDS. Mr. Chairman, I would like to express my deep concern about an issue which has not been given adequate attention as we are considering the direction of our Central American policy, namely, the effect on Honduras of a growing U.S. military involvement in the region.

Honduras is a poor and relatively weak nation, ranking second behind Haiti as the hemisphere's poorest country. In November 1981, U.S. supported elections returned Honduras to civilian rule, following a decade of military control. However, I fear that our policy in the region has had the effect of undermining the authority of President Roberto Suazo Cordova, and strengthening the position of the armed forces and their commander Gen. Gustavo Alvarez Martinez. Our policy may well be counterproductive to our stated intent of fostering democracy and a return to civilian rule in Honduras and in the other nations of Central America.

There are several constructive elements of the U.S. policy toward Honduras. For instance, an agricultural mission of 15 to 20 American volunteers is advising the Hondurans how best to utilize their natural resources. There are a number of AID consultants in Honduras, as well as more than 200 Peace Corps workers who are helping the people improve their living conditions. Yet, these positive aspects of U.S. involvement are being outweighed by a growing military presence and the evolution of Honduras as the focal point for U.S. military policy in the region.

U.S. activity in Honduras has greatly increased in the past months. One and a half years ago, the U.S. Embassy in Honduras was upgraded from class 4 to class 2, making it equivalent to the embassies in Peru and Argentina. The current staff in Tegucigalpa numbers 140 persons, as compared to only 102 in El Salvador, and well above the average for the region. There are approximately 300 military advisers in Honduras, as compared to the controversial 55 in El Salvador. Yet, there has been little concern expressed over the effect of this escalation of U.S. Military involvement on political and social developments in that country.

The historical animosity between El Salvador and Honduras, heightened by their border war of 1969, has made many Hondurans uneasy with the training of Salvadoran troops in their country. These is a fear that after they have peace at home, El Salvador may turn to a number of running quarrels it has with Honduras. Many civilian officials in the Honduran Government were opposed to the development of the regional military training center, to be run by the Green Berets. However, U.S. pressure and the support of the Honduran military overrode the objections of these civilians.

When I was in Honduras for the 1981 election, I was impressed by the overwhelming sentiment of Hondurans in favor of putting control of their country into civilian hands. They were also unanimous in their desire to avoid the violence that has plagued the surrounding countries. Many Hondurans are increasingly afraid that they will now be drawn into a regional conflict that will worsen their domestic condition and further strengthen the hand of the military.

President Reagan's recent announcement that up to 4,000 troops will soon be engaged in joint military maneuvers with the Honduran Army, continuing for as long as 6 months, gravely escalates our military involvement in the region and encourages precisely those elements in Honduras who threaten the elected government.

I therefore wish to call the attention of this body to the actual effects that our actions are having on the country that we have attempted to portray as a model of transition to civilian rule in Latin America. In deciding the form which our policy toward Central America will take, let us not turn a blind eye to the domestic situation in Honduras. We must make sure that in our eagerness to control Communist influence in the region, we do not poison the efforts of our friends the Hondurans to establish a workable democracy and to bring peace and stability to their nation.

Mr. ROBINSON. Mr. Chairman, I yield such time as he may consume to the gentleman from Illinois (Mr. MICHEL).

Mr. MICHEL. Mr. Chairman, I want to commend the gentleman for his statement and then simply pose the question, since the gentleman has made the comment with respect to his desire to see this thing be taken out of the realm of politics and amicably settled between two divergent thoughts here.

Is there in the gentleman's own mind a feeling that there is still time for a compromise of some fashion that can be crafted before conclusion of our proceedings on this legislation?

[CRS-67]

Mr. ROBINSON. Mr. Chairman, may I say to my Republican leader that I feel very strongly that there is a good possibility that we can reach a compromise and conversations with colleagues on the other side of the aisle since we have been here, this afternoon reinforces that feeling.

Mr. MICHEL. Mr. Chairman, I thank the gentleman for his comments.

Mr. BOLAND. Mr. Chairman, I yield 9 minutes to the gentleman from Indiana (Mr. HAMILTON).

Mr. HAMILTON. Mr. Chairman, I wish to speak in support of H.R. 2760, a bill to amend the Intelligence Authorization Act of 1983.

H.R. 2760 proposes a twofold approach to the problems of arms shipments from Nicaragua to the Salvadoran insurgents.

First, it would deny funding now and in the next fiscal year for any direct or indirect support of military or paramilitary activities in Nicaragua, although support could continue for a period of time following enactment of the bill for the purpose of permitting insurgents who wish to make an orderly withdrawal from Nicaragua.

Second, the bill proposes an alternative approach to arms interdiction and authorizes $30 million in fiscal year 1983 and $50 million in fiscal year 1984 for friendly governments in Central America to develop programs or establish the capability to prevent the use of their territory, or international territory, for shipment of military equipment to insurgents in any Central American country. This grant aid would be in addition to other military assistance funds and could also require the use of U.S. military trainers or advisors.

What H.R. 2760 would do: H.R. 2760 is designed to support existing United States policy in Central America by directly, openly countering the threat of Nicaraguan and Cuban arms support to Salvadoran insurgents.

It does not seek to undermine the President's Central American policy—only to change one aspect of it: the covert actions against Nicaragua.

It addresses the important U.S. national security concerns of preventing the export of Communist revolutions from Nicaragua and Cuba and containing Nicaragua.

It returns U.S. policy to a position from which it can assail those activities without fear of criticism.

Its purpose is to prevent infiltration from Nicaragua through Honduras into El Salvador.

It acknowledges that this covert action can no longer be covert, and that to pretend it is covert loses public support and world confidence.

H.R. 2760 would also:

Place additional pressure on Nicaragua to negotiate, isolating it within the region;

Turn the tables on the Sandinistas and make them bear the brunt of their policies of external subversion; and

Allow the internal debate in Nicaragua to shift from countering outside support for insurgencies in Nicaragua to neglected political, social, and economic problems. Only in this way will the Nicaragua Government be accountable to its people.

ARGUMENTS AGAINST COVERT ACTIVITIES

Mr. Chairman, there are two basic arguments against the covert action in Nicaragua.

First it has not worked.

The administration has given progressively more ambitious rationales for supporting the covert action.

The initial justification was confined to the interdiction of Soviet and Cuban arms traveling from Nicaragua to the insurgents in El Salvador.

This was subsequently expanded to included the objectives of forcing Nicaragua to turn inward, and forcing the Sandinistas to reassess their revolution and their efforts to export it into neighboring states.

Then, we were told that the purpose of the covert action was to bring the Sandinistas to the negotiating table, to bring them to a more reasonable and less antagonistic attitude toward the whole area.

Most recently the rationale has been expanded still further, to include bringing pluralism and free elections to Nicaragua.

Thus the objectives of the CIA have grown from interdiction to changing the internal political structure of Nicaragua.

Over the last 2 years, the covert action has achieved none of these purposes even though the military groups being supported by the action have increased dramatically.

It has not stopped the flow of arms. The Salvadoran guerrillas continue to be resupplied.

It has not forced changes in Nicaraguan policies.

It has strengthened the Sandinistas' resolve, strengthened their support within the country, rallied people to the Nicaraguan Government, and given them justification for increased repressive internal policies.

It has not lessened Nicaragua's support for Salvadoran insurgents. Rather that support has continued unabated.

Not only have the goals not been met, they do not seem likely to be met. In most instances, things have worsened because of the covert action.

What has the covert action achieved?

It has brought about greater Cuban and Soviet involvement in Nicaragua, more Cuban troops, increased Cuban control.

It has increased the risks of active Cuban military intervention.

It has driven the Nicaraguans ever more deeply into the arms of the Cubans and Soviets. The risk we face in Central America is not a Socialist government in Nicaragua (as distasteful as that may be) but that that government may become subservient to Soviet-Cuban influence. This covert action has greatly increased that risk.

It has also increased the risk of a full-scale war by Nicaragua against Honduras and Costa Rica.

It is perceived throughout the world as an effort to overthrow the Government of Nicaragua. Most of our Latin American neighbors and our European allies have urged us to stop.

If the covert action continues, the prospect is for further escalation. That has been the pattern, and there is no reason to believe that pattern will change.

The administration acknowledges its purposes have not been achieved. How then will they achieve them? The answer is: Through increased pressure. That means more and more U.S. resources to support the war. If this covert war continues, one wonders what the total number of U.S. armed guerrillas will be 6 months from now? What will the objectives be then?

It is not just the history of this covert action that concerns the majority committee members. It is also the future of this action.

I am not able to discern any limits to this covert action. How many Contras are we willing to support? Is there any limit? How far will we expand our purposes? What do we do in the event Cuban troops enter the war?

This Member concludes that the United States is engaged in covert actions without limits, and that the major policymakers have not thought through what to do in the event of major—and by no means improbable—contingencies.

The second basic argument against the covert action is that it is not in the U.S. national interest to be conducting this kind of operation.

COVERT ACTION IS AGAINST THE LAW

First, covert action against Nicaragua is against our laws. The first law in question is the Boland amendment, passed last year, which states:

> No funds may be used by the Central Intelligence Agency or the Department of Defense to furnish military equipment, military training or advice or other support for military activities, to any group or individual not part of the country's armed forces, for the purpose of overthrowing the Government of Nicaragua or provoking a military exchange between Nicaragua and Honduras.

This administration denies any intention to overthrow the Sandinista government. But the validity of the U.S. Government's approach assumes U.S. control of the operation—so that the U.S. intent can be carried out. But the fact is that that control is inadequate. The FDN is an independent force.

This question of command and control is important. It is important because those guerrillas that we have armed are supposed to be an instrument of our—United States—foreign policy. But it is clear that they have their own agenda, their own objectives—and it is that objective, clearly stated by their commander to overthrow the Sandinistas—that they are following.

[CRS-68]

The administration cannot wash its hands of this affair and deny responsibility for what those it has armed want to do with those arms.

It is also clear that military exchanges are occurring between Honduras and Nicaragua as a result of United States support of this covert war. That, too, is contrary to the Boland amendment.

The administration's intention cannot be separated from the intent and activities of the military groups we support. The Contras have openly declared their intention to "Liberate Nicaragua," and their activities, the size of their forces, the level of the conflict, the targets they are choosing, all fit with this intention. We may admire Commander Bermudez' goal, but his goals are clearly beyond the bounds set by the Boland amendment. The Contras aim to bring down the Sandinistas. We are now supporting a large army inside Nicaragua. We can no longer deny that we are fighting a mercenary war in Nicaragua to overthrow the government of that country—and that is against our domestic law.

The second law is Article 18 of the charter of the Organization of American States, of which the United States is a signatory. The article says that:

> No state or group of States has the right to intervene directly or indirectly for any reason whatever in the internal or external affairs of any other State.

If the United States were to bring Nicaragua before the OAS, and produce compelling evidence of a Sandinista effort to destabilize the region; then under the Rio Treaty and the OAS Charter, the United States and other affected parties are entitled to demand that collective action be taken. Under present policy, the United States, rather than using this law, has chosen to defy it. We cannot go before the OAS with clean hands.

Furthermore, the paramilitary war certainly appears to be a violation of U.S. obligations under the OAS Charter and the U.N. Charter.

We in the Congress ought to agree that policy should not supersede law. If the United States signs an agreement, we ought to abide by it.

To assert that the Russians break treaties is no excuse for the United States opening itself to similar charges.

The administration argues that it is acting in legitimate self-defense. This view distorts the legal doctrine of self-defense. In the first place, any action in support of the right of self-defense should be overt, not covert.

Moreover, self-defense comes into play when the national sovereignty is threatened. A general threat of communism to the hemisphere does not automatically constitute a threat to U.S. territory. How is the security of the United States threatened by Nicaragua sending arms and supplies to insurgents in El Salvador? Self-defense does not license the United States to undertake a covert activity against Nicaragua for its actions against a third country when neither U.S. security nor U.S. troops are directly threatened.

The doctrine of self-defense under the U.N. Charter or the OAS Charter does not allow any signatory, in an act of self-defense, to send mercenary troops inside another signatory country. Self-defense does not allow the United States to conduct a war inside Nicaragua because Nicaragua sends arms to El Salvador.

In addition, self-defense involves proportionality. There is no proportionality between the damage inflicted on the United States by the Sandinistas and the damage the United States is inflicting on Nicaragua. Civilian casualties in the war zone in Nicaragua are rising, as are reports of torture and maiming by the Contras. And internationally recognized borders are being violated on a daily basis by armed incursions.

COVERT ACTION RISKS WIDER WAR

Second. There are sound policy arguments against the covert action as well as legal arguments. The more fighting escalates in Nicaragua, the greater the danger of regionalization of the war. Skirmishes along the Honduran and Costa Rican borders will intensify, more Cuban troops and advisors will be brought in, and a full-scale invasion could be launched, provoking a vigorous U.S. response. A major war on Central American soil, would be a calamity for victor and vanquished alike.

COVERT ACTION DIMINISHES CHANCE FOR NEGOTIATION

Third. Some promising proposals for resolution of this conflict have now been put forward. They have been put forward by friends, the Contadora group, as well as foe Nicaragua. They call for a response that will test the sincerity of Nicaragua's proposal. It is not sufficient to say, as the President did, that negotiations will be extremely difficult as long as the Sandinistas are in power because they are being subverted or directed by outside forces.

My own judgment is that there exists a real opportunity for negotiation at this time. There is a new resolve to talk. But the region, and much of the world is confused by a U.S. policy which repeats rhetoric of support for the peacemaking efforts of the Contadora groups and decides to increase military involvement in the region, including plans for a sharp increase to the Contras seeking to overthrow the Sandinistas. The position of the Contadora group is that the territory of one state should not be used to conduct acts of aggression against the territory of another state. The United States cannot consistently support the Contadora and also support the Contras.

COVERT ACTION DAMAGES OUR IMAGE AND CREDIBILITY

Fourth. The covert action does long-term damage to our standing in the world. The United States is seen as interventionist, even imperialistic. The Soviets have been handed an undeserved propaganda advantage which they are using effectively against U.S. interests. Our allies in Europe have condemned forthrightly the U.S. intervention. The countries of the hemisphere are united in opposition to intervention from any external sources. Secretary Shultz concluded that we were able to conclude a Lebanon withdrawal agreement because the Lebanese and Israelis are convinced of our fairness, trustworthiness and decency. This covert action undermines our reputation as a fair, decent, trustworthy power. It is damaging our ability to exercise leadership throughout the world. This covert action is simply not the kind of thing the United States should be encouraging or conducting.

COVERT ACTION HOLDS US UP TO RIDICULE

Fifth. The covert action is still officially covert. This holds the American Government up to ridicule and charges of official deception. The United States is doing, and all the world knows we are doing, that which we deny we are doing. It makes the legitimate covert activity of the Central Intelligence Agency more difficult to carry out, and saps public confidence in the Agency.

Finally, let me say that when the United States acts out of character, it is ineffective. I believe that conducting this secret war in this place, at this time, and in this manner, is not in keeping with our character or our ideals. Because it is not, and because it is unpopular with the American people who oppose it by about 2:1 in a recent poll, we are hesitant and ineffectual in our execution of that policy.

CONCLUSION

In conclusion, I do not propose an end to this covert war as a favor to Nicaragua—or to please Cuba or Western Europe.

The covert action should be stopped because:

It is not working;

It is harmful to U.S. interests;

It is risking a wider conflict; and

It is diminishing the chances for successful negotiations.

H.R. 2760 is a better way to proceed. It is overt, above board, legal. It represents a strong commitment to our friends. It is consistent with our character as a Nation and our traditions in foreign policy. I urge you to support H.R. 2760.

□ 1315

Mr. ROBINSON. Mr. Chairman, I yield 6 minutes to the gentleman from Florida (Mr. YOUNG).

Mr. RITTER. Mr. Chairman, will the gentleman yield?

[CRS-69]

Mr. YOUNG of Florida. I will be happy to yield at the end of my statement if I have time.

Mr. RITTER. The question relates to the statement by the gentleman from Indiana.

Mr. YOUNG of Florida. Mr. Chairman, it has been suggested here on a number of occasions, both in the secret session of last week and the session so far today that the activities in Central America on the part of the United States violates the law.

During the closed session on last Tuesday I think it was dramatically pointed out to the Members of this Congress that whatever was being done through a so-called covert activity was being done with the agreement of a majority of the members of the Intelligence Committee that was given the jurisdiction in this matter in the first place by the law of the land.

Second, it has been suggested that this covert activity which is no longer covert violates the original intent of what the covert activity was all about in the first place. The truth of the matter is that on the very first meeting of the Intelligence Committee, and again this was established beyond a doubt in the secret session, and we cannot give you the specifics today. But it was established beyond a question of a doubt that the original intent is the intent today.

There has been no deception and there has been no change.

The suggestion is that this covert activity is no longer covert now, that is disturbing, and it should be disturbing to every one of you, and it should be disturbing to every American citizen because the reason this covert activity is no longer covert is because of a systematic series of leaks of sensitive information by people who have access legally to that sensitive information.

I believe, I would say to my Chairman of the Intelligence Committee, that you and I and our colleagues on the Intelligence Committee have a major responsibility to the people of our country to assure that no one who has this access, because of their relationship with our committee, continues to make these type of leaks.

It has been suggested that the covert activity has not worked. We also presented hard intelligence reporting during the secret session that it has worked, that the insurgency in El Salvador is standing down considerably because of the lack of materials that they need or the lack of their ability to get to sanctuary in Nicaragua.

It has been suggested that this covert activity has strengthened the resolve of the Sandinistas. There have been some new developments and I tend to agree with the Washington Post.

The Washington Post said they think that the record shows that the intervention has helped produce Managua's apparent shift on negotiations, and there has been a shift, or at least it appears to be a shift.

Here is a piece in the New York Times by Sergio Ramirez appearing to offer some conciliation. Here is a speech by Daniel Ortego last week appearing to offer similar conciliation.

We believe there is an opportunity to settle this matter in Central America in the interest of all people of the region, and the hemisphere, for that reason we began working, when the Intelligence Committee first took up this matter, on some kind of an approach that would end all outside involvement, including U.S. involvement. And we proposed an amendment that has since become known as symmetry.

Basically that means we apply a similar set of rules to all of the players, that we all play by the same set of rules, and we have worked with the Members on both sides of the aisle to develop language and a concept, and I believe we have established it. I think we are that close to reaching agreement on that symmetry concept and the compromise that will establish a multilateral negotiation which we would like to see happen. Multilateral in that all of the problems in the region, whether they be between Nicaragua and Honduras or Nicaragua and El Salvador, that they all be addressed and that we reach an agreement that is verifiable, that we all get out of each other's business and let the people in their own countries run their own countries. That is all we want and I believe we have that today.

We will be offering an amendment that would establish that concept today. It was created in the Intelligence Committee. It has been kept alive because of the support of the administration, support of Members on the majority side of the aisle, support of Members on my side of the aisle, and if we really want to end the hostilities, if we really want to get to the negotiating table and solve this problem without any further bloodshed, then let us go with this compromise that has basically been agreed to by at least some of the leadership.

Let us put our amendment into this bill and then we will pass H.R. 2760 because we believe H.R. 2760, when amended by this amendment will bring about the negotiations that will resolve these conflicts in Central America peacefully.

Mr. RITTER. Mr. Chairman, will the gentleman yield?

Mr. YOUNG of Florida. I am now happy to yield to my distinguished colleague from Pennsylvania.

Mr. RITTER. I thank the gentleman from Florida for yielding and I thank him for his very eloquent remarks.

I would like to ask the gentleman from Indiana, my friend, Mr. HAMILTON, whether or not he believes that the covert operation which he kept referring to in a derogatory way, whether he believes that covert assistance should be translated to overt assistance to those very same people who are fighting inside Nicaragua?

Mr. HAMILTON. Will the gentleman yield?

Mr. YOUNG of Florida. I will be happy to yield.

Mr. HAMILTON. The bill makes provision for funds to help friendly countries. The key question is whether or not the country would permit us to operate in that country.

Nicaragua does not want us there. We ought not to be there.

Honduras will permit us to be there. It is perfectly all right for us to be there.

Mr. RITTER. I guess, if the gentleman will yield further, the question was would the gentleman from Indiana——

The CHAIRMAN. The time of the gentleman from Florida (Mr. YOUNG) has expired.

Mr. BOLAND. Mr. Chairman, I yield 4 minutes to the gentleman from Georgia (Mr. FOWLER).

Mr. FOWLER. Mr. Chairman, I rise in support of the legislation offered jointly by the Intelligence Committee and the Foreign Affairs Committee for the following reasons:

The United States policy in Nicaragua is not in the best interests of the United States of America. It is unquestionably undercutting the efforts of our allies in Central America who have asked us to cease our military invasion of the Government of Nicaragua.

Colombia, one of the largest and few democracies in our hemisphere, has asked us to stop because it is not working and is working against our hemisphere's interests in controlling hostile influences.

The Venezuelans have asked us to stop. The Mexicans have asked us to stop. The Costa Ricans have asked us to stop.

Our Western European allies have asked us to stop. The Australians have asked us to stop.

The only countries that I know of who are in support of the U.S. policy in Nicaragua are the Governments of El Salvador, Honduras, and Mrs. Thatcher in Great Britain.

Second, the purpose with which this action was undertaken had the backing of the Congress because it was premised on arms interdiction.

If we are to believe the leaks that the gentleman from Florida (Mr. YOUNG), described in the Washington Post this morning from administration officials—they could not have come from the Congress because we have not been briefed on any new proposal—but if we are to believe, and I know not whether it is true, the story in the Washington Post this morning that a new policy is being undertaken by this administration, it excludes according to the news report, any mention of arms interdiction and again changes the policy and thrust of our Government by increasing this armed invasion of Nicaragua.

[CRS-70]

My time is short. If you want preventive action, as we all do, if we want to eliminate hostile influences in our hemisphere, if we want to contain this communism, for goodness sakes, can we not do it in cooperation with our allies in our hemisphere who are pleading with us to cease this unilateral military interventionism and work with them to eliminate hostile influences and have a coordinated policy that will contain communism and allow us to seize the opportunities for negotiation and working together that will bring an end to subversion and war in Central America.

Mr. MAZZOLI. Mr. Chairman, would the gentleman yield for a very brief question?

Mr. FOWLER. I yield to the gentleman.

Mr. MAZZOLI. I thank the gentleman very much. I, like the gentleman from Georgia, would certainly desire to have solutions from within the countries and we have heard about the Contadora nations, the Linowitz-Plaza report.

The front page of the New York Times today suggests that in an interview with the Cuban Associate Defense Foreign Minister that Cuba has indicated, as of yesterday at least, that it would not withdraw its troops from Nicaragua despite the fact that it would seek to have some areawide negotiations with, we would think, the Contadora group.

The CHAIRMAN. The time of the gentleman has expired.

Mr. BOLAND. Mr. Chairman, I yield 30 seconds to the gentleman from Georgia (Mr. FOWLER).

Mr. FOWLER. Let me answer the gentleman from Kentucky in this way. It is a good question.

Unfortunately, the United States must deal with the Communists all the time. We are presently engaged in at least five different areas of negotiations with the Soviets. We are contemplating selling computer parts, some with military dimensions, to the Chinese Communists. We negotiate with Cuba, a major sanctuary of communism for 20 years in our hemisphere, about highjacking, and emigration matters. Can we not do the same in Central America in an effort to resolve a very dangerous situation?

Mr. ROBINSON. Mr. Chairman, I yield 8 minutes to the gentleman from Virginia.

Mr. WHITEHURST. Mr. Chairman, this is H.R. 2760, a bill that is fraught with mischief. It has two sections and both of them are flawed.

I will take a moment just to review what I said in the secret session last week about the second section first.

The committee bill calls for $80 million to be spent over the next 2 years for arms interdiction, weapons going from Nicaragua to the guerrillas in El Salvador or other countries on their frontier.

The Secretary of Defense, the man who is best able to give us a categorical statement on this, has assured us that the cost for the first 2 years is not going to be $80 million; it is going to be $400 million. That does not include expendables. It does not take into account the hundreds and hundreds of American military personnel who will be required; they will be placed in a perilous situation.

It does not even assure us that we are going to succeed in sea and air interdiction, and yet this is what this bill promotes. The measure is ill-conceived. It has been thrown together. The framers tell you that it is a shelter from further involvement in Central America. I submit to you that the effect of it is going to be just the opposite.

Let me turn now for a few minutes to the first section of the bill, that portion of it cutting off covert aid.

At the end of last April, five of us from the Intelligence Committee flew down to Central America and visited the three principal capitals, Tegucigalpa, Managua, and San Salvador. I think what impressed me more than anything else was the opportunity to meet, firsthand, Dr. Suazo, the President of Honduras.

I think all of us in traveling around the world and meeting people are impressed by the same characteristics and the same virtues that we seek in our own country. And I found them in Dr. Suazo, a simple country doctor, who, in very eloquent terms, spoke of trying to save his country, and the assistance that he needed. He is not part of the landed aristocracy, nor from the military caste, but the kind of person that you and I go home and occasionally see in our own home districts. Dr. Magana, in San Salvador, was a banker, not a politician, struggling to keep his little country afloat from the destruction that is being wrought by the Marxist guerrillas.

All of us know this: that the Sandinistas betrayed the revolution that overthrew Somoza; that they have broken all the promises that they made to the OAS; free elections, free press, and a free church.

I was impressed by Miguel Bolanos, the young Nicaraguan who defected to this country just a few months ago, who was in the Nicaraguan Intelligence Service. He was recruited in Managua into the Intelligence Service in 1979 and was told at the outset that the No. 1 enemy is the United States.

They rejected Peace Corps volunteers that were offered; they have accepted 8,000 Cubans, to say nothing of East Germans and Russians. No one can guarantee that the FDN will succeed in forcing the Sandinistas to change their ways, but I know what the consequences are going to be if we cut off covert assistance. We will create a privileged Marxist sanctuary in Central America, safe from outside pressure, free to threaten its neighbors.

I recall the words of Dr. Suazo that Sunday afternoon: "America taught us to love democracy and freedom on the Fourth of July in 1776; you inspired the wars of liberation in Latin America. Now that system is threatened, so you are morally committed to help, and from a practical standpoint of view, you have to do so for your own security."

I tell you that for a generation and more, we have tolerated the presence of an alien ideology in this hemisphere, we have seen the mischief it has caused in Africa, in the Caribbean. Now, like a loathsome leech, it has fastened itself on this continent. This bill permits it to fester undisturbed, safe to consolidate its oppression, safe to carry out subversion against its neighbors without fear of reprisal, safe from the reckoning forces of freedom that it fears.

I have sat in this House for nearly 15 years and, like many of you, always conscious of those who have preceded us here, mindful of the moments when they confronted a challenge to our security and our vital interests. And I ask myself, what verdict would they pass upon us, their successors, if we abide this Marxist iniquitousness on the body of our continent? Worse, what will be the verdict of those who follow us when the consequences of our action bear the bitter fruit of Marxist triumph throughout all of Central America, and we are swept by the tide of refugees who will inundate our shores?

I do not expect to be here then, nor will any of you, but I do not want my name sullied with the irrefutable charge that I lost Central America.

I yield back the balance of my time.

The CHAIRMAN. The Chair would like to state that the gentleman from Massachusetts (Mr. BOLAND) has 7½ minutes remaining, and the gentleman from Virginia (Mr. ROBINSON) has 8 minutes remaining.

The Chair now recognizes the gentleman from Virginia (Mr. ROBINSON).

Mr. ROBINSON. Mr. Chairman, I yield 4 minutes to the gentleman from Pennsylvania (Mr. GOODLING).

□ 1340

Mr. GOODLING. Mr. Chairman, long before it became politically popular to be opposed to covert activity in Nicaragua, I indicated to the administration my concern, long before any staff member encouraged me to become involved in something that appeared to be politically popular. And even before I joined the Intelligence Committee, I thought perhaps the administration was going beyond what it was we, in the Congress, indicated they could do.

[CRS-71]

I should not have believed that, if I had been paying a little more attention to what was going on during the debate on the Boland amendment, because, as our minority leader on our committee indicated in his remarks, it was the House that day who voted down a proposal which would have denied funds for the purpose of carrying out military activities in or against Nicaragua; not the administration, it was the House.

It was the House that voted down a proposal which would have denied funds to groups or individuals known by the United States to have the intent of overthrowing the Nicaraguan Government. Again not the administration. It was the House.

So I should have realized, before I got on the committee, that what we voted on that day really went far beyond what many of us thought it did. And after reading the transcripts, after reading the give-and-take of the chairman and the gentleman from Florida (Mr. YOUNG), for instance, and others on that committee, there was no question in my mind that the administration did not go beyond what they were to go, but could have gone much farther, according to the history involving the Boland amendment.

But today I am concerned about several things. First of all, it was we who now have encouraged the activity that is going on in Nicaragua. I, too, look forward to that hopeful coalition that we can bring about that will bring us out of this, without the kind of action that is proposed in H.R. 2760.

I will offer an amendment perhaps during this debate which possibly will give us an opportunity to make sure that this administration does exactly what many thought we were doing when we adopted the Boland amendment. And it will be tied so tightly that interdiction is the only thing that can be done. And the review by our committee and others will be at least every 3 months.

I would merely close by saying that my real concern about H.R. 2760, I suppose, would be included in the question that I would ask, and that question would be: If the loud voices in America today do not support people from other countries doing something in a covert manner, how in the world do we expect those same loud American voices to do something overtly which could include the use of American young men?

Mr. ROBINSON. Mr. Chairman, I yield 30 seconds to the gentleman from Arizona (Mr. STUMP).

Mr. STUMP. Mr. Chairman, there is a very serious and growing threat to democracy and freedom in Central America. Unrest that close to our border concerns me; but what concerns me even more is the fact that in passing this bill, we will be restricting our ability to deal with that threat.

The terrorism and insurgency in El Salvador is being supported and supplied by Soviets and Cubans through Nicaragua. Without this influx of arms and leadership, the guerrillas in El Salvador would cease to be a significant factor.

Our foreign policy must reflect our willingness, at any cost, to defend our freedom and democracy, and to lend our assistance, when asked, to those countries who are either trying to protect an existing democratic government or establish one.

In the case of Central America, our actions are based upon a request. It is not a request that can be defined in dollars; it is a request based upòn a strong belief in democracy. The emerging democratic Government of El Salvador, which held free elections last year, has requested our assistance to stop the flow of terrorism and arms from Nicaragua.

It is not our action which threatens the security and stability of the region. Rather, it is the predatory nature of the Soviets. The terrorists have survived so far because the Cubans have consolidated factions, supported and trained them for one purpose—to gain power to destroy democracy, no matter what the cost.

Experience with the Soviets and Cubans is that they do not allow social and economic problems to be cured by election, compromise, or democratic reforms. They install one-party Marxist regimes.

This bill will unilaterally limit the range of our response. This could accelerate the need for further military assistance, which is exactly what the proponents of this legislation say they want to avoid.

We must support the Government of El Salvador. That elected Government, which was overwhelmingly supported by the votes of its citizens, stands between the democratic governments of the Western Hemisphere and a growing Soviet-Cuban bridgehead which threatens us all. This Congress should give bipartisan support to stopping the Soviet-Cuban interference in this hemisphere before they destroy all traces of democracy in our own backyard.

Mr. ROBINSON. Mr. Chairman, I yield 2 minutes to the gentleman from Texas (Mr. GRAMM).

Mr. GRAMM. Mr. Chairman, what we have here is not a choice between covert aid and overt aid, we have a policy which is clearly working through growing support for the antigovernment forces in Nicaragua, growing ability to disrupt Nicaraguan Government activities in supplying arms and supplying coordination to the rebels in El Salvador. We are here debating because our policy is a success.

We have in contrast to that successful policy a proposal to try to isolate Nicaragua to provide ever mounting aid to its neighbors to put up walls on their borders with Nicaragua.

Mr. Chairman, we have tried that policy before. In Vietnam, we tried to seal South Vietnam's borders and we had 600,000 combat troops. We bombed North Vietnam. We bombed the Ho Chi Minh Trail, but never did we effectively cut off the flow of weapons and troops into South Vietnam. We were the masters of the air, land and sea, we expended millons of dollars but we never succeeded in this tactic.

We have an opportunity here to provide assistance to those who are fighting for their freedom and to use their effort to interdict the flow of arms aimed at their neighbors.

It has been raised as an objection here that some of these freedom fighters in Nicaragua may think they are working to overthrow the government. That is not our objective in Central America. Is not our position similar to that of the French during the American Revolution?

Looking at the portrait of Lafayette that hangs here in the House Chamber, I recall that the French objective in the American Revolution was to encourage us to tie down British troops here in the Americas even though our own chief interest was in fighting for our freedom.

I see only a problem here in semantics. We are interested in disrupting the supply of arms that tend to spread the flow of communism into El Salvador. Those who are fighting in Nicaragua are fighting for the freedom of their country. I see no contradiction. I see a clear-cut policy and a choice for us.

Mr. ROBINSON. Mr. Chairman, I yield 1½ minutes to the gentleman from Pennsylvania (Mr. RITTER).

Mr. RITTER. Mr. Chairman, I would like to reiterate a point that I tried to bring out with the gentleman from Indiana (Mr. HAMILTON).

This is not a question of overt versus covert aid. Both overt and covert aid would be denied to those fighting inside Nicaragua. Who are those people? The opposition to their efforts say they are Somozistas. You can count on the fingers of one hand Somozista leadership out of the thousands of people fighting. The FDN fighting in the north, the Miskito Indians fighting internally and Eden Pastore, formerly Commandante Zero, fighting along the Costa Rican border.

Let us think for a moment of who these people are and are they not more reflective of the goals of the Sandinista revolution than for example, Sandinista Interior Minister Tomas Borge. Borge, it turns out has been linked romantically with Bianca Jagger. In a press conference earlier this morning, a defector from the Nicaraguan secret police, Miguel Bolanos mentioned that Bianca Jagger lived in a house provided for her by Borge and drove one of Borge's "many Mercedes." He also told us how Bianca Jagger was here on Capitol Hill inter-

[CRS-72]

viewed by certain staff people of the Intelligence Committee. When was Bolanos interviewed by those same certain staff people? When was Stedman Fagoth, the leader of the Miskito Indians interviewed by those people? Why have these staff members not been listening to the people who are fighting Sandinista oppression and who would suffer from the cutoff of assistance—as opposed to a sometime swain of the Nicaraguan secret police chief.

The CHAIRMAN. The time of the gentleman from Virginia (Mr. ROBINSON) has expired.

Mr. BOLAND. Mr. Chairman, I yield my remaining time to the distinguished majority leader, the gentleman from Texas (Mr. WRIGHT).

The CHAIRMAN. The gentleman from Texas (Mr. WRIGHT) is recognized for 7½ minutes.

Mr. WRIGHT. Mr. Chairman, I want to take this time to comment about some of the changing perceptions of the United States that I have seen occur throughout our hemisphere and then to describe, in general terms, an amendment that I shall offer tomorrow in an attempt to provide a new and needed dimension to this bill.

Basically the amendment I shall offer will recognize the breaches of international law and of the Organization of American States Charter which have been committed by the Sandinista government in Nicaragua. The amendment will call upon the Organization of American States to reconvene its foreign ministers meeting and to resume its monitoring of the behavior of the Sandinista government toward its neighbors.

□ 1350

Let me say just a word with respect to the way in which we have been perceived throughout the hemisphere. I have seen it change throughout my adult life. I have seen it change for the good and, more recently, I have seen it change, unfortunately, for the bad.

Repeatedly, in discussions with political leaders from countries throughout this hemisphere and particularly those countries that have demonstrated a pattern of being friendly with the United States, I have become aware of a growing apprehension that the United States, in our zeal to achieve what we conceive as right, is attempting to imprint our will upon the entire hemisphere. This is the thing that people resent.

Most of those that I talked with from Latin American countries agree that we have a right to be in El Salvador, and generally they agree with what we are trying to do in El Salvador at the invitation of the Government of that country.

Most of them have been deeply disillusioned by the breach of promises and the betrayal of the goals of their revolution by the Sandinista forces which have come to power in Nicaragua. They have been appalled by Nicaragua's attempt to export its revolution elsewhere in the hemisphere.

But most of them very strongly disagree with what we are doing in Nicaragua. They see our financing of the military intervention there as a fundamental betrayal of all that we stand for. They see us saying, on the one hand, that we are against invading other countries and, on the other hand, they see us invading another country. They see us, on the one hand, preaching local nonviolent self-determination and, on the other hand, they see us trying to impose our will by force through surrogates upon another country.

They regard this as a violation of the Organization of American States charter. As a matter of plain fact, I think it is, because what we have done, quite frankly—and let us be honest with ourselves—has been to finance an invasion from outside of a sovereign country.

Now, I do not agree with the policies of that country, and I do not think that most of the people in Latin America do. But I do not believe that disapproval confers upon us the right to invade their country. And that is the way we are being seen.

In Venezuela last week, the heads of six Andean states gathered to commemorate the bicentennial of the birth of Simon Bolivar, the liberator of South America. While critical of Cuba and Nicaragua for their role in fomenting insurrection in the hemisphere, they expressed grave concern over the increasing role of the superpowers, in which they very clearly include us, who think that they have a mission to reconstitute Latin America in their own image.

The Venezuelan Congress, only last Friday, in a country which has consistently supported us in the United Nations, passed a resolution deploring the decision of the United States to deploy a naval task force toward the coast of Central America.

Our acts in Nicaragua, the so-called covert acts which are not covert at all, in equipping and financing and maintaining some 12,000 troops in Nicaragua, is regarded throughout Latin America as a reckless invasion. It frightens them. They think it is a time bomb that is going to set off a conflagration throughout the Hemisphere.

They believe that it not only is unlawful under the Organization of American States charter; they also believe it is counterproductive. They believe that it sets the Sandinistas only more firmly in their tracks and gives them a rallying cry to whip up the emotional nationalistic fervor of their people against what they see as a Yankee invasion.

In 1980, shortly after the Sandinistas took power, I was in Nicaragua. All the billboards were heralding their attempt to try to popularize literacy, "Alphabetizacion es Libertad"—literacy is freedom.

I was down there 1 year ago. All of the billboards I saw trumpeted their hatred and disdain for the United States and appealed to the prejudice of the people against what they called Yankee imperialism.

That is what I have seen happening there in the last 2 years. And let us face it, there are some precedents for their concern when they say we are trying to invade and control their country from outside.

In the last century, an American free-booter named William Walker did exactly that. He organized a private army and installed himself as the emperor of Nicaragua. Earlier in this century, from 1912 until 1933 when it was ceased by President Franklin Roosevelt, American troops occupied Nicaragua. They went down there under the pretense of protecting American interests and stayed for two decades in military occupation of another country.

Now, with this historic backdrop and their more recent recollections of the events that took place in 1973 when our CIA unfortunately, for whatever reason, was involved, at first denying and later admitting its involvement, in the violent overthrow of the elected Government of Salvador Allende in Chile, perhaps we can at least see their fears in perspective. These things together make Central American people extremely nervous when we start deploying military forces in that area while financing troops inside Nicaragua. They see it as gunboat diplomacy, as saber rattling, as muscle flexing. They see it as a policy of being the self-appointed Lone Ranger, of going it alone and ignoring the organized institutions of the hemisphere.

Therefore, it seems to me that we want to reassure them and we want to renew the policy of calling upon their own institutions, the Contadora group and the Organization of American States, to perform those functions that need to be performed to perfect and protect the freedom and the liberty and the peace of the hemisphere.

So on tomorrow I will offer an amendment which will add this extra dimension. The amendment will contain a congressional finding that the Government of Nicaragua has broken its formal promises to the Organization of American States. It will call upon that organization to monitor and control the future activities which threaten peace in the region and will offer our help in a multinational approach.

Mr. ZABLOCKI. Mr. Chairman, I yield myself 3 minutes.

Mr. Chairman, I rise in support of H.R. 2760, and I must ask: What is the issue?

The interdiction of the flow of arms into El Salvador.

[CRS-73]

We are all supportive of efforts to stop the flow of arms into El Salvador. That is not an issue.

We oppose covert assistance for the purpose of overthrowing the Sandinista government. Mr. Chairman, by a vote of 400 to 0 this House spoke on that issue last year. So that is not an issue.

There may be differences of opinion on methods to be employed to halt the flow of arms into El Salvador. And I submit, Mr. Chairman, Members would agree that a sound, effective arms interdiction program is needed to counter Cuban and Nicaraguan efforts aimed at undermining the independence of El Salvador.

H.R. 2760 provides that program. It authorizes funds to be provided overtly and openly in consultation with friendly nations in the region.

Furthermore, unlike the current operation in Nicaragua, the provisions of H.R. 2760 are fully consistent with U.S. policy as articulated by the administration.

There are no easy solutions, Mr. Chairman, to the problem of Nicaraguan support for leftists rebels in El Salvador. But what H.R. 2760 does is offer a choice: Either we can continue the presently policy, which raises the specter of U.S. interventionism, or we can implement a program that is consistent with the U.S. policy goals of supporting El Salvador's legitimate self defense needs and encouraging a peaceful solution to the conflict in that country.

Mr. Chairman, H.R. 2760 may not be perfect, it may not satisfy all our colleagues, but in order to achieve our goals, that is, to interdict the arms flow from Nicaragua into El Salvador, and to help stabilize the area, I urge adoption of H.R. 2760.

□ 1400

Mr. BROOMFIELD. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, let me briefly share a few personal thoughts with you about Central America and why I support what our country is doing in that nearby region.

In my years in Congress, I have always been proud of our bipartisan approach to resolving international problems. When critical issues faced our country, both parties worked together for the common good of our great Nation. It disturbs me greatly to see partisanship develop on this issue since it is so critical. What happens in Central America is an issue of great concern to all of us here today. It directly affects our national security.

We are not talking about problems and threats in distant regions of the world. We are dealing with a rapidly developing situation just south of our border. Our neighbors are right now under siege whether we want to believe it or not.

The Nicaraguans are trying to impose by force and intimidation their form of Communist tyranny on our neighbors in Central America. If left unchecked, this subversion and tyranny will spread from Nicaragua to El Salvador and all the way to Mexico, our nearest neighbor. Is there anyone in this Chamber who wants this? How many more Polands and Afghanistans do we want? How many more countries do we want to add to the list of captive nations?

Our programs for El Salvador and the other nations in Central America have been carefully calibrated to address that area's fundamental problems. They have been designed to deal with the extenal threat. They have been crafted to forestall the need to use direct U.S. force. They have been created to maximize the opportunities for obtaining a peaceful resolution of the conflict.

I reject the argument that our Government gives only lip service to a peaceful solution to the problems in Central America. The administration has encouraged the Government of El Salvador to have a dialog with the Salvadoran guerrillas. Our Government has supported the peace efforts of the Contadora group and dispatched Special Envoy Stone to that region to promote the cause of peace.

I also believe that our efforts to negotiate a solution are working. Just last week, a spokesman for the Sandinistas said that they will participate in talks sponsored by the Contadora group.

The Sandinistas are professional Marxist-Leninist revolutionaries and have turned Nicaragua into a revolutionary base. The Sandinistas and their Cuban and Soviet mentors have as a goal the export of the Nicaraguan revolution to all of Central America. Since their early days in power, they rejected the peaceful overtures of the United States. They took over $1½ billion in U.S. and Western economic assistance and pretended friendship. They promised the OAS free elections, and a mixed economy. In reality, Nicaragua is becoming a sad clone of Cuba and the Soviet Union. We are not dealing with a group of amateurs.

Our paramilitary operations are but one element of our general strategy in the short term, they are critical to providing a shield for our friends against the destabilizing activities of Nicaragua. America's covert action program is designed to disrupt the flow of arms and equipment to the Sandinistas' friends in El Salvador. By its very design, our covert program is not tailored to topple the Nicaraguan Government, not trigger a border war with Honduras.

Our program is designed to bring the Nicaraguans to the conclusion that they must join in an accommodation, and convince the Nicaraguan Government that they should stop meddling in the affairs of others. Our Government now believes that the operations of the anti-Sandinistas in the northern highlands and the Honduran interdiction efforts have reduced arms shipments by ground to El Salvador.

I strongly believe that America's paramilitary efforts in Central America are in keeping with the spirit of the Boland amendment. That amendment prohibits the expenditure of funds for the purpose of overthrowing the Nicaraguan Government or provoking a border war. America's efforts are clearly not intended to create that effect. We intend only to create conditions in which Nicaragua stops its intervention, returns to a democratic course and no longer threatens our security and that of our neighbors.

Finally, the issue before us is this: Are we for or against the President's initiatives to stop the spread of communism in Central America? If you support our Nation's efforts, then vote against this legislation. Let us not undermine our President in his efforts to bring peace and stability in the region.

Mr. RUDD. Mr. Chairman, will the gentleman yield?

Mr. BROOMFIELD. I yield to the gentleman from Arizona.

Mr. RUDD. Mr. Chairman, it is disturbing that there is such partisanship surrounding the issue of H.R. 2760 and all of the unfortunate misinformation that is clouding the real issues at stake here.

The objective of this measure, say its proponents, is to put a halt to U.S. covert support for those forces seeking the overthrow of the Nicaraguan Sandinista regime. A secret war is supposedly being conducted by the American CIA in Central America, according to bold-face headlines in assorted media. We must stop this underhanded involvement by the United States, say the critics, for we have a moral and ethical obligation to not aid in the overthrow of any government.

It is now a highly partisan matter, with a great deal of public debate, despite the fact that our own secret session last week was not heard by the American people.

Thus, the arguments in favor of this measure are limited; its true direction is lost with the constant reminders of Vietnam, the choice and alleged abuses of the CIA, cries of American imperialism and warlike tendencies, and, of course, the human rights violations committed by friends of the United States. The inflamed rhetoric, as does this bill, strikes at the heart of President Reagan's policies in Central America. But it does more than that: It is being used to justify a fainthearted American policy throughout the Western Hemisphere, to give in to totalitarian Communist aggressions in our own backyard, and to strip our country of one of the most effective options the United States has short of sending troops to the region.

This bill's adoption, I believe, would lead to heightened military conflict among the nations in the region and ultimately less freedoms, less stability and more Communist domination in the Western Hemisphere.

The evidence we have clearly indicates that the Soviet Union, through the Eastern bloc, Cuba and now Nicaragua, is unquestionably behind the systematic and persistent funneling of heavy armaments, military commands and other materiel into El Salvador. Even the administrator's detractors do not doubt this; the committee reports written by the majority acknowledge as much.

An unprecedented military buildup is taking place in Central America, notably in Nicaragua, and to the Communist terrorists operating in El Salvador. How does this bill attempt to deal with that undeniable problem? By imposing strict and unilateral restraint on the part of the United States.

H.R. 2760 tries to distinguish a difference between "covert paramilitary operations," and "open assistance" to friendly countries in Central America, on the part of the United States. The first is prohibited, the latter allowed and even expanded upon, with no credible explanation as to which serves U.S. objectives better—our primary objective being to interdict the growing tonnage of weaponry directed out of Nicaragua.

While rejecting any form of support for anti-Sandinista groups, whether for the expressed purpose of preventing Nicaraguan arms shipments or not, this measure requests $80 million in aid to hand out to neighboring nations with the same goal. Such assistance has not been requested by the "friendly" unnamed foreign nations alluded to under this proposal.

One possible use of these new interdiction funds, as suggested in the committee report for H.R. 2760, is "barrier fencing." This would involve the fencing off of unknown miles of territory to cordone off key land supply routes. The cost of such an effort, as estimated in the report, would amount to $227,000 per mile. Without questioning the effectiveness of such a suggestion—one need only look at the gaping holes in our southern border barriers—the cost would far exceed our current support for Contras.

Another question to be asked of the committee's approach is to what degree an overt program will intensify the hostilities among the participating nations. It is a question we cannot answer, or predict, because H.R. 2760 does not attempt to look beyond the immediate task of placing a ban on our President's policy.

There are legal differences as to whether the Boland amendment has been violated through the support of anti-Sandinista groups. Critics of the administration have taken the view that U.S.-backed forces in Nicaragua are capable of overthrowing the Sandinistas, something that Sandinista leader Daniel Ortega himself dismissed over Managua radio this year. The anti-Sandinista groups, he said, "only have a few infantry weapons * * * this prevents them from carrying out even medium-scale military actions on a regular battlefield."

Eliminating American options in Central America will not lessen hostilities; it will open the door for a free-reigning Nicaraguan-Cuban-based insurgency throughout the entire region; it removes an important strategic tool, and does it without regard to Communist behavior in the heart of the Americas.

Stripping the President of a valuable and effective means of halting increased arms shipments to friends of the United States is not something this Congress should do if it wants to thwart communism in our own backyard, H.R. 2760 is a prescription for the death of democracy and strides toward peace that cannot be won with the United States in the background. This bill condemns American support for the hopes of its neighbors while at the same time offering an invitation to pronounced enemies of Western civilization.

It is unfortunate that this issue has taken on partisan significance. It is unfortunate that this Congress is attempting to undermine the President's role as our Nation's leader in foreign policy. A disjointed effort by the United States must surely be greeted enthusiastically in the halls of the Kremlin and among the Marxist-Communist elites in Havana.

The bottom line is whether this Congress is willing to do what is necessary to back our friends in Latin America and strengthen the hopes of the millions who seek freedom from want and slavery. H.R. 2760 takes a step back from this commitment, and I urge its defeat in the House.

Mr. ZABLOCKI. Mr. Chairman, I yield 3 minutes to the gentleman from New York (Mr. WEISS).

Mr. WEISS. I thank the gentleman for yielding this time to me.

Mr. Chairman, the strongest argument for supporting this legislation and for opposing covert action against Nicaragua appears in the bill itself at page 3.

The finding by the Congress at that point says, and I quote:

> In the absence of a state of declared war, the provision of military equipment to individuals, groups, organizations or movements seeking to overthrow governments of countries in Central America violates international treaty obligations, including the Charter of the United Nations, the Charter of the Organization of American States, and the Rio Treaty of 1949.

The language of the bill then goes on to say that these are activities that are engaged in by the governments of Cuba and Nicaragua regarding El Salvador. But, of course, that is exactly what our Government is doing in regard to Nicaragua.

Nowhere in any of those international obligations does it say that the United States is exempted from the prohibitions; if indeed the Cubans and the Nicaraguans are in violation, then most certainly so is the United States of America.

I would hope that we would not apply a double standard and say that it is terrible for the Cubans and the Nicaraguans to be in violation of international treaties, but that it is all right for the United States. We have always deplored so-called outlaw nations. We have the opportunity, by adopting this legislation, to stop the United States from being an outlaw nation itself.

Mr. BROOMFIELD. Mr. Chairman, I yield 3 minutes to the gentleman from California (Mr. LAGOMARSINO).

Mr. LAGOMARSINO. Mr. Chairman, in debating U.S. policy toward Nicaragua and covert assistance for the Contras, we should keep in mind the objectives of that policy and the results achieved.

Our objectives, very clearly, are to stop the Sandinista support for the leftist guerrillas in El Salvador and to reach a negotiated settlement for peace in the region.

The results have been disruptions in the flow of arms to El Salvador and, finally, last week, an indication from the Sandinistas of a change in approach as indicated by their offer of their own peace plan for the region. Although there are some problems with their proposal, the basic thrust of the plan reflects many of the same concerns the United States has expressed and reflects the goals of the Contadora group.

The question is, Why have the Sandinistas changed their position on negotiations and the supply of arms to the conflicting forces in El Salvador. I submit it is because of the pressure they are facing from internal opposition to their regime and from external pressure from other nations in the hemisphere. It would be a serious mistake to change that pressure at a moment when there is very positive movement by the Sandinistas.

In the debate to cut off covert assistance to the Contras in Nicaragua, there is never mention of the desirability to cut off assistance to the freedom fighters in Afghanistan. Why is aid in the one case acceptable, but not in the other? In both cases our national security interests are very much at stake, and particularly in Central America, we are faced with a threat of staggering proportions.

The estimates of 8 to 10 percent of the population of that region coming to the United States as political refugees would overwhelm the capacity of the United States to absorb that number—600,000 boat people from Southeast Asia cost the States and Federal Government billions of dollars. Two million-plus "foot people" would be an economic overload on America's taxpayers.

[CRS-75]

I urge my colleagues to stick by a policy that is working and that is more cost efficient than any of the alternatives that might be considered. The cost of an overt assistance program is astronomical, and the cost of doing nothing would be a price we could not even afford. So, our best choice is to continue the policy we are undertaking now.

I urge my colleagues to defeat H.R. 2760.

□ 1410

Mr. ZABLOCKI. Mr. Chairman, I yield 5 minutes to the gentleman from Florida (Mr. FASCELL).

Mr. WRIGHT. Mr. Chairman, will the gentleman yield?

Mr. FASCELL. I yield to the majority leader.

Mr. WRIGHT. Mr. Chairman, I thank the distinguished gentleman from Florida (Mr. FASCELL) for yielding. I wanted to give just a few more words of detail with respect to what my amendment that I hope to offer tomorrow will accomplish.

It will formally find that the Government of Nicaragua has broken its promises to the OAS and has violated article 18 of the charter of the OAS.

It will direct the President to seek a prompt reconvening of the foreign ministers of the OAS to reevaluate the compliance by Nicaragua with its formal commitments of July 1979 and with the charter of that organization.

It will direct the President to seek prompt actions by the OAS to bring about verifiable agreements to halt the transfer of military equipment to groups seeking the violent overthrow of governments and to reinforce the principles of the San José Conference of October 1982.

It will express our support for multilateral action through the Organization of American States as well as for the efforts of the Contadora group.

Mr. Chairman, I thank the gentleman from Florida (Mr. FASCELL) for yielding and for allowing me to use this much of his time.

Mr. FASCELL. Mr. Chairman, I thank the leader for a fuller explanation of the amendment.

I took this time to simply state that I voted against the resolution when it was in the Committee on Foreign Affairs and will probably support some kind of an amendment to it in the nature of that which the majority leader has just outlined. I take this time not to try to convince anybody because I have more sense than that, but I just thought it was essential for me to get on the record for myself some of my own thinking.

When I examined the issue—I looked at the hard work that was done by the Intelligence Committee with respect to the United States taking both a legal and a moral position as a matter of policy, and once again recognized that we have such a committee—I saw all of that as a big plus for the United States. It is better for this country, when we are dealing with the kinds of problems we have to face every day, because it gives us a focus, a location and an opportunity to discuss major issues of policy of this kind which heretofore had always been buried somewhere. So I feel all of that is a big plus.

I am not an exponent of covert operations. I never really thought such operations worth too much. I have always felt that you really need to be on top of the table with your politics. Your opposition, of course, has a free hand and can go both overt and covert, and it does not make any difference to them. They have no legal or moral restraints.

But this issue would not be any better if the money was placed in the defense budget and the action technically called overt. The country would still be faced with the same problem. So it is not a question of whether it is technically covert or technically overt. The fact is that we have a policy problem that we are trying to deal with. I did not see how this bill did that except in a very technical sense, because what it did is, it said,

But then it says that we will help these friendly countries. I had a problem with that. The problem was that Costa Rica is declared neutral in the fighting, belligerent on the side of democracy, and it has no Army; and now we are going to give them a lot of money to go and do our job to interdict the arms, and I am not quite sure how they are going to do that.

I suppose there was an undercurrent also in my own thinking that said, well, probably what they would do, if they really want to help us, is pay the money in some way over to the guerillas in Nicaragua, because all money is fungible. But the trouble with that is that there is no covert "funny business" that can be done any more. It would be on camera the next morning.

It is the same way with Honduras. Honduras is already a big U.S. tripwire. Now, what we would propose to do is give it more money to be a bigger tripwire, and already those two countries, Nicaragua and Honduras, are so nervous that anything could set them off just like that.

And now we have got our people directly involved on the border. This is the question: What are we prepared to do? Are we really helping our position, or are we not? If we are truly trying to stay out of war, we surely do not want to be building up in Honduras to create animosity or exacerbate the kind of animosity that already exists between Nicaragua and Honduras.

So, I had a little trouble with that, and I thought, well, there is no pressure on the Nicaraguan Government either. It is not that we did not give them a chance, because they were all up here and they were all telling us what good guys they were. We put money up for them. We did all kinds of things. They ran all the moderates out. They went back on everything. They refused to have elections, and finally the U.S. Government cut off the money.

So it was not all one sided, although I admit that we have to live down the past because we supported a very corrupt regime that was highly repressive.

The point is that there is substantial responsibility on the Government of Nicaragua to bring about a resolution of the difficulties in Central America. They helped create the problem—they should help solve it. We should immediately test the initiative recently addressed by the Government of Nicaragua and until such agreement is reached we should declare openly our preference for the principles laid down in the San José Conference and those who are fighting to implement them.

The CHAIRMAN. The time of the gentleman from Florida (Mr. FASCELL) has expired.

Mr. HYDE. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, I was impressed, as I always am, by the remarks of the majority leader, who said that we have spent too much time imprinting our will on Central America. He was never more right. He must have had in mind the foreign aid bill that we have given birth to in our Committee on Foreign Affairs, a bill which has 10 pages of qualifications that must be met before we give any money to bleeding El Salvador.

We demand that they dialog with the opposition without preconditions; we demand that land reform move right along; we demand a standard of human rights that we do not demand of any other country in the world.

We are not holding hearings about human rights in Lebanon. We do not impose a land reform program on the West Bank. We are not concerned about the use of cluster bombs in Lebanon. But with respect to El Salvador, bleeding El Salvador, we require 10 pages of qualifications, and they have to meet a standard that we impose on them, a standard that we impose on nobody else in the world.

How right the majority leader was. That is not gunboat diplomacy; that is called dollar diplomacy. When a gunboat sails by, it has a psychological impact, but when we withhold money from a country that has a dirty civil war going on, we are taking food off the table, we are taking housing away, we are taking security away.

[CRS-76]

The majority leader is so right. We do impose our will on poor El Salvador.

Now, as to the issue here, there are two reasons cited in support of cutting off covert aid to the freedom fighters in Nicaragua. One is that it is not working. I suggest that the Joint Chiefs of Staff think it is working. I suggest to the Members that it has been operative in Nicaragua for only about a year, and Eden Pastora has been in the country since April 15, for a mere 3 months.

I know that we Americans prefer instant gratification. We like to push a button and get results. We do not know anything about the oriental virtue of patience. But I suggest that 3 months is not enough to give Eden Pastora, the most charismatic leader of the contras, an opportunity to do this work.

□ 1420

So let us not push the buttons. Let us give it a chance to work.

You know, so much liberal guilt permeates this Chamber. It would seem to me that we ought to feel guilty not helping the Miskito Indians resist their genocide.

You know, ignorance is salvageable, but stupid is forever. Why grant a sanctuary to the Communist exporters of subversion in Nicaragua? Why not make them pay a price for what they are doing?

One dubious achievement, and it surely is dubious, of our recent foreign policy has been our preoccupation with granting immunity to Communists all over the world. Cuba in 1962; at least we got a tradeoff there when we granted them immunity from invasion. We got rid of the Soviet missiles from Cuba. I do not know what we are getting from Nicaragua in granting immunity to them and granting them sanctuary there.

I was reading the CONGRESSIONAL RECORD, and please thumb back through your old copies to January 27, 1976, on Angola. Oh, what great reading that is. Some of the same voices here were using the same arguments there. "Don't give covert aid to the freedom fighters in Angola. It will drive them into the arms of the Russians."

Well, we did not. We cut it off. We adopted the Tunney amendment.

By the way, some of the same voices said, "The Russians can't last over there. They are more racist than the Americans. They won't last long at all. They don't mix well with the Angolans. Why, they will be as unpopular there as they are in Mozambique."

Well, the Soviets are still there. They are still there and this is 1983, but we hear the same argument that was flawed then and it is going to fail now.

Now, why deny the President the option of covert aid in Nicaragua? I guess it is how you view the enemy. If it was Hitler, my God, we glorified the French underground, did we not? We did not think they were immoral or indecent, did we? We thought they were great people. We thought they were doing a great job because Hitler was the enemy. Now that it is the Commandantes of the Sandinistas, somehow it is not just gentlemanly to engage in covert activity.

The second reason, the sponsors offer, is that covert support is not in our national interest; to aid the poor bleeding Miskito Indians, to suport the efforts of Eden Pastora and the other group, the FMN in there.

And what have we got to sell us this? A letter today from the chairman, Mr. BOLAND, with five distinguished signators—McGeorge Bundy. His tenure was 1961 to 1966.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. BROOMFIELD. Mr. Chairman, I yield 2 additional minutes to the gentleman from Illinois.

Mr. HYDE. There is Robert McNamara, 1961 to 1968; Ed Muskie, 1980 to 1981; Dean Rusk, 1961 to 1969; Cyrus Vance, 1977 to 1980.

Now, the statement has no new evidence. It has no new arguments. So what is it? It is what we call a "resort to authority." Well, this is surprising to me, because there is a universal consensus among students of international politics that it was during their tenure in office, it was while they manipulated the levers of power, that the strategic strength, the political strength, the military strength of this country declined, weakened down to where we are Gulliver, tied down by "Lilliputians" in Central America.

This is a universal consensus of academics and practitioners. It was during their years in office that we have become an impotent spectator to the spread of subversion in Central America. So if they are your authority, I am not persuaded, because they gave us years of failure, years of strategic decline, years of paralysis; so as authorities, I am not persuaded.

We have a problem in El Salvador, one of the three democracies: Costa Rica, Honduras, and El Salvador.

The route charted for us by the theologians of the left is the politics of paralysis, to deal with this problem without going to the source. If we do not go to the source, we are going to have to save country after country down there. It is just not going to work.

I suggest that we are just as moral in resisting communism as we are in resisting social injustice and poverty in Central America. The only commodity the Communists produce, and they do this well, I concede, is refugees.

Mr. Chairman, now I yield to my friend, the gentleman from Georgia (Mr. FOWLER).

Mr. FOWLER. Mr. Chairman, I thank my friend, the gentleman from Illinois.

I just wish the gentleman would tell us what he means by "going to the source." What is the source?

Mr. HYDE. Well, I do not mean what the senior Senator from New York meant.

Mr. FOWLER. I would like to have the gentleman from Illinois just tell us what he means by "going to the source." I know what Senator MOYNIHAN says.

Mr. HYDE. Well, I understood the question and the gentleman did not need to repeat it.

Now, the answer is that by going to the source, I do not mean what Senator MOYNIHAN meant, to reinstate the embargo against the Soviet Union. I mean carrying the struggle to Nicaragua, so long as they carry it outside their borders.

Mr. ZABLOCKI. Mr. Chairman, I yield 3 minutes to the gentleman from Michigan (Mr. WOLPE).

Mr. WOLPE. Mr. Chairman, I rise in very strong support of the Boland-Zablocki bill.

There probably are few votes that we are going to be casting in this session of Congress more important than the one before us now. In addressing this legislation, of course, we will be at the same time simultaneously addressing the broader question of the Reagan administration's approach to Central America.

Mr. Chairman, what the Reagan administration offers in Central America is a quick fix, in the form of a military solution. That is a quick-fix solution that in the long run will only delay and complicate the difficult policy choices we now face.

I do not doubt American capability to topple governments. I do not doubt that American military strength and covert action has the capability not only of toppling governments that we see as unfriendly, but we also have the capability, very likely, of sustaining in power—for extended periods of time—governments that would not otherwise remain in power because of an absence of popular consensus within their own countries.

The question is not whether we have the power to do that kind of thing. The question really is, Does the exercise of that kind of power, in that way, best serve American interests and the interests of the region?

Are we really better off today in Guatemala after overthrowing the government in a coup in 1954?

Is Chile a more stable friend today after 10 years of Pinochet whom we supported in overthrowing the democratically elected government of Salvadore Allende?

Did our country really benefit from maintaining the Somoza family in power in Nicaragua for decades?

[CRS-77]

Did we really benefit from seeing the U.S. military occupy and control Nicaragua for two decades?

There is no question, Mr. Chairman, of our capability of exercising power in a way that can maintain governments and destroy governments. The issue is, does that serve American interests? And is that kind of action consistent with American values?

Few Americans know much of that history that I just cited, perhaps because it is not a history of which Americans can feel terribly proud. But there is virtually no Latin American that fails to recall that history. That is why when we return in 1983 to a form of gunboat diplomacy—and that is what it is—we do nothing but perpetuate and recall those memories and that tradition of intervention in the internal affairs of our Latin American neighbors. That is why the illegal effort in which we can now engaged—the effort to operation the Nicaragua Government—is so counterproductive in the long run and so ill-serves American national interests.

Mr. BROOMFIELD. Mr. Chairman, I yield 2 minutes to the gentleman from Wisconsin (Mr. ROTH).

Mr. ROTH. Mr. Chairman, I thank the gentleman for yielding.

I am deeply concerned about the politicizing of our foreign policy. I do not feel this augurs well for our Nation.

In this debate, we have looked at ways to restrict the President's authority to conduct foreign affairs. Many in this House seem to believe that the Congress should conduct foreign policy.

The power of Congress is the power of appropriations. It is an important constitutional power, but it is not an absolute authority to control foreign policy.

We cannot conduct foreign policy without the President. He is not our agent and we are not his servants. This Boland-Zablocki amendment rejects, as I see it, the concept of partnership.

□ 1430

Certainly in foreign affairs we can put aside our partisan differences and work for objectives we pronounce so loudly here on the floor: Free elections, human rights, and all those other principles to which we subscribe.

We cannot have 435 Secretaries of State. If our goal is a negotiated settlement, then we are on the right track.

What do the proponents of the Boland-Zablocki amendment believe has induced the Sandinistas to respond to the Contadora proposals?

Does any Member of the House believe that the Sandinistas are not now being forced to pay a price for their support of aid and direction to the guerrillas in El Salvador?

The Sandinistas are beginning to understand that the United States will extract a price for their aggressive policies, and it is a price which Nicaragua cannot afford. That is why we are opening the door for the Contadora group and that is precisely why the United States should maintain pressure on Nicaragua by continuing present polices and objectives.

I would hope that we in this House are all working for the same foreign policy goals. We want to have peace and stability in Central America. We are not going to have peace and stability in Central America if we are disunited and in disarray in our own country and our own Congress.

I think we must speak with one voice and with one goal.

Mr. ZABLOCKI. Mr. Chairman, I yield 3 minutes to the gentleman from New York (Mr. GARCIA).

Mr. GARCIA. Mr. Chairman, I would just like to pick up on the theme put forth by my majority leader, JIM WRIGHT. He talked about the Hispanic mentality and how the Hispanic countries of our hemisphere are looking at us today.

There is no question in my mind that as a Hispanic, as I take this floor, that many of those nations have said to themselves that we have lost our morality and we have lost our morality because, in fact, what we have done is that we have taken it upon ourselves to go through the same principles and the same mode of operations as the people of the Soviet Union, or the Soviet Government, who are spiritless and who do not understand morality.

We have found ourselves in the same boat with them.

Just let me say I wonder if some of my colleagues here who are in support of this particular measure would welcome Somoza back or would welcome Batista back. These are the people who we find ourselves with today as the root cause of the problems.

We ended up in a situation where we had a duly elected government in Chile and we took it upon ourselves to join with the military and we took it upon ourselves to overthrow that government.

I would say to each and every one of my colleagues that as far as I am concerned, if we are going to go into Nicaragua, let us be open about it. Let us tell the world we are going in.

Not too long ago in my office, I had a member of the military of the Nicaraguan Government come to see me. I said to him very specifically and very clearly that as far as I was concerned our Government was doing more to help the Leninist-Marxists that are in control today because what we are doing essentially is we are saying to the world that we as Americans, who have always been on the right side, are now going to do the same thing as the Soviets.

I say that to you because I think it is important that we understand that the Nicaraguans themselves have many of their own problems and there are many people in Nicaragua who in fact do not want to participate with the Sandinistas or with the Marxist-Leninists, but they have no choice today because what we are essentially doing and saying is that we are threatening them.

I do not think there is a Member in this Chamber, regardless of who the President is, whether on the extreme liberal or conservative side, that if anybody threatened our border that we would not all band together to fight that enemy, whoever that enemy may be. That is exactly what is happening in Nicaragua today.

Mr. BROOMFIELD. Mr. Chairman, I yield 2 minutes to the gentleman from Arizona (Mr. MCCAIN).

Mr. MCCAIN. Mr. Chairman, I think this Nation is faced with four options to solve this problem in El Salvador, if we agree we have a vital stake in the events that take place in that part of the world.

The first option, of course, is to give up, stop all aid, and find another line of defense.

The second is to declare an air and naval blockade or quarantine, which I do not believe is politically acceptable or militarily wise.

The third option is to intercept weapons after they leave Nicaragua, granting sanctuary to the country of Nicaragua to stop them en route or discover them once they are in place in El Salvador.

The fourth option is what we are doing now, which is to assist those people who are striving for the enforcement of democratic rights which were promised them by the Sandinista government and promised to the OAS.

I was interested that the chairman of the Intelligence Committee said he would be ready to pay whatever it takes in order to enforce interdiction while granting sanctuary to Nicaragua.

In the Vietnam war, a similar cost of over $3 billion in then-year dollars, did not have a single bit of success, nor does that kind of operation ever do so.

I am unaware of any military expertise on the Intelligence Committee or Foreign Affairs Committee that has found a way, a new way of interdicting without the use of American soldiers.

I would like to add my voice to that of Secretary Weinberger who said:

> Given the limited resources of friendly Central American nations and their shortage of trained personnel, an interdiction program of this magnitude would certainly require extensive deployment of U.S. personnel to the area.

My amendment to delete the $80 million which is in the Boland-Zablocki bill will be brought up I hope, and I believe that the worst thing we could do is to get ourselves into another situation where American troops would be involved.

Perhaps Bianca Jagger could come up with some resolution to this present program, we are being asked to provide small amounts of money to

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people who want to fight and if we do not give these arms and assistance now we may give them American blood later.

Mr. ZABLOCKI. Mr. Chairman, I yield 2 minutes to the gentleman from Indiana (Mr. MCCLOSKEY).

Mr. MCCLOSKEY. Mr. Chairman, I rise today in strong support of the Boland-Zablocki resolution, and particularly wish to associate myself with the remarks of the gentleman from Indiana (Mr. HAMILTON) and the gentleman from Texas (Mr. WRIGHT).

I would note that the gentleman from Texas (Mr. WRIGHT) hit the nail on the head when he said we are not talking about an irritant, a minor item in Nicaragua, but what it actually does is constitute an outright invasion.

We have militarily supported about 10,000 people in that area now in a country of 4 million people. If we were to be facing the same thing in the United States it would be possibly the equivalent of 500,000 people in the Southwest, hardly a minor item.

I would also note as these ideologies clash I think probably one of the main things we can be concerned about is what happens to the actual people who are at the bottom, the people and the peasants of these particular countries, as they are faced with the results of our policies.

With that in mind I would like to relate a few comments I received recently from the superior general of the Maryknoll Order, Father James Noonan.

□ 1440

He wrote to me in part:

> I am deeply concerned by the use of covert activity by our government in Cen-

tral America, particularly against the tiny country of Nicaragua.

I am concerned for the loss of innocent life among the poor people of Nicaragua, who have already suffered years of poverty and misery under the Somoza dictatorship, and who now must make tremendous sacrifices as the country attempts to rebuild itself.

This is very important, I ask your attention:

Over 500 people have been killed so far this year by troops stationed in Honduras, armed and trained by United States "covert activity." Most of these people have been the poor, and some of them have been lay leaders in the church, who only sought to serve their sisters and brothers and to follow Christ more closely.

I am also concerned, as an American, when any administration carries out a policy which contradicts the basic principles which have made our country great.

Mr. BROOMFIELD. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from New York (Mr. STRATTON).

Mr. STRATTON. I am glad that we are discussing this matter of the Caribbean today rather than trying to do it last night as a number of Members tried to do on a bill that was totally unrelated.

But, I think it was quite clear then that an overwhelming majority of the House repudiated those efforts to try to associate the two items and to put that effort on a strictly partisan basis.

I am strongly opposed to the resolution and to the effort to eliminate the current covert operations connected with Central America.

I think there are two points that ought to be made clear with respect to the effort to eliminate covert activity.

In the first place, it is the Intelligence Committee that has taken the lead in trying to eliminate covert activity.

But, if the Intelligence Committee does not want covert activity, then there is really no point in having an Intelligence Committee. It is only the covert operations that are supposed to be so secret that you have to have some select committee. If covert operations are to be abandoned; then perhaps we can once again reconstitute the Intelligence Subcommittee of the House Armed Services Committee.

One other point. We should recall that in past years we have commented that the Russians are a lot smarter than us because they had surrogates fighting for them and thus they did not risk their own troops. They had the North Vietnamese in Vietnam; they had the Pathet Lao in Laos; they had the Khmer Rouge in Cambodia and the Cubans in Ethiopia. But we Americans always had to fight with our own troops. Not until the Soviets moved into Afghanistan did they commit their own troops.

Well, here we have in South America, with a group of people, the Contras, who are dedicated against the Sandinistas, a unique opportunity to have somebody fighting in our behalf, to distract and complicate the activities of the Nicaraguans so that they cannot devote their full attention to that matter of supplying arms to El Salvador and sending in Communist guerrillas to overthrow the duly elected government of that troubled country.

I think that using surrogates, when they are available is a cheaper and a more effective operation and I think we would be stupid to eliminate that surrogate assistance.

Mr. ZABLOCKI. Mr. Chairman, I yield 2 minutes to the gentleman from Texas (Mr. COLEMAN).

Mr. COLEMAN of Texas. Mr. Chairman, I rise in support of the pending legislation.

Mr. Chairman, the legislation pending before us today, H.R. 2760, is timely and balanced to meet our foreign policy needs. I applaud the efforts of the Intelligence and Foreign Affairs Committees in adopting the final version of this legislation. While the responsibility of formulating foreign policy lies with the executive branch, it is incumbent on the Congress to curb that power when the scales tip dangerously in one direction. That is the situation facing us today. Military assistance to Central America outweighs economic assistance and ignores the facts underlying the insurgents success—that is, poverty, indigence, oppression, and gross underproduction. In order to successfully counter these historic problems, our policy must address both humanitarian and security concerns.

The amendment to the Intelligence Authorization Act of 1983 is consistent with U.S. foreign policy and international law. We can ill-afford to scold Nicaragua when they are willing to sit down at the negotiating table and discuss the arms trafficking issue. To date, our response has been an escalation of military involvement including the training of troops and the dispatch of aircraft carriers. These moves are counterproductive in the perception of our Latin American allies.

On a recent trip to Caracas, Venezuela, to celebrate the bicentennial birthday of Simon Bolivar, I became even more aware of the need to support the proposals of the Contadora Four; namely, Venezuela, Mexico, Colombia, and Panama. While U.S. diplomatic relations with Venezuela reached a low point during the war in the Malvinas Islands, our mutual concern over the hostilities in Central America and overwhelming commitment to democracy has drawn the two countries closer.

I am convinced that the United States must stop the military escalation in Central America, as recommended by our friends in Central and South America as well as our allies in Europe, and support economic and social reform in the region. I could not agree more with the Contadora Four that military escalation abets Nicaragua's underlying desire to pursue a "revolution without frontiers" which would necessarily involve Soviet and Cuban expansionism.

In order to effectively counter the hostilities in Central America, we must work within the parameters of democracy and regain the confidence of our neighbors to the south. I strongly recommend the support of my colleagues in this most urgent legislation.

President Reagan recently issued two clear warnings to the Congress and to the people of America regarding U.S. policy in Central America. The first is the oft repeated domino theory—that is, if El Salvador falls to the Marxists, all of Central America will fall and guerrillas will be threatening the southern border to the United States. The ominous portent of a Communist takeover can be thwarted, so the argument goes, by the generous infusion of overt U.S. military assistance to El Salvador and covert assistance to

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Honduras and to the Nicaraguan rebels. The second warning deals with timeliness. In order to divert an invasion, we must act now to bolster the forces of our Central American allies.

Trying to look at the big picture when El Salvador and Nicaragua are still engaged in battle is not an easy task. But we must, as a nation, visualize where our foreign policy is and where we want it to lead. As a Congressman from our southern border with Mexico, I feel a responsibility to discuss these issues and urge a viewpoint that can be clearly understood by my district and the Nation.

No American wants the United States to have to send young men into battle anywhere in the world. We have nevertheless always been prepared to commit troops in order to stop those who would deny freedom to those who possess it. Yet we have always believed in nonintervention in the internal affairs of other nations—a policy America should unswervingly pursue.

While I agree that our immediate attention could forestall an imminent crisis, I would redirect our focus from just El Salvador and Nicaragua to their immediate neighbors as well. Panama, Guatemala, Belize, Honduras, Costa Rica, and all of Latin America are not immune from either internal revolution or exported violence. Several countries in our hemisphere, besides El Salvador and Nicaragua, are troubled economically to the point that they too may at any time become new flash points of conflict. Before they are actively challenged by revolution from within or by intervention from without, we must use the vast resources and talents of our nations to prevent any government or revolutionary from believing they can induce the citizens of their own or another country to take up arms and succeed. The vast resources I refer to are not our armies, but instead our teachers, our farmers, our doctors, and our know-how. We are people who care about our fellow man—our attention to schools, hospitals, and natural resources are the serious attempts of a democracy to see that even our poorest people do not go without food, education and medical care. That must be what we export to Central America.

How does that kind of intervention reach the peasants, who probably do not debate economic theories or political philosophies, but who care a great deal about their starving children and their day-to-day existence? We must first reach the government in power which has the ultimate responsibility for its own citizens. Perhaps a real example from a Catholic nun who reported to the Congress in July will highlight our problems of providing military support to one side of a revolution. Jalapa, Nicaragua, is a town within 10 miles of the Honduran border. All during the Somoza regime there were no schools or hospitals there. Since the Sandanistas took over by revolution, they have built both. We were told that the people's only fear in and around that town is the frequent attacks by U.S.-backed rebels, called Contras, who cross from Honduras into Nicaragua, and the ensuing government repulsions of the rebels by force. Most of the people in rural Nicaragua do not know what Marxism is, but the people near Jalapa know they now have a school and a hospital. Where was our foreign policy and what has it been achieving for the last 30 years?

Surely we can avoid the same mistake of neglect in other Central American countries. Perhaps we will be too late. But I do not believe that Americans will turn their backs on any people that are starving or neglected, or brutalized and murdered by their own government or by outside forces. Nor will we have to go this alone. Some nations have offered their assistance and leadership to prevent one crisis after another from occurring. Troubled countries in our hemisphere not yet actively challenged by revolution or Cuban intervention must be helped now if we are serious about preventing future attempted takeovers in the region.

These countries are known as the Contadora Four and consist of Mexico, Venezuela, Panama, and Colombia. As independent nations in our hemisphere, I believe their willingness to intercede and make recommendations to us can be the most important revelation of our time. Those governments who want to help bring stability to the region possess qualities foreign to the United States. These are a culture, a heritage, and a language that our country has neglected for too long. I believe that the United States should encourage Mexico to take the lead with Panama, Colombia, and Venezuela to seek negotiations in El Salvador and Nicaragua and between Nicaragua and Honduras. But we should not stop there. With our resources we should stand behind these nations and encourage them to provide recommendations to our Government about how we can all make their entire regions more stable. With the efforts of all five countries—including the United States—perhaps a school or a hospital will be built somewhere and a generation of people may not learn that resolution is necessary.

The United States has sought to protect Latin American interests since 1823 when the Monroe Doctrine outlined "spheres of influence" and the policy of nonintervention. The creation of the Organization of American States in 1948 provided a forum for the discussion of Latin American concerns in Washington. The Rio Treaty of 1947 outlined our commitment to security for our hemisphere. Having expressed a sincere interest in the direction of Latin American relations, we should now, in 1983, place a greater emphasis on relations with our neighbors by getting specific about our foreign policy.

If one accepts the assumption that the region's turmoil is in some part caused by economic conditions, then economic initiatives to meet massive unemployment, underproduction, extreme inequalities, and chronic neglect of the agricultural sector must be implemented and should be the cornerstone of U.S. policy. As a nation we should redress the imbalance in the current U.S. assistance program. In spite of administration claims to the contrary, primarily military aid now outweighs primarily developmental aid by a ratio of 2.5 to 1. I would propose trebling development aid from $160 million to $480 million. These funds should be earmarked, dedicated dollars—funneled through channels we oversee and dictate—to promote labor-intensive industries, agricultural production, and for the purposes of providing sanitation, water supply, and health needs. Some exact portion of this economic support fund should be dedicated solely to land reform programs in El Salvador, Honduras, and Guatemala. We should establish a new aid account which would be tied to the peace process. The United States should immediately convene an emergency session of the Inter-American Development Bank and call on Japan, Western Europe, and wealthier Latin American countries to provide $1 billion for additional aid to Central America. Actual disbursement of the funds would be contingent on progress made at a regional peace conference that we should pursue. A regional peace plan for all of Central America may best be implemented from these different directions simultaneously.

First, the Government of El Salvador and the FMLN/FDR must be forced to establish and maintain a cease-fire agreement, enforced by the United Nations, to build the framework for negotiations to include all factions in the electoral process.

Second, and concurrently, the United States, Cuba, and Nicaragua must have direct talks to focus on the issues of the arms flow into El Salvador and Nicaragua and the larger question of a general military buildup in the region. These talks would aim at reduction and eventual removal of all military advisers in Central America and at reductions in the size of national armies. Whether or not Cuba would even attend or seriously negotiate, while important, should not compromise our persistence. Our reputation as an interventionist nation in Latin America could be mitigated and that of Cuba heightened by our efforts.

Third, we should aid the negotiations begun by the Contadora Four to find peace between Nicaragua and Honduras in the short term and heed their recommendations as they formulate a Central American peace plan. If the Contadoras are successful in achieving a regional agreement to respect territorial integrity, the United States should be willing to reduce military aid and assist in its enforcement should violations occur by supporting arbitration by the OAS on any other interregional, peacekeeping forces that have been agreed upon by the countries involved.

[CRS-80]

To complement U.S. efforts of this three-track negotiating process, in pursuit of conflict resolution, we should enunciate and enforce an even-handed human rights policy. Such a policy would publicize violations by government groups as well as guerrilla forces. An independent board should be set up to evaluate the finding of official and private agencies to preclude a recurrence of the recent State Department findings that although killing in El Salvador had increased by 12 percent, they were not significant.

Finally, to reduce the regional historical fears about U.S. military intervention, the United States should announce its intention to reduce existing advisers in and military aid to each country, in direct proportion to the restraint shown by other outside forces in reducing their military aid and training programs. Long-term actions should envision the creation of a commission composed of all Western Hemisphere nations to study the military aid and regional security needs of the area, based on minimum reliance from outside military aid and maximum cooperation with the Contadora Four, the United Nations, and the Organization of American States.

Certainly the United States, as an integral part of the Western Hemisphere, should and must be a part of any and all negotiated settlements between nations in this hemisphere. But do we have the capability to use wisely the assistance of those nations sharing a culture and a language to initiate and get underway the talks between belligerents in Nicaragua and El Salvador? Surely the efforts by the leaders of these nations could better advise us about the specific needs and directions our resources should take in providing the economic and social assistance needed in those Central and Latin American countries before they too become embroiled in conflict. The President said before a joint session of Congress that he was there to "prevent a crisis." Our policies should insure that is exactly what we do. Instead of just a roving ambassador-at-large, we should be utilizing the offers of other nations in the area and begin negotiating with countries not at war to guarantee economic and social justice for their citizens. That is the only way to insure that we are not asked to commit U.S. troops in this decade, or future ones.

Mr. BROOMFIELD. Mr. Chairman, I yield 3 minutes to the gentleman from California (Mr. Zschau).

Mr. ZSCHAU. I thank the gentleman for yielding this time to me.

Mr. Chairman, I rise in opposition to H.R. 2760. I do so not because I am a fan of covert operations, but because I believe a new $80 million arms interdiction program would be both ineffective and dangerous.

The new program would inevitably lead to a regionwide war as the so-called friendly countries try to stop Nicaraguan arms shipments. More importantly, according to the Intelligence Committee report, the new military interdiction program would undoubtedly involve more U.S. military personnel. It is interesting to me that so many of those who just last night voted to stop sending military personnel to Central America favor such a program.

Mr. Chairman, there must be a better way. What we need is a new plan—a carefully articulated plan with clearly understood objectives based on the full range of alternatives. We need to look to diplomatic, as well as miltary approaches to find a solution to this vexing issue. However, let us recognize that devising and implementing military strategy and diplomacy is the proper responsibility of the President, not Congress. It is the job of Congress to review and provide recommendations on those plans.

I have, printed in the Record, an amendment based on these principles. It would replace the $80 million military extravaganza with the requirement that the President formulate a new plan.

It would specify the objective for that plan be "to stop those activities of the Government of Nicaragua which provide arms, training, command, and control facilities, or logistical support to military or paramilitary operations in or against any country in Central America." It would require the President to consider the whole range of alternatives to achieve this objective, including bilateral and multilateral negotiations and involvement of the OAS or the United Nations. Finally, it would require the plan be subjected to congressional review.

I cannot support the widening of the conflict in Central America proposed by H.R. 2760. Rather, I want to join with my colleagues and with the President in an attempt to find a better way to solve this problem. Our responsibility to the American people and to the cause of peace demand nothing less of us.

Mr. HYDE. Mr. Chairman, will the gentleman yield?

Mr. ZSCHAU. I yield to the gentleman from Illinois.

Mr. HYDE. I thank the gentleman.

I briefly want to comment on the last speaker from the other side who seemed to think it was a flaw in our foreign policy that there is a certain village in Nicaragua that did not have a high school. I would suggest our foreign policy cannot possibly build high schools in every village in Nicaragua, but we thought we sent the Maryknoll nuns and other missionary orders down there to do that. But our contributions to the World Bank, the Inter-American Development Bank, and other multilateral and bilateral agencies are, and have been very substantial.

Mr. ZABLOCKI. Mr. Chairman, I yield 3 minutes to the gentleman from Arkansas (Mr. Alexander).

Mr. ALEXANDER. Mr. Chairman, I have always supported a bipartisan approach to foreign policy and my record of 15 years in the Congress demonstrates that.

Furthermore, there is no one in this body who has consistently voted for a strong defense policy more than I. But, Mr. Chairman, the issue before us is not a question of defense, nor a question of national security.

Just last weekend I represented the Speaker at the 200th anniversary of the birth of Simon Bolivar in Caracas, Venezuela.

□ 1450

I was having dinner one night with one of my counterparts, the former Ambassador from Venezuela to the United States, Senator Tejera-Paris. I asked him, "In the spirit of good faith what would you perceive to be the best approach for the United States to pursue furthering the cause of peace in Central America?"

He responded politely with gentleness: "Please go home. Please leave us alone and let us pursue the cause of peace among ourselves."

But instead we have sent a battle group to the Pacific and a battle group to the Caribbean. And the Chamber of Deputies of Venezuela, one of our best friends in Latin America, responded with a resolution. I have a copy of it here.

It asks that all peace-loving peoples around the world support a concerted peace initiative in Central America; that the Latin American Parliaments join together in support of that initiative; and most importantly they demand the United States and Cuba call a halt to their militaristic policies in Central America. They go on to ask for diplomatic, nonviolent solutions to the problems in Central America. They deplore the decision of the United States to send battle groups to the Caribbean and to the Pacific in order to pursue a policy of intimidation and coercion.

The last peace initiative that we have taken has been forgotten in Central America. We are perceived by our friends in Central America as pursuing a policy of neocolonialism, emulating the historical style and pattern of the Soviet Union. It is ironic that in his lifetime Simón Bolívar failed to unite the Latin peoples under one flag. But in only 2½ years, Ronald Reagan has united Latin America against the policy of the United States, a policy perceived by our Latin brothers and sisters as militaristic and supportive of dictatorships that have provided us

[CRS-81]

with a shameful relationship with Latin America.

Mr. ZABLOCKI. Mr. Chairman, I yield 3 minutes to the gentleman from New York (Mr. Solarz).

Mr. SOLARZ. Mr. Chairman, I share the concerns of those Members who have condemned the Sandinistas for their betrayal of the democratic promises of the Nicaraguan revolution, for their censorship of the press, for their harassment of the church, for their blatant acts of anti-Semitism, and for their transformation of Nicaragua into a base for revolution elsewhere in the region.

And I want to make it clear, Mr. Chairman, that I am not among those who are opposed to covert operations under any and all circumstances. Given the nature of the world in which we live, in which diplomacy is not always conducted by gentlemen, there may well be situations in which the national interest is advanced through paramilitary or covert operations. But I am convinced that what we are doing in Nicaragua is both ineffectual and counterproductive and that it therefore ought to be terminated.

The only way to judge the operation now underway in Nicaragua is to evaluate it in terms of the extent to which it is achieving its theoretical purposes and objectives. Is the purpose of the operation to interdict the flow of arms from Nicaragua to El Salvador? The answer is that it has failed miserably to do so. Is the purpose of the operation to overthrow the Sandinista government in Nicaragua? Even leaving aside the extent to which that would be in violation of American law, the fact of the matter is that the administration says that is not the purpose of what we are doing in Nicaragua, not to mention the fact that even the administration acknowledges that it could not be achieved even if it were our purpose.

Is the purpose of what we are doing in Nicaragua to put sufficient pressure on the government there to cause them to cease and desist from the assistance they are providing to the rebels in El Salvador? The answer is that the Government of Nicaragua has offered months ago to sit down at the negotiating table with us in order to work out arrangements in which, if we would undertake not to destabilize them they would undertake not to destabilize others in the region.

It seems to me, therefore, that the operation now underway in Nicaragua has accomplished nothing in terms of its alleged or actual purposes, while it has been completely counterproductive in terms of our larger interests in the region. It has enabled the Sandinistas to justify and legitimize their repression within Nicaragua. It has intensified anti-Americanism throughout the hemisphere. And it has diminished the credibility of American criticisms of the Soviet Union for what they are doing in Afghanistan and in Poland and in other places around the world.

And so for all of these reasons, but primarily because what we are doing in Nicaragua makes no sense whatsoever in terms of its stated purposes. I believe we should support the bill and terminate our participation in this illegal and ineffectual operation.

Mr. BROOMFIELD. Mr. Chairman, to close debate, I yield my remaining time to the minority leader, the gentleman from Illinois (Mr. MICHEL).

Mr. MICHEL. Mr. Chairman, President Reagan, in his televised news conference, put this entire debate in perspective.

He reminded us that his policy in Central America is composed of three equally important parts: Humanitarian aid, military aid, and willingness to negotiate. The military part gets the headlines. But it is only one part of an equation for peace and stability in Central America.

Take away one of those approaches and the other two are useless.

And that is what this debate is all about. It is not about military aid as such. It is about how best to fit effective military aid into a more complex approach toward lasting peace and justice in that region.

Humanitarian aid gets by far the biggest proportion of funding for the President's program in Central America. You would never know that to judge by his critics. But it is true.

Our willingness to negotiate has existed from the very beginning. Ambassador Stone's mission is only another proof of that.

And so we are confronted with a question of the effective uses of American power, American diplomacy, and American humanitarian aid. We need all three.

Aid to the so-called contras is not the essential question. We could cut off that aid in a minute if the Nicaraguans would stop exporting arms.

It is sometimes said the Sandinistas are exporting revolution.

Actually they have betrayed the revolution in Nicaragua. They have betrayed it to an alien ideology with its heart in Moscow and its fist in Cuba.

What the United States wants is to stop arms shipments from outside and within the area. The Nicaraguans started this destabilization. They can end the controversy instantly by simply stopping the export of arms. Once they do, we have no reason to continue our own military aid.

But until they do any unilateral reversal of U.S. policy will simply encourage the Sandinistas.

All the United States is asking for is reciprocity. Surely that is not too much to ask. There is nothing we would like to do more than be able to get out of this controversy. But there has to be a mutual, verifiable cessation of arms shipments throughout the entire region.

A cutoff of aid to the contras without reciprocity on the part of the Sandinistas and Cubans is not a solution—it is another and greater addition to the problem.

So we come down to the crucial question: What is the right kind and right amount of American military aid to be used?

On one hand we have the administration's plan to fund the contras until the Sandinistas stop exporting arms.

This is called covert aid. Right now it is about as covert as an elephant standing on a football field. Everybody knows it is there and calling it covert does not hide it. But whatever you call it, it exists. The President is convinced it works and so am I.

Has it been successful? Opponents say arms shipments have not been halted. In a short-term limited sense this might be true. But we do know that the Nicaraguan Government is getting the message. So is Castro.

So let us look at this policy from a long-range point of view. It will stop arms shipments if it brings about a change in attitude of the part of the Sandinistas. And it is doing that. Even the Washington Post admits it has done that.

Has the administration hurt itself by putting forth various rationales for aid to the contras?

Yes, it has. But we should not hold a chance for stability hostage to poor communications on the part of the administration.

So we come down to the final question:

How are you going to get the Sandinistas to stop shipments of arms and thereby stop the destabilization of an entire region?

The answer is by putting effective pressure on them to stop.

How best do you put effective pressure on avowed Marxist-Leninist revolutionaries?

Certainly not by spouting nice-sounding rhetoric about the need to negotiate while avoiding any policy that can bring the Sandinistas to the bargaining table.

The choice is not between a risky policy and a safe policy in Central America. It is between long-range ineffectiveness which will come if we embrace the nonsolution of H.R. 2760 and a long-range effectiveness which is the President's policy. Each policy carries a risk.

For my part, I choose to be effective if we are going to have a risk either way.

Take away one part of the President's three-part program of humanitarian aid, effective military aid, and willingness to negotiate and you cripple the chances for peace and stability in Central America.

[CRS-82]

Today we can listen to our fears or to our commonsense. Fear and hysteria are no substitute for rational analysis. And I believe that if we calmly and rationally analyze all the facts we will see that the President's complex, unified program deserves our support.

□ 1500

Mr. MARTIN of North Carolina. Mr. Chairman, will the gentleman yield?

Mr. MICHEL. I yield to the gentleman from North Carolina.

Mr. MARTIN of North Carolina. Mr. Chairman, to those who say to us that there cannot be a military solution, we ought to remind them that if we turn our backs on the people of Central America and if we abandon our responsibility there, there will be a military solution because the Cubans and Nicaraguans and the Soviets will impose a military solution on Central America. And that is what this whole issue is about.

Mr. MICHEL. Mr. Chairman, I thank the gentleman for his very valuable contribution.

Mr. ZABLOCKI. Mr. Chairman, I yield my remaining time to the gentleman from Maryland (Mr. BARNES) to close debate.

The CHAIRMAN. The gentleman from Maryland (Mr. BARNES) is recognized for 4 minutes.

Mr. BARNES. Mr. Chairman, I rise in strong support of H.R. 2760, a bill which would prohibit U.S. support for military or paramilitary operations in Nicaragua.

And Mr. Chairman, I want to stress that that is the only issue in this bill. This is not a bill about whether or not we like the Sandinistas. This bill is not a referendum on the Sandinistas. This bill has nothing to do with whether or not the Sandinistas are democratic, or pluralistic, or nonalined, or maintain a private sector. This bill has nothing to do with whether the Sandinistas interfere in their neighbors' affairs. We all know the answer to those questions, but they are not at issue here. How we vote on this bill has nothing to do with how we feel about those issues. This bill has nothing to do with whether or not we should resist Nicaragua's interference in its neighbors' affairs. We should, and we do.

This bill deals only with one question, and that question is: Will we or will we not authorize the Government of the United States of America to seek by military means to overthrow the duly constituted government of another nation—a government, in this case, installed under the auspices of the Organization of American States?

And the answer given to that question by this bill, Mr. Chairman, is "no," the United States should not be in the business of taking it upon itself to overthrow other governments of this hemisphere with which we happen to have disagreements, and we are not going to authorize that. That is not the way we do business in this country.

I would hope and expect, frankly, that every Member of this great body, this House that seeks to represent what is best in and for the American people, would find that statement self-evident, and we would not have to debate the issue any further.

But beyond the fact that it is just not worthy of us, beyond the fact that it is just not the way the leader of the free world should be acting, let me go into some very practical reasons for supporting this bill and not placing the imprimatur of the House on this attempt to overthrow another government.

First, it is illegal. We are a government of laws. We derive our greatest strength from that. It is what distinguishes us from the dictatorships of the world that must govern through fear and coercion. And it is simply illegal under both our own laws and the treaties to which we are a party to engage in this kind of behavior.

Article 18 of the Chapter of the Organization of American States reads, in its entirety as follows:

> No State or group of States has the right to intervene, directly or indirectly, for any reason whatever, in the internal or external affairs of any other State. The foregoing principle prohibits not only armed force but also any other form of interference or attempted threat against the personality of the State or against its political, economic, and cultural elements.

That, Mr. Chairman, is open and shut. It is also the supreme law of our land. What gives this administration—or any administration—the right unilaterally to waive that law, without reference to the Congress, without reference to the Organization of American States, without reference to any of the collective security mechanisms and procedures of the inter-American system?

It is also illegal under domestic law, as we all know. We all voted last December for an amendment offered by the distinguished chairman of the Intelligence Committee which prohibits the furnishing of assistance to any group for the purpose of overthrowing the Government of Nicaragua. That, too, Mr. Chairman, is open and shut. Yet the administration continues to do it. It continues to arm, supply, fund, and direct groups whose publicly avowed purpose is to overthrow the Government of Nicaragua.

Second, these actions we are taking against Nicaragua will not work. They will only succeed in further doing what they have already done, and this is alienating the Sandinistas and turning them into the totalitarian state allied with Cuba that we say we do not want them to become. Covert action has not worked, Mr. Chairman, and it will not work. This is documented by the report of the Intelligence Committee on this bill.

Third, our attempt to overthrow this government is very likely to lead to a regionwide war in Central America in which we will be involved. So far, despite the fact that we have put more than 10,000 well-armed mercenaries into battle, they have been easily contained by the Sandinistas because they do not have the support of the people. But the American people should know that if this effort escalates too much further, the Nicaraguans are going to strike at the exile bases in Honduras. The American people should know that if Nicaragua and Honduras go to war, the United States will probably come to the aid of Honduras. And the American people should know that if the existence of the Sandinista regime is ever seriously threatened, the Cubans and the Soviet Union will probably come to their aid. That is the scenario of escalation that we face if we continue our current policy.

Fourth, if we succeed in this dishonorable behavior, we will find that we will not like the consequences. Obviously, the administration has failed to think through the consequences of success. If we threw out the Sandinista regime, what would we replace it with? The people we are backing are not capable of holding power and governing without our support. We would be back in the position of maintaining an unpopular government, installed by us, in power by the force of our arms, against a Sandinista guerrilla force that had gone back to the hills. And once the former national guard—and that is who we are backing—is back in power, its democratic front will be swept aside, and it will wreak vengeance against a whole generation of Nicaraguans who made the revolution. There will be a bloodbath.

I will never forget the day when one of Nicaragua's most eminent exiles, former Ambassador Arturo Cruz, a man who would like to see this government go, sat in my office and said to me, "Mr. BARNES, it isn't likely to happen, but if the FDN wins, the United States must prevent the massacre of the flower of Nicaraguan youth." I wish every Member of this body could have heard that. Is that what we want? Of course not. The error of the Reagan administration is not that it seeks evil, which none of us do. The error of the Reagan administration is its failure to think through the logical consequences of its policy. I do not think that policy will succeed. But if it does, we will all be ashamed of the result.

Finally, Mr. Chairman, we should abandon the policy of seeking to overthrow the Government of Nicaragua because it is unnecessary. There are other, more effective means that we have not even given a fair trial. The Nicaraguans have, at one time or another, offered to talk to us about everything that concerns us about the course of their revolution. We have always refused, insisting that the Nicaraguans meet our demands first. To say that we will only talk after the objectives of the talks have been achieved is, obviously, a formula for no talks at all.

[CRS-83]

We should stop running the other way every time talks are proposed. We should heed the call of the Contador group, the Spanish, the French, and other to at least try to settle our disputes peacefully. I do not pretend that if we do so we will ever achieve a government in Nicaragua with which we will have no quarrel. That may not happen. But we might achieve a government we can live with. We might arrest the leftward trend of the government before it is too late. We might achieve a situation that is better than anything we could achieve by provoking a war in Central America.

Mr. Chairman, the policy of this Government of trying to overthrow the Nicaraguan Government is illegal, ineffective, escalatory, counterproductive, and unnecessary. A vote to stop it will be a vote for our country, for our interests, for the people of Central America, and for peace and democracy throughout the region.

● Mr. FAUNTROY. Mr. Chairman, I rise in support of H.R. 2760 which would amend the Intelligence Authorization Act for fiscal year 1983 by prohibiting military or paramilitary operations in Nicaragua and by authorizing $80 million in security assistance funds to friendly Central American countries.

I am very supportive of the provisions of this bill which would prohibit military or paramilitary operations in Nicaragua. The Reagan administration is presently providing aid and encouragement to Nicaraguan exiles, many with ties to the discredited Somoza regime, for the purpose of launching violent attacks against the Government of Nicaragua. Reagan administration officials state that this violent activity is for the purpose of convincing the Government of Nicaragua to cease its support for the Salvadoran rebels.

Instead of reducing the violence in the region, this policy is contributing to an escalation of the conflict and increasing support for the Government of Nicaragua internally and externally. Nicaragua is being pushed into more and more draconian measures, and the possibilities for a negotiated agreement through diplomatic means is being frustrated. Our actions with regard to this "covert" but very public intervention are isolating us from other countries of the region, including the Contadora Group of Mexico, Venezuela, Colombia, and Panama.

Additionally, the recent heads of the Government Conference of the Caribbean Community (CARICOM) in a communique issued in Port of Spain:

> * * * expressed deep concern over the situation in Central America (and stated that) the crisis faced by the peoples of this region was rooted not in East-West ideological rivalry, but in deep-seated social and economic ills. They called for an end to foreign intervention, training of mercenaries, and cross-border conflicts. They appealed to contending parties to engage in direct dialogue and expressed support for the efforts of the Contadora Group to bring peace to the area.
>
> The conference reaffirmed its conviction that the attainment and maintenance of peace and security in the region were firmly linked to recognition of the principles of non-use of force, non-interference and non-intervention in the internal affairs of states.

Most alarmingly, the functional impact of the U.S. activity against Nicaragua is that our Government, despite what it may be saying, is actively involved in encouraging and aiding the violent overthrow of the Nicaraguan Government. This is in violation of our international treaty obligations, the United Nations Charter, the Charter of the Organization of American States, and the Rio Treaty. Functionally, the Reagan administration has also violated previous congressional prohibitions and conditions on assistance to the Contras.

Mr. Chairman, while I believe that the covert war must be terminated, I do have the most serious concerns about the provision of some $80 million of security assistance funds to the brutal military of El Salvador and the military of Honduras. Both El Salvador and Honduras are questionable recipients of such large amounts of military aid.

In El Salvador, the abuse of human rights is legend. Killing and torture are the pattern and practice of the "security forces." The military in El Salvador is a clear and present danger to human life and constitutes the major impediment to much needed economic and social reform. Until such time as the Armed Forces of El Salvador are restructured and reformed, I cannot in good conscience support increases in assistance which will only strengthen the murder machine. I believe that increased military assistance provided to El Salvador will not result in arms interdiction but in more brutality and state terrorism.

In Honduras, U.S. policy is officially stated to be the encouragement of the fragile return to democratic and civilian rule. The covert war against Nicaragua which is being waged from Honduran territory not only threatens peace in the region, but is increasingly daily, the strength and influence of the Honduran military. We should all be concerned that the newly emerging democratic institutions and forces in Honduras could well be overwhelmed by the military if more military assistance is provided.

I recognize that support for this legislation could be construed to mean that one believes that the problems of Central America are military in nature and soluble through military means. I do not believe that the situation in Central America emanates from military causes but rather from longstanding injustices in the political, economic, and social areas. The United States should be very careful about imposing a policy which has as its explicit rationale that Nicaragua and Cuba are the basic reason for the stamina demonstrated by the Salvadoran rebels. I am hopeful that amendments can be afforded which will structure our efforts toward a diplomatic and negotiated settlement.

The most important goal of this bill is the ending of covert assistance to insurgents attempting to overthrow the Government of Nicaragua. The covert assistance dishonors our great Nation, is self-defeating, and casts our Government in the role of an international bully. The Central American situation requires historical perspective and humility given past U.S. interventions and the dangers that abound in seeking to impose our version of democracy by violent means.

Despite my reservations concerning the provisions for increased military assistance for the purpose of arms interdiction, I urge support for H.R. 2760. I do so because I believe that our national interest, our national honor, and peace in Central America require us to terminate the covert assistance to the Contras which is causing destruction of life and property.●

● Mr. TOWNS. Mr. Chairman, the question of the U.S. covert military actions in Central America has been a topic of great concern and debate in recent months. It has become increasingly apparent that our policies in Central America, specifically with regard to Nicaragua and El Salvador, have failed and in many instances backfired. The Boland-Zablocki bill addresses the current dangers in the Reagan administration's policies in this area.

The issues, which are addressed in H.R. 2760 can be divided into two interrelated yet very distinct parts. The first part of the bill denies funding now and in the next fiscal year from any direct or indirect support of military or paramilitary activities in Nicaragua. Currently, the Reagan administration publicly provides aid and encouragement to Nicaraguan exiles to foster insurgency within Nicaragua. This action would supposedly force the Sandinistas to halt their support of the Salvadoran insurgency. And, the administration, then, would be able to achieve its primary objective of interdicting the supply of arms flowing through Nicaragua into El Salvador. Rather than stopping arms to El Salavador entirely opposite results have been produced.

In Nicaragua, as a result of an increased number of U.S.-backed clashes between rebels and government forces, even the strongest domestic opponents of the Sandinistas have backed the regime. Also, the struggle for human and civil rights within Nicaragua has been seriously undermined. The Sandinistas have instituted martial law powers and it is not realistic for us to expect them to change while in a state of siege. Furthermore, any chances of a negotiated agreement through diplomatic channels with Nicaragua have been thwarted by the United States.

Our actions in this region have also affected us negatively in the area of world opinion. Instead of attempting to foster good working relations with our neighbors in the Western Hemisphere, we have alienated those around us. Attention has shifted from the insurgency in El Salvador and has focused on American intervention in Nicaragua. More recently, a coalition of our Latin American allies adopted a resolution calling for the United States to discontinue intervention in the region. These countries have come to regard us with increasing suspicion. Clearly, the United States should rethink its posture in Central America when Mexico, Panama, Venezuela, and Colombia all warn that our policies are aggravating rather than improving the situation in the region.

In addition, I believe that the United States should not pursue a policy whereby we engage in encouraging and aiding the overthrow of any government. This action violates our international treaty obligations, including the Charter of the United Nations, the Charter of the Organization of American States, and the Rio Treaty of 1949. Furthermore, the current administration has flagrantly violated previous congressional prohibitions on aid to antigovernment forces. This action also has some serious moral implications for a country whose main foreign policy objective is to sustain a climate of peace throughout the world.

Finally, while I believe that the covert war must be halted against Nicaragua, I do have serious concerns about the need for and eventual application of the overt aid funds. Authorizing $80 million to assist "friendly" Central American nations in intercepting arms shipped through their territories starts a new military assistance program which I feel could lead to a regionalization of the conflict in Central America.

El Salvador and Honduras are the most likely recipients of the overt aid. Guatemala, however, would not be prohibited from receiving additional aid under this bill. I see little justification for providing another avenue for increased military assistance to El Salvador. The Salvadoran military continues to terrorize the civilian population and shows little sign of any commitment to basic social and economic justice. In the case of Honduras, additional aid to the military would only serve to further exacerbate the tensions between the civilian government and the military. The Honduran civilian leadership could be prevented from implementing promised social and economic reforms, and the leftist opposition to the government is becoming increasingly radical and violent if the military became involved in arms interdiction activities.

I believe that the United States must be very cautious about implementing a policy which declares that Nicaragua and Cuba are the sole reason for the success of the Salvadoran guerrilla forces. We must never forget that the civil war in El Salvador is a direct result of the failure of successive Salvadoran governments to address the social and economic justice concerns of the majority of Salvadoran people. I am hopeful that amendments can be offered which will better clarify the intent of the overt aid and mandate a stronger effort at direct bilateral discussions with the Nicaraguan Government on the above issues. Ultimately, the conflict in Central America must have a political solution if we are to avoid a military escalation which will result in an increased loss of life for the Central American people.●

The CHAIRMAN. All time has expired.

Pursuant to the rule, the bill, as modified by the amendments recommended by the Committee on Foreign Affairs now printed in the reported bill, shall be considered as an original bill for the purpose of amendment. No amendments to the bill are in order except: First, germane amendments printed in the Congressional Record by July 21, 1983; second, an amendment offered by Representative Wright; and third, an amendment offered by Representative Michel. At the expiration of 12 hours, no further amendments are in order.

The Clerk will read.

The Clerk read as follows:

H.R. 2760

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Intelligence Authorization Act of Fiscal Year 1983 is amended by adding at the end thereof the following new title:

"TITLE VIII—PROHIBITION ON COVERT ASSISTANCE FOR MILITARY OPERATIONS IN NICARAGUA; AUTHORIZATION OF OVERT INTERDICTION ASSISTANCE

"PROHIBITION ON COVERT ASSISTANCE FOR MILITARY OPERATIONS IN NICARAGUA

"Sec. 801. (a) None of the funds appropriated for fiscal year 1983 or 1984 for the Central Intelligence Agency or any other department, agency, or entity of the United States involved in intelligence activities may be obligated or expended for the purpose or which would have the effect of supporting, directly or indirectly, military or paramilitary operations in Nicaragua by any nation, group, organization, movement, or individual.

"(b) This section shall take effect upon the date prescribed in the classified annex to the report of the Permanent Select Committee on Intelligence of the House of Representatives to accompany the bill H.R. 2760 (98th Congress).".

"AUTHORIZATION OF OVERT INTERDICTION ASSISTANCE

"Sec. 802. (a) The Congress finds that—

"(1) in the absence of a state of declared war, the provision of military equipment to individuals, groups, organizations, or movements seeking to overthrow governments of countries in Central America violates international treaty obligations, including the Charter of the United Nations, the Charter of the Organization of American States, and the Rio Treaty of 1949; and

"(2) such activities by the Governments of Cuba and Nicaragua threaten the independence of El Salvador and threaten to destabilize the entire Central American region, and the Governments of Cuba and Nicaragua refuse to cease those activities.

"(b) The President is authorized to furnish assistance, on such terms and conditions as he may determine, to the government of any friendly country in Central America in order to provide such country with the ability to prevent use of its territory, or to prevent to the extent permitted by international law the use of international territory, for the transfer of military equipment from or through Cuba or Nicaragua or any other country or agents of that country to any individual, group, organization, or movement which the President determines seeks to overthrow the government of such friendly country or the government of any other country in Central America. Assistance under this section shall be provided openly, and shall not be provided in a manner which attempts to conceal United States involvement in the provision of such assistance.

"(c) Assistance may be provided to a friendly foreign country under this section only if that country has agreed that it will not use any assistance provided by the United States under this section, the Foreign Assistance Act of 1961, or the Arms Export Control Act to destabilize or overthrow the government of any country in Central America and will not make any such assistance available to any nation, individual, group, organization, or movement which seeks to destabilize or overthrow any such government.

"(d) At least 15 days before providing assistance to a foreign country under this section, the President shall submit an unclassified report which describes the proposed assistance to the Speaker of the House of Representatives and to the chairman of the appropriate committees of the Senate.

"(e) There is authorized to be appropriated to the President to carry out this section $30,000,000 for the fiscal year 1983 and $50,000,000 for the fiscal year 1984.

"(f) Funds to carry out this section shall be made available for any friendly country in Central America only for the purpose of interdicting the transfer of military equipment to any country in Central America.".

Mr. MINETA (during the reading). Mr. Chairman, I ask unanimous consent that the bill be considered as read, printed in the Record, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. STUDDS. Mr. Chairman, I move to strike the last word.

The CHAIRMAN. Without objection, the gentleman from Massachusetts (Mr. STUDDS) is recognized for 5 minutes.

There was no objection.

[CRS-85]

☐ 1510

Mr. STUDDS. Mr. Chairman, this bill (H.R. 2760) seeks to end U.S. involvement in an operation which is illegal under both American and international law;

Which has failed dismally to achieve either its real or its purported goals;

Which has undermined U.S. diplomacy worldwide by making nonsense of the very principles of international behavior which we ask others to observe;

Which has, inevitably, I trust, in a free society, become less a covert operation than an ongoing embarrassment played out daily on the front pages of our newspapers;

Which has damaged regional peace initiatives, and retarded the development of a consensus in Congress about U.S. policy toward Central America;

Which has resurrected questions and criticisms about the role of the CIA in protecting U.S. interests overseas; and

Which has distorted and aggrandized the role of the military in Honduras, has involved it in acts of U.S.-sponsored adventurism, and thereby retarded the development of strong civilian political institutions—from the Presidency on down—in that country.

The Reagan administration has not been honest with either the Congress or the public in describing and defending this operation. The individuals we have trained and financed to fight against Nicaragua are not under our control; they have their own agenda; they have no history of support for Democratic principles; and they are actively seeking to trigger a civil war in which thousands of innocent people seem sure to die.

H.R. 2760 embodies a mature congressional response to a brutal, ineffective project of the executive branch. It calls the bluff of the President, who told the world the operation was designed solely to interdict arms; and the bluff of Nicaragua, which claims there are no arms to interdict.

Nicaragua is much to blame for its poor relations with its neighbors; for the injection of East-West issues into the region; and for its failure to generate confidence within Nicaragua in the integrity of its political institutions.

Those shortcomings have produced a temptation, even among some men of good will, to wage war to make Nicaragua "safe for democracy."

It is already too late to expect the Nicaraguan junta to fulfill voluntarily all the promises of the revolution. But it is far too early to assume that U.S.-supported armed intervention is the only means by which Nicaragua or Nicaraguans may avoid the Cuban path.

A political dissident, even in today's Nicaragua, may be ignored, he may be harassed, he may fear for his life, he may, accordingly, choose exile. But compare this to El Salvador where even according to President Reagan's own certification, political dissidents are simply killed.

When the United States resorts to, or encourages the use of, armed force, it must do so in a manner and for purposes which are consistent with our values and our best traditions; and for reasons understood and supported by the American public and, in this instance, by our friends in Latin America. It is by reinforcing our traditions and ideals, rather than by abandoning them, that we may compete most successfully with those we consider adversaries.

To underline this point, I would like to read briefly from an essay written 2 years ago, after the Bay of Pigs, by Walter Lippmann:

"TO OURSELVES BE TRUE," TODAY AND TOMORROW—MAY 9, 1961

We have been forced to ask ourselves recently how a free and open society can compete with a totalitarian state. This is a crucial question. Can our Western society survive and flourish if it remains true to its own faith and principles? Or must it abandon them in order to fight fire with fire?

There are those who believe that in Cuba the attempt to fight fire with fire would have succeeded if only the President had been more ruthless and had had no scruples about using American Forces. I think they are wrong. I think that success for the Cuban adventure was impossible. In a free society like ours, a policy is bound to fail which deliberately violates our pledges and our principles, our treaties, and our laws. It is not possible for a free and open society to organize successfully a spectacular conspiracy.

The United States, like every other government, must employ secret agents. But the United States cannot successfully conduct large secret conspiracies. It is impossible to keep them secret. It is impossible for everybody concerned, beginning with the President himself, to be sufficiently ruthless and unscrupulous. The American conscience is a reality. It will make hesitant and ineffectual, even if it does not prevent, an un-American policy. The ultimate reason why the Cuban affair was incompetent is that it was out of character, like a cow that tried to fly or a fish that tried to walk.

It follows that in the great struggle with communism, we must find our strength by developing and applying our own principles, not in abandoning them. I am very certain that we shall have the answer to Mr. Khrushchev if, but only if, we stop being fascinated by the cloak-and-dagger business and, being true to ourselves, take our own principles seriously.

For reasons of history, law, politics, diplomacy, security and justice, I urge the enactment without significant amendment of H.R. 2760.

AMENDMENT OFFERED BY MR. YOUNG OF FLORIDA

Mr. YOUNG of Florida. Mr. Chairman, I offer an amendment.

The CHAIRMAN. Has the amendment been printed in the RECORD?

Mr. YOUNG of Florida. It has been, Mr. Chairman.

The Clerk read as follows:

Amendment offered by Mr. YOUNG of Florida: Page 2, strike out line 10 and all that follows through line 8 on page 3 and insert in lieu thereof the following:

PROHIBITION OF COVERT ASSISTANCE FOR ANY MILITARY OPERATIONS IN NICARAGUA

"SEC. 802. (a) None of the funds appropriated for fiscal year 1983 or 1984 for the Central Intelligence Agency or any other department, agency, or entity of the United States involved in intelligence activities may be obligated or expended for the purpose or which would have the effect of supporting, directly or indirectly, military or paramilitary operations in Nicaragua by any nation, group, organization, movement, or individual.

"(b) The prohibition contained in subsection (a) shall take effect upon the entry into force of an agreement by the Government of National Reconstruction of Nicaragua with the governments of the other countries in the region.

"(1) that the Government of National Reconstruction of Nicaragua will not support, directly or indirectly, military or paramilitary operations by anti-government forces in any country in Central America; and

"(2) that provides for effective multilateral verification of compliance with paragraph (1); and

"(3) to resolve the conflicts in Central America based on the principles affirmed in the Final Act of the San Jose Conference of October 1982 and the commitments made by the Government of National Reconstruction of Nicaragua to the Organization of American States in July 1979."

Page 3, line 10, strike out "802" and insert in lieu thereof "803."

Page 5, after line 10, insert the following:

SEC. 2. (a) The Congress finds that—

(1) Central America is of vital importance to the interests and long-term security of the United States;

(2) the social and economic crisis facing Central America arise in large part from long histories of poverty, social injustice, and lack of economic opportunity;

(3) military solutions alone are inadequate to deal with the challenge the United States faces in Central America, and efforts to resist Communist insurgency will be unsuccessful unless the serious social and economic injustices and human rights abuses of the region are addressed;

(4) respected leadership from all sectors of American society and from all regions should be drawn on to study and advise on the making of United States policy toward Central America; and

(5) an effective United States policy for Central America requires the understanding and support of the American people.

(b) Therefore, it is the sense of the Congress that the President should convene a national bipartisan commission to address the serious long-term problems of security, poverty, and democratic development in Central America, and to help build the necessary national consensus on a comprehensive United States policy for the region. Such commission should—

(1) be composed of distinguished leaders of government, business, labor, education, and the Hispanic and religious communities;

(2) consult with governmental and other leaders of Central America, invite their views, and receive their recommendations on the policies which would best assist them in their long-range security needs and economic development; and

(3) report its findings and recommendations to the President and the Congress one hundred and eighty days after the date of enactment of this Act.

PARLIAMENTARY INQUIRY

Mr. MINETA. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. MINETA. Mr. Chairman, may we inquire as to which amendment

[CRS-86]

this is and on what date this was printed in the RECORD?

Mr. YOUNG of Florida. Mr. Chairman the amendment was printed on July 21 and appears on page H5487 of the RECORD.

□ 1520

The CHAIRMAN. The Chair recognizes the gentleman from Florida (Mr. YOUNG) for 5 minutes in support of his amendment.

(By unanimous consent, Mr. YOUNG of Florida was allowed to proceed for 5 additional minutes.)

The CHAIRMAN. The gentleman from Florida (Mr. YOUNG) is recognized for 10 minutes.

Mr. YOUNG of Florida. Mr. Chairman, I thank the Chair and my colleagues for allowing me the additional 5 minutes. This will be one of the substantive amendments to be offered by our side during this debate, and we do appreciate having the extra time.

This amendment that I am offering today is offered in behalf of the gentleman from Virginia Mr. KENNETH ROBINSON, who is the ranking minority member of the Intelligence Committee; the gentleman from Michigan, Mr. BILL BROOMFIELD, the ranking minority member of the Committee on Foreign Affairs; the gentleman from Virginia, Mr. WHITEHURST, who is a member of the Intelligence Committee; the gentleman from Arizona, Mr. STUMP, who is a member of the Intelligence Committee; the gentleman from New York, Mr. SAM STRATTON, who is a member of the Committee on Armed Services; and the gentleman from Mississippi, Mr. SONNY MONTGOMERY, who is a member of the Committee on Armed Services. Each of the Members I have mentioned filed the identical same amendment at the same time that this initial amendment was filed.

I would like to give just a little background as to how we arrived at the language in this amendment, which is a very sincere effort to stop our covert activity in Nicaragua. At the same time it is an effort to stop the Nicaragua Sandinistas in their activities in El Salvador and Honduras and any other place they might be planning to conduct their antigovernment activities.

This amendment or an amendment similar to this was first offered in the Intelligence Committee as we marked-up the bill in the very beginning. It was rejected. Following that, the concept of this amendment was kept alive through the efforts and the support of some Members on the Democratic side of the aisle and the Republican side of the aisle and all those who were close to the issue in the administration, in the Central Intelligence Agency, and in the State Department.

A number of meetings were conducted, beginning in the Situation Room at the White House, with Jim Baker presiding and a number of our Members attending. We moved our meetings eventually to the office of the majority leader here in the Capitol, again with a number of Members attending; and each of those Members on their own can tell us who they were if they want us to know.

Basically, what this amendment does is very simple. We leave in the bill section 801 that the committee chairman, the gentleman from Massachusetts (Mr. BOLAND), wanted in the bill. It cuts off all covert activity or aid for military or paramilitary activities in Nicaragua. We leave that provision in the bill because we would like to see that accomplished, but we want all of us to play by the same rules. We want the Sandinistas to play by the same rules that we play by, and we want to get them out of the business of the people of El Salvador and Honduras.

The Sandinista government that we are attempting to deal with through negotiations and in other ways came into power in Nicaragua politically, not militarily. Many people believe the Sandinistas won a great military victory. They did not. They began a series of military activities, but they actually took power in Managua with the aid and the assistance of the U.S. Government and with the aid and assistance of the Organization of American States. That came about because the Sandinista junta, the leaders of the junta, corresponding with the Organization of American States—and I have a copy of their transmission, a copy of their letter, and also a copy of the press release that they issued when they made this offer—offering free elections. They offered a pluralistic government. They offered the people of Nicaragua an opportunity to be involved in determining their own fate in governing themselves.

Now, the Organization of American States bought that. They believed the promise. Many of the people who are involved in the insurgency now against the Sandinistas were part of that original revolution. Eden Pastora in the south was one of the No. 1 commanders of the Sandinista activities. Adolfo Calero, who is one of the leaders of the FDN, was in jail under Somoza, but he is now one of the leaders of the anti-Sandinista program.

The OAS helped to get rid of Somoza and helped install the Sandinista government. The United States of America, your constituents, and my constituents, helped support this through the previous administration because they allowed $125 million of their money to go to the Sandinista government in the form of a foreign aid package.

We talked about that at great lengths a couple of years ago in this Chamber in another secret session, but our Government believed the Sandinistas when they told us they would give the people of Nicaragua a free press, free elections, independent government, and freedom of religion. We believed all of that.

Well, they have not kept their word. The Organization of American States know that they have not kept their word, and we know they have not kept their word. Not only have they not kept their word to the people of Nicaragua, they have now even violated what they told our Government they would not do. They said they were not going to expand their revolution to El Salvador.

We had language in that foreign aid bill to cut off any U.S. support to the Sandinistas if they were involved in exporting their revolution to El Salvador. They said they would not do it, and President Carter made that certification to Congress as required by the law. He said they were not expanding their revolution to El Salvador, that they were not helping the El Salvadoran insurgency. Well, President Carter all of a sudden realized he had been hoodwinked, had been taken in, and he rescinded that certification, and aid was then cut off.

What I am saying to the Members is that the Sandinistas have not kept their promise. Their revolution is not what they said it was going to be. They have not only lied to the people in their own country, but they have created turmoil and near disaster in El Salvador, one of our friends. They have made raids into Honduras and conducted terrorist activities against the economy of Honduras, another country that is a friend of ours.

All of these nations are in our front yard, and we are in their front yard. We have a legitimate right to be concerned about what happens in Central America.

We gave the Sandinistas $125 million as they took over the government. We have a right to expect that the agreements that were made when they accepted our money are kept, and we have a right to try to find a peaceful solution to this turmoil in Central America.

I do not think any one of us wants to see the influence of Fidel Castro expanded in our part of the world. We do not like it in Angola and we do not like it in Ethiopia, but we certainly do not like it in Central America which is on our side of the world. We do not like the fact that the Sandinistas have allowed thousands of Cuban advisers and thousands more "educators" to come into their country. We do not like the influence of Fidel Castro in Nicaragua or in El Salvador, should they be successful, and we would like to stop it.

We went into this covert activity some time ago. I might be acknowledging something I am not supposed to, because "covert" activities supposedly are covert, and those of us who work on the Intelligence Committee are admonished regularly, "You don't talk about a covert activity. You don't confirm it, you don't deny it. You don't talk about it." But this covert activity has not been covert for a long time. For one reason or another, the covertness disappeared. For one reason or another, the thing became very public,

[CRS-87]

and we all have our own ideas as to why that happened.

The covert activity is underway. Despite the statements we hear to the contrary, it is working. There is no question about the fact that it is working. It is being proved effective, and it has brought the Sandinistas to the point that they are now opening the door to possible negotiations on a multilateral basis regionwide to resolve the problems that they have created in Central America.

Mr. Chairman, this amendment that we have before us today says that we, the United States, will not be involved in any military or paramilitary activity or be supportive of any military or paramilitary activity in Nicaragua. We will not do it. Our involvement will actually be terminated almost automatically, provided that the provision that I have just mentioned, which is contained in subsection (a) shall take effect upon the entry into force of an agreement by the Government of National Reconstruction of Nicaragua with the Governments of the other countries in the region.

"(1) that the Government of National Reconstruction of Nicaragua will not support, directly or indirectly, military or paramilitary operations by anti-government forces in any country in Central America; and

"(2) that provides for effective multilateral verification of compliance with paragraph (1); and

"(3) to resolve the conflicts in Central America based on the principles affirmed in the Final Act of the San Jose Conference of October 1982 and the commitments made by the Government of National Reconstruction of Nicaragua to the Organization of American States in July 1979.".

The CHAIRMAN. The time of the gentleman from Florida (Mr. YOUNG) has expired.

☐ 1530

Mr. SOLARZ. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I have a great deal of respect for my very good friend, the gentleman from Florida. I certainly share many of the concerns which the gentleman has expressed about the Government in Nicaragua; but I feel constrained to speak out against his amendment, because it seems to me that the adoption of the amendment of the gentleman from Florida would in effect turn over the foreign policy of the United States of America to the governments of the countries in Central America.

If you read the gentleman's amendment carefully and closely, you find out that the covert military or paramilitary operations directed against the Government of Nicaragua which we are supporting would continue in effect unless and until the Government of Nicaragua entered into an agreement with each and every one of the other governments in the region in which the Government of Nicaragua would undertake not to attempt to support subversive efforts against them.

The problem with this amendment, among other things, is that even if the Sandinistas in Managua literally prostrated themselves before all the other governments of the region, even if they promised to cease and desist from their efforts to subvert established governments elsewhere in the hemisphere, if even one of the other countries in Central America decided, for whatever the reason, not to sign an agreement with the Government of Nicaragua, our paramilitary operations directed against the Nicaraguan Government would continue.

Now, I have a great deal of respect for Suazo Córdova, the President of Honduras. I think he is a great man and a genuine democrat.

Mr. YOUNG of Florida. Mr. Chairman, if I would get more time for the gentleman, would the gentleman yield for a very legitimate question?

Mr. SOLARZ. Yes; I am happy to yield.

Mr. YOUNG of Florida. Mr. Chairman, is not what we are offering here the bilateral agreements between the Sandinistas and the other governments in the region, is that not what the Sandinistas have been after all the while?

If I remember correctly, our position has been a multilateral regional approach. The Sandinista position has been a bilateral problem-by-problem approach. Does this not tend to get closer to their position?

Mr. SOLARZ. I fully agree with the gentleman. We would like to encourage the Government of Nicaragua to enter into agreements with all its neighbors. I wish they had done so months ago, even years ago. It is a consummation devoutly to be wished; but I think it would be a serious mistake for us to make American policy contingent upon such agreements to the extent that the ability to reach such agreements is a function not only of what the Sandinistas are willing to do, but is also a function of what the heads of the other governments in the region are willing to do.

If Alvaro Magana, the President of El Salvador, or Rios Montt, the President of Guatemala, or Suazo Cordova, the President of Honduras, for whatever the reason, decide they do not want to enter into an agreement with Nicaragua, even if Nicaragua promises never ever in the future to attempt to subvert their governments of their countries, then according to the terms of the gentleman's amendment, our paramilitary assistance operations directed against Nicaragua would continue.

Now, the fact of the matter is that there are governments in Central America today that want to get rid of the Sandinistas. That is their privilege. That is their right. I do not begrudge it; but the fact of the matter is that if this amendment is adopted, even if the Sandinistas were to stop tomorrow providing military assistance to the rebels in El Salvador, or were to stop tomorrow attempting to subvert governments in Costa Rica and Honduras, if the Government of Honduras decided that its long-term interests nevertheless required the overthrow of the Sandinistas, all they would have to do is refuse to sign an agreement with Nicaragua and this prohibition would not become operative, because it only becomes operative when Nicaragua enters into an agreement with each and every one of the other governments in the region. That means that American policy becomes hostage, not only to what the Sandinistas are willing to do, but to what literally every other government in Central America is willing to do.

Now, if the Supreme Court just threw out the legislative veto, are we going to give a veto over American policy, not to the Congress, not to the House, not to the Senate, but to every government in Central America which may have an agenda very different from our own?

I respect the efforts of my friend, the gentleman from Florida, to encourage a peaceful solution to the problems of Central America, but this is not the only way to go about it.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. BROOMFIELD. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, I am pleased to join with the gentleman from Florida in offering this bipartisan-supported amendment. Most importantly, this amendment links the termination of the U.S. covert program to the cessation of Nicaragua's subversive activities in any Central American nation. Moreover, the amendment provides for multilateral verification measures to insure that the Government of Nicaragua has ended its subversive activities.

I firmly believe that we cannot restrict U.S. conduct unilaterally without regard to Nicaraguan behavior in Central America. As my colleagues well know, intelligence briefings have provided persuasive and compelling evidence that the Sandinista Government of Nicaragua is helping train insurgents and is transferring arms and financial support from and through Nicaragua to the insurgents in El Salvador. Contrary to the repeated denials of Nicaraguan officials, that country is thoroughly involved in supporting the Salvadoran insurgency. As a result I believe that the amendment before us addresses the matter of Nicaraguan behavior by providing that our covert program cease—but only when the Sandinista government ends its export of arms and revolutionary activities to any Central American nation.

I would like to point out to my colleagues that this amendment is not a blank check to the administration. The basic thrust of the amendment is to provide the United States with some limited leverage to bring peace to the region. By providing for a symmetrical approach, instead of a unilateral approach to the problem, I believe that we can better protect our friends in Central America against Nicaraguan-backed insurgence while offering an incentive for the Nicaraguan Government to negotiate an end to the hostilities.

[CRS-88]

Surely, all of us want to end the violence in Central America and bring peace and stability to the region. However, we will only encourage the Sandinistas to increase the violence against our neighbors by unilaterally restricting the conduct of U.S. policy in the area. Such unilateral restraint on our part would only further jeopardize the security of the region in general and El Salvador in particular. In order to keep the Sandinistas and the Cubans from destabilizing Central America, and imposing force against the nations in the area we must, first and foremost, emphasize an even-handed policy approach as provided by this amendment.

In short, the provisions of this amendment are plain and simple—we stop when they stop. I believe that the language offered by this amendment provides for an equitable and fair solution to the Central American problem, and I ask my colleagues to support the amendment.

Mr. FOWLER. Mr. Chairman, I move to strike the last word, and I rise in opposition to the amendment.

PARLIAMENTARY INQUIRY

Mr. YOUNG of Florida. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. YOUNG of Florida. Mr. Chairman, I had offered to ask for additional time for my friend and colleague, the gentleman from New York (Mr. SOLARZ), since the gentleman had yielded to me.

Would it be in order to ask for additional time for the gentleman from Georgia (Mr. FOWLER), with the hopes that he would yield that additional time to the gentleman from New York (Mr. SOLARZ)?

The CHAIRMAN. The gentleman from Georgia may answer that.

Mr. FOWLER. Mr. Chairman, I would be delighted to do that. My statement, I hope, will be uncharacteristically brief.

Mr. YOUNG of Florida. Mr. Chairman, I ask unanimous consent that the gentleman from Georgia (Mr. FOWLER) may proceed for 2 additional minutes, in order that he might yield to the gentleman from New York (Mr. SOLARZ).

The CHAIRMAN. Is there objection to the request of the gentleman from Florida (Mr. YOUNG)?

There was no objection.

The CHAIRMAN. The gentleman from Georgia (Mr. FOWLER) is recognized for 7 minutes.

Mr. FOWLER. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Florida, because as my friend, the gentleman from New York was discussing as his time ran out, it does appear that the amendment is fatally flawed. If adopted, it would hold U.S. policy in Central America hostage to the actions of area countries, other than the United States, Nicaragua or El Salvador, countries over which we have no control, nor do we wish to compel control. The Young amendment would require that agreements be reached by the Government of Nicaragua and other sovereign governments in the area before the cessation of hostilities supported by the United States of America.

□ 1340

It would also, I submit, run the risk of curbing the options of the United States, if during an escalation of hostilities in Central America from Cuba or the Soviet Union, the United States and their allies determined that swift concerted action was required to meet it.

I applaud what the gentleman is trying to do. I understand the approach and the appeal of these amendments and we will see others called symmetrical or which look for symmetry. But the problem with symmetry is that it could lead to gradual escalation on all sides of this conflict, if we tie strings around American foreign policy and the policies of our allies while we are waiting for these negotiations to continue and the agreements called for under the amendment to be concluded.

The answer is contained in the committee's bill. It is to do what our allies in Central America are pleading with us to do, to cease the invasion of Nicaragua financed by the United States and to work with our democratic friends, our democratic allies in the region, to seek and negotiate a political and final solution to the war in Nicaragua satisfactory to the best interests of the United States.

Mr. YOUNG of Florida. Will the gentleman yield?

Mr. FOWLER. I yield to my friend from Florida.

Mr. YOUNG of Florida. I think the gentleman raises a point that needs to be discussed and I would like to ask his opinion of something.

Paragraph B(3) says to resolve the conflicts in Central America based on the principles affirmed in the final act of the San Jose Conference. The final act of the San Jose Conference included a representative of the United States of America, in that final act and throughout this final act they talk about peace and order and pluralistic societies, free elections. They talk about promoting the economic development rather than hostilities and violence, and we are a party to that.

I just wonder if the gentleman would not agree that that would in fact make us a party to any final agreement that might be reached in the negotiations between the Sandinistas and the other countries in the region.

Mr. FOWLER. I agree with the gentleman from Florida that the recommendations and principles adopted by the San Jose group are consistent with the policies of the United States, the Reagan administration and hopes of all us, I think, who are trying to find a way to curtail this violence.

My disagreement with the gentleman's amendment is in another clause, and unfortunately I do not have the amendment before me, whereby the gentleman from Florida predicates the cessation of American covert assistance in Nicaragua on agreements signed by the Government of Nicaragua with other countries in the region.

I believe that is the gentleman's language. In other words, if the other countries in the region, for whatever purpose, refuse to sign, refuse to enter into an agreement with Nicaragua, then there has been no achievement and that I submit to the gentleman is the fatal flaw in his amendment.

Mr. YOUNG of Florida. If the gentleman will yield further, I agree that that would be a requirement. But I do not agree that that would be an infringement upon the rights of the administration to establish foreign policy.

During the meetings in the majority leader's office with those who were there, and in fact the gentleman was there at several of those meetings, the gentleman will recall that the administration representatives from the State Department and the White House both did not believe this would be any infringement on their ability to set foreign policy and they thought the flexibility of allowing things like verification, for example, to be settled by the negotiations and through the agreement would not affect their right to set foreign policy and they supported that approach.

Mr. FOWLER. Again, to the limited purposes of a certain section of the gentleman's amendment, we are in agreement. But, as the gentleman knows, the administration's preconditions for cessation of our military intervention in Nicaragua go far beyond the scope of the gentleman's amendment.

They are also demanding free elections, which the gentleman's amendment does not.

They are also demanding economic reforms, pluralism, which the gentleman's amendment does not cover.

The gentleman's amendment is faulty, I say, because it is not consistent with the present policy of the United States and only attempts to deal with a part of the administration's policy.

I yield back the balance of my time.

Mr. McCURDY. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

[CRS-89]

[Mr. McCURDY addressed the Committee. His remarks will appear hereafter in the Extensions of Remarks.]

Mr. LEACH of Iowa. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, I rise in opposition to the amendment of the gentleman from Florida (Mr. Young).

Mr. Chairman, we are faced today less with a policy decision than with a direct challenge to the laws and Constitution of the United States. At issue is whether this Nation and the world will choose the rule of law or the rule of might; whether diplomacy or the instincts of Great Power chauvinism will prevail in our relations with our neighbors to the south.

As my colleagues will recall, this body adopted by an unambiguous margin of 411-0 the so-called Boland amendment, which specifically enjoined the Central Intelligence Agency and the Department of Defense from furnishing military assistance to groups "for the purpose of overthrowing the Government of Nicaragua or provoking a military exchange between Nicaragua and Honduras." Today, 7 months later, we are confronted with a painful situation where the chairman of the House Select Committee on Intelligence has openly confirmed that U.S.-supported covert action against Nicaragua has strayed beyond the bounds of U.S. law.

Anyone who accepts administration sophistry that assistance to groups attempting to overthrow a foreign government does not represent an effort on our part to overthrow that government can also accept the existence of the tooth fairy.

Every Member of this body, whether or not supportive of the notion that covert action against Nicaragua may be efficacious, should be morally incensed that the law of the land has been so cavalierly disregarded. Now administration spokesmen come to us and plead that we not pull the rug from under their efforts to make the Nicaraguan Government "uncomfortable." To accept this plea is to abdicate congressional responsibilities in the face of Executive preemption, to turn a blind eye to the rule of law, international as well as domestic.

It is impossible to conclude anything except that the administration has struck a damaging blow to the world legal order by acting in deliberate disregard of international law which explicitly prohibits the overt or covert destabilization of existing governments of whatever political stripe. Article 2.4 of the United Nations Charter states that:

> All Members shall refrain in their international relations from the threat or use of force against the territorial integrity or political independence of any state . . .

In 1970, the United Nations General Assembly adopted by consensus the "Declaration on Principles of International Law Concerning Friendly Relations and Cooperation Among States in Accordance with the Charter of the United Nations." That declaration includes in its authoritative elaboration of the general principles contained in the U.N. Charter the following:

> . . . No State shall organize, assist, foment, finance, incite or tolerate subversive, terrorist or armed activities directed towards the violent overthrow of the regime of another State, or interfere in civil strife in another State.

Article 18 of the Charter of the Organization of American States (OAS) likewise states:

> No State or group of States has the right to intervene, directly or indirectly, for any reason whatever, in the internal or external affairs of any other State.

Not only does it prohibit such intervention by use of armed force, but by—

> . . . any other form of interference or attempted threat against the personality of the State or against its political, economic, and cultural elements.

The United States is a party to both of these international treaties.

Supporters of the administration's position respond to charges that U.S.-backed covert operations violate international law by arguing that these operations are undertaken for the ultimate purpose of "self-defense." While the Intelligence Committee's report leaves little room for doubt that the governments of Nicaragua and Cuba are aiding the insurgents in El Salvador in their quest to overthrow the Government of that country, any right to self-defense belongs logically to the Government of El Salvador. For the United States to act in the place of El Salvador in the exercise of any right of self-defense, if such an act of becoming an "alter ego" in itself would be consistent with international law and the exercise of natural sovereign rights, would probably have to be at the specific and formalized request of the Government of El Salvador, and the United States could not undertake that right to any greater degree than El Salvador could. That nation would not necessarily have the right to organize and train troops in Honduras and then assist them in Nicaragua, directly or indirectly, to disrupt that political system solely as a rectifying action to prevent arms from reaching insurgents within its own borders. Under the circumstances, that kind of response might well be considered a disproportional response. It might itself be classified as an unlawful act.

If we were to accept the Administration's thesis that our covert actions are justified by Nicaragua's support for the guerrillas in El Salvador, will we then be forced to accept, under the same rationale, future administration actions to destabilize the Cuban and/or Soviet Government for their part in aiding those rebels?

If proponents of the covert action are not arguing some vaguely defined principle of individual self-defense where the United States is concerned, but are arguing instead the principle of collective self-defense, does that right include the right to commit the prohibited acts cited earlier under the U.N. and OAS Charter? Further, if the right to collective self-defense is being asserted, why have the procedures under the Rio Treaty and the U.N. Charter not been followed?

It is important for those who would raise the argument of the principle of individual or collective self-defense under international law to review the conditions set forth in international law which are to be a guide to the exercise of that right. One of the most often cited references in international law authorizing acts of self-defense is article 51 of the United Nations Charter which states that:

> Nothing in the present Charter shall impair the inherent right of individual or collective self-defense if an armed attack occurs against a Member of the United Nations . . .

However, the remainder of article 51, which many fail to cite in full, adds:

> . . . until the Security Council has taken measures necessary to maintain international peace and security.

Article 51 goes on to mandate:

> Measures taken by Members in the exercise of this right of self-defense shall be immediately reported to the Security Council . . .

If, as some argue, the covert operations against Nicaragua are legal under this article, then the remaining obligations under that article ought to be equally honored and the covert action reported to the security council. This has not occurred. In fact, it is Nicaragua, not the United States, which proposes Security Council intervention in this issue.

Under the OAS Charter, there are similar rights and obligations. Article 21 states that:

> The American States bind themselves in their international relations not to have recourse to the use of force, except in the case of self-defense . . .

Articles 23 and 24 further mandate that all disputes arising between States in this hemisphere are to be submitted to peaceful procedures including direct negotiation, good offices, mediation, investigation and conciliation, judicial settlement, arbitration, and other means. In the event of an act of aggression committed against a State of the OAS, it is to be considered an act against all members. Such acts, it is important to note, are not limited to "armed attack" but may include any act of aggression short of armed attack, extracontinental conflicts, conflicts between two or more American States, or "any other fact or situation that might endanger the peace of America."

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In the event a State is confronted with such aggression, a number of steps are to be taken under the Inter-American Treaty of Reciprocal Assistance of 1947 (Rio Treaty), to which the United States is a party. First, article 3 of the Rio Treaty provides that in instances of armed attack against a treaty party, all other parties may determine the measures they will take at the request of the victim to fulfill their obligation to "assist in meeting the attack in the exercise of the inherent right of individual or collective self-defense recognized by Article 51 of the Charter of the United Nations." Furthermore, the Organ of Consultation, consisting of the Foreign Ministers of the States party to the treaty, is to meet immediately to examine the measures which have already been taken and to agree upon collective measures to be taken.

To date, Nicaragua has not yet undertaken a direct, armed attack on any of its neighbors although the capacity and opportunity to do so are certainly obvious. Were it to engage in such an action, however, any State which is the victim of that attack could call on other parties to the treaty, including the United States, to respond to that action and the Organ of Consultation could be convened immediately to determine what collective measures would be taken. Short of a direct armed attack, however, provisions in both the Rio Treaty and OAS Charter recognize that there may be other forms of aggression which may violate the integrity of the territory or the sovereignty or political independence of another State and thus endanger the peace of this hemisphere. In such cases, article 6 of the Rio Treaty states that:

> . . . the Organ of Consultation shall meet immediately in order to agree on the measures which must be taken in case of aggression to assist the victim of the aggression or . . . the measures which should be taken for the common defense and for the maintenance of the peace and security of the Continent.

If two or more American States are engaged in conflict, the parties to the Rio Treaty are to call upon the countries involved to cease hostilities and restore matters to the status quo ante bellum. In addition, the parties to the Rio Treaty may take other measures necessary to reach a peaceful resolution of the dispute. Whether a state accepts such peaceful measures is critical in identifying who the aggressor is and in applying the agreed upon measures.

Article 8 of the Rio Treaty outlines the measures which the Organ of Consultation may decide to take under the treaty. Those actions include:

> . . . recall of chiefs of diplomatic missions; breaking of diplomatic relations; breaking of consular relations; partial or complete interruption of economic relations or of rail, sea, air, postal, telegraphic, telephonic, and radiotelegraphonic or radio telegraphic communications; and use of armed force.

If it is the informed judgment of the U.S. Government that the actions of the Nicaraguan Government pose a threat to the peace and security of this hemisphere and endanger the sovereignty and independence of neighboring states, we have a legal obligation to abide by our treaty commitments to take such matters before other parties to the OAS Charter and the 1947 Rio Treaty. The United States is not justified under any reasonable interpretation of contemporary international law to conduct a covert war to topple a government with which it maintains formal diplomatic relations. The principle of tit-for-tatism—that is, our illegal acts are justified by similar illegal acts of others—by which the administration is operating is neither good government nor a legally sanctioned rationalization for political behavior. In fact, article 14 of the OAS Charter explicitly warns against such behavior:

> The right of each State to protect itself and to live its own life does not authorize it to commit unjust acts against another State.

The policy of symmetry—tit-for-tatism—thus has the effect not only of lowering us into the gutter with our enemies but of driving a stake right into the heart of international law.

Article 60 of the Vienna Convention of the Law of Treaties has been cited by some as providing a legal remedy authorizing a tit-for-tat approach to international law. Yet clearly this extraordinary article was designed to be a shield and not a sword. To assert that a particular action brings forth the right of one or more other parties to suspend provisions of a treaty prejudges that a material breach of international law has occurred. Article 60 does not provide an excuse for the Commission of a mutual breach of international law or condone an action which would otherwise be in violation of any treaty. The so-called "wronged party" is still bound by its treaty commitments to other treaty parties as well as to the international community.

If, as publicly reported in recent days, the new legal rationale for U.S. involvement in Nicaragua is not merely to interdict arms but to pressure and disrupt that government, then in effect the United States is violating the same international legal principles that we assert we seek to uphold. Our attempt, directly or indirectly, to affect a change in the political elements within Nicaragua would be tantamount to an unlawful intervention in that nation. Two violations of law do not make a legal right.

We all recognize that in international politics there are often imperfect alternatives, involving "no win" options. This could not be truer of the situation with which we are confronted today. But the key issue before this body is not whether a particular policy is effective, which is in serious doubt, but whether this body will demand of the executive branch an accounting for its actions under the laws of the United States which it has a constitutional duty to faithfully execute. No branch of government is above the law.

Congress is faced today with difficult choices under difficult circumstances. However, it would appear wiser to err on the side of respect for the rule of law rather than on the side of those who may pay lipservice to democracy but whose actions demonstrate a willingness to flaunt the law and to finance anarchy in foreign countries. Congress simply should not give the administration license to compound errors already made.

In this regard, administration logic has an ominously familiar ring. A phenomenon which might be described as a "domino theory of decisionmaking" confronts us today as it did not long ago in another war half a world away. One bad decision has been followed by still others, leading this Nation down the long tunnel of a counterproductive foreign entanglement. Under Presidents Kennedy, Johnson, and Nixon, the commitment of a small number of troops in Vietnam and the failed policies which followed led progressively to the commitment of greater numbers of troops and still other policies which failed to progressively greater degrees. We have an opportunity today to insure against a repetition of that experience in Central America and to reverse the direction of U.S. policy in that region before it is too late.

Besides the legal consequences which follow from the administration's present policies, serious and far-reaching moral and practical consequences of our present course must be addressed.

No action by the U.S. Government could more effectively undercut the moral imprimatur upon which our policies against the guerrillas in El Salvador are based than our support for the Nicaraguan contras. Whereas in El Salvador the United States stands four-squarely against those who would shoot their way into power, in Nicaragua we stand four-squarely on the side of such forces and are ourselves the financiers of increasingly bloody anarchy.

As a visitor to the Nicaraguan border last January, I can attest to the effect which the paramilitary operations are having on innocent civilians, victimized by the violence spawned by the military mobilization of the contras. Priests in the region tell visitors of the kidnappings and frequent killings. The inescapable and ugly reality is that the poverty-stricken masses of rural Nicaragua are being treated as pawns in an East-West conflict they hardly understand. If, as the administration argues, it is not supporting the violent overthrow of the Sandinista Government, one can only conclude that much of the violence this Congress is financing is violence without a purpose. The United States has become a rebel without a cause.

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Practical considerations of national self-interest also argue against continued U.S. support for the Contras in their secret war. It is difficult to comprehend what practical benefit the administration believes it will gain by identifying with ex-somocistas who just 4 short years ago lost a massively popular revolution. It is not difficult to anticipate, however, the likely price the United States will pay in the future for such an association with allies of a despised dictator. The energies of nationalism, which too many confuse with the zeal of Marxism, are easily mobilized to the advantage by the Sandinista regime. Portraying the insurgents as agents of Yankee imperialism serves to consolidate the undeserved and unwarranted power of a few.

The history of the 20th century demonstrates that resorting to military means can neither resolve deep-seated economic and social problems nor serve long-term U.S. interests. The historical analogies offered by the sorry debacle at the Bay of Pigs in 1961 and the CIA overthrow of the Arbenz regime in Guatemala in 1954 indicate both the likelihood of failure as well as the long-term counterproductive effects of any short-term "successes". The era of great power interventionism in Central America policy has been eclipsed on the clock of history. Viable and deeply rooted indigenous democratic institutions cannot be easily built by outside military intervention.

The administration by its present policies is tempting fate in another exceedingly dangerous way. The prospects for igniting a full-scale war between Nicaragua and Honduras have been heightened by the covert war and threaten to result in an escalation of hostilities which could engulf the entire region. It takes little imagination to anticipate what the U.S. role in such a conflict might be.

There is little disagreement between those who support and those who oppose the administration's policies on covert action on the issue of Nicaragua's threat to the security and political stability of the region. The facts are plain for all to see. However, there is profound division on the question as to the appropriate policy to address that threat. The administration has been mistaken to infer from the existence of the threat that is alone is obligated to act on a unilateral basis with military muscle. Every threat we believe the U.S. confronts in Central America is faced a hundredfold by Nicaragua's more immediate neighbors. It is imperative that we yield to them for leadership in responding appropriately and in proportion to the threats posed by Nicaragua and Cuba. U.S. respect for international law and institutions as well as support for informal multilateral diplomatic efforts now underway, such as that of the Contadora group, are essential and more consistent with the democratic principles and practices of the United States than secret wars and gunboat diplomacy.

There is an important and ultimate difference between our democratic way of life and institutions and those by which Marxist regimes live. Covert action designed to overthrow a government which we formally recognize is, both in practice and principle, an offense against United States and international law and an affront to the sovereignty and identity of our Latin American neighbors. It must be stopped now.

Mr. YOUNG of Florida. Mr. Chairman, will the gentleman yield?

Mr. LEACH of Iowa. I yield to the gentleman.

Mr. YOUNG of Florida. I thank the gentleman for yielding.

I hope the gentleman was present in the secret session last week when I think we established beyond any question that the Boland amendment has not been violated, at least what the Intelligence Committee that has jurisdiction intended for the Boland amendment to mean.

For us to come in and say that the Boland amendment has been violated totally ignores the facts that were presented in the secret session on last Tuesday.

Mr. LEACH of Iowa. Let me respond to the gentleman. It is a little unfair to say that there is pertinent secret knowledge on this subject that is available only to members.

The gentleman from Massachusetts (Mr. BOLAND) has said in this body today that our actions have strayed beyond the scope of his amendment. The report of the Committee on Intelligence says the same thing. Let me just ask for a commonsense reading of words. The Boland amendment enjoins the Central Intelligence Agency and the Department of Defense from furnishing military assistance or groups "for the purpose of overthrowing the government of Nicaragua or provoking a military exchange between Nicaragua and Honduras."

What is happening today? Precisely that. For those who would argue that we are not violating law even though we are supporting people who are seeking to overthrow the Government of Nicaragua despite our intent to the contrary, are advancing the kind of sophistry that would allow one to believe in the tooth fairy.

The fact of the matter is this is straight forward English. Mr. BOLAND says the law has been stretched; the committee report says the law has been stretched; I did not hear anything in that secret session, and I listened to the gentleman, and I listened to the entire debate, that led me to any other conclusion.

So, let us not pretend to the American people that something secretly was provided this body that gives a different judgment than that which the committee report and the gentleman from Massachusetts (Mr. BOLAND) himself has indicated.

Mr. YOUNG of Florida. Mr. Chairman, will the gentleman yield?

Mr. LEACH of Iowa. I yield to the gentleman from Florida, again, who raised this issue.

Mr. YOUNG of Florida. I thank the gentleman.

I would suggest to the gentleman maybe he did not listen quite as closely as he should have to what we discussed in the secret session, because what we discussed there dealt with specific questions by a member of that committee to other Members and members of the staff asking what were the parameters, could a certain type of activity be entered into? Could it be done in this particular location or some other location? And the answers were very positive as to what the Intelligence Committee intended for the CIA to be able to do under the provisions of the Boland amendment.

The CHAIRMAN. The time of the gentleman has expired.

(On request of Mr. BOLAND and by unanimous consent, Mr. LEACH of Iowa was allowed to proceed for 5 additional minutes.)

Mr. BOLAND. Will the gentleman yield further?

Mr. LEACH of Iowa. I would be delighted to yield to the gentleman.

Mr. BOLAND. First of all, I want to compliment the gentleman on his statement. It is as good a one as will be made on this particular bill. Much has been said about whether or not this has been a legal or an illegal operation. And the gentleman did quote to the secret session from the transcript, from the record. No one disputes what he said during the secret session. I do not dispute. They were questions asked of the general counsel which we agreed on what a paramilitary mission could accomplish. But the bottom line was that there would be no effort to overthrow the Nicaraguan Government, the bottom line was that all of the activities, the paramilitary activities were to be used for the purpose of interdicting the flow of arms into Nicaragua. The record is clear on that, absolutely clear. And the December 2 finding was a finding which made it a paramilitary operation, which consisted of just a few hundred paramilitary insurgents. That, of course now has developed into thousands, thousands, with the result that if you look at the Boland amendment and the way in which the insurgency is being carried out, one with any sense, any legal sense, would have to come to the conclusion that the operation is illegal, that the purpose and the mission of the operation was to overthrow the government in Nicaragua. And that does not come only from the mouth of the chairman of this committee, but that also comes from the mouth of

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those who are the insurgents in Nicaragua, those who are leading the FDN, some of the Somozista National Guard who are the leaders of the FDN, leading thousands into Nicaragua, not for the purpose of interdicting arms as Enrique Bermudes says but for the purpose of overthrowing the Government of Nicaragua; that is their primary purpose, the record shows it. If that is not a violation of the Boland amendment, I do not know what is.

Mr. LEACH of Iowa. Let me stress for the record that this is Mr. BOLAND who just spoke.

Mr. MARTIN of North Carolina. This gentleman over here?

Mr. LEACH of Iowa. Yes.

Mr. WOLPE. Mr. Chairman, will the gentleman yield to me?

Mr. MARTIN of North Carolina. Mr. Chairman, will the gentleman yield?

Mr. LEACH of Iowa. I yield first to the gentleman from Michigan.

Mr. WOLPE. I thank my colleague for yielding.

I want to join in the commendation Mr. BOLAND made just now of the gentleman in the well. That was a courageous statement, particularly courageous I submit because it comes from a Member on the Republican side of the aisle.

□ 1600

And I say that because I recall under a previous adminstration, being on the Democratic side of the aisle, a number of different times opposing a Democratic President, how difficult that was under those circumstances. How much more difficult it must be at this point in time given the gentleman from Iowa's role in the Republican Party and with respect to this particular President.

I hope that what the gentleman has done today can become an inspiration for other members of the gentleman's caucus, and for people on my side of the aisle as well, to honor their institutional responsibility. That, I take it, to be one of the central thrusts of the gentleman's remarks.

If we go back to the history of Vietnam, it was not a very happy period in American history from the standpoint of the constitutional responsibilities of the Members of the Congress. And it was subsequent belated congressional recognition of the failure of Congress to implement its responsibilities that led to the War Powers Act, a belated recognition that the Congress had allowed the executive branch to go its own way and that the Congress had essentially foregone the assertion of its constitutional prerogatives.

That same issue is before us today because, as the gentleman in the well has so eloquently pointed out, this body acted on a unanimous basis in approving the Boland amendment and thereby made a very clear statement of what the law and the policy of this Government is. There cannot be any doubt whatsoever that this administration is acting in a way that is contrary to that statutory mandate and that is illegal. I just hope that as we approach the decision that is down the road, we will not only take into account the absolute madness—from the standpoint of the protection of American interests in that region—that is involved in the administration's initiative, but also the important institutional and constitutional questions that have been raised by the manner in which the administration has proceeded.

Mr. MARTIN of North Carolina. Mr. Chairman, will the gentleman yield?

Mr. LEACH of Iowa. I yield to the gentleman from North Carolina.

Mr. MARTIN of North Carolina. I thank the gentleman for yielding.

It is one thing for the gentleman to claim and for the chairman of the committee, the author of the Boland amendment, to say that there is a violation. One could just as readily say that red is green or the reverse. It is another thing to present evidence.

Now we had a secret meeting of the House of Representatives in which there was an opportunity to present evidence. Why did someone not present it? Why did someone not refute what the gentleman from Florida presented to us at that time which indicated that all that had happened was along the lines of what had been indicated by the committee staff. Why was there not some refutation of that? Now at this point they are coming in and saying that we are at fault or that the administration's policy is at fault because instead of just a few hundred people being opposed——

The CHAIRMAN. The time of the gentleman from Iowa (Mr. LEACH) has expired.

(By unanimous consent, Mr. LEACH of Iowa was allowed to proceed for 3 additional minutes.)

Mr. MARTIN of North Carolina. If the gentleman will continue to yield, now we are being faulted because there are more than just a few hundred people in Nicaragua who reject the debauchment of their revolution by the Sandinistas. There are thousands and thousands, as the gentleman from Massachusetts has said, who are opposed to the Sandinista revolution now because some of those believe they can overthrow it, which clearly thousands and thousands cannot overthrow tens of thousands and tens of thousands, but because some of them believe it, therefore, we are supposed to abandon them.

We have heard before in this well that we cannot expect a military solution, but I say to my colleagues again, we are going to get a military solution in Central America, because if and when we turn our backs on the people of that region, if and when we say we are no longer going to provide weapons and ammunition in an effective way, if and when we say we are going to give Honduras and Costa Rica—who do not want to carry the ball by themselves—less than one-tenth of what the Soviet Union is giving to Nicaragua to spread this revolution without boundaries, once we make that decision and turn our backs on it and walk away and watch what happens, there will be a military solution and it will be a military solution where the Communists, one by one, will take over each government there in turn.

Mr. BOLAND. Mr. Chairman, will the gentleman yield?

Mr. LEACH of Iowa. I yield to the gentleman from Massachusetts.

Mr. BOLAND. I thank the gentleman for yielding.

The gentleman from North Carolina asked the question, why did someone not respond to my distinguished friend—and he is my good friend, too, from Florida and a very worthwhile Member of this Congress and a very valuable member of the Committee on Intelligence, no doubt about it, as are all the Members on that side—just let me say that we did not have to respond because what he said was true. I had no objection to the questions that were asked by the gentleman from Florida (Mr. Young) to the general counsel, the particular questions that were answered. And what constituted the interdiction of arms. The kinds of operations one might use to interdict arms. I had no objection to that. And the responses were free and honest responses. But there was never any response to the fact that this would permit the overthrowing of the Government of Nicaragua. Not here, not in this. We had no objection to what the paramilitary operation tended to do in the interdiction of arms. And how do you interdict arms? By finding munitions caches, by blowing up bridges, by interdicting roads where the arms might very well travel. But the bottom line is, let me say to the gentleman from North Carolina, and others, the bottom line is that there has been no evidence, no evidence, of the interdiction of arms into El Salvador. We never got that figure, could not get a figure from the intelligence community. And the record will show that.

The CHAIRMAN. The time of the gentleman from Iowa (Mr. Leach) has again expired.

(At the request of Mr. Bedell and by unanimous consent, Mr. Leach of Iowa was allowed to proceed for 2 additional minutes.)

Mr. BEDELL. Mr. Chairman, will the gentleman yield?

Mr. LEACH of Iowa. I yield to the gentleman from Iowa.

Mr. BEDELL. I thank the gentleman for yielding.

Mr. Chairman, I rise to commend my colleague from Iowa. I think that he has demonstrated, at least to many of us, that we do not have to be partisan in this issue.

I happen to agree that we are violating the law in this, but I do not think that is the real issue. I think the issue

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we have to ask ourselves is what we are doing at this time in Nicaragua in our national interests. I would ask my colleagues one question: What did the Japanese attack on Pearl Harbor do to the citizenry of this Nation? I would say that it united us in support of our Government more than any action that could have possibly been taken.

If we want to unite the people of Nicaragua in support of the Sandinista government, surely we would be hard pressed to find any possible way we could do it any more effectively than what we are doing. And certainly my trip down there, where I had a chance to talk to the people themselves, showed very clearly, as they said to us: "Look, if you want to get to Managua, you are going to have to come through Esteli, and we are going to be there with guns to try to stop you."

That is their attitude. All we are doing is pushing them into the hands of their Government further, we are pushing their Government further toward the Soviet bloc countries, and I cannot commend my colleague enough for having the courage to stand up and speak out on this issue.

Mr. LEACH of Iowa. I appreciate the comments of my colleague from Iowa.

Mr. Chairman, I would simply conclude with the observation to my own party, as Republicans, as conservatives, as constitutionalists, we are the party that should be concerned most of all about the rule of law. Let us make a stand.

The comment was made: was there proof given in the secret session that we did not violate the rule of law? Nothing in the secret session went against the committee report that says we have. Nothing in the secret session was directed in opposition to the committee chairman when he took the same position as he took on the House floor today.

The fact of the matter is we are stretching thin the rule of law that distinguishes the Western tradition. The fact is we Republicans ought to be the first in this body to say, let us not have too much authority in the Executive, let us stand for democracy, bi-cameral, and bi-institutional cooperation as well as bi-partisanship.

Mr. Chairman, I yield back the balance of my time.

Mr. ROBINSON. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in strong support of the amendment that has been presented to us as one of the sponsors of it. The chronology of its development has been laid out for the Members. A lot of work has gone into it from both sides of the aisle, a number of meetings as was stated, both at the White House and up here on the Hill. Many of the problems that existed at the outset were ironed out in terms of changes in language, both for Republicans, for Democrats, for administration people, for CIA, for everybody else.

□ 1610

So it is something of a consensus that has been refined to a degree that nothing else has been with which I am familiar.

For example, the matter has been discussed as to the reasoning regarding the use of the Governments in the region of Nicaragua as being those that would be the moderators with respect to any agreement that is reached.

And yet the point is made that the United States does not have a proper play in that, does not play a proper part in it with regard to participating.

We do not want to play a part in it, particularly in that respect, because as soon as we begin to play a part, then it will be claimed that we are the big boys in the game and everything depends upon what we say and the other participants do not amount to anything. So it was decided that it should be done by the people in that region and that the United States would not be a participant.

It does not require a Presidential finding in order to implement the cessation of covert action. We did not leave it at the feet of the administration in drawing the amendment. We decided it could be done without the President's approval, if necessary, and so the President, the administration, does not participate in it. And it makes it something that is decided in the area; it is a multilateral decision among those people who are most definitely affected.

And then, finally, it includes the bipartisan Commission that is now in place appointed by the President and which, at the time it was suggested, was nothing but a gleam in someone's eye. This group that is responsible for developing this amendment is the one that came up with the idea for that Commission. That did not come out of the administration. It came out of this group and was picked up and implemented by the President in advance of the time that we brought this bill to the floor.

But a big question that has just been developed here with regard to the colloquy that just took place has to do with whether or not there has been a violation of the Boland amendment. And the chairman, the gentleman who I have worked with so hard since the time that the committee was established, just a few minutes ago said anybody with any sense knows that the law has been violated with respect to the Boland amendment.

Well, Mr. Chairman, you have got to put me in the category of one who has no sense. I sat through every bit of the development of the Boland amendment; I heard what went on with regard to the understanding that existed when we brought it to the floor; then I got up down here and I spoke for it, because I did understand what the Boland amendment meant, I thought. And I was shocked at the developments that have taken place that have led to the situation where we now sit.

I have no doubt, Mr. Chairman, that being the ranking Republican on that committee I took some of those 411 votes with me. I argued some of my colleagues into going along at that time because I though I understood it, and I still think I understand it, and I do not believe that the Boland amendment has been violated by this administration based on that understanding.

As the gentleman from Florida has said repeatedly, the understanding that we had with regard to bringing the Boland amendment to the floor had a great deal more to it than just arms interdiction, and we understood that. It was not a simple arms-interdiction matter. And maybe it did not appear so plainly in the written amendment itself, but it was legislative history, nonetheless, that the understanding existed.

The CHAIRMAN. The time of the gentleman from Virginia (Mr. ROBINSON) has expired.

(On request of Mr. HYDE and by unanimous constent, Mr. ROBINSON was allowed to proceed for 2 additional minutes.)

Mr. ROBINSON. I thank the gentleman.

Mr. Chairman, I want to say that as one who stood here defending the Boland amendment, arguing my colleagues on the Republican side to vote for it, that I made a mistake in so doing. It is probably the biggest mistake I have made since I have been in Congress, and I regret it very much.

Mr. MONTGOMERY. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. YOUNG of Florida. Mr. Chairman, I would like to renew my unanimous-consent request that the gentleman from Mississippi (Mr. MONTGOMERY) have 2 additional minutes and, hopefully, he will yield to the gentleman from New York (Mr. SOLARZ) for whom I agreed to ask time before.

Mr. MONTGOMERY. Mr. Chairman, I will advise the gentleman that I will yield for an additional 2 minutes. I will take less than 3 minutes, so I will yield during the rest of my time to the gentleman.

The CHAIRMAN. The Chair recognizes the gentleman from Mississippi (Mr. MONTGOMERGY).

Mr. MONTGOMERY. Mr. Chairman, I rise in support of this amendment. I am one of the sponsors of the amendment. Certainly it is a compromise to try to get the different Members together who have different philosophies on how we should handle ourselves on covert and overt operations in Central America.

I am supportive of the compromise.

[CRS-94]

Quite frankly, I am concerned, though, that we should not be meddling in the affairs of the President of the United States when it comes to covert or intelligence-gathering sources, as far as Central America or even other countries around the world. We just should not be taking the lead in something like this. I am very concerned, but I am willing to support the compromise.

Mr. YOUNG of Florida. Mr. Chairman, will the gentleman yield?

Mr. MONTGOMERY. I yield to the gentleman from Florida.

Mr. YOUNG of Florida. I appreciate the position the gentleman takes, and I would like to say to him that this language was agreed to by those representatives of the administration who attended the working sessions where this language was drafted.

I might even admit that this language might be a little bulky here and there, but this was language that was drafted in repeated meetings with those administration representatives empowered to speak for the White House. Mr. MCCURDY said that he was there, Mr. ZABLOCKI was there, Mr. JIM WRIGHT was there, a lot of Members were involved in the drafting of this language, and the administration did agree to that language. So I wanted my friend to know that.

Mr. MONTGOMERY. I am glad to know that. I am not talking about this administration or whatever administration or whatever party it is. I just feel like the Congress cannot get that involved in covert operations for any President.

I would like to say that I also endorse the bipartisan commission that is in the amendment.

Let me close by saying that some of my colleagues are concerned that this could turn into another Vietnam. I think we can learn a lesson from Vietnam, and no reason for this show of force should cause us to put forces in that part of the world. In Vietnam the Americans took over the war. We actually were running the war. The Vietnamese stepped back. They let us take the lead. After we left—and we did leave, we were not run out of Vietnam—then the Vietnamese did not have the will to take over. We do not want that to happen in Central America, and we do not need to get Americans on the ground. It should be up to the Salvadorans and those other countries that have a democracy down there for them to make it on their own. So I do not think you can compare Vietnam with El Salvador, with Nicaragua. We learned our lesson in Vietnam. You do not need to put forces on the ground. You need to help those people. And if they do not have the desire, there is nothing else we can do about it.

I hope the Members will support the amendment.

Mr. HYDE. Mr. Chairman, I move to strike the requisite number of words.

(By unanimous consent, Mr. HYDE was allowed to proceed for 2 additional minutes.)

The CHAIRMAN. The gentleman from Illinois (Mr. HYDE) is recognized for 7 minutes.

Mr. SOLARZ. Mr. Chairman, will the gentleman yield?

Mr. HYDE. I yield to the gentleman from New York.

Mr. SOLARZ. I thank my very good friend, the gentleman from Illinois, for yielding.

Mr. Chairman, I simply wanted to make the point that there appear to be many Members who are attracted to the notion of symmetry, who believe that, unless the Nicaraguans are prepared to cut out their campaign of subversion against the Salvadorans, we should not cut out our campaign of subversion against them.

□ 1620

What I want to say to those Members who feel that way is that whatever the attractions of symmetry may be, this amendment is not a symmetrical amendment because this amendment does not say if the Nicaraguans stop what they are doing elsewhere in Central America we will stop what we are doing in Nicaragua.

What this amendment says is that unless every government in Central America enters into an agreement with Nicaragua, then we do not stop what we are doing vis-a-vis Nicaragua. There may be governments in Central America, indeed there are governments in Central America, that would probably like us to continue a campaign of subversion against Nicaragua, even if Nicaragua was no longer engaged in a campaign of subversion against them.

As a consequence, if this amendment is adopted, we have not adopted a tit-for-tat amendment; we have adopted an amendment in which the control of American foreign policy is given over to the heads of other governments in Central America who, for their own reasons having nothing whatsoever to do with whether or not Nicaragua is conducting a campaign of subversion against them, may refuse to enter into an agreement with Nicaragua which, under the terms of the amendment, is the condition for terminating our paramilitary assistance campaign against the Government of Nicaragua.

Last, let me just say that the amendment is not symmetrical in another fashion. Under the Young amendment, the Government of Nicaragua is obligated to promise not to subvert any other regime in Central America. But none of the other governments in Central America are obligated not to subvert Nicaragua.

Mr. HYDE. Mr. Chairman, I want to say at the outset that I am delighted, and I mean that very sincerely, that the concept of symmetry is beginning to have some attractiveness on the other side, because I think that is the answer to our dilemma.

I will concede that the gentleman from New York (Mr. SOLARZ) has a point when he discusses the clumsiness, the lack of precision, in the Young amendment; but I hasten to add that the original Young amendment had all of the virtues that Mr. SOLARZ has praised, and that this product is a product of a committee which included some people on the gentleman's side who have now decided to abandon it.

So I intend to support the Young amendment as it is, for symbolic reasons perhaps, but I do welcome initiatives based on the principle of symmetry, which I think is the key to this problem.

Mr. Chairman, let me say that I have been a lawyer for 33 years, and I know enough about my profession to know that as many lawyers as you have, you get as many different opinions on what the law is. If it were so clear and concise, we would need a lot fewer judges and a lot less law libraries.

But with that background, it is my opinion that what is happening in Nicaragua in terms of covert aid is not in violation either of the Boland amendment or of the U.N. Charter, or of the Organization of American States Charter, or of the Rio Pact.

I cite article 51 of the U.N. Charter, which is similar to article 3 of the Rio Treaty and article 21 of the OAS Charter, which provides for self-defense. There is no law in the world that is legal in the sense that it is moral or enforcable or honorable that denies a sovereign country the right of self-defense.

So the next question is: Is covert activity within the borders of Nicaragua a legitimate act of self-defense on the part of El Salvador, and I suggest that it is, and I suggest that Nicaragua has lost any standing to claim that her territory is being violated by the United States in support of covert aid in conformity with the U.N. Charter, the Rio Pact, or the OAS Charter.

Mr. LEACH of Iowa. Mr. Chairman, will the gentleman yield?

Mr. HYDE. Of course I yield to my good friend, the gentleman from Iowa.

Mr. LEACH of Iowa. I thank the gentleman for yielding.

Mr. Chairman, I think it important to read some of this language. Article 51 of the U.N. Charter stipulates:

> Nothing in the present Charter shall impair the inherent right of individual or collective self-defense . . .

Then it goes on to state, which many fail to cite, "* * * until the Security Council has taken measures necessary to maintain international peace and security." It goes on to mandate:

> Measures taken by members in exercise of this right of self-defense shall be immediately reported to the Security Council . . .

[CRS-95]

If, as the gentleman argues, the covert operations against Nicaragua are legal under this article, then the remaining obligations under the article ought to be honored. Ironically, the United States of America has failed to go to the Security Council.

Mr. HYDE. I take it the gentleman is no longer reading.

Mr. LEACH of Iowa. I am no longer reading.

The United States has not gone to the Security Council. The only party that is asking to go the Security Council happens to be, and I am not a defender of this government—it is a repressive government—is the Government of Nicaragua.

If we are going to argue that we have rights under the U.N. Charter, under article 51, then we must also stipulate that we will honor the full obligations in that particular article. We have not gone to the Security Council. Neither have we under the OAS Charter, called as required a meeting of the Foreign Ministers of the countries involved.

Mr. HYDE. I am going to have to recapture my time. I appreciate what the gentleman is saying. The fact is, self-defense is a fundamental right of any individual or any collective, and it is in the exercise of self-defense for El Salvador that covert aid is being given to covert forces within the boundaries of Nicaragua.

The CHAIRMAN. The time of the gentleman from Illinois (Mr. HYDE) has expired.

(By unanimous consent, Mr. HYDE was allowed to proceed for 3 additional minutes.)

Mr. HYDE. Now, I would also like to talk about the Boland amendment. The Boland amendment, which Mr. ROBINSON feels misled about, and I can understand why. If Members read it, it forbids the use of these funds to be expended for the purpose of overthrowing the Government of Nicaragua.

I suggest the Contras in Nicaragua in no way can overthrow 25,000 regular army, 50,000 ready reserves, and a militia approaching 100,000. I suggest that Eden Pastora and his few little people, the FMN and their few little people, and the Miskito Indians, fighting with sticks and stones, are not going to overthrow the heavy artillery and the tanks of the largest standing army in Central America. So they may want to do it, but it is not going to happen. They do not have the personnel, nor the resources, nor the training, and we are supporting them like we were Patagonia or Lichtenstein, not the leader of the free world. We do not have the will or the resources or the brains to do it.

Now, the purpose of the Contras is to interdict arms, and we have said it has not worked. There are photographs over there, under Mr. Lafayette, an interesting juxtaposition, if you will look at them, that show it is working, that show the arms getting through are no longer truckloads full but automobiles full.

In addition, you never know how many arms were not shipped because of the deterrent factor of these contras, of the interdiction, the covert forces within Nicaragua. Deterrence is not measurable. They say capital punishment does not deter murder. How many murders were not committed because of fear of capital punishment? We do not know.

The law is not being broken, and the Contras are bringing pressure to bear on the government. They have to look over their shoulders as well as look forward to El Salvador.

Lastly, the remarks that we do not support Democrats and democracy in Central America is absolutely false. We have supported Mexico, we continue to support Mexico, Costa Rica, Honduras, Jamaica, El Salvador, the World Bank, the Inter-American Development Fund, the Caribbean Initiative. Not enough, but we have supported those democracies and freedom down there for economic reasons and we continue to do so.

Mr. FOWLER. Mr. Chairman, will the gentleman yield?

Mr. HYDE. I will yield once more to my friend, the gentleman from Georgia.

The CHAIRMAN. The time of the gentleman from Illinois (Mr. HYDE) has again expired.

(On request of Mr. FOWLER and by unanimous consent, Mr. HYDE was allowed to proceed for 2 additional minutes.)

Mr. FOWLER. I thank the gentleman, for whom I have the greatest respect, but I say to the gentleman, with great respect, that the gentleman does a disservice, I believe to himself and to this body, when he makes some of the statements that he just made.

I know for a fact that the gentleman was here during the majority of the time, as we all were, for the secret session and heard the classified material to which the gentleman has been privy on the Committee on Foreign Affairs. He knows that our involvement and our army of these mercenaries in Nicaragua far exceeds the "sticks and stones" that the gentleman just described.

□ 1630

Mr. HYDE. Mr. Chairman, I was talking about the Miskito Indians. I am talking about the aid we are giving to those few Miskito Indians up in the north who are fighting to avoid genocide.

Mr. FOWLER. Mr. Chairman, if the gentleman will again allow me to speak, may I say this?

Mr. HYDE. I yield to the gentleman from Georgia.

Mr. FOWLER. Those Miskito Indians are also a part of the interdiction force that the United States has. They are much more than a few, as the gentleman knows. They are much more than a hundred, as the gentleman knows. They are more than a thousand.

Mr. HYDE. I did not say, a hundred. And I find it hard to call people who live in a country intervenors. I would like to think of them as a people trying to recapture their own country and their own revolution from the Marxist, intellectual, ideological intervenors.

Mr. FOWLER. I appreciate the rhetorical flourishes of the gentleman.

Mr. HYDE. Well, just a minute.

Mr. FOWLER. I say that with great respect.

Mr. HYDE. Does the gentleman mind if I recapture my time?

The CHAIRMAN. The gentleman from Illinois (Mr. HYDE) has the time.

Mr. HYDE. Mr. Chairman, the gentleman has accused me of disserving himself, which is no great loss, and disserving this House, which is, and I am waiting to hear the gentleman tell me why.

Mr. FOWLER. Well, I would if the gentleman would yield and give me the same privilege.

Mr. HYDE. Go right ahead. I yield to the gentleman from Georgia.

Mr. FOWLER. The gentleman knows that there was no indigenous uprising of Nicaraguans against the Sandinista government before the United States decided to finance such an uprising.

Mr. HYDE. The gentleman does not know that.

The CHAIRMAN. The time of the gentleman from Illinois (Mr. HYDE) has again expired.

Mr. KOSTMAYER. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, I would like to make just four brief points.

I think that in the discussion of symmetry we are in danger of losing the central focus of the debate, which is whether this aid ought to be covert or overt. The gentleman from Illinois pointed to the photographs which are here in the Chamber and said that the interdiction of weapons coming into El Salvador is a success.

We are in favor of interdicting those weapons. We are in favor of spending $80 million to friendly countries to help them interdict those weapons. So that is not the issue here today. There is not one side which is in favor of stopping the flow of weapons into El Salvador and another side which is disagreeing with that. So that is not the issue here. We are talking about whether or not the aid should be covert or overt.

Second, what we do by this amendment, I think, is to make American foreign policy contingent on third parties, on the leaders of Central America. We are putting Nicaragua in the driver's seat. What if people come to power in Nicaragua who are even worse than the people who are there now? And I have no sympathy with the Sandinista government. What if they deliberately do not want the settlement to occur? Is it not possible that the leaders of Nicaragua and other countries could deliberately see that this process does not work?

[CRS-96]

I do not think we should hold American foreign policy hostage to the leaders of Nicaragua. During the discussion in the Committee on Foreign Affairs, on which I serve, we talked about making aid to the Government of El Salvador contingent on requiring that Government to negotiate with the guerrillas. And the gentleman from Illinois said at the time, and I think quite correctly, "We can't do that. What if the guerrillas refuse to negotiate? Then we will end up cutting off aid to the Government of El Salvador which wants to negotiate because the guerrillas don't want to negotiate."

That is what we are doing here. What if the Nicaraguans and others in Central America do not want this to work? Again we are making American foreign policy contingent not on what we want but on what they want, and I think that is a mistake.

Third, if this amendment is adopted, we are giving to the Reagan administration a blank check to do virtually anything they want to do in Central America.

Fourth, the President has the power now to stop our military activity there if they stop theirs. We do not need to pass this amendment to give the President the power to do that. He can do that anyway. The President now enjoys the option to do precisely what this amendment allows him to do. We do not need to pass a bill or an amendment to do that.

The purpose of this amendment is not to stop the flow of arms into El Salvador. The purpose of this amendment is not to stop American involvement in Central America. The purpose of this amendment is to provide an excuse to continue covert aid in Central America, and that is the issue—covert or overt.

Mr. RITTER. Mr. Chairman, will the gentleman yield to his colleague from Pennsylvania for a quick question?

Mr. KOSTMAYER. I yield to the gentleman from Pennsylvania.

Mr. RITTER. Mr. Chairman, I would like to ask the gentleman whether or not he would agree to make the aid which is covert to those fighting inside Nicaragua overt?

Mr. KOSTMAYER. Mr. Chairman, the purpose of the Boland-Zablocki bill, as perhaps the gentleman may not know, is to provide $80 million over a period of time to give overt rather than covert aid.

Mr. RITTER. I understand that, but let me say this, if the gentleman will yield further.

Mr. KOSTMAYER. Of course, I yield to the gentleman from Pennsylvania.

Mr. RITTER. That aid goes to friendly countries in the region; is that true?

Mr. KOSTMAYER. That is correct.

Mr. RITTER. And it is overt to those countries who really do not want any part of this operation.

Mr. KOSTMAYER. Then that should be their option, and I think that is really what the legislation says. I think they should be in the position, as should we, of making that choice.

This legislation provides $80 million to interdict weapons. The gentleman from Illinois pointed to the photograph and said the interdiction of weapons is working. We are not opposed to the interdiction of weapons. We do not want to see weapons going from Nicaragua and Cuba into El Salvador. All we are saying is that we should do it openly, do it publicly, and above board.

Mr. RITTER. Mr. Chairman, would the gentleman support open assistance to those who are called by some freedom fighters fighting inside of Nicaragua? Would the gentleman support that kind of assistance?

Mr. KOSTMAYER. No, I would not, not if the purpose is to provide them with the power to overthrow governments. That is not appropriate. That operates outside of international law, outside of congressional law, and outside of American law.

Mr. RITTER. Does the gentleman accept the validity and the credibility of the Government of Nicaragua?

Mr. KOSTMAYER. I do not know whether the government is legitimate. There has never been an election. It seems to me it is as legitimate as the government which preceded it and which we supported.

Mr. RITTER. Then the gentleman feels that this government might well not be legitimate?

The CHAIRMAN. The time of the gentleman from Pennsylvania (Mr. KOSTMAYER) has expired.

Mr. SILJANDER. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, the gentleman from Illinois read some provisions of the U.N. Charter, article 51, except the problem is that the full article was not read. It does say this:

> Measures taken by Members in the exercise of this right of self-defense shall be immediately reported to the Security Council . . .

But then it goes on to say that these "shall not in any way affect the authority and responsibility of the Security Council under the present charter to take at any time such action as it deems necessary in order to maintain or restore international peace and security."

May I remind the Members of the House that article 3 of the Rio Pact says, and I quote:

> The High Contracting Parties agree that an armed attack by any State against an American State shall be considered as an attack against all the American States . . .

The OAS Charter, in article 21, says, and I quote:

> The American States bind themselves in their international relations not to have recourse to the use of force, except in the case of self-defense in accordance with existing treaties or in fulfillment thereof.

Mr. HYDE. Mr. Chairman, will the gentleman yield?

Mr. SILJANDER. I am happy to yield to the gentleman from Illinois.

Mr. HYDE. Mr. Chairman, what the gentleman is saying is that by reading the entire text of those documents and the fundamental charters, the right of self-defense does exist, and it is legal, and El Salvador is entitled to exercise that right of self-defense, and the United States, as an ally of El Salvador, is entitled to exercise that right of self-defense?

Mr. SILJANDER. Mr. Chairman, if the gentleman will allow me to answer, the way I read all of these charters that we have agreed to, that we as a country have committed ourselves to with other nations, we have a responsibility to assure that those nations and other nations fighting for their freedom against outside aggressors, such as 7,000 Cuban troops, over 2,000 other types of Soviet troops, and over 1,000 PLO-Libyan troops, as freedom fighters, do have the responsibility, and we have the responsibility to give them the opportunity to fight for their own freedom. That is the way I read it.

Mr. HYDE. Mr. Chairman, will the gentleman yield?

Mr. SILJANDER. I yield to the gentleman from Illinois.

Mr. HYDE. In other words, what the gentleman is saying is that those people who claim that aiding the covert forces within Nicaragua to recover their own revolution and who claim that is illegal are not taking into consideration the text of the U.N. Charter, the OAS Charter, and the Rio Pact?

Mr. SILJANDER. Mr. Chairman, if the gentleman will allow me to regain my time, the exact point is clear. We have heard on this floor time and time again that what we are doing is blatantly illegal.

☐ 1640

I am submitting that what they are trying to do by the Boland-Zablocki amendment is blatantly illegal and it is immoral, attempting to tell people fighting for their own freedom that they do not have the right to do so and we according to these charters have an obligation to assist those to fight for their own freedom.

If I may go on further, the gentleman from Georgia talked about and referred to the Miskito Indians as being part of the insurgency that are there to destroy and disrupt the government. What about the Kupra

[CRS-97]

Camp, a detention camp where 12,000 men, women, and children and old people are detained? Are they also insurgents?

The point I am trying to make here, we are accusing the Miskito Indians as being a major portion of the insurgence; therefore, a concern for human rights violations of the Miskito Indians is no longer in order. I consider that hogwash.

I mentioned the Kupra Camp that is detaining 12,000 men, women, and children.

Another camp built for 4 or 5 hundred detainees is encompassing now 25,000 Miskito Indians. The population of the Miskito Indians in Nicaragua was 200,000 men, women, and children. There are an estimated 45,000 still left in camps that have not been collected, considering all of them according to the Nicaraguans are insurgents and not collected. There is an additional 18,000 Miskito Indians in refugee camps in Honduras.

We have the 25,000, the 12,000 in a second detention camp, the 18,000 in refugee camps in Honduras, the 45,000 still left in villages yet to be collected by the Nicaraguan Government who claim all these people are insurgents and fighting for the revolution. That leaves 100,000 Miskito Indians unaccounted for.

I just wonder and I ask the gentleman from Georgia, where are the 100 thousand Miskito Indians that have seemingly disappeared from the face of the Earth in Nicaragua?

Mr. HYDE. Mr. Chairman, will the gentleman yield?

Mr. SILJANDER. I am happy to yield to the gentleman from Illinois.

Mr. HYDE. Speaking of the legality of what is going on, does the gentleman recall Thomas Jefferson's personal motto that he used to impress in the wax with which he sealed his letters, that "Rebellion to tyranny is obedience to God."

I remind the gentleman of this.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. MILLER of California. Mr. Chairman, I move to strike the requisite number of words. I rise in opposition to the amendment.

Mr. Chairman, for many of the same reasons that the gentleman from New York (Mr. SOLARZ) cited when he rose in opposition to the amendment about the flaws in the amendment with respect to who will conduct the foreign policy in this country, I oppose the amendment; but I also am terribly concerned that the amendment, if it is adopted, would be unable to cure the flaw that we find in the policy of this country at this time; that is, that back in December of 1981 a finding was made to the Intelligence Committee about the actions that this administration sought to undertake inside Nicaragua. Specifics were laid out as to the intent, the scope and the purpose.

I must say that the evidence that was introduced in secret session by the gentleman from Florida (Mr. YOUNG) is not inconsistent with the intent, the scope and the purpose cf that funding which was for the interdiction of arms.

Now a year went by and updates were given. The scope was changed. The size was changed, and the purpose was changed. The Intelligence Committee watched this happen.

At some point, this Congress because of reports in the press were concerned about the direction that this action was taking. You remember that we had a vote on airstrips in Honduras during the lameduck session and later we had a vote on the Boland amendment, which was a substitute for the Harkin amendment, but which very clearly laid out to the Members of this Congress that it was the intent of this

Congress that we not engage in the overthrow of that government.

What this amendment cannot cure is the finding of our own intelligence committee as to the illegality of the actions that are now taking place under that original finding of December of 1981.

This amendment, whether the Nicaraguans agree with every other country in the region or whether those countries agree or disagree, whatever the agreements are, cannot cure the illegality of the actions that are currently engaged in by the Government of the United States, illegal not in the eyes perhaps of the OAS or the U.N. Charter or of the Rio Compact, but illegal under the laws of this land, illegal under the law of this land that passed this House by 411; so before we move on to addressing the issue of the Nicaraguan government, their style of government, their manner of behavior, their export of revolution or any other charges, let us first deal with whether or not the administration of this country has within its power to violate the law of this land as passed by the Congress of the United States. You participated in that act. You voted for that act.

This question is no more fundamental than that, because let me suggest to you that as the committee states, it has no book for the Government of Nicaragua. It originally agreed with the intent and purpose, although it raised some immediate concerns I believe in letters and conversations to the White House and to the intelligence community; but nevertheless, it was willing to go along.

So what this says is that this particular covert action under that finding in the confines of the Boland amendment is, in fact, illegal and must be stopped if the law of the land is to be obeyed.

Now, if the administration wants to come back, as was hinted in this morning's paper with a much broader finding, whether it is no longer to make Nicaragua look inward in arms interdiction, or whether it is to change their attitude or behavior modification or to change the government in Managua, then this Intelligence Committee will have to consider that finding and the administration can go on about its way and you will have to monitor that as to whether or not the Intelligence Committee would allow it to continue. That is compliance with the Hughes-Ryan Act.

I will not yield at this time. I will be delighted to yield at the end of my statement.

There would be compliance with the Hughes-Ryan Act and the administration can comply with that the moment that this action is passed by the Congress or by this House or at any time.

Now, let me suggest that that original purpose, including the evidence submitted by the gentleman from Florida (Mr. YOUNG) was for the purposes of interdiction in Nicaragua, small teams selectively targeted as selected targets—obviously some will disagree about how far they should have gone in, but for purposes of interdiction, that certain actions could be taken.

It has since been testified with a great deal of ambiguity, but apparently no real substantial evidence, that this interdiction mission inside Nicaragua was effective, both in the Senate secret session and over here.

The CHAIRMAN. The time of the gentleman from California has expired.

(By unanimous consent, Mr. MILLER of California was allowed to proceed for 5 additional minutes.)

Mr. MILLER of California. That it was not terribly significant in terms of any arms, if any, at that time and later before the Foreign Affairs Committee the questions were asked and it is questionable how effective this was in terms of the interdiction inside Nicaragua.

Testimony was given earlier today about the photographs of trucks and cars and interdiction. You will notice that most of the photographs of trucks and cars, and so forth, are arms that were seized in Honduras, were seized in El Salvador, and as I understand it, the most recent route, there is some evidence that arms are in fact coming from our ally through the country of Guatemala. Past evidence was, some suggestion I believe that some arms were coming through Panama; but the fact of the matter is that the interdiction, the finding on which this action is based inside Nicaragua, has been a flop.

Now, if you have another purpose in mind, let the administration come and tell us what that purpose is and under Hughes-Ryan the Congress can go forward.

Now, I have been asked to yield several times, and I will be delighted to yield in a moment.

It has been suggested that what we are being presented here with is a bipartisan compromise, that some Democrats once sat down in a room with the people who drafted this amendment and somehow that makes it bipartisan. Perhaps there are one or two Democrats that are on it.

[CRS-98]

What it cannot compromise and what it cannot achieve in the manner in which it is drafted is that it still cannot cure the illegality—I said that I would yield in a minute and you will all know when I finish because it will get very quiet in the Chamber—it cannot cure the illegality that the Intelligence Committee has found in terms of violations of the Boland amendment.

□ 1650

This amendment does not address the reason we are here today and that is whether or not the law that I believe almost everybody in this room voted for, and certainly 411 Members of Congress, whether or not that law is being violated. That is the issue that is addressed by the Boland-Zablocki amendment.

I suspect there will be another finding and there will be additional covert actions if this were to pass the Congress. That is clearly the prerogative of this administrative under Hughes-Ryan.

What is not the prerogative of this administration under Hughes-Ryan is to violate the law of the land. And we have set up the Intelligence Committee to monitor whether or not these covert actions, which have some status of legality under our laws, are in fact carried out under the laws of the land.

After a year of monitoring this committee made a finding that, in fact, the laws of the land passed by this Congress were violated. That is what we are here about today.

To pass on judgment as to whether or not we want overt aid for the friendly nations, whether we want to have overt aid to invade Nicaragua, whether we want to have a broader finding brought to the Congress, are all secondary issues. It is back to the old question of whether this is a land of laws or a land of men, and in this case I believe it is a land of laws.

Mr. BURTON of Indiana. Mr. Chairman, will the gentleman yield?

Mr. MILLER of California. I yield to the gentleman from Indiana.

Mr. BURTON of Indiana. I have listened to this debate with a great deal of interest. A question comes to mind.

Everybody that is speaking for the gentleman's position says that they are for interdiction but they do not want to support the insurgents who are doing the interdicting. My question is: Since you support that and you support the interdiction of these supplies of these war materials from getting into these other countries for revolutionary purposes, who would the gentleman like to replace those people with who are doing the interdicting right now?

Mr. MILLER of California. First and foremost, if you are concerned about the expenditure of money for the purposes of interdiction, this has been a flop.

I believe a country has a right to secure borders, that the country of Honduras has a right to make its borders secure, as does El Salvador. And if they are unable to do that within their own resources, and this Congress determines, as in this legislation is suggested that we contribute $80 million for that purpose, that is fine. Then let us provide whatever the Congress deems to help secure those borders.

But the purpose of invading a country with 10,000 mercenaries, paid for, supported and trained——

Mr. BURTON of Indiana. Mercenaries?

Mr. MILLER of California. We have a certain fiduciary relationship with these individuals. The gentleman would not believe for a minute that this was somehow a spontaneous uprising of people in Nicaragua for this purpose.

Mr. RITTER. Mr. Chairman, will the gentleman yield?

Mr. MILLER of California. I yield to my colleague from Pennsylvania.

Mr. RITTER. I thank my colleague from California for yielding.

First of all, I would say that it is far more a spontaneous uprising.

The CHAIRMAN. The time of the gentleman from California (Mr. MILLER) has again expired.

Mr. MILLER of California. Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes.

Mr. WEAVER. Mr. Chairman, I object.

Ms. OAKAR. Mr. Chairman, I ask unanimous consent that the gentleman may have 3 additional minutes.

Mr. MILLER of California. Mr. Chairman, the gentleman was not on his feet when he objected.

The CHAIRMAN. The gentleman who objects must stand.

Is there objection to the request of the gentlewoman from Ohio?

Mr. WEAVER. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

AMENDMENT OFFERED BY MR. BARNES TO THE AMENDMENT OFFERED BY MR. YOUNG OF FLORIDA

Mr. BARNES. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. BARNES to the amendment offered by Mr. YOUNG of Florida: Strike out all that follows "The prohibition contained in subsection (a) shall take effect" in proposed section 802(b) through the end of the amendment and insert in lieu thereof the following:

on the date prescribed in the classified annex to the report of the Permanent Select Committee on Intelligence of the House of Representatives to accompany the bill H.R. 2760 (98th Congress).

"(c) It is the sense of the Congress that the Government of National Reconstruction of Nicaragua should enter into an agreement with the governments of the other countries in the region—

"(1) that the Government of National Reconstruction of Nicaragua will not support, directly or indirectly, military or paramilitary operations by antigovernment forces in any country in Central America;

"(2) that provides for effective multilateral verification of compliance with paragraph (1); and

"(3) to resolve the conflicts in Central America based on the principles affirmed in the Final Act of the San Jose Conference of October 1982 and the commitments made by the Government of National Reconstruction of Nicaragua to the Organization of American States in July 1979.

Strike out "SEC. 802." and insert in lieu thereof "SEC. 801."

Mr. BARNES (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Maryland?

Mr. YOUNG of Florida. Mr. Chairman, reserving the right to object, and I shall not object, I would like to have a copy of the amendment so that I may follow along as the gentleman describes it.

Mr. BARNES. I will be happy to provide the gentleman with a copy. The staff has copies.

Mr. YOUNG of Florida. Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from Maryland?

There was no objection.

Mr. BARNES. Mr. Chairman, many of us in the House share the concerns expressed in the amendment offered by the gentleman from Florida. In fact, a good portion of the amendment offered by the gentleman from Florida is identical to a resolution that I introduced in the House along with my colleague from New York, JACK KEMP. It calls for the creation of a bipartisan commission to consider the issues of Central America.

As everyone is aware, such a commission has been created, and that issue of needing to pass a congressional resolution to create such a commission is moot.

There is no longer a need for that.

So my amendment to the amendment offered by the gentleman from Florida (Mr. YOUNG) would strike that portion of his amendment which would call for the creation of such a commission.

My amendment to the amendment of the gentleman from Florida also changes certain of his language from a mandate that the United States await the action of other countries before we take certain action into a sense of Congress statement that those actions should be taken.

The reason that I believe my amendment is preferable to the amendment offered by the gentleman from Florida is that his language would require that the United States await actions by a number of governments in Central America before we consider terminating our actions against Nicaragua.

[CRS-99]

We would make our foreign policy, as it were, subject to the decisions of other governments and, as has been pointed out in the debate by a number of our colleagues, I think very eloquently by the gentleman from New York (Mr. SOLARZ) there are governments in Central America that do not want to take the action that is called for. They do not want to enter into an agreement with the Government of Nicaragua, and would love to see the United States pushed into a position where our actions to subvert or destabilize that government would continue, simply because they did not enter such an agreement.

So what my amendment to the gentleman from Florida's amendment would do is embody the same concept as his amendment, that the governments of Central America, including the Government of Nicaragua, should enter into agreements that they would not support directly or indirectly military or paramilitary operations by antigovernment forces in any country in Central America, that they would enter into agreements that would provide for effective multilateral verification of compliance with that first statement.

I agree totally with the gentleman from Florida that that would be a very constructive action.

Finally, my amendment includes exactly the same language as the amendment of the gentleman from Florida that the country should resolve the conflicts in Central America based on the principles affirmed in the final act of the San Jose Conference of October 1982 and the commitments made by the government of the National Reconstruction in Nicaragua to the Organization of American States in July of 1979.

Mr. SIMON. Mr. Chairman, will the gentleman yield?

Mr. BARNES. I am happy to yield to my friend from Illinois.

Mr. SIMON. As I understand the gentleman's reading of his amendment he would not put any kind of approval or blessing upon covert activity in Nicaragua; is that correct?

Mr. BARNES. Yes, the gentleman is correct.

Mr. SIMON. I thank the gentleman.

Mr. BARNES. In essence, what my amendment does is adopt the concept of the amendment of the gentleman from Florida, and indeed the same language, striking that portion that related to the bipartisan Commission on Central America because really I believe that issue is moot.

The Congress does not need to ask the President to set up that commission, as the gentleman's amendment would do, because he has already done it.

But except for that, my amendment adopts the same language as that of the gentleman from Florida, but it does not place the U.S. foreign policy in a position that we are, in essence, held subservient to the decisions that would be made by other governments, placing us in a very difficult position.

A lot of our colleagues on the floor are concerned about legislative vetos, saying that we should not have legislative vetos. We would be placing ourselves in the position of having a Honduran veto, a Costa Rican veto, or a Salvadoran veto of U.S foreign policy decisions, and I do not think any of us want to find ourselves in that position.

Mr. LIVINGSTON. Mr. Chairman, I move to strike the requisite number of words.

□ 1700

Mr. LIVINGSTON. Mr. Chairman, I take no position on the amendment of the gentleman from Florida as amended or as might be amended by the gentleman from Maryland, because I believe that this bill is so inherently defective that no amendment can be successful in redeeming it.

I feel that this bill as proposed by the Intelligence Committee of this House is extremely unwise in that it prejudices the rights and responsibilities of the President of the United States to conduct foreign policy in this Nation.

In fact, I would submit that it runs against all strains of commonsense and that it flies in the vestige of any sense of concern for the security of the people of Central America and indeed of the United States.

How on earth can we as duly elected Representatives of the U.S. citizens be seriously standing here together arguing about whether or not to support Nicaraguan nationals, yes, to interdict arms and perhaps to assist in whatever ancillary consequences that follow, when all they are trying to do is to defy and hinder the objectives of the Sandinista government in Nicaragua?

Umberto Ortega, one of the leaders of the Sandinista government is quoted as saying, "We guide ourselves by the scientific doctrines of Marxism-Leninism." He also is quoted as saying, "We have no choice. Of course we are not ashamed to be helping El Salvador; we would like to help all revolutions."

Another leader of the Sandinistas, Tomas Borge, the Minister of Interior, said, "The Nicaraguan revolutionaries will not be content until the imperialists have been overthrown in all parts of the world."

Again, he said that "the revolution's moral imperative and historical character make it inevitable that the energies released here will be universal in all Central America."

It is undisputed by any member of this committee that arms have been flowing from Cuba by way of Nicaragua to El Salvador for years.

It is also undisputed that despite our outright assistance of the Nicaraguan Government, Sandinista government, based on their promises to establish a free pluralistic government with free elections and respect for human rights of its citizens, the fulfillment of such promises has not been forthcoming.

Despite $118 million, some say $125 million in direct economic assistance from this country and $262 million in loans from multilateral banks the Sandinistas have cast aside even the facade of democratic intentions and national independence.

Their promised elections have been indefinitely canceled, their newspapers and radios are 100 percent censored, the Catholic Church is completely stifled and government controlled. There have been massive human rights violations.

The Miskito Indians were ripped from their homeland, their villages burned, their property pillaged, their people placed in relocation camps.

Jewish Nicaraguan nationals have been forced to emigrate and their property has been confiscated.

Today, Nicaragua is virtually an occupied nation because 2,000 Cuban military advisers are in Nicaragua, and 6,000 Cubans exist in key government positions.

And PLO guerrilla trainers are there too and Yassir Arafat has publicly admitted to 50 Palestinian Liberation Organization pilots.

Nicaragua is receiving constant supplies of articles and military hardware from the Soviet bloc countries; dozens of Soviet cargo ships have been spotted delivering arms to Cuba and Cuba runs a constant shuttle of supplies to Nicaragua.

Just in April, four Libyan cargo planes were stopped in Brazil for carrying arms to Nicaragua. And just remember that a member of the Nicaraguan junta recently said that Nicaragua would gladly consider installing Soviet missiles in the country if they were asked.

As for whether there is really a Nicaraguan-Salvadoran guerrilla connection, a recent defector from intelligence, Miguel Bolanos, has said that the Salvadoran guerrilla chiefs spend more time in Managua.

(By unanimous consent, Mr. LIVINGSTON was allowed to proceed for 5 additional minutes.)

Mr. LIVINGSTON. Miguel Bolanos said that the Salvadorian guerrilla chiefs spend more time in Managua than they do in El Salvador.

I quote: "They fly over in the day to boost morale and fly back to Managua before night." He also said Nicaragua has become a "new Cuba" in training guerrilla forces throughout Central America.

He said that as an intelligence officer he met with visiting guerrilla leaders from Colombia, Argentina, Chile, Guatemala, Costa Rica, and El Salvador. And there has been so much talk among the Nicaraguan-connected guerrillas of "revolution without frontiers" of "liberating or unifying Central America", as many threats to Honduras, so much bullying of Costa Rica, so much guerrilla activity in Guatemala, that it is hardly possible to doubt the regional character of the Soviet-Cuban-Nicaraguan goals.

[CRS-100]

The Soviets are very clearly making a play for all Central America, our southern flank, our soft underbelly and they will surely use Nicaragua as their launching pad to put themselves on our door steps.

And we stand here arguing about whether or not to quietly support the Nicaraguan nationals' struggle for democracy in their own country. Even if they are remotely successful, we might ultimately save billions of dollars and quite possibly hundreds, thousands, maybe even tens of thousands of lives in the future.

It is absolutely incredible that we stand here bickering over legalisms when we are talking about the future security of every American citizen.

If Central America turns into a string of anti-American Marxist dictatorships—in Nicaragua, El Salvador, Honduras, Costa Rica, Panama, Guatemala, and Mexico—our costs will not be in the relative few millions of dollars that we may save with this bill, it will be billions of dollars in expenditures.

All the Southern United States will be hit with a tidal wave of refugees, both feet people and boat people swarming into our country seeking a haven from Communist repression and Communist conditions.

We would have to spend millions of dollars to process these people, feed them, house them, clothe them, and educate and find jobs for them. We would have to spend billions to take care of Americans losing their jobs due to the loss of all the foreign trade we now have in Central America.

We would have to spend billions to beef up our national defenses in the South, billions to defend our vital sea lanes in the gulf and the Caribbean. And if we had to defend our shores and sea lanes with our own soldiers and their blood, we could lose thousands of soldiers.

To risk that possibility is insanity. Yet that is what we will do if we pass this bill.

Let us not do it. Let us not vote to facilitate the loss of El Salvador to the Communist movement, let us not jeopardize the only hope of the Nicaraguan people, that they have for freedom; let us not gamble the ultimate security of Central America and even North America together with the welfare of all U.S. citizens with this stupid bill. I implore the Members of this body: Wake up, reject partisan politics on this vital issue of U.S. security, reject this abomination.

Mr. SMITH of Florida. Mr. Chairman, I move to strike the requisite number of words. I rise in support of the amendment offered by the gentleman from Maryland.

Mr. Chairman, I have been listening very intently to what has been transpiring here today on the floor. I listened extremely intently to what transpired during the course of the debate in the Foreign Affairs Committee.

And I was one of those that was, I think, sensitive enough to speak out on what I thought were some ill-considered comments made by Members, not only Members of the body but Members outside of the administration with reference to those who disagreed on methods, not objectives, methods of reaching what we all want as the same goal; that was the announced goal of the President of the United States when he came before this body in this Chamber and stood right here and spoke of interdicting the flow of arms from Nicaragua to El Salvador and to anywhere else.

And I have listened intently today to the debate on both sides of the aisle and frankly, to some degree, it would not be contradictory to say that I agree with much of what has been said on both sides, because there is a good deal of merit on both sides.

□ 1710

We do not like the Sandinistas. We do not like the way they run themselves as a government. Nor do we like what they do to their own people or to the neighboring countries around them.

The gentleman who preceded me, the gentleman from Louisiana, made an eloquent speech, but unfortunately, I think most of it was misplaced. It would have been a great speech had he been asking the Members to vote for a bill repealing the Boland amendment so that there would be no prohibition on covert aid. It would have been a great speech had we been wanting a basis perhaps declaring war on the Sandinistas. And I do not mean that in a negative sense. If my colleagues wanted reasons, he gave them to us. Any many of them are legitimate.

But the issue which is being debated and the issue which is being framed by the amendment to the amendment being offered by the gentleman from Maryland (Mr. BARNES), the chairman of the Subcommittee on Western Hemisphere Affairs, is much more narrow in its focus. It does not deal with all the issues that the gentleman from New Orleans dealt with. It does not deal with all the problems that the Sandinista government has created around the hemisphere. It does not, because 411 Members voted just a number of months ago in this body to make the Boland amendment the law. You cannot use covert funds to overthrow the Government of Nicaragua.

The 411 who voted saw, I believe, what was then the prevailing mood that we do not want to use those funds that way.

Some of them do not feel that way anymore. However, you are still burdened with the law of the United States as in the Boland amendment. You cannot accept that, even though you do not now believe what you may have believed 6 or 7 months ago. And I may tend to agree with a lot of my colleagues with what they say, but please let me remind my colleagues that there is a Boland amendment on the books. It is the law. And right now the law is being violated. Our own Intelligence Committee has found that.

Mr. YOUNG of Florida. Would the gentleman please point out where the committee made that citation? Several speakers have made that point and I have been trying to find it in the report and I cannot seem to find it. Would the gentleman tell us where in the report that language can be found?

I thank my colleague from Florida for yielding.

Mr. SMITH of Florida. Let me finish my statement.

Mr. YOUNG of Florida. Answer the question.

Mr. SMITH of Florida. I do not recall having yielded any time to the gentleman from Florida.

The amendment that is being offered by the gentleman from Maryland allows for this body to give what my colleagues on this side of the aisle want that is flexibility to the President and the administration. And at the same time allows us to move forward in giving aid the way we consider it to be legal under the original Boland amendment, voted for by this House. That is what the issue boils down to. Shall we not shackle the administration and the President and at the same time allow for what we want done in the way of interdicting arms and doing so within the law. The framework of the law will be, I believe, adhered to by voting for the Barnes amendment. The framework of what we want in the way of giving the administration and the President the flexibility to be able to continue to negotiate, to continue to pressure to the interdiction.

And, by the way, let me say that the gentleman who preceded me talked about the fact that the Nicaraguan rebels, or freedom fighters as he called them, were interdicting arms. I do not recall them ever claiming that they interdicted any arms whatsoever. They never have stated that that was their intention. We may have said so, but they never said so.

The CHAIRMAN. The time of the gentleman from Florida (Mr. SMITH) has expired.

(At the request of Mr. RITTER and by unanimous consent, Mr. SMITH of Florida was allowed to proceed for 2 additional minutes.)

Mr. SMITH of Florida. So I would urge my colleagues to remember that while many of us do agree with the gentlemen on both sides who have spoken, the issue is much more narrowly framed than that. That is the purpose we are here debating this particular issue. Are we doing what the Boland amendment said we should not

[CRS-101]

do? Shall we convert that to doing it another way and at the same time allow for this administration and the President to move forward?

I say that is what we want to do and I say we can only do it with the Barnes amendment to the amendment.

Mr. RITTER. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Florida. I yield to the gentleman from Pennsylvania.

Mr. RITTER. I thank the gentleman for yielding.

I think the gentleman makes a very eloquent point, but I would like to ask the gentleman from Florida whether he believes that free elections—and I was going to ask this of my colleague from California—in Nicaragua would constitute the overthrow of the government.

Mr. SMITH of Florida. I personally in response—if I may reclaim my time—do not believe that free elections would constitute an overthrow of the government.

And my response would further be that the amendment of the gentleman from Maryland calls for the fact that the San Jose Convention be adhered to by the Nicaraguan Government and part of that was that free elections would be held.

Mr. SIMON. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Florida. I yield to the gentleman from Illinois.

Mr. SIMON. I thank the gentleman for yielding.

Mr. Chairman, I concur in what the gentleman has to say on the Barnes amendment.

I would just like to relate to this House an experience I had last night after the President's press conference. I was on station WGN in Chicago, sitting at my desk here, answering questions, and the station got the Newsweek correspondent in Managua, Nicaragua, on the telephone.

And I asked the correspondent down there:

> Does the action of the President in sending the aircraft carrier and the troop movements, does that strengthen or weaken the Government of Nicaragua, the Sandinista government?

The CHAIRMAN. The time of the gentleman from Florida (Mr. SMITH) has again expired.

(At the request of Mr. SIMON, and by unanimous consent, Mr. SMITH of Florida was allowed to proceed for 2 additional minutes.)

Mr. SIMON. If the gentleman will continue to yield, and she replied, "it strengthens the Sandinista government incredibly. People rally around the government as they were not—" and then she added, "The same is true with the attempt * * *" that is, the so-called covert action that we are all discussing openly, "the covert action supported by the United States." She said, "The general impression, right or wrong, is that the United States is supporting the Samoza followers," and she says, "that covert action is greatly strengthening the hold of the Sandinistas on the Government of Nicaragua."

I simply suggest to my colleagues that what we are doing does not make sense. It is ineffective. It shows an insensitivity to that whole area.

I strongly support the Barnes amendment.

Mr. SMITH of Florida. If I may reclaim my time, let me just urge my colleagues one thing more. Last week—and the President made this very clear in his conference last night—the Nicaraguan Government decided that they would now state that they would enter into multilateral negotiations rather than the bilateral they have been calling for. We have been asking them to do that for quite some time. The members of the Foreign Affairs Committee debated that vigorously, about having multilateral negotiations.

I have yet to see anyone in this administration seize on that opportunity and say that we will enter into it and call upon them right now to make good on that statement. And this amendment, offered by the gentleman from Maryland, would allow that to happen.

The administration could seize on this opportunity while pursuing all the other avenues and state, "Now you must come forward and do effectively what you said you would do only last week, not what you promised when you came to power in 1979."

The CHAIRMAN. The time of the gentleman from Florida (Mr. SMITH) has expired.

(At the request of Mr. YOUNG of Florida and by unanimous consent, Mr. SMITH of Florida was allowed to proceed for 1 additional minute.)

Mr. YOUNG of Florida. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Florida. I yield to the gentleman from Florida.

Mr. YOUNG of Florida. Mr. Chairman, I would like to pursue this issue of whether or not the committee found officially in its report that we were in violation of the Boland amendment, and I have been looking through that report trying to find that language. If the gentleman would help me, I would appreciate it, if he could direct me to where the language is, where the committee said that we are in violation of the Boland amendment or the laws of the United States. I am just looking for help is all I am looking for.

□ 1720

Mr. SMITH of Florida. Well, certainly the gentleman from Florida, being a member of the committee and asking a rhetorical question, obviously knows the answer.

In my estimation—I have read that report on two occasions separately—I find the thrust of that report to be that the actions of this administration in providing the covert aid in the fashion that they have exceeded the bounds of the Boland amendment. That is my reading of that report. That is a personal reading with me. I would say to you on that basis I am making my own statements because I happen to concur that they have exceeded it. They are no longer, just at this moment, seeking interdiction. And every speaker I have heard so far on this side of the aisle has made that rather plain, that we are no longer seeking just interdiction. And remember the basis on which the Boland amendment was passed: that interdiction was the name of the game at that time, and no funds would be used on a covert basis to do anything other than that, especially overthrow the Government of Nicaragua.

Mr. EDWARDS of Oklahoma. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the Young amendment. But first let me say very clearly that the Boland amendment is not being violated, it has not been violated. The Intelligence Committee has not said that it has been violated. The Boland amendment only provides that funds may not be used to overthrow the Government of Nicaragua. That is not being done. And I would say to those who come to this well and repeatedly make that statement and claim that the Intelligence Committee has made that finding that the Intelligence Committee has not made that finding.

Mr. Chairman, I support the Young amendment because it restores not just symmetry but because it restores commonsense to this debate.

Mr. Chairman, we have seen, in the last year, regrettably, tragically, and shamefully the partisan polarization of American foreign policy. Under previous Presidents the general agreement, the understanding shared by all responsible people in public life, was that in matters of foreign policy, issues should not be drawn along partisan lines or as political issues. And when a confrontation was ordered with the Soviets over their missiles in Cuba or an embargo imposed on the Soviets after their invasion of Afghanistan, both under Democratic Presidents, there was the usual concern and questioning on both sides of the aisle, but there was no attempt to turn foreign policy into a forum for partisan division. And people who have stood before me here in the well have talked about "Do not be confused, folks; there are no Democrats supporting this." And I would not brag about that if I were you.

Under this President, it seems, the rules have been thrown out the window, and now even a former President, perhaps for the first time in history, this President's predecessor criticizes American policy before foreign audiences.

[CRS-102]

Well, I think it is time we put this issue into perspective. What is this crisis that is so important that it has shattered the traditional desire to keep partisan politics out of foreign policy? It is a tale of two countries. It is a tale of El Salvador and Nicaragua—El Salvador, which has free elections, and Nicaragua, which has no free elections; El Salvador, with a president selected by a duly elected constituent assembly and with presidential elections scheduled soon, and Nicaragua, with a president who seized power at the point of a gun; El Salvador, guilty of violations of human rights, and Nicaragua, guilty of far more violations of human rights; El Salvador, with a free press, and Nicaragua, with no free press; El Salvador, with an active private business sector, and Nicaragua, with very limited free enterprise; El Salvador, imperfect, flawed, guilty of some very real failings by our standards, and Nicaragua, a closed society without freedom, exporting war and violence and death.

What is the purpose of this terrible Central American policy, Mr. Chairman? The purpose is to keep a group of men who seized power by force and violence from helping to overthrow the government of another country now by force and violence.

Mr. Chairman, I am tired of the cries of outrage from those who apply their outrage only selectively, who are concerned selectively about violence and bloodshed and denials of freedom. What this situation calls for and cires for is balance, commonsense, symmetry. And that is what this debate and this amendment is about.

I urge my Democratic colleagues to support this amendment so we can forge a foreign policy that is right and moral and just and that is again bipartisan.

Mr. SEIBERLING. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the Barnes amendment and in opposition to the Young amendment.

Mr. Chairman, sitting here, it strikes me that what is being said on both sides of this issue are words that seem to slide past each other. I do not think the two points of view are even relating to the same set of facts and circumstances.

How can we possibly deal effectively with the problems in Central America, and Nicaragua in particular, unless we understand the point of view of the people of that region. If we truly understand their viewpoint, I believe we will have to conclude that the administration's approach—unilateral military intervention—is not going to succeed.

What is being said by the supporters of that approach betrays a gross misunderstanding of the cultural and historical heritage and the psychology of people in Central America, and Latin America generally, who have had a long history of military intervention by the United States. When we use military means, imposed unilaterally, whether it is to try to force a multilateral agreement, as the Young amendment would do, or simply to intimidate, as the State Department said our latest maneuvers are calculated to do, it seems to me that we are missing the opportunity to advance a settlement of this matter in a way that our good neighbors and friends in Latin America would support and join in.

A truly remarkable and brilliant address by Carlos Fuentes, the Mexican diplomat and writer, who gave the commencement address at Harvard University this year, was placed in the Record for July 15, at page 10101, by Senator Chris Dodd. I would like to read a couple passages from it, in the hopes that it will help us understand this problem, for those who are listening. First of all he talks about the experience of Mexico, and I quote:

> The Mexican Revolution was the object of constant harassment, pressures, menaces, boycotts and even a couple of armed interventions between 1910 and 1932.
>
> It was extremely difficult for the United States Administrations of the time to deal with violent and rapid change on the southern border of your country.
>
> Calvin Coolidge convened both Houses of Congress in 1927 and—talkative for once—denounced Mexico as the source of "Bolshevik" subversion in Central America.
>
> We were the first domino.
>
> But precisely because of its revolutionary policies favoring agrarian reform, secular education, collective bargaining and recovery of natural resources—all of them opposed by the successive governments in Washington, from Taft to Hoover—Mexico became a modern, contradictory self-knowing and self-questioning nation.

Does not his description of the conditions in Mexico that prevailed in the 1920's and early 1930's have a familiar ring? And was not our Government's response to it remarkably similar to the response of this administration to the situation in Nicaragua, namely unilateral, military intervention?

Fuentes goes on and says this:

> Rightly or wrongly, many Latin Americans have come to identify the United States with opposition to our national independence.

□ 1730

> The mistaken identification of change in Latin America as somehow manipulated by a Soviet conspiracy not only irritates the nationalism of the left. It also resurrects the nationalist fervors of the right—where, after all, Latin American nationalism was born in the early 19th century.
>
> You have yet to feel the full force of this backlash which reappeared in Argentina and the South Atlantic crisis last year in places such as El Salvador and Panama, Peru and Chile, Mexico and Brazil. A whole continent in the name of cultural identity, nationalism and international independence is capable of uniting against you. This should not happen.

That is from a friend of ours from Mexico telling us what is going to be the consequence of the administration's militaristic, unilateral effort to impose a solution instead of working out a multilateral, diplomatic solution to this problem. It is particularly tragic at a time when even the Sandinistas have said they are willing to pursue such a solution.

The CHAIRMAN. The time of the gentleman from Ohio (Mr. Seiberling) has expired.

(By unanimous consent, Mr. Seiberling was allowed to proceed for 4 additional minutes.)

Mr. SEIBERLING. Mr. Chairman, I would like to read one more passage from Fuentes' brilliant and really marvelous statement as to the kind of relations we must establish with our Lation American friends if we are to avoid turning the whole Continent of South America and Central America against us. I urge my colleagues to listen, because it is worth listening to:

> The longer the situation of war lasts in Central America and the Caribbean, the more difficult it shall be to assure a political solution.
>
> The more difficult it will be for the Sandinistas to demonstrate good faith in their dealings with issues of internal democracy, now brutally interrupted by a state of emergency imposed as a response to foreign pressures.
>
> The more difficult it will be for the civilian arm of the Salvadoran rebellion to maintain political initiative over the armed factions.
>
> The greater the irritation of Panama as it is used as a springboard for a North American war.
>
> The greater the danger of a generalized conflict dragging into Costa Rica and Honduras.
>
> Everything can be negotiated in Central America and the Caribbean before it is too late.

Now, the President has appointed a so-called bipartisan commission headed by former Secretary Kissinger. I suggest that that is really not necessary. There has already been a commission, not only bipartisan but multilateral, composed of distinguished Latin Americans and distinguished North Americans. It published its report under the auspices of the Woodrow Wilson Foundation in April of this year. The report is entitled, "The Americans at a Crossroads, Report of the Inter-American Dialogue."

The chairmen were Sol Linowitz, former U.S. Ambassador to the Organization of American States and the Panama Canal Treaty's negotiator, and Galo Plaza, former Secretary General of the Organization of American States, and former president of Ecuador.

I put in the Record last night the names of the other distinguished members of this commission, both Latin Americans and North Americans. It included from the United States such people as Elliot Richardson, David Rockefeller, Juanita Kreps, Theodore Hasburgh, Gen. David Jones, and many other distinguished business and professional leaders in this country.

What is their recommendation? Unilateral military intervention? No. Multilateral diplomatic efforts by the United States to solve this problem, in

[CRS-103]

concert with our good neighbors to the south. The report recognizes that what is going on in Nicaragua is undesirable from the standpoint of the entire Hemisphere. But its solution is compatible with the national dignity of the people of our Latin neighbors and a repudiation of any effort to revive gunboat diplomacy or CIA-sponsored concert paramilitary intervention.

I suggest that is what this argument is all about. That is what the Barnes amendment versus the Young amendment is all about. It is time we understood the nature of our problem in dealing with our friends to the South before it is too late, before we try to solve the Nicaraguan problem by military force. Some of the calls going forth from the other side of the aisle sound like a call to war. That is not what we need to do in Nicaragua. Perhaps the pressures and military maneuvers have intimidated the Sandinista government. But it is time we seized the opportunity to engage in multilateral negotiations while they are prepared to negotiate. It is time we abandon our intervention before we drive a deep schism between ourselves and the people of Latin America, whose friendship we must rely on if we are going to have peace and stability in the future.

Mr. RITTER. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the Barnes amendment.

Mr. RITTER. Mr. Chairman, I have been trying somewhat unsuccessfully to enter into a discussion with the gentleman from California (Mr. MILLER), and then with the gentleman from Florida (Mr. SMITH) on this legal question of whether or not the Boland amendment is being violated by those who are fighting inside of Nicaragua and whether or not what they are doing constitutes an attempt to overthrow the Government of Nicaragua.

I have talked at length with the leadership of the major movements fighting inside of Nicaragua, and I would like to share those discussions with my colleagues.

Each of these individuals would lay down his arms and the arms of their group tomorrow if free elections would occur in Nicaragua. Each of these individuals is not interested in the overthrow of the government, but is interested in the Nicaraguan Sandinistan leadership living up to the promises to the OAS and giving them a chance to participate in the government. They are looking for the rightful heritage of the real Sandinista revolution. That is exactly what those fighting in Nicaragua long for. Whether it is Pastoro fighting with the Arde in the south, whether it is Calero and the FADN in the north, or whether it is Steadman Fagoth and the Miskito Indians, they would stop fighting tomorrow if they had an opportunity to participate in free elections.

So we have a question, in any event, and a disagreement on the legal grounds of the Boland amendment, and those individuals on this side of the aisle, and perhaps some on ours, say that Boland has been violated. Others of us feel that the actions are well within the confines of the original discussions in committee surrounding Boland. But there is controversy on that point.

I would like to move from the legal questions to the questions that are perhaps moral. Let us take a look at the morality of this issue. We have certain Members on this side of the aisle who in a sense hold up the United States an international outlaw because of support for those who are fighting to fulfill the original intentions of the Sandinista revolution; indeed, who were a part of the broad cross section of that Sandinista revolution.

□ 1740

I submit that it is immoral to pull the rug from under those who would seek those free elections and participation in the Government.

I submit it is immoral to give in to a future of Soviet-Cuban-style Marxism-Leninism on a land beachhead in Central America whose stated aims are revolution without frontiers.

I submit it is immoral to pull the rug out from under those who are fighting for democracy and their rightful heritage as part of the original Sandinista revolution.

I submit, Mr. Chairman, that giving in to these dictators and their expressed aims is tantamount to appeasement.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

(By unanimous consent, Mr. RITTER was allowed to proceed for 3 additional minutes.)

Mr. RITTER. Mr. Chairman, I do not impugn or question the motives of those who oppose the Young amendment or support Boland-Zablocki, not for a moment, and I hope to count them amongst my friends after this speech is concluded; but the end result of giving in to those totalitarian dictators and freeing them from the wrath of their own people is tantamount to the kinds of situations we are all too familiar with in the thirties preceding World War II.

Now, we hear proponents of the Boland-Zablocki bill tell us that the present covert aid is not working because it "has strengthened the Sandinista' resolve." "Brought about greater Cuban and Soviet involvement in Nicaragua" and "increased the risk of full scale war by Nicaragua against Honduras and Costa Rica."

This is from Mr. BOLAND's Dear Colleague letter of July 20.

They also warn that covert aid has increased the risk of active Cuban military invention.

What we are saying is that somehow if we pull the rug out from under those who are fighting tyranny, we will somehow come up with a safer situation in Central America, safer for us, safer for the people.

This is precisely the argument that Neville Chamberlain and company made when Hitler was rampaging prior to the outbreak of hot war in Europe, that let us not offend the gentleman. Churchill was consistently castigated in the Parliament for offending Hitler.

Mr. Chairman, the end result of this policy is to secure in perpetuity the Sandinista type of tyranny, the Soviet-Cuban bridgehead on the mainland of this hemisphere; indeed, to secure the first application of the Brezhnev doctrine in this hemisphere; that is, but once a Soviet-style Socialist country has evolved, it must always continue to evolve.

Who at point would be the enforcers? Who would have created the circumstances to derail opposition to that Soviet-style regime? It would have been those in the U.S. Congress who removed the capability—

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. FRANK. Mr. Chairman, I move to strike the requisite number of words.

I rise to speak on behalf of the amendment.

I appreciate the gentleman's pointing out that he refers to some of us as appeasers in a spirit of friendship. I certainly accept it in that regard.

The issue does not seem to me according to the English language, which I think is still the one in use in this Chamber, although it occasionally gives me difficulty, of whether or not the aid be covert or overt. If this aid is covert, it is the most covertly public aid I have ever seen.

The question is, and I think the previous speech outlines it, are we spending American money and using our resources to prevent arms from being shipped by Nicaragua elsewhere, which is what the gentleman from Massachusetts and the gentleman from Wisconsin are trying to do. They are trying to stop arms from being sent elsewhere, or are we trying to overthrow the Government of Nicaragua?

Mr. YOUNG of Florida. Mr. Chairman, will the gentleman yield?

Mr. FRANK. No. I will yield at the end, just as the gentleman yielded at the end. I just watch and see what the rules are and then I play by them.

The question has been proposed several times, including by the previous speaker and several others. It is very clear, the gentleman who just spoke said that these are people trying to reclaim their homeland. Their homeland

[CRS-104]

is not in El Salvador. I sympathize. I would not want to live under the Government of Nicaragua. I should add that I would not want to live under most of the Governments in this world and I do not think that my moral disapproval, strong as it is, ought to be the basis for us trying to overthrow all those Governments.

Of course the Miskito Indians have been said to have been mistreated, as have blacks in South Africa, and Jews in the Soviet Union, and dissidents in the Philippines.

I do not regard it as a legitimate purpose for us to go and try covertly, or overtly, or latently to try to overthrow all of them.

I think we use military force only when our own security is at risk, and I have to disagree with those who claim that we are, in fact, at risk because of what happens in Nicaragua or El Salvador.

I do not believe that the analogy to Adolph Hitler in the 1930's, to use restrained parliamentary language, makes the slightest bit of sense. We are not talking about the kind of threat to our existence and security that existed in the thirties.

Now, the question is, should we be trying to stop the arms from going from Nicaragua elsewhere or should we be trying to overthrow the Nicaragua Government? If our purpose is to try to stop the arms from going to El Salvador and elsewhere, we would not be using the Contras. These are Nicaraguan patriots, many of them; many of them not so much, but many of them are. Their goal is not to protect the Government of El Salvador. Their goal, as the previous gentleman and others have said, is to retake their own country.

It simply is illogical to argue that you would arm Nicaraguans angry at their own Government and interested, understandably, in Managua to protect arms from reaching San Salvador.

The point is very clear from what we are arguing.

The arguments in favor of the Young amendment, as it is now pending, have been clearly arguments that justify overthrowing the Nicaraguan Government.

If I listed Governments in this world that I was willing to spend American efforts to overthrow, Nicaragua would be doing pretty good. It may not be in the top 10, but it would be up there; but that is not what we are talking about. By talking about the desire, the understandable desire of Nicaraguans angry at the betrayal of the revolution by the Sandinistas, as you stress their desire to get back their country, you underline our point, that your effort is not to cut off the arms, and, in fact, it is not an efficient way to cut off the arms. If your fundamental purpose is to stop the flow of arms, do not entrust that to people whose fundamental purpose is a different one, whose fundamental purpose understandably is to reclaim their country.

Mr. RITTER. Mr. Chairman, will the gentleman yield?

Mr. FRANK. I yield to the gentleman from Pennsylvania.

Mr. RITTER. Mr. Chairman, I thank the gentleman from Massachusetts for yielding.

I believe that there is no great contradiction between those fighting particularly in border areas in Nicaragua and making it extremely difficult to transfer men and materiel.

I might add that everybody has talked about arms. There has been a noticeable difference in the ability to transfer personnel from Nicaragua into El Salvador.

Mr. FRANK. Mr. Chairman, I will take back my time. The gentleman had more than his 5 minutes and I did not object. I yielded and I am now going to take back my time and respond to the point.

I do not deny that an effort to overthrow the Nicaraguan Government will, in fact, hinder somewhat their ability to send arms, but they are different purposes. One I believe is legislatively sanctioned and the other is not.

I understand that there are people we now support fighting on the border, but they are only on the border because they cannot get into the interior. They do not want to stay on the border. This is not the border patrol and that is the point.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

(By unanimous consent, Mr. FRANK was allowed to proceed for 2 additional minutes.)

Mr. YOUNG of Florida. Mr. Chairman, will the gentleman yield?

Mr. FRANK. I will yield as soon as I finish my response to the gentleman from Pennsylvania.

The purpose of the people we are funding under this publicly covert aid is not to interdict the arms, although that may be one of the byproducts. It is understandable to try to retake their country. It seems to me neither prudent nor in our interests to undertake to overthrow the Nicaraguan Government, nor is it the most efficient way to try to interdict the arms.

□ 1750

Mr. YOUNG of Florida. Will the gentleman yield?

Mr. FRANK. I yield to the gentleman from Florida.

Mr. YOUNG of Florida. I thank the gentleman for yielding and just want to respond to a question he asked during his original presentation. That is it is definitely not the intent of this administration or the Members on this side of the aisle or any of the Members on that side of the aisle that I know of to overthrow the Government of Nicaragua.

Mr. FRANK. I will take back my time.

I would just like to say to the gentleman from Florida I have not accused him of being in the Nicaraguan jungles or on the border. I do not say it is his purpose.

My point is, as your own colleagues have stressed, as the gentleman from Pennsylvania stressed, the gentleman from Oklahoma, the gentleman from Louisiana, the purpose of the people we are giving the money to, by everybody's admission, the Contras, the Pastora group, the Miskito Indians, they are not in business to help us keep arms out of El Salvador. They are in business to overthrow their own Government.

They are your chosen instruments. Your intentions in this case are less relevant than the stated, and explicit, and perfectly understandable intentions of your chosen instruments. They are the ones who are seeking to overthow the Nicaraguan Government and that is why many of us feel it is an unwise policy and not the most efficient way to do what I think we have a legitimate interest in doing, interdicting arms.

Mr. SMITH of Florida. Mr. Chairman, will the gentleman yield?

Mr. FRANK. I yield to the gentleman from Florida.

Mr. SMITH of Florida. I thank the gentleman for making that statement because he underscores one of the major problems with this.

The point is that there are 10,000 or more Contras under arms right now. No one has ever said, from that group, that they are interdicting arms. They have never made that claim.

Nor would we need, by any military standards, 10,000 men to interdict arms, which is the stated purpose of why they are supposed to be there in the first place.

Therein lies the fallacy of the argument.

Mr. WOLF. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, about a month ago I took the opportunity to go down and visit El Salvador because I had read so much in the newspapers about it. I might say at the beginning of this comment that having visited El Salvador for 3 days does not make me an expert. I want to stress again that it does not make me an expert.

But when I visited there I had the normal briefings that you have, but I went out in the field, in San Vicente Province and spoke with soldiers and peasants and different people like that. And what I found out was this: One, the people that I talked to said the interdiction was working. Our American forces told us that. The CIA people down there told us that. The El Salvadoran people and the army people told us that.

I cannot say if it was absolutely true. But they said it was working. They took us out in a helicopter over the marsh lands and over the airfields and places like that to prove that they had cut off much of that aid.

[CRS-105]

Mr. Chairman, they said that it was working. Perhaps it was not working as well as we would like it to work, but it was working.

I had the opportunity to go up and talk to six soldiers, two of them as young as 16, and the oldest 24. I asked them what was their name, how old they were, where they were from, and then I asked them why they joined the army.

Five out of six said they joined the army to fight for their country, to fight for freedom, and because they loved their country.

Three of the six were younger than my 19-year-old son.

I for one, whether this is covert or overt aid, and whether it is working or not, whether it is working as well as this side or that side wants it to, whether it is working as well as the President wants it to, it is working, it is working a little bit, and I for one will support the Young amendment and anything else like that so I will not ever have to say that I did anything, that I did anything while I have ever been in this Congress that would mean that one of those young boys would take a bullet in the head or die.

Now, maybe that may be emotional. And I have heard some on this side talking about communism and on this side talking about Neville Chamberlain. But I am talking about people.

You know the President is the great communicator. When he gets on television he can communicate.

I would like to see a 16-year-old Salvadoran soldier be able to come up and communicate to the U.S. Congress.

I think with all due respect for those who are undecided, and I respect those who have that opinion on this side, and there are those on the other side who will never change, but to those of you, if you are in your offices, or on the floor, and you are undecided, I ask you, give the President a little more time and support the Young amendment.

Mr. WHITEHURST. Mr. Chairman, will the gentleman yield?

Mr. WOLF. I yield to the gentleman from Virginia.

Mr. WHITEHURST. I want to compliment the gentleman because I think it is a very powerful story that he has told and I think he has come right to the heart of it.

Of all of the verbiage uttered in this Chamber this afternoon you have come right to the heart of it.

I have read the language again of the gentleman from Maryland (Mr. BARNES) and his amendment offered to the amendment by the gentleman from Florida (Mr. YOUNG). It is the most specious thing I have seen.

It says it is the sense of Congress that the Government of the National Reconstruction of Nicaragua should enter into an agreement with the governments of other countries, and then lists the following points.

What happens when the date is reached and the Sandinistas do not do anything? Do we have a special order for hand wringing in this Chamber?

Where is the lever on Sandinistas to act?

The gentleman is right. The gentleman is absolutely right.

If we vote for this we vote in effect to do nothing but cut off covert action and nothing thereafter.

I thank the gentleman.

Mr. WOLF. Mr. Chairman, in closing we hear about communism, we hear about Marxism. We hear the President of the United States talk in terms of what is best for this country. We hear different people talking about different sides, but I think a vote for the Young amendment is a vote for the people of El Salvador.

Mr. GONZALEZ. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise here on a request to strike the last word because I do not want to address myself to the pending amendments because I am not for the whole kit and caboodle, either the Young amendment or the amendment to the Young amendment, because I think the question here, despite all of the expressions about how this is an effort to show our concern about freedom in Central America, the issue represented by the Boland-Zablocki resolution is a domestic personal issue of liberty for America. It is our issue.

It is at long last an attempt on the part of the Congress to restrain an agency known as the Intelligence Agency running amok, committing our country in dastardly acts of assassination in the course of the last two decades, compromising the destiny of our Nation, obscuring the actual responsibility and accountability of creatures of our Government and of the Congress to account for their activities.

This is what the issue really is.

James Madison said:

> I believe there are more instances of the abridgement of the freedom of the people by gradual and silent encroachment of those in power than by violent and sudden usurpation.

The whole outline of grievance set forth by the Committee on Intelligence, reflected in the action initiated by Chairman BOLAND, is the first instance of the recognition of the responsibility of the Congress to regain its rightful and proper destiny in its discharge of representation of the American people, and a guarantor of the freedoms and the fundamental law that all of us have sworn to uphold.

□ 1800

It has been the CIA that, in effect, has conducted the foreign policy, with no accountability whatsoever. Such abysmal errors, for instance, even in El Salvador, we talk about the election in El Salvador, remember we also had an election in South Vietnam. What was the significance? Identical situation to what we are repeating in Central America.

All the dictators in the history of Latin America have eventually had to come around and have some kind of an election as a feeble attempt to reconcile their power and exercise of it, taken by force, with the will of the people.

You have elections in Russia. They define their system as democratic; in effect, more democratic than ours, from their standpoint.

But, in our case here today the central and critical issue is whether or not we are going to succumb to, in James Madison's words, "The abridgement of the freedom of the people by gradual and silent encroachment by those in power."

In this case, it happens to be the Intelligence Agency. In El Salvador right before the election the CIA sent $2 million-plus to try to influence the election in behalf of Napoleon Duarte. They tried to do it through the Panamanian secret bank accounts. They were so inept that that money ended up in the hands of those who were defeated. Who were those? The extreme right wingers, the murderers of the Archbishop Romero. Those are the ones we are associated with in Latin America right now, make no mistake about it.

The continuation of this heedless disregard on the part of the President for consultation with the Congress, one of my colleagues here talked about the failure to develop a bipartisan spirit. Well, forget about bipartisan spirit. Let us talk about the recognition on the part of the President and a decent regard for the opinion of the Congress.

Mr. BOLAND. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker, having resumed the chair, Mr. NATCHER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H.R. 2760) to amend the Intelligence Authorization Act for Fiscal Year 1983 to prohibit U.S. support for military or paramilitary operations in Nicaragua and to authorize assistance, to be openly provided to governments of countries in Central America, to interdict the supply of military equipment from Nicaragua and Cuba to individuals, groups, organizations, or movements seeking to overthrow governments of countries in Central America, had come to no resolution thereon.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate, by Mr. Sparrow, one of its clerks, announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

[CRS-106]

that imperil this important industry and the 2 million jobs it provides.

□ 1200

AMENDMENT TO THE INTELLIGENCE AUTHORIZATION ACT FOR FISCAL YEAR 1983

The SPEAKER. Pursuant to House Resolution 261 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 2760.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 2760) to amend the Intelligence Authorization Act for Fiscal Year 1983 to prohibit U.S. support for military or paramilitary operations in Nicaragua and to authorize assistance, to be openly provided to governments of countries in Central America, to interdict the supply of military equipment from Nicaragua and Cuba to individuals, groups, organizations, or movements seeking to overthrow governments of countries in Central America, with Mr. NATCHER in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee of the Whole House rose on Wednesday, July 27, 1983, all time for general debate had expired, and 9 hours and 7 minutes remained for consideration of the bill under the 5-minute rule.

Pending was an amendment offered by the gentleman from Florida (Mr. YOUNG) and an amendment offered by the gentleman from Maryland (Mr. BARNES) to the amendment.

Mr. MICA. Mr. Chairman, I have a substitute amendment for the amendment offered by the gentleman from Florida (Mr. YOUNG) at the desk.

PARLIAMENTARY INQUIRY

Mr. MICA. I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. MICA. A colleague would like to be recognized at this time for the purpose of a speech only. Can I, at this time, withhold my amendment so that the Chair can recognize by colleague?

The CHAIRMAN. The gentleman has the right to withhold his amendment.

Mr. DELLUMS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, since the advent of this administration we have seen a deliberate policy of confrontation, military escalation and illegal covert activity. This administration has fanned the local conflicts to the extent that we are at the brink of creating and involving ourselves in a widespread regional war.

This policy must stop. It is bound for defeat and disaster. We instead must seek to resolve differences. It should be the policy of the United States to seek, in Central America, a halt to the militarization, an end to foreign intervention, withdrawal of foreign military advisers and combat personnel, and the removal of all foreign military bases.

The premise of our policy is wrong. The seeds of the local struggles are oppression, poverty, disease and hunger. They are not Soviet bloc plots against the Americas. Because of the longstanding economic inequities of the region, there would still be revolution in Central America if the U.S.S.R. and Cuba were nonexistent. It is time for us to recognize that democracy does mean their right to decide their form of government and economy.

The Reagan administration is committed to a plan that is aimed at the overthrow, both directly and indirectly, of the Sandanista government of Nicaragua and the crushing of the guerilla movements of El Salvador and Guatemala. I believe the President is even willing to intervene with U.S. troops if all his other options fail.

The U.S. policy is an amalgam of everything that is or has been wrong with U.S. foreign policy:

Aged anticommunism;
North American chauvinism;
Racism;
Imperialism; and
Militarism.

We cannot be and should not be the policeman of the world or the Americas. This is a world and a hemisphere of many diverse nations, and we must respect our neighbors. We must work in concert with them to solve our problems in peace.

The Reagan administration's covert war against the Government of Nicaragua is clearly illegal. It is yet another example of the cowboy mentality of the President and the CIA.

It cannot succeed. The people of Nicaragua will not support the remnants of the Somoza tyranny. In the long term we will lose a great deal as the rest of the hemisphere, particularly the democratic elements, see us again as the gun-wielding, intemperate, insensitive gringo. The Congress must stop the U.S. covert operations.

But I am not sure that stopping the covert funding will stop the covert war. Clearly, we are encouraging other governments, in Central America, in Latin America, and in the Middle East to help the "Contras." This, too, must stop so that we can achieve a peaceful settlement.

We must recognize that our willingness to support tyranny makes revolutions inevitable. Cur continued political, military, and economic pressure has made political flexibility less possible.

The administration rejects such revolution. But dramatic evolution or revolution for the poor, the hungry, the sick, and the powerless is coming to Latin America and the Caribbean. We cannot nor should we stop it.

We can by example, with peaceful aid and counsel, foster democracy.

The opposition to the Sandanista government was heightened by allegations that they were assisting the rebels in El Salvador. The nature and extent of this alleged aid is still not explained. Senior U.S. advisers in El Salvador now say that weapons are coming to the rebels from U.S. supplied troops. The revolution in El Salvador continues because the Government in El Salvador, with U.S. backing, has failed to correct the inequities of that society.

The atrocities by official forces continue, while we certify progress toward human rights. Land reform has not worked, nor can it work under this regime. The elections of 1982 had little to do with the internal realities of El Salvador, but were intended to legitimize an unpopular government which the administration props up by force of arms. According to press accounts, El Salvador doubts if the elections scheduled for this year will be held. It is time for negotiations, without conditions, between all parties in El Salvador.

In the last year and a half a civilian government has emerged in Honduras. This administration has attempted to suffocate this fragile democracy. We have strengthened the military to the disadvantage of the civilian leaders. We have heightened internal political conflicts. Worse, we have pulled Honduras into conflicts with Nicaragua and the revolutionaries of El Salvador. Clearly the nation and its democratic government are in peril.

The administration is seeking a friendly relationship with a genocidal Guatemalan dictatorship. The Guatemalan military is attempting to stop broad-based opposition by systematic and widespread killing of civilians, especially indigenous populations.

The CHAIRMAN. The time of the gentleman from California (Mr. DELLUMS) has expired.

(By unanimous consent, Mr. DELLUMS was allowed to proceed for 3 additional minutes.)

Mr. DELLUMS. Mr. Chairman, besides genocide, there are no serious proposals for basic reforms, nor any coherent development strategies. If we are committed to democracy, we must continue to condemn the Rios Montt government in Guatemala.

The military aid to the junta of El Salvador, the development of Honduras as a U.S. fortress, and the not-so-secret war against Nicaragua have not accomplished President Reagan's goals. We now see a new ploy—a display of gunboat diplomacy. This is a dangerous and dubious venture. We are risking war by the provocative act of an actual blockade. The Gulf of Fonesca must not become another Tonkin Gulf.

[CRS-107]

I fear that when all other options fail, President Reagan will attempt to gain victory with air strikes from our carriers off the coast. We must say no to that option now.

The alternative to our present policy of military aid and escalation must be a political approach, but not the Kissinger Commission. This panel is a calculated public relations ploy designed to end run around Congress and to establish legitimacy for a policy of blockade, military threats and, finally, U.S. military intervention.

We must support an end to violence, repression and killing. We must assist the end of political and economic privilege and seek justice. We must assist basic economic change. We must commit ourselves to dialog and negotiation. It is time to turn toward peace.

The Congress must reject the Reagan Central America policy—

No covert war;

No gunboat diplomacy;

No increases in military aid; and

No armed intervention.

AMENDMENT OFFERED BY MR. MICA AS A SUBSTITUTE FOR THE AMENDMENT OFFERED BY MR. YOUNG OF FLORIDA

Mr. MICA. Mr. Chairman, I offer an amendment as a substitute for the amendment.

The Clerk read as follows:

Amendment offered by Mr. MICA as a substitute for the amendment offered by Mr. YOUNG of Florida: On page 2, strike out line 20 and all that follows through line 10 on page 5 and insert in lieu thereof the following:

"(b) This section shall take effect upon the date prescribed in the classified annex to the report of the Permanent Select Committee on Intelligence of the House of Representatives to accompany H.R. 2760 (98th Congress), but in no event earlier than October 1, 1983, unless before that effective date the President, after consultation with the Congress, has submitted to the Speaker of the House of Representatives and the President pro tempore of the Senate in writing a new plan providing for the interdiction of arms being shipped from or through Nicaragua to forces hostile to the Government of El Salvador. In formulating such a plan, the President shall consider whether it would be useful to pursue direct bilateral negotiations between the United States and the Government of Nicaragua; multilateral negotiations among selected Western Hemispheric countries; involving the Organization of American States, the United Nations, or any other nation or nations in a diplomatic or peacekeeping role; involving other countries in the process of arms interdiction using United States military supplies and training; and any other policy that will stop the shipment of arms from Nicaragua to El Salvador. The plan submitted pursuant to this subsection shall cease to be implemented and the prohibition contained in subsection (a) shall take effect if—

"(1) the Government of Nicaragua has, by formal action, agreed that it will cease all its activities involving the furnishing of arms, personnel, training, command and control facilities, or logistical support for military or paramilitary operations in or against any country in Central America or the Caribbean; and

"(2) the Government of Nicaragua is taking steps to implement the commitments made by the Government of National Reconstruction of Nicaragua to the Organization of American States in July 1979; and

"(3) the cessation of such activities, and the taking of steps to implement such commitments, has been verified by the Organization of American States or the President of the United States.

Mr. MICA (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

Mr. BOLAND. Mr. Chairman, reserving the right to object, I would like to have an explanation and perhaps a reading of the amendment, if the gentleman would withhold his request.

Mr. MICA. Mr. Chairman, I will withhold my request at this time.

The CHAIRMAN. The Clerk will read.

The Clerk continued the reading of the amendment.

The CHAIRMAN (during the reading). For what purpose does the gentleman from Massachusetts (Mr. BOLAND) rise?

Mr. BOLAND. Mr. Chairman, the request of the gentleman from Massachusetts, under a reservation of my right to object, is made in order that I might understand precisely what is in the Mica substitute. My understanding is that—and the gentleman can correct me if I am wrong—that there is a difference between the Mica amendment as it is printed in the RECORD and this amendment, and we would like to understand that. We are not going to be able to understand that very well unless we understand what is in the amendment offered as a substitute.

Mr. MICA. There is a difference in the substitute, Mr. Chairman.

Mr. BOLAND. All right. Is it my understanding that the gentleman is going to explain what the difference is?

Mr. MICA. I will explain the difference, Mr. Chairman.

Mr. BOLAND. Mr. Chairman, with that understanding, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida that the amendment be considered as read and printed in the RECORD.

There was no objection.

The CHAIRMAN. The gentleman from Florida (Mr. MICA) is recognized for 5 minutes in support of his amendment.

Mr. MICA. Mr. Chairman, at the onset let me say that it has not been my intention to create a confrontation in this body, but, rather, to try to bring about a unanimity. There was a working group on this subject. It was made up of the leadership of both parties. It did not achieve its task, but I would like to submit for the RECORD the names of about 50 to 60 Democrats who had worked as recently as this week and tried to continue at least one effort to see unanimity on this floor before we had to approach it in this manner.

The list of names is as follows:

Don Fuqua, Bill Nelson, Marvin Leath, Bill Chappell, Jerry Huckaby, Glenn English, Charlie Whitley, Dan Daniel, Wes Watkins, Ben Erdreich, Ike Andrews, Ronnie Flippo, Harry M. Reid, Charlie Bennett, Beverly Byron, Buddy Roemer, G. V. Montgomery, Charlie Stenholm, Kent Hance, Robin Britt, Dante Fascell, Andy Ireland, James McClure Clarke, John Murtha, Bill Hefner, Wayne Dowdy, Robert A. Young, Earl Hutto, John Breaux, J. Roy Rowland, Ike Skelton, Charles Hatcher, Roy Dyson, Dave McCurdy, Richard Ray, Tom Carper, Ralph Hull, Marilyn Lloyd, Tom Lantos, Billy Tauzin, Daniel Akaka, Richard Shelby, Ed Jenkins, Jack Hightower, Sam Hall, Norman Sisisky, Bill Nichols, Samuel Stratton, Beryl Anthony Jr., Buddy MacKay, James R. Jones, Dan Mica.

Mr. Chairman, the second point I would like to make is that our majority leader, the gentleman from Texas, Mr. JIM WRIGHT, is circulating an amendment that he intends to introduce later today, and I would like to be very direct on this and say that I would totally and completely support that amendment. I think the findings that are stated in the Wright amendment to chastise the Government of Nicaragua and indeed to direct the President to try to find some diplomatic solutions are in effect what I am hoping, and have been hoping, to do right along in working with some kind of a bipartisan group to find a solution to this most difficult problem.

Let me say first that it is a complex situation, and I see it as a very complex situation involving tens of thousands of human beings' lives in which we are trying to impose a black or white solution. It is against the law so we will not do it, or it is not against the law so we will do it; I do not see that as an appropriate resolution to this type of situation where lives are involved.

Mr. Chairman, simply stated, I think the President is probably acting in breach of American laws, and I know that is in dispute. I think that Nicaragua is acting wrongly. There is no doubt about that, and I will read from the Boland report as to what they say Nicaragua is doing. But I also think the direct action of the Boland-Zablocki amendment is not correct.

So we have three actions that this Member feels are all incorrect.

Now, what does my amendment do? Simply stated there are two parts to it. First, the President must submit a plan to the Congress. This gives the President the opportunity to set forth in writing a legal approach to that which may be, and some say is, illegal in the activities that are being conducted in Central America. Certainly a committee that has approved action after action after action prior to

[CRS-108]

saying it is illegal would give the opportunity to allow for a plan to be put in compliance with American law, and I think that is important. We need to have some approach other than just the confrontation, an ability to make sure that what we do as a nation—not Democrats or not Republicans, but as a nation—is legal.

Second, and more importantly, we believe that Nicaragua should take some action in ceasing its inappropriate activities in the region. Now, I do not think that is asking too much, particularly if each and every Member reads the Boland report, and I intend to read from that report here today.

Now, I have made a change, and I directly refer these comments to the chairman of the committee, who asked about a change. My original amendment, as indicated in the RECORD, said that these actions by Nicaragua could be verified first, by the OAS, second, by the Contadora group, or third, by the President. I have been advised, and I agree, that the Contadora group, which I support because I feel it makes a good faith effort, in and of itself is not an internationally recognized body. It does not have the mechanism for verification. So I have changed that section to read that it can be verified by the President of the United States for the OAS.

This is not trying to impose a solution on Nicaragua. It is not saying that "You must deal with our "President." It is saying that "You can deal with us or you can deal with your peers in the region."

So I think that minor change is appropriate, and there were some eloquent speeches made about that yesterday on the floor.

Mr. SOLARZ. Mr. Chairman, will the gentleman yield?

Mr. MICA. I will yield at the conclusion of my remarks, but I only have 5 minutes.

Let me refer to not anything that this Member of Congress feels, not to any opinion, but to the judgment of the Boland committee, and I think the Members should read this before we vote, because they say that the following judgment is made "with certainty"—not with question.

The CHAIRMAN. The time of the gentleman from Florida (Mr. MICA) has expired.

(On request of Mr. HYDE, and by unanimous consent, Mr. MICA was allowed to proceed for 5 additional minutes.)

Mr. MICA. Mr. Chairman, the Boland committee says that the following judgment is made "with certainty":

> A major portion of the arms and other material sent by Cuba and other communist countries to the Salvadoran insurgents transits Nicaragua with the permission and assistance of the Sandinistas.

The Boland committee goes on to say this:

> The Salvadoran insurgents rely on the use of sites in Nicaragua, some of which are located in Managua itself, for communications, command-and-control, and for the logistics to conduct their financial, material and propaganda activities.

And the Boland committee, not this Member, says this directly:

> The Sandinista leadership sanctions and directly facilitates all of the above functions.

The committee also says this:

> Nicaragua provides a range of other support activities, including secure transit of insurgents to and from Cuba, and assistance to the insurgents in planning their activities in El Salvador.

Here is a Congress that is concerned about sending direct aid to El Salvador, a government that we support ostensibly, and now we are saying that we will not try in any way to stop this activity.

Now, let me add from the Boland committee report. This is an item that has been raised for the last year prior to all this.

> Another area of serious concern to the Committee is the significant military buildup going on within Nicaragua. The President and other executive branch officials have addressed this subject publicly and exhaustively. Considering the small population of Nicaragua—

And I am continuing to report from the Boland committee report—

> two and one half million people—and its weakened economic status—such a buildup cannot be explained away as solely defensive.

The Nicaraguan Government said they would build the largest standing army in this hemisphere. They have no threatening neighbors, they have no need for such an army. At this very moment, shiploads of Soviet equipment are on their way to Nicaragua.

So what I am saying is this: The gentleman from Indiana (Mr. LEE HAMILTON) made an eloquent argument about the problem of our approach in that region. I hope I have made some argument about the problems that are going on in Nicaragua, and the conclusion is that what is going on in Nicaragua is wrong. What we are doing may be wrong and it must be corrected by our plan and by the President, and it is of such a serious nature that we should not just pick up our marbles, just stop everything, and walk away.

Finally, let me say that we are going to give $80 million in the region, and all those who feel that the overt approach is correct, but do not want to support an open war had better think about that. Honduras and Guatemala and Nicaragua went to war over a soccer game. As for that $80 million, if it is the seed money for an open war, are we prepared to vote for open funding for war in that region?

□ 1220

There is a problem. It is a legitimate problem. I feel deeply about this. There is nothing that says that, be you a Democrat or a Republican, that you do not want to sometimes stop and look at the human situation. There are tens of thousands, whether we like it or not, who have alined themselves with a cause that we have supported that they felt was for freedom, and when we leave, the Sandinistas know who every one of them are.

Mr. SOLARZ. Mr. Chairman, will the gentleman yield?

Mr. MICA. I am happy to yield to the gentleman from New York.

Mr. SOLARZ. Mr. Chairman, I thank the gentleman for yielding.

I gather that one change the gentleman has made in the substitute the gentleman has offered, in comparison to the amendment that was put in the record, is that the verification of the cessation of subversion by the Government in Nicaragua now has to be done either by the OAS or the President of the United States and that the reference to the Contadora countries has been eliminated.

Mr. MICA. The gentleman made such an eloquent speech yesterday that I had to rethink my position.

Mr. SOLARZ. I thank the gentleman for his response.

Mr. LAGOMARSINO. Mr. Chairman, will the gentleman yield?

Mr. MICA. I am happy to yield to the gentleman from California.

Mr. LAGOMARSINO. Mr. Chairman, I thank the gentleman for yielding.

I take it from the gentleman's remarks that basically what he is telling us here today—and I think this is really the kernel of this whole argument—is that it should be beyond any shadow of a doubt now, there should be no argument about it any more, that Nicaragua is indeed furnishing arms and equipment to the guerrillas in El Salvador.

The CHAIRMAN. The time of the gentleman from Florida has expired.

(At the request of Mr. LAGOMARSINO, and by unanimous consent, Mr. MICA was allowed to proceed for 2 additional minutes.)

Mr. LAGOMARSINO. Mr. Chairman, if the gentleman will yield further, there should be no argument, the issue should be laid to rest as to whether or not Nicaragua is, indeed, furnishing arms, equipment, training, logistics and so on to the guerrillas in El Salvador.

Mr. MICA. There is no question. If every Member in their offices or on the floor would get a copy of the Boland-Zablocki report, they do not make any bones about this. A great portion of that report recognizes, chastises, and condemns the activities in great detail of the activities of the

Government of Nicaragua. I do not think that has been brought out. Some say maybe that is not so.

I think it needs to be put to rest. It is in the report.

I think to be fair to the committee, their argument is not that these things are not going on. Their argument is that maybe it is illegal and we should stop it.

[CRS-109]

My argument and my point here today is that I do not think a lot of people realize that this is a fact. These are judgments made with certainty by our committee in this Congress.

Mr. LAGOMARSINO. Mr. Chairman, if the gentleman will yield further, another point that is made in that report is that we should do something about it; right?

Mr. MICA. Well, the report does say that we should take some action.

I might say that my feeling is this. It is a pay now or pay later situation. There is and has been a major military buildup. I am on the Foreign Affairs Committee. We have had reports of it for over 1 year now in Nicaragua, aside from the debate, and their leaders have said that it will be the strongest military regime in the hemisphere outside the United States.

Mr. LAGOMARSINO. So the argument here today and yesterday really should be whether the remedy provided in the bill that is before us is the correct remedy or not. There should not be an argument anymore whether there should be a remedy.

Mr. MICA. I think the Boland-Zablocki resolution addresses a very salient point, a difficult problem, a very sincere effort.

I just think the way it approaches it, the final answer right now, with the situation where there are thousands who have alined themselves with this cause in Nicaragua, should be considered.

The CHAIRMAN. The time of the gentleman from Florida has again expired.

(At the request of Mr. Hopkins, and by unanimous consent, Mr. Mica was allowed to proceed for 1 additional minute.)

Mr. HOPKINS. Mr. Chairman, will the gentleman yield?

Mr. MICA. I am happy to yield to the gentleman from Kentucky.

Mr. HOPKINS. Mr. Chairman, I thank the gentleman for yielding.

As the author of the amendment currently on the floor, is it the opinion of my colleague that if overt operations are approved by this Congress, in the gentleman's opinion, would that lead to a commitment of troops in the future in Central America?

Mr. MICA. I think there is every bit the possibility that with overt aid we could be supplying seed money for possible military actions in the region. Then those of us or those of you who supported it will have to make a judgment.

Did you give them the money to get it started and now you want to stop, do you want to pull away? That is a legitimate concern.

There are other concerns, such as immigration.

Mr. HOPKINS. Mr. Chairman, will the gentleman yield further?

Mr. MICA. I am happy to yield.

Mr. HOPKINS. Will the gentleman give me his opinion, using the reverse side of that coin? Would the approval of covert operations ultimately be more or less likely to result in the commitment of American soldiers in Central America?

Mr. MICA. I think if the covert operations meet the legal guidelines set forth in this Congress and this Committee.

The CHAIRMAN. The time of the gentleman from Florida has again expired.

(By unanimous consent, Mr. Mica was allowed to proceed for 2 additional minutes.)

Mr. MICA. Mr. Chairman, there is no doubt that the potential exists for problems, military problems, in that region right now. Either way, we are taking a risk.

I think it is difficult. I said that it was an honest effort; but if I may, because the Chairman has asked that I point out the changes in the record and I just recalled one minor change that I would like to point out. We changed the words, "affirmed its commitments" on page 2, to "is taking steps to implement the commitment." It is not a major change, but I wanted to point that out.

AMENDMENT OFFERED BY MR. BOLAND TO THE AMENDMENT OFFERED BY MR. MICA AS A SUBSTITUTE FOR THE AMENDMENT OFFERED BY MR. YOUNG OF FLORIDA

Mr. BOLAND. Mr. Chairman, I offer an amendment to the amendment offered as a substitute for the amendment.

The Clerk read as follows:

Amendment offered by Mr. Boland to the amendment offered by Mr. Mica as a substitute for the amendment offered by Mr. Young of Florida: Strike out all that follows "On page" through the end of the amendment and insert in lieu thereof the following:

3, after line 8, insert the following:

"(c) The prohibition contained in subsection (a) shall cease to apply if, after the end of the 30-day period beginning on the effective date of that prohibition—

"(1) the President submits to the Congress a report, classified if necessary, stating that the Government of Nicaragua is continuing to support, directly or indirectly, military or paramilitary operations by antigovernment forces in El Salvador, and that the President has determined that the assistance for military or paramilitary operations prohibited by subsection (a) is necessary, such report to include an analysis of the military significance of the aid provided by Nicaragua to antigovernment forces in El Salvador, a justification for the amount and type of assistance proposed to be furnished, a description of the objectives of such assistance, and an explanation of why the proposed assistance is in the United States national interest; and

"(2) the Congress enacts a joint resolution approving the resumption of assistance for military or paramilitary operations in Nicaragua.

Mr. BOLAND. Mr. Chairman, I yield to the gentleman from New York (Mr. Solarz).

Mr. SOLARZ. Mr. Chairman, I thank the gentleman from Massachusetts, the distinguished chairman of the committee for yielding for the purpose of explaining this amendment to the substitute amendment offered by the gentleman from Florida (Mr. Mica).

Mr. BOLAND. Mr. Chairman, the reason I yielded to the gentleman from New York is that both the gentleman from New York and the gentleman from Georgia were cosponsors of an amendment to the substitute that was going to be offered by the gentleman from Florida (Mr. Mica).

I sought the floor because of the fact that I chair this committee and probably have seniority over the gentleman from the Foreign Affairs Committee, the gentleman from Michigan (Mr. Broomfield).

I sought this time so that we would have an opportunity to put this particular amendment before the House and the committee itself could make a judgment, both on the Mica amendment and also on the amendment to the Mica substitute that is offered in my name, but in behalf of the gentleman from New York and the gentleman from Georgia.

Mr. Chairman, I yield to the gentleman from New York (Mr. Solarz).

Mr. SOLARZ. Mr. Chairman, I thank the gentleman for yielding once more.

Mr. Chairman, I ask unanimous consent that the gentleman from Massachusetts (Mr. Boland) may sit while I engage in my remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. SOLARZ. Mr. Chairman, my very good friend, the gentleman from Florida (Mr. Mica), described his substitute as a compromise which could hopefully provide a basis for facilitating a broad consensus within the House with respect to how we ought to be conducting ourselves toward Nicaragua.

I would submit that this amendment to his substitute, offered by the gentleman from Massachusetts (Mr. Boland) on behalf of the gentleman from Georgia (Mr. Fowler) and myself, could fairly be characterized as a compromise to the compromise.

Let me try to explain exactly what the differences are between the Mica substitute and the Boland amendment. Under the Mica substitute, we would, in effect, continue our paramilitary operations against Nicaragua, unless Nicaragua first stops its efforts to destabilize the Government of El Salvador and the President or the OAS, in effect, certifies or reports to the Congress that they have, in fact, stopped these subversive activities directed toward a neighboring government.

Under the Boland amendment, we would stop upon the enactment of this legislation or paramilitary operations directed toward Nicaragua, but we would be in a position to resume those paramilitary operations if the President within 30 days after the enactment of the legislation and the cessation of our paramilitary operations reported back to the Congress that the Government of Nicaragua was continuing its efforts to destabilize other governments in the region and if, at that point, the Congress of the United States adopted a joint resolution approving the President's report.

[CRS-110]

□ 1230

What then is the fundamental difference between the Mica substitute and the Boland amendment?

Under the Boland amendment, we would take the first step. We would terminate our paramilitary operations directed against Nicaragua.

PARLIAMENTARY INQUIRY

Mr. COLEMAN of Missouri. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state this parliamentary inquiry.

Mr. COLEMAN of Missouri. Mr. Chairman, since we are playing by the strict rules here, does the gentleman have the time or does the chairman have the time?

The CHAIRMAN. The gentleman from Massachusetts (Mr. BOLAND) has the time.

Mr. BOLAND. Mr. Chairman, would the gentleman yield?

Mr. COLEMAN of Missouri. I yield.

Mr. BOLAND. My understanding is that the gentleman from New York (Mr. SOLARZ) asked unanimous consent that I be permitted to sit and there was no objection to it. So I yielded the time to the gentleman from New York so he could continue.

Mr. COLEMAN of Missouri. I think we ought to be kind to our senior citizens and if that unanimous consent has already been passed, far be it for me to object.

Mr. BOLAND. I would say to the gentleman from Missouri if sometime he wants to go down to the gym and get involved in some kind of a little racket game, I will be delighted to accommodate him.

Mr. SOLARZ. Mr. Chairman, just for the record, so it may be understood, my unanimous-consent request had absolutely nothing to do with the age or the physical capacity of the very distinguished chairman of the Intelligence Committee who could outlast all of us. It was merely a courtesy to a colleague which I would have extended, even to the gentleman from Missouri if the situation had been reversed.

If I may, I would like to get back to the explanation of the differences between these two approaches. Under the Boland amendment we take the first step.

The CHAIRMAN. The time of the gentleman from Massachusetts [Mr. BOLAND] has again expired.

(On request of Mr. MICA and by unanimous consent Mr. BOLAND was allowed to proceed for 5 additional minutes.)

Mr. BOLAND. I yield to the gentleman.

Mr. SOLARZ. I thank my colleague for that request.

Once we take the first step, it is then up to Nicaragua to take the second step. And if they refrain from taking the second step, then we are in a position to resume our paramilitary operations against Nicaragua merely by virtue of a Presidential report that they have not taken the second step, and through the adoption of a joint resolution approving the President's report; whereas under the Mica amendment, we insist that the Nicaraguans take the first step and that they in effect terminate their subversive efforts against El Salvador before we terminate our paramilitary operations against them.

Now, I happen to believe that the United States, a nation of over 200 million people, one of the two superpowers in the world, engaged in a tense confrontation, as it were, with a small nation of a few million people like Nicaragua, is big enough and is powerful enough to take the first step.

Mr. MICA. Mr. Chairman, will the gentleman yield?

Mr. BOLAND. I will be happy to yield to the gentleman from Florida.

Mr. MICA. Just for purposes of clarification, I understand your amendment would just stop everything for 30 days and then at the end of 30 days, after we have received a report from the President, that then we could either go ahead or continue with no action; correct?

Mr. SOLARZ. Under my amendment, once the prohibition on the paramilitary assistance contained in the Boland-Zablocki bill comes into effect, we stop our paramilitary assistance directed against Nicaragua and then, 30 days after that cessation, the President is empowered to report back to the Congress, if he so chooses, that the Government of Nicaragua is continuing its subversive efforts against El Salvador or anywhere else.

Then if the Congress adopts a joint resolution approving the President's report, we resume our paramilitary operations against Nicaragua.

If the President does not submit such a report or if the Congress does not adopt a joint resolution the paramilitary assistance does not continue.

Mr. MICA. If the gentleman will continue to yield, I would like a clarification on that. But let me just ask this and then I will ask for clarification.

How long will it take us to withdraw everybody that we are supporting there?

Mr. FOWLER. Mr. Chairman, will the gentleman yield?

Mr. BOLAND. I yield to the gentleman from Georgia.

Mr. FOWLER. The amendment offered by the gentleman from New York and myself preserves the classified date for cessation of hostilities contained in the classified annex of the intelligence authorization and we keep that classified date for the termination of all hostilities by the United States in the Boland-Zablocki bill.

So what the amendment offered by the gentleman from New York and myself would do would be after that date, when military activity is ceased by the United States, the President would then have 30 days from the classified date to submit this report on the cessation of Nicaraguan activities.

Mr. MICA. If the gentleman would continue to yield, my problem with this would be that if we are going to stop everything for 30 days we obviously will have those thousands that were referred to there, no one there to defend them while we are waiting on a report.

We may have to go back in 30 days to a very difficult situation.

Mr. SOLARZ. Let me say that if the groups that are now fighting against the Government in Nicaragua cannot maintain themselves for at least 30 days without a continuing supply of American weaponry, given all of the assistance they have already gotten, they are not a very viable operation to begin with.

Mr. STRATTON. Would the gentleman yield?

Mr. SOLARZ. I would be happy to yield, but I wonder if the gentleman would allow me 2 minutes to conclude my remarks and then I will yield.

But if the gentleman prefers, I would ask the chairman to yield now.

Mr. BOLAND. I yield to the gentleman from New York.

Mr. STRATTON. I am interested in precisely the same point the gentleman from Florida (Mr. MICA) is making. I think the gentleman from New York (Mr. SOLARZ) is trying to deal with this thing from a legalistic point of view instead of a realistic point of view of the military situation that exists in Nicaragua.

It is not a question of whether the individuals that we are supporting can maintain themselves for 15 days, 30 days, 45 days, or even long enough for Congress to conduct another one of these debates that takes 13 or 14 hours. It is a question of whether this Congress is going to demonstrate that the United States is not willing to sustain an operation of this kind to assist those who are fighting for freedom.

You just cannot turn this thing off and on like a faucet. I think the gentleman's amendment is highly flawed in comparison with that of the gentleman from Florida.

The CHAIRMAN. The time of the gentleman from Massachusetts (Mr. BOLAND) has again expired.

(On request of Mr. FASCELL and by unanimous consent Mr. BOLAND was allowed to proceed for 3 additional minutes.)

Mr. McCURDY. Mr. Chairman, will the gentleman yield?

Mr. BOLAND. I am happy to yield to the gentleman.

Mr. McCURDY. I just would like to clarify a point. I understand where the gentleman from Florida and the gentleman fron New York that just left the microphone are coming from.

[CRS-111]

But from a practical standpoint are we not saying that since this is an authorization bill for 1984, that because of the process that we are involved in here that the actual termination, if the other body even were to accept this proposal, would not occur until October?

Mr. SOLARZ. Precisely.

Mr. McCURDY. So we are not talking about a spigot being turned off immediately.

Mr. SOLARZ. Can I say to the gentleman that he will have ample opportunity to debate the amendment but I would like to finish the explanation.

I am sure my colleagues on the other side of the aisle either have questions or want to make statements about it themselves.

But if I can try to conclude the summary and the description of what the amendment attempts to do, as I was pointing out, the big difference is that under the Mica substitute the Nicaraguans have to take the first step. Under the Boland amendment to the Mica substitute we take the first step. But if they do not reciprocate we are in a position to resume paramilitary operations against Nicaragua.

□ 1240

It seems to me the advantage of combining the Boland amendment with the Mica substitute is that it puts the Nicaraguan Government on notice that, if they want us to refrain from resuming paramilitary operations against them, all they have to do is to terminate their efforts to subvert the government in El Salvador.

Mr. COLEMAN of Missouri. Mr. Chairman, will the gentleman yield on that point?

Mr. BOLAND. I will be happy to yield.

Mr. COLEMAN of Missouri. Let me read to you from page 12 of the Intelligence Committee report. It says, "No member of the committee believes that ending support for the anti-Sandinista insurgency will by itself induce a corresponding end in Sandinista support for the Salvadoran insurgents." It flies right in the face of what the gentleman just got through saying.

Mr. SOLARZ. No.

Mr. COLEMAN of Missouri. You even put it in print, now you are backing away from that statement.

Mr. SOLARZ. Well, if I can respond to the gentleman's point, it says nothing of the sort, because if the Boland amendment to the Mica substitute is adopted, and if we take the first step, which that amendment would have us do, if we, under the terms of the Boland amendment, terminate our paramilitary assistance against Nicaragua——

Mr. COLEMAN of Missouri. Then what should——

Mr. SOLARZ. If I can complete my response to your question. If it should turn out that the Government of Nicaragua does not cease and desist from its efforts——

The CHAIRMAN. The time of the gentleman has expired.

(On request of Mr. FOWLER and by unanimous consent, Mr. BOLAND was allowed to proceed for 5 additional minutes.)

Mr. BOLAND. I yield to the gentleman.

Mr. SOLARZ. I thank the gentleman for the request. And if it turns out that the Government of Nicaragua does not cease and desist from its efforts to destabilize El Salvador, then 30 days after the termination of the paramilitary operations we are directing against Nicaragua, the President would submit a report to the Congress in which he would say the Government of Nicaragua is continuing its efforts. He would describe what they are doing. Under the terms of the amendment he would be obligated to assess the military significance of what they were doing. He would also presumably request us to authorize a continuation of the paramilitary operation against them. He would describe the purposes of that operation. If necessary, his report could be classified.

Once that report was submitted to the Congress, upon the adoption of a joint resolution by both the House and the Senate the paramilitary operations would resume.

Mr. COLEMAN of Missouri. Will the gentleman yield on that point?

Mr. BOLAND. Yes, I yield to the gentleman.

Mr. COLEMAN of Missouri. The gentleman has already prejudged his argument in this committee document because you have just said and I just read it to you that nobody on the Intelligence Committee thinks that this is going to work, for 30 days or whatever. What you are saying is you are going to give them 30 days and then come back with the report that the Congress might sit on for 30, 60, 90, 120 days. Members of the Intelligence Committee already said this is an ineffective method to use because by itself the Sandinistas will not give up. It says so on page 12 of the Intelligence Committee report.

Mr. SOLARZ. Let me say that I did not write the report; I do not think that anybody can predict with absolute certainty what the Sandinistas will do.

I think if we adopt the Boland amendment we will put the onus on them; regional pressure, international pressure will be focused on the Sandinistas. I think our political position will be enormously enhanced both within the region and around the world and, if it should turn out that the prediction contained in the committee report is accurate, and the Sandinistas continue their efforts to destablize El Salvador anyway, we are in a position to resume. I can assure you that there is no intention here to bottle up joint resolutions of approval.

Mr. COLEMAN of Missouri. The gentleman cannot give that assurance.

Mr. SOLARZ. I have not yielded. I am sure before this debate is over, I do not want to speak for them, but I believe that the chairmen of the relevant committees would be prepared to offer assurance that this legislation would be considered in a timely and expeditious fashion, and that the Congress would be given an opportunity to work its will. Let me say to the gentleman, if you want to offer an amendment to the amendment providing for expedited procedures, I personally have no problem with that.

The whole point is, however, that if the amendment is adopted and the Government of Nicaragua does not cease and desist from its efforts to destabilize El Salvador, we are in a position to resume.

Now, the advantages of the approach are twofold. From the point of view of those who believe that so long as Nicaragua continues to subvert El Salvador, we should continue our paramilitary operations against Nicaragua, the advantage is that the amendment provides for a mechanism for resuming the paramilitary operations if they do not cease and desist. Whereas, from the point of view of those Members who believe that even if Nicaragua does not cease and desist from its efforts to destablilize El Salvador, it is not in the interest of the United States to continue what we are doing, the Boland amendment provides for the termination of our paramilitary assistance toward Nicaragua and gives the Congress of the United States the right to prevent the resumption of a paramilitary assistance program directed against Nicaragua, if the Congress does not pass a joint resolution approving the President's report.

The fundamental difference between the Mica substitute and the Boland amendment, in addition to the fact that the Mica amendment would require them to go first whereas the Boland amendment would have us go first, is that under the Mica amendment there is no continuing congressional control, whereas under the Boland amendment the Congress remains in a position to prevent a resumption of this program in the event it decides that is not in our interest.

The CHAIRMAN. The time of the gentleman has expired.

Mr. MICA. I ask unanimous consent that the gentleman be given 1 addie in this debate here. I would like to see someone on this side recognized to answer the comments made by the gentleman from New York.

[CRS-112]

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

There was no objection.

The CHAIRMAN. The gentleman from Massachusetts (Mr. Boland) is recognized for 1 additional minute.

Mr. BOLAND. I yield to the gentleman (Mr. Mica).

Mr. MICA. I would like to clarify one statement that the gentleman made when he said that with the Mica amendment there is no continuing congressional oversight.

At any time this body can stop everything. All we have to do is come together like we are right now here and act on an appropriations bill or a limitation. So, there is always control.

Mr. SOLARZ. If the gentleman from Massachusetts will yield, the gentleman's point is well taken, but I am sure the gentleman would also agree that the provision requiring the adoption of a joint resolution of approval contained in the Boland amendment to your substitute gives the Congress a greater degree of control over what we are doing with respect to Nicaragua than it would have without such an arrangement.

Mr. MICA. If the gentleman from Massachusetts will yield, I would agree it would give some other type of control, but we already have control.

Mr. LAGOMARSINO. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to the Solarz amendment.

Mr. Solarz says that we, the United States, should take the first step. I really do not know why we should. Nicaragua is the one that took the first step in the first place, they are the ones who started support for the guerrillas in El Salvador.

They are the ones who are supporting, according to the Intelligence Committee report and something we all know, line 5, it says:

> Such judgments nonetheless constitute a clear picture of active promotion for revolution without frontiers throughout Central America by Cuba and Nicaragua.

In the gentleman's remarks about his amendment, in speaking about the guerrillas in El Salvador, he added the words, "or anywhere else." But that is not what his amendment says. The amendment only speaks to the support of the guerrillas in El Salvador. I submit to you that you could have a situation where it might be that the guerrillas in El Salvador could survive for 30 days without the kind of activities that are proscribed in the bill. But there is nothing in the amendment that would prohibit the Government of Nicaragua from continuing to supply subversive elements in Costa Rica, in Honduras, Guatemala or in any place else in the Caribbean. So there is a big difference between the gentleman's amendment with respect to that and the Mica amendment and others before us.

I would suggest, also, that even if there is an expedited procedure added to this amendment, that does not do very much good if the Congress is not in session when it comes before us.

What happens to the Contras who are in Nicaragua and more importantly, perhaps, what happens to the people who have attached themselves to their cause, the civilians in the highland, the Miskito and other Indians on the east coast? What happens to them? Are they supposed to go out and then come back later if that is indeed what happens?

I think the gentleman's amendment should be defeated.

Mr. SOLARZ. Mr. Chairman, will the gentleman yield?

Mr. LAGOMARSINO. I yield to the gentleman.

□ 1250

Mr. SOLARZ. I thank the gentleman for yielding.

Just for the purposes of clarification, the gentleman is quite right in saying that the amendment offered by the gentleman from Massachusetts (Mr. Boland) refers only to activities underway on the part of Nicaragua with respect to El Salvador, and not the other countries in the region, but I would point out to the gentleman that that is equally true of the substitute offered by the gentleman from Florida (Mr. Mica), which if the gentleman reads it, clearly applies only to the provision of arms from or through Nicaragua to forces hostile to the Government of El Salvador.

Mr. GRAMM. Mr. Chairman, will the gentleman yield?

Mr. LAGOMARSINO. I yield to the gentleman from Texas.

Mr. GRAMM. I thank the gentleman for yielding.

Mr. Chairman, I would like to clarify exactly what these amendments do. The Mica amendment sets out a reciprocity formula that basically says that if the Government of Nicaragua stops its actions against its neighbor, if it fulfills the commitments it made to OAS and if a third party verifies that action, that we will cut off aid to the anti-Sandinista freedom fighters.

Now, compare that to the Boland amendment, which is a gutting amendment. The Boland amendment says, let us cut off aid to those who are fighting for freedom, fighting to achieve important American objectives. Let us end arms assistance for 30 days with no guaranteed response. After 30 days, let us call on the President to send evidence to the Congress that Nicaraguan subversion and arms shipments to El Salvador has not stopped and then let us ask the Congress to assess that information and if the Congress chooses to act favorably, then we will resume support for those fighters within Nicaragua.

Now, how can we believe that this Congress will be objective when the committee has already voted, on a straight partyline vote, to cut off aid even through there is total agreement here that the evidence is overwhelming that the Nicaraguan Government is currently engaged in subversion in El Salvador and elsewhere in Central America.

Now if we all agree on the facts today, agree that Nicaragua is attempting to overthrow the Government of El Salvador and install a Marxist dictatorship, and yet we are voting to cut off aid how can we believe the Congress is going to be a neutral arbiter of any evidence submitted by the President? I think there is a legitimate reason to believe it will not. I think we are seeing rank partisanship here which does disservice to the American people, which threatens us in Central American and which some day may bring the rifle shots to our doorstep.

The CHAIRMAN. The time of the gentleman grom California (Mr. Lagomarsino) has expired.

(At the request of Mr. Gramm and by unanimous consent, Mr. Lagomarsino was allowed to proceed for 5 additional minutes.)

Mr. GRAMM. If the gentleman will continue to yield, we are planting the seeds today for a conflict that could bring the rifle shots to our hearing range, at least within our hearing range in Texas.

Mr. Chairman, what we have here is an effort to simply grant a 30-day cessation of aid, call on the President to present evidence to a committee that agrees on the evidence—there is no disagreement here that subversion and arms shipments, are continuing on a massive scale—but yet in spite of the evidence the committee voted on a straight party line to cut off aid. How are we to believe that this committee or the Congress is going to be more receptive to evidence in the future than it is today? I submit that they will not.

The Mica amendment is a logical approach to the problem. It sets out an evidence test. It sets up a third party as an aribter and basically creates a system of reciprocity.

If the Nicaraguans want peace, if they are willing to stop their aggression against their neighbor, then we will stop our support for the fighters within their borders. If they do not, we will not.

I would like to make one additional point, Mr. Chairman, and that is we have a proposal from this committee that says let us not repeat the errors of Vietnam, but let us repeat the methods of Vietnam.

How are we going to throw up walls on the borders of all of Nicaragua's neighbors? I repeat a point I made yesterday: With tens of billions of dollars, with 600,000 combat troops, with absolute mastery of the air and the sea and the land, we never shut down the Ho Chi Minh Trail and we never stopped the shipment of arms and the movement of men and materials into South Vietnam.

[CRS-113]

How can we believe that we can be successful in that activity in Central America when it did not work in Vietnam?

It seems to me that we are following the same path of blunting our own effort, granting a sanctuary, which is going to allow communism to succeed again. I think it is critical that we defeat the Boland amendment and then we move forward with the reciprocity proposal, as proposed by the gentleman from Florida.

Mr. STRATTON. Mr. Chairman, will the gentleman yield?

Mr. LAGOMARSINO. I yield to the gentleman from New York.

Mr. STRATTON. Mr. Chairman, I just wanted to say to the gentleman from Texas (Mr. GRAMM) that I subscribe to his analogy with Vietnam. The Solarz amendment would be precisely the same thing we did with all those bombing halts that we put through in Vietnam. They certainly did not solve the problem. They just made it worse.

Mr. GRAMM. If the gentleman will continue to yield.

The result would be exactly the same: The end of the conflict with a clear-cut defeat for freedom and democracy and for the United States. There is no doubt that the Boland amendment would produce exactly that result. It is a policy of retreat, it is a policy of abrogation of our responsibility, and it is a policy of surrender.

Mr. STRATTON. And also a policy unilateral disarmament.

Mr. LAGOMARSINO. Mr. Chairman, to clarify the issue, the gentleman from New York (Mr. SOLARZ) tried to imply or did imply that the Mica amendment was the same as his with regard to the support by Nicaragua of other groups in Central America.

If one reads the Mica amendment, on page 2, line 7:

> The Government of Nicaragua has by formal action agreed that it will cease all its activities involving the furnishing of arms, personnel, training, command and control facilities, or logistical support for military or para-military operations in or against any country in Central America or the Caribbean.

So, quite different from the Solarz amendment.

Mr. HYDE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I think this is very significant. The Solarz-Boland amendment is a significant retreat from the Boland-Zablocki that we started out with yesterday.

Now yesterday we were told that the right thing to do in our national interest was to cut off all covert aid to the Contras fighting in Nicaragua to recapture their own country, let the Indians go, let Commander Zero fend for himself and let the FMN do the best they can, but we are going to pour in $80 million for overt aid, sea, air, and land overt interdiction of these subversive arms.

Now today the unwisdom of that position has obviously been seen by the chief sponsor of that legislation because we have moved now a position of tolerating aid to the paramilitary forces inside Nicaragua, but first we have to stop for 30 days. We tell the Miskito Indians, "Hang in there. We may be back. Keep fighting. We just may come back if we can.

Now if Congress has adjourned, the President can call a special session, we can then return from wherever we are on the globe, we can come in here and then have a secret session in the Senate and in the House and just maybe through this labyrinthine process get a joint resolution. Then we will let you go back in, and I hope there are some Indians left, and I hope there are some Contras left, so we can give them some aid.

Now this 30-day sanctuary, this free sanctuary that we give the great Sandinistas, those people of conscience and compassion and concern, while they have that 30 days, even if they step up the export of subversion, we are impotent. We are impotent spectators, paralyzed by the need to produce a joint resolution to give the President the right to do what the Constitution says he has already and the War Powers Act says he has already. We are abrogating all that with the Solarz-Boland amendment.

I see the gentleman from Wisconsin (Mr. ZABLOCKI) is not a part of this, but I can only speculate why.

Now, why do you limit it to El Salvador? What if they export revolution to Honduras? Or Costa Rica?

□ 1300

You are more familiar with that map than I am. I do not know anyone who knows the map of Central America as well as you do. Both of the gentlemen, the Solarz-Boland sponsorship, why do you say if they export subversion to El Salvador? What if they tried Costa Rica, with their 7,000 police force and a few mailmen who are aggressive and might help defend the country?

Honduras, we just do not care about exporting revolution to Honduras?

Now, this is an interesting retreat, but it goes in the wrong direction. So I hope the Solarz amendment will be defeated. And ultimately we get to the Mica amendment, which makes eminent commonsense.

Mr. COLEMAN of Missouri. Mr. Chairman, will the gentleman yield?

Mr. HYDE. I yield to the gentleman from Missouri.

Mr. COLEMAN of Missouri. We keep repeating the same error and compounding it. It is not 30 days we are talking about. The minimum is 30 days. As the gentleman said, it very well could be 60 to 90 days on top of that until the Congress acts.

I might remind the gentleman that we just passed, finally today, the repeal of the withholding of interest bill which everybody here but a couple of Members voted for. How many months was that in the making? With all of the mail we got, the most mail we have ever gotten on any subject in Congress, and it took us 3 months to get that little bill passed.

Mr. HYDE. Is the gentleman saying that we did not respond to public pressure quickly on that?

Mr. COLEMAN of Missouri. I am saying that if it took us that long to respond to the issue that we have received the most mail on in the history of Congress, how long would it take to respond to the situation in Central America.

Mr. HYDE. Well, this is known as the trust Nicaragua amendment, trust them, work with them on this, when there is absolutely nothing in the record to indicate that they are worthy of any trust.

I would hate to be telling those Miskito Indians, "See you later; we may be back."

Mr. FOWLER. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

My friends in the Congress, if this is to be known by any label, I hope this amendment offered by the chairman will be known as the trust our allies amendment, because that is actually what it is designed to do.

Let me lay some facts out on the table that I do not believe are in dispute. There is nothing covert about this war anymore. That is all the term covert action means. It means a secret military or paramilitary action. We do not have that anymore. We have an open war that the United States is unilaterally financing within Nicaragua. The only thing secret left about it is the funding mechanism. If we refuse to adopt this amendment, we will have countenanced an undeclared war by the United States in Nicaragua and violated our own responsibility to exercise congressional oversight over the funding of a war.

And that is why I say to the gentleman from Texas, who has criticized the U.S. Congress as being an unnutral arbiter of the evidence.

Quite the contrary. The U.S. Constitution gives us exclusive authority to declare war.

Second, the simple question is: What will we do about it?

Well, the Mexicans have said, "Please stop it"; the Colombians have said, "Please stop it"—largest democracy; the Venezuelans have said, "Please stop it."

Why have they said, "Stop this military operation"?

[CRS-114]

Because, our allies have said, "your military operation is actually attracting, rather than containing, these hostile influences. By you, the United States, trying to go it alone, you are causing the opposite effect of what we all want to happen. You are solidifying the Sandinista regime, you are unifying the Nicaraguan people against the U.S.-sponsored invasion, and you are forcing the Sandinista government to ask for more help from Cuba, and the Soviet Union. We want to help you eliminate all hostile influences and military personnel. But you cannot do it alone."

Can we not seize this moment and accept our allies offer of help in Central America?

The United States has demanded, through the Reagan administration, for a year and a half that Nicaragua agree to multilateral negotiations. That has been the sine qua non of any cessation of our paramilitary behavior. Ten days ago the Nicaraguans said "We accept multilateral negotiations, we are ready to negotiate. Your interdiction program has seized no arms going from our territory into El Salvador, but we are willing to sit down and talk about how we reach a negotiated solution to this problem."

And I say to my friend from Missouri: I signed that report that he read, but let me read the whole paragraph and try to discuss the point he raised, which was a good one.

This is the report of the Intelligence Committee:

> No member of the committee believes that ending support for the anti-Sandinista insurgency will by itself induce a corresponding end in Sandinista support for the Salvadoran insurgents. The committee does not wish to impose a unilateral restriction on U.S. policy. Rather, it seeks to end an ineffective program which does real harm to the image of the United States as a defender of democratic, peaceful change. That ineffective program must be replaced by a scheme of security assistance with direct U.S. participation, openly offered and received, that aims to create a capability among friendly nations where none now exists.

The CHAIRMAN. The time of the gentleman from Georgia (Mr. FOWLER) has expired.

(By unanimous consent, Mr. FOWLER was allowed to proceed for 5 additional minutes.)

Mr. FOWLER. Mr. Chairman, that report was written on May 13, 1983, 2½ months ago. And we stand by it. We will not get reciprocity by itself. Things have changed now. What has changed?

Well, first of all, we have forced through this paramilitary action the Sandinistas to request multilateral or bilateral negotiations. They have succumbed to our demand.

Second, there is no by itself. We are not now alone. Our allies, the democratic nations in Central America are saying, "We want to help; but we cannot help, we cannot develop a scheme of security assistance, of arms interdiction, of the containment of communism in our Hemisphere unless you let us help."

And the only thing they have requested of us is to cease this military operation and give us 30 days to work together in our hemisphere to remove the impression of the great gringo nation of the North trying to dictate by the use of American military power what the United States will tolerate and what it will not tolerate.

This amendment presents to us for the first time the opportunity to let our allies in on the action to try to stop this war on our own democratic terms.

□ 1310

All that this amendment is trying to say is that, as the most powerful nation on Earth, we, the United States of America, call Nicaragua's bluff. We are great enough to act as a powerful nation and say that we will accept the recommendations to work with our allies, cease this military intervention in a sovereign nation for at least 30 days and see whether or not this matter can be settled by the cessation of Nicaraguan hostilities toward El Salvador.

If that is too great a risk for the most powerful nation on this Earth to take, then, my friends, we ought to reconsider the innumerable missiles and security systems and military might of this country and whether our Nation's security is adequate.

Mr. GRAMM. Mr. Chairman, will the gentleman yield?

Mr. FOWLER. I yield to the gentleman from Texas.

Mr. GRAMM. I thank the gentleman for yielding.

Mr. Chairman, I would like to make three quick points. I am sure the gentleman will want to correct his statement concerning the United States unilaterally financing the war. The gentleman obviously does not deny, since he signed the report, that the Soviet Union, Cuba, the Eastern bloc and the Palestinian Liberation Organization are all providing funding and assistance for Nicaragua and El Salvador.

Mr. FOWLER. I would be delighted, if that was the interpretation of the gentleman from Texas. What I said, but I appreciate the opportunity to reiterate, is that the United States is unilaterally financing the counterrevolution against the Sandinista government who, certainly, yes, have logistical and financial support from the government that the gentleman mentioned.

The CHAIRMAN. The time of the gentleman from Georgia (Mr. FOWLER) has expired.

(On request of Mr. GRAMM and by unanimous consent, Mr. FOWLER was allowed to proceed for 2 additional minutes.)

Mr. GRAMM. If the gentleman will yield further, making my two other points very quickly, all the Mica amendment asks is not that the Communists talk; it asks that they act. If they want to end this war, they can do it very quickly by simply cutting off their assistance to those who are trying to overthrow the government of their neighbor.

Mr. FOWLER. I agree that that is what the Mica amendment asks, but unfortunately, over 2 years of this war that we are participating in, and all of the negotiating process that we have attempted, has not accomplished that fact. The reason that our allies in Central America tell us that it is impossible to accomplish by the MICA approach is because of U.S. unilateral military intervention. If that is ceased, we have a chance.

Mr. GRAMM. If the gentleman would continue to yield, it has not succeeded because the Nicaraguans have refused to act. They have been perfectly willing to talk; but they have refused to act.

Finally, it is hard for me to take this amendment as credible from those who have voted, in the face of overwhelming evidence of Nicaraguan involvement in El Salvador, to cut off aid today. When you are ready to move today, in the face of overwhelming evidence, to deny aid how am I to believe that you would move, in the face of additional evidence, to support aid.

That credibility factor is what I think destroys this amendment. It is not a question of Congress not being in session, when the President asks for aid. It is, not even a question of the whole revolt inside of Nicaragua being killed off while we talk. But it is a question of credibility. Will we act even if there is more evidence, even if there is greater danger.

The CHAIRMAN. The time of the gentleman from Georgia (Mr. Fowler) has again expired.

(On request of Mr. Miller of California and by unanimous consent, Mr. Fowler was allowed to proceed for 4 additional minutes.)

Mr. FOWLER. First of all, although no one is denying the support by the Government of Nicaragua for the insurgents in El Salvador, I must remind all of us that the El Salvadoran insurgency and the war there did predate Nicaraguan involvement, and has its roots, as I know the gentleman would agree, in social, economic, and political factors as well as outside military intervention from many sides.

Mr. GRAMM. That is true of every conflict in history.

Mr. FOWLER. So the fact that if the Nicaraguans do completely cease and desist, we still have a serious problem in El Salvador. But more importantly, and I must correct the record on this, there is no massive evidence that has been established of the extent of arms flow from Nicaragua into El Salvador. We believe it is taking place, but we have not captured a shipment by land or sea or mule train. Lacking that evidence, should

[CRS-115]

we not take a chance, for a 30-day period, to show that the United States can call the bluff of the Nicaraguans?

Mr. MILLER of California. Mr. Chairman, will the gentleman yield?

Mr. FOWLER. I yield to my friend, the gentleman from California.

Mr. MILLER of California. I thank the gentleman for yielding.

Mr. Chairman, I would just like to commend the gentleman for his statement and point out to Members of the House who are both uneasy with this administration and uneasy with the Sandinistas that this amendment is really, in fact, the best compromise. Because of the fact that the cut-off date is classified and the time at which the 30-day period would begin to run is classified for that reason, the Sandinistas will get an opportunity to prove to the President of the United States, to prove to the Contadoras, to prove to the OAS that, in fact, they are serious about what they said on the fourth anniversary, on the 19th, last week, that they are willing to engage in efforts to secure the borders, to engage in nonaggression pacts, to engage in stopping the flow of arms through Latin America. If they are not, during the time in which they are mulling this over, there will be 4,000 troops placed on the Honduran border, there will be two of these carrier task forces steaming on the Atlantic and Pacific coasts, and I think they can start to appreciate how serious this administration is, how serious this Congress is, about this effort.

Now, we also appreciate, because it has been cited, the ability of the Intelligence Committee and the intelligence community to monitor their activities. The pictures were here, and we have all heard in the secret session of our ability to know what is going on. If they fail to meet that test, I expect what they will find is a finding by the President of the United States and/or the position that is allowed in this amendment, because let us not forget, there is nothing in this amendment, there is nothing in Boland-Zablocki, that prevents the President of the United States from coming back to the Intelligence Committee, laying a finding on the table, and commencing the actions that he thinks are desirable under the conditions of that finding.

So, in fact, this is truly the compromise between those individuals who are uneasy about the posturing of this administration and who are uneasy about the actions of the Sandinistas, because this does not say that tomorrow, starting 30 days, there is an opening. What it says is there is going to be, for an unspecified time in the period, not to exceed a great deal of time; there is going to be a window by which the Sandinistas can either perform concrete acts to stop actions that are bothering this administration, or the actions of this administration that we are currently debating will resume. They will not resume in an illegal fashion. They will resume in a legal fashion, not in violation of the Boland amendment.

The CHAIRMAN. The time of the gentleman from Georgia (Mr. Fowler) has again expired.

(On request of Mr. Solarz and by unanimous consent, Mr. Fowler was allowed to proceed for 3 additional minutes.)

Mr. SOLARZ. Mr. Chairman, will the gentleman yield?

Mr. FOWLER. I yield to the gentleman from New York.

Mr. SOLARZ. I thank the gentleman for yielding.

Mr. Chairman, I will be very brief. A little bit earlier in the debate, my very good friend from Illinois (Mr. Hyde) and my good friend from California (Mr. Lagomarsino) made what I thought was a good point. They referred to the fact that, whereas the Mica amendment would permit a continuation of paramilitary operations against Nicaragua, so long as they attempted to subvert any country in the region, the Boland amendment would, in effect, require a termination of the paramilitary assistance against Nicaragua even if they were attempting to subvert other countries in the region other than El Salvador, even if they had stopped in El Salvador itself.

Consequently, to rectify that omission, Mr. Chairman, I would like to ask unanimous consent that the amendment offered by the gentleman from Massachusetts (Mr. Boland) to the substitute offered by the gentleman from Florida (Mr. Mica) be amended by striking our "El Salvador" both places it appears in the amendment and inserting in lieu thereof, "any country in Central America or the Caribbean."

The CHAIRMAN. Does the gentleman from Georgia (Mr. Fowler) yield for that request?

Mr. FOWLER. I yield for that request.

The CHAIRMAN. Is there objection to the request of the gentleman from New York (Mr. Solarz)?

□ 1320

Mr. BROOMFIELD. Mr. Chairman, reserving the right to object, I do so for the purpose of trying to get a limitation on the amendment before us at the present time, the Solarz amendment, so we can start getting some votes here.

I am not opposed to the amendment the gentleman wants to put to his original amendment, but I would like to get a limitation on time to the Mica amendment amended by the Solarz amendment.

Mr. Chairman, how about 1:45?

Mr. BOLAND. Mr. Chairman, how about 2 o'clock?

The CHAIRMAN. Does the Chair understand the request is for 2 o'clock now?

Mr. BOLAND. Mr. Chairman, reserving the right to object, the reason I say that is because, as we know, under the rules we have 9 hours. We had 9 hours left, and we have started this, so we have about 8 hours or a little less than 8 hours left. I do not know what is going to happen to the amendment.

As we know, there were 106 amendments printed in the RECORD, and I do not know how many of those are going to be offered. I do not know how many we will be offering. We may offer one or two on this side at the appropriate time. But the problem of how long we stay here really will be controlled by that side. These are the most important amendments, the Barnes amendment and whatever other amendments may be offered. The Mica amendment is obviously one of the most important ones.

Mr. BROOMFIELD. Mr. Chairman, will the gentleman agree that the Young amendment, plus all amendments thereto, end at 2 o'clock so then we can at least have a vote on the Barnes amendment?

Mr. BOLAND. Mr. Chairman, there is some concern on this side that that is a little bit too early. Let us make it 2:15.

We have the time. That will eat up some time, which will guarantee us that we will get out at the right time.

Mr. STRATTON. Reserving the right to object, Mr. Chairman, what is the procedure for allocating the time under this proposal? Are those Members standing to be recognized for an appropriate number of minutes?

The CHAIRMAN. It will be up to the Chair to allocate the time among the Members standing or between the two sides.

Will the gentleman from Michigan (Mr. BROOMFIELD) restate his request?

Mr. BOLAND. Mr. Chairman, first, under my reservation of objection, let me ask, in order to balance the time, can we split it up 30 minutes on each side? Would that be agreeable?

Mr. BROOMFIELD. That will be fine.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

Mr. LIVINGSTON. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

Is there objection to the request that is pending from the gentleman from New York (Mr. SOLARZ)?

Mr. WEISS. Reserving the right to object, Mr. Chairman, I reserve the right to object only to state that by not objecting certainly this gentleman does not intend to indicate support of the thrust either of the unanimous consent request or indeed the amendment offered by the gentleman from Massachusetts, which I consider to be leading us in exactly the opposite direction from where we started out in the first place.

The CHAIRMAN. The reservation of objection is withdrawn.

Is there objection to the request of the gentleman from New York?

[CRS-116]

Mr. GRAMM. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

Mr. GRAMM. The gentleman can state it again, when we have worked out the time.

Mr. FOWLER. Mr. Chairman, I trust that my time has expired.

The CHAIRMAN. The time of the gentleman from Georgia (Mr. FOWLER) has expired.

PARLIAMENTARY INQUIRY

Mr. SOLARZ. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. SOLARZ. Mr. Chairman, it is not clear to me what the gentleman from Texas objected to.

Mr. Chairman, my impression was that the minority would not have an objection to this unanimous consent request to amend the Boland amendment to meet some of the concerns they express.

The CHAIRMAN. The Chair would like to inquire of the gentleman from Texas (Mr. GRAMM), was the objection of the gentleman from Texas to both the unanimous consent request to modify the amendment and to the fixing of time?

Mr. GRAMM. Mr. Chairman, if the gentleman will yield, if the gentleman would restate his request, including in that request a limitation on debate to include debate on the Boland amendment and on the Barnes amendment, then this gentleman will not object.

Mr. BOLAND. Mr. Chairman, will the gentleman from Texas restate that? I was preoccupied here.

Mr. GRAMM. Mr. Chairman, if the gentleman will restate his unanimous-consent request to include something concerning the altering of the Boland amendment, with the inclusion of a limitation of debate on the Boland amendment to the Mica amendment and the Barnes amendment to the Young amendment, then this gentleman will not object. And as to the 2:15 time limitation——

Mr. BOLAND. Mr. Chairman, if the gentleman will yield, what about a reference to the Mica amendment? Was that included?

Mr. GRAMM. At this point the Mica amendment is a major instrument of debate, and I do not feel that we should limit the ability of Members to speak on it, but I think we need to move ahead on these amendments substantially.

Mr. MICA. Mr. Chairman, if the gentleman will yield, as the author of the amendment, I would like to see us move on this. I think it is appropriate. There has been a day and a half of debate. I would support the chairman of the committee and ask the gentleman to support him.

Mr. GRAMM. Mr. Chairman, I certainly would defer to my friend, the gentleman from Florida, who has the right to object himself.

Mr. MICA. Mr. Chairman, I thank the gentleman. I appreciate that.

Mr. BOLAND. Mr. Chairman, I ask unanimous consent that all debate on the Boland amendment and to the Young amendment, and also any amendments to the Barnes amendment, and the Boland to the Mica amendment, and all pending amendments, cease at 2:30, with the time to be evenly divided.

Mr. HYDE. Mr. Chairman, reserving the right to object, does the gentleman mean the Young amendment and all amendments thereto?

Mr. BOLAND. Yes, the gentleman states it precisely.

Mr. HYDE. Mr. Chairman, I thank the gentleman, and I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

Mr. WEISS. Mr. Chairman, I object.

The CHAIRMAN. Does the Chair understand that the gentleman objects?

Mr. WEISS. Mr. Chairman, let me reserve the right to object.

Reserving the right to object, Mr. Chairman, the original request, as I understood it, was to have a time limit on everything except Young. I would have no problem with that, but Young has a portion which has not even been addressed yet in the course of debate. There will be amendments which will be pending to that, so if we in fact dispose of that by 2:30, we will be foreclosing all amendments to the first part of it. So it seems to me that Young should not be included in this.

That is my reservation, Mr. Chairman.

The CHAIRMAN. Does the gentleman object?

Mr. SOLARZ. Mr. Chairman, will the gentleman yield?

Mr. WEISS. I am pleased to yield to the gentleman from New York.

Mr. SOLARZ. Mr. Chairman, would it satisfactorily address the concerns of the gentleman and the concerns of the Members on the other side if the unanimous-consent request to limit debate would apply to all pending amendments? It would apply, in other words, to the pending amendments, which leaves the gentleman free to offer subsequent amendments to Young after the pending amendments are resolved. So the gentleman's right to amend those provisions of the Young amendment which he finds objectionable would be preserved.

Mr. WEISS. Mr. Chairman, with that explanation or that understanding, I have no objection.

The CHAIRMAN. Will the gentleman from Massachusetts (Mr. BOLAND) restate his request?

Mr. BOLAND. Mr. Chairman, as I understand it now, we have agreed to limit debate to 2:30 on all pending amendments, designed to be equally divided on both sides.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The CHAIRMAN. The gentleman from Massachusetts (Mr. BOLAND) will be recognized for 30 minutes, and the gentleman from Michigan (Mr. BROOMFIELD) will be recognized for 30 minutes.

PARLIAMENTARY INQUIRY

Mr. SOLARZ. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. SOLARZ. Mr. Chairman, I assume that the unanimous-consent request which was just approved also included the unanimous consent request I had offered amending the Boland amendment to the Mica substitute?

The CHAIRMAN. The Chair would state to the gentleman from New York that it did not include the gentleman's request. Is there objection to the request of the gentleman from New York (Mr. SOLARZ) to modify the amendment?

There was no objection.

□ 1330

PARLIAMENTARY INQUIRY

Mr. SMITH of Florida. A parliamentary inquiry, Mr. Chairman.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. SMITH of Florida. Mr. Chairman, does the Chair intend the motion made by the gentleman from Massachusetts (Mr. BOLAND) and now accepted and consented to, to include the Mica substitute, which would not be included under the pending amendments provision?

The CHAIRMAN. The gentleman is correct, the Mica substitute is a pending amendment.

Mr. BOLAND. Mr. Chairman, I yield 3 minutes to the gentleman from New York (Mr. MRAZEK).

Mr. MRAZEK. Mr. Chairman, I thank the gentleman from Massachusetts for giving me 3 minutes.

I was listening with mounting interest a little earlier when the gentleman from Texas was talking about our policy in Vietnam and how he described our efforts in Vietnam as half-hearted and how this contributed to the failure of our policy in Vietnam.

Well, we all know how gallantly the gentleman from Texas fought for this country during those years and how so many other Americans fought to stay on campuses in this country or went to Canada. Some of us enlisted in the service during those years because we accepted what our national leaders told us we were fighting for.

Some of us saw some bad things in the service, and I am sure the gentleman from Texas saw some bad things on his campus. But I can remember an August day in 1964 when we Americans watched on television as the President of the United States described an unprovoked attack against our destroyers, the *Mattox* and the *Turner Joy*, by North Vietnamese gunboats near Hainan Island. It was not until many years later that we found out there was no such unprovoked attack.

[CRS-117]

Now in the debate we have heard in the last couple days, it is fair to say there is room for honest disagreement, and I can only say that it is not easy to make foreign policy decisions on behalf of this Nation in the face of Soviet and Cuban aggression; but one thing we do not need as we listen in this debate is to hear from another crop of armchair warriors.

Mr. McCAIN. Mr. Chairman, will the gentleman yield?

Mr. MRAZEK. Yes, I will yield to the distinguished gentleman from Arizona.

Mr. McCAIN. I hope the gentleman is not referring to some of us who were there as armchair warriors.

Mr. MRAZEK. I am not referring to the distinguished gentleman from Arizona. I only referred to the gentleman from Texas.

Mr. McCAIN. Well, since the gentleman from Texas and I, if the gentleman will yield further, are in total agreement, then I think the gentleman should direct his remarks at those of us who served there also.

Mr. MRAZEK. Well, the gentleman has every right to speak.

Mr. McCAIN. I will be glad to respond. Our involvement in Vietnam was exactly only more articularly described as the gentleman from Texas did and there is an exact parallel between what is happening now and what happened there.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. BOLAND. Mr. Chairman, I yield 1 additional minute to the gentleman from New York.

Mr. McCAIN. Mr. Chairman, will the gentleman yield further?

Mr. MRAZEK. No, I will not yield further at this time to the gentleman from Arizona (Mr. McCAIN). I would simply like to say that we are in a very similar position to the one we were in back in those early 1960's. A lot of us at that time took at face value what our national leaders told us were the reasons for their foreign policy decisions in this country.

I think the chairman of the Intelligence Committee has pointed out very, very effectively, that we are heading down a similar road.

The President of the United States has acted illegally in contradiction to a law, the Boland amendment, passed by this House last December.

The more troops we send down to Central and South America, the better the chances that some night the same thing will happen to American soldiers that happens every night to four or five Camposinos who are taken out in the jungle and tortured.

The CHAIRMAN. The time of the gentleman from New York has again expired.

Mr. BOLAND. Mr. Chairman, I yield 1 additional minute to the gentleman.

Mr. MRAZEK. All it is going to take, Mr. Chairman, are a few of our troops or advisers to be taken out some night in the jungle where they will have hand grenades strapped on to their arms, as was the case with a journalist from New Jersey who made the mistake of going down to El Salvador, and when that happens, the rage of the American people is going to be uncontrollable.

We are literally playing with dynamite when it comes to the lives of another generation of young Americans.

I would only ask that this Congress act as responsibly as I am confident we will act today.

Mr. BROOMFIELD. Mr. Chairman, I yield 4 minutes to the distinguished gentleman from Nebraska (Mr. BEREUTER).

Mr. BEREUTER. Mr. Chairman, this is my first time to take the well on the resolution, although I am a member of the Western Hemisphere subcommittee.

We are talking about a very serious matter, of course. I think there is perhaps a more important matter that ought to be discussed at least briefly; that is, the failure of the Intelligence Committee. It concerns me greatly that the process has become so politicized that we have straight line partisan votes coming from that committee. It places this body in great jeopardy and all of us not serving on the Select Committee on Intelligence. If that body does not have credibility, where are we Members to turn?

I might also say as a former counterintelligence officer concerned with security matters that I am very concerned by the way classified information is handled by Congress. Perhaps I come to this task with a little different orientation, coming out of the only nonpartisan legislature in the country. Perhaps I still believe that the civics book discussion about foreign policy is correct, that we should at least aim for bipartisanship in our foreign policy.

Now, let us take a look at the Boland-Zablocki bill that was presented to us. In section 802, the dollar amounts in that are as phony as a three-dollar bill. Furthermore, the totally inadequate $80 million over a 2-year period creates great danger for the surrounding nations of Honduras and Costa Rica and it certainly places larger requirements upon this country in terms of our own military personnel.

I think it is very counterproductive and unfair for a member of the Intelligence Committee to come up here and look at the minority side of the aisle and say, "Your covert aid programs are counterproductive and not working."

I too happen to think that covert aid is probably counterproductive, but those activities were approved about 19 months ago by the Intelligence Committee of which he is a member. Those operations were approved as suggested by the Intelligence Committee.

Now the question is, What should replace covert operations? Well, I am suggesting to you that if you put aside your partisanship, you have already been presented with an alternative that is a reasonable step, and it is the Mica amendment.

□ 1340

That amendment would bring results. It places verification in the hands of the OAS or the President of the United States.

I think those of you who might be concerned about the latter realize that you would not have that concern as long as the Organization of American States is involved, and they ought to be. The OAS ought to be strengthened. That is one of its purposes.

Verification is placed in that respect.

I think the majority of the Members in this body are willing to accept a situation where we say to Nicaragua we are no longer going to try to influence what happens inside of your country. In turn, we expect the same kind of reaction from you and we expect it to be demonstrated. We expect you to keep yourself out of Costa Rica, out of El Salvador, and out of all the countries of Central America and the Caribbean.

That is a reasonable expectation. That is what the Mica amendment now does.

I think we ought to move to the Mica amendment. We should quit trying to be cute about it and come up with a variety of reasons why we are not voting on this issue. Now is the time to take that action. That country is watching to see if we are going to approach this in some kind of an even-handed fashion and set-aside partisanship.

This body has not conducted itself very well; it has been far too partisan on this matter. I think we are particularly crippled when we have had the kind of partisan demonstration from the Intelligence Committee and the House.

If we cannot receive unbiased information, where are we going to get it?

PARLIAMENTARY INQUIRY

Mr. BROOMFIELD. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. BROOMFIELD. Mr. Chairman, I wonder if you could take a moment to outline to the Members the procedure that we will be following after the termination of our debate in this particular segment.

The CHAIRMAN. The Chair would like to advise the gentleman from Michigan (Mr. BROOMFIELD) that following the vote on the Barnes amendment, amendments would still be in order at that time, that is perfecting amendments to the Young amendment.

[CRS-118]

If no amendments were offered at that time, the sequence would then be a vote next on the Boland amendment; then, following that, a vote on the Mica substitute; following that, a vote on the Young amendment as or as not amended.

That would be the procedure we would follow.

Mr. COLEMAN of Missouri. Mr. Chairman, will the gentleman yield?

Mr. BROOMFIELD. I yield to the gentleman from Missouri.

Mr. COLEMAN of Missouri. Does that mean one would be precluded from offering an amendment to the Mica amendment if the Boland amendment does not pass?

The CHAIRMAN. The Chair would advise the gentleman that would not be the situation.

Mr. COLEMAN of Missouri. I thank the gentleman.

Mr. BROOMFIELD. Mr. Chairman, I yield 4 minutes to the gentleman from California (Mr. ZSCHAU).

Mr. ZSCHAU. Mr. Chairman, I would like to compliment my friend, the gentleman from Florida (Mr. MICA) for offering his amendment in the form of a substitute. I would also like to thank him, not only for me, but for many others in this body because I think his amendment gets many of us off the horns of a difficult dilemma.

All of us agree there is a problem in Nicaragua. Nicaragua's support for the insurgents in El Salvador is destabilizing to that country. The question is: What do we do about it?

Like many of my colleagues, I am troubled by our covert operations. Like many of my colleagues, I am even more troubled by the proposed $80 million overt interdiction program that is in H.R. 2760.

I have come to the conclusion that there must be a better way. Why is it that we always pursue military solutions only? Why do we not consider more seriously diplomatic approaches?

What we need is new thinking. We need new approaches to these vexing problems. What we need is a new plan, a new plan that is based on the whole range of alternatives. That is precisely what is mandated by the Mica substitute.

The Mica substitute requires the President to explore a whole range of alternatives—bilateral and multilateral negotiations, the involvement of the OAS or the United Nations, and whatever might be effective in ceasing the activities of Nicaragua in the destabilization of El Salvador.

In addition to insisting on a new approach, the Mica amendment also defines the criteria for success—our objectives. I am one of many who have been frustrated by the fact that we lack clarity in our objectives in Central America and for our actions in Nicaragua. Those objectives are clearly defined in the Mica amendment. There are two.

First, we are seeking a cessation of those activities by Nicaragua in support of the insurgents in El Salvador. Second, we want Nicaragua to begin taking steps to implement those commitments that the Sandinistas made to the Organization of American States. Those are the two objectives that the new plan would be designed to achieve.

Because it both clarifies our objectives and because it mandates a new plan for achieving them, I strongly support the Mica amendment.

What would happen if the Mica amendment were adopted?

No. 1, after the effective date that is contained in the confidential appendix to the Intelligence Committee report, covert aid would be cut off.

In the interim, the President would be required to submit a new plan based on the whole range of diplomatic as well as military alternatives. That plan would be implemented, but only until such time as success is achieved; that is when criteria are met. Under the Mica amendment, whether or not the criteria are met would be judged by the Organization of American States or the President of the United States.

Mr. Chairman, the approach of the Mica amendment is a breath of fresh air in addressing this problem. It suggests that we should develop a new plan—a plan based on diplomacy as well as military solutions, a plan which would only be implemented until its objectives are achieved in the judgment of an outside organization, the Organization of American States.

The Mica amendment is a responsible and an effective response to a very vexing problem that we have in Central America.

I urge adoption of the Mica amendment.

Mr. BOLAND. Mr. Chairman, I yield 4 minutes to the distinguished gentleman from Arkansas (Mr. ALEXANDER).

Mr. ALEXANDER. Mr. Chairman, as I have listened to the debate yesterday and today on the Boland-Zablocki bill, I have heard Members of the party on the other side of the aisle defend Mr. Reagan's war in Central America. I could not help but be impressed by the perception that the ghost of Somoza walks very heavily in this Chamber.

For 50 years, this Nation supported the policy in Nicaragua of supporting a corrupt dictatorship that oppressed the people of his country. Today we are paying the price for that policy and today we are trying to repeat a similar policy of militarism that would impress upon a people the will of the United States.

Last weekend, I visited the 200th anniversary of Simon Bolivar, the great liberator of Latin America, and had occasion to talk to many Latin American leaders at this celebration, men of peace, and I asked one leader in particular, Senator Tejera-Paris, who is a peace-loving man, what is your recommendation of the best action of the United States in helping to bring about peace in Central America.

His response was as follows: "Please leave us alone. Please allow the Latin Americans to resolve these problems with democratic, bipartisan political solutions. Please send your Navy back to the Atlantic. Please let Latins resolve their own problems."

I was ashamed of our policy in Central America because our allies in Central America are being united against us. Only Honduras, El Salvador, and our friend, Great Britain, support this policy.

The Latin Americans are placing the United States in the same category as the Soviet Union. The Venezuelan Congress passed a resolution while I was there which asked the Latin people to unite to rid this hemisphere of all traces of colonialism. They are talking about us and the Soviet Union.

□ 1350

What good it would do us in this Congress to see ourselves as others see us.

The CHAIRMAN. The time of the gentleman has expired.

Mr. BOLAND. I yield the gentleman from Arkansas 1 additional minute.

Mr. ALEXANDER. We have a tendency to be inward in this country. People in the East look to Western Europe and to the Middle East, the people in the West look to the Orient, the people in the North to Canada and those of us from the South look to Latin America as our foreign interests.

Our foreign allies in Central America are alienated by President Reagan's policy and we are losing our traditional role of leadership. The Contadora countries are saying, "We cannot depend upon the United States for leadership for peace. We have to seize the initiative ourselves."

Mr. HYDE. Mr. Chairman, will the gentleman yield?

Mr. ALEXANDER. I yield to the gentleman.

Mr. HYDE. I thank the gentleman.

Will he tell me when and where the Contadora group said what he just said they said?

Mr. ALEXANDER. They said it over and over and over at Cancun.

Mr. HYDE. Where do I find that?

Mr. ALEXANDER. I will present you a resolution, I will make it part of the RECORD. I will make a part of this RECORD the resolution of the Congress of Venezuela, the Bolivian manifesto.

[CRS-119]

(Text of "declaration of Cancun concerning peace in Central America", July 18, 1983)

In view of the worsened conflicts in Central America, the presidents of Colombia, Belisario Retancur; Mexico, Miguel de la Madrid; Panama, Ricardo de la Espriella; and Venezuela, Luis Herrera Campins, decided to meet in Cancun, Mexico, today July 17, 1983.

We analyzed the critical Central American situation and agreed on our deep concern over its quick deterioration, and the increase in violence, the progressive increase in tension, the border incidents, and the threat of a war confrontation that might become generalized. To this we must add the rash arms buildup and foreign intervention, to comprise a dramatic picture that affects the political stability of the region, which does not allow the advance and consolidation of institutions that answer to the democratic desire for liberty, social justice, and economic development.

The Central American conflicts provide to the international community the alternative of decidedly supporting and strengthening a political agreement, contributing with constructive solutions, or passively accepting the worsening of factors that might lead to even more dangerous armed confrontations.

The use of force as an alternative solution does not solve, but worsens the underlying tensions. Central American peace will only become a reality to the degree that the fundamental principles for coexistence between nations are respected: non-intervention, self-determination, the sovereign equality of States, cooperation for social and economic development, peaceful solution to controversies, as well as free and authentic expression of the people's will.

The creation of favorable conditions for peace in the region depends mainly on the attitude and genuine willingness to establish a dialogue by the Central American countries, who have the foremost responsibility and greatest effort in the search for agreements that assure their coexistence.

In this sense, it is necessary that the political will for understanding, already states since the early negotiations by the Contadora group, is clearly expressed again in the prosecution of peace efforts, so that they may become specific actions and pledges.

It is likewise necessary that other states with interests and links in the region contribute with their political influence to strengthen the means for an understanding and pledge themselves, without reservations, to a diplomatic option for peace.

The efforts by the Contadora group have made it possible, so far, to start a dialogue with the participation of all the governments in Central America, the establishment of a mechanism for consultations, and the unanimous definition of an agenda that includes the most relevant aspects of regional problems.

These achievements, even though still insufficient, have been encouraged by support from many countries, several organizations, and the most assorted groups at international level. They all agree that the Contadora group's efforts have helped moderate the dangers and reduce the risks of a generalized confrontation. Their actions have allowed the identification of problems and causes of an scenario that today is expressed in conflicts and fear.

This generous support from the international community pledges us to persist in our endeavors and make all the necessary efforts for a cause whose noble goals more than compensate for any possible misunderstanding.

Encouraged by the broad spirit of solidarity of our countries with the brother peoples of Central America. We deem it necessary to hasten the processes that interpret the will for peace into proposals that, only developed, may efficiently contribute to the solution of these conflicts.

In this concern, we have agreed on the general guidelines of a program that will be proposed to the Central American countries, which represents strict compliance with the essential principles that underlie international relations and comprises: approval of political agreements and pledges that lead to effective control of the rash arms buildup in the region; the withdrawal of foreign advisors; the creation of demilitarized zones; a ban on the use of the territory of any state to carry out political and military destabilization actions against other states; the eradication of trafficking and transfer of weapons; and a ban on other forms of aggression or interference in the internal affairs of any country in the area.

In order to render this general program effective, we need to reach agreements establishing political commitments aimed at guaranteeing regional peace. These agreements could cover:

The commitment to put an end to all existing warlike situations.

The commitment for a top-level freeze on existing offensive weapons.

The commitment for a start on talks on agreements to control and reduce the present inventory of armament, with adequate supervisory mechanisms.

The commitment to prohibit the existence of foreign military installations in their territories.

The commitment to give previous notice of troop movements near the border, whenever these contingents are in excess of the number stated in the agreement.

The commitment to carry out, as needed, joint border patrols or international supervision of borders, by observers chosen by common agreement by the interested parties.

The commitment to form joint security commissions in order to prevent, and if necessary to settle border incidents.

The commitment to establish internal control mechanisms to prevent the supplying of arms from the territory of any country in the area to another country.

The commitment to promote a climate of détente and trust in the area, avoiding declarations which might endanger the indispensable climate of political confidence required.

The commitment to coordinate systems of direct communications among the governments, in order to prevent armed conflicts and to generate an atmosphere of reciprocal political trust.

We also believe, that, simultaneously with the carrying out of this general program, the task of settling specific differences among countries should start with the signing of memoranda of understanding and the creation of mixed commissions that will allow the parties to develop joint actions and guarantee the effective control of their territories, especially along border areas.

These measures, aimed at eliminating the factors that disturb regional peace, should be accompanied by a great effort to strengthen democratic institutions and guarantee the observance of human rights.

To this end, we must perfect the methods of popular consultation, guarantee free access of the different currents of opinion to the electoral process, and promote the full participation of citizens in their country's political life.

The strengthening of democratic political institutions is closely tied to the evolution and progress made in the matter of economic development and social justice. We are therefore dealing with two dimensions of the same process, which is ultimately aimed at the achievements of man's basic values.

Within this viewpoint, economic backwardness must be curbed, because it is the root of regional instability and is the main cause of many of the area's conflicts.

The strengthening of integrational mechanisms, an increase in inter-zone trade, and use of the possibilities of industrial complementation, are among the most urgent actions needed to neutralize the effects of the world economic crisis.

Local efforts, however, must be complemented with help from the international community, especially the industrialized countries, through development credits, cooperation programs, and the access of Central American products to their markets.

The governments of the Contadora group countries reiterate their determination to continue with the cooperation programs in favor of the sub-region; and to offer their help to channel international support toward these economic reactivation programs.

Within these general guidelines, we have entrusted to our foreign ministers the drafting of specific proposals to be presented for the perusal of the Central American countries at the next foreign ministers meeting.

We call on all the members of the international community, especially those who have expressed sympathy with the efforts being carried out by the Contadora group, as well as on UN Secretary General and President of the OAS Permanent Council, to contribute their experience and diplomatic ability to help in the peaceful solution of Central American problems.

For all these reasons, we have called on all the rulers of the American continent in the quest of the solidarity that we need.

The Chiefs of State of Colombia, Mexico, Panama, and Venezuela reaffirm the aims which have united our governments in this task of building the just and lasting peace cherished by the peoples of Central America.

Dated: Cancun, Mexico, 17 July 1983.

Signed: Belisario Betancur, President of Colombia; Miguel de la Madrid, President of Mexico; Ricardo de la Espriella, President of Panama; Luis Herrera Campins, President of Venezuela.

Mr. HYDE. The Contadora group, the gentleman said.

Mr. BROOMFIELD. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from Wisconsin (Mr. Roth).

Mr. ROTH. I thank the gentleman for yielding.

Mr. Chairman, we have heard many analogies here in the last couple of days in this debate about Vietnam.

I would like to have you, if you are really concerned about that point, have you join me in opposing the Boland and Zablocki amendment. I think adoption of this amendment unamended would lead to another Vietnam. If we elect to accept covert aid rather than overt aid we are going to be setting countries like Honduras and Costa Rica, against Nicaragua. Costa Rica has no armed force right now. Honduras does not have a force that can stand up to Nicaragua's 75,000 troops. But what concerns me even more is that even if the Boland-Zablocki amendment were followed, that if we go the overt route that we [CRS-120] are, possibily going to involve U.S. troops.

We do not have any fighting U.S. troops in Central America now. However, if we switch to covert aid then U.S. troops would likely be involved. To quote the committee:

> The committee expects that much of the assistance particularly training, technical assistance or advice provided under the authority of this section, could involve the use of U.S. military personnel.

And it goes on to say that with regard to restrictions to the number of U.S. military advisors, that this restriction would have to be considered and the efficacy of this program, as set forth in Boland-Zablocki, would not be viable if we did not allow U.S. troops to be involved. Acordingly, any such restriction should be reviewed by the Committee on Foreign Affairs with this in mind. Now is this the route we want to take? Do we want to go the route of another Vietnam? I do not think so. That is why I think the President is right in this particular program. There are many analogies to a Vietnam if we chose the Boland-Zablocki alternative. But if we side with continued covert aid, i.e. the alternative that we have today I think we can eliminate that possibility.

So, for that particular reason I think it is important that we oppose the Boland-Zablocki amendment.

Mr. BOLAND. Mr. Chairman, I yield 3 minutes to the gentleman from Maryland (Mr. Barnes).

Mr. BARNES. Mr. Chairman, my colleagues in the committee. This past week the President of the United States sent a letter to the Presidents of the four so-called Contadora countries, Panama, Colombia, Mexico, and Venezuela. It is an excellent letter, a very positive letter, a positive initiative by President Reagan.

I would like to read just a couple of sentences from the President's letter which are extremely relevant to the discussion we are engaged in this afternoon.

President Reagan said to his fellow Presidents in the hemisphere:

> There must be respect for the principle of nonintervention, including a ban on support for subversive elements that seek to destabilize other countries.

That is a quote, not from Mr. Boland, the chairman of the Intelligence Committee who has brought such a ban before the House today, but a quote from President Reagan. President Reagan goes on to say in his letter:

> The Charter of the Organization of American States makes clear that it should be the purpose of the OAS to either prevent unjust acts committed by one state against another or to provide for common action on the part of members in the event of difficulties.

President Reagan said:

> I believe the OAS, as this hemisphere's regional forum, is the appropriate mechanism to make sure that those who make commitments comply with them.

President Reagan did not say in his letter to the four Presidents that the appropriate mechanism is for one country to invade another in order to get them to keep their commitments. He said the appropriate mechanism is to go to the Organization of American States. That is not what the United States has done; as everybody in this room knows, as everybody in the world knows, what the United States decided to do was to unilaterally hire 10,000, 12,000 maybe in the future 20,000, 50,000, we do not know how many people, to invade Nicaragua, not to use the OAS as he said.

I would like to briefly address those who have some self-doubt about this policy. I know there are some committed solidly on both sides, but those wondering what we should do, what is the right thing to do, I ask you to act on the side of restraint.

We are financing a war. There are 10,000, 12,000 guerrillas engaged in fighting right now on behalf of the United States in Nicaragua.

It is a war. If you have any doubt as to whether or not this is the right policy, act on the side of restraint, show some caution, and you will not be acting just because a lot of left-leaning liberals have said this is the way to do it, you will be getting support in your view of restraint and caution from some of the most responsible former leaders of our Nation. I urge you to take a look at the statement put out by former Secretary of Defense Robert McNamara, three former Secretaries of State, Secretary Muskie, Secretary Rusk, Secretary Vance, and former Special Assistant to the President of the United States for National Security Affairs, McGeorge Bundy, who urged the passage of the Boland-Zablocki amendment and the amendments we have before us this afternoon.

Mr. BROOMFIELD. Mr. Chairman, I yield 2 minutes to the gentleman from New York (Mr. STRATTON).

Mr. STRATTON. Mr. Chairman, I rise in strong support of the Mica amendment and I also rise in strong opposition to the Solarz-Boland substitute.

The Mica amendment is a realistic amendment. If the Nicaraguans, as the gentleman from Georgia (Mr. FOWLER) has indicated, are really interested in negotiations, are really interested in stopping their intervention in El Salvador, the Mica amendment certainly will give them an opportunity to prove it; not just by words but by action. And if they desist, we, too, will desist.

But the Solarz-Boland-Fowler amendment is just a legalistic gimmick without any appreciation of what goes on in a real military situation.

We are asked to be the first ones to exercise unilateral restraint. Well, we had unilateral restraint in the Carter administration when we gave up the B-1, when we gave up the neutron bomb. But it did not stop that relentless military buildup by the Soviet Union. Unilateral restraint, with an endless series of bombing halts did not produce any results for us in Vietnam. Instead it increased the losses of our men because of that off-and-on procedure.

It was George Santayana who said those who are unable to profit from the mistakes of the past, are going to be condemned to repeat them.

I do hope we will not repeat those mistakes now in dealing with the Soviet and the Cuban threat that we are facing in the Caribbean. And let us make no mistake about who started this illegal aggression in the first place. It was not the United States; it was the Soviets and their surrogates in the Caribbean: Cuba and Nicaragua.

□ 1400

Mr. BOLAND. Mr. Chairman, I yield 2 minutes to the gentleman from New York (Mr. MCHUGH).

Mr. MCHUGH. Mr. Chairman, in judging the pending amendments and any other amendments that may be offered later, I think it is terribly important to keep in mind the fundamental question before this House.

The fundamental question is whether the House of Representatives is prepared to terminate an activity which is illegal under U.S. law or, in the alternative, whether the House of Representatives is prepared to condone an activity which is illegal under U.S. law.

We can stipulate in this argument to a number of facts. First, that in December of last year we enacted a law, the Boland amendment, which precludes the use of U.S. funds for the purpose of overthrowing the government of Nicaragua.

Second, we can stipulate that U.S. funds are now being used to support counterrevolutionary activities in Nicaragua.

The administration and some others in the House have argued that the activities of the counterrevolutionaries are not for the purpose of overthrowing the Government, but rather for the purpose of interdicting arms going into El Salvador or perhaps for the purpose of putting some pressure on the Nicaraguan Government. On this basis, they then conclude that the administration is doing nothing illegal.

The facts are clearly to the contrary. The facts establish that the purpose of the counterrevolutionary activities is to overthrow the Sandinista government. The counterrevolutionaries say so themselves and commonsense dictates the same conclusion. For the most part the counterrevolutionaries are former Somozistas; some are Miskito Indians. Their grievance is against the Sandinista government. They are not risking their lives to stop a flow of arms into El Salvador or to put a bit of pressure on the Sandinistas. They are risking their lives, as they themselves admit, to secure a fundamental change in Nicaragua, to secure political power.

[CRS-121]

Accordingly, Mr. Chairman, I believe that if we are serious about the rule of law, if we are concerned that this administration act within the law, we have no alternative but to vote for the resolution before us and to reject any amendments which would condone the illegal activity which the Reagan administration is now engaged in.

For these reasons, Mr. Chairman, I urge my colleagues to support the Boland and the Barnes amendments both of which would stop the illegal activity. The Mica amendment and the Young amendment should be rejected on the ground that they would permit the illegal activity to continue.

Mr. BROOMFIELD. Mr. Chairman, I yield 2 minutes to the gentleman from Arizona (Mr. RUDD).

Mr. RUDD. Mr. Chairman, I rise because I am distressed by what I think is a wrong picture or message being conveyed to our fellow citizens.

I have heard words that add up to the theme that a powerful United States of America is attacking a defenseless Nicaragua, in fact, waging war against Nicaragua, and that is a wrong impression. It is not true.

The other wrong impression conveyed by those words is that we as Americans are ashamed that the United States of America is powerful, that perhaps we might wish to see it reduced to impotence so that we could experience the misery of slavery under the Soviet Union from Moscow through Havana Cuba through Managua Nicaragua. America doesn't want this.

The other point that I would like to make is that the Contadora group is being mentioned frequently here and I will tell my colleagues that the citizens of El Salvador and that the Government of El Salvador do not wish for the Contadora group's decisions to be imposed upon them, a decision for unilaterial withdrawal of U.S. aid from Honduras and El Salvador. A decision which would permit that we can give them sympathy, but no aid. El Salvador and Honduras do need our aid. Not troops, not men and arms, but aid. Aid that they survive. Aid that we survive. Aid that America may survive.

Mr. BOLAND. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from New York (Mr. WEISS).

Mr. WEISS. Mr. Chairman, if Ronald Reagan is listening I would expect that he would turn to his staff and say, "That Boland amendment sounds pretty good to me."

And I am surprised that Members on the minority side of the aisle have not caught the drift of the Boland amendment. What in essence Boland, as explained by my dear friend from New York, does is to go against, to undercut, the original Zablocki-Boland amendment which said that covert activities are illegal; instead it says that covert activities will be illegal for 30 days. But if Ronald Reagan comes along and gives us a report which spells out why covert aid ought to be continued and if the two Houses, which in that kind of situation would be expected to go along with him, then all of a sudden this illegal covert action which we say, in Boland-Zablocki itself in the absence of a state of declared war is in fact in violation of the Charter of the United Nations, the Charter of the OAS, the Rio Treaty, it becomes transformed into something legal.

I would hope that we would not be adopting another Gulf of Tonkin esolution. I urge that we vote down the Boland-Solarz amendment, that we vote down the Mica amendment, that we adopt the Barnes amendment and adopt Boland-Zablocki as it came out of the Intelligence and Foreign Affairs Committees.

I can assure my colleagues that many of us who voted for Boland-Zablocki in the form in which it came out of committee would not have voted for it if it incorporated Boland-Solarz as it will if this is adopted.

I think that this is indeed a historical time. The then Members of Congress when they voted for the Gulf of Tonkin resolution had no idea of the repercussions of what they were doing. We have no idea either, but I am forewarning the Members that in fact we are sending a message that covert action is OK so long as Ronald Reagan and the Congress say it is OK. I think it would be a terrible mistake.

Mr. BROOMFIELD. Mr. Chairman, I yield 2 minutes to the gentleman from Washington (Mr. CHANDLER).

Mr. CHANDLER. Mr. Chairman, the historic secret debate on the question of covert aid to rebels in Nicaragua last week, raised a number of questions in my mind about our policy in Central America.

One question was, do we have a right to interfere in the internal affairs of another country? Are we guilty of doing in Nicaragua what we accuse the Nicaraguans, the Cubans, and the Soviets of doing in El Salvador?

And then I had to ask myself, after I had heard that debate, what is the aim of our current policy? What is it we are trying to accomplish? Are we trying to interdict the flow of arms into El Salvador? Are we trying to overthrow the government in Managua?

If those are indeed our aims, it became clear in that debate that neither is succeeding. And if we were, in fact, successful in overthrowing the Nicaraguan Government, I became convinced that we would not bring peace to the region, and in fact what we are doing may well be creating more, rather than less, popular support for the Sandinistas.

But it is not just that simple, it is not just our policy that is at play here. We know that the Sandinistas in Nicaragua are creating a haven for the guerrillas operating in El Salvador. We know that it is a conduit for Cuban and Soviet support for the revolution that is going on there. For that reason, it is clearly too extreme to cut off the aid as would be the case with the Boland-Zablocki amendment.

I stand here today to support the Mica amendment, as my good friend and colleague, the gentleman from California (Mr. ZSCHAU) described it earlier, as a midground, an acceptable way to find our way to a new policy, one that will answer the kinds of questions that I have raised here satisfactorily.

I urge my colleagues to pursue a middle course. Do not put blinders on to the reality of Nicaraguan, Cuban, and Soviet interference in the internal affairs of Central American countries. At the same time, let us not kid ourselves that U.S. armed surrogates will ever bring about peace in that troubled region. Let us provide the Nicaraguans an incentive to act and act now for peace in Central America.

Mr. BOLAND. Mr. Chairman, I yield 3 minutes to the gentleman from New York (Mr. SOLARZ).

Mr. SOLARZ. Mr. Chairman, I would like to concentrate on the difference between the Mica substitute and the Boland amendment.

The fundamental difference is that under the Mica substitute our paramilitary operations against Nicaragua would continue unless and until the Nicaraguans cease their efforts to destabilize El Salvador or other countries in Central America.

Under the terms of the Boland amendment to the Mica substitute, however, the original prohibitions contained in the Zablocki-Boland legislation would remain intact. Our paramilitary operations against Nicaragua would be terminated and they could only be resumed if the President submitted a report to the Congress that the Nicaraguans were continuing their efforts to destabilize the region and if the Congress of the United States adopted a joint resolution providing for the resumption of that paramilitary assistance to groups acting against Nicaragua.

□ 1410

I say to my good friend from New York (Mr. WEISS) that the very last thing the Boland amendment to the Mica substitute is, is another Gulf of Tonkin resolution. If the Boland amendment is adopted, our paramilitary assistance against Nicaragua is terminated. Of course, if the Congress subsequently adopted a joint resolution approving the resumption of paramilitary assistance, it would be resumed. But the answer to that is, even

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without the Boland amendment to the Mica substitute, if the Boland-Zablocki bill, as originally reported out of committee, was adopted and we flatly terminated our paramilitary operations against Nicaragua, the Congress would be free the very next day to adopt legislation providing for a resumption of aid.

So this is no Gulf of Tonkin resolution. This is a way to bring to an end our operations against Nicaragua but to give the Congress the right to decide what to do in the future.

Mr. BROOMFIELD. Mr. Chairman, I yield 5 minutes to the gentleman from Florida (Mr. YOUNG).

Mr. YOUNG of Florida. Mr. Chairman, those of us in the House today are going to make a very major decision and one that, if it goes through the entire legislative process and becomes a part of our law, is going to be with us and with our friends in Central America for a long, long time.

If the Castro-Sandinista movement that is underway in Central America is allowed to continue, and if Central America comes under this Castro-Sandinista jurisdiction, influence and control, we have serious problems, and years from now we are going to be sitting around wishing that we had done something different. Much as we do today, wishing we had done something different when Fidel Castro was just a blip on the TV screen many years ago.

The Sandinistas in connection with their Castro friends are Marxists, they are Leninists, they are Communists. And this is their revolution. And make no mistake about it. In fact, they have said that to some of us very personally, that that is the type of revolution they have and that it goes beyond any borders. It is not limited to their own country.

They have direct association with the PLO, they are receiving considerable support from Libya, they have supported terrorist-type raids into friendly Honduras, their neighbor. We know exactly what they are doing in El Salvador in supporting that insurgency. The headquarters, the command and control headquarters for the Salvadoran insurgency, make no mistake about it, it in Nicaragua. The Sandinistas know about it and they know where it is.

The Sandinistas have practiced a policy of near genocide to the Miskito Indians, who are Nicaraguans. Their treatment of the Jewish community cannot be excused. Those few Jews who were able to stay in Nicaragua have been expelled. Others who were expelled have had their property confiscated. They have been thrown out of the country with nothing.

Many of the original Sandinista leaders who were involved in the original revolution are no longer part of the junta. They have either left or they have been thrown out by the Marxist group of the junta. In fact, many of those original Sandinista leaders are now the leaders of the activity against the Sandinistas in Nicaragua because they reneged on the promises of freedom, of free elections, of free speech, of free press, of free religion, and so on and so forth.

H.R. 2760 allows the Sandinistas to roam freely because it stops any covert activity that we might be involved with in Nicaragua.

The amendment offered by the gentleman from Florida (Mr. YOUNG) and the substitute to that amendment offered by the gentleman from Florida (Mr. MICA) are good amendments, and I strongly support either or both, because they make us all play by the same rules. They suggest that whatever rules are going to apply to us by this Congress should also apply to the Sandinista. And what is wrong with all of the players playing by the same rules?

The amendment offered by my friend, the gentleman from Maryland (Mr. BARNES), takes the heart out of the Young amendment. It no longer makes it a mutual rule. What it does, in very nice language, it says that the Sandinistas ought to be good, but it does nothing to make them be good. It does nothing to support any effort or any of our friends in the region to help convince the Sandinistas that we ought to talk about our problems and we ought to solve them.

My friends, we are going to make that major decision today, and I really think if you search your heart and if you search your soul and if you search your conscience, you are going to find it difficult to vote for the Barnes amendment to gut the Young amendment. I think you can conscientiously vote for the Mica substitute or you can conscientiously vote for the original Young amendment because all it does is establish fair play, establish that we are going to abide by the same rules. And I see nothing wrong with that. I do not want a communistic or a Marxist or a Leninist Central America under the control of Fidel Castro today and turned over to Ortega or Ramirez, or someone like that, tomorrow when Castro eventually fades away from the picture.

Mr. PRITCHARD. Mr. Chairman, will the gentleman yield?

Mr. YOUNG of Florida. I yield to the gentleman from Washington.

Mr. PRITCHARD. I thank the gentleman for yielding.

Mr. Chairman, I am one on this side of the aisle who has some serious problems about the covert approach in Central America. I have looked carefully at the different amendments that have been brought up, and I do not dispute the meaning or the effort of the Boland-Solarz approach on this, attempting to get some kind of middle ground here, but I just do not think it is practical. I think the Mica approach does give us middle ground and is effective, and I hope we follow it.

The CHAIRMAN. The Chair will state that the gentleman from Massachusetts (Mr. BOLAND) has 10 minutes remaining, and the gentleman from Michigan (Mr. BROOMFIELD) has 7 minutes remaining.

Mr. BOLAND. Mr. Chairman, I yield 30 seconds to the gentleman from Florida (Mr. MICA).

Mr. MICA. Mr. Chairman, I would just like to conclude with my 30 seconds by saying that I would like to see the Barnes amendment defeated, the Solarz-Boland amendment defeated, the Mica amendment approved, and the Wright amendment after that approved. I recognize none of these people support my amendment. But that is what this author of this legislation would like to see done. I would appreciate your support on the Mica amendment.

Mr. BROOMFIELD. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from Georgia (Mr. GINGRICH).

Mr. GINGRICH. I thank the gentleman for yielding.

Mr. Chairman, since we are going to be voting first on the Barnes amendment, I think it useful to focus on the Barnes amendment, because the Barnes amendment really poses the fundamental question of U.S. foreign policy in the 1980's. It poses that question squarely between radicals who favor unilateral disarmament and the rest of us.

We have heard a lot of rhetoric, but let us look at the words, the precise words, of this amendment. It says that we would substitute a negotiated agreement involving Nicaragua where they had to agree to quit trying to fight and destroy their neighbors, it would substitute for it the sense of Congress that the Government of Nicaragua should enter into an agreement.

Now, let me suggest that the gentleman from Washington Mr. PRITCHARD) was exactly right in focusing on practicality. If we are serious about bringing peace to Central America, if we are serious about stopping the Soviet KGB, the Cuban Communists and their Nicaraguan allies from subverting a neighbor, then we have to stop this effort in the Barnes amendment for preemptive self-disarmament by the United States. We have to stop this effort in the Barnes amendment for self-imposed impotence which would strip our diplomats of any effect.

Can you imagine negotiating and saying, "By the way, it is the sense of Congress that you should quit doing what 9,000 Soviet advisors are encouraging"?

Imagine that today, tonight, in Castro's Cuba, in Nicaragua, in Moscow, that the people who have planned the guerrilla war in El Salvador sit and watch C-span and they watch today's results. If those Cuban Communists and Soviet advisors see this Congress tie up the United States in impotence, if they see us unilaterally disarm—and the Barnes amendment is in effect a

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vote to unilaterally disarm—then they will say to the Nicaraguan dictatorship, "Go full-steam ahead, the United States is helpless, the Congress has once again gutted the American Nation's ability to do anything."

□ 1420

But if we vote "no" on Barnes, if we defeat Barnes, then we send a signal to every Communist agent, we send a signal to every Nicaraguan dictator. We say clearly, "You have to negotiate. You have to come to the table. You have to deal with the American Nation, which is capable of moving decisively, and which is capable of protecting its friends and neighbors."

Franklin Delano Roosevelt created the Good Neighbor Policy. He did not say, "Why do we not send a message to Adolph Hitler and tell him it is the sense of Congress." We did not say, "Let us react to Pearl Harbor by sending a note saying it is the sense of Congress."

This is a clear, decisive step on the radical part of this Congress to say, "Let us unilaterally disarm."

Mr. BOLAND. Mr. Chairman, I yield 2 minutes to the gentleman from Michigan (Mr. BONIOR).

Mr. BONIOR of Michigan. I thank the gentleman for yielding me this time.

Mr. Chairman, the central question that we face here today is whether or not this country is a country of laws or is not a country of laws.

Since coming into office, from the very early days, this administration has failed to adhere to international obligations and to domestic statutes. I refer specifically to the early days of the administration when they blindly turned their heads to the activities that were going on in camps in Florida and California, camps that were supporting the revolutions that we are now having to debate on this floor.

I testified before Mr. BARNES' committee early in 1981, after having visited these areas, and it was clear to me then and it is clear to me now that this administration failed to take into account the laws of this country prohibiting any support for expeditions against foreign nations, a clear violation of U.S. law, prohibiting conspiracy to injure the property of a foreign nation, prohibiting the export of war materials and, of course, violating our own Neutrality Act, which is clearly as old as the Nation itself.

That was the first phase. The second phase was in this Congress during the last lame duck session when we unanimously adopted in this body the Boland amendment.

Now we are at a third stage, whether we will continue to ignore the laws of this country and the international laws under which we have hopefully and will hopefully operate under in the coming years.

I urge you to vote for the Boland amendment. I urge you to reject those amendments which seek to move us away from law.

Mr. BROOMFIELD. Mr. Chairman, may I inquire of the chairman of the Intelligence Committee how many speakers he has left? We have just one.

Mr. BOLAND. We have one speaker left.

Mr. BROOMFIELD. Mr. Speaker, I yield the balance of my time to the gentleman from Illinois (Mr. HYDE).

Mr. HUNTER. Mr. Chairman, will the gentleman yield?

Mr. HYDE. I yield to the gentleman from California.

Mr. HUNTER. I thank the gentleman for yielding.

Mr. Chairman, I would like to simply say that several colleagues have argued to the effect that somehow the Contadoras are going to restrain the Nicaraguans. I think it is important for us to realize that the Contadora group is scared stiff at this point. They are going to be able to enforce no restraint on the part of the radical leaders of Nicaragua. They are in essentially the same position that Saudi Arabia is in in the Middle East. Saudi Arabia is not going to restrain the PLO because they are intimidated by the PLO. That is why they pay them money. That is why they pay them lipservice.

That is the reason the Contadora group has said nothing about Fidel Castro's excursions in Africa or any of the other aggressive actions that he has taken, and that is the reason they are not going to do anything effective that would, in fact restrain the Nicaraguans.

I think we have to realize there is one nation in this Hemisphere that can prevent a Marxist takeover in Central America. That nation is the United States.

Mr. HYDE. I thank the gentleman for his contribution.

Very briefly, we are confronted with a Barnes amendment, with a Solarz-Boland amendment, with a Mica amendment, and then a Young amendment.

The Barnes amendment is paper chase. It is no solution. It is more paralysis. It is words, words designed to bring the Sandinistas to their knees. It informs them in no uncertain terms that it is the sense of Congress that they should reach an agreement with their neighbors to be decent members of the human family down there. It will be about as effective as a butterfly's hiccup.

The Solarz-Boland puts the cart before the horse. The Solarz-Boland says, based on a phantasy, that we are going to stop covert aid and that will induce, if not seduce, the Sandinistas to stop exporting revolution to their neighbors. But if they do not, and if we find out, we may be back if we can get a joint resolution through Congress some year.

Then we move to the Mica amendment, which is a compromise, which involves the Organization of American States in a very important function. Mica says, "We will stop when you stop." That is all. It makes some sense.

One other thing that I would like to say, I listened to Mr. ALEXANDER, a gentleman whom I admire and whose knowledge of Central America is unequaled, and he said "let the Latins solve their own problems." Well, Cuba is a Latin power, and I would just as soon they did not have too much influence in settling the problems of Central America.

I have said before, and I say again, Cuba is the largest country in the world. Their administration is in Havana, their government is in Moscow, their army is in Africa, and their population is in Miami.

Support Mica.

Mr. BOLAND. Mr. Chairman, I yield myself such time as I may consume, and then I will yield some time to the majority leader.

The pending vote at 2:30 or a little thereafter will be on the Barnes amendment. That preserves a cutoff, of course, of the secret war, and the Young amendment does. Like the Young amendment, the Barnes amendment puts the Congress on record as opposing Nicaraguan support for the Salvadoran insurgency, and all of us agree to that.

Like the Young amendment, it emphasizes that the solution to the conflict in Central America is a negotiated solution based on the principles of the San Jose Conference and Nicaragua's pledges to the OAS in July 1979, and we all agree to that.

Mr. Chairman, I yield the remainder of my time to the distinguished majority leader, the gentleman from Texas (Mr. WRIGHT).

Mr. WRIGHT. Mr. Chairman, first I want to congratulate all those who have taken part in this debate, and particularly those who have taken part in the very arduous effort that has been underway to strike some semblance of a reasonable compromise.

I want to congratulate Mr. MICA, Mr. BOLAND, Mr. SOLARZ, Mr. YOUNG, Mr. BARNES, Mr. FASCELL, Mr. BROOMFIELD, Mr. MCCURDY, and all those with whom I have worked for several weeks in that yet unavailing effort to find a magic formula that will be satisfactory to everybody. I think everyone involved has acted in good faith. I think Mr. YOUNG acted in good faith. I think Mr. MICA has acted in good faith, and Mr. BARNES and Mr. SOLARZ, all of those who have participated in this search.

The difficulty is that while we all agree on certain things, we come to one unbridgeable gulf. I believe all of us who participated in this agree that

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what the Sandinistas are doing in attempting to subvert the government of their neighboring country is fundamentally wrong. It is a violation of the Organization of American States charter, and it is a violation of the common rules of decency among humankind. All of us want to see that come to an end.

On the other hand, I think all of us who have been involved in this are more than just a little bit nervous and apprehensive and uneasy, and frankly a bit embarrassed that our country is pretending it is not doing something when in reality we know that it is. I do not think any of us wants to engage in subterfuge or a deception, and I think all of us know that there has been some deception in this matter.

All of us want to put an end to this covert financing of an invasion of Nicaragua, and we recognize that its purpose really is to overthrow the Government of Nicaragua contrary to the provision of law approved unanimously by the House last December. Certainly that has been the purpose of those who have been the recipients of our aid. Those whom we have recruited, trained, financed, equipped, and sent into that country state unequivocally that their purpose is to overthrow the government of that country. For us to say that it is otherwise really is to evade the fact and to render ourselves subject to the censure of our friends and colleagues throughout the hemisphere who see our denial of that purpose lacking in credibility.

We want to put a stop to that U.S.-financed military intervention, and we want to put a stop to what the Sandinistas are doing. But the question always comes down to this: Who goes first? That is really what we have to resolve in these amendments: Who goes first?

Is that not the fundamental flaw in human character that has always led to war? Is that not the fundamental question that always stands in the way of peace? Every page of history is stained with the blood of common people who have died while national leaders on both sides insist that the other one go first.

Yesterday Armenians bombed and killed people in a Turkish Embassy because of sins that were committed by the Turks against Armenians before most of us were born. Who goes first in seeking peace?

□ 1430

We are not able to get the Palestinian Arabs and the Israelis to sit down and talk together because each says the other must go first in recognizing the legitimacy of the other, and we have not been able to get them both simultaneously to sit down and do it.

Who goes first? In the meantime, men go on dying, and infants crying at mothers' breasts, and blood comes instead of milk because the statesmen of the world are insisting that "no, you go first, and then we will follow suit."

What the Nicaraguans are doing is a violation of the OAS Charter, and what we are doing is a violation of the OAS Charter, let there be no doubt about it. We are signatories to article 18 of the charter that says that no state has a right to intervene, directly or indirectly, for any reason whatsoever, in the internal or external affairs of any other state.

We are in violation of the President's own suggestions in a letter he released only the night before last over his signature to the Presidents of the four countries which make up the Contadora group.

Ronald Reagan, in writing to those Presidents, said:

> Second, there must be respect for the principle of nonintervention, including a ban on support for subversive elements that seek to destabilize other countries.

How else, I ask my colleagues, could we honestly describe what we are financing at this moment?

So let us wash our hands clean, come into the court with clean hands, expunged of our own sin, and then say to the court, "require the same compliance from Nicaragua." That, it seems to me, is the rightful order of events.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Maryland (Mr. BARNES) to the amendment offered by the gentleman from Florida (Mr. YOUNG).

The question was taken; and the Chairman announced that the ayes appeared to have it.

RECORDED VOTE

Mr. BROOMFIELD. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 213, noes 214, not voting 7, as follows:

[Roll No. 279]

AYES—213

Ackerman
Addabbo
Akaka
Albosta
Alexander
Anderson
Andrews (NC)
Annunzio
Anthony
Applegate
Aspin
AuCoin
Barnes
Bates
Bedell
Beilenson
Bennett
Berman
Bevill
Biaggi
Boggs
Boland
Boner
Bonior
Bonker
Borski
Bosco
Boucher
Boxer
Britt
Brown (CA)
Bryant
Burton (CA)
Carper
Carr
Clarke
Clay
Coelho
Coleman (TX)
Collins
Conte
Conyers
Cooper
Coyne
Crockett
D'Amours
Daschle
Dellums
Derrick
Dicks
Dingell
Donnelly
Dorgan
Downey
Durbin
Dwyer
Dymally
Early
Eckart
Edgar
Edwards (CA)
Evans (IL)
Fazio
Feighan
Ferraro
Flippo
Florio
Foglietta
Ford (MI)
Ford (TN)
Fowler
Frank
Frost
Garcia
Gejdenson
Gephardt
Gibbons
Glickman
Gonzalez
Gore
Gray
Green
Guarini
Hall (IN)
Hall (OH)
Hamilton
Harkin
Harrison
Hawkins
Hertel
Howard
Hoyer
Jacobs
Jones (OK)
Kaptur
Kastenmeier
Kennelly
Kildee
Kogovsek
Kolter
Kostmayer
LaFalce
Lantos
Leach
Lehman (CA)
Lehman (FL)
Leland
Levin
Levine
Levitas
Long (LA)
Long (MD)
Lowry (WA)
Luken
Lundine
Markey
Martin (IL)
Martinez
Matsui
Mavroules
McCloskey
McCurdy
McHugh
McKinney
McNulty
Mikulski
Miller (CA)
Mineta
Minish
Mitchell
Moakley
Mollohan
Moody
Morrison (CT)
Mrazek
Murphy
Natcher
Neal
Nowak
O'Neill
Oakar
Oberstar
Obey
Olin
Ottinger
Owens
Panetta
Patterson
Pease
Penny
Pepper
Perkins
Pickle
Price
Rahall
Rangel
Ratchford
Reid
Richardson
Rodino
Roe
Rose
Rostenkowski
Roukema
Roybal
Russo
Sabo
Savage
Scheuer
Schneider
Schroeder
Schumer
Seiberling
Shannon
Sharp
Sikorski
Simon
Slattery
Smith (FL)
Smith (IA)
Solarz
Spratt
St Germain
Staggers
Stark
Stokes
Studds
Swift
Synar
Torres
Torricelli
Towns
Traxler
Udall
Vento
Volkmer
Walgren
Watkins
Waxman
Weaver
Weiss
Wheat
Whitten
Williams (MT)
Wirth
Wise
Wolpe
Wright
Wyden
Yates
Yatron
Young (MO)
Zablocki

NOES—214

Andrews (TX)
Archer
Badham
Barnard
Bartlett
Bateman
Bereuter
Bethune
Bilirakis
Bliley
Boehlert
Breaux
Brooks
Broomfield
Brown (CO)
Broyhill
Burton (IN)
Byron
Campbell
Carney
Chandler
Chappell
Cheney
Clinger
Coats
Coleman (MO)
Conable
Corcoran
Coughlin
Courter
Craig
Crane, Daniel
Crane, Philip
Daniel
Dannemeyer
Daub
Davis
de la Garza
DeWine
Dickinson
Dreier
Duncan
Dyson
Edwards (AL)
Edwards (OK)
Emerson
English
Erdreich
Erlenborn
Evans (IA)
Fascell
Fiedler
Fields
Fish
Franklin
Frenzel
Fuqua
Gaydos
Gekas
Gilman
Gingrich
Goodling
Gradison
Gramm
Gregg
Gunderson
Hall, Ralph
Hall, Sam
Hammerschmidt
Hance
Hansen (ID)
Hansen (UT)
Hartnett
Hatcher
Hefner
Hightower
Hiler
Hillis
Holt
Hopkins
Horton
Hubbard
Huckaby
Hughes
Hunter
Hutto
Hyde
Ireland
Jeffords
Jenkins
Johnson
Jones (NC)
Kasich
Kazen
Kemp
Kindness
Kramer
Lagomarsino
Latta
Leath
Lent
Lewis (CA)
Lewis (FL)
Lipinski
Livingston
Lloyd
Loeffler
Lott
Lowery (CA)
Lujan
Lungren
Mack
MacKay
Madigan
Marlenee
Marriott
Martin (NC)
Martin (NY)
Mazzoli
McCain
McCandless
McCollum
McDade
McDonald
McEwen
McGrath
McKernan
Mica
Michel
Miller (OH)
Molinari
Montgomery
Moore
Moorhead
Morrison (WA)
Murtha
Myers
Nelson
Nichols
Nielson
O'Brien
Ortiz
Oxley
Packard
Parris
Pashayan
Patman
Paul
Petri
Porter
Pritchard
Pursell
Quillen
Ray
Regula
Ridge
Rinaldo
Ritter
Roberts
Robinson
Roemer
Rogers
Roth
Rowland
Rudd
Sawyer
Schaefer
Schulze
Sensenbrenner
Shaw
Shelby
Shumway
Shuster
Siljander
Sisisky
Skeen
Skelton
Smith (NE)
Smith (NJ)
Smith, Denny

[CRS-125]

Smith, Robert
Snowe
Snyder
Solomon
Spence
Stangeland
Stenholm
Stratton
Stump
Sundquist
Tallon
Tauke
Tauzin
Taylor
Thomas (CA)
Thomas (GA)
Valentine
Vander Jagt
Vandergriff
Vucanovich
Walker
Weber
Whitehurst
Whitley
Whittaker
Williams (OH)
Wilson
Winn
Wolf
Wortley
Wylie
Young (AK)
Young (FL)
Zschau

NOT VOTING—7

Chappie
Dixon
Dowdy
Foley
Forsythe
Heftel
Jones (TN)

□ 1440

The Clerk announced the following pair:

On this vote:

Mr. Dixon for, with Mr. Chappie against.

Messrs. McKAY, VANDER JAGT, CARNEY, JENKINS, and BOEHLERT changed their votes from "aye" to "no."

Messrs. BIAGGI, MOLLOHAN, and ANNUNZIO changed their votes from "no" to "aye."

So the amendment to the amendment was rejected.

The result of the vote was announced as above recorded.

□ 1450

AMENDMENT OFFERED BY MR. BROOMFIELD TO THE AMENDMENT OFFERED BY MR. YOUNG OF FLORIDA

Mr. BROOMFIELD. Mr. Chairman, I offer an amendment to the amendment.

PARLIAMENTARY INQUIRY

Mr. MICA. Mr. Chairman, I have a parliamentary inquiry.

Mr. CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. MICA. Mr. Chairman, I would like a clarification on the procedure from this point.

It is my understanding that we can take one amendment, then take the Solarz-Boland, and then the Mica amendment. Is that correct?

The CHAIRMAN. The Chair would like to advise the gentleman from Florida that further amendments to the Young amendment are in order one at a time and are debatable.

The Clerk read as follows:

> Amendment offered by Mr. BROOMFIELD to the amendment offered by Mr. YOUNG of Florida: After the last line of the text of the proposed amendment insert the following new section 3:
>
> "SEC. 3. The President shall commission a study to assess the potential consequences of a failure to halt Cuban and Nicaraguan directed revolution and subversion in Central America. Such study shall include but not be limited to the issues of refugee patterns and U.S. dollar outlays which may be necessary.".

Mr. BROOMFIELD. Mr. Chairman, this is a noncontroversial amendment.

Mr. COLEMAN of Missouri. Mr. Chairman, will the gentleman yield?

Mr. BROOMFIELD. I would like at this time to yield to the gentleman from Missouri (Mr. COLEMAN).

Mr. COLEMAN of Missouri. Mr. Chairman, this may be characterized as an noncontroversial amendment, but I am going to take some time, since we have 12 hours of debate, to talk about it.

We have not talked about the problems of refugees coming into the United States from Central America and it is an important topic on all of these amendments that we have before us.

We have talked about national security and security issues but I want to focus for just a minute on the social-economic issues.

□ 1500

Mr. Chairman, if Communist governments indeed come to power in Central America, we can expect to see a massive influx of refugees into the United States. If the historical experience bears this out certainly the cost in both dollars and social and economic terms would be tremendous.

In my few moments, I would like to tell a little bit of what I see the social and economic consequences to be.

Mr. BROOMFIELD. Mr. Chairman, I am finding it almost impossible to hear the gentleman. I am just a few feet away from him.

The CHAIRMAN. The gentleman's point of order is well taken. We will not proceed until we have better order.

The gentleman may proceed.

Mr. COLEMAN of Missouri. If one looks at recent refugee trends it is clear that the United States is almost invariably the preferred destination.

Furthermore, it appears that a general rule of thumb can be established regarding the percentage of a nation's population which, in the final analysis, ends up in the United States.

For example, since Cuba fell to the Communist revolutionaries over a million Cubans have come to the United States. This represents over 10 percent of the Cuban population.

If one wanted to use this as a baseline you could say 10 percent, but even if you use a conservative baseline of 8 percent it would seem a normal refugee pattern.

Because of the varying proximity of the Central American countries to the United States——

Mr. MARTIN of North Carolina. Mr. Chairman, it sounds as noisy as if there are already about 8 million refugees in this Chamber. If we could have it quiet down a little bit we might be able to hear the gentleman.

The CHAIRMAN. The Committee will be in order.

The gentleman may proceed.

Mr. COLEMAN of Missouri. If you took——

Mr. DELLUMS. Mr. Chairman, would the gentleman yield to me briefly?

Mr. COLEMAN of Missouri. Listen, I have not even had a chance to open my mouth on this amendment. We have 12 hours of debate. I am offering a little amendment.

Mr. DELLUMS. If the gentleman would not yield, I would appreciate the gentleman telling me whether he will yield or not.

The gentleman said there were 8,000 refugees here. I want to know is that a racist statement?

The CHAIRMAN. The gentleman from Michigan has the time.

Mr. MARTIN of North Carolina. He could not hear this gentleman. I said there are 8 million. There is too much noise.

Mr. DELLUMS. I wanted to ask a question: Will the gentleman yield briefly?

Mr. COLEMAN of Missouri. Give me 5 additional minutes.

Mr. DELLUMS. I ask unanimous consent the gentleman may have 6 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. COLEMAN of Missouri. Mr. Chairman, I yield for a minute.

Mr. DELLUMS. I am certainly not trying to harass the gentleman. I was sitting here trying to hear my colleague. What I asked the gentleman to yield for was my distinguished colleague on the other side of the aisle made the statement that it sounded as if there were 8,000 refugees in this room. There are black refugees, brown refugees, yellow refugees, and white refugees.

Is the gentleman suggesting that refugees by definition are rowdy human beings? And if that is the statement of the gentleman, I hope he will withdraw it.

Mr. MARTIN of North Carolina. I will not withdraw the statement that I actually stated. I did not refer to the race of any refugees, which as the gentleman from California himself acknowledged, is a desperate condition affecting all races.

If the gentleman will yield, I would be pleased to correct the gentleman. He could not hear what I was saying because it was so noisy. What I said was it sounds as noisy as if there are 8,000,000 refugees here, million. I said 8,000,000 refugees, not 8,000.

Mr. DELLUMS. That makes the point even worse. I thank my colleague.

Mr. COLEMAN of Missouri. If you take a conservative estimate of just 8 percent as the normal refugee pattern from these countries and apply it to the populations of Central America, and if you took just the Central American countries it is a potential of 2.3 million refugees. If you take into consideration the population of Mexico, a country which many analysts see as vulnerable to leftist insurgency then the numbers are even more imposing and astronomical.

In the case of Mexico, the figures may be very conservative because as you know, people are already crossing the Mexico-Texas land bridge today.

[CRS-126]

How many of them would pass through if they were fleeing Communist persecution? Our present experience indicates that the Rio Grande River is hardly an imposing obstacle to determined people attempting to get into the United States. Thus, if you take a look at the figures, a number of disturbing possibilities emerge. For example, if one looks at just the country of El Salvador, with a population of 4.7 million people, if that government were to totally fall to the leftist government patterned on the Cuban model which we see developing, you could probably have 300,000 to 400,000 Salvadorans immediately trying to gain access and entry into the United States.

If you proceed one step further and look at the consequences of the region as a whole including Mexico, with a combined population of 90 million people, then the total figure becomes staggering, perhaps as high as 7 to 9 million refugees.

If you want to put this into perspective you are talking about the combined populations of 10 States in the United States. The number of refugees could potentially equal the population of Alaska, Wyoming, Vermont, Delaware, North Dakota, South Dakota, Montana, Nevada, New Hampshire and Idaho and if you take the less conservative figure you could add the States of Rhode Island and Hawaii's population in there to total 9 million people trying to gain access to the United States.

Mr. SKELTON. Will the gentleman yield.

Mr. COLEMAN of Missouri. How would we cope financially? Let me finish and I will yield to my friend.

How will our Nation cope financially with supporting 7 to 9 million potential refugees? What would the cost be? The State Department says that the average cost to support an individual refugee is $3,500 to $4,500. Some of them get on their feet financially, others do not. But the average is $3,500 to $4,500. This includes living, eating, and medical expenses and it includes revenues from State as well as Federal sources.

The possible costs are astronomical and if you take the figures of $3,500, a conservative figure, per refugee and multiply it times the conservative 8 percent normal refugee pattern, you would have a refugee price tag for the American taxpayer if the country of

El Salvador fell could total a $1 billion expenditure.

And if one uses the higher estimates of 10 percent normal refugee pattern, and a $4,500 per refugee then you are talking about a potential $40 billion expenditure for all of these refugees coming into the country. The point of all this is, and I will yield when I am through here, the point of it is there are a lot of questions left unanswered, a lot of consideration we have not given to the refugee problem. And I think it goes to the heart of many of the amendments we have pending.

The Boland-Solarz amendment would encourage refugees fleeing this area. Now the only sensible amendment that would, I think, recognize the refugee issue are the various symmetry amendments, Mr. MICA and Mr. YOUNG's amendments, because they say we will not cut off this aid unless they cut off their aid and we are not going to see this massive migration pattern develop. But we need to ask ourselves as we debate the issues of Central America, are the taxpayers of the United States willing to spend $25 to $40 billion to support 7 to 9 million refugees that would be fleeing into our country? That is a question we have to concentrate on and the consequences of that have never really been discussed.

Who is to pay the bill? Can we cope with such a large influx of refugees?

I think these are issues that are serious and need to be debated and discussed as we talk about the entire Central American area.

This is not an amendment or suggestion that refugees are good or bad people or what part of the country they come from, or the color of their skin; the question is 7 to 9 million people coming into the United States as a consequence of our action or inaction dealing with this particular bill here on the floor of the House.

☐ 1510

Mr. LAGOMARSINO. Mr. Chairman, will the gentleman yield?

Mr. BROOMFIELD. I yield to the gentleman from California.

Mr. LAGOMARSINO. Mr. Chairman, I thank the gentleman for yielding.

I want to commend the gentleman in the well for offering this amendment. This is one of the critical issues that we should all be considering very carefully, because if Communist governments do take over in Central America, there undoubtedly will be a great flood of refugees. There is absolutely no question about it.

When we consider that we have over 640,000 Indochinese in the United States who were brought across the Pacific Ocean, many of whom had already gone across oceans themselves to get to their original, safe havens, I think there is no doubt at all that we would have the numbers that the gentleman is talking about when you consider that they would be, for the most part, foot people.

I might point out this is not just something that the gentleman in the well has calculated himself. Our U.S. Coordinator for Refugee Affairs has said exactly the same thing.

So I commend the gentleman and hope his amendment is adopted.

Mr. COLEMAN of Missouri. We have a land bridge between this area to the United States and we have never recognized this consequence of our actions here today.

Mr. YOUNG of Florida. Mr. Chairman, will the gentleman yield?

Mr. BROOMFIELD. I yield to the gentleman from Florida.

Mr. YOUNG of Florida. I thank the gentleman for yielding.

Mr. Chairman, I want to compliment the gentleman in the well, the gentleman from Missouri (Mr. COLEMAN). He has worked long and hard on this entire issue, not only on refugees but the entire Central American problem. He has given it great study, great detail and he has been very, very patient, waiting for his opportunity to offer this amendment. And I compliment the gentleman.

As the Member who introduced the basic amendment that he wishes to amend and as the Member from Florida who recently received some 130,000 Cubans during the recent Mariel boat lift, I can say to the gentleman that his amendment is extremely important because the issue of refugees, Mr. Chairman, is real.

And I would hope the House would adopt this amendment. And again, I want to compliment my colleague for the outstanding work and leadership that he has exhibited in this matter.

Mr. SKELTON. Mr. Chairman, will the gentleman yield?

Mr. BROOMFIELD. I yield to the gentleman from Missouri.

Mr. SKELTON. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I think that my colleague from Missouri has hit the nail on the head in this particular instance. Quite a few people in our district back home in Missouri ask about this very subject. What about the influx of people coming in from Latin America with the fact that there are some 450,000, the statistics tells us, undocumented workers coming from Mexico each year. I can imagine what tremendous problems would arise in the relation to the job problems that we have in this country should the gentleman's prediction come to pass.

I think a study such as the gentleman proposes is very much on point and I compliment the gentleman on pointing it out.

I hope that we will make the decision in this body today so that we can head this problem off in the future.

The CHAIRMAN. The time of the gentleman from Michigan (Mr. BROOMFIELD) has expired.

(At the request of Mr. MITCHELL and by unanimous consent, Mr. BROOMFIELD was allowed to proceed for 1 additional minute.)

Mr. MITCHELL. Mr. Chairman, will the gentleman yield?

Mr. BROOMFIELD. I yield to the gentleman from Maryland.

Mr. MITCHELL. I thank the gentleman for yielding.

Mr. Chairman, I heard the gentleman talking in general about a refugee-immigration problem, but honestly, I missed hearing what the gentleman's amendment does.

[CRS-127]

Would the gentleman tell me.

Mr. COLEMAN of Missouri, I would love to tell the gentleman again. The Members feel that we are going to have a serious vote here pretty soon and that is not necessarily the case, on some of these other amendments, but I would be glad to explain it.

It requires the President to commission a study of refugees and the potential of refugees, the economic ramifications of a number of refugees coming into our country as a consequence of Nicaraguan/Cuban involvement in Central America.

Mr. MITCHELL. A study commission.

I thank the gentleman.

Mr. MARTIN of North Carolina. Mr. Chairman, will the gentleman yield?

Mr. BROOMFIELD. I yield to the gentleman from North Carolina.

(Mr. MARTIN of North Carolina asked and was given permission to revise and extend his remarks.)

Mr. MARTIN of North Carolina. I thank the gentleman for yielding.

Mr. Chairman, I want to commend the gentleman from Missouri for the work that he has already done on this question. He has pursued it in a very sensitive way in which I think all Members would be very pleased and very proud.

The CHAIRMAN. The time of the gentleman from Michigan (Mr. BROOMFIELD) has expired.

(At the request of Mr. MARTIN of North Carolina and by unanimous consent, Mr. BROOMFIELD was allowed to proceed for 1 additional minute.)

Mr. MARTIN of North Carolina. If the gentleman will yield further, I would say that the point here is for this government to recognize that its inaction or its faulty action in this case could very well produce a crisis in Central America which would have a devastating effect on the people of those countries and which would force them to be and to become refugees from their own country.

If we are going to be sensitive to the plight of those potential refugees, as my colleague from California I think was seeking to raise the point earlier, we must be very attentive to actions which if faultily taken in this Congress will force them to become refugees from their land and force us to find some way to accommodate them within this country. We need to decide how we are going to share that accommodation throughout all regions of this country.

The **CHAIRMAN**. The time of the gentleman from Michigan (Mr. BROOMFIELD) has expired.

(By unanimous consent, Mr. BROOMFIELD was allowed to proceed for 2 additional minutes.)

Mr. **SILJANDER**. Mr. Chairman, will the gentleman yield?

Mr. **BROOMFIELD**. I yield to the gentleman from Michigan.

Mr. **SILJANDER**. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, the point needs to be made here in the House and to the gentleman from California, that refugees are not bad people. They are men, women of all colors, all races, all peoples that are fleeing tyranny in many, many cases. We have been blessed in this country as a melting pot, and people from all cultures and all backgrounds have helped expand the intellect and the capabilities of our great Nation.

Over the years we have had:

	Total refugees	Refugees entering the United States
East Europe:		
Poland	700,000	176,000
Romania	75,000	36,000
Bulgaria	200,000	4,000
Czechoslovakia	110,000	30,000
Hungary	600,000	71,000
Yugoslavia	275,000	85,000
Subtotal	1,960,000	402,000
East Germany	6,500,000	100,000
Soviet Union	400,000	100,000
Baltic Nations	200,000	80,000
China	4,000,000	43,000
Tibet	60,000	5,000
Cuba	1,250,000	970,000
Vietnam	1,000,000	425,000
Laos	282,000	135,000
Cambodia	224,000	83,000
Afghanistan	3,300,000	6,000
Nicaragua	100,000	60,000
Ethiopia	1,000,000	8,000
Angola	200,000	120
Total	20,476,000	2,417,120

We have had millions of refugees who have come to this Nation because they are seeking freedom and opportunity.

The point of the gentleman in the well is that our Nation is now under a terrible burden of unemployment, social and economic readjustment. And it is just an issue of how many people this country can absorb and handle, especially with the major influx of the potential of Central America, anywhere from 7 to 12 million.

That is the issue. Can we handle adequately the influx of many peoples from all over the world, especially the potential crisis that could occur in Central America.

Can we handle the economic and social needs of people fleeing from tyranny.

The bottom line, if I may say to the gentleman from California, is how can we assist them in maintaining stability and prosperity in their own nations, as they probably would rather remain in their own countries to begin with.

Mr. **GARCIA**. Mr. Chairman, will the gentleman yield?

Mr. **BROOMFIELD**. I yield to the gentleman from New York.

□ 1520

Mr. **GARCIA**. I thank my colleague for yielding.

Mr. Chairman, if I may, I would like to ask the sponsor of the amendment a question or two.

Is this amendment that the gentleman is putting forth an amendment based on Boland-Zablocki? Is it part of what we are discussing right now?

Mr. **COLEMAN** of Missouri. It is an amendment to the Young amendment.

Mr. **GARCIA**. An amendment to the Young amendment to the Boland-Zablocki. Yes.

I want my colleague, who sponsored this amendment, to know that right now in the city of Washington, D.C., there are at least 100,000 Salvadorans at this moment. In the city of New York, I am certain an equal number, as well as from Honduras, from El Salvador, from Nicaragua and from many of those countries that we are now talking about.

Why are they there?

The **CHAIRMAN**. The time of the gentleman from Michigan (Mr. BROOMFIELD) has expired.

(On request of Mr. GARCIA and by unanimous consent, Mr. BROOMFIELD was allowed to proceed for 2 additional minutes.)

Mr. **GARCIA**. I really do not have a problem with the gentleman's amendment. I think it is important. But I really do not know of its usefulness at this point, because by the escalation and our intervention in Central America, many of these people already have fled.

Mr. **COLEMAN** of Missouri. If the gentleman will yield, I think the point has got to be made that we do not want to create refugees by our actions today. We happen to have a difference of opinion as to what policy creates refugees. We want to provide stable governments down there for these people to stay at home, to have their own country, to be their own leadership, and not have to flee to the United States. That would be the best possible scenario. The only thing that this amendment does is to study the ramifications if we do not act properly, and that is a matter of decision today and difference of opinion. But if we do not act, or whatever our resultant act is, that the President study this thing, report back here so we know how to deal with 7 million to 9 million additional people coming to the United States seeking jobs, seeking public assistance payments of $25 billion to $40 billion additional payments from the taxpayers. We have to know this. We have to plan for it.

Mr. **GARCIA**. I do not know whose time it is, but if I may, I think the gentleman from Michigan yielded to me.

The difference between Vietnam and Central America is that the people in Vietnam could not cross the Pacific to get here. I assure you that the moment we escalate and we start to send military forces into these countries, those people will head north. And I will tell you how they will get here. They will come up through Mexico, through Tijuana, through Juarez, and they will find themselves here, or they will find themselves in one of the Caribbean nations and then come up here. It is happening every day right now. And your amendment is not going to do anything as it relates to the study of what is happening because it is already happening.

[CRS-128]

The **CHAIRMAN**. The time of the gentleman from Michigan (Mr. BROOMFIELD) has again expired.

(On request of Mr. COLEMAN of Missouri and by unanimous consent, Mr. BROOMFIELD was allowed to proceed for 2 additional minutes.)

Mr. **COLEMAN** of Missouri. If the gentleman will yield further, this is a fundamental problem with this legislation. It says on page 13 of the report that they reject the fact that if we end our support for the anti-Sandinistas, that these people will not be fleeing into the United States. That is a difference of opinion. But the gentleman makes an excellent point why we ought to have the amendment adopted. We may differ on the reasons, but I do not think people are going to flee their homeland, their own country, if they are not being pushed out by a Communist-Marxist people coming out of Nicaragua and Cuba. Now, that is the essence of these people's problem. They are being pushed, as the gentleman says, through Mexico and into the United States.

Mr. **GARCIA**. If the gentleman will yield, we, the United States, with our intervention at this very moment are pushing those people out. It is not the Marxists. It is not the Soviets. We are the ones who are pushing them out.

Mr. **COLEMAN** of Missouri. They are not coming to the United States because we are pushing them out. Why would they come to the United States if we are pushing them out of their own country? They would want to go to another country if we were pushing them out of their homeland. That is not an argument that holds water. They would go to the Soviet Union if they wanted to do that.

Mr. BOLAND. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I yield to the gentleman from Oregon (Mr. AuCoin).

Mr. AuCOIN. Mr. Chairman, I would like to tell my colleagues what offends me about the amendment.

What offends me is that it calls for the President to commission a study of any refugee problems that would be created by Cuban- and Nicaraguan-directed subversion in Central America.

I am sure that there would be immigration problems and refugee problems caused by such subversion. But what this amendment leaves out completely is the much greater refugee problem as a direct consequence of bombs bursting, borders flaring in a full-scale regional war which the covert war is leading to.

It is a one-sided amendment. But worse, I have listened carefully to this debate over the last several days. I have listened to the administration subtly change its rationale for the purpose of the not-too-secret war in Nicaragua. It has changed its rationale from arms interdiction.

Of late what we have begun to hear is a subtle reference to "feet people." There are those who are now telling us that we had better not stop this war in Nicaragua, because if we do we are going to have feet people coming in by the millions into the United States.

I would say to my colleagues that when you have a bankrupt case—and the policy that the administration is following in Nicaragua is an illegal war, illegal by U.S. law and international law, is a bankrupt case—when you have a bankrupt case you reach for other arguments to defend that bankrupt case. And you play to emotions and frighten people.

To this end, I have heard subtle suggestions that those who oppose the war are soft on communism. I actually heard the word appeasement used on the floor.

But lately I have begun to hear the argument, if we do not support the President in this covert war in Nicaragua, we are going to have millions of feet people—refugees—swarming into the United States.

You know what this is. This is an attempt to raise dark fears on the part of the American people that millions of little brown people are going to be coming into the United States. I resent that argument. I resent it very much. I do not care if it was intended by the author of the amendment or not. This element is creeping into the debate on this issue, and I resent it very, very deeply. And I believe every minority group in this country will.

Mr. COLEMAN of Missouri. Mr. Chairman, will the gentleman yield, since he has questioned my integrity and intention?

Mr. AuCOIN. I will yield in a minute.

Mr. CHAIRMAN. The gentleman from Massachusetts (Mr. Boland) has the time.

Mr. COLEMAN of Missouri. Mr. Chairman, will the gentleman yield?

Mr. AuCOIN. I will yield to the gentleman in a minute because he is the author of the amendment.

I indicated to the gentleman that this may not be his intention, but the gentleman has listened to the arguments in the news, in the media, and here on the floor for the last several days, as have I. He knows that this argument has been introduced into this debate. I resent it very much.

We ought to decide this question on the basis of international law and domestic law. We ought to decide whether we are doing what is in the ultimate best interests of the United States on the merit of the question, not on the side issues that are being introduced.

Now, the gentleman may not have intended that, and I am sure he does not, but this has been introduced, and this is one reason why I fault his amendment.

I will yield to the gentleman, or perhaps the gentleman from Massachusetts will yield to him, as soon as I say this: If this is not what is intended by the gentleman's amendment, then I think he really ought to withdraw it and draft it in a way that would call upon the President to do a refugee analysis, not only as a result of any subversion that is started by Cuba or Nicaragua, but any refugee problems that might come to this country on the basis of a full-scale regional war that could explode and escalate from our current covert war in Nicaragua. If he is willing to do that, than I think we might have a fair amendment. But I resent those arguments, and I hope my colleagues do, as well.

Mr. COLEMAN of Missouri. Mr. Chairman, will the gentleman yield?

Mr. BOLAND. I yield to the gentleman from Missouri.

Mr. COLEMAN of Missouri. Mr. Chairman, not only did I not have the courtesy of being heard on the amendment, I now have to fight and have to get time from the chairman to defend my integrity.

Of course, it is not my intention, and I want the record straight. Why would the gentleman even raise the question unless he wanted to put me in a position of having to defend myself? That is a very basic type of argument that you can make to make someone look bad. Talk about the amendment, the gentleman from Massachusetts just indicated to me that he would accept the amendment.

☐ 1530

I ask the gentleman, because it is a good amendment, and there is no intention or hidden agenda or anything else, he can question the amendment, but do not question why I introduced it. I think the taxpayers, I think the citizens of this country, have got to recognize the consequences of what we do.

Now, we may disagree on how we accomplish this, but we do not have to question the integrity of people who offer amendments here on the floor.

Mr. BOLAND. Mr. Chairman, in response to the gentleman from Missouri, let me say that the gentleman from Oregon has some very deep reservations about it, and I am delighted to have given him some time.

My own judgment on the matter is that I can accept the amendment because I think the administration would like another commission, and on that basis, I have no objection.

The CHAIRMAN. The time of the gentleman from Massachusetts (Mr. Boland) has expired.

(By unanimous consent, Mr. Boland was allowed to proceed for 3 additional minutes.)

Mr. AuCOIN. Mr. Chairman, will the gentleman yield?

Mr. BOLAND. I yield to the gentleman from Oregon.

Mr. AuCOIN. I thank the gentleman for yielding.

Mr. Chairman, I will say to the gentleman over here who seems to be offended by the remarks I made that I do not call into question his motives in offering this amendment. I find fault in his amendment because it is one-sided.

[CRS-129]

But this is the time to focus the light of day on a regrettable element in the national debate on this issue. My effort was to do so.

Ms. MIKULSKI. Mr. Chairman, will the gentleman yield?

Mr. BOLAND. I yield to the gentlewoman from Maryland.

Ms. MIKULSKI. I thank the gentleman for yielding.

Mr. Chairman, I wish to associate myself with the remarks of the gentleman from Oregon.

I understand the gentleman from Massachusetts is going to accept the suggestion of this commission. I would just hope there would be a few components to this so-called commission.

No. 1, I would like us to include in there the question: Why are the people refugees?

No. 2, who are the refugees? The gentlewoman from Maryland has gone to the border of El Salvador and Honduras and personally talked to the refugees and found that 95 percent of them were women and children who had no intention of coming to the

United States but were just waiting for the El Salvadoran Government to stop burning their crops so they could return home.

So I would like to know who are the refugees, why are they refugees, and what can be done to prevent people from being refugees, one being no civil war.

The gentlewoman feels that if you practice gunboat diplomacy, you have to be prepared for the lifeboats and your shore.

Mr. LIVINGSTON. Mr. Chairman, will the gentleman yield?

Mr. BOLAND. I yield to the gentleman from Louisiana.

Mr. LIVINGSTON. I thank the gentleman for yielding.

Mr. Chairman, I would simply respond to the previous speaker by saying that I think that is the purpose that the author of the amendment wishes to accomplish, to find out exactly who will be the refugees and where the impact of those refugees will find itself.

I would say further that I appreciate the gentleman's lofty idealism and resentment of some ramifications of the amendment, but I would point out to the gentleman that he lives in Oregon. He is probably the least likely individual Congressman in this whole Chamber to be affected by the inflow of refugees when and if there is an inflow, when and if those 8 million to 10 million people start coming across the border.

I happen to be from the city of New Orleans. I can tell the gentleman that the Congressmen from Texas, from Louisiana, from Florida, and from California are going to be the ones who are most impacted, and I doubt that they have any right or any inclination to exhibit such righteous indignation at a simple request for the President to appraise the type of impact that this country is going to suffer as a result of such a massive inflow of refugees.

Mr. AuCOIN. Mr. Chairman, will the gentleman yield?

Mr. BOLAND. Mr. Chairman, I yield for a response to the gentleman from Oregon (Mr. AuCOIN).

Mr. AuCOIN. I thank the gentleman for yielding.

Mr. Chairman, I just want to tell the gentleman from Louisiana that in the State of Oregon we have done more than most States in the Nation to take in boat people from Southeast Asia as a result of the misbegotten adventure over there, and we have accepted refugees from Central America. We are not unaffected.

I understand what I am talking about. The gentleman does, too. And the gentlewoman from Maryland said it very well.

The CHAIRMAN. The time of the gentleman from Massachusetts (Mr. BOLAND) has again expired.

(By unanimous consent, Mr. BOLAND was allowed to proceed for 3 additional minutes.)

Mr. MAZZOLI. Mr. Chairman will the gentleman yield?

Mr. BOLAND. I yield to the gentleman from Kentucky who chairs the Immigration Subcommittee of the Committee on the Judiciary.

Mr. MAZZOLI. I thank my distinguished chairman for yielding.

Mr. Chairman, I would like to respond very briefly to some of the debate that has gone on today. I would yield to my friend from Massachusetts if he feels that this amendment ought to be accepted, but there are some problems I find in accepting this additional commission.

I do share the observations of my friend from Oregon in saying that this amendment tends to be a one-sided proposition, because there are right now tens and scores and hundreds and thousands of people who are the so-called feet people already coming into the United States as a result of the problems in Central America.

So it is not what will go on thereafter, but what is happening in Central America right today.

Second, if I might also beg the gentleman's approval for further time, I believe this debate points out the very strong need for this House to deal with the immigration reform issue. The immigration reform bill was brought before the House last year; it is before the House again this year, before the Committee on Rules. It deals with the subject of immigration on a comprehensive basis, but it deals with it in one specific area: how you determine who is a refugee and who is an asylee.

The problem that we have now is that there are political decisions being made about who can be clothed with the status and sanction of being a refugee and, therefore, entitled to stay in the United States, and which people are sumarily to be sent back to their homes. Our bill changes that. It separates the question of enforcement of the immigration law and puts the question of asylum before separate and independent arbiters.

Let me also say that unless we deal with this subject in a comprehensive way, we will have this kind of ad hoc treatment, and again, the refugee issue really should have come before the Committee on the Judiciary. This kind of an amendment really ought to come before the Immigration Subcommittee. I wish it had.

Again, I defer to the gentleman from Massachusetts if he wishes to accept the amendment, but I personally have some misgivings about this whole commission approach.

Mr. BOLAND. Mr. Chairman, let me say that I might have misspoken when I said I would accept it. I do not have any particular problem with it. That puts it in a better perspective from the point of view of others on this side of the aisle.

Mr. MAZZOLI. If the gentleman will yield further, I think it also brings out the question of what to do with the Salvadorans and the Guatemalans and others from Central America who are already here in the United States.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan (Mr. BROOMFIELD) to the amendment offered by the gentleman from Florida (Mr. YOUNG).

The question was taken; and the Chairman being in doubt, the committee divided, and there were—ayes 69, noes 29.

So the amendment to the amendment was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts (Mr. BOLAND) as modified, to the amendment offered by the gentleman from Florida (Mr. MICA) as a substitute for the amendment offered by the gentleman from Florida (Mr. YOUNG), as amended.

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. BOLAND. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 221, noes 205, not voting 7, as follows

[Roll No. 280]

AYES—221

Ackerman
Addabbo
Akaka
Albosta
Alexander
Anderson
Andrews (TX)
Anthony
Applegate
Aspin
AuCoin
Barnes
Bates
Bedell
Beilenson
Bennett
Berman
Biaggi
Boehlert
Boggs
Boland
Boner
Bonior
Bonker
Borski
Bosco
Boucher
Boxer
Britt
Brown (CA)
Bryant
Burton (CA)
Carper
Carr
Clarke
Clay

[CRS-130]

Coelho
Coleman (TX)
Collins
Conte
Conyers
Cooper
Coyne
Crockett
D'Amours
Daschle
de la Garza
Dellums
Derrick
Dicks
Dingell
Donnelly
Dorgan
Downey
Durbin
Dwyer
Dymally
Early
Eckart
Edgar
Edwards (CA)
English
Evans (IL)
Fazio
Feighan
Ferraro
Florio
Foglietta
Ford (MI)
Ford (TN)
Fowler
Frank
Frost
Garcia
Gejdenson
Gephardt
Gibbons
Glickman
Gonzalez
Gore
Gray
Green
Guarini
Hall (IN)
Hall (OH)
Hamilton
Harkin
Harrison
Hawkins
Hefner
Hertel
Howard
Hoyer
Hughes
Jacobs
Jeffords
Jones (NC)
Jones (OK)
Kaptur
Kastenmeier
Kennelly
Kildee
Kogovsek
Kolter
Kostmayer
LaFalce
Lantos
Leach
Lehman (CA)
Lehman (FL)
Leland
Levin
Levine
Lipinski
Long (LA)
Long (MD)
Lowry (WA)
Luken
Lundine
MacKay

Markey
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCurdy
McHugh
McKernan
McKinney
McNulty
Mikulski
Miller (CA)
Mineta
Minish
Mitchell
Moakley
Mollohan
Moody
Morrison (CT)
Mrazek
Murphy
Natcher
Neal
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Ottinger
Owens
Panetta
Patterson
Pease
Penny
Pepper
Perkins
Pickle
Price
Rahall
Rangel
Ratchford
Reid
Richardson
Rodino
Roe
Rose
Rostenkowski
Roukema
Roybal
Russo
Sabo
Savage
Scheuer
Schneider
Schroeder
Schumer
Seiberling
Shannon
Sharp
Sikorski
Simon
Slattery
Smith (FL)
Smith (IA)
Snowe
Solarz
Spratt
St Germain
Staggers
Stark
Stokes
Studds
Swift
Synar
Torres
Torricelli
Towns
Traxler
Udall
Valentine
Vento
Volkmer
Walgren
Watkins
Waxman
Weaver
Wheat
Whitley
Whitten
Williams (MT)
Wirth
Wise
Wolpe
Wright
Wyden
Yates
Yatron
Young (MO)
Zablocki

NOES—205

Annunzio
Archer
Badham
Barnard
Bartlett
Bateman
Bereuter
Bethune
Bevill
Bilirakis
Bliley
Breaux
Brooks
Broomfield
Brown (CO)
Broyhill
Burton (IN)
Byron
Campbell
Carney
Chandler
Chappell
Cheney
Clinger
Coats
Coleman (MO)
Conable
Corcoran
Coughlin
Courter
Craig
Crane, Daniel
Crane, Philip
Daniel
Dannemeyer
Daub
Davis
DeWine
Dickinson
Dreier
Duncan
Dyson
Edwards (AL)
Edwards (OK)
Emerson
Erdreich
Erlenborn
Evans (IA)
Fascell
Fiedler
Fields
Fish
Flippo
Forsythe
Franklin
Frenzel
Fuqua
Gaydos
Gekas
Gilman
Gingrich
Goodling
Gradison
Gramm
Gregg
Gunderson
Hall, Ralph
Hall, Sam
Hammerschmidt
Hance
Hansen (ID)
Hansen (UT)
Hartnett
Hatcher
Hightower
Hiler
Hillis
Holt
Hopkins
Horton
Hubbard
Huckaby
Hunter
Hutto
Hyde
Ireland
Jenkins
Johnson
Kasich
Kazen
Kemp
Kindness
Kramer
Lagomarsino
Latta
Leath
Lent
Levitas
Lewis (CA)
Lewis (FL)
Livingston
Lloyd
Loeffler
Lott
Lowery (CA)
Lujan
Lungren
Mack
Madigan
Marlenee
Marriott
Martin (IL)
Martin (NC)
Martin (NY)
McCain
McCandless
McCollum
McDade
McDonald
McEwen
McGrath
Mica
Michel
Miller (OH)
Molinari
Montgomery
Moore
Moorhead
Morrison (WA)
Murtha
Myers
Nelson
Nichols
Nielson
O'Brien
Oxley
Packard
Parris
Pashayan
Patman
Paul
Petri
Porter
Pritchard
Pursell
Quillen
Ray
Regula
Ridge
Rinaldo
Ritter
Roberts
Robinson
Roemer
Rogers
Roth
Rowland
Rudd
Sawyer
Schaefer
Schulze
Sensenbrenner
Shaw
Shelby
Shumway
Shuster
Siljander
Sisisky
Skeen
Skelton
Smith (NE)
Smith (NJ)
Smith, Denny
Smith, Robert
Snyder
Solomon
Spence
Stangeland
Stenholm
Stratton
Stump
Sundquist
Tallon
Tauke
Tauzin
Taylor
Thomas (CA)
Thomas (GA)
Vander Jagt
Vandergriff
Vucanovich
Walker
Weber
Weiss
Whitehurst
Whittaker
Williams (OH)
Wilson
Winn
Wolf
Wortley
Wylie
Young (AK)
Young (FL)
Zschau

NOT VOTING—7

Andrews (NC)
Chappie
Dixon
Dowdy
Foley
Heftel
Jones (TN)

□ 1550

The Clerk announced the following pair:

On this vote:

Mr. Dixon for, with Mr. Chappie against.

Mr. McDADE changed his vote from "aye" to "no."

Mr. WHITLEY changed his vote from "no" to "aye."

So the amendment, as modified to the amendment offered as a substitute for the amendment, as amended, was agreed to.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. BROOMFIELD TO THE AMENDMENT OFFERED BY MR. YOUNG OF FLORIDA, AS AMENDED

Mr. BROOMFIELD. Mr. Chairman, I offer an amendment to the amendment, as amended.

The Clerk read as follows:

Amendment offered by Mr. BROOMFIELD to the amendment offered by Mr. YOUNG of Florida, as amended: strike out all that follows page 2, and insert in lieu thereof the following:

Strike out line 20 and all that follows through line 10 page 5 and insert in lieu thereof the following:

"(b) This section shall take effect upon the date prescribed in the classified annex to the report of the Permanent Select Committee on Intelligence of the House of Representatives to accompany H.R. 2760 (98th Congress), but in no event earlier than October 1, 1983, unless before that effective date the President, after consultation with the Congress, has submitted to the Speaker of the House of Representatives and the President pro tempore of the Senate in writing a new plan providing for the interdiction of arms being shipped from or through Nicaragua to forces hostile to the Government of El Salvador. In formulating such a plan, the President shall consider whether it would be useful to pursue direct bilateral negotiations between the United States and the Government of Nicaragua; multilateral negotiations among selected Western Hemispheric countries; involving the Organization of American States, the United Nations, or any other nation or nations in a diplomatic or peacekeeping role; involving other countries in the process of arms interdiction using United States military supplies and training; and any other policy that will stop the shipment of arms from Nicaragua to El Salvador. The plan submitted pursuant to this subsection shall cease to be implemented and the prohibition contained in subsection (a) shall take effect if—

"(1) the Government of Nicaragua has, by formal action, agreed that it will cease all its activities involving the furnishing of arms, personnel, training, command and control facilities, or logistical support for military or paramilitary operations in or against any country in Central America or the Caribbean; and

"(2) the Government of Nicaragua is taking steps to implement the plan made by the Government of National Reconstruction of Nicaragua to the Organization of American States in July 1979; and

"(3) the cessation of such activities, and the taking of steps to implement such commitments, has been verified by the Organization of American States or the President of the United States.

Mr. BROOMFIELD (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

(By unanimous consent, Mr. BROOMFIELD was allowed to proceed for an additional 5 minutes.)

The CHAIRMAN. The gentleman from Michigan (Mr. BROOMFIELD) is recognized for 10 minutes.

Mr. BROOMFIELD. Mr. Chairman, the amendment I am offering is a bipartisan amendment representing the views of Mr. MICA and myself. It offers a creative solution to our dilemma. It not only forgoes the overt program idea, but it also sets a date to end the present covert program. Under this amendment, the current covert efforts will cease unless the President, after consulting with all of us here in Congress, submits a new arms interdiction plan.

For those of us concerned about negotiations, the President's plan must consider the usefulness of bilateral negotiations with Nicaragua and multilateral talks with other nations in this hemisphere.

Most importantly, this approach calls for ending any covert program should the Sandinistas agree to halt their various subversive activities and reaffirm their commitments to the OAS.

An important facet of this amendment is verification. Any agreement that is worth its salt must be verifiable. To guard against the possibility of cheating, this amendment also requires that a verification procedure be established to insure the Sandinistas are in full compliance with their

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agreement to cease all their subversive activities.

Finally, the Broomfield-Mica amendment gives all of us in the House the opportunity to march together. Through this bipartisan approach to this complex issue, we can work as a team to solve this vital foreign policy challenge.

We owe this to our institution, to our country, and to future generations of Americans.

I strongly urge you to support this effort.

□ 1600

Mr. MICA. Will the gentleman yield?

Mr. BROOMFIELD. I yield to the gentleman from Florida, the original sponsor of the amendment.

Mr. MICA. Mr. Chairman, we have come to a point where we are going to have a straight up-or-down vote on the Mica amendment. I have made the plea that I thought was appropriate before this body. I had earlier made the plea that I thought was appropriate before this body and I would be very concise. There is no need to go through the debate again.

But I simply feel very strongly and personally that the way the President is handling this may, indeed, be inappropriate if not illegal. It would take a court decision to render that judgment. I do not want to wait.

My amendment would call for the President to submit a plan. I think the President is acting improperly, if not directly, but possibly in the spirit of the law.

I know, and the Boland report has said repeatedly that the Nicaraguans are acting improperly and in violation of a half a dozen treaties that we all are signatories to. There is no doubt.

So there is one improper action.

A second improper action, and I personally think that the Boland-Zablocki approach to just walk away from it on the basis that we are acting improper is incorrect. It is a black and white solution to a very complex problem. The problem is very difficult.

I have studied this. I have been on the Foreign Affairs Committee for over 5 years now. It is not easy and I am not saying that the Boland committee has not done its job. They have done a magnificent job in pointing out problems both from our administration and our activities and also what is happening in Nicaragua. There is no doubt.

But to say we are going to now stop covert activity, and I say this to my colleagues who have had troubles over the last few years with direct aid, military aid to El Salvador, we are going to give $80 million to an unstable region of the world, open, above board. Is that your commitment that that seed money, if it turns into an open conflict, that we indeed will support that war?

There is a problem I think the committee approved in increments. Mr. President, administration, you may do this. You may do this. You may do this. And at a point they said, you have gone too far.

What I am saying they did not say is come back to here or back to here or back to here. They said no, nothing.

Now we have thousands of people in that region of the world, thousands who have aligned themselves with the people we are supporting, whether you agree with them or not. What do we do with those people when we withdraw? What would be our excuse to people who have stepped forward to fight for what they thought was democracy?

So I will not belabor the point. I simply think there are three improper actions.

I think my amendment would allow the President to submit a plan, to put into appropriate context what is legal, what is the action and the intent of the present administration, and we can make judgments on a legal document.

Second, that we will stop and the Nicaraguans will stop, and I do not even say you have to have it verified by our President. It can be verified by the President of the United States or it can be verified by the Organization of American States, either one.

So we have had the debate. I appreciate the up or down opportunity.

Mr. FOWLER. Mr. Chairman, will the gentleman yield?

Mr. BROOMFIELD. I yield to the gentleman from Georgia.

Mr. FOWLER. It is my understanding, and I am inquiring, that the amendment now being offered by the gentleman from Michigan (Mr. BROOMFIELD) to the amendment offered by the gentleman from Florida (Mr. YOUNG) is the Mica amendment?

Mr. MICA. Straight up or down.

Mr. FOWLER. The same amendment that this House just rejected?

Mr. MICA. No, sir.

Mr. FOWLER. I am sorry.

Mr. MICA. Did you vote for or against it?

Mr. FOWLER. Let me clarify. I am the one that is confused. I am trying to get us out of this and I am the one confused.

The amendment that was just adopted by this House was the Boland amendment which amended Mica. Now the amendment offered by Mr. BROOMFIELD is the Mica amendment again in its pure form?

Mr. MICA. Yes.

Mr. FOWLER. Despite the fact that this body just amended the pure Mica form by Boland; is that not correct?

Mr. MICA. That is correct.

Let me just state this: I think from this author's standpoint that it would frankly be better to vote straight out for Boland-Zablocki or straight out for the Mica amendment than do what we have just done on the floor of this House, to leave this situation where we cut off for 30 days, tell them all down there just hold on to everything for 30 days until you see if a joint resolution of Congress is passed to continue.

I personally think I could live more, sleep better with a straight vote just in favor of Boland-Zablocki.

But I think what we have done now, we say to them for 30 days we are going to cut it off and you wait, all the troops and all of those who support it, everybody that is down there, you wait until the Congress passes the resolution. I think that is worse.

Mr. FOWLER. If the gentleman would continue to yield, if you could persuade your friend from Michigan to withdraw this amendment then we could have a clean vote on Boland-Zablocki. That is what we have been trying to get all along.

But if we are going to have a revote on Mica and continue this process we will never get to the major part of the bill.

Mr. MICA. This will be the only clean vote we will have, as I understand, this opportunity, on the Mica amendment.

Mr. YOUNG of Florida. Mr. Chairman, will the gentleman yield?

Mr. BROOMFIELD. I will be happy to yield to the gentleman from Florida.

Mr. YOUNG of Florida. Mr. Chairman, I hope everyone paid close attention to what our colleague from Florida (Mr. MICA) had to say because I agree with the position he has taken. What he does is amend my amendment and I am willing to do that and I am willing to support his amendment to my amendment because they embrace the same basic fundamental concept.

But the gentleman is exactly correct. Rather than play games with the Solarz-Boland language and expect people in Central America to stop what they are doing and hang it up for 30 days just is not realistic and is not practical.

We ought to either get a straight vote on the Mica amendment or Mica as a substitute or the Young amendment or Boland-Zablocki as a bill, but let us not confuse the issue and make the people in Central America think we are any more strange than they think we are today after some of the things they have heard said during this debate.

Mr. FASCELL. Mr. Chairman, will the gentleman yield?

Mr. BROOMFIELD. I yield to the gentleman from Florida.

Mr. FASCELL. I thank the gentleman for yielding.

The issue is not 30 days from now, it is not 6 months from now and it is not a year from now. The decision that has to be made has to be made today. It confronts the Congress today.

I do no care what kind of an amendment you write that says put it off, and I have great respect for my col-

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league on the Foreign Affairs Committee who authored the last amendment, and was successful in this House in getting that amendment passed, but what it does is put off the vote until some other time. The vote is now and the issue is now. You either want to cut off the covert aid or you want to go for a proposition that says we have to put some pressure not only on our own Government but we have to put some pressure on the Nicaraguan Government.

The issues are quite clear and there is no point in putting it off.

If we go the Solarz route as the proposition in this House we defer until another time the issue of what we are going to do with respect to our policy in Latin America. I think, therefore, my colleague from Florida is right. We can decide right now one way or the other. You have the two issues before you. I see no other issue.

Mr. BROOMFIELD. Mr. Chairman, I would like to take just a moment to congratulate the gentleman from Florida (Mr. MICA). He has worked very, very hard. He has been very sincere in trying to develop a bipartisan approach and I really think the stakes are as the gentleman from Florida (Mr. FASCELL) has pointed out.

The bottom line is right now. Either you are for or you are against the policy that we have as representing the U.S. Government, or are you going to have more confidence in the Sandinistas.

I think the issue is extremely clear. That is why I think it is vital to have an up or down vote on the Mica amendment without any other amendments added to it.

So I, therefore, urge everybody in a bipartisan effort to support our Government and to vote for this amendment.

Mr. PAUL. Mr. Chairman, will the gentleman yield?

Mr. BROOMFIELD. I yield to the gentleman from Texas.

Mr. PAUL. Mr. Chairman, H.R. 2760 presents Members with only two options: Covert aid or overt assistance to Central America. The bill fails to address the fundamental question of whether or not we should be sending any assistance to Central America. Throwing U.S. tax dollars at Central America is a shortsighted, regional response to the global problem of Soviet aggression.

I believe that aid to the region, which is supposedly designed to stop the spread of communism, would be unnecessary if the United States would quit subsidizing communism at its source—the Soviet Union and the Eastern bloc. At the present time, the Soviets and other Comcon nations owe almost $100 billion to Western nations, particularly the United States; $100 billion buys a lot of arms for insurgents.

Many proponents of aid to Communist nations claim that the funds we give them are used only for peaceful purposes. However, funds are fungible. The grants, credits, and below-market loans the United States gives Communist nations for so-called peaceful reasons free up their own limited capital for fomenting revolution abroad.

All of us are concerned about the flow of arms from Cuba to Marxist rebels in Central America. Unfortunately, Congress has failed to examine the extent to which the Soviet Union is subsidizing Cuba. The amounts are staggering. In recent years, the Soviet Union has been spending over $10 million a day on Cuba. Soviet economic assistance to Cuba in 1982 amounted to $4.7 billion, accounting for almost 25 percent of Cuba's GNP. Further, Soviet military assistance to Cuba since 1961 is estimated at $10 billion. The massive flow of rubles into the Caribbean is being supported by the U.S. Government's credit policies.

The Soviets are not foolhardy. They are actually cautious and quite calculating in their foreign policy. They have, however, reached the stage in their empire building where they are having trouble controlling their subjugated nations.

The point I am making is this: The Central American region is peripheral to Soviet interests. If the United States would cut off aid to the Eastern bloc, the resultant belt tightening would probably force the Soviets to end their military adventurism in the Caribbean and Central America in order to maintain control over the Warsaw Pact nations and Afghanistan.

While I would prefer an entirely different course of action to the one proposed in H.R. 2760, let me state that in the context of the bill I am opposed to any covert military actions by the U.S. Government. Such actions have no place in a free society. Any action the Government takes must be open to examination by all.

Beyond the ethical questions involved, there are practical considerations. Covert actions in the past have usually failed. And when these failures have been uncovered, they have been used against us by our enemies. In the struggle between freedom and tyranny in the Third World, the United States, as the freest Nation in the world, is losing the battle of ideas. This loss of stature is not for objective reasons. Our capitalist economy still provides the best model for development. Our largess has resulted in $2 trillion worth of foreign aid programs since the end of World War II. Yet we are viewed as an imperialist power by many wary, if not hostile, Third World nations. This is largely the result of effective Communist propaganda, and our own clumsy attempts at covert actions designed to bring about U.S. objectives.

While overt aid is always preferable to covert aid, the so-called interdiction assistance proposed in H.R. 2760 has many drawbacks. Many foreign policy experts believe that the $80 million called for in the bill is far too low to end the flow of arms to El Salvador. Further, the program's success rests completely on the cooperation of our Central American neighbors. I am also concerned because the bill would actually deepen U.S. involvement in the region. Covert assistance is currently going only to the rebels in Nicaragua. The interdiction assistance would be spread among friendly nations in the region.

The time has come to end the vicious cycle of funding communism and then funding those fighting communism. Instead of paying other nations to cut off the flow of arms into El Salvador, as H.R. 2760 proposes, let us simply stop paying for the arms.

Mr. BOLAND. Mr. Chairman, I withdraw my reservation on the point of order.

The CHAIRMAN. Does the gentleman from Massachusetts insist upon his reservation?

Mr. BOLAND. The gentleman from Massachusetts does not insist upon his reservation.

Mr. HAMILTON. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Florida (Mr. MICA) as offered by the gentleman from Michigan (Mr. BROOMFIELD).

The important thing for Members to understand here is that we are just voting again on the same issue we just voted on. Those who voted yes last time on the Boland amendment should vote no now.

The key issue is exactly as it has been described. Do you or do you not want the covert action to continue?

☐ 1610

That is the key issue. If you want that covert action to continue, then you will vote for Mr. MICA's amendment. If you oppose that covert action, then you will vote no. This is the heart of the issue. We all understand that now. Our position here is that it is a mistake for U.S. policy to permit that covert action to continue. It is therefore, a mistake to adopt the Mica amendment. The Mica amendment requires Nicaragua to do certain things which Nicaragua will not be able to do and in effect that means the covert action continues. The covert action is not in the American national interest, for all of the reasons that we have cited here again and again. It is not working, it has not accomplished its purposes, it risks a wider war, it is illegal, it diminishes the chance for negotiations, it damages the U.S. image abroad, it is opposed by the American people, it holds us up to ridicule for doing that which we claim we are not doing, it is not in keeping with the American character.

I strongly urge a vote against the Mica amendment.

Mr. HYDE. Mr. Chairman, I move to strike the requisite number of words,

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and I rise in support of the Mica amendment.

Mr. Chairman, I have heard the American character described, very interestingly, by several people in this Chamber. I have my own view of the American character. That view encompasses the notion that we fight for freedom, we fight for the underdog, we help people defend themselves when they are attacked by a vicious aggressor. We have done it in every world war, we did it in Vietnam. We did not get anything out of that war but death, destruction and a national guilt complex. I know that. They say "learn the lessons of Vietnam in Central America." The lesson of Vietnam is that you have to be behind your troops when they are fighting in combat. You have to have the will, the will to assert your national interest. And communism means refugees. I have heard the argument made that we are trying to inject racism into this argument. There was no bombing in Cuba when 1 million of them, 1 million Cuban refugees swam across the sea to get here. We have 500,000 Salvadorans here now. And I am suggesting to you that if we turn Central America over to become a Soviet beachhead through Cuba, through Nicaragua and then El Salvador, then Honduras, then Costa Rica, then Guatemala, you have not dreamed of the refugee problem that you will have in this country from, not illegal aliens, not undocumented workers, but refugees by definition who are entitled to all of the welfare benefits that this country bestows, as rightly they should, on refugees. Now we have a choice. We are either going to continue covert aid until the Nicaraguans stop exporting subversion, killing, ammunition, weapons, training, subversive command and control to bleeding El Salvador; we are going to extract a price from them by saying "the Contras are still going to give you trouble in your own country unless you stop exporting trouble to your neighbors." But once Nicaragua stops exporting subversion, the President or the OAS, Organization of American States, can certify that they have stopped exporting revolution and we still stop supporting the Contras.

Now that seems to me to be equity and justice and fully in keeping with the American character. On the other hand we have the Solarz-Boland amendment which we have just adopted which says we stop, right now, we pull out, we cut and run, we withhold any further aid to the three groups of insurgents that are fighting in their own country for their own revolution, fighting for freedom, fighting for freedom of religion, freedom of speech, freedom of assembly, political pluralism; we are going to say, "stay there, ladies and gentlemen, children, women and men, we are pulling out." But if Nicaragua continues to do what it has done since 6 weeks after they took over in 1979, exporting their revolution without frontiers, then the President comes in with a long petition setting out a lot of things and then maybe a joint resolution by both Houses and then we will restore covert aid to whom? There will not be anybody left there to aid. They will have been cut to ribbons.

Is that in keeping with the American character? I do not think it is.

So, I suggest, and do not tell me that the covert action has not worked, because Eden Pastora has been there for only 3 months, April 15 is when he got in there, and he is the one that can do the job, if anyone can, harass, pressure the Sandinistas to live up to the promises they made in 1979 to the Organization of American States. Do not say that we are alone and isolated down there. We have allies.

Mr. BARNES. Mr. Chairman, will the gentleman yield?

Mr. HYDE. No.

Honduras wants us down there, Costa Rica wants us down there, El Salvador wants us down there and do not think that the other countries are not concerned about what is happening.

I will yield to my friend from Maryland.

Mr. BARNES. I thank the gentleman.

Yesterday the Wall Street Journal had, I thought, a fascinating article about the Contras the United States is supporting. You mentioned Eden Pastora; the front page of the Wall Street Journal yesterday noted that Mr. Pastora, who you just cited with great praise for what he is doing, has gone on clandestine radio to urge the Nicaraguan Army to fight harder against the forces that the United States has been supporting, the Contras, because if they win, he says, things will be worse off than they are now under the Sandinistas.

So the man that you say we ought to be helping, and as you know we have not been, has been urging the Sandinistas to fight hard against the people we are helping.

Mr. FOWLER. Mr. Chairman, I move to strike the requisite number of words and rise in opposition to the amendment.

My colleagues, I want to apologize to this body. I have spoken more today than I have spoken in the 7 years that I have been in the U.S. Congress. Now I will be very brief.

The issue now, after much debate, is clear: Are we or are we not going to continue covert paramilitary operations in Nicaragua.

Many people have asked—and it is a legitimate question—what is a covert action? Let me read you the definition out of one of our unclassified reports in the Intelligence Committee.

> Covert activities are efforts to influence foreign governments, organizations or events which are planned and executed so that the role of the United States is not apparent. They may include political, economic, propaganda and/or paramilitary activities.

Now, my colleagues in the Congress, though some facts are in dispute, the following facts are not in dispute: This covert activity, covert simply means secret, is not secret any longer. It is a paramilitary operation of thousands of people that we are unilaterally supporting inside Nicaragua. Against the existing Government of Nicaragua which we all find repulsive.

Our democratic allies in Central America have said that the major impediment to ceasing the violence is the U.S. unilateral military operation, and urged us to stop it, so that we can all bring pressure together in our hemisphere to act to contain these hostile influences. Colombia, the largest democracy in our hemisphere after the United States of America, Venezuela, another democracy, Mexico, Costa Rica—these friends do not want Soviet masters or Cuban masters. These countries want to be regional powers, to retain their own influence, and they want to pursue democratic means and democratic institutions to contain Marxism in concert with the United States of America.

And they have said this publicly. The Presidents of the Contadora group, as well as many of our Western European allies, have urged us to cease financing an effort to overthrow the Government of Nicaragua in violation of our treaty obligations—at least for 30 days—and act as a great power and a great nation who could squash in 30 seconds the 2½ million people in Nicaragua or in Cuba if we choose to do so. Will you stop it long enough for us to work with you in the United States to develop a security strategy that will work to eliminate these hostile influences. That is the vote that is coming up right now.

There is nothing secret, there is nothing covert about the U.S. operation in Nicaragua except the under-the-table funding and the under-the-table numbers that continue to grow because we do not have the courage to exercise our constitutional responsibility for congressional oversight in the midst of a war that the United States is financing.

□ 1620

This vote is a rerun of Mica. I urge my colleagues to exercise our constitutional responsibility, our exclusive authority under our Constitution in matters where the forces of the United

States or the proxies of the United States are being used militarily, to bring this matter before the American people and reject the continuation of this illegal war by preserving the 30-day cessation of hostilities which we just voted. Then, and only then, can we accept the offer of our allies in Central America and bring this matter to the negotiating table where a final resolution that will eliminate this cancer of communism can have a chance of attainment.

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Mr. YOUNG of Florida. Mr. Chairman, I move to strike the requisite number of words and in support of the Broomfield-Mica amendment to the Young amendment.

Mr. Chairman, our colleague from Georgia has just made a very impassioned plea mentioning the names of some of our best allies who do not want us to be involved in Central America.

And I would respond to that gentleman that we came to the aid of those allies on numerous occasions at the great loss of American lives and expenditures of American dollars. They certainly have a right to their opinion, but I have listened very closely in the seven times that I have stood on the floor of this House and taken the oath of office, when the Speaker read my oath, where I swore to defend the United States. I am here to help those other nations that the gentleman from Georgia (Mr. FOWLER) mentioned, but I came here first and foremost swearing my allegiance to the United States and to what is in the best interest of my country, not some other country that I want to help, but my first allegiance is to the United States.

Now the gentleman from Georgia said those other countries he mentioned did not want to live under the yoke of communism. Well neither did the people of the Balkan nations, neither did the people of Poland or Hungary or Czechoslovakia and neither do the people of Afghanistan today want to live under the yoke of the Soviet Communists or any other form of communism.

Now, Mr. Chairman, we are a great and a powerful nation and there is no question about that. I do not believe that anyone in this world can match the industrial might of the United States. We can build almost anything better, more effective and if we have enough time, in larger numbers than any other nation in the world. But, Mr. Chairman, most of the raw materials that we will use in this great industry of ours comes to us from somewhere else because: First, we either do not have them in the United States; or, second, we are not allowed to get them because the lands have been set aside for other than commercial exploitation.

So, all of a sudden we become very dependent upon other parts of the world for raw materials we use in our industry.

And, Mr. Chairman, most of those materials that come to the United States and most of the products that we build and ship out, that includes our energy, come in through the Caribbean and the Gulf of Mexico and our gulf ports. That part of the world is very important to our nation's economy.

In World War II, Hitler's submarines sank more tonnage in the Gulf of Mexico than all of the North and South Atlantic.

Now, can the Members imagine what the Soviets could do in a case like that with all of their sophisticated war machines? Imagine how many more times effective the Soviets can be when they have the Soviet Union and Cuba for a base? Imagine how much more effective the Soviets can be when they have the Soviet Union, Cuba, Nicaragua, and Granada and possibly eventually El Salvador. What about the Panama Canal? How important does all this become to the great industrial might of the United States if we cannot get the raw materials that we need through the Panama Canal, through the Caribbean, through the Gulf of Mexico into the United States.

Considering all of this then, those countries of Central America become even more important to us, not just the politics of Central America, not just the politics of El Salvador and Nicaragua, but the security of the industrial capability of the United States which is essential, without which we could never defend the United States against the Soviet Union or any other industrial power. A nation dependent upon that type of shipping, that type of commerce, that could easily be disrupted by any major power, if they have bases all over the Caribbean for their submarines, for their ships, for their airplanes and for their rockets is at risk.

Mr. Chairman, I think we make a grave mistake allowing the Sandinistas, directed by Fidel Castro, to roam throughout the region to plant the seeds of Marxism or communism or call it what you will. It is time for we here in the Congress as Representatives of those American people who believe in and who have died for freedom and liberty against nazism and communism. I think it is time for Congress to establish that position solid today. We are going to make a decision and we are going to live with it for a long, long time.

So, my friends, lay aside the partisanship. Lay aside the little games we might seek to play from time to time and let us vote, as we pledged to do when we all took the oath of office in the well of this House, let us vote what is best for the United States of America.

Mr. BOLAND. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, there is only one reason why we are here today and that is to consider the bill which stops covert action in Nicaragua. For more than 1 year and one-half the Intelligence Committee has struggled with this problem. It has not been an easy task.

I know that there has been a split within the committee. Because of the attitude of the administration this particular problem has deteriorated at this moment into one of partisanship.

I have made a real effort in that committee to get away from partisanship and I think we have been greatly successful. And I would say that we have won from the intelligence community, whether it is the DIA or the National Security Agency or the CIA, you name it, I think one could say that this committee has won the respect of the intelligence community and has won, the respect of this House.

Now this House has a judgment to make with respect to a problem the Intelligence Committee has had to deal with.

The credo that I have tried to follow—and I think other members of this committee have tried to follow—is that we recognize that, "Among the increasingly intricate arsenals across the world intelligence is an essential weapon, perhaps the most important, but it is, being sacred, the most dangerous. Safeguards to prevent its abuse must be devised, revised, and rigidly applied. But, as in all enterprise, the character and wisdom of those to whom it is entrusted will be decisive. In the integrity of that guardianship, lies the hopes of free people to endure and prevail."

That is a quote that was taken from "The Man Called Intrepid." It is a credo that was established by William Stevenson, who was the chief intelligence officer for the British in World War II.

We have tried to adhere to that credo. I think it is an important one.

I said the other day that there must be Members within this body who were here when the Tonkin Gulf resolution was up and I am sure there are Members who are here today, who were here at that time, who would like to have that vote back.

Oftentimes in these matters we vote in the dark. The Intelligence Committee has a responsibility to be sure that those who are in this Chamber know what is going on if a particular covert action program is one that deserves to be changed.

□ 1630

That is the particular position to which we came. As I said the other day, we had a couple findings in this matter, one in March 1981, with which we did not disagree. It was a covert action, to do certain things in that part of the world. And we agreed to it. Along comes December of 1981, and the ball game has changed: A paramilitary operation, but a paramilitary operation that was going to be controlled, they tell us—controlled—and we believed them. And because it was so serious, we asked that we would be updated every 2 months in this area, and we were. And over that period of time, some 12 or 14 briefings were held on this matter because it was our responsibility to be sure that whatever

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the finding was, that it was being adhered to. And eventually we decided that it was not. And in May of this year, we took this decision. It was split vote, a partisan split, 9 to 5.

Yet we also had earlier made a decision in the budget conference report for fiscal year 1983, which specifically limited the funds to the interdiction of arms, and the Boland amendment, to which we agreed to back in December of 1982. That amendment specifically forbade the effort to overthrow the Nicaraguan Government or to provoke a military exchange between Honduras and Nicaragua.

That is where we are headed. Believe me, that is where we are headed. So that is the reason why this committee acted.

Do not get away from the basic purpose of this bill. The basic purpose of this bill is to stop covert operations. If you vote for the Mica amendment, you are reversing yourself on the last vote. I ask you not to do it.

Mr. ROBINSON. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the Mica amendment.

My colleagues, my chairman, the gentleman from Massachusetts, has just made a very wonderful appeal on behalf of bipartisanship with regard to his opening remarks, suggesting that he has tried to keep us moving in that direction, when, throughout the total debate that we have had with regard to this particular subject, there has been nothing but partisanship.

Now, I say to you here this afternoon, the first time that I have been on my feet today, that this is our last chance for a reasonable bipartisan effort that protects our allies and friends and the best interests of the United States.

This is the compromise amendment that is the product of the only bipartisan effort that has gone on with regard to this whole matter. And that was the effort that began at the White House, moved to the majority leader's office, and has continued more or less since that time.

There are more things at stake here than whether or not we cut off covert activity. The gentleman from Florida suggests how important it is that we look at the best interest of the United States and the way that the United States is perceived in other countries with regard to its ability to stand as the best friend that freedom has in the free world. And indeed we can do that only if we are able to keep on helping those people down there.

Now, something has been made on more than one occasion of the prospective deployment of additional troops down there in that part of the world. Let me quote for you not something from the administration, not something from the Republican Caucus, but something from the majority committee report that accompanies this bill. This is with regard to the overt action, the overt assistance that is suggested by the Boland-Zablocki bill.

> The Committee expects that much of the assistance—particularly training, technical assistance or advice—provided under the authority of this subsection could involve the use of U.S. military personnel. It should be emphasized that, since the program of assistance envisioned by this subsection is intended to supplement other types of security assistance, any outstanding restrictions on the numbers of U.S. military advisors permitted within a recipient country would constrain significantly the efficacy of that program. Accordingly, any such restrictions should be reviewed by the Committee on Foreign Affairs with this in mind.

Which, of course, endorses indeed the matter that we will be committing additional troops down there and have them in a position where they can certainly be in danger in more ways than one.

The Mica amendment does indeed go beyond just the matter of cutting off covert aid. It reflects the reciprocity and symmetry concept which has been accepted as the reasonable way to go, I think, by a majority of my colleagues here. It rejects, as proper, the putting off of a decision on U.S. policy in Central America that leaves our allies hanging as to what the United States is going to do. It foregoes the overt program but stipulates covert programs cannot continue unless the President submits a new and acceptable plan. And first and foremost, when the Sandinistas halt support for the insurgents in Central America, the covert program is terminated.

Is that not what we want to bring about? I ask for your support for the Mica amendment as the last chance for a reasonable bipartisan approach to the whole problem.

Mr. YATRON. Mr. Chairman, I move to strike the requisite number of words, and I rise in strong support of the Boland-Zablocki alternative. I strongly believe this bill will provide for a legal and more effective interdiction policy. I will not waste the time of my colleagues elaborating on the various reasons I support this bill. Most of them have already been discussed before this body, so I will confine my remarks to one aspect of this debate which I feel warrants closer attention.

As chairman of the Subcommittee on Human Rights, I have studied in detail the death tolls of innocent people throughout Central America, and especially in El Salvador. Any time you have a major guerrilla insurrection innocent lives are lost. If we continue to pursue a covert aid program supporting groups actively seeking to overthrow the Nicaraguan Government, we risk initiating a major conflict within that country. A full scale guerrilla war in Nicaragua would inevitably lead to a bloodbath which could result in the deaths of thousands of innocent people. Mr. Chairman, I have, and will continue to be, an outspoken critic of the Sandinista Government and its repressive policies. To this end, the Human Rights Subcommittee will conduct a full-scale review of human rights in Nicaragua in the near future. However, if we continue to support guerrilla groups within Nicaragua, the Sandinistas will tighten their grip on the Nicaraguan people, the conflict will escalate and thousands will die.

The Boland-Zablocki alternative would terminate support for these guerrilla groups thereby absolving us of responsibility for what might become a crisis of epic proportions. In the final analysis, while it is absolutely essential to interdict arms shipments to the insurgents in El Salvador, we cannot continue to sponsor a policy which disregards the human rights of the Nicaraguan people. The Boland-Zablocki alternative seeks to secure our national interests and, at the same time, to uphold the U.S. commitment to the human rights of all peoples.

Mr. MICA. Mr. Chairman, will the gentleman yield?

Mr. YATRON. I yield to the gentleman from Florida.

Mr. MICA. First, I would like to point out that the gentleman says he opposes all covert aid. This committee consistently has approved covert aid. There is an appropriate place in the report of the committee.

And, second, with regard to human rights, I ask all of my colleagues, before you go home and try to discuss this issue, read the Boland-Zablocki report, because that is the most devastating document with regard to what is going on in Nicaragua and their military buildup in this region of any document I have ever seen.

Mr. VENTO. Mr. Chairman, will the gentleman yield?

Mr. YATRON. I yield to the gentleman from Minnesota.

□ 1640

Mr. VENTO. I thank the gentleman for yielding.

Mr. Chairman, I want to commend the gentleman for his statement with regard to human rights because frequently the view has been that if you can mouth U.S. slogans on democracy, free elections, and a variety of other values, that somehow the U.S. Government is going to be there ready to fund and assist you no matter your true motives.

Indeed, all of us have serious questions with regard to what is going on specifically in Honduras and in Nicaragua and in El Salvador today. The fact of the matter is, on government-to-government basis, we are dealing largely if not exclusively with the military; we are not even dealing with the freely elected governments in these countries that we profess to support.

The real question is whether Congress is going to assert itself; whether we are going to have an effective voice in terms of the Central American foreign policy issue. Some raise the fact that we took an oath of office to support our country, but the question is the character of that support. Are we going to do it under the table or over the table? We should be doing it out front. We should be proud of what we are doing. I am certainly not very proud of the actions of the Reagan administration in Central America.

Mr. Chairman, I am very concerned that we are involved with illegal covert activities in Honduras, Nicaragua, and Central America.

I am very concerned about the direction of our foreign policy, we are at a crossroad, either we can continue as a nation to pursue questionable covert U.S. activities or seek a path of overt actions which I hope would be a U.S. role as a negotiator, and arbitrator not primarily a military role.

The United States, the past 3 years, this Congress specifically has provided the administration what it wanted. Certainly not without dissent, not without debate, but the Reagan administration has by and large received economic and military assistance sought. However, one important limitation, the Boland amendment, in December 1982 was written into law. The Boland provision permitted the use of funds for interdiction of arms going to El Salvador, but very specifically prohibited any U.S. support or aid for any covert activities with the expressed intention of overthrowing the Nicaraguan Government.

Today it is clear that the Reagan administration and some House Members want to rewrite the meaning of the law. They would reinterpret and torture its meaning to accommodate the current administration's actions and apparently future intent rather than be limited by the law.

It is imperative that the Congress maintain an effective voice and establish better accountability concerning the law and the conduct of foreign policy.

The essence of the debate today is whether this House is going to permit the law as manifest in the Boland promise to be stretched and tore into something never intended or are we going to stand up and tell the Reagan administration they are wrong, that these covert activities are inappropriate and illegal.

Whether the U.S. Government is going to pursue sneak and covert activities under the table, shielded from view or review of the Congress and the American people or can we pursue foreign policy in the full light of U.S. and world opinion with the U.S. Congress participating in a balanced manner as is envisioned in the Constitution.

I am concerned that only after we read in the media about secret wars is the Congress informed.

Mr. Chairman, Marxism has existed for 50 years in Central America, communism is not new to the Western Hemisphere.

It is an appropriate concern of the U.S. people and their elected officials.

But let us not be indifferent to the many other problems of that region. Few nations in that area of the world could ever have been pointed to as ideal democracies. Frankly economic, political, or social justice is simply not a reality for most people in Central America. The United States, of course, supports correcting these inequities, prodding these nations into action, addressing these serious shortcomings.

But our covert and overt military support deal most often not with elected leadership, the products of the process we sponsored in many instances, but rather with the self-appointed Central American military leadership, the repressive powers, the tools of the wealthy landowners, and the remnants of military governments that so long have denied the basic human rights to the people of Central America.

We must move U.S. policy away from the covert action and simplistic military support for anyone who waves an anti-Communist banner.

This Congress must not act blindly in support of any and all means to an end, no matter how much we believe in the goal, the objective, our actions to attain the outcome are very important. In the final analysis inappropriate covert actions, actions which say democracy is only important at home in the U.S.A. will be self-defeating.

No one can beat us, but surely we can beat ourselves, if we sacrifice our values and compromise our system of decisionmaking in the heat of pursuing an objective or political support of the Reagan administration we will lose much more than the issue before us today.

It is clear that President Reagan believes that some expansion of the current conflicts in Central America are desirable. I strongly disagree with this view and the President's actions.

Our allies in Central America and Europe differ with this view as well.

I hope that President Reagan will reconsider his announced intentions. The massive naval training deployment off the coast of Honduras and Nicaragua, the intent to send 4,000 so-called military advisers to assist the insurgents in Honduras, all spell trouble and an uncertain future.

When confronted by questions from the media or Members of Congress the insurgents unabashedly report their objective to overthrow the Nicaraguan Government, in spite of the President's assurances to the contrary.

We do not need more military presence, or more arms in this part of the world. No; rather we urgently need a new, a tempered policy for Central America.

The appointment of a commission maybe a good diversion, but that provide no answers for today or in the near future.

There is no framework or symmetry to the current policy in this region or logical consequence as to where we will come out.

It is a jump into the dark and so far has resulted in blackened eyes for the United States and far worse for the people of Central America.

Mr. Chairman, the legislation before us will serve to send a much needed message to President Reagan from the American people. This Congress represents the people and if we do our job right we will hold the administration accountable to the law for its actions and inept policy in Central America.

It is of paramount importance that we defeat the Young and Mica amendments and similar efforts that either shrink from expressing a view or worse yet attempt to legitimize the illegitimate Reagan administration policies in Central America.

Mr. RITTER. Mr. Chairman, will the gentleman yield for a question to the last speaker?

Mr. YATRON. I yield to the gentleman from Pennsylvania.

Mr. RITTER. I thank the gentleman for yielding.

Mr. Chairman, I would like to ask the gentleman from Minnesota, since he is interested in up front rather than under the table, overt rather than covert, would he support covert aid and assistance to the Miskito Indians fighting against genocide inside of Nicaragua, to the Eden Pastora group and to the FEN? It is ironic that the gentleman is now the fourth Member of the other side who has neglected to respond to that question.

The CHAIRMAN. The time of the gentleman from Pennsylvania (Mr. YATRON) has expired.

Mr. ZSCHAU. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the Broomfield-Mica amendment.

Mr. Chairman and Members of the committee, in a few minutes we are going to be voting on the Broomfield-Mica amendment. It will be one of the most important votes that we are going to have on this issue. Therefore, I think it is appropriate to understand why this amendment was introduced and what it will actually do. We have heard a lot of rhetoric today focusing on generalities, but I think it is important to understand the details of the amendment and its rationale.

It was proposed because there are many of us in this body, including myself, who are not supporters of covert aid but, on the other hand, are troubled by the prospect of an $80 million overt military program involving the "friendly countries" around Nicaragua to interdict arms shipments been Nicaragua and the insurgents in El Salvador.

The Intelligence Committee report clearly states we have a problem there. It's a problem we can't ignore. The Sandinistas are attempting to overthrow the government of El Salvador by providing assistance to the insurgents there. The Boland-Zablocki amendment would cut off covert aid but it would substitute an overt military program which I think would be both ineffective and dangerous. That puts many of us in the body on the horns of a dilemma.

[CRS-137]

Many of us are troubled by the use of covert operations but many of us are also troubled by the prospect of a new $80 million military extravaganza. We must look to other alternatives. We cannot keep looking to the same old, tired military solutions. Why not look at other alternatives—diplomatic approaches and other ways of solving this problem that do not involve reliance strictly on military solutions.

We need a new plan for dealing with this problem, a plan that is based upon considering bilateral and multilateral negotiations, involvement of the OAS or the United Nations, and any other approach that would stop the actions of Nicaragua against the Government of El Salvador. That is precisely what the Mica amendment proposes. It proposes a cutoff of the covert aid and in its place mandates the administration to prepare a new plan, a plan based on wider set of alternatives.

How will we know whether that plan should be continued or terminated? The Mica amendment proposes some very specific objectives. When the Sandinistas have stopped their activities against El Salvador and when the Sandinistas have started to take steps to implement their commitment to the OAS, then the plan would be terminated.

How would that be determined? It would be determined by the OAS or by the President of the United States.

We have with the Mica amendment a proposal that gets us off the horns of the dilemma. It does not just ignore the problem. Rather, in supporting it you would be saying, "I do not like to covert aid and I do not like the overt program in the Boland-Zablocki bill. Let us charge the administration to formulate a better plan. Let us have specific objectives for that plan and let us have outside, third party; namely, the OAS, determine when those objectives have been achieved."

Mr. Chairman, I urge my colleagues to support the Broomfield-Mica amendment.

Mr. ROBINSON. Mr. Chairman, will the gentleman yield?

Mr. ZSCHAU. I yield to the gentleman from Virginia.

Mr. ROBINSON. I thank the gentleman for yielding.

Mr. Chairman, the gentleman refers to an $80 million extravaganza in terms of the overt program. I would like to read from a letter to me from the Secretary of Defense dated the 23d of June. A paragraph reads as follows:

> An interdiction program which treats Nicaragua as a sanctuary would be prohibitively expensive. For example, interdiction against ground supply flow alone could cost upwards of $300 million the first year, and at least $100 million for each subsequent year. Even at these levels, little interdiction could be achieved against air or waterborne infiltration.

So the $80 million that is suggested is a drop in the bucket.

Mr. ZSCHAU. Mr. Chairman, if I may reclaim my time, let me just once again urge my colleagues: Let us look beyond the tired, old military approaches. Let us expand the scope of our planning to include diplomacy in order to stop the actions of the Sandinista government that are destabilizing the country of El Salvador.

Mr. LAGOMARSINO. Mr. Chairman, will the gentleman yield?

Mr. ZSCHAU. I yield to the gentleman from California.

Mr. LAGOMARSINO. I thank the gentleman for yielding.

Mr. Chairman, I want to commend the gentleman on his statement and for his very hard and sincere work on this issue.

He makes a couple of very good points.

The CHAIRMAN. The time of the gentleman has expired.

(On request of Mr. LAGOMARSINO and by unanimous consent, Mr. ZSCHAU was allowed to proceed for 2 additional minutes.)

Mr. LAGOMARSINO. If the gentleman will yield further, one of the points is, of course, is that we should not be looking to purely military solutions. However, I think the Boland-Zablocki bill that is before us would lead to more, not less, military intervention.

For example, Costa Rica, a long-time democracy, has no army. How are they going to take part in any kind of interdiction program? The only way would be by some type of militarization of that country.

You make the point, and the gentleman from Virginia makes the point, that the money in the bill is not sufficient to do the job anyway. The report of the Intelligence Committee also points out very clearly that it would take additional American service personnel to carry this out.

So I think the Boland-Zablocki thing will lead to more military activity, not less. I support the gentleman's statements.

I hope the amendment is adopted.

Mr. ZSCHAU. I agree with the statements of the gentleman from California.

The fact that the military program proposed in the Boland-Zablocki amendment would be both ineffective and dangerous is the reason why we have to consider other alternatives. The Broomfield-Mica amendment requires the administration to consider such alternatives. That is why I urge its adoption.

Mr. BEREUTER. Mr. Chairman, will the gentleman yield?

Mr. ZSCHAU. I yield to the gentleman from Nebraska.

Mr. BEREUTER. I thank the gentleman for yielding.

Mr. Chairman, I commend the gentleman's analysis of exactly what the Broomfield-Boland amendment does. I certainly support it.

On the reverse, I think we ought to take a look at what the Solarz-Boland proposal, in fact, which is on the board right now, on the table, does.

For one thing, we are not talking about a 30-day period, an impossible, impractical 30-day period of time when we are going to stop covert action.

□ 1650

It is 30 days, I would say to all my colleagues, and then the President may seek a joint resolution from the Congress and you know how long that would take.

And what would we be starting if in fact it was approved by the Congress?

The CHAIRMAN. The time of the gentleman from California has expired.

(At the request of Mr. BEREUTER, and by unanimous consent, Mr. ZSCHAU was allowed to proceed for 1 additional minute.)

Mr. ZSCHAU. Mr. Chairman, I yield to the gentleman from Nebraska.

Mr. BEREUTER. Mr. Chairman, what would we be starting under a joint resolution by the Congress? We would be returning to covert aid—bear that in mind, covert assistance, and I thought that is what we were trying to get rid of here. You know, when we started some 19 months ago going down this process of covert assistance, you ought to have been able to predict what was going to happen. We might have been talking about interdiction, but the people affected were interested in the overthrow of the Sandinista government, and all of us have the responsibility. We have left the people sitting in Nicaragua out on a limb.

This is not the appropriate approach. The appropriate approach, Mr. Chairman, is the Broomfield amendment now before us, offered originally by the gentleman from Florida (Mr. Mica).

Mr. DOWNEY of New York. Mr. Chairman, I move to strike the requisite number of words. I rise in opposition to the amendment.

Mr. Chairman, I have not spoken on this matter, but I have listened very carefully to the debate, and without attempting to characterize part of the debate, it appears as though some of my colleagues have transited the last 30 years without learning very much about American diplomatic history or the history of Central America.

I do not think it is worth debating again the lessons that we should have learned in this country. Some of the blackest pages of American history have been written in that portion of the world. We have talked over and over again about the fact that American troops have been there twice in this century. The only thing that is different is that no longer are we interested in directly sending in American troops, although that is not yet completely resolved; we are prepared to do a land version of the Bay of Pigs, with the 10,000 thugs, brigands, and thieves. We are prepared to finance an overthrow, since that is what they are interested in doing, the Government of Nicaragua.

The gentleman from Indiana (Mr. Hamilton) and the majority leader have talked eloquently to the issue that this is a policy that will not work. First, it is not working now; and second, there is little support politically in Nicaragua for the group that we are financing.

What we are saying, and it is remarkable that we are even having this debate, that in El Salvador we will not allow the guerrillas to shoot their way into the Government, so do not negotiate with them; but in Nicaragua we are prepared to force the Government to the bargaining table or force the Government to have elections or attempt to interdict arms by the financing of a rebellion from the United States; so what is not good in El Salvador, our country says, is perfectly acceptable in Nicaragua—preposterous, preposterous.

We can get out of this if we seize the golden moment that has presented itself to us. The countries of this region want to resolve this dispute peacefully.

To those of my colleagues whose myopia on viewing the Red menace obscures the enormous suffering of the people in this region, I say this to them. Is our arrogance so infinite that we can suggest that these countries are ours to lose? That presupposes that they are ours to begin with. It is the millions of poor, innocent people who would like to live in peace, have something for their families, that should concern us first, not whether we lose or win Nicaragua, but whether or not these people can live a life of hope and opportunity. They can live a life of hope and opportunity, Mr. Chairman, if we stop the killing. We can stop the killing by negotiating. We can stop the killing by pursuing policies that are not wrong and we can start it by voting against the Mica amendment.

Mr. EDWARDS of Oklahoma. Mr. Chairman, I move to strike the requisite number of words.

(Mr. EDWARDS of Oklahoma asked and was given permission to revise and extend his remarks.)

Mr. EDWARDS of Oklahoma. Mr. Chairman, in the 7 years that I have been in the Congress I have been faced, as we all have, with issues that are simple and clear and with issues that are very confusing and very complex.

Mr. Chairman, this amendment that we are about to vote on is as clear and as unambiguous as any we have ever considered on the floor of the House. We will stop our aid to the Contras in Nicaragua when Nicaragua stops exporting death and revolution to its neighbors in Central America.

Now, there are those in this Chamber who will say they are for the Mica amendment, who will say they are for symmetry, and yet they voted for the Boland-Solarz amendment.

Well, that option, that shelter, is not going to be available on this next vote. The choices are very, very simple. If you vote yes on the Mica amendment, you vote for a plan to stop the fighting and the death in Nicaragua. If you vote no on the Mica amendment, you vote to cut the ground out from under the people who are fighting for the right to live in a free society, the right to have free elections, the right to have a free press.

If you vote no on the Mica amendment, you vote to give a free hand for the next 30 days to those who believe in seizing power by killing and bombing and burning, who seized power in Nicaragua that way and who are trying to seize power in El Salvador that way.

What is wrong with us that we sit here in this Chamber using subterfuge and semantics and partisan politics to help pound the nails into the lid on the coffin of freedom in Central America?

We are all politicians, all of us want to win our elections; but are our elections so important to us and our values so mixed up that we are going to sit here and play partisan politics with the freedoms and the lives of millions of people in Central America?

When Europeans, white Europeans were threatened with the loss of freedom in World War II, Americans went to their aid with men and money and guns, and now millions of dark-skinned Latins and Indians are being deprived of freedom and we make excuses why we cannot help them.

A nation is like a person. We, too, as a nation, can lose our soul. We, as a nation, can hide our face and pretend not to see, while neighbors lost their lives and their freedoms. We must not hide our faces from those who need our help, not because we are big, not because we are strong, but because we care about our neighbors. That is the character and the strength of the American people.

Mr. WRIGHT. Mr. Chairman, I move to strike the requisite number of words. I had not intended to speak on this amendment, but something was said that surprised me.

I had been looking for my friend, the gentleman from Florida (Dan Mica) and I have not been able to find him. I just wonder if the gentleman is in the chamber?

If not, let me then address this to the gentleman from Michigan (Mr. Broomfield), who is ostensibly the author of this amendment.

Some of the debate leads me to the belief, heretofore unexpected, that the Mica amendment as it is now offered would strike out that provision in the bill which provides $80 million for assistance to friendly governments in the hemisphere who want to seal off and sanitize their borders from the intrusion of arms.

Does it do that? Does it strip the bill of that?

I yield to the gentleman from Michigan.

Mr. BROOMFIELD. I would answer the majority leader, that is very true, for two reasons. First of all, many of us on this side, at least, and I think many on the Democrats' side feel that covert aid is not the way to deal with arms control down there.

Mr. WRIGHT. I thank the gentleman for his answer. I must say I am surprised and disappointed if you do not want to provide anything on top of the table, you just want to do it all under the table. I was not feeling too bad about the Mica amendment, and I thought it was done in good faith. But now I must express my concern over the deletion of this provision.

□ 1700

When I was involved in the effort to try to achieve some compromise, and I do not want to criticize anybody on the grounds of bad faith, we were never contemplating striking from the bill the very thing that makes us honorable and aboveboard and straightforward.

If we are going to be believed in this hemisphere, if we expect anybody to have any confidence at all in the promises that we make, the first thing we have to do is be honest. Renounce deception, be straightforward, be open and aboveboard.

Mr. HYDE. Will the gentleman yield?

Mr. WRIGHT. I may yield a little bit later. I just cannot yield at this time to the gentleman. He believes what we are doing in Nicaragua is self-defense. In my opinions it is not self-defense to invade another country. That is just not my view of things, and I cannot yield to the gentleman right now.

I want to make this one point. I was not prepared to be involved in this particular debate over this particular amendment.

I thought Mr. MICA simply allowed the continuance of the covert, so-called covert aid until certains findings were made. We know it is not covert. It is sneaky. We pretend we are not doing it and we know we are doing it. The whole world knows we are doing it. Our enemies know we are doing it and our friends know we are doing it. The Mica amendment permits us to continue it until the Sandinistas have been found either by our President or by the OAS to have ceased and desisted from what they are doing. We all understand that. But I did not realize that this amendment strips from the bill the one straightforward thing that the bill permits and that is help, help for those who need help. That is true self-defense, for goodness sake.

[CRS-139]

When other people invade your country with arms and you ask the United States for help, that is the kind of help we ought to be able to give when we are invited in by a friendly government that wants to protect its borders from the intrusion of arms.

That is what this bill permits. But it is on top of the table. It is only where invited, and it is not to be used for invading another country. It is not going in uninvited with military and paramilitary forces that we have paid for, that we recruited, equipped, armed, trained, and sent into the borders of a sovereign nation while pretending that we are not doing it.

That is the kind of thing that I discover the amendment would permit to continue. But it would disallow the very honorable, straightforward and decent thing that the bill does permit, and that is $80 million on top of the table to friendly governments who want to protect their borders from the intrusion of arms.

Why in the name of reason do you cut that out? If you really believe what you are saying, that we have a responsibility to help countries defend and maintain their freedom, then is this not precisely the kind of thing we ought to be doing? Surely we should not be saying that the only thing we permit is the sneaky thing that Congress does not know about, that Congress has no control over, that Congress has already forbidden by a unanimous vote in this House as recently as last December.

You want to permit that to continue, behind our backs, under the table, but you do not want to permit us to help countries that come to us and ask for assistance in the way of money that they themselves might defend their borders within their countries from intrusion of the flow of arms from outside. That seems inconsistent in the extreme.

Mr. GINGRICH. Mr. Chairman, I move to strike the requisite number of words.

Mr. HYDE. Mr. Chairman, will the gentleman yield to me?

Mr. GINGRICH. I yield to the gentleman from Illinois.

Mr. HYDE. I thank my friend for yielding.

I would just like to tell this body that the gentleman who was just in the well and who made his usual marvelous speech, I asked him one time at a committee hearing how do you then characterize aiding the Afghan rebels who are fighting against a Soviet puppet regime in their own country? How do you deny aid to the insurgents in Nicaragua and at the same time think it is moral and good and not sneaky to help the rebels in Afghanistan?

After a slight pause, after a slight pause, the gentleman said, "I have no answer to that."

I thank the gentleman for yielding.

Mr. GINGRICH. Mr. Chairman, I rise frankly to respond to the last two speakers on this side of the aisle because I think they put it pretty clearly. This is the day before the 150th anniversary of the death of William Wilberforce. Most of you do not know who William Wilberforce was, or he is not a big factor in your lives. But William Wilberforce was the man who led the crusade that ended slavery in the British Empire, a convert to Methodism, a man who spent his lifetime dedicated to the idea that the abolition of slavery was worthwhile.

It is interesting to vote the day before the anniversary of his death and to think about how William Wilberforce would have voted—he was a member of Parliament—had he been a Member of this Congress.

The gentleman from Texas just said and I quote: "You think you don't want to do it on top of the table, you just want to do it under the table." And he said, "It is not self defense to invade another country."

But, of course, he will vote for aid to Israel despite the invasion of Lebanon. He will even, in fact, break precisely the principles he establishes when it is politically appropriate.

This is not a vote on morality. This is not a vote on whether this country is pure and is doing everything aboveboard.

This is a vote on whether or not we are going to cripple the forces of freedom. This is a vote on whether we are going to help the Soviet Union and the Cubans and the 9,000 Communist bloc advisers who are in Nicaragua. This is what this is a vote about.

The gentleman from New York articulated brilliantly the radical doctrine of his wing of his party. He said at one point we support, and I quote: "10,000 thugs, brigands and thieves"; strong, harsh language.

He did not say anything about the Soviets who are in fact arming people, trying to kill innocent folks in El Salvador. He did not say anything about the nature of reality in Central America.

If you are for America, what he said was, across this planet, on this floor, if you are for America you can expect an American Congressman to call you a thug, brigand, or thief. But if you are in fact willing to subvert El Salvador, if you are in fact willing to support a dictatorship in Nicaragua, it is not worth mentioning. That is not a bad thing to do.

He said are we so arrogant and so infinite that we can suppose we have this land to lose? Well, I think that a number of people in this body would say over and over again about Israel, about Germany, about France, about England, yes, as a free people we Americans do have an obligation to help our neighbors; yes, in Japan, there is a country that we would help.

But El Salvador is different. For some reason that is not as important.

It is reasonable to doubt that.

He says people who would like to live in peace, and I think that is true. I say to you if you honestly believe the war in El Salvador was started in Washington, then you ought to vote against the Broomfield-Mica amendment. If you honestly believe that the CIA is more dangerous than the KGB, then you ought to vote against Broomfield-Mica. If you honestly believe that the people who want to live in peace—let the gentleman: hiss. That is a useful, game—I think its reasonable that people who would describe our allies as thugs, brigands and thieves would hiss.

But the fact is that if you vote against Broomfield-Mica, what you are voting for is not peace; you are voting for slavery.

Why do we do it under the table, and it is not under the table, it is not covert. There has not been anything covert in this city since the Watergate era and since the publication of the Pentagon Papers. This is the most open circus on the planet.

We do it without legally defining it because weaker countries cannot possible police their borders overtly. Have we learned none of the lessons of the last 30 years, as the gentleman from New York said?

Do you honestly believe that those of you who are going to vote against Broomfield-Mica would vote for the kind of overt actions that are necessary? Do you want to vote for a blockade? No.

Do you want to vote for adequate forces in the field to stop this? No.

If you want to be moral about this, and you want to talk about being above the table, why do you not stand up and tell the American people that in fact if El Salvador goes down the drain that is the breaks, that it is not worth in fact trying to do realistic things that are necessary.

Mr. McCURDY. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, I am somewhat amazed by the comments that have been voiced today from the other side of the aisle.

□ 1710

Some Members have said that if opponents of this covert action are on-the-table action, if we truly believe in support for the governments in the region, then why does one of us not stand up and say so? Well, Mr. Chairman, I am standing up today and telling you just that. I voted the other day not to cap the number of advisors in El Salvador; I voted not to put prohibitions on the use of military exercises in the region and I will match my national security voting record with Members on either side of the aisle. I am one that will proudly stand up and make that statement anywhere in this country or elsewhere in the world.

[CRS-140]

Other Members have come today and said it is not the American character, it is not mainstream America what we are doing today. But, I would submit to you that the American character, and mainstream America will support honest, well thought out, clearly enunciated policies.

The beauty of this country and institution is that we do have the opportunity to debate and to inform our constituents on the issues of the day.

The Intelligence Committee performs a very, very important function. One of our important responsibilities is to excercise oversight and to inform this body on U.S. foreign and intelligence policy. What we have today is a substitute for policy, because the administration has not sufficiently articulated a policy for Central America.

It is a lack, it is the very absence of that clear policy, ladies and gentlemen that brings us here today.

This is no longer a secret war. Members, many Members will use the covert action, the unlimited, uncontrolled covert action as something, as a cover to hide behind.

This Member stands up today and says we have a stake in Central America, but I plead with you, let us do it based on sound, clearly enunciated policy, not five or six different directions at once, not voices coming from every direction, but one strong clear policy.

Mr. ENGLISH. Would the gentleman yield to me?

Mr. McCURDY. I yield to my colleague from Oklahoma.

Mr. ENGLISH. I would like to commend the gentleman for his statement, particularly in behalf of those of us who certainly would be willing to support an open effort to cease the arms flow from Nicaragua into El Salvador, but who raise serious questions about the wisdom of following a covert policy that is no longer covert and has not been for some time. So, I want to thank the gentleman for his statement and I think that he speaks for far more than just himself with those eloquent words.

Mr. McCURDY. I thank the gentleman.

Mr. STRATTON. Mr. Chairman, will the gentleman yield?

Mr. McCURDY. I yield.

Mr. STRATTON. I want to commend the gentleman because he has been a very responsible member of the Armed Services Committee and he has voted for a strong defense. And it is quite true that he is prepared to support whatever might be required in an overt operation. But I was a little disturbed when I heard the majority leader say that one of the reasons he was going to vote against the Broomfield-Mica bill was that it eliminated $80 million that could be supplied for overt activities that would do the same job with respect to Central America as the covert operations are doing.

(On request of Mr. Stratton and by unanimous consent, Mr. McCurdy was allowed to proceed for 5 additional minutes.)

Mr. STRATTON. Mr. Chairman, will the gentleman yield?

Mr. McCURDY. I yield to the gentleman.

Mr. STRATTON. The gentleman from Oklahoma, as a member of the committee, is well aware, I am sure, that $80 million is only a drop in the bucket for what would be required to do the same job on interdicting arms to El Salvador on an overt basis.

The committee, I think, has already been advised that to do the same job being done now covertly, it would cost some $300 million for the first year and at least $100 million for every year thereafter. And if a quarantine were required that would cost $1.2 billion for a single year.

Now, surely the gentleman from Texas (Mr. Wright) realizes that the House is certainly not prepared to support that kind of money. And to suggest that we are undermining the future of the Costa Rica and Honduras and El Salvador because we are rejecting $80 million is simply not realistic. The job will cost a great deal more, and this Congress would never approve that kind of military expenditure.

Mr. WRIGHT. I wonder if the gentleman would yield to me so I can respond to what my friend from New York has just said.

Mr. McCURDY. I yield to the majority leader.

Mr. WRIGHT. It was not my suggestion that the $80 million in overt and open assistance for countries who want to seal their borders from the intrusion of outside arms would do the same thing that we are doing, supposedly, covertly. That was not my suggestion. I did not mean to leave that implication. What the $80 million does is quite honorable and quite fully accepted in the family of nations.

It helps nations who ask for that help to perform within their own borders thoroughly legitimate activities in selfdefense and selfprotection. But this $80 million of overt aid which is stricken, I discover, by the Mica amendment, was not intended to finance an invasion of Nicaragua; that is not what that was for. It was to be held within the borders of countries that ask for it, that seek our aid and who want to monitor and control and stop the flow of armaments into their own country. And I think that is thoroughly legitimate. Maybe $80 million is not enough; I do not know how much it will take. But it is more than they have now.

Mr. STRATTON. If the gentleman would yield to me, if we stop the present covert aid, Honduras and Costa Rica are going to be very much concerned about their future and about their borders $80 million is not going to do anything substantial to protect the borders of Honduras and certainly not the borders of Costa Rica. We are just kidding ourselves on that.

Mr. WEISS. Mr. Chairman, I move to strike the requisite number of words.

(Mr. WEISS asked and was given permission to revise and extend his remarks.)

Mr. WEISS. Mr. Chairman, I do not intend to take my 5 minutes. I rise really only to call attention again to the tone and the path which debates on this floor on this and related issues have a tendency to take.

The gentleman from Georgia (Mr. Gingrich) in the statement that he just made indulged himself in some rhetorical excesses which I would hope that he would want to reconsider and withdraw.

I would like to think that those Members on his side of the aisle who applauded those statements would also want to rethink and reconsider. Does anybody, does the gentleman from Georgia really believe that there is any Member in this body on either side of the aisle who really prefers and thinks better of the KGB than of the CIA? The gentleman from South Carolina (Mr. Hartnett) indicates that he does. So there are a couple of people who really question the loyalty and the motivation of other Members of the House of Representatives of the United States of America.

I think that that is reprehensible, shameful, despicable, and has no place in this body.

I yield back the balance of my time.

□ 1720

Mr. ROTH. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I, too, would hope that we would not question the motivations of our fellow Members. But when we review these issues realistically, I think both sides of the aisle have to question the double standard that is so evident here in this Chamber.

For example, when we in the Foreign Affairs Committee debated the foreign aid authorization bill, we had all kinds of restrictions, all kinds of demands, all types of criteria that El Salvador had to follow. Free elections, human rights, all things that we applaud, unconditional dialog with the rebels and all those other high sounding goals we invoke here in this House.

And yet, when it comes to Nicaragua, a country whose government repeatedly has said that they live according to the Marxist-Leninist philosophy, a government like that, we in this House will do nothing to impede their aggression, we have to keep our hands off.

We hear that we have inflamed the rhetoric in this House today. I disagree. When I review the rhetoric of the leaders on your side of the aisle—I find that historically they have spoken in the tone and content of the rhetoric on this side of the aisle today.

[CRS-141]

For example, this side the Democrat side had a President some 23 years ago, he in his inaugural address spoke in determined tone and rhetoric about Central America. What did he say?

He said:

> To our sister republics south of the border we offer a special pledge, to convert our good words into good deeds, to assist free men and free governments in casting off the chains of poverty, but this peaceful revolution cannot become the prey of hostile powers.

President Kennedy has a message for us today. In his inaugural address John Kennedy went on to say:

> Let all our neighbors know that we shall join with them to oppose oppression and subversion anywhere in the Americas and let every other power know that this hemisphere intends to remain the master of its own house.

That was a Democratic President, from your side of the aisle, John Kennedy.

And I am proud of the Members on our side of the aisle because I think that the speeches they have made have had an historical perspective.

If I had to judge about where the Members on this side of the aisle, are coming from, I would conclude they are carrying on the traditions, they are carrying on the philosophy and the principles set forth by our leaders for the last 200 years.

We have debated here for 2 days. Seldom is the Monroe Doctrine invoked. I think we have to take a look at our principles, our heritage, our roots and debate from an historical perspective.

I am proud of the statements that were made on this side of the aisle because they have been in historical perspective, which I am thankful we have not lost on this side of the aisle.

Mr. DELLUMS. Mr. Chairman, will the gentleman yield?

Mr. ROTH. I yield to the gentleman from California.

Mr. DELLUMS. I thank the gentleman for yielding.

I accept the thrust of the gentleman's argument and that is that oftentimes we do engage in a dual standard in terms of how we evaluate the conduct of other nations.

And let us accept, for example, the gentleman's criticism of Nicaragua. This gentleman's basic question is do we move Nicaragua closer to our definition of democracy through threatening war or do we move them closer to our definiton of democracy by advocating peaceful solutions and political solutions to the problems? That is this gentleman's concern.

If you want to move Nicaragua in that direction, do we have to do it with gunboat diplomacy and the deployment of 20,000 troops or do we use the magnificent power of this Nation to advocate peace? That is what the guts of this whole issue is all about.

Mr. ROTH. I appreciate the gentleman's comments, but we talked about symmetry. Well, why do we not apply the same standards to Nicaragua that we are applying to El Salvador? Why do we not do that, Then we would have real symmetry.

Mr. YOUNG of Florida. Mr. Chairman, will the gentleman yield?

Mr. ROTH. I yield to the gentleman from Florida.

Mr. YOUNG of Florida. I thank the gentleman for yielding.

I think the gentleman from California raises a good point. Which is the better way to go? And I would remind the gentleman and our colleagues that we helped install the Sandinista government based on the promises that they made to us and our neighbors in the Organization of American States.

I would also remind the gentleman that the American taxpayer gave the Sandinista government $125 million to help them get started with their promised program of peace, along with the program of freedom, free speech, free elections, free press. All of these things they reneged on.

We tried what the gentleman is suggesting and we tried hard.

Now what we are trying to do is to defend our other friends in the region from these very people who went back on specific promises.

The CHAIRMAN. The time of the gentleman from Wisconsin (Mr. Roth) has expired.

(At the request of Mr. Dellums and by unanimous consent, Mr. Roth was allowed to proceed for 3 additional minutes.)

Mr. DELLUMS. Mr. Chairman, will the gentleman yield?

Mr. ROTH. I yield to the gentleman from California.

Mr. DELLUMS. I thank the gentleman for yielding.

Mr. Chairman, let us accept that the statement of my colleague is fact. I still—and even the gentleman's response to my question—I ask the question again. Even if we establish the same criteria for El Salvador as we do for Nicaragua, the gut question that we still must ask, even if we have used some time, does that mean we use the awesome power of the United States to engage in war? That is my concern. What split this country apart in the 1970's was our preoccupation with killing and death in Vietnam and what American people are talking about is peace.

And what I am saying to my colleague is: Can we move Nicaragua closer to our concept of democracy through advocating peace as opposed to this insanity, this insane preoccupation with war?

Mr. ROTH. If I may reclaim my time, I think the gentleman from California makes a good statement, but I hope that the gentleman is as impassioned in his pleas when we debate the foreign aid authorization bill and when we debate and weigh the stipulations for El Salvador.

I hope the gentleman will come to the floor and support me in that effort. And if we have a chance to introduce an amendment to apply the same standards to Nicaragua as we have applied to El Salvador, I hope my good friend will come to the floor and help me.

Mr. LEVITAS. Mr. Chairman, will the gentleman yield?

Mr. ROTH. I yield to the gentleman from Georgia.

Mr. LEVITAS. I thank the gentleman for yielding.

Mr. Chairman, I think the gentleman from Wisconsin has put his finger on the real issues and I think the gentleman from California has responded to it earnestly even though I disagree completely with his conclusion.

This business about secret or covert aid versus open or overt aid is nonsense. The phony business about some aid being sneaky or under the table or over the table, it is just a lot of hot air. Everybody in the world, who cares, knows about the aid and the operations, and it is absurd to talk about one type being bad or another being good. After all should we, and, indeed, are we supporting the insurgency in Afghanistan? Should we abandon those freedom fighters because of some covert aid rhetoric?

Everybody knows the issue is: Are we going to continue to supply aid and assistance to people who are fighting against the Government in Nicaragua, the insurgents. It is no secret. Everybody knows about it. So that is not the question. Should we or should we not provide this aid?

Now the real question is this, it seems to me. Since we know that Nicaragua and Cuba and Russia are supplying the insurgents in El Salvador for the purpose of overthrowing the Government of El Salvador, is it appropriate and is it justifiable for the allies of El Salvador, including the United States, to provide aid to people who are trying to change, or change the conduct of, the Government of Nicaragua. That is the question. As long as Nicaragua is aiding foreign insurgency, is it justifiable for the United States to do so?

And it seems to me that the amendment of the gentleman from Florida (Mr. MICA)—regardless of how one votes on the final outcome of this bill—addresses that question.

When Nicaragua, Cuba, and Russia stop supplying the insurgents in El Salvador to overthrow that Government, then the United States certainly ought to stop supplying insurgents in Nicaragua.

What we really need is a political and nonviolent resolution of the problems in Central America. We need negotiation. We need the help of our Latin American allies as mediators. We need an end to oppression and the denial of human rights and the killing of innocent people. We should let the Central Americans solve their own problems without outside intervention of military power and we should support the tender buck of emerging democracy.

[CRS-142]

But, in order to do this we must not let Cuba and Russia have a free hand to support exported revolutionaries and military assassins to be used against friendly regimes. When they stop aiding insurgency, then we should too—at once.

Let us help bring peace and stability to this region.

Mr. ROTH. I thank the gentleman from Georgia for making that statement.

Again I think the gentleman from Georgia has demonstrated that he can put into a nutshell of 2 minutes what it takes us 10 hours to debate here on the floor.

The CHAIRMAN. The time of the gentleman from Wisconsin (Mr. ROTH) has again expired.

(At the request of Mr. WALKER and by unanimous consent, Mr. ROTH was allowed to proceed for 1 additional minute.)

Mr. WALKER. Mr. Chairman, will the gentleman yield?

Mr. ROTH. I yield to the gentleman from Pennsylvania.

Mr. WALKER. I thank the gentleman for yielding.

Mr. Chairman, I think there is one other point that does answer the very legitimate points made by the gentleman from California and that is that covert aid is at least going to people who are fighting within their own country. We are not adopting a policy of militarism. If you go to overt aid, you are very definitely to a policy of militarism in that part of the world. And that is specifically why the covert aid type of policy is preferable to overt aid.

□ 1730

Mr. GARCIA. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, I have sat here for the last 3 or 4 hours and I have heard us talk about Nicaragua and Central America, that we are in danger of losing Central America.

I just wonder who gives us the right to tell the people of Central America what to do and what not to do. It is not ours to win or lose. Central America belongs to the Central Americans. Who in God's name gives us the right to stand up here and decide the fate of millions of people who live in Central America, as if we are all-powerful and God. We are not God.

Let me tell you something about Central America; 50 years ago, we sent our soldiers into Nicaragua. I want to remind you that Somoza, who created these problems we are in today, was a West Point graduate. Has anybody brought that up?

We have been in Nicaragua for 50 years. And in this debate here, before the world, once again we are telling them what they should do. And every time we do, what we are really saying to them is, "Get closer to the Soviets, move closer to the Soviets."

They have enough problems in Nicaragua today. If we stepped aside, there is no doubt in my mind, the people of Nicaragua themselves would rise up and say, "We want democracy, we have had enough of Somoza, we have had enough of the other, of the Soviet-led Sandinistas."

I just want to make it very clear to all of you, we have sat around here and made it very clear that we are the big macho. And you know, the saddest part of all in our decisions today, is not going to affect the young people in many of your districts. They will find a way to get out of it. I will tell you who is going to fight this war. It is going to be a lot of young Hispanics and blacks from the Southwest and from the Northeast who will go in there. Others will find a way to make certain that they are not participants in a shooting war.

I say that to my colleagues because if you look up the number of your people who have died in Vietnam and look at it and analyze it, most of those were poor young men and women who grew up in the ghettoes of America.

The Contadora group. For the first time Hispanics in Central and South America are trying to work together. Why are we forcing their hand? Why are we telling them that we as Americans know better? For the first time they are uniting and joining together in a common cause to stop tyranny. Why can we not listen to them? Why can we not give them an opportunity to say to themselves, "Hey, we are doing something for our own hemisphere."

It is important that we understand that. I do not question the morality of any Member of this Congress. I think this is a partisan issue.

The President said at his Tuesday night press conference that it would be a "very grave mistake if the legislature interfered with what we're trying to do" with covert aid. Are we interfering, either Republican or Democrat, by deciding whether or not we will authorize or appropriate funds for these operations? It is not only our right to do so, it is our responsibility.

I think it is important that we do debate this issue, because today we may just be starting the next world war.

In this hemisphere we have long neglected Central and South America. We have long said to them south of our borders and in Central America, "Tomorrow, manana, manana we will get together with you." And now it has all come to roost.

And I say that to my colleagues because I think it is important that you understand that as Hispanics—and, yes, I am an American, I am proud to be an American, I was born in this country and I love this country and I fought for this country in Korea. But I am going to say something to you: Please give us a chance to discover for ourselves that we can stand up.

The CHAIRMAN. The time of the gentleman from New York (Mr. GARCIA) has expired.

(On request of Mr. WOLPE and by unanimous consent, Mr. GARCIA was allowed to proceed for 3 additional minutes.)

Mr. WOLPE. Mr. Chairman, will the gentleman yield?

Mr. GARCIA. I yield to the gentleman from Michigan.

Mr. WOLPE. I thank the gentleman for yielding.

Mr. Chairman, I want to congratulate the gentleman on the eloquence of the statement he just made.

As we reflect upon the debate that is taking place today, probably one of the most extraordinary aspects of that debate is that there are probably no more than a dozen Members of this Chamber who could identify on a map, if they were given that map, the countries of Central America.

It is a harsh reality, but it is the truth. There are very few Members of this body, just as there are very few of our constituents, who know much about any of the societies within Central America.

So what is happening is that this entire debate is turning not upon our knowledge of those societies, because that is not what is really at issue. Rather, the debate is turning on labels and slogans with which we are familiar, and we are responding to lots of labels and slogans without understanding the reality behind either in Central America. When that happens, we get suckered.

Time and time again there have been governments that have arisen in Central America, or Latin America more generally, that have taken upon themselves the label of anti-Communist. And the moment they have done that, knowing in advance that that was a sure-fire means of guaranteeing an American response, we have come trotting to their assistance. And in the name of anticommunism, we have supported time and time again rightwing dictatorships that have been violative of the rights of the people, that have been protective of a few land-owning families whom are maintained in power with the support of rightwing military groups.

In Chile, in Guatemala, in El Salvador, in Nicaragua, that has been the pattern of American response to the region.

So the point the gentleman from New York (Mr. GARCIA) makes has two sides to it. One side is that we do not understand and do not identify with the human reality of the countries themselves. And when we respond on the basis of labels and stereotypes, what we do is to compromise the interests of the countries involved and the peoples in those countries. And the other side of the coin is that we compromise our own interests as well, because at that point we play directly into the hands of those who want to portray the United States as the imperialist, as the intervenor.

[CRS-143]

We have an opportunity now, as the gentleman has noted so eloquently, to ally ourselves with our key friends and allies within the region who do share our values, the Mexicans, the Venezuelans, the Colombians, the Panamanians, who are trying to mediate, to bring about a lasting political solution. Instead, here we are, in the midst of their peace initiative, sending new military forces into the region. That has been our response to their initiative.

That is silly. It is silly in terms of our goal of long-term stability in the region, and it is counterproductive in terms of our interests in resisting the expansion of communism.

I thank the gentleman from New York for his contribution.

[Mr WALKER addressed the Committee. His remarks will appear hereafter in the Extensions of Remarks.]

Mr. BOLAND. Mr. Chairman, I ask unanimous consent that all debate on the Young amendment and all amendments thereto close at 10 minutes to 7 and that that time be split, one-half hour on the minority side and one-half hour on the majority side.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

Mr. YOUNG of Florida. Reserving the right to object, Mr. Chairman, I do so to inquire if the Chairman, if he intends that the time for a vote on either the Mica amendment or the time for a vote on the Boland-Solarz amendment would be included in that time, or would the time be in excess of that?

Mr. BOLAND. Well, I would expect that it would not be included because I do not know how many votes are going to come in that period of time but I am sure it would prevent that side and this side from expressing their views on whatever we are expressing our views on here.

The CHAIRMAN. The Chair would like to inquire of the gentleman from Massachusetts, was the time 10 minutes to 7?

Mr. BOLAND. One hour, that all debate on the Young amendment and all amendments thereto close in 1 hour, with one-half hour reserved to the minority side and one-half hour reserved to the majority side.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

Mr. HARTNETT. Reserving the right to object, Mr. Chairman, I feel that the Broomfield-Mica amendment is really the entire issue. I mean, this is really an up or down vote on covert aid or no covert aid to Nicaragua.

Now, it is my understanding, Mr. Chairman, and I would inquire of the Chair if this is not correct, that we had 9 hours of debate scheduled on all these amendments, which began at approximately 12 o'clock and which therefore should expire at approximately 9 o'clock this evening, which is only 2 hours past the time which the distinguished chairman wishes to cut off debate on this amendment; is that correct?

The CHAIRMAN. The gentleman is correct.

Mr. HARTNETT. Mr. Chairman, in view of that and because I think this Broomfield-Mica amendment is the entire issue, I think all the other amendments are just window dressing, that this is the entire issue, the Broomfield-Mica amendment. I would object, Mr. Chairman.

The CHAIRMAN. Objection is heard.

Mr. BOLAND. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, the only reason I made that unanimous-consent request is perhaps there was some indication there would be accommodation on the other side. Since there is no accommodation on the unanimous-consent request and I recognize the fact that we would be closing at 9 o'clock under the rule, then I guess that is what a lot of the Members on that side and this side want, and so be it.

Mr. SMITH of Florida. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, let me say this before I yield to the gentleman from Iowa. In response to the gentleman from New York who said that we should continue to keep up the pressure, is there anyone who really believes that with two carrier task forces now in place in South America or about to be there around Central America, with somewhere between 3,000 to 5,000 and maybe 6,000 troops being deployed overall on those ships, plus the troops in Honduras, that we are not going to keep up the pressure?

There is, in fact, no way to withdraw those by a sense of Congress resolution at this moment.

I would suggest very strongly that what we have here is a situation where we have accomplished some of the goals that we have set out to accomplish. The President took the well of this House and spoke about wanting to have an interdiction policy and to force Nicaragua to come to multilateral negotiations. The stage has been set for that. We have effectively shown them that the power that we wish to exercise can be exercised. We are deploying troops. We are deploying boats. We are deploying our Navy, our Marines, et cetera.

Does that mean that if we now remove covert aid for a period of 30 days, as is called for in the Boland amendment to the Mica substitute, that we are removing the pressure? I think not. I think that pressure is very evident. It will continue to stay where it is in place because Congress cannot remove it early on.

So I would suggest that the Boland substitute is the way to go, show them that we will deal from both sides.

I would urge my colleagues to remember that. We are not removing pressure. We are removing an obstacle to proper, legitimate negotiations, that may arrive at a good conclusion.

Mr. Chairman, I yield to the gentleman from Iowa (Mr. Harkin).

Mr. HARKIN. Mr. Chairman, I thank the gentleman for yielding, and I appreciate his giving me his time.

Mr. Chairman, I have been waiting to focus a little bit of attention outside of some of the things we have been talking about. I think it is important that the House focus a little bit on just who is being aided by the covert training and supplies that we are giving to the Nicaraguans who are attacking the Sandinista government, the so-called freedom fighters that we hear so much about.

I do not intend to quote from press releases or even from what we have heard in our various sessions. Rather, I will take my lead from other Nicaraguan exiles, including those who are grouped around Eden Pastora.

Most U.S. covert aid, as we know, goes to the group fighting from the base in Honduras, the FDN. Arturo Cruz, a former member of the junta, former director of the Central Bank of Nicaragua, former Nicaraguan Ambassador to the United States until he became what he calls a dissident, wrote just recently in Foreign Affairs:

> The fact remains, however, that most of those persons in positions of military authority within the FDN are ex-members of the national guard who unconditionally supported Somoza until the end, against the will of the Nicaraguan people.

Arturo Cruz went on to write that in the event of a complete FDN victory, there might well be a "reinitiation of the vicious cycle of extreme right wing oppression and exploitation." He continued:

> Backing the "Contra" indiscriminately could prove self-defeating to the United States. It weakens the moderating forces and sanctions the rule of the extremists in Nicaragua.

Or listen to the words of Alfonso Robelo, also a former member of the junta, now allied with Eden Pastora:

> * * * the military leadership (of the FDN) is made up of former members of the National Guard. This poses a problem for the return to power of the guard as a military institution.

Or listen to Eden Pastora himself, responding to a question from an Honduran journalist:

Pastora:

> They (the FDN) are the objectives of a general staff of former Somozan guardsmen. For example, their staff includes Captain Lagos, the feared member of the National Security Office, lieutenant colonels and captains of the Somozan guard. In other words, I don't think that they want a revolution full of love. They have lists of the people they kill. They have not even presented a single prisoner that they have taken.

[CRS-144]

□ 1800

I continue to quote from Eden Pastora:

> The people will not help the National Guard. The National Guard killed our people for 45 years. The guardsmen killed this guy's brother. They killed my father. Everybody in Nicaragua has a relative killed by the National Guard. Therefore, the Nicaraguan people will not support the National Guard. So they—[the United States, he refers to] are doing the National Directorate a big favor by trying to win through a general staff of former Somozan guardsmen. This must be clearly stated and understood.

The CHAIRMAN. The time of the gentleman from Florida (Mr. Smith) has again expired.

(By unanimous consent Mr. Smith of Florida was allowed to proceed for 2 additional minutes.)

Mr. SMITH of Florida. I yield to the gentleman.

Mr. HARKIN. These are descriptions of the Nicaraguan freedom fighters by exiles from Nicaragua. These are the so-called freedom fighters.

But let us look at other instances.

How many here remember that day on June 20, 1979, when Bill Stewart, an ABC newsman, walked up to a national guard checkpoint and they told him to lie down and he laid down in the street, totally unarmed, and one of the national guardsmen came up to him and very methodically blew his brains out. You all saw it on television.

That was not unique. That was not different. What was unique about it was that it was captured on film.

Again, this is the kind of thing we are dealing with in the so-called freedom fighters.

But there is even more. From 1974 to 1978, the national guard was engaged in a massive counterinsurgency campaign in the rural areas. Amnesty International, in its 1978 annual report, said that up to 3,000 peasants either disappeared after arrest or were killed outright by the national guard during this campaign.

In September 1978 there was an uprising by the Tercistas group of the Sandinistas. Very quickly the national guard regained control. The Tercistas left the cities, but did the national guard stop?

For 19 days starting on September 9, 1978, there was a massive and deliberate effort in five Nicaraguan cities where the national guard went on a terrorist campaign, not combat because the Sandinistas had already left, but a terrorist operation.

The CHAIRMAN. The time of the gentleman from Florida (Mr. Smith) has again expired.

(On request of Mr. Garcia and by unanimous consent Mr. Smith of Florida was allowed to proceed for 2 additional minutes.)

Mr. HARKIN. Over 3,000 people were killed. Who were the targets? Not the Sandinistas but any young man between the age of 12 and 25.

The standard procedure for the national guard was to go into a city, round up the families, separate the young men out, and take them out back and blow their brains out.

Three thousand were killed in 19 days in September 1978 by the national guard.

During those years Amnesty International, church sources, and others pointed out what the national guard was doing but do not take my word for it. Again, listen to the words of Arturo Cruz writing in a recent issue of Foreign Affairs Quarterly. Listen to what he says:

> Carrying perhaps an even greater responsibility, those who sustain the forces inimical to the Sandinistas, and he is talking about the ex-Guardsmen, must not ignore the fact that idealistic young boys and girls constitute the revolution's rank and file. Therefore those who aid insurrection in my country—whose disenchantment with the revolution's course, and concern for the security of their own country I do not dispute—should be aware of the risk they take of bearing a historical responsibility for contributing, albeit indirectly and unintentionally, to a possible mass execution of the flower of our youth. A line of distinction should be drawn, now more than ever, between Contras' and armed dissidents.

Now, those who say the Sandinistas are not Boy Scouts, I agree, they are not Boy Scouts. But compared to the

Contras, whom we are supporting with this covert aid, they are Eagle Scouts.

Let me point out one thing. In July 1979, within a few days after the Sandinistas had taken over, after they had won the revolution, do you know what their first act was? Was it to go out and round up the guardsmen and kill them? No. Their first act was to abolish the death penalty.

Now, understand that. Their first act, to abolish the death penalty. Who here could argue with any substance, that if the Contras were to succeed in overthrowing the Sandinista government, that they would abolish the death penalty? The fact is, if the Contras, the old national guardsmen whom Mr. Reagan is supporting, were to succeed with U.S. backing, there would be a bloodbath against the young people of Nicaragua.

The CHAIRMAN. The time of the gentleman from Florida (Mr. SMITH) has again expired.

Mr. HARKIN. Mr. Chairman, I ask unanimous consent that the gentleman have 2 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa?

Mr. HUCKABY. Mr. Chairman, reserving the right to object, I would like to point out to the gentleman in the well that he has now consumed 13 minutes, and 19 minutes ago he reserved the right to object because a Member asked for an extension of 2 minutes.

I shall not object this time, but I will the next time.

Mr. Chairman, I withdraw my reservation of objection.

Mr. HARKIN. I only asked for the same courtesy to be extended here, Mr. Chairman.

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa?

Mr. RITTER. I object, Mr. Chairman.

The CHAIRMAN. Objection is heard.

Mr. RITTER. Mr. Chairman, I rise in support of the Mica amendment.

The hour is late and I doubt if many votes are going to be changed, certainly not from my speech. But I must say that for the gentleman from Iowa to equate the Sandinistas with Eagle Scouts is the height of the ridiculous. To say that the Sandinistas did away with the death penalty is the height of the ridiculous.

About 4,000, to 5,000 of the National Guardsmen were executed by the Sandinistas who did away with the death penalty; 7,000 of the National Guardsmen are still in prisons, which leaves a couple or 3,000 Guardsmen, which even if every single one of them was in the Contras, which they are not, they would still constitute a small minority of those opposing the Sandinistas.

Adolfo Colero, who happens to be the leader of the FDN, was himself imprisoned by Somoza. Testimony that we have heard from Miguel Bolanos, a senior officer in the Nicaraguan State Security Apparatus stated that there are very, very few former Somosistas involved in the FDN, and I can tell you there are virtually zero involved in the Pastora group or in the Miskito Indian group. Those opposing the Sandinistas are Miskito Indians.

Now I would like to share with my colleagues a conversation which I had with one of the Miskito Indians not long ago, the leader of the major Miskito Indian movement, the Masurisata Steadman Fagoth, who personally told me that whether or not the aid continues, his people will continue to fight. They will continue to fight for their homeland because they feel that genocide is being perpetrated against them and that under presently constituted Sandinista rule they are doomed.

I had a variety of pictures blown up for a particular amendment relating to the Miskitos but I felt that I had better give this speech tonight because this is certainly the key vote. I do not have the pictures with me but what they show is the systematic destruction of an entire people.

A report written by Berkeley professor, Bernard Nietschmann, recently said that:

> The Sandinista invasion and occupation of eastern Nicaragua has turned into an outright war against all ethnic minority groups. Misquito, Sumo, and Rama Indians, Creoles, and Black Caribs have been killed, imprisoned, relocated by force.

The tales of torture, and I will share them with my colleagues if they are interested, the tales of torture documented by the Masurisata are inches thick.

[CRS-145]

Now, if our help is cut off, these people will continue to fight. They will fight and die because the Sandinista offer them only destruction of their culture and "relocation."

But why, I ask, why brand them Somocistas? Why equate them with the National Guard as the gentleman from Iowa has done and why, if they are going to fight and die, should they not have a chance to succeed in preventing their own genocide?

That is what this bill, if the Boland-Zablocki or its sister, Solarz-Boland, prevails, genocide is what these people face; genocide without ability to resist.

□ 1810

Out of 240 churches, 162 have been shut down. These are basically of the Moravian faith, about 90 percent of them; 57 churches have been burned to the ground. Six communities of the Miskitos have been completely destroyed in the last 15 days. These people are fighting the Sandinistas for their very existence.

Mr. KEMP. Will the gentleman yield?

Mr. RITTER. Let me add one comment.

Mr. KEMP. On that point would the gentleman yield?

Mr. RITTER. I did not yield to the gentleman from the other side (Mr. McCLOSKEY) and I do not want to appear to be partisan in this discussion.

Mr. KEMP. I was not going to make a partisan statement, just praise the gentleman for his statement.

Mr. RITTER. I think in all fairness I would wait until the end of my speech. On the 8th of February in Jail number 3 of the state security prison in Managua at 7 p.m., Tomas Borge, the Minister of the Interior told then-captured Miskito leader Stedman Fagoth that "to bring Sandinista ideology to the Atlantic coast and to the Indians, if need be, they would kill the last Indian."

(By unanimous consent, Mr. RITTER was allowed to proceed for 3 additional minutes.)

Mr. RITTER. There are three witnesses, and if my colleagues in this Chamber wish the documentation of those witnesses I will provide it to them.

Stedman Fagoth said that if the aid is cut there will be a holocaust, there will be dying in jail, dying in concentration camps and dying from starvation and exposure in the mountains.

He said, "The fight is not because the CIA is involved, the fight is to prevent the genocide of our people."

If anyone thinks that 10,000 to 15,000 Nicaraguans have been recruited by the CIA which would be equivalent to an army in the United States if we take equal proportions, which would be equivalent to an army of 1.5 million. Does anybody think that our CIA are such good recruiters?

Mr. McCLOSKEY. Mr. Chairman, will the gentleman yield for a question?

I think you made the point very well.

Mr. RITTER. I want to make an observation on people who have said today, indeed the majority leader said it is "sneaky." Well, if we are going to resign from doing covert aid all over the world, we had better invite the KGB here today, because they are not resigning; they have stepped up their active measures, they have expanded their horizons and, indeed, the leader of the Soviet Union is himself a 15-year veteran of KGB leadership.

We have many covert operations; should we gut them all? Why not cut off our limited help to Afghanistan if the mentality prevails that all covert aid "is sneaky, under the table," and so forth.

Mr. KEMP. Will the gentleman yield?

Mr. RITTER. I will yield to the gentleman from Indiana (Mr. McCLOSKEY) first since he was the first to ask and I will then reclaim my time and yield to my colleague.

Mr. McCLOSKEY. I thank the gentleman very much.

Two brief questions and I think it goes to the heart of the gentlman's argument. Would you say Eden Pastora is a reasonably informed observer of the Nicaraguan problems?

Mr. RITTER. I would say that Eden Pastora as the leading commander of the taking of Managua, as having had family killed and going out there with 2,000 supporters is accepting our aid in spite of his anti-American rhetoric, is accepting cooperation with other opposition groups.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, Mr. RITTER was allowed to proceed for 2 additional minutes.)

Mr. RITTER. Mr. Chairman, I yield to the gentleman from New York.

Mr. KEMP. I appreciate my friend yielding.

I tried to get some time earlier to stand up and congratulate him for his statement concerning those people who are fighting not on behalf of the United States of America, but on their own behalf. He eloquently testified to the fact that the native Miskito Indians are the victims of a true genocide that has begun already and may become even more extensive unless we can bring pressure on the Sandinista government to stop. Just a few minutes ago, someone stood up on the other side of the aisle and labeled the people resisting that totalitarian government "thugs, thieves and brigands."

But to speak of these people who are fighting for their own just rights, and as the gentleman testified, on their own behalf, in such disdainful and pejorative terms as pirates and thugs and thieves does a great disservice to this great deliberative body, but even more, a disservice to some very decent and courageous people. Consider the parallel situation in Afghanistan. I do not think there is a Member in this body who would stand up and say the Mujahadin who are taking on the whole totalitarian machinery of the imperialistic Soviet Union are thugs and thieves.

The anti-Sandinistas in Nicaragua are the very same types of people who are fighting in their own country as are fighting in Afghanistan. It does a great disservice to this body to employ derogatory language to describe their courageous efforts. I would be glad to yield to the gentleman from California to help explain Mr. DOWNEY's use of the English language.

Mr. RITTER. Mr. Chairman, I have the time.

Mr. KEMP. That is an outrage; words become meaningless unless we keep our language consistent with the truth and the merits of the case.

Mr. MILLER of California. Will the gentleman yield?

Mr. RITTER. I yield to my colleague from California.

Mr. MILLER of California. Mr. Chairman, I would assume that if we are helping the people in Afghanistan who are fighting the occupation of the Soviet Union and we are doing it in a covert fashion, that we are doing it in compliance with the law, that there must have been a finding of some type.

I do not know this to be the fact but I assume there is a finding and the Intelligence Committee reviewed it and they determined that it makes sense.

The CHAIRMAN. The time of the gentleman has expired.

(On request of Mr. MILLER of California and by unanimous consent, Mr. RITTER was allowed to proceed for 1 additional minute.)

Mr. RITTER. I yield to the gentleman.

Mr. MILLER of California. Mr. Chairman, we are doing that. That is how this operation started out. There was a determination and a finding. Now 18 months later what we have found out is that because of the imposition—let me just finish—because of the imposition of the Boland amendment this particular covert action, corresponding to the Intelligence Committee is now illegal.

That says nothing about any other covert action.

Mr. RITTER. If I might reclaim my time, I think the gentleman has made a good point. If I might reclaim my time and ask the gentleman from California before he leaves whether or not he would transfer that covert aid to the Miskitos, to the Epadayans (?), to Borge and Pastora, whether he would transfer that into a kitty called Overt Aid to aid the freedom fighters in Nicaragua?

Mr. MILLER of California. Your definition of freedom fighters and again the history of the Miskito Indians at the particular time where the base was

[CRS-146]

established in Honduras on the Miskitos in 1981, with American money which instigated the Miskito Indians and in fact started shutting off Miskito, so there is a difference.

The CHAIRMAN. The time of the gentleman has expired.

Mr. EDWARDS of Oklahoma. Mr. Chairman, I ask unanimous consent that the gentleman be permitted 1 additional minute.

The CHAIRMAN. Is there objection to the request of the gentleman from Oklahoma?

Mr. HARKIN. Reserving the right to object, Mr. Chairman, when I was in the well, I spoke for 7 minutes. I asked for 2 additional minutes. The gentleman in the well objected.

Therefore, Mr. Chairman, he has had 9 minutes. Mr. Chairman, I therefore object.

The CHAIRMAN. Objection is heard.

Mr OBERSTAR. Mr. Chairman, I move to strike the requisite number of words.

I thank the Chairman.

I think it is time to refocus this debate back to the original purpose of the covert aid program. The alleged purpose of the covert aid sought by the administration is to interdict the supposed arms flow from Nicaragua to El Salvador, in order to protect what is alleged to be a democracy, a so-called democratic Government in El Salvador.

There are perhaps a handful of democracies in Central America and South America. El Salvador is not among them. The colonels in El Salvador have no idea of what the word "democracy" means. I have been twice in that country. I have lived in the Caribbean for 3½ years, in Haiti, under a dictatorship.

□ 1820

I know what repression means in the daily lives of innocent and decent people.

In El Salvador the colonels have killed or jailed labor leaders. They have closed the national university, closed its medical school and jailed the intellectuals or put them to death. They have closed the two independent newspapers in that country. They jailed two American journalists while we were there just earlier this year. They killed four Dutch reporters. They smashed the radio transmitter of the Catholic Church in the city of San Salvador. They have persecuted charismatic Christian communities. They murdered Archbishop Romero and four American church women. They have massacred members of the El Salvadoran Indian population, working in a native Indian cooperative in Sonsonati Province. They have put land reform in the hands of the land-grabbing oligarchy. And they have dispossessed peasants off the land that is rightfully theirs. They have made a mockery of civil and criminal justice. And they have made homicide the leading cause of death in El Salvador.

That is not a concept of democracy, not one by which I swear.

If ever interdiction of arms flow were the goal of our covert operation, it is no longer. I would remind my colleagues that 30 years ago this year, 30 years ago this spring, Honduras was the launching pad for an invasion of Guatemala, of the reformist-minded

Arbenz government. Honduras is again the launching pad for invasion, only the target is different. This time the target is Nicaragua.

After 30 years of our reliance in Central and South America, essentially upon the CIA and other conspiratorial agencies for undercover activities against friendly governments with whom we have diplomatic relations, it is difficult to see what gains we have made in that region. If anything, on the balance sheet, we find peoples turned off and turned against the United States.

Let us not give a blank check—which this administration wants—with which to underwrite activities by the CIA or any other organization to subvert, to overthrow an established government by armed invasion.

Vote no on the Mica amendment.

Vote yes on the Boland amendment.

That is the way to bring peace in this region, end the covert action, and get us out of the business of subverting our Latin American nations.

Mr. EDWARDS of Oklahoma. Mr. Chairman, will the gentleman yield?

Mr. OBERSTAR. I yield to the gentleman from Oklahoma.

Mr. EDWARDS of Oklahoma. I thank the gentleman for yielding.

I just want to see if I understand thoroughly what the gentleman is saying.

Is the gentleman suggesting that the reason for the gentleman voting the way he is is that the gentleman does not want to have the supply of arms cut off from Nicaragua——

Mr. OBERSTAR. Make it very clear what I said that the stated purpose of the administration's policy is interdiction of arms flow. That is not the real purpose of the administration's policy, it is the invasion of Nicaragua. That is why the troops are massed. That is why this side of the aisle is fighting, clawing and scratching to pass this legislation. It is dead wrong.

I yield no further. I reclaim my time. I have made my point and the point is simply that the purpose of administration policy is no longer—if it ever was—interdiction of arms flow. It is the invasion of Nicaragua. That policy and that invasion must be stopped.

Mr. LIVINGSTON. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, in response to the last speaker I would simply point out that this whole discussion is intended to center around Nicaragua, not El Salvador. Having been an observer to the elections in El Salvador, I grant him that there have been excesses on behalf of the Army in that country. But despite those excesses there is a duly elected government in existence in El Salvador. Eighty percent of the people trooped out to the polls on that hot day to declare their distaste, distrust, lack of desire for the alternative offered by the guerrillas, supplied by the Nicaraguan-Soviet-Cuba-Eastern bloc coalition.

And I submit to the gentleman if there is a launching pad of any sort in Central America, that he need look no further then to Nicaragua which now has currently approximately 100,000 troops under arms compared to the some 15,000 troops which were under arms under the Somoza government, which was described in so elequent terms by the gentleman from Iowa (Mr. HARKIN).

Mr. Chairman, how many angels can dance on the head of a pin? What should be the size or the shape of the negotiating tables in Vietnam? And how many meaningless speeches and amendments should we address on H.R. 2760 to make it less unacceptable than it already is?

These are rhetorical questions that will go down in history as being interesting to think about, but totally worthless in substance. No one cares what the answers are to these questions; but if we care to indulge in matters of substance, then I suggest we direct our attention to other questions instead.

Where are those freedoms that were promised by the Sandinista government in Nicaragua only a few years ago, that Sandinista group of Eagle Scouts, which the gentleman from Iowa described?

Why is there no freedom of press in Nicaragua?

Why are they repressing the church?

How many Miskito Indians have been uprooted from their homes? Had their property pillaged? Their villages burned? How many have been forced into relocation camps or just plain killed?

Why have Nicaraguan Jews been forced to emigrate from their homeland? And their property confiscated?

Why are not Sandinista leaders content with improving the standard of living of their own people instead of fomenting revolution and spreading communism throughout Central America?

Why are 2,000 Cuban military advisers and 6,000 more Cubans in high executive offices in Nicaragua?

[CRS-147]

Why are PLO permeating Nicaragua's military as advisers and pilots?

Why are Libyans flying arms and ammunition to Nicaragua under the guise of medical supplies?

Why do the Sandinistas not grant free elections to their people as we have seen occur in El Salvador?

And why indeed has a motley group of 500 Nicaraguan nationals now grown to a ground swell of some 10,000 to 15,000 people, complained of by some people in this Chamber, a number admittedly getting larger every day? Why does it grow?

Why are such people prepared to gamble their lives and the lives of their families to rise up against the Sandinista regime?

And most importantly, why are a vast number of Members in this body turning their backs, covering their eyes and ears, and ignoring their cries and pleas for freedom in Central America?

Is it naiveté? Is it isolationism? Is it partisan politics? Or is it worse?

Yesterday, I read the comments of the leaders of the Sandinista movement. There can be no question about the motivation of those people. They are hellbent on the total subversion, conquest, and domination of all Central America, and ultimately North America, by the Communist movement. They are supplied by the Soviet, Eastern bloc, Cuban coalition, and their primary focus at this time is solidifying their hold in Nicaragua and eventually overthrowing El Salvador.

And then there is Honduras, and Costa Rica, Belize, Panama, Guatemala, Mexico, and so forth.

□ 1830

The CHAIRMAN. The time of the gentleman from Louisiana (Mr. LIVINGSTON) has expired.

(By unanimous consent, Mr. LIVINGSTON was allowed to proceed for 3 additional minutes.)

Mr. LIVINGSTON. Mr. Chairman, yet we continue to engage in rhetorical excesses which blind us to the truth and divert our attention away from what we really should be about.

Contrary to most of the speakers in this well, Mr. Chairman, I believe that we should be standing up to the Sandinistas, like the major power that we are, rather than imitating the three China monkeys, "Hear no evil, see no evil, speak no evil."

We should be standing strong and dealing firmly with any government or any individuals who are overtly or covertly supplying arms and munitions to Marxist-oriented insurgents who would topple governments of otherwise peaceful neighbors.

We should be assisting Nicaraguan nationals who want freedom for their country and who are trying to bring forth the pluralistic benefits of democracy promised, but not delivered, by the Sandinistas.

We should reject the entire context, intent and philosophy of H.R. 2760.

Some of my colleagues have been reluctant to say it, but I am not. A vote for this ill-advised and wrongful bill is a vote to pave the lanes of Central America for the Communist movement. If this bill is successful—and I suspect it will be—if it were passed and signed into law, this Congress will be writing off the futures of countless millions of Central American citizens, insuring economic chaos throughout the United States by inviting additional millions of Latin Americans to stampede into this country in flight from Communist oppressors, and threatening the very security of this Nation and all her citizens by giving the Soviets a launch pad from our own doorstep.

This bill would have us turn our backs on a few brave people who dare to stand up to the Soviet empire and thereby spare us from those disastrous consequences.

Is that what you want on your conscience? If not, I urge you to first support the Mica amendment, if necessary, but then vote against H.R. 2760, regardless of any amendments, no matter how benefcial they may be.

Mr. HARKIN. Mr. Chairman, will the gentleman yield?

Mr. LIVINGSTON. I yield to the gentleman from Iowa.

Mr. HARKIN. Mr. Chairman, I just wonder how the gentleman will explain this one small point, that in El Salvador, where they had this so-called election that the gentleman observed, in El Salvador today there is no opposition newspaper, but in Nicaragua there is still one newspaper operating, functioning, opposed to the Sandinista government. And in El Salvador there is no opposition press. How does the gentleman explain that?

Mr. LIVINGSTON. I would be delighted to tell the gentleman that there is plenty of opposition in El Salvador, and they are expressing themselves constantly up here and down there.

Mr. HARKIN. The gentleman discussed free press, and I am just telling the gentleman that in El Salvador there is no newspaper operating today that is opposed to the government.

Ms. OAKAR. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, I have been listening to the debate, and I know a lot of our Members are listening in their offices and watching, and I have heard all of these comments about the morality issue, that this was not a moral issue, that really we are going at halt progress if we do not support covert action. And I also heard some of my fellow Members impugn reputations by suggesting that those who do not agree with the administration somehow are members of the KGB, and so on. I also heard Members whom I consider very knowledgeable, like Congressman GARCIA, himself Hispanic, talk about the superficiality with which Americans act sometimes in areas of the world that they are not particularly as familiar about as they should be, and the loss of good will that we have in those areas of the world.

But somehow nothing was more poignant to me, in focusing in on this issue and how I would vote, than a phone call that I received last night from my nephew, Jeff, who is going to be 18 in about 2 months. Now, he is what I have always considered—and I have 23 nieces and nephews—of all of them he is kind of the all-American kid. He is a graduate of a very fine catholic boys high school and he loves sports and he is bright and he is good looking and he is proud to be American; to Members on the other side, he is not a Communist, his father served in the Korean war and his grandfather served in World War II, and he has always been raised to be very patriotic. And he called me last night and he said, "What's happening?" And I thought maybe he wanted to ask my advice about what college he should go to, or maybe he needed a few dollars to borrow. But my nephew wanted to know what is happening in terms of our Government's covert activities and how that would affect him. He wanted to know if it was really true that in an undercover way, without telling the American people, our Government indeed was financing more than 10,000 insurgents, and he wanted to know whether or not I felt the President was being totally forthright with the American people during his press conference. He wanted to know why we are sending thousands of combat troops to Honduras and why are we sending these carriers and are we indeed, as some journalists were suggesting in terms of the point of view of some Members of Congress, in terms of our covert action was our Government breaking its own law and was our Government breaking international law. Almost within hours this young boy had very serious adult considerations.

I think this young man put it right on the line. Are we breaking the law by our very, very secretive—or as the majority leader called it sneaky—activities in the area of Central America?

And do you know what? I heard one Member say our bombs and our bullets and our boys, will be ready, as they have been ready in the past, for war. And I say to you Members here, most of whom are over 40 and will not be drafted, will not be called upon to serve our country, that my nephew and the other young people in this country and those who will be called upon to serve, such as the ones BOB GARCIA described, he has a right to know, my nephew has a right to know whether our Government is breaking the law and why we are engaging in such secretive actions and whom we are really supporting and what the issue is.

[CRS-148]

Now, he cannot wait until 1984 because he is probably going to be among the group that is the first to be sent to Central America if there is a war. And before all this activity, his focus was on going to college and engaging in subjects like computer technology and perhaps less sophisticated issues. Now his focus is on whether or not he will go to war and why he does not know about our Government's covert activities.

Now, he has a right to know whether or not we are breaking the law, and that is what this bill is all about, whether or not we want to be forthright—yes, my friends, and moral—about our activities. I think we are going to be judged morally and historically by our actions.

The CHAIRMAN. The time of the gentlewoman from Ohio has expired.

(By unanimous consent, Ms. OAKAR was allowed to proceed for 1 additional minute.)

Ms. OAKAR. I say, with all of this pompous discussion about who is right and who is wrong, as if we could judge all individuals and put them in nice neat categories, when most of those people are interested in the same things we are interested in, survival and food on the table and education and health care, and work—all this superficial phony baloney talk about who is who, I say think of the young people and what we are getting them into. We are getting them and our country into a war, and it is wrong and shameful and outrageous, and I urge defeat of the Mica amendment because my nephew and other young people and indeed all Americans have a right to know for what our Government stands and in what covert activities our Government is engaged.

Mr. MARTIN of North Carolina. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I do not know that I have heard any more absurd contention than we have heard just recently which maintains that what we are doing is deciding to get the United States and our people into war.

Whether we provide covert aid to the Nicaraguan insurgents or overt aid to the Hondurans and Costa Ricans, to try to contain Communist expansion in that area, we are not talking in either case about committing our own forces to war there. In fact, it may well be that if we fail in striking the correct policy at this time, if we put such limits on aid, if we so constrain it that it cannot succeed, that will pose the greatest risk leading out of desperation, to later on having to face that kind of choice.

☐ 1840

Earlier, one of our most respected Members, himself with a proud Hispanic ancestry and surname, the gentleman from New York, said to us, "Central America belongs to Central

Americans." Exactly so. It does not belong to us. But neither does it belong to Cuba and the Soviet Union. It is not ours to lose. Indeed not.

We have heard that over and over. It is not ours to lose; but neither is it theirs to take.

Our purpose is to find some way to help Central Americans to solve their own problems without being overpowered by outside-directed Communist aggression. That is the nub of it; to help them to solve those problems and to resist that effort, not to send the nephew of the gentlewoman from Ohio.

The reason we have to help—the reason we have to help—is because there is no one else who can provide the resources to counter the Cubans and the Soviets and the Nicaraguans from spreading their venom, their revolution without borders, in this hemisphere.

This so-called covert aid program is covert only in the sense that it is not announced in advance; it is always suddenly announced by leaks after the fact. It is working partially, at least, because it forces the Nicaraguan surrogates of the Soviet Union to devote much of their resources against the insurgency in their own country.

Miguel Bolaños, a Sandinista intelligence official who defected just recently, in May, told me 2 days ago that the Contras, that is, the Nicaraguans who are against the Sandinista government, have reduced covert Nicaraguan access across the Honduran borders. That is what we were seeking to do under the terms worked out with the Intelligence Committee, and those who believe that what has been going on amounts to something which has been proven illegal ought to go back to the debates we have had here in open session involving the gentleman from Florida (Mr. YOUNG).

Miguel Bolaños said that we have reduced their access, their control, of the Honduran borders. Now, many ask why cannot our aid be overt? Despite what they are doing covertly, why, they ask, cannot our aid be overt? Well, it could be overt or it could be covert, but the real test is whether it can be adequate to do the job.

In the first place, the bill, in its present and original form as well, bars all aid to the Nicaraguan rebels. It bars covert aid; it bars overt aid to the Nicaraguan rebels, the Contras, the only people who are willing to take on the massive Soviet arms that dominate their country. They would be abandoned by this bill. The bill in its present form would abandon them. Only other governments like Honduras and Costa Rica would be eligible, yet they may not be able, they may not be willing, they may not be a match for taking sole responsibility for containing the export of this revolution without borders.

What will they say in Honduras and Costa Rica when they are asked to take on the much greater power of Nicaragua all alone, with only the $50 million a year, plus $30 million in the first half of the year that this bill allows them, to counter the $500 million in Soviet weapons? That is the minimum estimate.

The CHAIRMAN. The time of the gentleman from North Carolina (Mr. MARTIN) has expired.

(By unanimous consent, Mr. MARTIN of North Carolina was allowed to proceed for 2 additional minutes.)

Mr. MARTIN of North Carolina. $500 million is the estimate of Miguel Bolaños, defector from the Nicaraguan Sandinista Security Agency. That is what he says is the minimum of his estimate of what the Soviets have sent in to Nicaragua. He ought to know.

What will Honduras say to us when they are handed responsibility, that we do not want, to challenge all that violence alone? They may not want to carry that responsibility. They are brave people, but if they see that we lack courage, they, too, will lack a feeling of responsibility for El Salvador, even though they know they will be next. They should not be given that burden alone.

Finally, the Nicaraguans and the Cubans, as detailed in the report of the House Intelligence Committee, have exported their Communist revolution into El Salvador, giving extensive support to the Salvadoran guerrillas. Yet this bill tells us no one should be enabled to reply in kind.

Honduras would not be allowed by this bill to move into Nicaragua. It provides that only Communist guerrillas should be armed in this world. But why should only Communist rebels be entitled to covert support? Why must only Communist rebels be guaranteed sanctuary? Why must we enforce the Brezhnev doctrine of one-way subversion? Yet that is what this bill does, and it ought to be defeated.

If you really want to avoid sending our forces and our young people from Ohio, and Pennsylvania, and North Carolina, to wage war, then you should support the Broomfield-Mica amendment to insure that we will stop arming insurgents against Nicaragua just as soon as Nicaragua leaves its neighbors alone. When they leave El Salvador to El Salvadorans, when Nicaragua leaves Honduras to Hondurans, when Nicaragua leaves Guatemala to Guatemalans, when Nicaragua leaves Costa Rica to Costa Ricans, when Nicaragua leaves Panama to Panamanians, when Nicaragua leaves Central America of the other countries to Central Americans in the other countries, then we can reply in kind. Until they do, then we must reply, again, in kind.

Mr. NELSON of Florida. Mr. Chairman, I move to strike the requisite number of words.

[CRS-149]

Mr. Chairman, I appreciate the quality of this debate, and I appreciate the opportunity to engage in it. I must say that I think there are merits to the arguments from both sides as expressed here, but I would like to share with you why I support the Mica amendment.

Seven weeks ago, while in Managua, Nicaragua, the delegation that I headed received a number of signals that the Sandinistas wanted to talk, talk about a regional peace plan. In the morning, a Comandante Torres went to elaborate lengths to explain to us why Nicaragua considered it an offense that counterrevolutionaries were engaged in activities throughout the country. He pointed out certain activities near the Honduran border. He brushed over the fact that Comandante Zero, Eden Pastora, was leading a guerrilla band to the south near the Costa Rican border. And he did not mention the Miskito Indians and their revolt against the Sandinistas.

The long and short of it is that they were recognizing that heat is being applied to the Nicaraguan Sandinista government. Now, I simply support the Mica amendment for this reason: that the timing is absolutely wrong to cut off the covert aid at this point if, as there obviously has been, some fruit born as a result of the heat that has been applied. Just within the past week we have heard the public announcement of the Sandinista change in policy—calling for talks about regional peace.

Comments that have been made here about the sins of the past. It is true, we need a more enlightened foreign policy so that we do not cozy to regimes the likes of Somoza.

Mr. FOWLER. Mr. Chairman, will the gentleman yield?

Mr. NELSON of Florida. Sir, I have been waiting for 3 hours to speak, and I must continue my statement since I have only 5 minutes allotted. Then, if I have time, I will be glad to yield to the gentleman.

Mr. Chairman, it is true that we have sins of the past, but I cannot do anything about that. The issue here before us is the question of whether or not we are going to cut off the covert aid at this time. And my conclusion simply is that the timing is wrong.

□ 1850

We may want to cut covert aid in the future, but the timing is wrong right now particularly since we see some progress of movement toward the table to talk peace.

Now I will yield to the gentleman from Georgia.

Mr. FOWLER. Mr. Chairman, I thank the gentleman for yielding. I appreciate the frustration of the long day which we all share.

I do want to say to the gentleman that, as he knows, the administration has been demanding, I think I use the correct word, that the Nicaraguan Government accept multilateral negotiations on our conflict in Nicaragua.

As the gentleman said last week, after 2 years of demands and 2 years of considerable pressure by the United States, which we have supported, they accepted and agreed upon multilateral negotiations.

Now, the problem was that we rejected it. Why have we rejected it? That is why we are here today. If they would accept that which they have agreed to accept, we might not be here today, but our country after demanding it and bringing this pressure now refuses to talk.

Mr. NELSON of Florida. The gentleman makes his point and let me respond.

Mr. FOWLER. Yes. I just say, that is why we are offering the amendments that we are offering to the Mica amendment.

Mr. NELSON of Florida. Mr. Chairman, let me share with the gentleman, there is a lot that this administration has done with which I do not agree in handling Central American policy. But that is not the issue before us tonight. The question before us tonight is whether or not we do something that would hinder the progress toward regional peace talks.

There is an issue raised by the gentleman from Massachusetts, the distinguished chairman of the committee, that he feels the committee has been misled by the CIA.

The CHAIRMAN. The time of the gentleman from Florida has expired.

(By unanimous consent, Mr. Nelson of Florida was allowed to proceed for 1 additional minute.)

Mr. NELSON of Florida. Mr. Chairman, I would feel very upset, as the gentleman from Massachusetts and his committee members must feel, that they have been misled; but that is not the main issue before us tonight.

Mr. FOWLER. We agree with that.

Mr. NELSON of Florida. The issue is, can we continue the progress to the peace table. I support the Mica amendment because I think it would be counterproductive for us to cut that aid. It would give all the wrong signals about the necessity of the Sandinistas moving to the peace table.

Mr. MICA. Mr. Chairman, will the gentleman yield?

Mr. NELSON of Florida. I will yield to the gentleman from Florida and then to the gentleman from New York.

Mr. MICA. Mr. Chairman, I would just like to take a moment and thank the gentleman for raising a very critical issue, that of timing.

I might say that if our colleagues had been following the issue, just last week, as the gentleman indicated, a six-point plan has been put forth by the Sandinista regime. The heat, the pressure being applied, is working, and this would probably be the worst time to make the change.

The CHAIRMAN. The time of the gentleman from Florida has again expired.

(At the request of Mr. Kemp, and by unanimous consent, Mr. Nelson of Florida was allowed to proceed for 1 additional minute.)

Mr. KEMP. Mr. Chairman, will the gentleman yield?

Mr. NELSON of Florida. I yield to the gentleman from New York.

Mr. KEMP. Mr. Chairman, I just wanted to say that I want to congratulate the gentleman from Florida for his statement and particularly for bringing a very thoughtful measure of objectivity and bipartisanship to this debate: that the timing could not be worse. The progress that has been made in terms of eliciting that six-point plan would be vitiated by us unilaterally removing an advantage that should figure into the process of negotiation.

To impart, the gentleman from Florida has made an extremely important point in that not only would the timing be bad, but to terminate our assistance would be a very bad signal to send to those with whom we would negotiate, should we preemptionally concede a major advantage as potential negotiations near, it might very well allow for talks to take place that would go on and on, indefinitely, and probably, as I said earlier, foreclose a resolution of this very serious conflict. So thanks to the gentleman from Florida for bringing a note of bipartisanship and reason to this debate.

AMENDMENT OFFERED BY MR. WRIGHT TO THE AMENDMENT OFFERED BY MR. MICA, AS AMENDED, AS A SUBSTITUTE FOR THE AMENDMENT OFFERED BY MR. YOUNG OF FLORIDA, AS AMENDED

Mr. WRIGHT. Mr. Chairman, I offer an amendment to the amendment, as amended, offered as a substitute for the amendment, as amended.

The Clerk read as follows:

Amendment offered by Mr. Wright to the amendment offered by Mr. Mica, as amended, as a substitute for the amendment offered by Mr. Young of Florida, as amended: At the end of the Mica substitute, as amended, insert the following:

Page 5, after line 10, insert the following new section:

Sec. 2. (a) The Congress finds that—

(1) the Government of National Reconstruction of Nicaragua has failed to keep solemn promises, made to the Organization of American States in July 1979, to establish full respect for human rights and political liberties, hold early elections, preserve a private sector, permit political pluralism, and pursue a foreign policy of non-aggression and non-intervention;

(2) by providing military support (including arms, training, and logistical, command and control, and communications facilities) to groups seeking to overthrow the Government of El Salvador and other Central American governments, the Government of National Reconstruction of Nicaragua has violated article 18 of the Charter of the Organization of American States which declares that no state has the right to intervene, directly or indirectly, for any reason whatsoever, in the internal or external affairs of any other state;

[CRS-150]

(3) the Government of Nicaragua should be held accountable before the Organization of American States for activities violative of promises made to the Organization and for violations of the Charter of that Organization; and

(4) working through the Organization of American States is the proper and the most effective means of dealing with threats to the peace in Central America, of providing for common action in the event of aggression, and of providing the mechanisms for peaceful resolution of disputes among the countries of Central America.

(b) The President shall seek a prompt reconvening of the Seventeenth Meeting of Consultation of Ministers of Foreign Affairs of the Organization of American States for the purpose of reevaluating the compliance by the Government of National Reconstruction of Nicaragua—

(1) with the commitments made by the leaders of that Government in July 1979 to the Organization of American States; and

(2) with the Charter of the Organization of American States.

(c) The President shall vigorously seek prompt actions by the Organization of American States that would provide for a full range of effective measures by the member states to bring about compliance by the Government of National Reconstruction of Nicaragua with those obligations, including verifiable agreements to halt the transfer of military equipment and to cease furnishing of military support facilities to groups seeking the violent overthrow of governments of countries in Central America.

(d) The President shall use all diplomatic means at his disposal to encourage the Organization of American States to seek resolution of the conflicts in Central America based on the provisions of the Final Act of the San Jose Conference of October 1982, especially principles (d), (e), and (g), relating to non-intervention in the internal affairs of other countries, denying support for terrorist and subversive elements in other states, and international supervision of fully verifiable arrangements.

(e) The United States shall support measures at the Organization of American States, as well as efforts of the Contadora Group, which seek to end support for terrorist, subversive, or other activities aimed at the violent overthrow of the governments of countries in Central America. Funds authorized to be appropriated by this Act may be used to provide United States support for activities with respect to Nicaragua which are designed to end the conflict in the region and which are approved by the Organization of American States, including international surveillance and supervision activities, peacekeeping forces, border patrols, and election supervisors.

(f) Not later than March 15, 1984, the President shall report to the Congress on the results of his efforts pursuant to this Act to achieve peace in Central America and to end the flow of arms to Central America. Such report may include such recommendations as the President may consider appropriate for further United States actions to achieve these objectives, including requests for the authorization and appropriation of additional funds to carry out the purposes of this Act.

Mr. WRIGHT (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

Mr. MICA. Reserving the right to object, Mr. Chairman, I would like to ask the majority leader if this amendment is an addition to the Mica amendment?

Mr. WRIGHT. Mr. Chairman, if the gentleman will yield, it is an addition to the Mica amendment, as amended by the Boland amendment, and it would simply add additional language thereto.

Mr. MICA. To the original Mica amendment?

Mr. WRIGHT. To the Mica substitute, that is correct. It does not have anything to do with the pending Broomfield amendment.

Mr. MICA. Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas that the amendment be considered as read and printed in the RECORD?

Mr. BROOMFIELD. Reserving the right to object, Mr. Chairman, I wonder if I could ask a question of the majority leader.

Mr. WRIGHT. By all means.

Mr. BROOMFIELD. I would like to ask if by unanimous consent we could incorporate this amendment—as I understand, this is the original Wright amendment that the gentleman wanted to sponsor, anyway, to the Mica amendment why we cannot put it on the pending one that I have offered.

Mr. WRIGHT. Well, the gentleman can be free to do that at his own option, but I am offering it at this point, because if I understand the parliamentary situation, I am privileged only at this point to offer an amendment to the Mica substitute, as amended by the Boland amendment.

The other pending amendment and the amendment pending thereto are not available for further amendment, and therefore I could not offer it at this time.

Mr. BROOMFIELD. My question was, by unanimous consent could the gentleman do it and would the gentleman do it?

Mr. WRIGHT. Well, I, of course, have no objection whatever to its being offered at any point, but I would like to have it considered as read, so that I could explain it, and then after I have explained the amendment, if the gentleman wants to ask unanimous consent, I would have no objection to that.

Mr. BROOMFIELD. Well, we accept it.

I ask unanimous consent, Mr. Chairman, that the Wright amendment be put on the Broomfield-Mica amendment at this time.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

Mr. MILLER of California. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

Is there objection to the request of the gentleman from Texas (Mr. WRIGHT) that the amendment be considered as read and printed in the RECORD?

There was no objection.

The gentleman from Texas (Mr. WRIGHT) is recognized.

Mr. WRIGHT. Mr. Chairman, I want to make it clear that I do not have any objection to its being added at any point, because I think it is really what we need to be doing.

Let me explain what this does. This amendment makes a formal finding of the Congress to precisely the effect that many Members on both sides have been discussing all evening, and that is that the Nicaraguan Government under the present Sandinista rule has grossly violated the charter of the Organization of American States and have violated its formal commitments to the Organization of American States made in 1979.

It further calls on the President to use all of his diplomatic offices in an effort to prevail upon the Organization of American States to reconvene the foreign ministers of that organization for the purpose of assuming a position of reexamining and monitoring the compliance by or noncompliance by the Government of Nicaragua with its solemn pledge to the Organization of American States on the basis of which that organization took formal action in 1979 to withdraw its recognition from the Somoza government and instead to confer legitimacy upon this junta.

□ 1900

It seems that the Organization of American States is the very entity which has the initial responsibility to command compliance with those promises.

What were those promises? They were the very same that were made to some of us, including the gentleman from North Carolina (Mr. NEAL) who is sitting here in front of me, and the gentleman from Arkansas (Mr. ALEXANDER), and the gentleman from Texas (Mr. HANCE), and certain others.

We asked them, can we tell our colleagues in the Congress that you will assiduously observe the political rights, free speech, free press, free assembly? Yes, they said, you may.

They have not done that.

We said can we tell our colleagues in the Congress that you will observe a pluralistic political system in which you honor the rights of other political parties to participate. They said yes, you may.

They have not done that.

And we asked if they would observe the rights of private property, refusing to confiscate such property except by due process of law, and they said, yes, you may, indeed.

We asked if we might report that they would have early, free elections to ratify by the vote of the people the government by which they would be governed. They said yes, we intend to do that very soon.

[CRS-151]

They have not really obeyed the spirit or, I am convinced, the letter of those commitments.

In addition to that, they have violated article 18 of the Organization of American States Charter.

The truth of it is I am afraid we too are in violation.

When we do come to the Organization of American States and ask them to command compliance, if we still are involved in financing an invasion of another country, then the Sandinistas and Nicaraguans will say, we will talk to you about compliance when first you make the Yankee behemoth comply.

We can quarrel about whether or not this invasion is having a benign effect. I do not know whether it is or not. Those who talk with me from friendly countries in Latin America tell me that they believe the inclination recently exhibited on the part of the Sandinistas to sit down and engage in some form of dialog toward negotiations has been brought about more by the pressures of disapproval on the part of their fellow Latin American countries than by intimidation from the United States.

I do not know whether that is true or not.

I do know, however, that people like Arturo Cruz and Alfonso Robelo, who were two of the initial members of the junta, after this pluralistic group from private as well as public and church organizations has gathered and overthrown the Somoza regime, these people believe in democracy. Arturo Cruz and Alfonso Robelo, who were thrown out of the junta because they did not embrace the Marxist views of those who now control the governing junta of Nicaragua, those people have come to us and suggested this very thing. They have said that the Organization of American States is the entity.

The CHAIRMAN. The time of the gentleman from Texas (Mr. WRIGHT) has expired.

(By unanimous consent Mr. WRIGHT was allowed to proceed for 5 additional minutes.)

Mr. WRIGHT. These people who were freedom fighters, and who feel that the goals of the revolution have been crassly betrayed by the Sandinista Marxists, suggest that the Organization of American States is the proper custodian of the liberties of the hemisphere.

We require in this amendment that the President shall vigorously seek prompt action by the Organization of American States that would provide for a full range of effective measures by the member states to bring about compliance of Nicaragua with those obligations, including verifiable agreements to halt the transfer of military equipment and to cease furnishing of military support facilities to groups seeking the violent overthrow of governments of countries in Central America.

The question is this: Do we go it alone? Do we postulate ourselves as a sort of hemispheric Lone Ranger riding throughout the hemisphere shooting silver bullets at people who misbehave from our point of view, or do we call upon that organization which has been created for that express purpose to exercise its authority, as it did in the case of the Dominican Republic in 1965, if my memory serves right?

I believe we should do the latter. Our friends in the hemisphere believe we should do the latter, that we should not attempt to be the exclusive custodian of right and peace but, rather, that we should call upon all of the hemisphere, the free, democratic governments in the hemisphere, represented in the Organization of American States, to apply the moral sanction which I believe will be far more embarrassing to the rulers of Nicaragua than we are intimidating to them.

There was a statesman in Brazil whose name I cannot recall, but may be able to find and supply for the record, a democratic statesman who a few years ago said, "God bless the Communists. Let us keep them well, for without them we would never get any attention from the United States."

Unfortunately, that is the view of many in Central and South America, that we rush down to put out fires, and then once the fire is out, retire to look upon them in benign neglect until another fire erupts.

They are desperately afraid that in this vigilantism by which we have recruited and trained and armed and sent into Nicaragua from outside, an invading force, we are courting an explosion which will send shock waves all the way from the Rio Grande to the Andres in the South.

That is their apprehension.

I would recite to you only one other authority, one other person who believes that this is the place in which to repose the sanctions that ought to be imposed, and that is President Ronald Reagan in his letter to the four Presidents of the Contadora nations.

This statement is contained in the letter written by President Reagan, and I am quoting:

> I believe the OAS, as the hemisphere's regional forum, is the appropriate mechanism to insure that those who make commitments comply with them.

This is precisely what we would do by the adoption of this amendment. We would place it in the forum that has been established, in a democratic way, and in which all the member governments of the hemisphere participate freely and openly.

We would call upon the other freedom loving people in this hemisphere to join in a concerted effort, a multinational effort to require compliance on the part of Nicaragua or any other vagabond adventurer who would enter into war on others soil.

But in order to do that it seems to me that we really must come into that court with clean hands, having expunged ourselves of that which the Organization of American States would rightly regard as a violation on our behalf of its charter.

Mr. EDWARDS of Oklahoma. Will the gentleman yield?

Mr. WRIGHT. I yield to the gentleman from Oklahoma.

Mr. EDWARDS of Oklahoma. I just want to ask the gentleman a question. I commend him on a very good statement and a very good amendment.

I wanted to ask the gentleman whether in the case of the Broomfield-Mica amendment prevailing the gentleman from Texas would support having the same language then added to that amendment.

Mr. WRIGHT. I would have no objection to that. I have no objection to that at all.

I really prefer, I must say in all candor——

The CHAIRMAN. The time of the gentleman from Texas (Mr. WRIGHT) has again expired.

(On request of Mr. HUCKABY and by unanimous consent, Mr. WRIGHT was allowed to proceed for 2 additional minutes.)

Mr. WRIGHT. Permit me to continue to respond to the gentleman from Oklahoma.

I must say in all honesty I really would prefer to have this kind of an approach in lieu of the so-called covert action by which the U.S. Government somewhat unilaterally has been financing the military, paramilitary activities in Nicaragua.

□ 1910

Mr. EDWARDS of Oklahoma. I just want to say so that it is very clear that the purpose is to make these statements about Nicaragua and not merely to enhance the other version of the legislation that is before us, to remove that political connotation from it, that is why I asked the gentleman if he indeed would support putting the same language into Broomfield-Mica.

Mr. WRIGHT. I would support this language as a helpful addition to any of the alternatives before us this evening. But again, I must say my preference is to have it added to Mica as amended by Boland in order that we would shut off the covert aid and this would supplant and substitute for it.

Mr. HUCKABY. Mr. Chairman, will the gentleman yield?

Mr. WRIGHT. I yield to the gentleman from Louisiana.

Mr. HUCKABY. The intent of a statement that says:

> Seek to end support for terrorist, subversive, or other activities aimed at the violent overthrow of the governments of countries in Central America.

[CRS-152]

Does that mean that the United States can no longer support the rebels in Nicaragua?

(By unanimous consent, Mr. WRIGHT was allowed to proceed for 2 additional minutes.)

Mr. WRIGHT. This language in and of itself does not preclude that. However, if it is read in context with the original Boland-Zablocki bill to which it would be amendatory, then that Boland-Zablocki bill does shut off such covert aid.

And even in the amendment to which it would be amendatory, that is to say the Mica amendment as now amended by the Boland amendment, covert aid would be shut off for a period of time and it could be resumed under that language.

This does not affect that one way or the other, except that this language seeks to slant such unilateral action on the part of the United States by a multinational action and it says that funds authorized to be appropriated by this act may be used to provide U.S. support for activities with respect to Nicaragua which are designed to end the conflict in the region and which are approved by the Organization of American States, including international surveillance and supervision activities, peacekeeping forces, border patrols and election supervisors. In the case that we obtain agreement which I should hope that we would achieve, to have all parties participate in free elections in El Salvador, and let us hope some day soon in Nicaragua, if the OAS were to sponsor some form of supervision of those elections to guarantee all sides that they are fair and they are free and that everybody is given an opportunity to participate in safety, then we would participate in those supervisory forces if asked to do so by the Organization of American States.

Mr. MICA. Mr. Chairman, will the gentleman yield?

Mr. WRIGHT. I would be glad to yield to my friend, the gentleman from Florida (Mr. MICA).

Mr. MICA. I would just like to say as the author of the original unamended Mica amendment I appreciate your offer if that amendment passes this House to attach that amendment to it, I think it would immensely strengthen my legislation and I say not only do I appreciate the offer but I would insist that the right language be part of the unamended Mica provision if it passes the House.

Mr. CHAIRMAN. The time of the gentleman has expired.

(On request of Mr. ROEMER and by unanimous consent, Mr. WRIGHT was allowed to proceed for 2 additional minutes.)

Mr. ROEMER. Will the gentleman yield for a brief question?

Mr. WRIGHT. Yes, I gladly yield.

Mr. ROEMER. I thank the majority leader for yielding.

In reading his amendment earlier today and again the last few minutes, at the heart of it seems to be whether we are talking covert or overt aid.

The removal of the United States from unilateral action, substituting in its place the language in paragraph G which says that:

> Funds authorized to be appropriated by this act may be used to provide U.S. support for activities with respect to Nicaragua which are designed to end the conflict in the region and which are approved by the Organization of American States.

Does the majority leader feel that in any way compromises or enhances the foreign policy position of the United States in regard to Central America?

Mr. WRIGHT. I think it enhances that position. It does not diminish nor in any other way limit any authority or power we would possess other than this. It simply gives us an additional direction and an additional layer of strength, it would seem to me, if indeed we can work harmoniously hand in glove with the other democracies in the hemisphere, all jointly seeking to achieve this same objective of peace and free elections and governments that will respect the borders of other nations so that there need not be a continual conflagration throughout Latin America.

Mr. ROEMER. If you will yield for one final question, I do not think it does affect, but confirm that feeling on my part, it does not affect, it seems to me, anything we do with El Salvador.

Mr. WRIGHT. Absolutely not.

Mr. ROEMER. It relates specifically to Nicaragua?

Mr. WRIGHT. Absolutely not. Nothing in this language would diminish in any respect our rights to continue to assist the Government of El Salvador to defend itself against external and internal foes that are supported by external people and to provide for that embryonic democracy an opportunity to attain stability and give those people, who have been so long denied, the opportunities of freedom, the privileges of a free nation. It does not in any way diminish that. I support what we are doing in El Salvador and would not participate in stopping it.

Mr. COLEMAN of Missouri. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would like to say a few words about the plight of Nicaraguan Jews.

The fact of the matter is there are few, if any, Nicaraguan Jews left in their country because of the harassment by the Sandinistas in that country.

The main reason why most of the Nicaraguan Jews have left their homeland was the discriminatory manner in which the revolutionary government treated them. Their properties were the first to be confiscated. Jews who owned factories and stores were summarily ejected from their homes and places of business, their properties were turned over to workers. Many accusations were made against them without proof and often their individual safety was threatened.

In September 1978, the doors of the synagogue were torched by Sandinista supporters while the congregation was actually inside the synagogue worshiping.

Now the synagogue is a Sandinista building with propaganda posters covering the religious symbols at the front entrance and anti-Zionist posters are on the walls. This is the Government of Nicaragua that I am talking about, the Sandinista government.

The Government of Nicaragua refused to respond to actions taken by Nicaraguan Jews within the Nicaraguan legal system seeking to recover their properties.

More than 2 years ago, the Government of Nicaragua was asked by the Anti-Defamation League of B'nai B'rith to explain the status of the synagogue in Managua, list conditions under which Nicaraguan Jews could return to their country, and review the status of claims against the Government filed by Nicaraguan Jews.

The Nicaraguan Government—the Sandinista Government—despite promises to the contrary, has not responded to the Anti-Defamation League.

Last week, Mr. Isaac Stavisky, a member of the Nicaraguan Jewish community now forced into exile in the United States, speaking on behalf of that community, asserted that the Nicaraguan Jews had no anti-Semitic problems until the Sandinistas started their revolution.

He said that a favorite tactic was to anonymously telephone Jewish homes with warnings that, "We are going to get you Jews."

The clandestine Sandinista radio announced that the Honorary Counsel of Israel would be executed forcing him to flee 1 year before the Sandinistas came to power.

The clearest message of Sandinista intentions against the Jewish community, Mr. Stavisky says, was the arson attack on the synagogue in 1978.

I would like to quote this leader of exiled Nicaraguan Jews, verbatim, and I quote:

> This was an especially traumatic experience for members of the Jewish community who were survivors because it evoked terrible memories they thought they had put behind them when they fled from Nazi terror and found refuge in Nicaragua.

I further would like to quote Mr. Isaac Stavisky, the exiled Jewish leader in the United States:

> The Sandinistas threatened to take our property and they did. They threatened our lives and for that reason we left our country. We want to return to Nicaragua and live with our fellow countrymen under a democratic government which respects human rights. We hope that we will be able to do that soon.

[CRS-153]

☐ 1920

And his closing two sentences add impact to his statement.

> Permit me a final word of warning to Jews and other people of Central America. Beware of the Sandinista threat.

Mr. Chairman, I am not sure that we are aware of the Sandinista threat, but the words of this exiled member of the Jewish community ought to ring in our ears as we are called upon to vote in the next hour and a half, and that is why the only way to vote is to vote for the Broomfield-Mica amendment.

Mr. OBEY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I take this time not to debate the substance of the issue except in passing, but I do want to take just a moment to address the quality and character of some of the debate of the last 2 hours.

I regret that I do not see—I am sorry, he is here. I am glad he is here.

I just want to say that I think a number of speeches earlier this evening, particularly those by the gentleman from Pennsylvania (Mr.

WALKER), the gentleman from Florida (Mr. YOUNG), and to a lesser extent several other speeches, have bordered on the outrageous, not in terms of their content, but because they have at least indirectly called into question, in my judgment, the motives and the patriotism of a number of Members of this House.

Mr. YOUNG of Florida. Would the gentleman be willing to yield and suggest exactly what words of the gentleman from Florida he is concerned about. Who questioned any motives?

Mr. OBEY. Just let me finish my statement, then I will. That is what I am about say. That is why I asked the gentleman from Pennsylvania to come to the floor so that I would not say it without his being here.

What I find outrageous in the remarks of the gentleman from Pennsylvania—and perhaps he did not mean it, if he did not, I am happy about that—but I do find outrageous even the suggestion that perhaps the reason some Members of this House are opposed to the covert activities and want to see them cutoff is precisely because they appear to be working.

I do not know if I am quoting directly, but I am certainly characterizing or paraphrasing——

Mr. YOUNG of Florida. I think it is important that the gentleman quote directly.

Mr. OBEY. I do not have a text of the gentleman's remarks, so it is impossible for me to do. I will stand by what is in the RECORD.

Mr. WALKER. Will the gentleman yield to me, because I do remember what I said.

Mr. OBEY. Not until I finish my statement, Mr. Chairman.

I sat for 3 hours listening to everybody talk here. I want my 5 minutes and I will be happy to answer any questions after that.

My objection to Mr. YOUNG's speech is that after Mr. FOWLER observed that a number of our allies were begging us to stop this covert operaton that Mr. YOUNG indicated in his later remarks that that was fine but that our first allegiance was to our own Government.

Mr. YOUNG of Florida. If the gentleman will yield, I plead guilty to that.

Mr. OBEY. Well, let me finish.

Mr. Chairman, I would appreciate not being interrupted. I did not yield.

The CHAIRMAN. The gentleman refuses to yield. The gentleman from Wisconsin has the floor. The gentleman refuses to yield.

The gentleman is recognized.

Mr. OBEY. To imply, Mr. Chairman, that listening to the advice of close allies is something akin to substituting primary allegiance to another country for allegiance to your own is, I think, a little bit out of line on this House floor.

The question that opponents of the covert operation are trying to address is this: It is not a question of whether we ought to fight the Marxists. It is a question of how. It is a question of whether we fight them dumb, or whether we fight them smart.

I personally do not know—and that does not mean that people have to agreed with me—but I personally do not know how anyone who sat through the closed session last week and heard Mr. HAMILTON review the combined intelligence estimates of this administration, not of anybody else, but of this administration, I do not know how anybody who listened to that speech can say that this covert operation does serve our national interests. But there can be honest debate about that and honest disagreement about that.

We happen to think that this policy makes it easier for Marxists to make us the issue, rather than to make their conduct the issue in Central America.

We question whether we and our allies—following this policy—can win.

The question is not whether we like or dislike the Sandinistas. The question is how best we can contain their influence throughout Central America.

And as I say, we ought to be able to have honest disagreement without having implications, intentional or otherwise, that somehow if you do not support this specific policy, that somehow your patriotism is defective and somehow—at least some Members of the House might be a little glad if they can stop a policy which some people seem to think is working to contain the Sandinista influence.

I have been frankly disturbed on the floor, very disturbed.

The CHAIRMAN. The time of the gentleman from Wisconsin (Mr. OBEY) has expired.

(At the request of Mr. WALKER and by unanimous consent, Mr. OBEY was allowed to proceed for 2 additional minutes.)

Mr. OBEY. I am concerned, as I said, about the statements that I have heard on the floor today, because I believe that what they have a tendency to do, even though that may not be the intention, I think they have the tendency to try to assassinate the character of the person making the statement rather than to effectively assassinate the argument.

Mr. YOUNG of Florida. Mr. Chairman, I demand that the gentleman's words be taken down.

☐ 1930

The CHAIRMAN. Words will be taken down.

PARLIAMENTARY INQUIRY

Mr. MICHEL. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. MICHEL. Mr. Chairman, why could we not have the words read back promptly?

The CHAIRMAN. That action is taking place at this time.

Mr. MICHEL. Excuse me?

The CHAIRMAN. They are being taken down, the words are.

Mr. MICHEL. Mr. Chairman, are we not taking down the proceedings of the House verbatim?

The CHAIRMAN. As soon as the words can be transcribed, as the gentleman knows, the Speaker will then pass upon the words that are being taken down.

The Clerk will report the words.

The Clerk read as follows:

> I am concerned, as I said, about the statements that I have heard on the floor today, because I believe that what they have a tendency to do, even though that may not be the intention, I think they have the tendency to try to assassinate the character of the person making the statement rather than to effectively assassinate the argument.

The CHAIRMAN. The Committee will rise.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. NATCHER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 2760) to amend the Intelligence Authorization Act for fiscal year 1983 to prohibit U.S. support for military or paramilitary operations in Nicaragua and to authorize assistance, to be openly provided to governments of countries in Central America, to interdict the supply of military equipment from Nicaragua and Cuba to individuals, groups, organizations, or movements seeking to overthrow governments of countries in Central America, certain words used in debate were objected to and on request were taken down and read at the Clerk's desk, and he herewith reported the same to the House.

The SPEAKER. The Chairman of the Committee of the Whole House on the State of the Union reports that during the consideration of the bill,

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H.R. 2760, certain words used in the debate were objected to and on request were taken down and read at the Clerk's desk and does now report the words objected to in the House.

The Clerk will report the words objected to in the Committee of the Whole House on the State of the Union.

The Clerk read as follows:

> I am concerned, as I said, about the statements that I have heard on the floor today, because I believe that what they have a tendency to do, even though that may not be the intention, I think they have the tendency to try to assassinate the character of the person making the statement rather

than to effectively assassinate the argument.

The SPEAKER. The words having been read, and the gentleman from Wisconsin having very definitely included in his statement a disclaimer that he does not impugn the motives or intentions of any Member of the House, in the opinion of the Chair, in his legislative argument the words of the gentleman from Wisconsin are not unparliamentary and the gentleman may proceed.

The Committee will resume its sitting.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 2760, with Mr. NATCHER in the chair.

The CHAIRMAN. The gentleman from Wisconsin (Mr. OBEY) has 1½ minutes remaining.

Mr. WALKER. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. The gentleman may proceed.

Mr. WALKER. That last sentence turned out to be a pretty long one. Could he yield?

Mr. OBEY. Yes; let me simply say, before I do, that I think, to be perfectly clear, I should say that my sentence would have been better if I had not included the two words "to try." I think the gentleman knows what I mean.

The only reason I made that statement is because we know each other here. I just got back from an 11-day trip to the Soviet Union, where Members on both sides of the aisle dealt with the Soviets in a very hard-nosed fashion. You would not have seen partisanship on either side of the aisle. And I think it is regrettable, when that spirit seems to be eroded, when we come here, and in the heat of debate start to indicate in any way that a Member's position on this very crucial item is not motivated by anything except the highest patriotism, and that is the reason that I made the statement, and I would urge Members of this House tonight, if they want to strongly disagree on the merits, at least grant the right that what we are both talking about is not whether we defend this country but how.

Mr. WALKER. Would the gentleman now yield?

Mr. OBEY. Absolutely.

Mr. WALKER. I thank the gentleman for yielding, finally, and I would say to him that, No. 1, this gentleman impugned the motives of no one. My statement was quite clear. I said that what bothered me in the debate I had heard up until now was the fact that the policy that was being criticized seemed to be one that was successful and, therefore, the critics of the policy seemed to be arguing with success.

I went on to define exactly what I meant by that, and I pointed out that what we regard as success when the Communists are doing it was also a case——

The CHAIRMAN. The time of the gentleman from Wisconsin (Mr. OBEY) has expired.

(On request of Mr. WALKER and by unanimous consent, Mr. OBEY was allowed to proceed for 2 additional minutes.)

Mr. WALKER. Will the gentleman continue to yield?

I thank the gentleman for yielding.

And I went on to point out that what we often refer to as Communist success we will not grant as success when our own policies appear to be doing the same thing.

That was the point of my statement, that impugned nothing on the part of the critics. It simply——

Mr. OBEY. If I can take back——

Mr. WALKER. Well, the gentleman has attacked me personally. He might at least let me make my statement.

Mr. OBEY. I would like some of the time the gentleman got simply to make the point that I am sure that is what the gentleman thinks his statement said, but I invite him to simply reread it carefully when he gets the transcript, and I think you will see why some Members of the House were upset with the statement.

Mr. WALKER. If the gentleman would yield, if the gentleman would yield further——

Mr. OBEY. Sure.

Mr. WALKER. I have reread the statement. I got it back from the reporter. It said precisely what I am saying it said here, and it seems to me that the gentleman throughout his remarks, in attacking both Mr. YOUNG and me personally, said he drew those inferences. It was not in our statement. He said he drew those inferences. That is a pretty thin reed upon which to launch a personal attack.

Mr. OBEY. Could I ask the gentleman, did the gentleman edit the text of his statement tonight, or did he leave it unedited?

Mr. WALKER. Will the gentleman yield?

Mr. OBEY. Yes, if you will answer the question I will yield.

Mr. WALKER. Yes, I will answer the question.

Mr. OBEY. I yield.

Mr. WALKER. No, I did not edit one word of the statement.

Mr. OBEY. All right. Then why do we not just let the House decide tomorrow——

Mr. WALKER. It seems to me the altering of records around here is on the other side.

Mr. OBEY. Then just let the Members of the House decide tomorrow whether your statement was fair or not, OK?

Mr. WALKER. Well, if the gentleman will yield, I think the gentleman does owe me an apology, from the standpoint of whether or not I impugned the motives of any Member, because the gentleman said he drew that by inference.

Mr. OBEY. No.

Mr. WALKER. He did not give us one direct quote.

Mr. OBEY. No; I do not owe the gentleman an apology. Let me say, however, that I would have been shocked had any other Member but the gentleman made that statement earlier.

Mr. WALKER. Well, if the gentleman will yield further——

Mr. OBEY. I would yield to the gentleman from Florida.

Mr. WALKER. Will the gentleman yield further? The gentleman will not yield further?

Mr. OBEY. I have two people who have asked me to yield.

Mr. YOUNG of Florida. No, no. I am going to ask for my own time. Thank you very much.

Mr. OBEY. Because I mentioned his name also.

Mr. WALKER. The gentleman will not yield further?

Mr. OBEY. I said I had mentioned two people's names. I am trying to yield to both of them.

Mr. WALKER. The gentleman will not yield further.

Mr. OBEY. The gentleman is welcome to his interpretation.

Mr. YOUNG of Florida. I appreciate the gentleman's offer to yield. I would prefer to ask for my own time.

Mr. OBEY. Fine. Thank you.

The CHAIRMAN. The time of the gentleman has expired.

□ 1940

Mr. YOUNG of Florida. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, we have just witnessed an unfortunate turn of events in this debate. It has been heated at times, and there is no question about that. There have been some people who have waved their arms and made accusations about racist amendments and racist statements, and those things have taken place in here today and no one raised any points of order or accused anybody of being out of order or questioned their motives or accused them of character assassination.

In hearing a re-reading of the gentleman's words on character assassination, I could agree with the speaker and I could have easily ruled the other way as well, because there is no question that what the gentleman from Wisconsin's words were was a strong

[CRS-155]

inference and a strong innuendo that one of the two or both of these gentlemen had in fact attempted to assassinate someone's character.

Now, I have been involved in this House for a number of years in some very heated debates. Dr. Long and I have presided over the debates on the foreign aid bills for a number of years, and they got very heated, and I just would find it hard for even Mr. Obey to think that during any of those discussions that this gentleman had ever offended anyone, questioned anyone's motives, or attempted to assassinate character.

I wonder if Mr. Obey would yield to a question, because I have in my very hands here the transcript, and he is free to look at it, the transcript of the remarks that he apparently objected to, and I would ask Mr. Obey what words or what sentences or what phrases he found that would come anywhere near the suggestion he has made that someone's character was assassinated.

Mr. OBEY. If the gentleman would yield, at this point the gentleman has the text. I still do not. I will simply say that since I have been trying to get the floor for an hour, I do not recall with the exact clarity that I did an hour ago what the words were, but I do know that—I assume you are talking about the gentleman from Florida, at this point, his remarks.

Mr. YOUNG of Florida. Exactly. Of course I am talking about the gentleman from Florida. In fact, I intend to read the language that you are talking about so that we can have a discussion, you and I, as to whether or not that attacked anyone's character.

Mr. OBEY. As I explained in my previous remarks, what bothered me about the gentleman's speech, very frankly, was the reference after Mr. Fowler's speech.

I would say to my friend, and he is my friend, that because the gentleman did not like what this gentleman might have said or might have felt some pang of conscience or something, does not give him, unless he can specifically point out some language or some words that this gentleman used, I think the gentleman is really off base to suggest that anyone's motives were questioned or that anyone's character was assassinated.

I invite the gentleman to read this and then to tell me and all of our colleagues who have heard this colloquy now to tell us which of those words would be found offensive to anyone in this Chamber.

Mr. GORE. Regular order, Mr. Chairman.

The CHAIRMAN. Regular order. The gentleman from Florida (Mr. Young) and the gentleman from Wisconsin (Mr. Obey) know the rules of the House. These two gentlemen are well acquainted with the rules. The debate will be on the pending amendment.

Mr. OBEY. Mr. Chairman, will the gentleman yield for a response?

Mr. YOUNG of Florida. I would be happy to yield to the gentleman.

Mr. OBEY. As I said, what I objected to is the even indirect suggestion——

Mr. GORE. Regular order, Mr. Chairman.

The CHAIRMAN. Regular order will be maintained. The gentleman from Florida (Mr. Young) and the gentleman from Wisconsin (Mr. Obey) know the rules of the House. The debate will be on the amendment pending before the Committee.

Mr. YOUNG of Florida. Mr. Chairman, I rise to seek recognition on a point of personal privilege.

The CHAIRMAN. The Chair would advise the gentleman that would not be in order in the Committee of the Whole.

Mr. YOUNG of Florida. Mr. Chairman, it has become very obvious that the accusation side is going to have all the time it needs and the defense side is not going to be entitled to its 5 minutes. I am not going to make the case any further. I think the case has been made very well, No. 1, by Mr. Obey's lack of ability to mention the language directly, and Mr. Gore's unwillingness to allow the accused to have his day in court.

I yield back the balance of my time.

Mr. BOLAND. Mr. Chairman, I move to strike the requisite number of words.

Obviously, we have departed far from the amendment offered by Mr. Wright of Texas to the substitute offered to the Mica amendment by Solarz, Boland, and Fowler.

We have now been on the Broomfield amendment for 4 hours and 15 minutes. I have been around here long enough to know that the clock means an awful lot at a particular time. I am also conscious of the procedure under which this bill was brought to the floor and the particular amendments that will be voted on before 9 o'clock, and also the possibility of additional amendments.

So, Mr. Chairman, I move that all debate on the Young amendment and all amendments thereto close in 5 minutes.

The CHAIRMAN. The question is on the motion offered by the gentleman from Massachusetts (Mr. Boland).

The motion was agreed to.

The CHAIRMAN. The Chair will divide the debate time 2½ minutes on each side. The gentleman from Massachusetts (Mr. Boland) will receive 2½ minutes, and the gentleman from Michigan (Mr. Broomfield) will be allotted 2½ minutes.

The Chair now recognizes the gentleman from Michigan (Mr. Broomfield).

Mr. BROOMFIELD. Mr. Chairman, I yield 2 minutes to the gentleman from Illinois (Mr. Hyde).

Mr. HYDE. Mr. Chairman, this has been one of the more interesting days in Capitol history, but once in awhile we must return to reality. We are going to have an opportunity shortly to vote on the only amendment that has been offered in this body that is bipartisan in nature.

We are dealing with an enormously important issue. We are dealing with matters of life and death. I must take some exception to the term that the majority leader uses when he refers to an "invasion" of Nicaragua. It would seem to me when people who live in Nicaragua, such as Miskito Indians, people who were born and raised and who were citizens of Nicaragua, are trying to fight within the confines of their own country, it is hardly an invasion.

But nevertheless, the Mica amendment is truly bipartisan. The Mica amendment recognizes that the Sandinista government is exporting the cancer of revolution throughout Central America, and it seeks to extract through symmetry a penalty. By aiding the Contras who are fighting within their own country, they will put pressure, they will harass, they will interdict the Sandinistas, and just maybe get them to stop exporting revolution to democratic El Salvador.

□ 1950

Now, if you reject that, we are left with the Solarz-Boland amendment, which says we stop aiding the Contras, we stop the covert aid for a period of 30 days, which is just enough time to cut them to ribbons and then maybe we will come back if symmetry is violated by the Nicaraguans and we get both Houses of Congress to agree. It trusts the Nicaraguans, the Sandinistas, for 30 days.

I say to you that this is a very important amendment. The gentleman from Michigan (Mr. Broomfield) and the gentleman from Florida (Mr. Mica) are offering it as a bipartisan amendment.

We are so close in our decision, with 10 votes give or take.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. BROOMFIELD. Mr. Chairman, I yield the balance of my time to the gentleman from Illinois.

Mr. HYDE. I just simply want to say, Mr. Chairman, that we fancy ourselves as chairmen of the Joint Chiefs of Staff, Directors of the CIA, Secretarys of State and even clergy, making decisions on the future of the lives and freedom of people in Central America.

I suggest we are so divided among ourselves that it would be helpful if we could depoliticize this for a little bit and let the professionals, the military, let the State Department, let the people who are also most knowledge-

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able and equally committed to a solution, solve this problem.

The CHAIRMAN. The Chair now recognizes the gentleman from Massachusetts (Mr. BOLAND).

Mr. BOLAND. Mr. Chairman, I yield to the gentleman from Louisiana (Mr. HUCKABY).

Mr. HUCKABY. Mr. Chairman, I thank the gentleman for yielding.

I rise in support of the Mica amendment. I regret I have only 2½ minutes.

I would like to relate a story. I spoke last month to a lady who had just arrived in the United States from Cuba. We spoke into the late hours of the night. We talked about the tragic economic experiences that are happening there. I said to her, "Well, can't we get together again. Can't our countries, our governments, get together?"

She said, "You don't understand. It's too late. It's too late. Those people that are under 30 years of age who have grown up under the Castro government, they hate Americans. Their mission is to spread Marxism throughout the Caribbean."

I thank the Chairman for yielding.

Mr. BOLAND. I thank the gentleman from Louisiana.

Mr. Chairman, let me indicate what the scenario is going to be over the next hour or so.

First of all, there will be a vote on the Broomfield amendment. I would hope that amendment would be voted down.

I would ask for a no vote on the Broomfield amendment.

The second vote will come on the Wright amendment to the Mica substitute, as amended by Boland. That substitute has been amended in a way which apparently meets the approval of both sides of the aisle. We should vote yes on the Wright amendment.

The third vote will be on the Mica amendment, as amended by the Boland amendment. I would ask for a yes vote on that.

I presume there will be three rollcall votes in addition to a rollcall perhaps on the motion to close debate.

So, Mr. Chairman, I just say that I appreciate the tolerance of everybody here. I hope that any Members who are a little disappointed will go to lunch tomorrow with each other. They can probably clear up some of the problems that have developed on this floor.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan (Mr. BROOMFIELD) to the amendment offered by the gentleman from Florida (Mr. YOUNG), as amended.

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. BROOMFIELD. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 203, noes 223, not voting 7, as follows:

[Roll No. 281]

AYES—203

Archer
Badham
Barnard
Bartlett
Bateman
Bereuter
Bethune
Bevill
Bilirakis
Bliley
Boner
Breaux
Broomfield
Brown (CO)
Broyhill
Burton (IN)
Byron
Campbell
Carney
Chandler
Chappell
Cheney
Clinger
Coats
Coleman (MO)
Conable
Corcoran
Coughlin
Courter
Craig
Crane, Daniel
Crane, Philip
Daniel
Dannemeyer
Daub
Davis
DeWine
Dickinson
Dreier
Duncan
Dyson
Edwards (AL)
Edwards (OK)
Emerson
Erdreich
Erlenborn
Evans (IA)
Fascell
Fiedler
Fields
Fish
Flippo
Forsythe
Franklin
Frenzel
Fuqua
Gaydos
Gekas
Gilman
Gingrich
Goodling
Gradison
Gramm
Gregg
Gunderson
Hall, Ralph
Hall, Sam
Hammerschmidt
Hance
Hansen (ID)
Hansen (UT)
Hartnett
Hatcher
Hightower
Hiler
Hillis
Holt
Hopkins
Horton
Hubbard
Huckaby
Hunter
Hutto
Hyde
Ireland
Jenkins
Johnson
Kasich
Kazen
Kemp
Kindness
Kramer
Lagomarsino
Latta
Leath
Lent
Levitas
Lewis (CA)
Lewis (FL)
Lipinski
Livingston
Lloyd
Loeffler
Lott
Lowery (CA)
Lujan
Lungren
Mack
Madigan
Marlenee
Marriott
Martin (NC)
Martin (NY)
McCain
McCandless
McCollum
McDonald
McEwen
McGrath
McKernan
Mica
Michel
Miller (OH)
Molinari
Montgomery
Moore
Moorhead
Morrison (WA)
Murtha
Myers
Nelson
Nichols
Nielson
O'Brien
Oxley
Packard
Parris
Pashayan
Patman
Paul
Petri
Porter
Pritchard
Pursell
Quillen
Ray
Regula
Ridge
Rinaldo
Ritter
Roberts
Robinson
Roemer
Rogers
Roth
Rowland
Rudd
Sawyer
Schaefer
Schulze
Sensenbrenner
Shaw
Shelby
Shumway
Shuster
Siljander
Sisisky
Skeen
Skelton
Smith (NE)
Smith (NJ)
Smith, Denny
Smith, Robert
Snowe
Snyder
Solomon
Spence
Stangeland
Stenholm
Stratton
Stump
Sundquist
Tauke
Tauzin
Taylor
Thomas (CA)
Thomas (GA)
Vander Jagt
Vandergriff
Vucanovich
Walker
Weber
Whitehurst
Whittaker
Williams (OH)
Wilson
Winn
Wolf
Wortley
Wylie
Young (AK)
Young (FL)
Zschau

NOES—223

Ackerman
Addabbo
Akaka
Albosta
Alexander
Anderson
Andrews (NC)
Andrews (TX)
Annunzio
Anthony
Applegate
Aspin
AuCoin
Barnes
Bates
Bedell
Beilenson
Bennett
Berman
Biaggi
Boehlert
Boggs
Boland
Bonior
Bonker
Borski
Bosco
Boucher
Boxer
Britt
Brooks
Brown (CA)
Bryant
Burton (CA)
Carper
Carr
Clarke
Clay
Coelho
Coleman (TX)
Collins
Conte
Conyers
Cooper
Coyne
Crockett
D'Amours
Daschle
de la Garza
Dellums
Derrick
Dicks
Dingell
Dixon
Donnelly
Dorgan
Downey
Durbin
Dwyer
Dymally
Early
Eckart
Edgar
Edwards (CA)
English
Evans (IL)
Fazio
Feighan
Ferraro
Foglietta
Foley
Ford (MI)
Ford (TN)
Fowler
Frank
Frost
Garcia
Gejdenson
Gephardt
Gibbons
Glickman
Gonzalez
Gore
Gray
Green
Hall (IN)
Hall (OH)
Hamilton
Harkin
Harrison
Hawkins
Hefner
Hertel
Howard
Hoyer
Hughes
Jacobs
Jeffords
Jones (NC)
Jones (OK)
Kaptur
Kastenmeier
Kennelly
Kildee
Kogovsek
Kolter
Kostmayer
LaFalce
Lantos
Leach
Lehman (CA)
Lehman (FL)
Leland
Levin
Levine
Long (LA)
Long (MD)
Lowry (WA)
Luken
Lundine
MacKay
Markey
Martin (IL)
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCurdy
McHugh
McKinney
McNulty
Mikulski
Miller (CA)
Mineta
Minish
Mitchell
Moakley
Mollohan
Moody
Morrison (CT)
Mrazek
Murphy
Natcher
Neal
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Ottinger
Owens
Panetta
Patterson
Pease
Penny
Pepper
Perkins
Pickle
Price
Rahall
Rangel
Ratchford
Reid
Richardson
Rodino
Roe
Rose
Rostenkowski
Roukema
Roybal
Russo
Sabo
Savage
Scheuer
Schneider
Schroeder
Schumer
Seiberling
Shannon
Sharp
Sikorski
Simon
Slattery
Smith (FL)
Smith (IA)
Solarz
Spratt
St Germain
Staggers
Stark
Stokes
Studds
Swift
Synar
Tallon
Torres
Torricelli
Towns
Traxler
Udall
Valentine
Vento
Volkmer
Walgren
Watkins
Waxman
Weaver
Weiss
Wheat
Whitley
Whitten
Williams (MT)
Wirth
Wise
Wolpe
Wright
Wyden
Yates
Yatron
Young (MO)
Zablocki

NOT VOTING—7

Chappie
Dowdy
Florio
Guarini
Heftel
Jones (TN)
McDade

☐ 2000

The Clerk announced the following pairs:

On this vote:

Mr. Dowdy of Mississippi for, with Mr. Guarini against.

Mr. McDade for, with Mr. Florio against.

Mr. FORD of Tennessee changed his vote from "aye" to "no."

So the amendment to the amendment, as amended, was rejected.

The result of the vote was announced as above recorded.

☐ 2010

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas (Mr. WRIGHT) to the amendment offered by the gentleman from Florida (Mr. MICA), as amended, as a substitute for the amendment offered by the gentleman from Florida (Mr. YOUNG), as amended.

The amendment to the amendment, as amended, offered as a substitute for the amendment, as amended, was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Florida (Mr. MICA) as amended, as a substitute for the amendment offered by the gentleman from Florida (Mr. YOUNG) as amended.

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The question was taken; and the Chairman announced that the ayes appeared to have it.

The CHAIRMAN. The Mica substitute, as amended, is agreed to.

So the amendment, as amended, offered as a substitute for the amendment, as amended, was agreed to.

The CHAIRMAN. For what purpose does the gentleman from New York (Mr. SOLARZ) rise?

Mr. SOLARZ. Mr. Chairman, on that I ask for a recorded vote.

The CHAIRMAN. The request of the gentleman comes too late.

The question is on the amendment offered by the gentleman from Florida (Mr. YOUNG) as amended.

The amendment, as amended, was agreed to.

● Mr. WIRTH. Mr. Chairman, recently our Ambassador to Nicaragua, Anthony Quainton, described the goals of the Reagan administration's policy toward that nation. "Our policy," he said, "is to try and modify the Sandinista government's behavior in some substantial ways which are consistent with our interests." This followed by 1 day the suggestion by U.N. Ambassador Jeane Kirkpatrick that U.S. military interdiction of arms shipments on the high seas would have a positive effect.

Taken together, the import of these statements is chilling, as it signals nothing less than a return to the bad old days of gunboat diplomacy. Had the year been 1903, and the administration been Theodore Roosevelt's, one could understand the quiet acceptance of such crude foreign policy by the Congress. But the year is 1983, and if we have learned anything about mature international relations in the intervening four generations, it is incumbent upon us to speak out now.

We should be basing our policy toward Central America on our country's best values: Respect for human rights, the peaceful settlement of conflict through negotiation, and adherence to the principles of self-determination. Instead, the administration is emphasizing a policy reliant on some of our sorriest mistakes of the past: Support for oppressive regimes, covert action, and heavyhanded military posturing. Our country does have a legitimate role to play in the region, but our efforts should focus on facilitating peaceful solutions to conflict, not on measures which increase the risk on new bloodshed. Unfortunately, the recent actions of the Reagan administration unequivocally endorse the latter course.

Currently taking up positions off the east and west coasts of the region are two U.S. Navy aircraft carrier groups. Plans are also underway for a major United States-Honduran military "exercise" which administration officials have said could involve up to 5,000 military personnel. And Pentagon officials have recently made a request to more than double the amount of U.S. military advisers in El Salvador. This is in addition to the seemingly endless requests for more and more military aid for that nation.

The destructive effects of such a course are twofold. A progressively increasing U.S. military commitment to Central America not only escalates and broadens the scope of the violence now, but it also makes the prospects for a negotiated and equitable solution ever more dim. Each new military step that we take in the region may perhaps buy more strength in the short run, but in the long run it will irreparably weaken the bonds of faith that must exist between truly cooperative nations. At best, it would be an understatement to say that the saber-rattling politics of the Reagan administration is counterproductive.

In the case of Nicaragua, no one can argue with the administration's assessment of the deplorable political turn that the Sandinista regime has taken since assuming power in 1979. But the argument that this gives the United States the right to intervene is counter to both our long-range interests and our principles. Our hostile policy toward Nicaragua is increasing that country's tendency toward authoritarian rule and reliance on Soviet aid.

It is time to bring our Central American policy out into the open and assure that it is consistent with our real aims and ideals. To establish a farsighted policy, we first need to take Central America out of the cold war framework and recognize that change—brought on by the genuine aspirations of the people of the region—is a fact. We must then recognize in our actions the sovereignty of Central American nations, and the right of the peoples of the region to peaceful self-determination. Accommodating the change sweeping through Central America, while protecting legitimate American interests in the region, is the challenge facing our policy. It is a challenge that the Reagan administration has so far refused to recognize, much less taken steps to meet.

The United States should have grown beyond the paternalistic and insensitive policies which have so seriously damaged our Nation in the eyes of our Latin American neighbors for the past 50 years. Instead of pursuing those outworn policies, we should be working to increase our cooperation and partnership with our neighbors to support security and self-determination in our hemisphere.●

● Mr. COYNE. Mr. Chairman, I rise in support of H.R. 2760 and urge my colleagues to reject all weakening amendments which would place conditions on the prohibition of covert activities against Nicaragua.

H.R. 2760 would halt the funding of the counterproductive paramilitary operations within Nicaragua, while authorizing overt security assistance to friendly countries in Central America to use to interdict arms transfers from Nicaragua and Cuba.

The covert military operations have not achieved their intended goal of interdicting arms supplies to the guerrillas in El Salvador. Worse, these activities have added to the tensions in the area and have greatly increased the likelihood of expanded conflict in Central America and more extensive U.S. involvement.

The Reagan administration's policies toward Central America indicate a fundamental misunderstanding of the social, economic, and political forces at work in that region of the world. Instead, the administration continues to insist on portraying the situation as strictly a West versus East conflict and to pursue a policy of military buildup. None of us is under the delusion that the goal of the Sandinistas is a free democratic society, but covert military aid to insurgents simply cannot provide the basis for democractic rule in that country. Such a policy only plays into the hands of those who are prepared to take advantage of the turmoil in Central America.

Virtually no friend or ally of the United States supports our present policy in Central America. I find this very disturbing. The Contadora Group consisting of Mexico, Venezuela, Colombia, and Panama have, for some time, been urging the United States to support regionwide negotiations to end the conflict in Central America. Later this week the Contadora Group along with the Foreign Ministers of El Salvador, Nicaragua, Costa Rica, Guatemala, and Honduras will meet to begin talks aimed at resolving the problems and lessening the tensions in the area. The Reagan administration has said that it welcomes and supports these efforts, yet at the same time has ordered the deployment of a large naval battle group off the coast of Central America and has announced plans to send between 3,000 and 4,000 battle troops to Honduras to participate in joint exercise.

When questioned about the increased U.S. military presence in the region at his press conference last night, President Reagan stated that these maneuvers had been planned for some time and were nothing more than regularly scheduled exercises. If that is indeed the case, it seems to me that these maneuvers should have been delayed. To say that you support negotiations in one breath and then order up an increased military presence in the next, not only leads to further doubts about our goals in the area, but also further increases tensions.

Once again I urge the Reagan administration to commit our considerable resources to regionwide negotiations. National opinion is growing daily in opposition to U.S. military intervention in Central America. Passage of H.R. 2760 will send a clear signal to our democratic partners

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around the world and to our Latin American neighbors that the American people have said "enough is enough." It is time to bring an end to this military adventurism.

I urge my colleagues to vote in favor of H.R. 2760.●

● Mr. BENNETT. Mr. Chairman, I support this legislation as a means of attempting to secure democracy and peace in Central America. However well intentioned, the current covert activity in Nicaragua no longer serves the cause of democracy and peace in that area, nor of our own national security. Henceforth, we should attempt to work in concert with our friendly allies in this area for our mutual security and the principles of democracy and freedom.●

● Mr. MINETA. Mr. Chairman, today we have an opportunity to cut off U.S. involvement in the secret war in Nicaragua. The covert action we are sponsoring in that country is contrary to United States and international law, unwise, unproductive, and harmful to our national interests. The operation in Nicaragua has not stopped the civil war in El Salvador, it has just opened up a new civil war. With the scope of war in the region expanded, the possibility of general regional war has increased drastically along with the increased likelihood of direct U.S. military involvement.

Mr. Chairman, we must decide whether we want the United States to support a war in which thousands of people, including innocent civilians, may be killed. The decision to support a war and sacrifice human lives should only be taken after a painstaking examination of the motives for that war and after thorough examination of the possible alternatives to war. The United States should only be directly involved in the initiation of a war when the security of the United States or the lives of U.S. citizens depend on that extreme action. Unfortunately, this administration has ignored these basic principles.

Perhaps the most frightening aspect of this covert operation in Nicaragua is that it is only one part of this administration's overall military approach to Central America. The most recent example of that approach was the dispatching of an armada to Central America. It is apparent to me that we are witnessing a repetition of the incremental escalation of military involvement that characterized our involvement in Vietnam.

How did we get so enmeshed in the Vietnam war? The answer is that the political leadership of both parties failed this country. Let us not fail the American people again. If Congress again fails to stop the President, we will share responsibility for this new, open-ended, and unnecessary war. Let us avoid deceiving ourselves again. We must not hide from the fact that the unchecked continuation of President Reagan's current policies in Central America will lead to the direct involvement of U.S forces.

If we fail as we did in the case of Vietnam, and American lives are needlessly sacrificed, our children will wonder how we let the same tragedy occur twice within one generation. They will look at votes such as the one we face today and ask how Members could have supported the current administration's approach. Members may answer that they were voting for democracy or voting to stop communism, but in reality a vote against H.R. 2760 or a vote to gut it through amendments is a vote to allow the President to continue to draw our country toward war.

Mr. Chairman, today the Members of this House are faced with a grave choice. Will we allow the President to continue our Nation on a path toward war in Central America or will we take a step toward peace?

The question before us is not whether the United States condones the policies of the Nicaraguan Government but whether we want to commit the United States to supporting war in an attempt to change those policies or to overthrow that Government.

It is now clear that unless we prevent the President from continuing his open-ended military commitment, citizens of this Nation may end up fighting and dying in Central America for a policy doomed to failure. In order to help avoid that outcome I urge my colleagues to support H.R. 2760 and oppose all amendments that remove the basic prohibition on U.S. support for the war in Nicaragua. We must take this opportunity before it is too late, take it before our country pays the tragic price of another war.●

● Mr. BONKER. Mr. Chairman, the reason there is so much debate on this issue and division in the country, is that many of us in Congress and American public do not really understand, let alone support, our policies there.

The President has not come before the Nation with a clearly enunciated policy; our activities, covert and overt, do not give us clear direction in Central America.

Once again, we are forming policies along East-West lines not unlike the 1960's and our deepening entanglement in Southeast Asia.

I have always felt we need to have at least four fundamental policy guidelines: First, what are the U.S. political and security interests; second, to what extent are we willing to commit ourselves in the internal political and security problems of these unstable countries; third, what price are we willing to pay for the cost of military involvement and possible use of U.S. personnel; and fourth, are U.S. policies and actions compatible with our own values and beliefs?

Earlier this week, the President sent a letter to the Contadora Group. The President wrote in this letter that: "A solution to the crisis in Central America must encompass four basic principles"

First, the establishment and strengthening of democratic institutions;

Second, respect for the principle of nonintervention;

Third, removal of the conflict in Central America from the context of East-West confrontation; and

Fourth, cooperation among the countries of Central America to achieve and sustain a level of economic growth that will guarantee the basic needs of their people.

In practice, however, the administration is pursuing actions toward and in this region which are not only in direct contradiction to the words of the President, but which undermine the Contadora Group process and which threaten the legitimate foreign policy and national security interests which I believe we have in the region.

The President endorses strengthening democratic institutions—yet he continues to bolster the regimes of Salvador and Guatemala.

The President endorses respect for the principle of nonintervention—yet he is fighting to continue covert aid to overthrow the Government of Nicaragua, he is contemplating an increase in the number of U.S. military advisers in Salvador, and intends to send 4,000 combat troops to Honduras and a major naval detachment to the surrounding seas.

The President endorses removing the Central American conflict from an East-West context—yet he first chose this context for describing the nature of our interests in the crisis there.

And finally, the President urges the countries of Central America to boost their economic growth to guarantee the basic needs of their people. Yet, the President has drastically skewed the balance of our aid to the region in favor of military assistance.

In short, the President is fooling no one, least of all the American people, when he says he is working for peace and at the same time pursuing military objectives.

The President has consistently referred to our security interests in the region. But what are those interests if they are the basis for our political and military involvement in Central America?

Twenty-five years ago, we Americans experienced considerable discomfort with Castro coming to power and the installation of a Communist government next to our borders. Did that in itself threaten our security? Castro has failed miserably in seeking to export his revolution in the intervening years. President Kennedy attempted to overthrow that regime, which resulted in a fiasco known as the Bay of Pigs. However, when the Soviet Union attempted to plant missiles in Cuba, there was no question about our security being threatened. President Kennedy drew the line and everybody

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knew exactly where it was, including the Russians.

The American public fully understood and supported that policy. Today, we do not know where that line is being drawn. The President has neither enunciated our policy, nor clearly established what our security interests are in Central America. Until he does, this administration's policies will only bring further confusion and uncertainty to the American people, not only about America's interests in the region, but about our resolve as well.

We must, I believe, redouble our diplomatic efforts in pursuit of a peaceful, negotiated settlement in Nicaragua and elsewhere in Central America. We must give the Contadora process support in deed as well as in word. The Boland-Zablocki bill is intended to be one important step toward erasing the administration's double-standard, toward restoring American credibility in Central America, and toward correcting the balance in favor of a peaceful solution to the conflict there.

We are condemned to failure in Central America unless our policy exemplifies what we stand for as a Nation. We cannot succeed in combating endemic poverty, or in bringing an end to social injustices and gross violations of human rights by blindly lending our overt support to those who brandish an anti-Communist flag and at the same time funnel covert support to forces committed to overthrowing a neighboring government. The Reagan administration's double-standard is glaring, and certainly does not encourage any country in the region to opt for a peaceful solution to its problems.●

● Mr. MARRIOTT. Mr. Chairman, I rise in opposition of H.R. 2760, the Boland-Zablocki bill which would prohibit all covert assistance to groups attempting to overthrow the Sandinista junta in Nicaragua. Quite simply, Mr. Chairman, this measure cuts off U.S. aid to the freedom fighters rebelling against the Sandinista dictatorship, which is disrupting peace in the region by exporting weapons, violence and terror to surrounding nations; namely, to the insurgents in El Salvador and Honduras.

My opposition to this measure centers around the following points:

This measure unilaterally restricts U.S. conduct without regard to Nicaraguan behavior in Central America;

This measure authorizes an overt interdiction fund which has not been requested by our friends or allies in Central America;

This measure makes it more difficult to negotiate a peaceful verifiable resolution of the conflicts in Central America;

This measure provides a type of sanctuary for Nicaraguan/Cuban-based guerrillas who strike out with impunity against their neighbors without fear of retaliation behind their own borders; and

This measure deprives the United States of an important tool to thwart Nicaraguan/Cuban-based insurgency in Central America.

In addition to these negatives, the bill does not:

Deter the massive arms buildup in Nicaragua;

Request Nicaragua to cease the export of arms and revolution to other Central American countries;

Halt Nicaraguan efforts to overthrow the Government of El Salvador;

Provide any incentive for Nicaraguan Government to negotiate to end hostilities; and

Protect any of our friends in Central America against Nicaraguan/Cuban-backed insurgencies in their countries.

During the Carter administration, shortly after Sandinista assumed power in Nicaragua, the United States attempted to develop normal relations with this country following Somoza's ouster. But what has occurred are flagrant violations of human rights and the export of revolution to its next door neighbor, El Salvador. Passage of the bill on the floor today, H.R. 2760, could subject not just those directly involved, but also anti-Sandinista sympathizers to reprisals by the Nicaraguan army, initiate an influx of refugees into the United States, trigger a military clash between Honduras and Nicaragua and indicate a lack of resolve that would have grave repercussions not only in Central America, but to U.S. allies throughout the world.

I am pleased that the Intelligence Committee will be providing the Members with a documented closed-door briefing on activities in Central America so that the full House of Representatives can understand all the ramifications of pulling out our covert aid at this time. It is important that we repudiate this dangerous legislation and help our President resolve the serious problems in Central America.

In conclusion, Mr. Chairman, I have to ask this question: Why should the United States arm every friendly Central American country—including Costa Rica which by law has no standing army—instead of disarming Nicaragua? Given the high stakes involved and the lack of resolve that would be demonstrated by the United States deserting the anti-Sandinistas, I doubt Central American governments will be willing to work with the United States in the overt interdiction program. In effect, Mr. Chairman, we are handing to Nicaragua a victory on a silver platter, but it is a victory at the price of increased human suffering and loss of lives in Central America and a greatly expanded immigration to the United States.

The current program is consistent with U.S. law, is wise, will help to end all the fighting in Central America by "forcing the Nicaraguans to the conference table to solve the problems of the region"—Mr. BILL YOUNG of Florida in his dissenting views—and is effective in the interdicting arms supplies from Nicaragua.

Mr. Chairman, I stand in opposition to the measure and I urge my colleagues to vote this ill-timed bill down. The United States cannot turn its back on the encroaching Marxist control in our southern neighboring countries.●

● Mr. RATCHFORD. Mr. Chairman, the President told us clearly this week that he has bigger fish to fry in sending 4,000 U.S. military personnel to Honduras. This reckless military buildup makes the CIA covert operation against Nicaragua seem pale by comparison. Mr. Chairman, I rise to urge the swift and decisive approval of H.R. 2760 by my colleagues. The administration's policy in Central America is a bankrupt one. Putting an end to the covert operation must be only a beginning. There are now bigger fires to put out, but let's be sure to take care of this one.

This policy is wrong morally. It is wrong legally. It hasn't achieved its objectives. In fact, it is wreaking havoc where it is supposed to be sowing the seeds of peace. It is time for a change, and time for this body to exercise some leadership in an area we can all agree is critical to our interests.

I am somewhat bemused that this measure has become so controversial. It in no way attempts to usurp the President's prerogatives in the foreign policy arena. It upholds his goal of helping to foster democratic, pluralistic, responsive governments in the region. Who could differ with that goal? The President is right. Central America is central to our security interests. We must demonstrate our understanding that our interests are synonomous with those of the people of the region. This measure seeks only to change the means of achieving the President's goals, acknowledging the fact of Cuban and Nicaraguan aggression, but calling a halt to U.S. policy failures in Nicaragua.

Every legislative body has a love of semantics, of the richness of words, the endless possibilities of interpretation. But let us not kid ourselves. The letter and the spirit of American and international law are being broken in Nicaragua. The CIA must cringe every time the antigovernment forces it is aiding assert that they are waging war on the Sandinista regime. This does not stop the President, however. He has publicly expressed support for their objectives. Not surprisingly, the Nicaraguan Government has protested that this is tantamount to a declaration of war. One need not love the Sandinistas to see that they have a point. I have little doubt that Jeanne Kirkpatrick would make the same point were the roles reversed.

If the legality of this policy is a matter of indifference, consider the fact that it is not working. In 18 months there has been no slowdown in the arms flow to the Salvadoran rebels. If anything, the Sandinista commitment to the insurgency has strengthened. U.S. hostility has thus had a disastrous threefold effect. It has strengthened Nicaraguan resolve to aid the leftists in El Salvador. It has contributed to a corresponding increase in repressive measures by the Sandinistas internally, in an effort to consolidate their hold on the country. And it has escalated the intensity and scope of violence in the region, threatening the fragile 2-year-old Honduran Government. It would be difficult to construct a policy which could produce results more destructive of the interests of all concerned.

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My colleagues, all this measure will do is redirect U.S. policy away from a purely military solution—how many times must we learn this lesson—and toward support for regional negotiations for an end to the bloodshed. Democratic institutions cannot grow in an atmosphere of violence. We can continue to provide money to stop the arms flows. We can encourage the recent peace initiatives of the Sandinistas. And we can enlist the goodwill and aid of our European allies, and the members of the Contadora group and the Organization of American States for peaceful settlements of the conflicts. The situation is not hopeless unless we make it so. The structure of regional cooperation exists now in fledgling form. Let us seize this opportunity to change directions and help it grow. Strong support for H.R. 2760 will demonstrate our resolve, and I urge my colleagues to give this measure their support.●

● Mr. MATSUI. Mr. Chairman, I rise today in support of the legislation we are debating, H.R. 2760, which would cut off aid to rebels fighting in Nicaragua. I believe approval of this bill will send a clear message to the President that the American people do not support covert action against the Government of Nicaragua and do not support escalation of U.S. military involvement in the region.

As we are all aware, administration officials have justified support of the guerrillas on the basis that they would force the Sandinista government to "turn inward" and curtail its efforts to support rebel forces in El Salvador. But the administration and its critics alike agree this policy has not worked.

Rather than reducing Nicaragua's military activity, covert action has turned the border of Nicaragua and Honduras into a battle zone, where hundreds of people have lost their lives and many more have lost their homes and property. The conflict threatens to turn into a full-scale war, with the result of wider instability in the region and the temptation for a direct U.S. role.

Rather than threatening the Sandinista government, U.S. policy has given it a political shot in the arm. It has galvanized the Nicaraguan people behind the government and turned their attention away from the daily shortages of bread and gasoline toward the alarming threat of Yankee intervention. The Sandinistas have been able to blame their failed economic policies on the United States, and at the same time, set themselves up as heroes and freedom fighters.

Instead of looking for an alternative to its failed policy, the administration decided to raise the military stakes. It developed secret plans for nearly doubling the level of covert activity and is now undertaking a massive show of force in Honduras and off the coast of Nicaragua. I believe this will only exacerbate the conflict and lead the United States ever closer to direct intervention. But the administration continues to be deluded by the myth that military force can remedy the region's political problems.

Recently Nicaraguan leader Daniel Ortega Saavedra called for regionwide negotiations, a mutual ban on arms shipments to El Salvador and a nonaggression pact between Honduras and Nicaragua. Although Saavedra's statement was considered a diplomatic breakthrough, President Reagan coolly dismissed it by asserting that Nicaragua must agree to implement internal political reforms before talks could be started. The President went so far as to say that as long as the current junta was in power, it would be "extremely difficult" to make peace with Nicaragua. The President clearly prefers big stick diplomacy to negotiations.

I believe it is imperative that we in the Congress approve this legislation, H.R. 2760, in order to convince the President he must call a halt to covert activity and reduce the threat of direct U.S. military intervention. We must also encourage him to take the Sandinistas at their word and challenge them publicly before the world to engage in serious negotiations. Therefore, I urge my colleagues to join me in support of this important measure.●

AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. WRIGHT

Mr. WRIGHT. Mr. Chairman, I offer an amendment in the nature of a substitute.

The Clerk read as follows:

Amendment in the nature of a substitute offered by Mr. WRIGHT: Strike out all after the enacting clause and insert in lieu thereof the following:

That the Intelligence Authorization Act for Fiscal Year 1983 is amended by adding at the end thereof the following new title:

"TITLE VIII—PROHIBITION ON COVERT ASSISTANCE FOR MILITARY OPERATIONS IN NICARAGUA; AUTHORIZATION OF OVERT INTERDICTION ASSISTANCE

"PROHIBITION ON COVERT ASSISTANCE FOR MILITARY OPERATIONS IN NICARAGUA

"SEC. 801. (a) None of the funds appropriated for fiscal year 1983 or 1984 for the Central Intelligence Agency or any other department, agency, or entity of the United States involved in intelligence activities may be obligated or expended for the purpose or which would have the effect of supporting, directly or indirectly, military or paramilitary operations in Nicaragua by any nation, group, organization, movement, or individual.

"(b) This section shall take effect upon the date prescribed in the classified annex to the report of the Permanent Select Committee on Intelligence of the House of Representatives to accompany the bill H.R. 2760 (98th Congress).

"AUTHORIZATION OF OVERT INTERDICTION ASSISTANCE

"SEC. 802. (a) The Congress finds that—

"(1) in the absence of a state of declared war, the provision of military equipment to individuals, groups, organizations, or movements seeking to overthrow governments of countries in Central America violates international treaty obligations, including the Charter of the United Nations, the Charter of the Organization of American States, and the Rio Treaty of 1949; and

"(2) such activities by the Governments of Cuba and Nicaragua threaten the independence of El Salvador and threaten to destabilize the entire Central American region, and the Governments of Cuba and Nicaragua refuse to cease those activities.

"(b) The President is authorized to furnish assistance, on such terms and conditions as he may determine, to the government of any friendly country in Central America in order to provide such country with the ability to prevent use of its territory, or to prevent to the extent permitted by international law the use of international territory, for the transfer of military equipment from or through Cuba or Nicaragua or any other country or agents of that country to any individual, group, organization, or movement which the President determines seeks to overthrow the government of such friendly country or the government of any other country in Central America. Assistance under this section shall be provided openly, and shall not be provided in a manner which attempts to conceal United States involvement in the provision of such assistance.

"(c) Assistance may be provided to a friendly foreign country under this section only if that country has agreed that it will not use any assistance provided by the United States under this section, the Foreign Assistance Act of 1961, or the Arms Export Control Act to destabilize or overthrow the government of any country in Central America and will not make any such assistance available to any nation, individual, group, organization, or movement which seeks to destabilize or overthrow any such government.

"(d) At least 15 days before providing assistance to a foreign country under this section, the President shall submit an unclassified report which describes the proposed assistance to the Speaker of the House of Representatives and to the chairman of the appropriate committees of the Senate.

"(e) There is authorized to be appropriated to the President to carry out this section $30,000,000 for the fiscal year 1983 and $50,000,000 for the fiscal year 1984.

"(f) Funds to carry out this section shall be made available for any friendly country in Central America only for the purpose of interdicting the transfer of military equipment to any country in Central America.".

SEC. 2. (a) The Congress finds that—

(1) the Government of National Reconstruction of Nicaragua has failed to keep solemn promises, made to the Organization of American States in July 1979, to establish full respect for human rights and political liberties, hold early elections, preserve a private sector, permit political pluralism, and

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pursue a foreign policy of non-aggression and non-intervention;

(2) by providing military support (including arms, training, and logistical, command and control, and communications facilities) to groups seeking to overthrow the Government of El Salvador and other Central American governments, the Government of National Reconstruction of Nicaragua has violated article 18 of the Charter of the Organization of American States which declares that no state has the right to intervene, directly or indirectly, for any reason whatsoever, in the internal or external affairs of any other state;

(3) the Government of Nicaragua should be held accountable before the Organization of American States for activities violative of promises made to the Organization and for violations of the Charter of that Organization; and

(4) working through the Organization of American States is the proper and the most effective means of dealing with threats to the peace in Central America, of providing for common action in the event of aggression, and of providing the mechanisms for peaceful resolution of disputes among the countries of Central America.

(b) The President shall seek a prompt reconvening of the Seventeenth Meeting of Consultation of Ministers of Foreign Affairs of the Organization of American States for the purpose of re-evaluating the compliance by the Government of National Reconstruction of Nicaragua—

(1) with the commitments made by the leaders of that Government in July 1979 to the Organization of American States; and

(2) with the Charter of the Organization of American States.

(c) The President shall vigorously seek prompt actions by the Organization of American States that would provide for a full range of effective measures by the member states to bring about compliance by the Government of National Reconstruction of Nicaragua with those obligations, including verifiable agreements to halt the transfer of military equipment and to cease furnishing of military support facilities to groups seeking the violent overthrow of governments of countries in Central America.

(d) The President shall use all diplomatic means at his disposal to encourage the Organization of American States to seek resolution of the conflicts in Central America based on the provisions of the Final Act of the San Jose Conference of October 1982, especially principles (d), (e), and (g), relating to non-intervention in the internal affairs of other countries, denying support for terrorist and subversive elements in other states, and international supervision of fully verifiable arrangements.

(e) The United States shall support measures at the Organization of American States, as well as efforts of the Contadora Group, which seek to end support for terrorist, subversive, or other activities aimed at the violent overthrow of the governments of countries in Central America. Funds authorized to be appropriated by this Act may be used to provide United States support for activities with respect to Nicaragua which are designed to end the conflict in the region and which are approved by the Organization of American States, including international surveillance and supervision activities, peacekeeping forces, border patrols, and election supervisors.

(f) Not later than March 15, 1984, the President shall report to the Congress on the results of his efforts pursuant to this Act to achieve peace in Central America and to end the flow of arms to Central America. Such report may include such recommendations as the President may consider appropriate for further United States actions to achieve these objectives, including requests for the authorization and appropriation of additional funds to carry out the purposes of this Act.

POINT OF ORDER

Mr. HYDE (during the reading). Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. HYDE. Mr. Chairman, I make a point of order that the amendment now being offered was not printed in the RECORD.

The CHAIRMAN. The Chair would advise the gentleman from Illinois that that is not necessary. It is offered by the majority leader, and it is permitted in the rule.

PARLIAMENTARY INQUIRY

Mr. HYDE. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. HYDE. I have an amendment that was printed in the RECORD. Will I be given an opportunity to offer it?

The CHAIRMAN. The Chair will advise the gentleman that a printed perfecting amendment to the bill can be offered before the vote on the Wright amendment in the nature of a substitute.

Mr. HYDE. I thank the Chair.

The CHAIRMAN. The Clerk will read.

The Clerk continued the reading of the amendment.

Mr. HYDE (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

Mr. VOLKMER. Mr. Chairman, I object.

Mr. BONIOR of Michigan. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

The Clerk will read.

The Clerk continued the reading of the amendment.

Mr. THOMAS of California (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

Mr. VOLKMER. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

The Clerk will read.

The Clerk continued the reading of the amendment.

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PARLIAMENTARY INQUIRY

Mr. EDWARDS of Oklahoma. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman from Oklahoma will state his parliamentary inquiry.

Mr. EDWARDS of Oklahoma. I wonder if the Chairman can tell us if copies of that amendment are available to Members of the House.

The CHAIRMAN. That question can be answered by the gentleman from Texas (Mr. WRIGHT).

Mr. EDWARDS of Oklahoma. I thank the Chairman.

The CHAIRMAN. The Clerk will continue to read.

The Clerk continued the reading of the amendment.

Mr. COURTER (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey?

Mr. FOWLER. I object, Mr. Chairman.

The CHAIRMAN. Objection is heard.

Mr. COURTER. Mr. Chairman, I move that the amendment be considered as read.

The CHAIRMAN. The Chair will advise the gentleman that would not be a proper motion, since the amendment has not been printed in the RECORD.

The Clerk will continue to read.

The Clerk continued the reading of the amendment.

Mr. MARTIN of North Carolina (during the reading). Mr. Chairman, I ask unanimous consent that if we are going to hear the reading of this amendment that we have the unanimous courtesy to be quiet so that we can hear it. It is impossible to tell what the amendment is from the reading.

The CHAIRMAN. The Clerk will continue to read.

The Clerk continued the reading of the amendment.

Mr. LOTT (during the reading). I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Mississippi?

Mr. FOWLER. I object, Mr. Chairman.

The CHAIRMAN. Objection is heard.

The Clerk will continue to read.

The Clerk continued the reading of the amendment.

Mr. LAGOMARSINO (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

Mr. FOWLER. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

The Clerk will continue to read.

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The Clerk continued the reading of the amendment.

Mr. MARTIN of North Carolina (during the reading). Mr. Chairman, I ask unanimous consent that the Clerk read faster since we cannot hear anyway.

The CHAIRMAN. The Chair would advise the gentleman there are only four more lines.

The Clerk will continue to read.

The Clerk concluded reading of the amendment.

The CHAIRMAN. The gentleman from Texas (Mr. WRIGHT) is recognized for 5 minutes in support of his amendment.

Mr. WRIGHT. Mr. Chairman, this has been, for the most part, I think, a high level, enlightening and elevated debate on a subject of the very highest possible importance to our Nation and to the peace of the hemisphere in which we live.

Tempers have grown short at times. The hour has grown late. Members have been sorely strained to speak in terms less temperate than normal on only rare occasions today.

For the most part I believe Members on both sides have conducted and demeaned themselves in a manner that reflects credit upon the finest traditions of this institution of ours. I want to congratulate all of my colleagues, including those, who, on occasion, have had disagreements with me. And I want to thank them that on those occasions when they have disagreed with me, they have disagreed without being disagreeable. I hope that I have done the same. And I believe that most of the Members on our side have been at some pains to respect the integrity and the good will of the Members on the other side. I hope that applies to all of us.

□ 2030

The amendment in the nature of a substitute which I offer now would be a recodification of the original Roland-Zablocki language, with the addition of the entirety of the language which I offered earlier and which was adopted as an amendment to the Mica substitute, as amended by the Boland amendment.

In effect, what it does is to remove the verbiage which was contained in the Boland-Solarz amendment. It would contain the following clear provisions:

First, that this country will cease at a given date privy to the members of the Committee on Intelligence its covert activities of a military or paramilitary type inside the sovereign territory of Nicaragua.

Second, that it will provide $80 million for those friendly countries in the hemisphere who seek such assistance in sanitizing their borders against the intrusion of arms from outside.

Then, third, it will make an indictment of the Nicaraguan Government for its violation of pledges made to the Organization of American States and for its violation of the charter of the Organization of American States in its intrusions into its neighbor, El Salvador.

It will call upon the President of the United States to use the good offices of the Presidency to ask for an immediate reconvening of the 17th conference of the foreign ministers of the Organization of American States for the purpose of taking such action as they would deem appropriate to monitor and supervise breaches of commitment that have been made by Nicaragua.

And, finally, it would permit the United States to participate if the Secretary of State and the President deemed appropriate, financially and otherwise, in peacekeeping measures and in measures designed and sanctioned by the Organization of American States of a multilateral nature, to prevent the flow of arms from one country into another in the Central American region, to monitor that prohibition against the flow of arms and to provide such other means as may be necessary to create the conditions of a lasting peace, including free elections and, if necessary, joint supervision of those free elections by the Organization of American States.

PARLIAMENTARY INQUIRY

Mr. ROBINSON. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman from Virginia will state his parliamentary inquiry.

Mr. ROBINSON. My parliamentary inquiry, Mr. Chairman, is this: If the Wright substitute, as just introduced, is adopted by the House, does it then prevent the minority from introducing a motion to recommit with instructions that would be reported back to the floor immediately?

The CHAIRMAN. The Chair would advise the gentleman that the rule does not protect such a motion to recommit, but that would be up to the Speaker when we go back into the House to answer that question specifically.

AMENDMENT OFFERED BY MR. HYDE TO THE AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. WRIGHT

Mr. HYDE. Mr. Chairman, I offer an amendment to the amendment in the nature of a substitute.

The Clerk read as follows:

Amendment offered by Mr. HYDE to the amendment in the nature of a substitute offered by Mr. WRIGHT: At the end of Section 1 of the amendment insert:

"EFFECTIVE DATE

"SEC. 803. The provisions of this title shall take effect 30 days after:

"(a) the Permanent Select Committee on Intelligence and the Committees on Foreign Affairs and Armed Services of the House of Representatives have held hearings on the feasibility of the overt interdiction assistance program which would be authorized by section 802 of this title on the costs and number and type of U.S. personnel and the amount and type of equipment required to implement such a program that would overtly and effectively interdict arms and supplies shipped from or through Nicaragua to support military or paramilitary operations against any nation in Central America; and

Mr. HYDE (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

Mr. BONIOR of Michigan. Mr. Chairman, I object.

Mr. HARKIN. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

The Clerk will continue to read.

The Clerk continued the reading of the amendment.

Mr. BARNES (during the reading). Mr. Chairman, I withdraw my objection.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois (Mr. Hyde) that the amendment be considered as read and printed in the Record?

Mr. HARKIN. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

The Clerk will continue to read.

The Clerk concluded the reading of the amendment.

Mr. HYDE. Mr. Chairman, I yield to the gentleman from Georgia (Mr. Fowler).

Mr. FOWLER. Mr. Chairman, I thank my friend, the gentleman from Illinois.

We simply need a copy of the amendment which we do not have on this side.

I thank the gentleman.

Mr. HYDE. Mr. Chairman, this amendment simply says that the bill will take effect, the legislation will take effect, 30 days after the Permanent Select Committee on Intelligence, the Foreign Affairs Committee and Armed Services have held hearings on the feasibility of the overt interdiction assistance program which would be authorized by section 802. Hearings should deal with the cost and number and type of U.S. personnel, the amount and type of equipment required to implement such a program that would overtly and effectively interdict arms and supplies shipped from or through Nicaragua to support military or paramilitary operations against any nation in Central America.

Now, the reasons for this is rather simple. We are taking a course of action by shutting off covert aid, and we are moving to the interdiction of the export of revolution overtly, but we do not have any money in the bill that relates to the reality of that problem. We have taken $30 million in fiscal 1983 and $50 million in fiscal

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1984 literally out of the sky. Where did those numbers come from? Those are the sums that the administration wanted for covert interdiction.

Now, covert interdiction and overt interdiction are two separate operations. Overt interdiction involves a lot more than covert interdiction. So it just seems to me, if we are going to start a program, we ought to know what it costs. We ought to know what is involved. We have held no hearings on this very important strategic, not to say economic, move from trying to interdict covertly to overt interdiction. We are talking about Honduras, we are talking about El Salvador, we are talking about Costa Rica. We really do not know what we are talking about. But it seems to me one should not launch into a program, at least as far as the taxpayers are concerned, not to say our friends in Central America, without some idea as to what it will cost.

Now, it just seems to me very foolish to say we are going to overtly interdict and we pick figures that obviously are not related to overt interdiction. And all my amendment says is: Please, let us hold hearings, let us get the facts, and then the bill may take effect.

Mr. STRATTON. Mr. Chairman, will the gentleman yield?

Mr. HYDE. I yield to the gentleman from New York.

Mr. STRATTON. I think the gentleman is making a very excellent amendment. We have just passed in this Chamber a bill for a 1984 budget of some $187 billion. A number of Members in this Chamber, more than 100, were opposed to the legislation. And if we are going to get in, as the gentleman has suggested, to overt military action, which the Pentagon has indicated to be extremely costly, certainly there ought to be hearings in the Committee on Armed Services so that we could understand what impact this will have on our defense.

I would strongly support the gentleman's amendment, and it would appear to be noncontroversial.

Mr. SOLARZ. Mr. Chairman, will the gentleman yield?

Mr. HYDE. I yield to the gentleman from New York.

Mr. SOLARZ. I thank the gentleman for yielding.

I wonder if my good friend, the gentleman from New York, who just spoke, would perhaps answer a question.

I have no problem, speaking just for myself, with this amendment. It requires a hearing, but I assume the hearing can be held in a timely and expeditious fashion.

Mr. HYDE. They are within your control, as you know.

Mr. SOLARZ. Well, I am neither on the Intelligence Committee nor the Armed Services Committee. I have no doubt that the Intelligence Committee would be prepared to have an expeditious hearing on this.

Can the gentleman from New York give us some reasonable assurances that Armed Services would proceed, if this is adopted, to have a hearing as well?

Mr. STRATTON. Well, I cannot speak for the committee, but I am sure that the chairman would move very expeditiously, because this is going to have a major impact on the budget we just passed, and it might require that some of the things that have been added to the budget would have to be taken out.

Mr. SOLARZ. If the gentleman will yield further, do I interpret the gentleman's amendment correctly to read that if the hearings envisioned in the amendment are held, even before the legislation is enacted, it would satisfy the requirement of the amendment to have such a hearing?

Mr. HYDE. That is correct. I simply want hearings held so we do not leap into the dark, into a new operation in Central America and not have any idea what it costs.

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The CHAIRMAN. The time of the gentleman from Illinois (Mr. Hyde) has expired.

(On request of Mr. Courter and by unanimous consent, Mr. Hyde was allowed to proceed for 3 additional minutes.)

Mr. SMITH of Florida. Mr. Chairman, will the gentleman yield?

Mr. HYDE. I yield to the gentleman from Florida.

Mr. SMITH of Florida. I thank the gentleman for yielding.

Mr. Chairman, I would like to know if this 30-day prohibition until after those enumerated committees have their hearings applies not only to the $80 million in overt aid but also the covert aid as well?

Mr. HYDE. Yes, sir; it is the effective date of the legislation must wait until the hearings are held.

Mr. SMITH of Florida. If the gentleman would yield further, in essence, then, if their hearings were to be stretched out over any period of time for any reason whatsoever, that all the covert aid would continue to flow while those hearings were held?

Mr. HYDE. Well, if I may say, Mr. Smith, the chairmen of the three committees involved are Democrats, and they are pretty strong people. They can open the hearings and close the hearings. They can determine whether they are moving along, and control the ebb and flow of the hearings. So I am not concerned with that.

Mr. SMITH of Florida. The answer is yes. I thank the gentleman.

Mr. HYDE. Well, yes.

Mr. MARTIN of North Carolina. Mr. Chairman, will the gentleman yield?

Mr. HYDE. I yield to my friend, the gentleman from North Carolina.

Mr. MARTIN of North Carolina. I thank the gentleman for yielding.

Mr. Chairman, I would observe for the benefit of the gentleman from Florida who was inquiring about the effective date that the amendment offered by the gentleman from Illinois does not in any way supersede the provisions that is already in the Wright substitute, which says it takes effect upon the date prescribed in the classified annex to the report of the select committee.

That certainly is not going to be revoked by this 30-day provision which the gentleman from Illinois has provided.

If the gentleman would yield further, I would want to commend him for his amendment.

Mr. HYDE. I always yield to be commended.

Mr. COURTER. Mr. Chairman, will the gentleman yield?

Mr. HYDE. I yield to the gentleman from New Jersey, because I suspect he may have a commendation in mind.

Mr. COURTER. I do, but that is not the main reason I want to be heard.

Mr. Chairman, is it my understanding that the purpose for your bringing this amendment is the fact that there has been no hearings or independent determination on adequacy of the $80 million?

Mr. HYDE. That is right.

Mr. COURTER. Is the gentleman saying that we are about to pass legislation that requires an $80 million expenditure with no determination as to its adequacy?

Mr. HYDE. I am saying that we are moving from a program of covert interdiction into overt. They are two different animals entirely, with different requirements, so we ought to have hearings to see what it will cost.

Mr. MARTIN of North Carolina. Mr. Chairman, will the gentleman yield for a partial answer?

Mr. HYDE. I yield to my friend, the gentleman from North Carolina.

Mr. MARTIN of North Carolina. I think I can remind the Members of a partial answer that was developed earlier, if I may have the attention of the gentleman, when, in debate, we pointed out that a recently defected former member of the Sandinista secret police gave us his estimate that the amount that had been brought into Nicaragua for export was somewhere in excess of $500 million.

The CHAIRMAN. The time of the gentleman from Illinois (Mr. HYDE) has again expired.

(On request of Mr. BEDELL and by unanimous consent, Mr. HYDE was allowed to proceed for 2 additional minutes.)

Mr. BEDELL. Mr. Chairman, will the gentleman yield?

Mr. HYDE. I yield to the gentleman from Iowa.

Mr. BEDELL. I thank the gentleman for yielding.

Mr. Chairman, the question that needs to be clarified is the gentleman says "have held hearings." Does this mean one hearing, or does this mean that the committee could string it on

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and on, and on and on if it was the will of the committee to do so and, therefore, hold this up for an indefinite period of time?

Mr. HYDE. I would say it would be within the control of the chairman of the committee and the members of the committee, and since your party is in the majority, I have total confidence in them.

Mr. BEDELL. Mr. Chairman if the gentleman from Iowa could be heard further, then the net result of this amendment is to leave it up to any one of those committees to delay this thing for as long as they wish to do so. This Member of this body thinks this is a responsibility of the Members of this body, and I, for one, am not willing to turn it over to any one of our committees to delay it forever.

Mr. HYDE. This Member can only express dismay at the lack of confidence in the committee structure established by the Democratic rules. I reaffirm my confidence in the chairmen.

Mr. BEREUTER. Mr. Chairman, will the gentleman yield?

Mr. HYDE. I yield to my friend, the gentleman from Nebraska.

Mr. BEREUTER. I thank the gentleman for yielding.

Mr. Chairman, first I would like to ask, does the gentleman's amendment cover the requirement to look at additional U.S. military assistance that would be involved in an overt interdiction program?

Mr. HYDE. Yes, sir.

Mr. BEREUTER. Including personnel, U.S. personnel?

Mr. HYDE. Yes, sir. You see, if we are going to be involved down there in terms of money and personnel, the least thing we can do is hold hearings to find out how many personnel and how much money.

Mr. BARNES. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the Wright substitute.

Mr. Chairman, before I address the merits of the Wright substitute and the Hyde amendment to it which are pending before us, I just want to comment that I think the leadership that we have seen from the chairman of the Intelligence Committee, the gentleman from Massachusetts (Mr. BOLAND) has been absolutely remarkable, and I know the Members on both sides of the aisle have seen their respect for the gentleman from Massachusetts grow today. I, for one, have found it an honor to work with our chairman on this issue.

I also want to say that we throw our titles around here a lot. We are all proud of the titles we have as chairmen or whatever, but the title "majority leader" has taken on a new dimension, I think, in the context of the debate today and I am very proud of the role that the majority leader has played in leading the majority of this House on an important issue.

The leader's substitute could not be more appropriate. Earlier today some of us noted the excellent letter that President Reagan sent to the presidents of the four Contadora countries, the presidents of Panama, Colombia, Mexico, and Venezuela, in which President Reagan said, and I quote:

> The charter of the Organization of American States makes clear that it should be the purpose of the OAS to either prevent unjust acts committed against one state against another, or to provide for common action on the part of the members in the event of difficulties.

The President said:

> I believe the OAS, as this Hemisphere's regional forum, is the appropriate mechanism to insure that those who make commitments comply with them.

Well, the substitute that we have before us now offered by the distinguished majority leader calls upon the Government of the United States to go to the Organization of American States as the proper forum for consideration of the concerns that we have with respect to the actions of Nicaragua. It is totally consistent with the statement that the President made in his letter to four Presidents.

I would urge strong support for the substitute offered by the gentleman from Texas (Mr. WRIGHT). I would urge opposition to the amendment to the Wright substitute that has been offered by the gentleman from Illinois (Mr. HYDE). There is no need for any amendment to this bill that would delay the implementation of the termination of the covert action and the movement of the United States to the Organization of American States to begin the action that is called for under the Wright substitute. There is no need for us to await action.

Mr. CAMPBELL. Mr. Chairman, will the gentleman yield?

Mr. BARNES. I yield to the gentleman from South Carolina.

Mr. CAMPBELL. I thank the gentleman for yielding.

Mr. Chairman, let me ask one question, and it is a very serious question.

I am in agreement that the OAS ought to act. What does the Wright substitute provide for if they do not act and if Nicaragua continues with their actions?

Mr. BARNES. The Wright substitute incorporates, as did the original Boland-Zablocki language that was before the House at the beginning of this debate, assistance for our friends in the hemisphere, and as the chairman of the Intelligence Committee and the chairman of the Committee on Foreign Affairs said earlier this week in a "Dear Colleague" that all of us received, if the assistance that is provided in this legislation turned out at some date in the future not to be adequate, they would expeditiously bring to the floor of the House legislation to provide adequate assistance.

□ 2050

So that is taken care of.

I want to make one final point in the time that is remaining to me, and I apologize that I do not have much time, but I want to make one final point.

Mr. CAMPBELL. I will ask for more time for the gentleman.

Mr. BARNES. It demonstrates the significance of what we have done today, the timeliness and the importance of what we have done today.

On the evening news tonight, on CBS, there was this report. CBS reported:

> There are deep divisions within the CIA's clandestine operations directorate over plans to expand covert operations against Nicaragua.

CBS reported further:

> Senior career officers are warning the plans pose a major danger of escalating the conflict.

They went on to say:

> According to very reliable sources, CIA Director William Casey proposed expanding the covert operations over the objections of a number of his senior advisors.

The CHAIRMAN. The time of the gentleman from Maryland (Mr. BARNES) has expired.

Mr. BARNES. Mr. Chairman, I ask unanimous consent to proceed for 1 additional minute.

The CHAIRMAN. Is there objection to the request of the gentleman from Maryland?

Mr. LOTT. I object, Mr. Chairman.

The CHAIRMAN. Objection is heard.

AMENDMENT OFFERED BY MR. BEREUTER AS A SUBSTITUTE FOR THE AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. WRIGHT

Mr. BEREUTER. Mr. Chairman, I offer an amendment as a substitute for the amendment in the nature of a substitute.

The Clerk read as follows:

Amendment offered by Mr. BEREUTER as a substitute for the amendment in the nature of a substitute offered by Mr. WRIGHT:

Strike out all after the enacting clause and in lieu thereof insert the following:

That the Intelligence Authorization Act for Fiscal Year 1983 is amended by adding at the end thereof the following new title:

TITLE VIII—PROHIBITION ON COVERT ASSISTANCE FOR MILITARY OPERATIONS IN NICARAGUA; AUTHORIZATION OF OVERT INTERDICTION ASSISTANCE

"PROHIBITION ON COVERT ASSISTANCE FOR MILITARY OPERATIONS IN NICARAGUA

"SEC. 801. (a) None of the funds appropriated for fiscal year 1983 or 1984 for the Central Intelligence Agency or any other department, agency, or entity of the United States involved in intelligence activities may be obligated or expended for the purpose or which would have the effect of supporting, directly or indirectly, military or paramilitary operations in Nicaragua by any nation, group, organization, movement, or individual.

"(b) This section shall take effect upon the date prescribed in the classified annex to the report of the Permanent Select Committee on Intelligence of the House of Representatives to accompany H.R. 2760 (98th Congress), but in no event earlier than October 1, 1983, unless before that effective date the President, after consultation with the Congress, has submitted to the Speaker of the House of Representatives and the President pro tempore of the Senate in writing a new plan providing for the interdiction of arms being shipped from or through Nicaragua to forces hostile to the Government of El Salvador. In formulating such a plan, the President shall consider whether it would be useful to pursue direct bilateral negotiations between the United States and the Government of Nicaragua; multilateral negotiations among selected Western Hemispheric countries; involving the Organization of American States, the United Nations, or any other nation or nations in a diplomatic or peacekeeping role; involving other countries in the process of arms interdiction using United States military supplies and training, and any other policy that will stop the shipment of arms from Nicaragua to El Salvador. The plan submitted pursuant to this subsection shall cease to be implemented and the prohibition contained in subsection (a) shall take effect if—

[CRS-165]

"(1) the Government of Nicaragua has, by formal action, agreed that it will cease all its activities involving the furnishing of arms, personnel, training, command and control facilities, or logistical support for military or paramilitary operations in or against any country in Central America or the Caribbean; and

"(2) the Government of Nicaragua is taking steps to implement the commitments made by the Government of National Reconstruction of Nicaragua to the Organization of American States in July 1979; and

"(3) the cessation of such activities, and the taking of steps to implement such commitments, has been verified by the Organization of American States or the President of the United States.".

"AUTHORIZING OF OVERT INTERDICTION ASSISTANCE

SEC. 802. (a) The Congress finds that—

"(1) in the absence of a state of declared war, the provision of military equipment to individuals, groups, organizations, or movements seeking to overthrow governments of countries in Central America violates international treaty obligations, including the Charter of the United Nations, the Charter of the Organization of American States, and the Rio Treaty of 1949; and

"(2) such activities by the Governments of Cuba and Nicaragua threaten the independence of El Salvador and threaten to destabilize the entire Central American region, and the Governments of Cuba and Nicaragua refuse to cease those activities.

"(b) The President is authorized to furnish assistance, on such terms and conditions as he may determine, to the government of any friendly country in Central America in order to provide such country with the ability to prevent use of its territory, or to prevent to the extent permitted by international law the use of international territory, for the transfer of military equipment from or through Cuba or Nicaragua or any other country or agents of that country to any individual, group, organization, or movement which the President determines seeks to overthrow the government of such friendly country or the government of any other country in Central America. Assistance under this section shall be provided openly, and shall not be provided in a manner which attempts to conceal United States involvement in the provision of such assistance.

"(c) Assistance may be provided to a friendly foreign country under this section only if that country has agreed that it will not use any assistance provided by the United States under this section, the Foreign Assistance Act of 1961, or the Arms Export Control Act to destabilize or overthrow the government of any country in Central America and will not make any such assistance available to any nation, individual, group, organization, or movement which seeks to destabilize or overthrow any such government.

"(d) At least 15 days before providing assistance to a foreign country under this section, the President shall submit an unclassified report which describes the proposed assistance to the Speaker of the House of Representatives and to the chairman of the appropriate committees of the Senate.

"(e) There is authorized to be appropriated to the President to carry out this section $30,000,000 for the fiscal year 1983 and $50,000,000 for the fiscal year 1984.

"(f) Funds to carry out this section shall be made available for any friendly country in Central America only for the purpose of interdicting the transfer of military equipment to any country in Central America.".

SEC. 2. (a) The Congress finds that—

(1) the Government of National Reconstruction of Nicaragua has failed to keep solemn promises, made to the Organization of American States in July 1979, to establish full respect for human rights and political liberties, holdy early elections, preserve a private sector, permit political pluralism, and pursue a foreign policy of non-aggression and non-intervention;

(2) by providing military support (including arms, training, and logistical, command and control, and communications facilities) to groups seeking to overthrow the Government of El Salvador and other Central American governments, the Government of National Reconstruction of Nicaragua has violated article 18 of the Charter of the Organization of American States which declares that no state has the right to intervene, directly or indirectly, for any reason whatsoever, in the internal or external affairs of any other state;

(3) the Government of Nicaragua should be held accountable before the Organization of American States for activities violative of promises made to the Organization and for violations of the Charter of that Organization; and

(4) working through the Organization of American States is the proper and the most effective means of dealing with threats to the peace in Central America, of providing for common action in the event of aggression, and of providing the mechanisms for peaceful resolution of disputes among the countries of Central America.

(b) The President shall seek a prompt reconvening of the Seventeenth Meeting of Consultation of Ministers of Foreign Affairs of the Organization of American States for the purpose of re-evaluating the compliance by the Government of National Reconstruction of Nicaragua—

(1) with the commitments made by the leaders of that Government in July 1979 to the Organization of American States; and

(2) with the Charter of the Organization of American States.

(c) The President shall vigorously seek prompt actions by the Organization of American States that would provide for a full range of effective measures by the member states to bring about compliance by the Government of National Reconstruction of Nicaragua with those obligations, including verifiable agreements to halt the transfer of military equipment and to cease furnishing of military support facilities to groups seeking the violent overthrow of governments of countries in Central America.

(d) The President shall use all diplomatic means at his disposal to encourage the Organization of American States to seek resolution of the conflicts in Central America based on the provisions of the Final Act of the San Jose Conference of October 1982, especially principles (d), (e), and (g), relating to non-intervention in the internal affairs of other countries, denying support for terrorist and subversive elements in other states, and international supervision of fully verifiable arrangements.

(e) The United States shall support measures at the Organization of American States, as well as efforts of the Contadora Group, which seek to end support for terrorist, subversive, or other activities aimed at the violent overthrow of the governments of countries in Central America. Funds authorized to be appropriated by this Act may be used to provide United States support for activities with respect to Nicaragua which are designed to end the conflict in the region and which are approved by the Organization of American States, including international surveillance and supervision activities, peacekeeping forces, border patrols, and election supervisors.

(f) Not later than March 15, 1984, the President shall report to the Congress on the results of his efforts pursuant to this Act to achieve peace in Central America and to end the flow of arms to Central America. Such report may include such recommendations as the President may consider appropriate for further United States actions to achieve these objectives, including requests for the authorization and appropriation of additional funds to carry out the purposes of this Act.

Mr. BEREUTER. Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Nebraska?

Mr. WEISS. Reserving a point of order, Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

The Clerk will continue to read.

The Clerk continued the reading of the amendment.

Mr. BEREUTER (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Nebraska?

Mr. HARKIN. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

The Clerk will continue the reading of the amendment.

The Clerk continued the reading of the amendment.

Mr. SOLARZ (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

POINT OF ORDER

Mr. WEISS. Mr. Chairman, a point of order.

The CHAIRMAN. Does the gentleman from New York (Mr. WEISS) insist upon his point of order?

[CRS-166]

Mr. WEISS. Mr. Chairman, I do insist on my point of order.

The CHAIRMAN. The Chair will be glad to hear the gentleman.

Mr. WEISS. Mr. Chairman, it is my understanding that substitutes, except for the one offered by the gentleman from Texas, the majority leader, have to be in written form and filed in advance. I understand that this particular substitute had not been, and that is the basis of my point of order.

The CHAIRMAN. Does the gentleman from Nebraska desire to be heard?

Mr. BEREUTER. I do not, Mr. Chairman.

The CHAIRMAN. The Chair would advise the gentleman from New York (Mr. WEISS) that this is an amendment offered as a substitute for the Wright amendment and the rule does not require that it be printed in the RECORD.

Is there objection to the request of the gentleman from New York (Mr. SOLARZ) that the amendment be considered as read and printed in the RECORD?

There was no objection.

The CHAIRMAN. The gentleman from Nebraska (Mr. BEREUTER) is recognized for 5 minutes in support of his amendment.

Mr. BEREUTER. Mr. Chairman, the amendment I have offered can be explained very briefly in that the three components in this amendment have been thoroughly discussed, have been read, have been debated at great length.

The three components of this amendment that I am offering are, first, the so-called Broomfield-Mica amendment offered earlier; second, the amendment offered by the majority leader, the gentleman from Texas (Mr. WRIGHT), which relates to the promises made by the Government of Nicaragua and involves the Organization of American States, I think we recall that, and third, would be to reinstate section 802 from the original Boland-Zablocki bill or resolution. That section, of course, relates to the overt interdiction aid provided to adjacent Central American nations in the amount of $30 million for fiscal year 1983 and $50 million for fiscal year 1984.

I think that is an adequate explanation. We have been over it before.

Mr. Chairman, I yield back the balance of my time.

Mr. BOLAND. Mr. Chairman, I rise in opposition to the amendment just offered by the gentleman from Nebraska.

Mr. Chairman, the gentleman's amendment, of course, absolutely reinstates the Broomfield amendment. There is no doubt about that.

This House has already voted twice on that particular amendment. We ought to vote it down for a third time.

I have some problem with the Hyde amendment, I must say. I have no problem with the individual. I think he is one of the nicest men you would ever want to meet and perhaps one of the cleverest lawyers here.

I am a little concerned about the effective date. The covert action, of course, would go on until the effective date has been accomplished and that effective date would be 30 days after the Armed Services Committee, the Intelligence Committee, and the Foreign Affairs Committee have held hearings.

Mr. HYDE. Mr. Chairman, will the gentleman yield?

Mr. BOLAND. I am delighted to yield.

Mr. HYDE. I have no problem with 7 days after hearings. I just want hearings to be held before we launch into a new program and 7 days is fine with me.

The chairman of the Armed Services Committee is here and he hears what we are saying. I know him, as the gentleman knows him, to be an honorable man who will move with dispatch.

This is simple to do things in a sensible, reasonable, orderly way.

Mr. BOLAND. Mr. Chairman, I think if the gentleman from Illinois had restricted this particular amendment to any one of the three, I would have no objection to it; but it offers a way to delay this about as long as you want.

For my part, I am not about to hold a hearing all during August on this particular matter, I can tell you that. I do not know what is going to happen with the other two committees.

I think it is an ineffective amendment. I do not say it is a gutting amendment. I just say it is a very clever amendment. I would hope that the membership would vote "no" on the amendment.

On the final vote, I would hope the Members would vote "aye" on the Wright amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois (Mr. HYDE) to the amendment in the nature of a substitute offered by the gentleman from Texas (Mr. WRIGHT).

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. BROOMFIELD. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 194, noes 229, not voting 10, as follows:

[Roll No. 282]

AYES—194

Archer
Badham
Barnard
Bartlett
Bateman
Bereuter
Bethune
Biaggi
Bilirakis
Bliley
Breaux
Broomfield
Brown (CO)
Broyhill
Burton (IN)
Byron
Campbell
Carney
Carper
Chandler
Chappell
Cheney
Clinger
Coats
Coleman (MO)
Conable
Corcoran
Coughlin
Courter
Craig
Crane, Daniel
Crane, Philip
Daniel
Dannemeyer
Daub
Davis
DeWine
Dickinson
Dreier
Duncan
Dyson
Edwards (AL)
Edwards (OK)
Emerson
Erdreich
Erlenborn
Evans (IA)
Fiedler
Fields
Fish
Forsythe
Frenzel
Gekas
Gilman
Gingrich
Goodling
Gradison
Gramm
Gregg
Gunderson
Hall, Ralph
Hall, Sam
Hammerschmidt
Hansen (ID)
Hansen (UT)
Hartnett
Hatcher
Hightower
Hiler
Hillis
Holt
Hopkins
Horton
Hubbard
Huckaby
Hunter
Hutto
Hyde
Ireland
Johnson
Kasich
Kazen
Kemp
Kindness
Kramer
Lagomarsino
Latta
Leath
Lent
Lewis (CA)
Lewis (FL)
Lipinski
Livingston
Lloyd
Loeffler
Lott
Lowery (CA)
Lujan
Lungren
Mack
Madigan
Marlenee
Marriott
Martin (IL)
Martin (NC)
Martin (NY)
Mazzoli
McCain
McCandless
McCollum
McDonald
McEwen
McGrath
McKernan
McKinney
Michel
Miller (OH)
Montgomery
Moore
Moorhead
Morrison (WA)
Myers
Nichols
Nielson
O'Brien
Oxley
Packard
Parris
Pashayan
Patman
Paul
Petri
Porter
Pritchard
Pursell
Quillen
Ray
Regula
Ridge
Rinaldo
Ritter
Roberts
Robinson
Roemer
Rogers
Rostenkowski
Roth
Rowland
Rudd
Sawyer
Schaefer
Schneider
Schulze
Sensenbrenner
Shaw
Shelby
Shumway
Shuster
Siljander
Sisisky
Skeen
Skelton
Smith (NE)
Smith (NJ)
Smith, Denny
Smith, Robert
Snyder
Solomon
Spence
Stenholm
Stratton
Stump
Sundquist
Tauke
Tauzin
Taylor
Thomas (CA)
Thomas (GA)
Vander Jagt
Vandergriff
Vucanovich
Walker
Weber
Whitehurst
Whittaker
Williams (OH)
Wilson
Winn
Wolf
Wortley
Wylie
Young (AK)
Young (FL)
Zschau

NOES—229

Ackerman
Akaka
Albosta
Alexander
Anderson
Andrews (NC)
Andrews (TX)
Annunzio
Anthony
Applegate
Aspin
AuCoin
Barnes
Bates
Bedell
Beilenson
Bennett
Berman
Bevill
Boehlert
Boggs
Boland
Boner
Bonior
Bonker
Borski
Bosco
Boxer
Britt
Brooks
Brown (CA)
Bryant
Burton (CA)
Carr
Clarke
Clay
Coelho
Coleman (TX)
Collins
Conte
Conyers
Cooper
Coyne
Crockett
D'Amours
Daschle
de la Garza
Dellums
Derrick
Dicks
Dingell
Dixon
Donnelly
Dorgan
Downey
Durbin
Dwyer
Dymally
Early
Eckart
Edgar
Edwards (CA)
English
Evans (IL)
Fascell
Fazio
Feighan
Ferraro
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Fowler
Frank
Frost
Fuqua
Garcia
Gaydos
Gejdenson
Gephardt
Gibbons
Glickman
Gonzalez
Gore
Gray
Green
Guarini
Hall (IN)
Hall (OH)
Hamilton
Hance
Harkin
Harrison
Hawkins
Hefner
Hertel
Howard
Hoyer
Hughes
Jacobs
Jeffords
Jenkins
Jones (NC)
Jones (OK)
Kaptur
Kastenmeier
Kennelly
Kildee
Kogovsek
Kolter
Kostmayer
LaFalce
Lantos
Leach
Lehman (CA)
Lehman (FL)
Leland
Levin

[CRS-167]

Levine
Levitas
Long (LA)
Long (MD)
Lowry (WA)
Luken
Lundine
MacKay
Markey
Martinez
Matsui
Mavroules
McCloskey
McCurdy
McHugh
McNulty
Mica
Mikulski
Miller (CA)
Mineta
Minish
Mitchell
Moakley
Mollohan
Moody
Morrison (CT)
Mrazek
Murphy
Murtha
Natcher
Neal
Nelson
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Ottinger
Owens
Panetta
Patterson
Pease
Penny
Pepper
Perkins
Pickle
Price
Rahall
Rangel
Ratchford
Reid
Richardson
Rodino
Roe
Rose
Roukema
Roybal
Russo
Sabo
Savage
Scheuer
Schroeder
Schumer
Seiberling
Shannon
Sharp
Sikorski
Simon
Slattery
Smith (FL)
Smith (IA)
Snowe
Solarz
Spratt
St Germain
Staggers
Stark
Stokes
Studds
Swift
Synar
Tallon
Torres
Torricelli
Towns
Traxler
Udall
Valentine
Vento
Volkmer
Walgren
Watkins
Waxman
Weaver
Weiss
Wheat
Whitley
Whitten
Williams (MT)
Wirth
Wise
Wolpe
Wright
Wyden
Yates
Yatron
Young (MO)
Zablocki

NOT VOTING—10

Addabbo
Boucher
Chappie
Dowdy
Franklin
Heftel
Jones (TN)
McDade
Molinari
Stangeland

□ 2110

The Clerk announced the following pair:

On this vote:

Mr. Molinari for, with Mr. Addabbo against.

Mr. GUARINI changed his vote from "aye" to "no."

Mr. COUGHLIN changed his vote from "no" to "aye."

So the amendment to the amendment in the nature of a substitute was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN. The Chair will state that all time under the 5-minute rule on the bill has expired.

The question is on the amendment offered by the gentleman from Nebraska (Mr. BEREUTER) as a substitute for the amendment in the nature of a substitute offered by the gentleman from Texas (Mr. WRIGHT).

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. BEREUTER. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 196, noes 228, not voting 9, as follows:

[Roll No. 283]

AYES—196

Archer
Badham
Barnard
Bartlett
Bateman
Bereuter
Bethune
Bevill
Bilirakis
Bliley
Boner
Breaux
Broomfield
Brown (CO)
Broyhill
Burton (IN)
Byron
Campbell
Carney
Chandler
Chappell
Cheney
Clinger
Coats
Coleman (MO)
Conable
Corcoran
Coughlin
Courter
Craig
Crane, Daniel
Crane, Philip
Daniel
Dannemeyer
Daub
Davis
DeWine
Dickinson
Dreier
Duncan
Dyson
Edwards (AL)
Edwards (OK)
Emerson
Erdreich
Erlenborn
Evans (IA)
Fascell
Fiedler
Fields
Fish
Flippo
Forsythe
Frenzel
Fuqua
Gekas
Gilman
Gingrich
Goodling
Gradison
Gramm
Gregg
Gunderson
Hall, Ralph
Hall, Sam
Hammerschmidt
Hance
Hansen (ID)
Hansen (UT)
Hartnett
Hatcher
Hightower
Hiler
Hillis
Holt
Hopkins
Horton
Hubbard
Huckaby
Hunter
Hutto
Hyde
Ireland
Jenkins
Johnson
Kasich
Kazen
Kemp
Kindness
Kramer
Lagomarsino
Latta
Leath
Lent
Levitas
Lewis (CA)
Lewis (FL)
Lipinski
Livingston
Lloyd
Loeffler
Lott
Lowery (CA)
Lujan
Lungren
Mack
Madigan
Marlenee
Marriott
Martin (NC)
Martin (NY)
McCain
McCandless
McCollum
McDonald
McEwen
McGrath
Mica
Michel
Miller (OH)
Montgomery
Moore
Moorhead

Morrison (WA)
Myers
Nelson
Nichols
Nielson
O'Brien
Oxley
Packard
Parris
Pashayan
Patman
Paul
Petri
Porter
Pritchard
Pursell
Quillen
Ray
Regula
Ridge
Rinaldo
Ritter
Roberts
Robinson
Roemer
Rogers
Roth
Rowland
Rudd
Sawyer
Schaefer
Schulze
Sensenbrenner
Shaw
Shelby
Shumway
Shuster
Siljander
Sisisky
Skeen
Skelton
Smith (NE)
Smith (NJ)
Smith, Denny
Smith, Robert
Snyder
Solomon
Spence
Stenholm
Stratton
Stump
Sundquist
Tauke
Tauzin
Taylor
Thomas (CA)
Thomas (GA)
Vander Jagt
Vandergriff
Vucanovich
Walker
Weber
Whitehurst
Whittaker
Williams (OH)
Wilson
Winn
Wolf
Wortley
Wylie
Young (AK)
Young (FL)
Zschau

NOES—228

Ackerman
Akaka
Albosta
Alexander
Anderson
Andrews (NC)
Andrews (TX)
Annunzio
Anthony
Applegate
Aspin
AuCoin
Barnes
Bates
Bedell
Beilenson
Bennett
Berman
Biaggi
Boehlert
Boggs
Boland
Bonior
Bonker
Borski
Bosco
Boucher
Boxer
Britt
Brooks
Brown (CA)
Bryant
Burton (CA)
Carper
Carr
Clarke
Clay
Coelho
Coleman (TX)
Collins
Conte
Conyers
Cooper
Coyne
Crockett
D'Amours
Daschle
de la Garza
Dellums
Derrick
Dicks
Dingell
Dixon
Donnelly
Dorgan
Downey
Durbin
Dwyer
Dymally
Early
Eckart
Edgar
Edwards (CA)
English
Evans (IL)
Fazio
Feighan
Ferraro
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Fowler
Frank
Frost
Garcia
Gaydos
Gejdenson
Gephardt
Gibbons
Glickman
Gonzalez
Gore
Gray
Green
Guarini
Hall (IN)
Hall (OH)
Hamilton
Harkin
Harrison
Hawkins
Hefner
Hertel
Howard
Hoyer
Hughes
Jacobs
Jeffords
Jones (NC)
Jones (OK)
Kaptur
Kastenmeier
Kennelly
Kildee
Kogovsek
Kolter
Kostmayer
LaFalce
Lantos
Leach
Lehman (CA)
Lehman (FL)
Leland
Levin
Levine
Long (LA)
Long (MD)
Lowry (WA)
Luken
Lundine
MacKay
Markey
Martin (IL)
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCurdy
McHugh
McKernan
McKinney
McNulty
Mikulski
Miller (CA)
Mineta
Minish
Mitchell
Moakley
Mollohan
Moody
Morrison (CT)
Mrazek
Murphy
Murtha
Natcher
Neal
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Ottinger
Owens
Panetta
Patterson
Pease
Penny
Pepper
Perkins
Pickle
Price
Rahall
Rangel
Ratchford
Reid
Richardson
Rodino
Roe
Rose
Rostenkowski
Roukema
Roybal
Russo
Sabo
Savage
Scheuer
Schneider
Schroeder
Schumer
Seiberling
Shannon
Sharp
Sikorski
Simon
Slattery
Smith (FL)
Smith (IA)
Snowe
Solarz
Spratt
St Germain
Staggers
Stark
Stokes
Studds
Swift
Synar
Tallon
Torres
Torricelli
Towns
Traxler
Udall
Valentine
Vento
Volkmer
Walgren
Watkins
Waxman
Weaver
Weiss
Wheat
Whitley
Whitten
Williams (MT)
Wirth
Wise
Wolpe
Wright
Wyden
Yates
Yatron
Young (MO)
Zablocki

NOT VOTING—9

Addabbo
Chappie
Dowdy
Franklin
Heftel
Jones (TN)
McDade
Molinari
Stangeland

☐ 2130

The Clerk announced the following pair:

On this vote:

Mr. Molinari for, with Mr. Addabbo against.

So the amendment offered as a substitute for the amendment in the nature of a substitute was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN. The question is on the amendment in the nature of a substitute offered by the gentleman from Texas (Mr. WRIGHT).

The amendment in the nature of a substitute was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore (Mr. WRIGHT) having assumed the chair, Mr. NATCHER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 2760) to amend the Intelligence Authorization Act for Fiscal Year 1983 to prohibit U.S. support for military or paramilitary operations in Nicaragua and to authorize assistance, to be openly provided to governments of countries in Central America, to interdict the supply of military equipment from Nicaragua and Cuba to individuals, groups, organizations, or movements seeking to overthrow governments of countries in Central America, pursuant to House resolution 261, he reported the bill back to the House with an amendment

[CRS-168]

adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

The question is on the amendment.

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT OFFERED BY MR. BROOMFIELD

Mr. BROOMFIELD. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. BROOMFIELD. I certainly am, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. BROOMFIELD moves to recommit the bill, H.R. 2760, to the Permanent Select Committee on Intelligence and the Committee on Foreign Affairs.

The SPEAKER. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER. The question is on the motion to recommit.

The question was taken; and the Speaker announced that the noes appeared to have it.

Mr. BROOMFIELD. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 189, nays 234, not voting 10, as follows:

[Roll No. 284]

YEAS—189

Archer
Badham
Barnard
Bartlett
Bateman
Bereuter
Bethune
Bevill
Bilirakis
Bliley
Breaux
Broomfield
Brown (CO)
Broyhill
Burton (IN)
Campbell
Carney
Chandler
Chappell
Cheney
Clinger
Coats
Coleman (MO)
Conable
Corcoran
Courter
Craig
Crane, Daniel
Crane, Philip
Daniel
Dannemeyer
Daub
Davis
DeWine
Dickinson
Dreier
Duncan
Edwards (AL)
Edwards (OK)
Emerson
Erdreich
Erlenborn
Evans (IA)
Fiedler
Fields
Fish
Flippo
Forsythe
Frenzel
Fuqua
Gekas
Gilman
Gingrich
Goodling
Gradison
Gramm
Gregg
Gunderson
Hall, Ralph
Hall, Sam
Hammerschmidt
Hance
Hansen (ID)
Hansen (UT)
Hartnett
Hatcher
Hightower
Hiler
Hillis
Holt
Hopkins
Horton
Hubbard
Huckaby
Hunter
Hutto
Hyde
Ireland
Jenkins
Johnson
Kasich
Kazen
Kemp
Kindness
Kramer
Lagomarsino
Latta
Leath
Lent
Lewis (CA)
Lewis (FL)
Lipinski
Livingston
Lloyd
Loeffler
Lott
Lowery (CA)
Lujan
Lungren
Mack
Madigan
Marlenee
Marriott
Martin (IL)
Martin (NC)
Martin (NY)
McCain
McCandless
McCollum
McDonald
McEwen
McGrath
McKernan
Mica
Michel
Miller (OH)
Montgomery
Moore
Moorhead
Morrison (WA)
Myers
Nelson
Nichols
Nielson
O'Brien
Oxley
Packard
Parris
Pashayan
Patman
Paul
Petri
Porter
Pritchard
Pursell
Quillen
Ray
Regula
Ridge
Rinaldo
Ritter
Roberts
Robinson
Roemer
Rogers
Roth
Rudd
Sawyer
Schaefer
Schulze
Sensenbrenner
Shaw
Shelby
Shumway
Shuster
Siljander
Sisisky
Skeen
Skelton
Smith (NE)
Smith (NJ)
Smith, Denny
Smith, Robert
Snyder
Solomon
Spence
Stenholm
Stratton
Stump
Tauke
Tauzin
Taylor
Thomas (CA)
Vander Jagt
Vandergriff
Vucanovich
Walker
Weber
Whitehurst
Whittaker
Williams (OH)
Wilson
Winn
Wolf
Wortley
Wylie
Young (AK)
Young (FL)
Zschau

NAYS—234

Ackerman
Akaka
Albosta
Alexander
Anderson
Andrews (NC)
Andrews (TX)
Annunzio
Anthony
Applegate
Aspin
AuCoin
Barnes
Bates
Bedell
Beilenson
Bennett
Berman
Biaggi
Boehlert
Boggs
Boland
Boner
Bonior
Bonker
Borski
Bosco
Boucher
Boxer
Britt
Brooks
Brown (CA)
Bryant
Burton (CA)
Byron
Carper
Carr
Clarke
Clay
Coelho
Coleman (TX)
Collins
Conte
Conyers
Cooper
Coughlin
Coyne
Crockett
D'Amours
Daschle
de la Garza
Dellums
Derrick
Dicks
Dingell
Dixon
Donnelly
Dorgan
Downey
Durbin
Dwyer
Dymally
Dyson
Early
Eckart
Edgar
Edwards (CA)
English
Evans (IL)
Fascell
Fazio
Feighan
Ferraro
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Fowler
Frank
Frost
Garcia
Gaydos
Gejdenson
Gephardt
Gibbons
Glickman
Gonzalez
Gore
Gray
Green
Guarini
Hall (IN)
Hall (OH)
Hamilton
Harkin
Harrison
Hawkins
Hefner
Hertel
Howard
Hoyer
Hughes
Jacobs
Jeffords
Jones (NC)
Jones (OK)
Kaptur
Kastenmeier
Kennelly
Kildee
Kogovsek
Kolter
Kostmayer
LaFalce
Lantos
Leach
Lehman (CA)
Lehman (FL)
Leland
Levin
Levine
Levitas
Long (LA)
Long (MD)
Lowry (WA)
Luken
Lundine
MacKay
Markey
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCurdy
McHugh
McKinney
McNulty
Mikulski
Miller (CA)
Mineta
Minish
Mitchell
Moakley
Mollohan
Moody
Morrison (CT)
Mrazek
Murphy
Murtha
Natcher
Neal
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Ottinger
Owens
Panetta
Patterson
Pease
Penny

[CRS-169]

Pepper
Perkins
Pickle
Price
Rahall
Rangel
Ratchford
Reid
Richardson
Rodino
Roe
Rose
Rostenkowski
Roukema
Rowland
Roybal
Russo
Sabo
Savage
Scheuer
Schneider
Schroeder
Schumer
Seiberling
Shannon
Sharp
Sikorski
Simon
Slattery
Smith (FL)
Smith (IA)
Snowe
Solarz
Spratt
St Germain
Staggers
Stark
Stokes
Studds
Swift
Synar
Tallon
Thomas (GA)
Torres
Torricelli
Towns
Traxler
Udall
Valentine
Vento
Volkmer
Walgren
Watkins
Waxman
Weaver
Weiss
Wheat
Whitley
Whitten
Williams (MT)
Wirth
Wise
Wolpe
Wright
Wyden
Yates
Yatron
Young (MO)
Zablocki

NOT VOTING—10

Addabbo
Chappie
Dowdy
Franklin
Heftel
Jones (TN)
McDade
Molinari
Stangeland
Sundquist

□ 2150

The Clerk announced the following pair:

On this vote:

Mr. Molinari for, with Mr. Addabbo against.

Mr. WEISS changed his vote from "yea" to "nay."

So the motion to recommit was rejected.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore (Mr. WRIGHT). The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appear to have it.

RECORDED VOTE

Mr. BROOMFIELD. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device and there were—ayes 228, noes 195, not voting 10, as follows:

[Roll No. 285]

AYES—228

Ackerman
Akaka
Albosta
Alexander
Anderson
Andrews (NC)
Andrews (TX)
Annunzio
Anthony
Aspin
AuCoin
Barnes
Bates
Bedell
Beilenson
Bennett
Berman
Biaggi
Boehlert
Boggs
Boland
Bonior
Bonker
Borski
Bosco
Boucher
Boxer
Britt
Brooks
Brown (CA)
Bryant
Burton (CA)
Carper
Carr
Clarke
Clay
Coelho
Coleman (TX)
Collins
Conte
Conyers
Cooper
Coughlin
Coyne
D'Amours
Daschle
de la Garza
Dellums
Derrick
Dicks
Dingell
Dixon
Donnelly
Dorgan
Downey
Durbin
Dwyer
Dymally
Early
Eckart
Edgar
Edwards (CA)
English
Evans (IA)
Evans (IL)
Fazio
Feighan
Ferraro
Fish
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Fowler
Frank
Frost
Garcia
Gejdenson
Gephardt
Gibbons
Glickman
Gonzalez
Gore
Gray
Green
Guarini
Hall (IN)
Hall (OH)
Hamilton
Harkin
Harrison
Hawkins
Hefner
Hertel
Horton
Howard
Hughes
Jacobs
Jeffords
Jones (NC)
Jones (OK)
Kaptur
Kastenmeier
Kennelly
Kildee
Kogovsek
Kolter
Kostmayer
LaFalce
Lantos
Leach
Lehman (CA)
Lehman (FL)
Leland
Levin
Levine
Long (LA)
Long (MD)
Lowry (WA)
Luken
Lundine
MacKay
Markey
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCurdy
McHugh
McKernan
McKinney
McNulty
Mikulski
Miller (CA)
Mineta
Minish
Mitchell
Moakley
Mollohan
Moody
Morrison (CT)
Mrazek
Murphy
Natcher
Neal
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Ottinger
Owens
Panetta
Patterson
Pease
Penny
Pepper
Perkins
Pickle
Price
Pritchard
Rahall
Rangel
Ratchford
Reid
Richardson
Ridge
Rodino
Roe
Rose
Rostenkowski
Roukema
Roybal
Russo
Sabo
Savage
Scheuer
Schneider
Schroeder
Schumer
Seiberling
Shannon
Sharp
Sikorski
Simon
Slattery
Smith (FL)
Smith (IA)
Snowe
Spratt
St Germain
Staggers
Stark
Stokes
Studds
Swift
Synar
Torres
Torricelli
Towns
Traxler
Udall
Valentine
Vento
Volkmer
Walgren
Watkins
Waxman
Weaver
Weiss
Wheat
Whitley
Whitten
Williams (MT)
Williams (OH)
Wirth
Wise
Wolpe
Wright
Wyden
Yates
Yatron
Young (MO)
Zablocki
Zschau

NOES—195

Applegate
Archer
Badham
Barnard
Bartlett
Bateman
Bereuter
Bethune
Bevill
Bilirakis
Bliley
Boner
Breaux
Broomfield
Brown (CO)
Broyhill
Burton (IN)
Byron
Campbell
Carney
Chandler
Chappell
Cheney
Clinger
Coats
Coleman (MO)
Conable
Corcoran
Courter
Craig
Crane, Daniel
Crane, Philip
Crockett
Daniel
Dannemeyer
Daub
Davis
DeWine
Dickinson
Dreier
Duncan
Dyson
Edwards (AL)
Edwards (OK)
Emerson
Erdreich
Erlenborn
Fascell
Fiedler
Fields
Flippo
Forsythe
Franklin
Frenzel
Fuqua
Gaydos
Gekas
Gilman
Gingrich
Goodling
Gradison
Gramm
Gregg
Gunderson
Hall, Ralph
Hall, Sam
Hammerschmidt
Hance
Hansen (ID)
Hansen (UT)
Hartnett
Hatcher
Hightower
Hiler
Hillis
Holt
Hopkins
Hubbard
Huckaby
Hunter
Hutto
Hyde
Ireland
Jenkins
Johnson
Kasich
Kazen
Kemp
Kindness
Kramer
Lagomarsino
Latta
Leath
Lent
Levitas
Lewis (CA)
Lewis (FL)
Lipinski
Livingston
Lloyd
Loeffler
Lott
Lowery (CA)
Lujan
Lungren
Mack
Madigan
Marlenee
Marriott
Martin (IL)
Martin (NC)
Martin (NY)
McCain
McCandless
McCollum
McDonald
McEwen
McGrath
Mica
Michel
Miller (OH)
Montgomery
Moore
Moorhead
Morrison (WA)
Murtha
Myers
Nelson
Nichols
Nielson
O'Brien
Oxley
Packard
Parris
Pashayan
Patman
Paul
Petri
Porter
Pursell
Quillen
Ray
Regula
Rinaldo
Ritter
Roberts
Robinson
Roemer
Rogers
Roth
Rowland
Rudd
Sawyer
Schaefer
Schulze
Sensenbrenner
Shaw
Shelby
Shumway
Shuster
Siljander
Sisisky
Skeen
Skelton
Smith (NE)
Smith (NJ)
Smith, Denny
Smith, Robert
Snyder
Solomon
Spence
Stenholm
Stratton
Stump
Sundquist
Tallon
Tauke
Tauzin
Taylor
Thomas (CA)
Thomas (GA)
Vander Jagt
Vandergriff
Vucanovich
Walker
Weber
Whitehurst
Whittaker
Wilson
Winn
Wolf
Wortley
Wylie
Young (AK)
Young (FL)

NOT VOTING—10

Addabbo
Chappie
Dowdy
Heftel
Hoyer
Jones (TN)
McDade
Molinari
Solarz
Stangeland

□ 2210

The Clerk announced the following pairs:

On this vote:

Mr. Addabbo for, with Mr. Molinari against.

Mr. Hoyer for, with Mr. Jones of Tennessee against.

Mr. MICA changed his vote from "aye" to "no."

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

H5721-62, H5819-82

[CRS-170]

C. INTELLIGENCE AUTHORIZATION BILL

1. House

a. Overview of House bill

As action was proceeding on Boland-Zablocki, attention also was focusing on the intelligence authorization bill for FY 1984. Ths proposal, as introduced, contained the same prohibition on assistance as did Boland-Zablocki, but did not include the separate interdiction authority. The classified portions of the bill reportedly contained the funding cut-off dates and permitted expenditure of a set amount of funds ($19 million) until that time. As passed by the House, the unclassified portions of the bill contained funding restrictions identical to those passed months earlier in H.R. 2760 as the Boland-Zablocki-Wright compromise.

b. Language as introduced and reported

[H.R. 2968, 98th Cong., 1st sess.]

[CRS-171]

A BILL To authorize appropriations for fiscal year 1984 for intelligence and intelligence-related activities of the United States Government, for the Intelligence Community Staff, for the Central Intelligence Agency Retirement and Disability System, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Intelligence Authorization Act for Fiscal Year 1984".

PROHIBITION ON COVERT ASSISTANCE FOR MILITARY OPERATIONS IN NICARAGUA

SEC. 108. None of the funds authorized to be appropriated by this Act may be obligated or expended for the purpose or which would have the effect of supporting, directly or indirectly, military or paramilitary operations in Nicaragua by any nation, group, organization, movement, or individual. Any funds requested for such purpose or which would have such effect are hereby deleted.

[CRS-172]

c. Report explanation

INTELLIGENCE AUTHORIZATION ACT FOR FISCAL YEAR 1984

The Permanent Select Committee on Intelligence, to whom was referred the bill (H.R. 2968) to authorize appropriations for fiscal year 1984 for the intelligence and intelligence-related activities of the U.S. Government, for the intelligence community staff, for the Central Intelligence Agency retirement and disability system, and for other purposes, having considered the same, report favorably thereon and recommend that the bill do pass.

Section 108 would prohibit any funds authorized by the bill being used to support, directly or indirectly, military or paramilitary operations in Nicaragua. The section has the effect of striking any funds requested for such a purpose in fiscal year 1984. This section is fully consistent with the committee's earlier action on H.R. 2760 (See H. Rept. 98-122, Part 1).

[CRS-173]

d. Language as passed House

[H.R. 2968, 98th Cong., 1st Sess.]

AN ACT To authorize appropriations for fiscal year 1984 for intelligence and intelligence-related activities of the United States Government, for the Intelligence Community Staff, for the Central Intelligence Agency Retirement and Disability System, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Intelligence Authorization Act for Fiscal Year 1984".

[CRS-174]

PROHIBITION ON COVERT ASSISTANCE FOR MILITARY OPERATIONS IN NICARAGUA; AUTHORIZATION OF OVERT INTERDICTION ASSISTANCE

SEC. 108. The Intelligence Authorization Act for Fiscal Year 1983 is amended by adding at the end thereof the following new title:

"TITLE VIII—PROHIBITION ON COVERT ASSISTANCE FOR MILITARY OPERATIONS IN NICARAGUA; AUTHORIZATION OF OVERT INTERDICTION ASSISTANCE

"PROHIBITION ON COVERT ASSISTANCE FOR MILITARY OPERATIONS IN NICARAGUA

"SEC. 801. (a) None of the funds appropriated for fiscal year 1983 or 1984 for the Central Intelligence Agency or any other department, agency, or entity of the United States involved in intelligence activities may be obligated or expended for the purpose or which would have the effect of supporting, directly or indirectly, military or paramilitary operations in Nicaragua by any nation, group, organization, movement, or individual.

"(b) This section shall take effect upon the date prescribed in the classified annex to the report of the Permanent Select Committee on Intelligence of the House of Representatives to accompany the bill H.R. 2760 (98th Congress).

"AUTHORIZATION OF OVERT INTERDICTION ASSISTANCE

"SEC. 802. (a) The Congress finds that—

"(1) in the absence of a state of declared war, the provision of military equipment to individuals, groups, organizations, or movements seeking to overthrow governments of countries in Central America violates international treaty obligations, including the Charter of the United Nations, the Charter of the Organization of American States, and the Rio Treaty of 1949; and

"(2) such activities by the Governments of Cuba and Nicaragua threaten the independence of El Salvador and threaten to destabilize the entire Central American region, and the Governments of Cuba and Nicaragua refuse to cease those activities.

"(b) The President is authorized to furnish assistance, on such terms and conditions as he may determine, to the government of any friendly country in Central America in order to provide such country with the ability to prevent use of its territory, or to prevent to the extent permitted by international law the use of international territory, for the transfer of military equipment from or through Cuba or Nicaragua or any other country or agents of that country to any individual, group, organization, or movement which the President determines seeks to overthrow the government of such friendly country or the government of any other country in Central America. Assistance under this section shall be provided openly, and shall not be provided in a manner which attempts to conceal United States involvement in the provision of such assistance.

"(c) Assistance may be provided to a friendly foreign country under this section only if that country has agreed that it will not use any assistance provided by the United States under this section, the Foreign Assistance Act of 1961, or the Arms Export Control Act to destabilize or overthrow the government of any country in Central America and will not make any such assistance available to any nation, individual, group, organization, or movement which seeks to destabilize or overthrow any such government.

"(d) At least 15 days before providing assistance to a foreign country under this section, the President shall submit an unclassified report which describes the proposed assistance to the Speaker of the House of Representatives and to the chairman of the appropriate committees of the Senate.

"(e) There is authorized to be appropriated to the President to carry out this section $30,000,000 for the fiscal year 1983 and $50,000,000 for the fiscal year 1984.

"(f) Funds to carry out this section shall be made available for any friendly country in Central America only for the purpose of interdicting the transfer of military equipment to any country in Central America.".

[CRS-177]

permit political pluralism, and pursue a foreign policy of nonaggression and nonintervention;

(2) by providing military support (including arms, training, and logistical, command and control, and communications facilities) to groups seeking to overthrow the Government of El Salvador and other Central American governments, the Government of National Reconstruction of Nicaragua has violated article 18 of the Charter of the Organization of American States which declares that no state has the right to intervene, directly or indirectly, for any reason whatsoever, in the internal or external affairs of any other state;

(3) the Government of Nicaragua should be held accountable before the Organization of American States for activities violative of promises made to the Organization and for violations of the Charter of that Organization; and

(4) working through the Organization of American States is the proper and the most effective means of dealing with threats to the peace in Central America, of providing for common action in the event of aggression, and of providing the mechanisms for peaceful resolution of disputes among the countries of Central America.

[CRS-178]

(b) The President shall seek a prompt reconvening of the Seventeenth Meeting of Consultation of Ministers of Foreign Affairs of the Organization of American States for the purpose of reevaluating the compliance by the Government of National Reconstruction of Nicaragua—

(1) with the commitments made by the leaders of that Government in July 1979 to the Organization of American States; and

(2) with the Charter of the Organization of American States.

(c) The President shall vigorously seek prompt actions by the Organization of American States that would provide for a full range of effective measures by the member states to bring about compliance by the Government of National Reconstruction of Nicaragua with those obligations, including verifiable agreements to halt the transfer of military equipment and to cease furnishing of military support facilities to groups seeking the violent overthrow of governments of countries in Central America.

(d) The President shall use all diplomatic means at his disposal to encourage the Organization of American States to seek resolution of the conflicts in Central America based on the provisions of the Final Act of the San Jose Conference of October 1982, especially principles (d), (e), and (g), relating to nomintervention in the internal affairs of other countries,

[CRS-179]

denying support for terrorist and subversive elements in other states, and international supervision of fully verifiable arrangements.

(e) The United States shall support measures at the Organization of American States, as well as efforts of the Contradora Group, which seek to end support for terrorist, subversive, or other activities aimed at the violent overthrow of the governments of countries in Central America. Funds authorized to be appropriated by this Act may be used to provide United States support for activities with respect to Nicaragua which are designed to end the conflict in the region and which are approved by the Organization of American States, including international surveillance and supervision activities, peacekeeping forces, border patrols, and election supervisors.

(f) Not later than March 15, 1984, the President shall report to the Congress on the results of his efforts pursuant to this Act to achieve peace in Central America and to end the flow of arms to Central America. Such report may include such recommendations as the President may consider appropriate for further United States actions to achieve these objectives, including requests for the authorization and appropriation of additional funds to carry out the purposes of this Act.

[CRS-180]

e. House floor debate (10/20/83)

So that is what the letter was about. It was about the choice the elderly in this country will have, and it was a letter about the truth in the record of this administration and the policies that it has proposed and that in some instances have been adopted, unfortunately, by this Congress.

Mr. Speaker, at a time when 25 percent of the American public is living below the poverty line, I think that choice ought to be clear to the American public.

INTELLIGENCE AUTHORIZATION ACT FOR FISCAL YEAR 1984

The **SPEAKER** pro tempore. Pursuant to House Resolution 329 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 2968.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 2968) to authorize appropriations for fiscal year 1984 for intelligence and intelligence-related activities of the U.S. Government, for the Intelligence Community Staff, for the Central Intelligence Agency retirement and disability system, and for other purposes, with Mr. NATCHER in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the first reading of the bill is dispensed with.

Under the rule, the gentleman from Massachusetts (Mr. BOLAND) will be recognized for 30 minutes and the gentleman from Virginia (Mr. ROBINSON) will be recognized for 30 minutes.

The Chair recognizes the gentleman from Massachusetts (Mr. BOLAND).

Mr. BOLAND. Mr. Chairman, I yield myself such time as I may consume.

□ 1100

Mr. Chairman, H.R. 2968, the Intelligence Authorization Act for fiscal year 1984 authorizes funds for all the activities of the Central Intelligence Agency; the Defense Intelligence Agency; The National Security Agency; other intelligence components of the Department of Defense and the Departments of the Army, Navy, and Air Force; the Bureau of Intelligence and Research at the Department of State; the Intelligence Divisions of the Federal Bureau of Investigation; intelligence elements of the Departments of Treasury and Energy, and of the Drug Enforcement Administration; and the intelligence community staff of the Director of Central Intelligence.

Generally, these activities are divided into two categories. The first is intelligence activities—that is to say, national intelligence activities—which produce intelligence for important policymakers of the Government—the President, the Cabinet, the National Security Council, and the Joint Chiefs of Staff.

The second category, intelligence-related activities of the Department of Defense, includes all those defense activities integral to the defense force structure, but similar to national intelligence programs, and often tasked for national intelligence purposes, particularly in peacetime.

The similarity of programs and functions between the national intelligence and the intelligence-related activities of the Department of Defense is the reason that both are considered by the Permanent Select Committee on Intelligence and authorized in this bill.

We work to assure that the program areas are complementary and mutually supportive, but not duplicative. The referral of this bill to the Committee on Armed Services has assured that the judgments we make from an intelligence viewpoint are equally sound from a military perspective. We work closely with that committee on a continuous basis and have achieved a position agreeable to both committees even before referral.

Mr. Chairman, I yield to the distinguished chairman of the Armed Services Committee, the gentleman from Illinois (Mr. PRICE).

Mr. PRICE. Mr. Chairman, I thank the gentleman for yielding. Again this year the Permanent Select Committee on Intelligence and the Armed Services Committee worked together to report the authorization bill for intelligence and intelligence-related activities of the intelligence community.

As the members of the committee will recall, the Armed Service Committee shares responsibility for authorizing certain elements in the intelligence authorization bill with regard to intelligence-related activities for the Department of Defense, and I am most pleased to report again on the excellent working relationship with, and cooperation of, the select committee chairman, the members, and the staff in arriving at complete agreement on all items of joint responsibility.

As the reports state, the results of our recommendations are classified and are included in the classified annex to the report on H.R. 2968 prepared by the select committee.

Again, I thank the gentleman for his cooperation with regard to intelligence-related activities of joint responsibility.

Mr. BOLAND. Mr. Chairman, I thank the distinguished chairman of the Armed Services Committee and I want to express the opinion of the Intelligence Committee that we are grateful to the Armed Services Committee for the cooperation that the chairman and his committee gives in this double effort.

Mr. Chairman, the programs authorized by H.R. 2968 are classified. Many are extremely sensitive. Their very existence, in some cases, is itself secret. There is, therefore, little detail in the bill or the public report which accompanies it on the amounts and particulars of the programs authorized. The committee has recommended against publishing even the overall budget figure on the grounds that it would be meaningless without significant amounts of detailed explanation.

The committee, as in years past, has prepared a detailed schedule of authorization, which is incorporated by reference into the bill, and an annex to its report. Both are classified and are available in the offices of the committee. Some members have already examined them. I urge those who have not yet done so, to avail themselves of the opportunity to examine them closely.

Mr. Chairman, this bill, besides authorizing funds for the intelligence programs of our Government, would provide two new administration authorities to the Director of Central Intelligence. In one case, it would provide explicit authority to the DCI to set minimum and maximum age limits for entry level operations officers. Second, it gives him the authority to provide incentive awards to civilian and military detailees of the CIA and the intellgience community staff.

In other respects, the bill is indentical to those which the House has considered for the past 5 years. It has the bipartisan support of all the committee. The only exception to that and a principal focus of the debate that will ensue on this bill is its stipulation that none of the funds authorized by the bill may be used for military or paramilitary activities in Nicaragua.

At the appropriate time, I will offer an amendment to strike section 108 and insert in lieu thereof the text of H.R. 2760.

H.R. 2760 is the bill which the House passed on July 28, the Boland-Zablocki-Wright bill. It provides, as Members will recall, for the termination of United States funding of paramilitary activities in Nicaragua at the expiration of a period of time which has been classified by the committee. That period of time is for the safe withdrawal of insurgents funded by the program.

The bill also provides security assistance funds to friendly nations in the region to help interdict the flow of arms from Nicaragua and Cuba to insurgencies in other Central American nations. Those funds also may be used for peacekeeping efforts or for efforts to monitor agreements prohibiting aid to insurgencies in Central America.

Finally, the language inserted by the majority leader provides that U.S. policy should be to seek redress for U.S. and Central American grievances against Nicaragua in the forum of the Organization of American States. It requires the President to bring Nicaragua's violations of international law

[CRS-181]

and its guarantees to the OAS on democratic freedoms before the OAS. It expresses the sense of Congress that negotiations are the best method of securing a lasting peace in Central America and requires the President to report to the Congress concerning the progress he has made in these efforts.

Thus I will be asking the Members of this body to vote again on exactly the same proposal which passed the House in July. That bill has never been considered by the other body. I, therefore, will offer this amendment in an effort to reaffirm the position taken by the House and to insure that it reaches a conference committee with the Senate. That is why we must vote again on this same matter.

What has happened since July 28? The most alarming change has been the expansion of the war in Nicaragua. It has acquired a new facet. It is now an air and sea war. Insurgents have engaged in bombing raids on Nicaraguan cities, airports, and harbors. Targets have been economic, such as the oil storage tanks in Corinto and the electrical generating plant and oil pipeline in Puerto Sandino. The ground war has heated up again—with deeper penetrations of insurgent forces into the central highlands and large-scale clashes between insurgent and Sandinista troops.

Another significant development has been the announcement by the nations participating in the Contadora process that all of the Central American participants, including Nicaragua, have agreed upon a list of 21 goals for negotiations to bring peace to the region. Those goals cover the gamut but include the end of foreign military presence in the region, the end to insurgencies and support for them, and a guarantee of democratic freedom in all Central American countries.

All Americans welcome this development. The administration claims that its program of support for the Nicaraguan insurgents has produced this change. To me it is obvious that this agreement upon an agenda for negotiations came in spite of that insurgency. In any case, even if negotiations are scheduled the objectives posed by the administration, some of which are contained in the new secret findings, are even broader than those to be discussed by Contadora nations.

The final development is that the administration has reformulated its position on the war in Nicaragua in a new Presidential finding. The finding authorizes the continuation of the present program. The scope of activities which are authorized is very broad, and in no way limited to arms interdiction. It includes keeping the military pressure on the Sandinistas. Its bottom line is the continuation of the war.

The finding makes no mention of overthrowing the Government of Nicaragua, although this is the stated purpose of the Contras. And the administration is offering no guarantees.

The new finding, then, is one more effort to defend the secret war in the Congress. While the finding contains more detail, it contains no new ideas or policies. It is a compendium of the symmetry arguments you heard and rejected in July. Make no mistake about it, military victory is the administration's bottom line. The statement of Under Secretary of Defense for Policy Fred Ikle, on September 12, before the Baltimore Council on Foreign Affairs, clearly shows that there is a feeling in this administration that the Sandinistas must be defeated on the battlefield before the problems of Central America can be solved.

But what will be the result of this increased military pressure? Will the Sandinistas surrender? Or are they more likely to seek more aid from Cuba and Russia? Or will they attack Honduras or Costa Rica?

Mr. Chairman, the war is counter to the best interests of the United States, and it is also inconsistent with the principles which underlie American Government. In fact, it is more consistent with the dictates of Lenin than principles of Washington and Jefferson. Finally, it reawakens the image of the United States as the North American meddler in Latin American politics, the American bully who can only live with an arrangement that he imposes.

Mr. Chairman, you do not have to be in favor of Nicaragua's policies—and I am not—to oppose the open-ended war to which the administration has committed us. My conclusion is that the not so secret war in Nicaragua must end. That is why I am asking Members to vote again to end this program.

The Congress ought to send a clear signal that this war is not, nor should it be, U.S. policy. Our policy should be to encourage peace through negotiation, with and through the Organization of American States, and the shield of security assistance.

That is what the Boland-Zablocki-Wright amendment does. That is why it should be adopted.

Mr. ROBINSON. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, before the emphasis of my remarks turn to section 108 of the intelligence authorization bill, I would like to first take this opportunity to emphasize that H.R. 2968 is first and foremost—the intelligence authorization bill for fiscal year 1984. The activities addressed by section 108 represents but only a small fraction of the intelligence resources requested by the President for fiscal year 1984, in fact, the vast majority of intelligence resources support programs have nothing to do with the so-called covert or special activities which is receiving much public attention. Although these major intelligence programs must, for the most part, remain concealed, we should not lose sight of their contribution to national security in providing policymakers foreign intelligence crucial to our country's ability to meet the challenges facing it. For fiscal year 1984 the President requested a substantial increase in overall intelligence funding from 1983 levels. I fully support our committee's recommendations not to disclose publicly the amounts of these requested funds. Therefore, I will not discuss specific committee recommendations. Details of these recommendations are contained in the classified annex to our committee report, which along with the classified schedule of authorizations referred to in the bill, has been available for review by Members of the House since July 25.

The committee generally supported the funding levels requested by the President but we were not persuaded that all of the specific programs were fully warranted and the committee's recommendations would delete or defer certain programs and in other cases would increase program funding. I am pleased to add that while the authorization levels recommended by the committee are consistent with funding targets adopted in the first budget resolution, the committee recommendations will again, allow some real growth in the intelligence programs.

I believe, on the whole, H.R. 2968 provides for a well balanced intelligence program essential to our national security and foreign policies. Whether questions involve the rebuilding of right offenses, negotiating arms reductions, dealing with expanding Communist influence on most every continent, or coping with the political and economic realistics of today's extemely volatile world, demands for high quality and timely intelligence will continue to proliferate.

As for the bill in general, except for my strong objection to the inclusion of section 108 or any other provision prohibiting covert assistance for activities in Nicaragua, I fully support H.R. 2968.

Now, in turning to section 108, the provision which prohibits covert assistance for military operations in Nicaragua, I would like to spend just a few moments explaining the parliamentary situation as I understand it. When upon reaching consideration of section 108 of the authorization bill and after the secret session of the House, Chairman **Boland** will offer as a substitute amendment—which will be the entire text of H.R. 2760 previously considered by the House on July 28. If, the chairman's amendment is defeated, the House will have the opportunity to consider one of the compromise amendments I have printed in the **Congressional Record**. If, the chairman's substitute is adopted, I will be precluded from offering any compromise amendment.

If Chairman **Boland**'s amendment prevails, a motion to recommit with instructions will be the only legislative means by which the House may consider a substantive compromise amendment. Thus, when the committee rises to report its action to the House, I will offer a motion to recommit which includes all of the provisions of the Boland amendment plus compromise language which conditions the effective date of the prohibition on covert assistance. I raise this issue because I wish all the Members of the House to recognize that this motion to recommit becomes a motion of substance and significance and should not be compared to similar motions.

[CRS-182]

The amendment or motion to recommit that I am offering will defer a halt to U.S. support for Nicaraguan opposition until the Sandinistas stop interfering with their neighbors and join in an agreement based on the Contadora 21-point document of objectives agreed to at the September 7 through 9 meeting of Contadora four of the Central American counties. The countries who participated in that peace negotiation were, Colombia, Mexico, Panama, Venezuela, Costa Rica, El Salvador, Guatemala, Honduras, and Nicaragua.

□ 1110

Mr. Chairman, I urge my colleagues to look carefully at the motion to recommit if it becomes in order.

Mr. BOLAND. Mr. Chairman, I yield 3 minutes to the gentleman from Oklahoma (Mr. **McCurdy**).

Mr. McCURDY. Mr. Chairman, I rise to add my support for H.R. 2968.

As a member of the Program and Budget Authorization Subcommittee, I have participated in the many hours of hearings and committee meetings of which our chairman has spoken. I can attest that our examination of U.S. Intelligence activities was extensive and I believe that it was productive.

Our effort was not taken from a perspective either prointelligence or antiintelligence. We sought to understand each program and to recommend an authorization level based on the merits of each. This process has resulted in both cuts and a few additions to the administration's request with the net effect being a small reduction. These adjustments are related to strengths or weaknesses of the individual programs affected. Our classified report provides the House and the administration with a detailed discussion of the committee's findings, both positive and negative.

Some of the programs authorized in this bill are Defense Department activities to provide direct intelligence support to military operations. These are referred to in this bill as intelligence-related activities. The Permanent Select Committee on Intelligence shares jurisdiction in this area with the Committee on Armed Services. I serve on both committees which have worked together effectively and cooperatively to reach agreement on all matters jointly considered.

A great deal of work was devoted to the substance of the intelligence programs and their budgets. But, in addition, our work also carries out a fair portion of the oversight responsibilities of the committee. Many intelligence activities are a balance between propriety and necessity, between secrecy and the demands of an open society, between risk and benefit. These aspects will never be easy to balance but we have been attentive to these issues and will continue to be.

Mr. Chairman, I urge passage of H.R. 2968.

Mr. ROBINSON. Mr. Chairman, I yield 2 minutes to the gentleman from Pennsylvania (Mr. **Goodling**).

Mr. GOODLING. Mr. Chairman, there will be a lot of rhetoric today and probably a lot of emotional exchanges, particularly when we deal with section 108.

I would just like to say that had I been on the Intelligence Committee when the covert activity was planned, I probably would have opposed it because of a concern I have about covert activity. Let me tell you, now as I serve on that Intelligence Committee, I believe that it will be a very dangerous move, if my colleagues who have visited the area a couple of times automatically become instant experts, because they saw and heard what it was the countries wanted them to see and hear, or if they try to become Assistant Secretaries in charge of Central America.

Contrary to what the chairman said, I happen to believe that the reason that Nicaragua is participating in the Contadora discussions at the present time is because of that covert activity. If for no other reason or other purpose, I think the covert action has been successful for that reason.

The real danger, Mr. Chairman, is if we sent publicly a signal that, as a matter of fact we are going to cut the operation off, why should Nicaragua participate in anything. Why not just wait, and wait us out?

Second, Mr. Chairman, I am very concerned about those people who are very quick to say, well, let us do it in a covert manner. That sounds pretty good. That also in my estimation means that, as a matter of fact, we are going to get deeply involved in a situation that most Americans do not want to get deeply involved in.

I do not see how there could be anything but American loss of lives if in fact we went the overt way. I know a lot of people say that because apparently it suits their conscience or something of that nature, but I would hope after all the rhetoric and emotion dies down, we think seriously about the comments I have made.

Mr. BOLAND. Mr. Chairman, I yield 7 minutes to the gentleman from Georgia (Mr. FOWLER).

Mr. FOWLER. Mr. Chairman, yesterday the Secretary of State of the United States wrote the Speaker of the House to say the nations participating in the Contadora process had committed themselves to negotiations to guarantee:

> Democratic pluralism and regional and verifiable commitments to end assistance to armed opposition forces.

□ 1120

Mr. Shultz sees Nicaragua's agreement to address these goals as a promising sign, as do I. But it is not new. It did not happen last week.

It happened at least as far back as July 19 before the House's vote to cut off the paramilitary activities sponsored by the United States in Nicaragua.

On July 19, before the House vote, Nicaragua embraced "democratic pluralism," in the Cancun Declaration which the United States also supported.

Before that there were letters of proposal to the Government of the United States of America by the Sandinista Government of Nicaragua asking our nation to engage in bilateral negotiations between the United States and the Government of Nicaragua with, and I quote from their letter of April 28, 1983, "* * * with no limitations or preconditions to this dialog."

The Nicaraguan Government has asked to talk to our Government with no preconditions either in Washington or in Managua and our Nation has to this date refused. How can we decide whether or not to believe the Nicaraguans if we continue to refuse to talk with them?

Any letter from the Secretary of State should be read carefully by the Members of this body before we decide on such an important issue as the Boland-Zablocki-Wright amendment to cut off this paramilitary action. In his letter, the Secretary of State cites only 2 of the 21 points agreed to in the Contadora initiative, those dealing with pluralism, regional, and verifiable commitments.

But the Secretary did not cite the following:

> No. 4: To curb the arms race in all of its forms and to initiate negotiations on the control and reduction of the current arms inventory and the number of armed troops.

Does the U.S. policy in Central America support point 4?

> No. 5: To ban in their territories the presence of foreign forces, facilities, or military bases.

That is all foreign forces, the United States, the Cubans, the Russians. Does U.S. policy supporting this point of the Contadora plan?

> No. 6: To reach agreements in order to reduce, with an eye to eliminating, the presence of foreign military or other advisers who might be used for military and security purposes.

[CRS-183]

Does our Government's policy support this agreement of Contadora?

> No. 7: To eliminate the arms traffic for persons, groups, or organizations trying to destabilize the governments of Central America, and to establish control mechanisms for this purpose.
>
> No. 8: To prevent the use of their territories and to abstain from either lending or permitting either military or logistical support to those individuals, groups, or organizations trying to destabilize Central American governments."
>
> No. 9: To abstain from either fomenting or endorsing terrorist or sabotage actions in the area countries.

My friends, as we debate this amendment today I will respectfully submit that the Government of the United States of America, in order to achieve credibility in searching for a peaceful regional settlement in Central America, must also adhere to not only the spirit but the letter of these Contadora proposals which oppose military intervention of any type from any outside sovereignty which one must assume includes the United States of America along with the Cubans and the Russians.

Until we practice what we preach, until we together in a regional formulation of some type bring our forces to bear for stability and not exercise exclusively our military option, then any hope at long-term peace and stability becomes even more illusory.

I ask for your thoughtful consideration of the amendment passed by this House 3 months ago, made even more mandatory if we are to begin that peace- seeking process.

Mr. ROBINSON. Mr. Chairman, I yield 4 minutes to the gentleman from Virginia (Mr. WHITEHURST).

Mr. GOODLING. Mr. Chairman, will the gentleman yield?

Mr. WHITEHURST. I yield to the gentleman from Pennsylvania.

Mr. GOODLING. A colleague of mine from Pennsylvania indicated that I may have used the word "covert" rather than "overt" in making my second point.

I want to make very clear that I said, in my estimation, that it may be good rhetoric and it may soothe one's conscience to talk about going overtly rather than covertly, but we want to think seriously about the implication that may have for tremendous American involvement.

I thank the gentleman for yielding.

Mr. WHITEHURST. Mr. Chairman, a few months ago we had an opportunity to hear from a young Nicaraguan patriot named Miguel Bolaños, who in 1979, fought alongside the Sandinistas in helping to liberate his country. Some of you will recall that he was recruited into the intelligence services of the Sandinista regime after the triumph over Somoza.

He was sent to Cuba for training. He came back and he said something that I remember very well. He said, "We were told at the outset in my training that the No. 1 enemy was the United States of America," this at a time when the administration of the United States and this Congress went out of their way, both verbally and materially, to support the government in Managua. This Congress voted over $100 million in aid for Nicaragua, put its hand out in friendship in the most tangible way to the Sandinista government.

Who has been the disturber of peace in Central America since that time? Who has helped a Marxist subversion that has taken thousands of lives in neighboring El Salvador? Who has fostered, kept alive subversive movements in Costa Rica, which does not even have a standing army, and neighboring Honduras? Who by the proof that has been seized, papers and other documents, is shown to have a plan to bring about Marxist subversion in all of Central America?

Not the United States.

Yes, we have had a covert operation going.

□ 1130

Yes, some of us believe that that operation is paying dividends. Our colleagues on the majority side have brought forth a piece of legislation that contains language in an amended section 108 which would deflect us from the course that we are on and set us upon another one which in fact would provide for extensive American assistance to interdict the flow of arms from Nicaragua to the borders of its neighbors.

I want to take these few minutes—and I have a sense of deja vu about this since we talked about it in April—but to say publicly what I could not say then, what the implications are for our country if we accept the provisions in section 108 and H.R. 2760.

What is first of all significant to me is this: That neither the Committee on Intelligence to which I belong nor the Committee on Foreign Affairs which has some jurisdiction in this received testimony from the Secretary of Defense, the Chairman of the Joint Chiefs of Staff with regard to their position on an overt program for which they will have responsibility for administering and carrying out.

The committee adopted a position which is much more costly.

The CHAIRMAN. The time of the gentleman from Virginia (Mr. WHITEHURST) has expired.

Mr. STUMP. Mr. Chairman, I yield 1 additional minute to the gentleman from Virginia.

Mr. WHITEHURST. It is a position which is far more risky than the program that is now underway.

I have strong reservations and concerns with regard to the costs in terms of commitment, funds, and resources, but more than anything else the risk of American lives because American military forces will be required to carry this program out.

I am going to extend in the RECORD the rest of the points that I wish to make.

But let everybody be on notice right now what this means: If we adopt this interdiction program and we reject the course that we have set ourselves upon, mark my word, before this decade is out you will see American blood spilled in a way that you never imagined and you will see American involvement in Central America far beyond the imagination of anyone sitting in this Chamber.

First, it would be nearly impossible to interdict if insurgents have the advantage of a sanctuary, a protected area which Nicaragua would become under the present provisions of the bill.

Second, the borders would be near impossible to seal. The flow of small arms ammunitions would continue.

Third, our allies in friendly Central American nations have limited resources to carry out any such endeavor, and given the limited resources and shortage of trained personnel in these Central American countries, extensive deployment of U.S. personnel into that area would be required. That means U.S. personnel would be on the front lines directing communication and interdicting efforts. If the Nicaraguans decide to fight the interdiction efforts then U.S. personnel would become the target of enemy attack.

In short, an involvement of the United States in combat in Central America would likely be much greater than an overt interdiction program. At that point, the risks of this new U.S. policy would be greatly increased, and worst of all the costs would mean U.S. casualties. The Secretary of Defense also noted that Costa Rica, a nation without regular armed forces would not in all likelihood, participate in such an interdiction effort against Nicaragua. They have no standing army.

Fourth, the interdiction program would be prohibitively expensive. In the Department of Defense's estimate, an attempt at interdiction would cost upward of $300 million the first year, and at least $100 million for each year subsequent. H.R. 2760 substitute would provide $50 million for overt interdiction for 1984. The Department of Defense indicates conservatively that it would cost upward of $300 million at the minimum to attempt interdiction for 1 year.

The Department of Defense cost estimates for this program are real. If I may add, the increased risks of this program are also real. The risks of U.S. personnel involvement and the risks of escalation of conflicts in Central America are greatly increased by following the policy which is suggested in the substitute of H.R. 2760.

Mr. Chairman, I yield back the balance of my time.

Mr. HAMILTON. Mr. Chairman, I yield 3 minutes to the gentleman from

[CRS-184]

Wisconsin (Mr. ZABLOCKI), the distinguished chairman of the Committee on Foreign Affairs.

Mr. ZABLOCKI. Mr. Chairman, I rise in support of H.R. 2968. I believe as we debate this authorization we ought to bear in mind the particular section that is controversial to some extent, section 108, and some of its history.

This Congress has approved by an overwhelming vote the Boland amendment which prohibits the use of funds for the purpose of overthrowing a government. That is the law of the land.

There are some now who contend, and legitimately so, that the law of the land is being violated.

The funds for covert operations in Nicaragua had the purpose of interdicting arms going through or around Nicaragua to El Salvador. But there is sufficient evidence to prove that these funds were misused, not necessarily at our direction, but they were misused to attempt to overthrow the Sandinista government.

Now, I am not holding a brief for the Nicaraguan Government. Maybe it would be best if the government would be changed. But I do not believe that the United States, directly or indirectly, should seek to overthrow another government.

In order to not leave the insurgent elements in or around Nicaragua hanging, so to speak, by cutting off funds, it is true that a compromise, H.R. 2760, was devised which this House again approved in July. That legislation in part provided funds overtly, and there was sound reason to do so, because the covert operation was no longer secret; everybody knew about it.

Now, Mr. WHITEHURST, my good friend, cited the testimony of the Joint Chiefs of Staff referring to the costs of conducting overt operations to interdict the shipment of arms from Nicaragua to El Salvador. They testified before the Committee on Foreign Affairs but were unable to provide precise figures at that time to reflect what overt operations would cost. They did testify, however, that such operations would be much more expensive.

I must say to my friends and colleagues that I do hope that the Boland-Zablocki-Wright amendment which will be offered at a proper time to the bill, H.R. 2760, which we approved in the past, be adopted.

I think it is a compromise, I think it is necessary, and it will give the proper signal.

Mr. STUMP. Mr. Chairman, I yield 4 minutes to the gentleman from Illinois (Mr. HYDE).

Mr. HYDE. Mr. Chairman, I want to compliment the chairman of the Committee on Foreign Affairs for taking the well and not attacking the sincerity, the integrity, the honor of our administration, the President, the Secretary of State, and the military who are down there.

It is refreshing to hear someone take the well and assume that there is some morality on our side of this question.

Now I would like to make a point about the Sandinistas.

Mr. ZABLOCKI. Mr. Chairman, will the gentleman yield?

Mr. HYDE. I will be glad to yield to the chairman.

Mr. ZABLOCKI. I thank the gentleman for yielding.

Mr. Chairman, I appreciate the gentleman's (Mr. HYDE) observation. I hope it will be reciprocal on that side.

Mr. HYDE. Oh, we respect the President, Secretary Shultz and the military. I do not understand the gentleman's (Mr. ZABLOCKI) comment, but I will study it carefully.

I would like to make the point, my friends, that the Sandinista government that you are so protective of on your side of the aisle is illegitimate; it is not a legitimate government.

Oh, it is there, it is de facto, but it is there because they practiced what lawyers refer to as fraud in the inducement. It came to power with our assistance and with our tax dollars and I voted for them, 75 million dollars' worth, to my undying regret, because they promised the OAS they were for pluralism, they were for freedom of religion, they were for freedom of speech, they were for a mixed economy, and they have gone back, immediately that they got into power, on every one of those promises.

Nobody to my knowledge in Nicaragua voted for a bunch of Cubans, 8,000 Cubans down there in their country, 2,000 military advisers; nobody voted for Bulgarians, for Lybians, or the PLO, yet they are down there helping to govern Nicaragua.

There are two Nicaraguan revolutions; the first one is the one that has been betrayed and sold out. That is the one that you seek to enshrine and protect by taking no action to make them adhere to their original promises.

There is a second revolution, the new revolution that seeks to reestablish the promise of the first revolution. That is a revolution we should be backing and not bucking.

Now, is there something unworthy about convert operations? I recall World War II wherein the exploits of the heroic French underground are still eulogized in literature and ceremony. If Hitler was the enemy, I can assure you covert operations would be ennobled by all of us.

The real question is: Is it a just cause? The answer is it is just as just as it is for the rebels in Afghanistan.

□ 1140

Are covert operations in Afghanistan moral and good? And should we be supporting the poor Afghanistani who are trying to salvage their humanity and their country?

If France had not supported the Thirteen Colonies when we had our revolution, trying to subvert George III, we would not be here today. And we surely would not honor that man over there, the Marquis de Lafayette.

Let me ask another question. Let me ask my friend from Georgia. Why should we provide and protect a sanctuary in Nicaragua for the Gestapo of the left? And if I have any time at the end of my remarks, I will yield to the gentleman.

Now you cannot have it both ways, I say to my dear friends on the other side.

The Contras are not effective, we heard the last time we went on this merry-go-round. Now we are going to hear that they are too effective. My God, they are bombing oil lines. They are driving the Sandinistas further into the bosom of the Soviets and the Cubans. How absurd. You cannot have it both ways.

There has been a change in the diplomatic posture of the Sandinistas. Oh, they want to talk and even discuss multilaterally——

The CHAIRMAN. The time of the gentleman from Illinois (Mr. HYDE) has expired.

Mr. ROBINSON. Mr. Chairman, I yield 1 additional minute to the gentleman from Illinois.

Mr. HYDE. Mr. Chairman, I suggest that the consequence of the proposals of the gentleman from the other side of the aisle are paralysis. We are consigned to the role of a poor, lumbering Gulliver, tied down by wimpish Lilliputian congressional inaction, a Congress that has not the will nor the wit to resist leftist, socialist ideology. There is no law from the Code of Hammurabi through the U.N. Charter, through the Rio Treaty, that does not grant a right of self-defense.

We praise Lech Walesa. We honor Solidarity. We deplore the Korean airline atrocity. We have a genius for producing "feel good" resolutions. A burst of paper. All of them an excuse for inaction.

Grenada is lost to freedom, Suriname is lost to freedom, Cuba is a source of cancer, Nicaragua is a source of cancer. Let us apply a little chemotherapy.

Mr. BEREUTER. Mr. Chairman, will the gentleman yield?

Mr. HYDE. I yield to the gentleman from Nebraska.

Mr. BEREUTER. Mr. Chairman, this rule effectively stifles Members from participating in this debate.

[Mr. BEREUTER addressed the Committee. His remarks will appear hereafter in the Extensions of Remarks.]

[CRS-185]

Mr. HAMILTON. Mr. Chairman, I yield 5 minutes to the distinguished chairman of the Subcommittee on Western Hemisphere Affairs of the Committee on Foreign Affairs, the gentleman from Maryland (Mr. BARNES).

Mr. BARNES. Mr. Chairman, I rise in support of the bill and particularly the amendment that the chairman proposes to offer with respect to covert operations in Nicaragua. I just want to use my couple of minutes to speak to the issue of covert operations.

I have just returned from Central America along with some of our colleagues who accompanied the Kissinger Commission to that region last week. And I must say to my colleagues that no trip I have ever taken has left me as depressed as this one did. The situation in Central America has never been worse. The region is dramatically more polarized than it was when I was last there. We are heading straight for war, Mr. Chairman. It is a war that I fear will happen sooner than we think. It is a war that I know will leave every country involved, including our own, incomparably worse off than they were before. It is a war that should not be fought, and it is a war that need not be fought. Whether the war happens or not depends on the choices of the Government of the United States of America. It is within our power to have the war or not, as we choose.

Mr. Chairman, I want to deal very directly with one of the myths that sustains this drive toward war. It is the myth that covert operations are working. They are not working.

Myth would have it that the covert operations are designed to force the Sandinistas to open up their political system. Surely none of us would argue that the covert operations have been successful in that respect. Nicaragua's political system is indisputably more closed now than it was when the operations were begun. How can anyone believe that you can democratize a government by attacking it?

Myth would have it that the covert operations are designed to interdict arms flowing from Nicaragua to El Salvador. Surely none of us would argue that the covert operations have been successful at doing that, since, to my knowledge, not one rifle has been interdicted during the entire period that these operations have been underway.

Myth would have it that the covert operations are designed to have an effect on the progress of the war in El Salvador. If that is the case, then they are an obvious failure, because the guerrillas are stronger now than they were when the operations were begun. After 2 years of covert operations, the Salvadoran Government is still losing the war, for the simple reason that the roots of its failure are found not in Nicaragua, but in itself.

Myth would have it that the covert operations are designed to stop the Sandinistas from spreading revolution throughout Central America, to make our friends feel more secure. But as anyone who knows the region will confirm, Nicaragua's neighbors are incomparably more fearful of Nicaragua now than they were before the covert operations began. And an organized guerrilla movement, which did not exist in Honduras before the covert operations began, now appears to be emerging.

Myth would have it that the covert operations are designed to force the Nicaraguans to the negotiating table. But the trouble with that is that the Nicaraguans were already there. Nicaragua has been trying to have talks with the Reagan administration all along. It is not Nicaragua that will not negotiate, it is us. Nicaragua has long since demonstrated its willingness to address our security concerns on the sole condition that we be prepared to address their security concerns.

The one thing that the Nicaraguans will not negotiate about is their revolution. And here we get to the real purpose of the covert operations. They are designed to overthrow the Nicaraguan revolution.

Mr. Chairman, I wish that revolution had not taken the direction that it has. The Government of Nicaragua is most assuredly not a government that I would have chosen for Nicaragua. I have many good friends in Nicaragua—people whose values I share—people like Alfonso Robelo and Pedro Joaquin Chamorro—who I know would have not chosen this government, who would like to see this government go.

But Mr. Chairman, we have to accept reality. And the reality is this: First, this Government exists. Partly because of our own mistakes in supporting Somoza for too long, this Government exists. And second, this Government cannot be overthrown at any acceptable cost. If we install our own Government in Managua, that will not be the end of the civil war, it will be the beginning of it. Thousands of Nicaraguans will die. And the conflict will not be confined to Nicaragua. Our attempt to overthrow this Government is going to be disastrous—disastrous for Nicaragua, disastrous for Central America, disastrous for the inter-American system, disastrous for the interests and the credibility of the United States.

As chairman of the Subcommittee on Western Hemisphere Affairs, I have scoured the length and breadth of our country for expertise on this question. I have heard from just about everyone who has anything to say. We must accept their verdict—this policy will not work. It will not work.

Our vote today can contribute to ending this disastrous policy. I urge my colleagues to vote for an end to this devious, undercover policy that we are ashamed even to admit that we are pursuing—a policy that is unworthy of us as a responsible country and a great power. I urge my colleagues to vote for overt aid—for a policy that we can conduct openly, proudly, without shame, for all to see. I urge my colleagues to reaffirm that if Nicaragua is to be judged, it is to be judged not by the might of North American arms, which is a judgment that our neighbors to the south cannot accept, but by the procedures of the inter-American system that we have done so much to create and to nurture.

Mr. Chairman, Nicaragua says it wants to negotiate. We at least owe the people of Nicaragua, the people of Central America, and our own people a chance to test Nicaragua's sincerity. If we plunge this vital region into chaos without even giving negotiations a chance, we will deserve the harsh judgment to which history will surely subject us.

Mr. ROBINSON. Mr. Chairman, I yield 2 minutes to the gentleman from Florida (Mr. YOUNG).

Mr. YOUNG of Florida. Mr. Chairman, I thank the gentleman for yielding me this time and will not in 2 minutes, obviously, try to discuss the major controversies surrounding this bill. We will do that at a later time today.

But I wanted to speak generally on the bill itself. A nation like the United States has every legitimate right and every legitimate need to have an effective intelligence operation, an intelligence community designed to protect our national interests, to keep us advised as to what the possible threat to our national interests might be, and to help us plan what our reaction to a possible threat might be.

And this bill, I think, does that job very adequately. The committee and the subcommittees of the committee spent many, many long hours and days in hearings discussing specific details that we will not discuss on the floor today in open session for obvious reasons.

But we have developed what I think is a good bill from the standpoint of providing the technology that we require, from the standpoint of providing the human element that we require. I think this bill will go a long way toward helping us to strengthen the intelligence capability that we have been rebuilding for the last 8 to 10 years.

□ 1150

I would hope that the membership would support this legislation strongly. And my own personal hope is that we will support this legislation in its present form with the exception of section 108 of the bill.

Mr. ROBINSON. Mr. Chairman, I yield 3 minutes to the gentleman from Missouri (Mr. COLEMAN).

Mr. COLEMAN of Missouri. Mr. Chairman, yesterday I had the opportunity to meet with a young Nicaraguan who recently left Nicaragua because of his opposition to what he described as "the growing totalitarianism of the Sandinista government." I would like to share with my colleagues some of his observations on the present situation in Nicaragua because they have a direct bearing on this body's consideration of the intelligence authorization bill.

[CRS-186]

Antonio Farach with whom I met was a high-level official in the Ministry of Foreign Affairs before leaving Nicaragua. His last two assignments were as Deputy Chief of Mission at the Nicaraguan Embassy in Venezuela and then Honduras. As the second-ranking official at two of Nicaragua's most important diplomatic posts he was privy to many important facts about the operation of Sandinista policy.

Mr. Farach made the following points that directly relate to our debate:

All major security, military, and foreign policy decisions are made by so-called Cuban advisers, with the most important being made by Sandinista leader Daniel Ortega in direct consultation with Cuban Defense Minister Raul Castro. This has been going on for 2½ years, Mr. Farach said.

The Contras are having a direct effect on the Sandinistas' ability to supply Salvadoran leftist guerrillas by forcing the Sandinistas to divert resources away from these groups. The fact is that fewer arms are being shipped from Nicaragua to El Salvador because of increased Contra activity.

Mr. Farach cited two specific examples to substantiate the above: Both a Sandinista training camp and a logistic supply area for Salvador guerrillas were moved back from the border area because of the threat of Contra attack.

In January 1983, the Directorate of International Relations—a Sandinista front group—privately told this Nicaraguan official that if the United States stepped up aid, they would abandon El Salvador and defend their hold on Nicaragua. This was a Cuban directive.

Popular support for the Sandinistas is eroding because the majority of Nicaraguans realize that the Sandinistas have no intention of honoring their promise of free elections and the creation of a democratic form of government in Nicaragua. In fact, only 20 percent of the people support the Sandinistas.

The Contras are impeding Sandinista support for leftist guerrillas fighting in El Salvador; Cuban involvement extends to the highest levels of Sandinista decisionmaking; and popular support for the Sandinistas is diminishing because of their failure to live up to their promises for free elections and a democratic form of government.

In light of these facts, I encourage my colleagues to vote against a prohibition on U.S. covert aid to Nicaraguan forces fighting against the Sandinistas.

Mr. ROBINSON. Mr. Chairman, I yield 3 minutes to the gentleman from California (Mr. LAGOMARSINO).

Mr. LAGOMARSINO. Mr. Chairman, what must be fought for in Central America is not the existing regimes. It is new and revolutionary regimes, regimes at once democratic and pluralist.

José Napoleon Duarte of El Salvador knows what democracy really means: the possibility of electoral defeat.

Unlike Fidel Castro and the Sandinistas' Daniel Ortega, he willingly faced the voters and accepted their rejection.

The protection of human rights in Central America or elsewhere is not achieved by installing a new regime. It is achieved only by installing democratic institutions.

So what is to be done? Marxism is not an evil because it installs a socialist economy. Marxism is an evil because its foreign policy cannot be isolationist. Marxism is a quasi-religion. Its essence is a vision of power in history, power necessarily flowing toward the police and the military might of Marxist states.

The calculation among the Marxists powers today is that the United States will not fight for Central America. Resistance will be financial, political, and verbal. It will collapse on the field of battle. The next 7 years may well tell the tale. By 1990, Central America is likely to be Marxist or democratic. The longer in delay of military resistance on the field of battle, the more costly the battle will become.

The pressure that has been generated by the Contras in Nicaragua has begun to produce signs of a possible agreement between Nicaragua and its neighbors. Removal of pressure would undercut the negotiating process and thereby diminish prospects for democratic reforms and stability in the region.

It has already been mentioned that Nicaragua, together with a number of other countries, has signed a 21-point document of objectives, drafted by the Contadora countries.

Does anyone truly believe that they would have signed that had they not been under the pressure they have been under by the Contras?

Another example: With regard to El Salvador itself, Ambassador Stone has already held several meetings with the Salvadoran left, and representatives of the Salvadoran Government have met with the guerrilla leaders. I think it would be very inappropriate, very counterproductive and not at all helpful to what we want to achieve in Central America were we to unilaterally remove the ability to continue covert assistance.

Mr. McCURDY. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Michigan (Mr. BONIOR).

Mr. BONIOR of Michigan. I thank my colleague for yielding.

Mr. Chairman, since July it has become increasingly clear that the United States is propelling a policy in Central America that is reaching toward regional war. The administration no longer talks merely about arms interdiction but about harassing the Nicaraguan Government as justification for the covert operations that it is engaged in. In fact, recently U.S. officials admit that the CIA played a role in the planning attacks on economic installations outside of Managua.

A recent speech by Under Secretary of Defense Fred Ikle indicates that the United States is indeed projecting deeper military involvement in the region. On September 14, before the Baltimore Foreign Relations Council in the city of Baltimore I would like to quote what Mr. Ikle has to say. He said:

> We do not seek a military defeat for our friends, we do not seek a military stalemate; we seek victory for the forces of democracy.

Well, this is about as close to a call for military solutions as a skilled semanticist can get without uttering the precise words. This is militaristic language. It does not coincide with the President's professed desire for a bipartisan consensus under the aegis of the Kissinger Commission nor does it coincide with the sympathies of the Contadora groups which the administration has at least openly endorsed but which I think the gentleman from Georgia (Mr. FOWLER) has laid to rest their intentions earlier on in the debate.

So I would suggest to my colleagues that we are in fact at war with Nicaragua whether we want to face that reality or not or whether we want to admit it. We have violated the laws of this country in a number of areas for the last couple of years, and I would think that it is time to start obeying those laws by approving Boland-Zablocki.

□ 1200

Mr. STUMP. Mr. Chairman, I yield 3 minutes to the gentleman from New York (Mr. KEMP).

Mr. KEMP. I thank the gentleman for yielding this time to me.

Mr. Chairman, I just plan to take a short amount of time to discuss my recent visit to Central America. I was there with the gentleman from Maryland (Mr. BARNES) and the gentleman from Texas (Mr. WRIGHT). I understand that Mr. BARNES made some comments about his trip. The 6 days that we spent in Central America from Panama and Costa Rica, to El Salvador, Honduras, Guatemala, and Nicaragua, led me to the conclusion that the United States must not turn its back on the Contras. Just about everybody that we talked to in those 6 days in Central America, be they right-of-center, left-of-center, or center-center, are equally concerned about the possibility of conflict; but their concern is that the conflict in large part, is caused by the export and support of insurrection by Nicaraguan Sandinistas backed by Cuba and the Soviet Union.

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If there is to be a political solution, Mr. Chairman, to the conflict in Central America and in Nicaragua, it is going to be achieved in large part because of the effort that is being made by the Contras. Their effort has forced the Nicaraguan junta to discuss proposals by the Contadora countries. That is a process that enjoys bipartisan support, and it is supported by the administration, and it is supported by governments in Central America, again be they left or right.

Costa Rica which has a center-left social democratic government in concert with international Social Democratic parties throughout the world is deeply concerned about what the Sandinistas are doing. I would suggest that while it is depressing to many to even think about war, a war is going on because of Marxist-Leninist and not by the United States. It has been caused by the presence of foreign advisers, Cuban advisers in Nicaragua, it has been caused by the Sandinista junta, trying to export revolution to other countries, and this is of great concern to all of the governments of Central America.

It seems to me if there is to be a political solution, which is what this country wants, what this body wants, what the Contadora process envisions, it is going to come because of the overwhelming unpopularity of what Nicaragua is doing not only to its own people but throughout Central America.

Mr. Chairman, for the first time in our history, there is a clear and present danger to the security and territorial integrity of our Latin American allies, resulting from the deliberate actions of outside forces to undermine their stability and impede the progress toward democracy and freedom in Central America.

This is a stunning alteration in the global geostrategic setting. In the past, our hemisphere has been characterized by the absence of international conflict. Today, we are faced with the realization that that era has passed, and we must confront the extension of hostile power into our hemisphere. Should that hostility to freedom continue to grow, we would be forced into a radical reorientation of our defense posture and our ability to protect our vital interests elsewhere in the world would erode.

The fundamental question facing us as a nation is how to meet the challenge of aggression in this hemisphere. Never before has our country faced the threat of international instability on our very borders. Never before have our friends and neighbors so needed our support.

What we need are initiatives that restrict the ability of our adversaries to succeed. What we have here is legislation that restricts not only the United States but our friends and allies in Central America as well.

There are no quick fixes to the problems besetting Central America, but without our support, there can be quick catastrophes. The people of Nicaragua have learned this bitter lesson at great expense. The militant left seized control of the post revolutionary government, bringing Cuban troops and shipments of Soviet weaponry, extensive human rights abuses against the Miskito Indians and other minority groups in Nicaragua, the end of a hoped for free press, more religious persecution, and the demise of any prospects for civil liberties and democracy which was what the original revolution was all about.

Free peoples do not elect bondage; and the nations of Central America do not want to succumb to Nicaragua's fate. The tyranny and the growing military might of the Sandinista regime frighten the nations of Central America. They see Nicaragua as a threat to their way of life, a threat to their future freedom and a threat to their present stability.

In this sense, the Contras in Nicaragua—the men and women fighting the Marxist Nicaraguan regime—are on the front line of the defense of Honduras and Costa Rica. To the extent they channel the resources of the Sandinista military away from the neighboring states and divert them to dealing with the Contra effort, they lessen the threat to Honduras and Costa Rica and others. And to the extent the Contras succeed in challenging the legitimacy of the Sandinista government and indicating that regime for breach of promise to the people of Nicaragua—who expected a free and open society—and the Organization of American States—to which the Sandinistas pledged to hold free and open elections—the hope for a liberal and democratic future in Nicaragua remains alive.

Viewed in this light, can there be any question that our duty, and our conscience, and our vital national interests point compellingly to the conclusion that the United States should provide the moral and material assistance the prodemocratic forces in Nicaragua must have if they are to succeed?

As Americans, I believe that our foreign policy must be rooted in our support for the institutions and political philosophy that has made our Nation great and our people materially and spiritually privileged. It seems to me that we have a moral imperative to lend our support and assistance to sustaining and encouraging the growth of democratic free enterprise wherever and whenever we can. We need to do this, not so much in a spirit of altruism, but in the recognition that as a free people, we are more secure and more prosperous as others share the democratic idea.

The presence of the U.S. fleet has been an inspiration to the free peoples of Central America, just as it has been a depressant for Cuban and Nicaraguan forces. Our presence has a stabilizing influence, a reminder of our proximity and our commitment to the independence and political integrity of our hemispheric allies. From my conversations with public and private leaders throughout Honduras and Costa Rica and El Salvador and Panama, I was deeply impressed by the extent to which they see their future security and stability and prosperity linked to the strength and leadership of the United States. The question is will we stand by them.

If President Wilson's and President Kennedy's call to "make the world safe for democracy" has proved beyond our ability to fulfill, at least we can see to it that democracy can find a future in our own hemisphere.

I urge that this unilateral restriction be removed from the bill, and that the Robinson amendment be adopted.

Mr. RITTER. Mr. Chairman, will the gentleman yield for a comment on this?

Mr. KEMP. I am glad to yield to the gentleman from Pennsylvania.

Mr. RITTER. I thank the gentleman for yielding.

Mr. Chairman, I would like to just compare the Soviet-Cuban presence in the Caribbean with the U.S. presence and talk about what the gentleman from Maryland was alluding to and who is leading toward war in that area. The commitment of Soviet-Cuban-East bloc troops, advisers, military materiel far outweigh that which the United States provides.

Mr. McCURDY. Mr. Chairman, might I inquire as to how much time we have remaining on this side?

The CHAIRMAN. The gentleman from Oklahoma (Mr. McCurdy) has 3 minutes remaining, and the gentleman from Arizona (Mr. Stump) has 1½ minutes remaining.

Mr. McCURDY. Mr. Chairman, I yield 3 minutes to the gentleman from Georgia, Mr. Fowler.

Mr. FOWLER. I thank the gentleman for yielding this time to me.

Mr. Chairman, the gentleman from Illinois (Mr. Hyde) issued his rhetorical flourishes and then left the floor, refusing to yield. Let me answer the gentleman.

The gentleman asked: Is the cause of the United States just in our paramilitary action in Nicaragua?

The gentleman from Georgia is not the authority. The Venezuelans, the Mexicans, the Colombians, the Panamanians, all members of the Contadora group, have asked for the cessation of all foreign military activities in Central America.

The Brazilian Government, no liberals they, have spoken out against the paramilitary action of the United

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States of America and all foreign powers.

The Argentines have spoken out and invited parallel to the British action in the Falkland Islands.

The conservative government of West Germany, Mr. Kohl, who spoke before this body, continues his government's aid to the Sandinista government of Nicaragua.

Mr. RITTER. Mr. Chairman, will the gentleman yield on that point for a 30-second comment?

Mr. FOWLER. I would like to, but I will not yield. I am answering the gentleman from Illinois (Mr. Hyde). You have time. You have a minute and a half left and I am sure they would be delighted to yield to the gentleman.

The consequences of the action of the United States was spelled out in a soon-to-be-published Law Review article by Prof. James P. Rowles. It is to be published in the Kansas Law School Journal and the Georgia Law School Journal. I will include that in the Record at this point:

2. UNITED STATES INTERVENTION IN NICARAGUA: THE CRITICAL CHOICES

As "covert" military action organized and supported by the United States apparently continues against and within the territory of Nicaragua, government officials, Congressmen and Senators, and individual citizens face a number of critical choices. A few of these may be briefly mentioned here. The first and perhaps the most important is the basic choice as to the role that the United States is to play in the world community: whether it will pursue actions designed to strengthen international law and organizations, or act as an international outlaw which openly flouts the fundamental norms prohibiting the threat or use of force across international frontiers upon which not only the postwar legal order but also the very concept of international order itself depends.

Open violations of these norms by a superpower do considerably more damage to the international order than do similar violations by smaller and less important states. Violations by the United States may do the most harm of all, for something more is expected of this country than of the Soviet Union. The United States is a leader of other nations, and its example will surely be followed. The most important choice, therefore, is whether the United States will continue efforts to construct a viable international legal order in which the use of force is reduced to a minimum (a process in which the United States has played a leading role in the past, whether in pushing for the creation of the League of Nations, in sponsoring the 1928 Kellogg-Briand Pact outlawing war, or in building the United Nations on a Charter whose cornerstone is the prohibition of the threat or use of force). Or will the United States abandon this effort, and seek to ensure its own security primarily by reliance on military force?

Related to the first is a second choice: Will the United States proceed by its actions against Nicaragua to establish a dangerous precedent which would lower the costs to others of violating Article 2(4) of the United Nations Charter? Such a harmful precedent would weaken the ability of the United States to mobilize its allies and others to join in collective responses against the Soviet Union should it invade Poland or Iran, would dilute the effect of pressures for Soviet withdrawal from Afghanistan, and generally, would reduce the broad range of political and other costs to the Soviet Union, particularly among the developing and smaller countries, for engaging in illegal military action. Such a precedent would also weaken the ability of the United States to influence its allies. It might, for example, have the effect of encouraging Venezuela to seize territory from Guiana which it claims, or of tempting Argentina to resume the Falklands conflict or settle the Beagle Channel Islands dispute with Chile by resort to force, including in the future, perhaps, the use of nuclear weapons. Finally, such a precedent would be hard to distinguish from Somali support of rebels in the Ogaden region of Ethiopia, Libyan support of rebels in northern Chad, or even potential Cuban support of paramilitary exile forces attempting to invade and overthrow the government of Haiti. The issue, therefore, is whether the superpower most closely identified with the struggle for effective international law and institutions will act in ways which weaken restraints against actions such as those described above. Or will the United States act in a manner which establishes the sort of precedent which would not harm United States interests if it were to be followed by other nations?

Mr. FOWLER. The question is: Is our policy as a world leader in respecting international law being upheld by our actions in Nicaragua? I submit to you, on behalf of my country, that our action is contrary to the best interests of the United States, it is contrary to the best interests of peace and stability in the region. If we will live up to the principles of the Contadora Initiative, then we may have, in concert with our allies seeking peace in Latin America, a chance to get the Nicaraguans to live up to the Contadora principles.

No one here is apologizing for the abuses of the Nicaraguan Government. What we are trying to do is find a way to retain the respect of the United States for international law, contain hostile influences in Central America, and together with our allies in the Contadora process, to achieve peace and stability in concert in that region.

Mr. STUMP. Mr. Chairman, I yield 1 minute to the gentleman from California (Mr. ZSCHAU).

Mr. ZSCHAU. I thank the gentleman for yielding this time to me.

Mr. Chairman, although I voted for the Boland-Zablocki amendment in July, I plan to oppose it today. I do so not because I am a fan of covert operations, but because I believe that a new $50 million overt military extravaganza in Central America would be both ineffective and dangerous.

The new program would inevitably lead to a regionwide war as the other Central American countries try to stop Nicaraguan arms shipments. It is anticipated that more U.S. military personnel would be required for it and even then, it would be woefully inadequate.

We need to reduce, rather than increase, the conflict in the region. Accordingly, I also believe our covert aid to Nicaragua should be cut off, as prescribed in the bill before us. But if we cease our covert aid, the Sandinistas should change their ways, too. They have indicated that their actions against their own people and their neighbors are in response to our hostile actions. Therefore, if we stop, they should be willing to stop, too.

That is the concept inherent in the amendment to be offered by the ranking minority member, if he has the chance.

I urge my colleagues to defeat the Boland amendment proposing a new overt military program and support a cutoff of the covert program in conjunction with new agreements with the Nicaraguan government and increased efforts toward diplomatic solutions to the problem.

● Mr. BERMAN. Mr. Chairman, the secret war against Nicaragua continues. Pentagon officials talk about stopping the export of revolution. They charge that if we vote to stop the secret war we doom American policy to disaster.

On the contrary, American covert action in Nicaragua is a dangerous double agent. Every aspect of this subsidized conflict works against U.S. interests and contradicts our deepest values. The administration claims to oppose outside military intervention. Yet it supports the development of an army on Nicaragua's borders. The administration claims to oppose attempts to overthrow governments by force. But it funds an exile army which will tell anyone who listens that they intend to depose the Sandinistas. The administration says it only wants to stop the arms flow. But the Contras have more than 4,500 men at arms; thousands more than the invasion force that tried to land at the Bay of Pigs. We have transformed a disorganized group of disgruntled officers into a fully equipped military force.

Covert aid undermines more than fundamental principles. It works against our immediate goals for Nicaragua and Central America. Our support for the secret war infects the situation inside Nicaragua. Opposition leader Alfonso Robelo says that the administration is "giving the Sandinistas someone to blame for their own problems."

In March 1982 the Nicaraguan Government declared a state of emergency. As long as the Contras get our aid and continue to attack Nicaragua, the Government is under no pressure to stop press censorship or its crackdown on internal moderate opposition. As the Sandinistas see an increased military threat, their reliance on Soviet and Cuban military aid will be increased.

The longer we support the secret war, the longer we fuel anti-American sentiment in Nicaragua and Central America. We provide them with a tailormade enemy of the state. We must remove this easy target. There can be no progress in the region while the United States supports covert attempts to overthrow a government. I urge my colleagues to oppose any attempts to continue funding for covert assistance to the Contras. If we are to prove ourselves the true friend of pluralism and democratic changes, we must end the secret war.●

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● Mr. DOWNEY of New York. Mr. Chairman, once again we are called upon to reaffirm the views of the American people. And once again, these views will no doubt be ignored by this administration. In July, this Chamber, by a 228-195 vote, confirmed its opposition to U.S. backed insurgencies. We must today act to renew our opposition.

We have been asked by this administration to continue to support covert operations against Nicaragua; operations which are now alleged to include actual U.S. involvement in acts of terrorism and sabotage. The goals remain the same: the disruption of Nicaraguan society through acts of violence and terror. The results also remain the same: continued suffering for the Nicaraguan people. Are we so naive as to believe that tying our country's good name to such activities will nurture respect in the Nicaraguan people for our ideals? In a nation racked by poverty and still reeling from a dynasty of terror and corruption under the American-backed Somoza, are we expecting the people to support and embrace our policies of disturbance and bloodshed? I, for one, could not expect the Nicaraguan people to see anything but the truth: that the blood remains on our hands. No amount of semantics will alter the fact that we are seeking the military imposition of democracy. And neither history nor the minimum standards of morality will support this as a practical or just path for American foreign policy.

We take ourselves pretty seriously in the United States. Championing the ideals of freedom and democracy, we attempt in every way to model our foreign policy on these ideals. The popular support that both our Government and political system enjoy is a tribute to Americans' belief that our national ideals ring true in all national endeavors. But covert operations are a direct challenge to our ideals and have, through revelation, shaken America. In an open and free society strategies of subterfuge and secrecy have forced Americans to question whether our means always justify our ends.

We now know that covert operations can never be kept secret from the people against whom they are directed. The Nicaraguan Government is a fine example. They know, and we know that they know. So where is and why is there a secret? There is only one answer: to keep these operations from the reach of the American political process. Americans can read about these operations in detail in the press, but they remain effectively distanced from U.S. Representatives. To those who support these operations, secrecy is the ultimate shield. There are no open forums or public debate about these issues of public knowledge. And the legal authority of national security can be used against all those who want to limit these operations. So let us understand that the real secret behind the covert nature of these covert operations is that they seek to undermine the American democratic process.

Now let us look at the so-called freedom fighters this administration has begged us to support. I ask my colleagues to put themselves in the position of the Nicaraguan peasants who must choose sides in this struggle. U.S. support of Nicaraguan rebels goes chiefly to the Nicaraguan Democratic Force (FDN), all but one of whose military commanders served in deposed dictator Anastasio Somoza's National Guard. The torture, imprisonment and murder carried out by the National Guard kept the Nicaraguan people in dire poverty and oppression while Somoza lived in ostentatious luxury, personally owning about 10 percent of the nation's economy. Perhaps the best indication of the popular support enjoyed by Somoza and his National Guard is the reaction to news of his assassination: joyful citizens poured into the streets of the capital to celebrate with singing, dancing and fireworks. A reputation as CIA puppets—part of an ugly tradition of U.S. intervention which has included two American military occupations of Nicaragua in this century—certainly does little to increase the freedom fighters popularity with the Nicaraguan people.

As for the tactics of these U.S.-supported rebels, they are as ugly and self defeating as their internecine struggles. Because hit-and-run raids and agricultural and economic sabotage are causing tremendous suffering to civilians of all political sympathies, even opponents of the Sandinista government find it difficult to support the rebels.

We are being asked today to support military solutions to problems of Central America when peaceful solutions have never been more promising. Last month, according to the Reagan administration, the nine governments participating in the Contadora discussions, including Nicaragua, agreed on a document of 21 objectives that could serve as a basis for a negotiated settlement in the region. The objectives include respect for democratic pluralism and reciprocal and verifiable commitments to end assistance to armed opposition forces. And today's Washington Post reported that the Nicaraguan Government is preparing to present to Washington a four-part peace proposal dealing with United States-Nicaraguan relations, the conflict in El Salvador, and the relations with Honduras and the rest of the isthmus. The administration has told us that continued support for covert activities is our best hope toward achieving peace. Such logic is as contradictory as it is twisted to this administration's immoral strategies in Central America.

So we must today answer the President in no uncertain terms. No, Mr. President, we do not believe that promoting hunger, disruption, and bloodshed will help us gain the support of the Nicaraguan people. No, Mr. President, we do not believe that returning Nicaragua to the rule of Somoza's National Guard will enhance the prospects of either freedom or stability to the nation. No, Mr. President, we do not believe that our support for policies of violence can or should be the American strategy for peace in the region. I ask my colleagues to join me in support of the Boland amendment.●

Mr. STUMP. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

The CHAIRMAN. All time has expired.

Pursuant to House Resolution 329, the bill is considered by titles for amendment under the 5-minute rule except for section 108, and each title shall be considered as having been read. Section 108 shall not be considered for amendment until the remainder of the bill has been considered for amendment in its entirety, and until section 108 is considered for amendment, no amendments are in order which effect the subject matter of section 108, funding for military and paramilitary operations in Nicaragua. No amendments to section 108 are in order except one amendment by Representative BOLAND and one amendment by Representative ROBINSON, if said amendments have been printed in the CONGRESSIONAL RECORD by these Members, respectively, at least 1 legislative day before their consideration. Said amendments shall not be subject to amendment but shall each be debatable for not to exceed 30 minutes, to be equally divided and controlled by the proponent of the amendment and a Member opposed thereto. At the conclusion of the consideration of section 108 of the bill for amendment, no further amendments are in order.

□ 1210

The Clerk will designate section 1.

The text of section 1 is as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Intelligence Authorization Act for Fiscal Year 1984".

Mr. BURTON of Indiana. Mr. Chairman, I move to strike the last word.

The CHAIRMAN. The gentleman from Indiana (Mr. BURTON) is recognized for 5 minutes.

Mr. BURTON of Indiana. Mr. Chairman, I listened to this debate today, and it has been very, very interesting and enlightening. Both sides on the major issue that we have been talking about have said that the policies of the other and the positions supported by the other will cause war.

[CRS-190]

I would just like to read to the Members a few of the statements made by the leaders of the revolutionary forces in Central America. Tomas Borge, the Nicaraguan Interior Minister, said this:

> The revolution's moral imperative and historical character make it inevitable that the energies released here will be universal in all Central America.

He was talking about expanding the revolution in all Central America.

Humberto Ortega said: "Central America is at war." He is the Nicaraguan Defense Minister.

Archimedes Antonio Canada, the guerrilla chief who has been trying to overthrow the government in El Salvador, said:

> I am happy that Cuba and Nicaragua are providing aid for the Salvadoran rebels and assisting in directing combat operations. I am proud of our ties to Cuba and Nicaragua. The struggle is not just for the control of El Salvador, but is a regional struggle including Latin America and the Caribbean.
>
> (Nicaragua's) revolution is a revolution without frontiers.

That is attributed to Daniel Ortega. He said he did not say that, but he did say, we know for sure, this: "We will support wars of justice and liberation wherever we can."

Now deceased Salvadoran guerrilla leader Cayetano Carpio said this:

> After El Salvador falls, El Salvador and Nicaragua will be arm-in-arm and struggling for the total liberation of Central America.

On April 13 of this year, Humberto Ortega said: "We have no choice. Of course we are not ashamed to be helping El Salvador. We would like to help all revolutions" throughout Central America.

One of the things that has not been discussed today that I think is of extreme importance—it is something we talked about before—is what will happen to this country economically if the revolution is expanded. It is estimated that if the revolution gets into Honduras, Guatemala, El Salvador, and Belize, and ultimately Mexico, we not only will have to defend ourselves militarily but economically as well. It is estimated that there will be between 9 million and 11 million refugees, not illegal aliens, but refugees, coming across the Mexican American border. Should that take place, we will be not only fighting a military conflict down there but an economic one as well, and we cannot afford to lose either one.

I ask the Members who propose cutting off covert aid, should we fiddle while Rome burns? I think not.

We all want to avoid war, but I think the quickest way to get us involved in one is for us to pull in our horns right now, cut off covert aid, and let Ortega do whatever he wants in Central America. I think that would be disastrous.

The CHAIRMAN. The Clerk will designate title I.

The text of title I, with the exception of section 108, is as follows:

TITLE I—INTELLIGENCE ACTIVITIES

AUTHORIZATION OF APPROPRIATIONS

SEC. 101. Funds are hereby authorized to be appropriated for fiscal year 1984 for the conduct of the intelligence and intelligence-related activities of the following elements of the United States Government:

(1) The Central Intelligence Agency.

(2) The Department of Defense.

(3) The Defense Intelligence Agency.

(4) The National Security Agency.

(5) The Department of the Army, the Department of the Navy, and the Department of the Air Force.

(6) The Department of State.

(7) The Department of the Treasury.

(8) The Department of Energy.

(9) The Federal Bureau of Investigation.

(10) The Drug Enforcement Administration.

CLASSIFIED SCHEDULE OF AUTHORIZATIONS

SEC. 102. The amounts authorized to be appropriated under section 101, and the authorized personnel ceilings as of September 30, 1984, for the conduct of the intelligence and intelligence-related activities of the elements listed in such section, are those specified in the classified Schedule of Authorizations prepared by the Permanent Select Committee on Intelligence to accompany H.R. 2968 of the Ninety-eighth Congress. That Schedule of Authorizations shall be made available to the Committees on Appropriations of the Senate and House of Representatives and to the President. The President shall provide for suitable distribution of the schedule, or of appropriate portions of the schedule, within the executive branch.

CONGRESSIONAL NOTIFICATION OF EXPENDITURES IN EXCESS OF PROGRAM AUTHORIZATIONS

SEC. 103. During fiscal year 1984, funds may not be made available for any intelligence or intelligence-related activity unless such funds have been specifically authorized for such activity or, in the case of funds appropriated for a different activity, unless the Director of Central Intelligence or the Secretary of Defense has notified the appropriate committees of Congress of the intent to make such funds available for such activity, except that, in no case may reprogramming or transfer authority be used by the Director of Central Intelligence or the Secretary of Defense unless for higher priority intelligence or intelligence-related activities, based on unforeseen requirements, than those for which funds were originally authorized, and in no case where the intelligence or intelligence-related activity for which funds were requested has been denied by Congress.

AUTHORIZATION OF APPROPRIATIONS FOR DESIGN AND CONSTRUCTION OF AN ADDITIONAL BUILDING AT THE CENTRAL INTELLIGENCE AGENCY HEADQUARTERS COMPOUND

SEC. 104. Of the amounts authorized to be appropriated under section 101(1), there is authorized to be appropriated the sum of $75,500,000 for the design and construction of a new building at the Central Intelligence Agency headquarters compound.

AUTHORITY FOR TRANSFER OF AUTHORIZED FUNDS OF THE CENTRAL INTELLIGENCE AGENCY TO THE STATE OF VIRGINIA

SEC. 105. Of the amounts authorized to be appropriated under section 101(1), the Central Intelligence Agency is authorized to transfer an amount not to exceed $3,000,000 to the State of Virginia for the design and construction of highway improvements associated with construction at the Central Intelligence Agency headquarters compound.

AUTHORIZATION OF APPROPRIATIONS FOR COUNTERTERRORISM ACTIVITIES OF THE FEDERAL BUREAU OF INVESTIGATION

SEC. 106. In addition to the amounts authorized to be appropriated under section 101(9), there is authorized to be appropriated for fiscal year 1984 the sum of $13,800,000 for the conduct of the activities of the Federal Bureau of Investigation to counter terrorism in the United States.

PERSONNEL CEILINGS ADJUSTMENTS

SEC. 107. The Director of Central Intelligence may authorize employment of civilian personnel in excess of the numbers authorized under titles I and II of the Intelligence Authorization Act for Fiscal Year 1983 (Public Law 97-269) and title I of this Act when he determines that such action is necessary to the performance of important intelligence functions. Additional numbers of civilian personnel authorized by the Director of Central Intelligence under this section for an element of the Intelligence Community may not exceed 2 per centum of the number of civilian personnel authorized under such titles for such element. The Director of Central Intelligence shall promptly notify the Permanent Select Committee on Intelligence of the House of Representatives and the Select Committee on Intelligence of the Senate whenever he exercises the authority granted by this section.

Mr. STUDDS. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I oppose U.S. funding for military operations against Nicaragua.

There are many complicated issues involved in our policy toward Central America but this is not one of them. This issue is clear.

The United States maintains a list of countries who support international terrorism. Libya is on that list. So is the Soviet Union. No one ought to be able to argue that the United States belongs on it as well.

For a decade at least, we have feared terrorist action against the Strait of Hormuz in the Persian Gulf, through which one-fourth of all oil to the non-Communist world flows. This month, we attacked the far more fragile oil lifeline of Nicaragua, a tiny, wretchedly poor country dependent on two small ports for its oil. In doing so, we set an example for terrorists everywhere; we invited them to learn from us, and to imitate our lack of respect for human decency and international law. We invited them to do to us as best they can what we are doing now to Nicaragua.

Let there be no mistake about where the policy being pursued by this administration threatens to lead—to war, to humiliation for the United States, and to frustration for U.S. interests in the region for decades to come.

Our policy must be changed. The legislation we are considering today will not fully achieve that goal, but it is an absolutely vital first step in the process.

[CRS-191]

We do not need to support terrorism to contain the foreign policy excesses of the Government of Nicaragua. We have at our disposal an enormous array of political, diplomatic, and economic options which can accomplish that task at far less cost to our principles, and with far better effect on the course of events inside Nicaragua.

It is not our right as North Americans to dictate the internal political evolution of any other country. If we were to assert that right, by virtue of our military power, would we not then be forced to concede a similar right to the Soviet Union in Poland or Afghanistan? I do not believe any of us on this floor today would be willing to make such a concession.

The Government of Nicaragua, while energetic in behalf of its poor, is undiplomatic, intolerant, inexperienced, insecure, and certainly not democratic in any sense understood by citizens of the United States. The most intelligent step that government could take would be to initiate a serious and unconditioned dialog with the leaders of the Miskito Indians and other dissident groups.

A negotiated solution to the crisis in Nicaragua is devoutly to be wished, but it cannot, and will not, be imposed—and I am convinced it is not even seriously being sought—by the White House, by the CIA, or by the rightwing military establishments of other countries in Central America.

The covert military operation against Nicaragua constitutes one of the most cynical, brutal, and reckless enterprises ever conducted in the name of the American people. It has fed hatreds, fears, and passions throughout the region which bubble now just below the level of all-out war.

Our task today is to turn down the heat; to demonstate to Central America and to ourselves that we have not lost our reason or our decency; we are not a terrorist society; we observe the rule of law; we do not worship military force; we encourage reconciliation and discourage hate; we act out of hope, not react out of fear; we will not trigger, nor will we participate in, a war of military aggression against Nicaragua; we will halt support for these all too overt "covert" operations now, and will embark instead, at long last, on a sensible and serious approach to the crisis in Central America.

Mr. McCAIN. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in strong opposition to the prohibition of covert aid in Nicaragua. I believe such an action would be very detrimental to our national interest and to the interests of all free people everywhere.

To begin with, I think we should dispose of the idea that the Boland amendment deals with the problem of covert versus overt aid. Webster's Dictionary defines covert as something "not openly shown," "enagaged in," or "avowed." That certainly does not describe our actions with respect to Nicaragua. It has long been acknowledged that our country is engaged in a campaign to stop the Sandinistas from exporting terrorism and from fomenting violent revolution throughout Central America. The question we must address is whether we will continue to support those individuals who are seeking their personal freedoms or whether we will give sanctuary to those individuals who wish to subvert our goals in Central America and doom our policy to failure.

The proponents of this measure would prohibit the expenditure of any funds, in any way, within the borders of Nicaragua. Instead, they would have us support a $50 million program to provide interdiction assistance to "any friendly country in Central America." The proponents of this proposal would have us believe such a course will increase stability in the region, minimize the possibility of conflict between Central American nations, and lessen the chance of direct American involvement in the area. Nothing could be further from the truth.

I would like to ask my colleagues what kind of program they envision under the Boland idea? How will this program stop the gunrunning by Nicaragua and give those Central American nations crippled by hunger, debt and growing numbers of refugees, the opportunity to solve their problems? Is this program really designed to achieve our national objectives or is it a conscience easing solution?

I believe there are two likely consequences from the implementation of the Boland interdiction concept. The first is conflict among Central American nations, and the second, and more likely, is increased involvement of U.S. personnel.

Nicargua already has the largest standing army in the area with a very formidable military capability. The possibility of a border clash between Nicaragua and Honduras would be very real, and very dangerous. Costa Rica, constitutionally prohibited from maintaining an army, has only police forces with which to patrol their border.

This leaves us with the increased use of U.S. personnel. The Intelligence Committee recognized as much in their May 1983 report on this subject. The report states that none of the nations, in a geographical position to do so, possesses the capability to interdict arms supplies reaching the insurgents. These nations do not have the financial resources, the know-how, or the trained personnel to conduct effective interdiction activities in their own territory.

This view is corroborated by the Secretary of Defense. He has stated,

> Given the limited resources of friendly Central American nations, and their shortage of trained personnel, an interdiction program of the kind envisioned in [the Boland approach] would certainly require extensive deployment of U.S. personnel to the area. If the insurgents and their supporters in Nicaragua decide to fight the interdiction, then U.S. personnel would become the target of enemy attack. In short, the involvement of U.S. personnel in Central America would likely be much greater than the sponsors of [the Boland approach] had in mind.

Even if Central American nations could undertake the type of interdiction program called for by this legislation, the program is likely to fail as long as it treats Nicaragua as a sanctuary. Past experience teaches us that it is impossible to interdict the support of an insurgency movement if the insurgents have the advantage of a nearby sanctuary area. If the insurgents are protected against any and all interdiction efforts, they can readily direct and funnel supplies over many different routes. Former Secretary of Defense, Robert McNamara, proved this in 1968, using $2 billion, thousands of American aircraft, and hundreds of American lives. The most modern technology in the world, sensors designed to detect movement with accompanying air-ground communications which would direct fire at any movement, impeded but did not stop the flow of arms in Indochina.

In summary, if the Boland approach is adopted, I believe we will be aiding the leftist insurgencies, I believe we will be increasing the chance of a deeper and more direct U.S. role in the region, and I believe we will be insuring instability in Central America for years to come.

□ 1220

Mr. BEREUTER. Mr. Chairman, I move to strike the last word.

Mr. Chairman, this Member attempts to deliver comments on this floor in a measured fashion and attempts to avoid extremes in statements that are made.

I want to preface my remarks to indicate that I feel very strongly about this issue and in my remarks now, indeed, I will attempt to have them carefully measured. I have thought about the remarks I am about to deliver for some substantial period of time.

I am a member of the Western Hemisphere Subcommittee of the Foreign Affairs Committee and have some considerable interest in this area.

I would begin by saying that I believe it was a mistake for the House to accept the leadership of this same House Select Committee on Intelligence on December 8 of 1982 when we approved the Boland amendment which continued to sanction limited covert assistance to Nicaraguan insurgent forces.

The Boland amendment was, in effect, not debated at that time. In retrospect, that was a unanimous mistake on the part of this House in following the leadership of Mr. BOLAND.

[CRS-192]

Any covert assistance by the United States, this Member believes, to Nicaragua, was and is counterproductive. There is a place for covert assistance. This is not it.

It was not appropriate for the relevant Intelligence Subcommittee to set limitations on such covert aid that clearly could not be met and then in 1983 to turn around on a straight partisan vote by the Intelligence Committee to end the covert aid that it had earlier, unrealistically, endorsed.

Of course, the Contras and the Miskito Indians and other insurgent Nicaraguan forces were not really interested in interdicting arms for Salvadoran guerrillas. We knew that. It is fraudulent to suggest anything else. Obviously, their real motivation is a change or overthrow of the Sandinista Government of Nicaragua, but that is forbidden by the exact wording of the 1982 Boland amendment. If Intelligence Committee leaders really wanted to recommend an end to all aid, they could have done so by simply suggesting that we approve the Harkins amendment, for which Mr. BOLAND offered his substitute on December 8, 1982.

It is, therefore, unfortunately looking more and more like the debate and the vote of July 28, 1983, and the debate today is set up for partisan reasons. That is my only conclusion. I hope I am wrong.

As this Member said, I, too, want to halt covert aid, but my approach would be: First, favor a method that lets the forces that we have unfortunately armed safely disengage and second, adopt a quid-pro-quo approach or the so-called symmetry approach which in effect says that we stop our covert aid as the Nicaraguans stop the organized military assistance and safe haven for Salvadoran guerrillas and end Nicaraguan locations for command communication functions of the Salvadoran guerrillas. That deescalation could be supervised by the Organization of American States or another international group.

The so-called Mica substitute offered on July 28, 1983, embodied this approach, as did a substitute that this Member offered on that same date. Both were rejected, although they earlier had been said to be acceptable by key members of the majority party.

Looking now specifically at section 108, the first thing that needs to be said is that the dollar amounts for overt interdiction of assistance to the Salvadoran guerrillas to be used outside Nicaragua in nations like Costa Rica, Honduras, and El Salvador is totally inadequate to do the job and is more likely to engulf Costa Rica, Honduras, and the United States into open international warfare with Nicaragua. Therefore, the amendments to be offered in place of section 108 are totally unrealistic. That point has been made in July. It is just as valid or more valid today.

Section 108 is totally unacceptable. The proposed Boland substitute for section 108 is totally unacceptable, unless it is changed to include a verifiable, symmetry approach like those that have been offered previously in this House in July by Mr. MICA and this Member.

Mr. RATCHFORD. Mr. Chairman, I move to strike the last word.

Mr. RATCHFORD. Mr. Chairman, I urge my colleagues to uphold the decision this body made in July, and support the amendment to cut off covert funds to the rebels in Nicaragua. The wisdom of that decision is as compelling today as it was several months ago. The administration has simply become less cagey about the fact that we are using violent means to overthrow a government we find distasteful.

Opponents of this amendment have been unable to pull together any new arguments against its adoption. We are still faced with the worn and morally bankrupt slogan of "symmetry." The fact that the CIA's covert operation is a clear violation of international law and of numerous American treaty obligations does not seem to disturb opponents of the amendment. The symmetry principle seems to suggest that we should break the law as long as others do so.

Mr. Chairman, this operation is wrong morally, it is wrong legally, and it is not achieving its supposed limited objective of halting the flow of arms to the rebels in El Salvador. Congress must act to stop the slide toward disaster in Central America. One of our best opportunities is to reaffirm our decision today to cut off covert aid to the Nicaraguan rebels.

□ 1230

Mr. RITTER. Mr. Chairman, I move to strike the last word.

I think many of us on this floor are interested in whether the situation in Central America is eventually going to result in the greater safety of the American people here at home as well as Americans throughout the Americas.

Germane to that question of the safety of the American people, all the American people, is the nature of the Sandinista revolution.

A gentleman appeared in this well moments ago and told us that "we cannot dictate the internal revolution of another country." I am sure he is sincere in what he says.

The problem with that is the revolution in Nicaragua is not an internal revolution. It never has been, according to the present leadership of the Nicaraguan Government.

In what way, the people of this country are asking, are we Americans endangered? If the American people knew in detail the extent of the Cuban-Soviet involvement in Nicaragua internally and externally, that would convince the American people that the Nicaraguan Government proceeding along its present course is a danger to the safety of the American people. The idea is to change the present course of that aggressive, hostile regime so as to make for a safer Americas.

I had the opportunity to speak yesterday with Mr. Antonio Farach who was the Sandinista chargé d'affaires in Honduras and Venezuela recently. That means he was the No. 2 man in charge. He is a young man. He was teaching Marxism-Leninism to local "cells" in Managua prior to the success of the Sandinista revolution in 1979. He was a committed revolutionary to build a better Nicaragua. Let me quote from some of his statements as to the close link between the Cubans and the Nicaraguan Government when it came to external military affairs and political affairs.

He said:

> When we got classified information in Tegucigalpa, Honduras and I had to get guidance, I got it from Cuban officers.

Today some are saying it is the American presence which is creating conflict in this area, and that somehow we are the cause of the confrontations in Central America.

Mr. SENSENBRENNER. Mr. Chairman, will the gentleman yield?

Mr. RITTER. I yield to the gentleman from Wisconsin.

Mr. SENSENBRENNER. I thank the gentleman for yielding.

I am pleased that the gentleman from Pennsylvania has been making these statements on the floor in this very historic debate.

Just for the record, on Tuesday of last week I was in Managua and talked with Daniel Ortega, the coordinator of the Sandinista junta and head of state of Nicaragua. During the course of my dialog, I asked Commandante Ortega specifically whether he and the Nicaraguan Government would foreswear the doctrine of revolution without borders, and I made a disclaimer that that was my term and not his.

He said that if the United States withdraws its troops from Honduras and off the coast and stops supporting the Contras, then the Nicaraguan Government will talk about stopping revolution without borders, but in the meantime he was going to support wars of justice and liberation.

Now, that means very clearly that if the Boland-Zablocki amendment passes—the Nicaraguans are going to do what they can to continue to destabilize the other countries in the region.

[CRS-193]

The CHAIRMAN. The time of the gentleman from Pennsylvania [Mr. RITTER] has expired.

(By unanimous consent, Mr. RITTER was allowed to proceed for 3 additional minutes.)

Mr. RITTER. If I might reclaim my time from the gentleman, I appreciate his comments. A number of Members of this House, in addition to the gentleman from Maryland, were also in Central America recently. Notably, I think we could listen carefully to the majority leader's comments on this point, and he may wish to comment on the character of their experiences in Nicaragua.

The point that Mr. Farach was making, this high-ranking Sandinista diplomat, was that the Sandinista government's military and external affairs decisionmaking is a Cuban military operation; yes, a Cuban operation and that the highest level decisions are made in conjunction with Raul Castro, the Defense Minister of Cuba. Second-level decisions are made in conjunction Mr. Piniero who is the "Central American area" chief in the Cuban Government.

The comments our colleague from Massachusetts (Mr. STUDDS) made, that "we should not be in a position of dictating the internal revolution of another country" are simply not relevant to the facts that we see in Central America. Their "revolution" is already involved throughout Central America. In the previous debate on this issue, the claim was made continually that the interdiction effort is not functioning, that somehow our efforts in supporting covert operations are not working.

Ladies and gentlemen, that is not true, and the data are in. Just from the meeting yesterday, Mr. Farach mentioned two specific situations, one in Chinandego on the Pacific, a village on the Pacific, which held large arms deposits for El Salvador. It was a warehouse operation. They dismantled it, because it was in the range of Contra strikes, and this has made arms shipments more difficult.

Another situation 35 kilometers north of a mine called La Rosita near the border was a training camp for the FPL, Salvadoran guerrillas, was dismantled, because it was vulnerable to raids by Miskito Indians near the Honduras border. And most of us are familiar with an interesting article that appeared in the Washington Post not long ago that talked about a group of journalists that visited a base for ferrying arms to El Salvador, Estera de Padre Ramos. The article was written by Sam Dillon of the Knight-Ridder chain. We should note that today in the debate the effectiveness of the curtailing of the arms flow from Nicaragua to Salvador is not in question.

The CHAIRMAN. The time of the gentleman from Pennsylvania (Mr. RITTER) has expired.

(By unanimous consent, Mr. RITTER was allowed to proceed for 3 additional minutes.)

Mr. RITTER. What has been told to us is that the quality and the quantity, of the arms delivered to the Salvadoran guerrillas has suffered because of the operation near the border. It has been told to us that in small wars these kinds of reliable logistics are extremely important.

It was told to us that the level of the operations in El Salvador over the last several months has suffered markedly from the operations that are going on in Nicaragua, and that the level of flow and the quality of that flow has been denied to the guerrilla movements in El Salvador. So, the fundamental question that we debate here today, whether or not this aid is interdicting supplies, is answered by the fact that yes, it is, yes indeed the supplies, the quality, quantity, the reliability have been reduced.

Mr. Farach also mentioned meetings where he had asked the leadership in Managua what they would do, what they would do if Contra operations were stepped up in Nicaragua.

The American Navy was as yet not in the Caribbean, and there was talk of greater U.S. support.

He mentioned that Managua's opinion was that if the anti-Sandinista activities increased, all resources should be drawn back into Nicaragua.

□ 1240

This tells us when we think about the safety of the American people and the people of all of the Americas that this is not an "internal" revolution.

One of our colleagues said, someone said, I think it was the gentleman from Maryland, "You don't democratize a government by attacking it."

I ask my colleagues and those listening to this debate: Do you democratize a government by allowing it full rein of aggression against its neighbors and against its own people?

If you want a clear answer to that question ask the revolutionaries in Afghanistan whether you democratize the puppet government there by leaving it alone to eventually wipe out the forces of independence and freedom of the Afghan nation.

The CHAIRMAN. The time of the gentleman from Pennsylvania (Mr. RITTER) has again expired.

(By unanimous consent Mr. RITTER was allowed to proceed for 1 additional minute.)

Mr. RITTER. The fact is that Cuba and the Soviet Union have put in vastly more men and material, vastly more into the Caribbean region over the last several years than the United States; that the conflict is not caused by American response; it is caused by Soviet-Cuban-Nicaraguan aggressions.

Those aggressions directly threaten the countries of Central America, eventually Mexico and the United States of America, and that is something that the people of the United States should understand.

Jack Anderson, who is no slouch in terms of information, was in my district last spring. When asked what he thought was the most critical problem facing the United States of America, he responded by saying a Communist takeover, a Communist takeover that eventually works its way up to the United States itself.

The CHAIRMAN. The time of the gentleman from Pennsylvania (Mr. RITTER) has again expired.

(By unanimous consent, Mr. RITTER was allowed to proceed for 3 additional minutes.)

Mr. RITTER. And when Jack Anderson, who again is no slouch on what is going on in this world, probably has as much information as the CIA and the DIA combined, when he says that these revolutions, so-called national liberation movements in Central America are not home grown, that they are derived from a Soviet and Cuban influence in Central America, and that it will eventually impact upon the United States, I think we should listen.

One of my colleagues yesterday said, "Hey, let's be concerned about jobs for Americans, jobs—people want to go back to work and forget this stuff in Central America."

I submit to American working men and women throughout this country that if we see totalitarian Communist regimes working their way up Central America, so too will we see the "foot people" working their way up Central America, escaping. Their destination, the United States of America. It has happened in every single occasion where these kinds of totalitarian governments have been successful in solidifying the power; 1 million-plus Cubans out of 9 million people, 3½ million Afghanis out of 15 million people, East Europeans, Southeast Asians all over the world having fled communism. There is no doubt that this will happen here close to home, and if people are concerned about jobs, and the availability of jobs they will consider the fact that Communist regimes working their way up Central America will mean vast refugee populations entering the United States and that we will have great political and economic difficulty dealing with the influx.

I urge my colleagues at this late hour to rethink their position on the Boland amendment to section 108, to defeat it, and to allow the alternative measure to pass, which links the cutoff of the aid with a symmetrical response by the Sandinistas and their Cuban and Soviet mentors.

Mr. SHUMWAY. Mr. Chairman, I move to strike the last word.

Mr. SHUMWAY. Mr. Chairman, I rise in opposition to the legislation before us and the Boland amendment which unilaterally restricts our Nation's ability to deal with the growing threat to peace and stability in Central America, a region of strategic, economic, and cultural significance to the United States.

[CRS-194]

The social and economic difficulties of Central America and the tragedy of continued violence there is of great concern to us all. Certainly each one of us desires an end to the violence in Central America and greater peace and stability in the region. Tensions in this troubled area of the world, however, have been heightened by the Nicaraguan Government's massive military buildup, largely supported by the Soviet Union and Cuba, as well as its policy of aggressive intervention in the internal affairs of neighboring governments.

Nicaragua's role in exacerbating tensions in El Salvador and throughout Central America has been universally recognized and well documented despite continued denials from Managua. Indisputable and compelling evidence clearly demonstrates that the Sandinistas have provided logistical and military assistance to the leftist guerrillas in El Salvador in an effort to subvert El Salvador's fledgling democracy. This assistance is noted in the House Intelligence Committee majority report to H.R. 2760, the intelligence authorization amendments for fiscal year 1983, passed by the House in July, which states:

> There is persuasive evidence that the Sandinista government of Nicaragua is helping train insurgents and is transferring arms and financial support from and through Nicaragua to the insurgents. They are further providing the insurgents with bases of operation in Nicaragua. Cuban involvement—especially in providing arms—is also evident.

The report concludes that Nicaragua and Cuban aid to insurgents constitutes "a clear picture of active promotion for 'revolution without frontiers' throughout Central America by Cuba and Nicaragua."

Nicaraguan and Cuban supported subversive activities which seek to upset the democratically elected Government of El Salvador and which violate the borders and sovereignty of neighboring countries in the region is antithetical to the entire scheme of U.S. foreign policy. I believe, Mr. Chairman, that the United States has a responsibility to support those countries in the region, such as El Salvador, Honduras, and Costa Rica, which are dedicated to the democratic process and which have requested our assistance in blocking the flow of arms from Nicaragua and in countering the external threat posed by that nation. It is vital that the United States forestall communism and safeguard democracy in its own backyard. We cannot afford to remain passive; to do nothing would be a grave abdication of our regional responsibility.

Certainly the situation in Central America is troubling, but what is even more troubling, in my view, is that the legislation before us restricts our Nation's ability to effectively confront Nicaragua's continued exportation of weapons and revolution throughout the region. If the principle that the United States has a responsibility to support those countries in Central America which are threatened by the advance of communism and to thwart the Sandinista government's support for insurgencies is correct, I cannot understand why this principle should not be served by whatever means are available. To unilaterally restrict U.S. conduct in Central America without regard to Nicaragua's subversive activities throughout the region hardly strikes me as prudent policy. Rather, a unilateral reversal of policy by the United States would encourage the Sandinistas to continue its activities and would demonstrate to the region and the world that the United States lacks the resolve to defend its legitimate interests and check the Communist threat close to its own borders.

Recently there has been greater movement toward a negotiated settlement to the current Central American conflict. In July, the Sandinista government announced a six-point peace plan which included Nicaragua's acceptance of multilateral negotiations as well as the cessation of arms shipments throughout the region. Last month, the Sandinistas signed a 21-point document of objectives to serve as a framework for regional peace. Additionally, it appears that the Nicaraguan Government is preparing a four-part peace initiative which addresses Nicaragua's relations with the United States, Honduras and the rest of the region, as well as the conflict in El Salvador. I submit, however, Mr. Chairman, that these developments toward a possible peaceful settlement have been fostered to a large degree by the armed Nicaraguan resistance movement and by the U.S. firm commitment to the security of democratic nations in the region. The determined resistance of opposition forces poses a threat to Sandinista domination in Nicaragua and has exerted significant pressure on the Sandinista government to negotiate. For the United States to cut off its assistance to Nicaraguan resistance forces, in my view, will jeopardize the movement toward a negotiated settlement and toward greater peace and stability in the region.

Mr. Chairman, it is critical that the United States fulfills its responsibility to support its neighbors to the south which are dedicated to the democratic process and which are threatened by a totalitarian minority. The United States must make it clear to the Sandinista government that as long as it continues to spread its Marxist influence beyond its borders, the United States will employ all appropriate means to counter its actions, including both overt and covert assistance to those who seek to check Nicaragua's campaign of subversion. I, therefore, cannot support legislation which limits the range of our Nation's response to Nicaragua's terrorist activities without reciprocity on the part of the Sandinistas and Cubans. I therefore urge my colleagues to join me in opposing the legislation before us.

□ 1250

Mr. DORGAN. Mr. Chairman, I move to strike the last word.

I have taken the well today because I feel very strongly that what we are doing in Central America as a U.S. Government is very troubling to not only a lot of Americans but a lot of us who serve here in Congress. I have spent a total of only about 10 days in Central America but I came back with a couple of conclusions that I want to share with my colleagues.

I came back with a very dim view of what the Sandinistas are doing in Central America. I think there is censorship there; I think there is repression there. I am not generally impressed by what the Sandinistas are doing in Nicaragua. But I came back more convinced than ever that what we are doing, that the U.S. Government policy, is fundamentally wrong as well.

I felt that way before I went and I came back ever, more convinced of that.

I hear about the Nicaraguan threat. All throughout Central America from Honduras, Costa Rica, and so on, we heard about the Nicaraguan threat. The 100,000 person army which Nicaragua has supposedly built, and which represents the threat to the region, was referred to.

So when I got to Nicaragua I began talking to some of the people about their army. I went out to a farm cooperative. They said there were 19 families in the farm cooperative. There was a young fellow sitting near a post at the edge of the yard. He had a 25-year-old Mauser rifle. And I asked him why are you holding the Mauser rifle? He said, "Because I am part of the militia." I said, "Well, how many are part of the militia in this farm cooperative?" He said, "There are 19 families, 19 men are part of the militia."

"How many arms do you have?" I said.

He said, "We have six rifles."

I said, "Are they like the one you have?"

He said, "Yes."

I asked "How much ammunition?"

He said, "Not much." "How much training do you get?" "Once every second weekend," he said. "Somebody comes and talks to us about the revolution and we do some amount of target practice but not much because we do not have much ammunition."

Now, if that person is considered a soldier and a threat to Central America, then you ought to call me a brain surgeon.

And yet that is what our Government's public policy defines as a threat to Central America. They consider poorly armed peasants as part of the 100,000 force that Nicaragua has built that allegedly threatens Central America.

[CRS-195]

Let us at least base public policy on some kind of fact. The fact is that Nicaragua has a standing army that is about equivalent to the standing army in El Salvador.

I am not sugesting that we ought to dismiss the problems of the Sandinistas, the problems they pose for the region. As I said, I take a pretty dim view of what the Sandinistas are doing and I think they do cause some problems in the region. But I would like to talk about all arms shipments in the region.

I was in an Ambassador's residence in Central America. He was talking about arms shipments. I was asking about groups who want to overthrow Sandinistas. Clearly arms are moving into those groups, ARDE, FDN, and others. I asked about shipments into those groups. The reply from the Ambassador was, "Well, there is a lot of winking going on as these arms go in. We understand that some of it is going across the borders of neighboring countries and Nicaragua."

I asked him, "If we are winking when arms are being sent in across the border to destabilize Nicaragua, potentially to overthrow the Government of Nicaragua, if we wink as policymakers when arms are shipped in, but we scream terrorism and subversion when arms are shipped out from Nicaragua to try to destabilize El Salvador, isn't that a double standard that is hard to justify in public policy in this country?" I think it is.

I would like to mention two other quick points.

I and two other Members of this body went up in the mountains somewhere between Honduras and Nicaragua and met with the Contra soldiers. We met with about 240 Contra soldiers because I was interested in talking to Contra soldiers to find out who they were and why they were fighting.

I came back with the conclusion that most of those soldiers are not Somozistas, they certainly have Somozista leadership but most of the soldiers are the poor people in Nicaragua who have become disaffected with the Sandinista government and decided to try to do something about it. And they formed an army, the Contra group. They are trying to overthrow the Sandinistas. There is no question about that.

If you talk to them any time at all, their objective is to try to overthrow the Sandinista government.

I think clearly supplying arms to the Contras is in contravention of the law in this country. We have a law that forbids supplying arms to those who want to overthrow a foreign government.

I sympathize with some of those people who are out in the field, I have heard the stories of terror and kidnaping and murder and so on, but by the same token since when has it become the province of the United States of America to decide that it should overthrow a foreign government that we are displeased with? Sure, we ought to stop arms traffic, but let us stop it both ways. Let us provide some stability to that region. I just think you cannot have a double edged foreign policy that winks as arms go in to overthrow Nicaragua but screams terrorism and subversion as arms are shipped in to overthrow some other government.

Mr. HYDE. Mr. Chairman, will the gentleman yield?

Mr. DORGAN. I would like to finish my statement. I am sure the gentleman does not mind.

I would like to make two other points. I saw two pictures in Central America that I want to describe very briefly. One was a picture I took of three refugee children at a camp near the Nicaraguan border.

The CHAIRMAN. The time of the gentleman (Mr. DORGAN) has expired.

(By unanimous consent, Mr. DORGAN was allowed to proceed for 1 additional minute.)

Mr. DORGAN. Those three children, like most children in that region are undernourished or starving. The despair and the poverty that you see when you see those children leaves a lasting impression.

I saw another child 2 days later, an 11-year-old child, dressed very neatly in a Contra uniform, carrying an automatic rifle. And I saw a lot of 13-year-old and 14-year-old and 15-year-old children in the same way. The point of those two comparisons is this, that while we are arming everybody to the teeth in that region who wear sunglasses and proclaims to be against communism, many of the rest of the people in that region are starving.

And a much better foreign policy in my opinion for this country would be to send food for those who are hungry, to send medical aid for those who are unhealthy and sick, and also to send some education aid to those who are illiterate in that region. That would represent a much better foreign policy and a far more effective foreign policy for this country in Central America. And that is precisely why I intend to vote against additional aid to the Contras.

I yield back the balance of my time.

Mr. SENSENBRENNER. Mr. Chairman, I move to strike the last word.

Mr. HYDE. Mr. Chairman, will the gentleman yield briefly?

Mr. SENSENBRENNER. I yield to the gentleman from Illinois.

Mr. HYDE. I thank the gentleman for yielding.

Mr. Chairman, the previous speaker asked a rhetorical question: When did this country make it its business to overthrow other governments?

I would say Lexington in 1776, this course of conduct began and has proceeded on through history. Hitler was one. Somosa most recently, we helped overthrow him.

So history just bristles with examples of this country trying to overthrow tyranny. Resistance to tyranny is obedience to God, that was Jefferson's motto. And I thank the gentleman for yielding.

Mr. SENSENBRENNER. I thank the gentleman.

Mr. Chairman, I rise in opposition to the Boland-Zablocki-Wright amendment. I do so with some reluctance because I recognize that there is merit to the argument such as those that just have been presented by my colleague from North Dakota (Mr. DORGAN).

But as I was saying in the colloquy some minutes ago, that colloquy with the gentleman from Pennsylvania (Mr. RITTER), I am recently returned from Nicaragua.

A week ago last Tuesday I did spend over an hour with Daniel Ortega in Managua and had a rather vigorous discussion with Comandante Ortega about Central American problems and the prospects of peace in Central America.

I am convinced that if this bill passes with the Boland-Zablocki-Wright amendment attached thereto, we will actually be lowering the prospects for a permanent peace in that troubled area of the world, increasing the danger to the United States and increasing the possibility that at some time in the future U.S. troops will have to be committed to that region in a combat role to carry out the terms of the Boland-Zablocki-Wright amendment.

As I indicated in my colloquy with the gentleman from Pennsylvania (Mr. RITTER) I asked Daniel Ortega specifically if he would agree to forswear the doctrine of revolution without borders as a part of a comprehensive Central American peace settlement.

And his answer was quite revealing. He said first we must stop aid to the Contras and stop U.S. military maneuvers in Honduras and off the coast of Nicaragua and then he would talk about forswearing the doctrine of revolution without borders.

But meanwhile he would continue to support wars of justice and liberation.

Cutting through all of the smokescreen, that means that what Comandante Ortega is saying is that if we act and we do what is proposed here and we pull our troops out of the military and naval manuevers, then he will talk about stopping revolution or support for revolutions in places like El Salvador, Guatemala, Honduras, and possibly even Costa Rica.

□ 1300

But we must act and all he will promise to do is talk. And that is no realistic way to negotiate.

[CRS-196]

Second, what has been going on since we debated this issue in July, I think, has shown some progress. During my visit later on in El Salvador, there was almost unanimous agreement that the flow of arms from Nicaragua to the Salvadoran rebels had gone down substantially in the last several months. Now that means that there has been an effective interdiction of those arms and there has been indications in the previous debate that there is corroborating evidence of that.

I believe we would be making a very serious mistake by caving to the demands of Commandante Ortega without making what is proposed here a part of an overall Central American peace strategy.

The amendment of the gentleman from Virginia (Mr. ROBINSON) proposes to use that approach. We will quit if they will quit. And it seems to me that the only way we are going to be able to get the Sandinistas to quit, based upon what their leader told me, is by defeating Boland-Zablocki-Wright and passing the Robinson amendment.

Mr. SILJANDER. Mr. Chairman, I move to strike the last word.

Mr. SILJANDER. Mr. Chairman, there has been a lot of discussion on the floor in terms of who is really causing the problems, the conflict, the violence in Central America. I would submit to the Members, Mr. Chairman, that it is the Sandinistas by not keeping very clear, pointed promises they made after toppling Somoza. The Sandinistas are the ones who are causing the problems, the violence, and the revolution in their own country.

They went before the OAS, the Organization of American States, and promised that, "We will have free elections." Thus far there has been procrastination and promises, and, Mr. Chairman, if there ever were elections in Nicaragua, it likely would be much like the Soviet Union, where one person runs for each office.

Another promise that freedom of the press would be instituted immediately as opposed to the tyranny under Somoza. There is no freedom of the press, but quite to the contrary. We have heard testimony after testimony, meeting after meeting with dissidents from the Sandinista regime that indicated there is no freedom of the press.

Oh, yes, we are told that in Nicaragua anyone may say anything they want to the press, just so it does not offend the state, just so it does not offend the sovereignty of the Sandinista junta.

Obviously that means anything that would be critical to their beliefs is censored.

To the promise of freedom of religion. I am not so sure if the burning down of 200 churches, the shutting down of the only synagogue in Managua, and the deportation of all the Jewish community in Nicaragua is freedom of religion.

Freedom of human rights was another point that the Sandinista touted. Another promise again broken, causing further violence and further revolution in Central America.

Mr. BEREUTER. Mr. Chairman, will the gentleman yield?

Mr. SILJANDER. I yield to the gentleman from Nebraska.

Mr. BEREUTER. I thank the gentleman for yielding.

Dr. Bernard Nietschmann, a professor at the University of California at Berkeley on October 3, 1983, presented testimony to the Organization of American States concerning the atrocities, including crucifixion, a variety of other torture methods and rape, being used by the Sandinistas against the Miskito Indians. His testimony presented, in great detail, the gruesome activities.

I just wanted to mention this information at this point because I will be presenting this testimony in Extensions of Remarks this afternoon or evening so that the Members of this body can truly understand the details of the gross violation of human rights committed against the Miskito Indians by the Sandinistas government of Nicaragua.

Mr. SILJANDER. I thank the gentleman for adding his point.

And to his point on the Miskito Indians, what have the Sandinistas done in terms of obliging human rights to other minorities in their own country?

Well, they destroyed 41 Miskito villages, burned down 57 of their churches, and 13 in one instance in 1982 were burned alive in their church. There are several detention camps. They call them work camps. Built for 400 to 600. And one in Cubra Hill, for example, there are 12,000 Miskito Indians being herded in that detention work camp—or more appropriately what I would call concentration camp. Another camp, crowded with 25,000 inhabitants. There are an estimated 20,000 to 30,000 Miskito Indians that have fled genocide tyranny to Honduras alone. Thousands are being jailed. There are additional thousands who are missing. The medical supplies at those camps are very, very lacking. There is starvation and mass work forces. In fact, at our Foreign Affairs Committee, before the Human Rights Subcommittee, there was testimony by a photo-journalist and photographs of mass grave sites of Miskito Indians in northeast Nicaragua.

What about due process promised by the Sandinistas? There are still 8,000 political prisoners in the jails in Nicaragua. Oh, yes, they will have their trial and their day. So the new junta decided to appoint, for the due process and for prosecution of all those 8,000 prisoners, a woman, who, during the revolution, sexually coerced a general into her boudoir, proceeded to make love with the general. Afterwards several Sandinistas entered the room, skinned him alive, popped his eyeballs out. And in this incredible atrocity, 30 minutes later the general died.

Now this is who the Sandinistas placed to carry out the due process of 8,000 political prisoners. All these lies coupled with the promises of political parties, labor unions, private sector incentives, none of which has been complied with by the Sandinistas.

So I would submit to my colleagues that who is causing the trouble is not the United States, but rather the Sandinistas themselves. The Sandinistas are causing the violence in Central America by exporting violence, arms, and the revolution.

The CHAIRMAN. The time of the gentleman from Michigan (Mr. SILJANDER) has expired.

(By unanimous consent, Mr. SILJANDER was allowed to proceed for 3 additional minutes.)

Mr. LAGOMARSINO. Mr. Chairman, will the gentleman yield?

Mr. SILJANDER. I yield to the gentleman from California.

Mr. LAGOMARSINO. I thank the gentleman for yielding.

I want to join with the gentleman's comments on the Miskito and other Indians in eastern Nicaragua.

I met with some of them several weeks ago here in Washington and it is very apparent to me, and should be to anyone who takes the time to examine this issue at all, that the Sandinista government in Nicaragua is engaged in a program, if not of extermination of those Indians, of destroying their culture, of dispersing them from their homeland, of doing away with everything that they have lived for; for many, many years.

And the gentleman's description of the atrocities against the Miskitos and the Rama and the Suma Indians in eastern Nicaragua, if anything, is understated. It is practically, as I say, an extermination program. In fact, the Indians really believe that is what the Sandinistas have in mind.

The point I would like to make—and I do not believe the gentleman mentioned this, perhaps he is going to—what the Sandinista government has done officially we are told by defectors who have been in the government itself with regard to the Catholic Church in Nicaragua. We know about the outrageous reception they afforded the Pope when he was there recently. We know what they did to Father Carballo, where they set him up with a woman posing as a prisoner who in reality is said to be a mistress of high government officials, then a man posing as her husband went into the house, stripped them both naked, and ran them down the street, while Sandinista defense minister Tomas Borge was watching from a van outside the whole time.

I appreciate the gentleman's comments and wish to commend him for them.

[CRS-197]

Mr. RITTER. Mr. Chairman, will the gentleman yield?

Mr. SILJANDER. I yield to the gentleman from Pennsylvania.

Mr. RITTER. I thank the gentleman for yielding.

Tomas Borge, who is the Interior Minister, told Stedman Fagoth, the leader of the Misura Indian opposition, Miskitos, Suma, Ramas, Black Creoles, he said that if necessary to bring Sandinista ideology to the Indians of eastern Nicaragua, he would kill the last Indian.

Now I know that our colleagues on the other side of the aisle are not interested in participating, however indirectly, in a genocide, but Stedman Fagoth went on to say that if the aid does not come, there will be a holocaust. They will be dying in jail, dying in concentration camps, dying in the mountains.

☐ 1310

This group is receiving some of our aid, and this group will, he told me, go on fighting whether or not the aid comes. They will fight to the death. Would it not be better if we gave them some assistance to oppose their tormentors?

Mr. SILJANDER. I appreciate the points the gentleman makes.

Besides the list of broken promises which makes the Sandinistas promoters of violence and the problems in their own country, and region, it seems that the Congress could be great perpetrators of violence and revolution in Central America by not keeping the commitments we have made through the OAS Charter, the U.N. Charter, the Rio Pact, and the beliefs that we hold dear in the Monroe Doctrine. If we decide to ignore commitments through perpetrating a facade in the guise that covert aid is illegal—then we have lost the one aspect of our character that has made America great, a reliable partner, friend, and ally of those who seek freedom.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

(By unanimous consent, Mr. SILJANDER was allowed to proceed for 30 additional seconds.)

Mr. SILJANDER. So, Mr. Chairman, what I see clearly is, first, that the Congress could very well be the perpetrators of violence. By passing the Boland amendment we in effect are the ones who are encouraging revolution in Central America by the lack of resolve to keep our commitments. And second, how were the Sandinistas forced to the negotiating table? Only after maneuvers by the United States, and after accelerated involvements by the Contras, did 24 hours later the Sandinistas initiate a 6-point peace plan. And, recently Fidel Castro, for the first time has offered to sit down and negotiate. We therefore have no alternative but to keep commitment and pressure negotiations toward peace. We have no alternative but to vote "no" to the Boland amendment.

The CHAIRMAN. The time of the gentleman from Michigan (Mr. SILJANDER) has expired.

Mr. LIVINGSTON. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I also rise in opposition to section 108 of this bill.

This Congress in recent months, just to stray from the subject for a second, has imposed some of the toughest restrictions on aid to El Salvador than it has on any recipient of United States aid.

It has been miserly with its reluctant support of the El Salvadoran people. Yet just a couple of years ago in Nicaragua, we were more than generous. When the Sandinistas overthrew Somoza on the promise of free elections and a pluralistic democracy, we gave them $118 billion, and we got $262 million more in aid from multilateral banks. Nevertheless, since their takeover in 1979, the Sandinistas have betrayed our generosity and their own people. They have reneged on the free elections that they promised then, and they have indeed censored the press. In fact, press censorship today in Nicaragua is worse than ever before.

Mrs. Violeta Chamorro, who heads the family publishing of the only nongovernment newspaper, La Prensa, has said that Sandinistas impose "a censorship the world has never seen before." Twenty percent to forty percent of the copy in La Prensa is cut out every day. The Sandinistas also hamper La Prensa's purchase of supplies from abroad, thus causing a 50-percent higher price per copy.

The Sandinistas, in addition, have intimidated the church, they have uprooted the population, they have imposed human rights abuses on the Miskito Indians, as has been detailed by the gentleman who preceded me, and, as well, they have uprooted the Jewish families who lived in Nicaragua, and threatened and exiled them, and confiscated their property.

Why are they doing all this? Purely and simply because the Sandinistas have become a puppet of the Soviet Empire. They have sold their country out to the Soviet-Cuban Marxist movement; the Soviet Empire, a truly evil empire.

We saw that empire in its totality; we saw them in action, with the tragic destruction of the Korean airliner 007. We saw that they are capable of the most heinous brutality and outrageous atrocities mankind could devise.

And shortly after that destruction, the Sandinista government, the government in charge of Nicaragua, abstained on the Korean Air Lines 007 resolution in the United Nations on September 12, 1983.

Mr. Chairman, there can be no doubt, the Sandinistas today are financed by the Soviets and supplied by the Cubans, and the Libyans in the guise of "hospital supplies;" they are trained by East Germans, and they are in league with all brands of Marxist terrorism, most particularly the Palestine Liberation Organization which, according to the White House Digest of July 20 of this year, is a source of terror around the world.

Nicaraguan Catholic bishops have recently said that Sandinista rule has been "imposed by force of arms * * *" and is "an absolute dictatorship." With that background and those friends, it is clear that Nicaragua is bent on subverting the governments of El Salvador, Costa Rica, Honduras, Guatemala, Panama, and ultimately, Mexico, and perhaps even the United States herself.

On September 21, our Secretary of State, Secretary Shultz, and Director Casey of the CIA, offered new justification for covert assistance to pressure the Sandinistas into stopping efforts to export revolution. Their efforts are not likely to bear fruit. Daniel Ortega, the leader of the junta, is quoted as saying, "We guide ourselves by the scientific doctrines of Marxist-Leninism."

I quote Tomas Borge, the minister of the interior:

> The revolution's moral imperative and historical character make it inevitable that the energies released here will be universal in all Central America.

Again Borge said:

> The Nicaraguan revolutionaries will not be content until the imperialists—

That is us—

> have been overthrown in all parts of the world.

And, of course, there was that member of the Nicaraguan junta who in June said that Nicaragua would gladly consider installing Soviet missiles if their country were asked.

Assistant Secretary of State for Inter-American Affairs, Tony Motley, went to Managua just recently and met with Foreign Minister D'Escoto and Strongman Ortega and urged the Sandinista to cooperate with the Contadora group initiative halting arms to Salvador, which they say they agree to, and yet recently, the Washington Post reported that there is a major arms base in Nicaragua holding arms bound for El Salvador and guerrillas.

The CHAIRMAN. The time of the gentleman from Louisiana (Mr. LIVINGSTON) has expired.

(By unanimous consent, Mr. LIVINGSTON was allowed to proceed for 3 additional minutes.)

Mr. LIVINGSTON. The gentleman from Wisconsin (Mr. SENSENBRENNER) described in detail his conversations with Ortega himself. It shows that there is no serious intent to curtail revolutionary activities.

Yet here we stand. In past weeks, we have placed strict restrictions on the aid for El Salvador, a practice we continue to this day. We are pinching pennies, and withholding money for military assistance in El Salvador.

On top of that, despite a recent bill which I sponsored to repeal the Boland amendment which I thought to be extremely unwise, and for which I have gained 37 cosponsors, just last July we voted to withhold covert aid to the counterrevoluntionaries in Nicaragua, so that the Communists there could solidify their stranglehold on that country and get a firm grip on their adventures elsewhere in Central America. And here we stand today, ready to do it all over again.

[CRS-198]

On September 21 William Colby, former CIA Director, told the Senate Intelligence Committee that it would be a big mistake to put new curbs on covert operations. But here we stand. The world is turned upside down. Members of Congress are actively undermining the strategic security of the American people.

The tragic incident in the Pacific, the Korean Air Lines destruction, should tell them that they are horribly wrong, but to no avail. Well, I cry out for the American people to tell them that they are wrong. We must support the President's efforts in Central America. We must give aid, support and training to our friends in El Salvador and her neighbors, and we must attempt to withstand the Soviet-backed incursion, by aiding the Contras rollback Soviet influence in their own country.

Mr. ALEXANDER. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in support of the Boland-Zablocki-Wright amendment today. As I listened to the debate this morning, I would observe that the question is not whether we approve of the present regime in Nicaragua as it is so eloquently addressed today; the question, rather, is whether the covert aid program is a correct response to the situation in Nicaragua. I do not really know what is covert about it. The President of the United States, in effect, admitted last evening that a covert action program was underway in Nicaragua, and it has been known by all of us for more than a year.

So it is not actually a covert program; it is a program of involving many millions of dollars that is no longer covert but is intended to overthrow the Government of Nicaragua.

I am somewhat confused by that program because, knowing some of the members of the business community in Managua, none of them support the so-called Contras who are an offshoot or a residual result of the regime of Anastasio Somoza, who was universally despised by virtually everyone in Nicaragua and the Western Hemisphere. They tell me, the business community in Nicaragua tells me, that even if the Contras should possibly prevail in the region, that that is only the beginning, that they could not gain the popular support of the people in that nation.

□ 1320

That would lead the United States into an escalating economic and military involvement of propping up the economy and sending in troops, as we did earlier in this century, in order to maintain the stability of that regime.

Mr. HYDE. Mr. Chairman, will the gentleman yield?

Mr. ALEXANDER. I would be glad to yield to the gentleman from Illinois.

Mr. HYDE. I thank the gentleman for yielding.

Mr. Chairman, I would suggest we could resolve that once and for all by having something that is unique to Sandinistas. It is called an election. We would find out who supports whom. Why do we not just have an election?

Mr. ALEXANDER. I deplore the fact that the Sandinistas have not had an election, and I talked yesterday with the Foreign Minister, Miguel D'Escoto, from Nicaragua, and said, "When are you going to have elections?"

He said, "We are going to have elections."

I said, "Well, that does not mean anything to our people here because we have heard lots of promises over the years."

But that is exactly my point. The question is not whether or not we deplore the conditions in Nicaragua; the question is, what is our response, and is that a proper response?

Even if the President, our President Reagan, succeeds in overthrowing the Government of Nicaragua, even if he does that, that does not insure a stable government, it does not insure a stable economy. It does mean that the United States will become involved in massive economic assistance and escalated military involvement in order to support the regime that we are trying to establish in the place of the present government.

What we have in Nicaragua today is a war. We are at war with Nicaragua. The United States is at war with Nicaragua. But the victims of that war were best described by Belisario Betancur in his address to the United Nations 2 weeks ago, and I will quote from his speech. He said:

> The victims have come not from the centers of arrogant power, but from the low-lying lands of the weak, and the blood has flowed in remote provinces, not from the fortresses where the interests truly engaged in the conflict are to be found.

We are penalizing the people that we allege that we are trying to help, and I am frankly embarrassed by statements of this administration, like Fred Ikle, who says that this administration is supporting its covert action program to achieve a military victory. I say that the only victory that we can achieve in our policy can be achieved here today by supporting this Boland-Zablocki-Wright amendment because the victory can only be of prudence over intemperance, of firmness over foolhardiness, and of stability over recklessness. We cannot win any victory with this current policy and I support this amendment to change the direction of the administration's policy.

Mr. BOLAND. Mr. Chairman, I am going to make a unanimous-consent request in a moment. If any other Members would like to speak during this period, I will withhold that request.

Mr. DANIEL. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in reluctant opposition to the Boland amendment. I am not reluctant because of the issue involved; I am reluctant because of my very high regard for Mr. BOLAND. I do not know of a man in this body or any other body for whom I have a greater respect than ED BOLAND.

But at the same time, it seems to me that there are at least one or two other points which should be made. First, if we are concerned in this country about the forces that are arrayed against Israel and the Persian Gulf States, then we should be alarmed about the forces which are supporting Nicaragua because they are one and the same.

The other point I would like to make is that I cannot see anything wrong with the overthrow of the Sandinista government, by current action. This means we can cure the cancer without commiting any of our troops. I am aware that is against the law, so I think we ought to change the law. We are at least partially responsible for bringing these exponents of revolution to power. They have broken every section of this agreement which encouraged that support.

We spend billions of dollars of the taxpayers' money every year to protect our own freedom and that of freedom-loving people around the world against the evils of communism, and yet we permit it to flourish and grow right on our own doorstep. To me, it is a contradiction.

Mr. LAGOMARSINO. Mr. Chairman, I move to strike the last word.

I do not intend to take the full 5 minutes.

Mr. Chairman, mention has been made here on the floor today that Secretary Ikle of the Department of Defense stated a new policy of the administration, or stated a policy that was different from that which had been stated before. I would like to read just one short paragraph from his actual speech that has been referred to, and then put the whole thing in the RECORD:

> Every so often the critics of the administration proclaim with accusatory connotation that we seek a military solution in El Salvador. If a military solution means putting primary emphasis on military assistance and military means, then it is more factual to accuse the Reagan administration of seeking an economic solution, since $3 out of $4 in requested assistance programs are for economic aid.

[CRS-199]

> What we seek to do is to open the doors to democracy and close the doors to violence. But we have to use military means against those who insist—until they have imposed their rule—on using violence.

The remarks of Mr. Ikle follow:

REMARKS BY FRED C. IKLE

I am delighted to be here this evening and to have the opportunity to speak to you.

Central America is closer to Baltimore than is California—in terms of geographic distance, that is. But the intellectual distance between here and Central America is enormous. Most of the American people are not well informed about Central America; many are misinformed; and some are outright disdainful about the cultural and social importance of this region.

You all have an obligation to remedy this situation, so that you and your representatives in Congress can engage in constructive support—or constructive criticism—of the Administration's policy.

To begin with, you should know that the President's policy for Central America has not yet been given a chance to work: the blocking votes in Congress have denied the President the means to succeed.

Indeed, members of Congress have involved themselves in the management of U.S. policy for Central America more than for any other region of the world.

While Congress has quickly and easily approved some four and a half billion dollars in Security Assistance for nations in the Mediterranean region, it slashed nearly in half the much smaller allocation for nations in the Caribbean region—so much closer to home.

While Congress has been generally supportive of the deployment of some 1,200 U.S. Marines to Lebanon, it fought fiercely to limit the number of U.S. trainers in El Salvador to 55.

While Congress has not objected to large military exercises in the faraway Indian Ocean region, its many members have heavily criticized the recent military exercises in the nearby Caribbean region.

While Congress has for a long time supported Radio Free Europe, the fine radio program that brings the truth to the people of Eastern Europe, members of Congress have delayed for two years President Reagan's request for Radio Marti, a new radio station that would bring the truth to the people in Cuba.

As we consult with members of Congress on these issues, we are often told that, you, their constituents, are pressing such positions on them. But as we review the public opinion polls, we discover an extraordinary lack of information. For example, in a recent New York Times/CBS poll, only 8 percent of the respondents knew, both for El Salvador and Nicaragua, whether the US was supporting the government or the insurgents.

You must help us overcome not only a lack of information, but also a great deal of misinformation. This misinformation is not accidental; it is the result of a well-organized and well orchestrated effort. A fabric of fiction has been tightly woven to conceal the essential facts. Let me review with you some of these fictions:

Fiction has it that US influence in Central and Latin America has prevented democratic development, that the spread of Leninist regimes is the tide of history, a natural process of social reform that we should not oppose. The fact is that the trend toward democratization has continued: among the 32 independent states of Latin America and the Caribbean, 17 are now democratic. Since 1978, five countries have made a peaceful transition from military regimes to elected democratic governments. It is the much criticized military regimes that are often transformed into a democracy; but there has never yet been a Marxist-Leninist regime that was succeeded by democracy.

Another bit of fiction: that the Sandinista regime in Nicaragua would have developed into a pluralistic democracy, had it not been for the US intervention. The fact is that the Sandinistas, only a few weeks after they come into power, reneged on their promise for early elections, began to attack the democratic trade unions, and invited Cuban military and security personnel in steadily growing numbers. Yet, during the first 18 months of the Sandinista regime, the United States provided more than $120 million in direct aid and endorsed over $220 million in Inter-American Development Bank aid—more than the previous Somoza regime in Nicaragua had received from the United States in twenty years! Clearly, it was not US interference that drove the Sandinistas to link up with Fidel Castro—unless economic aid is regarded as "interference."

Another piece of fiction is the charge that the Reagan Administration is "militarizing" the problems of Central America and is bringing the East-West conflict to the region. Well, the East is already here.

The Soviets are giving ten times as much military assistance to Cuba and Nicaragua as we are providing to all of Latin America. And Soviet military advisors in Cuba and Nicaragua outnumber U.S. military advisors in the Caribbean region twenty to one.

Since Congress is so deeply involved in our day-to-day policy towards Central America, our key objectives need to be clear to the American people. Moreover, Congress must share with the Administration an understanding of our basic strategy.

On one thing we can all agree: We do not want the United States to fail. We must succeed.

But what is it we would like to see happen, and what do we want to prevent? We have wide agreement, I believe, that the United States favors a continuation and strengthening of the trend toward open, genuine democracy. And we favor social and economic betterment for the people in Central America, a region so close to us.

Equally important is what we want to prevent. We want to prevent the expansion of totalitarian regimes—particularly Leninist ones, since they will import Stalinist police systems, bring in Soviet arms, and even invite Soviet military bases. There are two more reasons why Leninist regimes are particularly dangerous: once entrenched, they tend to become irreversible, and they usually seek to export their totalitarianism to other nations.

Given these objectives, what should be our strategy?

I

First, we want to help build the road toward democracy and economic development. In the end, the people in each country will have to make their own choices. They can succeed only through their own dedicated effort. But we can help, through advice and influence, by facilitating trade, and by giving aid. The Caribbean Basin Initiative of the Reagan Administration (to which Congress has now agreed) is right on target. So are our efforts in El Salvador in behalf of elections and for improvements in the judicial system.

Also, we are using diplomacy to help the government of El Salvador win over those who are willing to abandon violence and compete in elections, provided they can be assured of safe and fair participation. But we must not underestimate our adversaries. The hard core among the insurgents will never settle for a fair democratic process. We can no more negotiate an acceptable political solution with these people then the social democrats in revolutionary Russia could have talked Lenin into giving up totalitarian Bolshevism.

II

This leads us to the second requirement. As Secretary Shultz recently explained, the guerillas in El Salvador have used a "rule or ruin" strategy: they seek to destroy economic assets faster than our aid can restore them. You cannot have economic development in a nation, if guerilla forces keep blowing up bridges, power lines, school buildings, buses . . . You have to defeat these "rule or ruin" forces militarily. This is the purpose for our military assistance.

Every so often the critics of the Administration proclaim—with accusatory connotation—that we seek a "military solution" in El Salvador. If a "military solution" means putting primary emphasis on military assistance and military means, then it is more factual to accuse the Reagan Administration of seeking an "economic solution," since three dollars out of four in the requested assistance programs are for economic aid.

What we seek to do is to open the doors to democracy and close the doors to violence. But we have to use military means against those who insist—till they have imposed their rule—on using violence.

Let me make this clear to you:

We do not seek a military defeat for our friends.

We do not seek a military stalemate.

We seek victory for the forces of democracy.

And that victory has two components:

One: Defeating militarily those organized forces of violence that refuse to accept the democratic will of the people.

Two: establishing an adequate internal system for justice and personal security.

At this point, let us recall our first agreed principle: We do not want the United States to fail. Hence, we must, as a group, allocate sufficient means so that we can succeed. As long as Congress keeps crippling the President's military assistance program, we will have a policy always shy of success. We will remain locked into a protracted failure.

This the American people should not tolerate. If we are merely involved to fail, then we should not be involved at all.

The resources needed to succeed are small compared to our investment for security in other regions of the world. Once those in Congress who are now blocking adequate assistance give us the means to succeed, the capability and determination of the United States will become clear. This will make the Soviet Union more cautious, which in turn will help our success. On the other hand, if we signal that we are afraid of victory over the forces of violence, if we signal that we have opted for protracted failure, we will only encourage the Soviets to redouble their effort. We will be inviting ever-increasing difficulties.

III

The third requirement of US strategy for Central America is least well understood. We should seek to prevent the partition of Central America, a division of this region into two spheres, one linked to the Soviet bloc and one linked to the United States. Such a partition would inexorably lead to a hostile confrontation of large military forces, a confrontation that could last for decades.

[CRS-200]

We can see how such a confrontation works, as we look at Cuba. During the 24 years of the Castro dictatorship, while the standard of living deteriorated and human rights were widely violated, Cuba built up a large military establishment. It has the second largest army in Latin America (second only to Brazil), it has some 200 MIG fighter aircraft, submarines, 8,500 to 10,000 Soviet advisors, and several Soviet intelligence installations. In addition, Castro has sent some 30 to 40 thousand troops abroad to provide the mercenary forces to protect the Soviet imperial outposts. As a result of the militarization of Cuba, our sealines to NATO are now seriously threatened.

The Sandinista regime in Nicaragua is determined to create a "second Cuba" in Central America. Ever since they seized power, the Sandinistas embarked on a major military buildup. Today, they have a much larger army than Somoza ever had, and they have expressed the intention to build the largest force in Central America. Nicaragua is building new military airfields, and is importing Soviet tanks, helicopters, armored vehicles and other equipment.

This "second Cuba" is Nicaragua would be more dangerous than Castro's Cuba since it shares hard to defend borders with Honduras and Costa Rica. The Sandinistas have already started terrorist activities in both these countries. In addition, Nicaragua provides essential support for the insurgency in El Salvador.

Even after the insurgency in El Salvador has been brought under control, Nicaragua—if it continued on its present course—would be the bridgehead and arsenal for insurgency for Central America. And once the Sandinistas have acquired the military strength that they have long been planning for, they might well use that strength for direct attacks on their neighbors to help speed up the "revolution without frontiers" that they promised us.

At that time, the only way to help protect the democracies might be for the United States to place forward deployed forces in these countries, as in Korea or West Germany. Clearly, we must prevent such a partition of Central America.

In the Democrats' response to President Reagan's April 27 address on Central American to a Joint Session of Congress, Senator Dodd said: "We will oppose the establishment of Marxist states in Central America." Yet, a majority in the House of Representatives has done exactly the opposite. It voted to oppose U.S. assistance to those who oppose the establishment of a Marxist state in Nicaragua. That is to say, a blocking majority in the House, in effect, voted to establish a sanctuary for the Sandinistas.

Congressional legislation to deny U.S. support to the democratic resistance forces in Nicaragua would turn Nicaragua into a sanctuary from which the nations of Central America could be safely attacked, but in which U.S. supported forces could not operate. This would enable the promoters of totalitarianism—while being supplied and replenished by Cuba and the Soviet bloc—to attack neighboring countries indefinitely, and always with impunity. Hence, it would deprive the Marxist groups in El Salvador of any incentive to compromise. Indeed, if such legislation were passed, the Sandinistas and Cubans might well find it safe to increase their assistance to the insurgents in El Salvador and to step up the destabilization of Honduras and Costa Rica. This, after all, would be fully consistent with their presently declared objectives; and the guaranteed sanctuary would render such escalation almost risk-free.

The psychological impact from cutting off U.S. assistance to the Nicaraguan resistance forces fighting for democracy in their native land would be severe. Such a cut off would signal throughout the region that the totalitarian Leninist forces represent the winning side. The democratic forces would have cause to despair. They would see that terrorist and insurgent attacks against them are being generously supported by Cuba and the Soviet bloc, and that these attacks could be conducted from safe havens that would be protected by the U.S. Congress, in effect, from all counter-interference. Conversely, the totalitarian Leninist force would know that as soon as they seize control of a country, they will be secure: Cuba and the Soviet bloc will help them maintain an efficient police machinery to repress the people; and should any group arise to fight for freedom, the United States Congress would have denied it all support.

Let me recapitulate.

Our basic objectives for Central America are clear: we want to strengthen democracy; we want to prevent in this hemisphere the expansion of totalitarian regimes, especially those linked to the Soviet Union.

To this end, we extend economic support and promote democratic development. But given forces of violence that will not accept the democratic will of the people, we also have to provide military assistance—enough to succeed. In addition, we must prevent consolidation of a Sandinista regime in Nicaragua that would become an arsenal for insurgency, a safe haven for the export of violence. If we cannot prevent that, we have to anticipate the partition of Central America. Such a development would then force us to man a new military front-line of the East-West conflict, right here on our continent.

To prevent such an outcome, the Administration and Congress must work together with a strategy that can succeed.

Mr. HYDE. Mr. Chairman, will the gentleman yield?

Mr. LAGOMARSINO. I yield to the gentleman from Illinois.

Mr. HYDE. I thank the gentleman for yielding.

Mr. Chairman, I just want to comment very briefly that it just seems to me that the gentlemen on the other side who want to cut off aid to the freedom fighters in Nicaragua misconceive or misunderstand the word incentive. I should have anticipated that, because in the Reagan economic recovery program, incentives which grew out of tax cuts which would permit people to save some of their own money and to invest it and encourage them to work harder was really the basis for the program. Now it is beginning to work.

Incentive also is a concept to be applied to the Sandinistas, to provide some incentive for them to want to negotiate. I suggest if we remove the pressure on them, the only thing left is a letter to the editor of Baracada. I do not think that is sufficient pressure to drive them to the negotiating table.

Incentive. It is a very useful word, and you will find it under the i's.

Mr. ALEXANDER. Mr. Chairman, will the gentleman yield?

Mr. LAGOMARSINO. I yield to the gentleman from Arkansas.

Mr. ALEXANDER. I thank the gentleman for yielding.

Mr. Chairman, is the gentleman denying that Mr. Ikle stated that he was pursuing a policy of military victory in Nicaragua?

Mr. LAGOMARSINO. What he said with regard to military victory:

> And that victory has two components:
>
> One: Defeating militarily those organized forces of violence that refuse to accept the democratic will of the people.

He did say that. He also said, though:

> Two: Establishing an adequate internal system for justice and personal security.

So he did not say that we should seek only a military solution. At least I cannot find it anywhere.

□ 1330

Mr. ALEXANDER. Mr. Chairman, will the gentleman yield further?

Mr. LAGOMARSINO. I yield to the gentleman from Arkansas.

Mr. ALEXANDER. Mr. Chairman, I have some quotes from Mr. Ikle as well which I would like to read into the RECORD. He said this:

> Let me make this clear to you:
>
> We do not seek a military defeat for our friends.
>
> We do not seek a military stalemate.
>
> We seek victory for the forces of democracy.
>
> And that victory has two components:
>
> One: Defeating militarily those organized forces of violence that refuse to accept the democratic will of the people.
>
> Two: Establishing an adequate internal system for justice and personal security.

Is that not to say that we are attempting to overthrow the Government of Nicaragua and to impose our will upon the people of that nation?

Mr. LAGOMARSINO. Mr. Chairman, if the gentleman would read the paragraph above that, he would find he is talking about the situation in El Salvador, not Nicaragua.

Mr. ALEXANDER. I will put the entire text in the RECORD.

Mr. LAGOMARSINO. I am going to do that, too.

Mr. ALEXANDER. I am going to put it all in the RECORD, and we will let the RECORD speak for itself.

Mr. LAGOMARSINO. So am I.

Mr. RITTER. Mr. Chairman, will the gentleman yield?

Mr. LAGOMARSINO. I yield to the gentleman from Pennsylvania.

Mr. RITTER. Mr. Chairman, I would like to ask my friend and colleague, the gentleman from Arkansas, whether he thinks that a policy of accepting military defeat for our friends and the freedom-loving peoples of this hemisphere is an acceptable policy.

Mr. ALEXANDER. Well, I do not accept them as my friends.

Mr. RITTER. I do not believe the gentleman would.

Mr. ALEXANDER. I do not understand the gentleman's question. They are not my friends. The Contras are not my friends. They were deposed by the revolution. They were the friends of the regime, the friends of Somoza.

Mr. RITTER. Let me reclaim my time.

[CRS-201]

Mr. ALEXANDER. They are not my friends. We are supporting those Contras, but they are not my friends.

The CHAIRMAN. The gentleman from California (Mr. LAGOMARSINO) has the time.

Mr. RITTER. Mr. Chairman, will the gentleman yield further?

Mr. LAGOMARSINO. I yield to the gentleman from Pennsylvania.

Mr. RITTER. Mr. Chairman, these people, the gentleman from Arkansas knows, were part of the revolution. Eden Pastora and Alfonso Rabella were part of the revolution. Commandante Zero was the leader of the Sandinistas as they stormed Managua in the closing hours. The Miskito Indians cooperated with the revolutionaries through the Misuraseta. Calero was himself imprisoned.

The CHAIRMAN. The time of the gentleman from California (Mr. LAGOMARSINO) has expired.

(On request of Mr. RITTER, and by unanimous consent, Mr. LAGOMARSINO was allowed to proceed for 30 additional seconds.)

Mr. RITTER. Mr. Chairman, if the gentleman will yield further, the great, great majority of these people fought for the Sandinistas when they were a broad revolutionary front. Somebody said the other day that there are as many Contras and there are as many ex-guardsmen fighting on the side of the Contras as there are fighting in the Sandinista army. We have a group of Nicaraguan citizens perhaps evenly dispersed, probably on the order of 2 to 3 percent of both forces. Now, they were part and parcel of the original revolution.

The CHAIRMAN. The time of the gentleman from California (Mr. LAGOMARSINO) has again expired.

Mr. HUNTER. Mr. Chairman, I move to strike the last word, and I yield to the gentleman from Michigan (Mr. SILJANDER).

Mr. SILJANDER. Mr. Chairman, I just want to set the record straight and point out that the statement was made that the policy of this administration is the overthrow of the Sandinista junta.

That is blatantly untrue. The President of the United States and the Secretary of State have time and time again reinforced the fact that we are not out to overthrow the Sandinista government.

The prime point and purpose is twofold: First, to prohibit the export of revolution and arms in Central America; and second, to force the Sandinista regime to comply with the promises they made for freedom and self-determination.

It is obvious why the Soviets are in Nicaragua. It is also obvious why there are 7,000 Cubans and 1,000 Soviet bloc advisers, PLO, and Libyans alike.

In reference to the PLO involvement I would like to submit the following report:

THE PALESTINE LIBERATION ORGANIZATION IN CENTRAL AMERICA

(By Congressman Mark D. Siljander)

The Sandinista's overthrow of the Somoza dictatorship in Nicaragua was originally welcomed by most of the international community with optimistic enthusiasm. The United States, in fact gave the new Sandinista regime over $130 million in aid during its first two years, including an $8 million grant to sustain the Nicaraguan government in the first hours of the revolution. This optimism faded, however, into a cruel nightmare for the Nicaraguan Jews and Christians as well as the neighboring nations of El Salvador, Honduras, and Costa Rica. The reason: the Sandinistas' selling of their country to radical Marxist elements, most notably, the Cubans and the Palestine Liberation Organization (PLO).

In a recent speech in London, Aleksandr Solzhenitsyn stated:

"Within the philosophical system of Marx and Lenin and at the heart of their psychology, hatred of God is the principal driving force, more fundamental than all their political and economic pretensions. Militant atheism is not merely incidental or marginal to Communist policy; it is not a side effect, but the Central pivot. To achieve its diabolical ends, Communism needs to control a population devoid of religious and national feeling, and this entails the destruction of faith and nationhood."[1]

Nicaraguan leadership, by proclaiming itself a revolution without borders and by declaring itself in solidarity with Yasser Arafat in the world revolution and by its harsh persecution of religious groups has set itself up as a model example of Solzhenitsyn's analysis. Most likely because of the Sandinista's link to the PLO, the Jews have been the most thoroughly oppressed religious group in Nicaragua, if not in numbers then certainly in the completeness to which their exile and cultural genocide took place.

The PLO desire to overthrow the Somoza regime had nothing to do more supportive of Israel than any other bloc of countries. However, by the seventies their support had weakened as Latin American nations began to split into political factions. Still today, Israel and Arab nations perceive Latin America to be important politically to the survival of Israel.

In a visit to Mexico in 1975, Egypt's Vice-Chancellor Gamal Mansour expressed the importance of Latin American U.N. votes. "For the Arabs, the support of Latin American countries is essential because they hope to obtain a majority for a resolution in the next Assembly of the United Nations . . . recognizing the right of the Palestinians to convert themselves into a political entity; to permit the Arabs to recuperate the territories occupied in the war of 1967 and confirm the principle that no country can acquire territories of another by force." Gamal Mansour's visit was only one of many such Arab missions in the Arab League campaign to sway Latin America towards a pro-Arab stance. The Latin American governments resisted Arab efforts; however, the 1973 quadrupling of oil prices put new pressures upon their economies and international policies.

The Arabs began to use petro-dollars and vitally needed oil to pressure the Latin American nations into the Arab camp. Fouad Naffah, who was the Lebanese Foreign Minister and acting as a representative to the Arab League in 1973, traveled to seven Latin American nations. In his tour, he informed the governments that "no underdeveloped country that backs the just cause of the Arab world will suffer from an energy shortage." In addition to a guaranteed oil supply, Naffah also made promises of Arab investments to strengthen the suffering Latin American economies.

In 1981, Arab representatives met in Tunis and decided to focus with the legitimate revolution of Nicaraguan citizens against the dictatorship. It had historical roots of its own. Just why Nicaragua is of concern to the PLO is best explained in the autobiography of Jerusalem's mayor Teddy Kollek, entitled "For Jerusalem." He revealed that Nicaragua played a major role in obtaining arms for Israel during the crucial period of its creation in 1948. Kollek met the older General Somoza in Nicaragua to plead Israel's case.

According to Kollek, "Somoza as well as the Nicaraguan foreign minister cooperated because of their strong basic sympathy with our cause. Our agreement included the understanding that Nicaragua would vote for Israel in the United Nations whenever the occasion arose, a point to which they pledged themselves out of genuine conviction." Prior to the 1979 Sandinista revolution, Nicaragua had consistently supported Israel in the United Nations and was one of the very few nations that voted against the resolution condemning Zionism as racism. [2]

Clearly, the PLO had a vested interest in overthrowing the Somoza regime in Nicaragua. The results of the alliance between the Sandinistas and the PLO are evident upon Nicaraguan society. This paper will examine the PLO-Sandinista link and attempt to demonstrate the existence of the religious persecution in Nicaragua and other Central American countries, particularly against the Jewish community.

ARAB INVOLVEMENT IN LATIN AMERICA

Latin America has always been an important source of support to Israel in the United Nations. In Israel's first twenty-five years of existence, Latin American nations provided more than half of the U.N. votes supportive of Israel. During the 1967 war, Latin America was on gaining the support of Latin America in an effort to oust the Israelis. In conjunction with this decision, "they decided to unleash an anti-Semitic campaign designed to undermine the status of Jews in Latin America, to nullify the political and economic support which the Latin American Jewish communities provide Israel."[3] The Palestine Liberation Organization was selected as the primary instrument of the campaign in Latin America. "Arab ambassadors, other high ranking emissaries and representatives of the PLO have been crisscrossing the region in a coordinated, heavily financed effort to secure authorization to establish an official PLO office in every Latin American capital."[4]

The PLO has made limited progress during the past three years in its attempt to open offices in Latin Amrican capitals. So far, the PLO has established offices in Cuba, Ecuador, Nicaragua, Peru and Mexico. Brazil and Venezuela were thought to be prime candidates for the PLO; however, they have resisted the heavy Arab economic and political pressures. The main obstacle the PLO faces is the fact that it is an international terrorist network; and to allow the PLO to legitimatize themself in the region by opening an office would endanger the security of Latin American nations.

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[1] Footnotes at end of report.

CRIMES AGAINST RELIGIOUS FREEDOM

The Sandinista government has been responsible for many abuses against the right to freedom of religion in Nicaragua. The Jews, so far, have been the most intensely targeted group for persecution. The government began its campaign of persecution in the quasi-official government newspaper Nuevo Diario. On July 15 and 17, 1982, the paper carried articles that were not only anti-Zionist but also anti-semitic. Jews were blamed for the crucifixion of Christ, using the "myth" of the Chosen People to massacre Palestinians, and using financial power to gain political control of the United States. The articles referred also to "Synagogues of Satan," and rehearsed old canards that "world money, the banks and finance are in the hands of descendants of Jews, the eternal protectors of Zion." [5]

[CRS-202]

Although resident in Nicaragua for more than a century, the Jewish community has always been exceedingly small. The 1972 population of about 200 shrank to about 80 after the earthquake. After the overthrow of Anastasio Somoza in 1979, many Jews fled into exile, along with others close to the regime. Today, there are about 8 to 10 Jews living in Nicaragua, and only a few Jewish-owned firms. These individuals and businesses exist under the suppressive conditions of the Sandinista regime.[6]

The main reason for the departure of Nicaraguan Jews is the manner in which the revolutionary government treated them. Their properties were among the first to be confiscated. Jews who owned factories and stores were ejected from their homes and places of business. Their properties were turned over to Arabs and local workers. Many accusations were made against them without proof. Often, their individual safety was threatened.[7] The foregoing took place in an environment politically and emotionally charged. Jews were accused of support for the Somoza government and blamed for Israeli assistance to the Somoza government.[8]

The final blow against the Jewish community came when Sandinista supporters scorched the doors of the only Synagogue in Managua while worship services were in progress. The Sandinistas then seized the Synagogue, destroying all religious items and putting pro-government posters over all religious symbols. The synagogue then became "an elite social club for the children of high-ranking Sandinista officials." [9] Since then, Jews have tried to regain their property and return to their homes, but the Nicaraguan government has directed the courts not to act on any request by a Jew seeking to return to Nicaragua.[10]

On a number of occasions there have been attacks against religious leaders which have, at times, become violent. These attacks are not only specifically aimed at the Jewish religion, but also at the Christians, most notably the Catholics and the fundamental Moravian Church. The uneasy situation is caused by the fact that most Nicaraguan citizens are professed Catholics. These attacks have been sponsored by so called "divine mobs" or confrontation groups of the Sandinista Front for the Liberation of Nicaragua (FSLN).[11] Harrassment has also been extended to Pope John Paul II who in March of 1983 visited Nicaragua and was subjected to inexcusable abuse. The Pontiff was forced to speak from a platform that had revolutionary billboards as a backdrop. Also during his homily, the Pope was barely audible to the large crowd because the Sandinista government provided him with a poor sound system which could not compete with the shouting of pro-government slogans by the "divine mob." [12]

In addition, the government banned from publication letters from Pope Paul II which criticized the governments effort to create a Marxist "peoples" church.[13] The leaders of this "peoples" church have insulted the Catholic church by trying to change the Christian doctrine of the Immaculate Conception of the Virgin Mary. The offensive reinterpretation depicts Mary, the mother of Jesus, as in fact not the mother of Jesus, but the "Mother of the Revolutionary."[14] The government has also gone so far as to discredit the divinity of Jesus and instead label him "the First Sandinista." [15]

The government actively discriminates between those clergy who share its political viewpoints and those who are indifferent or critical.[16] An example of this was seen when the regular Church-sponsored televising of the Mass was replaced with broadcasts of priests who took a pro-government position.[17]

Of the East coast Indians and Creole natives in Nicaragua, 80 percent are members of the Protestant Moravian Church. The government has repeatedly described the Moravian Church as a center of counter-revolutionary sentiment. As a result, the Sandinistas have reportedly burned more than 50 churches, confiscated church property, harassed Church leaders, and taken other actions to undermine the traditional role of the Church. In addition, government groups had stepped up attacks on Jehovah's Witnesses, Mormons, and Seventh Day Adventists, accusing the sects of having direct links to the United States Central Intelligence Agency.[18]

The anti-Semitic curtain that has descended over Nicaragua, and any other place where Sandinista inspired revolutions have spread to, is one of serious repercussions for all Jews. To emphasize, one of the first moves taken by the Sandinista government when it took control was to cut off all diplomatic ties to Israel.[19] Obviously, this is consistent with the Sandinista's stated intention to root "Zionism" out of Central America. In fact, a bloc of Salvadorans based in Washington, D.C. and loyal to the Sandinistas were asked to provide, ". . . a condemnation of the Zionist state of Israel, because of its participation in maintaining the deplorable conditions under which the Peoples of Palestine, El Salvador and South Africa are forced to live." [20] The ideological union between the PLO and the Sandinistas begins to be exposed with this statement of direct antisemitic attitudes towards Israel.

THE PLO, THE SANDINISTAS AND THE SALVADORAN GUERRILLAS

On January 12, 1983, Danield Ortega Saavedra, the Commander of the revolution and a member of the FSLN delivered a speech to a special ministerial meeting of the coordinating bureau of the Non-Aligned Countries on Latin America and the Caribbean. In this speech he labeled Israel's policies towards the Palestinians as being irresponsible and that criminal actions were being taken against "the heroic Palestinian people" by Israel.[21] As the Palestinians were being praised and exhorted by the Sandinistas, the Jewish citizens of Nicaragua were being essentially expelled from their own country. The Nicaraguan Jews blame the loss of their jobs, homes and businesses along with the general persecution on the presence of the PLO.[22]

Late in 1979, 1,000 delegates from Arab and Latin American nations met in Caracas, Venezuela. These delegates formed two organizations. The first is known as the Pan-American Institute of Arab Culture headquartered in Buenos Aires, and the second organization is the Arab-American Information, Publicly, and Communications Center based in Santiago, Chile. One of the basic initiatives of these two organizations is made clear in a communique published by the delegates saying that they would ". . . work for the free self-determination of the Palestinians and their right to a homeland . . . we consider the PLO the legitimate representative of that people . . ." [23] Victor Ananias of Chile, President of the Federation, was quoted in Agence France Presse (October 6, 1979) as stating, "The solution we propose for the Middle East is the disappearance of Israel to make way for a secular, democratic Palestinian state." [24] Other delegates were asked whether the PLO was a terrorist organization? Their reply was that the PLO armed activity was "legitimate defense." [25]

The PLO's involvement in covert operations with the Sandinistas is not a recent occurrence. Active cooperation between these two revolutionary groups has existed as early as 1969 when Bonito Escobar of the Sandinistas met with three high ranking PLO officials in Mexico City. As a result of this meeting, 50 Sandinistas were sent to training camps at PLO facilities in Tyre, Lebanon. Not only did they accept training, but they fought side-by-side with the PLO against King Hussein of Jordan in 1970. Patrick Arguello Ryan, a Sandinista trained in the Middle East, was Leila Khased's partner in an abortive attack on an El Al airliner just outside of Amsterdam (Ryan was killed in the attack).[26] The ties between the two groups has continued for fifteen years without interruption.

As a result of this relationship, not much attention was given when the PLO announced a grant of $12 million to Nicaragua for economic aid.[27] The PLO also has helped the Sandinistas to gain support from other radical Arab countries such as Mu'ammar Qadhafi's Libya which has given $100 million under an "agricultural appropriation." [28] Qadhafi has in the past aided many other terrorist organizations such as the Montoneros in Argentina and the Revolutionary Coordinating Junta founded in 1974 as the first bridge between Latin America and Cuba. From January 25 to February 1, 1981, Libya sponsored a meeting with the Sandinistas, PLO, Montoneros, the JLR plus two Marxist groups from Chili (the United Popular Action Movement and the Movement of the Revolutionary Left). The stated reason for the meeting was ". . . to draw up a unified plan of struggle against all types of fascism and imperialism in America." [29]

In addition to money, the PLO has been sending massive shipments of armaments to Nicaragua and El Salvador. U.S. News and World Report stated that there had been an interception of a plane load of weapons in Tunis which was sent to the Sandinistas by the PLO.[30] Weapons are always in abundance and training is also being provided for leftist forces in Central America.[31] The PLO

Cadres who have infiltrated into Nicaragua and El Salvador are providing this training.[32] Yasser Arafat has himself admitted that Sandinistas had received training in PLO camps.[33] The PLO stated in 1982 that it was fighting alongside of the Sandinista guerrillas. These were actual PLO troops participating in combat in both El Salvador and Nicaragua.[34]

According to the Washington Post of July 12, 1979, there were Sandinista fighters training in PLO camps located in Algiers. The activity of the PLO was best summed up by this statement by Jorge Mandi, FSLN spokesman to the Kuwaiti newspaper Al Watan. He said, ". . . there is a long standing blood unity between us and the Palestinian Revolution. Many of the units belonging to the Sandinista movement were at Palestinian Revolutionary bases in Jordan . . . it is natural that in our war against Somoza we received Palestinian aid for our revolution in various forms."[35] These various forms included PLO pilots sent to Nicaragua and PLO "freedom fighters" sent to El Salvador.[36] Also a plane load of weapons en

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route to Nicaragua from the PLO labeled as medical supplies, just as the recent Libyan shipment, was intercepted in Brazil.[37] Those are suspected to be just two of many such shipments. In May of 1982, the PLO gave a Boeing 707 jet to Nicaragua presumably for the purpose of transporting arms.[38] In addition, there is a Belgian Air-Charter Service that is wholly owned by the PLO that is used to transport arms to the insurgents in El Salvador, through Nicaragua.[39]

Diplomatic relations between the Sandinistas and the PLO started with a similar ideological base and has expanded to their commitments to overthrow governments that are contrary to their vision. In a letter from a group of Salvadorans based in Washington, D.C. and loyal to the Sandinistas, they stated, ". . . our situation is very much the same as the Palestinian Freedom Fighters."[40] Because of the unity between the FSLN and the PLO, Nicaragua cut off diplomatic relations with Israel and granted diplomatic status to the PLO on July 22, 1980. The office representing the PLO was officially opened in Managua with a staff of 70. The PLO's presence in Managua was accepted warmly as evidenced by the hero's welcome Arafat received when he visited Nicaragua on the first anniversary of the Sandinista takeover.[41] In his speech, Arafat praised the "strategic and militant ties between the Sandinista and Palestinian revolutions."[42]

Tomas Bouge Martinez, the Interior Minister of Nicaragua, stated to Yasser Arafat, "We say to our brother Arafat, that Nicaragua is his land and the PLO cause is the cause of the Sandinistas." In response to this statement of goodwill Arafat replied, "The links between us are not new. Your comrades did not come to our country just to train, but also to fight. Your enemies are our enemies."[43] Of course, the enemies of the PLO are the Jews, particularly those living in Israel. To demonstrate the joint efforts of the PLO and the Sandinistas against Israel, a bomb exploded in the Israeli embassy in San Salvador. The People's Revolutionary Army claimed responsibility and said the bombing was in "solidarity with the Palestinian people."[44]

THE PLO AND MEXICO

In 1975, Mexican President Luis Echeverria met with Yasser Arafat and gave the PLO permission to open an office in Mexico. The succeeding President of Mexico, Lopez Portillo, reluctantly honored his predecessor's commitment, and allowed the opening of a PLO office. However, the office was limited to a staff of one person without diplomatic status. In cooperation with the Association Mexicana de Amistad con el Pueblo Palestino (AMAPP), the PLO office has used cultural events to spread its message. In addition, the office has recruited exiled leftists and revolutionaries living in Mexico to work for their cause. Examples of the PLO activities in Mexico include anti-Israeli advertisements, publications, and demonstrations attacking "Zionism as Racism."

THE PLO AND COSTA RICA

On May 8, 1982, President Luis Alberto Monge announced an extensive policy of internal security in order to combat the increasing terrorist activity in Costa Rica. In his speech he specifically expressed concern about the PLO and Libyan threat. The national Security Agency (ASN) of Costa Rica confirmed that Libya has been training young Costa Ricans as terrorists. The ASN has also linked Libya to the secret terrorist training camps operating in Costa Rica.

Many citizens of Costa Rica were alarmed with former President Rodrigo Carazo Odio's embrace of the Arab cause. It was reported that the Arabs had offered financial assistance to the President's pet project, The University of Peace, in exchange for permission to open a PLO office. Ambassador Yamuni of Costa Rica increased the controversy when he announced to reporters that the government had officially recognized the PLO. However, Foreign Minister Bernard Neihaus quickly denied the statement with good reason since Costa Rica has been struggling with high oil prices and terrorist activity.

THE PLO AND PANAMA

The Panamanian-Arab League of Solidarity with the Palestinian People and the PLO (LIGASOPOLP) have been working to gain support among the people of Panama. Carlos Perez Herrera, cousin of the late General Omar Torrijos, was the first Secretary General of LIGASOPOLP. Torrijos was a commander of the Panamanian National Guard and the eminence gris of Panamanian politics. After the death of Torrijos in 1981, there has been a decrease in governmental support for the PLO. However, PLO activity and propaganda directed against the Panamanian Jewish community has been disruptive. LIGASOPOLP will continue to function in Panama with Libya as its main financial sponsor. The Panamanian government has kept its promise to prevent the opening of an official PLO office, and there are no indications that they will break this promise.

CONCLUSION

PLO activity in Central America has been increasing, and there are no indications that their involvement will diminish. In 1981, Yasser Arafat, expressing the commitment of the PLO in that region of the world, stated:

"We are a great revolution that can never be intimidated. We have connections with all the revolutionary movements throughout the world, in El Salvador, in Nicaragua—and I reiterate Salvador—and elsewhere in the world."[45]

"The way to Jerusalem leads through Managua," was more than just an empty statement made by Yasser Arafat on July 27, 1980. Arafat clearly intends to have Nicaraguan and Salvadoran support in his effort to destroy Israel and establish a Marxist regime.

The PLO, combined with the Soviet and Cuban presence, poses a serious threat to the security of the vulnerable Central American governments. The U.S. must take into consideration the Soviet-Cuban-PLO dimension, along with the PLO threat to the Jewish community, in order to have an effective American policy which protects our interests as well as Central American democracies and religious freedom.

FOOTNOTES

[1] Aleksandr Solzhenitsyn, "Men Have Forgotten God," *National Review*, July 22, 1983, p. 874.

[2] Belden Bell, "The PLO is at Work Subverting Latin America," *Human Events*, November 25, 1978, p. 990.

[3] Rabbi Morton M. Rosenthal, *ADL International Report: PLO Activities in Latin America*, New York, May 1982, p. 3.

[4] *Ibid.*, p. 3.

[5] *Op. cit., Human Rights: Nicaragua's Human Rights Record*, p. 33.

[6] B'nai B'rith, 1983.

[7] *Op. cit., Human Rights: Nicaragua's Human Rights Record*, p. 32.

[8] *Ibid.*, p. 32.

[9] Richard Araujo, "The Sandinista War on Human Rights," *Backgrounder*, The Heritage Foundation, Washington, D.C., July 19, 1983, p. 5.

[10] *Ibid.*, p. 5.

[11] *Op. cit., Human Rights: Nicaragua's Human Rights Record*, p. 26.

[12] Humberto Belli, "Heckling the Pope in Sandinista-Land," *The Washington Times*, April 6, 1983, p. 1C.

[13] *Op. cit., Human Rights: Nicaragua's Human Rights Record*, p. 28.

[14] *Ibid.*, p. 28.

[15] Patrick J. Buchanan, "Jesus—the First Sandinista, *The Washington Inquirer*, June 10, 1983, Vol. III, No. 23, p. 7.

[16] *Op. cit., Human Rights: Nicaragua's Human Rights Record*, p. 25.

[17] Max Singer, *Nicaragua: The Stolen Revolution*, Publication of the United States Information Agency, 1982.

[18] *Ibid.*, p. 32.

[19] *The Jerusalem Post*, "Unholy Alliance," August 14, 1981.

[20] The bloc of Salvadorans in solidarity with the Revolutionary Popular Bloc, Washington, D.C.

[21] Speech by Daniel Ortega Saavedra at the ceremony inaugurating the 5th Special Ministerial meeting of the coordinating bureau of the movement of Non-Aligned Countries in Latin America and the Caribbean, January 12, 1983.

[22] Rabbi Morton M. Rosenthal, Anti-Defamation League of B'nai B'rith, March 1983.

[23] Jacob Koradloff, "Latin America: The Arab Connection," The American Jewish Committee, 1979.

[24] *Agence France Presse*, March 1982.

[25] *Ibid.*

[26] *U.S. News and World Report*, September 1, 1980.

[27] *London Daily Telegraph*, December 2, 1981.

[28] *Op. cit., ADL International Report: PLO Activities in Latin America*, pp. 8–9.

[29] "Unholy Alliance," *The Jerusalem Post*, August 14, 1981.

[30] *U.S. News and World Report*, September 1, 1980.

[31] Rabbi Morton M. Rosenthal, *ADL International Report*, May 1982.

[32] "Communist Interference in El Salvador," U.S. Department of State, February 23, 1981.

[33] *Ibid.*

[34] *Op. cit., ADL International Report*, May 1982, p. 9.

[36] *Associated Press*, Foreign Briefs, December 13, 1979.

[37] *Al Watan*, (Kuwaiti Newspaper), June 7, 1979.

[38] *News from World Jewish Congress*, May 17, 1982.

[39] *Congressional Record*, Honorable Larry McDonald of Georgia, January 27, 1982.

[40] The Bloc of Salvadorans.

[41] *U.S. News and World Report*, September 1, 1980.

[42] *Report—The PLO and International Terror*, Israeli Defense Force paper, March 1981.

[43] *Ibid.*

[44] *Associated Press,* Foreign Briefs, December 13, 1979.

[45] "The PLO in Central America," *White House Digest,* White House Office of Media Relations and Planning, July 20, 1983, p. 8 quoted from Associated Press, April 14, 1981.

With the preceding in mind: Do we really think that the Soviets want Nicaragua? Do we really believe the Soviets care about conquering El Salvador or Guatemala and so forth?

I would suggest rather, that they care more about Mexico. They are interested in the oil reserves in Mexico and, yes, the 1,800 mile common border with the United States in an obvious attempt to destabilize the United States economically, socially, and militarily. The incredible comment made by Soviet leader Andropov that they would consider deploying cruise missiles in Central America if we deployed cruise missiles in Europe is substantiation of the fact that the Soviets are using Central America, not solely for a revolution in Central America, but, rather, as a vantage point and a bastion for the export of revolution inevitably to destabilize the United States.

And may I quote a Soviet adviser in Managua. The quote is rather interesting, and I want to reinforce that the words themselves may be rather amazing although the most interesting

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point is the arrogant attitude behind this Soviet military adviser in Managua, Nicaragua. This comes from a free-lance reporter then working for ABC television. The Soviets said the following:

> U.S. influence did not work in Poland, Afghanistan, or the Middle East. You have not got the capabilities to stop us in Central America, and we will be at the borders of Arizona in 18 months because the American people do not want to commit anything to assist Central America.

Mr. ALEXANDER. Mr. Chairman, will the gentleman yield for one question?

Mr. SILJANDER. Do I believe the Soviets will be at the borders of Arizona in 18 months? No; I do not. The point is the arrogance of the Soviet Union.

So our goal is not—and I repeat—our goal is not to overthrow the Government of Nicaragua, but, rather, to force them to comply and stop exporting revolution throughout the Central American region.

Mr. ALEXANDER. Mr. Chairman, I have one question. Will the gentleman yield for one question?

Mr. SILJANDER. I yield.

The CHAIRMAN. The time is controlled by the gentleman from California (Mr. HUNTER).

Mr. ALEXANDER. Mr. Chairman, I ask that the gentleman be given 1 additional minute to respond.

The CHAIRMAN. The gentleman has time. The gentleman from California (Mr. HUNTER) controls the time.

Mr. ALEXANDER. Mr. Chairman, will the gentleman yield?

Mr. HUNTER. I yield to the gentleman from Arkansas.

Mr. ALEXANDER. Mr. Chairman, I would like to ask a question of the gentleman because I think it is relevant to this debate. I know that everyone has heard it before, but I think it is important at this time.

If this threat of revolution to which the gentleman refers is so imminent, then why is it that virtually every Latin American country, with the exception of Honduras and with the exception of Costa Rica, is urging us to change our policy?

In fact, the Latin American countries, through the Contadora leadership, are deploring our action in Central America, and they are saying,

> Please stop this crazy policy because it is inflammatory and it is compounding the problem, which is social, which is economic, which is political, and you are making it a military problem.

Mr. HYDE. Mr. Chairman, will the gentleman yield?

Mr. HUNTER. I yield to the gentleman from Illinois.

Mr. HYDE. Mr. Chairman, the gentleman left out a couple of countries. The frontline countries that are on the firing line agree with us—Costa Rica and Honduras. The gentleman mentioned those, but he left out El Salvador and Guatemala. They are also with us.

Now, as to Mexico, if they were ever with us, I would faint. The gentleman knows that. The rest of South America is angry at us for the Malvinas, and the gentleman knows that. So we should not just take a poll, because sometimes if we ask them privately—and the gentleman knows this—we get a different answer. So counting noses does not help us in this discussion.

The CHAIRMAN. For what purpose does the gentleman from Massachusetts (Mr. BOLAND) rise?

Mr. BOLAND. Mr. Chairman, I ask unanimous consent that the bill, except as to section 108, be printed in the RECORD and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The text of the remainder of the bill, except for section 108, comprising titles II, III, and IV, is as follows:

TITLE II—INTELLIGENCE COMMUNITY STAFF

AUTHORIZATION OF APPROPRIATIONS

SEC. 201. There is authorized to be appropriated for the Intelligence Community Staff for fiscal year 1984 the sum of $19,100,000.

AUTHORIZATION OF PERSONNEL END-STRENGTH

SEC. 202. (a) The Intelligence Community Staff is authorized two hundred and fifteen full-time personnel as of September 30, 1984. Such personnel of the Intelligence Community Staff may be permanent employees of the Intelligence Community Staff or personnel detailed from other elements of the United States Government.

(b) During fiscal year 1984, personnel of the Intelligence Community Staff shall be selected so as to provide appropriate representation from elements of the United States Government engaged in intelligence and intelligence-related activities.

(c) During fiscal year 1984, any officer or employee of the United States or a member of the Armed Forces who is detailed to the Intelligence Community Staff from another element of the United States Government shall be detailed on a reimbursable basis, except that any such officer, employee, or member may be detailed on a nonreimbursable basis for a period of less than one year for the performance of temporary functions as required by the Director of Central Intelligence.

INTELLIGENCE COMMUNITY STAFF ADMINISTERED IN SAME MANNER AS CENTRAL INTELLIGENCE AGENCY

SEC. 203. During fiscal year 1984, activities and personnel of the Intelligence Community Staff shall be subject to the provisions of the National Security Act of 1947 (50 U.S.C. 401 et seq.) and the Central Intelligence Agency Act of 1949 (50 U.S.C. 403a-403n) in the same manner as activities and personnel of the Central Intelligence Agency.

TITLE III—CENTRAL INTELLIGENCE AGENCY RETIREMENT AND DISABILITY SYSTEM

AUTHORIZATION OF APPROPRIATIONS

SEC. 301. There is authorized to be appropriated for the Central Intelligence Agency Retirement and Disability Fund for fiscal year 1984 the sum of $86,300,000.

TITLE IV—ADMINISTRATIVE PROVISIONS RELATED TO THE CENTRAL INTELLIGENCE AGENCY AND THE INTELLIGENCE COMMUNITY STAFF

ELIGIBILITY FOR APPOINTMENT TO CERTAIN CENTRAL INTELLIGENCE AGENCY POSITIONS

SEC. 401. Section 5 of the Central Intelligence Agency Act of 1949 (50 U.S.C. 403f) is amended by striking the last "and" in subsection (d), by striking the period at the end of subsection (e) and substituting in lieu thereof "; and", and by adding at the end thereof the following new subsection:

"(f) Determine and fix the minimum and maximum limits of age within which an original appointment may be made to an operation position within the Agency, notwithstanding the provision of any other law, in accordance with such criteria as the Director, in his discretion, may prescribe.".

ELIGIBILITY FOR INCENTIVE AWARDS

SEC. 402. (a) The Director of Central Intelligence may exercise the authority granted in section 4503 of title 5, United States Code, with respect to Federal employees and members of the Armed Forces detailed or assigned to the Central Intelligence Agency or to the Intelligence Community Staff, in the same manner as such authority may be exercised with respect to the personnel of the Central Intelligence Agency and the Intelligence Community Staff.

(b) The authority granted by subsection (a) of this section may be exercised with respect to Federal employees or members of the Armed Forces detailed or assigned to the Central Intelligence Agency or to the Intelligence Community Staff subsequent to five years preceding the date of enactment of this section.

TITLE V—GENERAL PROVISIONS

RESTRICTION OF CONDUCT OF INTELLIGENCE ACTIVITIES

SEC. 501. The authorization of appropriations by this Act shall not be deemed to constitute authority for the conduct of any intelligence activity which is not otherwise authorized by the Constitution or laws of the United States.

INCREASES IN EMPLOYEE BENEFITS AUTHORIZED BY LAW

SEC. 502. Appropriations authorized by this Act of salary, pay, retirement, and other benefits for Federal employees may be increased by such additional or supplemental amounts as may be necessary for increases in such benefits authorized by law.

Mr. BOLAND. Mr. Chairman, I have an amendment at the desk, but pending that, I make the point of order that a quorum is not present.

The CHAIRMAN. Evidently a quorum is not present.

Members will record their presence by electronic device.

The call was taken by electronic device.

The following Members responded to their names:

[Roll No. 402]

Addabbo
Akaka
Albosta
Alexander
Anderson
Andrews (NC)
Andrews (TX)
Annunzio
Anthony
Archer
AuCoin
Badham
Barnard
Barnes
Bartlett
Bateman
Bates
Bedell
Beilenson
Bennett
Bereuter
Berman
Bethune
Biaggi
Bilirakis
Bliley
Boehlert
Boggs
Boland
Boner
Bonior
Bonker
Borski
Bosco
Boucher
Boxer
Breaux
Britt
Brooks
Broomfield
Brown (CA)
Brown (CO)

[CRS-205]

Broyhill
Burton (CA)
Burton (IN)
Byron
Campbell
Carney
Carper
Carr
Chandler
Chappell
Chappie
Cheney
Clarke
Clinger
Coats
Coelho
Coleman (MO)
Coleman (TX)
Conable
Conte
Cooper
Corcoran
Coughlin
Courter
Coyne
Craig
Crane, Daniel
Crane, Philip
Daniel
Dannemeyer
Daschle
Daub
Davis
de la Garza
Derrick
DeWine
Dicks
Donnelly
Dorgan
Dowdy
Downey
Dreier
Duncan
Durbin
Dwyer
Dyson
Early
Eckart
Edgar
Edwards (AL)
Edwards (CA)
Edwards (OK)
Emerson
English
Erdreich
Erlenborn
Evans (IA)
Evans (IL)
Fascell
Fazio
Feighan
Ferraro
Fiedler
Fields
Fish
Flippo
Florio
Foglietta
Forsythe
Fowler
Frank
Franklin
Frenzel
Fuqua
Garcia
Gaydos
Gejdenson
Gekas
Gephardt
Gibbons
Gilman
Gingrich
Glickman
Gonzalez
Gore
Gradison
Gramm
Green
Gregg
Guarini
Gunderson
Hall (IN)
Hall (OH)
Hall, Sam
Hamilton
Hammerschmidt
Hansen (UT)
Harkin
Harrison
Hartnett
Hatcher
Hawkins
Hayes
Hefner
Heftel
Hertel
Hiler
Hillis
Holt
Hopkins
Horton
Howard
Hoyer
Hubbard
Huckaby
Hughes
Hunter
Hutto
Hyde
Ireland
Jacobs
Jeffords
Jenkins
Johnson
Jones (NC)
Jones (OK)
Jones (TN)
Kaptur
Kasich
Kastenmeier
Kazen
Kemp
Kennelly
Kildee
Kindness
Kogovsek
Kolter
Kostmayer
Kramer
LaFalce
Lagomarsino
Lantos
Latta
Leach
Leath
Lehman (FL)
Lent
Levin
Levine
Levitas
Lewis (CA)
Lewis (FL)
Lipinski
Livingston
Lloyd
Loeffler
Long (LA)
Long (MD)
Lott
Lowery (CA)
Lowry (WA)
Lujan
Luken
Lundine
Lungren
Mack
Madigan
Marlenee
Marriott
Martin (IL)
Martin (NC)
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCain
McCandless
McCloskey
McCollum
McCurdy
McDade
McEwen
McGrath
McHugh
McKernan
McNulty
Mica
Michel
Mikulski
Miller (CA)
Miller (OH)
Mineta
Minish
Moakley
Molinari
Mollohan
Montgomery
Moody
Moore
Moorhead
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Murtha
Myers
Natcher
Neal
Nelson
Nichols
Nielson
Nowak
O'Brien
Oakar
Obey
Olin
Ortiz
Oxley
Packard
Panetta
Parris
Pashayan
Patman
Patterson
Pease
Penny
Perkins
Petri
Pickle
Porter
Price
Pursell
Quillen
Rahall
Ratchford
Ray
Regula
Reid
Richardson
Ridge
Rinaldo
Ritter
Roberts
Robinson
Roe
Roemer
Rogers
Rose
Roth
Roukema
Rowland
Roybal
Rudd
Russo
Sabo
Savage
Sawyer
Schaefer
Schneider
Schroeder
Schulze
Schumer
Seiberling
Sensenbrenner
Shannon
Sharp
Shaw
Shelby
Shumway
Sikorski
Siljander
Simon
Sisisky
Skeen
Skelton
Slattery
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith, Denny
Smith, Robert
Snowe
Snyder
Solarz
Solomon
Spence
Spratt
St Germain
Staggers
Stangeland
Stenholm
Stokes
Stratton
Studds
Stump
Synar
Tallon
Tauke
Tauzin
Taylor
Thomas (CA)
Thomas (GA)
Torres
Torricelli
Towns
Traxler
Valentine
Vander Jagt
Vandergriff
Vento
Volkmer
Vucanovich
Walgren
Walker
Watkins
Waxman
Weaver
Weber
Weiss
Wheat
Whitehurst
Whitley
Whittaker
Whitten
Williams (MT)
Williams (OH)
Wilson
Winn
Wirth
Wise
Wolf
Wolpe
Wortley
Wright
Wyden
Wylie
Yates
Yatron
Young (FL)
Young (MO)
Zablocki
Zschau

☐ 1350

The CHAIRMAN. Three hundred eighty-six Members have answered to their names, a quorum is present, and the Committee will resume its business.

The Clerk will designate section 108.

The text of section 108 is as follows:

PROHIBITION OF COVERT ASSISTANCE FOR MILITARY OPERATIONS IN NICARAGUA

SEC. 108. None of the funds authorized to be appropriated by this Act may be obligated or expended for the purpose or which would have the effect of supporting, directly or indirectly, military or paramilitary operations in Nicaragua by any nation, group, organization, movement, or individual. Any funds requested for such purpose or which would have such effect are hereby deleted.

AMENDMENT OFFERED BY MR. BOLAND

Mr. BOLAND. Mr. Chairman, I offer an amendment.

The CHAIRMAN. Is the amendment printed in the RECORD?

Mr. BOLAND. The amendment is printed in the RECORD, Mr. Chairman.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. BOLAND: On page 5, strike out everything that follows line 19 through line 3 on page 6 and insert in lieu thereof the following:

"PROHIBITION ON COVERT ASSISTANCE FOR MILITARY OPERATIONS IN NICARAGUA; AUTHORIZATION OF OVERT INTERDICTION ASSISTANCE

"SEC. 108. The Intelligence Authorization Act for Fiscal Year 1983 is amended by adding at the end thereof the following new title:

"TITLE VIII—PROHIBITION ON COVERT ASSISTANCE FOR MILITARY OPERATIONS IN NICARAGUA; AUTHORIZATION OF OVERT INTERDICTION ASSISTANCE

"PROHIBITION ON COVERT ASSISTANCE FOR MILITARY OPERATIONS IN NICARAGUA

"SEC. 801. (a) None of the funds appropriated for fiscal year 1983 or 1984 for the Central Intelligence Agency or any other department, agency, or entity of the United States involved in intelligence activities may be obligated or expended for the purpose or which would have the effect of supporting, directly or indirectly, military or paramilitary operations in Nicaragua by any nation, group, organization, movement, or individual.

"(b) This section shall take effect upon the date prescribed in the classified annex to the report of the Permanent Select Committee on Intelligence of the House of Representatives to accompany the bill H.R. 2760 (98th Congress).

"AUTHORIZATION OF OVERT INTERDICTION ASSISTANCE

"SEC. 802. (a) The Congress finds that—

"(1) in the absence of a state of declared war, the provision of military equipment to individuals, groups, organizations, or movements seeking to overthrow governments of countries in Central America violates international treaty obligations, including the Charter of the United Nations, the Charter of the Organization of American States, and the Rio Treaty of 1949; and

"(2) such activities by the Governments of Cuba and Nicaragua threaten the independence of El Salvador and threaten to destabilize the entire Central American region, and the Governments of Cuba and Nicaragua refuse to cease those activities.

"(b) The President is authorized to furnish assistance, on such terms and conditions as he may determine, to the government of any friendly country in Central America in order to provide such country with the ability to prevent use of its territory, or to prevent to the extent permitted by international law the use of international territory, for the transfer of military equipment from or through Cuba or Nicaragua or any other country or agents of that country to any individual, group, organization, or movement which the President determines seeks to overthrow the government of such friendly country or the government of any other country in Central America. Assistance under this section shall be provided openly, and shall not be provided in a manner which attempts to conceal United States involvement in the provision of such assistance.

"(c) Assistance may be provided to a friendly foreign country under this section only if that country has agreed that it will not use any assistance by the United States under this section, the Foreign Assistance Act of 1961, or the Arms Export Control Act to destabilize or overthrow the government of any country in Central America and will not make any such assistance available to any nation, individual, group, organization, or movement which seeks to destabilize or overthrow any such government.

"(d) At least 15 days before providing assistance to a foreign country under this section, the President shall submit an unclassified report which described the proposed assistance to the Speaker of the House of Representatives and to the chairman of the appropriate committees of the Senate.

"(e) There is authorized to be appropriated to the President to carry out this section $30,000,000 for the fiscal year 1983 and $50,000,000 for the fiscal year 1984.

"(f) Funds to carry out this section shall be made available for any friendly country in Central America only for the purpose of interdicting the transfer of military equipment to any country in Central America.".

SEC. 2. (a) The Congress finds that—

(1) the Government of National Reconstruction of Nicaragua has failed to keep solemn promises, made to the Organization of American States in July 1979, to establish full respect for human rights and political liberties, hold early elections, preserve a private sector, permit political pluralism, and pursue a foreign policy of nonaggression and nonintervention;

(2) by providing military support (including arms, training, and logistical, command and control, and communications facilities) to groups seeking to overthrow the Government of El Salvador and other Central American governments, the Government of National Reconstruction of Nicaragua has violated article 18 of the Charter of the Organization of American States which declares that no state has the right to intervene, directly or indirectly, for any reason whatsoever, in the internal or external affairs of any other state;

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(3) the Government of Nicaragua should be held accountable before the Organization of American States for activities violative of promises made to the Organization and for violations of the Charter of that Organization; and

(4) working through the Organization of American States is the proper and the most effective means of dealing with threats to the peace in Central America, of providing for common action in the event of aggression, and of providing the mechanisms for peaceful resolution of disputes among the countries of Central America.

(b) The President shall seek a prompt reconvening of the Seventeenth Meeting of Consultation of Ministers of Foreign Affairs of the Organization of American States for the purpose of reevaluating the compliance by the Government of National Reconstruction of Nicaragua—

(1) with the commitments made by the leaders of that Government in July 1979 to the Organization of American States; and

(2) with the Charter of the Organization of American States.

(c) The President shall vigorously seek prompt actions by the Organization of American States that would provide for a full range of effective measures by the member states to bring about compliance by the Government of National Reconstruction of Nicaragua with those obligations, including verifiable agreements to halt the transfer of military equipment and to cease furnishing of military support facilities to groups seeking the violent overthrow of governments of countries in Central America.

(d) The President shall use all diplomatic means at his disposal to encourage the Organization of American States to seek resolution of the conflicts in Central America based on the provisions of the Final Act of the San Jose Conference of October 1982, especially principles (d), (e), and (g), relating to nonintervention in the internal affairs of other countries, denying support for terrorist and subversive elements in other states, and international supervision of fully verifiable arrangements.

(e) The United States shall support measures at the Organization of American States, as well as efforts of the Contadora Group, which seek to end support for terrorist, subversive, or other activities aimed at the violent overthrow of the governments of countries in Central America. Funds authorized to be appropriated by this Act may be used to provide United States support for activities with respect to Nicaragua which are designed to end the conflict in the region and which are approved by the Organization of American States, including international surveillance and supervision activities, peacekeeping forces, border patrols, and election supervisors.

(f) Not later than March 15, 1984, the President shall report to the Congress on the results of his efforts pursuant to this Act to achieve peace in Central America and to end the flow of arms to Central America. Such report may include such recommendations as the President may consider appropriate for further United States actions to achieve these objectives, including requests for the authorization and appropriation of additional funds to carry out the purposes of this Act."

Mr. BOLAND (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The CHAIRMAN. Pursuant to the rule, the gentleman from Massachusetts (Mr. BOLAND) will be recognized for 15 minutes and a Member opposed thereto will be recognized for 15 minutes.

The Chair now recognizes the gentleman from Massachusetts (Mr. BOLAND).

Mr. BOLAND. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, time is short and this issue is not a simple one. There is no easy solution. Further, no one party, no one Member has a monopoly on concern for the guarantees of democracy and security for Central America.

Nonetheless, the House has already exhaustively debated the secret war in Nicaragua. It has considered several approaches and settled on one which emphasizes open assistance to our friends and open opposition to—but not armed attack against—the Sandinista government in Nicaragua.

The House has spoken—but the matter has gone no further. The only way to insure that the House position on the war in Nicaragua even gets to conference with the Senate is to amend this bill with the same language which passed the House on July 28. The only way to insure some accommodation from the President in this issue is to reaffirm what the House has already done.

That is what my amendment does. It substitutes the complete text of H.R. 2760, the Boland-Zablocki-Wright bill, as it passed the House, for section 108 of the bill before us.

Section 108 prohibits the expenditure of funds for the secret war in Nicaragua. The Boland-Zablocki-Wright language also cuts off funding—but only after U.S.-backed insurgents have had a chance to withdraw if they wish.

The Boland-Zablocki-Wright amendment also provides $50 million to friendly Central American countries in fiscal year 1984. They may use it to interdict Nicaraguan or Cuban arms shipments across their borders. It also may be used to support OAS peacekeeping or treaty monitoring forces provided for under a Central American peace agreement.

Finally, the Boland-Zablocki-Wright amendment expresses the sense of the Congress that Nicaragua has violated international law and promises made to the OAS. That the United States should promptly seek OAS action to address these actions, and that the United States should support the OAS and the Contadora nations in measures which seek an end to terrorism and subversion in Central America.

Mr. Chairman, the legal restriction against overthrowing the Government of Nicaragua or provoking a military exchange between Honduras and Nicaragua has expired. There is no current restriction on the conduct of the secret war in Nicaragua. Administration witnesses have indicated to the Intelligence Committee that they oppose any.

One reason for this is the nature of the war. It has broadened to include air and sea attacks on major economic targets. There are increased tensions between Nicaragua and both Honduras and Costa Rica. Nicaragua has threatened to add warplanes to its already formidable arsenal and has imposed conscription on its populace. Given such escalation, is it any wonder that the administration doubts its ability to live within any meaningful bounds.

Another reason for the administration's position is the policy under which the secret war is now conducted. The administration has made clear that the war will continue until it can be verified that the Sandinistas are not supporting any Central American insurgency and have made a commitment to give amnesty to U.S. supplied insurgents and democratic freedoms to all Nicaraguans. Those are fine sounding goals, but they guarantee either the virtual overthrow of the Sandinistas, to whom such conditions would mean political suicide, or a war that will go on indefinitely. In any event, the administration is offering no guarantees.

Mr. Chairman, Central America is in dire turmoil. A solution is called for. But it must be essentially a Central American solution—not one dictated by the United States. The Contadora process has not been advanced by the fighting in Nicaragua. As in the past, the war continues to harden Sandinista policies. Certainly, it has served to increase Soviet arms shipments and increase Cuban influence. Certainly, political freedoms have been further curtailed.

No Member of this House should vote to continue a war that contradicts basic American principles, and certainly not for a war that is counterproductive to U.S. interests. Yet, every recent development that this Member sees appears to lock the United States into just such a commitment. This House should repeat its insistence that the United States reaffirm its commitment to peace by substituting security assistance for subversion, and diplomatic pressure for guns and bombs.

War will not solve the economic, political, and social problems of Central America—whether it is the war in El Salvador which is fueled by Nicaragua, or the war the United States is waging in Nicaragua. And make no mistake about it, that is exactly what the United States is doing.

We must have a political solution.

We must insist on meaningful negotiations.

We must regain the support of world opinion.

Therefore, we must stop waging war.

I urge you to vote as you did in July and support this amendment.

[CRS-207]

□ 1400

The CHAIRMAN. Does the gentleman from Virginia (Mr. ROBINSON) rise in opposition to the amendment?

Mr. ROBINSON. Yes, I do, Mr. Chairman.

The CHAIRMAN. The gentleman from Virginia (Mr. ROBINSON) is recognized for 15 minutes.

Mr. ROBINSON. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, the provisions of H.R. 2760 as they now appear in our intelligence authorizing bill have been fully and completely debated by this body before and I will simply try to tick off the points as to what the bill does and what the bill does not do in terms of responding to the situation that we face in Central America at the present time.

The bill does unilaterally restrict U.S. conduct without regard to Nicaraguan behavior in Central America. Is that good?

The bill authorizes an overt interdiction fund which has not been requested by our friends or allies in Central America. Does that make sense?

It makes it more difficult to negotiate a verifiable, peaceful resolution of the conflicts in Central America. That certainly is not in our favor.

It does provide a type of sanctuary for Nicaraguan/Cuban-based guerrillas that can then strike out with impunity against their neighbors without fear of retaliation behind their own borders. And it does deprive the United States of an important tool to thwart Nicaraguan/Cuban-based insurgency in Central America.

Finally, in terms of what it does, it does most certainly provide undue rigidity in the face of the everchanging circumstances in Central America at the present time.

What does the bill not do? It does not deter in any way the massive buildup of arms in Nicaragua. It does not even ask Nicaragua to cease the export of arms and revolution to other Central American countries.

It does not halt Nicaraguan efforts to overthrow the Government of El Salvador or the other neighboring countries in that part of the world, and it certainly does nothing to protect any of our friends in Central America against the Nicaraguan/Cuban-based insurgencies in their countries.

I think we should have very deep concerns as to whether or not the other governments in the Central American region would be willing to work with us in any overt program to reduce the flow of external support to the Salvadoran guerrillas; even if we wanted to go that route, and pay the bill which will be huge, which is monstrous as compared to the amount of money that we will be putting into the program that is presently in place.

And we wonder what would be the thoughts of our friends, of the Hondurans and the Costa Ricans if we decide to prevent further aid to the anti-Sandinistas and the paramilitary groups that are now functioning in that country, because it will certainly make it much more difficult for the Contadora group to negotiate any kind of a verifiable, peaceful resolution to the conflicts in Central America.

As I said earlier, it does nothing to cease Nicaragua's export of arms and revolution to the other American countries, nor does it halt Nicaraguan efforts to overthrow the Government of El Salvador.

It completely destroys the credibility of this country in that part of the world. It will cause a total collapse of the effort to have the required pressure to bear to have the Nicaraguans look inward in order to tend to their own affairs rather than promoting revolution in the other countries in that part of the world. Certainly it will mean that the other countries there such as Costa Rica, without an army of its own, will withdraw to a degree that we will not then have the coordination and combination of interests that are presently represented by the Contadora group and by the Organization of American States.

I urgently request my colleagues that we reject the Boland-Zablocki language in this intelligence authorizing bill and that we then adopt a motion to recommit that will provide us with the proper options that are so necessary at this time in that part of the world.

Mr. BOLAND. Mr. Chairman, I yield 4 minutes to the gentleman from Indiana (Mr. HAMILTON).

□ 1410

Mr. HAMILTON. I thank the Chairman.

Mr. Chairman, I rise in support of the amendment offered by the chairman which, of course, is identical to the bill passed by the House in July.

I think the most significant developments that have occurred since we met in July are two: One, we have a new finding submitted by the administration which considerably expands the purposes of that operation; and, two, the war in fact has expanded.

The covert war continues and it has expanded. We now see a new strategy. That strategy is to target economic targets like electrical plants and storage facilities, and fighting in the cities. We see bombing runs on the Managua Airport; we see seaborne assaults on fuel tanks in the Port of Corinto; we read that Nicaragua threatens Honduras and Honduras threatens Nicaragua.

The case against the U.S. sponsorship of the covert war is stronger now than it was in July, and there are today, as there were then, two principal arguments against this covert war.

The first one is that it simply has not worked. The covert action has not achieved any of its objectives. It has not stopped the flow of arms; it has not lessened Nicaragua's support for

Salvador; it has not forced any changes in the Nicaraguan policies; it has not turned the government inward.

Indeed, the Assistant Secretary of State, Mr. Motley, said that support for the Sandinista governments, may even be counterproductive, and that is exactly the argument that we have been making.

Second, the covert war has not brought the Sandinistas to the bargaining table. What has it done? It has driven the Nicaraguans ever more deeply into the arms of the Cubans and the Soviets. It strengthened the Sandinistas' resolve. It has strengthened their support within their country. It has given them a pretext for internal repression. It has increased the risk of a full-scale attack by Nicaragua against its neighbors and its neighbors against Nicaragua. It has raised the level of violence throughout the region. It threatens further escalation. It has continued the long history of American military intervention in South America, 60 interventions in 150 years, by which we win the battles and lose the people.

The second basic argument that is made is that this action is not in the national interest of the United States.

Those arguments are familiar to Members of this Chamber. The covert action is against the law. The OAS Charter says very clearly no State or group of States has the right to intervene directly or indirectly for any reason whatever in the internal or external affairs of other States.

This covert action clearly has brought about wider violence in the area. The covert war has already produced increased fighting in Nicaragua and the war has already widened.

The covert war has not brought about negotiations. The talk of the 21 points is misleading. The fact is that despite all of the pressure from 2 years of this covert war and an escalated war at that, negotiations are not underway and they are not in prospect.

The United States cannot consistently support Contadora and also support Contras. It cannot point to Contadora as a sign that the war is successful while pursuing goals and methods that are contradictory to those of Contadora.

This covert war holds us up to ridicule. The United States is doing, and all the world knows we are doing that which we deny that we are doing. And the covert war is simply inconsistent with our national character.

Mr. ROBINSON. Mr. Chairman, I yield 2 minutes to the gentleman from Virginia (Mr. Whitehurst).

Mr. WHITEHURST. Mr. Chairman, what we are presented with this after-

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noon very simply is a choice: It is a choice to continue our present course, or abandon it. Think about this for a moment now, there are no American lives at stake in the course we are on now. The cost is minimal. We are getting results.

I call attention to a letter sent by the Secretary of State to the Speaker of this House just 2 days ago. One sentence from it says: "In my judgment such an action," as we are contemplating here right now, "would virtually destroy the prospect that Nicaragua may agree to reciprocal and verifiable agreements to end assistance to all guerrilla forces operating in the region."

Now the other choice is to accept the proposal that has been put forward by the chairman of the Committee on Intelligence and the Committee on Foreign Affairs.

They have told you that they are going to authorize $50 million in fiscal year 1984 to interdict arms. That is not a downpayment; it is hardly a downpayment on a downpayment. It is the first installment in what is going to be a collossal bill for this Government and the end result will be a failure. The initial cost to put a fence up, even to begin to try to interdict arms, will be $300 million and there will be tens of millions of dollars thereafter.

Worse, it will require the presence of American military forces in the region. They are the ones who are going to man this system. If this comes to pass, you can be certain that what is happening in Lebanon will seem like child's play compared to what is going to happen in Central America.

Mr. Chairman, I urge defeat of this proposal.

Mr. BOLAND. Mr. Chairman, I yield 2 minutes to the gentleman from Georgia (Mr. Fowler).

Mr. FOWLER. Mr. Chairman, the majority of the House Committee on Intelligence supports a strong Central Intelligence Agency. One of these days you will learn how much our chairman, the gentleman from Massachusetts (Mr. Boland), over the last 7 years has done to insure that we have a crackerjack intelligence operation second to none, which is our finest and strongest form of national security.

None of us oppose covert aid in its proper place; none of us oppose covert activity when essential to our national security.

What we oppose is this specific paramilitary activity, unilaterally conducted by the United States of America despite the advice and pleading of many of our allies throughout the region. We seek to stop because it has not worked, as the gentleman from Indiana just documented, and because we cannot foresee how a military solution is possible, even if it was desirable.

Unlike Angola, where the Portuguese went away, if we overthrew the Sandinistas, they will not leave. They are Nicaraguans.

The 30,000 Sandinistas would go back into the hills and conduct a guerrilla war for another 10 years like they did for the 10 years before they overthrew the Somoza government.

The only path to a possible solution is one involving negotiation. The only possible road to regional stability and peace is to call the bluff of the Sandinistas, to accept bilateral negotiations, to put to the test our great Nation in how it deals with a small nation—even one whose Marxist government is abhorrent to the fabric of all we stand for in this country. We shall always retain our military options.

Meantime, the passage of this amendment would state to all that the United States supports the Contadora initiative in deed as well as word. Equally important it would indicate that our country rejects unilateralism and that we choose to work within the framework of our treaties and the framework established by the Latin Americans themselves for addressing our region's problems.

Mr. ROBINSON. Mr. Chairman, I yield 2 minutes to the gentleman from Pennsylvania (Mr. Goodling).

Mr. GOODLING. Mr. Chairman, I would like to reiterate what I said earlier. First of all, I strongly believe that the only reason Nicaragua is participating at all in the Contadora process is because of the pressure that has been put on them through our covert activity. I am not a strong supporter of covert activity, but I do believe that that is the only reason they are participating.

And to the gentleman who recently spoke and said that they are not really participating at the present time and the process is not going forward, I have a feeling the reason the process is not going forth at the present time is simply because they realize what we are doing in the Congress of the United States.

□ 1420

And if they just sit long enough and drag their feet long enough, we will do the job for them. They will not even have to do it themselves.

And second, a point that I made earlier that really concerns me. It is one thing to talk about overt activity, but when you start thinking about what that is all about, I think you have to believe that it is participation of America, it is participation of American GI's, it is participation of American lives. And I think that we cannot go in that direction just because it may soothe our conscience to say that we are doing something, because I think that something will broaden that war and will greatly involve us.

So, again, I would hope we would not try to be Secretaries of State. I would hope that we would not try to be experts in that area simply because we visited a couple of times, but we would somehow give enough time to allow this operation to bring about the Contadora process and in return have peace and prosperity, hopefully down the line, in that area.

Mr. ROBINSON. Mr. Chairman, I yield 2 minutes to the gentleman from Michigan (Mr. BROOMFIELD).

Mr. BROOMFIELD. Mr. Chairman, from the outset of debate on this difficult issue, a number of us on both sides of the aisle have been troubled by proposals that called for the United States to unilaterally terminate its support for activities against Nicaragua. Such approaches have the effect of eliminating any incentive for Nicaragua to curtail its support for Communist insurgencies that are subverting neighboring nations, such as El Salvador, or to enter into good faith negotiations.

Efforts to bring about a peaceful settlement to the strife in Central America appear to have more momentum than ever before, and I believe that is the direct result of the pressure being brought to bear on the Sandinistas by the armed Nicaraguan resistance forces. In short, to undercut the President's policy at such a critical juncture would say to the Sandinistas, in effect, go ahead—there will be no more cost to you for supporting guerrilla insurrection. It would also say there is no reason now for you to listen to our concerns. The implication of that kind of message could be disastrous in its timing. It would be a classic case of American indecisiveness, of jerking the rug from underneath our friends just when a show of resolve promised to bear fruit. It would be a classic case, moreover, of American shortsightedness that could ultimately imperil Honduras, Guatemala, Mexico, and Panama.

If this amendment should prevail, it is my understanding that this will preclude consideration and debate of the Robinson amendment which we thought had been provided for in the rule. This is no time for partisan politics, given the importance of the issue.

Foregoing consideration of the Robinson amendment denies this House the opportunity to vote for an amendment that deals with the current reality in Central America, not Central America as we would like it to be, but as it really is.

In sum, Mr. Chairman, this Congress should not strip the President of an essential foreign policy tool which is becoming increasingly effective and is causing the Sandinistas to realize finally that they should keep their revolution at home. Passage of the Boland amendment before us would salvage the President's Central American policy and I urge my colleagues to join me in opposing it.

[CRS-209]

Mr. ROBINSON. Mr. Chairman, I yield 1 minute to the gentleman from California (Mr. ZSCHAU).

Mr. ZSCHAU. Mr. Chairman, before we vote on this amendment, I believe we should all understand exactly what it does.

In listening to the debate, one might conclude that if you favor cutting off the covert aid to the Contras in Nicaragua, you should vote for this amendment.

But this amendment does not cut off covert aid to the Contras in Nicaragua. Such a cutoff already is in the bill that is before us.

If this amendment is defeated, the covert program in Nicaragua would be terminated.

Instead, the effect of this amendment relative to the current provisions, the bill is to initiate a new $50 million extravaganza that would be both ineffective and dangerous.

If you want to widen the conflict in Central America and possibly involve more U.S. personnel in that conflict, you should vote for this amendment. But if you want to stop the covert program in Nicaragua, without that excess baggage and not widen the conflict, you should vote against this amendment.

Mr. ROBINSON. Mr. Chairman, I yield my remaining time to the gentleman from Illinois (Mr. HYDE).

The CHAIRMAN. The gentleman from Illinois (Mr. HYDE) is recognized for 3 minutes.

Mr. HYDE. Mr. Chairman, the projection of Soviet power in this hemisphere is deadly serious. Now I listened to my friend from Massachusetts, the chairman, say that the United States is waging war in Central America.

I suggest the Cuban-Soviet axis has selected the theater and has selected the level of the conflict. And when an adversary shoots at you or your allies, you must respond and respond effectively or you lose. Freedom loses and the Gulag wins.

How do you get a revolutionary, Messianic, anti-status quo power to negotiate? Certainly the only way is pressure, pressure. And you take away the only pressure we have down there except the striped pants, the bowler hat, a tray of canapés, and a notebook. Plead with them. Let us have another resolution out of the Foreign Affairs Committee deploring the genocide of a whole race of Indians down there, a resolution that will bring them trembling to their knees.

Why do we avert our eyes from what is going on down there? Why take away the flexibility and an option from the President? A military solution, someone said. I guarantee you a military solution, just like in Cambodia, if we pull out, if we retreat, if we tie the President's hands. Do my colleagues know what the Brezhnev doctrine says? It says for the Socialist: "What is ours is ours, and what is yours is negotiable."

Now we are going to be the enforcers of that if we adopt the Boland-Zablocki-somebody-else amendment. It is not working.

Oh, but it is working. And our support for the covert forces will stop. We can stop it tomorrow, if they would stop exporting revolution. What in the world is wrong with symmetry? You stop and we stop. We stop and you stop. You continue; we continue.

Now our national character, someone said, the gentleman from Indiana—I do not know, but my understanding of our national character is when a defenseless ally is attacked, our national character says we ought to stand with them. We ought to defend them. And I suggest El Salvador, Honduras, and Costa Rica, the frontline states—to coin a term—are under attack. And you stand with them.

The morality of this situation is to help our allies and not reduce ourselves to, as I have said, wimpishness and pleading with them to negotiate.

A statesman from the other body, who is the outstanding supporter of unconditional negotiation, was mugged recently in front of Gracie Mansion by some mugger. And I wonder why he did not negotiate with that fellow. Why he did not sit down and talk terms, because that was not a lawbreaker, that was a cry for help. And he should have responded.

Mr. BOLAND. Mr. Chairman, I yield such time as he may consume to the gentleman from California (Mr. PANETTA).

Mr. PANETTA. Mr. Chairman, I rise in strong support of the fiscal 1984 Intelligence Authorization Act (H.R. 2968) as reported by the House Permanent Select Committee on Intelligence and wish to thank the distinguished chairman of that committee, Mr. BOLAND, for the leadership he has shown in reporting this legislation with restrictions on U.S. covert operations in Nicaragua approved last July by the House.

Before turning to the legislation at hand, however, recent events demand that we first review how the situation in Central America has changed since the House last addressed this issue. As every Member of this body is aware, the intensity of fighting in Nicaragua and scope of U.S. involvement have reached a new threshold; to proceed beyond which will have profound implications for future American initiatives in the region.

Last week marked a significant milestone in the chronology of our deepening involvement. On October 10 and again October 14 major oil facilities in Nicaragua were attacked by U.S-backed rebel forces. That the Central Intelligence Agency has been actively involved in arming and training these forces is no longer an object of debate. What is, however, cause for greater alarm is the CIA's reported role in planning the most recent attacks. Frankly, the "secret" war of last spring has become the dirty war of today, involving American weapons and expertise in a battle against an established government we continue to recognize in international affairs.

Mr. Chairman, present U.S. involvement in fueling the flames of unrest against the Nicaraguan Government is a failed policy whose continuance threatens to provoke a wider conflict and to derail efforts to negotiate a settlement. It is, moreover, destructive of the very principles of justice and self-determination that we have sought to nurture in the region.

A FAILED POLICY

From the outset the Reagan administration sought to obscure the true nature of U.S. involvement in Nicaragua. In so doing, the administration has willfully sought to subvert congressional efforts to participate in this most important foreign policy decision. With specious arguments, the administration has refused to acknowledge that its actions are bound by the terms of the Boland amendment which prohibits the funding of covert operations aimed at overthrowing the Sandinista Government. The President and his top advisers have insisted instead that covert assistance has been provided solely for the purpose of interdicting arms believed to be flowing from Nicaragua to rebels in nearby El Salvador.

The record of the last year presents, however, quite a different picture. As the level of U.S. assistance and numbers of U.S.-trained insurgents have increased, the violence of Contras attacks on targets unrelated to arms interdiction has grown, as has the intensity of confrontations with Sandinista troops. American complicity cannot be wished away by pretending that our objectives are limited. The activities and purposes of the Contras ultimately determine the nature of the conflict; their openly acknowledged goal of overthrowing the present Sandinista Government and the size of their forces point not to arms interdiction, but to military confrontation.

At the same time, there is little to indicate that this policy has prevented the flow of arms through Nicaragua. In fact, in its report to Congress the House Permanent Select Committee on Intelligence stated simply that the present program had failed to accomplish this primary objective. In tacit acknowledgment of this point, the administration subsequently announced that the real purpose of our clandestine involvement was to pressure the Sandinista leadership to mollify its behavior. Tentative steps toward rapproachment, highlighted by junta leader Daniel Ortega's pledge to sever military links with Salvadoran guerrillas provided the United States end its covert support of the Contras, were summarily dismissed last July with the President's solemn pronouncement that there was little hope of a regional settlement so long as the Sandinistas remained in power.

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A COUNTERPRODUCTIVE POLICY

While the administration's intentions may be open to debate in the minds of some, the consequences of this dirty war are undeniable: Hundreds of Nicaraguan citizens are reported to have died in the last 6 months of fighting. Moreover, a nation under attack is less likely to question restrictions on civil liberties or with whom it is allied. And in fact, the spectre of full-scale war has given more internal leverage to junta members who have all along favored a radicalizing of the country along Cuban lines.

In addition, the use of bases in Honduras and Costa Rica for staging Contra attacks has exacerbated regional tensions. In answer to efforts by leaders of the region to defuse the explosive situation through dialog, the administration sent several thousand U.S. troops to Honduras for extended "training" exercises and ordered the deployment of two U.S. naval groups off the coasts of Central America. With its provocative show of force, the administration has fueled the fears of American allies in the region who are wary of escalating border skirmishes leading to regional chaos.

The nations of the region, in fact, banded together to seek conciliation on the basis of multilateral diplomacy. To this end, the presidents of Mexico, Venezuela, Colombia, and Panama—labled the "Contadora group" after the Panamanian island where they first met—have set forth a 10-step plan for containing and defusing the present crisis. Central to their plan is the call for an immediate cessation of arms shipments, the withdrawal of foreign military advisers and respect for the principle of nonintervention. Yet while President Reagan was quick to express his support for the Contadora process, present U.S. policy toward the region threatens to undermine their efforts altogether.

AN UNWORTHY POLICY

Ultimately we must question whether present policy is consistent with American values. Our association with forces of the discredited Somoza regime casts a dark shadow over our Nation's professed commitment to advancing the cause of human rights and our condemnation of world terrorism. We must show the nations of Central America that their dreams for a better future can be built on a foundation of democracy, not through military force or recurring U.S. intervention.

To invoke the Monroe Doctrine today is to pursue a reverse Brezhnev doctrine, and with no greater justification. If our Nation is to remain a leader in the world, most especially a leader in preserving the peace and security we so treasure, then we must lead by example, not merely by force.

Legislated prohibitions are, admittedly, no substitute for constructive policy alternatives, yet H.R. 2968 is a vital first step toward restoring credibility in U.S. policy. The administration's preoccupation with military posturing in Central America demonstrates a contempt for our allies in this hemisphere and their plans for peace. We know the limitations of acting unilaterally and, in light of escalating hostilities, I believe it is essential that we move forward to fulfill our commitment to peace by throwing our diplomatic weight behind the Contadora process.

At this late hour, I strongly urge my colleagues to support the prohibition of covert operations in Nicaragua and bring an end to the Reagan administration's dirty war against that nation.

Mr. BOLAND. Mr. Chairman, I yield the remainder of my time to the distinguished majority leader, the gentleman from Texas (Mr. Wright).

□ 1430

The CHAIRMAN. The gentleman from Texas (Mr. Wright) is recognized for 5 minutes.

Mr. WRIGHT. Mr. Chairman, just a week ago I returned from a trip through Central America with the Kissinger Commission. During that period I gained some new insights and some new perspectives which I had not previously known. Had there been a secret session, there are certain things I might have reported to the Members. As it is, I am attempting to distill into a very short period some of the impressions and information that I gained.

There is no question that the Sandinistas have very nearly completed a transition to a police state in Nicaragua. They have installed in each city residential block an informer whose official responsibility is to report to the government whenever there are meetings of as many as four or five people gathering in any home—reminiscent of Hitler's Nazi Germany.

I do not think there is any question that they do pose a threat to their neighbors, not only to those neighbors into whose territory they have sent armed guerrillas. Also that threat is felt in Costa Rica and Panama.

Great numbers of refugees have fled into both of those countries from Nicaragua. Some of the intelligence people in one of those countries estimate the probability that 70 out of every 100 are legitimate refugees fleeing the oppressive conditions in Nicaragua; perhaps 30 are agents sent by the Nicaraguan Government to foment trouble. In Costa Rica they have tried to create general strikes. They have been unsuccessful because of the popularity of the Costa Rican democracy and the Costa Rican leaders. Nonetheless, such attempts are being made.

Having said all of that, perhaps I do agree with some of the things that have been said by our colleagues on the other side to the effect that the time has come when we really must have an understanding. I am not sure that we are going about it the right way. The right way in my opinion is the way proposed in the Boland amendment. That is to call upon the Organization of American States, since it was that very organization which gave legitimacy to this present Nicaraguan Government, to face them with the failure and the refusal of that government to live up to the terms to which it solemnly agreed when the Organization of American States installed it as the official government of that country.

I think this ought to be done in a hemisphere-wide action brought upon them by their neighbors in the hemisphere. It should not be the unilateral initiative of the United States.

The second reason why this amendment should be supported is that it provides an extra measure of strength and help to friendly countries in the hemisphere to seal off their borders from the intrusion of arms. And those arms are coming, yes, through Nicaragua; some of them from Cuba; some of them from Eastern European States; and, interestingly enough, a great many of those arms are coming from Libya, whose Qadhafi is, as we know, one of the most temperamentally unstable of the world's leaders.

We need to be very much at pains to demonstrate throughout the hemisphere that our friendship and our support and our resolve to help such friendly countries as Costa Rica and Honduras and El Salvador and, yes, Guatemala, as well as Panama, is unequivocal.

Throughout the entirety of Central America, shock waves have caused tremors as leaders have read in the newspapers that our Subcommittee on Appropriations drastically reduced our assistance levels to El Salvador.

One national leader, whom I can name to you individually and privately, and whose identity will evoke real credibility with you, said a very revealing thing to me in private, in answer to a question. He said the reason leaders in Latin America are loath to cozy up very closely in public to the United States and publicly to endorse our policies is because of our habit, he said, of abandoning those who have been our best friends.

Think about it. Think about what that reputation can portend. Think about it when the foreign assistance appropriations bill comes before you.

El Salvador wants very desperately to have freedom. There has rarely been a more dramatic demonstration in this entire hemisphere of a thirst for freedom than that given last year by the plain and simple Salvadoran citizens who walked on bare feet and stood sometimes for 4 hours waiting for the privilege of voting. Eighty percent of that country's qualified voters voted when given that opportunity, in spite of the threats of the guerrillas to their very lives.

[CRS-211]

No, I do not have much faith that the guerrillas will agree to a peaceful electoral resolution. I wish I did. I am supporting every effort to try to continue that effort. But I talked with Mr. Quinonoes, who is the head of that Peace Commission, and I talked with a priest who is a member of that Commission. They want that kind of a peaceful resolution. But the Sandinistas and their Salvadoran surrogates do not. They know that they cannot win elections because they do not represent the wishes of the people.

I think for that reason we have the responsibility to demonstrate by this means that we overtly support those who would defend their freedoms, and that we do it in the legal way—in defense of the Rio Treaty, not in contravention of it.

Mr. HARKIN. Mr. Chairman, as I said to this House during the last debate, I think it is important that we understand who is being aided by the covert training and supplies we give to the Nicaraguans attacking the Government of Nicaragua.

Remember I started by quoting from the words of Eden Pastora about the nature of the National Guard, and remember it is former guardsmen who lead the military wing of the FDN Contras. A Honduran journalist asked Pastora: "Then how do you describe the FDN objectives at this present time?"

Pastora replied:

> They are the objectives of a general staff of former Somozist guardsmen. For example, their staff includes Captain Lagos the feared member of the National Security Office, lieutenant colonels and captains of the Somozist Guard. In other words, I don't think that they want a revolution full of love. They have lists of the people they kill.

Let me repeat that, "They have lists of the people they kill." They have not presented a single prisoner.

In another interview Pastora said:

> The people will not help the National Guard. The National Guard killed our people for 45 years. The guardsmen killed this guy's brother. They killed my father. Everybody in Nicaragua has a relative killed by the National Guard. Therefore, the Nicaraguan people will not support the National Guard. So, they (the United States) are doing the National Directorate a big favor by trying to win through a general staff of former Somozist Guardsmen. This must be clearly stated and understood.

These are the descriptions by a Nicaraguan dissident of the people the Reagan administration is supporting. This is where the covert aid goes. These are the so-called freedom fighters.

But we should also look back at the history of the National Guard. The following case is from Amnesty International's 1979 report on Nicaragua. It is a perfect illustration of the type of arbitrary and ruthless killing that the National Guard is perpetrating throughout Nicaragua:

> On the morning of September 18, 1978, Senora Morales was murdered by the National Guard, along with an elderly servant and the young son of a friend as she walked, carrying a white flag, to buy powdered milk for 23 young children who had taken refuge in her Esteli home. On the day of her funeral, the National Guard forced their way into the garden of the Morales home and killed five of the six mourners in a bloody slaughter. The sixth, Humferto Fucavo, was later pulled alive from the bodies heaped in the grave which had originally been dug to receive the body of Senora Morales.

Or another incident: On March 3 of that year John McCarty, an American citizen from Cedar Rapids, Iowa, a schoolteacher, was out driving with another American and a Nicaraguan friend. They were passing down a street by a National Guard barricade and the National Guard without warning opened fire and hit John McCarty in the head. His friend continued to drive the car trying to get him to the hospital. Before they could get him to the hospital they were stopped by the National Guard, who ordered them out of the car, beat the other American and Nicaraguan with their rifle butts, and allowed John McCarty to die of his wounds in that car without taking him to the hospital.

Remember, these are the guys who are called freedom fighters. These are the fine gentlemen who want to bring democracy to Nicaragua.

These types of incidents, which I have just described, have become the rule rather than the exception within the National Guard. And yet there is more.

In September 1978, there were uprisings in many of Nicaragua's cities led by the Tercista faction of the Sandinistas. Very quickly, the National Guard regained control. And very quickly, the Tercistas left the cities.

But the National Guard was not done. For 19 days, starting on September 9, 1978, there was a massive and deliberate effort in at least five Nicaraguan cities to terrorize the citizens into submission. OAS officials estimated that during this campaign of terror, and that is what it was, not combat, but a terrorizing operation, 3,000 people were killed.

Who were the targets? Young men, any young men between the ages of 12 and 25. The standard procedure was to go into a heavily populated neighborhood, occupy the area, gather the families together, separate the young men from the rest and shoot them.

Listen to this description from the findings of the Inter-American Commission on Human Rights when they went to Nicaragua, using the names of the people killed:

> During an aerial bombing, the National Guard broke down the doors of Arnulfo Cepeda's family in Lebn and ordered everyone into the patio. The women, after begging, were allowed to remain in the house. The men went to the patio. A military official then ordered the men, one by one, to go back into the house. Emilio Herrara, 16 years old, got up from where he was kneeling, made the sign of the cross, and as he was stepping through the doorway, they shot him in the base of the neck. Next they ordered Antonio Gonzales to step up. They shot him in the juglar vein. The three other boys seeing what was happening, ran to the back of the patio where they were shot . . . They shot Juan Rodriquez and then, shot at Arnulfo and his 14 year old son, Benito, who were kneeling embracing one another. The shots hit some glass and the two pretended they were dead . . . Before leaving, the Guard went to the room of two old men and killed 70 year old Carlos Mardiaga, who was deaf, in his bed and 65 year old Juan Castillo in a chair.
>
> Signed: Arnulfo Cepeda, Silvia Pereze, Rosa Gonzales, etc.

And there is more. The uprising in September 1978 was put down ruthlessly. But in 1979, the Sandinista regrouped and the three factions merged. They were supported by almost the entire population. Somoza and his guardsmen, however, refused to work out a peaceful means to settle the conflict.

According to the report "Nicaragua: A Country Study," published in 1982 by the U.S. Department of the Army, 30,000 to 50,000 died during the insurrection. Were most of them killed in combat? No; most of them died in two ways. First, the National Guard continued its pattern of indiscriminately killing young men, unarmed young men, after an encounter with the Sandinista soldiers. Let me be clear. There would be combat and then following the combat, the National Guard would sometimes seize young men and kill them or just start shooting indiscriminately.

I do not want to suggest that most of the people killed in this fashion were politically neutral. They were not. They opposed the government, and most supported the Sandinistas. But most were unarmed. And that is a crucial difference. As Pastora pointed out, his forces take prisoners and release them to the Red Cross. The FDN, the National Guard-led FDN, says Pastora, does not take prisoners. That is the essence of the National Guard now and it was the essence of the National Guard during the Somoza period.

I ask this Chamber do we really want to be party to putting these people back in power? And make no mistake about it. It is the former guardsmen who are in control of the FDN.

It is time the United States initiate a clear, concise, and comprehensive Central American policy. Consider what our covert actions in Nicaragua are doing: We are supporting a group of mercenaries that at one time almost the whole world wanted out of power, because of their corruption, their repression, and their gross disrespect for human rights.

[CRS-212]

The United States has interests to protect in Central America. Supporting the remnants of the Nicaraguan National Guard and ignoring human rights violations in El Salvador and Guatemala is not the way to do it. I urge strong support for the amendment put forth by my colleagues, Mr. BOLAND, Mr. ZABLOCKI, and Mr. WRIGHT.

Mr. WEISS. Mr. Chairman, I was struck by a recent account of an American who had just returned from Nicaragua. The American told of his visit to a farming cooperative less than 10 miles from the border of Honduras. On the wall of a compesino's hut in that cooperative was a newspaper article with a banner headline proclaiming in bold letters, "After 126 Years the Enemy is the Same."

The enemy referred to in that headline was the United States. The article recounted more than 100 years of U.S. intervention in the internal affairs of Nicaragua. It began with the ill-fated takeover of that country by the American, William Walker, in 1856, continued through the 1930's when U.S. Marines helped preserve in power Gen. Augusto Somoza, and described current U.S. support for the terrorist campaign of over 10,000 Contras against the Government of Nicaragua with American dollars, and CIA advisers.

The headline recalled the words of San Antonio Mayor Henry Cisneros, member of the Kissinger Commission, who warned that the United States, by pursuing its present course in Central America, is in danger of "continuing a history by which we lose the people."

Despite its efforts to appear to be seeking a negotiated solution to the conflicts in Central America, the ultimate direction of the Reagan administration's policy may really be closer to the view recently enunciated by Under Secretary of Defense Fred C. Ikle. In a recent speech in Baltimore, Mr. Ikle announced that he favors what he calls the deconsolidation of Nicaragua and foresees a protracted military struggle in Central America, possibly leading to a partitioning of the region, similar to the division in Europe and Korea.

If there is any truth to the assumption that Mr. Ikle is expressing the sentiment of Mr. Reagan and many of his advisers—as I think there is—then the current administration is indeed continuing a history "by which we will lose the people of Central America." And it is precisely that history, of military adventures on behalf of ruthless and unpopular dictators and of interventions for American policy interests, rather than those of Central Americans, that the Reagan administration today is attempting to affirm by seeking the defeat of the prohibition against covert activity in Nicaragua.

It is not that the Sandinistas are without fault. I share the concerns expressed by many of my colleagues today that, at the very least, the Sandinistas have reneged on the majority of their promises made in 1979 to establish a pluralistic government and a mixed economy in Nicaragua. Under the state of emergency declared in March 1982, the right of habeas corpus, the requirement of search warrants for private searches, and the right of assembly are still suspended. Nicaragua's most popular newspaper, La Prensa, is subject to daily censorship. And since 1982, Sandinista troops have launched major assaults on Miskito Indians on the Atlantic coast.

Nicaragua under the Sandinistas, however, is not a state in which the bulk of its population is terrorized by its own armed forces. This same claim cannot be made of El Salvador and Guatemala, U.S.-supported regimes in the region. And that statement especially could not be made of Nicaragua under the reign of the Somozas.

Dissent is still permitted in Nicaragua. However censored it may be, the opposition press still operates there. We must also remember that since the 1979 revolution Nicaragua has instituted massive reforms in health care and literacy, reforms that have won for the ruling Sandinistas the support of the majority of the compesinos there.

These compesinos fear and reject the alternative vision offered them by the Reagan administration. The Honduran-based FDN, which receives most of the CIA money in question today, are not the "freedom fighters" heralded by President Reagan. Even Alfonso Robelo, a former member of the junta and now a supporter of Eden Pastora, admits that "the military leadership (of the FDN) is made up of former members of Somoza's National Guard."

The administration and the Contras now realize that their efforts to organize a counterrevolution of disaffected compesinos have failed. The more than 700 Nicaraguans killed by the Contras since March 1982 have not helped the cause of the Contras. Indeed, outside of the Miskito Indians, the Contras have won little support from Nicaraguans living along the Honduran border. Under the direction and with the support of the CIA, the Contras have shifted tactics and have now resorted to terrorism to destabilize the Sandinista regime. This shift reveals the true face of U.S.-supported Contra activity in Nicaragua. The Contras now are more concerned with winning the support of those of us in Congress—by showing that they are successful at least in being terrorists—than with gaining the support of the Nicaraguan people.

Contrary to the President's claims, the Contras are not "freedom fighters." They are terrorists, pure and simple. They offer Nicaraguans a return to the nightmare of the Somoza regime, of campaigns of terror, mass killings, and retribution against supporters of the Sandinistas—of a "white terror" on the order of the atrocities committed during another counterrevolution in Chile.

It is that which the Reagan administration offers us today; a history of failed policies viewed by many Central Americans as a nightmare from which they are only now trying to recover.

The Boland-Zablocki-Wright amendment we are considering today is only a first step toward reversing America's troubled legacy in Central America, but it is an important and necessary step. This amendment would prohibit U.S. aid to groups attempting to overthrow the Government of Nicaragua and instead provide $50 million to help Central American countries to interdict arms being shipped by Nicaragua and Cuba to nations in the region.

This amendment, if adopted, would put a halt to U.S.-supported interventionist activities that violate existing international laws and the legally binding treaty obligations of our country under the Charters of the United Nations and of the Organization of American States. Passage of this amendment would mark an important step toward halting the Reagan administration's, and past administration's, policies of seeking military solutions to the political and economic problems of Central America.

I urge my colleagues to join me in voting for the Boland-Zablocki-Wright amendment.

● Mr. FRENZEL. Mr. Chairman, I rise in opposition to section 108 of H.R. 2968. In other respects, the bill is a good one, and is noncontroversial.

Two alternatives are to be offered to section 108. The first is an amendment by Chairman BOLAND of the House Intelligence Committee. It would incorporate into the bill the provisions of H.R. 2760, which the House passed last July. It would suspend U.S. covert aid for anti-Sandinista Contras, and authorize up to $80 million in overt security assistance for Nicaragua's neighbors to help them stop Nicaragua's export of military equipment to revolutionary groups, primarily in El Salvador. It also mandates diplomatic efforts to help reduce conflict in the region.

The second alternative is an amendment by Mr. ROBINSON, the ranking member of the committee. It would suspend U.S. covert aid to Contras when Nicaragua has ended its support of Salvadoran rebels, and enters into an agreement containing the document of objectives which was approved at the September meeting of the Contadora Four and the Central American countries.

Mr. Chairman, I intend to support the Robinson amendment. It is, in my judgment, superior in several ways.

First, the Robinson amendment would bring a swifter end to intervention in Central America. We tried the Boland approach for almost 2½ years—from when Nicaragua began material support for El Salvador soon after the July 1979 revolution, until

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covert operations began in December of 1981. The Boland approach failed, Mr. Chairman, as Nicaragua rebuked good faith efforts.

From July 1979 through mid-1981, the United States provided $120 million in economic aid, and sponsored $262 million in loans from international lending institutions—twice that received by Somoza in the previous 19 years. The Carter administration tried hard to promote reforms in Nicaragua, and pressure Nicaraguan nonalinement, or at least noninterventionism.

In August and October 1981, the United States continued high level State Department contacts with Nicaragua. All these efforts failed. Nicaragua continued its military supply to revolutionaries, and hardened its policies at home.

It is extremely important to note, Mr. Chairman, that U.S. supported covert activities, the supposed cause of Nicaraguan radicalism, had not yet begun. Since they have begun, Nicaragua is talking about negotiated agreements for the first time. Diplomatic efforts were rebuked at least until mid-April of this year, when Nicaraguan Interior Minister Tomas Borge told a Cuban television audience that the initial Contadora meeting was "diplomatic demagogy."

Now, with pressure brought to bear on Nicaragua, that nation has agreed to a 21-point document of objectives sponsored by the Contadora Group. In this morning's Washington Post, it is reported that Nicaragua is now preparing a major proposal for a settlement, in the wake of State Department Assistant Secretary Langhorne Motley's trip to Managua this month.

Now Nicaragua is talking peace. If they mean it, and are willing to enter into an agreement with their neighbors and stop their arms shipments, then covert actions would no longer be needed, and should be suspended.

Mr. Chairman, that is what is advocated by the Robinson amendment. We should not return to the 2½ years of failure of the Boland amendment. We could not attract Nicaragua's attention to peace until covert aid began. We ought to provide that incentive until peace is achieved.

The other advantage of the Robinson amendment is that it does not involve new military aid for Central American nations, as does the Boland amendment. If we are serious about interdicting Nicaraguan military supplies, then $80 million will be completely inadequate. None the less, it will entail a major military commitment to Costa Rica, Honduras, and El Salvador, perhaps others. I do not believe that we should ring El Salvador with armed border patrols air and surveillance. I would prefer instead to end all intervention in the region through diplomatic means, as is advocated by the Robinson amendment.

Because the Robinson amendment looks toward peace, and the Boland amendment seems to pursue military efforts, the choice is clear.

Covert actions should not be pursued without extremely good cause. But Nicaragua initiated military interventionism in the region and has fueled the violent revolution in El Salvador, resulting in great loss of life and devastating economic destruction. Diplomatic efforts to stop active Nicaraguan support failed. Covert military support for Contras followed.

Many, including myself, feel that the Salvadoran Government should talk with leftists in El Salvador as a part of efforts to bring calm to that troubled nation. But without military support from Nicaragua, in my judgment, Salvadoran rebels will be forced to move more swiftly, and more earnestly, toward negotiations as the way to end conflict.

I hope this House will not return to the failure of the Boland amendment. I will vote for the Robinson amendment.●

● Mr. WALGREN. Mr. Chairman, I want to speak out in the strongest terms in support of the Boland amendment to the intelligence authorization for fiscal year 1984. This amendment would put the House on record for a continued ban on all U.S. support for antigovernment forces operating in Nicaragua and the surrounding region. Instead, we would authorize $50 million in fiscal year 1984 in open, above board aid to help Central American governments who so choose to prevent arms from being brought into their countries or across their borders.

The current Reagan administration arms interdiction program in Nicaragua is, by our own admission, a front for covert American military intervention against the Government of Nicaragua. Although the full scope of CIA activity against Nicaragua is not known, reliable reports indicate that a U.S.-backed secret army has grown to over 15,000, double the number backed by the United States only several months ago. No one can honestly argue that such forces do merely represent efforts to help Nicaragua's neighbors cut the flow of arms across their territories. Rather, it is apparent that the Reagan administration is now directly involved in efforts to overthrow the Sandanista government. This is true folly.

If we learned anything at all from our experiences in Vietnam, it is that this kind of involvement will destroy a number of American lives for nothing and do great harm to our real national interests. To support military efforts within Nicaragua could only make sense if a change in government were able to be secured through the level of military effort we in America are prepared to shoulder. Anyone who believes that the local forces now armed by the United States could overthrow the Sandinista government and, more importantly, then govern Nicaragua in the face of the guerrilla war that would ensue, is simply out of touch with reality. The real danger is that we are now driving the Nicaraguans to our enemies for arms and political support to defend themselves. And that threatens great danger of war throughout Central America.

Although we cannot predict the future, Nicaragua has yet to truly threaten its neighbors. All our covert military activity has not yet even found any significant flow of weapons or material from Nicaragua into neighboring El Salvador.

In my view, we should all step back and ask why we instinctively turn to military force when the problems are clearly so economic in nature. The challenge for American diplomacy is one of offering the promise of economic reform to governments which respect their neighbors. By funding a military attack on Nicaragua, the United States is clearly on the wrong track.

It is important to remember that before 1979 Nicaragua was decidedly dependent on the U.S. Economy the Boland amendment takes the right approach. By openly making efforts to prevent the export of violence or revolution, we openly support our friends. And by isolating the present government in Nicaragua, we leave open the possibility that their national economic interests will bring that government closer to the United States.

I urge my colleagues to support the Boland amendment in hopes that we can guide our country toward a workable and peaceful approach to our differences with Nicaragua.●

● Mr. AuCOIN. Mr. Chairman, I rise in strong support of the Boland amendment to end the funding of the covert invasion of Nicaragua.

Let us be clear about the implications of this vote. The vote today is a vote on whether or not to end U.S. involvement in a war. A war designed by proxy, but nevertheless our war; a war aimed by those fighting to topple the Government of Nicaragua.

This is a war that is growing. Over the past several months, the hostilities have progressed from scattered skirmishes along the Honduran/Nicaraguan border to direct attacks by the Contadora forces on major economic targets within Nicaragua—including bombing forays which would be impossible without U.S. assistance.

And the Reagan administration has told Congress that it intends to expand the the scope of the operations still further.

The CIA has plans to train and arm upwards of 10,000 guerrillas, to harass the Government of Nicaragua, and has been coordinating guerrilla raids within Nicaragua—including the recent bombing of the airport in Managua and sabotage efforts in the Port of Corinto. U.S. C-47 transport planes have been used to move guerrillas to strategic locations in Honduras and Nicaragua.

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And to reinforce the covert actions, the President—without consulting Congress or members of the administration, has deployed 4,000 U.S. troops in Honduras for an unprecedented 5 months of military exercises.

As a Member of this body who has traveled to Nicaragua I am convinced that U.S. military intervention cannot possibly bring about the kind of democratic change we desire in that country.

In fact, the composition of the Contadora force we support insures that the very opposite will happen. The United States has chosen to bankroll a guerrilla force led by former Somoza guardsmen. If there is glue that binds the people of Nicaragua, it is their hatred of the former Somoza regime and all the years of economic repression and terror that it represented. This hatred gave rise to the Sandinista revolution and this hatred will serve to consolidate public support behind the Sandinista government.

Indeed, that is exactly what is happening. Despite the economic difficulties and shortages in Nicaragua at the present time, the threat of military invasion and the imposition of a Somoza-type regime has strengthened the political base of the Sandinista government. By our actions, we are forcing the Nicaraguan Government to pull closer together. The United States, which prides itself on its tradition of political liberty and free speech, has given the Sandinistas an excuse to intensify press censorship and repression of civil liberties in Nicaragua.

In addition, our military actions, while aimed at the internal structure of the Sandinista government, have implications that range far across the Nicaraguan border.

Our decision to arm Honduras and use it as a staging ground for the Contadoras threatens to boil into a full-scale war between Nicaragua and Honduras. A war that is drawing the U.S. Government deeper into Central America. A war that will probably kill the fragile democracy just beginning to take hold in Honduras.

And tiny Costa Rica, a country with no standing army, is being threatened by the activities of Eden Pastora's guerrillas. Guerrillas who, supported by the CIA, are operating across Costa Rican borders.

There is still a slender thread of hope that the problems in Central America can be resolved by peaceful means, if we are willing to act. Nicaragua recently endorsed the 21-point plan for negotiations put forth by the Contadora nations. In addition, the Sandinistas have expressed a willingness to talk to U.S. representatives about the problem of clandestine arms and foreign military advisors.

The Sandinistas are no friends of mine, but the United States must test the sincerity of the Nicaraguan Government by making a good faith effort to follow through on these overtures.

The vote today is important for the future stability of Central America. And the vote today is important in a larger context—as a first step toward reversing a dangerous trend in U.S. foreign policy. A trend that has moved us away from belief in diplomacy to a naive and dangerous faith in military force alone to solve problems.

The Boland amendment offers us a chance, today, to reverse this strategy. The Boland amendment tells us that there is a better way, working through the Organization of American States and other international organizations to bring pressure on the Nicaraguan Government and form a framework for negotiations throughout Central America. We must not pass up this chance.●

● Mr. BEDELL. Mr. Chairman, I rise in support of H.R. 2968 and in particular, the amendment that is being offered by the distinguished chairman of the Select Committee on Intelligence, Mr. BOLAND. Obviously, covert operations represent a key component of our Nation's national security apparatus and I am supportive of many of those operations. Indeed, in my mind, this Nation's intelligence capabilities are as important to long-term U.S. national security interests as are the weapons systems we deploy to insure our Nation's independence. Nevertheless, I question the overall wisdom of our present policy course and those covert operations that have been financed and approved by the Central Intelligence Agency in Central America—more specifically those not so secret operations that are being directed against Nicaragua—for several reasons but most importantly because they are clearly lacking in intelligence and, in my opinion, are not in the best long-term national security interests of the United States.

We are a nation of laws and yet, today, CIA covert operations in Nicaragua run counter to this Nation's laws, as well as those international laws that govern the conduct of relations between states. As originally detailed to Congress, CIA covert operations in Central America were designed to interdict Nicaraguan arms shipments to revolutionary groups in neighboring states to Nicaragua. I believed in this effort and continue to believe in this effort. If approved, the Boland amendment would permit this effort to continue. Facts, however, detail a different reality with respect to CIA efforts in Central America. Today, U.S. tax dollars are being directed against the Sandinista government in an effort to overthrow that government from power. This blatant disregard of the law as originally approved must be redressed. The CIA must be brought into line and realize that the law must be adhered to.

If indeed our goal in Central America is to prevent the spread of Soviet-Cuban domination and influence, why then are we implementing a policy that insures the success of their efforts and the failure of our own. We all know that the FDN is led largely by former Somozan National Guardsmen—a group hated and despised by the majority of the Nicaraguan people—and while Eden Pastora may be a charismatic leader and key defector from the Sandinista directorate, the fact remains that Mr. Pastora's rebel group remains quite small. Further, these rebel groups are not engaging the Sandinista army. They are attacking the people, relying upon terrorism as their primary weapon. In El Salvador, we condemn antigovernment rebels for such actions. In Nicaragua, we are financing them.

Finally, I believe we must consider the long-term implications of allowing the CIA a blank check in Nicaragua. On July 29, 1983, Edgar Chamorro of the FDN said:

> The problem will not go away. Eventually the United States will have to get involved in the fighting because sooner or later the United States will have to intervene directly. From the cost-efficiency point of view, it is better for the United States to fight now.

Yesterday, the Washington Post reported that Adolfo Calero—a member of the FDN directorate—stated that regardless of our vote today, covert aid to the Contras would continue. Mr. Calero is quoted as saying:

> It would not be cut off. It would come from some other place. It would be washed some way or another.

I, for one, am thoroughly amazed by these remarks. I have always been under the impression that the President is empowered to conduct this Nation's foreign policies, and that the Congress is empowered to implement those policies through our votes in favor of, or in opposition to his initiatives. But in Central America, we see that U.S. foreign policies are being shaped and implemented not by the President in tandem with the Congress but rather by CIA operatives in tandem with rebels who would appear to have little or no respect for the values of democracy or fundamental human rights.

Mr. Chairman, I have visited Nicaragua and while I find many practices of the Sandinista government to be abhorent, I cannot express enough both my sadness and outrage over CIA activities that are aimed at the downfall of that government. The President has stated that our overriding goal in Central America remains to strengthen the cause of freedom and democracy in the nations occupying the Caribbean basin. I share that goal but believe we shall never achieve it unless we reverse the course that we are presently on.

The Boland amendment offers us this opportunity by authorizing $50 million to help Central American countries to interdict the shipment of arms from Nicaragua and Cuba to groups and individuals seeking the overthrow of Central American governments, while at the same time

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ending current policies which I contend are counterproductive. I urge your support for this effort.●

● Mr. COYNE. Mr. Chairman, I rise in strong support of the Boland amendment, and in opposition to attempts to fund operations, covert or overt, aimed at the overthrow of the Government of Nicaragua.

This nation, we should recall, is a member of the Organization of American States. Appropriating funds with the intention of overthrowing the legal and recognized government of another member of that organization, in this case the Government of Nicaragua, clearly violates the charter of the OAS. By aiding groups of hired guns in routine acts of terrorism against a member of the OAS, we stand guilty of the very actions we deplore when carried out by other nations.

The evidence, it seems to me, is pretty overwhelming that we are, in fact, assisting in those acts of terror against Nicaragua.

The Associated Press reported on October 8 that it was a plane supplied by the Central Intelligence Agency that crashed into the control tower of Managua Airport during a bombing raid September 8. According to intelligence sources, the CIA purchased planes for the Nicaraguan Contras not from the $19 million allocated for the covert action in Nicaragua, money which ran out last March, but from a secret contingency fund. It is estimated that the CIA spent $33 million in the last fiscal year to aid the Contras, and may spend as much as $48 million this year.

An October 15 account in the New York Times indicates a new openness by this administration in admitting complicity in the attacks against Nicaragua. According to this article, which has not, to my knowledge, been contradicted by the administration:

> The Administration said the attacks were part of a new phase in the United States-sponsored efforts to harass the Nicaraguan government. They predicted more strikes against industrial installations soon.

What is this new phase which our Government supports, and which it predicts will continue?

On October 12, Contras attacked an oil refinery at the Pacific coast port of Corinto, causing at least 600,000 gallons of fuel to go up in flames after the destruction of five storage tanks. Twenty thousand residents of that city were forced to evacuate.

Three days later, another major port, Puerto Sandino, was attacked. The Nicaraguan Democratic Front, a Contra group backed by our Government, has threatened to blow up Mexican ships entering that port to deliver oil. That threat is real enough to have caused Esso, the oil company which supplies tankers to Mexico, to discontinue renting tankers for that purpose.

Cutting off supplies of oil to a nation is, not surprisingly, seen by that nation losing its lifeline as an act of war. We are seen as the Nation initiating an act of war. I quote again from the New York Times, this time from an October 16 account of the Contra attacks against Nicaraguan industry:

> The Central Intelligence Agency recommended and helped plan recent rebel attacks against an oil storage depot and other industrial targets in Nicaragua, according to Reagan Administration officials.
>
> They said that action was the result of a decision, reached by the CIA over the

summer, that attacks directly against industrial and transportation targets inside Nicaragua would be a quick and more effective way of hurting the Sandinistas than previous efforts.

Here again, we have administration officials taking responsibility for acts of terror. Such actions, I would suggest, are a quicker and more effective way of widening the war in Central America, all the while leaving the indelible fingerprints of an American intervention.

I would here remind my colleagues that all of these actions took place after the House approved the Boland-Zablocki bill on July 28, This bill cut off funding for the covert war in Nicaragua after the expiration of a period of time for the safe withdrawal of U.S.-backed rebels. It authorized $50 million for the interdiction of arms shipments in the region—not for the blowing up of oil refineries or the bombing of airports.

I am especially concerned that the stationing of 4,000 American troops in a country such as Honduras, a nation which seems set on engaging in a war with its neighbor Nicaragua, may increase our chances for involvement in an armed conflict.

What are we getting ourselves into? We are backing forces which threaten to blow up the shipping of our neighbor, Mexico. We are stationing large numbers of troops in an area which appears headed for war. And we have an executive branch of Government which seems unwilling to take into account the views of this House on matters of grave national concern.

It is this House to which the President referred in his news conference last night when he said:

> . . . I do believe in the right of a country when it believes that its interests are best served to practice covert activity and then—while you people may have a right to know, you can't let your people know without letting the wrong people know—those that are in opposition to what you are doing.

Mr. Chairman, cutting off a country's supply of oil, and bombing its airport, are acts of war. To the extent that this Nation is involved in these actions, and there is evidence that we are, we are then engaged in a war against another nation. Congress, not the President, retains the constitutional power to make war. I believe we will properly exercise that power by a vote in favor of the Boland amendment, and against this administration's ongoing war against the Government of Nicaragua.

If the House takes this action, I hope this administration embarks on a more reasonable approach to the resolution of problems in this troubled region. It could begin by giving more than lipservice support to the activities of the Contadora group, a remarkable joining together of the frontline states of the area. If there is to be a solution to some of the problems of Central America, the nations of the Contadora group must be a part of it. We would do well to follow their lead, rather than attempt to force their hand.

To address the problems of Nicaragua, of Honduras, of Guatemala, or any of the turbulent nations so close to our borders, I believe we need to rely less on military proposals and more on economic remedies. The concentration of wealth in the hands of a few, the stark poverty of the many, and the political systems which support these conditions, cannot be preserved by military might. Change is inevitable in a region in which injustice is so widespread. If we do not put our full political and economic weight behind making peaceful evolution possible, I fear we could make violent revolution inevitable. The policy of this Nation should be to promote social and economic justice, not military and political reaction. To this end, we would do well to remember the observation made recently by someone I rarely quote, but who is in a position to understand world events. Former President Richard Nixon remarked that in troubled parts of the world, the Communists talked about the problems, while we talked about the Communists. By continuing such a strategy, I believe we risk losing an advantage by missing the point of the conflict.

At this point, I would like to share with my colleagues some material which describes the extent of our involvement in the war against Nicaragua:

[From the New York Times, Oct. 16, 1983]

U.S. OFFICIALS SAY C.I.A. HELPED NICARAGUAN REBELS PLAN ATTACKS

(By Philip Taubman)

WASHINGTON, October 15.—The Central Intelligence Agency recommended and helped plan recent rebel attacks against an oil storage depot and other industrial targets in Nicaragua, according to Reagan Administration officials.

They said the action was the result of a decision, reached by the C.I.A. over the summer, that attacks directly against industrial and transportation targets inside Nicaragua would be a quicker and more effective way of hurting the Sandinistas than previous efforts.

For more than a year, the C.I.A. has organized and paid for large-scale guerrilla operations in northern Nicaragua near the Honduran border.

As a result of its conclusions, the C.I.A. recently stepped up efforts to train Nicaraguan rebels in sabotage techniques and commando tactics and helped plan a series of attacks. They included a pre-dawn raid Tuesday against Nicaragua's oil storage depot at the Pacific port of Corinto.

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The training took place in Honduras at bases used by the guerrillas, the Administration officials said. They spoke before the Nicaraguan Government announced Friday that rebels had attacked Puerto Sandino, a major port 44 miles northwest of Managua.

The coordinator of the Nicaraguan junta, Daniel Ortega Saavedra, announced in a nationally televised address that an attack by "commandos of terror from the Central Intelligence Agency" had damaged the oil pipeline in Puerto Sandino.

There have been reports that some of the aircraft used by the rebels in their attacks on Nicaragua were provided by United States companies. The C.I.A. has declined to comment on the reports, and the Administration officials refused to specify the source of the equipment and explosives used by the rebels.

Administration officials said the attacks were part of a new phase in the United States-supported efforts to harass the Nicaraguan Government. They predicted more strikes against industrial installations soon.

The officials said the C.I.A. would also continue to support operations by rebel units in northern Nicaragua.

The attack on Corinto, which apparently involved both air and sea assaults, blew up five large storage tanks that contained a large portion of Nicaragua's fuel reserves.

The Government evacuated the more than 20,000 residents of Corinto on Wednesday because of fires. Most of the citizens reportedly returned to the city on Thursday after the fires were controlled.

Administration officials said they hoped the attacks on industrial targets would force the Sandinistas to end the aid that President Reagan and other officials have said the Sandinistas provide to rebels fighting the Government in El Salvador.

The Nicaraguan Democratic Force, one of several rebel groups backed by the C.I.A., said in Honduras Wednesday that it was responsible for the attack on Corinto. The group said its goal was to "paralyze the war apparatus of the leftist regime."

MANAGUA PROTESTS AID

The Nicaraguan Government called the attack on Corinto criminal and sent a note to Secretary of State George P. Shultz protesting United States aid to the rebels.

The raid on Corinto followed a rebel attack last month against the main airport in Managua that destroyed a visitors' lounge but caused no other serious damage.

The Revolutionary Democratic Alliance took responsibility for the attack against the airport. It is a rebel group based in Costa Rica that has denied receiving help from the C.I.A., but United States officials have said it has benefited from C.I.A. aid. A rebel plane was shot down during the raid and two crew members were killed.

No one has taken responsibility for the reported attack on Puerto Sandino on Friday.

The Reagan Administration has been lobbying with Congress to continue paying for rebel operations and several national security officials said they thought the commando raids would demonstrate that the rebels could be successful in harassing the Sandinistas.

FEW REBEL VICTORIES

Military operations by rebel units in northern Nicaragua have produced few clear victories since they began in late 1981. At times, the rebels have pinned down Government forces and briefly seized control of small villages near the Honduran border, but the guerrillas have failed to hold any strategically important territory in Nicaragua or spark the kind of popular uprising rebel leaders predicted.

The lack of success has prompted criticism in Congress that the more than $50 million budgeted for the operations in 1982 and 1983 had produced few results.

That criticism, combined with concern from some lawmakers that the Reagan Administration was trying to overthrow the Nicaraguan Government, produced a vote in the House in August to cut off support for the rebels for the remainder of the 1983 fiscal year, which ended Sept. 30.

Because the Republican-controlled Senate did not approve a similar measure, money for the rebels was not cut off and is being maintained at the same level as last year until appropriations for the new fiscal year are approved by Congress.

A Congressional confrontation over the operation seems inevitable. The budget for the C.I.A. for the 1984 fiscal year that was approved by the House Intelligence Committee contains no money for the Nicaraguan rebels, while the Senate version does. Neither the House nor the Senate has voted on the C.I.A. budget yet.

[From the New York Times, Oct. 2, 1983]

C.I.A. Is Said To Resupply Rebels in Nicaragua From Salvador Base

(By Lydia Chavez)

Miami, October 1.—The Central Intelligence Agency is using a Salvadoran Air Force base and some Salvadoran pilots to resupply the United States-backed rebels in Nicaragua, according to United States officials in Central America.

The resupply missions have been flown out of the Dopango Air Force base, on the outskirts of Salvador, since early spring, according to the officials.

NO WEAPONS ON FLIGHTS

The officials said that to their knowledge, the flights from El Salvador delivered medicine, ammunition and communications equipment to the Contras, as the rebels fighting the Sandinista Government in Nicaragua are called, and that no weapons had been delivered on the flights. The planes do not land in Nicaragua, but drop the supplies from the air the officials said.

It was the first confirmation that the United States had widened its support for the Nicaragua rebels. In the past, it was known that the Nicaraguan rebels were receiving training and weapons in Honduras from the Central Intelligence Agency.

There are an estimated 8,000 rebels operating in Nicaragua, some from base camps in Honduras and others from camps in Costa Rica. Many of the rebel leaders are members of the former Nicaraguan National Guard, which defended the Government of Anastasio Somoza Debayle before it was overthrown in 1979.

The rebel forces, which have been supported by the United States for more than a year, are made up mostly of peasants who oppose the present Sandinista Government ruling Nicaragua.

The Administration has said that its objective in supporting the rebels is to put pressure on the Nicaraguan Government to hold early elections, and to halt the shipments of supplies from Nicarauga to the guerrillas operating against the Government of El Salvador. The Contras have said their objective is to overthrow the Nicaraguan Government.

United States military officials in El Salvador have said the guerrillas fighting the Salvadoran Government are receiving ammunition, medicine and communications supplies from Nicaragua. Those supplies are essentially the same type that are now being sent from El Salvador to aid the rebels in Nicaragua, the officials said.

It is unclear to what extent the Salvadoran Government is aware of the missions being flown from El Salvador to resupply the anti-Sandinistas in Nicaragua. The provisional President of El Salvador, Alvaro Magana, said in a telephone interview today that he had "not even heard rumors" about such an operation.

The Salvador Defense Minister, Gen. Eugenio Vides Casanova, could not be reached for comment. The head of the Salvadoran Air Force declined to speak on the subject.

One of the United States officials said that the air force had probably agreed to run such an operation because "they must figure that if the Government of Nicaragua were to change their problems would be a lot more manageable."

The United States Embassy in El Salvador said officially that it could not "confirm or deny" the story.

Generally, one of the United States officials in Central America said, the supplies that are sent to the anti-Sandinistas from El Salvador come from the United States but are reloaded onto C-130 cargo planes in Panama. This type of plane often comes into Ilopango to deliver supplies for the Salvadoran Army or to drop off advisers coming from Panama.

The supplies coming in to Ilopango for the Salvadoran Army are marked with a three-letter code, one of the officials said. The supplies for the rebels in Nicaragua are also marked with a three-letter code but have a blue sticker.

"If it is special cargo there is only one agency here that handles special cargo," the official said. "If it comes in, it is moved out very quickly."

The C.I.A. is "throwing" a lot of money around" El Salvador according to one of the United States officials. He said that there are about three C.I.A. agents "hanging around" the air force base at Ilopango and that as many as seven C.I.A. agents are involved in the supply missions to Nicaragua.

It is unclear why the C.I.A. has chosen to use the base at Ilopango and not the airport in Honduras, the officials said. One said it was possibly because the Honduran Airport was too busy with other operations including the United States military maneuvers in Honduras.

USE SALVADORAN PLANES

The supply missions to Nicaragua from El Salvador are flown on C-47's owned by the Salvadoran Air Force and purchased with United States military aid, according to one United States official. In addition, they are using one twin-engine private plane that has been converted so that it has an open bay door, he said.

When the operation began, only United States civilian pilots were used. In the last several months, some Salvadoran pilots have also been used to fly the missions, according to one official.

He said there are as many as 12 missions a week, but another source said that figure was "probably too high." The missions, one of the officials said, are "flown at random and are designed to be flown at random."

The officials denied reports that another Nicaraguan rebel group operating out of Costa Rica and led by a former Sandinista, Eden Pastora Gomez, had used the Ilopango Air force base to launch air attacks earlier this month against the Nicaraguan Airport.●

The CHAIRMAN. All time has expired.

The question is on the amendment offered by the gentleman from Massachusetts (Mr. Boland).

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The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. BOLAND. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 227, noes 194, not voting 12, as follows:

[Roll No. 403]

AYES—227

Ackerman
Addabbo
Akaka
Albosta
Alexander
Anderson
Andrews (NC)
Andrews (TX)
Annunzio
Anthony
Applegate
Aspin
AuCoin
Barnes
Bates
Bedell
Beilenson
Bennett
Berman
Biaggi
Boehlert
Boggs
Boland
Bonior
Bonker
Borski
Bosco
Boucher
Boxer
Britt
Brooks
Brown (CA)
Bryant
Burton (CA)
Carper
Carr
Chandler
Clarke
Clay
Coelho
Coleman (TX)
Conte
Conyers
Cooper
Coughlin
Coyne
D'Amours
Daschle
de la Garza
Dellums
Derrick
Dicks
Dingell
Donnelly
Dorgan
Downey
Durbin
Dwyer
Dymally
Early
Eckart
Edgar
Edwards (CA)
English
Evans (IA)
Evans (IL)
Fazio
Feighan
Ferraro
Fish
Florio
Foglietta
Foley
Ford (MI)
Fowler
Frank
Frost
Garcia
Gejdenson
Gephardt
Gibbons
Glickman
Gonzalez
Gore
Gray
Green
Guarini
Hall (IN)
Hall (OH)
Hamilton
Harkin
Harrison
Hawkins
Hayes
Hefner
Heftel
Hertel
Horton
Howard
Hoyer
Hughes
Jacobs
Jeffords
Jones (NC)
Jones (OK)
Kaptur
Kastenmeier
Kennelly
Kildee
Kogovsek
Kolter
Kostmayer
LaFalce
Lantos
Leach
Lehman (CA)
Lehman (FL)
Leland
Levin
Levine
Long (LA)
Long (MD)
Lowry (WA)
Luken
Lundine
Markey
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCurdy
McHugh
McKernan
McKinney
McNulty
Mikulski
Miller (CA)
Mineta
Minish
Mitchell
Moakley
Mollohan
Moody
Morrison (CT)
Mrazek
Murphy
Natcher
Neal
Nowak
Oakar
Obey
Olin
Ottinger
Owens
Panetta
Patterson
Pease
Penny
Perkins
Pickle
Price
Pursell
Rahall
Rangel
Ratchford
Reid
Richardson
Ridge
Rodino
Roe
Rose
Rostenkowski
Roukema
Roybal
Russo
Sabo
Savage
Scheuer
Schneider
Schroeder
Schumer
Seiberling
Shannon
Sharp
Sikorski
Simon
Slattery
Smith (FL)
Smith (IA)
Snowe
Solarz
Spratt
St Germain
Staggers
Stark
Stokes
Studds
Swift
Synar
Torres
Torricelli
Towns
Traxler
Udall
Valentine
Vento
Volkmer
Walgren
Watkins

Waxman
Weaver
Weiss
Wheat
Whitley
Whitten
Williams (MT)
Williams (OH)
Wirth
Wise
Wolpe
Wright
Wyden
Yates
Yatron
Young (MO)
Zablocki

NOES—194

Archer
Badham
Barnard
Bartlett
Bateman
Bereuter
Bethune
Bilirakis
Bliley
Boner
Breaux
Broomfield
Brown (CO)
Broyhill
Burton (IN)
Byron
Campbell
Carney
Chappell
Chappie
Cheney
Clinger
Coats
Coleman (MO)
Conable
Corcoran
Courter
Craig
Crane, Daniel
Crane, Philip
Crockett
Daniel
Dannemeyer
Daub
Davis
DeWine
Dickinson
Dowdy
Dreier
Duncan
Dyson
Edwards (AL)
Edwards (OK)
Emerson
Erdreich
Erlenborn
Fascell
Fiedler
Fields
Flippo
Forsythe
Franklin
Frenzel
Fuqua
Gaydos
Gekas
Gilman
Gingrich
Goodling
Gradison
Gramm
Gregg
Gunderson
Hall, Ralph
Hall, Sam
Hammerschmidt
Hansen (ID)
Hansen (UT)
Hartnett
Hatcher
Hiler
Hillis
Holt
Hopkins
Hubbard
Huckaby
Hunter
Hutto
Hyde
Ireland
Jenkins
Johnson
Jones (TN)
Kasich
Kazen
Kemp
Kindness
Kramer
Lagomarsino
Latta
Leath
Lent
Levitas
Lewis (CA)
Lewis (FL)
Lipinski
Livingston
Lloyd
Loeffler
Lott
Lowery (CA)
Lujan
Lungren
Mack
Madigan
Marlenee
Marriott
Martin (IL)
Martin (NC)
Martin (NY)
McCain
McCandless
McCollum
McDade
McEwen
McGrath
Mica
Michel
Miller (OH)
Molinari
Montgomery
Moore
Moorhead
Morrison (WA)
Murtha
Myers
Nelson
Nichols
Nielson
O'Brien
Ortiz
Oxley
Packard
Parris
Pashayan
Patman
Petri
Porter
Quillen
Ray
Regula
Rinaldo
Ritter
Roberts
Robinson
Roemer
Rogers
Roth
Rowland
Rudd
Sawyer
Schaefer
Schulze
Sensenbrenner
Shaw
Shelby
Shumway
Shuster
Siljander
Sisisky
Skeen
Skelton
Smith (NE)
Smith (NJ)
Smith, Denny
Smith, Robert
Snyder
Solomon
Spence
Stangeland
Stenholm
Stratton
Stump
Sundquist
Tallon
Tauke
Tauzin
Taylor
Thomas (CA)
Thomas (GA)
Vander Jagt
Vandergriff
Vucanovich
Walker
Weber
Whitehurst
Whittaker
Wilson
Winn
Wolf
Wortley
Wylie
Young (FL)
Zschau

NOT VOTING—12

Bevill
Collins
Dixon
Ford (TN)
Hance
Hightower
MacKay
Oberstar
Paul
Pepper
Pritchard
Young (AK)

☐ 1450

The Clerk announced the following pairs:

On this vote:

Mr. Oberstar for, with Mr. Bevill against.

Mr. MacKay for, with Mr. Hance against.

Mr. Ford of Tennessee for, with Mr. Pritchard against.

Mrs. Collins for, with Mr. Young of Alaska against.

So the amendment was agreed to.

The result of the vote was announced as above recorded.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. NATCHER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 2968) to authorize appropriations for fiscal year 1984 for intelligence and intelligence-related activities of the U.S. Government, for the Intelligence Community Staff, for the Central Intelligence Agency retirement and disability system, and for other purposes, pursuant to House Resolution 329, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT OFFERED BY MR. ROBINSON

Mr. ROBINSON. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. ROBINSON. I am, Mr. Speaker, in its present form.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. ROBINSON moves to recommit the bill, H.R. 2968, to the Permanent Select Committee on Intelligence with instructions that the permanent select committee report the bill back to the House forthwith with the following amendment: Strike all after the enacting clause and insert in lieu thereof the following:

TITLE I—INTELLIGENCE ACTIVITIES

AUTHORIZATION OF APPROPRIATIONS

SEC. 101. Funds are hereby authorized to be appropriated for fiscal year 1984 for the conduct of the intelligence and intelligence-related activities of the following elements of the United States Government:

(1) The Central Intelligence Agency.

(2) The Department of Defense.

(3) The Defense Intelligence Agency.

(4) The National Security Agency.

(5) The Department of the Army, the Department of the Navy, and the Department of the Air Force.

(6) The Department of State.

(7) The Department of the Treasury.

(8) The Department of Energy.

(9) The Federal Bureau of Investigation.

(10) The Drug Enforcement Administration.

CLASSIFIED SCHEDULE OF AUTHORIZATIONS

SEC. 102. The amounts authorized to be appropriated under section 101, and the authorized personnel ceilings as of September 30, 1984, for the conduct of the intelligence and intelligence-related activities of the elements listed in such section, are those specified in the classified Schedule of Authorizations prepared by the Permanent Select Committee on Intelligence to accompany H.R. 2968 of the Ninety-eighth Congress. That Schedule of Authorizations shall be made available to the Committees on Appropriations of the Senate and House of Representatives and to the President. The President shall provide for suitable distribution of the schedule, or of appropriate portions of the schedule, within the executive branch.

CONGRESSIONAL NOTIFICATION OF EXPENDITURES IN EXCESS OF PROGRAM AUTHORIZATIONS

SEC. 103. During fiscal year 1984, funds may not be made available for any intelligence or intelligence-related activity unless

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such funds have been specifically authorized for such activity or, in the case of funds appropriated for a different activity, unless the Director of Central Intelligence or the Secretary of Defense has notified the appropriate committees of Congress of the intent to make such funds available for such activity, except that, in no case may reprogramming or transfer authority be used by the Director of Central Intelligence or the Secretary of Defense unless for higher priority intelligence or intelligence-related activities, based on unforeseen requirements, than those for which funds were originally authorized, and in no case where the intelligence or intelligence-related activity for which funds were requested has been denied by Congress.

AUTHORIZATION OF APPROPRIATIONS FOR DESIGN AND CONSTRUCTION OF AN ADDITIONAL BUILDING AT THE CENTRAL INTELLIGENCE AGENCY HEADQUARTERS COMPOUND

SEC. 104. Of the amounts authorized to be appropriated under section 101(1), there is authorized to be appropriated the sum of $75,500,000 for the design and construction of a new building at the Central Intelligence Agency headquarters compound.

AUTHORITY FOR TRANSFER OF AUTHORIZED FUNDS OF THE CENTRAL INTELLIGENCE AGENCY TO THE STATE OF VIRGINIA

SEC. 105. Of the amounts authorized to be appropriated under section 101(1), the Central Intelligence Agency is authorized to transfer an amount not to exceed $3,000,000 to the State of Virginia for the design and construction of highway improvements associated with construction at the Central Intelligence Agency headquarters compound.

AUTHORIZATION OF APPROPRIATIONS FOR COUNTERTERRORISM ACTIVITIES OF THE FEDERAL BUREAU OF INVESTIGATION

SEC. 106. In addition to the amounts authorized to be appropriated under section 101(9), there is authorized to be appropriated for fiscal year 1984 the sum of $13,800,000 for the conduct of the activities of the Federal Bureau of Investigation to counter terrorism in the United States.

PERSONNEL CEILINGS ADJUSTMENTS

SEC. 107. The Director of Central Intelligence may authorize employment of civilian personnel in excess of the numbers authorized under titles I and II of the Intelligence Authorization Act for Fiscal Year 1983 (Public Law 97-269) and title I of this Act when he determines that such action is necessary to the performance of important intelligence functions. Additional numbers of civilian personnel authorized by the Director of Central Intelligence under this section for an element of the Intelligence Community may not exceed 2 per centum of the number of civilian personnel authorized under such titles for such element. The Director of Central Intelligence shall promptly notify the Permanent Select Committee on Intelligence of the House of Representatives and the Select Committee on Intelligence of the Senate whenever he exercises the authority granted by this section.

TITLE II—INTELLIGENCE COMMUNITY STAFF

AUTHORIZATION OF APPROPRIATIONS

SEC. 201. There is authorized to be appropriated for the Intelligence Community Staff for fiscal year 1984 the sum of $19,100,000.

AUTHORIZATION OF PERSONNEL END-STRENGTH

SEC. 202. (a) The Intelligence Community Staff is authorized two hundred and fifteen full-time personnel as of September 30, 1984. Such personnel of the Intelligence Community Staff may be permanent employees of the Intelligence Community Staff or personnel detailed from other elements of the United States Government.

(b) During fiscal year 1984, personnel of the Intelligence Community Staff shall be selected so as to provide appropriate representation from elements of the United States Government engaged in intelligence and intelligence-related activities.

(c) During fiscal year 1984, any officer or employee of the United States or a member of the Armed Forces who is detailed to the Intelligence Community Staff from another element of the United States Government shall be detailed on a reimbursable basis, except that any such officer, employee, or member may be detailed on a nonreimbursable basis for a period of less than one year for the performance of temporary functions as required by the Director of Central Intelligence.

INTELLIGENCE COMMUNITY STAFF ADMINISTERED IN SAME MANNER AS CENTRAL INTELLIGENCE AGENCY

SEC. 203. During fiscal year 1984, activities and personnel of the Intelligence Community Staff shall be subject to the provisions of the National Security Act of 1947 (50 U.S.C. 401 et seq.) and the Central Intelligence Agency Act of 1949 (50 U.S.C. 403a-403n) in the same manner as activities and personnel of the Central Intelligence Agency.

TITLE III—CENTRAL INTELLIGENCE AGENCY RETIREMENT AND DISABILITY SYSTEM

AUTHORIZATION OF APPROPRIATIONS

SEC. 301. There is authorized to be appropriated for the Central Intelligence Agency Retirement and Disability Fund for fiscal year 1984 the sum of $86,300,000.

TITLE IV—ADMINISTRATIVE PROVISIONS RELATED TO THE CENTRAL INTELLIGENCE AGENCY AND THE INTELLIGENCE COMMUNITY STAFF

ELIGIBILITY FOR APPOINTMENT TO CERTAIN CENTRAL INTELLIGENCE AGENCY POSITIONS

SEC. 401. Section 5 of the Central Intelligence Agency Act of 1949 (50 U.S.C. 403f) is amended by striking the last "and" in subsection (d) by striking the period at the end of subsection (e) and substituting in lieu thereof "; and", and by adding at the end thereof the following new subsection:

"(f) Determine and fix the minimum and maximum limits of age within which an original appointment may be made to an operational position within the Agency, notwithstanding the provision of any other law, in accordance with such criteria as the Director, in his discretion, may prescribe.".

ELIGIBILITY FOR INCENTIVE AWARDS

SEC. 402. (a) The Director of Central Intelligence may exercise the authority granted in section 4503 of title 5, United States Code, with respect to Federal employees and members of the Armed Forces detailed or assigned to the Central Intelligence Agency or to the Intelligence Community Staff, in the same manner as such authority may be exercised with respect to the personnel of the Central Intelligence Agency and the intelligence Community Staff.

(b) The authority granted by subsection (a) of this section may be exercised with respect to Federal employees or members of the Armed Forces detailed or assigned to the Central Intelligence Agency or to the Intelligence Community Staff subsequent to five years preceding the date of enactment of this section.

TITLE V—GENERAL PROVISIONS

RESTRICTION OF CONDUCT OF INTELLIGENCE ACTIVITIES

SEC. 501. The authorization of appropriations by this Act shall not be deemed to constitute authority for the conduct of any intelligence activity which is not otherwise authorized by the Constitution or laws of the United States.

INCREASES IN EMPLOYEE BENEFITS AUTHORIZED BY LAW

SEC. 502. Appropriations authorized by this Act for salary, pay, retirement, and other benefits for Federal employees may be increased by such additional or supplemental amounts as may be necessary for increases in such benefits authorized by law.

"TITLE VI—PROHIBITION ON COVERT ASSISTANCE FOR MILITARY OPERATIONS IN NICARAGUA; AUTHORIZATION OF OVERT INTERDICTION ASSISTANCE

"PROHIBITION ON COVERT ASSISTANCE FOR MILITARY OPERATIONS IN NICARAGUA

"SEC. 601. (a) After 60 days from the date of enactment, none of the funds authorized to be appropriated by the Act may be obligated or expended for the purpose or which would have the effect of supporting, directly or indirectly, military or paramilitary operations in Nicaragua by any nation, group, organization, movement, or individual, if by that date, the Government of Nicaragua has: (1) reaffirmed the commitments it made to the Organization of American States in July 1979, (2) concluded the treaties and other international documents necessary to implement the objectives contained in the Document of Objectives agreed to at the September 7-9 meeting of the Contadora Four and the Central American countries (Colombia, Mexico, Panama, Venezuela; Costa Rica, El Salvador, Guatemala, Honduras, and Nicaragua), and (3) ceased all activities involving the furnishing of arms, personnel, training, command and control facilities or logistical support for military or paramilitary operations in or against all countries in Central America or the Caribbean—all with adequate systems of verification and control."

"AUTHORIZATION OF OVERT INTERDICTION ASSISTANCE

"SEC. 602. (a) The Congress finds that—

"(1) in the absence of a state of declared war, the provision of military equipment to individuals, groups, organizations, or movements seeking to overthrow governments of countries in Central America violates international treaty obligations, including the Charter of the United Nations, the Charter of the Organization of American States, and the Rio Treaty of 1949; and

"(2) such activities by the Governments of Cuba and Nicaragua threaten the independence of El Salvador and threaten to destabilize the entire Central American region, and the Governments of Cuba and Nicaragua refuse to cease those activities.

"(b) The President is authorized to furnish assistance, on such terms and conditions as he may determine, to the government of any friendly country in Central America in order to provide such country with the ability to prevent use of its territory, or to prevent to the extent permitted by international law the use of international territory, for the transfer of military equipment from or through Cuba or Nicaragua or any other country or agents of that country to any individual, group, organization, or movement which the President determines seeks to overthrow the government of such friendly country or the government of any other country in Central America. Assistance under this section shall be provided openly, and shall not be provided in a manner which attempts to conceal United States involvement in the provision of such assistance.

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"(c) Assistance may be provided to a friendly foreign country under this section only if that country has ageed that it will not use any assistance provided by the United States under this section, the Foreign Assistance Act of 1961, or the Arms Export Control Act to destabilize or overthrow the government of any country in Central America and will not make any such assistance available to any nation, individual, group, organization, or movement which seeks to destabilize or overthrow any such government.

"(d) At least 15 days before providing assistance to a foreign country under this section, the President shall submit an unclassified report which describes the proposed assistance to the Speaker of the House of Representatives and to the chairman of the appropriate committees of the Senate.

"(e) There is authorized to be appropriated to the President to carry out this section $80,000,000 for the fiscal year 1984.

"(f) Funds to carry out this section shall be made available for any friendly country in Central America only for the purpose of interdicting the transfer of military equipment to any country in Central America."

SEC. 2. (a) The Congress finds that—

(1) the Government of National Reconstruction of Nicaragua has failed to keep solemn promises, made to the Organization of American States in July 1979, to establish full respect for human rights and political liberties, hold early elections, preserve a private sector, permit political pluralism, and pursue a foreign policy of nonaggression and nonintervention;

(2) by providing military support (including arms, training, and logistical, command and control, and communications facilities) to groups seeking to overthrow the Government of El Salvador and other Central American governments, the Government of National Reconstruction of Nicaragua has violated article 18 of the Charter of the Organization of American States which declares that no state has the right to intervene, directly or indirectly, for any reason

whatsoever, in the internal or external affairs of any other state;

(3) the Government of Nicaragua should be held accountable before the Organization of American States for activities violative of promises made to the Organization and for violations of the Charter of that Organization; and

(4) working through the Organization of American States is the proper and the most effective means of dealing with threats to the peace in Central America, of providing for common action in the event of aggression, and of providing the mechanisms for peaceful resolution of disputes among the countries of Central America.

(b) The President shall seek a prompt reconvening of the Seventeenth Meeting of Consultation of Ministers of Foreign Affairs of the Organization of American States for the purpose of reevaluating the compliance by the Government of National Reconstruction of Nicaragua—

(1) with the commitments made by the leaders of that Government in July 1979 to the Organization of American States; and

(2) with the Charter of the Organization of American States.

(c) The President shall vigorously seek prompt actions by the Organization of American States that would provide for a full range of effective measures by the member states to bring about compliance by the Government of National Reconstruction of Nicaragua with those obligations, including verifiable agreements to halt the transfer of military equipment and to cease furnishing of military support facilities to groups seeking the violent overthrow of governments of countries in Central America.

(d) The President shall use all diplomatic means at his disposal to encourage the Organization of American States to seek resolution of the conflicts in Central America based on the provisions of the Final Act of the San Jose Conference of October 1982, especially principles (d), (e), and (g), relating to nonintervention in the internal affairs of other countries, denying support for terrorist and subversive elements in other states, and international supervision of fully verifiable arrangements.

(e) The United States shall support measures at the Organization of American States, as well as efforts of the Contadora Group, which seeks to end support for terrorist, subversive, or other activities aimed at the violent overthrow of the governments of countries in Central America. Funds authorized to be appropriated by this Act may be used to provide United States support for activities with respect to Nicaragua which are designed to end the conflict in the region and which are approved by the Organization of American States, including international surveillance and supervision activities, peacekeeping forces, border patrols, and election supervisors.

(f) Not later than March 15, 1984, the President shall report to the Congress on the results of his efforts pursuant to this Act to achieve peace in Central America and to end the flow of arms to Central America. Such report may include such recommendations as the President may consider appropriate for further United States actions to achieve these objectives, including requests for the authorization and appropriation of additional funds to carry out the purposes of this Act.

Mr. ROBINSON (during the reading). Mr. Speaker, I ask unanimous consent that the motion to recommit be considered as read and printed in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

The SPEAKER. Pursuant to the provisions of House Resolution 329, the Chair recognizes the gentleman from Virginia (Mr. ROBINSON) for 10 minutes.

For what purpose does the gentleman from Massachusetts (Mr. BOLAND) rise?

Mr. BOLAND. Mr. Speaker, I ask unanimous consent that the motion to recommit the bill, H.R. 2968 with instructions permitted under the rule be debatable for not to exceed 30 minutes, the time to be equally divided and controlled by the proponent of the motion and a Member opposed thereto.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER. The gentleman from Virginia (Mr. ROBINSON) will be recognized for 15 minutes, and the gentleman from Massachusetts (Mr. BOLAND) will be recognized for 15 minutes.

The Chair recognizes the gentleman from Virginia (Mr. ROBINSON).

Mr. ROBINSON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, may I say at the outset that this is not a run-of-the-mine motion to recommit, and I ask that my colleagues give it careful attention. The motion to recommit that I am offering will defer a halt to U.S. support for Nicaraguan opposition until the Sandinistas stop interfering with their neighbors and join in an agreement based on the Contadora 21-point Document of Objectives agreed to at the September 7 through 9 meeting of the Contadora. The countries which participated in that negotiation were Colombia, Mexico, Panama, Venezuela, Costa Rica, El Salvador, Guatemala, Honduras, and Nicaragua.

Mr. Speaker, this amendment clearly associates U.S. support for the Nicaraguan position with the cause of peace that we can all support. It makes clear that the U.S. goals are limited, are positive, and do not include the overthrow of the Nicaraguan Government. At the same time, it gives to the President flexibility to pursue a policy that is working. This very deliberate and methodical approach, which in itself has been a stabilizing influence in Central America, is the best guarantee against the open-ended cycle of violence and turmoil that will most certainly ensue if the only effective check on Sandinistan behavior is removed, which would be the case as this bill now stands.

The provisions of H.R. 2760 have not improved with age. In fact, some may argue effectively that the concept has been overtaken by events. And indeed, I would call to the attention of the Members the remarks on the subject of the majority leader who took the well just before the last vote. Although I agreed with everything that he said in terms of observations, his conclusions just did not seem to match the observations, which I regret.

Until just recently, the Nicaraguan Government has proven impervious to any peaceful negotiated settlement of the conflict in Central America. Efforts to achieve such a settlement appear to have much more momentum than ever before in terms of actions that we see happening down there and their willingness to get together.

□ 1500

The impetus behind the peace process is partially attributable to pressures the Nicaraguan Government has experienced internally and to the clear and firm signals the United States has given in its commitment to the security of the democratic nations in that area. These developments have given our friends the confidence to negotiate without fear of reprisal from Nicaragua and provided Nicaragua with the physical and political motivation to respond favorably. To state that the policy is not working is to ignore reality, and that has been said by more than one speaker here today. In fact, pressures being exerted internally and externally on the Sandinista regime

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are producing the first signs of Sandinista flexibility after over 4 years of the intransigent support for violence and subversion in the neighboring countries in Central America. The most important evidence of such flexibility is the apparent Nicaraguan acceptance of the 21-point document of objectives negotiated last month by the Contadora group. This document contains crucial ingredients, as we have heard about today, such as a halt to arms buildups, foreign intervention, and democratic pluralism.

As an example, not long ago Assistant Secretary of State Motley went to Nicaragua to discuss issues of vital concern. He was given a cold shoulder. He was not even allowed to meet with the appropriate level Nicaraguan Government officials. However, today, even as we speak, the Nicaraguan Foreign Minister is meeting with Assistant Secretary Motley, and the United States is listening and talking and will continue to do so. At this point in time, a lack of U.S. resolve, as would be demonstrated by the bill that is now before us, could destroy the possibility that Nicaragua may agree to reciprocal, verifiable agreements with its neighbors. I share Secretary Shultz' opinion and, if I may, I will read from his October 18 letter to the Speaker and to the gentleman from Illinois (Mr. MICHEL), as has been quoted by others here today:

> I therefore, believe it is essential that the House of Representatives not enact provisions in the intelligence authorization bill that would give the Sandinistas a unilateral assurance that the United States will withhold support from the Nicaraguan resistance movement. In my judgment, such an action will virtually destroy the prospect that Nicaragua may agree to reciprocal and verifiable agreements to end assistance to all guerrilla forces operating in the region. The administration's policy to help bring peace in Central America are not beginning to bear fruit. I urge the House not impose restrictions on this policy and thereby undermine the cause of peace and democracy that we all support. Sincerely yours, George P. Shultz.

One of the major shortcomings of H.R. 2670 is its undue rigidity in the face of ever-changing circumstances in Central America.

The logic of H.R. 2760 is based upon a doctrine of nonintervention. In that regard, I would like to share with you the thoughts of the 19th-century English economist and philosopher, John Stuart Mill. He spoke on the doctrine of nonintervention.

> The doctrine of nonintervention, to be a legitimate principle of morality, must be accepted by all governments. The despots must consent to be bound by it as well as the free states. Unless they do, the profession of it by free countries comes but to this miserable issue—that the wrong side may help the wrong, but the right must not help the right.

That is exactly where we find ourselves situated now.

In closing, I urge all the Members of the House to carefully weigh the consequences of our decision today and to vote for legislative solution that balances U.S. response with U.S. commitments and U.S. security interests in Central America.

I urge your support for the motion to recommit.

Mr. LEVITAS. Mr. Speaker, I rise in support of the motion to recommit. All of this discussion about secret or covert aid versus open or overt aid is nonsense. The phony business about some aid being sneaky or under the table or over the table, it is just a lot of hot air. Everybody in the world, who cares, knows about the aid and the operations, and it is absurd to talk about one type being bad or another being good. After all should we, and, indeed are we supporting the insurgency in Afghanistan? Should we abandon those freedom fighters because of some covert aid rhetoric?

Everybody knows what the issue is: Are we going to continue to supply aid and assistance to people who are fighting against the Government in Nicaragua, the insurgents? It is no secret. Everybody knows about it. So the question is not whether the aid is secret or open. The question is simply this: Should we or should we not provide this aid?

Since we know that Nicaragua and Cuba and Russia are supplying the insurgents in El Salvador for the purpose of overthrowing the Government of El Salvador, is it appropriate and is it justifiable for the allies of El Salvador, including the United States, to provide aid to people who are trying to change, or change the conduct of, the Government of Nicaragua? That is the question. As long as Nicaragua is aiding foreign insurgency, is it justifiable for the United States to do so as well in response to the Nicaraguan action?

When Nicaragua, Cuba, and Russia stop exporting revolution in Latin America and stop supplying the insurgents in El Salvador to overthrow that Government, then the United States certainly ought to stop supplying insurgents in Nicaragua.

What we really need is a political and nonviolent resolution of the problems in Central America. We need negotiation. We need the help of our Latin American allies as mediators. We need an end to oppression and the denial of human rights and the killing of innocent people. We should let the Central Americans solve their own problems without outside intervention of military power and we should support the tender buds of emerging democracy.

But, in order to do this we must not let Cuba and Russia have a free hand to support exported violent revolution and military assassins to be used against friendly regimes. When they stop insurgency, then we should too—at once.

Let us help bring peace, justice, and stability, democracy and economic well-being to this region.

Mr. BOLAND. Mr. Speaker, I yield 3 minutes to the gentleman from Iowa (Mr. LEACH).

Mr. LEACH of Iowa. Mr. Speaker, this summer the House passed the Boland amendment. Today we are asked to reconsider its passage under circumstances that make it more, not less, important.

Why is passage more important today? Just in the past week there have been reports of an escalation of Contra-revolutionary terrorism, of the destruction of petroleum repositories in Nicaragua, acts of industrial sabotage that the administration has not only condoned, but, according to press accounts, actually claimed credit for planning and carrying out.

I and many Members of this body have doubts that these acts of sabotage are effective, but even if they are, this country should be wary of such a policy. Above anything else, the United States of America has always stood for the rule of law. Within that context, we have taken the lead in attempting to place legal and moral constraints upon terrorism.

It has been said here today that our current policy is cheap; that no American lives are jeopardized. That may be true in the short run, but I wonder in the long run whether U.S. Government complicity in acts of sabotage and efforts to overthrow a duly recognized government within this hemisphere will not be very costly to our principles and eventually our lives.

I urge support of the Boland amendment and defeat of the motion to recommit.

Mr. WHITEHURST. Mr. Speaker, I yield such time as he may consume to the gentleman from Florida (Mr. MICA).

Mr. MICA. Mr. Speaker, I thank my colleague.

I want everyone to pay close attention, please, to what I am about to say, because I understand the committee did not really realize what this motion to recommit does until just a few moments ago.

I think this is the first time I have ever taken the floor to speak for a motion to recommit. I think this is that important. It is an issue that I have dealt with for 5 years here when we started out giving $75 million to the Sandinistas to try to win their friendship and show that we wanted to be friends; but a point has not been made at all on this floor. This is I think new information and I think it is important. The motion to recommit maintains the overt aid that was just approved, as well as the covert, on a basis that "You stop and we will stop."

Now, many thought that it just cut off the overt. It does not; so I think each Member should think that if they are not sure, if they are not positive, we have had two successive votes

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with less than a 15-to-20 vote shift would have made a difference on long-term foreign policy that could mean major changes in lineups in this hemisphere on what we are about to do.

One of our Members of the Democratic Party recommended to me when I was searching for a compromise that the strongest position might indeed be for the Democrats to go with that overt and allow the covert to be cutoff and say to Nicaragua, in effect, "You stop and we will stop."

This does that. It does not cut off the overt aid.

□ 1510

One other point, and it does not cut off the overt aid. One other point that I would like to make, if you can bring yourself just a moment to think of the words of our majority leader as he spoke so eloquently just a few minutes ago.

He described this regime in terms of a Hitler-type government, a Hitler-type approach.

When we are talking about 15 votes, when we are talking about foreign policy, when we are talking about concerns that mean the lives of individuals all over this hemisphere, I think it would be well for each Member to think just a moment that this is not a simple resolution to recommit and change everything that we have done.

It indeed leaves the overt aid in and that has not been said before this moment, it leaves it in and it says on the covert, we will both stop on the symmetry-type idea.

Mr. FOWLER. Mr. Speaker, will the gentleman yield?

Mr. MICA. I yield to the gentleman from Georgia.

Mr. FOWLER. I thank the gentleman for yielding.

I appreciate the responsible arguments of the gentleman from Florida, but I do think we ought to clear up the fact that the gentleman from Texas (Mr. WRIGHT) rose in support of the bill as just passed and would be opposed to the motion of the gentleman from Florida.

There are many similarities. Certainly our goals are the same. There is no question about what we are trying to achieve.

The difficulty is in trying to determine the policy best to achieve peace and stability; and since the majority leader is not here, we ought to say, since you raised his arguments, that he supports the Boland-Zablocki approach.

Mr. MICA. Let me just make that clear. That is why I asked each Member, if they would think back and try to recall just a few moments when he spoke so eloquently about Boland-Zablocki, if you had changed, in my mind the only words of the conclusion, it would have been a magificent argument why we should not take the action. You can draw that conclusion. I sat in the front chair, and I thought he was going to say that.

That is the point I am raising. It is a very, very close issue. We are within 15 votes one way or the other. Here is a motion to recommit that does both. It is a difficult issue and I ask you to examine it very carefully. This is the first time I had ever taken the floor on a motion to recommit but I have lived with this issue on that committee for 5 years and I hope we do not make a mistake, and at the very least, this would give us under this motion to recommit both approaches.

Mr. HYDE. Mr. Speaker, will the gentleman yield?

Mr. MICA. I yield to the gentleman from Illinois.

Mr. HYDE. I thank the gentleman for yielding.

I want to commend the gentleman for illuminating exactly the situation we are in.

The motion to recommit preserves the Boland-Zablocki amendment, insofar as it authorizes a specific amount of money for overt interdiction for the export of revolution. It authorizes continuation of covert aid until the export of subversion by Nicaragua to its neighbors is halted, and on the basis of equity, on the basis of parity, on a basis of reciprocity, and on the basis of symmetry, we will stop when they stop, as they stop.

If you want a quid pro quo, when you give somebody something, you ought to get something for it, and if we can get a stoppage of the export of revolution and killing and violence in El Salvador, it is imminently worthwhile, so I think the gentleman has made an excellent point, and I plead with everyone in this Chamber to support the doctrine of symmetry and reciprocity and a quid pro quo.

Mr. MICA. I thank the gentleman and I yield back the balance of my time.

Mr. ROBINSON. Mr. Speaker, I yield 2 minutes to the gentleman from Nebraska (Mr. BEREUTER).

Mr. BEREUTER. I thank the gentleman for yielding me this time.

Indeed, this motion to recommit is something more than the usual motion. It is an opportunity for this House to reverse its errors.

Last December 8, those Members of this body who were against covert assistance, Nicaraguan insurgence, made a mistake. There are a variety of reasons people are opposed to covert assistance, Nicaraguan insurgence, some on a matter of law, some moral, and some like myself, believe it is counterproductive.

At that time we followed the leadership of Mr. BOLAND when he substituted his amendment for the Harkin amendment which would shut off aid straightforward.

Instead, we placed on the matter in our lawbooks an unrealistic condition which said that only for interdiction assistance could covert aid be added.

Now, that was not the intention of the Nicaraguan insurgents, and we are kidding ourselves in saying that, so we made a mistake then. I would like to suggest to the Members of the body that made that mistake, and we made it unanimously at that point, on December 8 and July 28, here is one more opportunity to correct that error.

You had a chance on July 28 in the Mica substitute and a substitute offered by this Member to reverse that error, to a symmetry approach, instead of going for the more difficult, more dangerous overt assistance to surrounding republics, which is more likely to lead us to war and certainly which is provided with the kind of financing that is totally inadequate for the job.

I urge my colleagues to take a careful look at this motion to recommit. It is the responsible course that Members on both sides of the aisle ought to take in this instance.

I urge its support.

Mr. BOLAND. Mr. Speaker, I yield such time as he may consume to the gentleman from Ohio (Mr. SEIBERLING).

Mr. SEIBERLING. Mr. Speaker, I rise in opposition to the motion.

As the Reagan administration, through the CIA, continues its so-called covert intervention in the escalating guerrilla war in Nicaragua, there is still time, nevertheless, to change course before it erupts into a full-scale war that could engulf most of Central America.

Of course, the United States does have a legitimate interest in preventing Nicaragua from becoming a base for military intervention in other Central American countries. However, the administration has failed to prove that its legitimate goal cannot be achieved by diplomatic means and enforced by collective action through the Organization of American States or other appropriate multinational approaches. Nicaragua has indicated its willingness to negotiate on such a basis. However, such a goal is not likely to be achieved so long as the United States itself continues to support military intervention.

Unfortunately, the Reagan administration gives the impression that it is on a crusade to overthrow the Sandinista Government by force. This is sad. It violates our own laws. It violates the OSA Treaty. It results in greater suffering for the people of Nicaragua. And it gives hardliners in the Sandinista regime an excuse for moving toward more repressive internal political measures.

We have the right—and even the duty—to object to such repressive measures, but we do not have a right to overthrow by force of arms the government that imposes them. In fact, to the extent that the United States attempts to do so, it brings about only greater internal repression in Nicaragua.

[CRS-222]

Mr. Speaker, the September 30 Washington Post contained an excellent article by Stephen S. Rosenfeld which points out that the Reagan administration's policy in Nicaragua is counterproductive in that it weakens the moderates and plays into the hands of the radicals in the Sandinista regime. He also points out:

> Reagan, when he asks Nicaragua to leave its neighbors alone, has a good case and good Latin company. But his tactics fail to take adequate account of Nicaragua's historical association of the United States with

intervention and repression. He sidesteps the huge discrepancy in the stakes: for us, our position in the region; for the Sandinistas, survival. There is almost no subtlety, no imagination, no feel for the Latinos in the American approach.

Mr. Speaker, the full text of the article by Mr. Rosenfeld follows:

[From the Washington Post, Sept. 30, 1983]

Accept Nicaragua's Revolution

(By Stephen S. Rosenfeld)

The nastiness between the United States and Nicaragua is moving beyond the reach of mediation. Something could happen—arising most likely in Honduras—to bring about a direct military clash. On both sides the expectation of a downward spiral robs energy from any lingering tendency to avert it.

In Washington, the leading edge of policy was traced boldly the other day by Undersecretary of Defense Fred Ikle. He expressed the currently ascendant line of administration thinking that objects not merely to this internal policy or that external policy of the Sandinistas but to the very existence of the regime.

In Nicaragua—to judge by what Sandinista leader Daniel Ortega said in a Washington Post interview and in his United Nations speech this week—the conviction is stronger than ever that "defeats" suffered by U.S. policy in the region are causing a desperate Reagan to up the military ante and put the revolution at ever greater risk.

It seems to me quite possible that the two sides will manage to bring at least some part of each other's deepest fears to life. The United States may find a way to take a smack at Nicaragua, and Nicaragua may try to distract Washington by turning up the heat in other countries of the region. In either event, things get worse.

Is there not another way?

I think the United States should stop equivocating and "accept" the Nicaraguan revolution, the better 1) to induce the Sandinistas to climb down from their current dangerous and offensive hysteria, 2) to keep alive the residual pluralistic elements within Nicaragua and 3) to work with Latin friends to influence the regime over time. So dark is the shadow of America's long intervention in Nicaragua that support of the "contras" now seems to me increasingly likely to play into Sandinista hands.

If you are honest, however, you cannot pretend to be sure that an American policy of respect and restraint will work. The Sandinista leadership tends not only to the Marxist (socialist) but to the Leninist (single-party dictatorship) and to a pro-Cuban, pro-Soviet international orientation. It is not simply an administration fantasy that the regime may try to exploit fissures in American and Latin public opinion and use a respite to become a "second Cuba."

I think the administration's fears of a rampant revolutionary Nicaragua are exaggerated, tend to the self-fulfilling, and distract necessary attention from the social causations. Still, too many of Reagan's critics ignore the quotient of strategic reality in those fears.

In this light, it was disturbing, though clarifying, to see Daniel Ortega's response when his interviewers asked him about an American reporter's recent, rare and seemingly unrebuttable on-the-ground finding of an operation in a remote Nicaraguan fishing village to smuggle arms to El Salvador. Ortega dissembled.

I tried to draw him out on what seems to me the single unconditionally legitimate demand that can be and is made on Managua by the United States and its friends. Did he feel Nicaragua's revolution could last only if it were exported?

He answered by first denying the Sandinistas' authorship of a phrase—"revolution without frontiers"—often attributed to them by American officials. Without ever addressing the main question head on, he restated Managua's readiness to negotiate specific procedures—border patrols and the like—in the context of an address to everyone's security concerns.

Here we come to something the administration has obscured. Last summer—the Americans say after and the Nicaraguans say before Reagan made his big show of force near Nicaragua—the Sandinista regime seemed to be repositioning itself to give security talks a better chance. But nothing seems to have come of the faint promise of July, principally, I suspect, because the administration has been overplaying its military hand.

Reagan, when he asks Nicaragua to leave its neighbors alone, has a good case and good Latin company. But his tactics fail to take adequate account of Nicaragua's historical association of the United States with intervention and repression. He sidesteps the huge discrepancy in the stakes: for us our position in the region; for the Sandinistas, survival. There is almost no subtlety, no imagination, no feel for the Latinos in the American approach.

If I were Reagan, I would end the charade of the Kissinger commission and simply send Henry down there, with Sol Linowitz, and let them work out the transition from the current crisis to the next tense and ragged but, surely, manageable 30 years.

Mr. BOLAND. Mr. Speaker, it is true that the motion to recommit does contain covert action, but the fact of the matter is, it also contains money for the overt operation that was in our amendment. But the fact of the matter is it also continues the war in Nicaragua. It is that simple.

This proposal that we just defeated a moment ago is based on really the deadly theory of a tit-for-tat. The bottom line of any proposal based on the principle of symmetry, as the administration likes to call it and as my dear friends on the other side call it, is really the continuation of the covert action. You cannot get away from that, clear as the noses on our faces.

Mr. Speaker, I think we ought to reject this motion to recommit. The House has now voted twice since July to stop CIA involvement in the war of Nicaragua. The House can now go to conference with the Senate and have its position on Nicaragua fully considered. We have been foreclosed on that by the other body, and so this motion to recommit is yet another attempt after three adverse votes in this House since July to sell the symmetry amendment.

Mr. Speaker, I hope that the membership of this House does not accept this motion to recommit and the motion to recommit is defeated, and I yield back the balance of my time.

Mr. ROBINSON. Mr. Speaker, I yield such time as he may consume to the gentleman from Michigan (Mr. Siljander).

[Mr. SILJANDER addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

Mr. ROBINSON. Mr. Speaker, I yield myself such time as I may consume.

Mr. HYDE. Mr. Speaker, will the gentleman yield?

Mr. ROBINSON. I yield to the gentleman from Illinois.

Mr. HYDE. I thank the gentleman for yielding.

I listened to my friend from Massachusetts and hung on every word, and I still cannot understand what is wrong with the notion of symmetry.

We are not continuing the war. It would be within their power to stop the war instantly. What is wrong with the notion of reciprocity. We are not continuing the war. It is within their power. They are the initiators, the perpetrators. They can stop it, and will stop it. If someone has an answer, I would love to hear it.

Mr. ROBINSON. I want to supplement the remarks the gentleman from Illinois (Mr. Hyde) has just made. This is the way to approach the problem through the tactic of using symmetry, and I ask for a favorable vote on the motion to recommit.

The SPEAKER pro tempore. All time has expired.

The question is on the motion to recommit offered by the gentleman from Virginia (Mr. Robinson).

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

Mr. ROBINSON. Mr. Speaker, I object to the vote on the ground that a quorum is not present and I make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

Pursuant to the provisions of clause 5, rule XV, the Chair announces that he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device, if ordered, will be taken on the question of passage.

The vote was taken by electronic device, and there were—yeas 193, nays 223, not voting 17, as follows:

[CRS-223]

[Roll No. 404]

YEAS—193

Archer
Badham
Barnard
Bartlett
Bateman
Bereuter
Bethune
Bilirakis
Bliley
Breaux
Broomfield
Brown (CO)
Broyhill
Burton (IN)
Byron
Campbell
Carney
Chappell
Chappie
Cheney
Clinger
Coats
Coleman (MO)
Conable
Corcoran
Coughlin
Courter

Craig
Crane, Daniel
Crane, Philip
Daniel
Dannemeyer
Daub
Davis
DeWine
Dickinson
Dowdy
Dreier
Duncan
Dyson
Edwards (AL)
Edwards (OK)
Emerson
Erdreich
Erlenborn
Fascell
Fiedler
Fields
Flippo
Franklin
Frenzel
Fuqua
Gekas
Gilman
Gingrich
Goodling
Gradison
Gramm
Gregg
Gunderson
Hall, Ralph
Hall, Sam
Hammerschmidt
Hansen (ID)
Hansen (UT)
Hartnett
Hatcher
Hiler
Hillis
Holt
Hopkins
Hubbard
Huckaby
Hunter
Hutto
Hyde
Ireland
Jenkins
Johnson
Kasich
Kazen
Kemp
Kindness
Kramer
Lagomarsino
Latta
Leath
Lent
Levitas
Lewis (CA)
Lewis (FL)
Lipinski
Livingston
Lloyd
Loeffler
Lott
Lowery (CA)
Lujan
Lungren
Mack
Madigan
Marlenee
Marriott
Martin (IL)
Martin (NC)
Martin (NY)
McCain
McCandless
McCollum
McDade
McEwen
McGrath
Mica
Michel
Miller (OH)
Molinari
Montgomery
Moore
Moorhead
Morrison (WA)
Murphy
Murtha
Myers
Nelson
Nichols
Nielson
O'Brien
Ortiz
Oxley
Packard
Parris
Pashayan
Patman
Petri
Porter
Quillen
Ray
Regula
Ridge
Rinaldo
Ritter
Roberts
Robinson
Roemer
Rogers
Roth
Rowland
Rudd
Sawyer
Schaefer
Schulze
Sensenbrenner
Shaw
Shelby
Shumway
Shuster
Siljander
Sisisky
Skeen
Skelton
Smith (NE)
Smith (NJ)
Smith, Denny
Smith, Robert
Snyder
Solomon
Spence
Stangeland
Stenholm
Stratton
Stump
Sundquist
Tallon
Tauke
Tauzin
Taylor
Thomas (CA)
Thomas (GA)
Vander Jagt
Vandergriff
Vucanovich
Walker
Weber
Whitehurst
Whitley
Whittaker
Williams (OH)
Wilson
Winn
Wolf
Wortley
Wylie
Young (FL)

NAYS—223

Ackerman
Addabbo
Akaka
Albosta
Alexander
Anderson
Andrews (NC)
Andrews (TX)
Annunzio
Anthony
Applegate
Aspin
AuCoin
Barnes
Bates
Bedell
Beilenson
Bennett
Biaggi
Boehlert
Boggs
Boland
Bonior
Bonker
Borski
Bosco
Boucher
Boxer
Britt
Brooks
Brown (CA)
Bryant
Carper
Chandler
Clarke
Clay
Coelho
Coleman (TX)
Conte
Conyers
Cooper
Coyne
Crockett
D'Amours
Daschle
de la Garza
Dellums
Derrick
Dicks
Dingell
Donnelly
Dorgan
Downey
Durbin
Dwyer
Dymally
Early
Eckart
Edgar
Edwards (CA)
English
Evans (IA)
Evans (IL)
Fazio
Feighan
Ferraro
Fish
Florio
Foglietta
Foley
Ford (MI)
Fowler
Frank
Frost
Garcia
Gaydos
Gejdenson
Gephardt
Gibbons
Glickman
Gonzalez
Gore
Gray
Green
Guarini
Hall (IN)
Hall (OH)
Hamilton
Harkin
Harrison
Hawkins
Hayes
Hefner
Heftel
Hertel
Horton
Howard
Hoyer
Hughes
Jacobs
Jeffords
Jones (NC)
Jones (OK)
Jones (TN)
Kaptur
Kastenmeier
Kennelly
Kildee
Kogovsek
Kolter
Kostmayer
LaFalce
Lantos
Leach
Lehman (CA)
Lehman (FL)
Leland
Levin
Levine
Long (LA)
Long (MD)
Lowry (WA)
Luken
Lundine
Markey
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCurdy
McHugh
McKernan
McKinney
McNulty
Mikulski
Miller (CA)
Mineta
Minish
Mitchell
Moakley
Mollohan
Moody
Morrison (CT)
Mrazek
Natcher
Neal
Nowak
Oakar
Obey
Olin
Ottinger
Owens
Panetta
Patterson
Pease
Penny
Perkins
Pickle
Price
Pursell
Rahall
Rangel
Ratchford
Reid
Richardson
Rodino
Roe
Rose
Rostenkowski
Roukema
Roybal
Russo
Sabo
Savage
Scheuer
Schneider
Schroeder
Schumer
Seiberling
Shannon
Sharp
Sikorski
Simon
Slattery
Smith (FL)
Smith (IA)
Snowe
Solarz
Spratt
St Germain
Staggers
Stark
Stokes
Studds
Swift
Synar
Torres
Torricelli
Towns
Traxler
Udall
Valentine
Vento
Volkmer
Walgren
Watkins
Waxman
Weaver
Weiss
Wheat
Whitten
Williams (MT)
Wirth
Wise
Wolpe
Wright
Wyden
Yates
Yatron
Young (MO)
Zablocki
Zschau

NOT VOTING—17

Berman
Bevill
Boner
Burton (CA)
Carr
Collins
Dixon
Ford (TN)
Forsythe
Hance
Hightower
MacKay
Oberstar
Paul
Pepper
Pritchard
Young (AK)

□ 1530

The Clerk announced the following pairs:

On this vote:

Mr. Pritchard for, with Mr. Berman against.

Mr. Bevill for, with Mr. Oberster against.

Mr. Hance for, with Mr. MacKay against.

Mr. Young of Alaska for, with Mrs. Collins against.

Mr. ALBOSTA and Mr. JONES of Tennessee changed their votes from "yea" to "nay."

Mr. MURPHY changed his vote from "nay" to "yea."

So the motion to recommit was rejected.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore (Mr. BROWN of California). The question is on passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. WALKER. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. The Chair will announce, in accordance with the previous statement of the Chair, that the time for this vote will be reduced to 5 minutes.

The vote was taken by electronic device, and there were—yeas 243, nays 171, not voting 19, as follows:

[Roll No. 405]

YEAS—243

Ackerman
Addabbo
Akaka
Albosta
Alexander
Anderson
Andrews (NC)
Andrews (TX)
Annunzio
Anthony
Applegate
Aspin
AuCoin
Barnard
Barnes
Bates
Bedell
Beilenson
Bennett
Biaggi
Boehlert
Boggs
Boland
Bonior
Bonker
Borski
Bosco
Boucher
Boxer
Britt
Brooks
Brown (CA)
Bryant
Burton (CA)
Carper
Chandler
Chappell
Clarke
Clay
Coelho
Coleman (TX)
Conte
Cooper
Coughlin
Courter
Coyne
D'Amours
Daschle
de la Garza
Derrick
Dicks
Dingell
Donnelly
Downey
Durbin
Dwyer
Dymally
Early
Eckart
Edgar
Edwards (AL)
Edwards (CA)
Edwards (OK)
English
Erdreich
Evans (IL)
Fascell
Fazio
Feighan
Ferraro
Fish
Flippo
Florio
Foglietta
Foley
Ford (MI)
Fowler
Frank
Frost
Garcia
Gejdenson
Gephardt
Gibbons
Glickman
Gonzalez
Gore
Gradison
Gray
Green
Guarini
Hall (IN)
Hall (OH)
Hall, Sam
Hamilton
Harkin
Harrison
Hatcher
Hawkins
Hefner
Heftel
Hertel
Horton
Howard
Hoyer
Hughes
Jeffords
Jenkins
Jones (NC)
Jones (OK)
Jones (TN)
Kaptur
Kazen
Kennelly
Kildee
Kolter
Kostmayer
LaFalce
Lantos
Leach
Lehman (CA)
Lehman (FL)
Leland
Levin
Levine
Levitas
Lipinski
Long (LA)
Lott
Lowry (WA)
Luken
Lundine
Markey
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCurdy
McDade
McHugh
McKernan
McKinney
McNulty
Mica
Mikulski
Miller (CA)
Mineta
Minish
Mitchell
Moakley
Molinari
Mollohan
Moody
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Murtha
Natcher
Neal
Nowak
O'Brien
Oakar
Oberstar
Obey
Olin
Ortiz
Ottinger
Owens
Panetta
Patterson
Pease
Penny
Perkins
Pickle
Price
Pursell
Rahall
Rangel
Ratchford
Regula
Reid
Richardson
Ridge
Rinaldo
Rodino
Roe
Rose
Rostenkowski
Roukema
Rowland
Roybal
Russo
Sabo
Scheuer
Schneider
Schumer
Seiberling
Shannon
Sharp
Sikorski
Simon
Skelton
Slattery
Smith (FL)
Smith (IA)
Snowe
Solarz
Spratt
St Germain
Staggers
Stark
Stokes
Studds
Synar
Tallon
Thomas (GA)
Torres
Torricelli
Towns
Traxler
Udall
Valentine
Vento
Volkmer
Walgren
Watkins
Waxman
Weaver
Weiss
Wheat
Whitley
Whitten
Williams (OH)
Wirth
Wise
Wolpe
Wright
Wyden
Yates
Yatron
Young (MO)
Zablocki

NAYS—171

[CRS-224]

2. Senate

a. Committee action

While the unclassified portion of the Senate bill (S. 1230) was silent regarding Contra aid, the intelligence committee reportedly enabled the CIA to carry out activities for the balance of FY83, but required the submittal of a new convert action plan before approving FY84 funds. Subsequently in September, the committee reportedly approved the new plan and authorized the expenditure of leftover funds, $19 million in new funds, and unspecified sums from the CIA contingency fund. Apparently no express general restriction on expenditures above amounts authorized was imposed by the committee. S. Rep. 98-77.

b. Senate floor debate (11/3/83)

Mr. MOYNIHAN. Mr. President, on October 20, our colleagues in the House of Representatives adopted a version of the Intelligence Authorization Act for fiscal year 1984 which cuts any funds that might have gone for support of paramilitary activities in Nicaragua. Today, we will be doing otherwise. Neither the Senate nor the House Intelligence Committees, I assure my colleagues, has made their decisions lightly or without a great amount of painstaking review and consideration. Over the past year alone our committee has met to discuss this matter on at least a dozen occasions. I know of no issue during my 7 years on the committee that has required so much of our attention, our concern, and, at times, our exasperation. The matters of Central America and Nicaragua have been continuously on our agenda.

[CRS-225]

An important point I wish to make today is that the debate that has taken place in our committee and our sister committee in the House is not a return to the kind of debate that dominated the period leading up to the new system of congressional oversight of intelligence. The debate over Central America and Nicaragua, while at times passionate, has not had the fundamentally adversarial character of the debate of those years.

The issue has been one of policy. The question is not one of dealing with a "rogue elephant." The debate has not been adversarial in any way with the administration, but, rather, it has been concerned with the question of what best to do.

Whatever the outcome may finally be after we meet in conference with the House, we should not let pass without notice that our efforts in the committee stand as evidence of the committee's determination to provide the United States with the best Intelligence Community that it can. But I caution that this determination rests upon a fragile consensus that cannot be sustained without prudential and effective leadership. As Samuel P. Huntington in his "American Politics: The Politics of Disharmony" correctly notes:

> The immediate legacy [of the earlier period to which I referred earlier] with respect to public attitudes was . . . high levels of distrust in government and relatively deep beliefs that little could be done to correct that situation. So long as Americans perceived their government to have deviated far from their ideals as to what governments should be, they were, perforce, driven to either a moralistic or cynical response. So long as they remained morally exhausted by the passions of [those earlier] years, they were, perforce, inclined to cynicism.

Our deliberations, I have regretfully to say, were not aided by the statement which the President made, I note, at a news conference. Most of us have said things at a news conference which we wish we had not said. The President said on October 19:

> . . . I do believe in the right of a country, when it believes its interests are best served, to practice covert activity . . .

I underscore "its interests." That raises a question, what are the obligations of the United States under international law? Also the question, have we no interest as such in seeing law prevail in the conduct of nations? The failure of the President to affirm our adherence to the law of nations is disturbing especially to those of us who have insisted on a redefined Nicaraguan program that we deem to be consistent with that principle.

Mr. James Reston, of the New York Times, characteristically responded—noticed that line—and wrote on the 23d of October:

> What if everybody acted on this idea? Why should the United States support this vicious notion so central to Soviet policy? And why did President Reagan defend the right of nations to do anything they please if their own interests were at stake.

Mr. Reston also offered this observation:

> In back of . . . [the House of Representatives] vote against the Administration is clearly a feeling that the Administration is not telling the truth, and is engaged in an operation that is violating the treaty commitments of the United States not to use or threaten force to achieve its political objectives.

I shall not attempt to articulate the administration's legal rationale for its Central American program. I do believe that the public is entitled to a full explanation, but I would want it understood what our rationale is. It is our conviction that the Government of Nicaragua has violated international law. This is recognized in express findings in the intelligence authorization bill passed by the House.

Mr. President, I want it clear that the House committee and the Senate committee are closer in these matters than might be supposed. The House committee declares in its bill passed, H.R. 2968, that activities of the Government of Nicaragua violate international treaty obligations. One finding states that:

> . . . by providing military support (including arms, training and logistical command and control, and communications facilities) to groups seeking to overthrow the government of El Salvador and other Central American governments, the Government of National Reconstruction of Nicaragua has violated article 18 of the Charter of the Organization of American States which declares that no state has the right to intervene, directly or indirectly, for any reason whatsoever, in the internal or external affairs of any other state.

The House bill contains another finding that the Government of Nicaragua has violated the Charter of the United Nations, which prohibits the threat or use of force against the territorial integrity or political independence of any state, and the Rio Treaty of 1949, which contains a similar provision.

Let there be no mistake about the seriousness of the conduct of the Sandinistas. The House Intelligence Committee reported that—

> [The insurgency in El Salvador] depends for its lifeblood—arms, ammunition, financing, logistics and command-and-control facilities—upon outside assistance from Nicaragua and Cuba.

The findings in the House bill referred to the misconduct of the Government of Cuba as well as of the Government of Nicaragua. They express, I think, the view of Senate Select Committee on Intelligence. From that view it follows that we have obligations as well as rights to respond to the violations of law by these other nations.

Mr. President, in 1975, Eugene V. Rostow, then professor of law at Yale and now the dean designate of New York Law School, wrote to the Select Committee's predecessor, the Church committee, on the legal basis for the conduct of foreign covert operations. He stated:

[CRS-226]

> One of the accepted rules of . . . international law, both before and since the enactment of the Charter of the United Nations, authorizes the international use of force by way of proportional response to the use of force by or from another nation in breach of its obligation in international law.

Professor Rostow tells us that these responses may be covert as well as overt. In addition, the doctrine of self-defense embraces lawful defense of others.

Writing more recently, in the New York Times of August 26, 1983, Professor Rostow urged against abolishing the distinction between aggression and self-defense in international law and treating them as politically and morally equivalent. He affirms that the United States has a legal right to assist El Salvador by helping a rebellion against the Nicaraguan Government until Nicaragua complies with international law and its obligations under the OAS Charter.

In short, a covert assistance policy based upon reciprocating the Sandinista's export of revolution is arguably a justifiable, proportional response to the Government of Nicaragua's breaches of law.

Now, Mr. President, these considerations were much in my mind when, in the aftermath of the landing of American forces on Grenada, I offered my personal view that this constituted a violation of the charter of the OAS and of the United Nations. This could only be the view of one Senator, and it could be wrong. I am aware that my statement has caused pain to many, but I would ask that it be understood that I believe in law and have taken an oath to uphold it. This extends to treaty law, which under article VI, section 2 of the Constitution is the supreme law of the land.

Equally important, of course, is the requirement that any covert action be employed in conjunction with the overt foreign policy objectives of the Nation. Our overt and covert policies must be compatible and mutually supportive if they are to succeed. Accordingly, the objectives of any covert action in Nicaragua must not be a substitute for, but rather an aid to American diplomatic efforts.

A major difficulty the Select Committee on Intelligence has had since it was first informed about a program for Nicaragua has been the vagueness with which the goals of the program were stated and the seeming lack of coordination between it and our diplomatic initiatives. Moreover, at times, the covert program appeared to be preceeding policy and not following it.

Last May we made clear to the administration that its program was much too broad and not sufficiently specific with respect to what was being undertaken and on what grounds and with what objective. The committee then took the rather unusually step of requiring that, before we approved any more funding, the administration articulate in a clear and coherent fashion its policy objectives in a new Presidential finding.

By late summer a new finding was well on its way to being signed by the President. Director of Central Intelligence, William J. Casey appeared before the committee on August 3 to report the outlines of the proposed finding. I believe it was the judgment of a large segment of the committee that the proposal was much too broad and ambitious. There was no hesitation on the part of the members of the committee to tell Director Casey precisely that. To his credit, the Director appeared quite willing to hear what we had to say.

On September 20, a new Presidential finding was presented to the committee by Director Casey and in his first appearance before us, Secretary of State, George P. Shultz from whose counsel he greatly benefited. Its goals were more precise and much more limited than those with which we had been in August. In large measure, the new finding reflected the concerns the committee had raised with Director Casey in that prior meeting. In the view of this Senator—I can speak for no other—there was a response to our counsel.

Remember, Mr. President, we do not have the right to approve or disapprove a Presidential finding. We are entitled to learn of it, we are required to know of it, and we are entitled to offer our counsel in the manner of advice and consent, at least the advice function of the Senate under the Constitution.

It was particularly of interest to us the following day to read in the press, again the New York Times, quoting an administration official with respect to the new finding and the previous day's hearing:

> We were always being questioned . . . on whether we were going beyond our program of interdicting arms. Now we say; Yes, we are supporting the rebels until the Nicaraguans stop their subversion in neighboring countries.

That article went on to say:

> The administration official stressed that this approach should end the argument over whether the administration was violating its pledge by doing more than just stopping the arms flow. The official also said that there was no thought of the administration backing the insurgents in trying to overthrow the Sandinista government.

That I think was a welcomed statement. Thereafter, the committee voted moneys for the program provided in new finding.

I stress, Mr. President, that the administration official said that, and no member of our committee spoke about it at all, but it made public what in private we felt, that there had been a response, that we were acting under law—acting under not just law, but under principles of law that obligated us to act. And it is with that view and in harmony on the point of international law that we hope this bill will pass and we will join our friends and colleagues in the House in conference.

In anticipation of the Conference, I should like for a moment to refer to a development of 2 weeks ago. The Government of Nicaragua presented a set of treaties to be signed by it, the United States and its neighbors which were to prohibit interference in each other's affairs. The administration promplty labeled the proposed accords "deficient." Obviously, coming as they did on the heels of the House vote and prior to the Senate's consideration of the matter, a measure of caution was warranted.

Moreover, according to the press reports, the proposals were short on detail and long on rhetoric. Yet, the fact is, the proposals were made. The fact that the Sandinistas wish to be seen as conciliatory is not an unwelcome development. The bona fides of the probe should be tested to determine whether it might indeed constitute a first step by Nicaragua in reaching a modus vivendi with its American neighbors or merely another propaganda ploy.

It is my intention, and I am certain the committee's, to watch with some care the seriousness with which the administration takes the Nicaraguan proposals. Our goal with this covert program should be nothing more, nor nothing less, than bringing the Government of Nicaragua into conformity with the accepted norms of international behavior. I note in this connection Professor Rostow's conclusion to his op-ed in the August 26, New York Times:

> To throw the compass of law overboard could hardly help the President and Congress navigate the turbulent waters of modern world politics.

Mr. President, this advice should not be lightly disregarded by the executive branch. As I reminded another President some years ago, "The sense of institutions being legitimate—especially the institutions of government—is the glue that holds society together. When it weakens, things come unstuck."

I ask unanimous consent that the aforementioned articles by Mr. Reston, Professor Rostow and the Times article of September 21 be printed in the Record.

There being no objection, the articles were ordered to be printed in the Record, as follows:

More Aid to Nicaraguan Rebels Backed

Washington.—The Reagan Administration told the Senate Intelligence Committee today that it planned to continue covert military aid to the Nicaraguan insurgents until the Sandinista Government stopped giving military support to the rebels in El Salvador, according to participants in the meeting.

William J. Casey, Director of Central Intelligence, and Secretary of State George P. Shultz met for several hours behind closed doors with the committee, which is headed by Senator Barry Goldwater, Republican of Arizona. Senator Goldwater had requested a report on plans for the fiscal year that begins on Oct. 1.

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The Administration is obliged to report to the intelligence committees of both houses on the goals and objectives of any covert activity. The committee had declared in May that it would cut off the aid in the absence of a new report by Sept. 30.

Most of the committee members were reportedly satisfied by the limited nature of the Nicaraguan program. Some had been concerned because Mr. Casey had reportedly suggested before the Congressional recess last month that the Administration might decide to back the Nicaraguan "contras," as the insurgents are known, with the aim of overthrowing the Managua Government, which is supported by Cuba and other Communist states.

VERY IMPRESSED WITH SHULTZ

"The members were very impressed with Shultz," one participant said. "They thought the plan was much more sensible than in the past. It looked as if it had some coherence and practicality."

President Reagan has said publicly that the United States had no intention of overthrowing the Sandinista Government. Administration officials had said that the $19 million which had been appropriated in the current fiscal year for covert aid was only meant to prevent arms from Nicaragua from going to the insurgents in El Salvador.

An Administration official said that the program outlined by Mr. Casey and Mr. Shultz went beyond the scope of the current program. He said it was not limited to interdicting arms, but was more broadly stated in general support of the Nicaraguan rebels. "We were always being questioned," an official said, "on whether we were going beyond our program of interdicting arms. Now we say, 'Yes, we are supporting the rebels until the Nicaraguans stop their subversion in neighboring countries.'"

"It was a very positive statement," the official said, adding that "I wished the press would have been able to bear it."

HONDURAS AND COSTA RICA INCLUDED

One participant said that the covert aid was to be used, not only until the Sandinistas stopped supporting insurgents in El Salvador, but in Honduras and Costa Rica as well.

The Administration official stressed that this approach should end the argument over whether the Administration was violating its pledge by doing more than just stopping the arms flow. The official also said that there was no thought of the Administration backing the insurgents in trying to overthrow the Sandinista Government.

The House earlier this year passed a bill cutting off all covert aid to the Nicaraguan insurgents for the 1983 fiscal year, but it stood little chance of passage by the Senate. In the absence of action by both houses to cut off the aid, it continued. Today's committee meeting seemed to clear the way for Senate approval for the 1984 fiscal year, which begins Oct. 1. The House will have to decide whether it wants to vote again to cut off covert aid in the next fiscal year.

The Senate Intelligence Committee has generally been supportive of the Administration's actions in Central America. The chief critic of the Administration on the committee is Senator Joseph R. Biden, Democrat of Delaware.

According to participants in the session, the Administration witnesses presented a formal finding by President Reagan that it would be in the national security interest to continue a para-military program directed against the Sandinistas.

REAGAN ON SUBVERSION

(By James Reston)

WASHINGTON.—In his most recent news conference—his first in three months—President Reagan defended his resorting to subversive warfare in Central America, and the necessity of keeping such covert military actions secret.

"I do believe," he said, "in the right of a country, when it believes that its interests are best served, to practice covert activity . . ."

Mr. Reagan has a way of saying what he truly believes in news conferences, which may be why he has so few of them. For when he asserts that he believes in the right of a country to engage in subversive warfare when it thinks its national interest are "best served," there is a problem.

This is precisely what the Russians believe. They believe that their national interests are "best served" by practicing "covert activity" in Central America, Angola, Syria, the Horn of Africa, Europe, Southeast Asia and many other places, including the U.S.

It is also precisely what President Reagan has been condemning them for doing, which puts him in the awkward position of claiming the "right" to do what he denies to his adversaries.

The odd thing about this is that Leonid M. Zamyatin, who runs Moscow's lie factory, will be delighted, for dictatorships are much better at subversive warfare than are democracies.

They live by secrecy. They control all communications. Pravda and Izvestia never question their masters, even when they shoot down civilian airplanes.

Yuri Andropov, unlike Mr. Reagan, has no Congress or Tip O'Neill to cut off funds, say, to Castro in Cuba or Soviet troops in Afghanistan, or to ask why he's spending so many rubles on missiles when hungry people have no food to eat. Subversion is an unequal game.

Obviously, the United States has to play it from time to time, and as the President pointed out the other night, it has been doing so ever since the beginning of the Republic.

For example, General Washington subverted the German Hessians who were fighting with the British during our War of Independence by offering them land and freedom in Virginia if they would throw away their guns.

He set them up in Fauquier County, where they lived for generations with their own laws, churches and taxes in what was called the Free State of Virginia.

I know a little about this because my wife and I have had a log cabin in the Free State for 40 years. Though the Hessians are now gone, the stock having run out through intermarriage, this first experiment in subversive warfare paid off fairly well.

Yet, it's not at all clear in this different day and age that democracies, and especially America, can or should try to compete with the Russians on the low level of subversive warfare.

We have our C.I.A. spooks all over Central America, our warships off the coast of Nicaragua. We are not trying to overthrow the governments the Reagan Administration says it doesn't like there, but everybody knows that is precisely what we are trying to do by subversive warfare.

This is why the House of Representatives here has voted to cut off funds for the Nicaraguan rebels. There is a revolt in the House against the Reagan Administration's subversive warfare in Central America, for a majority of the House, right or wrong, simply doesn't believe this C.I.A. subversive operation is right or is working.

In back of this vote against the Administration is clearly a feeling that the Administration is not telling the truth, and is engaged in an operation that is violating the treaty commitments of the United States not to use or threaten force to achieve its political objectives.

In short, the House rejects the President's principle that it is "the right of a country, when it believes that its interests are best served, to practice covert activity . . ."

What if everybody acted on this idea? Why should the United States support this vicious notion, so central to Soviet policy? And why did President Reagan defend the right of nations to do anything they pleased if their own interests were at stake?

The answer around here is that he didn't mean that his principle should be applied to the Russians but only to ourselves, and otherwise, he didn't think about it at all.

That's the way it is with the President. He wants to get government off our backs, but intends to shove a gag law down the throats of Government employees.

He says he'll agree to a Martin Luther King Day, but when he's asked whether Dr. King was a Communist sympathizer, says, "We'll know in about 35 years, won't we?"

Every day is a new performance. Every statement stands alone. There are no connecting rods between one light-hearted pronouncement and the other. This is why his staff recommends that he stay out of news conferences as much as possible.

ADHERING TO WORLD LAW

(By Eugene V. Rostow)

PERU, VT.—Cuba and Nicaragua hint that they would be willing to stop sending men and arms to promote the rebellion in El Salvador if the United States agreed not to help the Salvadoran Government put the rebellion down. The agreement they propose would abolish the distinction between aggression and self-defense in international law and treat both as politically and morally equivalent. For the United States to embrace that proposition should be unthinkable.

With remarkable consistency, the modern rules of international law have been applied to hold a state liable for any use of force from its territory to attack the territorial integrity, political freedom, citizens, armed forces or other sovereign interests of another state. The rules recognize the inherent right of "individual and collective self-defense" in peacetime—that is, the right of a state being attacked, and of states helping it, to use a limited, proportional amount of armed force if peaceful remedies are not available.

The pattern of response to the illegal use of force has not always been effective, and in recent years it has become alarmingly ineffective. But the expectations and prescriptions of the law have long been clear in the rulings of courts and arbitrators and in the conditional reflexes of foreign offices and defense ministries. Thus, during Biafra's attempted secession from Nigeria, the world community treated aid to Biafra as obviously illegal, while international military support for Nigeria was accepted as obviously proper. Similarly, Libya's assistance to rebels against the Government of Chad is universally considered aggression, whereas French and United States help to the Government of Chad is considered normal.

Moreover, the law does not confine the defense against the illegal use of force to parrying and repelling aggression. When Pancho Villa raided the United States from Mexico, Woodrow Wilson sent Gen. John J. Pershing across the border and also sent forces to Tampico. In Central America today, the United States and Honduras have chosen to assist El Salvador by helping a rebellion against the Nicaraguan Government. They have a legal right to do so until Nicaragua complies with the law.

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These rules of international law, reaffirmed in the United Nations Charter, reflect the nature of states, and conditions necessary for their cooperation in the hazardous environment of the state system. Many international commissions have attempted to establish exceptions to the rules in order to legitimize international use of force in behalf of causes to which particular states are attached—notably, "socialism," "national liberation" and "self-determination." All these efforts have failed for the same reason: No state will support a rule that might be invoked to restrict its right of collective self-defense or to justify a guerrilla attack from a neighbor's territory against itself.

One great advantage of basing our foreign policy explicitly on international law is the neutrality of the law. The rules of law on the international use of force rest on a policy of preserving the state system, in which every state has an equal and overwhelming interest. International law does not protect the "status quo"; it establishes procedures for encouraging peaceful change. It says nothing about the right of a people to revolt against tyranny. It deals only with the international use of force, and it protects Poland and East Germany as categorically as it protects El Salvador and South Korea.

Apart from the various applications of the Brezhnev Doctrine, before which the West has stood mute, there has been only one deviation from the pattern or conduct sketched by these rules in modern times: the "nonintervention" policy that assured destruction of the Spanish Republic. Ironically, the leaders of Cuba and Nicaragua take a leaf from the book of Hitler and Mussolini: During the mid-1930's, Hitler and Mussolini sent military supplies and then troops to assist Franco's revolution. This was open aggression against Spain. Other Western nations were legally entitled to help Spain defend itself against the revolution but did not, hoping to appease Hitler and Mussolini.

The United States must not consider repeating the mistake it made by supporting the "nonintervention" policy for Spain. We should never again abandon the rules of international law that condemn aggression and uphold states' right of individual and collective self-defense. The most fundamental goal of our foreign policy—achievement of a just, stable world order—will be beyond our reach until the rules on the international use of force are generally and reciprocally observed. To throw the compass of law overboard could hardly help the President and Congress navigate the turbulent waters of modern world politics.

[From Yale Law Report, Spring 1976]

EUGENE V. ROSTOW ON FOREIGN COVERT ACTION OPERATIONS

(Mr. Rostow is Sterling Professor of Law and Public Affairs.)

(We reproduce here the text of a September 23, 1975, letter from Mr. Rostow to William G. Miller, staff director, and Frederick A. O. Schwarz, Jr., chief counsel, of the Select Committee to Study Government Operations with Respect to Intelligence Activities, U.S. Senate.)

I am happy to respond to your letter of July 30, asking my views (1) on the legal basis for the conduct by the President of what you call "foreign covert action operations" in the absence of specific statutory authority; and (2) whether, or to what extent, Congress may by statute limit or prohibit the conduct of such "foreign covert action operations" by the President. Your letter gives several examples of what you mean by the phrase, ranging from the Bay of Pigs episode to sabotage, propaganda, and assistance to foreign political groups.

I have prepared this letter during a sabbatical in the country, without benefit of library. It will therefore be general and informal in character.

In brief, my answers to your questions are as follows:

(1) In the absence of statutory authority, the President has inherent constitutional power to conduct "foreign covert action operations" because he is the President under our Constitution: that is, he is the sole organ of the nation in the conduct of foreign relations; the commander-in-chief of our armed forces; and the head of State.

(2) Congress cannot prohibit the President from carrying out "foreign covert action operations," but it may establish and regulate the methods through which the President carries them out, as it establishes and regulates the work of the courts and the action of the President in other aspects of his duty. Congress cannot deny the President the capacity to function effectively in this area any more than it could deny the courts the capacity to carry out their independent constitutional duties, or deprive the President, for example, of his pardoning power, or his power to remove Cabinet officers at will.

I

Let me start with the unassailable proposition that since 1776 the United States has been a nation among the nations, fully vested with sovereignty, as that concept is known to international law, and endowed with the capacity to do whatever nations do in world politics, in accordance with the effective norms of international law.

But the limitation of the previous sentence does not help much in articulating a sound answer to your questions. The nations are of course under an obligation to respect and obey the generally accepted norms of international law. The United States has always purported to base its foreign policy on scrupulous respect for international law, a policy I strongly support. But other nations do not always follow the same policy. And international law fully acknowledges the fact that nations have the sovereign power, if not the right, to breach their obligations under international law and take the consequences. Our constitutional law fully recognizes this fact (*Gray v. United States*, 21 Ct. Cl. 340 (1886); *Diggs v. Schultz*, 470 F.2d 461 (Ct. App. D. of C. 1972)). It follows, both under international law and our own constitutional law, that we must be capable of employing the remedies to self-help contemplated as legitimate under international law to deal effectively with such wrongful acts. International law does not know the remedy of specific performance.

To paraphrase Chief Justice Hughes' famous comment about the scope of the war power, the authority of the nation to protect its interests in world politics is the authority to protect those interests successfully. As a matter both of international and of constitutional law, the extent of the nation's rights, duties, powers, and privileges in foreign affairs will therefore depend upon the condition of world politics and upon circumstance. In all legal systems law derives from the nature of things. What the United States can do turns on what it must do: that is, on what its responsible political officials believe it should do to safeguard the security, prosperity, and honor of the nation, both in serene times, and in times of trouble.

Under the Constitution of 1787 the authority of the United States to act as a sovereign nation in "the great external realm" is divided between the Presidency and the Congress. The allocation of power between Congress and the Presidency in dealing with external affairs has never been and can never be mapped with precision. As Hamilton said, the threats which may arise to plague the nation are infinite and beyond prediction. The powers of the nation must always be adequate to deal with whatever menace may arise. The point I am trying to make is nowhere more evident than in the astonishing arrangements we have made, and take for granted, about the President's singular duties with regard to the nuclear weapon. Since the Presidency is the only institution of our government capable of dealing with the problem, we entrust it to the President.

A familiar constitutional paradox dominates your enquiry. On the one hand, the Presidency is one of the three autonomous branches of the government, often called "independent"; on the other, as Madison saw from the beginning, the principle of the separation of powers does not mean that the three branches of the government are really separate at all. For the most part, their powers are commingled and shared. They are therefore not independent but interdependent, although there are some functions unique to each branch. Only a judge can issue a mandamus. Only Congress can declare war. Only the President can order the troops into battle. If one visualizes the powers of the President and of Congress in the field of foreign affairs diagramatically, they could be represented by two circles, tangential to each other, with a third circle, its center on the point of tangency, including about half of each of the others. The parts of the first two circles outside the third would represent the distinct and independent powers of Congress and of the Presidency; the third circle, the powers they share. I shall not attempt here to survey the field, reconciling the respective foreign affairs powers of Congress and the President. You are familiar with Corwin's magisterial book on the Presidency and Professor Louis Henkin's comprehensive recent treatise. I examined one panel of the problem in an article in the Texas Law Review, "Great Cases Make Bad Law," 50 Tex. L. Rev. 833 (1972).

Suffice it to say, for the purposes of this letter, that nearly two centuries of experience permit us to identify the ideas which govern the division of authority between the Presidency and Congress in the Foreign Relations Law of the United States.

In my judgment, that allocation of authority corresponds to functional necessity—that is, to the nature of the tasks involved and of the institutions themselves. I have no quarrel with the existing constitutional plan, difficult as it is to carry out. In my opinion, it corresponds to the nature of our constitution and people, combining the capacity for swift executive action with ample means for assuring democratic responsibility.

The President speaks for the nation in diplomacy. He is commander-in-chief of the armed forces. And he is head of state, endowed therefore with residual emergency powers Lincoln used. In many areas, the President makes policy himself, in addition to carrying out the policies of Congress. The Monroe Doctrine, for example, is a presiden-

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tial policy but not less a national policy for that reason.

The Congress is the legislature, deliberately denied any executive power. The Senate has a special role in certain appointments and in treaty-making. And only Congress can declare war.

Defining the limits of Congressional power in relation to the inherent authority of the other two branches is never an easy task, but it is a familiar one in our constitutional system. We know, for example, that while Congress can regulate the jurisdiction of the federal courts and the appellate jurisdiction of the Supreme Court, it has never deprived the courts of the capacity to carry out their judicial duties. Confronting such a possibility, Justice Story once said that the courts would exercise their inherent rule-making power to assert jurisdiction. The test has never arisen, and I trust it will never arise. But I believe Justice Story was right. There is a point beyond which regulation becomes usurpation. In relation to the Presidency, too, all sorts of limits are recognized. Congress can, for example, establish a Civil Service System, but it cannot deprive the President of his indispensable power to remove Cabinet officers and other high officials at will. Nor can Congress interfere with the President's pardoning power, although it can, I should suppose, pass amnesty statutes of its own.

What your letter identifies as "foreign covert action operations" belong to two realms in which the President and Congress are at once independent and interdependent—the conduct of foreign relations and the international use of force. Perhaps it would be more accurate to say that diplomacy and the limited use of coercive measures are equally normal aspects of the conduct of foreign relations in times of war and peace alike. As the Supreme Court once commented, secret services "are sometimes indispensable to the government," both in hostilities and in "matters respecting our foreign relations." *Totten* v. *United States,* 92 U.S. 105, 106-107 (1876). Since the conduct of foreign relations under our Constitution is peculiarly Presidential in character, especially in those of its aspects where secrecy is essential, the task of defining the limits of Congressional authority with respect to the secret aspects of diplomacy is unusually difficult.

II

I assume that you are mainly interested in the international and constitutional legal problems raised by foreign covert action operations during peace time. Once Congress has moved the nation to a state of war, within the intendment of international law, most of the questions suggested by your letter disappear.

International law contemplates the possibility that a long list of limited coercive measures may be employed in international relations during peace time to redress violations of international law which cannot be dealt with by less drastic means. They range from ordinary intelligence gathering procedures to the exercise of what Article 51 of the United Nations Charter acknowledges as each nation's "inherent right of self-defense" against armed attack (or the imminent threat of armed attack), and its equally "inherent" right to respond reciprocally to lesser forms of coercion or to assist another nation under attack or threat of attack. The clumsy drafting of Article 51 subsumes a comprehensive array of measures of self-help a nation may take in peace time to defend itself against violations of international law by another nation to its detriment. Some involved the use of force. Others, like ordinary diplomacy and less visible methods of gathering information, seek to discover, to anticipate or to deal with harmful or hostile actions other states may be planning or taking against the best interests of the United States. Such measures of self-help should be limited and addressed to the breach itself. They are never intended as acts of general war, nor are they intended to affect the territorial integrity or political independence of the nation to which such defensive measures are addressed.

One of the accepted rules of this breach of international law, both before and since the enactment of the Charter of the United Nations, authorizes the international use by force by way of proportional response to the use of force by or from another nation in breach of its obligations in international law. For example, when guerrillas conducted raids within the territory of the United States from Spanish Florida in 1819 or from Mexico in 1916, Spain in the one case and Mexico in the other had violated their duties to us under international law by failing to prevent such activities from their territories. Prompt relief being unavailable through diplomatic channels, the United States was legally authorized to send troops in order to eliminate the danger. We acknowledged the principle when the shoe pinched the other foot. In 1837, armed bands assembled in up-state New York to help an insurrection in Canada. We conceded that, in such a case, Great Britain could send troops into the United States for the limited purpose of eliminating the threat to Canada if the United States did not disarm and disperse the guerrillas with dispatch.

This principle of international law has been appropriately invoked nearly every week in the Middle East during recent years, when Israel has raided guerrilla camps in Jordan or Lebanon from which attacks have been launched against it, or made limited attacks in Egypt or Syria, in response to guerrilla attacks from those countries.

Constitutionally, such limited use of force to defend the United States or its allies against breaches of international law have been considered to be among the duties of the President, acting alone. The President has sometimes had the support of a Congressional Resolution before or after the event in cases of this kind. It is always desirable, when it is also feasible, for the Congress to join the President in putting the full weight of the nation behind an American warning or other act of permissible self-help. But congressional support is not necessary to the legality of such actions under the Constitution. Thus, the President has used force on his own authority many, many times since 1789, not only in dealing with armed attack, like those from Spanish Florida or Mexico. I have just mentioned, but also in protecting American citizens and property abroad, when they were subjected to treatment which violated the standards of international law and when, as a practical matter, political or judical remedies could not be obtained immediately.

The practice is so familiar that it requires no evocation of precedents. The *Mayaguez* episode is the most recent occasion on which a President deemed it necessary to use force in the exercise of his responsibility to protect American citizens and property abroad against a breach by another state of its obligations to us under international law.

The use or the threat to use military force or other coercive measures is also a familiar feature of diplomacy, especially, of course, during periods of turbulence like the modern era. Thus, the United States put 50,000 troops on the Mexican border after the Civil War to back the President's suggestion that France withdraw its support from the government of Maximilian. The United States made this threat to use force on the authority of the President alone, as an integral part of his responsibility for the conduct of foreign relations in general and the enforcement of the Monroe Doctrine in particular. Under our constitutional practice, it would have been time to involve Congress formally before or after hostilities broke out if the President's warning had failed of its purpose.

President Kennedy's handling of the Cuban Missile Crisis in 1962 should be viewed, I believe, in the same perspective, as permissible self-help authorized by Article 51 of the Charter. We actually used a small amount of force, in stopping Soviet vessels on the high seas, and threatened a greater use of force, in order to reinforce a diplomatic demand on the Soviet Union. Our policy in the Cuban Missile Crisis of 1962 was not a move to defend the United States against the threat of imminent nuclear or other attack. There was no risk of any such attack. As President Kennedy pointed out at the time, the emplacement of Soviet missiles in Cuba was not in itself the crux of the controversy: Soviet missile-carrying submarines roamed the Atlantic at will.

Here again, the action taken was Presidential. Because of the controversy over the constitutionality of President Truman's course in Korea and the amendment to the Constitution proposed by Senator Bricker, a hasty Resolution had been passed by Congress purporting to deal with the Cuban crisis. But it did not cover the situation as it developed. There is no doubt, however, that Congress supported the President in what he did.

The most recent and most portentous threat to use force in aid of diplomacy was President Nixon's series of warnings to the Soviet Union not to attack China. This was the essence of his diplomacy for achieving a rapproachement with China as a step toward stabilizing the relationships among the Soviet Union, China, and the United States and its European and Asian allies. The President was addressing the ominous Soviet mobilization on the Siberian frontier between China and the Soviet Union. What he said, in context, was a secret threat to use force in the event of a Soviet attack on China. Thus far, that Presidential threat has been effective.

Here too, what the President did has had general and Congressional support. I am not aware of any criticism of President Nixon's rapproachement with China on constitutional grounds.

In all these instances, and many others, the action required of the United States was Presidential in character. In some—like President Nixon's recent warnings to the Soviet Union to protect China and Israel—secrecy added to the possibility of success and was perhaps essential to success. It is easier for a nation to yield to a secret than to a public threat. In such affairs a hint is far more likely to be effective than an ultimatum. All were situations requiring a quick response and a nearly continuous course of action. They were "executive" rather than "legislative" in nature—if those two slippery words can be considered to posses tangible cores of meaning. They involved either limited defensive responses to an attack on the interests of the nation or equally limited recourse to pressure in aid of diplomacy.

III

What you describe as "foreign covert actions" are accepted and relatively minor examples which fit into both the general cate-

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gories I have sketched out in the second part of this letter.

The Soviet Union and some other nations engage in large-scale and systematic programs of "foreign covert operations" directed against our interests all over the world. I assume your Committee has carefully studied the events behind the important Mexican decision in 1971 to expel over fifty Soviet diplomats and the corresponding decision of the British government (in the same year, I believe) to expel an even larger number "for espionage and sabotage." These were dramatic instances which came close to the surface of public knowledge. Neither customary international law nor the law of the United Nations Charter—insofar as it may differ from customary international law—provides any remedies against such policies, save self-help in the pattern of Article 51. Are we to stand by and allow NATO allies, like Portugal, Italy, Greece, or Iceland to be subverted and conquered by well-financed Soviet programs of propaganda, sabotage, and even direct revolutionary activity (like that publicly revealed in Mexico in 1971) without any response?

It seems to me that the long tradition of using secret agents in diplomacy provides the simple and sensible answer to that question. That answer must be, "Of course not." The use of secret agents was a familiar feature of the diplomacy our Founding Fathers knew and practiced. It has been commonplace ever since. And today it is employed by our adversaries on a larger and more sophisticated scale than at any previous time in history. It makes no sense to claim that either international law or our own Constitutional law prevents the United States from defending its interests against such pressures.

The defense of the nation against these unremitting pressures may sometimes involve elements of international coercion which would be of doubtful international legality if they were not intended to defend our interests against illegal coercive pressures mounted against us by the Soviet Union or other states. But they are far less burdensome than the uses of coercion mentioned in Part II of this letter. If it was permissible under international law for President Wilson to send troops into Mexico in order to capture Pancho Villa—and it was—it is *a fortiori* legal for the United States to provide funds for democratic newspapers or political parties in Chile or Portugal or to engage in some of the other kinds of foreign covert actions contemplated by your letter. Such operations should be deemed proper exercises of our inherent rights of self-defense, as activities normal to the conduct of our foreign relations in this period of intense and dangerous international rivalry.

IV

Finally, I come to the question whether Congress can constitutionally limit or prohibit the activities of the President in this field.

Let me start by making it crystal clear that I oppose, and I believe our constitution opposes, unreviewable power in any branch of the government. The American constitutional system is based on the principle of democratic responsibility. It has an answer for the famous and ultimate question of all government, "Quis custodiet custodes?" Our answer in plain, and the passion of our convictions on the subject was fully revealed in the Watergate affair through which we have just passed.

The forms and methods of public accountability are not uniform, however. Some involve judicial or congressional review; for others, the only available remedy is at the polls. If the Supreme Court errs, in the judgment of the country, the remedy is a statute or a constitutional amendment, embodying the sober second thoughts of the American people.

Many, many decisions of government are necessarily entrusted by the Constitution and the laws to the uncontrolled discretion of the President, or Congress, or both. These are the so-called "political questions" courts cannot review. Some are purely Presidential; others purely Congressional; many involve the action of both branches—a declaration of war, for example. For such exercises of the power of the political branches to make political decisions, the appropriate way to assure democratic responsibility is oversight and ultimate recourse to the political process. Great Britain, France, and other democratic countries make it a rule never to discuss their secret services in public. So strict a standard is not congenial to our political system. Nonetheless, in my view, Congress should follow the holding in the *Totten* case, which requires the courts to respect the government interest in secrecy and conduct their oversight hearings in private.

Such, I believe, is the constitutionally correct predicate for an answer to the questions posed by your letter, "Can Congress limit or prohibit the President's activities in the field of foreign covert action operations?"

The question of prohibition is easy, I think. Congress cannot deny the President authority to use secret agents in the conduct of his constitutional duties as President any more than it could interfere with any other "inherent" or "independent" feature of his power.

Regulation within the boundaries established by our constitutional history is another matter.

The problem, I suggest, is like that involved in establishing and organizing the State Department. Only Congress can establish ongoing governmental institutions to assist the President in carrying out his responsibility for the conduct of foreign relations. It can pass comprehensive legislation to regulate the functioning of the State Department. But in doing so, Congress cannot limit or control the exercise of the President's constitutional discretion. It could not, for example, decide questions of recognition or non-recognition. They are for the President alone. It cannot, I believe, require the President or any other executive officer to reveal what Chief Justice Marshall, in *Marbury* v. *Madison*, called "the secrets of the cabinet." Congress could not require the President to act only on the recommendations of the Secretary of State, or the National Security Council, or the Senate Foreign Relations Committee. It could not require the President to use only members of the Foreign Service or Ambassadors as his agents in diplomacy. From the time President Washington sent the Chief Justice to negotiate Jay's Treaty to the day of Colonel House, Harry Hopkins, or Henry Kissinger (before he became Secretary of State). Presidents have often chosen to conduct diplomatic business through channels convenient to them.

Similarly, Congress cannot control the President's discretion as Commander-in-Chief, save through its power of the purse, although it can and does legislate on a large scale to organize and regulate the military establishment. It could not order President Roosevelt to start a Second Front in France or prevent a President from negotiating and signing an armistice or a cease fire.

In the nature of world politics today, what your letter calls "foreign covert action operations" will often be "indispensable to the government" to recall the phrase from the *Totten* case. Under most circumstances, they come well within the areas of action the President is fully authorized to take on his own responsibility. In *Totten* the Court ruled that in hiring a secret agent without statutory authority, the President made a contract binding on the United States and payable from contingent funds entrusted to him by Congress. Congress can probably alter that practice and regularize the President's mode of making such contracts. But it cannot deprive him of the function.

Can Congress limit or control the President's discretion in carrying on foreign covert operations, save through a refusal to appropriate funds? To a degree, I believe it can. For example, I see no reason why Congress could not declare that it is against the policy of the United States to engage in political assassination. To my official knowledge, that was the firm and immutable policy of the United States while I served in the government in high enough positions to know, and I was assured that it had always been the policy of the United States. Congress has passed legislation and ratified treaties dealing with many aspects of the law of war. Those statutes and treaties restrict the powers of the President as commander-in-chief. If the Senate can ratify treaties and Congress pass legislation outlawing the use of poison gas or the bombing of open cities, I see no reason why Congress could not outlaw certain practices by our CIA agents, so long as the function itself is not crippled or controlled.

Manifestly, there is no chance whatever that the rules of the game for the secret services will ever be prescribed by international agreements like the Geneva Conventions regulating the use of force in war and other hostilities. Whether it is prudent to consider such legislation is therefore a difficult question. But your letter asks only whether under the Constitution Congress has the power to pass any substantive legislation at all in the field beyond housekeeping statutes.

My answer to that question is a qualified "Yes." In my opinion, Congress can pass legislation dealing with foreign covert action operations of the President as chief diplomat of the nation, commander-in-chief of its armed forces, and head of state, so long as it does not cross the intangible boundary between the legislative and executive aspects of the problem. Admittedly, the delineation of that frontier is difficult and will always be difficult for the reasons I suggested earlier. Certainly my colleague Professor McDougal was correct when he wrote to you on August 21 that "Congress has no more authority to regulate the independent power of the President than the President has to regulate the independent powers of the Congress." But which part of the President's powers are truly independent and which are shared with Congress? There are many fields in which the President can and should act in the absence of Congressional action but where Congress can act if it wishes to do so: the abrogation of treaties for example; the exclusion of aliens; the regulation of international cables and other devices of telecommunication.

In trying to analyze the division of the foreign affairs power and the war power between Congress and the President, the conduct of foreign covert action operations is surely an aspect of diplomacy and of the President's duties as commander-in-chief, which should be classified close to the presidential end of the spectrum. It is necessarily secret and intimately associated with the conduct of foreign relations, rather than the articulation of legislative policy. Nonetheless, I should be the last to deny that

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there is some room for substantive policy legislation in the field, so long as the basic process of the Constitution is respected.

The democratic quality of American life depends ultimately not only on the rectitude of our governors but on the inevitable rivalries and jealousies of the three branches of government. Those rivalries produce the tensions which have made it possible to preserve our Constitutional system for nearly two centuries and thus to protect our liberty. The present study of your Select Committee represents one manifestation of that constitutional tension. Of course tension should not be carried so far as to paralyze government. It never has. But it should go far enough to satisfy us that any abuses of the system have been cured; that every reasonable precaution against possible future abuse has been established; and, above all, that the proper functioning of the President's secret services as indispensable agencies of government has been facilitated and assured.

Mr. President, I hope I have not been tedious. This is a subject of the greatest concern to many. I see the distinguished Senator from Vermont is on his feet, and I yield the floor.

Mr. LEAHY addressed the Chair.

The PRESIDING OFFICER. The Senator from Vermont is recognized.

Mr. LEAHY. Mr. President, I will try to be brief because I understand that the chairman and vice chairman of the committee and the distinguished chairman of the Budget Subcommittee of the Intelligence Committee wish to be able to get this authorization bill through as written, subject, I believe, only to some technical amendments. I, too, join in that wish. I hope that before the noon hour when we go back to natural gas, this bill can be finished, passed, and available to the conference, because there will be a number of conference items, as we know. I think it is important for us to get on to the conference. That is where the controversy will really be addressed, and I hope that this bill can go there without a lot of extraneous material on it.

Mr. President, an unclassified statement by the Select Committee on Intelligence notes that the fiscal 1984 intelligence authorization bill authorizes funds for "covert paramilitary operations in Central America."

Because of the parliamentary situation, now is not the time to make a lengthy statement on the President's policy toward Nicaragua. Instead, I will limit myself to reaffirming my opposition to the covert paramilitary action program.

The House has twice voted to terminate funding for the covert paramilitary action program directed at the Sandinista government. In an unclassified statement, our committee declared the following to be its position:

> None of the funds authorized or available to the Central Intelligence Agency in Fiscal Year 1984 or beyond, may be used for the purpose of any covert paramilitary operations in Central America, or support thereto unless:
>
> 1. The Committee has been informed, in advance, of the specific goals, and risks associated with the proposed covert paramilitary action; and
>
> 2. The Committee has specifically approved the covert paramilitary action by a majority vote, confirmed in writing to the DCI by the Chairman and Vice Chairman.

I am a political realist. I can also count. At this point, the Senate should pass the intelligence authorization bill as it stands. I think that is where the majority in this body would lie. There is disagreement with the House, to which I have alluded, so a conference will be necessary. I do not want to jeopardize by extraneous matter on this bill the chances of a compromise in that conference committee.

Mr. President, we should not be attempting to overthrow the Government of Nicaragua. I hold no brief whatsoever for the Sandinista regime. In many ways it has betrayed its own revolution.

I told some of the members of the Sandinista leadership, when I visited Nicaragua, that I was disappointed that they were being dishonest, not only to me but also to at least one other Senator there at that time.

Mr. President, may we have order?

The PRESIDING OFFICER. The Senator's point is well taken. Will the Senate be in order?

Mr. LEAHY. I thank the Chair.

As I said, I hold no brief for the Sandinista regime, but whatever anyone thinks about it, it is the internationally recognized government of a sovereign nation. It should not be the function of the United States to overthrow regimes because it does not like their ideological character.

There are many reasons why the covert paramilitary action program is contrary to our national interests. Let us look at this operation not from the standpoint of what is in the best interests of Central America or Nicaragua or anywhere else, but purely in our own national interests. I should like to list what I see as the four most important reasons why it is contrary to our national interests.

First, Nicaragua is yet another example of this administration's substitution of covert action and military force for a sophisticated foreign policy. Someone should remind the President that he has other nonmilitary tools at his disposal to further our national interests. Covert action is never an adequate substitute for a foreign policy. It has not been so in the past in this country, and I doubt if we will ever see a situation where it will be so in the future.

Second, military pressure against Nicaragua is bringing about results completely opposite to what the administration tells us it is seeking.

Instead of promoting pluralism and democracy in Nicaragua, the covert action program is strengthening the hand of Sandinista radicals for bringing in Cuban and Soviet military assistance.

It unites the Nicaraguan people, even those who fear the Sandinistas, against a common enemy. Whatever their differences, most Nicaraguans are against the hated Somozistas who control the insurgents. They also remember the painful history of American military occupation of Nicaragua in the 1920's and 1930's, and our support for the brutal Somoza dictatorship.

It undermines regional stability by increasing tensions between Nicaragua and Honduras. This is not a situation which involves just the United States and Nicaragua. We should not overlook what happens to other countries in that area as a consequence of what we do. We should not overlook Honduras, a country that we have encouraged along democratic paths, where we would like to see democracy flourish, a place where we could point to the success of democracy in Central America. Nicaragua may be goaded into attacking Honduras. If it does, the United States will be asked to intervene with military force to defend our ally. This will be a catastrophe. The American people will not support a Central American war.

I ask: which will be worse? A situation where we say we will support Honduras in a war, knowing that the American people are not behind that? Or do we say to Honduras, a country with which we have worked closely, "We're sorry; it's now your problem; we're going to leave you"? Either way would be considered unacceptable.

Third, the President's course of action is illegal. The U.N. Charter, the OAS Treaty, and the Rio Treaty, all of which we have signed, commit us not to intervene in the affairs of sovereign countries.

The Boland amendment to the continuing resolution adopted in December 1982—and still valid—prohibits the use of funds by the Central Intelligence Agency or the Department of Defense:

> To furnish military equipment, military training or advice, or other support for military activities to any group or individual, not part of a country's armed forces, for the purpose of overthrowing the Government of Nicaragua or provoking a military exchange between Nicaragua and Honduras.

There is no need to cite innumerable declarations by the insurgents about their aims. They are not risking their lives to interdict the flow of arms to El Salvador or to share power with the Sandinistas. The insurgents intend to throw the Sandinistas out and take power themselves. They are very simple and very open about their desires. It is sophistry to argue that because we have different objectives, U.S. support for these insurgents does not violate the intent of the Boland amendment.

Fourth, Mr. President, is that often mocked but real force in America—morality. It is against our best traditions to compel others to believe as we believe, to live as we live, to govern themselves as we govern ourselves. We are a nation founded on diversity and toleration. That is our ideal, and we strive to live up to it, however often we may fall short. It is not good enough to say that because the Soviets flout international law and decent behavior, we must do the same. I like to think that America lives by a standard different from that of the Soviet Union.

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That is one of the many reasons why I am so proud to be an American. It is one of the reasons why I would not want to be a citizen of any other country. It is also one of the reasons why, as a U.S. Senator, I feel that it is incumbent upon me, as it is on all of us, to speak out if we feel that the United States does not live up to those high ideals, the highest ideals in the world, which we set for ourselves.

There is another moral dimension to this covert action program, one that few ever mention. With our aid, people are going into Nicaragua to fight and to die. What happens when we decide we have achieved our own goals? Do we tell them "thank you, sorry about all your dead and wounded, but that is the end of our support?" Do we simply abandon these people then? For me, that is carrying ruthlessness too far.

Mr. President, I have already gone on longer than I planned, so let me finish by posing a few questions:

First. What happens if the insurgents win and seize power in Managua? Does anyone really think the Sandinistas would simply quit and become model citizens or that the insurgents would install a reformist democracy dedicated to eradicating centuries of social and political injustice? Is it not more likely that the Sandinistas will go back into the hills and brutal war would continue? How would a new regime survive unless the United States provides massive military backing, probably for decades?

Second. Where do we draw the line in Nicaragua? When do we decide that enough pressure has been exerted and it is time to stop?

Third. Is Congress ready to support American participation in a much wider war in Central America if that is where the covert action program leads?

So I hope we on the committee can find a way, during the conference with our colleagues from the other body, and I think it is in the best interests of the country and Congress to pass this bill now so we can go to conference, to restrain this administration's tendency to resort to covert action as a first, rather than a last, resort.

Covert action can never be a substitute for a good foreign policy, not for the United States.

Mr. President, I see the distinguished chairman of the subcommittee in the Chamber, and I yield the floor.

Mr. GOLDWATER. Mr. President, will the Senator yield?

Mr. LEAHY. I yield.

The PRESIDING OFFICER. The Senator from Arizona is recognized.

PROBLEMS WITH AN OVERT ARMS INTERDICTION PROGRAM

Mr. GOLDWATER. Mr. President, the question has been raised as to whether Congress should support an overt program of arms interdiction in Central America. This approach has been promoted largely in the House of Representatives, in the context of the so-called Boland-Zablocki amendment (H.R. 2760) which passed the House by a vote of 227 to 194 on October 20, 1983. Similar legislation has also been introduced by Senators KENNEDY and PELL (S. 1713 and S. 1927).

Mr. President, the question of any overt interdiction program has been considered by the Senate Intelligence Committee. I think it is fair to say that we think this approach has a number of practical problems.

Earlier this year, I wrote to the Secretary of Defense on just this issue. On September 21, 1983, he responded to me in part, as follows:

> Your letter of September 15, requests the Defense Department's reaction to S. 1713 which would prohibit U.S. support of military or paramilitary operation in Nicaragua and authorize an overt arms interdiction effort in cooperation with governments of Central American nations. This resolution duplicates restrictions contained in H.R. 2760 recently passed by the House of Representatives. As you know, the Administration is strongly opposed to this legislation for a number of reasons. I am pleased to provide you with a response to your questions. Under Secretary Ikle is providing additional information under separate cover.
>
> Past experience tells us that the support of an insurgency movement is nearly impossible to interdict if the insurgents have the advantage of a nearby sanctuary area, protected against any and all interdiction efforts, which can be used to direct and funnel supplies over many different routes. The prohibitions contained in S. 1713 would effectively turn Nicaragua into such a sanctuary.
>
> Any interdiction program which treats Nicaragua as a sanctuary would be prohibitively expensive and would be very unlikely to succeed. Our preliminary estimates indicated that interdiction against ground supply flow alone could cost upwards of $300 million the first year, and at least $100 million for each subsequent year. Even at this level of spending, we would be able to achieve very little interdiction of air or waterborne supplies.
>
> Moreover, given the limited resources and shortage of trained personnel in friendly Central American nations, any interdiction program of the magnitude envisioned would require extensive deployment of U.S. personnel to the area. If the insurgents and their supporters in Nicaragua chose to fight the interdiction efforts, U.S. personnel would become the target of enemy attack, thus increasing the chances that the U.S. would become directly involved in combat in the region.
>
> In short, the overt interdiction program envisioned in S. 1713 coupled with its prohibitions on covert operations constitutes a high cost, high risk approach while offering almost no chance of success. The insurgency in El Salvador would be unable to survive without the financing and assistance from Nicaragua and Cuba. This critical support cannot be curtailed through interdiction efforts that have to treat the territory of Nicaragua as a sanctuary.

The problems with this overt interdiction approach have also been addressed by the Under Secretary of Defense—the Honorable Fred C. Ikle—in a letter to me dated September 19, 1983. Mr. Ikle's response says in part:

> Your letter of September 16th requests our judgment on the effectiveness of an overt arms interdiction program in Central America as detailed in both S. 1713 and H.R. 2760. I am pleased to provide you with this information.
>
> Our preliminary analysis indicates that an overt arms interdiction program would require a tremendous commitment of funds and resources. Even with such a commitment, the prospects for success are small.
>
> Past experience tells us that support of an insurgency movement is nearly impossible to interdict if the insurgents have the advantage of a nearby sanctuary area. S. 1713 would effectively turn Nicaragua into such a sanctuary. This situation would force upon neighboring countries the tactical numerical and fiscal disadvantages of defensive reactive operations against insurgents and terrorists operating from Nicaragua, enjoying all the advantages of a sanctuary whose inviolability would be guaranteed by the United States.
>
> In short, the proposals and prohibitions contained in S. 1713 and H.R. 2760 would dictate a course that is much more costly and risky than our present policy and would be far less likely to succeed.

I hope that the attached materials, provided per your request, will be of assistance in evaluating the proposed legislation.

Mr. President, I have strong reservations about the cost and the effectiveness of any overt program envisioned by the Boland-Zablocki or the Kennedy-Pell amendments. These reservations can be summarized by saying that:

First. It would be nearly impossible to interdict Nicaraguan-sponsored arms traffic if the insurgents have the advantage of a sanctuary, a protected area which Nicaragua would become under the present provisions of the Kennedy-Pell amendment;

Second. The borders of Nicaragua would be nearly impossible to seal off because of the nature of the terrain, so the flow of small arms and ammunition would probably continue;

Third. Our allies in friendly Central American nations have limited resources to carry out any such interdiction program, and I suspect that, given the limited resources and shortage of trained personnel in these Central American countries, extensive deployment of U.S. personnel into that area would be required. That means U.S. personnel would be on the frontlines directing communication and interdicting efforts. If the Nicaraguans decide to fight the interdiction efforts, then U.S. personnel would become the target of enemy attack.

Fourth. Costa Rica, a nation without regular armed forces would probably not participate in such an interdiction effort against Nicaragua as they have no standing army; and

Fifth. The interdiction program would be prohibitively expensive. In the Department of Defense's estimates

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an attempt at interdiction would cost upward of $300 million the first year, and at least $100 million for each subsequent year. Yet S. 1713 and S. 1927 provide only $50 million for overt interdiction for 1984, which is far below the estimated need.

Mr. President, the Department of Defense cost estimates for this program are real. The increased risks of this overt approach are also real. The risks of U.S. personnel involvement and the risks of escalation of conflicts in Central America are greatly increased by pursuing a policy which is suggested by the Boland/Zablocki and the Kennedy/Pell amendments. I caution my colleagues against supporting this approach.

EFFECTIVENESS OF THE PROGRAM

Mr. President, during the recent debate on this issue in the House of Representatives, a number of people said that the covert paramilitary operation was not working. I do not believe this is the case. By most objective criteria, I think this operation is working very well.

First, there appears to be a good deal of popular support for the contra movement. When the Contras went into Nicaragua earlier this year, they were quickly joined by literally thousands of ralliers, or what they call agregados. In fact, the numbers of ralliers to their cause was so large, it caused a logistical burden for the Contras and definitely slowed their operations. So there is no question that there has been popular support for their activities.

Second, there is no question in my mind that the existence of the Contra forces has caused the Sandinista regime to focus inward. This, in turn, has resulted in some of the resources of the Sandinista government being taken away from their export of revolution to El Salvador, Honduras, and Costa Rica. The best example of this fact lies in the fate of an insurgent force trained in Cuba and inserted into Honduras from Nicaragua earlier this year. Because the Sandinistas were preoccupied with their own internal difficulties, many of them caused by the Contra forces, they allowed this Honduran guerrilla force to wither without supplies or support to the point that it has now largely disappeared.

As well, I am told that guerrilla operations in El Salvador which previously had received substantial amounts of weapons, equipment, and support from Nicaragua, are encountering difficulties along the same lines. So I think there is no question that the Contras have forced the Sandinista government in Nicaragua to look inward and to devote less time, effort, and resources to the export of revolution into neighboring countries of the region.

Third, U.S. diplomats have stated in closed testimony before the Senate Select Committee on Intelligence that the Sandinista regime in Nicaragua is more open to diplomatic meetings and discussions today than they were a year ago.

Mr. President, some people in the media have gone as far as to say that this operation is not working because the contras have failed to achieve their objective of overthrowing the Sandinista government. Well, this is absolutely absurd. While it may be true that some members of the Contra organization expressed their support for overthrowing the Sandinista government, this has never been the objective of the U.S. Government in supporting these forces. The fact that the Contras have yet to seriously threaten to overthrow the Sandinista government in Managua, while simultaneously distracting that government from its export of revolution abroad, is a perfect example of how well the operation is working.

COMMITTEE ACTION ON CENTRAL AMERICA

Mr. President, ever since President Carter signed the first Presidential finding on Nicaragua, the Senate Select Committee on Intelligence has engaged in effective oversight of covert action directed against the Sandinista regime of Nicaragua. Although all Members of this body have full access to all documents pertaining to this oversight under the provisions of Senate Resolution 400, it may be useful to review some of our most recent oversight activities.

On May 6, 1983, the Intelligence Committee voted 13 to 2 to authorize and fund a covert paramilitary action program directed against the Sandinista regime subject to certain conditions stipulated by the committee. The committee placed all funds requested by the President for fiscal year 1984 into the reserve for contingencies for the purpose of supporting a redirected, redefined covert paramilitary action program based upon formulation of a new Presidential finding.

Some of my colleagues may recall that at the time we asked the President to come up with a new program on the whole of Central America before September 30, 1983.

The committee subsequently met on September 20, 1983, to consider the new Presidential finding on Nicaragua. Witnesses at the hearing included Secretary of State Shultz, the Director of Central Intelligence Casey, and the Assistant Chairman of the Joint Chiefs of Staff. At the conclusion of that hearing, the committee met again on September 21 to discuss the matter further. The point in recounting this background is to emphasize the importance which the committee places on carefully evaluating this program and its role in the President's foreign policy for Central America.

After careful consideration, the committee agreed overwhelmingly to approve the covert paramilitary action program for Nicaragua. Our vote was bipartisan in nature with only two dissenting votes cast.

On September 23, the vice chairman and I wrote to Director Casey on this matter. Given the high level of interest in this program by the committee, we requested that certain procedures be followed for funding this program in fiscal year 1984.

Mr. President, our committee has worked long and hard on this issue. At the same time, I believe the administration has made a good faith effort to accommodate our interests. The President's new finding on Nicaragua was shown to committee members before it was signed. This is unprecedented. The finding was over two pages in length. This detail is unprecedented. It was the subject of a special meeting of the National Security Council which was personally chaired by the

President. All of this is very unusual, and demonstrated the close, cooperative, bipartisan effort this committee and the administration have pursued in this matter.

It is my sincere hope that this spirit of bipartisanship can continue as we act on the Intelligence authorization bill for fiscal year 1984 here today, and as we move to the conference with the House on this important issue.

Mr. WALLOP. Mr. President, I have a statement which to some extent counters the arguments just made by the Senator from Vermont.

Mr. President, this year the Intelligence Authorization Act has become controversial because the House of Representatives, acting along party lines, attached an amendment to its version of the bill that would prohibit any aid to those Nicaraguans who are now fighting against the totalitarian, Soviet-line Sandinista regime in that country. That amendment is not part of the bill approved by the Senate Select Committee on Intelligence. Hence the conference will have to decide whether to accept or reject it. As floor manager for this bill I want to make clear why the Senate's conferees find that amendment unacceptable, and why, under no circumstances whatever will we accept it.

That amendment is unacceptable if only because of how it was passed. I believe it is dangerously wrong to toy with foreign policy for partisan purposes. There is a war going on in Central America. It began in the 1960's and became a clear and present danger to the United States in the late 1970's. The United States did not start that war. Anyone who cares to read the back issues of World Marxist Review published in Prague in 15 languages, and the various publications of the Tricontinental Congress, and similar Communist literature cannot help but realize how patiently, purposefully, and long, the Soviets and their allies have worked to start the war we now see in Central America. It is false and not honest to charge that this war is somehow the doing of this President. This is partisan politics in its most self-destructive manifestation.

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Even more importantly, the Boland-Zablocki amendment is unacceptable to the Senate because of what it is. It is not, as it purports to be, a program for turning a covert American program in Central America into an overt one. Rather, it is a sure, unequivocal prohibition of any aid to military or paramilitary forces in Nicaragua. The amendment cuts out real aid and in the name of a promise of open military assistance to friendly governments in the area that is unworkable. Passage of this amendment would help Nicaragua's Communist tyrants crush the legitimate opposition that they have raised up by their own brutality. It would establish a sanctuary for Communist military and paramilitary action against the countries of Central America.

We should remember from Vietnam what a terribly foolish thing it is to grant a sanctuary to an enemy. A sanctuary for the Sandinistas, Cubans, Soviets, and so forth, in Nicaragua would mean that Communist soldiers could come across the Boland-Zablocki demilitarized zone, attack, kill, and destroy, and return for undisturbed rest in Nicaragua. Today the Sandinistas and their allies do not have that luxury. They ought not to have it.

Above all, a decision by the United States to establish a sanctuary for Communist aggression in Nicaragua would tell everyone in the area, friend and foe alike, that the United States had taken one step back, that Nicaraguan Communist tyrants are the winning side. We should be signaling quite the contrary.

Adoption of the Boland-Zablocki amendment would do nothing to "interdict the supply of military equipment from Nicaragua and Cuba to individuals, groups, organizations, or movements seeking to overthrow governments of countries in Central America." The amendment would authorize $50 million to be offered to countries in the area for this purpose in fiscal year 1984. I know of no country foolish enough to touch any part of this money. Fifty million is not even arguably adequate for building passive defenses around Nicaragua to interdict supplies. The Secretary of Defense has stated that such a program would cost $300 million the first year, and $100 million every year thereafter. More important, any attempt to use the regular armed forces of the countries in the area for this purpose, however impotent, is likely to set off a real conventional war between those countries and Nicaragua.

In addition, the Boland amendment would require the use of American troops to build the fortifications. Would they then leave? If they did, they would leave Honduras, Costa Rica, and El Salvador in the lurch. That is one reason why these countries would have no part of this inadequate but provocative plan. If, on the other hand, the free countries in the area were somehow to agree to the notion of building some kind of interdictive screen around Nicaragua, and presented us the bill for making a serious try, that is to say, for doing what we did in Vietnam—amounting to about a billion dollars—would even the partisan proponents of this move agree to pay that bill? I doubt it. Why should we prefer such a huge expense, and the expenditure of American lives, to the current program which, rather inexpensively, is achieving serious results against the Sandinista regime?

We should have some idea of the difficulties involved in trying to isolate a mountainous jungle area against infiltration of arms. We tried it once, under that Kennedy appointee, Robert McNamara. All of us should remember the expensive follies of the McNamara line we tried to build in Vietnam.

Mr. President, I ask unanimous consent that an article on this subject in the U.S. News & World Report, September 18, 1967, 16 years ago, be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

McNAMARA'S FENCE AGAINST THE REDS: WILL IT REALLY WORK?

SAIGON.—The U.S. plan to build a kind of anti-Communist obstacle course across Vietnam is being scorned by some military men.

Laos and Cambodia fear the construction of such a barrier will intensify Communist pressures against them.

Defense Secretary Robert S. McNamara announced the plan in Washington September 7 and said the barrier would be built with barbed wire and "highly sophisticated devices."

Mr. McNamara declined to discuss details, saying that to do so would give vital information to North Vietnam.

MORE DIFFICULT, BUT—

The Secretary said the purpose of the barrier was to make infiltration more difficult, adding: "We know, of course, that no obstacle system can stop the infiltration of men and supplies from North to South."

The barrier would stretch 43 miles through the sector held by the Marines, from the South China Sea to Laos.

Initial Marine reaction to the plan was summed up by one officer thus: "We can live with it, but what the hell. . . ."

Construction of a barrier just south of the Demilitarized Zone has been under way from some time. A 600-yard-wide strip has already been cleared inland from the sea for a distance of 8 miles. An additional 7 miles is being cleared.

The strip was designed originally to bolster the defense of the huge Marine base at Da Nang. Upon completion, the left flank of the barrier is to rest on the foothills of the rugged mountains reaching to Laos.

AN END RUN?

On a map, the McNamara plan looks simple, a fence against Communists.

The western end of the fence, however, would dangle in the jungle highlands of Laos, now controlled by the North Vietnamese.

Presumably, even if the barrier were airtight, the Communists could simply walk around the end and open new trails farther to the south.

One of the cardinal rules of counterinsurgency warfare is: Never tie your forces to fixed positions.

The French Maginot Line in World War II had on open flank. The German Army simply moved around it through Belgium.

The French tried the strong-point system in Vietnam. The Japanese tried it in China. Chiang Kai-shek tried it against the Communists.

In all three cases, the French, the Japanese and the Chinese Nationalists found themselves confined to the fixed positions while the enemy controlled the countryside in between.

WHY MILITARY IS WARY

The objections of the Marines—and other military men—to the scheme, in summary:

The "sophisticated devises" will have to be protected by strong points, subject to constant harassment.

The areas between the strong points will have to be patrolled. Patrols will be easy to ambush. Large forces will have to be kept in reserve to extricate the patrols under attack.

All Marine battalions in Vietnam have the antipersonnel radar device known as the TPS 21. Unofficially, these devices are called the "Tipsy 21s."

Each battalion also has seismic devices which supposedly can detect an enemy footfall. They don't work very well in sandy terrain.

Both devices are easily confused by the pounding monsoon rains. Further, the "Tipsy 21" is sometimes activated by falling leaves, waving branches and stray animals.

Whether these are the "highly sophisticated devices" Mr. McNamara has in mind, nobody can say.

The terrain beyond the coastal plain is split by valleys, chopped by ravines and laced with streams.

The Marines do not believe an effective barrier can be put together, especially in the highlands, without tying down enormous numbers of men.

Ever since the U.S. entered the Vietnam conflict, military men have been determined to avoid the French mistakes. The stress has been on mobility.

THREAT TO LAOS?

As for the Laotians, they fear McNamara's plan. One Laotian general said:

"It is like water being dammed up. If you halt the infiltration through the zone, the Communists are sure to step up their infiltration through Laos."

Cambodia is already having troubles with the Communists from Vietnam, North and South. Red terrorism is seen as a warning to Cambodia not to interfere with North Vietnamese operations.

American sources say Cambodia is now a rest camp for the Communists and a source of their food and medical supplies.

If the McNamara barrier is effective, Cambodians fear their country will become an even more important staging area for the North Vietnamese. This, they feel, could ultimately involve Cambodia directly in the Vietnamese war.

Mr. WALLOP. Mr. President, the idea of a barrier for interdicting arms made no military sense then, and it makes none now. Now as then, such a barrier would tie down scarce forces, subjecting them to harassment. Patrols would be ambushed. The electronic devices would be spoofed, and the entire arrangement would be outflanked as it was in Vietnam. I understand that Representative BOLAND of Massachusetts, has proposed that we should actually build a chain link fence along every foot of the borders

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between Nicaragua, Honduras, and Costa Rica. Does the partisan group that prevailed in the House really think that a chain link fence is a serious barrier to a determined campaign of geopolitical expansion, orchestrated by the Soviet Union, and staffed in part by every Soviet-line organization in the world including the PLO, the Bulgarians, Libyans, and the Vietnamese who have some experience with these things? I just do not understand how anyone could seriously argue this. That strengthens my conclusion that this amendment, which the Senate rejects, is not a serious attempt to futher the interest of the United States, but is mere partisan ploy.

Perhaps this unreasonable attitude flows from the premise that our final interest regarding Nicaragua is interdicting the flow of military equipment to its indigenous allies in the region. That premise is mistaken. Nicaragua is far more a logistical agent for indigenous revolutionaries in El Salvador, Honduras, and so forth. If it were only that, it would make sense to focus on "interdiction" alone—that is, if interdiction were possible. But Nicaragua is much more. It is an integral part of a Soviet-led coalition, which includes some Salvadorans, and Hondurans just as it includes Cubans, Vietnamese, and members of the PLO. Nicaragua is dangerous to us Americans because it is part of that coalition, and because that coalition is not about to abandon its goal of overthrowing the government of Central America, on its way to Mexico.

Let me make this unmistakably clear: All responsible American policymakers who have looked at Nicaragua since the months following the Sandinistas' takeover have agreed that the danger to the United States comes not so much from any act that the Sandinistas undertake from time to time, but from the nature of the beast: A totalitarian regime that is part and parcel of a powerful Soviet drive against every citizen of this country. That is why every responsible American policymaker since 1979 has made it the policy of the United States to alter the nature of the Sandinista regime. In 1979, President Jimmy Carter, who had done so much to help the Sandinistas come to power, and who certainly cannot be accused of "inordinate fear of communism" communicated to the Congress his intent to alter the shape of the Nicaraguan regime by a variety of covert means. I will say no more in open session. Every Member should be aware however, how wrong and hypocritical it is for anyone to charge the present administration with having made a new departure, broken new ground, by deciding that in the long run the United States simply dare not suffer a totalitarian Soviet ally in Managua. The decision to use a variety of covert means, intended not to interdict arms but to alter the character of the Sandinista regime in Managua, goes back to 1979, and to the signature of Jimmy Carter. It also happens to be correct.

Mr. President, let us examine for a moment some other arguments that have been raised by some who are against proceeding with the covert paramilitary program in Central America.

First, some say that the program is illegal. The crux of the argument seems to be that somehow the President is violating the first Boland amendment (for fiscal year 1983), because the "Contras" in Nicaragua have as their goal the overthrow of the Sandinista government. Proponents of this argument are overlooking the legislative history of that Boland amendment. Prior to adopting that amendment last year, the House of Representatives voted down an amendment which would have prohibited the use of funds to support opposition groups whose intentions were the overthrow of the Nicaraguan regime. Thus those who charge that the President is violating the law are charging him with violating a legislative proposal that the Congress specifically voted not to adopt. The provision that Congress adopted instead, the Boland amendment, specifically deleted any reference to the intent of the opposition groups, Therefore, the Boland amendment allows us to aid groups which are fighting to overthrow the Sandinistas. The amendment says that the United States cannot have the intent of overthrowing the Sandinistas. In fact, it is not U.S. policy to overthrow the Sandinistas. Our policy is, and has always been to see to it that the Sandistas do not escape the consequences of their aggression against their own people and their neighbors. The Sandinistas—and the Soviets, Cubans, PLO, North Koreans, East Germans, and so forth, should not enjoy sanctuary in Nicaragua. They should suffer proportionately to the suffering and dangers they impose on others. Our policy is proportionality: to do to the Sandinistas what they do to others. The President is acting legally and is in full compliance with that Boland amendment.

Mr. President, if the Sandinista regime falls, it will not be due to the small amount of support provided by the United States to the Nicaraguan freedom fighters. It would be caused only by the lack of support for the regime by the Nicaraguan people themselves, who see in the Contras a chance to fulfill the promise of the Nicaraguan revolution.

Another argument raised is that by supporting the Contras the United States is acting immorally. Mr. President, I believe that the United States should not pursue covertly programs that the American public would not support. The citizens of the United States have always supported those who desire freedom and oppose oppression. I believe the American public remains committed to that principle and expects its Government to act accordingly. Too often, this Government does not act, but, instead, does things to make it feel good. Resolutions are passed deploring the Soviet invasion of Afghanistan or the shootdown of Korean airliners. We call for freedom in Poland. Even the Boland-Zablocki amendment exhorts the Sandinista regime to cease its totalitarian practices. But, Mr. President, these are just words. Aside from making us feel good they accomplish nothing. Paying mere lipservice to freedom, mouthing outrage to oppression, and doing nothing is not moral, but rather the reverse.

Mr. President, I make no apologies for the program in Central America. Surely the American public would not find it immoral that we are acting in support of American ideals and principles. In fact, I would submit that the opposite is true: If we were to cut off our assistance as proposed by the House, we would be acting immorally.

Finally, Mr. President, some have said that we are supporting so-called Somocista groups in Nicaragua. This is factually wrong. The groups we are supporting in Nicaragua have grown up in response to Sandinista abuses. They are not creatures of Mr. Somoza, who is dead and whose memory has no followers, or of the United States. The National Directorate of the FDN includes only one guard officer from the Somoza era whom even the Sandinistas admit was not implicated in any illegal activity. The other Directorate members are people who had opposed Somoza and who worked for his removal from power, including some who worked with the Sandinista regime before it betrayed its original promises to the people of Nicaragua. Honest people should try to document the charge of "Somocismo" or not use it.

I have said many times that we should do nothing covertly that we are unwilling proudly to defend overtly. Covert support to Nicaraguans who are fighting against a totalitarian regime, for the freedoms we enjoy in this country, and who happen to be the only effective barrier to Nicaragua's conquest of its neighbors, short of the U.S. Marines, is something I am proud to defend in public. I should think the Members of this body who have voted to put U.S. taxpayers' money into the hands of the Communist totalitarians in Managua—possibly out of ignorance—would be ashamed to stand up and say, no; we helped the totalitarians, the tools of the Soviet Union to gain a foothold on our continent, but we will not help the people who are trying to throw them out.

For the sake of curiosity I wish someone would put on the record the reasons why the U.S. Government should apply the Soviet Union's Brezhnev doctrine in our hemisphere. You are all familiar with the Brezhnev doctrine: The control of pro-Soviet

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forces over any territory they have gained, anywhere on Earth, must never be challenged. This body should realize that the Boland-Zablocki amendment is the application of the Brezhnev doctrine to Central America. This body has never voted and will never vote to uphold the Brezhnev doctrine anywhere—especially in Central America. I hope this matter is not finally resolved as a partisan test of will. Our country deserves better.

Let me now turn briefly to the arguments of the Senator from Vermont. It is not the opinion of the Senator from Wyoming nor of the subcommittee nor of the committee that the purpose of the United States is to overthrow the Government of Nicaragua. The Senator from Vermont says covert action is not a substitute for foreign policy. I agree with that. But I note that covert action always has been a tool of foreign policy and argue that we should not deprive ourselves of that tool in this situation. I also do not understand how anyone can continue to ascribe legitimacy to revolutions which have been hijacked from their democratic purposes, or how anyone can consider legitimate and immune from temporary despotic regimes that have forcibly overthrown constitutional governments. It strikes me that it is a prescription for the demise of democracy and liberty in the world for democratic peoples forever to make apologies and ascribe legitimacy to such despotic regimes.

If we consider a regime legitimate merely because it has seized power and we are willing to say that in the name of stability, international law or anything else rulers are not to be molested merely because they have managed to seize power from a helpless population, then we will not long be a force for freedom and democracy in the world.

I end by noting a most disconcerting piece of news. Since Saturday in Nicaragua Sandinista mobs have interrupted masses at church, threatened churchgoers, and vandalized property in a score of churches in Managua. Two priests were assaulted. Another priest and 12 conscientious objectors have been arrested. In the face of this, on Sunday morning church authorities decided to suspend masses in Managua for the remainder of the day, and for All Souls Day, which is an important Catholic religious holiday, especially in Central America.

Hence, Mr. President, the Sandinista leaders are not people who have the support of the masses that they claim. We are simply dealing with people who have taken control of the masses by force. We should not lose sight of that.

I yield the floor.

Mr. LEAHY. Mr. President, I shall be very brief.

While I do not know what is in those statements placed in the RECORD, I just wish to respond to a couple points the Senator raised.

I am well aware that covert action has sometimes been part of foreign policy and I have no doubt that in the future, whether in this administration or any other, covert action will still be part of foreign policy.

If I did not feel that way, there would really be no need for any of us even to be here, nor would there be a reason for the Select Committee on Intelligence. I do not question that at all.

What I am saying is that it never works if covert action substitutes for foreign policy, if indeed the tail begins to wag the dog, as it were. That is what I am afraid has happened here. I do not think that Congress certainly, one of the three branches of Government, has said that this country is going to overthrow the Sandinistas in Nicaragua, no matter how disagreeable we find them.

I happen to find them a most disagreeable group and one, as I said, that betrayed their own revolution.

But the end result may well be the same if the people we are supporting have as their sole goal not to interdict arms, nor any other reason, but to overthrow the Sandinistas.

The questions I have raised here are simply to call the attention of this body to some of the things which may happen down the road, and how deeply we may find ourselves involved.

I yield the floor.

Mr. WALLOP. I do not quarrel with the Senator. We should consider what to do down the road. However, I have a different view of what we may see down the way. I believe that to go the way the Senator suggests is more rather than less likely to involve us in things we do not want to be involved in. No doubt we will deal with those differences in the conference.

Mr. MOYNIHAN. Mr. President, I see that the distinguished Senator from Kentucky is on his feet.

I yield to the Senator from Kentucky.

Mr. HUDDLESTON. I thank the distinguished Senator from New York.

The PRESIDING OFFICER. The Senator from Kentucky is recognized.

Mr. HUDDLESTON. I thank the Chair.

Mr. President, for the first time since the establishment of the Select Committee on Intelligence in 1976, the annual Intelligence Authorization Act has become a matter for serious disagreement in the Congress. The House vote last month to terminate funding for any covert military or paramilitary operations against Nicaragua reflects widespread doubts, both in Congress and throughout the country, about U.S. policies in Central America.

The fact that an issue of covert action by the CIA has become public is regrettable. It is unfortunate that the Congress must openly discuss any operation that is supposed to be conducted covertly. We can do that, even though many of us have never talked before in public about a covert operation, because the President himself revealed last May that it was U.S. policy to support the insurgents fighting against the Government of Nicaragua.

The fact is now known that the United States is involved there, even though the full details of the specific nature of that involvement remain secret. The President's statements were rather startling to some of us who have served on the Intelligence Committee from the beginning and have worked hard to protect the secrets entrusted to us.

I might add that the committee has been more successful in protecting sensitive intelligence information than probably any other arm of the U.S. Government. While the committee did not itself disclose the existence of this operation, we must recognize the fact that its existence has now become overt, not covert.

For that reason, the chairman and vice chairman of the Select Committee on Intelligence announced publicly, last May, the action of the committee on this issue in the closed markup of the Intelligence Authorization Act for fiscal year 1984. An overwhelming bipartisan majority voted not to authorize funds for continuation of the operation, as it was then authorized and conducted, beyond the end of fiscal year 1983. The funds for fiscal year 1984 were shifted to the CIA reserve for contingencies. In its classified report, as announced by the chairman and vice chairman, the select committee said that funds could be released from the contingency reserve for further operations only if the President submitted a new finding to redirect the operation and that finding was approved by a majority of the select committee.

I supported this action of the select committee because I did not believe that the operation, as it was then authorized and conducted, served the interests of the United States. That decision reflected my deep concern about U.S. policy in Central America.

From the evidence available, it is obvious that both Cuba and Nicaragua have been engaged in activities designated to overthrow the Government of El Salvador and to foment violence and revolution in the area. It is just as obvious that it is in the interest of the United States to counter these efforts by Cuba and Nicaragua.

Nevertheless, I have great misgivings about the focus on covert activities in Nicaragua which are no longer covert and which are questionable in terms of international law. These activities hold the potential for leading us into a deeper involvement that may only result in controversy and failure. On August 3, I wrote to the President urging that the current covert activities be redirected and that future U.S. efforts be undertaken in concert with other nations of the region, especially the Contadora group.

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The President submitted a new finding on Nicaragua to the select committee in September, and the committee voted to approve that finding and thereby allow withdrawal of funds from the contingency reserve to carry out further operations.

Although I joined with the majority of the committee, it was with certain reservations about the Presidential finding, the objectives of the operation, and the manner in which it is being carried out.

The approach taken by the select committee at this particular time, in essence, is that we are permitting the operation to continue with a limited amount of funding, only enough funding for a relatively short time. And if within that time period more persuasive evidence is not presented, then a different course of action may be adopted.

The alternative of taking the House action at this time is unsatisfactory, because precipitously pulling the rug out from under an ongoing operation can cause some very serious consequences.

The reason it makes sense to go ahead with an operation that is no longer truly covert, and that is known by the entire world, is that it may accomplish one objective. That is to persuade the Government of Nicaragua that it is not in their best interest to continue to support the rebels in El Salvador and create difficulties in other countries in Central America. If there is movement in that direction, then perhaps the operation may turn out to be successful and our support for the insurgents in Nicaragua can be withdrawn.

This must be our sole objective. The interests of the United States are at stake because the Marxist government in Nicaragua is attempting to intervene in the affairs of other countries. The justification for our own actions against the Nicaraguan regime can only be as a means of countering and, ultimately, curbing Nicaraguan attempts to overthrow the governments of neighboring countries.

Nevertheless, the policy of supporting insurgents who seek to overthrow the Government of Nicaragua itself is not, in my judgment, the best way to achieve this objective. The risk is endless involvement in the domestic political struggles of that country, rather than constructive action to foster stability in the area and encourage the development of free and democratic institutions.

It is with considerable reluctance and caution, therefore, that I have supported the action of the Select Committee on Intelligence to permit the use of funds for this operation for an additional, limited period of time. The prospects for success are uncertain. We can only hope that the Nicaraguan Government's recent proposals represent the beginning of serious negotiations that will lead to some kind of peaceful settlement in the region.

Finally, at the end of this limited time period, the Intelligence Committee must assess the Nicaragua operation in the broader context of U.S. policy toward the Caribbean and Latin America generally. By that time we will have a better understanding of the impact and consequences of the U.S. decision to send military forces into Grenada. That decision holds the potential for making significant changes in the U.S. role in the entire region. The operations in Nicaragua and Grenada may reflect a growing commitment by the administration to the use of force as the primary instrument of U.S. policy in Latin America. It may represent an abandonment of meaningful diplomatic or political initiatives to bring stability to that part of the world.

If these developments occur, then many of us will no longer be willing to give the administration the benefit of the doubt. I hope that we can avoid such a confrontation between the Congress and the President. But, that can be achieved only if the administration turns away from its preoccupation with military solutions to problems that are essentially political and social.

There is no "quick fix" in this part of the world. The struggle to bring peace and build healthy democracies in Central America, the Caribbean, and throughout Latin America will continue for many years to come. If the United States becomes identified with the use of military or paramilitary force, the long-term damage to our influence in the area will far outweigh any temporary advantages. I urge the administration to put its priorities in the proper order, and I urge the Senate to accept this approach to the intelligence appropriations bill.

Mr. MOYNIHAN. Mr. President, I ask unanimous consent that the RECORD be held open for a statement to be submitted by Senator BENTSEN and that it appear in the RECORD before the vote. I make that request for any member of the committee who has not spoken.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. WILSON. Mr. President, the official policy of the United States in supporting covert aid is not the overthrow of the Sandinista government. That may well be the design and intention of some of those who are receiving some of that aid, but the fact is the extent of the aid we are providing will not make that possible.

But what is far more important, Mr. President, is a rather intriguing statement made in the colloquy between the Senator from Wyoming and the Senator from Vermont. It is clear from his remarks that the Senator from Vermont is under no illusions with respect to the Sandinista government. In fact, it was his statement that that government, having seized power from the people, has, to quote him accurately, in many ways betrayed the ideals of their revolution.

Mr. President, I think the Senator from Vermont understates it considerably, but at least it is clear to him as it is to me, and I would hope to all Members of this body, that not only has the Sandinista government betrayed the ideals of its revolution; it has gone far beyond that. It is a regime perhaps even more cruel and repressive than the contemptible Somoza regime which it replaced.

But the remark to which I refer, Mr. President, was the comment made by my good friend from Vermont when he said, in response to the point that we are having a firm foreign policy, that covert aid is no substitute for foreign policy.

The distinguished Senator from Wyoming replied, and I think quite properly, it is no substitute but it is indeed a tool of a foreign policy.

At that point the Senator from Vermont said his concern was that the tail not wag the dog.

Well, I share that concern, Mr. President. It seems to me that in this body, and certainly among our colleagues in the House, there has been all too much discussion of covert aid. Indeed, I think that discussion has been guilty of precisely that fault, the tail has been wagging the dog. If, as he has indicated, my friend from Vermont supports a firm foreign policy, if he is aware, as we all must be, of the Soviet and Cuban presence within the Sandinista regime and aware that that presence and the Sandinista regime threatens the violent export of revolution beyond the borders of Nicaragua, which its neighbors do not wish, then I think he and I and other Members of this body have no alternative but to support a foreign policy which will have meaning, which is to say that those who are the neighboring States of Nicaragua, who are asking economic and military assistance to contain the export of that violent revolution by political subversion and perhaps even overt aggression, those neighboring States are entitled to our assistance and in a far fuller measure than anything we have yet provided.

So if the Senator from Vermont agrees with the necessity for a firm foreign policy, I would say this: The Senator from Kentucky has, in my view, illustrated the wisdom of agreeing with the select committee's recommendation on covert aid. But what we must all, I think, agree with, whether we are agreed on the legality of that covert aid, upon which we could wrangle, or if we are even disagreeing, is there is a need for support of the legitimate governments of fledgling democracies that surround Nicaragua that are threatened by their neighboring state under the Sandinista regime.

I hope, Mr. President, that when the time comes for this body to respond to a plea from those neighboring States for increased assistance, both military and economic, we will find that the dog is a very thin dog indeed, one that is in need of our support.

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The tail has indeed been wagging the dog. We have spent far too much time arguing about covert aid. What is necessary, Mr. President, is that we provide the Governments of Central America threatened by the Sandinista regime with the economic and military assistance to resist. By doing so, we will not only permit them to make continued advances toward the kind of democratic reforms—the reforms in the area of human rights which every Member of this body must seek, but we will also, at the very least, contain the threat of violence and subversion with which those reforms and, indeed, those nations, are now threatened.

At this point, Mr. President, I shall look for my good friend from Vermont, my good friend from Kentucky, indeed, all of the Members on this floor, to exercise a wise and realistic view of what will be even then a rather modest investment in the vital interest of Central America and of the United States.

I simply point out to my good friends on the floor that when I returned from Central America during the August recess, it took me less time to fly in the same airplane from Central America to Houston, Tex., than from Houston, Tex., to California.

Mr. President, it is time that the tail ceased wagging the dog and that we get very realistic about the nature of things in Central America and the magnitude of assistance that is required to deal with that true nature of things.

I thank the Chair.

Mr. GOLDWATER. Mr. President, will the Senator yield to me?

Mr. WALLOP. I yield.

Mr. GOLDWATER. Mr. President, I do not want this moment to pass without paying my utmost respects to my vice chairman, the distinguished Senator from New York (Mr. MOYNIHAN), and to thank the Senator from Wyoming for his superb work. I doubt that there is any committee budget on this Hill which receives more close scrutiny than this one does through the effort of Senator WALLOP.

I also thank every member of our committee. As I have said before, I have served on many committees on this Hill and I do not think I have ever served on one in which there is such universal interest and attention by the members.

Finally, but not last, I thank all the members of the staff, without whose loyal assistance and constant work we could not operate.

I yield the floor.

Mr. PERCY. Mr. President, I would simply like to indicate that I have to go back a number of years to a time when we had eight committees dealing with intelligence, when the Governmental Affairs Committee decided to try to look at this whole picture. We held hearings on it and Bill Colby came before us and testified. When I asked him, "What percentage of time do you spend preparing for committees, testifying before these eight committees?" He said over 30 percent of his time in 3 years on that job was spent just on congressional committees—not doing his work but explaining what he is trying to do. Then of course, there were the chances of leaks.

I think this committee has been absolutely invaluable. There is no way we can conduct our work in the Committee on Foreign Relations without the invaluable work of this committee. We have had always the cooperation of the distinguished chairman, the ranking member, and the outstanding staff. We are proud to have two members of the Foreign Relations Committee serve on this committee. It is a vitally important link. No nation such as this Nation could possibly conduct its affairs without intelligence. This gives the people of the country the assurance that there is very, very careful oversight.

I believe it is a fine thing for Senator GOLDWATER to indicate the dedication of the members of that committee to the work of the Intelligence Committee. It is one of the most important functions we carry on.

Mr. MOYNIHAN. The Senator is most generous. His remarks are most appreciated.

Mr. BINGAMAN. Mr. President, there are really two questions we should be addressing. The more limited in scope deals with American involvement in and support for the activities of the so-called Contras in Nicaragua. But the larger question we must face is whether this administration or any administration should spend tens, perhaps hundreds, of millions of taxpayers' dollars for clandestine operations to overthrow governments with which we maintain normal diplomatic relations. I would submit that the answer to the larger question is "No," absent any direct and unambiguous threat to the immediate security of the United States.

If the answer to that larger question is no, then it follows that we must agree with the decision of our colleagues in the House of Representatives, who voted to terminate the very overt "covert" operation in Nicaragua.

I think it should also be made very clear that this does not imply approval of the policies of the Sandinista government in Nicaragua, nor does it necessarily mean that the United States should unilaterally renounce all covert operations. In time of war or national emergency, the ability to engage in clandestine activity is vital to our national security. But we are not at war with Nicaragua—at least, this Congress has not declared that to be the case. None of our friends and allies is at war with Nicaragua. It has not been shown that Nicaragua is a clear and present danger to American interests in this hemisphere. There is no national consensus in this country that would support an attempt to unseat the current regime in Managua.

If dissatisfied elements within Nicaragua wish to challenge the Sandinista leadership, let them do so. That is a decision for Nicaraguans to make. It is not our job to decide who should rule in Nicaragua, nor is it our job to arm, equip, advise, and finance one faction against another.

Mr. President, I would ask my colleagues to consider for a moment what support for the Contras really means. Such a decision is against international law, against the moral and ethical principles which we have always understood as differentiating the actions of our own democracy from the cynical manipulations of powers such as the Soviet Union, and against the efforts of our sister nations of this hemisphere, many of whom are working to decrease the level of political violence in Central America rather than underwrite it.

We might also ask what might be the consequences of continuing our covert commitment to the Contras. Basically, they will either win or they will lose. If they lose, what will be the impact on Central America of 10,000 or 12,000 well-armed guerrillas with no place to go? Are they likely to settle down in Costa Rica or Honduras and become peaceable democrats? I suggest that we are creating—in fact, we have created—an armed force over which we have little ultimate control. Rather than bringing democracy to Nicaragua, we may be insuring chaos for the rest of Central America. Or, if the Contras fail, we may find ourselves with a repeat of the unfortunate Bay of Pigs scenario. One Nicaraguan, when asked where the Contras would go if they failed, replied "Miami."

What if the Contras actually succeed, driving the Sandinistas from Managua and setting up a new regime in their stead? First of all, what kind of regime would it be? Would we really see the flowering of pluralist democracy, or would see some of the more unsavory aspects of the Somoza era reincarnated? One thing we would certainly see is the irrevocable damaging of the image of the United States throughout the hemisphere. The positive images of the good neighbor policy and the Alliance for Progress would be gone forever, replaced by the impression of the North Americans of the first decades of this century who felt it was their God-given right to topple governments and set up puppets across the Caribbean and the Central American Isthmus. What we will be saying to our neighbors to the South is that they are incapable of handling their own affairs and that, 1984 being upon us, Big Brother must make their decisions for them.

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3. Conference

a. Report

INTELLIGENCE AUTHORIZATION ACT FOR FISCAL YEAR 1984

LIMITATION ON COVERT ASSISTANCE FOR MILITARY OPERATIONS IN NICARAGUA

SEC. 108. During fiscal year 1984, not more then $24,000,000 of the funds available to the Central Intelligence Agency, the Department of Defense, or any other agency or entity of the United States involved in intelligence activities may be obligated or expended for the purpose or which would have the effect of supporting, directly or indirectly, military or paramilitary operations in Nicaragua by any nation, group, organization, movement, or individual.

CONGRESSIONAL FINDINGS

SEC. 109. (a) The Congress finds that—

(1) the Government of National Reconstruction of Nicaragua has failed to keep solemn promises, made to the Organization of American States in July 1979, to establish full respect for human rights and political liberties, hold early elections, preserve a private sector, permit political pluralism, and pursue a foreign policy of nonaggression and nonintervention;

(2) by providing military support (including arms, training, and logistical, command and control, and communications facilities) to groups seeking to overthrow the Government of El Salvador and other Central American governments, the Government of National Reconstruction of Nicaragua has violated article 18 of the Charter of the Organization of American States which declares that no state has the right to intervene, directly or indirectly, for any reason whatsoever, in the internal or external affairs of any other state;

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(3) the Government of Nicaragua should be held accountable before the Organization of American States for activities violative of promises made to the Organization and for violations of the Charter of that Organization; and

(4) working through the Organization of American States is the proper and most effective means of dealing with threats to the peace of Central America, of providing for common action in the event of aggression, and of providing the mechanisms for peaceful resolution of disputes among the countries of Central America.

(b) The President should seek a prompt reconvening of the Seventeenth Meeting of Consultation of Ministers of Foreign Affairs of the Organization of American States for the purpose of reevaluating the compliance by the Government of National Reconstruction of Nicaragua—

(1) with the commitments made by the leaders of that Government in July 1979 to the Organization of American States; and

(2) with the Charter of the Organization of American States.

(c) The President should vigorously seek actions by the Organization of American States that would provide for a full range of effective measures by the member states to bring about compliance by the Government of National Reconstruction of Nicaragua with those obligations, including verifiable agreements to halt the transfer of military equipment and to cease furnishing of military support facilities to groups seeking the violent overthrow of governments of countries in Central America.

(d) The President should use all diplomatic means at his disposal to encourage the Organization of American States to seek resolution of the conflicts in Central America based on the provisions of the Final Act of the San Jose Conference of October 1982, especially principles (d), (e), and (g), relating to nonintervention in the internal affairs of other countries, denying support for terrorist and subversive elements in other states, and international supervision of fully verifiable arrangements.

(e) The United States should support measures at the Organization of American States, as well as efforts of the Contadora Group, which seek to end support for terrorist, subversive, or other activities aimed at the violent overthrow of the governments of countries in Central America.

(f) Not later than March 15, 1984, the President shall report to the Congress on the results of his efforts pursuant to this Act to achieve peace in Central America. Such report may include such recommendations as the President may consider appropriate for further United States actions to achieve this objective.

SECTION 108

Section 108 of the House bill contained provisions (1) terminating funding for military or paramilitary activities in Nicaragua after the expiration of a classified period of time for withdrawal of combatants from Nicaragua, and (2) authorizing $50 million for arms interdiction assistance to friendly Central American countries. The Senate amendment had no comparable provision.

The conferees agreed to a compromise provision which sets a cap of $24 million for military or paramilitary activities in Nicaragua during fiscal year 1984.

SECTION 109

Section 109 of the House bill expressed the sense of Congress concerning certain activities of the government of Nicaragua. The Senate amendment had no comparable provision.

The conferees agreed to a compromise statement as follows:

SEC. 109. (a) The Congress finds that—

(1) the Government of National Reconstruction of Nicaragua has failed to keep the solemn promises, made to the Organization of American States in July 1979, to establish full respect for human rights and political liberties, hold early elections, preserve a private sector, permit political pluralism, and pursue a foreign policy of nonaggression and nonintervention;

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(2) by providing military support (including arms, training, and logistical, command and control, and communications facilities) to groups seeking to overthrow the Government of El Salvador and other Central American governments, the Government of National Reconstruction of Nicaragua have violated article 18 of the Charter of the Organization of American States which declares that no state has the right to intervene, directly or indirectly, for any reason whatsoever, in the internal or external affairs of any other state;

(3) the Government of Nicaragua should be held accountable before the Organization of American States for activities violative of promises made to the Organization and for violations of the Charter of that Organization; and

(4) working through the Organization of American States is the proper and most effective means of dealing with threats to the peace of Central America, or providing for common action in the event of aggression and of providing for common action in the event of aggression and of providing the mechanisms for peaceful resolution of disputes among the countries of Central America.

(b) The President should seek a prompt reconvening of the Seventeenth Meeting of Consultation of Ministers of Foreign Affairs of the Organization of American States for the purpose of reevaluating the compliance by the Government of National Reconstruction of Nicaragua—

(1) with the commitments made by the Organization of American States; and

(2) with the Charter of the Organization of American States.

(c) the President should vigorously seek actions by the Organization of American States that would provide for a full range of effective measures by the member states to bring about compliance by the Government of National Reconstruction of Nicaragua with those obligations, including verifiable agreements to halt the transfer of military equipment and to cease furnishing of military support facilities to groups seeking the violent overthrow of the governments of countries in Central America.

(d) The President should use all diplomatic means at his disposal to encourage the Organization of American States to seek resolution of the conflicts in Central America based on the provisions of the Final Act of the San Jose Conference of October 1982, especially principles (d), (e) and (g), relating to nonintervention in the internal affairs of other countries, denying support for terrorists and subversion elements in other states, and international supervision of fully verifiable arrangements.

(e) The United States should support measures at the Organization of American States, as well as efforts of the Contadora Group, which seek to end support for terrorist, subversive, or other activities aimed at the violent overthrow of the governments of countries in Central America.

(f) Not later than March 15, 1984, the President shall report to the Congress on the results of his efforts pursuant to this Act to achieve peace in Central America. Such report may include such recommendations as the President may consider appropriate further United States actions to achieve this objective.

[CRS-242]

b. House floor debate (11/18/83)

CONFERENCE REPORT ON H.R. 2968, INTELLIGENCE AUTHORIZATION ACT, 1984

Mr. BOLAND. Mr. Speaker, under the previous order of the House, I call up the conference report on the bill (H.R. 2968) to authorize appropriations for the intelligence and intelligence-related activities of the United States Government. For the intelligence community staff, for the Central Intelligence Agency retirement and disability system, and for other purposes, and ask for its immediate consideration.

The Clerk read the title of the bill.

The SPEAKER. Pursuant to the order of the House of November 15, 1983, the conference report is considered as having been read.

(For conference report and statement, see prior proceedings of the House of today.)

The SPEAKER. The gentleman from Massachusetts (Mr. BOLAND) will be recognized for 30 minutes and the gentleman from Virginia (Mr. ROBINSON) will be recognized for 30 minutes.

The Chair recognizes the gentleman from Massachusetts [Mr. BOLAND].

Mr. BOLAND. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this conference report resolves all differences between the House and Senate on figures and personnel levels for the intelligence and intelligence-related activities of the U.S. intelligence community.

The dollar amounts and personnel levels set by the conference report are contained in the classified schedule of authorizations which, along with a classified annex to the statement of managers, is not available at the offices of the intelligence committee for review by any Member of the House.

We reached that agreement without significant controversy and in a spirit of cooperation.

However, I am certain that Members will be most interested in what this conference report determines with regard to Nicaragua.

Mr. Speaker, the conferees bring back a bill that permits $24 million to be spent on the covert action in Nicaragua in fiscal year 1984.

As you all know, I believe this paramilitary action in Nicaragua is illegal, unwise, counterproductive, and against the best interest of the United States.

I, and the majority of the House conferees, would have preferred that the covert action be stopped.

This was the position of the House of Representatives.

Just as clearly, it was the position of the Senate conferees and of the Senate, that the action should be permitted to continue—and that when appropriated funds ran out, the CIA could utilize the reserve for contingencies unless both intelligence committees disapproved.

[CRS-243]

We could have forced a deadlock—and killed both the intelligence authorization bill and the defense appropriation bill.

But the CIA would still have been able to fund the covert action from the continuing resolution and from the reserve for contingencies—and would have had available to it much more than $24 million.

Instead, we agreed to a compromise—a $24 million cap on funding from whatever source.

Let me assure my colleagues in the House, that this is a clear limitation on the covert action, although of course it does not stop it.

And, let me assure the administration and the Central Intelligence Agency, that the clear sentiment expressed on both sides of the aisle in both intelligence committees, is that this war can no longer continue as if it were "business as usual." I believe a growing majority believes it must be brought to a close.

I would hope that the administration responds to this message and that all of the $24 million is not spent.

But if it is, I for one, will vigorously oppose any further appropriation.

Further, those who may contemplate asking next year for further funds on the grounds that they are needed to safely withdraw those whom we support, should think twice about such a stratagem.

It will be seen for what it is—an insult to the Congress.

That withdrawal should begin now.

Mr. Speaker, I reserve the balance of my time.

Mr. ROBINSON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I want to express my appreciation to the chairman and all the conferees that worked to insure that we would have an intelligence authorization bill for fiscal year 1984. As most of you know, it has been no small task to resolve the differences between the House and the position of the other body. Again, I want to express my sincere appreciation to Chairman

BOLAND for, again, demonstrating the leadership and dedication necessary to insure a continued and effective authorizing process regarding our intelligence programs.

The vast majority of intelligence resource support programs have nothing to do with the so-called covert or special activities which have received so much public attention. Although details of these major intelligence programs must, for the most part, remain secret, we should not lose sight of their contribution to national security in providing policymakers foreign intelligence crucial to our country's ability to meet the challenges facing us.

I fully support our continuing policy not to disclose publicly the amounts of these requested funds and therefore, I cannot discuss specific conference recommendations. Such details are contained in the classified annex to the conference report, which along with the classified schedule of authorizations referred to in the bill, is available for review by Members of the House.

The conference report generally supports the funding levels requested by the President but we were not persuaded that all of the specific programs were fully warranted. We did not give the intelligence community everything they requested, there were substantial cuts in personnel increases and in other areas where the committee felt cuts would contribute to a more effective utilization of our tax dollars. The committee's recommendations would delete or defer certain programs and in other cases would somewhat increase program funding.

I am pleased to add that while the authorization levels recommended by the conference report are consistent with funding targets adopted in the first budget resolution, the conference recommendations will allow some real growth necessary in the intelligence programs.

The most controversial issue of the conference related to the restrictions on paramilitary activities in Nicaragua. The conference agreed to cap the amount of funds which could be spent from any source, for this paramilitary activity. I believe this compromise represents significant movement for both Houses. As a result, no additional funding could be made available for the Nicaragua activity unless additional authorization and/or appropriations are approved by both Houses. This agreement was reached only after lengthy discussion and debate between the House and Senate conferees. This agreement represents a reasonable and responsible approach to the issue.

I believe, on the whole, this bill, provides for a well-balanced intelligence program essential to our national security and foreign policies. Whether questions involve the negotiating arms reductions, dealing with expanding communist influence on every continent, or coping with the political and economic realities of today's extremely volatile world, demands for high quality and timely intelligence will continue to proliferate.

I fully support the conference report and ask my colleagues to join with me and adopt this measure.

Mr. BOLAND. Mr. Speaker, I yield such time as he may consume to the gentleman from New York (Mr. WEISS).

Mr. WEISS. Mr. Speaker, I thank my distinguished colleague for yielding and I ask for the time to request the gentleman to explain to us how the covert action authorization was resolved.

Mr. BOLAND. I appreciate the question of the gentleman from New York. That is a question in which a lot of the Members of this House are interested.

Let me say that the Defense appropriations conference and the intelligence conference agreed on $24 million for the covert operation in Nicaragua. That expenditure will carry that activity—at present rates of expenditure—through June 1984.

If that is the case, additional funding will be required, as I understand it. The administration must then come to the Congress, to the Intelligence Committee and the Appropriations Committee, to request additional funding. At that time, the House will have an opportunity to vote such a request up or down.

Let me say to the gentleman from New York that a failure to approve this particular conference report and failure to approve the Defense appropriations conference report that we voted on just a short while ago would have resulted in a substantial amount of money being available for this particular activity. In addition to the $19 million that was requested for fiscal year 1984, there are some carryover funds in the reserve for contingencies from 1983 to 1984, plus the requested amount for the reserve for contingencies in 1984, with the result that the amount of money that would have been available for this activity in fiscal year 1984 would have been substantially higher than the $24 million that is in this conference report. Why? Because the intelligence community could have dipped into the reserve for contingencies and used almost that entire funding to carry on the covert action in Nicaragua.

We have prevented that result both in the intelligence authorization bill and also on the DOD appropriations bill by placing an absolute cap of $24 million on this activity. They can get no more money anywhere else. So the $24 million is the top figure, the only figure. They cannot go into the reserve for contingencies. They cannot expend any additional funding for this activity until they make a request to the Congress in a supplemental appropriations bill. We will have the opportunity at that time to approve or disapprove that request.

That substantially is the recommendation of both the DOD appropriations conference committee and the intelligence conference committee.

Mr. WEISS. Would the gentleman answer one further question?

Mr. BOLAND. Yes.

Mr. WEISS. Am I correct then in assuming on the basis of the gentleman's explanation that the Boland-Zablocki concept is no longer operative, that is, covert action is no longer prohibited.

[CRS-244]

Mr. BOLAND. The gentleman is absolutely correct. There was no chance that the Boland-Zablocki bill would even be taken up in the Senate, despite the fact we passed it twice here in the House. That was the sticking point. The Senate would not accept it.

□ 1630

I think that our insistence that additional funding for this operation must be voted on by the House was a giant step in the right direction of at least controlling the expenditure. We likely will have an opportunity to get another look at this sometime in June 1984. We intend to monitor this program substantially and closely in the months ahead.

Mr. WEISS. I thank the gentleman for his explanation.

Mr. Speaker, I intend to vote against the authorization.

Mr. GONZALEZ. Mr. Speaker, will the gentleman yield for a question?

Mr. BOLAND. I yield to the distinguished gentleman from Texas (Mr. GONZALEZ).

Mr. GONZALEZ. Mr. Speaker, the only reason I importune the gentleman is to ask him if there is anything in this authorization concerning the National Security Agency.

Mr. BOLAND. Yes; there is. There would be a substantial amount of money in here for NSA. Of course, that is one of the most important elements of the intelligence community. So there is a substantial amount of money in here. As the gentleman knows, that particular figure is classified, but it has been carried in every authorization bill since this committee was established 6 years ago.

Mr. GONZALEZ. The reason I am asking is that I have very, very troubling and disturbing information conveyed to me confidentially in which I understand that conversations are monitored—say, I receive a long-distance call from Mexico or anyplace outside the United States, particularly south of the border, that that conversation is monitored by the National Security Agency.

This is most disturbing. I do not know what authorization there is in the law for that. And I do not know if the gentleman is aware of that, or if it is true or not.

Mr. BOLAND. I appreciate the question of the gentleman. The gentleman from Massachusetts and the gentleman from Virginia are completely aware of the activities of the NSA. Insofar as those activities involve electronic surveillance in the United States, they are controlled under the Foreign Intelligence Surveillance Act. The act requires a warrant from the Foreign Intelligence Surveillance Court that was established when the act was passed back in 1978. The NSA has to go to that court to get a warrant to monitor anyone's telephone conversations in the United States. In the case of communications not covered by the act, the identify of and information concerning any American citizen must not be used unless it constitutes foreign intelligence or counterintelligence information. This process is called minimization and minimization procedures are utilized by the National Security Agency as approved by the Foreign Intelligence Surveillance Court and the Attorney General. This process applies to all communications intercepted by the NSA.

Mr. GONZALEZ. The reason it is disturbing is that my information is that this is being done systematically with or without a court order.

Mr. BOLAND. No; the answer to that would be no. It is not done systematically without a court order. That answer is a definite "No."

Mr. GONZALEZ. I thank the gentleman.

Mr. BOLAND. Mr. Speaker, I yield back the balance of my time.

The SPEAKER. Without objection, the previous question is ordered on the conference report.

There was no objection.

The conference report was agreed to.

A motion to reconsider was laid on the table.

H10543-10545

[CRS-245]

c. Senate floor debate (11/18/83)

Houses this report, signed by all of the conferees.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the consideration of the conference report.

(The conference report is printed in the House proceedings of the RECORD of today, November 18, 1983.)

Mr. MOYNIHAN. Mr. President, it is my judgment that the compromise reached today by the Conference Committee on the Intelligence Authorization Act for fiscal year 1984 would not have been possible if the Senate Select Committee on Intelligence had not forced the administration last May to formulate a new Presidential finding which would more clearly articulate its goals in Nicaragua. This was done and the result was a bipartisan vote of 13 to 2 for the new finding.

As I noted on the floor the day the Senate passed the Intelligence Authorization Act (November 3), the distance between the House and the Senate was not as large as many might have thought. Both committees understood the Government of Nicaragua to be in violation of international law. This was recognized by an express finding in the Intelligence Authorization bill passed by the House. The finding states:

> By providing military support (including arms, training and logistical command and control, and communications facilities) to groups seeking to overthrow the government of El Salvador and other Central American governments, the Government of National Reconstruction of Nicaragua has violated article 18 of the Charter of the Organization of American States which declares that no state has the right to intervene directly or indirectly, for any reason whatsoever, in the internal or external affairs of any other state.

The United States, in upholding these covenants, has a duty to respond to these violations of law. Our response, however, must be both proportional and prudent.

With such standards in mind, it was the Senate committee's judgment that the means chosen by the House to halt these violations—fences, radar planes, and so forth—would be ineffective and present an unacceptably high risk to U.S. forces who would almost surely become involved in putting such arrangements in place. On the other hand, it was also the committee's judgment that the previous finding had been too broad and not sufficiently specific with respect to the program's goals.

Along with my colleagues, I pressed the administration to redefine its covert program to assure that it was in accord with our obligations under international law. I believe the new Presidential finding reflects this counsel. Thus, the goal with this program is as it should be—to bring the Government of Nicaragua into conformity with accepted norms of international behavior.

In this regard, I believe it is fair to say that the committee achieved an important measure of success, and that the result of the conference stands as confirmation of this.

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 2968) to authorize appropriations for fiscal year 1984 for intelligence and intelligence-related activities of the U.S. Government, for the intelligence community staff, for the Central Intelligence Agency retirement and disability system, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

The Senate amendment struck out all of the House bill after the enacting clause and inserted a substitute text.

The House recedes from its disagreement to the amendment of the Senate with an amendment which is a substitute for the House bill and the Senate amendment. The differences between the House bill, the Senate amendment, and the substitute agreed to in conference are noted below, except for clerical corrections, conforming changes made necessary by agreements reached by the conferees, and minor drafting and clarifying changes.

TITLE I—INTELLIGENCE ACTIVITIES

Due to the classified nature of intelligence and intelligence-related activities, a classified annex to this joint explanatory statement serves as a guide to the classified schedule of authorizations by providing a detailed description of program and budget authority contained therein as reported by the committee of conference.

The actions of the conferees on all matters at difference between the two Houses—stated in the classified annex accompanying the House bill, and the classified supplement and appendix thereto that accompanied the Senate amendment—are shown below or in the classified annex to this joint statement.

A special conference group resolved differences between the House and Senate regarding DOD intelligence related activities, referred to as tactical intelligence and related activities [TIARA]. This special conference group was necessitated by the differing committee jurisdictions between the two Houses and consisted of members of the House and Senate Committees on Armed Services and the House Permanent Select Committee on Intelligence.

The amounts listed for TIARA programs represent the funding levels jointly agreed to by the TIARA conferees and the House and Senate conferees for the Department of Defense Authorization Act, 1984, for those programs subject to annual authorization and contained in the Department of Defense Authorization Act (Public Law 98-94). In addition, the TIARA conferees have agreed on the authorization level, as listed in the classified schedule of authorizations, the joint statement, and its classified annex, for TIARA programs which fall into the appropriation categories of military pay and military construction.

SECTION 103

The House bill contained a provision, section 103, that had three parts. It stipulated that during fiscal year

1984, no funds may be appropriated or otherwise made available through transfer, reprograming, et cetera, for intelligence or intelligence-related activities unless specifically authorized or unless the appropriate committees of Congress have been notified of the intent to make such funds available. Section 103 also contained the requirement that all transfers of funds from one account to another be for a higher priority program. Last, section 103 stated that no funds may be provided to support a program denied by Congress. The Senate amendemnt contained a provision, section 101(c), which included only the first part of section 103.

The conferees agreed to the House provision with the understanding that, if the proposed activity is materially different from that denied funding with prejudice, section 103 would not present any bar to a release from the reserve for contingencies or a reprograming request.

SECTION 106

The House bill contained a provision, section 106, authorizing appropriations of $13,800,000 for the counterterrorism program of the Federal Bureau of Investigation. The Senate amendment contained no comparable provision.

The conferees agreed to the House provision.

SECTION 108

Section 108 of the House bill contained provisions one, terminating funding for military or paramilitary activities in Nicaragua after the expiration of a classified period of time for withdrawal of combatants from Nicaragua, and two, authorizing $50 million for arms interdiction assistance to friendly Central American countries. The Senate amendment had no comparable provision.

The conferees agreed to a compromise provision which sets a cap of $24 million for military or paramilitary activities in Nicaragua during fiscal year 1984.

SECTION 109

Section 109 of the House bill expressed the sense of Congress concerning certain activities of the Government of Nicaragua. The Senate amendment had no comparable provision.

The conferees agreed to a compromise statement as follows:

SEC. 109. (a) The Congress finds that—

[CRS-246]

(1) the Government of National Reconstruction of Nicaragua has failed to keep solemn promises, made to the Organization of American States in July 1979, to establish a full respect for human rights and political liberties, hold early elections, preserve a private sector, permit political pluralism, and pursue a foreign policy of nonaggression and nonintervention;

(2) by providing military support (including arms, training, and logistical, command and control, and communications facilities) to groups seeking to overthrow the Government of El Salvador and other Central American governments, the Government of National Reconstruction of Nicaragua has violated article 18 of the Charter of the Organization of American States which declares that no state has the right to intervene, directly or indirectly, for any reason whatsoever, in the internal or external affairs of any other state;

(3) the Government of Nicaragua should be held accountable before the Organization of American States for activities violative of promises made to the Organization and for violations of the Charter of that Organization; and

(4) working through the Organization of American States is the proper and most effective means of dealing with threats to the peace of Central America, of providing for common action in the event of aggression, and of providing the mechanisms for peaceful resolution of disputes among the countries of Central America.

The President should seek a prompt reconvening of the Seventeenth Meeting of Consultation of Ministers of Foreign Affairs of the Organization of American States for the purpose of reevaluating the compliance by the Government of National Reconstruction of Nicaragua—

(1) with the commitments made by the leaders of that Government in July 1979 to the Organization of American States; and

(2) with the Charter of the Organization of American States.

(c) The President should vigorously seek actions by the Organization of American States that would provide for a full range of effective measures by the member states to bring about compliance by the Government of National Reconstruction of Nicaragua with those obligations, including verifiable agreements to halt the transfer of military equipment and to cease furnishing of military support facilities to groups seeking the violent overthrow of government of countries in Central America.

(d) The President should use all diplomatic means at his disposal to encourge the Organization of American States to seek resolution of the conficts in Central America based on the provisions of the Final Act of the San Jose Conference of October 1982, especially principles (d), (e), and (g), relating to nonintervention in the internal affairs of other countries, denying support for terrorist and subversive elements in other states, and international supervision of fully verifiable arrangements.

(e) The United States should support measures at the Organization of American States, as well as efforts of the Contadora Group, which seek to end support for terrorist, subversive, or other activities aimed at the violent overthrow of the governments of countries in Central America.

(f) Not later than March 15, 1984, the President shall report to the Congress on the results of his efforts pursuant to this Act to achieve peace in Central America. Such report may include such recommendations as the President may consider appropriate for further United States actions to achieve this objective.

S16859-16860

[CRS-247]

D. DOD APPROPRIATIONS

1. House

While the full House was considering its covert aid cutoff in the intelligence authorization, the appropriations committee was considering parallel language in the nonclassified part of the DOD appropriation bill. At that time, it approved a general requirement that the respective intelligence and appropriations committees be given an opportunity to block all CIA contingency reserve expenditures and refinancings. This latter provision was dropped in conference.

a. Report

DEPARTMENT OF DEFENSE APPROPRIATION BILL, 1984

SEC. 780. None of the funds appropriated by this Act may be obligated or expended by the Central Intelligence Agency, the Department of Defense, or any other agency for the purpose or which would have the effect of supporting, directly or indirectly, military or paramilitary operations in Nicaragua by any nation, group, organization, movement, or individual. This provision shall take effect:

(1) upon the enactment of authorizing legislation for intelligence programs for the fiscal year 1984, except to the extent that such obligations and expenditures are not prohibited by such authorizing legislation, or

(2) on April 1, 1984, if no authorizing legislation has been enacted by such date.

[CRS-248]

NICARAGUA

The Committee agrees to delete, as proposed in the budget, last year's language on Nicaragua and recommends a new general provision which becomes effective on April 1, 1984, and prohibits the use of funds for military/paramilitary activities in Nicaragua unless such activities are authorized.

H. Rep. 98-427 at 262.

b. House floor debate (10/25/83)

INTELLIGENCE MATTERS

Mr. ADDABBO. The bill reflects a net reduction of $951.6 million in intelligence and tactical intelligence and related activities programs, a little over one-half of which was not authorized.

Last week, the House passed the Boland-Zablocki-Wright amendment to the intelligence authorization bill. The bill you are considering today contains a provision almost identical in every respect to the Boland-Zablocki-Wright amendment.

I understand there may be an amendment offered to alter sections 749 and 750 of our general provisions relating to the CIA.

Mr. Chairman, with the events occurring in Central America last year and currently, which resulted in the Boland amendment being attached to the fiscal year 1983 defense appropriation bill last year, and brought about the Boland-Zablocki-Wright amendment this year, the committee felt it was necessary to tighten control over certain covert action funds in this bill.

The CIA budgets a certain amount for specific covert actions each year, and also requests a specific sum for the reserve for contingency fund to be used to fund certain unforeseen emergencies and new requirements arising during the forthcoming fiscal year.

Unfortunately, when these reserve for contingency funds are used, Congress is merely notified when they occur during the year as to the amount and purpose for which the funds are to be used.

The President authorizes specific covert actions and the Director of Central Intelligence seeks releases from the reserve for contingencies to fund them. OMB is requested to release the amount of funds required and the appropriate committees are not notified.

Neither the intelligence oversight committees nor this committee have anay veto power over the proposed use of these reserve for contingency funds.

At times, only a few days elapse between the time Congress, through its committees, is notified and OMB releases the funds—certainly little time for the committees to conduct hearings and seriously question their use and purpose. This is particularly true when Congress is in recess.

The committee believed that, as part of its oversight functions, some mechanism should be established to properly protect the Congress from an improper or questionable use of the reserve for contingency money.

Sections 749 and 750 have been in the Defense appropriation bill for a number of years, but related to the reserve for contingency funds.

Therefore, in an effort to gain better control and oversight over the use of the Reserve for contingency money, the committee has deleted the words "Reserve for Contingency" from both sections 749 and 750, which appear on page 62 of the bill, and substituted the words "Contingency Reprogramming Funds."

The effect of this change is to require CIA to obtain a prior approval reprogramming request from the appropriate committees, including the House and Senate Permanent Select Committees on Intelligence, before obligating any money from the contingency fund.

Mr. Chairman, this is all I am going to say on the floor of the House about CIA or covert actions, and I do not intend to discuss any specific covert actions or other activities of the CIA.

The reason for my remarks is to explain to the House the purpose of sections 749 and 750 in the event there is an amendment offered to amend, alter, or change those sections of the general provisions in the bill.

H8624

[CRS-250]

2. Senate

In its report (S. Rep. 98-292), the Senate Appropriations Committee deleted the Housing language terminating all U.S. support for military or paramilitary actions in Nicaragua beyond April 1, 1984, if not authorized. S. Rep. 98-292 at 195.

The classified appropriations reflect levels authorized in earlier Senate action. There apparently was no floor debate germane to the contra aid issue.

3. Conference

a. Report

MAKING APPROPRIATIONS FOR THE DEPARTMENT OF DEFENSE FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 1984

Amendment No. 167: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter stricken by said amendment, insert:

SEC. 775. During fiscal year 1984, not more than $24,000,000 of the funds available to the Central intelligence Agency, the Department of Defense, or any other agency or entity of the United States involved in intelligence activities may be obligated or expended for the purpose or which would have the effect of supporting, directly or indirectly, military or paramilitary operations in Nicaragua by any nation, group, organization, movement, or individual.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

H.Rep. 98-567, at 74.

[CRS-251]

b. Senate floor debate (11/18/83)

● Mr. STEVENS. In another sensitive and difficult area-paramilitary and military activities in Nicaragua—the Senate won a major concession from the House with an agreement to provide an initial $24 million to continue covert assistance. The House had adopted a total ban on such spending effective next April in the absence of any limitations in the still pending intelligence authorization bill. The final agreement, in my judgment, fully sustains the administration's foreign policy initiatives in Central America and avoids any appearance of retreat from our continuing efforts to contain the spread of communism-fostered insurrection in that important region. Significantly, the agreement does not in any way foreclose the pending conference agreement on the authorization measure, and the administration can address any future requirements in supplemental funding requests next session.

S16842

[CRS-252]

Mr. LEVIN. Mr. President, the bill we are voting on today addresses for the moment the question of covert assistance to groups acting inside Nicaragua I am opposed to providing assistance to persons, either covertly or openly, for purposes of overthrowing that government. That is the avowed aim of some factions we are supporting. This conference report provides that no more than $24 million shall be spent to support these actions to Nicaragua.

I am disappointed that the House positions prohibiting this kind of aid to the Nicaragua rebels did not prevail in the conference. I understand, however, that the administration did not win approval for nearly as much funding as they would have liked. This level of assistance will not flow our support to continue much longer. Furthermore, the fight will not be out in the open, and the administration will not be able to dip into secret sources for funding to continue these operations. If they want to pursue this policy, they will have to come to the Congress in public and justify it. I have strong concern about the Sandinista Government in Nicaragua. I oppose their suppression of free speech and dissent and their interest in fomenting armed rebellion in other countries in Central America. But I do not think either open or covert aid to armed rebel groups will succeed in doing anything but play into the hands of the Cubans and the Sandinistas. It is a great disappointment to me that the Senate cannot amend this conference report and therefore has no chance to vote on these funds as a separate item, for I would have demonstrated my opposition by voting no on such amendment.

S16848

[CRS-253]

c. House floor debate (11/18/83)

Mr. ADDABBO. Mr. Speaker, with regard to the sensitive issue of funding for certain activities in Nicaragua, the Senate was extremely adamant. In the Defense appropriations bill passed earlier this year, the House included a provision prohibiting certain activities in Nicaragua. This prohibition was to take effect:

Upon the enactment of authorizing legislation for intelligence programs in fiscal year 1984, unless the prohibition was not included in the authorizing legislation; or

On April 1, 1984, if no authorizing legislation was enacted by that case.

The Senate had no restrictions on prohibitions.

Fellow Members of the House, although there were 831 issues to be resolved in this conference, about 25 percent of the time of the conference was spent on this one issue.

The simple fact is that the House and Senate conference on the fiscal year 1984 Defense appropriations bill would not have been concluded unless some sort of compromise on the Nicaraguan issue was worked out.

I personally do not agree with the compromise, and would have preferred to stick with the House position.

The conferees set a limitation of $24,000,000 that could be expended for support of paramilitary and military activities in Nicaragua.

This compromise, in effect, establishes a funding cutoff, and provides the Congress with a funding veto power over the continuance of activities in Nicaragua beyond the funding limitation set in this conference report.

H10477-10478

[CRS-254]

Mr. BOLAND. Mr. Speaker, I thank the chairman of the Subcommittee on Defense Appropriations for yielding time to me, and I want to express my appreciation to both the chairman and the ranking minority member for the courtesies they extended to me, and also to the gentleman from Ohio (Mr. Stokes) and the others who were added as conferees on the defense bill, particularly with reference to Item 167, the war in Nicaragua. I also want to compliment the distinguished gentleman from California (Mr. Miller) and state that I share his concern and I share his opinions. In fact, Mr. Speaker, I would like to pay tribute to a great number of Members of the House who have worked so hard on the basis of deep conviction to oppose the covert action in Nicaragua.

That expression has been deep felt. It has been sustained and it has been bipartisan. As the votes taken in this body in both July and October indicate.

Mr. Speaker, one of the most important Members in this effort has been the gentleman from California, Mr. Miller.

He has worked hard to support the position taken by the intelligence committee despite what I know to be reservations about some aspects of this position. But he has been practical as well as concerned.

In no small part the compromise which the Appropriations conferees where able to secure on the covert action in Nicaragua is a tribute to Members like George Miller, who are willing to take the long view and realize that not every war is won by only one or even two skirmishes.

You have to incur some losses on the road to success in this body and were it not for Members like George Miller, we would have few successes.

This has been a long and a tortuous path which involved both the House and the Senate, not alone on the Appropriations Committees but also in the intelligence community. It has not been an easy task, and it has not been a very pleasant one.

The House position going into the conference was that only funds sufficient to continue the covert action until April 1, 1984, would be approved. The Senate stuck to its position and would not accept a date certain for ending the program. This Appropriations conference agreed to a provision which caps expenditures for the covert action in Nicaragua at $24 million in fiscal year 1984. The $24 million figure to which the conferees agreed to will take the program beyond the April 1 date, but not much beyond it, at the current rate of expenditures. No additional funds can be made available for this covert action unless the administration comes back to both Houses of Congress and requests additional funds which must be authorized and appropriated by both the House and the Senate.

So, Mr. Speaker, the House of Representatives will have the opportunity for an up-or-down vote on any additional funding. The bottom line to the conference compromise may not mean the end of the covert action, as I would have wished and as many Members of this House have wished, including the gentleman from California (Mr. Miller), but it will force either a significant phase-down of the covert actions or a situation where the administration will have to come back and request additional funds if the covert action is to continue. That is the best we could get.

Mr. Speaker, we think this is a major step in the direction in which we are headed to try to end the secret war in Nicaragua, and I compliment the members of the Appropriations Subcommittee for joining with the members of the Intelligence Committee in striking this compromise.

H10482

[CRS-255]

III. Section 106(c) of Continuing Appropriations, Temporary, 1985, Pub. L. 98-441, 98 Stat. 1700: Stopgap Restrictions

No appropriations or funds made available pursuant to this joint resolution to the Central Intelligence Agency, the Department of Defense, or any other agency or entity of the United States involved in intelligence activities may be obligated or expended for the purpose or which would have the effect of supporting, directly or indirectly, military or paramilitary operations in Nicaragua by any nation, group, organization, movement or individual.

As part of a stopgap funding measure, this restriction was neither reported by a committee nor debated on the floor of either House. Rather, the restriction was included in a joint resolution (H.J. 653) that was summarily approved October 1, 1984, in order to provide funding until more comprehensive appropriations for FY 85 could be enacted.

Even though the above restrictions barred the use of *new* funds for covert support, it did not, like its predecessor (expiring 9/30/84) or its successor (effective 10/12/84), prohibit the use of *all* "funds available."

[CRS-256]

IV. Section 8066 of the Department of Defense Appropriations Act 1985, as Enacted in Further Continuing Appropriations Act, 1985, Pub. L. 98-473, 98 Stat. 1935; Section 801 of the Intelligence Authorization Act for Fiscal Year 1985, Pub. L. 98-618, 98 Stat. 3304: Tight Restrictions for FY 1985

SECTION 8066, DOD APPROPRIATIONS

Sec. 8066. (a) During fiscal year 1985, no funds available to the Central Intelligence Agency, the Department of Defense, or any other agency or entity of the United States involved in intelligence activities may be obligated or expended for the purpose or which would have the effect of supporting, directly or indirectly, military or paramilitary operations in Nicaragua by any nation, group, organization, movement, or individual.

(b) The prohibition concerning Nicaragua contained in subsection (a) shall cease to apply if, after February 28, 1985—

(1) the President submits to Congress a report—

(A) stating that the Government of Nicaragua is providing materiel or monetary support to anti-government forces engaged in military or paramilitary operations in El Salvador or other Central American countries;

(B) analyzing the military significance of such support;

(C) stating that the President has determined that assistance for military or paramilitary operations prohibited by subsection (a) is necessary;

(D) justifying the amount and type of such assistance and describing its objectives; and

(E) explaining the goals of United States policy for the Central American region and how the proposed assistance would further such goals, including the achievement of peace and security in Central America through a comprehensive, verifiable and enforceable agreement based upon the Contadora Document of Objectives; and

(2) a joint resolution approving assistance for military or paramilitary operations in Nicaragua is enacted.

(c)(1) For the purpose of subsection (b)(2), "joint resolution" means only a joint resolution introduced after the date on which the report of the President under subsection (b)(1) is received by Congress, the matter after the resolving clause of which is as follows: "That the Congress approves the obligation and expenditure of funds available for fiscal year 1985 for supporting, directly or indirectly, military or paramilitary operations in Nicaragua.".

(2) The report described in subsection (b)(1) shall be referred to the appropriate committee or committees of the House of Representatives and to the appropriate committee or committees of the Senate.

(3) A resolution described in paragraph (1) introduced in the House of Representatives shall be referred to the Committee on Appropriations of the House of Representatives. A resolution described in paragraph (1) introduced in the Senate shall be referred to the Committee on Appropriations of the Senate. Such a resolution may not be

reported before the eighth day after its introduction.

(4) If the committee to which is referred a resolution described in paragraph (1) has not reported such resolution (or an identical resolution) at the end of fifteen calendar days after its introduction, such committee shall be discharged from further consideration of such resolution and such resolution shall be placed on the appropriate calendar of the House involved.

[CRS-257]

(5)(A) When the committee to which a resolution is referred has reported, or has been deemed to be discharged (under paragraph (4)) from further consideration of, a resolution described in paragraph (1) notwithstanding any rule or precendent of the Senate, including Rule 22, It is at any time thereafter in order (even though a previous motion to the same effect has been disagreed to) for any Member of the respective House to move to proceed to the consideration of the resolution and all points of order against the resolution (and against consideration of the resolution) are waived. The motion is highly privileged in the House of Representatives and is privileged in the Senate and is not debatable. The motion is not subject to amendment, or to a motion to postpone, or to a motion to proceed to the consideration of other business. A motion to reconsider the vote by which the motion is agreed to or disagreed to shall not be in order if a motion to proceed to the consideration of the resolution is agreed to, the resolution shall remain the unfinished business of the respective House until disposed of.

(B) Debate on the resolution, and on all debatable motions and appeals in connections therewith, shall be limited to not more than ten hours, which shall be divided equally between those favoring and those opposing the resolution. A motion further to limit debate is in order and not debatable. An amendment to, or a motion to postpone, or a motion to proceed to the consideration of other business, or a motion to recommit the resolution is not in order. A motion to reconsider the vote by which the resolution is agreed to or disagreed to is not in order.

(C) Immediately following the conclusion of the debate on a resolution described in paragraph (1), and a single quorum call at the conclusion of the debate if requested in accordance with the rules of the appropriate House, the vote on final passage of the resolution shall occur.

(D) Appeals from the decisions of the Chair relating to the application of the rules of the Senate or the House of Representatives as the case may be, to the procedure relating to a resolution described in paragraph (1) shall be decided without debate.

(6) If, before the passage by the Senate of a resolution of the Senate described in paragraph (1), the Senate receives from the House of Representatives a resolution described in paragraph (1), then the following procedures shall apply:

(A) The resolution of the House of Representatives shall not be referred to a committee.

(B) With respect to a resolution described in paragraph (1) of the Senate—

(i) the procedure in the Senate shall be the same as if no resolution had been received from the House; but

(ii) the vote on final passage shall be on the resolution of the House.

(C) Upon disposition of the resolution received from the House, it shall no longer be in order to consider the resolution originated in the Senate.

(7) If the Senate receives from the House of Representatives a resolution described in paragraph (1) after the Senate has disposed of a Senate originated resolution, the action of the Senate with regard to the disposition of the Senate originated resolution shall be deemed to be the action of the Senate with regard to the House originated resolution.

(8) This subsection is enacted by Congress—

(A) as an exercise of the rulemaking power of the Senate and House of Representatives, respectively, and as such it is deemed a part of the rules of each House, respectively, but applicable only with respect to the procedure to be followed in that House in the case of a resolution described in paragraph (1), and it supersedes other rules only to the extent that it is inconsistent with such rules; and

(B) with full recognition of the constitutional right of either House to change the rules (so far as relating to the procedure of that House) at any time, in the same manner and to the same extent as in the case of any other rule of that House.

(d) During fiscal year 1985 funds approved by the resolution described in subsection (b)(2) for the purpose of supporting, directly or indirectly, military or paramilitary operations in Nicaragua, shall not exceed $14,000,000.

[CRS-258]

SECTION 801 OF THE INTELLIGENCE AUTHORIZATION ACT 1985

MILITARY OR PARAMILITARY ACTIVITIES

SEC. 801. No funds authorized to be appropriated by this Act or by the Intelligence Authorization Act for fiscal year 1984 (Public Law 98-215) may be obligated or expended for the purpose or which would have the effect of supporting, directly or indirectly, military or paramilitary operations in Nicaragua by any nation, group, organization, movement, or individual, except to the extent provided and under the terms and conditions specified by House Joint Resolution 648, making continuing appropriations for the fiscal year 1985, and for other purposes, as enacted.

A. OVERVIEW

The sponsors of the prohibitory language of section 8066(a) of the DOD appropriation, which, like most aid restrictions, originated in the House, clearly intended to impose a broad bar to government support of the Contras. Representative Boland characterized the intended effects of the restrictions set forth above in part as follows:

> Let me make very clear that this prohibition applies to all funds available in fiscal year 1985 regardless of any accounting procedure at any agency.
>
> It clearly prohibits any expenditure, including those from accounts for salaries and all support costs.
>
> The prohibition is so strictly written that it also prohibits transfers of equipment acquired at no cost.

While a majority of the House favored a prohibition of Contra aid, a majority of the Senate supported such assistance. The final compromise preserved both the House's prohibition and the Senate's funding authority by requiring that any appropriation pursuant to the Senate authority be approved by joint resolution. In the meantime, the House restriction was to prevail. Debate of the broad funding proscription tended to focus on the merits of the Contras' cause and tactics and on direct and indirect field support for the Contras abroad. Neither the proponents nor the opponents of Contra aid expressly discussed whether the funding restriction would bar government officials from soliciting third party support here or abroad.

[DRS-259]

The DOD appropriation act included a separate provision barring transfers, reprogrammings, or other budgetary devices to make funds available for an intelligence activity not previously justified to Congress unless the respective appropriations committees had been notified in advance. Unlike some other appropriations statutes, there is no express bar to the use of funds for activities for which Congress had denied assistance.

B. INTELLIGENCE AUTHORIZATION BILL; EARLY ACTION

1. House

a. Contra aid restriction as introduced (4/10/84)

[H.R. 5399, 98th Cong., 2d Sess.]

PROHIBITION ON CONVERT ASSISTANCE FOR MILITARY OPERATIONS IN NICARAGUA

SEC. 107. During fiscal year 1985, no funds available to the Central Intelligence Agency, the Department of Defense, or any other agency or entity of the United States involved in intelligence activities may be obligated or expended for the purpose or which would have the effect of supporting, directly or indirectly, military or paramilitary operations in Nicaragua by any nation, group, organization, movement, or individual.

[CRS-260]

b. Report explanation

INTELLIGENCE AUTHORIZATION ACT FOR FISCAL YEAR 1985

Section 107 would prohibit any funds authorized by the bill being used to support, directly or indirectly, military or paramilitary operations in Nicaragua. The section also has the effect of denying any funds requested for such a purpose in fiscal year 1985. This section is fully consistent with the committee's previously expressed position in this matter.

During consideration of this section, an amendment was offered by Mr. Robinson, the ranking minority member of the Committee, to restore funds requested by the Administration for the support of military and paramilitary operations in Nicaragua. The amendment failed by a vote of 4-7.

H. Rep. 98-743 at 5.

c. House floor debate (8/2/84)

Mr. BOLAND. Mr. Chairman, I yield myself such time as I may consume.

Throughout the committee's review of the budget, one controversy has arisen. It is familiar to all Members of the House, It concerns the issue of continued funding for the insurgents in Nicargua. Members of the committee continue to differ on this issue. The majority of the committee, as it has before, recommended complete termination of this activity. Despite that disagreement, the committee's bipartisan character remains strong. We have not been torn asunder, press accounts to the contrary notwithstanding. Our security record remains excellent.

H8266

[CRS-261]

Mr. COLEMAN of Missouri. Mr. Chairman, we are now witnessing the slow strangulation by the majority party of America's fundamental commitment to democracy in Central America. Section 107 of the legislation before us today includes language which goes way beyond the Boland-Zablocki language of 2 years ago that governed covert activities in Nicaragua. Under Boland-Zablocki no funds could be used to overthrow the Government of Nicaragua. Under this bill the CIA could not even help fund the interdiction of arms flowing from Nicaragua into El Salvador.

This bill is aimed at denying U.S. aid to the Contras fighting against the unelected Sandinista junta in Nicaragua. But the language of this bill goes much further. It denies aid to any group which might attempt to oppose any government of Nicaragua.

Suppose the Sandinista junta continues to tighten its control over the people of Nicaragua, completely closes down La Prensa, the only so-called free press, or outlaws the Catholic church because it is opposed to the junta—as it is. Then suppose they decide to outlaw all political parties because the upcoming "election" will, as they say, "establish beyond a shadow of doubt that the Nicaraguan people do not want any other parties in their country." And then, suppose that the Nicaraguan people, chafing under the growing totalitarianism, urged on by men and women committee to democracy, decided to fight.

Would we be able to help them in their struggle? Under this bill the answer is no.

Suppose then that like Angola, Ethiopia, or Afghanistan, the Sandinistas call upon their Communist brethren to come to their aid, to send Cuban combat troops, perhaps even the Soviet combat brigade stationed in Cuba. Would we then be able to aid people fighting against this tyranny? Under this bill the answer is, once again, unequivocally no. The bill would leave the United States with only one option—commitment of military troops—which no one, I repeat, no one on this side of the aisle wants to see happen.

In other words the majority party is saying today, that there is absolutely nothing, under any circumstances, they are willing to do to aid Nicaraguans who are forced to fight for their freedom.

This bill, in the final analysis, states that the only "acceptable" thing for the United States to do, is to do nothing.

In desperation to adhere to this "do nothing" policy, my colleagues on the other side of the aisle are now deliberately ignoring basic realities in Nicaragua. The Sandinista junta is becoming more oppressive—civil, political, and human rights are fewer then when they took power. Other groups which took part in the revolution have in standard Communist fashion been dispensed with one by one, until only the Sandinistas remain.

Which country is providing safe haven, weapons, military training, and official support of leftist guerrillas fighting against the democratically elected Government of El Salvador? It is the Sandinistas of Nicaragua. Under this bill we can do nothing about that.

I would like to ask the chairman of the committee, the gentleman from Massachusetts [Mr. BOLAND], to enter into a colloquy, and I would ask if the gentleman might answer some questions.

In May of 1983 in your report, in the intelligence authorization bill, the committee said on page 6 that it believes that the intelligence available to it continues to support the following judgments with certainty:

One, a major portion of the arms and other materials sent by Cuba and other Communist countries to the Salvadoran insurgents, transits Nicaragua with the permission and assistance of the Sandinistas.

Is that true today, Mr. Chairman?

Mr. BOLAND. Will the gentleman yield?

Mr. COLEMAN of Missouri. I yield to the gentleman.

Mr. BOLAND. As the gentleman knows, that particular reference in the report has been used many times in the debate on the military power and military operations in Nicaragua, and that precisely was the judgment of the committee. That generally is the judgment of the committee today.

Mr. COLEMAN of Missouri. Did you answer yes or no to that question?

Mr. BOLAND. You have reference to the report that was made by this committee in 1983?

[CRS-262]

Mr. COLEMAN of Missouri. Right.

Mr. BOLAND. Pointing to and indicating that there is clear and convincing evidence that military equipment is going to El Salvador and transiting through Nicaragua; is that the question?

Mr. COLEMAN of Missouri. Right. Is that true today? Because I see there is nothing in the report.

Mr. BOLAND. That is true today, as it was at the time of that report. The evidence is less concrete, more circumstantial, but it still supports that conclusion. We have never backed away from that statement.

Mr. COLEMAN of Missouri. That is fine. Let me ask another question, and I appreciate it. I only have a certain amount of time.

Another statement which was made with great certainty by the committee in May 1983 was that the Salvadoran insurgents rely on the use of its sites in Nicaragua, some of which are located in Managua itself, for communications, command and control, and for the logistics to conduct their financial, material, and propaganda activities.

Is that true today?

Mr. BOLAND. That was true in 1983 and it is true today. My answer would be yes.

Mr. COLEMAN of Missouri. Along the same lines, Mr. Chairman, with certainty the committee stated that the Sandinista leadership sanctions and directly facilitates all of these functions. And, further, Nicaragua provides a range of other support activities, including secure transit of insurgents to and from Cuba, and assistance to the insurgents in planning their activities in El Salvador.

Is that true today also?

Mr. BOLAND. It was true then. It is true today. And the committee has never backed away from that statement.

Mr. COLEMAN of Missouri. As I recall also in the report the committee suggested we set up radar or sensing barriers in between Nicaragua and El Salvador. I was wondering if the chairman could give me an update on the radar that they suggested and the sensing that they suggested as an alternative to the interdiction of arms through covert activities.

Would the chairman give an update on the radar and the fencing that you suggested in May 1983?

Mr. BOLAND. As the gentleman knows, the whole basis of the war in Nicaragua and the flow of arms into El Salvador from Nicaragua, was originally arms interdiction. That has been the nub of the whole question since this war started. But let me respond to the gentleman and let me indicate to him that there has been little or no interdiction of arms by anyone into El Salvador.

Mr. COLEMAN of Missouri. Has there been any radar?

Mr. BOLAND. Let me also say to the gentleman that the administration opposed any arms interdiction program in H.R. 2760, but this is also an area that we can take care of in the 2-hour debate on section 107. And I will not respond to any more questions of the gentleman. He can wait until we get into section 107.

Mr. COLEMAN of Missouri. It is my time. I do not understand. It is my time that we are eating up and using up and the chairman will not respond to my questions. I do not recall in my 8 years that the chairman has refused to answer questions when it is on our time on such an important issue.

My question is, Has anybody requested the radar; has anybody requested funding for fencing? Where are the fences? Where is the radar?

That is all I want to know, because there is nothing in the report today or in this thin public document that says anything about section 107 except no funds shall be used period. I just want to know what happened.

Mr. BOLAND. If the gentleman will yield I will be happy to answer.

It is the judgment of the majority of the members of this committee that this has been a senseless war in Nicaragua, and they have witnessed little or no emphasis by the administration to the interdiction of arms into El Salvador. Their attention has been paid instead to an insurgency committed to the overthrow of the Sandinista government. That is my response.

Mr. ROBINSON. Will the gentleman yield to me?

Mr. COLEMAN of Missouri. Sure.

Mr. ROBINSON. The gentleman is getting into a highly sensitive area and there are questions he is asking that simply cannot be answered fully and specifically on the floor of the House.

Mr. COLEMAN of Missouri. Is the gentleman suggesting we go into secret session?

Mr. ROBINSON. No.

The CHAIRMAN. The time of the gentleman from Missouri [Mr. COLEMAN] has expired.

□ 1050

Mr. BOLAND. Mr. Chairman, I have no further requests for time.

Mr. ROBINSON. Mr. Chairman, I yield 1 minute to the gentleman from Arizona [Mr. STUMP].

Mr. STUMP. I thank the gentleman for yielding.

Mr. Chairman, I would like to take this opportunity to commend our chairman of the Intelligence Committee for an outstanding job.

I would especially like to commend my ranking member, the gentleman from Virgina [Mr. ROBINSON]. I think there are few people that have been more dedicated in any effort in this Congress than Mr. ROBINSON has been in his defense of the intelligence community and I think he commands the respect of all of us for such an outstanding job as ranking member on this committee, and I personally thank you.

Mr. ROBINSON. I thank the gentleman from Arizona for his very flattering comments. He has been a valuable member of this committee. I will certainly miss the association with him when I leave the Congress.

Mr. Chairman, I yield 6 minutes to the gentleman from Illinois [Mr. HYDE].

Mr. HYDE. Mr. Chairman, I hope my remarks are not deemed intemperate because they are said with some feeling. I know we all think we can identify our national interests in Central America and protect them but I just think section 107 is a disaster.

It forbids any assistance to the freedom fighters in Nicaragua who are trying to recapture the revolution that they believed in when it was fought against Somoza. I tried to think of a word to describe section 107. There just is not any. Silly, foolish, dangerous, tragic naive, sad; it is all of those things and even more.

But if you ever doubted that history repeats itself you have validation of that aphorism today. Back in 1956 in Hungary when the freedom fighters rose to resist the Soviet Union, the Soviet tanks rolled in and we were spectators except for the Voice of America urging them to fight on.

In 1961, the Bay of Pigs, train 'em, arm 'em, encourage 'em and then walk away, pull the rug, pull the plug, abandon them.

Saigon, 1975, I can still see our helicopters lifting off the Embassy roof with the tears and the arms outstretched of the people who believed in us, who trusted in us, recessed into the distance as we abandoned them.

And now, train the Contras, urge them to get in those mountains and fight for freedom and then abandon them as we are doing today and as we have done before.

Arm them and abandon them on a party line vote. No food, no medicine, no ammunition, not even moral support. We barely leave them a prayer.

Now we will hear about the legal case, we will hear that we abandon, we yield the moral high ground when we support a secret covert war in Nicaragua.

These are the same people who condemn us for our resistance toward submitting this controversy to the World Court. I am waiting to see Iraq and Iran and Lebanon and Israel and Syria bring their causes to this World Court, this arm of the United Nations, where a Soviet judge and a Polish judge and a Syrian judge sit.

H8268-69

[CRS-263]

Mr. BOLAND. Mr. Chairman, I ask unanimous consent that all titles be considered as read and open to amendment at any point, except as to section 107.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The CHAIRMAN. Are there any amendments?

If not, the Clerk will designate section 107.

The text of section 107 is as follows:

PROHIBITION ON COVERT ASSISTANCE FOR MILITARY OPERATIONS IN NICARAGUA

SEC. 107. During fiscal year 1985, no funds available to the Central Intelligence Agency, the Department of Defense, or any other agency or entity of the United States involved in intelligence activities may be obligated or expended for the purpose or which would have the effect of supporting, directly or indirectly, military or paramilitary operations in Nicaragua by any nation, group, organization, movement, or individual.

The CHAIRMAN. Are there amendments to section 107?

Mr. ROBINSON. Mr. Chairman, I move to strike the last word.

Mr. Chairman, the administration and the minority in this House have attempted for well over a year to find a compromise—a bipartisan approach, if you will—to the policy disagreement on how best to help the peoples in Central America. The majority has resisted every effort we have made in recent months to find a reasonable compromise formula which would provide an effective counterweight to the Sandinista revolutionary expansionism and honor the commitments of the United States to the free Nicaraguans.

The administration's position has been clear. The concept is simple: As long as the Sandinista Communists continue to support the violent overthrow of the freely elected government of El Salvador, and refuse to honor their commitments to the Organization of American States, the United States will continue to support free Nicaraguans who share the hope of a democracy for their country.

There is no ambiguity in that position. It is clear. The President and I believe that the first Communist foothold on the mainland of the Americas is a threat to our security. The National Bipartisan Commission stated in its

[CRS-264]

report that we must "ban the Soviet Union from consolidating either directly or through Cuba a hostile foothold on the American continents in order to advance its strategic purposes."

The President has set forth very clearly his policy goals in Central America. We will support democracy, reform, and human freedoms. We will support economic development. We will support the security of the region's threatened nations and we will support dialog and negotiations. These policy goals have not changed.

The Sandinistas have within their possession the key that opens the door to cooperation with their neighbors and the United States, an improved economy, a higher standard of living for their people. The Sandinistas need only to cease their support of guerrillas attempting to overthrow the Government of El Salvador and keep their promises to the OAS and allow truly democratic elections which are certainly not now indicated.

I do not think that the Congress should reward the Sandinista regime for subversion of freely elected governments in Central America. Yet, withdrawing support for the free Nicaraguans will do exactly that, just as the gentleman from Illinois [Mr. HYDE] has very eloquently stated. The practical consequences of the majority's position is to provide a legislatively engineered victory to the Sandinista regime.

We in the minority on three occasions have attempted to fashion a workable compromise which could accomplish the policy of the administration to thwart Communist expansion in Central America, while satisfying the majority's reservations regarding the implementation of that policy.

I have no reason to believe that we would be any more successful this time than we have been in the past in securing Democratic support in the House for a reasonable approach to this impasse. Therefore, I am not offering an amendment to section 107 this day. I just do not believe this bill is the proper vehicle to resolve this explosive and political issue.

Myopia is an eye condition which results in defective vision of distant objects. Hemispheric myopia is a condition which appears to afflict many Members of the majority of this House, I fear. Apparently, they do not wish to see the threat to freedom in Central America which the Soviet-Cuban-Nicaraguan axis represents, because—as they see the world—the threat is still too distant.

With myopia, as an object moves closer to the eye, the eye can properly focus on it. I suppose the same is true with the affliction of hemispheric myopia. One would have hoped that the majority could see the Marxist threat as it builds and spreads from Nicaragua to El Salvador and Nicaragua's other neighbors. However, it is not yet close enough for those with defective vision to see it. I worry that it will not be seen as a threat until it approaches the banks of the Rio Grande.

Section 107 is a serious abscess in H.R. 5399. The Soviet-Cuban-Nicaraguan threat to stability, democracy, and freedom in Central America is real. We no longer have only Cuba as a Communist sanctuary in our hemisphere from which revolution is exported. We now have a Communist base in Nicaragua, on the mainland of the Americas. The Sandinistas subjugate their own people in Nicaragua and export their revolution to El Salvador and other neighboring countries, while they build the mightiest army in Central America as the vanguard of Marxist totalitarian revolution.

The majority does not appear to be willing to resist Communist military advances in the world unless the tanks have a big red star on them, and the CCCP—the Cyrillic acronym for the Soviet Union—painted on the side.

Well, the Soviets are not stupid; they have figured that out. So they do through the proxy forces of the Marxist-Leninist nations they dominate, what they could not get away with if they did it directly with the Red Army.

I assume, of course, that we would all agree to resist an invasion of Central America by the armed forces of the Soviet Union.

We cannot keep backing up forever in Central America; we are getting mighty close to the wall.

I hope no one in this body will misinterpret our position. Our decision not to offer an amendment does not reflect any lack of resolve to pursue this issue at a later date. I just do not wish to further politicize the intelligence authorization bill. There is a lot more in it than just this issue. Besides, as I said earlier, I can count votes as well as anyone else, and I see no benefit in further polarizing the House on legislation so fundamental to our security interests.

In closing, I would like to share with my colleagues a quotation from a letter—the entire text of which I will provide for the RECORD—that I received just yesterday from the director of the National Legislative Commission of the American Legion, an organization whose members do not suffer from the same myopic affliction to which I referred to earlier. This letter is addressed to me. I quote as follows:

> As the House of Representatives prepares to vote on the FY 85 Intelligence Authorization, H.R. 5399. The American Legion would like to express its views relative to Section 107 of the bill. As you know, Section 107 would prohibit the use of any funds, authorized under the Act, to support the Nicaraguan Contras in their fight to establish a democratic government in their countrty.
>
> In the view of The American Legion there are compelling legal arguments why Section 107 should be deleted from the bill. And, as the enclosed documents demonstrate, U.S. efforts to assist the Contras are clearly legal. The simple and undeniable fact is that the dire predictions of the consequences of a Sandinista takeover in Nicaragua have come to pass. In fact, in many instances the excesses of the Sandinistas have surpassed those of the intolerable Somoza dictatorship.

The letter expresses the American Legion's further strong opposition to section 107 and raises serious concerns regarding the socioeconomic impact of scores of Central Americans seeking refuge in the United States.

The CHAIRMAN. The time of the gentleman from Virginia [Mr. ROBINSON] has expired.

(By unanimous consent, Mr. ROBINSON was allowed to proceed for 1 additional minute.)

Mr. ROBINSON. I hope that my colleagues will take the opportunity to reflect on the statements of groups like the American Legion and reevaluate the House's position in the coming weeks on the decisions that lie ahead.

The text of the letter from the director of the National Legislative Commission of the American Legion is as follows:

AUGUST 1, 1984.

Hon. J. KENNETH ROBINSON,
House of Representatives, Permanent Select Committee on Intelligence, The Capitol, Washington, DC.

DEAR CONGRESSMAN ROBINSON: As the House of Representatives prepares to vote on the FY 85 Intelligence Authorization, H.R. 5399, The American Legion would like to express its views relative to Section 107 of the bill. As you know, Section 107 would prohibit the use of any funds, authorized under the Act, to support the Nicaraguan Contras in their fight to establish a democratic government in their country.

In the view of The American Legion there are compelling legal arguments why Section 107 should be deleted from the bill. And, as the enclosed documents demonstrate, U.S. efforts to assist the Contras are clearly legal. The simple and undeniable fact is that the dire predictions of the consequences of a Sandinista takeover in Nicaragua have come to pass. In fact, in many instances the excesses of the Sandinistas have surpassed those of the intolerable Samoza dictatorship.

While the legal and moral considerations, in our view, uphold continued support for the Contras there is an extremely important issue that has yet to be addressed by the Congress in its deliberations. This issue is the social and economic impact on the United States resulting from further communist takeovers in Central America. The historical evidence indicates that when communists take over a country at least 10 percent of its population flees. Further, communist takeovers in Central America will send an unimaginable surge of immigrants into the United States easily exceeding two million people, exacerbating an already burdensome immigration problem. This influx of immigrants will also place a severe strain on available social services and increase competition for American jobs in the south and southwest portions of the United States.

While some may choose to ignore this aspect of communist aggression in Central America they will be hard pressed to deny that the United States has an economic attraction and record of compassion toward refugees unmatched by any other country in this hemisphere. In addition, our proximity to Central America and the ease with which entry can be gained, will make the United States the destination of choice for

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the majority of those fleeing communist takeover.

Congressman, for these reasons The American Legion seeks your leadership in deleting Section 107 from the FY 85 Intelligence Authorization. As always, your consideration of the views of The American Legion is appreciated.

Sincerely,

E. PHILIP RIGGIN,
Director, National Legislative Commission.

Mr. MICHEL. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I should like to piggyback on the remarks of the gentleman from Virginia. Before doing so, I would certainly like to join in the accolade and tribute that has already been paid to the gentleman from Virginia and that will, I am sure, follow during the course of this day.

There are some in this House that make their name through flamboyance and one thing and another. There are others who move in much more quiet, rather mysterious but very assured ways. The gentleman from Virginia [Mr. ROBINSON] is one of those latter individuals who served this body and his country with tremendous distinction. I am certainly going to regret the loss of the counsel and advice of the gentleman from Virginia as our ranking member on this important Intelligence Committee, and then serving as he does on the Defense Appropriations Subcommittee. Those dual responsibilities that he performs, not only for our side but for the entire House, are of extreme importance to each and every one of us, and I know all of us are going to miss that good counsel and advice that we have been given over a long period of time by the gentleman from Virginia.

Mr. Chairman, during his acceptance speech at the recent Democratic Convention, Walter Mondale said some things about Central America that are relevant to our debate today.

He said:

> I'll press for human rights in Central America, and for the removal of all foreign forces from the region. And in my first hundred days, I will stop the illegal war in Nicaragua.

What did Mr. Mondale mean by those stirring phrases?

Perhaps by "human rights" he referred to the documented atrocities committed by Sandinistas against dissident religious figures in Nicaragua such as Prudencio de Jesus Baltodano.

He is a Pentecostal preacher and farmer who was beaten and had his ears cut off by the Sandinistas. His crime? Preaching the gospel.

When he spoke of the "Removal of foreign forces" was Mr. Mondale speaking of the 3,000 Cuban military/security advisers now in Nicaragua?

Did Mr. Mondale mean to say he has a secret plan to do something to remove the Cuban, Soviet, Bulgarian, Czechoslovakian, Polish, Hungarian, Libyan, East German, and PLO advisers who are guiding the Sandinista government in the true, shining path of Marxism-Leninism?

If so, he should reveal that plan to us—or his supporters in the House should.

Finally, we do not know to what "illegal war" the former Vice President was referring.

Obviously he could not have been referring to funding of the Contra forces by the United States because it is not illegal.

Perhaps Mr. Mondale meant the illegal war being waged against the democratic government of El Salvador for 5 years by the Sandinistas in Nicaragua.

The illegality—not to mention immorality—of that war was documented by our House Intelligence Committee in its report of May 1983. This is what the report said about the El Salvador guerrilla war:

> It is not popular support that sustains the insurgents . . . this insurgency depends for its life blood—arms, ammunition, financing, logistics and command-and-control facilities—upon outside assistance from Nicaragua and Cuba.

Perhaps Mr. Mondale was also speaking of the increasingly savage and immoral war being waged against the defenseless Roman Catholic Church by the Sandinistas.

Maybe Mr. Mondale was talking about these things. And then again, maybe he wasn't.

But he has raised an important point.

How should the United States deal with the situation in Nicaragua?

Let's look at the facts.

The Sandinistas are guilty of openly carrying out a war against a democratic government through subversion. The evidence is abundant and unquestionable.

By what process of moral reasoning can anyone say we are wrong in helping those who try to stop such immoral and illegal activity?

We are told by some that it is the means we have chosen that is offensive. The critics of the President say that they cannot tolerate a "secret" war.

"Ah" they cry, "if only we were doing these things openly."

And because we're not, these critics wash their hands of the situation.

By denying the Contras funding we are left, realistically speaking, with the alternatives of either an American invasion of a country or American evasion of responsibility.

The United States, according to this view, must either be an interventionist bully or an isolationist wimp—there can be no middle ground.

Well, there is a middle ground—and the President has it. He is helping anti-Somoza and anti-Sandinista freedom fighters to stop the Sandinistas from exporting Communist revolution.

The leaders or the Contras were in fact anti-Somoza for the same reason they are now anti-Sandinista—they don't want to see their country dishonored.

The question before us is—no we want to see our own country dishonored?

Mr. BOLAND. Mr. Chairman, I move to strike the last word.

(By unanimous consent, Mr. BOLAND was allowed to proceed for 2 additional minutes.)

The CHAIRMAN. The gentleman from Massachusetts [Mr. BOLAND] is recognized for 7 minutes.

Mr. BOLAND. Mr. Chairman, this will be the fourth time the House will address the issue of funding the secret war against Nicaragua. I hope it will be the last.

The administration has been making a concerted push to convince this House—and Americans everywhere—that this war must go on. They think we haven't paid enough attention to the failings of the Sandinistas. They think the Sandinistas have fooled us. So, the President makes speeches. The State Department issues another white paper. And the Defense Department offers briefings to all.

There are many of us in this body—and many of the American people—who think the administration protesteth too much. But more than exaggeration, they don't listen every well.

So, although the President and his spokesmen take every opportunity to cite the Intelligence Committee's 1983 report confirming the arms flow from Nicaragua to El Salvador, they tell the world that opponents of the secret war won't accept the truth. In trying to convince the doubters, they go too far. Your Intelligence Committee stands by its earlier judgment. There is a continued arms flow from Nicaragua to El Salvador. Yes, the evidence is circumstantial. There is no smoking gun. But, the evidence is convincing.

The administration also puts it out that opponents of the secret war embrace the Sandinistas. Again, they ignore the record. The same 1983 Intelligence Committee report made clear that the Sandinistas were on the path to greater repression the secret war gives them that excuse. The Sandinistas continue to cite the secret war when they deny opposition political parties a fair election.

The administration also seeks to paint opponents of the secret war as blind to Sandinista repression of the Catholic Church. Repeatedly, they seek to show the bishops' efforts at reconciliation within Nicaragua, as some sort of endorsement of the secret war. Again they ignore the warnings of the Intelligence Committee a year ago. As they try to politicize the church, they make it easier for the Sandinistas to treat the church as a

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political opponent rather than a moral force.

So I say to the administration—and to all their efforts to paint over the failures of the secret war—this House knows the facts. We aren't the ones wearing ideological blinders. The House position—repeated three times in the last 12 months—is based on the unvarnished appraisal of its Intelligence Committee.

No, the Sandinistas aren't Democrats. But our policy doesn't strengthen democracy in Nicaragua.

Yes, the arms flow continues, but the secret war hasn't slowed it one bit.

Yes, Nicaraguans die daily in the secret war, but many are innocent victims who have taken no side.

Yes, we all want peace. But the secret war is a strange way to buy peace.

Why doesn't the secret war work? To begin with, the administration hasn't yet figured out what the goals of the war are. They don't want to overthrow the Sandinistas, they say. Yet, they fund the Contras—whose only aim is to overthrow the Sandinistas.

They want to support Contadora, but the two representatives of the Contadora countries—President de la Madrid of Mexico and President-elect Borletta of Panama—to visit Washington this year have firmly, but politely, refused to endorse the Contras. President Duarte of El Salvador says he would support the secret war if it brought an end to the arms flow. That is how the administration first explained our involvement, but arms interdiction is the biggest failure of the war. The Contras aren't interested, and the administration doesn't want to divert them from the war.

If the Contadora nations or El Salvador won't back the secret war, what about world opinion? You need only recall the mining of Nicaraguan ports and the unanimous decision of the world court to answer that question.

The secret war hasn't brought Central America closer to peace or Nicaragua closer to democracy. What it does do is provide the Sandinistas with the perfect excuse to foist, unfair elections, a huge army, censorship, and the draft on the Nicaraguan people.

This secret war should end—today. And as it does, we should dwell less on the failings of the Sandinistas and begin a genuine program of arms interdiction assistance to El Salvador. At the same time, we should challenge the Sandinistas, to fulfill in concrete ways, their promises to the OAS and their pledges to the Contadora group.

As long as this futile war goes on, the Sandinistas will use it to turn those challenges against us. As long as we pay to destroy their farms, sabotage their electrical system, and burn their clinics, neither they, nor the rest of Nicaragua, need listen to us.

Mr. Chairman, another year of bloodshed, of diplomatic stalemate, of failed policy, will only serve to excuse Sandinista denials of freedom. Let us end—once and for all—this disastrous effort at military pressure. We won't be letting the Sandinistas off the hook. The war does that for them now. If this Nation—the strongest and most Democratic in the world—can't find an effective alternative to war as we strive to achieve peace, then we dishonor our history and the hope that the United States has always represented to those who—in Nicaragua or elsewhere—"yearn to breath free."

□ 1120

Mr. RUDD. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I stand in opposition to section 107 in H.R. 5399 which prohibits the use of any funds authorized in this bill to be used directly or indirectly for support of any military or paramilitary operations in Nicaragua.

Once again we will grant the Sandinista government another victory in their quest to undermine their neighbors and institute subversion in Central America if we allow this bill to pass in its present form.

I am amazed at the continued efforts of many in this body to restrict our duty, as a free nation and as the hope of the teeming millions to our south, in the light of continued mounting evidence, to stop the infiltration of the Communist.

We cannot turn away time and time again and expect the Soviets to not interpret this as indecision and weakness on our part. They will seize every opportunity to continue in their drive to establish communism throughout this hemisphere.

Someday, whether it be tomorrow or several years from now, we are going to have to face the grim reality that the intentions of the Soviet-backed Nicaraguan Government are to tear down democracy and freedom throughout the region and establish a region of tyranny and terror. The only thing is—tomorrow is too late.

We can provide assistance today at relatively moderate levels or we can wait and be forced to provide large amounts tomorrow when the Communists are driving toward our own borders.

It is time to open our eyes and face the reality. We have an obligation to help our friends in Central America. Let's remember, to ensure democracy and freedom for these people, will ultimately ensure our own democracy and freedom as a nation.

Mr. McCAIN. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in opposition to section 107 of this bill which has the effect of prohibiting any U.S. financial support for the so-called Contras in Nicaragua. I will confine my remarks to the purely military aspect of this action.

Military experience teaches us that the support of an insurgency is nearly impossible to interdict if the insurgents have the advantage of a nearby sanctuary. History gives us little cause for optimism regarding the ultimate outcome of a conflict in which guerrilla forces are trained, supplied, equipped, and directed from a neighboring area which serves as a sanctuary from which they operate. Witness the success of the British operation against the Malaysian Communist contrasted with the American failure in Indochina. Further, examine the problems Vietnam is now having subduing its Cambodian neighbors and the difficulties the Soviets are experiencing in Afghanistan.

Of course, the Government of El Salvador is imperfect. In the end, even a near-perfect government conducting its affairs to a standard exceeding our own, will be worn down by an attritive terrorism that kills leaders, intimidates voters, and destroys the infrastructure of a fragile, developing economy.

Surely, it is those at the bottom who suffer most from blown electric pylons and burned buses. That any government could better itself under these circumstances should be considered remarkable, if not miraculous.

If we oppose aid to those dedicated to a freely elected government and a pluralistic society in Nicaragua on moral grounds, how does that differ from our support for those seeking pluralism and freedom in Afghanistan? I believe a commitment to end our aid to the freedom fighters in Nicaragua must be matched by a commitment on the part of the Sandanistas to end their exportation of violence and revolution and move toward a pluralistic society within their own borders.

I fully appreciate that a majority of the American people do not support the Contras nor our efforts in Nicaragua. However, as Edmund Burke so eloquently stated:

> Your Representative owes you, not his industry only, but his judgment; and he betrays, instead of serving you if he sacrifices it to your opinion.

I believe this is a time for us to use our best judgment and exercise the responsibility of leadership.

In May 1983, the Intelligence Committee acknowledged, as our distinguished Chairman just said, the major role played by Nicaragua in training, equipping, supplying, and providing sites for command and control of the Salvadoran insurgency movement. It has not repudiated this finding. At the same time, the committee acknowledged Nicaragua's active promotion of a "revolution without frontiers" throughout Central America. I am not aware that the committee has repudiated this finding either.

Despite the recognition of a Nicaragua committed to continue its support for the insurgency in El Salvador and

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elsewhere, the committee and this House by enacting section 107, will grant sanctuary to those forces dedicated to the overthrow of a democratically elected government. A government, I might add, that this House has chosen to support, a government which offers its citizens true hope of a better life, if it is given the chance.

I believe I have a responsibility to give this House the benefit of my military training and experience. I greatly fear for the prospects of any long-term success against an insurgency which is armed, supplied, trained, and directed from a neighboring sanctuary. Let me point out that this insurgency is far from a classical one. As Mao-Tse-tung stated, "A guerrilla moves among the people like a fish through the sea." Where is the popular support for the Salvadoran insurgency? Witness the turnout in the recent elections, witness the failure of the insurgents call for a "final revolution" a couple of years ago. This insurgency cannot succeed without the external support because it does not have the approval of the Salvadoran people.

If we wish to minimize our involvement in Central America, the time to act is now. The fall of El Salvador to a Marxist insurgency will surely increase the possibility of direct American troop involvement in the region. Such an event can only be made more likely by the granting of sanctuary to the leftists which is the effect of this legislation.

From a military viewpoint, this course of action is unwise and dangerous to the future prospects of stability in Central America. I sincerely hope that the future will prove me wrong and that this House will not regret the action it takes today. Unfortunately, I do not believe this will be the case.

□ 1130

Mr. COLEMAN of Missouri. Mr. Chairman, I move to strike the last word.

Mr. ROBINSON. Mr. Chairman, will the gentleman yield briefly to me?

Mr. COLEMAN of Missouri. I yield to the gentleman from Virginia.

Mr. ROBINSON. I thank the gentleman for yielding.

Mr. Chairman, I would like to thank the gentleman from Illinois [Mr. MICHEL] for the very flattering comments that he made during his presentation and during the 5-minute rule. There is no individual in this House whose approval I would rather have.

Beyond that, I want to tell my colleagues, particularly my Republican colleagues, that I do not want my remarks interpreted as being in such total support of the bill that I am asking them to vote for it as well, because I can guarantee you that you are going to have an opportunity to vote on final passage on the bill, and those of you who feel as strongly as I know many of you do certainly should vote against it.

I, as one of the architects of the bill, am going to vote for it because of the fact that there is so much in it other than the Nicaraguan concern.

Mr. COLEMAN of Missouri. I thank the gentleman, and I, too, would like to join those colleagues who have preceded me in stating to the gentleman from Virginia, thank you from the whole country, and especially for those of us in the Congress, for his expertise and his leadership on these crucial issues.

As someone who is not on the Intelligence Committee, he has worked very closely with me and given me all the benefits of his wisdom. I thank him for that and wish him well in his retirement.

Mr. Chairman, much of what we talk about is classified, and much of what we discuss, by necessity, is classified, but I would like to read to you from a public document, so public that it was published in Newsweek magazine this last week, Newsweek of August 6.

Newsweek's San Salvador Bureau Chief, Robert Rivard, was allowed to view three secret infrared and low-light films made by United States spy planes that flew over El Salvador in late June and July. I would like to read from part of Mr. Rivard's report, which is in the public domain and which has been distributed to millions of people in this country.

> It was exactly 35 minutes past midnight on June 24 when the U.S. Air Force C-130 spy plane over the southeastern coast of El Salvador found its target. Crewmen monitoring sophisticated sensors had spotted a suspicious trawler heading toward Playa Icacal, a remote, guerrilla-controlled beach in La Union district, with two small fishing vessels in tow. The boats appeared as fuzzy white objects in the glow of the infrared sensors. In a sequence shot two hours later, the cameras swept inland to pick up a cluster of small white outlines. Intelligence analysts identified the white blots as 20 to 25 guerrillas with pack animals in the swampy brush beyond the beach. "What you are viewing is an over-the-shore logistics shipment to El Salvador from Nicaragua. . ." a narrator asserted in an introduction to the film. "The beach area from La Union to the Rio Lempa is extensively used by the Salvadoran guerrillas to receive supplies from Nicaragua."
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> A second film, shot shortly after midnight on July 9, revealed a 75-foot trawler a few miles off Playa Espino, a once popular beach resort that is now well known as a guerrilla stronghold. Two smaller craft stood nearby. "They look like rowboats," observed the recorded voice of a C-130 crewman. But suddenly the two small "rowboats" roared away toward shore, their wide wakes looking like streaking comets on the low-level-light film. A final shot showed what may be the same two boats anchored in an isolated inlet, with small white forms moving around them. And a third short film focused on a 24-foot dugout nearing the shore with a group of 40 people descending to the beach at the same time.

Mr. Rivard goes on and says:

> In fact, there is no evidence at all that the trawlers originated in Nicaragua or that they carried arms or ammunition. Still——

He says, and this is an objective reporter—

> Nicaragua is nearby and has the only government in Central America that favors the Salvadoran guerrillas. Ordinary smuggling remains a possibility, of course, but the clandestine rendezvous along guerrilla-controlled beaches strongly suggest that weapons are involved. In addition, the guerrillas' claim that they have completely armed their troops with weapons captured from the Salvadoran government—

And this is a direct quote—

> seems frankly ludicrous.

How many times have we heard our colleagues suggest that that is the case.

> Skeptics may argue that even if the guerrillas are importing weapons, there is still no proof that they are being supplied by Nicaragua and Cuba. Nevertheless—

And this is the bottomline comment from Mr. Rivard, the Bureau Chief in El Salvador of Newsweek—

> Nevertheless, a thin but reasonable chain of circumstantial evidence does indicate that the guerrillas acquire material from the East-bloc countries.

Well, it may be a thin line for Mr. Rivard, but I am glad that our chairman, the gentleman from Massachusetts, indicates that it is not too thin; that he reaffirmed today in answers to my questions and his own comments, that a major portion of arms and materiel are coming from Cuba and other countries to El Salvador through Nicaragua.

I want to point out to my colleagues a backgrounder paper released from the Department of State and Department of Defense in which the thin line that Mr. Rivard talks about is not so thin after all. Here are pictures of ammunition captured by the Salvadoran army in El Salvador in May of 1984 that were manufactured in Bulgaria. I guess they swam across the ocean into the hands of the guerrillas and not through Nicaragua.

The CHAIRMAN. The time of the gentleman from Missouri [Mr. COLEMAN] has expired.

(By unanimous consent, Mr. COLEMAN of Missouri was allowed to proceed for 2 additional minutes.)

Mr. COLEMAN of Missouri. Criticism has been made of the Contras that they are not effective. I suggest that they are effective in interdicting arms, or at least keeping the arms flow down. If you have the Sandinistas busy worrying about the Contras, they are not going to be able to ship in as many arms as they would if there was nobody there between them and El Salvador. So I think they are effective. They have done a job.

The press has also reported that there may very well, indeed, be an August offensive by the rebels in El Salvador. This was in the Washington Post a week or so ago. I suggest to anybody today that if there is an August offensive, that that offensive in El Salvador will undoubtedly be supported and done by arms coming through Nicaragua, assisted by Nicaragua, as

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confirmed by the chairman's statements today and the committee reports of the past that those bullets, those guns, that ammunition, and indeed the individuals involved in any August or fall offensive in El Salvador will be a direct result of the inability of the United States to be able to control the situation, to be any force whatsoever, and that is why the Contras are important, that is why covert aid is important, and that is why, if we have an August offensive, it will not be on my shoulders, it will be on those people who support section 107 as it is, who supported the position of Boland-Zablocki; in the past, who simply do not fear what we fear and what we have tried to articulate here this morning in this House.

Mr. LAGOMARSINO. Mr. Chairman, will the gentleman yield?

Mr. COLEMAN of Missouri. I yield to the gentleman from California.

Mr. LAGOMARSINO. Mr. Chairman, I want to commend the gentleman from Missouri [Mr. COLEMAN] for his statement and say that I agree with it, especially with the part about the August offensive. I think that this Congress has dropped the ball, and we may well face some terrible consequences for that.

Mr. Chairman, I ask my colleagues to consider what is at stake today. Can the United States afford another Cuba in this hemisphere? Can the free world afford it?

The Soviets have benefited for 25 years with their proxy in Cuba. Are we to sit back and allow them another in Nicaragua? Some say there is still hope to redeem the Sandinista regime. To believe that is to believe there is still hope to redeem Castro. Make no mistake, the Marxist-Leninist junta running Nicaragua is just as committed to totalitarian rule as is Castro.

Some say it is morally wrong to try to use covert aid against an established government. What is wrong, however, is to protect a government from its own people who seek democratic government and respect for human rights. You do not protect another government's existence and freedom so that it can destroy the freedom of others. The moral hypocrites who condemn covert aid to the Contras fighting the Sandinistas do not make the same arguments about covert aid to the Afghans fighting the Soviets. In both cases the Soviets are seeking another strategic staging area. It is right to resist them 9,000 miles from the United States in Afghanistan. It is right to resist them 900 miles from the United States in Nicaragua.

To deny Soviet influence and control in Nicaragua is to ignore what the Soviets themselves say. In March 1983, Soviet Army Chief of Staff Nikolai Ogarkov told the then-Grenadian Army Chief of Staff, "the Marshal said that over two decades ago, there was only Cuba in Latin America; today there are Nicaragua, Grenada and a serious battle is going on in El Salvador." Some people say they need a "smoking gun" to believe the Sandinistas are subverting their neighbors. However, the evidence compiled against the Sandinistas is considerably greater than what was known about the Grenadian regime before the U.S. rescue mission in October. That mission uncovered warehouses of arms and ammunition, documents and communications confirming a serious Soviet-Cuban effort to establish another military stronghold in the Caribbean. There was no "smoking gun" in Grenada but the threat was clear, even if it was realized only after the fact. There's at least a "warm pistol" in Nicaragua and the threat is even more evident, without the need for an invasion of Nicaragua.

Nicaragua's neighbors in El Salvador, Costa Rica and Honduras have all felt the effects of guerrilla groups operating in their countries with the support and control of the Sandinista regime in Nicaragua. Two months after the Sandinistas came to power in July 1979, their first major planning document discussed the strengthening of the revolution in Central America and Latin America, and the national directorate of the Sandinistas acknowledged that the only way to prevent the defeat of the Nicaraguan revolution was to create a "ripple effect" of the Nicaraguan revolution for the entire region. While some may discount the domino theory, it is obvious the Sandinistas do not.

The Contras fighting the Sandinistas in Nicaragua seek from that regime the fulfillment of their promises to the OAS in July 1979 for free elections and respect for human rights. Before the pressure applied by the Contras, there was no movement whatsoever by the Sandinistas to consider their original pledge, nor was their any letup in their support for the guerrillas in El Salvador. Now that the Sandinistas are finally discussing the issues which concern its neighbors and the United States, it would be foolish to eliminate that pressure.

I urge my colleagues to support the continuations of covert aid for the Contras in Nicaragua just as they have supported covert aid for the rebels in Afghanistan. Do not leave the initiative to the Soviet Union for what happens in Central America. Let us take the initiative and protect what is in our national interest: The security of the United States and our allies in this hemisphere.

Mr. COLEMAN of Missouri. Mr. Chairman, I thank the gentleman from California [Mr. LAGOMARSINO], and I yield back the balance of my time.

Mr. MILLER of California. Mr. Chairman, I move to strike the last word.

Mr. Chairman, once again we have under discussion in this House the long continuum of events that have taken place since the President of the United States made a finding back in November 1981 to engage in small-unit disruptions and interdiction of arms inside the borders of the country of Nicaragua, and our Intelligence Committee, after being briefed about the purpose of that mission, about the arms flow that was discovered in 1980 and 1981, decided to go ahead and allow that to happen and proceeded to monitor the activities. And from a finding that was basically to determine that we could use small units of 15 and 20 people and personnel to interdict arms, we have now watched this program grow like topsy, no longer engaged in the interdiction of an arms flow but a hired band of mercenaries that have been collected from around the world to be paid for and supported by the Government of the United States for the purposes of disrupting and overthrowing the Government of the people of Nicaragua.

Now, no one needs to defend the Sandinistas on this floor. My record of differences from my conversations with them is long. But the question is this: Should this Government be engaged in and supporting the efforts to overthrow the sovereign Government of Nicaragua?

Some do not like the way the Government of Nicaragua came to power; some do not like it that certain people will not participate in the elections; some do not like the censorship of the press. The question really is, Does that justify the overthrow of this Government? And the answer, I believe, is that it does not.

But that is what we have done and what we have seen taking place, because, mind you, the Government of Nicaragua has been under siege by the Government of the United States of America for almost 3 years, and what was predicted in the very early days by our Embassy personnel and by our military attachés is simply what we are now seeing played out, that this war, this war supported by the CIA that once was a covert war, is now the basis which allows the Sandinistas to engage in far greater oppression of religious rights, of press rights, and of the freedoms that we would expect, because they make it very clear to their citizens that they are under external attack by the mightiest military power in the world, the United States of America. That was not my prediction; that was the prediction of the officials in the American Embassy when we met with them shortly after this was undertaken, and that is in fact what has come to pass.

But now we no longer see any pretext of arms interdiction because even

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in the most recent white paper that was put forth by this administration we find out that the evidence that is cited is almost 2½ or 3 years old. We still go back to the famous Volkswagen that was discovered transversing the country several years ago. We still talk about airports that would be of a certain type, that if you were to land these weapons, this is the type of airport used. This reminds me of the briefing of the Cuban-designed soccer fields, and the Cuban-designed truck fields that Bobby Inman gave to the world just before he resigned from the CIA.

But let us look at what this is. When this report was drafted a few weeks ago, the report suggested that there was a sporadic flow of arms from Nicaragua to the insurgents in El Salvador. Between the time the draft report came out and the time it was sent to the Members of Congress and the press, that sporadic flow became a steady flow. When quizzed as to what the change in circumstances was, why a sporadic flow now became a steady flow, for press publication, the State Department said there was nothing, there was no new evidence. But obviously a sporadic flow does not justify the expenditure of $40 million, and not showing up with, as our Ambassador said, one pistole, because there has been no interdiction of arms.

What we have seen is a war that has grown from the mining of the harbor that incensed the American people and incensed the world community. We saw overwhelming opposition to those actions by the American Government, from the mining of the harbor to the publication of comic books, comic books not to tell people how to interdict arms, not to tell people how to spot somebody who is moving arms to El Salvador, but to tell people to damage books, to threaten the boss by telephone, to make false airplane and hotel reservations, to spread rumors, to plant flowers on state farms instead of vegetables, and to leave the lights on so they use the electricity and the oil. This is a war against the people of Nicaragua.

The CHAIRMAN. The time of the gentleman from California [Mr. MILLER] has expired.

(By unanimous consent, Mr. MILLER was allowed to proceed for 3 additional minutes.)

Mr. MILLER of California. Mr. Chairman, this is a war against the people of Nicaragua. This is a war against the Government of Nicaragua; this is not a war about stopping the arms flow.

We just heard the gentleman come in the well and describe the beaches where the landings take place. I ask you, where are the Salvadoran troops? Where are the Salvadoran troops when our planes constantly identify the landing points? Where are the people in the Gulf of Fonseca?

It is not about the interdiction of arms, because what do we know about the flow of arms? First and foremost, we know that the largest flow of arms to the insurgents in El Salvador is from the Army and Government personnel inside El Salvador, either through capture or the killing of Government soldiers or the sale by unethical Government soldiers.

We also know that flows have come in—and the most recent documents show this—flows have come in and have been cited by this administration from Costa Rica and from Mexico. We also were told at the time of the original finding that the weapons were coming in from Panama. In fact, at that time perhaps Panama was the biggest supplier of arms to the insurgents.

Are we declaring war against Panama? Are we declaring war against Costa Rica? Are we declaring war against Mexico? No.

And I say to my dear friends that we also know that one of the very largest supplier of arms is from our friends in the city of Miami who engage in the illegal shipment of arms.

But we are not doing that. No; what we are doing is we are declaring war on the people of Nicaragua because we do not like their form of government. What we ought to do is openly have on this floor a declaration of war and settle the issue once and for all, because we are supplying them, we are training them, we are supporting them, and we are there for the purposes of overthrowing this government.

That is a hostile act. I suggest that that is an illegal act. I would also suggest that the funding is illegal, because never have I seen such magnificant bookkeeping that can allow this $21 million to go the number of months that it has. They are always going to run out just before we take up the bill, but when the bill does not come out the way the intelligence community likes, then they are able to fund it for several months because somehow the economies are worked out. This is the most efficiently run war in history if they can make $21 million go this far. But we know that is not what is going on. There is diversion of other military sources, and there is the raising of money in the private sector to support these mercenaries.

Finally, we see that what this war has done is something even more dangerous. It has led to the militarization of Honduras. We have lunged into the country of Costa Rica and tried to support our efforts there. We have seen acts of violence in both those countries. We have now seen large-scale political demonstrations by Honduran citizens against the role of Honduras in the effort against Nicaragua.

The CHAIRMAN. The time of the gentleman from California [Mr. MILLER] has again expired.

(By unanimous consent, Mr. MILLER of California was allowed to proceed for 1 additional minute.)

Mr. MILLER of California. Mr. Chairman, what we are trying to do is to take the issue of arms and escalate it into the basis in which we somehow have a right to invade this country. But what we do not have is the courage of our convictions to invade it with American soldiers.

So what have we done? We went out and we hired Argentinian terrorists to help train these people in the early days because there were only going to be a few of them. The Argentinians got upset over the Falklands and left for a while, so that set them back a few months. So finally we got them trained in their activities, and now we are engaged with some 15,000 people in the overthrow of this government. That is the purpose, and that is what this Congress three successive times has rejected. And it is overwhelmingly rejected by the American people, and no number of fraudulent white papers from this administration will cure the defects in that policy.

□ 1150

One of the things I learned early on when I first went to discover the finding was, I said, how does a finding like this happen? How do you have a finding that allows the President to conduct these kinds of activity, basically Latin America wide?

I was told then that this is what happens in the absence of a policy——

The CHAIRMAN. The time of the gentleman from California has expired.

(At the request of Mr. AUCOIN, and by unanimous consent, Mr. MILLER of California was allowed to proceed for 1 additional minute.)

Mr. AUCOIN. Mr. Chairman, will the gentleman yield?

Mr. MILLER of California. I yield to the gentleman from Oregon.

Mr. AuCOIN. Mr. Chairman, I appreciate the gentleman yielding. I appreciate the leadership the gentleman has shown on the whole issue of Central America.

I understood the gentleman to say that the "comic book" instruction manual that has been distributed in Nicaragua to show how the economy can be crippled was devised or written by our CIA. Is that what the gentleman was saying?

Mr. MILLER of California. It is my understanding that it has been written with and for the purpose of distribution by the Contras.

Mr. AuCOIN. I have a copy of that document in front of me and it may be a comic book format, but it is not funny in terms of what it suggests.

It explains how to construct Molotov cocktails. It suggests that the targets for those Molotov cocktails could be things like police stations.

[CRS-270]

It describes how to devise clever fire-starting devices that will set economic targets aflame.

It describes how telephone lines can be brought down.

It describes how to throw tools that are in short supply that are needed for the repair of equipment into sewers so equipment cannot be restored.

Mr. Chairman, none of this has anything to do with the interdiction of arms. It has everything to do with overthrowing a government.

What offends me about this is that when I visited the region and talked to CIA representatives there, I questioned them repeatedly about whether or not economic targets were being targeted in the Contra effort.

The CHAIRMAN. The time of the gentleman from California has expired.

(At the request of Mr. AuCoin, and by unanimous consent, Mr. Miller of California was allowed to proceed for 2 additional minutes.)

Mr. AuCOIN. Without exception, I was told that economic targets were not part of the effort. Instead, it was arms interdiction.

Now, I find in talking to those from within the agency who have now left, that there is no quantifiable amount of arms that have been recovered. They have testified that the administration started with the assumption that there was a massive arms flow and then they set out to try to prove that assumption. But the evidence is not really there.

Then I see this instruction manual, which is designed not to interdict arms, but to do that which a number of us have suspected from the beginning—to try to bring down a Government that a lot of us do not find terribly popular but we raise the question whether it is a legitimate role on the part of the U.S. Government to move in, pretending to do one thing to the American people, but actually doing something entirely different.

I find that revelation a sad commentary on the candor of the administration and the intelligence community.

I must say one other thing. When we have a President of the United States who returns from The People's Republic of China and then in talking to the press entourage flying with him that China is a so-called Communist regime, something is very haywire. Everyone knows that few countries on the face of the Earth are more Marxist than the People's Republic of China.

Then the administration describes Nicaragua as being some kind of Marxist juggernaut which has a population of about 3 million people, about 50 percent or some such in an age group that is not viable from a military standpoint.

But I wonder how many people realize 60 percent of the Nicaraguan economy is still in private ownership, not state ownership?

The CHAIRMAN. The time of the gentleman from California has expired.

(At the request of Mr. AuCoin, and by unanimous consent, Mr. Miller of California was allowed to proceed for 1 additional minute.)

Mr. AuCOIN. Mr. Chairman, I find that 75 percent of the businesses in Nicaragua are in private hands, and 80 percent of the farmland is still in private hands.

Given this, I just have got to say that there are a lot of people I work for from my congressional district who think this is quite a curiosity, the President calling the People's Republic of China a so-called Communist regime, and the Nicaragua regime some kind of a pure Communist juggernaut.

I do not defend the excesses of the Sandinista government, but I resent overblowing the situation in Nicaragua and the White House failure to understand that the United States did more to create the Sandinista revolution by our unblinking support of Somoza, who plundered the treasury and brutalized his people, without any serious opposition on the part of the U.S. Government.

I commend the gentleman for the points he has brought out in the debate here.

Mr. BURTON of Indiana. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, boy, you know, I get a big kick out of this guilt complex that many Members of this House have toward our involvement in Central America. I think the No. 1 question is are we going to keep Central America free and are we going to protect the southern soft underbelly of the United States of America? That is my No. 1 concern, whether or not we are going to have our young people involved in a military conflict down there at some point in the future because we did not do the right thing today.

They talked about Nicaragua being a government under seige. What about El Salvador?

You say, well, the gentleman from California indicated that they are getting most of their weapons from within the country, from our supplies that have been sent down there being sold on the black market to them, but the Intelligence Committee said, and I will quote this, in a report in May, 1983, the House Intelligence Committee after reviewing the Intgelligence-based evidence and finding it convincing reported:

> It is not popular support that sustains the insurgents. As will be discussed later, this insurgency depends for its life blood—arms, ammunition, financing, logistics and command-and-control facilities—upon outside assistance from Nicaragua and Cuba. This Nicaraguan-Cuban contribution to the Salvadoran insurgency is longstanding. It began shortly after the overthrow of Somoza in July 1979. It has provided—by land, sea and air—the great bulk of military equipment and support received by the insurgents.

So I think the argument that the gentleman from California made that they are not getting any supplies through Nicaragua and Cuba and other areas is just erroneous.

Mr. MILLER of California. Mr. Chairman, will the gentleman yield?

Mr. BURTON of Indiana. I will not yield right now.

Mr. MILLER of California. Mr. Chairman, the gentleman used my name. I would appreciate if he would yield just to clarify my point.

Mr. BURTON of Indiana. I will not yield right now. I will in a moment.

In 1983, the Soviet bloc delivered over $100 million in military hardware to the Sandinistas. They have established a powerful force of artillery, multiple rocket launchers and tanks and an arsenal that exceeds that of the other countries of the region. They are expanding four airfields so that they can accommodate Mig-23 fighter bombers that can reach the southern part of the United States, the west coast, as well as the Panama Canal.

They have just received a whole shipload of Bulgarian amphibious tanks, and you know of all the other multitude of military supplies they have received from the Communist bloc countries, as well as having 10,000 Cubans down there and PLO terrorists and North Koreans and Bulgarians and all those fellow travelers.

So the fact of the matter is that they are a danger.

Humberto Ortega and Daniel Ortega said in no uncertain terms that they want a revolution without borders in Central America and they are going to head for that and if we do not help the Contras and those who are fighting for their own freedom down there as well as trying to interdict those supplies from getting into and out of Nicaragua, then we are going to reap the whirlwind and be directly involved in a military conflict with our kids.

Now, they talked about that we are to blame for the repression in Central America. I had a meeting, as did members of the Republican Study Committee not long ago, with a man named Theofilo Archibold and a gentleman whose name eludes me right now, who is a Miskito Indian, and they did not think we were to blame for the repression, and they live down there.

The Miskito Indians who testified stated that they buried alive, the Sandinistas buried alive 35 of the people in his village.

Theofilo Archibold, the black man with whom we talked, showed us his fingers where they had pulled his fingernails out one at a time. He told where they took 13 people who were mentally ill, put them in a building, poured gasoline over them and burned them to death.

He told of two little children outside a Sandinista military encampment that took two crusts of bread from a garbage can and they shot them in the head and buried them in a mass grave.

[CRS-271]

Now, I would say that is repression and I cannot believe the United States is responsible for that. Now, if you can draw that kind of conclusion, you are way beyond me.

□ 1200

There is no doubt in my mind or in the mind of anybody who follows the newspapers that the repression is expanding. They talked about free elections. Now, because the free elections are not going to be free, the opposition is not even going to run because it is going to be a sham, and they told the American people that and the whole world.

The Catholic Church has been very concerned about the repression of their church down there, and it is expanding. As a matter of fact, the election, as I understand it, is going to be run pretty much against the Catholic Church and religious involvement in the affairs of state.

So the repression is expanding at a very rapid rate down there. And, of course, censorship. I think the gentleman from California alluded to us being responsible for the censorship down there.

Talk to the people at La Prensa and ask them what they think about that, the paper that for the last 20 or 30 years has been the voice of opposition to the government when Somoza was in power, and now they say the present oppression is much greater than when the Communist Sandinista government took over.

The CHAIRMAN. The time of the gentleman from Indiana [Mr. BURTON] has expired.

(By unanimous consent Mr. BURTON of Indiana was allowed to proceed for 1 additional minute.)

Mr. BURTON of Indiana. The gentleman alluded to Costa Rica and indicated that we were causing them problems by our involvement in Central America.

Commenting in January 1984 on the threat from Nicaragua, Costa Rican President Luis Alberto Monge said: "I never thought I would say, as I do now, that we would have it worse in four years of Sandinista rule than in 40 years of Somoza."

When you start saying we are responsible for all of these problems in Central America, I really believe you ought to get your facts straight and not go off halfcocked, telling the people of this country something that is not accurate.

Mr. MILLER of California. Will the gentleman yield?

Mr. BURTON of Indiana. Yes, I yield to the gentleman from California.

Mr. MILLER of California. First of all, I did not say arms were not coming from Nicaragua. I talked about other sources, that arms are flowing into the insurgents in El Salvador to begin with, and I did not say that we were responsible for all of the repression and the terrorism or whatever activities are carried out by the Sandinistas.

What I suggested was that we were told very early on when this was a very small operation by this administration's Embassy people that we could expect to see the repression even heightened.

The CHAIRMAN. The time of the gentleman from Indiana [Mr. BURTON] has again expired.

(By unanimous consent Mr. BURTON of Indiana was allowed to proceed for 2 additional minutes.)

Mr. MILLER of California. Because it would be used by the Sandinistas as a pretext for greater repression or restrictions on the press or what have you. That is what I have said, and I think if the gentleman will let me finish, since most of his talk is about what I said or I did not say, the fact of the matter is that that has come to pass. But the fact that the Sandinistas use it does not make it terribly accurate.

Mr. BURTON of Indiana. If I may reclaim my time, I would just like to say we have all been listening on this side of the aisle and if my interpretation of what you said is different than my colleagues', maybe they will stand up and refute what I have just said.

Mr. MILLER of California. If the gentleman will yield for a minute, your interpretation is not terribly important. What I said and the facts of it are important.

Mr. BURTON of Indiana. I do not yield. I just would like to conclude by saying that I think the majority of the Republican side of the House feels that we must pay attention to the soft underbelly of the United States of America, not only from a military standpoint but from an economic standpoint as well, because the very real risk exists that we will get between 10 and 20 million refugees fleeing Central America and Southern Mexico and coming to our country, which will cause economic chaos.

But there is a military threat as well and if the revolution without borders that Roberto Ortega and Daniel Ortega talk about comes to pass because we do not do what is necessary today, then we are going to have to defend with our life's blood the southern border of this country, and those countries that want to remain free in Central America.

I yield back the balance of my time.

Mr. PANETTA. Mr. Chairman, I move to strike the last word, and I rise in support of the language.

Mr. Chairman, I rise in strong support of the proposed prohibition on covert aid to guerrillas fighting the present Government of Nicaragua and wish to commend House Intelligence Committee Chairman EDWARD BOLAND for his continued leadership on this issue.

The question before us today is not whether the Sandinista government has lived up to the promises it made in 1979 to the Organization of American States or, more importantly, to the people of Nicaragua. Nor is it whether that government is aligned with the Soviet Union and its schemes for taking advantage of unrest in Central America. The deficiencies of the ruling junta are evident; to belabor that point only further detracts from what we ought to be discussing today.

At issue is whether the U.S. role in arming and training thousands of Contra guerrillas whose attacks in Nicaragua have claimed untold hundreds of lives and risk sparking a regional conflict is responsible to our position as a world leader. And whether, in the final analysis, this policy has furthered essential U.S. interests in the region.

If the apparent confusion in the White House about U.S. goals in supporting the Contras is any indication, it is little wonder that they have fared so poorly as a military force. President Reagan has, as my colleagues are aware, variously asserted that U.S. policy is designed to stem the flow of arms to El Salvador, to prod the Sandinistas to show greater conciliation toward their people and the nations of the region, and to deny the Soviets greater influence in Central America.

While the administration's intentions may be open to debate in the minds of some, the harsh consequences of our involvement are inescapable. Thousands of Nicaraguans are reported to have died or been wounded in U.S.-sponsored attacks. Our complicity in these acts of violence strains the integrity of this Nation and its devotion to law at home and self-determination abroad. How can we stand righteous among the nations of the world in condemning terrorism while providing the very material and expertise for such attacks in Nicaragua?

Another consequence of this policy has been our growing isolation in world affairs. Revelations last spring about the U.S. role in mining Nicaraguan waters prompted a sharp outcry from even our closest allies—France and Britain. Mexican officials have been particularly outspoken in their criticism of the current U.S. military buildup in Central America, fearing its effect on regional peace efforts. The U.S. withdrawal from World Court jurisdiction has, as my colleagues well know, been widely interpreted as a sign of our contempt for international law and world opinion.

Within Nicaragua itself, it is increasingly evident that the ever-present threat of full-scale war has been used as a pretense for further radicalization and militarization—at the very expense of those democratic elements we seek to encourage. Experience has shown that a nation under attack is

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less likely to question restrictions on civil liberties or with whom it is allied.

The President has spoken at length about a flood of Soviet arms passing through Nicaragua to the guerrillas in El Salvador, while declining to make public evidence to support his claims. Meanwhile, top Pentagon officials have testified before Congress that they believe Salvadoran guerrillas obtain most of their weapons from captured Government soldiers and corrupt officials. It should not come as any surprise, therefore, that Salvadoran President Jose Napoleon Duarte has offered only his most reluctant support for the Contra effort.

Finally, the war being waged in Nicaragua has heightened regional tensions and threatens, as recent clashes along the Costa Rican border demonstrate, to touch off a broader, regional conflict. Invariably this situation increases the likelihood of a direct U.S. combat role in Central America, and offers greater opportunity for Soviet meddling.

Mr. Chairman, the President would have us believe that the United States is safer when it goes its own way in world affairs, when it employs methods of force that it denounces in others, and when it makes diplomacy a secondary priority to military confrontation. I believe there is another, infinitely better way.

On January 8 representatives of the five key Central American states met under the sponsorship of the Contadora nations to develop a framework for implementing the 21-point plan for peace and regional cooperation adopted last fall. Three commissions were established at that time to draft a regional peace plan to include: reductions in the levels of military force in the region, the withdrawal of all foreign military personnel and equipment, the elimination of illegal arms traffic and support for insurgents, the protection of human rights and free elections, and the promotion of regional cooperation on economic and political issues.

That those negotiations continue despite the accelerating military buildup in the region stands witness to the participants' determination to find solutions on the basis of diplomacy, rather than confrontation. The Contadora process offers the endangered forces of moderation a vital opportunity to exert their influence.

Mr. Chairman, no single actor in the Central American drama has a greater capacity to shape the future direction of events than the United States. The Contadora process presents an opportunity to lead us away from the morass of deepening military conflict in Central America. We must act now, before the escalating chaos precludes the option of diplomacy and makes direct U.S. military intervention all but inevitable.

I appeal, at this late hour, to my colleagues to join in repudiating the administration's haphazard and unworthy policy in Nicaragua as a vital first step toward a peaceful settlement. I strongly urge support for the prohibition on all military or paramilitary activities in Nicaragua.

Mr. STUMP. Mr. Chairman, I move to strike the last word.

Mr. Chairman, when the going gets tough, the United States quits. That's the message the United States broadcasts to the Soviets, Cubans, Nicaraguans, and the rest of the world if it cuts off the Nicaraguan resistance at the knees by withdrawing aid.

We will be taking away the last, best hope for a free Nicaragua.

We will be taking away the only capability we have to keep the Sandinista forces tied down inside Nicaragua, instead of turning outward to spread Marxist totalitarianism to neighboring countries.

We will be taking away the only pressure on the Sandinistas to stay at the negotiating table.

And, most dangerous of all, we will be telling our allies in Central America and the rest of the world that, once again, the United States lacks the fortitude to protect its friends and its security interests in the world. If we do not stand up to Soviet adventurism in Central America, we are going to find ourselves facing Soviet adventurism a lot closer to home, a lot sooner than we think.

Only at a great cost of blood and treasure could the United States, by direct action, contain the efforts of the Sandinista regime to export its totalitarian revolution to El Salvador, Costa Rica, Honduras, and Guatemala. It makes more sense for us to support the Nicaraguan resistance to help contain those efforts now, than it does to ignore the problem and hope that we will not be called upon to protect our allies.

The activities of the Nicaraguan resistance disrupt the efforts of the Sandinistas to support guerrilla subversion of neighboring states and tie up Sandinista military resources in Nicaragua. To accomplish these objectives by overt use of the U.S. Armed Forces would cost far more than the few million dollars we should provide in aid to the Nicaraguan resistance.

For a small financial commitment, the United States would reap the strategic benefit of an organized resistance to the forces to totalitarianism in Central America.

The majority members in the House of Representatives would make a grave mistake today in adopting section 107 of this bill to prohibit certain assistance to the Nicaraguan resistance. We should continue that assistance. Such assistance is in the interest of the United States and of the free peoples of Central America, whose number is diminishing as the Soviet-Cuban-Nicaraguan forces advance from their sanctuaries.

Mr. COLEMAN of Missouri. Will the gentleman yield?

Mr. STUMP. I yield to the gentleman from Missouri.

Mr. COLEMAN of Missouri. Just for the record, statements have been made that the United States has somehow pushed the Sandinistas into the Communist camp. At the same time the Soviets were supplying military aid to the Sandinistas we were voting here on the floor of the House economic aid to them. In fact, it was the largest package ever sent to any country in Central America. And by January 1981, we had authorized over $117 million in economic assistance and supported over $200 million in economic loans. We even proposed that we would have Peace Corps volunteers in Nicaragua.

We did not push those people to where they are today. We tried, and I remember the majority leader's pleading statements down here in the well when he asked us to appropriate that money, and the majority of the Members did.

What happened? They ended up turning it around on us to do the very things the gentleman from Indiana indicated. So I think we have to have a balance in our view of what really happened, what the true facts are down there.

I thank the gentleman for yielding.

Mr. STUMP. I thank the gentleman, and I yield back the balance of my time.

Mr. HAMILTON. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in support of section 107, the provision prohibiting funds for the war in Nicaragua. This is the fourth time in the last 2 years the House has voted on the issue: There are compelling reasons for voting again to terminate U.S. assistance to the so-called Contras, the rebel groups fighting the leftist Government of Nicaragua.

Funding these covert operations is clearly harmful to U.S. interests, risks widening the conflict, and diminishes the chances for successful negotiations between the United States and Nicaragua.

We must now devote our energies to political negotiations and turn decisively toward peace. The most important move in this direction is to stop our support of the Contras. Many of the policies of the ruling Sandinista regime are objectionable to us. Those policies have created visible discontent in Nicaragua. But it is not up to us to fund guerrillas whose aim is to overthrow a government we do not like.

The covert action program in Nicaragua clearly has not worked. It has not brought peace. It has not stopped the flow of arms and other support to rebels in El Salvador. It has not stopped one shipment of arms passing into El Salvador. It has not forced changes in Nicaragua's domestic policies. It has brought neither peace nor democracy to Nicaragua. Rather, it has strengthened the Sandinistas' resolve and provided justification for its increasingly repressive policies. The war allows Nicaragua to wave the banner of nationalism, rather than to defend its repressive regime. It has brought an increased militarization of life and greater Soviet and Cuban involvement in Nicaragua. It has increased the risk of full-scale regional war that could engulf fragile Honduras and Costa Rica.

[CRS-273]

Mr. Chairman, we need a new approach to relations with Nicaragua. Secretary Shultz' trip to Nicaragua on June 1, 1984, represented the start of a worthy initiative to begin the process of dispelling mutual distrust. I hope results ensue. However, any U.S. dialog with the Sandinistas is likely to take place in a poisoned atmosphere while the covert action continues. Only when the covert war ends will the Sandinistas have reason to believe us when we tell them we are prepared to respond positively if they hold free elections, eliminate press censorship, allow open opposition parties, and—most importantly—halt aid to the Salvadoran insurgents. We cannot talk productively to Nicaragua until our support for the covert war ends.

Secretary Shultz' diplomatic talks with Nicaragua must be supported and strengthened. We would not negotiate with a gun at our heads. We cannot expect others to enter productive talks in those circumstances, either.

H8273-83

2. Senate

The Senate bill, S.2713, evidently contained provisions in the classified portion of the bill that directly conflicted with the house provisions concerning contra aid. According to press accounts, the Senate intelligence committee agreed in June 1984 to authorize $28 million in aid to the contras so long as the President reported that they were not attempting to overthrow the government. S.Rep. 98-481.

[CRS-274]

C. CONTINUING APPROPRIATIONS

1. House

a. Contra aid restriction as introduced, reported (9/17/84), and passed House (9/25/84)

[H.J. Res. 648, 98th Cong., 2d sess.]

Provided further, That during fiscal year 1985, no funds available to the Central Intelligence Agency, the Department of Defense, or any other agency or entity of the United States involved in intelligence activities may be obligated or expended for the purpose or which would have the effect of supporting, directly or indirectly, military or paramilitary operations in Nicaragua by any nation, group, organization, movement, or individual until the Department of Defense Appropriation Act, 1985, is reported to or subsequently passed by the House of Representatives:

The Appropriations Committee reported a DOD appropriation bill, 1985 (H.R. 6329), on September 26, 1984. That report contained a contra aid restriction substantially similar to that enacted in the continuing resolution. H.Rep. 98-1086 at 267. The House took no action on the DOD appropriation bill as such subsequent to its reporting. However, its provision became incorporated into the House version of H.J. 648 for purposes of conference, even though it was not part of the original House-passed version of that resolution.

[CRS-275]

b. Report explanations

1. Original continuing resolution

CONTINUING APPROPRIATIONS, 1985

Section 101(c) also places certain other restrictions on appropriations or funds made available or authority granted pursuant to the continuing resolution concerning multiyear procurements, support of military or paramilitary operations in Nicaragua, procurement of MX missiles, testing of antisatellite weapons and deployment of certain nuclear cruise missiles

H. Rep. 98-1030 at 3.

b. DOD Appropriations

DEPARTMENT OF DEFENSE APPROPRIATION BILL, 1985

[CRS-276]

CIA ACTIVITIES IN NICARAGUA

The budget proposed to delete language which placed a limitation of $24 million on fiscal year 1984 funds used to support military or paramilitary operations in Nicaragua. The Committee recommends revised language to prohibit funds in fiscal year 1985 to support, directly or indirectly, military or paramilitary operations in Nicaragua.

H. Rep. 98-1086 at 267-68

c. House floor debate (9/25/84. Note that the House passed H.J. Res. 648 prior to DOD bill report)

Mr. WHITTEN. Mr. Chairman, I yield myself such time as I may require.

[CRS-277]

MECHANICS OF THE RESOLUTION

Five bills are provided for the House passed bill rate. They can be found in section 101(a) of the draft; they are: Agriculture, District of Columbia, Interior, Labor-HHS-Education, and military construction.

The foreign assistance bill is provided for in section 101(b) at the rate of operations provided in the House reported bill.

The defense bill is provided for in section 101(c) at the lower of either the current rate or the budget estimate. A special provision is made in this section that automatically adjusts the rate to: First, the committee reported rate, when that occurs, and later to the House passed rate, when the House passes the bill. In addition there are four special limitations that reflect actions taken by the House dealing with: Nicaragua, the MX missile, the antisatellite weapon system, and the cruise missile. These limitations are identical to provisions carried in the House passed authorization bill (H.R. 5167).

The transportation bill is provided for at the lower of either the current rate or the budget estimate in section 101(d).

The Treasury-Postal Service bill is provided for at the rate of operations provided for in the conference report agreed to on the House floor on September 12.

The water resource development appropriations bill (H.R. 3958) which passed the House on October 6, 1983, is carried at the House passed bill rate in section 101(a).

Section 101(f) of the resolution provides continuing authority at the current rate for approximately 20 programs that lack authorization and need to be continued into the coming fiscal year.

TERMINATION DATE

The resolution which you have before you provides funding through September 30 or when a regular bill is enacted into law. The resolution provides that when a regular bill is signed into law, the provisions of this continuing resolution automatically disengage.

ABORTION AND SCHOOL PRAYER LIMITATION

Finally, the mechanics of this resolution provide for the continuation of the existing provisions of law regarding the prohibition, against preventing the implementation of program of voluntary school prayer and meditation in public schools. These provisions will remain in effect during the duration of the continuing resolution.

NEED FOR ACTION

The rule under which this resolution is being considered makes 11 amendments in order. I do not know what the disposition will be of each of them but I merely remind my colleagues that the fiscal year expires at midnight, Sunday, September 30, and it will not be easy to provide for the orderly continuation of the Government unless we pass this resolution today.

Remember, under the opinion of the Attorney General, unless a continuing resolution is enacted by midnight, Sunday, September 30, many Government services will stop.

I thank my colleagues and urge your support for this resolution. Thank you.

Mr. CONTE. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the bill before the House today is the first continuing resolution for fiscal 1985.

The resolution covers the nine regular appropriations bills for fiscal 1985 which have not yet been enacted into law. For projects and activities covered by the resolution, funds are available until September 30, 1985, or for whatever period is specified by the applicable appropriation bill.

If a bill is subsequently enacted, the continuing resolution disengages, and the funding levels and conditions are established by the enacted bill.

Activities covered by five bills are continued at the rate and under the conditions of the bill as passed the House as of October 1, 1984: Agriculture, District of Columbia, Interior, Labor-HHS-Education, and military construction.

Several unauthorized programs which were not included in the House-passed Labor-HHS bill are specifically continued at the current rate.

Activities covered by the defense bill are continued at the current rate or the budget estimate, whichever is lower, under the current terms and conditions. If the 1985 Defense bill is subsequently reported to or passed the House, then the rate and the conditions shall be those reported to or passed the House.

The following restrictions are applied until the 1985 Defense appropriations bill is reported to or passed the House:

No funds shall be available to increase a procurement (P-1) or RDT&E (R-1) line item above fiscal 1984, or to initiate or resume any such line item for which funds were not available in fiscal 1984.

No funds shall be available to initiate certain multiyear procurements.

No funds shall be available for the purpose or effect of supporting direct or indirect military or paramilitary operations in Nicaragua.

Funds for procurement of the MX, testing the antisatellite weapon, and deployment of the naval nuclear cruise missile are subject to specified restrictions in the House-passed Defense authorization.

Funds for National Guard Reserve and equipment, and retired pay, defense, shall be at the current rate.

Activities covered by the foreign aid bill are continued at the rate, and under the terms and conditions of the bill as reported to the House on September 13, 1984.

Activities covered by the Transportation bill are continued at the current rate or the budget estimate, whichever is lower, and under the current terms and conditions. Several programs which were zeroed in the budget estimate are specifically continued at the current rate.

Activities covered by the Treasury bill are continued at the rate and under the conditions provided in the conference report.

Finally, the resolution funds the 43 new projects in the 1984 public works supplemental as passed the House, and provides funds or authority for 10 additional new projects.

Mr. Chairman, that concludes my summary of the resolution. I will support the resolution on final passage. I did not agree with several of the amendments added by the committee, and I will oppose several of the amendments made in order by the rule.

However, whatever the outcome is today, we must proceed to conference, and do our best to get a resolution that will be signed into law.

It is clear from the action of the Appropriations Committee, and from the action of the House in defeating the rule last week, that we are not going to get a clean resolution from the committee and through the House.

This resolution is the only game in town, so I will vote to pass it and go to conference.

EL NINO DISASTER ASSISTANCE, SMALL BUSINESS ADMINISTRATION

Section 117 of the resolution authorizes disaster assistance loans from the Small Business Administration for fishermen, fish processors, and agricultural enterprises who suffered losses due to abnormal weather and sea conditions related to the El Nino climatic conditions in the Pacific Ocean in 1982 and 1983.

The administration strongly opposes this provision. Assuming an average SBA loan of $10,000—and the average could well be three times that amount—but assuming a $10,000 average, the demand for farm disaster loans could be as high as $350 million. SBA's entire fiscal year 1985 program level for such loans is $500 million, thus only $150 million would be available for all other disasters affecting small businesses. Over the past decade the lowest amount needed for SBA physical disaster loans in any single year was almost $200 million. While disasters cannot be predicted, it is obvious that this El Nino Program would exceed the resources available for such loans.

These farm loans should be processed through the Farmers Home Administration, which has the resouces and the expertise to handle them. SBA has authorized staff of 4,000; Farmers Home has 11,700. SBA estimates that they would receive about 35,000 loan applications under this El Nino Program, which would require 360 person-years, or $10.8 million, in additional direct labor costs.

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For these reasons I hope this provision will be dropped by the Senate and subsequently by the conference.

DEFENSE

The conference report holds Defense to the fiscal 1984 enacted level or the 1985 budget request—program by program—whichever is lower until the fiscal year 1985 bill is reported by full committee or subsequently passed by the House at which time the reported and/or passed level is triggered in.

No new starts are allowed and no new multiyear contracts may be initiated.

A prohibition against using CIA or any other funds from any Government agency for use against the Government of Nicaragua is imposed.

Funds for the MX, antisatellite weapons, and nuclear-tipped cruise missiles carry the same restriction as is contained in the authorization bill as passed by the House.

H10033-34

2. Senate

As introduced and reported, the Senate defense appropriation legislation contained the $28 million authorized in the Senate intelligence authorization bill. Efforts to amend this provision failed on the Senate floor (10/3/84).

Mr. INOUYE. Mr. President, I call up my amendment, and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Hawaii [Mr. INOUYE] proposes an amendment numbered 6993.

Mr. INOUYE. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

In lieu of the matter proposed to be inserted by the committee amendment, insert the following:

"(h) Such amounts as may be necessary for projects or activities, not otherwise specifically provided for in this joint resolution, at a rate for operations and to the extent and in the manner provided for in the Department of Defense Appropriation Act, 1985, as passed by the Senate as of October 1, 1984: *Provided*, That for the purposes of this subsection, if such Act has been reported to the Senate but not passed the Senate as of October 1, 1984, it shall be deemed as having been passed by the Senate: *Provided further*, That during the fiscal year 1985, no funds available to the Central Intelligence Agency, the Department of Defense or any other agency or entity of the United States involved in intelligence activities may be obligated or expanded for the purpose or which would have the effect of supporting, directly or indirectly, military or paramilitary operations in Nicaragua by any nation, group, organization, movement, or individual, except as specifically provided in this subsection: *Provided further*, That of the funds made available by this joint resolution for activities of the Central Intelligence Agency, not to exceed $2,000,000 may be obligated or expanded solely for the safe and expeditious withdrawal from Nicaragua of any individual who is engaged, or who has been engaged, directly and indirectly, in military or paramilitary operations in Nicaragua, and not to exceed $4,000,000 may be obligated or expended solely to provide humanitarian support outside Nicaragua for individuals (and the families of such individuals) who have been engaged, directly or indirectly, in paramilitary operations in Nicaragua and who are not equipped for military or paramilitary operations while outside Nicaragua.".

[CRS-279]

Mr. INOUYE. Mr. President, this amendment states that no funds available to the CIA, or the Department of Defense, or any other agency of the U.S. Government involved in intelligence activities may be used directly or indirectly for military or paramilitary operations in Nicaragua. It will cut off all funds that are now set forth in this bill for the purposes of supporting the Contras.

The amendment further states that $2 million will be set aside for the expeditious withdrawal of those men and women who are now involved in military or paramilitary activities in Nicaragua, and an additional $4 million for the resettlement of these persons.

Last June, I introduced a similar amendment which was almost identical. The only change is the fiscal year date—to the then pending emergency supplemental appropriations bill—that provided for the orderly and humanitarian withdrawal and resettlement of guerrillas opposing the Sandinista government. At that time, I set forth three major reasons for this decision to call for the halt of the covert activity and the phasing out of the program.

First, Mr. President, if you will recall, I stated that our support for the paramilitary operations which are supposed to be covert is no longer covert because everyone knows about it. The world is aware of it. Every interested, and knowledgeable citizen of the United States is aware of our covert involvement in Nicaragua. So it is no secret.

Second, the events and the reports indicate very clearly that we have lost control over the activities of the Contras. Mr. President, we may have had the best of interests, and the best of intentions. But the fact remains that at the present time we find it extremely difficult to control the Contras.

Third, I suggested that the operation had gone beyond the initial justification. You will recall the initial justification for our involvement in Nicaragua was weapons interdiction.

I also stated, Mr. President, that we should get out of Nicaragua for another very compelling reason. That reason was that Nicaraguan operations were slowly but surely eroding whatever credibility was left with our CIA.

The CIA has been the subject of relentless ruthless attack, day and night, by the media. It appears that any person who has any criticism of our activities in Nicaragua is given front-page coverage. Hardly a day goes by without some media coverage, and negative coverage at that, of CIA participation in Nicaragua.

Mr. President, if we permit the situation to continue, I believe it will eventually destroy the usefulness of this very important agency.

I also stated that the relatively minor expenditures proposed for this program—and I will not state it but it is very small—dominate discussion of our Nation's intelligence operations which are actually part of our multibillion dollar budget.

For these reasons, this covert program in Nicaragua has become a tragic distraction from the regular business of the Nation as seen from the perspective of the U.S. Government alone, not even in the light of human suffering, that it is continuing in Central America.

Mr. President, what I said last June is true today. For example, we have recently heard allegations that U.S. military aircraft have been declared surplus property and consigned to the Contras through the CIA. We have had two Americans die while on an adventure inside Nicaragua with the Contras. Despite the persistent denials by the State Department, the military, and the CIA, I believe the public continues to believe that our Government has supported and encouraged those private interests and individuals in our country who are aiding the Contras.

I do not think it would be advisable for me to comment on the truth or untruth of these matters, but, Mr. President, I think it is undeniable that continued paramilitary operations in Nicaragua are putting great strain on the credibility of the U.S. Government, especially on U.S. intelligence programs. And developments in Central America and elsewhere in the world should indicate to all of us that the present time is not a good time for renewal of this covert program.

There seems to be currently considerable pressure on the Sandinistas to liberalize election laws so that the democratic opposition can decide to participate. I am certain that if we should renew assistance to their enemies now, the Sandinistas may have no further incentive to reach a democratic settlement with the opposition.

There has also been considerable progress in the Contadora peace process. Nicaragua has officially commited itself to the draft agreement prepared by the Contadora participants, and despite the fact that many have discounted the significance of this commitment, it still stands as the official policy of the Sandinista government.

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Mr. President, I could go on for many minutes and many hours, but much has been said. During the June debate, I believe we spent about 3 hours covering this subject matter. So I wish to now yield the floor.

Mr. JOHNSTON addressed the Chair.

The PRESIDING OFFICER. The Senator from Louisiana.

Mr. JOHNSTON. I thank the Chair.

Mr. President, the revolution in Nicaragua has been marked by disillusionment and disappointment from the start. I speak this in a very personal way because I, with many of my colleagues here, was among those who voted for aid for this new Sandinista government in Nicaragua. There was a very hot debate here, Mr. President, my colleagues will remember, about whether or not it was wise to give aid to what then was called by some a Marxist-Leninist government.

But many of us persisted and went ahead and voted for that aid, based upon what we saw back in 1979 as a hope for a new independent, nonaligned government, democratic government, in Nicaragua, a country which surely had been the victim of at least benign neglect, if not the wrong kind of interference through decades, by the United States.

But, Mr. President, from that time, indeed from the time that Somoza left, it has been total disappointment and total disillusionment since, and it has been disappointment and disillusionment not caused by the United States but in response to a policy of the United States of generosity and of help.

It is important, I think, Mr. President, to remember the dates and what happened in sequence in Nicaragua.

In July 1979 Somoza fled, and the Sandinistas took over. By April 1980, Violeta chamarro, who was the publisher of the newspaper La Prensa, and Alfonso Rubelo both resigned the Council of State in protest to what they saw as ominous tendencies on the part of the Sandinista group.

But some weeks later, Mr. President, again in 1980, Arturo Cruz, who would now be the opposition candidate for president and a banker, and Supreme Court Justice Rivas were brought back into the government and the decrees confistinating the land were canceled.

Dates were set in 1981 and 1982 for elections, and, indeed, we all hoped at that time that the situation in Managua would be good.

But, Mr. President, by August 1980 the Sandinista Directorate announced that the elections were not going to be held in 1980 or 1981 but they were postponed until 1985. By November 1980, all the remaining non-Sandinistas walked out in protest, walked out of the government. Walked out of the government in protest to what? Because the government has attacked the independent political party office, had sacked the office; because the Directorate was forbidden to have political rallies, and because the newspaper La Prensa and other newspapers were being censored.

Mr. President, in the meantime, in September 1980, this Congress approved $75 million in aid, and, more important, U.S. bankers rescheduled $582 million in foreign debt.

So, Mr. President, the sequence of events is that the United States was giving aid; that those of us here in the Congress were making conciliatory speeches; that United States bankers were rescheduling debt in the amount of $582 million while the Sandinistas were slowly tightening the noose, while they were coming in with censorship, while they were sacking the political parties, while they were taking away the last vestiges of free enterprise, while they were postponing elections, while they were tightening the noose of the totalitarian regime in that country.

(Mr. ABDNOR assumed the chair.)

Mr. JOHNSTON. Mr. President, by January 1981, the illusions of the Carter administration were finally ended after some $65 million was in effect thrown down the rathole. By March 1981, Managua was announcing that they were building an armed force of 30,000 troops, the largest in all of Central America. And they began the so-called relocation, which has been described as a genocide, of the Meskito Indians. At that time the famous Eden Pastore, Comandante Zero, broke with the regime.

Now, Mr. President, what is our present situation in Managua? I invite the attention of my colleagues to an article by Robert S. Leiken in the latest edition of New Republic entitled "Nicaragua's Untold Stories." Who is Robert S. Leiken? Well, Mr. President, he is a senior fellow at the Carnegie Institute. He was the senior editor of that publication, "The Anatomy of a Conflict." My colleagues will remember that "The Anatomy of a Conflict" was to be published at the same time as the Kissinger Commission report. It was supposed to be the counterbalance, the liberal answer, as it were, to the Kissinger Commission report.

Mr. STEVENS. What edition?

Mr. JOHNSTON. The edition of New Republic dated October 8, 1984. I will put a copy of that in the RECORD.

Mr. President, Mr. Leiken describes what the citizens in Nicaragua call "engaño" meaning hoax or trick. The citizens of Nicaragua describe their government as being characterized by the engaño or the hoax or trick.

Mr. Leiken goes on to talk about the kind of hoaxes and tricks and disinformation in which this government deals. For example, when the Pope visited Managua and was heckled and caused to stand in front of these huge murals of the leaders of the Sandinista revolution. Mr. Leiken heard those who stated that they had played prerecorded tapes of crowd noise into the loud speakers while the world was saying that they were spontaneously interrupted by the crowds. In other words, here the Sandinista functionaries were playing into the loud speakers crowd noises and chants, antipapal chants, making it appear, on the principle of engaño or the hoax or tricks, that the Pope was not being supported by the crowds.

He goes on to talk about the myth of popular support, in Nicaragua being achieved, he says, by the confiscation or withholding of ration cards if you do not attend the rallies.

So, yes, you can get a big crowd at a rally in a country that is desperately short of food if you confiscate ration cards if they do not attend. He states that sympathy with the Contras is becoming more and more pervasive. Draft resistance is now a mass movement in Nicaragua.

Mr. President, he describes the rally of Arturo Cruz. Again, Cruz was that member of the Sandinista directorate who resigned in protest, who had fought with the Sandinistas against Somoza, who had been part of the directorate and had to leave in protest because of censorship, because of the inability to have any free elections at all. But Mr. Cruz went back for a rally. It was attended by upwards of as many as 20,000. He was denied access to television stations.

Let me read just a paragraph, if I may, Mr. President, from Mr. Leiken's article in this edition of New Republic. He stated as follows:

> When Cruz began to speak, dozens of *turbas* armed with sticks, stones, and machetes surrounded the field. They came in on what appeared to be army trucks chanting, "Power to the people." They proceeded to break the windows and puncture the tires of demonstrators' cars. The police seemed to make no serious effort to restrain them. When the *turbas* attacked the demonstrators themselves, opposition youths dispersed, only to return wielding their own sticks and stones. Outnumbered, the *turbas* were routed.

He goes on to say:

> The following day the Nicaraguan press carried no mention of the events except for one photograph in the official newspaper Barricada which purported to show the *turbas* attacked by "fascist" demonstrators. La Prensa had devoted several articles and photographs to the demonstration and the clashes, but these were all censored and the paper did not appear. That was the very day that Daniel Ortega had announced the lifting of press censorship.

Mr. President, Arturo Cruz, who again is that former member of the Directorate who would run for president, wrote an article which appeared just last Friday, September 28, in the Washington Post. I invite the attention of my colleagues to that article because it is a heartfelt cry for help for the cause of democracy in Nicaragua. What he says, Mr. President, is that he wants to go back and run for president, but he insists on five what I think are very reasonable conditions:

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First, access to the media; you cannot run a political campaign without access to the media. Second, freedom of assembly and ability to campaign without the threat of physical harm. Third, neutral international observers. Four, the postponement of the elections until January 15, because, obviously, if he has not had the chance to campaign, has not had access to the media, then the elections would be nothing but a sham. Five, a commitment to respect the results of the election.

Mr. President, Arturo Cruz waits in vain. Oh, it is true, that the Sandinistas come in and say that they will respect the Contadora process; that they will sign on to the Contadora process, but you know the first and most important principle of the Contadora process is free elections.

And here they are saying on the one hand, give us the Contadora process, this wonderful process that all these countries have signed on to; we will accept it, they say, while at the same time when elections are going on they will not let a free election take place. When Arturo Cruz attempts to hold a rally, he is surrounded by thugs brought in in government trucks wielding batons and machetes and sacking the offices of the political opposition, censoring the newspaper, arming the country with 30,000 full-time soldiers and another 70,000 part time, importing over 100 tanks, building up a totalitarian regime there with the strongest army in all of Central America.

Yes, Mr. President, Robert S. Leiken, who wrote "The Anatomy of a Conflict," the so-called liberal answer to the Kissinger Report, was correct when he talked about the principle of engaño or deceit and disinformation.

Mr. President, if we are to lift our aid, our so-called covert aid—which of course is misnamed, and I certainly agree with the distinguished Senator from Hawaii that it is misnamed. There is nothing covert about it. That does not mean it is good or bad, because it is misnamed. But if we are going to lift that aid, it seems to me that we should do so only if there is some promise of free elections.

All the Contras have repeatedly said that they will lay down their arms conditioned upon free elections in Nicaragua. The pressure is on in Nicaragua because of the Contras.

I have been here, and I can say that it is a preoccupation of the Sandinistas as to what the Contras are doing. It is a total preoccupation.

For us to come in right when Arturo Cruz has some chance of getting a promise of free elections, when that sanction of the Contras is at its maximum—for us to come in now like this is to say: "Don't worry, Nicaragua; don't worry about free elections. Consistent with that principle of 'engaño', hoax or deceit, just say you will go along with the Contadora process. We don't really care about the elections. All we care about is the rhetoric."

If we are willing to be fooled like that, and to put ourselves up in the world as being satisfied to take the empty rhetoric of the Sandinistas, who time and time again have gone back on their promises, who in the midst of an election, or what is supposed to be an election, have denied the freedom of that election, then we deserve to lose Central America.

Now is not the time to relieve the pressure on the Sandinistas. If the Sandinistas want to get rid of the Contras, want to get rid of covert aid, there is one very easy way to do it: grant the demands of Arturo Cruz. Let there be a free election. Let there be independent observers to that free election. Let there be access to the media. Let there be freedom of political rallies, without the threat of thugs disrupting those rallies. Let there be a promise to respect the results of those elections.

The Contras, themselves, have repeatedly promised that they would lay down their arms. I can tell you that if they lay down their arms, the CIA so-called covert aid will cease as well.

That is the way to resolve this conflict, through free and open elections. The way decidedly not to resolve it is, on the very eve of the possibility of success, to take away those arms.

Mr. President, I ask unanimous consent to have the following articles printed in the RECORD: an article by Robert S. Leiken, entitled "Nicaragua's Untold Stories," in the New Republic of October 8; an article entitled "Labor Under Siege," from the same edition by Sam Leiken; an article entitled "The Cruz Alternative," by Joshua Muravchik, in the same edition.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

NICARAGUA'S UNTOLD STORIES

(By Robert S. Leiken)

The 72-year-old señora lives in a solid stone house constructed by the Sandinista government. Her son, German Pomares, was a founder of the Sandinista National Liberation Front (F.S.L.N.) who perished leading the final offensive against Somoza in 1979. Set off by a well kept garden from the shacks of the cotton field workers of El Viejo, Mrs. Pomaries's home appears comfortable. But inside, the mother of the nationally revered martyr sleeps on a cot covered with rags, and she hobbles through bare, unfurnished rooms. She lives on a pension equivalent to $10 a month. She has made four trips to the local hospital, but has yet to succeed in getting a doctor's appointment. Three times she has requested an audience with Comandante Tomas Borge, now the sole surviving founder of the F.S.L.N. Each time, her son's old comrade has refused to receive her.

For one who has sympathized with the Sandinistas, it is painful to look into the house they are building, but it is unwise not to. I spent ten days in Nicaragua in August, accompanied by my brother, a trade unionist from Boston. It was my sixth visit since the revolution, and my longest since 1981. I have testified in Congress against aid to the *Contras* and have supported (and continue to support) negotiations to end the civil war in El Salvador. Yet each succeeding trip to Nicaragua drains my initial reservoir of sympathy for the Sandinistas. Last year I wrote in my introduction to a book treated by the press as the "Democratic alternative to the Kissinger Report" that the Sandinistas' "failure to preserve the revolutionary alliance with the middle class and small producers as well as sectarian political and cultural policies [had] polarized the country, led to disinvestment, falling productivity and wages, labor discontent, and an agrarian crisis." This visit convinced me that the situation is far worse than I had thought, and disabused me of some of the remaining myths about the Sandinista revolution.

Everywhere we went we confronted the disparity between these myths and the unpleasant truth. The Sandinistas blame Nicaragua's economic crisis on the Contra war and U.S. economic sanctions. Yet the standard of living in Nicaragua was deteriorating well before the U.S.-backed Contras turned to economic sabotage in the spring of 1983. A December 1981 internal staff memorandum of the International Monetary Fund found that real wages has fallen 71 percent since July 1979. They have continued to decline in succeeding years And even with the U.S. "economic boycott," over 25 percent of Nicaragua's exports still go to the United States, not much less than under Somoza. Nicaragua can no longer sell sugar at subsidized prices to the United States, but what it has lost in this market it has sold to Iran at prices above those of the world market. The war and U.S. sanctions have compounded a mess created by the Sandinistas themselves.

Nicaraguans themselves do not seem to accept Sandinista claims that Yanqui aggression is responsible for the general scarcity of consumer goods. Peasants are obligated to sell their goods to the Ministry of Commerce and Industy, and contend that its prices are too low to enable them to make ends meet. A large portion of the peasantry is now producing only for its own consumption, and the resulting shortages have dramatically driven up prices. The marketplace, once the bustling center of Nicaraguan life, is now a daunting experience for buyers and sellers alike. As shoppers make the rounds looking for rice, beans, milk, toilet paper, soap, or light bulbs, the shopkeepers' constant reply is "No hay" (There isn't any). For anyone unable to afford the inflated prices or without the foreign exchange to shop at the new foreign currency stores, Eastern European-style queuing is now routine.

One of the most depressing aspects of our trip was to hear from so many that their lives are worse today than they were at the time of Somoza. Before the revolution Nicaraguans ate well by Central American standards. Thanks to the country's fertile soil and its small population, even poor Nicaraguans were accustomed to beef and chicken, Now consumer goods available to the masses in other Central American Countries are no longer obtainable. Barefoot children are hardly uncommon in the region, but I had never seen so many completely naked. As we encountered them their distended stomachs displaying the telltale signs of malnutrition, Nicaraguans would bitterly recall the government slogan, "Los minos son los mimados de la revolucion" ("Children are the spoiled ones of the revolution").

The shortage of basic necessities is also breeding pervasive corruption. When we asked a rural storekeeper why he was able to sell Coca-Cola while many restaurants in Managua were not, he said that he had ob-

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tained the soft drink with a bribe. We later met Ramiro, a Coca-Cola deliveryman in Leon and a former member of the F.S.L.N., hitchhiking home from the city of Chinandega. He was returning from his five-hour weekly excursion after work to procure the three bottles of milk his children need. The milk cost him 150 cordobas, 30 percent of his weekly wages. (The official exchange rate is 28 cordobas to the dollar; the real, or black market, exchange rate is 250 to 1.) To get the money, he told us, he accepts bribes from some of his customers for extra cases of Coke. "This system is corrupting me against my will," he said.

Ramiro's desperate measures hardly merit censure. But others, especially high-ranking Sandinistas, are turning big profits from the scarcity. Members of a leather workers cooperative in Masaya told us that they are officially allotted 10,000 meters of leather a month; they receive between 5,000 to 7,000 meters. The cooperatives' Sandinista directors sell the remainder in Managua's Eastern Market and pocket the money. It is now a general practice for coordinators of the neighborhood Sandinista Defense Committees (C.D.S.) to sell part of the provisions allotted to them by the government on the private market. The people are then informed that provisions have run out.

In the village of El Transito, two hours northwest of Managua, most of the people belonged to the C.D.S. at the outset of the revolution. Now there is but one member, the coordinator, formerly the village's leading Somocista. (The transformation of Somocistas into Sandinistas and of Sandinistas into oppositionists is very common. In every town we visited we were told that former Somoza officials are now running C.D.S.s.) The coordinator enriches himself by selling C.D.S. foodstuffs and supplies in the Eastern Market. As we passed his house, we were able to peer through the window and see him standing there in his dark glasses, isolated and reviled.

The life-styles of the new rich contrast vividly with that of the rest of the country, and with official rhetoric. A Sandinista nomenklatura has emerged. Party members shop at hard-currency stores, dine at luxury restaurants restricted to party officials, and vacation in the mansions of the Somoza dynasty, labeled "protocol houses." Vans pull up daily at government and party offices, to deliver ham, lobster, and other delicacies unavailable elsewhere. In a private state dining room, I ate a sumptuous meal with a comandante at a long table, attended by five servants. The image of the protruding stomachs of the "spoiled ones of the revolution" intruded while we consumed our lemon meringue pie.

Intellectuals and former officials claim that decadence is endemic in upper government and party echelons. A former Sandinista diplomat recounted tales of high jinks and extravagance by Sandinista officials on foreign junkets, and women state employees complained of the same sexual harassment and blackmail that is common elsewhere in Central America. The swinging Sandinista leadership cynically presents an image of revoluntionary asceticism to the outside world while being addicted to the very vices that it routinely denounces in "degenerate bourgeois society."

The widespread corruption from the lowest to the highest levels of government makes it hard for Nicarguans to accept the notion that their problems originate from abroad, or that they should endure further sacrifices "to confont the imperialist enemy." A jobless worker in the Indian town of Monimbo complained, "The C.D.S. insists that we unscrew the street lights to conserve energy in the fight against imperialism. People are falling in holes while the Sandinistas get rich on our misery. What are their sacrifices?"

Those Sandinistas who have refused to be corrupted recognize that their dreams have turned into a nightmare. One government official, a good friend, told me, "We have given birth to a freak. But we must keep him alive." Yet what is to be done when the freak becomes a menace to its people and neighbors? There is a general impression among those in the United States properly aghast at the C.I.A. mining of ports and U.S. support for the professional torturers among the contras that the Sandinistas are the victims, not the victimizers. Inside Nicaragua, however, the image is reversed.

The word Nicaraguans employ the most frequently to describe the Sandinista government is engaño (hoax or trick). In the city of Chinandega, we talked with transport workers from an opposition union who on their own time and with their union dues had painted road signs to make the city safer for driving. The Sandinista government took credit for the improvement. The national literacy campaign is one of the most vaunted achievements of the revolution, praised even by many of the government's critics. Yet two "graduates" of the literacy program in a peasant village told us they could not read their diplomas. We couldn't find one student from the campaign there or in the neighboring village who had learned to read. The campaign did somewhat better in the larger cities such as León, where, we were told, some had learned to read in follow-up courses. But most had forgotten the little they had learned, and at best could now only sign their name for election registration.

The most outrageous engaño occurred during Pope John Paul II's visit to Managua in March 1983. According to Sandinista accounts, the Pope's mass had been "spontaneously" interrupted by the crowd, offended by the Pope's failure to heed the request of mourning mothers who wanted him to pray for their sons killed in the battle against the contras. Two former government officials, who are still Sandinista supporters, told us a different story. They had been appalled at the interruptions made by cadre from the Sandinista women's organization, furnished with microphones and loudspeakers. After the Pope left, the crowd departed in disgust and the Sandinista leadership was left awkwardly standing on the platform. The two officials, depressed by the spectacle, retired to a bar located next to the offices of the F.S.L.N. radio station. They overheard a group of Sandinista radio employees at an adjoining table bragging about how they had played pre-recorded tapes of crowds chanting Sandinista slogans into the sound system.

The Sandinista engano has been most successful among the resident foreign press. Journalists familiar with the atrocities of the right-wing tyrannies of Central America wish to believe, quite understandably, that the Sandinistas present an alternative. In today's Nicaragua it is easy to confuse desire with reality. The resident press also frequently merges with the larger population of "internationalists," a term which embraces all those foreigners expressing solidarity with the Sandinistas, from Bulgarian and Cuban apparatchiks to idealistic North Americans and West Europeans. It is the general feeling among Nicaraguans that the foreign press in Managua strongly sympathizes with the government, and that it is dangerous to speak openly with them. Disaffected Sandinista intellectuals, friends of friends, who poured their hearts out to me in Managua were afraid to meet with reporters from the U.S. press. We spoke with a resident of Monimbo, where a spontaneous insurrection had ignited the revolution against Somoza in February 1978. We had spent an evening together a year before with a mutual friend, yet initially he was still distrustful. He told us that the revolution had produced "many advances for the people"; two hours later, he was saying, "Monimbo appears to be sleeping, the way it was during the time of Somoza, but the people are united. One day soon they will stand up again."

One of the most common means of sustaining the myth of popular support is the Sandinistas' use of the rationing system as a lever. In numerous villages and cities, we learned that ration cards are confiscated for nonattendance at Sandinista meetings. In Masaya we were told that before one of the "Face-the-People" meetings (in which comandantes meet with local residents) the ration cards of the members of cooperatives were collected; their return was made conditional on attendance. At one such meeting in Chinandega, Ortega branded talk of inflation "a counterrevolutionary plot." A pound of beans could still be purchased for five cordobas, he claimed. A man in the audience stood up and shouted, "Comandante, here's ten cordobas. Please get me a pound of beans." According to his neighbors, he was imprisoned later that day.

Although Nicaraguans still for the most part bow to government pressure, they do so sullenly and without conviction. We witnessed two Sandinista demonstrations, one in Masaya and the other in Chinandega, two historically pro-Sandinista cities. The Chinandega rally, held at 10 on a Wednesday morning, celebrated the fifth anniversary of the literacy campaign. It was attended entirely by students obligated to go by school authorities. As they marched through the streets chanting slogans distributed to them on small pieces of paper by their Sandinista instructors, pedestrians did not so much as turn their heads. None of the presumably grateful, presumably literate, people came to greet the commandante sent from Managua.

In Masaya the demonstration did not even benefit from student participation. As we approached the gathering in the fading afternoon, a large group of students stood on the steps of the Catholic school. They had refused to join the demonstration because the Sandinistas had removed several of their Catholic teachers. The small group of demonstrators had glazed looks in their eyes as the last speeches wound down. I asked a campesino in attendance whether any of the commandantes had come. He answered, "I don't know. I slept through it."

The Nicaraguan populace has been saturated with Sandinista bombast which issues from radio, television, newspapers, local and national political meetings, and block committees, and which is propagated in the schools, the factories, and the cooperatives. The people resist in different ways: with the indifference and boredom we saw in Chinandega and Masaya; with a resurgence in religious feelings which has filled churches and Catholic schools; with suspiciousness and bitter humor.

Jokes and wisecracks against the Sandinistas are proliferating. The two pro-Sandinista newspapers, Barricada and Nuevo Diaro, are referred to as Burricada (as in bore) and Nuevo Diablo. The F.S.L.N. is "the Somocista National Liberation Front." "Why do people prefer Tona [one of the two Nicaraguan beers]? Because the other, La Victoria, is bitter." Suspicions of the government are so deep that families of the war dead no longer believe that the government coffins shipped back from the front contain the bodies of their sons. (The coffins are sealed as a matter of policy.) People believe, improbably, that the coffins hold rocks or banana tree trunks. In Monimbo we were told that when a family and friends tried to open a coffin with a hammer and chisel, they were carried off by the police.

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Nor is popular discontent restricted to these forms of passive resistance. Sympathy with the contras is becoming more open and more pervasive. I was stunned to hear peasants refer to the contras as "Los Muchachos," the boys—the admiring term used to describe the Sandinistas when they were battling the National Guard. It was apparent that many Nicaraguans are listening to the "Fifteenth of September," the contra radio station. It must be noted, however, that the contras do not operate in the areas we visited, and sympathy toward them may well be proportionate to absence of direct contact.

Draft resistance has become a mass movement in Nicaragua. The government passed legislation last September under which Nicaraguan men between the ages of 16 and 40 can be drafted for two years. When we were in Nicaragua, four hundred women gathered outside the draft board in La Paz Centro, a trading town thirty-five miles northwest of Managua, to protest forced recruitment of their sons. The demonstration was the latest in a string of anti-draft demonstrations in cities and towns throughout Nicaragua. New York Times correspondent Stephen Kinzer, one of the few resident reporters to sniff out the engaño of Sandinista policies, reported on June 26 that "draft evasion is widespread," and found that high school attendance in six major provincial capitals had declined by as much as 40 percent. A student in León said that his high school class of forty five had fallen to fourteen during the past year. Honduran researchers say Nicaraguan draft evaders pay 25,000 cordobas to be transported across the border, part of the money going to Nicaraguan Army officials in bribes. The demand is so great that border smugglers are now requiring groups no smaller than five. Draft resistance strikes a powerful blow at the myth of widespread popular support for the government. Young people have historically been the mainstay of Sandinista support.

Perhaps the most illuminating political event in the five years of Sandinista rule was a rally held for opposition presidential candidate Arturo Cruz in Chinandega on August 5. On that Sunday morning, Sandinista chicanery, censored domestic and lackadaisical international press coverage, and the growing vigor of the opposition converged.

Chinandega, a city of approximately 60,000 was historically the heart of Sandinista organizing efforts and support. These efforts radiated out to the surrounding cotton and sugar fields, to the country's two largest sugar refineries nearby, to the stevedores at Corinto, Nicaragua's largest port, and down to León, another center of anti-Samoza resistance. One would have expected that here the opposition would be weakest, the government strongest.

The Chinandega demonstration was the last series of six held in support of Cruz. Each rally had been larger than the last. The organizers were denied access to Sandinista-controlled TV stations. They were able to place an ad on the one local non-Sandinista radio station, but they relied chiefly on two vehicles with loudspeakers, and on word-of-mouth. Two days before the rally three "angels," as members of the state security are commonly known, called on the organizers of the demonstration and accused them of being C.I.A. agents. The turbas divinas, "divine mobs" of Sandinista supporters, circled their houses at night beating sticks against cans and chanting until the small hours of the morning. (Samoza's version of the turbas—the Nicolasa—used to employ the very same method against the opposition.) Meanwhile, Sandinista newspapers and television branded the opposition as consisting of contras and agents of American imperialism, and announced that further "aggressions" by them would not be permitted. Local authorities implied that the demonstration would be declared illegal. The day before the rally, Daniel Ortega, the head of the Sandinista government and the Sandinista presidential candidate, spoke to two hundred youths in El Viejo, a village three miles away. El Viejo's residents later claimed that the youths had been incited against the demonstration's leaders.

Fearing an attack by the turbas, organizers did not put up the banners or placards until early on the morning of the demonstration. But as they were working, fifty turbas burst into the soccer field, tearing down the banners and dispersing the organizers. They returned later during the day to try to repair the damage.

We spoke with two organizers—middle-class, professional women who had belonged to the F.S.L.N before the revolution. (According to one, "the F.S.L.N. says that the opposition is Somocista. But most of the old Somocistas are working with the government. The opposition has remained the same. It is the F.S.L.N. that has changed.") They told us that after the turbas' nighttime serenading, they went to complain to the offices of the party representative, the chief of police, and the chief of state security, and to the Sandinistas. They were assured that the turbas would be controlled and that the demonstration would not be obstructed. After the early-morning attack, the two women went to the house of the local party leader. The door was open, and they entered. In the next room they heard the turbas informing him of the success of their mission.

There is no question that many who wished to go to the Cruz rally stayed at home. On the day of the rally, local authorities impeded traffic from outlying areas into Chinandega. As Cruz marched through the city, many people opened their doors, gave him the "V" for victory sign, and then ducked back into their homes to avoid the everpresent eyes of the C.D.S. One woman said she did not go to the demonstration because she lived too close to the Sandinista youth office. She told of others who received threatening phone calls. Two weeks after the demonstration, a gas station attendant in Managua told us he had gone to the rally and that three friends who had accompanied him were in jail.

As might be expected, estimates of the turnout vary. Opposition figures soared as high as 20,000; local newsmen said 7,000. Given Sandinista efforts to reduce attendance, even 7,000 seems an impressive number, especially since three months before, the F.S.L.N. only managed to get 2,500 to Chinandega for the country's principal May Day rally. NBC taped the entire Cruz demonstration. Should this tape ever be shown publicly, experts will be able to make an accurate judgment about the number of demonstrators. When I viewed the tape it was evident that these thousands of demonstrators were hardly "bourgeoisie," as the Sandinistas claimed. They were overwhelmingly workers, peasants, and young people. I learned later that workers had hired their own trucks to come from the San Antonio Refinery and from the port of Corinto. They chanted slogans like "El Frente y Somoza son la misma cosa." ("The Sandinistas and Somoza are the same thing.")

When Cruz began to speak, dozens of turbas armed with sticks, stones, and machetes surrounded the field. They came in on what appeared to be army trucks chanting, "Power to the people." They proceeded to break the windows and puncture the tires of demonstrators' cars. The police seemed to make no serious effort to restrain them. When the turbas attacked the demonstrators themselves opposition youths dispersed, only to return wielding their own sticks and stones. Outnumbered, the turbas were routed.

The almost complete absence of foreign and domestic press coverage enabled Sandinista officials to characterize the demonstration their own way. We encountered a Sandinista official drunk at midday on the streets of El Viejo. He told us that the demonstration had taken place at the private home of a bourgeoisie and was attended only by a handful of plutocrats. In Managua, the Sandinistas told us that there had been several hundred demonstrators. The following day the Nicaraguan press carried no mention of the events except for one photograph in the official newspaper Barricada which purported to show the turbas attacked by "fascist" demonstrators. La Prensa had devoted several articles and photographs to the demonstration and the clashes, but these were all censored, and the paper did not appear. This was the very day that Daniel Ortega had announced the lifting of press censorship.

The demonstrations for Cruz's candidacy tested the popular mood and the prospects for "the first free elections in Nicaragua," as the Sandinistas' slogan puts it. Among the conditions that Cruz and his supporters have laid down as indispensable for participation are guarantees of freedom of movement, assembly, and equal access to the press and television; sufficient time to campaign; international observers; and, most importantly, guarantees that if he won the election he would be allowed to take office. What happened at Chinandega strongly suggests that neither a genuine election nor a genuine campaign can take place.

Chinandega also exposed the Sandinistas' electoral stratagem. Their decision to hold elections in November was based on a rudimentary political calculation. They judged that the external legitimacy provided by elections would more than compensate for their internal cost. They knew that power does not often change hands in Central America through elections. Somoza' elections had proven that, and the Sandinistas are in a far better position to control elections than Somoza ever was.

Yet their calculations were wrong on two counts. First, they failed to account for the Nicaraguan people. High level Sandinista officials to whom I have spoken seem to live, alone with their international supporters, in a dream world. They deem that the "anti-imperialist sentiments" of the Nicaraguan people allow them to bear any surface even when their "anti-imperialist" leaders bear none. They receive favorable reports from lower-level cadre whose jobs depends on the perception of success. The Sandinistas knew that after five years of enforced political paralysis, the opposition was poorly organized, divided, and amateurish. The spontaneous popular reception for Cruz took them by surprise. Second, they failed to recognize the degree to which they have alienated progressive opinion in Latin America and Western Europe. Cruz's recent highly successful trip to Costa Rica, Venezuela, and Colombia, and his support from European Social Democrats like Spanish Socialist Prime Minister Felipe Gonzalez, has confounded the F.S.L.N.'s electoral plans.

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Thus the Sandinistas find themselves in a quandary. Will they back down and permit Cruz to run under reasonable conditions, or will they go ahead with a discredited election? Thus far at least, the Sandinistas seem unwilling to pay the price of submitting their rule to a popular test. One Sandinista official, whom I have always considered a moderate, told me privately that they would prefer a U.S. intervention because it would "vastly accelerate the Latin American revolution against U.S. imperialism." He told me that the Nicaraguan Army would immediately invade Honduras and Costa Rica and be greeted as "liberators" by the people.

One can only hope that cooler Sandinista heads will prevail. Authentic elections may be the last chance to avert full-scale civil war. If democratic channels cannot be opened, the civilian opposition will be forced to link up with the armed opposition—which is exactly what happened in the 1970's in El Salvador after fraudulent elections. The United States, which has a monstrous record in Nicaragua, can do something to help. What is needed now most urgently is a bipartisan effort in support of authentic elections in Nicaragua.

As we pulled out of Managua in the fading light of a Sunday afternoon, we found ourselves directly behind an army convoy made up of about twenty vehicles. But unlike the army convoys I have seen in El Salvador, Honduras, and elsewhere, it would not permit traffic to pass. A large vehicle with a blinking light occupied the left lane, forcing vehicles coming toward us off the road. A soldier with a machine gun was poised on the rear truck. It took us four hours to cover the fifty miles to Leon. It was a grueling microcosm of Nicaragua today: the Sandinistas in the "vanguard" preventing the normal flow of traffic, whether out of real fear, paranoia, or bullying. Behind them the rest of the population followed, inconvenienced, irritated, and enduring another pointless "sacrifice" for the Sandinistas' militarism. Our inconvenience was only four hours: the Nicaraguan people experience this twenty-four hours a day. Their patience has worn thin.

Labor Under Siege

(By Sam Leiken)

In the last several years, a number of union friends of mine have returned from Sandinista-sponsored tours of Nicaragua with enthusiastic reports of the achievements of the revolution. I visited Nicaragua myself this summer, meeting with members of both the official Sandinista labor federation and the independent unions. I didn't expect to discover a workers' paradise in this underdeveloped and crisis-ridden region, or to see workers running the factories. But I did hope to find signs of progress toward empowering the workers and peasants. Instead, I saw a labor movement battling a "Socialist" government which resists worker demands with tactics ranging from state-controlled unions to spurious arrests and violent goon squads.

In the 1970s labor was united against the Somoza regime, and workers expected that it would remain united to rebuild the country in the aftermath of Somoza's fall. But after assuming power, the Sandinistas sought a large measure of control over the workers by enrolling all Nicaraguan unions in the *Central Sandinista de Trabajadores* (C.S.T.). In 1980 the C.S.T. joined the World Federation of Trade Unions, headquartered in Prague. "The F.S.L.N. wanted to impose a central union, not build one," one opposition labor leader told me.

When centralizing efforts failed, the Sandinistas used state power to penalize unions unwilling to affiliate with them, to organize disruptive factions, and ultimately to jail opposition union leaders. I was told of death threats, beatings, police raids on union headquarters, military conscription of union dissidents, and blacklisting. Opposition leaders are now reluctant to use the recently restored right to strike for fear of being charged with "economic sabotage" and "abetting imperialism."

I talked with truckers from the port city of Corinto who had voted to disaffiliate their local from C.S.T. and to join the independent C.U.S., which is associated with the A.F.L.-C.I.O. through the International Confederation of Free Trade Unions. Soon thereafter, the local's office was attacked by police and turbas. Later some had their drivers' licenses revoked, and a half-dozen union leaders were jailed. In another incident a leader of the other independent union, the C.T.N., said he has been beaten and his nose broken by turbas at the Managua airport in full view of military and civil police.

The Sandinistas have also alienated workers in their own unions, which has led to increasing numbers of wildcat strikes. Several years ago, when the Sandinistas nationalized the German Pomares sugar works, they ousted the independent union. Then, to ensure a docile new leadership, they stacked the vote by trucking in illiterate cane cutters. This summer workers at the refinery defied their leaders: they struck after the union allowed management to cut back worker access to the company store's superior goods and low prices.

While we were in Managua there was a wildcat sit-in at the government-owned Victoria Brewery. Truck drivers there earn 3,000 cordobas a month. Rents average 1,000 a month, and a pair of pants costs 1,000. One deliveryman told me, "We've had the same salaries for the last five years and now hunger has made us explode." The Victoria workers knew that to return to work without a contract can spell defeat. Forced to go back on the job, they effected a slowdown as a way to sustain their leverage.

The official F.S.L.N. newspaper, Barricada, carried a single article on the Victoria "labor dispute." It quoted Sandinista union leaders as saying that they offered "full support to the workers," but also said that they were urging them to return to work immediately. In contrast, La Prensa carried a front-page picture of 200 Coca-Cola drivers parading their trucks in solidarity with the Victoria workers. I was able to confirm La Prensa's report that solidarity brigades were sent by the competing brewery Tona, La Micla fruit punch, Pepsi-Cola, and Standard Steel. Several of these unions also have announced impending strikes.

The dissident labor leaders I met were plainspoken, accustomed to dealing with concrete facts. The C.S.T. official I spoke with talked grandly about how the Sandinistas reorganized Nicaragua's tiny, undeveloped labor unions "by industrial branch." Yet he was at a loss to explain why they had abolished the Nicaraguan equivalent of the U.S. National Labor Relations Board (Tribunales de Trabajo).

He often contradicted what the workers had told me. The workers at the San Antonio sugar refinery said that they had launched a wildcat strike last February to uphold a wage agreement reached between workers and management. According to the workers, the labor minister, backed by the C.S.T. leadership, disallowed the labor contract because its wages exceeded government guidelines. The C.S.T. official claimed that the labor minister had rejected the contract because its wages were too low, and even credited the C.S.T. with leading the strike to raise wages. He went on to dismiss the Victoria wildcatters as "backward" and "disobedient." He saw his role not as a representative of the workers, but as their "intermediary" with the employer.

Numerous dissident union leaders described their situation as closely resembling that of the Solidarity movement. One leader, comparing Nicaragua to Poland, told me: "We are both small countries and have suffered many invasions. We both experience long lines and scarcity while many of our products are shipped off to the Soviet bloc. We are Catholic countries with close ties between the unions and the church. We live under regimes where citizens can be jailed at will. And both governments brand independent unions 'anti-Socialist agents of imperialism.'" Listening, I found myself wishing that some of my fellow union activists had come with me to Nicaragua. They would have been as shocked and disappointed at the repressiveness of this "government of workers and peasants" as I was.

The Cruz Alternative

(By Joshua Muravchik)

The last best hope for a peaceful and humane resolution to Nicaragua's recent agonies may be slipping away. The hope arises from the government's plan to hold national elections on November 4 and the unprecedented cooperation, in response to that plan, that has been achieved among various elements of the opposition.

Three centrist political parties, two labor federations, and the organization representing businessmen and professionals banded together to form the Nicaraguan Democratic Coordinator, known as the "Coordinadora." It chose Arturo Cruz as its presidential candidate, and announced it would not participate in the elections unless the government consented to a "national dialogue" about the terms of the elections and their aftermath.

The Sandinista government originally refused this demand, citing one of the Coordinatora's conditions for the talks: that representatives of the anti-Sandinista guerrillas also be included. But in August that demand was dropped. Both principal rebel groups—the Frente Democratico Nicaragüense (F.D.N.), and the Alianza Revolutionario Democrático (ARDE) have pledged to lay down their arms if an agreement is reached through the dialogue.

Shorn of the demand for including the rebels in the national dialogue, the nine-point program of the Coordinadora is so manifestly reasonable that the Sandinista government has had trouble justifying its resistance. But thus far it has shown no signs of moving toward an agreement; indeed, it has underscored its tough stance by depriving the three parties that belong to the Coordinadora of their legal standing as political parties.

But the opposition believes that the last word is yet to be heard, and Cruz and his colleagues are hoping to bring international pressure to bear on the Sandinistas. They recently visited five other Latin American countries and were received by the President of each. They are also looking for support from the United States and from Europe. Their immediate demand is for a postponement of the elections so that fair terms can be negotiated.

The Coordinadora program rests on the simple premise that there are elections and there are "elections." It embodies two goals. The first is to win assurances that the elections themselves will be fair and free. The second, more far-reaching, goal is summed up by Cruz in the phrase, "respect for the results of the election."

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To secure the first, Cruz and his colleagues are calling for international oversight of the elections by either the O.A.S. or the Contadora group, or by representatives of the Socialist International or other Latin American states agreeable to both the opposition and the Sandinistas. They have requested that all polling places be organized so that citizens do not have to cast their ballots, as Cruz puts it, "under the eyes and ears of the so-called 'Committees for the Defense of the Revolution,'" the Sandinistas' internal surveillance network. In addition, the Coordinadora seeks guarantees of freedom of expression, information, and movement; an end to censorship of the press, freedom of assembly; and equal access to the airwaves.

The Coordinadora's second set of conditions focuses on what will follow the elections and poses perhaps an even more important test of the Sandinistas' willingness to share power with the Nicaraguan people. "Basically," says Cruz, "it is the separation of party and state. What if the opposition wins the elections? We have to be sure that we have the capacity to govern. If you have the army as it is now, an instrument of the Sandinistas, how can you expect that?" Cruz is referring to the fact that Nicaragua's overgrown army is officially the army of the Sandinista Party. If Cruz is elected President, will the army then belong to the opposition? An analogous situation applies in other crucial institutions such as the militia, the police, and television.

In a fair election, the Sandinistas might find Cruz a formidable adversary. Against him they would have difficulty sustaining the argument that opposition to them is tantamount to "counterrevolution" and the posthumous restoration of Somocismo. Cruz himself served two prison terms under the Somozas, and was one of a group of prominent citizens, called "The Twelve," whose public alliance with the Sandinistas was crucial to the overthrow of Somoza. He served as head of the Central Bank during the early months of the revolutionary government. After Alfonso Robelo and Violeta Chamorro, the two original non-Sandinista members of the revolutionary junta, resigned from it in protest, Cruz accepted a seat on it in their place, thereby demonstrating his willingness to walk the extra mile with the Sandinistas. That was something he demonstrated a second time by agreeing to come to Washington as ambassador. For most of a year he labored to secure U.S. acceptance of the revolution even while his own differences with the Sandinista government were widening.

The Coordinadora's platform aims not at repealing the revolution, but at fulfilling, but at fulfilling its original promises. Cruz says: "We want the revolution to really go to the three parameters on which it is predicated—nonalignment, mixed economy, and pluralism."

The touchstone of Cruz's policy of nonalignment would be a strong focus on relations with the rest of Central America. He twits the Sandinistas for pursuing an ideological foreign policy that has engaged Nicaragua in unlikely causes ("It was not until the Sandinistas came to power that we heard of the Frente Polisario in North Africa"), and that has left it as entangled as ever in its relations with the United States. He would "demilitarize Nicaragua completely," leaving only a police force. "For the protection of the country against aggression, we would do as the Costa Ricans do, invoke the Rio Treaty of collective security."

The Coordinadora's case is a good one, and it deserves more attention from North Americans than it has gotten. Not only does it offer a basis for bringing peace to Nicaragua, it also can be the basis for a cease-fire in the battle within the United States over policy toward Nicaragua. Indeed, one reason for the lack of attention to the Coordinadora's struggle may be that elections are approaching in North America too, and all political factions here are looking to sharpen their differences with their opponents. The Coordinadora's stance offers neither hawks nor doves much that they can disagree with or disagree about.

But the United States now has a moment of opportunity in Nicaragua, and it will not wait for the U.S. elections to pass. Those who have been advocating a more conciliatory U.S. policy toward Nicaragua ought to wield the stick, pressing the Sandinistas to meet the demands of the Coordinadora. Those who have supported aid to the contra rebels ought to proffer the carrot—an end to that support if the Sandinistas agree to genuine dialogue resulting in free elections.

The Sandinistas now have power, the kind that grows out of the barrel of a gun. In the end, they may decline to put it at risk. But they can't have it both ways. An election without the participation of the Coordinadora would be an empty exercise conferring no legitimacy on its predictable victors. This is a message that the Sandinistas ought to be hearing over and again from those in Latin America, Western Europe, and the United States, of whatever political stripe, who hope for a peaceful resolution to Nicaragua's turmoils.

ALLEGED COVERT ACTION BEING CONDUCTED IN NICARAGUA

Mr. GOLDWATER. Mr. President, once again Congress has decided to discuss actions, both covert and overt in open session. Once again, we have chosen to speak in public about matters which, in my view, are best debated in closed session.

This is deplorable, Mr. President, that the Nation's secrets are so little regarded. In the past, I have often spoken in these Chambers on the issue of leaks and proper security. We all know too well that, "It is the ship of state which leaks at the top." Nonetheless, as chairman of the Select Committee on Intelligence, I feel a responsibility to remind my colleagues of their obligation to protect the legitimate secrets of this Nation regardless of the apparent importance of an issue or the heat of debate.

Mr. President, I urge my colleagues to use restraint when discussing alleged covert action activities in public. I also recommend to my colleagues who have questions on this issue that they visit our committee spaces and read over our classified transcripts rather than raise these questions, or come close to raising these questions on the floor or in the public Chambers of the Senate.

We have had some words on this subject. We will undoubtedly get further words. Before that happens, I wish to make a statement on Nicaragua.

NEED FOR CONTINUED PRESSURE ON NICARAGUA

Mr. President, I believe there is a continued need for pressure on Nicaragua and that the "contras" provide that pressure. The Sandinistas are clearly playing a delaying game—sending out hints and making tactical shifts in an effort to make the pressure go away. The Sandinistas know that if the internal resistence once collapses it will never be effective again.

The United States does not favor pressure for its own sake. It has well-defined purposes and objectives with regard to Nicaragua, specifically:

To drastically reduce military ties with Cuba and the Soviet Union;

To bring about cutbacks in the huge buildup of weapons and troop levels and to restore the regional military equilibrium;

To end support for subversion from Nicaragua into neighboring states in Central America; and

To force the Sandinista regime to honor promises to establish democracy and respect for human and civil rights.

These goals parallel closely the objectives of the Contadora 21 points, which the nations of the region agree are essential for real peace. The United States has made clear repeatedly to the Sandinistas that if they act seriously and positively to address our concerns, we will respond accordingly.

Mr. President, events in the region are at a critical juncture now. Nicaragua has scheduled an election in November, but has denied the democratic opposition a genuine opportunity to participate; it has endorsed a recent draft of a Contadora treaty, but has declined to negotiate on remaining deficiencies in that draft; it has engaged in substantive bilateral discussions with the United States in furtherance of Contadora, but has failed to offer any concrete steps it would take to meet our concerns. Clearly, an end to our support for the resistance is a major Nicaraguan objective and they hope to achieve it without having to make any concessions.

The Sandinistas hope that their tactics may work through unilateral action by Congress. But to deprive the United States of the most effective incentive for overcoming Nicaraguan intransigence would give a green light to Sandinista oppression and subversion, betray those who look to us for support, and encourage our adversaries everywhere in the world.

KENNEDY-BINGAMAN AMENDMENT

Mr. President, on September 19, 1984, Senators Kennedy and Bingaman circulated a "Dear Colleague" letter in which they said they would offer an amendment on the Nicaragua program. This amendment would prohibit any expenditure of funds in fiscal year 1985 for the purpose or the effect of supporting, directly or indirectly, military or paramilitary operations in Nicaragua by any nation, group, organization or individual.

I strongly oppose this amendment because I believe it will have harmful effects on U.S. efforts to negotiate with the Sandinista regime in Managua.

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For several years, critics of U.S. Central America policy, including many in Congress, have attacked the administration for allegedly refusing to negotiate with Nicaragua. The Secretary of State has now committed his personal prestige and the full weight of the U.S. Government in a new effort to reach a negotiated settlement with the Sandinistas. We are now engaged in bilateral talks and have pledged to conduct these talks within the Contadora context.

There are reasons to believe this effort can bear fruit. The Sandinistas, after riding a wave for so long, are on the defensive;

They face serious economic problems and internal dissent from the church, democratic trade unions, and the remaining business community and other forces.

Their support abroad has eroded as the truth about their policies becomes more evident.

The situation in El Salvador, militarily and politically, is working against the Sandinistas by setting a democratic example for the whole region.

If indeed the Sandinistas are prepared to negotiate seriously after 5 years of spreading subversion and intransigent refusal to listen to their neighbors' concerns, it is because the United States has put pressure on them and stood firmly in opposing their expansionism.

If we deny the President the authority to support the Nicaraguan opposition, we give the Sandinistas in advance the one thing they most want from negotiations. For them, there would be little more to discuss and no reason to make concessions.

The Kennedy/Bingaman amendment would thus effectively undo the long effort, culminated by Secretary of State Shultz's personal intervention, to open a new phase in our relations with the Government of Nicaragua and begin serious discussion with it, within the context of the Contadora process.

INOUYE/STEVENS COMPROMISE

Mr. President, it was my understanding yesterday that Senators Inouye and Stevens were working on a compromise amendment regarding the Nicaragua program. I have read over a draft of that compromise and I did not see too many problems with it.

So I would like to ask the Senator from Alaska and/or Hawaii:

What happened to this compromise?

What was wrong with it?

Did anyone object to bringing it up?

Mr. President, if any Senator in the Chamber could answer my questions on this matter, I would appreciate it.

Mr. President, I ask unanimous consent to have printed in the Record the draft amendment to which I referred.

There being no objection the draft was ordered to be printed in the Record, as follows:

Sec. . (a) During fiscal year 1985, no funds available to the Central Intelligence Agency, the Department of Defense or any other agency or entity of the United States involved in intelligence activities may be obligated or expended for the purpose or which would have the effect of supporting, directly or indirectly, military or paramilitary operations in Nicaragua by any nation, group, organization, movement, or individual except as expressly provided in this section.

(b)(1) The President shall certify to the Congress that the United States is actively working to achieve the following objectives in Nicaragua:

(A) to terminate continuing assistance by the Government of Nicaragua, alone or in collaboration with the Soviet Union, Cuba or other third states, by the provision through Nicaragua of arms, training, command and control facilities, or other logistical support to military or paramilitary operations in or against any other country in Central America;

(B) to remove the Central American conflict from the East-West competition through the departure from Nicaragua of Soviet and Cuban military personnel and the termination of their military and security involvement in Nicaragua;

(C) to achieve a reduction of Nicaragua's expanded military strength to levels of personnel and equipment that will restore qualitative and quantitative military equilibrium among the Central American states; and

(D) to help bring about a free and democratic Nicaragua through fulfillment of the original Sandinista promises to support democratic pluralism, including free, fair and open elections.

The President shall accompany such certification immediately and quarterly thereafter with a public report comprehensively setting forward the status of such efforts.

(2) Funds may be obligated or expended notwithstanding the provisions of this section or any other provision of this joint resolution if the President certifies that the following conditions have been met:

(A) that the Government of Nicaragua, alone or in collaboration with the Soviet Union, Cuba or other third states, is continuing to assist military or paramilitary operations in or against any other country in Central America by the provision through Nicaragua of arms, training, command and control facilities, or other logistical support; and

(B) that the obligation and expenditure of available funds for the purposes described in paragraph (a) of this subsection are necessary to support United States policy to induce the Government of Nicaragua to participate in a regional framework to preserve the peace and security of the Central American countries through a comprehensive, verifiable and enforceable agreement based upon the Contadora Document of Objectives.

If the President so certifies, he shall transmit such certification to the Appropriations Committees of the Senate and the House and to the Senate Select Committee on Intelligence and the House Permanent Select Committee on Intelligence, and shall accompany such certification immediately and quarterly thereafter with a classified report to the Congress through those Committees comprehensively setting forward the grounds for determination that these conditions have been met.

A certification by the President under this paragraph shall expire in the event that a quarterly report is not transmitted as provided, or that such report fails to state that the relevant conditions continue to exist.

(c) In addition to amounts otherwise available for the Central Intelligence Agency, there is appropriated for activities of the Central Intelligence Agency not to exceed $6,000,000, to remain available for obligation until September 30, 1985: *Provided,* That of such sum, not to exceed $2,000,000 may be obligated or expended solely for the safe and expeditious withdrawal from Nicaragua of any individual engaged, or who has been engaged, directly or indirectly, in military or paramilitary operations in Nicaragua: *Provided further,* that of such sum, not to exceed $4,000,000 may be obligated or expended solely to provide humanitarian support outside Nicaragua for individuals (and the families of such individuals) who have been engaged, directly or indirectly, in paramilitary operations in Nicaragua, if such individuals are not equipped for military or paramilitary operations while outside Nicaragua. Funds available under this paragraph may be obligated or expended only if certification under paragraph (b) is withdrawn or has expired."

QUESTIONS ON NICARAGUA

Mr. GOLDWATER. Mr. President, several Members of this body have raised questions regarding American policy toward the Sandinista regime in Nicaragua.

However, there are a number of questions which have been raised in the course of this debate for which I have not heard any good answers. These questions are as follows:

Where are those freedoms that were promised by the Sandinista government in Nicaragua only a few years ago?

Why is there no freedom of the press in Nicaragua?

Why are they repressing the church?

How many Miskito Indians have been uprooted from their homes? Had their property pillaged? Their villages burned? How many have been forced into relocation camps or just plain killed?

Why have Nicaraguan Jews been forced to emigrate from their homeland? And their property confiscated?

Why are not Sandinista leaders content with improving the standard of living of their own people instead of fomenting revolution and spreading communism through Central America?

Why are 2,000 Cuban military advisors and 6,000 more Cubans in high executive offices in Nicaragua?

Why is the PLO permeating Nicaragua's military as advisors and pilots?

Why are Libyans flying arms and ammunitition into Nicaragua under the guise of medical supplies?

Why has a small group of 500 Nicaraguan nationals, whom we call the Contras, grown to some 18,000 people, a number admittedly getting larger every day? Why does it grow? Why did Eden Pastora and other prominent Sandinistas leave the revolution to fight it?

Why are these people prepared to gamble their lives and the lives of their families to oppose the Sandinista regime?

And most importantly, why are a vast number of members in this body turning their backs, covering their eyes and ears, and ignoring the cries

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for freedom and democracy in Central America?

I yield the floor.

Several Senators addressed the Chair.

The **PRESIDING OFFICER**. The Senator from Hawaii.

Mr. **INOUYE**. Mr. President, I wish to modify my amendment, and my modification is at the desk.

The **PRESIDING OFFICER**. The amendment is so modified. The modified amendment is as follows:

On page 13, line 2, before the period insert a colon and following: *"Provided further,* That during the fiscal year 1985, no funds available to the Central Intelligence Agency, the Department of Defense or any other agency or entity of the United States involved in intelligence activities may be obligated or expended for the purpose or which would have the effect of supporting, directly or indirectly military or paramilitary operations in Nicaragua by any nation, group, organization, movement, or individual, except as specifically provided in this subsection: *Provided further,* That of the funds made available by this joint resolution for activities of the Central Intelligence Agency, not to exceed $2,000,000 may be obligated or expended solely for the safe and expeditious withdrawal from Nicaragua of any individual who is engaged, or who has been engaged, directly or indirectly, in military or paramilitary operations in Nicaragua, and not to exceed $4,000,000 may be obligated or expended solely to provide humanitarian support outside Nicaragua for individuals (and the families of such individuals) who have been engaged, directly or indirectly in paramilitary operations in Nicaragua and who are not equipped for military or paramilitary operations while outside Nicaragua".

Mr. **INOUYE**. Mr. President, I ask for the yeas and nays.

The **PRESIDING OFFICER**. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. **WALLOP**. Mr. President, as I explained before I have the greatest respect for the Senator from Hawaii. I have contested with him, and I have supported him on the floor on various issues. On this one, I clearly come down on the other side.

Let me begin by replying to the Senator from Hawaii's principal points. First, it was never the original intention of the covert action in Central America solely or even primarily to interdict arms. The first finding in this field was by the Carter administration, even as it was delivering aid to Nicaragua. Nevertheless the Carter administration found that it had to do something about the increasing totalitarian nature of the Sandinista government and about its allegiance to, and alliance with, the Soviet Union and Cuba.

Second, is the CIA's role in Nicaragua hurting the CIA as the Senator from Hawaii is claiming? The Senate must understand that the foreign policy of the United States is not made for the convenience of its executors. They are an arm of foreign policy, to do what they are told to do.

They are not ginning up, generating, concocting what they are doing in Nicaragua on their own, without direction from the Reagan administration. Nor did they do so in the Carter administration. They are doing what they are directed to do because they are an arm of U.S. foreign policy.

Third, the Senator from Hawaii said that continued help to the contras is not enhancing the credibility of the United States. I say that credibility is enhanced by success; and that if the Soviet Union's side wins in Nicaragua, then, and then specifically, will our credibility be destroyed.

Last, the Senator was speaking of how the new talk of elections, actually and eloquently described by the Senator from Louisiana, would be turned off by continued pressure. I suggest another thesis: That the only reason you are hearing talk in any dimension of elections is because of that very pressure.

The concept of "engaño" which was eloquently and lucidly explained by the Senator from Louisiana, was illustrated by Daniel Ortega, who said that elections are an interference with the process of the revolution and that "we only have to do it because of the way it appears to the outside world." But Arturo Cruz, whose access to a fair election in Nicaragua is being denied, is a respected member of the Socialist International, an organization which some Members of this body including the Senator from New York proudly and routinely praise.

The Senator from Hawaii proposes we set aside $2 million in order to disengage $4 million of humanitarian aid. What atrociously obnoxious money that is. We would be telling brave people, who have fought for their freedom and asked us not for our blood but for our support:

> Sorry, boys, freedom is too tough for today's American electorate. We can't support freedom. It bothers us in our elections, and we're sorry that we ever encouraged you to fight for your freedom. We're sorry that when you came and asked, we gave you some money. By the way, here is $4 million to make you feel better.

Moreover, that $4 million amounts to less than $100 a person for those who would be helped by all this.

How can we even conceive of doing that?

In point of fact, the President's intention is so simple and honorable, People seeking freedom have asked for economic assistance and military advice. He has asked the Congress not to prevent his giving it.

Mr. **GOLDWATER**. Mr. President, will the Senator yield?

Mr. **WALLOP**. I yield for a question.

Mr. **GOLDWATER**. Mr. President, I am glad that the Senator from Wyoming brought up the point that the CIA is like the rest of our intelligence family, a member of the Government, and they only do what they are told to do, and the only time that the CIA has fallen into disrepute is when they were given instructions way, way, way before this administration or the Carter administration, to do things that they knew were wrong.

Does the Senator agree with that?

Mr. **DURENBERGER**. I will agree.

Mr. **GOLDWATER**. We hear about the covert actions. I think we are all agreed, those of us who have been exposed to this, long, ago this action ceased to be covert, but the only other action we have, I suggest, is overt, and overt is war.

The question that comes to my mind, particularly related to this amendment offered by my good friend from Hawaii, as an alternative to covert action, are we suggesting going to war over this matter now? Does the Senator believe that?

Mr. **WALLOP**. I would hope that that was not the suggestion that we were receiving. I would hope also that we do not give the erroneous impression that we have fostered the Nicaraguan assistance solely to interdict arms for the war in El Salvador. That would cheapen both our motives and those of the Nicaraguans freedom fighting. We would thereby say that they are not people seeking their own freedom in their own country at their own sacrifice with their own blood and their own discomfort and their own misery; but that they are mere little mercenaries of the United States, off doing business for El Salvador. That was never true.

Mr. GOLDWATER. I wish to ask one other question. This is a little bit confused. I have read the modification suggested by the Senator from Hawaii. Frankly, I do not think it changes the original amendment one bit. It is the same thing. It is a little shorter. There is no triggering point that I can determine.

Does the Senator believe that the Senator from Hawaii wants us to have an immediate application of his words or is there a point that has been suggested by other amendments offered on this same subject and in this same line that if something happens then the words of the amendment would take place?

As I read the amendment, it would be immediately active. Does the Senator interpret it that way?

Mr. WALLOP. I have not seen the modification, and I ask if the Senator said that. But the first amendment was clearly that. There was no trigger point. It took effect on passage, one would assume. What a signal it would send about this country's commitment to the aspirations of the freedom of people everywhere in the world. This Congress, this Senate should never endorse the Brezhnev doctrine in this hemisphere, according to what the Soviets say "what territory is ours is ours and keep your hands off of it and what is yours is available to exploit when the time is right." Were we to agree to that, freedom would be a one-way street, and we would be traveling

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down that street in the wrong direction.

Either this country stands for, and seeks for, and will support, legitimate aspirations to freedom, or it is not the country that I think it is, and this is not the Senate that I hope it is.

Mr. GOLDWATER. One additional question, and I shall sit down:

The decision in these matters in my opinion and according to the Constitution rests with the President, the Commander in Chief. The Commander in Chief has seen an ultimate threat to our freedom on borders 800 miles away. I might suggest that is the closest we have ever come since the attack on Pearl Harbor to having our freedom threatened.

I might add that because I live on the Mexican border, I might feel a little more closely associated with this threat than others who live a greater distance away.

But does the Senator from Wyoming not feel that regardless of what wordage we might adopt on this floor in the form of an amendment, ultimately it is the Commander in Chief who is going to have to make up our minds or we are going to have to amend the Constitution, and I frankly think that this might be a good test for the President to try his case, because before this Constitution of ours can survive and we can go along as a free people, in my opinion, we have to defeat the War Powers Act. I do not like to bring this in at this time, but I just wanted to raise that one point before I sit down; that is, it is our Commander in Chief, not us, who has to make these final decisions, and much as I dislike arguing with my friend from Hawaii, because I have the utmost respect for him—he is one of the great heroes of our World War II; he is a man who is dedicated to our principles—but in this case, I have to agree with my friend from Wyoming that the language of this amendment should not be adopted by this body.

Mr. WALLOP. I thank the Senator from Arizona.

Mr. President, I made my case on the floor, and I will not make it again, for the strategic significance of this area. I have asked whether this country wants another Cuba in this hemisphere, and whether it is willing to live with the resulting effects on the Panama Canal and on our southern border. Today, I wish to concentrate on something a little different, an essential issue that we have neglected. Whatever we do with regard to Nicaragua, our action or inaction will redound to someone's benefit. If we do not support the Contras, then we support the Communists. In war, there is no equivocation. What is going on down there is a war waged by people seeking their freedom, and by Communist tyrants trying to crush it.

I have in my hand Senate Concurrent Resolution 74 signed by 70 Senators of this body to encourage and support the people of Afghanistan, on the other side of the world, on the Soviet border, in their struggle to be free from Soviet domination.

We all know who we are, the cosponsors of Senate Concurrent Resolution 74, and I ask unanimous consent to have printed in the Record the list of cosponsors.

There being no objection, the list was ordered to be printed in the Record, as follows:

Mr. Tsongas (for himself, Mr. Abdnor, Mr. Andrews, Mr. Armstrong, Mr. Bentsen, Mr. Bingaman, Mr. Boschwitz, Mr. Bradley, Mr. Bumpers, Mr. Byrd, Mr. Chiles, Mr. Cochran, Mr. Cohen, Mr. D'Amato, Mr. DeConcini, Mr. Dixon, Mr. Dole, Mr. Durenberger, Mr. Eagleton, Mr. Exon, Mr. Ford, Mr. Garn, Mr. Glenn, Mr. Grassley, Mr. Hart, Mr. Hatch, Mr. Heinz, Mr. Huddleston, Mrs. Kassebaum, Mr. Kennedy, Mr. Laxalt, Mr. Levin, Mr. Lugar, Mr. Mattingly, Mr. Melcher, Mr. Moynihan, Mr. Murkowski, Mr. Nickles, Mr. Pell, Mr. Pressler, Mr. Proxmire, Mr. Pryor, Mr. Quayle, Mr. Randolph, Mr. Riegle, Mr. Rudman, Mr. Sarbanes, Mr. Sasser, Mr. Simpson, Mr. Specter, Mr. Stennis, Mr. Warner, Mr. Wilson, Mr. Zorinsky, Mr. Hollings, Mr. Percy, Mr. Jepsen, Mr. Cranston, Mr. Heflin, Mr. Denton, Mr. Symms, Mr. East, Mr. Inouye, Mr. Dodd, Mr. Kasten, Mr. Hecht, Mr. McClure, Mr. Leahy, Mr. Wallop, Mr. Humphrey, Mr. Tower, and Mr. Lautenberg) submitted the following concurrent resolution; which was referred to the Committee on Foreign Relations.

Mr. WALLOP. Mr. President, I wonder what they see as the difference, those who feel one way about Afghanistan and another about Central America. Sure, they will be saying that there are Soviet occupation troops in Afghanistan.

But is not Cuba and the Soviet Union in effect an occupation force with the Sandinistas? Who in here thinks that the Sandinistas can operate on their own independently and could trigger a free election if they wanted to without the permission of their Soviet and Cuban masters?

Why would we vote to help freedom on the other side of the globe and to further the cause of the Soviet Union near our own border?

Does anyone in here doubt that a victory over the Nicaraguan resistance would be a victory for the Soviet Union? Of course it would be.

Why is it that there are some in this body so eager to give that victory to the Soviets and the Cubans?

Do the Nicaraguan people have less right to be free than the Afghans?

The resolution says:

> . . . it would be indefensible to provide the freedom fighters with only enough aid to fight and die but not enough to advance their cause of freedom.

Where are all my consistent fellow cosponsors? What is the difference between people seeking freedom in the mountains of Central Asia or the mountains of Central America?

Where are you? Why is it that it is more important to be free there than in our own hemisphere?

Perhaps here is the answer. The resolution says:

> That it should be the policy of the United States to support effectively the people of Afghanistan in their fight for freedom; . . .

Perhaps these cosponsors are willing to say such things when there is little chance of achieving them, but when a real choice is before them, instead of backing freedom, in effect they are backing a Soviet victory in our own hemisphere.

How good is it to have votes on clear issues? How clear can you get? The choice is absolutely there. Voters can cast their votes and decide between sincerity and hypocrisy.

Both of those causes are worthy of the support of a free people proud of freedom, and this I hope to God in America is still one.

Mr. President, lest there be any doubt as to the nature of the leaders of the contras, I ask unanimous consent that the biographies of the contra leaders, showing them to be freedom-loving people, many of whom formerly were Sandinistas, be printed in the Record at this point.

There being no objection, the material was ordered to be printed in the Record, as follows:

INTRODUCTION

The Sandinistas are waging an intensive propaganda campaign to discredit their opponents as counter-revolutionaries. They denounce the leaders of the armed anti-Sandinista organizations as henchmen of former President Somoza. But the facts show that nearly all the so-called "contra" leaders were actually staunch opponents of Somoza. Many fought against Somoza and contributed to his defeat. Subsequently, they became disillusioned when they saw that the democratic revolution for which they had sacrificed so much was being transformed by the Sandinistas into a Marxist-Leninist dictatorship. This paper provides an overview of the reasons many Nicaraguans turned against the Sandinistas and examines the composition of the groups that form the armed opposition.

WHY THE OPPOSITION DEVELOPED

The Sandinistas' victory in 1979 depended largely on the spirit of rebellion against Somoza which had developed during the 1970's. Political parties—including the Conservatives, who were the traditional opposition force, dissident Liberals, Social Christians, and Socialists—all clamored for an end to Somoza's total domination of the nation's political system. Businessmen, farmers, ranchers, and professionals—united in the Supreme Council of Private Enterprise (COSEP)—struggled against Somoza's control of Nicaragua's economy. Independent labor confederations fought for workers' rights and an end to repression of the organized labor movement. The Catholic Church, under the leadership of Archbishop Miguel Obando y Bravo, became an outspoken critic of the Somoza regime and advocated freedom and social justice. The Permanent Commission on Human Rights exposed the abuses of the Somoza government to the world. The independent daily La Prensa spearheaded the crusade against Somoza; in early 1978, the assassination of the paper's editor, Pedro Joaquin Chamorro Cardenal, sparked the revolution.

The Sandinistas concluded that by deemphasizing their Marxist-Leninist ideology and forming a tactical alliance with the broad spectrum of organizations opposed to Somoza, they could seize power. Accordingly, they appealed to all Nicaraguans to join their revolutionary movement and pledged that the pillars of the new government would be pluralism, a mixed economy, and nonalignment. The Nicaraguan people came to view the Sandinista National Liberation Front (FSLN), the major armed anti-Somoza organization, as the only viable alternative to Somoza's continued rule. Placing faith in the FSLN's promises, Nicaraguans from all walks of life and all political persuasions rallied round the Sandinistas banner and joined in the popular revolution that triumphed in July 1979.

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The Sandinistas determined to maintain the appearance of a broadly based popular regime. The original junta of the new Government of National Reconstruction (GRN) contained moderates as well as Sandinista militants, and the cabinet included non-Sandinistas. Even the key post of Defense Minister was given to a defector from Somoza's National Guard, Colonel Bernardino Larios. However, the Sandinistas viewed this merely as an interim arrangement that would facilitate the consolidation of their power. In September, the FSLN National Directorate held a secret strategy session which produced the "72-hour document," a blueprint for the creation of an FSLN-controlled Marxist-leninist State in Nicaragua.

As the Sandinistas labored to consolidate their power, groups that had struggled so long against Somoza became increasingly opposed to Sandinistas policies and actions. These groups found themselves confronting a regime far more formidable and doctrinaire than its predecessor. Activists in opposition parties were harassed and their opportunities to proselytize were limited by law. Members of the private sector saw the government take over the lion's share of the economy and impose rules greatly restricting their ability to manage their own firms. Independent labor leaders were frequently persecuted, and strikes were outlawed while the real wages of workers declined. The leadership of the Catholic Church was attacked by the FSLN for continuing to speak out on issues such as human rights, church unity, individual freedom, and the right to a religious education. The Permanent Commission on Human Rights was persecuted for revealing Sandinistas human rights violations, and its president was driven into exile. La Prensa was muzzled by a harsh censorship law, and on numerous occasions the paper did not publish because virtually all the day's hard news had been prohibited by government censors. Defense Minister Larios was replaced by a member of the FSLN's National Directorate, and he subsequently spent more than two years in prison accused of being a counter-revolutionary; he still is not permitted to leave the country.

The Sandinistas have reneged on their promise to bring democracy to Nicaragua, and an ever-growing number of Nicaraguans see their revolution betrayed by the FSLN. Many have remained in Nicaragua thus far, trying to wage a civic battle with the Sandinistas. Others have concluded that the civic course was futile, and that the only way the Sandinistas would leave power was the same way they acquired it, through military force. In the past few years, a number of armed anti-FSLN organizations have emerged and initiated combat operations against the Sandinistas. These groups represent widely differing constituencies within Nicaragua, reflecting the diversity of the groups that formerly had opposed Somoza. A lack of unity has hampered the effectiveness of the anti-FSLN efforts. In the summer of 1984, however, the three major exile organizations—FDN, MISURA, and ARDE—formed an alliance named the Nicaraguan Unity for Reconciliation (UNIR).

THE ARMED OPPOSITION GROUPS

I. NICARAGUAN DEMOCRATIC FORCE—FDN

The FDN is the largest of the armed anti-FSLN organizations. It was founded in 1981 under the leadership of former National Guard officers. As the focal point for armed resistance to the Sandinistas, it quickly attracted many of those who had become disaffected with the FSLN. Its ranks were swollen by influential political and business figures, by peasants from northern Nicaragua who were fleeing Sandinista repression, and even by disillusioned Sandinistas themselves. The influx of new members led to a fundamental transformation of the FDN, and in December 1982 a new National Directorate was formed which was dominated by anti-Somoza civilians. The new civilian leadership purged any former National Guard members whose background was questionable. It retained other former National Guard members with clean records in positions where their military expertise was needed. A further reorganization of the FDN occurred in October 1983, and Adolfo Calero, a prominent Conservative and business leader, assumed the position of President of the National Directorate and Commander in Chief. The FDN's rapid growth has permitted it to field 42 task forces for combat operations. All but four of these units are currently led by civilians or ex-Sandinistas. Overall, less than 1% of the FDN's total strength were previously members of the National Guard, while about 15% were actually ex-Sandinista fighters. The FDN claims to have between 10,000 and 12,000 members.

II. MISURA AND BLACK CREOLES

MISURA evolved out the Alliance for the Progress of Miskitos and Sumos (ALPROMISU), an Indian organization founded in 1973 with the help of Protestant churches working in the Atlantic Coast region. The initial objective of the organization was to compel the Somoza regime to respect the rights of the indigenous Indian populations. Following the fall of Somoza, the Sandinistas renamed the organization Miskito, Sumo, Rama, and Sandinista Unity (MISURASTA). Gradually, Sandinista mistreatment of the indigenous population led MISURASATA leaders to criticize the FSLN and, finally, to flee into exile. By the end of 1981, Sandinista persecution and forced relocation of Indian communities prompted the beginning of a large-scale exodus of Miskito Indians from Nicaragua. The government officially disbanded MISURASATA, but the organization lived on as former members developed a center of armed resistance to the FSLN. This group was headed by Miskito leaders such as Wycliffe Diego and Steadman Fagoth. In 1983, it adopted the name MISURA. This organization claims to have between 1,000 and 2,000 members.

III. DEMOCRATIC REVOLUTIONARY ALLIANCE—ARDE

ARDE is a coalition of organizations led by individuals who took an active role in the revolution, including many who were initially officials of the Sandinista government. ARDE was formed in exile in 1982. For a year, its leaders sought to restore the original course of the revolution through political means. In mid-1983, after peaceful political efforts proved futile, ARDE began military operations in southern Nicaragua. Since it was founded, ARDE has attracted thousands of former Sandinista fighters and civilians who have lost faith in the leadership of the FSLN. In 1984, a split occurred within the organization. The MDN, UDN/FARN, FSDC, and STDN—four of the component organizations which held the major political leaders of the alliance and a few hundred of its guerrillas—entered a pact with the FDN and MISURA. The FRS and MISURASATA—which included most of the guerrillas and some of the civilian leaders—refused to align themselves with the FDN and have continued to operate independently. While these differences remain unresolved, the two factions agreed in September 1984 to coordinate their activities whenever possible. The following are the member organizations of ARDE:

A. NICARAGUAN DEMOCRATIC MOVEMENT—MDN

The MDN is a social-democratic party founded in 1978. It drew its support from middle class Nicaraguans, including many professionals, and it played an active role during the revolution. Its head, Alfonso Robelo, was one of the original members of the ruling GRN junta, but he resigned his position in 1980 in protest to Sandinista actions. The leaders of the MDN, particularly Robelo, subsequently were subjected to heavy FSLN harassment and fled into exile in 1982. Robelo has emerged as a key civilian leader of ARDE.

B. NICARAGUAN DEMOCRATIC UNION/NICARAGUAN REVOLUTIONARY ARMED FORCES—UDN/FARN

The UDN/FARN is a political/military organization founded in 1981 by veteran anti-Somoza fighter Fernando "El Negro" Chamorro. The UDN/FARN was one of the original groups of ARDE, but Chamorro pulled his group out in the spring of 1983 and worked with the FDN for several months. In the spring in 1984, his differences with ARDE were overcome and the UDN/FARN rejoined the alliance.

C. CHRISTIAN DEMOCRATIC SOLIDARITY FRONT—FSDC

The FSDC was formed in 1983 by Christian Democratic leaders who had fled into exile. It is led by figures such as Roberto Ferrey who were long-time opponents of Somoza.

D. NICARAGUAN DEMOCRATIC WORKERS' SOLIDARITY—STDN

The STDN was founded in 1983 by labor leaders such as Zacarias Hernandez who were forced into exile by Sandinista persecution of the independent labor movement. They had been steadfast opponents of the Somoza regime.

E. SANDINO REVOLUTIONARY FRONT—FRS

The FRS, headed by Sandinista hero Eden Pastora, was created in 1982 by disillusioned Sandinista militants, many of whom had fought alongside Pastora on the Southern Front during 1979. The FRS was a founding member of ARDE, but it severed its ties when the leaders of other ARDE groups decided to form an alliance with the FDN and MISURA. Many of ARDE's combat troops chose to follow Pastora. The FRS claims to have more than 5,000 members.

F. MISKITO, SUMO, RAMA, AND SANDINISTA UNITY—MISURASATA

MISURASATA is the other Indian organization that evolved out of ALPROMISU. As noted above, the Sandinistas renamed the Indian organization MISURASATA, and later officially dissolved it when its leadership become highly cirtical of FSLN actions. In 1982, Miskito leader Brooklyn Rivera joined with other MISURASATA members in the south and commenced operations against the Sandinistas. This group retained the name MISURASATA and acted independently of MISURA forces in the north. MISURASATA leaders have collaborated closely with Pastora's forces, and MISURASATA joined with the FRS in refusing to form an alliance with the FDN and MISURA.

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BIOGRAPHIC SKETCHES OF OPPOSITION LEADERS

Sandinista propaganda seeks to portray the leaders of the armed opposition groups as associates of Somoza. The following biographical sketches show the contrary: that most were arden opponents of the Somoza regime.

I. NICARAGUAN DEMOCRATIC FORCE—FDN

Adolfo Calero Portocarrero, President of the National Directorate and Commander in Chief of the Armed Forces of the FDN

Adolfo Calero was a prominent businessman and a lifelong political opponent of Somoza. He received part of his education in the United States, graduating in 1953 from the University of Notre Dame and later doing graduate work in industrial management at the University of Syracuse. He holds a law degree from the University of Central America in Nicaragua. In the late 1950s he became a major stockholder in and manager of the Coca-Cola Company of Nicaragua. His views on social and economic issues translated into tangible benefits for his workers, such as profit sharing, pay exceeding the minimum wage by 60%, and scholarship programs. He served as a director of the Chamber of Commerce and was a member of the Nicaraguan Developmental Institution (INDE) and the Nicaraguan Developmental Foundation (FUNDE), and a co-founder of the Human Development Institute (INPRHU). In the early 1970s, he was the dean of the faculty of Economics and Business Administration at the University of Central America.

Calero began his political career in 1953, when he joined other anti-Somoza activists including Pedro Joaquin Chamorro Cardenal (the editors of La Prensa assassinated in 1979), Rafael Cordova Rivas (currently a member of the GRN junta), and Reynaldo Antonio Tefel (currently a member of the GRN cabinet) in forming an opposition youth movement. Later in the 1950s, he became an activitist in the Conservative party, the traditional opposition group to Somoza. In 1959, he helped organize managerial strikes in support of the "Olama and Los Mollejones" insurrection headed by Chamorro.

Calero's stature within the Conservative party grew during the 1960s, and in 1970 he was offered a seat as an alternate in Congress as part of a pact between Fernando Aguero (Conservative party head) and Somoza. Calero refused the offer, insisting that Aguero's actions amounted to a sellout to Somoza. Instead, Calero joined other party members, such as current conservative leader Mario Rappaccioli, and founded the Authentic Conservative Party. He became the party's coordinator in 1977.

Following the assassination of Chamorro in 1978, Calero was a principal leader of the strikes and civic activity that shook the Somoza regime. He subsequently served as his party's representative in the Broad Opposition Front (FAO), an umbrella organization of opposition groups. He and other FAO leaders were jailed for a month for initiating a general strike.

Following the fall of Somoza, Calero initially attempted to cooperate with the FSLN in rebuilding Nicaragua. He was a leader of the Democratic Conservative Party which was forged during the revolution by uniting the previous divided conservative movement, and he was selected to the key position of political coordinator for the party. By the end of 1982, having become totally disillusioned with the FSLN and the minor role it allowed other political parties, Calero went into exile to join the FDN. He was appointed to the FDN's National Directorate and in October 1983 elevated to the post of President of the National Directorate and Commander in Chief of the FDN's Armed Forces. He serves as the FDN's representative on the Directorate of UNIR.

Enrique Bermudez Varela, Member of the FDN National Directorate and Chief of the Strategic Military Command

Enrique Bermudez is a career military officer who graduated from the Nicaraguan Military Academy and attained the rank of colonel in the National Guard. He was not politically active and regarded himself as a professional soldier. Bermudez spent much of his career abroad. He attended military training courses in Brazil and the United States. He served with the Inter-American Peace Force in the Dominican Republic in 1965, and was head of the Nicaraguan delegation to the Inter-American Defense Council. During the years preceding the revolution, Bermudez was Nicaraguan Defense Attache in Washington. After the revolution, he helped organize other exiled National Guard officers and was a founder of the FDN.

Alfonso Callejas Deshon, Member of the FDN National Directorate

Alfonso Callejas was trained as a civil engineer at the University of Santa Clara in California. After working for several years with the Standard Fruit Company, he founded his own business and eventually had interests in cattle, bananas, and cotton. He held various local and national offices in his capacity as an engineer, and headed the National Office of Water Resources in the early 1960s. He served as Minister of Public Works and later was named Vice President of the Republic under Somoza. He became disenchanted with the Somoza regime, however, and in 1972 resigned as a public protest to Somoza's efforts to maintain himself in power. He was a member of Somoza's National Liberal Party (PLN), but he was a leader of a group of dissidents who sought to restore true liberal values to the party. In 1978, he organized a PLN grassroots movement designed to force Somoza to resign. He spent the last months of the Somoza regime in exile in Honduras. Callejas returned to Nicaragua after the revolution, and although he was reportedly investigated and cleared of any wrongdoing, his properties were confiscated. He subsequently went back into exile.

Indalecio Rodriguez Alaniz, Member of the FDN National Directorate

Indalecio Rodriguez is a veterinary doctor who served as a professor and President of the University of Central America in Managua. As the son of a prominent anti-Somoza figure, he became politically active at an early age. He participated in an opposition youth movement, and became active in the Independent Liberal Party (PLI). He was jailed twice in the 1950s for his anti-Somoza political activity, and went into exile in 1960 where he became involved for a time with the newly formed FSLN. After several years abroad, he returned to Nicaragua to accept a position at the University of Central America, and he remained there during the revolution. By 1981, he had become disillusioned with the FSLN and abandoned his post to go into exile.

Lucia Cardenal de Salazar, Member of the FDN National Directorate

Lucia Cardenal de Salazar is the widow of prominent Nicaraguan businessman Jorge Salazar Arguello, murdered by Sandinista security forces in November 1980. She was educated in Catholic schools in Nicaragua and the United States. During the revolution, the Salazars collaborated with the FSLN and harbored Sandinista militants who were being sought by Somoza's forces. Her husband, a top official of COSEP, played a key role in the civic opposition to Sandinista policies in late 1979 and 1980. He was a progressive leader whose popularity was rising when Sandinista security agents set him up and shot him allegedly for participating in a conspiracy. Following her husband's death, Mrs. Salazar fled Nicaragua and subsequently joined the FDN.

Marco A. Zeledon, Member of the FDN National Directorate

Marco A. Zeledon was a prominent businessman who played a leading role in private sector organizations. He has held key positions, such as president of the Nicaraguan Chamber of Industry, and served as member of the Board of Governors of the Central American Institute of Food Marketing and of the Financial Committee of the developmental organization FUNDE. He was a progressive businessman who was one of the first to promote constructive forms of interaction in decision-making among the private sector, the government, labor unions, and community organizations. He became increasingly active in anti-Somoza politics during the 1970s, and participated in a private sector initiative to persuade Somoza to implement policies that would result in a more equitable distribution of wealth. Zeledon went into exile after the Sandinistas confiscated his cereal business.

II. MISURA AND BLACK CREOLES

Wycliffe Diego, Coordinator of the Political Commission of MISURA

Wycliffe Diego is a Miskito Indian leader from the Atlantic Coast town of Puerto Cabezas. He was a Moravian pastor and an active member of ALPROMISU, eventually attaining the office of Coordinator. In 1974, he was jailed by Somoza for allegedly being a Communist. Like many other Miskitos, Diego initially supported the revolution but became increasingly critical of the FSLN's treatment of his people. In 1981 he fled into exile after the Sandinistas arrested numerous Miskito leaders. Although the FSLN officially disbanded MISURASATA, Diego collaborated with other members of the movement in transforming MISURASATA into an armed anti-Sandinista group. He was gravely wounded in an assassination attempt in 1982. He represents MISURA on the directorate of UNIR.

Steadman Fagoth Muller, Member of MISURA

Steadman Fagoth, a Miskito Indian leader, was an active opponent of Somoza. While studying biology at the National Autonomous University of Nicaragua in the early 1970s, he was arrested twice for his political activities. He became a member of the ALPROMISU organization which defended Indian interests. Following the revolution, he became a leader of the Sandinista-sponsored successor to this group, MISURASATA. He was that organizations's first representative on the quasi-legislative Council of State. Fagoth began to criticize Sandinista mistreatment of his people, and in February 1981 he was among a group of Indian leaders arrested for "counter-revolutionary activity." He was also accused of having been an informant for Somoza during his university days, but MISURASATA insisted that his collaboration had been at the behest of the FSLN. In May, Fagoth was released on the condition that he accept a lengthy scholarship in a Soviet-bloc country. He managed to flee to Honduras where he joined other MISURASATA members who were fighting against the Sandinistas. In 1982, he was wounded in an assassination attempt.

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Roger Hermann, Member of the Political Commission of MISURA

Roger Hermann, a young Indian leader from Puerto Cabezas, became active in MISURASATA in 1979 in the labor field. Two years later, when the FSLN attempted to coerce him into working for the secret police (DGSE), he chose to go into exile instead. He was elected to MISURA's Political Commission in 1983.

III. DEMOCRATIC REVOLUTIONARY ALLIANCE—ARDE

A. NICARAGUAN DEMOCRATIC MOVEMENT—MDN

Alfonso Robelo Callejas, Political Coordinator of ARDE, Head of the MDN

Alfonso Robelo was trained as a chemical engineer and served as director of the University of Central America in Nicaragua during 1970-72. He subsequently became a leader in the private sector and was president of the Nicaragua Chamber of Industries until 1975. For the following three years he headed the developmental institute INDE.

Rebelo's work with progressive, non-Somoza private sector organizations led him to a growing political role in the anti-Somoza movement. Following the assassination of Pedro Joaquin Chamorro Cardenal in early 1978, Robelo founded the Nicaraguan Democratic Movement (MDN), a political party of businessmen, industrialists, and professionals created to provide leadership for the opposition to the Somoza regime. As head of the MDN, he became an active member of the Broad Opposition Front (FAO).

One of the original five members of the GRN junta, Robelo resigned in April 1980, publicly stating his opposition to the Marxist-Leninist tendencies within the FSLN-dominated government and to the strong Cuban influence. His efforts at civic opposition provoked severe harassment by the FSLN, including Sandinista mobs vandalizing his home. Robelo fled into exile in 1982 and subsequently became a founder of ARDE. He serves as ARDE's representative on the Directorate of UNIR.

B. NICARAGUAN DEMOCRATIC UNION/NICARAGUAN REVOLUTIONARY ARMED FORCES—UDN FARN

Fernando "El Negro" Chamorro Rappaccioli, Leader of UDN/FARN, Commander of ARDE's Military Forces

Fernando Chamorro was a prominent anti-Somoza figure since the 1940s. He participated in numerous military operations against the regime, and he was repeatedly exiled or imprisoned by Somoza. During the revolution, he executed a spectacular rocket attack on Somoza's bunker from a room in the nearby Intercontinental Hotel. In 1979, he fought on the Southern Front. After the Sandinistas took power, Chamorro retired to private life. In 1981, he went into exile and organized the UDN/FARN. In September 1982, he joined in founding ARDE, but he pulled out in 1983. He rejoined ARDE in 1984, and became the commander of its military forces when Pastora withdrew that summer.

C. CHRISTIAN DEMOCRATIC SOLIDARITY FRONT—FSDC

Roberto Ferrey, Secretary General to the FSDC

Roberto Ferrey studied law at the National Autonomous University of Nicaragua and went on to do postgraduate work at Southern Methodist University in Texas. During his university years, he became a founder of the opposition student group, the Christian Democratic Front. In his law practice, he specialized in labor cases and frequently acted on behalf of unions affiliated with the Christian Democratic-oriented Latin American Workers Central (CLAT). Because of this involvement with strike actions, he was jailed several times by the Somoza regime. He become a key figure in the Social Christian Party, and went into exile in 1976 to participate in the struggle against Somoza. After the revolution, he returned to Nicaragua and became a legal adviser in the new Ministry of Justice. In July 1983, he resigned his post and moved to Costa Rica where he joined the FSDC.

D. NICARAGUAN DEMOCRATIC WORKERS' SOLIDARITY—STDN

Zacarias Hernandez, Secretary General of the STDN

Zacarias Hernandez was a veteran labor leader of the dockworkers union at the Pacific of Corinto. He had contracts with organizations such as the International Confederation of Free Trade Unions and the AFL-CIO, and the Somoza regime repeatedly arrested him for his efforts to promote free trade unionism. After the revolution, the Corinto union joined the Sandinista Workers Central (CST). The dockworkers grew dissatisfied with the CST, but when they attempted to switch their affiliation to a Social-Democratic confederation, Hernandez and other union officials were subjected to a campaign of harassment and intimidation. Hernandez fled into exile where he became a co-founder of the STDN.

E. SANDINO REVOLUTIONARY FRONT—FRS

Eden Pastora Gomez, Leader of the FRS

Eden Pastora was the FSLN's most renowned revolutionary hero and a senior official of the GRN until he broke with the Sandinista leadership in 1981 and eventually took up arms against his former colleagues. Pastora was reared in a conservative Catholic family, and his father was killed in 1942 by the National Guard for alleged subversive activities. In the 1950s, he studied medicine in Mexico, but later returned to Central America to join the guerrilla struggle against Somoza. By the 1970s he was in charge of logistics for the FSLN insurgents operating from Costa Rica and was the leader of the Sandinistas' Southern Front.

Pastora had gained wide fame in August 1978 when, as "Comandante Cero," he led the Sandinista unit that seized the National

Palace in Managua. That operation gained the release of 59 political prisoners, but its real significance was that it captured the imagination of the Nicaraguan people and allowed the Sandinistas to become the symbol of resistance to the Somoza regime. During 1979, Pastora led Sandinista troops fighting on the Southern Front.

Following the Sandinista victory in July 1979, Pastora became Vice Minister of Interior. In January 1980, he was reassigned as Vice Minister of Defense and Chief of the National Militia. He became increasingly disgruntled over the radical policies implemented by the FSLN and the heavy foreign influence in the revolution, especially the thousands of Cubans that permeated the government. In July 1981, he resigned his posts and went abroad. In April 1982, he publicly denounced the FSLN leadership for betraying the revolution and organized the FRS. That September, he helped to found ARDE. The following spring, he became the military leader of ARDE's forces when it initiated military actions in southern Nicaragua. He has opposed any alliance with the FDN.

Jose Davila Membreno

Jose Davila studied economics at the National Autonomous University of Nicaragua and went on to do advanced work in economics and development in West Germany. He was active in student politics and later became a senior officer of the Social Christian Party (PSC), one of the main opposition groups to Somoza. Following the revolution, he served as the PSC's delegate to the quasi-legislative Council of State. In 1981, he became secretary of the civic opposition umbrella organization, the Democratic Coordinating Board. The following year, he went into exile and helped form the Nicaraguan Association of Democratic Unity (ANUDE). In 1983, this group split and Davila went with the faction that founded the FSDC. That September, the FSDC formally joined ARDE. When the FSDC elected to join other ARDE groups in entering a coalition with the FDN, Davila left the FSDC to work with Pastora's FRS.

Donald Castillo

Donald Castillo was a principal labor leader and held key positions in Social Christian-oriented labor confederation, the Nicaraguan Workers' Central (CTN). He was a staunch opponent of Somoza and actively supported the FSLN during the 1970s. In 1976, he was expelled from Guatemala for arms smuggling. After the revolution, he became the CTN's delegate to the quasi-legislative Council of State. He became increasingly disillusioned by the Sandinistas' unfair labor practices, and in mid-1981 served as the coordinator of a civic opposition group which held a dialogue with the FSLN in an unsuccessful effort to resolve national problems. He subsequently went into exile where he became a co-founder of the STDN and joined ARDE. When the STDN supported the decision to form an alliance with the FDN, Castillo left the organization and collaborated with Pastora's FRS.

F. MISKITO, SUMO, RAMA, AND SANDINISTA UNITY—MISURASATA

Brooklyn Rivera Bryan, Leader of MISURASATA

Brooklyn Rivera, a mathematician, is a Miskito Indian leader from the Sandy Bay area of Nicaragua's Atlantic Coast. He initially supported the revolution against Somoza and was a founding member of MISURASATA when it was established by the Sandinistas in 1979. He grew increasingly disenchanted with the FSLN and began to protest Sandinista repression of Indians. In February 1981, he was among the Indian leaders arrested, accused of "counter-revolutionary activity." He was released after two weeks, but he continued to criticize FSLN efforts to nationalize Indian lands and culturally assimilate the Indian population, and he was forced to go into exile later that year. In 1982, he became the leader of Indians who organized a separate MISURASATA faction in the south.

GLOSSARY

ALPROMISU—Alliance for the Progress of Miskitos and Sumos.

ANUDE—Nicaraguan Association of Democratic Unity.

ARDE—Democratic Revolutionary Alliance.

CLAT—Latin American Workers Central.

COSEP—Supreme Council of Private Enterprise.

CST—Sandinista Workers' Central.

CTN—Nicaraguan Workers' Central.

DGSE—General Directorate of State Security.

FAO—Broad Opposition Front.

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FARN—Nicaraguan Revolutionary Armed Forces.

FDN—Nicaraguan Democratic Force.

FRS—Sandino Revolutionary Front.

FSDC—Christian Democratic Solidarity Front.

FSLN—Sandinisto National Liberation Front.

FUNDE—Nicaraguan Developmental Foundation.

GRN—Government of National Reconstruction.

INDE—Nicaraguan Developmental Institute.

INPRHU—Human Development Institute.

MDN—Nicaraguan Democratic Movement.

MISURA and Black Creoles.

MISURASATA—Miskito, Sumo, Rama, and Sandinista Unity.

PLI—Independent Liberal Party.

PLN—National Liberal Party.

PSC—Social Christian Party.

STDN—Nicaraguan Democratic Workers' Solidarity.

UDN—Nicaraguan Democratic Union.

UNIR—Nicaraguan Unity for Reconciliation.

Mr. MOYNIHAN. Mr. President, the distinguished manager of this portion of the legislation is on the floor, as is the chairman of the Select Committee on Intelligence. I would like to direct a question, preceded by a statement.

May I say to the Senator from Alaska that we are discussing on the floor of the Senate classified matters of the greatest sensitivity. That is to say, statements about classified matters are being made which this Senator believes to be incorrect. But to debate such matters fully in the open would be to reveal what we are bound not to reveal. And that puts at a disadvantage those who disagree with some of the statements being made.

Mr. President, if the Senator from Alaska could just turn my way for a moment, a quarter turn.

Mr. STEVENS. I am listening.

Mr. MOYNIHAN. I have here the report of the Senate Select Committee on Intelligence accompanying the intelligence authorization bill for fiscal year 1985. It is labeled "Top Secret, Codeword."

Now, this report has been filed for sometime now. We have hoped we would have an authorization bill, as we have had each year since 1979. For the first year since then, there is no bill. The distinguished chairman and I both wrote the leaders this morning asking, "Are we not to have an authorization bill?"

But, I say to the Senator from Alaska, I do not know how I am to debate the contents of this measure at the moment. And that is what we seem to have chosen to do.

Mr. WALLOP. Will the Senator yield for a question?

Mr. MOYNIHAN. I am happy to.

Mr. WALLOP. I know of nothing that has been classified that the Senator from Louisiana said nor that the Senator from Hawaii has said. Since only one other person has spoken, I assume the Senator from New York is referring to the Senator from Wyoming. I wonder if you can enlighten me as to what you mean.

Mr. MOYNIHAN. This is the problem I raise. I have some disagreement with some of the statements made by the Senator from Louisiana.

The PRESIDING OFFICER. The Senator will refrain for 1 moment. The Senate will be in order.

Mr. MOYNIHAN. Would the Senate have the kindness to pay attention?

I would disagree with some of the statements made by the Senator from Louisiana. I would have more specific disagreements with the Senator from Wyoming. But to make my case contrary to their statements, I would have to discuss matters in a top secret report to this body, which I cannot do because we are here in open session.

Mr. STEVENS. Will the Senator yield?

Mr. MOYNIHAN. I am happy to yield. I hope I am yielding for some resolution.

Mr. STEVENS. Mr. President, I might suggest this is not the place to debate the report of the Intelligence Committee.

Is the Senator saying that the comments that are in the RECORD so far are classified beyond that report?

Mr. MOYNIHAN. I am saying that representations have been made as to the nature of our involvement in the area we are discussing which do not comport with the specific content of this report. Yes; I am saying that.

Mr. STEVENS. Mr. President, the Senator addressed the question to me, and I would just say this: It appears to me that, in order to discuss an item which places a limitation on a classified program, it is necessary to skirt quite closely to classification. I have in my hand a completely sanitized question and answer response so that this Senator would not go beyond classification in responding to any question you want to ask about Nicaragua. I think the Senator from Wyoming has a similar concept in terms of what he has done.

The mere fact that the subject matter that is discussed in that report that the Intelligence Committee has classifed is discussed in these comments which are totally not classified by those that have the authority to classify documents, is, in my opinion, no reason to say that there has been classified material discussed on the floor.

As a matter of fact, the Senate of the United States does not have the authority to classify documents. We do maintain classification that is given to us by the executive branch. But right now we are talking about limitations raised by the Senator from Hawaii, and legitimately so, saying that there should be a phasing out of moneys that are contained in a classified portion of this bill that is before us. He has raised it in an honorable way without disclosing any classified material.

This Senator has not heard anything yet on the floor of this Senate that has invaded the sphere of classification. And I have tried to listen. Though I may not look at everyone, I do try to listen to what is going on because this is touchy. And I think we have done our best.

I would urge the Senate to realize that we are dealing with classified areas. They could affect the lives and certainly the future of a great many people. Therefore, I would urge the Senator to address the issue of the Senator from Hawaii's amendment and not the issue of classification because I disagree with the Senator as far as the extent to which we have gone today.

Mr. MOYNIHAN. Mr. President, I hope the Senator from Alaska is not suggesting that I misrepresented my views on this matter or spoke in a way that would not be warranted by the facts as I understand them.

Mr. STEVENS. Mr. President, the Senator from Alaska is saying to the Senator from New York that his understanding of what is classified is I feel colored by the classification of the report of the Senate Intelligence Committee. And I am responding by saying that everything I have heard on the floor so far is contained in information we have asked for and received from those people who are involved in the classification process concerning the questions that are before us. They have been sanitized and they contain no classified material. I would be happy to show the Senator if he would like to see them.

Mr. MOYNIHAN. Mr. President, I see the Senator from Hawaii has arisen. I will yield the floor, but I will accept the offer of the Senator from Alaska. But I would like the Senator from Alaska to understand that we have taken the affairs of this committee with great care and solemnity. We have prepared on time our materials. We have asked to come to the floor. We have been prepared for a closed session. I do not say this has been denied us, I simply say this has not happened. That leaves those who will represent things as being other than I think they are the opportunity to say that and denies this Senator the opportunity to reply.

Several Senators addressed the Chair.

The **PRESIDING OFFICER** (Mr. WALLOP). The Senator from Hawaii.

Mr. INOUYE. Mr. President, In order to clarify and clear the air, may I suggest that we go into a quorum call very briefly, protecting the right of the Senator from New York, as far as his right to the floor.

I suggest the absence of a quorum.

Mr. STEVENS. Mr. President, I do not think the Senator from New York has the floor.

Mr. INOUYE. I have the floor now.

Mr. KENNEDY. Will the Senator withhold that so I would be able to address the amendment so we may at least be able to proceed with the debate and discussion? I have some

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comments that are not directed toward the issue which has been raised now between the Senator from New York and the Senator from Alaska.

Mr. INOUYE. This clarification will just take a few minutes. We have the classified document.

Mr. KENNEDY. I just wanted to make some general comments, if I could.

Mr. INOUYE. I yield to the Senator.

Mr. KENNEDY. Mr. President, I hope the Members of this body will support the amendment of the Senator from Hawaii. I intend to do so, because I believe this amendment will mean an end to the covert war, the President's war in Nicaragua, I had intended to offer the Senate with my colleague, Senator BINGAMAN, from New Mexico, a similar amendment that would also terminate funding for the secret war.

I do not intend, to delay the Senate a great deal to debate this issue. So I would like to make some comments on that in support of the Inouye amendment, and I think that would support the amendment the Senator from New Mexico and I would have offered. Make no mistake, the Senator from Hawaii's amendment will put an end to this illegal war.

Mr. President, in listening to this debate this afternoon, if one were not entirely familiar with the Inouye amendment, one might think that we were passing a sense-of-the-Senate resolution commending the Sandinista government. We have heard the Senator from Louisiana discuss the recent history of the repressive activities of the Sandinistas in Nicaragua, the denial of freedom of assembly, the denial of freedom of religion. We have heard the attack on the Sandinista government for failing to respect the freedom of the press. Then we heard another Senator comparing what is happening in Nicaragua, with what is happening in Afghanistan.

Mr. President, the issue is American involvement in overturning an indigenous government in Nicaragua. That is basically and fundamentally wrong. It is wrong under international law. It concerns activities which this body has not yet approved, it is a policy which is ineffective because it strengthens the repressive forces in Nicaragua, and it has not been successful in achieving what those who have supported this measure have felt that its purpose was; namely, interdicting the arms flow into El Salvador.

I daresay those who want to continue support for the contras ought to be making the positive case for continued support rather than just reciting and repeating the repressions which exist in Nicaragua today, which all 100 Members would unanimously condemn.

Mr. President, if we were to follow the logic of those that have opposed the Inouye amendment, we would be funding a secret war in Libya. Why not do that? We have read news reports suggesting that there were assault teams being supported by the Libyans that were going to attack the President of the United States. That seems to me to be more outrageous than even the violations of human rights or the violation of church rights in Nicaragua.

What about undermining the Syrian Government? They are sheltering the terrorists, who may be responsible for blowing up the marine barracks in Lebanon according to the administration. Why are we not undermining that government with its record of heinous activities and the righteousness of our particular cause against those who were involved in the brutality, the terrorism, the violence, and the assassination of brave young Americans? Why are we not doing that this afternoon? Why are we not having a street war in Iran after their humiliation of the United States in holding the 53 brave Americans, all of whom returned safely to the United States I might add? Why are we not supporting a war there? Why are we not conducting a secret war in Cuba for all the reasons that have been outlined by those that have spoken against the amendment of the Senator from Hawaii this afternoon? Why is there not ample justification for all of those? Why are we not sending Americans and American taxpayers' money all over the world trying to police the world?

I thought we had learned, Mr. President, that lesson in recent times.

Mr. President, it has not been an effective policy and the logic of their argument cannot stand any fair evaluation of the facts.

This war ought to be ended, and it ought to be ended now. I applaud the amendment of the Senator from Hawaii in ensuring that we will see an end to the support for the Contras, many of whom are not as interested in fighting for freedom as they are in plundering their countryside. We hear talk about how we had to fund freedom fighters in Nicaragua. Who was funding freedom fighters in the United States at the time of the American Revolution? Who was funding them? But we have to pour out American taxpayers' money on a war which is illegal, on a war which has been ineffective, and a war which has actually strengthened those that we find are perpetuating the greatest kinds of violations of the kinds of values which we hold dear.

Mr. President, I say that enough is enough on this issue and this war. We have had an opportunity in April of last year where 30 Senators voted for peace. In June we had 43 Senators who voted for peace. Now is the last chance for the Senate in this session to vote again for peace.

I hope that the Senate will support the Inouye amendment.

Mr. EAST addressed the Chair.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. EAST. Mr. President, I appreciate the opportunity to speak briefly in opposition to the Inouye amendment with all due respect for the very distinguished Senator from Hawaii.

First, as regards the remarks of the Senator from Massachusetts, I would remind him that France did help us in the American Revolution, and he queries why we do not——

Mr. KENNEDY. The French helped the patriots in Massachusetts? Mr. Senator, that is a new note in history.

The PRESIDING OFFICER. The Senator from North Carolina has the floor.

Mr. EAST. I have the floor, and I would like to comment. The Senator was suggesting that no one helped us in our efforts, and I was simply reminding the Senator as a matter of historical fact that France did help the United States during the American Revolution as well as some other European powers.

Second, the Senator raises the interesting point, why are we not doing something perhaps to undermine the government of Qadhafi or undermine the Government in Syria, or to undermine the Government in Cuba. I would agree with the Senator. It is probably a good idea. Let us put this in a little broader perspective. Under Marxist-Leninist thinking, the rationale goes like this. This is the dimension that Lenin added. He said the revolution will not take place in the major industrial powers as Marx envisioned it in the United States and Western Europe, but in the Third World. This is where the protracted conflict will take place and that the motherland of the revolution, the Bolshevik revolution in Russia under Lenin in 1917, will find proxies in the underdeveloped or soft underbelly of the world, as they put it, to take this protracted conflict through wars of subversion. Then what you are to do is take the soft underbelly, and then the ripe fruit of North America and Europe—the major industrial powers—would fall. That is precisely the strategy they have used. The Soviet Union uses the PLO and Syria as surrogates in the Middle East. They use their surrogates in Africa. They are using Cuba in Africa and Central America, and they are using Vietnam in Southeast Asia.

To get back to the contra aid, I think Senator JOHNSTON has stated the case extremely well.

Here we have a very legitimate effort of a broad-based group trying to reverse that trend, and for us to ignore it in every circumstance I think is to revert to the isolationism of the 1930's. As Jeane Kirkpatrick said a little while ago, it is not a matter of being hawk or dove, but a matter of being an ostrich as to what is occurring in the world.

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We are in a great protracted conflict with the Soviet Union which is using its surrogates in soft underdeveloped parts of the world to take these areas, and the ultimate goal is to get the major industrial powers—Japan, the United States, North America, generally, including Canada, and Western Europe—in a position where you simply tighten the vise.

That in the broadest global perspective is what is occurring. That is occurring in Central America.

You have the Soviet Union using Cuba and Nicaragua for the purpose of subverting the Caribbean Basin and bringing it under Soviet control and its enemies, and this is occurring right in our own hemisphere.

If we play ostrich in our own hemisphere, I dare say we are not showing any sensitivity. We are playing ostrich to what is occurring generally in the world of today.

The covert war, the guerrilla war, is the modus operandi today, and not to understand that is to not understand the fundamental datum of the Marxist-Leninist strategy of the 20th century.

We do not seem to see the forest for the trees. We treat this thing as a very modest thing.

The Contras are a broad-based group, with democrats, with a small "d," that wish to betray the revolution that went on in Nicaragua. They seek a democratic government.

Duarte, who now heads a democratic government in El Salvador, has called for aid for the Contras. Mr. Brzezinski, former security adviser to President Carter, this past Sunday on the show "One on One," said, "Yes, we have to aid the Contras. We have to keep the pressure on." We cannot play ostrich any longer.

Senator Jackson, a Democrat, former Member of this body, talked about the Caribbean Basin Initiative, one of the prime movers in it. He along with Henry Kissinger talked about the need for a military shield behind which you could build the viable elements to the growth of a viable democracy, the political institutions, the economic institutions.

What is occurring in Nicaragua is that Nicaragua is being used to destroy the economic infrastructure, the social infrastructure, of El Salvador, a democratically elected government, to destroy it, to bring in a Marxist-Leninist dictatorship, and then press on to the other countries in this area with the ultimate goal of turning the Caribbean Basin into an area of primary Soviet and Cuban dominance.

That threatens the security and the well-being of not only our friends and allies in this hemisphere, but ultimately jeopardizes our own freedom and security.

I agree with Jeane Kirkpatrick, to ignore that is to play the role of ostrich. It is isolationism. It is deja vu the 1930's when we thought we could simply ignore threats from the totalitarian right, in that case the march of Adolf Hitler.

I sense, regrettably, in the U.S. Congress and in the Senate and in this amendment in particular what I would call a lack of understanding that that is what is occurring in the world, and the leaders of the Free world in grappling with it and coping with it.

It is such a modest proposal, simply to aid democratic movements trying to reverse the tide that has clearly been running against us in recent decades. It is imperative that we keep the pressure on, as Brzezinski said, that we keep, yes, the military solution on.

As Duarte noted when he was here, if you have two armies facing each other and one is armed and one is unarmed, the armed army will win. He is saying that is what is occurring in Central America.

Again, let us not play ostrich. Let us again understand, first, in the total global concept, what is the Marxist-Leninist end, and how does the Contra movement as one small tree in Central America fit into that overall plan? We are trying to reverse that trend, and it is right in our own hemisphere.

So with all due respect to the distinguished Senator from Hawaii, who I have noted before on the Senate floor fought in World War II, fought against an armed ideology, would it have been possible to have said in World War II, as Neville Chamberlain did, "Let us negotiate, let us find a 'poltical solution'"?

But an armed ideology that seeks to expand itself through military means? What alternative do you have.

The Senator from Hawaii was distinguished and with great bravery in World War II, obviously paid a price as a part of that need to militarily respond to the armed challenge, the military challenge, of an armed ideology. That is the great threat we face today. The two great threats to Democratic ideals and values in our time, in the 20th century, have been from the totalitarianism of nazism and the totalitarianism of communism. We would have ignored both at our peril.

If we had not defeated the swastika 30, 40, nearly 50 years ago now, we would be living conceivably under a very different system, and I might note not a very pleasant one, in which Buchenwald, Dachau, and Auschwitz would have been the great political symbols of our time, just as where the Soviet Union prevails, the gulag.

Those are the two great political obscenities of our time, the two great political cancers of the 20th century, symbolized in Buchenwald, Dachau, and Auschwitz in the case of Germany, and the gulag in the case of the Soviet Union.

That is the challenge we face in the broadest context.

In the case of the Contras, it is a modest effort to try to reverse that trend. I hope we will send a signal through this measure of not denying them all aid, that we are willing to bear the responsibility of responding to the challenge.

I hope this amendment is defeated, not only defeated, but again, as I have said before on the floor here in another context, I hope it is overwhelmingly defeated, not out of disrespect for its sponsors, for whom I have the highest personal regard, but to show that the U.S. Congress understands globally what is occurring and understands that the contra effort is a small portion of our whole need, worldwide, to reverse a tide that is running against the United States in Central Amercia, in Africa, in the Middle East, and in Asia.

I would say this, finally; If we will not reverse this trend in our own hemisphere, where do you propose we do it? I guess the answer in rhetorical: We shall not do it at all.

The Soviet Union and her surrogates have the run of the shop.

I submit the world is finite, geographically.

I am going to end on this observation. Aleksandr Solzhenitzyn, one of the great prophets of our time, said he did not think the Democratic West had read the "Communist Manifesto." That was the original document written in 1848 by Marx and Engles. I do not think they have read it. I do not think they have read "State of Revolution" by Lenin. If they had, they would understand what is the driving force behind this armed expansionist ideology that will not be content until its system is imposed on the rest of the nations of this planet. I hope the Senate and the Congress in 1984 do not fail to understand and do not fail this test because, if we do fail, Mr. President, I submit by the turn of the century we will have jeopardized severely the freedom and security not only of our country and own generation but that of our children and our grandchildren to come.

I hope, Mr. President, this amendment is overwhelmingly defeated. I yield the floor.

Several Senators addressed the Chair.

The **PRESIDING OFFICER.** The Senator from Alaska is recognized.

Mr. **STEVENS.** Mr. President, we now have been on this amendment for 2 hours and we have a long night ahead of us. I know there are other Senators who wish to speak, but the Senator from Mississippi has requested that I explore some kind of very short time limitation so that we can get on with voting. It is our intention to vote up or down on the amendment of the Senator from Hawaii. We know there are other amendments coming right after this.

Mr. **MOYNIHAN.** Will the Senator yield for an observation?

Mr. **STEVENS.** May I inquire if there would be a problem if we set a time limitation of 20 minutes?

The Senator from Louisiana says not even that much.

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I see two Senators who want to speak. Could I inquire, how long does the Senator from New York wish to speak?

Mr. **MOYNIHAN.** Mr. President, may I say that I am not prepared to have a time limit at this time, but I mean to speak about 15 minutes. I believe my friend, the Senator from New Mexico, needs less.

Mr. **BINGAMAN.** I need about 5 minutes, Mr. President.

Mr. **MOYNIHAN.** And the Senator from Minnesota.

Mr. **STEVENS.** I urge Senators, we have another amendment on the same subject.

Mr. **MOYNIHAN.** Mr. President, I have not spoken yet, and I want to speak for 15 minutes.

Mr. **DURENBERGER** addressed the Chair.

The **PRESIDING OFFICER.** The Senator from Minnesota is recognized.

Mr. **DURENBERGER.** Mr. President, when we debate whether to terminate assistance to the armed resistance in Nicaragua, we are really raising a host of questions, and not just one question alone. On many, if not most, of these questions, I share the concerns and the fears of those who argue for termination. But overall, that this is the worst of times to tell the Nicaraguan people that the United States is abandoning their revolution to the perversion of the Sandinista junta which has taken it over.

Mr. President, the Senator from Massachusetts asked some very good questions in a rhetorical sense a little while ago: Why are we not attacking the Government of Libya? Why are we not attacking the Government of Lebanon? Why are we not attacking all these other governments? By comparison, putting the issue of the Contra activity in Nicaragua, in that context it strikes me that we face a somewhat different situation.

We find ourselves today in the unusual situation in Nicaragua of supporting a government in exile, if you will, within a country while at the same time we have officially recognized a government that we do not support in that country. There literally are two governments in that country.

As the Senator from Wyoming pointed out from the material that he asked be printed in the RECORD earlier when you look at the leadership of the guerrillas, the Contras, or whatever; when you look at their political leadership when you look at a lot of their military leadership today, you find they were all part of the July 1979 revolution. Many of them were part of the first government and for several years were a part of that government which we recognized. So in effect today we find ourselves in the position of saying to Daniel Ortega and the government in Managua, "We recognize you but we also recognize your former friends and associates who are off in the bush and who would like to get together again."

They all like the idea of the original revolution. What brought them all together is they did not like Somoza and they did not like 50 years of this cabal between the United States and the Somoza family and a whole lot of other people, and they were united in that common goal. In July 1979, with the help of people all over the hemisphere, Somoza left. But over the period of a couple of years, so did a lot of the revolutionaries. And today a lot of them are back. Some of them went back directly at our invitation because we constructed this program that so many of us opposed in the beginning and today I find myself defending, this so-called covert action, if you will.

They went back under the guise of an American undercover operation that within 1 year was discovered on the front pages of our magazines and ever since then has been ridiculed in this place. It brings us together in great conflict as people who normally would not disagree on these issues as though the decisions we were making today over a few million dollars were going to change the world.

But I ask my colleagues to consider that it is very difficult for me or anyone else who opposes the Senator from Hawaii to stand up and tell you exactly where every one of those dollars is going to be spent and what they are going to achieve. I find myself in the same position today as I was in June of this year, saying I do not care how many dollars are going into this program; what I care about is those people who have gone back into their native country because they believed and still believe in that original revolution. That revolution has been sold out by the people that today pretend to be the Government of Nicaragua.

What are these people we call contras? They are guerrillas. And as we have heard on innumerable occasions, guerrillas are like fish who swim among an ocean of supporters. These guerrillas are growing in numbers and in importance, not because American money buys them boots, but because Nicaraguans are supporting them as a means to express their growing despair with the junta and the hope for the future which brought them to support the 1979 revolution.

The people in Nicaragua are daily confronted with mounting evidence that their revolution against one band of thugs was stolen by another. Their opposition is growing, and their hopes that conditions will change are being given serious expression by guerrilla leaders who, in many instances, were heroes of the revolution against Somoza. One sight of this is the recent defection of an entire Nicaraguan Army battalion, complete with its arms, to the insurgency.

If people in this country continue to believe that those who replaced Somoza are any more popular than Somoza, I urge them to read the article by Robert Leiken from The New Republic which I placed in the RECORD last month.

By the time I reached the floor, somebody must have put Robert Leiken's story in the New Republic in the RECORD again today.

My colleague from Louisiana probably did that.

Mr. Leiken, a respected and objective observer who authored an alternative to the Kissinger Commission recommendations, was led to conclude—despite his own hopes—that the principal policy of the Sandinistas is a policy of hoax and coercion. He offered abundant and overwhelming evidence that the people in Nicaragua are bitter and unhappy about their plight, and that they blame the FSLN, not the United States or the Contras, for their diminishing freedoms and their material squalor,

I argued last June, when we were considering a comparable amendment, that we make a mistake if we think that the issue involved here is U.S. support for the guerrillas whom we have pejoratively labeled "contras." The issue instead is whether Nicaraguans will ever be permitted to achieve their own destiny, and to live in peace with their neighbors.

The people opposed to the policies of the FSLN gang are not counter-revolutionary; they are frustrated heroes of the struggle against Somoza in many, many cases. That is why the guerrillas are gaining more and more support from inside Nicaragua. It is why, as Mr. Leiken found, they are not being called "contras" by the Nicaraguans, but rather, "los muchachos"—"the boys"—a term of affection once reserved for the anti-Somoza guerrillas of prerevolutionary days.

We make a terrible mistake, Mr. President, if we think, that the revolution against Somoza was a Sandinista affair. The FSLN was only one of several factions aligned against Somoza, just as the Bolsheviks were a minority in Russia's revolution against the Tsar.

In short, Mr. President, many of those who suffered under Somoza continue to suffer. Many of those who were martyred in the revolution were martyred in vain. Somoza fled Nicaragua, but his political heirs are in power now, masquerading as liberators. It is an old tale, but no less sad for being old.

The bishop of my State used to run the U.S. Catholic Conference at a time when the U.S. Catholic Conference seemed to be very confused about what was going on in Central America. He returned a couple of weeks ago from 3 or 4 very intensive days in Nicaragua trying to mediate between the members of the same religious faith.

It is not up to me to stand on the floor of this Chamber and say what his position or the church's position or the bishop's position is. But let me tell

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you, Mr. President, it is very different today from what it was 2 years ago, as is the view of all of us on this issue very different today.

The revolution of 1979 was not the sole property of the FSLN and its leaders. It was a national event, not a partisan event, and it involved the vast majority of Nicaraguans. So it is simply incorrect to assume that the insurgents who have taken arms against the Sandinista dictatorship—and who have repeatedly offered to lay down their arms if they can be guaranteed the basic political rights promised by the FSLN—are somehow counterrevolutionaries. They are not. The word "Contra" is a Sandinista perjorative unfortunately adopted by all of us. But it abuses their nationalism. The people are the voice of Nicaragua's future, and they are speaking against Nicaragua's past—a past which did not change when one gang fled and another moved in.

So what message do we send the Nicaraguan people if we terminate our assistance to this voice? I submit, Mr. President that we send them the traditional Yanqui message: "We don't care how abusive your Government is; just don't inconvenience us." We have sent that message throughout the past, with Marines and with support for a thug and a thief who strutted about in a uniform. Shall we send it still again because we are continually disappointed by the way our own Government has managed our relationship with them in the past.

The Contras by themselves cannot overthrow the FSLN, Mr. President. But a wave of opposition in Nicaragua, linking passive dissent with the insurgency, can make very clear to the FSLN that it had better begin to keep its promises unless it too, like its Somocista forebears, wants to risk the wrath of an entire people.

Let me be clear about this. Cutting off aid to the guerrillas is not a matter of denying bullets to insurgents. It is a matter of denying a future to a people, for the insurgents are a tangible reminder that the Nicaraguans still await the future promised by their revolution. A Nicaraguan civil war can be avoided by a simple expedient: the FSLN junta can deliver on the promises that were made to the Nicaraguan people and to the international community in 1979. If they don't, support for the guerrillas will grow. If they do, support will fade as people get on with the real business of life—building a future.

This brings me to a second concern often raised by critics of our program: that it is ineffective, and that it has yet to show any significant results in terms of its original justification.

Mr. President, I agree with the second portion of that criticism, and with most of the first.

We can't show that the insurgents have captured large amounts of arms bound for El Salvador, because they haven't. We can't argue that they have somehow cut the massive flow of material from Cuba and the Eastern bloc, for obviously they haven't and they may never have intended to do so. We can't even conclusively prove the reasonable contention that the insurgents are forcing the Sandinistas to divert some of their resources away from still greater repression and militarization of Nicaragua, although I believe this is the case.

So in all these respects, Mr. President, the plan of action laid out by the administration has not demonstrably accomplished the goals it was supposed to accomplish.

Does this mean, however, that our program should be terminated as a failure? Not at all. It is a success, but it is a success for reasons we never dreamed of. And the credit for its success belongs in the hands of the Nicaraguan people themselves, and not in the hands of policymakers or Senators here in Washington.

Simply put, Mr. President, the situation is this: Our program is a success despite itself. It has been saved by a lot of courageous people in another country, and not by anybody here in Washington. And it merits our support not because our overall policy merits support—there are few here who could really describe just what our policy is—but rather because the situation on the ground has altered the terms of debate here in Washington. It is that shift in the terms of debate which really has to be understood.

It is occasionally argued that the entire thrust of our program is to cynically fund a bunch of mercenaries for our own narrow ends, and damn the consequences. If we need to cut them loose, after all, who cares about mercenaries?

Regardless of what people may have intended, or what people may now think, it has not turned out that way. The issue here is not pawns, it is people; it is not mercenary soldiers, it is mobilized citizens.

If the insurgents were just mercenaries, do you really think they would continue to fight on? Do you really think that thousands of Nicaragua's 2.5 million people would take up arms against a truly popular government, when proportionally far fewer Salvadorans have taken up arms against theirs? Do you really think that mercenaries would continue to live in the conditions they now live in, when they could easily run off to the condominiums in Miami or Mexico City? Do you really think that mercenaries would remain committed in the face of a funding freeze and a continuing debate in the United States? Do you really believe that the Contras are mercenaries?

These people are not mercenaries, Mr. President. They are guerrillas swimming in a popular sea. They are not isolated from the people of Nicaragua; they are the people of Nicaragua.

Let me again emphasize that our own plans have had little to do with what has evolved inside Nicaragua. We began this whole exercise in a quest to substitute action for analysis and a paramilitary program for policy. That is why the Intelligence Committee so overwhelmingly rejected the first proposal. But, for reasons that have nothing to do with our own competence, and everything to do with the excesses of the Sandinistas, a program has emerged which is successful—but successful in terms of something different than we think.

The program which has evolved is successful not in terms of interdicting arms, but rather in terms of pitting a future against an entrenched past. And those who live in the past are beginning to face up to the present and move toward the future, for they know full well that a people who are aroused cannot be bought off with words alone.

That is why the FSLN has become a bit more tractable. It is why Sandinista spokesmen now hint at ending their support for Salvadoran insurgents if we will cut the Contras loose. It's why the FSLN has begun to court genuine democrats like Arturo Cruz, hoping that he will run in this November elections. It's why the Sandinistas have agreed to the draft Contadora treaty. They are moving in this direction, Mr. President, because they know that if they do not begin to adapt they will collapse.

All of these developments are occasions for hope. But they are not occasions for a declaration of victory. Much remains to be done if tentative signs are to become tangible realities. For instance, the elections need to be run under circumstances that make them meaningful, and this might mean a delay to give Mr. Cruz and others the chance to organize, speak and campaign freely. The draft treaty needs a great deal of work, a point made convincingly in today's Christian Science Monitor. Until such things are done, we are dealing only with Sandinista words, not actions.

So we have not seen the end of perfidy from the regime in Managua. As Winston Churchill once put it, we have not even seen the beginning of the end. But we may be witnessing the end of the beginning. Movement may be underway.

But continued pressure is the only thing which can guarantee this. The Sandinistas are not stupid. They can count as well as anyone else, and they understand better than most that opposition does not become open unless conditions harden, so they know that it is in their power to forestall a crisis by making concessions. But they also know that they won't have to do this unless the numbers run convincingly against them—unless their mobs and block committees and security police and armed thugs face an incipient revolution from within. If that revolution dies aborning, things will not change, except for the worse. If that revolution shows potential—if the Sandinistas can count numbers—then there is every prospect that the recent hopeful signs will become tangible policies as the FSLN chooses to bend rather than break. That would be in everyone's interest.

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Continued pressure from within their own country is the only way this will happen. And it will not occur because the United States somehow wills it, but rather because the people of Nicaragua insist on it. The only role we can play here is the role of spoiler, not stage manager.

I can think of nothing, Mr. President, which will so demoralize the democratic opposition, and so embolden the Sandinistas in the waiting game they are playing, as to have the United States act as spoiler by cutting off the modest aid we have provided to Nicaraguan freedom fighters. I can think of nothing surer to cripple the prospects for Sandinista flexibility at Contadora and decency at home than the demoralization of the opposition which has thus far forced the FSLN to pay lip service to reason and reform.

Let us not delude ourselves, Mr. President, that a denial of U.S. aid will end the conflict among armed people in Nicaragua. It won't. The insurgents are perfectly capable of getting support elsewhere—and support without U.S. strings attached. The issue here is not the military situation in Nicaragua, it is the political situation, and it is that situation which we will cripple if we act as spoiler.

And let us not delude ourselves, Mr. President, that we are dealing here with the tar baby image which was so often invoked 20 years ago. We aren't. We are not compelled to continue with funding because we somehow can't figure out how to stop. Instead, we have the choice to continue funding, and in so doing to give continued support to a program which has begun to pay off—for the Nicaraguan people and for us as well—because of the courage of the Nicaraguans.

We might be debating the tar baby image, Mr. President, except for one thing: We were saved from our own folly by the transformation of our policy by the people of Nicaragua. Ironically, our assistance is making possible their own policy—a policy which serves us as well as them.

I conclude with the same plea, therefore, that I made last June: Let us not pull the rug out from under an incipient revolution. Let us recognize that this program, and our larger policy, have been poorly handled from the outset, and let us pledge that this kind of performance will not occur again. But let us refrain from punishing others for our own failures, particularly when our failures have been diminished and made insignificant by a success for which we can claim precious little credit, but for which we must demonstrate a sense of responsibility.

So I say to my colleagues who tend to think, as the Senator from Massachusetts does, that a government in Nicaragua is like a government in any other country, it is not. It really is not. This is an unusual situation we face, and somewhere along the line, as I said at the end of my comments in June, we all have to trust somebody to represent the U.S. position with regard to this issue. That is a most difficult undertaking, as the Presiding Officer knows, and the chairman of the Intelligence Committee, and the ranking member of the Intelligence Committee, who is on his feet now. This is a most difficult undertaking.

It seems to me that that undertaking is one we should consider seriously before we send a signal to 10,000 Nicaraguans who call themselves Contras, who are called by other Nicaraguans "muchachos"—not Contras, not counterrevolutionaries, but muchachos, a little boy, the brothers, the folks of the original revolution.

There is great expectation among Nicaraguans that something can be done in that country, and part of that something, I suppose, is going to be financed in some fashion by the activities that the Senator from Hawaii asks us to terminate.

I apologize for talking at this length. I do want my colleagues to consider that this is not an easy issue; that I do not come by my conclusion easily; that it was arrived at only in the 10 to 12 months, but I feel it very strongly, and I hope they will vote to defeat the amendment of the Senator from Hawaii.

Mr. BINGAMAN. Mr. President, I will speak for only 4 or 5 minutes, to restate my support for what the Senator from Hawaii is attemping to do here with this amendment.

I have spoken several times before on the floor of the Senate on this issue. I believe very strongly that the course we are pursuing with our continued support of this secret war, covert action, or whatever name one would like to use, is a mistake. In my view, this is a sad chapter in the history of this country and will be seen as a sad chapter when the history of this period is written.

The issue here is not whether the revolution that occured down there has been marked by disappointment or disillusionment, as my good friend the Senator from Louisiana has alleged. I agree with him that, in many respects, the revolution there has been marked by disappointment and disillusion, but that is not the issue. The issue is not whether the Sandinistas mistreated the Pope on his visit to that country, although I agree that in many ways the Pope was mistreated during that visit.

The issue really is not whether the election that has been called for this November is being conducted in a fair way in that country; I think a very good case can be made for the proposition that it is not, at least based on our present knowledge of what is going on in that campaign.

The issue is whether we believe that we are justified in mounting our own military effort—through the arming and supplying of others, I agree, but still clearly a U.S.-sponsored effort—to destabilize that Government, to disrupt the activities in that country, and to do so against a government with which we have diplomatic relations at this time. I believe very strongly that the efforts we are pursuing there are counterproductive.

I think the strongest glue holding together the present nation of Nicaragua and binding its people to its present Government is the threat from the outside, a threat which we are largely responsible for providing. I believe that our effort there has continued now for several years. It has not accomplished what it was set out to accomplish. It has been counterproductive, in my view, and I do not consider the activity worthy of this Congress or worthy of this Nation.

I urge my colleagues to support the amendment of the Senator from Hawaii. If the Senator from Massachusetts offers another amendment, which I am cosponsoring and which is being considered, an amendment to cut off the funding, I will also urge that that effort be supported.

I believe that the sooner we can close this chapter on our involvement in Central America and begin genuinely to pursue a peaceful solution of the problems there, the better off we will be.

Mr. MOYNIHAN. Mr. President, I have two purposes in rising. The first is to address a question to the senior Senator from Hawaii. I wish to ask him if he does not share my view that this debate, in some significant degree, is tempered by the fact that we are forced to discuss, in the open, matters which have been decided in closed session and in the company of the executive branch, and that, in sharing intelligence confidence and Presidential matters, we are not free to discuss them fully in the open; and, if we were, we might be hearing things other than we have heard today?

Mr. INOUYE. Mr. President, in response to my dear friend I say that when I drafted this amendment, I was well aware that the debate would come close to revealing classified material and that Senators would be inhibited at times.

I can well understand the frustration of my dear colleague from New York because of his reluctance and difficulty in responding to statements being made in this debate, because his response would require the use of classified material. His position is quite different from that of other Members of the Senate. He is the ranking minority member of the Intelligence Committee. His use of classified material would be a knowing violation, a direct violation, of an oath he has taken as a member of that committee.

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However, Mr. President, even with that frustration, I felt that a matter of this sort should be discussed in the open format, because it does affect our national interests. It does affect our good name. It does affect our future.

I am certain that the Senator from New York agrees with me that, notwithstanding these frustrations, this discussion should properly have been in the open.

Mr. MOYNIHAN. Mr. President, I do concur with and thank the distinguished Senator from Hawaii.

I wish to make clear that I do not suggest that any classified materials have been discussed on the floor as such, but only that certain things stated would have required the use of such information to make an adequate response.

I now move to another matter altogether, which is public, and which in some ways is as important as anything we have said.

Mr. President, we have heard the regime in Nicaragua characterized in a variety of unflattering ways today, and I suggest that we have hardly approached the point of hyperbole in anything that has been said. We are dealing in Nicaragua with a regime that has not fully consolidated, but clearly intends nothing less than the establishment of a classic Leninist state of the kind we have seen in many parts of the world, but not yet in Central America. I have been there. Many Members of this body have been there.

As a friend of mine once said after visiting East Berlin and the Stalinallee, in 1952, "There is nothing there but the handwriting on the wall."

If you go through Managua and see those great signs and those great propositions, you see the one new building in Managua, which is the Ministry of the Interior, which houses the Sandinista security apparatus. If you need to know anything more about a regime, well let it be said that most do not.

But what I wish to also point out, Mr. President, is that such has been the skill with which we have managed our relations with this half criminal regime, this Leninist regime, such has been our skill that we allowed them to bring us into the Word Court, the International Court of Justice, charging us with violating their rights under the United Nations Charter, the OAS Charter and traditional international law, and obtained from the International Court of Justice on May 10, 1984, an interim order which best corresponds to a preliminary injunction in American law which, in effect, supports the Government of Nicaragua.

That took some finesse. I will compliment the Americans in charge of a policy which had a Communist government in Central America dragging us into court and getting unanimous—and, in one instance, near unanimous—orders from that Court that we cease and desist in certain behaviors. Thanks a lot, fellows.

It took some skill to devise a response to that Court which said, "We do not recognize its jurisdiction." We, who founded the Court in the United Nations Charter, said, "Well, for the next 2 years anything goes on in Central America—we do not accept the compulsory jurisdiction of the Court with regard to any dispute in that region."

Let me, Mr. President, make very clear that there is a shadow over the acceptance by Nicaragua of the compulsory jurisdiction of the Court. This goes back to the 1930's, to the period of the Permanent Court of International Justice. There is some case to be made—and I hope it will successfully be made, because I do not want my country any more in this situation—that Nicaragua's acceptance of the Court's compulsory jurisdiction was not formally ratified and, thus, it cannot invoke that jurisdiction with respect to the United States, which has, barring, of course, the reservations to ratification the Senate made. Oral hearings will begin in a few days, and with luck on a technicality, the Court will rule Nicaragua not properly a petitioner.

But in the meantime we have not only managed to get ourselves into court, but by denying the Court's jurisdiction brought about for the second time in the history of the American Society of International Law a resolution at their annual conference deploring the behavior of their own Government.

For those of us who wish to be proud of our Government, in the main twice in the history of the United States has the American Society of International Law deplored in action of the American Government. The first time had to do with the Senate's reservations with regard to the acceptance of the compulsory jurisdiction. The second time had to do with our behavior in The Hague this spring.

Nice going, fellows, first of all, to have a Communist government haul you into court. And, second of all, to offer an excuse for not accepting the Court's jurisdiction, which was rejected preliminarily, but resoundingly, by a unanimous court with an American judge, and a fine American judge. The American judges, as the American judges are, call them as they see them.

Mr. President, I wish to make a simple point. In this Chamber for almost a century we have asserted the sanctity of international law. When the Alabama claims were before this body and we were at the edge of war with the United Kingdom over the charge that the United Kingdom had violated the responsibility of neutrality in the Civil War, this body held firm.

When The Hague tribunals were agreed, this body confirmed them. While the League of Nations was rejected by the Senate, it nonetheless followed that every President from Woodrow Wilson right through to Franklin Roosevelt said "If we cannot join the League, certainly we will join the Permanent Court of International Justice." Not to be part of that Court is not to be part of the civilized world.

And then came the United Nations Charter. That was an organization we did join and it provided a court which we did adhere to.

Mr. MATHIAS. Mr. President, will the Senator from New York yield for a question?

Mr. MOYNIHAN. I am happy to yield.

Mr. MATHIAS. Mr. President, I wonder where he sees the interests of the American people lie. We are a great global power. We have interests in many parts of the world, some of them exposed, some of them depending on the kind or protection that the law can only provide. We have companies that do business in remote parts of the world, companies that have employees living amongst foreign peoples. We have companies that are owed moneys by foreign companies and foreign governments. All of these kinds of things are really dependent upon confidence and trust that can only be enforced in law.

So where is the ultimate interests of the American people with respect to this question of the sanctity of international law.

Mr. MOYNIHAN. I thank the Senator from Maryland for his question and I answer emphatically our interests are in the observance of law in the world, in the most emphatic way. The idea that obeying the law is somehow a self-imposed restraint that leads others not to do so is the most absolute total fallacy of the law. Law gives us rights.

Mr. MATHIAS. Our interests would only lie elsewhere if we were some tiny insular nation which never went beyond its borders, never did business with other peoples, and conducted no trade.

Mr. MOYNIHAN. I take a different view there. The only thing that provides those nations their very existence is that they have a right to exist under the law. In the world that does not recognize law there would not be many of those small nations any longer.

I may say to the Senator before he has to leave, it was that the regime in Nicaragua was in gross violation of international law by its interference in El Salvador that this Senator stood on this floor and said we have a right to take actions in collective self-defense to respond to Nicaragua's violation of the charter of the OAS, the Rio Treaty, the United Nations, and traditional international law. That gave us the right to do what is necessary and proportionate to address that violation. We were acting under right.

What the court said, in its interim ruling was that we were not doing under right when we mined harbors in Nicaragua, which this administration had the great wit to do. That is when we were dragged into court by a Communist government and enjoined from further such conduct by the Court, including our own judge. Our judge is a first-rate American judge, and he will speak to the law.

[CRS-299]

Mr. President, the law, as the Senator from Maryland said, is precious to us. Absent that law, we act under cloak of power relationships, which the world has no grounds for sanctioning.

For a century, we have held law as a standard of our behavior. And now how it disappears, how it seems to effervesce, I do not know. It seems increasingly to be associated with a form of self-imposed limitations, whereas just the opposite is the case.

I make the point that it was on the basis of international law and our rights and responsibilities that this Senator on this floor has supported previous interventions in Central America on behalf of the Government of El Salvador and its neighbors.

Mr. President, in brief, the Court handed down a series of decisions. The first was unanimously that the United States of America should immediately cease and refrain from any action restricting, blocking, or endangering access to or from Nicaraguan ports and, in particular, the laying of mines.

Mr. President, I cannot doubt that the administration is complying with that first injunction—these orders have the relative bearings of injunctions. I cannot speak beyond that in a nonclassified Senate.

Second, by a vote of 14 to 1, the one dissenting was Judge Schwebel, the

Court said the right to sovereign and political independence possessed by the Republic of Nicaragua, like any other state of the region or the world, should be fully respected and should not in any way be jeopardized by any military or paramilitary activities which are prohibited by the principles of international law, in particular, the principle that states should refrain in their international relations from the threat or use of force against the territorial integrity or the political independence of any state, and the principle concerning the duty not to intervene in matters within the domestic jurisdiction of the state, principles embodied in the United Nations Charter and the Charter of the Organization of American States.

Mr. President, we have heard said today things which whatever else their merit clearly are at variance with this principle of the charter and the principle of the OAS.

We have heard the regime in Nicaragua characterized in terms which are said to justify intervention. In one of those characterizations I believe it was said, I hope I have the quote right—"If they lay down their arms, the CIA will lay down their arms." I wrote it down as such. "If they lay down their arms, the CIA will lay down their arms."

Well, whatever the merits of that as an argument, it goes to the internal nature of that regime. And we are under a court order to abide by the principles of the UN and OAS Charters.

Mr. President, the charter of the United Nations very specifically extends to the country a right of individual or collective self-defense. A case could be made that we act as we do, as we are said to do or reported to do, out of collective self-defense.

But, then, Mr. President, article 51 of the charter which asserts that right—the right predates the charter—states:

> Nothing in the present Charter shall impair the inherent right of the individual or collective self-defense if an armed attack occurs against a Member of the United Nations until the Security Council has taken measures necessary to maintain national peace and security.

Mr. President, the next phrase, the next clause is:

> Measures taken by members in the exercise of this right of self-defense shall be immediately reported to the Security Council and shall not in any way affect the authority and responsibility of the Security Council under the present charter to take at any time such action as it deems necessary in order to maintain or restore international peace or security.

Mr. President, one of the problems of our policy in Central America is that we have never felt we could openly assert it. If we were in fact acting in the exercise of the right of individual or collective self-defense—and I think we can say that, the House of Representatives has said it. Mr. BOLAND on the floor of the House just repeated it in August that Nicaragua illegally supports insurgents in El Salvador—we could have gone to the Security Council. We had an obligation, no matter whether we went to the Council or not, we had an obligation to report such activity. And whatever legitimate excuse there might have been for not doing so before the Court's May 10 order, there appears to be none in the face of an injunction to obey the charter.

Now, this charter was written by American lawyers, statesmen—I strike the word lawyers—the American international lawyers as much as anybody else. It is our law. It codifies existing law.

We said if you act in this way you must go to the Council and report it. You have a right to do, but you must report.

We did not and have not. Therefore, Mr. President, without saying that what we are doing in this Chamber before the night is over, without saying that it violates the second order of the Court, I will assert that a prudent government wishing to show its respect for the Court, recognizing its interest in the sanctity of the Court's orders and the influence of the court's behavior and ruling, recognizing that interest, a prudent government might very well refrain.

Mr. President, the third statement held unanimously is that the Governments of the United States of America and the Republic of Nicaragua should each of them ensure that no action of any kind is taken which might aggravate or extend the dispute submitted to the Court.

Now, Mr. President, again I do not state that what will be done in this Chamber before the night is out will be held by the Court to aggravate or extend the dispute submitted to the Court. But I do ask if a prudent government would not take that possibility into account. Should a chamber, in which the sanctity of international law, the validity of the international law, the reality, the fact of international law binding governments has been asserted almost from the day we met in Philadelphia, two centuries ago—should this Chamber not consider the prudential aspect of abiding, of taking the Court's ruling in its broadest measure to require of us certain careful conduct in the period the motion is pending.

Finally, Mr. President, unanimously, the Governments of the United States of America and the Republic of Nicaragua should each of them ensure that no action is taken which might prejudice the rights of the other party in respect of carrying out whatever decision the Court may render in this case.

Well, the Court has not rendered a decision, but it has called for interim actions. Again, a prudential matter, a matter of prudence, matters of statecraft, whether or not our respect for the Court and our interest in the Court being held in respect ought not to restrain our activity today.

I want to make clear, in closing, that what we call covert action is a gray area in international law. It is to be encountered the world over. It is in some ways a response to, I suppose, a response to a regime of law which makes open conflict a difficult matter to justify in many cases, makes open aggression impossible to justify.

It seems to me that we have followed very meticulously—the Senate may not know this, the public may not know this, the press may not have noticed it—but when we have brought these matters to the Senate floor from the Senate Select Committee on Intelligence, we have without fail stated our conviction that we acted in a lawful manner under our rights and obligations of individual and collective self-defense. We have said we are acting lawfully, and I believe we have been or, at least, tried to do so, with the painful exception of the mining episode.

I now ask the question—and it will be interesting to see how little response there will be—the matter having been brought to the World Court, International Court of Justice, would it not be prudent for us to await the final determination in the Court and give a broad interpretation to the Court's injunctions before we go further?

Mr. President, I hope I have not wearied the Chamber with a discussion of matters which seem not to be as salient in our concerns as they once were. I can only wish they were more so.

Mr. President, I yield the floor.

Mr. PELL. Mr. President, I think we should ask ourselves what is the definition of terrorism. Terrorism, to my mind, is a violent action designed to change the policy of a government. We oppose terrorism. We pass legislation concerning terrorism. But I think sometimes we lose track of what the definition is.

We all know what the double standard is. We wish it did not exist. But, in general, there is a double standard in many spheres of activity between individuals, whether they are between races as in the past, between sexes, and otherwise.

But we now have an example, I think, of a double standard when it comes to nations. We in our history have sometimes treated some classes of nations differently from others. I do not mean to go to an extreme example, but when we think of how we treated the Indian nations, and the independent republic of Hawaii, we did not treat them as nations. We really treated them in a category apart.

Now, as we come up to more modern days, we look at the way we treat Nicaragua, where we do not follow the norms of international behavior with it as the International Court of Justice pointed out. I think we deplore this. We realize that the actions we are taking there really are actions of terrorism, designed, or we say, to change the policies of the Nicaraguan Government so they will become more in line, more at heel. I guess one nation's terrorist is another nation's freedom fighter. And our contras are performing actions that, under our normal definition of terrorism, would be called terrorist acts.

I think we should recognize that fact, and it is for that reason I look forward to supporting the amendment of the Senator from Hawaii, and also that of the Senator from Massachusetts.

Finally, we come to our attitude toward Nicaragua. We talked in the past about the necessity for following the Contadora process. When Nicaragua finally says she will follow the Contadora process, and come aboard it, we said, "Oh, no. She, Nicaragua does not mean it. We think we ought to undo that Nicarguan actor."

To my mind, we are being illogical. We are setting goals for Nicaragua to achieve. But, if she meets those goals, then we change the rules and change the goals.

I think we should treat that country as we do other countries. We do not like a Marxist government. But perhaps one of the reasons for moving in that direction is because it has been the target for so many of our unwelcome attentions.

I continue to support the efforts of my colleagues in both Houses to phase out and halt the U.S. funding of Contra operations in Nicaragua. The operations, as I have stated so many times before, are contrary to international law and are directly counter to the best interests of the United States. The U.S. funding of terrorism—and that is what support of the Contra operations is—must stop. The United States cannot continue to violate its high moral principles by supporting the killing and maiming of innocent men, women, and children, the wanton destruction of crops and fuel supplies, and violent disruption of life in the Nicaraguan countryside.

The Contra operations have become one of the chief obstacles to open and democratic elections in Nicaragua. If Contra operations would stop—and it would stop without the support of the U.S. Government, make no mistake about that—there are indications that the Sandinista leadership would be more disposed to delay the elections. This would open the way for Arturo Cruz to become an official candidate.

We are at a crucial point now in light of the administration's recent negative response to the Contadora process. If the Contadora initiative fails, the chances of open warfare in Central America will be very high. Let us not contribute to terrorist operations which could provide the spark for conflagration and bloodshed in Central America.

Mr. President, I yield the floor.

Mr. LEVIN. Mr. President, I commend Senator INOUYE for his perseverance, and his insightful understanding that this aid is counterproductive to the United States national interest. He is correct when he points out that the initial intentions and justifications for the aid—interdiction of arms for El Salvador—is no longer the reality. He is correct when he says the aid is no longer covert, and he is correct when he stresses that this entire operation is hurting the credibility of the CIA and the United States—something that we must not allow the continue.

The continuation of this aid is counter to our own national interests. The contras have not succeeded. In fact, the Nicaraguan Government has used the contras to rally support for a failing and increasingly repressive government. The Sandinistas are manipulating and using the decades-old anger and fear of Nicaraguans about the heavy-handed domination of their country by the United States.

We should be seeking ways to help those in Nicaragua who want to see the establishment and growth of freedom and democracy. But, supporting the contras is not the way to do that. We should be seeking to finds ways to eliminate Soviet and Cuban inroads in Nicaragua and Central America. Instead, we are short-sightedly playing into the hands of a government that has, and is, demonstrating that it is not leading Nicaragua to the open and free society that we all so fervently desire to see, but is, in fact, doing the opposite.

The United States, to be successful in Central America, must understand the history of the region, and our role in that history. There is Soviet and Cuban involvement, but there is also a history of poverty, despair, and oppression. The turmoil is not there solely because the Cubans are there—the Cubans and Soviets are there because the turmoil is there. We must be wise enough, and sensitive enough, and knowledgeable enough to realize that we will not succeed in Nicaragua by once again intervening militarily. The United States has a special burden and difficulty because of our history in the region and in Nicaragua. Nicaraguans feel deeply about the need for the United States to respect the sovereignty of their nation. Instead of using the political, economic, and moral power at our disposal to wisely aid those forces in Nicaragua that seek democracy, we are instead clumsily hurting them. We are playing into the hands of the Sandinistas and the Soviets and the Cubans.

It has been demonstrated to my satisfaction that our aid to the Contras is counterproductive to the goals we all seek. We should accept my colleagues amendment, and we should end this doomed approach to a difficult, complex, and extremely important problem that will be facing our Nation for generations. We must respect international law, and find successful and effective ways to achieve the goals of freedom, economic justice, and democracy in all of Central America.

Mr. SPECTER. Mr. President, I am voting against the Inouye amendment because I believe it is unwise to cut off all funding for U.S. intelligence activities in Nicaragua which would be the effect of this amendment. It is my judgment that U.S. intelligence activities are very important worldwide, including Nicaragua, if the United States is to be able to cope with hostile forces around the world including terrorism.

As the record shows, I have supported moves to limit U.S. involvement in military operations in Nicaragua including opposition to covert activities which seek to overthrow the Nicaraguan Government and the mining of Nicaraguan waters. However, I do not believe that the United States can withdraw totally, as the Inouye amendment provides, from even indirect paramilitary operations in Nicaragua as long as military support for the rebels in El Salvador is being provided via Nicaragua.

As I see it, the United States should exert strenuous efforts for a peaceful solution in Central America by negotiations through the Contadora process. At least for the time being, it is my

[CRS-301]

sense that the United States must maintain intelligence operations in Nicaragua and must further maintain at least some capacity to interdict the flow of arms to the rebels in El Salvador.

Mr. THURMOND. Mr. President, I rise in opposition to the pending amendment. A cutoff of aid to the Contras is certainly not in our best interest and it would be disastrous for El Salvador, Costa Rica, Honduras, and Guatemala. This issue was debated thoroughly during Senate consideration of the Defense authorization bill and was found lacking in merit. It certainly has not become meritorious in the last few months.

It has been suggested that if supporting the Contras were right, then we would be subverting the Governments of Cuba, Libya, Syria, and Iran. This is an absurd comparison. There are no pro democratic forces in those countries fighting to overthrow their governments. Let us not try to compare apples and oranges, because it will not work. If you want a similar comparison, take Angola in 1975. It was in that year that President Ford asked for funds to support pro-Western forces in the struggle against the Communists. What was congressional response? The Congress voted to completely cut off funds to these forces, and the Communists won. That vote was one lacking in vision and resolution on our part.

Let us look back a little farther to Vietnam. The U.S. Congress voted to cut off funds to the South Vietnamese and what happened? The North Vietnamese took over and the dominoes began to fall so that only Thailand is now left in the region bordered by hostile Communist regimes.

But enough about past congressional blunders in foreign affairs, let us return to our considerations of Nicaragua. In 1979, when the Sandinistas gained power, they promised freedom of religion, freedom of the press, free speech, and democratic elections. There is no free speech, no freedom of the press, no freedom of religion, and there have been no democratic elections.

Now let us look at what they have done. They have exported revolution against their neighbors and continue to do so, they murdered former Nicaraguan President Samoza, they have offered to allow the Soviets to station nuclear missiles in Nicaragua and they have committed genocide against the Mesquito Indians. That is a terrible record for only 5 years in power. Think what we have to look forward to if they stay in power for 25 years.

The proponents of this cutoff of funds to the Contras say that we must negotiate with the Sandinistas. We negotiated with the North Vietnamese and what did that do for South Vietnam? Are we going to abandon El Salvador, Honduras, Guatemala, and Costa Rica to a similar fate as that which befell South Vietnam? We will certainly do so if we adopt this amendment.

Mr. President, I urge all of my colleagues to oppose this amendment in the name of peace and freedom for Central America.

Mr. **GRASSLEY**. Mr. President, I am hopeful, as I know every Member of this body is, that the factions in Nicaragua will arrive at a truly just solution. Clearly, after so many years of factionalism, fear, and political confusion, Nicaraguans must ache for some semblance of lasting peace and democratic, representative government. I am not one who supports the one-party rule of the present junta which controls Nicaragua. Additionally, I do not accept the predictable criticism prevalent today that the call for democratization in Latin America is somehow bourgeois or a sign of American arrogance. The new apostles of political relativism would suggest that while democracy is fine for Americans, it is not appropriate in Nicaragua or El Salvador. Have we lost completely our ability to objectively evaluate political systems? Are some people perhaps even willing to excuse antidemocratic policies? Do we not have a compass showing the way to representative government any more? Why is it so abundantly clear to some that the motives, plans and actions of all of the Contra forces are completely illegitimate, while the Sandinista regime and its way to power in Nicaragua are considered unimpeachable? Eden Pastora and his alliance cannot be charicatured as Somozistas or pawns of the Somoza mafia. Pastora and other Contra groups fought the previous regime, came to power with the Sandinistas and finally concluded that Sandinista power politics looked strangely like the authoritian regime that preceded.

This amendment to effectively end all assistance to activities in Nicaragua and on its border could completely end resistance to arms shipments from Nicaragua. Pastora, other Contras and defectors have created a large body of evidence which shows clearly that significant arms shipments have been taking place over the last years, resulting in increased violence and bloodshed in El Salvador and other countries bordering on Nicaragua. Arms interdiction is a valid role for United States to play and there do appear to be some significant reductions in the flow. The Sandinistas, from the first days of their regime, stated their intention to encourage dissension, distrust, and violence in Central American neighbors. Why do so many pretend that they have not been so forthright about plans and strategies? I cannot support unlimited assistance to the Contras. I also will not ignore the very claims of the Sandinistas, who have actively followed a policy of support for violence in neighboring countries, where I am convinced a genuine desire for free and democratic institution is flowering.

Mr. **CRANSTON**. I announce that the Senator from New Jersey [Mr. BRADLEY] is necessarily absent.

The **PRESIDING OFFICER**. Are there any other Senators in the Chamber who wish to vote?

The result was announced—yeas 42, nays 57, as follows:

[Rollcall Vote No. 269 Leg.]

YEAS—42

Andrews
Baucus
Biden
Bingaman
Bumpers
Burdick
Byrd
Cohen
Cranston
DeConcini
Dodd
Eagleton
Exon
Ford
Glenn
Hart
Hatfield
Huddleston
Inouye
Kassebaum
Kennedy
Lautenberg
Leahy
Levin
Matsunaga
Melcher
Metzenbaum
Mitchell
Moynihan
Packwood
Pell
Pressler
Proxmire
Pryor
Randolph
Riegle
Sarbanes
Sasser
Stafford
Tsongas
Weicker
Zorinsky

NAYS—57

Abdnor
Armstrong
Baker
Bentsen
Boren
Boschwitz
Chafee
Chiles
Cochran
D'Amato
Danforth
Denton
Dixon
Dole
Domenici
Durenberger
East
Evans
Garn
Goldwater
Gorton
Grassley
Hatch
Hawkins
Hecht
Heflin
Heinz
Helms
Hollings
Humphrey
Jepsen
Johnston
Kasten
Laxalt
Long
Lugar
Mathias
Mattingly
McClure
Murkowski
Nickles
Nunn
Percy
Quayle
Roth
Rudman
Simpson
Specter
Stennis
Stevens
Symms
Thurmond
Tower
Trible
Wallop
Warner
Wilson

NOT VOTING—1

Bradley

So the amendment (No. 6993), as modified, was rejected.

Mr. **BAKER**. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. **THURMOND**. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

S12857-79

[CRS-302]

3. Conference

a. Report explanation

The conference reported the compromise language that subsequently became law. It explained the contra aid provision as follows:

MAKING CONTINUING APPROPRIATIONS FOR THE FISCAL YEAR 1985, AND FOR OTHER PURPOSES

Prohibition on Assistance to Nicaragua.—The House included a general provision prohibiting funds from being obligated or expended for the purpose of supporting, directly or indirectly, military or paramilitary operations in Nicaragua. The Senate did not include any type of prohibition concerning funds for Nicaragua.

The conferees have included a provision which prohibits funds from being obligated or expended to support, directly or indirectly, military or paramilitary operations in Nicaragua unless after February 28, 1985, the President submits a report to Congres and a joint resolution approving such assistance is enacted by Congress. A ceiling of $14,000,000 is placed on such obligations and expenditures during fiscal year 1985.

The joint resolution is subject to expedited procedures in both Houses similar to procedures for the MX missile procurement resolution provided elsewhere in the bill.

H. REP. 98-1159 AT 382.

[CRS-303]

b. House floor debate (10/10/84)

Mr. **WHITTEN**. Mr. Speaker, I yield myself such time as I may require.

Language on activities in Nicaragua prohibits any expenditure of funds to support rebel forces prior to February 28, 1985, and only then if both Houses of Congress pass a resolution releasing $14 million.

H11974

Mr. BOLAND. Mr. Speaker, the compromise which we have worked out on Nicaragua preserves the House position with one proviso. No funds may be spent on the secret war in Nicaragua until February 28, 1985. Thereafter if the President certifies that Nicaragua is supporting anti-government forces in any other country in Central America, and if he requests more funds for the war, a vote is guaranteed on a joint resolution providing such funds. This is an MX-type guaranteed vote—an expedited process that ensures a vote on the President's request.

The joint resolution, if approved by both Houses, would remove the prohibition on the use of already appropriated funds for the war. In any event, no more than $14 million could be spent during the balance of the fiscal year.

This approach goes as far as I believe the strong House position would permit. Only if Congress affirmatively provides for a renewal of funding for the war could any funds be used for that purpose.

Let me make very clear that this prohibition applies to all funds available in fiscal year 1985 regardless of any accounting procedure at any agency. It clearly prohibits any expenditure, including those from accounts for salaries and all support costs. The prohibition is so strictly written that it also prohibits transfers of equipment acquired at no cost.

The compromise allows the President and the Congress to see how several key matters develop in the next 5 months. These are: Proposed talks between the Government of El Salvador and the Salvadoran rebels, the continued bilateral talks between the United States and Nicaragua, the resolution of the Contadora Draft Treaty, and the Nicaraguan elections. The President—whoever he may be—will no doubt take into account events affecting these four matters if he makes a request for funds. If he does make a request, it will be a new Congress, a new Intelligence Committee and those new facts which will influence the action of the House and Senate.

To repeat, the compromise provision clearly ends U.S. support for the war in Nicaragua. Such support can only be removed if the President can convince the Congress that this very strict prohibition should be overturned.

Mr. LIVINGSTON. Mr. Speaker, will the gentleman yield for a couple of questions?

[CRS-304]

Mr. BOLAND. I am delighted to yield to the gentleman from Louisiana.

Mr. LIVINGSTON. Mr. Speaker, would the gentleman enlighten me: Does this prohibition prevent any expenditure of funds, direct or indirect, for arms or weapons or use of force in Nicaragua by the United States?

Mr. BOLAND. If it is directed against the Government of Nicaragua, the answer would be in the affirmative, yes.

Mr. LIVINGSTON. Are there no exceptions to this prohibition?

Mr. BOLAND. There are no exceptions to the prohibition.

Mr. LIVINGSTON. So in the unlikely event that tanks were to roll from Nicaragua into Honduras, the United States would be prohibited from taking any action, is that correct?

Mr. BOLAND. Insofar as activities inside Nicaragua are concerned. That is correct. We could, of course, help inside Honduras.

Mr. LIVINGSTON. I thank the gentleman for enlightening me.

H11979-80

c. Senate floor debate (10/11/84)

Mr. EAST. I would be happy to hear whatever the manner of the conference report wishes to say, but I also wish to express why I think our failure as a Congress in tandem—the House and the Senate—to provide this aid for the Contras is a very fundamental, fundamental and regrettable, flaw in this measure. I simply would like to have the opportunity this morning to direct some remarks to why I think that is the case, not to unduly delay the proceedings, but because I feel so strongly on the matter.

Last July on the urgent supplemental, the contra issue was raised. I was assured by the leadership and White House that there would be an appropriate vehicle at a later time. This was apparently the appropriate vehicle—

[CRS-305]

now it has been stripped from the continuing resolution and we are told I suppose it will be taken up later on another appropriate vehicle.

But the point of the matter is aid to the contras never seems to find the appropriate vehicle. Invariably it passes by an overwhelming margin in the Senate that we shall aid the contras in Nicaragua. But the House of Representatives killed it. Then when we go to conference invariably we acquiesce in what the House does. I am a little weary of it. I think it is tragic and unfortunate. If Central America falls under Communist domination—and I suspect it will in time—with the negative approach we are taking with it, the President of the United States can point first to the House of Representatives, and then secondly to the U.S. Senate for acquiescing. We are going to lose Central America to the Communists as we lost South Vietnam because the U.S. Congress refuses to provide the aid to continue the struggle in this protracted conflict.

I would like to know the reason we are going to lose in the long run in this cold war, in this protracted conflict with the Soviet Union. If you will note, their territory is always sacred. It can never be taken back. In the case of Granada even, there were Senators here on the floor who said that was a despicable action, and that is only a flyspeck of a piece of territory that we have recovered since 1945. Since 1945, in every continent in the underdeveloped parts of the world the dominoes have fallen—in Asia, in Africa, the Middle East, Central America. But always you will note, their territory is sacred. We cannot retake anything. We can only negotiate that which is ours. And the world is finite. The world is finite geographically. And I submit for a long-term strategic approach to the defense of the West against Soviet adventures by her proxies, such as Cuba, it is a grand blueprint for disaster. Central America, I predict and project, will go Communist because of the failure of the U.S. Congress to provide even the most modest aid to those democratic forces trying to overthrow or interdict the supplies of—put it in a more modest way—the supplies flowing, from Moscow and Havana to Managua and into El Salvador for the purpose of destroying that July democratically elected Government.

Mr. STEVENS. Madam President, will the Senator yield for a moment there?

Mr. EAST. I will yield for a question.

Mr. STEVENS. Yes, without losing his right to the floor, Madam President.

I would suggest to the Senator that his statement is counterproductive to his point of view. There is money in this bill of assistance to the Contras. There is $14 million that is there and cannot be used unless the President certifies after February 28, as required by the bill, that the Sandinista government, is still exporting revolution, in effect—I am paraphrasing what it says—and Congress has a fast-track provision. I can tell the Senator that it would take less than 31 days to pursue that subject under this report, in terms of fast-tracking both the House and Senate, a resolution to approve the President's certification.

That money is in the bill and it can be used.

The money that was provided the Contras ran out in August. The Contras are still supporting themselves with assistance they are getting from elsewhere in the world. Having that assistance out there to be made available on March 31 will encourage that assistance from other sources to the Contras during this period.

What it means is if the Sandinista government does not stop exporting revolution, the President, who we believe will be reelected, will certify on February 28 that he wants to continue aid to the Contras, and we will have money in this bill for 6 months; $14 million is half of what the President requested. It could not be made available until the first 6 months of this fiscal year.

I say to the Senator that sending a message that we have abandoned this concept is the wrong message to send. Because of our political circumstance in this country, a division between the two parties has occurred in a Presidential election year, though I am not sure it is a division anymore having just read what the candidate on the other side has said. Mr. Mondale indicated he would somehow or other encircle Nicaragua, have Nicaragua contained. He has a policy of containment that he has to enunciate.

In any event, even Mr. Mondale has indicated that the revolutionary tendencies of Nicaragua should be contained in Nicaragua.

The only way we know is to have pressure continued and have the freedom fighters know they have the support of the rest of the world to restore sanity to the government of their country.

Under these circumstances, the present situation is such that from this Senator's point of view, unless the Nicaraguans in fact return to the concept of the Contadora statement of objectives, which they had supported, and they signed that document—unless they return to that concept this bill will provide the mechanism for restoring aid to the Contras by the 1st of April.

Given the circumstance that the House has voted repeatedly against any aid, and the Senate has indicated by a margin that we would support continued aid, and the fact that, we are in the middle of a Presidential election year. I say to my good friend this is the best we could do. It amounts to a draw, in effect. It puts off the decision until next year, but the decision is there and that money is in the bill. It is in the bill. It is specifically referred to in the bill, $14 million.

Under these circumstances, I do believe the Senator would be unwise to send a message to the Sandinistas that we have abandoned completely support for the Contras. We have set in motion a process by which the President can once again trigger support for the Contras should the Sandinista government persist. It is not just exporting revolution to El Salvador but the other portions of Central America that are specifically referred to in this bill.

I say to my friend we did not win and we did not lose. This has been a hard-fought conference. Having been the point man on this one, I know what I am talking about. We have not lost. We have not abandoned the Contadora concept. What we are saying to the Sandinistas is, "We have a period of time here because of our internal process and our process of selecting our leader for the next 4 years," whom I believe will be President Reagan, "and you are put on notice that if the President asks for this money on February 28, within the period of March we can approve it."

I predict we will, if Nicaragua continues to export revolution. They are now the most heavily armed people in the Western Hemisphere. They have more standing troops per capita than any other nation in this hemisphere. They have long-range troop carrier aircraft. They have artillery. They have tanks. They have troop-carrying vehicles. They are far beyond the status of any of their neighbors. They are even beyond the status of this country in terms of number of standing military people that they are supporting within their economy for military purposes.

For what? It is time for them to read what they signed in terms of the Contadora statement of principles. If they will pursue that, I think peace can be restored in this hemisphere. If they do not wish to do so, we have left the triggering device in the hands of the President of the United States to commence this support once again.

I hope the Senator understands that and will not indicate to the world that we have abandoned this mechanism of pressure on the Sandinista government.

Mr. EAST. I have the deepest respect for the assistant majority leader, the manager of this report. Reasonable men can differ, of course. I disagree with him. I think this is a convoluted sort of reasoning. Every time we vote on it, it is always further down the road we will do it. But we never do it now. Now we do not do it. It is always going to be forthcoming. The urgent supplemental? Not now, later. So then we bring it up on the continuing resolution. Well, not now; later.

What it will take next year or when ever it is, is the acquiescence of both Chambers. As sure as night follows day the House will kill it—kill it as it has done every time. The Senate will pass it, but it will take a strenuous effort. And then we will be told. "Well, there will be a later time at which we will be able to provide this support."

[CRS-306]

Right now, the support comes from Western Europe. It shows that the team of leadership in America is no longer willing to give aid, logistic and moral, to those on the front line of the struggle in our own hemisphere. I think it is embarrassing. I will go further. It is disgraceful. We are losing in Central America.

I think symbolically the U.S. Congress ought to be able to go on record as giving the necessary and requisite aid to the Contras, as the President requested, so that the message is loud and clear to Managers, to Havana, and Moscow. "Enough is enough. We do not intend to see the Caribbean Basin turned into a Soviet area of hegemony, control, and dominance."

This is isolationism. This is the 1930 deja vu, and we are going to pay a heavy price for it, a very heavy price for it.

I profoundly regret it because Managua is a Marxist-Leninist expansionist regime, and they are merely going to look upon this as another victory in delaying the symbol of American commitment as well as the reality of it.

We have a precedent, Madam President—in Vietnam, Congress pulled the rug out from under the President and we lost Southeast Asia and now Vietnam is used by the Soviet Union to extend its power into Cambodia and using Cam Ranh Bay as a naval base to expand its power in the South Pacific as well as Cuban troops in Africa, as well as Cuban troops even in the Middle East.

I do not have to be a very careful student of international relations to see what is occurring, that the Soviet Union through her proxies, is doing exactly what Marx and Lenin—Lenin in particular—called for, subverting the soft underbelly of the world and eventually the urban-industrial complex will fall like dried fruit.

That is what is occurring. I agree with Jeane Kirkpatrick, it is not a matter of being hawk or dove, it is a matter of being ostrich. We are being ostrich here in the Congress and when Central America falls under Communist domination do not point to the White House. Point the finger right here at the U.S. Congress.

We have tried to micromanage American foreign policy with 535 Members of the House and the Senate and we have done an abominable job. We continue to try to do it.

I fear, as Jeane Kirkpatrick recently pointed out, we will simply have to find ways to finance it privately. That currently is where they are getting much of the aid for the Contras—Europe, elsewhere, some in America. It is shameful I think.

Madam President, I deeply regret that what I think we have done in this conference report is exchange the aid to the Contras and other important defense related items such as ASAT for water projects. With all due respect to any colleagues, those this morning up here demeaning the loss of water projects, I will tell you what is going to happen in the political season: They are going to go home and say this administration and the majority party in the U.S. Congress and the Senate gutted the water projects is it not shameful? Because I hate to say it, the average American does not know the difference between a Contra and a caterpillar. He does not know the difference between a Sandinista and a sardine. So they will not know what we are taking about.

They know nothing about foreign policy. That is where leadership comes in. That is where vision comes in. That is what the President has been trying to give us.

Mr. Mondale has basically followed the George McGovern approach. It is the old isolationism of the 1930's. Come home, America; come home. That is isolationism. It merely invites Soviet and Cuban and all of the other proxies to further world adventurism and we are jeopardizing the security, the freedom, and the peace not only in the underdeveloped parts of the world but now right in our own hemisphere.

I think it is a fair question to ask and I do not know a more appropriate time to ask it: At what point does the U.S. Congress intend to do something about it? Never, apparently. Now it is next March. Last July, it was the continuing resolution, I guess. Now it is next March. Come next March, this Congress will not vote for it. We will be told it is next July.

I am sure they are smiling down in Managua now and in Havana and in Moscow. Because of the naivete on the part of the U.S. Congress about what is occurring in the world.

I do not know what more one man can do. I guess nothing. The majority will work its way and so be it. I guess we are going to have a voice vote on it, because no one will want to be embarrassed by having to publicly go on record with the yeas and nays. Oh, no. Oh, no. We shall voice vote it. And we shall go home and campaign and the opposition will say. "Oh, they took away your water projects." And I guess they did.

But they did something more fundamental, I wish we could remind the American people. They have jeopardized the peace and the freedom and the security of their own country in our own hemisphere. And that is a more fundamental detail than the lost water projects here or there or wherever.

I would like the official account of the U.S. Senate, the CONGRESSIONAL RECORD—that is why I imposed and I apologize and do here before my colleagues—to show that one Senator, at least, the junior Senator from North Carolina, thought it was wrong, wrong, wrong. I think we make a very serious mistake for very protracted conflict we are now in with the Soviet Union and if these trends continue for the balance of this decade, let alone by the end of this century, the year 2000, we are going to be in a very precarious position in terms of our geopolitical posture in the world.

Somebody needs to say that on the floor of the U.S. Senate. That is why I am here this morning to say it. I would like that to be in the RECORD. Again I regret that I have unduly imposed upon my colleagues, but I feel very strongly on this issue.

I argued it on the urgent supplemental. I argued it on the continuing resolution. We won it in the Senate. But every time we go to conference with the House, we lose it and we shall lose it next March. And so it goes.

I do not care how much one tries to gloss it over, make it look cosmetically not as bad as it seems, no matter how tortured or convoluted the reasoning process, ye shall judge them by their fruit, and the fruit of the matter is no aid to the Contras; no moral or logistic support.

I totally disassociate myself from it and if this is to be a quick yea-or-nay vote so we can all get home and complain about the water project shortages, I would like the RECORD to show that the junior Senator from North Carolina, if it is really a rollcall vote, voted no on this continuing resolution. Why? No aid to the Contras.

I admire those brave young men down there who fought against Somoza, who are democrats with a little "d", who only ask a most modest form of support, to interdict the supply lines, to save the democratically elected government of Duarte and to try to restore and recapture democratic government in Nicaragua. And we are not willing to help them.

I think it is a shameful thing. I, for one, wish to be disassociated from it. Hence my remarks and my apologies for speaking at such length on the subject.

[CRS-307]

D. INTELLIGENCE AUTHORIZATION, FY 85; FINAL ACTION

1. Compromise language

Following approval of the contra aid compromise in the continuing appropriation, the House and Senate negotiated a compromise on the intelligence authorization, which was passed as a substitute for the earlier House-passed bill.

TITLE VIII—ACTIVITIES IN NICARAGUA

MILITARY OR PARAMILITARY ACTIVITIES

SEC. 801. No funds authorized to be appropriated by this Act or by the Intelligence Authorization Act for fiscal year 1984 (Public Law 98-215) may be obligated or expended for the purpose or which would have the effect of supporting, directly or indirectly, military or paramilitary operations in Nicaragua by any nation, group, organization, movement, or individual, except to the extent provided and under the terms and conditions specified by House Joint Resolution 648, making continuing appropriations for the fiscal year 1985, and for other purposes, as enacted.

ACTIVITIES IN NICARAGUA

Section 107 of the House bill provided that, during fiscal year 1985, no funds available to the Central Intelligence Agency, the Department of Defense, or any other agency or entity of the United States involved in intelligence activities may be obligated or expended for the purpose of which would have the effect of supporting, directly or indirectly, military or paramilitary operations in Nicaragua by any nation, group, organization, movement, or individual.

The Senate committee bill contained no corresponding provision. Sections 101(a) and (b) of the Senate committee bill had the effect of authorizing appropriations in a classified amount, subject to classified termination conditions, for activities which * * *

* * * in the Senate-House compromise bill, but specifies that no funds authorized to be appropriated by the Intelligence Authorization Acts for fiscal year 1984 and 1985 may be obligated or expended for the purpose or which would have the effect of supporting, directly or indirectly, military or paramilitary operations in Nicaragua by any nation, group, organization, movement, or individual, except to the extent provided and under the terms and conditions specified by House Joint Resolution 648, making continuing appropriations for the fiscal year 1985, and for other purposes, as enacted.

[CRS-308]

2. Senate floor debate (10/11/84)

Mr. CHAFEE. Mr. President, it is my privilege this year to bring to the floor the intelligence authorization bill, which authorizes appropriations for U.S. intelligence activities for fiscal year 1986.

I emphasize, Mr. President, that with respect to the Nicaragua issue the committee amendment contains a provision consistent with the agreement that has just been reached in the context of the conference report on House Joint Resolution 648, the further continuing appropriations resolution.

S14262

Mr. MOYNIHAN. Mr. President, this will be the last authorization that Senator GOLDWATER and I will have brought to the floor in behalf of the committee. I regret that he is necessarily absent.

I should like to record that this is the largest authorization bill in the history of the intelligence community and of our committees.

I think the public is entitled to know the sustained increase in the budgets of the intelligence community, which began in fiscal year 1979 and in the budgets proposed in 1978, has now about reached the limit of our expectations, and the out-year growth of these programs associated with technological developments is going to be limited.

We feel strongly that the intelligence oversight committee system is working and has worked. I spoke this morning of one failure in that system, when the community did not consult with the committees before going forward with an operation in Central America which many thought to be beyond the limits of legality and of prudence.

In the aftermath of that event, we have developed new relations with respect to consultation. But I wish it understood that between the time I spoke this morning and this hour in the early afternoon, the U.S. Senate, by a vote of 78 to 11, has agreed to a continuing resolution which, in effect puts an end to the President's options in Central America—very much against his wishes, and he may be right in that regard.

However, it should be understood that when only 11 Members of the Senate would oppose such a measure—and of those 11, I do not think more than 5 would have done so on this basis—there has been a failure of functioning in the executive branch; and if the President or the Secretary of State or the National Security Advisor wishes to look to see what went wrong, they need to look to their own arrangements. What went wrong was that the relationship of trust between the community and Congress was not observed—the only such breach I am aware of in 8 years in this committee—and it has had consequences.

I do not speak to the question whether the policies in Nicaragua are right or wrong. I am just saying that the people who serve the President have served him very poorly if by their conduct they have made it impossible for him to pursue those policies as he hoped to do. This has happened now, and perhaps we can learn from it. If we do not, I suppose it will happen again.

S1463

[CRS-309]

3. House floor debate (10/11/84)

Mr. BOLAND. Mr. Speaker, the Senate amendments to H.R. 5399 reflect an agreement reached between the Permanent Select Committee on Intelligence and the Senate Select Committee on Intelligence on all budgetary and legislative matters contained in H.R. 5399, the House version of the intelligence authorization bill for fiscal year 1985 and S. 2713, the Senate version of that bill.

Further, the Senate amendments are fully consistent with those amounts authorized by the fiscal year 1985 Defense Authorization Conference Report for all those tactical intelligence and related activities programs, jointly authorized, by the Intelligence and Armed Services Committees.

Because of the Senate's failure to move earlier on the House-passed bill, the committees were forced to agree in advance, but without formal conference, on all those matters at issue.

Such an agreement has been reached.

As everyone here understands, the reason that it has been held up until this moment is because of the House bill's prohibition on U.S. assistance to the insurgents in Nicaragua.

The Senate amendment solves this issue by incorporating by reference the compromise agreement reached in the continuing resolution on Nicaragua.

It also reflects agreements on provisions authorizing the CIA to designate special police for the protection of their facilities over which the U.S. Government has acquired proprietarial, concurrent, or exclusive jurisdiction.

It contains language expressing the sense of Congress that the numbers, status, and privileges of diplomats of foreign countries who engage in intelligence activities in this country harmful to our interest should not exceed the comparable number, status, and privileges of U.S. diplomats in those countries.

Finally, it provides important new personnel authorities to the Defense Intelligence Agency to enable that Agency to configure its personnel system in ways similar to the personnel systems at the CIA and NSA.

Mr. Speaker, at this point, I ask unanimous consent that a detailed description of the provisions of the Senate amendment be made a part of the RECORD.

This statement should serve in lieu of a statement of managers language that would have accompanied a conference report, had a conference occurred between the two bodies.

Let me finish with a more detailed description of the Nicaragua compromise incorporated by reference into the bill.

Mr. Speaker, the compromise which we have worked out on Nicaragua preserves the House position with one proviso.

No funds may be spent on the secret war in Nicaragua until February 28, 1985.

Thereafter if the President certifies that Nicaragua is supporting anti-Government forces in any other country in Central America, and if he requests more funds for the war, a vote is guaranteed on a joint resolution providing such funds.

This is an MX-type guaranteed vote—an expedited process that ensures a vote on the President's request.

The joint resolution, if approved by both Houses, would remove the prohibition on the use of already appropriated funds for the war.

In any event, no more than $14 million could be spent during the balance of the fiscal year.

The approach goes as far as I believe the strong House position would permit.

Only if Congress affirmatively provides for a renewal of funding for the war could any funds be used for that purpose.

Let me make very clear that this prohibition applies to all funds available in fiscal year 1985 regardless of any accounting procedure at any agency.

It clearly prohibits any expenditure, including those from accounts for salaries and all support costs.

The prohibition is so strictly written that it also prohibits transfers of equipment acquired at no cost.

The compromise allows the President and the Congress to see how serveral key matters develop in the next 5 months.

Those are: Proposed talks between the Government of El Salvador and the Salvadoran rebels, the continued bilateral talks between the United States and Nicaragua, the resolution of the Contadora Draft Treaty, and the Nicaraguan elections.

The President—whoever he may be—will no doubt take into account events affecting these four matters if he makes a request for funds.

If he does make a request, it will be a new Congress, a new Intelligence Committee and those new facts which will influence the action of the House and Senate.

To repeat, the compromise provision clearly ends U.S. support for war in Nicaragua.

Such support can only be renewed if the President can convince the Congress that this very strict prohibition should be overtuned.

H12206

[CRS-310]

Mr. WEISS. Mr. Speaker, reserving the right to object, let me just say that I want to extend my appreciation to the two distinguished gentlemen, the chairman and the ranking member, for the distinguished manner in which they have discharged their responsibilities as the chairman and ranking member respectively of the Select Committee on Intelligence.

I have for the record a question of the distinguished chairman, and that is, would he explain to us how this legislation affects the funding of the covert war in Nicaragua?

Mr. BOLAND. If the gentleman will yield, this particular exercise here today incorporates by reference that which was acted upon yesterday, and incorporates by reference the matter dealing with Nicaragua in the continuing resolution.

Mr. WEISS. I thank the distinguished chairman.

Mr. BOLAND. If the gentleman will yield further, Mr. Speaker, the gentle-

man from New York [Mr. WEISS] has been, I think, one of the most persistent overseers of intelligence authorizations since he arrived here. I appreciate this interest and I appreciate very much the cooperation that he has given this committee in the years that I have served as chairman.

H12213

[CRS-311]

V. SECTIONS 722 OF THE INTERNATIONAL SECURITY AND DEVELOPMENT COOPERATION ACT OF 1985, PUB. L. 99-83, 99 STAT. 149; SECTIONS 101-06 OF THE SUPPLEMENTAL APPROPRIATIONS ACT, FY 1985, PUB. L. 99-88, 99 STAT. 324: HUMANITARIAN ASSISTANCE FOR THE CONTRAS WITH CONTINUED MILITARY AID RESTRICTIONS

Section 722 of the ISDCA

SEC. 722. NICARAGUA.

(a) SETTLEMENT OF THE CONFLICT.—The Congress—

(1) strongly supports national reconciliation in Nicaragua and the creation of a framework for negotiating a peaceful settlement to the Nicaraguan conflict; and

(2) finds that the United States should, in assisting efforts to reach comprehensive and verifiable final agreements based on the Contadora Document of Objectives, encourage the Government of Nicaragua to pursue a dialogue with the armed opposition forces and their political representatives for the purposes of achieving an equitable political settlement of the conflict, including free and fair elections.

(b) UNITED STATES CONCERNS ABOUT NICARAGUAN FOREIGN AND DOMESTIC POLICIES.—The Congress finds and declares the following:

(1) Despite positive actions by the Congress signaling support for negotiated solutions to conflicts in Central America, there are disturbing trends in Nicaragua's foreign and domestic policies, including—

(A) President Daniel Ortega's April 1985 trip to the Soviet Union at a time when the Congress signaled its strong disapproval of increasing Nicaraguan-Soviet ties;

(B) the Sandinista government's close military ties with Cuba, the Soviet Union, and its Warsaw Pact allies; the disappointing and insufficient reduction of the number of Cuban advisors in Nicaragua by only 100 out of an approximately 2,500; and the continuing military buildup that Nicaragua's neighbors consider threatening;

(C) the Sandinista government's curtailment of individual liberties, political expression, freedom of worship, and the independence of the media;

(D) the subordination of military, judicial, and internal security functions to the ruling political party; and

(E) the Sandinista government's efforts to export its influence and ideology.

[CRS-312]

(2) If Nicaragua does not address the concerns described in paragraph (1), the United States has several options to address this challenge to peace and stability in the region, including political, diplomatic, and trade sanctions. In addition, the United States—

(A) should through appropriate regional organizations, such as the Organization of American States, seek to maintain multilateral pressure on Nicaragua to address these concerns; and

(B) should, if called upon to do so, give serious consideration to supporting any sanctions adopted by such an organization.

(3) In assessing whether or not progress is being made in addressing these concerns, the Congress will expect prompt and significant initiatives by the Government of Nicaragua such as—

(A) the removal of foreign military advisors from Nicaragua;

(B) the end to Sandinista support for insurgencies in other countries in the region, including the cessation of military supplies to the rebel forces fighting the democratically elected government in El Salvador;

(C) restoration of individual liberties, political expression, freedom of worship, and the independence of the media; and

(D) progress toward internal reconciliation and a pluralistic democratic system, including steps to liberalize institutions in order to allow the internal opposition in Nicaragua to become a viable partner in the Nicaraguan political process.

(c) RESOLUTION OF THE CONFLICT IN NICARAGUA.—

(1) BASES FOR POLICY.—The Congress finds that—

(A) the people of Nicaragua are suffering the horrors of a fierce armed conflict that is causing grave hardships and loss of life, has thrown the country into a serious political, social, and economic upheaval, and is of serious concern to the nations of the region and to the United States;

[CRS-313]

(B) this conflict is fundamentally a continuation of efforts of the Nicaraguan people to attain a representative government at peace with its neighbors, efforts which began under the Somoza regime; and

(C) the United States recognized these noble aspirations of the Nicaraguan people in the June 23, 1979, resolution of the Seventeenth Meeting of Consultation of Ministers of Foreign Affairs of the Organization of American States, which reads as follows:

"WHEREAS:

"The people of Nicaragua are suffering the horrors of a fierce armed conflict that is causing grave hardships and loss of life, and has thrown the country into a serious political, social and economic upheaval;

"The inhumane conduct of the dictatorial regime governing the country, as evidenced by the report of the Inter-American Commission on Human Rights, is the fundamental cause of the dramatic situation faced by the Nicaraguan people; and

"The spirit of solidarity that guides Hemisphere relations places an unavoidable obligation on the American countries to exert every effort within their power, to put an end to the bloodshed and to avoid the prolongation of this conflict which is disrupting the peace of the Hemisphere;

"THE SEVENTEENTH MEETING OF CONSULTATION OF MINISTERS OF FOREIGN AFFAIRS,

"DELCARES:

"That the solution of the serious problem is exclusively within the jurisdiction of the people of Nicaragua.

"That in the view of the Seventeenth Meeting of Consultation of Ministers of Foreign Affairs this solution should be arrived at on the basis of the following:

"1. Immediate and definitive replacement of the Somoza regime.

"2. Installation in Nicaraguan territory of a domestic government, the composition of which should include the principal representative groups which oppose the Somoza regime and which reflects the free will of the people of Nicaragua.

"3. Guarantee of the respect for human rights of all Nicaraguans without exception.

"4. The holding of free elections as soon as possible, that will lead to the establishment of a truly democratic government that guarantees peace, freedom, and justice.

"RESOLVES:

"1. To urge the member states to take steps that are within their reach to facilitate an enduring and peaceful solution of the Nicaraguan problem on the bases set forth above, scrupulously respecting the principle of nonintervention and abstaining from any action that might be in conflict with the above bases or be incompatible with a peaceful and enduring solution to the problem.

"2. To commit their efforts to promote humanitarian assistance to the people of Nicaragua and to contribute to the social and economic recovery of the country.

"3. To keep the Seventeenth Meeting of Consultation of Ministers of Foreign Affairs open while the present situation continues.".

[CRS-314]

(2) THE GOVERNMENT OF NICARAGUA.—The Congress further finds that—

(A) the Government of National Reconstruction of Nicaragua formally accepted the June 23, 1979, resolution as a basis for resolving the Nicaraguan conflict in its "Plan to Achieve Peace" which was submitted to the Organization of American States on July 12, 1979;

(B) the June 23, 1979, resolution and its acceptance by the Government of National Reconstruction of Nicaragua was the formal basis for the removal of the Somoza regime and the installation of the Government of National Reconstruction;

(C) the Government of National Reconstruction, now known as the Government of Nicaragua and controlled by the Frente Sandinista (the FSLN), has flagrantly violated the provisions of the June 23, 1979, resolution, the rights of the Nicaraguan people, and the security of the nations in the region, in that it—

(i) no longer includes the democratic members of the Government of National Reconstruction in the political process;

(ii) is not a government freely elected under conditions of freedom of the press, assembly, and organization, and is not recognized as freely elected by its neighbors, Costa Rica, Honduras, and El Salvador;

(iii) has taken significant steps towards establishing a totalitarian Communist dictatorship, including the formation of FSLN neighborhood watch committees and the enactment of laws that violate human rights and grant undue executive power;

(iv) has committed atrocities against its citizens as documented in reports by the Inter-American Commission on Human Rights of the Organization of American States;

(v) has aligned itself with the Soviet Union and Soviet allies, including the German Democratic Republic, Bulgaria, Libya, and the Palestine Liberation Organization;

(vi) has committed and refuses to cease aggression in the form of armed subversion against its neighbors in violation of the Charter of the United Nations, the Charter of the Organization of American States, the

Inter-American Treaty of Reciprocal Assistance, and the 1965 United Nations General Assembly Declaration of Intervention; and

(vii) has built up an army beyond the needs of immediate self-defense, at the expense of the needs of the Nicaraguan people and about which the nations of the region have expressed deepest concern.

(3) The Nicaraguan Democratic Opposition.—The Congress further finds that—

(A) as a result of these violations, the Government of Nicaragua has lost the support of virtually all independent sectors of Nicaraguan society who initially supported the removal of the Somoza regime (including democratic political parties of the left, center, and right; the leadership of the Church; free unions; and the business, farmer, and professional sectors) and who still seek democracy, reject the rule of the Frente Sandinista, and seek the free elections promised in 1979;

[CRS-315]

(B) the Nicaraguan political opposition has joined with the armed opposition groups in issuing the San Jose Manifesto of March 1, 1985, calling for a national dialogue under mediation by the Nicaraguan Bishops Conference to peacefully attain the fulfillment of the Government of Nicaragua's commitments to the Organization of American States, including "the democratization of Nicaragua, conscious that democracy is the only means to carry out an authenic revolution and secure our national identity and sovereignty";

(C) on June 12, 1985, in San Salvador, El Salvador, the political and armed opposition groups representing the entire democratic political spectrum of Nicaragua formed the Unified Nicaraguan Opposition and affirmed their "historical commitment to achieve for Nicaragua the reconciliation of her children, to establish the foundation for democracy and the moral and material reconstruction of the nation"; and

(D) the Unified Nicaraguan Opposition further declared its intention to "give priority at all times to a political solution which will ease the suffering of our people."

(4) Concerns in the Region and United States Responsibilities.—The Congress further finds that—

(A) Nicaragua's neighbors, Costa Rica, El Salvador, and Honduras, have expressed, individually and through the Contadora process, their belief that their peace and freedom is not safe so long as the Government of Nicaragua excludes from power most of Nicaragua's political leadership and is controlled by a small sectarian party, without regard to the will of the majority of Nicaraguans; and

(B) the United States, given its role in the installation of the current Government of Nicaragua, has a special responsibility regarding the implementation of the commitments made by that Government in 1979, especially to those who fought against Somoza to bring democracy to Nicaragua with United States support.

(5) Resolution of the Conflict.—The Congress—

(A) condemns the Government of Nicaragua for violating its solemn commitments to the Nicaraguan people, the United States, and the Organization of American States;

(B) affirms that the Government of Nicaragua will be regarded as having achieved political legitimacy when it fulfills its 1979 commitment to the Organization of American States to implement genuinely democratic elections, under the supervision of the Organization of American States, in which all elements of the Nicaraguan resistance can peacefully participate under conditions recognized as necessary for free elections by international bodies;

(C) urges the Government of Nicaragua to enter a national dialogue, as proposed by the Nicaraguan democratic resistance in San Jose, Costa Rica, on March 1, 1985, under mediation by the Nicaraguan Bishops Conference in order to peacefully resolve the current crisis through internationally recognized elections in which all elements of Nicaraguan society can freely participate;

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(D) supports the Nicaraguan democratic resistance in its efforts to peacefully resolve the Nicaraguan conflict and to achieve the fulfillment of the Government of Nicaragua's solemn commitments to the Nicaraguan people, the United States, and the Organization of American States;

(E) supports efforts by the Contadora nations, the Organization of American States, and other appropriate regional organizations to maintain multilateral pressure on Nicaragua to fulfill its commitments; and

(F) requests that the Secretary of State transmit the text of this subsection to the Foreign Ministers of the member states of the Organization of American States.

(d) Prohibition Relating to Military or Paramilitary Operations in Nicaragua.—Notwithstanding any other provision of law, no funds authorized to be appropriated or otherwise made available by this Act (except the funds authorized to be appropriated in this section), by the Foreign Assistance Act of 1961, or by the Arms Export Control Act shall be used to provide assistance of any person or group engaging in an insurgency or other act of rebellion against the Government of Nicaragua. The United States shall not enter into any arrangement conditioning, expressly or impliedly, the provision of assistance under this Act or the purchase of defense articles and services under the Arms Export Control Act upon the provision of assistance by a recipient to persons or groups engaging in an insurgency or other act of rebellion against the Government of Nicaragua.

(e) Limitation on Use of Funds Against Nicaragua.—None of the funds authorized to be appropriated in this or any other Act can be used to fund directly, or indirectly, activities against the Government of Nicaragua which have not been authorized by, or pursuant to, law and which would place the United States in violation of our obligations under the Charter of the Organization of American States, to which the United States is a signatory, or under international law as defined by treaty commitments agreed to, and ratified by, the Government of the United States.

(f) Food Aid to the Nicaraguan People.—In cooperation with Cardinal Miguel Obando y Bravo and private and voluntary organizations, the President should explore and promote means for providing food aid to the Nicaraguan people through private and voluntary organizations and the Catholic Church.

(g) Humanitarian Assistance for Nicaraguan Democratic Resistance.—(1) Effective upon the date of enactment of this Act, there are authorized to be appropriated $27,000,000 for humanitarian assistance to the Nicaraguan democractic resistance. Such assistance shall be provided to such department or agency of the United States as the President shall designate, except the Central Intelligence Agency or the Department of Defense.

(2) The assistance authorized by this subsection is authorized to remain available for obligation until March 31, 1986.

(3) One-third of the assistance authorized by this subsection shall be available for obligation at any time after the appropriation of funds pursuant to such authorization, an additional one-third shall be available for obligation upon submission of the first report required by subsection (j), and the remaining one-third shall be available for obligation upon submission of the seond such report.

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(4) The President shall establish appropriate procedures to ensure that any humanitarian assistance provided by the United States Government to the Nicaraguan democratic resistance is used only for the intended purpose and is not diverted (through barter, exchange, or any other means) for acquisition of weapons, weapons systems, ammunition, or other equipment, vehicles, or material which can be used to inflict serious bodily harm or death.

(5) As used in this subsection, the term "humanitarian assistance" means the provision of food, clothing, medicine, and other humanitarian assistance, and it does not include the provision of weapons, weapons systems, ammunition, or other equipment, vehicles, or material which can be used to inflict serious bodily harm or death.

(h) Assistance or Implementation of a Contadora Agreement.—Effective upon the date of enactment of this Act, there are authorized to be appropriated $2,000,000, which are authorized to remain available until expended, for payment by the Secretary of State for the expenses arising from implementation by the Contadora nations (Mexico, Panama, Colombia, and Venezuela) of an agreement among the countries of Central America based on the Contadora Document of Objectives of September 9, 1983, inlcuding peacekeeping, verification, and monitoring systems.

(i) Policies With Respect to Nicaragua.—The President is hereby urged and requested—

(1) to pursue vigorously the use of diplomatic and economic measures to resolve the conflict in Nicaragua, including simultaneous negotiations—

(A) to implement the Contadora Document of Objectives of September 8, 1983; and

(B) to develop, in close consultation and cooperation with other nations, trade and economic measures to complement such policies of the United States and to encourage the Government of Nicaragua to take the necessary steps to resolve the conflict;

(2) to suspend the economic sanctions imposed by the President on May 1, 1985, and the United States military maneuvers in Honduras and off the coast of Nicaragua, if the Government of Nicaragua agrees—

(A) to a cease fire,

(B) to open a dialogue with all elements of the opposition, including the Nicaraguan democratic resistance, and

(C) to suspend the state of emergency in Nicaragua;

(3) to call upon the Nicaraguan democratic resistance to remove from their ranks any individuals who have engaged in human rights abuses; and

(4) to resume bilateral discussions with the Government of Nicaragua with a view to encouraging—

(A) a church-mediated dialogue between the Government of Nicaragua and all elements of the opposition, including the Nicaraguan democratic resistance, in support of internal reconciliation as called for by the Contadora Document of Objectives; and

(B) a comprehensive, verifiable agreement among the nations of Central America, based on the Contadora Document of Objectives.

(j) **Reports.**—The President shall submit a report to the Congress 90 days after the date of enactment of this Act, and every 90 days thereafter, on any actions taken to carry out subsections (g) and (h). Each such report shall include—

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(1) a detailed statement of any progress made in reaching a negotiated settlement referred to in subsection (i)(1), including the willingness of the Nicaraguan democratic resistance and the Government of Nicaragua to negotiate a settlement;

(2) a detailed accounting of the disbursements made to provide humanitarian assistance with the funds provided pursuant to subsection (g); and

(3) a discussion of the alleged human rights violations by the Nicaraguan democratic resistance and the Government of Nicaragua, including a statement of the steps taken by the Nicaraguan democratic resistance to comply with the request referred to in subsection (i)(3).

(k) **Submission of Request for Additional Assistance for the Central America Peace Process.**—If the President determines at any time after the enactment of this Act that—

(1) negotiations based on the Contadora Document of Objectives of September 9, 1983, have produced an agreement, or show promise of producing an agreement, or

(2) other trade and economic measures will assist in a resolution of the conflict, or to stabilization in the region,

the President may submit to the Congress a request for budget and other authority to provide additional assistance for the furtherance of the Central America peace process.

(l) **Statement To Be Included.**—The President's request pursuant to subsection (k) shall include a detailed statement as to progress made to resolve the conflict in the region.

(m) **Consultation With the Congress.**—In formulating a request pursuant to subsection (k), the President shall consult with the Congress.

(n) **House Procedures.**—(1) The provisions of this subsection apply, during the 99th Congress, to the consideration in the House of Representatives of a joint resolution with respect to the request submitted by the President pursuant to subsection (k).

(2) For purposes of this subsection, the term "joint resolution" means only a joint resolution introduced within 3 legislative days after the Congress receives the request submitted by the President pursuant to subsection (k)—

(A) the matter after the resolving clause of which is as follows: "That the Congress hereby approves the additional authority and assistance for the Central America peace process that the President requested pursuant to the International Security and Development Cooperation Act of 1985, notwithstanding section 10 of Public Law 91-672";

(B) which does not have a preamble; and

(C) the title of which is as follows: "Joint Resolution relating to Central America pursuant to the International Security and Development Cooperation Act of 1985.".

(3) A joint resolution shall, upon introduction, be referred to the appropriate committee or committees of the House of Representatives.

(4) If all the committees of the House to which a joint resolution has been referred have not reported the same joint resolution by the end of 15 legislative days after the first joint resolution was introduced, any committee which has not reported the first joint resolution introduced shall be discharged from further consideration of that joint resolution and that joint resolution shall be placed on the appropriate calendar of the House.

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(5)(A) At any time after the first joint resolution placed on the appropriate calendar has been on that calendar for a period of 5 legislative days, it is in order for any Member of the House (after consultation with the Speaker as to the most appropriate time for the consideration of that joint resolution) to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of that joint resolution. The motion is highly privileged and is in order even though a previous motion to the same effect has been disagreed to. All points of order against the joint resolution under clauses 2 and 6 of Rule XXI of the Rules of the House are waived. If the motion is agreed to, the resolution shall remain the unfinished business of the House until disposed of. A motion to reconsider the vote by which the motion is disagreed to shall not be in order.

(B) Debate on the joint resolution shall not exceed ten hours, which shall be divided equally between a Member favoring and a Member opposing the joint resolution. A motion to limit debate is in order at any time in the House or in the Committee of the Whole and is not debatable.

(C) An amendment to the joint resolution is not in order.

(D) At the conclusion of the debate on the joint resolution, the Committee of the Whole shall rise and report the joint resolution back to the House, and the previous question shall be considered as ordered on the joint resolution to final passage without intervening motion.

(6) As used in this subsection, the term "legislative day" means a day on which the House is in session.

(o) **Senate Procedures.**—A joint resolution which is introduced in the Senate within 3 calendar days after the day on which the Congress receives a Presidential request described in subsection (k) and which, if enacted, would grant the President the authority to take any or all of the actions described in subsection (k) shall be considered in accordance with procedures contained in paragraphs (3) through (7) of section 8066(c) of the Department of Defense Appropriations Act, 1985 (as contained in Public Law 98-473), except that—

(1) references in such paragraphs to the Committees on Appropriations of the Senate shall be deemed to be references to the appropriate committee or committees of the Senate; and

(2) amendments to the joint resolution are in order.

(p) **Submission of Request for Additional Assistance for Nicaraguan Democratic Resistance.**—If the President determines at any time after the enactment of this Act that—

(1) negotiations based on the Contadora Document of Objectives of September 9, 1983, have failed to produce an agreement, or

(2) other trade and economic measures have failed to resolve the conflict,

the President may submit to the Congress a request for budget and other authority to provide additional assistance for the Nicaraguan democratic resistance.

(q) **Statement To Be Included.**—The President's request pursuant to subsection (p) shall include a detailed statement as to why the negotiations or other measures have failed to resolve the conflict in the region.

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(r) **Consultation With the Congress.**—In formulating a request pursuant to subsection (p), the President shall consult with the Congress.

(s) **House Procedures.**—(1) The provisions of this subsection apply, during the 99th Congress, to the consideration in the House of Representatives of a joint resolution with respect to the request submitted by the President pursuant to subsection (p).

(2) For purposes of this subsection, the term "joint resolution" means only a joint resolution introduced within 3 legislative days after the Congress receives the request submitted by the President pursuant to subsection (p)—

(A) the matter after the resolving clause of which is as follows: "That the Congress hereby approves the additional authority and assistance for the Nicaraguan democratic resistance that the President requested pursuant to the International Security and Development Cooperation Act of 1985, notwithstanding section 10 of Public Law 91-672.";

(B) which does not have a preamble; and

(C) the title of which is as follows: "Joint Resolution relating to Central America pursuant to the International Security and Development Cooperation Act of 1985.".

(3) A joint resolution shall, upon introduction, be referred to the appropriate committee or committees of the House of Representatives.

(4) If all the committees of the House to which a joint resolution has been referred have not reported the same joint resolution by the end of 15 legislative days after the first joint resolution was introduced, any committee which has not reported the first joint resolution introduced shall be discharged from further consideration of that joint resolution and that joint resolution shall be placed on the appropriate calendar of the House.

(5)(A) At any time after the first joint resolution placed on the appropriate calendar has been on that calendar for a period of 5 legislative days, it is in order for any Member of the House (after consultation with the Speaker as to the most appropriate time for the consideration of that joint resolution) to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of that joint resolution. The motion is highly privileged and is in order even though a previous motion to the same effect has been disagreed to. All points of order against the joint resolution under clauses 2 and 6 of Rule XXI of the Rules of the House are waived. If the motion is agreed to, the resolution shall remain the unfinished business of the House until disposed of. A motion to reconsider the vote by which the motion is disagreed to shall not be in order.

(B) Debate on the joint resolution shall not exceed ten hours, which shall be divided equally between a Member favoring and a Member opposing the joint resolution. A motion to limit debate is in order at any time in the House or in the Committee of the Whole and is not debatable.

(C) An amendment to the joint resolution is not in order.

(D) At the conclusion of the debate on the joint resolution, the Committee of the Whole shall rise and report the joint resolution back to the House, and the previous question shall be considered as ordered on the joint resolution to final passage without intervening motion.

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(6) As used in this subsection, the term "legislative day" means a day on which the House is in session.

(t) SENATE PROCEDURES.—A joint resolution which is introduced in the Senate within 3 calendar days after the day on which the Congress receives a Presidential request described in subsection (p) and which, if enacted, would grant the President the authority to take any or all of the actions described in subsection (p) shall be considered in accordance with procedures contained in paragraphs (3) through (7) of section 8066(c) of the Department of Defense Appropriations Act, 1985 (as contained in Public Law 98-473), except that—

(1) references in such paragraphs to the Committees on Appropriations of the Senate shall be deemed to be references to the appropriate committee or committees of the Senate; and

(2) amendments to the joint resolution are in order.

(u) CONGRESSIONAL RULEMAKING POWERS.—Subsections (n), (o), (s), and (t) are enacted—

(1) as exercises of the rulemaking powers of the House of Representatives and Senate, and as such they are deemed a part of the Rules of the House and the Rules of the Senate, respectively, but applicable only with respect to the procedure to be followed in the House and the Senate in the case of joint resolutions under this section, and they supersede other rules only to the extent that they are inconsistent with such rules; and

(2) with full recognition of the constitutional right of the House and the Senate to change their rules at any time, in the same manner, and to the same extent as in the case of any other rule of the House or Senate, and of the right of the Committee on Rules of the House of Representatives to report a resolution for the consideration of any measure.

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SUPPLEMENTAL APPROPRIATIONS ACT OF FY 1985

HUMANITARIAN ASSISTANCE FOR NICARAGUAN DEMOCRATIC RESISTANCE

For an additional amount for humanitarian assistance provided to such department or agency of the United States as the President shall designate, except the Central Intelligence Agency or the Department of Defense, to the Nicaraguan democratic resistance, $27,000,000 to remain available for obligation until March 31, 1986. Notwithstanding the Impoundment Control Act of 1974, one-third of the amount appropriated by this paragraph shall be available for obligation upon the enactment of this Act, an additional one-third shall be available for obligation upon submission of the first report required by section 104 of this chapter, and the remaining one-third shall be available for obligation upon submission of the second such report. As used in this paragraph, the term "humanitarian assistance" means the provision of food, clothing, medicine, and other humanitarian assistance, and it does not include the provision of weapons, weapons systems, ammunition, or other equipment, vehicles or material which can be used to inflict serious bodily harm or death.

ASSISTANCE FOR IMPLEMENTATION OF A CONTADORA AGREEMENT

For payment by the Secretary of State for the expenses arising from implementation by the Contadora nations (Mexico, Panama, Colombia, and Venezuela) of an agreement among the countries of Central America based on the Contadora Document of Objectives of September 9, 1983, including peacekeeping, verification, and monitoring systems, $2,000,000, to remain available until expended.

GENERAL PROVISIONS

SEC. 101. Funds appropriated by this chapter under the headings "HUMANITARIAN ASSISTANCE FOR NICARAGUAN DEMOCRATIC RESISTANCE" and "ASSISTANCE FOR IMPLEMENTATION OF A CONTADORA AGREEMENT" may be obligated and expended notwithstanding section 10 of Public Law 91-672 and section 15 of the State Department Basic Authorities Act of 1956 or any other comparable provisions of law.

SEC. 102. (a) The prohibitions contained in section 8066(a) of the Department of Defense Appropriations Act, 1985 (as contained in section 101 of Public Law 98-473) and section 801 of the Intelligence Authorization Act for Fiscal Year 1985 (Public Law 98-618) shall, without limitation as to fiscal year, apply with respect to funds appropriated by this chapter under the headings "HUMANITARIAN ASSISTANCE FOR NICARAGUAN DEMOCRATIC RESISTANCE" and "ASSISTANCE FOR IMPLEMENTATION OF A CONTADORA AGREEMENT".

(b) Nothing in this Act, section 8066(a) of the Department of Defense Appropriations Act, 1985 (as contained in section 101 of Public Law 98-473), or section 801 of the Intelligence Authorization Act for Fiscal Year 1985 (Public Law 98-618) shall be construed to prohibit the United States Government from exchanging information with the Nicaraguan democratic resistance, or the obligation and expenditure, but only for the purposes for which they are expressly made available, of the funds appropriated by this chapter under the headings "HUMANITARIAN ASSISTANCE FOR NICARAGUAN DEMOCRATIC RESISTANCE" and "ASSISTANCE FOR IMPLEMENTATION OF A CONTADORA AGREEMENT".

SEC. 103. The President is urged—

(1) to vigorously pursue the use of diplomatic and economic steps to resolve the conflict in Nicaragua, including negotiations to—

(A) implement the Contadora Document of Objectives of September 9, 1983; and

(B) at the same time, develop trade and economic measures in close consultation and cooperation with other nations which will encourage the Government of Nicaragua to take the necessary steps to resolve the conflict;

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(2) to suspend military maneuvers in Honduras and off Nicaragua's coast, and to lift the embargo on trade with Nicaragua, if the Government of Nicaragua agrees to a ceasefire, to open a dialog with the Nicaraguan democratic resistance and to suspend the state of emergency; and

(3) to resume bilateral discussions with the Government of Nicaragua with a view of encouraging—

(A) a church-mediated dialog between the Government of Nicaragua and the Nicaraguan democratic resistance in support of internal reconciliation, as called for by the Contadora Document of Objectives; and

(B) a comprehensive, verifiable agreement among the nations of Central America, based on the Contadora Document of Objectives.

SEC. 104. (a) The President shall submit a report to the Congress every 90 days on the activities carried out in accordance with section 103 and on the assistance provided under the paragraphs of this chapter headed "HUMANITARIAN ASSISTANCE FOR NICARAGUAN DEMOCRATIC RESISTANCE" and "ASSISTANCE FOR IMPLEMENTATION OF A CONTADORA AGREEMENT". Such reports shall describe the willingness of the Nicaraguan democratic resistance and the Government of Nicaragua to negotiate and the progress of efforts to achieve the objectives set out in paragraph (3) of section 103 and shall provide a detailed accounting of the disbursement of any such assistance.

(b) As part of each of the reports submitted pursuant to subsection (a), the President shall submit to the Permanent Select Committee on Intelligence of the House of Representatives, and to the Select Committee on Intelligence of the Senate, a report on alleged human rights violations by the Nicaraguan democratic resistance and the Government of Nicaragua. With respect to the alleged violations the report shall include information on who is responsible for such human rights violations.

ADDITIONAL ASSISTANCE FOR THE CENTRAL AMERICA PEACE PROCESS

SEC. 105. (a) SUBMISSION OF REQUEST.—If the President determines at any time after the enactment of this Act that—

(1) negotiations based on the Contadora Document of Objectives of September 9, 1983, have produced an agreement, or show promise of producing an agreement; or

(2) other trade and economic measures will assist in a resolution of the conflict, or to stabilization in the region;

the President may submit to the Congress a request for budget and other authority to provide additional assistance for the furtherance of the Central America peace process.

(b) STATEMENT TO BE INCLUDED.—The President's request shall include a detailed statement as to progress made to resolve the conflict in the region.

(c) CONSULTATION WITH THE CONGRESS.—In formulating a request pursuant to subsection (a), the President shall consult with the Congress.

(d) CONGRESSIONAL ACTION.—(1) The provisions of this subsection apply, during the Ninety-ninth Congress, to the consideration in the House of Representatives of a joint resolution with respect to the request submitted by the President pursuant to subsection (a).

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(2) For purposes of this subsection, the term "joint resolution" means only a joint resolution introduced within 3 legislative days after the Congress receives the request submitted by the President pursuant to subsection (a)—

(A) the matter after the resolving clause of which is as follows: "That the Congress hereby approves the additional authority and assistance for the Central American peace process that the President requested pursuant to the Supplemental Appropriations Act, 1985, notwithstanding section 10 of Public Law 91-672";

(B) which does not have a preamble; and

(C) the title of which is as follows: "Joint resolution relating to Central America pursuant to the Supplemental Appropriations Act, 1985.".

(3) A joint resolution shall, upon introduction, be referred to the appropriate committee or committees of the House of Representatives.

(4) If all the committees of the House to which a joint resolution has been referred have not reported the same joint resolution by the end of 15 legislative days after the first joint resolution was introduced, any committee which has not reported the first joint resolution introduced shall be discharged from further consideration of that joint resolution and that joint resolution shall be placed on the appropriate calendar of the House.

(5)(A) At any time after the first joint resolution placed on the appropriate calendar has been on that calendar for a period of 5 legislative days, it is in order for any Member of the House (after consultation with the Speaker as to the most appropriate time for the consideration of that joint resolution) to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of that joint resolution. The motion is highly privileged and is in order even though a previous motion to the same effect has been disagreed to. All points of order against the joint resolution under clauses 2 and 6 of rule XXI of the Rules of the House are waived. If the motion is agreed to, the resolution shall remain the unfinished business of the House until disposed of. A motion to reconsider the vote by which the motion is disagreed to shall not be in order.

(B) Debate on the joint resolution shall not exceed 10 hours, which shall be divided equally between a Member favoring and a Member opposing the joint resolution. A motion to limit debate is in order at any time in the House or in the Committee of the Whole and is not debatable.

(C) An amendment to the joint resolution is not in order.

(D) At the conclusion of the debate on the joint resolution, the Committee of the Whole shall rise and report the joint resolution back to the House, and the previous question shall be considered as ordered on the joint resolution to final passage without intervening motion.

(6) As used in this subsection, the term "legislative day" means a day on which the House is in session.

(7) This subsection is enacted—

(A) as an exercise of the rulemaking power of the House of Representatives, and as such it is deemed a part of the Rules of the House, but applicable only with respect to the procedure to be followed in the House in the case of a joint resolution, and it

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supersedes other rules only to the extent that it is inconsistent with such rules; and

(B) with full recognition of the constitutional right of the House to change its rules at any time, in the same manner, and to the same extent as in the case of any other rule of the House, and of the right of the Committee on Rules to report a resolution for the consideration of any measure.

ADDITIONAL ASSISTANCE FOR NICARAGUAN DEMOCRATIC RESISTANCE

SEC. 106. (a) SUBMISSION OF REQUEST.—If the President determines at any time after the enactment of this Act that—

(1) negotiations based on the Contadora Document of Objectives of September 9, 1983, have failed to produce an agreement; or

(2) other trade and economic measures have failed to resolve the conflict;

the President may submit to the Congress a request for budget and other authority to provide additional assistance for the Nicaraguan democratic resistance.

(b) STATEMENT TO BE INCLUDED.—The President's request shall include a detailed statement as to why the negotiations or other measures have failed to resolve the conflict in the region.

(c) CONSULTATION WITH THE CONGRESS.—In formulating a request pursuant to subsection (a), the President shall consult with the Congress.

(d) CONGRESSIONAL ACTION.—(1) The provisions of this subsection apply, during the Ninety-ninth Congress, to the consideration in the House of Representatives of a joint resolution with respect to the request submitted by the President pursuant to subsection (a).

(2) For purposes of this subsection, the term "joint resolution" means only a joint resolution introduced within 3 legislative days after the Congress receives the request submitted by the President pursuant to subsection (a)—

(A) the matter after the resolving clause of which is as follows: "That the Congress hereby approves the additional authority and assistance for the Nicaraguan democratic resistance that the President requested pursuant to the Supplemental Appropriations Act, 1985, notwithstanding section 10 of Public Law 91-672.";

(B) which does not have a preamble; and

(C) the title of which is as follows: "Joint resolution relating to Central America pursuant to the Supplemental Appropriations Act, 1985.".

(3) A joint resolution shall, upon introduction, be referred to the appropriate committee or committees of the House of Representatives.

(4) If all the committees of the House to which a joint resolution has been referred have not reported the same joint resolution by the end of 15 legislative days after the first joint resolution was introduced, any committee which has not reported the first joint resolution introduced shall be discharged from further consideration of that joint resolution and that joint resolution shall be placed on the appropriate calendar of the House.

(5)(A) At any time after the first joint resolution placed on the appropriate calendar has been on that calendar for a period of 5 legislative days, it is in order for any Member of the House (after

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consultation with the Speaker as to the most appropriate time for the consideration of that joint resolution) to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of that joint resolution. The motion is highly privileged and is in order even though a previous motion to the same effect has been disagreed to. All points of order against the joint resolution under clauses 2 and 6 of rule XXI of the Rules of the House are waived. If the motion is agreed to, the resolution shall remain the unfinished business of the House until disposed of. A motion to reconsider the vote by which the motion is disagreed to shall not be in order.

(B) Debate on the joint resolution shall not exceed 10 hours, which shall be divided equally between a Member favoring and a Member opposing the joint resolution. A motion to limit debate is in order at any time in the House or in the Committee of the Whole and is not debatable.

(C) An amendment to the joint resolution is not in order.

(D) At the conclusion of the debate on the joint resolution, the Committee of the Whole shall rise and report the joint resolution back to the House, and the previous question shall be considered as ordered on the joint resolution to final passage without intervening motion.

(6) As used in this subsection, the term "legislative day" means a day on which the House is in session.

(7) This subsection is enacted—

(A) as an exercise of the rulemaking power of the House of Representatives, and as such it is deemed a part of the Rules of the House, but applicable only with respect to the procedure to be followed in the House in the case of a joint resolution, and it supersedes other rules only to the extent that it is inconsistent with such rules; and

(B) with full recognition of the constitutional right of the House to change its rules at any time, in the same manner, and to the same extent as in the case of any other Rule of the House, and of the right of the Committee on Rules to report a resolution for the consideration of any measure.

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A. OVERVIEW

Once it became clear that a majority of both Houses favored funding for humanitarian assistance, the primary issues became the limits of "humanitarian" aid, the entities that were to administer the aid program, and the continuation of contra aid restrictions. With respect to this last matter, members of the House questioned whether the contra aid prohibition in the FY 85 DOD appropriation would survive enactment of the humanitarian aid provision and, if it did so, whether the President would sign a later enactment continuing general military aid restrictions into FY 86. There appeared to be a general agreement that general military aid restrictions legally would continue to apply after approval of humanitarian aid until the end of the fiscal year. In the meantime, the Senate favored a repeal of the contra aid restrictions in the FY 85 DOD appropriation. This would have had the effect of allowing the CIA immediately to use contingency reserve funds to aid the contras. The final compromise position taken with respect to contra aid allowed general restrictions to survive the humanitarian aid bills and left their extension beyond FY 85 to be decided during consideration of the upcoming intelligence authorization bill for FY 86.

In addition to addressing the humanitarian aid issue, the ISDCA also contained the Pell amendment, which concerned linking American foreign assistance to the provision by aid recipients of assistance to the contras. As originally passed and, evidently, as originally approved by the conference committee, the Pell amendment prohibited both use of foreign aid moneys to support the contras and entry into agreements or understandings with foreign aid recipients to provide contra aid. As finally enacted, the latter

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prohibition was revised to prohibit only the conditioning of foreign aid on the provision of contra aid by the prospective recipient.

B. ISDCA; EARLY ACTION

1. Committee reports

With the ISDCA being the primary foreign aid authorization, both the House and Senate reported restrictions on the use of foreign aid funds to assist the contras. No restriction on intelligence activities was included.

INTERNATIONAL SECURITY AND DEVELOPMENT COOPERATION ACT OF 1985

Section 704—Prohibition relating to military paramilitary operations in Nicaragua

Section 704 prohibits the use of any funds authorized to be appropriated by the Foreign Assistance Act for the purpose of supporting, directly or indirectly, military or paramilitary operations in Nicaragua by any group, organization, movement, or individual. The purpose of this provision is to reaffirm the prohibition on all funding for military or paramilitary operations in Nicaragua. It is intended as a clear message to countries of Central America that assistance provided under the Foreign Assistance Act may not be used directly or indirectly for this purpose, including through a transfer or diversion of funds from another country. This prohibition is intended to be comprehensive and applies to all support, to all local currencies generated, and to all uses of the support or local currencies, if the effect would be to support actions against Nicaragua.

H. Rep. 99-39 at 40

INTERNATIONAL SECURITY AND DEVELOPMENT COOPERATION ACT OF 1985

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Section 405—Prohibitions relating to military or paramilitary operations in Nicaragua

Introduced as an amendment by Senator Pell, this section prohibits the use of any funds under this Act, The Foreign Assistance Act, or the Arms Export Control Act to provide assistance of any kind, either directly or indirectly, to any person or group engaged in insurgency against the Government of Nicaragua. This section also prohibits the U.S. Government from entering into any agreement or understanding with any recipient of U.S. assistance or purchaser of U.S. military equipment to provide such assistance.

S. Rep. 99-34 at 40

2. Senate debate

The Senate approved the ISDCA with the reported foreign aid restriction intact on May 15. However, the Senate was soon to contradict the spirit of this restriction in its consideration of State Department Authorizations (S. 1003).

C. STATE DEPARTMENT AUTHORIZATION

Less than a month after approving the ISDCA, the full Senate approved amendments to the State Department authorization bill (S. 1003) that both authorized funds for humanitarian assistance and removed Contra aid restrictions. Though these provisions did not appear in the final State authorization (Pub. L. 99-93), they formed a basis for the final ISDCA and supplemental appropriation language. Senate debate on this and related amendments to the State authorization follows.

Mr. NUNN. Mr. President, I sent an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The bill clerk read as follows:

The Senator from Georgia [Mr. NUNN] (for himself, Mr. BENTSEN, Mr. BOREN, Mr. CHILES, Mr. JOHNSTON, Mr. DOLE, Mr. LUGAR, Mr. DURENBERGER, Mr. DECONCINI, Mr. ROCKEFELLER, and Mr. NICKLES) proposes an amendment numbered 275.

Mr. NUNN. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

[CRS-330]

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place in the bill, insert the following new section:

SEC. . (a) Notwithstanding section 405 of the International Security & Development Cooperation Act of 1985 as contained in S. 960 (99th Congress, 1st session) or any other provision of law, there is authorized to be appropriated $24,000,000 for Fiscal Year 1986 to be expended by the President for humanitarian assistance to the Nicaraguan democratic resistance.

(b) Subsections 8066(a) and (b) of the Department of Defense Appropriations Act, 1985, as contained in the joint resolution entitled a "Joint Resolution making continuing appropriations for the fiscal year 1985, and for other purposes", approved October 12, 1984 (Public Law 98-473; 98 Stat. 1935), and section 801 of the Intelligence Authorization Act for fiscal year 1985 (Public Law 98-618; 98 Stat. 3304) are hereby repealed, provided however that the funds made available by this section may only be used by the President for humanitarian assistance to the Nicaraguan democratic resistance.

(c) The President shall direct the National Security Council to monitor the use of funds for the purpose authorized in subsections (a) and (b).

(d) Nothing in this section shall be construed to impair or limit in any way the oversight powers of the Congress.

(e) The President is hereby urged and requested—

(1) to pursue vigorously the use of diplomatic and economic measures to resolve the conflict in Nicaragua, including simultaneous negotiations to:

(A) implement the Contadora Document of Objectives of September 8, 1983, and

(B) develop, in close consultation and cooperation with other nations, trade and economic measures to complement the economic sanctions of the United States imposed by the President on May 1, 1985 and to encourage the Government of Nicaragua to take the necessary steps to resolve the conflict.

(2) to suspend the economic sanctions imposed by the President on May 1, 1985 and the United States military maneuvers in Honduras and off the coast of Nicaragua if the Government of Nicaragua agrees (A) to a cease fire, (B) to open a dialogue with all elements of the opposition, including the Nicaraguan democratic resistence, and (C) to suspend the state of emergency in Nicaragua;

(3) to call upon the Nicaraguan democratic resistance to remove from their ranks any individuals who have engaged in human rights abuses; and

(4) to resume bilateral discussions with the Government of Nicaragua with a view to encouraging—

(A) a church-mediated dialogue between the Government of Nicaragua and all elements of the opposition, including the Nicaraguan democratic resistance, in support of internal reconcilation as called for by the Contadora Document of Objectives; and

(B) a comprehensive, verifiable agreement among the nations of Central America, based on the Contadora Document of Objectives.

(f) The President shall submit a report to the Congress 90 days after the enactment of this act, and every 90 days thereafter, on any actions taken to carry out subsections (a) and (b). Each such report shall include (1) a detailed statement of the progress made, if any, in reaching a negotiated settlement referred to in subsection (e)(1), (2) a detailed accounting of the disbursements made to provide humanitarian assistance with the funds referred to in subsections (a) and (b), and (3) a statement of the steps taken by the Nicaraguan democratic resistance to comply with the request referred to in subsection (e)(3).

(g) As used in this section, the term "humanitarian assistance" means the provision of food, clothing, medicine, other humanitarian assistance, and transportation associated with the delivery of such assistance. Such term does not include weapons, weapons systems, ammunition, or any other equipment or materiel which is designed, or has as its purpose, to inflict serious bodily harm or death.

(h) Nothing in this section precludes sharing or collecting necessary intelligence information by the United States.

(i)(1) No other materiel assistance may be provided to the Nicaraguan democratic resistance, directly or indirectly, by any agency or instrumentality of the Government of the United States from any funds under its control or otherwise available to it unless an additional request is presented to Congress by the President and then only to the extent it is approved as provided in this section.

(2) If the President determines at any time after the date of the enactment of this act that negotiations based on the Contadora Document of Objectives of September 8, 1983 have failed to produce an agreement, or if other trade and economic measures have failed to resolve the conflict in Central America, the President may request the Congress to authorize additional assistance for the Nicaraguan democratic resistance in such amount and of such a nature as the President considers appropriate. The President shall include in any such request a detailed statement as to why the negotiations or other measures have failed to resolve the conflict in the region.

(j)(1) A joint resolution which is introduced within 3 calendar days after the day on which the Congress receives a Presidential request described in subsection (i) and which, if enacted, would grant the President the authority to take any or all of the actions described in subsection (i) shall be considered in accordance with procedures contained in paragraphs (3) through (7) of subsection (c) of section 8066 of the Department of Defense Appropriations Act, 1985, as contained in the joint resolution entitled a "Joint Resolution making continuing appropriations for the fiscal year 1985, and for other purposes", approved October 12, 1984 (Public law 98-473; 98 Stat. 1935), except that—

(A) references in such paragraphs to the Committee on Appropriations of the Senate the House of Representatives shall be deemed to be references to the appropriate committee or committees of the Senate and the House of Representatives, respectively; and

(B) amendments to the joint resolution are in order.

(2) This Section is enacted by Congress—

(A) as an exercise of the rulemaking power of the Senate and House of Representatives, respectively, and as such it is deemed a part of the rules of each House, respectively, but applicable only with respect to the procedure to be followed in that House in the case of a resolution described in subsection (a), and it supersedes other rules only to the extent that it is inconsistent with such rules; and

(B) with full recognition of the constitutional right of either House to change the rules (so far as related to the procedure of that House) at any time, in the same manner and to the same extent as in the case of any other rule of that House.

Mr. NUNN. Mr. President, I do not know how we are going to allocate the time. We are going to have a number of speakers. But I ask that the Chair notify me in 5 minutes. I may have to take a few more minutes beyond that, but I would like to take 5 minutes, if that is satisfactory to my colleague from Indiana.

Mr. President, this amendment is cosponsored by myself as well as Senator BENTSEN, Senator BOREN, Senator JOHNSTON, Senator CHILES, Senator LUGAR, Senator DECONCINI, Senator DURENBERGER, Senator NICKLES, and Senator DOLE. The amendment would provide humanitarian assistance to the democratic resistance in Nicaragua.

Everyone in this Chamber is well aware of the recent debate as to whether humanitarian assistance should be provided to the democratic resistance in Nicaragua. The administration proposal, which was very similar to this—it was not similar in legislative form but similar to the President's later commitment was a strange legislative vote, but I think most people understood the intent—passed the Senate by a narrow vote, 53 to 46, but failed in the House.

Shortly after the Senate vote, Senators BENTSEN, JOHNSTON, BOREN, and I introduced a resolution; Senate Joint Resolution 129, which would have released the $14 million fenced last year but limited use of those funds only for humanitarian assistance.

Since then, we have revised this amendment in some substantive areas, but the thrust of it has not changed in appreciable ways.

The amendment we are introducing today would unfence the $14 million and authorize an additional $24 million of humanitarian assistance for fiscal year 1986. It provides that the money is to be expended by the President only for humanitarian assistance to the Nicaraguan democratic resistance and that the National Security Council is to supervise the expenditure of the money.

In listening to the debate on the floor, I was struck by the fact that most Senators seem to agree on what our policy objectives in Central America should be. Nobody believes that the Sandinistas are acting in accordance with the commitments they made to the OAS or commitments they made to their own revolution.

The purpose of this amendment is to help develop a sustainable policy that can enjoy the support of the Congress and the American people. A number of other Members of Congress have made similar suggestions. Regretfully no such compromise was reached during the last debate, and, as a result, our policy toward Central America remains in disarray.

All Senators seemed to agree that we should support democracy in Nicaragua and the rest of Central America, that Nicaragua cannot become a base for the Soviet Union or Cuba or their surrogates, that the Sandinistas must not threaten or subvert their neighbors, and that they should live up to the promises they made to the OAS in 1979 to adopt a pluralistic, representative government. Those are the goals that I believe most people in this body would agree with.

[CRS-331]

The problem is how we should accomplish these objectives. That is where the failure has been. The administration has yet to produce a policy which enjoys sufficient support of the American people and the Congress to make it sustainable.

We might adopt something stronger than this amendment in this Chamber today, but I believe it would be counterproductive, because it would set in motion a counterreaction in the House and it would solidify opposition. Even if it were to go through the House and the Senate, it would not send the indispensable signal that must be sent if our policy has any chance of succeeding in Central America, and that is a signal that we are going to have enough support on both sides of the aisle to continue a policy, for whatever time is necessary, to accomplish our goals and objectives.

That is the heart of what we are trying to do here. We can argue about the definition of humanitarian aid, but we are trying to get enough of a consensus on both sides of the aisle so that we send that indispensable message, that we are not going to be down there for 6 months, 1 year, or 2 years. We do not have Lebanon-type provisions in this amendment. There are no time limits. We are going to continue this kind of policy as long as necessary to accomplish our goals. If that message goes out of this Chamber with the vote today, then, in my opinion, the amendment will have been a success. The policy itself may take a long time.

The PRESIDING OFFICER (Mr. ARMSTRONG). The Senator has used 5 minutes.

Mr. NUNN. Mr. President, I ask that I be notified in 5 minutes, and I will try to accelerate my comments.

The PRESIDING OFFICER. The Chair will notify the Senator.

Mr. NUNN. Furthermore, in the public's eyes U.S. policy has become unjustly, and most inaccurately reduced to the issue of aid to the Contras. There is plenty of blame to go around for this—to the administration for inappropriate activities undertaken by the CIA, and the lack of a coherent Nicaraguan policy framework in which to place the Contra program, and to Congress for its inadequate oversight of the problem as well as its repeated, protracted, divisive debates which have served little to clarify the larger Central American issues involved.

This amendment is intended to be the first step in rectifying this situation. By providing aid we are affirming our support of those who stand for freedom and democracy in Central America. But by providing humanitarian aid we are also signalling our willingness to support nonmilitary means of achieving peace and democracy in the region. In El Salvador, we have supported President Duarte's efforts at dialogue with the rebels; we should do no less in Nicaragua, nor should we expect less of the Sandinistas than that they talk to the armed opposition.

By providing now funding for humanitarian assistance in 1985 and 1986 we resolve, for a crucial period of time, the issue of what, if any, aid to give the Contras. With this basic aspect of our policy decided, the administration will have time free from legislative battles in which to reshape and restructure our complete Nicaraguan policy as it fits into our policy framework for the region. This is vital work. It must be done.

It must be clear to one and all at home and abroad that aid to the Contras is only part of a region wide strategy to deal with the challenges we face.

No one should have any doubt about those challenges. We face a struggle between brave men and women fighting for democracy and a better life on one side and, on the other side, the enemies of freedom both of the left and right. And no one should have any doubt about where America stands in that conflict. We must stand with the forces of democracy.

We have stood with the democratic center in El Salvador, we have supported the delicate transition to democratic government in Guatemala, Honduras and Panama, and we must stand with the democratic resistance in Nicaragua. There has been much rhetoric about the Contras. The President has suggested that they are just like our Founding Fathers. Others regard them as right wing terrorists. I believe the President overstates the case, but the facts are that genuine democrats, men like Arturo Cruz, who were imprisoned by Somoza and were early supporters of the Sandinistas, now believe that the Contras offer the true path of democracy. Because men like Cruz are the leaders of the Contras, it is our obligation to help them.

Many believe that we should never have begun providing assistance to the Contras, that the Sandinistas are a legitimate revolution, and that the United States should not intervene in the internal affairs of another country. Regardless of how one feels about the initial decision to support the Contras, the fact is that we did. Regardless of how one feels about the legitimacy of the Sandinista revolution—and, like a lot of other Americans, I applauded the overthrow of Somoza—the facts are that the Sandinistas have betrayed their revolution. Regardless of how one feels about U.S. intervention, the facts are that the Sandinistas are actively supporting subversion of their neighbors. And, the facts are that the Contras began as a small group of Nicaraguans and grew as other Nicaraguans became increasingly disenchanted with the Sandinistas. I am convinced that they would have grown with or without our aid.

Moreover, it is clear that the Contras have been able to generate pressure on the Sandinistas and the Sandinistas would very much like to terminate any aid to them. In my judgment, we must design a policy that continues pressure on the Sandinistas but moves American promotion of military action to the back burner.

Our policy must also avoid the "Lebanon syndrome" in which the President and Congress establish arbitrary and unrealistic time limits to complex foreign policy goals.

The American people must believe that all avenues of diplomatic, economic, and political pressure have been exhausted if there is to be any lasting support for military related options. That is not the case today. Right or wrong, the American people perceive that the military option through the Contras has been on the front burner and is the President's course of first resort.

The challenge, I believe, is to move forward with political, diplomatic, and economic pressure, and continue the possibility of military pressure itself.

The proposal we are offering today would achieve these objectives.

Let me explain the principal elements of this amendment.

First, it authorizes $24 million for fiscal year 1986 and unfences the $14 million from last year, but provides that those funds may be only used by the President for humanitarian assistance which is defined as food, clothing, medicine, other humanitarian assistance, and transportation. It does not include any weapons, weapons systems, or ammunition. Because we believe that it is important that the democratic resistance be able to defend itself, the amendment specifically does not preclude the provision of intelligence information to the democratic resistance or the collection of necessary intelligence by the United States. In making these funds available, the amendment repeals the Boland amendment, but, as I will explain more fully below, does so in a way that no further assistance may be provided to the Contras unless Congress specifically authorizes.

The amendment provides that the President is to administer the assistance and that the NSC is to monitor the program. I recognize that many Senators believe that aid should be administered by the Agency for International Development or the State Department. They do not want the CIA involved. I understand their concerns, particularly as the CIA has not handled this project well in the past. However, I believe that the United States should use our assistance for the Contras as a lever to assist in fostering a

[CRS-332]

regional solution to the conflict. Accordingly, I believe that the maximum flexibility should be given to the President to administer this assistance. The President must make a detailed report to the Congress every 90 days and, if he chooses to have the CIA involved, I can assure him that Congress will be watching very closely. I know I certainly will be.

Second, it urges the President to vigorously pursue diplomatic and economic measures, including negotiations, to implement the Contadora objectives, and to develop, in close cooperation with our allies, trade and economic measures to pressure the Government of Nicaragua. The President is also urged to suspend the economic sanctions he imposed on May 1 and to suspend military maneuvers in Honduras and off Nicaragua's coast if the Government of Nicaragua agrees to a ceasefire, opens a dialog with the democratic resistance, and suspends the state of emergency.

Mr. President, our amendment urges the President to suspend the economic sanctions if the Sandinistas take the steps I mentioned, because we think he made a serious error in imposing them unilaterally and without any attempt to use them as a lever in the negotiations. When a number of Members of Congress, including Senator BENTSEN and I, called for economic and trade sanctions, we urged that they be done in concert with our allies—not unilaterally. We also expected that the President would use the prospect of sanctions as a lever to persuade the Sandinistas to negotiate seriously in the Contadora process. But the President did not do that. On the eve of departing for Europe, the President hastily imposed the sanctions. There was, so far as I know, little or no consultation with our allies. It should be no surprise, then, that only El Salvador has come out in support of the sanctions. What is worse, some of our best friends in the region and in Europe have condemned the sanctions and said that they would offset the sanctions by increased trade with Nicaragua. The Sandinistas have been having a propaganda field day, exploiting the lack of support for the sanctions and blaming them as the cause of the serious shortages of food and other necessities that, in fact, have been caused by their own ineptness and adherence to the Marxist/Leninist economic theories. Some sanctions.

Third, the President is also urged to call upon the democratic resistance to remove from its ranks any individuals who have engaged in human rights abuses, and the President is urged to resume the bilateral discussions between the United States and the Government of Nicaragua.

Fourth, the President is required to report to Congress every 90 days and, fifth, the amendment prohibits any further aid from any U.S. Government source unless the President requests such assistance from Congress and Congress votes to approve. In order to request this additional aid, the President must determine that negotiations based on the Contadora principles or the other economic and diplomatic steps have failed to resolve the conflict. Expedited procedures are set out for the consideration of that request.

As I mentioned, our amendment repeals the Boland amendment; but I believe the approach we are suggesting is preferable to that taken by the Boland amendment, which prohibited any assistance, directly or indirectly, to groups engaged in military or paramilitary operations in Nicaragua. Those who wish to preserve the Boland amendment have suggested that we could enact a provision giving humanitarian aid to the Contras "notwithstanding any other law." The problem with that formulation is that it left it up to the administration to decide what assistance was humanitarian and thus could be provided, and what aid assisted directly or indirectly military or paramilitary operations in Nicaragua and thus could not be provided. That approach would have created a vast gray area in which no one could be certain what could be provided and what could not be. Our approach is much more direct. It permits humanitarian aid to be provided, strictly defines humanitarian assistance, and prohibits any further aid from any U.S. Government agency unless the President specifically requests it from Congress and we vote our approval. Thus, there could be no further military assistance, overt or covert, by the CIA or State or AID or anyone, unless Congress specifically approves. This addresses the concerns which led many Senators to support the Boland amendment, but permits humanitarian aid to be provided without ambiguity and makes it clear that no further assistance can be provided without specific approval by Congress.

Mr. President, this amendment sets forth the humanitarian assistance that may be provided to the Nicaraguan democratic resistance. By that term we mean those Nicaraguans who have taken up arms against the Sandinistas and are engaged in armed resistance.

This amendment incorporates elements from the major proposals that were considered recently, including the resolution favored by the administration, the one advanced by Senator BYRD on behalf of several Democrats, and the recommended economic sanctions suggested by Senator BENTSEN and myself. Finally, it does not include the language of Senate Joint Resolution 106—to which many Senators objected—that would have authorized supporting, directly or indirectly, military or paramilitary operations in Nicaragua. Indeed, it makes it very clear that only humanitarian assistance may be provided unless Congress gives further authorization.

I hope, therefore, that this amendment will enjoy broad bipartisan support.

This approach is a regional approach. All parties are required to do certain things. The Sandinistas are required to do only what they have already promised to do. The democratic resistance is obligated to insure that it is a truly democratic movement by purging from its ranks individuals who are responsible for human rights abuses. The United States must pursue bilateral negotiations with the Sandinistas and be prepared to suspend maneuvers if the Sandinistas take the steps that I have mentioned.

This approach calls the Sandinistas' hand. They say they are democratic. I say OK, let them prove it. This humanitarian aid will sustain the democratic resistance; it will keep the flame of liberty and hope alive.

Moreover, humanitarian aid instead of military aid should facilitate negotiations both within the Contadora framework and between the United States and the Sandinistas. Changing the nature of renewed U.S. Government assistance to the Contras will also serve to emphasize our new approach, characterized by our determined interest in a negotiated settlement. Finally, it permits the aid to be used as a lever to pursue our objectives.

This amendment puts military aid in the background but leaves the military option open. If the President concludes that the economic and diplomatic paths have failed, he may come back to Congress and request additional assistance. If he has made a good faith effort to exhaust these courses and if the Sandinistas do not modify their behavior, then the President's request for additional assistance will meet a very different reception in the Congress.

Mr. President, this amendment is designed to develop a long-term course, one that can enjoy broad bipartisan support and provide the President the basis to conduct a coherent, sustainable foreign policy. I urge my colleagues to support it.

Mr. President, for the purpose of clarity I shall read the cosponsors again. Myself, Mr. BENTSEN, Mr. BOREN, Mr. CHILES, Mr. JOHNSTON, Mr. DOLE, Mr. LUGAR, Mr. DURENBERGER, Mr. DECONCINI, and Mr. DIXON.

The PRESIDING OFFICER. The Senator from Indiana.

Mr. LUGAR. Mr. President, shortly I will ask that the Chair allocate 7 minutes to the distinguished Senator from Texas.

● Mr. GORTON. Mr. President, I am disappointed, frankly, with all of the proposals offered so far which concern U.S. policy toward Nicaragua. Some suffer from a tendency to treat the Sandinistas and the interests of the United States naively while others would make ineffective or inappropriate policy.

[CRS-333]

Let there be no doubt, the United States has reason to be concerned about Nicaragua because American interests are involved, but this doesn't mean that we must actively seek the overthrow of the Sandinista regime or support the Contras just enough to keep up the killing without a hope of success. In my estimation, it is not clear at this time that we can't reach an acceptable accord with the Sandinistas that sets the groundwork for peace and stability in the region. The administration, which has tried funding the anti-Sandinista revolutionaries and unsuccessfully sought the overthrow of the Sandinista regime, has not taken the opportunity presented by this pressure to strike a bargain for peace.

I urge the administration and my colleagues to consider the options that are available to us in a sober and objective fashion. These options, which I will discuss briefly, include continued use of various means to gain intelligence and show American resolve, economic pressure, aid to the Contras, and diplomacy.

Our understanding of the challenges posed for us in Nicaragua derives from intelligence gathering—and we must have the very best. We need to know if and when the Sandinistas ship arms to rebels in neighboring states. We need to know what the Soviets and Cubans are up to. We need to know all we can about Nicaraguan military policies, arms acquisitions, base construction, and activities that might lead to offering the Soviets or Cubans base privileges. Our efforts in this regard, with the exception of some needlessly provocative actions on several occasions, have been appropriate, indeed, imperative.

In addition, the United States has been right to show its resolve—so long as there is a serious problem—through a military presence in the region. This presence serves notice to the Sandinistas, Soviets, and Cubans that undermining peace in Central America or the Caribbean will not be tolerated. We need not, as some have suggested here today, stipulate in legislation what might constitute sufficient reason to intervene with those forces. I believe existing law which checks Presidential war powers is sufficient. Carefully defining what would constitute reason to intervene would simply suggest to those who might exploit the situation what they could get away with.

At the urging of some of my colleagues in the Senate a month and a half ago, the President embargoed trade with Nicaragua. Instead of being a response to particular Nicaraguan behavior, it was timed to serve as a substitute for aid to the Contras following the defeat of aid in the House. It appeared to be a weak, second-choice means to show American resolve. Not only was the timing poor, but my guess is that it will be counterproductive. The embargo will largely, if not entirely, be offset by the trade from other countries and will assist the Sandinistas in blaming the problems in Nicaragua on us. It might very well strengthen Ortega's popular support. But now that we have taken this step, in spite of these shortcomings, we should see it as a flexible instrument to be reconsidered in light of Sandinista behavior.

The effects of the embargo are similar to those of funding the Contras. That aid backfired in two ways. First, it bolstered the Sandinista's fallacious assertion that the rebels were nothing more than ex-members of the Samozan national guard funded by the United States, and thus it lent support to the Sandinista's claim to embody Nicaraguan nationalism. Second, it gave them an excuse to continue their military buildup.

The difficult conditions in Nicaragua, sharpened by the pressure exerted by the administration, have not been fully exploited in the peace process. The depressed economy, anarchy in parts of the countryside, and a general sense of national insecurity in Nicaragua afford us an opportunity, it seems to me, to make a serious attempt to drive an acceptable bargain. Unfortunately, I just don't see evidence of that kind of effort by the administration. We need to take greater initiatives within the Contadora framework and, at the first instance of good faith exhibited by the Sandinistas, restart bilateral talks. That course of action, however, should not be mandated by the Congress because such a mandate will reduce to zero the chance of gaining any change in Sandinista policies in return.

Mr. President, let me summarize and conclude briefly. We should maintain our presence and surveillance in the region. We should use the embargo flexibly in response to Sandinista policy. And, above all, we should spare no effort in exhausting diplomatic avenues toward a regional peace agreement. Before we seek to overthrow a foreign government, we should fully explore the alternatives. The policy I have outlined above needs a chance to prove its viability. If it proves unsuccessful, then a reassessment will certainly be necessary.●

Mr. NUNN. Mr. President, will the Senator from Indiana yield for a unanimous consent request?

Mr. LUGAR. I yield.

Mr. NUNN. Mr. President, I ask unanimous consent that Senator EXON of Nebraska be added as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LUGAR. Mr. President, I ask unanimous consent that Senator GOLDWATER be a cosponsor of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LUGAR. Mr. President, the distinguished Senator from Rhode Island has indicated that he will have an opening statement. Notwithstanding that, if I may ask, the indulgence of the Senator, so Senator BENTSEN may speak at this point for our side, we will appreciate it.

I yield 7 minutes to the distinguished Senator from Texas.

Mr. BENTSEN. Mr. President, I thank the distinguished Senator from Indiana.

Mr. President, in a bipartisan 53 to 46 majority, we voted to release $14 million in funds for the Contras that were included in the continuing resolution for fiscal year 1985. Unfortunately, that proposal did not become law, and that is one reason we are discussing the issue once again.

I realize that many Members of this body oppose our current policy toward Nicaragua, and others who do not oppose it are skeptical of the way it has been conducted. I, too, wish we could go back to the beginning and start over. But we do not have that luxury; we have to proceed from where we are now, consider what our national foreign policy goals ought to be, and decide how we can go about achieving them.

Now there is a great deal about the actions of the Government of Nicaragua that I do not like. I do not like its Marxist-Leninist orientation; I do not like the way it censors the press or the Cardinal Obando y Bravo's homilies; I do not like the way it uproots people from their land and places them on cooperative farms. But having said all this, let me say something else: If this were all that the Sandinistas were doing, then it would be difficult to justify governmental support for the Contras. If everything the Sandinistas did had only an internal effect, then as much as I might oppose them, and as much as I would want them to change their ways, and as much as I might want to apply pressure on them because of their violations of human rights, then Government support for the Contras would not be my choice.

But the Sandinistas are not just a leftist group that is engaging in internal repression and experimenting with socialism as a possible way of solving the problems of a developing country in Latin America. Neither the political ideology of the Government of Nicaragua nor its particular philosophy of property ownership is the issue here. The issue is what they are doing that threatens the peace and stability of Central America and the long-term interests of the United States in that region, and how we can diminish this threat.

The Sandinistas are actively engaged in training guerrillas who are trying to overthrow by violence the governments of El Salvador, Honduras, and Costa Rica. We have discussed the control and communications facilities that the Sandinistas admit they are providing for the five guerrilla factions in El Salvador. We have discussed the arms and ammunition the Sandinistas have been providing to many of these same guerrillas. And we know that much of this has been going on almost since the time the Sandinistas took over in Nicaragua. This is a group that came to power promising democracy and respect for its neighbors.

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We have discussed on more than one occasion recently the size and composition of the Sandinista armed forces, which have grown so large that they are in a position to intimidate their neighbors. I do not see any need to talk about the specific numbers again; we should all understand by now the implications of the Sandinista military buildup and what it portends for the peace of the region.

Let's discuss last April's congressional vote on Contra aid and our policy toward Nicaragua. Many Members wanted to give the Sandinistas an opportunity to show their good faith, and to do so they voted against aid to the Contras. Well, we saw immediately just what good faith on the part of the Sandinistas means. Hardly had the last votes been cast than Daniel Ortega was off for Moscow to greet Mikhail Gorbachev and to ask him for additional aid. This action should not have been too surprising, and I believe it underscores one of the ultimate dangers posed by the direction the Sandinistas are presently heading.

The same people are saying the same things. That somehow the United States drove the Sandinistas into the arms of the Russians. That the United States has been hostile to the Sandinistas from the beginning. Well, that is just not true. While we were sending aid, they were establishing the second Soviet satellite in this hemisphere and the first on the North American Continent. Today, an armed Nicaraguan minority, advised and backed by 3,000 or so Russian, Cuban, East German, Bulgarian, and PLO military advisers is busy suppressing the Nicaraguan majority.

From the beginning, the United States tried to help Nicaragua's revolution fulfill its original promises. Immediately after the ouster of President Somoza in 1979, we airlifted food to feed the thousands of people displaced by the conflict. Over the next 2 years we gave the new government five times as much aid as we had given its predecessor during its last 2 years. This Senator voted for such aid. In fact, our $117 million was more than Nicaragua received from any other nation in the world during those first few years. In addition, we helped arrange rescheduling agreements with commercial banks and new loans in multilateral development banks, and we made special efforts to strengthen the private sector of Nicaragua's economy.

But while the United States was trying to lend a helping hand, the Marxist hardliners among the revolutionaries were consolidating their power, radicalizing their programs, driving out those who did not share their ideology, and beginning to provide military assistance to guerrilla movements in neighboring countries. The Sandinistas leave few illusions to comfort their supporters in this country. Tomas Borge brags of their revolution without boundaries, and they flaunt their increasing ties to the Soviets. They spurned our friendship and refused to accept even our Peace Corps volunteers. They abandoned their professed commitments to democracy, and they embarked on a course of action that has gotten them—and us—to the point we have reached today.

Mr. President, I think it is now time for us to acknowledge that the hopes which many of us had for the Sandinista regime have been disappointed; that their revolution has turned sour and become a threatening presence in Central America.

I believe there is a substantial sentiment in this body in support of actions to persuade the Sandinistas to change the direction in which they are so clearly headed. What is being offered here today is a comprehensive proposal for doing precisely this. This amendment endeavors to codify the consensus on U.S. policy which I believe already exists in the Senate and which may well be emerging in the other body as well. It provides a mixture of pressures and incentives for Nicaragua to change course at home and in its dealings with its neighbors.

I believe this measure is a strong signal of U.S. support for the democratic opposition. It provides encouragement and support for the diplomatic process. It is not draconian; it is not one sided. It calls upon our own Government to reenter bilateral negotiations with the Sandinistas; and it says we should refrain from military maneuvers near Nicaragua and suspend the trade embargo if the Sandinistas will agree to a cease-fire, to a dialog with the democratic resistance forces in Nicaragua, and to a suspension of the state of emergency.

It calls upon the Contras to eliminate from their ranks any individuals who have engaged in human rights abuses.

Furthermore, this amendment recognizes the legitimate concerns of the Congress about the way the Nicaragua program has been conducted in the past by limiting assistance to the Contras to the funds released and authorized in this statute. It does not provide a backdoor for any other aid to the Contras, whether covert or overt.

No one can be sure what the Sandinista response to these proposals will be. I hope that they will see our determination and will turn aside from the course they have been pursuing.

But I am convinced they will do so only if there is sufficient pressure on them from within. A crucial component of this package, consequently, is release of the $14 million in humanitarian assistance for the democratic resistance forces in Nicaragua for this year, plus the authorization of $24 million in such assistance for fiscal year 1986.

Today, even without U.S. assistance, the Contra forces have grown to twice what they were last year, and they are continuing to grow at a rate of 500 a month. It is not at all unusual for a patrol to go out with 20 commandos, as they call themselves, and return to their base camp with twice that many. They are raising private funds, but it is vital that we give their efforts our stamp of approval, both for the morale boost it offers the Contras and for the message it sends both to the Sandinistas and to the other governments in the regions.

I want to emphasize, too, that the Contras are not mercenaries, despite the Sandinista propaganda claims. Almost all of them are simple peasants—Campesinos—who say they are fighting because they have had their land taken from them, because they have been placed on cooperative farms, because they want to be left alone to raise their crops and their families. They are not receiving any pay for their service, only beans and rice and bullets. They are willing to give their lives for their own interests in Nicaragua, but in doing so they are also fighting on behalf of the interests of the United States.

In closing, I want to emphasize that if the Sandinistas succeed in eliminating the Contras and consolidating their power with Nicaragua, they will pose an even greater threat to the peace and stability of the region. The primary obstacle to this is the pressure exerted on them by the Contras; and if we take the pressure off, if we abandon the one force that is currently engaging their attention, then I am confident the Sandinistas will increase their active support of insurgencies, and their violence, censorship and suppression will spread to the other countries of Latin America. The stream of refugees headed toward Mexico and the United States will turn into a torrent, and San Antonio, the 10th largest city in the United States, will be well on its way to becoming the first.

It is legitimate, necessary, and right that the United States be concerned about the safety of its neighbors and that it exert its influence against those who would subjugate a free people. We are a leader among the nations of the free world and we should measure up to that responsibility. We cannot abdicate that responsibility with a return to the short-term cop out of isolationism. We should do what we can to discourage the Sandinistas' regional adventurism and to encourage the elimination of their military ties with the Soviet bloc, and I urge your support of this amendment as a reasonable and comprehensive way to achieve this objective.

Mr. PELL. Mr. President, I yield myself such time as is necessary.

[CRS-335]

Mr. President, I want to commend the sponsors of this amendment for their real efforts to find a middle-ground position that might attract bipartisan support to achieve peace in Central America. In particular, their effort to define more clearly what constitutes humanitarian aid is an improvement over the earlier versions of the approach embodied in this amendment.

Regrettably, however, I believe it still falls short of constituting what I would consider an approach that leads to peace rather than a continued conflict, because, as I read this amendment, it would not clearly prohibit the provision of trucks, jeeps, communications equipment, and other items that, while nonlethal in and of themselves, would support the continuation of a conflict in violation of our commitment under the OAS charter and in violation of our own national interests.

But even if the definition of humanitarian aid were further clarified to prohibit providing the equipment I have just described, giving humanitarian aid would still permit the Contras to divert funds now being used for such things as food, medicine, and clothing to be used to acquire military equipment.

More importantly, however, paragraph (i)(2) of the amendment is dangerously flawed and, if enacted, would come close to constituting the sort of Gulf of Tonkin kind of open invitation to the President to take whatever action he considers necessary to resolve the conflict. As one of the few

Senators left who made the bad mistake of voting for the Gulf of Tonkin resolution some years back, I am always perhaps extra sensitive to any analogy in this regard.

The two bases for the Presidential determination contained in this paragraph appear, in fact, to be designed to encourage the President to escalate American support for or direct involvement in the Contra effort to overthrow the Government of Nicaragua.

Why do I believe this? First of all, the determination relating to the Contadora document of objectives does not require that Nicaragua be responsible for any failure to reach an agreement based upon that document. Only a few months ago, Nicaragua and other Central American countries were prepared to sign a Contradora-sponsored treaty, but pressure from our own administration caused the other Central American Governments not to sign. Furthermore, we should remember it was the United States that unilaterally broke off the bilateral talks with Nicaragua in Manzanillo that might have resolved United States-Nicaraguan differences regarding the Contadora treaty.

Nothing has happened since that holds out any promises that the administration is really serious about resolving differences with Nicaragua so as to achieve a treaty.

The second determination relating to the failure of trade and economic measures to resolve the conflict in Central America is also destined to be a foregone outcome. Most, if not all, of our allies in the region and in Europe have absolutely refused to cooperate in the American sanctions effort, and Nicaragua has already taken steps to negate the effects of the sanctions. These sanctions, which will affect mainly the middle income and the private sector groups in Nicaragua, will not, in my view, prove effective. The vacuum will be quickly filled up by other willing suppliers. Frankly, I think the application of economic sanctions usually is the same as if one shoots one's self in the foot.

So the President will have no problem in making either of the determinations provided for in paragraphs (i)(2). I predict that if this provision becomes law, the administration will be back with requests that will boggle the mind. The language in this paragraph that states "The President may request the Congress to authorize additional assistance for the democratic resistance in such amount and of such a nature as the President considers appropriate" could, as I read it, be escalated to include the sending of U.S. military forces to fight in Nicaragua.

I think, in general, while this amendment is a true effort at achieving a bipartisan approach, it does not do the job that I would like to see it do.

Finally, from my own viewpoint, I think we should be honest with ourselves. To my mind, the Contras really are terrorists. The definition of terrorism is the changing of the policy of government through violence and murder and the like. This is exactly what the Contras are seeking to do now in Nicaragua.

In addition to that, the difference between a freedom fighter and a terrorist is, to my mind, pretty clear. A freedom fighter is somebody who goes after military objectives, military targets, and installations of the government that they are trying to overturn. A terrorist is far more indiscriminate in the damage that he or she does and a good many civilians get killed in the process.

About a year ago, the rough estimate was that some 4,000 civilian casualties had taken place as a result of the action of the Contras. Now, terrorism, I think, should be opposed, and we do inveigh against it. But when it is practiced, we should be honest with ourselves and recognize that we, too, are using terrorism as a weapon.

So, for all of these reasons, I find myself in opposition to this amendment but in praise of the motives that caused it to be written.

Mr. KENNEDY. Mr. President, will the Senator from Rhode Island yield me 5 minutes?

Mr. PELL. I yield 5 minutes to the Senator from Massachusetts.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized.

Mr. KENNEDY. Mr. President, I will vote against providing so-called "humanitarian assistance" to the Contras because of one undeniable, irrefutable, nondebatable fact: This assistance is nothing more than logistical support for the Contras war against the Government of Nicaragua, and I do not believe that the United States of America should be in the business of overthrowing governments.

U.S. support for this war has been a mistake from the beginning. It is a mistake to continue it today. The policy is wrong—legally, morally, and practically. It has been a failure to date, and it has no hope of success in the future. It has also been an embarrassment to the United States throughout the world.

Within 6 weeks after President Reagan took the oath of office in 1981, he endorsed the CIA's plan to organize and to fund paramilitary activities against the Sandinista Government in Nicaragua. This decision brought the United States into an alliance with an army that was, at that time, dominated by the leaders of Somoza's notorious and hated national guard. We should not have signed on with the Somocistas then; we should not be supporting them today. In 1981, Mr. Reagan turned to the secret use of military force as his course of first resort, he signed us up to support a covert war run by the forces of reaction and repression, and our policy toward Nicaragua has been hostage to that decision ever since. It is high time that we changed course.

The issue today is really no different from what it was a year ago, or just last month, when the Congress rejected providing military assistance to the Contras. That issue is: Should the United States of America help the Contras in their efforts to overthrow the Government of Nicaragua?

Changing the label from military assistance to humanitarian assistance does not change the fundamental issue. Clothing given to people fighting a war is called uniforms; food given to armed forces in combat is called rations; footwear for soldiers is boots; and medical assistance to men in battle is used to treat the wounded.

In fact, the use of the term "humanitarian assistance" is totally misleading. We are not talking about providing "humanitarian assistance" here; we are talking about providing logistical support for the Contra combatants fighting to overthrow the Sandinistas. The definition of "humanitarian assistance" as set forth in the Geneva Conventions and Protocols requires that humanitarian assistance be administered by an organization independent from the parties of the conflict, that it be distributed to noncombatants only and then only on the basis of need, and that it be available impartially to all affected civilians on both sides of the conflict. This proposed assistance flunks the test on all counts. Simply put, this is more money for more war.

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If this assistance were really "humanitarian," the cosponsors would not be asking for so much. This amendment authorizes the appropriation of $24 million. This is an arbitrary, in fact, an irrational sum that bears no relationship whatsoever to the legitimate humanitarian needs of those Nicaraguans who have left Nicaragua and now live in Honduras. To see how irrational this figure is, one only needs to compare it with actual expenditures being made today by the United Nations High Commissioner for Refugees [UNHCR] which has a full-blown refugee assistance program for Nicaraguans living in Honduras.

According to most recent counts, the UNHCR provides assistance for 19,093 Nicaraguan refugees inside Honduras. In 1983, the UNHCR budget for the Nicaraguans was $4 million; the budget 1984 was $4.08 million. That amounts to an expenditure of $213 per Nicaraguan per year.

Now it is proposed that Congress make available $24 million to the Contras in fiscal year 1986. Assuming that the Contras now number somewhere between 15,000 and 20,000 combatants, this amendment would produce an expenditure of between $1,200 and $1,600 per Contra per year. This figure should be put in the context of an average annual per capita income for Nicaraguans living inside their country of around $500.

Make no mistake about this vote: A vote for this $24 million in so-called humanitarian assistance will put $24 million worth of guns and bullets in the hands of the Contras just as surely as if we were to deliver these weapons directly. A vote for this amendment is a vote for more war in Nicaragua and more killing by the Contras.

Although the issue has not changed from our earlier debates on this subject, in many ways, the debate has been clarified. No longer are we operating under the illusion that, by assisting the Contras, the United States is simply trying to halt the flow of arms from Nicaragua to the guerrilla forces inside El Salvador. No longer are we told that we must support the Contras to pressure the Sandinistas into restoring basic freedoms inside Nicaragua. No longer is the purpose of the President's policy in any doubt: President Reagan wants Congress to support the Contras because he supports the aim of the Contras—to overthrow the Government of Nicaragua by force. The issue before the Senate today is whether we will authorize the expenditure of $24 million to be used to overthrow a government that we do not approve of. That is a goal unworthy of the United States of America, and we should reject it.

And who are the people who will be receiving this assistance? Are they worthy of our support? Do they deserve our assistance? Do they represent the best ideals of America?

On this question, there has also been some clarification over the past few months. No longer is it possible to believe that the Contra commanders are the moral equivalent to our Founding Fathers. In fact, it is a travesty to compare Enrique Bermudez to Thomas Jefferson or John Adams or James Madison. On the contrary, there have been repeated and reliable reports of gross atrocities by the Contra combatants, of prisoners being executed, of innocent women and children being raped and mutilated, of civilians being murdered. How can the Congress, in all conscience, provide an additional $24 million to support people engaged in this kind of outrageous and criminal conduct.

But one more clarification is needed: We are not engaged today in a debate about the political shortcomings or character defects of the Sandinistas. No one here is proposing a resolution of support for the Sandinistas, and I doubt that there is much disagreement here about the nature of the Sandinista leaders or about their ideological proclivities. I am no fan of the Sandinistas, and I think we all understand that the Sandinistas are not champions of freedom and democracy. The real question is what the United States should do about it—consistent with our own best values and in conjunction with our own best friends and allies.

Daniel Ortega's trip to Moscow was shocking, but not for the reasons most people give. After all, Ortega has been to Moscow on other occasions, and his fellow commandantes have also visited such bastions of freedom as Libya and Bulgaria. The fact that the Sandinistas are friends of the enemies of freedom is not new.

Ortega's trip was shocking because of its deliberate timing. His decision to go to Moscow right after Congress voted to withhold further assistance from the Contras demonstrated both arrogance and insensitivity. But arrogance and insensitivity is nothing new from the Sandinistas. Ortega's trip to Moscow was troubling to me for another reason; it showed that the Sandinistas care more about the views and opinions of the leaders of the Soviet Union than they do about the respect and good will of the people of the United States of America; it showed that the Sandinistas are just as unwilling to live with the reality of American influence and power in Central America as some Americans are to live with the reality of the Sandinista revolution in Nicaragua. If the Sandinistas want continued confrontation with the United States, they should know that there are plenty of Americans who are happy to oblige them. But that kind of collision course, in my view, would be a disaster for Nicaraguans and Americans alike.

But Ortega's trip is also evidence of the increased influence of the Soviet Union inside Nicaragua. I believe that this, at least in part, is attributable to President Reagan's alliance with the Contras and his unequivocal statements that he seeks to make the Sandinistas cry uncle.

The President's policy toward Nicaragua has not only failed; it has been postively counterproductive. We share the President's concern about the policies of the Sandinista Government. We share his concern about the influence of the Soviets and the Cubans in the region, and, more particularly about their presence and influence inside Nicaragua. We share his concern about Sandinista efforts to export their revolution and to subvert neighboring countries, although the evidence is far from clear on this point. We share his concern about the increased size and strength of the Nicaraguan military. And we share his concern about human rights abuses inside Nicaragua—particularly the Sandinistas' inhuman treatment of the Miskito Indians and other indigenous populations inside that country.

But when you examine what has happened with respect to each one of these concerns, the Reagan approach—continued support of the Contras war—has made matters worse, not better. Rather than reducing Soviet/Cuban influence inside Nicaragua, the Reagan policies have, over the past 5 years, resulted in an increase in that influence. Rather than reducing the size of the Nicaraguan military establishment, the Reagan policies over the past 5 years have prompted a growth in the size of the Nicaraguan Army that is unprecedented in that nation's history. Rather than undermining the influence of the Sandinistas in the region, the Reagan policies have transformed Daniel Ortega into a heroic David doing battle with a bullying American Goliath. Rather than producing greater freedom inside Nicaragua, the Reagan policies have only given the Sandinista hardliners a pretext to crack down on dissidents inside Nicaragua.

U.S. support of the Contras has failed, it cannot succeed, and we should terminate it altogether.

But what about the trade embargo?

This amendment calls upon President Reagan to "develop, in close consultation and cooperation with other nations, trade and economic measures to complement the economic sanctions of the United States imposed by the President on May 1, 1985." The President's decision to declare a national emergency and to impose a unilateral, comprehensive trade embargo on Nicaragua was a gesture, not a policy, and it will only compound our problems in the region.

As a matter of principle, I have nothing against economic sanctions, when they make sense. In fact, I have introduced legislation with Senator WEICKER that would impose certain economic pressures on the Government of South Africa in an effort to encourage nonviolent change and the dismantling of apartheid in that country.

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But I do not believe that a wholesale trade embargo against Nicaragua, imposed unilaterally by the United States, in the absence of any consultation or support from our friends and allies in the region makes any sense.

First, this trade embargo only heightens the perception that the United States is no different from the Soviet Union in its treatment of its smaller and weaker neighbors, that the United States is a bully, and that Nicaragua is a victim. Daniel Ortega will only become an even greater hero among the people of his country and among the people of the hemisphere, particularly among the youth. Outside observers perceive Nicaragua to be our Poland, our Czechoslovakia and perhaps ultimately, our Afghanistan. The embargo will only fuel anti-American, anti-Yankee feeling in Nicaragua and in the region generally.

Second, because of the embargo, all the failures of the Sandinista revolution can now be laid at the feet of the Americans. The Nicaraguan economy is failing now because of serious mistakes by the Sandinistas themselves; the embargo will only permit the Sandinistas to escape responsibility for their own errors and to blame the United States for all economic problems inside their country. Whenever a Nicaraguan cannot get a spare part, whenever he or she must stand in line for 3 hours to buy soap or toothpaste or toilet paper, whenever a car breaks down and cannot be fixed whenever the buses run late, whenever crops fail, whatever bad that happens will now be blamed on the U.S.-sponsored trade embargo. As a result, the standing of the Sandinistas inside Nicaragua will only be enhanced.

Third, a unilateral trade embargo will inevitably be counterproductive. The trade embargo will not reduce the influence of the Soviets inside Nicaragua; it will only increase it. The embargo will not reduce the strength or resolve of the Nicaraguan military; it will only increase the garrison state mentality inside that country.

Fourth, this trade embargo will do most serious damage to the opposition forces inside Nicaragua who depend upon trade with the United States for their independence and existence. The private sector is the backbone of La Coordinadora, the most important opposition force functioning inside Nicaragua today. The embargo strikes at the lifeblood of the private sector and damages its ability to operate separate and apart from the Government. It is for this reason, I presume, that both Arturo Cruz and Cardinal Obando y Brava—two of the most eloquent and outspoken critics of the Sandinistas inside Nicaragua—have been so critical of the embargo.

Finally, this trade embargo damages our standing with our friends and allies in the region and undermines the Contadora process. In this hemisphere, the lack of support for President Reagan's initiative has been dramatic. Only El Salvador has supported the President's action. This kind of unilateral initiative by the United States can only serve to undermine the multilateral efforts of the Contadora nations to achieve a comprehensive resolution of the conflict in Central America.

Opposition to this embargo has not been limited to this hemisphere. Right after President Reagan declared the national emergency and imposed the embargo, he traveled to Europe where he met with some of our most important allies. Not one of those allies has endorsed President Reagan's initiative. Many were openly critical, some are openly assisting the Sandinistas efforts to overcome the embargo.

In addition to providing additional funds for the Contras' war, this amendment repeals the Boland amendment and unleashes the Central Intelligence Agency to work with the Contra forces by sharing intelligence information.

These provisions, if enacted, will for the first time, permit Americans to participate in the conduct of the Contras' war against the Sandinistas. Congressman BOLAND's language stated that no funds available to the CIA or the Defense Department could be expended for the purpose or which would have the effect of supporting, directly or indirectly, military or paramilitary operations in Nicaragua by any nation, group, organization, movement or individual. Now that the President has owned up to his real intentions and made clear what his true objectives are, Congress should not reverse itself and give carte blanche to the CIA to assist the Contras in their efforts to overthrow the Government of Nicaragua. By the same token, Congress should not liberate the CIA to participate in the Contras' military operations, as is also proposed in this amendment. These two provisions—the repeal of Boland and the licensing of the CIA to share intelligence information with the Contras—can only result in the direct involvement of U.S. personnel in the conduct of the Contras' war against the Sandinistas.

Make no mistake about the implications of these provisions; by enacting this amendment, the Senate will be giving the CIA and the DOD explicit authority to participate in the Contras' war against the Sandinistas. In this respect, this amendment is tantamount to another Gulf of Tonkin resolution. In future years, historians will look back and say this was our first step onto a slippery slope that will lead to massive involvement of Americans in the war in Nicaragua. The CIA's participation today will only lead to our GI's involvement tomorrow.

Mr. President, I oppose this amendment because, in so many ways, it magnifies and perpetuates the most serious flaw in President Reagan's approach toward Nicaragua over the past 5 years, our pursuit of unilateral measures at the expense of ongoing multilateral efforts to achieve a comprehensive regional settlement. In our efforts to influence the direction of events inside Nicaragua, we should understand, first and foremost, that the history of that country has revolved around frequent and repeated unilateral interventions by the United States. We should understand that, by persisting in our efforts unilaterally to influence events inside Nicaragua, we are engaged in a self-defeating enterprise. For every action by the Americans, there is an equal if not greater anti-American reaction of the Nicaraguans. The revolution inside Nicaragua today is being fueled by high-octane anti-Americanism, and this amendment will rev up the anti-American engine to a fever pitch.

We should instead be working through multi-lateral channels, working with friends in the region, and we should support the Contadora process.

For all these reasons—and for all of the reasons I outlined earlier in support of other amendments—I urge my fellow Senators to oppose this amendment. In casting our votes against more war in Central America, however, let us also send a message to the Sandinistas: "You too must change course. You too must move towards national reconciliation. You too must give peace a chance. Time is running out."

Mr. LUGAR. Mr. President, I yield 10 minutes to the Senator from Oklahoma, Senator BOREN.

The PRESIDING OFFICER. The Senator from Oklahoma is recognized.

Mr. BOREN. Mr. President, I thank the Senator from Indiana.

Mr. President, I have sponsored and cosponsored many amendments in the past 6½ years of serving in this body. The vast majority of them I supported from a firm conviction that their passage was in the best interests of the people of my State and this Nation. Some others I have supported, not just as measures representing the best interest of the people, but as legislation that was vital to the interests of this Nation. I place this amendment in the latter category. I truly believe the passage of this amendment, at this time, in this forum, is vital to the interests of the United States.

A year and a half ago, I was privileged to serve as an observer of the Presidential elections in El Salvador. Recently, with Congressman GLENN ENGLISH, I returned to the region for talks with a wide cross-section of political, religious, and civic leaders in El Salvador, Honduras, and Nicaragua,

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including the Presidents of the first two nations and the Vice President of the third.

Certainly, on the basis of two visits to the region, I do not claim to be an expert on Central America. I have, however, endeavored to learn as much as I possibly could and the two opportunities for a firsthand view certainly enhanced my understanding and opened my eyes to developments that had previously escaped my attention.

I went to the region inclined to favor aiding the Contras, but skeptical about the chances for changing the internal course in Nicaragua away from Marxist control. I came back believing that there is a deep and widespread desire of the people there for true democracy and that given the right combination of circumstances there is a realistic chance to prevent the establishment of a Communist government in Nicaragua without any direct use of American military force.

To achieve success, however, the United States must continue to give the tools to the local people themselves to bring political, military, and diplomatic pressure to bear against the Sandinista government.

I am also convinced that if we fail to give support to the local forces in the region which are fighting for freedom, we will ultimately endanger the security of all of the nations of Central America and our own security as well. The best way to assure that young Americans will not ever have to fight and die in Latin America to protect our national interests is to give the tools to Central Americans to defend freedom themselves, in their own homelands.

As a preeminent power in this region, there is no way that we can avoid taking action. As President Napoleon Duarte of El Salvador said to me, "Even a failure to act by the United States constitutes an action." He meant that if we fail to exert any pressure on the Sandinistas, it will send a message of nonsupport to our friends and it will embolden our enemies.

The situation in El Salvador which I found in May was markedly improved from a year earlier. The Duarte government won a clear majority for the moderate center in the parliament. Political violence is a fraction of what it was 1 year ago. The strength of Communist guerrilla forces has declined and the number of polling places where they disrupted elections was down by 500 percent from 1 year ago. Important judicial and land reforms are progressing. There are many reasons for the progress and President Duarte himself deserves much credit for his moderate and courageous approach.

The pressure placed on the Sandinista government by the Contra activity and by brave opposition political leaders inside Nicaragua has also clearly reduced the level of help which has been coming from Nicaragua to Communist guerrillas in El Salvador.

The surest way to destabilize El Salvador and forfeit the gains made is to take the pressure off the Sandinista government.

My recent visit to Nicaragua also firmly convinced me that if we withdraw all support from opposition forces in Nicaragua the inevitable result will be the consolidation of a Communist regime there. We will have another Cuba in our own backyard. This time it will not be surrounded by water, but will be connected by a continuous land mass which joins our own borders. Its own boundaries with its immediate neighbors are hard to determine geographically and easy to penetrate.

If anyone is naive enough to believe that the present Sandinista government will moderate and allow for a pluralistic democracy voluntarily, they are closing their eyes to all clear evidence. They should ask themselves, why is the church being oppressed? They should ask, why must the sermons or homilies of former Archbishop and now Cardinal Bando Y Bravo be submitted to government censors 24 hours before they are delivered? They should ask, why are the church schools forced to allow special teachers to begin Marxist indoctrination at age 10? They should demand to know why is the free press, including La Prensa, which so valiantly opposed the Samoza regime, so heavily censored? One day after Congress defeated aid to the Contras and on the day before President Ortega departed to Moscow, the paper was so heavily censored that it could not even go to press.

That was one of the photos censored from La Prensa, a photo showing the special store where only special Sandinista officials can buy.

Those who believe that this government will change should ask, why are political block captains being used to control food ration cards necessary to obtain food and sparsely stocked markets? They should ask, why are special well-stocked stores reserved only for shopping by privileged Sandinista officials if this is truly a government dedicated to equality? They should ask, why are small farmers in the northern areas being forcibly relocated to camps after the government burns their small houses, and takes their livestock?

The pattern is all too clear. As one Nicaraguan said to me, "I fought against Samoza. I was a true Sandinista and still consider that I am a true revolutionary for democracy, but the Communists have stolen our revolution from us. In the earlier broad-based junta and government which was broadly representative, those with democratic philosophies were placed in nonsensitive jobs and the Marxists took control of the army, and police and instruments of control." The pattern, Mr. President, is all too tragically reminiscent of many other places in the globe like Eastern Europe.

As I said earlier, I wish that every Senator could have shared in my experiences. I wish that they could have joined Congressman ENGLISH as he visited with the people on the streets of Managua, away from the ears of government officials and found them virtually unanimous in their opposition to the current government. I wish that the entire Senate could meet Violetta Chamarro who, with her brother-in-law, publishes "La Prensa." Her husband was murdered by Samoza and the paper was burned. She joined the revolution and served in the first Sandinista junta. She resigned after the Marxists took over. Now she struggles on against censorship and threats to continue her fight for freedom against the Marxist dictatorship as bravely as she and her husband fought against the dictatorship of the right under Samoza.

I wish that every member of Congress could talk to Cardinal Bando Y Bravo who himself has narrowly escaped machinegun attacks twice. How can there possibly be any justification in any free country for the continuation of censorship of his words to his flock? Clearly the Pope, in elevating this Archbishop to the position of Cardinal, has sent a clear message to the world. Even so, the Marxist regime is now financing its own created so-called peoples church to try to undermine the continuation of the free church.

I wish that they could have met Virgillio Godoy, who had the courage to resign as Minister of Labor when he found that the government was creating its own state labor union to destory the free labor movement.

I wish that all of my colleagues had been with me when the Chamarros and Virgellio Godoy asked me, "Are you going to abandon us? Are you going to walk away and leave us here to fight alone?" I, for one, could not look them in the eye and answer yes to those questions.

These people know what it is like to live under the Sandinistas. They know what a block committee is and how those committees report on neighborhood activities. They know about indoctrination techniques and the special tours arranged for visiting Americans and others who are given an effectively slanted and carefully controlled view when they come as guests of the Sandinistas.

Mr. President, finally, I wish that the American people could have joined me in paying a visit to a group of Contras inside the battle zone. I talked first hand with a small group of about 50 Contras returning from a patrol.

With all due respect to the Senator from Rhode Island, if he could have been there with me and talked to the young people, I think he would have joined in calling them freedom fighters.

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Some had been fighting for as long as 3 years. Others were recent recruits.

One was a 16-year-old girl carrying a machinegun. After talking with them I had a better understanding of why the Contra forces are growing so rapidly, perhaps at a rate of increase of 500 or 600 per month. I had a better understanding of why the morale is so high and why, if given the tools, I believe they have some chance of ultimate success and can certainly prevent total consolidation of the Sandinista regime.

They are all Nicaraguans from the grassroots of the country. They are mainly very young—not old enough to have been in uniform under Samoza. They are not mercenaries. They get no salary, only about 45 cents per day worth of rations and second-hand clothes. They fight with captured East Block weapons.

One after another told me that he joined the Contras after the Sandinistas took his farm and burned their houses or took his parents to what they all called concentration camps where they also collected the few cows, pigs, and chickens which the farmers had previously owned. One was a young teacher who told me he was a Christian and refused to teach communism to children so he was fired. They are a grassroots force to be reckoned with and they are growing. While I was in Managua they succeeded in raiding a major town in the central area 45 miles east of the capital and severed road traffic.

For those who see parallels to Vietnam, they should consider that here it is the Communists who must fight against a grassroots group using effective raiding tactics in very rough terrain. Here it is the Communists who are burning out small farmers and hamlets and are turning the people in the countryside against the government just as they are alienating the religious community and city dwellers through food rationing, the military draft, and favoritism for high government officials.

All of these experiences leave me with the conviction that we must devise a method of assistance that can be supported openly by this Congress and the American people. I believe we have found it in this amendment.

One of the best things about this amendment is its bipartisan nature. I have spoken before on this floor about the need for bipartisanship in the Nation's foreign policy.

If I may return a moment to my recent meeting with President Duarte, he emphasized the need for a united bipartisan approach. He went on to say that in his opinion the battle for the Third World is a battle between ideologies, not a battle between nations. If the democracies of the world do not have a strategy, the other side does.

A united front, he said, is what the resistance to Communist aggression in Central America needs most. The Communists exploit the unique American propensity to speak in many voices. They want to negotiate because they expect to win through the inaction of Congress what they cannot win in battle or from the voluntary support of their own people.

This Congress and this country should be exporting democracy, not withdrawing from the field.

This amendment in that sense is an export amendment—it seeks to export democracy. It provides $24 million in carefully defined humanitarian aid to the Contras—overtly provides and it sets up a mechanism for monitoring and reporting to Congress every 90 days.

While it unfences the $14 million already approved by repealing the so-called Boland amendment, it contains language that reinstitutes the intent of Boland by prohibiting any further assistance without the specific request of the President and the approval of the full Congress. This is a reasonable approach and in my view virtually the least this Senate should do to aid the Contras, the region and our own national interests.

Mr. President, I close by returning one last time to my conversation with President Duarte. One of the strengths of the Communist countries, he said, was that they help each other. In Nicaragua today are Cubans, Soviets, East Germans, Bulgarians, and some reports say even the PLO. One of the problems we have with the Sandinistas now is that they aid other revolutions in neighboring states and even in South America, despite their own internal difficulties. They help each other.

One of the difficulties with democracies is that, by and large, they are inwardly focused and pay not enough attention to what is occurring outside their own borders, unless it has a direct and immediate effect on them. Democracies seem ill equipped to patiently pursue a consistent policy over a long period of time which helps their friends.

Mr. President, it is time to take a small step toward altering that equation. This amendment is the instrument of that step and I urge my colleagues to support it.

Mr. PELL addressed the Chair.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. PELL. Mr. President, I yield 5 minutes to the Senator from Iowa.

The PRESIDING OFFICER. The Senator from Iowa is recognized.

Mr. HARKIN. I thank the distinguished Senator for yielding me time.

With regard to the amendment offered by the distinguished Senator from Georgia, I have some questions which I would like to propound to the Senator from Georgia during the time I have been allotted. I have a couple of questions which I discussed earlier with him which I would like to have clarified, if I could, prior to voting on the amendment.

As I understand the Senator's amendment, further material assistance to the Contras above that specifically contained in this amendment would be prohibited unless the Congress were to vote to approve such funds.

While I am pleased that the amendment protects this body's prerogative to authorize and appropriate funds for the Contras and assures another opportunity to assess the situation further down the road, I am extremely concerned that while well intentioned, the prohibition for further assistance in this measure may in fact not be loophole free.

My colleagues are familiar with the Boland amendment which has been in effect for 2 years. Before this body takes a new approach to the problem, it is my hope that the distinguished Senator from Georgia would be willing to answer some questions about the intent and effect of his amendment.

As I understand it, the Boland amendment prohibits all funds available to the CIA, the Defense Department, and all other U.S. agencies involved in intelligence activities from being obligated or expended for the purpose or which would have the effect of supporting, directly or indirectly, military or paramilitary operations in Nicaragua by any national group, organization, movement, or individual. That is the language in the Boland amendment.

It is clear to the point, that, as best this Senator can determine, it does the job it must do. It prohibits all funding of all activities that would support military operations in Nicaragua. That law includes, but specifically is not limited to, and that is my point, funding of the army commonly known as the Contras or, as some people call them, the freedom fighters.

My first concern about the pending amendment is that while it prohibits funds above the amount that it authorizes from being provided to the democratic resistance in Nicaragua, it does not prohibit U.S. funds from being used in other ways to support or to conduct military operations in Nicaragua.

I see only one way to read this amendment. Unlike the Boland amendment, it would allow the CIA to conduct independent paramilitary operations in Nicaragua. In other words, it seems clear that what is not prohibited is, in effect, authorized. That is the lesson we have learned over the past 2 years as we struggled to legislate and limit some of these covert operations. Nothing in the Senator's amendment before us limits U.S. funds from being used to conduct covert military operations in Nicaragua.

What I would like to know is, is that the intent of the amendment of the Senator from Georgia? If not, how does this amendment deal with the funds available to the CIA in its contingency reserve to conduct such operations absent a distinct prohibition against such operations?

[CRS-340]

Mr. NUNN. The question my friend raises is one I have struggled with a great deal in preparing this amendment and redrafting it and discussing it with others who are my cosponsors of this amendment. I know the Senator from Indiana has looked very carefully at this. His staff and my staff have worked together. It is a complicated area.

Let me see if I can answer it in a way that is understood.

This amendment deals only with the question of providing assistance to the Contras.

The Senator has raised the matter of unilateral action by the CIA in Central America that is not related to the assistance to the Contras. In my opinion, that must be dealt with under existing law. Under existing law, Nicaragua would be like any other country. It would be regulated by the laws and procedures governing the intelligence community. There would be congressional oversight by the Intelligence Committee. It would require a finding by the President that would be sent to the Intelligence Committee.

Let me go a little further, and I will come back to that.

With respect to the assistance to the Contras, I would say this amendment is absolutely clear that whether they used the contingency reserve funds or not, the CIA could not provide humanitarian aid beyond the scope of this amendment.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. PELL. I yield an additional 5 minutes.

Mr. NUNN. It is also my feeling, my strong feeling, that if the CIA wished to provide any further assistance to the Contras, the President would have to come back to the Senate under the provisions of this amendment and request the assistance, and we would have to approve it in the pertinent committees and also on the floor.

Now, regarding the unilateral action by the CIA which is not in support of the Contras directly or indirectly—which is the Senator's question. I think it is a very legitimate question.

Let me read the Boland amendment to the Senator, because his question presumes that the Boland amendment precludes that kind of assistance. I think that is the understanding of a lot of people.

I think the question of whether the Boland amendment precludes that kind of activity by the CIA is a much more difficult question.

Reading the Boland amendment, it says, "No funds available to the Central Intelligence Agency, the Department of Defense, or any other agency or entity of the United States involved in intelligence activities may be obligated or expended"—I want the Senator to listen carefully to these words—"for the purpose or which would have the effect"—and now the key word in my opinion legally—"of supporting—directly or indirectly, any military or paramilitary" operations in Nicaragua and so on.

Mr. President, it is my view that if the word "supporting" is interpreted broadly, then we could perhaps strain the Boland amendment and say that CIA activity totally unrelated to the Contras but which was adverse to the Nicaraguan Government would be precluded. I do not read the Boland amendment that way, though. I read the Boland amendment as being more narrow than that. I do not believe the present Boland amendment precludes independent CIA activity that is not supporting the Contras.

So, if you read the Boland amendment narrowly, as I do, then there is no diminution of that amendment in our amendment. If, on the other hand, you read the Boland amendment broadly and believe that the present Boland amendment precludes independent CIA activity that has nothing whatsoever to do with supporting the Contras, then our amendment would change the Boland amendment. It would be my intent to change the Boland amendment if it is broad.

Let me give an example. For instance, let us suppose tomorrow morning, before we pass anything, our intelligence community comes in and informs the President of the United States that there is a terrorist training base in Nicaragua and those terrorists are funneling all over Central America. They are coming to the United States, they are carrying out bombings, they are carrying out assassinations, and it has nothing whatsoever to do with the Contra movement, and the CIA or the Defense Department recommends that we take some type of action against that base. If you read the Boland amendment broadly, then it would preclude that action unless the President came to Congress and we had a debate and unless the House and the Senate repealed the Boland amendment.

I do not believe that is what the Boland amendment intended. But if it is what it intended, I think it ought to be repealed. If it is not what it intended, then we do not change the intent of the Boland amendment.

Mr. HARKIN. Mr. President, I think what the Boland amendment is seeking to do is stop activities like the mining of harbors. Again, this is an independent activity, undertaken basically without the consent of Congress, by the Central Intelligence Agency. Under the Senator's amendment, would the CIA be able to do that kind of activity

Mr. NUNN. The answer is no, because I would interpret the mining of harbors as in direct support of the Contras.

Mr. HARKIN. But it was not done in support of the Contras; that is the point. My position is that it lifts the restrictions of the Boland amendment. However, I might be opposed to the Senator's amendment here, I am greatly opposed to it if, in fact, we do not have two things—one, the Boland amendment which again, aside from the Contras itself, would restrict the kind of activities that the Boland amendment sought to restrict. I think most people here and on the other side of the Capitol have interpreted it very broadly—I ask for 2 or 3 more minutes. I am sorry to take so much time.

Mr. PELL. Mr. President, I yield 2 more minutes to the Senator.

Mr. HARKIN. I thank the Senator.

Mr. President, I have one more question.

Mr. NUNN. Would the Senator interpret the Boland amendment as precluding a CIA or a Pentagon move against the terrorist training camp in Nicaragua?

Mr. HARKIN. That was exporting the terrorism outside the borders of Nicaragua?

Mr. NUNN. Yes.

Mr. HARKIN. No, Mr. President.

Mr. NUNN. Then the Senator does not have to be concerned about this.

Mr. HARKIN. Mr. President, I am concerned because obviously, that is a very narrow interpretation, but I keep saying again in terms of the CIA, what we have learned over the past few years is that what is not prohibited is authorized and if we do not prohibit them from doing certain things, they will go off on their own and do mining, for instance. If there is a terrorist camp there, they have recourse. They can come to the Intelligence Committees and ask for authorization.

Mr. NUNN. They cannot if the Boland amendment is interpreted broadly. The Intelligence Committee cannot do or approve anything contravening the law of the country.

Mr. HARKIN. The Boland amendment speaks only to the purpose of overthrowing the Government. If you were to go in and take out a terrorist camp that was exporting terrorism outside of Nicaragua, that would not have the purpose of overthrowing the Government of Nicaragua. Mining the harbors would.

Mr. NUNN. Nothing in the Boland amendment ever mentioned overthrowing the Government.

I know I have taken the Senator's time, Mr. President.

Mr. HARKIN. Mr. President, I have one other question. Leaving aside this question of what the term "humanitarian" assistance encompasses, the amendment would authorize funds and then prohibit further materiel assistance but not preclude the sharing of intelligence information. My question again concerns what is not included in a prohibition against further materiel assistance and what role would be created for the CIA in addition to the sharing of intelligence information. It is my understanding that if humanitarian assistance were to be approved and the Boland amendment were in effect, the Contras could receive the funds but the CIA would not be back in the business of running the Contra war. Without the Boland amendment, the Senator's amendment would allow the CIA to resume its role in advising and training the Contras for combat operations and would put us back in the business of managing this war.

[CRS-341]

Again, I ask, Is this the Senator's intention?

Mr. PELL. I yield time so the Senator from Georgia may reply.

Mr. NUNN. Mr. President, I say to the Senator that is not this Senator's intention. I think the amendment is clear. As I interpret the amendment, and I think it is clear on that, humanitarian assistance would not include training the Contras for military activity.

The Senator has used the word "advising." He say "advising and training."

Mr. HARKIN. Advising, training.

Mr. NUNN. I would think the amendment presumes somebody in our Government is going to advise the Contras of certain things. Hopefully, they will advise them to negotiate bilaterally with the Sandinistas. Hopefully, they will advise them to purge their ranks of human rights abusers, but not give military advice.

Mr. HARKIN. Mr. President, not giving military advice or training.

Mr. NUNN. That would not be in keeping with the humanitarian definition of the amendment.

Mr. HARKIN. I thank my friend from Georgia for clearing that up with me.

Mr. JOHNSTON. Mr. President, will the Senator from Indiana yield me 6 minutes?

Mr. LUGAR. Mr. President, I agreed to yield 5 minutes to the Senator from South Carolina first and I shall be happy to yield to the Senator from Louisiana when he has concluded.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. THURMOND. I thank the Senator from Indiana.

Mr. President, I rise in support of the Nunn, Lugar, Boren amendment.

What we are debating here today is not a question of right versus left. It concerns freedom: freedom from tyranny and oppression, freedom of religion, freedom of the press, and the freedom of people to determine what form their government shall take rather than have that decision dictated by a handful of despots. The United States has fought numerous times to protect these freedoms, and today we are debating whether or not to support people who want to fight for the same freedoms.

We have boiled the argument down to whether or not to give these freedom fighters humanitarian aid, or no aid at all, when we should be providing them with the military assistance that they so badly need. I for one am glad that Lafayette did not come to America with only humanitarian aid to provide for our Continental Army, or we might still be British subjects.

It is unfortunate that some Members of Congress serve as apologists for a Communist dictatorship that offers to let the Soviets station missiles in their country and which also attempts to subvert neighboring states by force of arms.

Mr. President, the United States stood by as the Sandinistas came to power with their promises of free elections, freedom of religion, and freedom of the press. They have instead formed a dictatorship that makes a mockery of these freedoms. Because of their repressive practices, people have again taken up arms against the government, and now more men are fighting the Sandinista government than ever bore arms against the previous regime.

There are those who would have us believe that the Contras are the creation of the Central Intelligence Agency, and that everything would be fine in Nicaragua if we would halt our support for the Contras. This assertion is totally false; 15,000 people do not risk their lives and the lives of their families fighting a dictatorship just to help out the CIA. The last time I checked, the CIA was not that popular in developing areas of the world. Also, there are no retirement benefits for the Contras, and there is little or no pay; so other than the hope of a better way of life, there is not any reason for these men and women to take the risks that they do.

Mr. President, when we strip away all the arguments, we come to one simple decision. We can support forces who oppose Communist dictatorships, or we can vouchsafe the spread of communism by our inaction. Twenty-four years ago, in his inaugural address, President John F. Kennedy stated:

> Let every nation know, whether it wishes us well or ill, that we shall pay any price, bear any burden, meet any hardship, support any friend, oppose any foe to assure the survival and the success of liberty.

Mr. President, unfortunately for some, the price has grown too high, the burden too heavy, and the hardship too great for our Nation to support the survival of liberty. For some, the continued enslavement of people is somehow preferable to our becoming involved. Not only this, the failure to provide assistance to the freedom fighters would constitute a threat to our own freedom.

Mr. President, I urge all of my colleagues to support continued assistance to the Nicaraguan freedom fighters.

Mr. JOHNSTON. Mr. President, will the Senator yield to me 6 minutes?

Mr. LUGAR. Yes; I yield 6 minutes to the Senator from Louisiana.

The PRESIDING OFFICER (Mr. GRAMM). The Senator from Louisiana is recognized.

Mr. JOHNSTON. Mr. President, when Fidel Castro was in the mountains of Cuba, he called himself an agrarian reformer pursuing democracy and a friend of the United States. It took us a few months after he took over to find out that was not to be.

Mr. President, there are those who, in spite of the evidence, indelible evidence since 1979 of the nature of the Sandinista revolution, would want to tell us that they also are agrarian reformers pursuing the rights of the people, trying to improve the lot of the people.

Mr. President, if there is not enough evidence now, I do not know when there will ever be as to the essential nature of the Sandinista revolution. They are bent upon revolution without borders. They are bent upon exporting that revolution to El Salvador, as they are doing at the very moment. The command and control of the FMLN in El Salvador is at this moment in Nicaragua, and so is the direction of other revolutionary activity which has been stopped, if at all, only by the pressure of the Contras.

Now, Mr. President, lest we think that a poor country of about 4 million people in Central America can do no harm, I would like for the Senate to stop for a moment and consider the harm that Cuba does throughout the world with only a population of 10 million. Even though Cuba is a very poor nation, with a gross domestic product of $16 billion, at the very bottom of the list in terms of wealth of nations—and in 1950 before the revolution it had the 3d highest per capita income in Latin America, now it is 15th—Mr. President, what that small country is able to do in terms of harm throughout the world is amazing. They have an armed force of 153,000, 250 aircraft, 850 heavy tanks, with defense expenditures of $1.3 billion.

Even though Canada has two and one-half times the population, they have five times the armed force of Canada. With their militia, they have 12 percent of their population armed and trained and under arms. There are 74,000 Cuban troops in 24 foreign countries. Consider what they do in Angola alone—16 motorized infantry regiments, an artillery regiment, an antiaircraft defense brigade, 500 air force personnel, 500 support troops, and 1,000 advisers. In Angola alone, a total of 31,000 men. They have suffered 6,200 casualties in Angola.

Mr. President, the list of countries where they have troops includes:

Afghanistan, Algeria, Angola, Benin, Cape Verdes, Congo-Brazzaville, Ethiopia, Guinea, Guinea-Bissau, Iraq, Lesotho, Libya, Malagasi, Mozambique, Nicaragua, Nigeria, São Tomé/Principe, Sierra Leone, Suriname, Syria, Tanzania, Uganda, Yemen, and Zambia.

Mr. President, this is the reality of Cuba today. They continue to grow in terms of arms expenditure and in terms of exporting revolution around the world.

[CRS-342]

There was a time when we had an opportunity, Mr. President, to do something about the Cuban infection. Many will say that we should have done something about it in the time of Batista, and I agree. We made serious and terrible mistakes at that time. Those mistakes we cannot recall. There were other times when we had an opportunity to do something about Cuba, and we failed to do it—too little, too late, too ineffectively.

Mr. President, that time in Nicaragua is upon us today. We have an opportunity to do something about Nicaragua, something other than to put our head in the sand, something other than involving American troops. It is to put a sure and steady pressure on the Sandinistas in Nicaragua, using their own people who have formed their own opposition force.

Make no mistake about it, the CIA did not create and did not form the Contra organizations. They are endemic. They are native. They are run by their own people. Indeed, we are not at this time giving aid.

Mr. President, we have an opportunity to strike a middle ground in this amendment, a middle ground between giving arms and sending American troops, on the one hand, and inviting the Nicaraguan-Sandinista revolution to become another Cuba—another Cuba, perhaps smaller in terms of numbers of people but a Cuba connected by a land bridge to Mexico and the United States.

Mr. President, the middle ground as indicated in this amendment is the proper course for this Senate at this time. There may be a time when we will need to take a second step and send the arms themselves, but for now this compromise is the right action.

The PRESIDING OFFICER. Who yields time?

Mr. PELL. I yield 3 minutes to the Senator from Maryland.

Mr. MATHIAS. Mr. President, several Senators this afternoon have referred to a national consensus in favor of this or that policy. They have referred to this or that poll. They have referred to the state of public opinion on American policy toward the critical problems of Nicaragua and Central America.

It is clear to me, however, that there is no national consensus on what might be the most effective policy. In fact, if anything, the polls underline a deep and enduring confusion about our policies and purposes. So clear is this that I feel confident in saying that we lack the depth of public support to sustain the kind of dramatic shift in our foreign policy that seems to be taking place.

It is also clear to me that a seachange in our policy toward Nicaragua is taking place. Though the administration's appeal for more funds is couched in terms of "humanitarian" aid, I see no guarantee that these money would not continue to be used directly to support, or replace other funds to support, military and paramilitary activities by the Contras. There is virtually no way that you could impose such a guarantee.

Originally, the Senate approved funds for the Contras on the grounds that they would be used to block the flow of arms to rebels trying to overthrow the Government of El Salvador—an objective that has in large measure been attained. Now we are coming close to open support for the overthrow of the Government of Nicaragua—a policy that I do not believe shares the support of the American people, nor one that is warranted by the limited diplomatic efforts undertaken to reach a peaceful solution to these problems, nor one that has won the backing of many of our most important allies in the region and the rest of the world. By region, I do not mean just the immediate region of Central America.

Several of the governments in the immediate area generally support the administration's overall efforts, but they also are disturbed by lack of diplomatic progress. But there are many other countries in the broader region of Latin America with whom we should consult more closely as we try to devise a prudent and positive policy.

I have consulted with a wide range of representatives of the leading countries of Latin America. And these inquiries reveal considerable doubt about the shift in American policy in recent weeks and months.

For example, our friends in the Contadora countries, Colombia, Venezuela, Mexico, and Panama, do not appear to favor this kind of aid to the Contras, which they regard as direct intervention in the affairs of Nicaragua. Argentina, Brazil and other vital neighbors of ours, countries destined to become ever more important to us, also remain deeply concerned about the thrust of these policies.

With their domestic political and economic problems, all these countries are likely to be more deeply affected by what may happen in Central America than we are. And yet I see no sign that we have consulted closely with them in devising an effective strategy. I see no sign, furthermore, that we have consulted closely with our European allies on the best course of action.

There are, Mr. President, several attractive provisions of this amendment: the call for a church-mediated dialog between the Government of Nicaragua and the resistance forces; continued support for the Contadora process. I am still confident that a genuine compromise can be worked out. But I do not believe we have reached the point where we should take an irrevocable step that would discourage such initiatives and lead to a widening of hostilities.

For these reasons, I shall vote against the amendment.

The PRESIDING OFFICER. Who yields time?

Mr. LUGAR. I yield 2 minutes to the Senator from Minnesota.

Mr. DURENBERGER. Mr. President, I compliment the original cosponsors of this amendment, on the amendment itself and the work they have put into it. I believe I am a cosponsor as well.

I compliment the cosponsors on the special effort they have made in informing themselves in particular with regard to the special problems of Central America and the way in which those problems have changed over the 4 years or so in which we have been deeply involved in those problems and in discussing them on the floor.

I particularly compliment the Members of the minority party on the floor for their efforts.

I urge all Members to support this amendment. It is not great policy. It is mainly implementation of a policy which remains vague.

Mr. President, I have just returned from a 6-day trip to Central America. I went because I am convinced that this is a critical moment in relations with Central America. I wanted to understand the perspective of the leaders of the region on the major issues.

In the course of the trip, I met with a wide variety of people. I talked with our own Embassy staffs. I met with political leaders and shared their hopes for a democratic future. I talked to military leaders. I exchanged ideas with business leaders. I talked to publishers, churchmen, and people working for international organizations in these countries.

In all of these conversations, I found a common theme—an absolute commitment to the development of democracy throughout the region, and a common demonstration of courage to take risks necessary to achieve that goal.

In Guatemala, Chief of State General Mejia has put the reputation of the military on the line in avowing publicly, without reservation, that he will step down from office and remove the Army from the political process—whatever the results of the election in October.

In El Salvador, President Duarte has assumed not only personal risks, but risk to the democratic ideals of his party by taking firm steps in curbing human rights violations, returning the Army to a nonpolitical role in support of, rather than in opposition to, the democratic process and, most significantly, in opening a dialogue with the political and military elements of the insurgency.

In Costa Rica, President Monge has taken dramatic steps to build within the existing security structure of his country the capability to eliminate the threats of subversion of his democracy, and to defend his border against Nicaraguan incursions. Though his country is extremely vulnerable, he has supported the democratic opposition to the Sandinistas and welcomes the refugees from that regime.

[CRS-343]

In Honduras, President Suazo walks a narrow line in maintaining the momentum of his democratic revolution against those who are critical of his role in supporting the FDN and cooperating with the United States and those who do not feel he has gone far enough.

Throughout Central America, the church has had the courage to speak out and act in preservation of social justice and the dignity of man—whether the danger comes from right or left. The church is acting as mediator in El Salvador, and it sustains those in Nicaragua and Costa Rica who publicly condemn the abuses of Sandinistas. As a demonstration of this consistency of principle, church hierarchy from all of Central America will gather in Managua on June 10 to celebrate mass with the new prelate of the Central America church—Cardinal Obando Y. Bravo.

Mr. President, there is a common concern expressed by these political, religious, military and business leaders. It is a concern that there are root causes of instability in the region which are threats to achievement of democracy. One root cause is the economic difficulty each country faces from an ever widening gap between revenues and expenditures—a balance-of-payments crisis that stands in the way of social programs and reestablishment of a healthy business sector which can create jobs and relieve the burden of an overextended government.

There is instability caused by the insecurity of the governments faced with active attempts at subversion—subversion supported directly from or through Nicaragua.

There is instability caused by the added burden of refugees created by the current political upheaval—refugees who exacerbate the economic problem and increase the threat of subversion. There are now over 100,000 Nicaraguans in Costa Rica—about 10 percent of the population as estimated by the U.N. Refugee Commission. In the last 3 months, 10,000 Nicaraguans have turned up in Guatemala. This is the first time Guatemala has had a refugee influx from Nicaragua.

These are regional problems—problems that cannot be resolved individually by each nation. The leadership of Central America is expectant—hopeful that the United States will join with them in working toward solutions. The United States has already done a great deal. The Jackson plan is a clear signal that the United States recognizes that the region is of vital interest and that we alone have the means which if applied in concert with the Central American countries can tip the balance in favor of democracy.

But the solutions are not regional alone. They depend as well on keeping alive the hope for democracy in Nicaragua. Mr. President, the money being discussed here today, $38 million for humanitarian aid to the democratic resistance, is not in and of itself sufficient to tip the balance. It is not directed at balancing the books economically—nor is it sufficient to stop subversion in the region or to restore to Nicaragua the democracy stolen by the military dictatorship which the Sandinistas have imposed in exact duplication of the old Somoza dictatorship.

But our vote is of great significance as a sign to Central America that the U.S. Government, both executive and legislative, recognizes the role our country should play, and are willing to assume that role. The democrats who recognize that the Sandinista government has as its fundamental objective imposition of a dictatorship which is a threat to the hopes for democracy are pursuing those principles throughout Central America at great personal risk. We share that risk in a positive vote on this assistance because we are not sure who the real democrats are and how this funding is really contributing to achieving a democracy with Nicaragua. Though this vote is necessary to show our resolve and commitment, it is not enough. We cannot close the subject with a symbol—a symbol the ultimate effect of which is unknown.

Mr. President, we must move on to the bigger issue of peace and stability in the region and work at the highest levels in conjunction with the democratic nations to forge a common formula—a policy of commitment of American means, American knowledge and resources in support of mutually shared objectives. Only then will we resolve the root cause of trouble within the region.

The narrow issue we face today is short-term humanitarian assistance to people from one country. The stakes are high, but they are high as much for reasons of symbolism as for material progress. We must move beyond debating whether to symbolically fulfill our commitments to democracy, and instead undertake a debate on actally fulfilling those commitments themselves. In other words, the debate today will not end our attention to Central America. It will only set the stage for a larger debate on a larger policy question—whether this country will play a positive role in the region.

We cannot go it alone. We must work with the nations of Central America, and must listen to them and learn from them. As a first step toward bringing about the reconciliation which must precede significant progress on economic and political questions, I think it is time for the President to convene a meeting of the heads of state of all the countries in the region, including Nicaragua. A major conference could bolster the Contadora process. President Duarte has shown us the way, and we should seek to do on a regional scale what he has undertaken in his own country.

But talk is not enough. The history of Central America is a history of talk and broken promises from the United States. We must demonstrate that our long-term commitment to the region is backed by the public and its Congress. A tangible sign would be immediate consideration and passage of the Jackson plan in a multiyear package. It is time to go beyond debating economically marginal programs, whether they involve humanitarian assistance or other items, and do what we all know must be done.

Beyond these immediate programs, however, we must learn to live with diversity in the region. A commitment to democracy does not mean that every nation must look like ours. So long as a nation's core values involve a commitment to the democratic process, we should welcome it as a friend, not shun it because of some kind of ideological litmus test. Policy disagreements among democracies are ultimately far less important than their adherence to common values.

Finally, we must recognize that it is in Central America itself that the greatest wisdom resides about the future of that region. We can help, but we cannot lead, except by example. We must look to Central American unity and leadership to set the course. This means on one hand that we must ask leaders in the region to say publicly what they say privately. But it means on the other hand that we must give them the confidence to say it, in part by assuring them that we will assist them over the long haul.

Mr. President, as I have said so many times before, the real issue which we too often avoid is Central America and its future—a future which will be shaped by far more than the narrow item we debate today. I strongly believe that we must vote to provide the humanitarian assistance requested. But I also believe that we must break the habit of reducing a vital and complex issue to a simple yes or no vote on a few million dollars aimed at an immediate issue. We must begin to craft a larger policy, and then to debate it. If we fail in this, we will condemn ourselves to years of debates over issues of this kind.

Mr. PELL. Mr. President, I yield 5 minutes to the Senator from Michigan.

Mr. LEVIN. I thank the Senator from Rhode Island.

Mr. President, I wonder if the Senator from Georgia might help me in my effort to understand this language.

I have been one who has been willing to support the Contras with nonlethal assistance under certain conditions. In the past, I have worked on various forms of resolutions which would provide nonlethal assistance to the Contras and set forth the conditions. I do commend all the people

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who have been involved in drafting this amendment for their efforts.

I am troubled, however, by section (i)(1), and I ask the Senator from Georgia about that section. The amendment repeals the Boland language. The Boland language prohibits assistance to the Contras, directly or indirectly, by the CIA, the DOD, or any other agency. So that this amendment wipes out the Boland language.

In its place is section (i)(1), which says that "No other materiel assistance may be provided to the Nicaraguan democratic resistance, directly or indirectly," other than what has already been set forth in this amendment, and that is the humanitarian assistance as defined.

The word "materiel" is a very troubling word to me, because it could mean that nonmateriel military assistance could be provided: for example, support activities; for example, training—which is not materiel but which is directly in support of a military operation.

I did hear the answers of the Senator from Georgia to the questions of Senator HARKIN, and I thought they were helpful; but I am afraid that the language in the amendment is different from the assurances which were given. I wish that the assurances which my friend gave were put forth so clearly in the amendment.

I suppose my question is this: It says "No other materiel assistance." Training of a military operation is nonmateriel assistance. Is it intended that training would be prohibited? If so, is there a way of making that clear in the amendment—that training in military support activities is intended to be prohibited?

Mr. NUNN. I say to the Senator from Michigan that the reason why the word "materiel" was added—and it was added; it was not part of the original amendment—was that if we do not have that word, there is a strong possibility that other legitimate actions by the United States would be precluded that might be considered indirect assistance to the democratic resistance, and thus barred. Let me give the Senator an example.

If we insist in the context of the Contadora negotiation that Sandinistas should talk to the Contras, as I think all of us believe they should, it could be argued if the word "materiel" was not in there, that we were assisting the Contras because one of their objects is to force talks directly with the Sandinistas.

So the word "materiel" was added to prevent that interpretation.

The Senator has raised the other question, the other side of the coin. Every word you add is a coin that has two sides. I think the Senator has a legitimate question. The Senator's question is, Does that word "materiel" mean only substance, something tangible, or would it include things like military assistance?

My view of it is that as the author of the amendment, and I think the Senator from Indiana ought to listen to this, too, I would like for him to respond. My view is that materiel assistance would include any kind of military training, even though that would not necessarily be tangible. I consider that military training is tangible in the sense that this amendment has been offered. I think that if this passes we need to find a better word in conference to make it clearer that we are allowing certain types of activities on behalf of the Contras, political speeches, that kind of thing, petitions to OAS, petitions to the Contadora process, to include them in the talks with Sandinistas, but we are not by that word in any way implying that we intend to have military training or other intangible things. I would like the Senator from Indiana to respond.

Mr. LUGAR. That is my understanding.

Mr. LEVIN. Could I ask about military support activities, for instance, driving the boat for which Contras leave to set mines?

Mr. NUNN. I believe that would be violative of the amendment. It is not humanitarian. It is support of military activities. I think it would be precluded under the amendment. Would the Senator from Indiana answer?

Mr. LUGAR. I concur.

Mr. LEVIN. I am glad to get these interpretations and I think they are important.

Mr. NUNN. But I would not want to have the words "military support" written in because then you have to ask what the definition is and the Senator asks with an example. If you include "military support" as food and clothing which is in the nature of military support under some interpretations then clearly we permit that.

The PRESIDING OFFICER. The time yielded to the Senator from Michigan has expired.

Mr. LEVIN. If there is any additional time I wish 1 minute.

Mr. PELL. I yield 1 additional minute.

The PRESIDING OFFICER. The Senator from Michigan may proceed.

Mr. LEVIN. I thank the Chair.

I think it would be extremely useful if this amendment passes, which I expect it would, that this interpretation which is critical if we are going to eliminate the Boland language be taken to conference. I frankly do not know how I am going to vote on this amendment in light of the interpretation of the sponsor.

The words "materiel assistance" to me means what it says, which is provision of materiels. Support services are not materiels. Training is not materiels.

Mr. NUNN. But you know the word "materiel" can be taken in two contexts. The Senator I think is using the narrow definition of materiel, meaning substance or meaning something tangible. Materiel can also mean something of significance, important, and I would interpret the word "materiel" here in a broader context, not in the narrow context.

Mr. LEVIN. I thank my friend.

Mr. NUNN. I assure the Senator that word will be looked at carefully if this amendment passes. I am not going to be in conference but I know the Senator from Indiana will give his pledge on that.

Mr. LEVIN. I thank you both Senators very much.

Mr. LUGAR. Mr. President, I yield 1 minute to the Senator from California.

Mr. WILSON. Mr. President, I rise only to say that I will support this measure and would ask that I be added as a cosponsor.

Mr. President, I will be offering another amendment later on. I do not find what I will be offering in any way incompatible with the present amendment. In fact, whether it is in it or not they will achieve some of the same purposes.

Mr. President, I urge support and passage of the amendment.

The PRESIDING OFFICER. Without objection, the Senator is added as a cosponsor.

Who yields time?

Mr. LUGAR. Mr. President, I yield 1 minute to the Senator from Kansas.

Mrs. KASSEBAUM Mr. President, the key problem facing us in our policy toward Nicaragua is how we can help produce a political solution for the present confrontation between Nicaraguans and between the Government of Nicaragua and the United States.

I do not believe that this confrontation can be resolved by military means—whether by the actions of the Contras or by direct intervention of the United States.

Neither do I believe that we can simply turn our back and hope it all works out for the best. Clearly, the Government of Nicaragua has goals and policies that have produced both internal turmoil and external tensions with their neighbors. Left free to act as they wish, the Sandinistas very probably would sharply increase this turmoil and tension—with very serious consequences for Nicaragua and for us.

Given all of that, it is essential that we remain involved in seeking a settlement for this problem. The present amendment offers one course for us to follow, and I support it.

However, I would like our policy and our intentions to be clear to everyone—most of all to the Sandinistas and the Contras.

For our policy to have any hope of success, I believe it is essential for the Sandinistas to be confronted not merely with a military resistance but with an effective political alternative for the people of Nicaragua. My concern is how the present amendment

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would bring us closer to that possibility.

To be effective, any opposition force must have a claim to legitimacy in the eyes of Nicaraguans. It must not be seen as a throwback to the days of Somoza or as a puppet of American policy.

This point was made very effectively by the Senator from Delaware during debate on the previous amendment. The point is less clear in the present amendment.

This amendment calls for but does not require the Contras to remove from their ranks those who have engaged in human rights abuses. I hope that the intent of the sponsors is that such action must be carried out by the Contras and that a failure to move effectively would jeopardize any existing or future funding.

Second, Mr. President, I hope that the political leaders of the Nicaraguan opposition will have a role or voice in the distribution of the assistance we provide rather than leaving the distribution solely to military leaders.

AID TO THE RESISTANCE FORCES IN NICARAGUA

Mr. SIMPSON. Mr. President, I rise in full support of the amendment by my distinguished colleagues, Senators NUNN, LUGAR, BOREN, BENTSEN, CHILES, JOHNSTON, and KASSEBAUM. I am wholly supportive of the fine bipartisan manner in which this proposal has been drafted. This issue is much too important to be reduced to partisan infighting and pettiness.

This amendment will accomplish a number of important objectives. First, by resuming aid to the Nicaraguan democratic resistance, we continue our support for those individuals who are pressing the Sandinistas to live up to the revolutionary promises they made when they overthrew Somoza and his excesses. We cannot allow the Sandinistas to conveniently forget their basic pledges to promote political pluralism, civil liberties, human rights, and a nonaligned foreign policy.

Second, by designating the aid to be used only for food, medicine, clothing, and other assistance for the survival and well-being of the opposition forces, we encourage steps that are taken for a peaceful settlement of the conflict.

Third, this amendment encourages a change in the behavior of the Sandinistas. We offer to suspend the economic sanctions imposed upon Nicaragua and to suspend U.S. military maneuvers in Honduras and off the coast of Nicaragua if the Sandinistas agree to a cease fire, to open negotiations with the opposition forces, and to suspend the state of emergency in Nicaragua. By that offer we can attempt to press the Sandinistas into a resolution of the destructive conflict.

Fourth, by resuming bilateral negotiations with the Sandinistas we can encourage church-mediated dialog between the Sandinistas and the democratic resistance and we can work toward a comprehensive and verifiable agreement among the nations of Central America based upon the Contadora objectives.

The United States must continue to pursue those four main objectives—objectives which have not changed a whit during the massive disinformation campaigns of the past several years. They are:

First, to end Nicaraguan support for guerrilla groups in neighboring countries and retract their stated goal of a "revolution without borders";

Second, to sever Nicaraguan military and security ties to Cuba and the Soviet Union;

Third, to reduce Nicaragua's military forces to levels that would restore military equilibrium to the region; and

Fourth, to fulfill the original Sandinista promises to support democratic pluralism and respect for human and civil rights.

I believe that this amendment will assist in setting us on the path toward achieving these objectives. The United States is in a unique position in the free Western World—by virtue of our continuing efforts to bring peace throughout the international community, and our geographic proximity to the region—to play a key role in attempting to restore stability throughout Central America.

Our own tradition of democracy imposes upon us a duty to do all that we are able in order to break the endless cycle of poverty, political instability, and revolution, and to attempt to restore some measure of economic health and real political freedom.

We cannot simply ignore the situation and hope that it will improve without our help—even if we could assume that Cuba and the Soviet Union would take a similar "hands-off" posture. We must decide not whether—but how best—to exercise most responsibly and fairly the duty that our position and stature in the world has thrust upon us.

I would urge my colleagues to support this amendment. I believe it is a balanced compromise which allows us to pursue peaceful negotiations with the Sandinistan government while, at the same moment, it allows us to lend our tangible support to those who fight for freedom, democracy, civil liberties, and a lasting peace.

Mr. CHILES. Mr. President, I rise to support the amendment of the Senator from Georgia. At this point, there are few more critical tasks for American foreign policy than creating a more secure Central America and defusing the explosive militarization of the region. I believe that this amendment offers a bridge between the uncertain policies of the present and, what I hope will be a more cohesive set of policies in the future.

The Nicaraguan military buildup is seen by its neighbors as the single greatest threat to their stability. The Sandinistas claim they need this military force to combat the Contras. But we know better. The Nicaraguan military buildup started before the political opposition to increasing Sandinista dominance became a fighting force.

Unfortunately, this buildup, and the resulting responses by neighboring states, continues a dangerous pattern of escalation and counterescalation. This pattern must be broken. But, I do not believe it can be broken by the United States simply walking away from the Nicaraguan resistance movement.

The complete and continuing withdrawal of U.S. support for the Nicaraguan resistance would not only dramatically weaken our negotiating leverage with Nicaragua, but it would also break faith with our allies and create potentially disastrous problems for neighboring states. I also believe that a U.S. withdrawal can only lead other countries in Central America to question our reliability as an ally.

But even with passage of this amendment, I continue to be concerned that up here on Capitol Hill, and down in the executive branch, attention remains focused on the appropriation of money—whether for the Contras or for our economic and military assistance programs. I have this feeling that the administration believes that when the money is appropriated, the job is done.

Well, the job is not done when the money is appropriated—the job only begins.

There have been, and continue to be, critical problems in implementing our programs in Central America. Over the past year, reports of waste and mismanagement in the Central American aid effort have been called to our attention. But we have taken no action.

We authorize billions of dollars—2 weeks ago we authorized $5 billion in economic aid to Central America between 1986 and 1989. But we still do not seem to have a handle on the economic situation and needs of the countries in the region. For example, even though all countries in the region face severe debt crises, only one, Costa Rica, has a stabilization program with the International Monetary Fund. Are we maintaining a balance between the actions we are taking in order to secure military commitments and the tougher steps needed to ensure that the countries in the region undertake the economic reforms which are essential to their future economic stability and growth? I think not.

It is critical that this Nation shift the debate away from: "How much and under what conditions," to: "Are our efforts well coordinated and doing the things we want them to do in the region." If our efforts aren't doing the things we want them to do, then how do we improve them.

What Central America needs is an economic rebirth. Such a rebirth will require economic assistance from the United States, and much, much more. Such a rebirth requires more than money, more than Contras—it requires imagination, energy, and, most of all, a commitment to excellence. This kind of excellence was seen when this Nation committed itself to helping rebuild Europe from the ashes of World War II.

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I do not believe that our efforts in the region are well coordinated. We cannot continue to let our Central American efforts be managed the way they have been over the past 4 years. I believe it is critical that we pull together our Central American programs. We need an organization that can integrate all of our economic and military assistance activities within the region—and bring more Central Americans into the process as well.

We need an organization that can focus all of its attention on Central America—like the Economic Cooperation Administration did for our European Aid Program under the Marshall plan.

I believe this was the true intention of the National Bipartisan Commission on Central America.

I had hoped that the administration would review the management of its Central American Program over the past year. Unfortunately, it chose not to do so.

Delay, however, may serve us well. Last year, my good friend, the chairman of the Budget Committee [Mr. DOMENICI], and I, with help from members and staff from the Kissinger Commission, drafted legislation in this area. But such an effort should not be undertaken unilaterally by the Congress. It should be worked out jointly with the executive, as was the case in the Marshall plan, when the White House, working closely with the Senate, accepted congressional suggestions for a single cohesive management structure to implement the European development effort.

Our proposal called for the development of a new mechanism to implement the Central American effort following the same management principles used for the Marshall plan. And I cannot think of another regional aid program as successful as the Marshall plan. Specifically, this proposal would include:

First, a multiyear authorization, as approved by the Senate in the 1986 Foreign Assistance Act. As I said earlier, the magnitude of the effort required and the importance for the United States to demonstrate its resolve and commitment to aiding the nations of Central America, clearly calls for a multiyear response.

Second, appropriation of $6 billion in financial and economic aid and guarantees for the period between 1986 and 1989. This would be in keeping with the National Bipartisan Commission's recommendations, but at somewhat reduced levels. I understand that some members of the Commission believe that properly managed, a $6 billion program—some $2 billion less than the President's request—would be adequate to support the region's needs. This is below authorized levels, but I believe this would greatly reduce the likelihood of providing resources in excess of what can be effectively managed or usefully absorbed by the local economies. It would also reflect the need for restraint in Federal spending.

Third, creation of a new organization, in the Executive Office or possibly as an independent office, which would be charged with overseeing and carrying out our Central American Aid Program. This Office would not duplicate existing aid mechanisms. Instead, it would integrate their efforts by providing a central focal point for all government activities in the region. The director of this Office would be a Presidential appointee, subject to confirmation by this body. This individual would be responsible for overseeing the development, justification, and execution of the Central American Aid Program. The Director of this New Central American Development Office would have the clout to effectively manage all our activities in the region and also serve as a much needed spokesperson before Congress on our activities in the region. The confirmation process would allow continued congressional oversight and accountability for the success or failure of the program.

This new organization would be supported by an advisory board made up and chaired by Central Americans and other donor countries. The role of this board would be similar to the role envisioned by the Kissinger Commission: it would advise the Director to our Aid Program and issue public reports. It would not, however, have direct control of U.S. aid dollars.

This Office would not become a permanent fixture. Our proposal calls for the Office to dissolve in 1990. This would help energize the organization and give a clear sense of timeliness to our aid efforts in the region. This again was the formula used so successfully under the Marshall plan.

Now, I've mentioned the Marshall plan several times—and I would like to say that this approach hopefully would repeat the success of the Marshall plan.

Indeed, there are similarities in the two approaches.

The nature of the response, the intensity of commitment and the management mechanism we would propose, all parallel that of the Marshall plan.

Nonetheless, the challenges in Central America are quite different. The Marshall plan was a temporary effort to fill gaps caused by the wartime disruption of an already industrial economy. In Central America, our aid effort will require U.S. support for political and social change as well.

Let me conclude by saying that much work remains to be done. We have authorized and are likely to appropriate over $1 billion in aid to Central America for fiscal year 1986. But unless swift action is taken to improve the management of this program, I fear this money will do little to change the nature of the conflict in the region.

Mr. DOMENICI. Mr. President, I have listened with interest to the remarks of my friend, the distinguished ranking minority member of the Budget Committee. Last year, on October 4, he and I had a similar discussion about the problems of implementing an effective program of economic aid to Central America, and some of the problems discussed at that time remain with us.

Those of us interested in the welfare of our Central American neighbors have had several notable achievements since then. Congress provided increases in economic assistance close to what the National Bipartisan Commission on Central America and President Reagan had requested. The trade credit insurance program has been established, and links established with the Central American Bank for Regional Integration. I am particularly proud that a program to support indigenous energy development in Central America is now mobilized under the direction of Los Alamos National Laboratory.

A few weeks ago the Senate authorized funding for economic assistance to Central America on a multiyear basis. This was a very important recommendation of the bipartisan commission, and I agree with Senator CHILES that this action demonstrates the resolve of the United States as well as its commitment to help the people of Central America.

Despite the progress I have cited, implementation of the Central American program continues to suffer from lack of unified, firm, and clear direction. It is clear that the President and much of Congress support a bold and innovative longer term program of economic and humanitarian assistance to Central America. It is far less clear that most of the civil servants who are charged with carrying out the program share the innovation and boldness of vision that are essential. Too much of the program continues to be poured into the same old molds, and almost every project suffers from an imbalance between caution and the urgency that is needed.

With the help of American tax dollars, the economic decline in most of Central America has been stemmed. That is a genuine achievement. It is less clear that the Central American nations and our aid officials have set in place the economic policies that will result in self-sustaining growth and development. Here too, imagination and leadership is needed to get these economies back on track.

I would encourage senior officials in the executive branch to look behind the rhetoric to find out what is really going on with our economic aid programs. If they are not satisfied, and there are reasons to believe they won't be, then I would encourage them to consider establishing an office or an individual responsible to the President for overall implementation of our Central American economic assistance program. In consultation with Congress and subject to Senate confirmation, such a structure could help Americans account for our aid, and help Central Americans renew their economic development in an equitable manner.

Mr. HOLLINGS. Mr. President, the Senate has spent a great deal of time debating what to do and how much to spend on Central America. We have talked about all of these great new programs and all the benefits we are going to bring to the people of the region. But, my good friend from Florida is right. All we have done is authorize a great deal of money for more of the same.

It's time to get on with the job of rebuilding Central America. We've talked about the Kissinger Commission; we've made many statements about bringing peace and prosperity to the region; but, I do not believe the current organizations of the executive branch can effectively manage all of our efforts in the region. We need to do more.

It's time to move away from all of the empty sense of the Senate resolutions we are so proud of passing and get on with some real legislation. Senators CHILES and DOMENICI have offered some new ideas in this area and I hope we will have a chance to debate the merits of their proposal before the end of the year.

The current approach of our aid agencies toward developing the economies of our friends in Central America is too slow, too cumbersome, and, I believe, will end in failure. Instead, we need to implement a new kind of aid program, one which will provide capital to the entrepreneurs of the region. It is these entrepreneurs, developing new industries and new markets, that will help revitalize the region's economy. There is a vast market in the United States for goods that could be produced in that region that has remained untapped. If the United States was so willing to aid in developing and in providing the market for the various industries in Southeast Asia over the past three decades, so should we be willing to assist in developing similar capabilities in Central America. I have long felt that success toward righting the various wrongs existing in Central America will only come from an economic revitalization. The current approach won't work but emphasis on the economic order could.

Mr. GLENN. Mr. President, again today we find ourselves debating the proper direction of U.S. policy toward the Sandinista regime in Nicaragua. Again, we will have to decide—despite both moral objections and international obligations, and despite the fact that our commitment of substantial resources to date has not worked—whether we will continue to support a band of rebels whose intention is to overthrow a government with whom we maintain diplomatic relations.

Polls show that the American people are understandably confused and uncertain about the proper direction of U.S. policy in Central America. But there is one point on which they are not confused: they know that despite what the President may say, the Nicaraguan Contras are not the moral equivalent of our Founding Fathers. The American people know—and we know—that George Washington and Thomas Jefferson did not rape, torture, and terrorize—and I think President Reagan should be mortified by mentioning the Contras and our Founding Fathers in the same breath.

Mr. President, I am no apologist for the Sandinistas. Our differences with them are well known. We oppose their denial of basic rights and democratic freedoms at home and their support for revolution abroad. As we should with totalitarian regimes of both the right and the left, we must maintain pressure for change—for respect for human liberty and for the right of the people to freely choose their government. But the pressure we bring to bear in this instance should stop short of pushing for the military overthrow of a government by rebels whose commitment to human rights and democratic principles is questionable at best. That does not mean, however, that we need not be concerned about the potential threat Nicaragua poses of its neighbors or about the repression of democratic liberties that the Sandinista regime is pursuing at home.

To deal with the external threat, I believe we should be willing to provide Nicaragua's neighbors with appropriate economic and military assistance to enable them to resist revolution and to address the economic deprivation which enhances Marxist revolutionary appeal. In particular we should give our full support to the efforts of the Contadora nations to negotiate a regionwide agreement to protect the peace and stability of the region. In fact, this should be the centerpiece of our policy, not just a sideshow. I submit that the Contadora process offers the best available forum for a negotiated resolution because it is at least partially insulated from the acrimony of the United States-Nicaraguan bilateral relationship.

As for the repression of democratic liberties inside Nicaragua itself, I agree that we should be willing to use both economic and diplomatic leverage to help bring about reforms. But the Reagan administration's total embargo went too far too fast and destroyed whatever leverage we might otherwise have had. Once you impose a total embargo, you have expended all of your ammunition and you have no other economic pressure left to bring to bear. I prefer the use of calibrated sanctions which can be tightened or eased depending on actions of the Nicaraguan Government.

Last, we should apply in conjunction with our regional friends, strong and constant diplomatic pressure on Nicaragua to end internal repression, to pursue democratic reforms, and to end support for revolution abroad.

By doing these things, I believe we would send a strong and clear message—both to the Sandinistas and to our allies in this hemisphere—that we will do all we must to protect both ourselves and our friends and to promote democratic liberties—and that we will firmly adhere to our own principles in the process. It is my fervent hope that the Sandinistas will respond to the actions I have outlined so that more stringent and far-reaching steps do not become necessary.

Mr. DOLE. Mr. President, I am pleased to cosponsor this amendment, which will provide $38 million in humanitarian aid during fiscal year 1985 and fiscal year 1986 to the democratic resistance in Nicaragua.

This amendment is a carefully crafted compromise. As others have already noted, it provides a reasonable level of assistance, consistent with the real need for nonlethal aid. It meets the essential needs of the President and is supported by the administration, but it also takes into account the legitimate concerns expressed on both sides of the aisle about aspects of our involvement in Central America.

The amendment puts our support for the democratic resistance in a clear and compelling policy context. It underscores that we want a negotiated, not a military, solution to the Nicaraguan situation, while recognizing that there is no prospect of serious negotiations unless the Sandinistas have some incentives to negotiate. It maintains the Contras as one important point of leverage on Managua, but it also urges the use of other political and economic measures as part of our overall strategy.

This amendment insures that our support for the democratic resistance forces will be closely and properly monitored, both by the executive branch and by the Congress. It reiterates basic congressional oversight authority and directs that the NSC monitor the use of funds. It mandates frequent Presidential reports to the Congress on the status of any negotiations, the use of provided funds and the efforts undertaken to remove any undesirable personalities from the ranks of the Contras. In sum, it will insure that our activities will continue to be consistent with our goals and policy, as affirmed by the Congress.

At the same time, the amendment restores to the President the policy flexibility he needs to conduct an effective policy. It rescinds some earlier and unwise restrictions on the President's freedom of movement and provides expedited procedures to consider future Presidential requests for action,

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should hope for negotiations break down or political and economic sanctions prove ineffective in pursuing our legitimate and limited goals vis-a-vis Nicaragua.

Mr. President, this issue has been with us for many months. The fits and starts of our consideration of this matter have served the interests of no one, except perhaps the Sandinistas and their Communist allies.

The case for continued support to the Contras, meanwhile, has become even more compelling. As we all know, following the earlier, misguided House effort to extend a kind of olive branch to Managua, Commandante Ortega ran off to Moscow, to solidify his alliance with the Soviets and to get new bankrolling for the dangerous activities of his regime. More recently, the Sandinista Army has undertaken new aggression against both Costa Rica and Honduras, despite the conscientious efforts of both those governments to diffuse their border situation with Nicaragua. It is hard to see how there could be much doubt in anyone's mind about the true nature of the Sandinista regime and its real aims in Central America.

It is time to act, clearly and decisively, on this issue. We can do that by voting for this amendment and sustaining strong support for it through the conference process ahead.

(By unanimous consent the names of Mr. STENNIS, Mr. DOMENICI, and Mr. MATTINGLY were added as cosponsors.)

The PRESIDING OFFICER. Who yields time?

Mr. MATHIAS. Vote.

Mr. EVANS. Mr. President, I rise to vote against the amendment before us, as I have voted against all the proposals concerning military operations in Central America offered here today. I do so with reluctance, as many of these amendments contained thoughtful, constructive proposals of considerable merit. Unfortunately, the unanimous-consent order we are under does not allow for further amendment of the proposals. In fact, the amendment before us now, the so-called Lugar-Nunn proposal, requires some very appealing actions on the part of the President. Actions such as: reiterating our support for the Contadora process by implementing the 1983 Contadora Document of Objectives; resuming bilateral discussions with Nicaragua to encourage both a dialogue between the Government of Nicaragua and all elements of the opposition and a comprehensive, verifiable agreement among the nations of Central America based on the Contadora Document of Objectives; pursuing multilateral trade and economic measures to complement the U.S. economic sanctions; and, suspending the sanctions and U.S. military maneuvers in Honduras and off the coast of Nicaragua if the Government of Nicaragua takes certain actions.

These proposals recognize the diplomatic means that exist to help bring stability to this troubled region. Were we to pursue such positive actions, we would likely find support both within and outside the region for our efforts. Our efforts thus far have brought us little outside support and yet a sustainable policy for this region around which a consensus can be built is precisely what we need.

As wholeheartedly as I support the positive proposals, in this amendment, I cannot support it. The amendment calls for humanitarian aid to be given to the Contras operating in Nicaragua. But what is this humanitarian aid? Its practical effect will be anything but humanitarian—by providing the Contras food, clothing, and other nonlethal items, they will be able to spend more of their other moneys on guns and bullets. To think otherwise is to be less than honest with ourselves.

Therefore, we are faced with the same nagging questions that have followed us for some time: what are our long-term objectives and policies for Central America? This question must be answered before we proceed with the dangerous investment now proposed.

Mr. LUGAR. Mr. President, I would like to note that Senator ORRIN HATCH is giving a commencement address for his daughter's graduating class and that obligation prevents him from being here to vote for this amendment.

The PRESIDING OFFICER. Who yields time?

Mr. PELL. Mr. President, I yield 5 minutes to the Senator from Vermont.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. LEAHY. Thank you, Mr. President.

I thank the distinguished Senator from Rhode Island.

Mr. President, as I understand this amendment, subsection (a) of the amendment would appropriate $24 million for humanitarian assistance to the Nicaraguan democratic resistance.

My question I had is under the amendment, would any funds other than the $24 million be available for obligations in fiscal year 1986? Or is the $24 million in effect a cap on expenditure for the activities authorized by the amendment during fiscal year 1986?

Mr. LUGAR. It is a cap on the total amount for that year.

Mr. LEAHY. For 1986.

Mr. LUGAR. For 1986.

Mr. LEAHY. I thank the distinguished chairman.

Subsection (b) of the amendment repeals subsections (a) and (b) of section 8066 of the continuing resolution, the so-called Boland restriction. Subsection (d) of section 8066, which would remain in force, provides during fiscal year 1985 funds approved by the resolution for the purpose of supporting directly or indirectly military or paramilitary operation in Nicaragua should not exceed $14 million.

If any of the $14 million is not expended in fiscal year 1985, would that be available for expenditures in 1986 as well? I ask the distinguished chairman.

Mr. LUGAR. Mr. President, I ask my distinguished colleague from Georgia to affirm my interpretation. It appears to me that there are two distinctly separate funds. One is the $14 million that is being unfenced in 1985. The second is the $24 million authorization for 1986. But the funds from 1985 would not spill over into 1986. That is at least my interpretation.

Mr. NUNN. The Senator is correct. That is also my interpretation. It is not by reason of a provision in this amendment but by reason of the standard appropriation language which is incorporated every year relating to intelligence activities, which basically says the funds that are not expended do not carry over.

Mr. LEAHY. If any of the $14 million is not expended in 1985 it does not become available in 1986.

Mr. NUNN. That is my interpretation. I concur with the Senator from Michigan.

Mr. LEAHY. That is the distinguished chairman's interpretation.

I thank the Senator.

The term "humanitarian assistance" is defined in subsection (g) to include the provision of food, clothing, medicine, other humanitarian assistance, and transportation costs associated with the delivery of such assistance. It is defined to exclude weapons, weapons systems, ammunition, or any other equipment or materiel which is designed or has as its purpose to inflict serious bodily injury or death. Obviously there is a gray area here of items that are nonhumanitarian but also nonlethal. That would include military related supplies or equipment which could but are not themselves lethal.

I wonder would the following items be included within the scope of humanitarian assistance. Military-type uniforms?

Mr. NUNN. I say to the Senator from Vermont I prefer not to go down a list here. I think he can go on and on. I understand the Senator's point. I have done some of that with the Senator's concurrence in the Intelligence Committee. We had considerable discussion on this. I think what I like to say is it is our intent to have humanitarian taken literally by the CIA. I think we have defined it as food, medicine, clothing. For instance, military-type uniforms, without binding myself to continue this point by point, I would say if you gave a multiple choice question and said, would the CIA be permitted to provide military-type uniforms or would they be required to give them three-piece suits or tuxedos?

Mr. LEAHY. How about radars?

Mr. NUNN. Or bathing suits or Bermuda shorts, I would say military-type uniforms are permitted by this amendment.

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Mr. LEAHY. It was a question the distinguished Senator from Georgia asked in another form that gave me the idea for this. I am wondering about things like radar, for example. Would radar be included?

Mr. NUNN. I would say if radar is included to be used in battle management it would not be in keeping with the definition of humanitarian.

On the other hand, if it was set up in a camp outside of Nicaragua for their protection against air raids, I would say that would be a different answer.

The PRESIDING OFFICER. The time of the Senator from Rhode Island has expired.

Mr. LUGAR. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 1 minute and 33 seconds.

Mr. LUGAR. Mr. President, today's edition of the Christian Science Monitor carried a very persuasive article, addressing the threat which international communism presents in Nicaragua. The article was written by Mr. John Lenczowski of the National Security Council staff who is an expert on Soviet affairs. I commend this article to the attention of my colleagues and I ask unanimous consent that the article entitled "International Communism and Nicaragua—An Administration View," be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Christian Science Monitor, June 6, 1985]

INTERNATIONAL COMMUNISM AND NICARAGUA—AN ADMINISTRATION VIEW

(By John Lenczowski)

It is often unpleasant to resurrect what many think are the unpleasant ghosts of the past. Unfortunately, that is what we do when we talk frankly about the forces of "international communism" at work in our hemisphere. It has long been politically the safe thing to do to ridicule any mention of this alleged phenomenon. Professors and pundits have assured us for years that "international communism" as such no longer really exists—which is why it is ridiculed as a "phantom," the object of irrational phobias of extremists, know-nothings, or people living in the past. It has been explained to us that we can no longer clinically and accurately use this loaded expression because of the Sino-Soviet split, the Yugoslav-Soviet split, the Albanian-Soviet split, and other manifestations of polycentrism.

Perhaps communism is no longer a monolithic force subsuming all Marxist-Leninist states under the Soviet banner. Nevertheless, how can one label the presence today in Nicaragua of Cubans, Bulgarians, Libyans, Czechs, North Koreans, East Germans, Vietnamese, Soviets, and communist elements of the Palestine Liberation Organization? If this is not some facsimile of international communism, then we are at a loss at how to explain the common thread that binds these forces together. If we must pay our dues to the gods of polycentrism, then perhaps we might refine our terminology by calling this phenomenon "Soviet international communism," since neither Maoist, Titoist, or Albanian brands of communism are at work.

Since we so rarely discuss the facts about international communism, here are a few that should be remembered in the context of the debate on Nicaragua:

The people do not want communism. Never in history has a majority of a free electorate democratically chosen a communist form of government. (There is only one exception: the minuscule state of San Marino.)

Communists have always come to power through violent takeovers. These takeovers have always involved the seizure of power by a well-organized and externally assisted minority over an unorganized and unwitting majority. Such takeovers consistently entail the use of a "popular front" of communist and noncommunist elements; the establishment of a communist party that uses an ideological party line to enforce internal conformity and identify and eliminate deviationists; the use of camouflage to disguise the party's true intentions and full political program; the use of propaganda and disinformation to manipulate the international news media; the use of violent and ruthless methods to eliminate all organized opposition; and finally, the use of gradualism in the process of eliminating opposition and applying internal security—so that the people do not realize what is happening to them until it is too late.

No communist regime that has consolidated its power has ever been overthrown and replaced by a noncommunist order. (The only exception is Grenada.) Every other form of government offers people the chance to retain a system of trial and error. It is easy to overthrow a Shah or a Somoza after trial has been granted and error perceived. But once communism is firmly in place, the possibility of trial and error is no more. A vote against aid to the "freedom fighters" is a vote to consign Nicaragua to an indefinite period of no freedom of choice.

The human cost of communism exceeds most Americans' expectations. The number of people murdered by communist regimes is estimated at between 60 million and 150 million, with the higher figure probably more accurate in light of recent scholarship. The greatest tide of refugees in world history flows from communist states to noncommunist ones: Today it comes from Ethiopia, Afghanistan, Indochina, East Europe, and Nicaragua. (During the entire Vietnam war there was nary a refugee fleeing from Indochina. It was not until communism triumphed that life became so unbearable that people who could withstand decades of war fled to the seas.) Communism invented the concentration camp. Millions have been imprisoned and executed, have worked and starved to death, in these camps. Communist regimes will not permit enterprising Western reporters near these camps, so you don't hear about them on the news. Communist regimes recognize no restraint on their absolute power. From this they establish ideological falsehoods as the standards of right and wrong and the standards by which deviationism is measured; from this stems the systematic denial of all individual human rights. The quality of life always deteriorates under communism: the militarization of society; the destruction of the consumer economy; the rationing of food; the deterioration of housing and insufficient new construction to meet population growth; the destruction of medical care through lack of medicine and medical supplies; the destruction of religion; the destruction and political control of education and culture; the rewriting of history and destruction of monuments to the national heritage; and the assault on family life and parental jurisdiction over children.

Soviet-style communism invariably means the export of terrorism, violence, and revolution. Soviet proxy states participate in an efficient division of labor: Cubans as troops, Bulgarians and Vietnamese as arms suppliers, East Germans as secret-police trainers and military advisers. Since Soviet proxies are present on our continent today, it is no accident that the communist Sandinista regime is an active collaborator in this division of labor.

The Sandinistas are communists. Nicaraguan President Daniel Ortega has said: "Marxism-Leninism is the scientific doctrine that guides our revolution . . . . [W]ithout Sandinismo we cannot be Marxist-Leninist, and Sandinismo without Marxism-Leninism cannot be revolutionary." The identical pattern of communist takeover, internal policies, and external behavior is repeating itself in Nicaragua. There can be no doubt, given the vast evidence we have accumulated, that Nicaragua is becoming another Cuba.

Communist regimes, including the Nicaraguan regime, spend vast resources on disinformation—to deceive the international news media and foreign political decision-makers. A principal goal is to disseminate false information about the nature of their own system: The principal disinformation theme of all communist regimes is to convince others that they are not really communist. This is done in many ways by the Sandinistas, but most prominently by the "guided tour." Countless American visitors are taken on this guided tour and see nice things and talk to "average citizens" who tell them what the regime wants them to. Nobody wants to believe that he has been fooled. But if Congress is to believe the testimony of constituents and reporters who base their information on the "guide tour," Congress may as well believe everything it is told on identical guided tours in Moscow, Havana, East Germany and North Korea.

Congress must decide whether it will resist international communism on our continent or let it prosper. Isolationists in Congress may base their opposition to the administration on the principle that other countries should be allowed self-determination. Unfortunately, in Nicaragua today there can be no self-determination, because of the reality of "foreign-force determination." The foreign force is the USSR and its proxies, otherwise known as the forces of international communism. Will the Nicaraguans be given enough assistance so that they will be able to determine their future on the basis of a balance of foreign forces, or will Congress permit an imbalance, an imbalance against democracy, against any system of trial and error? If Congress chooses to deny the Nicaraguan friends of democracy a chance for self-determination, it will be voting in favor of the first victory of the Soviet strategic offensive on our own continent.

Mr. LUGAR. Mr. President, I ask for the support of all Senators on this amendment. It is an amendment that has come from the work of Senators on both sides of the aisle in a genuine bipartisan attempt to give a very strong supporting gloss about our foreign policy in Central America.

When President Napoleon Duarte visited our country recently, he made the point again and again that our voice is seen as divided in Central America—divided by party, divided by House and Senate, divided by Congress and the administration.

[CRS-350]

I appreciate very much the work of the distinguished Senators from Georgia, Oklahoma, Florida, and so many other Senators on the Democratic side of the aisle. Likewise, I appreciate the work from my majority leader, Senator Dole, from Senator Wilson, and from the chairman of the Intelligence Committee, Senator Durenberger, in particular, who has been so thoughtful in drafting this amendment.

We have forged, a statement for America that is very important. I hope we will have a very strong vote this evening in support of it.

Mr. NUNN. Mr. President, may I say I thank the Senators from Indiana and Minnesota and the majority leader, who cosponsored this amendment. I hope we have a general consensus here.

Mr. LUGAR. Mr. President, I yield back our time.

The PRESIDING OFFICER. All time is yielded back. The question is on agreeing to the amendment. All those in favor, say, "aye."

Mr. LEAHY. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the amendment. The yeas and nays have been ordered and the clerk will call the roll.

The legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from Arizona [Mr. Goldwater] and the Senator from Wyoming [Mr. Wallop] are necessarily absent.

I further announce that, if present and voting, the Senator from Wyoming [Mr. Wallop] would vote yea.

Mr. CRANSTON. I announce that the Senator from West Virginia [Mr. Rockefeller] is necessarily absent.

I further announce that, if present and voting, the Senator from West Virginia [Mr. Rockefeller] would vote yea.

The PRESIDING OFFICER. Are there any other Senators in the Chamber wishing to vote?

The result was announced—yeas 55, nays 42, as follows:

[Rollcall Vote No. 112 Leg.]

YEAS—55

Abdnor
Andrews
Armstrong
Bentsen
Boren
Boschwitz
Byrd
Chiles
Cochran
D'Amato
Danforth
DeConcini
Denton
Dixon
Dole
Domenici
Durenberger
East
Exon
Ford
Garn
Gramm
Grassley
Hatch
Hawkins
Hecht
Heflin
Heinz
Helms
Hollings
Humphrey
Johnston
Kassebaum
Kasten
Laxalt
Long
Lugar
Mattingly
McClure
McConnell
Murkowski
Nickles
Nunn
Pressler
Quayle
Roth
Rudman
Simpson
Stennis
Stevens
Symms
Thurmond
Trible
Warner
Wilson

NAYS—42

Baucus
Biden
Bingaman
Bradley
Bumpers
Burdick
Chafee
Cohen
Cranston
Dodd
Eagleton
Evans
Glenn
Gore
Gorton
Harkin
Hart
Hatfield
Inouye
Kennedy
Kerry
Lautenberg
Leahy
Levin
Mathias
Matsunaga
Melcher
Metzenbaum
Mitchell
Moynihan
Packwood
Pell
Proxmire
Pryor
Riegle
Sarbanes
Sasser
Simon
Specter
Stafford
Weicker
Zorinsky

NOT VOTING—3

Goldwater
Rockefeller
Wallop

So the amendment (No. 275) was agreed to.

Mr. LUGAR. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. DOLE. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DOLE. Mr. President, let me indicate to my colleagues who are here, and to those who may be listening on their squawkboxes, that we will convene at 8:30 in the morning and be back on the bill at 9 o'clock. There are still five Contra amendments. I will still make the offer that I will withdraw my amendment if the other four will withdraw theirs. That may not sell.

I encourage my colleagues to help us by perhaps shortening the time. Each of the remaining amendments has 60 minutes each. If there is some real need to offer the amendment, maybe we could help on the time side.

The distinguished Senator from Massachusetts [Mr. Kerry] has indicated he is prepared to yield back a sizable portion of his time. I hope that a couple of the amendments would not be offered.

I know a number of my colleagues have official engagements elsewhere tomorrow afternoon and evening. We want to try to accommodate everyone we can. But it seemed to me that we were going to be at least until midnight on the Contra amendments tonight and there are still about 40 other amendments, is that right? About 40 is right. That looked like too much to do in one evening.

Many of those amendments can be accepted, with maybe three or four rollcall votes. We shall try to accommodate those Senators who must depart by 3 o'clock tomorrow. Some may have to leave a bit earlier. So if we come in and show a willingness to help work it out, because we would like to complete action on his bill so we can take up the clean water bill on Monday. And we have a full calendar again next week.

There are only 2 weeks after next week before we are back in recess.

I might add, Mr. President, since I understand there will be a division asked for on the first amendment, the amendment by the distinguished Senator from Iowa [Mr. Harkin], that votes could occur as early as 9 or 10 a.m. tomorrow. I think Senators should be on notice that it may not be as late as noon.

Mr. DIXON. Mr. President, will the Senator yield?

Mr. DOLE. Mr. President, I yield to the Senator from Illinois.

Mr. DIXON. I wonder if the majority leader would indicate what time he anticipates rollcalls on Monday afternoon?

Mr. DOLE. Very candidly, Mr. President, I think that may depend on how we get along tomorrow afternoon.

Mr. DIXON. Will he indicate tomorrow afternoon?

Mr. DOLE. Mr. President, there will not be votes on Monday until Monday afternoon. If we are back on this on Monday, then votes could occur early Monday afternoon but not in the morning.

REDUCTION OF TIME FOR KERRY AMENDMENT

Mr. DOLE. Mr. President, I understand that the distinguished Senator from Massachusetts [Mr. Kerry] will be willing to reduce his time, the total time, from 1 hour to 40 minutes equally divided. I therefore ask unanimous consent that, when the Kerry amendment is offered, the total time be 40 minutes equally divided. That is 20 for certain for the Senator from Massachusetts.

The PRESIDING OFFICER (Mr. Warner). Without objection, it is so ordered.

Mr. KERRY. Mr. President, I thank the majority leader very much.

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The PRESIDING OFFICER. The Senator from Massachusetts is recognized.

Mr. KERRY. I thank the Chair.

Mr. President, I send the following amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

> The Senator from Massachusetts [Mr. Kerry] proposes an amendment numbered 280:
>
> At the appropriate place in the bill, add the following: None of the monies authorized to be appropriated in this or any other act can be used to fund directly, or indirectly, activities against the government of Nicaragua which would place the United States in violation of our obligations under the Charter of the Organization of American States, to which the United States is a signatory, or under international law as defined by treaty commitments agreed to, and ratified by, the Government of the United States.

Mr. KERRY. Mr. President, how much time do I have?

The PRESIDING OFFICER. There are 20 minutes to a side remaining.

Mr. KERRY. I thank the Chair. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. KERRY. Mr. President, I ask unanimous consent that the distinguished Senator from New York [Mr. Moynihan] be recorded as a cosponsor of this measure. I yield to the Senator 7 minutes of my time.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from New York.

Mr. MOYNIHAN. Mr. President, I thank my distinguished friend from Massachusetts.

The past 2 days stand in stark contrast to the early days of the Sandinista regime in Nicaragua, when the United States first had to deal with this situation.

By 1980, it had become clear that the Government of El Salvador was besieged by a consortium of insurgent movements, whose headquarters and logistical support base were located in Managua. There was indisputably underway a military assault on the Government of El Salvador by forces in league with the Government of Nicaragua. The United States therefore had both a right and a duty under international law—both customary and as expressed in treaties—to support the Government of El Salvador in resisting that aggression.

Which we did. The President came to Congress, asked for funds to be authorized to be used in a program to discourage military support going from Nicaragua to overthrow the Government of El Salvador, and Congress authorized it.

I was in this period the vice chairman of the Senate Select Committee on Intelligence, where these matters were then discussed. Along with bipartisan majorities in both Houses of Congress, I supported the provision of this aid to insurgents in Nicaragua, for the purpose of responding to Nicaraguan aggression against its neighbor.

I urged that we do this avowedly and unashamedly. On November 18, 1983,

[CRS-352]

in the necessary absence of Chairman Goldwater, it fell to me as vice chairman of the Intelligence Committee to bring to the floor of the Senate the report of the conference committee on the Intelligence Authorization Act for fiscal year 1984. This was the last time that Congress would authorize a bipartisan aid measure for the Contras. In order that the record be complete on this point, I would like to repeat a portion of my remarks of that day.

> . . . (T)he distance between the House and the Senate was not as large as many might have thought. Both Committees understood the Government of Nicaragua to be in violation of international law. This was recognized in an express finding in the Intelligence Authorization bill passed by the House. The finding states:
>
> By providing military support (including arms, training and logistical command and control, and communications facilities) to groups seeking the overthrow of the Government of El Salvador and other Central American governments, the Government of National Reconstruction of Nicaragua has violated Article 18 of the Charter of the Organization of American States which declares that no state has the right to intervene directly or indirectly, for any reason whatsoever, in the internal or external affairs of another state.
>
> The United States, in upholding these covenants, has a duty to respond to these violations of law. Our response, however, must be both proportional and prudent. . . . Along with my colleagues, I pressed the administration to redefine its covert program to assure that it was in accord with our obligations under international law. . . . Thus the goal with this program is as it should be—to bring the Government of Nicaragua into conformity with accepted norms of international behavior.

The conference report was adopted unanimously.

Neither American nor Salvadoran forces were able to capture weapons known to have been moving from Nicaragua to the insurgents in El Salvador. There were two possible explanations for this. Either the program was not being executed properly—due to the ineptitude of the individuals involved, or some similar infirmity—or the program was working, and the flow of arms and other material had stopped.

It turns out, according to recent evidence—or what may be evidence—that the latter may in fact have been the case.

The New York Times, on May 21, 1985, published a report from San Salvador about recently captured documents of the Central American Revolutionary Workers Party, a Marxist group that is one of five factions in the rebel military Farabundo Marti Revolutionary Front. These papers, said the Times account,

> indicate that . . . the Sandinistas appeared ready to cut off aid to the Salvadoran rebels at the end of 1983 and may have done so, at least temporarily.
>
> Another set of documents chronicle the tense relations between the rebel high command and Nicaragua's Sandinista leaders after the United States invaded Grenada in October 1983. They show a much higher level of dependence on Nicaragua than the rebels have publicly admitted. But the documents also indicate that the Sandinistas may well have cut off aid to the rebels in 1983.

Despite this success, however, or perhaps because it was insufficiently clear to those involved whether our policy was enjoying any demonstrable success, the administration's support for the Contras in Nicaragua was continued, and indeed expanded.

It became less clear what the real policy was. By early 1984 it had become clear at least that our object was no longer simply the interdiction of war material to the Salvadoran rebels.

Either the policy had changed, although this has never been explained in a straightforward manner by persons in authority in the administration, or the policy had always been something other than what it was stated to be.

This dilemma persists. It remains unclear what the goals of the President in this respect are.

Wholly apart from the matter of whether certain activities of the CIA or its affiliates in Central America were consonant with American principles and law—and international law—it has been unclear for an extended period now what the President's policy proposal for Nicaragua is.

On February 21 of this year, at a White House press conference, President Reagan replied to a question about the goal of his policy toward Nicaragua that it is, or was on that day at any rate, to:

> remove (the Nicaraguan government) in the sense of its present structure, in which it is a Communist totalitarian state . . .

The President proposed, in effect, the overthrow of the Government of Nicaragua. He proposed the provision of $14 million in military assistance to the Contras for this purpose. But the case for this policy was not made sufficiently clear. What were our grounds? Would $14 million suffice? Suffice to do what? What was the strategy for actually removing the Sandinistas from Managua? How many years was that likely to take? What would be some interim accomplishments that would indicate whether progress was being made? None of these questions were answered, nor have they been since.

When it became clear that Congress would reject that ambiguously constructed policy proposal, by refusing to authorize the funds, the request was modified to exclude military assistance to the Contras, and to provide instead $14 million worth of humanitarian assistance.

Can it really be the policy of the President of the United States to seek to induce change in the policies or personnel of the Government of Nicaragua by providing $14 million in humanitarian assistance to the Contras?

Is that a coherent policy?

The proliferation of lengthy, detailed policy prescription by senators of a wide variety of experience and political disposition suggests it is not.

Much as I would like to support elements in several of the amendments before the Senate today, as I noted at the outset of my remarks, I believe it the duty of the Executive to formulate the policy in a more coherent and integrated manner that is possible when the Senate—and then the House—consider, and adopt or reject, seriatim, bits and pieces of a policy.

I will vote against all of these amendments, and look forward with hope to a more complete statement of policy and purpose from the President.

In particular, I would hope the administration might let us know just what is its position on the central recommendation of the Kissinger Commission—that is to say, on the proposal to establish a Central American Development Organization, with the help of Latin American and, it was hoped, European allies. This organization would help all the countries of the region, Nicaragua included, but on condition that each government maintain acceptable standards of human rights and representative government. That surely was a large and thoughtful proposal, and wholly consistent with American traditions and experience. Either Nicaragua joined or it declared itself to the world unwilling to meet the conditions of membership.

Had we pursued this course, would we be quarrelling among ourselves and isolated from our friends in the world today? It is not too late.

Mr. President, I will summarize what may be the most important decision we make in the course of this debate. The specifics of policy can always be changed and certainly will always be argued. The basis of policy is a very narrow range of options, and we are asking the Senate today to reaffirm what has been the basis of our policy in Central America until approximately a year and-a-half ago, and the change which has occasioned the last 2 days of debate we have seen, today and yesterday, the debates last year, and those surely coming next fall.

Mr. President, it happens I was vice chairman of the Select Committee on Intelligence during the events I wish to describe, and I would almost plead for the attention especially of my distinguished friends, the managers of this legislation, as to what happened.

It will be recalled that funds to support the Contras in Nicaragua were proposed on this floor 3 years running and were approved unanimously in debates that scarcely took 20 minutes on any occasion.

Why? I offer the thought that it was because the proposals were set forth as based upon the rights and obligations of the United States under international law, under treaty and conventional law.

The sequence is well known. In 1980, the Sandinista Government came to power and very quickly organized the various insurgencies in neighboring El Salvador, provided them a headquarters in Managua, and began supplying arms to them in El Salvador itself. This a clear violation of the OAS Charter, of the United Nations Charter, and of the Rio Treaty. The new administration came to Congress and asked if we would support efforts to prevent and discourage Nicaragua from behaving in violation of law. The administration was entirely within its rights in asking, and Congress would be within its rights in so doing. This was known as a covert program, though it was never covert in any serious way.

[CRS-353]

We came to the floor of the Senate and said exactly what it was and why we were doing it. On November 8, 1983, the last time this came forward as a noncontroversial, bipartisan, unanimous measure, it fell to me—in the necessary absence of my beloved friend, Chairman GOLDWATER—to bring to the floor of the Senate the conference report on the Intelligence Authorization Act for fiscal year 1984.

That was the last time Congress authorized a bipartisan aid measure.

I should like to repeat a portion of my remarks that day. I said:

> . . . [T]he distance between the House and the Senate was not as large as many might have thought. Both committees understood the Government of Nicaragua to be in violation of international law. This was recognized in an express finding in the intelligence authorization bill passed by the House. The finding states—

And this is statute, Mr. President.

I went on to say:

> By providing military support (including arms, training and logistical command and control, and communications facilities) to groups seeking the overthrow of the Government of El Salvador and other Central American governments, the Government of National Reconstruction of Nicaragua has violated article 18 of the Charter of the Organization of American States which declares that no state has the right to intervene directly or indirectly, for any reason whatsoever, in the internal or external affairs of another state.

Mr. President, that was the basis upon which a bipartisan agreement was reached in this body and in the other body.

Not many months later, the executive branch decided to mine harbors in Nicaragua, in what we view—many view—as a violation of international law. It was not a situation in which the committees were consulted or informed.

The consensus began to break up because the question again arose: Were our actions based on law, as they previously had been? This probably is a matter thought of with derision in parts of the executive branch, but those who are so contemptuous of such concerns might ask what happened to their policy. It has failed; it has floundered; it is defunct.

Last Friday, Mr. President, for the first time in the history of the United States, we failed to appear at an international tribunal in response to charges made against us in accordance with the charter of that tribunal—to wit, we failed to appear at the World Court in The Hague. The failure to appear at The Hague is part of the whole failure of the administration to understand that support for its policy was solid when its policy was based on law. When it departed, the support dissolved.

Mr. President, I thank the Senator from Massachusetts for allowing me to join him in this matter, and I congratulate him for proposing the amendment. I say to the Senate that a large statement is going to be made here.

Mr. **KERRY**. I thank my distinguished colleague, the senior Senator from New York.

Mr. **KENNEDY**. Mr. President I support Senator KERRY's amendment, and I cannot conceive that any Member of the U.S. Senate would not also vote to support a measure that simply reiterates American adherence to international law. I cannot conceive that any Member of the U.S. Senate would not support the idea that, in expending the funds authorized in this legislation for the operation of the Department of State, the U.S. Government should not violate well-established, long-recognized standards of international conduct.

It is a sad moment in the history of our country when our continued adherence to international law is called into question. Since the end of World War II, the United States has recognized that its own interests are best served when the nations of the world abide by basic rules of behavior, and to that end, the United States has been a leader in the effort to develop such standards and to persuade the international community to abide by those standards. But when it comes to U.S. policy toward Nicaragua, serious questions have been raised about whether U.S. actions have violated international law.

But the issue of whether U.S. policy in Central America has or has not violated international law is not the issue raised by this amendment. This amendment poses a much broader question with far greater significance for the role of the United States in the world.

If this amendment fails today, what kind of signal will it send? If the Senate rejects this amendment, the word will be out that the Senate believes that our country should not be bound by international law. The Senate will be saying, "The only law that counts in international relations is the law of the jungle." We will be in the company of Libya, South Africa, and Iran. We will be a club whose membership is composed of terrorists and international outlaws.

This amendment poses an important challenge at a critical moment in our Nation's history. I hope that the Senate will rise to that challenge and will state its support for the rule of law in the conduct of our foreign policy.

I urge my colleagues to support this amendment.

Mr. **KERRY**. Mr. President, I yield 2 minutes of my time to the distinguished ranking minority member of the Foreign Relations Committee.

Mr. **PELL**. Mr. President, I am very glad to support this amendment of the Senator from Massachusetts, an amendment that simply says we should abide by the law. We are theoretically a country of law, a government of law.

I recall that George Santayana once wrote that those who forget the lessons of history are condemned to repeat them.

In this regard, I am struck by the statement of the Senator from New York that this was the first time we have been called before a court of international law and ignored its summons. Actually, this happened earlier, in 1912, when we promoted the establishment of the Central American Court of Justice. The Central American Court of Justice ruled against us when we sent 2,600 troops into Nicaragua. Those troops stayed there until Somoza took over, and Nicaragua was in his hands.

So we have ignored the law in the past. Perhaps if this amendment of the Senator from Massachusetts had been on the books, we would not have thwarted the law and sabotaged the Central American Court of Justice as we did in 1912 and as we seem to do at this time, at the World Court in The Hague.

Mr. President, in this connection, I ask unanimous consent to have an article recounting the events of 1912 regarding the Central American Court printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Los Angeles Times, Jan. 27, 1985]

OUR WORLD COURT SNUB IS A RE-RUN

U.S. PLAYED THE SAME SCRIPT IN NICARAGUA 70 YEARS AGO

(By Steven S. Volk)

For those who believe that history is repeated first as tragedy and then as farce, the Reagan Administration's decision to boycott the World Court should provide some pause. It may be absurd that U.S. leaders have not learned the lessons of the past, but the consequences of such ignorance can only be tragic.

The United States has long been selective about which laws it would observe and which it would ignore in its relations with Central America. And this selectivity has led it to sabotage not only the indigenous efforts of the Central Americans, but even its own efforts to promote a respect for international law in the region.

At the turn of the century, Theodore Roosevelt and the Progressives wrestled with a new concept of U.S. global involvement. They had reached a general consensus that the U.S. economy needed to operate on a global scale if it were to prosper. They also concluded that (a few cases excepted) the United States would not seek to build a formal colonial empire. The United States would be the first truly informal empire—an empire of commerce and investment backed by U.S. naval power.

To this framework the Progressives added their own concept of the "white man's burden," a commitment to bring "civilization" to those countries with which the United States traded. "All that this country desires," Roosevelt noted, "is that the other republics on this continent shall be happy and prosperous." Yet this happiness would not arise spontaneously. Roosevelt continued: ". . . they cannot be happy and prosperous unless they maintain order within their boundaries and behave with a just regard for outsiders."

To achieve these goals, U.S. force would be employed to open the world to, and then protect, American trade and investment. And Washington would re-create abroad its own image of a "happy and prosperous" nation. Arguing that the Central Americans lacked their own institutional forums to resolve their disputes, Roosevelt would provide these forums from Washington.

The Central American Court of Justice, created in 1907 and partially financed by Andrew Carnegie, was the showpiece of the reformist side of the U.S. drive in Central America. Here was an arena in which Central Americans could resolve their differences peacefully. Even more impressive, it worked. In 1908, for example, the Nicaraguan president protested that Guatemala and El Salvador had encroached upon Honduras' internal affairs to force the installation of an anti-Nicaraguan government. The court heard the case and ordered all the governments to reduce their military forces and refrain from meddling in one another's affairs. They agreed, and war was averted.

Yet within only five years, the United States had begun to undermine the authority of its own creation. Then, as now, the United States was employing all of its myriad weapons to install a government in Managua that was more sympathetic to U.S. economic interests. For years, Washington had opposed the nationalist government of Jose Santos Zelaya. In 1909 the U.S. government backed a conservative revolution that originated in the Caribbean coast town of Bluefields. When two U.S. citizens were caught laying mines in the San Juan River (how little some things change!) and were executed by Zelaya's troops, Washington had all the encouragement that it needed to enter in force. Zelaya saw fit to resign, and Washington ultimately installed its choice as successor.

When this U.S.-backed regime came under fire in 1912, President William Howard Taft sent in 2,600 troops to demonstrate continued U.S. support. The issue of U.S. military intervention was raised before the Central American Court of Justice. But when the court ruled against Washington's actions, the United States simply ignored it. U.S. troops would stay in Nicaragua for more than 20 years before leaving the country in the hands of the first Somoza.

Four years later Washington chose again to defy the court—this time provoking its total demise. Washington and the U.S.-backed Managua government had entered into a treaty giving the United States exclusive rights to build and operate a transoceanic canal in Nicaragua. The United States also offered to "guarantee" Nicaragua's "stability," but this transparent attempt to create a protectorate was rejected by the U.S. Senate.

Costa Rica, El Salvador and Honduras were appalled by U.S. moves in the region, and charged before the Central American Court of Justice that the United States and Nicaragua had violated their territorial integrity and pre-existing Central American treaties. The court agreed, and once again Washington refused to accept the ruling. At the urging of the United States, Nicaragua withdrew from the court, which promptly collapsed.

Washington's decision to ignore a judicial institution of its own creation certainly taught the Central American nations that any attempt to construct a framework for the even-handed resolution of international problems would sooner or later hit against the hard rock of U.S. intransigence. The Reagan Administration's current slap at the World Court will only convince both the Central Americans and world opinion that little has changed in the intervening seven decades. Washington still maintains that U.S. interests take precedence. More than disrespect for the World Court, the Reagan Administration's decision shows an utter disregard for the rule of law and reason in a world that is sorely in need of both.

Mr. KERRY. Mr. President, how much time remains?

The PRESIDING OFFICER. The Senator from Massachusetts has 9 minutes remaining.

Mr. KERRY. I yield myself 7 minutes.

Mr. President, in view of some comments yesterday by the senior Senator from South Carolina, who said it is unfortunate that some Members of Congress serve as apologists for a Communist dictatorship that offers to let the Soviets station missiles in their country, I should like to make it very clear that I do not know of any Member of this body who apologizes for any Communist dictatorship. To the best of my knowledge, there has never been any effort or offer made to put missiles in that region. This Senator, again and again, has made clear that would be a totally unacceptable act to this Senator and, I believe, to this country.

I have stated again and again that the interests of the United States are clear in this hemisphere, and I support those interests—not to have Soviet bases, not to have infusion of Soviet or Cuban troops, not to have subversion across national borders, not to have foreign military bases. I would support the strongest measures by the United States to prevent those things from happening.

However, I think what has been absent in our foreign policy and in our approach to Central America has been a consensus; an ability to be able to see the forest for the trees and to be able to make a determination about what will best achieve the protection of those interests I just outlined.

In passing this amendment we shall be rededicating ourselves to those existing hemispheric institutions and treaties which will enable us, in the long run, to protect those interests.

I congratulate the Senator from Georgia. I thought there was much in his amendment of yesterday that was beneficial, although I did not support it in the final analysis, for a number of reasons. As he knows, many of us at the White House meeting would have voted for humanitarian aid if we could link it directly to cease-fire and to a resumption of talks between the United States and Nicaragua. It is my conviction that this administration is avoiding those talks and that, therefore, the constitutional authority of Congress is called upon to try to set a different direction.

I know that reasonable people can differ on that, and the vote yesterday indicated that. But it seems to me that if Congress is going to move down the path it is moving, it is imperative that we go on record at least in support of U.S. adherence to the international obligations we currently have, to which we should adhere, to which we are a signatory under the charter of the Organization of American States and international law.

My amendment is very straightforward. It is an attempt simply to place Congress on record in opposition to the expenditure of any taxpayers' dollars which would place us in violation of those clear obligations. We helped set up this system, and I do not believe we should turn away from it.

In the aftermath of World War II, the United States was the driving force behind both the Inter-American Treaty of Reciprocal Assistance, also known as the Rio Treaty, which was ratified by President Truman on December 12, 1947, and the Charter of the Organization of American States, which was ratified by President Truman on June 15, 1951.

I am not going through all of the provisions that are contained in these treaties. They are a matter of record. But I would incorporate them as a matter of reference in my comments and in this debate.

I ask unanimous consent that both the charters of the OAS as well as the Treaty of Rio be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

2. LATIN AMERICA

a. Inter-American Treaty of Reciprocal Assistance

(Opened for signature at Rio de Janeiro September 2, 1947; ratification advised by the Senate of the United States of America December 8, 1947; ratified by the President of the United States of America December 12, 1947; ratification of the United States of America deposited with the Pan American Union December 30, 1947; proclaimed by the President of the United States of America December 9, 1948; entered into force December 3, 1948)

In the name of their Peoples, the Governments represented at the Inter-American Conference for the Maintenance of Continental Peace and Security, desirous of consolidating and strengthening their relations of friendship and good neighborliness, and

Considering:

That Resolution VIII of the Inter-American Conference on Problems of War and Peace, which met in Mexico City, recommended the conclusion of a treaty to prevent and repel threats and acts of aggression against any of the countries of America;

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That the High Contracting Parties reiterate their will to remain united in an inter-American system consistent with the purposes and principles of the United Nations, and reaffirm the existence of the agreement which they have concluded concerning those matters relating to the maintenance of international peace and security which are appropriate for regional action;

That the High Contracting Parties reaffirm their adherence to the principles of inter-American solidarity and cooperation, and especially to those set forth in the preamble and declarations of the Act of Chapultepec, all of which should be understood to be accepted as standards of their mutual relations and as the juridical basis of the Inter-American System;

That the American States propose, in order to improve the procedures for the specific settlement of their controversies, to conclude the treaty concerning the "Inter-American Peace System" envisaged in Resolutions IX and XXXIX of the Inter-American Conference on Problems of War and Peace.

That the obligation of mutual assistance and common defense of the American Republics is essentially related to their democratic ideals and to their will to cooperate permanently in the fulfillment of the principles and purposes of a policy of peace;

That the American regional community affirms as a manifest trust that juridical organization is a necessary prerequisite of security and peace, and that peace is founded on justice and moral order and, consequently, on the international recognition and protection of human rights and freedoms, on the indispensable well-being of the people, and on the effectiveness of democracy for the international realization of justice and security.

Have resolved, in conformity with the objectives stated above, to conclude the following Treaty, in order to assure peace, through adequate means, to provide for effective reciprocal assistance to meet armed attacks against any American State, and in order to deal with threats of aggression against any of them:

ARTICLE 1

The High Contracting Parties formally condemn war and undertake in their international relations not to resort to the threat or the use of force in any manner inconsistent with the provisions of the Charter of the United Nations or of this Treaty.

ARTICLE 2

As a consequence of the principle set forth in the preceding Article, the High Contracting Parties undertake to submit every controversy which may arise between them to methods of peaceful settlement and to endeavor to settle any such controversy among themselves by means of the procedures in force in the Inter-American System before referring it to the General Assembly or the Security Council of the United Nations.

ARTICLE 3

1. The High Contracting Parties agree that an armed attack by any State against an American State shall be considered as an attack against all the American States and, consequently, each one of the said Contracting Parties undertakes to assist in meeting the attack in the exercise of the inherent right of individual or collective self-defense recognized by Article 51 of the Charter of the United Nations.

2. On the request of the State or States directly attacked and until the decision of the Organ of Consultation of the Inter-American System, each one of the Contracting Parties may determine the immediate measures which it may individually take in fulfillment of the obligation contained in the preceding paragraph and in accordance with the principle of continental solidarity. The Organ of Consultation shall meet without delay for the purpose of examining those measures and agreeing upon the measures of a collective character that should be taken.

3. The provisions of this Article shall be applied in case of any armed attack which takes place within the region described in Article 4 or within the territory of an American State. When the attack takes place outside of the said areas, the provisions of Article 6 shall be applied.

4. Measures of self-defense provided for under this Article may be taken until the Security Council of the United Nations has taken the measures necessary to maintain international peace and security.

ARTICLE 4

The region to which this Treaty refers is bounded as follows: beginning at the North Pole; thence due south to a point 74 degrees north latitude, 10 degrees west longitude; thence by a rhumb line to a point 47 degrees 30 minutes north latitude, 50 degrees west longitude; thence by a rhumb line to a point 35 degrees north latitude, 60 degrees west longitude; thence due south to a point 20 degrees north latitude; thence by a rhumb line to a point 5 degrees north latitude, 24 degrees west longitude; thence due south to the South Pole; thence due north to a point 30 degrees south latitude, 90 degrees west longitude; thence by a rhumb line to a point on the Equator at 97 degrees west longitude; thence by a rhumb line to a point 15 degrees north latitude, 120 degrees west longitude; thence by a rhumb line to a point 50 degrees north latitude, 170 degrees east longitude; thence due north to a point in 54 degrees north latitude; thence by a rhumb line to a point 65 degrees 30 minutes north latitude, 168 degrees 58 minutes 5 seconds west longitude; thence due north to the North Pole.

ARTICLE 5

The High Contracting Parties shall immediately send to the Security Council of the United Nations, in conformity with Articles 51 and 54 of the Charter of the United Nations, complete information concerning the activities undertaken or in contemplation in the exercise of the right of self-defense or for the purpose of maintaining inter-American peace and security.

ARTICLE 6

If the inviolability or the integrity of the territory or the sovereignty or political independence of any American State should be affected by an aggression which is not an armed attack or by an extracontinental or intra-continental conflict, or by any other fact or situation that might endanger the peace of America, the Organ of Consultation shall meet immediately in order to agree on the measures which must be taken in case of aggression to assist the victim of the aggression or, in any case, the measures which should be taken for the common defense and for the maintenance of the peace and security of the Continent.

ARTICLE 7

In the case of a conflict between two or more American States, without prejudice to the right of self-defense in conformity with Article 51 of the Charter of the United Nations, the High Contracting Parties, meeting in consultation shall call upon the contending States to suspend hostilities and restore matters to the *status quo ante bellum*, and shall take in addition all other necessary measures to reestablish or maintain inter-American peace and security and for the solution of the conflict by peaceful means. The rejection of the pacifying action will be considered in the determination of the aggressor and in the application of the measures which the consultative meetings may agree upon.

ARTICLE 8

For the purposes of this Treaty, the measures on which the Organ of Consultation may agree will comprise one or more of the following: recall of chiefs of diplomatic missions; breaking of diplomatic relations; breaking of consular relations; partial or complete interruption of economic relations or of rail, sea, air, postal, telegraphic, telephonic, and radiotelephonic or radio telegraphic communications; and use of armed force.

ARTICLE 9

In addition to other aids which the Organ of Consultation may characterize an aggression, the following shall be considered as such:

a. Unprovoked armed attack by a State against the territory, the people, or the land, sea or air forces of another State;

b. Invasion, by the armed forces of a State, of the territory of an American State, through the trespassing of boundaries demarcated in accordance with a treaty, judicial decision, or arbitral award, or, in the absence of frontiers thus demarcated, invasion affecting a region which is under the effective jurisdiction of another State.

ARTICLE 10

None of the provisions of this Treaty shall be construed as impairing the rights and obligations of the High Contracting Parties under the Charter of the United Nations.

ARTICLE 11

The consultations to which this Treaty refers shall be carried out by means of the Meetings of Ministers of Foreign Affairs of the American Republics which have ratified the Treaty, or in the manner or by the organ which in the future may be agreed upon.

ARTICLE 12

The Governing Board of the Pan American Union may act provisionally as an organ of consultation until the meeting of the Organ of Consultation referred to in the preceding Article takes place.

ARTICLE 13

The consultations shall be initiated at the request addressed to the Governing Board of the Pan American Union by any of the Signatory States which has ratified the Treaty.

ARTICLE 14

In the voting referred to in this Treaty only the representatives of the Signatory States which have ratified the Treaty may take part.

ARTICLE 15

The Governing Board of the Pan American Union shall act in all matters concerning this Treaty as an organ of liaison among the Signatory States which have ratified this Treaty and between these States and the United Nations.

ARTICLE 16

The decisions of the Governing Board of the Pan American Union referred to in Articles 13 and 15 above shall be taken by an absolute majority of the Members entitled to vote.

ARTICLE 17

The Organ of Consultation shall take its decisions by a vote of two-thirds of the Signatory States which have ratified the Treaty.

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ARTICLE 18

In the case of a situation or dispute between American States, the parties directly interested shall be excluded from the voting referred to in two preceding Articles.

ARTICLE 19

To constitute a quorum in all the meetings referred to in the previous Articles, it shall be necessary that the number of States represented shall be at least equal to the number of votes necessary for the taking of the decision.

ARTICLE 20

Decisions which require the application of the measures specified in Article 8 shall be binding upon all the Signatory States which have ratified this Treaty, with the sole exception that no State shall be required to use armed force without its consent.

ARTICLE 21

The measures agreed upon by the Organ of Consultation shall be executed through the procedures and agencies now existing or those which may in the future be established.

ARTICLE 22

This Treaty shall come into effect between the States which ratify it as soon as the ratification of two-thirds of the Signatory States have been deposited.

ARTICLE 23

This Treaty is open for signature by the American States at the city of Rio de Janeiro, and shall be ratified by the Signatory States as soon as possible in accordance with their respective constitutional processes. The ratifications shall be deposited with the Pan * * * deposit. Such notification shall be considered as an exchange of ratifications.

ARTICLE 24

The present Treaty shall be registered with the Secretariat of the United Nations through the Pan American Union, when two-thirds of the Signatory States have deposited their ratifications.

ARTICLE 25

This Treaty shall remain in force indefinitely, but may be denounced by any High Contracting Party by a notification in writing to the Pan American Union, which shall reform all the other High Contracting Parties of each notification of denunciations received. After the expiration of two years from the date of the receipt by the Pan American Union of a notification of denunciation by any High Contracting Party, the present Treaty shall cease to be in force and with respect to such State, but shall remain in full force and effect with respect to all the other High Contracting Parties.

ARTICLE 26

The principles and fundamental provisions of this Treaty shall be incorporated in the Organic Pact of the Inter-American System.

In witness thereof, the undersigned Plenipotentiaries, having deposited their full powers found to be in due and proper form, sign this Treaty on behalf of their respective Governments, on the dates appearing opposite their signatures.

Done in the city of Rio de Janeiro, in four texts respectively the English, French, Portuguese and Spanish languages, on the second of September nineteen hundred forty-seven.

[RESERVATION OF HONDURAS.—The Delegation of Honduras, in signing the present Treaty and in connection with Article 9, section (b), does so with the reservation that the boundary between Honduras and Nicaragua is definitely demarcated by the Joint Boundary Commission of nineteen hundred and nineteen hundred and one, starting from a point in the Gulf of Fonseca, in the Pacific Ocean, to Portillo de Teotecacinte and, from this point to the Atlantic, by the line that His Majesty the King of Spain's arbitral award established on the twenty third of December of nineteen hundred and six.]

b. Organization of American States

(1) Charter of the Organization of American States as amended by the Protocol of Amendment (with reservations)

[Charter signed at Bogota April 30, 1948; ratification advised by the Senate of the United States of America, with a reservation, August 28, 1950; ratified by the President of the United States of America, subject to said reservation, June 15, 1951; ratification of the United States of America deposited with the Pan American Union June 19, 1951; proclaimed by the President of the United States of America December 27, 1951; entered into force December 13, 1951]

In the name of their Peoples, the States represented at the Ninth International Conference of American States,

Convinced that the historic mission of America is to offer to man a land of liberty, and a favorable environment for the development of his personality and the realization of his just aspirations;

Conscious that that mission has already inspired numerous agreements, whose essential value lies in the desire of the American peoples to live together in peace, and, through their mutual understanding and respect for the sovereignty of each one, to provide for the betterment of all, in independence, in equality and under law.

Confident that the true significance of American solidarity and good neighborliness can only mean the consolidation on this continent, within the framework of democratic institutions, of a system of individual liberty and social justice based on respect for the essential rights of man;

Persuaded that their welfare and their contribution to the progress and the civilization of the world will increasingly require intensive continental cooperation;

Resolved to persevere in the noble undertaking that humanity has conferred upon the United Nations, whose principles and purposes they solemnly reaffirm;

Convinced that juridical organization is a necessary condition for security and peace founded on moral order and on justice; and

In accordance with Resolution IX of the Inter-American Conference on Problems of War and Peace, held at Mexico City, have agreed upon the following:

PART ONE

CHAPTER I. NATURE AND PURPOSES

ARTICLE 1

The American States establish by this Charter the international organization that they have developed to achieve an order of peace and justice, to promote their solidarity, to strengthen their collaboration, and to defend their sovereignty, their territorial integrity and their independence. Within the United Nations, the Organization of American States is a regional agency.

ARTICLE 2

The Organization of American States, in order to put into practice the principles on which it is founded and to fulfill its regional obligations under the Charter of the United Nations, proclaims the following essential purposes:

(a) To strengthen the peace and security of the continent;

(b) To prevent possible causes of difficulties and to ensure the pacific settlement of disputes that may arise among the Member States;

(c) To provide for common action on the part of those States in the event of aggression;

(d) To seek the solution of political, juridical and economic problems that may arise among them; and

(e) To promote, by cooperative action, their economic, social and cultural development.

CHAPTER II. PRINCIPLES

ARTICLE 3

The American States reaffirm the following principles:

(a) International law is the standard of conduct of States in their reciprocal relations;

(b) International order consists essentially of respect for the personality, sovereignty and independence of States, and the faithful fulfillment of obligations derived from treaties and other sources of international law;

(c) Good faith shall govern the relations between States;

(d) The solidarity of the American States and the high aims which are sought through it require the political organization of those states on the basis of the effective exercise of representative democracy;

(e) The American States condemn war of aggression: victory does not give rights;

(f) An act of aggression against one American State is an act of aggression against all the other American States;

(g) Controversies of an international character arising between two or more American States shall be settled by peaceful procedures;

(h) Social justice and social security are bases of lasting peace;

(i) Economic cooperation is essential to the common welfare and prosperity of the peoples of the hemisphere;

(j) The American States proclaim the fundamental rights of the individual without distinction as to race, nationality, creed or sex;

(k) The spiritual unity of the hemisphere is based on respect for the cultural values of the American countries and require their close cooperation for the high purposes of civilization;

(l) The education of peoples should be directed toward justice, freedom and peace.

CHAPTER III. MEMBERS

ARTICLE 4

All American States that ratify the present Charter are Members of the Organization.

ARTICLE 5

Any new political entity that arises from the union of several Member States and that, as such, ratifies the present Charter, shall become a Member of the Organization. The entity of the new political entity into the Organization shall result in the loss of membership of each one of the States which constitute it.

ARTICLE 6

Any other independent American State that desires to become a Member of the Organization should so indicate by means of a note addressed to the Secretary General, in which it declares that it is willing to sign and ratify the Charter of the Organization and to accept all the obligations inherent in membership, especially those relating to collective security expressly set forth in Articles 27 and 28 of the Charter.

ARTICLE 7

The General Assembly, upon the recommendation of the Permanent Council of the

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Organization, shall determine whether it is appropriate that the Secretary General be authorized to permit the applicant State to sign the Charter and to accept the deposit of the corresponding instrument of ratification. Both the recommendation of the Permanent Council and the decision of the General Assembly shall require the affirmative vote of two thirds of the Member States.

ARTICLE 8

The Permanent Council shall not make any recommendations * * * request for admission on the part of a political entity whose territory became subject, in whole or in part, prior to December 18, 1964, the date set by the First Special Inter-American Conference, to litigation or claim between an extracontinental country and one or more Member States of the Organization, until the dispute has been ended by some peaceful procedure.

CHAPTER IV. FUNDAMENTAL RIGHTS AND DUTIES OF STATES

ARTICLE 9

States are juridically equal, enjoy rights and equal capacity to exercise these rights, and have equal duties. The rights of each State depend not upon its power to ensure the exercise thereof, but upon the mere fact of its existence as a person under international law.

ARTICLE 10

Every American State has the duty to respect the rights enjoyed by every other State in accordance with international law.

ARTICLE 11

The fundamental rights of States may not be impaired in any manner whatsoever.

ARTICLE 12

The political existence of the State is independent of recognition by other States. Even before being recognized, the State has the right to defend its integrity and independence, to provide for its preservation and prosperity, and consequently to organize itself as it sees fit, to legislate concerning its interests, to administer its services, and to determine the jurisdiction and competence of its courts. The exercise of these rights is limited only by the exercise of the rights of other States in accordance with international law.

ARTICLE 13

Recognition implies that the State granting it accepts the personality of the new State, with all the rights and duties that international law prescribes for the two States.

ARTICLE 14

The right of each State to protect itself and to live its own life does not authorize it to commit unjust acts against another State.

ARTICLE 15

The jurisdiction of States within the limits of their national territory is exercised equally over all the inhabitants, whether nationals or aliens.

ARTICLE 16

Each State has the right to develop its cultural, political, and economic life freely and naturally. In this free development, the State shall respect the rights of the individual and the principles of universal morality.

ARTICLE 17

Respect for and the faithful observance of treaties constitute standards for the development of peaceful relations among States. International treaties and agreements should be public.

ARTICLE 18

No State or group of States has the right to intervene, directly or indirectly, for any reason whatever, in the internal or external affairs of any other State. The foregoing principle prohibits not only armed force but also any other form of interference or attempted threat against the personality of the State or against its political, economic, and cultural elements.

ARTICLE 19

No State may use or encourage the use of coercive measures of an economic or political character in order to force the sovereign will of another State and obtain from it advantages of any kind.

ARTICLE 20

The territory of a State is inviolable; it may not be the object, even temporarily, of military occupation or of other measures of force taken by another State, directly or indirectly, on any grounds whatever. No territorial acquisitions or special advantages obtained either by force or by other means of coercion shall be recognized.

ARTICLE 21

The American States bind themselves in their international relations not to have recourse to the use of force, except in the case of self-defense in accordance with existing treaties or in fulfillment thereof.

ARTICLE 22

Measures adopted for the maintenance of peace and security in accordance with existing treaties do not constitute a violation of the principles as set forth in Articles 18 and 20.

CHAPTER V. PACIFIC SETTLEMENT OF DISPUTES

ARTICLE 23

All international disputes that may arise between American States shall be submitted to the peaceful procedures set forth in this Charter, before being referred to the Security Council of the * * *

ARTICLE 24

The following are peaceful procedures: direct negotiation, good offices, mediation, investigation and conciliation, judicial settlement, arbitration, and those which the parties to the dispute may especially agree upon at any time.

ARTICLE 25

In the event that a dispute arises between two or more American States which, in the opinion of one of them, cannot be settled through the usual diplomatic channels, the Parties shall agree on some other peaceful procedure that will enable them to reach a solution.

ARTICLE 26

A special treaty will establish adequate procedures for the pacific settlement of disputes and will determine the appropriate means for their application, so that no dispute between American States shall fail of definitive settlement within a reasonable period.

CHAPTER VI. COLLECTIVE SECURITY

ARTICLE 27

Every act of aggression by a State against the territorial integrity or the inviolability of the territory or against the sovereignty or political independence of an American State shall be considered an act of aggression against the other American States.

ARTICLE 28

If the inviolability or the integrity of the territory or the sovereignty or political independence of any American State should be affected by an armed attack or by an act of aggression that is not an armed attack, or by an extra-hemispheric conflict, or by a conflict between two or more American States, or by any other fact or situation that might endanger the peace of America, the American States, in furtherance of the principles of hemispheric solidarity or collective self-defense, shall apply the measures and procedures established in the special treaties on the subject.

CHAPTER VII. ECONOMIC STANDARDS

ARTICLE 29

The Member States, inspired by the principles of inter-American solidarity and cooperation, pledge themselves to a united effort to ensure social justice in the Hemisphere and dynamic and balanced economic development for their peoples, as conditions essential to peace and security.

ARTICLE 30

The Member States pledge themselves to mobilize their own national human and material resources through suitable programs, and recognize the importance of operating within an efficient domestic structure, as fundamental conditions for their economic and social progress and for assuring effective inter-American cooperation.

ARTICLE 31

To accelerate their economic and social development, in accordance with their own methods and procedures and within the framework of the democratic principles and the institutions of the inter-American system, the Member States agree to dedicate every effort to achieve the following basic goals:

(a) Substantial and self-sustained increase in the per capita national product;

(b) Equitable distribution of national income;

(c) Adequate and equitable systems of taxation;

(d) Modernization of rural life and reforms leading to equitable and efficient land-tenure systems, increased agricultural productivity, expanded use of underdeveloped land, diversification of production, and improved processing and marketing systems for agricultural products; and the strengthening and expansion of facilities to attain these ends;

(e) Accelerated and diversified industrialization, especially of capital and intermediate goods;

(f) Stability in the domestic price levels, compatible with sustained economic development and the attainment of social justice;

(g) Fair wages, employment opportunities, and acceptable working conditions for all;

(h) Rapid eradication of illiteracy and expansion of educational opportunities for all;

(i) Protection of man's potential through the extension and application of modern medical science;

(j) Proper nutrition, especially through the acceleration of national efforts to increase the production and availability of food;

(k) Adequate housing for all sectors of the population;

(l) Urban conditions that offer the opportunity for healthful, productive, and full life;

(m) Promotion of private initiative and investment in harmony with action in the public sector; and

(n) Expansion and diversification of exports.

ARTICLE 32

In order to attain the objectives set forth in this Chapter, the Member States agree to cooperate with one another, in the broadest spirit of inter-American solidarity, as far as their resources may permit and their laws may provide.

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ARTICLE 33

To attain balanced and sustained development as soon as feasible, the Member States agree that the resources made available from time to time by each, in accordance with the preceding Article, should be provided under flexible conditions and in support of the national and multinational programs and efforts undertaken to meet the needs of the assisted country, giving special attention to the relatively less-developed countries.

They will seek, under similar conditions and for similar purposes, financial and technical cooperation from sources outside the Hemisphere and from international institutions.

ARTICLE 34

The Member States should make every effort to avoid policies, actions, or measures that have serious adverse effects on the economic or social development of another Member State.

ARTICLE 35

The Member States agree to join together in seeking a solution to urgent or critical problems that may arise whenever the economic development or stability of any Member State is seriously affected by conditions that cannot be remedied through the efforts of that State.

ARTICLE 36

The Member States shall extend among themselves the benefits of science and technology by encouraging the exchange and utilization of scientific and technical knowledge in accordance with existing treaties and national laws.

ARTICLE 37

The Member States, recognizing the close interdependence between foreign trade and economic and social development, should make individual and united efforts to bring about the following:

(a) Reduction or elimination, by importing countries, of tariff and nontariff barriers that affect the exports of the Members of the Organization, except when such barriers are applied in order to diversify the economic structure, to speed up the development of the less-developed Member States or to intensify their process of economic integration, or when they are related to national security or to the needs for economic balance;

(b) Maintenance of continuity in their economic and social development by means of:

i. Improved conditions for trade in basic commodities through international agreements, where appropriate; orderly marketing procedures that avoid the disruption of markets; and other measures designed to promote the expansion of markets, and to obtain dependable incomes for producers, adequate and dependable supplies for consumers, and stable prices that are both remunerative to producers and fair to consumers;

ii. Improved international financial cooperation and the adoption of other means for lessening the adverse impact of sharp fluctuations in export earnings experienced by the countries exporting basic commodities; and

iii. Diversification of exports and expansion of export opportunities for manufactured and semimanufactured products from the developing countries by promoting and strengthening national and multinational institutions and arrangements established for these purposes.

ARTICLE 38

The Member States reaffirm the principle that when the more-developed countries grant concessions in international trade agreements that lower or eliminate tariffs or other tariff barriers to foreign trade so that they benefit the less-developed countries, they should not expect reciprocal concessions from those countries that are incompatible with their economic development, financial, and trade needs.

ARTICLE 39

The Member States, in order to accelerate their economic development, regional integration, and the expansion and improvement of the conditions of their commerce, shall promote improvement and coordination of transportation and communication in the developing countries and among the Member States.

ARTICLE 40

The Member States recognize that integration of the developing countries of the Hemisphere is one of the objectives of the inter-American system and, therefore, shall orient their effort and take the necessary measures to accelerate the integration process, with a view to establishing a Latin American common market in the shortest possible time.

ARTICLE 41

In order to strengthen and accelerate integration in all its aspects, the Member States agree to give adequacy priority to the preparation and carrying out of multinational projects and to their financing, as well as to encourage economic and financial institutions of the inter-American system to continue giving their broadest support to regional integration institutions and programs.

ARTICLE 42

The Member States agree that technical and financial cooperation that seeks to promote regional economic integration should be based on the principle of harmonious, balanced, and efficient development, with particular attention to the relatively less-developed countries, so that it may be a decisive factor that will enable them to promote, with their own efforts, the improved development of their infrastructure programs, new lines of production, and export * * *.

CHAPTER VIII. SOCIAL STANDARDS

ARTICLE 43

The Member States, convinced that man can only achieve the full realization of his aspirations within a just social order, along with economic development and true peace, agree to dedicate every effort to the application of the following principles and mechanisms:

(a) All human beings, without distinction as to race, sex, nationality, creed, or social condition, have a right to material well-being and to their spiritual development, under circumstances of liberty, dignity, equality of opportunity, and economic security;

(b) Work is a right and a social duty, it gives dignity to the one who performs it, and it should be performed under conditions, including a system of fair wages, that ensure life, health, and a decent standard of living for the worker and his family, both during his working years and in his old age, or when any circumstance deprives him of the possibility of working.

(c) Employers and workers, both rural and urban, have the right to associate themselves freely for the defense and promotion of their interests, including the right to collective bargaining and the workers' right to strike, and recognition of the judicial personality of associations and the protection of their freedom and independence, all in accordance with applicable laws;

(d) Fair and efficient systems and procedures for consultation and collaboration among the sectors of production with due regard for safeguarding the interests of the entire society;

(e) The operation of systems of public administration, banking and credit, enterprise, and distribution and sales, in such a way, in harmony with the private sector, as to meet the requirements and interests of the community;

(f) The incorporation and increasing participation of the marginal sectors of the population, in both rural and urban areas, in the economic, social, civic, cultural, and political life of the nation, in order to achieve the full integration of the national community, acceleration of the process of social mobility, and the consolidation of the democratic system. The encouragement of all efforts of popular promotion and cooperation that have as their purpose the development and progress of the community;

(g) Recognition of the importance of the contribution of organizations such as labor unions, cooperatives, and cultural, professional, business, neighborhood, and community associations to the life of the society and to the development process;

(h) Development of an efficient social security policy; and

(i) Adequate provision for all persons to have due legal aid in order to secure their rights.

ARTICLE 44

The Member States recognize that, in order to facilitate the process of Latin American regional integration, it is necessary to harmonize the social legislation of the developing countries, especially in the labor and social security fields, so that the rights of the workers shall be equally protected, and they agree to make the greatest efforts possible to achieve this goal.

CHAPTER IX. EDUCATIONAL, SCIENTIFIC, AND CULTURAL STANDARDS

ARTICLE 45

The Member States will give primary importance within their development plans to the encouragement of education, science, and culture, oriented toward the over-all improvement of the individual, and as a foundation for democracy, social justice, and progress.

ARTICLE 46

The Member States will cooperate with one another to meet their educational needs, to promote scientific research, and to encourage technological progress. They consider themselves individual and jointly bound to preserve and enrich the cultural heritage of the American peoples.

ARTICLE 47

The Member States will exert the greatest efforts, in accordance with their constitutional processes, to ensure the effective exercise of the right to education, on the following bases:

(a) Elementary education, compulsory for children of school age, shall also be offered to all others who can benefit from it. When provided by the State it shall be without charge;

(b) Middle-level education shall be extended progressively to as much of the population as possible, with a view to social improvement. It shall be diversified in such a way that it meets the development needs of each country without prejudice to providing a general education; and

(c) Higher education shall be available to all, provided that, in order to maintain its high level, the corresponding regulatory or academic standards are met.

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ARTICLE 48

The Member States will give special attention to the eradication of illiteracy, will strengthen adult and vocational education systems, and will ensure that the benefits of culture will be available to the entire population. They will promote the use of all information media to fulfill these aims.

ARTICLE 49

The Member States will develop science and technology through educational and research institutions and through expanded information programs. They will organize their cooperation in these fields efficiently and will substantially increase exchange of knowledge, in accordance with national objectives and with laws and treaties in force.

ARTICLE 50

The Member States, with due respect for the individuality of each of them, agree to promote cultural exchange as an effective means of consolidating inter-American understanding; and they recognize that regional integration programs should be strengthened by close ties in the fields of education, science, and culture.

PART TWO

CHAPTER X. THE ORGANS

ARTICLE 51

The Organization of American States accomplishes its purposes by means of:

(a) The General Assembly;

(b) The Meeting of Consultation of Ministers of Foreign Affairs;

(c) The Councils;

(d) The Inter-American Juridical Committee;

(e) The Inter-American Commission on Human Rights;

(f) The General Secretariat;

(g) The Specialized Conferences; and

(h) The Specialized Organizations.

There may be established, in addition to those provided for in the Charter and in accordance with the provisions thereof, such subsidiary organs, agencies, and other entities as are considered necessary.

CHAPTER XI. THE GENERAL ASSEMBLY

ARTICLE 52

The General Assembly is the supreme organ of the Organization of American States. It has as its principal powers, in addition to such others as are assigned to it by the Charter, the following:

(a) To decide the general action and policy of the Organization, determine the structure and functions of its organs, and consider any matter relating to friendly relations among the American States;

(b) To establish measures for coordinating the activities of the organs, agencies, and entities of the Organization among themselves and such activities with those of the other institutions of the inter-American system;

(c) To strengthen and coordinate cooperation with the United Nations and its specialized agencies;

(d) To promote collaboration, especially in the economic, social and cultural fields, with other international organizations whose purposes are similar to those of the Organization of American States;

(e) To approve the program-budget of the Organization and determine the quotas of the Member States;

(f) To consider the annual and special reports that shall be presented to it by the organs, agencies, and entities of the * * *.

(g) To adopt general standards to govern the operations of the General Secretariat; and

(h) To adopt its own rules of procedure and, by a two-thirds vote, its agenda.

The General Assembly shall exercise its powers in accordance with the provisions of the Charter and of other inter-American treaties.

ARTICLE 53

The General Assembly shall establish the base for fixing the quota that each Government is to contribute to the maintenance of the Organization, taking into account the ability to pay of the respective countries and their determination to contribute in an equitable manner. Decisions on budgetary matters require the approval of two-thirds of the Member States.

ARTICLE 54

All Member States have the right to be represented in the General Assembly. Each State has the right to one vote.

ARTICLE 55

The General Assembly shall convene annually during the period determined by the rules of procedure and at a place selected in accordance with the principle of rotation. At each regular session the date and place of the next regular session shall be determined, in accordance with the rules of procedure.

If for any reason the General Assembly cannot be held at the place chosen, it shall meet at the General Secretariat, unless one of the Member States should make a timely offer of a site in its territory, in which case the Permanent Council of the Organization may agree that the General Assembly will meet in that place.

ARTICLE 56

In special circumstances and with the approval of two thirds of the Member States the Permanent Council shall convoke a special session of the General Assembly.

ARTICLE 57

Decisions of the General Assembly shall be adopted by the affirmative vote of an absolute majority of the Member States, except in those cases that require a two-thirds vote as provided in the Charter or as may be provided by the General Assembly in its rules of procedure.

ARTICLE 58

There shall be a Preparatory Committee of the General Assembly, composed of representatives of all the Member States, which shall:

(a) Prepare the draft agenda of each session of the General Assembly;

(b) Review the proposed program-budget and the draft resolution on quotas, and present to the General Assembly a report thereon containing the recommendations it considers appropriate; and

(c) Carry out such other functions as the General assembly may assign to it.

The draft agenda and the report shall, in due course, be transmitted to the Governments of the Member States.

CHAPTER XII. THE MEETING OF CONSULTATION OF MINISTERS OF FOREIGN AFFAIRS

ARTICLE 59

The Meeting of Consultation of Ministers of Foreign Affairs shall be held in order to consider problems of an urgent nature and of common interest to the American States, and to serve as the Organ of Consultation.

ARTICLE 60

Any Member State may request that a Meeting of Consultation be called. The request shall be addressed to the Permanent Council of the Organization, which shall decide by an absolute majority whether a meeting should be held.

ARTICLE 61

The agenda and regulations of the Meeting of Consultation shall be prepared by the permanent Council of the Organization and submitted to the Member States for consideration.

ARTICLE 62

If, for exceptional reasons, a Minister of Foreign Affairs is unable to attend the meeting, he shall be represented by a special delegate.

ARTICLE 63

In case of an armed attack within the territory of an American State or within the region of security delimited by treaties in force, a Meeting of Consultation shall be held without delay. Such Meeting shall be called immediately by the Chairman of the Permanent Council of the Organization, who shall at the same time call a meeting of the Permanent Council itself.

ARTICLE 64

An Advisory Defense Committee shall be established to advise the Organ of Consultation on problems of military cooperation that may arise in connection with the application of existing special treaties on collective security.

ARTICLE 65

The Advisory Defense Committee shall be composed of the highest military authorities of the American States participating in the Meeting of Consultation. Under exceptional circumstances the Governments may appoint substitutes. Each State shall be entitled to one vote.

ARTICLE 66

The Advisory Defense Committee shall be convoked under the same conditions as the Organ of Consultation, when the latter deals with matters relating to defense against aggression.

ARTICLE 67

The Committee shall also meet when the Conference or the Meeting of Consultation or the Governments, by a two-thirds majority of the Member States, assign to it technical studies or reports on specific subjects.

CHAPTER XIII. THE COUNCILS OF THE ORGANIZATION; COMMON PROVISIONS

ARTICLE 68

The Permanent Council of the Organization, the Inter-American Economic and Social Council, and the Inter-American Council for Education, Science, and Culture are directly responsible to the General Assembly and each has the authority granted to it in the Chapter and other inter-American instruments, as well as the functions assigned to it by the General Assembly and the Meeting of Consultation of Ministers of Foreign Affairs.

ARTICLE 69

All Member States have the right to be represented on each of the Councils. Each State has the right to one vote.

ARTICLE 70

The Councils may, within the limits of the Charter and other inter-American instruments, make recommendations on matters within their authority.

ARTICLE 71

The Councils, on matters within their respective competence, may present to the General Assembly studies and proposals, drafts of international instruments, and proposals on the holding of specialized conferences, on the creation, modification, or elimination of specialized organizations and other inter-American agencies, as well as on the coordination of their activities. The Councils may also present studies, proposals, and drafts of international instruments to the Specialized Conferences.

ARTICLE 72

Each Council may, in urgent cases, convoke Specialized Conferences on matters within its competence, after consulting with the Member States and without having to resort to the procedure provided for in Article 128.

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ARTICLE 73

The Councils, to the extent of their ability, and with the cooperation of the General Secretariat, shall render to the Government such specialized services as the latter may request.

ARTICLE 74

Each Council has the authority to require the other Councils, as well as the subsidiary organs and agencies responsible to them to provide it with information and advisory services on matters within their respective spheres of competence. The Councils may also request the same services from the other agencies of the inter-American system.

ARTICLE 75

With the prior approval of the General Assembly, the Councils may establish the subsidiary organs and the agencies that they consider advisable for the better performance of their duties. When the General Assembly is not in session, the aforesaid organs or agencies may be established provisionally by the corresponding Council. In constituting the membership of these bodies, the Councils, insofar as possible, shall follow the criteria of rotation and equitable geographic representation.

ARTICLE 76

The Councils may hold in any Member State, when they find it advisable and with the prior consent of the Government concerned.

ARTICLE 77

Each Council shall prepare its own statutes and submit them to the General Assembly for approval. It shall approve its own rules of procedure and those of its subsidiary organs, agencies, and committees.

CHAPTER XIV. THE PERMANENT COUNCIL OF THE ORGANIZATION

ARTICLE 78

The Permanent Council of the Organization is composed of one representative of each Member State, especially appointed by the respective Government, with the rank of ambassador. Each Government may accredit and acting representative, as well as such alternates and advisers as it considers necessary.

ARTICLE 79

The office of Chairman of the Permanent Council shall be held by each of the representatives, in turn, following the alphabetic order in Spanish of the names of their respective countries. The office of Vice Chairman shall be filled in the same way, following reverse alphabetic order.

The Chairman and the Vice Chairman shall hold office for a term of not more than six months, which shall be determined by the statutes.

ARTICLE 80

Within the limits of the Charter and of inter-American treaties and agreements, the Permanent Council takes cognizance of any matter referred to it by the General Assembly or the Meeting of Consultation of Ministers of foreign Affairs.

ARTICLE 81

The Permanent Council shall serve provisionally as the Organ of Consultation when the circumstances contemplated in Article 63 of this charter arise.

ARTICLE 82

The Permanent Council shall keep vigilence over the maintenance of friendly relations among the Member States, and for that purpose shall effectively assist them in the peaceful settlement of their disputes, in accordance with the following provisions.

ARTICLE 83

To assist the Permanent Council in the exercise of these powers, and Inter-American Committee on Peaceful Settlement shall be established, which shall function as a subsidiary organ of the Council. The statutes of the Committee shall be prepared by the Council and approved by the General Assembly.

ARTICLE 84

The parties to a dispute may resort to the Permanent Council to obtain its good offices. In such a case the Council shall have authority to assist the parties and to recommend the procedures it considers suitable for the peaceful settlement of the dispute.

If the parties so wish, the Chairman of the Council shall refer the dispute directly to the Inter-American Committee on Peaceful Settlement.

ARTICLE 85

In the exercise of these powers, the Permanent Council, through the Inter-American Committee on Peaceful Settlement or by any other means, may ascertain the facts in the dispute, and may do so in the territory of any of the parties with the consent of the Government concerned.

ARTICLE 86

Any party to a dispute in which none of the peaceful procedures set forth in Article 24 of the Charter is being followed may appeal to the Permanent Council to take cognizance of the dispute.

The Council shall immediately refer the request to the Inter-American Committee on Peaceful Settlement, which shall consider whether or not the matter is within its competence and, if it deems it appropriate, shall offer its good offices to the other party or parties. Once these are accepted, the Inter-American Committee on Peaceful Settlement may assist the parties and recommend the procedures that it considers suitable for the peaceful settlement of the dispute.

In the exercise of these powers, the Committee may carry out an investigation of the facts in the dispute, and may do so in the territory of any of the parties and the consent of the Government concerned.

ARTICLE 87

If one of the parties should refuse the offer, the Inter-American Committee on Peaceful Settlement shall limit itself to informing the Permanent Council, without prejudice to its taking steps to restore relations between the parties, if they were interrupted, or to reestablish harmony between them.

ARTICLE 88

Once such a report is received, the Permanent Council may make suggestions for bringing the parties together for the purpose of Article 87 and, if it considers it necessary, it may urge the parties to avoid any action that might aggravate the dispute.

If one of the parties should continue to refuse the good offices of the Inter-American Committee on Peaceful Settlement or of the Council, the Council shall limit itself to submitting a report to the General Assembly.

ARTICLE 89

The Permanent Council, in the exercise of these functions, shall take its decisions by an affirmative vote of two-thirds of its members, excluding the parties to the dispute, except for such decisions as the rules of procedure provide shall be adopted by a simple majority.

ARTICLE 90

In performing their functions with respect to the peaceful settlement of disputes, the Permanent Council and the Inter-American Committee on Peaceful Settlement shall observe the provisions of the Charter and the principles and standards of international law, as well as take into account the existence of treaties in force between the parties.

ARTICLE 91

The Permanent Council shall also:

(a) Carry out those decisions of the General Assembly or of the Meeting of Consultation of Ministers of Foreign Affairs the implementation of which has not been assigned to any other body;

(b) Watch over the observance of the standards governing the operation of the General Secretariat and, when the General Assembly is not in session, adopt provisions of a regulatory nature that enable the General Secretariat to carry out its administrative functions;

(c) Act as the Preparatory Committee of the General Assembly, in accordance with the terms of Article 58 of the Charter, unless the General Assembly should decide otherwise;

(d) Prepare, at the request of the Member States and with the cooperation of the appropriate organs of the Organization, draft agreements to promote and facilitate cooperation between the Organization of American States and the United Nations or between the Organization and other American agencies of recognized international standing. These draft agreements, shall be submitted to the general assembly for approval.

(e) Submit recommendations to the General Assembly with regard to the functioning of the Organization and the coordination of its subsidiary organs, agencies, and committees;

(f) Present to the General Assembly any observations it may have regarding the reports of the Inter-American Juridical Committee and the Inter-American Commission of Human Rights; and

(g) Perform the other functions assigned to it in the Charter.

ARTICLE 92

The Permanent Council and the General Secretariat shall have the same seat.

CHAPTER XV. THE INTER-AMERICAN ECONOMIC AND SOCIAL COUNCIL

ARTICLE 93

The Inter-American Economic and Social Council is composed of one principal representative, of the highest rank, of each Member State, especially appointed by the respective Government.

ARTICLE 94

The purpose of the Inter-American Economic and Social Council is to promote cooperation among the American countries in order to attain accelerated economic and social development, in accordance with the standards set forth in Chapter VII and VIII.

ARTICLE 95

To achieve its purpose of the Inter-American Economic and Social Council shall:

(a) Recommend programs and courses of action and periodically study and evaluate the efforts undertaken by the Member States;

(b) Promote and coordinate all economic and social activities of the Organization;

(c) Coordinate its activities with those of the other Councils of the Organizations;

(d) Establish cooperative relations with the corresponding organs of the United Nations and with other national and international agencies, especially with regard to co-

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ordination of inter-American technical assistance programs; and

(e) Promote the resolution of the cases contemplated in Article 35 of the Charter, establishing the appropriate procedure.

ARTICLE 96

The Inter-American Economic and Social Council shall hold at least one meeting each year at the ministerial level. It shall also meet when convoked by the General Assembly, the Meeting of Consultation of Ministers of Foreign Affairs, at its own initiative, or for the cases contemplated in Article 35 of the Charter.

ARTICLE 97

The Inter-American Economic and Social Council shall have a Permanent Executive Committee, composed of a Chairman and no less than seven other members, elected by the Council for terms to be established in the statutes of the Council. Each member shall have the right to vote. The principles of equitable geographic representation and of rotation shall be taken into account, insofar as possible, in the election of members. The Permanent Executive Committee represents all of the Member States of the Organization.

ARTICLE 98

The Permanent Executive Committee shall perform the tasks assigned to it by the Inter-American Economic and Social Council, in accordance with the general standards established by the Council.

CHAPTER XVI. THE INTER-AMERICAN COUNCIL FOR EDUCATION, SCIENCE, AND CULTURE

ARTICLE 99

The Inter-American Council for Education, Science, and Culture is composed of one principal representative, of the highest rank, of each Member State, especially appointed by the respective Government.

ARTICLE 100

The purpose of the Inter-American Council for Education, Science, and Culture is to promote friendly relations and mutual understanding between the peoples of the Americas through educational, scientific, and cultural cooperation and exchange between Member States, in order to raise the cultural level of the peoples, reaffirm their dignity as individuals, prepare them fully for the tasks of progress, and strengthen the devotion to peace, democracy, and social justice that has characterized their evolution.

ARTICLE 101

To accomplish its purposes the Inter-American Council for Education, Science, and Culture shall:

(a) Promote and coordinate the educational, scientific, and cultural activities of the Organization;

(b) Adopt or recommend pertinent measures to give effect to the standards contained in Chapter IX of the Charter;

(c) Support individual or collective efforts of the Member States to improve and extend education at all levels, giving special attention to efforts directed toward community development;

(d) Recommend and encourage the adoption of special educational programs directed toward integrating all sectors of the population into their respective national cultures;

(e) Stimulate and support scientific and technological education and research especially when these relate to national development plans;

(f) Foster the exchange of professors, research workers, technicians, and students, as well as of study materials; and encourage the conclusion of bilaterial or multilateral agreements on the progressive coordination of curricula at all educational levels and on the validity and equivalence of certificates and degrees;

(g) Promote the education of the American peoples with a view to harmonius international relations and a better understanding of the historical and cultural origins of the Americans, in order to stress and preserve their common values and destiny;

(h) Systematically encourage intellectual and artistic creativity, the exchange of cultural works and folklore, as well as the interrelationships of the different cultural regions of the Americas;

(i) Foster cooperation and technical assistance for protecting, preserving, and increasing the cultural heritage of the Hemisphere;

(j) Coordinate its activities with those of the other Councils. In harmony with the Inter-American Economic and Social Council, encourage the interrelationship of programs for promoting education, science, and culture with national development and regional integration programs;

(k) Establish cooperative relations with the cooresponding organs of the United Nations and with other national and international bodies.

(l) Strengthen the civic conscience of the American peoples; as one of the bases for the effective exercise of democracy and for the observance of the rights and duties of man;

(m) Recommend appropriate procedures for intensifying integration of the developing countries of the Hemisphere by means of efforts and programs in the fields of education, science, and culture; and

(n) Study and evaluate periodically the efforts made by the Member States in the fields of education, science, and culture.

ARTICLE 102

The Inter-American Council for Education, Science, and Culture shall hold at least one meeting each year at the ministerial level. It shall also meet when convoked by the General Assembly, by the Meeting of Consultation of Ministers of Foreign Affairs, or at its own initiative.

ARTICLE 103

The Inter-American Council for Education, Science, and Culture shall have a Permanent Executive Committee, composed of a Chairman and no less than seven other members, elected by the Council for terms to be established in the statutes of the Council. Each member shall have the right to one vote. The principles of equitable geographic representation and of rotation shall be taken into account, insofar as possible, in the election of members. The Permanent Executive Committee represents all of the Member States of the Organization.

ARTICLE 104

The Permanent Executive Committee shall perform the tasks assigned to it by the Inter-American Council for Education, Science, and Culture, in accordance with the general standards established by the Council.

CHAPTER XVII. THE INTER-AMERICAN JURIDICAL COMMITTEE

ARTICLE 105

The purpose of the Inter-American juridical Committee is to serve the Organization as an advisory body on juridical matters; to promote the progressive development and the codification of international law; and to study juridical problems related to the integration of the developing countries of the Hemisphere and insofar as may appear desirable, the possibility of attaining uniformity in their legislation.

ARTICLE 106

The Inter-American Juridical Committee shall undertake the studies and preparatory work assigned to it by the General Assembly, the Meeting of Consultation of Ministers of Foreign Affairs, or the Councils of the Organization. It may also, on its own initiative, undertake such studies and preparatory work as it considers advisable, and suggest the holding of specialized juridical conferences.

ARTICLE 107

The Inter-American Juridical Committee shall be composed of eleven jurists, nationals of Member States, elected by the General Assembly for a period of four years from panels of three candidates presented by Member States. In the election, a system shall be used that takes into account partial replacement of membership and, insofar as possible, equitable geographical representation. No two members of the Committee may be nationals of the same State. Vacancies that occur shall be filled in the manner set forth above.

ARTICLE 108

The Inter-American Juridical Committee represents all of the Member States of the Organization, and has the broadest possible technical autonomy.

ARTICLE 109

The Inter-American Juridical Committee shall establish cooperative relations with universities, institutes, and other teaching centers, as well as with national and international committees and entities devoted to study, research, teaching, or dissemination of information on juridical matters of international interests.

ARTICLE 110

The Inter-American Juridical Committee shall draft its statutes, which shall be submitted to the General Assembly for approval. The committee shall adopt its own rules of procedure.

ARTICLE 111

The seat of the Inter-American Juridical Committee shall be the city of Rio de Janeiro, but in special cases the Committee may meet at any other place that may be designated, after consultation with the Member State concerned.

CHAPTER XVIII. THE INTER-AMERICAN COMMISSION ON HUMAN RIGHTS

ARTICLE 112

There shall be an Inter-American Commission on Human Rights, whose principal function shall be to promote the observance and protection of human rights and to serve as a consultative organ of the Organization in these matters.

An Inter-American convention on human rights shall determine the structure, competence, and procedure of this Commission, as well as those or other organs responsible for these matters.

CHAPTER XIX. THE GENERAL SECRETARIAT

ARTICLE 113

The General Secretariat is the central and permanent organ of the Organization of the American States. It shall perform the functions assigned to it in the Charter, in other inter-American treaties and agreements, and by the General Assembly, and shall carry out the duties entrusted to it by the General Assembly, the Meeting of Consultation of Ministers of Foreign Affairs, or the Councils.

ARTICLE 114

The Secretary General of the Organization shall be elected by the General Assembly for a five-year term and may not be reelected more than once or succeeded by a person of the same nationality. In the event that the office of Secretary General becomes vacant, the Assistant Secretary General shall assume his duties until the General Assembly shall elect a new Secretary General for a full term.

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ARTICLE 115

The Secretary General shall direct the General Secretariat, be the legal representative thereof, and, notwithstanding the provisions of Article 91.b, be responsible to the General Assembly for the proper fulfillment of the obligations and functions of the General Secretariat.

ARTICLE 116

The Secretary General, or his representative, participates with voice but without vote in all meetings of the Organization.

ARTICLE 117

The General Secretariat shall promote economic, social, juridical, educational, scientific, and cultural relations among all the Member States of the Organization, in keeping with the actions and policies decided upon by the General Assembly and with the pertinent decisions of the Councils.

ARTICLE 118

The General Secretariat shall also perform the following functions:

(a) Transmit *ex officio* to the Member States notice of the convocation of the General Assembly, the Meeting of Consultation of Ministers of Foreign Affairs, the Inter-American Economic and Social Council, the Inter-American Council for Education, Science, and Culture, and the Specialized Conferences;

(b) Advise the other organs, when appropriate, in the preparation of agenda and rules of procedure;

(c) Prepare the proposed program-budget of the Organization on the basis of programs adopted by the Councils, agencies, and entities whose expenses should be included in the program-budget and, after consultation with the Councils or their permanent committees, submit it to the Preparatory Committee of the General Assembly and then to the Assembly itself;

(d) Provide, on a permanent basis, adequate secretariat services for the General Assembly and the other organs, and carry out their directives and assignments. To the extent of its ability, provide services for the other meetings of the Organization;

(e) Serve as custodian of the documents and archives of the Inter-American Conferences, the General Assembly, the Meetings of Consultation of Ministers of Foreign Affairs, the Councils, and the Specialized Conferences;

(f) Serve as depository of Inter-American treaties and agreements, as well as of the instruments of ratification thereof;

(g) Submit to the General Assembly at each regular session an annual report on the activities of the Organization and its financial condition; and

(h) Establish relations of cooperation, in accordance with decisions reached by the General Assembly or the Councils, with the Specialized Organizations as well as other national and international organizations.

ARTICLE 119

The Secretary General shall:

(a) Establish such offices of the General Secretariat as are necessary to accomplish its purposes; and

(b) Determine the number of officers and employees of the General Secretariat, appoint them, regulate their powers and duties, and fix their remuneration.

The Secretary General shall exercise this authority in accordance with such general standards and budgetary provisions as may be established by the General Assembly.

ARTICLE 120

The Assistant Secretary General shall be elected by the General Assembly for a five-year term and may not be reelected more than once or succeeded by a person of the same nationality. In the event that the office of Assistant Secretary General becomes vacant, the Permanent Council shall elect a substitute to hold that office until the General Assembly shall elect a new Assistant Secretary General for a full term.

ARTICLE 121

The Assistant Secretary General shall be the Secretary of the Permanent Council. He shall serve as advisory officer to the Secretary General and shall act as his delegate in all matters that the Secretary General may entrust to him. During the temporary absence or disability of the Secretary General, the Assistant Secretary General shall perform his functions.

The Secretary General and the Assistant Secretary General shall be of different nationalities.

ARTICLE 122

The General Assembly, by a two-thirds vote of the Member States, may remove the Secretary General or the Assistant Secretary General, or both, whenever the proper functioning of the Organization so demands.

ARTICLE 123

The Secretary General shall appoint, with the approval of the respective Council, the Executive Secretary for Economic and Social Affairs and the Executive Secretary for Education, Science, and Culture, who shall also be the secretaries of the respective Councils.

ARTICLE 124

In the performance of their duties, the Secretary General and the personnel of the Secretariat shall not seek or receive instructions from any Government or from any authority outside the Organization, and shall refrain from any action that may be incompatible with their position as international officers responsible only to the Organization.

ARTICLE 125

The Member States pledge themselves to respect the exclusively international character of the responsibilities of the Secretary General and the personnel of the General Secretariat, and not to seek to influence them in the discharge of their duties.

ARTICLE 126

In selecting the personnel of the General Secretariat, first consideration shall be given to efficiency, competence, and integrity; but at the same time, in the recruitment of personnel of all ranks, importance shall be given to the necessity of obtaining as wide a geographic representation as possible.

ARTICLE 127

The seat of the General Secretariat is the city of Washington.

CHAPTER XX. THE SPECIALIZED CONFERENCES

ARTICLE 128

The Specialized Conferences are intergovernmental meetings to deal with special technical matters or to develop specific aspects of inter-American cooperation. They shall be held when either the General Assembly or the Meeting of Consultation of Ministers of Foreign Affairs so decides, on its own initiative or at the request of one of the Councils or Specialized Organizations.

ARTICLE 129

The agenda and rules procedure of the Specialized Conferences shall be prepared by the Councils or Specialized Organizations concerned and shall be submitted to the Governments of the Member States for consideration.

Chapter XXI. The Specialized Organizations

ARTICLE 130

For the purposes of the present Charter, Inter-American Specialized Organizations are the intergovernmental organizations established by multilateral agreements and having specific functions with respect to technical matters of common interest to the American States.

ARTICLE 131

The General Secretariat shall maintain a register of the organizations that fulfill the conditions set forth in the foregoing Article, as determined by the General Assembly after a report from the Council concerned.

ARTICLE 132

The Specialized Organizations shall enjoy the fullest technical autonomy, but they shall take into account the recommendations of the General Assembly and of the Councils, in accordance with the provisions of the Charter.

ARTICLE 133

The Specialized Organizations shall transmit to the General Assembly annual reports on the progress of their work and on their annual budgets and expenses.

ARTICLE 134

Relations that should exist between the Specialized Organizations and the Organization shall be defined by means of agreements concluded between each organization and the Secretary General, with the authorization of the General Assembly.

ARTICLE 135

The Specialized Organizations shall establish cooperative relations with world agencies of the same character in order to coordinate their activities. In concluding agreements with international agencies of a worldwide character, the Inter-American Specialized Organizations shall preserve their identity and their status as integral parts of the Organization of American States, even when they perform regional functions of international agencies.

ARTICLE 136

In determining the location of the Specialized Organizations consideration shall be given to the interest of all of the Member States and to the desirability of selecting the seats of these organizations on the basis of a geographic representation as equitable as possible.

PART THREE

Chapter XXII. The United Nations

ARTICLE 137

None of the provisions of this Chapter shall be construed as impairing the rights and obligations of the Member States under the Charter of the United Nations.

Chapter XXIII. Miscellaneous Provisions

ARTICLE 138

Attendance at meetings of the permanent organs of the Organization of American States or at the conferences and meetings provided for in the Charter, or held under the auspices of the Organization, shall be in accordance with the multilateral character of the aforesaid organs, conferences, and meetings and shall not depend on the bilateral relations between the Government of

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any Member State and the Government of the host country.

ARTICLE 139

The Organization of American States shall enjoy in the territory of each Member such legal capacity, privileges, and immunities as are necessary for the exercise of its functions and the accomplishment of its purposes.

ARTICLE 140

The representatives of the Member States on the organs of the Organization, the personnel of their delegations, as well as the Secretary General and the Assistant Secretary General shall enjoy the privileges and immunities corresponding to their positions and necessary for the independent performance of their duties.

ARTICLE 141

The juridical status of the Specialized Organization and the privileges and immunities that should be granted to them and to their personnel, as well as to the officials of the General Secretariat, shall be determined in a multilateral agreement. The foregoing shall not preclude, when it is considered necessary, the concluding of bilateral agreements.

ARTICLE 142

Correspondence of the Organization of American States, including printed matter and parcels, bearing the frank thereof, shall be carried free of charge in the mails of the Member States.

ARTICLE 143

The Organization of American States does not allow any restrictions based on race, creed, or sex, with respect to eligibility to participate in the activities of the Organization and to hold positions therein.

Chapter XXIV. Ratification and Entry Into Force

ARTICLE 144

The Present Charter shall remain open for signature by the American States and shall be ratified in accordance with their respective constitutional procedure. The original instrument, the Spanish, English, Portuguese and French texts of which are equally authentic, shall be deposited with the General Secretariat, which shall transmit certified copies thereof to the Governments for purposes of ratification. The instruments of ratification shall be deposited with the General Secretariat, which shall notify the signatory States of such deposit.

ARTICLE 145

The present Charter shall enter into force among their ratifying States when two-thirds of the signatory States have deposited their ratifications. It shall enter into force with respect to the remaining States in the order in which they deposit their ratifications.

ARTICLE 146

The present Charter shall be registered with the Secretariat of the United Nations through the General Secretariat.

ARTICLE 147

Amendments to the present Charter may be adopted only at a General Assembly convened for that purpose. Amendments shall enter into force in accordance with the terms and the procedures set forth in Article 145.

ARTICLE 148

The present Charter shall remain in force indefinetely, but may be denounced by any Member State upon written notification to the General Secretariat, which shall communicate to all the others each notice of denunciation received. After two years from the date on which the General Secretariat receives a notice of denunciation, the present Charter shall cease to be in force with respect to the * * * State which shall cease to belong to the Organization after it has fulfilled the obligations arising from the present Charter.

Chapter XXV. Transitory Provisions

ARTICLE 149

The Inter-American Committee on the Alliance for Progress shall act as the permanent executive committee of the Inter-American Economic and Social Council as long as the Alliance is in operation.

ARTICLE 150

Until the Inter-American convention on human rights, referred to in Chapter XVIII, enters into force, the present Inter-American Commission on Human Rights shall keep vigilance over the observance of human rights.

(Reservations Made at the Time of Ratification)

NOTE.—The original Charter was signed April 30, 1948, for the Argentine Republic, Bolivia, Brazil, Chile, Colombia, Costa Rica, Cuba, the Dominican Republic, Ecuador, El Salvador, Guatemala, Haiti, Honduras, Mexico, Nicaragua, Panama, Paraguay, the United States of America, Uruguay, and Venezuela and the following reservations were made at the time of ratifying:

Guatemala

None of the stipulations of the present Charter of the Organization of American States may be considered as an impediment to Guatemala's assertion of its rights over the territory of Belize by such means as at any time it may deem advisable.

Peru

With the reservation that the principles of inter-American solidarity and cooperation and essentially those set forth in the preamble and declarations of the Act of Chapultepec consititute standards for the mutual relations between the American States and juridical bases on the inter-American system.

United States

That the Senate give its advice and consent to ratification of the Charter with the reservation that none of its provisions shall be considered as enlarging the powers of the Federal Government of the United States or limiting the powers of the several states of the Federal Union with respect to any matters recognized under the Consitution as being within the reserved powers of the several states.

Mr. KERRY. Mr. President, the charter of the OAS, I think, is an articulation of basic historical American values. It seems to me that the peaceful resolution of disputes, the respect for international law, the collective wisdom and judgment of the member states in addressing threats to peace and stability in the inter-American community are central to what we are as a nation. The charters of the OAS and the United Nations stand out as major achievements of President Harry Truman who was surely as staunchly anti-Communist President we ever had in office; yet Harry Truman also believed that American interests abroad were best served when our policies reflected the traditional American values and were carried out in concert with friends and allies.

I draw the attention of my colleagues to the fact that none—not one—none of our Western allies support our policies toward Nicaragua right now.

When the President announced the economic embargo on the eve of the Bonn summit the action was met with virtually universal opposition on the part of the West. Italy responded by announcing it was moving forward with a $25 million assistance project in Nicaragua. Belgium announced it would import bananas from Nicaragua which were formerly destined to the United States. Canada announced it would step in to take up the trade slack created by the embargo. One day after sanctions were announced, the OAS by unanimous vote voted to end military and economic sanctions by member states in the hemisphere.

Three weeks ago the 24-member Economic Commission of Latin America meeting in Caracas voted to condemn U.S. sanctions against Nicaragua.

While the administration pursues the singular preoccupation with Central America, Fidel Castro is moving into the vacuum talking about the debt problems of the Latin America, and we have seen the new President of the right-of-center government in Ecuador make a formal visit in Cuba. There are signs that Uruguay, Peru, and possibly Brazil may reestablish full diplomatic relations with Cuba.

All these are democracies, Mr. President. What is happening for anyone who takes the time to talk with diplomats throughout Latin America and Central America is that the U.S. influence and credibility is waning.

Why do we stand isolated in our own hemisphere?

Mr. President, I think the answer could be found in a column which appeared May 1 in the New York Times which was written by former Venezuelan President Carlos Andres Perez. He said:

> For Latin America at least, the lessons of Vietnam are crystal clear that the United States is strongest when it acts multilaterally, and most successful when it deals, with neighbors as equals dedicated to peace, freedom, and democracy. We only wish the United States could see this as clearly as we do.

The PRESIDING OFFICER. The Senator's time expired.

Mr. KERRY. I yield myself another 30 seconds.

Mr. President, I am hoping through this amendment that we can at least salvage from our current policy a statement that the Senate believes that the United States in pursuit of its policies should adhere to the fundamental treaty obligations that we have and to international law.

I think that is vital to our future relations and to the long-term interests of this country.

I reserve whatever time I have. Thank you.

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Mr. NUNN. Mr. President, will either the Senator from Indiana or Rhode Island yield me about 1 minute?

Mr. LUGAR. I am happy to yield 1 minute to the Senator from Georgia.

Mr. NUNN. Mr. President, I hope that this amendment will be supported. The Senator from Massachusetts and I have not agreed on the substance of some of the amendments we have voted on in the past 24 hours.

But I do believe that, as the Senator from New York said so articulately our policy in Central America started coming apart when we lost our perspective as to what we were doing and how we justified it under international law.

I began service on the Intelligence Committee only shortly after this series of events began, and I therefore caught it in the middle, but in my opinion the one thing that broke the consensus the Senator from New York has described was the feeling that we had gone astray in terms of having our bearings charted to a fixed course based on our rights and obligations under international law.

I think there were many things we were doing that were justified in international law but the mining of the harbors could not be squared with international law. That is when the consensus came apart.

I think it is important for us to have moorings in international law. It is a difficult subject. We are in uncharted waters. There are a lot of gray areas. It is not easy to interpret international law and obligations under it; but at least we ought to be striving toward that end.

I hope the Senate will overwhelmingly approve this amendment, and I hope whenever we have Intelligence Committee hearings, when we have Foreign Relations Committee hearings, and other hearings that get into this subject, international law will be first and foremost on our minds.

We have to have a value system in this country. If this country does not have a value system, there is no value system in the world. We have to have something on which to base our aspirations and goals, and international law has been that base for a long time.

Mr. LUGAR. Mr. President, I yield myself as much time as I may require.

The PRESIDING OFFICER (Mr. ABDNOR). The Senator from Indiana.

Mr. LUGAR. Mr. President, I appreciate the words of the distinguished Senator from Georgia and the distinguished Senator from New York with whom I served on the Intelligence Committee during the time in question in which, as the Senators from New York and Georgia have accurately described, bipartisan consensus with regard to the policy we have been discussing the last 2 days came apart. Indeed, from that point onward, we have had very great difficulty putting it back together.

I paid tribute yesterday to the distinguished Senator from Georgia and others who I believe have made a very strong attempt to work with this Senator, with the majority leader, with the distinguished chairman of the Intelligence Committee, Senator DURENBERGER, and others to see if there is not a way of trying to forge a bipartisan approach to something that is tremendously important to the security of our country and the future of Central America.

I mention that at the outset because as the amendment of the Senator from Massachusetts was originally drafted, it appeared to me that it might be an attempt as a part of a general argument against our involvement in Central America to at least put one more nail in the coffin, and I must say that I was skeptical of the original language.

I appreciate the Senator from Massachusetts engaging in off-the-floor conversation with me, and I expressed some of the reservations that I had about his amendment, and he has attempted to address those. I think they were important changes, but I suppose beyond that, I am prepared to say this morning that I believe the United States of America ought to act in accordance with the treaties we have signed with regard to international law as we can best understand it, certainly with regard to our laws, and it would be very difficult, if not impossible, to argue against that general principle.

The dilemma this Senator has in taking a look at the practical effects of this amendment is a question of judgment as to who is to determine when and if a violation of international law has occurred. Specifically, with regard to an individual employee who might be involved in the administration of the affairs of this act, that employee must make a prospective judgment and it has been argued, I think persuasively, and I would hope that Senators would accept this general proposition, that this is a dilemma faced by a public servant with regard to any number of administrative acts.

In short, it may be argued, and I would argue, that the particular emphasis we have been placing on, and the intensity of, the emotion we have been showing during the last 2 days on Central America and Nicaragua tends to rivet our attention with regard to international law in this aspect, but we have this dilemma generally with regard to all of our activities, that there is no specific way in which this amendment is differentiated except for the fact that the Senators from New York and Georgia have pointed out the particular case they have cited, the mining of the harbors. These questions of international law came to the fore acutely with regard to policy in Central America. It might have come acutely in other places but it clearly did in this one and that is the subject we are talking about today.

If I might, I would like to raise two questions with the distinguished Senator from Massachusetts, the proposer of the amendment, in order that this might be a part of the RECORD as we are moving toward general reconciliation on this amendment.

I would like to ask the Senator, does this amendment create any additional obligations for the United States under international law?

Mr. KERRY. Mr. President, I would answer the Senator by saying, no, it does not. It just refers to our existing treaty obligations, as most specifically stated in the Rio Treaty and the OAS charter and other such obligations that may be incorporated through both of those particular treaties or such other treaties as we may be signatories to that might somehow apply. But it is not meant in any way to create the new obligation such as we have not signed or otherwise discussed in the formulation of any of those agreements.

Mr. MOYNIHAN. Mr. President, will the distinguished Senator yield for an observation?

Mr. LUGAR. Yes.

Mr. MOYNIHAN. It would be beyond the powers of the U.S. Senate unilaterally to change this under the statute.

Mr. LUGAR. That is my understanding. I assume that is apparently the answer of the Senator from Massachusetts, that there are no changes. It is simply a statement of policy.

I would like to raise one further question. Does this amendment give any body outside the United States any additional authority to judge U.S. actions beyond that which it now currently possesses?

Mr. KERRY. Incorporating the statement of the distinguished Senator from New York as a part of my answer, obviously we do not have that power. Second, it is not the intention of this amendment to do so. There is a process set up through the OAS and a process set up under the Treaty of Rio, and there are rights accorded by those particular agreements to the member parties. But there is certainly no intention here to try to create rights beyond those specified by our treaty obligations.

Mr. LUGAR. I appreciate the answers of the distinguished Senator from Massachusetts. I would take the position that all of us should expect the U.S. powers to be conducted conforming to international law and our commitments, and that no new obligations can be created by the Kerry amendment. Those obligations really pertain to all aspects of our American foreign and domestic policy where it might come in contact with treaty obligations or international law.

On that basis, Mr. President, on this side, we are prepared to accept the

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amendment. We hope that the Senate would adopt it unanimously.

Mr. DOLE. Will the Senator yield?

Mr. LUGAR. I am happy to yield.

Mr. DOLE. Mr. President, I hope we can adopt it on a voice vote. I have 10 Senators from both sides beating me over the head about getting out of here. If the amendment has been worked out to everyone's satisfaction, I hope we would not have a need for a record vote.

Mr. KERRY. Mr. President, in answer to the distinguished majority leader, I am one of those Senators who would be more than delighted to be able to return to my State this afternoon. I know we are all pressed to get out of here. I did reduce my time fairly significantly in an effort to try to have that happen.

I would be happy to try to move on the vote more rapidly, and I would even be willing to stack the vote, but I would like to have a Record vote on this matter because I personally believe that down the road it may prove to be a matter of significant importance in the conduct of our affairs.

Mr. LUGAR. Mr. President, we yield back all our time on this side.

The PRESIDING OFFICER. The Senator from Massachusetts has 1 minute.

Mr. KERRY. Mr. President, I wish to thank the Senator from Georgia and the distinguished chairman of the Foreign Relations Committee for their support on this. My reasoning behind it, I want to assure the Senators, is not to create any additional incumbency upon us than what is already required under our treaty obligations. It is my considered belief that I think that the consensus which has been lost is really dangerous, not only for the making of U.S. foreign policy in Washington, but also, obviously, for divisions which it has created in our Nation. I believe my amendment would contribute to rebuilding that consensus.

So I appreciate their support. Without further ado, I yield back my time.

Mr. MOYNIHAN. Mr. President, I ask unanimous consent for 45 seconds for a further comment.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. MOYNIHAN. Mr. President, I simply wish to make the point to the chairman of the Foreign Relations Committee and the majority leader that international law does not restrain a country's behavior. It guides that behavior.

For 3 years running I brought to this floor proposals to provide aid to people in opposition to the government of Nicaragua. Each was unanimously agreed to because under the law we have the right and arguably the obligation to provide that assistance.

We must not see law as a kind of Nanny out there telling us how to behave. It sets rules by which a country can use force and defend the use of force.

Mr. DOLE. Mr. President, I rise in opposition to the amendment offered by the Senator from Massachusetts.

I do so not because I oppose the principles which it espouses. None of us here wants the United States to engage in any activity, in Nicaragua or anywhere else in the world, which would put us in violation of international law or our obligations to either the United Nations or the OAS. Almost all of us, I would think, would agree that we are not engaging in any such activity. So if that were the real issue, this amendment could pass overwhelmingly.

In fact, though, that is not the real issue. This seemingly benign amendment in fact raises two major problems.

First, the effect of the amendment—and, I suspect, its intent—is to open a Pandora's box of controversy and litigation in our courts about whether specific aspects of our policy toward Nicaragua violate our international obligations. We can, and perhaps should, debate such issues, as appropriate, and some might want to consider it legislatively in some way, but we just do not need to turn the Contras issue into fodder for lawsuits and the vehicle for big lawyers fees.

Second and potentially even more dangerous, the amendment's passage could also raise very serious and complex legal questions about the effect of the judgments of international tribunals and organizations on our foreign policies. Those are fundamental, constitutional questions involving the basic sovereignty of our country. Let us not bring them up through some back-door route, by an apple pie sounding amendment.

Mr. President, I urge my colleagues to defeat this wolf in sheep's clothing.

The PRESIDING OFFICER. The question is on agreeing to the amendment. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from Maine [Mr. COHEN], the Senator from Washington [Mr. GORTON], the Senator from Oregon [Mr. HATFIELD], and the Senator from Wyoming [Mr. WALLOP] are necessarily absent.

On this vote the Senator from Oregon [Mr. HATFIELD] is paired with the Senator from Washington [Mr. GORTON].

If present and voting, the Senator from Oregon would vote "yea" and the Senator from Washington would vote "nay."

Mr. CRANSTON. I announce that the Senator from New Jersey [Mr. BRADLEY], the Senator from Arkansas [Mr. BUMPERS], the Senator from Florida [Mr. CHILES], the Senator from West Virginia [Mr. ROCKEFELLER], the Senator from Maryland [Mr. SARBANES], the Senator from Illinois [Mr. SIMON], and the Senator from Mississippi [Mr. STENNIS] are necessarily absent.

I further announce that, if present and voting, the Senator from Florida [Mr. CHILES] would vote "yea."

The PRESIDING OFFICER. Are there any other Senators in the Chamber wishing to vote?

The result was announced—yeas 47, nays 42, as follows:

[Rollcall Vote No. 115 Leg.]

YEAS—47

Armstrong
Baucus
Bentsen
Biden
Bingaman
Boren
Burdick
Byrd
Cranston
DeConcini
Dixon
Dodd
Eagleton
Exon
Ford
Glenn
Gore
Grassley
Harkin
Hart
Heflin
Heinz
Inouye
Johnston
Kennedy
Kerry
Lautenberg
Leahy
Levin
Lugar
Matsunaga
Melcher
Metzenbaum
Mitchell
Moynihan
Nickles
Nunn
Packwood
Pell
Proxmire
Pryor
Riegle
Sasser
Specter
Stafford
Weicker
Zorinsky

NAYS—42

Abdnor
Andrews
Boschwitz
Chafee
Cochran
D'Amato
Danforth
Denton
Dole
Domenici
Durenberger
East
Evans
Garn
Goldwater
Gramm
Hatch
Hawkins
Hecht
Helms
Hollings
Humphrey
Kassebaum
Kasten
Laxalt
Long
Mathias
Mattingly
McClure
McConnell
Murkowski
Pressler
Quayle
Roth
Rudman
Simpson
Stevens
Symms
Thurmond
Trible
Warner
Wilson

NOT VOTING—11

Bradley
Bumpers
Chiles
Cohen
Gorton
Hatfield
Rockefeller
Sarbanes
Simon
Stennis
Wallop

So the amendment (No. 280) was agreed to.

Mr. LUGAR. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. DOLE. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to reconsider the vote. The yeas and nays have been ordered. The clerk will call the roll.

The bill clerk called the roll.

Mr. SIMPSON. I announce that the Senator from Maine [Mr. COHEN], the Senator from Washington [Mr. GORTON], the Senator from Oregon [Mr. HATFIELD], and the Senator from Wyoming [Mr. WALLOP] are necessarily absent.

Mr. CRANSTON. I announce that the Senator from New Jersey [Mr. BRADLEY], the Senator from Arkansas [Mr. BUMPERS], the Senator from West Virginia [Mr. ROCKEFELLER], the Senator from Maryland [Mr. SARBANES], the Senator from Illinois [Mr. SIMON], and the Senator from Mississippi [Mr. STENNIS] are necessarily absent.

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The PRESIDING OFFICER (Mr. HECHT). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 48, nays 42—as follows:

[Rollcall Vote No. 116 Leg.]

YEAS—48

Abdnor
Andrews
Armstrong
Boschwitz
Chafee
Cochran
D'Amato
Danforth
Denton
Dole
Domenici
Durenberger
East
Evans
Garn
Goldwater
Gramm
Hatch
Hawkins
Hecht
Heinz
Helms
Hollings
Humphrey
Kassebaum
Kasten
Laxalt
Long
Lugar
Mathias
Mattingly
McClure
McConnell
Murkowski
Nickles
Pressler
Quayle
Roth
Rudman
Simpson
Specter
Stafford
Stevens
Symms
Thurmond
Trible
Warner
Wilson

NAYS—42

Baucus
Bentsen
Biden
Bingaman
Boren
Burdick
Byrd
Chiles
Cranston
DeConcini
Dixon
Dodd
Eagleton
Exon
Ford
Glenn
Gore
Grassley
Harkin
Hart
Heflin
Inouye
Johnston
Kennedy
Kerry
Lautenberg
Leahy
Levin
Matsunaga
Melcher
Metzenbaum
Mitchell
Moynihan
Nunn
Packwood
Pell
Proxmire
Pryor
Riegle
Sasser
Weicker
Zorinsky

NOT VOTING—10

Bradley
Bumpers
Cohen
Gorton
Hatfield
Rockefeller
Sarbanes
Simon
Stennis
Wallop

So the motion to reconsider the vote was agreed to.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the motion to reconsider vote 115 was agreed to.

Mr. BOSCHWITZ. Mr. President, I move to lay that motion on the table.

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The majority leader.

Mr. DOLE. I send a motion to the desk.

The PRESIDING OFFICER. The motion will be stated.

The assistant legislative clerk read as follows:

I move to postpone consideration of the pending Kerry-Moynihan amendment numbered 280 until Friday, June 14.

Mr. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. Mr. President, I ask unanimous consent that the consideration of the Kerry-Moynihan amendment No. 280 be postponed until 2 p.m. today.

The PRESIDING OFFICER. Without objection, it is so ordered.

The PRESIDING OFFICER. Under the previous order, the Senator from California, Senator WILSON, is recognized.

Mr. WILSON. Thank you, Mr. President.

AMENDMENT NO. 281

(Purpose: To release the restrictions on funds appropriated to provide assistance to non-Communist resistance forces in Nicaragua and to authorize funds for assistance to such forces for fiscal year 1986)

Mr. WILSON. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The bill clerk read as follows:

The Senator from California [Mr. WILSON], for himself and Mr. MATTINGLY, Mr. DANFORTH, Mr. GOLDWATER, Mr. MCCLURE, Mr. SIMPSON, Mr. NICKLES, Mr. SYMMS, Mr. WALLOP, Mr. MCCONNELL, Mr. QUAYLE, Mr. MURKOWSKI, and Mr. GRAMM, proposes an amendment numbered 281.

Mr. WILSON. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place in the bill insert the following new section:

RELEASE AND AUTHORIZATION OF FUNDS FOR ASSISTANCE TO NON-COMMUNIST RESISTANCE FORCES IN NICARAGUA

SEC. 601. (a) The Congress finds that—

(1) the Sandinista regime of Nicaragua assumed power as a direct consequence of action by the Organization of American States based upon a commitment made by the Sandinistas in 1979 that they would conduct free and fair elections, pursue political pluralism and a nonaligned foreign policy, maintain a mixed economy, and guarantee

the full observance of human rights and respect for religious freedom;

(2) the Sandinistas have reaffirmed their commitment to these principles by signing the 21-point Contadora Document of Objectives in September 1983 which calls for full support for democratic institutions, the establishment of democratic systems in all the countries of the region, and respect for human rights;

(3) the current conflict in Nicaragua stems from the violation by the Sandinistas of their 1979 commitments;

(4) despite $1,600,000,000 in economic assistance furnished to Nicaragua by Western countries during the period 1979 through 1981, a large portion of which was furnished by the United States, and despite United States forebearance from counteraction until late 1982, Nicaragua has committed aggression and has armed and directed subversion and terrorism against her neighbor nations, with the backing of the Soviet Union and Cuba, in violation of her commitment to the Organization of American States;

(5) the Sandinista leadership is composed of committed revolutionaries who openly embrace Marxist-Leninist ideology and the goal of extending their regime beyond the borders of Nicaragua by means of subversion and terrorism directed against their Central American neighbors;

(6) the size of the Sandinista military, equipped with a massive infusion of weapons from the Soviet Union and its allies, now exceeds all legitimate defensive needs and is far larger than that of any other Central American country;

(7) President James Monroe, announcing the Monroe Doctrine in 1823, declared that the United States would consider any attempt on the part of European powers "to extend their system to any portion of this Hemisphere as dangerous to our peace and security";

(8) the establishment in Central America of Marxist-Leninist governments which serve as surrogates for Cuba and the Soviet Union—

(A) poses a real peril to the security of the United States and all other countries of the Americas, including (i) a potentially serious threat to shipping lanes in the Caribbean, and (ii) the threat of increased violence, terrorism, economic disruption, physical dislocation, and political repression in the region, all of which would likely result in a massive flight of refugees to the United States; and

(B) will ultimately require the United States to devote greater military resources to protect against actions which, if not contained, would inevitably threaten the southern approaches to the United States;

(9) the President announced economic sanctions against Nicaragua on May 1, 1985, in response to the emergency situation created by the Sandinista regime's aggressive activities in Central America, but that those sanctions alone are unlikely to change Nicaragua's behavior;

(10) the policy of the United States toward Nicaragua has the four following objectives: (A) an end to Nicaraguan support for guerrilla groups in neighboring countries, (B) severance of Nicaraguan military and security ties to Cuba and the Soviet bloc, (C) reduction of Nicaragua's military strength to levels that would restore military equilibrium to the region, and (D) fulfillment of the original Sandinista promises to support democratic pluralism and respect human and civil rights;

(11) dialogue, negotiation, and diplomatic pressure from world opinion have proven to have virtually no effect in changing the Sandinista regime's behavior and must be made effective by the application of military pressure as well; and

(12) United States assistance to non-Communist resistance forces in Nicaragua can be justified and can be effective only if such forces truly represent democratic and humanitarian values.

(b) It is, therefore, the sense of the Congress that—

(1) the President should consider severing diplomatic relations with the Sandinista government if that government does not fulfill its commitments to the Organizations of American States and the Contadora countries and does not desist from further terrorism and subversion of its neighbors;

(2) the United States should provide funding for both overt and covert assistance to the non-Communist resistance forces in Nicaragua to meet both the military and nonmilitary needs of such forces;

(3) that current restrictions in law on the use of funds to provide assistance to non-Communist resistance forces in Nicaragua should be removed and additional funds for such purpose should be authorized for fiscal year 1986; and

(4) the United States should supply further assistance to the non-Communist resistance forces in Nicaragua only if such forces have eliminated from their ranks all persons who have engaged in abuses of human rights.

(c)(1) Notwithstanding any other provision of this Act, the prohibitions, conditions, and limitations contained in section 8066 of the Department of Defense Appropriation Act, 1985, as contained in section 101(h) of the joint resolution entitled "Joint Resolution making appropriations for the fiscal year 1985, and for other purposes", approved October 12, 1984 (Public Law 98-473; 98 Stat. 1837), and in section 801 of the Intelligence Authorization Act for fiscal year 1985 (Public Law 98-618; 97 Stat. 1473) shall be inapplicable on and after the date of the enactment of this Act.

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(2) Notwithstanding any other provision of this Act, the $14,000,000 made available for providing assistance to non-Communist resistance forces in Nicaragua by the enactment of this section may be obligated only for humanitarian assistance.

(3) Notwithstanding any other provision of this Act, there authorized to be appropriated for fiscal year 1986 to the Central Intelligence Agency the sum of $28,000,000 for the purpose of providing assistance to non-Communist resistance forces in Nicaragua.

(d) None of the funds appropriated pursuant to the authorization of funds contained in subsection (c)(3) may be obligated or expended unless the President has submitted to the Congress after the date of enactment of this Act a certification stating that actions have been taken by the non-Communist resistance forces in Nicaragua to eliminate from their ranks all persons who have engaged in violations of human rights.

(e) The President shall include in any future request for funds to provide assistance to non-Communist resistance forces in Nicaragua a report regarding actions, if any, that have been taken by such forces to eliminate from their ranks all persons who have engaged in violations of human rights.

(f) The National Security Council shall monitor the use of funds appropriated pursuant to clauses (2) and (3) of subsection (c).

(g) As used in this section, the term "humanitarian assistance" means the provision of food, clothing, medicine, or other similar assistance, and transportation costs associated with the delivery of such assistance. Such term does not include weapons, weapon systems, ammunition, or any other equipment or material which is designed, or has as its purpose, to inflict serious bodily harm or death. Nothing in this section precludes sharing or collecting necessary intelligence information by the United States.

Mr. WILSON. Mr. President, first let me say that I am offering this amendment on behalf of myself and Senators MATTINGLY, DANFORTH, GOLDWATER, MCCLURE, SIMPSON, NICKLES, SYMMS, WALLOP, MCCONNELL, QUAYLE, MURKOWSKI, and GRAMM.

Mr. President, the amendment that we offer is in no way inconsistent with the Nunn-Lugar-Boren amendment which the Senate passed yesterday. Indeed, I am a cosponsor of that amendment and supported it. And other cosponsors of that amendment have told me that they support military aid to the Contras, and that is the substance of this amendment. We have settled the question of whether or not the Senate supports so-called "nonlethal" aid to the Contras. The issue that is before us is whether or not there should be military aid in addition.

Several people have pointed out to me that through yesterday's amendment providing "nonlethal" aid, we are simply engaging in a shell-game—because, money being fungible, the Contras will be able to spend money for other "non-lethal" purposes otherwise that would have been expended for the purchase of arms. They will—with enactment of yesterday's Nunn-Lugar-Boren amendment—now have money that will allow them to buy the nonmilitary supplies they require. And because of that, a like amount of money received by the Contras from other sources will become available for the purchase of arms. And that is true.

It is also true that other sources are apparently financing military aid to the Contras. Some will argue that this amendment is therefore unnecessary and that we are engaged in an act of symbolism.

Well, if so, Mr. President, it is vitally important symbolism. This amendment proposed instead to fund military support directly and explicitly. It is necessary that America do so openly to signal clearly our support for the military pressure that is required to check Sandinista repression in Nicaragua and subversion against Nicaragua's neighbors—where diplomatic pressure alone has failed to do so, as clearly as it has failed to rid Afghanistan of Marxist-Leninist oppression.

Not only is the amendment consistent with what was done yesterday. It is quite consistent with what the United States is doing by way of "covert" aid to freedom fighters in Afghanistan.

Let me also reassure my colleagues that those who would shrink from supporting openly, honestly, and explicitly military aid to the Contras, because they fear to be associated with alleged human rights violations by some members of the Contras, need not withhold their support for this amendment on that account. Because this amendment requires certification that the Contra command has expelled from their ranks any who have been found to have engaged in human rights violations.

And for those who would shrink from supporting this amendment because they shrink from interfering in the internal affairs of another sovereign nation, I bid them to pay heed to the eloquent recital of recent history by our colleague, Senator BIDEN, on the floor yesterday, when he pointed out it is too late for that fastidious reservation because we have already interfered mightily in the internal affairs of Nicaragua. In 1979, the United States engaged in flagrant interference with Nicaragua when the United States and other nations gave money and political support to the Sandinistas to seize power through Armed Force, through a bloody revolution which was explicitly aimed at the violent overthrow of the Somocistas. We did so knowing their purpose after the Sandinistas sought the support of the United States and other member states of the OAS in the now famous telegram to OAS in 1979 in which they promised that they would bring democracy and human rights to Nicaragua. Clearly they have not done so. So, Mr. President, a belated and selective fastidiousness affords no honest basis to oppose this honest amendment.

Moreover, we are clearly concerned here not just with the internal affairs of Nicaragua.

In fact, Mr. President, we should support this measure for three reasons: The first, to be sure, is for the sake of a free and democratic Nicaragua; the next is for the sake of a free and democratic Central America; and, the last, is for the sake of the United States and our own security interests.

First, let me address the first point. We are giving "covert" military aid to the Afghan freedom fighters. That is about as much of a secret as our prior "covert" military aid to Nicaraguan freedom fighters. We should be because the two are distinctly parallel. And if there are some who would find nice distinctions, let us deal with those now. In Nicaragua, a Marxist government has seized power by force promising democracy. It has proved to be as cruel and repressive as the evil and corrupt regime that it replaced. Indeed, in terms of repressing the free exercise of religion, it has outdone even the Somocista regime.

But there are some who would find a distinction in the fact that the Marxist army ruling by force in Managua is Nicaraguan rather than Russian, as is the Marxist army ruling Afghanistan. That is the small and virtually meaningless distinction between oppressor and surrogate oppressor. The oppressed do not make such a distinction. Quislings are not new to the world. The real determinant should be and is the fact that in both nations a repressive Marxist regime has been imposed and retained by force. And let no one be deluded that the sham, the utter charade, that was conducted last fall in Nicaragua was anything like a free election because it clearly was not.

Our colleague, Senator DURENBERGER, is freshly returned from Central America. Yesterday he recited having met with the leadership of what will be a free and democratic Nicaragua, the three A's, as he termed them: Sr. Calero, Sr. Robelo and Sr. Cruz. He is satisfied that they are capable of governing in a free and democratic way a Nicaragua that clearly hungers for democracy, as the rest of Central America does. The evidence of democracy's success in El Salvador is growing daily.

Let me simply say that, without reiterating all the violations of their promises by the Sandinistas, Senator, DURENBERGER returned with what perhaps sums it up, the graffiti that he found on the walls all over San Jose, the capital of neighboring Costa Rica. What he found was a phrase repeated again and again that says the Sandinistas are the same as the Somocistas.

Mr. President, we are concerned with more than simply Nicaragua. We are concerned with all of Central America. It is now well known that the size, the efficacy of the military machine of the Sandinista regime so far

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exceeds any legitimate defensive need that it allows only one rational inference—that it exists for the purpose of aggression.

There is no amount of diplomatic pressure that has been able to dissuade the Sandinistas from their announced goal of "revolucion sin fronteras." They mean to export their revolution beyond the boundaries of Nicaragua, by violence and by subversion and they are engaged in doing so.

Let me simply give evidence, in case there is anyone in doubt that this effort conducted against the neighbors of Nicaragua is being conducted by Nicaragua.

Here is the most recent statement on the subject of President Jose Napoleon Duarte given just days ago to the Assembly of El Salvador.

> On repeated occasions have we denounced that Nicaragua is the haven for Salvadoran subversion. Extremist leftist groups are trained there. Logistic aid for the Salvadoran guerrillas is coming from Nicaragua. Nicaragua is the center of the opposition where terrorist actions against El Salvador are planned, decided and ordered. Nicaragua is a cancer in Central America.

Mr. President, yet more recently we have seen a vicious attack on Costa Rican soil conducted by the Sandinistas which took life and which left many casualties. It has resulted in one more protest by President Monge and his Government against this kind of violation, the repeated violations. It is the 63d such protest that the Costa Ricans have sent to Managua.

Mr. President, no amount of diplomatic pressure alone can possibly produce change in the regime of the Sandinistas or in their behavior. Listen to what we have heard said in Managua on the occasion of the first anniversary celebration of the revolution there, when their guest, the late Maurice Bishop, said:

> It is not enough that there shall be a Sandinista Nicaragua. Tomorrow there must be a Sandinista El Salvador, a Sandinista Guatemala, a Sandinista Costa Rica

How does this amendment relate to the United States? Why do I say that we must do this for the sake of the United States?

The Bipartisan National Commission on Central America, put it best when they said:

> We are persuaded Central America is both vital and vulnerable. Its millions of refugees will become our problem. Its danger is ours. The United States and its allies must negotiate, but realistically from strength, by keeping the pressure on, not engaging in wishful thinking that will lead to an unverifiable process and continued war.

The Contadora process which we have supported has not changed the Sandinistas' behavior. I will not speak of sea lanes in the Caribbean and other obvious American interests that are threatened. I will simply say that that Commission was right. In fighting their own fight against subversion, the neighbors of Nicaragua are fighting our fight as well. El Salvador, Honduras, Costa Rica are fighting America's fight. And I prefer to see those who are quite disposed to resist the Sandinistas's aggression and terrorism have the means to do so. Because that is all that they are asking. They are asking not that we send our sons but only that we send dollars so that they can defend themselves.

I do not want America to awaken one day and find that El Salvador and Honduras and Guatemala have fallen to the Sandinistas and to their Soviet and Cuban suppliers and sponsors. Or that the nation of Mexico, with whom we share a 2,000-mile border, is threatened. Because on that day the threat of our sending our sons to defend the southern approaches to the United States will be quite real.

It is not necessary at this stage, Mr. President, that we send our sons. We are asked only to send dollars.

Mr. President, for the sake of Nicaragua, for the sake of Central America, for the sake of the United States I urge the support of this amendment, because the issue, Mr. President, is the future of Central America, not just of Nicaragua. The issue is the future of the Western Hemisphere, in our time just as in President Monroe's. The issue is the reliability of the United States as an ally of democracy. The credibility of the United States as an ally—that is what is at stake.

Mr. President, I yield 5 minutes to Senator MATTINGLY.

Mr. MATTINGLY. Thank you. I thank the Senator from California.

The PRESIDING OFFICER. The Senator may proceed.

Mr. MATTINGLY. Mr. President, I rise in support of the amendment before us, which I have sponsored together with the Senator from California and the Senator from Missouri. This issue—that of U.S. aid to the Contras in Nicaragua—is not a new one for us. We have cast votes; we have debated the matter at length. I do not intend to add voluminously to the discussion at this time. But I do want to direct my colleagues' attention to the text of this amendment itself, for it states concisely, clearly, and directly the reasons the Senate should release the restrictions on the funds appropriated to the Nicaraguan freedom fighters and to authorize an additional $28 million for the Contras in fiscal year 1986.

As the amendment points out, the Sandinista government is a self-proclaimed Marxist-Leninist regime which has allied itself with Cuba and the Soviet Union and which supports violent revolution in this hemisphere. The Sandinista government has failed to fulfill its commitment tc the Organization of American States and the Contadora countries to pursue political pluralism and a nonaligned foreign policy. It has engaged in a military buildup far in excess of its own legitimate defense needs and has exported its terrorism to neighboring nations. In my view, this raises serious security issues for the United States and the democracies which border Nicaragua.

I mentioned the Sandinistas support of violent revolution in our hemisphere and their exportation of terrorism to neighboring countries. Nicaragua's recent actions in relation to Costa Rica speak loudly. The Sandinista's are becoming increasingly aggressive. According to administration officials, "Evidence now available indicates that elements of the Armed Forces of the Nicaraguan Government conducted a deliberate attack on Costa Rican Civil Guard Patrol May 31, wounding nine and killing at least two persons. There is continuing sporadic fire in that area from Nicaraguan troops which on June 3 again shelled a Costa Rican patrol." Let me repeat that, Mr. President. There is continuing fire from Nicaraguan troops in that area. Isn't this enough to demonstrate to us again the nature and intention of the Sandinista government?

We cannot be surprised by this action any more than we could be "surprised" by Ortega's recent travels to Moscow which followed closely on the heels of Congress' votes on Nicaraguan aid in April. Only the naive would have expected any other action from the Nicaraguan leader. It is time that we stopped hiding behind weak and wrong-headed reasoning. Actions speak louder than the pronouncement of intentions, and I believe the recent actions of the Nicaraguan troops in Costa Rica and Ortega in Moscow should have an impact on our judgment and our votes.

The struggle in Nicaragua between the Sandinistas and the Contras is the fundamental struggle between totalitarianism and freedom. The Contras are fighting for the values of democracy. The primary question then is whether the promotion and defense of democracy and the values of freedom is the proper role for the United States. To that question, I answer with an unequivocal "Yes." Do the Contras in Nicaragua merit our commitment of support. Without question. For they are the best hope to preserve democratic ideals in Nicaragua. The proliferation of the Marxist-Leninist alliance in Central America can have only one result—the destruction of democracies. Simple logic and history make that clear. And the weakening of democracy and freedom in any place is a threat to democracy everywhere.

America has always stood with the forces of democracy and supported brave men and women, like the Contras in Nicaragua, who are fighting for an improved life for themselves and their children, for the rights of religious freedom and participation in their own government. We support the democratic forces in El Salvador and the freedom fighters in Afghanistan. It should be no different in Nicaragua.

This amendment, which releases restrictions on the $14 million in humanitarian aid in 1985 and authorizes an

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additional $28 million in aid to the Contras through the Central Intelligence Agency in fiscal year 1986, signals the U.S. commitment to freedom and democracy in Nicaragua. It moves toward the establishment of long-term policy toward the region, which is essential to the survival of freedom in the area.

Mr. President, dialog and negotiation are not enough. They are not a substitute for direct economic and indirect military pressure. Funding for both overt and covert assistance to the Contras is required.

The question is a simple one, between totalitarianism and freedom. It is the question of whether or not we should help those who desire to build democracies. This amendment states that we should. I agree and I urge my colleagues' support of the principles set forth in the amendment.

Mr. WILSON. Mr. President, I yield 3 minutes to the Senator from Missouri.

Mr. DANFORTH. Mr. President, I want to compliment the Senator from California for his amendment. It makes excellent reading. I commend the text of the amendment to all of our colleagues. Mr. President, one of the difficulties of conducting foreign policy from the Congress of the United States is that 535 people are in the act, and what we see is exactly what has occurred on this bill—an effort to compromise, an effort to bring together diverse interests, and sometimes there is a loss of clarity in our approach when we do that. This amendment offers clarity because it raises exactly the question which I think should be debated and answered by our country. The question is should the United States restrain the expansion of communism in our own hemisphere? Mr. President, I think the basic premises behind this amendment are almost beyond dispute. The first premise is that Nicaragua is a Communist country. It is. There is no debate about that. The Sandinista Government has turned toward Marxism. The second premise is that one of the basic doctrines of Marxism is not to contain its revolution but to expand beyond its own borders. That is the stated objective of the Nicaraguan Government—to expand the revolution beyond its own borders. In furtherance of this, the standing Army of Nicaragua, some 62,000 people, is well beyond what is necessary to defend against any aggression into Nicaragua. In fact, as the Senator from California has pointed out, Nicaragua has acted on its stated purpose, and has actually crossed the borders of Honduras and of Costa Rica.

Mr. President, we have attempted to befriend the Government of Nicaragua. We did that when they seized power. That did not work. Instead, the Government of Nicaragua turned toward other sources of friendship—to the Soviet Union, to Cuba, to East Germany, to Bulgaria, to Libya, and to the Palestine Liberation Organization. We have attempted disengagement. That was tried by the House of Representatives about a month ago when they voted to do nothing for the Contras, and immediately after that Commandante Ortega left his country of Nicaragua and went to the Soviet Union and to Eastern bloc countries.

We found out then that when we create a vacuum by departing from a region of the world, that vacuum does not remain a vacuum for long, but it is filled.

Mr. President, Nicaragua is not another Vietnam. Nicaragua is in our own backyard. It is in a region of the world which has historically been within the sphere of the U.S. concern. The Monroe Doctrine was developed to relate to just this part of the world. One of the lessons of Vietnam is that there is a domino theory, that when one country falls, other countries tend to fall as well.

It is my view that what the Senator from California has done is to offer an opportunity to face up to a very real problem—to recognize the threat of Nicaragua to the rest of Central America, and eventually to Mexico itself—and to provide the kind of assistance which would give us some hope of nipping this problem in the bud at an early stage before it gets out of hand.

Mr. WILSON. Mr. President, how much time remains?

The PRESIDING OFFICER. The Senator has 8 minutes.

Mr. WILSON. Mr. President, thank you. Mr. President, I yield 2 minutes to the distinguished Senator from Arizona.

Mr. GOLDWATER. Mr. President, sitting on the floor listening while we unconstitutionally try to develop foreign policy is rather humorous because it works so sad. We keep hearing about human rights. Yet, the other day we did not even tap Russia on the wrist for violation of a treaty. Human rights? She has murdered 50 million or more people. We get friendly with Red China. Human rights—50 million or more. Afghanistan—human rights? The Russians are killing the Afghans as fast as they can. And we talk about human rights.

Mr. President, I want to remind my colleagues that there is only one small country in this entire world that has ever voluntarily taken communism as a form of government. Every other country that suffers under communism has had it driven down their throats by the might of armed forces.

Mr. President, I think the Senator from California should be commended for what he is trying to do. He and I might have a little closer interest on this because we live on the Mexican border.

We have watched communism grow around this world and we have watched how country after country after country has been infiltrated and taken over, like they are trying to do in Central America.

Why are we concerned? Central America is closer to my living room than Chicago.

The PRESIDING OFFICER. The Senator's 2 minutes have expired.

Mr. GOLDWATER. I thank my colleague for the time.

Mr. WILSON. Mr. President, I yield 2 minutes to the Senator from Texas.

Mr. GRAMM. Mr. President, there is a war of ideas going on in Central America. Those ideas are freedom and democracy on one hand and communism and totalitarianism on the other hand.

Some people talk about letting the people of Nicaragua decide their own future, but the Russians and Cubans continue to ship tanks, artillery, and shoulder weapons to Nicaragua in order to enforce their "solution" upon an unwilling people.

We are here today—and have been for 2 years—debating whether to send medical supplies. It doesn't take a military expert to understand that in any battle where one side is armed with military equipment and the other side is supplied with Band-Aids, the side with the military equipment will prevail and the side with the Band-Aids will find them exceedingly useful.

I urge my colleagues to supply military assistance to those fighting for their freedom in Nicaragua, lest we find ourselves faced with communism spreading through Central America and threatening Mexico. If that happens, we will be sending more than our arms, we will be sending our sons.

Those who oppose direct American military intervention in Central America should support the Wilson amendment.

The PRESIDING OFFICER. The Senator's 2 minutes have expired.

Mr. WILSON. Mr. President, I yield 2 minutes to the distinguished senior Senator from South Carolina.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. THURMOND. Mr. President, Nicaragua is receiving war equipment from the Soviets directly and from Cuba. Their goal, and it is the wish of the Soviets, is for them to take over El Salvador. If that happens, then you will see Honduras, Guatemala, and Costa Rica attacked. Mexico will be threatened. Panama and the Panama Canal will be threatened.

If we allow that to happen, then we are obligated to defend that area, and it will throw us into a war. It is a simple thing for us to do to provide this $28 million to the resistance forces fighting for freedom against Nicaragua. If not, I predict we will end up sending American troops there because we will be compelled to do it in order to keep this hemisphere free of communism, which wants to engulf the whole hemisphere.

I hope this amendment will be adopted. I am convinced it is the best for freedom, the best for America, and I commend the Senator from California for offering this amendment.

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Mr. WILSON. I thank the Senator.

Mr. President, how much time remains?

The PRESIDING OFFICER. Two minutes remain.

Mr. DURENBERGER. Will the Senator from Indiana yield to me for 10 seconds?

Mr. LUGAR. I am happy to do so.

Mr. DURENBERGER. Mr. President, I rise in opposition to the amendment offered by the distinguished Senator from California. I wish first to commend the Senator for the findings in the amendment, which I support. They express in clear, concise, and dramatic terms the concerns that we all share—concerns over the creation of a new military dictatorship in Managua.

I am opposed, however, to the proposal that the United States should provide funding for both overt and covert assistance to the non-Communist resistance forces in Nicaragua to meet both the military and nonmilitary needs of such forces. I am also opposed to the provision of funds to the CIA for support, without restriction, for the armed opposition in Nicaragua.

In voting for the Lugar-Nunn amendment, I voted for funds for humanitarian aid for the democratic resistance and accepted that the President may choose the CIA as the instrument for administering those funds. I did this for two reasons.

First, the funds can only be used for humanitarian aid. Military aid and training are excluded. This ensures that the CIA is not put back into the business of running a secret war in Nicaragua.

Second, I want to do something as quickly as possible, and the CIA is in the best position to provide that assistance. This aid cannot be administered as if this were a disaster relief program. It requires not only knowledge of the requirements of the resistance, but understanding of the logistics mechanism to get the material to the recipients in the widely scattered and armed jungle camps. Right now, the CIA alone has the people who know who is to be supported, where they are and what they need. I do not want to see the CIA in the permanent business of humanitarian relief, and I would hope that in conference on this bill we could move to a formula of using a multiagency group, with CIA participation to capitalize on their experience. Ultimately, we could phase the CIA out of the operation.

What we clearly do not want and what the Central Americans do not want is to return to a covert CIA military operation.

For over 4 years, the Senate Intelligence Committee has had to wrestle with this Nicaragua matter. Throughout these years, many of us have warned both our colleagues and the

President that we cannot continue to have overt covert actions. When supposedly covert operations are in fact both unwieldy and controversial, a free society cannot keep them secret for very long.

Once those operations become public knowledge, they poison the well of our foreign policy. They move the focus from the Managuas of the world right back to Washington and this very Chamber. We end up fighting wars of words with ourselves, rather than pursuing a coherent policy that we can support.

This pathological behavior is only made worse when the operations involve paramilitary support to forces that we cannot control, or when CIA officials are so afraid of congressional opposition that they hide their activities from us until something blows up in our collective faces. I have stated, and I confidently believe, that the Intelligence Committee can monitor CIA administration of a program of humanitarian aid to the democratic opposition in Nicaragua. I cannot speak with the same confidence if we once again give the CIA an uncertain mandate to meddle militarily in that region.

The irresponsible CIA operations in Nicaragua are history: Minings; U.S. nationals in combat operations; ill-conceived sabotage and maritime strike operations; abuses and excesses by poorly chosen guerrilla leaders; poorly planned and supported air operations; and nonproductive ground operation.

We don't want to turn back the clock and start this all over again. The Central Americans do not want this to again become an American war. They want our support, but they do not want control by the CIA any more than they want U.S. marines.

I oppose this amendment because it places the emphasis on military aid. I have previously voiced strong objection to the covert action program in Nicaragua because it lacked any clear definition of the military objectives. No one knew where the military operation was leading. We heard at one time that it was for the purpose of arms interdiction. At another time it was to take the pressure off of El Salvador. Then there was the prospect it was to help overthrow the Sandinista government or at least "cry uncle," whatever that means.

Since we have cut off funding to the resistance, they have been forced to turn to the political element of the opposition. Partly to help them gain the funds they need. Partly to gain support and strength. This has worked. The fighters have been able to not only sustain themselves, but grow significantly in numbers. They have become largely self-sufficient in sources of military supplies and logistics and training.

In my recent visit to Costa Rica, I spoke with Alfonso Robelo. He told me of the intent of the unified political leadership, Robelo, Cruz, and Calero, to assume control of the military elements of the democratic resistance. This is exactly right. The military operations should be conducted in support of a political solution and under political direction, not as an end in themselves. The Nicaraguans want to resolve their problem their way. We should let this process work and achieve the dialog that the UNIR seeks with the Sandinista regime. Providing direct U.S. military aid to the resistance will undermine that process. The dialog in El Salvador has been difficult, and President Duarte is hampered in his efforts partly because he must take into account a strong, largely independent military. We do not want this same situation in Nicaragua.

If, in the future, we find it necessary to change the nature and extent of our help, the President is provided a mechanism in the Lugar-Nunn amendment to come back to Congress with such a request.

It is vital to remember what our major goal must be: a policy toward Nicaragua that will unite the President and Congress, our Government, and the vast majority of our people. Without such unity, anything we do is merely the focus of more domestic argument—which the commandantes in Managua know very well how to exploit.

The American people have seen enough of the commandantes to know that the Sandinista government is harsh, dictatorial, narrow-minded, and committed to the support of guerrillas and terrorists in Central America. Few are fooled by Sandinista claims of democracy or moderation, or by attempts to blame all their policies on the very peasant rebellion that those policies have fueled.

What the American people clearly want, however, is moderation in U.S. tactics. And that is what we achieved yesterday when we passed the Lugar-Nunn amendment. If we try to change that hard-won, truly impressive consensus, frankly, we will lose it.

To me, then, the choice is clear: we can stick with what we have passed, which may well lead to a consensus of both Houses of Congress and a consolidation of public support for our policy. Or we can tinker with it, and thereby destroy the consensus that we have built. Whatever my colleagues' policy preferences, I urge them not to tear down the framework that we have spent so much effort to construct.

Mr. WILSON. Mr. President, first, I ask unanimous consent to add Senators DENTON, THURMOND, HELMS, HATCH, and HECHT as cosponsors.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WILSON. Mr. President, I have been requested by distinguished Members of this body to choose another vehicle for this amendment. They have been leading cosponsors and participants in the negotiations that led to the Nunn-Lugar-Warner amendment which was agreed to yesterday. They have agreed that they would forbear

[CRS-371]

from supporting any other measure that provided any aid.

While I may question the wisdom of that agreement, they are men of honor. I respect that, and I respect the fact that they are committed, and their commitment, they feel, does not allow them at this time, on this vehicle, to support this amendment, even though they have expressed to me in no uncertain terms their support of military aid to the Contras. I intend not to force them to vote against this measure and against their true feelings today. I intend to give them the opportunity to vote for it on a different vehicle and very soon. I will offer it as an amendment to the supplemental appropriations bill that will be before us very shortly because, Mr. President, to repeat the clear admonition from the Bipartisan National Commission on Central America; "Central America is both vital and vulnerable. Its millions of refugees will become our problem. Its danger is ours. The United States and its allies must negotiate, but realistically from strength, by keeping the pressure on, and not engaging in wishful thinking that will lead to an unverifiable process and continued war."

We are told by President Duarte and others that that means we must give military aid as well as economic and political aid to El Salvador. So must we give military aid to democratic forces in Nicaragua.

Mr. President, I reluctantly withdraw this amendment. I will not ask for the yeas and nays today. That will come soon on another vehicle.

The PRESIDING OFFICER. The amendment is withdrawn.

Mr. LUGAR. Mr. President, I yield myself such time as I may require, but I want to take a moment to commend the Senator from California.

The PRESIDING OFFICER. The Senator has no time.

Mr. LUGAR. A parliamentary inquiry. With the withdrawal of the amendment, was the time in opposition taken, as well as the time of the proponents?

The PRESIDING OFFICER. The Senator is correct.

Mr. NUNN. Mr. President, I ask unanimous consent that the Senator from Indiana be given 5 minutes, if he will give me 1 minute of that time.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LUGAR. Mr. President, I commend the Senator from California for his amendment and my colleagues for the debate which has ensued in support of the amendment.

The Senator from California is correct when he mentions that in preparation for the bipartisan support that we hoped would occur on bringing humanitarian assistance to the Contras in Nicaragua, that agreements have been made.

As one participant in those agreements, I would say to the Senator from California publicly as I have said privately, that my sentiments are his and on another occasion, at another time, I willl be a supporter of his measure.

I appreciate the arguments in favor of the position and his willingness not to press the amendment on this occasion. This will help achieve strong bipartisan support and will lead to a strong vote on this bill at this time.

I yield to my distinguished colleague from Georgia.

Mr. NUNN. Mr. President, I did support military assistance in the past. There may be some time in the future when I will also support such assistance. I hope that we can give economic aid, as well as political and economic leverage, a chance to work. I believe it is important that we give it a chance. I do not know whether it will take 1 month, 2, 3, or 6 months, but I believe we can build a consensus around this general policy. Military assistance that passes the Senate by two votes or loses by two votes, is not a consensus. We must have a consensus on both sides of the aisle so that the message goes to the Sandinistas that our policies will be sustainable. If they believe we will provide military assistance for 6 months followed by no assistance whatever, then we have no consistency, just a 6-month policy that will have no effect.

I congratulate the Senator from California for his strong statement. I am also pleased that he was willing to draw down his amendment at this point and consider it at a later point. I hope the Senator would consider what happened in the House on this issue.

The House is moving toward the middle ground, if my perceptions are correct. I hope the Senator from California would seriously consider giving this policy of political and economic measures and humanitarian aid, a chance to succeed. If we vote very quickly on the Senate side and even if we pass the resumption of military aid by one or two votes, I think the progress that is being made on the House side to develop a consensus could be very much hindered. So I thank the Senator from California for his action this morning.

[CRS-372]

KERRY AMENDMENT NO. 269, AS MODIFIED

Mr. DOLE. Mr. President, I ask unanimous consent that the distinguished Senator from Massachusetts may be permitted to modify his amendment.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. KERRY. Mr. President, I offer the following modification to my amendment which I sent to the desk for its immediate consideration.

The PRESIDING OFFICER. The Senator has a right to modify his amendment.

The amendment, as modified, is as follows:

At the appropriate place in the bill, add the following:

None of the monies authorized to be appropriated in this or any other act can be used to fund directly, or indirectly, activities against the government of Nicaragua which have not been authorized by, or pursuant to, law and which would place the United States in violation of our obligation under the Charter of the Organization of American States, to which the United States is a signatory, or under international law as defined by treaty commitments agreed to, and ratified by, the Government of the United States.

The PRESIDING OFFICER. The question is now on agreeing to the amendment of the Senator from Massachusetts as modifed.

The yeas and nays have been ordered.

Mr. KERRY. Mr. President, I am not requesting the yeas and nays.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the yeas and nays be vitiated.

The PRESIDING OFFICER. Is there objection?

Mr. WEICKER. I object.

The PRESIDING OFFICER. The Chair hears an objection.

Mr. DOLE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KERRY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. KERRY. Mr. President, if I might just explain very quickly the modification. It is I think very simple. It clarifies the concerns of some with respect to——

The PRESIDING OFFICER. The Chair advises that debate on the pending matter is not in order.

Mr. KERRY. Mr. President, I ask unanimous consent that I may have 2 minutes to explain this change.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. KERRY. Mr. President, the change is one phrase to the original wording which inserts the words "have not been authorized by, or pursuant to law and which and which."

The reason for that is simply to clarify sections of the Congress which may already be in place that some Members were concerned might be somehow excluded by virtue of the original language. I think it is pretty straight-forward.

Mr. MOYNIHAN. Will the Senator yield?

Mr. KERRY. Yes, I yield to the Senator from New York.

Mr. MOYNIHAN. May I simply point out to the Senate that the Intelligence Authorization Act of Fiscal 1984 contains identical language. We are on record that our actions vis-a-vis the Government of Nicaragua must be in accordance with the Charter of the Organization of American States.

Will the Senator once again add me as a cosponsor?

Mr. KERRY. Mr. President. I thank the Senator.

I ask unanimous consent that the Senator from New York be included as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. Mr. President, I renew my request that the order for the yeas and nays be vitiated.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The question is on agreeing to the amendment of the Senator from Massachusetts as modified.

So the amendment (No. 280). as modified, was agreed to.

S7796

[CRS-373]

D. SUPPLEMENTAL APPROPRIATIONS; EARLY ACTION

1. House Floor Amendments (6/12/85)

The House reversed its earlier position and approved $27 million in humanitarian assistance during floor consideration of the supplemental appropriations bill. The lengthy debate of the Michel-McDade amendment allowing such assistance and of associated proposals follows.

SUPPLEMENTAL APPROPRIATIONS BILL, 1985

Mr. WHITTEN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 2577) making supplemental appropriations for the fiscal year ending September 30, 1985, and for other purposes.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi [Mr. WHITTEN].

The motion was agreed to.

□ 1109

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committtee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 2577, with Mr. BROWN of California in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee of the Whole rose on Tuesday, June 11, 1985, the Clerk had completed reading the bill for amendment.

Pursuant to House Resolution 186 and today's unanimous-consent agreement, no amendments are in order except the following amendments which shall be considered in the following order only, shall be considered as having been read, shall not be subject to amendment except as specified, and shall be in order even if amending a portion of the bill already passed in the reading of the bill for amendment:

First. The amendment printed in the CONGRESSIONAL RECORD of June 5,

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1985, by Representative MICHEL, if offered by Representative MICHEL or Representative McDADE, which shall be debatable for 2 hours and 20 minutes, to be equally divided and controlled by the proponent and a Member opposed thereto, and after 2 hours of debate shall be subject to the following two amendments:

Second. The amendment printed in the CONGRESSIONAL RECORD of June 5, 1985, by, and if offered by, Representative BOLAND, which shall be debatable for 1 hour, to be equally divided and controlled by Representative BOLAND and a Member opposed thereto;

Third. The amendment printed in the CONGRESSIONAL RECORD of June 5, 1985, by, and if offered by, Representative GEPHARDT, which shall be debatable for 1 hour, to be equally divided and controlled by Representative GEPHARDT and a Member opposed thereto; and

Fourth. The amendment to the bill printed in the CONGRESSIONAL RECORD of June 5, 1985, by, and if offered by, Representative HAMILTON, which shall be debatable for 2 hours, equally divided and controlled by Representative HAMILTON and a Member opposed thereto.

□ 1110

AMENDMENT OFFERED BY MR. MC DADE

Mr. McDADE. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. McDADE: Page 44, after line 23, insert the following:

HUMANITARIAN ASSISTANCE FOR NICARAGUAN DEMOCRATIC RESISTANCE

For an additional amount for humanitarian assistance provided to such department or agency of the United States as the President shall designate, except the Central Intelligence Agency or the Department of Defense, to the Nicaraguan democratic resistance, $27,000,000 to remain available for obligation until March 31, 1986. Notwithstanding the Impoundment Control Act of 1974, one-third of the amount appropriated by this paragraph shall be available for obligation upon the enactment of this Act, an additional one-third shall be available for obligation upon submission of the first report required by section 104 of this chapter, and the remaining one-third shall be available for obligation upon submission of the second such report. As used in this paragraph, the term "humanitarian assistance" means the provision of food, clothing, medicine, and other humanitarian assistance, and it does not include the provision of weapons, weapons systems, ammunition, or other equipment, vehicles or material which can be used to inflict serious bodily harm or death.

ASSISTANCE FOR IMPLEMENTATION OF A CONTADORA AGREEMENT

For payment by the Secretary of State for the expenses arising from implementation by the Contadora nations (Mexico, Panama, Colombia, and Venezuela) of an agreement among the countries of Central America based on the Contadora Document of Objectives of September 9, 1983, including peacekeeping, verification, and monitoring systems, $2,000,000, to remain available until expended.

GENERAL PROVISIONS

SEC. 101. Funds appropriated by this chapter under the headings "Humanitarian Assistance for Nicaraguan Democratic Resistance" and "Assistance for Implementation of a Contadora Agreement" may be obligated and expended notwithstanding section 10 of Public Law 91-672 and section 15 of the State Department Basic Authorities Act of 1956 or any other comparable provisions of law.

SEC. 102. (a) The prohibitions contained in section 8066(a) of the Department of Defense Appropriations Act, 1985 (as contained in Section 101 of Public Law 98-473) and section 801 of the Intelligence Authorization Act for Fiscal Year 1985 (Public Law 98-618) shall, without limitation as to fiscal year, apply with respect to funds appropriated by this chapter under the headings "Humanitarian Assistance for Nicaraguan Democratic Resistance" and "Assistance for Implementation of a Contadora Agreement".

(b) Nothing in this Act, section 8066(a) of the Department of Defense Appropriations Act, 1985 (as contained in Section 101 of Public Law 98-473), or section 801 of the Intelligence Authorization Act for Fiscal Year 1985 (Public Law 98-618) shall be construed to prohibit the United States Government from exchanging information with the Nicaraguan democratic resistance, or the obligation and expenditure, but only for the purposes for which they are expressly made available, of the funds appropriated by this chapter under the headings "Humanitarian Assistance for Nicaraguan Democratic Resistance" and "Assistance for Implementation of a Contadora Agreement."

SEC. 103. The President is urged—

(1) to vigorously pursue the use of diplomatic and economic steps to resolve the conflict in Nicaragua, including negotiations to—

(A) implement the Contadora Document of Objectives of September 9, 1983; and

(B) at the same time, develop trade and economic measures in close consultation and cooperation with other nations which will encourage the Government of Nicaragua to take the necessary steps to resolve the conflict;

(2) to suspend military maneuvers in Honduras and off Nicaragua's coast, and to lift the embargo on trade with Nicaragua, if the Government of Nicaragua agrees to a ceasefire, to open a dialog with the Nicaraguan democratic resistance and to suspend the state of emergency; and

(3) to resume bilateral discussions with the Government of Nicaragua with a view of encouraging—

(A) a church-mediated dialog between the Government of Nicaragua and the Nicaraguan democratic resistance in support of internal reconciliation, as called for by the Contadora Document of Objectives; and

(B) a comprehensive, verifiable agreement among the nations of Central America, based on the Contadora Document of Objectives.

SEC. 104. (a) The President shall submit a report to the Congress every 90 days on the activities carried out in accordance with section 103 and on the assistance provided under the paragraphs of this chapter headed "Humanitarian Assistance for Nicaraguan Democratic Resistance" and "Assistance for Implementation of a Contadora Agreement". Such reports shall describe the willingness of the Nicaraguan democratic resistance and the Government of Nicaragua to negotiate and the progress of efforts to

[CRS-375]

achieve the objectives set out in paragraph (3) of Section 103 and shall provide a detailed accounting of the disbursement of any such assistance.

(b) As part of each of the reports submitted pursuant to subsection (a), the President shall submit to the Permanent Select Committee on Intelligence of the House of Representatives, and to the Select Committee on Intelligence of the Senate, a report on alleged human rights violations by the Nicaraguan democratic resistance and the Government of Nicaragua. With respect to the alleged violations the report shall include information on who is responsible for such human rights violations.

SEC. 105. ADDITIONAL ASSISTANCE FOR THE CENTRAL AMERICA PEACE PROCESS

(a) SUBMISSION OF REQUEST.—If the President determines at any time after the enactment of this Act that—

(1) negotiations based on the Contadora Document of Objectives of September 9, 1983, have produced an agreement, or show promises of producing an agreement, or

(2) other trade and economic measures will assist in a resolution of the conflict, or to stabilization in the region, the President may submit to the Congress a request for budget and other authority to provide additional assistance for the furtherance of the Central America peace process.

(b) STATEMENT TO BE INCLUDED.—The President's request shall include a detailed statement as to progress made to resolve the conflict in the region.

(c) CONSULTATION WITH THE CONGRESS.—In formulating a request pursuant to subsection (a), the President shall consult with the Congress.

(d) Congressional Action.—(1) The provisions of this subsection apply, during the 99th Congress, to the consideration in the House of Representatives of a joint resolution with respect to the request submitted by the President pursuant to subsection (a).

(2) For purposes of this subsection, the term "joint resolution" means only a joint resolution introduced within 3 legislative days after the Congress receives the request submitted by the President pursuant to subsection (a)—

(A) the matter after the resolving clause of which is as follows: "That the Congress hereby approves the additional authority and assistance for the Central America peace process that the President requested pursuant to the Supplemental Appropriations Act, 1985, notwithstanding section 10 of Public Law 91-672.";

(B) which does not have a preamble; and

(C) the title of which is as follows: "Joint Resolution relating to Central America pursuant to the Supplemental Appropriations Act, 1985.".

(3) A joint resolution shall, upon the introduction, be referred to the appropriate committee or committees of the House of Representatives.

(4) If all the committees of the House to which a joint resolution has been referred have not reported the same joint resolution by the end of 15 legislative days after the first joint resolution was introduced, any committee which has not reported the first joint resolution introduced shall be discharged from further consideration of that joint resolution and that joint resolution shall be placed on the appropriate calendar of the House.

(5)(A) At any time after the first joint resolution placed on the appropriate calendar has been on that calendar for a period of 5 legislative days, it is in order for any Member of the House (after consultation with the Speaker as to the most appropriate time for the consideration of that joint resolution) to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of that joint resolution. The motion is highly privileged and is in order even though a previous motion to the same effect has been disagreed to. All points of order against the joint resolution under clauses 2 and 6 of Rule XXI of the Rules of the House are waived. If the motion is agreed to, the resolution shall remain the unfinished business of the House until disposed of. A motion to reconsider the vote by which the motion is disagreed to shall not be in order.

(B) Debate on the joint resolution shall not exceed ten hours, which shall be divided equally between a Member favoring and a Member opposing the joint resolution. A motion to limit debate is in order at any time in the House or in the Committee of the Whole and is not debatable.

(C) An amendment to the joint resolution is not in order.

(D) At the conclusion of the debate on the joint resolution, the Committee of the Whole shall rise and report the joint resolution back to the House, and the previous question shall be considered as ordered on the joint resolution to final passage without intervening motion.

(6) As used in this subsection, the term "legislative day" means a day on which the House is in session.

(7) This subsection is enacted—

(A) as an exercise of the rulemaking power of the House of Representatives, and as such it is deemed a part of the rules of the House, but applicable only with respect to the procedure to be followed in the House in the case of a joint resolution, and it supersedes other rules only to the extent that it is inconsistent with such rules; and

(B) with full recognition of the constitutional right of the House to change its rules at any time, in the same manner, and to the same extent as in the case of any other rule of the House, and of the right of the Committee on Rules to report a resolution for the consideration of any measure.

SEC. 106. ADDITIONAL ASSISTANCE FOR NICARAGUAN DEMOCRATIC RESISTANCE

(a) Submission of Request.—If the President determines at any time after the enactment of this Act that—

(1) negotiations based on the Contadora Document of Objectives of September 9, 1983, have failed to produce an agreement, or

(2) other trade and economic measures have failed to resolve the conflict,

the President may submit to the Congress a request for budget and other authority to provide additional assistance for the Nicaraguan democratic resistance.

(b) Statement To Be Included.—The President's request shall include a detailed statement as to why the negotiations or other measures have failed to resolve the conflict in the region.

(c) Consultation With the Congress.—In formulating a request pursuant to subsection (a), the President shall consult with the Congress.

(d) Congressional Action.—(1) The provisions of this subsection apply, during the 99th Congress, to the consideration in the House of Representatives of a joint resolution with respect to the request submitted by the President pursuant to subsection (a).

(2) For purposes of this subsection, the term "joint resolution" means only a joint resolution introduced within 3 legislative days after the Congress receives the request submitted by the President pursuant to subsection (a)—

(A) the matter after the resolving clause of which is as follows: "That the Congress hereby approves the additional authority and assistance for the Nicaraguan democratic resistance that the President requested pursuant to the Supplemental Appropriations Act, 1985, notwithstanding section 10 of Public Law 91-672.";

(B) which does not have a preamble; and

(C) the title of which is as follows: "Joint Resolution relating to Central America pursuant to the Supplemental Appropriations Act, 1985.".

(3) A joint resolution shall, upon introduction, be referred to the appropriate committee or committees of the House of Representatives.

(4) If all the committees of the House to which a joint resolution has been referred have not reported the same joint resolution by the end of 15 legislative days after the first joint resolution was introduced, any committee which has not reported the first joint resolution introduced shall be discharged from further consideration of that joint resolution and that joint resolution shall be placed on the appropriate calendar of the House.

(5)(A) At any time after the first joint resolution placed on the appropriate calendar has been on that calendar for a period of 5 legislative days, it is in order for any Member of the House (after consultation with the Speaker as to the most appropriate time for the consideration of that joint resolution) to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of that joint resolution. The motion is highly privileged and is in order even though a previous motion to the same effect has been disagreed to. All points of order against the joint resolution under clauses 2 and 6 of Rule XXI of the Rules of the House are waived. If the motion is agreed to, the resolution shall remain the unfinished business of the House until disposed of. A motion to reconsider the vote by which the motion is disagreed to shall not be in order.

(B) Debate on the joint resolution shall not exceed ten hours, which shall be divided equally between a Member favoring and a Member opposing the joint resolution. A motion to limit debate is in order at any time in the House or in the Committee of the Whole and is not debatable.

(C) An amendment to the joint resolution is not in order.

(D) At the conclusion of the debate on the joint resolution, the Committee of the Whole shall rise and report the joint resolution back to the House, and the previous question shall be considered as ordered on the joint resolution to final passage without intervening motion.

(6) As used in this subsection, the term "legislative day" means a day on which the House is in session.

(7) This subsection is enacted—

(A) as an exercise of the rulemaking power of the House of Representatives, and as such it is deemed a part of the rules of the House, but applicable only with respect to the procedure to be followed in the House in the case of a joint resolution, and it supersedes other rules only to the extent that it is inconsistent with such rules; and

(B) with full recognition of the constitutional right of the House to change its rules at any time, in the same manner, and to the same extent as in the case of any other rule of the House, and of the right of the Committee on Rules to report a resolution for the consideration of any measure.

The CHAIRMAN. Under the rule, the gentleman from Pennsylvania [Mr. McDade] will be recognized for 1 hour and a Member opposed will be recognized for 1 hour.

[CRS-376]

The Chair recognizes the gentleman from Pennsylvania [Mr. McDade].

Mr. McDADE. Mr. Chairman, I yield such time as he may consume to our great friend, the gentleman from Illinois [Mr. Michel].

(Mr. MICHEL asked and was given permission to revise and extend his remarks.)

Mr. MICHEL. I thank the gentleman for yielding time to me.

Mr. Chairman, after weeks of bipartisan consultation we today present an amendment to provide humanitarian aid to the democratic resistance in Nicaragua.

Ironically, we have this chance to help the Nicaraguan democratic resistance in part because a Nicaraguan Communist flew the friendly skies of Aeroflot to Moscow.

The phrase "fly now, pay later" has taken on a deeper, richer meaning for President Daniel Ortega.

But I believe too much has been made of the Ortega trip. It didn't teach us anything new about Ortega. It did remind us of what we must always remember about Nicaragua. Nicaragua is not another Vietnam, it is another Cuba. Ortega's Moscow pilgrimage is a minor consideration when we measure it against the fact Communists have been consolidating their power in Nicaragua since 1979.

First, let me briefly outline the major points of our bipartisan amendment:

It provides humanitarian assistance only—food, clothing, medicine, and so forth, directly to the Nicaraguan democratic resistance.

The President will direct the administration of the funds and the CIA and DOD are specifically excluded.

And $27 million is appropriated for humanitarian assistance and $2 million for implementation of a Contadora agreement.

Funding continues until March 31, 1986 in three increments of $9 million—every 90 days—coinciding with submission of reports by the President.

There are expedited procedures for consideration of additional assistance to further the Central America peace process.

And the amendment provides for an exchange of information between the United States and the democratic resistance in Nicaragua.

The ultimate goal of this amendment is to foster a national dialog and a political solution to Nicaragua's problems.

It is an absolute precondition for development of the democratic process. It can come about only if the democratic resistance is perceived as being strong enough to provide a democratic alternative to one-part domination in that country.

The humanitarian aid this amendment provides symbolizes the direct and continuing commitment of the United States to the democratic future of Nicaragua and Central America.

In order to facilitate the aims of the amendment there must be an exchange of information between those giving and receiving the aid. The United States cannot be asked to give aid in a situation where, in effect, our Government and the democratic forces are wearing blindfolds while the Communist Sandinistas alone can see.

For the United States to provide direct humanitarian aid without learning how the aid is used would be an abuse of tax dollars. The sharing of information will also play a vital role in making certain that human rights policies are carried out by the democratic resistance.

Members should know that no less than three crippling amendments to our base amendment have been made in order by the rule.

I won't take time here to make a point-by-point case against these amendments.

But I do want to tell you that if you truly want to help the democratic resistance, we have to vote against the amendments offered by Mr. BOLAND, Mr. GEPHART, and Mr. HAMILTON. Any one of these can destroy what we're trying to do.

The President in his letter to me yesterday said:

> These amendments would prevent us from providing humanitarian assistance and exchanging information to sustain and preserve the democratic resistance. They would effectively remove the resistance as a source of pressure for dialogue and internal reconciliation.

In the same letter, the President, knowing of the concern of some members for talks between the United States and Nicaragua, says, and I quote:

> I intend to instruct our special Ambassador to consult with the Governments of Central America, the Contadora countries, other democratic governments, and the unified Nicaraguan opposition as to how and when the U.S. could resume useful direct talks with Nicaragua.

The President does not consider such talks "a substitute for a church-mediated dialog" and a "workable Contadora agreement."

The President calls our bipartisan amendment "essential to a peaceful resolution of the conflict in Central America."

In conclusion. let me say that on Sunday, June 2, the New York Times carried a full-page statement titled: "Democracy Is the Issue in Nicaragua."

Let me read to you a portion of the text of that statement because it says quite eloquently what many of us want to say today:

> The Sandinista rulers of Nicaragua are now seeking to impose a totalitarian system upon their people. They will not be deterred simply by humanitarian pleas, diplomatic appeals or economic pressures.
>
> The basic issue is this: Will we stand beside the Nicaraguan democratic resistance in its struggle against totalitarianism? Or will we declare that this movement is a lost cause, and offer only to help its supporters adjust to lives as victims refugees and exiles?

Beneath those words are the names of prominent Americans who signed the statement.

Among them you will find a former national security adviser to a Democratic President; a former Secretary of Agriculture under two Democratic administrations; a former Assistant Secretary of State in the Carter administration; and a former Secretary of the Treasury in the Kennedy administration.

And with these distinguished Democrats there are other signers: trade unionist, businessmen, religious workers and intellectuals, Republican and Democrat, liberal and conservative.

That is the true voice of America. It is in the great tradition of American bipartisan foreign policy.

The amendment we offer is also in that great tradition.

It has been said that the Nicaraguan revolution against Somoza was brought about by 3 million unarmed Nicaraguan men and women but that only nine armed men came to power. And every one of those nine are dedicated Marxist-Leninist Communists.

This amendment can serve to remind those nine armed men of the Sandinista leadership that their 3 million countrymen want to reclaim their revolution.

We have been given a second chance, a chance to redeem the reputation of the House.

So, I urge my colleagues on both sides of the aisle to carry out the will of the people. Let's tell the democratic forces in Nicaragua that the United States of America, true to its principles and the best, shining moments of its history, will not abandon those who yearn for a truly democratic country and are willing to fight for their freedoms and liberty just as we did.

□ 1120

The CHAIRMAN. For what purpose does the gentleman from Massachusetts [Mr. BOLAND] rise?

Mr. BOLAND. Mr. Chairman, I rise in opposition to the amendment.

The CHAIRMAN. Under the rule, the gentleman from Massachusetts [Mr. BOLAND] is recognized for 1 hour.

Mr. BOLAND. Mr. Chairman, I rise in opposition to the Michel amendment.

Once again, we take up the question of aid to the Contras.

Once again, we have a variety of legislative proposals before us.

And, once again, we will spend a good portion of our time debating important but ancillary aspects of that issue.

Yet to me, the issue can be viewed in very simple terms.

Do we want to support the Contras and the policy that such a choice represents for the U.S. Government?

[CRS-377]

Or, do we want to hold our fire, as it were, and pursue a different course, one that employs diplomatic, economic, and other options before military ones?

Of course, there is a new twist to the debate on Contra aid this time around.

Now we are being asked in the Michel amendment to approve humanitarian aid.

I gather that the attraction of this loosely defined phrase is that it purports to be a policy that supports peace, not war.

But let's look closely at that proposition.

The amounts to be appropriated are by no means insignificant, $27 million, $9 million every 3 months, $3 million a month.

That's more than we spent at that rate when we supplied all of the Contras' needs, military or otherwise.

But the Contras, who haven't received $1 from the U.S. Government for more than a year, are doing just fine.

They continue their military operations in Nicaragua and, they have increased their numbers.

They have done this with funds provided by private groups, mostly from the United States.

Those funds have helped purchase weapons, ammunition, food, clothing, medicine—everything the Contras have needed to maintain themselves as an army in the field.

Now comes the Michel amendment and provides humanitarian assistance on top of that.

Now, what does that mean?

It means, and we need not quibble about this, the food, the medicine, the nonlethal equipment that the Contras need.

But, is this a policy of restraint by the U.S. Government? Does this really hold back anything?

Hardly, in light of the fact that, as we all know, the private groups will continue to provide money for arms and ammunition.

The effect of the Michel amendment, and that private aid, is going to be money for the Contras than they have ever received in the past.

Some of my colleagues like to refer to this amendment as providing logistical support to an army in the field.

Well, it is more than that.

If an army travels on its stomach, the "humanitarian" aid the Michel amendment would provide is going to ensure extensive "travels" by the Contras—inside Nicaragua.

To me, Mr. Chairman, this whole concept of humanitarian aid is a fig leaf.

We are continuing to fund the Contras.

They continue to conduct military operations.

Our assistance furthers and supports those military operations.

This Member is opposed to that policy.

I have appeared on this floor many times in the past to explain why. But I will just tick off several major reasons once again:

This is a policy which has failed. Any way you color it, the Contras have not put the sort of military pressure on the Government of Nicaragua which has induced any change in their negotiating stance, in their behavior toward their own citizens, in their relations with the Cubans and the Soviets. In fact, what has happened is that our policy has produced results that it was intended to prevent. The Nicaraguans have grown closer to the Cubans and the Soviets, much more dependent on them militarily and economically.

Another reason I've opposed our involvement with the Contras is because it puts the United States in a position where it has been unable to influence bodies like the OAS, the United Nations, or the World Court, that it is acting in accordance with international law or in the best interests of the region. Our neighbors in Latin America reject our support of the Contras.

And, last, Mr. Chairman, I continue to harbor reservations about the Contras as an appropriate vehicle of U.S. policy. They continue to employ tactics of brutality and terror in their operations. They are not alone in this. The Sandinistas are no angels either. But, I don't view the Contras as the moral equivalent of our Founding Fathers.

Mr. Chairman, let me close with what I consider to be a point sometimes missed in the debate on Contra aid.

This debate should be about whether the United States of America will have an effective foreign policy—not whether or not we like the Contras or support the Sandinistas.

The proponents of the Michel amendment say that we should place ourselves firmly in the camp of democracy and support the democratic opposition in Nicaragua—the Contras.

It seems to me, and I say this without disparaging the Contras or their aims, that the U.S. foreign policy should be more than a popularity contest. It should also offer an effective deterrent to those aspects of the Sandinista's policies which threaten peace in the region.

I believe that the issue before us is: Should we resume our policy of military pressure through the Contras, however we describe our aid, or should we take other alternatives?

I thought that is what the House did as recently as last April.

I'm sorry that Hamilton-Barnes was not finally passed by the House.

I sincerely hope that the Hamilton amendment will be passed today. I firmly believe that it represents a better policy, a more effective way of meeting U.S. goals in the region—goals which we all share—peace, democracy, and demilitarization.

In the Michel amendment, we have a repeat of a failed policy.

In the Hamilton amendment, we have a new policy, one that has yet to be tried.

Mr. McDADE. Mr. Chairman, I yield myself 2 minutes.

Mr. Chairman, the gentleman who just addressed the House from the well is one of my dearest friends and one of the ablest Members of the House, and I respect him greatly and he knows it. He made, as he always does, a very cogent argument, but his argument is all about yesterday. What this amendment is about, Mr. Chairman and my colleagues, is tomorrow.

I would like to direct your attention to section 105 of this law which we are about to vote upon, which is entitled, "Central American Peace Process," and which says the President may report to the Congress that there is an agreement consistent with the Contadora objectives, or there is promise of an agreement, and then he may come back to us and say to the Congress of the United States, on a fast track, "You have laid down your arms in Nicaragua. Both the Contras and the Sandinistas, and we see it and applaud it," and under this law that Members will be given an opportunity to vote upon in a few minutes, a few hours, some time, the President may then come back and say, "We see that promise and we applaud it and we extend our hand to you, a hand of friendship. I am going back and I am going to ask the Congress for some things like a medical clinic in Nicaragua."

We have built one, the people of this Nation, that many of us have seen in Krakow, Poland, deep behind the Iron Curtain, Public Law 480 money, to treat the children of Poland, may I say with some parochial pride, in consultation with Children's Hospital in Philadelphia to help them. We can do it in Honduras, we can do it in El Salvador, we can do it in all the nations of Latin America, Central America.

Let me just say to my friends that before you make your judgment, recognize that we are talking about a new piece of legislation. Take a look at section 105 and some of the other sections.

Mr. Chairman, I am delighted to yield 3 minutes to my colleague, the gentleman from Louisiana [Mr. LIVINGSTON].

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Mr. LIVINGSTON. Mr. Chairman, I thank the gentleman for yielding me this time.

Since we are talking about failed policies, I would recommend to my colleagues that they look at the Boland amendment, which has been in force for the last year. That is a real example of a failed policy.

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Mr. Chairman, for the past 5 years, though, since we have been talking about Central America, I have been hearing that our intelligence services have never provided us with the smoking gun, linking the Salvadoran guerrillas to the Nicaraguan, Cuban, and Soviet Governments. Well, Mr. Speaker, we now have the "smoking gun"—we have the goods on them.

When Congress last voted on Contra funding on April 23 and 24, it did not know that 5 days earlier the Salvadoran Army had captured a large number of documents from Nidia Diaz. Miss Diaz was a military commander in the PRTC, the smallest of five groups compromising the Salvadoran FMLN guerrilla movement. She attended the La Palma Peace talks between the guerrillas and President Duarte and is the most senior FMLN commander yet captured. The Salvadoran Army apparently caught her and her associates while they were shifting their central command post to a new site.

Only a fraction of these voluminous materials are yet available to the United States, and of those available only about a dozen documents have been translated or analyzed. However, even the few papers now available provide revealing evidence of which Congress should be aware before casting their votes on H.R. 2577, for even Diaz conceded to the press after her capture that the documents were highly incriminating and damaging to her revolutionary cause.

First, they provide documentary proof of the extremely close ties between the Sandinistas and guerrilla terrorist groups in Central America. Even a relatively unimportant component of the FMLN, the PRTC, had direct links with and received material and other assistance from the Sandinistas.

The Salvadorans, in fact, appear to be subservient to the wishes and directions of the Sandinistas. Some papers refer to Salvadoran guerrilla links with Salvadoran refugee camps in Honduras, infiltration routes through Honduras to Nicaragua, Guatemala, and Mexico, and the acquisition of Honduran identity documents. Thus the papers reconfirm previous U.S. intelligence agency conclusions regarding regional ties between revolutionaries, which had been questioned by some Members of Congress, the media and the public.

The five top Salvadoran insurgency [FMLN] leaders wrote to the Sandinista National Directorate on November 10, 1983, reiterating their bilateral fellowship as "Central American revolutionaries" who were "indissolubly united in defending revolutionary conquests and resolved to expand them." They thanked the Sandinistas "for all the aid you offered," which had been "indispensable," and requested not just its continuation but also "new and audacious forms of aid." In another letter between these two parties exactly 2 weeks later, the FMLN guerrillas acknowledged that continued communization of Nicaragua was essential to the success of the Salvadoran insurgency: "It is also necessary to establish as a principle that the determining factor for our liberation process, as well as the defense of Nicaragua, is the internal consolidation of the Sandinista Popular Revolution." Both letters assume that the struggle in El Salvador and Nicaragua is part of a global competition between U.S.-led "forces of imperialism" and the "socialist camp." During this period, according to a reporter who saw some of the documents in El Salvador, a Sandinista leader is quoted as saying to the Salvadorans "you have always had our help and this has not changed."

Nonetheless, while continuing to seek even greater cooperation and aid from the Nicaraguans, the FMLN sometimes resented Nicaraguan domination and lack of fraternal consultation. In November 1983 the Nicaraguans had feared a U.S. invasion. The Salvadorans were more than willing to help the Nicaraguans in such an event—several documents refer to plans to ignore borders and divert Salvadoran fighters for Nicaraguan use. However, the FMLN was taken aback by the unilateral Nicaraguan decision to abandon the Salvadorans by cutting off their aid and kicking most of them out of Nicaragua on 4 days notice; they argued that instead they should be given more aid so they could mount diversionary attacks which would disperse U.S. forces. These peremptory Nicaraguan actions were not without precedent: "We are concerned to find ourselves again facing decisions that affect us directly although we have not been taken into consideration in their formulation," the FMLN said in their November 10 letter, plaintively noting that "we have sought to believe that coercive tactics used by DRI [Sandinista Directorate of International Relations] members are the result of inappropriate management * * *." Clearly the Sandinistas had acted as the dominant partner, and the Salvadorans came occasionally to resent this arrogance, although respect for their successful brethren and their considerable dependence on the Sandinistas apparently continued to preclude any but occasional protests. Instead the Salvadorans called for greater "unity," which apparently meant, in part, increased consultation. A reporter reviewing the documents in El Salvador wrote that in a November 7, 1983, note, apparently from a rebel official to the director of the DRI, the Salvadoran concedes that "Nicaragua in the vanguard constitutes the advanced and true revolution" and urges "the most intimate coordination in a concrete manner on all political, military, propaganda and diplomatic fronts." Even after the crisis between the FMLN and the Sandinistas had passed, in their November 24 letter the Salvadorans sought "a much higher level of logistical assistance" and "during steps in this direction" plus "a higher level of coordination * * * to defeat the imperialist intervention."

Second, as has been well publicized, the documents revealed the role of the U.S.S.R. and its allies in continued training of the insurgents, as well as the role of Cuba as overseer and coordinator of the Nicaragua-FMLN connection. A November 9, 1983, note to the head of the PRTC from the head of the Salvadoran Communist Party—who is also a member of the FMLN directorate—suggested that the dispute over the proposed Nicaraguan aid cutoff be referred "to Fidel," to ask for "a clarification to know where we stand." Biographic cards on guerrilla members indicate that some were trained in Cuba. Pages from Miss Diaz's calendar for April of this year lists persons selected for training in Vietnam, Bulgaria, and the U.S.S.R. Separate documents list 1984 and 1985 trainees to go to those countries and East Germany. Miss Diaz herself was to have gone to Vietnam this year.

Third, the documents prove once again that in Nicaragua, and in other communist countries or movements, the "political line" is merely a tactical expedient to weaken democratic resolve and divide the opposition at home and abroad. Guillermo Ungo, the president and spokesman of the Salvadoran guerrillas' political front, complained to military commanders that their actions often were "embarrassing" in that they made "our political line appear inconsistent to the public." "We defined a political line for the [Salvadoran] elections and you did not comply with some points," Ungo charged. The Sandinistas and Salvadoran guerrillas also saw potential for manipulation of the U.S. elections. Top Salvadoran FMLN leaders wrote the Sandinistas in November 1983 that "the electoral period in the United States is the appropriate moment to influence the American electorate," wherein the Sandinistas and Salvadoran guerrillas "could bog down the present Reagan administration." "This is why we support the current diplomatic initiatives of the FSLN [Sandinistas] to gain time to help Reagan's opposition" in the United States and internationally. According to U.S. news articles written from El Salvador, on June 5, 1984, in the midst of the Democratic and Republican primary elections, a document suggested that the FMLN should encourage the Reverend Jesse Jackson to facilitate a Salvadoran dialog; Jackson did indeed visit the country that month and transmitted an offer from President Duarte to negotiate with the guerrillas. Apparent attempts to influence the U.S. electorate continued.

Another press account reveals that an October 1984 document called for increased rebel attacks before the upcoming Presidential election. The Salvadoran guerrillas were uncertain whether U.S. strategy in the region

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would fundamentally change if Reagan was defeated, but they judged that "if the Democrats win, it would reinforce the tendency to negotiate." Just as with the military arm of the Salvadoran insurgency in Nicaragua the Sandinista adroitness at such manipulation appears to be curtailed by their ideological fervor. On occasion the Sandinistas have flaunted their Marxism-Leninism before visiting U.S. Congressmen and exhibited untimely rigidity and inconsistency in negotiations. Being unable to contain his Communist ideology and desiring to revel with his mentors over their propaganda, Ortega even made the infamous trip to Moscow after Congress accommodated Sandinista wishes by voting down aid to the Contras. It seems the Sandinistas have not yet fully mastered the art of tactical flexibility in manipulating the democracies.

Central American revolutionaries have, however, fully mastered the art of creating "front groups" to espouse their "political lines." A document dated May 12, 1984, definitively establishes that COPPES, a San Salvador based men's group promoting the cause of "political prisoners," is an FMLN front. It reveals that part of COPPES' duties include caring for FMLN personnel captured by the Government, who sometimes act as message carriers to COPPES. COPPES is housed in the same building as, and has close ties with, COMADRES, a "mothers" group allegedly formed in behalf of "political prisoners" and persons who have been assassinated or who have disappeared. COMADRES has brought its message to the United States and was even given a peace prize by the Kennedy family.

Perhaps most importantly, the Diaz documents support the argument that the Sandinistas will alter their policy of promoting regional upheaval only under the proximate threat of superior force, and that any accommodations will be temporary—until the threat is removed. We know that in 1980, before the Sandinistas were firmly established in government and while the United States was giving and encouraging unprecedented amounts of aid, the Sandinistas already were supplying and training the Salvadoran insurgency.

The captured documents reveal that the Sandinistas wavered in this course only momentarily, at the end of 1983 when the United States had taken military action in Grenada and the Sandinistas firmly believed they were next in line. The U.S.S.R. and Cuba apparently had refused to intervene on Nicaragua's behalf. According to the U.S. press, one document reveals that Sandinista officials told the FMLN "we don't expect to receive any help from our allies." To save their own skins, the Sandinistas prepared to minimize the Salvadoran connection in order to appear less provocative and to divert the arms and supplies which they had funneled to the guerrillas to their own defenses. Most FMLN leaders were to be moved out of Nicaragua and contacts with the guerrillas would be minimized. This incensed the Salvadorans, but their planned protests and appeals, documented in the Diaz papers, apparently never had to be activated: as soon as the Sandinistas realized the United States would not invade, they canceled the proposed policy changes. This bit of history supports the contention that lasting peace in Central America requires fundamental changes in the Nicaraguan Government itself, not merely in its foreign policy of the moment. In any negotiations with the Sandinistas, the most important of the Contadora stipulations are those dealing with Nicaraguan democratization. The Sandinistas must be made to share power—the nature of the regime must change. We must assure that Nicaraguan public opinion is a force that cannot be ignored, so the Government is so busy meeting domestic needs that it can no longer afford, politically or economically, to support foreign exploits.

Internal econmic and political problems, coupled with military pressure from the Contras, could indeed force the Sandinistas to call an internal and international truce. If necessary for their survival, the Sandinistas might even agree to effective verification. However, we know from captured documents and Ortega's own words that "the revolution is irreversible." The Sandinistas' top priority is to consolidate the Central American bridgehead embodied in the Nicaraguan revolutionary Marxist regime. The Sandinistas will do and say anything to buy necessary time. Then they could impose additional methods of internal control and build up their military capability. Promotion of the international movement would be resumed later when the Sandinistas were secure domestically and fortified for the task. Fidel Castro has counseled the Nicaraguans that revolution is a lifetime endeavor, that there is no "peace" for a revolutionary.

Mr. Chairman, all of this comment is verified by the documents seized from the El Salvador guerrillas just a few weeks ago.

And if that is not enough, Mr. Chairman, here is another smoking gun. This is a Soviet made Katusha rocket, one of 950, fired into the town of Arenales, Honduras, from Nicaragua on May 5 and May 6 of this year just a few weeks ago. I urge the Members of Congress to look at the pictures of that attack and see for themselves if we do not have a real smoking gun.

Mr. Chairman, I include with my remarks the following notes made in connection with the photographs which were taken:

ARENALES, HONDURAS (El Paraiso department, bordering Nicaragua) Photographs taken; May 29, 1985.—Arenales was attacked by Sandinista rocket and mortar fire May 5-6, 1985, from over the border. Over 950 Soviet-made Katusha rockets, fired from "Stalin organ" vehicles, were fired into Honduras.

The object was to cause civilian casualties so as to put political pressure on the Honduran government to force out the remaining bases of the Nicaraguan Democratic Force (FDN).

Several people were injured in Arenales, and two were killed.

An FDN base was near the area, which was later evacuated. The rocketing of the villages created a sentiment that the FDN was to blame for the attack, due to its proximity to the villages (about 5 miles), even though it was the Sandinista army that initiated the attack.

The Sandinistas cut two roads through the jungle toward the Honduran border, so that the rockets would be in range of the Honduran villages. They went to a great deal of trouble and expense to do this.

It is presumed that Soviet bloc advisers were present during the attack to direct the rockets.

The rocket fragment was found on May 29 by Michael Waller of the Council for Inter-American Security. Note the Cyrillic markings stamped on either end of the piece. It is believed to be part of the motor that propelled the warhead.

Mr. Chairman, the new evidence found in the Diaz documents and in this recent shelling obviously is relevant to the issue again before Congress. I urge my colleagues to consider carefully the implications of this new evidence before casting their vote, to support the Michel-McDade-McCurdy amendment without the encumbrances of the other crippling amendments.

(Mr. LIVINGSTON asked and was given permission to revise and extend his remarks.)

Mr. BOLAND. Mr. Chairman, I yield myself 30 seconds.

Mr. Chairman, in response to my friend, the gentleman from Pennsylvania [Mr. MCDADE], let me say that he is my dear friend. He served with me on the subcommittee of the Committee on Appropriations dealing with the Department of Housing and Urban Development and 17 other agencies.

I could not agree more with what he said in the first three sentences of his statement, but I disagree with the remainder of his statement.

Mr. Chairman, I yield 5 minutes to the distinguished gentleman from Florida [Mr. FASCELL], the chairman of the Committee on Foreign Affairs.

(Mr. FASCELL asked and was given permission to revise and extend his remarks.)

Mr. FASCELL. Mr. Chairman. I thank my colleague, the gentleman from Massachusetts, the distinguished chairman of the subcommittee, for yielding me this time, even though I rise in support of the amendment that is pending and he is opposed to it. I appreciate the time very much.

After four decades of Somoza reign, the United States and most of the countries of this hemisphere welcomed an end to the Somoza tyranny. In 1978-79 the United States had transferred its influence to the demo-

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cratic forces which were seeking the overthrow of Somoza. I along with many other Members of Congress welcomed this historic shift in U.S. policy in favor of revolutionary forces that represented a democratic movement seeking peaceful change. Many Members of Congress visited Nicaragua during the first several years after the revolution; we went there in order to express our good will for the democratic revolution that had been promised. Many of us also fought a hard and long battle in this House to provide humanitarian and economic assistance to the new government in Managua.

Despite considerable good will and a turnaround in U.S. policy, events did not evolve as expected and promised. The hope of a pluralistic political system was not fulfilled. President Carter eventually cut off U.S. assistance because of external subversion and internal repression of basic rights. It became clear in 1981-82 that the revolution was moving in an antidemocratic direction and that the Sandinistas were consolidating power by forcing out the more moderate forces and by strengthening their ties to Cuba and the Soviet Union—and thereby gaining the military/police capability necessary to impose unpopular policies on an increasingly disapproving population.

The Congress has played a quizotic role in responding to the antidemocratic actions of the Sandinistas—first in countenancing assistance to the Contras when it was first proposed and then in voting to cut off further assistance.

What must be recognized is that the Contras are not some ragtag, motley group out simply for monetary gain, or to win power in some abstract sense. Those who have broken with the Sandinista regime and raised their voices in protest represent a true revolution. They are a cross section of legitimate, democratic forces—Indians; able and articular political leaders such as Alfonso Robello; former members of the Sandinista guerrillas, such as Eden Pastora; businessmen such as Adolfo Collero, who I helped get out of jail under Somoza; journalists such as Pedro Joaquin Chamorro; labor leaders. Their principal goal is to persuade the Sandinistas to implement the lofty goals of the original revolution, that is, a pluralistic society, free elections, and respect for basic human freedoms. We can help the democratic process by approving economic assistance to the Contras.

The debate before the House today is not over strategy or purpose—a consensus has evolved among most Members that the Sandinistas are pursuing a nondemocratic course and that it is in the interest of the United States that that course be redirected and that Nicaragua cease its support for external subversion. The only argument is over tactics. And even on tactics there is broad agreement on most of the elements: Ceasefire; diplomatic solution, either through Contadora, OAS, or some other mechanism; lifting the state of siege; lifting the U.S. trade embargo; and suspension of U.S. military maneuvers in the area.

The only significant difference over tactics is should the Contras—the democratic resistence—be sustained as a unified entity that can continue to play a role in bringing leverage on the Sandinista regime and in the diplomatic maneuverings. One approach would prevent any U.S. assistance from going directly to the Contras—thereby forcing them to abandon their camps in order to reach refugee assistance through international refugee organizations. The effect would be to deny them any mantle of acceptance and respectability and to significantly reduce their diplomatic role and leverage by being forced to disperse or simply ignored in the process. The principal achievement of this approach would be to assuage the U.S. conscience and reduce our role and responsibilities. The second approach would provide direct U.S. economic assistance to the Contras, thereby providing them with a degree of international recognition and respectability and allowing them to maintain their identity and their unity—both of which would increase the probability that they would have to be considered in any negotiation to bring about a democratic political process and freedom in Nicaragua.

The congressional ban on military assistance to the Contras, which has lasted more than 1 year, has brought no change in the policies and action of the Sandinistas. If anything, the regime has moved to further consolidate its power and its ties to the Soviet Union and Cuba and to crush the democratic resistance.

The Congress is now on the verge of attempting a new approach—and economic approach. If we are to pursue this course, let us do it correctly, not in a half-way manner which simply takes the United States off the hook. The United States is involved in the turmoil in Central America because our vital interests are at stake; we cannot deny our role and responsibility even if we wanted to—we owe it to future generations of Americans—North and South—so let us pursue a policy which has some chance of success because we owe it to the American people and because it is right.

The CHAIRMAN. The time of the gentleman from Florida [Mr. FASCELL] has expired.

Mr. McDADE. Mr. Chairman, I am delighted to yield 2 minutes to my distinguished colleague, the gentleman from New York [Mr. FISH].

□ 1140

Mr. FISH. I thank the gentleman for yielding.

Mr. Chairman, what we bring you today is a needed consensus expression of United States policy toward Nicaragua. I congratulate all those involved in the negotiations over the past 5 weeks for their understanding and for their receptiveness to our concerns. It quickly became evident that we shared a common goal, peace and stability in Central America achieved within the framework of the Contadora document of objectives.

Mr. Chairman, I think we needed these weeks to fashion an appropriate congressional role in achieving our objectives. Time has permitted a clarification and refinement of U.S. policy that is embodied in the Michel amendment. It is evenhanded. The behavior of both sides will be monitored by the Congress. It clearly spells out our reliance on diplomatic efforts. Our goals of a cease-fire, a dialog and suspension of the state of emergency is clear. If these goals are met, rewards will follow.

Mr. Chairman, the principal alternative to the Michel amendment was before us in April. It did not please either those who believe that we have a responsibility to the political resistance or those who would have us play no role whatsoever. It is before us again and certainly faces the same fate.

Fortunately, the Michel amendment does appear to reflect a majority consensus. I sincerely hope so, as the worst case would be continued congressional paralysis and a lack of expression of congressional policy.

Two ill-disguised efforts to derail the Michel amendment will be attempted, and I urge my colleagues to reject these amendments to the Michel amendment and vote up the Michel amendment.

Mr. BOLAND. Mr. Chairman, I yield 5 minutes to the gentleman from Illinois [Mr. DURBIN].

(Mr. DURBIN asked and was given permission to revise and extend his remarks.)

Mr. DURBIN. Mr. Chairman, my colleagues I hope that you will take the time before casting a vote on this important issue to read the two pages of the Michel amendment. If you will take the time to read it, you will find embodied within it inconsistencies and vague language which should not be enacted by this great deliberative body. Let me point out a few examples.

The Michel amendment does not define who the Nicaraguan democratic resistance forces are. We leave that entirely to the CIA or someone else to pick and choose those who will fight the cause for the United States in Nicaragua. There is no specificity.

The definition of "humanitarian assistance" which has been used over and over again is one that deserves reading. "Humanitarian assistance means the provision of food, clothing, medicine and other humanitarian assistance."

Did we not learn in grade school not to define a term by using the same term? This is at minimum a poor work product, or worse.

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The Michel amendment specifically repeals the Boland amendment which prohibits the United States from direct or indirect military involvement in Nicaragua.

The Michel amendment opens the door to deeper military involvement by the United States with the exchange of information unspecified and in my own mind the type of term that is subject to mischief by the same group that brought us the mining of the Nicaraguan harbor.

The Michel amendment only urges the President. This is a strong letter we are sending the President, no more. It urges the President to implement the Contadora process, to consult with other nations and resume bilateral negotiations with the Sandinistas; no requirement that that be done.

There is no requirement that if we find flagrant human rights violations on the part of the Nicaraguan democratic resistance forces that we cut off their aid, none whatsoever.

Finally, there is the open door at the end of the amendment which allows the President to come back to Congress and ask for additional assistance to help the Nicaraguan democratic forces and this assistance is not limited to humanitarian assistance. It only says additional assistance, which could be military or humanitarian, depending on the President's request, and then we limit our power to debate that request.

Calling the Michel amendment humanitarian assistance is a cruel hoax, not only on this Chamber, but on the American people.

The $27 million sought by the Michel amendment is not humanitarian assistance. It is military assistance which will only serve to prolong the conflict, pain, and suffering of the people of Nicaragua.

The amendment goes far beyond corrupting the term "humanitarian." It marks a dramatic departure of our foreign policy. The administration policy in Nicaragua is rife with inconsistencies and contradictions.

We claim to respect the sovereignty of nations when we establish diplomatic relations, yet we have diplomatic relations with Nicaragua, while the administration asks us to fund the overthrow of their government.

We pledge our support to free enterprise in Nicaragua, while we impose an embargo which threatens the middle class in that country more than any Communist dogma.

We pledge our loyalty to our allies and our commitment to regional solutions, but we pursue the administration's policy despite the overwhelming opposition of our allies around the world.

We speak forcefully of the threat of communism in Central America, but find our neighboring democratic nations in the region opposed to our escalation of the military conflict there.

We are critical of countries around the world which violate the principles of civilized nations and international law, yet the challenge of Nicaragua has drawn this administration to disavow the jurisdiction of the World Court, to impose an embargo in violation of our own law, to support the so-called freedom fighters in violation of our own Neutrality Act, and to ignore the provisions of the OAS Charter which forbid intervention in the internal and external affairs of any other state.

The administration's policy and the Michel amendment not only violate domestic law in the United States and treaty provisions which we have solemnly ratified; the administration's policy in Nicaragua deprives us of our most compelling weapon in the family of nations, adherence to the rule of law and to the rule of reason.

Mr. Chairman, I now yield to the gentleman from Illinois [Mr. HYDE].

Mr. HYDE. Mr. Chairman, I thank the gentleman for yielding. I appreciate the gentleman's remarks.

I would like to inform the gentleman that Nicaraguan resistance is the Nicaraguans who have taken up arms against the Sandinistas and are engaged in armed resistance. That is the definition used by the senior Senator from Georgia in the other body, and if it is good enough for him, it is good enough for us.

Mr. DURBIN. Reclaiming my time, Mr. Chairman, yesterday one of the comandantes, Comandante Zero, Eden Pastora, came to Washington and asked that he be included in. Clearly, the definition is not broad enough to make it clear that he will be included in the $27 million largess sent to the so-called democratic resistance forces.

Mr. McDADE. Mr. Chairman, in view of the comments of my distinguished colleague, the gentleman from Illinois, I am constrained to yield myself about 30 seconds, because there are more inaccuracies, in my judgment, in that statement than I have heard in 24 years as a Member of the House of Representatives. I know my friend is not given to doing that.

The amendment that we are offering does not appeal outright the Boland amendment. That is clear to anybody who reads it. It restates it.

The amendment in section 105 cannot conceivably be construed as an attempt or an effort to say that the President of the United States can come back and ask for more war material. It is an effort to say to the nations of Central America, stop fighting and we will come back as a Congress if we approve it and we will send you assistance to try to rebuild your infrastructure, rebuild your nations, and into the 20th century.

Mr. EARLY. Mr. Chairman, I yield 5 minutes to the gentleman from Massachusetts [Mr. STUDDS].

(Mr. STUDDS asked and was given permission to revise and extend his remarks.)

Mr. STUDDS. Mr. Chairman, I have a prepared statement, but I think I am going to dispense with it in large measure because the more I listen to this debate, the more I have concluded that the precise wording of the various propositions before us is nowhere near as relevant as what every Member of this House on both sides of the aisle knows perfectly well we are here to debate. It is a traumatic experience for us to return here from our homes, certainly in my case from Cape Cod, to hear and to be reimmersed in this dialog which I really think sometimes was written by Lewis Carroll.

Let me just take you through some of what we have been told here. In 1927, Will Rogers said, and I quote: "Where is Nicaragua and what the hell are we doing there?" If Will Rogers were alive today, I think we would hear him ask much the same question in a more pleading kind of way.

We really do need Lewis Carroll. What are the freedom fighters up to today? I think the quotation marks have been dropped from the phrase freedom fighters now. The President and his supporters have managed to get that assumed in the English language. They are, we have been told, the moral equivalent of the Founding Fathers and the French resistance, but do not be surprised this week that the President says these freedom fighters are not out to overthrow a government. They do not seek to overthrow a government at all.

Well, what do we hear in today's Washington Post? One of the leadership on the Republican side characterizes the Boland amendment or the attempt to extend the Boland amendment, which says you should not overthrow a government and you cannot have American aid to do it, as a killer amendment.

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Up is down, black is white, war is peace, in is out.

The effort to say you cannot use more money for military aid is a killer amendment.

What do our friends on the other side of the Capitol say? Last week in the process of giving the President, as usual, everything he asked for, they said, among other things, "* * * and, by the way, Mr. President, not only is here your $34 million for humanitarian aid to be distributed, of course, through that best known of all the world's humanitarian organizations, the Central Intelligence Agency," and where else, may I ask you, than on the other side of the Capitol could that be said without hysterical laughter? Not only did they say "OK, here is all you want," but they said, "By the way, Mr. President, if you think it is necessary to send American troops, don't bother calling us."

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By more than 2 to 1 the other body rejected an amendment that would have called upon the President to inform the Congress before deciding to introduce American combat forces in Central America. If there is any doubt about the irrelevance of the other body, they reasserted it for themselves in that vote. But, incidentally, they did not say to the President, "By the way, don't bother to tell us if you have to send freedom fighters into Guatemala." They did not say anything about sending freedom fighters to Chile or sending freedom fighters to the Philippines or to South Africa.

"Where is Nicaragua," in the words of Will Rogers, "and what in the hell are we doing there?" What is going on here?

Members know perfectly well what is going on here. Humanitarian assistance, in quotes, "humanitarian assistance" through the CIA.

Members are appalled and apparently personally affronted that Mr. Ortega went to Moscow. In this very Chamber tomorrow we will be hearing from another head of state who went to Moscow very recently, the President of India, and he came back from Moscow with a heck of a lot more money than Mr. Ortega did. But he will be accorded, I suspect, the respect he deserves as the head of a sovereign nation when he addresses this body tomorrow.

We know perfectly well what is going on here, Mr. Chairman, Republicans and Democrats alike. What is going on here is that the request of the President has been adjusted and readjusted and tinkered with just enough to get what they perceive to be and hope to be a bare majority of this House, and whether one hangs that vote on one's personal affront or insult by the President of Nicaragua, or whatever else one does, the fact of the matter is that what we are being asked to vote on here today is whether or not we will give our assent, as the other body did last week, to the policies of this administration which seek the violent overthrow of a government with whom this Nation is not at war, which is in addition to being an illegal policy, a horrendously stupid policy which will not work.

Mr. Chairman, the Hamilton substitute is wiser both in symbol and substance than the alternative presented to the House today by the minority leader.

The Hamilton substitute is premised on the view that U.S. policy toward Nicaragua, like the policy of Nicaragua toward its neighbors and toward its own people, should change. For the truth is that errors have been committed on both sides; since 1980, the policies of both governments have been unimaginative, in many respects illegal, ineffective in serving national goals, inhumane, and insensitive to the lessons of history.

The Hamilton substitute makes demands upon both governments. It calls upon Nicaragua to live up to its own past promises and to its present pretentions. In 1979, the revolutionary junta promised a democratic government, a nonaligned foreign policy, and respect for human rights. In 1983, the Sandinista government embraced those principles again by accepting the 21 objectives to be sought through negotiations at Contadora. In 1984, the Sandinistas signed a draft Contadora agreement that, if approved, would seriously limit their future ability to pose a military or foreign policy threat to anybody. Our policy, the substitute says, should be to transform these promises into legal obligations by providing real U.S. support for a regional peace agreement through the Contadora process.

But in addition to dealing realistically with Nicaragua, the Hamilton substitute also recognizes two characteristics about U.S. policy toward Latin America that the history of this century has shown us over and over again are true: that the United States can contribute greatly to the construction of democratic institutions in this hemisphere; but that we can never engender respect for democracy if we use methods wielded more comfortably and competently by tyrants than by the United States.

The debate in this Congress over U.S. policy toward Nicaragua should not be dominated by the distinction between various types of aid that might be provided to the Contras; nor need we spend much time looking for new adjectives to describe the travels of Daniel Ortega.

For the real question before Congress is whether, for reasons of history, principle, humanity, effectiveness, and commonsense, the time has now come for the United States to shift from a policy based on unilateral acts of military and economic intervention to a policy based on building a strong regional consensus for appropriate action with respect to Nicaragua.

Neither U.S. aid for the Contras, nor the U.S. declared economic embargo have yet, nor will likely in the future, produce the changes in Nicaragua that we, and many of our friends in the hemisphere, would like to see. For the fact is that U.S. policy toward Nicaragua will continue to fail, as long as it remains simply a U.S. policy.

This is true because the opposition to the Sandinista government will never accrue the credibility and the support it needs to make progress if it is perceived, accurately, to be dependent for its success, and even for its very existence, on the material resources and foreign policy of the United States. Latin American Governments will not respond to our concerns about Nicaragua, if we do not respond to theirs about the importance of international law, especially the principle of nonintervention, and if we insist on supporting anti-Communist forces simply because they are anti-Communist, whether they embrace democratic and socially progressive values or not.

The unilateral approach to Nicaragua is a distraction; it focuses world attention on our mistakes—the mining of harbors, the CIA manual, the murders by the Contras—while it shifts the spotlight from the broken promises of the Nicaraguan revolution. The result is that when Daniel Ortega travels, not just to Moscow, but to Spain, to France, to England, to Brazil, to Peru, to Mexico, to Venezuela, and to Panama; he is able to attack the excesses of our policy instead of being forced in a serious or meaningful way to confront the shortcomings of his own government. The fact is that American policy is stronger if it stays within the law. Only then will it have the support of the people and governments of Latin America; and only then will it have the understanding and backing of the American people. It is for this reason that the substitute would continue the Boland prohibition on military aid to the Contras; while specifically reserving America's right to take action, should that ever become necessary, through the regional defense mechanisms established by the OAS.

The policy put forward by the Hamilton substitute—if embraced by the Congress—will work. It will not transform the Sandinista directorate into the League of Women Voters overnight, but it will harness the democratic sentiments of this hemisphere in support of an American policy that is legal, democratic, and determined to influence the foreign and domestic policies of Nicaragua for the better, not through unilateral military or economic intervention, but through the creation of a regional consensus in support of democratic change.

Such a policy is fully consistent with the national security interests of the United States. For we face no threat from Nicaragua that can not more readily be countered by a regional approach than by the failed unilateral measures of the past 4 years. And this policy has other advantages, as well; it does not point the United States directly toward war in Nicaragua; nor does it indicate indifference to the violence that has killed almost 100,000 Central Americans in the past 7 years, the vast majority killed not by Communist forces, not by Bulgarians, or North Koreans, or Soviets, or Cubans, or Sandinistas, or the PLO, or the hordes of South Yemen; but by those who describe themselves as anti-Communists, and as defenders of freedom, and as allies of the United States.

I submit that we must, as a country, pick our own friends; we must identify those truly allied to the principles and ideals upon which our country was founded; and I submit that those

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friends reside now throughout Latin America, within the Contadora countries, within other democracies like Costa Rica, Argentina, Peru, Honduras, and Brazil, and that some exist, as well, among all parties to the present conflict in Nicaragua. We need not fear the Democrats of Latin America, though they may react more calmly than some of us to the events of their region. They are not our enemy; on the contrary, they are the hemisphere's greatest strength, it is on their side we should come down; and it is in them that we should place our trust and our support.

This is the approach recommended in the substitute today by Mr. HAMILTON. It articulates a real policy option for those who have feared in recent months that there would be no coherent alternative to the policies of President Reagan. I applaud the authors of the substitute, and I urge its adoption.

Mr. McDADE. Mr. Chairman, I am pleased to yield 5 minutes to the distinguished gentleman from Louisiana [Mr. MOORE].

(Mr. MOORE asked and was given permission to revise and extend his remarks.)

Mr. LAGOMARSINO. Mr. Chairman, will the gentleman yield?

Mr. MOORE. I yield to the gentleman from California.

(Mr. LAGOMARSINO asked and was given permission to revise and extend his remarks.)

Mr. LAGOMARSINO. Mr. Chairman, I rise in support of the Michel-McDade-McCurdy amendment.

I ask my colleagues, "What are we trying to achieve in Central America?"

Isn't it democracy, economic development and the security of our allies?

What threatens to block our achievement of those goals?

Isn't it the deliberate, orchestrated campaign of forces external to this hemisphere?

There should be no doubt in anyone's mind that the Sandinista regime represents a force for expanding Marxist-Leninist control in this hemisphere just as the Castro regime in Cuba was 26 years ago. What Castro learned about spreading Communist revolution set the example for the Sandinistas in Nicaragua.

Adriana Guillen, a former Sandinista official who resigned from the Government in February 1980, appeared as a witness before the Western Hemisphere Subcommittee in March 1983. Her testimony described the direct links between the Sandinistas, Castro's Cuba and the Soviet bloc. I would like to remind my colleagues of some of the things she told our subcommittee:

> I formed part of a Nicaraguan mission . . . which visited Cuba in October 1979. . . . Cuba's Minister of Culture Armando Hart . . . told us that the Cuban plan for Latin America was to open an ideological front through Nicaragua. Our mission was to form an ideological front that would spread the Sandinista ideology toward Latin America, since Cuba could not do it because of its open identification with Marxist-Leninism. But using the figure of Sandino, our national hero, who defeated the U.S. Marines, we could influence the Latin American national liberation movements. Hart was very clear in telling us, that when we defined Sandinismo, we should be careful not to identify it with Marxism-Leninism, so that we would not lose the attractive potential that Sandino has in Latin America.

Adriana Guillen then quoted Minister of Defense Humberto Ortega who said in August 1981:

> We guide ourselves by the scientific doctrine of the revolution, by Marxism-Leninism. Without Sandinismo we cannot be Marxist-Leninist, and Sandinismo with Marxism-Leninism cannot be revolutionary.

Nicaraguan President Daniel Ortega's trip to Moscow received a great deal of attention. But, a trip to Moscow by Sandinista leaders in May 1980 did not receive the same attention. According to Mrs. Guillen's testimony, and I quote:

> Moises Hassan, Henry Ruiz and Carlos Coronel traveled to Moscow and signed a treaty between the FSLN and the Russian Communist Party. At this time, the Soviets designated a Bulgarian mission as the intermediary between Moscow and Managua. Nevertheless, the FSLN would only obtain assistance under the condition that it would push forward the plans of the Bulgarian team. While this happened, the Russians would give the FSLN 80 percent military help and 20 percent economic help. The Sandinista front committed itself to spreading Soviet influence over the Central American region. Once accomplished, the help from Moscow would be 20 percent military and 80 percent economic.

In February 1980, I received a letter from a Nicaraguan who was held as a political prisoner for 4 months by the Sandinistas. At the time of the debate on aid to Nicaragua, I read that letter to my colleagues, and I would like to read it for you again:

Letter from Alberto Rivas follows:

> HOUSTON, TX, *February 26, 1980.*
>
> Representative ROBERT J. LAGOMARSINO,
> *Longworth Office Building,*
> *Washington, DC.*
>
> DEAR SIR: In November 1979 you had occasion to visit Nicaragua on Congressional business. At that time I was a political prisoner in Leon, Nicaragua's second largest city. I wrote you a letter smuggled out of jail, asking your help in obtaining my release. I know you made efforts on my behalf and this letter is to express my thanks to you.
>
> Since then, I have obtained my freedom and am back in the States trying to start over again. Our properties in Nicaragua are still illegally in the hands of government led armed rabble, and we have no hope of ever recovering them as long as Nicaragua is under a Marxist dictatorship.
>
> I have heard that Congress is debating the aid to Nicaragua bill, and this makes me wonder what the effect will be of giving our money to a government who hates the United States, who is communist and under the influence and control of the Castro regime in Cuba. I say this because while I was in Nicaragua for six months (four of those in jail) those things were obvious to me. The Sandinista Anthem has a line that says "We fight against the Yankee, enemy of Humanity"; while in jail, we got frequent lectures stressing that the U.S. is the enemy of the Nicaraguan people, and that Cuba is the country who helps Nicaragua the most; after I got out of jail on December 22, 1979, I was able to observe the large number of Cuban Army personnel who have come into the country.
>
> Once again I want to give you my thanks for your concern and offer my help to you in whatever I can do to combat this communist menace that is in our back porch.
>
> Sincerely,
>
> C. ALBERTO RIVAS.

I remind my colleagues these are events taking place in 1979 and 1980. The character of the Sandinista regime was shaped from the very beginning of its existence, and that character is apparent in its export of revolution to the guerrillas in El Salvador.

The recent capture of documents from Salvadoran guerrilla officials include the following passages, taken from a letter addressed to the nine commandantes of the Sandinista national directorate in November 1983, shortly after the events in Grenada:

> We repeat that we consider the present situation critically dangerous for the immediate future of the revolution in Central America, particularly in terms of retaining power in Nicaragua and maintaining the possibility of victory in El Salvador. . . . We repeat the importance that we attach to showing our peoples and the world that the FSLN [the Sandinistas] and FMLN [Salvadoran guerrillas] are indissolubly united in defending revolutionary conquests and resolved to expand them, even when that means direct confrontation with imperialism.

The expansion of "revolutionary conquests" is the goal of Marxism-Leninism, and it is represented by the Sandinista regime in Nicaragua.

So, we come, once again, to the central issue of what should be the U.S. policy toward Nicaragua.

Our policy must stop the expansionist goals of the Marxist-Leninist regime in Nicaragua. But, if our interest is not to have to send U.S. military forces to the region—and I believe that to be the case—then we should seek an alternative that counters the aggressive intentions of the Sandinistas in the most effective way. I believe the best means to counter the Sandinista threat is to force them to abide by their promises to the OAS. In 1979 for free elections, economic pluralism, and protection of human rights.

To do that, then, means following the recommendation of the National Bipartisan Commission on Central America, which states as follows:

> The majority of the members of the Commission, in their respective individual judgments, believe that the efforts of the Nicaraguan insurgents represent one of the incentives working in favor of a negotiated settlement.

That means supporting the democratic resistance in Nicaragua in its effort to get the Sandinistas to engage in a dialog that will provide for the transition to a fully functioning democracy. Without resistance to the expansionist goals of the Sandinistas, there can be no hope of forcing them to negotiate.

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As the Commission stated:

> We do not believe that it would be wise to dismantle existing incentives and pressures on the Managua regime except in conjunction with demonstrable progress on the negotiating front.

I urge my colleagues to support the Michel amendment and, in so doing, support the goals of promoting democracy, economic development, and security in Central America.

Mr. MOORE. Mr. Chairman, in looking over the debate that occurred last month on the Michel amendment, something struck me as having been missed in that debate, and that was a discussion of what are we doing to the Monroe Doctrine. What did we do last month? What are we about to do this month?

I happen to believe that doctrine has served this Nation well for 160 years. I also happen to believe that doctrine is in jeopardy by the decision made last month on the Michel amendment and may be by the one we make in this House today.

Therefore we ought to ask ourselves why. What has changed? What has changed? Why should we abandon the Monroe Doctrine? What is the problem and what is the reason? Why the change?

Our Presidents have not changed. I would like to quote first the President who was the author of it. President James Monroe in a message to the Congress in 1823 said:

> We owe it, therefore, to candor and to the amicable relations existing between the United States and those powers to declare that we should consider any attempt on their part to extend their system to any portion of this hemisphere as dangerous to our peace and safety.

And then in 1961, in his Inaugural Address, President John Kennedy said:

> Let all our neighbors know that we shall join with them to oppose aggression or subversion anywhere in the Americas. And let every other power know that this hemisphere intends to remain the master of its own house.

Then in 1983, 160 years later, President Ronald Reagan said in a speech before this Congress:

> In summation, I say to you that tonight there can be no question; the national security of all the Americas is at stake in Central America. If we cannot defend ourselves there, we cannot expect to prevail elsewhere.

And so our Presidents have not changed for 160 years. They have been consistent. Our policy has not changed either. We have been consistent there too. The other body has not changed. It has been voting correctly on this problem.

Certainly the threat to the United States and the Americas has not changed. In my opinion the threat is more real today by virtue of Communist Cuba and Nicaragua and the activities supported by them than we have ever seen in the Western Hemisphere. And I submit that those people who ignore this threat or who do not see it are the Neville Chamberlains of our day.

Neville Chamberlain thought he could appease Hitler and gave away Austria and Czechoslovakia. He was no more successful than we will be in appeasing the Communists by letting Nicaragua and El Salvador go to them. It did not work then; it will not work now. And those who do not study history are doomed to repeat it. And that is the mistake this House made last month and it must not make again today.

So what has changed? Our Presidents have not changed, our policy has not changed, the threat has not changed. What has changed?

Only this House. Only this House has changed, and changed by a mere two votes. This House walked away last month from the Monroe Doctrine by defeating the Michel amendment and did so by only two votes. And I submit that the House was wrong, not our Presidents, not the other body, not the policy, and certainly not our concern for the threat. It is the House that is wrong.

That wrong has to be righted. Our Presidents are right, our policy is right, our concern is right, the other body is right. Only this House is wrong.

What reason is there for the change? The change, the reason for the change I heard a moment ago is because we ought to use "restraint." That is what Chamberlain thought.

Those who use restraint against communism simply give them encouragement and accomplish little else.

In my opinion we have the opportunity today to erase that change that the House tried to make last month, to right that wrong they made, to restore the Monroe Doctrine, and we do that, my colleagues, by voting for the Michel amendment, and to reject all other amendments. We must once again set the record straight that the House of Representatives is in keeping with our Presidents, our policy, the other body, and that we intend to restore the Monroe Doctrine. You can do that today by voting for the Michel amendment.

Mr. GEJDENSON. Mr. Chairman, will the gentleman yield?

Mr. MOORE. I yield to the gentleman from Connecticut.

Mr. GEJDENSON. I would just ask the gentleman as he has taken a look at history not to forget that some of the failures of this kind of policy have led to even worse situations. Does the gentleman think that this policy is going to change the government of Nicaragua?

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Will it bring down the government?

Mr. MOORE. I reclaim my time and answer the gentleman by saying that 160 years of the Monroe Doctrine have served us well. The gentleman has given me no evidence to change that policy today.

I submit the House, in trying to make such a change, is wrong.

Mr. EARLY. Mr. Chairman, I yield 3 minutes to the gentlewoman from California [Mrs. BOXER].

Mrs. BOXER. I thank the gentleman for yielding.

Mr. Chairman, just a few weeks ago this House voted against funding for the Contras. We decided against Contra funding because we felt it is against American tradition to fund a private army whose goal is to overthrow another government. We felt it is against American tradition to foster killing of civilians. We felt it is against American tradition to abandon the strength of our ideas and replace them only with the strength of our arsenal.

Just a few weeks later we are again facing another Contra vote. Why? It is because Daniel Ortega went to Moscow.

Now, I am not happy about any nation turning to the Soviets for economic help, but that does not change the Contra issue.

The President, our President, calls the Contras freedom fighters. Who are these Contras? The vast majority are former Somoza men who never believed in freedom.

To give so-called humanitarian aid to an inhumane army is a perversion of American morality.

America's Watch reports, and I have the report here, and I am going to give you an example, that Yamileth Sevilla, 4 months pregnant, was killed at a state-owned coffee farm by the Contras. She was wounded first, her face shattered by a grenade, a deep knife wound in her side with the unborn fetus protruding.

Many other unarmed civilians were slaughtered by the Contras with their throats cut.

Ugly, yes; but we must face this. Sure there is violence on the left, too, which America's Watch states and documents is decreasing; but violence on the left and violence on the right must stop. The way to stop it is not by supporting a private, brutal army who wants to overthrow a government of a country the size of Iowa, but by doing what America does best, negotiating a peaceful settlement with the democratic Contadora nations taking the lead.

The way to stop this violence is to support the Boland amendment, the Gephardt amendment, the Hamilton amendment.

Let us not have the blood of the innocent on our hands and let us not escalate the involvement of American troops in Central America.

Mr. Chairman, I say vote against the Michel amendment.

Mr. McDADE. Mr. Chairman, I am delighted to yield such time as he may consume to my distinguished friend

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from New York [Mr. KEMP] a member of our committee.

Mr. BROOMFIELD. Mr. Chairman, will the gentleman yield to me?

Mr. KEMP. I am happy to yield to the gentleman from Michigan.

Mr. BROOMFIELD. I thank the gentleman for yielding.

Mr. Chairman, I rise in strong support of the amendment before us.

Mr. Chairman, the Michel-McCurdy approach is the minimum we can do to show that we have not forgotten democracy in Central America.

We are talking about $27 million to make a barebones effort at keeping the forces of democracy alive in Nicaragua.

We have spent more than that for toilet seats, screwdrivers, and ashtrays without batting an eye.

Yesterday, with very little debate, we approved $2 billion for two countries in the Middle East. And, this was a bonus added to the regular funds appropriated under the Foreign Assistance Act.

Mr. Chairman, we are talking about peanuts here.

In 26 weeks that this body has been wringing its hands about what we should do in Nicaragua, President Ortega, the Communist dictator of Nicaragua, has been to Moscow and Eastern Europe and back with promises of nearly $300 million in aid from his Communist comrades.

Yet, we are afraid we might be overreacting by giving those who are willing to die for a cause that is fundamental to Americans a piddling $27 million.

We all know what is at stake. We can all look at a map and see just how close Nicaragua is to our borders. We have heard the speeches by Ortega and others about their plans for spreading communism across Central America. We know the Soviets are deeply involved in those plans.

Yet, some Members have been quoted as saying they won't be able to get serious about the administration's policies until Soviet Migs and guided missiles show up in Nicaragua.

Well, Mr. Chairman, all the Soviets are looking for is a little encouragement from us. We gave it to them when we failed to act in April, and the Soviets promptly raised the stakes by inviting Mr. Ortega to come to Moscow with a shopping list.

They will do it again tomorrow if this body waffles again today. The choices before us are hardly calculated to intimidate anyone.

One amendment which will be offered shortly proposes that we cop out entirely for the next 6 months and then take another look at the situation. In a way, it's a kind of bargain with Ortega that we'll take away the freedom fighters' supplies and look the other way for 6 months while he sees if he can wipe them out once and for all.

Another amendment will offer to feed and clothe the democratic forces if they will only lay down their arms, flee the country, and join a U.S.-sponsored soup kitchen outside Nicaragua.

This amendment, minimal as it is, is the only hope for those patriotic Nicaraguans sincerely seeking to win back the revolution that was stolen from them and establish democracy in Managua.

It offers a mere $27 million to the freedom fighters in nonlethal, humanitarian assistance, the barest minimum to keep them going. Look for a moment what they are up against. The Nicaraguan Government is already armed to the teeth and ready to roll over any opposition.

Let's briefly look at the Sandinista military apparatus. They have a military capability far greater than any other Central American nation, and indeed, all Central American nations put together.

Between 1984 and 1985, the Sandinista active duty force grew by 30 percent to a total of 62,000 personnel. During that period, their armored personnel carriers and tank inventory increased from 240 to 340 units. They have added a new radar air defense system and have obtained MI-24 attack helicopters, some of the most sophisticated in the world.

In April of this year, Congress voted again on the question of aid to the Contras. The plan to provide assistance lost by a mere two votes. Again, the same old arguments were heard about the real and honorable intentions of the Sandinistas.

When the final vote was tallied, the Contras got absolutely nothing. Congress refused to approve $14 million for people resisting Communist domination of Nicaragua.

A few days later, Comandante Ortega marched off to Moscow and Eastern Europe. There, he received promises of $200 million in assistance from his Communist mentors. On that very day, a Soviet ship unloaded more than 14 million dollars' worth of helicopters, East German trucks, and other military equipment at the Nicaraguan port of Corinto.

And, my friends, what are we doing? We are sitting here debating the issue again. Many of those countries believe the United States is out of the picture and can no longer influence the future of Central America.

Castro has reportedly told the Sandinistas that when the armed resistance is eliminated, the Sandinista revolution will spread throughout Central America. They believe and practice the doctrine of aggressive subversion.

I am not ready to abandon Central America to the Sandinistas and their fellow travelers. To me, a vote against the Contras is a vote in support of the spread of communism in that nearby region.

Are we ready to help the growth of democracy in Central America, or are we going to open the door for another Cuba in this hemisphere?

All of us want a democratic Nicaragua. The Contras, not the Sandinistas, represent the force of real democracy in that country. They deserve our strong support. Let me close with a quote from a recent speech by the Secretary of State. He said:

> We confront a fundamental challenge, a challenge to our national interests and to the freedom and security of our neighbors.
>
> Our goals in Central America are clear. We seek peace, security, economic progress and the growth of freedom and democracy in every country.

Let us listen to the lessons of history. Let us avoid repeating the mistakes of our own past. The choice is clear. The democractic forces in Nicaragua need our support. Humanitarian aid to them is the answer. Support for the peace process is also critical.

I call upon you to join me in this effort to lend a helping hand to those who believe in freedom.

Mr. KEMP. Mr. Chairman, I rise in strong support of the McDade-McCurdy-Michel amendment and ask my colleagues to remember what has happened since April 23 when we turned down an attempt to get assistance to the democratic resistance in Central America.

I think back to our missed opportunity on April 23, and what that has meant for our friends and allies in the region. On that date, this House voted to cut off all U.S. support for the democratic resistance—and decided instead to do nothing.

In the wake of this vote denying $14 million in supplemental aid, the Communist government in Nicaragua promptly sent its congratulations to the House of Representatives for defeating the President's request. In the flush of victory, Daniel Ortega flew off to Moscow, where he was rewarded with $200 million or so in additional aid.

That shameful do-nothing vote gave encouragement to the Sandinistas that we're not serious in opposing them, demoralized the resistance fighting for their very lives, and frightened our allies into questioning our commitment to their defense.

Since that time, Costa Rica has been under a direct frontal attack and Costa Rica, a friendly democracy, doesn't even have an army.

President Monge was recently on television to tell of his efforts to transform his police force into an army so they can defend themselves against the Communist regime in Nicaragua.

President Suazo of Honduras has made it very clear publicly and privately that support to the Contras is essential to reducing the attack by the Communist regime in Managua against Honduras. And, of course, President Duarte of El Salvador has made it equally clear that it is essen-

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tial that assistance be given to the resistance forces in Nicaragua to help prevent the export of revolution to El Salvador in the form of assistance to the Communist guerrillas fighting there.

Make no mistake about it; there is a war in Central America. It is exported and supported by Cuba and Moscow; it is a war not of ideas but a war of guns and bullets, of totalitarian power and aggression, the types of things that we must resist by giving assistance to the Contras.

In the United States, there is a war of another kind going on. From the Sandinistas' point of view, this has been a hotly contested propaganda war, and they are encouraged that the issues have become as confused and clouded as apparent from the action taken in the House. Developments like Ortega's trip to Moscow do help put things back in perspective. But to paraphrase Charles Krauthammer, we really shouldn't need to see Ortega's travel plans to know where Nicaragua is going.

If, as we've done, we can reach a bipartisan consensus on the need to help El Salvador and Costa Rica and Honduras and the other countries of the region defend themselves, then we should not remain divided on the central question of what to do about Nicaragua. So long as the Nicaraguan Government remains free to continue its weapons buildup and to promote subversion against its neighbors, the security of all nations in the region will be threatened. All our efforts to bring peace and democracy to El Salvador, Honduras, and Costa Rica will come to naught if we create a sanctuary next door—guaranteed by congressional legislation—for those who bring war and totalitarianism to Central America.

Having served on the Kissinger Commission, the bipartisan commission on Central America, having traveled throughout Central America, having been in Managua meeting Daniel Ortega and Miguel Descoto and other leaders of the Marxist government, I am absolutely convinced that the Nicaraguan Communists are interested in one thing and one thing only, and that is extending this revolution to neighboring countries and throughout Central America. That is basic Marxist-Leninist doctrine—that's just being a good Communist government.

On April 23, Congress made a big mistake. Congress said we are not interested in what happens in Central America but we have to be interested. We can't turn our back. The bipartisan Kissinger Commission made it very clear that we had to give aid both economic and humanitarian as well as military assistance to El Salvador. But we made it equally clear on a bipartisan basis that we had to give assistance to those forces in Central America who were attempting to bring about a true democratic revolution in Nicaragua, that support for the Contras was the only way, at this moment, of stopping Managua from exporting revolution.

Are the Contras perfect? Assuredly not. We have not asked the Afghan freedom fighters if they are all Jeffersonian democrats. We are giving assistance to Kampuchea rebels and no one has asked what their Jeffersonian democratic credentials are in Kampuchea and Thailand. But we know intuitively as well as from historical experience that this country should be on the side of democracy and freedom and those principles that are so important to us here in the United States as well as throughout the world.

Someone said this is unprecedented but it's hardly unprecedented. In 1947 and 1948, it was this country that helped the democratic forces in Greece and Turkey to expel the Communist movement from the southern flank of what is now NATO. There would not be a NATO if there was not a Communist threat in that part of the world. The Truman doctrine, providing aid to Greece and Turkey, along with the NATO alliance and the Marshall plan, reflected a recognition that both economic and security needs had to be met in tandem if Western Europe was to preserve the freedom so preciously won. In an act of both generosity and self-interest, we helped rebuild the economies of Europe, we helped secure democracy in Europe, and the NATO alliance is stronger today than it has ever been before, thanks to this President and our support on bipartisan basis throughout the last three or four decades.

Now the threat is in our own hemisphere. Now the threat is in Central America. Our response must be the same as it was on a bipartisan basis in 1948. I found a new alliance for our hemisphere, with friends and allies in our hemisphere to preserve and promote freedom and self-government.

I am confident that if the men and women on both sides of the aisle who were here in 1947 and 1948 were here today, they would respond to the challenge and the opportunity to build up the centrist forces in Central America, those forces who are for democracy and freedom. I think that was the message of the Kissinger Commission. I think that is the opportunity before us today, to vote for the McDade-Michel-McCurdy bipartisan attempt to send a signal of our support, and to give material assistance to those men and women who are fighting for those things that are precious and dear to all of us.

I ask all of my colleagues to support on a bipartisan basis an amendment that I wish was stronger. I think many of us do wish that we were providing military assistance and not just humanitarian.

The amendment introduced by Republican leader, Mr. MICHEL and my colleagues, Mr. McDADE and Mr. McCURDY, is far from an ideal bill. It does not provide enough aid, it does not provide the right kind of aid, it does not involve the appropriate administrative agency. But it does symbolize our support for the men and women of the resistance forces in Nicaragua. Its adoption would be a clear statement of our sympathy for the cause of freedom. And it would be a step in the right direction, toward the restoration of bipartisan support for a pro-freedom policy in Central America.

It is equally clear that if the House of Representatives rejects even this modest amount of purely humanitarian assistance, we would be abandoning principles of action that have guided American policy throughout the history of our proud Nation.

I strongly support what Mr. McDADE and Mr. MICHEL are doing and I ask my colleagues to give overwhelming support to it.

It should be clear to everyone, that the Hamilton-Barnes amendment is the very same do-nothing resolution they offered in April: No help for the resistance, just international refugee aid. This is worse than no support for the resistance: It specifically excludes from our help those men and women who are risking the most in the cause of freedom.

Lets repeal the Boland amendment, defeat the Gephardt amendment and send a strong signal to Central America and the world that the United States is a reliable ally, a friend of freedom and democracy and a great power interested in helping shape a world order that enhance the values and ideas in which our revolution took place over 200 years ago.

Mr. EARLY. Mr. Chairman, I yield such time as he may consume to the gentleman from California [Mr. DYMALLY].

Mr. DYMALLY. Mr. Chairman, I rise to voice my strong opposition to the Michel amendment. Only a few weeks ago the House worked up the courage to vote down both direct and indirect funding of the effort to overthrow the Government of Nicaragua. Now, largely because the elected president of that country visited Russia to seek funding crucial to the well-being of the citizens of that country, we are reconsidering our vote. United States officials certainly had no intention of providing Nicaragua with the aid it needed. Did we really expect that in return for our votes Nicaragua was going to roll over and play dead economically?

The fact that Daniel Ortega was going to Russia was no secret even before our vote. State Department officials knew. So did Members of the Senate. People in Washington have been calling that visit a betrayal of those who voted against sending more money down there. There is another way to see that visit. Our country has done everything short of outright invasion to hurt the economy of Nicaragua. Daniel Ortega was driven out of necessity to seek aid where he could find it.

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Our trade representative was in Russia recently. Are we going to impose sanctions on ourselves? Mexico, Panama, Venezuela, Brazil, Jamaica, Costa Rica, Ecuador, and Colombia also get aid from Russia. Are we planning on sending logistical aid to their enemies?

A few weeks ago, the Congress made a correct decision. It declined to continue directly or indirectly funding the overthrow of a government. Let us not be intimidated into reversing that vote. The American people do not support this aid money. So, who are we afraid of? Let us today begin to shape the right policy toward Nicaragua. Let us today cease actions which thwart the efforts of the Contadora countries to achieve lasting peace in Central America. Let us today throw our wholehearted support behind their efforts.

After we vote down this funding today, it is my hope that we can go beyond not doing something. It is my hope that we can take positive action to stabilize the Central American region. The way to do this is not by isolating Nicaragua from ourselves and other non-Communist countries, but by seeking boldly to open it up. Instead of continuing our present trade embargo, we should seek expanded trade. Far from forcing Daniel Ortega to chase Vice President BUSH down the corridors when they chance to be in the same place at the same time, let us have the meetings Ortega has repeatedly sought. We can work out our differences as civilized human beings. A country like the United States must surely be able to find more in its diplomatic bag than a big stick.

Some among us may fear that a no vote on the Michel amendment would appear to be a vote for Marxism in Nicaragua. I would just point out that in Nicaragua 40 percent of businesses are privately owned. That is a larger percentage than is to be found in France and Britain. Some among us also see a yes vote on the Michel amendment as supporting the President's strongly anti-Sandinista policy as embodied in his recently proclaimed economic embargo of Nicaragua.

To those who hold this view I would point out that if the embargo were to work it would hurt the middle class of Nicaragua, the business persons who are the strongest supporters of democracy in Nicaragua. It also hurts us because Nicaragua is one of the few countries with which we had a positive balance of trade. To further befuddle the matter, our allies, including Canada and Japan, appear to be stepping in to supply the goods that were lost to Nicaragua as a result of our boycott. I ask you not to try to sanctify one wrong policy decision by passing another wrong policy decision. Vote down the Michel amendment.

Mr. EARLY. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. MILLER].

□ 1210

Mr. MILLER of California. Mr. Speaker and Members of the House, I have spoken on this issue many times in the 10 years that I have been in the Congress of the United States. Most of the instances surrounding Nicaragua, those speeches have been in support of efforts to try to stop the excesses that have been ongoing in the country of Nicaragua with the support and the aid of the U.S. Government.

To stop the excesses by the Contras that were created by the United States, that were recruited by the United States, that were trained by the United States, for the purposes of inflicting harm on the Government of Nicaragua and now for the purposes of overthrowing the Government of Nicaragua.

Somehow I figure that this speech is a little bit different because this is not a time when the Congress seeks to stop the excesses, to stop the brutal and savage attacks by the Contras on the peasants and the civilians in Nicaragua, but this is the day when the Congress makes a determination of whether or not they will now join the Reagan policy.

This will be your first vote where you can come along and you can say that you want to join up in support of the Reagan policy, which is to continue to support the Contras which are continuing to fight to overthrow the Sandinista government.

Should you decide to do that, I expect that we will be here many times more, debating to increase the funding, to increase the support, to increase the supplies, because there is no evidence currently that the Contras can defeat the Sandinistas and while many on the other side of the aisle will talk about putting pressure on the Sandinistas, putting pressure on the Nicaraguan Government, the evidence is that the pressure is not on the Government; it is not on the Sandinistas. The pressure is on the peasants and the plain people of Nicaragua who reside in the north; people who are in the private sector, people who are simply living day to day; those are the people who are dying. Those are the people who are dying at the hands of the Contras who are supported by this Government.

That is the issue at this point. Daniel Ortega is not feeling the pressure. Mr. Ramirez is not feeling the pressure. The Sandinistas as an organization, as a political power are not feeling the pressure; it is the civilians that are feeling the pressure and the dying and the pain and the suffering.

So now, today, we decide whether or not to embrace a policy that defines no support among the nations of Latin America, a policy that finds no support among our allies other than those that we have bought and paid for, but we will go forward and embrace that policy.

I find that that is not acceptable and that we should not do it. I would hope that we would understand the motive of this policy: It is to make them cry uncle. It is to overthrow that Government. We ought not to go along with it.

I think what this says in fact is that those who support this policy have so little faith in the power of the United States, in the prestige of the United States, in the values of this Government, in the goals of our society, that what they are suggesting is that all political power comes out of the barrel of the gun, and the gentleman knows where those statements have come from historically around the world.

Not from those people who are interested in democratic forces, but that is what we have decided to do. We have decided that we would substitute the barrel of a gun for negotiations and for the values and the beacon that we set forth in the rest of the world. We decided that we now, if we go forward with the Michel amendment, that we are going to emulate the very worst of the forces, and if Nicaragua should so succeed and head down this road to Marxist-Leninist, what is it? What is the result?

The result is a sad tribute to the Soviet society, if that is the case; a sad tribute to a system that does not work; a sad tribute to a system that does not understand the rights of individuals, but they will stand alone in Latin America, and if we cannot pick our prestige and our power and what we stand for against that, without sending forth the forces of savage, brutal behavior, if this country is not strong enough to do that, then we are in far more serious trouble than our problems with Nicaragua, because we are suggesting that we cannot send forth that image anywhere else in the world.

I yield to the gentleman from Indiana.

Mr. BURTON of Indiana. I thank the gentleman for yielding. When you were in Managua, right after the last vote, you met with some of the Communist leaders down there and asked that other diplomats from the U.S. Embassy be removed from the room.

Would you care to convey to us right now what went on during that conversation with the Communist leaders?

Mr. MILLER of California. Yes. What Congressman BONIOR and myself told them was that we were upset about the continuation of the censorship on the freedom of the press. We told them we were upset about the continuation of the pressure on the private sector. We told them we were concerned about the relationship with the church, and we felt that they had to improve.

Mr. BURTON of Indiana. Why did you ask American diplomats to leave?

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The CHAIRMAN pro tempore (Mr. BEILENSON). The Chair recognizes the gentleman from Massachusetts.

Mr. MILLER of California. If the gentleman would yield additional time.

Mr. EARLY. I yield the gentleman an additional minute.

Mr. MILLER of California. It is very simple. I think from time to time we have a right to conduct direct conversations between parliamentarians, between leaders of different countries, and I find nothing inconsistent with that.

Mr. BURTON of Indiana. And that is why you asked American diplomats who were there to observe the meeting to leave?

Mr. MILLER of California. Yes, and they had no problem with that at all.

Mr. BURTON of Indiana. Thank you.

Mr. MILLER of California. They expressed no concern at all.

The CHAIRMAN pro tempore (Mr. BEILENSON). The Chair recognizes the gentleman from Pennsylvania [Mr. McDADE], who has 35½ minutes remaining.

Mr. McDADE. Mr. Chairman, I am delighted to yield 2 minutes to the distinguished gentleman from Missouri [Mr. SKELTON].

Mr. SKELTON. Mr. Chairman, I think we had better look at what we are dealing with here today. You know, a rose by any other name is still a rose, and those who are against the interests of the United States are still, by any other name, are still those against the interests of the United States.

Recently I had the opportunity to visit with the foreign minister of Nicaragua and when I was down there a little over a month ago, in my conversation with him I asked him if it were not difficult for a priest—as you know, he is a Maryknoll priest—if it were not difficult for a priest to deal with Marxist-athiests like the Russians.

He answered, "On the contrary, as a missionary, the sole Nicaraguan in the Maryknoll Order," he was "accustomed to working with unbelievers." And he said this, he said that "indeed, the Russians have demonstrated Christian charity by supplying that country with weapons needed to defend itself," and he added, he said, "The government would like to have even more weapons from the Soviets in the future."

That is the type of government we are dealing with. I compliment the authors of this bill, Messrs. McCURDY, McDADE, and MICHEL on the middle-of-the-road position that we have. It includes human rights safeguards, it holds the Contras to a high standard; it is humanitarian and not military aid.

Last fall there was a—I supported a temporary cutoff in the aid to the Contras to give peace a chance, and shortly thereafter we saw how the Sandinistas ran that election. Earlier this spring, this House failed to pass any sort of aid package to the Contras, and the day following, Daniel Ortega went to Moscow.

This extremely difficult and emotional foreign policy issue shows, as a result of this debate, that we are not over the Vietnam syndrome, but let us be quite honest about it: This is not Vietnam. Central America is not Vietnam. Our neighbors within our hemisphere is within our own sphere of interest, and we should pay attention to it and not liken it to those Vietnam ways of thinking.

Mr. EARLY. Mr. Chairman, I yield 4 minutes to the gentleman from New York [Mr. WEISS].

(Mr. WEISS asked and was given permission to revise and extend his remarks.)

Mr. WEISS. Mr. Chairman, there is a lot of talk in the Michel amendment and supporters of the Michel amendment about "humanitarian" assistance, but make no mistake about it, what we are really talking about today is giving Ronald Reagan a blank check at his will to drag the United States into war in Nicaragua. That is what this debate is all about.

Before proceeding further, let me say for myself and I think for a lot of Americans, the reason that we are not already deeply enmeshed in direct military involvement is because of the courageous stand which the Speaker of the House, Mr. O'NEILL, has taken throughout these last couple of years in standing up and labeling the efforts of the President for exactly what they were and because of the amendment that Mr. BOLAND has offered, and which this House, at the concurrence of the Senate, has adopted, prohibiting direct or indirect military involvement by the United States, in Nicaragua.

What the Michel amendment seeks to do today is to take the bars off, to remove the lid from American involvement.

When Mr. MICHEL got up to explain what the words "humanitarian assistance" in his amendment meant, he said—"food, clothing, medicine and so forth."

Well, what do you think that "so forth" means? Certain items are specifically prohibited. You could not give the Contras weapons or weapons systems; that is spelled out. Or ammunition or "other equipment, vehicles or materials which can be used to inflict serious bodily harm or death." That does not mean you cannot give them vehicles; it means you cannot give them armed vehicles; you cannot give them vehicles which can be used to inflict serious bodily harm. You can give them unarmed jeeps or unarmed trucks or unarmed military planes or transport planes or road equipment, road building equipment, or even dynamite, which is used to clear roads.

Obviously, all such equipment is important to the military operation of the Contras.

□ 1220

The Michel amendment goes a long way toward getting the United States, directly involved in the war and there is an open sesame for the President to get us more deeply involved.

The President has been called the great communicator. I like to think of him in that fashion, too, and I think of him as I do of P.T. Barnum the greatest of all communicators. Barnum said that his operating premise was that there is a sucker born every minute. Of course, in the instance of Nicaragua, the American people have refused to play the sucker. The American people, on every poll that has been taken since our vote on April 23, and before, have said that the most they will allow is food and medicine period—no military assistance, no equipment, no humanitarian assistance, nothing which can drag the United States into war.

But some Members of Congress have not been as clearminded. Because the President has changed the label they seem willing to vote for the same old war package.

It seems to me that we are running the risk of turning our backs on our own history. We are a noble nation, born out of revolution. And those of us who are familiar with American history will remember that the United States of America was considered the great revolutionary threat of the late 1700's and the early 1800's. Thomas Paine, who was the great spokesman for American democracy and revolution, said that he would travel around the globe and where tyranny and monarchy existed, there he would find his home and support revolution. We were not particularly appreciated as a revolutionary nation at that time. The British were so unhappy that they impressed American seamen aboard American ships and found an excuse to wage a war against the United States, the War of 1812.

To support the Michel amendment is to turn our backs on our own history. As much as we may disagree with the philosophy or policy of Nicaragua or any other country neither international law nor our Constitution gives us the right to overthrow that Government.

Mr. Chairman, I urge defeat of the Michel amendment.

Mr. McDADE. Mr. Chairman, I yield 3 minutes to the able gentleman from Oklahoma [Mr. Edwards], a member of our committee.

[Mr. EDWARDS of Oklahoma addressed the Committee. His remarks will appear hereafter in the Extensions of Remarks.]

The CHAIRMAN pro tempore. The Chair would advise the gentleman from Pennsylvania [Mr. McDade] that he has 30½ minutes remaining; the gentleman from Massachusetts [Mr. Early] has 24½ minutes remaining.

Mr. McDADE. Mr. Chairman, I yield such time as she may consume to the

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gentlewoman from Tennessee [Mrs. Lloyd].

Mrs. LLOYD. I thank my colleague for yielding.

Mr. Chairman, I join with my colleagues, Democratic as well as Republican, in wholeheartedly supporting the Michel-McDade-McCurdy substitute. This bipartisan amendment is clearly the only effective means to a peaceful resolution of the conflict in Central America. It offers the only concise conclusive plan of intent; to best serve the people of Central America through a policy of democratic, economic, and security support, while maintaining the national interests of the United States. The Michel-McDade-McCurdy amendment puts the United States on the side of a negotiated settlement toward democracy and against abuses of human rights by the Sandinistas and the armed resistance.

I believe we all agree that we need to provide Nicaragua with humanitarian aid. However, humanitarian aid without some type of power behind it would simply be a waste of our resources and far from an effort of true humanitarianism. To criticize this substitute as not being humanitarian is as unfortunate as not seeing the forest for the trees. Ours is the only real humanitarian effort. Ours is the only amendment that prepares for, as well as calls for, realistic negotiations between Nicaragua and the Sandinistan government. It is absolutely necessary that we resume aid to the Contras in order to keep pressure on the Marxist Sandinistas. If those struggling for democracy are not supported, or worse forced to become refugees, the Sandinistas will be encouraged to press their military advantage. And how soon will this advantage become apparent where the neighboring countries are concerned? This is a question the United States cannot afford to ask. Colleagues, we need not have another Cuba on our hands. By supporting Michel-McDade-McCurdy we are in essence saying that we will not allow our national security to be endangered nor will we allow for an endangered security of nations in Central America. Diplomacy unsupported by power is wasted, ineffective diplomacy. Food and clothing are quite simply not enough.

The Michel amendment also allows for the exchange of information between the U.S. Government and the Contras. The CIA and the Department of Defense have been excluded as agencies to receive this information. To say that we are putting the CIA back in the business of running the Contra war is a gross misinterpretation. Our intent again is a humanitarian one. This amendment would allow the U.S. Government to exchange information with the resistance. This would be an enormous help in ensuring safe and secure delivery and use of humanitarian aid to the resistance. In this way we can monitor and encourage observance of human rights. It is ridiculous to think that we would appropriate $27 million in aid without monitoring how our money is being spent. Let us be certain that the appropriate needs are being met and our money is spent effectively. The Michel amendment further provides the President to report every 3 months on the willingness of both sides in Nicaragua to negotiate and also on any human rights violations. The reports every 90 days will address the efforts toward negotiations while quarterly reports would monitor the subject of human rights.

Finally, the amendment authorizes $2 million for expenses arising from implementation of an agreement reached by the countries of Central America based on the Contadora groups objectives. We are clearly providing the Sandinistas with true incentives to change their policies. The President is urged to suspend military maneuvers in the area and lift the embargo if Nicaragua agrees to a cease-fire, suspends its internal state of emergency and negotiates with the Contras. It also provides the President to resume bilateral talks with Nicaragua, without any preconditions. The amendment further allows for expedited procedures where future requests for aid are concerned.

It is apparent to me that the Michel amendment is a true plan of direction. It is a start that sees its way to a finish. It is a reasoning with clear purpose and it is our only viable choice. Again, my full unequivocal support to the Michel substitute and to those colleagues who join in its intent for peaceful, realistic negotiation.

Mr. McDADE. Mr. Chairman, I yield 3 minutes to my distinguished friend, the gentleman from Mississippi [Mr. Montgomery].

Mr. MONTGOMERY. I thank the gentleman from Pennsylvania for yielding me this time.

Mr. Chairman, I rise in support of the Michel-McCurdy-McDade amendment, and I am opposed to the three other amendments made in order by the rule.

Yesterday, in the debate on this bill, an amendment was offered pertaining to the Middle East, and the gentleman from Wisconsin [Mr. Obey], a member of the Appropriations Committee, said that he generally supported the President's policies in the Middle East and thought they were working, and the amendment was defeated. That is the way I feel here today, Mr. Chairman, about Latin America. I think the President's policies are working in Latin America and should have our support.

You know, 535 Members just cannot make foreign policy. And, besides that, it is against the law. So if you think that the President's policy is working in Central America, then you ought to vote for the Michel amendment and you ought to vote against the other amendments.

I have been, like you, down to the Central American countries. El Salvador is working well. In spite of some of the roadblocks we have thrown up here in the Congress, El Salvador is going to make it, also Panama, Honduras, and Costa Rica. They are doing pretty well. We ought to look at that and say something is happening good in Central America.

Now, the gentleman from Massachusetts [Mr. Studds], in talking about Nicaragua, kind of insinuated that it was somewhere far, far away. I would like to inform the gentleman that my home is closer El Salvador and Nicaragua than it is to Washington, D.C. People in the Deep South have a real concern about what happens in Central and Latin America.

The administration today is like everyone in this room. They want to erase communism. The best way, in my opinion, to do it is to support the McCurdy-Michel-McDade amendment. And whatever we do, let us vote down the other amendments. One of our problems around here is that we get too involved by passing unworkable amendments. The Boland amendment will not work. If we want to throw total chaos into what we are trying to do here today, you certainly will not vote for the Boland amendment—you will vote against it.

Let me say that the President has asked for $27 million for humanitarian aid, and that is not much to ask for when your policies are working. Let us support the President. It is his responsibility.

Mr. McDADE. Mr. Chairman, I yield 2 minutes to my dear friend, the gentleman from Connecticut [Mr. McKinney].

Mr. McKINNEY. Mr. Chairman, today is one of the greatest days since this whole debate on Nicaragua started. The Members of this House really have been divided into three different categories: those who hoped the current conflict in Nicaragua would just go away and they could ignore it, those who felt we should intervene, and those who were terribly afraid of being misinterpreted for either action.

☐ 1230

And we have gotten nowhere—absolutely nowhere. I, myself, have been violently opposed to military intervention in what I consider to be a revolution and internal strife in another country. But today, I think that the Michel-McDade amendment, has in fact given this House the first opportunity to make some sense out of this situation.

[CRS-390]

First, the Michel-McDade amendment funds and gives a stamp of approval to the Contadora process of negotiation. Those people who are indigenous to the region, who speak the same language and who have the greatest concern about the Sandinista government, which has proven that it is in fact not a pluralistic society, not a democracy, and essentially only interested in destroying the peace and tranquility of Central America, should be most compelled to find a diplomatic solution to the region's instability. So, in fact, this amendment does that.

Second, this amendment prohibits the Department of Defense and the Central Intelligence Agency from distributing these funds and, therefore, removes any worry that most people, myself included, have had that in fact humanitarian aid would be diverted. The statement made by my good friend from New York that this amendment would give the President free rein was absolute, utter nonsense. It does not, under any circumstances, do that.

I consistently have opposed and voted against giving military aid to the Contras to fight a revolution in another country. I strongly endorse Michel-McCurdy; I think it is a chance for us to state several things: We do support the Contadora process; we do support humanitarian aid; we do support negotiation; and that we want peace talks.

There are those of us here who have to recognize the fact that the Contra movement against an oppressive dictatorial society does exist. We cannot walk away from it. We do not have to give it military aid. I would always vote against giving it military aid, but we cannot pretend that they are not there and suffering.

Thank you, Mr. Chairman.

Mr. EARLY. Mr. Chairman, I yield 6 minutes to the gentleman from Michigan [Mr. Bonior].

Mr. BONIOR of Michigan. I thank the gentleman for yielding me this time.

Mr. Chairman, poll after poll has shown that the American people do not want to open the door to additional military aid to the Contras. They do not want to use our intelligence agencies to support the brutal efforts of a counter-revolutionary army to overthrow another sovereign government.

The House has long recognized this, and has exercised historic leadership in enacting the Boland prohibition. The House has voted four times in the past 2 years to prohibit any agency engaged in intelligence activities from supporting, directly or indirectly, military or paramilitary operations in Nicaragua.

The House has been clear and unwaivering on this issue. The language has been drawn carefully and tightly to prevent an administration which does not favor the Boland prohibition from circumventing it.

Today, we are faced with the Michel amendment which has been skillfully crafted to confuse this issue. It contains a section which looks like it repeats the Boland prohibition. But, in fact, the Michel language drastically narrows the scope of the Boland prohibition to cover only the funds appropriated in his own amendment—$27 million cannot be used as military aid.

If this language passes unmodified, it will open up other funds in the next few months—including the large CIA contingency fund—to provide direct, military aid—bombs, bullets, guns—to the Contras.

The Michel amendment goes even further to explicitly weaken the Boland prohibition. It would immediately allow the CIA exchange information with the Contras. Because intelligence information is the key to military strategy, the Michel amendment will put the CIA back in the business of running the Contra war.

Nearly 4 years ago, the Contra program began with a small band of counter-revolutionaries operating along the Honduran-Nicaraguan border. Today, we have financed an army of 15,000 to 17,000, and the President has certified that more, perhaps as many as 35,000, will be needed, costing the United States as much as $100 million per year.

In the beginning, we were told the purpose of aid to the Contras was to interdict arms flowing from Nicaragua to El Salvador. Today, that limited goal has been replaced with a sweeping commitment aimed at nothing less than the overthrow of the Nicaraguan Government.

Time and time again, the administration has told us one thing, and given us the opposite in its policy toward Nicaragua. The Michel amendment is the next step in a policy that promises restraint but gives us increasing military escalation: a policy that purports to protect the security of the Americas, but instead has isolated us from our allies and our own traditional commitment to international law; a policy that pretends to lead away from the use of U.S. troops but, as we learned in the New York Times last week, has already prepared detailed plans for a U.S. invasion of Nicaragua.

Each time we have faced this issue, the House has explicitly reaffirmed its commitment to the Boland prohibition. Whatever else we do today, we must make that commitment clear once more.

Today, for the first time, we are asked by the authors of the Michel amendment to put the issue of the Boland prohibition aside, as if the Boland prohibition were not the key to any policy toward Nicaragua.

If, as some of its sponsors say, the Michel amendment is not intended to repeal the Boland prohibition, then there should be no problem with voting clearly to reaffirm that commitment.

But, if this language has been drafted to confuse the issue, to pull the wool over the eyes of the American people—as so much of administration has tried to do on this issue—then let's have nothing to do with it.

Either way, a vote for the Boland amendment is critical.

Mr. HUNTER. Mr. Chairman, will the gentleman yield?

Mr. BONIOR of Michigan. I yield to the gentleman from California.

Mr. HUNTER. I thank the gentleman for yielding to me.

Mr. Chairman, my question is simply: If we are prevented as we are under the Boland amendment from aiding the Contras in any way, and the Eastern bloc, specifically the Soviets, are not under a similar constraint with regard to the Sandinistas, who is going to win?

Mr. BONIOR of Michigan. I am not going to make a case for the Soviet bloc; all I know is that the American people have clearly stated poll after poll, taken across this country, whether it is the Hamilton poll in the South, that they do not want us intervening in Nicaragua, and by wide margins, they are fearful that American troops will be sent there, and it seems to me that we ought to be following their wishes.

I yield to the gentleman from California [Mr. HUNTER].

Mr. HUNTER. I thank the gentleman.

Mr. Chairman, under the Boland amendment, the language, as I understand it, contains a prohibition of assisting in any way the Contras, including the passing of intelligence, that would mean that in a scenario in which there was going to be a surprise attack, for example, on a Contras position or Contras settlement, the United States would, by law, not be permitted to warn those people in time that they might prevent a massacre?

Mr. BONIOR of Michigan. I think there will be discussion of that specific issue in the Boland amendment that is before us, and I think a dialog between the chairman of the committee, Mr. BOLAND, and those who oppose it from our side as well as your side will help clarify the situation as it presently stands, which I think would permit what the gentleman is referring to.

Mr. DORNAN of California. Mr. Chairman, will the gentleman yield?

Mr. BONIOR of Michigan. I yield to the gentleman.

Mr. DORNAN of California. I thank the gentleman for yielding.

Mr. Chairman, does the gentleman know, and I would please like the courtesy of a specific answer, a specific number, please, how many times has Daniel Ortega been to Moscow?

Do you know? You don't? I will tell you: Eight, eight; since April 28, 1980, eight times. Please do not ever forget that number. Now you know.

Mr. McDADE. Mr. Chairman, I yield 2 minutes to the gentleman from Ohio [Mr. GRADISON].

(Mr. GRADISON asked and was given permission to revise and extend his remarks.)

Mr. GRADISON. I thank the gentleman for yielding me this time.

Mr. Chairman, I rise in support of the Michel amendment to provide humanitarian assistance to the Nicaraguan Contras and assistance for the implementation of a Contadora agreement. Issues surrounding American foreign policy in Central America, and Nicaragua in particular, have generated a significant public debate throughout the country. It has also had the unfortunate effect, to date, of causing an unhealthy partisan cleavage in this body.

When we last considered this question, I sought a bipartisan agreement focused on humanitarian assistance, one which stressed the necessity of arriving at a peaceful, diplomatic resolution of the conflict. I was disappointed that this House ultimately voted to ban aid of any kind, and in the process lost the expedited parliamentary procedure under which it was considered. I am pleased, however, that we have this opportunity to reconsider the issue again so soon.

This amendment, Mr. Chairman, builds on the strengths of the earlier Hamilton substitute. The emphasis here is on the provision of humanitarian assistance to the Contras and the vigorous pursuit of economic and diplomatic measures, under the aegis of the Contadora process, to help secure regional stability. By prohibiting the Department of Defense or the Central Intelligence Agency from distributing the 27 million dollars' worth of food, clothing, and medicine, there is little chance that the intention of Congress will be misunderstood. This amendment further clarifies the role of American intelligence agencies by permitting solely the sharing of intelligence information.

This provision emphasizes the humanitarian character of American assistance to the Contras, and the intention of the United States to support a negotiated settlement among the states of the region as well as a church-mediated solution to Nicaragua's domestic problems. The Michel amendment provides that if the President determines that negotiations based on the Contadora process have failed to alleviate regional tensions, or if other forms of economic suasion have proven to be insufficient, then he can request additional assistance for the Contras under expedited procedures.

Conversely, if the Contadora process and other measures yield results beneficial to peace and stability in Central America, the President may request funding in furtherance of the peace process, also under an expedited process. These are important signals to the government in Managua.

Congress will also monitor the general progress of human rights in Nicaragua by requiring the President to provide an analysis of alleged violations of human rights on both sides of the conflict. Many of us have been concerned, not only by the human rights violations of the Sandinista government, but also by allegations of atrocities committed by those seeking to democratize Nicaragua. This provision will send a signal to both sides that the United States cannot condone the abuse of civil liberties and will not ignore the senseless loss of civilian lives.

Mr. Chairman, this framework was absent from our previous consideration of this issue. I believe it significantly strengthens the proposal. This amendment is an attempt to bridge the partisan gap that has developed over our policy in the region.

I further believe that this is a proposal which the President can, and will, support. I urge my colleagues to join me in supporting the Michel amendment.

□ 1240

Mr. BOLAND. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from Illinois [Mr. EVANS].

Mr. EVANS of Illinois. I thank the gentleman for yielding this time to me.

Mr. Chairman, I rise in opposition to the Michel amendment.

I recently returned from a week-long trip to Central America and came back with a greater conviction that our policy toward Nicaragua is backfiring.

I came to this conclusion after much consideration and after talking to both sides of the conflict in that country.

In Nicaragua, I traveled to the countryside near Boaco to talk to two families of campesinos who were held captive for 9 months by the Contras. These were very nonideological people without any particular political axes to grind.

But their tale of terror at the hands of the Contras was bone-chilling—a story of rape, torture, and slave labor. I hope our colleagues will review this testimony I took in Boaco and I will insert it in the Record at this point.

Family Escapes Captivity by Contra—Mother and Four Daughters Raped Repeatedly

(By Paul Dix, Leticia Saucedo, and Ed Griffin-Nolan)

Boaco, Nicaragua, May 18, 1983 (WFP).—On May 15th, 1985, two families, totalling 15 people, were flown into Boaco by Army helicopter. They had been kidnapped and held for nine months by counter-revolutionary forces in the Department of Zelaya, in an area roughly 150 miles from Boaco. In an interview conducted by three WFP volunteers and U.S. Congressional Representative Lane Evans, the Guzman family described the details of their capture, detention, and escape.

A group of contras arrived at the Guzman home in Caña Azul, Central Zelaya province, on the afternoon of September 10, 1984. Natividad Miranda Sosa, 45 years old, was home at the time, along with four of her daughters, Isidra, 20, Aurchana, 15, Rosalina, 13, and Mirian, 11. Her husband Ramon Guzman Gonzales, 55, was away, visiting his sick mother. Lino Gomez Gonzales, 29, who lived and worked with the family, was also in the house.

Threatening them with rifles and yelling "piricuacos", (a term which literally means "rabid dog", that contras often call Sandinistas), they forced the family out of the house and onto a trail that led to the Colinguas River. This was the beginning of many forced marches and a nightmare of nine months in captivity.

Lino was killed early the next morning. He was taken away from the family, and in Natividad's words, "They took him out in the afternoon, held him all night, and killed him at about four in the morning. They told us they were taking him to a central command post but we knew it was a lie. They themselves said later that they had left him dead." Apparently, he was killed for participating in the civilian militia in Caña Azul.

For the next four days, the women walked to a command post in the zone of Silva. When they reached the military base, Aurchana was delivered to the contra leader, known as "El Gato", (the cat) to become his woman. She was raped several times during the two weeks (September 14-October 1) that he held her captive and forced to accompany him to another command post near Aguas Calientes.

The contra accused her of crimes including membership in a health brigade, which was true, and being married to a Sandinista soldier, which she was not. "Her torture", according to her mother, "took the form of rape and starvation". She ate only the scraps from the plate of "El Gato".

Eventually, the commander of the contra troops at Aguas Calientes ordered that Aurchana be returned to her family. In the meantime, the rest of the women were still in Silva, held prisoner by the contra leader known as "El Gavilán", (the hawk). They were given little to eat or drink, were constantly guarded and raped again and again.

"El Gavilán" himself took Rosalina, only 13 years old, and his bodyguard took Isidra, the 20 year old. Eleven year old Mirian clung to her mother until one day the contras split them up by telling Natividad that she had to cook for them.

In the words of the mother: "They deceived me by telling me they needed me to cook. They took me away from my daughter who was always clinging to me. When I got to the other side of the camp, they said 'we don't need any cooks. This is what we want you for.' And they began treating me with their immoral acts. They gave me someone they called 'El Criminal' and he and two others raped me all night."

Eleven year old Mirian was also being raped, passed from one contra to the next. The following night they didn't touch Mirian but, for Natividad, the second night was the worst. "I didn't think I would live", she related, her face was stern and her eyes avoided contact with her interviewers.

After 13 days in Silva, the mother and her three daughters were taken to the community of Olia Olia, where they stayed four days. There they were divided up and raped again. On October 5, they were transferred to a central command post in Batitán. All of this time, they were living under constant threats of death. "If we deserted and were caught, they would not pardon us", said Natividad. "They would kill us".

The commander in Batitán promised them rest and peace, but shortly after they arrived, Isidra was taken away and raped by a man named "Chele", a term used to described people with light skin and coloring.

[CRS-392]

While in Batitán, the women were united with Ramón, the father of the girls, and Natividad's husband. He had been kidnapped on September 28, 18 days after the women were taken. After being held and "investigated", (his wrists were tied so tightly that he could not use a machete for two months afterwards) he was sent to live in Batitán, always under the control of contra troops.

The reunited family lived in Batitán until the contras moved them to Aguas Calientes, two months later. In that small community, the contras occupied the church and school and guarded the people constantly. Most of those who lived there gave support to the contras, either voluntarily or by intimidation and force. According to Natividad, many of them, out of fear, attended weekly indoctrination sessions. Some families worked on large cattle ranches owned by contra supporters, for which they were paid 50 cordobas, or less than one US dollar, per day.

The community had no school or health center. A Catholic priest gave Mass once in six months, and Delegates of the Word performed pastoral functions in his absence. Three sixty-man contra units were based at Aguas Calientes.

The Guzmans lived at Aguas Calientes from December until May, when they escaped during a government attack on a nearby military post. The family had planned to stay at Aguas Calientes until the army came to rescue them, but in early May, when the Nicaraguan army began their advance on the contra command post in Batitán, the contra told them they would be taken to Honduras. Fearing that they would be killed instead, they made the decision to escape. Afraid of travelling the roads, they plunged into the heavily forested mountains in the direction of Batitán. Two days later on May 10th, when they reached Batitán, the army assault on the contra command post was still in progress.

The contras were defeated the next day. On May 15th, the Guzmans were flown to La Florida, a state farm ten miles from Boaco.

Alejandro Mendez, coordinator of the local government, told WFP that the family arrived practically naked, barefoot, with swollen bellies and health problems that included malaria.

When WFP interviewed them three days after their arrival, they had been clothed, fed, and given medical attention. Mendez said that he was expecting 60 more civilians who had just been freed from the contra in Batitán and Aguas Calientes to arrive in La Florida in the next few days.

This interview was conducted in a large room on the La Florida farm. All 15 kidnapped victims were present, along with Alejandro Mendez; Jorge Abarco, political secretary of the FSLN in Boaco; methodist missionary Howard Heiner; Rep. Evans; his aide, John Ayers; and the three WFP volunteers mentioned.

After approximately one hour, Leticia Saucedo and Paul Dix met with the family in private for more than one hour for a more detailed and complete interview, in a more relaxed setting. No government or army officials were present and details of the story were checked and compared with the earlier interview to test for accuracy.

I ask our colleagues to review this testimony of rape and terror, and then tell me what kind of assistance we should send to men such as these.

What is being proposed is assistance to a group of armed thugs and rapists who use terrorist methods we as Americans have always condemned. That is not only contrary to our best interests, it is contrary to our best traditions.

Shortly after the Bay of Pigs, columnist Walter Lippman said:

> A policy is bound to fail which deliberately violates our pledges and our principles, our treaties and our laws . . . The American conscience is a reality. It will make hesitant and ineffectual, even if it does not prevent, an un-American policy . . . In the great struggle against communism, we must find our strength by developing and applying our own principles, not in abandoning them.

I urge my colleagues to keep those words in mind and vote against this misguided amendment.

Mr. McDADE. Mr. Chairman, I am delighted to yield 3 minutes to my colleague, the distinguished chairman of the Hispanic Caucus, the gentleman from New Mexico [Mr. Richardson].

Mr. RICHARDSON. I thank the gentleman for yielding this time to me.

Mr. Chairman, I rise in support of the Michel-McCurdy-McDade amendment and I must state that this is one of the most agonizing votes I have had as a Member of Congress. I have been one of those who have consistently voted against any kind of military aid to countries in Central America. I have opposed this administration's policy in the area, and in addition to that, I still have grave reservations about the course that the Reagan administration is taking in Central America.

But we did one thing on April 24 that we are now living to regret. We voted for the Hamilton-Barnes amendment, which still, in my judgment, is the best course of action for our policy in Central America. However, right after that vote, this House went ahead and wiped out perhaps that best standard and the best language and the best policy that we have had for the area. Hamilton-Barnes emphasized the Contadora process and negotiations and refugee assistance. Now we have the Michel amendment, which is still deficient but has some good approaches and initiatives nonetheless.

Why, as a Member of Congress who has consistently opposed our policy in Central America, am I changing my vote and my perception? Why will I be supporting humanitarian aid to the Contras? Three things have happened since that April vote that caused me to change my approach and give the President the benefit of the doubt, and not continue to believe that the Sandinistas believe in peace.

First, Daniel Ortega went to Moscow. It is not that I do not know that he is a Marxist-Leninist or that I question him going to Moscow. He went to Moscow the day after the vote, slapping those of us that hoped he was genuinely for peace right in the face. He had representatives from his office, from his cabinet, in my office telling me and others that if the Congress voted no on aid to the Contras that there would be a peace, cease-fire negotiations initiated by the Sandinistas. Instead, what did Ortega do? He not only didn't keep his word, he went off to Moscow and the Soviet bloc and collected $300 million. What about these Sandinista incursions into Honduras and Costa Rica? What about the further derailment and curtailment of the press? What about the arrests of some of Nicaraguan labor leaders that have been arrested since that vote? What about the Sandinista backsliding on that vote?

So I say to Mr. Ortega, "You made a statement yesterday, June 11, that you were ready to have that cease-fire once again and I say to you that I do not believe you." That is reason 1—the lack of trust that I have for the Sandinista commitment to peace.

Reason 2 is that I worked in a bipartisan way with Mr. McCurdy and Mr. McDade and Mr. Michel to have good positive language in the bipartisan amendment. It is not a perfect amendment, but it does give some good points: it says that we support the Contadora process; it says that we will push for bilateral negotiation with the Sandinistas; it condemns Contra atrocities; it says that we will work toward a cease-fire. It says no to the CIA in disbursing the aid and I am completely for that, because the American people don't want military assistance nor do they want the CIA involved.

The gentleman from New York said material assistance to the Contras is provided in this amendment. It is not. I am not voting for material or military or paramilitary assistance. I am voting for food, clothing, medicine, strictly humanitarian aid. No military aid. And if we are going to clarify that, we should, and I believe the Boland amendment does that.

Third, I am voting this way because I think the President of the United States for the first time is saying that he is for negotiations and meaning it. He met with us yesterday, and he said in a letter and verbally that he is not for overthrowing the Sandinista government. He said also that he is not for sending combat troops; that he supports the Contadora process; that he wants us to give him a chance.

For 9 or 10 months, this Congress has voted no on aid to the Contras. That hasn't worked. There is still bloodshed. I think we should try a new approach, and I frankly don't know if that Michel amendment is the right thing to do. But we must at least try. I am willing to give the President of the United States a chance and the benefit of the doubt. I hope and pray he does not let us down.

Mr. McDADE. Mr. Chairman, I yield 1 minute to the gentleman from Wisconsin [Mr. Gunderson].

[CRS-393]

Mr. GUNDERSON. I thank the gentleman for yielding this time to me.

Mr. Chairman, it is a pleasure to follow the gentleman who just spoke before me because I share his sentiments. We have two choices here today. We either can pull out of Central America on a hope and prayer that something good will happen, or we can be a positive contributor to some kind of peaceful change in the region.

I, too, have opposed military aid, I have opposed the bombing of the harbors, I have supported the Boland amendment in the past, but I tell my colleagues, about 6 weeks ago I sat down with our President and I said, "Here is what we need. In order to get my support, no CIA activities. We do not trust them any more. No Department of Defense involvement. We are not talking about direct military support to overthrow the Government of Nicaragua. No military aid. No DOD. No CIA."

That is what the Michel amendment is. It meets those standards, and I suggest to those of you who have advocated peaceful change and peaceful means in Nicaragua, do not change your conditions now that the administration has met those conditions. Support the Michel amendment without any amendments.

Mr. McDADE. Mr. Chairman, I yield 2 minutes to the gentleman from Arkansas [Mr. Robinson].

Mr. ROBINSON. I thank the gentleman for yielding this time to me.

Mr. Chairman, I rise today in strong support of the Michel amendment. Let me set the record straight. This is not the Michel-McCurdy-Robinson-Richardson bill. My party would not give us a vote on this bill, and you notice I came to this side today, the right side, because gentlemen, you are right on this issue.

I did something yesterday that is the hardest thing for any politician to do. I stood up and told the President of the United States that I made a mistake when I voted for Barnes-Hamilton. I made a big mistake. I let my leadership and the liberals in this Congress convince me that Daniel Ortega was going to do right. He did not do right. They have a Neville Chamberlain mentality.

But I have the guts to stand up here today and tell you the President is right. Do not be deceived by the Gephardt amendment. It does nothing. It is a copout. Do not be deceived by the Boland amendment.

What do you think we are doing in Nicaragua? We are trying to thwart communism. We are hopeful there will be a plebiscite. The Boland amendment circumvents what the President is trying to do.

Let me say this and share this with you: As a young man in the Southern Baptist Church, I learned that one does not cast his pearls in front of swine lest they trample on them. Daniel Ortega is a swine. He is a dictator. He is a Communist.

In closing, let me say this: This is not another Vietnam. See how far it is and how long it would take a missile to go from Managua to your district versus how long it would take to go from Vietnam. We lost Vietnam because of our politicians, not our fighting men and women.

□ 1250

Mr. BOLAND. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from Montana [Mr. Williams].

Mr. WILLIAMS. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, those are war drums beating. The sound is distant, but it is unmistakable. We have heard it before. Direct aid to rebel forces, 100 million American dollars spent on militarily assisting the Contras—the sounds of drums. The mining of Nicaraguan harbors, illegal overflights of the country of Nicaragua, an embargo, extensive military operations in Central America—those are the sounds of war drums.

There have been indications by the President in private that direct military intervention may be needed, and we have heard a statement in public by Secretary of State Shultz that U.S. military force must be recognized as an eventual option.

The American people hear the drums. Eighty percent of them have expressed apprehension. Sixty percent believe that humanitarian aid to soldiers is wrong.

We have stepped into the quicksand of military escalation. Is Nicaragua Vietnam? Geographically and socially, no, but like Vietnam, Nicaragua is a brier patch, and once entered, one does not escape unscathed.

Does the President, Secretary of State, or Secretary of Defense want to commit troops, the Nation's energy, and hundreds of millions of dollars to a war in Central America? No. No, they do not. Nor did Lyndon Johnson or Richard Nixon want to cross the war threshold in Southeast Asia or widen that war. But the fate of those Presidents and 60,000 young Americans with them was sealed because an early mistake was made and we were then led inexorably into that unwinnable war.

The threshold of the one-way road to war is not easily identified, but once a nation has crossed it and proceeded down that dark path, retracing one's steps becomes very difficult indeed.

I believe America has crossed that threshold, but we have yet time to reverse the course. To do so we must recognize, as we did not in Vietnam, that only political solutions can effectively be applied in some situations. We must have no Polyanna illusions about either the motives of the ruling Government of Nicaragua or the designs of the Soviet Union, but American leaders must finally recognize the simple fact that we cannot export democracy through the barrel of a gun.

Humanitarian assistance to whom? Soldiers? Humanitarian assistance to guerrilla fighters, to terrorists?

Out my way, in Montana, when folks talk about gun control, here is what they say, "Guns don't shoot people. People shoot people." In this instance the Contras are the people that are shooting people. Contras with full stomachs and new army boots kill people. They extend that war and they drag this Nation into that dark path of questionable retreat.

Mr. Chairman, Americans hear the drums. Now it is time for us to listen and to respond by rejecting this amendment that the American people do not support.

Mr. McDADE. Mr. Chairman, I yield such time as he may consume to my good friend, the gentleman from Arizona [Mr. STUMP].

● Mr. STUMP. Mr. Chairman, I rise in support of the bipartisan Michel amendment to H.R. 2577 to provide humanitarian aid to the Nicaraguan democratic resistance. The resistance provides the last, best hope for freedom in Nicaragua. It is time for America to stand and be counted in support of the forces of freedom and in opposition to the forces of tyranny. We can't stand on the sidelines.

The Michel amendment demonstrates clearly where America stands—with the resistance, which seeks a democratic future for Nicaragua. After Congress forced the United States to abandon the resistance by cutting off aid, the nations of Central America began to doubt whether we would counter the establishment and expansion of communism on the mainland of the Americas. With the Michel amendment, the United States will reassure the resistance and the free nations of the region that we stand for freedom in the region and we will help them preserve it.

No one should misunderstand the situation. The President's report to Congress on April 3, 1985, made clear the need for military aid to the resistance. Nevertheless, the House vote on April 23 showed that such military aid does not command majority support in the House. But doing nothing is downright dangerous, and most Members of the House realize that.

Those of us who fully support the President's program for peace in Central America faced the unwelcome choice of a second best alternative to the provision of military aid, and providing purely humanitarian aid is that alternative. It won't improve the military capabilities of the resistance, but it will show the resistance and the Central American nations that Congress has changed its mind about abandoning the cause of freedom in Nicaragua. Those responsible for achieving peace in Central America tell us that this demonstration of resolve should have a very positive effect.

I urge the House to adopt the Michel amendment for humanitarian aid to the resistance.●

Mr. McDADE. Mr. Chairman, I am delighted to yield 3 minutes to the gentleman from New York [Mr. ECKERT], who is going to make his maiden speech in the House of Representatives.

Mr. ECKERT of New York. Mr. Chairman, last month the House of Representatives committed a grievous error of judgment when we voted to turn our backs on the men and women who are daily risking their lives to rid Nicaragua of its Soviet-supported Sandinista Communist dictatorial regime and bring freedom to that troubled land. Today we shall vote to correct that lapse of judgment.

Oddly, we are doing the right thing for the wrong reason. We are all aware that promptly after we turned our backs on the anti-Communist forces, Nicaragua's Sandinista Communist dictator, Daniel Ortega, flew off to Moscow to celebrate what was clearly a victory for communism. We all watched the Speaker of the House publicly lament that this surprised and embarrassed him. The Speaker should be embarrassed to be surprised. The Speaker should know that that wasn't Dictator Ortega's first pilgrimage to the Kremlin—it was his seventh. Ortega has gone on missions to Moscow in April 1980, May 1982, November 1982, March 1983, February 1984, March 1985, and May 1985.

Ortega goes to Moscow for the same reason that Catholic faithful go to Rome, for the same reason Jewish faithful go to Jerusalem, for the same reason Moslem faithful go to Mecca. It is as unsurprising for Daniel Ortega to show up in Moscow as it is for the swallows to return to Capistrano.

All that Ortega's last trip demonstrated is that he has a bad sense of timing. But his other actions over the years have demonstrated that he is a Communist, that he is a tyrant bent on suppressing his own countrymen and subverting his neighbors, that he is a willing instrument of Soviet imperialism. And that—Ortega's proficiency in advancing communism, not his deficiency in timing—is what we Americans, and anyone who cherishes freedom and abhors communism, should be deeply concerned about.

Nicaragua is under siege by a coalition of Communists and lunatics. We all know about Soviet and Cuban subversion there. And most of us are aware of the peculiar presence in Nicaragua of other Communist bloc countries—the East Germans, the Bulgarians, the Czechoslovakians, the North Koreans, the Vietnamese. But far too little attention is paid to some of the other dangerous extremists who are on the loose down there.

The leader of the PLO terrorists—Yasser Arafat—has boasted:

> Anyone who threatens Nicaragua will have to face PLO combatants.

The Sandinista Communists' Interior Minister Tomas Borge saluted Arafat in Managua by saying:

> We say to our brother Arafat that Nicaragua is his land and the PLO cause is the cause of the Sandinistas.

Now if there is a more maniacal menace in the world than Arafat, it has to be Libya's Col. Mu'ammar Qadhafi. And just listen to Qadhafi speak:

> Libyan fighters, arms and backing to the Nicaraguan people have reached them because they fight with us. They fight America on its own ground.

Qadhafi said that last year during the 15th anniversary in power party he threw for himself, an affair that no prominent Arab leader would deign to attend but which the Sandinista Communists cheerfully joined in.

And just months ago, Nicaragua's Communist dictator welcomed to Managua the Ayatollah Khomeini's Prime Minister Mir Hossein Mousavi, the man the Washington Post calls the kingpin of the Iranian terrorists' operations. Be interesting to know what they were talking about, wouldn't it?

America's enemies are going all out to keep the Sandinista Communists in control in Nicaragua. Only the most naive fail to recognize that appeasement will not satiate the appetite of the Communists and other dangerous extremists who plague Nicaragua. We must not let tyranny win by default.

We do not want another Vietnam in Central America. We do not want another Cuba in Central America. But unless we summon the strength and courage to come to the aid of the democratic anti-Communist forces now, before it is too late, we could get both.

Last month, the action of the House brought America perilously close to that danger no American wants. Fate has given us a reprieve. Let us seize this new opportunity. This time, let it be America's enemies who are embarrassed and surprised. This time, let Congress come to the aid of America's friends.

Mr. Chairman, I urge my colleagues to join with me in supporting the bipartisan Michel-McCurdy-McDade amendment.

Mr. OBEY. Mr. Chairman, may I inquire of the Chair as to how much time we have remaining on this side?

The CHAIRMAN. There are 13½ minutes remaining on the gentleman's side, and there are 13½ minutes remaining on the other side.

Mr. OBEY. Mr. Chairman, I yield 2 minutes to the gentleman from New York [Mr. SCHUMER].

Mr. SCHUMER. Mr. Chairman, today the President is asking the Members of this House to support the Contras. He calls them freedom fighters. I call them Fascists.

Let there be no mistake about it, the President's request amounts to asking us to fund Fascists to fight Communists. This is a course I refuse to take.

□ 1300

Just who are the Contras that the administration proposes we support? The President has likened them to the Founding Fathers. That is a dishonor to those great men who founded our country.

The administration claims that the Contras are forces for democracy, but the key members of the FDN, the largest Contra force, the one to which our aid goes, are former members of the national guard of the late Nicaraguan dictator, Anastasio Somoza. Mr. Somoza's contempt for democracy, for human dignity, and for the things Americans believe in is infamous worldwide.

The President has called them freedom fighters, but these armed insurgents, in the course of war, have committed unspeakable atrocities against the Nicaraguan people. If you think that we are going to win in Nicaragua by aiding the very people the Nicaraguan people despise, you are sadly mistaken.

We must call the Contras what they are. What they are is Fascists. A vote for them is a vote against freedom. If we believe in freedom, we do not use the forces of darkness to fight the forces of darkness.

I urge my colleagues to cast their vote against aid to the Contras.

Mr. McDADE. Mr. Chairman, I yield 1 minute to the gentleman from California [Mr. ZSCHAU] for the purpose of a colloquy.

Mr. ZSCHAU. Mr. Chairman, I thank the gentleman for yielding.

I rise for the purpose of asking the gentleman from Pennsylvania [Mr. McDADE] a question.

It has been suggested by several speakers that the purpose of the humanitarian aid in this bill is to support combat activities of the Contras. Is that correct?

Mr. McDADE. Absolutely incorrect, I say to my friend.

Mr. ZSCHAU. What then is the purpose of the aid?

Mr. McDADE. The text of the law requires humanitarian aid only and proscribes specifically military or paramilitary aid.

The purpose of doing this is to try to achieve a negotiated settlement to the hostilities by permitting the resistance forces to have an opportunity to sit down at the bargaining table and work out their differences and bring us back a pluralistic government in Nicaragua.

[CRS-395]

Mr. ZSCHAU. Well, I thank the gentleman for clarifying the purpose of the humanitarian aid that would be provided by this amendment.

I think we should be encouraging a regional peace agreement in Central America. We should be encouraging internal reconciliation in Nicaragua. However, if the Contadora peace negotiations are to be successful, they need wholehearted support by the United States and other countries. Also, there must be incentives for all parties to the negotiations to make the compromises that will be required to arrive at a regional settlement. In order to achieve internal reconciliation in Nicaragua there must be a cease fire and dialog among the parties to the internal conflict. Also, the opposition groups must be able to stay in Nicaragua as viable entities. I believe that this amendment would go a long way toward establishing these conditions that will encourage a regional peace agreement in Central America and internal reconciliation in Nicaragua.

Mr. McDADE. Mr. Chairman, unfortunately I can yield only 3 minutes to my colleague, the gentleman from Louisiana [Mr. ROEMER].

Mr. ROEMER. Mr. Chairman, I thank my colleague for yielding.

Let me say at the outset that there are, obviously, good people, decent people, on both sides of this issue. This is not an easy issue. And I do not come to call anybody's sincerity into question.

Also, I would like to say that those of us who support the Michel amendment do so on a bipartisan basis. Some 46 Democrats 7 weeks ago supported the Michel amendment, so it is not a new phenomenon, that this is neither personal nor partisan. It is truly a bipartisan issue.

Finally, I would like to respond to my friend and colleague, the gentleman from New York [Mr. SCHUMER] who just characterized the Contras as Fascists.

I cannot swear to the fidelity and loyalty of each of the Contras, but I can tell you this. Their leadership, one of whom is in town today, Eden Pastora, were the very men who fought side by side with the Sandinistas for freedom against Somoza in Nicaragua. It is these same men who fought for freedom and who discovered 2, 3, and 4 years ago, that that freedom had been taken away from them, not by Somoza, who is gone, but by the Communists and the Marxists who remain.

No, they are not Fascists. They are not perfect, but they are definitely, by any fair definition, freedom fighters.

Let me make two quick points in the minute I have remaining. We had a close vote 7 weeks ago, 215 to 213 and those of us who supported Michel lost. Those of us who felt that as the world grew smaller, America could not play the ostrich, that we had a stake in Central America. It went far beyond the Monroe Doctrine, that we had a stake in Central America.

It went far beyond the words of John Kennedy when inaugurated in 1961 of our promise to the South.

We had a stake in Central America. We lost that vote, but in the 7 weeks since, many of my colleagues on the Democratic side have rightfully changed their minds. A lot of things have influenced them; the trip to Moscow by Ortega, the fact of the incursions into Costa Rica by Nicaragua, the visit by President Duarte of El Salvador to this country when he said, "Use the carrot and the stick approach." He said, "Keep the pressure on the Sandinistas to keep the revolution out of my country."

Many of my colleagues have over the last 7 weeks changed their minds.

I want to do two things today. One, I want to thank them and to praise them for listening and learning and deciding that we do have a stake there. We do not want to send our men south and the best way not to send them is by keeping the heat on the Sandinistas, and to encourage the Contadora process. I want to thank my colleagues.

Second of all, I want to warn them. Of the many votes today, the most crucial vote will be on Boland. Mr. BOLAND, a good man, a decent man, who has done great service in this House; but if his amendment passes, we will have taken away the humanitarian aid. They said it 7 weeks ago. They said that humanitarian aid is another form of military aid, did they not? If they said that 7 weeks ago and they are now coming up with the Boland amendment, what is their real purpose? Their real purpose is to gut Michel.

Vote no on Boland. Stand tall.

Mr. OBEY. Mr. Chairman, I yield 2 minutes to the gentleman from Ohio [Mr. TRAFICANT].

Mr. TRAFICANT. Mr. Chairman, if the Members on this side of the aisle are beginning to look like Neville Chamberlain, then the Members on that side of the aisle are carrying around the false illusion that perhaps they are John Wayne.

Government that comes to power by force and governs by force will be overthrown by force. We are supporting a government effort supposedly if we could understand what that policy is to support the Contras to overthrow the Sandinistas.

What will the change be in Central America? The bottom line is while we divert all the issues, the major hidden element is the Soviet Union.

Well, let us talk about John Wayne's policies. They shot down a Korean airliner. Major Nicholson, brutally wounded, brutally killed, and this House passed a resolution spanking them on the hand.

Now, it was not the American soldiers that lost out in Vietnam. That one scene, very symbolic, of that helicopter leaving Saigon, the Embassy, with Americans pushing South Vietnamese from it, that is the type of policy that is getting us very close to war in Central America with this hidden illusion of John Wayne behind the scene.

We are giving the CIA much too much control and they are getting us closer and closer to war.

I am opposed to the Michel amendment. You do not have to feel like you are weak on defense to take that position. It is a smart move and we must face the facts. We must begin to deal with the Soviet Union and that hidden element, instead of diverting it with all these other little hidden messages and fights here on the House floor.

If we are going to take a stand, take the stand that is right and the stand we are taking in Central America is getting us close to war. I wonder if that happens, what would be the sentiment of the politicians as we let our American soldiers go down the tube in South Vietnam?

This House was responsible for the action there and I believe we are moving along those lines now.

Finally, we have doubled the military budget in this country. How do we continue to keep the American people tolerating that? We continue to discuss all these foreign threats. We had better start putting it in perspective and putting the facts on the line before John Wayne takes us to war and people do not act like John Wayne when it happens.

Mr. McDADE. Mr. Chairman, I yield 1 minute to the distinguished gentleman from Louisiana [Mr. HUCKABY].

Mr. HUCKABY. Mr. Chairman, I thank the gentleman for yielding.

It is not often we get a second chance in this House. The gentleman in the well just stated that any government that comes to power by force will fall by force. No Communist government in the history of this world has ever come into power except by force. I think the gentleman has his arguments on the wrong side.

A few weeks ago we heard the debate in this House, the tone was, "Let's wait. Let's see. What are they going to do? How are they going to react?"

We saw how they reacted. Ortega left the next day and went to Russia asking for $200 million.

The basic question is, Are we going to let communism become so entrenched in Nicaragua that it is another Cuba, or are we going to give the people who believe in freedom, who believe in free enterprise, a chance?

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It can work. It is working in the neighboring El Salvador today. Look at the fantastic strides that have been made there in the last 2 years.

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I urge my colleagues to stay with Michel and those of you who are changing your vote today; that is what America is all about, gathering information and standing up for your people.

Mr. McDADE. Mr. Chairman, I am delighted to yield 5 minutes to my colleague from Oklahoma [Mr. McCURDY] who has worked long and hard to achieve the bipartisan compromise that we present to the House today.

Mr. McCURDY. Mr. Speaker, after the defeat of the bipartisan package to provide humanitarian assistance to the democratic resistance in Nicaragua on April 24, many Democratic and Republican Members gathered together that evening on this floor to develop a package that we could support. We developed a package that we believe stated policy for the first time that made sense in Nicaragua.

The Michel-McCurdy-McDade amendment moves clearly to the center to help support the democratic elements within the resistance forces in Nicaragua. We modeled this amendment after the successful bipartisan policy toward El Salvador.

In El Salvador, we heard the same arguments that we have heard today; that is, you could not break with the extreme right or left, and that the course of the policy inevitably led to a military invasion by the United States.

My colleagues, those critics were wrong. They were wrong then and they are wrong today.

The issue is not whether we are for negotiated settlement or military intervention. This amendment provides for a cease-fire, for negotiations, for the suspension of maneuvers, and the lifting of the boycott.

The issue is not whether we support Contadora. We provide $2 million for the Contadora nations and support the regional settlement.

The issue is not whether the CIA will be involved in distributing humanitarian assistance inside Nicaragua. Our amendment specifically prohibits the CIA and the DOD from doing so.

The issue is not over the protection of human rights inside Nicaragua by both the left and the right. Our amendment requires changes, requires progress, and U.S. monitoring on the improvement of human rights conditions inside that country.

My colleagues, the only real issue today is whether we provide real incentives for both sides and particularly the Sandinistas to negotiate with their people.

Let me quote from the President who sent a letter yesterday stating again the policy of the United States, not the rhetoric we hear on the floor.

The policy, as written under the hand of the President, says,

> My administration is determined to pursue political, not military solutions in Central America. Our policy for Nicaragua is the same as for El Salvador and all of Central America, to support the democratic center against the extremes of both the right and the left, and to secure lasting

> peace through national dialogue and regional negotiations. We do not seek the military overthrow of the Sandinista government or to put in its place a government based on supporters of the old Somoza regime.

The President continued and said,

> I take very seriously your concern about human rights. The United States condemns in the strongest possible terms atrocities by either side. We are committed to helping the democratic resistance in applying strict rules regarding proper treatment of prisoners in the civilian population, and we urge their leaders to investigate allegations of past human rights abuses and take appropriate actions to prevent further abuses.

Then the President states in conclusion that:

> A policy of support for democracy, economic opportunity, and security will best serve the people of Central America and the national interests of the United States. If we show consistency of purpose, if we are firm in our conviction, we can help the democratic center prevail over tyrants of the left or the right.

What we, as Americans, not just Democrats and Republicans, but as Americans should stand for are standards, standards that are the same for El Salvador, Nicaragua, South Africa, Chile, and other nations throughout the world.

I oppose the Boland amendment today because I believe it requires a higher U.S. standard as to Nicaragua than as to any other nation in the world. My colleagues, let us put the United States again on the side of democracy and liberty. I urge your support of the Michel-McCurdy-McDade amendment.

Mr. JONES of Oklahoma. Mr. Chairman, will the gentleman yield?

Mr. McCURDY. I yield to my colleague, the gentleman from Oklahoma.

Mr. JONES of Oklahoma. Mr. Chairman, I commend my colleague from Oklahoma and I support the McCurdy-McDade-Michel amendment. This has been a serious decision for me because I was a cosponsor of the original Barnes-Hamilton amendment. In reaching this decision, I asked myself some basic questions which I encourage my colleagues to consider.

First, what responsibility does the United States have in being involved in Nicaragua at all? Obviously, we have security interests and we will not allow that country, that close to our borders, to be used as a launching pad to threaten U.S. national security. I don't think such a threat exists today, but it clearly is a possibility.

But I do think that we have a moral responsibility to give humanitarian assistance to the refugees of that civil war because it was to a great extent our policies which brought on the war. The United States, in our desire to rid Nicaragua of human rights abuses and a stream of refugees escaping the Somoza dictatorship, sided with the revolutionary opposition to Somoza.

Immediately after the Sandinista triumph in 1979, America gave millions in aid and debt rescheduling assistance. Between July 1979 and April 1981, the United States gave Nicaragua $117 million in bilateral aid. Part of our support for the Sandinistas was their written promise to the OAS that the Nicaraguan people would have democratic elections, full political, religious, and trade union freedoms, a free press, a mixed economy, a policy on nonalignment, and peaceful relations with its neighbors.

Today we have a new set of refugees, new human rights abuses, and none of the solemn promises made to the OAS have been fulfilled. Today, Nicaragua has a censored press, sham elections, an official policy of antisemitism, exportation of revolution to El Salvador, invasions of Costa Rican and Honduran sovereignty, and a Leninist consolidation of police, judicial and military functions under the authority of a political party.

Now what about the Contras . . . the "democratic opposition"? Just like the Sandinistas, it's not all good or bad, but at least it pledges to carry out the promises of establishing freedoms and democratic institutions. On the political side, the Contras are led by men of sterling credentials resembling that of El Salvador's Duarte . . . leaders such as Arturo Cruz, Adolfo Calero, and Alfonso Robelo. Their major failing is that, unlike Duarte, they have not remained inside Nicaragua and endured the personal risks to establish roots of democracy there.

On the military side, the Contras are composed of a mixed group. There are former Somoza national guardsmen, former Sandinista revolutionaries who became disenchanted with the nonfulfillment of those democratic pledges, and new refugees caught up in the civil strife. Some of the Contras, as well as some Sandinista military units, have clearly violated human rights.

So what is our goal in Nicaragua if both sides have disreputable elements? Do we abandon the new refugees and revolutionaries allowing the Sandinistas to complete the Leninization of Nicaragua? Do we finance military action to overthrow the Sandinistas? Neither approach should be our policy.

The irony is that the policy goals of Barnes-Hamilton and that of McCurdy-McDade are virtually the same. The distinctions between the two amendments are almost without a difference. The major distinction is who will deliver the humanitarian assistance. Barnes-Hamilton says only an international relief agency. McCurdy-McDade says either an international or an American Government relief

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agency, but definitely not the Defense Department or the CIA. Frankly, McCurdy-McDade is an improvement. Those who argue that only an international agency can be trusted to make sure that this aid be confined to humanitarian assistance, that argument sets up a strawman which is not significant. If Contras are going to abuse our humanitarian aid effort, they will do it whether or not it's an international or American agency administering it.

The real question is whether we should be giving any aid at all at this time. Most of the arguments which our more liberal colleagues have circulated recently supporting military aid to the revolutionaries of Cambodia or the freedom fighters of Afghanistan are relevant to the situation in Nicaragua. I am firmly against providing military aid to overthrow the Government of Nicaragua, but clearly this humanitarian aid is justified.

Finally, I believe that the McCurdy-McDade amendment is the right approach from the standpoint of timing. I see many comparisons between the situations in El Salvador and Nicaragua.

In 1981 and 1982, Congress and the administration were polarized over El Salvador. Many of us in Congress did not support aid to El Salvador because of the gross human rights violations there. At the same time, the administration refused to acknowledge human rights violations by the Junta. When the administration moved from its extreme position of blindness to the death squads and other human rights abuses, Congress placed tight strings but passed assistance to give democracy a chance to work in El Salvador. This movement to the middle by both the administration and Congress, has resulted so far in a shining success for establishing democratic institutions, freedoms, and human rights in El Salvador.

In Nicaragua so far, the administration has used wrongheaded policies using gunboat diplomacy against the Sandinista Government while putting on blinders to the presence of Somocistas in the Contra military leadership. Many in Congress have overlooked the consolidation of a Leninist state in Nicaragua.

Thanks to the work of those who pushed the McCurdy-McDade proposal, both the administration, as evidenced by President Reagan's letter to the gentleman from Oklahoma, and a bipartisan coalition in Congress have moved to the middle. The McCurdy-McDade amendment represents an El Salvador-style coming together of both sides, bringing the President a long way away from the warmongering statements of the past, and lending legitimacy to the moderate, democratic forces within the Contra leadership. Just as we changed our position on El Salvador at the right time, and it worked, I think the time is right to slightly modify our position on Nicaragua. The McCurdy-McDade amendment is the best vehicle to give democracy a chance in Nicaragua and I urge its passage.

Mr. BOLAND. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Michigan [Mr. CROCKETT].

Mr. CROCKETT. Mr. Chairman, I see no rational or justifiable reason why Congress should once again take up the issue of whether to provide economic assistance to the Nicaraguan Contras. The issues that surround this debate have not changed, and I remain convinced that the American people feel as strongly as ever that resuming aid to the rebels would be the wrong path to follow.

Support for the Contras in their attempt to overthrow the legally recognized Government of Nicaragua would still violate international law, would still drag the United States closer to direct military involvement in Central America, and would still constitute overt aggression against an independent people.

Mr. Chairman, recently there has come to my attention an outstanding piece of legal research sponsored by the National Emergency Civil Liberties Committee, that examines U.S. policies toward Nicaragua in the context of international law. This report, which has been concurred in and endorsed by more than 100 deans and law professors from some of the most prestigious law schools in this country, concludes unreservedly that American involvement with the Nicaraguan rebels has contradicted several U.N. resolutions to which we had subscribed regarding acts of war and has also violated our own Neutrality Act. In addition, the report points out that President Reagan's decision not to accept rulings by the World Court on the CIA's role in helping to mine Nicaraguan harbors was a breach of our treaty obligations to that Court, and signaled to the world a disturbing lack of interest on the part of the American Government to live up to its international obligations. The text of the article will follow my comments in the CONGRESSIONAL RECORD, and I strongly recommend to my colleagues that they review it.

Mr. Chairman, an America that wavers in its commitment to international law undermines world order and peace. Renewed funding for the Contras would compromise both our standing in the international community and our national ideals. I urge my colleagues to stand firm in their convictions that the United States cannot and must not help to destabilize by forceful means a legitimately elected government with which we continue to exchange ambassadors and maintain diplomatic relations.

[Memorandum of The National Emergency Civil Liberties Committee on the United States, Nicaragua and the World Court April 15, 1985]

THE REAGAN ADMINISTRATION AND NICARAGUA

I. THE UNITED STATES AND THE WORLD COURT

On April 9, 1984, Nicaragua commenced a proceeding against the United States in the International Court of Justice claiming, and seeking an adjudication by the Court, that the United States had, since March 1981, engaged in and been responsible for military and paramilitary acts in and against Nicaragua in violation of the Charter of the United Nations, the Charter of the Organization of American States, other multilateral treaties and principles of international law.

The response of the Reagan Administration was to challenge the Court's jurisdiction to deal with the dispute and to demand that Nicaragua's application be stricken from the Court's docket. Not only were the grounds of objection to the Court's jurisdiction tenuous as a matter of law; more significantly, the United States was rejecting the Court's right to intervene in an unquestionably grave international dispute. This jurisdictional challenge was rejected by the Court on November 26, 1984 by a 15 to 1 vote. Confronted with this unequivocal rebuff to its views, the Reagan Administration, on January 18, 1985, announced that it would not participate in further proceedings in the case.

This is a most startling and unfortunate position for our government to take. The United States declared its acceptance of the compulsory jurisdiction of the International Court of Justice almost forty years ago, in 1946 (in accordance with the so-called optional clause of the Court Statute (Article 36, Par. 5), in relation to any other state accepting the same obligation in all legal disputes concerning (a) the interpretation of a treaty; (b) any question of international law; (c) the existence of any fact which, if established, would constitute a breach of an international obligation; and (d) the nature or extent of the reparation to be made for breach of an international obligation. Our government regarded its declaration as tantamount to a treaty obligation; acceptance was authorized by the treaty process, a two-thirds vote of the Senate approving, the Senate Committee on Foreign Relations noting at the time that "(t)he force and effect of the declaration is that of a treaty, binding the United States with respect to those States which have or may in the future deposit similar declarations.

There is therefore no doubt that the Court's jurisdiction extends to adjudication of the dispute stated by Nicaragua. And our government's attempt, three days before Nicaragua's application was filed, to modify its 1946 declaration of acceptance so as to exclude "disputes with any Central American states or arising out of or relating to events in Central America" was patently ineffective. For, when the United States accepted the Court's compulsory jurisdiction, our government expressly stated that its acceptance would "remain in force for a period of five years and thereafter until the expiration of six months after notice may be given to terminate this declaration." This, as the Senate Committee explained when it approved the authorizing Resolution in 1946, has the effect of "a renunciation of any intention to withdraw our obligation in the face of a threatened legal proceeding."

Nicaragua had also accepted the compulsory jurisdiction of the court, and it was thus plainly within the contemplation of the United States declaration. The Yearbooks of the Court repeatedly and consistently noted that Nicaragua's 1929 declaration was made under Article 36 of the Court Statute and is "deemed to be still in force;" our own Department of State publication, "United States Treaties in Force" on January 1, 1983 (p. 351) lists Nicaragua, without qualification, as one of the States that accepted the compulsory jurisdiction of the Court; and the standard "United Nations Information Book on the International Court" does the same.

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The Reagan Administration's refusal now to participate in further proceedings before the World Court is a blatant repudiation of our earlier commitment of the resolution of disputes among nations by an international court of justice. It is a betrayal of the principle of the rule of law in international affairs. The Administration's excuse for this unprecedented departure from our earlier policies is strangely reminiscent of the argument Iran advanced in opposing World Court jurisdiction in the hostage case. The Iranian government argued there that the hostage problem was simply "marginal" and could not be examined separately from the overall problem of "continual interference by the United States in the internal affairs of Iran." Our government similarly insists that it has withdrawn from further proceedings in the Nicaraguan dispute in order to "preclude the Court's being misused to divert attention from the real issues in the region."

The short and definitive answer to the Reagan Administration's argument here is precisely that given by the Court to the Iranians in the hostage case: "Legal disputes between sovereign States by their very nature are likely to occur in political contexts, and often form only one element in a wider and long standing political dispute between the States concerned. Yet never has the view been put forward before that, because a legal dispute submitted to the Court is only one aspect of a political dispute, the Court should decline to resolve for the parties the legal questions at issue between them."

The attempt to withdraw the Nicaraguan dispute for World Court review inevitably leads one to conclude that the Administration has no confidence in its case on the merits. Roberts Owen, the top State Department lawyer during the last two years of the Carter Administration, has noted that the withdrawal may well amount to a concession that the United States did violate international law by mining Nicarguan harbors. Alfred Rubin, Professor of International Law at the Fletcher School of Law and Diplomacy, likewise has stated that the withdrawal amounted to a confirmation of illegal activity by the United States. And, indeed, analysis reveals that it is highly probable that the Administration's actions with respect to Nicaragua have been unlawful.

II. UNITED STATES POLICY AND INTERNATIONAL LAW

Article 2(4) of the Charter of the United Nations provides:

"All members shall refrain in their international relations from the threat or use of force against the territorial integrity or political independence of any state, or in any other manner inconsistent with the purpose of the United Nations."

In defining the term "threat or use of force," the General Assembly, by broad consensus, adopted a definition of aggression which includes the use of armed bands, mercenaries, or irregulars that carry out substantial acts of armed force against another state. Under this definition, the Administration's aid to the Nicaraguan counterrevolutionaries constitutes aggression and violates Article 2(4) of the Charter.

Our government responds that its actions have: (1) been taken in legitimate self-defense in response to Cuba and Nicaraguan aggression against El Salvador; or (2) constitutes aid to one side in a civil war. The Administration's claim that the Nicaraguan government is sending arms to the Salvadoran rebels and that aid to the contras is simply designed to interdict those arms, however, has been amply refuted. Moreover, there is an even more fundamental problem with the Administration's position. Whatever the factual validity of the Administration's claims (which has yet to be established), Article 51 of the U.N. Charter recognizes a right of self-defense only if an armed attack occurs against a member of the United Nations. Certainly, one cannot reasonably contend that the El Salvadoran insurgents have launched an armed attack against El Salvador from Nicaragua. Authoritative scholars have noted that the concept of "armed attack" must be narrowly construed. Actual incursions by rebels controlled by or acting solely as an instrumentality of another state are necessary to rise to the level of armed attack. Merely giving assistance does not amount to armed attack, justifying self-defense. Indeed, it was precisely the fear that powerful nations would attempt to use aid to rebels as justification for attacks against the assisting nation under the guise of self-defense that led Third World nations to insist that the definition of aggression be narrowly worded to include only the "sending by or on behalf of a State of armed bands," not merely aiding such groups. Thus, the use of force would be limited, and self-defense not be permitted, to gut Article 2(4).

What our government asserts is the right to use of armed force to attack another country for sending arms to or helping one side in a civil war. Under this rationale, the Soviet Union would have a right to attack the United States and Pakistan because it believed that the CIA and Pakistan were supporting Afghan guerrillas. This argument stands international law against aggression on its head and would permit an armed attack whenever any country believes the other is aiding an internal struggle elsewhere in the world.

Second, the Administration argues that it is merely aiding one side in a civil war in Nicaragua. This is, however, not the case. As the mining operations disclosed, the Nicaraguan counterrevolutionaries are to a large extent directed and controlled by the CIA and operate under its guidance. The CIA has not merely aided the contras, it has initiated, controlled and substantially participated in their activities. As a top leader of the largest counterrevolutionary group, the Nicaraguan Democratic Force (FDN), recently noted: "The FDN was originated by the CIA, the chairman was appointed by the CIA and it is totally controlled by the CIA."

The contra's actions are not simply part of a civil war in Nicaragua; they are externally organized and directed. The contras attack from across the border of Honduras and Costa Rica; despite years of warfare and vast amounts of aid, they have not established permanent bases in Nicaragua. The line between civil war and external war may be murky in today's world, but there is still a distinction between the two. The contras are engaged in mercenary attack, not a civil war.

Our government's conduct in Nicaragua also violates the Charter of the OAS. Article 15 states:

"No state or group of states has the right to intervene, directly or indirectly, for any reason whatsoever, in the internal or external affairs of any other state. The foregoing principle prohibits not only armed force but also any other form of interference or attempted threat against the personality of the state or against its political, economic and cultural elements."

The broad language of this Article reflects an effort by the Latin-American community to have the United States abandon its claim of right to intervene, stemming from the Monroe Doctrine, in the affairs of the Central and South American nations. The military support for the contras clearly represents intervention "directly or indirectly" in the internal affairs of Nicaragua proscribed by the OAS Charter.

The methods employed by the Reagan Administration in conducting the so-called covert war against Nicaragua also violate the norms of international law. The exiles fighting against the government of Nicaragua under the guidance of our military aim their attacks at economic and civilian targets. Villages are burned, tobacco fields razed, bridges blown up and, worst of all, Nicaraguan nationals are summarily executed and tortured. According to Americas Watch, the internationally respected human rights organization, the largest contra group, the FDN, "has engaged repeatedly in kidnapping, torture and murder of unarmed civilians."

Torture and summary execution of civilians violate the United Nations Charter, the Universal Declaration of Human Rights, the Geneva Convention (IV) Relative to the Protection of Civilian Persons, the principles of the Nuremberg Charter, and binding norms of customary international law. As the recently surfaced CIA manual demonstrates, the CIA has not only tolerated but encouraged such violations of international human rights.

Finally, the mining operation conducted by the CIA was plainly in violation of international law. As a blockade, it constitutes an act of war in violation of Article 2(4) of the U.N. Charter as well as the OAS Charter. Moreover, the notification to other nations clearly required for such action was not given.

III. DOMESTIC LAW AND THE POLICY TOWARDS NICARAGUA

A. Neutrality Act

The Administration's actions as to Nicaragua also violate United States law.

The Neutrality Act, 18 U.S.C. 960, makes it a crime, inter alia, to initiate, organize or begin a hostile expedition on United States territory against a foreign country with which the United States is at peace. This statute, enacted in 1794, was designed to secure the war powers to Congress and to incorporate international legal standards into United States law.

By establishing camps in Florida, training recruits to fight against the Sandinista government and raising money and arms for such attacks in the United States, the Nicaraguan exiles have "prepared for" and "set on foot" a military expedition against Nicaragua from the United States. By covertly aiding and directing this expedition, the Administration has become a co-conspirator in such violations of the Neutrality Act.

The Administration contends that the Neutrality Act does not apply to executive actions; the President stands above the law. The statute, however, is broadly directed against "any person," in contrast to similar antecedent British statutes which only prohibited such expeditions "without leave or license of his Majesty." Moreover, the courts have interpreted the Neutrality Act to prohibit the President from authorizing private hostile expeditions. In the 1806 case of *United States* v. *Smith*, two persons indicted under the Neutrality Act asserted that their acts had been authorized by President Jefferson and his Cabinet, Supreme Court Justice William Paterson held that such authorization, even if given, could not suspend the Neutrality Act:

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"The President of the United States cannot control the statute, nor dispense with its exception, and still less can he authorize a person to do what the law forbids. If he could, it would render the execution of the laws dependent on his will and pleasure; . . . (T)he law is paramount. Who has dominion over it? None but the legislature . . .

"It is the exclusive province of Congress to change a state of peace into a state of war . . . (T)he organ entrusted with the power to declare war, should first decide whether it is expedient to go to war or to continue in peace; and until such a decision is made, no individual ought to assume a hostile attitude, and to pronounce contrary to the popular will, that the nation is at war." 27F, Cas 1192, 1196-7, 1130, (C.C.D.N.Y. 1806) (No. 16, 342).

Thus, the Administration is violating both the letter and the spirit of the Neutrality Act by collaborating in the contras' military expeditions against Nicaragua.

B. Article I, section 8 of the Constitution

The Reagan Administration's policies also violate Article I, Sec. 8 of the Constitution. Arming, training, and directing armies of 10,000 to 15,000 men in attacking Nicaragua are clearly acts of war. The indiscriminate mining of Nicaraguan ports, now known to be carried out under the CIA auspices, is a blockage under international law. As the United States Naval Manual, Law of Naval Warfare, states: "A blockade is a belligerent operation intended to prevent vessels of all states from entering or leaving specified coastal areas which are under the sovereign under occupation, or under the control of an enemy." Recent Presidents and Secretaries of State have acknowledged that a blockade is an act of war. President Eisenhower said that "a blockade is an act of war intended to bring an adversary to your way of thinking or to his knees," while President Kennedy noted that "to deny the oil (Cuba) would require, of course, a blockade, and a blockade is an act of war."

Even if, as the Administration portrays them, these acts are military reprisals against Nicaragua, they violate Article I, Sec. 8 of the Constitution. For, it is Congress to which is granted the power to "grant letters of Marque and Reprisals"—letters, which in the 1700's authorized private reprisals against foreign nationals or states. The Constitution prohibits presidential authorization of covert invasions or mining operations against another country by "private armies" directed by the CIA.

CONCLUSION

These violations of international and domestic law are not merely technical matters; they are injuring not only the Nicaraguan people. These Constitutional provisions and the Neutrality Act are premised on the principle that the United States shall engage in warfare or armed reprisals only after public discussion and debate. Presidential use of private armies flouts that principle. As was noted in the debate on the Boland amendment, the activities of the contras "commit us to a specific foreign policy that has never been openly defended and supported and whose outcome cannot be guided by our own democratic institutions."

In disregarding these constitutional and statutory safeguards, the Reagan Administration threatens the democratic decision-making process upon which our government ought to rest. In disregarding the substance of international law and the Court established to enforce and give life to international law, this Administration's actions threatens world peace and order.

This Administration's boycott of further proceedings in this case is a breach of treaty obligations we undertook when we accepted the compulsory jurisdiction of the World Court in 1946. The Executive does not have the authority to violate our treaty obligations. To continue to aid the contras in the face of a clear World Court opinion that our activities constituted aggression prohibited by the U.N. Charter would be to reject the very law which we have applied to others. For it is the United States which urged most strongly at Nuremberg that aggression be considered an international crime. As Supreme Court Justice Jackson, the chief U.S. prosecutor at Nuremberg stated: "If certain acts in violation of treaties are crimes, they are crimes whether the United States does them or whether Germany does them, and we are not prepared to lay down a rule of criminal conduct against others which we would not be willing to have invoked against us." Our efforts to evade World Court review of Nicaragua's complaint, as well as any decision to now boycott the court's proceedings or defy its orders would signify that this Administration refused to abide by those very norms of international conduct which we labelled criminal in 1946.

CORLISS LAMONT,
Chairperson.
EDITH TIGER,
Director.
LEONARD B. BOUDIN,
General Counsel.

(Prepared by Professor Jules Lobel of the University of Pittsburgh School of Law in consultation with Harry I. Rand, a senior member of the law firm of Botine, Hays & Sklar of New York City.)

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Mr. BOLAND. Mr. Chairman, I yield 5 minutes to the distinguished gentleman from Wisconsin [Mr. OBEY].

Mr. OBEY. Mr. Chairman, it is essential that we oppose the Michel amendment here today. Either the authors of the Michel amendment inadvertently messed up their drafting or else they intended to slip into their proposal a resumption of military aid to Nicaragua after October 1, because this proposal is very clearly nothing but a Trojan horse that will allow the resumption of direct military activities through intelligence agencies after October 1.

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It is true that this proposal says that none of the money in this amendment may be used for military or paramilitary purposes, but because it does not renew the Boland amendment, that means that after October 1 you will be able to use the CIA contingency fund and you will be able to fund paramilitary or military operations with no limit. That is what the Michel amendment does and if you do not think it does, you do not know what is in it.

Now where is this going to take us? Where is this going to take us? This is going to take us down a road which has already failed. Our original support for the Contras began as support for a tiny band of some 500 fighters. Today that force has grown to over 17,000, 35 times as large as the original force. General Gorman has indicated already that our present policy cannot succeed in changing the Sandinistas. The New York Times has reported administration-classified documents that indicate their intention is to raise the size of the Contra operation to between 30,000 and 35,000 people. That would be a force 70 times as large as the one in the beginning. And the New York Times quotes the administration as saying that we must realistically recognize as an eventual option the use of American military force in Nicaragua.

If you vote for MICHEL and October 1 comes and the gloves are off, can anybody tell us what happens then? The administration is quoted as saying that this test vote on $27 million is just that, that is a test and that if it is approved it may be appropriate to do more. What is that more?

The question is not whether we like the Sandinistas, I have no illusions about where they are going. The question is how to handle them. The question is whether we are going to fight them stupid or whether we are going to fight them smart. The question is whether we are going to allow the Congress to really duck its institutional responsibilities by pretending that we are, through passage of this amendment, providing humanitarian aid when, in fact, what we will be doing is opening up to door to the passible provision of military assistance or paramilitary assistance after October 1.

If we do this, if we do this, sure we will hurt Nicaragua. There will be more losses. There will be more disruption. But, more importantly, we will hurt ourselves, because we will take away some of the strongest advantages America has always had. Do we really want to put the United States in opposition to international law? Do we really want to abandon our solid public commitment to the principle of national sovereignty no matter how much we may dislike an individual government? If you give—if you pass this amendment today, make no mistake about it, you will be doing much more than providing humanitarian assistance, you will be providing, after October 1, an opportunity for the administration to do whatever it wants in terms of providing military assistance through the CIA, and that is a fact, and I urge you not to do it.

The CHAIRMAN. The time of the gentleman has expired.

The gentleman from Pennsylvania [Mr. MCDADE] has 3½ minutes remaining; the gentleman from Massachusetts [Mr. BOLAND] has 2½ minutes remaining.

Mr. BOLAND. Mr. Chairman, I yield the remainder of the time to the gentleman from Connecticut [Mr. GEJDENSON].

The CHAIRMAN. The gentleman from Connecticut [Mr. GEJDENSON] is recognized for 2½ minutes.

Mr. GEJDENSON. Mr. Chairman, what we have before us is a policy first engaged in some 4 years ago. When the President directed the CIA to begin its attempt to overthrow the Nicaraguan Government. In 4 years let us see where we have come. We have established a force of some 15,000 men, women, and children who are involved in military assaults on the people of northern Nicaragua.

And what have we gained? Four years of this policy has brought failure to America. It has failed to move the Nicaraguan Sandinistas closer to our position; and it has made us accomplices in some of the most brutal attacks on civilians that have occurred on this continent. We can take a look at report after report by international human rights monitoring groups that review the military activities of the Contras. Unable to gain either military or political advantage, the Contras have been reduced to simply assaulting civilians in the region.

[CRS-401]

And, make no mistake, American taxpayers' dollars will facilitate these continued attacks. You can call this humanitarian aid, you can try to frame it any way that you like, but clearly what we are trying to do through the Michel amendment is to provide support and sustenance, to allow for the continuation of the Contra war and their attacks on civilians in northern Nicaragua.

Let me read to you about one such instance.

> She was on her side, I on the other, about 30 yards away, she was screaming. She was raped by one of the 50 men. There were about 800 Contras there in other areas. The same person later cut her throat.

The Contra responsible for this escaped. American taxpayers ought not to be facilitating the murder and destruction of civilians in northern Nicaragua. It is a policy that does not gain us military or political advantage. It is a policy that has already failed and the response today by Mr. Michel is to continue this very policy, and if it goes on without the addition of the Boland amendment it will provide for America's direct involvement through the

CIA attempt at what has been clearly demonstrated to be not in America's best interest. Let us not continue on a policy of failure. Let us attempt to regain our position in this hemisphere and try to institute policies that reflect the values of this country and the American people. I urge my colleagues to vote against the Michel amendment.

Mr. McDADE. Mr. Chairman, may I inquire how much time remains?

The CHAIRMAN. The gentleman has 3½ minutes remaining.

Mr. McDADE. Mr. Chairman, I yield myself the remaining time.

Mr. McDADE. Mr. Chairman and my colleagues, we have come to the end of formal debate on an amendment that has been called the Michel amendment, the McCurdy amendment, the McDade amendment, et cetera, et cetera. That is because a lot of people worked on it in this House. I just want to take a second to say I am very grateful to my friend from Oklahoma [Mr. McCurdy], who spent an enormous amount of time on the issue; I am very grateful to my friend, the chairman of the Committee on Foreign Affairs, the distinguished gentleman from Florida [Mr. Fascell], who worked hard and made many positive contributions.

I do want to congratulate my colleagues on the other side of the aisle for having the graciousness to yield that distinguished chairman 5 minutes of their time so that he might express himself. I want to say that my dear friends, John McCain, Dan Daniel, Ham Fish, all worked hard, my dear friends Bob Michel, Dick Cheney, because we want to try to present to the House a new initiative, a bipartisan initiative.

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Now normally, we would be at the point where we would vote. We have come down to the end of formal debate, and normally the ladies and gentlemen up in the press galleries would be about to watch the lights go on and the bells ring, and we would have a vote. No vote coming, folks, not for a couple more hours.

Strange not to vote right now. I have been here 24 years; I do not ever recall that before. Many things happen in this House. That may have happened before; maybe my memory is faulty; I just do not remember it, and I do not remember a Rules Committee writing a rule that prohibited the inclusion in this amendment formally of a bipartisan sponsor from across the aisle.

I believe that to be unprecedented in the history of the House of Representatives. I do not believe it represents equity. It does represent skill. I do not think it represents equity.

It is customary at this time to thank people in the House and I do, for the quality of the debate. Members on both sides of the aisle have done in general a superb job.

I do have to say I am offended, personally, by comments which were made by my distinguished colleague from Wisconsin, as he was closing debate on that side of the aisle.

What he said was not true and he knows better. I was offended to hear him say that, either those who——

Mr. OBEY. Will the gentleman yield? Is the gentleman saying I am lying?

Mr. McDADE. No; I do not yield.

Those who wrote this amendment either did not know what they were doing or they were prepared to seek a new armed aggression in Central America.

That, Mr. Chairman, is not my 24-year record as a Member, nor is it my intention nor those of my colleagues, on this amendment. Read it. It restates the prohibitions of the Boland amendment; they expire in September. It of course does not deal with fiscal year 1986 money; we have not got to the fiscal year 1986 authorization or appropriations; it cannot.

I will work with you to carry out the spirit and intent of this amendment. I hope we vote for it in an overwhelming majority.

AMENDMENT OFFERED BY MR. BOLAND TO THE AMENDMENT OFFERED BY MR. MC DADE

Mr. BOLAND. Mr. Chairman, I offer an amendment to the amendment.

The amendment was printed in the Record on June 5, 1985, pursuant to the rule.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment to the amendment is as follows:

Amendment offered by Mr. Boland to the amendment offered by Mr. McDade. Strike out section 102 and insert in lieu thereof the following:

"Sec. 102. (a) No funds available during any fiscal year to the Central Intelligence Agency, the Department of Defense, or any other agency or entity of the United States involved in intelligence activities may be obligated or expended for the purpose or which would have the effect of supporting, directly or indirectly, military or paramilitary operations in Nicaragua by any nation, group, organization, movement, or individual."

"(b) The prohibition contained in subsection (a) shall continue in effect until the Congress enacts a joint resolution repealing that prohibition."

The CHAIRMAN. Under the rule, the gentleman from Massachusetts [Mr. Boland] will be recognized for 30 minutes, and a Member opposed will be recognized for 30 minutes.

The Chair recognizes the gentleman from Massachusetts [Mr. Boland].

Mr. BOLAND. Mr. Chairman, the Michel amendment now before the House would provide $27 million in so-called humanitarian aid to the Contras.

In my view, it is difficult to distinguish between logistical support to an armed force in the field, that is receiving arms from other sources, on the one hand, and direct arming of that force, on the other.

But, in its wisdom, the House may approve this amendment.

As I understand it, we will be approving only humanitarian assistance—no military aid.

Further, this assistance cannot be provided through the CIA or the Department of Defense.

In other words, we no longer will pretend that ours is a covert relationship with the Contras.

What does my amendment add to this?

Well, first of all, it adds the so-called Boland prohibition.

That prohibition is now the law.

It prohibits any agency involved in intelligence activities from "obligating or expending funds for the purpose, or which would have the effect, of supporting, directly or indirectly, military or paramiliary operations in Nicaragua by any nation, group, organization, movement, or individual."

That is language that this House has voted, on and adopted, four times in the last several years.

What does this amendment mean in connection with the Michel amendment?

It means, very simply, two things.

First of all, it means that none of the funds which are appropriated by the Michel amendment may be provided, through any intelligence agency.

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We take the intelligence agencies out of this matter entirely.

Now some of you might ask if this is necessary, since the Michel amendment says that the money it would appropriate can't go through CIA or DOD.

The President, under the Michel amendment, can determine the agency which will dispense this aid, but he will be precluded from using an intelligence agency.

But this restriction applies only to the specific sums appropriated by the Michel amendment—not other funds.

And that, Mr. Chairman, brings me to the other principal effect of my amendment.

By extending the Boland prohibition until it is affirmatively repealed by Congress, we will ensure that the humanitarian assistance provided by the Michel amendment will be the only kind of assistance provided to the Contras until the Congress approves otherwise.

Now, that is the impression Members might form by reading the expedited vote procedure in the Michel amendment.

But, in fact, because the present Boland prohibition will expire at the end of this fiscal year, on October 1, the President is free to use CIA contingency funds to renew military funding of the Contras without congressional approval.

I don't think that is something which this House wants to do.

I think the whole thrust of the Michel amendment, is to take account of the sensitivities in this body, and one of those sensitivities is the provision of military aid by the United States to the Contras.

We are not ready to do that yet.

Now, Mr. Chairman, that is what my amendment will do.

What will it not do?

Well, it won't prohibit the provision of the so-called humanitarian assistance in the Michel amendment.

It will only prohibit military aid until we specifically approve it.

Nor will my amendment prohibit use of U.S. military forces pursuant to the War Powers Resolution.

That is something that has been clear since the very inception of this language.

Now, one more point ought to be made, Mr. Chairman.

The Michel amendment permits the exchange of information with the Contras.

What does that mean?

I presume it means intelligence information, advice on how to run the war, and perhaps training.

That's too broad a role, Mr. Chairman.

We've got to limit the CIA's further involvement with the Contras.

I say that because, better than most Members, I know that the CIA is perhaps the finest intelligence service in the world.

Nicaragua has not been its finest hour—principally because large scale paramilitary covert actions are hard to conduct secretly, or sustain politically, over a long period.

The best thing we could do to help CIA regain public credibility would be to keep it out of the war in Nicaragua.

Now, how does the Boland amendment do that?

It does this by clearing prohibiting CIA military planning, advice or training.

Those are certainly examples of direct support to the Contras.

But, you may say, what about a situation where a large concentration of the Contras—perhaps unarmed or in a sanctuary along the border—is about to be attacked by the Sandinistas in their new Soviet helicopters?

Can't the CIA warn them?

Well, Mr. Chairman, they can.

Now, where do I get that interpretation?

I get it, Mr. Chairman, from the CIA.

They have told the intelligence committee, that it is their interpretation of the present limitation, that it does not prohibit the provision of intelligence—so-called defensive intelligence—to the Contras to prevent a massacre or a holocaust-type situation.

They say they can't provide intelligence to support military activities in the field, but they can provide humanitarian warning of catastrophic attacks.

So, Mr. Chairman, my admendment does permit—as the intelligence community tells us—the provision of intelligence in extraordinary circumstances where the real prospect of a substantial loss of life exists.

That is not precise but the intelligence community tells us that they will inform the intelligence committees of each example in which they have done this and justify it fully.

They say it will be in case-by-case determination and be made in a purely humanitarian vein.

I think that's all that this House should approve.

It does what they say the Michel amendment does—it prohibits military aid until the House and the Senate approve it.

And it keeps the intelligence community completely out of the game, both in this fiscal year and in the next.

I think those are two principles which the House should endorse just at it has on four previous occasions.

Mr. FOLEY. Mr. Chairman, will the gentleman from Massachusetts yield to me?

Mr. BOLAND. I yield to the gentleman from Washington.

Mr. FOLEY. I thank the gentleman from Massachusetts for yielding.

I asked the gentleman from Massachusetts to yield for the purpose of addressing a question to him as author of the Boland amendment to the Michel amendment and for the purpose of making legislative history and so the Members of the House understand the effect of the Boland amendment.

It is correct that the effect of the Boland amendment to the Michel amendment would be to deny authority to intelligence agencies of the United States to distribute any "humanitarian" assistance authorized by the Michel amendment?

Mr. BOLAND. Yes.

Mr. FOLEY. But is it also correct that the Boland amendment to the Michel amendment would not in any way restrict the authority of other agencies of the United States, other than intelligence agencies, from distributing any humanitarian assistance if authorized by the Michel amendment?

Mr. BOLAND. Yes.

Mr. FOLEY. And the gentleman makes this statement as the author of the amendment for the purpose of making legislative history?

Mr. BOLAND. That is true. I appreciate the clarification by the distinguished majority whip.

Mr. CHENEY. Mr. Chairman, I rise in opposition to the amendment.

The CHAIRMAN. The gentleman from Wyoming [Mr. CHENEY] is recognized for 30 minutes.

Mr. CHENEY. Mr. Chairman, I yield myself 2 minutes.

At the outset, I appreciate the colloquy we have just heard on the other side, but the fact of the matter is that the administration and many of us from this side of the aisle interpret the practical effect of the Boland amendment as being a killer amendment, a killer amendment in the sense that it specifically would require, we believe, the Contras, the Nicaraguan democratic resistance, to lay down their arms, to give up their fight, to cease the struggle against the Communist government of Nicaragua, in order to receive assistance.

The gentleman in the well just ticked off the long list of agencies and departments, the State Department, the CIA, the Defense Department, and all of the others, that his amendment prohibits from handling this action.

I would suggest that there is virtually no agency of the Federal Government equipped to run this program, no agency of the Federal Government that operates internationally that in fact would qualify under the terms of the gentleman's amendment to be able to provide this assistance to the Contras.

I expect to renew this point later on, Mr. Chairman. But the fact of the matter is, and a point for everyone to understand, the practical effect of the Boland amendment is to defeat the purpose of the Michel amendment, to make it virtually impossible for us to carry out the purposes of the program. It is a killer amendment. You cannot vote for Michel and Boland and be consistent. If you want to provide aid and assistance to the Contras, if you want to provide aid and assistance to the Nicaraguan democratic resistance,

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you in fact have to defeat the Boland amendment.

Mr. Chairman, I yield 5 minutes to the gentleman from Illinois [Mr. HYDE].

Mr. HYDE. Mr. Chairman, I would like to point out to my colleagues that the Boland amendment is inappropriately presented now. It is most appropriately presented in the Intelligence Authorization Act for fiscal year 1986 where it has been adopted by the bipartisan Intelligence Committee in a very slightly modified form, and when that bill is called up for vote on the floor, it will pass virtually unanimously and we will have the Boland amendment. So bringing it up here in this context is unnecessary and wrong. But there is a difference.

I yield to my friend, the gentleman from Massachusetts [Mr. Boland].

Mr. BOLAND. Well, what the gentleman says is in the intelligence bill is absolutely correct, but the Michel amendment has been offered to the supplemental appropriation bill, with the result that if the Boland amendment is not adopted, I think the President might very well sign the supplemental appropriation, but he may not sign the intelligence bill if the Boland amendment is carried in it.

Mr. HYDE. If I might recapture my time, I am sure he will sign the defense intelligence bill because it passed on a bipartisan vote, and it deals with intelligence agencies and it belongs in the intelligence bill. To put it in this bill is redundant. It does not belong here.

Now, regarding the Boland amendment, I think what we are trying to do here is to put it in concrete. The amendment the gentleman from Massachusetts offered is a permanent adoption of the Boland amendment. I remind you of the Brezhnev doctrine. Socialism is irreversible. And what this does is set our impotence in concrete and make us enforcers in our own hemisphere of the Brezhnev doctrine. It obliterates that War Powers Act. It ensures a Communist sanctuary, and it is sublimely ignorant of historical perspective, not to say of human nature.

Now, it ignores human nature because it destroys incentives to negotiate. Why in the world would the Sandinistas want to talk to anybody when they are immune from any military attack by us or by anybody we are going to help directly or indirectly? What a marvelous Christmas present to give to the comrade comandantes. It ignores history because it is absolutely impossible to expect communism to give up power because somebody asks them to. I ransacked the history books to find some instance when a power, not to say a Communist power, a totalitarian power, has yielded power to somebody because some group asked them to.

We have spent a long time, in April, as a matter of fact, trying to recapitulate the lessons of Vietnam. I do not know that we have learned them yet. But I suggest there are lessons of World War II that we ought to ponder a little bit, too, the easiest war in history to stop, and yet we lost 50 million lives worldwide as a result of World War II. And what are the lessons of World War II? Appeasement and isolationism do not work. The road to peace does not run through Munich. But some people are intoxicated with the notion of sitting down at a table and just talking. But unless there is a reason to talk, unless there are some incentives, the talking is going to be endless and pointless.

Now, what is wrong with the Boland amendment as it is presented here is that it forbids the intelligence agencies from exchanging information. Are you going to ask an arm of the U.S. Government—and I cannot think of any which qualifies to distribute our humanitarian aid under Boland. Even the doormen for this building probably have an intelligence function, so they cannot serve. But if you can think of somebody who might possibly want to help distribute food down there and not be disqualified under the Boland amendment, who is going to tell them where to drop the food and where it is safe and where it is unsafe? Won't you let our intelligence agency say, "Don't go in there, there is an ambush"? Won't you let them do that much? That destroys the word "humanitarian" from any meaning whatsoever. Won't you permit us to give intelligence to these Contras so they can defend themselves against the helicopter gun ships? Is that not elementary decency?

No, this will not permit the exchange of information. It is the only real estate in the world where this immunity is given to Marxism-Leninism. I would not be caught dead voting for it, really, and I love Mr. Boland, I think he is a great gentleman. He is just so wrong.

Now, we have heard so much about the Contras as being Somocistas. All of the National Guard that Somoza had was 6,000. Half of them are in jail. So you are down to 3,000. And I point out to you there are 15,000 Contras, growing 500 every month. And certainly what a slander it is to call Fascist people like Adolfo Calero, Arturo Cruz, Alfonso Robelo, or even Eden Pastora as an earlier speaker did. What a slander to call all Contras Fascists. These are democrats. These are people who fought Somoza, and there are more ex-Sandinistas than ex-Somocistas fighting with the democratic resistance.

Mr. BOLAND. Mr. Chairman, I yield such time as he may consume to the distinguished gentleman from Wisconsin [Mr. Obey].

Mr. OBEY. I thank the gentleman for yielding.

Mr. Chairman, I would simply like to ask the former chairman of the Intelligence Committee a question. Mr. McDade took offense at my remarks earlier and said it was not true that the Michel amendment allowed the possibility of money being provided for military or paramilitary aid after October 1, and I would like to check that out. Is it not true that the Michel amendment makes funds available through March 31 of the next fiscal year, which means we will be well into the next fiscal year?

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Mr. BOLAND. The Michel amendment does precisely that.

Mr. OBEY. Is it not true, therefore, that the Michel amendment, without the gentleman's amendment, allows the possibility for the administration after October 1, to resume military or paramilitary aid to the Contras? Is that not precisely why we need the gentleman's amendment?

Mr. BOLAND. In my judgment, that is certainly a possibility and maybe a probability.

Mr. CHENEY. Mr. Chairman, I yield myself 2 minutes on that point.

Mr. Chairman, that charge has been repeated several times over the course of the last couple of weeks. It has been in a "Dear Colleague" letter by the gentleman from Massachusetts [Mr. Boland]. He said, in effect, that the Nichel amendment would soon permit, the President to provide military aid to the Contras. It has been repeated by Mr. Obey in his remarks on the floor today. It has been repeated by Mr. Bonior in a "Dear Colleague." It is untrue. It is factually, flatly untrue.

Whether or not the Michel amendment does or does not pass has absolutely no impact upon the question of whether or not military funds can be provided out of the reserve for contingencies by the CIA. If the Michel amendment does pass today it will not alter the circumstances that the gentleman from Wisconsin just mentioned.

Mr. BOLAND. Mr. Chairman, will the gentleman yield?

Mr. CHENEY. I yield to the gentleman.

Mr. BOLAND. I thank the gentleman for yielding.

Mr. Chairman, Members may have different interpretations of what the Michel amendment does. My interpretation of it is that if the Boland prohibition is not adopted, the CIA's reserve for contingencies may be used on or after October 1, 1985, for military aid to the Contras.

Mr. CHENEY. Mr. Chairman, reclaiming my time, the fact of the matter is, the charge is that the reserve for contingencies could be used to provide military assistance to the Contras beginning September 30 or October 1, 1985. That has absolutely nothing to do with this amendment. The Michel amendment does not

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touch that. That is true regardless of whether or not the Michel amendment passes.

More than that, we have gone to the National Security Council and to the White House and to the administration and asked for and have been given the following assurances: With regard to the Nicaraguan Covert Action Program, the administration has assured the sponsors of the Michel amendment that neither the reserve for contingencies nor other funds available will be used for any material assistance other than that authorized by the Michel amendment for humanitarian assistance for the Nicaraguan Democratic Resistance, unless authorized by a future act of Congress.

Mr. BOLAND. Mr. Chairman, I yield 5 minutes to the distinguished chairman of the Subcommittee on Defense Appropriations the gentleman from New York [Mr. ADDABBO].

Mr. ADDABBO. I thank the gentleman for yielding to me at this time.

Mr. Chairman, only a month or more ago we defeated House Joint Resolution 239 which called for the release of $14 million for military and paramilitary aid to the Contras. It was defeated by an overwhelming vote.

We then received a substitute amendment which called for the provision of $14 million in humanitarian aid, and what was the humanitarian aid? It covered everything, and now we see in today's amendment by Mr. MICHEL again the term humanitarian aid and it explains it a little better this time. The amendment defines humanitarian aid, as follows: "As used in this paragraph, the term 'humanitarian assistance' means the provision of food, clothing, medicine, other humanitarian assistance, and it does not include the provision of weapons, weapons systems, ammunition or other equipment, vehicles or material which can be used to inflict serious bodily harm or death." I emphasize, "Which can be used to inflict serious bodily harm or death."

So the interpretation is this humanitarian aid cannot be used to inflict serious bodily harm but can be used as a means to inflict other harm. So there is again an ambiguity in the interpretation. Under section 102 of the amendment of the gentleman from Illinois [Mr. MICHEL], the current prohibition on funding of military and paramilitary operations in Nicaragua is interpreted to allow the U.S. Government to exchange information with the Contras. I am not sure anybody can tell me the effect of this interpretation but, of course, this would mean that CIA involvement with the Contras would be started again. What type of information will be exchanged is limited by only your imagination. In addition to intelligence information, could training procedures for the Contras be exchanged, could instruction in terrorist activities be exchanged, could instruction on the planting of bombs on ships in Nicaraguan ports be exchanged? Who would define the type of information to be exchanged? Nobody knows, is the answer. I think with no limitation on exactly the type of information that can be exchanged, the Congress would be foolish to allow this language to remain in Mr. MICHEL's amendment.

The Boland amendment would correct this situation by eliminating the objectionable language and restating the long standing Boland amendment which prohibits the funding of military or paramilitary operations in Nicaragua and would prevent the exchange of objectionable information. Mr. BOLAND's amendment would remain in effect without regard to fiscal year limitation and would require Congress to enact a joint resolution repealing the prohibition.

Congress cannot afford to give a free hand to the CIA in exchanging information with the Contra groups. There have been too many ill advised actions taken by the CIA in the past such as the publishing of manuals on the assassination of civilians.

If the administration is seeking a political solution and not a military solution, then why is there opposition to the Boland amendment? I urge the adoption of the Boland amendment.

Mr. CHENEY. Mr. Chairman, I yield 3 minutes to the gentleman from New York [Mr. STRATTON].

Mr. STRATTON. I thank the gentleman for yielding me this time.

Mr. Chairman, when it comes to matters of national security, this House divides not only on party lines but also on generational lines. Today the membership of the House includes many who have no direct recollection of World War II and the enormous sacrifices that Americans made some 40 years ago.

Many members of the other body too, have little recollection of the Cuban missile crisis which occurred some 23 years ago, and represented one of the most dramatic events in American history, and in our relations with the Soviet Union.

Let me refresh our collective memory.

In 1962 the Soviet Union mounted a very grave threat to the security of the United States by emplacing nuclear missiles in Cuba 90 miles from the U.S. mainland. Those missiles could have annihilated a sizeable portion of the U.S. mainland. The discovery of those missiles by U.S. reconnaisance aircraft came as a surprise to the Kennedy administration. But President Kennedy immediately recognized the danger we faced, and did not flinch. He flew almost half the U.S. Air Force into southern Florida, and assembled there most of the combat-ready American soldiers and Marines we had available. Literally the world was on the verge of war. The security—indeed, the future—of the United States were hanging in the balance.

But John F. Kennedy—a decorated naval lieutenant in the second World War—without fanfare or histrionics, faced up squarely to the Soviet challenges. He imposed a total naval blockade of Cuba. The Soviets, recognizing his determination, blinked. They turned their ships around and headed home on that historic Sunday in October 1962 and not a single shot was fired, let me point out.

Mr. Chairman, John Kennedy knew a military threat when he saw one. And he also knew that a threat would not yield to hesitation, good intentions, or indecision.

Let us make no mistake about it, Mr. Chairman. The Soviet Union is once again deliberately testing us in Central America, as it did in 1962.

So far as we know now, there are no nuclear missiles in Nicaragua. But there may soon be some nuclear-capable Mig-23's on Nicaragua's newest military airfield, and as the Soviet sealift daily brings more weapons to the Sandinistas. To be sure, the warning time this time is longer; but this new threat is clearly as great a threat to America and to our interest in the Western Hemisphere as was the last one.

It is not strange, Mr. Chairman, that many of the Members in this chamber today who refuse to recognize that another Soviet confrontation with the United States is now under way in Nicaragua were also Members of this House when President Kennedy faced down those Soviet ships and sent them high-tailing back to Soviet ports. Indeed they were President Kennedy's close friends. They hailed his courage and his leadership then, and justifiably so.

But what a change in 20 years!

Instead of determination we see vaccilation here in the House. Instead of acknowledging a military threat before it grows to unmanageable proportions, we are told we cannot even assist those groups who want to support us in meeting this challenge.

Instead of the kind of firm military power that John Kennedy showed Nikita Khrushchev, we are urged today to send to those who want to rally to our cause only Coca-Cola and peanut butter sandwiches.

Faint heart n'er won fair lady. Nor will faint hearts ever maintain the freedom that John Kennedy won for us in the Caribbean on that October afternoon in 1962. I strongly urge defeat of the Boland amendment. It sends the absolutely worst kind of signal. John Kennedy won the first battle of Central America. But the Soviets haven't given up, and we must not give up either, in 1985.

[CRS-405]

□ 1400

Mr. CHENEY. Mr. Chairman, I yield 7 minutes to the distinguished gentleman from Pennsylvania [Mr. MURTHA].

Mr. MURTHA. I thank the gentleman for yielding this time to me.

Mr. Chairman, I do not think anybody in the House has more experience with guerrilla warfare than I do. I do not think anybody can talk more about the need for intelligence information in the field than I can.

I served for a year on the ground south of Danang with Marines, and I can remember vividly the signals that the North Vietnamese used to send to us when we were in the midst of the fighting. We would have a unit surrounded and they would try to send a feinting movement or signals over the radio that indicated they were operating someplace else so we could pull back from that particular operation we were involved in to take the pressure off.

There was a continual battle between the Marines on the ground in intelligence. There was no comparison between the soldiers and the Marines that fought on the ground and the Vietnamese troops. The intelligence was the key element in the whole battle.

Somebody else brought up Vietnam and they said that there is a real comparison. Let me tell you something. I had a unique experience. I remember coming to Congress and there was 2 months left in the war. I went over on a special mission that President Ford sent over to ask how much money was needed, what was going on, and see if there was any possibility of the South Vietnamese continuing the war on their own and what the level of funding should be.

I remember talking to General Truong, who was the I Corps commander. General Truong said:

"We have a real problem. Every time we try to operate the way you taught us to operate without American troops, with the shells, with the information, with the intelligence, with the air wing cover we need, you cut our funds. You send us different signals. We cannot operate that way. There is going to be a catastrophe because the signals from Washington are that you are going to withdraw your support.

I said, "That is the reason we are over here."

He flew me in a helicopter to the front lines of an airborne unit. The airborne unit was defending south of Danang, fighting against a North Vietnamese regiment.

The first question the lieutenant colonel asked me after we talked a few minutes was, "What are the solons."

And that is what he called the American Congressmen, "Sitting in their air-conditioned offices criticizing what was going on, and the South Vietnamese fighting a war on their own and we were just giving them support."

They said, "What are the solons in Washington going to do?"

I said, "Well, I do not know. We are going to go back and report to the President and we will see what the action might be."

We went back and we reported to the President what we saw. We said, and I remember this vividly, "There is going to be a bloodbath in Cambodia."

And all of you know how many millions of people died in Cambodia after the Americans left, and we know the thousands of people who died trying to escape from South Vietnam once the country was overrun.

A treaty was signed, and they, of course, saw the signal from the United States because the Congress voted down sufficient aid and the country crumbled. Well, you can say that was not the reason, and JOHN McCAIN at that time was in a prison camp and he can tell you a heck of a lot more about the North Vietnamese than I can, but I can tell you this: They had good communications and they had good intelligence, and that is the only thing that they had.

That is what we are talking about here today—signals and intelligence. One of the signals that was sent out right prior to the Korean war was that the United States would not defend against anything that happened in Korea. Right after that there was an incursion. It was a miscalculation, and that was a real mistake by the United States, and the Truman administration, of course, went in and that is the reason there was a confrontation, because the initial signal that was sent out was absolutely inaccurate.

In El Salvador not long ago we sent a signal that we supported President Duarte. I admit he is a unique individual, and there is no question about it that he has proven to be that way. We stood on the floor in this House and we defended the position that he took, and we said, "This individual, we think, is going to do well," and we gave him enough money over a long enough period of time that he could get by.

I am going to tell you something: There is nothing worse than sitting in a foxhole waiting for somebody to bring you aid, whether you know it is aid you know is imminent, and it is one thing to be an American troop when you know they are doing everything they can to get aid to you, and it is something else when you are sitting there and in the meantime you have a Congress 12,000 miles away that is trying to decide your fate. You cannot operate a war that way. You cannot operate any kind of an operation like that.

What we are talking about here is an administration which has changed its position substantially. The administration has said to the American people, "We are trying to stop the outflow of information, the outflow of a revolution, from Nicaragua to other countries." We want them to stop trying to influence El Salvador, which all of us know is happening. We want to try to stop the exodus of information, arms, bullets and ammunition from Nicaragua into these countries in Central America.

We have to send a clear signal to those people, because if it is misunderstood, as the gentleman from New York just said, as it was misunderstood in the Cuban intervention, Khrushchev miscalculated what was going to happen in Cuba, and that miscalculation almost led to World War III.

If we send a clear signal, if we say to them,

> Let me tell you something: You stop exporting revolution, you stop trying to overthrow the other governments in that area, that hemisphere, then you will not have any problem with us,

I think the U.S. Congress would immediately take action to change the whole situation. I think it has happened already. I think the President of the United States understands the importance of what we have asked him to do.

A lot of people doubt that he has changed his mind. I feel very strongly about it, and I think the only way we are going to avoid a war in Central America in the years to come, and there are many people who served in this Congress who talked very strongly about it, but let me tell you this: If you were in the infantry, if you fought in the mud and the water up to your waist, if you were in a prison camp like JOHN McCAIN was for 7 or 8 years, let me tell you that you do not want a war, and you cannot fight a war from here. The way you are going to avoid it is make sure there are no mixed signals.

So I ask you today to make sure there is not a mixed signal and vote against the Boland amendment and vote for the Michel amendment without any amendments.

□ 1410

Mr. BOLAND. Mr. Chairman, I yield 1 minute and a half to the distinguished gentleman from Massachusetts [Mr. MARKEY].

Mr. MARKEY. Mr. Chairman, the definition of "humanitarian aid" is to in fact alleviate human suffering. This amendment is precisely the opposite. This amendment will cause human suffering, not alleviate it.

It is not humanitarian to provide logistical support for an army in the field. That is financing violence, not alleviating violence.

Combat troops, K rations, helicopters, and radar are not humanitarian aid. Are you going to tell the people in Managua that it was a humanitarian airplane that dropped a bomb on their neighborhood? Are you going to tell the peasants that it was a humanitarian piece of dynamite that blew up their farm?

Let us debate what we are talking about. The issue is not the Sandinistas; the issue is the Contras. You can put poison in a candy wrapper, but it

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is still no less poison. You can call the Michel amendment "humanitarian," but to the people in Nicaragua it is still an undeclared war.

If the President wants to aid the Contra guerrillas, then he should ask for it honestly. But when it comes to the Contra guerrillas, my colleagues on the other side of the aisle are strangely wide-eyed and gullible. Suddenly they are Nicaraguan Democratic Resistance Forces.

I do not mean to belabor the obvious, but the Contra commanders are not democrats, regardless of what they call themselves.

The Contras are nothing like the Founding Fathers I learned about in school. George Washington was not a rapist, Sam Adams was not an assassin, Tom Jefferson was not an arsonist, John Hancock was not a cutthroat. And the country they founded has no business financing a band of thugs who violate every principle we stand for. The Contras, as the Republicans describe them, remind me of Little Red Riding Hood. I keep on looking for my saintly grandmother, but I keep on seeing a wolf with big white teeth.

The CHAIRMAN. The time of the gentleman from Massachusetts [Mr. Markey] has expired.

Mr. CHENEY. Mr. Chairman, may I inquire as to how much time remains on both sides?

The CHAIRMAN. The gentleman from Wyoming has 11 minutes remaining, and there are 13½ minutes remaining on the other side.

Mr. CHENEY. Mr. Chairman, I yield 5 minutes to the distinguished gentleman from Virginia [Mr. Daniel].

Mr. O'BRIEN. Mr. Chairman, will the gentleman yield?

Mr. DANIEL. I yield to the gentleman from Illinois.

Mr. O'BRIEN. Mr. Chairman, it may be bad form to inject a statistic at this particular level of the debate, but in my district in Illinois, which is mid-Illinois, half Democrat and half Republican, in response to this question on my questionnaire which just came back, "Do you support U.S. economic and military assistance to Central American countries to prevent the spread of Soviet and Cuban influence?" Five out of eight said, "Yes."

Mr. Chairman, I thank the gentleman for yielding.

Mr. DANIEL. Mr. Chairman, I rise in strong opposition to the Boland amendment.

Mr. Chairman, as many of the Members of the House know, I have opposed covert military aid to the Contras. Indeed, I have opposed providing covert military goods of any kind whatever to the Contras. But, I must also oppose the Boland amendment. I do so principally for two reasons:

First, on its face, it eliminates the ability of the President of the United States to protect U.S. citizens and diplomats in Nicaragua in the event of a hostage situation or rapid destabilization in the area, and to honor our solemn treaty obligations to our allies if that becomes necessary in the future.

Second, it is an amendment to the wrong legislative vehicle, since the Michel-McCurdy-McDade amendment does not provide any of the money that the new Boland amendment restricts.

The Michel amendment only provides humanitarian aid and allows sharing of information with the Nicaragua democratic resistance. The Boland amendment would gut the Michel amendment. It goes so far as to prohibit the United States from exchanging information with the groups opposing communism in Nicaragua. It makes no sense to say we will give humanitarian aid to groups fighting Commission on our doorstep but we cannot talk to them.

If the U.S. Government cannot talk to them, how are we supposed to deliver humanitarian aid to them? How are we supposed to monitor and encourage their observance of human rights?

The first point I mentioned about protecting Americans concerns me greatly. The Boland amendment makes clear that no matter what happens—even if the Sandinistas seize our Embassy or round up all Americans in Nicaragua—the President of the United States is not allowed to use the U.S. Armed Forces to protect American citizens. Listen closely to what the Boland amendment says—and I am quoting the relevant portions:

> No funds available during any fiscal year to the * * * Department of Defense * * * may be obligated or expended for the purposes or which would have the effect of supporting * * * military or paramilitary operations in Nicaragua by any nation * * *.

The plain result of that language is that no Department of Defense money can be used for the United States to conduct military operations in Nicaragua under any circumstances, no matter how bad things get.

Now, I do not believe that the sponsor of the Boland amendment intends that the President should be prohibited from sending U.S. special operations forces temporarily into Nicaragua to rescue Americans in a hostage situation like we had in Iran.

But that is what the Boland amendment says, and I do not think we should pass a law that says right on its face that something is prohibited and then rely on some assurances of Members of Congress that it doesn't really mean what it says, that it means something else the exact opposite. Also, by adopting the Boland amendment, we would supersede the War Powers Resolution, which was so carefully crafted to take care of just these kinds of problems.

I do not think this is wise.

I note also that the same Boland amendment language, which I quoted just a minute ago, absolutely prohibits the President from using the Department of Defense to come to the aid of Costa Rica and Honduras for defensive operations in Nicaragua if they are attacked by the Sandinistas. Thus, the Boland amendment could be viewed as an abrogation of our solemn treaty obligation to aid in the defense of our allies under the Rio Treaty if the Sandinistas attack them.

I believe this President when he says that he will not tolerate Soviet high-performance aircraft in Nicaragua. I do not believe we, as Members of Congress, should place the President in a position of being forced to accept a strategic threat to our security interests. Yet, if adopted, the Boland amendment will have exactly that consequence. In short, we must defeat the Boland amendment—to preserve the minimum flexibility the President of the United States—any President must have to protect the security interest of the United States.

As I stated earlier, the Boland amendment does not belong on this supplemental appropriations bill. The proper place to consider the Boland amendment—which establishes a permanent prohibition on a particular use of U.S. intelligence funding—is on the fiscal year 1986 intelligence authorization bill. That bill has already been reported by the Intelligence Committee and the Armed Services Committee and is currently pending on the House Calendar.

When we take up the bill to provide intelligence money for fiscal year 1986, that is when we should take up the question of how to restrict intelligence money for fiscal year 1986.

I believe it is important to point out that, just 4 weeks ago in marking up the fiscal year 1986 intelligence authorization bill, the House Intelligence Committee specifically rejected the Boland amendment prohibition, which is now under debate as too restrictive and unduly encumbering of Presidential prerogatives. I believe the Intelligence Committee made the right decision in defeating the Boland amendment in committee and I believe we should defeat it now on the floor.

I urge my colleagues to oppose the Boland amendment.

Mr. Chairman, I also rise in support of the Michel-McCurdy-McDade amendment.

Let me say at the outset that I have served in a legislative body for about 27 years, and there has been more confusion over this simple issue than any which I have encountered in that quarter century.

The issue is communism or democracy, freedom or slavery. And if there are any among us who do not know the difference between the two, I would refer them to Lech Walesa in Poland or the Jews in Russia.

Communism is socialism in a hurry. It is socialism plus the firing squad. It matters not how you choose to define it, it is an international conspiracy designed to rob people of their liberty

[CRS-407]

and their freedom. It comes to power by deceit and remains in power by force. I know of no better example than the situation in Nicaragua today to illustrate the point. The Sandinistas promised Nicaragua democracy and they delivered a police state. Many of our colleagues have confused leftwing rule with communism, but there is a vast difference.

If we are concerned about the forces arrayed against us in other parts of the world such as the Near East and Southeast Asia, we should be alarmed that those same forces—the PLO, the East Germans, the North Vietnamese, and the Russians—are arrayed against us in Central America. It makes little sense to spend $300 billion a year to protect ourselves from Russian communism and allow it to florish on our own doorsteps.

The question has been raised, How can a small country of 2½ million people pose a threat to the United States? The answer is, it cannot. The threat is posed from forces outside the area, working through the Government of Nicaragua. Marxism cannot survive in Central America without external involvement.

It should be pointed out that had this Congress not propped up this Communist government with a donation of $117 million to allow it to consolidate its gains, we might have a different situation in Nicaragua today.

Here let me speak directly to my Democratic colleagues. Last fall, we were trampled at the polls in the Presidential election. The score for the States was 1 to 49. Postelection polls indicated that one of the reasons for that political loss was the perception that the Democrats were soft on defense. If we now fail to oppose the spread of communism in this hemisphere, and we are once more perceived to be soft on defense, and communism, then we could be shut out completely in the next election.

Our record on the replacement of rightwing military dictators over the past several years has not been a good one. In Cuba, we supported Castro over Batista; in Iran, we pulled the rug out from under the Shah in favor of Khomeini; and then we collaborated in the process of replacing the oppressive Somoza regime with communism.

I do not mean to imply that these rightwing dictatorships were acceptable forms of governing, they are not. However, they did not with one exception attempt to impose their repressive forms of government on others. Yet Castro has used his island base to export revolution in Latin America and has supplied the manpower for Communist mischief in Africa; Khomeini has poisoned the entire Middle East with his fanaticism and has collaborated with Russian client-states where it suited his purposes; and Communist Managua has announced—and demonstrated—that its revolution is without borders.

Why should we be concerned? There are many reasons. First there are humanitarian concerns. When Communist regimes take hold, the people flee—they vote with their feet. They fled Eastern Europe after the Second World War. They fled North Vietnam after the partition. They fled Cuba when Castro came to power. And where will they go? No other Central American state can support its own populace, let alone an influx from first one fallen country then another.

They will move slowly, but in great numbers across the land-bridge which is Mexico. And what will we do then? The burden on our Southwest and Southeast will be insupportable. Our unemployment rate will rise dramatically. Our capacity for providing services will be exhausted. We must care what happens to these people who do not want to leave their homelands, but have no choice. And we must care what happens to our own land in the face of such a crisis.

And there are concerns of the economy and trade. We are a maritime nation. The sealanes of the Caribbean must remain open and available to us, if we are to continue to function to the modern world.

Two of the most revered Democratic Presidents of the 20th century have been forced by circumstance to confront communism.

In 1947, President Truman recognized the peril to world peace inherent in the Communist attempt to take over Greece. He set forth our national goal in that regard, and the Truman doctrine was born. Just 15 years later, President Kennedy was also forced to look in the face of the Communist threat when with great courage he called the Russian bluff, and ordered the missiles out of Cuba.

In the first case, we possessed the strength of the victor; in the second, we were favored with a lot of luck. In both cases, open warfare was averted. Now, if the Soviets decide to put missiles in place in the outskirts of Managua, who among us can say with confidence that two dozen Russian submarines will not rise in the Pacific and the Caribbean to deny us the right to protest?

Our Republican President has indicated there will be no Cubas on this continent on his watch. Does this Congress want to prove him wrong?

We cannot afford the luxury of temporizing or compromising with marxism in this hemisphere. There must be no appeasement, the cost will be too steep. We need do nothing more nor less than to impose the Truman Doctrine in order that this foreign ideology will not spread beyond the Cuban boundaries. Because as Hiram Mann so aptly said:

> No one wins when freedom fails.
> The best men rot in filthy jails
> And those who cry "Appease! Appease!"
> Are hanged by those they try to please.

Mr. ROEMER. Mr. Chairman, will the gentleman yield?

Mr. DANIEL. I yield to the gentleman from Louisiana.

Mr. ROEMER. Mr. Chairman, I thank my colleague, the gentleman from Virginia, for yielding. Let me just ask him a question.

I talked with some Democrats today, good solid colleagues of mine in the House, who planned to vote for MICHEL but also planned to vote for BOLAND, kind of covering all their bases.

Would the gentleman address that subject for a minute?

Mr. DANIEL. If they are going to vote for both, that is contradictory.

The CHAIRMAN. The time of the gentleman from Virginia [Mr. DANIEL] has expired.

Mr. CHENEY. Mr. Chairman, I yield 2 additional minutes to the gentleman from Virginia [Mr. DANIEL].

Mr. DANIEL. Mr. Chairman, I say to the Members, if you are going to vote for both, that is contradictory. You cannot be consistent if you vote for both of them.

Mr. ROEMER. Mr. Chairman, if the gentleman would yield further just briefly, is the gentleman telling us on our side of the aisle that if we do in fact support some aid to the Contras to keep the pressure on the Sandinistas for freedom, if we do that, we should vote for the Michel amendment and against the Boland amendment?

Mr. DANIEL. In my judgment, the gentleman is correct.

Mr. ROEMER. So the Boland amendment is the critical vote, and we should vote no?

Mr. DANIEL. The gentleman is correct.

Mr. HUNTER. Mr. Chairman, will the gentleman yield?

Mr. DANIEL. I yield to the gentleman from California.

Mr. HUNTER. Mr. Chairman, I thank the gentleman for yielding.

A few minutes ago the distinguished chairman of the Intelligence Committee indicated that really the Boland amendment would not destroy the Michel amendment; it would only constrain funding through intelligence agencies. But on October 10, 1984, I think he laid out some different legislative history for essentially the same amendment, for he said, and I quote:

> Let me make very clear that this prohibition applies to all funds available in fiscal year 1985 regardless of any accounting procedure at any agency. It clearly prohibits any expenditure, including those from accounts for salaries and all support costs. The prohibition is so strictly written that is also prohibits transfers of equipment acquired at no cost.

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So, Mr. Chairman, I would submit that in fact the distinguished gentleman's amendment would destroy the Michel amendment.

Mr. DANIEL. Mr. Chairman there are no funds in this bill to which the Boland amendment would apply, not one dollar.

Mr. BIAGGI. Mr. Chairman, will the gentleman yield?

Mr. DANIEL. I yield to the gentleman from New York.

Mr. BIAGGI. Mr. Chairman, I rise in support of the Michel amendment to H.R. 2577, the supplemental appropriations bill for fiscal year 1985. This represents a reiteration of my earlier position in favor of providing humanitarian aid to the Contras in Nicaragua. I believe this position was sound 2 months ago and it remains so today.

As I did at the time of the last vote, let me state that it is not a statement of support for any U.S. military involvement in Nicaragua. I have voted against that specific proposal before and would again.

In addition, my support of humanitarian aid to the Contras is not a blanket endorsement of the Contras. In some respects we must evaluate this issue from the context of what is the lesser of the two evils. In my judgment, the failure to provide aid and maintain pressure on the Sandinista government would be the greater of the two evils.

I wish to focus my attention on one important dimension of this issue. It is the issue which for me cements the rationale for why I support humanitarian aid. It is also the issue which frankly, reveals a degree of naivety or even hypocrisy, on the part of some in this body.

The issue most simply put is—the Soviet-Sandinista link. It is strong, it is growing stronger, and as it does, poses a genuine threat to this hemisphere and our national security. It is the single most compelling reason why we must support the Contras.

I stood in this well just days after President Ortega made his now infamous trip to Moscow. It occurred just days after the narrow vote in this House against providing any aid to the Contras. I said at that time that the picture of Ortega and Soviet leader Gorbachev may not be worth a thousand words, but certainly it should be worth at least the two votes necessary to gain passage of a humanitarian aid package. I believed that then—I believe it now—and I sense it will be confirmed later today when we vote again on the Michel amendment.

An interesting but revealing footnote on Ortega and his propensity to visit Moscow—according to the DSG this was in fact, Ortega's seventh visit to the Soviet Union in the past 5 years. However, this visit at least produced some visible results with renewed commitments of aid from the Soviets.

I ask—for those of my colleagues who have condemned the Soviet Union for their invasion and occupations of Czechoslovakia and Afghanistan and their reign of terror by satellite in Poland—what about Nicaragua?

For those who rightly condemned the Soviet Union for their shooting down of Korean Air Line flight 007 and the resulting murders of more than 250 innocent people includng our late colleague, Larry McDonald—I say, what about Nicaragua?

For those who join as cosponsors of various resolutions commemorating Captive Nations week or month and the more than 50 million people in this nation under Soviet domination—I say, what about Nicaragua?

For those who denounced the Soviet Union's murder of Maj. Arthur Nicholson—I say, what about Nicaragua?

For those who condemn and join in marches to protest the Soviet Union's ruthless treatment of Soviet Jews—I say, what about Nicaragua?

For those who express concern about continued Soviet violations of arms agreements such as SALT II—I say, what about Nicaragua?

My concern here rests with the occasional double standard we employ in dealing with the Soviet Union and their policies around the world. For those of my colleagues who stand up and defend Israel and rightfully so—how can you then turn and vote against aid to the Contras. The effect of this vote is to maintain the Sandinista regime backed and financed by the Soviet Union. The Sandinistas are openly courting and seeking alignment with PLO and reports continue to increase about anti-Semitism being practiced in Nicaragua.

It is time we applied a little consistency around here. Either we are against Soviet expansionism or we are not. Either we are against Soviet adventurism or we are not. Either we are against the establishment of Soviet satellite or puppet governments around the world or we are not.

If we are against the above points—then there is no real choice but to vote for humanitarian aid to the Contras who are as their name means—the main alternative to the Sandinistas in Nicaragua.

I contend that as long as the fundamental premise behind providing humanitarian aid to the Contras is to try and stop further Soviet expansion into Nicaragua and Central America—that is a sound and defensible premise. It is obvious that with each passing day that we do not provide aid to the Contras—it solidifies the position of the Sandinistas and continues to give the Soviet Union the foothold it wants in that region. All one has to do is consider the new military aggressiveness of the Sandinistas against its border nations of Honduras and Costa Rica to see how committed the Soviets are in this region.

To me we are faced with a historic choice today. We can vote now for humanitarian aid to allow the freedom fighting Contras to stay strong and maintain pressure on the Sandinistas to work for a restoration of freedom and movement toward a diplomatic solution, this we can do without causing us to drift any further into a military commitment in Nicaragua. The alternative is to vote down all aid to the Contras and let the Soviet-Sandinistas link grow stronger.

The consequences of failing to adopt the Michel amendment to me seem quite ominous. It will result in unilateral expansion on the part of the Soviet Union an expansion we can ill afford to see happen. The choice is clear—a vote today for humanitarian aid may well avert the need for a later vote—on a more dangerous option military aid to combat the new Soviet regime in Nicaragua.

□ 1420

Mr. BOLAND. Mr. Chairman, I yield 1½ minutes to the distinguished gentleman from Iowa [Mr. BEDELL].

Mr. BEDELL. I thank the gentleman for yielding.

Mr. Chairman, I think it is important that we understand exactly what we are talking about as we talk about the Boland amendment. I have talked to other people and I get the impression there is some confusion in regard to what this would do as far as the CIA is concerned.

Many of us were concerned when the CIA mined the harbors and did some of those things, and many of us are concerned over the lack of control that we have over the activities of the CIA in the Congress. The minority side has recognized that in what they put in their amendment.

Now, the Boland amendment will expire the first of October. We have a chance in this amendment to say that it is going to continue, that we are going to continue to prohibit the use of the CIA contingency fund to do whatever they please in Nicaragua. I think we ought to do that. I would think that the minority would agree that indeed that is what we ought to do.

If you were in favor of it before and you are in favor of it now, this is your chance.

True, sometime later we might be able to bring up a bill to do it. But now is the time we have an opportunity to do that. This does what the minority says they want to do. It says that indeed funds will not go through the CIA, will not go for military action, which is what everyone here says.

It seems to me that we sure should take advantage of this opportunity to stand tall to be sure that indeed there is no mixed signal as to what we believe.

[CRS-409]

I urge support for the Boland amendment.

Mr. BOLAND. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Oregon [Mr. AuCoin].

Mr. AuCOIN. Mr. Chairman, I rise in support of the Boland amendment and against the Michel amendment.

From the beginning, our adventures in Nicaragua have been a textbook lesson in how not to run foreign policy, a lesson in how to start a war. Without the advice and consent of Congress, the Reagan administration initiated a convert war against the Sandinista Government. As this war began to escalate, the administration gave Congress a series of conflicting stories regarding the nature of our support and the goals of the 15,000 Contras fighting in Nicaragua.

Ironically, the tables have now turned. Today the administration openly seeks to topple the Sandinistas, but Congress has become skittish, so has tried to disguise proposals as humanitarian assistance.

The Michel amendment turns this deception into an art form and would wipe out every gain Congress has made in the past 2 years to prevent direct U.S. military involvement in Nicaragua.

First, by allowing the CIA to immediately begin sharing information with the Contras, the Michel amendment would partially rollback an existing prohibition on U.S. military aid to these forces. Now, CIA involvement is defended by the amendment's sponsors as a way to "ensure that we can monitor and encourage—the Contras—observance of human rights." This is the same CIA that wrote and distributed a how-to primer on terrorist techniques for the Contras. This is the same CIA that secretly mined Nicaraguan ports in violation of international law. Mr. Michel can find no stronger candidate for the role of moral guardian to the Contras?

Next, Michel would allow the restrictions on U.S. military aid to the Contras to end altogether on October 1. Members should know that by ending these restrictions, we give the President authority to give the Contras military aid and supplies from existing CIA contingency funds—a prescription for disaster.

But the Michel amendment doesn't stop there. To make absolutely sure that they want for nothing, the amendment allows $27 million in humanitarian aid to the Contras between now and the end of March—a tidy subsidy of nearly $3 million a month.

Let's put this aid in context. The United Nations High Commission on Refugees currently runs a camp in Nicaragua providing food, clothing, and shelter to over 19,000 refugees. The annual budget for this camp? Just over $4 million. Even if you buy the argument that the funding provided by the Michel amendment is humanitarian, you're voting to create the Club Med of refugee camps.

But if you take a closer look, it becomes clear that Michel is not humanitarian aid by any stretch of the imagination. The $27 million will not be used to meet the needs of civilians displaced by the covert war, but to provide food and equipment—possibly including C-47 cargo planes and other aircraft—to the combatants themselves.

The Michel amendment escalates the war. A war that the former U.S. military commander in Central America has said the Contras probably can't win. A war that has earned us the censure of our allies in Latin America and Europe. A war that runs a daily risk of spreading into Honduras or Costa Rica. A war that gives the Sandinista directorate an excuse to continue repressive policies and increase the size of its armed forces.

It doesn't have to be that way. The United States is not alone in its concern about the nature and actions of the Sandinista Government. But, while the Sandinistas have been roundly condemned by governments throughout Latin America, none of these governments—with the exception of Honduras and El Salvador—supports our covert war against Nicaragua. The trade embargo recently imposed by the administration has had the embarrassing result of making Ortega a welcome guest in the capitals of Western Europe.

Instead of approving more military aid, we should be working to build a regional consensus that will allow for a peaceful settlement of the problems in Central America. To start down this road, the House must alter the Michel plan by passing two amendments to be offered by Congressmen Boland and Gephardt.

The Boland amendment would continue, indefinitely, the prohibition on direct or indirect military assistance to the Contras, forcing us to scale back our involvement in the covert war. The Gephardt amendment would delay implementation of the Michel plan for 6 months to allow the Contadora nations, Mexico, Venezuela, Panama, and Colombia, more time to frame a regional settlement for Central America. There is reason to hope that Contadora can bring results. Right now, the group is debating the final draft of a regional peace proposal, with high level discussions scheduled for the near future.

Contadora will not succeed without U.S. support. That the process has come this far is a testament to the desire of nations throughout Latin America for a peaceful resolution.

Far better than the Michel plan, even if it is amended, is an alternative to be offered by Congressmen Hamilton and Barnes. The Barnes-Hamilton alternative allows for $14 million in assistance to Nicaraguan refugees. This aid is to be administered by either the Red Cross or the United Nations High Commission on Refugees—if they determine the money is needed to meet legitimate need. Both the UNHCR and the Red Cross have an international reputation for impartial and efficient distribution of relief aid. While I believe that $14 million is an inflated total, by going this route we assure that, to the extent possible, U.S. humanitarian aid will not be used to underwrite the Contras.

Mr. CHENEY. Mr. Chairman, I yield 1 minute to the gentleman from Alabama [Mr. Shelby].

Mr. SHELBY. Mr. Chairman, today's debate has once again highlighted the problems endemic to this body's exploratory process—a process which often leads us to be too preoccupied with the "how," "where," and "what" rather than the "why." This is understandable. It is easy to focus attention on Contra human rights abuses. It is far more difficult to dwell on the systemic oppression which has come to permeate Nicaraguan society—an oppression which has provided the fertile ground from which the Contras have spawned.

The Sandinistas have betrayed their own revolution. They have betrayed their supporters at home. They have betrayed their supporters abroad. Most of all, they have betrayed themselves.

The Sandinista dictatorship is a totalitarian state, and it has done what all totalitarian states do: it has stifled both democracy and those who so ably uphold its values—the press, the church, and ultimately the voters.

There are those who say this isn't America's problem. Why should it matter if Nicaragua is a totalitarian state? Well, this seems to beg the question. Free elections, I've been told, are a rare commodity in totalitarian states. Dissent is a precarious occupation. Ask Mr. Castro's political opponents what they think about Cuban political debate.

Mr. Chairman, democratic states do not attack their neighbors. Democratic states do not readily carry out war. Democratic states, as we well know, are reluctant to spend a great deal of money on arms. In short, democratic states are not, nor will they ever be a threat to the free world.

The Contras are not angels. There are certainly objectionable elements among their ranks. But as Winston Churchill once said: "Democracy is the worst system in the world except for all of the others." For all of their faults, the Contras are far preferable to the alternative—the alternative of millions of "foot people" fleeing possible totalitarian states in Central America, the alternative of our borders being overrun by millions of hungry refugees who only desire to live in peace; and the alternative of Soviet satellite governments sitting astride the Rio Grande.

Closing our eyes and wishing the threat away may temporarily work in Afghanistan, but to abrogate our duty here in our own backyard does not bode well for the future of a nation such as ours.

Vote to aid the Contras.

Mr. ADDABBO. Mr. Chairman, I yield 1 minute to the gentleman from Texas [Mr. PICKLE].

Mr. PICKLE. Mr. Chairman, I rise today in support of what I believe to be the preferred road offered us in terms of U.S. policy in Nicaragua. I am convinced that the options available to us at this time are found at neither extreme—but rather a middle course allowing us the flexibility to respond to what I hope will be changing circumstances in Nicaragua.

I think it is important that we apply pressure on the Sandinista government. We should continue to make known our concerns about the policies of the Sandinista government. We must continue to press for freedom of the press and religious freedoms in Nicaragua. We must not turn our backs on those in Nicaragua who want more for—and from their country.

We have been at odds for years now over how best to bring about change in Nicaragua. I think there is little doubt that the policies of the past have yielded deficient results. In addition, the policies of the past have resulted in our isolation both regionally and globally. We stand virtually alone now in our quest for a democratic Nicaragua.

We must now look toward the future and determine exactly what our goals are in the region. Must we insist upon a government just like ours in order to establish friendly relations? Must we insist that the Sandinistas relinquish their control over that country? Or, should we insist that the Government of Nicaragua respect the concerns of nations in this hemisphere that excessive military buildup and Marxist rhetoric only serve to further destabilize a region in crisis?

It seems to me that our goal should be a friendly government in Nicaragua which allows basic freedoms for its people, free from external intervention, in strong pursuit of the ideals which spawned the 1979 assumption of power of the present government.

There is currently a force of 15,000 plus in Nicaragua fighting to reverse the shortcomings of the Sandinista government. This is a force which began receiving U.S. support 4 years ago even though in a clandestine fashion. It is a fighting force which leaves much to be desired but it is all that we've got. We cannot at this time simply wash our hands of the entire matter and leave them to their own devices

Mr. Chairman, I intend to support the Michel amendment today. The situation in Nicaragua is fluid: One minute that government appears ready to address the concerns expressed by other nations in this hemisphere and the next moment anti-U.S. rhetoric permeates the air. We, on the other hand, tend to respond to these political swings with threats and innuendo.

I believe that the Michel amendment offers a well-balanced approach to maintaining pressure on the Sandinista government: The provision of nonlethal material support and incentives for domestic reforms.

However, I do not believe at this point that we want to open the door for renewed full U.S. intelligence activities against the Government of Nicaragua. We have failed terribly at this task over the past several years and I am not convinced that we have developed a program for involving these agencies. For this reason I intend to continue my support for the Boland amendment.

My anticipated votes on this issue are consistent with my past position on aid to the Contras. I have consistently opposed covert direct or indirect military or paramilitary aid to the Contras, but rather continued support for those seeking changes in the Nicaraguan Government.

Mr. ADDABBO. Mr. Chairman, I yield 2 minutes to the gentleman from Iowa [Mr. LEACH].

Mr. LEACH of Iowa. Mr. Chairman, the largest issue before this body neither relates to support nor lack thereof for the Sandinistas. Few in America are sympathetic to the leftward lurch in Nicaragua.

The primary issue is the rule of law and the constitutional process. In this context I am reminded of the reminiscences of the German Pastor Martin Niemoller, reflecting on that dark moment in the human soul we now call the Holocaust:

"First," Pastor Niemoller wrote, "they came after the Jews and I was not a Jew, so I did not object.

"Then they came after the Catholics and I was not a Catholic, so I did not object.

"Then they came after the trade unionists and I was not a trade unionists, so I did not object.

"Then they came after me and no one was left to object."

As we craft law in this body, we are responsible above anything else to see that the rule of law is advanced. In this context it might not be suggested that:

First they broke the law of the land—the Boland amendment—and we were not Nicaraguans, so we did not object.

Then they mined the harbors and distributed assassination manuals and we were not Nicaraguans, so we did not object.

Then they withdrew from the jurisdiction of the World Court and we were not Nicaraguans, so we did not object.

Then they asked for full-fledged authority to wage a full-fledged war. Now we have no choice but to object.

I urge adoption of the Boland amendment.

Mr. CHENEY. Mr. Chairman, I yield 2 minutes to the distinguished chief deputy whip on the Republican side, the gentleman from Texas [Mr. LOEFFLER].

Mr. LOEFFLER. Mr. Chairman, by defeating the Boland amendment this body will be taking an essential first step in redeeming our Nation's commitment to our friends, our ideals, and our fundamental interests in Central America.

To each on both sides of the aisle may I reiterate once again that the Boland amendment is a gutting amendment. It is a killing amendment to the Michel amendment, for if Boland passes, there will be no method by which we can distribute even humanitarian assistance to the Nicaraguan democratic resistance, the freedom fighters in that country. And there will be no way, it will be totally impossible for our Nation to share information and to receive information from the Nicaraguan democratic resistance.

Make no mistake about it, the Boland amendment is a gutting amendment. You cannot have it both ways by voting for Boland and voting for Michel. They go in two different directions; so either you stand for the Michel amendment, which provides assistance to a freedom-seeking people in Central America, or you stand for Boland and you rip from the grips of a freedom-seeking people in Nicaragua the very opportunity for them to get their government to honor a commitment given in 1979, and that was a commitment for democratic pluralism.

□ 1430

I say to the Members of this body also remember that the Boland amendment as now in law, in statute form, has been enforced for half a year and it has produced nothing but Sandinista intransigence and consolidation of power.

Making the Boland amendment permanent, as his amendment would do, will simply crown the Sandinistas as the permanent rulers of a Communist Nicaragua. None of us want that.

I would submit to you that today is the day of reckoning in behalf of a people who want a life similar to our own, a people who have not gotten that type of life via their inherent birthright, but a people who desperately want peace based upon the framework of democracy.

I urge absolute defeat of the Boland amendment and adoption of the Michel amendment.

Mr. CHENEY. Mr. Chairman, I yield myself the remaining 1 minute.

[CRS-411]

Mr. Chairman, I think it is very important to emphasize again the point that has been made here repeatedly today, that the Boland amendment as offered by the gentleman from Massachusetts to the Michel amendment that is pending before us is a killer amendment. It will in fact make it impossible for us to provide humanitarian assistance in a workable fashion to the Contras in Central America.

The Michel amendment itself requires significant reports from the President on human rights violations every 90 days to the Congress. That would be impossible if in fact we are not able to share information.

The bottom line, Mr. Chairman, is for the Members of this House to keep in mind and remember very clearly, if you believe in supporting the Nicaraguan democratic resistance with humanitarian assistance, if you believe in supporting those people who are opposing the Communist regime in Nicaragua, if you believe in carrying through on the administration's and this Government's commitment to freedom and democracy in this hemisphere, you not only have to vote for the Michel amendment, you have to vote against the Boland amendment.

The Boland amendment is a killer amendment and it deserves to be defeated.

Mr. BOLAND. Mr. Chairman, I yield the remainder of the time to the distinguished majority leader, the gentleman from Texas [Mr. WRIGHT].

The CHAIRMAN. The gentleman from Texas, the distinguished majority leader, Mr. WRIGHT, is recognized for 7 minutes.

Mr. WRIGHT. Mr. Chairman, this vote comes to the very heart of the matter, where we draw the line between humanitarian assistance and military intervention. That is what we have to decide.

For the past 3 years the law has contained one very clear prohibition, and that is the prohibition contained in this Boland language today. We have said that our Government will not use taxpayers' money to finance a military invasion of Nicaragua or the overthrow of that government.

That prohibition will expire on October 1 unless we extend it today. It is not in the Senate bill. Whatever you think about the Michel amendment, and I recognize there is much support for the idea of trying to do something of a humanitarian nature, I would suggest to you that if you want some restraint you had best vote for this amendment. If you think the language is somehow internally inconsistent, we can try to work it out in the conference in a way that will not be inconsistent with our purposes.

But if we vote today to reject the Boland amendment, we are clearly voting to do away with the restraint that exists in present law against the U.S. financing a military invasion of that country and the forceful overthrow of that country's government.

Mr. HYDE. Mr. Chairman, will the gentleman yield?

Mr. WRIGHT. No, I cannot yield at this time. If I have time when I have finished my statement, I will gladly yield to the gentleman.

At this time I thank the gentleman for his offer to contribute, but I would just rather say some things that I feel need saying. I have listened to the gentleman and I did not ask him to yield.

Mr. HYDE. I yielded to my friend from Massachusetts, Mr. BOLAND, and I thought the gentleman might reciprocate.

Mr. WRIGHT. There are some considerations that I think we have to face. I just have a very little time in which to say them, and it is not any disrespect to my distinguished friend from Illinois [Mr. HYDE], but I just would like to say these things first while I have time remaining.

This is our choice: For the first time we are going to be saying, if we reject this language, that we are accessories to this effort to overthrow that government by force. Whatever we may think of that government, however we may disagree with some of its internal policies, it is the established government of that country.

We want to think very carefully before we make that fateful choice. If our efforts should fail, if the Contra forces are not successful in spite of our open identification with the military group attempting to overthrow that government, as some of our best military minds suggest they will not be, what do we do then? Then where do we go? Do we then abandon the cause and swallow our pride and our dignity as we did after the Bay of Pigs? Or at that point do we introduce U.S. troops?

We should be prepared to answer those questions if today we vote to do away with the restraint that exists in present law. There is much in the Michel amendment with which most of us can agree. I think most Members are willing to provide true humanitarian aid, medical care for the sick and the wounded, of whatever ideological affiliation, shelter for the homeless, food for the starving, of whatever ideology, resettlement for refugees who have been driven from their homes or fled persecution. That is humanitarian aid. Those are things most of us would support, and they are contained as well in the Hamilton substitute.

But the fact is clear that despite the 1982 prohibitions which Congress wrote, the CIA actively recruited and trained and equipped thousands of men and sent them into Nicaragua to engage in war. Perhaps we do have some responsibility to those people who in good faith must have thought that they were answering the official call of the U.S. Government. But how far does that responsibility go? Does it mean having lured them into battle that we will bind up their wounds and care for their families; or does it mean that we will guarantee them a military victory?

It seems to me that the latter is the commitment we are tacitly making today if we abandon this Boland restriction.

In El Salvador we are fulfilling our commitment under the Rio Treaty to protect local self-determination from outside invasion and to protect a duly elected government from violent overthrow. That is quite a different matter. In Nicaragua we will be acting under no obligation of treaty and no sanction of international law.

Whatever our motives may be, we will be seen throughout Latin America as once again imposing our will by force on a smaller nation, and installing a government of our choice, not their choice, a government which in the minds of many will bear the label, "Made in the USA."

I know Mr. Reagan said today that he is not attempting to overthrow the Government of Nicaragua by force, but he said just a few weeks ago that what he wanted to force them to say "Uncle." All of us know what that means. It is a term of physical surrender. That is the cry of the vanquished when overcome by superior force. Its utterance is the price for letting a defeated foe get up off the ground. That is what it means, isn't it?

In July of 1983, less than 2 years ago, Ambassador Stone delivered a letter from President Reagan to the Presidents of Panama and Colombia and Venezuela and Mexico. In that letter President Reagan wrote as follows: "There must be respect for the principle of nonintervention, including a ban on support for subversive elements that seek to destabilize other countries."

Now, if that principle is to have meaning, does it not have to work both ways? Must it not apply to ourselves as well as to others? Can we consistently condemn external efforts to destabilize El Salvador while publicly engaging in efforts to destabilize Nicaragua, however abhorrent its form of society may be to us?

We have every right to insist that Nicaragua leave its neighbors in peace and pose no threat to the peace of this hemisphere so far as its external relations are concerned. But we have no right to dictate the form of its internal society. We are not the dictators of the hemisphere. We should try to influence by example as well as by precept, and it seems to me that we will gain respect and ultimately have the help of others in the hemisphere if consistent with those principles to which we have committed ourselves in the Rio Treaty and in the charter of the OAS—the principle of nonintervention, and the principle of the sanctity of borders of other countries. If we are to preach those principles with any credibility then we should practice them with some consistency.

● Mr. SOLOMON. Mr. Chairman, I rise in strong opposition to this amendment. I do so because this amendment, if adopted, would have the effect of gutting the entire intent of the bipartisan Michel-McCurdy-McDade amendment. Moreover, this amendment, if adopted, would sound the death knell for the democratic opposition in Nicaragua. What incentive would there be for the Sandinista dictatorship to even consider the international appeals from the Contadora group, or the calls for dialog with freedom-loving Nicaraguans, if the democratic opposition in Nicaragua is crushed? Yet that is precisely what this amendment would do—pull the rug out from under those Nicaraguans who are horrified at the betrayal of the Sandinista revolution, those Nicaraguans who fought for the establishment of a democratic government 6 years ago and have seen those hopes crushed under the foot of Comandante Ortega and his Communist henchmen.

I oppose this amendment because it seeks to confuse the issue. Make no mistake: What we have in Nicaragua today is not a case of American policy having failed, as this amendment would suggest—it is a case of a revolution having failed, a small clique of tyrants having subverted the very liberties the Sandinista revolution was intended to establish.

If the Sandinista leadership was content to act as a self-conscious parody of the ideals the Nicaraguan people were fighting for in 1979, that would be bad enough. But when that same leadership surrenders the country's sovereignty to curry the favor of Moscow and to act as a surrogate force to spread the false dogma of Communist revolution into neighboring countries, it is the concern of every country in this hemisphere.

Mr. Chairman, the Sandinistas have betrayed their own revolution. And true to form, they have resorted to a psychology of crisis, a policy of ongoing revolution as the only justification for continuing their despicable regime. Communism always sponsors revolutions against everything except communism itself, the most reactionary model for social and political development ever devised.

Mr. Chairman, this amendment represents one more variation on the theme of "Blame America First!"—the battle cry of those new isolationists who have grown weary of supporting that "long twilight struggle" that President John F. Kennedy summoned us to join. And that is what we will be saying if this amendment is adopted. You are on your own, Central America! Do not look for American help to support your struggle for freedom, dignity, decency, and democracy.

One final observation: in the course of a congressional session we debate American policy toward many countries. We debated about South Africa just last week. We will be talking about the Philippines when the foreign aid bill comes up. We have had resolutions in recent weeks concerning Chile and Turkey. Why is it that whenever we discuss a country that has not had a grand and glorious leftwing revolution, we always do so in terms that suggest a certain inevitability, a historical necessity for change that must inexorably come. But, whenever we talk about a Communist country, we do so in terms that suggest an acceptance of the present tyranny as a permanent fact of life.

That is what this debate is all about. The passage of this amendment is tantamount to accepting the tyranny of the Sandinistas as a permanent and legitimate fact of life in this hemisphere.

I urge an overwhelming vote against this amendment. Stay with the Michel-McCurdy-McDade approach. Let us uphold the interests of the American people and of all freedom-loving people in this hemisphere.●

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts [Mr. BOLAND] to the amendment offered by the gentleman from Pennsylvania [Mr. McDADE].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. BOLAND. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 196, noes 232, not voting 5, as follows:

[Roll No. 154]

AYES—196

Ackerman
Addabbo
Akaka
Alexander
Anderson
Andrews
Annunzio
Anthony
Applegate
Aspin
Atkins
AuCoin
Barnes
Bates
Bedell
Beilenson
Bennett
Berman
Boggs
Boland
Bonior (MI)
Bonker
Borski
Boucher
Boxer
Brooks
Brown (CA)
Bruce
Bryant
Burton (CA)
Carper
Carr
Clay
Clinger
Coelho
Coleman (TX)
Collins
Conte
Conyers
Coyne
Crockett
Daschle
Dellums
Derrick
Dicks
Dingell
Dixon
Donnelly
Dorgan (ND)
Downey
Durbin
Dwyer
Dymally
Early
Eckart (OH)
Edgar
Edwards (CA)
Evans (IL)
Fazio
Feighan
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Fowler
Frank
Frost
Garcia
Gaydos
Gejdenson
Gephardt
Glickman
Gonzalez
Gray (IL)
Gray (PA)
Green
Guarini
Hall (OH)
Hamilton
Hayes
Hefner
Hertel
Howard
Hoyer
Hughes
Jacobs
Jeffords
Jones (NC)
Jones (TN)
Kanjorski
Kaptur
Kastenmeier
Kennelly
Kildee
Kleczka
Kolter
Kostmayer
LaFalce
Lantos
Leach (IA)
Lehman (CA)
Lehman (FL)
Leland
Levin (MI)
Levine (CA)
Lowry (WA)
Luken
Lundine
MacKay
Manton
Markey
Martinez
Matsui
Mavroules
McCloskey
McHugh
Mikulski
Miller (CA)
Mineta
Moakley
Moody
Morrison (CT)
Mrazek
Natcher
Neal
Nowak
Oakar
Oberstar
Obey
Olin
Owens
Panetta
Pease
Penny
Pepper
Perkins
Pickle
Price
Rahall
Rangel
Reid
Richardson
Rodino
Roe
Rose
Rostenkowski
Roukema
Roybal
Russo
Sabo
Savage
Scheuer
Schneider
Schroeder
Schumer
Seiberling
Sharp
Sikorski
Smith (FL)
Smith (IA)
Solarz
Spratt
St Germain
Staggers
Stallings
Stark
Stokes
Studds
Swift
Synar
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Vento
Visclosky
Volkmer
Walgren
Waxman
Weaver
Weiss
Wheat
Whitley
Whitten
Williams
Wirth
Wise
Wolpe
Wright
Wyden
Yates
Yatron
Young (MO)

NOES—232

Archer
Armey
Badham
Barnard
Bartlett
Barton
Bateman
Bentley
Bereuter
Bevill
Biaggi
Bilirakis
Bliley
Boehlert
Boner (TN)
Boulter
Breaux
Broomfield
Brown (CO)
Broyhill
Burton (IN)
Byron
Callahan
Campbell

Carney
Chandler
Chappell
Chappie
Cheney
Coats
Cobey
Coble
Coleman (MO)
Combest
Cooper
Coughlin
Courter
Craig
Crane
Daniel
Dannemeyer
Darden
Daub
Davis
de la Garza
DeLay
DeWine
Dickinson
DioGuardi
Dornan (CA)
Dowdy
Dreier
Duncan
Dyson
Eckert (NY)
Edwards (OK)
Emerson
English
Erdreich
Evans (IA)
Fascell
Fawell
Fiedler
Fields
Fish
Flippo
Franklin
Frenzel
Fuqua
Gallo
Gekas
Gibbons
Gilman
Gingrich
Goodling
Gordon
Gradison
Gregg
Grotberg
Gunderson
Hall, Ralph
Hammerschmidt
Hansen
Hartnett
Hatcher
Heftel
Hendon
Henry
Hiler
Hillis
Holt
Hopkins
Horton
Hubbard
Huckaby
Hunter
Hutto
Hyde
Ireland
Jenkins
Johnson
Jones (OK)
Kasich
Kemp
Kindness
Kolbe
Kramer
Lagomarsino
Latta
Leath (TX)
Lent
Lewis (CA)
Lewis (FL)
Lightfoot
Lipinski
Livingston
Lloyd
Loeffler
Long
Lott
Lowery (CA)
Lujan
Lungren
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Marlenee
Martin (IL)
Martin (NY)
Mazzoli
McCain
McCandless
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McKernan
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Michel
Miller (OH)
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Montgomery
Moore
Moorhead
Morrison (WA)
Murphy
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Oxley
Packard
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Porter
Pursell
Quillen
Ray
Regula
Ridge
Rinaldo
Ritter
Roberts
Robinson
Roemer
Rogers
Roth
Rowland (CT)
Rowland (GA)
Rudd
Saxton
Schaefer
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Sensenbrenner
Shaw
Shelby
Shumway
Shuster
Siljander
Sisisky
Skeen
Skelton
Slattery
Slaughter
Smith (NE)
Smith (NH)
Smith (NJ)
Smith, Denny
Smith, Robert
Snowe
Snyder
Solomon
Spence
Stangeland
Stenholm
Strang
Stratton
Stump
Sundquist
Sweeney
Swindall
Tallon
Tauke
Tauzin
Taylor
Thomas (CA)
Thomas (GA)
Valentine
Vander Jagt

[CRS-413]

Vucanovich
Walker
Watkins
Weber
Whitehurst
Whittaker
Wilson
Wolf
Wortley
Wylie
Young (AK)
Young (FL)
Zschau

NOT VOTING—5

Bosco
Bustamante
Hawkins
Mitchell
Schulze

☐ 1450

Mrs. LONG and Mr. McKINNEY changed their votes from "aye" to "no."

Mr. FRANK changed his vote from "no" to "aye."

☐ 1500

So the amendment to the amendment was rejected.

The result of the vote was announced as above recorded.

Mr. BUSTAMANTE. Mr. Chairman, as a result of an electronic malfunction my vote on the Boland amendment was not recorded. Though I inserted my card with over 4 minutes left for voting, my vote was not recorded. Had the malfunction not occurred, the record would have shown my vote against the amendment.

AMENDMENT OFFERED BY MR. GEPHARDT TO THE AMENDMENT OFFERED BY MR. MC DADE

Mr. GEPHARDT. Mr. Chairman, under the rule, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. Gephardt to the amendment offered by Mr. McDade: In the paragraph under the heading

"HUMANITARIAN ASSISTANCE FOR NICARAGUAN DEMOCRATIC RESISTANCE"—

(1) strike out "March 31, 1986" and insert in lieu thereof "September 30, 1986, subject to the requirements of section 105 of this chapter"; and

(2) strike out the second sentence of that paragraph (Beginning with "Notwithstanding" and ending with "second such report.").

In section 105 and section 106—

(1) strike out "Sec. 105" and "Sec. 106" and insert in lieu thereof "Sec. 106" and "Sec. 107", respectively; and

(2) in subsection (a) strike out "enactment of this Act" and insert in lieu thereof "enactment of a joint resolution under section 105 of this chapter".

Add the following new section 105 after section 104:

Sec. 105. (a) In order to provide an opportunity for negotiations through the Contadora process or other diplomatic channels, funds appropriated by the paragraph of this chapter headed "HUMANITARIAN ASSISTANCE FOR NICARAGUAN DEMOCRATIC RESISTANCE" may not be obligated or expended during the 6-month period beginning on the date of enactment of this Act. After that 6-month period, funds appropriated by that paragraph may be obligated or expended for assistance in accordance with that paragraph if after the end of that 6-month period—

(1) the President submits a request to the Congress for authority to provide such assistance, such request to include (A) the President's assurance that he has consulted with the Contadora nations concerning the provision of such assistance, and (B) a description of the response of the Contadora nations to the proposal to provide that assistance; and

(2) the Congress enacts a joint resolution authorizing the use of funds for such assistance.

If the Congress enacts such a joint resolution, one-third of the amount appropriated by that paragraph shall be available for obligation as of the date of enactment of that joint resolution, an additional one-third shall be available for obligation 90 days after such date of enactment, and the remaining one-third shall be available for obligation 180 days after such date of enactment, notwithstanding the Impoundment Control Act of 1974.

(b)(1) The provisions of this subsection apply, during the 99th Congress, to the consideration in the House of Representatives of a joint resolution with respect to the request submitted by the President pursuant to subsection (a).

(2) For purposes of this subsection, the term "joint resolution" means only a joint resolution introduced within 3 legislative days after the Congress receives the request submitted by the President pursuant to subsection (a)—

(A) the matter after the resolving clause of which is as follows: "That the Congress hereby authorizes the obligation and expenditure of funds for assistance for the Nicaraguan democratic resistance in accordance with section 105 of the Supplemental Appropriations Act, 1985.";

(B) which does not have a preamble; and

(C) the title of which is as follows: "Joint Resolution relating to Central America pursuant to the Supplemental Appropriations Act, 1985.".

(3) A joint resolution shall, upon introduction, be referred to the appropriate committee or committees of the House of Representatives.

(4) If all the committees of the House to which a joint resolution has been referred have not reported the same joint resolution by the end of 15 legislative days after the first joint resolution was introduced, any committee which has not reported the first joint resolution introduced shall be discharged from further consideration of that joint resolution and that joint resolution shall be placed on the appropriate calendar of the House.

(5)(A) At any time after the first joint resolution placed on the appropriate calendar has been on that calendar for a period of 5 legislative days, it is in order for any Member of the House (after consultation with the Speaker as to the most appropriate time for the consideration of that joint resolution) to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of that joint resolution. The motion is highly privileged and is in order even though a previous motion to the same effect has been disagreed to. All points of order against the joint resolution under clauses 2 and 6 of Rule XXI of the Rules of the House are waived. If the motion is agreed to, the resolution shall remain the unfinished business of the House until disposed of. A motion to reconsider the vote by which the motion is disagreed to shall not be in order.

(B) Debate on the joint resolution shall not exceed ten hours, which shall be divided equally between a Member favoring and a Member opposing the joint resolution. A motion to limit debate is in order at any time in the House or in the Committee of the Whole and is not debatable.

(C) An amendment to the joint resolution is not in order.

(D) At the conclusion of the debate on the joint resolution, the Committee of the Whole shall rise and report the joint resolution back to the House, and the previous question shall be considered as ordered on the joint resolution to final passage without intervening motion.

(6) As used in this subsection, the term "legislative day" means a day on which the House is in session.

(7) This subsection is enacted—

(A) as an exercise of the rulemaking power of the House of Representatives, and as such it is deemed a part of the rules of the House, but applicable only with respect to the procedure to be followed in the House in the case of a joint resolution, and it supersedes other rules only to the extent that it is inconsistent with such rules; and

(B) with full recognition of the constitutional right of the House to change its rules at any time, in the same manner, and to the same extent as in the case of any other rule of the House, and of the right of the Committee on Rules to report a resolution for the consideration of any measure.

The CHAIRMAN. Under the rule, the gentleman from Missouri [Mr. GEPHARDT] will be recognized for 30 minutes, and a Member opposed to the amendment will be recognized for 30 minutes.

The Chair recognizes the gentleman from Missouri [Mr. GEPHARDT].

Mr. GEPHARDT. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, last night the President sent a letter promising to pursue a diplomatic solution to the violence in Central America.

I agree with the President. My amendment will give Congress the opportunity to support, in clear and decisive terms, a diplomatic solution.

The amendment is simple. It would delay Contra funding for 6 months. It would give the Contadora process a chance to work. After 6 months, we can assess where Contadora stands and whether we should then enact Contra funding.

Over 100 years ago, Congressman Abraham Lincoln rose in the Chambers of this House to speak against another war in another place.

Speaking of the Mexican War, Lincoln said the reasons for the war kept changing, the policy behind the war remained unclear, and the end of the war appeared nowhere in sight. Lincoln urged the President to act for peace. "Let him answer with facts and not with arguments."

Lincoln said, "Let him remember that he sits where Washington sat, and so remembering, let him answer as Washington would answer."

Today, Mr. Chairman, we sit where Congressman Lincoln sat. Let us answer, as best we can, as he would answer.

We stand on the threshold of an important decision. History will remember what we do in the coming hours.

Any American policy, to succeed, must be supported by the American people. Any policy, to succeed, must be supported by America's allies, and America's friends.

The current policy fails these tests. The American people reject a military

[CRS-414]

solution. They want a diplomatic solution, as my amendment suggests.

The democracies of Latin America almost unanimously reject the Contra solution. They urge us to support Contadora, as my amendment suggests.

The Presidents of Colombia, Mexico, Venezuela, Panama, Argentina, and others, have asked us to put the full force and power of the United States behind the Contadora process.

That is what my amendment does.

So I ask my colleagues on both sides of the aisle: Let us stand with the democratic nations of Latin America.

Mr. Chairman, the wave of the future in Latin America is democracy, not communism. The most popular leader is Pope John Paul, not Fidel Castro. The Latin nations are part of the Western world, not the Eastern bloc.

But we should listen to these democracies, not just praise them. That is what my amendment does.

Several weeks ago, one of the greatest Latin democrats, one of America's strongest friends in the region, asked for our help.

The President of Colombia said. "Do not give us a preparation for war. Give us a plan for peace."

The choice before us is clear: The Contadora nations will be meeting in the coming days. They will be trying to find agreement on the outstanding differences that impede a Contadora treaty. Success is within reach.

By voting for my amendment, we will be sending them a strong message of support.

By rejecting this amendment, we disrupt Contadora. We hurt the process. And we move one step closer to war.

I ask all of my colleagues to carefully consider what we are about to do.

Some 20 years ago, Congress passed a resolution that took us a quantum leap closer to another war.

Then the Gulf of Tonkin was passed by Congress, the United States had embarked on a one-way street to war in Vietnam.

Today we are being asked to do something similar.

We are being asked to escalate this war.

We should be clear—we are being asked to give $27 million to those who want to escalate this war.

☐ 1510

If we take this step, private contributions for purely military purposes will increase as well. So we are being asked to provide more than $27 million to escalate rather than de-escalate a war.

I think it is ironic that the Michel amendment provides $2 million to help the peace process. We are being asked to do something even more profound, and in my view, even more dangerous: We are being asked to legalize the war in the statutes of the United States. We are being asked to make a quantum leap toward a commitment to war in Central America.

I think my amendment offers a better course. The Contra forces have been in the field for 9 months now without direct American aid. If my amendment passes, they will be in the field for another 6 months, and the pressure they bring on the Sandinista government to negotiate will remain. In fact, I would argue by accepting my amendment, the pressure on the Sandinistas to negotiate seriously will even intensify.

I would also argue that the greatest reason the Sandinistas want to negotiate is because of the U.S. Marines; not the Contras. The spectre of the use of military forces of the United States in Nicaragua is not diminished in any way by a vote for my amendment.

I really do not see what we lose by accepting this approach. The pressure will continue; the diplomatic process will be intensified; the pressures on the country of Nicaragua to put their performance behind their words will intensify. They have said they are willing to throw the Soviet and Cuban advisers out of the country. They have said they are willing to agree not to export arms to other situations in Central America. They have said they are willing to negotiate and keep verification procedures which would back up their words with performance. Why in the world are we afraid to give that a chance? This amendment gives us a chance to see if they will match their words with concrete performance. If they do not, if they are not willing to negotiate that treaty, if they are not willing to live with that treaty, this Congress can come back and take further action.

So to sum up, the Gephardt amendment says these things: First, the Contadora nations and most Latin Democrats have asked for a plan for peace. True friends of Latin democracy will help them, not aid the war.

Second, we can work with not against the great majority of our allies in Europe who have suggested this approach.

Third, we can act in a manner that can inspire, not alienate, the vast majority of people in Latin America.

Fourth, we can slow the drift toward an escalating war and resist making a commitment on behalf of the American nation, a commitment that will surely be used to justify more and more support or more aid in the future.

Last, we can remember that we are not forsaking stronger options, only giving the Contadora process a chance to work. I think today is an important day and this is an important decision. If you are for giving aid to the Contras, but you want to give peace a chance, the Gephardt amendment is the way to do both.

Mr. BROOMFIELD. Mr. Chairman, I rise in opposition to the amendment and yield myself such time as I may consume.

Mr. Chairman, of the choices before us, the Gephardt amendment is the worst of all worlds.

It is a policy of benign neglect.

It is nothing but a cop-out for 6 months with the hope that the Communist leaders of Nicaragua will somehow be enticed by our inaction to the bargaining table.

It proposes a kind of bargain with the devil.

Under this amendment, we, in effect, make a deal with Ortega to withhold supplies from the democratic forces in Nicaragua and look the other way for 6 months in the hope that he will be able to wipe out his opposition once and for all.

By doing nothing, this amendment does all of the wrong things.

It is essentially what we did 6 weeks ago when the House debated the issue at length and came up empty.

The result is on the record for anyone to see.

Far from encouraging Ortega and his Soviet comrades to come to the negotiating table, it encouraged them to increase the stakes in Central America.

The day after the House voted to ignore the conflict that is underway just a few hundred miles from our borders, Ortega took off for Moscow and the eastern-bloc nations and returned with promises of nearly $300 million in assistance.

How many times are we going to do this before we get the message?

The Nicaraguan Government is already armed to the teeth and ready to roll over its neighbors.

The only thing holding them back is Ronald Reagan's resolve and the off-again, on-again efforts of the Congress in half-hearted support of the President.

Some Members have been quoted as saying that they won't be able to endorse the President's policies until Soviet missiles and Migs appear in Nicaragua.

Well, Mr. Chairman, the mischief incorporated in this amendment is just the sort to encourage Ortega and his Soviet comrades to up the ante again.

Maybe, if we waffle one more time and then give them 6 months, they'll have those Migs in operation. We already know that Nicaraguan pilots are being trained to fly high performance Soviet fighters. But training takes time, and introducing them takes courage. We are preparing with this amendment to give them both.

The democratic forces in Nicaragua are a viable and effective force willing to die for the principles we all believe in.

We don't need to send the Marines to Managua. They are willing to do the job themselves. All they are asking is that we give them a little support and encouragement and that we don't give aid and comfort to the enemy.

[CRS-415]

The Michel-McCurdy amendment offers that minimum support, a mere $27 million.

We spend more than that on Senate campaigns in some States.

The Pentagon spends that much for toilet seats, screw drivers, and ashtrays.

Yesterday, with very little fanfare, we voted $2 billion for two countries in the Middle East that are not even at war. And that was a bonus in addition to the regular funds appropriated under the Foreign Assistance Act.

What we are talking about for the freedom fighters in Nicaragua is peanuts by our standards.

Yet, we are afraid we might be overreacting by giving those who are willing to die for a cause that is fundamental to most Americans a piddling $27 million.

The Gephardt amendment is simply a cop-out.

It ties the white flag of surrender to the gun barrels of the freedom fighters and tells them to throw in the towel and get in the soup line.

A vote against Gephardt will be a vote for democracy and a vote against the policy of benign neglect.

I urge a no vote on this amendment.

Mr. GEPHARDT. Mr. Chairman, I yield 3 minutes to the gentleman from Maryland [Mr. BARNES].

Mr. BARNES. I thank the gentleman for yielding to me this time.

Mr. Chairman, I rise in very strong support of the amendment offered by our distinguished colleague from Missouri, Mr. GEPHARDT. I would like to just very briefly flesh out what the gentleman from Missouri was saying about the negotiations that are under way and why it is that our neighbors and friends and allies in the hemisphere are opposed to our acting today to finance the war that is ongoing in Nicaragua.

As everyone knows, the four Contadora countries, Mexico, Panama, Venezuela and Colombia, have been engaged in the so-called "Contadora Initiative" trying to find a peaceful solution to the problems in Central America and to address the very concerns that we are hearing so eloquently spoken to today on both sides of the aisle.

□ 1520

We all share the same concerns, and the Contadora nations share them, and that is why they undertook their initiative. They have drawn up, and by the way, this is information I have obtained from the State Department about the current status, from the Reagan administration I have obtained this information about the current status of the Contadora process.

The Contadora Group has drawn up five "documents" that seek to reconcile the September 1984 draft treaty which, as you will recall, the Nicaraguans agreed to sign and the so-called Tegucigalpa draft subsequently drawn up by Honduras, El Salvador and Costa Rica, with the United States' participation, incorporating the changes that they wanted in the September draft.

Two of these documents, two of the five documents, pertain to verification, and three to security measures. The two verification documents were accepted in April by the five Central American countries, including Nicaragua, and one of the three security documents was accepted last month, in May, so three of the five documents have now been agreed to by all five of the Central American countries, as well as the four Contadora countries.

The other two security documents do contain some difficult issues, but negotiations are underway. Large numbers of diplomats from all nine countries are at work on those issues and they will be meeting shortly on them.

The September draft treaty was accompanied by a draft protocol which would have been open for signature by other nations. This was objected to, particularly by our country, which did not want the Cubans and the Soviets becoming a party to a Central American agreement.

The Contadora group has gone back to the table and has now drafted four new protocols to replace that earlier one that seek to resolve the problems with the first one. The first three have been agreed to. The first three of those four protocols have been agreed to. They would be open for, in the first instance, the Contadora countries, in the second by the members of the verification commission, and third, by other American states. The fourth protocol, which has not yet been agreed to, is still under negotiation and we are informed, as informed earlier today by the Government of Venezuela, that a meeting of the Contadora nations is scheduled within the next week at the ministerial level.

We are also informed by these countries who are engaged in these negotiations, which have already demonstrated substantial progress, frankly more than I and many others would have thought possible when the initiative was undertaken, that a vote by the Congress today to fund the Contras will seriously undermine if not destroy the diplomatic effort that they are making, countries that are democracies, friends of the United States who are engaged in a serious diplomatic effort.

The only hopes we have left this afternoon to give them the opportunity to achieve success are the Gephardt amendment, which I urge a vote for to give them at least 6 months to do so, or the Hamilton amendment, which I think is even better than Michel as amended by Gephardt because it clearly puts the imprimatur of the Congress behind the Contadora initiative.

Mr. BROOMFIELD. Mr. Chairman, I yield 4 minutes to the gentleman from California [Mr. LAGOMARSINO] a member of the Committee on Foreign Affairs.

Mr. HYDE. Mr. Chairman, will the gentleman yield?

Mr. LAGOMARSINO. Yes; I yield to the gentleman from Illinois.

Mr. HYDE. I thank the gentleman for yielding.

Mr. Chairman, those students of logic who just heard the last speaker, our dear from Maryland, talk, heard a prime example of what is called the fallacy of the false alternative. You cannot have negotiations and support the Contras at the same time. Nonsense. They go hand in hand.

Mr. LAGOMARSINO. Mr. Chairman, I rise in strong opposition to the Gephardt amendment.

The Gephardt amendment in effect reformulates the procedure adopted by the House last October in the continuing resolution, which put off any action in support of the democratic resistance in Nicaragua and says the best action is further inaction.

There has been no U.S. Government funding of the democratic resistance in Nicaragua for more than a year; if, as the Gephardt amendment presumes, there were any inclination on the part of the Sandinistas to negotiate, they could have taken advantage of the time during the past year to negotiate as requested by the bishops there. In fact, they could have easily demonstrated their sincerity in negotiating by expressing their interest during the bilateral talks with the United States at Manzanillo.

For that matter, you need only look at the actions of the Sandinistas since the vote in April to determine their sincerity. They told visiting congressional delegations they would have a moral obligation to institute liberalizing measures, using their words if Congress defeated aid to the Contras. The House defeated the aid, but the Sandinistas did anything but take liberalizing measures since that vote.

I would like to quote from the Managua Domestic Service dated April 23d.

> Question. Commander Ortega, can you tell us something more about the proposal that you made and sent through the two Congressmen and that Mr. Shultz has described as a fraud?
>
> Ortega. We were exchanging views with the Congressmen. The truth is that we have presented nothing new, as Mr. Shultz and President Reagan's spokesmen have tried to imply. Instead, we simply arranged the peace proposals that Nicaragua has always made.

Well, what has happened? Sandinista action since the vote has been more repressive internally and aggressive externally. Examples include:

Visit to Moscow.—On April 27, Ortega began a tour of Europe beginning with the Soviet Union. He was greeted warmly by the Soviet bloc and received a promise of increased Soviet oil shipments. This contrasts with the rather guarded reception he received in western European capitals, apparently added on short notice after the public relations gaffe of visiting Moscow became obvious.

[CRS-416]

Labor repression.—An attempt by independent labor unions on May 1 to march peacefully to protest GON policies was violently broken up by government-sponsored mobs and armed police; on June 3, a number of strikers protesting GON suspension of payment in kind reportedly were beaten and arrested; on June 5 labor activists attempting to organize a protest strike were detained by authorities.

Press censorship.—Between April 10 and 24 censorship of La Prensa diminished, with only a single article censored on April 22 and 23. For 2 weeks following the vote, censorship continued fairly light, but in early May began to pick up again. On May 6 and June 5 the newspaper was unable to publish because of the number of articles and features forbidden for publication.

Human rights.—In response to the defection of a high ranking security official in March, GON has taken into custody the man's family, including a 3-year-old child; wife is a U.S. permanent resident. Family members from Costa Rica who attempted to visit detainees were arrested and harshly interrogated, and claim they were warned the family will never be released if the defector talks about his official activities in Nicaragua. At least 35 Nicaraguans have been arrested and most sentenced for anti-Sandinista political activities; charges have ranged from actual participation in resistance actions to providing military supplies to the armed opposition or assisting youths to leave the country to avoid military service. Sentences ranged from 3 to 30 years.

Support for subversives. On April 29, Defense Minister Ortega told the public that the Nicaraguan armed opposition had surface to air missiles, and warned that Salvadoran guerrillas might obtain similar weapons. On May 23 Nicaraguan dailies reported a meeting between Bayardo Arce, FSLN political section chief, and Guillermo Ungo, leader of the Salvadoran FDR/FMLN insurgents. Ungo told the press the Salvadoran guerrillas received moral support from Nicaragua, and termed such aid "legitimate."

Harassment of religious groups. The Nicaraguan State Telecommunications Agency cited "technical problems" for the failure to broadcast live the investiture of Archbishop Obando y Bravo as cardinal in Rome on May 25, despite repeated flawless tests of the satellite link-up shortly before the event; GON officials continued to withhold from intended recipients the humanitarian assistance brought to Nicaragua with GON approval by evangelist Larry Jones in mid-April. Rumors suggested the GON had confiscated the goods for distribution by and to their own supporters.

Miskito Indian reconciliation talks. The last round of negotiations on May 25-26, led to complete breakdown in conciliation efforts, as GON rejected basic Miskito demands for political, autonomy, demilitarization of Miskito areas and third-party verification of agreement implementations. GON termed Miskito position as "arbitrary and absurd." Just prior to the congressional vote in April the GON had come to a preliminary agreement with the Miskito representatives that was publicized as evidence of the GON's good intentions.

Contadora. After having accepted a proposed revision of verification provisions at April 11-12 meeting of group, the Nicaraguans in May meeting backed off from previous positions: specifically, they rejected the concept of an international corps of inspectors as "unnecessary," insisted that decisions by the verification group be by unanimous agreement, and retreated from earlier support for the simultaneity aspect, thereby casting serious doubt on GON support for meaningful verification procedure.

Border violations. The most serious border violation occurred on May 31, when EPS troops crossed into Costa Rica and attacked a Costa Rican Civil Guard Patrol, killing two men. Despite direct contact with officers of the EPS, Costa Rican efforts to retrieve the body of one of the dead were impeded by heavy fire from EPS troops against the recovery teams, and the body was not retrieved until June 6. Nicaragua denied its involvement, but Costa Rica's own investigation left no doubt that the aggressors were members of the EPS. Prior to the incident the residents of the border region complained of Nicaraguan shelling of Costa Rican territory, and Nicaraguan aircraft reportedly carried out cross-border incursions. Nicaraguan military troops repeatedly violated Honduran territory during the late April to June period. In one incident on May 10 five Hondurans were killed. From May 4-6, several Honduran villages were shelled by Nicaraguan troops.

Internal reconciliation. GON officials continued to insist they will never negotiate with the armed opposition, and showed no indications they would consider negotiation with internal civic opposition either; following U.S. embargo, GON statements suggested political opposition would be closely watched to ensure support for Sandinista policies.

Some liberalizing measures!

To assume that the Sandinistas wish to negotiate in good faith is to ignore the facts of their past attitude toward negotiations. Brooklyn Rivera, head of the Nicaraguan Indian rebel group Misurasata, tried for 8 months to negotiate with the Sandinistas, and all for nothing. When the talks broke down, Rivera said, "The dialog is stalled because of the intransigence and inflexibility of the government in not recognizing the historical rights of the Indians."

Administration critics continue to press for negotiations based on the Contadora process but ignore the Sandinistas own efforts to circumvent Contadora. The talks with the United States at Manzanillo broke down precisely because the Sandinistas were trying to cut a deal which would allow them to get around those provisions discussed in the context of Contadora which require internal dialog and internal reconciliation.

Under the Gephardt amendment, there are no incentives to force the Sandinistas to negotiate. The amendment in effect does nothing. Doing nothing in Nicaragua does not advance the cause of peace and does not prevent a military solution in the region. It leaves the initiative to the Soviet Union and Cuba to determine what will happen in Central America.

Doing nothing in Nicaragua ignores those fighting to gain freedom and democracy for their country. Many of the very people who supported the Sandinistas when they took over have left the Sandinista party and joined the opposition: Leaders from political parties, labor unions, the business community, the press, the church, and even human rights organizations.

The Gephardt amendment is not formulating policy, it is abdicating responsibility. We must not condemn to totalitarianism those seeking freedom.

I urge my colleagues to defeat the Gephardt amendment.

Mr. GEPHARDT. Mr. Chairman, I yield 3 minutes to the gentleman from New York [Mr. SOLARZ].

Mr. SOLARZ. I thank the gentleman for yielding this time to me.

Mr. Chairman, I rise in strong support of the Gephardt amendment. The Contadora process, like motherhood and apple pie, has entered the lexicon of American verities. Everyone says they are for it, but in truth, everyone does not really like it.

There is, I think very clearly, a good deal of skepticism about the viability of the Contadora process in spite of the lip service which virtually everyone pays to it. So I think it is worthwhile, therefore, to briefly recount the progress that has already been made within the framework of the Contadora process in order to establish the fact that this is indeed a viable diplomatic undertaking.

So far the countries in Central America have already agreed within the framework of the Contadora process to a prohibition on the establishment of foreign military bases.

□ 1530

They have already agreed on a prohibition with respect to the presence of foreign military advisers. They have already agreed within the framework of the Contadora process to refrain

[CRS-417]

from interfering in the internal affairs of their neighbors. They have already agreed in large measure to effective procedures for verifying all of these other undertakings, and they have also agreed within the framework of the Contadora process to commit themselves, each and every country in the region, to a process of national reconciliation once the Contadora agreement becomes effective and is implemented.

Mr. HUNTER. Mr. Chairman, will my friend, the gentleman from New York, yield?

Mr. SOLARZ. Not until I finish, because I only have 3 minutes.

Mr. Chairman, what this demonstrates, I think, is that not only has real progress already been made within the framework of Contadora but there is a very real possibility that the Contadora process can succeed.

Now, if everyone here really believes that it is worth supporting the Contadora process—and I have not heard a single Member on either side of the aisle speak against the Contadora process—if you really believe it is worth supporting, then should we not ask what the Contadora countries themselves would have to say about this proposal? I would submit that every one of them, Mexico, Colombia, Venezuela, and Panama, if their ambassadors or Presidents were present in this Chamber today and could speak and could vote, every one of them would say, "Pass the Gephardt amendment. Give diplomacy a chance. Give us 6 more months."

Now, my friends on the other side of the aisle say that this is a policy of benign neglect, that it removes all incentives on the part of the Sandinistas to make additional concessions, forgetting the fact that they have already made substantial concessions.

But the answer, I say to my friends, is that, first, they would have an incentive. This gives them 6 months, and if they do not cooperate, the President can come back and we can resume aid for the Contras.

And second, the most serious incentive they have is their fear—and I fear their fear is well founded—that the President of the United States is leading us inevitably and ineluctably to the introduction of American combat forces into Nicaragua. That is their incentive to reach an agreement.

Mr. BROOMFIELD. Mr. Chairman, I yield 4 minutes to the gentleman from Arizona [Mr. MCCAIN] a member of the Foreign Affairs Committee.

Mr. McCAIN. Mr. Chairman, I thank the gentleman, and I would like to begin by yielding to my good friend, the gentleman from Illinois [Mr. HYDE].

Mr. HYDE. Mr. Chairman, I thank the gentleman for yielding.

I was about to ask the previous speaker what he thinks Costa Rica thinks about it, now that the Nicaraguans are crossing over and killing Costa Ricans, or what perhaps El Salvador thinks about it, or what perhaps Honduras thinks about it.

And what about Mexico? I do not mean to disparage our wonderful neighbor to the south, but they have made a career of throwing meat to the alligator, hoping that their leg will get bitten last. But that is all right. I understand that. They are still surviving, but there are other countries down there. They tell you one thing privately, and publicly they say something else.

Mr. McCAIN. Certainly. And I do not think this subject could be complete without a quote from one of the great leaders in Central America, who as recently as the first of June had this to say:

> We have denounced that Nicaragua is the haven for Salvadoran subversion. Extremist, leftist groups are trained there. Logistical aid for the Salvadoran guerrillas is coming from Nicaragua. Nicaragua is the center of the operation where terrorist actions against El Salvador are planned, decided, and ordered. Nicaragua is a cancer in Central America.

It was Jose Napoleon Duarte who made that statement. I am sorry that quote escaped the attention of my colleague, the gentleman from New York.

Mr. Chairman, an argument can be made, and will be made in the Barnes-Hamilton amendment, that we should not aid the Contras, and I am sure that very eloquent statements will be made on behalf of that side of the issue. And there is an argument we are trying to make here today in favor of aid to the Contras. But make an argument to delay is simply incredible and can best be described as frivolous.

I know that my colleague, the gentleman from Missouri, has great in-depth knowledge of tax matters and other issues, but to say, "Let's leave the Contras in the field for 6 more months without food, without clothing, and without boots" simply shows an abysmal ignorance of anything to do with military operations, much less the implementation of foreign policy and what motivates Marxist-Leninist governments to negotiate.

The last amendment we just defeated, I am happy to say, was death by decapitation. This one is death by hemorrhage. It says, let us allow the Contras to bleed to death during the next 6 months, and then we will revisit them again. I notice that in the Gephardt amendment there is no provision for restoration of aid to the Contras; we will just revisit it.

I keep hearing over and over the constant comparisons of the situation in Central America with that of the Vietnam war. Most of those comparisons are made by people who never came within 10,000 miles of the place, and the lessons and the comparisons they are making, I say to my colleagues, are dead wrong.

For example, they say this is a Tonkin Gulf resolution. A cursory glance at history tells us the Tonkin Gulf Resolution gave the President of the United States a blank check to send American troops in whatever quantities and whatever materiel he chose to for an unlimited amount of time. We now have the War Powers Act. We have the Foley amendment which prevented the United States from sending any troops into Central America. There is no comparison between what we are doing here today and the Tonkin Gulf resolution, and any comparison that indicates we are doing so demeans and degrades the debate in which we are engaging.

There is a lesson from the Vietnam war which has not been mentioned, and that is the lesson of sanctuary. History indicates, not just in that war—because all too often our frame of reference in the discussion of foreign policy on the floor of this body begins and ends with the Vietnam war rather than looking at the broad scope of history. Sanctuary is a privilege which if given to a nation that is bent on the destruction and overthrow of its neighbors, insures that the aggressor nation will eventually prevail. By failing to provide aid to the Contras, we will indeed provide sanctuary to the Government of Nicaragua.

The CHAIRMAN pro tempore (Mr. BEILENSON). The time of the gentleman from Arizona [Mr. MCCAIN] has expired.

Mr. BROOMFIELD. Mr. Chairman, I yield 30 additional seconds to the gentleman from Arizona [Mr. MCCAIN].

Mr. McCAIN. Mr. Chairman, I would like to remind our colleagues here that the same individuals who were arguing 3 years ago and 2 years ago against military aid to El Salvador, using exactly the same arguments, that our policy in El Salvador was doomed to failure, were wrong then, and they are wrong now. If we delay aiding the Contra movement, then the prospects for freedom and democracy in Central America are bleak indeed.

Mr. PANETTA. Mr. Chairman, I yield 3 minutes to the gentleman from Ohio [Mr. TRAFICANT].

Mr. TRAFICANT. Mr. Chairman, I would just like to point out that the word, "delay," has been used quite often, and one person's concept of delay in this matter could be another individual's solemn vote to give peace a chance in a 6-month period.

There is no question that the Michel amendment has the support that is necessary here, as evidenced by the vote on the Boland amendment. The vote on the Boland amendment is one that will come back to haunt this House, because I believe it is a declaration of war, that it will move this country inexorably toward war. This is an opinion, however, and that opinion can be contested by all.

But I wonder what is so wrong about giving peace a chance. While we continue to move inexorably toward war, what will be the posture of this House when American troops start coming back in body bags? I think when that starts to happen, perhaps we will change our whole attitude here and perhaps the House will take on a whole different focus.

I would like to discuss briefly my recent trip to Central America. One of the questions that was asked of Mr. Ortega by an individual in the audience was: How did he account for the hunger and how did he account for the hardship and the poverty in the country since he was so outspoken against Somoza and the conditions of the country during that dictatorship?

Mr. Ortega said,

> I cannot get about the business of cleaning up my country because of a Yankee imperialist that forced war upon me, and I cannot spend money for butter if I have to spend it for guns.

Mr. Chairman, we have become the whipping boy in Central America. By our action today, two wrongs certainly cannot make a right. But the amendment offered by the gentleman from Missouri [Mr. GEPHARDT] gives us an opportunity to give peace a chance, and I do not particularly feel that that is all wrong.

Mr. BROOMFIELD. Mr. Chairman, I yield 3 minutes to the gentleman from Pennsylvania [Mr. GOODLING].

□ 1540

Mr. GOODLING. Mr. Chairman, first of all, I guess I should say that I hope sometime the gentleman from New York has more than 3 minutes and I have more than 3 minutes and we will discuss just what the Sandinistas as a matter of fact do in respect to the Contadora process. Oh, sure, they gave a lot of lipservice. But why wait until last night, as a matter of fact, to say,

> I think I will free a few prisoners, and maybe I will release the tension that I have put on this county.

Why last night? Why not do it after we voted a couple of weeks ago instead of going off to the Soviet Union which had to be embarrassing to the Speaker of the House and the majority leader and, in turn, embarrassing the entire Congress because they represent us.

Let me first of all touch on this whole issue that we are discussing today. Before, during, and since serving on the Intelligence Committee I was not a supporter of covert activity in Nicaragua. Everybody knows that. But the Congress of the United States made the decision partially on faith, because the Intelligence Committee of the House and the Intelligence Committee of the Senate said it is in our best interest to make the Sandinistas turn inwardly. I have to emphasize that, because we seem to talk about interdicting arms, but we forget if you look at the transcripts, that "make them turn inwardly" was expressed over and over and over again. So that is what the Congress decided was in our best interest.

So I believe now, even though I was in opposition to that move, that as a matter of fact we have a moral responsibility to provide the humanitarian aid that is necessary to support the Contras, because we put them there.

Now, what is a 6-month delay going to do in this situation? Let me tell you I do not know anything positive that it can do. I do know that a 6-month delay positively means continued bloodshed in Nicaragua. It cannot mean anything else.

Now, I do not know anything else we do will not mean continued bloodshed; I do know that a 6-month delay tells us that we positively, definitely will continue the bloodshed in Nicaragua.

So why delay and take that chance? Why not take a different approach and see whether as a matter of fact a little pressure—might help bring peace to the area. I really owe a lot to the people who brought up this Michel-McCurdy-McDade initiative that we are talking about today, because they brought my administration in a direction that my administration had to be brought in, and I am proud to see that they did just exactly that.

So let us not delay for 6 months and ensure killing and ensure that we continue to have no talks, no dialog. Everything is in place. If Mr. Ortega wants to discuss with the Contadoras the problem, it is all in place. They can do it. He could have done it the last 6 months. He could have done it the last year. He does not think he has to do it. And if we do not put some kind of pressure on him, the bloodshed goes on.

I cannot guarantee that that will not happen without it; I can guarantee that a 6-month delay will merely mean more bloodshed, more fighting in Nicaragua and no step closer to any political settlement which my administration now wants and I have wanted since day one.

Mr. Chairman, I yield back the balance of my time.

Mr. PANETTA. Mr. Chairman, I yield 3 minutes to the gentleman from New York [Mr. McHugh].

Mr. McHUGH. Mr. Chairman, I rise in support of the Gephardt amendment. As the gentleman from Missouri has explained, the purpose of this amendment is to afford some additional time for all of the interested parties to pursue, in a meaningful way, the Contadora initiative to promote political negotiations in Central America.

Those who support the McDade amendment must ask themselves this question: What is the purpose of this so-called humanitarian aid? What U.S. policy does it seek to promote?

There are only two possibilities. The first is that this aid seeks to promote as U.S. policy the forcible overthrow of the Nicaraguan Government. The second possibility is that this aid to the Contras is for the purpose of putting pressure on the Nicaraguan Government to enter political negotiations.

The President has been very unclear about the real purpose of his policy, but there can be no doubt about the goal of the Contras. They clearly have in mind the overthrow of the Government in Nicaragua. If this is our purpose in aiding them, we must then ask if this goal is attainable without the employment of U.S. military forces. According to General Gorman, the former chief of our Southern Command, the goal is not attainable without U.S. forces. The evidence to date surely supports General Gorman's conclusion. The Contras have no hope of gaining power on their own. Therefore, if the purpose of this aid is to help the Contras overthrow the Nicaraguan Government, if that is the goal of our policy, it will not succeed, and we will inevitably be faced with the prospect of the introduction of U.S. troops to implement that policy goal. Are the proponents of the McDade amendment prepared to stand up and embrace that goal?

If, in the alternative, they are supporting the McDade amendment to foster political negotiations, they should be willing to support the Gephardt amendment. By its express terms, it makes very clear that its purpose is to "provide an opportunity for negotiations through the Contadora process or other diplomatic channels * * *."

This is the policy supported by our friends throughout the region, not a policy of military intervention. For example, in a letter to President Reagan following his visit to the United States earlier this year, President Betancur of Colombia said, and I quote:

> * * * military aid to the groups in opposition to the government of Nicaragua troubles me: in the various speeches which I made during my trip to the United States, among them before the House and Senate as well as before the Organization of American States and Georgetown University, I stated that one of the bases which sustains the common inter-American law is the self-determination of peoples, nonintervention, and peaceful settlement of disputes.
>
> These principles have arisen in our hemisphere not in the heat of the moment but after the passage of many years, until they have become a fundamental part of the Charter of the Organization of American States, which is our compass.
>
> And those same principles are repeated in the Act for Cooperation and Peace in Central America proposed by the Contadora Group.

This is the prevailing view of our friends in Central and Latin America: Let's negotiate over differences, not intervene militarily. And this is clearly the prevailing view of the American people. They understand that we have legitimate interests in Central America, and that we have legitimate concerns with the Sandinista Government. But before supporting the extreme step of military intervention in a foreign nation, directly or indirectly, they expect their government to first negotiate in good faith, to work with our friends in a meaningful effort to resolve differences peacefully. Until they are convinced that such efforts have been made, they will not support an interventionist policy. And that is why by a substantial margin they do not support intervention today. In a democracy like ours, a policy of intervention simply will not work in the absence of public support.

[CRS-419]

The Gephardt amendment fairly reflects the prevailing views of the American people and our friends in the region. It would focus American policy first on political dialog, a policy which has not been tried in any meaningful way. Before we embark further on the course of military intervention, a course that does not enjoy public understanding or support, we should aggressively pursue political negotiations. The Gephardt amendment could put us on that course, one which the American people and our friends do support.

For these reasons, I urge my colleagues to support the Gephardt amendment.

Mr. BROOMFIELD. Mr. Chairman, I yield 2 minutes to the gentleman from Florida [Mr. McCollum].

Mr. McCOLLUM. Mr. Chairman, I think that the last vote indicated that many of our colleagues, many more than before, now recognize the true nature and threat of the Communist Sandinistas. We are facing in the Communist Sandinistas, avowed Marxists-Leninists and those who are antisemitic, who have in fact driven out the small Jewish community that was in Nicaragua.

We are facing in the Communist Sandinista leadership terrorists. Commandante Borge was trained by the PLO in Lebanon in 1969. The PLO today have a virtual embassy in Nicaragua, in Managua. They are associated with the Libyans, as we all know, with arms supplied. The Red Brigades in Italy provided five people to assist the Sandinistas in training of terrorist activities in February of this year.

I submit that we are dealing with that type of person.

In addition to that, in his speech last year before his own party members, Commandante Arce, who is the political guru of the commandantes of the Communist Sandinistas said in no uncertain terms, "We are international revolutionaries. We believe in the spread of our Communist philosophy to our neighbors and any suggestion by the United States that we compromise on that is totally unacceptable."

Now, that is the nature of whom we are dealing with and when we see what happened after the last vote in this body on aid to the Contras when Mr. Ortega immediately went over to Moscow, when we saw the response in terms of only sending home a hundred of the Cuban 8,000 that are down there, when we see how they have taken advantage of the time given to them in the interim since that last vote to launch expeditions inside Costa Rica and inside Honduras and to beef up their gunship helicopter activities, I think we have to clearly understand, as I think many of my colleagues now finally do, that we are dealing with part of the Communist international interests spreading throughout the hemisphere and that unless we go ahead now and support the Contras with the Michel amendment proposals at this time, we are just going to give them more time to work their will.

I urge a no vote on Gephardt and a yes vote on the Michel amendment.

Mr. GEPHARDT. Mr. Chairman, I yield 3 minutes to the gentleman from Michigan [Mr. Conyers].

Mr. CONYERS. Mr. Chairman, my remarks are directed toward the 58 Democratic colleagues who voted against the Boland amendment just a few minutes ago. What I want them to know is that after 4 years of spending over $150 million to fund the Contras to find out whether they interdicted arms or not, not one single cache of weapons has been interdicted.

Further, Nicaragua has agreed, as has been stated here repeatedly, to meet all of the administration's stated security concerns under the auspices of the Contadora process, and that is why the Gephardt amendment is the only rational hope of sanity to add to this Michel program that we are now confronted with.

I urge you to give it serious consideration.

Mr. Chairman, I yield to the gentleman from Illinois [Mr. Hayes].

□ 1550

Mr. HAYES. Mr. Chairman, I rise today in strong support of the Gephardt amendment which would delay for 6 months the implementation of the Republican plan in order to provide more time for the ongoing Contadora peace negotiations. Six months is not a long time to wait, especially when peace is the reward. I believe that it is critical that we do not undermine the negotiations, that we must give our friends and allies a chance so that they can negotiate an agreement that they, as well as we, can live with. It was much less than 6 months ago that those of us in this very Chamber voted down a proposal similar to the Michel amendment. Six months is a very short time to wait for peace.

We must listen to our friends and our allies here in the Americas. We rarely listen to them, and that is one of the reasons that we are so isolated in our foreign policy. We didn't listen to our European allies when they told President Reagan during the economic summit that they could not support his policy toward Nicaragua, and that they would not join in his economic sanctions. We did not listen 2 weeks ago when Mexico signed a multimillion dollar agreement to sell oil to Nicaragua. We didn't listen when, in the last 2 weeks, Canada signed a trade agreement with Nicaragua. And we are not listening now, as our friends in Columbia, Panama, Venezuela, and Mexico are working for peace in our hemisphere.

Fellow Members of this honorable body, now is the time for us to stand up, listen to our neighbors and vote for peace. This vote that we make today is as close a vote for war as we have taken during my tenure in the Congress. I say that we must give peace a chance. I urge a yes vote on the Gephardt amendment. Thank you.

Mr. CONYERS. The Contadora process, a process supported by all Central American countries, calls for the withdrawal of foreign advisers as well as external military support. Nicaragua has agreed to this in principle so long as the administration agrees to stop financing the proxy war. Gephardt asks for only 6 months to let this process come to fruition. It is our chance for peace.

Remember, our track record is not too fine down there. The administration refused to inform Congress about the mining of the harbors, the terrorist murder pamphlets that the CIA put out. The administration refused to go along with the World Court. We have not been accurate on the military aid to El Salvador, nor have we with any of the pretexts for this war. This is the one way that we have a chance to get back with our friends and to make the Contadora process work.

Please, I ask you to join with us and make this amendment perfect what is a very bad notion. Otherwise, we are issuing a declaration of war on Nicaragua. It is urgent that the Democrats realize this is the one chance that we have of taking some position that makes sense in the Central American policy.

It is about time that we stand up and mean what we say about bringing peace to that war-torn region. Eight thousand people have been killed in Nicaragua by the Contras, 8,000. In Honduras we are already hearing, as the gentleman from Wisconsin, Mr. Moody, said in a 1 minute speech, that the Hondurans are now joining with the Contras in an effort to stave off unemployment. In Guatemala, where 150,000 people have been killed by security forces since the last real democratic election in 1954, and where the Catholic bishops of that country have likened the situation to genocide, the Reagan administration now wants to send military aid. It is a crazy situation. Support Gephardt.

[CRS-420]

Mr. BROOMFIELD. Mr. Chairman, I yield 2 minutes and 30 seconds to the gentleman from California [Mr. Dornan] a member of the Foreign Affairs Committee.

Mr. HUNTER. Mr. Chairman, will the gentleman yield?

Mr. DORNAN of California. I yield to my distinguished colleague, the gentleman from California.

Mr. HUNTER. I thank my distinguished friend for yielding. I just wanted to say with respect to all of the statements that have been made about the Contadora process, in fact the Contadora members in confidence are telling the United States, "Hang tough in Nicaragua. Don't give in to the Sandinistas."

The idea that somehow these countries which are very intimidated by the Cubans and the Nicaraguans are going to bring about a peace process is being very naive, and I thank the gentleman for yielding.

Mr. DORNAN of California. I thank the gentleman.

Mr. Chairman, June 12 is a day I will never forget. All of my distinguished friends on the other side of that aisle, and a small handful over here, do not want to hear this argument couched in the following simple statement, but we cannot escape from it. In spite of all of the intellectualizing, this is an up or down vote on the solidification, the entrenchment of communism on the southern part of the Northern American Continent.

Now, we have a visitor in the gallery that although I cannot vouch totally for his bona fides, I have only become acquainted with him this year, has earned his spurs on the field of valor in combat, overthrowing the dictator Somoza.

The last time he was in a body like this he captured the whole place, along with 300 tourists, and ended up becoming the hero of the revolution, Comandante Zero.

POINT OF ORDER

Mr. GEPHARDT. Regular order, Mr. Chairman. It is against the rules of the House to refer to somebody in the gallery.

Mr. DORNAN of California. I apologize for breaking the rules, but today, June 12, makes it important to do so.

Now, he has written a Dear Colleague letter.

Mr. GEPHARDT. Mr. Chairman——

Mr. DORNAN of California. I apologize.

Mr. OBEY. Mr. Chairman, regular order.

Mr. DORNAN of California. I apologized.

The CHAIRMAN. The gentleman from California [Mr. Dornan] will observe the rules of the House.

Mr. DORNAN of California. Mr. Chairman, I will not make that infraction again maybe for another 8 years.

Now, the gentleman has written a "Dear Colleague" to us, although he has never served in this Chamber, because he considers us colleagues in freedom.

Here is part of that message:

> To the United States Congress: For more than one year, those of us in the south of Nicaragua, fighting for freedom, have received no assistance from the free men of your country and women.
>
> We do not know objectively what it is that drives this attitude in America. We fear that it may be due to our political and ideological postures which we have always maintained. We are, still true Sandinistas because we are independent nationalists, revolutionary democrats, and defenders of our sovereignty and independence. And it is for these reasons that we are decisively engaged in a war to the death against international communism, which by its own essence is dictatorial, interventionist, and their master's imperialists.
>
> Before I conclude, allow me to paraphrase the words of one of the greatest North American patriots—Patrick Henry—as I say to you, ladies and gentlemen, give us your assistance to fight for liberty or the communists will give us death.
>
> Free fatherland or face death, Eden Pastora, your hero.

Mr. GEPHARDT. Mr. Chairman, I yield 3 minutes to the gentlewoman from Connecticut [Mrs. Kennelly].

Mrs. KENNELLY. Mr. Chairman, I rise in support of the Gephardt amendment.

June 12, the day the Boland amendment was defeated, was the day of my only son's 16th birthday. I hope there will be no further connection down the road.

There are at least four Latin American countries that don't want to see our planes, our trucks, our guns, or even our butter going to the Contras in Nicaragua. These nations—the nations of the Contadora group—know what they want—they want our support for a diplomatic settlement to the regional conflicts in Central America.

In the words of President Belisario Betancur of Colombia:

> We have asked the big powers not to turn Central America into an arena of the their conflicts, but rather to promote the development and well-being of the people there. We have told them that they will win the hearts of the people of Latin America and the Caribbean with deeds, not weapons. We, the presidents of Venezuela, Mexico, Panama and Colombia, who are engaged in the Contadora efforts, agree on this.

The United States has things more valuable than money to give.

We have democracy. We have a commitment to the peaceful resolution of conflict. We have diplomacy.

Diplomacy doesn't always work. But diplomacy cannot work if we don't try it. Let's listen to our friends in Latin America who are telling us—give peace a chance. Surely they—just as much as we—have a stake in the outcome of this conflict.

The Contadora process is at a critical juncture. They are trying to reach a final compromise treaty, but these efforts are fragile. The opportunity for peace may be destroyed if we immediately resume aid to the Contras. The Contadora process can't work without the firm support of the United States. And we can demostrate that support right now by giving it something more valuable than money. We can give it time.

Mr. Chairman, I oppose aid to the Contras. It is a bad idea. But bad timing can make a bad idea even worse—and I can think of no worse time than the present.

By delaying aid to the Contras for 6 months, the Gephardt amendment would give the Contadora process much-needed time to work. I urge my colleagues to support it.

Mr. BROOMFIELD. Mr. Chairman, I yield 2 minutes to the gentleman from Ohio [Mr. DeWine] a member of the Foreign Affairs Committee.

Mr. DeWINE. Mr. Chairman, this is a gutting amendment; let us make no mistake about it.

What it is saying is that in 6 months we are going to do something. It does not say really what we are going to do. There is nothing automatic that will occur if you pass this amendment. There is nothing that automatically occurs in 6 months if you pass this amendment.

It is like what we used to learn in law school. It is an agreement to agree in the future, and what our law professors told us was that such an agreement meant nothing, and that is what this amendment is. It is clearly a gutting amendment.

We are going to start all over again in 6 months, revisit this again. We are going to give Comandante Ortega one more chance.

How many times have we given him one more chance? In May 1984 this House effectively ended aid. Every month that has gone by we have given the Communists in Nicaragua one more chance. Why 6 more months?

In April of this year, several months ago, this House voted by only two votes to give them one more chance. How did they respond to that? How did the Communists respond?

We know how they responded. Daniel Ortega immediately went off to his friends in Moscow. The Sandinistas have now consolidated the revolution even more. They have attacked into Costa Rica.

No, we gave them one more chance. What we have learned through the history of our dealings with the Communists, and through the history of our dealings with the Communists in Nicaragua is that one more chance, unfortunately, usually does not mean just one more chance.

□ 1600

It means we are going to do it again and again and again. Let us not give them one more chance. Let us use the carrot and the stick approach contained in the Michel amendment. The Michel amendment is a well-balanced approach. That is how we will avoid the gentlewoman's 16-year-old son from having to go to Nicaragua; that is how we ensure peace.

[CRS-421]

We do not want any more Vietnams, we do not want any more Cubas, we do not want Americans fighting and dying in Nicaragua. The Michel amendment is the way to avoid that.

Mr. GEPHARDT. Mr. Chairman, I yield 3 minutes to the gentleman from New York [Mr. Mrazek].

Mr. MRAZEK. Mr. Chairman, in our hemisphere, there is a nation in which the practice of torture by government security forces has been found to be "systematic and widespread" by Amnesty International.

In the same country, no political party has been allowed to function legally since the overthrow of the previous, popularly elected government. The overthrow itself destroyed a politicial system long held as a model of democracy in Latin America. With the revolution came the murder and torture of thousands of the nation's citizens. Civil liberties were essentially eradicated. Censorship was imposed. And fundamental human rights were repeatedly violated.

These conditions have been in effect for almost 12 years. Although popular elections are scheduled in 4 years, it is speculated that the military junta ruling the nation will not release its grip.

Also in our hemisphere is another country where many of the same conditions exist, although to different degrees. Since this country's revolution 6 years ago, many societal conditions are conceded to have improved. But the electoral process remains in the control of the government, and a recent election was termed a "sham" by the President of the United States.

The first country cited here is supported by the U.S. Government. The second is a sworn enemy of our Government that overtly or covertly the Reagan administration wants to see overthrown.

Why the contradiction? Why does the United States seek to eliminate one nation's government and not the other? The answer is simple, at least in foreign policy terms, for this administration. The first example, Chile, is ruled by a military junta brought to power at least in part by the manipulation of its internal politics by the U.S. Government. It is a sworn enemy of communism as well as every other political party in the nation. Its internal politics are brutal and totalitarian, but it is a regime supported by U.S. foreign policy. The second example is Nicaragua. Although far less brutal, it too stifles dissent and democracy. However, this is not why the Reagan administration is committed to its overthrow. The administration does not believe that a socialist country has the right to exist in our hemisphere. That is the larger picture.

If you live in Nicaragua, if you happen to be a farmer on one of the agricultural cooperatives that is looked at as a military target by the Contras, if it is your children who live in that village when it is surrounded by certain Contra force groups who then fire mortars into that village and drive out the few militiamen representing the Sandinista government; if it is your child that has its legs blown off you have one perspective. If you are talking about it here in these sacred halls, it is another thing. If it is your child though, you have a very different perspective. I hope we can give the Contadora process a chance to work by delaying further aid for 6 months under the Gephardt amendment.

Mr. BROOMFIELD. Mr. Chairman, may I inquire of the Chair as to how much time remains on both sides?

The CHAIRMAN. The gentleman from Michigan [Mr. Broomfield] has 8 minutes remaining, and the gentleman from Missouri [Mr. Gephardt] has 1 minute remaining.

Mr. BROOMFIELD. Mr. Chairman, I yield 2 minutes to the gentleman from Texas [Mr. Armey].

Mr. ARMEY. I thank the gentleman for yielding.

Mr. Chairman, I would like to remind the people of this body I am from Texas. As I mentioned to one of the folks from up North the other day, one of the things we are aware of is that if the Communists from South America are going to try to come through Texas to get to Ohio we will do the best we can to stop them down there, but I think you ought to give us all a little help.

Now, I have heard people telling us, "Let's give them 6 months to work it out in the Contadora process."

Hey, 6 months from now, if we try that, the freedom fighters are going to be dead. Communists are liars, stealers, cheaters, and murderers; when are we going to figure this out around here? You cannot do business with the Communists. They do not keep treaties, they do not live by agreements.

They made all the promises to the OAS, they promised all the liberties of a democratic society. That is not what is going on in Nicaragua today. Those people fighting for freedom are the people who fought with the communistas once before and they were betrayed and they were denied their rights. Now they are back.

I have heard that, and I want to make the point that where I come from you judge the pudding by the eating. For the last 2 days I have been in the presence of Commander Eden Pastora, who told me, "I love freedom more than I love life." Now that man has himself, but more convincingly, he has his two boys out in the jungles fighting for freedom. When you are willing to take your two boys to the jungles to fight for what you believe in, that is something that you can trust.

Now that is the kind of people that are asking not for us to send our boys down there but for us to send material aid to deal with the wounds, with the starvation, to put shoes on their feet, to allow those young boys in Nicaragua in those jungles to fight against the Communists that you and I ought to know better than to trust.

Mr. BROOMFIELD. Mr. Chairman, I yield 2 minutes to the gentleman from Indiana [Mr. BURTON], a member of the committee.

Mr. BURTON of Indiana. I thank the gentleman for yielding.

Mr. Chairman, one thing that 6 more months will accomplish, it will allow the Communists 6 more months to indoctrinate the young people of Nicaragua.

You know, some parallels can be drawn between Nicaragua and Vietnam. Gen. Fred Weyand, the last commanding general in Vietnam, was asked the question: "How do you rate the motivation of the Vietcong?" His answer was, enlightening, very enlightening. He said, "The Vietcong has superior motivation. I am perplexed over why. They lost 1 million dead in the war. Every family in North Vietnam must have suffered a loss. They all endured hardship. So why didn't they protest? Why do they continue to send their sons south to almost certain death in a cause they hardly understand?" And he said, "I know of a North Vietnamese textbook that gives a clue, early ideological indoctrination. For instance, arithmetic was taught to Vietcong children in terms of how many imperialists would be left if four imperialists appeared and two would be killed?"

The same thing has taken place in Nicaragua—they like Cuba, the U.S.S.R., and North Vietnam teach revolution to the very young.

Six more months will give them, those leaders in Nicaragua, time to teach more young people how to add, subtract, multiply and divide, using AK-47 automatic rifles, hand grenades and showing people killed to show how to add and subtract.

They are indoctrinating those young people down there in ironclad Communist doctrine. If we wait 6 more months, 2 or 3 more years, our boys are going to have to fight those boys in combat.

We will then ask the same question that was asked of General Weyand, why do they keep coming? Because, as the tree is bent, so it grows.

My friends, don't be soft on communism. Vote against this amendment.

Ms. FIEDLER. Mr. Chairman, will the gentleman yield?

Mr. BURTON of Indiana. I would be happy to yield to the gentlewoman from California.

Ms. FIEDLER. I thank the gentleman for yielding.

Mr. Chairman, I just simply want to support what he is saying, but also raise this fact to my colleagues: Don't forget that the Nicaraguan Government today is an ally of the PLO, they have recognized the PLO as a legal entity. In fact, they have an embassy in Nicaragua and they are expanding anti-Semitism. The entire Jewish community in Nicaragua was, in essence, exiled as a result of the harassment that they faced by the Government. And it brings to mind to me some of the comments that were made during the Bitburg debate.

[CRS-422]

Don't forget the fact that that kind of an element that was responsible for anti-Semitic acts in Nazi Germany are alive and well today in Nicaragua.

Mr. BROOMFIELD. Mr. Chairman, in order to close the debate, I yield the balance of the time to the gentleman from Illinois [Mr. HYDE], a member of the Committee on Foreign Affairs.

The CHAIRMAN. The gentleman from Illinois [Mr. HYDE] is recognized for 4 minutes.

Mr. HYDE. Mr. Chairman, because I have only 4 minutes, I will not talk too much about this, but I thought, since one picture is worth a thousand words, I would provide a look at what liberation theology looks like. This is Father Donald McKenna, a liberation theologian with the troops. And that is not a rosary or a crucifix, but an AK-47 over his shoulder.

Now the gentleman from New York said this administration cannot tolerate a Socialist country in this hemisphere. There is a difference between a Socialist and a Communist. And it is crucial to understanding foreign policy.

Now a Socialist is someone like Carlos Andres Perez, the vice president of the Socialist International, who sent Daniel Ortega a letter saying, "I won't come to your inauguration because your election was a sham."

□ 1610

Now, the gentleman of the left, on this side of the aisle, remind me of the husband who had a private detective follow his wife, and got his first report, and the detective said, "Well, I followed them into this motel, I peeked through the window; they embraced and then they turned out the lights." The husband says, "God, always this doubt. Always this doubt."

It is tough for you to understand and to grasp the nettle, but these guys are Communists. They are Communists, and revolutionary truth is not truth as you define it, but it is truth as they define it, whatever helps the revolution.

Mr. LELAND. Will the gentleman yield?

Mr. HYDE. Oh, sure, I yield to my friend.

Mr. LELAND. We embrace the People's Republic of China, the largest Communist nation in the world. We love them, do we not?

Mr. HYDE. The gentleman embraces the People's Republic of China.

Mr. LELAND. You ought to be ashamed, Henry. Shame on you. Shame on you.

Mr. HYDE. Is that the gentleman's tie, or has he had open heart surgery?

You know what his bill does, the Gephardt amendment? It says, "Hang in there, boys for 6 more months. You may be hungry, you may have no shoes, but hang in there, because if these guys do not live up to their revolutionary truth, you know what we will do? We will come back and have another vote, that is what we will do."

That ought to really bring them to their knees.

Now, the Soviet bloc has sent over $500 million worth of weapons, and military equipment into Nicaragua. That will keep coming while we are in a state of suspended animation and the Contras can just hang in there.

Say, how do we reassemble the Contras in 6 months? Do we have a reunion in Tegucigalpa? Do we have them come back to the class of 1985 if they can bring themselves together and then march on Managua? I think that is nonsense.

By the way, overthrowing a government, as though that is a mortal sin, the Sandinistas got a lot of international help when they overthrew Somoza. I heard no quarrel about that. When we pulled the rug on the Shah of Iran, no problem. He was an autocrat; he was a tyrant; he had a secret police. Of course, what we got in his place we do not want to talk about.

No problem. If a group were going to overthrow Pinochet, do you think the gentlemen of the left would be objecting? Why, they might even go so far as to write a personal check. I kind of doubt that, but it is possible.

You know one thing President Duarte said, "Communists stick together." Now in Nicaragua you have got Bulgarians, you have got North Koreans, you have got East Germans, you have got Cubans, you have got Russians. They hang together.

Who do the forces of freedom turn to when we turn our back on them?

Please defeat this amendment.

Mr. GEPHARDT. Mr. Chairman, I yield the final minute to the gentleman from California [Mr. PANETTA].

Mr. PANETTA. Mr. Chairman, my colleagues, I think the fundamental weakness of the Michel amendment and the policies of this administration are that they fail to enjoy the broad support of the nations and the organizations that have as vital an interest in the stability of Nicaragua as we do.

Let us not be so presumptuous today to assume that this is just a matter that is of interest to U.S. citizens. It is as much an issue for the campasino in Mexico, for the worker in Panama, for the businessman in Venezuela, for the family in Colombia, as it is for us; and that is the reason these nations came together in the Contadora effort, to try to find a regional solution, to work together for the cause of peace.

It is not easy for these countries to do that. They have worked hard; they developed a draft treaty, and all they are asking of this country is that we make a good faith effort to try to find peace in conjunction with this regional effort.

Is that too much to ask? Is that too much to ask? That is what the amendment of the gentleman from Missouri is proposing. This amendment seeks to make a commitment that we will work within the Contadora effort; it makes a commitment that we will work to find a regional solution; and it tries to justify to our children that we have taken the very last step to try to find peace in that part of the world.

Let me expand on some of the reasons for adopting this amendment:

> * * * The goal of restoring peace and confidence . . . can be achieved only through unconditional respect for the principles of international law, especially with regard to the right of peoples to choose, freely and without outside interference, the model of political, economic, and social organization best suited to their interests, through institutions that represent the freely expressed will of the people.

Mr. Chairman, those inspiring and honorable words could easily have come from our own Declaration of Independence—for they convey the very essence of liberty and freedom of determination that this country espouses—they could have, but did not. Instead, they are contained in the preamble of the Contadora Act for Peace and Cooperation in Central America.

We are today involved in one of the great debates of our time; whether this Nation will choose the rhetoric and posture of war or the path of peace. It is not any easy decision, and both sides of the issue have very real reasons for believing as they do. I am not going to stand here before you, Mr. Chairman, and distinguished colleagues, and tell you that the Sandinista government is a model of democracy and human rights. I am not about to defend the Contras, either. Instead, I am here to defend peace.

There are, without doubt, a great many challenges facing us in Central America; but it is not our challenge alone. The conflict between the Sandinistas and the Contras does not after all, affect only the Governments of Nicaragua and the United States. I believe it would be the ultimate in hypocrisy to believe that the coffee farmer in Colombia or the common laborer in Panama has less of a stake in the conflict within Nicaragua than any citizen of the United States.

If this is so, then ought not the Governments of Latin America—Mexico, Colombia, and Venezuela among them—have a voice in the search for peace in that troubled region? I believe that they should, and must, have a voice in these negotiations if peace is to be achieved, and maintained. Certainly, we must participate, but we must not convince ourselves that the conflict in Nicaragua is between the United States and the Sandinistas alone, or between the United States and the Contras alone—for to do is to preclude the most obvious avenue for peace: regional cooperation.

[CRS-423]

In January 1983, the foreign ministers of four nations—Mexico, Colombia, Panama, and Venezuela—met on Contadora Island, off the Pacific coast of Panama, to consider means to resolve the many conflicts in Central America. Their agenda did not consist solely of the challenge of Nicaragua, but rather they considered this issue, among others, in the context of the larger issues gripping the region as a whole.

Since that first meeting, progress for the Contadora nations has come slowly. They have met periodically throughout Central America attempting to resolve differences in perception and approach. They have not always been successful. They have not always received enthusiastic or sincere support. But they are trying.

Last month, after 2 days of talks, the Contadora nations agreed to establish an independent panel to monitor compliance with the provisions of a future regional peace treaty—a peace treaty that will, hopefully, provide for an end to violence and a beginning of regional stability in Latin America. This decision represented one of the most concrete achievements in the more than 2 years since the Contadora initiative first made headlines.

The latest proposal would set up three panels, to be composed of representatives of nations that are neither part of Central America nor of the Contadora group. These panels would monitor compliance in three areas: security, economic and social issues, and issues involving internal politics and refugees. Another major meeting between the nations of the Contadora group will likely be held soon—possibly the end of this month—between representatives on the ministerial level. This meeting could be the breakthrough we are all hoping for.

The nations of the Contadora group have chosen the paths of diplomatic negotiations and peace through mediation over the power of military might and taunting threats. I would suggest to my esteemed colleagues that these principles are comparable to the highest American ideals of peace and sovereign respect. We should, I believe, work to further this process for peace.

My distinguished colleague from Missouri [Mr. GEPHARDT] has forwarded an amendment to the Michel proposal regarding aid to the Contras in Nicaragua. Mr. GEPHARDT's plan would delay the implementation of the Michel amendment for 6 months, in order to allow more time for the Contadora peace negotiations to work at achieving progress toward peace. The Gephardt amendment would not rule out the provision of aid to the Contras, but would merely delay the timing of that aid. At the end of the 6 months, Congress could reconsider the question of aid in the context of any progress in the Contadora peace process.

This amendment, in other words, does not seek to label either side in the Nicaraguan conflict; it neither encourages nor discourages aid to the Contras. This amendment seeks to give the nations of Latin America the time they need to work out their own problems in their own way. Ought we not give them that chance?

I believe the Contadora process has reached a crossroads. And we, as a nation, have two choices. We can either choose to help those nations along, or we can remain uninvolved and continue on our present course. But let me ask my colleagues to consider for a moment where we will be 1 year down the line if we continue our current policies. I would suggest that the likelihood of military involvement in Nicaragua is great if we continue to aid one side over the other and refuse outstretched arms offering peace initiatives.

But if we choose to support the Contadora process, perhaps 1 year from now we will be closer to peace in that troubled region. One thing is certain, we will be closer to peace if we support Contadora, than if we ignore it. And when that decisive time in Nicaragua comes—perhaps 1 year, or 2, or 5—who among us would be willing to stand up and admit that he or she had voted against a proposal that chose peace and negotiation?

I am not here to ask my colleagues to adopt my line of thinking in the conflict between the Sandinistas and the Contras. I ask only that we give peace a chance. Because when the final chapter of our history is written, no matter what the eventual outcome of the conflict in Nicaragua, I want those who come after us to say that we explored every avenue of peace, that we left no stone unturned in the quest for regional stability. In the final analysis, is that not what this country stands for?

The CHAIRMAN. All time has expired.

The question is on the amendment offered by the gentleman from Missouri [Mr. GEPHARDT], to the amendment offered by the gentleman from Pennsylvania [Mr. McDADE].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. GEPHARDT. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 172, noes 259, answered "present" 1, not voting 1, as follows:

[Roll No. 155]

AYES—172

Ackerman
Addabbo
Akaka
Alexander
Anderson
Annunzio
Anthony
Applegate
Aspin
Atkins
AuCoin
Barnes
Bates
Bedell
Beilenson
Berman
Boland
Bonior (MI)
Bonker
Borski
Bosco
Boucher
Boxer
Brooks
Brown (CA)
Bruce
Bryant
Burton (CA)
Carper
Carr
Clay
Coelho
Coleman (TX)
Collins
Conyers
Coyne
Crockett
Daschle
de la Garza
Dellums
Dingell
Dixon
Dorgan (ND)
Downey
Durbin
Dwyer
Dymally
Early
Eckart (OH)
Edgar
Edwards (CA)
Evans (IL)
Fazio
Feighan
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Fowler
Frank
Frost
Garcia
Gejdenson
Gephardt
Gray (IL)
Gray (PA)
Green
Guarini
Hall (OH)
Hamilton
Hayes
Hertel
Howard
Hoyer
Hughes
Jacobs
Jones (NC)
Kaptur
Kastenmeier
Kennelly
Kildee
Kleczka
Kolter
Kostmayer
LaFalce
Lantos
Leach (IA)
Lehman (CA)
Lehman (FL)
Leland
Levin (MI)
Levine (CA)
Lowry (WA)
Luken
Lundine
Manton
Markey
Martinez
Matsui
Mavroules
McCloskey
McHugh
Mikulski
Miller (CA)
Mineta
Mitchell
Moakley
Moody
Morrison (CT)
Mrazek
Murphy
Neal
Nowak
Oakar
Oberstar
Obey
Olin
Owens
Panetta
Pease
Penny
Perkins
Price
Rahall
Rangel
Ridge
Rodino
Roe
Rose
Rostenkowski
Roybal
Russo
Sabo
Savage
Scheuer
Schroeder
Schumer
Seiberling
Sharp
Sikorski
Smith (IA)
Solarz
St Germain
Staggers
Stark
Stokes
Studds
Swift
Synar
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Vento
Visclosky
Volkmer
Walgren
Waxman
Weaver
Weiss
Wheat
Williams
Wirth
Wise
Wolpe
Wright
Wyden
Yates
Yatron

NOES—259

Andrews
Archer
Armey
Badham
Barnard
Bartlett
Barton
Bateman
Bennett
Bentley
Bereuter
Bevill
Biaggi
Bilirakis
Bliley
Boehlert
Boggs
Boner (TN)
Boulter
Breaux
Broomfield
Brown (CO)
Broyhill
Burton (IN)
Bustamante
Byron
Callahan
Campbell
Carney
Chandler
Chappell
Chappie
Cheney
Clinger
Coats
Cobey
Coble
Coleman (MO)
Combest
Conte
Cooper
Coughlin
Courter
Craig
Crane
Daniel
Dannemeyer
Darden
Daub
Davis
DeLay
Derrick
DeWine
Dickinson
Dicks
DioGuardi
Donnelly
Dornan (CA)
Dowdy
Dreier
Duncan
Dyson
Eckert (NY)
Edwards (OK)
Emerson
English
Erdreich
Evans (IA)
Fascell
Fawell
Fiedler
Fields
Fish
Flippo
Franklin
Frenzel
Fuqua
Gallo
Gaydos
Gekas
Gibbons
Gilman
Gingrich
Glickman
Goodling
Gordon
Gradison
Gregg
Grotberg
Gunderson
Hall, Ralph
Hammerschmidt
Hansen
Hartnett
Hatcher
Hefner
Heftel
Hendon
Henry
Hiler
Hillis
Holt
Hopkins
Horton
Hubbard
Huckaby
Hunter
Hutto
Hyde
Ireland
Jeffords
Jenkins
Johnson
Jones (OK)
Jones (TN)
Kanjorski
Kasich
Kemp
Kindness
Kolbe
Kramer
Lagomarsino
Latta
Leath (TX)
Lent
Lewis (CA)
Lewis (FL)
Lightfoot
Lipinski

[CRS-424]

Livingston
Lloyd
Loeffler
Long
Lott
Lowery (CA)
Lujan
Lungren
Mack
MacKay
Madigan
Marlenee
Martin (IL)
Martin (NY)
Mazzoli
McCain
McCandless
McCollum
McCurdy
McDade
McEwen
McGrath
McKernan
McKinney
McMillan
Meyers
Mica
Michel
Miller (OH)
Miller (WA)
Molinari
Mollohan
Monson
Montgomery
Moore
Moorhead
Morrison (WA)
Murtha
Myers
Natcher
Nelson
Nichols
Nielson
O'Brien
Ortiz
Oxley
Packard
Parris
Pashayan
Pepper
Petri
Pickle
Porter
Pursell
Quillen
Ray
Regula
Reid
Richardson
Rinaldo
Ritter
Roberts
Robinson
Roemer
Rogers
Roth
Roukema
Rowland (CT)
Rowland (GA)
Rudd
Saxton
Schaefer
Schneider
Schuette
Schulze
Sensenbrenner
Shaw
Shelby
Shumway
Shuster
Siljander
Sisisky
Skeen
Skelton
Slattery
Slaughter
Smith (FL)
Smith (NE)
Smith (NH)
Smith (NJ)
Smith, Denny
Smith, Robert
Snowe
Snyder
Solomon
Spence
Spratt
Stallings
Stangeland
Stenholm
Strang
Stratton
Stump
Sundquist
Sweeney
Swindall
Tallon
Tauke
Tauzin
Taylor
Thomas (CA)
Thomas (GA)
Valentine
Vander Jagt
Vucanovich
Walker
Watkins
Weber
Whitehurst
Whitley
Whittaker
Whitten
Wilson
Wolf
Wortley
Wylie
Young (AK)
Young (FL)
Young (MO)
Zschau

ANSWERED "PRESENT"—1

Gonzalez

NOT VOTING—1

Hawkins

☐ 1630

Mr. REID changed his vote from "aye" to "no."

Mr. FROST and Mr. RODINO changed their votes from "no" to "aye."

So the amendment to the amendment was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN. Pursuant to the unanimous-consent agreement agreed to in the House earlier today, the gentleman from Pennsylvania [Mr. McDADE] will be recognized for 10 minutes and the gentleman from Massachusetts [Mr. BOLAND] will be recognized for 10 minutes.

The Chair would like to inform the Members that in addition to the 20 minutes debate just announced, there are an additional 2 hours of debate on the Hamilton amendment and unless the Committee comes to order, it may be midnight before we get through.

The Chair recognizes the gentleman from Pennsylvania [Mr. McDADE].

PARLIAMENTARY INQUIRY

Mr. McDADE. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. McDADE. Mr. Chairman, I believe that I have the right to close debate. May I say to the Chair that it is my amendment, and I believe as author of the amendment, I have the right to close debate.

The CHAIRMAN. Under the present circumstances, the Chair agrees with the gentleman that he should be allowed to close. Would he like to open also?

Mr. McDADE. Mr. Chairman, do I take it that the Chair has indicated that I will be the only speaker?

The CHAIRMAN. No, the gentleman from Massachusetts [Mr. BOLAND] has 10 minutes also.

Mr. McDADE. Mr. Chairman, has the gentleman yielded it back?

The CHAIRMAN. The Chair recognizes the gentleman from Massachusetts [Mr. BOLAND].

Mr. BOLAND. Mr. Chairman, first of all, let me compliment both sides of the aisle on the tenor of the debate that took place here on the Michel amendment. I congratulate the distinguished minority leader for his craftsmanship and for the manner in which that amendment was handled by his side of the aisle. I also want to compliment Members on this side.

The die has been cast on this particular amendment; I am not going to change 26 or however many votes were cast against it, so let me just indicate that when the Hamilton-Barnes amendment comes to the floor, I intend to support that. In my judgment, that is the best way to secure the kind of negotiations we need in that part of the world to secure a lasting peace.

Mr. Chairman, we are approaching the end of yet another debate on Nicaragua.

Whatever the outcome today, I doubt that we have heard the last of either the Sandinistas, or the Contras.

Because we will undoubtedly revisit this issue in the future, I want to make personal observations about the tenor of the debate of date.

I have served in this body for more than 32 years, and I have heard arguments on all sorts of subjects.

I must say, however, that I have never heard more frenetic rhetoric on any issue than I have heard on the issue of aid to the Contras.

I appreciate the use of hyperbole as much as the next person, but I think that rhetorical art form has been taken to previously unexplored heights by comparing the Contras to our Founding Fathers.

In addition, questioning the patriotism of those Members of the Congress who oppose the provision of military aid to the Contras, or describing that opposition as somehow equivalent to advocating unilateral disarmament in this hemisphere, has been neither helpful nor truthful.

Some in the Reagan administration have expressed frustration with the unwillingness of Congress to cede all responsibility for foreign policy to them.

That is not a frustration unique to this administration.

It has been my experience that, in foreign affairs, most Presidents and their advisers prefer Congress to be in on only the crash landings, never the takeoffs or the inflight corrections.

Mr. Chairman, we dare not renege on our responsibilities to legislate in the area of foreign affairs.

Our system is one of checks and balances.

For the Congress, one of the most powerful ways to insure balance is to refuse to write the check.

We were reticent to use that power in the not-too-distant past, and that reticence contributed to the tragedy our Nation experienced in Southeast Asia.

We cannot afford to go down that road again.

The time to question foreign policy decisions is at their inception, not when it is too late to do anything about them except try to control the damage.

The actions of this House with respect to the administration's policy in Nicaragua have been in keeping with the best traditions of the oversight responsibilities given to the legislative branch by our Founding Fathers.

We need make no apologies for those actions, and we certainly need not be ashamed of them.

It has been this House that has demanded that the administration develop a coherent and consistent policy with respect to Nicaragua, and that it have the courage to fully explain that policy to the American people.

If that kind of policy is ever developed, and that kind of explanation ever provided, it will be as a result of what has been done in this body—on four occasions over a 2-year period—and not anything that has been done across the plaza or down Pennsylvania Avenue.

I believe that when the history of the Contra issue is written, it will be clear to all that the insistence by the House of Representatives that a grip be kept on the funding of the not-so-covert war, may have kept a much larger war from developing in Central America.

We need not, and we must not, loosen that grip today.

We are not going to achieve the kind of settlement I believe the majority of the Members of this body want to see in Nicaragua by encouraging the continuation of the war.

That has been the inescapable truth which has driven our votes on this issue over the past 2 years.

I hope we will not lose sight of it in our votes this afternoon.

So on that basis, Mr. Chairman, let me conclude by saying that it was a nice day, we lost, we may win again sometime. We will revisit this issue in the future.

Mr. Chairman, I urge the defeat of the Michel/McDade amendment.

Mr. Chairman, I yield such time as he may consume to the gentleman from New York [Mr. GARCIA].

[CRS-425]

● Mr. GARCIA. Mr. Chairman, this is the fifth time we have debated aid to the Contras. Each time we have sent the same message: We are against such aid; we are against this "course." Yet, each time the President has refused to listen. So again, we are forced to consider this issue.

Unfortunately, this time the stakes are a little higher. The Secretary of State has warned that if we don't shape up and give the President what he wants then troops might be sent. Yesterday, however, in an 11th hour plea, or should I say ploy, the President said it was not his intention to overthrow the Sandinistas. What are we to believe? The confusion the White House has created with these contradictory statements is very much like the confusion created by its overall policy toward Nicaragua.

Only last week, the New York Times published two articles about plans for U.S. military involvement in Nicaragua. One intelligence official even went so far as to say that launching a successful invasion of Nicaragua would be like "falling off a log."

It seems to me that this is the way that all wars begin, with overconfidence, with unrealistic expectations. There is also a tendency to disregard the consequences of our actions because we are swept up in the self-righteousness of our actions. No war is like "falling off a log." No war is won easily, without great cost. But as much as I resent this casual regard for war, I also resent the veiled threat that if Congress doesn't follow the President's course of action, then we must pay the price of U.S. involvement.

I have consistently opposed aid to the Contras because it is a bad policy and because I don't want to see the United States become unnecessarily involved militarily in Nicaragua. If you want to see thousands of refugees fleeing into this country in search of a safe haven, all we have to do is spark a regional war. These individuals will not be coming to flee from Communist tyranny but to flee from the threat of the terror of war.

To be certain, we have legitimate security interests in Central America. To be certain, we do not want to sit back and watch a tyranny of the right be replaced by a tyranny of the left. Daniel Ortega did go to Moscow. Nicaragua is not an open, Democratic society, but we are not going to change the Sandinistas by holding a gun to their head. Neither can we change the Contras by simply changing their name. To paraphrase Shakespeare, a rose would smell as sour by any other name.

It is important to note that our policy has repercussions beyond Nicaragua. Even if we could defeat the Sandinistas in short order, we would leave a residue of ill feeling with our allies in Latin America. We risk becoming the true heirs of gunboat diplomacy, but that kind of diplomacy simply will not work any more. We can no longer sneeze and expect Central America to quake. As I said, we have every right to protect our interests, but we should not do so with complete disregard for our allies. We should make use of some of our European allies. We should also give the Sandinistas room to hang or vindicate themselves. Recent events in Costa Rica indicate that they may already be preparing their scaffolding.

As I have said on numerous occasions—Central America and Nicaragua—is not ours to lose. The nations of the region must be allowed to shape their own destinies. That does not mean that we are without input. It does mean that we must not attempt to impose our will, independently, without consultation.

Let's at least give the diplomatic approach a chance while we still have the option. War is a very expensive proposition. It should only be considered as a last possible course of action. I, therefore, urge my colleagues to say no to the Contras and yes to Contadora and negotiations.●

Mr. BOLAND. Mr. Chairman, I yield such time as he may consume to the gentleman from Florida [Mr. NELSON].

Mr. NELSON of Florida. I thank the gentleman for yielding. Mr. Chairman, I rise today in support of this amendment to send humanitarian aid to the counter revolutionaries in Nicaragua.

In 1983, I traveled to Central America, visiting the countries of Nicaragua, El Salvador, Costa Rica, and Guatemala. The bipartisan delegation that I led included three of my colleagues from this Chamber. And, after comparing our observations, we all reached the same general conclusion—we cannot give up on Central America.

The United States has high stakes in the area not only because of our national security interests, but also because of the potential mass immigration of Central Americans to America if those countries come under Communist governments.

I am convinced we must keep the pressure on the Sandinista regime to stop supporting the guerrillas who are trying to overthrow the elected government of El Salvador.

The United States should pursue a foreign policy of encouraging a regional peace. If Nicaragua would leave their neighbors alone and stop supplying arms and training to guerrillas in El Salvador. And if they would stop exporting their revolutionary communism, then we could hope for a mutual peace among the nations of Central America. Only then, can Central America be economically revived.

I believe that this U.S. assistance will more likely bring Nicaragua to genuinely negotiate a regional peace. Obviously the cutoff of assistance over the past year has not caused a change for the better. I encourage my colleagues to join me in supporting this necessary action.

Mr. BOLAND. Mr. Chairman, I yield such time as he may consume to the gentleman from Florida [Mr. CHAPPELL].

Mr. CHAPPELL. I thank the gentleman for yielding time to me. Mr. Chairman, I rise today in support of the Michel-McDade amendment to provide humanitarian aid to the Nicaraguan democratic resistance and economic incentives to the Sandinista government to negotiate a peaceful settlement with them. This measure also authorizes funds for the Contadora peace process and urges the President to resume bilateral talks with the Nicaraguan Government and to persuade other Central American nations to join with the United States in using economic sanctions to pressure the Nicaraguan Government into changing its policies.

The single greatest issue in determining this Nation's policy toward the situation in Nicaragua is whether or not we are willing to accept the establishment of another Marxist-Leninist beachhead—like Cuba—in the Western Hemisphere. To fail to recognize the threat the Sandinista government poses to the security of Central America and the United States is to bury our heads in the sand.

The head of our own intelligence agency, Bill Casey, tells us that since 1979, when the Sandinistas seized control over the government: "They have developed the best equipped military in the region." He estimates the Sandinistas have 6,000 to 7,500 Cuban advisers and another several hundred other Communists from the Soviet Union and Eastern European Soviet bloc countries to assist in their military buildup and consolidation of power.

If we allow the Soviets and Cubans to develop this powerful beachhead in Central America and that ferment spreads, our Nation will know a security threat that we cannot abide.

Clearly, there is only one choice consistent with our national security and foreign policy objectives: We must apply pressure from all possible sources to make the Sandinistas call a cease-fire and come to the negotiating table with the democratic resistance, known as the Contras. This will be especially difficult at a time when Nicaragua's conversion to a Marxist-Leninists state is 80-percent complete. They are already suppressing the press and expelling those not on their side. They are arresting and imprisoning political opponents. They are exporting communism to other countries. They are tightening down more on the private sector. And the evidence goes on down the line, that the Sandinistas are

[CRS-426]

intent on following everything Cuba has done.

It is also an unfortunate political reality that Marxist governments do not revert to democratic forms of government. Not one of the some 21 countries that have gone Communist have been reversed. In Nicaragua, however, there is somewhat of a unique situation. A grassroots resistance movement is fighting for a democratic form of government and the same kinds of freedoms this country enjoys. But the leaders of the democratic resistance emphasize shortages of food, medicine, and clothing which severely impede their ability to successfully wage their fight. By passing the Michel amendment, we can encourage and help the democratic resistance continue and bestow legitimacy on their efforts. Thus, we would send a clear message to the Sandinistas and to neighboring countries whose borders have been violated that we intend to protect the freedoms and the democratic form of government in this hemisphere. If we are going to provide aid—humanitarian or other—to the Contras, we had better do it now and in a fashion that doesn't slowly bleed them to death and diminish the strongest incentive for the Sandinistas to negotiate.

There are those critics who charge any support for the democratic resistance will result in the United States entering the war in Nicaragua with our own military forces. The President himself has clearly told us: "His administration does not seek the military overthrow of the Sandinista government or to replace it with supporters of the old Somoza regime." We certainly don't want another Vietnam on our hands. We certainly must never again get into a situation that we don't intend to win. But whether or not this country would ever have to make the tough decision of military intervention is not the issue at this time.

Let's first utilize all the peaceful means that are available through the Michel amendment to try to accomplish our objective of preventing another Marxist-Leninist beachhead. We better not keep sticking our heads in the sand and say "the situation in Nicaragua will go away by itself" because that simply will not happen. It's a lot easier to pay for peace now by helping those grassroots resistance forces who want freedom for themselves and are willing to fight for it, than to pay for war with our own blood on a far larger scale, once that beachhead has grown into a monstrous threat that cannot be stopped in any other way.

I urge the adoption of the Michel amendment and a rejection of all amendments which would weaken this amendment.

Mr. RINALDO. Mr. Chairman, I rise in support of the amendment offered by the distinguished minority leader to provide $27 million to the Contra freedom fighters in Nicaragua. These 18,000 young men and women carry on the fight for democracy not only in Nicaragua but in the entire Western Hemisphere.

The revolution in Nicaragua has been betrayed. At no time was this more evident than during Daniel Ortega's visit to Moscow immediately after the House of Representatives voted to cut off support to the Contras last month. The 1979 revolution in Nicaragua overthrowing the Somoza regime was viewed with great hope by freedom loving people throughout the world. The repression of civil liberties in Nicaragua had finally been lifted. Land reform and other economic reforms predicated upon the belief of private ownership was to take place immediately.

Yet, this hope was short lived. There is no freedom of the press, and the Sandinistas have broken their pledge to the Organization of American States that there would be political freedom. The Sandinistas have even tried to impose their own people's church in place of the official Catholic Church, and they have driven virtually all of Nicaragua's Jewish community into exile.

Most importantly for the security of our Central American allies, the Sandinistas have made no secret of their desire to export their revolution without frontiers to their neighbors, including Costa Rica, which doesn't even have an army. In fact, the Costa Rican President has stated that the Sandinista regime threatened to destabilize not only his country but all of Central America.

Nicaragua has become a well-armed outpost for Soviet and Cuban expansion in Central America. Leaders of the revolution such as Eden Pastora, and Arturo Cruz have left that country disillusioned by the course of conduct of the Marxist Sandinistan leadership. Cardinal Bravo, once a vehement opponent of the Somoza dictatorship, now watches as the government attacks the Catholic Church. Perhaps this is not unexpected from a regime headed by man who has stated, "Marxism-Leninism is the scientific doctrine that guides our revolution."

Cuban and East German advisers provide useful knowledge to Ortega as he establishes the largest state security and secret police organization in Central America. The terrorist Palestinian Liberation Organization is given free reign in that country. The international Communist community views Nicaragua as it did Cuba 25 years ago—the great hope for expansion in the Western Hemisphere.

While some may say that it is too late to reverse course, I do not agree. Despite the oppression of their own Government the people of Nicaragua have not lost their vigilant desire to once again recapture their betrayed revolution.

I am a supporter of the Contadora peace process and am pleased that the Michel amendment also contains $2 million to assist the Contadora nations in implementing its document of objectives. This aid to the Contras will send a strong signal that the United States will not back away from its commitment to prevent the spread of Soviet expansionism in this hemisphere.

Mr. BOLAND. Mr. Chairman, I yield back the balance of my time.

● Mr. GALLO. Mr. Chairman, today I rise in support of the amendment offered by my distinguished colleagues, Mr. MICHEL, Mr. McDADE, and Mr. McCURDY which would set aside $27 million for humanitarian aid for the citizens involved in the fight for freedom and democracy in Nicaragua.

This amendment would not overthrow the Sandinista government, nor is it aimed at prolonging the military strife in this troubled region. Rather, this bipartisan amendment would help to foster an environment that enhances the likelihood of a national dialog to bring about a lasting peace and a secure democracy.

The United States must, in the strongest possible terms, condemn the atrocities by any of the parties involved in the struggle in Central America. The democratic resistance in Nicaragua has urged the application of strict rules regarding the treatment of prisoners and civilians. This Congress should echo that call.

My visit to Central America gave me a personal perspective on the situation in this troubled region. It is my firmest belief that a policy of support for democracy, economic opportunity, and security will best serve the people of Central America and the interests of the United States. We must do all that we can to see that this policy is followed so that the democratic center may prevail over the tyrants of the left or the right.

The bipartisan amendment that we vote upon today could mark the beginning of a peace founded on the will of the people, rather than tyranny based upon the might of the Government.

I will vote in support of this important amendment and urge the support of my colleagues on both sides of the aisle.●

● Mr. KASTENMEIER. Mr. Chairman, I strongly urge the House to reject the Michel-McDade-McCurdy amendment to provide so-called humanitarian aid to the Nicaraguan Contra forces.

This amendment is ill-conceived and it is dangerous. It is ill-conceived because the Reagan administration policy of attacking Nicaragua through the Contra forces has succeeded only in rallying the Nicaraguan people, the vast majority of which continue to support the Sandinista regime. The Contra forces, by themselves, are not going to be able to overthrow the Sandinistas. It is dangerous because it pushes the United States deeper into a Central American quagmire on behalf of a personal policy promoted by a President who, I fear, seeks to involve our Nation in a military action in that region.

Mr. Reagan has heated up his obsessive opposition against the Sandinistas. Although yesterday, the President said he disavows any U.S. intent to overthrow the Nicaraguan Government, he revealed what I believe are his true intentions when, last February, he told us of his desire to overthrow the present Nicaraguan Government if the Sandinista regime doesn't cry "uncle." The administration is now openly discussing the possibility that U.S. combat forces might one day be sent into Nicaragua. President Reagan, Secretary of State Shultz, and other administration officials are warning that we may have little choice but to use military force against Nicaragua. Until he tried to appear more conciliatory yesterday, on the eve of this vote, the President's rhetoric against Nicaragua was becoming increasingly inflammatory and bellicose. We should be greatly concerned that congressional support of any funding for the Contra forces will be interpreted by the President as a blanket congressional endorsement for whatever he seeks to do in Central America. Mr. Reagan's ideological hatred of the Sandinistas is not a legitimate reason for the Congress to indulge the President in his personal whims.

There are those who are upset with Nicaraguan President Daniel Ortega's trip to the Soviet Union. The timing of this visit was poorly planned, coming right after the House vote in April to reject any form of assistance to the Contra groups. Only the most naive observers, however, should have been surprised to see Ortega asking the Soviets to replace the aid that the United States halted since the Reagan administration came to power. Of course, the Soviet Union was not the only nation which Ortega visited in an effort to win support and backing. The European Community, for example, announced support, including financial help to Nicaragua in its fight against the recently imposed U.S. trade embargo. The European Community will help finance a $5.2 million program to expand Nicaragua's grain warehouses and export facilities.

For those who are still disturbed by Ortega's visit to Moscow, we should remember that what is at stake here today is not whether we disapprove of Ortega's going to the Soviet Union, but, more importantly, the course of the policy we seek to follow toward Nicaragua.

The proponents of this amendment would have us appropriate $27 million in "humanitarian" aid to some group or groups called the Nicaraguan Democratic Resistance. This is ludicrous. Since when can funding to a military force be considered to be "humanitarian" aid? Is this "humanitarian assistance" looked upon by the proponents of this amendment as some form of a welfare program for Nicaraguan rebels? Of course not. We all know that the purpose of this aid is to permit the Contras to conduct a war against the Nicaraguan Government.

As for the recipients of this aid, the so-called Nicaraguan Democratic Resistance, composed of Mr. Reagan's "moral equivalent of the Founding Fathers," many of these Contras are nothing more than former Somoza military who would reinstate a reign of terror if they ever came to power. Until yesterday, the Reagan administration would have us believe that the reports of incidents of killings and abductions by the Contras are nothing more than propaganda charges. However, faced with continuing reports by defectors from among the Contras of routine practices of murder, kidnaping and rape of innocent Nicaraguan civilians, the President, yesterday, belatedly acknowledged the acts of brutality committed by the Contras.

Mr. Chairman, there is no moral, political, intellectual or strategic value in funding the Contras, and it should be understood by all that by giving assistance to the Contras, we are sanctioning a war by proxy against Nicaragua. If the President says that it is not his intent to overthrow the Government of Nicaragua, then what is the purpose of this Contra aid? If the President wants to peacefully resolve our differences with Nicaragua, then let him commit the United States to the Contadora process.

Mr. Chairman, this is not time to compromise with what I believe is the President's desire to impose his will on Nicaraguan society and with his wrong kind of farsightedness. Rather than promoting a war in Central America, we should be announcing our strong support for the Contadora peace process which offers the best prospect of obtaining a long-term commitment to peace and stability in Central America.●

● Mr. FUQUA. Mr. Chairman, I rise in support of the amendment offered by the gentleman from Pennsylvania, Mr. McDade. This was not an easy decision. I opposed and voted against military aid to the Contras and continue to believe that providing military aid would not be in the best interest of the United States as a statement of our foreign policy.

I seriously considered voting for alternatives offered on the floor today. There is merit in their statements. In the final analysis, however, I feel compelled to support the McDade amendment and oppose alternatives because of my serious concern with actions and efforts of the Government of Nicaragua.

Nicaragua is not a democracy. Just this week newspaper editors in that country registered strong protest of renewed press censorship. Nicaragua is a destabilizing influence in Central America. The recent attack on Costa Rican soldiers indicates that Nicaragua is continuing its war-like efforts against its neighbors.

I have been assured by officials of the Reagan administration that all of our aid will be nonlethal and genuinely humanitarian. We have a moral obligation to assist those fighting for freedom throughout the world from Afghanistan to Nicaragua.

Recently, I have met with constituents from my district who strongly oppose aid. They are sincere and articulate speakers for a prohibition on all aid to the Contras. I genuinely respect and understand their position. The fact remains, Mr. Chairman, that I cannot shake my doubts about the Nicaraguan regime and its intentions. I wish aid to the Contras was not necessary. I wish we did not have to state opposition to the Government of Nicaragua.

We live in a world of reality, not ideal. We must face reality and understand the aims and motives of the Soviet Union, Cuba, and Nicaragua. We cannot permit further Communist expansion in Central America. We simply cannot allow it.

For these reasons, I support the McDade amendment and will vote to allow humanitarian aid.●

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania [Mr. McDade] for 10 minutes to close debate.

Mr. McDADE. Mr. Chairman, let me say that I am not about to take 10 minutes, but I do want to refer a little bit to an amendment that was offered quite a long time ago. It is called by a lot of names. I call it the Michel-McCurdy-McDade amendment, and I respectfully ask this House to overwhelmingly approve it.

I want to pay very special tribute to all Members on both sides of the aisle who have given their time and their talent to put new life into this proposal, to my good friend, the distinguished minority leader, Mr. Michel, a lot of hours; to the very strong support and interest of the gentleman from Oklahoma, Mr. McCurdy; to my good friend, the gentleman from Pennsylvania, Jack Murtha; to our very distinguished chairman of the Committee on Foreign Affairs, Mr. Dante Fascell; to my good friend, the gentleman from Arizona, Jack McCain; to the gentleman from New York, Hamilton Fish; and so many others who care so deeply, as all Members of this body care. I want to say that they have not just my gratitude, but I think the gratitude of freedom-loving people everywhere.

I want to say one more thing about that kind of thing. I have two people who nobody knows, who work for me. They are staff people, and they gave of their time day and night and weekends and months to try to get here, my good friends George Allen and Kevin Roper.

[CRS-428]

Mr. Chairman, some years ago I asked a young friend in a casual conversation whether he would be willing to fight for his country. I can remember his response to this day. He said to me, "You know, I am not sure." I said, "I find that a bit disturbing, but interesting." The young man said, "Do not be disturbed, my friend, because I will fight for liberty anywhere in the world."

Today, we are asking the House of Representatives that same question. Are we willing to stand up for liberty in Central America? If so, this is our chance to stand up and be counted with that young friend of mine. Are we willing to stand up and disown governments that betray their people? Are we willing to disown the latest in a long line of broken promises by a revolution gone bad?

History, my colleagues, is littered with the remnants of betraying governments who have gone before us. I mention a few: The Quisling government in Norway; the Vichy government in France; in my own opinion, the Castro government in Havana have one common thread. They all betrayed their people.

Today the world witnesses the latest in that tragic tale of betrayal. My friends, I do not think there is any Member of this body who would not admit, indeed proclaim the Sandinista betrayal of the Nicaraguan people. The Sandinistas have curtailed individual liberties, political expression, freedom of worship, and the free press. They have subordinated the military, the judiciary, and the internal security functions of that great nation to themselves. Their ties with Cuba, the Soviets, the Warsaw Pact, the PLO, the Iranians, the East Germans, the North Koreans, and others threatened their friends and their neighbors.

But not content to make their own people suffer, they have made efforts on countless occasions to export Marxist terror. These are not idle charges, that litany that I just gave you. They were the stipulations of the Barnes-Hamilton amendment that we voted upon last April. It is the prelude in that whole amendment. We stipulate to that on both sides of the aisle.

Today we say, "Enough." Winston Churchill said, "If we open a quarrel between the past and the present, we shall find that we have lost the future."

□ 1650

This amendment speaks to the future. Today we offer a hand of friendship to Central America. We ask only that all the parties lay down their arms, the Sandinistas and the Contras, and we ask for and appropriate money to the Contadora nations to ask them actively and aggressively to support the peace process. We offer our financial and our personal support for peace, and we do this because all of us want to end the cancer of war in Central America.

In section 105 of this amendment, we offer more help and support in the future if the President reports on—and this is the language of the bill—any progress or promise of progress toward peace in Central America. It says, "Any promise of progress toward peace in Central America."

What does section 105 permit the President to do? Well, it could mean a new clinic in Nicaragua for suffering children. I said earlier in our debate that this great Nation of ours built one in Krakow, Poland with Public Law 480 funds, and many of the Members have seen it. It could mean a new highway, or it could mean new schools and hospitals. It is a promise, we hope, for a new life for the people of Central America.

But I say to my friends that we cannot turn swords into plowshares while the burst of gunfire ravages the land. We can do these things only when the forces of freedom enjoy our support and when the forces of Marxism know that we will stand up for liberty.

Mr. Chairman, $27 million in humanitarian aid is a scant price to pay for a chance at peace. I ask all the Members to join with me and take that chance today by voting for this amendment.

Mr. CONYERS. Mr. Chairman, will the gentleman yield for one question?

Mr. McDADE. I yield to the gentleman from Michigan.

Mr. CONYERS. Is this an indirect declaration of war on Nicaragua? Will the gentleman just answer the question?

Mr. McDADE. Has the gentleman read section 105 of the amendment? I repeat, "Has the gentleman read section 105 of the amendment?"

Mr. CONYERS. Could I ask just that one question?

Mr. McDADE. Would the gentleman just answer my question?

Mr. CONYERS. Are we being asked to fight or declare war without sending troops? Is that what this is really all about?

Mr. McDADE. No.

Mr. CONYERS. I just asked the gentleman because he was talking about what a young person would do who was going to war.

Mr. McDADE. Mr. Chairman, I reclaim my time.

May I say to my friend that if he would read the amendment, he would see that it seeks to achieve peace in Central America.

The CHAIRMAN. Does the gentleman from Pennsylvania [Mr. McDADE] yield back the balance of his time?

Mr. McDADE. I do, Mr. Chairman.

The CHAIRMAN. All time has expired.

The question is on the amendment offered by the gentleman from Pennsylvania [Mr. McDADE].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. McDADE. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 248, noes 184, not voting 1, as follows:

[Roll No. 156]

AYES—248

Andrews
Archer
Armey
Aspin
Badham
Barnard
Bartlett
Barton
Bateman
Bennett
Bentley
Bereuter
Bevill
Biaggi
Bilirakis
Bliley
Boulter
Breaux
Broomfield
Brown (CO)
Broyhill
Burton (IN)
Bustamante
Byron
Callahan
Campbell
Carney
Chandler
Chappell
Chappie
Cheney
Clinger
Coats
Cobey
Coble
Coleman (MO)
Coleman (TX)
Combest
Cooper
Coughlin
Courter
Craig
Crane
Daniel
Dannemeyer
Darden
Daub
Davis
de la Garza
DeLay
Derrick
DeWine
Dickinson
DioGuardi
Dornan (CA)
Dowdy
Dreier
Duncan
Dyson
Eckert (NY)
Edwards (OK)
Emerson
English
Erdreich
Fascell
Fawell
Fiedler
Fields
Fish
Flippo
Franklin
Frenzel
Fuqua
Gallo
Gekas
Gibbons
Gilman
Gingrich
Goodling
Gordon
Gradison
Gregg
Grotberg
Gunderson
Hall, Ralph
Hammerschmidt
Hansen
Hartnett
Hatcher
Hefner
Heftel
Hendon
Henry
Hiler
Hillis
Holt
Hopkins
Horton
Hubbard
Huckaby
Hunter
Hutto
Hyde
Ireland
Jenkins
Johnson
Jones (OK)
Jones (TN)
Kanjorski
Kasich
Kemp
Kindness
Kolbe
Kramer
Lagomarsino
Latta
Leath (TX)
Lent
Lewis (CA)
Lewis (FL)
Lightfoot
Lipinski
Livingston
Lloyd
Loeffler
Long
Lott
Lowery (CA)
Lujan
Lungren
Mack
MacKay
Madigan
Marlenee
Martin (IL)
Martin (NY)
Mazzoli
McCain
McCandless
McCollum
McCurdy
McDade
McEwen
McGrath
McKernan
McKinney
McMillan
Meyers
Mica
Michel
Miller (OH)
Miller (WA)
Molinari
Mollohan
Monson
Montgomery
Moore
Moorhead
Morrison (WA)
Murtha
Myers
Nelson
Nichols
Nielson
O'Brien
Ortiz
Oxley
Packard
Parris
Pashayan
Pepper
Petri
Pickle
Porter
Price
Pursell
Quillen
Ray
Regula
Richardson
Ridge
Rinaldo
Ritter
Roberts
Robinson
Roemer
Rogers
Roth
Roukema
Rowland (CT)
Rowland (GA)
Rudd
Saxton
Schaefer
Schuette
Schulze
Sensenbrenner
Shaw
Shelby
Shumway
Shuster
Siljander
Sisisky
Skeen
Skelton
Slaughter
Smith (FL)
Smith (NE)
Smith (NH)
Smith (NJ)
Smith, Denny
Smith, Robert
Snowe
Snyder
Solomon
Spence
Spratt
Stallings
Stangeland
Stenholm
Strang
Stratton
Stump
Sundquist
Sweeney
Swindall
Tallon
Tauke
Tauzin
Taylor
Thomas (CA)
Thomas (GA)
Vander Jagt
Vucanovich
Walker
Watkins
Weber
Whitehurst
Whitley
Whittaker
Whitten
Wilson
Wolf
Wortley
Wylie
Young (AK)
Young (FL)
Zschau

[CRS-429]

NOES—184

Ackerman
Addabbo
Akaka
Alexander
Anderson
Annunzio
Anthony
Applegate
Atkins
AuCoin
Barnes
Bates
Bedell
Beilenson
Berman
Boehlert
Boggs
Boland
Boner (TN)
Bonior (MI)
Bonker
Borski
Bosco
Boucher
Boxer
Brooks
Brown (CA)
Bruce
Bryant
Burton (CA)
Carper
Carr
Clay
Coelho
Collins
Conte
Conyers
Coyne
Crockett
Daschle
Dellums
Dicks
Dingell
Dixon
Donnelly
Dorgan (ND)
Downey
Durbin
Dwyer
Dymally
Early
Eckart (OH)
Edgar
Edwards (CA)
Evans (IA)
Evans (IL)
Fazio
Feighan
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Fowler
Frank
Frost
Garcia
Gaydos
Gejdenson
Gephardt
Glickman
Gonzalez
Gray (IL)
Gray (PA)
Green
Guarini
Hall (OH)
Hamilton
Hayes
Hertel
Howard
Hoyer
Hughes
Jacobs
Jeffords
Jones (NC)
Kaptur
Kastenmeier
Kennelly
Kildee
Kleczka
Kolter
Kostmayer
LaFalce
Lantos
Leach (IA)
Lehman (CA)
Lehman (FL)
Leland
Levin (MI)
Levine (CA)
Lowry (WA)
Luken
Lundine
Manton
Markey
Martinez
Matsui
Mavroules
McCloskey
McHugh
Mikulski
Miller (CA)
Mineta
Mitchell
Moakley
Moody
Morrison (CT)
Mrazek
Murphy
Natcher
Neal
Nowak
Oakar
Oberstar
Obey
Olin
Owens
Panetta
Pease
Penny
Perkins
Rahall
Rangel
Reid
Rodino
Roe
Rose
Rostenkowski
Roybal
Russo
Sabo
Savage
Scheuer
Schneider
Schroeder
Schumer

Seiberling
Sharp
Sikorski
Slattery
Smith (IA)
Solarz
St Germain
Staggers
Stark
Stokes
Studds
Swift
Synar

Torres
Torricelli
Towns
Traficant
Traxler
Udall
Valentine
Vento
Visclosky
Volkmer
Walgren
Waxman
Weaver

Weiss
Wheat
Williams
Wirth
Wise
Wolpe
Wright
Wyden
Yates
Yatron
Young (MO)

NOT VOTING—1

Hawkins

□ 1710

Mr. BROWN of California changed his vote from "aye" to "no."

Mr. SMITH of Florida changed his vote from "no" to "aye."

So the amendment was agreed to.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. HAMILTON

Mr. HAMILTON. Mr. Chairman, under the rule, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. HAMILTON: Page 44, after line 23, insert the following:

UNITED STATES POLICY WITH RESPECT TO NICARAGUA

SEC. 101. (a) The primary objectives of United States policy in Central America should be—

(1) to preserve the security of the United States;

(2) to achieve peace and reconciliation;

(3) to promote stability and economic development;

(4) to prevent the Soviet Union and its allies from seeking to destabilize the region or to develop or deploy a military capability which threatens the United States;

(5) to promote the observance of human rights and the strengthening of democratic processes; and

(6) to live at peace with Nicaragua so long as Nicaragua lives at peace with its neighbors.

(b) United States strategy for achieving the objectives stated in subsection (a) should include—

(1) an emphasis on seeking a negotiated, regional settlement;

(2) respect for the independence and territorial integrity of all nations;

(3) a clear commitment, through appropriate types and levels of military and economic assistance, to assist the nations of Central America in building and sustaining viable, democratic societies capable of withstanding aggression and subversion and of providing their people with an opportunity for better lives; and

(4) consistent diplomatic support on behalf of the observance of human rights by groups and governments, and support for free political institutions throughout the region, in recognition of the fact that subversion feeds on repression.

(c) In furtherance of the objectives stated in subsection (a), United States policy with respect to Nicaragua should include the following:

(1) Pursuit of a regional settlement through all diplomatic avenues, including—

(A) placing renewed emphasis on the Contadora process which is addressing the questions of peace and security (including mechanisms for verification and enforcement) and internal reconciliation and political pluralism;

(B) giving priority to obtaining a ceasefire in Nicaragua;

(C) renewing bilateral talks with Nicaragua;

(D) encouraging direct talks among the parties to the conflict in Nicaragua; and

(E) taking any evidence of Nicaraguan violations of the territorial integrity and sovereignty of neighboring states to the forum of the Organization of American States and seeking redress under the Charter of that Organization and the Inter-American Treaty of Reciprocal Assistance, which provide for collective action;

(2) A commitment to preserve the security of the United States by preventing the Soviet Union and its allies from developing or deploying an offensive military capability in Central America that directly threatens the United States, a capability that does not currently exist.

(3) A commitment to protect the security and territorial integrity of any nation of Central America that is invaded by Nicaragua, acting in conformance with the Charter of the Organization of American States and the Inter-American Treaty of Reciprocal Assistance.

(4) The provision of incentives to Nicaragua if the Government of Nicaragua agrees to ceasefire and to negotiate with its opponents, removes foreign military advisors, agrees not to provide material support for insurgencies and agrees to appropriate monitoring procedures under Contadora auspices to verify such agreement, respects human rights and the independence of the media, and makes progress toward national reconciliation and a pluralistic democratic system. Incentives should be structured to enable the United States to respond to positive steps by Nicaragua. These incentives could include—

(A) the suspension of United States military exercises in the region;

(B) the resumption of normal trade, including the resumption of nondiscriminatory trade treatment (MFN status), the restoration of benefits under the Generalized System of Preferences, and the restoration of Nicaragua's sugar quota;

(C) supporting multilateral assistance for Nicaragua and providing technical assistance, help in agriculture and health, and volunteer services; and

(D) the creation of a regional development organization in which Nicaragua could participate.

SEC. 102. (a) No funds available during any fiscal year to the Central Intelligence Agency, the Department of Defense, or any other agency or entity of the United States involved in intelligence activities may be obligated or expended for the purpose or which would have the effect of supporting, directly or indirectly, military or paramilitary operations in Nicaragua by any nation, group, organization, movement, or individual.

(b) The prohibition contained in subsection (a) shall continue in effect until the Congress enacts a joint resolution repealing that prohibition.

SEC. 103. (a)(1) Funds in an amount up to $14,000,000 may be used by the President during fiscal year 1985 to provide food, medicine, or other humanitarian assistance for Nicaraguan refugees who are outside of Nicaragua, regardless of whether they have been associated with the Nicaraguan opposition forces.

(2) Assistance under this subsection may be provided only through the International Committee of the Red Cross or the United Nations High Commissioner for Refugees, and only upon that organization's determination that such assistance is necessary to meet humanitarian needs of those refugees. The President shall determine whether assistance under this subsection is provided through the International Committee of the Red Cross, the United Nations High Commissioner for Refugees, or both organizations. To the maximum extent feasible, such assistance should be provided to those organizations in kind rather than in cash. Assistance may not be provided under this subsection for the purpose of provisioning combat forces.

(3) Funds used pursuant to this subsection shall be derived from the funds appropriated to carry out chapter 1 of part I (relating to development assistance) or chapter 4 of part II (relating to the economic support fund) of the Foreign Assistance Act of 1961 or section 2(b) (relating to the "Migration and Refugee Assistance" account) or section 2(c) (relating to the Emergency Refugee and Migration Assistance Fund) of the Migration and Refugee Assistance Act of 1962.

(b) Funds available in any fiscal year to carry out chapter 4 of part II of the Foreign Assistance Act of 1961 (relating to the economic support fund) may be used by the President for payments to the Contadora nations (Mexico, Panama, Colombia, and Venezuela) for expenses arising from implementation of an agreement among the countries of Central America based on the Contadora Document of Objectives of September 9, 1983, including peacekeeping, verification, and monitoring systems.

(c) Assistance under this section may be provided notwithstanding any other provision of law, except that section 531(c) of the Foreign Assistance Act of 1961 (prohibiting the use of funds for military or paramilitary purposes) shall apply to any assistance under subsection (a).

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SEC. 103. No less frequently than once every 3 months, the President shall submit to the Congress a written report—

(1) describing any actions by the Sandinista government, and the groups opposing that government by armed force, which have contributed to or hindered efforts to establish a political dialogue in Nicaragua, to find a peaceful solution to the conflict, and to nurture democratic institutions in Nicaragua;

(2) describing the status of the Contadora process and United States efforts to begin the political dialogue in Nicaragua and to find a peaceful solution to the conflict;

(3) containing an accounting of any funds used pursuant to section 102 of this chapter; and

(4) containing such recommendations as the President deems appropriate with respect to future United States policies regarding Nicaragua.

SEC. 104. (a) On or after October 1, 1985, the President may submit to the Congress a request for authority to take specified actions with respect to Nicaragua. The request must be accompanied by—

(1) the President's assurance that he has consulted with the Contadora nations concerning the proposed actions; and

(2) a description of the response of the Contadora nations to the proposed actions.

(b)(1) The provisions of this subsection apply, during the 99th Congress, to the consideration in the House of Representatives of a joint resolution with respect to the request submitted by the President pursuant to subsection (a).

(2) For purposes of this subsection, the term "joint resolution" means only a joint resolution introduced within 3 legislative days after the Congress receives the request submitted by the President pursuant to subsection (a)—

(A) the matter after the resolving clause of which is as follows: "That the Congress hereby authorizes the President, notwithstanding any other provision of law, to take those actions with respect to Nicaragua which are specified in the request submitted to the Congress pursuant to the Supplemental Appropriations Act, 1985.";

(B) which does not have a preamble; and

(C) the title of which is as follows: "Joint Resolution relating to Central America pursuant to the Supplemental Appropriations Act, 1985.".

(3) A joint resolution shall, upon introduction, be referred to the appropriate committee or committees of the House of Representatives.

(4) If all the committees of the House to which a joint resolution has been referred have not reported the same joint resolution by the end of 15 legislative days after the first joint resolution was introduced, any committee which has not reported the first joint resolution introduced shall be discharged from further consideration of that joint resolution and that joint resolution shall be placed on the appropriate calendar of the House.

(5)(A) At any time after the first joint resolution placed on the appropriate calendar has been on that calendar for a period of 5 legislative days, it is in order for any Member of the House (after consultation with the Speaker as to the most appropriate time for the consideration of that joint resolution) to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of that joint resolution. The motion is highly privileged and is in order even though a previous motion to the same effect has been disagreed to. All points of order against the joint resolution under clauses 2 and 6 of Rule XXI of the Rules of the House are waived. If the motion is agreed to, the resolution shall remain the unfinished business of the House until disposed of. A motion to reconsider the vote by which the motion is disagreed to shall not be in order.

(B) Debate on the joint resolution shall not exceed ten hours, which shall be divided equally between a Member favoring and a Member opposing the joint resolution. A motion to limit debate is in order at any time in the House or in the Committee of the Whole and is not debatable.

(C) An amendment to the joint resolution is not in order.

(D) At the conclusion of the debate on the joint resolution, the Committee of the Whole shall rise and report the joint resolution back to the House, and the previous question shall be considered as ordered on the joint resolution to final passage without intervening motion.

(6) As used in this subsection, the term "legislative day" means a day on which the House is in session.

(7) This subsection is enacted—

(A) as an exercise of the rulemaking power of the House of Representatives, and as such it is deemed a part of the rules of the House, but applicable only with respect to the procedure to be followed in the House in the case of a joint resolution, and it supersedes other rules only to the extent that it is inconsistent with such rules; and

(B) with full recognition of the constitutional right of the House to change its rules at any time, in the same manner, and to the same extent as in the case of any other rule of the House, and of the right of the Committee on Rules to report a resolution for the consideration of any measure.

The CHAIRMAN. Under the rule, the gentleman from Indiana [Mr. Hamilton] will be recognized for 1 hour, and a Member opposed will be recognized for 1 hour.

The Chair recognizes the gentleman from Indiana [Mr. Hamilton].

Mr. HAMILTON. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, may I join with the gentleman from Massachusetts in extending my congratulations to the gentleman from Illinois, Mr. Michel, for the quality of the debate and for their apparent victory on these votes. I think all of us recognize that the outcome is not in doubt, but I trust that they will grant us the opportunity to state our case for the Hamilton amendment.

It is a premise in this body that from debate and discussion better policy emerges, and it is our hope that as a result of the debate today we will have better policy for the United States.

Mr. Chairman, U.S. policy toward Nicaragua is at a critical juncture and this is the most significant vote on this issue: The vote before the House is whether or not to give direct assistance to a military force whose stated purpose is the overthrow of the Nicaraguan Government.

This is not the same debate as the House has had in previous years, when it was noting on a covert action involving 400–500 people to stop the flow of arms from Nicaragua to neighboring El Salvador. Today we are voting on the question of logistical support for a Contra army, now planned to reach 25,000 to 35,000, and whether Congress for the first time will give its stamp of approval to the Contra strategy for overthrowing the Sandinista government.

Supporters of the Michel amendment claim that what we are arguing about today is which government agency will provide humanitarian assistance, and which categories of assistance are humanitarian.

The Michel amendment is somewhat improved over the amendment the gentleman offered in April and elements of the Barnes/Hamilton amendment offered then have been incorporated. But we must recognize that the purpose of the Michel amendment has not changed.

Our central choice today is whether we vote to support an army in the field that seeks to overthrow the Sandinista government, or whether we vote for a policy to enhance the prospects for negotiations.

Hamilton amendment: My amendment to the supplemental appropriations bill emphasizes the need for negotiations; support for the Contadora process; the principle of nonintervention; and the necessity of an early ceasefire in Nicaragua.

The amendment has five parts:

First, it contains policy language which sets out what the primary objectives of U.S. policy toward Central America should be, then spells out a strategy for achieving those objectives and finally gives specific suggestions as to what should be the elements of U.S. policy toward Nicaragua.

That policy toward Nicaragua should include:

Pursuit of a regional settlement through all diplomatic avenues;

Commitment to prevent the Soviet Union and its allies from deploying an offensive military capability in Central America that directly threatens the United States;

A commitment to protect Central American nations from attack; and

A response to positive steps by Nicaragua with positive steps of our own.

Second, the amendment contains a prohibition on funding for military or paramilitary operations in Nicaragua. This provision continues in effect the Boland amendment which this House has supported on several occasions in the past.

A third section of the amendment provides assistance and makes $14 million available for Nicaraguan refugees to be provided outside Nicaragua by the International Committee of the Red Cross or the U.N. High Commissioner for Refugees for food, medicine, and other humanitarian assistance. The amendment also makes funds available to support the implementation of a Contadora agreement.

A fourth section requires quarterly reports to the Congress on the situation in Nicaragua, the status of the Contadora process and the expenditure of funds under the amendment.

And in the final section, the President may, after October 1, 1985, request for Congress authorization to take further actions with respect to Nicaragua. The President must consult with the Contadora nations about these actions and inform Congress of their response. A joint resolution authorizing the President to take the actions would be considered under expedited procedures.

United States policy toward Nicaragua has failed over the last 4 years: The situation in Nicaragua has deteriorated in recent years.

U.S. policy has failed because everything we seek to have happen in Nicaragua has gotten worse rather than better: The Soviet-Cuban presence and involvement in Nicaragua has increased; repression in Nicaragua is more widespread; the military in Nicaragua has grown from a small force to a disproportionately large force for the region; and tensions throughout the area have escalated.

DIPLOMACY

This administration broke off bilateral talks in Manzanillo even though the Sandinistas wanted those discussions to continue. The United States cannot show any progress in the last 4 years toward trying to achieve a political or military solution in Nicaragua even with the forms of pressure we have applied.

CONTRAS

Three years of U.S. support for the Contras and over $80 million in U.S. funding of the covert war have not produced an insurgency capable of sustaining itself among the people of Nicaragua and has not caused the Sandinistas to change their policies.

The Contras have never been able to seize and hold territory in Nicaragua. They have never developed urban support. They haven't been able to sustain operations in Nicaragua without supply from the outside. They depend heavily on sanctuaries in Honduras and Costa Rica without which they could not continue their fight.

EAST-WEST

The situation in Nicaragua is now described by the administration as a critical East-West confrontation—no problem which has escalated in this manner can be considered a foreign policy success.

Policy has failed because its centerpiece is to maintain pressure on the Sandinistas, but pressure is a tactic; it is not a policy.

INTERNATIONAL SUPPORT

Policy has failed to win the support of our friends and allies. The Contadora nations strongly oppose the resumption of Contra aid, so do our European allies, and so does Latin America.

President Duarte of El Salvador told Members of Congress last month during his visit to Washington that he does not worry about a socialist government in Nicaragua that stays within its borders. He said he is prepared to live at peace with the Sandinistas and show that his system works better than theirs.

President Monge of Costa Rica is on public record in opposition to the Contra assistance. In a statement issued by his government in April, he said "I could not support such an action contrary in nature to the neutrality of Costa Rica." If even our own friends in Central America do not support aid to the Contras, there can be no pretense of international support.

U.S. unilateral actions against Nicaragua, rather than isolating Nicaragua from its neighbors and other Latin American states, has brought sympathy from them. Twenty-four Latin American nations have condemned the U.S. trade embargo of Nicaragua. So did the European Community.

Members of this body properly deplore President Ortega's recent trip to Moscow, but we should take note of some of the other stops on his trip. Ortega got a good reception from Spanish, Italian, and French leaders, was promised considerable levels of economic assistance, and received from each a condemnation of the U.S. embargo of Nicaragua.

Many Members draw one lesson from Ortega's recent trip, but I see the results differently. Our allies are determined to go in one direction and we go alone in another. We cannot succeed in isolating Nicaragua if we are the ones who are isolated.

The objectives of administration policy are not clear: Policy has failed because the rationale for key elements of policy has not been stated clearly or consistently.

The President himself has been unable to answer the question clearly whether or not it is U.S. policy to seek to overthrow the Nicaraguan Government.

It remains unclear to me just what the administration aims to achieve, and what means it considers appropriate to advance those objectives. We can all agree on the slogans: No more Cubas. No more Vietnams. But what are the precise objectives:

Since 1981, various objectives have been advanced for the covert action against Nicaragua:

First, the United States sought to interdict the flow of arms from Nicaragua to El Salvador;

Then, to force Nicaragua to turn inward;

Then, to bring Nicaragua to the negotiating table;

Then, to bring pluralism and free elections to Nicaragua;

Then, apparently to oust the Sandinistas.

Although the administration does not speak in one voice, recent policy statements on Nicaragua, especially those by the President, no longer emphasize the external conduct of Nicaragua but the removal of the Sandinistas. The President says we do not advocate the overthrow of the Sandinistas if they "would turn around and * * * say uncle." But that phraseology is surely tantamount to requiring their removal.

Sometimes the administration talks in terms of overthrow of the Sandinistas. Sometimes it rejects that goal. If it wants transformation of the Sandinistas, what kind does it want, and what do they intend to do if that change is not forthcoming?

Listen to former Secretary of State Kissinger:

> It is absolutely unclear to me how a vital interest can be served by a $14 million project. If that were all there is to it, you could go to a foundation and get the money.
>
> I think there is no precise relationship between the rhetoric we put forward and the steps we are taking * * *. I do not fully understand which of the many possible objectives I've laid out the rhetoric is supposed to accomplish. Second, it is not clear how the measures that have been put forward will achieve even the minimum objectives.

So—regardless of how this vote turns out—we must insist that the administration define with more precision our interests in Nicaragua, our objectives, and what means we intend to employ to achieve these objectives.

Administration policy is leading to increased military escalation of the conflict intervention: The evidence for this statement is in the history of U.S. support for the Contras, in the President's stated plans to expand their numbers, in his candid statement that direct U.S. military intervention must be recognized as an eventual option, and in the frank acknowledgement of his former chief military adviser in the area that the Contras, whether they receive aid from the United States or not, cannot defeat the Sandinistas.

Secretary of State Shultz said on May 23 that because congressional critics of U.S. policy toward Nicaragua are "refusing to help the freedom fighters, even with humanitarian aid, they are hastening the day when the threat will grow and when we will be faced with an agonizing choice about the use of American combat troops."

To the contrary, it is precisely the present course of U.S. policy which is deepening U.S. involvement, failing to gain multilateral support, narrowing U.S. options and providing another step down the road to direct U.S. military intervention.

In 1982 we began by supporting 500 Contras; today the number of Contras is 15,000; tomorrow the President wants us to support 35,000.

Gen. Paul Gorman, the retiring commander of the U.S. Southern Command, stated in February 1985 that a Contra overthrow of the Sandinista government was not feasible in the near future with U.S. finanical assistance, and that such military pressure

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would take years to produce results. The CIA has consistently arrived at this same conclusion.

The question then arises: Since present policy isn't producing results, how do you achieve U.S. objectives?

The conclusion follows greater application of military force is the next option. A close examination of the

President's own report to Congress in April confirms this. As reported in the press (and not denied by the administration), the President anticipates the deployment of 20,000 to 25,000 Contras in the north and 5,000 to 10,000 Contras in the south of Nicaragua—a total of 35,000 Contras. This new commitment is to enlarge the Contras to a force over twice its present size.

Now we have before this body a request to renew aid to the Contras—but also to increase it far beyond the level of previous support. The request now is for so-called humanitarian aid. It rings less harshly on the ears than military aid. It is more agreeable to our sensibilities to send C-rations than bullets, and medicines rather than rifles. But every dollar the Congress appropriates for medicine, food, and shelter is a dollar the Contras don't have to raise from other sources. That means dollars from those sources can be spent directly on weapons and ammunitions. Napoleon said an army marches on its stomach. If we supply this aid, we will be helping the Contra army to march. As they grow in strength, so will our commitment to them and to their goal of overthrow.

Funding the Contras is not an alternative to intervention but an avenue to intervention. As reported in the New York Times, the President's own report to Congress in April stated: "Direct application of U.S. military force * * * must realistically be recognized as an eventual option, given our stakes in the region, if other policy alternatives fail."

In May, on the occasion of the trade embargo, the President determined further that the Government of Nicaragua constitutes an "unusual and extraordinary threat to the national security and foreign policy of the United States." The President's perception of the nature of the threat calls for the United States to take any measure to protect the United States from that threat. It prepares us for the taking of such measures. We can anticipate that he will follow the embargo with other actions to match the threat he perceives.

Make no mistake, the request for aid to the Contras is the next step on the slippery slope to escalation of the conflict.

There are other reasons why we should not support direct assistance to the Contras at this time.

There is a growing consensus in the United States in favor of increased levels of economic and security assistance for friendly and democratic states in Central America at the same time there is strong opposition to funding the Contra war. U.S. policy should not let this war dominate the U.S. agenda in the region. Rather, it should build on the emerging policy consensus.

No one yet from the administration has been able to explain how its pressure strategy is going to work. We have no good reason, based on past performance, to believe that the Sandinistas will say "uncle" under pressure or transform their government. The Sandinistas will endure any level of pressure from the United States rather than commit suicide, which is what they believe the United States demands.

At this point the administration would respond that Congress has tied the hands of the President. The fact is, however, that since congressional funding ran out in May 1984, the level of Contra military activity has been equal to or above previous levels. The number of Contras appears to have increased. This is their own claim. The Contras continue to receive funding through private and third party channels. It is unclear to me why they now need funding directly from the United States. It is clear, however, that the Contra action has now continued for 3½ years without success. The administration itself argues that the situation in Nicaragua has gotten worse, not better.

The administration is concentrating its efforts on military pressure, but the problems of this area demand political, not military solutions. Even if the Contras or the U.S. Marines marched into Managua, it would not end the war. The Sandinistas would return to the hills and fight the war they continued against Somoza for 17 years, inflicting casualties on whoever sat in Managua.

The administration has also not taken into account the danger of escalation. If we raise the ante against Nicaragua by providing direct assistance to the Contras, it will encourage the Sandinistas to look to the Soviet Union and Cuba for further support. We will be starting down a dangerous road and we do not know where it will end. There will likely be Soviet and Cuban countermoves. If there are, what will the administration do about it? It has not addressed this question.

Support for the Contadora process offers the best prospect for protecting U.S. interests: The Sandinista government does not care if it has good relations with the United States. It is a revolutionary government. But it does fear isolation.

Because of this fear our strongest pressure on the Sandinistas—short of U.S. military intervention—is not the Contras, but the exertion of pressure by the countries of Latin America and Europe. The unilateral strategy of this administration forecloses that option: A multilateral approach could put us on the path toward a negotiated settlement which would contain the Sandinistas.

Our policy must be placed in the larger context of Latin America. Any short-term gain the United States might receive from overthrowing or intimidating Nicaragua will be offset by a wave of anti-Americanism in reaction to U.S. tactics such as the embargo or aid to the Contras. In the view of Latin America, these tactics are "big stick" Yankee interventionism. With the exceptions of El Salvador and Honduras, both very dependent on the United States for economic survival, none of the Latin American democratic leaders have supported the main tenets of U.S. Central American Policy.

This is where the Contadora process fits in. All of Latin America and the European Community strongly support the Contadora process, and the Contadora countries can exert pressure on the Sandinistas in ways which we cannot.

The Contadora process has been working on an agreement for over 2 years and substantial progress has occurred. The Contadora process is addressing the issues that most concern the Reagan administration: The export of revolution, the Sandinista military buildup, ties with Cuba and the Soviet Union, and the questions of political pluralism and internal reconciliation. All of these points are addressed in the September 1983 Contadora 21-point document of objectives.

Contadora has been meeting regularly and has a diplomatic process in place. Responsible and respected Latin American Presidents who are friends of the United States are leading the negotiations. Over 100 Latin diplomats are working full time on these negotiations.

Contadora has made important progress toward a regional agreement based on the document of objectives. They have outlined 5 documents and have achieved the agreement of the Central American countries, including Nicaragua, on 3 of them. They have proposed 4 protocols and achieved agreement on 3 of them.

Important work still needs to be done on the questions of verification and implementation of security agreements, but it is the view of all the Contadora countries that a regional peace settlement is within reach if the United States puts itself unequivocally behind the Contadora process.

I do not believe that the administration has made an energetic, good-faith effort in support of this political option. The Contadora process has not been fully explored. We are today confronted with the question of escalation of the military effort, but before we pursue escalation, we should give negotiations a chance to work.

The U.S. policy of trying to change the Government of Nicaragua, or acting in such a manner as to persuade Nicaragua that we demand their over-

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throw, makes the United States unwilling to negotiate with Nicaragua and makes Nicaragua unwilling to negotiate with the United States. The United States cannot fund the Contras whose purpose it is to overthrow the Sandinistas and claim to support, and persuade others that it does support, a negotiated settlement with the Sandinistas. U.S. funding of the Contras thus undermines the negotiating process.

The Contadora governments are all on record that renewed funding for the Contras will damage the diplomatic process and be a major setback to Contadora efforts. The administration often claims that Latin American governments in private support U.S. military policy in Central America, but many of us have spoken with Contadora representatives and they have told us their governments stand behind their statements. We must honor those statements or the administration must charge publicly that those governments are not stating their views accurately.

Observers close to Contadora point out that the next meeting of Contadora on June 17-18 is critical. At this critical moment in the process, the Congress should not act to escalate the fighting.

U.S. policy is at a crossroads: Depending on the vote we will choose fundamentally different courses for U.S. policy with fundamentally different consequences:

A vote for direct assistance to the Contras is a vote for unilateral action and a vote against a multilateral approach;

It is a vote to make constructive change less likely, and make regional support harder to obtain;

It is a vote to confirm the Marxist-Leninist leanings of the Sandinista government, not to undermine those leanings;

It is a vote to intensify the existing polarization among the people of Nicaragua, not to reconcile them;

It is a vote for Yankee interventionism which will discredit the United States in Latin America and among millions of our own citizens and among our friends abroad;

It is a vote for a military solution to a problem that must be solved politically;

It is a vote for escalation and the unknown consequences of escalation and a vote against working with our friends and allies for a regional settlement;

It is a vote for more bloodshed and a vote against trying to reduce tensions between Nicaragua and Honduras;

It is a vote for policies seeking to destabilize the Sandinista government and a vote against trying to make negotiations effective;

It is a vote to narrow U.S. policy options and concentrate them in the military arena and a vote against keeping U.S. policy options open now for broader political and diplomatic approaches;

It is a vote to fund others to fight for our perceived interests and a vote against a great power acting responsibly to defend its interests;

A vote for direct assistance to the Contras is a vote for the use of force. Force encourages further use of force. If we choose this course, we must contemplate the implications of the other side responding in force and escalating the conflict.

This vote is important for the future of U.S. policy in the region.

A vote for the Michel amendment is a vote for a new and risky policy. The Michel amendment puts the stamp of congressional approval on the Contras and their goal of overthrowing the Nicaraguan Government. Every dollar spent under the Michel amendment will be spent on behalf of an army in the field dedicated to the overthrow of the Government of Nicaragua.

That path will not take us to peace.

□ 1730

The CHAIRMAN. The gentleman from Indiana [Mr. HAMILTON] has consumed 22 minutes.

Mr. STUMP. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I would like to acknowledge the very fine statement made by the chairman of the Committee on Intelligence on which I serve as the ranking member.

However, I must strongly oppose that amendment. As did the Barnes plan, the Hamilton amendment plays right into the Sandinista's hands. It urges the Nicaraguan democratic resistance to give up their fight for freedom and to leave Nicaragua.

It seeks to turn the democratic Nicaraguan resistance into refugees in exile, dependent upon handouts from the United States and our allies.

This amendment does absolutely nothing to encourage the Sandinistas to stop their internal repression. It does absolutely nothing to encourage the Sandinistas to stop their external subversion or to negotiate in good faith.

Ladies and gentlemen, let me remind you that the Hamilton amendment also reinstates the Boland amendment on a permanent basis. Congress would be the permanent protector of the Marxist-Leninist Sandinista regime while they repress the Nicaraguan people.

I urge my colleagues to vote against this amendment.

I yield to my colleague from Michigan.

Mr. BROOMFIELD. Mr. Chairman, I rise in opposition to the Barnes amendment.

If we want to write off democracy in Nicaragua and the region, then we should all cast our vote for this imprudent amendment. If we want to paralyze our foreign policy in the region, then vote for the Barnes approach.

I strongly oppose this amendment because it basically abandons the democratic opposition in Nicaragua. It clearly tells the Contras to lay down their arms and surrender. It encourages them to leave their homeland and become refugees.

As we know, the Barnes approach proposes $14 million in humanitarian assistance to the democratic forces in Nicaragua, but requires that the aid be distributed by international organizations outside that country. It also prohibits the sharing of intelligence with those democratic forces. In essence, it blinds those forces.

While we are telling the Contras to lay down their arms and become refugees, dependent on congressional handouts, the Sandinistas are pursuing their own agenda. The Barnes amendment says nothing critical about the Sandinistas, and the reality of life in totalitarian Communist Nicaragua today. The Barnes amendment lets the Sandinistas get off scott free. It hurts, however, the forces of democracy in the region.

We debated in April about aid to the Contras. I heard comments which praised the good work of the Sandinistas and how much that government had done. After the final vote which denied any form of assistance to the Contras, crafty Commandante Ortega jetted off to Moscow, Eastern Europe, and Havana and won promises of $200 million in assistance for his Marxist revolution. That trip appeared to awaken a number of gentlemen on the other side of the aisle. They suddenly realized that the commandantes really do have a connection with Moscow.

What is being done in Managua about the failed promises of the original Nicaraguan revolution? How about their promises to the Organization of American States? What about the massive military buildup in Nicaragua? Let's look at the facts.

The Sandinistas have worked quietly and steadily toward their objectives of concentrating power in the state security apparatus and building the strongest armed forces in Central America. They have become the center for exporting subversion to Nicaragua's small neighbors.

The Sandinistas have developed the best equipped military in the region. In less than 6 years, the Sandinistas have developed a military establishment with firepower and mobility unmatched in the region. This expansion has been made possible with massive assistance from Cuba and the Soviet Union. The total value of Soviet war materiel shipped to Nicaragua was nearly $500 million by early 1985. They have an active military strength of some 65,000 and a fully mobilized strength, including militia and reserves, of nearly 120,000.

These forces are equipped with modern Soviet tanks, armored vehicles,

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state-of-the-art helicopters, patrol boats, and a new air defense system. In addition, there are about 7,000 Cuban advisers and several hundred other Communists and radical personnel in that country assisting the regime in its military buildup. In recent weeks, the Sandinista military has moved aggressively against Costa Rica. Regardless of what we say or do, they continue on their course.

If the democratic forces abandon their struggle and flee to surrounding countries, the cause of democracy in Central America will be lost. The Sandinistas will consolidate their revolution. They will more aggressively export their revolution to their fragile neighbors. El Salvador, Honduras, and Costa Rica will fall along with other states in the region. As communism spreads, millions will flee from their homelands. They will go north seeking the democracy and stability of the United States. America, already inundated with illegal aliens, will be hit by another wave of humanity fleeing from the failures of Marxist-Leninist repression and failed economic systems.

Let's be realistic in our approach to this issue. Do we want another Cuba in this hemisphere? Do we want a full-blown Soviet satellite in our backyard which may be willing to offer the Soviets naval facilities, or a good location for an intercept station to monitor U.S. communications? Do we want an armed camp that has admitted its plans to export their revolution and subvert the region? Let's be realistic.

We must make the right choice while we still have time. The Barnes approach is a nonstarter. It is unrealistic and writes off the democratic forces and the future of freedom in this region. None of us want to condemn future generations of Central Americans to the closed police states that communism brings to freedom-loving people.

My choice is the Michel approach. It is realistic and looks out for America's interests as well as the interest of freedom in this hemisphere.

Mr. STUMP. Mr. Chairman, I reserve the balance of my time.

Mr. HAMILTON. Mr. Chairman, I yield such time as he may consume to the gentleman from California [Mr. LEVINE].

Mr. LEVINE of California. Mr. Chairman, I rise in support of the Hamilton amendment.

We are here today to debate a question that has been haunting this institution and this country for too long: Whether or not to give aid to the Nicaraguan Contras. It is a question that has been debated and voted on before, and one which has aroused the passions and fears of every thinking American. But today's vote is the most critical yet. To understand why, let us look at the Reagan administration's Nicaragua policy.

Simply put, the Reagan administration's policy is to bring about the overthrow of the Sandinista government. It is trying to do that through intimidation, militarization, and support for the Nicaraguan Contras. It has given some $100 million to the Contras, who are armed insurgents who seek to overthrow the Nicaraguan Government, and who the President has referred to as "freedom fighters" and the "moral equivalent of our Founding Fathers." To help overthrow the Government, some 2,000 copies of a manual, "Psychological Operations in Guerrilla Warfare," was prepared and distributed by the CIA to the Contras. Among other things the manual instructs on the "selective use of violence," and explains how "to neutralize carefully selected planned targets."

The administration has allowed U.S. personnel to mine the harbors and territorial waters off Nicaragua, and has placed this country above the law by withdrawing it from the jurisdiction of the International Court of Justice with respect to disputes with Central American nations. The administration has orchestrated extensive military maneuvers in Central America and allowed illegal overflights of Nicaraguan territory. It has imposed a trade embargo against Nicaragua.

Yet Reagan administration policy has not brought it closer to its objective. The administration's policy does not have the support of Central American or Latin American countries. It has done nothing to staunch the growth of Soviet/Cuban influence in the region. And now even the administration itself has given up any pretense it might have had about sending in U.S. troops. As reported in the New York Times on June 3, 1985, the President, in a classified report to Congress, said the use of American military force in Nicaragua "must realistically be recognized as an eventual option in the region, if other policy alternatives fail."

This policy is fundamentally misguided. One of the greatest tragedies of President Reagan's policy is that in the name of a rigid anticommunism, he has perhaps become Fidel Castro's and the Soviet Union's best ally in Latin America. In trying to forcefully wrench the Nicaraguan Government from the grips of Marxist-Leninist ideology, he appears to be driving them right into the arms of those who espouse that very ideology. This is a tragedy, for no democratic country or citizen of the Western Hemisphere has benefited from this misguided effort.

A mechanism exists, however, for a peaceful solution of the conflicts, but it is one that has been undermined by the Reagan administration. It is the Contadora process. The Contadora nations—Colombia, Mexico, Panama, and Venezuela—have long been seeking a basis for peaceful settlement of the fighting in Nicaragua and elsewhere in Central America. We must give Contadora a chance.

Mr. Chairman, the United States has legitimate interests in Central America and in the outcome of the conflict in Nicaragua. But we must recognize how the Reagan policy exacerbates the tensions there. The United States is driving the Sandinista government to further and further dependence on the Soviet Union. We have to understand that. The embargo, like the U.S. embargo of Cuba imposed in 1959, will only reinforce Nicaragua's ties with the Soviet Union, just as other aspects of this administration's policy are doing.

Mr. Chairman, this policy is a failed policy. It is not supported by the American people. It is not supported by our allies. It is time, once and for all, to implement a policy that is responsible, and that has the potential to be constructive and effective.

We have before us a proposal that would do just that—the Hamilton amendment. There are five major parts to this amendment. First, there is a statement of U.S. policy objectives in Central America and the strategies by which those objectives should be pursued. With respect specifically to Nicaragua, the proposal states that U.S. policy should include pursuit of a regional settlement through all diplomatic avenues, a commitment to prevent the Soviet Union and its allies from deploying an offensive military capability in Central America that directly threatens the United States a commitment to protect Central American nations from attack, and a response to positive steps by Nicaragua with positive steps of our own.

Second, the Hamilton amendment continues indefinitely the so-called Boland amendment that prohibits any U.S. funding for military or paramilitary operations in Nicaragua, a ban Congress has supported numerous times in the past.

Third, the amendment authorizes $14 million in fiscal year 1985 for humanitarian assistance for Nicaraguan refugees outside of Nicaragua, to be distributed by either the International Committee of the Red Cross or the United Nations High Commissioner for Refugees upon the determination of such organization that the assistance is necessary for humanitarian purposes. The assistance, to the maximum extent feasible, must be provided in kind, not in cash, and may not be used for the provisioning of combat forces.

The amendment authorizes the use of economic support funds for payments to the Contadora nations for expenses arising from implementation of an agreement among the countries of Central America based on the Contadora peace process objectives.

[CRS-435]

Fourth, the proposal requires that at least once every 3 months the President report to Congress regarding efforts to establish a political dialog in Nicaragua, the status of the Contadora peace process and U.S. efforts to negotiate with Nicaragua, use of funds authorized for refugee assistance and implementation of the Contadora peace process, and Presidential recommendations for future U.S. actions with regard to Nicaragua.

Last, there is a provision to authorize expedited procedures for consideration by Congress of any Presidential request for additional action with respect to Nicaragua after October 1, 1985.

Mr. Chairman, the Hamilton amendment is a good amendment. It is responsible and constructive, and offers the best hope for reaching a peaceful solution to the conflict in Nicaragua.

This is a crucially important vote. Never before has Congress given its blessing to the strategy of overthrowing by force the Nicaraguan Government. We must turn our back on any and every effort to do that. I urge my colleagues to take this responsible, peaceful route.

Mr. HAMILTON. Mr. Chairman, I yield 5 minutes to the gentleman from Georgia [Mr. FOWLER].

Mr. FOWLER. Mr. Chairman, a few years ago one of the most controversial issues in American foreign policy was impending negotiations on the Panama Canal Treaty. Many, including then private citizen Ronald Reagan, opposed those negotiations with what they saw as a leftist if not pro-Communist regime. Critics contended that the talks carried out under Presidents Ford and Carter would weaken U.S. influence in the area while creating an opening for the Cubans and Soviets, and would jeopardize our access to the vital Panama Canal itself.

On the other side of the debate was strong and unified public governmental support throughout Latin America and elsewhere for a negotiated turnover of the Canal Zone to Panama.

In 1979 the Panama Canal Treaty went into effect, guaranteeing the permanent neutrality of the canal and providing for joint United States-Panamanian operation of the canal until the year 2000 when Panama will assume control.

In the 5 years since then, the treaty has proven to be a great success even with some of its former critics. For example, in a September 1983 report, President Reagan's State Department concluded:

> The Panama Canal Treaties were controversial in Panama, as they were in the U.S., but their approval and their implementation had an important favorable impact on bilateral relations. The long-simmering hostility toward the U.S. presence in Panama has subsided markedly . . . U.S. military forces of the U.S. Southern Command continue to operate as provided for in the treaties from bases in Panama, and there has been a marked improvement in the relationship between the U.S. and Panamanian forces defending the canal.

It has also been widely acknowledged that the aftermath of the treaty created a feeling of good will toward the United States throughout the Western Hemisphere and in Western Europe.

The purpose of this historical sketch is not to point to a change in attitude by the President or others, for I hope all of us would be openminded enough to examine new evidence and benefit from new perspectives in evaluating our policy choices. Nor do I claim that Nicaragua is like Panama or the Torrijos government akin to the Sandinistas.

No. My point is that here we have a recent case where the United States took a broader and longer term view of its national interests, where we participated in a negotiation process and the imperfect system of international law, believing that while we may not achieve 100 percent of our objectives we could protect our most important interests; and where we placed ourselves on the same side with our Latin American allies on a potentially divisive issue. It is a case where our narrowly defined interest of assured access to the canal was protected, while our wider ranging interests of enhanced prestige and relations with our allies in Latin America and elsewhere were also advanced. It is a case where we showed very clearly and effectively that unlike the Communists we do not believe that power flows only from the barrel of a gun.

As we prepare to revisit the question of U.S. policy in Nicaragua for yet another time, I believe these lessons have become lost. I continue to oppose U.S. military involvement in Nicaragua. Not because I question our Nation's legitimate national interest in limiting hostile Soviet and Cuban influences in this hemisphere. Not because I challenge proven facts as to the oppressive nature of the Sandinista government. I certainly concur with our stated policy ends in Central America: peace, democracy, stability, economic growth. I simply do not believe that the means we are now pursuing will achieve those ends in Nicaragua, and I fear that those means will damage even more important U.S. interests in Latin America and worldwide.

In short, I believe that our current attempt to win the battle in Nicaragua runs the risk of our losing the wider war for power and influence in the Americas. Our mining of harbors, our abandonment of the international legal system we helped to create, our economic embargo, and our preoccupation with a tiny country of 3 million people and a gross domestic product of under $3 billion have served to isolate us from our key friends in Latin America and Western Europe.

We have to distinguish between what is vital and what is merely desirable, between what we would like to see and what we are unilaterally capable of bringing about.

Take the question of democracy. I would hope that all of us could agree that everyone in this Chamber is a democrat with a small d. We are all practitioners of it and I firmly believe that in our different ways we are all advocates of it. As a small d democrat I have a strong preference for democracy. I believe that it offers the best system of government for advancing the well-being of its citizens and enhancing the peace of this ever-shrinking planet.

Yet democracy is a very fragile flower, exceedingly difficult to export. If local conditions are not ripe, it will not thrive despite all of the hopes and best wishes of its exporters. Democracy never took root in South Vietnam in spite of millions of dollars of U.S. aid and U.S. armaments. Democracy did not begin to take root in El Salvador until the recent reemergence of Jose Napolean Duarte and other committed Salvadoran democrats as the leading Salvadoran political force.

We can and should try to help promote the conditions necessary for democracy in Nicaragua and elsewhere in the region but we should be under no illusions that support for the Contras, most of whose political leaders are better known and more highly thought of in the United States than in Nicaragua, will advance the cause of democracy in Nicaragua. A strategy of destroying the Nicaraguan economy, and polarizing the Nicaraguan population would seem to point in the opposite direction.

Between calling for the Sandinistas to "cry uncle" and actually forcing them to do so lies a wide gulf that can only be bridged by an ever-expanding U.S. commitment to the Contras and, as a last resort, direct U.S. military intervention. These facts would be clearer if the administration would declassify the material it has transmitted to the Intelligence Committees about this no-longer secret covert operation. Even so, it is possible to arrive at the same conclusion by answering a series of questions, answers which are publicly known:

Are we willing to live with the Sandinista government as it is presently constituted? Answer: Clearly not, as indicated by Presidential statements and U.S. military and economic policies. The latest commitment to "not seek the overthrow of the Sandinista government" must be viewed in the context of similar pledges made at the outset of the covert operation and of our policies as opposed to our rhetoric.

What methods shall we employ in changing either the government or its policies? Answer: chiefly military pressure from the Contras backed up by a strong U.S. military presence Honduras. Once again, a rhetorical commitment to a negotiated settlement is not backed up by our actual policies. The central question before us today, the Contra war in Nicaragua runs directly against the recommendations of the Contadora group, for example.

[CRS-436]

Are current U.S. policies producing the desired results? Answer: Clearly not or we wouldn't be having this debate today.

And finally, what is the next step? Answer: If military pressure is the primary leverage we have over the Sandinistas and if this pressure is currently insufficient then the only alternative is to increase that pressure. And the only way to increase the military pressure is to expand the size and capabilities of the Contra forces and/or to augment the Contras with allied forces. Of course, the list of those countries backing the Contras and who have the capability of intervening on their behalf is a very short one.

So where do we go from here? The central question posed by our present policy is whether we can "stand tall" and achieve our objective without a direct U.S. combat role in Nicaragua. It seems to me that our policy of unilateral confrontation can only lead to that final result. And I would remind you that we "stood tall" in Lebanon only until American casualties started mounting.

There is an alternative and that alternative is to take a more comprehensive and longer range view of American interests in the Western Hemisphere. The alternative is to achieve a negotiated end to the fighting in Nicaragua and to the threat posed by Nicaragua toward its neighbors. That possibility was tantalizingly close last year with the draft treaty proferred by the Contadora Group, a treaty which the Nicaraguans pledged to sign. We and our Central American allies raised objections to the draft—some legitimate and necessary having to do with verification—others peripheral and questionable such as preserving our military maneuvers in Honduras. If we were to put the same effort into achieving a Contadora Peace Treaty as we have into prosecuting the Contra war I believe that we can achieve the same results as in the Panama Canal Treaty:

Reducing hostilities in the Americas;

Building respect for peaceful and lawful settlement of disputes;

Increasing U.S. prestige and influence among the nations of Latin America; and

Allowing us to turn our attention to far more important questions such as the economic and political health of the new democracies in the Western Hemisphere like Argentina, Brazil, Uruguay, Peru, and El Salvador.

I honestly do not believe that any of this can happen as long as we insist upon maintaining the "Contra option."

□ 1740

Mr. STUMP. Mr. Chairman, I yield 6 minutes to the gentleman from Louisiana [Mr. LIVINGSTON].

Mr. LIVINGSTON. I thank the gentleman for yielding.

Mr. Chairman, last April, when we went through this process, we came up with the wrong conclusion, and the House failed to provide much-needed real or symbolic support for the democratic resistance in Nicaragua.

This time I am hopeful that our error will be corrected and that the Michel-McDade-McCurdy amendment will prevail and that the meaningless and destructive Hamilton amendment will be defeated.

There is ample reason for us to support the Michel amendment for humanitarian aid for the freedom fighters. They are the only political force in Nicaragua pledged to restore the freedoms promised when Somoza was overthrown. Just today, on the press wires, is a reiteration of their pledge to bring back a pluralistic government, to provide total amnesty and pardon for political prisoners, to strengthen the judicial process and eliminate the existing tribunals, to eliminate capital punishment, to demilitarize Nicaraguan society, and to bring the country toward democratic ideals.

But, Mr. Chairman, on the other hand, despite the contentions of the gentleman from Georgia about unilateral confrontation by the United States, there is absolutely no shortage of evidence—in fact, the evidence is overwhelming—that the Communist government in Nicaragua is oppressive beyond belief. There is censorship of the press; repression of the church; burning of villages and mass relocation of people; concentration camps and prisons; torture and executions; armed military and terrorist incursions into neighboring countries. All of these are prevalent at the hands of the Sandinista regime.

Recent history is replete with documentation, photographs, and rubble denoting their path of destruction aimed at anyone who opposes them.

Earlier, I referred to the documents seized when Salvadoran soldiers captured Nidia Diaz, a leader of the Salvadoran guerrillas, and I showed a part of the Soviet-made Katusha rockets fired on a helpless Honduran village by Nicaraguan soldiers. But these are just samples of the repression that has been going on since we voted against the aid to the Contras only a few weeks ago.

Since that time, we have developed firm evidence of additional incidents. First, of course, was Ortega's trip to Moscow. But, second, there were political killings on March 15, 1985, when five Evangelicals were tied to a pillar in their meeting house in Nicaragua and burned by the Sandinistas. Four of the five died. One, Mr. Santiliz, survived.

Third, on April 17, an American pastor, Rev. Larry Jones of Oklahoma City, was promised by the Sandinista government that he could bring to Managua gifts of clothes, food, and bibles and conduct a revival in Managua. The Sandinista government reneged on its promises once he got there and they confiscated 228,000 pounds of beans and rice, 25,000 pounds of clothing, and 5,000 copies of the New Testament. The pages of the bibles were reportedly turning up in Nicaragua to be used as toilet paper.

Fourth, in Las Vegas, Honduras, in the first week in May 1985, Sandinista soldiers began a planned attack and shelling of the Las Vegas Contra base camp, knowing full well that there were men, women, and children in the camp and hundreds of Honduran citizens in the area. Five Honduran citizens were killed. And on May 31, 1985, in Costa Rica, which has no armed services, a Costa Rican civil guard patrol of 20 people was ambushed by an undetermined number of Sandinista soldiers inside Costa Rica. A second Costa Rican patrol was dispatched to assist, and both Costa Rican patrols came under fire. After the incident was over, two Costa Rican civil guards were killed, 11 others wounded. One had his legs blown off.

All that being said, Mr. Chairman, and the atrocities of the Communist Sandinista government being acknowledged, what does the Hamilton amendment do? Does it do anything to assist the cause of freedom and democracy in Nicaragua? Absolutely not. It does contain a rewrite of the Boland amendment, which was defeated in this House hours ago by a vote of 232 to 196. It does cut the amount of aid in question in the Michel amendment in half. It does create a whole class of refugees in countries apart from their homeland for those who wish to receive that aid. It does prohibit humanitarian aid from going to the freedom seekers in Nicaragua.

But it also ignores that the Sandinistas have already rejected various cease-fires and various talks. It ignores that the Sandinista rejected international observers under the Contadora process, and it ignores the ongoing Sandinista export of revolution, and it ignores the systematic Sandinista repression of human rights in Nicaragua.

Mr. Chairman, most importantly, the Hamilton amendment implies that the United States is the offending party in the face of apparent Communist aggression, and that is a concept which I cannot accept. Mr. Chairman, I urge my colleagues to vote down the Hamilton amendment.

Mr. HAMILTON. Mr. Chairman, I yield 6 minutes to the gentleman from Arkansas [Mr. ALEXANDER].

Mr. ALEXANDER. Mr. Chairman, as a student of Latin American government for about 30 years, I have listened to the debate today with more than congressional interest. As I have felt the ground trembling beneath me following the vote rejecting the Boland amendment, I asked myself: What is going on here?

[CRS-437]

The answer is that Congress abhors the vacuum caused by the failure of U.S policy in Central America.

□ 1750

Now, Congress is rushing to fill this vaccum with a policy to replace the failure of policy.

I first visited Nicaragua in 1971, where I found a corrupt Somoza dictatorship which maintained its power with support of the United States. I observed the administration of a brutal oppression which my government supported.

Finally, after 43 years, the people of Nicaragua, a poor and impoverished country finally revolted to throw out this despot named Somoza, who oppressed and abused the people. The popular government was later taken over by a Marxist regime that made many promises of democracy, free elections, and freedom. Americans applauded the revolution.

The Sandinistas reneged on those promises. So in 1981, the current administration began what they call a policy of administering pressure. The United States first authorized the support of 500 counterrevolutionary mercenaries. Now the administration says that it needs as many as 35,000 Contras to apply more pressure.

During the 4 years of pressure our country has helped to mine harbors; we have supported air strikes against the territory of Nicaragua; about 10,000 people have been killed, including women and children. Would you like to applaud that? Nicaragua is a poor country made up of a population of which 60 percent are children. So our policy of pressure, which is really a policy of pain, inflicts suffering mostly upon children. Innocent, helpless children. This policy of pain and suffering is what Congress has supported today.

What else has this army of mercenaries done? It has terrorized the population. It has kidnaped people. It has raped, and murdered. We are supporting that terrorism. We are supporting subversion. We are corrupting a society. That is the kind of policy that we Americans are supporting today. Mr. Reagan explains that he applies this policy of pressure in the name of freedom.

Now, after 4 years what have we to show for this policy of pressure, pain, and of suffering? What have we achieved during the last 4 years? Let me mention a few things.

We have spent about $1 billion of American taxpayers' money in supporting U.S. policy in Central America. As I mentioned, about 10,000 people have been killed. We have imposed an economic embargo which has forced Nicaragua to become more dependent on the Soviet Union. We are condemned by our allies for violating international law. Today, Congress has voted to escalate the hostility in Central America; to polarize the conflict in Nicaragua between the Sandinistas and Contras, which General Gorman, who is the retired commander of the Southern Command says that the Contras cannot win.

What then? What then? After polarization? My friend, the gentleman from Pennsylvania, asked the question today, "Will we fight for freedom? Will America stand up for liberty?" We are fond of invoking the names of our Founding Fathers to respond as Members have frequently done today. The Latin Americans are similarly fond of quoting their founding fathers. Simon Bolivar many years ago asked: "Is the United States destined to plague the Americas with misery in the name of freedom?" Today, the answer is yes.

I support Barnes-Hamilton amendment because tomorrow, that is the policy that will offer hope to the people of Central America.

Mr. STUMP. Mr. Chairman, I yield 3 minutes to the gentleman from Florida [Mr. IRELAND].

Mr. IRELAND. I thank the gentleman for yielding me this time.

Mr. Chairman, I rise in opposition to the Hamilton amendment. The Hamilton amendment is really Barnes-Hamilton II, since it is substantially similar to the Barnes-Hamilton amendment which we defeated on final passage in April by a vote of 123 yeas to 303 nays. The House defeated Barnes-Hamilton 6 weeks ago and it should do so again, now, for the same reasons.

The Hamilton amendment before the House is designed to decimate the Nicaraguan democratic resistance. The amendment appropriates $14 million for refugee assistance to Nicaraguans only if they are outside Nicaragua. The amendment thus seeks to turn a cohesive, effective Nicaraguan resistance into refugee exiles dependent on handouts.

The Hamilton amendment encourages a massive refugee exodus into Honduras and Costa Rica, but only appropriates a measly $14 million to assist the refugees it would create. The Hamilton amendment would be U.S. foreign policy at its worst—here we go again, punishing our friends and rewarding our enemies. Under the Hamilton amendment, our resistance friends are abandoned; and our Honduran and Costa Rican friends get a huge refugee problem; but the Communist Sandinistas get a free helping hand from the American Congress in eliminating their internal democratic opposition.

The Sandinistas have tried on their own to eliminate the Nicaraguan democratic opposition, but the more the Sandinistas engage in internal repression—against the workers, the church, the political opposition—the more the opposition grows. The Sandinistas have failed to bring the opposition to its knees. But, alas, their solution is on the horizon: The American Congress may pass legislation to turn the resistance into refugees in foreign lands, freeing the Sandinistas to consolidate power in Nicaragua, unopposed. The Hamilton amendment should really be called the "Sandinista victory amendment."

The Hamilton amendment does absolutely nothing to encourage the Sandinistas to stop their internal repression, stop their external subversion, and to start to negotiate in good faith. If the U.S. Congress passes a law to encourage the Nicaraguan resistance to quit and flee Nicaragua, the Sandinistas would have no earthly reason to sit down with their neighbors and work out a just peace. If the United States hands the Sandinistas the victory which has eluded them, they certainly aren't likely to hand part of it back voluntarily in negotiations with their neighbors. Adoption of the Hamilton amendment is goodby for any chance at freedom and democracy in Nicaragua.

So, the Hamilton amendment abandons our friends in the Nicaraguan Democratic Resistance and because it reenacts the Boland amendment which we just defeated it abandons our allies in the region to potential Sandinista aggression, and even abandons American diplomats and citizens to potential Sandinista violence.

The Barnes-Hamilton amendment is historically unsound foreign policy and should be defeated.

□ 1800

Mr. HAMILTON. Mr. Chairman, I yield such time as he may consume to the gentleman from Ohio [Mr. FEIGHAN].

Mr. FEIGHAN. I thank the gentleman for yielding. Mr. Chairman, I would like to add my strong support for the Hamilton amendment. With passage of the Michel amendment to provide support to the Nicaraguan Contras, we have moved dramatically closer to the inevitability of direct military involvement, and we have taken a giant step away from the overwhelming consensus of the American people that the United States should stop its support of the Contra forces.

Our responsibility is to move our policy away from support for entrenched violence and toward a path of peace and freedom for the people of Nicaragua. Aid to the Contras, a military group committed to the overthrow of the Nicaraguan Government, can be characterized many ways, but it can never be characterized as a move toward peace. The Hamilton amendment has as its primary goal the establishment and support of a policy to bring an end to the violence that plagues Nicaragua and threatens the peace of Nicaragua's neighbors.

[CRS-438]

We all know that freedom cannot flourish in an environment of violence and strife. The other nations of Central America have told us so, our allies have told us so, and the American people have told us so. What should be the objectives of the United States are clearly stated and supported by the Hamilton amendment: We must promote stability and economic development which are crucial for democracy to succeed; we must prevent the Soviet Union or its allies from destabilizing the region or promoting a military presence that threatens our national security; moreover, we must make an unequivocal commitment to the indigenous peace process emerging under the leadership of the Contadora nations.

By working with the Contadora nations, the United States can play a dramatic and constructive role in the formation of a peace plan for Central America. Although we have given verbal support to that process, our actions have so far belied our words. This amendment puts force behind our resolve by committing the United States to provide funds for the implementation of a Contadora plan.

Mr. Chairman, we have learned recently from White House documents that direct U.S. military intervention in Nicaragua is considered an option "if other policy alternatives fail." But what other policy alternatives has the administration considered or tried? They have rejected out-of-hand each proposal the Contadora group has offered. They have escalated the level of involvement of U.S. advisers and aid committed to the violent overthrow of the Sandinistas. President Reagan has specifically stated that our object is to make the Sandinistas "say Uncle."

I urge my colleagues and the President to consider policy options that include our allies, that include Nicaraguas neighbors, and that include a serious effort at strong, not "strong-arm," diplomacy. We have a chance with this amendment to take a stand for peace in Nicaragua. But this may be our last chance not just to stop what we know is wrong, but actively to promote what is right. Let us help the Nicaraguan people with their struggle for independence, and let us help the Nicaraguan people in their desire for self-determination. The Contadora nations deserve our active support of their effort to do this. We should not fail them.

I urge all my colleagues to take this positive step and support the Hamilton amendment.

Mr. HAMILTON. Mr. Chairman, I yield 1 minute to the gentleman from Florida [Mr. LEHMAN].

Mr. LEHMAN of Florida. Mr. Chairman, I thank the gentleman for yielding this time to me.

Mr. Chairman, I urge my colleagues to vote for passage of the Hamilton amendment. I hope Members who care about preserving the tradition of humanitarian aid our country has given to people in true need, will cast their vote in favor of the Hamilton amendment. Our humanitarian relief has never before been made directly available by Congress to aid a combat force. To do so is plain and simply nothing other than military aid.

I am very concerned that this distinction between military aid and economic or development aid is eroding. I have always supported humanitarian aid and other nonmilitary assistance administered by the Agency for International Development. Our aid is only as good as the perception it has earned, and I fear that if this so-called humanitarian aid goes forward as it is presented in the Michel amendment, this administration will have done much to harm and to interrupt a long American tradition of humanitarian aid. The American people have been generous in their willingness to aid victims of natural disasters and of war, and we have been careful to aid those who are the victims, not the perpetrators. It would be irresponsible for us to ignore that tradition.

The Hamilton amendment helps to preserve that integrity by authorizing the distribution of this assistance by the Red Cross or the U.N. High Commissioner for Refugees.

We should not be in the business of outright aiding rebel forces attempting to overthrow a sovereign government with whom we have diplomatic relations however strained they may be. Humanitarian aid and combat forces are mutually contradictory. Please vote to pass the Hamilton amendment.

Mr. STUMP. Mr. Chairman, I yield 2 minutes to the gentleman from Arizona [Mr. RUDD].

Mr. RUDD. I thank the gentleman for yielding this time to me.

Mr. Chairman, I oppose the Hamilton amendment and rise in support of the bipartisan Michel-McDade-McCurdy amendment to provide humanitarian assistance to the freedom fighters in Nicaragua.

We are faced with a critical choice: Will the United States support those struggling for freedom and peace in Nicaragua, or will we abandon our friends and allow a Soviet client state to spread terror and threaten democracy in all of Central America?

Mr. Chairman, the Michel-McDade-McCurdy amendment is a step in the direction of freedom and peace.

Since mid-1984, while we have been debating a mere $14 million in aid to the freedom fighters, the Sandinistas' active-duty force has grown nearly 30 percent. The tank and armored personnel carrier inventory increased to more than 340. By early 1985, the total value of Soviet-bloc deliveries of tanks, helicopters and other war materiel shipped to Nicaragua was approaching $500 million. Their arsenal now includes more than 110 T-55 Soviet-built tanks which can outgun any tank previously seen in Central America. They've received the Soviets' principal attack helicopter, the MI-24/Hind D, which holds the helicopter speed record and can be armed with multiple-barrel machineguns, guided missiles, rocket pods and bombs.

The Sandinistas represent a serious regional threat. A 1983 Gallup International Poll showed that Nicaragua's growing military strength was of deep concern to the people throughout the Central American region. In Honduras, about 80 percent of those responding to the poll saw Nicaragua as the principal cause of instability and as the primary military threat to their country.

Concern and discontent are not only increasing among Nicaragua's neighbors, but among the Nicaraguan people. Today, there are more Contras fighting to restore democratic freedoms than there ever were Sandinistas during the revolution. And the Contras are not simply Somocista national guardsmen who fought the revolution. Less than 2 percent of the total Contra forces ever served in the Nicaraguan National Guard. To the contrary, some 42 percent of regional

Contra commanders are ex-Sandinistas discontent with the betrayal of the promises of democracy and freedom for Nicaragua.

The Sandinistas came to power behind the barrel of a gun. They do not represent a legitimate government. Their objectives are far from the democratic, nonaligned regime with a mixed economy that they promised in 1979. Instead they have moved to ensure complete consolidation of Sandinista control within Nicaragua; political and economic transformation of the society along Marxist lines with redistribution of income and confiscation of property; the development of closer ties with the Communist bloc; and extensive support for so-called fraternal revolution in neighboring Central American countries.

Approving aid to the Contras is the most important step Congress can take to demonstrate American credibility in Central America and continue the positive momentum toward peace and democracy in the region. Although I believe the Michel amendment attaches far too many strings to the aid, it is the only positive option allowed by the rule.

The Hamilton approach continues the failed dead hand appeasement toward the Sandinistas on the road to disaster for America. It would not even allow our own Government—an administration reelected by historic proportions just 7 months ago—to administer the funds, but would instead funnel the money through the Red Cross or the U.N. High Commissioner on Refugees. Neither agency is an elective body.

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Our choice is clear: Support the cause of freedom in Central America by adopting an unamended Michel amendment, or pull the rug out from under our friends and turn our heads to Communist aggression so close to our borders. Let's not give Commandante Ortega another reason to make a victory pilgrimage to Moscow.

I urge adoption of the Michel amendment by defeating the Hamilton amendment.

Mr. HAMILTON. Mr. Chairman, I yield 2 minutes to the gentleman from Iowa [Mr. BEDELL].

Mr. BEDELL. I thank the gentleman for yielding this time to me.

Mr. Chairman, for the purposes of clarifying congressional intent and establishing more thorough legislative history, I would like to engage the gentleman from Indiana in a colloquy. Like you, I have questioned the present course of our foreign policies toward Nicaragua and I remain concerned over the possibility of direct U.S. military intervention against Nicaragua. For that reason, I want to be absolutely certain over the exact intent of the gentleman's amendment. My greatest worry rests in the possibility that this amendment may be interpreted by the President as extending him certain authority he presently does not have with respect to the use, commitment or deployment of U.S. military forces in Central America. Is that your intent, as the author of this language?

Mr. HAMILTON. Mr. Chairman, will the gentleman yield?

Mr. BEDELL. I yield to the gentleman from Indiana.

Mr. HAMILTON. I thank the gentleman for yielding.

Mr. Chairman, our intent is certainly not to give the President any such authority, or any authority that he presently does not have.

And further, our intent is certainly not to authorize the use, commitment, or deployment of United States military forces in Central America for the purposes of combat. Any such commitment of troops would require appropriate congressional action, consistent with existing law and the Constitution.

Mr. BEDELL. I am specifically concerned over the ramifications of paragraph 2 in that section of the amendment dealing with U.S. policy toward Nicaragua. By stating our commitment to prevent certain actions in Central America, are we not allowing the President to implement or commit us to preventative military actions that would not be subject to congressional authority or approval such as the mining of Nicaraguan ports and harbors?

Mr. HAMILTON. If the gentleman will yield further, may I assure my colleague that this language does not authorize any military incursion, invasion, commitment of troops, the imposition of a naval quarantine or blockade, preemptive air strikes against Nicaragua, or the mining of its ports and harbors. Such actions would have to be taken in accordance with existing law and the Constitution.

Mr. BEDELL. I also retain reservations over the interpretations of paragraph 3 in that same section of the amendment. Does the language in this section in any way imply or in any way intend that the United States could take unilateral military actions against Nicaragua?

Mr. HAMILTON. If the gentleman will yield further, the intent of paragraph 3 is not to authorize any unilateral military action or actions by the United States that have not been approved by Congress, but rather to ensure that the United States would act in conformance with the Charter of the Organization of American States and the Inter-American Treaty of Reciprocal Assistance to protect the security and territorial integrity of any nation that may be attacked by Nicaragua.

Mr. BEDELL. I thank the gentleman, and I certainly strongly support his amendment.

Mr. STUMP. Mr. Chairman, I yield 4 minutes to the gentleman from Texas [Mr. SWEENEY].

Mr. SWEENEY. I thank the gentleman for yielding this time to me.

Mr. Chairman, much of the current debate and confusion here in Congress and among the American public clearly rotates around one most basic question, and that is: Who are the Sandinistas and what are their motives?

The Sandinistas have portrayed themselves as romantic revolutionaries seeking a return of political power to the masses. They are joined by many Members of this Congress who seem to believe instinctively in the Sandinistas' empty promises of agrarian reform, redistribution of material wealth and campaigns to eradicate illiteracy.

We have heard those promises before. We have heard them before at a time 30 years ago when Fidel Castro began to consolidate his power in then revolutionary Cuba. Indeed, Mr. Chairman, history does repeat itself, and the echo from the 1950's Cuba should tell us something. It should tell us that Sandinista revolutionaries of today are not too dissimilar to the Cuban revolutionaries of three decades ago, and that the Ortega government of the 1980's is very similar to the Castro government of the 1950's.

The Sandinistas, like Castro, while promising land reform, will give their country state control of land more tightly held and abused than ever before.

The Sandinistas, like Castro, while promising redistribution of material wealth, will give their country the most tyrannical form of central planning of an economy that will be more shattered than ever before.

And the Sandinistas, like Castro, while promising an aggressive campaign against illiteracy, will only give their country the most nauseating and massive form of reeducation and indoctrination to militaristic Marxist values.

There are several elements that have always been central to the establishment of a Soviet client state. In 1955, these elements were set forth by Castro in a document entitled "Manifesto No. 1 to the People of Cuba." Most recently, those elements were set forth by the Sandinistas in a similar document entitled "The Historic Program of the FSLN." I wish to include those two documents in the RECORD at this time.

The two documents follow:

MANIFESTO NO. 1 TO THE PEOPLE OF CUBA
(AUGUST 8, 1955)

I live for my fatherland and for its true freedom, although I know that my life may

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Footnotes at end of article.

not last long enough to enjoy the fruit of my labors and that this service must be given with the certainty and thought of receiving no reward for it.—José Martí.

My duties to the fatherland and to my convictions stand above all personal concerns; that is why I shall be free or shall perish for the redemption of my people.—Antonio Maceo.

(Manifesto issued on August 8, 1955, from Mexico. "Manifiesto No. I del 26 de Julio al pueblo de Cuba," *Pensamiento Crítico* (Havana), no. 21 (1968), pp. 207-220.)

Under this battle cry, which recalls past national rebellion, the Cuban revolutionary movement is today organized and prepared for its great task of redemption and justice.

By the express agreement of its leaders, I have been entrusted with the drafting of this first manifesto to the country and those which in the future will be published clandestinely.

In carrying out this mission which duty imposes on me, I do not hesitate to assume the responsibility involved in signing these proclamations that will be a constant reminder to the people, an open call for revolution, and a frontal attack against the clique of criminals who trample the honor of the nation and rule its destiny counter to its history and the sovereign will of the people. And although at the present time I am absent from the soil of our nation and therefore outside the jurisdiction of the courts that issue the sentences ordered by the master, I did not hesitate to unmask the executioner when that court was judging me there, or from prison to accuse by name the dictator and his bloodthirsty generals of the Moncada Barracks' crimes in a manifesto dated January 6, 1954, or to reject amnesty with conditions attached, or again, when freed, to show the people evidence of the cruel and inhuman character of the Batista regime. What a cruel and inhuman apparatus Batista's regime has! I do not care what accusations they may make against me in the special courts! Cuba is my fatherland, and I shall never return to it or I shall return with the dignity I have pledged myself to. The bridges have been burned: Either we conquer the fatherland at any price so that we can live with dignity and honor, or we shall remain without one.

The fatherland means something more than oppression, something more than a piece of land without freedom and without life.[1]

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It is hardly necessary to justify the use of this means to set forth our ideas. The closing down of the newspaper *La Calle*, whose courageous stand won it the sympathy of the people, increasing its circulation to more than 20,000 copies in only a few weeks, made clear the more or less concealed muzzle which the dictatorship has maintained over the legal press in Cuba for more than three years.

The censorship and the Law on Public Order, by which the regime sought to conceal from the people the barbarous Moncada massacre, are a threat to the mass media. The closing down of the civic-spirited newspaper of Luis Orlando[2] was yet another warning to the press that their opinions cannot exceed certain limits, in reality so as not to threaten those in power. The same warnings were given on other * * * sions with the torture of Mario Kuchilán and Armando * * * the assault on the "University of the Air"[3] and the newspaper * * * the castor oil torture of the CMKC announcers, the attacks on numerous photographers, the sentencing of Luis Conte Agüero and * * * Gutiérrez, the confinement of Pardo Llada, Guido Garciá Inclán, * * * Lesnick, Rivadulla, Garciá Siferdo, and other arbitrary actions * * * make the list of attacks on the free expression of thought since * * * 10 interminable.

The governmental "inquisition" was especially cruel with * * * this writer. After our article in *Bohemia* answering the * * * provocation of a miserable henchman who went out for blood ended up bleeding, our appearance on any radio or television program was drastically and categorically prohibited.

On two consecutive occasions the Partido del Pueblo Cubans broadcasts were prevented. The broadcasts could continue only on condition that I would not be heard by the people. In an urgent program dated June 13, 1955, the network was informed that proceedings had been initiated to deprive me of this right. This was an unprecedented case: It was not a radio station or a program that censured, but a citizen. That great hustler of governmental * * * Ramón Vasconcelos, who bought a newspaper when he was a * * * under Carlos Prió and who launched the most terrible attacks * * * him when Prío took off with everything, was not closed down * * * he was not even a Batista supporter just prior to March 10, because * * * was trying to obtain a senatorial post through the Ortodoxo Party, has found his own method of concealing the truth.[4]

Every instrument of power was used successfully to impose * * * on me everywhere, which demonstrates to what extent any new * * * protest is doomed today in Cuba because of the shameful coalition oppression, vested interests, and general hypocrisy.

Thus, Santigo Rey, another cynic who was a Prió follower * * * March 10, 1952, a Batista follower until October 10, 1944[5] * * * Machado follower until August 12, 1933,[6] ordered the closing of * * * newspaper *La Calle* the day our article entitled "One Can No Longer Live Here" appeared. We answered one of the stupid accusations of Colonel Carratalá and challenged him to go to the courts and * * * the names of the police chiefs who have gotten rich from the * * * of illegal gambling. We were left without a platform from which to express our views.

The same happened with every public gathering at which it was known we would be present, beginning with the meeting to welcome the political prisoners on the university steps. They went to the extreme of prohibiting the showing of a film of our visit to the National News Agency with Guido Garcia Inclán, for they were irritated by the demonstrations of sympathy expressed by the public. We were left without the right to speak or write or hold public gatherings or to exercise civic rights of any kind—as if we were not Cubans, as if we had no rights in our fatherland, as if we had been born pariahs and slaves in the glorious land of our immortal liberators. Can this be called constitutionality, equality before the law, guarantees for peaceful struggle?[7]

In Cuba one only has the right to write what pleases the six libelous papers the dictatorship maintains with the money stolen from teachers and public employees. In Cuba only the unconditional supporters of the regime or those who play the game of a docile and inoffensive opposition have the right to meet freely. In Cuba only those who get down on their knees have the right to live.

The bad faith of the regime, the mean spirit in which the amnesty the people demanded was granted, has been obvious from the very first moments. Three days after we had been freed the first false accusation of subversive activity was hurled at us, when our families had not even had time to welcome us and express their joy in the naive belief that a different stage of calm and respect for the citizen was beginning, and that their children would not find themselves again involved in the maelstrom of revolutionary struggle, agony, and martyrdom which has already lasted three and a half years. In this struggle the greatest pain is not that of the fighter who struggles resolutely, without worrying about the risk, but that of the mothers who, as Marti said, weep with inconsolable sorrow "out of love and not reason."

We had changed prisons. The spectacle of hunger and injustice was everywhere. And the harsh struggle that idealism required, dignity demanded, and duty ordered, began again, to end only when no oppressors remain in Cuba or when the last revolutionary falls on this sad and martyred land.

Those who doubt the determination with which we shall carry forward our promise, those who believe that we are reduced to impotence because we have no private fortune to put at the disposal of our cause nor millions stolen from the people, should remember the twenty-sixth of July. They should remember that a handful of men who had been ignored, without economic resources of any kind, and without any weapons except their dignity and their ideals, stood up to the second largest military installation in Cuba, and did what others with vast resources have not yet done. They should remember that there is a people with faith in its honored defenders, ready to gather the necessary funds penny by penny so that those who will achieve freedom with honest blood and honest money will not be without weapons again. Finally, let them remember that for each one of the young men who fell at Santiago de Cuba there are thousands more awaiting the signal to go into battle, that the revolutionary reserves of the people now include a hundred thousand idealists. And for each of those writers who preach cowardice, vilification, defeatism, and compromise with the oppressors, advising our people to submit peacefully to the tyranny, renouncing their tradition as a rebellious and honorable, people as if nothing had happened in Cuba on March 10, there are a million voices cursing them.

The voices are those who suffer hunger in the countryside and the cities, the desperate voices of those have no work or hope of finding any, the indignant voices of our workers for whom it was a cursed hour when Batisa snatched power, the voices of an entire people trampled on and deceived, who have seen children murdered in the shadows and who are not resigned to living without rights and freedom.

Stubborn fools are those who believe that a revolutionary movement can be measured by the millions available to it and not by the reason, idealism, determination, and honor of its fighters! "What matters," Marti said, "is not the number of weapons in one's hand, but the number of stars on one's forehead!"[8] To those who ask us to abandon the revolutionary struggle and accept the crumbs of legality the regime offers, we answer, Why do you not ask Batista to abandon office first?

He is the only obstacle. It was he who used violence when all legal paths were open. He protects and safeguards the henchmen who murder and kill. He, only he, is the man who has provoked this situation of uncertainty, unrest, and ruin.

Why ask a people to renounce their rights instead of asking a lucky adventurer to abandon a power that does not belong to him? To those who impudently advise participation in partial elections as a national solution, we answer: Who is concerned with those elections? The discontent is found, not on the part of the politicians who seek posts, but in the people who seek justice. Those who believe that serious political, social, and economic problems can be solved by simply satisfying the appetites of a hundred or so miserable candidates for a few posts as mayors and representatives think very badly of Cuban citizens. What have petty politics given the country in the last 50 years? Speeches, sinecures, congas,[9] lies, compromises, deceit, betrayals, improper enrichment of a clique of rogues, empty talk, corruption, infamy. We do not view politics as the traditional politicians do. We are concerned not with personal benefit but with the benefit of the people whom we serve as missionaries of an ideal of redemption. Glory is worth more than triumph, and "there is only one glory for certain—that of a soul at peace with itself." [10] Those electoral crumbs with which Batista buys his unimportant enemies should not be offered to us. The pride with which we put them aside is worth more than all of the electoral posts put together.

To those who speak of general elections, we ask: Elections with or without Batista? The general elections of November 1 with Batista were the most scandalous and fraudulent in our republican history, a permanent stain on our democratic tradition that set us back to a stage which it seemed we had transcended. What answer have the defenders of an election presided over by Batista? What arguments do they have left after this unprecedented scandal? Did they not employ precisely the same reasons, the same words, the same lies before? Can anyone forget the mobilization of tanks along the highways and the dramatic farewells by Tabernilla [11] at the terminal station, as if the soldiers were leaving for the battlefield? After the November experience, after the March 10 coup within 80 days of elections, for the simple reason that they did not have the slightest chance of winning, can anyone make our skeptical people believe in honest elections with Batista in power? Those who want to create the illusion that the events of 1944 [12] could be repeated deliberately and criminally betray the people. They pretend to make us believe that the circumstances are the same. They forget the signs of the times. They do not distinguish between the present moment in which America has been invaded by reactionary dictatorships and 1944, when the world was shaken by a wave of popular enthusiasm and democratic optimism, a world

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which with the last shots in Europe conceived hopes for a happier and more humane future for its peoples. Batista then yielded to world public opinion, as the cowardly ruling cliques of Peru, Venezuela, Guatemala, and other countries of the American continent yielded.

Therefore, the only civic solution we would accept, the only honest logical, and just solution, is immediate general elections without Batista. Meanwhile, we shall continue tirelessly our revolutionary line. And we have a question for those who demand general elections as the only solution: What will you do if Batista flatly refuses to allow elections? Will you cross your arms and weep like Mary Magdalene for what you lacked the courage to demand with honor? "Rights are taken, not begged; they are seized, not pleaded for." [13] The people await the answer too.

To those who affirm that the 1940 Constitution has been reestablished, we state that they are brazenly lying. A fundamental principle of our constitution categorically prohibits presidential reelection, and Batista reelected himself to that post on November 1. He did not even resign his post: He asked for a leave of absence and left a lackey in the presidential palace. If the Constitution states that anyone who has occupied that post cannot do so again until eight years have gone by, Batista's continuation in the presidency is unconstitutional.

Another precept establishes that sovereignty resides in the people and that from them all powers are derived. If this is true, and the Constitution is in effect, none of those who elected themselves in the unilateral and fraudulent November first elections has the right to occupy the post he holds. All of them should resign immediately. Sovereignty resides in the people and not in the barracks. Batista is the main enemy of our constitution, which he ignominiously destroyed on March 10. There is no room for both in the same republic.

To those who accuse the Revolution of upsetting the economy of the country, we answer: There is no economy for the rural workers who have no land; there is no economy for the millions of Cubans who are unemployed; there is no economy for the railroad, pork, sugar, hemp, textile, and bus workers and those in the many sectors whose wages Batista has mercilessly reduced. And there will be an economy for them only through a just revolution that will redistribute the land, mobilize the vast resources of the country, and equalize social conditions, putting an end to privilege and exploitation. Is it possible to expect that miracle from the candidates running in the forthcoming partial elections?

Or are they talking perhaps of the economy of the senators who earn 5,000 pesos a month, of the millionaire generals, of the foreign trusts that exploit the public services, of the great landowners, of the tribe of parasites who thrive and get rich at the expense of the state and the people? Then we welcome the Revolution that upsets the economy of a few who so greedily profit from it! After all, man does not live by bread alone.

Another question for those who speak of the economy: Has not Batista jeopardized the credit of the country for 30 years? Has not the public debt increased to more than 800 million pesos? Is there not a deficit of more than 100 million? Are not the monetary reserves of the nation pledged to foreign banks in a desperate search for money? Were not 350 million pesos of the most recent loan wasted on the purchase of jet planes and things of that nature, without plan or program, for no other reason than personal whim? Can one play in this manner with the destiny of a nation? Did anyone authorize him to undertake those insane credit ventures, Did he consult the people in any way. Finally, how many millions have individuals very close to Batista transferred periodically to North American banks? It is for us more than anyone else to be concerned because we and future generations will have to pay the terrible consequences of that corrupt and unchecked policy. The country's economy requires an immediate and radical change of government.

To those who assert that the Revolution brings sorrow to Cuban families, we answer: Sorrow is caused by the hunger decimating families in the Cuban countryside; sorrow is caused by the corrupt politicians who steal hospital funds; sorrow is caused by the henchmen who murdered Rubén Batista, the Santiago couple Oscar Medina Salomón and María Rodríguez, the Camagüey labor leader Mario Aróstegui, the Auténtico leader Mario Fortuny, the revolutionary soldier Gonzalo Miranda Oliva, the naval commander Jorge Agostini, and the seventy young prisoners in the Moncada Barracks. This is the blood of students, workers, professionals, honest military men, men and women of all parties and all social classes—honest blood, Cuban blood, the blood of fighters who could not defend themselves at the moment they were sacrificed.

Today more than ever the spokesmen of the dictatorship emphasize public discussion and legal methods as the path their opponents should follow. They did not think that way when on March 10, they perpetrated the most unjustifiable crime conceivable against the nation, and at that time all legal paths were really open for political struggle! Now that they have blocked all paths toward peace, they speak of peace. Now that everything has been arranged through force to suit them, they defend legality. Now after four years of being in power, a power to which they have no right, getting rich and profiting under the eyes of the entire nation, distributing privileges and sinecures among friends, unconditional supporters, and relatives of the whole clique, having constantly used abuse and force to maintain their privileges, now they shout that the only just and decent way of fighting them is through politics. Politics, as conceived by Marti and as we understand it, is the art of keeping the peace and greatness of the country, but not the vile art of creating a fortune at its expense.

"The fatherland is not a tool we can use or discard as we choose nor is the Republic a means of maintaining the lazy and the haughty, well fed and housed, who in the baseness of their egotism believe themselves to be the natural responsibility of the country and the inevitable masters of their inferior people."[14]

Those who chant their devout songs in favor of peace as if there could be peace without freedom, peace without law, peace without justice, have still not found the words to condemn *the one hundred crimes* which have been committed since March 10, nor the daily outrages, the raids on homes in the middle of the night, the arbitrary arrests, the false accusations, the unjust convictions. What have they said about the young man from Guantánamo, a humble employee of the newspaper *La Calle*, who was atrociously tortured and on whose strangled testicles corrosive acid was thrown by his executioners? Nothing! Absolutely nothing!

Beware, Cubans, of those who advise cowardly submission to the tyranny, whatever the source of this advice, because these people are paid a price for their hypocritical sermons by Batista.

The peace Batista wants is the peace Spain wanted. The peace we want is the peace Marti wanted.

To speak of peace under tyranny is to offend the memory of all those who died for the freedom and happiness of Cuba. Then as well there were reformists and autonomists who fought with cowardly fury the honorable attitude of our liberators and accepted as a solution the electoral crumbs offered by the masters of that era.[15]

The streets and the parks of our cities and towns bear the names and proudly display the statues of Maceo, Marti, Máximo Gómez, Calixto García, Céspedes, Agramonte, Flor Crombet, Bartolomé Masó, and other illustrious heroes who had the courage to rebel. The schools teach our glorious history, and October 10 and February 24 are celebrated with devotion.[16] These were not dates of submission or of resigned and cowardly acceptance of the existing despotism, nor were those individuals the ones who extended a begging hand to receive from Spain a post as a deputy to the royal court or in the senate of the colonial master.

All the regime's efforts will be futile. The 26th of July Movement will send its revolutionary message to all corners of Cuba. Tens of thousands of our revolutionary manifestos will circulate clandestinely throughout the country, invading factories, farms, and villages. Men and women who want to aid our cause will reproduce them by hand or machine everywhere, knowing that thereby they are doing their little bit in this heroic struggle of the nation against its oppressors. They will even penetrate the barracks, the warships, the police stations, and the military camps.

We do not fear talking to the military, we have no hatred in our hearts for honest Cubans—the military man who has been vilely used as a tool so that cliques of politicians gain power and wealth, the military man who is forced to constant and cruel guard duty to safeguard the interests of a handful of scoundrels who take no risks; the military man who is forced to die without glory for a regime hated by the people; the military man whom Batista miserably deceives. Batista has not yet found a way of justifying the unlimited enrichment of the high commanders, nor the violations of military seniority in favor of the families and friends of the generals, setting aside merit and ability, nor the presence of gangsters in the government, nor the frequent decreases in wages while every senator whom no one elected and who represents no one collects 5,000 pesos. Batista himself has increased his income to the fabulous sum of 70,000 per month, seventy times what the prime minister of England earns. We defended the military when no one defended them, and fought them when they supported the tyranny, but we shall welcome them with open arms when they join the cause of liberty. We shall tell the military the truth, as one Cuban to another, as one man to another, without fear or flattery, and the hands and the hearts of many honest soldiers will be reached by our revolutionary proclamations. The military must be freed from the tyranny too.

The 26th of July Movement is formed without hatred for anyone. It is not a political party but a revolutionary movement. Its ranks are open to all Cubans who sincerely desire to see political democracy reestablished and social justice introduced in Cuba. Its leadership is collective and secret, formed by new men of strong will who are not accomplices of the past. Its structure is functional. Young and old, men and women, workers and peasants, students and professionals, can join its fighting groups, its youth cadres, its secret workers' cells, its women's organizations, its economic sections, and its undergound distribution apparatus throughout the country, for not all can take up arms. There will never be sufficient weapons to equip each of those who wishes to give his life in the struggle, but each can participate to the extent that he can, contributing money, distributing proclamations, or leaving work in a gesture of solidarity and proletarian support when the revolutionary call to struggle comes. Above all, this must be a revolution of the people, with the blood of the people and the sweat of the people. Its broad and courageous program can be synthesized in the following essential points:

1. Outlawing of the latifundia, distribution of the land among peasant families; permanent and untransferable granting of property to all existing small tenant farmers, sharecroppers, small holders, and farm laborers; state economic and technical aid; reduction of taxes.

2. Reestablishment of all the workers' gains taken away by the dictatorship; the right of the worker to broad participation in the profits of all the large industrial, commercial, and mining enterprises, which should be paid out in addition to salaries or wages at given intervals during the year.

3. Immediate industrialization of the country by means of a vast plan made and promoted by the state, which will have to decisively mobilize all of the human and economic resources of the nation in the supreme effort to free the country from a moral and material prostration in which it finds itself. It is inconceivable that there should be hunger in a country so endowed by nature; every shelf should be stocked with goods and all hands employed productively.

4. Drastic decrease in all rents, effectively benefiting the 2,200,000 persons who are today spending a third of their income on rent; construction by the state of decent housing to shelter the 400,000 families crowded into filthy single rooms, huts, shacks, and tenements; extension of electricity to the 2,800,000 persons in our rural and suburban sectors who have none; initiation of a policy designed to transform each renter into an owner of the apartment in which he lives on the basis of long-term amortization.

5. Nationalization of public services: telephone, electricity, and gas.

6. Construction of ten children's cities to fully shelter and educate 200,000 children of workers and peasants who cannot currently feed and clothe them.

7. Extension of the education, following a previous reform of all teaching methods, to the farthest corner of the country, so that every Cuban will be able to develop his mental and physical aptitudes in a decent living environment.

8. General reform of the tax system and establishment of modern methods for the collection of taxes to avoid tax evasion and mishandling of funds, so that the state can meet its needs and the people will know that what they pay from their income goes back to society to benefit all classes.

9. Reorganization of public administration and establishment of administrative training.

10. Establishment of an inviolable military roster safeguarding the members of the armed forces so that they can be removed from their posts only for good reasons proved in administrative litigation courts. Elimination of the death penalty in the Military Penal Code for crimes committed during peacetime. Rendering of socially beneficial services by the armed services throughout the country, making economic surveys, land surveys and demarcation, and building by their corps of engineers, with special remuneration, hygienic schools and decent housing for peasants, workers, and members of the armed forces themselves who will retain ownership when they retire from service.

11. Generous and decent pay to all public employees: teachers, office workers, and members of the armed forces, retired civilian and military personnel.

12. Establishment of adequate measures in education and legislation to put an end to every vestige of discrimination for reasons of race or sex which regrettably still exists in our social and economic life.

13. Social Security and state unemployment compensaton.

14. Reorganization of the judicial branch and abolition of the treasury courts.[17]

15. Confiscation of all the assets of embezzlers acquired under all past governments, without exceptions of any kind, so that the Republic can recover the hundreds of millions which have been taken from it with impunity. These will be invested in the implementation of some of the undertakings described above. Does anyone doubt that they could have been possible if the nation had had honest governments?

These points will be fully explained in a pamphlet that will be distributed throughout the country.

The Cuban Revolution will carry out all of the reforms following the spirit and the letter of our 1940 Constitution, without taking from anyone what is legitimately his and compensating everyone.

On behalf of the 26th of July Revolutionary Movement, Fidel Castro.

FOOTNOTES

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[1] The editors have not been able to ascertain the origin of this quote. Eds.

[2] Luis Orlando Rodriguez was the editor of *La Calle*. Eds.

[3] A radio program transmitted from Havana. Eds.

[4] Ramón Vasconcelos was communications minister at the time. Eds.

[5] Date when Ramón Grau San Martin became president of Cuba. Eds.

[6] Date when dictator Gerardo Machado was overthrown. Eds.

[7] In the original the term used is *lucha civica*. Eds.

[8] This is a literal translation of a quotation often used by Castro. It is meant to contrast the physical with the mental or spiritual, emphasizing the importance of the latter. Eds.

[9] Cuban dance. It has the connotation of irresponsibility. Eds.

[10] The editors have not been able to ascertain the origin of the quote. Eds.

[11] General Francisco Tabernilla. Eds.

[12] When Batista allowed free elections and transferred power to the opposition. Eds.

[13] Quote from Antonio Maceo. Eds.

[14] José Marti. Eds.

[15] Refers to the *reformistas* and *autonomistas* of the nineteenth century in Cuba who opposed independence from Spain and favored a compromise with the Spanish authorities. Eds.

[16] On October 10, 1868, the war of independence began in Cuba. After ten years of fighting a truce was signed between the Cubans and the Spaniards, but on February 24, 1895, the war started again. Eds.

[17] The Spanish term used is *tribunales de hacienda*. Eds.

THE NICARAGUA READER: DOCUMENTS OF A REVOLUTION UNDER FIRE

(By Peter Rosset and John Vandermeer)

22. THE HISTORIC PROGRAM OF THE FSLN

By the Sandinista National Liberation Front (FSLN)

The Sandinista National Liberation Front (FSLN) arose out of the Nicaraguan people's need to have a "vanguard organization" capable of taking political power through direct stuggle against its enemies and establishing a social system that wipes out the exploitation and poverty that our people have been subjected to in past history.

The FSLN is a politico-military organization, whose strategic objective is to take political power by destroying the military and bureaucratic apparatus of the dictatorship and to establish a revolutionary government based on the worker-peasant alliance and the convergence of all the patriotic anti-imperialist and anti-oligarchic forces in the country.

The people of Nicaragua suffer under subjugation to a reactionary and fascist clique imposed by Yankee imperialism in 1932, the year Anastasio Somoza Garcia was named commander in chief of the so-called National Guard (GN).

The Somozaist clique has reduced Nicaragua to the status of a neocolony exploited by the Yankee monopolies and the country's oligarchic groups.

The present regime is politically unpopular and juridically illegal. The recognition and aid it gets from the North Americans is irrefutable proof of foreign interference in the affairs of Nicaragua.

The FSLN has seriously and with great responsibility analyzed the national reality and has resolved to confront the dictatorship with arms in hand. We have concluded that the triumph of the Sandinista people's revolution and the overthrow of the regime that is an enemy of the people will take place through the development of a hard-fought and prolonged people's war.

Whatever maneuvers and resources Yankee imperialism deploys, the Somozaist dictatorship is condemned to total failure in the face of the rapid advance and development of the people's forces, headed by the Sandinista National Liberation Front.

Given this historic conjuncture the FSLN has worked out this political program with an eye to strengthening and developing our organization, inspiring and stimulating the people of Nicaragua to march forward with the resolve to fight until the dictatorship is overthrown and to resist the intervention of Yankee imperialism, in order to forge a free, prosperous, and revolutionary homeland.

I. A REVOLUTIONARY GOVERNMENT

The Sandinista people's revolution will establish a revolutionary government that will eliminate the reactionary structure that arose from rigged elections and military coups, and the people's power will create a Nicaragua that is free of exploitation, oppression, backwardness; a free, progressive, and independent country.

The revolutionary government will apply the following measures of a political character:

A. It will endow revolutionary power with a structure that allows the full participation of the entire people, on the national level as well as the local level (departmental, municipal, neighborhood).

B. It will guarantee that all citizens can fully exercise all individual freedom and it will respect human rights.

C. It will guarantee the free exchange of ideas, which above all leads to vigorously broadening the people's rights and national rights.

D. It will guarantee freedom for the worker-union movements to organize in the city and countryside; and freedom to organize peasant, youth, student, women's cultural, sporting, and similar groups.

E. It will guarantee the right of emigrant and exiled Nicaraguans to return to their native soil.

F. It will guarantee the right to asylum for citizens of other countries who are persecuted for participation in the revolutionary struggle.

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G. It will severely punish the gangsters who are guilty of persecuting, informing on, abusing, torturing, or murdering revolutionaries and the people.

H. Those individuals who occupy high political posts as a result of rigged elections and military coups will be stripped of their political rights.

The revolutionary government will apply the following measures of an economic character:

A. It will expropriate the landed estates, factories, companies, buildings, means of transportation, and other wealth usurped by the Somoza family and accumulated through the misappropriation and plunder of the nation's wealth.

B. It will expropriate the landed estates, factories, companies, means of transportation, and other wealth usurped by the politicians and military officers, and all other accomplices, who have taken advantage of the present regime's administrative corruption.

C. It will nationalize the wealth of all the foreign companies that exploit the mineral, forest, maritime, and other kinds of resources.

D. It will establish workers' control over the administrative management of the factories and other wealth that are expropriated and nationalized.

E. It will centralize the mass transit service.

F. It will nationalize the banking system, which will be placed at the exclusive service of the country's economic development.

G. It will establish an independent currency.

H. It will refuse to honor the loans imposed on the country by the Yankee monopolies or those of any other power.

I. It will establish commercial relations with all countries, whatever their system, to benefit the country's economic development.

J. It will establish a suitable taxation policy, which will be applied with strict justice.

K. It will prohibit usury. This prohibition will apply to Nicaraguan nationals as well as foreigners.

L. It will protect the small and medium-size owners (producers, merchants) while restricting the excesses that lead to the exploitation of the workers.

M. It will establish state control over foreign trade, with an eye to diversifying it and making it independent.

N. It will rigorously restrict the importation of luxury items.

O. It will plan the national economy, putting an end to the anarchy characteristic of the capitalist system of production. An important part of this planning will focus on the industrialization and electrification of the country.

II. THE AGRARIAN REVOLUTION

The Sandinista people's revolution will work out an agrarian policy that achieves an authentic agrarian reform; a reform that will, in the immediate term, carry out massive distribution of the land, eliminating the land grabs by the large landlords in favor of the workers (small producers) who labor on the land.

A. It will expropriate and eliminate the capitalist and feudal estates.

B. It will turn over the land to the peasants, free of charge, in accordance with the principle that the land should belong to those who work it.

C. It will carry out a development plan for livestock raising aimed at diversifying and increasing the productivity of that sector.

D. It will guarantee the peasants the following rights:

1. Timely and adequate agricultural credit.
2. Marketability (a guaranteed market for their production).
3. Technical assistance.

E. It will protect the patriotic landowners who collaborate with the guerrilla struggle, by paying them for their landholdings that exceed the limit established by the revolutionary government.

F. It will stimulate and encourage the peasants to organize themselves in cooperatives, so they can take their destiny into their own hands and directly participate in the development of the country.

G. It will abolish the debts the peasantry incurred to the landlord and any type of usurer.

H. It will eliminate the forced idleness that exists for most of the year in the countryside, and it will be attentive to creating sources of jobs for the present population.

III. REVOLUTION IN CULTURE AND EDUCATION

The Sandinista people's revolution will establish the bases for the development of the national culture, the people's education, and university reform.

A. It will push forward a massive campaign to immediately wipe out "illiteracy."

B. It will develop the national culture and will root out the neocolonial penetration in our culture.

C. It will rescue the progressive intellectuals, and their works that have arisen throughout our history, from the neglect in which they have been maintained by the anti-people's regimes.

D. It will give attention to the development and progress of education at the various levels (primary, intermediate, technical, university, etc.), and education will be free at all levels and obligatory at some.

E. It will grant scholarships at various levels of education to students who have limited economic resources. The scholarships will include housing, food, clothing, books, and transportation.

F. It will train more and better teachers who have the scientific knowledge that the present era requires, to satisfy the needs of our entire student population.

G. It will nationalize the centers of private education that have been immorally turned into industries by merchants who hypocritically invoke religious principles.

H. It will adapt the teaching programs to the needs of the country; it will apply teaching methods to the scientific and research needs of the country.

I. It will carry out a university reform that will include, among other things, the following measures:

1. It will rescue the university from the domination of the exploiting classes, so it can serve the real creators and shapers of our culture: the people. University instruction must be oriented around man, around the people. The university must stop being a breeding ground for bureaucratic egotists.

2. Eliminate the discrimination in access to university classes suffered by youth from the working class and peasantry.

3. Increase the state budget for the university so there are the economic resources to solve the various problems confronting it.

4. Majority student representation on the boards of departments, keeping in mind that the student body is the main segment of the university population.

5. Eliminate the neo-colonial penetration of the university, especially the penetration by the North American monopolies through the charity donations of the pseudophilanthropic foundations.

6. Promotion of free, experimental, scientific investigation that must contribute to dealing with national and universal questions.

7. Strengthen the unity of the students, faculty, and investigators with the whole people, by perpetuating the selfless example of the students and intellectuals who have offered their lives for the sake of the patriotic ideal.

IV. LABOR LEGISLATION AND SOCIAL SECURITY

The Sandinista people's revolution will eliminate the injustice of the living and working conditions suffered by the working class under the brutal exploitation, and will institute labor legislation and social assistance.

A. It will enact a labor code that will regulate, among other things, the following rights:

1. It will adopt the principle that "those who don't work don't eat," of course making exceptions for those who are unable to participate in the process of production due to age (children, old people), medical condition, or other reasons beyond their control.

2. Strict enforcement of the eight-hour work day.

3. The income of the workers (wages and other benefits) must be sufficient to satisfy their daily needs.

4. Respect for the dignity of the worker, prohibiting and punishing unjust treatment of workers in the course of their labor.

5. Abolition of unjustified firings.

6. Obligation to pay wages in the period required by law.

7. Right of all workers to periodic vacations.

B. It will eliminate the scourge of unemployment.

C. It will extend the scope of the social security system to all the workers and public employees in the country. The scope will include coverage for illness, physical incapacity, and retirement.

D. It will provide free medical assistance to the entire population. It will set up clinics and hospitals throughout the national territory.

E. It will undertake massive campaigns to eradicate endemic illnesses and prevent epidemics.

F. It will carry out urban reform, which will provide each family with adequate shelter. It will put an end to profiteering speculation in urban land (subdivisions, urban construction, rental housing) that exploits the need that working families in the cities have for an adequate roof over their heads in order to live.

G. It will initiate and expand the construction of adequate housing for the peasant population.

H. It will reduce the charges for water, light, sewers, urban beautification; it will apply programs to extend all these services to the entire urban and rural population.

I. It will encourage participation in sports of all types and categories.

J. It will eliminate the humiliation of begging by putting the above mentioned practices into practice.

V. ADMINISTRATIVE HONESTY

The Sandinista people's revolution will root out administrative governmental corruption, and will establish strict administrative honesty.

A. It will abolish the criminal vice industry (prostitution, gambling, drug use, etc., which the privileged sector of the National Guard and the foreign parasites exploit.

B. It will establish strict control over the collection of taxes to prevent government funtionaries from profiting, putting an end to the normal practice of the present regime's official agencies.

C. It will end the arbitrary actions of the members of the GN, who plunder the population through the subterfuge of local taxes.

[CRS-444]

D. It will put an end to the situation wherein military commanders appropriate the budget that is supposed to go to take care of common prisoners, and it will establish centers designed to rehabilitate these wrongdoers.

E. It will abolish the smuggling that is practiced on a large scale by the gang of politicians, officers, and foreigners who are the regime's accomplices.

F. It will severely punish persons who engage in crimes against administrative honesty (embezzlement, smuggling, trafficking in vices, etc.), using greatest severity when it involves elements active in the revolutionary movement.

VI. REINCORPORATION OF THE ATLANTIC COAST

The Sandinista people's revolution will put into practice a special plan for the Atlantic Coast, which has been abandoned to total neglect, in order to incorporate this area into the nation's life.

A. It will end the unjust exploitation the Atlantic Coast has suffered throughout history by the foreign monopolies, especially Yankee imperialism.

B. It will prepare suitable lands in the zone for the development of agriculture and ranching.

C. It will establish conditions that encourage the development of the fishing and forest industries.

D. It will encourage the flourishing of this region's local cultural values, which flow from the specific aspects of its historic tradition.

E. It will wipe out the odious discrimination to which the indigenous Miskitos, Sumos, Ramas, and Blacks of this region are subjected.

VII. EMANCIPATION OF WOMEN

The Sandinista people's revolution will abolish the odious discrimination that women have been subjected to compared to men; it will establish economic, political, and cultural equality between woman and man.

A. It will pay special attention to the mother and child.

B. It will eliminate prostitution and other social vices, through which the dignity of women will be raised.

C. It will put an end to the system of servitude that women suffer, which is reflected in the tragedy of the abandoned working mother.

D. It will establish for children born out of wedlock the right to equal protection by the revolutionary institutions.

E. It will establish day-care centers for the care and attention of the children of working women.

F. It will establish a two-month maternity leave before and after birth for women who work.

G. It will raise women's political, cultural, and vocational levels through their participation in the revolutionary process.

VIII. RESPECT FOR RELIGIOUS BELIEFS

The Sandinista people's revolution will guarantee the population of believers the freedom to profess any religion.

A. It will respect the right of citizens to profess and practice any religious belief.

B. It will support the work of priests and other religious figures who defend the working people.

IX. INDEPENDENT FOREIGN POLICY

The Sandinista people's revolution will eliminate the foreign policy of submission to Yankee imperialism, and will establish a patriotic foreign policy of absolute national independence and one that is for authentic universal peace.

A. It will put an end to the Yankee interference in the internal problems of Nicaragua and will practice a policy of mutual respect with other countries and fraternal collaboration between peoples.

B. It will expel the Yankee military mission, the so-called Peace Corps (spies in the guise of technicians), and military and similar political elements who constitute a barefaced intervention in the country.

C. It will accept economic and technical aid from any country, but always and only when this does not involve political compromises.

D. Together with other peoples of the world it will promote a campaign in favor of authentic universal peace.

E. It will abrogate all treaties, signed with any foreign power, that damage national sovereignty.

X. CENTRAL AMERICAN PEOPLE'S UNITY

The Sandinista people's revolution is for the true union of the Central American peoples in a single country.

A. It will support authentic unity with the fraternal peoples of Central America. This unity will lead the way to coordinating the efforts to achieve national liberation and establish a new system without imperialist domination or national betrayal.

B. It will eliminate the so-called integration, whose aim is to increase Central America's submission to the North American monopolies and the local reactionary forces.

XI. SOLIDARITY AMONG PEOPLES

The Sandinista people's revolution will put an end to the use of the national territory as a base for Yankee aggression against other fraternal peoples and will put into practice militant solidarity with fraternal peoples fighting for their liberation.

A. It will actively support the struggle of the peoples of Asia, Africa, and Latin America against the new and old colonialism and against the common enemy: Yankee imperialism.

B. It will support the struggle of the Black people and all the people of the United States for an authentic democracy and equal rights.

> C. It will support the struggle of all peoples against the establishment of Yankee military bases in foreign countries.
>
> XII. PEOPLE'S PATRIOTIC ARMY
>
> The Sandinista people's revolution will abolish the armed force called the National Guard, which is an enemy of the people, and will create a patriotic, revolutionary, and people's army.
>
> A. It will abolish the National Guard, a force that is an enemy of the people, created by the North American occupation forces in 1927 to pursue, torture, and murder the Sandinista patriots.
>
> B. In the new people's army, professional soldiers who are members of the old army will be able to play a role providing they have observed the following conduct:
>
> 1. They have supported the guerrilla struggle.
>
> 2. They have not participated in murder, plunder, torture, and persecution of the people and the revolutionary activists.
>
> 3. They have rebelled against the despotic and dynastic regime of the Somozas.
>
> C. It will strengthen the new people's army, raising its fighting ability and its tactical and technical level.
>
> D. It will inculcate in the consciousness of the members of the people's army the principle of basing themselves on their own forces in the fulfillment of their duties and the development of all their creative activity.
>
> E. It will deepen the revolutionary ideals of the members of the people's army with an eye toward strengthening their patriotic spirit and their firm conviction to fight until victory is achieved, overcoming obstacles and correcting errors.
>
> F. It will forge a conscious discipline in the ranks of the people's army and will encourage the close ties that must exist between the combatants and the people.
>
> G. It will establish obligatory military service and will arm the students, workers, and farmers, who—organized in people's militias—will defend the rights won against the inevitable attack by the reactionary forces of the country and Yankee imperialism.
>
> XIII. VENERATION OF OUR MARTYRS
>
> The Sandinista people's revolution will maintain eternal gratitude to and veneration of our homelands martyrs and will continue the shining example of heroism and selflessness they have bequeathed to us.
>
> A. It will educate the new generations in eternal gratitude and veneration toward those who have fallen in the struggle to make Nicaragua a free homeland.
>
> B. It will establish a secondary school to educate the children of our people's martyrs.
>
> C. It will inculcate in the entire people the imperishable example of our martyrs, defending the revolutionary ideal: Ever onward to victory!

Mr. SWEENEY. A close reading of these two documents shows them to be essentially identical, almost as if the Sandinista program had been written in part by Castro himself. For example, and I quote only one of several similar passages, the Sandinistas pledged, and I quote:

> To allow the full participation of the people in government, while guaranteeing that all citizens can fully exercise their individual freedoms.

Castro, in similar language in his manifesto pledged, and again I quote:

> An absolute guarantee of freedom of information of the spoken and written press and of all individual and political rights.

□ 1810

Even the wording is hauntingly similar. And witness Cuba today. What we have is an historical precedent for the establishment of a Soviet client state; and if the historical model continues to follow its pattern, what we will have is not only a consolidation of political power already established by Fidel Castro in Cuba but also a country, Nicaragua, that will menace this hemisphere militarily in a manner already evidenced in Cuba.

We cannot afford the establishment of another Communist dictatorship in this hemisphere, a dictatorship that will ultimately be joined with Cuba in their common pathological hatred for the United States. Nothing would threaten peace more. We have a chance to stop that Communist advance and that Communist aggression, not just here today but in the future, by continuing to support those in Nicaragua who are fighting for freedom.

It is ironic that the Sandinistas, as did the Cubans three decades ago, hold themselves out to be martyrs. It is ironic, in conclusion, because today we have a chance to help the true martyrs in Nicaragua, those people in a country that is so dominated by an emerging communism.

[CRS-445]

Mr. HAMILTON. Mr. Chairman, I yield 3 minutes to the gentleman from California [Mr. DYMALLY].

Mr. DYMALLY. Mr. Chairman, first I want to commend and compliment the chairman of the Subcommittee on the Middle East and Europe, the gentleman from Indiana [Mr. HAMILTON], for a very eloquent and profound statement. He outlined a policy today that in my judgment, if followed by the United States, would bring about a reconciliation of the conflict in Nicaragua, not a confrontation as proposed by the Michel amendment.

Mr. Chairman, although the United States has an important role to play in resolving the Central American conflict, it should be the role of participant, not that of sole decisionmaker. On too many occasions in the past, our well-intentioned assistance has produced foreign policy backfires, unanticipated consequences, and serious disasters.

The administration's intentions and actions toward Nicaragua, an independent Third World country, are against the resolutions passed by the U.S. General Assembly which specifically states that:

> Every state has an inalienable right to choose its own political, economic, social and cultural systems, without interference in any form by another State, and no state may use or encourage the use of economic, political, or any other type of measures to coerce another state in order to obtain from it the subordination of the exercise of its sovereign rights and to secure from it advantages of any kind.

We must recognize and respect the sovereignty and aspirations of the Nicaraguan people to practice their rights to self-determination and political independence. Other independent Third World countries are naturally upset and concerned that the behavior of the United States toward Nicaragua could well be repeated toward any other Third World government which the United States does not happen to favor or like.

There is no rationale for the President's decision to impose an economic embargo against Nicaragua. The step was not taken after any economic analysis of what purposes the sanctions would serve. Secretary of State George Shultz stated that the results could be impressive if the restrictions were generalized. But of course there has not been any participation in the boycott by other nations, and the United States stands quite alone in its position. European response has been uniformly negative and the Latin American countries in general view the measure with dislike. What the United States needs to do is use U.S. aid and trade in a way that encourages the nations in the region to work together toward peace and development instead of fighting with each other.

It is true that no American who is concerned about democracy and peace in Central America can be encouraged by the developments that have occured in Nicaragua in the past 2 years. The fact that Mr. Ortega went to Moscow seeking economic aid should not, however, be used as an excuse to put more pressure on Nicaragua. It is already surrounded by political and, doubtless, military pressures. Where else should Mr. Ortega have gone but to probably the only country that will offer the level of economic aid that Nicaragua needs? The key questions here are, Why is the situation deteriorating, and what can be done to improve the situation?

Having already made the Nicaraguan military dependent upon the Soviets by financing a guerrilla war against them, and having already established a continuous military presence in Honduras, the administration's most recent actions have the practical result of making Nicaragua economically dependent on Moscow as well. The radicalization of the Sandinista revolution is due, in part, to the fact that the United States is pushing the Nicaraguans into the arms of the Soviets.

In the past 2 years a rather insidious, self-fulfilling interactive process between both the United States and Nicaragua has been at work. Hard-line, militarisitic approaches by the United

States have brought as a defensive reaction hard-line, militaristic responses by the Sandinistas who, by doing so, confirmed the worst fears of the United States that Nicaragua is engaged in a warfare against its neighbors, thus endangering U.S. security with the result that neither Government trusts the other enough to negotiate seriously.

The administration's fear of communism may well be real; but if the United States is truly determined to include Central America in its policy of containment, it has to be done with the ethnical consistency needed to galvanize the peoples of the hemisphere in a common defense effort. I do not see how it could be possible to stand up in the name of democracy and freedom, while establishing alliances with groups who persistently violate human rights.

The administration has discouraged dialog among the various groups in the region. A National Security Council Memorandum leaked to the press in the fall of 1984, expressed relief that the United States had successfully "trumped the Contadora process", implying that the U.S. objective is to try to keep Contadora negotiations off balance.

For the United States, as a nonparticipant, to have rejected the Contadora treaty, as it did in October 1984, is arrogant and wrong. Arrogant because it suggests that we know the security interests of Venezuela, Panama, Colombia, and Mexico better than do the leaders of those nations. Wrong because Contadora represents the means to reach a diplomatic solution, and U.S. policy in Central America should be to encourage a trend away from totalitarian rule and to seek greater cooperation with regional peacemakers.

After 80 years in which the United States has been at the forefront of expanding respect for international law, we are discussing a trip to Moscow and letting embarrassment take precedence over principles. Ortega made a trip to Moscow simply because his country needs economic aid, and this is a fact that has nothing to do with the U.S. Congress. Embarrassment is what we should feel if we have to face again the prospect of a vote that means more war, more suffering, more hardship, and more atrocities for the people in Nicaragua.

Therefore, Mr. Chairman, I support the Hamilton-Barnes amendment, and ask for an "aye" vote.

Mr. STUMP. Mr. Chairman, I yield 1 minute to the gentleman from Missouri [Mr. SKELTON].

Mr. SKELTON. Mr. Chairman, I wish to share something with the Members.

On my recent trip to Nicaragua, I talked with many people from various walks of life. From the Nicaraguan Government officials, I received the party line. But in talking with other concerned Nicaraguans suffering under the hardship of the Sandinista regime, I got a far different story.

One individual, a Nicaraguan businessman—who wanted the United States to assist the Contras—expressed concern that the U.S. Congress has been blinded by the untruths and distortions of a very sophisticated public relations campaign run from Managua, with assistance from Havana and Moscow.

With sadness and disappointment in his voice, this Nicaraguan businessman told me that Communist projects are: "made in Moscow"; "planned in Havana"; "defended by the U.S. Congress"; and "suffered by the people of Nicaragua."

Today, we have an opportunity to give hope to that concerned Nicaraguan and his fellow countrymen who are suffering under the Sandinistas.

Today, we as a Congress can chart a new course and establish a positive public policy on a bipartisan basis, which will lead to the establishment of democracy in Nicaragua.

Thus, I urge that we vote down this amendment and pass the McCurdy-Michel-McDade amendment unencumbered by other amendments.

Mr. HAMILTON. Mr. Chairman, I yield 3 minutes to the gentleman from Pennsylvania [Mr. KOSTMAYER].

Mr. KOSTMAYER. Mr. Chairman, the hour is late, and the die is cast. I join with my colleagues in congratulating those on the other side for their victory, for they have won and we apparently have been defeated. But that victory, I think, will shortly turn to ashes in all our mouths. For by rejecting the Boland amendment we have lifted an important legislative and political restraint on the military conduct of this administration in Central America. And by rejecting the Gephardt amendment, we have pulled the plug on the peace process and denied that kind of incentive which could be, I think, so compelling and so appealing to the Nicaraguan Government.

[CRS-446]

Mr. Chairman, foreign policy is the business often of sending signals, and this House this day has sent a signal to the world and to this administration. We have given this administration a green light in Central America to do virtually anything it wants militarily. And what is it that they want? They have not been equivocal or ambiguous. They have made it precisely clear what they want in Central America.

They want more money for more military assistance. They want to enlarge and expand the force of Contras. They want to overthrow the Nicaraguan Government. They have talked even of the eventual use of American troops. No one can say where this road leads and where this administration is headed.

So what is next? Will the Sandinistas back off as a result of what we have done today? Will they somehow relinquish power? There is not a chance in the world that what we have done today will intimidate the Sandinistas. They are going to dig in even further than they were before, and they will go back to the Cubans and the Soviets to get more assistance than they have ever gotten in the past.

Will the Contras prevail? Is this enough assistance to help the Contras prevail militarily? This is the Contra force which has not been able to hold a single village in Nicaragua. This is a military force which has not seized a single square inch of territory in Nicaragua.

The central test of any policy ought to be whether it works. Is it practical? Is it achieving its objectives? Who here can say that this administration's policy has worked? Where are we today as opposed to where we were 3 years ago?

So what will happen? The military struggle in the next year will widen and deepen. The chance of negotiations will diminish. Both sides will only harden their positions.

The great strength of our country is our moral capacity to lead, to lead by example, not by military force. Those principles are embodied in pragmatic, practical and realistic terms in the Hamilton-Barnes proposal, and unless we redeem ourselves and adopt Hamilton-Barnes, we will be back here a year from now, a year from then, and a year from then, closer not to peace, only closer to war in Central America.

□ 1820

Mr. STUMP. Mr. Chairman, I yield 2 minutes to the gentleman from Ohio [Mr. MCEWEN].

Mr. MCEWEN. Mr. Chairman, we got it right the first time when we defeated this amendment in April by a vote of 123 to 303. The only thing that has changed since then is that Dear Comandante Ortega has made his ninth pilgrimage to Moscow to celebrate his victories, to pay homage to his sponsors and arrange for more Soviet gifts of bombs and bullets and rockets like these showered upon defenseless Hondurans.

So here we are again. This amendment would make the Congress of the United States the guarantors of the safety of the ruthless Sandinista regime and protect them from their own people. The U.S. Congress would become the enforcer of the Brezhnev doctrine.

The Sandinistas' efforts to establish totalitarian control over Nicaraguan society has generated widespread indigenous opposition and support for the democratic opposition. The Sandinistas have tried to crush that opposition, but thus far have not succeeded.

But some would have us help the Sandinistas by encouraging the democratic resistance to give up their struggle for freedom, to leave Nicaragua.

This amendment says to the hungry, tired freedom fighter:

> Do you want some food, a shirt, a clean bandage for your wound? Good. All you have to do is stop fighting for the homeland that you love, the freedom that you believe in, abandon your country to the PLO, the Bulgarians, the East Germans, the Cubans, the Soviets and the Sandinista Communists.

Well, this is not the bold policy of a free people. This is the Carter-Vance policy of an abandoned administration which lacked the strength or the will to stand by its friends and to support the principles in which it professed to believe.

We say America stands for freedom and justice in Nicaragua, but if we adopt this amendment it is clear we really do not mean it, and that is wrong. I believe the American people see that as wrong.

The American people still believe that human freedom and democracy are fundamental values which our U.S. foreign policy should and must support. And the only effective way to support freedom or democracy in Nicaragua is to support the resistance, keeping the pressure on the Sandinistas to move Nicaragua away from the Marxist-Leninist totalitarianism and toward democracy.

The Hamilton amendment says again that Americans cannot be trusted to side with democracy if it is under fire.

Vote for the freedom fighters, not for slavery. Vote no on this amendment.

Mr. HAMILTON. Mr. Chairman, I yield 4 minutes to the gentleman from California [Mr. PANETTA].

Mr. PANETTA. Mr. Chairman, I think the biggest problem we have today with regard to Central America and our policy in Central America is trying to define exactly what our policy is in Central America, and today's debate is no different. I think when we wind up today's efforts what we will have determined is that we have adopted an ambivalent amendment that supports an ambivalent policy in a very ambivalent part of the world.

I have listened all day to the debate. Very frankly, it varies a great deal upon the interpretation of the various Members. So I guess to some extent it helps Members in this body be ambivalent about exactly what we did with regard to Central America. Some have said that it represents war. Others say that it represents peace. Some say it represents humanitarian aid. Others say it represents military aid. And it is in line with the ambivalence of the policies of the administration which one day supports the overthrow of the Government, the next day do not support the overthrow of the Government; one day say we can deal with the Sandinistas, the next day say that we cannot deal with them; one day say that we can talk to the Sandinistas, and the next day say that that is impossible.

I think it is reflected in the Michel amendment. The Michel amendment basically tries to provide under the guise of humanitarian aid assistance to rebel forces. What policy does that represent?

If the purpose of this amendment is to in effect overthrow the Sandinista government or to force change within the Sandinista government, it is not going to do it. We all know it is not going to do it. If $70 million to $100 million of direct military aid over the last 4 years has not done that, then surely $27 million of so-called humanitarian aid is not going to result in any difference or any change.

So the amendment does not implement that particular policy.

If the purpose, on the other hand, is to find a negotiated settlement through the Contadora effort, it is not going to do that either. There is no commitment here to work through the Contadora effort; it basically breeds confusion with regard to our allies and to other nations in Latin and Central America.

There has been a great deal of tough talk today on the floor of the House. I think it is time for some straight talk. If in fact our policy is to be one of overthrowing the Government in Nicaragua, then ought we not to be debating direct military aid or direct military involvement rather than humanitarian aid that provides logistical support to these forces? Is not that a more honest way to debate that particular approach?

[CRS-447]

But if in effect what we seek to do is to pursue a regional peace effort to try to keep out all outside forces with regards to Central America, then the Hamilton amendment is the only honest approach that lays out that kind of policy.

Humanitarian aid here under the Hamilton amendment is legitimate humanitarian aid in that it is provided to all refugees and provided through the Red Cross. It also extends the Boland amendment which makes clear that we will not provide military aid under the guise of humanitarian aid, and it sets out specific policies with regards to diplomatic efforts and our security interests. It is a much more honest approach to what our policy should be in Central America.

Today we make one of the most important foreign policy votes in this session of the Congress. I hope that we can end this day not in fear of what will now happen, but in hope that the path of peace can be found.

Mr. STUMP. Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. LAGOMARSINO].

Mr. LAGOMARSINO. Mr. Chairman, a lot has been said here this afternoon about President Jose Napoleon Duarte of El Salvador. Many of us met with him privately. We know how he feels, and what he says privately about the situation in Nicaragua. Here is what he said publicly to his own National Assembly on June 1:

> On repeated occasions we have denounced that Nicaragua is the haven for Salvadoran subversion. Extremist leftist groups are trained there. Logistic aid for the Salvadoran guerrillas is coming from Nicaragua. Nicaragua is the center of the operation where terrorist actions against El Salvador are planned, decided and ordered. Nicaragua is a cancer in Central America.

Also, we have heard a lot about Commandante Ortega's trip to the Soviet Union. There have been many trips to the Soviet Union. Hear what Adriana Guillen, a former Sandinista official, said about the first trip in 1980, May 1980:

> "Moises Hassan, Henry Ruiz and Carlos Coronel traveled to Moscow and signed a treaty between the FSLN and the Russian Communist party. At this time, the Soviets designated a Bulgarian mission as the intermediary between Moscow and Managua. Nevertheless, the FSLN would only obtain assistance under the condition that it would push forward the plans of the Bulgarian team. While this happened, the Russians would give the FSLN 80 percent military help and 20 percent economic help. The Sandinista front committed itself to spreading Soviet influence over the Central American region. Once accomplished, the help from Moscow would be 20 percent military and 80 percent economic.

Mr. HAMILTON. Mr. Chairman, I yield 2 minutes to the gentleman from Ohio [Mr. SEIBERLING].

Mr. SEIBERLING. Mr. Chairman, I have watched this debate and watched the vote more in sorrow than in anger.

This is where I came into this body 15 years ago. I feel like I've been watching an old movie, but in reverse. Then we were debating whether to pull out of the Vietnam war. It took 3 more years and thousands of casualties before we came to that decision.

The arguments that were made at that time were: "We can't pull out because we can't let our troops down and we have to show our resolve."

Now, what is going to happen here? We are going to send supplies first to the Contras. Then when they do not succeed, we are going to supply weapons. Then when the Soviets give additional weapons to the Sandinistas, the cry will go up, "We can't permit this to happen. We can't let the Contras down." So eventually you are going to have to send in the Marines.

Let us not kid ourselves. That is the end of the road that the socalled Michel amendment will take us down.

By contrast, the Hamilton amendment states a rational policy, not impossible conditions for the Sandinistas to meet, but reasonable, rational policy and a rational prospect of succeeding through diplomacy, not force.

I would hope, therefore, that my Democratic colleagues would reconsider. Do not let the warhawks start to take over our side of the aisle, at least, as they seem to have taken over on the other side of the aisle.

I hope all my colleagues will think long and hard before they allow themselves to start a process going which may well turn out to be irreversible until after there has been an immense tragedy not only for the people of Nicaragua, but for the American people and their sons.

I yield back the balance of my time.

Mr. STUMP. Mr. Chairman, I yield 4 minutes to the gentleman from New Jersey [Mr. COURTER].

Mr. COURTER. Mr. Chairman, I thank the gentleman for yielding me this time.

The House is I think pretty much united on their opinion of the Nicaraguan regime. They do not think very much about it. They all agree that the election process there was unfair. They recognized the fact that there has been suppression of human rights, repression of political parties, the lack of freedom of religion, labor unions, freedom of the press. They recognize that there has been a number of terrorist activities, a military buildup far in excess of what they actually need.

But we are divided on our strategy as to what we do about it. Some hold that we should abandon the freedom fighters, abandon the Contras, and if we do that we will show our good intentions, our willingness to negotiate ourselves, and what would be the best policy. Others argue that the support of the Contras is the only way, the only way to hold the Sanidinistas back from even more repressive activities, and it is the only factor that gives them the incentive to negotiate. Which view of these two is correct?

The answer really depends on the nature of the Sandinista regime. Their likelihood of entering talks depends on their view of the world, and their own ideology. Let us look at their ideology.

Within the first year of their revolution, the United States gave them lots of aid, the United States gave them 100,000 tons of wheat, we offered to give them Peace Corps volunteers. Did they say yes to the Peace Corps? They said no, they wanted Cuban teachers. The reason they wanted Cuban teachers was because Cuban teachers teach Communist ideology.

They joined with the Soviet Union in a communique condemning world opinion about the Soviet invasion of Afghanistan. The Sandinista national anthem says, "We shall fight the yankee, the enemy of humanity."

In 1981 Defense Minister Umberto Ortega said "We are guided by the scientific doctrine of revolution, by Marxism-Leninism."

They have increased their defense forces to 50,000 troops.

The story goes on. Daniel Ortega visits Moscow. A Nicaraguan official not long ago visiting the Soviet Union said the U.S.S.R.'s success in building communism will remain an inspiring example for the Nicaraguan people themselves.

The Sandinistas believe they should be taken very seriously. They believe in the doctrine of communism and of Marxism-Leninism. Since they hold these principles very dear, we have to decide what will motivate them.

History shows there is no evidence of a Communist revolution ever being reversed because of the good intentions of democracies or because democracies are willing to abandon those who are fighting for freedom. If the House agrees to vote in favor of Barnes-Hamilton we will agree to help those individuals that are suffering outside of Nicaragua, but not those people that are suffering inside Nicaragua. We will be moving from the policy of containment to the policy of abandonment.

The Barnes-Hamilton approach would have merit if there was a shred of evidence in history or in the Nicaraguan revolution itself that abandonment of freedom fighters would lead to a negotiated transition to democracy. But there is simply no such evidence.

The Sandinistas have rejected calls for an internal dialog when they have come from Members of Congress, when they have come from the Nicaraguan Catholic bishops, when they have come from the freedom fighters themselves. The only way to get them to take the idea very seriously of a negotiated move and transition toward democracy is to show that the friends of freedom inside Nicaragua are backed by friends of freedom outside of Nicaragua.

[CRS-448]

Please vote no on Barnes-Hamilton.

Mr. HAMILTON. Mr. Chairman, may I inquire of the Chair how much time I have remaining?

The CHAIRMAN. The gentleman from Indiana [Mr. HAMILTON] has 12 minutes remaining, and the gentleman from Arizona [Mr. STUMP] has 35½ minutes remaining.

Mr. HAMILTON. Mr. Chairman, I yield 2 minutes to the gentleman from New York [Mr. WEISS].

Mr. WEISS. Mr. Chairman, the sober and compelling argument made by the gentleman from Indiana [Mr. HAMILTON] spelled out the case magnificently for adopting a policy which keeps us on the path of negotiation and diplomacy and peace.

To listen to some of the speeches on the other side of the aisle, and some also on the Democratic side, you can almost smell the gunpowder, you can almost sense that they are beginning to pack their uniforms and are ready for combat. I hope that they are in fact thinking of their own participation because the American people certainly will not likely excuse their sons and brothers and fathers being sent off to fight in Central America while Members of this body cheer them on from the safety of this body.

This Nation has had a noble history. Born in revolution, we have played a noble role on the world stage for the most part. Every once in a while, though, we do something which causes us to look back on it, with a sense of embarrassment and sense of shame. It has happened most often when willful leaders misused their power and ignored the best interests of the American people and dragged us into conceived international adventures.

We are on the verge of undertaking such a shameful adventure at this point. And do not tell me about what Ronald Reagan has promised in his most recent letter about how he does not want to get us militarily involved in the overthrow of the Government of Nicaragua. A President who in imposing his embargo against Nicaragua, that states that it presents an unusual and extraordinary threat to the national security of the United States, is capable of dragging us into war as well.

The Hamilton amendment may be our last chance of averting that war.

Mr. STUMP. Mr. Chairman, I yield 2 minutes to the gentleman from Ohio, [Mr. DEWINE].

Mr. DEWINE. Mr. Chairman, I think it might be good at this point in the debate to look at what our goals are, to step back for a moment and analyze it. Is not what we want really very simple? Do we not want the Sandinistas to live up to what they promised their people in their own revolution, and do we not also want them to give up the idea of exporting this revolution?

Our goals are really very simple.

Now the question is how do we achieve these goals. Let us look and examine for a moment the Hamilton amendment and see if that amendment will accomplish our goals.

What in the Hamilton amendment will accomplish these goals? What will put pressure on the Sandinistas?

The sad answer, I am afraid, is that there is nothing in there that will do that. It really is no policy at all.

Where does the "humanitarian aid to the refugees" referred to in the Hamilton amendment actually go? It goes outside of Nicaragua. It goes to those who have already left Nicaragua.

Now, these refugees may need the aid. This proposal may have merit on its own. But it does nothing to achieve the goals that we are debating today.

Another part of the Hamilton amendment provides for an expedited procedure for any requests made by the President after October 1. Again, what does that accomplish? All it says is we are going to debate this later, at a different time.

The Hamilton amendment also puts back in the Boland amendment which this House just voted not to put into this particular bill.

But the main thing it does is to gut the Michel amendment. The Michel amendment presents a viable and legitimate policy, which does put pressure on the Sandinistas.

The conclusion I come to is that the Michel amendment is logical; it is in fact a true policy. It has a reasonable chance of success. The Hamilton amendment, unfortunately, represents no policy at all. It is a conscious decision to do nothing. The term "benign neglect" comes to mind. I do not know whether it is benign or not, but unfortunately it certainly would be neglect.

□ 1840

And it would be turning our back on that region of the world and would be basically saying we have no policy at all.

Mr. STUMP. Mr. Chairman, I yield 2 minutes to the gentleman from Louisiana [Mr. Breaux].

Mr. BREAUX. Mr. Chairman, the world is watching closely the action we take today in this body. The world is watching to see whether the allies and friends of America around the world can count on us for help when they need help. The world is watching and waiting to see whether the United States can be counted on to exercise a practical and realistic foreign and defense policy or whether we will react with nothing more than the empty rhetoric of isolationism. In my opinion the course for us is very clear.

Americans do not want our country perceived as unable or unwilling to protect and defend America's legitimate interests abroad.

It was a Democratic President, Woodrow Wilson, who took courageous steps of sending U.S. forces to fight tyranny and recognized that America cannot be an ostrich with its head in the sand.

It was a Democratic President, Franklin Roosevelt, who broke isolationist sentiment in America to stop fascism when it was close to victory. It was a Democrat President, Harry Truman, who combined U.S. and U.N. forces to fight Communist aggression in Korea and rebuilt war-torn Europe through the Marshall plan, checked Soviet actions in Iran, aided Greece and Turkey under the Truman doctrine, and defeated the Soviet blockade of Berlin and created NATO in 1949.

It was President John Kennedy who blockaded Cuba and indicated his willingness to commit U.S. military power to keep West Berlin free, and yet it was JFK who negotiated the first major arms control agreement. He said in his inaugural address, "We shall pay any price, bear any burden, meet any hardship, support any friend, oppose any foe, to assure the survival of liberty."

That should be the policy of Democrats today; that should be America's policy today.

Mr. Chairman, I urge support for the Michel amendment without any of the amendments weakening it.

Mr. STUMP. Mr. Chairman, I yield 3 minutes to the gentleman from California [Mr. Lewis].

Mr. LEWIS of California. Mr. Chairman, let me say to my colleagues that I have copy here, a reprint of what now is a famous or infamous commandante letter which was signed by a number of our colleagues and sent to Comandante Daniel Ortega and some of his friends. From it I would like to quote.

> Dear Comandante. We want to commend you and the members of your government for taking steps to open up the political process in your country. We support your decision to schedule elections this year, to reduce press censorship and to allow a greater freedom of assembly for political parties.

Mr. Chairman, it has been noted that many of my colleagues have rethought their position on aid to the Contras over the past 7 weeks.

Daniel Ortega, the Communist President of Nicaragua, took a trip to Russia—the day after our last vote on Nicaragua—and many of us began to think again.

It was not the trip that caused the thought. It was the fact that that trip resulted in a Soviet commitment of $200 million in military and economic aid to assist in the consolidation of a Communist dictatorship in Nicaragua.

[CRS-449]

Many began to think again because history so clearly teaches us that the Russians do not give aid for light purpose. The cynical and sinister leaders of the Kremlin know what they are about.

Two hundred million dollars for a tiny country in Central America—for what? Well my friends, let's make it clear, the Soviets reserve aid in such large amounts for only their most important, and loyal, "vassal states" * * * Vietnam, members of the Warsaw pact, and Cuba—and yes, now Nicaragua.

Review with me for a moment some of the history of this debate in the House. In the spring of 1980, the House was deeply divided over the question of whether or not the ruling junta of Nicaragua was moving toward a marxist dictatorship.

One of our former colleagues, now a member of the other body, rose to inform the House of two new members of the Sandinista junta: Rafael Rivas and Arturo Cruz. In doing so he added: "I am hopeful that recent actions in Nicaragua, with the appointment of these two members are sufficient to give lie to those views that say only the marxists are in control in Nicaragua, that it is hopeless down there, and that all hope for Democratic institutions is lost."

It is interesting to note that neither one of these great Nicaraguan Democrats is still with the Sandinistas. In fact, Arturo Cruz is now one of the most influential leaders in the Contra movement. It is hard to understand how these men were the saving grace of the Sandinista junta in 1980, but are now bandits seeking to destroy any possibility for democracy in Nicaragua.

Why have so many others who fought side by side with the commandantes to overthrow Somoza—now joined the cause of the Contras?

Why Cruz? Why Pastora? Why Chamorra?

Because the Contras have refused to let the revolution against oppression in Nicaragua that overthrew Somoza die under the hand of Sandinista Communist rule, that's why.

The freedom fighters are not under the illusion that they can gain a military victory. The Contras are attempting to maintain a level of pressure on the Sandinistas, pressure that provides our only hope to help freedom survive. Pressure and time to allow the hope for liberty throughout Central America to grow.

We have only two choices: To commit ourselves to the forces of democracy throughout Central America—or—to turn our backs upon the freedom fighters and thus give our blessing to a Cuba-like Communist state in our hemisphere.

Mr. Chairman, I yield back the balance of my time.

Mr. STUMP. Mr. Chairman, I yield 2 minutes to the gentleman from Louisiana [Mr. Tauzin].

Mr. TAUZIN. Mr. Chairman, the Brezhnev doctrine says it all: Once in the Soviet bloc, always in; once a part of the Soviet Marxist-Leninist society, there is no exit, no choice to return to democracy.

If you do not believe that, witness Hungary, Czechoslovakia, Poland, and lately Afghanistan. Once, through hook or crook, using if necessary the facade of Western democratic pluralisms, the Soviet puppet dictatorship is established, the new satellite state is then heavily militarized and then locked firmly into the Soviet system.

As we debate this issue, a debate, by the way, which could not occur in a Communist totalitarian state, Nicaragua slips ever more surely into that permanent grip of the Soviet Communist imperialism just as surely as Daniel Ortega embraces the Russian bear.

In all of world history there never has been such an empire as the Soviet empire, one which must lock its own people in behind Berlin Walls by force of arms whenever any dare to rise, as Solidarity tried, in opposition to the puppet state. And it is because its own people must try to leave that the Soviet empire must bring under its dominion all places to which its own people would flee.

Jean Francois Revel, author of the book "How Democracies Perish" said it precisely when he wrote, "So long as there is a single rock upon which socialism does not thrive, there will be boat people." That is, people fleeing communism trying to find freedom.

The Communist Sandinistas are determined to make of Nicaragua another safe place for the Soviet system, another place where free people can no longer flee. And unlike the Central and South American dictators who come and who go, the Sandinista dictators mean to lock Nicaragua permanently under the Brezhnev doctrine just like Poland, Hungary, and Czechoslovakia.

Can we refuse to aid those who would, in their own country, resist them?

Our choice today is really a profound one. Someone asked, "Where is Nicaragua?" Well, Nicaragua is right here in our backyard, in the backyard of democracy which ought to be free.

Mr. STUMP. Mr. Chairman, I yield 1 minute to the gentleman from California [Mr. ZSCHAU].

Mr. ZSCHAU. Mr. Chairman, on April 24, 1985, I voted for a resolution similar to this amendment offered by my good friend from Indiana, Mr. HAMILTON. Today I will vote against the Hamilton amendment.

In April I said in the well, "The Barnes/Hamilton resolution is not perfect, but I support it because I believe it can provide a basis for a new policy toward Nicaragua which would attract bipartisan support."

It has. Much of the concept of the McDade amendment, which passed today, came from the Barnes/Hamilton resolution. Its support for the Contadora process, resumption of bilateral negotiations between Nicaragua and the United States, and internal dialog within Nicaragua were called for by the Barnes/Hamilton resolution last April. Frequent reports on progress or lack of progress toward peace, including investigation of alleged human rights violations, were suggested by the Barnes/Hamilton resolution and incorporated in the McDade amendment. McDade's incentives for the Sandinistas to be forthcoming, including the suspension of military maneuvers and the trade embargo or some other positive actions by the United States if progress is made in the negotiations, were suggested by the Barnes/Hamilton resolution. Finally, McDade's provision for expedited consideration of appropriate measures if the parties to the conflict are not willing to negotiate seriously was originally proposed by the Barnes/Hamilton resolution last April.

Building on the policy concepts of the Barnes/Hamilton resolution, the McDade amendment did attract bipartisan support and with that broad support it does provide a basis for a sustainable, effective policy toward Nicaragua and Central America. I believe it improves on Barnes/Hamilton resolution by permitting the humanitarian assistance to be provided directly to opposition groups within Nicaragua rather than limiting it to refugees outside the country. Also, it specifically permits information exchange between the United States and the opposition groups that under some interpretations would have been prohibited by the language of the Barnes/Hamilton resolution last April. However, in keeping with at least the spirit of the Barnes/Hamilton resolution, the McDade amendment does not provide assistance to opposition groups for the purpose of supporting combat—the author, Mr. McDADE, specifically emphasized that on the House floor earlier today—nor may any of the assistance be provided through the CIA or the DOD.

The Barnes/Hamilton resolution played a very important role last April. It got many of us here in the House and in the administration to think about our policy toward Nicaragua in broader terms and to make the emphasis of that policy a negotiated settlement in the region and in Nicaragua rather than a purely military approach.

But today is a new day. Today the Hamilton amendment is no longer needed. It has done its job. Accordingly, it should be discarded. But we in the House should recognize and thank our colleagues Mr. BARNES and Mr.

[CRS-450]

HAMILTON for providing at a critical time the intellectual underpinnings of what promises to be a new and more effective policy toward Nicaragua and Central America.

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Mr. STUMP. Mr. Chairman, I yield 2 minutes to the gentleman from Indiana [Mr. BURTON].

Mr. BURTON of Indiana. Mr. Chairman, you know, listening to the debate from the liberal Members on this side of the aisle brings to mind the Republican National Convention, and at that convention, Democrat Jeane Kirkpatrick, the U.N. Ambassador, said that the liberal Democrats continue to blame America first, and that is all I have heard today on this amendment.

"We are responsible for the Cubans being in Nicaragua." Blame America first. "We are responsible for the PLO terrorists being in Nicaragua." Blame America first. We are responsible for the Bulgarian terrorists and all the rest; the Red Brigade from Italy being down there. Blame America first.

I do not think that is going to sell with the American people. It did not in the last election and it is not going to sell today.

Mr. Hamilton indicated that President Duarte of El Salvador said he would accept the Communist Sandinistas on his border if they would stay within their own borders, but I am here to tell you they are not staying within their own borders.

When I was in Chalatenango Province in El Salvador, I saw Communist weapons that did not grow out of the ground; they had to come through either Nicaragua or Cuba, and the ammunition I saw could be traced directly back to the revolution which overthrew Somoza, which came from Argentina and was sold to the Sandinistas in Nicaragua. It was Nicaraguan ammunition; there was no question about it.

Mr. Hamilton said he did not understand what President Reagan's goals were. President Reagan has said time and again that he wants the Sandinistas to live up to the commitments they made to the Organization of American States in 1979. That is, free elections, freedom of the press, freedom of religion; none of which exist today. That is what President Reagan wants, and that is why he is putting pressure on the Communist Sandinista government, and that is why he wants this humanitarian aid for the Contras.

You know, I get the impression that our colleagues on the other side of the aisle feel like we should cower in a corner while the Communists march on around this world, taking country after country.

If we do that, we are going to ultimately lose our freedom as well. We cannot stand back and let the Communists move on and on and on; there has to be a line drawn somewhere; we must support our allies in Central America.

If we do not do that we jeopardize our future as well.

Mr. STUMP. Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. DORNAN].

Mr. DORNAN of California. Mr. Chairman, I will insert my prepared remarks at this point, because I see that the distinguished majority leader is on the floor, and I wish to make a personal appeal to him.

Mr. Chairman, I rise on behalf of the Michel-McDade effort and against all of the Neville Chamberlain delaying tactics. I firmly believe that we must do the right, reasonable, and responsible thing here today, and if we do not, we will find our responsibilities incredibly more onerous later on. June 12 will live in infamy if we fail with Michel.

We must provide assistance to the Nicaraguan freedom fighters because it simply is the right thing to do. The men, women, and even children who have taken to arms against the Sandinista regime have not done so because they are in the pay of the United States—if they were they would find us an inconstant employer—but because they are attempting to reclaim a stolen revolution, a purloined promise of freedom, which was taken from them by Danny Ortega and his henchmen. The President likened the freedom fighters to the Founding Fathers, and has been ridiculed for saying so. But for those of you who recall some of the reasoning behind our Declaration of Independence, I point out that the rights of the Americans in 18th century North America were considered to be rooted in God-given human rights more than in the British Constitution, as wonderful as that institution was and is. When Britain failed to recognize the rights of the North Americans, our forefathers enforced those rights by rising up against injustice and tyranny. Since the false Sandinista regime has betrayed the noble ideals of freedom which they said they wore as a badge of belief and commitment when they took power. Yes, those people who want freedom are entitled to seek it. I commend them because they didn't vote just with their feet and trek north to the United States—many have, but not the brave men, women, and teenagers who joined the Contras—but with their lives in direct struggle against the betrayers of their revolution. They are enforcing their own right to democracy, which right has been denied them by the morally corrupt and avowedly Communist Ortega government. Given our own national, historical commitment to freedom and democracy, this country can do no other in this connection than support the valiant fighters for Nicaraguan freedom.

It is only reasonable for us to take the necessary steps to see to it that freedom's forces in Nicaragua are not left to the poverty of political neglect by freedom's greatest champion—the United States. Not only because it is in our moral interest to stand with democratic forces, but because it is in our national interest. John F. Kennedy, whom every one of us here recognizes as a great champion of freedom, brought this country to the brink of war over the Soviet missiles which were going into Cuba. We have tolerated a Communist government in Cuba, with what I consider a pathetically weak modus vivendi, but we could not tolerate a loaded gun pointed at the heart of this country from 90 miles off shore.

It is reasonable for us to help democracy's champions in Nicaragua because if we don't, we'll have a Communist dictatorship linked directly to Cuba and to Moscow not 90 miles offshore, but on shore. From Nicaragua missiles won't be necessary. Nicaraguan/Cuban/Soviet elements will foment discord and revolution throughout Central America and into Mexico.

Massive waves of frightened Central Americans will head for safety any where they can—most into the United States. And, just as legitimate Korean refugees fled south when Korea was partitioned after the Second World War, and bona fide North Vietnamese refugees headed by boat and foot across the 17th parallel after the 1956 settlements, in both cases only to include Communist agents bent on long range treachery, we will have enemy agents among those who pour across our southern border. Why permit this to happen? Why allow an expansionist, ideologically driven, hostile government to get geared up for its long-term offensive at the expense of the United States and our other neighbors? Why not allow those who want to settle the problem and who have the greatest and most legitimate interest in the problem to settle it?

There are those who might accept that we have a legitimate moral concern in helping the freedom fighters in Nicaragua but fear American involvement. They will remember Vietnam, and will invoke its debilitating and enervating ghost, and turn their backs in resignation as freedom dies in Nicaragua. I say to such fears, you have it backward. If we don't provide a balance to the guns and equipment provided the Government of Nicaragua by the Communist Cubans and Communist Soviets, freedom will die and tryanny will not only win, it will be encouraged in its long-term expansionist goals. If we don't pick up the slack in the rope now, we'll find it around our necks later.

Finally, it is responsible for us to take this action. For the first time since we permitted South Vietnam to fall before a massive North Vietnamese invasion, we are restoring this country's credibility in the eyes of our allies and the noncommitted smaller nations of the world. If we don't take steps to help stabilize Central America under reasonably friendly, democratic governments, we will find ourselves sneered at as unable to manage affairs in our own front yard. We have started to turn back the Soviet expansion of influence by a quick surgical stroke in Grenada. We have heartened our friends and confounded our enemies by that action. We have a chance now in Nicaragua, with no American men involved, to continue the rollback of Soviet/Cuban domination at least in this hemisphere. For us to permit a suspended priest to establish a tin-pot dictatorship on the backs of his people, to consign them to serfdom of a far worse sort than the Americas have ever seen before, because it is a slavery of the mind and of the spirit, is to deny the importance of this issue to hemispheric if not world peace and freedom. Not only is freedom indivisible, world order is also indivisible. We cannot have turmoil and local imperialism on the North American Continent without involving the world, because the Soviets always fish in troubled waters.

[CRS-451]

I want to note here that while I am determined to press for assistance to Nicaragua's freedom fighters, I also am willing to see those elements talk with the Ortega nomenklatura about a government of reconciliation in Nicaragua, as long as those talks are in full faith and credit. Otherwise, I see no reason why such conversations should occur. In any event, nothing is likely to happen unless the freedom forces in Nicaragua are a force to be reckoned with by the Communists, and this of course depends on their receiving assistance that is sufficient and steady.

Right, reason, and responsibility all call on us to take the steps necessary to bring democracy to Nicaragua through the instrument of the Nicaraguans themselves. I call on my colleagues to act in accordance, and to place this great country on the side of freedom and human rights in Nicaragua.

Mr. Chairman I submit for the historical record an analysis of today's declaration of unity in El Salvador by all the various Nicaraguan freedom fighter groups.

I also wish to submit for the RECORD, again, for purposes of jogging a few memories, the questionable "Dear Comandante Ortega" letter.

DECLARATION OF THE UNITED NICARAGUA OPPOSITION

SUMMARY

Since the Sandinistas rejected the opposition's March 1 call for a dialogue, the opposition has now decided to unify and declare their unalterable decision to continue fighting against the Sandinistas, although they will always give priority to a political solution. Major opposition figures announced at 11:00 EST in San Salvador that they are forming a United Nicaraguan Opposition (UNO). They also announced their negotiating position, including a proposal for an interim government, for elections within a year to establish a democracy and for national reconciliation and reconstruction.

PARTICIPANTS

Mr. Arturo Cruz, Mr. Adolfo Calero, and Mr. Alphonson Robelo represented the CDN (non-military political opposition), the FDN and the ARDE. Several other opposition figures also participated. Pastora, representing the FRS, was invited to attend but declined. MISURA and MISURA/SATA leaders are meeting to select a single spokesman who will represent both groups, and they will probably join the UNO later this week.

NATIONAL RECONCILIATION

Total amnesty and pardon for all political prisoners, strengthening of the judicial process and elimination of special tribunals, elimination of capital punishment, demilitarization of society and redress for arbitrary and unjust acts.

DEMOCRATIC FOUNDATIONS

Establishment of a constitution and rule by law, primacy of civilian authorities, election with participation by all sides, ethnic minority rights and independence of all branches of governments. Interim government in which all sectors of society would participate, which would last not more than a year; as the Contras previously offered, it could be headed by Daniel Ortega, with the manner of participation by other parties a subject of negotiation. National assembly elections within a year. Supervision of both the interim government and the elections by other inter-American entities.

BASIS FOR NATIONAL RECONCILIATION

A new social pact, including the responsibility and participation of all sectors of society. Peasant and worker rights essential to peace. Centralism abolished, private enterprise operates wherever desirable and possible, and government to be limited to what is absolutely necessary.

SIGNIFICANCE

This marks the first time that the anti-communist resistance in any country of the world has been unified. The decision by Mr. Robelo, the founder and head of ARDE, to join the FDN indicates that he no longer feels the FDN is dominated by former National Guardsmen.

HOUSE OF REPRESENTATIVES,
OFFICE OF THE MAJORITY LEADER,
Washington, DC, March 20, 1984.

Commandante DANIEL ORTEGA,
Coordinator de la Junta de Gobierno, Casa de Gobierno, Managua, Nicaragua.

DEAR COMMANDANTE: We address this letter to you in a spirit of hopefulness and good will.

As Members of the U.S. House of Representatives, we regret the fact that better relations do not exist between the United States and your country. We have been, and remain, opposed to U.S. support for military action directed against the people or government of Nicaragua.

We want to commend you and the members of your government for taking steps to open up the political process in your country. The Nicaraguan people have not had the opportunity to participate in a genuinely free election for over 50 years. We support your decision to schedule elections this year, to reduce press censorship and to allow greater freedom of assembly for political parties. Finally, we recognize that you have taken these steps in the midst of ongoing military hostillities on the borders of Nicaragua.

We write with the hope that the initial steps you have taken will be followed by others designed to guarantee a fully open and democratic electoral process. We note that some who have become exiles from Nicaragua have expressed a willingness to return to participate in the elections. If assurances are provided that their security will be protected, and their political rights recognized. Among these exiles are some who have taken up arms against your government, and who have stated their willingness to lay down these arms to participate in a truly democratic process.

If this were to occur, the prospects for peace and stability throughout Central America would be dramatically enhanced. Those responsibilities for supporting violence against your government, and for obstructing serious negotiations for broad political participation in El Salvador would have far greater difficulty winning support for their policies than they do today.

We believe that you have it in your power to establish an example for Central America that can be of enormous historical importance. For this to occur, you have only to lend real force and meaning to concepts your leadership has already endorsed concerning the rules by which political parties may compete openly and equitably for political power.

A decision on your part to provide these reasonable assurances and conduct truly free and open elections would significantly improve the prospect of better relations between our two countries and significantly strengthen the hands of those in our country who desire better relations based upon true equality, self-determination and mutual good will.

We reaffirm to you our continuing respect and friendship for the Nicaraguan people, and pledge our willingness to discuss these or other matters of concern with you or officials of your government at any time.

Very sincerely yours,

Jim Wright, Michael D. Barnes, Bill Alexander, Matthew F. McHugh, Robert G. Torricelli, Edward P. Boland, Stephen J. Solarz, David R. Obey, Robert Garcia, Lee H. Hamilton.

Mr. Chairman, this century has not any more gifted orators in this House than the distinguished majority leader. He has a golden throat that is augmented by years of scholarship and quite often, he has spoken out as have most of the Members on the other side of the aisle in the name of freedom in many parts of the world. And when Mr. WRIGHT speaks out for freedom, it is a joy to listen.

Why is the southern tip of our own continent, Mr. WRIGHT, not as worthy of freedom as Afghanistan?

This "Dear Commandante" letter of March 20, 1984, I do not hold up in derision; it was a sincere effort, at peace, I guess, as many of us have extended advice to every corner of the globe. The letter was an appeal to people not to betray their best instincts or their revolution. I think, however, you should have exercised a little restraint in your signoff by taking the "very" off the "very sincerely yours," but nevermind—let's look at your words in this letter of only 1 year, 2 months, and 23 days ago.

When you wrote that the commandantes took steps "to reduce press censorship," it got thrown in your face within months with now daily press censorship. When the part that Mr.

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LEWIS read a few minutes ago about "allowing greater freedom for assembly of political parties," just look at that premature compliment.

Most private sector people that I have met with in Nicaragua now live in constant fear that soon every last vestige of freedom will be taken away by an increasingly pervasive police state.

Then, Mr. WRIGHT, "you went on to write that you have taken these steps (the commandantes) in the midst of ongoing military hostilities on the borders of Nicaragua." Unfortunately, there was a hint there that we, U.S. Americans, were the bad guys supporting those military hostilities. Not too kosher, Mr. WRIGHT. They are the bad guys. And the freedom fighters that we helped to launch are not just on the borders.

They make deep forays into the country from both the south and the north. Sometimes into the provinces adjoining Managua. And they do it with the support of the people—the compasinos.

I hope that if you achieve the goal you seek, Mr. WRIGHT, the speakership of this body, the finest legislature of all the Parliaments in the world, and I believe, God willing and your vigorous health sustaining, that you will, that you never have found yourself in the position of our esteemed Speaker of the House a few weeks back, embarrassed by a little dictator in a designer jungle-green leisure suit.

We now find out from our Congressional Research Service that "Dear Commandante Danny Boy" has been to Moscow nine times. In March 1983, Ortega made a double trip, a side trip to India squeezed in between.

When a Member from Massachusetts [Mr. STUDDS] said that the new Prime Minister Rajiv Gandhi, who will be speaking to us tomorrow, also went to Moscow, and so what, he forgets that if it were not for that little British-designed Wakhan Strip in north Afghanistan, India would share a border with the U.S.S.R., and it was Mr. Gandhi's first trip. What is Ortega doing traveling to the Kremlin over and over in spite of your letters and votes of support.

Nine trips is a bit much, gentlemen. Shuck off your embarassment. Stand tall again. Vote for the freedom fighters and help us form a bipartisan foreign policy as in days of yore. A policy that stands up for liberty and not for the police state of these dictatorial commandantes in Managua. Vote down Hamilton-Barnes and let Michel-McDade win the day.

Mr. STUMP. Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. DANNEMEYER].

Mr. DANNEMEYER. Mr. Chairman, in 1924, while languishing in Landsberg Prison for participating in some abortive beerhall shenanigans, the future Chancellor of Germany wrote a treatise on how he saw the world. This interpretation of one man's view of a German "manifest destiny" if you will, was not really taken seriously until about a decade later, by which time many of the prophecies and proposals had occurred or were underway.

In the second volume of "Mein Kampf," Adolf Hitler wrote:

> Just as our forefathers did not get the land on which we are living today as a gift from Heaven, but had to conquer it by risking their lives, so no folkish grace but only the might of a triumphant sword will in the future assign us territory, and with it life for our nation.—(P. 949 of the Reynal & Hitchcock edition, 1941.)

There have been more profound statements uttered throughout history. There have been more belligerent and bellicose statements as well. Like much of his writings, speeches, and activities, this excerpt was more likely ridiculed and dismissed as either lunatic ravings or idle dreams. In 1924. By 1937, more attention was being paid but the European democracies were poised to concede and appease rather than take action to ensure against the manifestation of these rantings and dreams. By 1945, the world had learned a bitter and monumentally tragic lesson.

In 1980, Nicaragua's Interior Minister Tomas Borge boasted to Alberto Suhr, a Nicaraguan imprisoned for his anti-Sandinista sentiments, that there was no stopping the revolution:

> We have Nicaragua, soon we will have El Salvador, Guatemala, Honduras, Costa Rica, and Mexico. One day, tomorrow or five years or fifteen years from now, we're going to take 5 or 10 million Mexicans and they're going to have one thing in mind—cross the border, go into Dallas, go into El Paso, go into Houston, go into New Mexico, go into San Diego—and each one has imbedded in his mind the killing of ten Americans.—(Reported in Washington Times, March 27, 1985.)

How serious a claim is this? Does an Interior Minister speak for the Nicaraguan Government? He probably speaks for the Sandinista regime. Was the statement made in the heated exchange of an argument with a political opponent? Is it an example for use in future grammar books of excessive hyperbole?

I submit that this quote from the Interior Minister Borge is, like Hitler's from 1924, flamboyant rhetoric. That does not mean, however, that we should disregard the portent. Given the right set of circumstances at the right time, virtually anything can happen. In 1939, 80 million Germans set out to realize some of that "manifest destiny" which Hitler alluded to in his earlier writings. Today, in Latin America—from the Panama Canal to the Rio Grande—there are 100 million persons inhabiting a region seething with economic, social, and political unrest, where a volatile situation is just waiting for a fuse to ignite a catastrophe in our own hemisphere.

I implore my colleagues not to simply dismiss the rhetoric of this statement by Minister Borge, not to disregard the potential for violence which can creep slowly northward to our own borders, not to underestimate the fervency and ideological commitment of the Marxist revolutionaries in Nicaragua who, funded and prompted by Moscow and Havana, have in mind the eventual enslavement of all of Central America and the bringing of destruction to our back door. Finally, I urge my colleagues not to forget the lessons of history. We have done so too often already.

Mr. STUMP. Mr. Chairman, I yield one minute to the gentleman from Ohio [Mr. KASICH].

Mr. KASICH. Mr. Chairman, there was an interesting point made just a few minutes ago by Mr. DORNAN, and I heard it increasingly on the Democrat side of the aisle. As I think everybody recognizes, there is a debate brewing within the Democrat Party, as to whether the Democrat Party has left its constituency behind, and I speak of people like my parents who have been Democrats all of their lives and Mr. WRIGHT, I guess maybe you can say what has happened to that young man, but most people in my family are Democrats, and I can tell you that they are increasingly dissatisfied with the action of the Democrat Party on the issue of foreign policy.

Now, JACK MURTHA and DAN DANIELS, BILL NICHOLS and DAVE MCCURDY and some of those people are saying, "No, we want to pull that constituency back." And maybe it would be silly for a Republican to say this, because we are gaining what you are losing, when you lose those blue-collar, hard-working men and women out there who think that the Democrat Party has become too liberal and has a head-in-the-sand approach to foreign policy.

Now we had 73 Democrats join with us in support of the Michel amendment. We have 250 in the House, and I would like to think we can get a big vote here against Hamilton, in favor of Michel, and let us have a bipartisan foreign policy that brings America together.

☐ 1900

Mr. STUMP. Mr. Chairman, I yield 6 minutes to the gentleman from Illinois [Mr. HYDE].

Mr. HYDE. Mr. Chairman, the President of the United States, Jimmy Carter, on September 12, 1980, sent a certification to Congress, as required by law, withholding the funds for Nicaragua, the $75 million that we had appropriated, and I had voted for, because the legislation required that they not be involved in terrorism or violence and these conditions could not be met. And the President of the United States, on September 12, 1980, said this, in his certification:

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> The Sandinistas have made it clear that they have no intentions of fulfilling any requirements that the Congress of the United States has placed on the $75 million loan. Interior Minister Toman Borge said on September 5, "If they could buy us with $75 million or with $1 billion, we would stop being revolutionaries. We revolutionaries would rather starve if necessary before falling on our knees in the face of Yankee imperialism. Let them refuse once and for all to give us the $75 million. They think we are going to beg. How little do they know the Sandinistas."

Now, that was Jimmy Carter. I wish the lesson that he learned in September 1980 could somehow reach over across the years and permeate the leaders in the majority party.

Now, before we got to this debate, the newspaper quoted Mr. HAMILTON, my dear friend—and how I wish he were on our side—about this whole issue, and he said:

> The question today is whether we want to fund a war in Central America.

Now, we have heard that refrain again and again from many of the speakers from the other party.

I suggest to you the question is not whether we want to fund a war in Central America, but the question was better posed in a full-page ad that appeared in the June 2 New York Times, with the heading, "Democracy is the issue," and in this full page ad, it said:

> There are many issues in the present debate over U.S. policy toward Nicaragua, but the basic issue is this: will we stand beside the Nicaraguan democratic resistance in its struggle against totalitarianism? Or will we declare that this movement is a lost cause, and offer only to help its supporters adjust to lives as victims, refugees and exiles?

Now, that is the issue, ladies and gentlemen. And some of the people who signed this are: Hyman Bookbinder, Washington representative, American Jewish Committee; Zbigniew Brzezinski, former adviser to President Carter and Chairman of the National Security Council; C. Douglas Dillon, former Secretary of the Treasury in the Kennedy administration; William Doherty, Jr., executive director, American Institute for Free Labor Development, AFL-CIO; Frank Drozak, president, Seafarers International Union of North America; Angier Biddle Duke, former Chief of Protocol in the Kennedy administration, former Ambassador to El Salvador and Spain; Orville L. Freeman, former Secretary of Agriculture in the Kennedy and Johnson administrations; Samuel P. Huntington, director, the center for international affairs, Harvard University; John P. Joyce, president, International Union of Bricklayers; Charles Luken, mayor of Cincinnati, a Democrat; Martin Peretz, editor-in-chief of The New Republic; Albert Shanker, president, American Federation of Teachers, AFL-CIO; and on and on and on.

That is the issue. It is not whether we want a war. Nobody wants a war. But we want freedom. The opposition, the Communists pick the level of the conflict. You have to respond at that level or you lose. So stand with Mr. Carter, who knew what he was talking about 5 years ago, in September 1980.

Now, I have read Mr. BARNES in the newspaper refer to the Hamilton-Barnes amendment as the "new Monroe Doctrine." I ransacked my history books, to try to find what the heck the Monroe Doctrine means, because I always understood it was to keep foreign countries out of this hemisphere, whereas this amendment, the approach being used by the gentleman on the left, is to keep them into this hemisphere, exactly the opposite.

This amendment does positive harm. It ought to be called the Refugee Incentive Act of 1985, because it says to the Contras fighting for their own homeland, "Abandon your homeland and we will give you a bowl of rice, we will give you a blanket." It is time somebody asked: Just where do we stand in the ferocious struggle of our time between the two great alternative faiths, freedom or communism?

I have heard laughter and derision and slander about the Contras, that they are terrorists, they are butchers, they are rapists. You know, it is easy to demonize people that you oppose. We did it in World War II. The Germans were Huns, they were the Boche; the Japanese were Nips. The derogatory names go on and on. If you depersonalize people, then it is easy to attack them, it is easy to deprecate them. But the Contras are growing by 500 every month. There are 15,000 of them. There were only 6,000 in all of Somoza's National Guard. Half of them are in jail. So you are left with 3,000 of the National Guard and 15,000 Contras. You cannot call them all Somocistas. They are not all rapists. They are patriots, risking their lives against the government to fight for freedom.

Now, our charter of freedom, our Declaration of Independence, is worth reviewing a little bit. It says that governments are instituted among men and they derive their just powers from the consent of the governed. And it says when government becomes destructive of the ends of life, liberty, and happiness, they, the people, have a right to alter or abolish them. It goes farther than that. It says they have a duty to throw off such government. That is what the Contras are doing. I say stand with them, not to make refugees out of them as this legislation seeks to do.

Mr. HAMILTON. Mr. Chairman, I yield such time as he may consume to the gentleman from New Mexico [Mr. RICHARDSON].

● Mr. RICHARDSON. Mr. Chairman, it is my hope that the Barnes-Hamilton amendment is not repudiated by a strong negative vote. This House passed this provision last April, only to be nullified by a senseless vote after its passage. But today the votes are not there for this amendment. That is obvious.

Barnes-Hamilton stands for negotiations, for the Contadora process, and for demilitarization of the area. Let us not repudiate those noble goals today—I hope that this House does not have a recorded vote on this amendment.

Let us give the Michel amendment a chance, but an overwhelming recorded no vote on the Barnes-Hamilton amendment is the wrong signal to send.

I am among those who are willing to give the Michel approach a chance. Several months from now, however, the Barnes-Hamilton approach might be the best vehicle once again. Therefore, I hope that this body does not wipe out an amendment that today might be defeated not because of its own positive merits but because of a Sandinista leadership that by its recent actions does not appear to believe in peace, negotiations, nonalignment, and democratic pluralism.●

Mr. HAMILTON. Mr. Chairman, I yield 1 minute to the gentleman from Wisconsin [Mr. MOODY].

Mr. MOODY. Mr. Chairman, we are going down a fateful path with the Michel amendment, a path of formal U.S. support to a group dedicated to the overthrow of a legally constituted country in our hemisphere. This obviously leads to eventual military escalation but not successful military escalation, according to General Gorman, unless we eventually send in U.S. troops.

Here is my point: Unless that military approach does succeed, we will have paid for the buildup of a large client group, grown by then to probably 35,000 or 50,000, who will be dependent on us and who will try to leave their country at that point, very much like a similar client group did in Vietnam at the end of that terrible conflict. But Vietnam was very far away. Even so, thousands arrived at our shores. A similarly built-up client group in Nicaragua would disperse throughout the region and arrive at our borders in thousands.

I ask my colleagues to draw back from this fateful Michel approach today which would in effect be the Refugee Creation Act of 1985.

Mr. STUMP. Mr. Chairman, I yield 6 minutes to the gentleman from Louisiana [Mr. ROEMER].

Mr. ROEMER. Mr. Chairman, I thank my colleague and good friend, the gentleman from Arizona [Mr. STUMP] for yielding me the time.

First of all, let me join those who preceded me in the well to thank the gentleman from Indiana [Mr. HAMILTON], the gentleman from Maryland [Mr. BARNES], and others, for the work they have done consistently on behalf of this country in matters of foreign policy, in matters of national security and in matters of great importance to America. I do not believe that their amendment today precludes anything but praise on the part of what they have done in the past. I further agree with Mr. HAMILTON, a Member of Congress, by the way, for whom I have but the highest of regard, when he said, as he began this debate, that we do a service in America by debating the issues of foreign policy. I think the debate today has been a service, and we can thank LEE HAMILTON, in large part, for that.

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Obviously, everybody in the chamber knows that I cannot agree with Mr. HAMILTON'S approach today. While agreeing with this participation and the need for men like that to be involved today, I think we have an error. Today, if we were to adopt this particular approach, what we would be saying to our allies and our foes in Central America is that "you can count on the United States only for one thing, and that is if you quit your fight, if you stop your effort for freedom; if you become something other than a freedom fighter, then we give you our check, not too much money"—and I do not want to exaggerate it—"but you qualify only if you are a refugee."

Some, making fun of the amendment, call it the Amtrak amendment: get your train, leave Nicaragua, we give you money.

I do not think it is a good idea. Most of all, because it puts no pressure on the Sandinistas.

Now, LEE HAMILTON has said it and said it well when he represents the view that he says that we do not need pressure on the Sandinistas, what we need to do is to encourage negotiation and peace in reaching our goal. I could not agree with him more.

□ 1910

But it is my feeling, and it is the feeling of many in the House, Democrat and Republican, that this sort of humanitarian aid, coupled with some assistance to the Contadora effort does what you want to do better than your amendment will accomplish, because it combines both a carrot and a stick. In these sorts of negotiations, we might need both.

Second point, if I could: It has been said often today by Members with whom I do not agree, that the Contra's as a group are not worthy of our support. That somehow the Contra's have been discredited. We had in town today a gentleman with whom many of you have met and discussed issues in Nicaragua: Eden Pastora. A man who fought with the Sandinistas for liberty in his country; a Contra. But who turned away some years back when he found out that the freedom for which he fought was taken away by those with whom he had done battle.

Mr. Pastora was revolted in the second case by his own allies, the Sandinistas, and now continues to fight for liberty in Nicaragua. He is a Contra, and he made the point today that the Contras are not well named. It is the Sandinistas who ought to be called Contras. It is the Sandinistas who are opposed to liberty and to freedom. It is the Sandinistas who are opposed to peace in their borders. It is the Sandinistas who talk about a revolution without borders or boundaries. It is the Sandinistas who have gone against the citizens of their own country.

The Miskito Indians for example; genocide by any name is still genocide. It is the Sandinistas who have time after time reached out to the enemies of freedom, reached out to the enemies of the United States of America. It is the Sandinistas who need to be told where we stand.

It is for those reasons and more that I think we ought to vote against the Hamilton amendment. It is for those reasons and more that I think we ought to stand today not for war, but for peace. It is for those reasons and more that I think today we can take a bold step for what I think every Member believes: Peace in the region, but not at the price of liberty. Peace in the region, but not at the price of giving up freedom.

Let me tell you this: It is risky business what we are doing here. It is risky business, giving money to those who fight for freedom in Nicaragua.

It is risky business because we are not sure what will happen, but I submit to you that it would be more risky to do nothing. It would be more risky to do what we did 7 weeks ago: Huff and puff and blow and do nothing.

In the great fight, in the great fight of ideas between liberty and communism, as Henry Hyde said, "We cannot take a back seat. We have got to help those people who put their lives on the line for freedom."

I think it is clear; I think it is simple. I will close by quoting my favorite politician and the reason I am a Democrat. John Kennedy. He said this when he was inaugurated for President on the 20th day of January 1961:

"To our sister republics south of our border, we offer a special pledge—to convert our good words into good deeds in a new alliance for progress, to assist free men and free governments in casting off the chains of poverty. But this peaceful revolution of hope cannot become the prety of hostile powers * * * Let every other power know that this hemisphere intends to remain the master of its own house."

John Kennedy. Let us stand with him.

Mr. HAMILTON. Mr. Chairman, I yield 1 minute to the gentleman from North Dakota [Mr. Dorgan].

Mr. DORGAN of North Dakota. I thank the gentleman for yielding me this time.

Mr. Chairman, the question here I think is what kind of a threat do the people on that side suggest the Nicaraguans portray for this hemisphere. A lot of us have been to Nicaragua, and I recall going to a cooperative farm and seeing a fellow sit on a post with a gun. I asked him, "What are you doing here?" Well, it was his turn, his turn to sort of watch things. I said, "How many people are in the commune?" Twenty-five men. "How many guns do you have?" Seven.

"Do you have any ammunition; do you get any training?" Every second weekend we get a little training, but we do not shoot much because we do not have much ammunition.

So I asked the Embassy in Managua, "How many troops are in Nicaragua?" Well, about 120,000-man army ready to march and threaten the hemisphere.

The 120,000-man army that our Government says exists in Nicaragua is such an outrageous, gross distortion of the threat, how on earth can you then craft a response? I think the Hamilton amendment is a step toward peace in that region. An appropriate response is what we need.

Someone mentioned John F. Kennedy. John F. Kennedy was responsible for the Alliance for Progress; Food For Peace; the Peace Corps. Dozens of the right kinds of initiatives to extend our influence in the region of the interests of people in this hemisphere and in the interests of our Government as well.

Mr. HAMILTON. Mr. Chairman, may I inquire how much time remains?

The CHAIRMAN. The gentleman from Indiana (Mr. Hamilton) has 8 minutes remaining and the gentleman from Arizona [Mr. Stump] has 6½ minutes remaining.

Mr. HAMILTON. Mr. Chairman, I yield 4 minutes to the gentleman from Wisconsin [Mr. Obey].

Mr. OBEY. I thank the gentleman for yielding me this time.

Mr. Chairman, the issue is not whether we like the Sandinistas or whether we like the Contras. The issue is simply what works. I think there are three solid reasons for supporting the Hamilton amendment.

No. 1, nobody can tell what existing administration policy is. You cannot really tell whether its goal is to try to overthrow the Sandinista government or whether its other internal goal in Nicaragua is simply to try to expand opportunities for political pluralism.

Second, we have no clear idea of how this support for the Contras will accomplish either of those internal goals much less try to achieve changes in the international conduct of the Sandinistas. As in the case of Lebanon, the administration's rhetoric is soaring, but its policy is muddled. What is clear is that the policy of the administration is a failed policy. This is not something new we are being asked to try; the Contras have been around for 4 years, and we are worse off now than we were 4 years ago in terms of our ability to control the conduct of the Sandinistas.

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The purpose of the Hamilton amendment is very simple: It is an effort to strengthen the chance of the success of American policy by ending our isolation by channeling our efforts through regional processes which will gain us allies rather than shed allies because of their embarrassment over our policy.

Unless we pass the Hamilton amendment, there are no real limits on administration policy. Mr. Lugar, chairman of the Senate Foreign Relations Committee, was quoted in the newspaper as saying:

> The President's new policy is very ambitious, and to get the job done, a great deal of added activity will be required. It will probably occur.

What is that activity going to be?

Now I know we were told today by one Member on this side of the aisle that the administration has now given assurances that they will not use the CIA Contingency Fund, but I want to tell you a little story.

Back in 1964, Senator Gaylord Nelson from my State was going to offer an amendment to the Gulf of Tonkin Resolution guaranteeing that that resolution could not be used to support the introduction of troops in Vietnam. Senator Bill Fulbright asked Nelson to withdraw that amendment because, he said "I have just received assurances from President Johnson that he will not, under any circumstances, use the resolution that way."

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So Senator Nelson said, "Well, who am I to question the veracity of Bill Fulbright, or the President for that matter," so he withdrew the amendment. Six months later Bill Fulbright came to Gaylord Nelson and he said, "Gaylord, when I asked you to withdraw that amendment, that was the worst mistake of my career."

I ask my colleagues, do not make that mistake here this evening! The issue is not whether we like the Contras or the Sandinistas. I happen to like Adolfo Callero. I have a great deal of respect for him. I disassociate myself from some of the remarks made today which were a blanket attack on the Contras. I think we have a lot of very decent people in the Contras. I also think we have a lot of butchers. War or revolution never produces clean, nice, neat categories on either side.

But what I like even more than I like Adolfo Callero is the idea that the United States of America, the greatest country in the world, will remain true to the concepts of international law. I like more than anything else the idea that we would have a policy that does not embarrass our potential allies, rather than isolate us from them. That is what existing administration does. The Hamilton amendment is unmuddled. It is clear, it is right, and I ask my colleagues to support it.

● Mr. WIRTH. Mr. Chairman, 1½ months ago, the House voted down any aid—humanitarian or military—to the Nicaraguan Contras. While I was pleased that no aid whatsoever was approved for the Contras, I was disappointed that we did not use that vote to signal that the United States favors diplomacy as a solution to the strife in Central America.

The House could have sent that signal by approving the Barnes-Hamilton substitute which would have endorsed the Contradora diplomatic process, and set aside $4 million to assist the implementation of an agreement reached as a result of that process. Barnes-Hamilton would have also provided up to $14 million in relief aid for Nicaraguans who have fled their country and are now located in refugee camps managed by the International Red Cross and the U.N. High Commission for Refugees.

Today, Mr. Chairman, the House has another opportunity to clearly state its support for diplomacy. Representatives BARNES and HAMILTON have offered their amendment once again, albeit with one modification. They have lifted the limit on how much financial assistance the United States can contribute toward the implementation of a Contadora peace agreement. The amendment, as it stands now, would affirm our country's support for a nonmilitary, peaceful resolution of Nicaragua's civil conflict.

Barnes-Hamilton would also alleviate the suffering of the victims of the Contras' war along the Honduran-Nicaraguan border. Reports from respected human rights groups such as Americans Watch have informed the world of the Contras' brutal treatment of Nicaraguan civilians. They have attacked innocent Nicaraguan civilians, destroyed economicially vital crops, and ruined the livelihoods of many noncombatants. Many of the victims of this merciless attack have fled deep into Honduras to seek refuge in camps being operated by the United Nations High Commission for Refugees and the International Red Cross. As before, the Barnes-Hamilton proposal would provide these camps with up to $14 million for humanitarian assistance, in the form of food, clothing, and medicine, for Nicaraguan refugees.

Some people have expressed concern about the potential diversion of this aid to the Contras. At the least, it is argued, Contras might infiltrate the camps and take advantage of the American supplies, thereby freeing up resources for the purchase of military equipment and weaponry. I share this concern, and have investigated the monitoring capabilities of UNHCR and the Red Cross, as well as the likelihood of the Contras availing themselves of these camps and their supplies. Logistically, it would be difficult for the Contras to utilize the internationally sponsored relief camps. The camps are located in the Honduran interior, away from the Nicaraguan-Honduran border, where the Contra-Sandinista fighting is centered. From the standpoints of both cost effectiveness and logistics, it would not be worth the Contras' efforts to establish a supply line between the combat zone and the relief camps.

In addition, the camps are run according to the strict codes of the UNHCR and the Red Cross. As a result, any persons entering a relief camp must first lay down their weapons. At present, both organizations have apparently been successful in barring combatants from their camps, in particular because they are located at a distance from the battle front. Nevertheless, it is extremely important that Congress continue to monitor the flow of aid to the Red Cross and UNHCR camps to ensure that it is not diverted to the Contras. Therefore, I am pleased that the Barnes-Hamilton amendment contains language which requires regular, detailed reports on the distribution and use of this humanitarian aid.

Let me make one more point regarding this issue of refugee assistance. The humanitarian aid proposed under the Barnes-Hamilton amendment is food, clothing and medicine. It will be delivered to the refugees in that form, and cannot, in any way, be converted into materials with a military purpose.

Let's compare that type of assistance with the aid that could be supplied under the Michel-McDade-McCurdy amendment: light aircraft, helicopters, radar equipment, trucks, field rations, helmets, boots, and uniforms. Is this truly humanitarian assistance? Supplying the Contras directly with these materials, or even food and clothing, amounts to aid for a rebel military force against a country with whom we have diplomatic relations. It amounts to fuel for a war that is raging across Nicaragua and threatening the stability of Costa Rica and Honduras. It amounts to a repudiation of diplomacy, which this country has yet to seriously advocate with regard to Nicaragua.

The Barnes-Hamilton amendment puts diplomacy in the forefront of our efforts to stem the conflict in Nicaragua. It also helps to meet the legitimate needs of many Nicaraguan refugees who have been uprooted and tormented by Contra incursions into Nicaragua. The Barnes-Hamilton package is a decent and sensible alternative to military force—it provides the means for a peaceful, regionally based settlement of the Nicaraguan conflict. I urge my colleagues to strongly support it, and to vote against the Michel-McDade-McCurdy amendment, which promises nothing more than protracted and violent war in Central America.●

[CRS-456]

Mr. STUMP. Mr. Chairman, I yield the remaining time to the Republican leader, the gentleman from Illinois, [Mr. MICHEL].

The CHAIRMAN. The gentleman from Illinois [Mr. MICHEL] is recognized for 6½ minutes.

Mr. MICHEL. I thank the gentleman for yielding this time to me.

Mr. Chairman, I would like to close the debate on this issue on our side by posing several questions to our opposition.

Suppose the votes earlier today had gone the other way? Suppose that our amendment had been soundly defeated, trounced? Suppose the Barnes-Hamilton amendment would prevail?

Do you really believe that the Sandinistas would see that as a sign that they should become less militant? Do you really believe Daniel Ortega will see passage of the Hamilton amendment as a criticism of his mission to Moscow? Do you really believe that the ruling junta in Managua will become more reasonable if they know that the last link had been cut between the Nicaraguan resistance and these great United States? Is there even one historical precedent to suggest Communists become less militant when their opposition disappears and floats away?

The answer is that if our amendment had been defeated today, and if the Hamilton amendment should pass, a scenario will begin that will be as inevitable as it will be tragic. A green curtain of jungle and silence will descend on Nicaragua. The Communists will complete their consolidation of power at their leisure, unhindered.

Inevitably, maybe in 2 years, 3 years, the dynamism that characterizes successful Communist revolutions will exert itself and Communist Nicaragua will attack neighboring states in force, and I ask those on the other side: What will you do then? What will you do 4 years from now when a new President, maybe a Republican, I hope he is or maybe a Democrat, is faced with an impregnable Communist fortress in Nicaragua? Cuba plus Nicaragua, plus whatever.

It could be you know, and then what do you do? Where and when do we finally draw the line on our southern border? When? You ought to think about that. When are we going to come to grips with reality and draw that line?

You tell us we should talk, but Communists never listen to talk unless it is backed up by force or threat of force. They never have and they never will.

And thank God there are brave Nicaraguans who today provide a semblance of force to make the Communists at least listen and pay attention.

You say you are afraid of having American boys dying in Central America. Well, so are we. Some of our opponents today, and it incensed me no end, called us either warmongers or warlike, or some such thing. Those Members who charged us with that do not have a virtue when it comes to hating war. Those of us who have been in the thick of it as combat infantrymen know what war is. It is hell and I would not wish it on any of my boys or anyone else.

When I look back to those days when I was just an infantryman with no influence to bring to bear on public policy, I recall saying to my fellow dog faces at the time. "If we do not stay here for another 25 years and restrain these people from going at it again, we are making a big mistake," and thank heaven we did stay and forged the NATO Alliance in Europe.

Here we are today with a Communist client, Cuba, on our doorsteps, and another in the making in Nicaragua. I cannot understand how we can be so blind as to what the Communist conspiracy is all about and what they are up to south of our border.

Having said that, I guess I have to conclude on a more consiliatory note. I want to say something about this House and this institution.

I want to pay my personal respects to the gentleman from Pennsylvania, JOE McDADE, the gentleman from Arizona, BOB STUMP, the gentleman from Wyoming, DICK CHENEY, the gentleman from Illinois, HENRY HYDE, the gentleman from Michigan, BILL BROOMFIELD, and the gentleman from Arizona, JOHN McCAIN, on my side who did so much to help forge what I like to see happen in this House once in a while, a bipartisanship compromise.

Then too on the Democratic side the gentleman from Pennsylvania, JACK MURTHA, the gentleman from Oklahoma, DAVE McCURDY, the gentleman from Louisiana, BUDDY ROEMER, the gentleman from Virginia, DAN DANIEL, and the gentleman from Florida, DANTE FASCELL, and 46 Democratic Members of the House of Representatives all deserve commendation for all they have done to make this happen.

I remember the first day we opened this session of Congress and it was my privilege to present the Speaker of the House to the House, and I made mention of the fact that there were 70 votes more on the Democrats side than on our side. I did not like that, and I said there are going to be times when we are going to be split right down the middle, and there have indeed been those confrontations in this session, some of them very polarizing. But I also said there are, hopefully, going to be some other times when we are going to criss-cross that line when people believe strongly on your side about an issue who will be joined by those on ours and other times when strongly held feelings on this side will be joined by those on that side.

When there are defections on my side, I can tell you I do not read my people out of the party over here when they defect. I do not like it and I do everything I possibly can to keep them in line but if my arguments are not persuasive enough to get them, I have to be content with those who will go along and be considerate of those who cannot.

I am so grateful for those of you on the Democratic side who saw fit today to join in this effort to make it a truly bipartisan effort.

I see the distinguished majority leader over there. He was out in my district recently at my old alma mater delivering a beautiful commencement address at Bradley University, and the theme of his address, as I recall was "building bridges rather than walls." A masterful job he did that day.

I got to thinking how we can equate what he said that day with what we did today, building the bridges across this center aisle in a true bipartisan effort to get together on what a majority really felt was the right thing for this country.

So I have to doff my hat to the House of Representatives today. Yes, I feel good about it. The gentleman from Massachusetts, EDDIE BOLAND, was very magnanimous when he came over and we chatted about it. This was his day to lose and our day to win. Shucks, I have lost a lot more than I have ever won around here. You know that. But it is the feeling that maybe we have broken the ice a little bit around here in this Congress; that we can work together, because we still have a lot of big problems facing this country, and to go across the aisle and forge a bipartisan effort, as we have done today, I thank you so much.

I hope you will vote down the Barnes-Hamilton amendment on the next vote here. And then let us not forget there is one final vote after that, and that is on final passage. A few weeks ago we went through a rather traumatic thing, and at that time it was Michel I and II as amendments to the base Barnes-Hamilton, and then the whole thing fell asunder after we just went through a traumatizing afternoon.

I hope, tonight, you are going to vote down Barnes-Hamilton, and on final passage vote for the supplemental appropriation bill.

Mr. HAMILTON. Mr. Chairman, I yield such time as he may consume to the gentleman from Oregon, [Mr. WEAVER].

Mr. WEAVER. I thank the gentleman for yielding time to me.

Mr. Chairman, I rise in support of the Hamilton amendment.

The debate seems to be over whether humanitarian aid should be dispensed by one agency or another to those soldiers now attempting to overthrow the Government of Nicaragua. Many members sincerely believe that is the substance of the issue before us.

But I believe the issue is war. A vote for the Michel amendment—whatever the actual words in the amendment—is a vote for war in Nicaragua. A vote for Hamilton—again no matter the actual words—is a vote not to go to war in Nicaragua. This vote is our Gulf of Tonkin Resolution.

If the Michel amendment passes and our Government persists in its policy of interfering in the affairs of Nicaragua by force the events following will be the opposite of what the proponents of our interference say they desire.

Latin America will go Communist. Not because we did nothing, but because we tried to overthrow an existing Latin American government. The people of South America, already disturbed by austerity policies, are pressing their politicians to oppose the gringos—that's us—and the politicians in Latin America most eager to oppose us are the United States hating ones, particularly the Communists. The people of Latin America will become even more determined to hate the United States if we give them that reason by backing the Contras in Nicaragua.

The people of Latin America will also demand of their politicians to repudiate their foreign debt. This will cause our banks to fail, and precipitate a financial crisis in this country. I believe this repudiation of debt will occur regardless of our actions in Nicaragua. But our interference in Nicaragua will provide the excuse to precipitate the crisis.

Mr. HAMILTON. To end debate, Mr. Chairman, I yield 4 minutes to the gentleman from Michigan [Mr. BONIOR].

Mr. BONIOR of Michigan. Mr. Chairman, let me begin by offering my congratulations to my colleagues on this side of the aisle. They have indeed built a mighty and long bridge, and I extend my heartiest congratulations to the gentleman from Illinois [Mr. MICHEL], to the gentleman from Pennsylvania [Mr. MCDADE], and, on this side of the aisle, to the gentleman from Oklahoma [Mr. MCCURDY]. And to my dear friend, the gentleman from Indiana [Mr. LEE HAMILTON], who presented a very thoughtful and articulate statement, the best statement on Central America I have had the pleasure of hearing in my time in the House, I extend my deep appreciation.

The Hamilton amendment, I think, provides a sharp alternative. It recognizes direct aid for the Contras for what it is. It is logistical aid for an army in the field, and it is not in our proposal. It recognizes the historic importance of the Boland prohibition, and it extends the full prohibition without any weakening.

The Hamilton amendment clearly articulates the objectives of U.S. policy, first, to provide for the security and peace of the region; second, to prevent destabilization by the Soviet Union; and, third, to promote democracy, human rights, and economic development.

But the difference is that it seeks to promote these through diplomatic, rather than military means. The Contadora process that we have discussed so often here today is at a very critical turning point. In the near future, next week, the ministers of these countries will be meeting to draft the remaining treaties and protocols. The peace process needs our support at this critical moment. Yet, the Contadora countries tell us that continued funding for the Contras will be precisely the wrong move, and that it will threaten their efforts and expand the war further.

I think the American people are prepared to stand up for the security of our hemisphere, but we cannot let our ideals, so long symbolized by the Monroe Doctrine, be used as a cloak for gunboat diplomacy.

Since 1900 the United States has unilaterally intervened in the Caribbean 28 times. These military interventions have left a residue of resentment that continues to hamper the effectiveness of the United States in that region.

Such unilateral action is long out of date. Time has given our allies in the region, like Mexico, Venezuela, Colombia, and Panama, new power and, with that power, a renewed pride and a renewed independence.

We must not treat this independence as some kind of an annoyance but as a promising opportunity. We need to welcome our allies as partners in a strong commitment to the security of our hemisphere.

My friend, the gentleman from Louisiana [Mr. ROEMER], quoted his hero, John F. Kennedy, when he said, "This hemisphere is the master of its own house." I would tell my friend, the gentleman from Louisiana, that if John F. Kennedy were here today, he would stand with the gentleman from Indiana [Mr. HAMILTON]. He did not say that the United States is the master of this hemisphere. He said, "This hemisphere is the master of its own house."

The comprehensive alternative presented by the gentleman from Indiana [Mr. HAMILTON], I think, rises to the preeminent task of leadership that we face. It sets forth a policy that is inspired by the principles of our Founding Fathers, but grounded in the hard realities of our time, a policy that can command the support of our own people and the respect of our allies, and, above all else, a policy that binds the nations of this hemisphere to protect the security and the sovereignty of us all.

Mr. Chairman, I urge the Members to vote for the Hamilton amendment.

The CHAIRMAN. The time of the gentleman from Michigan [Mr. BONIOR] has expired.

All time has expired.

The question is on the amendment offered by the gentleman from Indiana [Mr. HAMILTON].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. BONIOR of Michigan. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 174, noes 254, not voting 5, as follows:

[Roll No. 157]

AYES—174

Ackerman
Addabbo
Akaka
Alexander
Anderson
Annunzio
Anthony
Atkins
AuCoin
Barnes
Bates
Bedell
Beilenson
Berman
Boggs
Boland
Bonior (MI)
Bonker
Borski
Bosco
Boucher
Boxer
Brooks
Brown (CA)
Bruce
Bryant
Burton (CA)
Carper
Clay
Coelho
Coleman (TX)
Collins
Conte
Coyne
Derrick
Dicks
Dingell
Dixon
Donnelly
Dorgan (ND)
Downey
Durbin
Dwyer
Dymally
Early
Eckart (OH)
Edgar
Edwards (CA)
Evans (IL)
Fazio
Feighan
Foglietta
Foley
Ford (MI)
Ford (TN)
Fowler
Frank
Frost
Garcia
Gaydos
Gejdenson
Gephardt
Glickman
Gonzalez
Gordon
Gray (IL)
Gray (PA)
Green
Guarini
Hamilton
Hayes
Hefner
Hertel
Howard
Hoyer
Hughes
Jeffords
Kaptur
Kastenmeier
Kennelly
Kildee
Kleczka
Kostmayer
LaFalce
Lantos
Leach (IA)
Lehman (CA)
Lehman (FL)
Leland
Levin (MI)
Levine (CA)
Lowry (WA)
Luken
Lundine
Manton
Markey
Martinez
Matsui
Mavroules
McCloskey
McHugh
Mikulski
Miller (CA)
Mineta
Mitchell
Moakley
Moody
Morrison (CT)
Mrazek
Natcher
Neal
Nowak
Oakar
Oberstar
Obey
Olin
Owens
Panetta
Pease
Penny
Price
Rahall
Rangel
Reid
Richardson
Rodino
Roe
Rose
Rostenkowski
Roybal
Russo
Sabo
Savage
Scheuer
Schneider
Schroeder
Schumer
Seiberling
Sharp
Sikorski
Solarz
Spratt
St Germain
Staggers
Stark
Stokes
Studds
Swift
Synar
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Valentine
Vento
Visclosky
Volkmer
Walgren
Waxman
Weaver
Weiss
Whitley
Whitten
Williams
Wirth
Wise
Wolpe
Wright
Wyden
Yates
Yatron
Young (MO)

NOES—254

Andrews
Applegate
Archer
Armey
Aspin
Badham
Barnard
Bartlett
Barton
Bateman
Bennett
Bentley
Bereuter
Bevill
Biaggi
Bilirakis
Bliley
Boehlert
Boner (TN)
Boulter
Breaux
Broomfield
Brown (CO)
Burton (IN)
Bustamante
Byron
Callahan
Campbell
Carney
Carr
Chandler
Chappell
Chappie
Cheney
Clinger
Coats
Cobey
Coble
Coleman (MO)
Combest
Conyers
Cooper
Coughlin
Courter
Craig
Crane
Crockett
Daniel
Dannemeyer
Darden
Daschle
Daub
de la Garza
DeLay
Dellums
DeWine
Dickinson
DioGuardi
Dornan (CA)
Dowdy
Dreier
Duncan
Dyson
Eckert (NY)
Edwards (OK)
Emerson
English
Erdreich
Evans (IA)
Fascell
Fawell
Fiedler
Fields
Fish
Flippo
Florio
Franklin
Frenzel
Fuqua
Gallo
Gekas
Gibbons
Gilman
Gingrich
Goodling
Gradison
Gregg
Grotberg
Gunderson
Hall (OH)
Hall, Ralph
Hammerschmidt
Hansen
Hartnett
Hatcher
Heftel
Hendon
Henry
Hiler
Hillis
Holt
Hopkins
Horton
Hubbard
Huckaby
Hunter
Hutto
Hyde
Ireland
Jacobs
Jenkins
Johnson
Jones (OK)
Jones (TN)
Kanjorski
Kasich
Kemp
Kindness
Kolbe
Kolter
Kramer
Lagomarsino
Latta
Lent
Lewis (CA)
Lewis (FL)
Lightfoot
Lipinski
Livingston
Lloyd
Loeffler
Long
Lott
Lowery (CA)
Lujan
Lungren
Mack
MacKay

Madigan
Marlenee
Martin (IL)
Martin (NY)
Mazzoli
McCain
McCandless
McCollum
McCurdy
McDade
McEwen
McGrath
McKernan
McKinney
McMillan
Meyers
Mica
Michel
Miller (OH)
Miller (WA)
Molinari
Mollohan
Monson
Montgomery
Moore
Moorhead
Morrison (WA)
Murphy
Murtha
Myers
Nelson
Nichols
Nielson
O'Brien
Ortiz
Oxley
Packard
Parris
Pashayan
Pepper
Perkins
Petri
Pickle
Porter
Pursell
Quillen
Ray
Regula
Ridge
Rinaldo
Ritter
Roberts
Robinson
Roemer
Rogers
Roth
Roukema
Rowland (CT)
Rowland (GA)
Rudd
Saxton
Schaefer
Schuette
Schulze
Sensenbrenner
Shaw
Shelby
Shumway
Shuster
Siljander
Sisisky
Skeen
Skelton
Slattery
Slaughter
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NH)
Smith (NJ)
Smith, Denny
Smith, Robert
Snowe
Snyder
Solomon
Spence
Stallings
Stangeland
Stenholm
Strang
Stratton
Stump
Sundquist
Sweeney
Swindall
Tallon
Tauke
Tauzin
Taylor
Thomas (CA)
Thomas (GA)
Vander Jagt
Vucanovich
Walker
Watkins
Weber
Wheat
Whitehurst
Whittaker
Wilson
Wolf
Wortley
Wylie
Young (AK)
Young (FL)
Zschau

NOT VOTING—5

Broyhill
Davis
Hawkins
Jones (NC)
Leath (TX)

☐ 1950

Messrs. KOLTER, CONYERS, and CROCKETT changed their votes from "aye" to "no."

So the amendment was rejected.

The result of the vote was announced as above recorded.

● Mr. MATSUI. Mr. Chairman, for the second time in less than 2 months the House of Representatives is being called upon to debate the administration's confrontational Central America policy. On April 24 we rejected the administration's $14 million direct assistance request for the Nicaraguan Contras. Now, emboldened by their own rhetoric, the administration is asking for $27 million in Contra assistance. The underlying facts have not changed in the last 7 weeks. The House should once again reject the administration's Contra assistance request.

Just as they did in April, the administration is saying that the $27 million will go to pay for humanitarian items for the Contras. But the administration's record toward Nicaragua completely and irrefutably belies any peaceful intentions. The policy of mining Nicaragua's harbor and the imposition of an economic trade embargo have been unreasoned and openly confrontational. The administration's rhetoric, in particular calling for the Nicaraguan Government to say "uncle," has been bellicose and belligerent. It is no surprise that passage of the administration's humanitarian aid package will repeal the Boland amendment. The Boland amendment directly prohibits U.S. intelligence agencies from supporting, directly or indirectly, military or paramilitary operations in Nicaragua. It is no surprise that the administration's humanitarian assistance funds can be used for logistical support and equipment, including aircraft.

If we are going to have influence in this region of the world, we cannot be taking sides in a civil war and we cannot be making open-ended commitments to Contra terrorists.

I believe that the Hamilton amendment is a fair alternative. It demonstrates humanitarian concern for the refugees this conflict has created. Under the Hamilton amendment, humanitarian aid is provided through the International Committee of the Red Cross or the United Nations and not by an agency of the U.S. Government. The aid is made available solely on the basis of human need to noncombatant forces and will not be handed over to the Contra forces.

Without the support of the world community, the American public and the Congress, the administration policy of confrontation amounts to unpopular rhetoric and ineffective intimidation. Only two nations in the world have voiced support for our economic embargo of Nicaragua. Almost three-fourths of the American public oppose sending military aid to the Contras and nearly three-fifths oppose any nonmilitary aid.

I ask my colleagues to join me today by voting against giving credence to the administration's war of words. We must reaffirm our vote of 2 months ago to work within the Contadora process and to address the crisis of poverty and economic hardship in the entire Central America region.●

● Mr. FRENZEL. Mr. Chairman, this vote on Nicaragua may not be the most important, nor the most controversial one of the year, but it has stirred emotions enough to cause demonstrations in congressional district offices across the country, and to fill this Chamber with oratory of more-than-usual enthusiasm.

Nicaragua presents a problem with no easy, cheap, or high-probability solutions. I doubt that many Members feel completely comfortable with any one of the alternatives available to us for vote today. Surely I am not.

In general, I believe that there is little probability that the Contras' efforts will persuade the Sandinista government to embrace the policies we are urging it to adopt. If there is any thing we have learned lately, it ought to be that nobody wins wars with a handful of troops, and a few million dollars. Parenthetically, I might add that opponents of and to the Contras seek to support insurgents in Colombia at the bargain basement rate of $5 million.

On the other hand, I believe the Sandinista government is one which is obviously Communist, and is just as obviously, up to no good in Central America. It has pretty well terrorized its neighbors, and has been credited by El Salvadoran revolutionaries with providing both resources and direction to their disruptive actions.

The recent visit by the Nicaraguan leader, Commandante Ortega, just after the House rejected aid to the Contras, to Moscow, and various other East bloc capitals, is convincing evidence of the source from which the Sandinistas' aid, comfort and direction come. Havana is no longer doing a solo in its attempt to foment discord in Latin America. Managua may be a junior partner, but it is a partner nonetheless.

The committee's suggestion to send money to the Red Cross seems to me to offer little help. The majority's amendment to do nothing is worse. I consider the President's policy as represented by the Michel-McDade-McCurdy amendment as treading water, or a transition policy, but at least it recognizes that there is a problem in Central America, and that a big part of that problem is the Sandinista government in Nicaragua. Further, it recognizes our interest in liberty, human rights and pluralism.

It is also my opinion that it is reasonable to exchange intelligence information with Contra personnel. For that reason, I will vote against the Boland amendment.

Our policy with respect to El Salvador, so controversial only a year or so ago, now creates very little excitement. This House gambled on President Duarte and freedom. The gamble is not won yet, but the relative lack of argument over El Salvador policy and funding is testimony to its success.

Nicaragua is not a close parallel, but at least it has geographical proximity. I believe that the Michel-McDade-McCurdy amendment deserves to prevail because it signals that we have not given up. There is little in the amendment that is threatening. In fact, it is an invitation to the Sandinistas to live up to some of their own promises. It is the only alternative available today which does not signal to the Sandinistas that we don't care if they bully their neighbors, and suppress and harass their own people.

We have few problems as vexing as Central American policy. I see our choice today not between solving, or not solving, the Nicaraguan problem. Rather it is between acknowledging, or not acknowledging the problem. We probably haven't found the right policy yet, but we ought not to give up.●

[CRS-459]

● Mr. SYNAR. Mr. Chairman, I traveled to Nicaragua in February to see for myself what conditions are like under the Sandinistas. I was in the marketplace in Managua and noticed two young girls, both about 16 years old. I ask them what their goals were in life, and they both said they wanted to come to America.

That short conversation convinced me that after 5 years of indoctrination under a state-controlled education system, the Sandinistas have not won the minds of the Nicaraguan people. The young people in Nicaragua still do not believe the state-issued propaganda about the Yankee imperialists to the north.

U.S. policy in Nicaragua is now at a crossroads. We can continue our decades-old policy of armed intervention in Nicaragua, or we can channel our efforts toward a diplomatic solution. I believe the latter approach is the best way to win the allegiance of the Nicaraguan people.

History tells us where our current policy is leading. The Reagan administration has increased U.S. pressure on the Sandinistas over the last 4 years by arming the Contras, and, most recently, by instituting a trade embargo. The result has been increased internal oppression by the Sandinistas, not less. This is the central myth of our current policy: That military aid increases our leverage against the Sandinistas and will force them to opt for a more democratic society. This has not happened after $100 million in covert aid, and it probably would not happen after $29 million in humanitarian aid.

The Barnes-Hamilton amendment again offers the most comprehensive statement of what U.S. policy should be toward Nicaragua. The amendment emphasizes a regional settlement founded on the efforts of the Contadora nations—Colombia, Venezuela, Mexico, and Panama. These countries have drafted several treaties aimed at ending the hostilities in the region, but the Reagan administration has blocked most of their efforts. The United States has refused to pursue diplomacy before armed conflict, and that represents the primary failure of our current policy.

The amendment also includes several other objectives: Preventing the Soviet Union or its allies from destabilizing the region or deploying a military capability that threatens U.S. security; promoting stability and economic development; promoting human rights and democratic processes; and maintaining peaceful relations with Nicaragua as long as Nicaragua is at peace with its neighbors.

None of these objectives can be met as long as our policy is based solely on funneling money to a band of rebels led by ex-Samocistas, the national guardsmen under former-dictator Somoza. Lest we have any doubt this is the case, we should consider Edgar Chamorro's description of the FDN—the primary Contra organization. Chamorro is a former member of the National Directorate of the FDN, and says:

> The FDN is in the hands of the ex-National Guard who control the Contra army, stifle internal dissent, and intimidate or murder those who dare to oppose them. This is not a democratic opposition.

The Michel amendment does not make U.S. aid conditional on the FDN ridding itself of its antidemocratic leadership and it does not condition aid on the Contras' willingness to accept a cease-fire and negotiations. In reality, it is aid with no strings attached, and is certain to lead to an escalation in combat and further bloodshed.

In closing, I want to emphasize that while I oppose direct aid to the Contras at this time, my position is open to change. I will not allow Nicaragua to become a Soviet satellite.

In addition, there are several steps the Contras could take which would cause me to reevaluate my position: First, rid themselves of ties to former national guardsmen; second, offer to accept a cease-fire and negotiations with the Sandinistas; and third, accept the civilian leadership of moderate democratic leaders. These steps would ensure the legitimacy of the Contra force as a means for true democratic change in Nicaragua.●

● Mr. MINETA. Mr. Chairman, I wish to note for the record that I will reluctantly be voting no on the question of final passage of the supplemental appropriations bill.

I will be casting my no vote solely because of the inclusion within this bill of the aid of the Nicaraguan Contras. I have steadfastly opposed our secret war in Nicaragua for several years, and must continue to oppose that misguided and dangerous effort.

There are many parts of this supplemental that I strongly support. I will continue to support those other aspects, and look forward to working with my colleagues to advance the many other issues and programs supported by this legislation.

Thank you very much.●

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore [Mr. MOAKLEY] having assumed the chair, Mr. BROWN of California, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 2577) making supplemental appropriations for the fiscal year ending September 30, 1985, and for other purposes, pursuant to House Resolution 186, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT OFFERED BY MR. WALKER

Mr. WALKER. Mr. Speaker, I offer a motion to recommit.

The SPEAKER pro tempore. Is the gentleman opposed to the bill?

Mr. WALKER. I am, Mr. Speaker.

The SPEAKER pro tempore. The Clerk will report the motion to recommit.

The Clerk read as follows:

> Mr. WALKER moves to recommit the bill, H.R. 2577, to the Committee on Appropriations.

The SPEAKER pro tempore. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to recommit.

The motion to recommit was rejected.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. DANNEMEYER. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 271, nays 156, answered "present" 1, not voting 5, as follows:

[Roll No. 158]

YEAS—271

Ackerman
Addabbo
Akaka
Anderson
Andrews
Annunzio
Armey
Aspin
Barnes
Bartlett
Bateman
Bennett
Bentley
Bereuter
Berman
Bevill
Biaggi
Bilirakis
Bliley
Boehlert
Boggs
Boner (TN)
Bonker
Borski
Boucher
Boulter
Breaux
Brooks
Broomfield
Bruce
Bryant
Burton (CA)
Burton (IN)
Bustamante
Byron
Callahan
Campbell
Carney
Carr
Chandler
Chappell
Cheney
Clinger
Cobey
Coble
Coleman (MO)
Coleman (TX)
Combest
Conte
Coughlin
Courter
Coyne
Daschle
Daub
de la Garza
DeLay
Derrick
DeWine
Dickinson
Dicks
Dingell
DioGuardi
Dixon
Donnelly
Dornan (CA)
Dowdy
Downey
Duncan
Durbin
Dwyer
Dyson
Eckart (OH)
Eckert (NY)
Edgar
Edwards (OK)
Emerson
English
Erdreich
Evans (IL)
Fascell
Fawell
Fiedler
Fish
Flippo
Florio
Foglietta
Fowler
Franklin
Frenzel
Frost
Fuqua
Gallo
Gaydos
Gekas
Gephardt
Gibbons
Gilman
Gingrich
Glickman
Gordon
Gradison
Gray (IL)

[CRS-460]

Gray (PA)
Green
Grotberg
Gunderson
Hall, Ralph
Hamilton
Hammerschmidt
Hatcher
Hefner
Heftel
Hendon
Hillis
Holt
Horton
Howard
Hoyer
Huckaby
Hunter
Hutto
Hyde
Ireland
Johnson
Jones (TN)
Kanjorski
Kasich
Kemp
Kennelly
Kindness
Kolbe
Kolter
Kramer
Lantos
Lehman (FL)
Lent
Levin (MI)
Levine (CA)
Lewis (CA)
Lewis (FL)
Lipinski
Livingston
Lloyd
Loeffler
Lott
Lowery (CA)
Lujan
Lundine
Madigan
Manton
Marlenee
Martin (NY)
Mazzoli
McCain
McCandless
McCollum
McCurdy
McDade
McEwen
McGrath
McHugh
McKernan
McKinney
McMillan
Meyers
Mica
Michel
Mikulski
Miller (OH)
Miller (WA)
Molinari
Mollohan
Montgomery
Moore
Morrison (WA)
Mrazek
Murtha
Myers
Natcher
Nelson
Nowak
O'Brien
Ortiz
Parris
Pashayan
Pepper
Perkins
Pickle
Price
Pursell
Quillen
Rangel
Regula
Reid
Richardson
Rinaldo
Robinson
Roe
Roemer
Rogers
Rose
Rostenkowski
Roukema
Rowland (CT)
Rowland (GA)
Rudd
Saxton
Schaefer
Scheuer
Schuette
Schulze
Schumer
Sharp
Shaw
Shelby
Sikorski
Siljander
Sisisky
Skeen
Skelton
Slaughter
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Snowe
Solarz
Spratt
Staggers
Stangeland
Stenholm
Strang
Stratton
Stump
Sundquist
Sweeney
Swift
Swindall
Synar
Tallon
Tauzin
Taylor
Thomas (CA)
Thomas (GA)
Torricelli
Traxler
Udall
Vander Jagt
Visclosky
Volkmer
Vucanovich
Watkins
Waxman
Weber
Weiss
Wheat
Whitehurst
Whitley
Whitten
Wilson
Wise
Wolf
Wolpe
Wortley
Wright
Wyden
Yates
Yatron
Young (AK)
Young (FL)
Young (MO)

NAYS—156

Alexander
Anthony
Applegate
Archer
Atkins
AuCoin
Badham
Barnard
Barton
Bates
Bedell
Beilenson
Boland
Bonior (MI)
Bosco
Boxer
Brown (CA)
Brown (CO)
Carper
Chappie
Clay
Coats
Coelho
Collins
Conyers
Cooper
Craig
Crane
Crockett
Daniel
Dannemeyer
Darden
Dellums
Dorgan (ND)
Dreier
Dymally
Early
Edwards (CA)
Evans (IA)
Fazio
Feighan
Fields
Foley
Ford (MI)
Ford (TN)
Frank
Garcia
Gejdenson
Gonzalez
Goodling
Gregg
Guarini
Hall (OH)
Hansen
Hartnett
Hayes
Henry
Hertel
Hiler
Hopkins
Hubbard
Hughes
Jacobs
Jeffords
Jenkins
Jones (OK)
Kaptur
Kastenmeier
Kildee
Kleczka
Kostmayer
LaFalce
Lagomarsino
Latta
Leach (IA)
Lehman (CA)
Leland
Lightfoot
Lowry (WA)
Luken
Lungren
Mack
MacKay
Markey
Martin (IL)
Martinez
Matsui
Mavroules
McCloskey
Miller (CA)
Mineta
Mitchell
Moakley
Monson
Moody
Moorhead
Morrison (CT)
Murphy
Neal
Nichols
Nielson
Oakar
Oberstar
Obey
Olin
Owens
Oxley
Packard
Panetta
Pease
Penny
Petri
Porter
Rahall
Ray
Ridge
Ritter
Roberts
Rodino
Roth
Roybal
Russo
Sabo
Savage
Schneider
Schroeder
Seiberling
Sensenbrenner
Shumway
Shuster
Slattery
Smith (NH)
Smith, Denny
Smith, Robert
Snyder
Solomon
Spence
St Germain
Stallings
Stark
Stokes
Studds
Tauke
Torres
Towns
Traficant
Valentine
Vento
Walgren
Walker
Weaver
Whittaker
Williams
Wirth
Wylie
Zschau

ANSWERED "PRESENT"—1

Long

NOT VOTING—5

Broyhill
Davis
Hawkins
Jones (NC)
Leath (TX)

□ 2010

Messrs. McCLOSKEY, RAHALL and STOKES changed their votes from "yea" to "nay."

Mr. SPRATT changed his vote from "nay" to "yea."

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

H4115-201

[CRS-461]

2. Senate

The Senate appropriations committee substituted its State Department authorization language, as approved, for the House-passed aid provisions (S. Rep. 99-82). The committee-reported language passed the Senate with the addition of a Kerry-sponsored amendment barring use of funds in violation of international agreements to which the United States is party.

a. Report

SUPPLEMENTAL APPROPRIATIONS BILL, 1985

The Committee on Appropriations, to which was referred the bill (H.R. 2577) making supplemental appropriations for the fiscal year 1985, and for other purposes, reports the same to the Senate with various amendments and with the recommendation that the bill be passed.

[CRS-462]

HUMANITARIAN ASSISTANCE FOR NICARAGUAN DEMOCRATIC RESISTANCE

The Committee recommends an appropriation of $24,000,000 and authority to transfer $14,000,000 in appropriations available under the Defense appropriations bill, 1985, in support of humanitarian assistance to the Nicaraguan Democratic Resistance. This recommendation fully supports and does not go beyond the assistance authority contained in the Senate-passed State Department authorization bill (S. 1003).

This recommendation, contained in the Defense chapter of the accompanying supplemental appropriations bill, is in lieu of a House allowance of $27,000,000 contained in the Foreign Operations chapter of the bill.

As provided in S. 1003, the recommended $38,000,000 is available to the President without any limitation on the agencies involved in administering and delivering the assistance.

The provisions dealing with the administration of humanitarian assistance are intended to achieve three important objectives. First there is a need for the assistance to be fully coordinated with the President's overall foreign policy for Central America. Second there is a need that this assistance be administered with the utmost discretion and diplomacy in light of the regional sensitiveness and the concerns of neighboring countries. Finally, there is the desire to utilize the most efficient, economic, and practicable infrastructure to deliver the assistance.

Accordingly, the Committee amendment permits the President to determine how the humanitarian aid will be administered and requires the National Security Council to monitor implementation of the program. Detailed reports required from the President every 90 days will afford Congress full opportunity to monitor the program closely.

The definition of humanitarian assistance clearly prohibits the supply of arms, munitions or any other equipment or weaponry designed or intended to inflict bodily harm, but the definition is deliberately broad. This is to recognize that the recipients of this relief are not refugees in the classic sense of the word and the aid program must accommodate this unique status. For example, the transportation assistance authorized includes the provision of vehicles that will be needed to meet the needs of the Nicaraguan Democratic Resistance in distributing clothing, medical care, and other relief. However, the assistance contemplated does not include military training of the resistance forces or specific advice on military operations inside Nicaragua.

In line with the Senate-approved provisions in S. 1003, the Committee amendment contains the following additional safeguards:

- No other materiel assistance may be provided by the United States without subsequent approval by Congress;
- No additional assistance may be proposed unless the President determines in his reports to Congress that diplomatic efforts to achieve peace and stability based on the Contadora document of objectives have failed; and
- The President is urged not only to pursue diplomatic and economic accords but to end U.S. economic sanctions if internal reconciliation is achieved in Nicaragua including a suspension of the state of emergency in that nation.

S. Rep. 99-82 at 65-66.

b. Senate Floor Consideration of Kerry Amendment (6/20/85)

Mr. KERRY. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Massachusetts [Mr. KERRY], for himself, and Mr. MOYNIHAN, proposes an amendment numbered 396.

Mr. KERRY. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place in the bill, add the following:

None of the monies appropriated in this act can be used to fund directly, or indirectly, activities against the government of Nicaragua which have not been authorized by, or pursuant to, law and which would place the United States in violation of our obligations under the Charter of the Organization of American States, to which the United States is a signatory, or under international law as defined by treaty commitments agreed to, and ratified by, the government of the United States.

Mr. KERRY. Mr. President, this is the exact amendment which was passed by voice vote by the Senate on the State Department authorization bill. It has been cleared by the managers of the bill, as well as the Senator from Alaska and the majority leader.

I also ask unanimous consent that it be shown in the RECORD as introduced on behalf of Senator HATFIELD.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATFIELD. Mr. President, this amendment has been cleared on the majority side by the committees of jurisdiction.

Mr. JOHNSTON. Mr. President, this amendment has been cleared on this side of the aisle.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

So the amendment (No. 396) was agreed to.

Mr. JOHNSTON. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. KERRY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

S8538, 8540

E. ISDCA; HOUSE FLOOR DEBATE (7/10/85)

The legislative landscape had changed considerably from the time the Senate had approved the ISDCA. Accordingly, the House amended the reported version of the ISDCA to reflect its intervening approval of aid in the supplemental appropriations bill. A clarifying amendment sponsored by Representative RICHARDSON also was approved.

AMENDMENT OFFERED BY MR. MC CURDY

Mr. McCURDY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. McCURDY: Page 115, after line 17, insert the following:

SEC. 722. CONFLICT IN NICARAGUA.

(a) HUMANITARIAN ASSISTANCE FOR NICARAGUAN DEMOCRATIC RESISTANCE.—Effective upon the enactment of this Act, there is authorized to be appropriated $27,000,000 for humanitarian assistance to the Nicaraguan democratic resistance. Such assistance shall be provided to such department or agency of the United States as the President shall designate except the Central Intelligence Agency or the Department of Defense. The assistance authorized by this subsection is authorized to remain available for obligation until March 31, 1986. One-third of the assistance authorized by this subsection shall be available for obligation upon the enactment of this Act, an additional one-third shall be available for obligation upon submission of the first report required by subsection (e), and the remaining one-third shall be available for obligation upon submission of the second such report. As used in this subsection, the term "humanitarian assistance" means the provision of food, clothing, medicine, and other humanitarian assistance, and it does not include the provision of weapons, weapons systems, ammunition, or other equipment, vehicles or material which can be used to inflict serious bodily harm or death.

[CRS-465]

(b) ASSISTANCE FOR IMPLEMENTATION OF A CONTADORA AGREEMENT.—Effective upon the enactment of this Act, there is authorized to be appropriated $2,000,000, to remain available until expended, for payment by the Secretary of State for the expenses arising from implementation by the Contadora nations (Mexico, Panama, Colombia, and Venezuela) of an agreement among the countries of Central America based on the Contadora Document of Objectives of September 9, 1983, including peacekeeping, verification, and monitoring systems.

(c) PROHIBITIONS.—

(1) APPLICATION OF PROHIBITIONS.—The prohibitions contained in section 8066(a) of the Department of Defense Appropriations Act, 1985 (as contained in section 101 of Public Law 98-473) and section 801 of the Intelligence Authorization Act for Fiscal Year 1985 (Public Law 98-618 shall, without limitation as to fiscal year, apply with respect to funds authorized to be appropriated by subsections (a) and (b).

(2) CONSTRUCTION OF PROHIBITIONS.—Nothing in this section, section 8066(a) of the Department of Defense Appropriations Act, 1985 (as contained in section 101 of the Public Law 98-473) on section 801 of the Intelligence Authorization Act for Fiscal Year 1985 (Public Law 98-618) shall be construed to prohibit the United States Government from exchanging information with the Nicaraguan democratic resistance, or the obligation and expenditure, but only for the purposes for which they are expressly made available, of the funds authorized to be appropriated by subsections (a) and (b).

(d) POLICIES WITH RESPECT TO NICARAGUA.—The President is urged—

(1) to vigorously pursue the use of diplomatic and economic steps to resolve the conflict in Nicaragua, including negotiations to—

(A) implement the Contadora Document of Objectives of September 9, 1983; and

(B) at the same time, develop trade and economic measures in close consultation and cooperation with other nations which will encourage the Government of Nicaragua to take the necessary steps to resolve the conflict;

(2) to suspend military maneuvers in Honduras and off Nicaragua's coast, and to lift the embargo on trade with Nicaragua, if the Government of Nicaragua agrees to a cease-fire, to open a dialog with the Nicaraguan democratic resistance and to suspend the state of emergency; and

(3) to resume bilateral discussions with the Government of Nicaragua with a view to encouraging—

(A) a church-mediated dialog between the Government of Nicaragua and the Nicaraguan democratic resistance in support of internal reconciliation, as called for by the Contadora Document of Objectives; and

(B) a comprehensive, verifiable agreement among the nations of Central America, based on the Contadora Document of Objectives.

(e) REPORTS.—

(1) REQUIREMENT.—The President shall submit a report to the Congress every 90 days on the activities carried out in accordance with subsection (d) and on the assistance provided under subsections (a) and (b). Such reports shall describe the willingness of the Nicaraguan democratic resistance and the Government of Nicaragua to negotiate and the progress of efforts to achieve the objectives set out in paragraph (3) of subsection (d) and shall provide a detailed accounting of the disbursement of any such assistance.

(2) HUMAN RIGHTS ABUSES.—As part of each of the reports submitted pursuant to paragraph (1), the President shall submit to the Congress a report on alleged human rights violations by the Nicaraguan democratic resistance and the Government of Nicaragua. With respect to the alleged violations the report shall include information on who is responsible for such human rights violations.

(f) SUBMISSION OF REQUEST FOR ADDITIONAL ASSISTANCE FOR THE CENTRAL AMERICA PEACE PROCESS.—If the President determines at any time after the enactment of this Act that—

(1) negotiations based on the Contadora Document of Objectives of September 9, 1983, have produced an agreement, or show promise of producing an agreement, or

(2) other trade and economic measures will assist in a resolution of the conflict, or to stabilization in the region,

the President may submit to the Congress a request for budget and other authority to provide additional assistance for the furtherance of the Central America peace process.

(g) STATEMENT TO BE INCLUDED.—The President's request pursuant to subsection (f) shall include a detailed statement as to progress made to resolve the conflict in the region.

(h) CONSULTATION WITH THE CONGRESS.—In formulating a request pursuant to subsection (f), the President shall consult with the Congress.

(i) CONGRESSIONAL ACTION.—(1) The provisions of this subsection apply, during the 99th Congress, to the consideration in the House of Representatives of a joint resolution with respect to the request submitted by the President pursuant to subsection (f).

(2) For purposes of this subsection, the term "joint resolution" means only a joint resolution introduced within 3 legislative days after the Congress receives the request submitted by the President pursuant to subsection (f)—

(A) the matter after the resolving clause of which is as follows: "That the Congress hereby approves the additional authority and assistance for the Central America peace process that the President requested pursuant to the International Security and Development Cooperation Act of 1985, notwithstanding section 10 of Public Law 91-672.";

(B) which does not have a preamble; and

(C) the title of which is as follows: "Joint Resolution relating to Central America pursuant to the International Security and Development Cooperation Act of 1985.".

(3) A joint resolution shall, upon introduction, be referred to the appropriate committee or committees of the House of Representatives.

(4) If all the committees of the House to which a joint resolution has been referred have not reported the same joint resolution by the end of 15 legislative days after the first joint resolution was introduced, any committee which has not reported the first joint resolution introduced shall be discharged from further consideration of that joint resolution and that joint resolution shall be placed on the appropriate calendar of the House.

(5)(A) At any time after the first joint resolution placed on the appropriate calendar has been on that calendar for a period of 5 legislative days, it is in order for any Member of the House (after consultation with the Speaker as to the most appropriate time for the consideration of that joint resolution) to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of that joint resolution.—The motion is highly privileged and is in order even though a previous motion to the same effect has been disagreed to. All points of order against the joint resolution under clauses 2 and 6 of Rule XXI of the Rules of the House are waived. If the motion is agreed to, the resolution shall remain the unfinished business of the House until disposed of. A motion to reconsider the vote by which the motion is disagreed to shall not be in order.

[CRS-466]

(B) Debate on the joint resolution shall not exceed ten hours, which shall be divided equally between a Member favoring and a Member opposing the joint resolution. A motion to limit debate is in order at any time in the House or in the Committee of the Whole and is not debatable.

(C) An amendment to the joint resolution is not in order.

(D) At the conclusion of the debate on the joint resolution, the Committee of the Whole shall rise and report the joint resolution back to the House, and the previous question shall be considered as ordered on the joint resolution to final passage without intervening motion.

(6) As used in this subsection, the term "legislative day" means a day on which the House is in session.

(7) This subsection is enacted—

(A) as an exercise of the rulemaking power of the House of Representatives, and as such it is deemed a part of the rules of the House, but applicable only with respect to the procedure to be followed in the House in the case of a joint resolution, and it supersedes other rules only to the extent that it is inconsistent with such rules; and

(B) with full recognition of the constitutional right of the House to change its rules at any time, in the same manner, and to the same extent as in the case of any other rule of the House, and of the right of the Committee on Rules to report a resolution for the consideration of any measure.

(j) Submission of Request for Additional Assistance for Nicaraguan Democratic Resistance.—If the President determines at any time after the enactment of this Act that—

(1) negotiations based on the Contadora Document of Objectives of September 9, 1983, have failed to produce an agreement, or

(2) other trade and economic measures have failed to resolve the conflict,

the President may submit to the Congress a request for budget and other authority to provide additional assistance for the Nicaraguan democratic resistance.

(k) Statement To Be Included.—The President's request pursuant to subsection (j) shall include a detailed statement as to why the negotiations or other measures have failed to resolve the conflict in the region.

(l) Consultation With the Congress.—In formulating a request pursuant to subsection (j), the President shall consult with the Congress.

(m) Congressional Action.—(1) The provisions of this subsection apply, during the 99th Congress, to the consideration in the House of Representatives of a joint resolution with respect to the request submitted by the President pursuant to subsection (j).

(2) For purposes of this subsection, the term "joint resolution" means only a joint resolution introduced within 3 legislative days after the Congress receives the request submitted by the President pursuant to subsection (j)—

(A) the matter after the resolving clause of which is as follows: "That the Congress hereby approves the additional authority and assistance for the Nicaraguan democratic resistance that the President requested pursuant to the International Security and Development Cooperation Act of 1985, notwithstanding section 10 of Public Law 91-672.";

(B) which does not have a preamble; and

(C) the title of which is as follows: "Joint Resolution relating to Central America pursuant to the International Security and Development Cooperation Act of 1985.".

(3) A joint resolution shall, upon introduction, be referred to the appropriate committee or committees of the House of Representatives.

(4) If all the committees of the House to which a joint resolution has been referred have not reported the same joint resolution by the end of 15 legislative days after the first joint resolution was introduced, any committee which has not reported the first joint resolution introduced shall be discharged from further consideration of that joint resolution and that joint resolution shall be placed on the appropriate calendar of the House.

(5)(A) At any time after the first joint resolution placed on the appropriate calendar has been on that calendar for a period of 5 legislative days, it is in order for any Member of the House (after consultation with the Speaker as to the most appropriate time for the consideration of that joint resolution) to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of that joint resolution. The motion is highly privileged and is in order even though a previous motion to the same effect has been disagreed to. All points of order against the joint resolution under clauses 2 and 6 of Rule XXI of the Rules of the House are waived. If the motion is agreed to, the resolution shall remain the unfinished business of the House until disposed of. A motion to reconsider the vote by which the motion is disagreed to shall not be in order.

(B) Debate on the joint resolution shall not exceed ten hours, which shall be divided equally between a Member favoring and a Member opposing the joint resolution. A motion to limit debate is in order at any time in the House or in the Committee of the Whole and is not debatable.

(C) An amendment to the joint resolution is not in order.

(D) At the conclusion of the debate on the joint resolution, the Committee of the Whole shall rise and report the joint resolution back to the House, and the previous question shall be considered as ordered on the joint resolution to final passage without intervening motion.

(6) As used in this subsection, the term "legislative day" means a day on which the House is in session.

(7) This subsection is enacted—

(A) as an exercise of the rulemaking power of the House of Representatives, and as such it is deemed a part of the rules of the House, but applicable only with respect to the procedure to be followed in the House in the case of a joint resolution, and it supersedes other rules only to the extent that it is inconsistent with such rules; and

(B) with full recognition of the constitutional right of the House to change its rules at any time, in the same manner, and to the same extent as in the case of any other rule of the House, and of the right of the Committee on Rules to report a resolution for the consideration of any measure.

Mr. McCURDY (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. McCURDY. Mr. Chairman, my amendment tracks the language of the McDade-Michel-McCurdy amendment which passed this House 3 weeks ago and provides $27 million plus $2 million to the Contadora nations in humanitarian assistance to the Nicaraguan democratic resistance through March 31, 1986. The only difference between my amendment and the McDade-Michel-McCurdy provision is that since the former was an appropriation this amendment provides only for authorization. The change was made to avoid having an appropriation in an authorizing bill.

The House has debated the issue of U.S. assistance to the Nicaraguan democratic resistance several times over the past 2 months. Three weeks ago we finally came to a resolution. There is no need to repeat that lengthy debate here today. However, it is useful to provide clear authorizing language for the appropriation which the House has approved.

Mr. FASCELL. Mr. Chairman, will the gentleman yield?

Mr. McCURDY. I yield to the distinguished chairman of the Committee on Foreign Affairs, the gentleman from Florida [Mr. Fascell].

Mr. FASCELL. Mr. Chairman, I thank the gentleman for yielding.

This is the exact language that the House has already acted upon, is that correct?

Mr. McCURDY. That is correct, Mr. Chairman.

Mr. FASCELL. In that case, Mr. Chairman, we have no objection and are ready to accept the amendment.

Mr. LAGOMARSINO. Mr. Chairman, will the gentleman yield?

Mr. McCURDY. I am glad to yield to the gentleman from California.

Mr. LAGOMARSINO. I thank the gentleman for yielding.

Mr. Chairman, I want to indicate my support for the amendment offered by my colleague, the distinguished gentleman from Oklahoma. This is a helpful amendment. It is fully consistent with the House action in adopting the Michel amendment to the recent supplemental appropriations bill. The McCurdy amendment reaffirms the House position in support of humanitarian assistance for the democratic resistance forces opposing the Marxist Sandinista tyranny in Nicaragua.

Mr. McCURDY. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Oklahoma [Mr. McCURDY].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. RICHARDSON

Mr. RICHARDSON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. RICHARDSON: Page 115, after line 17, insert the following:

[CRS-467]

SEC. 722. CONDEMNING HUMAN RIGHTS VIOLATIONS AND THE SUBVERSION OF OTHER GOVERNMENTS BY THE GOVERNMENT OF CUBA.

(a) CONDEMNATION OF CERTAIN ACTION BY THE GOVERNMENT OF CUBA.—The Congress condemns—

(1) the consistent pattern of gross violations of internationally recognized human rights by the Cuban Government, including—

(A) cruel, inhumane, and degrading treatment and punishment of prisoners;

(B) the suppression of free speech, press, and assembly; and

(C) restrictions on religious activity and the freedom to emigrate; and

(2) the provision by the Cuban government of material aid and personnel support for the purposes of subversion.

(b) CALL UPON THE GOVERNMENT OF CUBA.—The Congress calls upon the Government of Cuba to restore civil liberties and cease in the violation of human rights of the Cuban people and cease the subversion of other governments through material and personnel support.

Mr. RICHARDSON (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New Mexico?

There was no objection.

Mr. RICHARDSON. Mr. Chairman, since Fidel Castro led a revolutionary movement to overthrow the repressive Batista regime in 1959, Cuba has played a major role in international affairs and the promise of democratic rule has turned into a nightmare.

The violations of internationally recognized human rights by the centralized Government of Cuba is well documented and the testimonies by survivors of Castro's prisons are available to us all. Sometime persons are arrested and tried in secret without the knowledge of family and friends. There is no freedom of speech, press, and assembly, and even private criticism of the Castro regime can land a person in prison. There is also a prohibition on all free trade activity. Only the Communist Party can run the unions in Cuba. Some trade unionists have been sentenced to 30 years in prison for their organizing activities. A network of formal and informal restrictions limits religious activity and the official state ideology of atheism is taught in the schools. Freedom to emigrate is severely restricted, and those who apply to emigrate lose their jobs, their ration cards, their housing, and their personal possessions. It is no wonder that more than 100,000 persons fled Cuba in 1980 to seek a better way of life in the United States.

Cuba's continued support for the subversion of other governments is not a matter of mere moral support and solidarity with international communism. There is plenty of evidence that Cuba provides material and personnel support for these activities.

I urge my colleagues on both sides of the aisle to support this amendment and add the concern of Congress on this issue to the other human rights provisions of the State Department authorization bill.

Mr. FASCELL. Mr. Chairman, will the gentleman yield?

Mr. RICHARDSON. I would be glad to yield to my colleague from Florida.

Mr. FASCELL. I thank the gentleman for yielding.

Mr. Chairman, the gentleman [Mr. RICHARDSON] has discussed this amendment with us. We have had an opportunity to review it. We think it is a good amendment. We are ready to accept it.

Mr. BROOMFIELD. Mr. Chairman, will the gentleman yield?

Mr. RICHARDSON. I yield to the gentleman from Michigan [Mr. BROOMFIELD].

Mr. BROOMFIELD. I thank the gentleman for yielding.

Mr. Chairman, the gentleman has explained the amendment to us. We think it is a good amendment. We accept the amendment on this side.

Mr. RICHARDSON. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New Mexico [Mr. RICHARDSON].

The amendment was agreed to.

□ 1710

AMENDMENTS OFFERED BY MR. RICHARDSON

Mr. RICHARDSON. Mr. Chairman, I offer two amendments, and I ask unanimous consent that they be considered en bloc.

The CHAIRMAN. Is there objection to the request of the gentleman from New Mexico?

There was no objection.

The CHAIRMAN. The Clerk will report the amendments.

The Clerk read as follows:

Amendments offered by Mr. RICHARDSON:

SEC. . CONDITIONS ON HUMANITARIAN ASSISTANCE TO THE NICARAGUAN DEMOCRATIC RESISTANCE.

(a) PREVENTING DIVERSION OF ASSISTANCE.—The President shall establish appropriate procedures to ensure that any humanitarian assistance provided by the United States Government to the Nicaraguan democratic resistance is used only for the intended purpose and is not diverted (through barter, exchange, or any other means) for acquisition of weapons, weapons systems, ammunition, or other equipment, vehicles, or material which can be used to inflict serious bodily harm or death.

(b) RESPECT FOR HUMAN RIGHTS.—If the President determines that Nicaraguan democratic resistance forces are engaging in a consistent pattern of human rights violations, the President shall suspend all United States humanitarian assistance to those forces. The Secretary of State shall report to the Congress every six months on the human rights practices of the Nicaraguan democratic resistance forces.

Page 83, after line 4, insert the following new subsection:

(f) UNITED STATES CONCERNS ABOUT NICARAGUAN FOREIGN AND DOMESTIC POLICIES.—The Congress finds and declares the following:

(1) Despite positive actions by the Congress signaling support for negotiated solutions to conflicts in Central America, there are disturbing trends in Nicaragua's foreign and domestic policies, including—

(A) President Daniel Ortega's April 1985 trip to the Soviet Union at a time when the Congress signaled its strong disapproval of increasing Nicaraguan-Soviet ties;

(B) the Sandinista government's close military ties with Cuba, the Soviet Union, and its Warsaw Pact allies; the disappointing and insufficient reduction of the number of Cuban advisors in Nicaragua by only 100 out of an approximately 2500; and the continuing military buildup that Nicaragua's neighbors consider threatening;

(C) the Sandinista government's curtailment of individual liberties, political expression, freedom of worship, and the independence of the media;

(D) the subordination of military, judicial, and internal security functions to the ruling political party; and

(E) the Sandinista government's efforts to export its influence and ideology;

(2) Should Nicaragua not address the concerns described in paragraph (1), the United States has several options to address this challenge to peace and stability in the region, including political, diplomatic, and trade sanctions. In addition, the United States—

(A) should through appropriate regional organizations, such as the Organization of American States, seek to maintain multilateral pressure on Nicaragua to address these concerns; and

(B) should, if called upon to do so, give serious consideration to supporting any sanctions adopted by such an organization.

(3) In assessing whether or not progress is being made in addressing these concerns, the Congress will expect prompt and significant initiatives by the Government of Nicaragua such as—

(A) the removal of foreign military advisers from Nicaragua;

(B) the end to Sandinista support for insurgencies in other countries in the region, including the cessation of military supplies to the rebel forces fighting the democratically elected government in El Salvador;

(C) restoration of individual liberties, political expression, freedom of worship, and the independence of the media; and

(D) progress toward internal reconciliation and a pluralistic democratic system, including steps to liberalize institutions in order to allow the internal opposition in Nicaragua to become a viable partner in the Nicaraguan political process.

Mr. RICHARDSON (during the reading). Mr. Chairman, I ask unanimous consent that the amendments be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New Mexico?

There was no objection.

Mr. RICHARDSON. Mr. Chairman, my amendment achieves two key objectives. First, it insures that the Contras cannot use any of the humanitarian assistance for military purposes, for barter, or any type exchange. Specifically, it tightens up the humanitarian aid to the point where it can only be used for food, clothing, and medicine. I was deeply concerned about a statement that Alfonse Robelo, one, the Contra leaders, made in FBIS, June 25, 1985. "That money—the humanitarian aid approved by Congress—would be used to buy arms on the black market and equip the fighters, the FDN." Under this amendment, such a dangerous diversion could not occur.

[CRS-468]

Second, my amendment reaffirms congressional intent on human rights violations and U.S. assistance. The Contras have systematically violated human rights, and this must stop. Under this amendment, the President can suspend this aid if he finds that the Contras are engaged in gross violations of human rights. I expect the State Department to monitor Contra human rights practices comprehensively, especially since there appear to be some versions serious and significant human rights abuses. This amendment does not intend to legitimize the Contras. Its intent is to place them under the tightest scrutiny possible. The Contras may not be worthy of receiving U.S. humanitarian assistance based on their human rights abuses and their diversion of humanitarian aid for military purposes. This amendment would provide the hook for the U.S. Government to cut off Contras aid if they violate these two conditions.

Mr. Chairman, this amendment simply clarifies congressional intent about our basic policy toward Nicaragua. The goal is not a military solution to conflict in Nicaragua; it is not the overthrow of the Nicaraguan Government. The goal is to promote the Contadora process and pressure Nicaragua to cease the violations of human rights in Nicaragua. It is to put the Nicaraguan Government on notice that the United States is prepared to join in regional initiatives and employ sanctions if there is no progress toward these goals. On the other hand, this amendment makes it clear that we are aiming at negotiation rather than confrontation; and reconciliation rather than destruction.

The current embargo is just the sort of sanction mentioned in my amendment. But not it would be placed in the context not of a drive toward direct U.S. intervention in the area, but a measure which will be lifted as soon as we receive strong signals and see positive measures which address our concerns.

Mr. FASCELL. Mr. Chairman, will the gentleman yield?

Mr. RICHARDSON. I yield to the gentleman from Florida.

Mr. FASCELL. Mr. Chairman, on the amendments being considered en bloc, the one has the additional language that we discussed?

Mr. RICHARDSON. That is correct. The gentleman is correct.

Mr. FASCELL. Is that the understanding of the gentleman from Michigan [Mr. BROOMFIELD] also?

Mr. BROOMFIELD. It is.

Mr. FASCELL. In that case, Mr. Chairman, we have no objection.

Mr. BROOMFIELD. Mr. Chairman, we have no objection on this side.

Mr. LAGOMARSINO. Mr. Chairman, will the gentleman yield?

Mr. RICHARDSON. I yield to my colleague, the gentleman from California.

Mr. LAGOMARSINO. Mr. Chairman, I have examined the amendments and discussed them. I think they are helpful to the bill, and I certainly agree with them and urge their support.

Mr. RICHARDSON. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the amendments offered by the gentleman from New Mexico [Mr. RICHARDSON].

The amendments were agreed to.

H5399-402

[CRS-469]

F. ISDCA, SUPPLEMENTAL APPROPRIATIONS; CONFERENCE REPORTS

The respective positions of the House and Senate in their versions of the ISDCA and the supplemental appropriations varied in several key respects. Among the major differences were what agencies could administer the humanitarian aid—the House barred CIA involvement—and contra aid restrictions—the Senate sought to repeal them. In the final conference versions, which were adopted without amendment or substantive discussion, the House restrictions on aid distribution were adopted and the aid restrictions were left intact with respect to humanitarian assistance. The applicability of general aid prohibitions beyond FY 85 was left to be determined during consideration of the intelligence authorization bill.

1. ISDCA Report

[Conference Report]

INTERNATIONAL SECURITY AND DEVELOPMENT COOPERATION ACT OF 1985

NICARAGUA

Peace Process in Central America

The House amendment (sec. 701(e)) expresses support for national reconciliation in Nicaragua and for a national dialog with the opposition groups.

The Senate bill contains no comparable provision.

The conference substitute is the same as the House provision.

Concerns about Nicaraguan foreign and domestic policies

The House amendment (sec. 701(f)) expresses the sense of Congress concerning various policies of the Nicaraguan Government, noting possible U.S. policy options, and listing expected corrective steps by the Nicaraguan Government.

The Senate bill contains no comparable provision.

The conference substitute is the same as the House provision.

Resolution of the conflict in Nicaragua

The House amendment (sec. 701(g)) sets forth congressional findings regarding U.S. relations with Nicaragua, including condemnation of the Nicaraguan Government, a call for a national dialog, and support for the democratic resistance.

[CRS-470]

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[page 143]

The Senate bill contains no comparable provision.

The conference substitute is the same as the House provision.

Treaty commitments

The Senate bill (sec. 1105) provides that none of the funds shall be used so as to violate U.S. obligations under the Charter of the OAS or under other treaty commitments.

The House amendment contains no comparable provision.

The conference substitute is the same as the Senate provision.

Prohibition on military or paramilitary operations in Nicaragua

The Senate bill (sec. 405) contains a section prohibiting the use of funds in the Foreign Assistance Act or the Arms Export Control Act to provide assistance to those engaged in an insurgency against the Government of Nicaragua. That section also prohibited the U.S. Government from entering into agreements or understandings with recipients of U.S. assistance or purchasers of U.S. military equipment to provide such assistance.

The House amendment contains no similar provision.

The conference substitute is the same as the Senate provision with a technical change for the sake of clarity.

The purpose of the second sentence of this section is to prohibit the United States from furnishing economic or military assistance or selling U.S. military equipment on the condition, either expressly or impliedly, that the recipient or purchaser provide assistance to insurgents involved in the struggle in Nicaragua. This section does not prohibit U.S. Government officials from discussing U.S. policy in Central America with recipients of U.S. assistance or purchasers of U.S. military equipment. Nor does it prohibit recipients of U.S. assistance from furnishing assistance to any third party on their own volition and from their own resources.

Prohibition on assistance for military operations in Nicaragua

The Senate bill (sec. 1101(b)) repeals existing prohibitions on the use of funds for covert military operations in Nicaragua. It also provides that nothing in this section precludes sharing or collecting intelligence information by the United States.

The House amendment (sec. 721(c)) extends these same prohibitions for purposes of funds in this section. It also provides that nothing in this section, or other law, prohibits exchanging information with the democratic resistance, but only for the purposes for which funds are expressly made available.

The conference substitute eliminates both provisions because these issues are being handled by legislation in the jurisdiction of the Committees on Intelligence.

Food aid for Nicaragua

The Senate bill (sec. 1109 of the Senate amendment to H.R. 2068, the State Department authorization bill) provides that the President should explore means for providing food aid to the people of Nicaragua.

The House amendment contains no comparable provision.

[CRS-471]

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[page 144]

The conference substitute is the same as the Senate provision.

1986 assistance to the Nicaraguan democratic resistance

The Senate bill (sec. 1101(a)) authorizes $24 million in humanitarian assistance for the democratic resistance for fiscal year 1986.

The House amendment (sec. 721(a)) authorizes $27 million in humanitarian assistance to the democratic resistance in Nicaragua through March 31, 1986.

The conference substitute is the same as the House provision.

1985 assistance to democratic resistance

The Senate bill frees up $14 million in Public Law 98-473, the continuing resolution for fiscal year 1985, for humanitarian assistance in fiscal year 1985.

The House amendment contains no comparable provision.

The conference substitute is the same as the House position.

CIA/DOD

The House amendment (sec. 721(a)) provides that the assistance authorized in this section shall be provided through a U.S. agency other than the Central Intelligence Agency (CIA) or the Department of Defense (DOD).

The Senate bill contains no comparable provision.

The conference substitute is the same as the House provision. The provision in the conference report is intended to prevent the CIA or the DOD from being the agencies which administer and implement humanitarian assistance to the Nicaraguan resistance. Nothing in the provision restricts either agency from providing to other agencies of the U.S. Government advice, information, or intelligence which would be useful to the implementation of this assistance. It does proscribe these two agencies from administering the funds and from providing any military training or advice to the democratic resistance. The conference committee discussed, and the Intelligence Committees have clarified, that none of the prohibitions on the provision of military or paramilitary assistance to the democratic resistance prohibits the sharing of intelligence information with the democratic resistance.

National Security Council and Congressional Oversight

The Senate bill (sec. 1101(c)) provides that the National Security Council shall monitor the funds and that nothing in this section shall impair congressional oversight.

The House amendment contains no comparable provision.

The conference substitute is the same as the House position.

Availability of assistance

The House amendment (sec. 721(a)) provides that one-third of the funds for Nicaragua shall be available every 90 days upon the submission of the report by the President.

The Senate bill contains no comparable provision.

The conference substitute is the same as the House provision.

[CRS-472]

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[page 145]

Preventing diversion of assistance

The House amendment (sec. 723) requires the President to establish procedures to prevent diversion of assistance for military purposes.

The Senate bill contains no comparable provision.

The conference substitute is the same as the House position.

Human rights

The House amendment (sec. 723) provides that if the President determines the democratic resistance is engaged in consistent pattern of human rights violations, he shall suspend U.S. aid.

The Senate bill contains no comparable provision.

The conference substitute is the same as the Senate position.

Contadora agreement

The House amendment (sec. 721(b)) provides $2 million for implementation of a Contadora agreement, if and when such agreement is reached.

The Senate bill contains no comparable provision.

The conference substitute is the same as the House provision.

Human rights abuses

The Senate bill (sec. 1101(e)) calls on the democratic resistence to remove from their ranks any who have engaged in human rights abuses.

The House amendment contains no comparable provision.

The conference substitute is the same as the Senate provision.

Trade embargo

The Senate bill (sec. 1101(e)) provides that, among steps the President is urged to take is the development with other countries of trade and economic sanctions "to complement the economic sanctions of the United States".

The House amendment (sec. 721(d)) contains similar language, but makes no reference to the current U.S. embargo.

The conference substitute refers to such trade and economic policies of the United States.

Reporting requirement

The Senate bill (sec. 1101(f)) requires the President to submit to the Congress every 90 days a report which includes a decision of progress toward negotiations and steps by Contras to comply with request to remove those responsible for human rights abuses, and an accounting of the disbursement of U.S. funds.

The House amendment (sec. 721(e)) requires a similar report, which is to include a discussion of the willingness of Sandinistas and Contras to negotiate and of alleged human rights abuses by the Sandinistas and by the Contras.

The conference substitute is a combination of the two provisions.

[CRS-473]

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[page 146]

Request for additional funds

The Senate bill (sec. 1101(i)) provides that the President may request additional assistance for the Contras, and establishes expedited procedures for Senate consideration of such a request.

The House amendment (sec. 721(f)) contains a similar provision, and also provides that the President may request assistance for a Central American peace process, and provides for expedited procedures for House consideration of such a request.

The conference substitute is a combination of the two provisions. It provides that the President may request additional authority for assistance to the democratic resistance and for a Central American peace process, and provides for expedited procedures for any such request.

H. Rep. 99-237 at 142-46

[CRS-474]

2. Supplemental appropriations report

MAKING SUPPLEMENTAL APPROPRIATIONS FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 1985, AND FOR OTHER PURPOSES

HUMANITARIAN ASSISTANCE FOR NICARAGUAN DEMOCRATIC RESISTANCE

Amendment No. 108: Deletes language proposed by the Senate which would have provided $38,000,000 for humanitarian assistance for the Nicaraguan Democratic Resistance. This issue is addressed in the Foreign Assistance chapter under amendment number 154.

* * * * *

HUMANITARIAN ASSISTANCE FOR NICARAGUAN DEMOCRATIC RESISTANCE

Amendment No. 154: Restores House language stricken by the Senate for humanitarian assistance for the Nicaraguan Democratic Resistance. The restored House language provides $27,000,000 to remain available until March 31, 1986 for humanitarian assistance to the Nicaraguan Democratic Resistance. The funds are to be provided by such department or agency of the United States as the President shall designate, except for the Central Intelligence Agency or the Department of Defense. The conferees agree that Section 102 is not intended to restrict interdepartmental consultation.

The restored House language also provide $2,000,000 to remain available until expended for payment to the Contadora nations of an agreement is reached among the countries of Central America based on the Contadora Document of Objectives of September 9, 1983.

H. Rep. 99-236 at 30, 56

[CRS-475]

VI. SECTION 105 OF THE INTELLIGENCE AUTHORIZATION ACT FOR FISCAL YEAR 1986, P.L. 99-169, 99 STAT. 1003: CONTINUED RESTRICTIONS

(a) Funds available to the Central Intelligence Agency, the Department of Defense, or any other agency or entity of the United States involved in intelligence activities may be obligated and expended during fiscal year 1986 to provide funds, material, or other assistance to the Nicaraguan democratic resistance to support military or paramilitary operations in Nicaragua only as authorized in section 101 and as specified in the classified Schedule of Authorizations referred to in section 102, or pursuant to section 502 of the National Security Act of 1947, or to section 106 of the Supplemental Appropriations Act, 1985 (Public Law 99-88).

(b) Nothing in this section precludes—

(1) administration, by the Nicaraguan Humanitarian Assistance Office established by Executive order 12530, of the program of humanitarian assistance to the Nicaraguan democratic resistance provided for in the Supplemental Appropriations Act, 1985, or

(2) activities of the Department of State to solicit such humanitarian assistance for the Nicaraguan democratic resistance.

A. OVERVIEW

This modification of aid restrictions was intended to serve two primary purposes: (1) to accommodate the provision of humanitarian and intelligence assistance under the Supplemental Appropriations Act, 1985 (P.L. 99-88) and certain other support activities and (2) to assure that funds to support activities other than those authorized could be obtained and expended only pursuant to specified procedures that required congressional knowledge and participation and not from the CIA contingency reserve or other sources. The history of this provision is illuminating in another respect. It contains a direct reference to third party solicitation. Representative HAMILTON, House floor manager, explained that the only solicitation permissible by intelligence entities was that specifically allowed to the State Department under paragraph (b)(2). However, it is not clear whether this statement referred only to the solicitation of lethal assistance abroad.

[CRS-476]

The classified authorizations contained in sections 101 and 102 of P.L. 99-169 apparently included specified funds for the provision of information and advice to the contras (short of planning or executing military activities) and for the provision of communications equipment to further this effort. Expenditures during fiscal year 1986 for the purpose of supporting contra military efforts that were in addition to these authorized amounts could be made only pursuant to the Supplemental Appropriations Act, 1985, or section 502 of the National Security Act. In addition to providing some $27 million for humanitarian assistance to the contras, the Supplemental Appropriations Act allowed the President, after making certain findings, to seek additional assistance funds through expedited procedures. Section 502 of the National Security Act, which was enacted elsewhere in P.L. 99-169, states that appropriated funds may be expended for intelligence activities only as authorized by Congress or, in the case of CIA reserve funds or funds authorized for different activities, after notice to appropriate committees. At the same time, section 502 prohibits the use of *any* funds available to an intelligence agency for any purpose for which funds were denied by Congress. The General Accounting Office has interpreted this last type of restriction to include not only activities for which funds were totally denied, but also continuation of activities for which earmarked funds have run out.

[CRS-477]

B. HOUSE

1. Restriction as Introduced

[H.R. 2419, 99th Cong., 1st Sess]

SEC. 105. During fiscal year 1986, no funds available to the Central Intelligence Agency, the Department of Defense, or any other agency or entity of the United States involved in intelligence activities may be obligated or expended for the purpose or which would have the effect of supporting, directly or indirectly, military or paramilitary operations in Nicaragua by any nation, group, organization, movement or individual.

2. Restriction as Reported

[H.R. 2419, 99th Cong., 1st Sess.]

To authorize appropriations for fiscal year 1986 for intelligence and intelligence-related activities of the United States Government, the Intelligence Community Staff, and the Central Intelligence Agency Retirement and Disability System, and for other purpose.

[CRS-478]

PROHIBITION ON COVERT ASSISTANCE FOR MILITARY OPERATIONS IN NICARAGUA

[SEC. 105. During fiscal year 1986, no funds available to the Central Intelligence Agency; the Department of Defense, or any other agency or entity of the United States involved in intelligence activities may be obligated or expended for the purpose or which would have the effect of supporting, directly or indirectly, military or paramilitary operations in Nicaragua by any nation, group, organization, movement, or individual.]

"SEC. 105. During fiscal year 1986, no funds available to the Central Intelligence Agency, Department of Defense, or any other agency or entity of the United States involved in intelligence activities may be obligated or expended, directly or indirectly, for material assistance to the Nicaraguan democratic resistance including arms, ammunition, or other equipment or material which could be used to inflict serious bodily harm or death, or which would have the effect of providing arms, ammunition or other weapons of war for military or paramilitary operations in Nicaragua by any group, organization, movement or individual."

[CRS-479]

INTELLIGENCE AUTHORIZATION ACT FOR FISCAL YEAR 1986

PURPOSE

The bill would:

(4) Prohibit the use of any funds available to any agency involved in intelligence activities for military or paramilitary operations in Nicaragua;

SECTION-BY-SECTION ANALYSIS

TITLE I—INTELLIGENCE AND INTELLIGENCE-RELATED ACTIVITIES

As introduced, Section 105 would have prohibited any funds available to any agency involved in intelligence activities being used to support, directly or indirectly, military or paramilitary operations in Nicaragua. The section also had the effect of denying any funds requested for such a purpose in fiscal year 1986. It would extend the current statutory prohibition for support to the Nicaraguan "contras" through the end of FY 1986.

An amendment was adopted by the committee to strike the original language of Section 105 so as to make clear that the prohibition that applies to supporting Nicaraguan insurgents or "contras" applies only to the provision of funds, goods, equipment, civilian or military supplies, or any other material, but does not include the provision of intelligence information or advice to the contras.

[CRS-480]

3. House floor debate (7-18-85)

Mr. HAMILTON. Madam Chairman, I yield myself such time as I may consume.

Madam Chairman, I rise in support of H.R. 2419, the Intelligence Authorization Act for Fiscal Year 1986.

* * * * *

Madam Chairman, there are other important features of the bill worth mentioning. With respect to Nicaragua, the committee has amended the familiar Boland amendment language to permit the provision of CIA intelligence and advice to the Contras. It continues the prohibition on other intelligence agency support to the Contras but is consistent with the Michel amendment to the supplemental appropriations bill adopted by the House.

In another provision, the committee has made permanent a requirement that has long appeared in intelligence authorization bills. This provision requires the Intelligence and Appropriations Committees be told of the intent to exceed the authorized amount for any intelligence or intelligence-related program.

H5902

Mr. STUMP. Madam Chairman, I rise in support of H.R. 2419, the Intelligence Authorization Act, with the committee amendments printed in the bill and the committee freeze-type amendment printed in the Congressional Record of Tuesday, July 16.

Section 105 of this bill, relating to aid to the Nicaraguan Democratic Resistance, is not exactly what I would have preferred.

As the minority views in the Intelligence Committee report on the bill state, the minority believes that the congress should support military aid to the resistance.

A majority of the committee did not agree with that position, but it did agree that the U.S. Government should be able to exchange intelligence and advice with the resistance.

Thus, section 105 of the bill with the committee amendments only prohibits intelligence agencies from providing material assistance to the resistance.

The committee position on section 105 is generally consistent with the will of the House expressed in the adoption of the Michel-McDade-McCurdy language on the supplemental appropriations bill, which provides for humanitarian aid to the resistance administered by an agency other than CIA or DOD, and allows the exchange of information with the resistance.

I urge the House to support the committee's authorization decisions by approving H.R. 2419.

Madam Chairman, I yield 3 minutes to the gentleman from Wyoming [Mr. Cheney].

Mr. CHENEY. I thank the gentleman for yielding.

Madam Chairman, I rise in support of H.R. 2419. This has been my 1st year to serve on the Intelligence Committee, and I must say I found it a fascinating experience in part because of the spirit of bipartisanship that was mentioned previously by the chairman.

It has been a privilege to serve with the gentleman from Arizona [Mr. Stump], the ranking Republican, and the gentleman from Indiana [Mr. Hamilton], the chairman of the full committee, and the gentleman from Ohio, [Mr. Stokes], who chaired the Budget Subcommittee.

I think it is extremely important for the House and for the committee to seek bipartisan efforts and conclusions with respect to the intelligence program and I was indeed pleased that we were able to achieve that this year.

As the gentleman from Arizona [Mr. Stump] mentioned, many of us believe that the provisions with respect to Nicaragua are inadequate; we would have preferred to support military assistance to the Democratic resistance in Nicaragua; but we did in fact reach a compromise; we did agree to modify section 105 of the bill so that it does continue the prohibition of the Boland amendment against military assistance, but it does in fact make it clear that the prohibition does not prevent information sharing or advice with the Nicaraguan Democratic Resistance.

Section 105 is intended to bar the Central Intelligence Agency, the Department of Defense or any other U.S. Government agency or entity involved in intelligence activities from providing directly or indirectly arms, ammunition, or other equipment or material to support the military or paramilitary activities of the Nicaraguan insurgent forces.

It is not intended to prohibit the provision of intelligence information and advice to these groups, nor does it preclude the United States from furnishing political, administrative, or other forms of nonmilitary support for activities of the Nicaraguan Democratic Resistance.

In other words, it is consistent with the provision of humanitarian assist-

[CRS-481]

ance to the armed Nicaraguan Democratic Resistance, as previously approved by the House this year on the supplemental appropriations bill.

Madam Chairman, this is a good piece of legislation. I am proud to have served on the committee that produced it, and I would urge my colleagues to approve it.

□ 1140

Mr. STUMP. Madam Chairman, I yield such time as he may consume to the gentleman from Illinois [Mr. Hyde].

Mr. HYDE. I wonder if I might ask the chairman, the gentleman from Indiana [Mr. Hamilton], one question. First of all, I want to identify with everything that the gentleman from Arizona [Mr. Stump] has said and what the gentleman from Wyoming [Mr. Cheney] has said, complimenting the committee on its excellent leadership and the effort to attain bipartisan consensus, which most often we do.

With reference to section 105, is it the gentleman's understanding that that section does not conflict in any way with the McCurdy-Michel-McDade amendment which we adopted in this Chamber on previous legislation?

Mr. HAMILTON. Yes, basically that is my understanding, that there is no conflict.

But let me respond in more detail. The Michel amendment appropriates $27 million in 2-fiscal years to be distributed by an agency of Government other than the Central Intelligence Agency or the Department of Defense for humanitarian aid to the Contras. Section 105 of this bill prohibits any intelligence agency from providing assistance to the Contras, material assistance to the Contras. It does not prohibit, as the gentleman from Wyoming said, the provision of intelligence or advice to the Contras.

Now, the Michel amendment would not have restricted or does not restrict the use of the State Department in distributing aid to the Contras. Section 105 does prohibit the State Department from being the agency for that purpose.

Other than that, there is no conflict or difference between the two provisions, and I think that difference is a minor one.

Mr. HYDE. I thank the chairman very much for that explanation.

Mr. STUMP. Madam Chairman, I yield 2 minutes to the gentleman from Louisiana [Mr. Livingston].

Mr. LIVINGSTON. I thank the gentleman for yielding.

Madam Chairman, I rise in support of H.R. 2419, the Intelligence Authorization Act for Fiscal Year 1986. This bill provides classified authorizations of appropriations for intelligence and intelligence-related programs which are essential to the security interests of the United States.

I note, however, that one section of the bill, section 105 relating to Nicaragua, in my view does not fully satisfy the security interests of the United States. As the minority views contained in the Intelligence Committee's report make clear, the committee-recommended version of section 105 is only tolerable in comparison to the alternative it replaced—the full Boland prohibition, which the House recently rejected in considering the supplemental appropriations bill.

Section 105 of H.R. 2419 as introduced would have carried forward to fiscal year 1986 the Boland prohibition on support for military or paramilitary operations in Nicaragua contained in section 8066(a) of the DOD Appropriations Act, 1985 and section 801 of the Intelligence Authorization Act for Fiscal Year 1985. The committee amendment to section 105, which is printed in the bill, more narrowly tailors the prohibition to the concerns some in the Congress have expressed in the past about U.S. policy toward Nicaragua and the armed democratic resistance in that country. Also, the committee amendment to section 105 was crafted so that it does not interfere with use of the U.S. Armed Forces consistent with the War Powers Resolution to protect U.S. citizens, or U.S. efforts to fulfill collective security treaty obligations.

Instead of the Boland prohibition, section 105 as recommended by the committee establishes two narrower prohibitions on the use of funds during fiscal year 1986 by the CIA. DOD, and other U.S. intelligence entities. First, the amendment prohibits use of funds by intelligence agencies for material assistance to the armed democratic opposition, referred to as the Nicaraguan Democratic Resistance. Second, the amendment prohibits use of funds by intelligence agencies which would have the effect of providing arms, ammunition, or other weapons of war for military, or paramilitary operations in Nicaragua by any group, organization, movement or individual.

Although this revised section 105 does not fully meet the need to support the resistance in the fight for freedom in Nicaragua, it is better than the Boland amendment it replaced and is generally consistent with the Michel-McDade-McCurdy language the House adopted on the supplemental appropriation bill. Aside from the failure of revised section 105 to go far enough in renewing support for the Nicaraguan resistance. I believe the rest of the bill provides the support needed for the Nation's vital intelligence activities. I urge my colleagues to support the bill for that reason.

I emphasize again that the two narrow prohibitions contained in revised section 105 were carefully crafted to meet both congressional concerns and the needs of U.S. foreign policy. In revised section 105, the term "material assistance" refers to any corporeal items. Thus, no goods of any type may be furnished by intelligence agencies to the resistance in Nicaragua. In contrast, the amendment does not prohibit nonmaterial, that is noncorporeal, assistance, such as advice or intelligence information. Lest there be any confusion about it, such intelligence information or advice does not become material assistance merely because it may be physically embodied in pieces of paper.

As I interest it, amended section 105 is not intended to prohibit the sharing of intelligence and conduct of normal liaison contact, or to encumber the political, administrative or other support for nonparamilitary activities. Thus, any authority for material assistance of a political or administrative nature, such as typewriters or photocopiers, to democratic opposition elements who are not engaged in armed resistance, would not be affected.

The other prohibition contained in amended section 105 precludes use of funds by intelligence agencies, which have the effect of providing arms, ammunition, or other weapons of war for military, or paramilitary operations in Nicaragua. Unlike the first prohibition, which applies only with respect to the Nicaraguan Democratic Resistance, the second prohibition applies with respect to military operations by any "group, organization, movement or individual." The deletion of the word "nation"—which appeared in the rejected Boland prohibition—from the list of actors to whom the United States may not give aid for operations in Nicaragua, makes clear that section 105 does not prevent use of U.S. intelligence funds to support U.S. military operations in Nicaragua consistent with the War Powers Resolution, should such operations become necessary, for example in rescuing U.S. Embassy personnel in an emergency. The deletion of "nation" also makes clear that, in the event of a Nicaraguan attack on any of our allies in the region, intelligence funds could be used in support of collective self-defense operations under the Rio Treaty.

Madam Chairman, I say again to my colleagues that amended section 105 is not perfect. I believe, as do many other Members of the House, that the United States should provide material aid—and every other kind of aid—to the Nicaraguan Democratic Resistance to continue the fight against Sandinista Communist tyranny in Nicaragua.

Notwithstanding the shortcomings of section 105, however, the remainder of the bill is fully satisfactory in meeting the intelligence needs of the United States, and I would urge my colleagues to support it on that basis. H5903-04

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C. SENATE

The Senate intelligence authorization bill, S. 1271, did not contain an express restriction on contra aid, either as introduced or as reported (S. Rep. 99-79). The limited floor debate (9/26/85) of this measure, however, makes clear that funds authorized in the classified schedule reflected the amounts and restrictions contained in earlier appropriations measures.

Mr. LEAHY. A question arose earlier this evening. Mr. President, as we were preparing to go forward with this bill, by a number of Senators concerned, as a number of us have been with our policy in Nicaragua. Specifically they were concerned about the funds for humanitarian assistance provided by this bill to the insurgents in Nicaragua. I do not mean to revisit the whole debate we hae on the floor of the Senate. We have had a series of votes on it. But the assurance I have given to Senators. If I might say, Mr. President, is that we have passed legislation which allows humanitarian aid to the Contras to be administered by the only office of Nicaragua Humanitarian Assistance in the Department of State under certain restrictions that have been voted on in the past by both bodies and signed into law by the President in an amount of $28 million.

I have further assured these Senators that the $28 million for this aid to be administered through the Department of State is included in this bill in the CIA's contingency fund. I have assured them further that only the funds only can be used for humanitarian assistance.

Furthermore, no other moneys for the CIA or any other agency or Department covered by this bill can be used in excess of that $28 million. As I said that $28 million is to be administered only by the Department of State. I have given that assurance to those Senators who at one point had considered bringing further amendments to this bill.

I ask my good friend from Minnesota the distinguished chairman of the committee if the assurances I have outlined are accurate in his understanding.

Mr. DURENBERGER. Mr. President, I say to my colleague from Vermont that if I accurately understand the gist of his characterization. I certainly do agree with it.

As he well knows and many others know. I made a point at the end of 1984 of declaring my personal opposition to continued use of covert activity in Nicaragua. I took a similar position as chairman of the committee since January of this year.

In the committee, we have deliberately steered a course of neutrality on the issue of utilization of the CIA or other intelligence agencies in some of the areas that my colleague talked about.

In effect, what we accomplished as we went through the budget process was to say that whatever the authorization on the floor of the Senate with regard to the appropriation for Nicaragua that authorization would control any expenditures from the reserve account. Specifically for our colleagues

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this issue is dealt with in a classified supplement through the Intelligence Committee's report, and even more specifically is dealt with on page 82 of the Intelligence Committee's classified supplement.

The committee moved the $28 million requested for Nicaraguan paramilitary to the reserve, to be spent only for humanitarian assistance to the so-called Nicaraguan Democratic Resistance, in an amount and in a manner consistent with congressional action on this issue. Because congressional action has proscribed CIA and DOD administration of the humanitarian aid funds—all of it in the separate authorization, as I indicated—the Intelligence Committee's action, in effect, has been overtaken by events.

I say to my colleague and the others, particularly on his side of the aisle, who have expressed a concern about this issue, that he is correct in his characterization of our authority.

Mr. LEAHY. With that assurance, Mr. President—and it is also my understanding—I have been told by the Senators who have a concern about this that they do not intend to bring up another amendment and thus revisit something that has been voted on.

The Senators who raised the point have been on the losing side before, and they realize that the vote would be the same if held again. I think they realize that the Intelligence Committee handled this matter in a straightforward fashion. It is clear we in the committee watch how and where the money is spent; to be certain it is done so in a manner prescribed by the law.

With that assurance, I assure the chairman that there will not be amendments on this side on this matter.

S12257-58

[CRS-484]

D. Conference

1. Report Language and Explanation

INTELLIGENCE AUTHORIZATION ACT FOR FISCAL YEAR 1986

RESTRICTION ON SUPPORT FOR MILITARY OR PARAMILITARY OPERATIONS IN NICARAGUA

Sec. 105. (a) Funds available to the Central Intelligence Agency, the Department of Defense, or any other agency or entity of the United States involved in intelligence activities may be obligated and expended during fiscal year 1986 to provide funds, materiel, or other assistance to the Nicaraguan democratic resistance to support military or paramilitary operations in Nicaragua only as authorized in Section 101 and as specified in the classified Schedule of Authorizations referred to in Section 102, or pursuant to Section 502 of the National Security Act of 1947, or to Section 106 of the Supplemental Appropriations Act, 1985 (P.L. 99-88).

(b) Nothing in this section precludes—

(1) administration, by the Nicaraguan Humanitarian Assistance Office established by Executive Order 12530, of the program of humanitarian assistance to the Nicaraguan democratic resistance provided for in the Supplemental Appropriations Act, 1985, or

(2) activities of the Department of State to solicit such humanitarian assistance for the Nicaraguan democratic resistance.

SECTION 105

The House bill contained a provision, Section 105, prohibiting funds available to the Central Intelligence Agency, the Department of Defense, or any other element of the U.S. Government involved in intelligence activities from being obligated or expended during fiscal year 1986 for material assistance to the Nicaraguan democratic resistance. The provision also prohibited the obligation or expenditure of any such funds with the effect of providing arms, ammunition or other weapons of war for military or paramilitary operations in Nicaragua by any group, organization, movement, or individual. Section 105 of the House bill permitted the provision of

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advice and intelligence information to the Nicaraguan democratic resistance.

The Senate bill had no similar provision.

The conferees carefully considered this issue in light of Congressional action subsequent to passage of Fiscal Year 1986 Intelligence Authorization bills in the House and the Senate, and in the context of the current situation in Nicaragua. The Conference Report contains a new Section 105 which restricts support for military or paramilitary operations in Nicaragua.

Section 105, as contained in the Conference Report, provides that funds available to the Central Intelligence Agency, the Department of Defense, or any other agency or entity of the United States involved in intelligence activities may be obligated and expended during fiscal year 1986 to provide funds, material, or other assistance to the Nicaraguan democratic resistance to support military or paramilitary operations in Nicaragua only as authorized pursuant to Section 101 and as specified in the classified Schedule of Authorizations referred to in Section 102 of H.R. 2419, Section 502 of the National Security Act of 1947, or Section 106 of the Supplemental Appropriations Act, 1985.

Section 101 of the Fiscal Year 1986 Intelligence Authorization Act and as specified in the classified Schedule of Authorizations referred to in Section 102

Classified amounts are authorized in Section 101 for intelligence agency infrastructure expenditures related to activities such as the provision of information and advice to the Nicaraguan democratic resistance as described below. In addition, a specific classified authorization amount for communications equipment and related training is contained in the classified Schedule of Authorizations. This authorization is consistent with the action taken by the Congress in the Supplemental Appropriations Act (P.L. 99-88) to allow the United States Government to exchange information with the Nicaraguan democratic resistance. The classified authorization is designed to ensure that an exchange of information can be accomplished without compromising U.S. intelligence sources and methods.

H. Rep. 99-373 at 14-15

2. House Floor Debate (11/19/85)

With respect to legislative provisions, Members will note that your conferees have essentially preserved the approach of the House with respect to Nicaragua. The House conferees, in their discussions with the Senate, made clear that we should be guided by two principles in our resolution of the Nicaragua issues. One, that authorizations in this act should be limited as far as possible to intelligence activities and, second, that any major changes in Nicaragua policy must come as a result of a Presidential request, and votes in both the House and Senate concerning that request. Major changes should not come in this bill. The provisions of the Supplemental Appropriations Act of Fiscal Year 1985 and the International Security and Development Cooperation Act both provide for an expedited mandatory vote on such a Presidential request. It is my expectation that such a request will be forthcoming in the near future.

An agreement on Nicaragua did not come easily. There were those on the other side who had wished to return to the status quo ante 1983. The House conferees made clear that this was not possible. We were able to reach a com-

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promise whose principal elements include:

Authorization for the provision of information and advice to the Contras. However, training, or any other activities—including advice—that amount to participation in the planning or execution of military activities by the Contras, or acting as military advisors to the Contras, is prohibited.

A limited amount of communications equipment and related training will be provided to the Contras to facilitate the exchange of information and intelligence that has been authorized. The amount for the communications equipment is small. It is contained in the classified schedule of authorizations at the insistence of the Senate but that amount is available to any Member who chooses to go up to the Intelligence Committee or who wishes to ask me privately here on the floor.

An important element of our agreement is that no other expenditures for any other assistance for military or paramilitary operations by the Contras is permitted without congressional approval of either a reprogramming or a transfer.

The CIA's reserve for contingencies and, in fact, any other contingency funds of the intelligence community, are not available for additional expenditures to support the military or paramilitary operations of the Contras except through a reprogramming or transfer of funds approved by the Congress.

The conferees also believe that transportation assistance may be provided to the Contras under the provisions of the Supplemental Appropriations Act of 1985. This means that, of the $27 million already appropriated for humanitarian assistance to the Contras, some of these funds may be expended for the provision of transportation assistance to the Contras.

Also, the conferees agreed the State Department may solicit, through its normal diplomatic contacts, humanitarian assistance from other foreign countries of the same type as is authorized by the Supplemental Appropriations Act for fiscal year 1985. No other department or agency involved in intelligence activities may engage in any type of solicitation, for the Contras.

Mr. Speaker, the wording of the Nicaraguan provision in section 105 of the conference report is drafted in a different form than previous statutory limitations on aid to the Contras. Members should understand that the use of the word "only" in new section 105 has the meaning and effect that the phrase "directly or indirectly" had in previous statutory expressions. Further, section 105 is intended by the conferees to establish and clarify, as appropriate, policy for intelligence agencies with respect to assistance to the Contras.

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Mr. STUMP. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the minority supports the conference report, which provides the appropriate level of resources for the Nation's intelligence and intelligence-related activities. The minority is concerned, however, that section 105 of conference report does not allow the full support to the Nicaraguan Democratic Resistance necessary to bring about a national reconciliation in Nicaragua and an end to Communist adventurism. Fortunately, the Congress will have the opportunity in the coming months to restore full support for the resistance. Aside from the Nicaragua provision, the conference report is an excellent piece of legislation, and it deserves the agreement of the House.

Mr. STOKES. I thank the distinguished chairman of the full committee for yielding to me this time.

Mr. Speaker, I rise in support of the conference report on H.R. 2419. I want to recognize the work of Mr. HAMILTON and to thank him and our ranking minority member, Mr. STUMP, for all the effort they have put forth in producing this bill and conference report.

I am well satisfied with the outcome of this conference. The House made significant reductions in funding for intelligence programs and about 65 percent of those reductions were retained in conference. Intelligence has enjoyed a number of years of significant budget growth. This year that growth was substantially slowed. Importantly, I believe that the Director of Central Intelligence and other officials of the administration understand that these limitations must be imposed.

With regard to our agreement on Nicaragua. I want to point out that the House conferees do not pretend that the action taken solves the Nica-

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ragua problem or sets out a foreign policy regarding Nicaragua or Central America. That was not our intention. We restricted our actions to those involving intelligence issues.

The program to which we agreed is very limited; indeed, far more limited than that which the administration and some conferees desired.

The approval of communications equipment was seen by the House conferees as a logical extension of the position already approved by the House to provide intelligence advice to the Contras. The communications equipment merely provides a means by which this may practically be done.

Members will recognize that the important change in the structure of our Nicaragua position in this bill compared to last year is that we have provided very limited and specific authorization as opposed to a specific prohibition as in previous bills.

The statement of managers provides that the CIA cannot augment the program through the use of its reserve for contingencies. Modification of the program can occur only through a reprogramming action. I want to assure my colleagues that a reprogramming is not a vehicle by which we expect or intend for this program to again become a U.S.-run or a U.S.-supported covert war. I do not foresee a program beyond the type we are authorizing here, unless the matter is again brought before the House in some fashion. That is a procedure to which I am committed and to which Chairman HAMILTON is committed.

Mr. Speaker, H.R. 2419 is a good bill, and I urge approval of the conference report.

Mr. Speaker, I yield back the balance of my time.

Mr. STUMP. Mr. Speaker, I yield 5 minutes to the distinguished gentleman from Wyoming [Mr. CHENEY].

Mr. CHENEY. Mr. Speaker, I thank the gentleman for yielding, and I rise in support of the conference report on H.R. 2419.

Mr. Speaker, I think it is a good bill. A great deal of the effort that went into it deserves the support of this House.

Mr. Speaker, I would also like to begin my remarks today by endorsing wholeheartedly the statement of Mr. BOLAND the gentleman from Massachusetts in the well a moment ago. I think he is absolutely correct that certain restraints should be recognized and honored by members of the Select Committee on Intelligence in both Houses, that if a Member seeks publicity and public awareness of all that he does, perhaps he should find service on some other committee.

Mr. Speaker, I think the members of the House Intelligence Committee have done an outstanding job of honoring those commitments. I would like to join in the general praise for the chairman of our committee, Mr. HAMILTON, and the ranking member, Mr. STUMP, for the way in which they conducted themselves and led the committee.

Mr. Speaker, it is with reluctance that I signed the conference report.

Mr. Speaker, with reluctance, the minority members of the Permanent Select Committee on Intelligence signed the conference report on H.R. 2419, the Intelligence Authorization Act for fiscal year 1986. While we support wholeheartedly the vast majority of U.S. intelligence programs and the associated funding levels contained in H.R. 2419, one provision of the conference report is of special concern. The conference report does not provide the necesary support for the President's program to achieve national reconciliation in Nicaragua and an end to Soviet-Cuban sponsored Communist adventurism in Central America. Instead, it continues to contain counterproductive restrictions on aid to the Nicaraguan democratic resistance.

The Republican Members fully supported the President's request for funding to support United States foreign policy in Nicaragua. We set forth at great length in the minority views to the House Intelligence Committee report on H.R. 2419—House Report 99-106, part 1—the critical need to support the President's policy with respect to Nicaragua.

The situation in Nicaragua has grown even worse since we penned those views. The Sandinistas have eliminated any pretense of civil liberties in Nicaragua, and instead have officially and formally suspended such liberties.

The primary virtue of section 105 of the conference report is that it is not as bad as the blanket prohibition on aid to the Nicaraguan Resistance which it replaces: the Boland prohibition in section 8066(a) of the DOD Appropriations Act, 1985 and section 801 of the fiscal year 1985 Intelligence Authorization Act. Section 105 represents a small step forward toward full support for the resistance by permitting cooperation in the areas of information sharing, advice, transportation, and humanitarian aid. On that basis, we reluctantly accept the provision.

We continue to believe that it is essential to our national interest to give full support to the Nicaraguan Resistance. We urge the President to renew his request to the Congress for such full support in the near future through the appropriate mechanisms.

The United States faces the supreme test of its ability to advance the interests of freedom in the face of the expansion of Communism close to home. Our national interest requires both that we avoid a war involving the U.S. Armed Forces and that we effectively resist the establishment and expansion of Communism on the mainland of the Americas. Accordingly, giving full support to the Nicaraguan Democratic Resistance is the wisest course.

Members of this House should not mistake the strategic importance of this test in Central America. The United States faces challenges around the globe from Soviet-sponsored insurgencies. The Soviets and their cohorts believe that the United States cannot muster the national will to resist attacks on free nations which come not through conventional attack in the manner of traditional warfare, but instead come in the form of insurgencies involving low and medium-intensity conflict engaged in by Soviet proxies. Such insurgencies employ slow and steady military and political efforts to achieve an objective in circumstances in which direct and open warfare would stimulate an overwhelming counterresponse. No one can doubt that, if the Soviet Union invaded central America to impose its iron will on the people of Central America, the United States would use its military might to repel that invasion. Yet, if we do not soon renew full support for the Nicaraguan Democratic Resistance, the Soviets will achieve the same end through their puppets, the so-called Sandinista National Liberation Front which seized power in 1979 and currently rules Nicaragua.

If the Soviets become firmly convinced that the United States lacks the will to resist their efforts to expand communism through the military and political efforts of their Marxist-Leninist clients, the result will be grave indeed for United States interests, not only in Nicaragua, but around the globe.

We look forward to the opportunity in the next few months to renew the public and congressional debate on aid to the Nicaraguan resistance. We are confident that, when the Congress addresses this issue in the near future, it will remove the restrictions which hobble the President in protecting United States interests in Central America, and restore full support to the Nicaraguan Democratic Resistance.

Mr. HAMILTON. Mr. Speaker, I yield 5 minutes to the gentleman from Michigan [Mr. BONIOR].

Mr. BONIOR of Michigan. I thank the chairman for yielding.

Mr. Speaker, this is an issue to which I have devoted a lot of thought and emotional energy and one which I feel very strongly about.

We made a decision in this House last June to take a different course than what we had been charting the 2 previous years. What transpired in the conference on this issue is a blending of thought from this body and from the other body.

I have mixed feelings about that. I regret the expansion of the intelligence activities that are contained in this report. I am concerned about the use of trucks, radio equipment, and other things to facilitate the Contras war against the people and the Government of Nicaragua. I am troubled each and every day when I pick up the morning newspaper to read of the literal slaughter of innocents in that troubled region of the world. But I

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recognize the will of the House. I recognize that we decided to change course 5 months ago and that what has been brought to us by out select committee and by its able chairman is probably as good as we can do given the circumstances and the situations that prevail.

Mr. Speaker, last spring, when we passed the fiscal year 1985 supplemental appropriations bill (Public Law 99-88), the majority of the Members of this body voted to provide 27 million dollars' worth of nonlethal assistance to the Contras, but to retain strict controls on the United States military role, and particularly on the role of United States agencies involved in intelligence activities in the war against Nicaragua.

This conference report retains and clarifies these restrictions. It prohibits the CIA or any other agency engaged in intelligence activities from providing funds, material or other assistance to the Contras except as specifically authorized by Congress.

The fiscal year 1985 supplemental made an exception to this prohibition by allowing the exchange of intelligence information. Reflecting continuing congressional concern about the role of our intelligence agencies, the language in this conference report clarifies this provision.

It authorizes intelligence agency infrastructure expenditures and a limited amount of communications equipment related to such activities as the exchange of information and advice. But it specifically prohibits any United States agency engaged in intelligence activities from being involved in activities such as training, or anything including logistical support, that would amount to participation in the planning or execution of paramilitary or military operations in Nicaragua.

Thus, Mr. Speaker, this intelligence authorization conference report has drawn a clear line between, on the one hand the sharing of intelligence information with the Contras, which U.S. agencies involved in intelligence activities are permitted to do; and, on the other hand, planning for, participation in, or providing advice on any paramilitary or military operations, which U.S. agencies involved in intelligence activities are expressly prohibited from doing.

Is that correct?

Mr. HAMILTON. The gentleman is correct.

Mr. BONIOR of Michigan. Once again I would like to commend the chairman for his consistent leadership on this issue, and for the careful work he and other members of the committee have put into this conference report.

Mr. STUMP. Mr. Speaker, I have no additional requests for time.

Mr. Speaker, I urge adoption of the report and I yield back in the balance of my time.

Mr. HAMILTON. Mr. Speaker, I yield 1 minute to the gentleman from New York [Mr. WEISS].

Mr. WEISS. I appreciate the distinguished chairman of the committee yielding time to me.

Mr. Speaker, I am reluctant to express my opposition at this point to what seems to be a general, although reluctant, support by a great many Members of the House. I do think, however, especially on the basis of the statement made by the distinguished minority member from Wyoming where he said that he is supporting it because it is a small step forward to a full support of the Contras, I think we ought not to be supporting this legislation.

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I appreciate the limitations which the committee has built into it. Nonetheless, I think it has taken us closer and closer to direct military involvement, and I hope the Members will oppose it.

Mr. Speaker, it is a very dangerous path that we are treading. In essence we are giving up the fight. The Reagan administration had little enough respect for the restraints of law when the Boland amendment which absolutely prohibited aid to the Contras was in effect.

They will obviously consider this action by the Congress as encouragement to do whatever they deem necessary to overthrow the Government of Nicaragua. Our stock and surprise in that eventually will avail us very little. The time to lay down the law is before the fact not afterwards.

I am convinced that we will live to regret today's action.

[CRS-489]

3. Senate Floor Debate (11/21/85)

Mr. HAMILTON. Mr. Speaker, I yield myself such time as I may consume.

Mr. DURENBERGER. Mr. President, I also want to mention the issue of Nicaragua, which has consumed so much of our time and attention over the past few years.

The conferees carefully considered this issue in light of congressional action subsequent to passage of fiscal year 1986 intelligence authorization bills in the House and the Senate, and in the context of the current situation in Nicaragua.

The bill contains a specific classified authorization amount for communications equipment and related training for the Nicaraguan Democratic Resistance. This authorization is consistent with the action taken by the Congress in the Supplemental Appropriations Act (Public Law 99-88) to allow the U.S. Government to exchange information with the Nicaraguan Democratic Resistance. The classified authorization is designed to ensure that an exchange of information can be accomplished without compromising U.S. intelligence sources and methods.

The effect of other action taken by the conferees with respect to the administration's original budget request relating to military or paramilitary operations in Nicaragua is to make the CIA reserve for contingencies unavailable for such purposes. Approval of a reprogramming or of a transfer will be the only way in which funds, material, or other assistance beyond what is authorized in section 101 of the conference report and the classified schedule referred to in section 102, as I have just described, and what may become available pursuant to section 106 of Public Law 99-88, could be provided by the intelligence agencies to the Nicaraguan Democratic Resistance during fiscal year 1986, to support military or paramilitary operations in Nicaragua. Section 106 of the Supplemental Appropriations Act, 1985, provides for expedited congressional consideration of a Presidential request for assistance to the Nicaraguan Democratic Resistance in addition to the $27 million appropriated for humanitarian assistance for the Nicaraguan Democratic Residence in that act.

[CRS-490]

I want to emphasize that the conferees committee and authorizing the intelligence agencies to provide transportation equipment to the Nicaraguan Democratic Resistance, but determined not to authorize funds for such equipment because the Nicaraguan Humanitarian Assistance Office established by Executive Order 12530 of August 29, 1985, pursuant to the International Security and Development Cooperation Act of 1985 (Public Law 99-83) and the fiscal year 1985. Supplemental Appropriations Act, already has the authority to provide transportation equipment as part of the humanitarian assistance program, and the provision of such equipment is not precluded by the definition of humanitarian assistance contained in those acts so long as no modifications are made to the equipment designed to be used to inflict serious bodily harm or death.

I also want to emphasize that under current law and the restriction contained in section 105 of this conference report, the intelligence agencies may provide advice, including intelligence and counterintelligence advice, and information, including intelligence and counterintelligence information, to the Nicaraguan Democratic Resistance.

Clearly, the intelligence agencies will be providing information and advice on matters of concern to the Nicaraguan Democratic Resistance, such as information on Sandinista capabilities, resources and intentions, and advice on matters such as effective delivery and distribution of materiel. The conferees have, however specified that the intelligence agencies are not to engage in activities that actually amount to participation in the planning or execution of military or paramilitary operations in Nicaragua by the Nicaraguan Democratic Resistance or to participation in logistics activities integral to such operations.

Section 105 does not restrict the general conduct of intelligence liaison activities related to the Nicaraguan Democratic Resistance, but section 105 does not permit the departments, agencies, and entities described therein to engage in the solicitation of third countries to provide funds, materiel, or other assistance to the Nicaraguan Democratic Resistance to support military or paramilitary operations in Nicaragua. Section 105(b)(2), however, permits the solicitation by the Department of State through diplomatic channels of third country humanitarian assistance of the same kind that the Nicaraguan Humanitarian Assistance Office is authorized to provide to the Nicaraguan Democratic Resistance, so long as third country assistance is terrorized from the third country's own resources, and the United States does not enter into any arrangement conditioning, expressly or inseparable, the provision of U.S. assistance to a third country on the provision of assistance by such third country to the Nicaraguan Democratic Resistance.

Mr. President, it is my sincere hope that this will be the last statutory restriction that the Congress will enact with regard to this matter. I think that the time has come to return the issue to the intelligence oversight process, where it really belongs.

Mr. President, I wish at this time to express my appreciation to the vice chairman of the Select Committee on Intelligence, Senator LEAHY, for his efforts in support of this legislation, which have been in the finest tradition of bipartisanship with respect to the intelligence authorization process. I also want to take note of the contribution made by the staff of the Select Committee on Intelligence, particularly our staff director, Bernie McMahon, our chief counsel, Gary Chase, our minority staff director, Eric Newsom, our minority counsel, Dan Finn, and our budget staff, led by Senior Budget Officer Keith Hall. Budget staff members John Nelson and Charlene Packard made key contributions, and support staff-members Kathleen McGhee and Linda Lawson also should be mentioned.

Mr. President, I believe that the conference report on the fiscal year 1986 intelligence authorization constitutes a sound agreement. Further, it continues the well established practice of a bipartisan approach to intelligence issues within the Congress. I urge my colleagues to support this legislation.

Mr. LEAHY. Mr. President, I am pleased to join my distinguished colleague, the chairman of the Select Committee on Intelligence, in submitting to the Senate the conference report on the Intelligence Authorization Act for fiscal year 1986. This is my first opportunity as vice chairman of the committee to manage the bill which authorizes funding of all U.S. intelligence agencies, and I do so with great pride.

We have come to the Senate with a good bill, one that provides sufficient funding for the Nation's intelligence agencies. In a time of budgetary difficulties, we have made reasonable economies in intelligence. In my view, when defense expenditure is under great pressure, as is certainly the case now, it is all the more importnt that we not cut into the muscle of U.S. intelligence. The superb intelligence capabilities this Nation possesses are not of our greatest advantages—a "great equalizer."

The joint explanatory statement of the committee of conference is quite clear in describing the actions of the conferees and the meaning of the provisions in the act. The chairman has added his own commentary and I do not want to take the Senate's time in repeating his various points.

However, Mr. President, this bill contains provisions and report language relating to United States support for the insurgents fighting against the Government of Nicaragua. On September 26, when the Senate was considering the bill reported by our committee, I offered certain assurances to Senators on my side of the aisle who wished to offer amendments which, in my judgment at the time, could have provoked a time-consuming and futile debate over the issue of aid to the Contras. I shared and still share their opposition to the administration's policy of supporting the Contra insurgency instead of seeking a negotiated political settlement with Nicaragua. I have repeatedly stated my opposition to that approach and the reasons for my opposition.

However, the issue of whether and how the United States would aid the Contras has been debated, voted on and settled by the Congress on the Supplemental Appropriations Act of 1985. At that time, (Congress rejected the provision of lethal suport to the Contras, while permitting humanitarian assistance" to them. The CIA, Defense Department, and other intelligence agencies and entities of the U.S. Government were ruled out as a means for providing this so-called humanitarian assistance.

I opposed this approach, just as I opposed the former "covert" paramilitary assistance program which caused such serious harm to the CIA. Tying ourselves to the Congress is, I am convinced, harming U.S. foreign policy goals of stability and peaceful reform in Central America. Nevertheless, a majority of Congress supported this new humanitarian aid program. My goal has been to ensure that the limitations on that program are fully respected and adhered to by the executive branch.

My assurances last September did dissuade certain Senators from offering amendments aimed at blocking any renewal of military or paramilitary assistance. Frankly, I believed we opponents would again lose such a vote, possibly encouraging some in the administration to think revival of a covert paramilitary program might be possible. My friends agreed with that judgment. In private discussions and openly on the floor, I assured those Senators that the only program authorized by the Congress is the $27 million in so-called "humanitarian assistance," and that this bill contained nothing contrary to that. Further, I said that I would ensure that any new covert paramilitary plan submitted by the administration would be subject to full congressional consideration, in secret session if necessary.

My intention in the conference with the House was to honor fully those assurances. This conference report accords completely with the commitments I made to Senators in persuading them not to offer their amendments to this bill last September.

[CRS-491]

Let me spell out clearly how this is so. The revised section 105 of the authorization provides that any military or paramilitary assistance can be authorized only as provided in section 101 of the act. There is no other statutory basis for a new program of military or paramilitary assistance other than what is provided for here. Section 101 permits only that a limited amount of communications equipment and training may be given to the Contras outside the $27 million humanitarian aid program. As the joint explanatory statements indicates, the conferees authorized this limited amount of communications equipment so that the exchange of intelligence information allowed by the 1985 supplemental appropriation "can be accomplished without compromising U.S. Intelligence sources and methods." In other words, Mr. President, if Congress is determined to allow the United States to provide certain kinds of intelligence information to the Contras. I and those who share my views at least want that information to be passed in a secure manner that protects our own sources and methods from compromise.

Section 401 of the Intelligence Authorization Act amends the National Security Act of 1947 to prohibit the availability of funds for any intelligence activity for which Congress had denied funds. This is to prevent the administration from simply drawing on the contingency reserve to support intelligence activities for which Congress has denied funds. Therefore, since Congress has denied funds for a program of military or paramilitary assistance to the Contras, the administration may not want to revive that program or some version of it and finance it through a withdrawal from the contingency reserve. Had we not taken that authority from the administration, it could have come forward with a new or amended covert paramilitary program and merely notified the necessary committees of Congress. Those committees would have had no power to disapprove such a program. However, the joint explanatory statement specifically states that the contingency reserve is not available for such an action by the administration.

Mr. President, what this means is that if the administration wants to initiate a program of military or paramilitary support to the Contras, it must do so in one of three ways, each of which is subject to disapproval by the legislative branch: It can submit a supplemental appropriation, subject to a vote by both Houses; it can seek committee approval of an interagency transfer or it can propose a reprogramming of funds from one intelligence activity to another, again a procedure subject to disapproval by any one of the several committees who review the reprogramming request.

The conference committee also ruled out solicitation of lethal assistance from third countries by the CIA or other intelligence agencies of the U.S. Government for the Contras. We did not want to leave a loophole for agencies of the executive branch to seek to do through third countries what Congress had prohibited the United States from doing. However, through I am not happy with this, the conference recognized the right of the State Department to seek nonlethal assistance of the same type that the executive branch itself is authorized to provide. However, the State Department may not condition any United States foreign aid or any other type of assistance to a third country on its willingness to provide nonlethal assistance to the Contras.

The conference also discussed the question of allowing the CIA or other intelligence agencies to provide certain kinds of transportation equipment to the Contras. Again, the conference decided to prohibit such an activity by the intelligence agency or to authorize funds for that purpose, even if the equipment could not be used "to inflict serious bodily harm or death." However, the conferees did recognize that such transportation equipment could be provided by the Nicaraguan Humanitarian Assistance Office as part of the $27 million program approved by Congress in the supplemental appropriation, so long as the equipment is not modified for lethal use.

Once again, Mr. President, I cannot support any type of aid to the Contras, but I recognize that Congress has decided otherwise. My purpose in this conference was to avoid opening any other avenues for the administration to assist the Contras other than the specific humanitarian aid program approved and funded by Congress in the supplemental appropriation for fiscal year 1985. This provision contributes to that objective.

S16073-75

[CRS-492]

VII. SECTION 8050 OF FURTHER CONTINUING APPROPRIATIONS, 1985, PUB. L. 99-190, 99 STAT. 1211: DEFERENCE TO INTELLIGENCE AUTHORIZATION RESTRICTIONS (PUB. L. 99-169)

None of the funds available to the Central Intelligence Agency, the Department of Defense, or any other agency or entity of the United States involved in intelligence activities may be obligated or expended during fiscal year 1986 to provide funds, materiel, or other assistance to the Nicaraguan democratic resistance unless in accordance with the terms and conditions specified by section 105 of the Intelligence Authorization Act (Public Law 99-169) for fiscal year 1986.

A. OVERVIEW

Debate on whether to extend general contra aid restrictions into FY 86 primarily took place during consideration of the FY 86 intelligence authorization (Pub. L. 99-

169). There was no substantive floor debate of contra aid in either chamber either during consideration of the DOD appropriation in the House—the Senate never separately considered the DOD appropriation—or during consideration of the continuing resolution, which comprehended the DOD appropriation.

The Senate, House, and conference reports, which are set out below, mirror the history of the intelligence bill restriction.

B. REPORTS

1. House Report

DEPARTMENT OF DEFENSE APPROPRIATION BILL, 1986

[CRS-493]

NICARAGUAN DEMOCRATIC RESISTANCE

The Committee has included bill language identical to that contained in the House passed Intelligence Authorization bill providing that during fiscal year 1986, no funds available to the Central Intelligence Agency, Department of Defense, or any other agency or entity of the United States involved in intelligence activities may be obligated or expended, directly or indirectly, for material assistance to the Nicaraguan democratic resistance including arms, ammunition, or other equipment or material which could be used to inflict serious bodily harm or death, or which would have the effect of providing arms, ammunition or other weapons of war for military or paramilitary operations in Nicaragua by any group, organization, movement, or individual.

Additional bill language was included to clarify that nothing in the above described section of the bill "shall be construed to impair or affect the authority of the Nicaraguan Humanitarian Assistance Office to administer humanitarian assistance to the Nicaraguan democratic resistance of the nature and to the extent provided by, and under the terms and conditions specified in, the Supplemental Appropriations Act, 1985 (Public Law 99-88)." The Central Intelligence Agency is prohibited from participation in any of the activities of the Nicaraguan Humanitarian Assistance Office.

As agreed by the Congress in enacting the fiscal year 1985 Supplemental Appropriations bill, nothing in this provision shall be construed to prohibit the United States Government from exchanging information with the Nicaraguan democratic resistance.

* * * *

CIA ACTIVITIES IN NICARAGUA

The budget proposed to delete language which restricted fiscal year 1985 funds to support, directly or indirectly, military or paramilitary activities in Nicaragua until the President submitted a report to Congress and the Congress adopted a joint resolution releasing such funds. The committee recommends including the same language as contained in H.R. 2419, the Intelligence Authorization Act for fiscal year 1986, as passed the House on July 18, 1985. Language was also added to insure compliance with the Nicaraguan humanitarian aid provisions contained in the Supplemental Appropriations Act, 1985 (Public Law 99-88). For further details, see the writeup on this subject in the "Intelligence and Intelligence-Related Agencies" section of the report.

H. Rep. 99-332 at 46, 361

[CRS-494]

2. Senate Report

DEPARTMENT OF DEFENSE APPROPRIATION BILL, 1986

***Nicaragua.*—The Committee recommends deletion of the House prohibition against the use of funds available to the Central Intelligence Agency, Department of Defense, or any other agency or entity of the United States involved in intelligence activities for material assistance to the Nicaraguan Democratic Resistance. The Committee recommends, instead, concurrence in the provisions of the Senate-passed intelligence authorization bill.**

H. Rep. 99-176 at 348

3. Conference Report

HOUSE JOINT RESOLUTION 465, FURTHER CONTINUING APPROPRIATIONS FOR FISCAL YEAR 1986

[CRS-495]

The House bill contained a provision (Sec. 8050) prohibiting material assistance to the Nicaraguan democratic resistance by the Central Intelligence Agency, the Department of Defense, or any other entity of the United States government involved in intelligence activities. The House provision also stated that this prohibition did not impair or effect the authority of the Nicaraguan Humanitarian Assistance Office to administer humanitarian assistance to the Nicaraguan democratic resistance under the terms and conditions specified in the Supplemental Appropriations Act, 1985 (P.L. 99-88). The Senate bill did not include any type of prohibition concerning funds for Nicaragua, relying on restrictions in the authorizing Act.

The conferees have included new language (Sec. 8050) which prohibits the expenditure of any funds or the providing of any assistance to the Nicaraguan democratic resistance other than to the extent provided for and under the terms and conditions specified by Section 105 of the Intelligence Authorization Act (P.L. 99-169) for fiscal year 1986. This provision permits the exchange of information with the Nicaraguan democratic resistance and permits a specified classified amount of funds for communications equipment and related training for the Nicaraguan democratic resistance. The conferees also note that this section will not impair or affect the authority of the Nicaraguan Humanitarian Assistance Office to administer humanitarian assistance to the Nicaraguan democratic resistance.

H. Rep. 99-450 at 268

[CRS-496]

APPENDIX

CHART OF UNCLASSIFIED LEGISLATIVE RESTRICTIONS REGARDING SUPPORT FOR MILITARY OR PARAMILITARY OPERATIONS IN NICARAGUA, 1982-1986

Cite	Contra aid restriction	Initial passage	Conference report	Final passage	Enactment	Effective date	Termination date
Section 793 of Defense Appropriations Act, as enacted in Further Continuing Appropriations 1983, P.L. 97-377, 96 Stat. 1865.	None of the funds provided in this Act may be used by the Central Intelligence Agency or the Department of Defense to furnish military equipment, military training or advice, or other support for military activities, to any group or individual, not part of a country's armed forces, for the purpose of overthrowing the Government of Nicaragua or provoking a military exchange between Nicaragua and Honduras.	House, 12/14/82 (restriction adopted in 12/8 floor amendment); Senate, 12/19/82 (no restriction).	12/20/82, H. Rep. 97-980.	House, Senate, 12/20/82.	12/21/82	12/21/82	9/30/83, but see section 101(c), Continuing Appropriations 1984, P.L. 98-107, 97 Stat. 735.
Section 775 of DOD Appropriations, 1984, P.L. 98-212, 97 Stat. 1452.	During fiscal year 1984, not more than $24,000,000 of the funds available to the Central Intelligence Agency, the Department of Defense, or any other agency or entity of the United States involved in intelligence activities may be obligated or expended for the purpose or which would have the effect of supporting, directly or indirectly, military or paramilitary operations in Nicaragua by any nation, group, organization, movement, or individual.	House, 11/2/83 (no unclassificated funds approved, total ban on covert aid); Senate, 11/8/83 (no aid restriction).	11/18/83, H. Rep. 98-567.	House, Senate, 11/18/83.	12/8/83	12/8/83	9/30/84.
Section 108 of the Intelligence Authorization Act for FY 84, P.L. 98-215, 97 Stat. 1475.	During fiscal year 1984, not more than $24,000,000 of the funds available to the Central Intelligence Agency, the Department of Defense, or any other agency or entity of the United States involved in intelligence activities may be obligated or expended for the purpose or which would have the effect of supporting, directly or indirectly, military or paramilitary operations in Nicaragua by any nation, group, organization, movement, or individual.	House, 10/20/83 (incorporating restriction in H.R. 2760 passed 7/28/83) Senate, 11/3/83 (no restriction).	11/18/83, H. Rep. 98-569.	House, Senate, 11/18/83.	12/9/83	12/9/83	9/30/84.
Section 106(c) of Continuing Appropriations, Temporary, 1985, P.L. 98-441, 98 Stat. 1700.	No appropriations or funds made available pursuant to this joint resolution to the Central Intelligence Agency, the Department of Defense, or any other agency or entity of the United States involved in intelligence activities may be obligated or expended for the purpose or which would have the effect of supporting, directly or indirectly, military or paramilitary operations in Nicaragua by any nation, group, organization, movement, or individual.	House, Senate, 10/1/83.	....	House, Senate, 10/1/83.	10/3/84	10/3/84	10/11/84 (with gap 10/4/84). See Continuing Appropriations, P.L.'s 98-453, 98-455, 98-461.

[CRS-497]

Cite	Contra aid restriction	Initial passage	Conference report	Final passage	Enactment	Effective date	Termination date
Section 8066 of DOD Appropriation, 1985, as enacted in Further Continuing Appropriations Act, 1985, P.L. 98-473, 98 Stat. 1935.	During fiscal year 1985, no funds available to the Central Intelligence Agency, the Department of Defense, or any other agency or entity of the United States involved in intelligence activities may be obligated or expended for the purpose or which would have the effect of supporting, directly or indirectly, military or paramilitary operations in Nicaragua by any nation, group, organization, movement, or individual. (b) The prohibition concerning Nicaragua contained in subsection (a) shall cease to apply if, after February 28, 1985— (1) the President submits to Congress a report— (A) stating that the Government of Nicaragua is providing material or monetary support to anti-government forces engaged in military or paramilitary operations in El Salvador or other Central American countries; (B) analyzing the military significance of such support; (C) stating that the President has determined that assistance for military or paramilitary operations prohibited by subsection (a) is necessary; (D) justifying the amounts and type of such assistance and describing its objectives; and (E) explaining the goals of United States policy for the Central American region and how the proposed assistance would further such goals, including the achievement of peace and security in Central America through a comprehensive, verifiable and enforceable agreement based upon the Contadora Document of Objectives; and (2) a joint resolution approving assistance for military or paramilitary operations in Nicaragua is enacted.	House, 9/25/84 (total ban); Senate, 10/4/84 (no restriction).	10/10/84, H.Rep. 98-1159.	House, 10/10/84; Senate, 10/11/84.	10/12/84	10/12/84	8/15/85, supplemented in part by P.L. 99-88, authorizing $27 million of humanitarian aid through 3/86 subject to the restrictions of this provision. 9/30/85, prohibition against *new* covert aid funds under a DOD appropriation appears extended past FY 85 by P.L.'s 99-103 and 99-154 (continuing appropriations, FY 86) until superseded by broader prohibition of P.L. 99-169 (intelligence authorization, FY 86) on 12/4/85. 131 Cong. Rec. H7529 (daily ed. 9/18/85) (remarks of Reps. Whitten and Bonior). At the same time, a prohibition against the use of *any funds available* may appear to have lapsed 9/30/85 until reviewed by P.L. 99-169.
Section 801 of the Intelligence Authorization Act, FY 85, P.L. 98-618, 98 Stat. 3304.	Sec. 801. No funds authorized to be appropriated by this Act or by the Intelligence Authorization Act for fiscal year 1984 (Public Law 98-215) may be obligated or expended for the purpose of which would have the effect of supporting, directly or indirectly, military or paramilitary operations in Nicaragua by any nation, group, organization, movement, or individual, except to the extent provided and under the terms and conditions specified by House Joint Resolution 648, making continuing appropriations for the fiscal year 1985, and for other purposes as enacted.	House, 8/2/84 (no unclassified funds approved, total ban on covert aid); Senate, 10/11/84 (final version passed as House—Senate compromise in coordination with appropriations language).		House, 10/11/84 (agreed to Senate-passed compromise).	11/8/84	11/8/84	9/30/85.

Cite	Contra aid restriction	Initial passage	Conference report	Final passage	Enactment	Effective date	Termination date
[CRS-498]							
Section 722(g) of the International Security and Development Cooperation Act of 1985, P.L. 99-83, 99 Stat. 254.	HUMANITARIAN ASSISTANCE FOR NICARAGUAN DEMOCRATIC RESISTANCE.—(1) Effective upon the date of enactment of this Act, there are authorized to be appropriated $27,000,000 for humanitarian assistance to the Nicaraguan democratic resistance. Such assistance shall be provided to such department or agency of the United States as the President shall designate, except the Central Intelligence Agency or the Department of Defense. (2) The assistance authorized by this subsection is authorized to remain available for obligation until March 31, 1986. (3) One-third of the assistance authorized by this subsection shall be available for obligations at any time after the appropriation of funds pursuant to such authorization, an additional one-third shall be available for obligation upon submission of the first report required by subsection (j), and the remaining one-third shall be available for obligation upon submission of the second such report. (4) The President shall establish appropriate procedures to ensure that any humanitarian assistance provided by the United States Government to the Nicaraguan democratic resistance is used only for the intended purpose and is not diverted (through barter, exchange, or any other means) for acquisition of weapons, weapons systems, ammunition, or other equipment, vehicles, or material which can be used to inflict serious bodily harm or death. (5) As used in this subsection, the term "humanitarian assistance" means the provision of food, clothing, medicine, and other humanitarian assistance, and it does not include the provision of weapons, weapons systems, ammunition, or other equipment, vehicles, or material which can be used to inflict serious bodily harm or death.	Senate, 5/15/85 (foreign assistance restrictions approved; supplemented by approval of humanitarian aid and proposed repeal of all existing covert aid restrictions in State authorization bill 6/6/85);. House, 7/11/85 (humanitarian aid approved, covert aid restrictions left intact).	7/29/85, H. Rep. 99-237.	Senate, 7/30/85; House, 7/31/85.	8/8/85	8/8/85	3/31/86.
Supplemental Appropriations Act, 1985, P.L. 99-88, 99 Stat. 324.	For an additional amount for humanitarian assistance provided to such department or agency of the United States as the President shall designate, except the Central Intelligence Agency or the Department of Defense, to the Nicaraguan democratic resistance, $27,000,000 to remain available for obligation until March 31, 1986. Notwithstanding the Impoundment Control Act of 1974, one-third of the amount appropriated by this paragraph shall be available for obligation upon the enactment of this Act, an additional one-third shall be available for obligation upon submission of the first report required by section 104 of this chapter, and the remaining one-third shall be available for obligation upon submission of the second such report. As used in this paragraph, the term "humanitarian assistance" means the provision of food, clothing, medicine, and other humanitarian assistance, and it does not include the provisions of weapons, weapons systems, ammunition, or other equipment, vehicles or material which can be used to inflict serious bodily harm or death.	House, 6/12/85 (approved with humanitarian aid and continued covert aid restriction).	7/29/85, H. Rep. 99-236.	House, 7/31/85; Senate, 8/1/85.	8/15/85	8/15/85	3/31/86.

Cite	Contra aid restriction	Initial passage	Conference report	Final passage	Enactment	Effective date	Termination date
			[CRS-499]				
	SEC. 101. Funds appropriated by this chapter under the headings "HUMANITARIAN ASSISTANCE FOR NICARAGUAN DEMOCRATIC RESISTANCE" and "ASSISTANCE FOR IMPLEMENTATION OF A CONTADORA AGREEMENT" may be obligated and expended notwithstanding section 10 of Public Law 91-672 and section 15 of the State Department Basic Authorities Act of 1956 or any other comparable provisions of law. SEC. 102. (a) The prohibitions contained in section 8066(a) of the Department of Defense Appropriations Act, 1985 (as contained in section 101 of Public Law 98-473) and section 801 of the Intelligence Authorization Act for Fiscal Year 1985 (Public Law 98-618) shall, without limitation as to fiscal year, apply with respect to funds appropriated by this chapter under the headings "HUMANITARIAN ASSISTANCE FOR NICARAGUAN DEMOCRATIC RESISTANCE" and "ASSISTANCE FOR IMPLEMENTATION OF A CONTADORA AGREEMENT". (b) Nothing in this Act, section 8066(a) of the Department of Defense Appropriations Act, 1985 (as contained in section 101 of Public Law 98-473), or section 801 of the Intelligence Authorization Act of Fiscal Year 1985 (Public Law 98-618) shall be construed to prohibit the United States Government from exchanging information with the Nicaraguan democratic resistance, or the obligation and expenditure, but only for the purposes for which they are expressly made available, of the funds appropriated by the chapter under the headings "HUMANITARIAN ASSISTANCE FOR NICARAGUAN DEMOCRATIC RESISTANCE" and "ASSISTANCE FOR IMPLEMENTATION OF A CONTADORA AGREEMENT".	Senate, 6/20/85 (approved with humanitarian aid and repeal of covert aid restrictions).					
			[CRS-500]				
Section 105 of the Intelligence Authorization Act, FY 86, P.L. 99-169, 99 Stat. 1003.	(a) Funds available to the Central Intelligence Agency, the Department of Defense, or any other agency or entity of the United States involved in intelligence activities may be obligated and expended during fiscal year 1986 to provide funds, materiel, or other assistance to the Nicaraguan democratic resistance to support military or paramilitary operations in Nicaragua only as authorized in section 101 and as specified in the classified Schedule of Authorizations referred to in section 102, or pursuant to section 502 of the National Security Act of 1947, or to section 106 of the Supplemental Appropriations Act, 1985 (Public Law 99-881). (b) Nothing in this section precludes— (1) administration, by the Nicaraguan Humanitarian Assistance Office established by Executive Order 12530, of the program of humanitarian assistance to the Nicaraguan democratic resistance provided for in the Supplemental Appropriations Act, 1985, or (2) activities of the Department of State to solicit such humanitarian assistance for the Nicaraguan democratic resistance.	House, 7/18/85 (approved with total aid prohibition); Senate, 9/26/85 (approved with no unclassified aid restrictions).	11/14/85, H. Rep. 99-373.	House, 11/19/85; Senate 11/21/85.	12/4/85..................	12/4/85..............	9/30/86, ban on using *newly* appropriated funds for covert aid apparently continued beyond FY 86 to 10/18/86 despite language in section 101(a) of P.L. 99-434 (continuing appropriations, FY 87). that law adopted the military construction appropriation (H.R. 5052) as earlier approved, which included covert aid. However, section 101(a)(5) of P.L. 434 stated that no money under that Act could be used for activities not funded or authorized during FY 86. See also P.L.'s 99-464 (sec. 101(a)(5)), 99-465, 99-491. At the same time, a total ban on use of *any funds available* may appear to have lapsed 9/30/86.

Cite	Contra aid restriction	Initial passage	Conference report	Final passage	Enactment	Effective date	Termination date
[CRS-501]							
Section 8050 of Further Continuing Appropriations, 1985, P.L. 99-190, 99 Stat. 1211.	None of the funds available to the Central Intelligence Agency, the Department of Defense, or any other agency or entity of the United States involved in intelligence activities may be obligated or expended during fiscal year 1986 to provide funds, materiel, or other assistance to the Nicaraguan democratic resistance unless in accordance with the terms and conditions specified by section 105 of the Intelligence Authorization Act (Public Law 99-169) for fiscal year 1986.	House, 12/4/85 (continued covert aid ban subject to provision of humanitarian assistance previously authorized); Senate, 12/10/85 (no separate aid ban to supplement P.L. 99-169).	10/19/85, H. Rep. 99-450.	House, Senate, 12/19/85.	12/19/85	12/19/85	9/30/86, ban on using *newly* appropriated funds for covert aid apparently continued until 10/18/86 by P.L. 99-434, section 101(a)(5). See also P.L.'s 99-464 (sec. 101(a)(5), 99-465, 99-491. At the same time, a total ban on use of *any funds available* may appear to have lapsed 9/30/86.
[CRS-502]							
Sections 206-209 of the Military Construction Appropriation, as enacted in Continuing Appropriations 1987, P.L. 99-500.	*S*EC. *204. (a)(1) The Congress hereby approves the provision of assistance for the Nicaraguan democratic resistance in accordance with the provisions of this title. (2) There are hereby transferred to the President for the purposes of this section $100,000,000 of unobligated funds from such accounts for which appropriations were made the Department of Defense Appropriations Act, 1986 (as contained in Public Law 99-100), as the President shall designate.* *(b) Notwithstanding the Impoundment Control Act of 1974, nor more than 40 percent of the funds transferred under subsection (a) may be available for obligation or expenditure in accordance with this title upon the date of its enactment; not more than an additional 20 percent of such funds may be so available no earlier than October 15, 1986, and 15 days after the transmittal to the Congress of the determination required by section 11(c); and not more than the remaining 40 percent may be so available no earlier than February 15, 1987, and 15 days after the transmittal to the Congress of the determination required by section 11(e).* *(c) Funds transferred under subsection (a) shall remain available for the same periods of time, but not to exceed September 30, 1987, as such funds would have been available under the Department of Defense Appropriations Act 1986 (as contained in Public Law 99-100), but for the enactment of this title.* *COORDINATION OF AND ACCOUNTABILITY FOR ASSISTANCE TO THE NICARAGUAN DEMOCRATIC RESISTANCE* *S*EC. *207. (a) The Secretary of State (or his designee) shall be responsible for policy guidance, coordination, and supervision of United States Government, activities under this title.* *(b) Any agency to which funds transferred under section 6(a) are allocated shall establish standards, procedures and controls necessary to assure that such funds are fully accounted for and are used exclusively for the purpose authorized by this title. Such standards, procedures, and controls shall be developed in consultation with the Comptroller General and the appropriate committees of the Congress, and shall include such safeguards as segregation of accounts, monitoring of deliveries, and requirements for the keeping of complete records available for audit by authorized representatives of the United States Government.*	Houe 6/25/86 (similar aid provision); Senate, 8/13/86 (similar aid provision).	10/15.86, H. Rep. 99-1005.	House, Senate, 10/17/86.	10/18/86	10/18/86	9/30/87.

Cite	Contra aid restriction	Initial passage	Conference report	Final passage	Enactment	Effective date	Termination date
	FUNDS FOR HUMANITARIAN ASSISTANCE *SEC. 208. (a) Of the amounts transferred under section 6(a). $30,000,000 shall be available only for the provision of humanitarian assistance to the Nicaraguan democratic resistance.* *(b) Of the $30,000,000 made available only for purposes of subsection (a), $3,000,000 shall be available only for strengthening programs and activities of the Nicaraguan democratic resistance for the observance and advancement of human rights.* *APPLICATION OF EXISTING LAWS* *SEC. 209. (a) Except as otherwise provided in the title, funds transferred under section 6(a) shall be available for the purpose described in section 105(a) of the Intelligence Authorization Act for Fiscal Year 1986, and all the requirements, terms, and conditions of such section and sections 101 and 102 of such Act, section 502 of the National Security Act of 1947, and section 106 of the Supplemental Appropriations Act 1985, (Public Law 99-88), shall be deemed to have been met for such use of such funds.* *(b) The use of funds made available under this title is subject to all applicable provisions of law and established procedure relating to the oversight by the Congress of operations of departments and agencies.* (c) Nothing in this title shall be construed as permitting the President to furnish additional assistance to the Nicaraguan democratic resistance from funds other than the funds transferred under section 6(a) or otherwise specifically authorized by the Congress for assistance to the Nicaraguan democratic resistance. *(d) No limitation or restriction contained in section 10 of Public Law 91-472, section 8109, of the Department of Defense Appropriations Act, 1986, section 502 of the National Security Act of 1947, or any other provision of law shall apply to the transfer or use of funds transferred to the President under this title.*						
			[CRS-503]				
Section 106 of the Intelligence Authorization Act, FY 87, P.L. 99-569.	Funds available to the Central Intelligence Agency, the Department of Defense, or any other agency or entity of the United States involved in intelligence activities may be obligated and expended during fiscal year 1987 to provide funds, material, or other assistance to the Nicaraguan democratic resistance to support military or paramilitary operations in Nicaragua only as authorized in section 101 and as specified in the classified Schedule of Authorizations referred to in section 102, or pursuant to section 502 of the National Security Act of 1947, or pursuant to any provision of law specifically providing such funds, material, or assistance.	House, 9/17/86 (similar restriction); Senate, 9/24/86 (no restriction).	10/1/86, H. Rep. 99-952.	House, 10/2/86; Senate, 10/6/86.	10/27/86................	10/27/86.............	9/30/87.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan [Mr. CROCKETT] is recognized for 5 minutes.

[Mr. CROCKETT addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. ANNUNZIO] is recognized for 5 minutes.

[Mr. ANNUNZIO addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

DUBOIS PIONEERS 4-H CLUB WINS SECOND PLACE IN YOUTH FOR AMERICA CONTEST

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. GRAY] is recognized for 5 minutes.

Mr. GRAY of Illinois. Mr. Speaker, I have just learned from my good friends, Mr. and Mrs. Calvin Ibendahl of Tamaroa, IL, that the Dubois Pioneers 4-H Club, Dubois, IL, has won second place in the Nation in the Youth for America Contest sponsored by the Colgate Palmolive Corp.

The entry in the community service contest included a survey of 190 families in a 36-square-mile area which provided information necessary for volunteer firemen to reach their homes in case of fire or emergency.

Club members also devised a numbering system to locate each home. Maps and numbers were furnished to the local fire department to assist in their efforts.

I take pride in recognizing the Dubois Pioneers 4-H Club and their efforts in making their community a safer and more enjoyable place to live.

The club also received a $500 award. It is responsible citizens like the Dubois Pioneers 4-H Club that make America great and Mr. Speaker I wanted to share this information with you and our colleagues.

Ms. OAKAR. Mr. Speaker, the purpose of this special order is just to call attention to the fact that I think the American people simply in this historic era where we are celebrating the 200th anniversary of our Constitution, we have a great deal of respect for what it is to be American, and a great deal of respect for the separation of powers, and that I think is the fundamental issue which relates to the whole issue of the Iran Contra affair.

I really think that Congress does have an obligation to look into this. I think that the select committee has operated in a very nonpartisan manner in terms of questioning the varieties of witnesses, because essentially what the American people want is something very simple. They want the truth, and they want a very important direct foreign policy, and they want it to be done according to the law, no more, no less.

No one wants to make a scapegoat of anyone, including our President. We want our President to be successful and to be able to lead the country.

We also feel, however, that it is important to get at the truth, and I for one want to compliment the select committee in the manner in which they conducted themselves.

They are on recess now, but they will be resuming; and I think all of the Members have kept in mind the very, very fundamental principle, ad that is that it is important to abide by the law, no matter who you are.

Foreign policy has so many international ramifications, and especially the entire ramification of world peace, that it is important that the separation of powers and the responsibilities of Congress are used properly, and certainly the President's responsibilities, along with our judicial branch, are used properly; and that is the whole purpose of the special order.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. LEVINE of California) to revise and extend their remarks and include extraneous material:)

Mr. ALEXANDER, for 5 minutes, today.
Mr. CROCKETT, for 5 minutes, today.
Mr. ANNUNZIO, for 5 minutes, today
Mr. GRAY of Illinois, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. ALEXANDER, and to include extraneous matter notwithstanding the fact that it exceeds two pages of the RECORD and is estimated by the Public Printer to cost $197,382.

(The following Members (at the request of Mr. RHODES) and to include extraneous matter:)

Mr. BROOMFIELD in three instances.
Mrs. MORELLA.
Mr. KEMP.

(The following Members (at the request of Mr. LEVINE of California) and to include extraneous matter:)

Mr. DYSON.
Mr. BONIOR of Michigan.
Mr. ANDERSON in 10 instances.
Mr. GONZALEZ in 10 instances.
Mr. BROWN of California in 10 instances.
Mr. ANNUNZIO in six instances.
Mr. JONES of Tennessee in 10 instances.
Mr. BONER of Tennessee in 10 instances.
Ms. SLAUGHTER of New York.
Mr. CARDIN.
Mr. SAVAGE.
Mr. SHARP in four instances.
Mr. MONTGOMERY.
Mr. VENTO.

ADJOURNMENT

Ms. OAKAR. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 12 o'clock and 40 minutes p.m.) the House adjourned until tomorrow, Tuesday, June 16, 1987, at 12 noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1600. A letter from the Assistant Secretary (Manpower and Reserve Affairs), Department of the Army, transmitting a draft of proposed legislation to allow the loan, donation, or exchange of obsolete combat material or historical objects to foreign museums, veterans' organizations, or historical societies; to the Committee on Armed Services.

1601. A letter from the Chairman, National Drug Policy Board, Department of Justice, transmitting a report concerning a comprehensive program designed to interdict aircraft, vessels and vehicles carrying illegal drugs into the United States, pursuant to Public Law 99-661; to the Committee on Armed Services.

1602. A letter from the Chairman, National Council on Vocational Education, transmitting the annual report of the Council's activities for fiscal year 1986, pursuant to 20 U.S.C. 1233b(a)(2); to the Committee on Education and Labor.

1603. A letter from the Director, ACTION Agency, transmitting a copy of the final regulations entitled "Official Seal," pursuant to 42 U.S.C. 5060(d); to the Committee on Education and Labor.

1604. A letter from the Secretary of Labor, transmitting drafts of proposed legislation: to amend the Davis-Bacon Act by increasing the coverage threshold to $100,000 for nonmilitary contracts and $1 million for military contracts, and to amend the Copeland Act compliance provision, and for other purposes; to amend the Service Contract Act by increasing the coverage threshold to $100,000 for nonmilitary contracts and $1 million for military contracts and for other purposes; to the Committee on Education and Labor.

1605. A letter from the Assistant Secretary for Legislative and Intergovernmental Affairs, Department of State, transmitting a report on the treatment of and consideration given to Mr. William Calkins and to compensate the heirs of Mrs. Mary Metni, pursuant to 22 U.S.C. 4834(d)(1); to the Committee on Foreign Affairs.

1606. A letter from the Assistant Director for Congressional Affairs, ACTION Agency, transmitting notification of her determination that it is in the public interest to make a proposed contract award to Quest International without obtaining full and open competition, pursuant to 41 U.S.C. 253(c)(7); to the Committee on Government Operations.

1607. A letter from the Assistant Attorney General (Legal Policy), Department of Justice, transmitting the Department's calendar year 1986 report of its activities under the Freedom of Information Act, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

1608. A letter from the Secretary, The American Battle Monuments Commission, transmitting a report of the Commissions activities under the Freedom of Information Act during calendar year 1986, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

1609. A letter from the General Counsel, Department of Energy, transmitting a draft of proposed legislation to authorize the study of the transfer of the Southeastern Power Administration out of Federal ownership; to the Committee on Interior and Insular Affairs.

1610. A letter from the Chief Justice, Supreme Court of the United States, transmitting the proceedings of the Judicial Conference of the United States held in Washington, D.C., on March 17, 1987, pursuant to 28 U.S.C. 331; to the Committee on the Judiciary.

1611. A letter from the Chairman, Board of Directors, Metropolitan Washington Airports Authority, transmitting a letter advising of the individuals appointed to the Board of Review, pursuant to Public Law 99-591; to the Committee on Public Works and Transportation.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. McCLOSKEY:

H.R. 2685. A bill to amend the Toxic Substances Control Act to establish certain requirements regarding the disposal of polychlorinated biphenyls, and for other purposes; to the Committee on Energy and Commerce.

By Mr. SAVAGE:

H.R. 2686. A bill to amend the Public Works and Economic Development Act of 1965 and the Appalachian Regional Development Act of 1965; jointly, to the Committees on Public Works and Transportation and Banking, Finance and Urban Affairs.

By Mr. SCHUMER (for himself, Mr. MANTON, Mr. SOLARZ, Mr. WEISS, Mr. ACKERMAN, Mr. TOWNS, Mr. RANGEL, Mr. FLAKE, and Mr. GARCIA):

H.R. 2687. A bill to make the antitrust laws applicable for a 2-year period to any professional baseball team that unfairly deprives its supporters of the opportunity to receive regular over-the-air television broadcasts of games in a season; to the Committee on the Judiciary.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

118. By the SPEAKER: Memorial of the Legislature of the State of Louisiana, relative to turtle excluder devices in Louisiana waters; to the Committee on Merchant Marine and Fisheries.

119. Also, memorial of the Legislature of the State of Texas, relative to the farm credit borrower relief system, Reform and Local Control Act of 1987; to the Committee on Agriculture.

120. Also, memorial of the Kosrae State Legislature, relative to the eligibility of students of the Federated States of Micronesia for financial assistance in postsecondary educational institutions; to the Committee on Education and Labor.

121. Also, memorial of the Legislature of the State of Alaska, relative to the proposed agreement between the United States and Japan allowing for the air shipment of plutonium between Europe and Japan by polar route; to the Committee on Foreign Affairs.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 65: Mr. Owens of New York, Mr. Perkins, Mr. Jontz, Mr. Sawyer, and Ms. Pelosi.

H.R. 390: Mr. Berman, Mrs. Boxer, Mr. Bustamante, Mr. de Lugo, Mr. Gray of Pennsylvania, and Mr. Hall of Ohio.

H.R. 915: Mr. Scheuer.

H.R. 954: Mr. Solarz.

H.R. 1003: Mr. Mfume, Mr. Williams, Mr. Davis of Michigan, and Mr. Fuster.

H.R. 1506: Mr. Garcia.

H.R. 1742: Mr. Dwyer of New Jersey and Mr. Towns.

H.R. 1782: Mr. Konnyu.

H.R. 1987: Mr. Bryant, Mr. Gray of Illinois, Mr. Bereuter, Mr. Volkmer, Mr. Ackerman, Mr. Henry, Mr. Dornan of California, Mr. Lewis of Georgia, Mr. Valentine, Mr. Bevill, Mr. de Lugo, Mr. Grant, Mr. Parris, Mr. Hunter, Mr. Hawkins, Mr. Bustamante, Mr. Wortley, Mr. Gallegly, Mr. Crane, Mr. Wolf, Mr. Roe, Mr. Spence, Mr. Livingston, Mr. Smith of New Hampshire, Mr. Towns, Mr. Hatcher, Mr. Chappell, Mr. Ravenel, Mr. Fish, Mrs. Johnson of Connecticut, and Mr. Nielson of Utah.

H.R. 2327: Mr. Robert F. Smith, Mr. Henry, Mr. Bereuter, Mr. Shumway, Mr. Weber, Mr. Solarz, Mr. Bustamante, and Mr. Bilbray.

H.R. 2433: Mrs. Roukema.

H.R. 2538: Mr. Coelho, Mr. Hatcher, Mr. Kennedy, Mr. Smith of New Hampshire, Mr. Spence, Mr. Whitten, and Mr. Wortley.

H.R. 2625: Mr. Swift.

H.J. Res. 50: Mr. Clarke, Mr. Lowry of Washington, Mr. Wolf, Mr. Jones of Tennessee, Mr. Boucher, Mr. Traxler, and Mr. Hamilton.

H.J. Res. 138: Mr. de Lugo, Mr. Rhodes, Mr. Schaefer, and Mr. Rahall.

H.J. Res. 191: Mr. Donald E. Lukens, Mr. Stangeland, Mr. Feighan, Mr. de Lugo, Mr. Mrazek, Mr. Ravenel, Mr. Boner of Tennessee, Mr. Sawyer, Mr. Hayes of Louisiana, Mr. Bilbray, Mr. Weldon, Mr. Tauzin, Mr. Valentine, Mr. Parris, Mr. Frenzel, Mr. Hefner, Mr. Nielson of Utah, and Mr. Roe.

H.J. Res. 199: Mr. Pepper, Mr. Fuster, Mr. Dornan of California, Mr. Bevill, Mr. Towns, Mr. de la Garza, Mr. Leland, Mr. Smith of Florida, Mr. Lagomarsino, Mr. Hatcher, Mr. Lipinski, Mr. Bilbray, Mr. de Lugo, Mr. Dyson, Mr. Owens of New York, Mr. Bryant, Mr. Gordon, Mr. Berman, Mr. Levin of Michigan, Mr. Scheuer, Mr. Volkmer, Mr. Roe, and Mrs. Boxer.

H.J. Res. 206: Mr. Matsui, Mr. Konnyu, Mr. Shumway, Mr. Rose, Mr. Garcia, Mr. Schuette, Mr. Wolf, Mr. Lantos, and Mr. Hall of Ohio.

H.J. Res. 227: Mr. McMillen of Maryland, Mr. Waxman, Mr. Miller of Ohio, Mr. DioGuardi, Mr. Hoyer, Mrs. Martin of Illinois, Mr. Regula, Mr. Coleman of Texas, Mr. Dixon, Mr. Rinaldo, Mr. Rodino, Mr. Weber, Mr. Grandy, Mr. Hyde, Mr. Beilenson, Mr. Lantos, Mrs. Morella, Mr. Garcia, Mr. Bennett, Mr. Sweeney, Mr. Frank, Mr. Hamilton, Mr. Kemp, Mr. Feighan, Mr. Miller of Washington, and Mr. Kostmayer.

H.J. Res. 251: Mr. Fish, Mr. Stark, Mr. Ravenel, Mr. Bliley, Mr. Gonzalez, Mr. Schumer, Mr. Borski, Mr. Dornan of California, Mr. Pashayan, Mr. Manton, Mr. Annunzio, Mr. Coughlin, Mrs. Collins, Mr. Montgomery, Mr. de Lugo, Mr. Bevill, Mr. Bennett, Mr. Espy, Mr. Bilbray, Mr. Conte, Mr. Hayes of Louisiana, Mr. Weldon, Mr. English, Mr. Shaw, Mr. Tauzin, Mr. Sunia, Mr. Smith of Iowa, Mr. Pursell, Mr. Richardson, Mr. Davis of Illinois, Mr. Schuette, Mr. Goodling, Mr. Miller of Washington, Mr. Cooper, Mr. Dowdy of Mississippi, Mrs. Boxer, Mr. Smith of New Jersey, Mr. McHugh, Mr. Dyson, Mr. Lantos, Mr. Lehman of Florida, and Mr. Henry.

H.J. Res. 282: Mr. Richardson, Mr. Roe, Mr. Lowery of California, Mr. McDade, Mr. Annunzio, Mr. Gallo, Mr. Manton, Mr. Frank, Mr. Bateman, Mr. Rodino, Mr. Fascell, Mr. Neal, Mr. Bustamante, Mr. Wolf, Mr. Scheuer, Mr. Inhofe, Mr. Thomas A. Luken, Mr. Livingston, Mr. Wortley, Mr. Saxton, Mr. Green, Mr. Boulter, Mr. Hastert, Mr. Gilman, Mr. Mrazek, Mr. Levin of Michigan, Mr. Weber, Mr. Ackerman, Mr. Smith of New Jersey, Mr. DeFazio, Mr. Towns, Mr. Torricelli, Mr. Dowdy of Mississippi, and Mr. Hughes.

H.J. Res. 303: Mr. Schuette, Mr. Tallon, Mr. Blaz, Mr. Sharp, Mr. Biaggi, Mr. Sunia, Mr. Fuster, Mr. Bosco, Mr. Hutto, Mr. Hochbrueckner, Mr. Lagomarsino, Mr. Kildee, Mr. Morrison of Connecticut, Mr. Bennett, Mr. Conyers, Mr. Wolf, Mr. Hughes, and Mr. Pepper.

H. Con. Res. 43: Mr. Goodling, Mr. Kolter, Mr. Atkins, Mr. Lantos, Mr. Feighan, Mr. Nielson of Utah, Mr. de Lugo, Mr. Bates, Mr. Hawkins, and Mr. Garcia.

H. Res. 169: Mr. Shumway, Mr. Skeen, Mr. Armey, and Mr. DeLay.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

49. The Speaker presented a petition of Common Council of the city of Buffalo, NY, relative to multistage projects for the benefit of our citizens; which was referred to the Committee on Banking, Finance and Urban Affairs.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 281

By Mr. ARMEY:

—Page 4, line 8, strike "proviso:" and insert "provisos:".

Page 4, line 16, before the quotation marks insert the following: ": *Provided further,* That the Board shall revoke the exclusive bargaining status of any labor organization in the construction industry found by the Board to engage directly in or encourage the use of violence.".

—Page 4, after line 16, insert the following new section (and redesignate section 3 as section 4):

Sec. 3. (a) Section 10(c) of the National Labor Relations Act (29 U.S.C. 160(c)) is amended by inserting at the end of the first proviso the following: "*Provided further,* That no such order may direct the reinstatement of any employee in the construction industry who has engaged, or who is engaging, in violent conduct which would be an unfair labor practice under section 8(b)(1)(A) if engaged in by a labor organization:".

(b) Section 10(c) of such Act (29 U.S.C. 160(c)), is further amended by inserting at the end of the second proviso the following: "*Provided, further,* That where the Board finds that any employee has suffered a loss of wages or some other damage as a result of violent conduct by a labor organization in the construction industry which conduct is an unfair labor practice under section 8(b), the Board shall order the labor organization to pay the employee damages equal to 3 times the amount of such lost wages and special damages.".

(c) Section 10(l) of such Act (29 U.S.C. 160(l)) is amended by inserting before "or section 8(e)" the following: "section 8(b)(1) (when it is charged that a labor organization in the construction industry is directly engaging in or encouraging the use of violence in connection with labor organization activity in such industry),".

Page 4, line 18, strike "section 2" and insert "sections 2 and 3".

—Page 4, after line 16, insert the following new section and redesignate the succeeding section accordingly:

Sec. 3. It is the sense of the Congress that, under the provisions set forth in this Act, violence and coercion are inimicable to the collective bargaining process, and that employers and labor organizations in the building and construction industry, in fulfilling the objectives of this Act, should never use or condone the use of violence.

—Page 4, line 16, before the quotation marks insert the following: "or if the Board revokes, in accordance with section 10(n), the exclusive bargaining status of the labor organization found by the Board to engage directly in or encourage the use of violence".

Page 4, after line 16, insert the following new section and redesignate the succeeding section accordingly:

Sec. 3. (a) It is the sense of the Congress that, under the provisions set forth in this Act, violence and coercion are inimicable to the collective bargaining process, and that employers and labor organizations in the building and construction industry, in fulfilling the objectives of this Act, should never use or condone the use of violence.

(b) Section 10 of the National Labor Relations Act is amended by adding at the end the following new subsection:

"(k) The Board shall revoke the exclusive bargaining status of any labor organization in the construction industry found by the Board to engage directly in or encourage the use of violence.".

(c) Section 10(c) of the National Labor Relations Act (29 U.S.C. section 160(c)), is amended by adding at the end the following new sentences: "No order of the Board may direct reinstatement of any employee in the construction industry who has engaged, or who is engaging, in violent conduct which would be an unfair labor practice under section 8(b)(1)(A) if engaged in by a labor organization. In any case in which the Board finds that any employee has suffered a loss of wages or some other damage as a result of violent conduct by a labor organization in the construction industry, which conduct is an unfair labor practice under section 8(b), the Board shall order the labor organization to pay the employee damages equal to 3 times the amount of such lost wages and special damages.".

(d) Section 10(1) of such Act (29 U.S.C. 160(1)) is amended by inserting the before "or section 8(e)" the following: "section 8(b)(1) (when it is charged that a labor organization in the construction industry is directly engaging in or encouraging the use of violence,".

Page 4, line 18, strike "section 2" and insert "sections 2 and 3".

—Page 4, after line 16, inseret the following new subsection:

(d) It is the sense of the Congress that, under the provisions set forth in this Act, violence and coercion are inimicable to the collective bargaining process, and that employers and labor organizations in the building and construction industry, in fulfilling the objectives of this Act, should never use or condone the use of violence.

Page 4, line 16, before the quotation marks insert the following: "or if the Board revokes, in accordance with section 10(n), the exclusive bargaining status of the labor organization found by the Board to engage directly in or encourage the use of violence".

Page 4, after line 16, insert the following new section and redesignate the succeeding section accordingly:

SEC. 3. (a) Section 10 of the National Labor Relations Act is amended by adding at the end the following new subsection:

"(k) The Board shall revoke the exclusive bargaining status of any labor organization in the construction industry found by the Board to engage directly in or encourage the use of violence.".

(b) Section 10(c) of the National Labor Relations Act (29 U.S.C. section 160(c)), is amended by adding at the end the following new sentences: "No order of the Board may direct reinstatement of any employee in the construction industry who has engaged, or who is engaging, in violent conduct which would be an unfair labor practice under section 8(b)(1)(A) if engaged in by a labor organization. In any case in which the Board finds that any employee has suffered a loss of wages or some other damage as a result of violent conduct by a labor organization in the construction industry, which conduct is an unfair labor practice under section 8(b), the Board shall order the labor organization to pay the employee damages equal to 3 times the amount of such lost wages and special damages.".

(c) Section 10(l) of such Act (29 U.S.C. 160(l)) is amended by inserting before "or section 8(e)" the following: "section 8(b)(1) (when it is charged that a labor organization in the construction industry is directly engaging in or encouraging the use of violence,".

Page 4, line 18, strike "section 2" and insert "sections 2 and 3".

By Mr. BARTLETT:

—On page 2, line 11, delete everything following the word "performing" through page 3, line 11, and in lieu thereof insert the following: "building or construction work of the type described in such agreement, and having, directly or indirectly, substantial commonality based on the following four factors—

"(1) common management;

"(2) centralized control of labor relations;

"(3) interrelation of operations; and

"(4) common ownership;

shall be deemed a single employer: Provided, that the existence of a contractor-subcontractor relationship between any two or more business entities working at a common construction site shall not be deemed to create a single employer or be considered as evidence of direct or indirect common management or control, within the meaning of this sentence."

—On page 3, line 18, delete all that follows the word "Act", through the end of line 23, and in lieu thereof, insert the following: "and such employees share a sufficient commonality of interest to constitute a unit appropriate for purposes of collective bargaining within the meaning of Section 9 of this Act, the duty to bargain collectively, for the purposes of this section, shall include the duty to apply the terms of a collective bargaining agreement between such business entities comprising the single employer and performing building or construction work of the type described in the collective bargaining agreement within the geographical area covered by the agreement.".

—On page 3, line 23, add the following new sentence after the first period:

It shall be the duty of any labor organization which, because of the application of the preceding sentence, becomes the exclusive bargaining representative of employees not previously subject to its representation, to represent fairly all persons covered by the terms of the collective bargaining agreement: Provided, That in making determinations regarding whether the labor organization has fulfilled its duty of fair representation, the Board shall consider all relevant circumstances, including:

(A) whether all covered employees had a voice in selecting the exclusive collective bargaining representative;

(B) whether all covered employees had a voice in negotiating the collective bargaining agreement;

(C) whether, and to what extent, any group of employees that was not included within the bargaining unit when the collective bargaining unit was negotiated has interests with respect to wages, hours, and other terms or conditions of employment that are different from, or in conflict with, the interests of the employees in the original unit; and

(D) whether any employees who were not represented by the exclusive collective bargaining representative during the negotiation of the collective bargaining agreement have been given less favorable treatment by such representative with respect to job assignments, job referrals, handling of grievances, or any other terms or conditions or employment.

An Office of Fair Representation shall be established within the Office of the General Counsel whose purpose shall be to assist the General Counsel in the investigation of charges made by employees alleging violations of the duty of fair representation under this subsection.

—Page 3, line 25, strike all that follows the word "amended" through page 4, line 16, and in lieu thereof insert the following: "by inserting before the period at the end of such section the following new proviso: '*Provided further,* That any agreement lawfully made pursuant to this subsection may not be repudiated during the term of that agreement on grounds that the labor organization lacks majority status unless the Board certifies the results of an election conducted pursuant to section 9(c), in which a majority of employees in an appropriate bargaining unit either selects a bargaining representative other than the labor organization with which such agreement was made or chooses not to be represented by a labor organization. Upon the expiration of such agreement, the employer and the labor organization shall not be under an obligation to bargain collectively unless the majority status of the labor organization has been established pursuant to an election conducted under section 9(c), or in some other manner determined to be appropriated by the Board in which the confidentiality of employee preferences is ensured.' ".

By Mr. HAYES of Louisiana:

—Page 3, line 11, before the quotation markes insert the following new proviso: *"Provided, further,* That an employer shall be considered to be "engaged primarily in the building and construction industry" only if not less than 25 percent of the gross income derived during such employer's taxable year is from building and construction work performed by the employer on behalf of other employers which are not related to such employer as a single employer, within the meaning of this sentence.".

H.R. 1777

By Mr. SOLOMON:

—Page 70, After line 21 insert the following new section:

SEC. 602. Expressing the sense of the Congress concerning human rights in the People's Republic of China.

Whereas the advancement of human rights is a stated objective of the foreign policy of the United States;

Whereas the constitutional guarantees of freedom of speech, press, and peaceful assembly have not been respected in the People's Republic of China;

Whereas the exercise of religious activities has a detrimental effect on a participant's civil, social, and economic status within the People's Republic of China;

Whereas the rights of citizens within the People's Republic of China to travel freely throughout the country, to have contact with foreigners, and to form trade unions and other voluntary associations are severely curtailed;

Whereas there have been some encouraging development's including an effort by the current leadership of the People's Republic of China to develop economic policies without regard to a rigid application of Maoist ideology: and

Whereas the American people desire to extend their moral support to the struggle for freedom and justice within the People's Republic of China: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That it is the sense of the Congress that the leadership of the People's Republic of China should take necessary steps toward establishing a more democratic society, with a free and open political system that will protect the essential human rights of all people living within that country.

EXTENSIONS OF REMARKS

AMENDMENTS TO THE PUBLIC WORKS AND ECONOMIC DEVELOPMENT ACT OF 1965 AND TO THE APPALACHIAN REGIONAL DEVELOPMENT ACT OF 1965

HON. GUS SAVAGE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 15, 1987

Mr. SAVAGE. Mr. Speaker, today I am introducing a bill, the Public Works and Economic Development Act Amendments of 1987, also called the National Development Investment Act, and the Appalachian Regional Development Act Amendments of 1987.

This bill is substantially the same as the bill that passed the House in the 99th Congress by a vote of 260 to 96 and was passed overwhelmingly in the two previous Congresses. However, it has been redrafted and perfected for clarification and to better reflect the intent of the legislation. It provides urgently needed Federal investment dollars to severely depressed areas that will assist in nurturing the diverse resources of every region of our country. It recognizes that all areas must contribute to the overall economic welfare of the Nation.

This bill also recognizes that changing national and global economies have created new problems and challenges for our Nation. It affirms that it is in the national interest to develop a public and private-sector partnership that will target economic development and adjustment activities to depressed areas, and industries and groups within those areas, to meet those new challenges.

Title I of the bill, known as the National Development Investment Act, completely revises the Public Works and Economic Development Act of 1965. This revision consists of three titles. Title II of the bill contains amendments to the Appalachian Regional Development Act of 1965.

Title I of the National Development Investment Act provides grants for new construction or repair and rehabilitation of public facilities so essential to stimulate commercial and industrial development, and for establishing revolving loan funds that will foster small business growth and expansion of job opportunities and promote employee stock ownership plans.

Title II provides grants for economic development planning, including preparation of development investment strategies, and for universities, colleges and other organizations to provide management and technical assistance. Provision is also made for evaluation of investment efforts and for demonstration programs.

Title III deals with administration of the National Development Investment Act.

Applicants may be States, counties, cities, towns, economic development districts, Indian tribes and development organizations. Applicants must certify that the area where a project is to be located meets at least one of three distress criteria: per capita income 80 percent or less of the national average; an unemployment rate at least 1 percent above the national average for the previous 24 months; or significant job loss due to sudden economic dislocation.

A development investment strategy must be prepared specifically identifying several elements that will emphasize coordinated development efforts, mutually supporting projects in distress areas, and active participation by the private sector and non-Federal governmental units.

The bill deletes the infrastructure study requirement contained in previous legislation. The provision is no longer needed since the Public Works Improvement Act of 1984—Public Law 98-510—called for such a study which will be completed later this year.

The funding levels in this bill differ from the previous bill in that it provides authorizations for the 3 fiscal years 1988, 1989, and 1990 at $250 million annually for development and planning programs and $26 million annually for salaries and administrative expenses. In addition, it raises the limit on grants to each applicant to $4 million under title I, other than grants to promote employee ownership organizations.

The Appalachian Act amendments, title II of the bill, have been revised to reflect the Appalachian Governors' current request to the Congress based on what they consider necessary to carry out expanded development activities aimed at making the region more competitive in world markets.

National and international economic events during the last few years have undermined much of the Commission's achievements in the region. In recent months, the Appalachian Governors, aware that the so-called finish up program presented to the Congress in 1982 would no longer address their problems, have refocused their programs for improving the region's future.

Authorizations included in this bill are for 3 years, 1988, 1989, and 1990, and provide $120 million annually for the highway programs, $40 million annually for nonhighway programs and $2.4 million annually for administrative expenses.

Mr. Speaker, as I introduce this bill, I feel a sense of urgency that more must be done to encourage economic renewal and growth in our Nation's distressed urban and rural areas. This bill is being put on a fast track and will be before the Subcommittee on Economic Development for markup on Thursday, June 18, 1987. Between now and the time a bill is reported out of committee, I will be contacting my colleagues who share my concern on the Public Works and Transportation Committee and in the House to join me as cosponsors.

I am hopeful that, when this legislation is reported out of committee and comes to the floor of the House, it will be passed by the same wide margins as in previous Congresses and that the Senate will be moved by the intensity of our concern to act on the legislation in this Congress.

A summary of the bill follows:

SUMMARY OF HIGHLIGHTS OF THE BILL

Title I of the bill revises and extends Public Works and Economic Development Act of 1965; provides authorizations for Fiscal Years 1988, 1989 and 1990 at $250 million each year for programs and planning and $26 million for salaries and expenses.

To qualify, applicants must meet one of three distress criteria: (1) Unemployment 1% above national average, previous 24 months; (2) Per capita income 80% of national average (latest statistics); (3) Significant job loss due to sudden economic dislocation

Qualified applicants: States, counties, cities, towns, economic development districts, Indian tribes and development organizations

Program assistance provided: Development Investment Assistance (Title I):

Grants for new construction and improvement of public facilities—up to 50% Federal share.

Grants to establish revolving loan funds to stimulate small business growth—$1 million limit and 50% Federal match.

Grants to establish revolving loan funds to set up employee stock ownership organizations—50% Federal match.

Technical Assistance by Secretary

$4 million limit on grants under this title to each applicant, except for grants to promote employee ownership organizations.

Strategy, Planning, Evaluation and Demonstration (Title II):

Grants for economic development and strategy planning

Grants to colleges, universities and other groups to provide management and assistance—75% Federal match of costs.

Evaluation and demonstration programs, including feasibility study for steel industry and related industries.

Development Investment Strategy required, to include: inventory of community resources, industries and businesses; infrastructure available and needed; workforce skills; land available; showing of non-federal matching funds; showing of private sector willingness to invest; description of industry/business to be created or expanded; demonstration of participation by representative percentage of small business concerns owned and controlled by socially and economically disadvantaged individuals.

Application Procedure:

Submit to Secretary of Commerce with Development Strategy

Certify area meets distress criteria, and performance responsibilities.

Secretary reviews for approval/rejection based on consideration of several factors including severity of distress, anticipated increase in permanent employment, extent of private sector and non-federal involvement.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

Subsequent applications must demonstrate new showing of distress.

Title II of the bill amends Appalachian Regional Development Act of 1965

Provides authorizations annually for fiscal years 1988, 1989, 1990:

For Development Highway and local access roads: $120 million.

For non-highway programs: $40 million.

For salaries and expenses: $2.4 million.

Extends period for lease terms for office space to 1990.

Expands findings and purpose to address need to develop resources to be more competitive in national and world markets.

Removes limitation to finance certain industrial/financial facilities.

TWO HUNDRED YEARS AGO TODAY AT THE CONSTITUTIONAL CONVENTION (JUNE 12)

HON. PHILIP R. SHARP

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 15, 1987

Mr. SHARP. Mr. Speaker, on June 12, 1787, the Convention completed consideration of the last few provisions of the Virginia delegation's plan to reform the Articles of Confederation.

The last of Virginia's proposals called for the convening of special assemblies in each State to ratify the changes made at the Constitutional Convention.

When Virginia's Gov. Edmund Randolph first proposed this idea 2 weeks before, it was unclear whether there would even be anything for the special assemblies to consider. Although there was widespread unhappiness with the articles, many delegates doubted that the States could agree on any alterations.

But with consideration of the Virginia plan complete, there was more optimism in the Chamber. It seemed more likely that these special assemblies would be necessary.

RECENT REMARKS BY TURKISH OFFICIAL HURT PEACE PROSPECTS ON CYPRUS

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, June 15, 1987

Mr. BROOMFIELD. Mr. Speaker, I am deeply concerned about a recent remark made by a senior Turkish official concerning Cyprus. Turkish forces on that island remain an impediment to a peaceful solution to the Cyprus problem. The Turkish Government should carefully consider United States recommendations as well as United States congressional findings about a peaceful solution to the conflict on Cyprus.

According to recent reports, the Turkish Foreign Minister, Mr. Halefoglu, said that "Turkey does not have to answer to anyone on the number of troops and military equipment it has on Cyprus." It is incredulous that a senior official of a country which claims to want to settle the Cyprus problem would make such a statement. His comments clearly reveal his defiance of the findings of the United Nations, but also of the good efforts of the United States Congress to find a resolution of the problem of Cyprus.

I am disturbed by the fact that Turkey continues to ignore a 1974 U.N. resolution calling for the withdrawal of Turkish forces from that island. A recent U.N. Secretary General report confirms that there has been an increase in the number of Turkish tanks on Cyprus. During the past year, the number of Turkish troops on Cyprus has also increased and United States-supplied equipment has been used to upgrade Turkish occupation forces on that island.

Equally bothersome is the fact that the Turkish Government has brought 60,000 Turkish settlers to that island and has reportedly allowed Christian churches there to be desecrated along with the changing of placenames in the occupied sector of Cyprus. Recently, a number of hotels in the closed city of Famagusta (Varosha) were occupied as student hostels for Turkish students and an army officers club.

The recent comments by the Turkish Foreign Minister and the Turkish Government's actions in Cyprus during the past year led me to believe that Turkey is being less than helpful in trying to resolve the Cyprus problem. I am confident that a reduction in the Turkish troop presence continues to be a sane first step in moving toward a resolution of the Cyprus dilemma. Maintaining 35,000 armed Turkish troops and 300 tanks on that northern island is offensive to all of us who want a rapid and fair resolution of the Cyprus problem. The ball is clearly in Turkey's court. I hope that they reach out with the hand of peace and begin to withdraw their troops.

EMBASSY OF CYPRUS,
Washington, DC, June 10, 1987.

Hon. WILLIAM S. BROOMFIELD,
House of Representatives,
Washington, DC.

DEAR MR. CONGRESSMAN: I enclose copy of a self-explanatory letter I sent to Chairman Fascell.

If you feel as I do that, in view of the blatant nature of the Turkish Foreign Minister's statement of defiance of the stand of Congress (as well as of the UN Secretary General and the UN resolutions), an appropriate public statement on your part and/or on the part of other friends of Cyprus in Congress is warranted, we would very much appreciate it.

With best regards,
Yours sincerely,
A.J. JACOVIDES,
Ambassador.

EMBASSY OF CYPRUS,
Washington, DC, June 9, 1987.

Hon. DANTE B. FASCELL,
Chairman, House Foreign Affairs Committee, Rayburn Building, Washington, DC.

DEAR MR. CHAIRMAN: You will no doubt recall that since the 1974 brutal and illegal invasion of the Republic of Cyprus by the Turkish armed forces, unanimously adopted and legally binding United Nations Resolutions have repeatedly called for the immediate withdrawal of these troops in accordance with the U.N. Charter principles and international law. Turkey has so far ignored this demand of the international community with impunity.

During the past year, there has been ominous and significant increase of the Turkish occupation troops both in numbers and in fire power (some 35,000 troops and 300 heavy tanks).

The United Nations Secretary General, in his latest report to the Security Council (S/18880 dated 29 May 1987), states that "the evidence of an increase in the Turkish forces' strength referred to in my last report (S/18491, para 22) has been further supported by open observation by UNFICYP as well as by reports made public by various Governments" and that there has been "a substantial increase in the number of tanks." He also stated that he "raised the question of the military build-up in Cyprus on several occasions with the Turkish authorities at all levels" and "appealed to the Government of Turkey to reduce its forces on the island."

This grave development has been, as you well know, of serious concern also to the U.S. Congress and was recently considered by both the House Foreign Affairs and the Senate Foreign Relations Committees, which adopted recommendations for appropriate legislation. The relevant report of the House Foreign Affairs Committee (dated 9 April 1987) reads "Section 610 (b) states the sense of the Congress that the President should ask the government of Turkey to reduce substantially the number of its military personnel on Cyprus. The increase in recent years from 15,000 to 30,000 Turkish troops on Cyprus has been one of the major obstacles to a just and peaceful settlement of the Cyprus dispute. This sense of Congress provision reiterates bipartisan support for the withdrawal of Turkish troops from Cyprus." The equivalent Report of the Senate Foreign Relations Committee (dated 22 May 1987) states that "of foremost concern [is] the disturbing discovery that Turkey [has] used United States military assistance to upgrade its forces occupying Cyprus" and later concludes that "the committee believes that Turkey's use of United States military assistance to upgrade its forces on Cyprus is inconsistent with its NATO obligations, the clear intent of existing United States law and the admininstration's stated justification for the assistance."

In the light of the above, the statement of the Turkish Foreign Minister Mr. Halefoglu on June 6 (as reported by Ankara radio) that "Turkey does not have to answer to anyone on the number of troops and military equipment it has on Cyprus," constitutes a flagrant provocation and reveals a mentality of defiance not only of the United Nations and of international law but also of the United States and more particularly of the U.S. Congress.

I have been instructed by my Government to bring these facts to your attention and would be grateful if you would share the contents of this letter with the distinguished members of your Committee.

Yours sincerely,
ANDREW J. JACOVIDES,
Ambassador, Republic of Cyprus.

THE NATIONAL RESEARCH LABORATORY COMMISSION'S RECOMMENDATION IS RIGHT ON TARGET

HON. MARTIN FROST

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 15, 1987

Mr. FROST. Mr. Speaker, the Texas Legislature directed the National Research Laboratory Commission, headed by Dr. Peter Flawn, to recommend two sites for the superconducting super collider to be located, should the project be located in Texas. The Commission unanimously selected the Dallas-Fort Worth area as the prime location for this project, and they were correct in their evaluation.

I insert into the CONGRESSIONAL RECORD an article in the Fort Worth Star Telegram by Karen Potter telling of the selection of the Commission's recommended site.

NORTH TEXAS SITE TOP PICK FOR COLLIDER

(By Karen Potter)

AUSTIN.—A site south of Forth Worth-Dallas won unanimous approval Tuesday to represent Texas in the national scramble for a $4.4 billion atom smasher and in a bow to political considerations, a site in Amarillo also was picked.

The National Research Laboratory Commission, influenced by the site's proximity to a major airport and by favorable geological conditions, made the Fort Worth-Dallas area site ringing Waxahachie the top selection among 14 Texas entrants.

But directed by the Legislature to choose two or more sites, the commission also selected the West Texas proposal with an eye toward cementing statewide voter support for a crucial $1 billion bond proposal.

The bond proposal forms the basis of Texas' bid to overtake front-runners Illinois and California in national competition for the coveted Superconducting Super Collider. Officials are hoping that by dramatically reducing the cost to the federal government, Texas can overcome those states' research advantages.

"We have to pass the bond election or I can tell you we won't win," said Dr. Peter Flawn, chairman of the National Research Laboratory Commission. "I think we need broad support in the state, and with that selection we will have West Texas support."

Officials of the Dallas-Fort Worth Superconducting Super Collider Authority said they were elated but not suprised by the commission's decision. Supporters estimate that the project will create 3,000 jobs and pour $200 million a year into the winning community.

An underground laboratory, the supercollider would be built as a race track-shaped tunnel 52 miles around. Scientists hope to probe the fundamental nature of matter by watching atoms collide at high rates of speed.

Austin lost to Amarillo for the chance to be Texas' second proposal in a 5-3 vote of the commission.

Lee Cooke, president of the Austin Chamber of Commerce, said he believed the vote was the product of a political agreement designed "for Texas to put its best economic foot forward."

"There was a technical evaluation and a pragmatic evaluation," Cooke said. "Obviously there was a compromise."

But J. Fred Buey, chairman of an advisory panel that made recommendations to the committee, said the proposal of the West Texas site as well as the Fort Worth-Dallas area site puts the state in the best position if the Department of Energy decides on a more rural setting for the supercollider.

Representatives of some of the losing proposals charged that the selection process was unfair and too subjective, and officials of at least one region—El Paso—are considering sending their proposal directly to Washington, D.C.

Lawmakers warned against such a rebellious move Tuesday.

"To have renegade proposals going directly to Washington would not only ensure that those proposals are not accepted but probably guarantee that Texas' credibility before the National Academy of Science and the Congress would be seriously jeopardized," said Sen. Chet Edwards, D-Ducanville.

TRIBUTE TO JIM MILLER

HON. GEORGE (BUDDY) DARDEN

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 10, 1987

Mr. DARDEN. Mr. Speaker, Jim Miller this month is resigning his position as country manager of Cobb County, GA—my home community. Mr. Miller has served the community for almost 20 years—first in the department of parks and recreation, then in recent years as county manager.

I would like to include in the CONGRESSIONAL RECORD the text of a letter I am sending to Mr. Miller, commending him for his years of tireless and devoted service to Cobb County. The text of the letter follows:

HOUSE OF REPRESENTATIVES,
Washington, DC, June 15, 1987.

Mr. JIM MILLER,
County Manager, Cobb County
Marietta, GA.

DEAR JIM: Let me join your many friends and associates in thanking you for your almost 20 years of service to the people of Cobb County. I value the friendship we have enjoyed since the early days when you were assistant director of the Department of Parks and Recreation and I was an assistant district attorney.

It has been a pleasure to watch you grow professionally as Cobb County has grown over these two decades. You have been at the forefront of dynamic and positive growth in our county. You have been a champion of an improved quality of life in our area through effective leadership and management.

As director of Cobb County's Department of Parks and Recreation, you helped build one of the outstanding parks systems in the Southeast. As Cobb's first county manager, you brought professional organization to the government of Georgia's third-largest county.

Lillian joins me in sending best wishes to you, Faye and all your family.

Sincerely,

GEORGE (BUDDY) DARDEN,
Member of Congress.

TRIBUTE TO THE LATE HONORABLE JAMES J. DELANEY

SPEECH OF

HON. JAMIE L. WHITTEN

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Monday, June 15, 1987

Mr. WHITTEN. Mr. Speaker, it has been my privilege to serve with many Members of Congress and I wish to subscribe to the many nice things that have been said about the late Jim Delaney who was a very good friend of mine.

A strong person, a good man, an outstanding Member of Congress, he rendered service to the Nation while at the same time looking after the people of his own district.

Perhaps his name is best known the Nation because of the Delaney clause, which he wrote and which prohibited the use of any additive which caused cancer in animals. At the time this was written, our methods of detection were crude and we could measure parts per million. With time, these testing devices have become so finite that now we can measure parts per trillion. Jim very much wanted to keep his amendment but was always willing to moderate it and to take into account changes in testing ability.

Again, he leaves a mark of real distinction and many contributions to all of us.

To his family, we express a sense of loss, with the assurance that Jim leaves us many pleasant memories and the country better off by reason of his service.

PERSONAL EXPLANATION

HON. BENJAMIN L. CARDIN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Monday, June 15, 1987

Mr. CARDIN. Mr. Speaker, I was unavoidably called away from town on Thursday of last week and missed rollcall votes 176, 177, 178, and 179. Had I been able to cast my votes at that time I would have voted as follows:

Rollcall 176, "Aye."
Rollcall 177, "No."
Rollcall 178, "Aye."
Rollcall 179, "Yea."

TWO HUNDRED YEARS AGO TODAY AT THE CONSTITUTIONAL COVENTION (JUNE 13)

HON. PHILIP R. SHARP

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 15, 1987

Mr. SHARP. Mr. Speaker, with a vote expected soon on the Virginia plan to overhaul the Articles of Confederation, the delegates came to the statehouse on June 13 to make handwritten copies of the document so they could study it at home.

Once again, the delegates were urged to keep the plan secret. This secrecy disturbed many interested citizens especially since rumors about the Convention were running rampant throughout the country.

In its June 13 edition, the Massachusetts Centinal newspaper tried to calm that restlessness:

> Ye men of America * * * be assured, the men whom ye have delegated to work out your national salvation are the men in whom you may confide—their extensive knowledge, known abilities and approved patriotism warrant it.

There was a long way to go, but by the summer's end the paper's trust proved to be well founded.

MR. GORBACHEV, GLASNOST SHOULD INCLUDE SELF-DETERMINATION FOR THE PEOPLES OF THE BALTIC STATES

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, June 15, 1987

Mr. BROOMFIELD. Mr. Speaker, I support the recent efforts of my colleagues calling for self-determination for the peoples of the Baltic States. During this age of "glasnost," the Soviet leader should be challenged to truly open up Soviet society and introduce democracy to that closed police state. This new openness should extend to the captive nations which have suffered so long under Soviet imperial rule. I understand that legislation is being proposed which supports the concept of self-determination for the Baltic States. I support the efforts of my colleagues to call this important issue to the attention of the United Nations and the world.

We all know the sad history of the Baltic States. The armed forces of Nazi Germany and Soviet forces overran the independent Baltic republics. Estonia, Latvia, and Lithuania were incorporated into the Soviet Union. Millions of innocent Baltic peoples are still being denied their human rights and self-determination.

Even though the Soviet Union signed the Helsinki accords concerning human rights, the Kremlin continues to deny the Baltic peoples basic freedoms and the right to exist as independent countries.

I am proud of the fact that our Government recognizes the right of the Baltic peoples to independence. Our Government must call the attention of the world to this ongoing tragedy. We must tell the United Nations that we support self-determination for all peoples.

We will continue to support nonrecognition of that forced incorporation of the Baltic States into the Soviet Empire. We must also do everything we can to ensure that the Soviets comply with the letter and the spirit of the Helsinki accords by applying these provisions to the Baltic States.

During this age of "glasnost" in the Soviet Union, Mr. Gorbachev must show his real commitment to change and progress. He should show the world that he is serious about openness by fulfilling the promises made by his Government in Helsinki. Now is the time for change in the Baltic States.

I urge my colleagues to support this important legislative effort concerning the Baltic States.

CONGRESSMAN FROST PRAISES OAK CLIFF CHURCH'S PROGRAM TO HONOR POLICE

HON. MARTIN FROST

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 15, 1987

Mr. FROST. Mr. Speaker, on June 11, the Rice Chapel African Methodist Episcopal Church in Oak Cliff, located in the 24th Congressional District, honored Cpl. Roseana Sims of the Dallas Police Department for her dedication to community service.

Rev. Richard Tankerson and the congregation of the Rice Chapel AME Church are to be congratulated on this positive program to foster good community-police relations within our community, and I am submitting for the RECORD an article by Marty Sabota of the Dallas Times Herald staff elaborating on the recent honor for Corporal Sims.

OAK CLIFF CHURCH HONORS OFFICER WHO SAVED CHILD

(By Marty Sabota)

A predominantly black Oak Cliff church honored a seven-year police veteran as Officer of the Year Thursday evening, signaling what congregation members and department officials hope will be an era of better relations between minorities and police.

More than 100 members of Rice Chapel African Methodist Episcopal Church applauded and gave a standing ovation to Cpl. Roseana Sims after hearing about her rescue of a 2-year-old child from a burning car and her volunteer work with several community projects.

Police officials said the ceremony was a welcome break in the tension between police and the minority community in the wake of recent police shootings, which led to a Congressional probe of the department.

The Rev. Richard Tankerson, in presenting the honor for the second consecutive year, said his church conceived of the idea to bring police and the community closer together.

"The community needs the benefit of a positive focus," said Tankerson. He hoped other churches and civic groups would follow their lead in recognizing outstanding officers.

Police Chief Billy Prince echoed these sentiments. "What we need are community leaders to calm things and improve relations," he said. "Anytime the community opens up and reaches out, it helps, especially now after what we've been through."

Sims told the crowd, "You don't know how much this means to me. It means more to me than any departmental award, because this comes from the people themselves."

Sims patrols Oak Cliff, and her work has earned her more than 50 commendations from the public and her supervisors.

She was a key organizer of the Dallas Police Association's "Wish-Upon-A-Star" foundation, which fulfills the dreams of chronically or terminally ill children. She also is a member of the Police Choir.

In 1982, she was about to arrest two men outside a pornographic book store on Industrial Boulevard when she noticed a station wagon on fire.

"Although it didn't look like anyone was inside, for some strange reason I started running toward it," said Sims. She sent her partner to call for the fire department.

"I looked inside and there was a child on the floorboard," she said. By then the rear of the vehicle was engulfed in flames. "I yanked the door open, grabbed him and ran."

She said she and the child were nearly overcome by the fumes emitted by the burning plastic seat covers.

She handed the baby to paramedics. She then went back to the two men, who had not run, and arrested them.

"I'm not Superwoman," she said modestly. "It was just one of those nights where everything works out right."

TRIBUTE TO ZOLA CLEARWATER

HON. MEL LEVINE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 15, 1987

Mr. LEVINE of California. Mr. Speaker, I rise today to salute Zola Clearwater, who on June 18 will be honored as Pacific Palisades Citizen of the Year by the Palisadian Post and the Pacific Palisades Community Council. I would like to bring to the attention of my colleagues in the U.S. House of Representatives the following article which recently appeared in the Palisadian Post reflecting on Mrs. Clearwater's lifetime in the Palisades.

One nominating writer suggested she be named "Citizen of the Years." Another called her "a pillar of the community," and a third, "the encyclopedia of the Palisades." Yet another wrote, "I think of her as Mrs. Pacific Palisades."

In case there's any doubt, the person these writers—and many more—promoted as Citizen of the Year for 1986 is Zola Clearwater and she has, indeed, achieved that honor.

Zola has lived in and worked for this community longer than anyone else—all of 65 years—so the honor is long overdue. But there is certainly no one more deserving than this active 88-year old who helped shape the community from the time it was a mere encampment by the Founders Oaks.

From the day she arrived in the fledgling community in 1922 as the bride of Clifford Clearwater, she has put to admirable use her unflagging energy. The manifestations are too numerous to mention though they share a common denominator—they have had a significant impact on the ways in which Pacific Palisades has grown.

In 1986, Zola was active in many areas. She was house chairman of the Pacific Palisades Woman's Club, tending to the much-used clubhouse on a daily basis and she helped organize the successful Chautauqua Revisited celebration held last September.

But Zola also made the ultimate gesture this past year, when she turned over her collection of photographs to the Pacific Palisades Historical Society, insuring that residents, historians, scholars and others will have access to a remarkably well-documented archive of a unique community.

". . . her extensive historical Palisades library of documents and pictures catalogued and maintained for 65 years . . . is an irreplaceable and extremely valuable collection," according to one letter-writer.

Clifford Clearwater, who started the photo collection (the earliest photos actually date from 1915), bought *The Palisadian* newspaper from Telford Work in 1934. The photos were used in the newspaper and an archive began.

Zola inherited the publishing and picture-taking responsibilities in 1956 when her husband died. Although she sold the paper to the Brown family in 1960 (retiring as the official chronicler of Palisades comings and goings-on) she understood the value of the photo collection and kept it thriving.

"Retired" or not, Zola, a mother of three, always kept her hand in the Palisades pot. She has been (or is) a member of just about every community group, extant or defunct, from the American Legion Auxiliary (Clifford was a founder of Post 283) and Scouts to the Woman's Club and the Historical Society. She is a longtime member of the Calvary Church as well.

But there is another side to Zola, too—the personal side. The clear, open look on her face supplemented by a broad smile makes it known that this is a woman who has nothing to hide. Her warmth is immediately apparent.

Another key to her charm and popularity is her vitality. At 88, she remains both an avid traveler and tinkerer *extraordinaire.* And it's not sightseeing buses through Europe for this woman, but rafting trips on the Colorado River, African safaris and excursions to Alaska, the Arctic Circle and China.

As the owner of an apartment building in the Palisades, she has contact with all her tenants and does the maintenance work herself. (She is a descendant of steamboat inventor Robert Fulton, one writer noted, which might account for her handiness.) "Her tenants think she is a marvel, and so do I," wrote this supporter.

If she weren't so forthright about it, no one would ever guess that Zola has lived as many years as she has. She is ". . . as spry and active as many people less than half her age," another fan wrote.

Her spirit is indomitable and uniquely shaped by the community to which she has given, on the words of yet another, "a lifetime of caring." Zola Clearwater is, in Pacific Palisades, truly without peer.—By Leah Shahmdon, *Post Reporter.*

TRIBUTE TO THE TOWN OF PEMBROKE, NY

HON. LOUISE M. SLAUGHTER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, June 15, 1987

Ms. SLAUGHTER of New York. Mr. Speaker, I rise today to pay tribute to the town of Pembroke, NY, on the occasion of its 175th anniversary.

Pembroke was established in 1812 and named for Pembroke of Wales. The Indians called it O-A-Gah, which means "On the Road".

The town of 4,160 residents occupies 26,000 acres of slightly rolling terrain. Indian Falls Lake, one of Western New York's most scenic and historic lakes, can be found in the town of Pembroke. The lake offers over 500 wooded campsites, sandy beaches, and provisions for many sports.

Farming is the major industry of the town. Today it has over 90 farms including dairy and poultry operations.

The town of Pembroke has maintained a friendly, small town atmosphere where ties to church, family, and friends remain strong. The entire citizenry remains intensely proud of the heritage of the area. They plan to recognize this history with a year-long celebration beginning this month. The opening ceremony of the 175th anniversary celebration will include a dedication of an historical marker marking the formation of the town. The festivities will continue with a concert by the Mom's & Pop's Community Band, songs by the Indian Falls Harmony Quartet, and a historical display.

I commend Lois Brockway and Shirley Kerr for their fine work in organizing these events. I know that my colleagues will join me in honoring the town of Pembroke during its 175th anniversary and in wishing the entire community continued success and good fortune in the years to come.

INTRODUCTION OF H.R. 2687

HON. CHARLES E. SCHUMER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, June 15, 1987

Mr. SCHUMER. Mr. Speaker, New Yorkers are disappointed and outraged. Most of the games of their home team Yankees, their first place baseball team, are no longer broadcast to millions of fans. As a result of a contract that the Yankees entered into a few years ago with a cable television station, many New Yorkers are unable to watch their favorite team in action. Why? Because they live in New York City.

Similar to other big cities in the United States, only small sections of New York City are wired to receive cable television. Virtually no homes in Brooklyn, Queens, Staten Island, and the Bronx have access to cable television. Thus, only those who live outside the city see all those cable televised baseball games. It's simply unfair.

What has happened with baseball on TV in New York can happen anywhere. This problem is not specific to New York and the Yankees. Cable has become prevalent everywhere in the United States and problems will increase as other baseball teams sign contracts with pay stations. We must ensure that fans all over the country will have access to televised baseball games.

H.R. 2687, that I have introduced today along with my colleagues from the New York City delegation, Representatives SOLARZ, FLAKE, WEISS, RANGEL, GARCIA, ACKERMAN, MANTON, and TOWNS, provides a remedy. The bill requires that major league baseball teams broadcast at least 50 percent of their games on not-for-pay TV stations if their home city is not 75 percent wired for cable. The bill only applies to teams that traditionally show 65 percent of their televised games on not-for-pay television. Any team in violation of the provisions of the bill will lose their antitrust exemption for 2 years.

The exemption from antitrust legislation that major league baseball has been granted, is a priviledge which Congress has left intact for many years. In return for that privilege baseball should continue to operate in the public interest. I and baseball fans everywhere hope that the Yankee situation can be resolved without legislation. We all want the same thing: to let baseball fans enjoy the game. So it would be best if this legislation is never needed. But if a settlement is not reached in the Yankee case, H.R. 2687 will be the only alternative.

H.R. 2687

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. TELEVISING OF PROFESSIONAL BASEBALL GAMES

(a) VIOLATION.—It is unlawful for a major league professional baseball team to enter into or perform any contract that provides for the exclusive carriage, during a 1-year period ending on November 15 of any year, of more than 50 percent of its televised games by any cable television system.

(b) EXEMPTION.—Subsection (a) shall not apply if—

(1) more than 75 per centum of the residences in the home city of that team are located within an area served by a cable television system that carries more than 50 percent of the televised games of that team; or

(2) the team has not had more than 65 percent of its televised games carried by a regular over-the-air broadcasting station or stations during the 2-year period ending on the preceding November 15.

(c) PENALTY.—Any major league professional baseball team that violates subsection (a) in a 1-year period ending on November 15 of any year shall be subject to the antitrust laws with respect to the conduct of such team occurring in the 2-year period beginning on January 1 following such 1-year period.

SEC. 2. DEFINITIONS.

As used in this Act—

(1) the term "antitrust laws" has the meaning given it in subsection (a) in subsection (a) of the first section of the Clayton Act (15 U.S.C. 12(a)), except that such term includes section 5 of the Federal Trade Commission Act (15 U.S.C. 45) to the extent that such section 5 relates to unfair methods of competition;

(2) the term "home city" means, with respect to any such team, the city whose name is used in the name of that team or, if no city is used in such name, then the standard metropolitan statistical area in which such team plays the greatest number of games during any year; and

(3) the term "major league professional baseball team" means any member of the two major professional baseball leagues.

TWO HUNDRED YEARS AGO TODAY AT THE CONSTITUTIONAL CONVENTION (JUNE 14)

HON. PHILIP R. SHARP

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 15, 1987

Mr. SHARP. Mr. Speaker, the delegates had expected to spend June 14 voting on the Virginia plan, which they had been debating the last 2 weeks. But that schedule was abruptly changed when New Jersey's William Patterson took the floor to announce he would propose an alternative plan.

During the previous debates, Patterson had established himself as a leading spokesman for the smaller States. He believed that the Virginia plan would give too much power to larger States. Patterson wanted his colleagues to consider an alternative more sympathetic to the interests of smaller States such as New Jersey.

But his plan was not yet ready for presentation and so he asked for, and was granted, a motion for adjournment. The vote on the Virginia plan was also postponed indefinitely.

POPULATION ISSUES AT THE VENICE SUMMIT

HON. ROBERT G. TORRICELLI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, June 15, 1987

Mr. TORRICELLI. Mr. Speaker, I would like to bring to the attention of my colleagues an article by Werner Fornos, president of the Population Institute, that appeared in the Christian Science Monitor of June 8. Mr. Fornos makes an important contribution by drawing attention to the lack of progress in addressing population issues at the Venice summit.

POPULATION CONTROL—AN ELUSIVE OPPORTUNITY IN VENICE

(By Werner Fornos)

The leaders of seven of the world's richest nations are gathered this week in Venice for what has become an annual pageant of Western unity, full of pomp and high hopes for a more prosperous world future.

The heads of state, as they always do at such conferences, will negotiate, jockey—and hedge. Occasionally, they will even discuss ponderous and substantive world issues.

At the end of each of the annual economic summits, the leaders record their mutual concerns and commitments in an official conference declaration. These documents read like a capsulized history of recent world economic trends.

From Ottawa in 1981, the leaders expressed their concern over rampant inflation. Led by their host in Williamsburg, Va., in 1983, the leaders emphasized their desire to remove protective trade barriers. The following year brought expressions of concern over the famine in Africa and from Bonn in 1985 the leaders lamented the continuing degradation of the world environment.

All of these documents, however, and all of the noble and worthy sentiments they contain, will remain just so much paper until the leaders recognize one of the world's most fundamental economic problems—rapid population growth.

The world's population, already pressed at 5 billion, is still surging forward, adding another 87 million people last year alone. An overwhelming 92 percent of this growth is taking place in the third world, in precisely the nations that can least afford to support such expansion.

Once upon a time, the leaders of the industrialized world, meeting at earlier economic summits, were frank in recognizing the role that overpopulation plays in choking economic development in the third world and destabilizing the global economy.

As recently as 1981, the leaders wrote into their final declaration: "We are deeply concerned about the implications of world population growth. Many developing countries are taking action to deal with that problem, in ways sensitive to human values and dignity. . . . We recognize the importance of these issues and will place greater emphasis on international efforts in these areas."

When Ronald Reagan put his signature to the bottom of that document, his thoughts must have been elsewhere. The United States delegation went home from Ottawa and sought to slash the US international population assistance in each and every year that followed. They succeeded in reducing sharply overall spending and in cutting off all US support for the two most efficient providers of family planning assistance abroad: the United Nations Fund for Population Activities and the International Planned Parenthood Federation. What's more, discussion of the issues relating to overpopulation has since disappeared from Western economic summits and, starting with 1983 when the US played host to the gathering, the word "population" has not appeared in any conference declaration.

The reason for this retreat can be traced in good part to the influence of the far right-wing in the US. Don't let anyone tell you that Sen. Jesse Helms hasn't left his stamp on US foreign policy. Senator Helms may not dictate to a secretary of state, but he has effectively intimidated younger, ambitious policymakers who are mindful that they may one day appear before Senator Helms at a confirmation hearing. Helms is notorious at the State Department for stalling or strangling hundreds of once-routine promotions for foreign service officers. The prospect of facing Helms across a hearing table and explaining one's authorship of a pro-family planning declaration is unappealing to the US State Department officers who help draft the summit declarations.

Consequently, when the leaders meet in Venice this week, population growth will not be on their agenda. They will talk about the need for providing employment opportunities for the young, and they will likely not discuss the fact that rapid population growth will require the third world to create 800 million new jobs in the next 13 years, just to accommodate people already born who will be entering the work force. They will decry pollution and the loss of resources vital to the world economy, and they will likely not discuss the pivotal role population growth plays in altering the environment. And they will lament the persistent difficulty for third world nations in handling the burden of international debt, and they will likely not consider the fact that overpopultation cripples developing economies and smothers the aspirations of the third world.

The leaders will toast the importance of economic stability, the need for labor productivity and new employment, and the desirability of social equality and political freedom, while ignoring that all of these aims depend upon our coming to grips with overpopulation.

It is not always clear precisely what these summits really accomplish. What is clear, however, is that these meetings have a striking potential to produce something real and tangible. It is equally clear that what results these summits do produce will always be merely cosmetic until the leaders move beyond discussions of the symptoms and consider the cause of the illness.

ST. LUKE'S CELEBRATES SILVER ANNIVERSARY

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, June 15, 1987

Mr. FLORIO. Mr. Speaker, it is with great pleasure that I ask my colleagues to join with me in extending warmest congratulations to the parish of St. Luke's in Stratford, NJ, upon the occasion of the 25th anniversary of its inception.

Founded by Father Patrick J. Madden a quarter of a century ago, St. Luke's has become an integral part of the communities of Stratford and Lindenwold that it serves so well. Under the guidance of its present pastor, Father James T. McCall, St. Luke's will undoubtedly continue to further its message of good will to its parishoners, neighbors, and friends.

This is indeed an occasion of which the entire parish of St. Luke's can be very proud. Mr. Speaker, I am certain that the other Members will be pleased to join with me in wishing St. Luke's much success for the future.

THE "AMBASSADORS" IN DALLAS, TX

HON. WALTER E. FAUNTROY

OF THE DISTRICT OF COLUMBIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 15, 1987

Mr. FAUNTROY. Mr. Speaker, on Tuesday, June 16, 1987, Crystal Skate, one of the largest multiservice recreational facilities in America, will host a very special event with the District of Columbia Metropolitan Police Department's concert choir known as "The Ambassadors of Good Will."

The purpose of this significant event is to raise funds for a very special good will trip to the State of Texas which will be undertaken by the "Ambassadors." The trip to the city of Dallas is aimed at bridging the gap between the black community and the Dallas Police Department. While there, the chief of the District of Columbia Metropolitan Police, Maurice Turner, will be presented with a key to the city of Dallas by the mayor, the Dallas City Council, and their police chief. The "Ambassadors" are well known throughout the Washington metropolitan area and across the country for their outstanding contributions, through music and song, in fostering good community relations with the community and in providing a positive image for law enforcement.

Tuesday's event will take place between the hours of 7:30 and 11 P.M. and will include a live telephone call from the mayor and chief of police of Dallas to Chief Turner.

Several prominent persons are responsible for the event; however, a few deserve special recognition. Dr. Theodore King is the founder of the "Ambassadors" and Police Lt. Beverly Alford serves as executive director. Both are hardworking and dedicated public servants. Special recognition is also due to Mr. Wayne Hall who serves as special adviser to Chief

Turner's office and also as executive director to the president of Crystal Skate.

I encourage all Members and staff to avail themselves of the opportunity to enjoy one of this area's finest facilities while contributing to a good and important cause.

TWO HUNDRED YEARS AGO TODAY AT THE CONSTITUTIONAL CONVENTION (JUNE 15)

HON. PHILIP R. SHARP

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 15, 1987

Mr. SHARP. Mr. Speaker, on June 15, 1787, William Patterson of New Jersey presented his plan of government to the Convention.

Patterson's proposal represented the wishes of the smaller States who felt that the plan offered earlier in the Convention by the Virginia delegation transferred too much power to the larger States and established too strong a central government.

The so-called New Jersey plan instead called for maintaining the current Continental Congress with equal representation for all the States and proposed only marginally increasing the powers of the central government.

Although the smaller States had voiced their objections throughout consideration of the Virginia plan, the introduction of Patterson's completely new proposal drew the battle lines between the large and small even more clearly.

THE LOOTING OF CYPRUS

HON. ROY DYSON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Monday, June 15, 1987

Mr. DYSON. Mr. Speaker, since the 1974 invasion of the island of Cyprus, there has been a wholesale destruction of the Greek Cypriot cultural heritage. The looting of these universally valuable historical artifacts has taken place within the northern Turkish-occupied part of the island with Turkish complacence and even, at times, abetment.

The Mycenean, Greek, and Roman objects of Cyprus are a valuable treasure to all of Western civilization, and these objects should be accorded the utmost respect. They are part of the cultural heritage of all native Cypriots, and should be preserved and treasured as such.

Mr. Speaker, for the benefit of my colleagues, I ask you to insert the following statements on this subject by Paroclos Stavrou, Under-Secretary to the President of the Republic of Cyprus, into the CONGRESSIONAL RECORD:

CYPRUS AND THE DESTRUCTION OF HELLENIC CULTURE

The destruction of cultural heritage during hostilities usually becomes something unavoidable.

The situation becomes worse when the destruction of a country's cultural heritage aims at material gain or the attainment of long-term objectives, and particularly when the perpetrators are foreigners and their targets have nothing to do with the age-old spiritual creation and culture of a country as evidenced by ancient monuments, and when, in effect, their aim is to change the ethnological character of the country and its national life.

Cyprus had the misfortune of experiencing both these ways of destruction of its cultural heritage, destruction on account of war operations and for the attainment of sinister political targets. The destruction in the first case was very serious and took place during a limited period, mainly on and after July 20, 1974, and culminated on August 14, 1974, and afterwards. I am referring to the first and second phase of the Turkish military invasion of my country.

I shall not dwell at length on the destruction of Cyprus's cultural heritage during the first months of the Turkish aggression against Cyprus. That destruction may be regarded as an unavoidable consequence of the military operations, as a consequence of the crime of invasion.

Cyprus is in its whole territory an immense cemetery of ancient art and boasts superb monuments dating back to the seventh millenium BC. Thus, no matter where the military blow falls, a part of our cultural heritage is injured. During the invasion Turkish aircraft machine gunned the housed third century AD Roman mosaics in Paphos, at the western end of the island, far away from the point of invasion, while at the same time the Paphos forests were being set ablaze with napalm bombs.

In ancient times it was customary for the victorious troops to roam about looting, destroying, raping, killing and perpetrating any act they wanted. We experienced all these in Cyprus with the Turkish invasion, and there was a rich wealth to be looted and a native people with ancient roots to be ill-treated. But our antiquities and all the things that constitute our cultural tradition were not spared. They were extensively exploited by the local Turkish Cypriots, the invasion and occupation troops, the settlers brought from Turkey, and even by the Turkish Cypriot leadership and Ankara. We had information that historic archives and cultural and art treasures of Cyprus were officially taken to Turkey.

The antiquities of Cyprus of all periods of our ancient history, including our medieval and byzantine icons and other church relics are sold at auctions in many countries in all continents, publicly or clandestinely. You must know from press reports how many times we intervened through Interpol and the police of various countries to stop sales and recover our stolen cultural property. There have been cases in which we purchased our own cultural treasures and repatriated them. And when there are such open cases of auctions it is not difficult to imagine the secret, clandestine transactions.

The British journalist John Fielding, correspondent of Thames TV, went in 1976 to the Turkish-occupied part of Cyprus with his colleague Martin Smith and shot a film for the "This Week Tonight" program of ITV. He was obliged to always have an official escort, however, he decided to move about unescorted and reach his own conclusions. He left with Martin Smith at 6 a.m. each morning and returned in time for breakfast to be received by the official escort. For some of the things he saw he used the title "The rape of northern Cyprus" and published an account in the English paper *The Guardian* of May 6, 1976. Here are some extracts:

"The vandalism and desecration are so methodical and so widespread that they amount to institutionalised obliteration of everything sacred to a Greek . . . We visited 26 former Greek villages. Only four churches from that number could be described as being in decent condition. We found not a single undesecrated graveyard."

"We found perhaps the most upsetting sight at the tiny Antiphonitus Monastery, miles up an unmade track in the fragrant pines of the Pentadaktylos Mountains. Doors were battered in, eleventh and twelfth century treasures looted, fifteenth century frescoes plastered with asbestos cement, the newer icons smashed, fires had been lit, and the floor was strewn with bottles and filth. All this needed a special measure of depraved dedication, for it requires time and effort just to make the climb. Before departing, someone chalked the date—March 6, 1975—on the wrecked iconostasis."

I shall cite also another two press accounts which come, symbolically, the one from a western and the other from an eastern country, from the Federal Republic of Germany and from the German Democratic Republic.

The West German newspapers *Hanauer Anzeiger* of June 1, 1982, and *Ludwigsburger Kreiszeitumg* of June 3, 1982, published an article by Heinz Gstrein headlined "Painful loss" and subtitled: "Turkish conquerors are looting treasures of art in the partitioned island". Here is an extract:

"Hot merchandise has at long last made its appearance in the Istanbul bazaar . . . [which] comes from systematic looting of churches and monasteries in northern Cyprus practised since the occupation of the northern part of the island by Ankara's troops. The 100 churches and monasteries stripped in this way of their sacred objects are being used today at best as mosques. Otherwise they are used for the dumping of garbage, as stores for the citrus intended for export to West Europe, as workshops or even as public latrines . . . It is not only Greek icons from Cyprus which appeared recently in auctions outside Turkey, in Zurich, Bonn, Paris or New York. That the Cyprus problem is not only a Greco-Turkish difference is almost unknown. On the Christian side, apart from the 200,000 Greek Orthodox refugees from the area under Turkish occupation, there are Armenians and Maronites of Lebanese origin. The Armenians abandoned beyond the confrontation line their most sacred place: a monastery situated at the height of 935 metres in the range of the northern coast where the royal family from Armenia Minor in 1375 carried its treasures in icons in order to save them."

In the East German newspaper *Neues Deutschland* of March 6-7, 1982, an article was headlined: "International gangs are openly looting the treasures of the cultural heritage of Cyprus. Nicosia has taken many measures against them", reported that: One cannot estimate the extent of the losses with accuracy but one can get an idea by visiting the special exhibition "The Fate of the Antiquities" in the Archaeological Museum of Nicosia. The exhibition, which was inaugurated in 1980, contains many objects which were stolen from Cyprus, sought by the Government and finally recovered following mediations, which cost a lot."

"They include, for example, a crater-shaped wine bowl, 14 cms tall and about 3,000 years old. It suddenly disappeared in the autumn of 1974. A year later it was discovered in the London antiquities market and was purchased by the Cyprus Government. Another object is a Mycenean 12th century [BC] bronze statuette which was offered in 1978 to representatives of the Frankfurt museums and the Director of the Louvre. The latter informed his colleagues in Nicosia. But in order to recover this treasure the Government of Cyprus had to pay 79,000 Marks."

Now let us look at the situation within Turkish-occupied Cyprus. For myself, a Cypriot, it is prohibited to visit the occupied part of Cyprus and foreigners must be accompanied in order to see only what they want to show you. A Turkish Cypriot is freer in his movements, even though he is banned from visiting a number of places, which are regarded as military zones. Mehmet Yasin gives us his experiences and conclusions in four articles in *Olay* magazine of April and May, 1982.

"These thefts of icons have been going on for many years. One year ago, however, they were fully uncovered with the discovery of 158 pieces of antiquities at Esemboya Airport . . . 35 icons of various dimensions were stolen from the iconostasis of the monastery. At the same time other valuable items were stolen which were cut in 4, 5 and 6 pieces. It is worth noting that the theft took place at a time the night watchman was in the monastery. He says the thieves most probably got into the monastery through the broken glass of windows high up in the church and that he heard nothing. But the broken glass is at a height of 29 meters. How could a man jump up there?"

Libraries, archives, historical manuscripts have been regarded as war booty. Illegal excavations have taken place in strictly guarded military zones and old byzantine frescoes and mosaics have been removed from walls and churches. This work, in particular, requires great specialization and it takes weeks and even months to complete. I do not think it could be done without the cooperation of the Turkish occupation troops or some powerful figures. One such case has been the detachment and theft of Byzantine fescoes from St. Themonianos chapel near Lyssi village in a military area. These rare frescoes of the 13th-14th century have been sold for a huge amount of dollars.

The cultural heritage of Cyprus is being sold on an international scale and our efforts to contain this abominable practice is practically tantamount to a "voice in the wilderness". However, there are also honest people in the world, museum directors and others, who inform us or refuse to become accomplices in this crime against the cultural heritage of Cyprus. They are few. The usurpers are the vast majority. And we are protesting, shouting, acting in every direction in order to save the cultural heritage of Cyprus from destruction, looting, alteration, extinction. I am here with you today in order to appeal for your help also. The cultural heritage of every people is part of the cultural heritage of humanity. Our own national cultural heritage is also a universal heritage. Help us to save it.

VA EMPLOYEES VOICE STRONG SUPPORT FOR THEIR MEDICAL COMPUTER SYSTEM

HON. G.V. (SONNY) MONTGOMERY

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Monday, June 15, 1987

Mr. MONTGOMERY. Mr. Speaker, a controversy over the effectiveness and cost of the Veterans' Administration's medical computer system, known as the Decentralized Hospital Computer Program [DHCP] system, has arisen in the Congress. As chairman of the Committee on Veterans' Affairs, I have scheduled many oversight hearings on this important medical computer system over the past several years and the reports on its effectiveness and costs have been uniformly very positive.

Since our hearing of April 8, 1987 on this important subject, I have received many letters from veterans and Veterans' Administration employees in support of the DHCP.

I would like to share with my colleagues a copy of a letter which I received from Mr. James A. Huff, Director of the VA Medical Center at Miles City, MT that demonstrates how the VA employees feel about "their" medical computer system. The letter follows.

MILES CITY, MT,
May 18, 1987.

Hon. G.V. MONTGOMERY,
Chairman, Committee on Veterans' Affairs, Washington, DC.

DEAR MR. CHAIRMAN: The DHCP system is critical to the management and delivery of health care at the Miles City VA Medical Center.

The use of the DHCP has reduced the clerical hours spent in entering and retrieving information, thereby giving the support staff more time for processing veterans into our system, resulting in reduced waiting times for the veterans. The DHCP also allows instantaneous entry of pharmacy and laboratory data into the patient file, giving the physicians and nurses access to vital lab results more quickly.

The DHCP system is a connecting link between the Miles City VA Medical Center and our satellite outpatient clinic in Billings, Montana. The satellite outpatient clinic, located 150 miles from the parent facility, is receiving and retrieving information as though it was within our facility walls.

As the Medical Center Director, I have more accurate and timely data on cost analysis which offers more efficient management of the medical center.

Losing the DHCP system would be a real detriment to our facility. Efficiency of staff would be appreciably reduced with the veteran patient suffering the most.

Sincerely,

JAMES A. HUFF.

THE RETIREMENT OF BETTY ANN KRAHNKE AND JUDITH B. HEIMANN

HON. CONSTANCE A. MORELLA

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Monday, June 15, 1987

Mrs. MORELLA. Mr. Speaker, the great American architect and designer Frank Lloyd Wright once wrote that "No house should ever be on any hill or on anything. It should be of the hill, belonging to it, so hill and house could live together each the happier for the other." It is in this spirit that we honor today two women who have served the planning needs of Montgomery and Prince Georges Counties with distinction and honor: Betty Ann Krahnke of Chevy Chase and Judith B. Heimann of Bethesda. Both are retiring from the Maryland National Capital Park and Planning Commission after 8 years of dedicated service. Judith also served 1 year as vice chairwoman of the commission.

Each had their own style of communicating: Betty Ann, outgoing; Judith, more reserved. But just as they were different, they each shared a common commitment. With the MNCPPC responsible for planning, zoning, parks, and recreation in the two southern Maryland counties, Betty Ann and Judith recognized the importance of the planning process for the communities they served. Both women were "of the hill"; ensuring an urban design that worked in harmony with nature. I am told that Judith held a special interest in parking lots. You see, ordinances require that lots should be at least 5 percent landscaped. Judith made sure that you didn't design anything less.

Mr. Speaker, it has been written that "they plant trees to benefit another generation." The sensitive and selfless efforts of Betty Ann Krahnke and Judith B. Heimann will continue to benefit the people of Montgomery and Prince Georges Counties for generations to come.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Any changes in committee scheduling will be indicated by placement of an asterisk to the left of the name of the unit conducting such meetings.

Meetings scheduled for Tuesday, June 16, 1987, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

JUNE 17

9:30 a.m.
Commerce, Science, and Transportation
Surface Transportation Subcommittee
To resume oversight hearings on the railroad industry, focusing on the Interstate Commerce Commission's implementation of the Staggers Rail Act (P.L. 96-448).
SR-253

Environment and Public Works
Water Resources, Transportation, and Infrastructure Subcommittee
To hold hearings on proposed legislation authorizing funds for fiscal year 1988 for the Public Buildings Service of the General Services Administration.
SD-406

10:00 a.m.
Agriculture, Nutrition, and Forestry
Conservation and Forestry Subcommittee
To hold hearings on the Lower Des Plaines Tributaries Watershed Plan.
SR-332

Foreign Relations
Business meeting, to mark up S. 1327, to prevent United States involvement in hostilities in the Persian Gulf.
SD-419

Governmental Affairs
To continue hearings on S. 1085, to create an independent oversight board to ensure the safety of United States Government nuclear facilities, to apply the provisions of OSHA to certain Department of Energy nuclear facilities, to clarify the jurisdiction and powers of Government agencies dealing with nuclear wastes, and to ensure independent research on the effects of radiation on human beings.
SD-342

Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

Veterans' Affairs
To hold oversight hearings on the implementation of the Veterans Administration loan guaranty program, and on proposed legislation relating to the VA loan guaranty program.
SR-418

10:30 a.m.
Banking, Housing, and Urban Affairs
Securities Subcommittee
To hold hearings on the definition of insider trading.
SD-538

2:00 p.m.
Environment and Public Works
Business meeting, to consider S. 744, State Radon Program Development Act, and other pending calendar business; to be followed by the Subcommittee on Environmental Protection, to continue hearings on pending clean air proposals.
SD-406

Governmental Affairs
Federal Services, Post Office, and Civil Service Subcommittee
To hold hearings on S. 1009, to accept the findings and to implement the recommendations of the Commission on Wartime Relocation and Internment of Civilians.
SE-342

JUNE 18

9:00 a.m.
Finance
Health Subcommittee
To hold hearings to review insurance coverage of prescription drugs.
SD-215

Select on Indian Affairs
To hold hearings on S. 555 and S. 1303, bills to regulate gaming on Indian lands.
SD-628

9:30 a.m.
Energy and Natural Resources
Water and Power Subcommittee
To resume hearings on current water-related programs of the U.S. Geological Survey, focusing on quantification and analysis of groundwater resources.
SD-366

Environment and Public Works
Nuclear Regulation Subcommittee
To resume oversight hearings on the Department of Energy's high level waste program, including a proposal for the authorization of a monitored retrievable storage facility.
SD-406

Small Business
To hold hearings on S. 437, to revise certain provisions of the Small Business Investment Act of 1958 to permit prepayment of loans made to State and local development companies.
SR-428A

10:00 a.m.
Agriculture, Nutrition, and Forestry
Agricultural Production and Stabilization of Prices Subcommittee
To resume hearings on the current status of farm programs.
SD-562

Banking, Housing, and Urban Affairs
To hold hearings on the changing structure of the U.S. financial system.
SD-538

Judiciary
Immigration and Refugee Affairs Subcommittee
To hold hearings on certain issues relating to S. 332, to provide for a temporary stay of detention and deportation for certain nationals of El Salvador.
SD-226

11:00 a.m.
Finance
Health Subcommittee
To hold hearings to review mental health services under Medicare.
SD-215

2:00 p.m.
Judiciary
To hold hearings on pending nominations.
SD-226

2:30 p.m.
Judiciary
Constitution Subcommittee
To resume hearings on S. 558, to revise the procedures for the enforcement of fair housing under title VIII of the Civil Rights Act of 1968.
SD-430

2:45 p.m.
Banking, Housing, and Urban Affairs
To hold hearings on pending nominations.
SD-538

JUNE 19

9:00 a.m.
Environment and Public Works
Environmental Protection Subcommittee
To hold hearings on toxic air pollutants.
SD-406

10:00 a.m.
Banking, Housing, and Urban Affairs
Securities Subcommittee
To resume hearings on the definition of insider trading.
SD-538

Labor and Human Resources
To hold hearings on polygraphs in the workplace.
SD-430

JUNE 22

9:30 a.m.
Finance
Private Retirement Plans and Oversight of the Internal Revenue Service Subcommittee
To resume hearings on S. 604 and S. 579, bills to promote and protect taxpayer rights.
SD-215

JUNE 23

9:30 a.m.
Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To resume joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.
SR-325

10:00 a.m.
Banking, Housing, and Urban Affairs
To hold hearings on proposals with respect to corporate takeovers, including S. 227, S. 678, S. 1264, S. 1323, and S. 1324.
SD-538

Energy and Natural Resources
Public Lands, National Parks and Forests Subcommittee
To hold hearings on S. 693 and S. 695, bills to designate certain lands in the Great Smoky Mountains National Park in North Carolina and Tennessee as wilderness.
SD-366

11:00 a.m.
Judiciary
Business meeting, to consider pending calendar business.
SD-226

2:00 p.m.
Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.
SR-325

JUNE 24

9:30 a.m.
Commerce, Science, and Transportation
Surface Transportation Subcommittee
To resume oversight hearings on the railroad industry, focusing on proposals to revise certain provisions of the Staggers Rail Act (P.L. 96-448) to en-

hance rail competition and ensure reasonable rail rates, including S. 676.
SR-253

Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

Environment and Public Works
Water Resources, Transportation, and Infrastructure Subcommittee
To hold hearings on the need for national groundwater legislation.
SD-406

Veterans' Affairs
To hold hearings on Veterans' Administration efforts in AIDS research.
SR-418

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.
SR-325

10:00 a.m.
Agriculture, Nutrition, and Forestry
Business meeting, to consider pending calendar business.
SR-332

Banking, Housing, and Urban Affairs
To continue hearings on proposals with respect to corporate takeovers, including S. 227, S. 678, S. 1264, S. 1323, and S. 1324.
SD-538

2:00 p.m.
Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.
SR-325

JUNE 25

9:30 a.m.
Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.
SD-325

10:00 a.m.
Banking, Housing, and Urban Affairs
To continue hearings on proposals with respect to corporate takeovers, including S. 227, S. 678, S. 1264, S. 1323, and S. 1324.
SD-538

Environment and Public Works
Superfund and Environmental Oversight Subcommittee
To hold hearings on Superfund clean up standards implementation issues.
SD-406

2:00 p.m.
Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.
SR-325

JUNE 26

9:30 a.m.
Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.
SR-325

10:00 a.m.
Banking, Housing, and Urban Affairs
To continue hearings on corporate takeovers, focusing on the role of employee ownership.
SD-538

2:00 p.m.
Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.
SR-325

JUNE 29

10:00 a.m.
Special on Aging
To hold hearings on the need for a new Consumer Price Index (CPI) to reflect the inflation rate that the elderly face and the process by which the Department of Labor should develop such an index.
SD-628

JUNE 30

9:00 a.m.
Veterans' Affairs
To hold hearings on S. 9, Service-Disabled Veterans' Benefits Improvement Act, S. 453, Veterans' Ionizing Radiation Compensation Improvements Act, S. 1002, Veterans' Radiation Exposure Disability and Death Benefits Act, and other related measures.
SR-418

10:00 a.m.
Judiciary
Immigration and Refugee Affairs Subcommittee
To hold hearings on the Administration's proposed regional refugee admissions level for fiscal year 1987.
SD-430

2:00 p.m.
Energy and Natural Resources
Public Lands, National Parks and Forests Subcommittee
To hold hearings on S. 59, National Forests and Public Lands of Nevada Enhancement Act, and S. 854, Nevada-Florida Land Exchange Authorization Act.
SD-366

JULY 7

9:30 a.m.
Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To resume joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.
SR-325

2:00 p.m.
Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.
SR-325

JULY 8

9:30 a.m.
Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.
SR-325

2:00 p.m.
Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.
SR-325

JULY 9

9:30 a.m.
Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.
SR-325

2:00 p.m.
Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.
SR-325

JULY 10

9:30 a.m.
Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.
SR-325

2:00 p.m.
Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.
SR-325

JULY 13

9:30 a.m.
Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To resume joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.
2127 Rayburn Building

2:00 p.m.
Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.
2127 Rayburn Building

JULY 14

9:30 a.m.
Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.
2127 Rayburn Building

10:00 a.m.
Energy and Natural Resources
Mineral Resources Development and Production Subcommittee
To hold hearings on S. 1006, Geothermal Steam Act Amendments of 1987.
SD-366

2:00 p.m.
Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.
2172 Rayburn Building

JULY 15

9:30 a.m.
Commerce, Science, and Transportation
Surface Transportation Subcommittee
To hold hearings on S. 747, to establish a motor carrier administration in the Department of Transportation, and S. 861, to require certain actions by the Secretary of Transportation regarding certain drivers of motor vehicles and motor carriers.
SR-253

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.
2172 Rayburn Building

2:00 p.m.
Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.
2172 Rayburn Building

JULY 16

9:30 a.m.
Energy and Natural Resources
To hold hearings on proposals to resolve certain problems relating to the storage of high-level radioactive waste, including S. 1007, S. 1141, S. 1211, and S. 1266.
SD-366

Veterans' Affairs
Business meeting, to consider S. 6, Veterans' Health Care Improvement Act, S. 9, Service-Disabled Veterans' Benefits Improvement Act, S. 917, to authorize a headstone allowance for prepurchased grave markers and to modify eligibility requirements to the plot allowance, S. 1090, Veterans Administration Insurance Amendments, and related proposals, and proposed legislation providing for disability payments based on nuclear-detonation radiation exposure.
SR-418

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.
2172 Rayburn Building

2:00 p.m.
Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.
2172 Rayburn Building

JULY 17

9:30 a.m.
Commerce, Science, and Transportation
Communications Subcommittee
To hold hearings on S. 1277, to revise certain provisions of the Communications Act of 1974 regarding the responsibilities of broadcasting licensees.
SR-253

JULY 20

2:00 p.m.
Commerce, Science, and Transportation
Communications Subcommittee
To resume hearings on S. 1277, to revise certain provisions of the Communications Act of 1974 regarding the responsibilities of broadcasting licensees.
SR-253

JULY 21

9:30 a.m.
Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To resume joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.
SR-325

2:00 a.m.
Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.
SR-325

JULY 22

9:30 a.m.
Environment and Public Works
Water Resources, Transportation, and Infrastructure Subcommittee
To hold hearings to review infrastructure issues.
SD-406

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.
SR-325

2:00 p.m.
Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.
SR-325

JULY 23

9:30 a.m.
Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.
SR-325

2:00 p.m.
Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.
SR-325

JULY 24

9:30 a.m.
Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.
SR-325

2:00 p.m.
Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.
SR-325

JULY 27

9:30 a.m.
Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To resume joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.
2172 Rayburn Building

2:00 p.m.
Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.
2172 Rayburn Building

JULY 28

9:30 a.m.
Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.
2172 Rayburn Building

2:00 p.m.
Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.
2172 Rayburn Building

JULY 29

9:30 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

JULY 30

9:30 a.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

JULY 31

9:30 a.m.

Commerce, Science, and Transportation Communications Subcommittee

To hold hearings on S. 889, to provide for fair marketing practices for certain encrypted satellite communications.

SR-253

AUGUST 3

9:30 a.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To resume joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

AUGUST 4

9:30 a.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

AUGUST 5

9:30 a.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

AUGUST 6

9:30 a.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

AUGUST 7

9:30 a.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

CANCELLATIONS

JUNE 17

9:30 a.m.

Energy and Natural Resources

Business meeting, to consider pending calendar business.

SD-366

JUNE 23

10:00 a.m.

Appropriations

Foreign Operations Subcommittee

To hold hearings to review proposed budget estimates for fiscal year 1988 for the Department of State.

SD-192

SENATE—*Tuesday, June 16, 1987*

The Senate met at 10 a.m. and was called to order by the Honorable Richard C. Shelby, a Senator from the State of Alabama.

The PRESIDING OFFICER. The prayer today will be offered by the Reverend Christian Halverson, pastor of the Chesterbrook Presbyterian Church, Falls Church, VA.

PRAYER

The Chaplain, the Reverend Christian Halverson, D.D., offered the following prayer:

Let us look to the Lord in prayer:

Father in heaven, we open a new day's proceedings by praying for the individual people who work in the Senate.

We know that You hear our prayers and are ready to act on our behalf. We also know that You are no respecter of persons. You love the spiritual and the unspiritual alike. You reach out to the people of every religion and race. And Your love, peace, and mercy are available to anyone who wants them.

Knowing this about You, we humbly approach Your throne with confidence, asking You to help those in need and prove Yourself to be a God who answers prayer.

We ask You to help those in need: forgive those who are doing wrong things. Release those who are being held captive by bitterness or guilt. Counsel those who are having difficult problems in their relationship with another person. Help those who are financially burdened. Be close to those who struggle with a poor self-image or meaninglessness in life. And come to those, especially, who are so numb, or strong, or self-sufficient, that they can't think of anything for which they need You.

In Christ's name. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. Stennis].

The assistant legislative clerk read the following letter:

U.S. Senate,
President pro tempore,
Washington, DC, June 16, 1987.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable Richard Shelby, a Senator from the State of Alabama, to perform the duties of the Chair.

John C. Stennis,
President pro tempore.

Mr. SHELBY thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. The majority leader is recognized.

THE JOURNAL

Mr. BYRD. Mr. President, I ask unanimous consent that the Journal of proceedings be approved to date.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

NEW PERSIAN GULF COMMITMENTS

Mr. BYRD. Mr. President, last night President Reagan addressed the Nation and addressed the question of United States warship protection of Kuwaiti tankers. I find it disappointing that he was not able to tell it like it is, and, instead, downplayed this contemplated new American commitment as a kind of business-as-usual operation whereby the Navy is simply to "escort U.S. flag vessels, a traditional role for the Navy," and that the recent controversy is over "11 new U.S. flag vessels that have been added to our merchant fleet."

The addition of 11 new Kuwaiti vessels to our merchant fleet is not, as the President would characterize it, some normal event which just happened to occur in the usual scheme of things. This reflagging is a deliberate attempt by the Kuwaitis to protect Kuwaiti interests, and it is generally believed that it is an attempt by the Kuwaitis to bring the United States into a greater level of involvement in the gulf, with the hope of helping to end the Iran-Iraq war which is threatening the integrity of Kuwait.

There is a further, more deep-seated purpose which it is important that we all be aware of in evaluating this proposal to defend Kuwaiti interests, Kuwaiti oil bound for the West and Japan, on Kuwaiti-owned vessels. That purpose has been revealed, as has been expressed by the distinguished Senator from New York [Mr. Moynihan] and been concluded by an on-scene investigation, at my direction, by Senators Sasser, Warner, and Glenn during the last 2 weeks. That purpose is simply this: America, prove your manhood to us. America, we have lost our confidence in your staying power. America, we are afraid you will abandon us, and we will have to face a radical Iran alone.

The Gulf States have a case of the jitters, and they have a clear right to that case of the jitters. Kuwait approached the Soviet Union for warship protection last November, within days of the public revelation of this administration's secret policy of selling lethal arms to Iran in the faint hope of buying American hostages' freedom. The Kuwaitis, who have traditionally attempted to keep diplomatic lines open to the Soviet Union as well as the United States, calculated shrewdly that the United States would rise to the bait and would agree to reflag and protect Kuwaiti tankers in response to a Soviet agreement to do so.

In this Kuwaiti gambit is both cynicism and hope—a cynicism that the only incentive for the United States to get involved is to counter the Soviets, and a hope that the United States will indeed rise to the challenge and dedicate the forces necessary to convince the Gulf States that the Iran arms sale affair was an aberration and that the United States will put sound purposes and policies into place now.

Mr. President, the Senate is developing a thorough awareness of the risks inherent in this new proposed commitment. It is, as well, becoming aware, unfortunately, of just how damaging to our Nation's credibility the escapades of the National Security Council and other complicitors in the Iran-Contra scandal have been.

In better days, we might have dismissed the tanker proposal as another half-baked scheme; and, indeed, it is clear that the administration did not think through its implications: What new forces would be needed; what new risks had developed, from the point of view of both new Iranian weapons and tactics as well as potential Iranian terrorist activities directed at us and our friends in the gulf.

Mr. President, the worst way to handle a bully is with hesitation and vacillation. If Iran challenges our interests, a very strong response will be welcomed by this Senator. That is the only way to deal with a bully. But if we are going to adopt a new commitment, let us not hide behind the freedom of the seas. Let us not hide

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

behind the suggestion that we have got to keep the Persian Gulf open and that, if we move out of the Persian Gulf, of course the Soviets will move in. Nobody is advocating moving out of the Persian Gulf.

The Senate has moved a step in the right direction. By 91 to 5, the Senate adopted my amendment for the administration to produce a comprehensive assessment of the security situation in the gulf associated with this proposal. The report was to include an assessment of the cooperative arrangements to be put into place with our allies and friends, a sharing arrangement, since all our interests are at stake here. It was to address the risks we would now face and the forces necessary to meet those risks. The classified portion of that report was delivered last night, and the unclassified portion is to arrive today. I will be asking the chairmen of the Foreign Relations, Armed Services, and Intelligence Committees, to provide an in-depth assessment of the diplomatic, military and intelligence aspects of these reports hopefully within a week. Hearings on this matter have already been scheduled by two of those committees. The Senate needs an exhaustive, thoughtful examination of the plan now submitted to the Senate. Is the plan complete? Is it satisfactory? Does it merit the support of our people, whose sons and daughters will be implementing it? At bottom, does the administration have its act together in the Persian Gulf? We are asking the hard questions, and we expect solid answers. The time is past for half-baked, poorly developed policies—the vital interests of this Nation and the West are involved in the Persian Gulf. The net result of the Iran-Contra affair is the presence of Soviet warships escorting Kuwaiti-chartered Soviet tankers in the gulf. That is a sign of the times. It is a sign of bad policy, of secret policy, of misplaced arrogance, and we need to chart a better course for our interests in the Persian Gulf region.

Mr. President, I yield the floor.

RECOGNITION OF THE REPUBLICAN LEADER

The ACTING PRESIDENT pro tempore. The Republican leader is recognized.

WHOSE SMOKESCREEN IS IT ANYWAY?

Mr. DOLE. Mr. President, later this morning we will resume debate on campaign financing legislation. The debate has unfortunately, but I suppose inevitably, been politicized. Charges are being made that the Republicans are "obstructionists"—that we are antireform—that our opposition to public financing is merely a "smokescreen" for our opposition to changing the status quo.

Well, all I can say is, what a difference a year makes. A year ago the campaign finance reform bill before the Senate—the so-called Boren-Goldwater package, a bipartisan package—had the support of a broad coalition of Members from both sides of the aisle. There were some differences on specifics, but the measure had significant support. And the bill did not, and I reiterate did not, contain public financing.

One might ask the question as to why public financing is now suddenly an essential ingredient in campaign reform when it was not last year.

It seems to me that any discussion of a campaign finance reform measure should be based on the supposition that the changes will ensure broader—not more restricted—participation in the electoral process.

PUBLIC FINANCING

Public financing of Senate campaigns impinges on an individual's right to support voluntarily those political candidates of his or her choice; public financing diminishes—not increases—an individual's opportunity to participate in the political process. In fact, I believe the bill poses serious questions regarding first amendment rights of both the individual contributors and the candidates.

During the weekends, I spend a lot of time traveling around the country, speaking to ordinary citizens. They're concerned about a lot of things—about the Federal deficit, about arms control, about crime; I do not get a lot of questions or complaints about campaign financing. So I raise the issue, because here in Washington it appears to be a priority concern. And when I ask the question whether these people want to subsidize Senate campaigns with their taxes, the answer is a resounding "No."

Right now budget conferees—at least the Democratic ones—are struggling to come up with a fiscal 1988 budget. I believe if you asked them, what would you think of creating a new Government "entitlement program" costing millions of dollars, they would not look kindly upon it. And yet, that is what public financing of Senate campaigns would be—an outright subsidy for those seeking reelection.

OTHER MEANINGFUL REFORMS

Yet, as opposed as this Senator is to public financing, there are other ways in which we can make meaningful changes to the present campaign finance system. And I believe the compromise package, introduced by Senator STEVENS last week, addresses many of those concerns.

For instance, the Stevens amendment incorporates those limits on contributions for both individuals and political action committees that were contained in the Boren-Goldwater bill. This adjustment in "contribution limits" addresses concerns about candidate dependence on PAC contributions, and allows political campaigns to rely more on the individual as the traditional source of funding.

Key to the success of any significant campaign reform, in my opinion, is disclosure. Common Cause calls our current finance system a "national scandal"; and the Washington Post says the system is "fundamentally corrupt." Well, Mr. President, if any portion of our current system has a potential for meeting these definitions, it is the failure of the system to provide for full reporting of political expenditures. And that includes the disclosure of "soft money" expenditures by corporations, labor unions, national political parties and political action committees for activities such as "get out the vote" or "voter registration."

I am also willing to consider limitations on these soft-money contributions and, in conjunction with such limitations, a further tightening of amounts PAC's can contribute to candidates.

Mr. President, my colleagues on the other side of the aisle who support publicly subsidized elections say they are ready to compromise; yet the so-called middle-ground substitute introduced last week is simply that—a substitute, and no real compromise.

The bottom line, Mr. President, is that we should concentrate our efforts on abuses in the current system, correct those abuses, and eliminate the loopholes.

We should encourage individual involvement and commitment. We should expect that those seeking office will go to the public, not the public trough, for their support.

I have been speaking, as I have traveled around the country this past weekend, in Iowa, South Dakota, North and South Carolina, and Virginia about public financing of our campaigns, recognizing as one of the potential candidates in 1988 I might receive public financing.

I think it is fair to say that there is a great concern about the cost of campaigns—one that is shared by the majority leader, the minority leader, all of us who are trying to find some way to come to grips with the skyrocketing cost of campaigns. But I do not find any great support, or any support at all for that matter, for taxpayers financing our campaigns or any portion of our campaign expenditures on such a broad scale.

There may be still some way—I hope there is some way—that we can come together on a bipartisan real campaign finance reform package.

The Republicans have had meetings. As I have indicated before, there are really two major objections on this side. One is public financing, which I might add does not appear in the big ads being run by Common Cause. If that is the case, then it does not comply with "truth in advertising," because this is a public financing bill.

The American voters, I assume, would like reform. But not if it means saddling them with additional tax burdens, especially at a time when we are talking about $150 billion deficits.

I think it is appropriate to point out—and there will be a lot of debate on this later today—that the bill introduced by Senator STEVENS and a number of cosponsors, last week, in many aspects is the same as the Boren-Goldwater bill of last year. And I would point out that in addition to that, there is still another version by Senators PACKWOOD and McCONNELL.

As I recall, a year ago the thrust of the debate and the news editorials was that we should eliminate or reduce the influence of political action committees. We are prepared to do that, to lower from $5,000 to $3,000 the amount that PAC's can contribute and to raise what individuals might contribute, or, as Senator PACKWOOD and Senator McCONNELL advocate, zero out PAC contributions altogether.

So a year ago or 2 years ago or 3 years ago we were being bombarded by editorials by Common Cause and by others that we ought to eliminate PAC's. Suddenly that is not even in the debate anymore.

Those who were encouraging the original idea have suddenly retreated from that position and have found a safe harbor in taxpayer financing of our campaigns.

I know that this matter is of some importance. Although I think the urgency is less than it was, since it will not apply to the 1988 elections. It will be effective in 1990.

I certainly share the view of the majority leader that there is some way we can achieve real reform then it ought to be done.

So I reiterate there are not really that many differences between what some of us are willing to do this year, and what some were willing to do last year. And last year there was no public financing—it was all aimed at PAC's. This year the majority bill does not touch PAC's. It is all aimed at public financing. So there has been a big, big switch in position.

So if we go back to last year's bill, drop the public financing, and I must say, as a Republican, a member of the minority party now in the Senate, when you start putting caps on expenditures you are in effect saying the Republicans who are trying to emerge in the South are not going to have that opportunity. Because I think anybody will tell you if we are limited in some areas, and are not given the opportunity to raise more funds because Republicans have a tougher hill to climb in certain parts of the country, then we are never going to succeed in breaking through in these parts of the country. That may not be correct, but that is an assumption that many people have, including experts.

It would seen to me it makes no sense to lock ourselves into a campaign expenditure limit and public financing bill and then not applying any of these provisions to the House.

So I am not certain how long the debate may continue. But I do hope, and still hope and believe, that there may be some common ground. We have a number of Members on both sides, I think, who would be willing to join in that effort.

I would just say to the majority leader, if we are so concerned about the cost of campaigns and all the influences in campaigns—and I raise one other question, then why are we not addressing soft money? What about all the phone banks that organized labor uses in Democratic campaigns, about 99 percent of the time? That is not a contribution, that is not reportable. There is nothing about that in this bill. It is only public financing and putting a limit on expenditures. It is not just labor unions. It is corporations and others, and we are not trying to drive true volunteers off the political scene.

It would seem to me that we fail to address one of the big, big areas of concern and big, big loopholes in all the campaign finance laws, so-called soft money. There was an excellent story in the Washington Post a year ago about where much of the money comes from in politics—including soft money. You do not even have to disclose it. There are not even disclosure requirements.

So there are some of the basic elements that have not been touched on at all in the debate. I guess, in the final analysis, if we want subsidized elections, then we can make that judgment. But I think there is a middle ground there somewhere. I would hope that some of the experts—and there are some experts on both sides—who have been working on this for months and months may yet be able to come to some agreement. Because I do not know of anyone who is not concerned about the escalating campaign costs.

BICENTENNIAL MINUTE

JUNE 16, 1976: SENATE CONVENES IN OLD SENATE CHAMBER

Mr. DOLE. Mr. President, on June 16, 1976, 11 years ago today, Senators proceeded two-by-two out of this Chamber, across the beautiful Minton tiles, to the room, 40 paces down the hall, that served as the Senate's home between 1810 and 1859. On that memorable occasion, the Senate convened in the glorious gold, red, and mahogany Chamber to celebrate its stunning restoration. Sitting where Webster, Clay, and Calhoun once debated the crucial issues of an earlier era, the Senate officially dedicated the newly restored Chamber.

This event, occurring less than 3 weeks before the Bicentennial of the Nation's independence, marked the culmination of an extended effort to return the old Chamber to its present appearance. In the Mid-1930's, at the end of the Supreme Court's 75-year residence in that Chamber, Senate leaders sought unsuccessfully to obtain funding for the restoration. During the following three decades this room served as a glorified storeroom, used occasionally as a sleeping area during all-night filibusters, and for luncheons and conference committee meetings.

Finally in 1964, through the dedicated efforts of our colleague, JOHN STENNIS, funds were appropriated to undertake the necessary research, and to prepare working drawings and specifications. Architectural historians, curators, archivists, and others cooperated in an extraordinary effort to consider all appropriate resources to achieve an accurate recreation. Working under the supervision of the Architect of the Capitol, scores of artisans, including cabinetmakers, metalworkers, and stonemasons, translated this wealth of detail into the finished Chamber.

On June 16, Senator Mike Mansfield, chairman of the Senate Commission on Art and Antiquities, which oversaw the restoration; Senator Hugh Scott, vice chairman of the commission; and Vice President Nelson Rockefeller, happily dedicated the Chamber "as a new shrine of American liberty."

I reserve the balance of my time.

The ACTING PRESIDENT pro tempore. The majority leader.

SENATORIAL CAMPAIGN FINANCING REFORM

Mr. BYRD. Mr. President, I have listened with very great care and attention to the comments that have been made by the distinguished minority leader. Those have been helpful comments.

I think it is regrettable, however, that this debate is being framed in the context of partisanship—in other words, that it is a Democratic bill—and that is unfortunate. It is not a Democratic bill. It is not a Republican bill. It is not a Democratic problem and it is not a Republican problem, but it is a very serious problem.

Mr. President, anybody who wants a breakthrough in some parts of the country, as stated by my good friend, Mr. Dole, should seek that breakthrough on the basis of the issues. That breakthrough should come on the basis of debate, public debate, on the issues, on the ideologies, on the positions of candidates. The breakthrough should not come on the basis of who can raise the most money or who can spend the most money.

It would seem to me that legislation to bring about real, genuine reform in campaign financing would be the way to push us to that improved situation in which the breakthroughs to parties and to candidates can come on the basis of where they stand on the public issues of the day.

Mr. President, I also would have to say that I do not believe there can be any genuine campaign reform unless there are limitations on campaign expenditures. The distinguished Republican leader speaks of public financing. Well, this has been debated on both sides. I understand how Senators can have a genuine, sincere, conscientious position on that subject, but I do not think that we really can have genuine campaign financing reform without a limitation on expenditures.

May I say to my friend, Senator DOLE—and he is my friend—that he says that basic elements have not yet been touched on in this bill. Let us touch on those basic elements. Let us vote cloture and let us get into those basic elements, soft moneys, whatever, let us get into those elements if Senators wish to do that. But we cannot get into them as long as we cannot get 60 votes to invoke cloture.

So I would appeal to my friend, the distinguished Republican leader, and other Republicans—and I know that there are those on that side of the aisle who want genuine reform. I know that some of them want to vote for a bill that will give us genuine, real, effective, meaningful campaign financing reform. But they cannot do it as long as we cannot get 60 votes to shut off what is, in fact, a filibuster.

There are those on that side who I think would like to vote for cloture, but the Republican conference has met and taken a stand as a bloc against invoking cloture, against public financing, and against a limitation on campaign spending.

Maybe there is a way, I do not know. There may be a way to get around the constitutional problem and avoid public financing—I have not found that way, but I am certainly open to continuing to search—but there is no way to pretend to this country that we are passing meaningful, genuine, effective, real reform without a limitation on campaign spending.

But at least, I would appeal to all Senators on both sides of the aisle to vote for cloture.

Now I do not suffer under any illusions that we are going to get cloture today. We not only have the problem of getting 60 Senators to vote for cloture, but we have a problem with Senators who are absent today. And I cannot blame those who are opposed to cloture for that, because they could be absent or they could be here and the outcome is the same.

For those of us who are for cloture, if we are not here to cast our vote for cloture, then, Mr. President, we ourselves are partly at fault.

I thank the Republican leader. I know that he is in a position of wanting campaign reform. He has some problems with it. But I think some of those problems can probably be dealt with if we can invoke cloture and get on with the debate.

Mr. President, I thank all Senators and I yield the floor.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of morning business, not to extend beyond the hour of 11 a.m., with Senators permitted to speak therein for not to exceed 5 minutes.

The Chair recognizes the Senator from Wisconsin.

WHY AMERICA DOESN'T NEED FEWER AND BIGGER BANKS

Mr. PROXMIRE. Mr. President, George Gould and the Treasury are at it again. Under Secretary Gould represents big money and big business at its very biggest. He is the Mr. Big. He is the prime advocate of bigness in an administration that is to big business what Babe Ruth was to the New York Yankees. Anyone who thinks the country suffers from a merger mania has seen nothing yet. It is true that in the past year the country has endured 9 of the 10 biggest mergers in its history. But to Mr. Gould the merger business is lagging. It should be much better and especially much bigger. He especially would like to see the Nation's big banks get with it. Now the fact is that our big banks are growing. They are growing very fast. They are already enormous. Consider the measures of bigness. Our big banks employ tens of thousands of people, far more than our biggest banks have ever employed before. They have assets and deposits much bigger than they have ever been in the past. They are up to their neck in foreign lending. In fact they have surpassed their lending to foreign countries by record margins. But that is not enough for Mr. Gould. It apparently does not matter to Mr. Gould that some of these loans are weak. He is not phased by the fact that Chase Manhattan had to take a hit of one and three-quarter billions in its reserve against losses in third country loans in the current quarter, or that Citibank took a mammoth $3 billion sockeroo to its reserve to offset the weakness of its LDC loans.

Nor does it seem to worry Mr. Gould that our biggest banks have been among our weakest performers by the measure of the free market. Until a few years ago Bank America, for instance, was the biggest bank in the country and in the world. It was the biggest. But was it making money? Bank America discovered that there is a difference between bigness and success. This biggest of all banks has suffered a very rocky time for several years now, and in spite of changes in management. The Continental Illinois Bank of Chicago was a big bank by most standards. Was it successful? No, it collapsed. It was bailed out by the Federal Government. Most of the 10 biggest banks in our country are not failing, but they are not doing very well either. One measure of the success or failure of any free market economic institution is how well it is doing with hard headed investors. The answer for our biggest banks is not well. Not well at all. In fat the average price of the stock of our 10 biggest banks is about six times earnings. That is less than half the price that other firms listed on the stock exchanges are doing. For these really big banks it is worse. Some regional banks—banks that are only a quarter to half the size of the 10 biggest—are selling at close to 30 times their earnings. Secretary Gould and his friends call the free market the real measure. I agree. So the free market tells us that it is not bigness that spells success. It is competence. It is prudence. And these qualities come with manageable size. What does that mean? That means operating an entity that is big enough to compete in profitable markets but small enough for competent management to control it.

Mr. Gould and others have looked to Japan and they have come to a conclusion that is superficially plausible. But it does not stand up. The Japanese now have the biggest banks in the world. Of the world's six biggest banks, five are Japanese, one—Citibank—is American. To Gould that means we need 9 or 10 more Citibanks. To achieve those big banks Gould would like Congress to promptly bring on nationwide branching, permit banks to get into the same securities, insurance, real estate businesses that have been denied American banks during the 50 years of the Glass-Steagle Act. But that is not enough. Gould also would like to push our biggest commercial and industrial firms into banking. He would breach the firm line that has throughout our history separated banking from commerce. Bankers would no longer deal with borrowers at arms length. They would, in fact, in many cases be owned by their borrowers. Just think of it. In this country very big banks are not allowed to fail. They have the full faith and credit of the Federal Government backing up their deposits, and a long line of precedents going back through the Continental Bank, the Franklin National, and many others that assure the Federal Government stands by ready to rescue any troubled big bank. So Mr. Gould wants to see most of American banking big. He also wants big industry to be free to own them. Does this mean the Federal Government will bail out Sears Roebuck and its banking subsidiary or American Express or Ford or General Motors?

Furthermore, Mr. President, if Mr. Gould really wants to emulate the Japanese banks, changing the law to permit our biggest commercial and industrial firms to own banks would not do it. The Japanese prohibit firms that are involved in commerce and industry from owning banks for exactly the same reason that we do. They value the safety and soundness of their banks. They also recognize the corrupting conflict of interest that would be involved in ending the separation of commerce and banking. What is more, the Japanese have their own Glass-Steagle. They do prohibit banks from the kind of securities underwriting in long-term debt and equities that brought on the scandals that in turn created Glass-Steagle and ended such underwriting in our country in the 1930's.

Mr. President, there is no record that American banks are not competing vigorously and effectively with the Japanese banks and other banks. Federal Reserve Board Chairman, Paul Volcker, has testified many times to the efficiency and success of American banks—present American banks—in international banking competition.

Earlier this year I asked Federal Reserve Board Chairman, Paul Volcker, why the Japanese now have larger banks than we have and whether this constituted a disadvantage for American banking. We should ponder his response long and hard. Here it is:

> Japanese banks are the largest in the world partly because the Japanese yen has been appreciating in value, partly because they have a highly concentrated banking system, and partly because that country is now demonstrating an enormous capacity to save internally and externally. I have not heard any concern over the years that U.S. banks are not active competitors internationally. They have been at the cutting edge of international banking competition and we have very active international competitors among the American banks. They are certainly among the most active, if not the most active, in the Eurodollar market, right on the doorstep of all the European banks. International competition is as much a matter of quality as it is size, once you get beyond a certain threshold. Obviously you need some substantial size to compete internationally.

I would point out that even in Japan the most active, forceful, aggressive, international competitor is the Bank of Tokyo which ranks 29th. It's one of the smaller worldwide and is one of the smaller Japanese banks. You dont need to be the biggest one in the world—the biggest banking organization in the world happens to be an American bank, but it doesn't require that you dominate that top ten.

This country does not need just a few megabanks. We do not need bigger banks. We need better banks. And what makes banks better? The same element that makes all of us better. It is called competition. With our system of 11,000 independent banks competing in domestic American as well as foreign markets, we have the best and the most competitive banking system in the world, and the two go together. No one can convince this Senator that we can secure more competition if we reduce the number of banks and concentrate most of financial resources in nine megabanks. Fewer banks means less competition. Yes, the big banks would be fatter, in fact much fatter. But would they be more efficient? Not on the basis of the record.

NAVY MAKES SIGNIFICANT MOVE FOR CIVILIAN WOMEN

Mr. PROXMIRE. Mr. President, it is my pleasure to commend the Navy for removing restrictions which formerly kept female civilian technicians from testing their work on submarine sea trials. This bold move lays to rest the 5-year case of Pamella Doviak Celli who has been appealing to the Navy and finally to the courts for the right to do her job at Sea. Ms. Doviak's case has long been a sore point for Navy civilian and military women, and I commend Secretary Webb for putting case behind him.

Mr. President, I ask unanimous consent that two articles which outline this case and the Navy's recent decision be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Washington Post, June 16, 1987]

WOMEN CLEARED FOR SUBMARINE TRIALS

(By Molly Moore)

Navy Secretary James H. Webb Jr., reversing a policy the Navy had already concluded was discriminatory, announced yesterday that women civilian employes will be allowed to participate in submarine sea trials on the same basis as men.

For Pamella M. Doviak Celli, a 42-year-old mechanical engineering technician at the Portsmouth, N.H. Naval Shipyard, the ruling ended a five-year dispute over regulations that barred her from a trial cruise on a submarine she was helping to repair in November 1982.

The Navy's grievance procedures had established that the policy discriminated against women, and Celli was offered financial compensation, which she rejected because the service would not guarantee a change in the rules. The Equal Employment Opportunity Commission also said the Navy had discriminated against Celli and ordered the service to change its policies.

Webb's decision reverses the position of his predecessor, John F. Lehman Jr., who rejected the Navy's findings of discrimination, appealed the EEOC rulings and refused to implement its orders to revise the rules.

Barely two months ago, Celli had taken her case to the federal court in Portland, Me., to try to push the Navy into changing its rules.

Yesterday's decision applies only to civilian employes and does not include female sailors, Navy officials said. A Navy spokesman said the decision would affect "a large number" of female employes, but said specific numbers were unavailable yesterday.

Webb also ordered that Celli be awarded attorneys' fees for her legal battle as well as back pay, overtime and benefits she would have received if she had been permitted to embark on the USS Kamehameha's sea trial in November 1982.

Under the new rules, men and women will be provided separate berthing accommodations on the submarines, but "separate sanitary facilities are not required," a Navy statement said. Sea trials usually last two to nine days.

[From the Boston Globe, June 14, 1987]

WOMAN FIGHTS NAVY ON ALLEGED SEX BIAS

(By Clare Kittredge)

DOVER, N.H.—Pamella Doviak Celli says it's unnerving to sue the Secretary of the Navy. "I may sound like I've got it down pat because I've been at it for so long," she said, putting French fries on a plate for her 17-year-old son.

"But you always wonder 'what are they going to do to me because of this? What is this going to cost me in the long run?' Am I ever going to feel like I've won?"

For five years, this 42-year-old Dover woman has been going about the bureaucratic business of contesting a Navy policy forbidding her from working on submarines during sea trials.

As her case has extended over time, she has remarried and acquired another last name. Her son and daughter have grown up. Her pile of documents has risen to 4 feet. And the case has grown from a simple complaint filed in the Equal Employment Office of the Portsmouth Naval Shipyard, where she works, to a civil lawsuit filed on her behalf by the American Civil Liberties Union in US District Court in Portland.

The charge: that the Navy failed to comply with a US Equal Employment Opportunity Commission ruling that she was discriminated against because of her sex, in violation of Title VII of the Civl Rights Act of 1964.

Tomorrow, the Justice Department is expected to respond. But the case may not end there. According to Hampton attorney Joseph McKittrick, cocounsel with the ACLU, her case may eventually reach the US Supreme Court.

The Navy and Justice Department will not comment on the case, but McKittrick says that for the Navy, the stakes are enormous. "This is one of the last holds the Navy has on an all-male world."

"Civil rights laws prohibit discrimination on the basis of sex, race, national origin, religion, age and handicap," said Isabelle Katz Pinzler, director of the ACLU's Women's Rights Project. "If the Navy gets away with this, hundreds of thousands of civilian employees of all the branches of the military could be deprived of protection under those laws."

Of the 8,000 civilians working at the shipyard, 1,000 are women. "The Pam Doviaks of the 1980s are the Rosie the Riveters of the 1940s," said Carolyn Becraft, director of the Women and the Military Project of the Women's Equity Action League.

But Celli says she does not feel like a symbol. She first chose a man's job at the shipyard because she was divorced with two children and needed the money, she said. Through "Upward Mobility," a Navy program designed to attract people to technical jobs, she became a mechanical engineering technician in the Ship Silencing Branch, working to keep subs quiet underwater.

Sea trial work is part of the job. It has had its tragedies. In 1963, the USS Thresher went down during sea trials with 129 men on board. But sea trials are to Celli what test drives are to car mechanics.

"When a team is assigned to overhaul a boat, the last part of the job is going on sea trials," she said. A typical seven-day sea trial can mean 10 percent of her annual pay. Men with sea trial experience get promoted.

In 1981, Celli was allowed on the USS Benjamin Franklin for sea trials. "I was berthed by myself. We used the bathroom one at a time, as we do on airplanes." But in November 1982, she was denied sea trial work on the sub's sister ship, the USS Kamehemeha.

She filed a complaint. A year later, a Navy investigator found that she had been discriminated against on the basis of her sex. A year after that, the Navy's Chief of Naval Operations agreed and offered to settle for back pay but did not guarantee her access to sea trials. Though other women in Celli's position have settled at this point, she refused.

Another year went by. In November 1985, the Navy ruled that its decision to bar Celli was military and that her complaint did not fall under the purview of Title VII of the Civil Rights Act. But Celli says she is not arguing that women should go into combat. The submarine is unarmed, she said. Most of the men on board are civilians.

She appealed to the US Equal Opportunity Commission, which ruled in her favor. Refusing a Navy appeal, the EEOC ordered the Navy to comply. When the Navy refused, Celli filed suit in March.

In the meantime, this spring, a Federal District Court judge in San Diego ruled against Glenda Bledsoe, a civilian who had sued the Navy for denial of sea trial work on an aircraft carrier. Though Celli expects the Navy to use this ruling against her, she says the Bledsoe case is different. Aside from doing a different job on a different vessel, she said Bledsoe was allowed sea trial work before and after her denial and has been on sea trials since. "The judge ruled that her denial was an isolated case."

Celli's case is not isolated. As it drags on, the men in her section go on more sea trials. She does not.

"People have asked me. 'Why haven't you given up?'" she said "For one thing, I still have the same job. I just want to do the job I already have."

JUNE GOLDEN FLEECE AWARDED

Mr. PROXMIRE. Mr. President, the Executive Office of the President won the Golden Fleece Award for June for spending $611,623 to gild one medium-sized room in the old Executive Office Building, which is next door to the White House. They were ready to go on to six other offices, including the lair of the Director of the Office of Management and Budget at a cost of $728,000, but suddenly "deferred" these plans after my inquiries.

The taxpayers may have saved millions because somebody had an attack of common sense. But now I know how Charlie Brown feels when Lucy holds the football and good old Charlie is ready to kick it into the next county, only to have Lucy jerk it away at the last moment.

Under the auspices of the Executive Office, the General Services Administration—the Government's housekeeping agency—was in the midst of renovating the interior of the old Executive Office Building. It is home to many top officials of the executive branch, including the Director of the Office of Management and Budget.

This renovation started rather modestly. Published reports indicate that GSA had earlier renovated three libraries, the east rotunda, and four domes at a total cost of about $400,000.

But like so many Government programs, this renovation soon went from cost-conscious modesty to big-spending opulence. The Executive Office then approved renovating one medium-sized room, which most recently was used by Vice Presidents but in the past had housed the Secretary of the Navy. What did this one-room renovation cost? Not $100,000, nor even $400,000, but a staggering $611,623 was shelled out by the taxpayers. This office is now to be used for "ceremonial functions and conferences," but remained unused as of mid-April.

When asked if any other offices were going to be renovated, the GSA replied on April 14, 1987, that, "Yes, a project to renovate rooms 252 and 254 is in the procurement process. Future projects are planned for rooms 226, 231, 232, and 236." Rooms 252 and 254 are occupied by the Director of the Office of Management and Budget. GSA officials reported that the work in these rooms would cost over $500,000, and had an artist's depiction of the renovated office. Workmen had already started stripping the walls.

My staff visited the old Executive Office Building to see how the taxpayers' money had been spent. They reported that the work was indeed beautiful. They walked over to the OMB Director's office to see what was planned, and admired the artist's depiction. But as taxpayers themselves, they came away wondering why the work needed to be done now, given the size of the deficit—a sentiment I shared.

Over the telephone, we asked for some additional information regarding the work planned, but the Executive Office was getting antsy. So on May 19, 1987, I asked in writing for the additional information regarding this work: Who occupied the offices now, who would after renovation, the cost, and the historical significance of the offices. This inquiry evidently caused some consternation in the Executive Office. A reply, dated June 8, 1987 stated that the $728,000 renovation of the Director's office, instead of being in the procurement process "has been deferred." Note that this project has been deferred, not eliminated. GSA went on to say "No firm dates have been established for any of the other rooms."

It now looks as if the Director of the Office of Management and Budget is going to have to wait to have his office fancied up. This Senator is glad to see that economy does begin at home, at least after a little elbow nudging. But for spending $611,623 to fix one office, the Executive Office of the President richly deserves this month's fleece, even after giving credit for a late-blooming passion for saving the taxpayers' money.

CAMPAIGN FINANCING REFORM

Mr. EXON. Mr. President, I have listened with interest to the remarks by the majority and minority leaders in regard to the campaign finance bill and I heard a considerable amount of the debate that has involved some of us on that very important issue. I think most of my colleagues do not understand that this Senator is not for and never has been for and probably never will be for any great amount of taxpayer money used to finance campaigns. I think all of this talk about how much PAC's can contribute or not, whether they can give to candidates and whether we should limit that, or whether we should allow them to give money to the political parties and then have them filter it down to the candidate, and all of the other issues that we talk about, including, I think, the objectives that this Senator has to the bill that is before us, is that the bill essentially says that we are not going to be doing very much about limiting the amount of obscene money that is spent in campaigns, but is being sidetracked by the debate over whether or not we should have public financing of campaigns in the U.S. Senate.

All of this, it seems to me, takes the eye off what I think is the real ball. That point was made by the majority leader today when he brought out the fact that essentially we are never going to have the cure to this disease that has set in and which is spreading throughout our legislative process until we have some type of constitutionally accepted language that limits the amount of money that anyone can spend in a campaign.

I have been talking to some of my colleagues and would like to lay out in the next minute or so some thoughts that have been going through my mind.

I know that we have a serious problem with the Supreme Court decision that says any time you try and say you cannot spend more than this amount of money, generally based on a percentage of population in a given State, that you are interfering with the constitutional right of an individual who may want to spend their own money for their own campaign.

While I do not agree with that Supreme Court decision, I recognize and realize that it is a point that might be well made, constitutionally.

I am wondering, since I want to continue to focus my attention on limiting the amount of money that can be spent, if we could not devise some kind of a proposition, complicated as it might be, to go ahead and outline how much money could be spent in a campaign for the U.S. Senate.

Let us take Nebraska for an example. If through some formula, to use $1 million for the sake of discussion, if the limit was $1 million in Nebraska, and if candidate A maintained that limit but candidate B was a very rich individual or was an individual that had the ability to raise vast amounts of money so that that candidate B could spent $5 million in Nebraska, I think on the face of it that might not decide the election in Nebraska but from another viewpoint it might tend to influence it unfairly.

What would be wrong with some kind of a piece of legislation that said when candidate A lived up to his $1 million on a tightly reported mechanism that candidate B would be obligated to also; that we would require when candidate B went over the $1 million limit he would be required under the law to print on the television tube, on his newspaper advertising, on his direct mail, that this advertising is paid for through the candidate's fund over and above the amount authorized for expenditure for senatorial campaigns in Nebraska?

To put it another way, it would penalize that individual with unlimited funds that he would have to advise the public that he is spending more money than the law outlines and that the law provides that he can still do that so long as he has that statement, that disclaimer, if you will, to search for a word, that would indicate to the public that this candidate B is spending an inordinate amount of money in the view of the law passed by the Congress of the United States?

It seems to me that further refinement of that principle, Mr. President, might go to the issue of saying that if candidate B, in this particular case, spends more than $2 million in Nebraska, that that would trigger a fund that we might create through some formula, even taxpayer financing on a limited scale, that he, candidate A, would be reimbursed up to one-third or a half of the $1 million over that candidate B was expending.

In that kind of scenario, it seems to me, Mr. President, it would not be candidate A who is expending taxpayer money; rather, it would be candidate B, who has these massive funds, who would be the one that would be viewed by the public as forcing the underfinanced, comparatively speaking, candidate A to take campaign financing, and it would be well advertised and well known.

It seems to me some mechanism like that, although I am not a lawyer, would be one way around this difficult issue of the constitutional objections that have been raised and been decided thus far by the Supreme Court. I am also a cosponsor, Mr. President, of the constitutional amendment offered by Senator HOLLINGS and others, to pass a constitutional amendment that States could vote on through their legislature to give the Congress of the United States the authority, notwithstanding any other objections in the Constitution, to set limits on the amount of money that can be spent on campaigns. But that is going to take several years and I do not think we can wait.

I am merely offering what I think might be a constructive suggestion that we think we should consider and receive and search a way out of the impasse we may have on campaign financing, the way to finance it, and the amount of money we are going to spend to finance it. I think we should attack this in some way, and maybe some constructive suggestions along what I have outlined would get us to a place where all of us could agree on some kind of reasonable proposal to attack this problem that we all recognize is there.

Mr. President, I yield the floor.

GEPHARDT AMENDMENT AND THE TRADE BILL: PART III

FLINT TO SPARK A TRADE WAR

Mr. BAUCUS. Mr. President, over the last few days, I have explained some of my objections to the House-passed Gephardt amendment to this year's trade bill. My most serious concern about the Gephardt amendment doesn't call for immediate retaliation, of course. First, it mandates a round of negotiations to eliminate those nations' unfair trade practices.

These negotiations, however, are almost certain to fail.

Let's assume that the trade deficit between the United States and Japan was reversed, and that the United States had a large bilateral trade surplus with Japan. One day, the Japanese decide that we Americans must either agree to make many billion dollars' worth of trade concessions within 6 months or face massive trade retaliation. The Japanese demand that we must import more Toyotas, more textiles, and more Japanese TV's, and the Japanese agree to give up nothing in return.

Would we Americans knuckle under to such demands? Of course not.

Yet, this is exactly what we are asking Japan to do if the Gephardt amendment becomes law.

The Japanese will not allow themselves to be buffaloed by trade blackmail any more than our country would if the situation were reversed.

That is why the Gephardt amendment will lead directly to retaliation—the negotiations cannot work because they are not negotiations.

The issue here is not whether Japan trades unfairly. It does. The issue is whether this strategy will be effective. It will not.

History teaches that retaliation, particularly massive retaliation, leads to counterretaliation.

Very few countries take trade sanctions lying down.

It is true the Japanese chose not to counterretaliate against the United States after our country's recent retaliation against Japanese semiconductors.

But it is a mistake to assume that they will follow the same pattern when hit with trade retaliation on a massive scale.

Remember, the semiconductor retaliation totaled about $300 million; the Gephardt amendment would total about $40 billion. That is the equivalent of 133 semiconductor retaliations.

I have frequently heard some Gephardt amendment supporters answer charges that the amendment would spark a trade war by asking, "What do we have to lose?" After all, they argue, we import a great deal more than we export.

The answer to their question is we would lose a lot.

For one thing, the nations targeted by the Gephardt amendment—Japan, Taiwan, and Korea—are major purchasers of U.S. agricultural exports.

Japan is the largest importer of U.S. agricultural commodities.

On the Gephardt list for retaliation are the No. 1 and No. 2 markets for U.S wheat, the No. 1 and No. 3 markets for U.S. soybeans, and the No. 1 and No. 3 markets for U.S. corn.

Any of the targeted nations could easily purchase the agricultural commodities that they require from other agricultural exporters like Canada and Australia.

This makes it almost certain that many family farms across the United States will be an early casualty of the Gephardt amendment trade war.

Other export-oriented industries, from aerospace manufacturing to timber, could also be hurt by counterretaliation.

Do not get me wrong. Retaliation is justified in some cases.

Trade retaliation is a job that requires sophistication—a scalpel, not a meat ax.

The bottom line is that a unilateral attempt to legislate a decrease in the U.S. trade deficit is more likely to result in a trade war than it is to result in an improvement in the U.S. trade position.

That is a result we should not tolerate.

As Benjamin Franklin once said, "no nation has ever perished because of trade, but many have perished for lack of it."

We must strive to design a trade policy that expands trade, not restricts it.

Mr. President, I yield the floor.

CANCELLATION OF SOVIET PARTICIPATION IN "JOIDES": AN UNSOUND STEP IN SUPERPOWER RELATIONS

Mr. PELL. Mr. President, I am deeply saddened to report that, over my strong representations and recommendations, the administration has taken what I regard as a very unsound—indeed foolish—step in United States-Soviet relations.

Since 1968, the National Science Foundation has sponsored a multilateral ocean-drilling project designed to yield scientific insights concerning the history of the Earth, of climatic change, of the movement of continents, and of sea floor parting. This research has been conducted by an organization called JOIDES, standing for Joint Oceanographic Institutions for Deep Earth Sampling. The instrument for research has been a converted oil drilling vessel called the *JOIDES Resolution,* which has traveled the seas, drilling at various points and collecting sediment and rocks which provide the basic data for scientific inquiry and theory.

The members of JOIDES are 10 American universities, including the University of Rhode Island, and a number of foreign participants—Japan, Britain, France, West Germany, Canada, and a consortium of smaller countries. On the U.S. side, the National Science Foundation has contributed $40 million to the project annually, and each of this six foreign participants has contributed $2.5 million annually.

In the summer of 1985, the National Science Foundation—having gained approval from the State Department, the U.S. Navy, and the President's Science Adviser—invited the Soviet Union to become a seventh foreign participant. From the perspective of the NSF this seemed a reasonable step in the direction of United States-Soviet cooperation. Having received this invitation in 1985, the Soviets considered the matter for over a year and then last fall accepted, agreeing to join JOIDES and to contribute the customary $2.5 million annual fee.

At this late point, however, two new participants entered the U.S. decisionmaking process: a new White House Science Adviser and the Department of Defense. The result was that the decision was placed under review for several months; and finally, last month, even though the State Department and the National Science Foundation continued to support Soviet participation, the administration officially determined to withdraw the invitation for Soviet participation.

Apparently, the basic of this policy reversal was a Department of Defense assertion that it had been bypassed in the original decision—notwithstanding the Navy's role—and thus had never had the opportunity to bring technology-transfer considerations to bear on this issue of Soviet participation.

One could perhaps understand such a development if there truly were a technology-transfer question involved. Despite the accompanying diplomatic embarassment, such a policy reversal could be justified by a legitimate determination, however belated, that Soviet participation would result in a conveyance of strategically significant information otherwise unavailable.

But in fact no serious assertion to this effect has been made, and it is difficult to imagine that one could be. The technology used aboard the *JOIDES Resolution* is commercially available on the world market, and the scientific information derived from the JOIDES effort is made immediately available to the world community. Accordingly, there appears no reason, beyond ideological instinct and conditioned bureaucratic response, for the negative decision regarding Soviet participation.

Obviously United States-Soviet relations can survive this misstep. But the costs are nonetheless lamentable. A modest opportunity for superpower cooperation has been needlessly extinguished. The administration has once again displayed a degree of unpredictability that can only be damaging to U.S. prestige. And the world is led inevitably to wonder at the rationality of an American foreign policy that purports to seek a major nuclear arms accord requiring extensive United States-Soviet cooperation—that indeed has avowed an intent to share advanced Star Wars technology with the Soviet Union—yet balks at involving the Soviets in a sample scientific project of exploring the ocean floor.

Mr. President, I deplore the administration's inability to reach a more rational decision in this matter and I hope some possibility may still exist for executive branch reconsideration. Toward this end, I have written to the President's National Security Adviser, Mr. Carlucci, urging further review. While I hold no illusion that the interest of one Senator will be compelling cause for a policy reversal, I do believe that any objective review will reveal a strong case for discarding the cancellation decision and proceeding with what promises to be a modest but useful effort at superpower cooperation.

THE TRADE WAR HAS REACHED THE SENATE

Mr. KASTEN. Mr. President, our mammoth trade deficit indicates America is losing the world trade war. Some of the battles are big. Some are little.

One of those trade battles is being fought right in our midst—in the gift shop in the Senate Dirksen Building.

The other day I was browsing through some picture postcards to mail to friends in Wisconsin. I selected some patriotic cards showing our Capitol Building, the monuments, the White House, and other symbols of America.

However, I noticed three words written in very small print in the bottom corner. It says, "Printed in Japan."

Talk about discouraging.

My favoriate card was the one showing the Iwo Jima Monument. We thought we knew which side won that battle—but now we know who's really winning.

Somehow, this all does not make sense.

Do we see "Remember the Alamo" cards printed in Mexico?

Has anyone heard of Fourth of July calendars printed in Britain?

This business of U.S. Senate greeting cards being printed in Japan is anything but a two-way street. I am sure the Japanese Diet, their parliament, maintains a strict diet of Japanese-made items in their gift stores.

If we really are concerned about boosting American products, we ought to set the example. We can start right here by selling post cards which are printed in the U.S.A.

The Dirksen sundry shop is administered by the Senate Restaurant, which gets its policy direction from the Senate Rules Committee. Perhaps the committee should consider made-in-the-U.S.A. postcards.

To underscore my point, I am sending each of my colleagues an Iwo Jima postcard. The inscriptrion is going to ask, "Whose flag are they really raising?"

Mr. President, I ask unanimous consent that a letter I am sending to the Senate Rules Committee be printed in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. Senate,
Washington, DC, June 15, 1987.

Hon. Wendell Ford,
Chairman, Senate Rules Committee, Russell Senate Office Building, Washington, DC.

Dear Wendell: While rummaging through the Dirksen sundry shop the other day, I was amazed to find that the scenic postcards we offer for sale to the people of America are printed in Japan!

A wonderful variety of choices is available: dramatic shots of the Capitol, the White House, and Arlington Cemetery. Ironically, our Japanese friends even make available a picturesque card featuring the Iwo Jima Memorial.

I wonder what Americans visiting the Capitol think when they return from the galleries after hearing our speeches on the trade deficit?

As those shops are administered by the Senate Restaurant, which receives its policy direction from the Rules Committee, I think the Committee should give consideration to the example we're setting in the Senate. I'm for made-in-the-U.S.A.

Best regards,

Robert W. Kasten, Jr.

THE DEFENSE BUDGET

Mr. DOMENICI. Mr. President, I rise today to talk with the Senate about the defense budget and the conference on the budget resolution that I read about.

Obviously, Senators know, and most Americans know, that the U.S. Senate produced a budget resolution that was not the product of this side of the aisle. I regret that very much. Some people say that the Senator from New Mexico, the former chairman of the Budget Committee, opted not to be a participant this year. That is not the case.

As a matter of fact, I listened, I observed, I committed myself in my normal manner, and I ended up concluding that I, representing the Republicans on the committee, could only have a marginal impact on what was going to happen and so I decided, as I viewed that marginal impact to let the Democrats produce the budget resolution this year.

In the past we have done it both ways. I have had to produce a budget resolution without any support from the then-minority of Democrats, and I have had the luxury of producing one that was bipartisan. But, Mr. President, over the weekend I read with some dismay a discussion about the level of defense spending in the Senate budget resolution and in the House budget resolution, and I read with dismay what some of the House Members have to say about the distinguished chairman of the Senate Budget Committee, Senator Lawton Chiles and his refusal to cave, as some have said, on a defense number that obviously he believes he could not agree to.

Some suggest that he is being stubborn; but the most preposterous suggestion I have heard is that he is carrying the water for 7 or 8 or 9 or 10 Members of his party, headed by Sam Nunn, who are allegedly conservative—I do not know what that means—or what prodefense means, either, when it comes to this budget resolution.

I would just like to share once again with the U.S. Senate, or anyone who will listen, the kind of dilemma that the chairman of the Senate Budget Committee has when he goes to conference with the U.S. House this year on the defense numbers.

I am not sure what motivated the House to come up with the defense numbers that they came up with. Let me try one more time to explain to the U.S. Senate and to anyone that wants to listen, what happened. Then let us pass judgment on whether the distinguished chairman of the Budget Committee and those who are with him on the other side of the aisle who have gone to conference refused to agree to a defense number on outlays that satisfies the U.S. House conferees and their leadership's requests.

Mr. President, I know that what I am going to tell you sounds like a fairy tale, and I know that there are those who are going to say well, it really must not have been intended to be the truth; it was probably just an interim step; nobody really believed it.

But, Mr. President, these are the facts.

We have an authorizing committee, chaired by Senator Nunn of Georgia. The House has a defense authorization committee headed by the distinguished U.S. Representative Les Aspin. Both of these committees are supposed to be our experts on defense. We urge them, we beg them to bring us a blueprint of what we need in order to maintain our defense; in order to make sure that we pay for what we have ordered; and in order to make sure that we have personnel, equipment, spare parts, operation and maintenance money for what we have already bought. So they bring us their best estimate in the nature of a blueprint called a defense authorization bill.

Mr. President, what happened in the House is very, very simple. That committee, headed by the distinguished chairman, brought a bill to the floor that exceeded by a substantial margin the numbers that the Budget Committee had plugged into the defense budget in the budget resolution, especially on the outlay side, that is, what the programs you authorize can actually spend for each year.

As a matter of fact, Mr. President, they were $13 billion in outlays apart—that is, the number for defense in the authorization bill and the number for defense in the budget resolution, were $13 billion apart.

Mr. President, I am not privy to what goes on behind the scenes in the other Chamber. But it is quite obvious to the Senator from New Mexico that the distinguished chairman of the House Armed Services Committee was told: That bill that you have reported to the desk which we are going to consider is not going to pass the House unless—what? Unless you change it so that it is exactly the same as those numbers that we put in the budget resolution, even though the resolution is not binding, even though the numbers in the budget resolution are not binding, even though we frequently go below them—we very seldom go higher than those numbers—he was told, "You will not pass your authorization bill unless the numbers are there."

Now, Mr. President, he could not find a way to bring those numbers on the outlay side to the numbers in the budget resolution, and do you know what he did? I am convinced that even today scores of Members of the House and at least as many Senators do not understand what happened. A section was added to the authorization bill. It is called section 810 for purposes of this discussion, offered by the distinguished chairman, saying, "Here it is. With this we are in compliance with the budget resolution. Let us now proceed." And, Mr. President, the primary means of cutting the budget for the Department of Defense was this little provision called delay in certain payments. And let me tell you what it means. It said in very simple, plain language, "For the last 12 days of the fiscal year, we will not pay our bills."

Let me repeat, $6 billion of the savings in outlays is accomplished by a simple little phrase, "For the last 12 days of the fiscal year, we will not pay our bills."

Because that sounds quite onerous to some people who might have already furnished a service there is a small exception for small businessmen. If you are a small businessman, we will pay what we owe you during the last 12 days. But for everybody else doing business with the Defense Department, everyone with contracts for goods or services, we just will not pay during the last 12 days of September. And then they sent off to the Office of Management and Budget and asked "How many dollars do we save in the fiscal year if we do it that way?" And lo and behold, they finally got it down to the right number of days, and it is 12.

Now, Mr. President, this calendar cutting does not save any money. It does not cut any defense program. Why can we not do that in all of Government? We can get our outlays into enormously good shape. Why do we not take the budgets for agencies such as HUD and HHS, and if we are worried about saving money, why not go out and figure how many days of the year to ignore the bills owed to the creditors serving these agencies?

It almost sounds so preposterous I have difficulty drawing analogies with it. I know that if I use a Visa card, I cannot just say, "I made a new deal this year; whoever I owe money to, I will not pay for the next 12 days." All Americans know they cannot conduct business in this manner.

What will it be next year, Mr. President? Thirty days? Forty-five days? We already authorized the money. We meet the deficit target by saying we will not pay it out for 12 days.

Mr. President, I know that nobody seriously believes that should be the manner in which Congress takes care of the defense of this Nation. Yet we hear that because the Senate conferees will not agree to a reduced outlay number, somehow or another they are led by a group of prodefense Senators on the other side of the aisle who just do not want to compromise.

Well, Mr. President, do you really think that to accept any portion of a proposition which says we will not pay our bills for a portion of the year is a compromise? Or is it a copout? Is it some kind of newly-invented leap year? We used to only add a day on leap years. Next year we have everybody following a 366-day year, but we are going to have the Defense Department, and everybody it owes money to, except small business, follow a 354-day year.

Mr. President, do we really think ultimately this is saving money in the Department of Defense or is it some kind of magic?

Now, I will admit that we have never been able to come within the outlay limits in defense, and there has been gimmick after gimmick. Last year, so that you will know that I know, both Houses slipped the pay date one day. For pay which is due on the last day in the fiscal year, you slip it one day, you slip it into the next year. That was last year's major gimmick. We saved well over $2 billion arithmetically doing that. This year we have outdone ourselves.

We found we cannot do that too often, however, because if we try that even one more time, we have to begin to cut pay for a whole quarter. We found that will not work. So this is the replacement gimmick.

Now, I came to the floor to explain this only because it does not seem fair to this Senator. And certainly somebody can come here and say—and I clearly will take whatever blame is mine—"You were not there; you refused to participate; it is not your budget; it is our budget." Every bit of that is true. I wish I were there. I wish I could have been there to help because it sounds rather preposterous to lay blame on some group of prodefense Senators when you have this kind of synthetic savings, this kind of gimmickry, coming down to meet a budget target and then making noise like it is a real defense budget.

Frankly, I do not know who we are trying to leverage. Perhaps we start this year out by saying if we are low enough on defense, the President will scream uncle. Maybe he will go for taxes if we will just cut it enough, maybe he will join the party. I do not know what the theory is, but it does seem to me that this very simple but little-known fact about the defense budget ought to be on the table.

Mr. President, I have a table displaying budget authority for defense in the five budgets, what we have done to the defense budget the last 5 years, so that everybody who wants to understand the problem can look at it if they are interested. I ask unanimous consent that it be made a part of the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

DEFENSE AUTHORIZATION BILL FOR FISCAL YEAR 1988, H.R. 1748

[Dollars in billions]

	House-reported		House-passed		Difference	
	Budget authority	Outlays	Budget authority	Outlays	Budget authority	Outlays
Milpers	77.2	76.3	76.5	76.1	−0.7	−0.2
O&M	85.9	83.3	83.0	80.6	−2.9	−2.7
Procurment	83.9	82.2	76.4	81.7	−7.5	−0.5
RDT&E	40.0	36.4	35.8	34.3	−4.2	−2.1
MilCon & Housing	9.0	8.1	8.3	8.0	−0.7	−0.1
DOE, atomic energy	8.1	8.0	7.8	7.7	−0.3	−0.3
Other	1.7	0.2	0.9	−0.8	−0.8	−1.0
Delayed payment provision				−6.1		−6.1
Total	305.8	294.5	288.6	281.4	−17.2	−13.1

COMPARISONS OF 1988 DEFENSE FUNDING LEVELS

[Dollars in billions]

	DOD authorization bill		1988 budget resolution (H.Con.Res. 93)	
	(H.R. 1748) House-passed	(S. 1174) Senate-rept.	House-passed	Senate-passed
Budget authority	288.6	303.0	288.7	301.5
Outlays	281.4	293.8	281.7	290.6

Prepared by Senate Budget Committee Minority Staff.

HISTORY OF CONGRESSIONAL ACTION ON THE DEFENSE BUDGET

[Budget authority, dollars in billions]

	1983	1984	1985	1986	1987	Total 1983–87
President's request	263.0	280.5	313.4	322.2	320.2	1,499.3
Budget resolution:						
Senate passed	251.7	270.7	299.0	302.5	301.0	1,424.9
House passed	253.6	263.9	285.7	292.6	285.0	1,380.8
Conference agreement	253.6	268.6	292.9	302.5	292.2	1,409.8
Appropriations bill	245.8	265.2	292.9	289.1	289.6	1,382.6
Appropriated level change from:						
President's request	−17.2	−15.3	−20.5	−33.1	−30.6	−116.7
Budget resolution:						
Senate passed	−5.9	−5.5	−6.1	−13.4	−11.4	−42.3
House passed	−7.8	1.3	7.2	−3.5	4.6	1.8

HISTORY OF CONGRESSIONAL ACTION ON THE DEFENSE BUDGET—Continued

[Budget authority, dollars in billions]

	1983	1984	1985	1986	1987	Total 1983-87
Conference agreement	−7.8	−3.4		−13.4	−2.6	−27.2

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER (Mr. WIRTH). Is there further morning business? If not, morning business is closed.

SENATORIAL ELECTION CAMPAIGN ACT

The PRESIDING OFFICER. The Senate will now resume consideration of the unfinished business, S. 2, which the clerk will now report.

The legislative clerk read as follows:

A bill (S. 2) to amend the Federal Election Campaign Act of 1971 to provide for a voluntary system of spending limits and partial public financing of Senate general election campaigns, to limit contributions by multicandidate political committees, and for other purposes.

The Senate resumed consideration of the bill.

The PRESIDING OFFICER. Under the previous order, the time between now and 12 o'clock noon shall be equally divided and controlled by the majority and minority leaders or their designees.

CAMPAIGN FINANCE REFORM

Mr. STENNIS. Mr. President, I am going to take a few minutes this morning to discuss in a very serious way—I am afraid sometimes I get too serious in thinking about this matter—the bill to modify and reform our election laws so far as expenditure of funds and the collection of those funds. There is potential evil in the present system. I say potential evil. I am not accusing anyone of any wrongdoing, a conscious violation of the law, but it is a potential that I think, too, will spread to our State elections and even to our county elections, thereby becoming almost beyond control of law.

I commend highly those Members of this body who have worked so hard, so diligently and so earnestly in the preparation of this bill, the collection of the data, the hearings, and all that goes with it. Someday the returns will come in and justify many times over all this splendid effort.

Mr. President, I believe we have reached a critical point in this debate on election campaign finance reform. We have discussed this issue for a long time and now I believe strongly that we must have action on the cost of Federal campaign financing.

Not only have we debated campaign finance reform for the past several days, but we have debated and discussed this issue over and over for years. The bill that was introduced for passage in 1985, in the 99th Congress, was a good, solid bill, and it was a good place to start.

Many improvements and refinements have been made to the 1985 version of this proposed legislation, and I believe that within the spirit of known need, the current bill can be made acceptable to the vast majority of our Members. This practice in campaigning will spread as I have said—and I say again by way of warning—to the States and to the counties.

Over the years, I have watched with interest and have seen a gradual recognition of this problem of campaign finance. I am referring to my observation of the reaction of the people. Public opinion has grown in support of the changing of the system of campaign finance.

I have, therefore, come to appreciate the grave nature of this problem far more than I had before. I am amazed and deeply concerned at the amount of money that is raised now and spent in races for membership in the Congress of the United States.

Last year, successful Senate candidates each spent an average of over $3 million in winning election to the Senate. At the same time, spending by political action committees reached roughly $140 million. This is an increase of roughly 25 percent over the level of PAC spending in 1984. These figures are almost unbelievable.

Skyrocketing campaign expenditures is particularly a problem in small, less wealthy States. In many States, there is a limited supply of campaign money from within the State which can be solicited. Each time a candidate in such a State raises the stakes by soliciting more money, he increases the temptation and necessity of his opponent to seek special interest money from outside his own State.

So, to a great extent, Mr. President, campaign fundraising becomes a vicious cycle, with each candidate trying to raise more money than his opponent from outside sources. At the same time, he is spending less and less time listening to and soliciting support from the voters in his own State.

Mr. President, that is a sad state of affairs. I think that the communications that pass between the candidate and the voters who support him or her are important: the mental telepathy; what is said is part of the message; the ring of sincerity or the lack of it in the voice of those who seek support of the average person, who has gone to a speaking program or otherwise heard a program, most of them with intense interest and concern.

I believe the people in many areas of our country are outraged that the weight and influence of their votes is being diminished. In many precincts, in many counties, in many States, there is a process going on through this money—not illegal now—but a process that robs the occasion of its true import, its sanctity, and inwardly proves to the average voter the lack of sincerity, the lack of understanding, the lack of communication with the man or woman who seek his support at the polls.

In one experience after another, year after year, time after time, the average voter is far from having a proper concept and understanding of what it means to be a voter, what it means to be an office holder, and what it means to keep faith with voters. I believe that people in many areas of our country are outraged that the weight and influence of their votes is being steadily and certainly diminished. Money from other areas is coming into these voting areas; and it has gradually taken over, is usurping the influence, is gradually getting control of our people's way of thinking.

There is an increase in the influence of the money brought in from outside sources. The voters are sick and tired of the current system. They want change, and they want it now.

For two reasons I believe we have reached a critical point. First, because the cost of election campaigns and the method of financing them has placed the integrity of the Senate in jeopardy. Second, because we must restore to the people the primary role and duty of electing their own representatives who are expressly and openly elected by the people at each precinct—not each State, not each county, not each municipality, but each precinct, down where the ballots are cast, where the people are assembled and discuss these matters with each other, neighbor to neighbor, friend to friend.

We have a historic opportunity to improve the current campaign laws and rapidly return the election of U.S. Senators to the people.

We have a rule now that is wiser than the original part of the Constitution, whose 200th birthday we celebrate this year. We have laws now that far exceed, I think, in value and quality what was originally written in the Constitution. The original rule was to have the members of the State legislatures, in the respective States, elect the U.S. Senators—two to each State, regardless of population or size. They were elected not directly by the people but by the people's elected representatives in their own State legislatures.

I remember when the law was changed. There was a lot of argument about it. But, as a whole, the people felt that they were being left out—left out in part, at least—in having a full chance to make their earnest selection, having a man on trial who was already in office, having a look at his record if he was already in office; if not, go back and find out, one way or another, the better part of that record, and then make a judgment.

The people at large were denied that privilege. I remember the time when there was complaint because they were denied. Finally, the law was changed, and it now provides a very salutary, simple rule that Members of the U.S. Senate shall be chosen by the people, their constituents.

I wish we could rise to the occasion, not that we have another historic opportunity to improve the campaign laws, to improve the methods and limits of having the elections and making the choices—the people having a chance to make their choices. Then it will really be in the hands of the people.

Right now, the cost of campaigning for the Senate is so high that the ability of the average voter, the "little fellow," to affect the outcome of an election is seriously challenged and is becoming less and less a matter of his choice. There is too much money flowing, even at the ballot box.

Some claim that the cost of campaigning for the U.S. Senate is not out of line with what the American people spend advertising their products to the consuming public. But, Mr. President, we are not selling dog food, and we must not appear to be selling the office of U.S. Senator to the highest bidder.

Mr. President, I am not charging, let me make clear, any illegal act under the present system, nor do I insinuate that such acts will occur in the future. But the U.S. Senate must be held to a higher standard than technical compliance with the letter of the cold law. We must avoid even the appearance of impropriety to protect the integrity of this great body. This must be done.

I believe the American people are ready—and I believe the Members of the Senate are ready—to move forward on this issue. This bill may not be perfect, but it is a good place to start. I congratulate my colleagues from West Virginia, Oklahoma, and Kentucky and all others who have worked on this matter for their great efforts.

The momentum is building and the stakes are high. We must seize the moment and adopt a bill which will return our elections to the time-tested principle of government by the people which was established in our Constitution 200 years ago. It has served us well indeed. It must continue to have our protection and dedication as the years come and go.

Recently I have been spending some time reviewing our Constitution of the United States which has served us so well in every major theme of our activity during the 200 years that it has served us. Its principles are needed today and shall be needed in the future. I firmly believe that the fact that the power to choose our leaders contributes more strength and leadership to us than any other phase of our system. May God guide us in keeping it strong.

Now, I do not want to be bellringing here predicting bad, bad things are going to happen, but I believe we will pay a terrible price if we postpone any longer putting on the books and getting started on its way this substantive campaign finance reform which will restore a faith in the average voter who comes to register his choice.

Those of us who work here day after day, week after week, come in contact with many things that we have some sense of concern about. We know the influences are not all good but we know, too, that as long as there is a continuity of feeling and understanding between the people at large, and those that they choose to represent them in the important halls of Government of this Nation from top to bottom, as long as we know that affinity is there and that understanding is there and the free will to make an honest choice is in operation, then we know that this country will travel a long, long way in the course of our next 200 years and we shall be standing on safe, sound ground.

On the other hand, if we get careless, if we neglect, if we fail to reach, dig hard and find the people with the right principles to exercise this power that originally really belongs to the people, if we fail in those things, then we fail in all things and we lose the foundation upon which our great system was developed and which has proven over and over during these decades its ability, its worth, and has kept things at the same time on high ground.

May we continue that path. I believe that one way or another we will, but it is essential in order to follow that course that we modify, rectify, and clear up and clean up our controlling election laws so it can continue to be said that as long as those who are operating in good faith with a certain amount of knowledge and understanding, alertness, and willingness to lay aside things that should not control a vote, but look for the virtues that will control the office holder and the running of the Nation, so long as we can follow those courses we will find our way and we will continue a strong people of resolve and honor. May we find our way. Here is the pitfall that must have attention.

Mr. President, I yield the floor.

Mr. BYRD. Mr. President, I yield myself 3 minutes.

The PRESIDING OFFICER. The Chair recognizes the majority leader.

Mr. BYRD. Mr. President, I thank the distinguished Senator from Mississippi [Mr. STENNIS] for his fine statement in support of the pending measure, S. 2.

UNANIMOUS CONSENT AGREEMENT TO PLACE OMNIBUS TRADE BILL ON CALENDAR

Mr. BYRD. Mr. President, the distinguished Republican leader and I have been talking, looking at the time further down the road when S. 2 will no longer be before the Senate. We all know that we are not going to be on S. 2 forever. There will come a time when that matter will have been resolved and we will be dealing with other important business before the Senate.

One of the important matters that will be coming before the Senate will involve trade and competitiveness. Early on this year, I indicated that I wanted the committees to report out by the first part of May or mid-May, whatever legislation that would be within their jurisdiction coming within the overall rubric of trade and competitiveness, and I indicated that I would be welding those several pieces of legislation, perhaps not all of them, but certainly most of those pieces of legislation into a single omnibus bill.

Several of the committees have reported measures and most of those measures I hope to be able to put into an omnibus bill.

I have discussed this matter with the leader on the other side of the aisle and I have inquired if it might be possible to get consent for such a piece of legislation to be put directly on the calendar. It can be put on the calendar in any event, by way of rule XIV. I can put the various titles together, the titles representing the legislation within the purview of the various committees, dealing with education, job training, agriculture products, copyrights, trademarks, scientific research, all these things. I have asked if I might get unanimous consent to put such a measure directly on the calendar without going by way of rule XIV, and that I might also call it up at any time after I consult with the distinguished Republican leader. We have just had a discussion this morning about this matter and I would ask the distinguished Republican leader to respond at this time, if he will.

Mr. DOLE. I thank the distinguished majority leader.

I know we can proceed in a manner described by the majority leader. As I understand it, if, let us say, committee B reported out a bill that would become part of the overall trade bill, that would not be modified from the time it left the committee until it was included in the package. In other words, it may be an omnibus bill and it would be composed of—I do not know how many committees are involved—the action taken by the several committee on this overall issue.

Mr. BYRD. Yes; I hope I am responsive to the distinguished Republican leader in saying that the bills that are reported from those committees to the calendar would be welded into an omnibus bill.

Mr. DOLE. Yes.

Mr. BYRD. And I would proceed then to ask unanimous consent that I may be able to put that bill directly on the calendar when the staffs have been able to forge the bills into one bill with several titles and I may also proceed to take up that bill at any time following consultation with the minority leader.

May I say that I do not plan to rush this matter. This is a very important matter. But getting this unanimous consent should be well understood by all. This does not mean that S. 2, on campaign financing reform is coming down tomorrow or the next day or the next day. I am in no big hurry to take that down, because I think that S. 2 is a very important matter. But it will not be before the Senate always and, at such time as it is no longer before the Senate, we need to get on with other pieces of legislation, the trade bill being one of those important subjects.

The PRESIDING OFFICER. Is there objection?

Mr. DOLE. Reserving the right to object, and I shall not object, I would just indicate for the record that the staff has been in contact and hotlined this on our side. We have no objection to proceeding as outlined by the distinguished majority leader.

The PRESIDING OFFICER. If there is no objection, it is so ordered.

Mr. BYRD. Mr. President, I thank the distinguished Republican leader. This will certainly clear the way for expedited action in taking up the trade legislation. It will be legislation that cuts across several committees. It would be obvious, I think, that the Finance Committee has the centerpiece of the legislation, the overwhelming percentage of that legislation coming within the purview of the Finance Committee, but other committees have important areas in the bill. I would expect the chairman of the Finance Committee and the chairman of other committees to proceed, once the bill is before the Senate, to take up the bill title by title with each committee chairman having jurisdiction over a particular title.

So I thank the Republican leader. As I say, this does not mean that this bill will come up this week or by the middle of next week or whenever. I am in no hurry to take down S. 2, the campaign financing reform bill.

I thank the able leader. I hope that while we are still on S. 2, we can, from time to time, reach agreement with respect to other legislation so that we can move forward at some point in time and deal with other matters in due course.

RECESS UNTIL 2 P.M.

Mr. BYRD. Mr. President, if the Republican leader has no problem with recessing, I ask unanimous consent that the Senate stand in recess from now until the hour of 2 p.m. to accommodate the weekly luncheon conferences of the two parties.

There being no objection, the Senate, at 11:23 a.m., recessed until 2:01 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer, Mr. BUMPERS.

The PRESIDING OFFICER. The Chair, in his capacity as a Senator from the State of Arkansas, suggests the absence of a quorum.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BOREN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. DODD). Without objection, it is so ordered.

SENATORIAL ELECTION CAMPAIGN ACT

The Senate continued with the consideration of S. 2.

Mr. BOREN. Mr. President, am I correct that the time now is under control on S. 2?

The PRESIDING OFFICER. The Senator from Oklahoma is correct.

Mr. BOREN. I yield 5 minutes to my distinguished colleague from Louisiana.

Mr. JOHNSTON. I thank the distinguished Senator from Oklahoma, and I commend him for his excellent work on this bill.

Mr. President, I am new to the support of Federal money in the campaigns. I have opposed this through the years because, frankly, I thought the idea of the Federal Government bankrolling campaigns was anathema to the tradition of American politics.

Mr. President, it is not too much to say that most of the time—in fact, the overwhelming amount of the time—in politics today is spent in raising money—not communicating to constituents, not making speeches, not dealing with the issues, not going to the clubs and to the highways and byways and mixing it up with people and making stump speeches and doing all those things which have been traditional. Oh, no, we may not even be in our States. We may be in New York, because that is where the money is, or we may be on the west coast, spending precious little time at home, coming back home in time to make a canned television spot and get in the air again and get out of town for other fundraisers.

Mr. President, something must be done. We passed an excellent bill, in my view, back in 1972; and the Supreme Court, in a decision almost unrivaled by its lack of perspicacity into the political process, created for us problem upon problem, dissecting that bill, throwing out the good parts, leaving in some of the bad parts, and leaving us with a crazy quilt of rules and regulations that defy logic and certainly defy practicality and do not make sense in the political scheme of things.

Somehow, it seemed to me not quite cricket to have the Federal Government bankrolling all kinds of candidates, some of whom may not be terribly deserving and some of whom might even be spending these Federal funds in a wasteful way.

Mr. President, I have never been against PAC's. Indeed, I have been a supporter of PAC's and remain a supporter of PAC's. I think that the idea of political action committees furnishing a conduit for little people to become involved in political campaigns—and not all PAC givers are little, but they are able to combine a large number of people with relatively small contributions, for the most part, in support of candidates who believe in what they believe in.

Of course, that is special interest. But, at bottom, each of us is a combination of special interests, even if we define those special interests broadly. But there comes a point at which money becomes, if not corrupting—and I think that may be too strong a word—at least overwhelming insofar as campaigns are concerned. I believe that we are overwhelmed by the money process in politics today. We wanted a drink of water, and we received a fire hose. We wanted a little dip in the pond, and they threw us in the middle of the Arctic Ocean.

Mr. President, I support this bill now, late in the day, with a change of heart, and maybe without the same pure feelings that others have—pure in the sense of being purely against political action committees or purely against private funding. I am not against political action committees, and I do not think that some contributions or a modest amount or a reasonable amount of contributions, are bad in campaigns. But I support this bill strongly because we are simply overwhelmed by money. We are drowning in the money process; and if we do not change that, we threaten to change the very fabric and nature of political campaigns. We threaten to deprive the people of what they really need, and that is a representative, a Senator, who can be in contact with them, available to them, with time to do something other than simply raise money 90 percent of the time.

Mr. President, I commend the Senator from Oklahoma for his good work on this bill.

Mr. BOREN. Mr. President, I yield myself 1 minute.

I thank my colleague from Louisiana for his very fine remarks and his insightful remarks. He is absolutely right: We need to be competing on the basis of ideas. We need to be competing on the basis of solutions to the serious problems faced by this Nation. We do not need to be competing in American politics solely on the basis of which candidate can raise the most money. We are spending too much time raising money and too little time dealing with the serious problems that face this Nation.

I think the Senator has outlined very well the need for basic reforms in the campaign system, and I appreciate his remarks very much.

Mr. President, I yield the floor.

Mr. PACKWOOD. Mr. President, who is controlling the time on this side?

Mr. ADAMS. I am.

The PRESIDING OFFICER. The time is controlled by the leaders of the respective parties or designees.

Mr. PACKWOOD. Mr. President, I ask unanimous consent that the time on the Republican side be under my control.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ADAMS. Mr. President, I ask unanimous consent that the time on the Democratic side be under my control.

The PRESIDING OFFICER. Without objection, it is so ordered.

Who yields time?

Mr. ADAMS. Mr. President, I yield such time as he may consume to Senator BUMPERS.

The PRESIDING OFFICER. The Senator from Arkansas.

Mr. BUMPERS. Mr. President, this legislation, S. 2, may not be perfect, but it seems to me that it is infinitely superior to the substitutes that are being offered here.

What we are trying to do, basically, is prevent some abuses in campaign financing, and, second, limit the amount of money that a candidate can spend in his campaign.

You do not have to spend 10 minutes in the cloakroom until somebody who is up for election in 1988 walks in, and you ask "How much are you going to have to raise this year," they say.

"Well, in the race in my State last year the candidate that won down there spent $2.5 million. So I figure I am going to have to raise $3.5 million."

I have not heard one single incumbent in this body, Democrat or Republican, suggest that he or she is going to spend less money than we spent by the candidate in his or her respective party last year.

I ran for reelection last year, and I noticed in the Senate spending records that I was 26th in the amount of money spent amongst successful candidates. I am sorry I was not 33rd, but 26 is not bad.

In spite of that, last year I ranked 26th out of 33 or 34 Senators up for reelection and yet I spent twice as much money last year as I had spent on all the seven elections I had been in prior to last year.

But my point is, my campaign turned out well even though I only spent one-tenth as much money as my opponent and won, but I didn't run because of money. There were a host of other issues, and the statistics are overwhelming that the people who spend the most money usually win.

Now, the reason I like S. 2 is because I think contrary to some of the arguments that have been made on the floor of the Senate, it is fair to challengers. If you have been a country lawyer from a town of 1,500 people and jump into a race with 1 percent name recognition against seven well-known Democrats and an incumbent Republican Governor, I will tell you, it is not fun trying to achieve recognition.

I want to make sure that people who want to challenge an incumbent in the future have an opportunity to do it, and the limits that are set in this bill will give any challenger that opportunity.

Something else: It will cause candidates to do something that we used to do, but don't do much any more, and that is recruit more and more volunteer labor. Nowadays if you have $3 million or $4 million or $5 million in the bank and somebody comes up and says, "I want to work for you," you do not say, "Are you willing to volunteer"; you say, "How much do you want?"

I know that Vice President Mondale had over 1,000 people on his payroll when he went to the Democratic National Convention. I am not criticizing. That is just the way the system works.

When I ran for Governor in 1970 I do not think on election day we had more than seven or eight paid employees, and now you hire everybody. It is almost like buying votes.

The point I want to make is that campaign spending is out of control. You can fuzz it up, and you can make all of those arcane arguments on the other side, but the bottom line is that campaign finance reform is desperately needed if we are going to save our political process.

Let me ask my colleagues what is the alternative. Look at the graphs and look at the charts for the last 20 years and see what has happened to the cost of running for office. When you talk about being a challenger out there like I was and a total unknown, what chance do you think that guy has now against a sitting incumbent Senator who knows he can go out and raise $1 million or $2 million with almost no sweat? And he can spend all he wants and if he happens to be rich he can literally drown his opponent in money.

I ran against an opponent one time, back when telephone banks were fairly new. He had 80 telephones, all computerized with a personal message from him, and this thing was programmed to call every single person in the State that had a number listed in the telephone book.

Mr. President, do you know what happened? That computer malfunctioned and it started calling people at 2 and 3 o'clock in the morning. It was one of the greatest things that ever happened to me. It woke up everybody in the State of Arkansas and gave them a 1 minute sermonette.

But what are the abuses? I looked over the last campaign financial reports and found that we have between 25 and 32 millionaires in the Senate. I want you to know I have nothing against millionaires. I have been trying to join them all my life. But you cannot say that a Senate with 100 Members and 32 of them millionaires is a microcosm of America.

The only people that are not genuinely upset, not only about that, but the way we are financing campaigns, are those that are not paying any attention. The people who are paying attention are genuinely upset because they see the corrosive effect that money is having on the greatest democracy on Earth.

There was a time when you could run a good respectable campaign in my State for $75,000 to $100,000. And today if you were going to run for statewide office and plan on spending less than $1 million, forget it.

Next year it will be $2 million and next year after that it will be $3 million, and on and on it goes. Where is it going to lead?

So what is the alternative? If you do not believe in campaign finance reform now when do you? If you think that if we do nothing now things will settle down, I ask you how?

As a matter of fact one time in 1970 I bought a 30-minute television slot at 7 p.m. for $150. Today 30 seconds of prime time on that same station will cost you $2,000.

Number one, is money corrupting? Does it influence the outcome of elections? Well, statistics overwhelmingly show that yes, it does.

I admit I am a little bit partisan on this and people on the other side of the aisle say, "Well, you Democrats just want to take something away from us."

I'm not positive, but I think last year the Republican Senatorial Campaign Committee raised $100 million and the Democratic Committee raised $12 million or $13 million, and we were in debt at the end of the campaign.

There is a little bit of a disadvantage there. The opponents raised eight times as much money as we did.

Then there is this question of bundling.

Was the Senator from Washington subjected to bundling last year?

Mr. ADAMS. I certainly was. I was subjected to it not as much as some others were but I can tell the Senator this: I do not mind being outspent 2 to 1. When I saw the $100 million of the Senate Campaign Committee for the Republicans and ours could not come up with even the bare minimum, the bundling just fell right on top of it.

Mr. BUMPERS. I can remember talking about your particular campaign. We said:

> Senator Adams has a great chance of being elected, but he just cannot get the money. If he could get the money, he could be elected, but he cannot get the money.

So it is a real tribute to you that you were able to pull it off even without matching your support in money.

But this bundling business to me is the most outrageous, insidious practice of all.

My opponent all of a sudden last year came up with $127,000. We wondered where on Earth he got it. We went to Secretary of State's office to look at who gave that money. My staff told me there was a list there that was almost 1 foot thick of the people who gave that $125,000 or $130,000. They started going through it and it was somebody from Colman, SD, somebody from Florida and people from Georgia and elsewhere, and they were $10, $15 contributions. The biggest one was $100.

We wondered how in the world all of those hundreds and thousands of contributions could have been given to my opponent; why all of a sudden have people who give $10 or $15 become interested in my opponent?

And the Arkansas Gazette was curious about it, too. So they started calling these people. They quit after they made 10 calls. They called 10 people and not one of them had ever heard of my opponent.

You ask, what on Earth is going on here? Well, that is where people send their money to the National Committee and they insert the candidate's name on the check, I guess, and they send it out to the candidate. What kind of political process is that?

So the bill, S. 2, would prohibit bundling. The legislation offered by Senator McCONNELL and Senator PACKWOOD does not sufficiently deal with the practice of bundling.

S. 2 puts a limit on how much money you can spend. S. 2 says that if you are a millionaire and you decide to spend a lot more than the limit provides, we are going to equalize things by helping your opponent. So if you are worth $100 million and you are prepared to spend $10 million of it for the honor of sitting in the U.S. Senate, we are going to try to level the playing field for your opponent. So the incentive for wealthy people to spend their own money is taken away.

I want to say here, in support of cleansing my own relationship with other Senators, some of the best Senators in the United States are the wealthiest. I am not suggesting they are not qualified. We have great Senators here that are wealthy. But I am just saying that the people would feel better about the political process if they did not think somebody was capable of buying a seat here in this body.

Candidates come in here bleary-eyed, red-eyed—somebody from New Jersey or Delaware or someplace else. "Where have you been?"

"Went to Los Angeles. Had to take that midnight flight back."

"Where are you going tonight?"

"Going to New York tonight."

"Where are you going tomorrow night?"

"Going to Chicago."

"Where are you going after that?"

"Going to Houston the night after that."

These people are elected by their constituents to come here and study the legislation and do the people's business and try to make this great system of ours function at its optimum. You cannot blame them for going out and doing what the system says you have to do if you want to serve here. But you can blame the Members of the U.S. Senate for sitting idly by and not doing anything to try to correct that problem.

We already have seven people in the Democratic Presidential primary and I expect a couple more will join. But my guess is that the overriding consideration for every one of them was whether or not they could raise the money, not whether they are qualified, not whether they had an idea or a vision for the future of this country, not because they had leadership skills and the country desperately needed them. The question was, "Can I raise the money?"

And you talk to every one of those seven Presidential candidates and ask them what they are doing with about 90 percent of their time and they will tell you they are on the phone pleading for money.

One of our best Senators decided not to run last year. And I was really saddened that he made the decision not to run. I walked up to him one day and I said, "I really am sad to see you go. Why have you made this decision?"

He said:

> Well, number one, I'm tired of laughing at things that aren't funny. Number two, I'm tired of answering hate mail. And, number three, I'm tired of going around with my tin cup out.

Those are all perfectly compelling reasons. I guess people somehow or other think we politicians are oblivious to some of the more demeaning parts of being a U.S. Senator. It is a great job and I love it or I wouldn't have worked so hard to get here. But it is not all a bed of roses. There are parts of it that can be very distasteful on occasion. And when that Senator, particularly when he said, "I'm tired of going around with my tin cup out," there is not anybody in this body, Republican or Democrat, that cannot relate to that.

Well, Mr. President, the amendment to S. 2 now being considered would limit the maximum amount of money that a candidate, under normal circumstances, could qualify for in public funds to 40 percent of the total amount available. So that if you are going to run for the Senate and the limit in your State is $1 million, the most you could get from the U.S. Treasury is $400,000.

And that brings me to the last point I want to make on this bill, and it is this: People say, "I do not want my money going to finance campaigns. I don't pay taxes to help somebody run for office." That has been the principal argument I have heard against this bill. And the refutation, that is, the rebuttal to that argument, has been made time and time again, and I am going to make it again.

First the Presidential race is financed by checkoffs on your income tax return exactly as prepared in S. 2. If you do not support public financing for the Presidential campaign, do not put an X in that box on your income tax return. And if you do not support public financing for Senate or House races, do not check that box on your tax return.

I will check it off, because I think this type of campaign funding may help to save a political system that I think is being corrupted by money.

I am not here to say S. 2 is a perfect bill. But to me you either believe that campaign spending in this country has reached a level where something must be done about it or you do not.

Now, this bill is going to be subject to further amendment.

There is a thing about this bill I do not like and I have not decided quite yet just how I want to address it. But, in my State, the fights are always in the Democratic primary. We will cast anywhere from 600,000 to 800,000 votes in the Democratic primary and the most the Republicans have ever cast in a primary is 20,000 to 25,000. There are usually about 200 precincts in the Republican primary and about 2,400 precincts in the Democratic primary and 95 percent of the people will vote in the Democratic primary.

Now, they may vote for a Republican in the general, but you can see the way the limits set in S. 2, skew most spending toward the general election. It used to be in all the States of the old Confederacy, whoever won the Democratic primary was considered a sure winner in the fall.

Not anymore. We are a two-party State. It took the Democrats in my State a long time to recognize that the Republicans were a viable party. My predecessor, Win Rockefeller, was the first Republican Governor since Reconstruction in my State. The dean of the delegation in my State is a Republican.

But all I am saying is, it is very common for people to spend two or three times as much getting the Democratic nomination as they spend in the general election and this bill assumes that you need the money in the general election a lot more than you do in the primary. And in my State, that is not necessarily so.

So what I am trying to figure out is some way that we could give a candidate the right to choose which election is more important to him. Maybe we can work something like that out.

Well, Mr. President, everybody is just about talked out on this bill. I do not know of much that can be said about this bill that hasn't already been said. This is the second time I have spoken on it and I do not think I have said anything different today from what I said the first time.

I just feel strongly that the amount of money we spend on campaigns is going to have to be limited. I think the amount of money that PAC's give must be limited.

I heard somebody on the other side say the other day they were going to offer an amendment that would eliminate all PAC contributions. They might get my vote on it. But I am not going to vote for a bill limiting PAC giving to candidates, but which allows PAC giving to the national committee and the State committees.

But, in any event, let us at least try to stop their filibuster and get on with the people's business. Then if you have an objection to it, offer an amendment upon cloture and let the Senate work its will. Then we can go home and face the American people and say, "We have done our best now. Let's try this and see if it won't improve our system."

I thank the Senator for yielding.

Mr. ADAMS. Mr. President, I hope the Senator will continue. I think what he has said has been an excellent analysis of what we have to do if we are going to bring this bill up and if we are going to have it actually happen.

There is one point he made at the end of his presentation that I hope everyone understands. There have been complaints about public financing in this bill. The whole purpose of the public financing portion of this bill and the shifting of funds from one candidate to another is to be able to establish limits on the amount that will be spent. Under the Supreme Court decision, without that, there is no way that you can limit the spending.

The point that the Senator from Arkansas has made was absolutely a factor in my race last time and I feel very deeply about it, which is that if your opponent has so much money starting, whether it is that opponent's own money, his or hers, but committed to it, or has received, either through a campaign committee or another source, an overwhelming amount of money, you never get into the game at all.

So that the political contest does not become what the people should have, which is a contest of ideas, and a contest of who will govern better. Instead, it becomes a contest of who is a viable candidate.

Viable candidate, I speak from experience, does not mean how many years you were Governor, how many years you did something else, what kind of a person you are. Viability, under the present rules, starts with A. No. 1: Do you have enough money that when you arrive at the primary date? Our State is much like the Senator's State; not because we have the same kind of primary but because we have an open, blanket primary. You can vote on either side for either candidate, which makes it like a little general election. So, if you do not have enough money in that primary to at least be able to say to your volunteers and other poeple: We will be in the game; we will be able to establish a media presence—not as much as the other side, never raise that much money, but enough to at least let people know that you are there and that there is a contest—then there is no contest.

So, I think the Senator's remarks are very appropriate and I hope that we will vote cloture today so that we can deal with a fundamental American political problem, particularly in the Senate of the United States. Because, if you are running a statewide race now, it requires that you have enough funding, or that neither of you has any funding. But, if one is on the public media, whether it be radio, cable or the network stations, and the other one is not, I think it was well pointed out by one of the other Members while we were discussing this: You could start on day one of the year before the campaign, and shake hands every day for 8 hours, all day, and you would never reach enough of the people to make a contest.

That is particularly true of States like Arkansas and Washington, which are not little States, but they are not big States either, but they are clearly dependent upon the people knowing there is a contest.

Then the shaking hands, the seeing people, the speeches take on meaning in each town as you go through. But if you are just somebody that is out running and your opponent is incredibly well-financed and has bought up all the media—which is another thing. That is unless you have cash up front, your opponent can go to the stations and buy up all the time. That is what is involved with what the bill we have before us is trying to address.

I do not know of any television stations, at least in my State—I might ask the Senator about his State—that give you television time on the cuff. I mean, it has to be in cash, paid so many days before you arrive; your copy has to be there, and so, if you have had your money cut off by somebody saying that you are not a viable candidate, you never get to them at all.

Mr. BUMPERS. The Senator is right.

Mr. ADAMS. I appreciate the Senator's comments.

Mr. PACKWOOD addressed the Chair.

The PRESIDING OFFICER. Who yields time?

Mr. PACKWOOD. I yield myself 5 minutes.

The PRESIDING OFFICER. The Senator from Oregon.

Mr. PACKWOOD. The Senator from Arkansas has left the Senate with a misimpression that I think was unintentional. He talked about the checkoff. He said, "If you don't want to give any money to the campaign, don't want it to go to the wrong candidate, don't check it off." He said, "I am going to check mine off."

Mr. President, this is not a checkoff of a tax refund, nor is it a checkoff of taxes that you might otherwise pay. This is nothing more than a checkoff that says: "Take $2 out of the general fund and give it to the candidates."

It is going to take roughly $300 to $500 million per election under this bill to fund the House and Senate races. That checkoff means: Take $300 to $500 million away from everybody and give it to the candidates. Take $300 to $500 million away, even from the people who say, "No, darn it, I am not going to do the checkoff. I don't want my money to go to some candidate I don't support."

Mr. President, your money is going to a candidate you do not support under this system. Do not allow yourself to think that the checkoff is your money, personally, individually, or that it is coming out of your refund or your taxes. It is not. It is coming from our collective taxes and it is going to force people, with public funds, to finance candidates they do not wish to finance. No one should be operating under any other impression than that fact.

I thank the Chair.

Mr. DOMENICI. Mr. President, will the distinguished Senator yield me 5 minutes?

Mr. PACKWOOD. I yield 5 minutes to the Senator from New Mexico.

The PRESIDING OFFICER. The Senator from New Mexico is recognized for 5 minutes.

Mr. DOMENICI. Mr. President, America needs balanced election reform.

The American voters deserve a fair-shake-for-all election law, one that stresses people, not PAC's.

It is for that reason that I am supporting dramatic changes in the Federal election law to prohibit any—I repeat, any—contribution by a political action committee, a so-called PAC, to individual candidates for the Senate or the House of Representatives.

Why do I support such a radical change?

I am not doing it because I think PAC's are evil, or that PAC's use influence in an unhealthy manner. I don't believe that. But I do believe PAC's are farther from the people, and, given the decisions of the Supreme Court, PAC control appears to be the only constitutional way that is responsible to hold down the cost of congressional elections.

What no-PAC approach would achieve is a reversal in the rapid rise in campaign spending, and return politics to people.

This no-PAC approach, sponsored by the distinguished Senator from Kentucky [Mr. McCONNELL] and my very good friend from Oregon [Mr. PACKWOOD], reasserts the influence of the small contributor by holding the lid on personal contributions at the present level, $1,000. I am proud to be a cosponsor of this bill, S. 1308.

The certain result: Spending on campaigns will drop significantly, something the American people demand.

There is no doubt that campaign spending is out of hand. During the 1986 elections, business and labor PAC's poured $45 million into Senate campaigns. That is about $1.3 million per race, a staggering total. Those same PAC's spent $87.2 million on campaigns for the House of Representatives.

The American public dislikes the sharp rise in campaign spending. I do not like that trend. Some calling for "reform" now want the cost of campaigning shifted into the pockets of the taxpayers.

Yet the public focus is PAC's, not taxpayer dollars. PAC spending on races for Congress jumped by more than 25 percent from the 1984 campaign to the 1986 campaign. While personal contributions were up too, they rose by much less, about 18 percent.

So I have concluded that one effective way—probably the best way—to resolve the problems caused by the deluge in campaign spending is simply to drain the PAC cash out of campaigns. Let individuals decide who gets campaign dollars.

The first three words of the Constitution are key: "We The People." Politics is people; let's encourage that. Individual—and voluntary—participation builds a successful campaign; it builds a successful government.

When I first ran for the U.S. Senate, I used a slogan, "People for Pete." I used it again in 1978, then again in 1984. I intend to use it when I run again.

Why? First, it does possess a nice, catchy alliteration. But the real reason I use the phrase "People for Pete" is that I believe it expresses what politics is all about, or what politics should be all about. And yet, as the Senate debates S. 2, the major alternative is a plan to finance a large portion of future Senate campaigns directly with tax dollars, to convert my next campaign into "Taxpayers for Pete."

That is wrong. Daniel Webster spoke of "the people's government, made for the people, made by the people, and answerable to the people." How can you achieve that with a campaign bankrolled largely with taxpayers' dollars?

When I ran for reelection in 1984, I was supported with some 20,000 individual contributions, the most in the history of New Mexico. Personal contributions ranged from $1 to the legal limit, $1,000. I raised over $1 million in this way, most of it from my friends in New Mexico. Some may argue that no one else can match that enthusiasm in New Mexico. Maybe, maybe not. But is that not what the political process involves?

So, I am convinced that the McConnell-Packwood approach, S. 1308, is first and foremost a people's bill, one that emphasizes the role of the individual in politics.

The McConnell-Packwood bill also tackles the danger posed by the super-rich candidate. As a result of a Supreme Court decision, candidates may lavish family treasure onto a campaign to buy a Senate seat, despite limits on other givers. Millions in family money has been spent by some wealthy Senate candidates, men who are members of this body.

Following the plan in my own election reform bill, S. 625, the McConnell-Packwood bill places a practical limit of $250,000 on self-funding by wealthy candidates.

S. 1308 also requires additional public disclosure, particularly on the financing of get-out-the-vote drives by business and labor.

Best of all, S. 1308 makes these improvements without spending a dime of our tax dollars. The McConnell-Packwood bill leaves congressional campaigns where they belong, in the hands of individual members of the public, outside the grasp of the tax collector, the PAC's and the super-rich.

Those are the strengths of McConnell-Packwood, ones also found in S. 1326, the proposal of the distinguished Senator from Alaska [Mr. STEVENS]. The Stevens approach does not go as far. It cuts PAC limits, but does not eliminate PAC contributions directly to candidates. Nevertheless, it is still an excellent step forward.

These are the strengths of those two approaches. And they are the weakness of the reported version of S. 2, as well as the substitute offered last week by Senator BYRD. These variations on S. 2 simply solve all our election problems and distortions by reaching into the pocket of the taxpayers.

The irony, of course, is that S. 2 started through the legislative process as a PAC-control bill, not a taxpayer-financed scheme. Through a little sleight of hand, S. 2 suddenly emerged as a tax-financed bill, without much in the way of PAC controls. Under these versions of S. 2, a PAC can continue to donate $5,000 yearly to a candidate for primary campaigns.

Is that really the kind of election reform we want?

If S. 2 fails to control the top-dollar PAC giving for primaries, what does it do? First, it will require an expenditure of something between $50 million and $100 million in tax dollars every 2 years for Senate elections, then recycle that money back in a deluge of TV ads and bumper stickers. Do we really want that kind of "reform"? If it were broadened to cover the House of Representatives, it would pick as much as $400 million out of the pockets of the American taxpayer per election.

I know, I have heard the argument that S. 2 is "voluntary." It is about as voluntary as paying your taxes every April. What it really creates is a new Federal entitlement.

Do we not have enough problems with entitlements without putting Senate candidates on the dole?

But I would agree that S. 2 offers an ingenious approach. Let me describe how it would work, as redrafted in Amendment 305 by the distinguished majority leader [Mr. BYRD]. The amendment sets a spending limit for any candidate who "voluntarily" accepts tax money, then makes a privately financed, non-taxpayer-financed campaign prohibitively unattractive.

No candidate in his or her right mind would ignore the Siren's song of all that free Federal cash in S. 2.

If you doubt me, just look at how S. 2 works. And I will take the State of New Mexico as an example, a good one since 19 States would have the exact same limits. In New Mexico, a $950,000 spending limit is set for a Senate candidate, in return for a promise of taxpayer dollars to finance that campaign.

Once a Senate candidate in New Mexico or another of the States with smaller populations, raises just $150,000 as an "entry fee" from as few as 600 contributors, that candidate goes to the U.S. Treasury to receive a tax dollar for every future dollar the candidate raises toward the additional $800,000 that he or she will be permitted to spend. If the candidate raises $400,000, the taxpayers contribute $400,000.

In other States, the entry fee would be higher, along with the potential taxpayer contribution. In Texas, an entry fee of $650,000 raised from 2,600 contributors nets the candidate an opportunity to receive $1,449,000 from the taxpayers, if the candidate can raise that much from contributors.

Aren't we cutting the link to the individual? Where is the Government "answerable to the people?" as Webster said.

Moreover, these entitlements are not limited to the major parties, the Democrats and the Republicans. Any third, fourth, or eighth party candidate who raises that $150,000, or whatever the entry fee may be, becomes eligible for a chest full of matching taxpayer cash.

Can you imagine the fringe candidates who will suddenly buzz around that honeypot of cash?

For the sake of argument, there might be a candidate somewhere who decides to ignore all that taxpayer largess because this candidate opposes, in principle, the idea of taxpayer-financed campaigns. This candidate might decide to go to work to meet his or her campaign needs by raising all of his or her own campaign cash. That would be quite legal under S. 2.

But is it realistic? Aren't we pulling a fast one in the name of giving the public an option? In New Mexico, the taxpayer-financed candidate raises the $150,000 entry fee, then receives an additional $400,000 in tax dollars for the $400,000 raised separately.

Meantime, the "high-principled" candidate goes out and works hard to raise a like sum with no Federal help. But the moment the "high-principled" candidate raises even $1 over that $950,000 spending lid on the taxpayer-financed candidate, the on-the-dole candidate receives another check from the U.S. Treasury, doubling his campaign war chest with another $950,000.

In New Mexico, the taxpayer-financed opponent could receive as much as $1,350,000 in total taxpayer cash under S. 2: The initial $400,000, plus the additional $950,000. Over in California, a Senate candidate could receive as much as $7,925,000 in taxpayer cash.

That buys a lot of bumper stickers.

Is there any doubt that every candidate under S. 2 will start at the Treasury window? They will start at the Treasury window in the general election, of course, only after they have loaded up on PAC money during the primary.

Part of the appeal of S. 2 is that it would lessen the blizzard of campaign advertising. We may give the public just as much; it may simply cost less. Another aspect of S. 2 is that the taxpayer-financed candidate will receive cheap TV advertising rates, the "lowest unit rate" available.

If a candidate under this bill should decide to forgo the taxpayer entitlements and go his own way in campaign financing, that candidate does not receive cheap TV.

And there are other problems that seem to pose real difficulties in this bill. There has been a lot of discussion of the supposed need to control those outside, and independent, political committees that have become involved in some races.

Under S. 2 and amendment 305, if a committee totally outside the control of the candidate decides to get involved in the campaign on the candidate's behalf, the opponent of that candidate will receive a bonus entitlement, cash equal to the value of that outside campaign.

Section 504(a)(3)(B) of amendment 305 provides tax cash "equal to the aggregate total amount of independent expenditures made or obligated to be made in the general election involved by any person in opposition to, or on behalf of an opponent of, such eligible candidate."

Can you imagine the mischief that will be possible under this kind of a provision?

That will be cash over and above the $950,000 he or she already has in the bank, in our small State example. So one candidate gets cash, and the other receives the possibility—the possibility—that the outsiders actually have helped.

And there are other problems for candidates. No longer will any candidate have access to national or statewide party help. S. 2 places a penny-per-eligible-voter limit on what State and local parties may spend on any candidate's behalf. This works out to about $10,000 for campaigns in New Mexico.

Mr. President, amendment 305 and S. 2 are proposals that are flawed, seriously flawed. They are proposals that need to be redrawn along the lines of the McConnell-Packwood bill, a bill that offers realistic election reforms, legislation that achieves reforms without picking the taxpayers' pockets.

I urge my colleagues to work to develop legislation that reforms campaign financing laws to hold down spending, but to do it in a way that stresses individual givers, not the taxpayers.

Mr. President, the other day I had a colloquy with my friend, Senator PACKWOOD, on the so-called election reform that is before us, discussing how Senate and House Members ought to pay for their own campaigns, and what is the role of the Federal Government.

Mr. President, we now have an amendment to the bill I addressed that day. Let me, for a few minutes, discuss how the Senator from New Mexico perceives this issue.

Mr. President and Members of the Senate, the fact that the U.S. Supreme Court has ruled as it has, with reference to limitations on expenditures for the U.S. Senate, makes it very difficult to place restrictions on what can be spent. I am very thankful in this 200th year of the Constitution to have had the privilege of reading some of the history of how our forefathers put the Constitution together, how the Bill of Rights arose. I am literally thrilled when I read how this has worked, how we became a country of laws, and how the U.S. Supreme Court became the real interpreter of basic rights and concepts under this doctrine.

And so while I, and maybe 90 Senators may argue that we do not like the way the Court ruled, thank God for those 200 years. They have ruled, and, therefore, it is the law. That decision says that if you have $5 million, and you want to spend it, you can spend it. That decision says that independent entities wanting to advertise against Senator PETE DOMENICI are free to spend whatever they want. That decision says nobody can tell me I can only spend a half-million dollars, provided I follow the rules with reference to disclosure and other things.

So long as we try, in some circuitous way, to find a way around that, and so long as the lubricant to get around that is public financing, then let me suggest that the medicine is probably worse than the ailment we are trying to cure.

I am firmly convinced that while most Americans, including the people in my State of New Mexico, think campaigns cost too much, they believe by a much larger percentage that the taxpayers ought not pay for those campaigns.

The message, to me, is very simple, very forthright, and very clear: We are going to have to find some other way to get around the decision of the U.S. Supreme Court, which says we cannot put campaign limitations on anyone running for the U.S. Senate, unless they agree to them. If we continue to try to build a law on public financing, let me repeat, I believe that the medicine is worse than the ailment from which we suffer.

That is the essence of why many of us on this side of the aisle say this is not reform. All we have done is to substitute the taxpayers of the United States as the principal funders of elections for U.S. Senators. So long as that is the essence of the reform, we are not going to support it. All those ads in support of reform will not work. We should apply truth in advertising, and put in equally bold letters, when they talk of the evils of PAC's: "We are substituting taxpayers paying for Senate elections."

They might just as well not run the ads, because the American people do not want that, either. That is why we are here on the floor.

S. 2 purports to be voluntary. But when you look at it, you are really stuck with accepting public financing for a large portion of your campaign, to the tune of as much as $100 million in cost to the taxpayers. The amendment changes it slightly, but when you add it up, it is not voluntary at all.

When you reach the limit you are supposed to voluntarily agree to, you may still get a big taxpayer bonus. If the other fellow did not want to accept Federal dollars, because the Senate has said you should not limit him, then you may get a very huge bonus, in the case of my State, another $950,000 from the taxpayers. That is to make up for the energy, enthusiasm, and perhaps downright orneriness of sombody who says, "I'm not going to take tax dollars. I'm going to do it myself."

As I understand it, this is the way around the U.S. Supreme Court decision, short of changing the Constitution, and I assume there are even some suggestions to that effect. If you cannot find some way that Congress thinks is reasonable, change the Constitution. But that will not be easy, either, because the only way to change it would be to give Congress the authority to decide what the rules should be for our elections. I am not sure that the American people will be too excited about that.

Mr. PACKWOOD. Mr. President, will the Senator yield?

Mr. DOMENICI. I yield.

Mr. PACKWOOD. You are one of the people who proved that you can raise thousands of dollars or hundreds of thousands of dollars in small amounts from your constituents. You had in New Mexico, which is not a big State, over 20,000 individual contributions.

Mr. DOMENICI. That is correct.

Mr. PACKWOOD. There is not a single thing, Mr. President, that "reformers"—and I put that in quotes—want to accomplish that cannot be accomplished without public financing. You want to get rid of the PAC's and special interests? Get rid of them. Provide that they cannot give any money to candidates or the party, or bundle, and cannot spend it as soft money.

Next, you want to get the expenditures down? Instead of a $1,000 limit, put on a $500 limit, a $100 limit. That will bring spending down.

Senator DOMENICI has proved what you can do. If people believe in you, as they believe in him, you can raise thousands of dollars in small amounts from people in your State. Does it take work?

Mr. DOMENICI. Absolutely.

Mr. PACKWOOD. You have to talk to those people.

Mr. DOMENICI. You have to go to a lot of meetings.

Mr. PACKWOOD. You have to go to a lot of meetings and say, "Give me $10."

Mr. DOMENICI. You have to beg them.

Mr. PACKWOOD. It is work.

So the choice is going to be, are we going to work or is the taxpayer going to work? It is a lot easier for us if the taxpayer works. Give us the money, and we will not have to work.

Mr. DOMENICI. I thank the Senator for raising this issue.

Frankly, I am not one of the Senators who thinks that PAC's are evil, per se. I have used PAC money. I do not think they have an undue influence on elections. But there should be full disclosure. If we are going to keep PAC's, we ought to make evey one of them tell us what their principal goal is. We should know that the Fred PAC is a lobby for Colgate-Palmolive, or that Uncle Willy's Foundation, which has a PAC, is part of General Motors.

We need disclosure. I am not one who thinks PAC's are inherently evil. I am not one who thinks that they have an undue amount of pressure. I have not felt that myself, having taken PAC money. But I have found that since PAC's have come into existence, there has been a tremendous flaming of the fire of increased costs for campaigns.

I thought that was what we were trying to fix. That was when we all said let us reform this; let us get the costs down. There is no question we can do away with PAC's. They are our creature. They have been found valid by the U.S. Supreme Court as a mechanism for collective financing of campaigns; the court will find any reasonable regulation, including abolution, constitutional.

I agree with the Senator: If you want reform, do away with them; not $1,000 or $5,000; not a dime. Have every Senator ask individual constituents in his State or in this country to contribute. If you do not want individuals to give over $1,000, put $500 in. It just means you have to spend more time raising money, which is onerous and difficult. If your opponent is very wealthy, he can be campaigning while you are raising money. We will try to make it a little more difficult on the wealthy in anyone's bill, will we not? As I understand it, each bill—the McConnell bill, the Stevens bill—has the Domenici suggestion.

Mr. PACKWOOD. One of the great additions to these bills is the Domenici antimillionaire loophole closure. It works for anybody who wants to spend their own money. As you provided, then the contribution limit to you or the other poor person goes off.

Mr. DOMENICI. Put them on a par.

Mr. PACKWOOD. Put them on a par. We hope that will be a sufficient threat to the millionaire that he will try to raise his money in small amounts from the State or the country, also.

Mr. McCONNELL. Mr. President, will the Senator yield?

Mr. DOMENICI. I yield.

Mr. McCONNELL. In response to the Senator's question, the Byrd-Boren bill does not include the provision of the Senator from New Mexico, which provides for higher contribution limits from others. The bill of the Senator from Oregon and myself does include the inspired suggestion of the Senator from New Mexico.

Mr. DOMENICI. Frankly, if we should get to the point where the subject matter is the amendment of the substitute by the majority leader, I would ask the Senate to vote on the antimillionaire, pay-for-his-own-campaign inhibition proposal of the Senator from New Mexico.

We have had 8 or 10 people who spent $3 million, $4 million, $5 million, and one who spent more than $10 million of his own money. We ought to at least let the opponent get out from under other limitations. We will offer that, and I asssume you will support that proposal.

Mr. McCONNELL. Absolutely.

The only provision that the Byrd-Boren bill has to counter the millionaire is the second title, which is triggered when the millionaire encroaches on the limit.

Mr. DOMENICI. So we trigger that by spending more tax dollars to compete with the extremely rich person.

Mr. McCONNELL. The Senator is correct.

Mr. DOMENICI. As much as I want to do away with the unfairness of the extremely rich person using his own money, I would favor opening the doors to the public, on behalf of the opponent who does not have a lot of his own money, rather than using taxpayers' money. It would work.

You take the $1,000 limit off and make it $10,000 or $15,000 and he can go to his people around the country, and they will help him on the basis he has someone who is going to put in millions of his own. He can fund it on his own; he does not need the tax coffers to do it.

Mr. President, I do not have much more to say. As I indicated in my prepared remarks, I have tried to analyze this situation. I have given you my thesis of why this will not work, and why we ought to stop trying to end-run the U.S. Supreme Court decision with one effort after the other, when the centerpiece of that effort is public financing.

I hope everybody understands that. At least for this Senator, that is why I oppose it.

I favor reform. I have just indicated I would be for as dramatic reform as you can get: Do away with all the PAC's; limit the individuals to less than $1,000, but do not use the tax coffers, and do not limit the ingenuity of an individual, do not limit his ability to ask his constituents and other individuals.

I want to make one other point about the substitute before us. In analyzing it, I found another thing that is most interesting.

As I indicated a while ago, we have this U.S. Supreme Court decision that, while many of us may not like it, it is a decision consistent with our 200-year heritage. It is the law of the land. The provision says that independent groups who have no connection with a campaign can spend as much as they want, and we cannot limit them. There is a very intriguing section in the Byrd substitute with reference to that. I am intrigued by it because I think it is very, very dangerous.

Let me tell you what it says, and what it does.

Very simply, I say to my friend, Mr. President, the junior Senator from Georgia, sitting in the chair, when and if you choose to run again, this amendment says that if an independent group spends money in opposition to you, you are entitled to taxpayers' dollars, dollar for dollar, for every bit of cash the independent entity spent.

That sounds neat. It sounds like we have found a way to get around the U.S. Supreme Court decision in the Valeo case, and say to those independent groups "We do not want you doing this."

But I say to my friend sitting in the chair: What about the other fellow running against you who did not get any negative ads? He does not get any extra taxpayers' dollars to match your added taxpayers' dollars, which you get in this bill.

I see the seeds of mischief. I see independent organizations coming into a State, with the intention of helping a candidate by running innocuous anti-ads. They might just be repetitious. They might run an innocuous ad in every newspaper for 3 months knowing full well that it is having no negative impact. But it says, "Don't vote for Jim Jones, he doesn't believe in Christmas; he is a bad guy."

And sure enough, Jim Jones, runs to the tax coffers and says, "I've got evidence that they spent a half million dollars against me; give me the half million dollars."

This bill says he gets it. That other fellow running, who did not get the ad run "against" him by the independent group does not get the half-million dollars bonus, because no independent group came in.

Mr. President, every time we attempt to plug one of the provisions that the U.S. Supreme Court found to be within our freedom of speech, whether we like the opinion or not, every time we try to plug one of those interpretations, we invent something that is equally mischievous.

Picture this situation. The Democratic Party puts up a liberal in New York. The Republican Party puts a conservative. The Conservative Party puts up Suzie Smith and the Right-to-Life Party puts up Johnny Jones. They do not intend to run as serious candidates but they get Federal funding and all three of them, right-to-life, the conservatives, and the liberals all take out after the Democrat. The Democrat does not even get any additional matching funds. These are not independent expenditures. They all get public money and the Democrat gets it only once.

It is not hard to qualify for Federal money. All you have to do is raise your threshold, 75 percent in your State and 25 percent someplace else, and you qualify for Federal money. You get funds. These are not independent expenditures.

Your opponent does not get any matching funds out of the Treasury.

If you want to break down the two-party system further, you want to encourage minor parties, do you know how many single-interest groups you would have in this country that would have no difficulty raising the threshold amount to qualify for Federal funds to get on the ballot to run against the incumbent? A piece of cake.

Mr. DOMENICI. Certainly that is not 3 or 4; that is 300 or 400 at least.

Mr. PACKWOOD. I think so.

Mr. McCONNELL. Mr. President, will the Senator yield on that point further for a brief observation?

Mr. DOMENICI. I am pleased to yield.

Mr. McCONNELL. Just assuming one independent candidacy in each State, just one, and I think there would be a proliferation of candidates under this new system, but just assuming one independent candidate in each race and assuming an independent expenditure level to which public funds could be gotten to respond, an independent expenditure level at the same level of 1986, you are going to have under S. 2 a 28-percent increase in spending reduction, I say to my friend from New Mexico, but an increase in spending, a conservative estimate of a 28-percent increase in spending of dollars with most of it coming out of the Treasury.

This bill is not to cap spending. It is going to set spending off in a whole new direction at the expense of the taxpayers.

Mr. DOMENICI. I do want to close on a lighter note. I have been trying, Mr. President, because it is the 200th anniversary of the Constitution, to read a little bit about the Constitution. I read a marvelous book, and I have been touting this book wherever I speak. It is called "Miracle at Philadelphia." The author of the book is Catherine Bowen. It bears a little bit on this discussion because they had a very serious discussion in Philadelphia about the terms for U.S. Senators. I would like to relate a little anecdote about our terms.

When the Senate first started, we were appointed, not elected, because we were supposed to represent our States. They had a lengthy debate in the Constitutional Convention to make sure that the very large States did not totally dwarf the small States. In fact, Rhode Island did not even go to the convention. It was so small, it was afraid they would not even be heard. So, all 13 States were not there.

But, when they got to the length of our terms, one of the very distinguished men got up. He was very well educated, but he had an interesting background. His father was a shoemaker. "You know, it takes 7 years to teach a man how to be a shoemaker," he said "I think the term for Senators ought to be 14 years, because clearly it ought to take about twice as long to learn how to be a National U.S. Senator than it takes to learn how to make shoes."

I do not know how I would have voted had I been there. Obviously, that discussion did not eliminate the debate that we have had here today because, whether it occurred every 6 or every 14 years, we are still confronted with the U.S. Supreme Court telling us what we can and cannot do. Each time we find some way around it, it is almost as bad as what we are trying to cure, at least that is the view of the Senator from New Mexico.

Mr. President, I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. ADAMS. I yield such time as I may use.

The PRESIDING OFFICER. The Senator from Washington [Mr. ADAMS] is recognized.

Mr. ADAMS. Mr. President, I find this debate is very interesting in the number of assumptions that are made—assuming a party will be in the field, assuming two parties will be in the field and assuming a number of things that may happen.

I know that the person in the chair, the Acting President of the Senate, shares with me the agony of the last campaign. And I might state that I have run seven times before for the House of Representatives and ran this time for the U.S. Senate. And the problem we are trying to address—and this goes to the substitute that is presently pending—is that, in an effort to bring in both parties into this process so that it was not considered in any way to be either a Democratic bill or a Republican bill or an incumbents bill, an effort was made to reduce the amount of money that was to be offered to a candidate to make certain that that candidate was able to operate in the modern age. And by the "modern age," I mean the electronic age, which requires cash on the line and cash on the line early on.

We have in the substitute a proposal that says we will require not only threshold money from the candidates so that these small contributions must be made, but also that the candidate will not receive full funding from the public financing but just enough to make certain that that candidate has an opportunity if the opponent makes a decision to simply try to use an overwhelming amount of money to win the campaign or prevent the opponent from being in the race at all.

I think that is very important because we hear these large sums of money being talked about that the taxpayers are going to have to pay. Actually, the campaign structure, as proposed in the substitute, involves mainly voluntary money. But what it does do, as mentioned by the Senator from New Mexico, it provides some incentive to prevent the person with a great deal of individual money or with access to that money or with access to a party treasury that is overflowing with money from preventing there being a race at all, from preventing the political process from working.

Many of the civilized democracies of the world use short seasons to elect, use limitations in amounts of money. We have not even tried, those of us who are interested in campaign reform, to bring those forward because of the Supreme Court decision, but, instead, have simply said that a candidate must raise enough money to be known to be a candidate but then cannot be shut out of the electoral process. And this is not just the excesses of large States.

I think it is very interesting, the comment made by the Senator from New Mexico, that the Constitution was basically founded in terms of the Congress on the proposition that certain States having large populations should not be able to dominate the other States which did not have the large numbers. And, yes, in the original system, Senators were not appointed. Senators were selected by the legislatures of those States so that they represented the smaller States. A good compromise; in fact, many have said it was the compromise that enabled the Constitution to be ratified. So the Senate does have a component in it of States that are perhaps smaller in size. Though, as I have previously stated, a State that has seven or eight congressional districts is not necessarily a small State. But the same kind of rules apply.

But let us look for a moment at what is happening in the small States which are supposed to be represented in the U.S. Senate, almost like going on the ark two by two, rather than with large numbers.

What happened last year in some of these States is simply staggering, in terms of the comments that have been made by my good friend from New Mexico that you can raise money in these small States and you will be able to overcome any advantage, be a credible candidate, you can reduce the amounts people give, all of these kinds of assumptions. But rather than talk assumptions, let us talk what really happened. People have heard about in California there was a $23 million race and that in Florida an epoch that cost almost $13 million. When you get down to it, in California and in Florida, the cost per voter ran around $3 to $4 per vote.

But let us look at what happened in the small States—this place where we are going to be able to raise money easily and not have the problem of overwhelming advantage to either an incumbent or to a wealthy person.

In South Dakota, 45th of the 50 States in population, they competed in that race for 293,000 people. That is the total number of people in the State. The spending in that State was $6.8 million. That comes to a cost of $23 for every voter in the entire State. And all of us know that not everybody votes and certainly not everybody contributes.

So start to think what you would have to do if you had a situation as was true in that State where it was almost divided in the number of votes and you had to raise $3 million. There would not be, and there was not, any way to do it.

In Nevada, the candidates had $4.7 million out of an eventual 280,000 voters, $19 apiece.

In Vermont, $3.2 million across 190,000.

In North Dakota, the average was just over $11.

What we are talking about here is not an attempt, as I mentioned earlier, to simply say that the taxpayers need to take care of all the people who are running. What we are saying here is that the system has been so warped by the total amounts of money that it becomes a money game rather than a people contest.

The substitute we have offered says that we will reduce the total amount of money so that we do not have as much participation but maintain the principle, the key principle, that someone can at least reach these 293,000 people in a small State, or 194,000 people, by appearing in the only way you can in a small Western State, in the electronic media. They are not in large, concentrated cities. You go to every town, but to go to every town you have to let people know that you have a name, a face, a proposition to talk about, and then you arrive in that town not matching the amount of money of your opponent but simply being an opponent.

This bill was never designed to match everything that could be spent by every possible candidate. It was carefully designed by Senator BOREN and a number of others, to whom we want to pay our compliments, to simply be certain that a person that tried to buy an election had a penalty for trying to do that, and that the other person in that election at least got into the contest.

It is a very simple bill. It is not a complicated measure to federally finance all things. It is a matter of elemental fairness. This is sensed, I believe, throughout the entire country.

I do not know anybody that you talk to generally throughout the country who does not say, "Wait a minute, this total money thing is out of hand." If we had a different solution, we would offer it.

We have had the opponents, the Senator from New Mexico, the Senator from Oregon, admit that the only way anybody has been able to think of to put a limit on under the Valeo case from the Supreme Court was to use public financing and make people accept limits. We did that in the Presidential elections. It works very well in the Presidential elections.

So, Mr. President, I hope that we will at least be allowed to proceed with this bill this afternoon. At 5 o'clock today, every Senator will have the opportunity to say, "We at least want to try to do something about this horrendous money machine, at least try."

That is what this cloture vote is. It is to proceed on this.

It is an incredible matter that we cannot even get to proceeding with the bill. That is what it is all about today.

Tomorrow we will argue the merits some more, but I urge my colleagues to vote for cloture today so that we can proceed to give elemental fairness to people in the United States to see their candidates.

Mr. President, I ask unanimous consent that the Senator from Oklahoma, Senator BOREN, be in charge of time on this bill in place of myself.

The PRESIDING OFFICER. Hearing no objection, it is so ordered.

Who yields time?

Mr. McCONNELL. Mr. President, I believe I am in charge of the floor when Senator PACKWOOD is off the floor.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. McCONNELL. I thank the Chair.

Mr. President, with reference to the just completed speech of my friend from Washington, in terms of the evils of spending a great deal of money in small States, I think it is interesting to note that South Dakota, which was singled out by the Senator from Washington for its large spending, and he is correct, on a per-voter basis, the spending was greater in South Dakota than any other State. It is also interesting to note that the turnout was higher in South Dakota than any other State.

Mr. President, a number of people in support of S. 2 have said over the course of this debate that this is big spending, that all these races were driving down the turnout of the American people. Frankly, Mr. President, the facts are exactly to the contrary. The States in which there has been substantial spending, and, of course, that means substantial competition, are the States in which the turnout or the participation has been the greatest.

In South Dakota, as I indicated, on a spending-per-voter basis, it certainly was first in the 1986 cycle, first in spending but first in turnout. People in South Dakota obviously got very interested in that race. It was a tough race with lots of competition. Approximately 85 percent of the voters, Mr. President, turned out in South Dakota as a result of that intensely competed-for Senate race.

In Vermont, they numbered second in spending at $8 per voter, ranking fourth in turnout.

Idaho, Mr. President, which ranked third in per-voter spending, was second in voter turnout. Obviously, it stimulated a good deal of interest in Idaho as well.

In North Dakota, Mr. President, which was fourth in spending on a per-voter basis, they were tied with South Dakota in voter turnout, clearly a hotly contested, well followed race in which a huge number of people in that State chose to participate.

The only aberration in the top 10 is Nevada, a State which ranks fifth in per-voter spending. They came in 15th. They tied with one other State in voter turnout.

But the trend immediately turns back in the direction the Senator from Kentucky stated. Alaska, ranked sixth in spending, was fifth in voter turnout. Oregon, which ranked seventh in spending, was third in voter turnout. Colorado, which ranked eighth in spending, was seventh in turnout. Louisiana, which ranked ninth in spending, was eighth in turnout, tied with two other States. Missouri, 10th in spending, was 12th in turnout, tied with two other States.

Clearly, Mr. President, there is absolutely no correlation whatsoever between the amount of participation or spending on the one hand and voter turnout on the other unless it is that the spending and the participation produced a greater turnout.

You look at the States in which the turnout was low and the spending was low because there was not much competition and there was not much interest.

The cap in spending, Mr. President, is something that does not cry out for a solution. The Supreme Court was wise in deciding that it was unconstitutional to put a limit on participation in America. Participation as evidenced by the contributing of money to candidates of their choice has increased the voter turnout and increased the interest. There is no correlation whatsoever between the allegations that have been made and that somehow the spending was turning off the voters.

I think that chart more than demonstrates, Mr. President, the falaciousness of the thinking that somehow all of this participation, as represented by financial contributions to candidates of our choice, is somehow driving the voters home. There is simply no truth to that suggestion.

Mr. President, I yield the floor and I see no other speakers on our side at this moment.

Mr. BOREN. Mr. President, how much time remains on this side?

The PRESIDING OFFICER. The Senator from Oklahoma controls 36 minutes.

Mr. BOREN. Mr. President, I yield 5 minutes to myself.

Mr. President, I am very pleased to announce to my colleagues in the Senate that the League of Women Voters of the United States has today decided to endorse cloture on Senate bill 2, and they have sent a memorandum to all Members of the Senate which I hope will be very seriously considered by our fellow Members. I want to read what is included in this memorandum.

> The League of Women Voters urges you to vote for cloture to end the filibuster against the Senatorial Election Campaign Act, S. 2. We believe that public financing of Senate general elections and restrictions on the role of political action committees (PACs) in campaign finance are vital steps in building public trust in governmental institutions and the people who serve in those institutions. The League of Women Voters urges you to support S. 2.
>
> The system for public financing of elections in S. 2 is familiar to the American voter—it is the same type of system that removed the appearance of special interest domination from presidential elections and restored public confidence after the Watergate scandal. The public financing mechanism in S. 2 would go a long way toward rebuilding public confidence in open, honest elections for the U.S. Senate.
>
> Public financing will combat undue influence and the appearance of undue influence. It will also mean that Senators will again be able to devote their time to the public's business. For those who choose public financing, S. 2 will end a six-year cycle of unseemly and time-consuming fundraising efforts. The effect on the legislative process, and the individuals involved in that process, will be salutary.
>
> The provisions in S. 2 for limiting the amount of PAC funds that a candidate may receive will also guard against the perception or reality of undue influence. S. 2 does not eliminate PAC participation in elections. Instead it provides for a balance in the proportion of funds that various types of contributors may provide and it ensures that PAC limitations are not so easily evaded.
>
> The restoration of public confidence in congressional elections and processes is essential and long overdue. Ultimately it is a question of integrity—the integrity of public instititions and the integrity of individuals who serve the public. The League of Women Voters urges you to vote for cloture and to enact the Senatorial Election Campaign Act.

Mr. President, I am greatly encouraged by the action of this distinguished group of citizens. They have studied the issue of campaign finance reform for many years as a part of their ongoing effort to educate themselves and the American public about the functions of our Government. I think it will certainly improve the chances of our Government. I think it will certainly improve the chances for ultimate passage of this legislation to have the support of a group like the League of Women Voters.

Mr. President, I think we should be clear: We are not advocating public financing, or any aspect of public financing, simply because we want public funds to finance our campaigns. That is not the point at all. What we are trying to do is restore some sense and some integrity to the election process.

Under the current system, the cost of campaigns is going out of sight. It has gone from $600,000 on the average to $3 million on the average in just 10 years. In some States we have had in excess of $20 million spent in the general election on senatorial campaigns. That is not good for the country.

Mr. President, we should not have the perception that elections are for sale to the highest bidder. We should not have an opportunity for one candidate or another to try and buy an election by simply outspending his opponent.

Yes, we need competition. The Senator from Kentucky is my good friend and colleague. We have worked together on many occasions. He has said again and again we need competition in the political arena.

Mr. President, I agree that we need competition. This country needs all of the talent that it can get. We need the best possible people to serve in public office and to come forward with their ideas to solve the serious problems that this country faces.

What is happening under the present system? Under the present system, over half or almost half of all the people elected to Congress got over half of all their campaign contributions not from the people back home but from special interest groups that have almost no connection with their home States. We had almost 200 Members of Congress receive over 50 percent of all of their campaign funds not from the people back home but from political action committees, many of whom do not have any members in that State, some of whom have members, directors who have not ever even been to that State; never even seen it, yet they are pouring money into campaigns for public offices in States with which they have little or no contact.

Mr. President, that simply is not healthy. In addition, 80 percent of all the political action committee contributions are going to incumbents. Those are the Senators and Congressmen who are already here. Those special interest groups know that they need access to them. Those are the people that serve on committees that are of key importance to those groups.

What happens at a time when we need to have new ideas, when we need to be encouraging talented people getting into politics? Eighty percent of all the political action committee contributions are going to incumbents, making it more and more difficult for new people with new ideas for solving the Nation's problems to come into the political process.

That is not good. That is not healthy. That is one of the reasons why we have introduced S. 2. That is one of the reasons why we are trying to do something about campaign finance reform, so that we can try to bring to bear the greatest talent available in this country to solve the serious problems that we face.

What about the amount of overall campaign spending, Mr. President? We want to have competition in politics but we do not want elections to be decided on the basis of who is most capable when it comes to raising money. We do not want time being spent competing between the candidates on the raising of more and more money, millions and millions of dollars. We want the competition between the candidates to be on the basis of the ideas that they have for solving the problems; compete on the basis of their qualifications for office; compete on the basis of substance, not on the basis of money.

We must do something about it, Mr. President, so that Members who are elected here can spend their time grappling with the Nation's problems instead of spending their time out trying to raise more and more money in order to get elected.

Mr. REID addressed the Chair.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. BOREN. I yield as much time as necessary to the Senator from Nevada.

Mr. REID. I appreciate the Senator from Oklahoma, the manager of this bill, yielding to me.

Of course, as has been done by many of those of us who have gone before me, I congratulate and applaud the leadership that he has shown with this bill.

Mr. President, at lunch today, I spoke with a friend of mine from Iowa. I asked him, basically, how the caucus races were going in the State of Iowa, the Presidential caucus race! He said, "Good. You know something, Harry? One reason they are going so well is that the candidates there are limited as to how much money they can spend."

Why are they limited? It is not some self-imposed constraint that has been placed on them. They have a limit on how much money each of those candidates can spend as a result of the Presidential election system that is now law in this country, and has been law for over a decade.

The Presidential election system has worked and it has worked very well. No better example is there than the State of Iowa. For instance, I said, "Have you heard how things are going in New Hampshire?" "They are also going well."

One reason they are going well is there are limits on what can be spent there. You cannot go in and overwhelm someone with money. One candidate may want to place some of his receipts into paid television spots and, as you know, in Iowa some of the candidates have done this. Some have not decided to spend their money on that. They are doing direct mail. They have field workers they are paying. They have to allocate their resources so, when it is all over and done with, the message is gotten out to the people in Iowa or New Hampshire and the people spend basically the same amount of money.

I have listened with concern over the past several weeks as some of my colleagues on the opposite side of the aisle have characterized S. 2 as being bad, not good for the American public. They have given a number of reasons. We want to look at a few of those for the next few minutes.

For instance, they have said that it would force the American taxpayer to pay for political campaigns. I think it has been clearly shown that that argument is fallacious. They go on to say, as perhaps Calvin Coolidge said of sin, that they are against S. 2 for all of those reasons.

Before, though, Mr. President, we made the mistake of equating S. 2 with sin, I have a few questions that I would like to ask my friends on the other side of the aisle.

I hope, for example, that my friend from Kentucky, Senator McCONNELL, will gratify not only me but this entire body with some answers to these questions. I ask a number of questions last week. They have not yet been responded to, and I think for obvious reasons, because the answers certainly bring up the fallacy of the argument that has been presented on the other side.

One question, the first question we will ask today: Is the Senator claiming or is the other side claiming that the taxpayer checkoff on income tax returns for Senate races is the same as—

The PRESIDING OFFICER. If the Senator will suspend, the Sergeant at Arms will see that the gallery is quiet, including the press gallery.

The Senator from Nevada.

Mr. REID. Thank you very much, Mr. President.

First, is the Senator claiming that the taxpayer checkoff on income tax returns for Senate races is the same as forcing the taxpayer to pay for Senate elections?

The Senator may want to take a few of these questions at a time or answer them one at a time.

Mr. McCONNELL. Will the Senator from Nevada repeat his question, please?

Mr. REID. I would be happy to. Is the Senator claiming that a taxpayer checkoff system on income tax returns for Senate races is the same as forcing taxpayers to pay for these elections?

Mr. McCONNELL. Certainly the taxpayer does not have to check off. If he checks off the dollar, he diverts that away from some other Government program, he diverts the money away from such programs as women and infants and children feeding or programs for the elderly.

Mr. REID. Or maybe it would be a farm program.

Mr. McCONNELL. Well, the Senator can pick out whichever part of the budget he may find most offensive, but nevertheless it diverts that tax dollar away from other programs. And it was the position of the Senator from Kentucky that given the vast amount of public money which was going to end up being spent under S. 2 with respect to independent expenditures, with independent candidacies in the general election, there would be a huge amount of money required for the checkoff, diverting it from other Government programs to fund elections.

Mr. REID. With that answer in mind, if the taxpayer checkoff was to go into effect as a means of financing Senate campaigns, would the Senator, for example, refuse to accept any Federal funds derived from such a checkoff?

Mr. McCONNELL. Of course, S. 2 is constructed in such a way that it makes it very, very difficult for a candidate even as a matter of principle to set aside the public funding approach and go privately because, as the Senator from Nevada knows, there is in S. 2 a second entitlement check from the taxpayers which comes forth immediately when the candidate choosing not to fund his race publicly gets beyond the spending limit. So it is an enormous deterrent. Frankly, about the only candidates who could choose not to go the public funding route would be the multimillionaire candidate, which we probably both agree is a serious problem and we would like to solve it. Probably only that candidate could choose to go privately under S. 2 because he would not be significantly deterred by the second entitlement payment from the Government.

Mr. REID. So it seems clear that the Senator would accept those moneys because that is how one could be competitive is what the Senator is saying.

Mr. McCONNELL. No; it is not clear at all. The Senator from Kentucky is not sure what he would do in that situation. It would depend upon the qualities of his opponent, the nature of the election, a variety of other things that are very difficult to judge.

Mr. REID. OK, I accept that. Would the Senator then explain how this taxpayer checkoff for Senate races differs from the same method used to finance the Presidential campaigns.

Mr. McCONNELL. I do not know that it differs. I do not particularly support the Presidential public funding either. I made no effort to try to change it. Obviously, there is no particular sentiment for changing it. But I do not know specifically in what ways it differs because I am not really an expert on the way the Presidential system works, not running for the Presidency.

Mr. REID. I understood from what the Senator said, he does not like the Presidential election system as it now exists.

Mr. McCONNELL. I am not crazy about it, but we are here to talk about S. 2, and if the question is about S. 2, I could probably respond. I am not an expert on the way the Presidential law, which we have had since 1976, works.

Mr. REID. It seems clear, however, that there are spending limits, the Senator would acknowledge, with the Presidential election system

Mr. McCONNELL. Yes.

Mr. REID. And with S. 2 we propose it on this side of the aisle.

Mr. McCONNELL. Yes; there certainly have been spending limits under the Presidential system, spending limits on cash.

Mr. REID. And that they are both checkoff systems, S. 2 and the 1976 Presidential election law.

Mr. McCONNELL. The Senator is correct.

Mr. REID. So it would seem to me that we arrive at somewhat of a quandry in this instance because if in fact the Senator—and I recognize the Senator cannot speak for everyone on that side of the aisle—does not like the Presidential system as it now exists—and we have already established that it is very, very comparable to S. 2—would the Senator criticize Presidential candidates that accept money from the Presidential election system?

Mr. McCONNELL. That is a decision each candidate is going to have to make under the rules that then exist. We all operate under the existing rules. The distinguished majority leader, for example, has said quite clearly that he is going to continue to accept contributions from political action committees because that is the current law under which we operate.

I certainly would not single out any particular candidate for President for operating under the existing system if he so chooses.

Mr. REID. And of course the Senator from Kentucky is aware that President Reagan has accepted this taxpayer checkoff money the same way the money would come to the S. 2 program if we establish it—President Reagan accepted those moneys during his 1980 and 1984 Presidential campaigns and I assume the one prior to that in which he was not successful; is that right?

Mr. McCONNELL. The point of the Senator from Kentucky is that we should not pass S. 2 because the President of the United States has accepted public financing. I would say that is not a very good argument for passing S. 2.

Mr. REID. But my point is that there were a lot of objections in the early seventies about the method of selecting Presidents in the future, that something had to be changed to make it a better system, there had to be spending limits so people simply would not be buying elections from various States, so in effect what was established is a program that relates to Presidential elections that is comparable to what we are taking about with S. 2.

It seems clear to me we have an interesting situation. We know that during the early seventies there was a problem with the election of Presidents for this country. The system was changed. I have not heard anyone complain about the way Presidents are elected now. It works very well. And I gave the example of the lunch that I had today with my friend from Iowa who said it works very, very well. And we got to talking about how it works there and how it works in New Hampshire. It works pretty well because people are playing on an equal playing field; it is level; people have to go the same distance for a first down.

So what I am saying is people complained about it, the system is now in effect, and people are not complaining any more. I would respectfully submit—this is what I talked about a lot last week—we are in a situation now where the American people are crying out for reform. As my friend from Washington said prior to my coming on the floor, the tremendous amounts of money spent, that has to change. The American people want it changed. And I would submit that if we adopted S. 2, in 3 or 4 years you would not hear a complaint about the system because suddenly the American people would realize, and those people seeking office would realize, that they are playing on an equal field, more people would be willing to get into the fray.

Now, I recognize, as I explained to this body last week, that S. 2 is not a perfect vehicle; it has some faults in it, and that is why the amendment was submitted by the majority leader. I think it improved the legislation. Compromise is necessary. I would submit that before we can have reasonable compromise the public wants and certainly expects us to do something about spending limits such as what we have in the Presidential election.

I will be happy to yield for a question and answer at this time.

Mr. McCONNELL. One further observation about the Presidential system—and there are some things wrong with it. I do not want to concede that point entirely.

For example, one of the clear effects of the Presidential system is proliferation of candidates. We know that it is certainly very easy to run now and to qualify for taxpayer's dollars. Some of the candidates have told me privately that this was certainly an enticement for their getting into it—with some minimal amount of effort on their part they can get a check from the Government to go on. I do not think that has necessarily been an improvement. In addition to that, Columnist David Broder pointed out in an article over the last couple of days about this whole issue—and he was for the most part sympathetic with my friend from Nevada—in the Presidential races under public spending and spending limits there is simply a drying up of individual voter participation. And as we all know and as I think I pointed out when the Senator was on the floor last week, we have seen a declining voter participation during the public funding. Before the Senator came to the floor earlier, I was pointing out that in all races, with the exception of your State—your State was the only aberration—the race in which there was the greatest spending in 1986 and in which there was the greatest turnout, there was a clear correlation everywhere except Nevada, and I leave that to the Senator to explain. But in every other State, the more that was spent, the more participation, the higher the turnout.

It seems to me that that was a good result, encouraging participation, and not clamping down on participation, by saying to the candidates, "You can participate and spend this much and no more."

Mr. REID. I thank the Senator.

It is clear to me that the American people want some reform in this area. I think it is needed.

I repeat, for the third time this day, that the system we have works well so far as choosing Presidential candidates is concerned.

In response to the Senator from Kentucky, I indicate that I do not think there has been a proliferation of candidates running for the Presidency. Those people wanting the Democratic nomination, without exception, are of the highest caliber. I submit that if my friend looks at the people seeking the Republican nomination, some really high-caliber people are seeking that nomination. I am sure that the Senator from Kentucky would say that any of those seeking the Republican nomination—Vice President BUSH, Mr. KEMP, Mr. LAXALT, Mr. DOLE—are people of fine, high quality.

Mr. BOREN. Mr. President, I yield 7 minutes to the Senator from California [Mr. CRANSTON].

The PRESIDING OFFICER (Mr. KERRY). The Senator from California [Mr. CRANSTON] is recognized.

Mr. CRANSTON. Mr. President, I join in supporting the amendment offered by the majority leader and the Senator from Oklahoma. I support matching funds to provide the wherewithal for public financing, if we cannot reach agreement on a public grant.

I believe that we must have meaningful campaign finance reform.

The amendment which Senator BYRD and Senator BOREN introduced last week is a sincere effort to achieve that reform. The amendment is an effort to reach a compromise with those who oppose the amount of public funds in S. 2.

However, this amendment will significantly increase the nonpublic funds a candidate will be required to raise, particularly in large States like California. I gather from conversations with Senators from very small States that this would be a problem for them, too. Therefore, I believe it necessary to raise the aggregate PAC limits above the level currently proposed in S. 2, if we find that we can move with the amendment offered by the majority leader and the Senator from Oklahoma [Mr. BOREN].

Mr. President, the time has come for campaign finance reform. The legislation before us today will put an end to our present campaign finance system—a system which requires candidates to spend more time raising money than campaigning for votes.

The costs of running for the U.S. Senate are simply too high. Too much time must be spent chasing money. No longer can we tolerate a system which requires candidates to spend at least half their time—often more—fundraising. The 1986 Senate elections were the most expensive in our Nation's history. Unless we enact spending limits now, spending in the 1988 Senate elections will exceed the $182 million spent in 1986. In my race in California, we broke the record for overall spending that was set 2 years before in California; and I assume that unless we change the system, that record set in California last year will be broken next year in California or Texas or New York or somewhere else. We must reduce the costs of Senate campaigns, and we must reduce the amount of time, money, and effort devoted to raising money to fund these campaigns. We need to stop the exponential escalation of election costs, and we need to do it now.

During my reelection campaign last year, my campaign managers advised me that I should spend half my time raising money. Time spent with contributors was time taken away from campaigning for office, time taken away from sharing ideas and programs with the voters, and, yes, sometimes even time taken away from the business of the Senate. Such a system must stop.

The legislation before us today would provide for true campaign finance reform. It would provide for public funding in the general election. It would provide for expenditure limits, in both the primary and general elections. It would provide for aggregate PAC limits.

Mr. President, there must be an alternative to the countless hours spent trying to raise money to run a serious campaign. Senate candidates must be freed from the dependence on large contributors and political action committees which the current system necessitates. Without the need to spend over half their time raising money, candidates once again will be able to campaign for office. We once again will be able to share our ideas and our programs with the voters, in direct encounters with them, in meetings for that purpose in the course of a campaign, and not just through the medium of television and radio and the press.

Mr. President, there must be expenditure limits in both the primary and general elections. Without expenditure limits in both the primary and general elections, the pernicious level of spending which currently pervades our system will simply be moved from the general election to the primary election. Candidates will raise and spend as much money as they can during the primary, in order to maximize their competitive position in the general election. We must reduce the costs of Senate campaigns, and we must do it now.

Mr. President, there must be limits on the total amount of money which political action committees can give to candidates. We must remove the appearance of undue influence of special interest groups by limiting the amount of money which a candidate can accept from PAC's—while still allowing a role for PAC's in the electoral process, and there is a role for them.

Mr. President, the legislation before us addresses these issues. It provides for significant public financing of Senate general elections. It provides for expenditure limits. It sets aggregate PAC limits.

Mr. President, this legislation has other provisions which are necessary to reform our campaign finance system. The bill prohibits the use of bundling to circumvent expenditure limits. The bill provides recourse to candidates who are attacked by independent expenditure campaigns. The bill provides for disclosure of "soft money."

Mr. President, my colleagues on the other side of the aisle have offered legislation which they identify as campaign finance reform; indeed, as real campaign finance reform. Yet how can there be real campaign finance reform without spending limits? How can there be real campaign finance reform when political action committees can continue to bundle campaign contributions? The McConnell-Packwood bill would do nothing to limit campaign spending. The McConnell-Packwood bill would prohibit only direct PAC contributions to candidates. The bill would place no limits on PAC contributions to political parties, nor would the legislation limit PAC's from bundling individual contributions and forwarding these contributions to candidates. The legislation proposed by my colleagues on the other side of the aisle is not campaign finance reform. S. 2 is.

Mr. President, we cannot let another election cycle pass without enacting campaign finance reform legislation. We must stop the escalating cost of Senate campaigns, and we must do it now.

Mr. President, another reason for moving ahead with campaign finance reform relates to the declining participation of voters or people who could be voters in our electoral processes. It has been going down steadily now for over 100 years.

If we do not arrest or alter the process of campaign financing, I believe it will continue to go down.

That is one of the reasons, among several, for the declining participation. Many people feel left out of the process now when so much of the nature of campaigns is devoted to soliciting support only from those who can give large amounts of money by the direct activities of the candidates.

Unless we change that process and draw all the people back into the feeling they are part of the system, I think we will see a continuing decline in the number of people participating in our elections and that undermines democracy, and I think it is a threat to the survival of our democratic freedoms and our democratic system.

I am pleased to be a cosponsor of this reform legislation. I urge my colleagues to vote for cloture this afternoon.

The PRESIDING OFFICER. Who yields time?

Mr. McCONNELL. Mr. President, will the Senator yield for an observation and question?

Mr. CRANSTON. I do not have much time. If the Sentor has time for the purpose, fine.

Mr. McCONNELL. I will be glad to use just a moment of my time, if the Senator from California has just a second.

I have listened with great interest to the Senator's observation about the correlation between the campaign spending and turnout. I know the Senator from California was not on the floor at the time I made the observations but I would just point out to him for his information that there is a direct correlation between campaign spending and turnout.

The correlation, however, is between spending and high turnout. There is a direct correlation between spending and greater participation.

I pointed out to the Senate just a few moments ago the top 10 races in terms of spending were also with 1 exception in the top 12 in terms of turnout.

So it seems to be clear to the Senator from Kentucky that what drives spending is good competition and as the Senator from California knows, he has had a rough, competitive race in which a lot of people participated not only in California but across the country. Of course, he has a lot of television markets. The Senator from California can go out and shake hands until he is blue in the face and not have much of an impact with all those folks. The Senator from California knows he has to run a television campaign in order to reach the people, and that is expensive and, of course, the competition drove the expenditures and money raising.

Would the Senator from California not agree with that assessment of his race?

Mr. CRANSTON. I am not sure that the statistics which might seem to show that if more money is spent in a race more people vote in that race really make a point. As the Senator knows, you can prove almost anything with statistics. And I believe that the overall decline that started for other reasons and is still going on for many reasons in participation by the American people in the electoral process by voting in our country is in part attributable to the system that has developed since the invention of television which is so costly, of candidates spending more and more of their time in a limited circle of constituents who can contribute significant sums, the maximum under the present law, instead of devoting their time to campaigning among the populace in general.

Apart from whatever the consequences are of that system upon the turnout, I think it is improper in terms of the advantage, in terms of access that the present system brings to those who can make large contributions as against those who cannot.

As the Senator knows, when we have a moment when we suddenly have to make a decision to vote on something and there are 10 or 15 people clamoring to talk to you before you vote and you do not know most of them but one name is there of someone who made a major contribution to you that is the person you will see if you only have time to see one person probably. You may not do what that person wants, but that person has an opportunity to at least present a point of view to people who could not contribute who are not known to the candidate, to the Senator, to the House Member, who do not get that opportunity.

I think participation really relates in terms of who votes and who does not vote to their interest, and what has happened. They are confident that their vote will possibly make a difference, much more than it relates to the matter of finance.

Mr. McCONNELL. It is interesting—just one further observation—it seems to the Senator from Kentucky that the really big contributions that the Senator from California refers to are not possible under the current law. One can give $1,000 in primary and $1,000 in a general. Of course, PAC's can give more than that, as the Senator from California knows. He did really quite well with political action committee contributions.

It seems to me that what happened in the race of the Senator from California is a whole lot of people participated or he would not have been able to raise the amount of money raised. He has a reputation of being an excellent fundraiser. Unless a lot of people believed in his candidacy and contributed, it would not have been possible for the Senator from California to raise that money had it not been raised by a whole lot of people.

Mr. CRANSTON. It is true that a great many people participated in my campaign by contributing. I believe we had somewhat beyond 135,000 contributors. That is probably the record number of contributors or very close to the record for any Senator in any campaign in any State. But after all, that is a fairly small number compared to the electorate in California which should be around 18 million. About 18 million people are of voting age in California. But in the last Presidential election, only 50 percent of the people who could vote—9.6 million Americans, Californians, of voting age, did not vote in the Presidential election of 1984. In the most recent election, last November, when I was running for reelection to the Senate, it was something like only 37 percent, a significant drop, of the people who could have voted did vote. There must have been somewhere around 10 million people who could have voted who did not vote.

I believe there are many factors behind that decline in participation but I am absolutely convinced that one of them is the present system of campaign financing and the cynicism it builds among the American people and potential electorate.

Mr. McCONNELL. I know the Senator from California has to leave. One further observation. The race to which the Senator refers, the Presidential race, of course, was publicly funded with spending limits since 1976. Of course, there has been a decline in participation in Presidential races in spite of a system much like S. 2 which the Senator from California supports.

I just further make the observation there appears to be no correlation whatsoever or no reasonable way to assume that if one were to put a clamp on participation, that is the spending limits and fund the substantial portion of that amount that is allowed to be spent from the Treasury, that it will have a good effect on turnout.

I think all the indications are that hotly contested races with lots of participation and lots of money raised have big turnouts and races in which there are no competition, for example, my colleague from Kentucky was very fortunate as was the Senator from Oklahoma in 1984 not to have a very tough race, and in 1986 my colleague from Kentucky ranked last. Kentucky ranked last in turnout, and I tell my friend from California the reason for that was not tough competition. There was not a lot of interest.

We ought not to be passing bills that encourage that kind of thing. We ought to encourage participation. The current system does that.

As to the PAC contributions, the Senator did well in PAC contributions. I believe he ranked fourth in history in number of PAC contributions raised. I again commend him for his fundraising expertise.

It seems to me if there is any part of this system that could arbitrarily be called undue or special interest, it is PAC contributions.

The Senator from Kentucky said we would be happy to see PAC contributions that go not only to candidates but to parties. I think if we want to pass a special influence bill, we can simply try to do something about the PAC's.

I wonder how the Senator from California feels about that.

Mr. CRANSTON. The measure I am supporting does place some limits on PAC contributions. I think there is a place for PAC contributions and I would not eliminate them totally. I think we have all kinds of PAC's. I think people are entitled for the opportunity to contribute through PAC's. There are many PAC's that do not represent any particular industry or any particular corporation but represent issues like environmental issues, like war and peace issues. I think the opportunity for people to be involved in the process through that sort of PAC and through any sort of PAC is quite appropriate.

On the matter of Presidential campaigns and the fact we do not have public financing in the general election—and there is still a decline in Presidential election turnouts—yes, the decline has been going on since about 1876. But I would like to point out that there is still vast sums spent in Presidential elections in the primary, vast, vast sums. So in the primaries the candidates spend a great deal of time, or the campaigns do, raising money.

For example, I may not have the exact figure, but I believe the Reagan-Bush campaign for reelection in 1984 raised and spent something like $25 million in the course of the primary. That is a vast sum and that is why I favor limits in primaries as well as in general elections.

I would like to finally note that the Senator from Kentucky apparently recognizes there is something wrong with the system because the Senator is proposing what the Senator calls a reform. We really do not differ on the need for reform. We simply differ on how we reform.

Mr. McCONNELL. I thank the Senator from Oklahoma.

Mr. HELMS. Mr. President, a week ago the distinguished majority leader, for whom I have the greatest affection and respect, placed some 240 newspaper editorials in the Congressional Record. These editorials were offered by Senator Byrd to exemplify the "substantial outpouring of support" for S. 2 which is, of course, the campaign financing legislation.

In the first place, Mr. President, I have taken my own poll, as seldom do I engage in a telephone conversation with anybody from my State or from any other State when I do not ask them if they wish to be taxed to finance senatorial campaigns, and today the poll results are about 200 to 0.

Nobody out there in Americaland wants the taxpayer financing of senatorial campaigns.

We found that this "outpouring of support" probably did not represent quite the divergence of views as one would lead us to believe. I am, of course, referring to the editorial comment that Senator Byrd placed in the Record last week.

So, we and "we" being my staff and I, took a close look at this "outpouring of support" among the newspaper editors.

We discovered that Gannett Publishing, Inc., owns 10 of the newspapers which accounted for 15 of the editorials listed; Copley Newspapers Group owns 7 of the papers accounting for 12 editorials placed in the Record by Senator Byrd; Thomson Newspapers, Ltd., owns 8 of the newspapers listed accounting for 14 editorials; New York Times Co., owns 7 newspapers accounting for 8 editorials; Knight Ridder Group owns 7 newspapers accounting for 8 editorials; Scripps League Newspapers/Scripps Group owns 5 newspapers acounting for 6 editorials; McClatchy Newspapers Group owns 4 newspapers accounting for 5 editorials; Ogden Newspaper owns 4 newspapers accounting for 4 editorials; Miller Group owns 4 newspapers accounting for 6 editorials; Donrey Media Group owns 4 newspapers accounting for 4 editorials; Multimedia, Inc., owns 3 newspapers accounting for 5 editorials; Hearst Group/Hearst Newspaper Group owns 3 newspapers accounting for 3 editorials; North Jersey Newspaper Group owns 2 newspapers accounting for 2 editorials, and the list goes on and on.

So, I guess, Mr. President, the bottom line is that more than half of the newspaper editorials entered into the Record came from newspapers owned by 23 huge corporations, some of them multimillion-dollar corporations, some of them even multibillion-dollar corporations. And when you balance that against my own experience—and maybe other Senators have had other experiences—you wonder whether these editors represent the views of the average American people. I do not think they do. I do not think we can conclude that the views of 23 of these giant newspaper publishing companies actually represent the views of the American people.

In fact, of all the special interests that would prosper from the passage of S. 2, I can think of none that probably would benefit more than these media conglomerates that would acquire the power of influence that would be taken from the American people.

Now, in my State, we have a number of what you would call big city newspapers. And they are certainly impressed with their own power. Their only trouble is they seldom elect anybody. And what they would like to do is foreclose on any candidate daring to run against a favored candidate; that is to say, a candidate favored by the newspaper editors in the big cities.

So I can understand why the editors might like to see the campaign limitations and the other undesirable aspects of S. 2, but I do not believe the people do.

In my own campaign, we had a couple hundred thousand contributors, averaging something like $15 to $20 apiece from all over the country. Now, nobody put a gun to the head of any of those contributors and said to send money. They did it voluntarily, presumably because they were philosophically attuned to this Senator. Meanwhile, the major newspapers were pounding day after day on behalf of the challenger. He did not quite make it, evidenced by the fact that I am standing here at 6:22 p.m. on this day.

So, Mr. President, it depends on whom you ask. And I have asked a lot of people and, as I said earlier, I have yet to find any taxpayer who is remotely interested in being taxed further to finance the senatorial campaigns of literally hundreds if not thousands of senatorial candidates, when you include the challengers and the incumbents.

Now, a great deal has been said about the political action committees. Back on March 4, Morton Blackwell wrote an excellent article, published in the Washington Times, and I presume other newspapers around the country.

Mr. Blackwell is president of the Leadership Institute. He was on President Reagan's Federal Election Commission transition team from 1980 to 1981, and he was Special Assistant to the President for Public Liaison from 1981 to 1984. This piece, written by Mr. Blackwell, was headed "What Stirred Their Anti-PAC Passions?"

I ask unanimous consent that this article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Times, Mar. 4, 1987]

WHAT STIRRED THEIR ANTI-PAC PASSIONS?

[By Morton Blackwell]

Before there was a Federal Election Commission, way back in 1943, the militantly liberal Congress of Industrial Organizations (CIO) formed the very first political action committee (PAC).

For the next 30 years, the labor union PACs enjoyed a virtual monopoly in the PAC field. Liberals in that era knew how wholesome PACs were: what a marvelous vehicle by which union members might pool their resources to support the candidate of their choice.

Of course, more than 90 percent of the union PAC money has always gone to Democratic Party candidates, but liberals for 30 years could see the civic value of this outpouring of citizen participation.

But curiously, for the past 15 years, liberals have gradually changed their minds about PACs. Now hardly a week goes by without some thundering liberal media attack on PAC money in politics.

Liberal print and broadcast journalists pour forth editorials and stories, supplemented by enough graphs and statistics to frighten almost anyone with a sociology Ph.D. or a press card. Our political system, they allege, is being taken over by big PACs, sinister forces with big money.

Central now to the liberal case against the 4,157 PACs of all types is the charge that PAC money is, in effect, a lobby strong enough to buy any politician. And liberals most often claim that the dangerous PAC powers today are the corporate and trade association PACs.

That is nonsense. The biggest, most powerful special interest in American politics is organized labor. The union bosses have an effective veto power over Democratic candidates in almost every region of the country. Virtually anywhere, a Democratic candidate is wasting his time running for Congress (or for dogcatcher) if the barons of organized labor are against him. He probably can't get nominated. But if he beats the odds and wins a Democratic nomination, he's almost surely doomed in the general election if the unions don't support him.

No single interest group has such a strangle hold on the Republican Party, surely not business corporations or trade associations. Unions are virtually a monolith; business is split up all over the lot.

At first glance, union-oriented, Democratic Party liberals might be expected to be happy with the PAC system as it is. After all, Democrats consistently get more than half of all PAC contributions.

Well then, why the hue and cry against PACs from liberal Democrats?

The answer is they don't like real competition. The closer they could get to a monopoly of political action, the better they would like it.

They know they can't go back to the good old days when unions had a virtual monopoly on PACs.

But, if they can cripple or destroy all PAC participation in elections, the unions literally secret political weapon would give them close to a monoply once more. Happy days would be here again. Elections would revert to being contests of the Republican Party vs. the Democratic party plus their union masters.

Here's why: PACs are now only the tip of the iceberg of union political power. The unions greatest influence on elections is through "in-kind" goods and services for union-supported candidates. These activities are not disclosed to the public. They are entirely outside the federal reporting requirements, which apply to PACs but not to union-funded political activity such as voter registration drives, booming propaganda efforts, telephone phone banks, and most important, union staff time.

Expert labor columnist Victor Riesel estimated that in 1976 these "in-kind" union campaign activities cost more than $100 million. Today the secret total is surely several times larger—far, far more than all the candidate support by all types of PACs put together.

Right now about half a million staff members are working for local, regional, state, and national union organizations. That's more than 1,000 paid employees of unions per congressional district. Each year these union staffers, mostly paid with compulsory union dues, flood into the campaigns of the union's hand-picked candidates, almost all liberal Democratic candidates.

It is no coincidence that virtually all the politicians agitating against PACs are liberals cozy with Big Labor. Limiting or abolishing PACs will have no effect on this massive "in-kind" campaign activity by labor unions. That in my judgment, is why unions and the liberal politicians they have elected are willing to sacrifice their PACs. They want to regain their monopoly of private political activity.

PACs should be defended on free speech grounds as the federal courts have done repeatedly.

The liberal news media are free to print and broadcast unlimited endorsements and condemnations of candidates as they choose. It's downright unseemly for them to urge clamping down on political speech for anyone who doesn't own a media outlet.

By law every contribution to a PAC of any kind must be entirely voluntary. And all PAC gifts to candidates must be promptly disclosed on the public record.

If Americans want to join together politically for any shared electoral purpose to pool resources for or against any political cause they should have the right to so so.

The amount of money contributed to PACs is growing but not excessive in a country of 240 million people. We spend much more money each year on car washes or even on dog food.

In truth PACs have broadened not limited public access to politics. They have greatly expanded the number of people who voluntarily contribute to election campaigns. That is surely healthy.

Mr. HELMS. Now, Mr. President, back to the newspaper conglomerates which so enthusiastically support S. 2, they are not what you would call the average run of the mill citizen in any way that you might want to consider it. For example, the Gannet Publishing Co., to which I alluded a little bit ago, had revenues last year of $2,210,000,000. The Copley Newspaper Group had a substantial amount of sales; The Thomson Group had sales of $954,150,000; the New York Times had revenues of $1,390,000,000; Knight Ridder had revenues of $1,730,00,000, and so on. The point being that this Senator, at least, believes that it does not matter so much what the newspaper editors say. What does matter is what the American people think about this business of requiring the taxpayers to finance the campaigns of candidates for U.S. Senate, be they incumbents or challengers.

I am unalterably opposed to taxing the taxpayers to pay the campaign expenses of candidates, because that would be forcing them to finance their own misery.

Mr. President, I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. BOREN. Mr. President, how much time remains on this side?

The PRESIDING OFFICER. The Senator from Oklahoma has 7 minutes remaining.

Mr. BOREN. Mr. President, I yield myself 3 minutes.

Mr. President, we are getting ready to vote in just a few moments on whether or not to proceed ahead to take up the issue of campaign finance reform in a meaningful way. We are not getting ready to vote on the bill itself. There will still be the opportunity to consider amendments to this particular proposal. We have an opportunity to consider ways to improve it and Members of the Senate may come up with suggestions with making improvements to this piece of legislation.

But I would urge my colleagues, let us not wait. Let us not let another year go by, another session of the Senate go by, without dealing with this critical problem of the integrity of the elections process itself.

How long are we going to wait to act? What is it going to take to make us see that something is wrong?

We had almost 200 Members of Congress who were elected in the last election with over half of their campaign contributions coming not from the people in the grassroots, not from people in their home States, but from outside special interest groups. How long are we going to wait? Are we going to wait until we have 535 Members of Congress receiving 80 or 90 percent of all of their campaign contributions from people who have nothing to do with their home States before we act?

We have already heard, and I recited to the Senate, that the political action committees in the last election gave over 80 percent of all of their contributions to incumbents, discouraging new people with new ideas from entering into the political process. How long are we going to wait, Mr. President—until we recognize that something is wrong, until we recognize we who are charged with the responsibility of protecting the constitutional process—to do something about it? How long are we going to wait, Mr. President, to do something about the alarming increase in campaign spending that is causing races to really be waged on the basis of how effective Members are at raising money, instead of on their character, instead of on their qualification for office, instead of on their ideas for solving the Nation's problems.

Only 12 years ago, it cost $600,000, on the average, to run for the U.S. Senate. This last election cycle, it cost $3 million. If you project it forward to 12 years from now, when those who are high school seniors today are eligible to run for the U.S. Senate, it will cost $15 million, on the average, to run for the U.S. Senate.

How long are we going to wait, Mr. President, before we recognize that something is wrong, that we should not have the highest offices in this land on the auction block for sale to the highest bidder? How many people in this country have marched under the banner that we should have no limit on campaign spending, that we should allow any candidate who is able to raise the millions of dollars to try to buy elections instead of getting elected on the basic of ideas and qualifications? How long will we wait, Mr. President?

Should we wait until the average cost of the U.S. Senate race is $30 million? Should we wait until it costs $100 million to run for the U.S. Senate?

Look at what happened in some States. It was already in excess of $20 million in the last election. We must not wait any longer.

I yield myself 1 additional minute.

Mr. President, it is so ironic. I was discouraged when I heard some on the other side of the aisle come forward, including the distinguished minority leader, and say, "We are ready to talk about campaign reform. We are willing to negotiate about campaign reform, but we will not put on the table for negotiation any spending limits at all. We don't want any restraint at all on the amount of money that a person can spend trying to buy an election."

Well, Mr. President, to say we are ready and willing to negotiate about campaign finance reform but we will not talk about limits of spending is like saying, "Yes, you can go swimming, but please do not go near the water."

We must have true reform, Mr. President. We cannot stall any longer. The American people expect us to grapple with this problem. We should vote today not to pass this particular, bill but we should vote today to move ahead to get this item on the agenda and deal with this problem and obtain true finance reform for the people of this country before it is too late. We should not continue to wait until it is too late for us to act.

The PRESIDING OFFICER. Who yields time?

Mr. McCONNELL. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator from Kentucky has 32 minutes remaining.

Mr. McCONNELL. Mr. President, I listened with interest to my friend from Oklahoma. We all know the way bills get written in this body and it is not out here on the floor of the Senate. The distinguished Republican leader, myself, and others have said frequently we are prepared to sit down and discuss what we believe is true campaign finance reform.

Among those items that we are willing to discuss is restrictions on political action committees or the elimination of their contributions to both candidates and parties altogether. Among those items we are willing to discuss is the reporting of soft money, that vast amount of unreported money going into political campaigns. Nobody has any idea, Mr. President, how much that is. We think it ought to be disclosed and we are willing to discuss that. We are willing to talk about putting some disclosure requirements on independent expenditures.

A number of our colleagues have been subjected to the vicious and unwarranted attacks that are, unfortunately, constitutionally protected under our current system. We think some disclosure ought to be required of those independent expenditures. We are willing to strengthen the disclosure requirements on the finances of political parties.

Everybody stands up and talks about the millionaires buying office. All of us would like to do something about that. S. 2 does not solve that problem, nor does the bill of the Senator from Kentucky and the Senator from Oregon solve that problem. And the reason we cannot solve the millionaires' loophole problems, Mr. President, is that it is a constitutional problem.

I might say the Senator from Kentucky is having prepared at this time a constitutional amendment, and I will be glad to welcome the support of any who are here in this body to solve that problem. But you cannot solve it by legislation.

We are willing to talk about the bundling practice that has been discussed at length in this body. So there are plenty of things to talk about.

The issue, Mr. President, is whether we talk about it out here on the floor or whether we do what is normally done in putting together a package that is going to pass—the leadership group sits down and gets down to the business of ironing this out one section at a time so we could have true campaign finance reform for the American people. And those of us on this side of the aisle who oppose a limit on participation—and that is what spending limits are—those of us on this side who oppose taxpayers involuntarily financing of campaigns, are willing to sit down and talk about meaningful, true campaign reform with the Senator from Oklahoma, the distinguished majority leader, or anyone else at any time. But we think that is where it ought to be done.

So I would urge my colleagues not to invoke cloture on this proposal. It is only cosmetically different from the earlier version of S. 2 which we refused to invoke cloture on last week.

Mr. President, I reserve the remainder of my time.

Mr. STENNIS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. On whose time does the Senator suggest the absence of a quorum?

Mr. STENNIS. The proponents, the authors of the bill.

Mr. McCONNELL. I might say to the chairman and the distinguished President pro tempore, I see no reason, frankly, for reserving my time, so you could have the quorum call on my time. I believe the vote is to occur at 5, is it not?

The PRESIDING OFFICER. The Senator is correct.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. KERRY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. BREAUX). Without objection, it is so ordered.

Mr. KERRY. I ask my distinguished friend from Kentucky if he would permit me to ask him a couple of questions on his time since we do not have very much time remaining. I am not sure we have any left.

The PRESIDING OFFICER. The Senator from Massachusetts has 2 minutes 40 seconds remaining and the Senator from Kentucky has 24 minutes remaining.

Mr. McCONNELL. I yield to the Senator from Massachusetts 3 minutes of my time.

Mr. KERRY. I thank my friend. I really just wanted to follow up with the Senator who understands this process well. I am perplexed, and I wonder if he would help me a little bit. He said that he was willing, and people on his side of the aisle are willing, to talk about bundling. Bundling is already a proposed portion of the bill that is before us. He said he was willing to talk about restrictions on political action committees. Well, there are restrictions on political action committees which are part of the bill before us. He said he is willing to talk about strengthening disclosure and a couple of other items. But he is willing to talk.

It seems to me that the normal process here, if he wants to talk about normality, is to allow the bill to come to the floor. There is no limit to the debate. The debate can go on. There is plenty of time to have meetings in closed rooms. But it also allows the American people to share part of this debate. I wonder why it is that the Senator will not even let this bill come to the floor. Why can we not proceed on it, engage in debate, offer amendments, take votes on those amendments? How can they be serious about discussing campaign finance reform when as a prestatement to any discussion, they say, "We are not even going to discuss the question of limits." I wonder if he would answer that.

Mr. McCONNELL. I may say to my friend from Massachusetts we are still quite far apart. There are many of us on this side of the aisle, and some, quietly, on that side of the aisle, who do not favor limitation on participation. That, in fact, is what a limit on spending is. Virtually everyone on this side of the aisle and many on that side of the aisle do not favor taxpayer funding. That is what S. 2 is all about.

I might say that I think the appropriate way to resolve this impasse is for the leadership group on both sides—and we know who those folks are who originated this issue and carried the debate and have been working on it—to sit down as the Republican leader has suggested on numerous occasions, as the Senator from Kentucky has suggested on numerous occasions, but those meetings have not occurred yet. It is our feeling that we ought to have some of those meetings and maybe go on with some of the other pending business of the Senate, which is enormous.

The only way you are going to have a campaign finance reform bill is if it is bipartisan. I think it should be pretty clear by now to my friend from Massachusetts and others, that a bipartisan campaign finance reform bill without a limitation on the participation of our citizens in the process, with public funding, is the problem. We should start talking about these matters in leadership meetings.

Mr. KERRY. I am not sure that the answer really deals with the question of why we are not engaging in debate on the bill and have amendments to the bill. It seems to me that we could then make judgments about where we would go from there. But as to the issue of participation, if participation is going to be measured by the ability to spend dollars, it is clear we have a distorted sense of how this country is going to participate in its electoral process.

We had a system, which most of the Republicans here voted for, where we were spending Federal dollars on elections. We had a tax credit and a tax deduction. Five percent of the Americans shared in that. We spent $536 million in each election cycle to get that 5 percent participate in the election process. Most Republicans supported that. You never heard them scream about spending Federal dollars on elections.

Now we are talking about spending far less than the tax credit lost annually in millions of dollars. We are talking about spending a few million dollars with a matching program and you would still have almost as much money to spend as most campaigns have had in the history of this country. But you would not have this untoward sense that people have in America that money makes all in the difference in politics.

I think that is a pretty fair compromise.

Mr. McCONNELL. I would say to my friend that the only money in politics that it seems would be inappropriate is that money that millionaires can spend in their own behalf. Does S. 2 solve that problem? That is a constitutional problem and I think we ought to pass a constitutional amendment to deal with it. All the rest of the money in politics comes from a whole lot of people in fairly small denominations. If there is any story that is untold in American politics, it is the story about how participation is increasing. More and more people are increasing their participation. What is wrong with that form of participation being in a check?

The **PRESIDING OFFICER.** The time has expired. Does the Senator yield additional time?

Mr. McCONNELL. I yield myself additional time.

It seems that tiat form of participation is what is being discriminated against in S. 2 in favor of other forms of participation, whether it is soft money or whether it is a get-out-the-vote drive, voter registration or other kinds of participation.

We do not think there ought to be that kind of discrimination against the guy who is working for a living who does not have time to go door to door. They can write out a small check and send it to their candidate. The number of people doing that in our process has increased dramatically in recent years.

Mr. KERRY. I appreciate getting more people to participate in the process. But I think there is a problem where we begin to measure participation by dollars contributed, and second, I think if you will look at the way in which the process is working, if you had a lesser amount of money spent in a campaign, then the tendency will be for candidates in order to guarantee election to organize more. You will require more people power, more shoe leather power to go out and knock on more doors, organize more people, and appeal to them to participate to make up for the fact that you cannot just fashion an image on television and put it out there with unlimited spending.

As to the question of the millionaires' club, I would respecfully suggest that the structure of this bill will, in fact, address that issue because with that millionaire who thinks they can outfox the system by going out and spending unlimited sources of their own funds, there is an enormous deterrent built in by virtue of that part of this bill that says if they opt out of the voluntary system and spend more, you have the option, the other candidate who uses the voluntary system, to spend their funds and to go into a higher plane of expenditure.

So there is a clear disincentive to somebody to believe that they are somehow going to outspend the system.

Mr. McCONNELL. Frankly, I say to my friend, it is not much of a disincentive. All that can happen if a millionaire exceeded the threshold, it would trigger the second entitlement payment from the Treasury to his opponent. The most that anyone could spend if they were under this S. 2 bill in Massachusetts would be $2,992,000.

We have people in this body who are terrific Senators, who nevertheless have spent well in excess of that, in order to come here. So, I would say to my friend, there is not much of a deterrent in S. 2, other than additional taxpayer expenses, to the millionaire problem.

Let me add, it is a real problem. We would like to solve that. That is one of the things I just said to the Senator from Massachusetts we would like to sit down together and try to work out. Maybe it is a constitutional amendment.

With regard to the other observation my friend made, and I believe he was not on the floor a few minutes ago when we talked about this business of spending and participation, it has been said by a number of people on that side of the aisle in support of S. 2 that all of this spending is turning off the voters. In fact, the statistics indicate just the contrary.

In the race in which the spending was the greatest per voter last year, South Dakota, they had the highest turnout in the country. And so on, right down through the top 10. The more that was spent, in other words the more people that contributed and participated in the process, the higher the turnout.

In my State of Kentucky, in which my senior colleague was fortunate enough not to have much of a race—I would like to have that some day. There was a very low turnout. As a matter of fact, Kentucky ranked last in the 1986 cycle. Why? There was not much competition, there was not much spending, and not much interest. So there is clearly no correlation whatsoever between the amount of money spent and voter turnout or turning off the voters.

Mr. KERRY. I was not on the floor, I was in the chair, presiding, at the time. I did hear the argument. I think my colleague from California answered it and answered it well. I think it is clear where you have a highly competitive race, as you did in California, as we had in North Carolina—where you had the $16 million expenditure by Governor Hunt and, I think, close to $16 million expenditure by the Senator from North Carolina, in a State with about 2.7 million people—you are clearly, I think, overspending.

I forget the figures. I do not have them right at hand. But the amount of money expended per voter was far in excess of the amount of money spent per voter in most other States in the country where people adequately discussed the issues.

What was happening is you have this escalation by which everybody felt that, since there was an unlimited ability to raise money and an unlimited ability to spend money, people went ahead and did it.

So there is automatic ratcheting up of the process, which simply raises the costs of campaigns without a true relationship to whether or not that was, in fact, necessary to get the message across or to adequately do a job of campaigning.

In the process of that—let me just finish quickly—we are driving a lot of people out of the process. There are too many people who simply cannot even make the choice of running for office because they do not know where they would ever get $16 million, and the process of raising the $16 million has clearly come from an imbalance.

Let me give you an example. As chairman of the campaign committee, we raised $12.2 million last year for the Democratic Party. The Republican Party raised $90 million, outspent us 10 to 1. Is that the structural difference that we want to institutionalize for years and years to come?

Mr. McCONNELL. I would say to my friend that it could be the case that there is more support for the Republican Party and we ought to be free to get it. If we can get a lot of additional support out there, why should we not be free to get it? I certainly would provide the same opportunity to my friend.

With regard to the North Carolina race, I think my friend from Massachusetts would have to agree he did not pick out a typical race. The North Carolina race in 1984 was, in many respects, a national race. The personalities involved had nationwide identity. It generated a huge amount of interest and support around the country. That is not the typical Senate race. The Senator has picked out clearly an aberration. There has been an increase in spending in recent years.

Another way of looking at it: There has been an increase in the number of people giving and participating in the process. As the Senator from Kentucky has pointed out, the result is, whether the voters choose to participate in greater numbers; as the spending in the races has gone up, the turnout has gone up.

In the one race we have in this country where there is a cap on spending, spending limits, and public funding, the Presidential race, the turnout has gone down, so I do not know that there is any correlation whatsoever between the amount of interest and participation and spending and voter turnout.

Mr. KERRY. But, if you couple—I am not sure that the principal argument here is one that is based on a question of interest. The principal argument, made by this Senator and others, is that we ought to be here doing our work as Senators. We ought to be able to spend more time dealing with the committee meetings that we have difficulty getting to. We ought to be able to be back in our home States, able to participate more in the events in those States rather than having to schedule events in Florida, in California, in those States which have become the principal fundraising centers of the country.

I think, if you look at the dynamics of who is raising money where, there has been a clear increase in the need to reach each of those States and to divert one's energy and time from other efforts. I think that is one of the reasons.

Mr. McCONNELL. If I may, we are on my time.

Mr. KERRY. Let me just finish, if I may. Let me quickly give the second reason. The second is that there is a perception, a very real and strong perception by the American people, that money has an undue influence on this process.

If that perception may not yet have reached a reality in everybody's mind, it is enough of a reality that we need to respond to that. We need to restore people's sense of faith in the process that they feel that it is not really an issue of what money or other that is pushing an issue in the U.S. Congress.

I think that we have a responsibility to respond to that.

Mr. McCONNELL. I say to my friend that there is a perception out in the country of undue influence, and that is related to the political action committee contributions. The Senator from Oregon and myself have offered a proposal and we are willing to broaden it. We have offered a proposal to eliminate PAC contributions to candidates and we are willing to broaden that to parties.

Mr. KERRY. Let us have a vote on it.

Mr. McCONNELL. The letters this Senator gets and I hear the letters other Senators get are not crying for spending limits or public financing; they are saying, "Why don't you do something about the PAC's, Senator?" That is the perception out there, that the PAC's are a problem.

With regard to the Senator's other observation that it is time consuming to run for public office, specifically the U.S. Senate, I would say that it is. And the question is, How easy should it be to run for the U.S. Senate? Certainly, under S. 2 it would be fairly easy. One can go out and raise a fairly modest amount of money and get a check from the Teasury for the balance up to the limit.

In a general election, any independent candidate who wants to do the same thing can go out and raise a rather modest amount of money and get a check from the Treasury. Certainly, it would be easy to run for public office under S. 2.

I ask the question of my colleague: Is that a desirable thing? Is that what we want to do? Do we want to make it so easy to run for public office at the taxpayers' expense that we have a proliferation of candidates? I would predict that under S. 2, running for national office is going to be a national pastime. I can see a time when, every morning, somebody looks in the mirror to do their shaving or comb their hair, and says, "By golly, I think I see a U.S. Senator in there; and I am going to go out under S. 2, and try to run at public expense."

Mr. KERRY. I think, as my colleague might know, a lot of people who look in the mirror and see a U.S. Senator, so might a lot of U.S. Senators look in the mirror and see a President. So why should they not?

Mr. McCONNELL. I might say to my friend, all but one. We are on my time——

Mr. KERRY. Well, 99 of them do, anyway. One was not born in this country.

But, if I can speak to the Senator's point, this bill is not going to do that. That is a red herring and the Senator knows it. Because, first of all, there is a threshold amount of money that you have to raise and, in larger States, that is $600,000 or so.

That is a lot of money. Not everybody can go out and raise $600,000 to be able to qualify for the public funding. But more importantly, we are only talking about the general election. We are talking about those who won the nominations of their parties. In order to win the nomination of their party they have to first run in a primary, and when they run in the primary, they there have to raise money on their own. They are not covered by public funding. So the notion that somehow this opens up the process to everybody is just false.

I do not think the measurement of whether or not you can run for the U.S. Senate or any other office in this country ought to simply be money. I think that is wrong. There are loads of qualified people who have a lot to offer this country who may not have that choice because they just do not have the easy avenue and the country would be better off I think and the political debate be better off.

We have gone on much longer than the original 3 minutes.

Mr. McCONNELL. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator from Kentucky has 6 minutes remaining, the Senator from Massachusetts has 2 minutes remaining.

Mr. McCONNELL. The Senator from Massachusetts will have to proceed further on his own time.

Mr. KERRY. I would like to continue this with my colleague but I have to proceed to a meeting with the leadership to discuss this very issue, but I hope in the course of the debate we will ultimately come back to this. I thank the Chair.

The PRESIDING OFFICER. The Senator's time has expired. The Senator from Kentucky.

Mr. McCONNELL. Mr. President, I would just repeat, as I said earlier, that pockets of compromise are there. The Senator from Oregon and myself have said repeatedly throughout this debate we would be more than happy to sit down and discuss those areas upon which we can agree. We would be happy to talk about eliminating PAC contributions. We would like to talk about the disclosure of soft money. We would like to talk about the disclosure of independent expenditures and on and on an on.

"But so far, unfortunately, Mr. President, those discussions have not occurred so I would urge my colleagues not to invoke cloture on this bill; only cosmetic changes have been made in the bill since the last time we voted on cloture. This is still a public funding bill. It still has enormous exposure of taxpayers' money, and it still clamps down on participation so that those who want to participate in politics by making a contribution will simply not be allowed to do so.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Oregon has approximately 3½ minutes remaining.

Mr. PACKWOOD. I thank the Chair.

Mr. President, I do not know if this is the third or fourth or fifth or sixth day that we have now been on this bill. There has yet to be a person who has argued in favor of S. 2 that could honestly respond to the question, "What is wrong with attempting to achieve campaign reform through—and I will define it as two things because these are the only two things you are hearing: One, getting rid of the special interests, however you choose to define them, PAC's or otherwise; and two, bringing campaign spending down—I have yet to find anyone on the other side who supports S. 2 who can answer the question, "Why can this not be done by, one, getting rid of the political action committees, just wipe them out, they cannot give to campaigns, they cannot give to parties, they cannot bundle, period, get rid of them; and two, lower the amount of money that individuals can give?" I do not care if that amount is $500 or $1,000, $300—I prefer $100—but get it down low enough that literally a candidate cannot raise $6 million or $7 million or $8 million or $9 million, or $16 million if that is what was spent in North Carolina, with a $100 contribution limit. The real reason, Mr. President—and everyone knows this on both sides of the aisle—that the principal proponents of S. 2 want S. 2 is to get spending limitations—and I have said this before and I will say it again—so that the minority party, and that is Republicans, can spend no more money than the majority party. And all things being equal, the majority party wins more often than the minority party. Second, Mr. President, all things being equal, incumbents win more often than challengers.

So if you are an incumbent and you are in the majority party, it benefits you to have a bill that says your challenger can spend no more money than you can spend, and especially your minority party challenger can spend no more money than you can spend. You have got better name familiarity; you have been in the Senate, you have 85, 90, 95 percent name familiarity. Your challenger starts out with 10 percent, 15 percent, 29 percent, unless the challenger is the Governor, but that is not the normal situation. You do anything you can do to keep that challenger down, keep that challenger off of television, keep that challenger from getting publicity benefits, and that is what this bill is about.

There is a second benefit to the majority party under S. 2. This bill, if you have spending limitations, does benefit powerful special interest groups that have thousands or hundreds of thousands of members and spend money getting their members out to vote and the organizations happen to be 60, or 70, or 80 percent committed to one party. S. 2, the so-called reform bill, does not cover those organizations, that so-called soft money. It does not have to be reported. The fact that that might be a nonprofit organization, the fact that it might be a labor union, the fact that it might be a teachers' association, allows them to spend all the money they want getting out their members, contacting other members, contacting others who are not their members to vote for a particular candidate.

Now, Mr. President, it usually happens—not always, but it usually happens—that many of those mass membership organizations have more often tilted toward the Democratic Party than the Republican Party. So you put a campaign limit on the Republicans, which is the minority party, you put a campaign limit on challengers, more than Republican than Democratic because there are more Democratic incumbents, and then you exempt from any spending limits or reporting limits organizations who are working to turn out their members, their members' spouses, their members' children, their members' friends, this being more likely to occur in the majority party, and you have put together a package that is guaranteed to tilt the system as strongly as possible in favor of incumbent Democrats.

Mr. President, that is not fair. It is not fair to the minority party; it is not fair to this country. So I would ask those who really want serious reform to join with Senator McConnell and myself, support a bill that gets rid of PAC contributions altogether. I would ask those who are really serious to join with me and lower the individual contribution limit from $1,000 to $100, thereby forcing all of the candidates who go out to raise their money on a very broad basis, from thousands and thousands of people in $10 and $20 and $30 and $40 amounts. That would be good for democracy. But that would take a lot of work, Mr. President. Many of those who support reform do not want to work that hard themselves; they do not mind making the taxpayers work that hard, and we will then just take the taxpayers' money and put it in our campaign pockets and we will not have to work hard collecting $10 and $20 and $30 and $40 from thousands and thousands of people.

That is what this bill is all about, Mr. President. It is not reform. We can get real reform without robbing the taxpayers. We can get real reform without giving so much power to massive membership organizations which will not be required to report or in any other way tell us what they are doing in politics. We can get real reform if we want real reform without tilting this bill so much in one direction that it is all but designed to disenfranchise the minority party.

The majority leader wants to know how long we intend to go on with, as he calls them, obstructive tactics. I can only paraphrase Ulysses S. Grant: I am prepared to fight it out on this line all summer if necessary. I like Washington in August.

The PRESIDING OFFICER. The time of the Senator from Oregon has expired.

Mr. PACKWOOD. I thank the Chair.

The PRESIDING OFFICER. The time of the minority has expired. The majority has a minute and a half remaining.

Does anyone of this side seek time?

Mr. STENNIS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. CONRAD). Without objection, it is so ordered.

Mr. BYRD. Mr. President, I have discussed with the distinguished Senator from Oregon the going forward with the vote and waiving the automatic quorum, and I sense that that may be agreeable.

I ask unanimous consent that the automatic quorum be waived.

The PRESIDING OFFICER. Without objection, it is so ordered.

The hour of 5 p.m. having arrived, under the previous order the clerk will report the motion to invoke cloture.

The legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of Rule XXII of the Standing Rules of the Senate, hereby move to bring to a close debate on the committee substitute for S. 2, to amend the Federal Election Campaign Act of 1971 to provide for a voluntary system of spending limits and partial public financing of Senate general election campaigns, to limit contributions by multicandidate political committees, and for other purposes.

Senators Spark Matsunaga, David Boren, Daniel P. Moynihan, Wendell Ford, Alan Cranston, Kent Conrad, Carl Levin, Wyche Fowler, Jr., Terry Sanford, Tom Harkin, Paul Sarbanes, Jim Sasser, Patrick J. Leahy, Barbara A. Mikulski, John Kerry, and Donald Riegle.

The PRESIDING OFFICER. The question is, Is it the sense of the Senate that debate on the committee substitute for S. 2, to amend the Federal Election Campaign Act of 1971, shall be brought to a close?

The yeas and nays are automatic under the rule, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Delaware [Mr. BIDEN], the Senator from Tennessee [Mr. GORE], and the Senator from Illinois [Mr. SIMON], are necessarily absent.

I further announce that the Senator from Vermont [Mr. LEAHY] is absent on official business.

I further announce that, if present and voting, the Senator from Tennessee [Mr. GORE] would vote "yea."

Mr. SIMPSON. I announce that the Senator from Nevada [Mr. HECHT] is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The yeas and nays resulted—yeas 49, nays 46, as follows:

[Rollcall Vote No. 150 Leg.]

YEAS—49

Adams
Baucus
Bentsen
Bingaman
Boren
Bradley
Breaux
Bumpers
Burdick
Byrd
Chafee
Chiles
Conrad
Cranston
Daschle
DeConcini
Dixon
Dodd
Exon
Ford
Fowler
Glenn
Graham
Harkin
Inouye
Johnston
Kennedy
Kerry
Lautenberg
Levin
Matsunaga
Melcher
Metzenbaum
Mikulski
Mitchell
Moynihan
Nunn
Pell
Proxmire
Pryor
Reid
Riegle
Rockefeller
Sanford
Sarbanes
Sasser
Stafford
Stennis
Wirth

NAYS—46

Armstrong
Bond
Boschwitz
Cochran
Cohen
D'Amato
Danforth
Dole
Domenici
Durenberger
Evans
Garn
Gramm
Grassley
Hatch
Hatfield
Heflin
Heinz
Helms
Hollings
Humphrey
Karnes
Kassebaum
Kasten
Lugar
McCain
McClure
McConnell
Murkowski
Nickles
Packwood
Pressler
Quayle
Roth
Rudman
Shelby
Simpson
Specter
Stevens
Symms
Thurmond
Trible
Wallop
Warner
Weicker
Wilson

NOT VOTING—5

Biden
Gore
Hecht
Leahy
Simon

The PRESIDING OFFICER. On this vote, the yeas are 49, the nays are 46, three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is not agreed to.

Mr. BYRD addressed the Chair.

The PRESIDING OFFICER. The majority leader.

Mr. MOYNIHAN. Mr. President, may we have order?

The PRESIDING OFFICER. The Senate will be in order. It we could withhold conversation, please, so that we can hear the majority leader.

The majority leader.

CLOTURE MOTION

Mr. BYRD. Mr. President, I send a cloture motion to the desk.

The PRESIDING OFFICER. The clerk will report the motion.

The legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of Rule XXII of the Standing Rules of the Senate, hereby move to bring to a close debate on the committee substitute for S. 2, to amend the Federal Election Campaign Act of 1971 to provide for a voluntary system of spending limits and partial public financing of Senate general election campaigns, to limit contributions by multicandidate political committees, and for other purposes.

Senators Robert C. Byrd, Donald Riegle, Tom Daschle, Bill Proxmire, Max Baucus, David Boren, Timothy H. Wirth, Daniel K. Inouye, Claiborne Pell, Spark Matsunaga, Harry Reid, Lawton Chiles, Brock Adams, John D. Rockefeller, Terry Sanford, Alan Cranston, and Wyche Fowler.

Mr. BYRD. Mr. President, may we have order in the Senate?

The PRESIDING OFFICER. The Senate will be in order.

Mr. BYRD. Mr. President, the Senate first went to this bill on Wednesday, June 3. That was 2 weeks ago tomorrow. There has been no inclination—Mr. President, may we have order in the Senate?

The PRESIDING OFFICER. The Senate will be in order.

Mr. BYRD. I want Senators to hear what I am going to try to say to the Senate. Perhaps there will be a better understanding of what we have ahead of us.

The PRESIDING OFFICER. Will Senators halt conversations so we can hear the majority leader?

Mr. BYRD. Mr. President, as I was saying, the Senate went to this bill on June 3, 2 weeks ago Wednesday, tomorrow. There has been no inclination on the part of the leadership to push the Senate toward cloture. This is only the second cloture vote we have had. I thought it best to engage in debate on this bill—it is a very important bill—and I know there are feelings on both sides that are strong. But, Mr. President, we have had good debate on the bill. As I say, I did not, as so often we have done in years past, bring up a bill and immediately put a cloture motion on it or put a cloture motion on it the next day. I have felt that this is a matter that ought to be aired, that ought to be debated, and we have had good debate. This is only the second cloture vote.

However, Mr. President, we are going to be having cloture votes daily. The matter has now been before the country for 2 weeks. It is not going to go away. The matter is vitally important to this institution and it is vitally important that we make up our minds that the Senate is going to work its will on this bill.

There will be a cloture vote this Friday. We had four absentees on our side today. I knew there would be absentees today. But those four absentees, had they been here, would have voted for cloture. We got 49 votes and that would have been 53 votes—still not enough.

There are times that there are measures on which I am careful to say, "Well, we do not want to have a cloture vote on that day because we will drop one or two votes because we have some absentees."

Mr. President, that is not the case here. If we have absentees, those who are here will still vote, and the people will know who is not voting because the people more and more and more have their attention drawn to this issue. It is an idea whose time has come. We cannot fail just because of those who, utilizing their rights under the rules—and I do not quarrel with that—intend just to wear down this Senate and obstruct it and stop it and not let it vote on this matter.

We also cannot stand here and say that we really are for campaign finance reform on the one hand and say, on the other hand that we are against campaign expenditure limitations. The two just are at odds with one another. We cannot have real reform, genuine reform, effective, meaningful reform on the one hand, if we say on the other hand, "But, but, but, but, there must be no spending limitations."

That will not wash and the American people know that. They know we have a problem. They know something has to be done about it and we know something has to be done about it.

So, Mr. President, there will be a cloture vote tomorrow, and I have asked the distinguished Republican leader if it is agreeable to vote about 5 o'clock.

On Thursday, there will be another cloture vote and there will be a cloture vote on Friday.

We are to the point now where we close the Senate down 1 day a week so that the Senators can go out and raise money. It is a money chase. We have already closed the Senate down 1 day a week for several months. We are fast getting to the point where we are not going to have votes on Tuesdays until the twilight falls, and not going to have votes on Fridays after 10 or 11 o'clock in the morning. That will get us down to where we are going to be in session only on Wednesdays and Thursdays and half days or less on Tuesdays and Fridays.

I think it time that we draw the line and say for the sake of this institution, and for the sake of representative democracy, we have to do something about this money problem. There is a scandal out there waiting to happen. We all know that it is coming sooner or later. It is almost a scandal now when Senators have to leave their work and leave their families and to out all over this country and live out of suitcases, running from one airport to another trying to raise money in order that they can stay in public service. Many of us are dedicated to public service. I have been in public service for 41 years and I do not want to get out of it yet because I think I still have a lot to offer to the people in my State and to the people of this country.

So if there are Senators who have an idea that this is just going to go away, I would like to debunk that idea right here and now, and to the people on the outside who are helping in this cause, I hope they will redouble their efforts, redouble their efforts, because we are going to be on this bill for awhile. I am not in a big hurry to take it down, but I do want to reach a vote on it. There will be a cloture vote on Friday. Who knows, we may be back here Saturday.

We have been here many times on Saturdays in the past.

We have had plenty of debate. We have only had two cloture votes. Nobody can accuse me of having tried to shut off debate early. I will be happy to reach an agreement now or at any time to vote on the pending substitute to the committee substitute—to vote on it tomorrow.

I thank Senators for listening. I now would ask the distinguished Republican leader if we can agree to vote on the cloture motion tomorrow at 5 o'clock.

Mr. MURKOWSKI. May I pose a question to the majority leader?

Mr. BYRD. Yes.

Mr. MURKOWSKI. I would respectfully remind the majority leader that this weekend is Fathers Day, which is very significant, particularly for those of us who live a long distance. I have to travel for 13 hours. I intend to attempt to be home with my family for Fathers Day. I wonder if the leader could perhaps accommodate the Friday vote to coincide with the only nonstop airplane schedule across the country. I would again respectfully remind him, in fact, that Fathers Day is very important, as is the cloture matter before the Senate. I would appreciate whatever consideration he could give. I thank the majority leader.

Mr. BYRD. I thank the distinguished Senator. He mentioned a very persuasive point. When he talks about Fathers Day, that touches us all. Every day is Fathers Day. What I am trying to do is make it possible for fathers to stay home with their families and childern and grandfathers to stay home with their families and their grandchildren a little more often each year, not just on 1 day alone.

Mr. President, I ask unanimous consent that the vote on cloture occur tomorrow at 5 p.m.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

Mr. BYRD. Mr. President, if I may, I would like to yield to the Republican leader and then I would like to put the Senate into morning business and go out for the day.

The **PRESIDING OFFICER.** The Republican leader.

Mr. DOLE. Mr. President, I have listened with interest to the distinguished majority leader. I know he feels strongly about this particular legislation, but I think, as he has correctly observed, there are others who feel just as strongly on the other side. There is fundamental difference of opinion on how we should finance our campaigns.

I just say, if there is a groundswell out there, the American people demanding that we pay for our campaigns with their taxes, it has not reached my office yet. Maybe, since the American people have raised our pay this year, now we are going to finance our campaigns and that may be what the American people want.

I did have many good letters on the pay raise, but I have not gotten any flood of mail saying "I can hardly wait to pay more taxes so we can fund your campaign for the U.S. Senate." I think that is the fundamental difference.

I would also say, as a Republican, we are trying to build our party in certain parts of this country, and putting on a campaign expenditure limit is, in effect, putting a brake on our growth in certain parts of this country. It may not be intended, but that is going to be the result.

So there are a couple of fundamental differences between many of us on this side and many on the other side. I hope that we would go back and dust off the so-called Boren-Goldwater bill of last year. It did not say anything about public financing. I do not know where public financing crept into it. But there are a number of Senators on this side, I think most every Senator on this side, willing to sit down and try to talk about campaign reform.

The majority leader is right: We are spending too much money. Why not limit the amount political action committees can give? That is one way to reduce the amount of spending. That was in last year's bill, but surprisingly, it is not in the Democratic proposal now. It has been replaced with public financing. Get all the PAC money you can but also get some public financing.

Soft money ought to be disclosed. It ought to be limited if you are going to limit everything else. Phone banks; labor leaders move in with paid help. Not many are working on this side of the aisle. That is not touched in that bill and I do not think the American people are going to believe for very long that this is designed for the goodness of everybody in this Chamber. It is an assault on the Republican Party. It is an assault on the American taxpayer. And we are sorry, we cannot vote for cloture.

If there is a real interest in compromise, OK. I get as frustrated as the majority leader, with a lot of other things waiting to be done, and I commend him for all the things he has done. There is hardly anything on the calendar as far as I know. It is clean.

That is why we can take this kind of time, because we have been so cooperative on this side, that we can take up this business. He has all this extra time that we can spend on cloture votes for campaign finance reform. For that, I compliment my colleagues on this side of the aisle. But we are going to continue that.

This morning at about 11 o'clock, the majority leader was able to get unanimous consent to put all the trade bill together and bring it out at any time he wishes and we want to cooperate with the leadership. Without it, it would be chaos.

But I must say for nearly every Republican and some Democrats, that there is a fundamental difference—and I know Common Cause is out there—but they do not say very explicitly that this is public financing that is coming from taxpayers. They say, well, we are going to treat this like Presidential races. I am not certain how many people know how we treat Presidential races. But, if you put this question to the American people, Do you want your tax money to be spent for everybody running for Congress, I would bet the answer would be no. And that is a very fundamental difference between many in this Chamber and others in this Chamber.

I would just say, trying to be very candid, we would like to be the majority party someday. Truly the majority party. If we start accepting expenditure limitations in certain parts of this country, primarily the South, it is never going to happen. You can talk about ideas and the merits; you are not kidding anybody in politics. You have to spend more money to get out your ideas. You have to spend more money to get people to the polls, particularly in one-party States. A lot of support for this bill is coming from one-party States.

So, if we want to talk about campaign finance reform, we are prepared but, as I have indicated to the majority leader is a private note the other day, we had a caucus and they voted. They said there are only three things that separate us from agreement: public financing, expenditure limits, and applying to Senators and not applying to House Members.

Why would we pass a bill in the Senate that did not apply to the House? Talk about chaos; if we are going to have one set of rules and the House will have another set of rules, I am not certain what would happen. We would have a lot of House Members probably running for the Senate. Maybe that would be helpful.

In any event, we will be here tomorrow, Thursday, and Friday; I hope not Saturday. We were planning a little outing Saturday. It is called a retreat. We have been doing a lot of retreating since last November on this side.

[Laughter.]

So we are going to go off to Williamsburg on Saturday and reflect on how to retake the Senate and other things. But if there is a cloture vote, we would have to be here.

Mr. HARKIN. Will the distinguished minority leader yield?

Mr. BYRD. Mr. President, would the Senator yield to me first for a question? I did not want to interrupt him.

Mr. DOLE. I yield, Mr. President, to the distinguished majority leader.

Mr. BYRD. The distinguished minority leader has touched me by what he has said, and we will not have a session on Saturday, because I would not want to stop the distinguished Republican leader and his party from retreating.

[Laughter.]

Mr. DOLE. It is only for a day.

[Laughter.]

Mr. BYRD. Well, I speak seriously, not facetiously. We will not interfere with the leader's retreat.

But, while the distinguished Republican leader is in this gracious and cooperative mood—and he is in such a mood because he referred to our agreeing this morning to take up the trade bill at some point after consultation between the two leaders—could we get the same kind of agreement now on the defense authorization bill, that we could take it up by unanimous consent; that the majority leader could take it up at any time after consultation with the distinguished leader on the other side?

Mr. DOLE. Let me say to the majority leader, let me explore that with the members of the committee. That is where it was initiated in the last instance. Those are the only two items about which we really have any disagreement. As far as I know we have had a couple of other minor disagreements, but I know they are major bills and they must be addressed. I am not certain this should be addressed, but DOD should be addressed. Maybe we could substitute DOD for this legislation.

I would be happy to check that and report to the majority leader in the morning.

Mr. BYRD. Very well; I thank the distinguished Republican leader.

May I just say one thing further, if the distinguished leader will yield?

The distinguished leader speaks of public financing aspects of this bill. The taxpayers have been financing Presidential elections for quite some time now. Mr. Reagan has been one of those who has taken the greatest advantage of the tax checkoff, the public financing of Presidential elections.

May I say to my good friend [Mr. DOLE] that I would not be at all surprised to see him on the ticket next year as the standard-bearer for the GOP. If he is that standard bearer, I daresay that he probably will be very eager to accept the public financing that is now provided through the tax checkoff. I do not blame him; I would do so as well.

So I hope that we will not be persuaded, too much, by those who protest loudly about public financing, about what all this is going to cost the taxpayers, when, in fact, the taxpayers already do this voluntarily, in the case of Presidential elections. They would also do the tax checkoff voluntarily in the case of senatorial races.

But I think the real, the real raw nerve here is not so much public financing, but it is that of putting a limitation on campaign spending, and I hope that we can get down to that in the next few days. That is where the real problem is.

I thank the distinguished Republican leader.

Mr. DOLE. Let me just respond.

I remember when we passed the other checkoff we were told it was a unique office because all the American taxpayers were potentially voters for the President. That is why we should take this one little step, because of that importance. If somebody repeals it, that would be all right with me. But that was the argument at that time. We are not asking for any other office.

I would have to go back and check the RECORD and find out for certain, but I remember the argument being that the President of the United States represents all the people and therefore we can justify dipping into the Treasury for this one race. But now we are talking about thousands of races. I do not know where we stop once we start down the line. The bill has limitations as to how many people can qualify. Again, maybe the American people will focus on this issue in the next couple weeks—I do not see it. And I have been out there talking to people as much as I can. I do not get many questions on it. They say, "Are you for campaign reform?" And I say, "Yes." Then I say, "Are you for public financing, I mean the taxpayers paying for my race?" And they say, "No." I think there is a lot of confusion about what is really going on.

But I do not want to be the wet blanket. I am an optimist. It seems to me there is still an opportunity for us to have 90 votes for some bill out of this body. That is what we discussed earlier this morning, if there is some way to do that, and I do not wish to break all the china. We are open. I know the distinguished Senator from Oklahoma has worked months and months and months. But there are a couple of fundamental differences and maybe sooner or later there will be enough erosion on this side that cloture would be invoked. However, as yet I do not see that happening.

I will be happy to yield to the Senator from Iowa.

Mr. HARKIN. I thank the distinguished minority leader for yielding. I do not mean to mingle in the minority leader's party. We have enough problems of our own. But I know the distinguished minority leader has spent a lot of time out in my State of Iowa and has some interest out there.

Mr. DOLE. I have not been there since Friday, Saturday.

Mr. HARKIN. The Senator will probably be there next Saturday, too, and a lot more times. I have a feeling the distinguished minority leader is interested in helping us with a rather reasoned program. He might want to just check with the Iowans as to how they feel about this issue. In all of the town meetings that I have out there—a lot of Republicans come to these meetings, too—it is all how you put it. If it is a voluntary checkoff, where they voluntarily check off on their taxes, yes, they are for it because at least then they can say yes or no. I have found overwhelming support out in Iowa among people in both political parties for, No. 1, a limit on campaign financing, to limit the amount of money spent on campaigns, and, secondly, for this checkoff. I hope the distinguished minority leader might tap that out in Iowa and take a look at it as he travels around. It might be the source of some great strength for support out there.

Mr. DOLE. As the Senator knows, I am looking for great strength and support or even weak strength and support. I will take anything I can find. But it would be a little better if it was money put in by the taxpayer voluntarily—let the IRS be the collection agency but not take it out of the Treasury. If I have coming a refund of $436, and I want to put a dollar in the pot, then that would be a little different public financing. But the other way around it comes right out of the Treasury.

I appreciate the offer of assistance of the distinguished Senator from Iowa. Anything the Senator can do to help me will be appreciated.

Mr. BOREN. Mr. President, will the Senator yield further?

Mr. DOLE. I will be happy to leave the room.

Mr. BOREN. I hope he will not because I would like to ask him a question. Will the Senator yield?

Mr. DOLE. Yes.

Mr. BOREN. I say to the distinguished minority leader I have been very encouraged by the comments he has made about the willingness to try to work to see if we can come up with something. I understand the reluctance to move to public financing and in fact in this latest proposal that we offered at the end of last week we cut the amount of public financing involved to a maximum possible public contribution of only 24 percent of the combined primary and general election limit. Dropping it down was a signal from this side that we are certainly willing to enter into negotiations on that matter. I would have to say in all candor the thing that has discouraged me the most thus far has been the indication that we could not at least put on the table discussion of some campaign spending limits, or the concept of campaign spending limits because in a way to say we are willing to talk about campaign reform but we are not willing to talk about any kind of constraint on overall spending is sort of like saying you can go swimming, but you cannot go near the water.

I understand what the Senator from Kansas has said; there are some States where one party has been at a disadvantage for a long time; that happens to both parties in certain States, or an incumbent is well entrenched, and the challenger has to certainly have an opportunity to spend an adequate amount of money to get his or her story out, to say what they are for, to have a chance. Would the Senator agree that there is at least some point where you finally reach an amount that is simply so enormous that it is not good for the system to spend it? I do not know what that point is. We have gone from $600,000 up to $3 million. Is that point $3 million? Is it $5 million? Is it $6 million? Is it $50 million? At some point in time philosophically there must be some limit. I ask the distinguished minority leader, would he be willing to at least explore that possibility of some outer limits, if we did it in the context of making certain that the limits were high enough that they would not prevent someone who is starting out as a challenger, starting out at a disadvantage from a party point of view, from having an opportunity to raise an adequate amount of money? Is it a possibility that we could at least look at the question of some outer limits, if we did it within the context of making certain——

Mr. DOLE. I speak for myself. I hope so. It seems to me there have to be some limits. But in some States the registration is 9 to 1 against Republicans, though many Democrats might vote Republican, but to participate in primaries they have to be Democrats, and they may have different views on Senate races and Presidential races. There is a built-in disadvantage. You can have all the brilliant ideas you want and you can have all the merits and you can have the best candidate but you have to climb a pretty high mountain to overcome a 5-to-1, 4-to-1, 3-to-1, even a 2-to-1 margin. It may not be intended that way, but that is precisely the result if we start putting caps on expenditures. It in effect kills the Republican Party in some of these States for a long, long time. I think if there is some way to avoid that—I think spending $16 million a side is a lot of money, or $12 million a side in California, or 11 and 12, or 11 and 10; $3 million is a lot of money in my State. So the answer is yes.

Mr. BOREN. I say again I am very encouraged by the minority leader's answer because it is certainly not our intent, and in fact when we first introduced this bill we talked about the fact that if you set limits which were too low you could discourage a challenger, you could make it difficult for a challenger to be able to have an adequate opportunity to state his or her case, especially going against an incumbent who has had the ability to have a lot of publicity, newsletters, mailings over a period of time, the franking privilege, and the rest. But I hope that we could at least explore this idea. Senator Goldwater has indicated in the past that what bothered him more than anything else as he was leaving the Senate was the amount of money that he had to spend to get elected.

We do have aggregate PAC limits in this bill that we have introduced. It is very, very similar to the bill that Senator Goldwater and I introduced in that regard last year and the year before. I hope that at least within reasonable bounds, making it possible for those parties that are in the minority in a particular State or those that are in the challenger situation to raise sufficient amounts of money to get their case out, at least theoretically there are some outer limits, be it to raise in an extreme case—certainly you should not have to spend $50 million in a small State to have an opportunity to get your side out—that could be set that would be fair, that would still constrain this runaway increase that we have seen over the last decade, and I am encouraged by the Senator's answer.

MORNING BUSINESS

Mr. BYRD. Mr. President, I ask unanimous consent that there now be a period for the transaction of morning business, not to extend beyond 30 minutes, and that Senators be permitted to speak therein for not to exceed 5 minutes each.

The PRESIDING OFFICER (Mr. GRAHAM). Without objection, it is so ordered.

WALTER HELLER

Mr. DOLE. Mr. President, I want to take just one moment to extend my condolences to the family of Walter Heller, the noted economist, who died Monday night.

In addition to a distinguished career in academia, Walter Heller spent many years in Government service—as Chairman of the President's Council of Economic Advisers and as a Governor of the Federal Reserve Board.

Although he was associated with democratic administrations, his concept of cutting taxes in order to stimulate economic growth, has become bipartisan—and a foundation of President Reagan's economic policy.

Walter Heller testified before the Finance Committee many times when I served as chairman. His insights and experience were always welcome and respected, and we send our condolences to his family.

NO MORE MAVERICKS OR F-15's

Mr. DECONCINI. Mr. President, the Reagan administration has notified Congress that it intended to sell Saudi Arabia 1,600 Maverick-D missiles, which I understand have never been sold to any other country. These Maverick-D missiles, which have infrared capabilities, would give the Saudis an increased ability to fly 24 hours a day. Consequently, this would greatly improve the Saudi offensive operations and resources. Moreover, this would significantly increase the defensive requirements of Israel. In addition, Saudi Arabia does not deserve these missiles in light of their continued opposition to United States interests in the Middle East. However, the President said last week that he was reconsidering this proposal. Let me quote from his statement:

> I deeply regret the necessity, temporarily, to withdraw the proposal to sell moderate Maverick air-to-ground missiles to Saudi Arabia because of strong congressional opposition.

Mr. President, I point out that President Reagan is carefully selecting his words on this subject. The key word in his statement is "temporarily." The administration has also discussed the possibility of selling the Saudis 12 to 15, F-15 fighters. I have introduced a resolution of disapproval, along with Senators LAUTENBERG, CRANSTON, WILSON, D'AMATO, DURENBERGER, DIXON, and WEICKER, on this potential sale, and quite frankly, I am concerned that the President may now try to sell a hybrid package of Mavericks and F-15's to the Saudis.

I strongly recommend to my colleagues that we carefully monitor the administration's activities in regard to future arms sales to Saudi Arabia. We should be concerned about any and all possible sales proposed by this administration to Saudi Arabia.

DISLOCATED WORKERS

Mr. METZENBAUM. Mr. President, the Senate Labor and Human Resources Committee has filed its report on S. 538, the Economic Dislocation and Worker Adjustment Assistance Act. This legislation, approved with bipartisan support, is the biggest Federal effort to help dislocated workers in this Nation's history. The bill will come to the floor within the next few weeks.

Since 1981, over 11 million hardworking American men and women have lost their jobs in plant closings across this country. American workers in the prime of their lives with families to support are out of jobs and in need of help.

My bill responds to that need. It provides nearly $1 billion per year for retraining and readjustment services. Hundreds of thousands of dislocated workers will benefit from this Federal assistance. American men and women will have a chance at a better life through new careers and job opportunities.

But their best chance is if they get help before they lose their jobs, before the plant shuts its gates. If we can reach these workers early enough, we can help them find new jobs by the time the plant closes and at the same time save hundreds of millions of dollars in unemployment insurance.

That is one reason why this bill requires employers to give workers and the community at large at least 90 days advance notice of a plant closing. But a more basic reason is that mandatory advance notice is simply a matter of fundamental common decency.

That is why I do not understand the controversy that has arisen because of the advance notice provision. Let us look at the facts. Is it right for an employer to give only 7 days notice to its loyal workers whose sweat and effort have generated the firm's profits and paid the executives' high salaries? Of course it is not, but 7 days notice is the national average for blue-collar workers. Is it right for a business to give 14 days notice of a closing to its management personnel who have directed the operations of a company? Of course, it is not, but 14 days notice is the national average for white-collar workers. Is it right for companies to tell unorganized workers who have given their all to the employer that they will be out of a job with a mere 2 days notice—2 days notice and the plant is going to be closed? Of course, it is not right; in fact, it is shameful, but nonunion blue-collar workers in this country get an average of 2 days notice.

Who do these employers think they are? Do they own the world? Does the world owe them a living? You cannot treat people like machines that you use up and throw away. Loyal and productive workers must have time to adjust and retrain for a new career or begin to line up a new job.

Some opponents have argued that madatory notice is unfair government interference and would discourage companies from taking risks in the future. What about the risks communities took when they gave companies tax exemptions, new roads, free sewer hookups and other incentives to open plants? The champions of free enterprise did not complain about government interference when these communities gave them the financial help they were seeking. Why should not the communities that helped these plants open and then invested in their future be given the chance to prepare for the hardship of their departure?

Mandatory notice will not be a burden for companies. Canada has mandatory notice and it has worked well. The congressional Office of Technology Assessment studied the Canadian experience and it reports no loss in productivity at the plants during the notice period.

We are not telling companies they must stay open. We are not telling them they must consult with their employees before they leave. We are telling them only that they owe their employees and their communities a chance to make it without them.

I yield the floor.

The PRESIDING OFFICER. The Senator from Ohio has yielded the floor.

The Senator from North Carolina is recognized.

Mr. HELMS. Mr. President, I thank the Chair for recognizing me.

SYRIA THREATENS LEBANON'S DEMOCRACY

Mr. HELMS. Mr. President, I am deeply concerned about developments over the past few days in Lebanon and about the lack of a coherent and forceful American policy in support of President Amine Gemayel and Lebanese democracy.

The United States should support, through timely and effective action, the continuation of Lebanese democratic institutions in the face of a brutal occupation by Syrian and Iranian troops. There is no substitute at this time for tangible assistance to the constitutional armed forces of Lebanon in order to maintain democratic processes and to afford a measure of stability in this war torn nation.

Mr. President, while our attention has been diverted to the Persian Gulf, in the eastern Mediterranean Sea we now confront a situation in which Syria is poised to take advantage of American preoccupation with gulf affairs in order to crush Lebanon's constitutional democracy. In the wake of the assassination of Prime Minister Rashid Karami on June 1, which reliable observers believe to have been arranged by Syria itself, Lebanon stands at yet another crossroad in her ancient struggle for democracy and sovereign independence.

The acting Prime Minister, who is pro-Syrian, has called for the resignation of President Gemayel. The Speaker of Parliament, under Syrian pressure, has resigned his position and Syria has threatened the lives of potential replacements. Because the acting Prime Minister, following Syrian instructions, refuses to have the cabinet conduct business on a caretaker basis, there is no government. Because the Speaker of the House has resigned, Parliament cannot conduct its business. President Gemayel, therefore, has been isolated in the constitutional succession with no legal successor should he, through Syrian intervention, be assassinated or forced to resign. In effect, then, the Government of Lebanon is paralyzed today.

In light of this artificial political vacuum created by Syria, we must ask ourselves whether Syria will unleash drastic actions in the coming days and weeks to destroy Lebanese sovereignty and independence. There is widespread fear in Lebanon that Syria will. Such action could even include the forcible removal of President Gemayel from office as well as the use of major military force. Just last week, there was a rocket attack against the Presidential Palace.

I would remind Senators that Lebanon is the oldest democracy in the Middle East. While under the French mandate established after World War I, Lebanon had its first presidential and parliamentary elections in 1926. In 1943, with the assistance of the United States, Lebanon became a fully sovereign and independent country. Throughout this period, the people of Lebanon have been committed to constitutional democracy.

Mr. President, democracy in Lebanon has very ancient roots. In fact, before even the Greeks, there were democratic institutions in Phoenician cities such as Tyre, Byblos, and Sidon. According to tradition, while these cities had Kings they also had elected senates. Among the greatest supporters of democratic institutions was King Hiram who did so much to consolidate democracy in Tyre in addition to providing his neighbor Solomon with cedar for the construction of the temple.

On May 21 of last year, I spoke in some detail about Syrian expansionism in the Middle East and about its support of international terrorism. At that time, I drew Senators' attention to the Syrian imperial concept of a "Greater Syria" which in the minds of Syrian expansionists includes not only present day Syria but also Lebanon, Israel, Jordan, Iraq, parts of Cyprus, and parts of Turkey. Today, Syria threatens to expand its occupation of Lebanon and threatens to actually seize power directly in Lebanon by destroying the constitutional government and democratic processes.

Mr. President, under the Lebanese Constitution elections for the Presidency, which are conducted by the Parliament, are to occur in August 1988. It is feared that the situation in Lebanon over the past few days, however, may lead to a direct Syrian takeover of Lebanon. Today, there is no Prime Minister in Lebanon and there is no Speaker of the Parliament owing to extraordinary Syrian pressure. Additionally, Syria through a number of channels—including the temporary acting Prime Minister who is pro-Syrian, Dr. Salim Hoss—is trying to force President Gemayel to resign.

There are some 40,000 Syrian troops in Lebanon including about 7,000 in Beirut. This outright Syrian occupation of large parts of Lebanon has not proven to be a positive contribution to Lebanese democracy. It is a brutal intervention and occupation and nothing more. Any hope that Syria could play a positive role in Lebanon has been long proven unrealistic by events. In fact, Assad's minority Alawite dictatorship in Syria cannot afford a flourishing and prosperous democracy in Lebanon because it sets an example for Syrians who want democracy in their own country. It will always be a maxim of Assad's and his supporters' policy to create chaos in Lebanon in order to prepare the way for outright annexation into a so-called "Greater Syria."

Mr. President, a short chronology of key events in Lebanon over the past week is instructive. On June 1, the Prime Minister, Rashid Darami was assassinated. While he was a pro-Syrian politician in Lebanon close to the Syrian Vice President Abdul Halim Kaddam, nonetheless, informed observers believe that he was killed on the order of Syria. This fits into the pattern of brutal intimidation, including assassination, which Syria has used in Lebanon to exercise its influence over events.

On the same day, President Gemayel designated Dr. Salim Hoss as the acting Prime Minister and requested Dr. Hoss to represent him at the Karami funeral in northern Lebanon in the town of Tripoli.

On June 3, the Karami funeral took place. Shortly after attending the funeral, the Syrian Vice President Khaddam summoned Muslim and pro-Syrian leaders to a meeting in Tripoli. Included in the meeting were the acting Prime Minister, the Speaker of Parliament Hussein Husseiny, the Grand Mufti, Soviet ally Walid Jumblatt, and other influential figures.

According to reliable information, the Syrian Vice President berated the Lebanese leaders for supporting President Gemayel and reminded them that Syria had stepped up its pressure to unseat the President. Additionally, Khaddam threatened the leaders if they continued their support. Khaddam is well known as a fanatic partisan of the so-called "Greater Syria" concept.

The practical results of this policy of intimidation were that the Speaker of the Parliament resigned and the position remains vacant. Also, the acting Prime Minister, following the Syrian line, broke off the dialog that had started with President Gemayel and called upon President Gemayel to step down immediately even though the Lebanese Constitution calls for elections next year. A number of influential Lebanese leaders have received death threats in recent days directly in telephone calls from high Syrian Government officials.

Mr. President, in addition to Syrian operations in Lebanon, I would point out the very significant Iranian military and paramilitary presence. It is no secret that Khomeini has several thousand Iranian revolutionary guards, Pasadaran, stationed in the Bekaa Valley which is under Syrian control. It is no secret that Khomeini has an extensive terrorist infrastructure established in Lebanon. It is also no secret that Khomeini supporters in Lebanon have called for the establishment of an "Islamic Republic" in Lebanon modeled on the Tehran regime.

I would point out that Khomeini sees the south of Lebanon as a stepping stone for his planned war to conquer Jerusalem. In fact, Khomeini uses Lebanon as an arena of direct confrontation with the United States through kidnaping and bomb attacks. Khomeini then turns his successes in Lebanon into internal propaganda campaigns in Iran to show that his revolution can confront the United States with impunity.

Mr. President, Lebanon represents a barometer of American policy in the Middle East. All eyes in the Middle East focus on Lebanon for an indication of the direction of American policy and for an indication of American commitment and leadership in the Middle East. As the oldest democracy in the Middle East and the oldest friend of the United States in the Middle East, America simply cannot abandon Lebanon to the terrorist Syrian regime and its expansionist policies.

The policy of the United States with respect to Lebanon should be squarely based upon the maintenance of the sovereignty and independence of the country. This means that all foreign forces should be removed from Lebanon. In this respect the Department of State has a disgraceful record of double dealing. Officially, we classify Syria as a terrorist sponsoring state. Yet, while the State Department publicly talks about Lebanese sovereignty, behind the scenes the State Department coddles the Syrian dictatorship and its Soviet sponsors. The Department of State should be ordered to drop this policy toward Syria.

There are some 33,000 troops in the constitutional armed forces of Lebanon. They constitute a highly trained and capable professional force. However, they are hard pressed for adequate modern supplies. The United States should make such supplies available on an urgent emergency basis. I would remind Senators that there are some 40,000 Syrian troops in Lebanon who have over 1,500 top-of-the-line Soviet main battletanks at their disposal not to mention other heavy weaponry.

I am deeply concerned about proposals for the partition of Lebanon between Syria and Israel. Such proposals are completely unacceptable from an American point of view. The United States must never be a party, directly or indirectly, to any arrangement which partitions Lebanon. Israel should recognize the obvious fact that it needs strategic depth and that this can only be achieved by having moderate states as neighbors. Partitioning Lebanon would only bring Syria permanently closer to Israeli territory posing an even more serious threat to the long-term security of Israel.

Mr. President, as for Iranian involvment in Lebanese affairs, it is clear that Khomeini has chosen to use Lebanon as an arena of confrontation against the United States. The United States must, therefore, meet the Iranian challenge directly and head on in Lebanon. To do otherwise severely undermines our credibility in the region. If our credibility is undermined then our ability to promote peace is undermined.

Hasn't the Khomeini regime been directly responsible for the kidnaping and murder of numerous American citizens? Wasn't the Khomeini regime directly responsible for blowing up our Marine Corps barracks in Lebanon? Wasn't the Khomeini regime directly responsible for the TWA 847 highjacking? Wasn't the Khomeini regime responsible for the bomb attack against our Embassy in Lebanon? What more reason do we need for replying to an endless train of Iranian insults with lethal force?

Mr. President, there is no question in my mind that an effective and severe blow to Khomeini's international and domestic position would be an immediate and forceful policy of support for the constitutional Government and democratic processes in Lebanon. The first step would be to assist the constitutional Government of Lebanon in its efforts to exclude all forms of Iranian influence in Lebanon including Khomeini's military and paramilitary forces in Lebanon. This means they must clean up West Beirut. This means we must provide the Government with proper military equipment. By providing the constitutional Armed Forces of Lebanon with the necessary equipment to clean up West Beirut we will concretely assist in the war against terrorism.

To date, the United States, in spite of oceans of rhetoric out of "Foggy Bottom" has yet to respond effectively to Iranian terrorism against private American citizens as well as military and diplomatic personnel in Lebanon. Our primary response should be directed against the Iranian presence in Lebanon. We can do this, as I have said, by immediately giving substantial military supplies to bolster the constitutional armed forces of Lebanon. They can then get on with the job of cleaning up Beirut. They do not need any American troops to assist them.

The United States should put its full weight behind President Gemayel with concrete actions. President Gemayel has bent every effort to resist Syrian and Iranian pressures but, lacking full United States support, there are limits to the President's ability to continue this course.

As I stated earlier, Lebanon is in a state of political paralysis. There is no working Prime Minister and no working caretaker cabinet government. There is no Speaker of Parliament and Parliament is, therefore, not able to conduct its business. The only remnant of Lebanese democracy that exists in today's crisis is President Gemayel himself as the duly elected constitutional President. He is the last remaining symbol of democracy in Lebanon and as such the United States must lend him full support.

The most significant action that could be taken at this time to support Lebanese democracy would be to provide immediate delivery of emergency military supplies for Lebanon's constitutional armed forces. In addition, the United States should make it clear to Syria that we will not tolerate any further interference in internal Lebanese affairs which would destroy its constitutional order and sovereign independence.

It is time that the United States undertake a major diplomatic initiative aimed at the removal of all foreign troops from Lebanese soil. Unfortunately, many observers believe that the United States Ambassador in Beirut, Mr. Kelly, has lost most of his credibility with the people of Lebanon owing to his involvement in the Iran affair. We need to have an Ambassador in Lebanon who has credibility.

Mr. President, the preservation of the sovereign independence of Lebanon and the preservation of Lebanon's constitutional democracy must be a fundamental principle of American policy in the Middle East. We must not abandon the people of Lebanon to a reign of terror under Syria and Iran. We must not avoid our historic responsibilities and our past commitments to support a democratic Lebanon.

THE TENNESSEE-TOMBIGBEE WATERWAY—SOURCE OF HOPE FOR THE FUTURE

Mr. HEFLIN. Mr. President, I would like to take this time to address the Senate and bring to its attention a very important matter. Various articles have appeared in many national newspapers which have condemned the economic worth and future potential of the Tennessee-Tombigbee Waterway. It seems to me a bit premature for these journalists to decry this project since this waterway has only been in operation for 2 years.

Water resource projects such as the Tennessee-Tombigbee are authorized by the U.S. Congress on the basis of a 50-year life, yielding both physical and economic returns. These projects are not expected to be short-term investments because they will generate benefits to the Nation through several generations.

Notwithstanding that the Tenn-Tom was completed only 2 years ago, these news stories have already predicted failure for this project. This conclusion is not only premature and unfounded but totally misrepresents the long-term value of the waterway.

NEGATIVE IMPACT OF ADVERSE ECONOMIC CONDITIONS

In light of today's eonomic conditions, the Tenn-Tom could not have opened for business at a more inopportune time. Waterways typically transport bulk-type goods such as coal and grain. These kinds of commodities have suffered the most from our inability to compete in overseas markets. Global economic conditions have also greatly hindered production capabilities of U.S. manufacturers of heavy goods such as steel, chemicals, and paper products. In better economic times, these manufacturers would take full advantage of the opportunities provided by the Tenn-Tom Waterway, and I believe that you will see an increase in traffic on the waterway as our trade deficit shrinks and as we become more competitive overseas.

Even in the face of these factors which have impacted negatively on the traffic of all waterways Tenn-Tom's commerce has steadily grown. The waterway's commercial traffic for 1986 was double that of 1985, the waterway's first year of operation. When viewed in comparison with other waterway systems in our Nation, one can see that this growth is quite an accomplishment. In the last few years, waterway systems across the Nation have experienced a marked decline in traffic. Commerce on the Missouri River navigation system, which has been in operation for nearly 40 years, declined by 20 percent from 1985 to 1986. The poor agricultural economic situation and reduced exports of grain have resulted in lower tonnage for this waterway for 3 consecutive years.

Likewise, the Arkansas River Waterway has experienced a similar decline in traffic during recent years. After it was completed in 1970, traffic increased gradually throughout the decade, reaching its highest level of 9.8 million tons in 1978. However, because of adverse economic conditions, traffic has been well below this level throughout the 1980's. Although 1986 was considered by some to be a recovery year, traffic still did not surpass the 1978 level, according to available figures. And so far this year, there has been a decline in traffic of 55 percent along its Oklahoma sections for the months of January and February of this year alone. Traffic on the waterway as a whole is down 40 percent when compared with figures from last year. Yet, as I have said, traffic on the Tenn-Tom doubled between 1985 and 1986.

Furthermore, with the exception of the transport of coal, the traffic of all commodities, including grain, has steadily increased each year on the Tenn-Tom, and the traffic of some commodities has increased many times over. For example, traffic of forestry products, a major industry in the waterway region, increased over tenfold in 1986—from 44,000 tons in 1985 to 460,000 tons last year. This figure demonstrates the tremendous growth potential the Tenn-Tom has to offer.

TRANSPORTATION BENEFITS OF TENN-TOM

I believe that the reduced transportation costs afforded by the Tenn-Tom waterway provide U.S. companies with their best opportunity to increase productivity and continue to be competitive with foreign suppliers. First, the Tenn-Tom will connect the Gulf of Mexico and the Port of Mobile with the Tennessee, the upper Mississippi, and the Ohio River valleys to yield a waterway system in which 16,000 miles of water travel will be available.

The Tennessee-Tombigbee Waterway has additional benefits, as well. Because of the system of locks and dams which have been constructed along the waterway, there is a good deal of what is called slack water, which offers less resistance than the strong downstream current of other waterways, especially the Mississippi River Waterway. Thus, northbound traffic is much cheaper. Additionally, because the Tennessee River flows from south to north all the way from the shoals area of northwest Alabama to Paducah, KY, where it joins the Ohio River, northbound traffic will actually be flowing with the current, or through lakes which have been built along this route. This benefit saves both time and money for shippers.

One trend which has been emerging in the last few months is for shippers to use the Tenn-Tom, with its slack water and northerly current, for northbound traffic. When returning south, the shippers will travel down the Mississippi River Waterway, taking advantage of its swift southerly current. This practice enables shippers to use a tow which is half the size of that which would be required to travel the Mississippi going upstream. The gas savings are tremendous, and the time savings are impressive, as well. I know that as time passes, many other benefits such as this will be recognized and utilized. However, it takes time for these to develop.

Tenn-Tom's low transportation costs have already greatly expanded markets for many of the region's natural resources and finished products. For the first time, the American Colloid Co. in Aberdeen, MS, is exporting bentonite ore to Malaysia. Company officials stated that the 200,000 tons now exported each year would not be possible without the availability of the Tenn-Tom.

Finished lumber products are being shipped from west Alabama to northern locations as far away as Pittsburgh. The waterway's cheap transportation costs provide these lumber producers with their first opportunity to compete against heavily subsidized Canadian imports in these Midwestern markets. The waterway also links Birmingham, long a steel center in the South, with Pittsburgh, a steel center in the North.

Another example of the waterway's favorable impact on the economy is the Scott Paper Co.'s use of barges to transport pulpwood to its plant in Mobile instead of shipping the raw materials by truck or rail. The company saves an estimated $25 million in costs each year.

The Tenn-Tom traverses one of the most economically depressed regions in the United States. Some counties of my State have unemployment rates as high as 30 percent. For the last 3 years, the people of this area have been wondering when they, too, could share in the scattered economic boon which has affected parts of our country. The waterway has brought this troubled area a sense of renewed hope and optimism for the future. The people have faith that they now have some control over their destinies and they are trying to pull themselves up by their bootstraps. With the Tenn-Tom, they have access to markets which were never before open.

The bullish outlook for the future of the region is not unfounded. Already, over $300 million of new industrial development has occurred in the waterway corridor. Again, the waterway, according to the companies' officials, was a contributing factor in the location of these new private investments which have created over 1,100 new jobs in a primarily rural area.

TREMENDOUS ECONOMIC BENEFITS TO MOBILE, AL

Additionally, the Tenn-Tom is expected to provide great economic benefits to Mobile, AL. A first benefit is the stimulus it will provide to chemical plant location at the southern end of the waterway, near Mobile. The cost savings for chemical transport which have been evidenced on the waterway are substantial; $9.50 per ton for shipments between Alabama and Tennessee of carbon bisulphide, $21.63 per ton for shipments from Alabama to Iowa of sodium, $7.01 per ton for shipment of ammonium sulphur between Alabama and central Tennessee.

Mobile is also on the Gulf of Mexico, thus giving access to chemical movements along the Intracoastal Waterway west to Texas or east to Florida. And there is already a great deal of chemically skilled labor in the Mobile area. Furthermore, the utility rates offered by Alabama Power Co., which provides electricity to the area, are among the lowest—if not the lowest on the gulf coast. When viewed together, these factors make the Mobile area a very attractive location for chemical companies.

In fact, several chemical plants have already located along the stretch of the Tenn-Tom running from McIntosh, AL, which is about 35 miles north of Mobile to Theodore, AL, which is 10 miles south of Mobile. I believe that Mobile will see a greater expansion of chemical plants in the future, as industry officials recognize the great benefits which the city has to offer. It is entirely possible that such plant locations will transform Mobile into a premier industrial center of the south.

All foresee the future use of Mobile as a port of exit for exports of coal, grain, and chemicals shipped down the Tenn-Tom and destined for locations throughout the world, but I believe that efforts should also be made to realize the great potential that Mobile holds as a port of entry. Because of the savings made possible by more economical northbound traffic for the reasons that I have mentioned previously, Mobile is an ideal entry port for goods and materials destined for Birmingham, north Alabama, Mississippi, Tennessee, Ohio, Missouri, Kentucky, Pennsylvania, and many other places. This role must be developed, but it is well within reach.

PROMOTION AND ADVERTISING CAMPAIGN NEEDED FOR WATERWAY

However, it will take some time for existing businesses to accommodate their transportation needs to the Tenn-Tom waterway. And it will probably take a little more time for new businesses to locate along the waterway area. Yet, I have no doubt that with each year that passes, a rise in traffic along the Tenn-Tom waterway will be seen. One can look at the development of other waterway projects—the Tennessee River, the Mississippi River, the Arkansas River, and the

Black Warrior-Tombigbee—and see that they, too, initially experienced a slow, but steady rise in traffic.

In fact, when the Arkansas River waterway became fully operational in 1970, the total commercial traffic was less than 4 million tons. And this was during an era of great agricultural and industrial exports. Yet, slowly, year by year, commercial traffic increased. In 1978, traffic on the Arkansas River waterway reached its highest point thus far, totaling more than 9.8 million tons. Since then, because of economic factors which, as I have said, have negatively affected traffic on all waterways, tonnage figures have been lower. However, the initial growth of traffic for the Arkansas River waterway, as with all waterways, was one of relatively slow, consistent growth.

One important way in which business and industry can be attracted to the Tenn-Tom is through a promotional campaign that would inform business officials of the savings and the great opportunities which are available. Like every new device or development, the Tenn-Tom needs a sophisticated sales pitch to inform people of the value of the program. Even established products such as soft-drinks or detergents must continue in their use of advertising so that the public will be aware of what attributes they have to offer. This promotional campaign for the Tenn-Tom must work to actively recruit business for the waterway. This will lead to an expansion of commercial use that will also prove beneficial to business interests, as their transportation and operating costs will be lowered.

Hopefully, a five State joint promotion campaign can work with or under the authority of the Tennessee-Tombigbee Development Authority, which was so ably led for so long by Grover Wilkins, who worked for the Tenn-Tom since the end of World War II. I know that the Tenn-Tom Development Authority will continue to play an important, and much needed role in the future under the leadership of Don Walden. And I cannot stress too highly the important work of traveling ambassadors and salesmen. Lambert Mims, the former mayor of Mobile, served, for a while, as the only full-time salesman of the waterway, and spoke all over the potential market area of the Tenn-Tom. Unfortunately, this salesman job has been abolished.

RECREATIONAL USE OF THE WATERWAY

While there may be some who disagree with me on the progress Tenn-Tom is making toward the fulfillment of its commercial potential, no one will argue about the tremendous recreational benefit the waterway has generated.

Visitation to the waterway and its recreational attractions has already greatly exceeded original projections. Nearly 5 million people enjoyed the waterway for boating, fishing, and other forms of leisure last year alone—an increase of nearly 1.5 million people over 1985. All in all, the Tenn-Tom has attracted about 8.5 million tourists since the project was completed.

These increased recreational and tourist activities have created a myriad of new small business opportunities. The people along the waterway have found that it is much easier to pick a tourist than a cotton field.

Most all transient pleasure vessels now use the Tenn-Tom since it is the shortest and safest route between the Midwest and Florida and the gulf. On average, about 100 yachts pass through each month. Amazing benefits have already been experienced throughout the waterway. At the northern end of the waterway, just beyond the Tennessee State line, a marina which sells gasoline to pleasure craft witnessed its gasoline sales quadruple in just 1 year. Likewise, the Dog River Marina in Mobile witnessed its annual repair business for pleasure craft rise from $150,000 in 1984 to $2 million for 1985, and again 1986. These are incredible results, and I believe this trend will continue for many businesses in the future.

Additionally, the April edition of Sports Afield magazine has listed the Tennessee-Tombigbee as one of America's 20 Hottest Bass Lakes. Specifically, the Gainesville, Aliceville, Columbus, and Aberdeen Lakes of the waterway were listed as areas where as many as 50 bass per angler-day are not uncommon. As fishing stories about the region spread around the country, I am sure that tourism will be further increased, and that much enjoyment will be had by all.

INVESTMENT FOR THE FUTURE

The Tennessee-Tombigbee deserves a chance to mature and allow history to prove that it is a worthwhile investment. Other public works projects have had this opportunity and traditionally have generated even more benefits than originally estimated. There is no doubt in my mind that the Tenn-Tom waterway will produce results that are any less than ultimate predictions, and they will likely be greater. And as I hope I have made clear, the actual benefits of the Tenn-Tom should never be based solely on the number of tons of commodities that were transported. Conclusions based on such limited evidence are themselves limited.

This year may find the Congress approving the first $1 trillion budget for the Federal Government. A close inspection of this megabuck budget will reveal that a very small percent of the total anticipated outlay will result in improvements to the Nation's transportation infrastructure. This is one of the few budget functions that can be considered an investment, generating returns for this and future generations. Most of the other funds included in the budget are transfer payments, or interest on the debt, which will not generate any long-term economic growth or benefit to the Nation.

Yet, we are now reaping the rewards of investment decisions made during the 1950's and 1960's, such as development of our Interstate Highway System, which like the Tenn-Tom, came under heavy criticism at the time of its conception.

Future generations will be indebted to those visionaries who have labored to ensure continued investments in our transportation infrastructure, including our inland waterway system and the Tennessee-Tombigbee. I urge those soothsayers of doom who so quickly criticize or pronounce sentence upon the Tennesses-Tombigbee waterway to mark the future development of the Tenn-Tom. They will be proven wrong.

ORDER OF PROCEDURE

Mr. BYRD. Mr. President, there will be no more votes today.

REQUEST FOR COMMITTEE TO MEET

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on Finance be authorized to meet during the session of the Senate today at 5:15 p.m. to consider the nomination of M. Peter McPherson to be Deputy Secretary of the Treasury.

The PRESIDING OFFICER. Is there objection?

Mr. HELMS. Mr. President, on behalf of a Senator on this side I object.

The PRESIDING OFFICER. Objection is heard.

REQUEST FOR COMMITTEE TO MEET

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on Finance be deemed to have had authorization to meet during the session of the Senate today at 5:15 p.m. to consider the nomination of M. Peter McPherson to be Deputy Secretary of the Treasury.

Mr. BYRD. Mr. President, Is there objection?

Mr. HELMS. Mr. President, I object.

The PRESIDING OFFICER. Objection is heard.

EXECUTIVE CALENDAR

Mr. BYRD. Mr. President, I inquire of the distinguished acting Republican leader, Mr. HELMS, as to whether or not the following nominations have been cleared on that side of the aisle: Beginning with nominations under the

Army on page 2 of the Executive Calendar, Calendar Order No. 199, and continuing under the Air Force, nominations contained in Calendar Orders Nos. 200, 201, 201 continued on page 3, 202, 203, 204, 205, 206, 207, 208, 209, 210, 211, and, on page 6 all nominations placed on the Secretary's desk in the Air Force, Army, Marine Corps, and Navy.

Mr. HELMS. Mr. President, I will say to the distinguished majority leader that, indeed, all of these have been cleared on this side.

Mr. BYRD. Mr. President, I thank the distinguished Senator.

EXECUTIVE SESSION

Mr. BYRD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider the nominations beginning on page 2 which were enumerated earlier, beginning with Calendar Order No. 199, continuing through pages 3, 4, 5, and 6; that the nominations be considered en bloc confirmed en bloc; that a motion to reconsider be laid on the table, and that the President be notified of the confirmation of the nominees.

The PRESIDING OFFICER. Without objection, it is so ordered.

The nominations considered and confirmed en bloc are as follows:

In the Army

The following named officer under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 3033:

To be chief of staff

Gen. Carl E. Vuono, [redacted]. U.S. Army.

In the Air Force

The following named officer for appointment to the grade of lieutenant general on the retired list pursuant to the provisions of title 10, United States Code, section 1370:

To be lieutenant general

Lt. Gen. Charles J. Cunningham, Jr., [redacted] [redacted]FR, U.S. Air Force.

The following named officer for appointment to the grade of lieutenant general on the retired list pursuant to the provisions of title 10, United States Code, section 1370:

To be lieutenant general

Lt. Gen. Leo Marquez, [redacted]FR, U.S. Air Force.

The following named officer, under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be lieutenant general

Maj. Gen. Michael J. Dugan, [redacted] [redacted]FR, U.S. Air Force.

The following named officer, under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be lieutenant general

Maj. Gen. Charles C. McDonald, [redacted] [redacted]FR, U.S. Air Force.

The following named officer under the provisions of title 10, United States Code, section 601, to be reassigned in his current grade to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

In the Army

The following named officer to be placed on the retired list in grade indicated under the provisions of title 10, United States Code, section 1370.

To be lieutenant general

Lt. Gen. Thomas F. Healy, [redacted], U.S. Army.

In the Navy

The following named officer, under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be admiral

Vice Adm. Powell F. Carter, Jr., [redacted] [redacted] U.S. Navy.

The following named officer to be placed on the retired list in grade indicated under the provisions of title 10, United States Code, section 1370.

To be vice admiral

Vice Adm. Cecil J. Kempf, [redacted] [redacted]U.S. Navy.

The following named officer, under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be vice admiral

Rear Adm. John H. H. Fetterman, Jr., [redacted] U.S. Navy.

The following named officer, under the provisions of title 10, United States Code, section 5137, to be appointed in the grade of vice admiral as Chief of the Bureau of Medicine and Surgery and Surgeon General:

To be chief of the bureau of medicine and surgery and surgeon general

Rear Adm. James A. Zimble, Medical Corps. [redacted] U.S. Navy.

The following named Captain in the staff Corps of the U.S. Navy for promotion to the permanent grade of rear admiral (lower half) pursuant to title 10, United States Code, section 624, subject to qualifications therefor as provided by law:

HEALTHCARE PROFESSIONAL

To be rear admiral (lower half)

Joseph P. Smyth.

The following named officer, under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be vice admiral

Rear Adm. John T. Parker, Jr., [redacted] [redacted] U.S. Navy.

Nominations Placed on the Secretary's Desk in the Air Force, Army, Marine Corps, Navy

Air Force nomination of Becky L. Gering, which was received by the Senate and appeared in the Congressional Record of June 2, 1987.

Air Force nominations beginning Roger D. Billica, and ending Joseph D. Camacho, which nominations were received by the Senate and appeared in the Congressional Record of June 2, 1987.

Air Force nominations beginning Robert J. Achterberg, and ending Theodore P. Yurkosky, which nominations were received by the Senate and appeared in the Congressional Record of June 2, 1987.

Air Force nominations beginning John R. Abel, and ending John F. Zimmer, which nominations were received by the Senate and appeared in the Congressional Record of June 2, 1987.

Air Force nominations beginning John L. Alonge, and ending Paul R. Ziaya, which nominations were received by the Senate and appeared in the Congressional Record of June 2, 1987.

Army nominations beginning Kenneth N. Hall, and ending Carl A. Kulo, which nominations were received by the Senate on May 18, 1987, and appeared in the Congressional Record of May 19, 1987.

Army nominations beginning Isaac A. Alvarado, Jr, and ending Gunther Mark, which nominations were received by the Senate on May 18, 1987, and appeared in the Congressional Record of May 19, 1987.

Army nomination of Edward R. Hoffman, which was received by the Senate and appeared in the Congressional Record of May 29, 1987.

Army nominations beginning Charles V. Adams, and ending Jimmy L. Young, which nominations were received by the Senate and appeared in the Congressional Record of June 2, 1987.

Army nominations beginning John A. Bauer, and ending Leonard Vanscoy, which nominations were received by the Senate and appeared in the Congressional Record of June 2, 1987.

Army nominations beginning Jeffrey Addicott, and ending Eddy Williamson, which nominations were received by the Senate and appeared in the Congressional Record of June 2, 1987.

Marine Corps nominations beginning John C. Astle, and ending Robert B. Wright, which nominations were received by the Senate and appeared in the Congressional Record of May 29, 1987.

Marine Corps nominations beginning Paul C. Aanonsen, and ending Gregory K. Tesch, which nominations were received by the Senate and appeared in the Congressional Record of June 2, 1987.

Navy nominations beginning Gregory Hugh Adkisson, and ending Samuel Sidney Williams, which nominations were received by the Senate and appeared in the Congressional Record of June 2, 1987.

Navy nominations beginning Richard Lewis Aarnes, and ending Charles Anthony Weigand, which nominations were received by the Senate and appeared in the Congressional Record of June 2, 1987.

LEGISLATIVE SESSION

Mr. BYRD. Mr. President, I ask unanimous consent that the Senate return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Ms. Emery, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

NATIONAL EMERGENCY WITH RESPECT TO IRAN—MESSAGE FROM THE PRESIDENT—PM 46

The **PRESIDING OFFICER** laid before the Senate the following message from the President of the United States, together with accompanying papers; which was referred to the Committee on Banking, Housing, and Urban Affairs:

To the Congress of the United States:

This report is made pursuant to section 204(c) of the International Emergency Economic Powers Act, 50 U.S.C. 1703(c), and, as with previous reports, discusses only matters concerning the national emergency with respect to Iran that was declared in Executive Order No. 12170 of November 14, 1979. This report covers events through May 14, 1987, including those that occurred since my last report on November 21, 1986.

1. The Iran-United States Claims Tribunal (the "Tribunal"), established at The Hague pursuant to the Claims Settlement Agreement of January 19, 1981 (the "Algiers Accords"), continues to make progress in arbitrating the claims before it. Since my last report, the Tribunal has rendered 44 awards, for a total of 304 awards. Of that total, 228 have been awards in favor of American claimants: 139 of these were awards on agreed terms, authorizing and approving payment of settlements negotiated by the parties, and 89 were decisions adjudicated on the merits. The Tribunal has dismissed a total of 20 other claims on the merits and 44 for jurisdictional reasons. Of the 12 remaining awards, 1 was withdrawn and 11 were in favor of the Iranian claimant. As of April 30, 1987, total payments to successful American claimants from the Security Account held by the NV Settlement Bank stood at approximately $854 million.

To date, the Security Account has fallen below the required balance of $500 million five times. Each time, Iran has replenished the account, as required by the Algiers Accords, by transferring funds from the separate account held by the NV Settlement Bank in which interest on the Security Account is deposited. The most recent replenishment occurred on April 8, 1987, in the amount of $20 million, bringing the total in the Security Account to $516,532,511.28. Prior replenishments were for $100 million, $100 million, $50 million, and $100 million.

In claims between the two governments based on contracts, the Tribunal to date has made four awards in favor of the United States and three in favor of Iran. The Tribunal has dismissed 2 claims that had been filed by the United States and dismissed 10 claims that had been filed by Iran. In addition, Iran has withdrawn 13 of its government-to-government claims (prior reports have overstated this number by 2 as a result of a clerical error), while the United States has withdrawn 3.

American arbitrator Charles N. Brower was temporarily absent from the Tribunal in January, February, and March due to his appointment as Deputy Special Counsellor to the President. During his absence, American substitute arbitrator Carl Salans served in his place for several hearings. The Tribunal accepted the resignation of Iranian arbitrator Mohsen Mostafavi, to become effective upon the appointment by Iran of a replacement. Mr. Koorosh-Hossein Ameli served as the Iranian arbitrator on an ad hoc basis in a number of cases.

2. The Tribunal continues to make progress in the arbitration of claims of U.S. nationals for $250,000 or more. Over 57 percent of the non-bank claims have now been disposed of through adjudication, settlement, or voluntary withdrawal, leaving 220 such claims on the docket. Among recent cases, two U.S. companies received awards in excess of $36 million each, and one U.S. company received an award for $8.5 million. Other decisions were notable for the legal precedents set by the Tribunal. In one case, a claimant born in Iran of United States parents, who had lived most of his life in the United States, served in the U.S. military, and had other substantial contacts with the United States, was found to possess dominant and effective United States nationality, so as to bring his case within the Tribunal's jurisdiction, notwithstanding his contacts with Iran. In another case, an American subcontractor's claim for recovery directly against an Iranian respondent was upheld based on unjust enrichment, where the Iranian entity had not paid the general contractor for the work. Such favorable decisions should prove helpful to other U.S. claimants before the Tribunal.

3. The Tribunal continues to process claims of U.S. nationals against Iran of less than $250,000 each. While the Tribunal's progress is slower than we would like, a total of 127 small claims have been resolved, 15 of them since my last report, as a result of decisions on the merits, awards on agreed terms, or Tribunal orders. Six contested claims were decided in three awards issued by the Tribunal since my previous report, raising the total number of contested claims decided to 11, eight favoring the American claimant. These decisions will help in establishing guidelines for the adjudication or settlement of similar small claims. To date American claimants have also received 20 awards on agreed terms reflecting settlements of claims under $250,000.

There remain 139 small claims currently under active Tribunal consideration. The Tribunal has held hearings in five of these claims since my last report, and the Department of State has filed additional pleadings in more than 50 such claims. The Tribunal has recently assigned the remaining small claims, totaling more than 2,500, to three-person chambers. We expect these chambers to make further selections of claims for active arbitration in the near future.

4. The Department of State continues to coordinate efforts of concerned governmental agencies in presenting U.S. claims against Iran, as well as response by the United States Government to claims brought against it by Iran. Since my last report, the Department has filed pleadings in five government-to-government claims based on contracts for the provision of goods and services. The Tribunal finally dismissed a number of Iranian claims against the United States based on alleged violations of Iranian customs regulations. Thirty-seven government-to-government claims remain pending.

In addition to work on the government-to-government claims, the Department of State, working together with the Department of the Treasury and the Department of Justice, filed five pleadings in disputes concerning the interpretation and/or performance of various provisions of the Algiers Accords. Since my last report, the Tribunal has held three hearings on interpretive disputes.

As noted in my last report, in August 1986 the Tribunal ordered the United States and Iran to negotiate in good faith on the terms of a transfer to Iran of some $500 million of Iranian funds that have been held by the Federal Reserve Bank of New York since 1981, and to transfer the funds as soon as an agreement had been reached. Following remarks by high-level Iranian officials linking U.S. compliance with the Tribunal order to the fate of hostages in Lebanon, the United States requested the Tribunal in January 1987 to take appropriate steps to clarify that no such linkage exists. On the following day, Iran filed a written submission with the Tribunal, accusing the United States of bad faith in the negotiations and requesting the Tribunal to resolve the technical issues.

On May 4, 1987, the Tribunal issued an award in which it orders the United States to retain about $65 million at the Federal Reserve Bank of New York to pay outstanding claims, and immediately to transfer the balance (about $454 million) to Iran's account at the Bank of England. The Tribunal adopted the substance of the release proposed by the United States that protects the United States against any possible future claims in connection with its administration of the account. The Tribunal stated that Iran has already publicly affirmed that there is no linkage between the United States' transfer of the funds and Iran's efforts to secure the release of hostages in Lebanon, and itself declared that "there can be no room for any doubt that this Case . . . [has] no relation or link whatsoever to the issue of hostages held in Lebanon or any other political matter." The United States complied with the Tribunal's award on May 13, 1987.

5. Since my last report, three bank syndicates have completed negotiations with Bank Markazi Jomhouri Islami Iran ("Bank Markazi," Iran's central bank) and have been paid a total of $622,807.26 for interest accruing for the period January 1-18, 1981 ("January Interest"). These payments were made from Dollar Account No. 2 at the Bank of England. Negotiations have been completed and payment of $1,222,306.11 is pending for January Interest owed to three other bank syndicates, and Bank Markazi and additional bank syndicates are now negotiating January Interest settlements, with agent banks requesting the necessary participant consents.

6. Since my last report, there have been no amendments to the Iranian Assets Control Regulations, 31 C.F.R. Part 535, administered by the Office of Foreign Assets Control at the Treasury Department.

7. The situation reviewed above continues to implicate important diplomatic, financial, and legal interests of the United States and its nationals and presents an unusual challenge to the national security and foreign policy of the United States. In particular, the Iranian Assets Control Regulations issued pursuant to Executive Order No. 12170 continue to play an important role in structuring our relationship with Iran and in enabling the United States properly to implement the Algiers Accords. I shall continue to exercise the powers at my disposal to deal with these problems and will continue to report periodically to the Congress on significant developments.

RONALD REAGAN.

THE WHITE HOUSE, *June 16, 1987.*

ANNUAL REPORT OF THE CORPORATION FOR PUBLIC BROADCASTING—MESSAGE FROM THE PRESIDENT—PM 47

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Commerce, Science, and Transportation:

To the Congress of the United States: In accordance with the Communications Act of 1934, as amended (47 U.S.C. 396(i)), I transmit herewith the Annual Report of the Corporation for Public Broadcasting for Fiscal Year 1986. The report states that the Corporation will seek appropriations at the full amount authorized through 1990. This does not reflect my views and exceeds my budget by $44 million in 1988, $88 million in 1989, and $122 million in 1990. I request that the Congress appropriate no more than the level I have proposed.

RONALD REAGAN.

THE WHITE HOUSE, *June 16, 1987.*

MESSAGES FROM THE HOUSE RECEIVED DURING ADJOURNMENT

Under the authority of the order of the Senate of February 3, 1987, the Secretary of the Senate, on June 12, 1987, during the adjournment of the Senate, received a message from the House of Representatives announcing that the House disagrees to the amendments of the Senate to the bill (H.R. 27) to facilitate the provision of additional financial resources to the Federal Savings and Loan Insurance Corporation and, for purposes of strengthening the reserves of the Corporation, to establish a forebearance program for thrift institutions and to provide additional congressional oversight of the Federal Home Loan Bank Board and the Federal home loan bank system; it agrees to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and appoints Mr. ST GERMAIN, Mr. ANNUNZIO, Mr. HUBBARD, Mr. BARNARD, Mr. LAFALCE, Ms. OAKAR, Mr. VENTO, Mr. SCHUMER, Mr. LEHMAN of California, Mr. ROEMER, Ms. KAPTUR, Mr. NELSON of Florida, Mr. WYLIE, Mr. LEACH of Iowa, Mr. SHUMWAY, Mr. PARRIS, Mr. WORTLEY, Mr. DREIER of California, and Mr. MCCOLLUM; and as additional conferees solely for the consideration of title I of the House bill and title III of the Senate amendments Mr. NEAL and Mr. BARTLETT as managers of the conference on the part of the House.

The message also announced that the House has passed the following joint resolution, without amendment:

S.J. Res. 5. Joint resolution designating June 14, 1987, as "Baltic Freedom Day."

The message further announced that pursuant to section 301 of Public Law 99-371, the Speaker appoints Mr. Dennis B. Gjerdingen, of Northampton, MA, as a member from the private sector, on the part of the House, to the Commission on Education of the Deaf, vice Nanette Fabray MacDougall, resigned.

ENROLLED JOINT RESOLUTION SIGNED

The message also announced that the Speaker has signed the following enrolled joint resolution:

S.J. Res. 5. Joint resolution designating June 14, 1987, as "Baltic Freedom Day."

MESSAGES FROM THE HOUSE

At 4:19 p.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 307. An act to designate the Federal Building and United States Courthouse located at 315 West Allegan Street in Lansing, Michigan, as the "Charles E. Chamberlain Federal Building and United States Post Office";

H.R. 436. An act to designate the Federal Building and United States Courthouse at 316 North Robert Street, St. Paul, Minnesota, as the "Warren E. Burger Federal Building and United States Courthouse";

H.R. 517. An act to designate the Soldier Creek Division Unit in Topeka, Kansas, as the "Lewis M. Paramore Diverson Unit";

H.R. 614. An act to designate the United States courthouse in Birmingham, Alabama, as the "Hugo L. Black United States Courthouse";

H.R. 1274. An act to name the lake formed by the Felsenthal Dam on the Ouchita River, Arkansas, as "Lake Jack Lee";

H.R. 1473. An act to designate the building which will house the Federal Court for the Eastern District of Texas in Lufkin, Texas, as the "Ward R. Burke Federal Court Building"; and

H.R. 2100. An act to designate the border station at 9931 Guide Meridian, Lynden, Washington, as the "Kenneth G. Ward Border Station".

The message also announced that the House has agreed to the following concurrent resolutions, in which it requests the concurrence of the Senate:

H. Con. Res. 74. Concurrent resolution expressing the appreciation of the Congress to President Virgillo Barco and the people of Colombia for their efforts to combat drug trafficking and drug abuse, and for other purposes; and

H. Con. Res. 113. Concurrent resolution concerning military unrest in Argentina.

MEASURES REFERRED

The following bills were read the first and second times by unanimous consent, and referred as indicated:

H.R. 307. An act to designate the Federal Building and United States Courthouse located at 315 West Allegan Street in Lansing, Michigan, as the "Charles E. Chamberlain

Federal Building and United States Post Office"; to the Committee on Environment and Public Works.

H.R. 436. An act to designate the Federal Building and United States Courthouse at 316 North Robert Street, St. Paul, Minnesota, as the "Warren E. Burger Federal Building and United States Courthouse"; to the Committee on Environment and Public Works.

H.R. 517. An act to designate Soldier Creek Diversion Unit in Topeka, Kansas, as the "Lewis M. Paramore Diversion Unit"; to the Committee on Environment and Public Works.

H.R. 614. An act to designate the new United States Courthouse in Birmingham, Alabama, as the "Hugo L. Black United States Courthouse"; to the Committee on Environment and Public Works.

H.R. 1274. An act to name the lake formed by the Felsenthal Dam on the Ouchita River, Arkansas, as "Lake Jack Lee"; to the Committee on Environment and Public Works.

H.R. 1473. An act to designate the building which will house the Federal Court for the Eastern District of Texas in Lufkin, Texas, as the "Ward R. Burke Federal Court Building"; to the Committee on Environment and Public Works.

The following concurrent resolutions were read, and referred as indicated:

H. Con. Res. 74. Concurrent resolution expressing the appreciation of the Congress to President Virgillo Barco and the people of Colombia for their efforts to combat drug trafficking and drug abuse, and for other purposes; to the Committee on Foreign Relations.

H. Con. Res. 113. Concurrent resolution concerning military unrest in Argentina; to the Committee on Foreign Relations.

MEASURES PLACED ON THE CALENDAR

The following bill was read the first and second times by unanimous consent, and placed on the calendar:

H.R. 2100. An act to designate the border station at 9931 Guide Meridian Road, Lynden, Washington, as the Kenneth G. Ward Border Station.

ENROLLED JOINT RESOLUTION PRESENTED

The Secretary of the Senate announced that on June 12, 1987, he had presented to the President of the United States the following enrolled joint resolution:

S.J. Res. 5. Joint resolution designating June 14, 1987, as "Baltic Freedom Day".

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-1394. A communication from the Director of the Office of Management and Budget, transmitting, pursuant to law, a cumulative report on rescissions and deferrals; jointly, pursuant to the order of January 30, 1975, to the Committee on Appropriations and the Committee on the Budget.

EC-1395. A communication from the Secretary of Defense, transmitting, pursuant to law, a report regarding United States expenditures in support of NATO; to the Committee on Armed Services.

EC-1396. A communication from the Assistant Secretary of Defense, transmitting, pursuant to law, a listening of contract award dates for the period July 1, 1987 to August 31, 1987; to the Committee on Armed Services.

EC-1397. A communication from the Director of the Defense Security Assistance Agency, transmitting, pursuant to law, information concerning the Department of the Navy's proposed Letter(s) of Offer to Egypt for Defense Articles estimated to cost $50 million or more; to the Committee on Armed Services.

EC-1398. A communication from the Assistant Secretary of Defense, transmitting, pursuant to law, a report of the value of property, supplies, and commodities provided by the Berlin Magistrate for the quarter January 1, 1987, through March 31, 1987; to the Committee on Armed Services.

EC-1399. A communication from the Acting Assistant Secretary of the Army, transmitting, a draft of proposed legislation to amend chapter 19 of title 37, United States code, relating to the administration of pay for members of the uniformed services, to provide for payment during time of war, hostilities, or national emergency; to the Committee on Armed Services.

EC-1400. A communication from the Comptroller General of the United States, transmitting, pursuant to law, reports regarding the Federal Home Loan Bank Board's financial Statements for the years 1986 and 1985, and the Bank Board's system of internal accounting controls and its compliance with laws and regulations; to the Committee on Banking, Housing, and Urban Affairs.

EC-1401. A communication from the Secretary of Commerce, transmitting, a draft of proposed legislation to amend the Saltonstall-Kennedy Act and the Fish and Seafood Promotion Act of 1986 to allow use of moneys in the Staltonstall-Kennedy Fund solely for marine fishery resource programs; to the Committee on Commerce, Science, and Transportation.

EC-1402. A communication from the Secretary of Transportation, transmitting, pursuant to law, a report regarding Federal Railroad Administration contractors and subcontractors; to the Committee on Commerce, Science, and Transportation.

EC-1403. A communication from the Secretary of Commerce, transmitting, pursuant to law, a report regarding activities of the Department during Fiscal Year 1986; to the Committee on Commerce, Science, and Transportation.

EC-1404. A communication from the Secretary of Energy, transmitting, pursuant to law, a report on a project negotiated under the Department's Clean Coal Technology Demonstration Program; to the Committee on Energy and Natural Resources.

EC-1405. A communication from the Deputy Associate Director for Royalty Management, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, a report regarding refunds of offshore lease revenues; to the Committee on Energy and Natural Resources.

EC-1406. A communication from the General Counsel of the United States Department of Energy, transmitting, pursuant to law, a notice of meetings related to the International Energy Program; to the Committee on Energy and Natural Resources.

EC-1407. A communication from the Secretary of Energy, transmitting, pursuant to law, a report on the Department's Industrial Energy Efficiency Improvement Program for calendar year 1985; to the Committee on Energy and Natural Resources.

EC-1408. A communication from the Secretary of Energy, transmitting, pursuant to law, a report on the use of alcohol in fuels during calendar year 1986; to the Committee on Energy and Natural Resources.

EC-1409. A communication from the Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the "Research Outlook (1988-1992) which describes the Agency's 5 year plan for research, development, and demonstration; to the Committee on Environment and Public Works.

EC-1410. A communication from the Secretary of Labor, transmitting a draft of proposed legislation to amend the Internal Revenue Code of 1954 to provide the coverage of railroad workers under the Federal-State unemployment compensation system, and for other purposes; to the Committee on Finance.

EC-1411. A communication from the Secretary of Health and Human Services, transmitting, a draft of proposed legislation to amend the Social Security Act to make program and administrative improvements in the programs of aid to families with dependent children and child support enforcement and in the social services block grant, to authorize consolidated funding of certain program grants to Indian tribes, and for other purposes; to the Committee on Finance.

EC-1412. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, the 1987 Social Security Annual Report; to the Committee on Finance.

EC-1413. A communication from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting, pursuant to law, international agreements other than treaties; to the Committee on Foreign Relations.

EC-1414. A communication from the Assistant Secretary of Legislative and Intergovernmental Affairs, Department of State, transmitting, pursuant to Americans traveling or residing in that country; to the Committee on Foreign Relations.

EC-1415. A communication from the Chairman to the Board of Foreign Scholarships, transmitting, pursuant to law, an annual report regarding the Board's Fulbright Program; to the Committee on Foreign Relations.

EC-1416. A communication from the Chairman of the Board of Governors, transmitting, pursuant to law, a semiannual report on the civil misrepresentation activities of the United States Postal Service, October 1, 1986-March 31, 1987; to the Committee on Governmental Affairs.

EC-1417. A communication from the Administrator of the General Services Administration, transmitting, pursuant to law, a report summarizing activities of the Office of Inspector General over a 6-month period ending March 31, 1987; to the Committee on Governmental Affairs.

EC-1418. A communication from the Secretary of Housing and Urban Development, transmitting, pursuant to law, a semiannual report on the activities of the Office of Inspector General, covering the period October 1, 1986, through March 31, 1987; to the Committee on Government Affairs.

EC-1419. A communication from the Comptroller of the General Services Administration, transmitting, pursuant to law, a report on the Presidents Retirement System for fiscal year 1986; to the Committee on Governmental Affairs.

EC-1420. A communication from the Administrator of the Environmental Protection Agency, transmitting, pursuant to law, a semiannual report of the activities of the Inspector General of the Environmental Protection Agency, covering the period October 1, 1986, through March 31, 1987; to the Committee on Governmental Affairs.

EC-1421. A communication from the Secretary of Labor, transmitting, pursuant to law, a semiannual report of the Department's Inspector General for the period October 1, 1986, through March 31, 1987; to the Committee on Governmental Affairs.

EC-1422. A communication from the Deputy Assistant Secretary of Defense, transmitting, pursuant to law, an altered record system submitted by the Defense Nuclear Agency; to the Committee on Governmental Affairs.

EC-1423. A communication from the Deputy Assistant Secretary of Defense, transmitting, pursuant to law, new record systems submitted by the Uniformed Services University of the Health Sciences [USUHS]; to the Committee on Governmental Affairs.

EC-1424. A communication from the Secretary of Transportation, transmitting, pursuant to law, a semiannual report of the Inspector General of the Department of Transportation for the period October 1, 1986, through March 31, 1987; to the Committee on Governmental Affairs.

EC-1425. A communication from the Deputy Administrator of the Agency for International Development, transmitting, pursuant to law, a semiannual report of the Inspector General of the Agency, covering the period October 1, 1987, through March 31, 1987; to the Committee on Governmental Affairs.

EC-1426. A communication from the Director of the Office of Personnel Management, transmitting, pursuant to law, a report for fiscal year 1986 on the competition advocacy program; to the Committee on Governmental Affairs.

EC-1427. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report concerning the claim of M. Bibianne Cyr to be relieved of liability for repayment of $750 in travel expenses that were erroneously paid to her by the Department of the Air Force; to the Committee on the Judiciary.

EC-1428. A communication from the Chief Justice of the Supreme Court of the United States, transmitting, pursuant to law, a report on the proceedings of the Judicial Conference of the United States, held in Washington, DC on March 17, 1987; to the Committee on the Judiciary.

EC-1429. A communication from the Federal-State Coordinator, Office of the Governor of Montana, transmitting, pursuant to law, a draft of proposed legislation to provide mutual assistance in the event of attack or natural disaster; to the Committee on the Judiciary.

EC-1430. A communication from the Secretary of the American Battle Monuments Commission, transmitting, pursuant to law, a report of the Commission's administration of the Freedom of Information Act during Calendar year 1986; to the Committee on the Judiciary.

EC-1431. A communication from the Secretary of Education, transmitting, pursuant to law, a document regarding the Bilingual Vocational Instructor Training Program, which has also been transmitted to the "Federal Register" for Scheduled Publication; to the Committee on Labor and Human Resources.

EC-1432. A communication from the Chairman of the National Council on Vocational Education, transmitting, pursuant to law, the 1986 annual report entitled "Preparation for a Productive Future; to the Committee on Labor and Human Resources.

EC-1433. A communication from the Secretary of Education, transmitting, pursuant to law, a document regarding the Patricia Roberts Harris Fellowships Program, which has also been transmitted to the "Federal Register" for scheduled publication; to the Committee on Labor and Human Resources.

EC-1434. A communication from the Director of the National Cancer Institute, Department of Health and Human Services, transmitting, pursuant to law, the Institute's publication, entitled "Atlas of U.S. Cancer Mortality in Whites: 1950-1980;" to the Committee on Labor and Human Resources.

EC-1435. A communication from the Chief Counsel for Advocacy, United States Small Business Administration, transmitting, pursuant to law, an annual report, entitled "Annual Report of the Chief Counsel for Advocacy on Implementation of the Regulatory Flexibility Act"; to the Committee on Small Business.

EC-1436. A communication from the Secretary of the Navy, transmitting, pursuant to law, notice of the intention of the Department of the Navy to donate the Gokokuji Bell to the Shuri Historical Museum, Okinawa, Japan; to the Committee on Armed Services.

EC-1437. A communication from the Director of the Office of Civilian Radioactive Waste Management, Department of Energy, transmitting, pursuant to law, the fourth annual report on the activities and expenditures of the Office of Civilian Radioactive Waste Management covering 1986; jointly to the Committee on Energy and Natural Resources and the Committee on Environment and Public Works.

EC-1438. A communication from the Director of the Office of Civilian Radioactive Waste Management, Department of Energy, transmitting, pursuant to law, an updated plan for the disposal of the Nation's commercial and defense high-level radioactive waste and spent nuclear fuel; jointly to the Committee on Energy and Natural Resources and the Committee on Environment and Public Works.

PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM-182. A concurrent resolution adopted by the Legislature of the State of Hawaii; to the Committee on Commerce, Science, and Transportation.

HOUSE RESOLUTION 11

"Whereas, President Reagan's proclamation of March 10, 1983 established ownership, control, and sovereign rights over all living and nonliving resources within the 200-mile U.S. Exclusive Economic Zone; and

"Whereas, these marine resources, both known and yet to be discovered, are of vital importance to the United States; and

"Whereas, the impacts of the development of the U.S. EEZ fall disproportionately on the coastal states, affecting the general welfare of their citizens; and

"Whereas, the marine, coastal, and terrestrial environments are an independent system that must be managed in a manner that transcends existing Federal-State boundaries; and

"Whereas, recognized principles of international law distinguish this Nation's defense and foreign policy interests from its domestic resources management regime within the U.S. EEZ, and that the coastal states have direct and clear interests in the management of these resources; and

"Whereas, the historical, vested interest of coastal states in the activities of this area is magnified in Hawaii's case since the State is comprised of a series of small islands; and

"Whereas, throughout history, the people of Hawaii have always depended on the ocean for their livelihood, from the very first landing of the Polynesians over 1,000 years ago to the modern technological age; and

"Whereas, in order to maintain the unique lifestyle developed by all of Hawaii's peoples and to expand economic activities the State must be able to continue to utilize all of its resources; and

"Whereas, the State of Hawaii must retain the right to insure that coastal air and water quality will not be degraded by any activities; and

"Whereas, in order to meet the State's needs, it must continue to take an active role in the planning and management of its land and water resources of its coastal zone and adjoining ocean; and

"Whereas, Hawaii must be a full participant in decision-making related to EEZ activities that could have a major impact on the State such as those involving the long-term use of fixed ocean sites, direct linkages with the shore, and major shore and ocean-side demands and risks; and

"Whereas, the Hawaiian EEZ comprises between 600,000 and 850,000 square miles, making Hawaii in an economic sense, one of the largest states in the Union; and

"Whereas, the State of Hawaii has already demonstrated its interest in the management and control of ocean areas now within the Hawaiian EEZ, by issuing a permit for OTEC-1; by regulating the taking of precious coral off Oahu; by the placement of fish aggregating devices in the waters surrounding the Hawaiian islands; by its implementation of the Federal consistency provisions of the Coastal Zone Management Act of 1972; by participating on a joint State-Federal Task Force for ocean mining of manganese crusts in waters surrounding Hawaii and Johnston Island; and by participating in the Coastal States Organization's efforts to unify costal states in achieving an effective EEZ management role; and

"Whereas, the Hawaii State Legislature recognizes that a more effective State role in Ocean management requires clearly defined legal authority and increased public support; now, therefore,

"Be it Resolved by the House of Representatives of the Fourteenth Legislature of the State of Hawaii, Regular Session of 1987, That the State of Hawaii is committed to attain an effective, shared management role with the federal government in the Exclusive Economic Zone; and

"Be it further resolved, That certified copies of this Resolution be transmitted to the President of the United States, the President of the United States Senate, the Speaker of the United States House of Rep-

resentatives, and members of Hawaii's congressional delegation."

POM-183. A resolution adopted by the House of Representatives of the State of Hawaii; to the Committee on Commerce, Science, and Transportation:

"HOUSE RESOLUTION 24

"Whereas, the Surgeon General of the United States has determined that smoking contributes to cancer, heart disease, bronchitis, emphysema, complications in pregnancy, and delivery of lighter weight and more premature babies with greater health risks; and

"Whereas, medical researchers have found that non-smokers who live with or work with smokers inhale significant amounts of nicotine; and

"Whereas, the United States Environmental Protection Agency office of air and radiation has stated that tobacco smoke has become one of the most deadly indoor pollutants and can be expected to kill between 500 and 5,000 non-smokers a year; and

"Whereas, the recirculation of stale air in commercial airplanes results in all passengers and employees in an airplane being forced to breathe passive smoke during an entire flight, including those passengers who are seated in the non-smoking section; and

"Whereas, there are presently no federal standards regarding air quality in airline passenger cabins; and

"Whereas, federal regulation of air filtration systems to insure that such systems remove all the harmful elements of 'passive smoke' from the air prior to recirculation within the airplane should be considered; and

"Whereas, a federal initiative for airlines to offer periodic 'smokeless flights' where smoking is prohibited entirely on certain flights in another viable option to be considered; and

"Whereas, Hawaii's major inter-island carriers; Aloha, Hawaiian, and Mid-Pacific airlines have addressed this concern by banning smoking entirely on all inter-island flights; now, therefore,

"*Be it resolved by the House of Representatives of the Fourteenth Legislature of the State of Hawaii, Regular Session of 1987,* That the United States Department of Transportation is urged to implement measures to enable airline passengers to travel in an environment free from the hazards of passive smoke; and

"*Be it further resolved,* That certified copies of this Resolution be transmitted to the Secretary of the United States Department of Transportation, United States Senate, United States House of Representatives, and to Aloha, Hawaiian, and Mid-Pacific airlines."

POM-184. A joint resolution adopted by the Legislature of the State of Nevada; to the Committee on Commerce, Science, and Transportation:

"ASSEMBLY JOINT RESOLUTION NO. 5

"Whereas, The transportation of hazardous materials creates situations which greatly increase the danger that any related accident may cause serious harm to persons and property; and

"Whereas, State and local governmental agencies are primarily responsible for responding to any such accident; and

"Whereas, Advance notification that a shipment of hazardous materials will be entering the state would enable the proper agencies for law enforcement and public safety to prepare to respond to any accident involving that shipment; now, therefore, be it

"*Resolved by the Assembly and the Senate of the State of Nevada, jointly,* That the Legislature of the State of Nevada urges the Congress of the United States to require each federal agency which transports hazardous materials through this state to enter into a written agreement with Nevada's Department of Motor Vehicles and Public Safety and the Public Service Commission of Nevada regarding the procedure for notification of the Department of Motor Vehicles and Public Safety and the Public Service Commission of Nevada regarding the procedure for notification of the Department of Motor Vehicles and Public Safety and the Public Service Commission of Nevada by the federal agency of each intended entry of hazardous materials into this state; and be it further

"*Resolved,* That each such agreement must set forth any exceptions to the general policy that advance notice of each such shipment must be given; and be it further

"*Resolved,* That copies of this resolution be transmitted by the Chief Clerk of the Assembly to the Vice President of the United States as presiding officer of the Senate, the Speaker of the House of Representatives and the members of the Nevada Congressional Delegation; and be it further

"*Resolved,* That this resolution becomes effective upon passage and approval.

POM-185. A concurrent resolution adopted by the Legislature of the Commonwealth of Massachusetts; to the Committee on Commerce, Science, and Transportation:

"RESOLUTIONS MEMORIALIZING THE CONGRESS OF THE UNITED STATES TO ENACT LEGISLATION TO REQUIRE THE FEDERAL AVIATION ADMINISTRATION TO HIRE SUFFICIENT NUMBERS OF QUALIFIED AIR TRAFFIC CONTROLLERS

"Whereas, air traffic in the United States is constantly increasing; and

"Whereas, the growth in air traffic activity has caused controller workload to reach a point where the chance of accident is enhanced; and

"Whereas, studies have shown that the present air traffic control system does not provide the same level of safety as before the 1981 controllers strike; and

"Whereas, it is the role of the Federal Government to protect the safety and welfare of its citizens, now therefore be it

"*Resolved,* That the Massachusetts general court respectfully urges the Congress of the United States to formulate and enact legislation to require the Federal Aviation Administration to maintain a proper margin of air safety and, in so doing, take into account the concerns of air traffic controllers, supervisors and facility managers; and be it further

"*Resolved,* That copies of these resolutions be transmitted forthwith by the clerk of the Senate to the President of the United States, to the Presiding Officer of each branch of Congress and to each Member thereof from this Commonwealth."

POM-186. A concurrent resolution adopted by the Legislature of the Commonwealth of Massachusetts; to the Committee on Commerce, Science, and Transportation:

RESOLUTIONS MEMORIALIZING THE CONGRESS OF THE UNITED STATES TO ENACT LEGISLATION TO BAN SMOKING ON AIRLINES

"Whereas, a panel of the National Academy of Sciences has recommended that smoking be banned on airlines; and

"Whereas, the smoking of tobacco products aboard airlines adversely affects the health of nonsmoking passengers, flight attendants and others; and

"Whereas, the smoking of tobacco products aboard airlines constitutes an unnecessary risk of fire, which threatens the lives and safety of everyone on board; and

"Whereas, the smoking of tobacco products annually

"(1) Kills over three hundred and fifty thousand Americans;

"(2) Harms the health of millions of others, both smokers and nonsmokers; and

"(3) Causes at least seventy-four thousand fires which kill at least two thousand three hundred Americans and inflict burn injuries on at least five thousand eight hundred others; and

"Whereas, it is the role of the Federal Government to protect the welfare of all its citizens in both a physical and economic sense; now therefore be it

"*Resolved,* That the Massachusetts General Court respectfully urges the Congress of the United States to enact legislation to prohibit smoking aboard domestic aircraft in the United States; and be it further

"*Resolved,* That copies of these resolutions be transmitted forthwith by the clerk of the Senate to the President of the United States, the Presiding Officer of each branch of Congress and to the Members thereof from this Commonwealth."

POM-187. A concurrent resolution adopted by the Legislature of the State of Minnesota; to the Committee on Commerce, Science, and Transportation:

"RESOLUTION 5

"Whereas, pipelines in Minnesota carrying hazardous substances present a hidden danger to the citizens of the state; and

"Whereas, the state currently has very limited authority to regulate the safety of pipelines; and

"Whereas, the regulation of pipelines by the United States has proved inadequate to prevent injury and death to Minnesota residents and damage to property and the environment; now, therefore,

"*Be it resolved* by the Legislature of the State of Minnesota that Congress should speedily enact legislation to give states more authority to regulate the safety of pipelines, and to mandate more effective federal regulation of pipelines. This legislation should require the Federal Department of Transportation to:

"(1) play an affirmative role in helping states develop inspection programs for interstate natural gas and hazardous liquid pipelines;

"(2) increase the number of inspectors to a level sufficient to comprehensively inspect each interstate pipeline once per year;

"(3) sponsor or conduct increased research on pipeline safety technologies, including standards for pipeline materials;

"(4) upgrade regulations covering hazardous liquid pipelines to be comparable in stringency and thoroughness to regulations covering natural gas pipelines;

"(5) review and update existing standards for pipe manufacture, pipeline construction and pipeline operation, and incorporate the best available technology into new standards;

"(6) analyze the effectiveness of double piping or casing and incorporate requirements for these systems into required standards if the systems are cost-effective; and

"(7) study the need for additional registration, licensing and certification requirements for pipeline design and construction personnel.

"The legislation should require the Federal Department of Transportation, or permit the states to:

"(1) require higher safety margins for operating pressures on hazardous liquid pipelines located in populated or environmentally sensitive areas;

"(2) require that pipeline operators periodically submit comprehensive reports on the condition of their hazardous liquid and natural gas transmission pipelines, and require appropriate testing based on concerns identified in these reports. These requirements should apply much more rigorously to transmission pipelines in populated or environmentally sensitive areas;

"(3) require pipeline operators to establish contingency plans for the abandonment or utilization of pipelines that do not perform to federal or state standards;

"(4) require that hazardous liquid pipeline operators improve their ability to rapidly locate and isolate pipeline leaks or spills through use of remote-control shut-off valves and remotely monitored pressure gauges;

"(5) require emergency response procedures and thorough training for shutting down pumps, locating leaks and spills, and shutting down appropriate valves as rapidly as possible;

"(6) conduct on site inspection of pipeline construction projects to ensure that standards are being met;

"(7) require remote shut-off valves on all new pipelines; and

"(8) incorporate technologies that can detect and locate pipeline leaks and spills into standards for new pipelines;

"Finally, the legislation should mandate that the National Transportation Safety Board sponsor or conduct increased research on pipeline safety technologies and conduct a comprehensive study on the extent to which longitudinal seams in some electric resistance welded pipelines are prone to experience failures;

"*Be it further resolved* That the Secretary of State of Minnesota is directed to transmit certified copies of this memorial to the President of the United States, the President and the Secretary of the United States Senate, the Speaker and the clerk of the United States House of Representatives, and to Minnesota's Senators and Representatives in Congress."

POM-188. A concurrent resolution adopted by the Legislature of the State of Utah; to the Committee on Energy and Natural Resources:

HOUSE CONCURRENT RESOLUTION NO. 15

"*Be it resolved by the Legislature of the State of Utah, the Governor concurring therein:*

"Whereas, a bill has been proposed that would increase the size of Canyonlands National Park from 337,258 acres to 754,600 acres;

"Whereas, Utah already has a vast amount of land locked up in its five national parks, Park Service and Forest Service recreation areas, Department of Defense bombing and gunnery ranges, and Indian reservations, which has been designated as single use land that cannot be developed or follow the multiple-use concept;

"Whereas, the land surrounding Canyonlands National Park that would be included in an expansion of the park has been managed for many years by the Bureau of Land Management, which has protected and preserved the anthropological and archaeological integrity of the area;

"Whereas, since the Bureau of Land Management has the same authority to enforce cultural resource laws as the National Park Service, the scenic, aesthetic, and cultural values of the Canyonlands area can be protected under current management without expansion of the park;

"Whereas, keeping the area around Canyonlands National Park under the jurisdiction of the Bureau of Land Management will provide continuity of land management in the area, and allow appropriate multiple use of the land;

"Whereas, although the Bureau of Land Management allows appropriate livestock grazing and the development of mineral resources in the area, if the Canyonlands area is included in the national park area, National Park Service management of the land will prohibit grazing, mineral development, and other appropriate activities and development, which would devastate the local economies that are heavily dependent on activities allowed under the Bureau of Land Management's multiple-use management;

"Whereas, because one-half of the royalties derived from oil and gas production on federal land are returned to the state, maintaining mineral options in southeastern Utah is important to the economic welfare of the entire state;

"Whereas, expanding Canyonlands National Park would curtail future mineral development in the area, and deny the state much-needed revenue from mineral development that could help pay for the education of our children, the state's most precious resource;

"Whereas, expanding Canyonlands National Park will handicap economic development in southeastern Utah since the integral vista concept limits the development that is allowed around national parks, and with a larger national park the perimeter lands that cannot be developed will necessarily increase; and

"Whereas, the expansion of Canyonlands National Park, which would result in the loss of future revenues from developable mineral resources and the further handicapping of local economies, is clearly not in the best interest of the people of Utah.

"*Now, therefore, be it resolved,* That the Legislature of the state of Utah, the Governor concurring therein, is opposed to the proposed expansion of Canyonlands National Park.

"*Be it further resolved,* That the Legislature and the Governor declare it to be in the best interest of the people of Utah to have the Canyonlands area remain under the careful management and protection of the Bureau of Land Management, rather than under the National Park Service.

"*Be it further resolved,* That a copy of this resolution be prepared and sent to the director of the Division of State Lands, the members of the Utah State Land Board, the director of the state Bureau of Land Management, the director of the federal Bureau of Land Management, the members of Utah's congressional delegation, the Vice-President of the United States, the Speaker of the United States House of Representatives, the chairman of the United States House of Representatives Interior Committee, and the chairman of the United States Senate Interior Committee."

POM-189. A resolution adopted by the Nineteenth Guam Legislature; to the Committee on Energy and Natural Resources:

"RESOLUTION NO. 92 (COR)

"*Be it resolved by the Legislature of the Territory of Guam:*

"Whereas, the island of Guam is an unincorporated territory of the United States; and

"Whereas, the economic well being of Guam and her Inter-regional trade network is a genuine concern of the United States Government; and

"Whereas, the United States Government has amended Customs Regulations to implement provisions of the Water Resources Development Act of 1986 which authorizes the Customs Service to assess a harbor maintenance fee of four hundredths of one percent (0.04%) on the value of commercial cargo loaded or unloaded from commercial vessels at ports within the definition of the Act; and

"Whereas, the discussions are now in place to address the impact assessment of Title XIV Revenue Provisions for Guam, Hawaii and the U.S. Possessions (Section 1401), cited as the "Harbor Maintenance Revenue Act of 1986"; and

"Whereas, according to the revenue provisions under Title XIV of the Act, the intra-regional trade between Guam and Hawaii shall be adversely effected; and

"Whereas, in the Pacific, distances between metropolitan points are significantly greater than those between urban centers in the continental United States; and

"Whereas, the overseas network links at least one large metropolitan point, generally located on the rim of the Pacific Ocean, to a mid-Pacific metropolitan point such as Guam and Honolulu; and

"Whereas, the inter-island network generally takes cargo from the Pacific metropolitan harbors (i.e. Guam from Honolulu) and distributes the same cargo to smaller urban centers within the region via inter-island transport service; and

"Whereas, from Hawaii, there is a periodic/weekly distribution service to Guam, which in turn provides intra-regional distribution of goods to destinations like Saipan and other Micronesian ports; and

"Whereas, this view of an overseas "hub and spoke" network within the Pacific Islands is dependent upon the United States for overseas domestic carrier service to and from Guam via Hawaii, which varies from bi-weekly to bi-monthly with goods arriving on Guam weekly; and

"Whereas, the applicability of the Harbor Maintenance Fee to the intra-regional movements between Guam, the U.S. possessions and Hawaii is clearly expressed with the full intention to exempt the intra-region between Hawaii and her U.S. Pacific neighbors from the fee; and

"Whereas, Congress recognized this great dependency and granted Guam limited exemptions from 0.04% ad valorem tax contained in the revenue provisions of this law; yet, with these exemptions, the assessment of Title XIV (P.L. 99-662) for Guam and U.S. Possessions shows that there may be some adverse impacts to these areas; and

"Whereas, the United States Government deems it appropriate to include the State of Hawaii as eligible to be non-exempt from the new intra-regional cargo tax, which shall affect Guam directly; and

"Whereas, the Government on behalf of the People of Guam has been duly notified that the U.S. Department of the Treasury of the United States Customs Services shall imposed the 0.04% "Harbor Maintenance (Ad Valorem) Tax" on the Port of Hawaii, thus adversely affecting the cost of consumer goods destined for Guam; and

"Whereas, it is still unclear how cargo shipped to Guam from Hawaii and her regional neighbors are to be exempted or at least to avoid the adverse effects from the imposed "Harbor Maintenance Tax"; and

"Whereas, Title XIV Revenue Provisions (P.L. 99-662) for the State of Hawaii and the U.S. Possessions show that the Ad Valorem tax went into effect April 1, 1987, payable on a quarterly basis; and

"Whereas, the population of Guam and her neighboring islands, over 232,000 citizens, shall feel the ill effect from a rise in cost for consumer goods which shall undoubtedly be passed on to the consumer by no later than July 1, 1987; and

"Whereas, Hawaii's harbors and shipping networks in the U.S. insular areas are the lifeline for everyone on Guam and her neighboring islands as direct beneficiaries of Hawaii's Pacific port system; and

"Whereas, there is no realistic alternative for transporting consumer goods of which 80% are imported and 98% are transshipped by ocean going vessels, most of which provide items needed daily by those depending on ocean shipping both on Guam and other U.S. Possessions; and

"Whereas, Guam and Hawaii are major trading partners to Micronesia where annual trade dollars amount to $11.4 Million (1982) for Hawaii and $24.6 Million (1983) for Guam; so the ad valorem burden on Micronesia would be about Fourteen Thousand, Four Hundred Dollars ($14,400) per annum; and

"Whereas, with $6.61 billon dollars worth of goods imported to our islands annually, the regional ad valorem assessment on all goods would be $741,500, ($610,000 for Hawaii and $187,000 for Guam) excluding the Northern Marianas; and

"Whereas, if Guam should export to Hawaii as one of its few means to further its own economic development, Guam shall be affected by the Harbor Maintenance Tax; and

"Whereas, the people of Guam and her regional neighbors are already heavily burdened with an altogether too high cost of living above and beyond the normal standards currently realized in the Continental United States; now, therefore, be it

"Resolved, That the Legislature of the territory of Guam respectfully request that the Department of the Treasury United States Customs Services and the Congress of the United States institute a reassessment of Title XIV revenue provisions (P.L. 99-662) for Guam and other U.S. Possessions in the Pacific which shall feel the effects of the Ad Valorem Tax imposed on Hawaii; and be it further

"Resolved, That Guam's Delegate to Congress, Ben Blaz, initiate and continue in the effort to reassess the effects of the Ad Valorem Tax and obtain an exemption from the effects of this tax on Guam and her neighboring islands in the Pacific; and be it further

"Resolved, We request that domestic cargo between the U.S. Mainland and Hawaii destined for Guam and her neighboring islands be exempted from the ad valorem tax in such a way that there is no adverse effect on Guam's consumer goods and other inter-island type cargo destined to U.S. Possessions in the Pacific from Hawaii; and be it further

"Resolved, That the impact assessment of Title XIV Revenue Provisions for Guam and U.S. Possessions shipped from Hawaii (Section 1401), cited as the "Harbor Maintenance Revenue Act of 1986, be hereby addressed in such a manner where there is an amendment of the GENERAL RULE—Chapter 36 of the Internal Revenue Code of 1954 by inserting after the chapter heading a new subchapter: A-Harbor Maintenance Tax under Section 4461 (Imposition of Tax), which shall greatly reduce the adverse impact that the ad valorm tax would have on Guam and U.S. Possessions, because of their almost total dependency on water-borne transportation of goods; and be it futher

"Resolved, That the Speaker certify to and the Legislative Secretary attest the adoption hereof and that copies of the same be thereafter transmitted to the President of the United States, to the President of the Senate of the United States; to the Speaker of the United States House of Representatives; to the Guam's Delegate to the United States Congress; to the Secretary of the Treasury; to the Secretary of the Interior; to the Governor of Hawaii; to the Director of the State of Hawaii Department of Transportation; to the Governor of American Samoa; to the Governor of the Commonwealth of the Northern Mariana Islands; to the President of the Senate and the Speaker of the House of the Commonwealth of the Northern Mariana Islands; to the President of the Association of Pacific Island Legislatures (APIL); to the President of the Guam Chamber of Commerce; and to the Governor of Guam."

POM-190. A current resolution adopted by the Legislature of the Commonwealth of Massachusetts; to the Committee on Environment and Public Works:

"RESOLUTIONS MEMORIALIZING CONGRESS TO PASS LEGISLATION WHICH EXPLICITLY RECOGNIZES THE AUTHORITY OF STATES CONCERNING CERTAIN MATTERS PERTAINING TO NUCLEAR POWER PLANTS

"Whereas, nuclear power plants pose a potentially serious threat to public health and safety from routine and accidental releases of radiation into the environment; and

"Whereas, current Federal regulations give the United States Nuclear Regulatory Commission discretion to ignore violations of reactor license conditions and standards; and

"Whereas, all major Federal environmental laws, including the Clean Air Act, the Clean Water Act, and the Federal Water Pollution Control Act, set minimum Federal standards and allow States to adopt and enforce stricter standards; and

"Whereas, the Congress of the United States declared when ordering the Nuclear Regulatory Commission to develop reactor siting regulations in 1980 that

"Nothing in this section shall be construed to provide that the Commission shall have any authority to pre-empt any State requirement relating to land use or respecting the siting of any utilization facility, except that no State or local land use or facility siting requirement relating to the same aspect of facility siting as a requirement established pursuant to this section shall have any force and affect unless such State or local requirement is identical to, or more stringent than, the requirement promulgated pursuant to this section"; and

"Whereas, the Clean Air Act amendments of 1977 authorized States or political subdivisions to regulate radioactive air emissions from nuclear reactors, provided that such standards are not less stringent then Federal standards; therefore be it

"Resolved, that the Massachusetts general court hereby urges the Congress of the United States to expressly recognize the authority of each State to establish and enforce standards for the protection of the public health and safety from radiological hazards of nuclear reactors, in addition to those rights established under the Clean Air Act, and such standards may provide a level of protection of the public health and safety identical to or more stringent than that provided under Federal law; and be it further

"Resolved, that the Congress of the United States explicitly recognize that the chief executive officer of each State within ten miles of a nuclear reactor has the express authority to veto or revoke the issuance of a reactor operating license, if such chief executive officer determines that the operation of such facility would be contrary to the best interest of such State; and be it further

"Resolved, that copies of these resolutions be forwarded by the clerk of the House of Representatives to the President of the United States, the presiding officer of each branch of Congress and to the Members thereof from this commonwealth."

POM-191. A concurrent resolution adopted by the Legislature of the State of Louisiana; to the Committee on Environment and Public Works:

"HOUSE CONCURRENT RESOLUTION NO. 29

"Whereas, Louisiana has attempted and is attempting to manage the waste generated within its borders in a reasonable and environmentally sound manner, without exporting its liabilities and obligations to other states; and

"Whereas, the citizens of Louisiana cannot become vulnerable to waste practices or products over which this state has limited or no influence; and

"Whereas, the acceptance of waste or waste products from outside of Louisiana must be carefully monitored and the amount limited if Louisiana is to exercise reasonable and prudent control of waste or waste practices within Louisiana; and

"Whereas, the importation into Louisiana of wastes which are infectious or otherwise hazardous to human health represents an unacceptable risk to Louisiana residents; and

"Whereas, the prompt and diligent actions taken by the secretary of the Louisiana Department of Environmental Quality and her staff have prevented an unwarranted and socially undesirable precedent for the management of waste in Louisiana, and are indicative that our past legislative and regulatory efforts to protect Louisiana's environment have been successful and should continue to be successful in the future if diligence is maintained in enforcing the available environmental laws and if these laws are allowed to evolve as necessary to confront and anticipate environental dilemmas.

"Therefore, be it resolved that the Legislature of Louisiana does hereby commend the secretary of the Louisiana Department of Environmental Quality and her staff for their recent protective action taken against

National Waste Contractors of New York, thwarting the company's attempt to establish Louisiana as a recipient of waste from the state of New York.

"Be it further resolved that the secretary of the Louisiana Department of Environmental Quality is hereby directed to review any and all statutory and regulatory law, which governs or should govern this issue, for the purpose of insuring that Louisiana's environmental laws are adequate to preclude Louisiana from becoming the dumping ground for any type of waste produced outside of this state.

"Be it further resolved that a copy of this Concurrent Resolution shall be transmitted to the secretary of the Louisiana Department of Environmental Quality.

"Be it further resolved that the president and the Congress of the United States are hereby urged and requested to establish regulations which encourage each state to accept responsibility for storing, treating, or disposing of its own waste; and, that copies of this Concurrent Resolution be transmitted to the president of the United States, to the president of the Senate and the speaker of the House of Representatives of the Congress of the United States, to each member of the Louisiana delegation to the United States Congress, and to the secretary of the United States Environmental Protection Agency."

POM-192. A concurrent resolution adopted by the Legislature of the Commonwealth of Massachusetts; to the Committee on Finance:

"RESOLUTIONS MEMORIALIZING THE CONGRESS OF THE UNITED STATES TO ENACT LEGISLATION TO CORRECT THE SOCIAL SECURITY BENEFITS DISPARITY KNOWN AS THE "NOTCH" ACT

"*Whereas,* the nineteen hundred and seventy-seven change in the social security retirement benefit formula has affected all eligible persons born in the "Notch" years: The years nineteen hundred and seventeen through nineteen hundred and twenty-one, whose work records are otherwise similar to work records of those born in nineteen hundred and sixteen or after nineteen hundred and twenty-one, but are penalized by receiving lower social security benefits; and

"*Whereas,* this disparity in benefit amounts is unjust and unfair and has caused great hardship; therefore be it

"*Resolved,* that the Massachusetts general court hereby urges the Congress of the United States to enact legislation to correct this unfair disparity in social security benefits; and be it further

"*Resolved,* that copies of these resolutions be transmitted by the clerk of the Senate to the President of the United States, the presiding officer of each branch of Congress and to the members thereof from this commonwealth."

POM-193. A resolution adopted by the House of Representatives of the State of Illinois; to the Committee on Finance:

"HOUSE RESOLUTION NO. 312

"Whereas, The State of Illinois has been a leader in welfare reform initiatives; and

"Whereas, Innovative programs in Illinois have been directed, within federal restrictions, to provide benefits to welfare recipients to maintain a standard of living compatible with health and well-being, while providing education, training, and support in finding jobs and developing self-sufficiency; and

"Whereas, Despite the best efforts of the State of Illinois, reforms of the Federal Welfare System are necessary to encourage recipients to become independent and to strengthen families; therefore, be it

"Resolved, by the House of Representatives of the eighty-fifth General Assembly of the State of Illinois, that the United States Congress take the following actions to restructure the Federal Welfare System:

"Change mandatory employment and training participation requirements for AFDC recipients from the current requirement of adults with children age 6 and over to one which will enable states, at State option, to require adults with children age 3 and over to participate; and

"Assure continued Federal funding and flexibility for State-administered welfare-to-work programs in the replacement of the WIN Program and for education, training, and innovative programs, such as grant diversion and welfare-recipient-operated business entrepreneurship; and

"Expand tax incentives to private employers to hire welfare recipients through the Federal Targeted Jobs Tax Credit provisions; and

"Authorize Federal funding to match State costs for extended medical and day care services to recipients who lose cash assistance eligibility due to employment; and

"Freeze the cost of Federally funded public housing for newly employed welfare recipients during the transition from welfare to work; and

"Allow the Federal Earned Income Tax Credit (EITC) to vary by family size to bring the EITC more in line with the poverty threshold which varies by family size; and

"Authorize State Demonstration Projects as proposed by the White House to cash out AFDC, Food Stamps, Energy Assistance and Medical Services for families with children for selected counties in the State; and

"Authorize State Demonstration for Cash-out of Food Stamps and Energy Assistance for General Assistance Recipients to fund Public Work Projects that pay wages instead of assistance benefits; and

"Simplify States' administration of the AFDC and Food Stamp programs by having consistent definitions of income, resources, sanctions, and other program requirements for both programs; and

"Eliminate Federal requirements under the AFDC-Unemployed Parent program denying AFDC to a two parent family in which a wage earner works over 100 hours per month or does not have a sufficient work history (connection to labor force); and

"Require the Federal Government to meet established time standards (60 days) for determining eligibility for SSI; and be it further

"*Resolved,* That a copy of this resolution be sent to the President of the United States Senate, the Speaker of the United States House of Representatives, and to each member of the Illinois Congressional Delegation."

POM-194. A resolution adopted by the House of Representatives of the State of Hawaii; to the Committee on Finance:

"HOUSE RESOLUTION NO. 34

"Whereas, under federal tax law as it existed prior to the Tax Reform Act of 1986, if an individual received all employee contributions within the first three years after the starting date of retirement, all distributions were considered a return of the employee's contributions until the individual's basis was recovered; and

"Whereas, this three-year basis recovery rule effectively eliminated the tax burden on distributions received during the first three years by employees who had contributed to their retirement plans during their working years; and

"Whereas, this type of treatment was fairest to the employees because they had returned to them tax free during the first years of retirement, contributions which had already been taxed at the time that money was earned; and

"Whereas, under the Tax Reform Act of 1986, the three-year basis recovery rule was repealed retroactive to July 1, 1986 and replaced by a requirement which calls for retired employees to be taxed on a pro-rata portion of the distributions received; and

"Whereas, under the new law, the nontaxable portion of the distributions is determined by taking a ratio of the employee's contribution over the accrued benefits as of the date of retirement, which ratio is then applied to the retirement distribution to determine the portion representing the recovery of the retiree's basis; and

"Whereas, this new method of recovering the retiree's basis: (1) Substantially increases the period over which retirees recover their own contributions upon which they have already been taxed, thereby effectively and unconscionably giving the federal government the use of the retiree's money for a long period of time; and (2) Substantially increases the tax burden on retirees taking various forms of lump sum distributions, thereby restricting the options available to retirees who had formulated retirement plans over a period of years in reliance on the reasonable assumption that those retirement options would be available without the tax consequences recently imposed; now, therefore,

"Be it resolved by the House of Representatives of the Fourteenth Legislature of the State of Hawaii, Regular Session of 1987, that the Congress of the United States is urged to reinstate the three-year basis recovery rule for employee contributions to retirement plans as the law existed before the passage of the Tax Reform Act of 1986; and

"Be it further resolved that copies of this Resolution be transmitted to the President of the United States Senate, the Speaker of the United States House of Representatives, and the members of Hawaii's Congressional delegation."

POM-195. A resolution adopted by the Senate of the State of Washington; to the Committee on Finance:

SENATE RESOLUTION 1987—8666

"Whereas, Thousands of employees of common carriers travel across state lines in the regular course of their daily employment; and

"Whereas, These employees who are not residents of these states impose no tax burden on the states through which they travel; and

"Whereas, The employers of these nonresidents are common carriers which pay a substantial share of state and local taxes in the states in which they operate, such as fuel taxes and registration fees, and various other excise and property taxes, to cover the cost of governmental services from which they benefit while present in the state; and

"Whereas, It is patently inequitable for one state to tax another state's residents for purpurted benefits received from governmental services when the nonresidents taxed are neither living, nor working to any substantial degree, in the taxing state; and

"Whereas, Current federal law allows withholding of state income tax by common carriers from their employees' wages if more than fifty percent of the distance traveled by the employee is within a state other than the employee's state of residence; and

"Whereas, In imposing state income taxes, these states are taxing nonresidents who as such have no vote or voice in the imposition of the tax or its rate, and receive no benefit from the expenditure of their tax money; and

"Whereas, The fact that current federal law allows this taxation without representation does not make the collection of such taxes from these nonresident employees equitable; and

"Whereas, Taxing nonresidents while traveling through another state raises questions regarding the exclusive power of Congress to regulate interstate commerce and the ensuing right to travel freely as expressed in Article I, section 8 of the Constitution of the United States;

"Now, therefore, be it resolved, That the Senate the State of Washington recognizes the impropriety of the State of Idaho taxing nonresident employees of common carriers and believes that the United States Congress should change federal law to ensure more fair treatment of employees of common carriers who cross state lines; and

"Be it further resolved, That copies of this Resolution be immediately transmitted to the Director of the Internal Revenue Service, the President of the United States Senate, the Speaker of the House of Representatives, and each member of Congress."

POM-196. A petition from a citizen of Fairless Hills, Pennsylvania, favoring changes to the Social Security Act to remedy the "notch" effect; to the Committee on Finance.

POM-197. A joint resolution adopted by the Legislature of the State of Alaska; to the Committee on Foreign Relations.

"HOUSE JOINT RESOLUTION NO. 35

"Be it resolved by the Legislature of the State of Alaska:

"Whereas plutonium is a long-lived, highly radioactive, and extremely toxic material that is used to construct nuclear weapons and as fuel in nuclear reactors; and

"Whereas the United States and Japan are presently negotiating a 30-year nuclear cooperation agreement that would permit the shipping of plutonium as reprocessed reactor fuel from reprocessing plants in Europe to Japan; and

"Whereas the shipments would begin by air carrier in the early 1990's and would occur every two weeks in amounts of 500 to 600 pounds each, which is enough plutonium to build 40 bombs of the size dropped on Nagasaki, Japan at the end of World War II; and

"Whereas the polar route planned for the shipments would necessitate a refueling stop in Alaska; and

"Whereas a cask for the economical and safe transportation of plutonium that meets the requirements of the Nuclear Regulatory Commission has not been developed; and

"Whereas a loophole in the Atomic Energy Act (42 U.S.C. 2011-2296) may allow the cask standards of the Nuclear Regulatory Commission to be overlooked in favor of the standards of the International Atomic Energy Agency that require the cask to meet only 1/10th of the impact velocity required by the Nuclear Regulatory Commission; and

"Whereas a cask that met the standards of the International Atomic Energy Agency recently failed a test that simulated an airplane crash; and

"Whereas the shipped plutonium will be in the form of plutonium oxide powder, which is easily airborne, and minute quantities of which, if inhaled, can cause cancer; and

"Whereas the signing of the agreement would substitute a blanket 30-year approval for the present case-by-case review process that gives the United States ongoing control over the safety and security of plutonium shipments; and

"Whereas the signing of the agreement would mean United States acquiescence in the development of a plutonium-fueled nuclear industry, which would result in the increased proliferation of plutonium and the attendant danger of nuclear weaponry falling into the hands of other countries and terrorist groups; and

"Whereas an environmental impact statement has not been prepared for the proposed agreement, although there is court precedent for the proposition that the movement of nuclear fuel qualifies as a major federal action requiring preparation of an impact statement; and

"Whereas AS 18.45.027 expressly prohibits the transportation of used nuclear reactor fuel except for purposes of disposal outside the state; and

"Whereas allowing the planes carrying the plutonium to land in the state would have tremendous consequences for the health and safety of the state's residents and the protection of the state's environment:

"Be it resolved the Alaska State Legislature opposes the proposed 30-year nuclear cooperation agreement between the United States and Japan that would allow the shipment of plutonium by air between Europe and Japan by polar route, resulting in refueling stopovers in the state during the shipments; and be it

"Further resolved that the Legislature respectfully requests the Governor to prevent to the greatest extent possible under the authority of AS 18.45.027 the use of state airports for shipments of plutonium by air between Europe and Japan.

"Copies of this resolution shall be sent to the Honorable Ronald Reagan, President of the United States; the Honorable George Bush, Vice President of the United States and President of the U.S. Senate; the Honorable Caspar W. Weinberger, Secretary of the U.S. Department of Defense; the Honorable John S. Herrington, Secretary of the U.S. Department of Energy; the Honorable George P. Shultz, Secretary of the U.S. Department of State; the Honorable Elizabeth Hanford Dole, Secretary of the U.S. Department of Transportation; the Honorable Jim Wright, Speaker of the U.S. House of Representatives; the Honorable Lando W. Zech, Jr., Chairman of the U.S. Nuclear Regulatory Commission; and to the Honorable Ted Stevens and the Honorable Frank Murkowski, U.S. Senators, and the Honorable Don Young, U.S. Representative, members of the Alaska delegation in Congress."

POM-198. A concurrent resolution adopted by the Legislature of the State of Michigan; to the Committee on Foreign Relations:

"SENATE CONCURRENT RESOLUTION NO. 48

"Whereas, The present record-high water levels of the Great Lakes are ravaging the vast shoreline of Michigan. It is predicted by most experts that the lakes will continue to rise in the spring of 1987, and no one foresees a lessening of the record levels that have existed over the past year. The cost of the damages from land erosion and flooding has been estimated by the Army Corps of Engineers at 100 to 150 million dollars for 1986 to the United States and Canada. The eight states and two provinces which border these natural wonders teem with major population centers, manufacturing sides, and scenic vistas. Since Michigan possesses more shoreline than any other state or province in the Great Lake Basin, we are well aware of the numerous dangers that the high levels create; and

"Whereas, Although this problem is a natural disaster of emergency proportions, the federal government has yet to recognize it as such. As a result, we have not been allocated the financial help necessary for adequate protection. In the last two and one-half years, the State of Michigan has spent several million dollars to preserve homes and communities, but we need federal aid for increased short-term protection measures; and

"Whereas, The climatic causes of the problem are beyond our control. However, many experts have outlined courses of action that can be taken to alleviate this danger. Since the issue threatens the economic well-being and quality of life of Great Lakes shoreline residents, we recommend that all possible solutions be examined; and

"Whereas, The governments of Canada and the United States should begin immediate negotiations on the closure of the Ogoki and Long Lac diversions which transfer water from the James Bay Basin in Canada to Lake Superior. It is also possible to construct channels and gates which would increase the flow from Lakes Erie and Ontario out the St. Lawrence Seaway. By decreasing the levels in these three lakes, the levels of all the Great Lakes will be decreased. However, these steps alone will not solve the problem. The governments of Canada and the United States must also examine other long and short-term methods to improve the situation. The International Joint Commission undertakes studies and makes recommendations, but it is the governments of both nations which must enact the necessary solutions; and

"Whereas, While this natural disaster is the cause of very real human, economic, and environmental hardships, the gravity of the situation lies in the fact that the current situation may only be the beginning of even greater danger; now, therefore, be it

"Resolved by the Senate (the House of Representatives concurring), That we urge the Congress of the United States and the International Joint Commission to take decisive and affirmative action regarding the dangerously high levels of the Great Lakes; and be it further

"Resolved, That copies of this resolution be transmitted to the President of the United States Senate, the Speaker of the United States House of Representatives, the members of the Michigan Congressional delegation, and the International Joint Commission."

POM-199. A resolution adopted by the Washington State Association of Letter Carriers relating to the preservation of the

Olympia postmark; to the Committee on Governmental Affairs.

POM-200. A petition from the Mayor of the District of Columbia proclaiming June 8, 1987 as "U.S.S. Liberty Memorial Day" in the District of Columbia; to the Committee on Governmental Affairs.

POM-201. A concurrent resolution adopted by the Legislature of the State of Indiana; to the Committee on the Judiciary.

"RESOLUTION—INDIANA GENERAL ASSEMBLY

"Whereas, The United States is a nation composed primarily of immigrants and descendants of immigrants, who have come from all the other nations of the world; and

"Whereas, The people from other countries have brought to the United States their languages, their cultures, and their traditions, all of which contributed to the richness, diversity and success of the United States; and

"Whereas, The strongest bonds shared by all Americans that have helped to make us an effective, single nation are the Constitution of the United States and the English language; and

"Whereas, It is desirable and to be encouraged that Americans learn foreign languages for the benefit of the individuals and for the benefit of the United States, especially in today's more interdependent world, and this proposal is by no means intended to curtail the teaching of other languages; and

"Whereas, English is the dominant language of the culture, history, politics, economy, education, and social conduct of the United States, and those who are not fluent and literate in English are thereby handicapped in their full participation as citizens of the Nation; and

"Whereas, The supporters of this proposal also encourage the most effective means of helping both children and adults achieve fluency and literacy in English; and

"Whereas, English has been, de facto, the official language of the United States for almost 300 years, which does not exclude, however, the exceptional circumstances such as emergency operators for police and fire departments and translators for defendants accused of crimes, in which non-English assistance must be provided to those who require it; and

"Whereas, This State and many others have established English as the official language within their jurisdictions by both Constitutional and legislative means, but such a declaration can only be fully effective if made at the national level and by means of a Constitutional Amendment: therefore,

"Be it resolved by the Senate of the General Assembly of the State of Indiana, the House of Representatives concurring:

"Section 1. That the General Assembly of the State of Indiana urges the Senate and House of Representatives of the Congress of the United States to propose and adopt an amendment to the United States Constitution which establishes English as the official and legal language of the United States.

"Section 2. That the amendment provide that all communications, including ballots, produced by governmental entities in the United States be in English, and instruction in the public schools and colleges be conducted in English unless the nature of the course would require otherwise.

"Section 3. That the Secretary of the Senate is directed to transmit official copies of this resolution to the leadership of both houses of Congress and to the Congressional delegation of the State of Indiana."

POM-202. A resolution adopted by the Council of the County of Hawaii, State of Hawaii, commending Senator Matsunaga on his introduction of legislation to reauthorize the Older Americans Act; to the Committee on Labor and Human Resources.

POM-203. A concurrent resolution adopted by the Legislature of the Commonwealth of Massachusetts to the Committee on Labor and Human Resources.

"RESOLUTIONS URGING CONGRESS TO HOLD PUBLIC HEARINGS IN THE COMMONWEALTH IN NINETEEN HUNDRED AND EIGHTY-SEVEN ON A NATIONAL HEALTH PROGRAM

"Whereas, the votes of the Commonwealth of Massachusetts passed a nonbinding referendum on November 4, 1986 urging Congress to enact a national health program; and

"Whereas, approximately sixty-seven per cent of Massachusetts voters were in favor of the referendum; now therefore be it

"Resolved, that the Massachusetts general court respectfully urges key Members of Congress who are responsible for health care legislation in America to hold two or more public hearings in the Commonwealth during nineteen hundred and eighty-seven in order to receive testimony concerning the goals set forth in the Massachusetts national health care referendum and to discuss how and when they can be achieved, whether nationwide or in the form of interim statewide demonstration projects launched with Federal financial support; and be it further

"Resolved, that copies of these resolutions be transmitted forthwith by the clerk of the Senate to the President of the United States, the presiding officer of each branch of Congress and to the Members thereof from this Commonwealth".

POM-204. A concurrent resolution adopted by the Legislature of the State of Arizona; to the Committee on Veterans' Affairs:

HOUSE CONCURRENT MEMORIAL 2001

"Whereas, the State of Arizona has sought for many years to have a national veterans cemetery established in this state; and

"Whereas, federal legislation has been enacted to acquire the large state veterans cemetery for designation as a national cemetery but without appropriating money to do so; and

"Whereas, legislation has been introduced in Congress to fund the acquisition of the state veterans cemetery by the United States. Wherefore your memorialist, the House of Representatives of the State of Arizona, the State concurring, prays:

"1. That the Congress of the United States acknowledge the broad consensus in this state desiring a national cemetery and enact legislation funding the acquisition of the state veterans cemetery for use as a national cemetery.

"2. That the Secretary of State of the State of Arizona transmit copies of the Memorial to the President of the United States, the President of the United States Senate, the Speaker of the United States House of Representatives and to each member of the Arizona Congressional Delegation."

POM-205. A concurrent resolution adopted by the Legislature of the State of Utah; ordered to lie on the table:

"HOUSE CONCURRENT RESOLUTION NO. 12

"Be it resolved by the Legislature of the State of Utah, the Governor concurring therein:

"Whereas, during the 1986 session, Congress failed to pass the Highway Transit Reauthorization bill, which appropriates money from the Federal Highway Trust Fund to states for construction, repair, and maintenance of the Federal highway system;

"Whereas, as a result of Congress's failure to pass the bill, Utah is left with only those funds reserved from appropriations made in other years, which total about $60 million, to use until Congress sees fit to approve an appropriations bill;

"Whereas, if Congress had passed the bill before adjourning the 1986 session, the state would have received approximately $130 million for highway construction;

"Whereas, the state's highway building program will therefore be short approximately $70 million in funds that the state had planned to receive;

"Whereas, there are currently two bills before Congress—one in the Senate and one in the House of Representatives—that would reauthorize transfers to the states from the Federal Highway Trust Fund for much-needed work on the nation's highways;

"Whereas, each of the two bills presented this session is almost identical to the bill that was before each house during the 1986 session, and the differences between the two houses were so complete as to lead to total deadlock on the issue between the House and the Senate during the last session;

"Whereas, the funds in the Federal Highway Trust Fund are derived from gasoline taxes, paid by motorists in the expectation that they will be used to fund timely highway construction, repair, and maintenance;

"Whereas, Utah has tried to keep faith with the federal government by working hard to complete its share of the interstate highway system, and has always tried to maximize the funds the state has been given to complete federally-designated roads;

"Whereas, the delay in receiving funds will put the state further behind in trying to complete the system of roads outlined by the federal government;

"Whereas, by failing to pass a federal highway appropriations bill in a timely manner, the federal government has broken faith with the states, and with the motorists who paid the fuel taxes;

"Whereas, because the bill was not passed during 1986, contractors are losing work and are being forced to lay off employees, who are sometimes unable to pay income taxes and are often forced to draw unemployment, becoming a drain on already scarce state resources;

"Whereas, the ripple effect from the loss of the highway funds extends into many other areas of the state's economy;

"Whereas, unless Congress is able to agree on a single bill, and quickly pass it, the entire 1987 highway construction season will be lost; and

"Whereas, the shameful inaction of Congress on the Highway Transit Reauthorization bill penalizes states for Congress' failure, and represents a breach of faith with individual states and motorists.

"Now, Therefore, be it Resolved, That the Legislature of the state of Utah, the Governor concurring therein, urges Congress in the strongest possible terms to agree on a single Highway Transit Reauthorization bill, and pass it by the end of February.

"Be it further Resolved, That the Legislature and the Governor warn that if the bill is not passed by the end of February, an entire highway building season will be lost, which will damage Utah's economy.

Be it further Resolved that a copy of this resolution be prepared and forwarded to the members of Utah's congressional delegation, the Speaker of the United States House of Representatives, the Vice-president of the United States, and the National Highway Users Federation."

POM-206. A resolution adopted by the Second Olbiil Era Kelulau; ordered to lie on the table:

"Whereas, the former non-voting Delegate Won Pat of Guam was the first Guamanian to occupy the newly created elective seat for Guam in the U.S. House of Representatives in 1973, as well as holding many important positions in the Government of Guam; and

"Whereas, the former representative of Guam, Won Pat, was one of the Guamanian delegates to lobby and successfully gain the passage of the Organic Act of Guam in the United States Congress in 1949; and

"Whereas, for half a century, Mr. Won Pat has been a dominant figure on Guam as a teacher, businessman and political leader, and is termed by his friends and the people of Guam as a "pioneer in Guam politics", having served as Speaker of both the Guam Assembly and the Guam Legislature; and

"Whereas, in 1965 when the 7th Guam Legislature enacted a law creating a liaison office to represent Guam in Washington, Won Pat resigned as Senator that year and successfully won his bid for the Washington representative position; and

"Whereas, Mr. Won Pat was elected by the people of Guam in 1973 as their delegate in the United States House of Representatives, and successively won every election thereafter to the same until 1984 when he gave up his seat to Delegate Ben Blaz; and

"Whereas, former Delegate Won Pat was probably more actively and intimately involved than any other individual with the political evolution of the island of Guam from the Navy rule towards self-determination; and

"Whereas, former Delegate Won Pat, although gave up his seat to Delegate Ben Blaz, continued to appear at the Congress for visits and for business; and

"Whereas, on May 3, 1987 at 5 a.m. at the Holy Cross Hospital in Silver Spring, Maryland, the former Delegate Antonio Borja Won Pat was called to eternal rest in the Grace of Our Lord at the age of 78; and

"Whereas, the later former Congressman Won Pat is survived by his wife, the former Ana Salas Perez, eight children—Mark, Tony, Marilyn, Rosalind, Jacqueline, Aveline, Judy and Owen and numerous grandchildren and great grandchildren, his sister, Eulaulia Cepeda and a brother, Vinvente Won Pat; and

"Whereas, the people of Palau and their leaders, both elected and traditional, experience a great loss of one of the greatest leaders of Guam and the Pacific areas; now, therefore,

"Be it Resolved by the Senate of the Second Olbiil Era Kelulau, Tenth Regular Session, May 1987, the House of Delegates concurring, that the people of Palau, through their elected representatives in the Olbiil Era Kelulau, wish to express deepest sympathies and condolences to the family of the late former Delegate Antonio Borja Won Pat, his relatives, friends and the people of Guam for the greatest loss of one of the best statesmen and patriots of Guam and the Pacific areas; and

"Be it further resolved that the people of Palau assure the family, relatives, friends of former Congressman Won Pat and all the people of Guam that they equally share the burden of sorrow of the loss of the beloved husband, father and statesman, and whatever assistance the Palauans can offer to lighten the sadness of the loss of this great man they will be more than willing to offer; and

"Be it further Resolved that may the soul of the late former congressman Won Pat rest in eternal peace with the risen Christ; and

"Be it further Resolved that certified copies of this joint resolution be transmitted to the family of the former Congressman Won Pat; to the Governor of Guam, to the Speaker of Guam Legislature; to the Speaker of the House of Representatives of the United States Congress; to the President of the Senate of the United States Congress; to His Grace, Archbishop Anthony Apuron of the Archdiocese of Agana; to the President of the Republic of Palau; to the President of the Senate and the Speaker of the House of Delegates of the Second Olbiil Era Kelulau; and to Delegate Ben Blaz."

POM-207. A concurrent resolution adopted by the Legislature of the State of Hawaii; to the Committee on Commerce, Science and Transportation:

"HOUSE CONCURRENT RESOLUTION NO. 6

"Whereas, President Reagan's proclamation of March 10, 1983 established ownership, control, and sovereign rights over all living and nonliving resources within the 200-mile U.S. Exclusive Economic Zone; and

"Whereas, these marine resources, both known and yet to be discovered, are of vital importance to the United States; and

"Whereas, the impacts of the development of the U.S. EEZ fall disproportionately on the coastal states, affecting the general welfare of their citizens; and

"Whereas, the marine, coastal, and terrestrial environments are an independent system that must be managed in a manner that transcends existing Federal-State boundaries; and

"Whereas, recognized principles of international law distinguish this Nation's defense and foreign policy interests from its domestic resources management regime within the U.S. EEZ, and that the coastal states have direct and clear interests in the management of these resources; and

"Whereas, the historical, vested interest of coastal states in the activities of this area is magnified in Hawaii's case since the State is comprised of a series of small islands; and

"Whereas, throughout history, the people of Hawaii have always depended on the ocean for their livelihood, from the very first landing of the Polynesians over 1,000 years ago to the modern technological age; and

"Whereas, in order to maintain the unique lifestyle developed by all of Hawaii's peoples and to expand economic activities the State must be able to continue to utilize all of its resources; and

"Whereas, the State of Hawaii must retain the right to insure that coastal air and water quality will not be degraded by any activities; and

"Whereas, in order to meet the State's needs, it must continue to take an active role in the planning and management of its land and water resources of its coastal zone and adjoining ocean; and

"Whereas, Hawaii must be a full participant in decision-making related to EEZ activities that could have a major impact on the State such as those involving the long-term use of fixed ocean sites, direct linkages with the shore, and major shore and ocean-side demands and risks; and

"Whereas, the Hawaiian EEZ comprises between 600,000 and 850,000 square miles, making Hawaii in an economic sense, one of the largest state in the Union; and

"Whereas, the State of Hawaii has already demonstrated its interest in the management and control of ocean areas now within the Hawaiian EEZ, by issuing a permit for OTEC-1; by regulating the taking of precious coral off Oahu; by the placement of fish aggregating devices in the waters surrounding the Hawaiian islands; by its implementation of the Federal consistency provisions of the Coastal Zone Management Act of 1972; by participating on a joint State-Federal Task Force for ocean mining of manganese crusts in waters surrounding Hawaii and Johnston Island; and by participating in the Coastal States Organization's efforts to unify coastal states in achieving an effective EEZ management role; and

"Whereas, the Hawaii State Legislature recognizes that a more effective State role in ocean management requires clearly defined legal authority and increased public support; now, therefore,

"Be it Resolved by the House of Representatives of the Fourteenth Legislature of the State of Hawaii, Regular Session of 1987, the Senate concurring, that the State of Hawaii is committed to attain an effective, shared management role with the federal government in the Exclusive Economic Zone; and

"Be it further Resolved that certified copies of this Concurrent Resolution be transmitted to the President of the United States, the President of the United States Senate, the Speaker of the United States House of Representatives, and members of Hawaii's congressional delegation.

REPORTS OF COMMITTEES RECEIVED DURING ADJOURNMENT

Under the authority of the order of the Senate of June 11, 1987, the following reports of committees were submitted on June 12, 1987:

By Mr. JOHNSTON, from the Committee on Energy and Natural Resources, with amendments and an amendment to the title:

S. 748: A bill to amend the Atomic Energy Act of 1954, as amended, to establish a comprehensive, equitable, reliable, and efficient mechanism for full compensation of the public in the event of an accident resulting from activities undertaken under contract with the Department of Energy (Rept. No. 100-70).

By Mr. BENTSEN, from the Committee on Finance, with an amendment in the nature of a substitute:

S. 490: A bill to authorize negotiations of reciprocal trade agreements, to strengthen, U.S. trade laws, and for other purposes (Rept. No. 100-71).

By Mr. KENNEDY, from the Committee on Labor and Human Resources, with an amendment in the nature of a substitute:

S. 406: A bill to provide additional Federal education programs designed to strengthen competitiveness of American industry, and for other purposes.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. BYRD (for Mr. BIDEN), from the Committee on the Judiciary, without amendment:

S. 938: A bill to authorize appropriations for the purpose of carrying out the activities of the Department of Justice for fiscal years 1988 and 1989, and for other purposes (Rept. No. 100-72).

By Mr. KENNEDY, from the Committee on Labor and Human Resources:

Report to accompany the bill (S. 406) to provide additional Federal education programs designed to strengthen competitiveness of American industry, and for other purposes (with minority views) (Rept. No. 100-73).

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. BENTSEN, from the Committee on Finance:

Mr. Peter McPherson, of Virginia, to be Deputy Secretary of the Treasury.

(The above nomination was reported with the recommendation that it be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before a duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mrs. KASSEBAUM (for herself and Mr. INOUYE):

S. 1362. A bill to amend the Congressional Budget Act of 1974 to provide for a 2-year budget cycle, and for other purposes; to the Committee on the Budget and the Committee on Governmental Affairs, jointly, pursuant to the order of August 4, 1977, with instructions that if one committee reports, the other committee has 30 days of continuous session to report or be discharged.

By Mr. GRASSLEY (for himself and Mr. HARKIN):

S. 1363. A bill to provide for modification of the voluntary agreement between the Secretary of Health and Human Services and the State of Iowa under section 218 of the Social Security Act to provide for coverage of certain policemen and firemen; to the Committee on Finance.

By Mr. BREAUX:

S. 1364. A bill to amend the Internal Revenue Code of 1954 to exempt from tax earning on certain investment accounts for savers and investors; to the Committee on Finance.

By Mr. GRAHAM (for himself, Mr. CRANSTON, Mr. MURKOWSKI, Mr. MATSUNAGA, Mr. DECONCINI, Mr. ROCKEFELLER, and Mr. MITCHELL):

S. 1365. A bill to amend title 38, United States Code, to establish presumptions of service connection for certain diseases of former prisoners of war; to the Committee on Veterans Affairs.

By Mr. KENNEDY (for himself, Mr. STAFFORD, Mr. WEICKER, Mr. METZENBAUM, Mr. MATSUNAGA, Mr. DODD, Mr. SIMON, Mr. PELL, Ms. MIKULSKI, Mr. CRANSTON, Mr. LEAHY, Mr. GORE, Mr. PACKWOOD, Mr. CHAFEE, and Mr. KERRY):

S. 1366. A bill to revise and extend the programs of assistance under title X of the Public Health Service Act; to the Committee on Labor and Human Resources.

By Mr. CHILES (for himself and Mr. GRAHAM):

S. 1367. A bill authorizing the Secretary of the Interior to preserve certain wetlands and historic sites in the St. Johns River Valley, FL, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. HEFLIN:

S. 1368. A bill for the relief of Meenakshiben P. Patel; to the Committee on the Judiciary.

By Mr. ROCKEFELLER (for himself, Mr. LEVIN, Mr. MATSUNAGA, Mr. MITCHELL, Mr. KERRY, Mr. BURDICK, Mr. CONRAD, Mr. BINGAMAN, and Mr. SANFORD):

S. 1369. A bill to strengthen the technological literacy of the Nation through demonstration programs of technology education; to the Committee on Labor and Human Resources.

By Mr. BUMPERS:

S. 1370. A bill to provide special rules for health insurance costs of self-employed individuals; to the Committee on Finance.

By Mr. MOYNIHAN (for himself, Mr. SIMON, Mr. BURDICK, Mr. LAUTENBERG, Mr. GRAHAM, Mr. WARNER, and Mr. BENTSEN):

S. 1371. A bill to designate the Federal building located at 330 Independence Avenue, SW, Washington, DC, as the "Wilbur J. Cohen Federal Building"; to the Committee on Environment and Public Works.

By Mr. JOHNSTON:

S. 1372. A bill to provide for the unitization of common hydrocarbon-bearing areas, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. PELL:

S. 1373. A bill to authorize the Secretary of Education to provide financial assistance to States for use in expanding educational programs in juvenile and adult correctional institutions to assist in the rehabilitation of criminal offenders, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. DOLE (for himself, Mr. WILSON, Mr. HATCH, Mr. STEVENS, Mr. CHAFEE, Mr. COHEN, Mr. D'AMATO, Mr. DANFORTH, Mr. DURENBERGER, Mr. MURKOWSKI, Mr. SIMPSON, Mr. THURMOND, Mr. QUAYLE, Mr. COCHRAN, and Mr. DOMENICI):

S. 1374. A bill to provide for a comprehensive program relating to acquired immune deficiency syndrome; to the Committee on Labor and Human Resources.

By Mr. GLENN:

S. 1375. A bill to suspend until December 31, 1990, the duty on Ornithine; to the Committee on Finance.

S. 1376. A bill to suspend until December 31, 1990, the duty on Teicoplanin; to the Committee on Finance.

By Mr. GRASSLEY:

S. 1377. A bill extending the existing suspensions of duty on certain chemicals until January 1, 1991; to the Committee on Finance.

By Mr. HEINZ (for himself, Mr. GLENN, Mr. CHILES, Mr. WARNER, Mr. SHELBY, Mr. PRESSLER, Mr. MOYNIHAN, Mr. CHAFEE, Mr. DURENBERGER, Mr. PRYOR, Mr. JOHNSTON, Mr. REID, Mr. DODD, Mr. MITCHELL, Mr. DECONCINI, and Mr. MATSUNAGA):

S.J. Res. 159. A joint resolution to designate July 1, 1987, as "National Centenarians Day" in honor of all Americans 100 years old and older; to the Committee on the Judiciary.

By Mr. LAUTENBERG (for himself, Mr. ADAMS, Mr. BOSCHWITZ, Mr. BRADLEY, Mr. BREAUX, Mr. BUMPERS, Mr. CHAFEE, Mr. CHILES, Mr. CONRAD, Mr. DASCHLE, Mr. DECONCINI, Mr. DOLE, Mr. DURENBERGER, Mr. GARN, Mr. GLENN, Mr. GRAHAM, Mr. HEINZ, Mr. JOHNSTON, Mr. LEVIN, Mr. LUGAR, Mr. MITCHELL, Mr. MOYNIHAN, Mr. NUNN, Mr. PRESSLER, Mr. PRYOR, Mr. REID, Mr. SANFORD, Mr. SIMON, Mr. STAFFORD, Mr. STENNIS, Mr. WARNER, and Mr. WIRTH):

S.J. Res. 160. A joint resolution to designate July 25, 1987, as "Clean Water Day"; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. DOLE (for himself, Mr. WILSON, Mr. HATCH, Mr. STEVENS, Mr. CHAFEE, Mr. COHEN, Mr. D'AMATO, Mr. DANFORTH, Mr. DURENBERGER, Mr. MURKOWSKI, Mr. SIMPSON, Mr. THURMOND, Mr. QUAYLE, Mr. COCHRAN, and Mr. DOMENICI):

S. Res. 233. A resolution to express the sense of the Senate with respect to the appropriation of funds for the Public Health Emergency Fund and for the provision of medical treatment for veterans with acquired immune deficiency syndrome; to the Committee on appropriations.

By Mr. BYRD (for himself and Mr. DOLE):

S. Res. 234. A resolution to direct the Senate Legal Counsel to represent, and to authorize the testimony of the production of documents by, Senate employees in the case of *United States* v. *Carrothers*; considered and agreed to.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mrs. KASSEBAUM (for herself and Mr. INOUYE):

S. 1362. A bill to amend the Congressional Budget Act of 1974 to provide for a two-year budget cycle, and for other purposes; pursuant to the order of August 4, 1977, referred jointly to the Committee on the Budget and the Committee on Governmental Affairs.

FISCAL PROCEDURES REFORM ACT

Mrs. KASSEBAUM. Mr. President, last night President Reagan addressed the Nation and declared that it is time for Congress to put its fiscal house in order. In doing so, the President joined a chorus of other voices, including many in this Chamber, calling for action to sort out the procedural and budgetary quagmire created—with the best of intentions—by a series of past reform efforts.

Today, I am joining with the Senator from Hawaii, Mr. INOUYE, in introducing legislation that responds to this demand, the Fiscal Procedures Reform Act of 1987. While I am not certain this is what the President, or anyone else, has had in mind, I believe it is an essential starting point for serious debate on how we in Congress do the Nation's business.

In introducing this bill, I am well aware of past efforts, and present proposals by others, to accomplish procedural reform. In just the past few years, we have had the Pearson-Ribicoff study, and the special commission headed by Senator QUAYLE. These various efforts have produced many proposals, but few concrete changes.

Alice Rivlin, director of the Congressional Budget Office from 1975 to 1983, commented in an important speech on January 18, 1987, "that our economic policy system has gradually become so complex, diffused and fragmented that it impedes rather than fosters informed choices on major issues."

The legislation that Senator INOUYE and I introduce today is not merely another effort to tinker with Senate rules or the budget process. Instead, it seeks fundamental change by shifting the balance of power back toward the leadership on both sides of the aisle.

I am sure this proposal will be subject to all kinds of instant objections. It may be branded as too radical or too sweeping. It undoubtedly has flaws and requires careful thought and even modifications. Neither I nor Senator INOUYE would suggest that it be adopted today without debate or change.

However, I will say again that I believe this bill, or one like it, is the essential starting point for genuine improvements in the operation of the Senate. The time for bipartisan commissions and expert studies is past. It is time for those of us who must live and work in our present straitjacket of procedure to debate and act on this problem.

I believe, Mr. President, that the heart of our problem is that power in the Senate is too diffused to be exercised effectively. This trend has been under way for roughly two decades and has some legitimate causes. It also has many pernicious effects that are most evident in a kind of procedural paralysis.

The bill we are introducing seeks to cure this problem by focusing increased power, and an equally increased responsibility, in the hands of the majority and minority leaders and committee chairmen and ranking members. It would do so by giving these leaders both the power to write a budget and the power to enforce the budget after it is adopted. At the same time, it would make absolutely clear who is responsible for both functions.

The balance of my statements further describes how this would occur but I will conclude for now by citing one other possible virtue of this bill. It could force us to stop debating procedure and engaging in abstract arguments about the deficit and begin debating the spending priorities of the Nation. This bill will not outlaw smoke and mirrors, but it would help pinpoint their sources.

This measure would greatly enhance and expedite the legislative process of Congress by consolidating fiscal policy responsibilities under a single leadership committee in each House, replacing the present three-tiered system of budgeting, authorizing, and appropriating with a simplified process, and eliminating existing procedural constraints on the effective exercise of congressional policy prerogatives. Those objectives would be achieved through a series of changes in substantive law, and changes in Senate and House rules described below.

I realize, Mr. President, that each House of Congress has a constitutional right to make its own rules. That is a right that both bodies insist on defending from incursions, and rightly so, I say that, Mr. President, as a preface to saying that the proposed changes in House rules included in this measure are offered in a spirit of comity, and are included to achieve the conformity on which the success of much of this initiative depends. If this measure should receive favorable consideration I would fully anticipate, and expect, our friends in the other body to formulate any changes they might desire to make in their own standing rules.

The measure I am introducing would establish a 2-year budget and appropriations cycle, with consideration of routine budget and appropriations measures confined to the first session of each Congress. The responsibility for such legislation would be consolidated, and vested in the appropriations committees within each House. Through this revision, the responsibility of the appropriations committees for fiscal policy in general, and spending decisions in particular, would be greatly enhanced. In recognition of that fact, the membership of the appropriations committees would be reconstituted to vest this increased decisionmaking responsibility in the hands of those who would have to contend, most directly, with the policy implications of those decisions.

The membership of the appropriations committees, as reconstituted under this measure, would include the chairmen and ranking members of the existing appropriations committees in each body, and the chairmen and ranking members of all other committees which currently have legislative jurisdiction over programs or activities which require regular annual appropriations or for which direct spending legislation currently exists.

The membership of all other committees of the Congress would remain unchanged, and such committees would maintain their current areas of legislative jurisdiction, except for the budget committees of the two Houses, which would be abolished.

All legislation which included either an authorization of appropriations, or a direct spending authorization, once reported from an authorizing committee, would be sequentially referred to the appropriations committees for further action. Legislation which did not contain spending authorizations would continue to be reported directly to the floor.

Upon sequential referral, the appropriations committees would be responsible for adding appropriations language directly to authorizing legislation. Such language would be confined to the purpose of appropriating budget authority. The appropriations provided could not exceed authorized levels and could not materially change authorizations. The appropriations committees would be under no obligation to fund any program or report any legislation received through sequential referral.

In those instances where the legislation referred to the Appropriations Committees contained entitlement language, or modified existing entitlement language, the Appropriations Committees would be permitted to make modifications to such language, the effect of which would be to reduce anticipated spending under such programs. Thus, entitlement authorizations would not be covered by protections against programmatic changes provided for authorizations subject to appropriations.

By vesting this combination of authority and responsibility in the Appropriations Committees of the two Houses, a number of efficiencies would be achieved. First, decisionmaking would be centralized. All legislation prioritizing, authorizing, or funding the activities of government, would flow through a single committee. Second, those charged with prioritizing spending would also have primary responsibility for allocating funding. Third, authorizations and appropriations would flow to the floor in a single legislative measure.

As a further step toward improving congressional efficiency, the legislation I am introducing repeals those provisions of the Budget Act which provide for budget reconciliation. By centralizing congressional fiscal policy decisionmaking in the Appropriations Committees, most of the benefits of reconciliation can be achieved without resorting to the jurisdictional incursions associated with reconciliation. All appropriated spending and all entitlement spending will pass through the Appropriations Committees which will have set 2-year targets with which such spending must conform. Therefore, to the extent that programatic reductions are required, the decision to make such reductions—and more importantly—the decisions as to which programs must be reduced, will not longer be primarily shaped by a panel with no responsibility for the policy implications of those decisions.

The measure I am introducing also repeals all provisions of the Gramm-Rudman-Hollings Balanced Budget and Emergency Deficit Control Act, except those provisions which tighten up pre-Gramm-Rudman-Hollings Budget Act points of order. It is, in my opinion, absolutely impossible for Congress to reassert its policymaking prerogatives, vis-a-vis the executive branch, as long as this legislation remains on the books.

The enactment of Gramm-Rudman-Hollings constituted a quantum setback for hopes of reasserting congressional legislative policy making prerogatives. When we enacted Gramm-Rudman-Hollings, we arbitrarily decided that the military, social, and political implications of our policy decisions were secondary, not to just economic considerations in general, but to a single economic consideration in particular—a balanced budget.

We have arbitrarily designated a balanced Federal Budget as more critical to the future of the Nation than—to pick a few examples at random—achieving political stability in the Middle East, maintaining overseas bases that provide national technical means for verifying compliance with arms control agreements, or guaranteeing the solvency of the national banking system. It's not hard to understand why we are losing policy influence. We will continue to lose influence until we revise our procedural ground rules to make the structure for legislative deliberation policy neutral.

I realize this initiative will be immediately, and roundly denounced in some quarters, as fiscally irresponsible. However, unless one believes that Congress has recently been fiscally responsible, that charge lacks credibility. Repealing a procedural framework that has failed to achieve its desired objective should be a simple commonsense decision—especially when that framework is flawed in its design, and consumes inordinate amounts of legislative time with little to show for the effort.

The willingness to make tough decisions is a commodity that can neither be legislated nor repealed. Despite the best of intentions, the present structure hasn't produced fiscal responsibility. By the same token, this legislation will not preclude it. Nothing in the bill I am introducing prohibits Congress from legislating in a fiscally responsible fashion. It does not force any Member of Congress to vote for more spending, lower revenues, or bigger deficits. It does not prohibit any Member of Congress from voting for less spending, higher revenues, or smaller deficits. It does not repeal freedom of choice in Congress, in fact it enhances it.

Procedural controls have a great deal in common with price controls. First, neither addresses underlying, fundamental problems. Second, both create market distortions which lead to serious commodity shortages. The commodity in short supply these days in Congress is regular annual appropriations bills. If and when the Federal budget is ever again balanced, it won't be because of procedural legislation. Such legislation simply clogs up the decisionmaking process and creates an atmosphere where legislating in a responsible, timely fashion becomes impossible.

The final provision of this legislative initiative is repeal of the statutory ceiling on the public debt. Because debt ceiling bills are "after the fact" fiscal controls, they must be enacted. We always raise the debt ceiling because we are legally obligated to settle the contractual obligations we have incurred. We always have voted to pay our debts. I assume we always will. So why must we tie up the legislative process?

Recently, the answer to that question has been so we can enact further procedural legislation. The debt ceiling increase, as we all know, is the vehicle that brought us Gramm-Rudman-Hollings. This year it appears to be the prime candidate on which efforts to further expand procedural controls will be attached. The effort will, of course, once again prove counterproductive.

Enactment of the bill I am introducing today would provide Congress with an opportunity to regain a prominent position in the formulation of national policy. It would also provide a real opportunity for making our policy deliberations a meaningful exercise. Rather than repeat the budget, supplemental appropriations, and debt ceiling exercises of April and May 1987 every year, we could, in fact, actually make decisions of substance on the floor of the Senate.

Mr. President, I ask unanimous consent that the text of the bill and a summary of the legislation be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1362

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; REFERENCES IN ACT.

(a) SHORT TITLE.—This Act may be cited as the "Fiscal Procedures Reform Act of 1987".

(b) REFERENCES IN ACT.—Except as otherwise specifically provided, whenever in this Act an amendment is expressed in terms of an amendment to or repeal of, a section or other provision, the reference shall be considered to be made to that section or other provision of the Congressional Budget and Impoundment Control Act of 1974.

SEC. 2. REVISION OF TIMETABLE.

Section 300 (2 U.S.C. 631) is amended to read as follows:

"TIMETABLE

"SEC. 300. The timetable with respect to the Congressional budget process for any Congress is as follows:

"First Session

"On or before:	Action to be completed:
15th day after the session begins	President submits budget for the two-year fiscal period beginning on October 1 of the same calendar year (including current services budget).
February 15	Congressional Budget Office submits report to Appropriations Committees with respect to the two-year fiscal period.
March 15	Committees and joint committees submit reports to Appropriations Committees with respect to the two-year fiscal period.
April 15	Appropriations Committees report concurrent resolution on the budget for the two-year fiscal period to their Houses.
May 15	Congress completes action on the concurrent resolution on the budget for the two-year fiscal period.
September 30	Congress completes action on all appropriation bills for the two-year fiscal period.
October 1	Two-year fiscal period begins.

"Second Session

"On or before:	Action to be completed:
January 15	President submits revised budget for the two-year fiscal period beginning on October 1 of the preceding calendar year.
March 31	Congressional Budget Office submits report to Appropriations Committees with respect to the two-year fiscal period.".

SEC. 3. TWO-YEAR CONGRESSIONAL BUDGET PROCESS.

(a) PURPOSES.—Section 2(2) (2 U.S.C. 621(2)) is amended by striking "each year" and inserting in lieu thereof "every two years".

(b) DEFINITIONS.—

(1) Section 3(1) (2 U.S.C. 622(1)) is amended—

(A) by striking "fiscal year" and inserting in lieu thereof "two-year fiscal period"; and

(B) by striking "such year" and inserting in lieu thereof "such period".

(2) Section 3(4) (2 U.S.C. 622(4)) is amended to read as follows:

"(4) The term 'concurrent resolution on the budget' means—

"(A) a concurrent resolution setting forth the congressional budget for the United States Government for a two-year fiscal period as provided in section 301; or

"(B) a concurrent resolution on the budget revising the congressional budget for the United States Government pursuant to section 304.".

(3) Section 3 (2 U.S.C. 622) is further amended—

(A) by striking paragraphs (6),(7), and (8),

(B) by redesignating paragraphs (9) and (10) as paragraphs (6) and (7) respectively, and

(C) by adding at the end thereof the following new paragraphs:

"(8) The term 'two-year fiscal period' means the twenty-four month period beginning on October 1 of each odd-numbered calendar year.

"(9) The term 'appropriation bill' means a bill or joint resolution making appropriations (other than special, supplemental, or deficiency appropriations) for programs, projects, and activities of the United States Government for a two-year fiscal period.".

(c) CONGRESSIONAL BUDGET OFFICE.—

(1) Section 201(a)(2) (2 U.S.C. 601(a)(2)) is amended by striking "the Budget" and inserting in lieu thereof "Appropriations".

(2) Section 201(f) (2 U.S.C. 601(f)) is amended by striking "fiscal year" and inserting in lieu thereof "two-year fiscal period".

(3) Section 202(a) (2 U.S.C. 602(a)) is amended—

(A) by striking "BUDGET COMMITTEES" and inserting in lieu thereof "APPROPRIATIONS COMMITTEES", and

(B) by striking "the Budget" and inserting in lieu thereof "Appropriations".

(4) Section 202(b) (2 U.S.C. 602(b)) is amended—

(A) by striking "ON APPROPRIATIONS, WAYS AND MEANS, AND FINANCE" and inserting in lieu thereof "HAVING LEGISLATIVE JURISDICTION", and

(B) by striking "the Committee on Appropriations" and all that follows through "House," and inserting in lieu thereof "a committee having legislative jurisdiction in either House of the Congress,".

(5) Section 202(f)(1) (2 U.S.C. 602(f)(1)) is amended—

(A) by striking "February 15 of each year" and inserting in lieu thereof "February 15 of each odd-numbered calendar year";

(B) by striking "the Budget" and inserting in lieu thereof "Appropriations",

(C) by striking "the fiscal year commencing" and inserting in lieu thereof "the two-year fiscal period commencing"; and

(C) by striking "such fiscal year" each place it appears and inserting in lieu thereof "such two-year fiscal period".

(6 Section 202(f) (2 U.S.C. 602(f)) is further amended—

(A) in paragraph (2)—

(i) by striking "the Budget" and inserting in lieu thereof "Appropriations", and

(ii) by striking "paragraph (1)" and inserting in lieu thereof "paragraphs (1) and (2)";

(B) in paragraph (3)—

(i) by striking "each year" and inserting in lieu thereof "each even-numbered calendar year",

(ii) by striking "the fiscal year ending September 30 of that calendar year" in clause (A) and inserting in lieu thereof "the two-year fiscal period beginning October 1 of the preceding calendar year",

(iii) by striking "the fiscal year ending September 30 of that calendar year" in clause (B) and inserting in lieu thereof "such two-year fiscal period", and

(iv) by striking "fiscal year beginning October 1 of that calendar year" and inserting in lieu thereof "succeeding two-year fiscal period";

(C) by redesignating paragraphs (2) and (3) as paragraphs (3) and (4), respectively; and

(D) by inserting after paragraph (1) the following new paragraph:

"(2) On March 31 of each even-numbered year, the Director shall submit to the Committees on Appropriations of the House of Representatives and the Senate such revisions of the report required by paragraph (1) as may be necessary due to changing economic conditions and due to any revisions in the budget transmitted by the President to the Congress on January 15 of that year pursuant to the last sentence of subsection (a) of section 1105 of title 31, United States Code.".

(d) BIENNIAL CONCURRENT RESOLUTION ON THE BUDGET.—

(1) Section 301(a) (2 U.S.C. 632(a)) is amended—

(A) by striking "April 15 of each year" and inserting in lieu thereof "May 15 of each odd-numbered year";

(B) by striking "the fiscal year beginning on October 1 of such year" the first place it appears and inserting in lieu thereof "two-year fiscal period beginning on October 1 of such year";

(C) by striking "the fiscal year beginning on October 1 of such year" the second place it appears and inserting in lieu thereof "such two-year fiscal period"; and

(D) by striking "ensuing fiscal years" and inserting in lieu thereof "ensuing two-year fiscal periods".

(2) Section 301(b) (2 U.S.C. 632(b)) is amended to read as follows:

b) ADDITIONAL MATTERS IN CONCURRENT RESOLUTION.—A concurrent resolution on the budget for a two-year fiscal period may set forth, if required by subsection (f), the calendar year in which, in the opinion of the Congress, the goals for reducing unemployment set forth in section 4(b) of the Employment Act of 1946 should be achieved.".

(3) Section 301(d) (2 U.S.C. 632(d)) is amended by striking "February 25 of each year" and inserting in lieu thereof "March 15 of each odd-numbered year".

(4) Section 301(e) (2 U.S.C. 632(e)) is amended—

(A) in the first sentence by striking "fiscal year" and inserting in lieu thereof "two-year fiscal period";

(B) by inserting between the second and third sentences the following new sentence: "On or before April 15 of each odd-numbered year the Committee on Appropriations of each House shall report to its House the concurrent resolution on the budget referred to in subsection (a) for the two-year fiscal period beginning on October 1 of that year."; and

(C) in paragraph (6)—

(i) by striking "five fiscal" and inserting in lieu thereof "six";

(ii) by striking "such fiscal year" and inserting in lieu thereof "the first year in such two-year fiscal period,"; and

(iii) by striking "each fiscal year in such period" and inserting in lieu thereof "each two-year fiscal period in such six-year period".

(5) Section 301(f) (2 U.S.C. 632(f)) is amended—

(A) in paragraph (1) by striking "five-year period" and inserting in lieu thereof "six-year period", and

(B) by striking "fiscal year" each place it appears in paragraphs (1) and (2) and inserting in lieu thereof "two-year fiscal period", and

(6) Section 301 (2 U.S.C. 632) is further amended by striking subsection (i).

(7) Section 301, as amended by the preceding paragraphs of this subsection, is further amended—

(A) by striking "the Budget" each place it appears in subsections (c), (d), and (e) and inserting in lieu thereof "Appropriations", and

(B) in subsection (h) by striking "BUDGET" and inserting in lieu thereof "APPROPRIATIONS".

(8) The section heading of section 301 is amended by striking "ANNUAL" and inserting in lieu thereof "BIENNIAL".

(9) The table of contents set forth in section 1(b) of the Congressional Budget and Impoundment Control Act of 1974 is amended by striking "Annual" in the item relating to section 301 and inserting in lieu thereof "Biennial".

(e) COMMITTEE ALLOCATIONS.—

(1) Paragraphs (1) and (2) of section 302(a) (2 U.S.C. 633(a)) are amended—

(A) by inserting "for a two-year fiscal period" after "budget" the first place it appears in each such paragraph; and

(B) by inserting "for such two-year fiscal period" after "estimated allocation" each place it appears.

(2) Section 302(b) (2 U.S.C. 633(b)) is amended to read as follows:

"(b) REPORTS BY COMMITTEES.—As soon as practicable after a concurrent resolution on the budget is agreed to, every committee of the House and Senate to which an allocation was made in such joint explanatory statement shall, after consulting with the committee or committees of the other House to which all or part of its allocation was made, (1) subdivide such allocation among its subcommittees or among programs over which it has jurisdiction, and (2) further subdivide the amount with respect to each subcommittee or program between controllable amounts and all other amounts. Each such committee shall promptly report to its House the subdivisions made by it pursuant to this subsection.".

(3) Section 302(c) (2 U.S.C. 633(c)) is amended—

(A) by striking "for a fiscal year" each place it appears and inserting in lieu thereof "for a two-year fiscal period"; and

(B) by striking "for such fiscal year" each place it appears and inserting in lieu thereof "for such two-year fiscal period".

(4)(A) Section 302(f)(1) (2 U.S.C. 633(f)(1)) is amended—

(i) by striking "for a fiscal year" and inserting in lieu thereof "for a two-year fiscal period", and

(ii) by striking "such fiscal year" each place it appears in the matter preceding subparagraph (A) and inserting in lieu thereof "such two-year fiscal period".

(B) Section 302(f)(2) is amended—

(i) by striking "for a fiscal year" and inserting in lieu thereof "for a two-year fiscal period", and

(ii) by striking "for such fiscal year" and inserting in lieu thereof "for such two-year fiscal period".

(5) Section 302(g) (2 U.S.C. 633(g)) is amended—

(A) by striking "BUDGET" and inserting in lieu thereof "APPROPRIATIONS", and

(B) by striking "the Budget" and inserting in lieu thereof "Appropriations".

(f) SECTION 303 POINT OF ORDER.—

(1) Section 303(a) (2 U.S.C. 634(a)) is amended by striking "fiscal year" each place it appears and inserting in lieu thereof "two-year fiscal period".

(2) Section 303(b) (2 U.S.C. 634(b)) is amended—

(A) by striking "fiscal year" each place it appears and inserting in lieu thereof "two-year fiscal period"; and

(B) in the matter following paragraph (2)—

(i) by striking "any calendar year" and inserting in lieu thereof "any odd-numbered calendar year", and

(ii) by striking "general".

(g) PERMISSIBLE REVISIONS OF CONCURRENT RESOLUTIONS ON THE BUDGET.—Section 304 (2 U.S.C. 635) is amended—

(1) by striking "(a) IN GENERAL.—",

(2) by striking subsection (b),

(3) by striking "fiscal year" the first two places it appears and inserting in lieu thereof "two-year fiscal period",

(4) by striking "for such fiscal year", and

(5) by inserting before the period "for such two-year fiscal period".

(h) PROCEDURES FOR CONSIDERATION OF BUDGET RESOLUTIONS.—

(1) Section 305(a) (2 U.S.C. 636(a)) is amended by striking "the Budget" each place it appears and inserting in lieu thereof "Appropriations".

(2) Section 305(b) (2 U.S.C. 636(b)) is amended—

(A) in paragraph (3)—

(i) by striking "the concurrent resolution on the budget for a fiscal year" and inserting in lieu thereof "a concurrent resolution on the budget for a two-year fiscal period", and

(ii) by striking "the Budget" and inserting in lieu thereof "Appropriations", and

(B) in paragraph 4) by striking "the Budget" and inserting in lieu thereof "Appropriations".

(i) LEGISLATION DEALING WITH BUDGET PROCESS.—Section 306 (2 U.S.C. 637) is amended—

(1) by striking "BUDGET" and inserting in lieu thereof "APPROPRIATIONS", and

(2) by striking "the Budget" each place it appears and inserting in lieu thereof "Appropriations".

(j)(1) Section 307 (2 U.S.C. 638) is amended to read as follows:

"REFERRAL OF CERTAIN LEGISLATION TO COMMITTEES ON APPROPRIATIONS

"SEC. 307. (a) IN GENERAL.—Notwithstanding any other provision of law or any provision of the Standing Rules of the Senate or the Rules of the House of Representatives, whenever any committee of the House of Representatives or the Senate reports a bill or resolution that—

"(1) authorizes the enactment of new budget authority, or

"(2) provides spending authority of a type described in subparagraph (A), (B), (C), (D), or (E) of section 401(c)(2),

such bill or resolution shall be immediately referred to the Committee on Appropriations of the House or the Senate, as the case may be.

"(b) AMENDMENTS BY COMMITTEE ON APPROPRIATIONS.—A bill referred to the Committee on Appropriations of the House or the Senate under subsection (a) may be reported by the Committee—

"(1) in the case of a bill or resolution described in subsection (a)(1), with amendments that would, if enacted provide new budget authority under the authorizations contained in the bill or joint resolution, and

"(2) in the case of a bill or joint resolution described in subsection (a)(2), with amendments that would, if enacted, limit the spending authority provided in the bill or resolution to amounts that do not exceed the appropriate allocations made pursuant to section 302 for the two-year-fiscal period involved.".

(2) The item relating to section 307 in the table of contents in section 1(b) (2 U.S.C 621 note) is amended to read as follows:

"Sec. 307. Referral of certain legislation to Committees on Appropriations.".

(k) REPORTS AND SUMMARIES OF CONGRESSIONAL BUDGET ACTIONS.—

(1)(A) Section 308(a)(1) of the Congressional Budget Act of 1974 (2 U.S.C. 639(a)(1)) is amended—

(i) in the matter preceding subparagraph (A)—

(I) by striking "(other than continuing appropriations)", and

(II) by striking "fiscal year" and inserting in lieu thereof "two-year fiscal period",

(ii) in subparagraph (A) by striking "fiscal year" and inserting in lieu thereof "two-year fiscal period", and

(iii) in subparagraph (C) by striking "such fiscal year" and inserting in lieu thereof "such two-year fiscal period".

(B) Section 308(a)(2) (2 U.S.C. 639(a)(2)) is amended—

(i) by striking "(other than continuing appropriations)", and

(ii) by striking "fiscal year" and inserting in lieu thereof "two-year fiscal period".

(2) Section 308(b)(1) (2 U.S.C. 639(b)(1)) is amended—

(A) by striking "fiscal year" the first place it appears and inserting in lieu thereof "two-year fiscal period";

(B) by inserting "for such two-year fiscal period" after "concurrent resolution on the budget"; and

(C) by striking "the fiscal year preceding such fiscal year" and inserting in lieu thereof "the two-year fiscal period preceding such two-year fiscal period".

(3) Section 308(b)(2) (2 U.S.C. 639(b)(2)) is amended by striking "the Budget" each place it appears and inserting in lieu thereof "Appropriations".

(4) Section 308(c) (2 U.S.C. 639(c)) is amended—

(A) by striking "FIVE" in the subsection heading and inserting in lieu thereof "SIX";

(B) in the matter preceding paragraph (1)—

(i) by striking "each fiscal year" and inserting in lieu thereof "each two-year fiscal period",

(ii) by striking "period of 5 fiscal years" and inserting in lieu thereof "6-year period", and

(iii) by striking "such fiscal year" and inserting in lieu thereof "such period"; and

(C) by striking "each fiscal year in such period" each place it appears in paragraphs (1) through (5) and inserting in lieu thereof "each two-year fiscal period in such 6-year period".

(l) COMPLETION OF ACTION ON APPROPRIATION BILLS.—

(1) Section 309 (2 U.S.C. 640) is amended to read as follows:

"COMPLETION OF ACTION ON APPROPRIATION BILLS

"SEC. 309. On or before September 30 of each odd-numbered calendar year, the Congress shall complete action on all appropriation bills for the two-year fiscal period beginning on October 1 of that year.".

(2) The item relating to section 309 in the table of contents in section 1(b) (2 U.S.C. 621 note) is amended to read as follows:

"Sec. 309. Completion of action on appropriation bills.".

(m) RECONCILIATION PROCESS.—

(1) Section 310 (2 U.S.C.641) is repealed.

(2) The table of contents in section 1(b) (2 U.S.C. 621 note) is amended by striking the item relating to section 310.

(n) SECTION 311 POINT OF ORDER.—

(1) Section 311(a) (2 U.S.C. 642(a)) is amended—

(A) by striking "for a fiscal year" and inserting in lieu thereof "for a two-year fiscal period";

(B) by striking "such fiscal year" the first, second, and third places it appears and inserting in lieu thereof "such period";

(C) by striking "concurrent resolution on the budget for such fiscal year" and inserting in lieu thereof " concurrent resolution on the budget for the two-year fiscal period"; and

(D) by striking "or, in the Senate" and all that follows through "such subsection)".

(2) Section 311(b) (2 U.S.C. 642(b)) is amended—

(A) by striking "such fiscal year" the first place it appears and inserting in lieu thereof "a two-year fiscal period"; and

(B) by striking "such fiscal year" the second place it appears and inserting in lieu thereof "such two-year fiscal period".

(3) Section 311(c) (2 U.S.C. 642(c)) is amended by striking "for a fiscal year".

(o) BILLS PROVIDING NEW SPENDING AUTHORITY.—

(1) Section 401(a) (2 U.S.C. 651(a)) is amended by striking "fiscal year" and inserting in lieu thereof "two-year fiscal period".

(2) Section 401(b) (2 U.S.C. 651(b)) is amended—

(A) by striking "during the calendar year in" in paragraph (1) and inserting in lieu thereof "after the date on", and

(B) by striking "fiscal year" each place it appears in paragraphs (1) and (2) and inserting in lieu thereof "two-year fiscal period".

(3) Section 401(d)(3)(A) (2 U.S.C. 651(d)(3)(A)) is amended by striking "the date of the enactment of the Balanced Budget and Emergency Deficit Control Act of 1985" and inserting in lieu thereof "December 12, 1985".

(p) ANALYSIS BY CBO.—Section 403(a) of the Congressional Budget Act of 1974 (2 U.S.C. 653(a)) is amended—

(1) in the matter preceding paragraph (1) by striking "(except the Committee on Appropriations of each House)",

(2) in paragraphs (1) and (2) by striking "fiscal year in which it is to become effective and in each of the four fiscal years following such fiscal year" each place it appears and inserting in lieu thereof "two-year fiscal period in which it is to become effective and in the two succeeding two-year fiscal periods".

(q) RESCISSIONS.—

(1) Section 1012(a) (2 U.S.C. 683(a)) is amended by striking "fiscal year" each place it appears and inserting in lieu thereof "two-year fiscal period".

(2) The last sentence of section 1013(a) (2 U.S.C. 684(a)) is amended by striking "fiscal year" and inserting in lieu thereof "two-year fiscal period".

(3) Section 1014(e) (2 U.S.C. 685(e)) is amended by striking "fiscal year" each place it appears and inserting in lieu thereof "two-year fiscal period".

SEC. 4. AMENDMENTS TO TITLE 31, UNITED STATES CODE.

(a) Reports.—Section 331 of title 31, United States Code, is amended—

(1) by inserting "or prior two-year fiscal period, as the case may be" after "prior fiscal year" each place it appears in subsection (a);

(2) by striking "fiscal years" in paragraph (2) of subsection (a) and inserting in lieu thereof "two-year fiscal periods"; and

(3) by inserting "or prior two-year fiscal period, as the case may be," after "prior fiscal year" each place it appears in subsections (b) and (c).

(b) Definition.—

(1) Section 1102 of title 31, United States Code, is amended to read as follows:

"§ 1102. Two-year fiscal period

"In all matters of accounts, receipts, expenditures, estimates, and appropriations—

"(1) there shall be, through September 30, 1987, a fiscal year of the United States commencing on October 1 of each year and ending on September 30 of the following year; and

"(2) there shall be, beginning on October 1, 1987, a two-year fiscal period of the United States beginning on October 1 of each odd-numbered year and ending on September 30 of the succeeding odd-numbered year.

"Accounts of receipts and expenditures required under law to be published each year shall be published for the fiscal year or two-year fiscal period, as the case may be.".

(2) The analysis of chapter 11 of title 31, United States Code, is amended by striking the item relating to section 1102 and inserting in lieu thereof the following new item:

"1102. Two-year fiscal period.".

(c) Budget Ceiling.—Section 1103 of title 31, United States Code, is amended—

(1) by inserting "or two-year fiscal period, as the case may be," after "fiscal year"; and

(2) by inserting "or period" after "that year".

(d) Budget and Appropriations Authority of the President.—Section 1104 of title 31, United States Code, is amended—

(1) in subsection (b) by striking the third sentence, and

(2) in subsection (c)—

(A) by inserting "or prior two-year fiscal period, as the case may be," after "fiscal year", and

(B) by striking "and on the Budget".

(e) Budget Contents and Submission to the Congress.—

(1) So much of section 1105(a) of title 31, United States Code, as precedes paragraph (1) thereof is amended to read as follows:

"(a) On or before the fifteenth day after the day on which the first session of a Congress convenes, the President shall transmit to the Congress, the budget for the two-year fiscal period beginning on October 1 of such calendar year. The budget transmitted under this subsection shall include the President's Budget Message, summary data and text, and supporting detail. The budget shall set forth in such form and detail as the President may determine—".

(2) Section 1105(a)(5) of title 31, United States Code, is amended by striking "the fiscal year for which the budget is submitted and the 4 fiscal years after that year" and inserting in lieu thereof "the two-year fiscal period for which the budget is submitted and the two succeeding two-year fiscal periods".

(3) Section 1105(a)(6) of title 31, United States Code, is amended by striking "the fiscal year for which the budget is submitted and the 4 fiscal years after that year" and inserting in lieu thereof "the two-year fiscal period for which the budget is submitted and the two succeeding two-year fiscal periods".

(4) Paragraphs (7), (8), and (9) of section 1105(a) of title 31, United States Code, are amended by striking "fiscal year" each place it appears and inserting in lieu thereof "two-year fiscal period".

(5) Section 1105(a)(12) of title 31, United States Code, is amended—

(A) in subparagraph (A) by striking "the fiscal year" and inserting in lieu thereof "the two-year fiscal period", and

(B) in subparagraph (B) by striking "4 fiscal years after that year" and inserting in lieu thereof "two succeeding two-year fiscal periods".

(6) Section 1105(a)(13) of title 31, United States Code, is amended by striking "the fiscal year" and inserting in lieu thereof "two-year fiscal period".

(7) Section 1105(a)(14) of title 31, United States Code, is amended by striking "that year" and inserting in lieu thereof "that two-year fiscal period".

(8) Section 1105(a)(16) of title 31, United States Code, is amended by striking "the fiscal year" and inserting in lieu thereof "the two-year fiscal period".

(9) Section 1105(a)(17) of title 31, United States Code, is amended by striking "fiscal year" each place it appears and inserting in lieu thereof "two-year fiscal period".

(10) Paragraphs (18) and (19) of section 1105(a) of title 31, United States Code, are amended—

(A) by striking "the prior fiscal year" each place it appears and inserting in lieu thereof "the prior two-year fiscal period";

(B) by striking "that year" each place it appears and inserting in lieu thereof "that period".

(11) Section 1105(a) of title 31, United States Code, is further amended by adding at the end thereof the following new sentence:

"By January 15 of each even-numbered year, the President shall transmit to the Congress any revisions the President may desire to make in the Budget transmitted in the previous year.".

(f) Estimated Expenditures of Legislative and Judicial Branches.—Section 1105(b) of title 31, United States Code, is amended by striking "each year" and inserting in lieu thereof "each even-numbered year".

(g) Recommendations to Meet Estimated Deficiencies.—Section 1105(c) of title 31, United States Code, is amended—

(1) by striking "fiscal year for" each place it appears and inserting in lieu thereof "two-year fiscal period for";

(2) by inserting "or current two-year fiscal period, as the case may be," after "current fiscal year"; and

(3) by striking "that year" and inserting in lieu thereof "that period".

(h) Statement With Respect to Certain Changes.—Section 1105(d) of title 31, United States Code, is amended by striking "fiscal year" and inserting in lieu thereof "two-year fiscal period".

(i) Capital Investment Analysis.—Section 1105(e)(1) of title 31, United States Code, is amended by striking "ensuing fiscal year" in the matter preceding subparagraph (A) and inserting in lieu thereof "two-year fiscal period to which such budget relates".

(j) Maximum Deficit Amount.—Section 1105(f) of title 31, United States Code, is repealed.

(k) Supplemental Budget Estimates and Changes.—

(1) Section 1106(a) of title 31, United States Code, is amended—

(A) in the matter preceding paragraph (1) by striking "for the fiscal year for which the budget is" and inserting in lieu thereof "most recently", and

(B) in paragraph (1) by striking "that fiscal year" and inserting in lieu thereof "the two-year fiscal period to which that budget relates";

(C) in paragraph (2)—

(i) by striking "4 fiscal years" and inserting in lieu thereof "4-year period", and

(ii) by striking "fiscal year for which the budget is submitted" and inserting in lieu thereof "two-year fiscal period to which that budget relates",

(D) in paragraph (3)—

(i) by striking "future fiscal years" and inserting in lieu thereof "future two-year fiscal periods"; and

(ii) by striking "fiscal year for which the budget is submitted" and inserting in lieu thereof "two-year fiscal period to which that budget relates".

(2) Section 1106(b) of title 31, United States Code, is amended by striking "the fiscal year for which the budget is submitted" and inserting in lieu thereof "the two-year fiscal period to which the budget most recently submitted under section 1105(a) relates".

(3) Subsection (c) of section 1106 of title 31, United States Code, is repealed.

(l) Current Programs and Activities Estimates.—

(1) Section 1109(a) of title 31, United States Code, is amended—

(A) by striking "On or before the first Monday after January 3 of each year (on or before February 5 in 1986)" and inserting in lieu thereof "At the same time that the President submits the budget for a two-year fiscal period under section 1105";

(B) by striking "the following fiscal year" and inserting in lieu thereof "such two-year fiscal period"; and

(C) by striking "during that year" and inserting in lieu thereof "during that period".

(2) Section 1109(b) of title 31, United States Code, is amended by inserting "odd-numbered calendar" after "each".

(m) Year-Ahead Requests for Authorizing Legislation.—

(1) Section 1110 of title 31, United States Code, is amended—

(A) by striking Year-ahead" and inserting in lieu thereof "Advance" in the section heading,

(B) by striking "fiscal year" and inserting in lieu thereof "two-year fiscal period", and

(C) by striking "year before the year in which the fiscal year begins" and inserting "second calendar year preceding the calendar year in which the two-year fiscal period begins".]

(2) The table of sections of chapter 11 of title 31, United States Code, is amended by striking the item relating to section 1110 and inserting in lieu thereof the following new item:

"1110. Advance requests for authorizing legislation.".

(n) Fiscal, Budget, and Program Information.—Section 1112(c)(3) of title 31, United States Code, is amended by striking "and on the Budget".

(o) Budget Information on Consulting Services.—Subsections (a) and (b) of section 1114 of title 31, United States Code, are each amended—

(1) by striking "The" and inserting in lieu thereof "For each two-year fiscal period, the", and

(2) by striking "each year" each place it appears.

(p) Application of Appropriations.—Section 1301(c) of title 31, United States Code, is amended—

(1) by striking "a regular, annual" and inserting in lieu thereof "an"; and

(2) by striking "fiscal year" and inserting in lieu thereof "two-year fiscal period".

(q) Use of Foreign Credits.—Section 1306 of title 31, United States Code, is amended by striking "annually" and inserting in lieu thereof "biennially".

(r) Telephone and Metered Services.—Section 1308 of title 31, United States Code, is amended by inserting ", two-year fiscal period," after "fiscal year" each place it appears.

(s) Procedure for Issuing Obligations.—Section 1321(b) of title 31, United States Code, is amended by striking "annual" and inserting in lieu thereof "biennial".

(t) Officials Controlling Apportionments.—Section 1513 of title 31, United States Code, is amended—

(1) by striking "fiscal year" each place it appears and inserting in lieu thereof "two-year fiscal period"; and

(2) by striking "entire year" and inserting in lieu thereof "entire two-year fiscal period".

(u) Adjustments Between Appropriations.—Section 1534 of title 31, United States Code, is amended by striking "fiscal year" each place it appears and inserting in lieu thereof "two-year fiscal period".

(v) Procedure for Appropriation Accounts Available for Definite Periods.—

(1) Section 1552(a) of title 31, United States Code, is amended by striking paragraphs (1) and (2) and inserting in lieu thereof the following new paragraphs:

"(1) The obligated balance is transferred—

"(A) for any fiscal year commencing on or after October 1, 1976 and before October 1, 1987, on September 30 of the second fiscal year after the period of availability ends; and

"(B) for any two-year fiscal period commencing on or after October 1, 1987, on September 30 of the second calendar year beginning after the two-year fiscal period for which the appropriation is available for obligation,

to an appropriation account of the agency responsible for paying the obligation. Amounts transferred from all appropriation accounts for the same general purpose are merged in the account for paying obligations.

"(2) The unobligated balance is withdrawn at the end of the period of availability for obligation and reverts to the Treasury or, if derived only from a special or trust fund and not otherwise provided, reverts to the fund from which derived. The withdrawal shall be made not later than—

"(A) for any fiscal year commencing on or after October 1, 1976, and ending before October 1, 1987, the November 15 occurring after the period of availability ends; and

"(B) for any two-year fiscal period commencing on or after October 1, 1987], November 15 of the first even-numbered year calendar following the end of the two-year fiscal period in which the period of availability for obligation ends.

When the head of the agency decides that part of a withdrawn unobligated balance is required to pay obligations and make adjustments, that part may be restored to the appropriate account.".

(2) Section 1552(c) of title 31, United States Code, is amended by inserting "or two-year fiscal period, as the case may be," after "fiscal year".

(3) Section 1552(d) of title 31, United States Code, is amended by striking "2d complete fiscal year after the fiscal year" and inserting in lieu thereof "two-year fiscal period after the two-year fiscal period".

(w) Review of Appropriation Accounts.—Section 1554 of title 31, United States Code, is amended by striking "fiscal" each place it appears.

(x) Withdrawal of Unobligated Balances.—Section 1555 of title 31, United States Code, is amended by striking "2 consecutive fiscal years" and inserting in lieu thereof "a full two-year fiscal period".

(y) Adjusting Accounts.—Section 3530(d) of title 31, United States Code, is amended by striking "fiscal year" each place it appears and inserting in lieu thereof "two-year fiscal period".

SEC. 5. TITLE AND STYLE OF APPROPRIATION ACTS.

(a) In General.—Section 105 of title 1, United States Code, is amended to read as follows:

"§ 105. TITLE AND STYLE OF APPROPRIATION ACTS

"(a) The style and title of all Acts making appropriations for the support of the Government shall be as follows: 'An Act making appropriations (here insert the object) for the two-year fiscal period ending September 30 (here insert the odd-numbered calendar year.).'.

b) All Acts making regular appropriations for the support of the Government shall be enacted for a two-year fiscal period.

"(c) For purposes of this section, the term 'two-year fiscal period' has the same meaning as in section 3(8) of the Congressional Budget and Impoundment Control Act of 1974 (2 U.S.C. 622(8)).".

(b) Effective Date.—The amendment made by subsection (a) shall be effective with respect to Acts making appropriations for the support of the Government for any two-year fiscal period commencing on or after October 1, 1987.

SEC. 6. TERMINATION OF BUDGET COMMITTEES AND TRANSFER OF FUNCTIONS TO THE APPROPRIATIONS COMMITTEES

(a) Termination of Budget Committees.—The Committee on the Budget of the Senate and the Committee on the Budget of the House of Representatives are terminated.

(b) Senate.—

(1) The membership of the Committee on Appropriations of the Senate shall consist of—

(A) the chairman and the ranking minority member from each of the committees listed in paragraph 2 of rule XXV of the Standing Rules of the Senate; and

(B) two other members, one of whom shall be designated as the chairman and one as ranking minority member of the Committee on Appropriations.

The chairman and the ranking minority member of the Committee on Appropriations may not serve as the chairman or ranking minority member of any committee listed in paragraph 2 of rule XXV.

(2)(A) The table contained in paragraph 3(a) of rule XXV of the Standing Rules of the Senate is amended by striking out the item for the Committee on Appropriations.

(B) Paragraph 1 of rule XXV of the Standing rules of the Senate is amended by striking out subparagraph (e) and redesignating subparagraphs (f) through (p) as subparagraphs (e) through (n), respectively.

(C) Subparagraph (b) of paragraph 1 of rule XXV of the Standing Rules of the Senate is amended to read as follows:

"(b)(1) **Committee on Appropriations**, to which committee shall be referred all proposed legislation, messages, petitions, memorials, and other matters relating to the following subjects:

"(A) Concurrent resolutions on the budget (as defined in section 3(a)(4) of the Congressional Budget Act of 1974) and all other matters required to be referred to that committee under titles III and IV of that Act, and messages, petitions, memorials, and other matters relating thereto.

"(B) Appropriation of the revenue for the support of the Government.

"(C) Rescission of appropriations contained in appropriation Acts (referred to in section 105 of title 1, United States Code).

"(D) The amount of new spending authority described in section 401(c)(2) (A) and (B) of the Congressional Budget Act of 1974 which is to be effective for a fiscal year.

"(E) New spending authority described in section 401(c)(2)(C) of the Congressional Budget Act of 1974 provided in bills and resolutions referred to the committee under section 401(b)(2) of that Act (but subject to the provisions of section 401(b)(3) of that Act).

"(2) Such committee shall have the duty—

"(A) to report the matters required to be reported by it under titles III and IV of the Congressional Budget Act of 1974;

"(B) to make continuing studies of the effect on budget outlays of relevant existing and proposed legislation and to report the results of such studies to the Senate on a recurring basis;

"(C) to request and evaluate continuing studies of tax expenditures, to devise methods of coordinating tax expenditures, policies, and programs with direct budget outlays, and to report the results of such studies to the Senate on a recurring basis; and

"(D) to review, on a continuing basis, the conduct by the Congressional Budget Office of its functions and duties.".

(c) House of Representatives.—

(1) The jurisdiction and authority of the Committee on the Budget the House of Representatives is transferred to the Committee on Appropriations the House of Representatives.

(2) The membership of the Committee on Appropriations of the House of Representatives shall consist of—

(A) the chairman and ranking member of each standing committee of the House with the authority to report legislation authorizing appropriations; and

(B) two other members, one of whom shall serve as chairman and one of whom shall serve as the ranking minority member of the Committee on Appropriations.

SEC. 7. BALANCED BUDGET AND EMERGENCY DEFICIT CONTROL ACT.

(a) Repeal of Sequestration Mechanism.—Part C of the Balanced Budget and Emergency Control Act of 1985 (2 U.S.C. 901 et seq.) is repealed.

(b) Repeal of Maximum Deficit Amounts.—

(1) For provisions eliminating references to maximum deficit amounts in the Congressional Budget and Impoundment Control Act of 1974, see the amendments made by section 3 of this Act.

(2) Section 271(b) of the Balanced Budget and Emergency Deficit Control Act of 1974 (2 U.S.C. 621 note) is amended—

(A) by striking "301(i), 302(f), 304(b), 310(d), 310(g), and 311(a)" and inserting in lieu thereof "302(f) and 311(a)", and

(B) by striking the second sentence.

SEC. 8. STATUTORY LIMIT ON PUBLIC DEBT.

(a) REPEAL.—Section 3101 of title 31, United States Code, is repealed.

(b) CONFORMING CHANGE.—Rule XLIX of the Rules of the House of Representatives is repealed.

SEC. 9. EFFECTIVE DATE.

SEC. 8. The provisions of this Act and the amendments made by this Act shall take effect on the first day of the One Hundredth Congress.

SEC. 10. FISCAL YEAR 1987.

SEC. 9. Notwithstanding the provisions of sections 2, 3, 4, and 5 of this Act and the amendments made by such sections, the provisions of the Congressional Budget and Impoundment Control Act of 1974 (as such provisions were in effect on the day before the effective date of this Act) shall apply with respect to concurrent resolutions on the budget for the fiscal year beginning on October 1 1986, bills and resolutions providing new budget authority or new spending authority for such fiscal year, bills and resolutions authorizing the enactment of new budget authority for such fiscal year, the rescission and deferral of budget authority for such fiscal year, and the responsibilities of the Director of the Congressional Budget Office for such fiscal year.

FISCAL PROCEDURES REFORM ACT

Purpose: To increase the efficiency of Congress in formulating and executing fiscal policy decisions including budget resolution deliberations and appropriations legislation, and to remove existing procedural impediments to legislative policy making in general.

Approach: The bill attempts to promote efficiency by (1) increasing centralization of responsibility for fiscal policy decisions within the Congress, (2) reducing the number of Congressional layers in the fiscal policy decision making process, and (3) eliminating existing arbitrary procedural rules which act to delay legislative policy action.

Structural reforms: Reconstitution of the Senate and House Appropriations Committees. Membership to be composed of existing chairman and ranking member, plus the chairmen and ranking members of all existing committees with jurisdiction over appropriated and/or entitlement spending.

Elimination of Senate and House Budget Committees.

Procedural reforms: Structuring the congressional budget and appropriations processes on a two year, rather than an annual basis.

Vesting of Budget Act responsibilities, including the responsibility for reporting a congressional budget resolution, with the Appropriations Committees of the two Houses.

Sequential referral of all legislation authorizing appropriations or modifying entitlement programs in either House to the Appropriations Committees.

Combining legislative language with respect to program authorizations and appropriations in a single bill, with appropriations being added to authorizations during sequential referral, prior to reporting for floor consideration.

Statutes repealed: Budget Act provisions providing for reconciliation.

Budget Act provisions providing for "maximum deficit amounts", and all other provisions of Gramm-Rudman-Hollings, except provisions which strengthen pre-Gramm-Rudman-Hollings Budget Act points of order.

The statutory limit on the public debt.

Explanation and comments: The responsibility of the appropriations committees for fiscal policy in general, and spending decisions in particular, would be greatly enhanced. In recognition of that fact, the membership of the appropriations committees would be reconstituted to vest this increased decision making responsibility in the hands of those who would have to contend, most directly, with the policy implications of those decisions.

All legislation which included either an authorization of appropriations, or a direct spending authorization, once reported from an authorizing committee, would be sequentially referred to the appropriations committees for further action. Legislation which did not contain spending authorizations would continue to be reported directly to the floor.

Upon sequential referral, the appropriations committees would be responsible for adding appropriations language directly to authorizing legislation. Such language would be confined to the purpose of appropriating budget authority. The appropriations provided could not exceed authorized levels and could not materially change authorizations. The appropriations committees would be under no obligation to fund any program or report any legislation received through sequential referral.

In those instances where the legislation referred to the appropriations committees contained entitlement language, or modified existing entitlement, language, the appropriations committees would be permitted to make modifications to such language, the effect of which would be to reduce anticipated spending under such programs. Thus, entitlement authorizations would not be covered by protections against programatic changes provided for authorizations subject to appropriations.

By vesting this combination of authority and responsibility in the appropriations committees, a number of efficiencies would be achieved. First, decision making would be centralized. All legislation prioritizing, authorizing, or funding the activities of government, would flow through a single committee. Second, those charged with prioritizing spending decisions would also have primary responsibility for allocating funding. Third, authorizations and appropriations would flow to the floor in a single legislative measure.

By centralizing congressional fiscal policy decision making in the appropriations committees, most of the benefits of reconciliation can be achieved without resorting to the jurisdictional incursions associated with reconciliation. All appropriated spending and all entitlement spending will pass through the appropriations committees which will have set two-year targets with which such spending must conform. Therefore, to the extent that programatic reductions are required, the decisions to make such reductions—and more importantly—the decisions as to which programs must be reduced, will no longer be primarily shaped by a panel with no responsibility for the policy implications of those decisions.

By Mr. GRASSLEY (for himself and Mr. HARKIN):

S. 1363. A bill to provide for modification of the voluntary agreement between the Secretary of Health and Human Services and the State of Iowa under section 218 of the Social Security Act to provide for coverage of certain policemen and firemen; to the Committee on Finance.

MODIFICATION OF AGREEMENT FOR SOCIAL SECURITY COVERAGE FOR CERTAIN POLICEMEN AND FIREMEN

● Mr. GRASSLEY. Mr. President, I rise today on behalf of myself and my colleague from Iowa, Senator HARKIN, to introduce legislation which, if passed, will permit the State of Iowa to validate earnings of police and firemen in certain Iowa municipalities which were erroneously reported to the Federal Social Security Program. This legislation would also permit future coverage of those employees under the system.

Under terms of this legislation, the State of Iowa will be able to validate past contributions to the Federal Social Security Program for service performed in policemen's or firemen's positions which were required by the Iowa code to be covered, during the same period in which Social Security contributions were being withheld, by a municipal retirement system.

The Social Security contributions for these employees were made invalid as a consequence of an Iowa Supreme Court decision, City of Waverly versus Iowa Department of Job Service, handed down March 19, 1986, in which the court held that if a municipality had an organized police and fire department it was required by Iowa law to provide a pension for those policemen. Because the agreement between the State of Iowa and the Federal Government with respect to Iowa's participation in the Social Security Program stipulated that any employees covered by a public pension program would be exempted from participation in the Social Security Program, this Iowa Supreme Court decision had the effect of invalidating the contributions to the system that these municipalities and their police and fire department employees had been making and, at least as far as the Social Security Administration is concerned, placing them out of the Social Security Program.

If this legislation becomes law, the methodology for determining whether these employees would remain in the Social Security system or get out would be determined between the State of Iowa and each affected municipality. The decision made would embrace all affected employees of a particular municipality; it will not be possible for some employees of a municipality to stay in the system and for some to get out. Furthermore, once the decision is made, the policemen and firemen in particular affected cities and towns will be either in, or out, of the Federal Social Security system: Past contributions to the system will be validated and the employees will remain in the system henceforth; or past contributions will be returned to the employees and employers and no further contributions will be made. In order for the State of Iowa to modify its agreement with the Federal Government so as to validate past contributions, the State must have paid to the Federal Government the Social Security contributions required for those employees over the time to be covered under Social Security.

Mr. President, at present, in the event of disability, death, or retirement, those affected by this situation, even though they may have contributed to the Social Security system, will not be eligible for the benefits for which they thought they qualified. I believe that this legislation, when it becomes law, will eliminate the present uncertainty which the involved municipalities and their police and fire employees face with respect to the Social Security benefits for which particular employees might be eligible.

Mr. President, I ask unanimous consent that a list of the municipalities in question, and the bill, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1363

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. MODIFICATION OF AGREEMENT WITH IOWA TO PROVIDE COVERAGE FOR CERTAIN POLICEMEN AND FIREMEN.

Notwithstanding subsection (d)(5)(A) of section 218 of the Social Security Act and the references thereto in subsections (d)(1) and (d)(3) of such section 218, the agreement with the Sate of Iowa heretofore entered into pursuant to such section 218 may, at any time prior to January 1, 1989, be modified pursuant to subsection (c)(4) of such section 218 so as to apply to services performed in policemen's or firemen's positions required to be covered by a retirement system pursuant to section 410.1 of the Iowa Code as in effect on July 1, 1953, if the State of Iowa has at any time prior to the date of the enactment of this Act paid to the Secretary of the Treasury, with respect to any of the services performed in such positions, the sums prescribed pursuant to subsection (e)(1) of such section 218 (as in effect on December 31, 1986, with respect to payments due with respect to wages paid on or before such date).

SEC. 2. SERVICE TO BE COVERED.

Notwithstanding the provisions of subsection (e) of section 218 of the Social Security Act (as so redesignated by section 9002(c)(1) of the Omnibus Budget Reconciliation Act of 1986), any modification in the agreement with the State of Iowa under section 1 shall be made effective with respect to—

(1) all services performed in any policemen's or firemen's position to which the modification relates on or after January 1, 1987, and

(2) all services performed in such a position before January 1, 1987, with respect to which the State of Iowa has paid to the Secretary of the Treasury the sums prescribed pursuant to subsection (e)(1) of such section 218 (as in effect on December 31, 1986, with respect to payments due with respect to wages paid on or before such date) at the time or times established pursuant to such subsection (e)(1), if and to the extent that—

(A) on refund of the sums so paid has been obtained, or

(B) a refund of part or all of the sums so paid has been obtained but the State of Iowa repays to the Secretary of the Treasury the amount of such refund within 90 days after the date on which the modification is agreed to by the State and the Secretary of Health and Human Services.

CITIES AFFECTED BY IOWA SOCIAL SECURITY LEGISLATION

Algona, Bettendorf, Colfax, Cresco, Creston, Eagle Grove, Eldora, Fairfield, Hamburg, Hawarden, Missouri Valley, Monticello, Mount Pleasant, Nevada, Waukon, West Union and possibly, Red Oak, and Dyersville.●

● Mr. HARKIN. Mr. President, today I join with my colleague from Iowa, Senator GRASSLEY, in offering legislation which will correct a problem facing several Iowa communities concerning Social Security coverage for their police and fire personnel.

The need for this legislation developed as a result of a 1986 decision by the Iowa Supreme Court in the case of the City of Waverly versus Iowa Department of Job Service. The court held that those communities, under a 1953 State law, were deemed to have established disability and retirement plans for their police and fire personnel, and thus were exempt from Social Security System, even though these communities had failed to establish their own individual retirement systems. The effect of this decision was to invalidate the Social Security contributions of 18 Iowa municipalities and their public safety employees. Thus, these Iowa communities have been erroneously paying into the Social Security System, and their police and fire personnel, who believed they were covered under Social Security, find themselves without any retirement plans at all.

Currently, this situation has left these communities with only one option—to request a refund of these contributions from the Social Security Administration, and return them to their employees. Our bill would grant these communities an alternative. It would allow the State-designated agency, the Iowa Public Employees Retirement System, to modify its agreement with these municipalities in order to let them decide if they would like to stay in the Social Security System or not.

Under our bill, if a municipality decides to join the Social Security System, all of these municipalities' employees would have their past contributions validated, thus permitting them to remain in the Social Security program henceforth. If a municipality decided not to join the system, all of their employees' contributions would be refunded, and the employees and employers would no longer contribute to the Social Security system. In other words, this bill would not mandate coverage, but would simply allow those who want to continue under the Social Security system to do so.

This legislation was developed in consultation with the Social Security Administration, the Iowa Public Employees Retirement System, the House Committee on Ways and Means, and Senate Finance Committee. In fact, committee staff indicated that this bill amounts to a technical amendment of the Social Security Act and that the same problem in other States has been handled in a similar manner.

Mr. President, the passage of this legislation will maintain coverage to these employees who have contributed to the Social Security program, and will remove the uncertainty now facing these municipalities concerning the pension coverage of police and fire personnel. I encourage prompt action on this matter.●

By Mr. GRAHAM (for himself, Mr. CRANSTON, Mr. MURKOWSKI, Mr. MATSUNAGA, Mr. DECONCINI, Mr. ROCKEFELLER, and Mr. MITCHELL):

S. 1365. A bill to amend title 38, United States Code, to establish presumptions of service connection for certain diseases of former prisoners of war; to the Committee on Veterans' Affairs.

COVERAGE OF CERTAIN SERVICE-CONNECTED DISABILITIES OF FORMER PRISONERS OF WAR

● Mr. GRAHAM. Mr. President, few Americans have given as much to the cause of freedom and paid as heavy a price in doing so as this country's servicemen who were captured and held prisoner during times of war. Their treatment was often brutal, harsh, and unforgiving. As a result, many still bear painful physical and emotional scars. At discharge time, they were told to put the past behind them, to get on with their lives. But that hasn't always been easy. At least not for those who every day of their lives have had to confront the reality of permanent injury.

I am introducing legislation today that takes another step toward more fully recognizing that reality. Joining me as original cosponsors are Senators CRANSTON, MURKOWSKI, MATSUNAGA, DECONCINI, ROCKEFELLER, and MITCHELL. This bill would allow ex-POW's to qualify for presumptive compensation in three physical categories—peripheral neuropathy, a condition that results in muscular atrophy in the foot and wrist, irritated bowel syndrome, sometimes referred to as spastic colon, and peptic ulcer disease. Former prisoners who were held in captivity for 30 or more days would not be required to present documentative proof of injury in these cases in order to qualify for compensation payments, provided that these conditions existed within 10 years after the last date of the veteran's detention.

Although we all owe these veterans a special debt of gratitude for their sacrifices, that is not why I am introducing this legislation today. I am introducing this bill simply because of its practical merits. And the merits are compelling.

Health records necessary to establish service-connected disability obviously were not kept while these servicemen were detained in prison camps. Moreover, upon discharge ex-POW's did not undergo thorough physical exams. The reasons were twofold. Many, understandably, wanted to put their nightmarish experiences behind them and get home as quickly as possible. The armed services in turn did not see the need for thorough physical examinations.

Despite the absence of medical records, however, medical studies have established that the conditions experienced by ex-POW's while in captivity—severe malnutrition, extreme stress, and exhausting physical exertion—likely are significant risk factors for these three diseases.

This bill does not establish a precedent. Instead it simply represents another step toward recognizing that the starvation, deprivation, and brutality so common to the experience of POW's could damage any body system. This point has been unanimously underscored by the VA POW Advisory Committee and that's why the Congress already has seen fit to include on the presumptive list such conditions as frostbite and traumatic arthritis.

Mr. President, let me reemphasize one thing. Through no fault of their own ex-POW's do not have the medical records to prove service-connected disability when it comes to these three conditions. This Congress, fortunately, does have access to medical studies which do establish the connection. We should act on these findings and act on them soon.●

● Mr. MURKOWSKI. Mr. President, I am pleased to join with my colleagues, Senators GRAHAM and CRANSTON, in proposing legislation which will further recognize the dedicated military service of those veterans who are also former prisoners of war. This legislation will, if enacted, ease the burdens these veterans face in establishing service connection for peripheral neuropathy, irritable bowel syndrome, and peptic ulcer disease.

Few veterans have endured experiences more brutal, more arduous, more debilitating, and more destructive to health than those who endured captivity at the hands of our Nation's enemies. The harshness of their experience is made more bitter by the fact that their captors kept no records of the physical effects on those POW's of their mistreatment, hard labor and malnutrition. The harsh conditions of captivity increased the likelihood of disability and illness. The lack of documents, on the other hand, decreased the likelihood that the VA will be able to recognize subsequent disabilities as service connected.

Mr. President, over the years the Congress and the VA have done an admirable job of responding to this situation. The Congress has declared that a former POW who suffers from any of 12 named diseases may be presumed to have incurred that disease while in service. The Congress has also provided former POW's with a high priority for medical care. The VA has generally implemented this legislation with care and sensitivity to the special concerns and needs of former prisoners of war.

However, a problem still remains in determining the origin of many diseases or conditions which are associated with the harsh conditions of captivity, but which also frequently occur in the normal process of aging. This legislation addresses these concerns for three diseases. It would recognize that these conditions may be the result of captivity and allows them to be service connected without documentation. It also recognizes that it is not appropriate to compensate veterans, no matter how worthy, for the normal effects of aging. The legislation would maintain the link between service and disability by limiting the presumption of service connection to only those instances where the disease has become manifest within 10 years of release from captivity. Maintaining this link is a critical protection for the integrity of the veterans' disability compensation system.

Mr. President, I would also like to address a question usually unstated, but sometimes implied, when the question of benefits for former prisoners is discussed. That question, in effect, asks: why should there be special consideration given to those who sat out the war after surrendering to the enemy; when so many of our troops had to spend the war in combat?

This question, if asked, is based on a complete misunderstanding of the prisoner of war experience. This question, if asked, is an insult to the integrity of men who have proven their dedication and loyalty to our Nation under circumstances few of us can imagine and none of us would willingly endure.

Few, if any, former POW's chose to be captured. Their aircraft were shot down, their ships were sunk or their positions were overrun. Many, like those captured at Bataan and Corregidor, were surrendered by their commanders after fighting beyond the limits of human endurance. Since the largest portion of the military serves in a supply or support role, almost all former POW's spent more time in combat than most other veterans. These former POW's were, by definition, close enough to the enemy to be captured.

Former POW's did not sit out the war. Almost universally, their captors forced them to perform hard labor with little food, primitive sanitation, inadequate shelter and little or no medical care. The large number who died in captivity are eloquent testimony to the hardship they endured.

Nor can one rightly question the integrity of our former POW's. It is easy for most Americans to profess loyalty to our Nation. There is no penalty for doing so, and frequent reward. Not so for a POW. POW's lived months or years in the hands of our enemies. They depended on our enemies for every inadequate morsel of food they received. They were subject to mistreatment or torture at the whim of their captors. They saw fellow prisoners beaten or executed at the sole discretion of their captors. Their loyalty was tested by pain, malnutrition and mind numbing fatigue. In such an environment the price of loyalty was high, the reward for treason real and immediate. And yet, Mr. President, our former POW veterans paid the price for their loyalty. They endured, persevered, and ultimately triumphed. The 80,000 former prisoners of war living in America today are a proud affirmation of the loyalty of the American service member and proof of the value to the human spirit of the continuing American political experiment in liberty and freedom.

Mr. President, I am pleased to join in the introduction of this legislation and ask my colleagues to join me in its support.●

Mr. CRANSTON. Mr. President, as the chairman of the Veterans' Affairs Committee, I am very pleased to join, along with the ranking minority member of the committee, the Senator from Alaska [Mr. MURKOWSKI], and four of our fellow committee members, the Senators from Arizona, Hawaii, West Virginia, and Maine [Mr. DECONCINI, Mr. MATSUNAGA, Mr. ROCKEFELLER, and Mr. MITCHELL], with the Senator from Florida [Mr. GRAHAM], also a member of the committee, in introducing S. 1365, a bill which would establish presumptions of service connection for certain diseases of former prisoners of war. The basic purpose of these provisions is to lessen the burden on a former POW to submit evidence to the Veterans' Administration that certain disabilities are service connected for purposes of applying for VA disability compensation.

At the outset, I want to recognize the efforts in the House Committee on Veterans' Affairs, where Representatives APPLEGATE and MCEWEN have introduced a similar bill. I look forward to working with them and the House committee toward the enactment of legislation which would facilitate the award of compensation for these deserving veterans for the three conditions recognized by this measure under certain circumstances—peripheral neuropathy, peptic ulcer disease, and irritable bowel syndrome.

Mr. President, over the many years I have served on the Veterans' Affairs Committee, both as its chairman and ranking minority member, I have come to know very well the deep concerns that many have—and which I fully share—for those of our Nation's veterans who made great sacrifices and endured extreme hardships as prisoners of war. Their strength, courage, and love of freedom helped to preserve our country, and we truly owe them a debt that can never be fully repaid.

In a Veterans' Administration study undertaken as a result of legislation I authored in Public Law 95-479, the VA found that, although the particular type and source of hardship differed significantly according to place and time of internment, American POW's from each of the three most recent wars—World War II, Korea, and Vietnam—were subjected to widespread hardships that often included extreme malnutrition, great psychological stress and abuse, inadequate medical care, brutal living conditions and, very frequently, physical and psychological torture.

The study also found cause for concern that some disabilities of ex-POW's that may well be attributable to their internment are not considered to be service connected by the VA. The report on the study cited the statements of physicians to the effect that the conditions to which POW's were subjected can have long-term effects that may not be identifiable for extended periods of time and that, because of the lack of definitive medical knowledge regarding the effects of internment, might never be diagnosed as having their origins in the POW experience. It was also noted that most American physicians have difficulty in recognizing the residuals of malnutrition.

In general, the VA report concluded:

> Serious limitations in knowledge as to the delayed effects of such stresses and deprivations as [were] experienced by prisoners of war [are] . . . a major obstacle for decision-makers [in the VA claims adjudications process].

In addition to suffering from disabilities that are difficult to detect or difficult to attribute to a specific cause, ex-POW's from World War II and Korea claiming service connection are often confronted with problems arising from the absence of records of their repatriation examinations. According to the VA report, physicians who reviewed a sample of claims folders of World War II European and Pacific theater ex-POW's—who comprise the largest group of former POW's—found that less than one-fifth of the European theater ex-POW's and only three-fifths of those from the Pacific theater who had filed claims for compensation had evidence of a repatriation examination. The physicians also found that many of the examinations had significant omissions and that over half contained either no medical history prior to capture or a poor history. Accordingly, a record of health conditions manifested during service, which would provide the necessary information to establish a service-connected and therefore compensable disability, is unavailable in many cases.

Mr. President, I ask unanimous consent that there be printed in the RECORD at this point a table showing the distribution and current status of ex-POW's by service period.

The PRESIDING OFFICER. Without objection, it is so ordered.

TABLE 1.—OVERVIEW OF AMERICAN FORMER POW POPULATION

	Total	WWI	WWII	Korea	Vietnam
No. of POW's	142,227	4,120	130,201	7,140	766
Died while POW	17,026	147	14,072	2,701	114
Alive as of Jan. 1, 1987	80,800	277	76,403	3,505	615

Mr. CRANSTON. Mr. President, the limited research funding which has been available for morbidity studies of ex-POW's has resulted in an insufficiency or absence of scientific confirmation of claimed increased incidences of various disabilities as a result of captivity. In addition, diagnosis of—and thus research on—the diseases under consideration here is made difficult because their symptoms, particularly in the case of peptic ulcer disease and irritable bowel syndrome, can vary greatly from one individual to the next, and because of a necessary reliance on evaluation of subjective factors, such as pain. The scientific information concerning the diseases discussed below has come primarily from studies of the general population; there are few controlled studies which confirm excess incidences of these diseases among former POW's. However, the information which is available from these more general studies indicates that the conditions experienced by ex-POW's while in captivity—such as severe malnutrition, extreme stress, and exhausting physical exertion—likely are significant risk factors for these diseases.

The only significant morbidity study of former POW's is the NAS' longitudinal study of a group of former POW's, which began shortly after WW II ended and still is ongoing. However, that study did not include any direct clinical assessment of its subjects. In August 1986, therefore, the NAS began a comprehensive medical examination survey of former POW's from World War II and the Korean conflict, which is expected to be completed in August 1988. Two thousand ex-POW's and 2,000 matched controls are undergoing physical examinations and will be completing medical questionnaires, providing data which will be analyzed by the NAS.

The NAS study has been criticized because the examinations are being conducted at different VAMC's across the country. Although the examinations are being conducted in accordance with the standardized format established in the VA's protocol for POW examinations, which has been used by the VA since 1983, key variables such as the length of the examination, the level of training provided the relevant VA personnel, and the overall thoroughness of the examination, likely will vary from one VAMC to another. The NAS study also has been criticized for emphasizing psychological morbidity in ex-POW's, which already has been the subject of several significant studies, rather than physical morbidity, about which much less is known.

These criticisms of the study are not without some merit, and the NAS and the VA Advisory Committee on Ex-POW's—advisory committee—agree that conducting all of the physical examinations at one facility would reduce any variability among examinations. However, that has not been possible due to funding limitations, and both groups have expressed confidence about the scientific validity of the study. I certainly do not believe that the study has been compromised or that its results should automatically be discredited. However, because of the relatively small size of the study population, results indicating the absence of an excess of incidence of a particular disease may indicate only that the study was not powerful enough to detect such excess, not that the excess was not present. Accordingly, although I think that the NAS study will prove to be a valuable and significant contribution to our knowledge regarding the long-term health effects of internment, I do not believe that where, as in the cases of the diseases addressed here, present scientific evidence already supports a causal connection between internment and a particular disease, we must delay providing compensation to our ex-POW's while we wait for results from the NAS study, which may very well prove equivocal.

However, in the case of those diseases for which a causal link with captivity is merely suspected but has not been scientifically validated, good public policy and the interests of fairness to all veterans, including former POW's, dictates that we look to the NAS physical examination study for further evidence to support or possibly to negate such links.

The biennial report of the advisory committee is expected to be submitted to the Administrator by July 1, 1987. I understand that the advisory committee will be supporting presumptive compensation for the three diseases included in our bill, which they have addressed in the context of a review of H.R. 1811.

Thus, it seems clear that, although many ex-POW's have been awarded disability compensation, an ex-POW with a disability resulting from the conditions of his or her internment may often face practical difficulties in proving that internment actually contributed to the disability. Indeed, in recognition of some of these difficulties, Public Law 91-376 was enacted to create rebuttable presumptions of service connection with respect to certain disorders. And, since that time, as new scientific evidence has demonstrated the relationships between the conditions experienced by ex-POW's while in captivity and certain other disorders, I have worked to provide for the enactment of additonal presumptions. I will continue to do so.

Such is the case with the three disorders addressed by S. 1365. Recent studies of both ex-POWs and the general population indicate that the conditions experienced by ex-POWs during internment—including severe malnutrition, extreme stress, and exhausting physical exertion—are significant risk factors for peripheral neuropathy, peptic ulcer disease, and irritable bowel syndrome. The bill provides presumptive compensation for these diseases where manifestation first occurs within 10 years after the last date of the veteran's internment, and which manifestation recurs on a continuous and regularly intermittent basis thereafter. The addition of the circumscribing language would eliminate the presumption where the disease first appears many years after release from captivity, and therefore likely is attributable to intervening causes.

PERIPHERAL NEUROPATHY

This disease involves foot or wrist "drop"—that is, inability to move the foot or wrist—muscular atrophy, numbness and tingling in the foot or wrist followed by a sensation of heat, and loss of reflex. This particular type of neuropathy is causally related to cold injury, exhausting physical activity, and vitamin deficiency resulting from extreme malnutrition—conditions which were experienced by most former POW's during captivity.

A 1986 study conducted by the Livermore VAMC of 52 ex-POW's found evidence of persisting peripheral neuropathy in 25 of 32 Japanese camp ex-POW's and in 9 of 20 German camp ex-POW's. The study concluded that nutritional deficiency likely was the primary cause among the Japanese camp survivors, and that cold injury to the feet and legs likely was the primary cause—with nutritional deficiency secondary—among the German camp survivors. Exhausting forced labor also was listed as a contributing factor.

A 1985 Australian study of gastrointestinal disease among ex-POW's also found that 48.8 percent of the 170 ex-POW's examined suffered from "happy feet," a symptom of peripheral neuropathy, in contrast to only 4.1 percent of the non-POW control group. In addition, a survey conducted of 41 former POWs treated at the Loma Linda VAMC, the results of which were published in 1987, revealed that over 30 of the men reported symptoms of peripheral neuropathy.

Dr. Theodore Woodward, a member of the advisory committee, testified before the House Committee on Veterans' Affairs at its June 1985 hearings that the severe malnutrition experienced by POW's frequently led to beriberi, a common manifestation of which is peripheral neuropathy.

IRRITABLE BOWEL SYNDROME

Irritable bowel syndrome [IBS], sometimes referred to as spastic colon, is a motor disorder—that is, a syndrome composed of a number of conditions, rather than a disease—consisting of altered bowel habits, abdominal pain and the absence of detectable organic pathology. Symptoms are markedly influenced by psychological factors and stress. IBS is confirmed by positive clinical and laboratory findings, including the exclusion of organic disease. It is one of the least understood gastrointestinal diseases. However, stress and malnutrition have been identified as probable significant risk factors.

No studies have been conducted evaluating the incidence of IBS among ex-POW's. However, "Gastrointestinal Disease" by Marvin Sleisenger and John Fordtran, one of the basic treatises on gastrointestinal diseases, in a discussion of IBS, lists stress as one of its known significant causal factors. Additionally, the Loma Linda survey found that all of the ex-POW's suffered from gastrointestinal disorders in captivity, and that 35 of the 41 still experienced such problems.

PEPTIC AND DUODENAL ULCERS

Gastric ulcers which occur where the gastrointestinal tract is exposed to hydrochloric acid and pepsin are called peptic ulcers. Duodenal ulcers are peptic ulcers which occur in the duodenum. The appropriate term for these conditions, which would encompass both types of ulcers, is peptic ulcer disease. The same risk factors—including stress and malnutrition—are associated with both peptic and duodenal ulcers. Studies pertaining to the incidence of one type of ulcer can be used with respect to the other type with a certainty of 70 percent or more.

The 1985 Australian study of 170 former POW's—with matching controls—clinically assessed the incidence of gastrointestinal disease. The study found that duodenal ulcers were most prevalent in the ex-POW group than in the control group—24.7 percent compared to 10.5 percent. Malnutrition and extreme stress were identified as the probable causes of the increased ulcer rate. The study also cited several other noncontrolled studies which also found increased rates of peptic and duodenal ulcers.

Dr. Woodward, in his testimony before the House committee, cited the strong link between extreme stress, as experienced by POW's in captivity, increased stomach secretions, and ulcers.

CONCLUSION

Mr. President, our Nation will always honor its former POW's, and, although we can never fully express our continuing gratitude to these courageous and valiant patriots, it is my hope that this bill will at least enable them to obtain the compensation which they earned at such great cost. I urge my colleagues to give their wholehearted support to this measure.

By Mr. KENNEDY (for himself, Mr. Stafford, Mr. Weicker, Mr. Metzenbaum, Mr. Matsunaga, Mr. Dodd, Mr. Simon, Mr. Pell, Ms. Mikulski, Mr. Cranston, Mr. Leahy, Mr. Gore, Mr. Packwood, Mr. Chafee, and Mr. Kerry):

S. 1366. A bill to revise and extend the programs of assistance under title X of the Public Health Service Act; to the Committee on Labor and Human Resources.

FAMILY PLANNING AMENDMENTS

● Mr. KENNEDY. Mr. President, today I am introducing legislation to reauthorize the Population Research and Voluntary Family Planning Programs, title X of the Public Health Service Act.

The primary purpose of title X is simple: the provision of services and information to lower the incidence of unintended pregnancy, to improve maternal health and to reduce abortion.

Since its enactment in 1970, the title X program has proven itself effective time and time again. A nationwide system of over 4,500 local clinics provides nearly 5 million low-income women (including one and a half million adolescents) with access to family planning primary care services. Health centers financed through title X often are the first place that low-income women—especially teenagers—receive formal medical care. State and local health departments serve 40 percent of these clients; Planned Parenthood organizations serve 27 percent; hospitals serve 13 percent; and other nonprofit agencies such as HMO's, neighborhood health centers, and free clinics serve the remaining 20 percent.

This network of clinics has also been recognized as a valuable resource in addressing other closely related health problems, such as this country's distressing infant mortality and teen pregnancy rates, and most recently, the AIDS epidemic.

Title X is the single largest source of public funds for these services. It comprises 34 percent of the total federal and State expenditures in this area. In the United States today, there are approximately 9.5 million low-income women and 5 million teenagers at risk of unintended pregnancy. Despite the accomplishments of the title X program, millions of women go unserved. Only about two thirds of the low-income women who are eligible for the program are currently being served. Though an additional 3.2 million women were able to obtain services from private physicians, the rest did not receive them.

The title X Family Planning has special relevance to our national problem of infant mortality. The United States ranks 17th among industrialized nations in infant mortality, behind Singapore and Hong Kong.

A large body of research indicates that the timing of a birth, adequate intervals between births, and family size are all closely related to maternal and infant health. The Institute of Medicine in its report, Preventing Low Birthweight (1985), concluded that "family planning services should be an integral part of overall strategies to reduce the incidence of low birthweight in infants." A 1986 report by the National Academy of Sciences on strategies to alleviate the problems of teenage pregnancy and childbearing reached a similar conclusion.

Adolescent pregnancy has been well recognized as a major contributing factor to infant mortality. In addition, there is a new urgency about the provision of comprehensive family planning services. In recent months, U.S. Surgeon General Everett Koop and other public health officials have recommended that clinics help provide voluntary AIDS testing and counseling services to prevent the tragedy of babies born with AIDS.

The title X program is also cost-effective. The Center for Population Options, a Washington-based group, has recently reported that taxpayers spent nearly $18 billion last year on food stamps, medical care and cash assistance for families begun as a result of teenagers giving birth. The report also said that babies born to teenagers last year will cost the Nation a total of $5.5 billion over the next 20 years. The Federal family planning program could save $3 for every $1 now spent to provide services to the children born to adolescents. Continued Federal investment in the title X program is one of the most cost-effective investments the Nation can make.

Unfortunately, funding for title X has been cut significantly over the past 6 years. It was reduced by 25 percent in 1981, as was funding for most discretionary health programs. Since 1982, many of these programs have had their funding restored. But, title X funding levels remain nearly 12 percent below the 1981 appropriations level—and—percent the current services level, based on 1981 funding.

Each year since taking office, the administration has proposed the elimination of title X as a separate program, and its folding in to a block grant with several other health programs.

This year, the administration's proposal would turn all title X dollars over to the States, abandoning the national standards for medical care and the national reporting system which have helped to insure the provision of high quality, cost-effective family planning services over the years.

At present, the Department of Health and Human Services makes grant awards to State health departments and regional councils which subcontract with local agencies. Of the 89 direct grantees, 44 are State agencies and the remainder are county and local health departments or private, nonprofit organizations. The administration's current proposal would cause a serious disruption of services in a system which has proven effective over the years.

Title X has enjoyed broad bipartisan support in Congress and throughout the Nation in the past 17 years since it was first authorized. Participation is completely voluntary, and a full range of safe and effective services are offered, including natural family planning methods.

Since its enactment in 1970, section 1008 of title X statute has specifically prohibited the use of program funds for abortion. Yet, the program has been under attack by organizations which oppose family planning and which would deny funds to provide full information to women regarding their options for dealing with an unintended pregnancy. Ironically, these efforts to dismantle or destroy title X, would initially lead to more unintended pregnancies and more abortions.

Past allegations that grantees have not complied with section 1008 led to a congressionally requested investigation by the General Accounting Office, and examinations by the Office of the Inspector General in the Department of Health and Human Services. Both agencies reported in September of 1983 that all title X clinics studied were operating in full compliance with the law. In 1984 and 1985, former Secretary of Health and Human Services Margaret Heckler specifically reaffirmed that clinics were in full compliance with the prohibition. This same assurance was repeated by the current Secretary of Health and Human Services, Dr. Otis R. Bowen, in early 1987.

The legislation we are introducing today provides a 4-year reauthorization of title X, with modest increases in funding for basic services.

The legislation includes two modest new initiatives designed to address problems of growing public concern. The first would increase the research already being conducted under the auspices of the National Institute of Child Health and Human Development for the development of new and improved methods of contraception in order to reduce the high incidence of unintended pregnancy.

The second new initiative would expand the existing authorization for information and education services under title X to permit grants to public and private nonprofit organizations for community-based information and education programs, especially for teenagers and parents, to help prevent unintended pregnancy and sexually transmitted diseases. Title X offers an appropriate vehicle for providing such additional assistance to enhance the efforts already underway by many State and local governments, school systems, churches, and community organizations.

More than ever before, because of the current budget crisis, Congress needs to focus on preventive, cost-effective health programs. Over the past 17 years, title X has established a proven track record in helping women plan their pregnancies and prevent the need for abortion, as well as improving overall maternal and child health. I urge the Senate to enact this important legislation and I ask unanimous consent that the text of the bill may be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1366

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Family Planning Amendments of 1987".

FINDINGS

SEC. 2. The Congress finds that—

(1) comprehensive voluntary family planning services still are not readily available to all individuals in the United States desiring such services;

(2) new and improved contraceptive devices, drugs, and methods are needed in order to ensure optimum safety and choice for each individual desiring to use such devices, drugs, and methods;

(3) the high incidence of teenage pregnancies and sexually transmitted diseases has made it essential that the public receive information to prevent such pregnancies and diseases, as recommended by the Surgeon General of the United States; and

(4) sound medical practices require that all individuals be fully informed of their options in making decisions about their health care, and such practices should be promoted in the Nation's family planning program.

REFERENCE

SEC. 3. Whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Public Health Service Act.

PROJECT GRANTS AND CONTRACTS

SEC. 4. Section 1001 is amended by striking out subsections (c) and (d) and inserting in lieu thereof the following:

"(c) For the purpose of making grants and contracts under this section, there are authorized to be appropriated $155,500,000 for fiscal year 1988, $163,000,000 for fiscal year 1989, $171,000,000 for fiscal year 1990, and $179,500,000 for fiscal year 1991.".

TRAINING AND TECHNICAL ASSISTANCE GRANTS AND CONTRACTS

SEC. 5. Section 1003 is amended to read as follows:

"TRAINING GRANTS AND CONTRACTS

"SEC. 1003. (a) The Secretary may make grants to public or nonprofit private entities and may enter into contracts with public or private entities and individuals to provide technical assistance, clinical training for personnel (including obstetric-gynecologic nurse practitioners), training for educators and counselors, and training of other personnel, to carry out the family planning service programs described in section 1001 and the information and education programs described in section 1005.

"(b) For the purpose of making grants and contracts under this section, there are authorized to be appropriated $4,300,000 for fiscal year 1988, $4,515,000 for fiscal year 1989, $4,741,000 for fiscal year 1990, and $4,978,000 for fiscal year 1991.".

FORMULA GRANTS

SEC. 6. (a) Section 1002 is repealed.

(b) Section 1006(c) is amended by striking out "or 1002".

CONDUCT OF RESEARCH ACTIVITIES

SEC. 7. Section 1004 is amended—

(1) by inserting "and evaluation" after "development";

(2) by inserting before the period the following: "and research to improve the clinical management and direct delivery of family planning services";

(3) by inserting "(a)" before "The"; and

(4) by adding at the end thereof the following new subsection:

"(b) To enhance the ongoing work of the National Institutes of Health under section 301 and under subsection (a) in applied contraceptive research and evaluation, and specifically to promote the development, marketing, and evaluation of new and improved contraceptive devices, drugs, and methods, the Secretary may conduct, and make grants to public and nonprofit private entities and enter into contracts with public and private entities and individuals for the conduct of—

"(1) applied research into the development of new or improved contraceptive devices, drugs, and methods; and

"(2) evaluations of the acceptance, convenience, safety, efficacy, and cost of contraceptive devices, drugs, and methods.

"(c) For the purpose of making grants and entering into contracts under subsection (b), there are authorized to be appropriated $10,000,000 for fiscal year 1988, and such sums as may be necessary for each of the fiscal years 1989, 1990, and 1991. Amounts appropriated under this subsection shall be in addition to amounts allocated under section 301(a)(2) for the National Institute of Child Health and Human Development.".

INFORMATION AND EDUCATION

SEC. 8. Section 1005 is amended to read as follows:

"COMMUNITY-BASED INFORMATIONAL AND EDUCATIONAL PROGRAMS

"SEC. 1005. (a) The Secretary may make grants to or enter into contracts with public and nonprofit private entities to establish community-based information and education programs to assist individuals in making responsible choices concerning human sexuality, pregnancy, and parenthood, and to enable individuals to prevent unintended pregnancies and sexually transmitted diseases. Programs supported under this section shall place special emphasis on the provision of information and education to parents and adolescents, and shall include information about the availability of a broad range of acceptable and effective family planning methods and services.

"(b) The Secretary shall—

"(1) conduct, or make grants to public and nonprofit private entities and enter into contracts with public and private entities and individuals for the conduct of, training and technical assistance activities to assist in carrying out subsection (a); and

"(2) make grants to public and nonprofit private entities and enter into contracts with public and private entities and individuals for the development, evaluation, and dissemination of educational and informational materials that are consistent with the objectives specified in subsection (a) for information and education programs.

"(c) For grants and contracts under this section, there are authorized to be appropriated $10,000,000 for fiscal year 1988, and such sums as may be necessary for each of the fiscal years 1989, 1990, and 1991. Not more than 10 percent of the amounts appropriated under this preceding sentence for a fiscal year shall be available to carry out subsection (b).".

VOLUNTARY PARTICIPATION

SEC. 9. Section 1007 is amended to read as follows:

DATA COLLECTION

SEC. 10. (a) Title X is amended by adding at the end thereof the following new section:

"DATA COLLECTION

"SEC. 1010. (a) The Secretary shall collect on an annual basis data concerning—

"(1) the number of low-income and marginal-income individuals, and the number of adolescents, at risk of unintended pregnancies;

"(2) the sources of funding available for family planning services in the United States;

"(3) the number of individuals who receive family planning services from entities that receive grants and contracts under section 1001 and the age, gender, race, and family income of such individuals; and

"(4) the types of family planning services chosen by individuals who receive services from entities which receive grants and contracts under section 1001.

"(b) The Secretary may make grants to public and nonprofit private entities and enter into contracts with public and private entities and individuals for the collection of data under this section. The Secretary shall make available to the public data and information collected under this section.".

(b) Section 1009 is amended by adding at the end thereof the following new subsection:

"(d) Each plan prepared under this section shall be based upon data collected under section 1010.".

EFFECTIVE DATE

SEC. 11. The amendments made by this Act shall take effect on October 1, 1987.●

● **Mr. WEICKER.** Mr. President, I rise today as a cosponsor of the Family Planning Amendments of 1987, a bill to reauthorize title X of the Public Health Service Act.

Title X authorizes the Secretary of Health and Human Services to make grants to public and private, nonprofit entities for the provision of voluntary family planning services. These services enable individuals and families to obtain accurate, objective information about family planning methods, and thus make informed decisions about their reproductive options. In order to receive title X funds, grantees must offer a broad range of acceptable and effective family planning methods and services.

The reauthorization we introduce today will extend the Family Planning Program through fiscal year 1991, with modest annual increases in the authorized funding level. Further, the bill authorizes additional funding for the conduct of contraceptive research by the National Institutes of Health. In recent years, the number of private companies involved in such research has dwindled, with only one company currently carrying out contraceptive research. This decline is due to several factors, including limited funding for research, and product liability insurance costs. At the same time, the number of available and effective contraceptive methods are also declining in the United States. Under these circumstances, additional support for research is needed at the Federal level.

The bill makes no change in the current abortion prohibition contained in section 1008, which states that "none of the funds appropriated under this title shall be used in programs where abortion is a method of family planning." Despite reviews by Federal officials concerned with enforcement of the prohibition over the last several years, there has been no evidence to indicate that title X grantees have violated this prohibition.

The bill also provides a greater emphasis on educational efforts, particularly those targeted toward parents and adolescents. In view of the high incidence of teen pregnancies and sexually transmitted diseases, it is imperative that adolescents have access to complete information that will enable them to make responsible decisions concerning their sexuality, and avoid unintended pregnancies and disease transmission.

This reauthorization is long overdue. The authority for the Title X program expired at the end of fiscal year 1985, and despite the efforts of the former chairman of the Senate Committee on Labor and Human Resources, Mr. Hatch, and other members of the committee, a reauthorization reported by the committee in December 1985, failed to reach the Senate floor during the last Congress. It is my hope that the Senate will demonstrate its strong commitment to family planning by prompt consideration and passage of this legislation.●

● Mr. CHAFEE. Mr. President, I am pleased today to join my colleagues in introducing a bill to reauthorize title X of the Public Health Service Act. Title X is the mainstay of the Nation's efforts to expand access to family planning services among low-income women and teenagers, thus minimizing the incidence of unintended pregnancies and the need for abortion.

Five million women receive care and services under this act. For some of these women, health care funded by title X represents their only source of medical attention of any kind. For all of these women, title X represents a solid commitment to the future of this Nation's family planning program.

Mr. President, last year this country spent $17.9 billion on programs to deal with the consequences of teenage pregnancy. And this is only part of the tremendous price our country pays when our young people are burdened with unwanted pregnancies resulting in poverty, and welfare dependence. We know through experience that countries with the most accessible contraceptive services for teenagers have the lowest rate of teenage pregnancy. It is not surprising that one report has shown that the services of title X have prevented 800,000 unintended pregnancies, about 425,000 of them among teenagers.

No efforts to reduce the problems of poverty in the future are likely to succeed unless we do something to address the adolescent pregnancy rate. Over 1 million teenagers become pregnant each year. One study has projected that 4 out of every 10 girls will become pregnant before they are 20. Adolescent pregnancy and parenthood are clearly connected to poverty and long-term welfare dependency. Teenage mothers face a greater risk of medical complications during pregnancy; they are more likely to drop out of school; they often must raise their children alone and are less likely to be self-sufficient.

Those who have children during their teens are increasingly likely to have large families which are difficult to support. This leads to chronic welfare dependency by teenage parents and women who were teenage parents. It has been estimated that more than 60 percent of AFDC recipients under the age of 30 are teenage parents.

Teenage parents pay a heavy price in a lifetime of lost opportunities and this is deeply troubling for those of us who want our young people to have the best chance for fulfillment.

The measure that I join in introducing today does more than simply reauthorize this crucial program for 4 more years. Indeed it goes beyond that, adding modest increases in funding levels and providing for general improvements in the training of clinic personnel. The measure also continues the biomedical research authority and adds a separate $10 million authorization for a new initiative with the National Institute of Child Health and Human Development [NICHD] to promote the development, marketing and evaluation of new contraceptive devices, drugs and methods. Finally, an additional $10 million authorization will broaden community-based information and education programs to assist individuals in discussing and making responsible choices concerning sexual activity, pregnancy and parenthood.

The performance of abortions with title X funds is, and has always been, prohibited by the authorizing statute. The title X program helps reduce the number of abortions, by reducing the number of unintended pregnancies. This is a measure we should all be able to support. Family planning is a basic health and social service that is needed and wanted by millions of American women and their families. Even with the significant achievements of the National Family Planning Program, there are glaring reminders that much more needs to be done. More than half of the 6 million pregnancies that occur each year are unintended. It is clear that our commitment to this program must continue.●

By Mr. CHILES (for himself and Mr. Graham):

S. 1367. A bill authorizing the Secretary of the Interior to preserve certain wetlands and historic and prehistoric sites in the St. Johns River Valley, FL, and for other purposes; to the Committee on Energy and Natural Resources.

HISTORIC PRESERVATION IN THE ST. JOHNS RIVER VALLEY

● Mr. CHILES. Mr. President, today I am introducing legislation to enhance the protection and interpretation of important historic sites and to preserve critical wetlands of Duval County, FL.

This region of northern Florida provides a remarkably rich tapestry of the history of European settlement in North America. My colleague in the House who is offering a similar measure, Congressman Charles Bennett, is a well-respected historian who has dedicated years to studying these sites. He has published five books about the historical significance of this area, which includes the site of the American Revolutionary Battle of Thomas Creek; two spanish 16th century forts; and an 18th century English fort.

The wetlands surrounding these sites provide a rich food source for numerous species of fish and shellfish. In fact, many biologists consider them to be among the most productive wetlands in the United States. The loss of these marshes could be devastating to the marine fisheries of northern Florida. Further, Mr. President, the wetlands offer refuge to the endangered manatee.

Recognizing the scarce resources available for land acquisition, my legislation authorizes the Department of Interior to acquire at least 50 percent of the land for creation of the Timucuan Ecological and Historic Preserve through donation or use of donated funds. It is my understanding that a number of parcels are already expected for donations.

Mr. President, Duval County is one of the fastest growing counties in the country. It is important that we not allow those places which carry the rich history of our past to be overrun in our zealous attempts to grow and expand. We must take deliberate steps to preserve these sites and the surrounding wetlands from encroaching development. These irreplaceable landmarks offer a physical link to our past that history books cannot duplicate.●

● Mr. GRAHAM. Mr. President, I am pleased to be joining my distinguished colleague, Senator Chiles, in introducing this important piece of legislation. The bill calls for the preservation of specific wetlands and historic sites in the St. Johns River Valley in Florida. Preservation and acquisition of these lands is crucial to furtherance of the ecological, as well as the historical, integrity of the area. A companion bill was introduced in the House by my esteemed colleague, Congressman Charles Bennett, who has an extensive record of contributions to the preservation of America's natural resources and historical heritage.

Among other things, the bill establishes a museum in Fort Caroline Historic Park. By making Fort Caroline Park a principal interpretive center for this historic area through the establishment of museum facilities, we will be able to display the important artifacts that illustrate the history and prehistory of the region. Established by the French in 1564, Fort Caroline provides a taste of the European settlement of North America.

The bill also gives the Secretary of Interior the authority to acquire by donation or purchase with donated funds, several other properties of historic significance: The Spanish 16th century forts of San Gabriel and San Estaban; the Spanish 18th century fort of Dos Hermanas; the English 18th century forts at St. Johns Bluff and Fort George Island; Spanish 16th and 17th century mission of San Juan Del Puerto; the site of the American Revolutionary War Battle of Thomas Creek; The Zephaniah Kingsley Plantation, with its 18th and 19th century buildings; and the Spanish American war fortification on St. Johns Bluff.

This bill also calls for the establishment of the Timucuan Ecological and Historic Preserve. The Timucuan Indians lived in this area of the St. Johns River Valley in prehistoric and historic times, and the wetlands are rich with diverse species of plant and animal life. The tidal marshes and Hammock Islands within the preserve, 500 acres adjacent to Fort Caroline National Memorial, contain a variety of submerged grasses, mangroves, corals, estuarine and aquatic marine mammals, birds, shellfish, and mollusks. Also making the area their critical habitat is the endangered Atlantic salt marsh snake, the endangered West Indian manatee, the rare spotted turtle, and the rare Florida marsh mink. By requiring that at least 50 percent of these preserve lands are to be acquired by donation or exchange, we are meeting our fiscal responsibility head on.

In closing, I would like to reemphasize the unique combination of historic and ecological signficance of the area to be acquired under the bill. Preservation and acquisition of these precious acres would not only benefit Florida and her residents, but also the entire Nation.●

By Mr. HEFLIN:

S. 1368. A bill for the relief of Meenakshiben P. Patel; to the Committee on the Judiciary.

RELIEF OF MEENAKSHIBEN P. PATEL

● Mr. HEFLIN. Mr. President, I rise today to introduce legislation that would reunite Meenakshiben Patel with her family in the United States.

Meenakshiben Patel is 41 years old and currently lives in Lusaka, Zambia. Ms. Patel and her family lived in India until they moved to Zambia in 1970. Although Meenakshiben suffered a childhood accident leaving her moderately retarded, she was a strong and active member of the Patel family and helped raise her brother's children while he pursued his education. This selfless act on her part allowed Mr. Harshad Patel to complete his education in the field of engineering. Without the stability of Meenakshiben, Mr. Patel and other family members would never have achieved their educational goals.

Meenakshiben Patel has been denied entrance into the United States because the moderate retardation caused by her childhood accident disqualifies her from access to a visa into the United States. Meenakshiben's family ties do not qualify her for any of the waivers under the Immigration and Naturalization Act.

Because Meenakshiben Patel is unable to enter the United States, the family members must continually return to Zambia to ensure Meenakshiben's well-being and safety. Their continual traveling not only severely hinders the advancement of their own lives, it also does not provide the security and protection that Meenakshiben needs.

Such inter-continental living is not only hard on the Patels but it is also politically dangerous to them. The political stability in this part of Africa is questionable at best. South Africa has already made several raids on Zambia; the natives of Zambia are not friendly toward Indian merchants and their families; and there have already been riots in Lusaka due to internal strife. Meenakshiben's safety is certainly not ensured while residing in Zambia.

Mr. Patel is committed to attaining legal passage into the United States for his sister. His commitment is so great that Harshad is willing to post bond and state in writing that he will provide for his sister for the remainder of her life and that she would never become a burden for the United States to maintain. Mr. Patel has been trying for 8 years to reunite his family by bringing his sister to his new American home.

I ask that you join with me in supporting this bill to grant Ms. Patel legal admittance to the United States to join her family and to give her the opportunity to become a permanent resident alien.●

By Mr. ROCKEFELLER (for himself, Mr. LEVIN, Mr. MATSUNAGA, Mr. MITCHELL, Mr. KERRY, Mr. BURDICK, Mr. CONRAD, Mr. BINGAMAN, and Mr. SANFORD):

S. 1369. A bill to strengthen the technological literacy of the Nation through demonstration programs of technology education; to the Committee on Labor and Human Resources.

TECHNOLOGY LITERACY ACT

● Mr. ROCKEFELLER. Mr. President, I rise to introduce the Technology Literacy Act of 1987 with my distinguished cosponsors, Senators LEVIN, MATSUNAGA, MITCHELL, KERRY, BURDICK, CONRAD, BINGAMAN, and SANFORD. This bill is almost identical to S. 1823, which I introduced on November 1, 1985. Both then and this year, Congressman RICK BOUCHER, representing the 9th District of Virginia, has sponsored the companion legislation in the House of Representatives.

The Technology Literacy Act seeks funding of $3 million in each of the fiscal years 1988 through 1990 for demonstration programs in technology education at the secondary level. Our goal is to provide the seed money necessary to develop curriculum, teaching capability, and classroom experiences in a field which is demonstrating considerable promise.

A common message can be heard in the wave of reports on education reform in the past several years. In its excellent study of high schools published in 1983, the Carnegie Foundation for the Advancement of Teaching warned that the United States is jeapordizing its economic future by raising a largely "technologically illiterate" generation. The concern that the study of technology has yet to be introduced in most schools has been echoed by the National Science Foundation, the National Academy of Engineering, the National Science Teachers Association, the U.S. Department of Education, and others.

Technology education is the most commonly used phrase for an area of education devoted to teaching students about technology, what it has done for our society in the past, where it is taking us now, and what its potential is for the future. At the high school level, which is the focus of my legislation, technology education is aimed at exposing students to applications of math and science—with the objective of increasing their interest and abilities in studying, working with, and even inventing technology. In the limited number of courses offered so far in some States, special attention is paid to technology's role and potential in communication, transportation, construction, manufacturing, and product development.

The Carnegie Foundation recommends the study of technology in its high school report that I perviously cited, saying that:

> All students (should) study technology: the history of man's use of tools, how science and technology have joined, and the ethical and social issues technology has raised.

But the authors then point out that they were "frankly disappointed that none of the schools (they) visited required a study of technology."

Mr. President, I believe we must get the Federal Government involved in stimulating the development of technology education programs and classes throughout our educational system. As the National Science Foundation noted in "Educating Americans for the 21st century" (1983):

> Technological literacy needs to be part of general literacy. * * * In a sense we are speaking of "basics" in education, and we are identifying the knowledge and understanding of technology as basic.

By providing the proposed $3 million a year for the next 3 years, we will be investing in learning for tomorrow. The thrust of the Technology Literacy Act is to develop more curriculum in this field, and therefore create teaching methodologies and materials that prove to be most effective in instilling both excitement and knowledge among our young people about technology. I believe that this modest effort will spur educators at all levels to adopt technology education programs—and I hope this will inspire schools to make the commitment to equipping students with the skills they need to compete and thrive in an increasingly technological society.

Mr. President, I am grateful for the favorable response that has been shown so far toward this initiative. On June 3, the Senate Committee on Labor and Human Resources approved an amendment offered by Senators PELL and STAFFORD that authorizes $2 million for a 1-year technology education program. Thus, the prospects look good for support for an initial effort in this area. With my distinguished cosponsors, I will attempt to obtain approval for a longer term commitment as proposed in the Technology Literacy Act.

In my view, we should feel a sense of urgency about the education of today's children and young people. The rapidly changing world calls for a level of technological awareness and ability that is unprecedented. In both personal and professional life, technological literacy will be the key to success for all Americans. Mr. President, I hope that my colleagues in the Senate will join me in supporting this modest legislative proposal to help take crucial steps forward to preparing our young people for the technological demands and opportunities of the future.

Mr. President, I ask that the bill be printed in the RECORD following my statement.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1369

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Technology Literacy Act of 1987".

PURPOSE

SEC. 2. It is the purpose of this Act to assist the States in developing a technologically literate population through instructional programs in technology education.

DEFINITIONS

SEC. 3. For the purposes of this Act—

(1) the term "technology education" means a comprehensive educational process designed to develop a population that is knowledgeable about technology, its evolution, systems, techniques, utilization in industry and other fields, and cultural significance;

(2) the term "local educational agency" has the meaning given such term in section 198(a)(10) of the Elementary and Secondary Education Act of 1965;

(3) the term "State educational agency" has the meaning given such term in section 198(a)(17) of the Elementary and Secondary Education Act of 1965;

(4) the term "institution of higher education" has the meaning given such term in section 1201(a) of the Higher Education Act of 1965; and

(5) the term "Secretary" means the Secretary of Education.

TECHNOLOGY EDUCATION DEMONSTRATION PROGRAM

SEC. 4. (a) ESTABLISHMENT.—Subject to the availability of appropriations under this Act, the Secretary of Education shall establish a program of grants to local educational agencies, State educational agencies, and institutions of higher education to establish not to exceed ten demonstration programs in technology education for secondary schools.

(b) APPLICATION.—(1) A local educational agency, State educational agency, or institution of higher education which desires to receive a grant under this Act shall submit an application to the Secretary. Applications shall be submitted at such time, in such form, and containing such information as the Secretary shall prescribe and may be approved only if such application—

(A) describes a demonstration program for carrying out the purposes under subsection (c);

(B) contains an estimate of the cost for the establishment and operation of the program;

(C) sets forth such policies and procedures as will ensure adequate evaluation of the activities intended to be carried out under the application;

(D) contains assurances that Federal funds made available under this Act will be so used as to supplement and, to the extent practicable, increase the amount of State and local funds that would in the absence of such Federal funds be made available for the uses specified in this Act, and in no case supplant such State or local funds; and

(E) provides for making such reports, in such form and containing such information, as the Secretary may reasonably require.

(2) Amendments of applications shall be subject to approval in the same manner as original applications.

(3) In making grants under this Act the Secretary shall consider the equitable geographic distribution of such grants.

(c) USES OF FUNDS.—(1) Funds made available under this Act may be used to develop a model demonstration program for technology education which, to the extent practicable, address the components described in paragraphs (2) through (11).

(2) Educational course content based on—

(A) an organized set of concepts, processes, and systems that is uniquely technological; and

(B) fundamental knowledge about the development of technology and its affect on people, the environment, and culture.

(3) Instructional content drawn from introduction to technology education courses in one or more of the following areas:

(A) communication—efficiently using resources to transfer information to extend human potential;

(B) construction—efficiently using resources to build structures on a site;

(C) manufacturing—efficiently using resources to extract and convert raw or recycled materials into industrial and consumer goods; and

(D) transportation—efficiently using resources to obtain time and place utility and to attain and maintain direct physical contact and exchange among individuals and societal units through the movement of materials, goods, and people.

(4) Assistance to students in developing insight, understanding, and application of technological concepts, processes, and systems.

(5) Education of students in the safe and efficient utilization of tools, materials, machines, processes, and technical concepts.

(6) Development of student skills, creative abilities, confidence, and individual potential in utilizing technology.

(7) Development of student problem-solving and decisionmaking abilities involving human and material resources, processes, and technological systems.

(8) Preparation of students for lifelong learning in a technological society.

(9) Activity-oriented laboratory instruction which reinforces abstract concepts with concrete experiences.

(10) Emphasis on the practical application of carrying out technological work.

(11) Each project shall include the following developmental activities:

(A) A program for the purpose of developing teacher capability in the area of technology education.

(B) Research and development of curriculum materials for use in technology education programs.

(C) Multi-disciplinary teacher workshops for the interfacing of mathematics, science, and technology education.

(D) Statewide implementation plan for disseminating exemplary materials and practices.

(E) Optional employment of a curriculum specialist to provide technical assistance for the program.

(d) LIMITATION ON FEDERAL ASSISTANCE.—Federal assistance to any program or project under this Act shall not exceed 75 percent of the cost of such program in any fiscal year. Non-Federal contributions may be in cash or in kind, fairly evaluated, including facilities, overhead, personnel, and equipment.

(e) NATIONAL DISSEMINATION OF INFORMATION.—The Secretary shall disseminate the results of the programs and projects assisted under this Act in a manner designed to improve the training of teachers, other instructional personnel, counselors, and administrators.

AUTHORIZATION OF APPROPRIATIONS

SEC. 5. There are authorized to be appropriated $3,000,000 for fiscal year 1988 and for each of the succeeding fiscal years ending prior to October 1, 1991, to carry out the provisions of this Act.

EFFECTIVE DATE

SEC. 6. The provisions of this Act shall take effect October 1, 1987.●

By Mr. BUMPERS:

S. 1370. A bill to provide special rules for health insurance costs of self-employed individuals; to the Committee on Finance.

HEALTH INSURANCE COSTS OF SELF-EMPLOYED INDIVIDUALS

● **Mr. BUMPERS.** Mr. President, today I am introducing legislation to amend the Internal Revenue Code of 1986 to allow self-employed individuals, namely the sole proprietors of and partners in many of America's small businesses, to deduct 80 percent of the cost of health insurance for themselves and their dependents. This will be a step forward placing the self-employed on the same tax footing as employees of large corporations who enjoy excellent health benefits without incurring taxation.

Under prior law (as existed before 1986), an employer's contribution to a plan providing health and accident benefits was excludable from an employee's income. No similar exclusion was provided for self-employed individuals.

The 1986 Tax Reform Act began to rectify this large inequity in the treatment of self-employed individuals compared to their corporate counterparts by allowing such self-employed individuals to deduct 25 percent of the expense for health insurance for themselves, their spouse and dependents, but only through 1989.

At the same time, however, Mr. President, the 1986 Act reduced the tax incentive for personal health expenditures by raising the floor which such expenses must exceed from 5 percent to 7½ percent of a taxpayer's adjusted gross income before becoming allowable as a deduction when determining taxable income. Thus, for example, consider the case of a taxpayer who earns $40,000 a year; this taxpayer now needs to have had $1,000 more medical expenditures in a given year before any of such expenditures would be allowable as a medical deduction, as compared to the amount of medical expenditures necessary before tax reform.

This Nation is becoming increasingly cognizant of the need for adequate protection from the potential ravages of health care expenses for its uninsured and under-insured citizens and their families. According to recent SBA statistics, 48 percent of all uninsured workers (disregarding the 1.6 million business owners without coverage, usually sole proprietors) are with firms of from 1 to 24 workers. And, further, 40 percent of all firms not sponsoring health plans are retail trade firms with fewer than 10 employees. On the other hand, over 90 percent of employers in firms with more than 24 employees offer health benefits to workers. These figures have led some in Congress to propose that businesses be federally required to provide health benefits as a condition of employment. Small businesses have grave concerns about such an approach.

According to statistics cited by the proponents of mandated employer-provided health insurance, there are currently more than 37 million Americans without health coverage, two-thirds of whom are workers or dependents of such uninsured workers. My bill will encourage purchase of health insurance, or at least not continue the current tax penalty imposed on any self-employed individual or unincorporated business that provides health insurance for these owner-operators and their families.

I remind my colleagues of the importance of small business to the economy: America's smallest businesses, those employing fewer than 20 persons, generated all of the Nation's 1 million net, new jobs during our last recession, from 1981 to 1982 according to the 1984 Report of the President on the State of Small Business. Yet, only just over one-quarter of the smallest of firms, that is, sole proprietorships, feel they can afford to offer health coverage compared to more than three-quarters of all corporations which do offer such coverage, undoubtedly in no small part due to the tax deduction incorporated businesses enjoy for providing health coverage for employees. This is another vivid demonstration of the motivating power of a tax incentive to promote an important social end.

I am aware that my colleague and good friend, Senator KENNEDY, is about to introduce his version of legislation to allow self-employed individuals to deduct much of their premiums paid for health insurance. I understand, however, his bill would coordinate this deduction with his already-introduced proposal to mandate employer-provided health insurance. Thus, employees of such self-employed individuals would have to be insured as well and the employer's deduction for his own insurance would be tied to the percentage which the employer pays of his employees' coverage. Obviously, I strongly support the portion of his proposal that would increase the allowable deduction for the health insurance expense of sole proprietors. But, I am deeply concerned about his plan to mandate employer-provided health insurance for small businesses. As noted above, voluntary incentives have worked well to get corporate employers to provide health insurance for workers. But no matter how laudable any mandated benefit might be, there remains the underlying necessity that the business that is to underwrite the costs of that benefit be profitable, at least enough to be able to afford the benefit.

To provide a closer approximation of equality at least in this respect for self-employed individuals, Mr. President, I am introducing this legislation to allow self-employed individuals, the owners and operators of almost all of our Nation's unincorporated businesses, to deduct 80 percent of their health and accident insurance costs.

The 80-percent deduction proposed by this legislation is consistent with the allowable deduction under the 1986 act for business meal and entertainment expenses. Moreover, in line with the limitations on unduly generous, or top-heavy employee benefit plans imposed by that act, the deduction allowed any sole proprietor with employees under this legislation will be subject to the newly enacted nondiscrimination rules for statutory employee benefit plans. According to Joint Committee on Taxation revenue forecasters, or perhaps I should say prognosticators, this legislation will cost around $1 billion, a small price to enable a significant portion of our Nation's uninsured to be encouraged to insure and better protect themselves and their families. If further cost containment is sought, either in conjunction with legislation to extend the current 1989 sunset for this provision or in response to our Nation's increased focus on budgetary containment, I would suggest that caps be considered to curtail lavish or extravagent benefits, or Cadillac plans.

Mr. President, I ask unanimous consent that the legislation I am introducing today be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1370

Be it enacted by the Senate and House of Representatives of the United States in Congress assembled,

SECTION 1. SPECIAL RULES FOR HEALTH INSURANCE COSTS OF SELF-EMPLOYED INDIVIDUALS.

(a) IN GENERAL.—Section 162(m) of the Internal Revenue Code of 1986 (relating to special rules for health insurance costs of self-employed individuals) is amended by striking out "25 percent" in paragraph (1) and inserting in lieu thereof "80 percent".

(b) NONDISCRIMINATION RULES.—Section 89(j) of the Internal Revenue Code of 1986 (relating to nondiscrimination rules for certain statutory employee benefit plans) is amended by adding at the end of paragraph (6) the following new subparagraph:

"(C) COORDINATION WITH HEALTH PLAN FOR SELF-EMPLOYED INDIVIDUAL.—Any health plan for a self-employed individual and his dependents deductible under section 162(m) shall meet the requirements of this section as if such plan is a plan of the same type as qualified health plan provided for other employees of such self-employed individual."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1987.●

By Mr. MOYNIHAN (for himself, Mr. SIMON, Mr. BURDICK, Mr. LAUTENBERG, Mr. GRAHAM, Mr. WARNER, and Mr. BENTSEN):

S. 1371. A bill to designate the Federal building located at 330 Independence Avenue, SW., Washington, DC, as the "Wilbur J. Cohen Federal Building"; to the Committee on Environment and Public Works.

WILBUR J. COHEN FEDERAL BUILDING

● Mr. MOYNIHAN. Mr. President, I have the privilege of introducing today a bill to designate the Federal building at 330 Independence Avenue, SW., as the "Wilbur J. Cohen Federal Building."

As my colleagues are aware, Wilbur J. Cohen was Secretary of Health, Education, and Welfare in the Johnson administration. During a long and illustrious career in education and in Government, he was an active participant in the creation of social legislation for this Nation over a 50-year period. He was a champion of social insurance, an architect of Social Security, Medicare, and Medicaid; and an active participant in the formulation of mental health legislation, children's programs, and civil rights legislation.

Wilbur J. Cohen was the first employee of the Social Security Board. He spent many years fine tuning and improving Social Security benefits and expanding the coverage of that program, one of the most meaningful ever enacted by Congress.

Mr. Cohen left Federal service for a period in the 1950's to teach at the Universities of Michigan and UCLA. He returned to this city in 1960 to participate in the Presidential campaign of John F. Kennedy. After Kennedy's election, he was appointed Assistant Secretary and Under Secretary of the Department of Health, Education, and Welfare, and was named Secretary of that Department by President Lyndon B. Johnson. Mr. Cohen was the only person in the history of the Department to hold all three positions.

In his tenure at the Department of Health, Education, and Welfare, he played a major role in the establishment of the Medicare and Medicaid Programs. Throughout his lifetime, Mr. Cohen was a bold and articulate advocate of economic security for older Americans and health protection for poor Americans.

Wilbur Cohen never retired from active life. After leaving Federal office, he became the dean of the school of education at the University of Michigan. He also held a distinguished chair as professor at the Lyndon B. Johnson School of Public Affairs, dividing his time between the two posts. He continued to participate in the formulation of social legislation. House records indicate that he testified before the House Appropriations Subcommittee dealing with Social Security, Medicare, and other health issues for 54 consecutive years. This is truly an amazing record.

When Mr. Cohen died last month, on May 17, he was in South Korea, trying to help the people of that country develop a system of social insurance.

Mr. President, the bill I am introducing today is a small but meaningful tribute to the memory of a man who spent his lifetime in the service of others. I think it only fitting that the building at 330 Independence Avenue, where Wilbur J. Cohen served as Secretary of Health, Education, and Welfare, be named in his honor. I intend to seek speedy action on this legislation from the Committee on Environment and Public Works, and I urge the support of the Senate at such time as it reaches this body for consideration.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1371

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. DESIGNATION OF BUILDING.

The Federal Building located at 330 Independence Avenue, SW, Washington, District of Columbia, shall be known and designated as the "Wilbur J. Cohen Federal Building."

SEC. 2. LEGAL REFERENCES.

Any reference to such building in any law, map, regulation, document, record, or other paper of the United States shall be deemed to be a reference to the "Wilbur J. Cohen Federal Building."●

By Mr. JOHNSTON:

S. 1372. A bill to provide for the utilization of common hydrocarbon-bearing areas, and for other purposes; to the Committee on Energy and Natural Resources.

OUTER CONTINENTAL SHELF LEASING AMENDMENTS

● Mr. JOHNSTON. Mr. President, I am today introducing legislation that amends section 5 of the Outer Continental Shelf Lands Act to provide a process to unitize oil and gas reservoirs that jointly underly Federal and State lands on the Outer Continental Shelf. This legislation will assure that the Nation's oil and gas resources in the Outer Continental Shelf are developed in a manner that prevents waste, conserves our natural resources, protects the correlative rights of both the Federal and State governments, and their lessees and permittees, and protects the environment.

Section 5 of the Outer Continental Shelf Lands Act provides that the Secretary of the Interior may prescribe such rules and regulations as may be necessary and proper:

> . . . to provide for the prevention of waste and conservation of the natural resources of the Outer Continental Shelf, and the protection of correlative rights therein. . . . In the enforcement of safety, environmental, and conservation laws and regulations, the Secretary shall cooperate with the relevant departments and agencies of the Federal Government and of the affected States.

The Department of the Interior long ago adopted modern rules and regulations for developing the Federal portion of the Outer Continental Shelf in a manner that conserves our natural resources, prevents waste, protects the correlative rights of Federal lessees and protects the environment. The coastal States and the other oil and gas producing States have also long ago adopted modern conservation laws for the development of the natural resources that lie within their State boundaries. Both the Federal rules and the State laws repeal the old "law of capture" that resulted in waste and environmental devastation in the early days of oil and gas production in this country.

Historically, the Federal Government and the States have cooperated in developing oil and gas reserves that underlie Federal and State waters on the Outer Continental Shelf. On the Louisiana OCS, there have been over 140 jointly produced oil and gas properties that lie partly in State tidelands and partly in the Federal OCS. This historical cooperation has benefited the Nation by assuring that our oil and gas resources are produced in a logical fashion, with a minimum of economic and physical waste of the resource with the fewest possible number of wells being drilled in the Outer Continental Shelf.

Unfortunately, Mr. President, there are ominous signs that this historical cooperation may be breaking down. A most unfortunate controversy is raging between the State of Louisiana and the Department of the Interior concerning the unitization of a gas field that underlies both State and Federal waters in the Louisiana OCS. In this controversy, the Department has narrowly interpreted its responsibility to prevent waste and promote conservation. The Department appears to be taking the position that it is only responsible for promoting conservation on the Federal OCS and has no responsibility or authority to cooperate with the State of Louisiana in unitizing this gas field.

The Department's stance is having a severe impact on my home State of Louisiana. Estimates are that the failure to unitize the field at issue has resulted in lost income to the State of almost $9 million. In addition, the Federal Government's refusal to unitize in such instances will serve as a disincentive for lessees to participate in our State leasing program.

Mr. President, the Department's initial decision, if made final, are wrong and will not serve the best interests of this Nation. Natural resources will be wasted, unnecessary drilling will be encouraged and the rights of State lessees will be impaired. It is far too late in the development of the Nation's Outer Continental Shelf resources, Mr. President, for us to abandon cooperation with the coastal States or for us to go back to the wasteful "law of capture" that was long ago discredited.

A Louisiana district court recently upheld the Department's view without reaching what I believe to be the crucial legal argument in this matter. Rather than finding unitization required under section 5 of the OCS Lands Act, the court, in my view, misread the 1985 amendments to section 8(g) of that act and found that unitization was not mandated. The fact that I am introducing this legislation today should not be construed as acceding to the reasoning of that case. To the contrary, I believe that existing law mandates the unitization of the reservoir at issue in the controversy between Louisiana and the Department. My bill clarifies this point and provides a mechanism to resolve disputes relating to unitization expeditiously and equitably.

I hope the Department of the Interior will rethink its recent policies. This legislation will create a procedure that will assure that State and Federal cooperation continues and that our Outer Continental Shelf oil and gas resources are produced in an environmentally sound and logical fashion.

Mr. President, I ask unanimous consent that the text of this bill be inserted in the Congressional Record following my remarks.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 1372

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be referred to as the "Outer Continental Shelf Leasing Amendments Act".

Sec. 2. Section 5 of the Outer Continental Shelf Lands Act, as amended (43 U.S.C. Sec. 1334), is amended by adding a new Subsection (j) as follows:

(j) Unitization of Common Hydrocarbon-Bearing Area

(1) Findings and Policy of the United States.—(A) The Congress of the United States finds that the unrestrained competitive production of hydrocarbons from a common hydrocarbon-bearing geological area may result in a number of harmful national effects, including:

(I) the drilling of unnecessary wells, the installation of unnecessary facilities and other imprudent operating practices that result in economic waste, environmental damage and damage to life and property;

(II) the physical waste of hydrocarbons and an unnecessary reduction in the amounts of hydrocarbons that can be produced from certain hydrocarbon-bearing areas; and

(III) the loss of correlative rights which can result in the reduced value of national hydrocarbon resources and disorder in the leasing of Federal and State resources.

(B) It is the policy of the United States, as set forth in Section 5(a) of this Act, to prevent the harmful effects of unrestrained competitive production of hydrocarbons from a common hydrocarbon-bearing area by providing for the unitization of such areas.

(2) Definition.—Whenever used in this subsection the term "common hydrocarbon-bearing area" means an offshore hydrocarbon-bearing geologically identifiable area that: (i) underlies the Federal and State offshore boundary; (ii) is being, or may be, produced by the United States and the affected coastal State or their designees, lessees or permittees. The term hydrocarbon-bearing area includes any stratigraphic area or group of areas located between identifiable geologic markers even though there may be total or partial separation of some portions of the area.

(3) Process for Unitization.—(A) Whenever the Secretary or the Governor of a coastal State determines that there exists a common potentially hydrocarbon-bearing area, the party making such determination shall notify the other party in writing of such determination. After any such notification is received, the Secretary and the Governor shall, after reviewing any data and information made available to each by the other party, determine whether there exists a common hydrocarbon-bearing area. If the Secretary and the Governor determine that there is a common hydrocarbon-bearing area, the parties shall enter into an appropriate unitization agreement encompassing the Federal and State leases or lands insofar as they cover the common hydrocarbon-bearing area. The unitization agreement shall be binding on the designees, lessees and permittees of the Federal and State governments.

(B) If the Secretary and the Governor of the affected coastal State are unable to agree on the existence of a common hydrocarbon-bearing area, or on any matter concerning the unitization of the leases in such area, the Secretary and the Governor shall execute a written agreement submitting the disputed matters to arbitration. The arbitration proceedings shall be governed by the applicable provisions of the Act of July 30, 1947 (61 Sta. 669; 9 U.S.C. Sec. 1, et seq.), as amended. In the event that the Secretary and the Governor of the affected coastal State are unable to agree upon an arbitrator, the United States District Court for the district nearest to the affected area shall appoint an arbitrator upon the request therefor by either party. The authority of the arbitrator shall include determination of any matter on which the Secretary and the Governor are unable to agree, including, but not limited to, the matters set forth in paragraph (C) hereof. The Secretary and the Governor shall establish a unit for the common hydrocarbon-bearing area which is consistent with the determination of the arbitrator.

(C) In the establishment of a unit pursuant to this subsection, appropriate determinations shall be made for (i) the designation of the unit operator or operators; (ii) an appropriate form of unit agreement and unit operating agreement; (iii) the effective date for the unit; (iv) the fair allocation of the hydrocarbons produced from the unitized area; and (v) any other matters necessary in order to avoid the economic waste or physical waste of recoverable hydrocarbons, to achieve conservation and to protect correlative rights.

(D) Unless the Secretary and the Governor of the affected coastal State agree otherwise, the effective date of any unit established pursuant to this subsection shall be the date of first production of hydrocarbons from the common hydrocarbon bearing area or the date that either party is reasonably on notice of the possible existence of a common hydrocarbon-bearing area, whichever is later.

(E) In addition to any other common hydrocarbon-bearing area to which this subsection may apply, this subsection shall also apply to any common hydrocarbon-hearing area for which a request for unitization has been made by the Secretary or the Governor of the affected coastal State, or the designee, lessee or permittee of the Federal or State government, on or before the date of enactment of this subsection.●

By Mr. PELL:

S. 1373. A bill to authorize the Secretary of Education to provide financial assistance to States for use in expanding educational programs in juvenile and adult correctional institutions to assist in the rehabilitation of criminal offenders, and for other purposes; to the Committee on Labor and Human Resources.

FEDERAL CORRECTIONAL EDUCATION ASSISTANCE ACT

● Mr. PELL. Mr. President, I am once again submitting legislation entitled "The Federal Correctional Education Assistance Act." This bill is very similar to those bills which I introduced in 1979 and 1982. It would authorize the Secretary of Education to make grants to State education agencies for educational programs for criminal offenders in correctional institutions.

Unfortunately, the need for this legislation is as pressing now as it has been over the past 8 years. At present there are some 600,000 men, women, and children crowded into our Nation's correctional facilities. In addition, another 1,800,000 juveniles and adults are on probation and parole. As long as society does not define one of the major goals of incarceration in terms of rehabilitation, the existing conditions can only get worse.

The United States now spends $8 billion a year to house inmates in State correctional facilities, local jails, and Federal institutions and centers. This amounts to almost $14,000 a year for each inmate. This staggering amount exceeds the cost of education for 1 year at either Harvard or Yale. In fact, on the average this Nation spends 2½ times as much money on keeping a person incarcerated than on sending a young man or woman to college. The sad fact is that very little of this money goes toward correctional education. An average State spends less than 5 percent on its correctional budget on inmate education. As a result, less than one-third of the inmate population is engaged in educational programs and only 12.5 percent are involved in vocational programs.

Rather than meeting the mission of rehabilitation, our State correctional systems are fostering the development of antisocial attitudes and behaviors and providing the incarcerated individual few opportunities to develop a repertoire or acceptable behaviors. To make matters even worse, the lack of adequate education programs is further complicated by the nature of the prison population. As noted by the National Advisory Council on Vocational Education in its excellent report, "Vocational Education in Correctional Institutions:

> The typical inmate is a 25-year-old male, with an educational background, limited marketable skills, and few positive work experiences. He completed no more than 10 high school grades and functions 2-3 grade levels below that. He is likely to be poor, having earned less than $10,000 in the year prior to arrest.
>
> Although the U.S. prison population is 96 percent male, the plight of the incarcerated woman cannot be overlooked. She is typically under 30, a single mother with two or more children, poor and on welfare. She is likely to have problems with physical and/or mental health, drugs and/or alcohol.

Because of a lack of sufficient correctional education, we now have a revolving prison door through which a person leaves prison ill-equipped to become a responsible citizen, and—more often than not—is soon back in prison. Upward of 70 percent of the offenders released from prison each year will return to crime, and as many as 50 percent will return to prison within 1 year. The unemployment rate among ex offenders is three times the rate for the general public. Those that do find jobs often work in low-income, semiskilled positions. If they do not commit another crime, many ex felons end their lives in suicide or dereliction among the skid-row population. This, quite simply, is a national disgrace, but it is also one that we have the ability to change.

The legislative initiative which I undertook in 1979 and am renewing for a third time this year has received strong support. The results of studies conducted in California, Maryland, New Mexico, Texas, and Washington correlate a reduction in the recidivism rate with education and training received by the inmate while in prison.

The Federal Correctional Education Assistance Act would authorize $25 million a year in grants to State education agencies. The size of a grant would be determined by a ratio of a State's inmate population to the total inmate population in all States, but no State would receive less than $100,000. The States would have considerable latitude in the use of the Federal funds. They could be spent on a variety of education programs, including:

First, academic programs for basic education, special education, secondary school credit, postsecondary education, fine arts, recreation, and health;

Second, vocational training programs;

Third, library development and library services;

Fourth, teacher training in correctional education, particularly in social education, reading instruction, and abnormal psychology;

Fifth, educational release programs for offenders, with special attention on vocational work release training programs;

Sixth, guidance programs, including testing, counseling, psychological evaluation, and placement services;

Seventh, supportive services, with special emphasis upon job placement and coordination of education services with other agencies furnishing services to criminal offenders after their release; and

Eighth, cooperative programs with business to provide job training for offenders.

Mr. President, I urge my colleagues to give this legislation their serious consideration. I would most certainly welcome their cosponsorship of this important measure. I look forward to the bill being referred to the Committee on Labor and Human Resources, and am hopeful that it will eventually be the subject of careful consideration by the Subcommittee on Education, Arts, and Humanities. I ask unanimous consent that the full text of the legislation be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1373

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Federal Correctional Education Assistance Act".

FINDINGS AND DECLARATION OF PURPOSE

SEC. 2. (a) The Congress finds that—

(1) existing educational programs in juvenile and adult correctional institutions are inadequate to meet the needs of accused individuals or convicted offenders;

(2) State and local educational agencies and other public and private nonprofit agencies do not have the financial resources needed to respond to the increasing need of the correctional system for appropriate institutional and noninstitutional educational services for accused individuals and convicted criminal offenders;

(3) education is important to, and makes a significant contribution to, the adjustment of individuals in society; and

(4) there is a growing need for immediate action by the Federal Government to assist State and local educational programs for criminal offenders in correctional institutions.

(b) It is, therefore, the purpose of this Act to provide financial assistance to the States to carry out educational programs for criminal offenders in correctional institutions.

DEFINITIONS

SEC. 3. As used in this Act—

(1) "criminal offender" means any individual who is charged with or convicted of any criminal offense, including a youth offender or a juvenile offender;

(2) "correctional institution" means any—

(A) prison,

(B) jail,

(C) reformatory,

(D) work farm,

(E) detention center, or

(F) halfway house, community-based rehabilitation center, or any other similar institution designed for the confinement or rehabilitation of criminal offenders;

(3) "Secretary" means the Secretary of Education;

(4) "State" means any State of the United States, the District of Columbia, and the Commonwealth of Puerto Rico; and

(5) "State educational agency" means the State board of education or other agency or officer primarily responsible for the State supervision of public elementary and secondary schools, or, if there is no such officer or agency, an officer or agency designated by the Governor or by State law.

AUTHORIZATION

SEC. 4. (a)(1) There is authorized to be appropriated $25,000,000 for the fiscal year 1988, and such sums as may be necessary for each succeeding fiscal year ending prior to October 1, 1993, to enable the Secretary to make grants to States in accordance with the provisions of this Act.

(2) Funds appropriated for any fiscal year may remain available until expended.

(b) The Secretary is authorized to make grants to State educational agencies and to make grants for programs of national significance in accordance with the provisions of this Act.

ALLOCATION

SEC. 5. (a)(1) In each fiscal year in which the funds appropriated pursuant to section 4(a) exceed $15,000,000 the Secretary shall reserve 3 per centum of the funds appropriated for carrying out section 8.

(2) From the sums appropriated pursuant to section 4(a) in each fiscal year in which paragraph (1) does not apply and from the remainder of the sums appropriated pursuant to section 4(a) for each fiscal year in which paragraph (1) does apply, the Secretary shall allocate to each State $100,000 plus an amount which bears the same ratio to such sums or to such remainder, as the case may be, as population of the State in correctional institutions for the year preceding the year for which the determination is made bears to the population of all States in correctional institutions for such year.

(b) The amount by which any allotment of a State for a fiscal year under subsection (a) exceeds the amount which the Secretary determines will be required for such fiscal year for applications approved under section 7 within such State shall be available for reallotment to other States in proportion to the original allotments to such States under subsection (a) for that year, but with such proportionate amount for any such State being reduced to the extent it exceeds the sum the Secretary estimates such State needs and will be able to use for such year. The total of such reduction shall be similarly reallotted among the States whose proportionate amounts were not so reduced. Any amount reallotted to a State under this subsection during a fiscal year shall be deemed part of its allotment under subsection (a) for such year.

(c) No sums appropriated pursuant to section 4(a) shall be used for purposes inconsistent with the Juvenile Justice and Delinquency Prevention Act of 1974.

USES OF FUNDS

SEC. 6. Grants made under this Act to States may be used, in accordance with applications approved under section 7, for the cost of educational programs for criminal offenders in correctional institutions, including—

(1) academic programs for—

(A) basic education with special emphasis on reading, writing, vocabulary, and arithmetic;

(B) special education programs as defined by State law;

(C) bilingual or English as a second language programs;

(D) secondary school credit programs;

(E) postsecondary programs;

(F) fine arts programs; and

(G) curriculum development for the programs described in this paragraph;

(2) vocational training programs;

(3) library development and library service programs;

(4) training for teacher personnel specializing in correctional education, particularly training in social education, basic skills instruction, and abnormal psychology;

(5) educational release programs for criminal offenders, with special attention given to vocational work release training programs;

(6) guidance and counseling programs;

(7) supportive services for criminal offenders, with special emphasis upon job placement services and coordination of educational services with other agencies furnishing services to criminal offenders after their release; and

(8) cooperative programs with business concerns designed to provide job training for criminal offenders.

APPLICATION

SEC. 7. (a) A State desiring to receive a grant under this Act shall submit an application to the Secretary containing or accompanied by such information as the Secretary deems reasonably necessary, with such annual revisions as are necessary. Each such application shall—

(1) provide that the programs and projects for which assistance under this Act is sought will be administered by, or under the supervision of, the State educational agency;

(2) set forth a program for carrying out the purposes set forth in section 6 and provide for such methods of administration as are necessary for the proper and efficient operation of the program;

(3) provide assurances that no person with responsibilities in the operation of such program will discriminate with respect to any program participant or any employee in such program because of race, color, creed, national origin, sex, political affiliation or beliefs;

(4) provide assurances that funds received under this Act will be used only to supplement, and to the extent practical increase, the level of funds that would, in absence of such Federal funds, be made available from regular non-Federal sources for the purposes described in section 6, and in no case may such funds be used to supplant funds from non-Federal sources; and

(5) provide for a three-year report to the Office of Education containing a description of the activities assisted under this Act together with a description of evaluation programs designed to test the effectiveness of education programs assisted under this Act.

(b) Each application made under this Act may be approved by the Secretary if the Secretary determines that the application meets the requirements set forth in this Act.

PROGRAMS OF NATIONAL SIGNIFICANCE

SEC. 8. (a) From funds reserved pursuant to section 5(a)(1), the Secretary is authorized to make grants to State and local educational agencies, institutions of higher education, State correctional agencies, and other public and private nonprofit organizations and institutions to meet the costs of programs of national significance which the Secretary determines give promise of improving the education of criminal offenders.

(b) No grant may be made under this section unless an application is made to the Secretary at such time, in such manner, and containing such information as the Secretary deems reasonably necessary.

PAYMENTS AND WITHHOLDING

SEC. 9. (a) The Secretary shall pay to each State which has an application approved under this Act an amount equal to the cost of an application approved under section 7(b) or section 8(b).

(b) Whenever the Secretary, after giving reasonable notice and opportunity for hearing to a State under this Act, finds—

(1) that the program or project for which assistance under this Act was made has been so changed that it no longer complies with the provisions of this Act; or

(2) that in the operation of the program or project there is failure to comply substantially with any such provision;

the Secretary shall notify such State or grantee, as the case may be, of the findings, and no further payments may be made to such State or grantee, as the case may be, by the Secretary until the Secretary is satisfied that such noncompliance has been, or will promptly be, corrected. The Secretary may authorize the continuance of payments with respect to any projects pursuant to this Act which are being carried out by a State and which are not involved in the noncompliance.●

By Mr. DOLE (for himself, Mr. Wilson, Mr. Hatch, Mr. Stevens, Mr. Chafee, Mr. Cohen, Mr. D'Amato, Mr. Danforth, Mr. Durenberger, Mr. Murkowski, Mr. Simpson, Mr. Thurmond, Mr. Quayle, Mr. Cochran, and Mr. Domenici):

S. 1374. A bill to provide for a comprehensive program relating to acquired immune deficiency syndrome; to the Committee on Labor and Human Services.

ACQUIRED IMMUNE DEFICIENCY SYNDROME ACT

Mr. DOLE. Mr. President, today along with a number of my colleagues, I am introducing the Acquired Immune Deficiency Syndrome Act of 1987. The legislation touches on a broad range of issues that have been brought to our attention by those involved in the battle against this dreadful disease.

Complex issues do not have simple solutions and AIDS is one of the most complex public health and moral issues to come before this body. However, we are pushing forward, addressing issues as we can when we are able to reach a consensus, and that consensus is critical as this is one issue where partisanship has no place.

AIDS is rapidly becoming the leading cause of death for males between the ages of 20 and 40, in this country individuals in their most productive years. Given the gravity of the situation, the solutions to the terrible crisis facing us must be the product of our joint efforts.

NEED FOR LEGISLATION

The need for additional legislation is clear, even as we wait for the formation of the Presidential Commission on AIDS. For while there are some issues we are not yet prepared to address, there are a great many things that we know can and must be done. Our bill is based on what we know to date about how our resources can best be spent. Notably left unresolved are those issues relating to testing, confidentiality and nondiscrimination.

TESTING, CONFIDENTIALITY, NONDISCRIMINATION

These three issues—testing, confidentiality, and nondiscrimination—are among the most difficult to resolve. As we saw during the debate over the amendment calling for mandatory testing for those seeking marriage licenses and for prospective immigrants, opinions, even among the experts, are divided. With respect to confidentiality, there are again many views, although we would all agree that there is a great deal to be gained by creating an environment in which people, particularly those at high risk, seek out testing and counseling voluntarily. Finally, I think we would all agree that the victims of AIDS should not be discriminated against unfairly because of their disease. The debate really comes over how best to achieve this end.

Though we have been unable to resolve these questions to date, I am hopeful that we will be able to do so in the very near future.

NEED FOR EDUCATION

What we have been able to agree on is the need for an increase in our efforts to educate the public.

Perhaps the most significant part of our bill provides funds to the States for the development, establishment, and operation of public information activities relating to the prevention, diagnosis, and treatment of AIDS. It is our further hope that in designing such programs, States will place special emphasis on the need to reach minorities and high-risk groups.

In addition to our commitment to State activities, we have also increased funding for such Federal efforts as the telephone hotline for both the public and for health care professionals. We also propose the creation of an international data bank, to insure that the most up-to-date information or whatever advances are being made throughout the world in the areas of diagnosis, treatment, and prevention is known to our scientists.

NEED FOR INFORMED HEALTH CARE PROVIDERS AND HOME HEALTH SERVICES

In addition to our efforts to educate the public, we must also make sure that our health care professionals are kept abreast of current information. The bill, therefore, authorizes funds to be used to educate both those still in school, and perhaps more importantly those already in practice.

For those in practice, one particular area where education could do a great deal of good, would be in helping these providers understand the value of noninstitutional care. In the case of many afflicted with AIDS, the most appropriate and humane site of care is the home rather than the hospital. To further assist in this effort, the bill also authorizes funds to be used by the States to foster the availability and coordination of home based care.

CONCLUSION

Mr. President, as I noted at the outset; the issues facing us are complex requiring careful thought. Our bill attempts to address just a few of the problems. I look forward to continuing to work with my colleagues in seeking out bipartisan solutions of the questions before us, and those yet to be asked.

Mr. President, I ask unanimous consent to have printed in the RECORD a summary of the proposal and that the bill be printed in the RECORD following the summary.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

ACQUIRED IMMUNE DEFICIENCY SYNDROME ACT OF 1987

This bill is divided into three titles.

Title I: AIDS as a national public health emergency.

Title II: Training and services.

Title III: Public information.

DESCRIPTION

Title I: AIDS as a national health emergency

Authorization: FY 88—$48.5 new, FY89—$39.5 new.

A. Declare AIDS a Public Health Emergency under the Public Health Service Act. ($30 M per year current auth, $30 M new auth.)

B. Report to Congress— The Secretary shall submit a detailed expenditure report to Congress annually, which describes how Federal funds designated for AIDS are spent. This report should include funding regarding inter-agency and intra-agency spending as well as funds distributed to nonfederal entities.

C. Establish an International data bank through the National Library of Medicine. (0.5 M per year new auth). The Secretary, through the Library of Medicine, shall establish, maintain, and operate an International Data Bank and shall establish a schedule of charges for user of the Bank from other countries.

D. Establish a virus and serum bank through the National Institutes of Health, in which all human immunodeficiency virus serotypes and serum are available to qualified investigators and organizations.

E. Authorize additional 40 FTEE's for FDA to expedite the drug approval process. ($18 M FY88, $9 M FY 89 new auth.)

F. The Secretary shall provide technical assistance to State and local governments and public and nonprofit private entities carrying out programs, projects, and activities relating to AID

Title II: Training and services

Authorization: $35 M per year in FY88, FY89 new.

A. Coordination of Services and Health Care in the Home. ($25 M new auth for FY88 and FY89.)

(a) Grants to States based on numbers of individuals with AIDS.

(b) Funds may be used to coordinate services or reimburse health care providers for home health care services.

(c) Individual eligibility to be determined by financial need and potential benefit to the individual.

B. Drug procurement.

(a) The Secretary may purchase drugs in large quantitites for the treatment of AIDS and distribute such drugs to the States, if such bulk purchase would save funds, and the State requested the Secretary to do so.

C. Health Professions Training ($10 M new auth for FY88—Note: programs in title 7 and title 8 are up for reauthorization in FY89.)

(a) Grants for curriculum develop and faculty training ($4 M).

The Secretary may make grants to schools of medicine and osteopathy, and both must make available training for dentistry, public health, allied health and physician assistan .

(b) Grants to schools of nursing ($2 M). The Secretary may make grants to schools of nursing.

NOTE: Both a and b would focus on the following:

1. Improvement in training of health professionals in the care and treatment of victims of AIDS.

2. Development of curricula relating to the care and treatment of victims of AIDS.

3. Expansion of instruction in methods of care for victims of AIDS.

4. Supporting the training and retraining of faculty to provide such instruction.

5. Supporting continuing education of health professionals who care for victims of AIDS.

6. Establishment of new affiliations with institutions and facilities in order to provide clinical training for students.

7. Minorities, both in training of minorities and treating minorities.

(c) Authorization for continuing education and technical assistance to health professionals ($4 M). The Secretary may provide for education, training, and clinical skill improvement activities relating to AIDS.

Title III: Public information

Authorization: $214 M FY88, $215 M FY89 new.

A. Public service announcements ($10 M per year new auth for FY88, FY89).

(a) The Secretary will develop and disseminate public services announcements through print and broadcast media, using private organizations, PR firms, and business concerns as much as possible and place special emphasis on announcements which are directed toward minority individuals and those at high risk.

B. Technical assistance to State and Local governments (auth such sums).

(a) The Secretary, through the CDC, shall provide technical assistance to State and Local Governments as needed.

C. Telephone Hotline ($4 M for FY88, $5M for FY89 new auth) Public ($2.5 M for FY88, $3.0 M for FY89 new auth)

The Secretary, through the CDC, shall maintain a toll free, 24 hour telephone line for public information.

(b) Health Care Professionals ($1.5 M for FY88, $2.0 M for FY89 new auth.)

The Secretary, through the CDC, shall establish and maintain a professional telephone service, during normal business hours.

D. State Information Programs ($200 M per year for FY88, FY89)

(a) Block grants to the states based on population through HHS for the purposes of:

(1) developing, establishing and operating public information activities for the general public relating to the prevention and diagnosis of AIDS.

(2) developing, establishing and operating public information activities for high risk populations relating to the prevention and diagnosis of AIDS.

(3) providing technical assistance to community-based organizations, public and nonprofit private entities, and employers in developing information programs related to AIDS.

(4) training personnel, especially those involved in testing and counseling to carry out public information activities.

(b) Specific attention to minorities and high risk populations.

(c) No funds can be used for bricks and mortar.

(d) These funds cannot supplant local and state funds.

(e) There would be a 10% limit on administrative costs.

SENSE OF THE SENATE RESOLUTION

(A) Congress should appropriate sufficient funds to establish and maintain the Public Health Emergency Fund authorized under section 319 of the Public Health Service Act.

(B) Congress should appropriate $47.5 million to the Veterans' Administration for furnishing of medical care to persons having AIDS who are entitled to receive medical care under laws administered by the Veterans' Administration.

S. 1374

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Acquired Immune Deficiency Syndrome Act of 1987".

TITLE I—AIDS AS NATIONAL PUBLIC HEALTH EMERGENCY

DECLARATION OF EMERGENCY

SEC. 101. (a) The Secretary of Health and Human Services is directed to determine that acquired immune deficiency syndrome presents a public health emergency for purposes of section 319 of the Public Health Service Act.

(b) Section 319 of the Public Health Service Act is amended by striking out "$30,000,000" the second place it appears in subsection (b)(1) and inserting in lieu thereof "$60,000,000".

REPORT BY THE SECRETARY OF HEALTH AND HUMAN SERVICES

SEC. 102. Within 60 days after the end of each fiscal year, the Secretary of Health and Human Services shall prepare and transmit to the Congress a report on the expenditure by the Department of Health and Human Services of amounts appropriated for such fiscal year for programs, projects, and activities relating to acquired immune deficiency syndrome. Each such report shall include—

(1) a specification, for each office and agency of such Department, of the amount obligated for each such program, project, or activity for such fiscal year, and a description of each such program, project, and activity; and

(2) a description of each grant made, and each contract and cooperative agreement entered into, by such Department in carrying out each such program, project, or activity, including a description of the activities carried out under each such grant, contract, or cooperative agreement.

INTERNATIONAL DATA BANK

SEC. 103. Subpart 1 of part D of title IV of the Public Health Service Act is amended by adding at the end thereof the following new section:

"INTERNATIONAL DATA BANK ON ACQUIRED IMMUNE DEFICIENCY SYNDROME

"SEC. 468. (a) The Secretary, through the Library, shall establish, maintain, and operate the International Data Bank on Acquired Immune Deficiency Syndrome (hereafter in this section referred to as the 'Data Bank'). The Data Bank shall collect, catalog, store and disseminate insofar as feasible through the use of information systems accessible to the public, general practitioners, and investigators, the results of research relating to acquired immune deficiency syndrome undertaken in any country. Such results shall be available for use of any person involved in research and treatment relating to acquired immune deficiency syndrome in any country.

"(b) The Secretary shall establish a schedule of charges for users of the Data Bank from other countries for information obtained from the Data Bank.

"(c) To carry out this section, there are authorized to be appropriated $500,000 for each of the fiscal years 1988 and 1989.".

VIRUS AND SERUM BANK

SEC. 104. Subpart 6 of part C of title IV of the Public Health Service Act is amended by adding at the end thereof the following new section:

"VIRUS AND SERUM BANK

"SEC. 447. (a) The Director of the Institute shall establish, or provide for the establishment of, a virus and serum bank in which all human immunodeficiency virus serotypes and serum are available to qualified investigators and organizations.

"(b) The Director of the Institute may require the return of any serotype or serum provided under subsection (a) and may require the provision to such Director of any data or information resulting from the use of any such serotype or serum.".

ADDITIONAL PERSONNEL FOR THE FOOD AND DRUG ADMINISTRATION

SEC. 105. Notwithstanding any other provision of law, the Secretary of Health and Human Services, through the Commissioner of Food and Drugs, may, in accordance with the civil service and classification laws, appoint and fix the compensation of not more than 40 employees for the Food and Drug Administration. Employees appointed under this section shall be in addition to the number of employees otherwise assigned to such Administration.

TECHNICAL ASSISTANCE

SEC. 106. The Secretary of Health and Human Services, through the Public Health Service, shall provide technical assistance to State and local governments and public and nonprofit private entities carrying out programs, projects, and activities relating to acquired immune deficiency syndrome. To carry out this section, there are authorized to be appropriated such sums as may be necessary for each of the fiscal years 1988 and 1989.

TITLE II—TRAINING AND SERVICES

HEALTH CARE IN THE HOME

SEC. 201. (a) Part A of title XIX of the Public Health Service Act is amended by adding at the end thereof the following:

"SUBPART 2—HEALTH CARE SERVICES IN THE HOME

"AUTHORIZATIONS OF APPROPRIATIONS

"SEC. 1910C. For the purpose of allotments to States to carry out the activities described in section 1910F, there are authorized to be appropriated $25,000,000 for each of the fiscal years 1988 and 1989.

"ALLOTMENTS

"SEC. 1910D. (a)(1) Except as provided in paragraph (2), the Secretary, through the Public Health Service, shall allot to each State for each fiscal year from the total amount appropriated under section 1910C for such fiscal year an amount which bears the same ratio to such total amount as the number of individuals with acquired immune deficiency syndrome in the State bears to the total number of individuals with acquired immune deficiency syndrome in all States.

"(2) Notwithstanding paragraph (1)—

"(A) the total amount of the allotment for each of the several States, the District of Columbia, and Puerto Rico for each fiscal year shall not be less than one-half of 1 percent of the total amount appropriated under section 1910C for such fiscal year;

"(B) the total amount of the allotment for each of the Virgin Islands, Guam, and the Trust Territory of the Pacific Islands for each fiscal year shall not be less than one-fourth of 1 percent of the total amount appropriated under section 1910C for such fiscal year; and

"(C) the total amount of the allotment for each of American Samoa and the Commonwealth of the Northern Mariana Islands for each fiscal year shall not be less than one-sixteenth of 1 percent of the total amount appropriated under section 1910C for such fiscal year.

"(b) To the extent that all the funds appropriated under section 1910C for a fiscal year and available for allotment in such fiscal year are not otherwise allotted to States because—

"(1) one or more States have not submitted an application or description of activities in accordance with section 1910G for such fiscal year;

"(2) one or more States have notified the Secretary that they do not intend the use the full amount of their allotment; or

"(3) some State allotments are offset or repaid under section 1906(b)(3) (as such section applies to this subpart pursuant to section 1910G(d)),

such excess shall be allotted among each of the remaining States in proportion to the amount otherwise allotted to such States for such fiscal year without regard to this subsection.

"(c)(1) If the Secretary—

"(A) receives a request from the governing body of an Indian tribe or tribal organization within any State that funds under this subpart be provided directly by the Secretary to such tribe or organization, and

"(B) determines that the members of such tribe or tribal organization would be better served by means of grants made directly by the Secretary under this subpart,

the Secretary shall reserve from amounts which would otherwise be allotted to such State under subsection (a) for a fiscal year the amount determined under paragraph (2).

"(2) The Secretary shall reserve for the purpose of paragraph (1) from amounts that would otherwise be allotted to such State under subsection (a) an amount equal to the amount which bears the same ratio to the State's allotment for the fiscal year involved under subsection (a) as the population of the Indian tribe or tribal organization bears to the population of the State.

"(3) The amount reserved by the Secretary on the basis of a determination under this subsection shall be granted to the Indian tribe or tribal organization serving the individuals for whom such a determination has been made.

"(4) In order for an Indian tribe or tribal organization to be eligible for a grant for a fiscal year under this subsection, it shall submit to the Secretary a plan for such fiscal year which meets such criteria as the Secretary may prescribe.

"PAYMENTS UNDER ALLOTMENTS TO STATES

"SEC. 1910E. (a) For each fiscal year, the Secretary shall make payments, as provided by section 6503(a) of title 31, United States Code, to each State from its allotment under section 1910D (other than any amount reserved under subsection (c) of such section) from amounts appropriated for that fiscal year.

"(b) Any amount paid to a State for a fiscal year and remaining unobligated at the end of such year shall remain available for the next fiscal year to such State for the purposes for which it was made.

"USE OF ALLOTMENTS

"SEC. 1910F. (a)(1) Except as provided in subsections (b), (c), and (d), amounts paid to a State under section 1910E from its allotment under section 1910D for any fiscal year may be used to provide health care services in the home for eligible individuals and to coordinate services for eligible individuals. Such amounts may be used to—

"(A) pay compensation for the services of physicians, nurses, and social workers who plan, manage or provide health care services in the home for eligible individuals;

"(B) identify and locate eligible individuals needing the provision of health care services in the home;

"(C) coordinate health care services provided in the home for eligible individuals under this subpart with other supportive social services provided for such individuals;

"(D) coordinate other long-term care services provided for eligible individuals by public and private institutions and voluntary organizations in order to ensure the provision of such services and to maximize the use of funds provided under this subpart and under other Federal laws; and

"(E) provide—

"(i) training to health care professionals in the care and treatment of eligible individuals (including health care professionals who are not faculty members at health professions schools) who would benefit from such training, especially those health professionals who may provide home health care services or work in hospices; and "(ii) education to health care professionals in the coordination of training in advanced discharge planning.

"(2) A State may use amounts paid to it under section 1910E to provide health care services in the home for eligible individuals through grants to health care organizations. In making such grants, a State shall give priority to home care programs, including home care programs based in hospitals. As a condition of receipt of a grant under this paragraph, a State shall require a health care organization to use amounts provided under such grant only for the provision of health care services in the home for eligible individuals.

"(b) Not more than 10 percent of the total amount paid to a State under section 1910E for a fiscal year may be used for administering the funds made available under section 1910E. The State shall pay from non-Federal sources the remaining costs of administering such funds.

"(c) Not more than $5,000 per year may be used by a State, with respect to any eligible individual, to pay compensation for the services of physicians, nurses, and social workers under subsection (a)(1)(A).

"(d) A State may not use amounts paid to it under section 1910E to—

"(1) ovide inpatient services, except services involving advanced discharge planning;

"(2) make cash payments to intended recipients of services;

"(3) purchase or improve land, purchase, construct, or permanently improve (other than minor remodeling) any building or other facility, or purchase major medical equipment;

"(4) satisfy and requirement for the expenditure of non-Federal funds as a condition for the receipt of Federal funds;

"(5) provide services under this subpart to an individual if the total cost to the Federal Government of providing such health services would exceed the total cost of institutionalization of such individual;

"(6) provide reimbursement for services performed by any individual other than a physician, nurse, or social worker; or

"(7) provide supportive social services for which planning and management is conducted under subsection (a)(1)(D).

The Secretary may waive the limitation contained in paragraph (3) upon the request of a State if the Secretary finds that there are extraordinary circumstances to justify the waiver and that granting the waiver will assist in carrying out this subpart.

"(e) The Secretary, if requested by a State, shall provide technical assistance to the State in planning and operating activities to be carried out under this subpart.

"APPLICATION AND DESCRIPTION OF ACTIVITIES; REQUIREMENTS

"SEC. 1910G. (a)(1) In order to receive an allotment for a fiscal year under section 1910D, each State shall submit an application to the Secretary. Each such application shall be in such form and submitted by such date as the Secretary shall require.

"(2) Each application required under paragraph (1) for an allotment under section 1910D for a fiscal year shall contain assurances that the State will meet the requirements of subsection (b).

"(b) As part of the annual application required by subsection (a) for an allotment for any fiscal year, the chief executive officer of each State shall—

"(1) certify that the State agrees to use the funds allotted to it under section 1910D in accordance with the requirements of this subpart;

"(2) provide assurances that such chief executive officer will designate or establish a State agency to administer funds provided under this subpart;

"(3) provide assurances that the State will consider, in the provision of health care services in the home under this subpart, the ability of each eligible individual to pay for such services;

"(4) certify that the State will coordinate the provision of health care services in the home with funds provided under this subpart with activities conducted to provide such services by voluntary, religious, and community organizations and local governments;

"(5) provide services under this subpart to an individual if the total cost to the Federal Government of providing such health services would exceed the total cost of institutionalization of such individual;

"(6) provide assurances that the State will develop proper standards and quality assurance mechanisms for the provision of health care services in the home for eligible individuals;

"(7) provide assurances that the State will, to the maximum extent feasible, provide health care services in the home under this subpart to eligible individuals who are low-income individuals and who are not receiving equivalent home health care services under the State's medicaid plan approved under title XIX of the Social Security Act; and

"(8) provide assurances that the State will make all reasonable efforts to ascertain the legal liability of third parties (including health insurers) to pay for services available under this subpart and to obtain such payments.

"(c) The chief executive officer of a State shall, as part of the application required by subsection (a) for any fiscal year, also prepare and furnish the Secretary (in accordance with such form as the Secretary shall provide) with a description of the intended use of the payments the State will receive under section 1910E for the fiscal year for which the application is submitted, including information on the programs and activities to be supported and services to be provided. The description shall be made public within the State in such manner as to facilitate comment from any person (including any Federal or other public agency) during development of the description and after its transmittal. The description shall be revised (consistent with this section) throughout the year as may be necessary to reflect substantial changes in the programs and activities assisted by the State under this subpart, and any revision shall be subject to the requirements of the preceding sentence.

"(d) Except where inconsistent with the provisions of this subpart, the provisions of section 1903(b), section 1906(a), paragraphs (1) through (5) of section 1906(b), and sections 1907, 1908, and 1909 shall apply to this subpart in the same manner as such provisions apply to subpart 1 of this part.

"(e) Each report submitted by a State to the Secretary under section 1906(a)(1) (as such section applies to this subpart pursuant to subsection (d) of this section) shall include an analysis of the cost effectiveness of providing health care services in the home for eligible individuals under this subpart.

"EVALUATIONS

"SEC. 1910H. The Secretary shall conduct, or arrange for the conduct of, evaluations of services provided and activities carried out with payments to States under this subpart.

"DEFINITIONS

"SEC. 1910I. For purposes of this subpart—

"(1) The term 'eligible individual' means an individual who is infected with the human immunodeficiency virus and who—

"(A) resides at home and is at risk of institutionalization because of medical limitations on the ability of such individual to function independently;

"(B) is a patient in a hospital who is at risk of prolonged hospitalization, and who could be cared for in a long-term care institution or who could return to the community if health care services in the home were available; or

"(C) is a patient in a skilled nursing facility or an intermediate care facility who could return to the community if health care services in the home were available.

"(2) The terms 'Indian tribe' and 'tribal organization' have the same meaning given such terms in section 4(b) and section 4(c) of the Indian Self-Determination and Education Assistance Act.".

(b) Such part is further amended—

(1) by striking out the heading of such part and inserting in lieu thereof the following:

"PART A—PREVENTIVE HEALTH SERVICES, HEALTH SERVICES, AND HEALTH SERVICES IN THE HOME";

(2) by inserting after the heading of such part the following:

"Subpart 1—Preventive Health and Health Services"; and

(3) by striking out "this part" and inserting in lieu thereof "this subpart" each place it appears in sections 1902(d)(1)(A), 1902(d)(1)(B), 1904(a)(1), 1904(a)(3), 1904(b), 1905(c)(1), 1905(c)(3), 1905(c)(2), 1905(c)(4), 1905(c)(6), and 1905(d).

(c) This section and the amendments made by this section shall take effect on October 1, 1987.

PUBLIC HEALTH EMERGENCY FUND; PURCHASE OF DRUGS FOR THE TREATMENT OF ACQUIRED IMMUNE DEFICIENCY SYNDROME

SEC. 202. Section 319 of the Public Health Service Act (as amended by section 101(b) of this Act) is further amended—

(1) by redesignating subsection (b) as subsection (c);

(2) by striking out "subsection (a)" in paragraph (1) of such subsection and inserting in lieu thereof "subsections (a) and (b)"; and

(2) by inserting after subsection (a) the following new subsection:

"(b)(1) The Secretary, through the Public Health Service, may purchase on behalf of a State, in large quantities at bulk rates, drugs for the treatment of acquired immune deficiency syndrome. The Secretary may only purchase a drug under the preceding sentence if—

"(A) the Secretary is requested by the State to purchase such drug;

"(B) prior to making any such purchase, the Secretary consults with the manufacturer of such drug with respect to whether such a purchase would be more economical than the purchase of such drug by the State; and

"(C) the Secretary determines that the purchase of such drug under the preceding sentence is more economical than the purchase of such drug by the State.

"(2) If the Secretary purchases drugs on behalf of a State under paragraph (1), the Secretary shall provide such drugs to the

State and shall only require the State to reimburse the Secretary for the amount paid by the Secretary for such drugs. The amount of any reimbursement received by the Secretary under this subsection shall be deposited by the Secretary in the Fund.".

TRAINING OF HEALTH PROFESSIONALS WITH RESPECT TO ACQUIRED IMMUNE DEFICIENCY SYNDROME

SEC. 203. (a) Part F of title VII of the Public Health Service Act is amended by inserting after section 788 the following new section:

"TRAINING WITH RESPECT TO ACQUIRED IMMUNE DEFICIENCY SYNDROME

"SEC. 788A. (a)(1) The Secretary, through the Public Health Service, may make grants to and enter into contracts with schools of medicine and osteopathy to assist in meeting the costs of such schools in providing projects to—

"(A) train faculty of schools of medicine, osteopathy, dentistry, public health, and allied health, and faculty of programs for the training of physician assistants, to teach students in such schools and programs to provide care and treatment (including counseling and prevention) for individuals with acquired immune deficiency syndrome; and

"(B) develop and disseminate curricula relating to the care and treatment of individuals with acquired immune deficiency syndrome.

"(2) In making grants under this section, the Secretary shall give preference to projects which will—

"(A) train, or result in the training of, health professionals and allied health professionals who will provide treatment for minority individuals with acquired immune deficiency syndrome and other individuals who are at high risk of contracting such syndrome; and

"(B) train, or result in the training of, minority health professionals and minority allied health professionals to provide treatment for individuals with acquired immune deficiency syndrome.

"(b) No grant or contract may be made under this section unless an application therefor is submitted to the Secretary in such form, at such time, and containing such information, as the Secretary may prescribe.

"(c)(1) Any application for a grant or contract under this subsection shall be subject to appropriate peer review by peer review groups composed principally of non-Federal experts.

"(2) The Secretary may not approve or disapprove an application for a grant or contract under this subsection unless the Secretary has received recommendations with respect to such application from the appropriate peer review group required under paragraph (1) and has consulted with the National Advisory Council on Health Professions Education with respect to such application.

"(d) For grants and contracts under this section, there are authorized to be appropriated $4,000,000 for fiscal year 1988.".

(b) Part A of title VIII of such Act is amended by inserting after section 822 the following new section:

"TRAINING WITH RESPECT TO ACQUIRED IMMUNE DEFICIENCY SYNDROME

"SEC. 823. (a)(1) The Secretary, through the Public Health Service, may make grants to and enter into contracts with schools of nursing to assist in meeting the costs of such schools of providing projects to—

"(A) improve the training of nurses in the care and treatment (including counseling and prevention) of individuals with acquired immune deficiency syndrome;

"(B) develop and disseminate curricula relating to the care and treatment of individuals with acquired immune deficiency syndrome;

"(C) expand and strengthen instruction in methods of such care and treatment;

"(D) support the training and retraining of faculty to provide such instruction;

"(E) support continuing education of nurses who provide such care and treatment; and

"(F) establish new affiliations with nursing homes, chronic and acute disease hospitals, ambulatory care centers, home health care agencies, and hospitals in order to provide students with clinical training with respect to the care and treatment of individuals with acquired immune deficiency syndrome.

"(2) In making grants under this section, the Secretary shall give preference to projects which will—

"(A) train nurses who will provide treatment for minority individuals with acquired immune deficiency syndrome and other individuals who are at high risk of contracting such syndrome; and

"(B) train minority nurses to provide treatment for individuals with acquired immune deficiency syndrome.

"(b) No grant or contract may be made under this section unless an application therefor is submitted to the Secretary in such form, at such time, and containing such information, as the Secretary may prescribe.

"(c)(1) Any application for a grant or contract under this subsection shall be subject to appropriate peer review by peer review groups composed principally of non-Federal experts.

"(2) The Secretary may not approve or disapprove an application for a grant or contract under this subsection unless the Secretary has received recommendations with respect to such application from the appropriate peer review group required under paragraph (1) and has consulted with the National Advisory Council on Nurse Training with respect to such application.

"(d) For grants and contracts under this section, there are authorized to be appropriated $2,000,000 for fiscal year 1988.".

(c) Part B of title III of such Act is amended by inserting after section 318 the following new section:

"CONTINUING EDUCATION AND TECHNICAL ASSISTANCE

"SEC. 318A. (a) The Secretary, through the Public Health Service, may provide, either directly or by grant or contract, for education, training, and clinical skills improvement activities relating to acquired immune deficiency syndrome for health professionals and allied health professionals.

"(b) The Secretary, through the Public Health Service, may provide, either directly or by grant or contract, technical assistance to States, political subdivisions of States, and public and nonprofit entities for their research in, and the prevention and control of, acquired immune deficiency syndrome.

"(c) To carry out this section, there are authorized to be appropriated $4,000,000 for each of the fiscal years 1988 and 1989.".

TITLE III—PUBLIC INFORMATION

INFORMATION PROGRAMS

SEC. 301. Part B of title III of the Public Health Service Act (as amended by section 203(c) of this Act) is further amended by inserting after section 314 the following new section:

"INFORMATION PROGRAMS WITH RESPECT TO ACQUIRED IMMUNE DEFICIENCY SYNDROME

"SEC. 315. (a)(1)(A) The Secretary, through the Public Health Service, shall develop and disseminate, through the print and broadcast media, public service announcements which inform the public of current scientific information regarding acquired immune deficiency syndrome, which discourage the behaviors which place individuals at high risk of contracting acquired immune deficiency syndrome, and which encourage individuals who may be at risk of contracting such syndrome to be tested for infection with the human immunodeficiency virus and to receive counseling with respect to such infection. The Secretary shall place special emphasis on the development of announcements which are directed toward minority individuals and individuals at high risk of contracting acquired immune deficiency syndrome.

"(B) In developing and disseminating public service announcements under this subsection, the Secretary shall, to the extent feasible, use appropriate private organizations and business concerns.

"(2) To carry out this subsection, there are authorized to be appropriated $10,000,000 for each of the fiscal years 1988 and 1989.

"(b)(1) The Secretary, through the Public Health Service, shall maintain a toll free twenty-four hour telephone service to provide information to the public concerning acquired immune deficiency syndrome. To carry out this paragraph, there are authorized to be appropriated $2,500,000 for fiscal year 1988 and $3,000,000 for fiscal year 1989.

"(2) The Secretary, through the Public Health Service, shall establish and maintain a telephone service to provide medical and technical information to individuals and organizations who provide care and treatment services for individuals with acquired immune deficiency syndrome. Such telephone service shall be available during the normal business hours of such Centers. To carry out this paragraph, there are authorized to be appropriated $1,500,000 for fiscal year 1988 and $2,000,000 for fiscal year 1989.".

PUBLIC INFORMATION ACTIVITIES BY STATES

SEC. 302. (a) Title XIX of the Public Health Service Act is amended by adding at the end thereof the following new part:

"PART C—ACQUIRED IMMUNE DEFICIENCY SYNDROME PUBLIC INFORMATION BLOCK GRANT

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 1931. For the purpose of allotments to States to carry out the activities described in section 1934, there are authorized to be appropriated $200,000,000 for each of the fiscal years 1988 and 1989.

"ALLOTMENTS

"SEC. 1932. (a) For each fiscal year the Secretary, through the Public Health Service, shall allot to each State from the total amount appropriated under section 1931 for such fiscal year an amount which bears the same ratio to such total amount as the population of the State bears to the population of all States.

"(b) To the extent that all the funds appropriated under section 1931 for a fiscal year and available for allotment in such fiscal year are not otherwise allotted to States because—

"(1) one or more States have not submitted an application or description of activities in accordance with section 1935 for such fiscal year;

"(2) one or more States have notified the Secretary that they do not intend to use the full amount of their allotment; or

"(3) some State allotments are offset or repaid under section 1917(b)(3) (as such section applies to this part pursuant to section 1935(d));

such excess shall be allotted among each of the remaining States in proportion to the amount otherwise allotted to such States for such fiscal year without regard to this subsection.

"(c)(1) If the Secretary—

"(A) receives a request from the governing body of an Indian tribe or tribal organization within any State that funds under this part be provided directly by the Secretary to such tribe or organization, and

"(B) determines that the members of such tribe or tribal organization would be better served by means of grants made directly by the Secretary under this part,

the Secretary shall reserve from amounts which would otherwise be allotted to such State under subsection (a) for a fiscal year the amount determined under paragraph (2).

"(2) The Secretary shall reserve for the purpose of paragraph (1) from amounts that would otherwise be allotted to such State under subsection (a) an amount equal to the amount which bears the same ratio to the State's allotment for the fiscal year involved under subsection (a) as the population of the Indian tribe or tribal organization bears to the population of the State.

"(3) The amount reserved by the Secretary on the basis of a determination under this subsection shall be granted to the Indian tribe or tribal organization serving the individuals for whom such a determination has been made.

"(4) In order for an Indian tribe or tribal organization to be eligible for a grant for a fiscal year under this subsection, it shall submit to the Secretary a plan for such fiscal year which meets such criteria as the Secretary may prescribe.

"PAYMENTS UNDER ALLOTMENTS TO STATES

"SEC. 1933. (a) For each fiscal year, the Secretary shall make payments, as provided by section 6503(a) of title 31, United States Code, to each State from its allotment under section 1932 (other than any amount reserved under subsection (c) of such section) from amounts appropriated for that fiscal year.

"(b) Any amount paid to a State for a fiscal year and remaining unobligated at the end of such year shall remain available for the next fiscal year to such State for the purposes for which it was made.

"USE OF ALLOTMENTS

"SEC. 1934. (a) Except as provided in subsection (b), amounts paid to a State under section 1933 shall be used by a State for—

"(1) the development, establishment, and operation of public information activities for the general public (including minority individuals) relating to the prevention and diagnosis of acquired immune deficiency syndrome;

"(2) the development, establishment, and operation of public information activities relating to the prevention and diagnosis of acquired immune deficiency syndrome for populations at high risk of contracting such syndrome, including minority individuals;

"(3) the provision of technical assistance to community-based organizations, public and nonprofit private entities, and employers in developing information programs relating to acquired immune deficiency syndrome; and

"(4) the provision of training for personnel to carry out the activities described in paragraphs (1) and (2).

"(b) A State may not use amounts paid to it under section 1933 to—

"(1) purchase or improve land, purchase, construct, or permanently improve (other than minor remodeling) any building or other facility, or purchase major medical equipment; or

"(2) satisfy any requirement for the expenditure of non-Federal funds as a condition for the receipt of Federal funds.

The Secretary may waive the limitation contained in paragraph (1) upon the request of a State if the Secretary finds that there are extraordinary circumstances to justify the waiver and that granting the waiver will assist in carrying out this part.

"(c) The Secretary, if requested by a State, shall provide technical assistance to the State in planning and operating activities to be carried out under this part.

"(d) Not more than 10 percent of the total amount paid to a State under section 1933 for a fiscal year may be used for administering the funds made available under section 1933. The State shall pay from non-Federal sources the remaining costs of administering such funds.

"APPLICATION AND DESCRIPTION OF ACTIVITIES; REQUIREMENTS

"SEC. 1935. (a)(1) In order to receive an allotment for a fiscal year under section 1932 each State shall submit an application to the Secretary. Each such application shall be in such form and submitted by such date as the Secretary shall require.

"(2) Each application required under paragraph (1) for an allotment under section 1932 for a fiscal year shall contain assurances that the State will meet the requirements of subsection (b).

"(b) As part of the annual application required by subsection (a) for an allotment for any fiscal year, the chief executive officer of each State shall—

"(1) certify that the State agrees to use the funds allotted to it under section 1932 in accordance with the requirements of this part; and

"(2) certify that the State will use at least 25 percent of the total amount paid to the State under section 1933 for any fiscal year for grants to local public and nonprofit private agencies for the conduct by such agencies of activities described in section 1934(a); and

"(3) certify that the State agrees that Federal funds made available under section 1933 for any period will be so used as to supplement and increase the level of State, local, and other non-Federal funds that would in the absence of such Federal funds be made available for the programs and activities for which funds are provided under that section and will in no event supplant such State, local, and other non-Federal funds.

"(c) The chief executive officer of a State shall, as part of the application required by subsection (a) for any fiscal year, also prepare and furnish the Secretary (in accordance with such form as the Secretary shall provide) with a description of the intended use of the payments the State will receive under section 1933 for the fiscal year for which the application is submitted, including information on the programs and activities to be supported. The description shall be made public within the State in such manner as to facilitate comment from any person (including any Federal or other public agency) during development of the description and after its transmittal. The description shall be revised (consistent with this section) throughout the year as may be necessary to reflect substantial changes in the programs and activities assisted by the State under this part, and any revision shall be subject to the requirements of the preceding sentence.

"(d) Except where inconsistent with the provisions of this part, the provisions of section 1914(b), section 1917(a), paragraphs (1) through (5) of section 1917(b), and sections 1918, 1919, and 1920 shall apply to this part in the same manner as such provisions apply to part B of this title.

"EVALUATIONS

"SEC. 1936. (a)(1) The Secretary shall conduct, or arrange for the conduct of, evaluations of the activities carried out under this part.

"(2) Each State shall include in each annual report required to be submitted to the Secretary under section 1917(a)(1) (as such section applies to this part pursuant to section 1935(d)) such information as the Secretary may require to enable the Secretary to conduct the evaluations required under paragraph (1).

"(b) Within 30 months after the date of enactment of this part, the Secretary shall prepare and transmit to the Committee on Labor and Human Resources of the Senate and the Committee on Energy and Commerce of the House of Representatives a report summarizing the evaluations conducted under subsection (a).

"DEFINITION

"SEC. 1937. For purposes of this part, the terms 'Indian tribe' and 'tribal organization' have the same meaning given such terms in section 4(b) and section 4(c) of the Indian Self-Determination and Education Assistance Act.".

(b) This section and the amendment made by this section shall take effect on October 1, 1987.

● **Mr. THURMOND.** Mr. President, President Reagan has recently declared that AIDS is the number one public health problem of this Nation.

The facts bear this out. More than 33,000 cases of AIDS have been reported in the United States, and over 19,000 have died from the disease since it was first reported in 1981. At least 1.5 million Americans have been infected with the virus, and it is projected that AIDS may soon become the tenth leading cause of death in this country.

Mr. President, the Surgeon General, C. Everett Koop, has issued a report on AIDS. The concluding paragraph of his findings states:

> AIDS is a life-threatening disease and a major public health issue. Its impact on our society is and will continue to be devastating. By the end of 1991, an estimated 270,000 cases of AIDS will have occurred with 179,000 deaths within the decade since

the disease was first recognized. In the year 1991, an estimated 145,000 patients with AIDS will need health and supportive services at a total cost of between $8 and $16 billion. However, AIDS is preventable. It can be controlled by changes in personal behavior. It is the responsibility of every citizen to be informed about AIDS and to exercise the appropriate preventive measures. . . .

The spread of AIDS can and must be stopped.

Mr. President, I recently attended a hearing on AIDS conducted by the Senate Labor and Human Resources Committee. Testifying at that hearing was Dr. Robert Redfield of the Department of Infectious Disease at Walter Reed Army Hospital in Washington, DC.

I asked Dr. Redfield if he thought AIDS was the number one health problem facing this Nation. Dr. Redfield was of the opinion that AIDS was not only the number one health problem but was the number one national problem. Many would agree.

Accordingly, I am pleased to be joining my Republican colleagues in introducing the "Omnibus Acquired Immune Deficiency Syndrome Act of 1987".

This legislation contains 3 major components designed to respond to this crisis, which are briefly summarized below.

The first part would declare AIDS a public health emergency under the Public Health Service Act. This would allow the Secretary of HHS greater flexibility in using discretionary funds to combat AIDS. An international data bank would be established through the National Library of Medicine to collect and disseminate the results of research and treatment relating to AIDS undertaken in any country. In addition, the National Institutes of Health would be provided funding to establish a virus and serum bank in which all human immunodificiency virus stereotypes and serum are available to qualified investigators and organizations. Finally, this part would authorize an additional 40 full-time employee's for the Food and Drug Administration to expedite the drug approval process.

The second component of this measure provides for better coordination of services and health care in the home for those suffering from this deadly disease. Many studies have confirmed that home care is less costly and better for the patient in most cases. We should encourage home health care where possible. Moreover, additional funding is provided for the improvement in training of health professionals in the care and treatment of victims of AIDS. It is critical that our health professionals are provided with the most current information available.

The third component of this measure provides $114 million for a public information campaign. The Secretary of HHS will be provided funding to develop and disseminate public service announcements and to provide technical assistance to State and local governments in this area. Funding for the Secretary to establish a telephone hotline is also provided. Moreover, $100 million in block grants is provided to the States to set up information programs. The American people must get the facts on this fatal disease and act accordingly.

Mr. President, there is much agreement on what we can and should do to prevent the spread of AIDS. We must act now in those areas where a general consensus exists. That is the approach of this measure. Other action, perhaps more controversial, may have to be taken. However, we must not delay on that which we can agree.

Mr. President, the basic issue is public health: Helping those infected and preventing those not infected from falling victim to this deadly disease. I believe this measure is vital to control the spread of AIDS, and urge its early adoption.●

Mr. HATCH. Mr. President, in 1981, the Public Health Service recognized a new disease, Acquired Immune Deficiency Syndrome or AIDS. Since that time, more than 36,000 Americans have developed the disease—and more than 20,000 have already died. In my own State of Utah more than 60 cases of AIDS have been reported.

Unfortunately, this may only be the beginning. Conservative estimates are that at least 1.5 million Americans already have been infected with the AIDS virus. Unless a cure is found, 30 to 50 percent of those infected over the next 5 years will die from the disease.

AIDS is by no means new to the members of the Committee on Labor and Human Resources. Last year, we held oversight hearings on AIDS to identify areas where our Federal efforts could be improved, and I have worked with the administration in establishing a Presidential commission on AIDS. The committee also reported legislation, which although never enacted, was incorporated by the administration into existing programs.

More recently, I have been working with Senators DOLE and WILSON, and others on comprehensive legislation to address this problem. Their leadership has been instrumental in developing this bill and ensuring our fashioning of a responsible, effective policy, and I am proud to join them in introducing this bill today.

The key provisions are as follows:

The first title declares AIDS a public health emergency. Such a declaration will give the Secretary of Health and Human Services more flexibility in how resources can be used to address this problem, including a shorter approval time for biomedical AIDS research. In addition, it authorizes an additional $30 million for the Secretary to use at his discretion in addressing this problem. This legislation also contains several other provisions which should strengthen our national and international research efforts.

The second title authorizes $35 million to train health care professionals and provides services for individuals infected with the AIDS virus.

And, the third title authorizes $115 million for public information campaigns. Most of this money will go directly to the States so that they can inform their citizens about what activities place them at risk of becoming infected with this disease.

Mr. President, the bill we are introducing today represents a balanced approach to this national emergency. It addresses the needs of individuals infected with the AIDS virus by making appropriate services available to them. At the same time it provides hope by speeding up our research efforts and increasing the national and international coordination. And, it provides for a major increase in our efforts to prevent the spread of this disease by increasing the availability of public information.

Clearly, this legislation does not address all of the issues related to AIDS. How best to resolve the difficult problems involved in testing and counseling are still under discussion, and we hope to address these issues in the near future. In addition, we will be introducing a sense of the Senate resolution expressing our desire that the Secretary of Health and Human Services Public Health Emergency Fund be appropriated and that the Veterans' Administration receive additional funding to support treatment for veterans with AIDS.

Before I conclude, I should mention that our colleagues on the other side of the aisle are also addressing this issue. Tomorrow, the Labor and Human Resources Committee will be considering AIDS legislation introduced by Senator KENNEDY. Senator KENNEDY and I have been working on improving his legislation and I believe we will be able to report a bill that we both support. I am confident that if we continue to work on this issue in a bipartisan manner, we will be able to develop a national policy and program to combat AIDS that will, I hope, ultimately be successful and result in a cure.

● Mr. QUAYLE. Mr. President, I am pleased to join a number of my distinguished colleagues in cosponsoring this legislation to combat the AIDS crisis we are facing.

AIDS is a catastrophic disease and public health problem that poses significant challenges to American society and difficult health policy choices to legislators. While this bill is certainly not the final answer to these very difficult problems, I believe that it represents a sound and reasonable response to the public health needs that this disease has generated.

The role of the Federal Government in dealing with the AIDS crisis should be the same as for any public health emergencies: To foster and support research for the treatment and cure of the disease; and to educate the American public about how to prevent the spread of the disease.

I believe this bill serves these purposes by declaring AIDS a public health emergency, thereby giving the Secretary of Health and Human Services needed flexibility on the research front and providing the Food and Drug Administration with much needed personnel to expedite the drug approval process. In addition, the bill authorizes very needed funds for informing the public—particularly those populations at the greatest risk—about this disease.

However, while I am in strong agreement with the majority of this bill's provisions, I must note one area that troubles me and which I believe my colleagues should carefully examine: The provision that would authorize the payment of compensation for home health care services for AIDS patients. This provision also permits the payment of funds for case management and coordination of such services. It is not the latter use of funds which is of concern to me. Nor do I have any disagreement with the premise that home health care is a more humane and less costly method of providing care. What concerns me is making AIDS a preferred disease for the purpose of Federal reimbursement for treatment.

This provision has the potential of selecting one specific illness that is politically attractive for special treatment. In my view, this raises a serious question of equity. I cannot justify paying for the home health care services of AIDS patients when we do not provide the same benefit for all those with equally disastrous catastrophic illnesses.

My fear is that this provision will lay the groundwork for a policy that this country can ill afford from the standpoint of both dollars and equity. I am very concerned about setting of a precedent that the Federal Government will pay for treating a disease because it is expensive. I urge my colleagues to think carefully before establishing such a precedent in statute.●

● Mr. CHAFEE. Mr. President, I am pleased today to join my colleagues in introducing legislation that provides funding for research, training, and education measures in our battle against acquired immune deficiency syndrome [AIDS]. This is an important measure that we hope will set the tone for Federal response to this epidemic for years to come. It is by no means a cure—there are several issues that are not addressed. But this bill does show our commitment to facing this challenge with the fortitude and compassion it demands.

As of January 12, 1987, physicians and health departments in the United States had reported 29,435 patients meeting the AIDS case definition. Of these, 16,667 are known to have died. It is now estimated that 1.5 million Americans are infected with the AIDS virus. Among this latter group, the risk of developing AIDS rises with each year that passes after infection. Experts estimate that by the end of 1991, the total number of cases in this country will reach 270,000—with a staggering 179,000 deaths, unless better treatments are found. In the year 1991 alone, it is estimated that 54,000 people will die of AIDS, a figure roughly equal to the American death toll of the entire Vietnam war.

The measure that we introduce today provides for approximately $597 million—new money—authorized for research, training of medical professionals, and national and State education programs over the next 2 years. This money represents an addition to the $415 million the Federal Government spent this year to fund research and demonstration projects on AIDS. First, this new legislation declares AIDS to be a public health emergency under the Public Health Services Act, therefore giving the Secretary of Health and Human Services broad discretion in tapping into the emergency health fund in order to fight this disease. Further, the measure authorizes $30 million of new money for the health emergency fund, for the purposes of addressing the AIDS crisis. Then, $18.5 million in 1988 and $19.5 million in 1989 is authorized for developing an international data bank, a virus and serum bank, and to authorize 40 new full time positions at the Food and Drug Administration so that the approval process for crucial vaccines and treatment drugs can be expedited.

Title II provides for a national effort at gearing our health system up to confront this growing epidemic. It authorizes $35 million per year in 1988 and 1989 to coordinate services and health care in the home for those who are dying of AIDS, to establish a national drug procurement system by which the Secretary of Health and Human Services can purchase supplies of needed drugs in bulk to reduce costs to the States, to train medical and scientific faculty with the latest AIDS findings, and to make grants to schools of nursing, medicine, and osteopathy to fund training and research on the subject of AIDS.

Title III provides for a nationwide education and public information campaign designed to inform the public in order to slow the spread of the disease. It authorizes $214 million in 1988 and $215 million in 1989 for public service announcements, telephone hotlines, and block grants to States for education and public information campaigns.

Mr. President, my constituents have written to me about AIDS, about their fear, about their confusion as to why our Government is not doing more about this disease; why we are debating what action to take. Why we aren't informed, and informing them? This measure that we are introducing today will provide many of the answers and will put us on the track to conquering this disease.

The challenge we face is immense. As we move forward with this and other proposals, our actions must be well-thought-out. As such, we are today introducing several components that belong in any comprehensive AIDS measure: Provisions for funding of research, training, and nationwide education. This measure does not include language dealing with counseling and testing, confidentiality and protection against discrimination. I am hopeful that as the Senate moves forward with comprehensive AIDS legislation these issues can be properly addressed.

In the weeks to come, I look forward to working with my distinguished colleagues on both sides of the aisle, as we face this challenge with the well-being of our Nation's people as our only concern. We are fortunate to have such brilliant experts in the fields of science and medicine—working toward a cure, a vaccine, and in general, a better understanding of this dreaded disease. I applaud the efforts of our Surgeon General, Dr. C. Everett Koop, and of his esteemed colleagues, Dr. Anthony S. Fauci, Dr. Gary R. Noble, Dr. Robert C. Gallo, and Dr. James W. Curran—as well as the many others who are lending their talents to this awesome challenge. By letting science lead the way, we will succeed.

We do, however, have a long way to go. We must commit ourselves to educating the Nation—something this bill does not go far enough in funding. We must have a sensible approach to testing and counseling, by funding voluntary confidential testing and making it accessible to those who need it most—the high risk groups. Finally, we must assure that the civil rights of those who have or will develop the disease will not be violated.

The people of my State, as well as the entire Nation, are looking for leadership in the this crisis. In the weeks and months ahead I look forward to working with my colleagues in developing a national policy on AIDS that will provide the leadership and the initiative that this challenge demands.●

● Mr. D'AMATO. Mr. President, I rise today in support of the Acquired Immune Deficiency Syndrome Act of 1987—legislation to address one of the most serious health epidemics in our history.

Since the first AIDS case was identified in 1981, the magnitude of this deadly disease has grown to staggering proportions. According to the centers for disease control, more than 36,500 individuals have been diagnosed with AIDS; of these, nearly 21,000 have already died. In New York, where we have 30 percent of the Nation's AIDS cases, more than 6,000 individuals have lost their lives to this devastating disease.

Based on estimates that at least 1.5 million Americans have already been infected with the AIDS virus, the Public Health Service has projected a sobering picture of the course of the epidemic. By the end of 1991, more than 270,000 cases of AIDS will have been reported in the United States, and more than 179,000 individuals will have died as a result of AIDS. Heterosexual transmission is expected to account for 7,000 (or more than 9 percent) of the cases reported in 1991—up from the current percentage of 4 percent. The incidence of pediatric AIDS is expected to increase as well, with more than 3,000 cases expected by 1991.

While our ultimate hope of arresting this disease lies in the development of a vaccine or an effective drug therapy for AIDS, neither of these options is likely to be available in the near future. Until these remedies are available, we must act to prevent the further spread of the infection and to ensure that those who are infected receive adequate health care and the best available treatment.

The legislation we are today introducing is comprised of three sections which, taken together, represent an important first step in our effort to combat AIDS.

First, our bill would designate AIDS as a public health emergency under the Public Health Service Act. This designation will facilitate AIDS research by establishing a virus and serum bank through the NIH, as well as an international AIDS data bank. In addition, this section will facilitate the approval process for promising new AIDS drugs by authorizing the FDA to hire an additional 40 employees.

Second, this bill will help ensure that people with AIDS receive the most appropriate form of care by assisting States in the reimbursement of home health services and the coordination of other long-term care services. In addition, this bill would provide for additional training of health professionals in the care and treatment of people with AIDS.

The third portion of our bill calls for an AIDS public informatioun campaign. Currently, the most effective tool we have against AIDS is an informed public.

While this bill represents only a first step, it is one that we must take immediately. I urge my colleagues to join me in supporting this critical legislation.●

By Mr. GLENN:

S. 1375. A bill to suspend until December 31, 1990, the duty on Ornithine; to the Committee on Finance.

S. 1376. A bill to suspend until December 31, 1990, the duty on Teicoplanin; to the Committee on Finance.

TEMPORARY SUSPENSION OF CERTAIN DUTIES

● Mr. GLENN. Mr. President, I am introducing two bills today to temporarily suspend the duties on two antibiotics, ornithine and teicoplanin. These bills should prove noncontroversial since the two substances are not manufactured anywhere in the United States and must be imported for use by an American drug manufacturer. I urge early Senate passage of this legislation.

The current duty rate on both ornithine and teicoplanin is 3.7 percent. The legislation I am sponsoring today would suspend the duties until December 31, 1990.

Ornithine is an active ingredient that will be used by Merrell Dow Pharmaceuticals, Inc., in the manufacture of the prescription antibiotic drug sold under the trademark Ornidyl. The chemical name for ornithine is L-ornithine ethyl ester dihydrochloride. The product is used for the treatment of pneumocystis carinii pneumonia, a type of pneumonia that is the immediate cause of death for many AIDS victims, and trypanosomiasis gambiosi, also known as West African Sleeping Sickness. In fact, American researchers are currently engaged in extensive research to find the link between the AIDS pneumonia and the sleeping sickness. FDA approval for the drug is pending and is expected next year. Ornithine is not manufactured anywhere in the United States.

Teicoplanin is an active ingredient used by Merrell Dow Pharmaceuticals, Inc., in the manufacture of the prescription antibiotic drug that will be sold under the trademark Targocid. FDA approval is pending and is expected in 1989.

Since these chemicals are not manufactured anywhere in the United States, the current duty adds an unjustified expense to the American company's cost of doing business. By suspending the duty rate, the U.S. manufacturer will be able to import these necessary ingredients and produce the final pharmaceutical product at a lower cost. This will in turn increase the international competitiveness of American producers. I urge my colleagues to support this legislation.●

By Mr. LAUTENBERG (for himself, Mr. ADAMS, Mr. BOSCHWITZ, Mr. BRADLEY, Mr. BREAUX, Mr. BUMPERS, Mr. CHAFEE, Mr. CHILES, Mr. CONRAD, Mr. DASCHLE, Mr. DECONCINI, Mr. DOLE, Mr. DURENBERGER, Mr. GARN, Mr. GLENN, Mr. GRAHAM, Mr. HEINZ, Mr. JOHNSTON, Mr. LEVIN, Mr. LUGAR, Mr. MITCHELL, Mr. MOYNIHAN, Mr. NUNN, Mr. PRESSLER, Mr. PRYOR, Mr. REID, Mr. SANFORD, Mr. SIMON, Mr. STAFFORD, Mr. STENNIS, Mr. WARNER, and Mr. WIRTH):

S.J. Res. 160. Joint resolution to designate July 25, 1987, as "Clean Water Day"; to the Committee on the Judiciary.

CLEAN WATER DAY

● Mr. LAUTENBERG. Mr. President, I rise today to introduce a resolution which designates July 25, 1987, as "Clean Water Day." This resolution seeks to recognize water as a precious and invaluable natural resource, to celebrate its many forms and varied uses, and to promote a deeper understanding of its ecological significance.

The importance of this resource cannot be underestimated. Indeed, water is the source of life. From meager beginnings in the great oceans, man, along with millions of other species, has evolved. Today, America's coastal waters, abundant with fish and seafood, provide food and jobs for hundreds of citizens. Our outstanding agricultural system, unsurpassed in production, depends on the purity of inland waters. America's trade and commerce, first built upon inland waterways, continue to depend on those waterways and harbors for transportation.

Across the country, Americans seek out water-related recreation whether it be rafting down the Colorado River, listening to the cry of a wild loon, gliding across a lake in the northern boundary waters, fishing along the Outer Banks, or basking in the summer Sun on the shores of the Jersey coast.

Yet our water resources, upon which so much depends, have been taken for granted. Through neglect, ignorance, and selfish abuse, we poured toxic chemicals into our rivers, lakes, and oceans, choked them with garbage, sediment, and excrement, disrupted their delicate ecosystems, and spoiled once pristine waters.

But times have changed. Americans are demanding a halt to the degradation of this resource. Citizens are clamoring for clean water. And Congress, recognizing the urgent need for action, has responded.

In 1972, Congress enacted the Clean Water Act, one of the Nation's most important environmental statutes. The ambitious goals set forth under the act were to make waterways fishable and swimmable by 1983 and to rid our waters of pollutants by 1985. Although the initial deadlines were extended, we have made great strides toward achieving our goals. We have amended and strengthened the law to meet changing needs, and enacted additional legislation, such as the Safe Drinking Water Act, to address problems unforeseen when the law was enacted.

Today, many Americans drink cleaner water than they did a decade ago and enjoy the benefits of restored and now protected rivers, lakes, and coastal waters. The worst abuses of the 1970's have, for the most part, been eliminated. Lake Erie is no longer a "dead" river. The Cuyahoga River in Ohio no longer burns with oil and debris. But much remains to be done.

Earlier this year, Congress reauthorized the Clean Water Act, overriding a Presidential veto. In so doing, Congress expressed its determination to eliminate the pollution which continues to plague our Nation's waters. The new law provides $18 billion in funding for a construction grants program, providing much needed assistance to States for upgrading and building sewage treatment facilities. It also provides seed money for an innovative State revolving loan program which will enable States to maintain their sewage plants without additional Federal funding.

In addition, the new Clean Water Act strengthens programs to protect the Great Lakes and the Chesapeake Bay, reauthorizes the Clean Lakes Program, and establishes a new National Estuary Program to protect these rich ecological systems from pollution and impinging coastal development.

Clean Water Day will provide an opportunity for recognizing the significant progress made toward cleaning up our waters. It will also provide an important educational service by challenging us to confront problems which remain such as: ground water pollution, nonpoint source pollution, water resource distribution, loss of wetlands, contamination in national wildlife refuges, and others.

Most importantly, Clean Water Day will give us pause to reflect upon the beauty and wonder of this treasured resource in all its many forms. It will provide us with a chance to celebrate and enjoy America's waterways and to consider our responsibilities, both as a society and as individual citizens, for protecting and preserving our irreplaceable water resources. Our survival, and that of all living species, depends on the wisdom of our actions.

Mr. President, I request unanimous consent that the text of the resolution be printed in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 160

Whereas fresh, pure water is inextricably linked to our Nation's culture and heritage and is an invaluable resource to be cherished and protected;

Whereas every American should be able to draw upon the abundant resources of our rivers, lakes, streams, and underground water supplies to enjoy clean and safe drinking water;

Whereas our coastal waters produce a rich bounty of fish and seafood without equal, and our inland waters nourish an agricultural system that feeds the world;

Whereas millions of Americans and visitors to our Nation enjoy our rivers, lakes, streams, and oceans for fishing, swimming, boating, and other recreation each year;

Whereas the Nation's trade and commerce were built upon our waterways, and water-related jobs bring continued vitality to our economy; and

Whereas it is important to recognize and appreciate the natural beauty and wealth that our waterways have to offer us: Now, therefore, be it

Resolved by the Senate and the House of Representatives of the United States of America in Congress assembled, That July 25, 1987, is designated as "Clean Water Day", and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe that day with appropriate ceremonies and activities.●

ADDITIONAL SPONSORS

S. 10

At the request of Mr. CRANSTON, the name of the Senator from Michigan [Mr. RIEGLE] was added as a cosponsor of S. 10, a bill to amend the Public Health Service Act to improve emergency medical services and trauma care, and for other purposes.

S. 42

At the request of Mr. ROTH, the name of the Senator from Idaho [Mr. SYMMS] was added as a cosponsor of S. 42, a bill to amend title 5, United States Code, to establish an optional early retirement program for Federal Government employees, and for other purposes.

S. 74

At the request of Mr. KARNES, his name was added as a cosponsor of S. 74, a bill to amend the Internal Revenue Code of 1986 to allow a charitable contribution deduction for certain amounts paid to or for the benefit of an institution of higher education.

S. 123

At the request of Mr. INOUYE, the name of the Senator from Nebraska [Mr. EXON] was added as a cosponsor of S. 123, a bill to amend title XVIII of the Social Security Act to provide that psychologist services are covered under part B of Medicare.

S. 143

At the request of Mr. INOUYE, the name of the Senator from Kansas [Mrs. KASSEBAUM] was added as a cosponsor of S. 143, a bill to establish a temporary program under which parenteral diacetylmorphine will be made available through qualified pharmacies for the relief of intractable pain due to cancer.

At the request of Mr. INOUYE, the name of the Senator from Pennsylvania [Mr. HEINZ] was withdrawn as a cosponsor of S. 143, supra.

S. 271

At the request of Mr. KARNES, his name was added as a cosponsor of S. 271, a bill to amend section 1001 of the Public Health Service Act to permit family planning projects to offer adoption services.

S. 314

At the request of Mr. PRESSLER, the names of the Senator from North Carolina [Mr. SANFORD], and the Senator from Montana [Mr. MELCHER] were added as cosponsors of S. 314, a bill to to require certain telephones to be hearing aid compatible.

S. 322

At the request of Mr. SARBANES, the name of the Senator from Ohio [Mr. GLENN] was added as a cosponsor of S. 322, a bill to authorize the Alpha Phi Alpha Fraternity to establish a memorial to Martin Luther King, Jr. in the District of Columbia.

S. 429

At the request of Mr. DURENBERGER, the name of the Senator from Ohio [Mr. GLENN] was added as a cosponsor of S. 429, a bill to amend the Tax Reform Act of 1986 to delay for 2 years the exception for certain technical personnel from certain rules for determining whether an individual is an employee of independent contractor for employment tax purposes.

S. 450

At the request of Mr. NICKLES, his name as a cosponsor of S. 450, a bill to recognize the organization known as the "National Mining Hall of Fame and Museum."

S. 500

At the request of Mr. PRYOR, the names of the Senator from Wisconsin [Mr. KASTEN], and the Senator from North Dakota [Mr. BURDICK] were added as cosponsors of S. 500, a bill to identify and reduce barriers to, and distortions of, international trade in rice; to promote expansion of U.S. rice exports; and for other purposes.

S. 508

At the request of Mr. KARNES, his name was added as a cosponsor of S. 508, a bill to amend title 5, United States Code, to strengthen the protections available to Federal employees against prohibited personnel practices, and for other purposes.

S. 533

At the request of Mr. THURMOND, the names of the Senator from Arkansas [Mr. PRYOR], and the Senator from Illinois [Mr. DIXON] were added as cosponsors of S. 533, a bill to establish the Veterans' Administration as an executive department.

S. 567

At the request of Mr. DECONCINI, the name of the Senator from Arkansas [Mr. PRYOR] was added as a cosponsor of S. 567, a bill to clarify the circumstances under this territorial provisions in licenses to distribute and sell trademarked malt beverage products are lawful under the antitrust laws.

At the request of Mr. KARNES, his name was added as a cosponsor of S. 567, supra.

S. 604

At the request of Mr. PRYOR, the name of the Senator from South Dakota [Mr. DASCHLE] was added as a cosponsor of S. 604, a bill to promote and protect taxpayers rights, and for other purposes.

S. 615

At the request of Mr. HELMS, the name of the Senator from Nevada [Mr. HECHT] was added as a cosponsor of S. 615, a bill to amend the Federal Election Campaign Act of 1971 to prohibit the use of compulsory union dues for political purposes.

At the request of Mr. KARNES, his name was added as a cosponsor of S. 615, supra.

S. 744

At the request of Mr. MITCHELL, the name of the Senator from Ohio [Mr. GLENN] was added as a cosponsor of S. 744, a bill to assist States in responding to the threat to human health posed by exposure to radon.

S. 750

At the request of Mr. BRADLEY, the name of the Senator from Minnesota [Mr. BOSCHWITZ] was added as a cosponsor of S. 750, a bill to amend the Foreign Assistance Act of 1961 to authorize appropriations for the child survival fund.

S. 784

At the request of Mrs. KASSEBAUM, the name of the Senator from Kentucky [Mr. FORD] was added as a cosponsor of S. 784, a bill to provide that receipts and disbursements of the highway trust fund and the airport and airway trust fund shall not be included in the totals of the budget of the U.S. Government as submitted by the President or the congressional budget.

S. 808

At the request of Mr. BREAUX, his name was added as a cosponsor of S. 808, a bill to clarify the application of the Clayton Act with respect to rates, charges, or premiums filed by a title insurance company with State insurance departments or agencies.

S. 824

At the request of Mr. SPECTER, the name of the Senator from Michigan [Mr. LEVIN] was added as a cosponsor of S. 824, a bill to establish clearly a Federal right of action by aliens and U.S. citizens against persons engaging in torture or extrajudicial killing, and for other purposes.

S. 840

At the request of Mr. THURMOND, the name of the Senator from Hawaii [Mr. MATSUNAGA] was added as a cosponsor of S. 840, a bill to recognize the organization known as the 82d Airborne Division Association, Inc.

S. 841

At the request of Mr. DODD, the name of the Senator from Hawaii [Mr. INOUYE] was added as a cosponsor of S. 841, a bill to establish and expand foreign language and international education programs designed to strengthen the competitiveness of American industry, and for other purposes.

S. 858

At the request of Mr. BRADLEY, the name of the Senator from Massachusetts [Mr. KERRY] was added as a cosponsor of S. 858, a bill to establish the title of States in certain abandoned shipwrecks, and for other purposes.

S. 908

At the request of Mr. KARNES, his name was added as a cosponsor of S. 908, a bill to amend the Inspector General Act of 1978.

S. 924

At the request of Mr. KARNES, his name was added as a cosponsor of S. 924, a bill to revise the allotment formula for the alcohol, drug abuse, and mental health services block grant under part B of title XIX of the Public Health Service Act.

S. 929

At the request of Mr. NICKLES, his name was added as a cosponsor of S. 929, a bill entitled the "Volunteer Protection Act of 1987."

S. 943

At the request of Mr. D'AMATO, his name was added as a cosponsor of S. 943, a bill to amend the Federal Aviation Act of 1958 to ensure the fair treatment of airline employees in airline mergers and similar transactions.

S. 985

At the request of Mr. BOREN, the name of the Senator from Ohio [Mr. GLENN] was added as a cosponsor of S. 985, a bill to expand coverage of bilateral steel arrangements to include welded steel wire fence panels, wire fabric, and welded steel wire mesh.

S. 1016

At the request of Mr. KENNEDY, the name of the Senator from Nevada [Mr. REID] was added as a cosponsor of S. 1016, a bill to provide financial assistance for the establishment and operation of literacy corps programs.

S. 1075

At the request of Mr. LAUTENBERG, the name of the Senator from Florida [Mr. GRAHAM] was added as a cosponsor of S. 1075, a bill to require the processing of applications from Cuban nationals for refugee status and immigrant visas.

S. 1080

At the request of Mr. BOSCHWITZ, the name of the Senator from South Dakota [Mr. DASCHLE], was added as a cosponsor of S. 1080, a bill to amend the Automobile Information Disclosure Act to provide information as to whether or not certain motor vehicles are capable of using gasohol.

S. 1085

At the request of Mr. GLENN, the name of the Senator from Colorado [Mr. WIRTH] was added as a cosponsor of S. 1085, a bill to create an independent oversight board to ensure the safety of U.S. Government nuclear facilities, to apply the provisions of OSHA to certain Department of Energy nuclear facilities, to clarify the jurisdiction and powers of Government agencies dealing with nuclear waste, to ensure independent research on the effects of radiation on human beings, and for other purposes.

S. 1107

At the request of Mr. NICKLES, his name was added as a cosponsor of S. 1107, a bill to terminate employment of aliens in U.S. missions and consular posts in certain Communist countries.

S. 1108

At the request of Mr. MITCHELL, the names of the Senator from Maryland [Ms. MIKULSKI], the Senator from Rhode Island [Mr. CHAFEE], the Senator from North Dakota [Mr. BURDICK], and the Senator from Ohio [Mr. GLENN] were added as cosponsors of S. 1108, a bill to modify the conditions of participation for skilled nursing facilities and intermediate care facilities under titles XVIII and XIX of the Social Security Act, and for other purposes.

S. 1127

At the request of Mr. BENTSEN, the name of the Senator from Pennsylvania [Mr. SPECTER], was added as a cosponsor of S. 1127, a bill to provide for Medicare catastrophic illness coverage, and for other purposes.

S. 1179

At the request of Mr. CONRAD, the names of the Senator from Nebraska [Mr. EXON], and the Senator from Kentucky [Mr. FORD] were added as cosponsors of S. 1179, a bill to amend the Consolidated Farm and Rural Development Act to improve the administration of Farmers Home Administration loans, and for other purposes.

S. 1203

At the request of Mr. Nickles, his name was added as a cosponsor of S. 1203, a bill to amend title 22, United States Code, to make unlawful the establishment or maintenance within the United States of an office of the Palestine Liberation Organization, and for other purposes.

S. 1224

At the request of Mr. Kasten, the name of the Senator from Ohio [Mr. Glenn], was added as a cosponsor of S. 1224, a bill to provide for 3 years duty free treatment of certain power-driven weaving machines and parts thereof.

S. 1234

At the request of Mr. Chafee, the name of the Senator from Maine [Mr. Cohen], was added as a cosponsor of S. 1234, a bill to amend title 38, United States Code, to insure eligibility of certain individuals for beneficiary travel benefits when traveling to Veterans' Administration medical facilities.

S. 1250

At the request of Mr. Bradley, his name was added as a cosponsor of S. 1250, a bill to strengthen the criminal justice partnership between the States and the Federal Government.

S. 1267

At the request of Mr. Rockefeller, the name of the Senator from Nevada [Mr. Hecht], was added as a cosponsor of S. 1267, a bill to provide authorization of appropriations for the U.S. Travel and Tourism Administration, and for other purposes.

S. 1285

At the request of Mr. Graham, the name of the Senator from Georgia [Mr. Nunn], was added as a cosponsor of S. 1285, a bill to reform procedures for collateral review of criminal judgments, and for other purposes.

S. 1306

At the request of Mr. Cochran, the name of the Senator from North Carolina [Mr. Helms] was added as a cosponsor of S. 1306, a bill to amend the Tariff Schedules of the United States to make the temporary modification of the tariff treatment on certain disposable surgical gowns and drapes permanent.

SENATE JOINT RESOLUTION 23

At the request of Mr. Cranston, the name of the Senator from New York [Mr. Moynihan] was added as a cosponsor of Senate Joint Resolution 23, a joint resolution proposing an amendment to the Constitution relating to increases in the public debt of the United States.

SENATE JOINT RESOLUTION 26

At the request of Mr. Pell, the names of the Senator from Pennsylvania [Mr. Specter], the Senator from Maine [Mr. Cohen], the Senator from Ohio [Mr. Metzenbaum], the Senator from Washington [Mr. Adams], the Senator from Delaware [Mr. Biden], the Senator from Washington [Mr. Evans], the Senator from Georgia [Mr. Fowler], the Senator from Louisiana [Mr. Johnston], and the Senator from Minnesota [Mr. Boschwitz] were added as cosponsors of Senate Joint Resolution 26, a joint resolution to authorize and request the President to call a White House Conference on Library and Information Services to be held not later than 1989, and for other purposes.

SENATE JOINT RESOLUTION 40

At the request of Mr. Kasten, the names of the Senator from Mississippi [Mr. Stennis], the Senator from Colorado [Mr. Wirth], the Senator from Tennessee [Mr. Gore], the Senator from Florida [Mr. Graham], the Senator from Vermont [Mr. Leahy], the Senator from Wisconsin [Mr. Proxmire], the Senator from North Carolina [Mr. Sanford], the Senator from Maryland [Ms. Mikulski], the Senator from Delaware [Mr. Roth], the Senator from New York [Mr. Moynihan], the Senator from South Carolina [Mr. Hollings], the Senator from North Dakota [Mr. Burdick], the Senator from Pennsylvania [Mr. Heinz], the Senator from North Carolina [Mr. Helms], the Senator from Pennsylvania [Mr. Specter], and the Senator from Virginia [Mr. Warner] were added as cosponsors of Senate Joint Resolution 40, a joint resolution to give special recognition to the birth and achievements of Aldo Leopold.

SENATE JOINT RESOLUTION 44

At the request of Mr. Durenberger, the name of the Senator from Iowa [Mr. Grassley] was added as a cosponsor of Senate Joint Resolution 44, a joint resolution to designate November 1987, as "National Diabetes Month".

SENATE JOINT RESOLUTION 59

At the request of Mr. Thurmond, the names of the Senator from Massachusetts [Mr. Kerry], the Senator from Iowa [Mr. Grassley], the Senator from Michigan [Mr. Riegle], the Senator from Vermont [Mr. Stafford], and the Senator from Florida [Mr. Chiles] were added as cosponsors of Senate Joint Resolution 59, a joint resolution to designate the month of May 1987 as "National Foster Care Month".

SENATE JOINT RESOLUTION 72

At the request of Mr. Gore, the names of the Senator from Viginia [Mr. Warner] and the Senator from Virginia [Mr. Trible] were added as cosponsors of Senate Joint Resolution 72, a joint resolution to designate the week of October 11, 1987, through October 17, 1987, as "National Job Skills Week".

SENATE JOINT RESOLUTION 98

At the request of Mr. Hatch, the names of the Senator from Virginia [Mr. Warner], the Senator from Minnesota [Mr. Durenberger], the Senator from Pennsylvania [Mr. Heinz], the Senator from Oklahoma [Mr. Boren], the Senator from Rhode Island [Mr. Pell], the Senator from Hawaii [Mr. Matsunaga], the Senator from Texas [Mr. Bentsen], the Senator from Maine [Mr. Mitchell], and the Senator from New Jersey [Mr. Lautenberg] were added as cosponsors of Senate Joint Resolution 98, a joint resolution to designate the week of November 29, 1987, through December 5, 1987, as "National Home Health Care Week".

SENATE JOINT RESOLUTION 101

At the request of Mr. Cranston, the names of the Senator from Wisconsin [Mr. Kasten], the Senator from Virginia [Mr. Warner], the Senator from New Jersey [Mr. Bradley], the Senator from Arizona [Mr. McCain], and the Senator from Indiana [Mr. Lugar] were added as cosponsors of Senate Joint Resolution 101, a joint resolution designating June 19, 1987 as "American Gospel Arts Day".

SENATE JOINT RESOLUTION 103

At the request of Mr. Lautenberg, the names of the Senator from West Virginia [Mr. Rockefeller], the Senator from Vermont [Mr. Stafford], and the Senator from Virginia [Mr. Trible] were added as cosponsors of Senate Joint Resolution 103, a joint resolution to designate October, 1987, as "Computer Learning Month".

At the request of Mr. Lautenberg, the name of the Senator from Indiana [Mr. Lugar] was withdrawn as a cosponsor of Senate Joint Resolution 103, supra.

SENATE JOINT RESOLUTION 109

At the request of Mr. Durenberger, the names of the Senator from South Carolina [Mr. Thurmond], the Senator from Louisiana [Mr. Johnston], the Senator from North Carolina [Mr. Sanford], the Senator from Maryland [Mr. Sarbanes], the Senator from California [Mr. Wilson], the Senator from Wisconsin [Mr. Kasten], the Senator from New Jersey [Mr. Bradley], the Senator from Florida [Mr. Chiles], the Senator from Oklahoma [Mr. Nickles], the Senator from California [Mr. Cranston], and the Senator from Arizona [Mr. McCain] were added as cosponsors of Senate Joint Resolution 109, a joint resolution to designate the week beginning October 4, 1987, as "National School Yearbook Week".

SENATE JOINT RESOLUTION 111

At the request of Mr. Heinz, the name of the Senator from North Carolina [Mr. Sanford] was added as a cosponsor of Senate Joint Resolution 111, a joint resolution to designate each of the months of November 1987, and November 1988, as "National Hospice Month".

SENATE JOINT RESOLUTION 121

At the request of Mr. Trible, the names of the Senator from North

Carolina [Mr. Helms], the Senator from Michigan [Mr. Riegle], the Senator from Rhode Island [Mr. Pell], the Senator from Virginia [Mr. Warner], the Senator from North Carolina [Mr. Sanford], the Senator from New Hampshire [Mr. Humphrey], the Senator from Illinois [Mr. Simon], the Senator from Alaska [Mr. Stevens], the Senator from Alaska [Mr. Murkowski], the Senator from Georgia [Mr. Nunn], the Senator from Utah [Mr. Garn], the Senator from Nebraska [Mr. Karnes], and the Senator from Arkansas [Mr. Pryor] were added as cosponsors of Senate Joint Resolution 121, a joint resolution designating August 11, 1987, as "National Neighborhood Crime Watch Day".

SENATE JOINT RESOLUTION 122

At the request of Mr. Metzenbaum, the names of the Senator from New Jersey [Mr. Lautenberg], the Senator from Hawaii [Mr. Inouye], the Senator from Virginia [Mr. Trible], the Senator from Missouri [Mr. Bond], the Senator from Wisconsin [Mr. Kasten], the Senator from Arizona [Mr. McCain], the Senator from Massachusetts [Mr. Kerry], the Senator from Maryland [Ms. Mikulski], the Senator from Florida [Mr. Chiles], the Senator from Arizona [Mr. DeConcini], the Senator from Arkansas [Mr. Pryor], the Senator from Louisiana [Mr. Breaux], and the Senator from Tennessee [Mr. Gore] were added as cosponsors of Senate Joint Resolution 122, a joint resolution to designate the period commencing on October 18, 1987, and ending on October 24, 1987, as "Gaucher's Disease Awareness Week".

SENATE JOINT RESOLUTION 128

At the request of Mr. Dodd, the names of the Senator from Hawaii [Mr. Matsunaga], and the Senator from Massachusetts [Mr. Kerry] were added as cosponsors of Senate Joint Resolution 128, a joint resolution prohibiting the sale to Honduras of certain defense articles and related defense services.

SENATE JOINT RESOLUTION 129

At the request of Mr. Nickles, his name was added as a cosponsor of Senate Joint Resolution 129, a joint resolution to recognize the 125th anniversary of the U.S. Department of Agriculture.

SENATE JOINT RESOLUTION 136

At the request of Mr. Humphrey, the name of the Senator from Nebraska [Mr. Karnes] was added as a cosponsor of Senate Joint Resolution 136, a joint resolution to designate the week of December 13, 1987, through December 19, 1987, as "National Drunk and Drugged Driving Awareness Week".

SENATE JOINT RESOLUTION 138

At the request of Mr. Helms, the names of the Senator from South Carolina [Mr. Thurmond], the Senator from Virginia [Mr. Warner], the Senator from Delaware [Mr. Roth], the Senator from Indiana [Mr. Quayle], the Senator from South Dakota [Mr. Pressler], the Senator from Kansas [Mrs. Kassebaum], the Senator from Virginia [Mr. Trible], the Senator from Nebraska [Mr. Karnes], and the Senator from Alaska [Mr. Stevens] were added as cosponsors of Senate Joint Resolution 138, a joint resolution to designate the period commencing on July 13, 1987, and ending on July 26, 1987, as "U.S. Olympic Festival—1987 Celebration," and to designate July 17, 1987, as "U.S. Olympic Festival—1987 Day".

SENATE JOINT RESOLUTION 142

At the request of Mr. Weicker, the names of the Senator from Texas [Mr. Bentsen], and the Senator from Virginia [Mr. Trible] were added as cosponsors of Senate Joint Resolution 142, a joint resolution to designate the day of October 1, 1987, as "National Medical Research Day".

SENATE JOINT RESOLUTION 148

At the request of Mr. D'Amato, the name of the Senator from New York [Mr. Moynihan] was added as a cosponsor of Senate Joint Resolution 148, a joint resolution designating the week of September 20, 1987, through September 26, 1987, as "Emergency Medical Services Week".

SENATE JOINT RESOLUTION 154

At the request of Mr. Pell, the names of the Senator from Indiana [Mr. Lugar], the Senator from Oklahoma [Mr. Boren], the Senator from Hawaii [Mr. Inouye], and the Senator from Michigan [Mr. Levin] were added as cosponsors of Senate Joint Resolution 154, a joint resolution to designate the period commencing on November 15, 1987, and ending on November 22, 1987, as "National Arts Week".

SENATE CONCURRENT RESOLUTION 29

At the request of Mr. DeConcini, the names of the Senator from Ohio [Mr. Glenn], and the Senator from Nebraska [Mr. Exon] were added as cosponsors of Senate Concurrent Resolution 29, a concurrent resolution expressing the sense of Congress regarding the inability of American citizens to maintain regular contact with relatives in the Soviet Union.

SENATE CONCURRENT RESOLUTION 31

At the request of Mr. Pressler, the name of the Senator from Arizona [Mr. DeConcini] was added as a cosponsor of Senate Concurrent Resolution 31, a concurrent resolution commending the Czechoslovak human rights organization Charter 77, on the occasion of the 10th anniversary of its establishment, for its courageous contributions to the achievement of the aims of the Helsinki Final Act.

SENATE CONCURRENT RESOLUTION 43

At the request of Mr. Stevens, the names of the Senator from Michigan [Mr. Levin], the Senator from Tennessee [Mr. Gore], the Senator from Nevada [Mr. Hecht], the Senator from South Dakota [Mr. Daschle], the Senator from Nebraska [Mr. Exon], and the Senator from Nevada [Mr. Reid] were added as cosponsors of Senate Concurrent Resolution 43, a concurrent resolution to encourage State and local governments and local educational agencies to provide quality daily physical education programs for all children from kindergarten through grade 12.

SENATE RESOLUTION 194

At the request of Mr. Cranston, the name of the Senator from Minnesota [Mr. Boschwitz] was added as a cosponsor of Senate Resolution 194, a resolution to express the sense of the Senate regarding the air traffic controller work force.

SENATE RESOLUTION 208

At the request of Mr. Graham, the name of the Senator from Arizona [Mr. McCain] was added as a cosponsor of Senate Resolution 208, a resolution to express the sense of the Senate regarding the Caribbean Basin Initiative.

SENATE RESOLUTION 218

At the request of Mr. Quayle, the name of the Senator from South Carolina [Mr. Thurmond] was added as a cosponsor of Senate Resolution 218, a resolution to express the sense of the Senate that each Senate committee that reports legislation; that requires employers to provide new employee benefits secure an objective analysis of the impact of the legislation on employment and international competitiveness and include an analysis of the impact in the report of the committee on the legislation.

SENATE RESOLUTION 233—RELATING TO TREATMENT FOR VETERANS WITH ACQUIRED IMMUNE DEFICIENCY SYNDROME

Mr. DOLE (for himself, Mr. Wilson, Mr. Hatch, Mr. Stevens, Mr. Chafee, Mr. Cohen, Mr. D'Amato, Mr. Danforth, Mr. Durenberger, Mr. Murkowski, Mr. Simpson, Mr. Thurmond, Mr. Quayle, Mr. Cochran, and Mr. Domenici) submitted the following resolution; which was referred to the Committee on Appropriations:

S. Res. 233

Whereas the Acquired Immune Deficiency Syndrome (hereinafter in this resolution referred to as "AIDS") is the Nation's number 1 public health problem;

Whereas AIDS affects all segments of society;

Whereas more than 36,000 cases of AIDS have been reported in the United States and over 19,000 individuals have died from the disease since it was first recognized in 1981;

Whereas at least 1,500,000 Americans have already been infected with the AIDS virus;

Whereas AIDS is becoming one of the leading causes of death for males between the ages of 20 and 39;

Whereas 30 to 50 percent of Americans infected with the AIDS virus will develop the disease of AIDS within the next 5 years and all infected individuals may eventually develop the disease;

Whereas there is currently no medical cure or vaccine for AIDS and there is unlikely to be an available cure or vaccine within the foreseeable future;

Whereas AIDS poses a serious threat to the health, welfare, and productivity of our Nation;

Whereas the Secretary of Health and Human Services needs adequate amounts to fight AIDS in a flexible and timely manner; and

Whereas the Veterans' Administration is incurring increased costs to treat veterans with AIDS: Now, therefore, be it

Resolved, That it is the sense of the Senate that the Congress should appropriate, for fiscal year 1988—

(1) sufficient funds to establish and maintain the Public Health Emergency Fund authorized under section 319 of the Public Health Service Act; and

(2) $47,500,000 to the Veterans' Administration for furnishing of medical care to persons having AIDS who are entitled to receive medical care under laws administered by the Veterans' Administration.

SENATE RESOLUTION 234—AUTHORIZING REPRESENTATION BY THE SENATE LEGAL COUNSEL

Mr. BYRD (for himself and Mr. Dole) submitted the following resolution; which was considered and agreed to:

S. Res. 234

Whereas, in the case of *United States* v. *Charles K. Carrothers,* Criminal No. 87-0207-TPJ, pending in the United States District Court for the District of Columbia, the defendant has obtained subpoenas for the production of documents by Senate Postmaster Jay A. Woodall;

Whereas, Jay A. Woodall or other current or former employees of the Senate Post Office may be asked to testify in that case;

Whereas, pursuant to sections 703(a) and 704(a)(2) of the Ethics in Government Act, 2 U.S.C. §§ 288b(a) and 288c(a)(2) (1982), the Senate may direct its counsel to defend employees of the Senate with respect to subpoenas directed to them in their official capacity;

Whereas, by the privileges of the United States Senate and Rule XI of the Standing Rules of the Senate, no evidence under the control or in the possession of the Senate can, by the judicial process, be taken from such control or possession but by permission of the Senate;

Whereas, when it appears that production of documents by, or testimony of, employees of the Senate is needed in any court for the promotion of justice, the Senate will take such action as will promote the ends of justice consistent with the privileges and rights of the Senate: Now, therefore, be it

Resolved, That the Senate Legal Counsel is directed to represent Jay A. Woodall and any other current or former Senate employee who may be asked to testify or produce documents in the case of *United States* v. *Carrothers.*

Sec. 2. That Jay A. Woodall, as well as other current or former Senate employees who may be asked, are authorized to produce documents and to testify in the case of *United States* v. *Carrothers,* except concerning matters which are privileged.

AMENDMENTS SUBMITTED DURING ADJOURNMENT

Under the authority of the order of the Senate of June 11, 1987, the following amendments were submitted on June 15, during the adjournment of the Senate:

SENATORIAL ELECTION CAMPAIGN ACT

HELMS AMENDMENT NO. 306

(Ordered to lie on the table.)

Mr. HELMS submitted an amendment intended to be proposed by him to the bill (S. 2) to amend the Federal Election Campaign Act of 1971 to provide for a voluntary system of spending limits and partial public financing of Senate general election campaigns, to limit contributions by multicandidate political committees, and for other purposes; as follows:

At the end of the bill, add the following new section:

Sec. . (a) Section 316(b)(2)(C) of the Federal Election Campaign Act of 1971 is amended by inserting before the period ": *Provided,* That all contributions, gifts, or payments for such activities are made freely and voluntarily, and are unrelated to dues, fees, or other moneys required as a condition of employment".

(b) Section 316(b)(3) of the Federal Election Campaign Act of 1971 is amended by—

(1) striking out "and" at the end of subparagraph (B);

(2) striking out the period at the end of subparagraph (C) and inserting "; and"; and

(3) adding after subparagraph (C) the following:

"(D) to use any fees, dues, or assessments paid to any organization as a condition of employment, or money or anything of value secured by physical force, job discrimination, or financial reprisal for (i) registration or get-out-the-vote campaigns, (ii) campaign materials or partisan political activities used in connection with any broadcasting, direct mail, newspaper, magazine, billboard, telephone banks, or any similar type of political communication or advertising, (iii) establishing, administering, or soliciting contributions to a separate segregated fund, or (iv) any other expenditure in connection with an election to any political office or in connection with any primary election or political convention or caucus held to select candidates for any political office.".

CHAFEE AMENDMENT NO. 307

(Ordered to lie on the table.)

Mr. CHAFEE submitted an amendment to be proposed by him to the bill S. 2, supra; as follows:

On page 26, line 4, beginning with "10" strike out through "10" on line 5, and insert in lieu thereof "100 per centum of the eligible candidates of each major party and 100".

BENTSEN AMENDMENT NO. 308

(Ordered to lie on the table.)

Mr. BENTSEN submitted an amendment to be proposed by him to the bill S. 2; as follows:

At the appropriate place in the Byrd amendment, insert the following:

Section 319 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441e) is amended—

(1) in subsection (a) by inserting after "foreign national" the first place it appears the following: "including any separate segregated fund or nonparty multicandidate political committee of a foreign national"; and

(2) in subsection (b) by adding before the semicolon at the end thereof the following: ", but shall include any partnership, association, corporation, or subsidiary corporation organized under or created by the laws of the United States, a State, or any other place subject to the jurisdiction of the United States if more than 50 per centum of such entity is owned or controlled by a foreign principal".

LEVIN AMENDMENT NO. 309

(Ordered to lie on the table.)

Mr. LEVIN submitted an amendment intended to be proposed by him to the bill S. 2, supra; as follows:

On page 10 of the amendment numbered 305 offered by Senators Byrd and Boren strike line 23 through line 10 on page 11, and insert the following:

"(G) will not use any broadcast station, as such term is used in section 315 of the Communications Act of 1934, for the television broadcasting of a political announcement or advertisement during which referee is made to such an opponent of such candidate unless such announcement or advertisement includes a statement clearly readable to the viewer that the candidate personally authorized the announcement or advertisement, if such opponent has agreed to the requirements of this title or had received funds pursuant to the provisions of this title; and"

AMENDMENTS SUBMITTED

INTERNATIONAL DEVELOPMENT AND SECURITY ASSISTANCE AUTHORIZATION ACT

DODD (AND WEICKER) AMENDMENT NO. 310

(Ordered to lie on the table.)

Mr. DODD. (for himself and Mr. Weicker) submitted an amendment intended to be proposed by them to the bill (S. 1274) to amend the Foreign Assistance Act of 1961 and the Arms Export Control Act to authorize international development and security assistance programs and Peace Corps programs for fiscal year 1988, to authorize payments to certain multilateral development banks, and for other purposes; as follows:

On page 122, between lines 18 and 19, insert the following new section:

PROHIBITION ON ASSISTANCE FOR THE NICARAGUAN DEMOCRATIC RESISTANCE

SEC. 615. (a) Notwithstanding any other provision of law and except as provided in subsection (c), no funds appropriated for fiscal year 1988 pursuant to any provision of law and no proceeds from the sale or other transfer to United States property, including any defense article, may be obligated or expended during fiscal year 1988 for or on behalf of the Nicaraguan democratic resistance.

(b)(1) During fiscal year 1988, no defense article or other goods or technology subject to the jurisdiction of the United States may be exported to the Nicaraguan democratic resistance or to any agency thereof, and no such article, goods, or technology may be exported during fiscal year 1988 to the Nicaraguan democratic resistance or to any agency thereof by any person subject to the jurisdiction of the United States.

(2) The President shall prescribe such regulations as may be necessary to carry out paragraph (1).

(3) The authorities contained in section 38(e) of the Arms Export Control Act shall apply to violations of paragraph (1).

(c) There are authorized to be appropriated to the President for fiscal year 1988, $10,000.000 which shall be available for the Nicaraguan democratic resistance only for relocation of the members of the Nicaraguan democratic resistance away from the areas of Honduras or Costa Rica bordering on Nicaragua. Such funds shall, to the maximum extent practicable, be provided to the relevant regional and international organizations with expertise in relocation of refugees.

(d) No foreign country which provides assistance or military equipment to the Nicaraguan democratic resistance during fiscal year 1988 may be eligible to receive assistance under the Foreign Assistance Act of 1961 or defense articles or defense services under the Arms Export Control Act.

(e)(1) Section 215(1) of the Act entitled "An Act making appropriations for military construction for the Department of Defense for the fiscal year ending September 30, 1987, and for other purposes" (as contained in Public Law 99-591) is repealed.

(2) Subsections (p), (q), (r), (s), (t), and (u) of section 722 of the International Security and Development Cooperation Act of 1985 are repealed.

● Mr DODD. Mr. President, the controversy over aid to the Contras is very much a part of the national political debate in this country. And as we know from the morning newspapers and the nightly TV news shows, there is no end in sight. Quite the contrary. In the days ahead it is fair to assume, I think, that the controversy will grow more intense and that the debate on this issue will reach something of a high-water mark in the weeks ahead.

The ongoing work of the Select Committee on the Iran/Contra Affair obviously will continue to focus attention on the controversy. We all await the resumption of the hearings, particularly the testimony of Colonel North and Admiral Poindexter. Similarly, the administration's determination to obtain additional funding for the Contras will have a comparable impact. As every Senator knows, administration officials will put on a full-court press to obtain the $105 million being sought by the President in his fiscal 1988 budget.

As one who has opposed the Contra effort and funding for it, I remain committed to bringing this program to an end.

With this commitment in mind, I am filing today an amendment to S. 1274, this year's proposed foreign aid and arms export control legislation. I am pleased to be joined in this effort by my distinguished senior colleague from Connecticut, Senator WEICKER. I intend to file this amendment to other legislation as well. At the appropriate time and in consultation with the majority leader, the chairman of the Foreign Relations Committee, and others, I will call up the amendment and seek to bring it to a vote.

The amendment I am offering contains four straightforward propositions concerning the Contra aid issue.

First, it terminates on October 1, 1987, all funding and support for Contra military or military-related operations.

Second, it authorizes appropriations of $10 million in fiscal 1988 for the resettlement, relocation, or repatriation of the Contra forces.

Third, it bars in fiscal 1988 any foreign assistance, or the provision of defense articles or services to countries which provide assistance to the Contras.

Fourth, it repeals those provisions in existing law which relate to expedited procedures for Contra funding requests.

Mr. President, as each day passes, the folly of the Contra program becomes clearer and clearer. It should have been stopped long ago. It must be stopped this year.●

SENATORIAL ELECTION CAMPAIGN ACT

HOLLINGS AMENDMENT NO. 311

(Ordered to lie on the table.)

Mr. HOLLINGS submitted an amendment intended to be proposed by him to the bill (S. 2) to amend the Federal Election Campaign Act of 1971 to provide for a voluntary system of spending limits and partial public financing of Senate general election campaigns, to limt contributions by multicandidate political committees, and for other purposes; as follows:

At the appropriate place, insert the following sections:

Since the Federal Election Commission reports that candidates for Congress spent $450 million during the 1986 election cycle—a 20 percent increase over the previous election cycle,

Since under the current electoral system, it is necessary to raise enormous sums of money in order to finance a truly competitive Congressional campaign,

Since very wealthy candidates willing to finance campaign expenses out of their own pocketbook have an unfair competitive advantage,

Since massive independent expenditures on behalf of a given candidate can upset the balance of competition in a campaign,

Since Members of Congress running for reelection are deflected from their legislative and constituent-service responsibilities because of the time-consuming task of raising campaign funds,

Since the Supreme Court's *Buckley* v. *Valeo* decision forbids limits on campaign spending in the absence of public campaign financing, which would further exacerbate the Federal deficit,

Therefore, it is the sense of the Senate that the Constitution should be amended to enable Congress to regulate contributions and expenditures intended to effect election to Federal office.

AUTHORITY FOR COMMITTEES TO MEET

SUBCOMMITTEE ON THE WESTERN HEMISPHERE AND PEACE CORPS AFFAIRS

Mr. BOREN. Mr. President, I ask unanimous consent that the Subcommittee on Western Hemisphere and Peace Corps Affairs of the Committee on Foreign Relations be authorized to meet during the session of the Senate on Tuesday, June 16, 1987, to receive a briefing on the Costa Rica peace initiative.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ARMED SERVICES

Mr. BOREN. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet during the session of the Senate on Tuesday, June 16, 1987, to receive a briefing on the administration's report on the plan to protect 11 reflagged Kuwaiti tankers with U.S. military forces.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

HAPPY BIRTHDAY, MORRIS UDALL

● Mr. DECONCINI. Mr. President, I ask the Senate to recognize the 65th birthday of MORRIS K. UDALL, one of the foremost and senior Members of the U.S. House of Representatives. Mo, who represents the citizens of Arizona's Second Congressional District, has consistently been recognized as one of the most effective and popular Members of Congress.

Now in his fourteenth term, Mo has long served both his constituency and his country. He chairs the Interior and Insular Affairs Committee, having held this post for the past 10 years. Mo's leadership position on this committee has allowed him to help meet the needs of all Arizonans. On the national level, Mo also exemplifies the traits of a true leader. In 1976 he ran for the Presidency. Mo's vote total at the Democratic Nominating Convention that year was second only to that of one man's; the winner Jimmy Carter's, who received the Democratic nomination, as well as the Presidency of the United States.

In addition to being a great legislator, Mo UDALL is an outstanding human being. He is, without a doubt, the leading humorist in Congress. I know of no one who can tell a story with more style and wit.

I hope that someday my accomplishments will be looked upon as having a small fraction of the importance that Mo UDALL's have had. I have long admired Mo, and am proud when I think how closely my life in politics has mirrored his own. We both come from pioneer Arizona families, with long traditions of political involvement. Our fathers both served on the Arizona Supreme Court, and our elder brothers both followed suit by entering into politics. Before entering the U.S. Congress, Mo in the House and I in the Senate, we both held the position of Pima County attorney.

Mr. President, Mo UDALL certainly merits the recognition of the Senate, in honor of his 65th birthday. It is a privilege to request that this great Congressman and even greater man be recognized for all his achievements.●

VA BRIDGES GLOBAL GAPS

● Mr. McCONNELL. Mr. President, as we all know, many cities and towns in our country, particularly those of rural America, are on the verge of stagnation. Their physical growth and economic health—their very existence in some instances—are threatened by inadequate tax bases that cannot support expensive expansions or replacements of existing wastewater treatment facilities. The result is increasingly frequent moratoriums on construction of the very homes, businesses, and industries that would serve to strengthen their tax base. It has become a vicious cycle.

An answer to this crisis of rural America is in the offing because of the Tennessee Valley Authority [TVA] and its leadership in researching and demonstrating a low-cost natural technology, manmade wetlands, that holds genuine promise for treating wastewater from a variety of sources, including municipalities.

TVA is demonstrating that the complex of wetland vegetation, soil, and water is capable of removing nutrient overloads, organic compounds, and heavy metals while increasing oxygen and reducing acidity of water from domestic, municipal, mining, industrial, and agricultural sources. In short, constructed wetlands systems can be used to inexpensively treat polluted water in a variety of settings.

In my own Kentucky, TVA has helped Benton, a town of 5,000, design and construct a wetland to meet an order by the Environmental Protection Agency [EPA] to upgrade its wastewater treatment. That system is now in operation in conjunction with the existing treatment facility, and it has replaced frustration with hope.

But Gayle Frye, Benton grants coordinator, says it best:

> This project has saved Benton's economic life. We would still be under an EPA ban against new hookups; but we now have received a new permit from EPA, which has lifted the ban all because of this wetlands project. It's unfortunate, but little towns like Benton don't get any help. We fall through the cracks because we're not large, we have no urban blight, no extreme poverty although we do have an unemployment rate of 16 percent—we don't have the big problems that seem to attract all the assistance. But TVA has given us a new lease on life. In 1970, the estimate we received for a mechanical treatment plant to meet EPA specifications was $2.5 million. The TVA project to achieve the same goal is costing us only $250,000 today. You just can't imagine what it means to us.

TVA is also helping place similar systems in Pembroke, KY, with a population of 1,000, and Hardin, a town of 560. These should be operational by the end of the year. Cooperative TVA-EPA monitoring of these systems will develop design criteria for transfer of this technology to other communities, engineers, developers, and regulators.

Cost of construction of these systems is only a fraction of conventional mechanical treatment facilities. Maintenance is near nonexistent and operator training is minimal. In fact, TVA estimates that using wetlands at small public treatment facilities requiring upgrading or replacement could save more than $3 billion nationwide.

TVA believes an additional $1 million a day could be saved by Appalachian coal companies treating acid mine drainage. For the past 2 years, the agency has used constructed wetlands to successfully treat acid drainage from strip mines, a coal preparation facility, and coal-ash storage ponds.

Although not everything is understood about how and why these systems work so well, TVA is addressing that too. Various soils, plants, and microscopic organisms are being tested and compared at the agency's acid drainage wetlands research facility built in north Alabama last year. A great deal more useful information is expected to result from this research. The agency also hopes to establish an international center to advance the technology of constructed wetlands for wastewater treatment on a broad scale.

Finally, TVA's wetlands wastewater treatment work is beginning to attract the widespread attention it deserves. The agency was recently invited to provide an exhibit on its projects at the Smithsonian Institution as part of the U.N. World Environment Day. The EPA has agreed to cohost with TVA a "how-to" conference on constructed wetlands for wastewater treatment in June of next year. This upcoming conference and the natural technology it espouses were topics of converstation among ministers of the environment from several developing countries in a recent U.N. Environmental Programme meeting in Kenya.

It's a long way from Kentucky to Kenya; but once again, TVA has shown its ability to bridge global gaps by demonstrating in a practical way innovative solutions to common problems.●

ROBERT K. LIFTON—ADDRESS IN DEFENSE OF RELIGIOUS LIBERTY

● Mr. KENNEDY. Mr. President, the struggle to preserve religious liberty has never been more important than it is in this bicentennial year of the Constitution. For two centuries, the first amendment has been our constant defense against those who seek to breach the wall of church and state and to replace religious tolerance with official indoctrination.

One of the most vigorous defenders of religious freedom in the United States today is the Fund for Religious Liberty of the American Jewish Congress. Since it was established in 1985, the fund has worked tirelessly for religious freedom, and especially to preserve the right of parents to determine the religious education of their children, free from State interference. The fund has also been in the vanguard of efforts to preserve and maintain a strong and independent Federal judiciary, which is the most important safeguard of religious freedom and our other constitutional liberties.

Recently, I had the privilege of attending a dinner in New York City at which the fund presented the James Madison Award to its chairman, Robert K. Lifton, one of the most distinguished leaders of the bussiness and legal community in the city, in recognition of his extraordinary efforts to preserve religious liberty. Mr. Lifton's address accepting the award is an eloquent account of the historical basis of the first enforcement and the compelling contemporary need for vigorous enforcement of our constititonal commitment to religious freedom.

Because of the dedication of leaders like Bob Lifton, the Fund for Religious Liberty has earned a well-deserved reputation as "the attorney general for the Jewish community." I believe than Mr. Lifton's address will be of interest to all of us in Congress concerned about this issue, and I ask that it may be printed in the RECORD.

The address follows:

Address of Robert K. Lifton, Fund for Religious Liberty Dinner, May 20, 1987

In my early teens, as a result of peer pressure, I undertook to raise money for the Jewish National Fund by going through the subways car-by-car with a collection box in my hand. In a voice quavering from my insecurities and the embarrassment that I would dare speak to these people whom I did not know, again and again I forced myself to call for the attention of the listerners, made a short speech about the need to help fund reclamation of land in Israel to create a homeland for the Jews and then passed among them asking for coins.

Although, in truth, people were not unkind, for me it was a very difficult experience. I vowed then that I would never again put myself in a position of asking anyone for money. And for a very long time I held firmly to that view. But, obviously, in taking on the position of Chairman of the Board of Trustees of the Fund for Religious Liberty I have had to abandon that comfortable attitude. For the sake of a cause I believe to be so vital, I have had to ask people for substantial amounts of money, which, if not as difficult as going from subway car to subway car, is at the heart of the matter, not much easier. I undertook this commitment, not in response to peer pressure this time, but because I recognized the important role of the Fund for Religious Liberty in protecting the first amendment guarantees of religious freedom and defending against any encroachment on the Constitution's separation of church and State. I can think of no protection more important to me, as a citizen and as a Jew, than the religious safe-guards embodied in the First Amendment, nor can I think of any constitutional rights which are under greater attack today than those rights secured by the First Amendment.

The First Amendment states that "Congress shall make no law respecting an establishment of religion or prohibiting the free exercise thereof." That clause represents an effort to maintain a delicate balance among the opposing pulls and tugs that have been present throughout our history as a nation.

On the one hand we are, as Justice Douglas said "a religious people whose institutions presuppose a supreme being." In that environment there has always been pressure from some members of the majority religion to institutionalize their own beliefs as State supported and even State required. On the other hand, we have a tradition of religious freedom with a wall erected between church and State.

These contradictory pulls have existed from the first settlement in America, through the drafting of the Constitution and the Bill of Rights to this very day. It is only the continued willingness of dedicated people to resist State establishment of religion, that has enabled us to preserve religious freedom in our nation.

Although the Puritans who first settled here sought refuge from religious persecution in England, in truth they were only tolerant of their own religious views. It took Roger Williams who fled the religious controls in the Massachusetts Bay Colony and founded Providence, Rhode Island, to first establish the principle in the new world that government should not have a place in religious concerns.

James Madison drafted the First Amendment after winning a nine year struggle, led by Jefferson and himself to defeat an attempt by Patrick Henry to pass a bill in Virginia which would assess a tax on everyone to support the Anglican and other churches. And even after ratification of the Bill of Rights, official State churches existed in several colonies like Massachusetts and Connecticut well into the 19th century.

From the beginning God has been pervasive in American life. The Declaration of Independence makes four references to a creator. The constitutions of forty-nine of the fifty States recognize the existence of "Almighty God." And that continues to this day; from the opening benediction of dinners and sports events, to our athletes' expressions of gratitude for victory. The pledge of allegiance is to a nation conceived "under God." Even the United States Supreme Court begins with the traditional call to order by the clerk "Oyez, Oyez, Oyez, God save the United States and this honorable court."

The threat to religious liberty arises from those people who are not satisfied to worship their God privately but who attempt to enlist State and Federal governments to support, finance, foster and favor their particular religious beliefs.

Many of those people have not yet accepted the Supreme Court's decision in the school prayer cases. After that decision, in 1962, Senator Eastland threatened to introduce a bill to amend the Constitution to make it impossible for the Court to ban school prayer. Twenty years later, in campaigning for election and as recently as his 1987 State of the Union message, Ronald Reagan said that he would push for a constitutional amendment to allow prayer in the schools. Those who would hold a constitutional convention, by the way, are short only two State votes required to accomplish that aim and there is no assurance that such a convention could be limited in the changes sought.

Meanwhile, the Attorney General of the United States and a group of conservative lawyers seek to overturn court decisions against school prayer, among other rulings, by calling for interpretation of the Constitution based only on what they claim are the "original intentions" of the framers. And the Attorney General has further suggested that a Supreme Court decision in a case is only binding on that case and no others.

Fundamentalist groups in this country are attempting to control the education of a generation of children by insisting that "creationism" be taught in the schools, by challenging existing courses and by trying to change or destroy books and teaching materials that do not reflect their views. An Alabama State court Judge has recently banned books that do not include the teaching of religious precepts on the ground that such books represent the establishment of an alternative religion which he mislabels "secular humanism." And a Federal Judge, in ruling that a creche could legally be placed in Chicago's City Hall, included in his opinion the alarming assertion that "Our founding fathers intended and achieved full religious freedom for all within the context of a Christian nation."

Because these are not particularly dramatic events, we read little about them in the newspapers and certainly do not see them on television news. But the pressure is unceasing: pressure to place religious symbols like creches in public places; to use public funds to foster religious beliefs; and to bring religion into the classroom. We are surrounded by people who are either too blind to see or, in fact, really seek to take advantage of what Justice Frankfurter called the "law of imitations," that school children want to be with and like other school children and can be made to feel unacceptable if they do not conform.

All of these acts are part of a movement which by intent or effect tend to impose a majority religion on America. And we know from history that what follows from State control of religion is State control in other areas.

As Justice Black said in his decision in *Engel* v *Vitale*, the school prayer case, "[It is] the historical fact that governmentally established religions and religious persecutions go hand in hand. . . . "The First Amendment was written to quiet well justified fears which nearly all of the framers of the Bill of Rights felt arising out of awareness that governments of the past had shackled men's tongues to make them speak only the religious thoughts governments wanted them to speak, and to pray only to the GOD that governments wanted them to pray to."

The end of religious freedom and religious expression in the pulpits and houses of worship of different religious groups creates a fertile field for totalitarianism.

Of course, threats to religious freedom affect people of all faiths, but for American Jews they go to the heart of our existence in this country. And only the most naive do not recognize that if the Jews of America are in danger, so then is the fate of Israel, dependent as it is for its existence in a world surrounded by enemies, on continued American support.

It is the role of the Fund for Religious Liberty to vigilantly protect the fundamental principles of the First Amendment, to assure that the line between private religious beliefs which are entitled to free exercise, and State support of those beliefs is not crossed.

Through the American Jewish Congress' commissions on law and social action, we battle in the courts vigorously; we continously seek to influence legislators and to educate and alert public opinion against any inroads on the principle of separation of church and State. The Fund helps finance significant studies such as the thoughtful Task Force Report on Public Funding of Jewish Social Welfare Institutions ably chaired by Ira Millstein, studies which help maintain the delicate balance embodied in the First Amendment. Next year, to celebrate the 70th anniversary of AJCongress, a conference of the Fund sponsored by the Union Theological Seminary, the Jewish Theological Seminary and Fordham University.

Over 200 years ago James Madison warned: "Who does not see that the same authority which can establish Christianity, in exclusion of all other religion, may establish with the same ease any particular sect of Christians, in exclusion of all other sects. The same authority which can force a citizen to contribute three pence of his property only for the support of any one establishment may force him to conform to any other establishment in all cases whatsoever."

Unfortunately, too many Americans still do not recognize what was so clear to Madison. I'm proud to receive this award bearing James Madison's name.

I pledge to you that I will do what is in my power to carry his message throughout the land and to defend the views he helped incorporate into the Bill of Rights. By being here tonight you are helping the Fund perserve the basic freedoms of this nation for ourselves and our posterity. For that I thank you.●

WHY THE BROAD INTERPRETATION IS THE LEGALLY CORRECT INTERPRETATION OF THE ABM TREATY

● Mr. WALLOP. Mr. President, unhappily, the Nunn-Levin amendment has proved a major obstacle to progress on the most significant defense issue within the Defense Authorization Act; the issue of strategic defenses. Clearly, the Nunn-Levin proposal must be laid to rest for good if we are ever to proceed with the discussion of the most compelling defense programs essential to ensure our security.

The Senator from Indiana [Mr. QUAYLE] has circulated a "Dear Colleague" letter which provides indisputable evidence from such quarters as the Soviet negotiator A.N. Shchukin, the United States negotiator, Paul Nitze, the U.S./U.S.S.R. mini-plenary meeting of 1971, and the ACDA Historical Division which prove that the broad interpretation of the ABM Treaty is the legally correct interpretation. The existence of this type of evidence provides solid ground for abandoning the Nunn-Levin amendment and for moving onto the substantive issues of providing for the defense of our Nation.

I commend this letter to my colleagues and ask that it be printed in the RECORD.

The letter follows:

U.S. SENATE,
Washington, DC, June 3, 1987.

DEAR COLLEAGUE: This is the third in a series of letters to explain why the Levin-Nunn provision (Section 233) should be dropped from the National Defense Authorization Act for FY 1988 and 1989.

Although proponents of this provision claim that the negotiating record supports their view, their analysis has extreme difficulty dealing with the attached documents.

The first of these is a declassified memorandum covering an exchange between Soviet negotiator A.N. Shchukin and our own negotiator, Paul Nitze. What is sketched in this December 10, 1971, exchange are the basics of the compromise the Reagan Administration itself claims was struck: No regulation of the testing or development of mobile futuristic ABM systems in exchange for a pledge to submit the issue of limiting their possible deployment before the Standing Consultative Committee.

The second document is a US/USSR Mini-Plenary Meeting memorandum dated December 30, 1971, in which Deputy Foreign Minister V.S. Semenov is cited at length arguing that the regulation of any futuristic ABM system was outside the scope of the negotiations. What Semenov urges here, again, sustains the Administration's position—that the Soviets only agreed to regulate futuristic ABM systems' deployment and this only through the treaty's review and amending processes.

The last item is an excerpt from a study of the ABM negotiating history by ACDA's Historical Division, dated October 1972, which emphatically states that the American "future-systems provision" in Article V was not agreed to.

Each of these items is basically ignored by supporters of the Levin-Nunn provision. Each must be explained. Indeed, it's not enough for supporters of the narrow interpretation to claim their view is plausible, it must be compelling—compelling enough to enforce on the Soviets should they ever be caught violating the narrow interpretation themselves.

This case, however, has not yet been made. If you have any questions or would like to help oppose the Levin-Nunn provision, please feel free to contact me or my assistant, Henry Sokolski, at 224-5623.

Sincerely,

DAN QUAYLE,
U.S. Senator.

SALT VI—U.S./U.S.S.R. MINI-PLENARY MEETING No. 10

Persons Present:

Ambassador Smith, Ambassador Parsons, Mr. Nitze, Dr. Brown, General Allison, Dr. Garthoff, Colonel FitzGerald, Mr. Krimer (Interpreter).

Minister Semenov, Academician Shchukin, General Trusov, Mr. Grinevsky, Mr. Kishilov, Colonel Anyutin, Mr. Arterniev (Interpreter), Mr. Novikov (Military Interpreter).

Minister Semenov said, in regard to other ABM systems, suppose that the draft treaty on limiting ABM systems had a provision on limiting systems other than those now known which use interceptors and launcher. What would result from such a provision? Undoubtedly, such a provision would create the grounds for endless arguments, uncertainties, and suspicions with all the undersirable implications for relations between the two countries. He asked if the sides could in working out a draft ABM Treaty advocate such a situation. He also asked if the goal of two Delegations isn't just the opposite, that is, to reach agreement on limiting known ABM systems referred to in Article III of the draft ABM Treaty. Certainly such limitations on known ABM systems constitute a factor for relaxing international tension and curbing the race in strategic arms and limiting them. Such a responsible international document as a treaty on limiting ABMs must be precise as to the subject of the agreement to the maximum extent possible. This would ensure the viability of a treaty which has an important bearing on the national security of the sides.

Minister Semenov said that the Soviet Delegation has repeatedly asked what the U.S. side has in mind specifically under other ABM systems. This question has never been answered. He asked how then could an ABM treaty include a provision about whose content the sides do not have the vaguest notion? References has been made to the Outer Space Treaty and the Seabed Treaty. In the Soviet view these references were not convincing. The Outer Space and Seabed Treaties had as their subject obligations of a much more general nature than ABM systems. They dealt with a ban on emplacement in outer space and on the seabeds of weapons of mass destruction, that is, nuclear, bacteriological, and chemical weapons. Could the sides include in an ABM Treaty the unknown without risk of making the treaty indefinite and amorphous? On December 10 the Soviet side had already noted the importance of avoiding the temptation to go beyond the scope of our negotiations. We should ask ourselves the question: By including other systems in an ABM Treaty, would we not be placing ourselves in the position that the people refer to in the saying "Go I know not where, bring I know not what?" The sides cannot and must not engage in discussion of questions not known to anyone. The task faced by the two sides is to erect reliable barriers against deployment of known ABM components in excess of the levels defined by the ABM Treaty. At the same time, the sides undertake obligations not to create a territorial ABM system and to limit ABM deployments around capitals by the limitations contained in the draft treaty.

Minister Semenov then asked what would be done if something appears in the future that the sides should talk about. He believed that the draft ABM Treaty envisaged provisions on this score. Both sides recognize that the Treaty on limiting ABM's would be of unlimited duration. This does not preclude the possibility of supplementary and regular review when the need arises. Articles XIII and XIV, which are preliminarily agreed to, provide for such review. If it should appear necessary to supplement the ABM Treaty by a provision prohibiting or limiting other ABM components in addition to those now known, this can be done in accordance with the procedures provided for in the provision on review.

MEMORANDUM OF CONVERSATION: U.S. SALT DELEGATION, VIENNA, AUSTRIA

Date: 10 December 1971.
Time: 1:00-1:40 p.m.
Place: Soviet Embassy, Vienna.
Subject: SALT.
Participants: United States—Mr. Paul H. Nitze, Dr. Harold Brown.
U.S.S.R.—Academician A.N. Shchukin.

Shchukin said he disagreed with Brown's statement on future systems. He thought general definitions where one couldn't even mention the specific system to which they applied were unhelpful. Brown referred to the general definition in the Outer Space Treaty. Shchukin responded, but in that case, one could specify systems which were within the meaning of "other weapons of mass destruction." These included chemical and bacteriological weapons. Brown said that, in fact, the use of such weapons from outer space was far from clear; similarly, one could specify systems which would be included within the general definition "future ABM systems." These would include lasers and particle accelerators.

Shchukin said he wished to get at the problem in another way; both sides agree that there should not be territorial defenses. The Soviet side has proposed specific language covering this in Article I; thus, the agreement would ban the deployment of future systems in a manner providing a territorial defense. If, however, new technology should make possible components carrying out the same tasks as existing components, but perhaps in a more efficient and less costly manner, why should those be prohibited? We are not prohibiting ABM components.

Nitze said that the number and location of ABM components would be limited under Article III and other articles of the agreements. Specifically, in the case of an NCA defense, launchers and ABMs would be limited to 100. If a future system were to be deployed which performed the same function as existing launchers and ABMs, but without interceptor missiles, for example, the limit of 100 could be rendered meaningless. Shchukin suggested that were such future systems to reach a stage where they could be deployed, the question would be referred to the Standing Commission, through which the necessary regulations could be worked out.

Nitze said he wished to see whether he correctly understood what it was that Shchukin had said. Was he saying that the sides would agree in principle that the provisions of the agreement should not be undermined by the deployment of components capable of performing functions similar to ABM components; that, if such components reached a stage of development such that their deployment could be contemplated, the issue of the appropriate manner of their regulation would be referred to the Standing Commission; and that no such deployment would take place until such regulations had been agreed to by Governments through the Standing Commission. Shchukin said that if it were necessary, they could agree to that, though it was not clear that he was holding out a commitment in the treaty to that effect.

A study of the ABM negotiating history by ACDA's Historical Division, dated October 1972, concluded that the Soviets had refused to agree to a ban on futures in Article V(1) during SALT V:

> They [the two sides] also agreed in article V to ban sea-based, air-based, space-based, and mobile land-based ABM systems, as well as automatic launchers; the American future-systems provision remained unagreed.
>
> (Fifth Session of SALT IX; see also *id.* at 115.)

BUDGET SCOREKEEPING REPORT

● **Mr. CHILES.** Mr. President, I hereby submit to the Senate the budget scorekeeping report for this week, prepared by the Congressional Budget Office in response to section 308(B) of the Congressional Budget Act of 1974, as amended. This report was prepared consistent with standard scorekeeping conventions. This report also serves as the scorekeeping report for the purposes of section 311 of the Budget Act.

This report shows that current level spending is under the budget resolution by $3.9 billion in budget authority, but over in outlays by $13.3 billion.

The report follows:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC. June 15, 1987.

Hon. LAWTON CHILES,
Chairman, Committee on the Budget, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The attached report shows the effects of Congressional action on the budget for fiscal year 1987. The estimated totals of budget authority, outlays, and revenues are compared to the appropriate or recommended levels contained in the most recent budget resolution, Senate Concurrent Resolution 120. This report meets the requirements for Senate scorekeeping of Section 5 of Senate Concurrent Resolution 32 and is current through June 12, 1987. The report is submitted under section 308(b) and in aid of section 311 of the Congressional Budget Act, as amended. At your request this report incorporates the CBO economic and technical estimating assumptions issued on January 2, 1987.

Since my last report Congress has completed action on S. 626, prohibiting entrance fees at the Statue of Liberty monument, changing budget authority and outlays.

With best wishes,
Sincerely,

EDWARD M. GRAMLICH,
Acting Director

CBO WEEKLY SCOREKEEPING REPORT FOR THE U.S. SENATE, 100TH CONGRESS, 1ST SESSION AS OF JUNE 12, 1987

[Fiscal year 1987—in billions of dollars]

	Current level[1]	Budget resolution S.Con.Res. 120	Current level +/− resolution
Budget authority	1,089.5	1,093.4	−3.9
Outlays	1,088.3	995.0	13.3
Revenues	833.9	852.4	−18.5
Debt subject to limit	2,279.1	[2] 2,322.8	−43.7
Direct loan obligations	42.5	34.6	8.0
Guaranteed loan commitment	140.5	100.8	39.8

[1] The current level represents the estimated revenue and direct spending effects (budget authority and outlays) of all legislation that Congress has enacted in this or previous sessions or sent to the President for his approval. In addition, estimates are included of the direct spending effects for all entitlement of other programs requiring annual appropriations under current law even though the appropriations have not been made. The current level of debt subject to limit reflects the latest U.S. Treasury information on public debt transactions.

[2] The current statutory debt limit is $2.320 billion.

FISCAL YEAR 1987 SUPPORTING DETAIL FOR CBO WEEKLY SCOREKEEPING REPORT, U.S. SENATE, 100th Congress, 1st SESSION AS OF JUNE 12, 1987

[In millions of dollars]

	Budget authority	Outlays	Revenues
I. Enacted in previous sessions:			
Revenues			833,855
Permanent appropriations and trust funds	720,451	638,771	
Other appropriations	542,890	554,239	
Total enacted in previous sessions	1,078,269	1,007,938	833,855
II. Enacted this session			
Water Quality Act of 1987 (Public Law 100-4)	−4	−4	
Emergency Supplemental for the Homeless (Public Law 100-6)	−7	−1	
Surface Transportation and Relocation Act (Public Law 100-17)	10,466	−80	2
Technical Corrections to FERS Act (Public Law 100-20)	1	1	
Total enacted this session	10,456	−84	2
III. Continuing resolution authority			
IV. Conference agreements ratified by both Houses: Prohibit entrance fees at the Statute of Liberty Monument (S. 626)	1	1	
V. Entitlement authority and other mandatory items requiring further appropriation action:			
Special milk	6	3	
Veterans compensation	173		
Readjustment benefits	9		
Federal unemployment benefits and allowances	33	33	
Advances to the unemployment turst funds[2]	(3)	(3)	
Payments to health care trust funds[2]	(224)	(224)	
Family social services	110		
Medical facilities guarantee and loan fund	5	4	
Payment to civil service retirement and disability fund[2]	(33)	(33)	
Coast Guard retired pay	3	3	
Civilian agency pay raises	358	373	
Replenishment of disaster relief funds[1]	57	50	
Total entitlements	754	467	
Total current level as of June 12, 1987	1,089,480	1,008,322	833,857
1987 budget resolution (S. Con. Res. 120)	1,093,350	995,000	852,400
Amount remaining:			
Over budget resolution		13,322	
Under budget resolution	3,870		18,543

[1] Included at request of Senate Budget Committee.

[2] Interfund transactions do not add to budget totals.

Note.—Numbers may not add due to rounding.●

NEW MEXICO LEGISLATIVE MEMORIALS

● **Mr. DOMENICI.** Mr. President, I send to the desk seven memorial resolutions that were adopted during this year's session of the New Mexico Legislature.

Each of these memorials has significance for the work we are doing here, giving us a sense of the priority these issues receive from the citizens of New Mexico. For example, two of the memorials discuss the superconducting super collider and the problems confronted by the homeless, two issues we have debated on this floor.

It passed a memorial commemorating the 200th anniversary of the Constitution, which, of course, falls during the years of New Mexico's 75th anniversary as a State.

The legislature also adopted a memorial urging that the Government improve the quality of services and standards of care in retirement centers, nursing homes, and other living centers. This concern complements the legislation on catastrophic illness insurance, now working its way through the Congress. The legislature acted to discourage Federal preemption of the effective statewide program regulating disposal of oil and gas exploration wastes.

Additionally, the legislature passed a resolution recognizing the historical aspects of farming and ranching in New Mexico, plus a memorial urging that Highway Trust Fund money be spent for certain Navajo Reservation roads, two issue of great importance to New Mexico.

Mr. President, I commend the leaders and members of the New Mexico Legislature for their recognition of the importance of each of these issues. I would like to comment briefly on each of these memorials.

THE CONSTITUTION

Although 1987 holds a particular importance to the citizens of the Land of Enchantment. This year marks the 200th anniversary of the American Constitution, an anniversary that coincides with the 75th anniversary of New Mexico as a State.

This is a year for remembering New Mexico's heritage, which unites three great cultures, while reviewing the genius of the Government that was developed that summer in Philadelphia. New Mexicans share the pride every American has this year.

I commend Senator Eoff and the other sponsors of Senate Joint Memorial 19 for their foresight.

SUPERCONDUCTING SUPER COLLIDER

The potential benefits from the construction of the superconducting super collider are vast. Construction of the facility will ensure the continued preeminence of the United States in basic science research. If built, it will be the largest, most powerful particle accelerator in the world and will allow us to probe presently inaccessible domains of nature, providing a great understanding of the unversal forces of nature.

In addition, the SSC will provide between 7,500 and 10,000 new jobs, and inspire our children to enter careers in science and engineering.

Recognizing these benefits, the New Mexico State Senate has passed Senator Caudell's Memorial 73 endorsing the State's effort to develop and submit a competitive application to the Department of Energy for selection as the site for the facility.

I support strongly this action. I am pleased that New Mexico is showing great interest in this work for our Nation. I look forward to working closely with those dedicated scientists in New Mexico who are involved in this very important project. The action of the New Mexico State Senate is to be commended.

In conjunction with the supplemental appropriations bill, I won approval for an amendment requiring that the Department of Energy to consider geology and other scientific criteria in selecting the site for the superconducting super collider; this is too important to permit the project to be put up for bids to the State offering the richest cash lure. The memorial reiterates that view.

EPA AND STATE REGULATION OF OIL AND GAS EXPLORATION AND PRODUCTION

The State of New Mexico is blessed with some of the most scenic land in our Nation. New Mexicans cherish our diverse State. Over the years, we have imposed stringent environmental controls to maintain these values for future generations.

The oil and gas industry is an important employer in New Mexico. The State runs a model program to ensure that exploration and production wastes from oil and gas operations are disposed of in a manner that is environmentally safe. Given the State's successful program, it is no wonder that there is concern that the Federal Environmental Protection Agency may start regulating these wastes through the Resource Conservation and Recovery Act.

Therefore, the New Mexico State Senate has passed Senate Joint Memorial 17, written by Senator Morgan and others, to urge that EPA respect our State regulation of oil and gas exploration and production wastes, and not perempt it.

A copy of this resolution has been provided to the Environmental Protection Agency. I urge EPA to give this resolution its most careful review and consideration.

THE HOMELESS

The problem of homelessness was one of the first items on the agenda of the 100th Congress. Both the House and the Senate have passed legislation authorizating new programs to serve the homeless citizens of America.

Much of the problem involves those among the homeless who suffer mental illnesses; estimates of as high as 40 percent of those who are homeless suffer from serious mental illness, such as schizophrenia, manic-depression, and other psychotic behaviors.

Therefore, I introduced S. 763, the "Services for Homeless Mentally Ill Individuals Act of 1987." When the Senate passed a comprehensive homeless bill, it included the major aspects of my bill:

First, outreach, to seek this fragile population in bus stations, parks, doorways, or on grates; second, transitional housing, to provide a roof and a warm bed; third, psychological treatment, to assure proper medication by professionals; fourth, case management, to see that the daily needs of the homeless mentally ill are met; and fifth, training of shelter workers to recognize and cope with mentally ill homeless individuals.

Much is going forward in New Mexico, too. Senators Altamirano and Fidel wrote Senate Joint Memorial 9 to request a task force to develop recommendations for improvements in our State. I commend each for his foresight.

BETTER CARE FOR THE ELDERLY

At the suggestion of Senator Carraro and others, the legislature adopted Senate Joint Memorial 7, to encourage the Secretary of Health and Human Services to "improve the quality of services and standards of care in retirements centers, nursing homes, hospices, and other living center facilities."

The memorial also to encourage the work of the American Accredition Association of Retirement Centers, located in Albuquerque, NM. The association seeks to strengthen the work of retirement centers, developing criteria and guidelines for assessing service quality, providing continuous service evaluation, and providing counsel and assistance to both developing and established centers.

Americans have long supported efforts to assure that our older population receive the highest possible quality of care at these facilities. In 1982 I cosponsored the amendment to include hospice care under Medicare. After approval of the hospice benefit, I supported the successful effort to raise the benefit cap in the original legislation.

Recently, Congress has been concerned about the quality of care provided in facilities that house and care for the elderly. Efforts to reduce Federal health care costs have produced worries that hospitals would discharge patients prior to the time when they had recovered fully.

Just last year, in the Omnibus Reconciliation Act, Congress acted to ensure that the quality of care provided Medicare patients would not be lessened by early discharges. That law required that hospitals give patients discharge notifications, and required peer review of complaints filed by Medicare beneficiaries.

NAVAJO ROADS

In the Surface Transportation Act of 1982, I supported the creation of a special Highway Trust Fund allocation for Indian reservation roads. General revenue spending for reservation roads had declined sharply; it was time to find a new, assured source of funds.

Since 1984, the Indian road system has been funded entirely from the Highway Trust Fund, with management by the Bureau of Indian Affairs. Congress recently reauthorized the program for Indian roads for another 5 years, at a level of $80 million yearly.

In Senate Memorial 112, sponsored by Senators Donisthorpe and Pinto, the New Mexico State Senate urges that $30 million of these funds be spent to construct Navajo roads N-5 and N-36, plus a 600-foot bridge across the San Juan River at Hogback near Shiprock, NM. These are important roads. N-5 connects U.S. Highway 666 near Newcomb to State Highway 44 north of Huerfano. N-36 will run parallel to U.S. Highway 550 between Shiprock and Farmington, NM, on the south side of the San Juan River.

Each of these projects is on the Federal priority lists. I shall continue to support their funding within the existing system for selecting construction priorities.

The need for such a priority system is clear. The vast distances and relative isolation of many Navajo communities make a fair system of selection imperative. I am pleased to have been a part of making national Highway Trust Funds a consistent and reliable source of funds for needed roads and bridges on the Navajo Nation Reservation.

NEW MEXICO'S FARM AND RANCH HERITAGE PROGRAM

New Mexico, like many other States, owes much of its cultural heritage to past generations of farmers and ranchers. These rugged individuals, who chose to make their living from the land, showing great courage against tremendous challenges, and have helped to make New Mexico the great State it is.

It is important that we recognize and celebrate this rich heritage. That is why I am particularly pleased that New Mexico State University, in conjunction with the New Mexico Department of Agriculture, has established a Farm and Ranch Heritage Program to preserve, recognize, and acknowledge the historical aspects of farming and ranching in New Mexico.

This program will assemble farm and ranch memorabilia to show the progress in farming and ranching technology, from the wooden plow to today's highly efficient and productive modern machinery.

This program will develop into a historical classroom, teaching our youth and reminding all of us of the achievements of our ancestors. It will meld our multicultural history with a valuable account of farm and ranch lore.

The vote of the New Mexico Legislature to approve Senate Joint Memorial 18, sponsored by Senator Morrow and others, is to be commended. This is a most promising program, one fully deserving of this recognition.

Mr. President, I am pleased and honored to place these memorials in the CONGRESSIONAL RECORD, and I commend the New Mexico Legislature for its leadership on each of these issues. I also ask that the texts of the resolutions appear in the RECORD.

The resolutions follow:

SENATE JOINT MEMORIAL 19

Whereas, on May 25, 1787 the delegates to the United States Constitutional Convention in Philadelphia, Pennsylvania commenced their consideration of the proposed Constitution for the newly formed nation, the United States of America; and

Whereas, the Preamble to that great document States: We the People of the United States, in order to form a more perfect Union, establish Justice, insure domestic Tranquility, provide for the common defense, promote the general Welfare, and secure the Blessings of Liberty to ourselves and our Posterity, do ordain and establish this CONSTITUTION for the United States of America; and

Whereas, the Constitution electrified the world for it was the first such document of its kind and established the most successful system of government free people have ever known; and

Whereas, the names of George Washington of Virginia, President of the Convention, Alexander Hamilton of New York, Benjamin Franklin of Pennsylvania, James Madison of Virginia and thirty-five other statesmen appear as the delegates who signed the document on September 17, 1787; and

Whereas, September 17, 1987 will be the Two Hundredth Anniversary of the signing of the Constitution of the United States of America;

Now, therefore, be it resolved by the Legislature of the State of New Mexico that it hereby honors and expresses its esteem for the Constitution of the United States of America and declares 1987 to be the Bicentennial Anniversary of that great document in the State of New Mexico; and

Be it further resolved that copies of this memorial be sent to the Governor of New Mexico, to each Member of the New Mexico Congressional Delegation and to the New Mexico Diamond Jubilee and Bicentennial Commission.

SENATE MEMORIAL 73

Whereas, the New Mexico Research and Development Institute contracted for the first phase of the Superconducting Super Collider Geotechnical Site Verification Study, which has been completed; and

Whereas, the first phase study has concluded that the Estancia basin site is the most appropriate and geotechnically qualified site in New Mexico for the proposed superconducting super collider; and

Whereas, a second phase study is needed to carry out the work necessary for New Mexico to be ready to respond competitively with other states to requests for proposal from the United States department of energy; and

Whereas, if the superconducting super collider were to be federally funded and to be located in New Mexico, it would mean more than four thousand jobs for New Mexicans and a major economic boost to the State; and

Whereas, it is important for New Mexico to be ready to respond to a request for proposal from the United States department of energy on short notice and to have completed the necessary technical study; and

Whereas, the Science and Technology Commission is knowledgeable about the needs and timing for the contracts necessary to complete the Superconducting Super Collider Geotechnical Site Verification Study and any additional contracting for development of a proposal; and

Whereas, the legislature finds it appropriate for the New Mexico Research and Development Institute pursuant to the direction of the Science and Technology Commission to contract for the necessary additional Superconducting Super Collider Geotechnical Site Verification Study and additional work on proposal development as necessary;

Now, therefore, be it resolved by the Senate of the State of New Mexico that it expresses support for the New Mexico Research and Development Institute under the direction of the Science and Technology Commission to consider contracting for the future phases of the Superconducting Super Collider Geotechnical Site Verification Study and contracting as necessary for development of a winning proposal to the United States Department of Energy proposing the Estancia basin site for the location of the superconducting super collider; and

Be it further resolved that a copy of this memorial be sent to the Governor, each member of the New Mexico congressional delegation, the Chairman of the Science and Technology Commission and the Chairman of the Superconducting Super Collider Site Evaluation Committee.

SENATE JOINT MEMORIAL 17

Whereas, the domestic production of oil and gas has fallen to historic lows and this decline will be increased unless oil and gas exploration is encouraged and assisted; and

Whereas, under existing law, oil and gas exploration and production wastes are currently exempt from classification as hazardous under the Resource Conservation and Recovery Act and their disposal is conducted safely and successfully in accordance with state regulations; and

Whereas, millions of dollars would be wasted if the State was required to dispose of oil and gas exploration and production wastes under the Resource Conservation and Recovery Act with no appreciable benefit to the environment;

Now, therefore, be it resolved by the Legislature of the State of New Mexico that the Federal Environmental Protection Agency is respectfully requested and urged to recommend to the Congress of the United States that state regulation of oil and gas exploration and production wastes be exempt from federal preemption and that the individual states be allowed to continue to regulate the disposal of such wastes; and

Be it further resolved that copies of this memorial be transmitted to the Administrator of the Environmental Protection Agency, the President Pro Tempore of the United States Senate, the Speaker of the United States House of Representatives and each Member of the New Mexico Congressional Delegation.

SENATE JOINT MEMORIAL 9

Whereas, the tragic plight of New Mexico's increasing number of homeless people is becoming a terrible problem for the state and its political subdivisions; and

Whereas, so many among the homeless are also families with young children who are completely unable to find low-cost housing; and

Whereas, New Mexico is not alone in this situation since it is a problem in practically all, if not all, states of the union; and

Whereas, the terrible plight of the homeless is indescribable, particularly when it concerns families with young children, mentally ill people who have been required to leave institutions and the many others who are completely unable to find any kind of relatively permanent shelter; and

Whereas, the complexity of the numerous causes which have brought about the deplorable increase in the number of and types of homeless people urgently requires an indepth study so that possible solutions can be known;

Now, therefore, be it resolved by the Legislature of the State of New Mexico that it requests the Honorable Garrey Carruthers, Governor of New Mexico, to establish a task force to conduct a study of New Mexico's homeless people; and

Be it further resolved that the task force report its findings and recommendations for legislation, if any, to the First Session of the Thirty-Ninth Legislature on or before December 31, 1988; and

Be it further resolved that copies of this memorial be sent to the Governor and to the Members of the New Mexico Congressional Delegation.

SENATE JOINT MEMORIAL 7

Whereas, it is desirable to have knowledge and information available about the quality of services and standards of care in retirement centers, nursing homes, hospices and other living center facilities because it assists the aging and their families who seek this type of housing to know what services and basic standards have been met and will continue to be met; and

Whereas, the American Accrediting Association of Retirement Centers, hereafter referred to as AAARC is currently located in Albuquerque, New Mexico and seeks to foster excellence in retirement center services by developing criteria and guidelines for assessing the quality of the services, by providing the opportunity for continuous evaluation, and by providing counsel and assistance to both developing and established centers; and

Whereas, the AAARC is also concerned with improving the quality of services and standards of care available to the aging in nursing homes, hospices and other living center facilities;

Now, therefore, be it resolved by the Legislature of the State of New Mexico that it recognizes the contribution which the American Accrediting Association of Retirement Centers makes to the well-being of the aging; and

Be it further resolved that the legislature respectfully requests the President of the United States to instruct the Secretary of Health and Human Services to do whatever is possible to secure funding to improve the quality of services and standards of care in retirement centers, nursing homes, hospices and other living center facilities, and encourage the AAARC in its accreditation efforts; and

Be it further resolved that copies of this memorial be sent to the President of the United States, the Secretary of Health and Human Services and to each member of the New Mexico Congressional Delegation.

SENATE MEMORIAL 112

Whereas, the Navajo nation is greatly handicapped and its people undergo great hardship because of the inadequate roads and the consequent lack of transportation during the harsh winter months and during spring floods; and

Whereas, the Navajo people have always answered the call of the country in coming to the mutual defense of our land; and

Whereas, the the Navajo people deserve the support of the government which has been freely furnished to other areas;

Now, therefore, be it resolved by the Senate of the State of New Mexico that the Congress of the United States is requested to appropriate thirty million dollars ($30,000,000) to be expended for the completion of Navajo roads N-5 and N-36 on the Navajo Reservation, including a bridge over the San Juan River at Hogback; and

Be it further resolved that a copy of this Memorial be transmitted to the President Pro Tempore of the Senate of the United States, the Speaker of the United States House of Representatives and to each member of the New Mexico delegation to the Congress of the United States.

SENATE JOINT MEMORIAL 18

Whereas, the New Mexico State University Board of Regents passed a resolution October 31, 1986, asking the New Mexico Department of Agriculture to assist in establishing a New Mexico Farm and Ranch Heritage Program in the State; and

Whereas, the Department has called the first meeting of the Farmer, Rancher and Agribusiness Board to determine the process and the definitions for this program; and

Whereas, the participants have met and declared their enthusiasm for this concept and wholeheartedly endorsed and pledged their interest and time toward this activity.

Now, therefore, be it resolved by the legislature of the State of New Mexico that the establishment of a New Mexico Farm and Ranch Heritage Program will be a significant step in recognition of the contributions of Agriculture to the State and in preservation of our cultural heritage and congratulates the New Mexico State University Regents on its emphasis in this direction; and

Be it further resolved that copies of this memorial be transmitted to the Members of New Mexico's Congressional Delegation.●

MARSHALL PROCLAMATION

● Mr. HEINZ. Mr. President, I am proud to have cosponsored the resolution which this year commemorated the 40th anniversary of the Marshall plan, the European Recovery Program [ERP] created and implemented by George Catlett Marshall, a native son of Uniontown, PA. He was a unique American who served selflessly as a public servant in numerous positions, including Army Chief of Staff, Secretary of State, and Secretary of Defense. An able leader and soldier in time of war, Marshall was equally effective in his peace time efforts as was acknowledged by his selection for a Nobel Peace Prize in 1953. His years of public service were characterized by integrity, commitment, and compassion. These ideals were most clearly evident in his work as the architect of the ERP after the Second World War, which was the pinnacle of his life-long effort to create a world climate in which freedom and democracy could flourish.

The Marshall plan was America's first large foreign aid program. It succeeded in rejuvenating and integrating the economies of Western Europe through a massive lending policy. Due to Marshall's administrative genius, the program accomplished much more than just economic restoration. He set up the European Cooperation Administration to oversee the program from outside the State Department, thereby placing it above any short-sighted bureaucratic battles. Also, he required the United States to practice a hands-off policy in dealing with the details of the European recovery by basing American aid on cooperation between the nations of Europe. These measures resulted in a self-confident Europe which had jointly planned its own recovery. The Marshall plan enabled a war-torn Europe to reestablish itself as a viable world force and a valuable ally of the United States.

General Marshall realized the importance of the plan for American and world security, but he emphatically stated that "America's commitment was not against any country or doctrine but against hunger, poverty, desperation, and chaos." Clearly, this was a man who was both a great global strategist and possessed of an abiding passion for his fellow man. I am proud to join with my distinguished colleagues in celebrating June as "George C. Marshall Month" in memory of this great American.●

ADDRESS BY SENATOR LUGAR AT PAN-AMERICAN ECONOMIC LEADERSHIP CONFERENCE

● Mr. QUAYLE. Mr. President, I submit for the RECORD an address to the Pan-American Economic Leadership Conference by my Indiana colleague, Senator LUGAR.

The distinguished senior Senator from Indiana and Indiana Lt. Gov. John Mutz were cochairmen of the conference which began in Indianapolis on Sunday and concludes today. Leaderships from all of the Americas have gathered in Indianapolis to discuss new ideas for solving the international debt crisis. In his speech to the conference, DICK LUGAR suggests that a summit should be convened by President Reagan which would continue to meet until a comprehensive solution to the debt crisis is agreed upon. Because of U.S. leadership and investment in this hemisphere, President Reagan would be a logical choice to convene such a conference.

The Pan-American Economic Leadership Conference is the first major event this summer in Indianapolis for the Celebration of the Americas. Events will climax in August with the 10th Pan American Games.

I would like to take this opportunity to invite all my Senate colleagues to visit the Hoosier capital this summer, watch the games and participate in the Indiana celebration of friendship throughout North and South America.

The address follows:

THE INDIANAPOLIS CONFERENCE: AN OPTIMUM TIME TO GROW TOGETHER—A SPEECH TO THE PAN-AMERICAN ECONOMIC LEADERSHIP CONFERENCE

(By Senator Richard G. Lugar of Indiana)

During the Indianapolis conference, we will speak of "people power," of "an end to dictatorships of the right and the left," of the need for the United States and each nation in our hemisphere to be on the "right side of history," in support of democratic-institution building. But such expressions of political idealism by themselves are insufficient. They must be matched by creative international financial management and sustained, priority support from our national treasuries. New infusions of thought and resources are required. It is my hope that this conference can serve as a catalyst for thoughtful planning and as a necessary foundation for promotion of the necessary resources.

The new and the restored Latin American democracies, as well as most other developing countries, have been dependent on two important American economic policies: relatively free trade in our relatively open market, and a downward push on short-term and long-term interest rates.

In addressing Latin America's democratic prospects, former President Barletta of Panama has pointed to the last three years in our Hemisphere and estimated that the GNP in Latin American states has fallen 12%, imports have fallen 40%, and the net annual transfer of funds has moved from a positive $5 billion to a negative $30 billion. Real wages in the large economy of Mexico have fallen some 35% in the last three years. Barletta estimates that real growth in Latin America must increase to 5% annually for many years to come, in order to provide jobs for the increasing numbers entering job markets. He estimates that the United States and the rest of the industrialized would must maintain real growth of 3% annually in order to sustain Latin America's necessary 5% growth.

What challenges must the United States meet in order to maintain a credible level of economic and political support for the Latin American democracies?

First of all, the achievement and maintenance of 3% real growth in the United States is possible, but will require skillful domestic budget and taxation policies. Most Americans are aware that we have been running internal budget deficits of over $200 billion annually, and external trade deficits in excess of $150 billion. They believe that both deficits are unsustainable and that failure to reduce both will lead to severe economic recession in this country.

The most obvious point about the future of Latin American democracy, to the extent that it depends on steady economic progress, is that the U.S. economy must remain strong and avoid severe recessions and external trade panics. Ironically, much of the large U.S. trade deficit results from the desire of most Americans to keep our markets open to the exports of other nations. American consumers have expressed a strong demand for these imports. By the same token, a large portion of the U.S. trade deficit results from the decline of exports to Latin American debtor nations that can no longer finance them. Over the last four years, the U.S. trade balance with Latin America has decreased by $15 billion.

Japan and Europe have not exemplified our openness to imports. The United States has shouldered most of the "open market/debt repayment" burden. The ability of the "debtor democracies" to export and repay debt in the future will hinge mightily upon their persuasiveness and ours in prying open the Japanese and European markets.

Secondly, the economic futures of many Latin American democracies will depend upon their success in luring back the capital that took flight during previous regimes. We are all aware of the well publicized Philippines capital flight, but Argentina, Brazil and Mexico are still missing billions of dollars of capital which sought safer and more productive havens.

During the negotiations surrounding the new debt arrangements for Mexico in 1986, American bankers alleged that Mexicans were exporting capital more rapidly out of that country than fresh loan money could be injected. Mexican businessmen have reported to me this month that capital flight has been reversed and I rejoice with them in this news. But Mexican and other Latin American officials claim that policies which encourage local business investment and capital repatriation will take time to work. The United States strongly encourages a substantial compression of the time frame of recovery through prompt privatization of large sectors of these economies, the ending of governmental corruption and "crony monopolies" which inhibit fair competition, and active invitations to foreign investors by host governments to take large equity positions and to participate vigorously in the economy.

Historically, such steps have been difficult for governments to take. Memories and fears of external dominance still loom large. But the United States must emphasize that new private loans and/or governmental loans may be increasingly hard to obtain without such reforms.

Thirdly, the reluctance of the private banking community to move forward with new loans is matched by a political reluctance in Congress to support requests for foreign economic assistance. Foreign aid has never been a popular budget item. Given huge domestic deficits, the pressures to curtail foreign assistance will grow even more intense.

What should be the policy of this country in promoting and maintaining the spark of democracy in other countries that have emerged from the ravages of authoritarian repression, treasury plundering and wholesale corruption? Are we willing to match our oft-proclaimed commitments to democracy with the resources necessary to undergird the fragile foundations of democratic-institution building?

And lastly, the future of economic progress and political development in Latin America will depend greatly on creative management of the international debt crisis.

The essential facts of the international debt crisis are well known. A climactic chapter in the crisis broke in 1982 in Latin America, beginning with Mexico. It was caused by imprudent economic policies, including excessive foreign borrowing, and triggered by the rise in oil prices, the collapse in other commodity prices, the slowdown in the OECD economies, and skyrocketing interest rates—the last two developments obviously triggered, in part, by the U.S. Federal Reserve Board's attack on inflation.

The consequences have been devastating. Voluntary lending to the major debtors in Latin America has nearly stopped. Yet creditors have continued to insist on full debt servicing. Many Latin nations have been set back by as much as ten years—jobs have dried up; living standards have been lowered; confidence has been shaken; and some of the new democratic experiments in the Hemisphere are at risk.

The crisis has been with us for five years. In spite of astonishingly courageous structural reform efforts, involving the removal of subsidies, stricter public employment, a narrowing of public sector deficits, and more realistic exchange rates, there has been no major resumption of capital flows to Latin America. Private equity investment is small; U.S. banks are not enthusiastic about lending; and the principal new, fresh capital sources are the World Bank and the International Development Bank. Overall, Latin America has become a net capital exporter. This state of affairs may be termed "upside-down" economics. Indeed, we have reached a point where, in terms of actual settlements, the annual interest payments of Latin American countries amount to nearly half of their exports and over 5% of their gross national product. Consequently, interest payments are generated, not by economic growth, but rather by loans from creditors which increase interest burdens.

Does the immediate future look much better than the immediate past? The situation today could hardly be more tense. Mexico has been able to squeeze some new loans from foreign banks in its most recent restructuring effort, but many banks are resisting the extension of such concessions to other countries. For a time, the banks suspended negotiations with the Philippines and announced their intentions to stand firm against Brazil's effort to reduce its interest spread. The Philippines has raised the prospect of a common front with Brazil and Argentina.

Is there a better technique than the ad hoc restructurings? There is no lack of proposed solutions to the problems of Latin American debtors. The nub of the problem is—how shall losses be shared? Time is not on our side. Those who would seek to buy time, if only for the purposes of negotiations, do so at the expense of making the debt problem all the more intractable. Not only has the Latin debt soared to close to $400 billion, as opposed to $280 billion in 1982, but this increase has been accompanied by a deterioration in the political framework for grappling with the debt issue. Democratic regimes in Latin America find it increasingly difficult, politically, to formulate domestic policies on the basis of guidelines provided by banks or international financial institutions. Any political framework that places debt service as a priority over domestic growth has been eroded by conditions of long austerity. What is required is some consensus on an international political framework in which to implement the reforms necessary to encourage domestic savings and foreign investment in Latin American countries.

How should the United States generate a responsible public policy debate on the issue of the debt crisis? There are a number of things that the United States can and should do, in addition to the setting up of substantial private bank reserves in recognition of diminishing loan portfolio values.

First, involve Federal Reserve Board nominee Alan Greenspan in the picture. It is difficult to overestimate the significance of Paul Volker's role in the debt crisis, and, with his departure, we must work to minimize the shock waves throughout the system.

Secondly, halt the erosion of political and public support for the World bank and the IDB, and stabilize their resource bases so as to support their contributions to the financing of Latin American capital importers' requirements. U.S. contributions to multilateral development banks must not serve as the preferred targets for Members of Congress frustrated by trade issues or in search of funding for domestic programs.

Third, accelerate efforts to put the U.S. economic house in order. The United States had done half the job imposed on it by its world economic leadership. Inflation and interest rates have been cut. However, we have not closed the budget deficit, and this is a most destabilizing influence on the world economy today. Failure to bridge the budget gap could rekindle worldwide inflation, an explosion of interest rates, and the collapse of any prospects that the Latin American countries can "grow" their way out of their present debt difficulties. At the same time, we cannot allow the trade environment to deteriorate further.

Fourth, more sustained pressure must be placed on the Europeans and the Japanese. Their economies must be primed, and they must be less intransigent about allowing Latin America access to their markets. Europe's record of protectionism against Latin

American exports is not to be emulated, nor is its miserable record with respect to agricultural trade policy vis-a-vis third countries.

Fifth, more light needs to be shed on the debt question. The American national interest is just as vitally affected by it, if not more so, than those of the Latin American nations. It deserves enhanced Congressional attention. In particular, the Congress needs to signal its interest in the following:

The tactics of private banks in their debt negotiations with Latin American debtors;

The extent to which the banks are acting in concert to resist "spread" and other concessions;

The merits of Senator Bradley's plan and other proposals for mandated debt relief;

The extent to which current regulatory rules and policies affect the process—that is, what are the consequences to the banks of putting up Baker Plan funds, and can these banks reflect the realistic value of assets on their books without undue penalties?

The precise views of the Adminsitration and the Chairman of the Federal Reserve Board on the question.

In my view, the Congress of the United States would support enthusiastically a President of the United States who would call for a summit conference of the major credit and debtor nations.

Unlike the recent industrialized nations summit in Venice, Italy, the summit I have in mind would continue with appropriate international delegates until a multinational sharing of losses and opportunities was formulated.

The building of a strong international secondary market for debt paper could be established. The potential for debt equity swaps could be enhanced substantially. And the necessary arrangements of principle and interest—which recognize equitable burdens of debtor and creditor, of public and private sectors could be negotiated in detail to provide a road map for multi-national settlement.

Someone must call the necessary meeting. President Reagan is a logical convenor and I hope he will act soon to initiate the comprehensive political and economic dialogue the world prays for.

Most importantly, we need some comprehensive testimony from the Latin American debtor countries. Such insights could serve to demonstrate the extent of Latin America's own efforts to date in grappling with the international debt crisis.

I have stood by the voting tables as the Indians in Guatemala came from the hills to elect a new President.

I have witnessed the two legislative houses in Uruguay regain the excitement of democratic debate.

I have listened to the moving inaugural address of President Oscar Arias in San Jose, Costa Rica and sat during crisis with the strong but gentle President Alfonsin in his Buenos Aries residence.

The heart beat of democracy will not be dimmed in our hemisphere, but we could do so much to nurture it and to celebrate it if we are wise enough to put our economic affairs in order promptly.

Twenty years ago, as a young man only recently involved in public life, I sought to become Mayor of this city of Indianapolis, confident that the political and economic life of a million people could be a standard of excellence for cities throughout country.

We had to dispel racial prejudice, cynicism about the use of authority, and mediocrity in public and private planning.

We had to celebrate excellence in education, in architecture, in entreprenurial vision, in government integrity, in recognition of human dignity for each citizen.

Now, through deep friendships and enlightening travel, I know that the idealism and common sense of Indiana people are found in abundance throughout our Pan American union.

And now I am certain that this is the time and the place to act in behalf of hundreds of millions of people. We must act upon our best instincts during these years when the heartbeat of democracy can be felt and heard clearly by all of us and we know that we enjoy an optimum time to grow together.●

AMERICAN GOSPEL ARTS DAY

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on the Judiciary be discharged from further consideration of House Joint Resolution 106, designating June 19, 1987, as American Gospel Arts Day, and that the Senate proceed to its immediate consideration.

The PRESIDING OFFICER. Is there objection?

Without objection, the resolution will be stated by title.

The assistant legislative clerk read as follows:

> A House joint resolution (House Joint Resolution 106) to designate June 19, 1987 as American Gospel Arts Day."

The PRESIDING OFFICER. The joint resolution will be considered as having been read the first and second times by title.

Is there objection to the present consideration of the joint resolution?

There being no objection, the joint resolution (H.J. Res. 106) was considered, ordered to a third reading, read the third time, and passed.

The preamble was agreed to.

Mr. BYRD. I move to reconsider the vote by which the joint resolution was passed.

Mr. HELMS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

NATIONAL DAIRY GOAT AWARENESS WEEK

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on the Judiciary be discharged from further consideration of House Joint Resolution 17, designating the third week in June 1987 as "National Dairy Goat Awareness Week," and that the Senate proceed to its immediate consideration.

The PRESIDING OFFICER. Is there objection? Without objection, the clerk will state the resolution by title.

The assistant legislative clerk read as follows:

> A House joint resolution (H.J. Res. 17) to designate the third week in June 1987 as "National Dairy Goat Awareness Week."

The PRESIDING OFFICER. The joint resolution will be considered as having been read the first and second times by title.

Is there objection to the present consideration of the joint resolution?

There being no objection, the joint resolution (H.J. Res. 17) was considered, ordered to a third reading, read the third time, and passed.

Mr. BYRD. Mr. President, I move to reconsider the vote by which the joint resolution was passed.

Mr. HELMS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

BILL PLACED ON CALENDAR—H.R. 2100

Mr. BYRD. Mr. President, I ask unanimous consent that H.R. 2100, a bill to designate the border station at 9931 Guide Meridian Road, Lynden, WA, as the Kenneth G. Ward Border Station, just received from the House of Representatives, be placed on the calendar.

The PRESIDING OFFICER. Without objection, it is so ordered.

AUTHORIZATION OF CERTAIN ACTIONS BY SENATE EMPLOYEES

Mr. BYRD. Mr. President, I send to the desk a Senate resolution and I ask for its immediate consideration.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. I send it on behalf of myself and Mr. DOLE.

The PRESIDING OFFICER. Without objection, the clerk will read the resolution by title.

The assistant bill clerk read as follows:

A Senate resolution (S. Res. 234) to direct the Senate Legal Counsel to represent, and to authorize the testimony of and production of documents by, Senate employees in the case of United States v. Carrothers.

The PRESIDING OFFICER. Is there objection to the present consideration of the rewICER. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. BYRD. Mr. President, a former Senate mailroom employee was indicted on May 12, 1987, following a Capitol Police undercover operation, for distributing narcotics. The defendant left Senate employment in January of this year after the events in question. The charges against him are pending in the United States Court for the District of Columbia.

The Senate Postmaster, Jay Woodall, has been subpoenaed by the defendant to produce certain personnel records. It is possible that he and other current or former Post Office employees also may be asked to testify about events on Senate premises.

This resolution would direct the Senate Legal Counsel to represent Mr. Woodall in responding to the subpoenas. It will also authorize the Senate Postmaster and other Senate employees to testify, if asked, and to produce relevant documents which are not privileged. Mr. President, I move adoption of the resolution.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 234) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, is as follows:

S. Res. 234

Whereas, in the case of *United States* v. *Charles K. Carrothers*, Criminal No. 87-0207-TPJ, pending in the United States District Court for the District of Columbia, the defendant has obtained subpoenas for the production of documents by Senate Postmaster Jay A. Woodall;

Whereas, Jay A. Woodall or other current or former employees of the Senate Post Office may be asked to testify in that case;

Whereas, pursuant to sections 703(a) and 704(a)(2) of the Ethics in Government Act, 2 U.S.C. §§ 288b(a) and 288c(a)(2) (1982), the Senate may direct its counsel to defend employees of the Senate with respect to subpoenas directed to them in their official capacity;

Whereas, by the privileges of the United States Senate and Rule XI of the Standing Rules of the Senate, no evidence under the control or in the possession of the Senate can, by the judicial process, be taken from such control or possession but by permission of the Senate;

Whereas, when it appears that production of documents by, or testimony of, employees of the Senate is needed in any court for the promotion of justice, the Senate will take such action as will promote the ends of justice consistent with the privileges and rights of the Senate: Now, therefore, be it

Resolved, That the Senate Legal Counsel is directed to represent Jay A. Woodall and any other current or former Senate employee who may be asked to testify or produce documents in the case of *United States* v. *Carrothers*.

Sec. 2. That Jay A. Woodall, as well as other current or former Senate employees who may be asked, are authorized to produce documents and to testify in the case of *United States* v. *Carrothers*, except concerning matters which are privileged.

Mr. BYRD. I move to reconsider the vote by which the resolution was agreed to.

Mr. HELMS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ORDERS FOR TOMORROW

ADJOURNMENT UNTIL 12:30 P.M.

Mr. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until the hour of 12:30 p.m. tomorrow.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

WAIVER OF CALL OF CALENDAR; NO MOTIONS OR RESOLUTIONS, OVER UNDER THE RULE

Mr. BYRD. I ask unanimous consent that the call of the calendar be waived on tomorrow, and that no motions, over under the rule, come over tomorrow.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

PERIOD FOR MORNING BUSINESS

Mr. BYRD. I ask unanimous consent that, after the two leaders are recognized under the standing order tomorrow, there be a period for the transaction of morning business not to extend beyond the hour of 1 o'clock and that Senators be permitted to speak therein not to exceed 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

RESUMPTION OF UNFINISHED BUSINESS

Mr. BYRD. Mr. President, I ask unanimous consent that at the conclusion of morning business on tomorrow the Senate resume consideration of the unfinished business.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

PROGRAM

Mr. BYRD. Mr. President, debate will continue on tomorrow afternoon on S. 2 and the amendments that are pending thereto. The pending question is on the substitute which I have offered to the committee substitute to the bill S. 2. A vote on cloture will occur at 5 o'clock tomorrow, or circa 5 p.m. There may be votes during the afternoon. There may be other matters that would be called up or could be agreed to.

I am thinking in particular of conference reports that from time to time may be brought up. There is a conference report on the homeless relief legislation. I am not sure it is ready to be called up yet, but at some point in the near future I should think we could have the conference report on the homeless legislation.

Also at some point there will be the conference report on the budget resolution. That will not be ready tomorrow.

I say these things for the benefit of my colleagues who will be listening or who will read the Record, so that they will not be laboring under the illusion that there will be no rollcall votes prior to the vote on cloture. This could very well be.

Mr. President, I ask my friend, the distinguished Senator from North Carolina, who is the acting leader on the other side of the aisle today, whether or not he has any further statements to make or other business to transact.

Mr. HELMS. I thank the majority leader but I do not.

Mr. BYRD. I thank Mr. Helms.

ADJOURNMENT UNTIL 12:30 P.M. TOMORROW

Mr. BYRD. Mr. President, I move, in accordance with the order previously entered, the Senate stand in adjournment until 12:30 tomorrow afternoon.

The motion was agreed to; and the Senate, at 6:44 p.m., adjourned until Wednesday, June 17, 1987, at 12:30 p.m.

NOMINATIONS

Executive nominations received by the Senate June 16, 1987:

U.S. International Development Cooperation Agency

Mr. Alan Woods, of the District of Columbia, to be Administrator of the Agency for International Development, vice M. Peter McPherson, resigned.

Federal Home Loan Bank Board

Mr. Danny Wall, of Virginia, to be a Member of the Federal Home Loan Bank Board for the term of four years expiring June 30, 1991, vice Edwin J. Gray, term expiring.

In the Coast Guard

The following permanent chief warrant officers, W1 of the U.S. Coast Guard to be permanent chief warrant officer, W2:

Charles R. Collins
William L. Shamel III
David G. Hawthorne
Theodore S. Fischer
Robert T. Minugh
Charles L. Schue III
James E. Page, Jr.
David L. Heisey
Paul D. Dangreau
Ray R. Erne
Charles R. Spencer
Terrence J. Prokes
David L. Wiser
William A. Nelson
David M. Brockes
Thodore A. Jilek
James W. Preston
Renaldo C. Marfil
Steven C. Loyd
Phillip D. Scott
Christopher P. Leonhardt
Thomas A. Irvine
Zebulon V. Moseley
Roger A. Shell
Stephen D. Huston
James F. Kelleher
Roylester Hay
Kurt H. Lunning
Dale F. Beard
William H. Clay
Marc A. Hawkins
Kenneth B. Hickerson, Jr.
Frank W. Sullivan
Jeffrey B. Hurst
Beuferd E. Fletcher
Larry A. Pointer
David A. Walker
Gilberto M. Saenz, Jr.
Lester C. Cornwell, Jr.
Donald R. Pack, Jr.
James L. Fuertes
James R. Catlin
Gary B. Langstaff
Keith A. Rennie

Robert J. Quick, Jr.
Wayne T. Doodson
Michael J. Trude
Ceabert J. Griffith
George S. Mahlum
Charlie L. Chauncey
Gerald M. Davis
Stanley G. Binns
Bruce Lucas
William Mitchell
Tito C. Albano
Gary W. Stroehl
Robert W. Harley
Blake L. Lancaster
David A. Johnson
David F. Fajerski
Joseph R. Declet
Gregory B. Straub
Robert E. Garman
Thomas L. Beckham
Craig L. Mitchell
Ronald E. Alder
William E. Rowland
John R. Burlingham
Arturo Lopez
Steven L. Steinbrink
Gilman C. Page
Larry L. Nenstiel
Dennis C. Spain
Robert E. Lafond
Albert A. Bueler
J.B. Owens
Michael P. Lee
Franklin J. Derr
Myron A. Allgor, Jr.
Loring C. Colburn, Jr.
William P. Lawrence
Thomas B. Taylor, Jr.
Richard E. Morris
Thomas C. Small
David F. Daniel
Glenn J. Brazil, Jr.
Scott G. Swope
Robert J. Monaghan
Michael J. Betlej
Richard F. Mariani, Jr.
Felix T. Arusiewicz, Jr.
Joe C. Robinson
Hobart H. Stearns, Jr.
George M. Coates, Jr.
James M. Thanasiu
Angelo Antignano III
Theodore H. McGlinch
Larry D. McBee
Louis Franzino
James M. Malone
Daniel F. Carraway
James F. McKinnon
Michael W. Price
Ronald E. Williams
Doyle J. Harris
Leonard Luckey
John D. Fredella
William B. Randall
William C. Craig
Gary W. Couch
William M. Worden
Kenneth W. Caywood
Mark S. Carter
Patrick J. McKenzie
Harold K. Thrush, Jr.
Anthony M. Desorbo, Jr.
John P. Amrhein, Jr.
Carl F. Mursch
Christopher D. Carlson
Stephen L. Bratten
Richard D. Dunmire
John O. Leatherwood III
Crispin N. Naanos
Bryant L. Nye
Patrick Flynn
Ed Prestella
Fred R. Dickinson
Craig A. Gellatly
Michael J. Dicarlo

The following permanent chief warrant officers, W2 of the U.S. Coast Guard to be permanent chief warrant officer, W3:

James A. Bourgue
Robert L. Scarpino
Peter D. Colvin
Robert B. McDole
Charles R. Barber
James A. Shouse
William L. Kasparek
Robert W. Brandenstein
William C. Marshall
Milton A. Leyko
Myron A. Verville
Robert E. Nichols
Kenneth L. Porter
Charles F. Mercer
John M. Patrick
John E. Kahler
Richard L. Matters
Ronald S. Jacobs
Richard U. Munsie
Jon D. MacArthur
Robert L. Burch
Richard R. Zientek
Ray Carlberg
Charles L. Garnett, Jr.
John J. Cherny
George H. Hornbeck
Michael D. Chetto
David G. Bell
Ronald D. Gray
Lester H. Brown
William C. Sansone
James E. Sisler
Lynn T. Crisler
Robert M. Gill
Patrick F. Trimble
Edward E. Coward
Richard A. Findley
James L. Mangold
Francis G. Hanson
Whittier C. Patrick
Pedro A. Gonzalez
William C. Rydblom III
Clarino J. Salvatore, Jr.
Cecil D. Geiger
Robert H. Bero
Terry G. Lybarger
Jerold A. Arnquist
Arthur M. Alborano
Julius W. Hays
James E. Lee
Howard L. McMichael
Claude R. Bradley, Jr.
Gerals Toms
Robert C. Biszantz, Jr.
Terry D. Krutzler
Dallas P. Block
John D. Girard
Dean A. Long
Robert G. Kirkpatrick
David G. Passman
Bennie L. Munroe
Robert F. Vanderslice, Jr.
Eduardo R. Equia
James R. Cason
William E. Nicholl
Dennis L. Ballard
Dale L. Puckett
Alvin C. Harvey
Bruce J. Spano
Michael S. Rhodes
James C. Smith
Gary E. Walker
John W. Kwietniak, Jr.
Barry W. Bernstein
James R. Maxson
Everett B. Hehn
Claude D. Harmon
Dana P. Lewis
John M. Sitton
William R. Jones
Donald L. Vinson
Robert F. Melia
Richard C. Cooke
Roberto R. O'Brien
Roland Perkins
James W. Kurz
Charles V. Clune
Earl F. Drumheller
Leland B. Poland
Gregory J. Swaney, Sr.
James W. Allen
Ernest L. Anderson
James R. Fulton
James E. Nuss
William O. Guht, Jr.
Stephen B. Wehrenberg
Gregory A. Taylor
James E. Allen
Alvin J. Faith
Michael B. Lahair
Keith D. Larson
James M. Judd
Lawrence J. Carmona
James S. Wadsworth
Alan R. Cassel
David H. Fetrow
Richard J. Gill
Ronald W. Hanks
Robert W. Dieterle
Paul F. Gabriel
Michael L. Robinson
Roy E. Staben
Raymond A. Bergeron
Donald L. Viehmann
Clifford P. Goodnough
Donald J. Darcy
Jan E. Snodgrass
Michael L. Meyers
Clifton E. Thompson
George E. Osterberg
Mark J. Hiemenz
Garry L. Weber
Charles C. Van Meter
Lonnie C. Jones, Jr.
William D. Hanna
Robert L. Peterson
Tom B. Manning, Jr.
David C. Holmes
Jeffrey H. Keebler
Justin W. Baker
Thomas A. Lewis
Roger D. Tomlinson
Stanley R. Gerhauser
Dennis R. Bryan
James J. Driscoll
Douglas M. Carroll
Peter R. Kolasa
Michael L. Dean
Russell C. Jarvis
Bobby J. Fielder
Galen R. Kurth
Robert L. Armer
Richard E. Martin
Bruce L. Moyster
Alexander J. Jasinski
Edwards F. Bachand
George W. Borlase, Jr.
Paul D. O'Leary
Roland O. Steibel
Dale F. Hosman
George E. Hollard
Richard W. Pultz
Otis D. Chapman
Gordon W. Wills
John D. Durham
Anthony C. Martin
James D. Bandhauer
Michael E. West
Stephen W. Price

The following permanent chief warrant officers, W3 of the U.S. Coast Guard to be permanent chief warrant officer, W4:

Noel E. Crowley

Donald E. Bush
John W. Judge
Miles K. McIntyre
Sheridan L. Oswald
Carl B. Cheney
Paul E. Turmelle
Robert A. Richards
Ronald S. Condron
Thomas J. Reed
Lawrence E. Laflam
Melvin L. Bouboulis
Danny K. Daniel
William P. Feddema
Richard J. Highstreet
Donald F. Thurston
Larry E. Gray
Steve Jackson
Robert C. Klomas
Robert L. Gatlin
Ralph Looman
William F. Britt III
Theodore F. Ramsey
Samuel B. Bromley, Jr.
Leon M. Mason, Jr.
Edmund Lee
Jimmie R. Hall
James M. Flournoy
George F. Hillegas

IN THE AIR FORCE

The following-named officer for appointment to the grade of lieutenant general on the retired list pursuant to the provisions of title 10, United States Code, section 1370:

To be lieutenant general

Lt. Gen. Forrest S. McCartney, [redacted]FR, U.S. Air Force.

The following-named officer, under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be lieutenant general

Maj. Gen. Robert D. Beckel, [redacted]FR, U.S. Air Force.

IN THE ARMY

The following-named officer to be placed on the retired list in grade indicated under the provisions of title 10, United States Code, section 1370:

To be general

Gen. Jack N. Merritt [redacted], U.S. Army.

The following-named officers for appointment in the Regular Army of the United States to the grade indicated under the provisions of title 10, United States Code, sections 611(a) and 624:

To be permanent major general

Brig. Gen. Charles E. Edgar III, [redacted], U.S. Army.
Brig. Gen. John S. Peppers [redacted], U.S. Army.
Brig. Gen. Bobby F. Brashears, [redacted], U.S. Army.
Brig. Gen. John O. Sewall [redacted], U.S. Army.
Brig. Gen. Thomas G. Lightner, [redacted], U.S. Army.
Brig. Gen. Charles F. Scanlon, [redacted], U.S. Army.
Brig. Gen. Paul R. Schwartz, [redacted], U.S. Army.
Brig. Gen. Joseph D. Schott, [redacted], U.S. Army.
Brig. Gen. Wayne C. Knudson, [redacted], U.S. Army.
Brig. Gen. Peter J. Offringa, [redacted], U.S. Army.
Brig. Gen. Larry D. Budge, [redacted], U.S. Army.
Brig. Gen. John H. Stanford, [redacted], U.S. Army.
Brig. Gen. Peter J. Boylan, Jr., [redacted], U.S. Army.
Brig. Gen. Eugene B. Leedy, [redacted], U.S. Army.
Brig. Gen. Charles E. Williams, [redacted], U.S. Army.
Brig. Gen. Philip H. Mallory, [redacted], U.S. Army.
Brig. Gen. James W. Ray [redacted], U.S. Army.
Brig. Gen. George H. Akin, [redacted], U.S. Army.
Brig. Gen. Arnold Schlossberg, Jr., [redacted], U.S. Army.
Brig. Gen. Stanley H. Hyman, [redacted], U.S. Army.
Brig. Gen. Harold T. Fields, Jr., [redacted], U.S. Army.
Brig. Gen. Thomas C. Foley, [redacted], U.S. Army.
Brig. Gen. Thomas H. Harvey, Jr., [redacted], U.S. Army.
Brig. Gen. Marvin D. Brailsford, [redacted], U.S. Army.
Brig. Gen. Robert D. Chelberg, [redacted], U.S. Army.
Brig. Gen. John P. Dreska [redacted], U.S. Army.
Brig. Gen. Harry G. Karegeannes, [redacted], U.S. Army.
Brig. Gen. William F. Streeter, [redacted], U.S. Army.
Brig. Gen. Charles E. Dominy, [redacted], U.S. Army.
Brig. Gen. Charles A. Hines, [redacted], U.S. Army.
Brig. Gen. John A. Renner [redacted], U.S. Army.
Brig. Gen. Merle Freitag [redacted], U.S. Army.
Brig. Gen. Wayne A. Downing, [redacted], U.S. Army.
Brig. Gen. Craig H. Boice, [redacted], U.S. Army.
Brig. Gen. Thomas P. Carney, [redacted], U.S. Army.
Brig. Gen. Thomas G. Rhame, [redacted], U.S. Army.
Brig. Gen. Leon E. Salomon, [redacted], U.S. Army.
Brig. Gen. Horace G. Taylor, [redacted], U.S. Army.
Brig. Gen. Daniel R. Schroeder, [redacted], U.S. Army.

The following-named Army Nurse Corps competitive category officer for appointment in the U.S. Army to the grade indicated under the provisions of title 10, United States Code, sections 611(a) and 624:

To be permanent brigadier general

Col. Clara L. Adams-Ender, [redacted], Army Nurse Corps competitive category, U.S. Army.

IN THE NAVY

The following-named officer, under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be vice admiral

Vice Adm. Jonathan T. Howe, [redacted]/1110, U.S. Navy.

IN THE AIR FORCE

The following officers for appointment in the Regular Air Force under the provisions of section 531, title 10, United States Code, with a view to designation under the provisions of section 8067, title 10, United States Code, to perform the duties indicated, provided that in no case shall he be appointed in a grade higher than major.

CHAPLAIN CORPS

David L. Franks, [redacted]

The following officer for appointment in the Regular Air Force under the provisions of section 531, title 10, United States Code, with grade and date of rank to be determined by the Secretary of the Air Force provided that in no case shall he be appointed in a grade higher than that indicated.

LINE OF THE AIR FORCE

To be major

Richard R. Digney, [redacted]
Chesley G. Williams, [redacted]

The following-named officers for permanent promotion in the U.S. Air Force, under the provisions of section 628, title 10, United States Code, as amended, with dates of rank to be determined by the Secretary of the Air Force.

LINE OF THE AIR FORCE

To be colonel

Drue L. Deberry, [redacted]
Harold V. Schillreff, [redacted]
David B. Smith, [redacted]
James W. Tilley II, [redacted]

To be lieutenant colonel

Jay L. Baird, [redacted]
Robert F. Cutter, [redacted]
John R. Dobbs, [redacted]
Terrence M. Egan, [redacted]
David G. Erickson, [redacted]
David L. Henson, [redacted]
David L. Holmes, [redacted]
Donald J. Horton, [redacted]
Fred E. Kishler, Jr., [redacted]
Joe C. McLeroy, [redacted]
Carl G. Newman, [redacted]
Joseph T. Norris, Jr., [redacted]
Orr Y. Potebnya, Jr., [redacted]
James E. Price, Jr., [redacted]
Don H. Ray, [redacted]
Harold E. Saxton, [redacted]
Edmund M. Scheiber, Jr., [redacted]
Dennis M. Selvig, [redacted]
Dale A. Walker, [redacted]
Robert E. Whelan, Jr., [redacted]

To be major

Garry C. Brzuska, [redacted]
Robert F. Cutter, [redacted]
Richard R. Digney, [redacted]
Carl W. Nuzzo, [redacted]
Chesley G. Williams, Jr., [redacted]

CHAPLAIN

To be colonel

John J. Martin, [redacted]

To be major

David L. Franks, [redacted]

The following midshipmen, U.S. Naval Academy, for appointment as second lieutenants in the Regular Air Force, under the provisions of sections 541 and 531, title 10, United States Code, with dates of rank to be determined by the Secretary of the Air Force.

David T. Anderson, [redacted]
Thomas A. Henwood, [redacted]
Kristopher C. Klein, [redacted]
Stephen M. Pitrof, [redacted]
Joe M. Sanchez, [redacted]
Robert H. Shepherd, [redacted]
Anthony M. Tolle, [redacted]

CORPORATION FOR PUBLIC BROADCASTING

Charles M. Lichenstein, of the District of Columbia, to be a member of the Board of Directors of the Corporation for Public Broadcasting for a term expiring March 26, 1992, vice Sharon P. Rockefeller, term expired.

FEDERAL ELECTION COMMISSION

Lee Ann Elliott, of Illinois, to be a member of the Federal Election Commission for a term expiring April 30, 1993 (reappointment).

Danny Lee McDonald, of Oklahoma, to be a member of the Federal Election Commission for a term expiring April 30, 1993 (reappointment).

IN THE MARINE CORPS

The following-named officer for appointment as Commandant of the Marine Corps under title 10, United States Code, section 5043:

To be commandant of the Marine Corps

Lt. Gen. Alfred M. Gray, Jr., [redacted] U.S. Marine Corps.

IN THE AIR FORCE

The following-named officers for promotion to the grade indicated in the Reserve of the Air Force, under the provisions of section 307, title 32, United States Code, and sections 8363 and 593, title 10, United States Code.

LINE OF THE AIR FORCE

To be colonel

Baier, Charles M., Jr., [redacted]
Bauman, Douglas J., [redacted]
Brimmer, Kirk R., [redacted]
Brown, Larry M., [redacted]
Bryant, Shelby G., [redacted]
Campen, William L., [redacted]
Cole, Leon R., [redacted]
Cornelius, Arthur B., [redacted]
Costello, Thomas J., [redacted]
Delavara, Ruben A., [redacted]
Dixon, Howard L., [redacted]
Garell, Thomas C., [redacted]
Glubrecht, Thomas A., [redacted]
Graf, Nancy A., [redacted]
Harrell, Percy W., [redacted]
Harris, Elmer B., [redacted]
Harris, Harold B., Jr., [redacted]
Hart, Richard J., [redacted]
Hobbs, Johnny J., [redacted]
Houston, Leonard W., [redacted]
Khare, Frank C., Jr., [redacted]
Kirkconnell, Robert B., Jr., [redacted]
Kurth, Ronald L., [redacted]
Latham, Phillip L., [redacted]
Leppert, Arnold R., [redacted]
Lickman, George L., [redacted]
Martin, Larry W., [redacted]
Mauden, Brian D., [redacted]
McLane, Richard E., II, [redacted]
Niemela, Charles A., [redacted]
Padgett, Douglas M., [redacted]
Reid, Alan T., [redacted]
Renschen, James H., [redacted]
Rutkowski, Robert E., [redacted]
Santoro, Richard H., [redacted]
Schnell, John J., [redacted]
Sherer, William R., [redacted]
Soignet, Donald M., [redacted]
Stockwell, William J., [redacted]
Stump, Error G., [redacted]
Thibodeaux, James L., [redacted]
Vanderhoof, Giles E., [redacted]
Wynne, George E., [redacted]

CHAPLAIN CORPS

To be colonel

Hebl, John H., [redacted]
Penkaul, Joseph H., [redacted]

DENTAL CORPS

To be colonel

Gilbertson, Duane R., [redacted]

JUDGE ADVOCATE

To be colonel

Johnston, David W., [redacted]

MEDICAL CORPS

To be colonel

Bullington, Walter G., [redacted]
Casiano, Emmanuel J., [redacted]
Cole, Boyd N., [redacted]
Jones, Courtney P., [redacted]
Krueger, Ronald P., [redacted]
Lluberas, Arturo F., [redacted]
Pandeya, Nirmalendu K., [redacted]

NURSE CORPS

To be colonel

Mills, Roberta V., [redacted]

IN THE ARMY

The following-named officers, on the active duty list, for promotion to the grade indicated in the U.S. Army in accordance with section 624, title 10, United States Code. The officers indicated by asterisk are also nominated for appointment in the Regular Army in accordance with section 531, title 10, United States Code:

CHAPLAIN

To be major

*Ballew, David C., [redacted]
*Boschen, Timothy, [redacted]
*Brown, Don B., [redacted]
*Campbell, David, [redacted]
*Carlson, Harold, [redacted]
*Carver, Douglas, [redacted]
*Crippen, Donald, [redacted]
*Cross, James L., [redacted]
*Doan, Steven B., [redacted]
*G ee, John L., [redacted]
*Grant, Jonathan, [redacted]
*Griffith, James, [redacted]
*Hardeman, Leslie, [redacted]
*Harriott, Keith, [redacted]
*Haynes, Henry A., [redacted]
*Hess, Malcolm E., [redacted]
*Hilburn, Ronald, [redacted]
*Himmelsbach, James, [redacted]
*Johnson, Irven W., [redacted]
*Jones, Thomas G., [redacted]
*Larson, Raymond, [redacted]
*Loya, John Taran, [redacted]
*Mackirdy, Wayne, [redacted]
*Maney, Edward K., [redacted]
*Marks, Lilton J., [redacted]
*Mauldin, Sidney, [redacted]
*Minch, Richard, [redacted]
*Moates, Gerald R., [redacted]
*Musgrave, Daniel, [redacted]
*Noll, Thomas C., [redacted]
*Parreno, Jonathan, [redacted]
*Penland, David R., [redacted]
*Pomann, James, [redacted]
*Prendergast, John, [redacted]
*Reynolds, Jimmie, [redacted]
*Richardson, William, [redacted]
*Ritchie, William, [redacted]
*Robinson, Frederick, [redacted]
*Rogers, Richard, [redacted]
*Rux, Bruce M., [redacted]
*Santos, Elenito, [redacted]
*Spencer, George, [redacted]
*Stricker, David, [redacted]
*Sykes, Gregory P., [redacted]
*Taylor, Daniel W., [redacted]
*Vetter, Marlin R., [redacted]
*Virginia, Stephen, [redacted]
*Wesselhoft, Paul, [redacted]
*Young, Carl Henry, [redacted]
*Young, Jeffrey M., [redacted]

The following-named officers, on the active duty list, for promotion to the grade indicated in the U.S. Army in accordance with section 624, title 10, United States Code. The officers indicated by asterisk are also nominated for appointment in the Regular Army in accordance with section 531, title 10, United States Code:

DENTAL CORPS

To be major

*Ahmann, John S., [redacted]
*Armstrong, Thomas F., [redacted]
*Ball, Randall N., [redacted]
*Beene, Ronald O., [redacted]
*Berky, Zoltan T., [redacted]
*Block, Robert W., [redacted]
*Boozer, Therese L., [redacted]
*Bowen, Gregory R., [redacted]
*Brehm, Bruce B., [redacted]
*Brown, Michael D., [redacted]
*Bryson, John W., III, [redacted]
*Budlong, Rhonda, [redacted]
*Bumgardner, George K., [redacted]
*Burkhardt, David E., [redacted]
*Carney, Elizabeth A., [redacted]
*Cathright, Edward, Jr., [redacted]
*Chang, David Y., [redacted]
*Clark, Michael V., [redacted]
*Coen, Timothy J., [redacted]
*Compton, Anne M., [redacted]
*Connor, William J., Jr., [redacted]
*Cross, Steven E., [redacted]
*Davis, Randy N., [redacted]
*Deliz, Reinaldo A., [redacted]
*Dodge, Charles H., III, [redacted]
*Early, Calvin L., [redacted]
*Ellis, Roger T., [redacted]
*Elton, William C., [redacted]
*Fitzpatrick, Brian D., [redacted]
*Floyd, Andrew E., Jr., [redacted]
*Foster, Donald W., [redacted]
*Galvan, Betty G., [redacted]
*Galvan, David A., [redacted]
*Gerety, Timonthy J., [redacted]
*Gilman, David G., [redacted]
*Glenn, Roger D., [redacted]
*Gonzeles, Theresa S., [redacted]
*Greene, Glenn A., [redacted]
*Greene, Patrice E., [redacted]
*Griffiths, Garth R., [redacted]
*Guzman, Cynthia M., [redacted]
*Hager, Tam S., [redacted]
Hamilton, Priscilla H., [redacted]
*Haroian, Alan, [redacted]
*Hassell, Kurt J., [redacted]
*Hellstein, John W., [redacted]
Hendrix, Mark A., [redacted]
*Herman, Barry L., [redacted]
*Hughes, Timonthy J., [redacted]
*Johnson, Wanda L., [redacted]
*Juve, Peter I., [redacted]
*Keate, Kenneth C., [redacted]
*Kenny, Kraig K., [redacted]
*Kollar, Norbert G., [redacted]
*Kosiorek, David E., [redacted]
*Kuhre, Alan N., [redacted]
*Lefler, Thomas B., [redacted]
*Lepianka, Ronald A., [redacted]
*Lincoln, Joseph G., [redacted]
*Long, Clyde W., [redacted]
*Luther, Dan M., [redacted]
*Lutka, Robert W., [redacted]
*Luzader, Jeffery O., [redacted]
*Mahaffey, Jonathan A., [redacted]
*Matthews, Robert S., [redacted]
*Mayhew, William K., [redacted]
*McCarthy, Micheal F., [redacted]
McCurdy, Ronald J., [redacted]
*McDonald, Marcus F., [redacted]
McDonald, Mark N., [redacted]
*McDuffie, Dock C., III, [redacted]
*McGuire, Maureen P., [redacted]
*McPherson, James R., [redacted]
Orr Frank E., [redacted]
*Page, Michael G., [redacted]
*Parsons, David C., [redacted]
*Pate, Peter A., [redacted]
*Polk, Adolfina M., [redacted]

*Rosier, Rebecca L., [redacted]
*Ruiz, Francisco, [redacted]
*Schell, Robert E., [redacted]
*Schmitz, Stephen G., [redacted]
*Severin, Myren R., [redacted]
*Slysh, Andrey G., [redacted]
Smith, Brion C., [redacted]
*Stanko, Ronald S., [redacted]
*Stryker, Ross W., [redacted]
*Taloumis, Louis J., [redacted]
*Thompson, Stevan H., [redacted]
*Thoms, Dorothy L., [redacted]
*Tolson, George E., IV, [redacted]
*Toupal, Richard L., [redacted]
*Turner, Mark G., [redacted]
*Vanbenthuysen, Keith R., [redacted]
*Vonarb, John J., [redacted]
*Vongonten, Ann S., [redacted]
*Weaver, Robert M., [redacted]
*Wendt, Stephen R., [redacted]
*White, Keith D., [redacted]
*Wilhelm, Robert J., [redacted]
*Willard, Craig C., [redacted]
*Williams, Craig J., [redacted]
*Williams, Daniel S., [redacted]
Wilson, Robert L., [redacted]
*Winegarden, Thomas L., [redacted]
Worthington, Roger C., [redacted]

MEDICAL CORPS

To be major

*Abrahams, Lisa A., [redacted]
Abreu, Sue H., [redacted]
*Adams, Lanier H., [redacted]
*Allison, David J., [redacted]
*Altemus, Deborah A., [redacted]
Alvarado, Mario H., [redacted]
*Amadee, Charles M., [redacted]
*Amen, Daniel, G., [redacted]
*Anderka, Stephen G., [redacted]
*Anders, Gregg T., [redacted]
Andersen, Christian T., [redacted]
*Andolsek, William C., [redacted]
*Arnaud, Guillermo W., [redacted]
*Asbury, Dale W., [redacted]
*Ashby, Finlay M., [redacted]
*Atchley, Steven H., [redacted]
*Atkison, James A., [redacted]
*Avery, Delwin B., [redacted]
*Avila, Fernando T., [redacted]
*Ayalacolon, Griselle, [redacted]
*Banner, Karen K., [redacted]
*Barnard, Brian K., [redacted]
Bartoszek, David M., [redacted]
*Battafarano, Daniel F., [redacted]
*Baunchalk, James M., [redacted]
*Beachy, Joanna C., [redacted]
*Benavides, Richard A., [redacted]
*Bendowski, Thomas F., [redacted]
Benjamin, Sabrina A., [redacted]
*Bennett, Randall P., [redacted]
*Berg, Eric W., III, [redacted]
*Berg, John C., [redacted]
*Bezier, Jeffrey L., [redacted]
*Bodeau, Donald T., [redacted]
*Bolar, Randall J., [redacted]
*Boling, Ralph O., Jr., [redacted]
*Bombaugh, Maryanne C., [redacted]
*Bonnecarrere, Emmanuel R., [redacted]
*Borchert, Christopher A., [redacted]
*Bowersox, Jon C., [redacted]
*Brattlof, Brian D., [redacted]
*Brown, Debra M., [redacted]
*Brown, Larry D., [redacted]
*Brown, Todd A., [redacted]
*Brumfiel, Mary N., [redacted]
*Bucholtz, John R., [redacted]
*Buechler, Robert B., [redacted]
*Burke, Thomas J., [redacted]
*Burrell, Thomas, III, [redacted]
Burris, David G., [redacted]
*Burt, Glenn B., III, [redacted]
*Bushrod, Deborah T., [redacted]
*Bute, Bradley G., [redacted]
*Byrne, Deirdre M., [redacted]
*Cain, Rufus H., III, [redacted]
*Carlo, Anibal G., [redacted]
*Carpenter, Priscilla D., [redacted]
*Carter, Jan M., [redacted]
*Carter, Patrick M., [redacted]
*Cartershields, Vera E., [redacted]
*Cederstrom, Eric A., [redacted]
*Chambers, Henry G., [redacted]
*Cheema, Kausar S., [redacted]
*Chen, Mary W., [redacted]
*Cheung, Kakeung C., [redacted]
*Cieslak, Theodore J., [redacted]
*Cleaveland, Lynwood P., [redacted]
*Cohan, Jeffrey A., [redacted]
*Cohn, Eric A., [redacted]
*Collette, Robert P., [redacted]
Collier, William W., [redacted]
*Collins, Paula C., [redacted]
*Collins, Roger B., [redacted]
*Colonna, David M., [redacted]
*Conarro, Patrick A., [redacted]
Conetsco, Cheryl A., [redacted]
*Connelly, Mark, [redacted]
*Cook, Jay F., [redacted]
*Cook, Jonathan F., [redacted]
*Cooley, David M., [redacted]
*Corcoran, Kevin J., [redacted]
Cornum, Rhonda L., [redacted]
*Corrie, Gary D., [redacted]
*Cote, Marc G., [redacted]
*Cowan, Christopher L., [redacted]
*Craig, Stephen C., [redacted]
*Crawford, Gayla J., [redacted]
*Crews, Steven A., [redacted]
*Crow, Samuel A., II, [redacted]
*Crowley, John S., [redacted]
Crum, Jerry D., [redacted]
*Culling, Robert D., [redacted]
*Cunningham, Kevin P., [redacted]
*Czekaj, Philip S., [redacted]
*Dalton, Arthur B., [redacted]
*Damon, Christopher R., [redacted]
Daniels, Don J., [redacted]
*David, David R., [redacted]
*Davidson, Daniel R., [redacted]
*Davis, Deborah D., [redacted]
*Davis, Rodney, [redacted]
*Davis, William H., [redacted]
Day, Avis M., [redacted]
Dean, Rodney J., [redacted]
*Dehaven, James P., [redacted]
*Dekoning, Bernard L., [redacted]
*Desrochers, Randal P., [redacted]
*Deutsch, Larry S., [redacted]
*Digerolamo, Albert, [redacted]
Dooge, Benjamin W., [redacted]
*Douglas, Danny M., [redacted]
*Drakeford, Michael K., [redacted]
*Dubitsky, Gregory M., [redacted]
*Duncan, Max B., Jr., [redacted]
*Earle, Regina M., [redacted]
*Edwards, Erwood G., Jr., [redacted]
*Elston, Dirk M., [redacted]
*Emery, Richard E., [redacted]
*Entwistle, Celia B., [redacted]
*Enzenauer, Raymond J., [redacted]
*Eusterman, Vincent D., [redacted]
*Evans, Judith B., [redacted]
*Farmer, Gerald, [redacted]
*Fazio, John R., [redacted]
*Feist, Alice C., [redacted]
*Ferguson, Douglas B., [redacted]
*Fields, Ronald H., [redacted]
*Fink, Kenneth I., [redacted]
*Fitzpatrick, Daniel T., [redacted]
*Fletcher, Gardner L., [redacted]
*Flood, Katherine M., [redacted]
*Fontanez, Felipe, [redacted]
*Ford, Charles W., Jr., [redacted]
*Foster, Mark S., [redacted]
*Foster, Michael E., [redacted]
*Foucauld, Jean, [redacted]
*Frye, Jeffery L., [redacted]
*Garland, Daniel W., [redacted]
*Garner, Frederick T., [redacted]
Geiling, James A., [redacted]
*Gerow, Royal K., [redacted]
*Gettys, Paula B., [redacted]
*Gheen, Kenneth M., [redacted]
Giandoni, Martin B., [redacted]
Gianforcaro, Robert L., [redacted]
*Gililland, John L., Jr., [redacted]
*Gleaton, Charles H., [redacted]
*Goglin, William K., Jr., [redacted]
*Goldberger, Neal M., [redacted]
*Goldstein, Estelle T., [redacted]
*Goodman, Robin Q., [redacted]
Gordon, Wayne H., [redacted]
Gormley, Thomas S., [redacted]
*Goya, David S., [redacted]
*Gray, James K., [redacted]
*Greenwood William R., [redacted]
*Gregg, Kevin J., [redacted]
*Grote, Stewart R., [redacted]
*Grover, Bruce S., [redacted]
*Gschwend, John A., [redacted]
*Gum, Robert M., [redacted]
Gunzenhauser, Jeffery D., [redacted]
*Haid, Joan M., [redacted]
*Hall, Vaughan D., [redacted]
*Hansberry, Kurt L., [redacted]
Hansen, Elizabeth A., [redacted]
*Harrington, George D., [redacted]
*Harris, Stephen D., [redacted]
*Harrison, Charles M., [redacted]
*Harrison, James T., [redacted]
*Hays, Mark D., [redacted]
*Heath, Michael A., [redacted]
*Hemphill, Edward S., [redacted]
*Hendrix, Tina M., [redacted]
*Heric, Blaine R., [redacted]
*Herndon, Patrick H., [redacted]
*Hetzler, Norman A., Jr., [redacted]
*Hinchman, Carol A., [redacted]
*Hodges, Timothy L., [redacted]
*Hodgson, Joseph L., [redacted]
*Hoffman, Richard H., [redacted]
*Hoidal, Charles R., [redacted]
*Holthus, Thomas E., [redacted]
*Holtzmuller, Kent, C., [redacted]
*Honeycutt, Wayne T., [redacted]
Howard, Thomas M., [redacted]
Hrutkay, Jeffrey M., [redacted]
*Hubickey, Walter J., [redacted]
*Hussain, Shabbar, [redacted]
*Hynes, Richard A., [redacted]
*Irwin, Charles F., [redacted]
*Irwin, Louis J., [redacted]
Iwanyk, Eugene J., [redacted]
*Jackson, Douglas L., [redacted]
*Jannuzzi, Peter J., [redacted]
*Johnson, Brian P., [redacted]
*Johnson, Neal D., [redacted]
*Johnson, Ray C., [redacted]
*Johnson, Steven D., [redacted]
*Johnson, William L., [redacted]
*Johnstone, Frederic L., [redacted]
*Jones, Howard D., [redacted]
*Jones, Ronald G., [redacted]
*Jones, Thomas A., [redacted]
*Jordon, Glenn, D., Jr., [redacted]
*Joyce, David L., [redacted]
*Kahn, Eric L., [redacted]
*Kane, Bruce I., [redacted]
Kaufmann, Christoph R., [redacted]
*Kaushal, Jatinder N., [redacted]
*Kayanan, Daniel N., [redacted]
*Kean, Larry A., [redacted]
*Keary, Patricia O., [redacted]
*Kellawan, Karl K., [redacted]
*Kestner, Mark S., [redacted]
*Killyon, Gary W., [redacted]
*Kin, Victor Y., [redacted]
*Kishbaugh, David, [redacted]
*Kizzart, Jerome D., [redacted]
*Kono, Alan T., [redacted]
*Kopp, Stanley A., [redacted]
*Krouse, Donald E., [redacted]

*Kucera, Richard F., [redacted]
*Kwong, Eugene L., [redacted]
*Lagunas, Yolanda, [redacted]
*Laskin, Jerrold A., [redacted]
*Lavins, Bernard J., Jr., [redacted]
*Lee, Christopher M., [redacted]
*Lee, Elizabeth P., [redacted]
Leech, James J., [redacted]
*Legate, Arthur H., [redacted]
Lepage, Angelina J., [redacted]
*Lepage, Paul A., [redacted]
*Lessard, Koseph G., [redacted]
*Lesueur, Christopher J., [redacted]
*Lewis, George M., [redacted]
*Light, Dawn E., [redacted]
*Link, Joel R., [redacted]
Liss, Ronald A., [redacted]
*Lively, Judson C., [redacted]
*Llewellyn, Earline V., [redacted]
*Lockett, Evans A., [redacted]
*Lopiano, Mark C., [redacted]
*Lovello, Katherine T., [redacted]
*Lovett, James C., Jr., [redacted]
*Luban, Henry A., [redacted]
Lyons, Michael F. II, [redacted]
Lyons, Robert C., [redacted]
*Maccini, David M., [redacted]
*Mahan, Vicki L., [redacted]
*Maher, George M., [redacted]
*Maliga, Terese M., [redacted]
*Marsh John O., [redacted]
*Martin, Thomas R., Jr., [redacted]
*Matthews, Edward A., [redacted]
McBride, John T., Jr., [redacted]
*McCormack, Emma L., [redacted]
*McEvoy, Peter L., [redacted]
*McGerty, Thomas A., [redacted]
*McGinn, Joseph R., [redacted]
McLeod, John F., III, [redacted]
*McNamara, Kevin P., [redacted]
*Mercedbruno, Dalia R., [redacted]
*Messier, Mark N., [redacted]
*Miller, Edward J., Jr., [redacted]
*Miller, Madeline A., [redacted]
*Miller, Marvin B., [redacted]
*Milligan, Douglas A., [redacted]
Milliken, Charles S., [redacted]
*Miser, William F., [redacted]
*Moloff, Alan L., [redacted]
Moore, Reginald H., [redacted]
*Morales, Richard, Jr., [redacted]
*Morgan, James A., [redacted]
*Morgan, Julia A., [redacted]
*Morris, Michael R., [redacted]
*Morton, Debra A., [redacted]
*Moul, Judd W., [redacted]
*Moyer, Joseph G., [redacted]
*Mucciola, Robert N., [redacted]
*Mull, Richard T., [redacted]
*Murphy, Joseph R., [redacted]
*Murphy, Thomas F., [redacted]
Nam, Theodore S., [redacted]
*Ng, Gordon W., [redacted]
*Nickell, Kent A., [redacted]
*Nipps, Kenneth W., [redacted]
*Norwood, Cynthia D., [redacted]
*Norwood, Stephen M., [redacted]
*Novak, Adam J., [redacted]
*Nowell, Wayne A., [redacted]
*Oboyle, Timothy E., [redacted]
*Okazaki, Joel R., [redacted]
*Oliveira, Milagros A., [redacted]
*Oliver, Diana B., [redacted]
Olsen, James M., [redacted]
Olsen, John D., [redacted]
Orman, David T., [redacted]
Orr, Alecia A., [redacted]
Ortenzo, Carole A., [redacted]
*Oscos, Ana B., [redacted]
*Owen, Grace M., [redacted]
Parkinson, Dan W., [redacted]
Parmley, Vernon C., [redacted]
*Pasquarella, Michael A., [redacted]
*Patterson, Gregory, [redacted]
*Patterson, Steven C., [redacted]
*Paustain, Paul W., Jr., [redacted]
*Pearce, William A., [redacted]
Pearson, Alan D., [redacted]
*Peloquin, Laval A., [redacted]
*Pendergraft, James S., IV, [redacted]
*Perloff, Kerry G., [redacted]
*Petersen, Horace R., [redacted]
*Peterson, Andrew C., [redacted]
*Peterson, Thomas T., [redacted]
*Petros, David P., [redacted]
*Pettine, Kenneth A., [redacted]
*Pinkerton, Stephen F., [redacted]
*Pitcher, John D., Jr., [redacted]
*Pitz, Kenneth R., [redacted]
*Pritham, Robin M., [redacted]
*Pruitt, Alexander, [redacted]
Quinones, Deogracia, [redacted]
*Quintanilla, Jose H., [redacted]
*Radentz, William H., [redacted]
*Rajala, Bruce W., [redacted]
*Ramirezmaisonet, Luis A., [redacted]
*Rector, Ruth K., [redacted]
*Reed, James P., [redacted]
Reed, William W., [redacted]
*Register, Marc T., [redacted]
Reid, Thomas J., III, [redacted]
Reynolds, Paul C., [redacted]
*Rice, Mary M., [redacted]
*Richard, Davis G., [redacted]
*Richards, Franklin D., [redacted]
*Robbins, Sanford H., [redacted]
*Rosario, Angel M., [redacted]
*Roy, Clyde R., II, [redacted]
*Roy, Timothy R., [redacted]
*Rubin, Alexander S., [redacted]
*Rudd, Rebecca A., [redacted]
*Ryan, John J., [redacted]
*S[illegible]mlaska, Curt P., [redacted]
*Sarai, Didar S., [redacted]
*Saxon, James R., [redacted]
*Severson, Marlene J., [redacted]
*Shaffer, Don W., [redacted]
*Shaver, Timothy R., [redacted]
*Sherard, Reginald K., [redacted]
*Sherman, Kenneth E., [redacted]
*Shmueli, Maurice, [redacted]
*Showalter, James G., Jr., [redacted]
*Shull, Michael W., [redacted]
*Siegrist, Stephen K., [redacted]
*Simcic, Kenneth J., [redacted]
*Simmang, Clifford L., [redacted]
Simon, Paul J., [redacted]
*Simpson, Roger J., [redacted]
*Singletary, Eunice M., [redacted]
*Sisk, Leonard D., [redacted]
Skillman, Donald R., [redacted]
*Slater, Dick D., [redacted]
*Smith, Gregory L., [redacted]
*Smith, Mary, [redacted]
*Smith, Michael B., [redacted]
*Snyder, Gary E., [redacted]
Soldano, Sharon L., [redacted]
*Southmayd, Leroy, III, [redacted]
*Speicher, Peter J., [redacted]
*Stallings, Lynwood R., [redacted]
*Steely, William M., [redacted]
*Stein, Thomas M., [redacted]
*Stevens, Victor L., [redacted]
*Stock, Jonathan G., [redacted]
*Stolpe, Michael R., [redacted]
*Stone, Julie A., [redacted]
*Stuart, Paula L., [redacted]
*Stuart, Wayne C., [redacted]
*Stubblefield, James I., [redacted]
*Sturrock, William A., [redacted]
*Stuy, John W., [redacted]
*Styron, Stephen L., [redacted]
*Sumfest, Joel M., [redacted]
*Sumko, Michael H., [redacted]
*Swansonapollon, Jocelyn E., [redacted]
Tenglin, Richard C., [redacted]
Thach, Allen B., [redacted]
*Thomas, Robert S., Jr., [redacted]
Tippets, Duane D., [redacted]
*Tolosa, Drago, [redacted]
*Tompkins, Kenneth J., [redacted]
*Tretter, Margaret S., [redacted]
*Trivette, George A., [redacted]
*Tromara, Christopher, [redacted]
*Truwit, Charles L., [redacted]
*Tuazon, Paulito D., [redacted]
Turner, Mark D., [redacted]
*Turner, Paul A., [redacted]
*Tuttle, Nicholas H., [redacted]
*Twyman, Pamela L., [redacted]
*Uhl, James R., [redacted]
*Uhorchak, John M., [redacted]
*Unser, Stanley H., [redacted]
*Vanmanen, John W., [redacted]
*Vazquez, Ashmed, [redacted]
*Vazquez, Ramos R., [redacted]
*Vechell, Daniel S., [redacted]
*Veenendaal, Jay M., [redacted]
*Verzella, Jeffrey N., [redacted]
*Verzella, Laura E., [redacted]
*Via, Mark W., [redacted]
*Walker, Lise C., [redacted]
*Wall, James G., [redacted]
*Wall, Mary J., [redacted]
*Wall, Simon G., [redacted]
*Ward, Jacob T., [redacted]
Warren, Harry L., [redacted]
Wasserman, Glenn M., [redacted]
*Watkins, Edwin B., Jr., [redacted]
*Wells, James D., [redacted]
*West, Gregory G., [redacted]
*White, George P., [redacted]
Whitlock, Warren L., [redacted]
*Wik, Grethe E., [redacted]
Williams, Leonora O., [redacted]
*Williams, Russell S., [redacted]
*Winkler, Richard E., [redacted]
*Winthrop, James D., [redacted]
*Wittler, Robert R., [redacted]
*Woolard, Deborah J., [redacted]
Wright, Jack L., [redacted]
*Wukich, Dane K., [redacted]
*Yago, Margaret M., [redacted]
*Yeash, James M., [redacted]
*Yee, Jerry, [redacted]
*Yoder, Carl C., [redacted]
*Yohe, Phyllis G., [redacted]
*York, Ronald C., [redacted]
Yoshida, Glen Y., [redacted]
Young, Marianne M., [redacted]
*Zeno, Michael R. Jr., [redacted]

MEDICAL SERVICE CORPS

To be major

*Adams, Bonnie C., [redacted]
*Allen, Rex, [redacted]
*Allmond, Terry T., [redacted]
*Apel, Laurence W., [redacted]
Ashley, Vincent E., [redacted]
Baldwin, Mary C., [redacted]
*Bales, Joel D., [redacted]
Barrett, William, Jr., [redacted]
*Baxter, Sheila R., [redacted]
*Beaudoin, Dennis R., [redacted]
*Beers, Everette, T., [redacted]
*Bero, Curt N., [redacted]
Biggerstaff, Dougals A., [redacted]
*Bodlien, John M., [redacted]
*Braga, Alfredo J., [redacted]
*Brannen, Stephen J., [redacted]
*Brown, Dale R., [redacted]
Brune, David R., [redacted]
*Burgin, Martin J., [redacted]
Cambre, Joseph D., [redacted]
*Chambers, John R., [redacted]
*Clark, Elizabeth M., [redacted]
Cline, William R., [redacted]
*Condra, Gary A., [redacted]
*Crawford, George A. Jr., [redacted]
Crook, Kenneth R., [redacted]
*Crouch, Gray L., [redacted]
*Curtis, John T., [redacted]

*Cuttie, Vallarie S., [redacted]
*Czachowski, John B., [redacted]
Davis, Cynthya J., [redacted]
Deets, Michael R., [redacted]
*Dembeck, Thomas J., [redacted]
*Dickson, David L., [redacted]
*Duffey, Dennis J., [redacted]
*Dustin, Richard E., [redacted]
*Dydek, George J., [redacted]
*Edlefsen, David A., [redacted]
*Eichenberg, James R., [redacted]
*Evans, John K., [redacted]
Felton, Theodore J., [redacted]
*Ferrel, Paul A., [redacted]
*Ferrer, Angel R., [redacted]
Fipps, Donald R., [redacted]
Flannery, Diane M., [redacted]
*Francis, Ray W., III, [redacted]
*Franco, Samuel D., [redacted]
Franklin, Tony R., [redacted]
Freeman, William C., [redacted]
Frisina, Michael E., [redacted]
Fuzy, James A., [redacted]
*Garretson, Susan E., [redacted]
Gaule, David A., [redacted]
*Glick, Jayson I., [redacted]
*Gordon, Starling A., [redacted]
Gordon, Timothy D., [redacted]
*Halvorson, James A., [redacted]
*Hassett, Robert J., [redacted]
*Haynie, John A., [redacted]
Henchal, Erik A., [redacted]
*Hicks, Larry G., [redacted]
*Hightower, Joseph C., [redacted]
*Hodges, Kirk B., [redacted]
*Hogan, Richard A., [redacted]
Holcomb, Arthur A., [redacted]
*Holliday, James A., [redacted]
*Huddleston, David A., [redacted]
*Jacobs, Aaron J., [redacted]
*Jansen, John C., Jr., [redacted]
*Johnson, Alden P., [redacted]
Johnson, James D., [redacted]
*Jones, Robert E., [redacted]
*Kaehler, Daniel C., [redacted]
Kendall, Howard M., [redacted]
*Kennedy, Michael H., [redacted]
*Kimball, Michael L., [redacted]
*Knapp, Brian E., [redacted]
*Kneisel, Forrest W., [redacted]
*Knight, Terry J., [redacted]
*Kraft, Allen J., [redacted]
Krikorian, Debra J., [redacted]
*Kunk, Roger B., [redacted]
*Landry, Robert J., [redacted]
*Laumer, Dennis L., [redacted]
Ledesma, Ronald H., [redacted]
*Leinbach, Sharon M., [redacted]
*Lerman, Louis M., [redacted]
Lewis, Charles R., [redacted]
*Lewis, Glenn E., [redacted]
*Macalpine, Steven N., [redacted]
*Mandeville, Milton D., [redacted]
Martinez, Ted A., [redacted]
*Matyniak, Norbert P., [redacted]
McGaha, James F., [redacted]
*McMaughan, James K., [redacted]
*Mehr, Zia A., [redacted]
*Melcher, Jerry W., [redacted]
*Miller, Katharine D., [redacted]
*Mokri, Michael J., [redacted]
Monahan, Kevin P., [redacted]
*Moore, Mark D., [redacted]
Morrill, Maria I., [redacted]
*Morris, Martin D., [redacted]
Mulligan, Gregory P., [redacted]
Nabarrete, Kent S., [redacted]
*Nixon, Brent P., [redacted]
Odom, Darwin R., [redacted]
*Parker, William G., III, [redacted]
*Pfeiffer, Eugene H., [redacted]
*Plakus, Robert D., [redacted]
Postma, Amy M., [redacted]
*Postma, Joel T., [redacted]
*Rabin, Jeffrey C., [redacted]
*Rabren, Douglas H., [redacted]
Ramsey, James L., [redacted]
Randolph, Gaston M., Jr., [redacted]
Ribera, John E., [redacted]
Rice, Joyce M., [redacted]
Richards, Steven C., [redacted]
*Rickman, William J., [redacted]
Rubenstein, David A., [redacted]
*Sadlon, Gary L., [redacted]
*Sawyer, Jeffrey E., [redacted]
*Schilhab, John C., [redacted]
*Schroeder, Dudley J., [redacted]
*Shrum, Gary L., [redacted]
*Sill, David S., [redacted]
*Smith, Carl E., [redacted]
Smith, Michael J., [redacted]
Stanley, David L., [redacted]
*Stark, Richard I., Jr., [redacted]
*Strickman, Daniel A., [redacted]
Sullivan, Michael H., [redacted]
*Tenney, Debra J., [redacted]
*Travis, Richard W., [redacted]
*Turner, Stephen J., [redacted]
Vandaele, Walter E., [redacted]
*Vausestapleton, Nancy L., [redacted]
*Waechter, Donna M., [redacted]
Walker, Brett D., [redacted]
*Walters, Wren H., Jr. [redacted]
*Watts, John T., [redacted]
Weber, Kenneth J., [redacted]
Williams, Calvin E., [redacted]
*Williams, Kenneth M., [redacted]
*Williams, Thomas V., [redacted]
*Wilson, Parks M., [redacted]

ARMY MEDICAL SPECIALIST CORPS

To be major

*Chiang, Suzanne S., [redacted]
*Cohen, Noreen M., [redacted]
*Cropper, James R., [redacted]
*Halle, John S., [redacted]
*Henderson, Nancy E., [redacted]
Hoedebecke, Sally S., [redacted]
*Jansen, Richard D., [redacted]
*Jenik, Carol A., [redacted]
*Joseph, Ricky, [redacted]
*Kurtz, Thomas W., [redacted]
*Osborn, Roy W., [redacted]
*Randolph, Billie J., [redacted]
*Ronat, Raymond C., [redacted]
*Scoville, Charles R., [redacted]
Sinnott, Melissa W., [redacted]
*Tefft, Robin J., [redacted]
*Underwood, Frank B., [redacted]
*Winmillconrad, Catheri, [redacted]

VETERINARY CORPS

To be major

*Bigbie, Kim B., [redacted]
Blagg, James A., [redacted]
*Cates, Michael B., [redacted]
*Davis, Judith A., [redacted]
*Davis, Kelly J., III, [redacted]
*Eighmy, Johnnie J., [redacted]
*Estep, James E., [redacted]
*Freshwater, Monty C., [redacted]
*George, Thomas F., II, [redacted]
Grabau, John H., [redacted]
Lawrence, Wade B., [redacted]
*Layton, Randal C., [redacted]
*Lipscomb, Thomas P., [redacted]
Ohair, Kevin C., [redacted]
*Parrish, John H., [redacted]
*Pixley, Charles E., [redacted]
*Powell, Nathaniel, Jr., [redacted]
Record, Jeffrey W., [redacted]
*Templeton, Charles B., [redacted]
*Thurman, Jimmy D., [redacted]
*Weir, Robert D., [redacted]
*Woodard, Claude L., Jr., [redacted]

ARMY NURSE CORPS

Abbott, Cynthia A., [redacted]
*Abrams, Edward B., [redacted]
Alderson, Susan C., [redacted]
*Alexander, Fred T., [redacted]
*Allmon, Nancy F., [redacted]
Andersen, Linda J., [redacted]
*Anderson, Alice Y., [redacted]
*Anderson, Laura C., [redacted]
*Anderson, Margaret A., [redacted]
*Arndt, Robert A., [redacted]
*Babb, Katherine A., [redacted]
*Babcock, Kent K., [redacted]
*Bacon, Karen K., [redacted]
*Barum, Carolann, [redacted]
*Bergmann, Karen M., [redacted]
Bess, James V., [redacted]
*Beus, John M., [redacted]
*Bodenner, Diana J., [redacted]
*Bohannan, Steven W., [redacted]
*Bonnefil, Catherine W., [redacted]
*Bounds, Carolyn F., [redacted]
*Boyette, Haward L., Jr., [redacted]
*Brousseau, Leslie D., [redacted]
*Brown, David G., [redacted]
*Buda, Kathleen A., [redacted]
*Burman, Mary C., [redacted]
*Cahill, Lori M., [redacted]
*Caldwell, Carl G., [redacted]
*Caltrider, Randall, R., [redacted]
Campbell, Lance C., [redacted]
*Chapman, Donna M., [redacted]
*Ching, Carmen K., [redacted]
*Ching, Douglas E., [redacted]
*Cuthbertson, Louise M., [redacted]
Dixon, Laurits G., [redacted]
*Dueltgen, David E., [redacted]
*Dunemn, Kathleen N., [redacted]
*Essen, Keith E., [redacted]
*Feltz, Jaye P., [redacted]
*Fernander, Deborah A., [redacted]
*Fitzpatrick, Judith A., [redacted]
*Fletcher, Dale A., [redacted]
*Floyd, William C., [redacted]
*Franken, Mary, [redacted]
*Freeman, Kathryn L., [redacted]
*Gaubatz, Caryl L., [redacted]
*Geniton, Daniel J., [redacted]
*Goeres, Rachel B., [redacted]
*Goins, Sandra L., [redacted]
*Gonzales, Jerry P., [redacted]
Gonzalez, Robert J., [redacted]
*Goodwin, Barbara A., [redacted]
*Griffin, Janice B., [redacted]
Hampton, Fred R., [redacted]
*Hardin, Judith J., [redacted]
Harris, Barbara, [redacted]
*Harwood, Richard D., [redacted]
*Hefner, Lloyd L., [redacted]
*Hein, Linda D., [redacted]
*Herbert, William E., [redacted]
*Herman, Debbie W., [redacted]
*Hernandez, Jim R., [redacted]
Higgins, Guy L., [redacted]
*Higgins, William C., [redacted]
*Hodge, Nancy S., [redacted]
Hoggard, Ronnie J., [redacted]
*Hollisbird, Rosa, [redacted]
Jackson, William N., [redacted]
*James, Jane C., [redacted]
*Jones, Jeffrey, [redacted]
*Keegan, Ann S., [redacted]
*Kelly, Joseph H., [redacted]
*Kelsch, Steven P., [redacted]
*Kessler, Deborah D., [redacted]
*Keyes, Tom N., [redacted]
*Kirk, William S., [redacted]
*Knobel, Bari C., [redacted]
*Kohrmann, Sarah N., [redacted]
*Lafavers, Joseph D., [redacted]
*Lamiell, Charlotte E., [redacted]
*Lankford, Billy L., Jr., [redacted]
*Lazarus, Russell L., [redacted]
*Leppert, Louis A., [redacted]
*Lewis, Kim W., [redacted]
*Ludwig, John H., [redacted]
*Malloy, Vivian T., [redacted]

*McCarthy, Joanne M., [redacted]
*McConeghy, Marilyn E., [redacted]
*McDonald, Warren D., [redacted]
*Messenger, Theresa C., [redacted]
*Minerwilliams, Denise A., [redacted]
*Mitchell, Evelenia J., [redacted]
*Mittelstaedt, Elizabeth, A., [redacted]
*Mulhall, Debra L., [redacted]
*Mulhern, Richard E., [redacted]
*Nabarrete, Synthia R., [redacted]
*Narchet, Marie B., [redacted]
*Neely, Maryellen H., [redacted]
*Neff, Carol L., [redacted]
Nelson, Rosemary, [redacted]
*Norgan, Patricia A., [redacted]
*Nowosacki, Patricia D., [redacted]
*Nufer, Elizabeth M., [redacted]
*Obits, Catherine A., [redacted]
*O'Sullivan, Anne M., [redacted]
*Page, Nina W., [redacted]
*Perez, Debrah L., [redacted]
*Peter, Katharine B., [redacted]
*Phillip, Roy A., [redacted]
*Phyall, Gertdell, [redacted]
*Porisch, Lee A., [redacted]
*Pulliam, Virginia L., [redacted]
*Rider, Gary W., [redacted]
*Risoli, Laura J., [redacted]
*Rockwell, Lynele, [redacted]
*Root, Paul L., [redacted]
*Roth. Virginia A., [redacted]
Schue , Andre C., [redacted]
*Secula, Monica A., [redacted]
*Shackle, Kathleen Y., [redacted]
*Silvani, Conrad L., [redacted]
*Skidmore, Mark V., [redacted]
*Smith, Patricia A., [redacted]
*Spittler, Debra L., [redacted]
*Spivey, James A., [redacted]
*Stroud, Denise K., [redacted]
*Sullivan, Kenneth E., [redacted]
*Suverkrop, Dana, [redacted]
*Tateishi, Richard H., [redacted]
*Taylor, Timothy J., [redacted]
*Trompler, Marie F., [redacted]
*Turner, Jimmie C., [redacted]
*Vares, Valerie C., [redacted]
*Voss, Constance G., [redacted]
*Wade, Jinna A., [redacted]
*Walker, Pamela S., [redacted]
*Washechek, Susan L., [redacted]
*Weidenbach, Bradley J., [redacted]
*White, Wilma N., [redacted]
*Whitfield, John A., [redacted]
*Whittemore, John B., [redacted]
*Wiggall, Jennifer J., [redacted]
*Wild, John A., [redacted]
*Wisneski, Diana, [redacted]
*Woodling, Cynthia A., [redacted]
*Yanda, Sherry L., [redacted]
*Young, Harry M., [redacted]
*Zelenka, Barbara J., [redacted]
*Zilla, Joseph G., [redacted]
*Zygmond, Mark K., [redacted]

IN THE MARINE CORPS

The following-named officers of the Marine Corps Reserve, for permanent appointment to the grade of lieutenant colonel, under title 10, United States Code, section 5912:

Ahearn, Francis P., Jr., [redacted]
Argo, James, R., Jr., [redacted]
Augustio, Anthony W., [redacted]
Beane, Terry E., [redacted]
Bienvenu, David M., [redacted]
Boeckman, Richard A., [redacted]
Britt, Stephen J., [redacted]
Brown, Stephen R., [redacted]
Carnevale, Michael J., [redacted]
Cavallaro, Michael D., [redacted]
Cavenaugh, William J., [redacted]
Collins, Tommy L., [redacted]
Copeland, Larry B., [redacted]
Cuccaro, Eugene P., [redacted]
Dalton, Thomas R., [redacted]
Davis, Russell H., III, [redacted]
Dawson, Ray C., [redacted]
Day, Ronald H., [redacted]
Delisle, Dennis J., [redacted]
Derry, Kenneth J., [redacted]
Dillard, Robert P., [redacted]
Elliott, Thurman D., Jr., [redacted]
Fenton, Ronald J., [redacted]
Frank, Frederic W., [redacted]
Freeland, Frederick A., [redacted]
Fuhrmann, Ronald J., [redacted]
Gaede, Charles S., [redacted]
Gillespie, Francis E., III, [redacted]
Gleason, Terry V., [redacted]
Gubala, Timothy W., [redacted]
Hairfield, Steven C., [redacted]
Havenstein, Walter P., [redacted]
Hedger, Raymond C., Jr., [redacted]
Herrmann, Theodore M., Jr., [redacted]
Hield, Roger A., Jr., [redacted]
Howe, William F., Jr., [redacted]
Husty, Richard M., Jr., [redacted]
Isenhour, Thomas P., [redacted]
James, Dennis E., [redacted]
Jelinski, Joseph R., Jr., [redacted]
Jelovchan, Vencil S., Jr., [redacted]
Jennings, Stephen C., [redacted]
Jurjevich, Kenneth M., [redacted]
Kellogg, John E., [redacted]
King, William, L., [redacted]
Kolber, Thomas J., [redacted]
Kossey, Michael E., [redacted]
Kotte, John E., [redacted]
Kermian, Frank T., [redacted]
Littlefield, Dale B., [redacted]
Lunsford, Dan S., [redacted]
Ly n, David J., [redacted]
MacDonald, Bradley T., Jr., [redacted]
Marano, Alfred, [redacted]
McCall, Russell L., Jr., [redacted]
McGuire, Bernard J., [redacted]
McLain, Bernard G., II, [redacted]
McMahon, John J., [redacted]
McMahon, Michael A., [redacted]
Meeks, Elisha A., III, [redacted]
Mehalick, Michael P., [redacted]
Miller, Thomas J., [redacted]
Mount, David E., [redacted]
Mueller, Joseph N., [redacted]
Nadolski, Keith E., [redacted]
Nelson, Gustav W., [redacted]
Newhouse, Elvin E., [redacted]
North, John R., [redacted]
Oboyle, Michael W., [redacted]
Odean, Gregory A., [redacted]
Odell, Douglas V., Jr., [redacted]
Peake, David B., [redacted]
Pekala, Eleanor F., [redacted]
Pennix, Shelby J., Jr., [redacted]
Picone, James E., [redacted]
Pullin, Gary E., [redacted]
Reitmaier, Roger M., [redacted]
Rhude, Howard L., [redacted]
Rice, Larry R., [redacted]
Rock, Leonard M., [redacted]
Rumble, Robert O., [redacted]
Rusnak, Michael J., [redacted]
Sander, George T., [redacted]
Sanvidge, William J., [redacted]
Schleier, William D., [redacted]
Schwelm, Karl T., [redacted]
Scienski, Gerald M., [redacted]
Sebion, Richard C., [redacted]
Sherman, Charles N., [redacted]
Steinwedel, Cortlandt W., [redacted]
Stocks, Thomas J., [redacted]
Stofen, Kenneth A., [redacted]
Stover, Dorothy L., [redacted]
Sudick, Todd D., [redacted]
Summa, Mario J., [redacted]
Swaim, John S., [redacted]
Talley, James B., Jr., [redacted]
Taylor, Jeffrey W., [redacted]
Thomas, Fred C., [redacted]
Travis, Richard F., [redacted]
Tripp, Dennis E., [redacted]
Vanlandingham, Alan W., [redacted]
Vintar, James S., [redacted]
Wagner, Philip G., [redacted]
Wakefield, John D., [redacted]
Walker, Russell A., [redacted]
Watts, Kenneth D., [redacted]
Welch, Robert C., [redacted]
Whetzel, Eugene P., [redacted]
Whitehead, Donald S., [redacted]
Whiting, John W., Jr., [redacted]
Williams, Janice K., [redacted]
Williams, Patricia A., [redacted]
Wilson, Timothy O., [redacted]
Womack, Robert J., [redacted]
Young, John M., Jr., [redacted]

The following-named officers of the Marine Corps and Marine Corps Reserve for permanent appointment to the grade of major, under title 10, United States Code, section 624:

Aday, David R., [redacted]
Alexander, William T., [redacted]
Allen, John R., [redacted]
Alles, Randolph D., [redacted]
Alves, Anthony M., [redacted]
Anderson, Michael C., [redacted]
Applegate, Michael F., [redacted]
Archer, Thomas E., II, [redacted]
Arnold, Philip G., [redacted]
Arnold, Roy A., [redacted]
Ashton, Douglas F., [redacted]
Astyk, Lawrence W., [redacted]
Austermuehle, Edward W., III, [redacted]
Barilich, Steven F., [redacted]
Barnhart, Mark S., [redacted]
Barr, Dennis J., [redacted]
Bashor, Timothy M., [redacted]
Beal, Dennis W., [redacted]
Bean, Ronald D., [redacted]
Beaty, Roberta L., [redacted]
Berna, Paul A., [redacted]
Bickham, Eddie, [redacted]
Bircher, Mark W., [redacted]
Blaine, Michael J., [redacted]
Blasiol, Leonard A., [redacted]
Bliss, Alan L., [redacted]
Bode, Kenneth D., [redacted]
Boggs, John T., Jr., [redacted]
Bole, Patrick S., [redacted]
Bolin, Kent R., [redacted]
Bonnell, James R., [redacted]
Booth, Steven K., [redacted]
Bourgeois, Gordon C., [redacted]
Bowen, Richard A., [redacted]
Bowling, Robert B., Jr., [redacted]
Bradley, Gary W., [redacted]
Branch, Thomas I., [redacted]
Brewer, Kevin B., [redacted]
Brickhouse, Gregory K., [redacted]
Briggs, Wayne E., [redacted]
Brock, George S., [redacted]
Broin, Mark L., [redacted]
Brooks, Russell A., [redacted]
Brooks, Timothy E., [redacted]
Broschart, Ronald B., [redacted]
Brown, Larry K., Jr., [redacted]
Bryant, Roy D., [redacted]
Buland, David L., [redacted]
Burgess, Roland N., [redacted]
Busch, Steven, [redacted]
Bush, William S., Jr., [redacted]
Byrd, Roy R., [redacted]
Caldwell, Geary W., [redacted]
Camp, Carlton C., [redacted]
Carlson, Steven C., [redacted]
Carlton, Randy B., [redacted]
Carr, Donald P., [redacted]
Casebolt, Walter D., [redacted]
Champion, Aron K., [redacted]

Chapman, Gerald R., xxx-...
Chapman, Stephen H., xxx-...
Chenevert, Craig D., xxx-...
Cheater, Robert S., xxx-...
Christopher, Samuel H., IV, xxx-...
Clark, Michael E., xxx-...
Coates, Robert A., xxx-...
Conlan, Christopher J., xxx-...
Conner, Mark A., xxx-...
Connolly, Timothy J., Jr., xxx-...
Cook, Donald L., xxx-...
Cooney, James J., xxx-...
Corcoran, William J., xxx-...
Coulter, Ronaldo A., xxx-...
Cox, Joe D., xxx-...
Craig, Ralph D., xxx-...
Creighton, Donald E., xxx-...
Croom, Donald G., xxx-...
Daly, Michael F., xxx-...
Dantonio, Ernest C., xxx-...
Darling, Rodell C., xxx-...
Daugherty, Lester A., xxx-...
David, Robert G., Jr., xxx-...
Davis, James M., xxx-...
Davis, Robert G., xxx-...
Davis, Thomas M., xxx-...
Dawson, Ralph D., xxx-...
Dayton, Gordon R., xxx-...
Dean, David R., xxx-...
DeMars, Thomas V., Jr., xxx-...
Dempster, Dymond R., xxx-...
Dickerson, Charles R., xxx-...
Dilucente, Dennis J., xxx-...
Dishart, Daniel W., xxx-...
Dolejs, Charles E., xxx-...
Donovan, Martin A., xxx-...
Dossett, Michael S., xxx-...
Doughty, Michael J., xxx-...
Doyle, Scott A., xxx-...
Dubois, Vincent M., Jr., xxx-...
Duncan, Glen W., xxx-...
Duva, Michael, xxx-...
Edwards, Michael T., xxx-...
Egigian, Donald D., xxx-...
Eisloffel, Richard J., xxx-...
Ellis, Ronald L., xxx-...
Emerson, Oregon, III, xxx-...
England, Kenneth R., xxx-...
Erickson, Rick C., xxx-...
Espinoza, Alfred J., xxx-...
Evans, Bethel Q., III, xxx-...
Evans, David L., xxx-...
Exner, Philip J., xxx-...
Fann, Sonny H., xxx-...
Fearing, Zenas E., Jr., xxx-...
Fenlon, Brian T., xxx-...
Ferrara, Raymond C., xxx-...
Ferris, Timothy B., xxx-...
Finney, Donald M., xxx-...
Fisher, Ralph E., xxx-...
Fitzgibbons, Leonard J., xxx-...
Flanagan, John S., II, xxx-...
Flynn, Colleen M., xxx-...
Foley, John W., xxx-...
Fonteno, Michael R., xxx-...
Forney, Steven W., xxx-...
Foster, Frank E., xxx-...
Fox, Harold H., II, xxx-...
Franz, Joseph H., xxx-...
Fraser, Eugene J., xxx-...
Freitas, Mark, xxx-...
Freund, Lee W., xxx-...
Gallagher, Joseph T., xxx-...
Garrison, Robert G., xxx-...
Gaskins, Timothy M., xxx-...
Gearren, Michael B., xxx-...
Gibson, Mark J., xxx-...
Godby, Charles D., xxx-...
Gray, Tommy S., xxx-...
Grelson, Jeff D., xxx-...
Griffin, Robert W., xxx-...
Grimes, John M., xxx-...
Guenzler, Leon D., xxx-...
Guerrero, Ramon L., xxx-...
Gurganus, Charles M., xxx-...
Hamman, Paul P., xxx-...
Hand, Gregory L., xxx-...
Hanks, Donald B., xxx-...
Hannum, Patrick H., xxx-...
Hansen, Andrew L., xxx-...
Harbin, Kenneth S., xxx-...
Harders, Kim E., xxx-...
Hardwick, Jon T., xxx-...
Harris, Timothy B., xxx-...
Harris, Willie J., xxx-...
Haury, Carson E., xxx-...
Healey, Michael J., xxx-...
Heath, Michael L., xxx-...
Helms, Timothy W., xxx-...
Hemleben, John F., xxx-...
Hendricks, Mark L., xxx-...
Henry, James A., xxx-...
Herndon, Charles M., Jr., xxx-...
Hestir, William R., xxx-...
Hickson, Ernest E., xxx-...
Higgins, Peter E., xxx-...
Hill, Terry L., xxx-...
Hilliker, Terry L., xxx-...
Hingle, Alden E., Jr., xxx-...
Hingston, William A., xxx-...
Hoffman, William M., xxx-...
House, Donald C., Jr., xxx-...
Howard, Harvey E., Jr., xxx-...
Howard, Joseph D., xxx-...
Hughes, Jack M., xxx-...
Hughes, Michael J., xxx-...
Hughes, Richard D., xxx-...
Hughes, Timothy P., xxx-...
Husar, John P., xxx-...
Hutcherson, Phillip R., xxx-...
Hutchinson, Maurice B., xxx-...
Ingles, Ralph W., xxx-...
Ip[illegible]ec, Robert A., xxx-...
Isaacson, Bruce C., xxx-...
Jackson, Dennis J., Jr., xxx-...
Jagielski, John M., xxx-...
Jannell, Richard E., xxx-...
Janowsky, Kevin P., xxx-...
Jensen, Richard M., xxx-...
Johnson, David C., xxx-...
Johnson, Edward I., xxx-...
Johnson, Floyd J., III, xxx-...
Johnson, Terrie B., xxx-...
Jolevare, Irwin J., xxx-...
Jones, Douglas A., xxx-...
Jorgensen, David A., xxx-...
Judge, Dennis, xxx-...
Julian, Arlow A., xxx-...
Keithly, Donald M., xxx-...
Kellner, William R., Jr., xxx-...
Keltz, Barbara M., xxx-...
Kendrick, Robert M., xxx-...
Kerrick, David T., xxx-...
Ketterer, Albert T., xxx-...
Kimlick, Michael F., xxx-...
Kirk, John J., Jr., xxx-...
Kittleson, William C., xxx-...
Kitto, Thomas H., xxx-...
Klemme, David P., xxx-...
Knapp, Robert J., xxx-...
Knight, Julius F., Jr., xxx-...
Knight, Rosa K., xxx-...
Knoll, Stuart L., xxx-...
Knowles, Robert W., xxx-...
Knutzen, Robert M., xxx-...
Kozlusky, Gary R., xxx-...
Kraus, John E., xxx-...
Krauss, Henry J., Jr., xxx-...
Kruse, John E., xxx-...
Ladd, John C., xxx-...
Ladd, Paul L., xxx-...
Lahaszow, Andrew J., xxx-...
Landolfi, David J., xxx-...
Lane, Robert R., xxx-...
Lane, Stephen E., xxx-...
Larsen, Randall W., xxx-...
Lavigne, Michael W., xxx-...
Laws, Rufus B., xxx-...
Leblanc, Paul W., xxx-...
Leeman, Kevin H., xxx-...
Leitmeyer, Walter J., Jr., xxx-...
Leone, Vincent R., Jr., xxx-...
Leonhardt, Kent A., xxx-...
Lindsey, James E., xxx-...
Logan, Duane B., xxx-...
Logan, Robert R., xxx-...
Loschiavo, Paul S., xxx-...
Lowe, James M., xxx-...
Lund, Robert E., xxx-...
Lynch, Maureen M., xxx-...
Lynes, Gregg L., xxx-...
MacDonald John F., Jr., xxx-...
Magnuson, Gary J., xxx-...
Maier, David F., xxx-...
Mann, John D., xxx-...
Mariney, Clarence, xxx-...
Marriott, Michael A., xxx-...
Matthews, Paul J., xxx-...
Matthews, Peter F., xxx-...
Maxey, Anita B., xxx-...
Mayorga, Patricio, Jr., xxx-...
McAteer, John Jr., III, xxx-...
McCleskey, Howell G., xxx-...
McCloskey, Michael P., xxx-...
McConnell, Gary M., xxx-...
McFarland, Chester H., xxx-...
McMains, James W., xxx-...
McMeans, Stuart R., xxx-...
Meade, William M., xxx-...
Medina, Joseph V., xxx-...
Mehaffey, Richard A., xxx-...
Mehalic, Charles J., xxx-...
Meyers, Craig F., xxx-...
Mickelson, David C., xxx-...
Miles, John R., xxx-...
Miller, Blaise P., xxx-...
Miller, Richard L., xxx-...
Mills, Sidney E., Jr., xxx-...
Misiewicz, John M., xxx-...
Moeder, Joseph E., xxx-...
Montgomery, Douglas J., xxx-...
Moore, Darrell L., xxx-...
Moore, Richard S., xxx-...
Moriarty, Patrick R., xxx-...
Morin, Gregory S., xxx-...
Mueller, George E., Jr., xxx-...
Mugno, Charles V., xxx-...
Murgo, Joseph B., xxx-...
Murray, William R., xxx-...
Musca, Joseph I., xxx-...
Myers, John D., xxx-...
Nalls, Arthus L., Jr., xxx-...
Nans, Clayton F., xxx-...
Nans, Crystal M., xxx-...
Navarre, Roderic S., xxx-...
Neff, Alan J., xxx-...
Neher, Ronald O., xxx-...
Neimeyer, Charles P., xxx-...
Nelson, John D., Jr., xxx-...
Newman, Phillip L., xxx-...
Nielsen Kelley J., xxx-...
Nielsen, Thomas J., xxx-...
Nolan, Martin R., xxx-...
Nordin, Margaret M., xxx-...
Norvell, William R., xxx-...
Nuzum, Robert A., xxx-...
Nyberg, Eric N., xxx-...
O'Connor, Michael M., xxx-...
Oliver, Allen E., xxx-...
O'Neal, Randy R., xxx-...
O'Neil, William R., xxx-...
Opel, Craig E., xxx-...
Papay, Joseph A., Jr., xxx-...
Parker, Robert R., Jr., xxx-...
Paulger, John B., xxx-...
Payne, Leslie M., Jr., xxx-...
Peak, Steven A., xxx-...
Pearl, Jonathan D., xxx-...
Peele, Reynolds B., xxx-...
Pelfrey, Darus G., xxx-...
Pellegrini, Michael L., xxx-...
Petit, Bruce K., xxx-...

Pierce, Merrill L., Jr., [redacted]
Piester, Richard T., [redacted]
Pino, Eugenio G., [redacted]
Pinzon, Dimas, Jr., [redacted]
Pisano, Paul J., [redacted]
Platt, Christopher D., [redacted]
Plumer, James M., [redacted]
Plummer, Toby B., [redacted]
Poggi, William L., [redacted]
Porter, Olen D., [redacted]
Post, Martin, [redacted]
Preda, Steven D., [redacted]
Priest, Raymond W., [redacted]
Quilty, Gregory J., [redacted]
Rader, John C., [redacted]
Rankin, John J., [redacted]
Rapert, Ray M., [redacted]
Reagan, Franklin V., [redacted]
Rector, George E., Jr., [redacted]
Rees, John T., [redacted]
Regner, Michael R., [redacted]
Reif, Charles W., [redacted]
Reinhold, Gary M., [redacted]
Renner, Renee L., [redacted]
Rhoads, Gary D., [redacted]
Rhoten, Harley J., [redacted]
Richardson, Rodney C., [redacted]
Richardson, Thomas C., [redacted]
Richter, Jeffrey C., [redacted]
Riley, Chester A., III, [redacted]
Roberts, Jerry A., [redacted]
Roberts, Mark A., [redacted]
Robertson, Gerald B., II, [redacted]
Robison, Bonnie J., [redacted]
Robling, Terry G., [redacted]
Roche, Patrick F., [redacted]
Rogers, Mark W., [redacted]
Rohlfs, Pamela F., [redacted]
Rohlfs, William G., Jr., [redacted]
Ruettinger, John N., [redacted]
Rush, James M., [redacted]
Ruth, John P., [redacted]
Ryan, Brendan P., [redacted]
Ryberg, Jonathan T., [redacted]
Sandbakken, Rolf W., [redacted]
Sanderson, William A., [redacted]
Sanford, Megan G., [redacted]
Sansone, Francis J., [redacted]
Sass, Arthur H., [redacted]
Saylor, Bennett W., [redacted]
Schattle, Duane R., [redacted]
Schilling, Joanne L., [redacted]
Schon, Mark A., [redacted]
Schroeder, Douglas A., [redacted]
Schwenke, Kenneth W., [redacted]
Scull, William E., [redacted]
Serrin, Thomas R., [redacted]
Shaw, Judith C., [redacted]
Shaw, Michael T., [redacted]
Shihata, Karim, [redacted]
Short, John S., Jr., [redacted]
Shupe, Daniel W., Jr., [redacted]
Shy, Patrick K., [redacted]
Simmons, Clifford M., [redacted]
Simmons, Walter W., [redacted]
Simons, Dan, [redacted]
Smart, Bruce S., [redacted]
Smith, Bryant W., II, [redacted]
Smith, Eric H., [redacted]
Smith, Guy B., [redacted]
Smith, Thomas M., [redacted]
Smith-Bolduc, Alyce M., [redacted]
Smock, Dennis L., [redacted]
Smythe, Ana R., [redacted]
Snyder, Robert E., [redacted]
Sobyra, Michael R., [redacted]
Solis, Shirley A., [redacted]
Soroka, Thomas S., [redacted]
Sowl, Marcus E., Jr., [redacted]
Sparks, Jack K., Jr., [redacted]
Sparks, John E., Jr., [redacted]
Spencer, Richard W., [redacted]
Spiese, Melvin G., [redacted]
Sposato, Louis P., Jr., [redacted]
Stalnaker, Kim, [redacted]
Steele, James R., [redacted]
Stegner, Randall L., [redacted]
Stickley, Harry P., III, [redacted]
Stiles, William T., Jr., [redacted]
Stobiecki, Anthony Z., [redacted]
Strong, Charles W., Jr., [redacted]
Summers, James A., Jr., [redacted]
Talbot, Stephen J., [redacted]
Taylor, Carolyn L., [redacted]
Thaler, Thomas F., [redacted]
Thomas, Robert M., [redacted]
Thombs, Victor J., [redacted]
Thompson, Dennis C., [redacted]
Todsen, Peter B., II, [redacted]
Tom, Randolph E., Sr., [redacted]
Toolan, John A., Jr., [redacted]
Trout, Danny K., [redacted]
Turk, Alan A., [redacted]
Tyrrell, Tommy L., Jr., [redacted]
Vallandingham, Charles E., Jr., [redacted]
Vancamp, Janice M., [redacted]
Vandyke, Randal B., [redacted]
Vandyke, Robert L., [redacted]
Vietti, Kevin A., [redacted]
Vile, James B., [redacted]
Vogel, Douglas A., [redacted]
Wagoner, William O., [redacted]
Wales, Michael C., [redacted]
Walizer, Frank A., [redacted]
Walker, James C., [redacted]
Ward, Charles E., [redacted]
Washabaugh, Bradford G., [redacted]
Weitekamp, Daniel P., [redacted]
Weltsch, Michael D., [redacted]
Wenk, James M., [redacted]
Wheeler, George M., [redacted]
White, Jonathan C., [redacted]
Whitenack, Peter A., [redacted]
Wilcutt, Terrence W., [redacted]
Wilkinson, Jeffrey L., [redacted]
Williams, Denice T., [redacted]
Williams, Dennis J., [redacted]
Williams, Jan J., [redacted]
Williams, Kenneth D., [redacted]
Winn, David M., [redacted]
Winters, Kevin H., [redacted]
Wotherspoon, Keith H., [redacted]
Wrenn, Lawrence R., III, [redacted]
Wyatt, Benjamin G., [redacted]
Wysocki, Francis J., [redacted]
Yackley, Thomas M., [redacted]
Yelito, Stanley J., Jr., [redacted]
Yoffee, Wade, [redacted]
Zeller, Bertrand L., [redacted]

CONFIRMATIONS

Executive nominations confirmed by the Senate June 16, 1987:

IN THE ARMY

The following-named officer under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 3033:

To be chief of staff

Gen. Carl E. Vuono, [redacted] U.S. Army.

IN THE AIR FORCE

The following-named officer for appointment to the grade of lieutenant general on the retired list pursuant to the provisions of title 10, United States Code, section 1370:

To be lieutenant general

Lt. Gen. Charles J. Cunningham, Jr., [redacted]FR, U.S. Air Force.

The following-named officer for appointment to the grade of lieutenant general on the retired list pursuant to the provisions of title 10, United States Code, section 1370:

To be lieutenant general

Lt. Gen. Leo Marquez, [redacted]FR, U.S. Air Force.

The following-named officer, under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be lieutenant general

Maj. Gen. Michael J. Dugan, [redacted]FR, U.S. Air Force.

The following-named officer, under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be lieutenant general

Maj. Gen. Charles C. McDonald, [redacted]FR, U.S. Air Force.

The following-named officer, under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be lieutenant general

Lt. Gen. Merrill A. McPeak, [redacted]FR, U.S. Air Force.

IN THE ARMY

The following-named officer to be placed on the retired list in grade indicated under the provisions of title 10, United States Code, section 1370:

To be lieutenant general

Lt. Gen. Thomas F. Healy [redacted], U.S. Army.

IN THE NAVY

The following-named officer, under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be admiral

Vice Adm. Powell F. Carter, Jr., [redacted]/1120, U.S. Navy.

The following-named officer to be placed on the retired list in grade indicated under the provisions of title 10, United States Code, section 1370.

To be vice admiral

Vice Adm. Ceil J. Kempf, [redacted]/1310, U.S. Navy.

The following-named officer, under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be vice admiral

Rear Adm. John H. Fetterman, Jr., [redacted]/1310, U.S. Navy.

The following-named officer under the provisions of title 10, United States Code, section 5137, to be appointed in the grade of vice admiral as chief of the Bureau of Medicine and Surgery and Surgeon General:

To be chief of the Bureau of Medicine and Surgery and Surgeon General

Rear Adm. James A. Zimble, Medical Corps, [redacted]/2100, U.S. Navy.

The following-named captain in the Staff Corps of the U.S. Navy for promotion to the permanent grade of rear admiral (lower half), pursuant to title 10, United States

Code, section 624, subject to qualifications therefor as provided by law:

HEALTHCARE PROFESSIONAL

To be rear admiral (lower half)

Joseph P. Smyth.

The following-named officer, under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be vice admiral

Rear Adm. John T. Parker, Jr., [redacted]/1210, U.S. Navy.

IN THE AIR FORCE

Air Force nomination of Becky L. Gering, which was received by the Senate and appeared in the CONGRESSIONAL RECORD of June 2, 1987.

Air Force nominations beginning Roger D. Billica, and ending Joseph D. Camacho, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of June 2, 1987.

Air Force nominations beginning Robert J Achterberg, and ending Theodore P. Yurkosky, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of June 2, 1987.

Air Force nominations beginning John R Abel, and ending John F. Zimmer, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of June 2, 1987.

Air Force nominations beginning John L Alonge, and ending Paul R Ziaya, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of June 2, 1987.

IN THE ARMY

Army nominations beginning Kenneth N. Hall, and ending Carl A. Kulo, which nominations were received by the Senate on May 18, 1987, and appeared in the CONGRESSIONAL RECORD of May 19, 1987.

Army nominations beginning Isaac A Alvarado, Jr, and ending Gunther Mark, which nominations were received by the Senate on May 18, 1987, and appeared in the CONGRESSIONAL RECORD of May 19, 1987.

Army nomination of Edward R. Hoffman, which was received by the Senate and appeared in the CONGRESSIONAL RECORD of May 29, 1987.

Army nominations beginning Charles V. Adams, and ending Jimmy L. Young, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of June 2, 1987.

Army nominations beginning John A. Bauer, and ending Leonard Vanscoy, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of June 2, 1987.

Army nominations beginning * Jeffrey Addicott, and ending * Eddy Williamson, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of June 2, 1987.

IN THE MARINE CORPS

Marine Corps nominations beginning John C Astle, and ending Robert B Wright, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of May 29, 1987.

Marine Corps nominations beginning Paul C Aanonsen, and ending Gregory K Tesch, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of June 2, 1987.

IN THE NAVY

Navy nominations beginning Gregory Hugh Adkisson, and ending Samuel Sidney Williams, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of June 2, 1987.

Navy nominations beginning Richard Lewis Aarnes, and ending Charles Anthony Weigand, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of June 2, 1987.

HOUSE OF REPRESENTATIVES—*Tuesday, June 16, 1987*

The House met at 12 noon.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

Gracious God, as You have created us for lives of service in Your good world, so we pray that You will give strength to all who labor for justice and understanding. We particularly pray for any who are ill or in special need, that You will nourish their bodies with health, and Your spirit will encourage their spirits with confidence in Your abiding presence. May Your peace that passes all human understanding be with us all. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

DISPENSING WITH CALL OF PRIVATE CALENDAR

Mr. BOLAND. Mr. Speaker, I ask unanimous consent that the call of the Private Calendar be dispensed with today.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

MR. PRESIDENT, LET US RESOLVE OUR PROBLEMS TOGETHER

(Mr. RICHARDSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RICHARDSON. Mr. Speaker, courtesy of the President, it appears that it is going to be a long hot summer in Washington, full of partisanship, bickering, name-calling, and confrontation with the Congress, while the major problems facing us—the deficit, trade, and health care—remain ignored. In his speech, the President went over our heads and asked our constituents to turn the heat on us so that we cave in to his proposals. Well, Mr. Speaker, that heat just is not hot anymore, because we have all heard it before, and so have our constituents.

We've heard about the President's smoke and mirrors budget proposal, which was turned down by 92 percent of the Congress, including 80 percent of all Republicans.

We've heard about the line item veto, when the record shows that this President is the biggest spender of all time and is unwilling to compromise on defense spending and revenues to resolve the deficit stalemate.

We've heard about his Persian Gulf posture, when it appears that our policy is based purely as a response to the Soviet Union rather than a coherent policy that is in the national interest. It is hard to explain to my constituents that we are ready to go to war over a country called Kuwait.

Mr. President, we need your help. This is not the time to put the gloves on. It is time to declare a truce so that we can resolve our problems together. No one wins in a slugfest, and the losers will be the American people.

GRANT CABINET STATUS TO THE VETERANS' ADMINISTRATION

(Mr. SOLOMON asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. SOLOMON. Mr. Speaker, I say, "Right on, Mr. President. Keep the Congress' feet to the fire. You told it just like it is."

Mr. Speaker, today I am requesting all Members of the House to join the gentleman from Mississippi, [Mr. MONTGOMERY], chairman of the Veterans' Affairs Committee, and myself in cosponsoring legislation to elevate the Veterans' Administration to a Cabinet level department.

The major veterans' organizations have made this one of their top priorities and have requested every Member of the House to cosponsor H.R. 1707. This is a truly bipartisan effort with virtually no cost to the Federal Treasury. Over 130 Members of the House have already joined in cosponsoring this legislation.

Those Members familiar with Chairman MONTGOMERY's determination and mine should know that neither he nor I will be satisfied until this bill is signed by the President. In this regard Congressman MONTGOMERY, Senator MURKOWSKI, Senator CRANSTON, Senator THURMOND, and I recently sent a letter to the President requesting his support.

We expect to soon meet with the President to express our concern that America's veterans have earned the right to be heard at the highest levels of the American Government. If Members agree with us, I ask them to please join in cosponsoring H.R. 1707.

CONGRESS OF THE UNITED STATES,
Washington, DC, June 11, 1987.

The PRESIDENT,
The White House,
Washington, DC.

DEAR MR. PRESIDENT: We are writing to request your support for legislation to elevate the Veterans' Administration to a Cabinet level department.

Granting cabinet status to the Veterans' Administration will provide better representation to America's 27.7 million veterans and their 51 million survivors and dependents. The VA is larger than the Departments of State, Interior, Labor, Commerce, Education, Transportation, Energy, HUD, or Justice. The VA administers the largest health care system in the free world. The VA budget exceeds $27 billion, and the VA ranks second only to DOD in number of personnel with over 244,000 employees.

Most importantly, Mr. President, America's veterans have earned the right to be heard at the highest level of the American Government. All of the major veterans' organizations have made this legislation one of their top priorities for the 100th Congress. This is a bipartisan effort with little or no cost to the Federal Treasury.

With your support we could forward this legislation to your desk by Veterans' Day, 1987. Your support would make this endeavor a fitting tribute to our Nation's veterans on November 11th.

Sincerely,

Senator Strom Thurmond, Congressman Gerald Solomon, Congressman G.V. (Sonny) Montgomery, Senator Alan Cranston, Senator Frank Murkowski, Congressman Chalmers Wylie, Senator Dennis DeConcini, Senator Jeff Bingaman, Senator Richard Shelby, Senator Thomas A. Daschle, Congressman Bill Nichols, Congressman Ben Gilman, Congressman Bill Chappell, Jr., Senator Ernest F. Hollings.

Senator Quentin Burdick, Senator Lowell Weicker, Jr., Senator Chic Hecht, Senator Spark Matsunaga, Congressman John Paul Hammerschmidt, Congressman Michael Bilirakis, Congressman Bob Lagomarsino, Congressman Bob McEwen, Senator Paul Simon, Senator Rudy Boschwitz, Congressman Frank Horton, Senator Arlen Specter, Congressman Floyd Spence, Senator Thad Cochran, Congressman James Quillen, Congressman Gene Taylor, Senator Dale Bumpers.

WE NEED PRESIDENT'S LEADERSHIP, NOT SHOW BIZ

(Mr. DORGAN of North Dakota asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DORGAN of North Dakota. Mr. Speaker, the President's speech last night reminded me of a radio show of

☐ This symbol represents the time of day during the House proceedings, e.g., ☐ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

golden oldies—nothing new, but he trotted out the same old tunes.

One of them is that constitutional amendment to balance the budget. Now every year since 1981 this President has sent to this Congress budgets with the biggest deficits in the history of the world. How can he with a straight face go on television and blame these deficits on the lack of a constitutional amendment to prevent them? In effect he is saying, "Stop me, because I cannot help myself."

Mr. President, we are tired of these same old tunes. Yes, we want a balanced budget, so send us one. Do not send us big deficits and then give us these disingenuous speeches. Do not tell us to solve your problem and our problem by preventing others from doing what you are doing in changing the U.S. Constitution. Do not tell us that that is the solution. That is not leadership, that is show biz, and that is unfortunate.

SPARE TAXPAYERS THE EXPENSE OF ANOTHER FEDERAL HOLIDAY

(Mr. COBLE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COBLE. Mr. Speaker, today I wish to commend the spirit of pride and patriotism that is alive and flourishing throughout this country, especially as we approach the 200th anniversary of the signing of our Constitution. This spirit is so strong that I am fully convinced that the American public will thoughtfully, solemnly and appropriately observe the magnitude of this milestone and that they will do so without the need for another multimillion-dollar Federal holiday.

In fact, the estimated cost to the taxpayers for this holiday would be $332 million, or in congressional lingo, "only $332 million."

By appropriate legislative means, I ask this body to commend September 17, 1987, as a day worthy of honor and recognition. At the same time, let us honor and recognize the American taxpayers by sparing them from this unnecessary expenditure.

PRESIDENT SHOULD CALL FOR BIPARTISAN BUDGET SUMMIT

(Mr. PENNY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PENNY. Mr. President, I was pleased with your speech last night in which you called for budget reforms and spending restraint. But the problem is, we have heard you say it before, and we will hear you say it again. What this country really needs is less talk and more action. If you really want progress in these areas, you must work together with congressional leaders in a summit-like atmosphere to hammer out a budget agreement. And all areas of the budget must be on the table. There should be no sacred cows. Only then can we cut this deficit and reform our budget process.

Mr. President, match your words with some action. Call for a bipartisan budget summit now.

LOS ANGELES LAKERS—AN NBA DYNASTY

(Mr. DREIER of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DREIER of California. Mr. Speaker, I am going to shift the tone for just a moment and read a very important message to my colleagues:

The Critics first said they would fall in the West,
But the Lakers proved again that they are the best.
With Rambis and Worthy and Magic and Kareem,
The Celtics mystique was no match for this team.
Boston could only look on in defeat,
As the team from L.A. played convincing and neat,
With their fast-breaking offense and defensive plays,
The series was over in only six days.
Hats off to Coach Riley who was loose through it all,
You assembled the greatest team in all of basketball,
That makes four world titles in eight years, how sweet,
They're an NBA dynasty, the new team to beat.

Congratulations to the Los Angeles Lakers.

□ 1210

REFLAGGING OF KUWAITI SHIPS

(Mr. BUSTAMANTE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BUSTAMANTE. Mr. Speaker, last night the President used the threat of Soviet ambitions to justify his Persian Gulf policy. While the Soviet threat to our foreign policy interests is a legitimate concern, I question whether American foreign interests are solely driven by Soviet actions. It appears from the administration's Persian Gulf policy as if we would not have any foreign policy at all if the Soviet Union did not exist.

Mr. Speaker, the secret Iranian arms deal which contravened our stated policy toward Iran was justified on the need to open channels with Iranian moderates to counter Soviet designs on Iran. When that policy backfired, the administration embarked on the present policy to bend over backward to prove to moderate Arab countries that the United States was not supporting Iran after all, even though, for example, the Saudis were themselves playing both sides of the Iran-Iraq war. Under these circumstances the Kuwaitis have capitalized on a ripe opportunity to play off the United States and the Soviet Union against each other to get them more directly involved in the Iran-Iraq war.

Mr. Speaker, the simplistic specter of the Soviet threat used by this administration to justify the lack of a coherent policy in the Persian Gulf is dangerous. It needlessly injects the superpowers more deeply into a festering Middle East conflict which began in 1980 and has so far eluded any resolution.

LEGISLATION TO PREVENT DOUBLE-BREASTED CONSTRUCTION OPERATIONS

(Mr. COMBEST asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COMBEST. Mr. Speaker, tomorrow this body will be considering legislation amending the National Labor Relations Act to prohibit construction companies from owning both union and nonunion operations.

H.R. 281 obstensibly prevents sham double-breasted construction operations. In fact, by requiring construction companies to become either completely union or nonunion, this bill would force thousands of nonunion construction workers to choose between leaving their present company or joining a union.

H.R. 281 would require double-breasted contractors to apply contracts signed by their union side to their open shop side. In non-right-to-work States, the union security clauses of these contracts would require the formerly open shop workers to join unions within 7 days or lose their jobs. But even in right-to-work States, these workers would be required to go through union hiring halls to obtain the jobs they already have. These workers would be placed at the bottom of the seniority list and their prior experience, no matter how great, would not be recognized.

H.R. 281 will not benefit all construction workers. It will only needlessly penalize those workers who are not already members of unions by requiring them to become members with little or no seniority. I urge you to protect the positions of nonunion workers by voting against H.R. 281.

EXTENDING THE VETERANS JOB TRAINING ACT

(Mr. JONTZ asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. JONTZ. Mr. Speaker, yesterday the Subcommittee on Education Training and Employment of the House Veterans' Affairs Committee held field hearings on the issue of employment problems facing veterans in Galesburg, IL and Schererville, IN. Our subcommittee heard very helpful testimony from veterans and veterans' organizations and employers at these locations about the value of the Veterans Job Training Act in providing incentives to employers to hire and train qualified veterans.

To date, some 50,000 veterans of Vietnam and Korea have benefited from this act. In just a few days, legislation will be before the House to extend the Veterans Job Training Act and to make some very important improvements in this program.

We still have some 350,000 unemployed veterans in this country, Mr. Speaker. It is very important that the Congress take a look at this legislation, extend it, and provide improvements in the law to meet the obligations that we as a nation have to the veterans who fought to defend this Nation.

MANDATING THE USE OF ETHANOL FOR REDUCING POLLUTION

(Mrs. SMITH of Nebraska asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SMITH of Nebraska. Mr. Speaker, I wish to again bring the ethanol utilization issue to the attention of our distinguished colleagues, to urge them to sign on my bill House Concurrent Resolution 31, to urge them to sign a letter to the Environmental Protection Agency, and to lend support to significant efforts to help incomes of the American farmer and improve the health of the urban dweller as well.

I urge my colleagues to cosponsor my bill, House Concurrent Resolution 31, introduced on January 22, 1987, which expresses the sense of Congress that the Departments of Agriculture, Energy, Transportation, and the Environmental Protection Agency work with State and local governments to develop the use of blended fuels for reducing both pollution and surplus grain stocks.

These agencies need to be encouraged to provide information and technical assistance to develop and establish programs based on our homegrown grains and our agricultural production industry.

In addition, I hold in my hand a copy of a recent "Dear Colleague" signed by the Speaker, Mr. WRIGHT, and the minority leader, Mr. MICHEL, of the House of Representatives encouraging Members to sign the letter to the EPA.

This letter urges the EPA to strongly encourage State and local governments to implement the option of mandating ethanol and methanol blended fuels in reducing carbon monoxide and ozone pollution levels.

This Agency has the responsibility for providing guidance to State and local governments in developing methods of reducing air-borne pollution, and using ethanol-blended fuels, such as gasohol, is one excellent method that deserves a chance to prove itself in broader applications.

I am pleased—no, exhilarated—that the leadership of this body has recognized the need to utilize our own abundant agricultural production to meet the ever-increasing problem of pollution in our metropolitan areas.

The American people demand cleaner air, more efficient fuel, and increased economic vitality.

I urge Members of the House to both sign this letter to the EPA and to cosponsor my bill, House Concurrent Resolution 31.

THE HOLLYWOOD WHITE HOUSE

(Mr. ECKART asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ECKART. Mr. Speaker, the personnel changes in the White House communications department were immediately self evident last night as the new reign of Dick Clark of "American Bandstand" fame was received, yes, the same Dick Clark that gave us the top 50's and the golden oldies in rewriting the President's speech giving us a replay of Ronald Reagan's greatest hits.

Or maybe it is the Dick Clark, "Big Chill," where a bunch of postpuberty administration zealots seek to assure their future jobs rather than the future of this country.

Or maybe it is Michael J. Fox's Back to the Future where the President looks for some gizmo or gimmick that will fix this Nation's problems.

Or maybe it is just "Play it Again, Sam."

Mr. Speaker, this is not Hollywood and the White House is not on MGM's back lot. You cannot rewrite the script when the facts do not fit.

A good actor makes you willingly suspend your disbelief. But acting like a leader is no substitute for leadership, and saying it one more time with feeling only leaves us with the feeling that winning one for the Gipper is "Gone with the Wind."

CRISIS IN THE PENSION BENEFIT GUARANTY CORPORATION

(Mr. SCHULZE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SCHULZE. Mr. Speaker, the Pension Benefit Guaranty Corporation, and the thousands of American workers whose pensions are insured by the PBGC are facing a crisis which has long-term economic and social implications. The question to our Government is this? Should we pay now to ensure those workers their pensions will remain intact, or should we pay an even greater price later?

Our domestic steel industry is caught in a catch-22 of over-capacity and no means to effectively reduce it. We must come up with a solution—a solution to guarantee workers their benefits, to reduce capacity in steel production and make the industry profitable, and to ensure the stability of the PBGC. Such a solution is obtainable, and must come soon.

Mr. Speaker, it's pay now, or pay later. We must consider a proposal for America's steel workers tied to a reduction in domestic steel making capacity. Our steel industry must remain strong and productive—for national security, for prosperity and for American pride.

PUT AN END TO SELLING PUBLIC LAND FOR $2.50 AN ACRE

(Mr. CAMPBELL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CAMPBELL. Mr. Speaker, thank you for this opportunity to alert my colleagues to a grievous betrayal of the public trust.

It has come to my attention that the Bureau of Land Management is ignoring congressional intent and processing applications on 11,000 acres of public land in western Colorado.

On June 2, 1987, it was the intent of 295 Members of this body to prevent the Bureau from processing patent applications beyond its self-imposed moratorium of June 1, 1987, by passing H.R. 1039. The Bureau's actions are another example of the total disregard the Department of the Interior has for the public, the Congress, and for its responsibility as the steward of this Nation's natural resources.

By rushing to give away another 11,000 acres of public land based on the standards set out in the Tosco decision it is apparent that the Bureau intends to apply the district court's criteria before the 10th Circuit Court of Appeals has an opportunity to vacate the Tosco decision. A vesting of property rights to the applicants for title under the original decision is a betrayal of the public trust and the trust of Members of Congress.

I have requested that the Bureau suspend its actions with respect to the pending oil-shale applications until the Tosco decision has been vacated and the Congress completes its revisions of the Mineral Lands Leasing Act of 1920. Let's put an end to the selling of public land for $2.50 an acre.

The actions of the Bureau are another example of fiscal irresponsibility. The 11,000 acres have an approximate value of $22 million, the Bureau is determined that they be sold for $27,000. At $2.50 per acre, this land will still be sold for less than a six pack of beer.

WHERE IS THE BUDGET?

(Mr. BUECHNER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BUECHNER. Mr. Speaker, yesterday the President addressed the Nation on a number of important issues. One of those issues which I believe is particularly important related to the President's commitment to budget reform.

His comments are particularly timely in light of the Democrats' failure to successfully bring before the Congress a budget resolution. Here we are, more than 2 months late, and still nothing. Even the Washington Post, not a particularly conservative or Republican newspaper by reputation, called the majority flubbocrats. Notwithstanding their control of both houses, they are still unable to bring a budget resolution to the floor.

As the President said, the process isn't working. "If our budget reduction efforts are not consistent and credible, we will be sending signals all over the world that the American economy is in trouble again."

Few can argue with President Reagan's assertion that "we've reached a breaking point; decision time."

I urge my colleagues on the other side of the aisle to carefully consider the problem we have—the missed deadlines, the budget act waivers, and so on. Let's work together because if we don't, we will continue to govern our budget process by automatic pilot.

MARGARET THATCHER SHOULD SEIZE THE TIME FOR BOLD MOVES IN NORTHERN IRELAND

(Mr. BIAGGI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BIAGGI. Mr. Speaker, last week Margaret Thatcher captured an historic third term as Prime Minister of Great Britain, the first Prime Minister in modern British political history to win three successive general elections. She deserves our congratulations on this achievement.

As she embarks on her third term, one of her most festering problems remains the struggle for peace and economic justice for the people of Northern Ireland.

As I suggested at the time Mrs. Thatcher captured her second term as Prime Minister, I again urge her to translate her latest electoral victory into a mandate for taking bold new initiatives to help resolve the Northern Ireland problems.

I urge that two specific components be included as part of this new initiative. The first would be a declaration of intent by the British that they will withdraw from the north in a phased and orderly fashion and in a time certain.

The second initiative would be to rewrite the existing Fair Employment Act which has served as nothing more than a paper tiger in the battle to end discrimination against the Catholic minority in the north. It should be remodeled after the MacBride principles of fair employment and nondiscrimination in order to give it necessary teeth and to reduce unemployment which runs as high as 60 percent in major Catholic cities such as Strabane.

President Nixon 15 years ago embarked on a historic trip to China after his electoral triumph. It was a bold and dramatic initiative which has impact to this day.

Margaret Thatcher should seize this time in history and take some bold moves on Northern Ireland to help achieve a political solution. This is clearly the time to move.

URGING CONSTITUTIONAL REFORM AND RESTORATION OF CIVIL LIBERTIES IN SOUTH KOREA

(Mr. FEIGHAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FEIGHAN. Mr. Speaker, over the last several weeks we have seen reports of increasing violence and demonstrations in the country of South Korea. This morning's newspaper however we read a report regarding the Reagan administration's response to the problems in South Korea. I was dismayed to see that one of the most senior administration officials in the State Department responded to the question, "Why is it that we have not engaged ourselves more directly into the crisis that is taking place in South Korea today?" Responded "Frankly, we're really busy. I'm up to my ears in Kuwait and Contras and the normal press of business."

Apparently promoting peaceful efforts for democracy is not as critical, nearly, as reflagging ships in the Persian Gulf or funneling arms to the guerrillas in Central America.

Mr. Speaker, this inattention is simply inexcusable. Today marks the sixth straight day of unrest in South Korea. These protests are not simply the work of student radicals or Marxist agitators. Ordinary citizens, businessmen, office workers, housewives and shoppers, the Korean middle class have joined the protests marching, chanting slogans, singing songs and now choking on President Chun's teargas.

It is crucial for the United States Government to press President Chun to take the path of conciliation, to hear the cries of his people, to choose democracy over dictatorship. We should be urging the South Korean Government to call for a dialog on constitutional reform, to end its reign of torture, to release all of its political prisoners and restore civil liberties to all of the people of that country.

Tomorrow I will be introducing a resolution with Congressman SOLARZ and Congressman YATRON that expresses or attempts to express the sense of this Congress urging support for those who are struggling for democracy in South Korea. I hope the administration hears the call of this Congress.

PRESIDENT REAGAN AND VOODOO ECONOMICS

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, last night the President went on national TV again and again he made a futile attempt to take the microscope off his legal arms sales to Iran, period. Last night he claimed that he had submitted a responsible budget and in fact blamed the Democrats for the budget deficit problems in this country. Can you believe that? His budget was so bad even his Republican colleagues would not support him, period. The Republicans could not support him basically for the following reasons: He wanted to take about $19 billion out of domestic spending. A third of that total would have come from Medicare, Medicaid, veterans medical benefits, Federal employee health benefits. He even wanted to whack out education.

Now he keeps saying the family room is the most important thing and American must become competitive. While he says that on TV he knocks out vocational education.

I think about the only prediction that was made in this entire administration was GEORGE BUSH when he ran against Ronald Reagan. He said, "If you elect him, he will double the national debt, make America a debtor nation" and furthermore put an economic tag, a monicker on his policies "voodoo economics."

Man, he was right on target. Mr. President, your budget stunk then, it does now. Let us get out of looney tunes and get something done in this country.

THE ANTICOMPETITIVE AGENDA FOR THE 100TH CONGRESS

(Mr. ARMEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ARMEY. Mr. Speaker, with their new found majority in the Senate to match their majority in the House, the Democrats are pushing several bills that, when taken together, constitute what I call the anticompetitive agenda for the 100th Congress.

Foremost among these bills are H.R. 281, the double-breasting union bill, parental leave, plant closing, occupational disease notification, and minimum wage increases.

There are others as well.

The effect of these bills, if enacted into law, would be to destroy the competitive structure of American business enterprise, cause rampant inflation in the American economy and ultimately reduce the number of jobs available for American workers.

It is very difficult for me to understand how a rational institution could push such legislation with such zeal and such dispatch. Maybe an indication of where this zeal and dispatch derives can be found in this week's Time magazine where AFL-CIO executive Howard Samuel is quoted as saying "We control the committees and the agenda on the floor."

Mr. Speaker, it would be a sad day indeed for the future of this country, if the AFL-CIO can make that claim and make it stick to the betterment of their special interests and to the detriment of the public interest.

"MADE IN THE USA MONTH" RESOLUTION

(Mr. HEFNER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HEFNER. Mr. Speaker, we have all seen the television advertisements encouraging American consumers to support our domestic industries by buying American-made products. My colleague from Massachusetts, Mr. CONTE, and I believe that Congress should join in that effort, and today we are introducing a resolution to designate the month of December 1987 "Made in the USA Month."

Our Nation is suffering from a massive trade deficit, the effects of which are being seen in a wide range of U.S. industries. The figures are alarming: In 1986 our trade deficit soared to a record $168 billion, and is expected to exceed $150 billion this year. Imports account for nearly 17 percent of all manufactured goods sold in the United States, and have cost this Nation over 1.6 million jobs since 1972.

We believe that consumers should be aware of the impact their purchases can have on their jobs and on our Nation's economy. Our resolution authorizes and requests the President to call on Federal, State, and local government agencies and the American people to observe the month of December with programs and activities that promote the "Buy American" concept.

Last year we were successful in getting a "Made in America Month" resolution through the Congress and signed into law, and I urge all my colleagues to join us in our efforts to designate this December as "Made in the USA Month."

COMMEMORATING THE ISSUANCE OF THE 1987 FEDERAL DUCK STAMP

(Mr. CONTE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CONTE. Mr. Speaker, last week, I participated in a ceremony commemorating the issuance of the 1987 Federal duck stamp.

Duck stamps have always been admired for their artistic value, and the 1987 stamp will be suitably enshrined in the Smithsonian Institution as an excellent example of wildlife art.

More importantly, however, the duck stamp represents a multimillion-dollar commitment, by sportsmen, to the conservation of our natural resources.

Over the past 50 years, through the sale of duck stamps, sportsmen have contributed hundreds of millions of dollars to the acquisition of more than 3.5 million acres of refuge land for migratory birds. And just last year, the sportsmen of this country agreed to pay even more for duck stamps, refuge entrance fees, and import duties on firearms to continue this important conservation effort.

Mr. Speaker, as a Migratory Bird Commission member for the past 20 years, I salute the sportsmen of America for doing their job in a national conservation effort. And as a sportsman, I know firsthand that we're not bellowing a duck call here. We're putting our money where our mouth is.

A lot of people around this House think I am for the birds. Believe me, I am.

SPIRIT OF AMERICA: JUNE 19

(Mr. MONTGOMERY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MONTGOMERY. Mr. Speaker, last year I had the chance to attend the Spirit of America Show presented by the Old Guard and the U.S. Army Band. It was quite a performance. I want to take this opportunity to urge my colleagues to attend this year's program at the Capital Center on June 19.

Army Secretary Jack Marsh is hosting the evening, which presents a musical salute to some of the great events in our Nation's history. A special highlight will be performances by the U.S. Army Drill Team and the Old Guard Fife and Drum Corps.

This program involves 450 members of the Old Guard and 120 musicians, and is a great tribute to the sacrifices that have been made to keep our country free.

If you have the chance, please go. Spirit of America is a great evening of entertainment for the entire family. It is the best show in town.

KUWAITI FLEET READS LIKE A ROADMAP OF SOUTHERN NEW JERSEY

(Mr. HUGHES asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HUGHES. Mr. Speaker, the administration's decision to reflag 11 Kuwaiti tankers plying the Persian Gulf and put them under American protection has raised a lot of questions. While I don't mean to trivialize this issue, one such question which needs to be answered is how in the world we came up with the new names for the tankers.

All of a sudden, the Kuwaiti fleet reads like a road map of southern New Jersey. Four of the eleven tankers have had their traditional Arabic names replaced with the names of communities from south Jersey, including the *Bridgeton,* the *Surf City,* the *Sea Isle City,* and even my hometown of *Ocean City.*

Can you imagine the UMM *Casbah* is now called the *Ocean City*? The next time you hear the phrase "come with me to the Casbah," are you going to think they want you to spend the weekend in Ocean City? Do you think the Ayatollah and Brooke Shields will pose together in a tourism ad proclaiming "New Jersey and the Persian Gulf—Perfect Together?"

I don't mind the added publicity and I'm sure our communities don't either. If this reflagging effort is intended to attract more tourists to New Jersey, however, I have a hunch it's not going to live up to expectations.

NATIONAL ASSOCIATION OF MINORITY CONTRACTORS OPPOSES H.R. 281

(Mr. STENHOLM asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. STENHOLM. Mr. Speaker, we give a lot of lip service to a lot of words and ideas in this body, the last of which is competition.

The National Association of Minority Contractors, representing the interests of some 60,000 minority entrepreneurs and their employees, adamantly opposes H.R. 281, the anticompetitor bill of 1987. This bill is typical of the difficult time this body has sometimes exercising common sense in the face of competing needs and demands.

Minority contractors oppose H.R. 281 because they know the importance of a level playing field and flexibility in a competitive market.

In contrast, this bill would reverse by legislative fiat what has been lost in the open market. In 40 years, the unionized sector of the construction industry has dropped from two-thirds to one-quarter. Rather than seek to compel membership, construction unions should recruit members the old-fashioned way: Organize and earn them.

Current law already prohibits sham operations. H.R. 281—and some of its supporters have even acknowledged this is their goal—would force many legitimate double-breasted operations to unionize totally.

I join in opposing H.R. 281, because it is anticompetitive, antismall business, antiminority enterprise, and antiworker choice.

□ 1240

CHARGES AGAINST MARINES DROPPED IN MOSCOW EMBASSY AFFAIR

(Mr. MICA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MICA. Mr. Speaker, I was concerned this morning when I read that the charges against two marines who had been involved in our operation in the Moscow Embassy were dropped today. I do not have any answers to the questions, but I can simply say that our intelligence community feels absolutely certain that our Moscow Embassy was penetrated.

We understand that the charges have been dropped. Further, we are spending tens of millions of dollars to check out the situation right now. Today I will be asking the GAO, the investigative arm of the Congress, to look into the handling of the case involving our marines.

I make no accusations, I have no answers, but I know it is costing us at least $20 million to check out this fire drill. We have no answers, and I think it is appropriate that the investigative arm of the Congress look into this and report on whether or not the investigation itself was in any way mishandled.

INTRODUCTION OF SOWETO REMEMBRANCE DAY RESOLUTION

(Mr. HAYES of Illinois asked and was given permission to address the House for 1 minute and to revise and extend his remarks, and include extraneous matter.)

Mr. HAYES of Illinois. Mr. Speaker, on this date 11 years ago in one of the worst displays of state-sponsored terrorism since the Third Reich of Adolf Hitler, 1,000 black South African children were murdered and an additional 5,000 were wounded by South African police in the segregated Johannesburg suburb of Soweto.

What horrible crime did they commit in order to suffer such devastation? They simply wanted to be educated in their native language and in their native land—the land where their families have lived for generation upon generation.

Although state of emergency declarations by South Africa have removed televised images of the bloodshed from American living rooms, and have censored the reports which we receive in our daily newspapers, the numbers we have been allowed to view indicate an escalation of violent repression by the South African Government. One of the most disturbing trends that has emerged from this tragic situation is the increasing targeting of children by the apartheid regime. Of nearly 40,000 people detained under state of emergency measures since 1985, over 8,000 have been children under the age of 18.

As a Member of Congress who has fought consistently for a better quality of life and increased opportunity for young people throughout our Nation, I am acutely aware that children are the source of the greatest true wealth of any society. I find it horrifying that the depth of desperation and bigotry of the South African Government is manifested in its increasing willingness to brutalize and murder youth upon whom future prospects for peace and prosperity in the country must ultimately depend.

Like millions of freedom-loving Americans, I am appalled by the apartheid system and its denial of rights to 24 million black people who live in South Africa, rights which we hold sacred. As one who is concerned about respecting the value of all human life, I feel it is important that we take the initiative to express or solidarity with the beleagured majority in South Africa, particularly South African children, by commemorating the memory of the children who died in Soweto on June 16, 1976.

It is with this thought in mind that I am today introducing a resolution to create Soweto Remembrance Day in the United States. I urge all of my colleagues to read it and encourage their constituents to do the same.

A copy of the resolution follows:

SOWETO REMEMBRANCE DAY RESOLUTION

Whereas June 16th, 1987 is the eleventh anniversary of the Soweto demonstrations and massacre in South Africa;

Whereas, on that occasion, more than 1,000 children, were brutally murdered, and an additional 5,000 wounded by South African police in one of the worst displays of state-sponsored terrorism of modern times;

Whereas, the only crime of these children was to protest the fact that they were not allowed to be educated in their native language in their native land where their families have lived for generations;

Whereas, in ensuing years the Republic of South Africa has become even more repressive, murdering over 4,000 Black men, women, and children in a similar manner;

Whereas, since the declaration of the 1985 State of Emergency, over 40,000 Black South Africans have been detained indefinitely without charge or trial by the Botha regime, with over 8,000 of these detainees being children and;

Whereas, the apartheid system and its continued denial of basic human rights and freedoms to the Black majority population of the Republic of South Africa offends the sensibilities of freedom loving people and is repugnant to the ideals which our nation's founders embraced in our Declaration of Independence, Constitution, and Bill of Rights: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That June 16, 1987, is hereby designated as "Soweto Remembrance Day". The citizens of our Nation are encouraged to participate in local activities designed to commemorate the martyrs of Soweto and to show solidarity with the children of South Africa and to show solidarity with courageous people of all races in South Africa and throughout the world who are fighting to end the evil of apartheid.

ANNIVERSARY OF THE SOWETO REVOLT

(Mr. OWENS of New York asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. OWENS of New York. Mr. Speaker, 11 years ago today, hundreds of black South African youths in the Soweto township were arrested, beaten, killed. But Soweto was only the beginning. The widespread detention and torture of black children has increased alarmingly since the Soweto revolt. According to a recent report by the National Medical and Dental Association of South Africa, 10,000 children between 10 and 18 years old have been imprisoned within the last year. While incarcerated, they have been subjected to beatings with fists and rifle butts, electric shocks, strangling or suffocation, and water torture. They also suffer from psychological trauma, stress, anxiety, and depression as a result of their brutalization at the hands of the apartheid regime.

Even Hitler's Gestapo did not single out children as a special target.

As a father, as one who has long been concerned about the incidence of child abuse in this country and as a decent human being, I deplore the mass arrests and detentions and beatings of black South African youth. I urge my colleagues on both sides of the aisle to support H.R. 1580, the bill introduced by the gentleman from California [Mr. DELLUMS], for stronger United States economic and diplomatic sanctions against South Africa. Stronger sanctions are the only nonviolent means left to push the racist regime into negotiating an end to apartheid and the terrorism against innocent and defenseless young people.

Our present South African policies have created a situation where some of the blood of these South African children is on our hands. The administration's policy of "constructive engagement" is only one outrageous example of complicity by the Reagan administration with Botha's regime in South Africa. A second outrageous act is the recent announcement of a continuation of American aid to the bandit, an ally of Botha's, Jonas Savimbe. Fifteen million dollars more in aid to Savimbe means that many more African children will be murdered.

Mr. Speaker, in memory of the children massacred at Soweto, I urge all Americans to press for a sweeping change in United States policies in South Africa.

THE PRESIDENT IS URGED TO TEAR DOWN THE BUDGET WALL

(Mr. SCHUMER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SCHUMER. Mr. Speaker, let me address the President in this way:

Mr. President, last week you stood before the Brandenburg Gate and eloquently urged Mr. Gorbachev to tear down the wall. Today we in Congress urge you, Mr. President, to tear down the wall, the wall you have erected between Congress and yourself on the budget.

Mr. President, for 6 years you have, like the gods on Mount Olympus, hurled the thunderbolt of a budget down to the Hill and then refused to negotiate with Congress. This is a democracy with a division and separation of powers. Your budget does not have support here in the House, but we know we have to compromise. Do you?

Mr. President, when you took office, the deficit was $60 billion. Last year it was $220 billion. The reason for that, Mr. President, is not the ideological differences that have always existed in this democracy but your refusal to negotiate.

Mr. President, tear down those walls. Come and negotiate with Congress on the budget. It is the only way to reduce the deficit.

NIGHT FLIGHT TO GERMANY

(Mr. DORNAN of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DORNAN of California. Mr. Speaker, on Thursday night I had the opportunity to take advantage of our armed services' operation called "quick look," to fly on one of these massive, giant C-5 Galaxy airplanes—the world's largest airplane, at least the Free World's airplane—to Europe. It is about an 8-hour flight across the Atlantic, a little bit more or less each year.

I was very impressed and pleased to see, Mr. Speaker, that the aircraft commander was a female Air Force captain named Gail Westbrook, 27 years of age. She got her commission through Reserve Officers' training at Slippery Rock in Pennsylvania. She was born December 22, 1959, which makes her younger than four of our five children.

I have never flown with a better pilot. I sat in the IP jump seat between the pilot and the copilot. I told her that I would be making this speech on the House floor, that I was so impressed that for the first time we had many of our flying female officers in the operation of this massive C-5. There were 80 passengers in the back and upstairs, and it is like it swallowed a set of Boeing 727's. And then there is a tremendous amount of cargo involved. It sits some 40 feet in the air in the cockpit when it is taxiing on the ground.

When I told her I was going to make the speech and that I hoped she would make a good landing at Rhein Main in Germany, the IP copilot said, "pressure." Well, she withstood that congressional pressure because she landed so gently that I did not even know we had touched down. We just sort of settled on that gigantic main gear.

I am very impressed as a Congressman and pleased to see that we are utilizing the fine young woman in our armed services in these highly technical important positions.

Mr. Speaker, I hope that every Member here gets an opportunity to fly with one of these great young pilots of the female gender that we have in the Navy, the Air Corps, and the Army.

THE BUDGET PROCESS

(Mr. DURBIN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DURBIN. Mr. Speaker, last night the President told the Nation that the Federal Government's budget process is broken and that we must fix it. I disagree. I think the budget process could be fine-tuned and improved, but the real problem is not with the process itself. Rather, it is with the people using the process.

It takes two branches of Government to write a budget, both the executive branch and the legislative branch. The President sent his budget to Congress several months ago. We brought that budget to the floor. We let the Members of the House of Representatives, Democrats and Republicans alike from all across the Nation, take a look at the President's budget and cast their vote. And do you know what the final rollcall was on President Reagan's own budget?

Twenty-seven Members of his own party voted for it. That is right, only 27 voted for it, and 394 Members of the House of Representatives, Democrats and Republicans alike, said to the President, "Nice try, but that won't do it."

Since then we have been laboring at the legislative level to try to come up with a budget. It is not an easy process. Hitting the Gramm-Rudman target or coming close to it is going to be very difficult this year. The Senate and the House are working on that budget.

For the President to shift the total responsibility to Capitol Hill is really an abdication of his responsibility. He, too, must be part of the process, and until the President gets fully involved I am afraid there will not be a solution to one of the major problems facing our Nation today.

FOREIGN RELATIONS AUTHORIZATION ACT, FISCAL YEARS 1988 AND 1989

The SPEAKER pro tempore (Mr. TRAFICANT). Pursuant to House Resolution 190 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 1777.

□ 1252

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 1777) to authorize appropriations for fiscal years 1988 and 1989 for the Department of State, the United States Information Agency, and for other purposes, with Mr. Swift in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee of the Whole rose on Thursday, June 11, 1987, all time for general debate had expired.

Pursuant to the rule, the committee amendment in the nature of a substitute now printed in the reported bill shall be considered by titles as an original bill for the purpose of amendment, and each title shall be considered as having been read.

No amendments are in order except those amendments printed in the Congressional Record on or before June 12, 1987.

The Clerk will designate section 1.

The text of section 1 is as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE AND TABLE OF CONTENTS.

(a) Short Title.—This Act may be cited as the "Foreign Relations Authorization Act, Fiscal Years 1988 and 1989".

(b) Table of Contents.—The table of contents for this Act is as follows:

Section 1. Short title and table of contents.

TITLE I—DEPARTMENT OF STATE

Part A—Authorizations of Appropriations

Sec. 101. Administration of foreign affairs.
Sec. 102. International organizations and conferences.
Sec. 103. International commissions.
Sec. 104. Other programs.
Sec. 105. Earmarks for migration and refugee assistance funds.

Part B—Department of State

Sec. 121. North Atlantic Assembly.
Sec. 122. Regional and functional bureaus of the Department of State.
Sec. 123. Reprogramming of funds appropriated for the Department of State.
Sec. 124. Pay level of Ambassadors at Large.
Sec. 125. Serving United States produced food and beverages at official functions of United States diplomatic missions.
Sec. 126. Requirements applicable to unconditional gifts accepted by the Secretary of State.
Sec. 127. Diplomatic security officer of a diplomatic mission.
Sec. 128. Limitation on the use of a foreign mission in a manner incompatible with its status as a foreign mission.
Sec. 129. Allocation of shared costs at missions abroad.
Sec. 130. Official residence for the Secretary of State.
Sec. 131. Annual country reports on terrorism.
Sec. 132. Inclusion of coercive population control information in annual human rights report.
Sec. 133. Concerning asylum for Cuban political prisoners.
Sec. 134. Assistant Secretary of State for South Asian Affairs.
Sec. 135. Compensation for certain State Department officials.
Sec. 136. Contracts for public diplomacy activities.

Part C—Foreign Service

Sec. 141. Extension of limited appointments.
Sec. 142. Benefits for certain former spouses of members of the Foreign Service.
Sec. 143. Authorities for service of Fascell Fellows.
Sec. 144. Clarification of jurisdiction of Foreign Service Grievance Board.
Sec. 145. Functions of Inspector General.
Sec. 146. Prohibition on political activities by ambassadors.

Part D—International Narcotics Control

Sec. 161. Assignment of DEA agents abroad.
Sec. 162. Quarterly reports on prosecution of those responsible for the torture and murder of DEA agents in Mexico.
Sec. 163. Requirement that extradition of drug traffickers be a priority issue of United States missions in major illicit drug producing or transit countries.
Sec. 164. Information-sharing system so that visas are denied to drug traffickers.

Part E—International Organizations and Relations

Sec. 181. United States participation in the United Nations if Israel is illegally expelled.
Sec. 182. Recognition of the Red Shield of David Society.
Sec. 183. Report on progress toward a world summit on terrorism.
Sec. 184. Protection of Americans endangered by the appearance of their place of birth on their passports.
Sec. 185. Concerning the need for an Asian-Pacific regional human rights convention.
Sec. 186. Access to the files of the United Nations War Crimes Commission.
Sec. 187. Concerning the recognition of CARICOM.
Sec. 188. Concerning the emigration of Jews and other individuals wishing to emigrate from the Soviet Union.
Sec. 189. Concerning the systematic nondelivery of international mail addressed to certain persons residing within the Soviet Union.
Sec. 190. Concerning observance by the Government of Romania of the human rights of Hungarians in Transylvania, especially the right of self-determination.
Sec. 191. Reform in the budget decisionmaking procedures of the United Nations and its specialized agencies.

Amendment to H.R. 1777, as reported offered by Mr. Richardson of New Mexico: Page 55, after line 25, insert the following:

SEC. 192. TREATMENT OF CUBAN POLITICAL PRISONERS.

(b) Refugee Policy.—The Department of State shall take steps as may be necessary to ensure that applications of Cuban political prisoners and their families for refugee status will be processed without regard to the duration of their imprisonment. Former political prisoners living in Third countries will also be entitled to have their applications processed according to this refugee policy.

(c) Definitions.—For purposes of this section—

(1) The term "process" means the acceptance and review of applications and the preparation of necessary documents and the making of appropriate determinations with respect to such applications.

Mr. RICHARDSON of New Mexico. Mr. Chairman. This amendment shows U.S. commitment to Cuban political prisoners now being tortured in Castro's prisons. I am introducing an amendment that will assist former and present Cuban political prisoners in obtaining their freedom. Due to problems encountered with the Cuban Government in 1984, the United States announced that it would not accept Cuban political prisoners. Recently, the United States began accepting political prisoners who have served 10 years or longer. My amendment ensures that all applications of Cuban political prisoners for refugee status will be processed. There has been bipartisan support for this legislation in the past. Political prisoners who fight for our democratic ideals, especially in communist Cuba, should not be ignored by our Government. I urge my colleagues to adopt this amendment.

TITLE II—UNITED STATES INFORMATION AGENCY

Sec. 201. Authorizations of appropriations.
Sec. 202. Reprogramming of funds appropriated for the United States Information Agency.
Sec. 203. Funds for exchange activities associated with the 1990 Goodwill Games.
Sec. 204. Availability of certain USIA photographs for distribution within the United States by the Department of Defense.
Sec. 205. USIA undergraduate scholarship program.
Sec. 206. Television service of the United States Information Agency.
Sec. 207. Limitation on WORLDNET funding.
Sec. 208. Separate accounts for NED grantees.
Sec. 209. NED treatment of independent labor unions.
Sec. 210. Professorship on constitutional democracy.

TITLE III—VOICE OF AMERICA

Sec. 301. Authorizations of appropriations.
Sec. 302. Voice of America/Europe.
Sec. 303. Contractor requirements.

TITLE IV—BOARD FOR INTERNATIONAL BROADCASTING

Sec. 401. Authorizations of appropriations.
Sec. 402. Reserve for offsetting downward fluctuations in overseas rates.
Sec. 403. Certification of certain creditable service.

TITLE V—ASIA FOUNDATION

Sec. 501. Authorization of appropriations.

TITLE VI—MISCELLANEOUS PROVISIONS

Sec. 601. Effective date.

The CHAIRMAN. Are there any amendments to section 1?

AMENDMENTS OFFERED BY MR. MICA

Mr. MICA. Mr. Chairman, I ask unanimous consent to offer amendments en bloc that have been printed in the Congressional Record, that the amendments be considered as read and printed in the Record, that the amendments be in order even if amending portions of the bill not yet read for amendment, and that debate on the amendments be limited to 20 minutes, equally divided and controlled by the gentlewoman from Maine [Ms. SNOWE] and myself.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

There was no objection.

The text of the amendments is as follows:

Amendments offered by Mr. MICA: Page 27, after line 4, insert the following:

(c) BUDGET ACT.—Any new spending authority (as defined in section 401(c) of the Congressional Budget Act of 1974) provided by this section shall be effective for any fiscal year only to such extent or in such amounts as are provided in advance in appropriations Acts.

Page 26, after line 14, insert the following:

(f) BUDGET ACT.—Any new spending authority (as defined in section 401(c) of the Congressional Budget Act of 1974) provided by this section shall be effective for any fiscal year only to such extent or in such amounts as are provided in advance in appropriations Acts.

Strike out section 126 and insert in lieu thereof the following:

SEC. 126. REQUIREMENTS APPLICABLE TO GIFTS USED FOR REPRESENTATIONAL PURPOSES.

The last sentence of section 25(b) of the State Department Basic Authorities Act of 1956 (22 U.S.C. 2697(b)) is amended by inserting before the period the following ", but shall not be expended for representational purposes at United States missions except in accordance with the conditions that apply to appropriated funds".

Page 39, after line 4, insert the following:

SEC. 147. WOMEN AND MINORITIES IN THE FOREIGN SERVICE.

(a) FINDINGS.—The Congress finds that the Department of State and other Foreign Service agencies have not been successful in their efforts—

(1) to recruit and retain members of minority groups in order to increase significantly the number of members of minority groups in the Foreign Service; and

(2) to provide adequate career advancement for women and members of minority groups in order to increase significantly the numbers of women and members of minority groups in the senior levels of the Foreign Service.

(b) A MORE REPRESENTATIVE FOREIGN SERVICE.—The Secretary of State and the head of each of the other agencies utilizing the Foreign Service personnel system—

(1) shall substantially increase their efforts to implement effectively the plans required by section 152(a) of the Foreign Relations Authorization Act, Fiscal Years 1986 and 1987, so that the Foreign Service becomes truly representative of the American people throughout all levels of the Foreign Service; and

(2) shall ensure that those plans effectively address the need to promote increased numbers of qualified women and members of minority groups into the senior levels of the Foreign Service.

Page 4, line 12, strike out "$1,375,974,000" and insert in lieu thereof "$1,377,274,000"; line 13, strike out "$1,431,013,000" and insert in lieu thereof "$1,432,313,000"; and page 27, after line 13, insert the following:

SEC. 137. LATIN AMERICAN AND CARIBBEAN DATA BASE.

The Secretary of State, in consultation with the heads of appropriate departments and agencies of the Government, shall use not less than $1,300,000 of the funds authorized to be appropriated for each of the fiscal years 1988 and 1989 by section 101(a)(1) of this Act (relating to salaries and expenses for the Department of State) to provide for the establishment of a Latin American and Caribbean Data Base.

Page 4, line 12, strike out "$1,375,974,000" and insert in lieu thereof "$1,376,224,000"; line 13, strike out "$1,431,013,000" and insert in lieu thereof "$1,431,263,000"; and before the period at the end of line 13, insert the following: ", of which not less than $250,000 for each fiscal year shall be available only for use by the Bureau of International Communications and Information Policy to support international institutional development and other activities which promote international communications and information development".

Page 37, strike out line 21 and all that follows through line 4 on page 38, and insert in lieu thereof the following:

(b) Section 306 of the Foreign Service Act of 1980 (22 U.S.C. 3946) is amended by adding at the end thereof the following new subsection;

"(c) Nothing in this section shall be construed to limit the authority of the Secretary of the Foreign Service Grievance Board under section 1107 of this Act.".

(c) Section 610(a)(2) of the Foreign Service Act of 1980 (22 U.S.C. 4010(a)(2)) is amended by adding after the first sentence the following new sentence: "If such cause is not established at such hearing, the Grievance Board shall have the authority to direct the Department to pay reasonable attorneys fees to the extent and in the manner provided by section 1107(b)(5) of this Act.".

Page 38, beginning on line 6, strike out "based on conduct which occurred" and insert in lieu thereof "filed".

Page 27, after line 13, insert the following:

SEC. 137. IMPROVEMENT OF CONGRESSIONAL RELATIONS FUNCTIONS OF THE DEPARTMENT OF STATE.

(a) Under the direction of the Secretary of State, the Assistant Secretary of State for Legislative and Intergovernmental Relations shall possess and exercise full responsibility for, and authority over, all activities, personnel, and resources within the Department of State involving congressional relations.

(b) Within sixty days of the date of enactment of this Act, the Secretary of State shall consolidate all congressional relations functions of the Department of State directly under the Assistant Secretary of State for Legislative and Intergovernmental Relations.

(c) Nothing in this section may be construed as authority to withhold information from the Congress.

Page 32, strike out line 8 and all that follows through line 19, and insert in lieu thereof the following:

"(b) If an election has been made with respect to such former spouse under section 2109 or 306(f), then the survivor annuity under subsection (a) of such former spouse shall be equal to the full amount of the participant's or former participant's annuity referred to in subsection (a) less the amount of such election.

"(c) A former spouse shall not be entitled to a survivor annuity under this section if—

"(1) the former spouse remarries before age 55; or

"(2) the former spouse was not married to the participant at least 10 years during service of the participant which is creditable under this chapter with at least 5 years occurring while the participant was a member of the Foreign Service.

Page 32, line 20, strike out "(c)(1)" and insert in lieu thereof "(d)(1)".

Page 34, line 3, strike out "(d)" and insert in lieu thereof "(e)".

Page 34, line 13, strike out "(e)" and insert in lieu thereof "(f)".

Page 53, line 19, insert after "Assembly" the following. ", that the 50 percent limitation on seconded employees of the Secretariat as called for by the Group of High Level Intergovernmental Experts to Review the Efficiency of the Administrative and Financial Functioning of the United Nations (Group of 18) is being implemented (recommendations 55 and 57), and that the 15 percent reduction in the staff of the Secretariat is being equitably applied among the nationals on such staff".

Page 27, insert the following after line 13:

SEC. 137. OFFICES OF MISSION TO THE UNITED STATES OF THE COMMISSION OF THE EUROPEAN COMMUNITIES.

The Act entitled "An Act to extend diplomatic privileges and immunities to the Mission to the United States of America of the Commission of the European Communities and the members thereof", approved October 18, 1972 (86 Stat. 815) is amended by adding at the end the following: "Under such terms and conditions as the President may determine, the President is authorized to extend to other offices of the Commission of the European Communities which are established in the United States, and to members thereof—

"(1) the privileges and immunities described in the preceding sentence; or

"(2) as appropriate for the functioning of a particular office, privileges and immunities, equivalent to those accorded consular premises, consular officers, and consular employees, pursuant to the Vienna Convention on Consular Relations.".

Page 19, after line 2, insert the following:

"(d) ANNUAL REPORT.—Not later than February 1 of each year, the Secretary of State shall submit a report to the Congress discussing the implementation of this section during the previous year."

Page 19, line 3, strike out "(d)" and insert in lieu thereof "(e)".

Page 55, after line 25, insert the following new section:

SEC. 192. CONCERNING AMERICAN CHILDREN IN VIETNAM

(a) FINDINGS AND DECLARATIONS.—The Congress makes the following findings and declarations:

(1) Thousands of children in the Socialist Republic of Vietnam were fathered by American civilians and military personnel.

(2) It has been reported that many of these Amerasian children are ineligible for ration cards and often beg in the streets, peddle black market wares, or prostitute themselves.

(3) The mothers of Amerasian children in Vietnam are not eligible for government jobs or employment in government enterprises and many are estranged from their families and are destitute.

(4) Amerasian children and their families have undisputed ties to the United States and are of particular humanitarian concern to the United States.

(5) The United States has a longstanding and very strong commitment to receive the Amerasian children in Vietnam if they desire to come to the United States.

(6) In September 1984, the United States informed the Socialist Republic of Vietnam that all Amerasian children in Vietnam, their mothers, and qualifying family members would be admitted as refugees to the United States during a three-year period.

(7) Amerasian emigration from Vietnam increased significantly in fiscal year 1985 under the Orderly Departure Program of the United Nations High Commissioner on Refugees.

(8) On January 1, 1985, the Socialist Republic of Vietnam unilaterally suspended interviews of all individuals seeking to leave Vietnam legally under the auspices of the Orderly Departure Program for resettlement in the United States.

(9) In September of 1985, the Socialist Republic of Vietnam submitted to the United States a list of approximately 1,500 Amerasians and family members whom it considers eligible for emigration, however, Vietnam has not resumed interviews for such individuals.

(10) On November 4, 1985, while meeting in Geneva under the auspices of the United Nations High Commissioner on Refugees, the Socialist Republic of Vietnam agreed to a bilateral meeting on the emigration of Amerasians although no date has been offered for such bilateral meeting.

(b) SENSE OF THE CONGRESS.—It is the sense of the Congress that—

(1) the United States should maintain its strong commitment to receive the Amerasian children to the Socialist Republic of Vietnam and their families;

(2) the interviewing process is essential to the emigration of such Amerasian children and their families who desire to live in the United States; and

(3) the Socialist Republic of Vietnam should resume the processing of Amerasians for emigration.

Page 39, after line 4, add the following new section:

SEC. 147. REAFFIRMATION OF EXISTING LAW ON PERFORMANCE OF CONGRESSIONAL DUTIES ABROAD.

Section 207 of the Foreign Service Act of 1980 (22 U.S.C. 3977) is amended by adding at the end thereof the following new subsection:

"(d) Nothing in this section may be construed to affect the performance of official duties by Members or employees of the Congress or employees of the General Accounting Office.".

Page 27, after line 13, add the following:

SEC. 137. DEPARTMENT OF STATE HIRING PRACTICES OF MINORITIES.

The Secretary of State shall include annually as part of the report required to be submitted pursuant to section 105(d)(2) of the Foreign Service Act of 1980—

(1) a report on the progress made at the Assistant Secretary and Bureau level of the Department of State in increasing the presence of minorities and women at all levels in the Foreign Service and Civil Service workforces of the Department of State; and

(2) the specific actions taken to address the lack of Hispanic Americans, Asian Americans, and Native Americans in the Senior Executive Service and Senior Foreign Service of the Department of State.

—Page 55, after line 25, add the following:

SEC. 192. REPORT ON POLICIES PURSUED BY OTHER COUNTRIES IN INTERNATIONAL ORGANIZATIONS.

The last sentence of section 117 of the Department of State Authorization Act, Fiscal Years 1984 and 1985 is amended by inserting before the period the following: ", together with the amount and type of foreign assistance (if any) made available by the United States for the preceding fiscal year to each such country under the Foreign Assistance Act of 1961, the Arms Export Control Act, the Export-Import Bank Act of 1945, and the Peace Corps Act".

Page 55, after line 25, add the following:

SEC. 192. LIMITATION ON NUMBER OF SOVIET NATIONALS SERVING AT THE SOVIET, BYELORUSSIAN, AND UKRAINIAN MISSIONS TO THE UNITED NATIONS.

(a) LIMITATION.—(1) The number of nationals of the Soviet Union admitted to the United States to serve as members of the Soviet, Byelorussian, or Ukrainian mission at the United Nations headquarters shall not exceed the number of United States nationals who serve as members of the United States mission at the United Nations headquarters, unless—

(A) the excess number of nationals of the Soviet Union serving as members of the Soviet, Byerorussian, or Ukrainian mission at the United Nations headquarters is the result of the routine replacement of personnel and is not more than 10 percent of the number of United States nationals who serve as members of the United States mission at the United Nations headquarters; or

(B) the President determines (and so reports to the committees of Congress specified in paragraph (2)) that the admission to the United States of additional Soviet nationals to serve as members of the Soviet, Byelorussian, or Ukrainian mission at the United Nations headquarters would be in the interests of the United States.

(2) Beginning six months after the date of enactment of this Act, and every six months thereafter, the Secretary of State shall prepare and transmit to the Committee on Foreign Relations, the Committee on the Judiciary, and the Select Committee on Intelligence of the Senate and to the Committee on Foreign Affairs, the Committee on the Judiciary, and the Permanent Select Committee on Intelligence of the House of Representatives a report setting forth the number of Soviet nationals admitted during the preceding six-month period to the United States pursuant to a determination of the President under paragraph (1)(B) and their duties with the Soviet, Byelorussian, or Ukrainian mission at the United Nations headquarters.

(3) Nothing in this subsection may be construed as including any dependent or spouse who is not a member of a mission at the United Nations headquarters in the calculation of the number of members of a mission at the United Nations headquarters.

(b) REPORT.—The Secretary of State and the Attorney General shall, not later than 30 days after the date of enactment of this Act, prepare and transmit to the Committee on Foreign Relations, the Committee on the Judiciary, and the Select Committee on Intelligence of the Senate and to the Committee on Foreign Affairs, the Committee on the Judiciary, and the Permanent Select Committee on Intelligence of the House of Representatives a report setting forth a plan for ensuring that the number of Soviet nationals described in subsection (a)(1) does not exceed the limitation described in that subsection.

(c) DEFINITIONS.—For purposes of this Act—

(1) the terms "members of the Soviet, Byelorussian or Ukrainian mission" and "members of the United States mission" are used within the meaning of the term "members of the mission", as defined by Article f(b) of the Vienna Convention on Diplomatic Relations, done April 18, 1961;

(2) the term "mission at the United Nations headquarters" means a mission to the United Nations in New York City and includes missions in New York City to specialized agencies of the United Nations, as defined in Article 57 of the Charter of the United Nations; and

(3) the term "nationals of the Soviet Union" includes Soviet nationals as well as nationals of the Byeloruasian Soviet Socialist Republic and the Ukrainian Soviet Socialist Republic.

Page 39, after line 4, add the following:

SEC. 147. FOREIGN SERVICE HEALTH CARE.

It is the sense of Congress that section 904 of the Foreign Service Act of 1980 (22 U.S.C.4064) requires the establishment of a health care program, but does not require the Department of State to be the primary insurer under such program.

Page 39, after line 4, add the following:

SEC. 147. PROHIBITION ON MEMBER OF A FOREIGN SERVICE UNION NEGOTIATING ON BEHALF OF THE DEPARTMENT OF STATE.

Section 1018 of the Foreign Service Act of 1920 (22 U.S.C. 4118) is amended by adding at the end thereof the following:

"(e) A member of the exclusive representative may not negotiate on behalf of the Department".

Page 27. after line 13, add the following:

SEC. 137. IMPLEMENTATION OF GRACE COMMISSION REPORT BY SECRETARY OF STATE.

Not later than 6 months after the date of enactment of this Act, the Secretary of State shall submit a report to the Congress on the extent to which the Secretary has implemented those recommendations made by the Executive Committee of Private Sector Survey on Cost Control in the Federal Government (commonly referred to as the "Grace Commission") which apply to the Department of State. Such report shall include a discussion of which recommendations have not been implemented, and when the Secretary intends to implement such recommendations.

Page 27, after line 13, insert the following:

SEC. 137. CLOSING OF DIPLOMATIC AND CONSULAR POST IN ANTIGUA AND BARBUDA.

(a) PROHIBITION ON USE OF FUNDS.—None of the funds made available for the Department of State for any fiscal year may be used for the expenses of maintaining a United States diplomatic or consular post in Antigua and Barbuda.

(b) EFFECTIVE DATE.—The prohibition contained in subsection (a) shall take effect 60 days after the date of enactment of this Act.

Page 62, after line 22, add the following new section:

SEC. 211. UNITED STATES-SOVIET STUDENT EXCHANGES.

Of the amounts authorized to be appropriated for "Salaries and Expenses" by section 301(1), not less than $2,000,000 for the fiscal year 1988 and not less than $2,000,000 for the fiscal year 1989 shall be available only for student exchanges between the United States and the Soviet Union pursuant to Article IV of The General Agreement Between the Government of the United States of

America and the Government of the Union of Soviet Socialist Republics on Contracts, Exchanges and Cooperation in the Scientific, Technical, Educational, Cultural and Other Fields (done at Geneva on November 21, 1985).

Page 70, after line 16, add the following:

TITLE VII—EARMARKS

SEC. 701. REDUCTION IN EARMARKS IF APPROPRIATIONS ARE LESS THAN AUTHORIZATIONS.

If the amount appropriated for fiscal year pursuant to any authorization of appropriations provided by this Act is less than the authorization amount and a provision of this Act provides that a specified amount of the authorization amount shall be available only for a certain purpose, then the amount so specified shall be deemed to be reduced for that fiscal year to the amount which bears the same ratio to the specified amount as the amount appropriated bears to the authorization amount.

Page 70, after line 21, insert the following new title:

TITLE VII—SELF-DETERMINATION OF THE PEOPLE FROM THE BALTIC STATES OF ESTONIA, LATVIA, AND LITHUANIA

SEC. 701. SELF-DETERMINATION OF THE PEOPLE FROM THE BALTIC STATES OF ESTONIA, LATVIA, AND LITHUANIA.

(a) Findings.—The Congress finds that—

(1) the subjugation of peoples to foreign domination constitutes a denial of human rights and is contrary to the Charter of the United Nations;

(2) all peoples have the right to self-determination and to freely establish their political status and pursue their own economic, social, cultural, and religious development, a right that was confirmed in 1975 in the Helsinki Final Act;

(3) on June 21, 1940, Armed Forces of the Soviet Union, in collusion with Nazi Germany, overrun the independent Baltic republics of Estonia, Latvia, and Lithuania and forcibly incorporated them in the Soviet Union, depriving the Baltic peoples of their basic human rights, including the right to self-determination;

(4) the Government of the Soviet Union continues efforts to change the ethnic character of the population of Estonia, Latvia, and Lithuania through policies of Russification and dilution of their native populations;

(5) the United States continues to recognize the diplomatic representatives of the last independent Baltic governments and supports the aspirations of the Baltic peoples to self-determination and national independence, a principle enunciated in 1940 and reconfirmed by the President on July 26, 1983, when he officially informed all member nations of the United Nations that the United States has never recognized the forced incorporation of the Baltic States into the Soviet Union; and

(6) the Soviet Union continues to deny the people of Estonia, Latvia, and Lithuania the right to exist as independent countries, separate from the Soviet Union and denies the baltic peoples the right to freely pursue human contacts, movement across international borders, emigration, religious expression, and other human rights enumerated in the Helsinki Final Act.

(b) Recognizing an Action by President.—The Congress—

(1) recognizes the continuing desire and right of the people of the Baltic States of Estonia, Latvia, and Lithuania for freedom and independence from the Soviet Union;

(2) calls upon the President to direct world attention to the right of self-determination of the people of the Baltic States by issuing on July 26, 1967, a statement that officially informs all member nations of the United Nations of the support of the United States for self-determination of all peoples and nonrecognition of the forced incorporation of the Baltic States into the Soviet Union; and

(3) calls upon the President to promote compliance with the Helsinki Final Act in the Baltic States through human contracts, family reunification, free movement, emigration rights, the right to religious expression and other human rights enumerated in the Helsinki Accords.

Page 70, after line 16, insert the following:

TITLE VII—HUMAN RIGHTS VIOLATIONS BY THE GOVERNMENT OF CUBA

SEC. 701. LIMITATIONS ON THE FREE FLOW OF INFORMATION IN CUBA AND THE RIGHT OF CUBANS TO TRAVEL FREELY.

(a) Findings.—The Congress finds that—

(1) the Universal Declaration of Human Rights, which was adopted and proclaimed by the General Assembly of the United Nations, states in paragraph 2 of Article 13 that "Everyone has the right to leave any country, including his own, and to return to this country";

(2) the Government of Cuba has suspended implementation of the 1984 bilateral migration agreement (commonly referred to as the "Mariel migration agreement") pursuant to which Cuba was to take back 2,746 of its nationals who are excludable from the United States for reason of having committed serious common crimes or for suffering from severe mental disability, and was to permit the migration to the United States of Cuban nationals wishing to emigrate from Cuba;

(3) the Universal Declaration of Human Rights states in Article 19 that "Everyone has the right to freedom of opinion and expression; this right includes freedom to hold opinions without interference and to seek, receive, and impart information and ideas through any media and regardless of frontiers";

(4) Fidel Castro has violated the Cuban people's fundamental human rights, including the "freedom of opinion and expression" recognized by the Universal Declaration of Human Rights; and

(5) Radio Marti, which is in accordance with Article 19 of the Universal Declaration of Human Rights, broadcasts "information and ideas through any media and regardless of frontiers".

(b) Sense of Congress.—It is the sense of the Congress that—

(1) Fidel Castro's actions in limiting the free flow of information, and in limiting the right of Cubans to travel in and out of their country freely, are both a violation of the Cuban people's internationally recognized human rights and a major obstacle to improved United States-Cuban relations; and

(2) Cuba should implement the 1984 Mariel migration agreement.

(c) Distribution of Text to U.N. Members.—The Secretary of State shall cause the text of this section to be circulated by the United States among the members of the United Nations in order to highlight Cuba's behavior in violation of the Universal Declaration of Human Rights.

Page 70, after line 21, insert the following new title:

TITLE VII—DISPOSITION OF PERSONAL PROPERTY ABROAD

SEC. 701. DISPOSITION OF PERSONAL PROPERTY ABROAD.

(a) Amendment to State Department Basic Authorities Act of 1956.—The State Department Basic Authorities Act of 1956 (P.L. 84-885; 22 U.S.C. 2269 et seq.) is amended by adding at the end of the following new title:

"TITLE III—DISPOSITION OF PERSONAL PROPERTY ABROAD

"SEC. 301. DEFINITIONS.

"For purposes of this title, the following terms have the following meanings:

"(1) The term 'employee' means an individual who is under the jurisdiction of a chief of mission to a foreign country (as provided under section 207 of the Foreign Service Act of 1980 (22 U.S.C. 3927)) and who is—

"(A) an employee as defined by section 2105 of title 5, United States Code;

"(B) an officer or employee of the United States Postal Service or of the Postal Rate Commission;

"(C) a member of a uniformed service who is not under the command of an area military commander; or

"(D) an expert or consultant as authorized pursuant to section 3109 of title 5, United States Code, with the United States or any agency, department, or establishment thereof; but is not a national or permanent resident of the foreign country in which employed.

"(2) The term 'contractor' means—

"(A) an individual employed by personal services contract pursuant to section 2(c) of this Act (22 U.S.C. 2669(c)), section 636(a)(3) of the Foreign Assistance Act of 1961 (22 U.S.C. 2396(a)(3)), or pursuant to other similar authority, including, in the case of an organization performing services under such authority, an individual involved in the performance of such services; and

"(B) such other individuals or firms providing goods or services by contract as are designated by regulations issued pursuant to section 303:

but, does not include a contractor with or under the supervision of an area military commander.

"(3) The term 'charitable contribution' means a contribution or gift as defined in section 170(c) of the Internal Revenue Code of 1986, or other similar contribution or gift to a bona fide charitable foreign entity as determined pursuant to regulations or policies issued pursuant to section 303.

"(4) The term 'chief of mission' has the meaning given such term by section 102(3) of the Foreign Service Act of 1980 (22 U.S.C. 2902(3)).

"(5) The term 'foreign country' means any country or territory, excluding the United States, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, the Trust Territory of the Pacific Islands, American Samoa, Guam, the Virgin Islands, and other territories or possessions of the United States.

"(6) The term 'personal property' means any item of personal property, including automobiles, computers, boats, audio and video equipment, and any other items acquired for personal use, but excluding items of minimal value as determined by regulation or policy issued pursuant to section 303.

"(7) The term 'profit' means any proceeds (including cash and other valuable consideration but not including amounts of such proceeds given as charitable contributions) for the sale, disposition, or assignment of personal property in excess of the basis for such property. For purposes of this title, basis shall include initial price, inland and overseas transportation costs (if not reimbursed by the United States Government), shipping insurance, taxes, customs fees, duties or other charges, and capital improvements, but shall not include insurance on an item while in use, or maintenance and related costs. For purposes of computing profit, proceeds and costs shall be valued in United States dollars at the time of receipt or payment, at a rate of exchange as determined by regulation or policy issued pursuant to section 303.

"SEC. 302. LIMITATIONS ON DISPOSITION OF PERSONAL PROPERTY.

"(a) Except as authorized under subsection (b), employees or members of their family shall not sell, assign, or otherwise dispose of personal property within a foreign country which was imported into or purchased within that foreign country and which, by virtue of the official status of the employee, was exempt from import limitation, customs duties, or taxes which would otherwise apply.

"(b) The chief of mission to a foreign country, or a designee of such chief of mission, is authorized to approve within that foreign country sales, assignment, or other dispositions of property by employees under the chief of mission's jurisdiction (as described in section 207 of the Foreign Service Act of 1980 (22 U.S.C. 3927)) to the extent that such sale, assignment, or other disposition is in accordance with regulations and policies, rules, and procedures issued pursuant to section 303.

"(c) Violation of this section, or other importation, sale, or other disposition of personal property within a foreign country which violates its laws or regulations or governing international law and is prohibited by regulations and policies, rules, and procedures issued pursuant to section 303, shall be grounds for disciplinary action against an employee.

"SEC. 303. REGULATIONS.

"(a) The Secretary of State may issue regulations to carry out the purposes of this title.

"(b) Such regulations shall require that, to the extent contractors enjoy importation or tax privileges in a foreign country because of their contractual relationship to the United States Government, after the effective date of this title contracting agencies shall include provisions in their contracts to carry out the purpose of this title.

"(c) In order to ensure that due account is taken of local conditions, including applicable laws, markets, exchange rate factors, and accommodation exchange facilities, such regulations may authorize the chief of mission to each foreign country to establish more detailed policies, rules, or procedures for the application of this title within that country to employees under the chief of mission's jurisdiction.".

(b) EFFECTIVE DATE.—This section shall take effect 180 days after the date of enactment of this Act.

The CHAIRMAN. Pursuant to the unanimous-consent request, the gentleman from Florida [Mr. MICA] is recognized for 10 minutes.

Mr. MICA. Mr. Chairman, I rise in support of the en bloc amendments. I would like to express my appreciation to the Members for agreeing to this procedure. It will facilitate consideration of this legislation immeasurably.

We have provided the Chair and the cloakrooms with a proposed order for the remaining amendments to be considered by title. In order to accommodate Members who have office or committee business, we will call to notify them when we are near their amendments. In addition to the agreed amendments en bloc, many of the remaining amendments can be agreed to with perfecting amendments and colloquies. Others will not be offered. We hope that those remaining few which will generate opposition could be resolved in a reasonable amount of time so that we can finish consideration of this legislation as early as possible.

The CHAIRMAN. Pursuant to the unanimous-consent request, the gentlewoman from Maine [Ms. SNOWE] is recognized for 10 minutes.

Ms. SNOWE. Mr. Chairman, I yield myself such time as I may consume and I rise in support of the legislation.

Mr. Chairman, I am in full agreement with the chairman of the subcommittee in offering these amendments en bloc. We have consulted with the sponsors of the legislation. We are in agreement with all the amendments that have been included in this en bloc amendment. It is done to expedite the consideration of this legislation, and, therefore, we accept this amendment.

Mr. Chairman, within the amendments offered by the gentleman from Florida [Mr. MICA] I have an amendment on secondment at the United Nations.

Mr. Chairman, Soviet abuse of the U.N. system is varied and deep. The gentleman from Tennessee [Mr. SUNDQUIST] and I have offered legislative proposals that deal with two aspects of this abuse: requiring kickbacks in salaries from Soviet Secretariat employees, and preventing the provision of diplomatic housing and other benefits to supposedly independent United States employees.

But at the heart of each of these abuses, which the U.N. has been lax in preventing, lies a more fundamental abuse which makes these other practices possible. For decades the U.N. and the United States has acquiesced in a practice where the Soviet Union decides what Soviets may be hired at the Secretariat as supposedly "international civil servants." And once hired, the Soviet Government retains control over those individuals, because they are hired on fixed, short-term contracts, which are renewable only with Soviet official approval. This practice is known as "secondment," and it represents a blatant violation of the U.N. Charter.

In an unusual action last fall, however, the U.N. adopted a proposal to limit secondment of employees to less than half of any nation's nationals working in the Secretariat. Just this month, the Secretary-General sent an emmissary to Moscow to insist that the Soviets begin adhering to this practice.

While this development is encouraging, I have seen too much of the U.N. to believe that full implementation of the restriction of secondment will actually take place once the Soviets begin their effort to subvert this rule. For this reason, I believe that it is absolutely necessary that we add the requirement that the restriction be fully implemented if we are to restore the Kassebaum/Solomon cuts, as provided in this legislation.

My amendment will require the President to determine not only that the consensus-based budget process is being implemented, but also that the restriction on secondment of employees is fully in place. If these determinations cannot be made, I see no justification for restoring these cuts. If the U.N. wishes us to treat it as a serious institution, it must begin acting as a serious institution.

I urge adoption of my amendment.

Mr. Chairman, I also have a technical amendment designed to correct provisions which allow benefits for former spouses of members of the Foreign Service.

Our committee included in this legislation important provisions to expand the benefits available to the former spouses of Foreign Service Officers who were divorced prior to February 15, 1981. These retirement, survivor and health benefits have been available to former spouses divorced after February 15, 1981, since the passage of the Foreign Service Act of 1980. I am pleased that this inequity, which will affect approximately 70 former spouses, is being addressed.

The technical amendment I have offered is necessary to provide coverage for a very few of these former spouses who have already been selected by Foreign Service Officers as beneficiaries of survivor benefits. However, in these few instances, the benefit the former spouse receives is less than the amount provided for in this legislation.

This amendment would correct this inequity by allowing these former spouses to receive a small supplemental survivor benefit so that their total benefit received would be equal to that of all other former spouses.

Mr. Chairman, this amendment is not controversial and enjoys bipartisan support. I urge its adoption.

Mr. BROOMFIELD. Mr. Chairman, will the gentlewoman yield?

Ms. SNOWE. I am glad to yield to the gentleman from Michigan.

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Mr. BROOMFIELD. Mr. Chairman, I also want to compliment the chairman of the subcommittee, the gentleman from Florida [Mr. MICA], as well as the ranking minority member, the gentlewoman from Maine [Ms SNOWE], and certainly the chairman of the full committee, the gentleman from Florida [Mr. FASCELL] and others who have worked out the assembling of the 26 amendments in this en bloc amendment.

Mr. Chairman, the Mica committee en bloc amendment has been cleared by the minority.

The en bloc amendment includes a large number of amendments submitted in accordance with the rule that are fully supported on both sides of the aisle.

I urge all Members to support the en bloc amendment.

Three amendments in the en bloc amendment package are of special interest to me—the Broomfield amendment on the Foreign Service Grievance Board, the Broomfield amendment to improve State Department congressional relations, and the Schroeder amendment to reaffirm existing law on performance of congressional duties abroad.

These three amendments in the en bloc amendment have all been worked out carefully with interested Members and enjoy bipartisan support.

The Broomfield amendment on the Foreign Service Grievance Board is an agreed-upon amendment to section 144 of the bill worked out with the chairwoman of the Subcommittee on Civil Service, Mrs. SCHROEDER, and the sponsor of section 144 in the Foreign Affairs Committee, Mr. DYMALLY. We will support it all the way through the legislative process.

The administration would also like to see this amendment pass.

As reported from committee, parts of section 144 in my judgment would have harmed the legitimate personnel management interests of the Secretary of State.

Thus, section 144 as reported would have required the Secretary to implement grievance board recommendations even if the Secretary determined that they were contrary to law, and would have extended the procedures and authorities of foreign service grievance proceedings to separation-for-cause hearings.

My amendment strikes those aspects of section 144, but still protects employee interests in a manner fully consistent with the Secretary of State's ability to manage his Department effectively.

As amended by my amendment, section 144 would do three things.

First, it would permit granting tenured career status as relief in a Foreign Service grievance proceeding when appropriate.

Second, it would confirm the original intent of Congress in passing the Foreign Service Act that attorneys fees be awarded to a Foreign Service officer in appropriate circumstances in a separation-for-cause hearing.

Third, it would make clear that the amendments made by the section do not apply with respect to grievances filed with the Foreign Service Grievance Board prior to the date of enactment of this legislation.

The other Broomfield amendment in the en bloc package improves State Department congressional relations.

Both the Congress and the Secretary of State would benefit from the improvement of the congressional relations function at the State Department.

Currently, many of the various bureaus and offices throughout the Department of State have their own persons handling congressional relations. The multiplicity of congressional relations officers spread across the State Department has often resulted in several Department of State voices speaking discordantly on foreign policy issues.

The Assistant Secretary for Congressional Relations is in a difficult position under the current arrangement. He has 100 percent of the responsibility—but very little of the real authority—for dealing with Congress.

My amendment will clear up this situation.

The amendment brings all congressional relations personnel, activities, and resources of the Department of State under the direct supervision and control of the Assistant Secretary for Congressional Relations.

After enactment of the amendment, the State Department will have an individual with clear, day-to-day responsibility and authority for congressional relations. Congress will be able to rely upon the word and the authority of the Assistant Secretary of State for Congressional Relations as the official spokesman of the Secretary of State to the Congress.

I would note that, in consolidating the congressional relations function at the Department, the amendment also specifically protects the right of the Congress to receive information, thus avoiding any possible misinterpretation of our intent.

The amendment will put a senior official truly in charge of State Department congressional relations. Both the Congress and the Secretary of State will benefit.

The last amendment of particular interest in the en bloc package is the Schroeder amendment to reaffirm existing law on performance of congressional duties abroad.

Section 207 of the Foreign Service Act currently places all executive branch personnel in a country under the supervision of the Ambassador, as head of the country team.

Section 207 does not—and given the constitutionally mandated separation-of-powers cannot—place Members of Congress and congressional employees under the supervision of an ambassador.

The amendment is not legally necessary. Nevertheless, because some officials in the State Department have claimed the right to control congressional performance of official duties abroad, it is appropriate for Congress to reaffirm existing law with the Schroeder amendment.

Mr. Chairman, the Broomfield amendment of the Foreign Service Grievance Board, the Broomfield amendment of improving State Department congressional relations, and the Schroeder amendment to reaffirm existing law of performance of congressional duties all enjoy full bipartisan support and thus are appropriately included in the Mica committee en bloc amendment.

I urge adoption of the en bloc amendment.

Ms. SNOWE. Mr. Chairman, I thank the gentleman for his comments and also for his support in the development of this legislation.

Mr. SOLOMON. Mr. Chairman, will the gentlewoman yield?

Ms. SNOWE. I yield to the gentleman from New York.

Mr. SOLOMON. Mr. Chairman, I do have some amendments in the en bloc group, and again I would like to commend the gentlewoman from Maine as well as the gentleman from Florida and the ranking member and the chairman of the full committee for the outstanding job they have done on this very difficult piece of legislation.

Mr. Chairman, the Mica en bloc amendments contain an amendment that I am offering, on behalf of myself and the gentleman from Tennessee [Mr. SUNDQUIST] expands on section 128 of the bill by requiring the State Department to submit an annual report on the enforcement of that section. Section 128 makes it illegal for any person to reside in official diplomatic housing unless that individual is an accredited member of the diplomatic mission in question. As the report language on the bill spells out in plain English: This section is aimed at ending the practice in which Soviet citizens who are employed by the United Nations Secretariat as international civil servants nevertheless live in diplomatic housing that is under the control of the Soviet Union's mission to the United Nations.

As the report language on the bill makes clear, this practice is:

First, a clear violation of U.N. rules concerning the status of international civil servants,

Second, a flagrant abuse of the privileges of diplomatic immunity, and

Third, a threat to our own national security interests.

The report language goes on to say—and I quote:

> The committee expects the Department of State to take action against all conditions made unlawful by this section.

What my amendment does is to add a reporting requirement so that we in Congress can see how the State Department is following through on the mandate contained in this bill.

Mr. Chairman, Soviet activities that violate the U.N. Charter and other regulations that protect the integrity of international civil servants have been winked at long enough. Just a few days ago, my colleague from New York, Senator MOYNIHAN, made a most interesting observation based on his experiences having served as the U.S. Ambassador to the United Nations. He said it was his belief that the principal reason why the U.N. bureaucracy in the Secretariat is so bloated is because of Soviet infiltration—the United Nations has to hire one or two more people to work around each of the KGB agents the Soviets have managed to place within the United Nations and all of this goes on behind the protection that is afforded to international civil servants. This is an outrageous practice that clearly violates the UN Charter.

Ms. SNOWE. Mr. Chairman, I thank the distinguished gentleman for his comments and for his contribution in the development of this legislation and for his provision in this package as well.

Mr. Chairman, I yield to the gentleman from New Jersey.

Mr. SMITH of New Jersey. Mr. Chairman, I believe we have an ongoing moral obligation to provide a helping hand to children in Vietnam who were fathered by American civilian and military personnel during the Vietnam conflict. By their very birthright, these children are American citizens and are commonly called Amerasians. It is clear, Mr. Chairman, that the American people continue to accept their responsibility for these young people, and the U.S. Government has clearly stated its willingness to accept all Amerasian children and their families. Nonetheless, cooperation from the Socialist Republic of Vietnam has not been dependable and since January of last year, their cooperation on processing these children for emigration to the United States has been virtually nonexistent.

Mr. Chairman, Amerasian children have been confronted with both official and unofficial discrimination in Vietnam. Reports from Western journalists and other visitors indicate that these children are ineligible for ration cards, and many beg in the streets, peddle black market items or, in some cases, prostitute themselves just to survive. Their future in Vietnam has little to promise for a number of reasons including the fact that they are not allowed to attend school.

I have been concerned about these children for many years and am eager to identify the most appropriate and efficient way to assist the emigration of the children and their families. During consideration of the fiscal year 1986 foreign assistance bill, I offered an amendment asking the Department of State to report to Congress on the quality of life for Amerasian children and the status of any initiatives to enhance their lives through adoption.

Mr. Chairman, as you know, the U.S. immigration policy for these children has been addressed in several legislative initiatives. The most success, though, has been achieved as a result of the declaration made by the Secretary of State in September 1984 that the United States would accept all Amerasian children and their qualifying family members through the Orderly Departure Program of the U.N. High Commissioner for Refugees ideally over the following 3 years. In the year following, fiscal year 1985, cooperation by the Vietnamese officials and the progress in emigration had improved significantly, resulting in the granting of 3,828 Amerasian-related departures. Unfortunately, Mr. Chairman, the numbers have declined dramatically in the years following due to the bottleneck which has been created by the government in Vietnam.

Beginning in January 1986, the Socialist Republic of Vietnam unilaterally suspended interviews of those Amerasians seeking to depart legally through the UNHCR. Mr. Chairman, in fiscal year 1986 only 1,524 Amerasians and their families were able to leave and in fiscal year 1987 through April, only 186 individuals were allowed to emigrate.

Numerous technical meetings, official requests and other urgings have been made to encourage the Vietnamese Government to resume the interviewing process. In February of last year, I had the opportunity to meet with high Government officials in Hanoi. I raised the plight of these children and reiterated the U.S. commitment to openly accept all Amerasian children.

Last September, the Vietnamese Government presented a list of approximately 1,500 individuals whom it considered eligible, and in November, Vietnamese officials agreed to set up technical meetings and begin cooperation, but no further progress has been made. Mr. Chairman, I am offering this amendment to the State Department authorization bill which expresses the sense of Congress that the Socialist Republic of Vietnam should resume the interviewing process so that those who wish to emigrate may do so in a timely manner. I believe this amendment, which is supported by the Department of State, will again confirm the longstanding commitment which the United States has for receiving Amerasian children who face severe hardships because of their American parentage. I urge my colleagues to join me in support of the amendment.

Mrs. SCHROEDER. Mr. Chairman, the amendment I am offering, in the amendments offered en bloc, clarifies the intent of Congress in regard to the power of the chief of mission. Section 207 of the Foreign Service Act of 1980 provided that the chief of mission to a foreign country has responsibility for the direction, coordination, and supervision of all Government employees in that country. This language codified early enactments providing that the Ambassador is responsible for all U.S. Government activities in the country. Obviously, with the Drug Enforcement Administration, the Central Intelligence Agency, the Departments of Agriculture and Commerce, and numerous other agencies operating throughout the world, section 207 says that one person is responsible: the chief of mission.

Unfortunately, the State Department has misused this power. In late 1985 and early 1986, the State Department relied on section 207 of the Foreign Service Act to prevent the General Accounting Office from traveling to Central America to audit the $27 million in humanitarian assistance made available to the Contras. I do not know what the State Department was trying to hide. But, I do suspect that the diversion of funds, the private fundraising, the ripoffs of taxpayer money, the whole unseemly mess being revealed in the Iran-Contra hearings might have been discovered months earlier had GAO been allowed to do its job.

We have also heard of efforts by the State Department to keep Members of Congress and their staff from visiting certain countries and talking to certain officials within some countries.

Clearly, the power of the chief of mission is supposed to apply to other executive branch agencies. It was not intended to be used to prevent Congress from receiving important information. It was not meant to be used to prevent GAO from auditing appropriated funds. My amendment makes clear what our intention was. The amendment merely says that the power of the chief of mission does not extend to Members of Congress, employees of Congress or employees of the General Accounting Office when they are engaged in the performance of official duties.

The amendment has been developed with the cooperation and support of Chairman FASCELL, Chairman MICA, Mr. BROOMFIELD, and Ms. SNOWE, as well as Chairman BROOKS of the Government Operations Committee. I believe it is a widely supported statement of congressional prerogative. I urge its adoption.

Mr. DYMALLY. Mr. Chairman, I would like to comment briefly on the amendment offered by the gentleman from Michigan [Mr. BROOMFIELD] to section 144 of H.R. 1777, the State Department authorization bill.

Section 144, dealing with the Foreign Service Grievance Board, originated as an amendment I offered during consideration of H.R. 1777 by the Committee on Foreign Affairs. The amendment was adopted by rollcall vote.

The original section contains three substantive parts. Subsection (a) reaffirms the intent of Congress that the Foreign Service Grievance Board have the authority to grant tenure as a remedy. This provision is necessary in light of a recent D.C. Circuit Court of Appeals decision which held that the Board did not possess such authority.

Subsection (b) of my original amendment would have removed the authority of an agency head to reject a recommendation of the Board based on a belief that such recommendation is "contrary to law." Under current law, the Secretary may reject a Board recommendation if the Secretary believes it is either "contrary to law" or would adversely affect foreign policy or national security.

I felt this provision was necessary because of what I perceive to be an abuse by agency heads of their authority. My language would have required the Secretary to implement the Board's recommendation and then seek judicial review. It should be noted that the Secretary has the opportunity, in the first instance, to argue before the Board that a proposed recommendation is "contrary to law."

The third subsection of my amendment is intended to reaffirm the original intent of Congress that the Board have the authority to award attorney's fees in separation for cause cases, brought under chapter 6 of the Foreign Service Act, as it does in all other grievance cases brought under chapter 11.

Mr. Chairman, I believe that section 144 is necessary to protect the rights of employees and assure that the Foreign Service Grievance Board has enough independence to objectively carry out its responsibilities.

While I would very much like to see the entire provision remain intact, I appreciate the offer of the ranking minority member to fully support two of the three substantive provisions in section 144, instead of opposing the entire section. In particular, Mr. BROOMFIELD has made clear his intent to support in conference the provision relating to the authority of the Board to grant tenure as a remedy. This is a key provision of section 144.

I would like to emphasize that I respectfully disagree with the gentleman from Michigan regarding the need to limit the Secretary's authority to reject a Board recommendation based on the belief that it is "contrary to law."

However, in light of the efforts of Mr. BROOMFIELD to reach an agreement on this section, I do not object to his amendment.

Mr. BROOKS. Mr. Chairman, the bloc of amendments offered by the gentleman from Florida [Mr. MICA] contains an amendment I had proposed which would place restrictions on the sale of personal property owned by U.S. Government personnel serving at our embassies and consultants overseas. The purpose of this proposal is to assure that these employees do not abuse their official status for personal monetary profit.

By virtue of their official position, many Federal employees assigned to foreign countries are permitted duty-free importation of their personal property—including big-ticket items such as cars, personal computers, TV's VCR's, and stereo equipment. In addition, they are often allowed to purchase such items in the host country without paying the duties or taxes that would normally apply.

In many countries, consumer goods such as cars and TV's are either not available at all to local residents or are subject to such heavy duties and taxes that they are very expensive. Thus, American employees completing tours of duty in such countries can sell their big-ticket items of personal property locally at a huge markup over original purchase price. The problem is particularly serious in countries with dual exchange rates. In these countries, employees selling their property at the unofficial rate in the open market can convert their proceeds to dollars at the official rate through the embassy. This conversion process produces even more dollars per unit of local currency and thus even greater profits.

Mr. Chairman, the windfall profits involved in such cases can be enormous. For example, a few years ago an employee of the Agency for International Development made over $50,000 profit selling his car in an African country.

The amendment I am introducing would authorize the State Department to prescribe regulations limiting profit on the sale of personal property imported or purchased locally free of duties, taxes, and other fees. These regulations would apply to all employees within the jurisdiction of the chief of mission at an embassy or consulate. It would also apply to contractor personnel to the extent they enjoy the same duty-free privileges as U.S. Government employees.

Mr. Chairman, it is wrong for U.S. Government employees to exploit their official status in foreign countries for personal profit. Moreover, the huge windfall profits involved in such sales tarnish the image of the U.S. Government abroad. The State Department recognizes this, and for the past 2½ years has been urging the administration to issue an executive order along the lines of this amendment. The administration, however, has been slow to respond and the problem remains uncorrected. Therefore, I urge my colleagues to support this amendment.

Mrs. SCHROEDER. Mr. Chairman, while this bill was pending in the Committee on Foreign Affairs, my colleague, Representative DYMALLY, convinced the committee to adopt legislative language which would strengthen the protections available to Foreign Service personnel in grievance proceedings. Mr. DYMALLY is on both the Foreign Affairs Committee and the Civil Service Subcommittee—which share jurisdiction over the Foreign Service Act—and I appreciate his work on this issue.

Nevertheless, I rise in support of the Broomfield amendment to section 144 of the State Department Authorization Act.

The amendment leaves intact the basic thrust of Mr. DYMALLY'S language: The Foreign Service Grievance Board is explicitly authorized in appropriate cases to recommend that an employee be granted tenure. The Broomfield amendment does not change this language. The Subcommittee on Civil Service and the Subcommittee on International Operations worked closely in drafting the Foreign Service Act of 1980. Chapter 11 granted the Board a wide range of remedial powers. There was never any doubt, at least in my mind, that this included the power to grant tenure. However, a court recently held that the Grievance Board lacks the power to grant tenure. Mr. DYMALLY'S language confirms that among its other powers, the Foreign Service Grievance Board can recommend that a wronged Foreign Service member be granted tenured status.

The Broomfield amendment clarifies that in the Foreign Service Act of 1980, Congress intended that attorneys fees should be awarded when the employee wins in separation-for-cause cases, just as when the employee prevails in other types of grievances.

Finally, the Broomfield amendment makes these changes applicable only to grievances filed with the Board after the date of enactment of this bill. It is simply a more precise effective date than that in the original bill.

I have enjoyed working with Mr. DYMALLY and Mr. BROOMFIELD to reach this compromise language. I urge my colleagues to adopt the amendment.

Mr. UDALL. Mr. Chairman, I rise in support of the en bloc amendment and urge its adoption.

My amendment, which is part of the en bloc amendment, is a very modest one. It would earmark $2 million in fiscal year 1988 and $2 million in fiscal year 1989 for United States-Soviet youth exchanges. The money would come out of the Educational and Cultural Exchange Programs of the U.S. Information Agency.

This is a small amount of money for a great step forward in United States-Soviet relations. Five years ago, I introduced a resolution called the United States-Soviet exchange for peace resolution. It was a simple resolution that urged the President of the United States to enter into negotiations with the Soviet Union with the aim of creating an ongoing exchange program for United States and Soviet youth.

It has always been my hope that we could set up a large youth exchange program that would give thousands of American youth an opportunity to live and study in the Soviet Union and thousands of Soviet youth an opportunity to live and study in our country. And I have always hoped that the children of United States and Soviet leaders would be able to participate in such a program.

In 1985, the President took the first major step toward making that dream a reality. At the Geneva summit meeting, the President and Secretary Gorbachev signed a new General Exchanges Agreement. As a consequence of this agreement, scientific, cultural, educational, and other exchanges between the United States and the Soviet Union resumed for the first time since 1979. President Reagan and the General Secretary also endorsed a new "people to people" initiative to expand direct contact between citizens of the United States and the Soviet Union.

A Coordinator's Office was established within the U.S. Information Agency in 1986 to oversee implementation of the exchanges. The office exists. The exchange agreement exists. But there has been no money specifically authorized for youth exchanges between our two countries. This amendment would give $2 million in 1988 and 1989 to the Coordinator's Office for this purpose.

If youth exchanges can help break down fear and distrust between our two countries, if we can begin building constructive, cooperative relations between our peoples, then this modest sum will bring enormous benefits. I urge support for the amendment.

Mr. FASCELL. Mr. Chairman, I wish to comment on three issues dealt with in the committee's en bloc amendments to H.R. 1777 adopted today.

First, Mr. Chairman, I would like to comment on my amendment to establish a Latin American and Caribbean Data Base. The amendment directs the Secretary of State, in consultation with the heads of the appropriate departments and agencies of the Government, to use not less than $1.3 million for each of the fiscal years 1988 and 1989 to provide for the establishment of a Latin American and Caribbean Data Base. The amendment also raises the total amount available for salaries and expenses by the amount necessary to provide for the data base.

Increasingly, the security and prosperity of our country are tied to the rest of the world. One key to successfully advancing our own national interests is rapid access to information on a host of subjects. This is especially true in our own hemisphere, yet much of the information we need for adequate analysis is not readily available. Technology is now available to collate and make available to hundreds of potential users the kind of data base which even a few years ago would have been difficult to establish and tremendously expensive.

A computerized data base on Latin America and the Caribbean, readily accessible to Government agencies, business and industry, the scholarly community, and to the public generally offers immense potential for contributing to sounder decisions in areas of public policy, private investment, trade, and finance. It is my intent that funds made available by this amendment be used to establish such a data base over an initial 2-year period. After that period it would be my expectation that the data base would be financed through fees charged for access. It is my hope that during the startup period other agencies that would benefit from establishment of the data base will consider providing appropriate financial support from their own resources. The State Department contribution, however, should be adequate to create the minimum necessary data base.

It is my expectation that the Latin American and Caribbean Data Base will be established through a contractual agreement with an appropriate academic or other institution. The data base should be located at an appropriate geographic site in the United States with optimum communications with Latin America and the Caribbean that will provide for the most convenient point of entry for timely reception and utilization of information, data, journals and publications on Latin America and the Caribbean. The location should also involve a strong academic and research base dedicated to North-South studies.

Funds authorized by this amendment should be utilized to develop an on-line bibliographic data base on Latin America, an analog to the Middle East file now viewed and used as an important information resource by the Library of Congress, and other key institutions and agencies concerned with academic research and strategic analysis. The Latin American and Caribbean Data Base will be a comprehensive, multiphase information service, designed to provide the fullest range of access for Government, academic, and business users to information in print and broadcast media regarding Latin America and the Caribbean, especially information that is difficult or impossible to obtain in a timely fashion within the United States.

Second, Mr. Chairman, I want to comment on my amendment regarding international communications and information policy. Mr. Chairman, my amendment provides $250,000 for each of 2 fiscal years to the International Communications and Information Policy Bureau of the Department of State to support activities to promote an international cooperative effort to strengthen the development of telecommunications around the world.

In part, if not in whole, it is my expectation that these funds would be used for U.S. support for the Center for Telecommunications Development whose creation the United States supported. It is my hope that the U.S. Government contribution to the CTD at least will be matched by contributions from our own telecommunications industry. Thus far, other nations have been far more generous than the United States in supporting the center. The center is likely to play a key role in the development of telecommunications in the Third World. It is important that the United States increase its role in the center if our own telecommunications industry is to have a major role to play in telecommunications development in the Third World.

What we are talking about here is an immense potential future market for U.S. goods and services. This is a policy area where frankly the U.S. Government and international financial institutions have been lacking. It is also an area where our own industry, grappling with the impact of deregulation, has not been quick to seize on the need for prompt actions to secure a niche in the world market where our competitors are already active.

The funding in this amendment is miniscule but its potential impact will be great on how the U.S. voice is heard in negotiation sessions related to the development of telecommunications systems. In the next several years, within the framework of the International Telecommunications Union, there will be a number of major conferences dealing of issues of tremendous importance to our country both domestically and internationally. It is essential that we establish ourselves as a leader in the development effort if our voice is to be as effective as possible in these negotiations.

The Center for Telecommunications Development is a very small institution but it is one dealing with technologies important to policy objectives of the highest priority to the United States: Third World economic growth; the encouragement of democracy; and an increase in U.S. exports. U.S. support for the Center for Telecommunications Development offers us a unique opportunity to help achieve all of these goals with a very minimal investment.

Finally, Mr. Chairman, I want to comment on the amendment of Mr. BROOMFIELD, relating to improvement of congressional relations functions of the Department of State. Mr. Chairman, I certainly agree with the gentleman from Michigan, my friend and colleague Mr. BROOMFIELD, on the need to improve relations between the Congress and the executive branch regarding foreign policy. I share the gentleman's concern over the all-too frequent lack of effective communications between the branches of Government which has prompted his amendment calling for the improvement of congressional relations functions within the Department of State.

I do not intend to oppose the gentleman's amendment but I do want to express my serious reservations over the specific way in which he would attempt to resolve the deficiences in the way the State Department now does business. The amendment requires the consolidation of "all congressional relations functions" in one office, that of the Assistant Secretary of State for Legislative and Intergovernmental Relations. While that action certainly would enhance the power of that position I am concerned that it might actually diminish the ability of the Department to effectively communicate with Congress to the mutual benefit of both branches of the Government. Expertise on issues of concern to Congress is in the geographic and functional bureaus and cannot and should not be replicated in a central congressional relations bureau. Over centralization has the potential to inhibit rather than expedite the sharing of information vital to the effective cooperation of Congress and the Executive. In my view the potential downside from a total mandate of control over relations with Congress far outweighs the potential benefits and might further exacerbate tensions between the branches of Government.

In addition to my doubts about the wisdom of the approach embodied in the amendment I think it ignores other perhaps more serious defects in congressional-executive branch communications. It does not address the very real problem of different agencies pushing in opposite directions nor does it deal with the crucial lack of formal institutional arrangements between the White House and Congress for dealing with either crises or the ongoing agenda of issues dealt with at the Presidential rather than the departmental level.

It is my hope that the Department of State and the Executive will respond to this initiative of my friend from Michigan in a creative and imaginative fashion. What this amendment really represents is a reaching out by many of us in Congress convinced of the need for a bipartisan foreign policy and for better communication between the branches of Government. We want new ideas about how to build a more cooperative relationship. If this amendment prompts a serious and considered response by the Executive it will have served a very useful purpose.

Ms. SNOWE. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

Mr. MICA. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

The CHAIRMAN. The question is on the amendments offered by the gentleman from Florida [Mr. MICA].

The amendments were agreed to.

The CHAIRMAN. The Clerk will designate title I.

The text of title I is as follows:

TITLE I—DEPARTMENT OF STATE

PART A—AUTHORIZATIONS OF APPROPRIATIONS

SEC. 101. ADMINISTRATION OF FOREIGN AFFAIRS.

(a) DIPLOMATIC AND ONGOING OPERATIONS.—The following amounts are authorized to be appropriated for the Department of State under "Administration of Foreign Affairs" to carry out the authorities, functions, duties, and responsibilities in the conduct of the foreign affairs of the United States and for other purposes authorized by law other than the diplomatic security program:

(1) SALARIES AND EXPENSES.—For "Salaries and Expenses", $1,375,974,000 for the fiscal year 1988 and $1,431,013,000 for the fiscal year 1989.

(2) ACQUISITION AND MAINTENANCE OF BUILDINGS ABROAD.—For "Acquisition and Maintenance of Buildings Abroad", $313,124,000 for the fiscal year 1988 and $325,649,000 for the fiscal year 1989.

(3) REPRESENTATION ALLOWANCES.—For "Representation Allowances", $4,460,000 for the fiscal year 1988 and $4,638,000 for the fiscal year 1989.

(4) EMERGENCIES IN THE DIPLOMATIC AND CONSULAR OFFICE.—For "Emergencies in the

Diplomatic and Consular Office", $4,000,000 for the fiscal year 1988 and $4,160,000 for the fiscal year 1989.

(5) PAYMENT TO THE AMERICAN INSTITUTE IN TAIWAN.—For "Payment to the American Institute in Taiwan", $9,379,000 for the fiscal year 1988 and $9,754,000 for the fiscal year 1989.

(b) DIPLOMATIC SECURITY PROGRAM.—In addition to amounts authorized to be appropriated by subsection (a), the following amounts are authorized to be appropriated under "Administration of Foreign Affairs" for fiscal years 1988 and 1989 for the Department of State to carry out the diplomatic security program:

(1) SALARIES AND EXPENSES.—For "Salaries and Expenses", $303,646,000 for the fiscal year 1988 and $315,792,000 for the fiscal year 1989.

(2) PROTECTION OF FOREIGN MISSIONS AND OFFICIALS.—For "Protection of Foreign Missions and Officials", $9,100,000 for the fiscal year 1988 and $9,464,000 for the fiscal year 1989.

(3) COUNTERTERRORISM RESEARCH AND DEVELOPMENT.—For "Counterterrorism Research and Development", $9,000,000 for the fiscal year 1988 and $9,360,000 for the fiscal year 1989.

(c) PROHIBITION ON REPROGRAMMING AND REALLOCATIONS WITH RESPECT TO THE DIPLOMATIC SECURITY PROGRAM.—

(1) Amounts appropriated pursuant to subsections (a)(2) and (b) shall not be available for obligation or expenditure through any reprogramming of funds for any purpose other than the diplomatic security program.

(2) Section 24(d) of the State Department Basic Authorities Act of 1956 (22 U.S.C. 2692(d)) shall not apply with respect to any amounts authorized to be appropriated under subsections (a)(2) and (b).

(d) REDUCTION IN AUTHORIZATIONS.—The aggregate amounts authorized to be appropriated under subsection (a) shall be reduced by $10,000,000.

SEC. 102. INTERNATIONAL ORGANIZATIONS AND CONFERENCES.

(a) ASSESSED CONTRIBUTIONS TO INTERNATIONAL ORGANIZATIONS.—The following amounts are authorized to be appropriated for "Contributions to International Organizations" for the Department of State to carry out the authorities, functions, duties, and responsibilities in the conduct of the foreign affairs of the United States with respect to the following international organizations and for other purposes authorized by law:

(1) UNITED NATIONS AND AFFILIATED AGENCIES.—

(A) The Food and Agriculture Organization, $25,383,000 for the fiscal year 1988 and $26,398,000 for the fiscal year 1989.

(B) The International Atomic Energy Agency, $20,702,000 for the fiscal year 1988 and $21,530,000 for the fiscal year 1989.

(C) The International Civil Aviation Organization, $6,228,000 for the fiscal year 1988 and $6,477,000 for the fiscal year 1989.

(D) The International Labor Organization, $23,756,000 for the fiscal year 1988 and $24,706,000 for the fiscal year 1989.

(E) The International Maritime Organization, $550,000 for the fiscal year 1988 and $572,000 for the fiscal year 1989.

(F) The International Telecommunication Union, $4,224,000 for the fiscal year 1988 and $4,393,000 for the fiscal year 1989.

(G) The United Nations, $100,000,000 for the fiscal year 1988 and $104,000,000 for the fiscal year 1989.

(H) The United Nations Industrial Development Organization, $8,991,000 for the fiscal year 1988 and $9,351,000 for the fiscal year 1989.

(I) The Universal Postal Union, $747,000 for the fiscal year 1988 and $777,000 for the fiscal year 1989.

(J) The World Health Organization, $45,069,000 for the fiscal year 1988 and $46,872,000 for the fiscal year 1989.

(K) The World Intellectual Property Organization, $431,000 for the fiscal year 1988 and $448,000 for the fiscal year 1989.

(L) The World Meteorological Organization, $2,751,000 for the fiscal year 1988 and $2,861,000 for the fiscal year 1989.

(2) CONTRIBUTIONS FOR INTER-AMERICAN ORGANIZATIONS.—

(A) The Inter-American Indian Institute, $104,000 for the fiscal year 1988 and $108,000 for the fiscal year 1989.

(B) The Inter-American Institute for Cooperation on Agriculture, $12,409,000 for the fiscal year 1988 and $12,905,000 for the fiscal year 1989.

(C) The Organization of American States, $41,638,000 for the fiscal year 1988 and $43,304,000 for the fiscal year 1989.

(D) The Pan American Health Organization, $32,691,000 for the fiscal year 1988 and $33,999,000 for the fiscal year 1989.

(E) The Pan American Institute of Geography and History, $331,000 for the fiscal year 1988 and $344,000 for the fiscal year 1989.

(F) The Pan American Railway Congress Association, $25,000 for the fiscal year 1988 and $26,000 for the fiscal year 1989.

(3) CONTRIBUTIONS FOR REGIONAL ORGANIZATIONS.—

(A) The Colombo Plan Council for Technical Cooperation, $9,000 for the fiscal year 1988 and $9,360 for the fiscal year 1989.

(B) The North Atlantic Assembly, $500,000 for the fiscal year 1988 and $520,000 for the fiscal year 1989.

(C) The North Atlantic Treaty Organization, $22,102,000 for the fiscal year 1988 and $22,986,000 for the fiscal year 1989.

(D) The Organization for Economic Cooperation and Development, $27,744,000 for the fiscal year 1988 and $28,854,000 for the fiscal year 1989.

(E) The South Pacific Commission, $513,000 for the fiscal year 1988 and $534,000 for the fiscal year 1989.

(4) CONTRIBUTIONS FOR OTHER INTERNATIONAL ORGANIZATIONS.—For "Contributions for Other International Organizations", $8,102,000 for the fiscal year 1988 and $8,426,000 for the fiscal year 1989.

(b) CONTRIBUTIONS TO INTERNATIONAL PEACEKEEPING ACTIVITIES.—There is authorized to be appropriated for "Contributions to International Peacekeeping Activities", $29,400,000 for the fiscal year 1988 and $30,576,000 for the fiscal year 1989 for the Department of State to carry out the authorities, functions, duties, and responsibilities in the conduct of the foreign affairs of the United States with respect to international peacekeeping activities and for other purposes authorized by law.

(c) INTERNATIONAL CONFERENCES AND CONTINGENCIES.—There is authorized to be appropriated for "International Conferences and Contingencies", $5,460,000 for the fiscal year 1988 and $5,678,000 for the fiscal year 1989 for the Department of State to carry out the authorities, functions, duties, and responsibilities in the conduct of the foreign affairs with respect to international conferences and contingencies and for other purposes authorized by law.

SEC. 103. INTERNATIONAL COMMISSIONS.

The following amounts are authorized to be appropriated under "International Commissions" for the Department of State to carry out the authorities, functions, duties, and responsibilities in the conduct of the foreign affairs of the United States and for other purposes authorized by law:

(1) INTERNATIONAL BOUNDARY AND WATER COMMISSION, UNITED STATES AND MEXICO.—For "International Boundary and Water Commission, United States and Mexico", $14,700,000 for the fiscal year 1988 and $15,288,000 for the fiscal year 1989.

(2) INTERNATIONAL BOUNDARY COMMISSION, UNITED STATES AND CANADA.—For "International Boundary Commission, United States and Canada", $721,000 for the fiscal year 1988 and $750,000 for the fiscal year 1989.

(3) INTERNATIONAL JOINT COMMISSION.—For "International Joint Commission", $2,979,000 for the fiscal year 1988 and $3,098,000 for the fiscal year 1989.

(4) INTERNATIONAL FISHERIES COMMISSIONS.—For "International Fisheries Commissions", $10,800,000 for the fiscal year 1988 and $11,232,000 for the fiscal year 1989.

SEC. 104. OTHER PROGRAMS.

The following amounts are authorized to be appropriated for the Department of State to carry out the authorities, functions, duties, and responsibilities in the conduct of the foreign affairs of the United States and for other purposes authorized by law:

(1) UNITED STATES BILATERAL SCIENCE AND TECHNOLOGY AGREEMENTS.—For "United States Bilateral Science and Technology Agreements", $1,900,000 for the fiscal year 1988 and $1,976,000 for the fiscal year 1989.

(2) SOVIET-EAST EUROPEAN RESEARCH AND TRAINING.—For "Soviet-East European Research and Training", $4,600,000 for the fiscal year 1988 and $4,784,000 for the fiscal year 1989.

(3) MIGRATION AND REFUGEE ASSISTANCE.—For "Migration and Refugee Assistance", $336,750,000 for the fiscal year 1988 and $349,820,000 for the fiscal year 1989.

SEC. 105. EARMARKS FOR MIGRATION AND REFUGEE ASSISTANCE FUNDS.

Of amounts authorized to be appropriated for "Migration and Refugee Assistance" by section 104(5)—

(1) $28,300,000 for the fiscal year 1988 and $28,300,000 for the fiscal year 1989 shall be available only for assistance for East Asian refugees, of which $1,300,000 for the fiscal year 1988 and $1,300,000 for the fiscal year 1989 shall be available to combat piracy in the Gulf of Thailand, for assistance to victims of such piracy, to promote the rescue of refugees in distress at sea in Southeast Asia, and to strengthen protection measures for Indochinese boat refugees;

(2) $61,000,000 for the fiscal year 1988 and $61,000,000 for the fiscal year 1989 shall be available only for assistance for African refugees;

(3) $89,200,000 for the fiscal year 1988 and $89,200,000 for the fiscal year 1989 shall be available only for assistance for Near East refugees;

(4) $15,500,000 for the fiscal year 1988 and $15,500,000 for the fiscal year 1989 shall be available only for assistance for Latin American refugees;

(5) $25,000,000 for the fiscal year 1988 and $25,000,000 for the fiscal year 1989 shall be available only for assistance for refugees resettling in Israel; and

(6) $5,000,000 for the fiscal year 1988 and $5,000,000 for the fiscal year 1989 shall be available only for the United Nations High

Commissioner for Refugees and other international relief organizations for the protection of, and improvements in educational, nutritional, and medical assistance for, the Indochinese refugees in Thailand.

PART B—DEPARTMENT OF STATE

SEC. 121. NORTH ATLANTIC ASSEMBLY.

Section 2 of the joint resolution entitled "Joint Resolution to authorize participation by the United States in parliamentary conferences of the North Atlantic Treaty Organization" approved July 11, 1956 (22 U.S.C. 1928b), is amended—

(1) by striking out "$50,000" and inserting in lieu thereof "$75,000"; and

(2) by striking out "$25,000" the first place it appears and inserting in lieu thereof "$50,000".

SEC. 122. REGIONAL AND FUNCTIONAL BUREAUS OF THE DEPARTMENT OF STATE.

Within 6 months after the date of enactment of this Act, the Comptroller General of the United States shall submit to the Committee on Foreign Affairs of the House of Representatives and the Committee on Foreign Relations of the Senate a study of the organization of the regional and functional bureaus of the Department of State. The study shall—

(1) examine the adequacy of the regional and functional bureaus of the Department of State in meeting the foreign policy needs and objectives of the United States; and

(2) examine the interrelationship of the functional and regional bureaus.

The Comptroller General shall make such recommendations as the Comptroller General determines reasonable for improving the organizational structure of the Department of State in order to meet the foreign policy needs and objectives of the United States.

SEC. 123. REPROGRAMMING OF FUNDS APPROPRIATED FOR THE DEPARTMENT OF STATE.

Section 34 of the State Department Basic Authorities Act of 1956 (22 U.S.C. 2706) is amended—

(1) by inserting "(a)" after "SEC. 34."; and

(2) by adding at the end the following:

"(b) Funds appropriated for the Department of State may not be available for obligation or expenditure through any reprogramming described in subsection (a) during the period which is the last 15 days in which such funds are available unless notice of such reprogramming is made before such period.".

SEC. 124. PAY LEVEL OF AMBASSADORS AT LARGE.

(a) AMENDMENT TO TITLE 5.—Effective October 1, 1987, chapter 53 of title 5 of the United States Code is amended—

(1) in section 5313, by striking out "Ambassadors at Large."; and

(2) in section 5315, by inserting at the end thereof "Ambassadors at Large.".

(b) EFFECTIVE DATE AND LIMITATION.—The amendments made by subsection (a) shall take effect October 1, 1987, and shall not apply to the salary of any individual serving as an Ambassador at Large on that date during the period such individual continues to serve in that position.

SEC. 125. SERVING UNITED STATES PRODUCED FOOD AND BEVERAGES AT OFFICIAL FUNCTIONS OF UNITED STATES DIPLOMATIC MISSIONS.

The Congress reaffirms the requirement of section 905 of the Foreign Service Act of 1980 (22 U.S.C. 4085) that when food or beverages are served at United States diplomatic functions, the food or beverages (such as wine and champagne) served should, to the extent practicable, be products of agricultural commodities produced in the United States.

SEC. 126. REQUIREMENTS APPLICABLE TO UNCONDITIONAL GIFTS ACCEPTED BY THE SECRETARY OF STATE.

The last sentence of section 25(b) of the State Department Basic Authorities Act of 1956 (22 U.S.C. 2697(b)) is amended by inserting "subject to the same conditions that apply to appropriations for such operations or functions and" after "functions,".

SEC. 127. DIPLOMATIC SECURITY OFFICER OF A DIPLOMATIC MISSION.

(a) RESPONSIBILITIES.—Title II of the Diplomatic Security Act (22 U.S.C. 4821) is amended by adding at the end thereof the following:

"SEC. 204. DIPLOMATIC SECURITY OFFICER OF A DIPLOMATIC MISSION.

"The diplomatic security officer of a diplomatic mission shall—

"(1) as a member of the Country Team of that mission, report directly to the deputy chief of mission who shall be responsible for the overall efficiency report of that officer;

"(2) head the emergency action committee of that mission if designated by the chief of mission as the representative of the chief of mission or the deputy chief of mission;

"(3) submit monthly a written report to the chief of mission on the status, problems, and successes of the security program; and

"(4) be responsible for the supervision of all diplomatic security personnel of that mission.".

(b) CONFORMING AMENDMENT.—The table of contents in section 2 of the Omnibus Diplomatic Security and Antiterrorism Act of 1986 is amended by inserting after the item relating to section 203 the following:

"Sec. 204. Diplomatic Security Officer of a diplomatic mission.".

SEC. 128. LIMITATION ON THE USE OF A FOREIGN MISSION IN A MANNER INCOMPATIBLE WITH ITS STATUS AS A FOREIGN MISSION.

(a) AMENDMENT TO FOREIGN MISSIONS ACT.—The State Department Basic Authorities Act of 1956 is amended by adding at the end of title II (22 U.S.C. 4301 et seq.; commonly referred to as the "Foreign Missions Act") the following:

"SEC. 215. USE OF FOREIGN MISSION IN A MANNER INCOMPATIBLE WITH ITS STATUS AS A FOREIGN MISSION.

"(a) ESTABLISHMENT OF LIMITATION ON CERTAIN USES.—A foreign mission may not allow an unaffiliated alien the use of any premise of that foreign mission which is inviolable under United States law (including any treaty) for any purpose which is incompatible with its status as a foreign mission, including use as a residence.

"(b) TEMPORARY LODGING.—For the purposes of this section, the term 'residence' does not include such temporary lodging as may be permitted under regulations issued by the Secretary.

"(c) WAIVER.—The Secretary may waive subsection (a) with respect to all foreign missions of a country (and may revoke such a waiver) 30 days after providing written notification of such a waiver, together with the reasons for such waiver (or revocation of such a waiver), to the Committee on Foreign Affairs of the House of Representatives and the Committee on Foreign Relations of the Senate.

"(d) DEFINITIONS.—For the purposes of this section—

"(1) the term 'foreign mission' includes any international organization as defined in section 209(b); and

"(2) the term 'unaffiliated alien' means, with respect to a foreign country, an alien who—

"(A) is admitted to the United States as a nonimmigrant, and

"(B) is not a member, or a family member of a member, of a foreign mission of that foreign country.".

(b) EFFECTIVE DATE.—(1) Except as provided in paragraph (2), the amendment made by subsection (a) shall apply to any foreign mission beginning on the date of enactment of this Act.

(2)(A) The amendment made by subsection (a) shall apply beginning 6 months after the date of enactment of this Act with respect to any nonimmigrant alien who is using a foreign mission as a residence or a place of business on the date of enactment of this Act.

(B) The Secretary of State may delay the effective date provided for in subparagraph (A) for not more than 6 months with respect to any nonimmigrant alien if the Secretary finds that a hardship to that alien would result from the implementation of subsection (a).

SEC. 129. ALLOCATION OF SHARED COSTS AT MISSIONS ABROAD.

In order to provide for full reimbursement of shared administrative costs at United States missions abroad, the Secretary of State shall review, and revise if necessary, the allocation procedures under which agencies reimburse the Department of State for shared administrative costs at United States missions abroad. Within 3 months after the date of enactment of this Act, the Secretary of State shall submit a report to the Committee on Foreign Affairs of the House of Representatives and the Committee on Foreign Relations of the Senate on such review and any revision.

SEC. 130. OFFICIAL RESIDENCE FOR THE SECRETARY OF STATE.

(a) IN GENERAL.—The State Department Basic Authorities Act of 1956 is amended—

(1) by redesignating section 41 as section 42; and

(2) by adding immediately after section 40 the following new section:

"SEC. 41. OFFICIAL RESIDENCE.

"(a) GENERAL AUTHORITY.—The Department of State may acquire by purchase or gift, a suitable permanent residence within the Washington, D.C., area for the Secretary of State. The Department shall not use any appropriated funds to finance such acquisition, but instead shall make use of funds and other property obtained pursuant to section 25 of the State Department Basic Authorities Act of 1956 (22 U.S.C. 2697). To the extent funds are provided in advance in appropriation Acts, the Department may insure this residence and its related real and personal property. In carrying out the purposes of this section, the Department may use the authorities contained in section 208(d) (22 U.S.C. 4308(d)).

"(b) ADVICE TO CONGRESS.—The Department shall periodically advise Congress on activities undertaken pursuant to this section."

(b) REPEAL.—Section 130 of the Foreign Relations Authorization Act, Fiscal Years 1986 and 1987 (Public Law 99-93; 22 U.S.C. 2697 note) is repealed.

(c) APPLICATION.—The amendment made by subsection (a) shall apply with respect to any Secretary of State appointed after the date of enactment of this Act.

SEC. 131. ANNUAL COUNTRY REPORTS ON TERRORISM.

(a) REQUIREMENT OF ANNUAL REPORT ON TERRORISM.—The Secretary of State shall transmit to the Speaker of the House of Representatives and the Committee on Foreign Relations of the Senate, by March 31 of each year, a full and complete report, which may be part of the annual report on global patterns of international terrorism, prepared with assistance from the Ambassador-at-Large for Counter-Terrorism, providing detailed assessments with respect to each foreign country—

(1) in which acts of terrorism occurred which were, in the opinion of the Secretary, of major significance;

(2) about which the Congress was notified during the preceding five years pursuant to section 6(j) of the Export Administration Act of 1979; or

(3) which the Secretary determines should be the subject of such report.

(b) PROVISIONS TO BE INCLUDED IN REPORT.—The report required under subsection (a) should to the extent feasible include (but not be limited to)—

(1) major antiterrorism efforts undertaken by each country which is the subject of such report, including airport and other travel security and training of security forces (excluding efforts related to activities under the authorities listed in section 481(i)(4)(vii) of the Foreign Assistance Act of 1961);

(2) the response of the judicial system of each country which is the subject of such report with respect to matters relating to terrorism;

(3) failures to extradite terrorists pursuant to valid requests;

(4) support, if any, for international terrorism by each country which is the subject of such report, including (but not limited to)—

(A) political and financial support;

(B) diplomatic support through diplomatic recognition and use of the diplomatic pouch; and

(C) providing sanctuary to terrorists or terrorist groups; and

(5) the positions (including voting records) of each country which is the subject of such report in the General Assembly of the United Nations or other international bodies on matters relating to terrorism.

(c) CLASSIFICATION OF REPORT.—The report required under subsection (a) shall, to the extent practicable, be submitted in an unclassified form and may be accompanied by a classified appendix.

(d) DEFINITIONS.—As used in this section—

(1) the term "international terrorism" means terrorism involving citizens or the territory of more than 1 country; and

(2) the term "terrorism" means premeditated, politically motivated violence perpetrated against noncombatant targets by subnational groups or clandestine agents.

SEC. 132. INCLUSION OF COERCIVE POPULATION CONTROL INFORMATION IN ANNUAL HUMAN RIGHTS REPORT.

The Foreign Assistance Act of 1961 is amended—

(1) in section 116(d)(1) (22 U.S.C. 2151n(d)(1)), by inserting ", and coercion in population control, including coerced abortion" after "subsection (a)"; and

(2) in section 502B(b) (22 U.S.C. 2304(b)), by inserting "and practices regarding coercion in population control, including coerced abortion," before "in each country proposed".

SEC. 133. CONCERNING ASYLUM FOR CUBAN POLITICAL PRISONERS.

Not more than 60 days after the date of enactment of this Act, the Secretary of State shall submit a report to the Congress concerning current United States policies regarding the granting of entry visas and political asylum to former and current political prisoners in Cuba. The report shall specify the United States policy with respect to the approximately 1500 former political prisoners who were registered with the United States Interests Section in Havana in 1980, most of whom have not yet entered the United States.

SEC. 134. ASSISTANT SECRETARY OF STATE FOR SOUTH ASIAN AFFAIRS.

(a) ESTABLISHMENT OF POSITION.—There is established in the Department of State the position of Assistant Secretary of State for South Asian Affairs, which is in addition to the positions provided under the first section of the Act of May 26, 1949 (22 U.S.C. 2652).

(b) APPOINTMENT.—The Assistant Secretary shall be appointed by the President, by and with the advice and consent of the Senate.

(c) RESPONSIBILITIES.—The Assistant Secretary shall have responsibility within the Department of State with respect to India, Pakistan, Bangladesh, Sri Lanka, Nepal, Bhutan, Afghanistan, and Maldives.

(d) FUNDING.—

(1) For each of the fiscal years 1988 and 1989, the President shall transfer up to $1,750,000 of the funds described in paragraph (2) to the "SALARIES AND EXPENSES" account of the Department of State, and shall use those funds for expenses incurred in carrying out this section.

(2) The funds to be transferred pursuant to paragraph (1) are any funds made available for fiscal years 1988 and 1989 to carry out chapter 1 of part I of the Foreign Assistance Act of 1961 (relating to development assistance) and chapter 4 of part II of that Act (relating to the economic support fund) which are allocated for Asia and Near East Regional Programs (excluding programs for the Near East).

(3) None of the funds authorized to be appropriated by this Act may be used to carry out this section.

(e) CONFORMING AMENDMENT.—

(1) POSITIONS AT EXECUTIVE LEVEL IV.—Section 5315 of title 5, United States Code, is amended by adding at the end thereof the following new paragraph:

"Assistant Secretary for South Asian Affairs, Department of State.".

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall take effect on October 1, 1987.

SEC. 135. COMPENSATION FOR CERTAIN STATE DEPARTMENT OFFICIALS.

(a) PAY LEVELS.—The State Department Basic Authorities Act of 1956 (22 U.S.C. 2669 et seq.) is amended—

(1) in section 35(b) by inserting after the second sentence the following new sentence: "The Coordinator shall be compensated at the annual rate of pay for positions authorized by section 5315 of title 5, United States Code.".

(2) in section 203(a) by inserting at the end "The Director shall be compensated at the annual rate of pay for positions authorized by section 5315 of title 5, United States Code.".

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect October 1, 1987.

SEC. 136. CONTRACTS FOR PUBLIC DIPLOMACY ACTIVITIES.

During fiscal years 1988 and 1989, a contract related to advocacy and policy positions may be entered into by or on behalf of the Office of Public Diplomacy, or the Office of the Coordinator for Public Diplomacy for Latin America and the Caribbean, of the Department of State only if the Committee on Foreign Affairs and the Committee on Foreign Relations of the Senate are notified 15 days in advance of the proposed contract.

PART C—FOREIGN SERVICE

SEC. 141. EXTENSION OF LIMITED APPOINTMENTS.

Section 309 of the Foreign Service Act of 1980 (22 U.S.C. 3949) is amended—

(1) by striking out "section 311(a)" and inserting in lieu thereof "subsection (b)";

(2) by inserting "(a)" after "Limited Appointments.—"; and

(3) by adding at the end the following new subsection:

"(b) A limited appointment may be extended for continued service—

"(1) as a consular agent;

"(2) in accordance with section 311(a);

"(3) as a career candidate, if continued service is determined appropriate to remedy a matter that would be cognizable as a grievance under chapter 11; and

"(4) as a career employee in another Federal personnel system serving in a Foreign Service position on detail from another agency.".

SEC. 142. BENEFITS FOR CERTAIN FORMER SPOUSES OF MEMBERS OF THE FOREIGN SERVICE.

(a) IN GENERAL.—Subchapter I of Chapter 8 of the Foreign Service Act of 1980 (22 U.S.C. 3901 et seq.) is amended by inserting after section 829 (22 U.S.C. 4069) the following:

"SEC. 830. RETIREMENT BENEFITS FOR CERTAIN FORMER SPOUSES.

"(a) Any individual who was a former spouse of a participant or former participant on February 14, 1981, shall be entitled, to the extent of available appropriations, and except to the extent such former spouse is disqualified under subsection (b), to benefits—

"(1) if married to the participant throughout the creditable service of the participant, equal to 50 percent of the benefits of the participant; or

"(2) if not married to the participant throughout such creditable service, equal to that former spouse's pro rata share of 50 percent of such benefits.

"(b) A former spouse shall not be entitled to benefits under this section if—

"(1) the former spouse remarries before age 55; or

"(2) the former spouse was not married to the participant at least 10 years during service of the participant which is creditable under this chapter with at least 5 years occurring while the participant was a member of the Foreign Service.

"(c)(1) The entitlement of a former spouse to benefits under this section—

"(A) shall commence on the later of—

"(i) the day the participant upon whose service the benefits are based becomes entitled to benefits under this chapter; or

"(ii) the first day of the month in which the divorce or annulment involved becomes final; and

"(B) shall terminate on the earlier of—

"(i) the last day of the month before the former spouse dies or remarries before 55 years of age; or

"(ii) the date the benefits of the participant terminates.

"(2) Notwithstanding paragraph (1), in the case of any former spouse of a disability annuitant—

"(A) the benefits of the former spouse shall commence on the date the participant would qualify on the basis of his or her creditable service for benefits under this chapter (other than a disability annuity) or the date the disability annuity begins, whichever is later, and

"(B) the amount of benefits of the former spouse shall be calculated on the basis of benefits for which the participant would otherwise so qualify.

"(3) Benefits under this section shall be treated the same as an annuity under section 814(a)(7) for purposes of section 806(h) or any comparable provision of law.

"(4)(A) Benefits under this section shall not be payable unless appropriate written application is provided to the Secretary, complete with any supporting documentation which the Secretary may by regulation require, within 30 months after the effective date of this section. The Secretary may waive the 30-month application requirement under this subparagraph in any case in which the Secretary determines that the circumstances so warrant.

"(B) Upon approval of an application provided under subparagraph (A), the appropriate benefits shall be payable to the former spouse with respect to all periods before such approval during which the former spouse was entitled to such benefits under this section, but in no event shall benefits be payable under this section with respect to any period before the effective date of this section.

"(d) For the purposes of this section, the term 'benefits' means—

"(1) with respect to a participant or former participant subject to this subchapter, the annuity of the participant or former participant; and

"(2) with respect to a participant or former participant subject to subchapter II, the benefits of the participant or former participant under that subchapter.

"(e) Nothing in this section shall be construed to impair, reduce, or otherwise affect the annuity or the entitlement to an annuity of a participant or former participant under this chapter.

"SEC. 831. SURVIVOR BENEFITS FOR CERTAIN FORMER SPOUSES.

"(a) Any individual who was a former spouse of a participant or former participant on February 14, 1981, shall be entitled, to the extent of available appropriations, and except to the extent such former spouse is disqualified under subsection (b), to a survivor annuity equal to 55 percent of the greater of—

"(1) the full amount of the participant's or former participant's annuity, as computed under this chapter; or

"(2) the full amount of what such annuity as so computed would be if the participant or former participant had not withdrawn a lump-sum portion of contributions made with respect to such annuity.

"(b) A former spouse shall not be entitled to a survivor annuity under this section if—

"(1) an election has been made with respect to such former spouse under section 2109;

"(2) the former spouse is a designated beneficiary of the employee as a person with an insurable interest;

"(3) the former spouse remarries before age 55;

"(4) the former spouse was not married to the participant at least 10 years during service of the participant which is creditable under this chapter with at least 5 years occurring while the participant was a member of the Foreign Service.

"(c)(1) The entitlement of a former spouse to a survivor annuity under this section—

"(A) shall commence—

"(i) in the case of a former spouse of a participant or former participant who is deceased as of the effective date of this section, beginning on such date; and

"(ii) in the case of any other former spouse, beginning on the later of—

"(I) the date that the participant or former participant to whom the former spouse was married dies; or

"(II) the effective date of this section; and

"(B) shall terminate on the last day of the month before the former spouse's death or remarriage before attaining the age 55.

"(2)(A) A survivor annuity under this section shall not be payable unless appropriate written application is provided to the Secretary, complete with any supporting documentation which the Secretary may by regulation require, within 30 months after the effective date of this section. The Secretary may waive the 30-month application requirement under this subparagraph in any case in which the Secretary determines that the circumstances so warrant.

"(B) Upon approval of an application provided under subparagraph (A), the appropriate survivor annuity shall be payable to the former spouse with respect to all periods before such approval during which the former spouse was entitled to such annuity under this section, but in no event shall a survivor annuity be payable under this section with respect to any period before the effective date of this section.

"(d) The Secretary shall—

"(1) as soon as possible, but not later than 60 days after the effective date of this section, issue such regulations as may be necessary to carry out this section; and

"(2) to the extent practicable, and as soon as possible, inform each individual who was a former spouse of a participant or former participant on February 14, 1981, of any rights which such individual may have under this section.

"(e) Nothing in this section shall be construed to impair, reduce, or otherwise affect the annuity or the entitlement to an annuity of a participant or former participant under this chapter.

"SEC. 832. HEALTH BENEFITS FOR CERTAIN FORMER SPOUSES.

"(a) Except as provided in subsection (c)(1), any individual—

"(1) formerly married to an employee or former employee of the Foreign Service, whose marriage was dissolved by divorce or annulment before May 7, 1985;

"(2) who, at any time during the 18-month period before the divorce or annulment became final, was covered under a health benefits plan as a member of the family of such employee or former employee; and

"(3) who was married to such employee for not less than 10 years during periods of government service by such employee, is eligible for coverage under a health benefits plan in accordance with the provisions of this section.

"(b)(1) Any individual eligible for coverage under subsection (a) may enroll in a health benefits plan for self alone or for self and family if, before the expiration of the 6-month period beginning on the effective date of this section, and in accordance with such procedures as the Director of the Office of Personnel Management shall by regulation prescribe, such individual—

"(A) files an election for such enrollment; and

"(B) arranges to pay currently into the Employees Health Benefits Fund under section 8909 of title 5, United States Code, an amount equal to the sum of the employee and agency contributions payable in the case of an employee enrolled under chapter 89 of such title in the same health benefits plan and with the same level of benefits.

"(2) The Secretary shall, as soon as possible, take all steps practicable—

"(A) to determine the identity and current address of each former spouse eligible for coverage under subsection (a); and

"(B) to notify each such former spouse of that individual's rights under this section.

"(3) The Secretary shall waive the 6-month limitation set forth in paragraph (1) in any case in which the Secretary determines that the circumstances so warrant.

"(c)(1) Any former spouse who remarries before age 55 is not eligible to make an election under subsection (b)(1).

"(2) Any former spouse enrolled in a health benefits plan pursuant to an election under subsection (b)(1) may continue the enrollment under the conditions of eligibility which the Director of the Office of Personnel Management shall by regulation prescribe, except that any former spouse who remarries before age 55 shall not be eligible for continued enrollment under this section after the end of the 31-day period beginning on the date of remarriage.

"(d) No individual may be covered by a health benefits plan under this section during any period in which such individual is enrolled in a health benefits plan under any other authority, nor may any individual be covered under more than one enrollment under this section.

"(e) For purposes of this section the term 'health benefits plan' means an approved health benefits plan under chapter 89 of title 5, United States Code.".

(b) CONFORMING AMENDMENT.—The table of contents in section 2 of the Foreign Service Act of 1980 is amended by inserting after the item relating to section 829 the following:

"Sec. 830. Retirement benefits for certain former spouses.

"Sec. 831. Survivor benefits for certain former spouses.

"Sec. 832. Health benefits for certain former spouses.".

SEC. 143. AUTHORITIES FOR SERVICE OF FASCELL FELLOWS.

Section 1005(b) of the Fascell Fellowship Act (22 U.S.C. 4904(b)) is amended by striking out "and" and inserting in lieu thereof "or".

SEC. 144. CLARIFICATION OF JURISDICTION OF FOREIGN SERVICE GRIEVANCE BOARD.

(a) The first sentence of section 1107(d) of the Foreign Service Act of 1980 (22 U.S.C. 4137(d)) is amended by inserting ", tenure" immediately after "relates directly to promotion".

(b) The third sentence of section 1107(d) of the Foreign Service Act of 1980 is amended by striking "would be contrary to law or".

(c) The second sentence of section 610(a)(2) of the Foreign Service Act of 1980 is amended—

(1) by inserting "and authority" immediately after "The hearing" at the beginning of such sentence;

(2) by striking "hearing procedures" and inserting in lieu thereof "provisions"; and

(3) by striking "section 1106" and inserting in lieu thereof "chapter 11".

(d) The amendments made by this section shall not apply with respect to a grievance based on conduct which occurred prior to the date of enactment of this Act.

SEC. 145. FUNCTIONS OF INSPECTOR GENERAL.

The fourth sentence of section 209(a)(1) of the Foreign Service Act of 1980 (22 U.S.C. 3929(a)(1)) is amended by striking out "periodically" and all that follows through ", and shall".

SEC. 146. PROHIBITION ON POLITICAL ACTIVITIES BY AMBASSADORS.

(a) Prohibition.—Notwithstanding any other provision of law, a chief of mission of the United States may not—

(1) use his or her official authority or influence for the purpose of interfering with or affecting the result of an election in the United States; or

(2) take an active part in political management or in political campaigns in the United States.

(b) Regulations.—The Secretary of State shall issue regulations to carry out this section.

(c) First Amendment Rights.—Nothing in this section may be construed to impair or affect the rights of any chief of mission under the First Article of Amendment to the Constitution.

PART D—INTERNATIONAL NARCOTICS CONTROL

SEC. 161. ASSIGNMENT OF DEA AGENTS ABROAD.

If the Secretary of State, in exercising his authority to establish overseas staffing levels for Federal agencies with activities abroad, authorizes the assignment of any Drug Enforcement Administration agent to a particular United States mission abroad, the Secretary shall authorize the assignment of at least two such agents to that mission.

SEC. 162. QUARTERLY REPORTS ON PROSECUTION OF THOSE RESPONSIBLE FOR THE TORTURE AND MURDER OF DEA AGENTS IN MEXICO.

Section 134(c) of the Foreign Relations Authorization Act, Fiscal Years 1986 and 1987, is amended by striking out "progress made in the Camarena case," and inserting in lieu thereof "progress made in investigating, and prosecuting those responsible for, the 1985 murders of Drug Enforcement Administration agent Enrique Camarena Salazar and his pilot Alfredo Zavala Avelar and the 1986 detention and torture of Drug Enforcement Administration agent Victor Cortez, Junior,".

SEC. 163. REQUIREMENT THAT EXTRADITION OF DRUG TRAFFICKERS BE A PRIORITY ISSUE OF UNITED STATES MISSIONS IN MAJOR ILLICIT DRUG PRODUCING OR TRANSIT COUNTRIES.

The Secretary of State shall ensure that the Country Plan for the United States diplomatic mission in each major illicit drug producing country and in each major drug-transit country (as those terms are defined in section 481(i) of the Foreign Assistance Act of 1961) includes, as an objective to be pursued by the mission—

(1) negotiating an updated extradition treaty which ensures that drug traffickers can be extradited to the United States, or

(2) if an existing treaty provides for such extradition, taking such steps as may be necessary to ensure that the treaty is effectively implemented.

SEC. 164. INFORMATION-SHARING SYSTEM SO THAT VISAS ARE DENIED TO DRUG TRAFFICKERS.

Not later than 90 days after the date of enactment of this Act, the Secretary of State shall submit to the Congress a report on the status of the comprehensive information system on drug arrests of foreign nationals which was required to be established by section 132 of the Foreign Relations Authorization Act, Fiscal Years 1986 and 1987.

PART E—INTERNATIONAL ORGANIZATIONS AND RELATIONS

SEC. 181. UNITED STATES PARTICIPATION IN THE UNITED NATIONS IF ISRAEL IS ILLEGALLY EXPELLED.

The first sentence of section 115(b) of the Department of State Authorization Act, Fiscal Years 1984 and 1985 is amended to read as follows: "If Israel is illegally expelled, suspended, denied its credentials, or in any other manner denied its right to participate in any principal or subsidiary organ or in any specialized, technical, or other agency of the United Nations, the United States shall suspend its participation in any such organ or agency until the illegal action is reversed.".

SEC. 182. RECOGNITION OF THE RED SHIELD OF DAVID SOCIETY.

It is the sense of the Congress that at its next quadrennial conference the International Committee of the Red Cross should grant full recognition to the Red Shield of David (Magen David Adom) as the symbol of the International Red Cross Societies in Israel.

SEC. 183. REPORT ON PROGRESS TOWARD A WORLD SUMMIT ON TERRORISM.

No later than 90 days after the date of enactment of this Act, the President shall report to the Speaker of the House of Representatives and the Committee on Foreign Relations of the Senate on the actions he has taken in response to House Resolution 547 of the 99th Congress, as passed by the House on September 30, 1986, expressing the sense of the House that the President convene a summit meeting of world leaders to adopt a unified, effective program against international terrorism.

SEC. 184. PROTECTION OF AMERICANS ENDANGERED BY THE APPEARANCE OF THEIR PLACE OF BIRTH ON THEIR PASSPORTS.

(a) Findings.—The Congress finds that some citizens of the United States may be specially endangered during a hijacking or other terrorist incident by the fact that their place of birth appears on their United States passports.

(b) Discussions.—The Congress urges the President to enter into discussions with other countries regarding the feasibility of a general agreement concerning the deletion of the place of birth as a required item of information on passports.

SEC. 185. CONCERNING THE NEED FOR AN ASIAN-PACIFIC REGIONAL HUMAN RIGHTS CONVENTION.

(a) Findings and Declarations.—The Congress makes the following findings and declarations:

(1) Member nations of the United Nations joined to reaffirm faith in fundamental human rights in the dignity and worth of the human person.

(2) Several nations in the Asian-Pacific region, including Afghanistan, Australia, Burma, China, India, the Philippines, and Thailand supported the United Nations Universal Declaration of Human Rights in 1948, which set forth basic human rights as a common standard of achievement for all people and all nations.

(3) Other regions of the world have banded together to focus on the human, cultural, and educational cooperation between each of the regional members.

(4) Most of the Asian and Pacific countries have joined together in the Economic and Social Commission for Asia and the Pacific to further cooperation in industry, technology, social development, and communication.

(5) The United Nations General Assembly has repeatedly affirmed the value of the regional arrangements for the promotion and protection of human rights.

(6) The fundamental rights of man are not derived from an individual's status as a national of a particular nation, but are inalienable, and justify international protection in the form of a convention reinforcing or complementing the protection provided by the domestic law of the Asian and Pacific states.

(7) The United States maintains the profound belief that such fundamental freedoms are the foundation of justice and peace in the world.

(8) As a leader in the realization and protection of human rights, the United States shall work with all nations with respect to the guarantee of human rights.

(b) Report to Congress.—Not later than 180 days after the date of enactment of this Act, the Secretary of State shall submit a report to the Congress which—

(1) identifies the need for an Asian-Pacific regional human rights convention, similar to the American Convention on Human Rights, the Conference on Security and Cooperation in Europe, and the African Charter on Peoples' and Human Rights, to work toward promotion and protection of human rights; and

(2) examines the feasibility of and makes recommendations for the calling of a human rights convention or summit in the region to achieve these goals.

SEC. 186. ACCESS TO THE FILES OF THE UNITED NATIONS WAR CRIMES COMMISSION.

(a) Findings.—Four decades after the Second World War when memories of that tragic conflict are beginning to fade, it is important that knowledge of the war crimes and crimes against humanity, such as the genocide perpetrated by the Nazis against the Jewish people, not be forgotten.

(b) Sense of the Congress.—It is the sense of Congress—

(1) that United States policy should be to support access by interested individuals and organizations to the files of the United Nations War Crimes Commission deposited in the archives of the United Nations;

(2) that the United States Ambassador to the United Nations should advise the Secretary General of the United Nations of such policy; and

(3) that all appropriate steps should be taken to persuade the former member states of the United Nations War Crimes Commission to adopt such policy.

SEC. 187. CONCERNING THE RECOGNITION OF CARICOM.

It is the sense of the Congress that the Secretary of State should consider recognizing the Caribbean Community and Common Market (CARICOM) as a regional planning organization in the Caribbean.

SEC. 188. CONCERNING THE EMIGRATION OF JEWS AND OTHER INDIVIDUALS WISHING TO EMIGRATE FROM THE SOVIET UNION.

(a) Findings and Declarations.—The Congress makes the following findings and declarations:

(1) The Congress of the United States fervently hopes that the recent release of jailed dissidents in the Soviet Union, among which are several Soviet citizens of Jewish descent, is more than an aberration in the overall policy of persecution of Jews by Soviet authorities.

(2) May 3, 1987, has been designated as "Solidarity Sunday for Soviet Jewry" by the Coalition to Free Soviet Jews.

(3) On May 3, 1987, Americans of all faiths will join in demonstrations and rallies to express their solidarity with the three million Jews in the Soviet Union.

(4) Solidarity Sunday symbolizes the unity of all Americans with the Prisoners of Conscience and others suffering from the Soviet Union's restrictive policies on emigration.

(5) Solidarity Sunday serves to remind us of the restrictions on the practice of religion and the observation of cultural traditions, the lack of freedom in regard to scientific and intellectual pursuits, and the harassment of individuals in the Soviet Union who wish to emigrate, practice their religion, or observe their cultural tradition.

(b) SENSE OF THE CONGRESS.—It is the sense of the Congress that—

(1) the leaders of the Soviet Union should permit the emigration of Jews and other individuals who wish to emigrate from the Soviet Union;

(2) the leaders of the Soviet Union should remove restrictions on the practice of religion or the observation of cultural traditions;

(3) the leaders of the Soviet Union should remove restrictions on individual scientific and intellectual endeavors; and

(4) the leaders of the Soviet Union should stop the official harassment of individuals who wish to emigrate, practice their religion, observe their cultural traditions, or engage in free intellectual pursuits.

SEC. 189. CONCERNING THE SYSTEMATIC NONDELIVERY OF INTERNATIONAL MAIL ADDRESSED TO CERTAIN PERSONS RESIDING WITHIN THE SOVIET UNION.

(a) FINDINGS.—The Congress makes the following findings:

(1) The integrity of the mail service between the United States and the Soviet Union is being called into question by mailers in the United States who assert that postal items are systematically not being delivered to selected addresses in the Soviet Union.

(2) The explanations required under international law and given by the Soviet postal administration in regard to the nondelivery of mail to certain addresses have been inaccurate, insufficient, or untimely.

(3) The mail which is not being delivered typically is between family members or persons sharing a religious, ethnic, or professional bond and typically consists of personal correspondence or gifts of articles for personal or professional use.

(4) The nondelivery of mail which is deliverable as addressed and which does not contain prohibited articles is an interference by the Soviet Union with internationally recognized human rights guaranteed to all persons by the Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights, and the Final Act of the Conference on Security and Cooperation in Europe.

(5) Such nondelivery violates the Acts of the Universal Postal Union.

(b) SENSE OF THE CONGRESS.—It is the sense of the Congress—

(1) that the President through the Department of State, should express to the Government of the Soviet Union the disapproval of the American people—

(A) concerning those postal items which are mailed in the United States and are deliverable in the Soviet Union as addressed but which are systematically not delivered by the Soviet Union to the person to whom they are addressed; and

(B) concerning violations by the Soviet Union of the Acts of the Universal Postal Union and violations of the Final Act of the Conference on Security and Cooperation in Europe;

(2) that the Department of State should bring to the attention of other member countries of the Universal Postal Union patterns of nondelivery of international mail by the Soviet Union contrary to the Acts of the Universal Postal Union and to the Final Act of the Conference on Security and Cooperation in Europe, the Universal Declaration of Human Rights, and the International Covenant on Civil and Political Rights; and

(3) that at the Congress of the Universal Postal Union in Washington, District of Columbia, in 1989, the delegation of the United States should ask other member countries to support the adoption of technical amendments to the Universal Postal Convention and to take such other measures as they consider appropriate that would encourage improved postal performance by the Soviet Union.

SEC. 190. CONCERNING OBSERVANCE BY THE GOVERNMENT OF ROMANIA OF THE HUMAN RIGHTS OF HUNGARIANS IN TRANSYLVANIA, ESPECIALLY THE RIGHT OF SELF-DETERMINATION.

(a) FINDINGS.—The Congress makes the following findings:

(1) The Government of Romania has entered into treaties and accords (including the 1947 Paris Treaty of Peace with Romania, the International Covenant on Civil and Political Rights, the International Covenant on Economic, Social, and Cultural Rights, and the 1975 Helsinki Final Act of the Conference on Security and Cooperation in Europe) which guarantee the human rights of its citizens without any discrimination as to religion and national origin.

(2) The Constitution of the Socialist Republic of Romania ensures far-reaching rights to the "co-inhabiting nationalities" in Romania.

(3) The province of Transylvania, which has 2,500,000 Hungarians and which had constituted part of Hungary for a millenium, was originally ceded to Romania by the 1920 Trianon Treaty.

(4) The fate of the Hungarians in Transylvania has been systematic denationalization under the various Romanian Governments, whether Royalist, Fascist, or Communist.

(5) The Government of the Socialist Republic of Romania and its regional and local authorities pursue a policy of denationalization toward the Hungarians and people of other nationalities in Transylvania by measures approximating ethnocide, including—

(A) the destruction of Hungarian language schools and the Hungarian Bolyai University (still in existence in 1958) and the replacement of these schools by a steadily declining number of Hungarian sections in Romanian schools,

(B) the destruction, or the making inaccessible to the public and scholars, of the documents of the Hungarian past of Transylvania, and

(C) the conscious dispersion of the Hungarian intelligentsia into Romanian areas and the settlement of large number of Romanian colonists into the Hungarian areas of Transylvania.

(6) The Socialist Republic of Romania actively interferes with the internal affairs of all its religious communities, severely limiting or banning all their social and teaching activities and discriminates against their members in employment, education, and promotion, particularly with regard to the members of the Catholic and Protestant churches which are composed of Hungarians and Germans.

(7) The 2,500,000 Hungarians in Transylvania are entitled to self-determination, a right protected under the Helsinki Final Act of the Conference on Security and Cooperation in Europe.

(b) SENSE OF THE CONGRESS.—The Congress deplores activities of the Government of the Socialist Republic of Romania denying the rights of the Hungarians and people of other nationalities in Transylvania.

SEC. 191. REFORM IN THE BUDGET DECISIONMAKING PROCEDURES OF THE UNITED NATIONS AND ITS SPECIALIZED AGENCIES.

(a) FINDINGS.—The Congress finds that the consensus based decisionmaking procedure established by General Assembly Resolution 41/213 is a significant step toward complying with the intent of section 143 (as originally passed) of the Foreign Relations Authorization Act, Fiscal Years 1986 and 1987 (22 U.S.C. 287e note; 99 Stat. 405).

(b) REFORM.—Section 143 of the Foreign Relations Authorization Act, Fiscal Years 1986 and 1987 (22 U.S.C. 287e note; 99 Stat. 405) is amended to read as follows:

"Sec. 143. REFORM IN THE BUDGET DECISIONMAKING PROCEDURES OF THE UNITED NATIONS AND ITS SPECIALIZED AGENCIES.

"(a) FINANCIAL RESPONSIBILITY IN BUDGET PROCEDURES.—To achieve greater financial responsibility in preparation of the assessed budgets of the United Nations and its specialized agencies, the President should continue vigorous efforts to secure implementation by the United Nations, and adoption and implementation by its specialized agencies, of decisionmaking procedures on budgetary matters which assure that sufficient attention is paid to the views of the United States and other member states who are major financial contributors to such assessed budgets.

"(b) LIMITATION ON ASSESSED CONTRIBUTIONS.—

"(1) With respect to United States assessed contributions to the United Nations for calendar year 1987 and for subsequent years, up to 100 percent of the funds made available for payment of such contributions may be used for such contributions only if the President determines and reports to the Congress that the consensus based decisionmaking procedure established by General Assembly Resolution 41/213 is being implemented and its results respected by the General Assembly, except 20 percent of such funds shall be withheld from payment to the United Nations until at least 30 days after the date on which the Congress receives the President's report and may not be paid to the United Nations after the end of that 30-day period if the Congress, during that 30-day period, enacts a joint resolution disapproving the payment of such remaining 20 percent to the United Nations.

"(2) With respect to contributions assessed for calendar year 1987 and following years, no payment may be made for an assessed contribution to any of the specialized agencies of the United Nations in excess of 20 percent of the total annual budget of any such agency unless the President determines that such agency has made substantial progress toward implementing such procedures in a manner that substantially achieves the greater financial responsibility referred to in subsection (a).

"(3) Subject to the availability of appropriations, when the Presidential determinations referred to in paragraphs (1) and (2) *have been made, payment of assessed contributions for prior years may be made to the United Nations or its specialized agency (as the case may be) without regard to the contribution limitation contained in this section prior to its being amended by the Foreign Relations Authorization Act, Fiscal Years 1988 and 1989.*

"(c) FUNDS FOR ADDITIONAL PAYMENT OF UNITED NATIONS ASSESSED CONTRIBUTION.—The President is authorized to transfer to 'Contributions to International Organizations' up to $79,000,000 from any funds appropriated for each of the fiscal years 1988 and 1989 to carry out the Foreign Assistance Act of 1961 or the Arms Export Control Act or pursuant to authorizations contained in the Foreign Relations Authorization Act, Fiscal Years 1988 and 1989 (notwithstanding any provision of that Act which restricts the transfer or reprogramming of funds). Funds so transferred shall be used for payments toward the full United States assessed contributions for calendar years 1987 and 1988 to the United Nations and its specialized agencies subject to paragraphs (1) and (2) of subsection (b). Section 505 of the annual Foreign Assistance and Related Programs Appropriations Acts shall not be construed to apply to funds transferred pursuant to this subsection. The President shall notify the Committee on Foreign Affairs of the House of Representatives, the Committee on Foreign Relations of the Senate, and the Committee on Appropriations of each House, at least 15 days before transferring any funds pursuant to this subsection, specifying the purpose for which the funds would be used if they were not transferred pursuant to this subsection.".

(c) CONFORMING AMENDMENT.—The table of contents in section 1 of the Foreign Relations Authorization Act, Fiscal Years 1986 and 1987 (22 U.S.C. 287e note; 99 Stat. 405) is amended by striking out the item relating to section 143 and inserting in lieu thereof the following:

"Sec. 143. Reform in the budget decision-making procedures of the United Nations and its specialized agencies.".

AMENDMENT OFFERED BY MR. MICA

Mr. MICA. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MICA: Redesignate sections 161 through 164 of the committee amendment as sections 151 through 154, respectively; redesignate sections 181 through 191 of the committee amendment as sections 161 through 171, respectively; and at the end of title I of the committee amendment (page 55, after the text following line 25) insert the following new part:

PART F—DIPLOMATIC RECIPROCITY AND SECURITY ACT

Chapter 1—Soviet Embassy in the United States and United States Embassy in the Soviet Union

SEC. 181. WITHDRAWAL FROM UNITED STATES-SOVIET EMBASSY AGREEMENT; PROHIBITION ON USE OF MOUNT ALTO SITE.

(a) FINDINGS.—The Congress finds that—

(1) the Government of the Union of Soviet Socialist Republics has violated the diplomatic privileges and immunities of the United States Embassy in Moscow by surreptitiously entering the premises of that Embassy to conduct espionage;

(2) the Soviet Government's penetration of the United States Embassy constitutes a gross violation of international law and has inflicted grave damage on the national security of the United States;

(3) the Soviet Government has also penetrated the new United States Embassy under construction in Moscow, implanting numerous electronic listening devices in its structure;

(4) due to actions of the Government of the Union of Soviet Socialist Republics, United States Government personnel cannot communicate in confidence, as the national security of the United States requires, within the present United States Embassy in Moscow or within the new United States Embassy being constructed in Moscow;

(5) the Soviet Government plans to use the new Soviet Embassy site on Mount Alto in Washington, District of Columbia, as a platform to conduct highly sophisticated electronic surveillance of both United States Government communications involving diplomatic, military, and intelligence matters and private communications of United States citizens and businesses;

(6) the Soviet Government's electronic surveillance of United States communications damages the national security of the United States;

(7) the location of the new Soviet Embassy on Mount Alto is ideal for electronic surveillance;

(8) the agreements between the United States and the Union of Soviet Socialist Republics concerning the proposed new locations in Moscow and Washington of the Embassies of those countries incorporate a reservation (implied by the principle, to which both the United States and the Soviet Union subscribe, that the premises of an embassy are inviolable) that a party to the agreements may withdraw from the agreements to the extent the national security interests of the party so require; and

(9) to protect the national security of the United States, the United States must exercise the implied reservation to withdraw from the Embassy agreements unless the threat to the national security posed by adherence to those agreements can be overcome.

(b) WITHDRAWAL FROM EMBASSY AGREEMENT.—

(1) WITHDRAWAL.—The United States hereby withdraws from the Agreement between the Government of the United States and the Government of the Union of Soviet Socialist Republics on the Reciprocal Allocation for Use Free of Charge of Plots of Land in Moscow and Washington (signed at Moscow, May 16, 1969) and related agreements, notes, and understandings.

(2) EFFECTIVE DATE.—Paragraph (1) shall take effect on the date specified by subsection (e), except as provided in subsection (f).

(c) NOTIFICATION OF UNAVAILABILITY OF MOUNT ALTO.—The Secretary of State shall, within 5 days after the date of enactment of this Act, notify the Government of the Union of Soviet Socialist Republics that the Mount Alto site will cease to be available to that Government for any purpose as of the date specified by subsection (e), subject to subsection (f).

(d) PROHIBITION ON FUTURE USE OF MOUNT ALTO SITE BY FOREIGN MISSIONS.—If subsection (b)(1) takes effect, the Mount Alto site may not be made available for use thereafter by a foreign mission for any purpose.

(e) EFFECTIVE DATE.—The date referred to in subsections (b) and (c) is—

(1) the date which is 1 year and 10 days after the date of enactment of this Act; or

(2) such earlier date as may be agreed upon by the Government of the United States and the Government of the Union of Soviet Socialist Republics.

(f) WAIVER.—

(1) PRESIDENTIAL DETERMINATIONS REQUIRED.—The President may waive subsection (b)(1) if he determines that—

(A) it is vital to the national security of the United States that the United States not withdraw from the agreement (and related agreements, notes, and understandings) described in subsection (b)(1);

(B) steps have been or will be taken that will ensure that the new chancery building for the United States Embassy in Moscow can be safely and securely occupied by the United States and used for its intended purposes; and

(C) steps have been or will be taken to eliminate, no later than October 1, 1989, the damage to the national security of the United States due to electronic surveillance from Soviet facilities on Mount Alto and from other Soviet facilities in the United States.

(2) WHEN DETERMINATIONS MAY BE MADE.—The President may not make the determination and waiver permitted by paragraph (1) before the 6-month period beginning on the date of enactment of this Act.

(3) REPORT TO CONGRESS.—The waiver permitted by paragraph (1) shall not be effective until the determination and waiver are reported to the Congress. Any such report shall include a detailed justification for each of the determinations and shall specify the steps that have been or will be taken to achieve the requirements of paragraphs (1)(B) and (C).

(4) NONDELEGATABILITY.—The President may not delegate the responsibility for making the determination and waiver permitted by paragraph (1).

SEC. 182. RECOVERY OF DAMAGES INCURRED AS A RESULT OF SOVIET INTELLIGENCE ACTIVITIES DIRECTED AT THE NEW UNITED STATES EMBASSY IN MOSCOW.

It is the sense of the Congress that the arbitration process between the United States and the Union of Soviet Socialist Republics, which is currently under way with respect to damages arising from delays in the construction of the new United States Embassy in Moscow, should be expanded to include Soviet reimbursement of the full costs incurred by the United States as a result of the intelligence activities of the Soviet Union directed at the new United States Embassy in Moscow.

SEC. 183. UNITED STATES-SOVIET RECIPROCITY IN MATTERS RELATING TO EMBASSIES.

(a) REQUIREMENT FOR RECIPROCITY IN CERTAIN MATTERS.—The Secretary of State shall exercise the authority granted in title II of the State Department Basic Authorities Act of 1956 (relating to foreign missions) to achieve the following objectives by October 1, 1989:

(1) FINANCE.—United States diplomatic and consular posts in the Soviet Union not pay more than fair value for goods or services as a result of the Soviet Government's control over Soviet currency valuation and over the pricing of goods and services.

(2) ACCESS TO GOODS AND SERVICES.—United States diplomatic and consular posts in the Soviet Union have full access to goods and services, including utilities.

(3) REAL PROPERTY.—The real property used for office purposes, the real property used for residential purposes, and the real property used for all other purposes by

United States diplomatic and consular posts in the Soviet Union is equivalent in terms of quantity and quality to the real property used for each of those purposes by diplomatic and consular posts of the Soviet mission to the United States. In implementing this paragraph, the Secretary of State—

(A) shall require that the Soviet Union close (within 30 days after the date of enactment of this Act) one or more diplomatic or consular offices of the Soviet missions in the United States which, in the aggregate, have a total square footage which is not less than 20 percent of the difference between—

(i) the total square footage occupied by the Soviet missions in the United States, and

(ii) the total square footage occupied by United States diplomatic and consular posts in the Soviet Union; and

(B) shall not allow the Soviet mission to the United States to occupy any new consulate in the United States until the United States mission in Kiev is occupying secure, permanent facilities.

(b) SECRETARY OF THE TREASURY.—The Secretary of the Treasury shall provide to the Secretary of State such assistance with respect to the implementation of paragraph (1) of subsection (a) as the Secretary of State may request.

(c) REPORTS TO CONGRESS.—Not later than 60 days after the date of enactment of this Act and annually thereafter, the Secretary of State shall submit to the Congress a report setting forth the actions taken and planned to be taken in carrying out subsection (a).

SEC. 184. REPORT ON PERSONNEL OF SOVIET STATE TRADING ENTERPRISES.

Not later than 60 days after the date of enactment of this Act, the Secretary of State shall submit to the Congress a report discussing whether the number of personnel of Soviet state trading enterprises in the United States should be reduced.

Chapter 2—Improving State Department Personnel Practices and Organization to Counter Hostile Intelligence Threats

SEC. 187. COUNTERINTELLIGENCE POLYGRAPH SCREENING OF DIPLOMATIC SECURITY SERVICE PERSONNEL.

(a) IMPLEMENTATION OF PROGRAM.—Under the regulations issued pursuant to subsection (b), the Secretary of State shall implement a program of counterintelligence polygraph examinations for members of the Diplomatic Security Service (established pursuant to title II of the Diplomatic Security Act) during fiscal years 1988 and 1989.

(b) REGULATIONS.—The Secretary of State shall issue regulations to govern the program required by subsection (a). Such regulations shall provide that the scope of the examinations under such program, the conduct of such examinations, and the rights of individuals subject to such examinations shall be the same as those under the counterintelligence polygraph program conducted pursuant to section 1221 of the Department of Defense Authorization Act, 1986 (Public Law 99-145).

SEC. 188. PERSONNEL SECURITY PROGRAM FOR EMBASSIES IN HIGH INTELLIGENCE THREAT COUNTRIES.

(a) SPECIAL SECURITY PROGRAM.—The Secretary of State shall develop and implement, within three months after the date of enactment of this Act, a special personnel security program for personnel of the Department of State assigned to United States diplomatic and consular posts in high intelligence threat countries who are responsible for security at those posts and for any individuals performing guard functions at those posts. Such program shall include—

(1) selection criteria and screening to ensure suitability for assignment to high intelligence threat countries;

(2) counterintelligence awareness and related training; and

(3) security reporting and command arrangements designed to counter intelligence threats.

(b) REPORT TO CONGRESS.—Not later than 6 months after the date of enactment of this subsection, the Secretary of State shall report to the Congress on the special personnel security program required by subsection (a).

(c) DEFINITION.—As used in subsection (a), the term "high intelligence threat country" means—

(1) a country listed as a communist country in section 620(f) of the Foreign Assistance Act of 1961; and

(2) any other country designated as a high intelligence threat country for purposes of this section by the Secretary of State, the Secretary of Defense, the Director of Central Intelligence, or the Director of the Federal Bureau of Investigation.

SEC. 189. ACCOUNTABILITY REVIEW BOARDS.

(a) ESTABLISHMENT OF A BOARD.—Section 301 of the Diplomatic Security Act (22 U.S.C. 4831) is amended by inserting ", and in any case of a serious breach of security involving intelligence activities of a foreign government directed at a United States Government mission abroad," after "mission abroad".

(b) BOARD FINDINGS.—Section 304(a) of that Act (22 U.S.C. 4834(a)) is amended by inserting "or surrounding the serious breach of security involving intelligence activities of a foreign government directed at a United States Government mission abroad (as the case may be)" after "mission abroad".

SEC. 190. PROHIBITION ON CERTAIN EMPLOYMENT AT UNITED STATES DIPLOMATIC AND CONSULAR MISSIONS IN COMMUNIST COUNTRIES.

(a) PROHIBITION.—

(1) After September 30, 1989, no national of a communist country may be employed as a foreign national employee at United States diplomatic and consular missions in any Communist country.

(2) Paragraph (1) does not apply with respect to any foreign national employee who is not permitted access to—

(A) United States Embassy or consulate grounds, vehicles, or buildings which are sited in the compound of the Embassy or consulate (including living quarters); and

(B) the residence, wherever located, of the chief of mission or the deputy chief of a mission.

(b) DEFINITION.—As used in this section, the term "communist country" means a country listed in section 620(f) of the Foreign Assistance Act of 1961.

(c) ADDITIONAL FUNDS FOR HIRING UNITED STATES CITIZENS.—The Congress expresses its willingness to provide additional funds to the Department of State for the expenses of employing United States citizens to replace the individuals dismissed by reason of subsection (a).

SEC. 191. TERMINATION OF RETIREMENT BENEFITS FOR FOREIGN NATIONAL EMPLOYEES ENGAGING IN HOSTILE INTELLIGENCE ACTIVITIES.

(a) TERMINATION.—The Secretary of State shall exercise the authorities available to him to ensure that the United States does not provide, directly or indirectly, any retirement benefits of any kind to any present or former foreign national employee of a United States diplomatic or consular post who the Secretary reasonably believes engaged in intelligence activities directed against the United States.

(b) WAIVER.—The Secretary of State may waive the applicability of subsection (a) on a case-by-case basis with respect to an employee if he determines that it is vital to the national security of the United States to do so and he reports such waiver in advance to the appropriate committees of the Congress.

SEC. 192. REPORT ON EMPLOYMENT OF FOREIGN NATIONALS AT FOREIGN SERVICE POSTS ABROAD.

Not later than 6 months after the date of enactment of this Act, the Secretary of State shall submit to the Congress a report discussing the advisability of employing foreign nationals at foreign service posts abroad.

SEC. 193. UNDER SECRETARY OF STATE FOR SECURITY, COMMUNICATIONS, CONSTRUCTION, AND MISSIONS.

(a) ESTABLISHMENT OF POSITION.—The first section of the Act entitled "An Act to strengthen and improve the organization and administration of the Department of State, and for other purposes", approved May 26, 1949 (22 U.S.C. 2652), is amended by striking out "and an Under Secretary of State for Management" and inserting in lieu thereof "an Under Secretary of State for Budget, Personnel, and Administration, and an Under Secretary of State for Security, Communications, Construction, and Missions".

(b) RESPONSIBILITIES.—The Under Secretary of State for Security, Communications, Construction, and Missions shall be responsible for—

(1) the Bureau of Diplomatic Security (established by section 104 of the Diplomatic Security Act);

(2) the Office of Communications;

(3) the Office of Foreign Buildings (established to carry out the Foreign Service Buildings Act, 1926); and

(4) the Office of Foreign Missions (established pursuant to section 203 of the State Department Basic Authorities Act of 1956).

(c) REORGANIZATION.—

(1) PERIOD FOR IMPLEMENTATION.—The Secretary of State shall complete implementation of the reorganization required by this section within 6 months after the date of enactment of this Act, including the transfer of personnel and funds to the Under Secretary of State for Security, Communications, Construction, and Missions.

(2) PLAN FOR IMPLEMENTATION.—Not later than 60 days after the date of enactment of this Act, the Secretary of State shall submit a report to the Congress on the steps to be taken in reorganizing the Department of State pursuant to this section.

(d) CONFORMING AMENDMENTS.—

(1) OFFICE OF FOREIGN MISSIONS.—Section 203(a) of the State Department Basic Authorities Act of 1956 (22 U.S.C. 4303(a)) is amended in the third sentence by striking out "an Under Secretary of State" and inserting in lieu thereof "the Under Secretary of State for Security, Communications, Construction, and Missions".

(2) POSITIONS AT EXECUTIVE LEVEL III.—Effective October 1, 1987, section 5314 of title 5, United States Code, is amended by striking out "Under Secretary of State for Political Affairs and Under Secretary of State for Economic Affairs and an Under Secretary of State for Coordinating Security Assistance

Programs and Under Secretary of State for Management." and inserting in lieu thereof the following:

"Under Secretaries of State (5)."

(3) Budget Act.—Any new spending authority (as defined in section 401(c) of the Congressional Budget Act of 1974) provided by this subsection shall be effective for any fiscal year only to such extent or in such amounts as are provided in advance in appropriation Acts.

(e) Transition.—The individual holding the position of Under Secretary of State for Management on the date of enactment of this Act shall assume the duties of the Under Secretary of State for Budget, Personnel, and Administration and shall not be required to be reappointed by reason of the enactment of this section.

SEC. 194. ASSISTANT SECRETARY OF STATE FOR FOREIGN MISSIONS.

(a) Establishment of Position.—Section 203(a) of the State Department Basic Authorities Act of 1956 (22 U.S.C. 4303(a)) is amended in the second sentence by striking out "a Director," and inserting in lieu thereof "the Assistant Secretary of State for Foreign Missions, who shall be".

(b) Conforming Amendments—

(1) Amendments to the foreign missions act.—Title II of that Act is amended—

(A) in section 202 (22 U.S.C. 4302), by striking out paragraph (3), by redesignating paragraphs (1) and (2) as paragraphs (2) and (3), respectively, and by inserting the following new paragraph (1) after the introductory clause:

"(1) 'Assistant Secretary' means the Assistant Secretary of State for Foreign Missions;";

(B) in section 203 (22 U.S.C. 4303)—

(i) in the third and fifth sentences of subsection (a), by striking out "Director" and inserting in lieu thereof "Assistant Secretary";

(ii) by repealing the fourth sentence of subsection (a);

(iii) in subsection (b), by striking out "Deputy Director of the Office of Foreign Missions" and inserting in lieu thereof "Deputy Assistant Secretary of State for Foreign Missions"; and

(iv) in subsection (c), by striking out "Director" and inserting in lieu thereof "Assistant Secretary"; and

(C) in section 204 (22 U.S.C. 4304), section 204A (22 U.S.C. 4304a), section 205 (22 U.S.C. 4305), and section 208 (22 U.S.C. 4308), by striking out "Director" each place it appears and inserting in lieu thereof "Assistant Secretary".

(2) Number of assistant secretaries.—The first section of the Act entitled "An Act to strengthen and improve the organization and administration of the Department of State, and for other purposes", approved May 26, 1949 (22 U.S.C. 2652), is amended by striking out "fifteen" and inserting in lieu thereof "sixteen".

(3) Positions at executive level iv.—Effective October 1, 1987, section 5315 of title 5, United States Code, is amended by striking out "(15)" following "Assistant Secretaries of State" and inserting in lieu thereof "(16)".

(4) Budget act.—Any new spending authority (as defined in section 401(c) of the Congressional Budget Act of 1974) provided by this subsection shall be effective for any fiscal year only to such extent or in such amounts as are provided in advance in appropriation Acts.

(c) Transition.—The individual holding the position of Director of the Office of Foreign Missions on the date of enactment of this Act shall assume the duties of the Assistant Secretary of State for Foreign Missions and shall not be required to be reappointed by reason of the enactment of this section.

Part C—Additional Measures to Protect Against Hostile Intelligence Threats

SEC. 196. IMPROVING SECURITY OF UNITED STATES DIPLOMATIC AND CONSULAR FACILITIES.

In addition to funds otherwise available for such purposes, there are authorized to be appropriated to the Secretary of State $86,700,000 for fiscal year 1988 and $90,168,000 for fiscal year 1989 for "Salaries and Expenses" to carry out the diplomatic security program, which amounts shall be available only to improve security at United States diplomatic and consular posts.

SEC. 197. PERIODIC SURVEYS TO DETERMINE SECURITY WEAKNESSES AT UNITED STATES DIPLOMATIC AND CONSULAR POSTS.

(a) Surveys.—The Secretary of State shall conduct periodic surveys to determine the weaknesses in the programs, practices, and procedures for protecting classified information at United States diplomatic and consular posts, giving priority attention to posts in Communist countries. Such surveys shall be conducted at least annually with respect to posts in Communist countries and in such other countries as the Secretary may determine. Based on those surveys, the Secretary shall take appropriate corrective action.

(b) Other Agencies.—In carrying out subsection (a), the Secretary of State shall consult with the heads of such other agencies as may be appropriate. The heads of other agencies shall assist the Secretary as necessary in implementing subsection (a).

(c) Reports to Congress.—Not later than January 15 each year, the Secretary shall report to the Congress with respect to the surveys conducted during the previous year pursuant to subsection (a). These reports shall include a description of the actions taken as the result of the surveys and recommendations for such administrative or legislative action as the Secretary deems appropriate.

SEC. 198. PROTECTION FROM FUTURE HOSTILE INTELLIGENCE ACTIVITIES IN THE UNITED STATES.

Section 205 of the State Department Basic Authorities Act of 1956 (22 U.S.C. 4305) is amended by adding at the end the following:

"(d)(1) After the date of enactment of this subsection, real property in the United States may not be acquired (by sale, lease, or other means) by or on behalf of the foreign mission of an unfriendly foreign country if, in the judgment of the Secretary of Defense (after consultation with the Secretary of State), the acquisition of that property might improve the capability of that country to intercept communications involving United States Government diplomatic, military, or intelligence matters.

"(2) After the date of enactment of this subsection, real property in the United States may not be acquired (by sale, lease, or other means) by or on behalf of the foreign mission of an unfriendly foreign country if, in the judgment of the Director of the Federal Bureau of Investigation (after consultation with the Secretary of State), the acquisition of that property might improve the capability of that country to engage in intelligence activities directed against the United States Govenment (excluding the type of intelligence activities described in paragraph (1)).

"(3) The Secretary of State will inform the Secretary of Defense and the Director of the Federal Bureau of Investigation immediately upon notice being given pursuant to subsection (a) of this section of a proposed acquisition of real property by or on behalf of the foreign mission of an unfriendly foreign country.

"(4) As used in this subsection, the term 'unfriendly foreign country' means—

"(A) any country listed as a Communist country in section 620(f) of the Foreign Assistance Act of 1961;

"(B) any country determined by the Secretary of State, for purposes of section 6(j) of the Export Administration Act of 1979, to be a country which has repeatedly provided support for acts of international terrorism; and

"(C) any other country designated as an unfriendly foreign country for purposes of this subsection by the Secretary of State, the Secretary of Defense, or the Director of the Federal Bureau of Investigation.".

Mr. MICA (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. MICA. Mr. Chairman, I rise in support of my amendment, the Diplomatic Reciprocity and Security Act which was originally introduced as H.R. 2410.

The major provisions of the amendment are:

The withdrawal of the United States from the 1969 United States-Soviet Embassy Agreement.

A requirement that the Secretary of State establish reciprocity of treatment between the United States and the Soviet Union regarding financial and real estate matters and access to goods and services by October 1, 1989.

Periodic counterintelligence polygraph interviews for members of the diplomatic security service.

Implementation of a special security program, including personnel and embassy guards for Communist countries.

Expansion of the scope of accountability review boards to include serious breaches of security involving intelligence activities of a foreign government directed at a United States mission abroad.

Prohibition of employment of foreign service nationals at U.S. diplomatic and consular posts in Communist countries.

Creation of a new Under Secretary of State for Security, Communications, Construction, and Missions responsible for the Bureau for diplomatic security, the Offices of Foreign Missions, of Foreign Buildings and of Communications.

Authorization of appropriation, for diplomatic security of $86.7 million for fiscal year 1988, $91.1 for fiscal year 1989 to repair the damage done to the technical security program of our diplomatic consular missions in Moscow, Leningrad, Vienna, and in other cities around.

Real property may not be acquired by a foreign mission in the United States if in the judgment of the Secretary of Defense and the Director of the Federal Bureau of Investigations it might enhance that country's ability to engage in hostile intelligence activities.

Since we began our review of the adequacy of security against foreign espionage, we have uncovered several problem areas, this legislation seeks to correct.

In the first instance, a careful review of the History of the United States-Soviet Embassy agreement reveals that many issues have been repeatedly either minimized or subordinated to larger bilateral matters. From the beginning, the administration pushed this agreement despite lingering problems. Since then the hsitory is repleat with problems which resulted with today's situation whereby the United States has an unfinished chancery riddled with listening and transmitting devices which many doubt we can salvage. Meanwhile, the Soviet Union has enjoyed the benefits of Mount Alto for the past 7 years. Our amendment calls for the withdrawal from the agreement and the removal of the Soviet Embassy from the Mount Alto location.

However, we have included a very tough waiver in the event the President can demonstrate that it is vital to the U.S. national interest to remain within the framework of that agreement and that steps have been taken to secure the new chancery in Moscow and neutralize the Mount Alto site.

Another serious shortcoming in the security system we uncovered during our recent trips to the Eastern-bloc countries is the disparity between the security clearances and requirements of those charged with the protection of U.S. personnel and facilities abroad and of those intended to be protected. We found that our embassies are home to people who are required to meet the most stringent security requirements while the security personnel were subjected to much lower clearances and scrutiny. As a result of discussions with the security personnel, I have added to this legislation a requirement that the Secretary of State establish a counterintelligence polygraph examination program for the members of the diplomatic security service. It is my view that security officers should be subjected to a polygraph interview at the end of each tour prior to reassignment. According to the security officers with whom we have met over the past several months, such a program would help enormously.

However, as I propose this language, I feel compelled to state clearly for the record that it is not my intention to impose this new requirement on the diplomatic security service without committing myself to very vigilant oversight. I am concerned, as are many of my colleagues, that the implementation of this new program not be abused. In directing the Secretary of State to promulgate regulations that are the same as those established by the Department of Defense, it is my intention to establish a starting point from where the Department of State should begin to build a strong program with stronger protection for employee safeguards. I will insist that the Department will fashion regulations which will improve the quality of examiners and therefore of the overall program. I expect that the Secretary of State will feel compelled to incorporate such additional safeguards and protections as he will deem necessary.

A third area of concern to the drafters of this amendment is the treatment afforded our diplomats in the Soviet Union. We were astonished by the physical conditions in which our diplomats were expected to work. We have found that our personnel are subjected to unrelenting harassment. We have also found that the access enjoyed by our embassy to goods and services is seriously curtailed by the Soviet Government who also manipulates the prices of goods and services and the currency exchange rates. Our amendment directs the Secretary of State to use existing authorities under the Foreign Mission Act to establish reciprocity of treatment of Soviet diplomats in the United States.

Another critical provision of this amendment will prohibit the employment of any foreign nationals at our Embassies in Communist countries. We have found that the presence of local nationals in our facilities where sensitive activities are carried out has been a serious security problem. Therefore, we have included language drafted by Congressman COURTER to put an end to that personnel practice. While certain elements of the Department of State have expressed concern about this provision, we have found that our people in the field have begun to move in this direction.

This amendment represents a major first step in addressing many of the problems our Government has had to live with over the years. I believe that the adoption of this amendment will drastically impair the ability of hostile intelligence services to penetrate our Embassies in the future.

I urge my colleagues to support this amendment.

Mr. BROOMFIELD. Mr. Chairman, I rise in strong support of this amendment.

Mr. Chairman, I also again want to pay tribute to the chairman of the full committee, the gentleman from Florida [Mr. FASCELL], and the gentleman from Florida [Mr. MICA], the chairman of the subcommittee, as well as the gentlewoman from Maine [Ms. SNOWE]. The four of us are the original cosponsors of this legislation.

Mr. Chairman, I am pleased to join as an original cosponsor in strong support of the bipartisan committee security amendment to H.R. 1777.

This is the most important amendment we will consider.

It will come as no surprise that the State Department opposes the amendment.

The State Department's opposition to the amendment is the best endorsement we could have. The time has come for Congress to take charge on improving security, since the State Department has proved in recent years that it can't handle the job.

Our amendment takes a tough line with the Soviet Union on diplomatic reciprocity and security issues.

The Soviets have engaged in blatant and widespread espionage against the United States and have abused United States personnel in the Soviet Union.

The American answer will now be strong action—not just polite diplomatic notes issued by the State Department.

The bipartisan amendment will make the Soviets understand that the Congress is serious about defending U.S. national security secrets and about protecting U.S. diplomats abroad.

The amendment makes substantial improvements in four major areas.

First, it removes the Soviets from Mount Alto unless the United States gets a safe and secure Embassy in Moscow, and can eliminate the damage to U.S. security caused by Soviet electronic espionage from Soviet diplomatic facilities.

Second, it makes the Soviets toe the line on dealings with the U.S. Embassy in Moscow on goods and services and the quantity and quality of real estate, so that the Soviets no longer have a free ride in Washington while they abuse U.S. personnel in the Soviet Union.

Third, it mandates comprehensive security improvements at the Department of State to get Communist country employees out of our embassies; to screen more carefully our personnel performing security and counterintelligence functions abroad; and to require detailed security improvement surveys of U.S. diplomatic and consular posts abroad.

Finally, the amendment ensures that the United States will never again be faced with a communications security disaster like Mount Alto. Under the amendment, the Secretary of Defense—who is the executive agent of the entire U.S. Government for communications security—may disapprove an unfriendly country's request to locate its Embassy in the United States at a particular site, if that site might improve that country's ability to conduct electronic espionage against the United States.

I urge all Members to vote in favor of the bipartisan amendment to improve the security of U.S. Government activities at home and abroad.

Ms. SNOWE. Mr. Chairman, I move to strike the last word, and I rise in support of this amendment.

This amendment is a comprehensive, bipartisan package designed to address security problems at our Embassy in Moscow, the lack of reciprocity in United States-Soviet diplomatic relations, and potential problems at other high threat posts abroad. Except for two minor technical adjustments, this amendment is identical to H.R. 2410, the Diplomatic Reciprocity and Security Act.

The gentleman from Florida, Mr. MICA, and I introduced H.R. 2410 last month, and were joined by the distinguished chairman, Mr. FASCELL, and ranking Republican, Mr. BROOMFIELD, of the full Foreign Affairs Committee. The bill adopts the Broomfield-Armey proposal on Mount Alto. The bill now has 42 additional cosponsors, 26 Democrats and 16 Republicans, arrayed across the ideological spectrum.

We offer this amendment, Mr. Chairman, because of revelations connected with the Moscow Embassy which arose after the committee had completed its work on the State Department authorization. The subcommittee then began an investigation into the overall security question, including a trip to Moscow in early April.

Our investigation shed light on three major problem areas: security procedures at our existing Embassy, compromise of the new building, and Soviet treatment of our mission and personnel in Moscow. The extent to which security had eroded in Moscow is particularly distrubing—if security was so poor at the highest threat post we maintain, conjecture about security at other posts is chilling indeed.

Our existing Embassy suffered from human, technical and procedural problems. There was, for example, insufficient redundancy for the activities of the Marine guards. This structure assumed that no guard would ever engage in improper activities. This structure also assured that independent detection or prosecution of any such activities would be virtually impossible. As was stated in the Senate Intelligence Committee report, "a single failure point was permitted for the entire Embassy security system."

The opportunities for human failure were coupled with a shockingly lax attitude toward security which pervaded the post. For example, when we arrived at the Embassy, we observed blueprints for the supposedly secure areas being created within the building posted in full view on a wall. And, in 1986 alone, Marine security guards issued in excess of 200 security incidents.

Further, the post lacked proper technical equipment and redundancy to offset human failure. Moscow did not have the most sophisticated equipment possible. Some areas of the Embassy compound, such as the perimeter and the entrance to the secured areas of the building, were not monitored by television. The front entrance even lacked a metal detector, in violation of the security legislation enacted last year.

Procedures of the State Department exacerbated the problems onsite. Insufficient security clearance requirements, bifurcated and vague control over the Marine Security Guard program, and an insistence on employing foreign nationals all contributed to creating a deplorable situation.

Similarly, the Department failed to develop and implement the type of procedures which might have prevented the complete compromise of the new Embassy building. They arrogantly assumed, incorrectly, that any devices implanted could be detected and neutralized.

As we had learned in a series of briefings, and subsequently in Moscow, the electronic compromise is far more than mere "bugging." It is an electronic network of listening and transmitting devices that form an integral part of the basic structure of the building. Further, construction specifications were altered in certain areas to increase the resonance of sound in specific areas of the top floors.

There are a host of examples of steps the Soviets took in Washington which we failed to take in Moscow to ensure the security of our respective embassies.

For example, the Soviets used only concrete poured on site. The United States allowed prefabricated sections to be made off-site, with no supervision.

The Soviet's blueprint did not identify which areas were to be most sensitive. U.S. blueprints made it relatively easy to identify our most sensitive areas.

The Soviets employed 30 people to supervise a workforce of approximately 100 Americans. The United States had 20 to 30 people supervising 600 to 800 Soviets.

The Soviets maintained a rigid work schedule and identification process for American workers. The United States has no comparable system.

And the design engineer employed by the United States contractor was a Soviet emigre who, once the project was completed, returned to the Soviet Union and disappeared.

The CHAIRMAN. The time of the gentlewoman from Maine [Ms. SNOWE] has expired.

(By unanimous consent, Ms. SNOWE was allowed to proceed for 5 additional minutes.)

Ms. SNOWE. Mr. Chairman, at this point, I question seriously whether the building will ever be fit for future use. Preliminary analysis by the Schlesinger panel suggests that rebuilding the classified floors might work. I believe further technical analysis by the Schlesinger panel and the intelligence community is critical before final decision is made on disposition of this building. Any decision, in fact, should be made with the full concurrence of the intelligence community.

I must admit that I am skeptical of the Schlesinger panel's support for a partial reconstruction of some floors of the new building. Mr. Schlesinger himself said it would cost "many tens of millions of dollars" to partially reconstruct the building, and neutralize the remaining portions. But the new building could be completely replaced for a similar amount of money, and we would have a much higher degree of confidence in its security than a partially reconstructed facility.

In the final analysis, from both a fiscal and security perspective, the building might very well have to come down.

Our Moscow investigation, Mr. Chairman, also uncovered the presistent harassment and degradation of our diplomatic personnel, and a serious lack of reciprocal diplomatic arrangements between our two countries. Embassy drinking water is contaminated by the Moscow sewers; embassy houses are broken into by Soviets, leaving cigarettes and unflushed toilets; all purchases must be made through the Soviet Government, at an artifically inflated exchange rate four times higher than market rates; and legitimate movement of our personnel is severely restricted.

This is in stark contrast to the positive environment allowed for Soviets in the United States. Their treatment here is accompanied by ownership of more buildings and facilities, greater control over their facilities, greater access to leisure and entertainment facilities, and other inequities.

Although it may come as a surprise to many members, the State Department's Office of Foreign Missions is already empowered to address these inequities. Our amendment today requires that the Department exercise that power and achieve specific reciprocity goals by October 1, 1989.

Mr. Chairman, the essence of this amendment is to require the State Department to take actions on behalf of our own security, both here and in the Soviet Union, that it should have been taken anyway. Embassy security simply has not been accorded sufficient priority on a departmental and individual basis within the Department.

Our amendment seeks to accord security and reciprocity issues the extreme seriousness they deserve, and I urge my colleagues to support it.

Mr. ARMEY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I have had a longstanding concern regarding these embassy agreements of 1969 and 1972. Fortunately I have been able to take my concern to such a well-informed, such a patient tutor, such a very well-intended guiding hand as the gentleman from Michigan [Mr. BROOMFIELD], who has helped me to learn, to understand, and to appreciate the seriousness of the circumstances that have evolved since those agreements have been signed.

In fact, I did draft legislation that does by and large what this amendment does, and had intended to offer my own amendment to the legislation. The committee all this timne did its work and did in fact very fine work. I am reminded of the trip that the gentleman from Florida [Mr. MICA] and the gentlewoman from Maine [Ms. SNOWE] made to the Soviet Union. I believe that the conditions were rigorous at best, where they had to communicate by writing on little tablets to one another and suffer the cold, and they did a good job. I had the opportunity to watch that trip and to appreciate what they were learning.

I feel flattered, I feel vindicated in my own concern that the committee after this much thorough study has taken my work and adapted it in this more comprehensive amendment that does deal with every dimension of the problem as it was found by the committee. The particular language as it affects the 1969-72 agreements is not exactly as I would have had it, but it is good language, and I think a very well conceived, very well thought out amendment, and one that I personally would like to congratulate the committee and its leadership for.

Ms. SNOWE. Mr. Chairman, will the gentleman yield?

Mr. ARMEY. I yield to the gentlewoman from Maine.

Ms. SNOWE. I thank the gentleman for yielding.

Mr. Chairman, I would like to congratulate the gentleman as well for his support and his contribution to this legislation, because I know that the gentleman from Texas and the gentleman from Michigan originally constructed the language on Mount Alto and for the withdrawal of our agreements with the Soviets concerning the construction of our respective embassies, and I want to thank him for his support and for his efforts and his cooperation.

Mr. ARMEY. I thank the gentlewoman.

Mr. Chairman, I might mention that we should remember that the agreements were made during the halcyon days of the spirit of détente. No doubt they were made for the best of all interests, to try to increase the diplomatic relationship between the Soviet Union and the United States. What they forgot, Mr. Chairman, is that there is no détente in espionage, and what we have gotten for our good faith has been a spies' nest atop Mount Alto with a direct line of vision to the White House, the State Department, the Pentagon, and the Nation's Capital. With laser-beam technology and satellite-dish technology, they can literally monitor the most secret private conversations of our Nation's Government, and this cannot be tolerated.

The committee has seen the threat to our national security. They have written here a fine amendment. I urge adoption of that amendment, and I cannot help but quote Stalin, whose advice was that they should always in their relationships with the United States take their bayonet and probe for a soft spot.

Congresswoman SNOWE has given us painful details of how many of those soft spots they have found. This committee has seen fit to show the Soviets that there is a hard spot. They have written that hard spot in this amendment. I think that it is necessary to our national interests that we pass this amendment.

Again I want to thank the committee for their hard work, and to the body at large urge adoption of this amendment.

□ 1320

Mr. CLARKE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in full support of this amendment to the Department of State authorization for fiscal years 1988-89. H.R. 2410, the bill which forms the basis of this amendment, and a bill which I cosponsored, is a responsible reaction to the security problems we are encountering in our Embassy in Moscow and with the construction of the Soviet diplomatic complex on Mount Alto in Washington, DC.

I would like to commend my colleagues on the Foreign Affairs Committee, Representatives DAN MICA and OLYMPIA SNOWE, for their thoughtful and complete response to the problems encountered by Americans who serve their country abroad in our Foreign Service. It is unfair to ask people to serve in this delicate and necessary capacity without giving them the means to do their jobs well.

By this I mean a secure environment in which to live and to work, an environment which is as free from harassment as we can make it. These men and women have a difficult job to do and unless we back them up by calling for a working atmosphere which allows them to maintain the necessary security to do their job properly, we make that job impossible.

This amendment also serves the American taxpayer well. We need to recover damages from the Soviet Union for the cost of remedying the problem created by their intelligence activities against the new United States Chancery building in Moscow. Repairing the damage of this compromising activity will be costly and we need to express the sense of the Congress that the U.S.S.R. should be footing the bill for this.

I urge my colleagues to support this amendment. The problem of diplomatic security will not go away. We need to face it once and for all and I believe that this amendment is the best mechanism to do so.

Mr. ATKINS. Mr. Chairman, regardless of the outcome of the Marine espionage trials, it is unquestionably true that our Embassy security has been breached in Moscow, and that reciprocity right now means that we give and the Russians take—take us for fools, and for as much as they can. This amendment, offered by the bipartisan leadership of this committee, gives us an opportunity to make the playing field a little more level.

It should not take a serious breach of Embassy security for the U.S. Government to recognize the importance of guarding our secrets overseas. We don't know the full extent of the damage. We do know that we have a brand new, penetrated, worthless Embassy in Moscow while we prepare to give the Soviet Union a license for surveillance here in Washington. We do know that we have been charged exorbitant rates to build a worthless Embassy in Russia. We know—beyond a doubt—that changes must be made.

This amendment is simply some common sense applied to foreign policy. It prohibits the hiring of Communist country nationals in U.S. Embassies and Consulates in Communist countries after fiscal year 1989. It requires the State Department to establish a special Personnel Security Program in high-intelligence-threat countries. It requires the State Department to withdraw from the United States-Soviet Embassy contract providing for the Mount Alto Embassy. It requires reciprocity in terms of price and access to goods, and quantity and quality of Embassy real estate.

None of these actions are radical—all should have been a matter of routine policy for the Department of State. The fact that they weren't led to the most embarrassing, and potentially harmful, security breach in the history of our Nation. It is not enough to wring our hands and wait for the next time. We must prevent the next time from happening, and this amendment could be looked at as the preventive medicine the doctor ordered.

I commend the leadership of this committee and of the international operations subcommittee for this amendment, and urge its adoption by this body.

AMENDMENT OFFERED BY MR. COURTER TO THE AMENDMENT OFFERED BY MR. MICA

Mr. COURTER. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. COURTER to the amendment offered by Mr. MICA: In paragraph (1) of section 181(f) of the text of the Mica amendment to the bill—

(1) strike out subparagraph (B):

(2) insert "and" at the end of subparagraph (A); and

(3) redesignate subparagraph (C) as subparagraph (B).

In paragraph (3) of such section, strike out "paragraphs (1)(B) and (C)" and insert in lieu thereof "paragraph (1)(B)".

After section 181 of the text of the Mica amendment to the bill, insert the following new section (and redesignate succeeding sections accordingly):

SEC. 182. CHANCERY AT THE UNITED STATES EMBASSY COMPLEX IN MOSCOW.

(a) FINDING CONCERNING THE UNCOMPLETED UNITED STATES CHANCERY IN MOSCOW.—The Congress finds that—

(1) the uncompleted chancery building of the United States Embassy complex in Moscow in not secure and may be impossible to secure; and

(2) the chancery building should never be accepted for use by the United States diplomatic personnel.

(b) DETERMINATION.—The chancery building may not be completed, improved, or prepared for the use of the United States diplomatic personnel.

(c) AMERICAN CONSTRUCTION OF NEW CHANCERY.—If and when a new United States chancery is constructed in Moscow, it shall be built under American supervision and exclusively with American plans, materials, and labor.

Mr. COURTER (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. COURTER. Mr. Chairman, I rise in support of this amendment. I think it is a very important amendment offered by the gentleman from Florida [Mr. MICA] and the gentlewoman from Maine [Ms. SNOWE]. There is no problem, and I hope it does pass. I assume that it will.

My amendment, however, would condemn the uncompleted chancery the Soviets have built for us in Moscow as unsuitable for use, now or in the future, by our diplomatic corps. If and when a new chancery is built, it would by law be built with American plans, materials, and labor.

I wish to emphasize that I rise as a strong supporter of the Embassy security package, and I commend the subcommittee's work on this complicated and demanding problem. Members on both sides of the aisle recognize how badly the administration has handled it. What to do about the damage is now our mutual problem.

Let me say what this amendment does and does not do.

First, it would strengthen the Diplomatic Reciprocity and Security Act amendment package in one respect only. It does not obstruct or seriously complicate that careful proposal. It does deal more completely with one part of our problem—the fate of the hopelessly compromised office tower in Moscow. The act only touches upon that—in the findings and in the waiver clause. There is no guarantee that the chancery will be used, but nor is there a guarantee that it will not be used. The act recognizes the building as thoroughly compromised, but it doesn't guarantee that a patch job won't be instituted to save it.

Second, this amendment will be helpful whether or not the administration decides to abrogate the Mount Alto treaties. Nothing in those treaties compels us to keep this particular building, and nothing about breaking the treaties would necessarily mean dismantlement of the tower. Therefore the fate of the chancery would remain unsettled. The reason that is a problem is that I sense we are about to be drawn into a costly and senseless repair and reconstruction project.

Third, my amendment says nothing about the other buildings in the new Embassy complex. There are a half dozen of them; Americans live in them already; and they're perfectly acceptable. If you vote with me today you are not condeming our new complex in Moscow, just one of its buildings.

Fourth, this amendment does not mandate the destruction of the building at the ground level, although that is clearly the sensible course, and is just what the Intelligence Committee of the other body has voted unanimously to do. But if the State Department insists upon wanting the building for storage, it can have it. If the building is sold off to an international corporation for use as a hotel, I would have no objection. What the amendment does forbid—and the language is binding—is the completion and use of the chancery for use by our diplomatic corps. It can not become a residence. It can not be used for offices. We don't want our diplomats meeting with refuseniks, or with visitors from America, in rooms that might not be secure. Surely it is not too much to ordain that no official business be done in a facility which has won universal acclamation as a KGB soundstage.

What about objections? Why would a Member not vote for this amendment?

Some people are eager to save the building by neutralizing the bugs which cannot be removed and totally reconstructing the top two floors to make a secure area.

That option assumes we know where all the bugs are and how they work. We don't, and probably never will.

Furthermore, why have two secure floors atop six others we will never trust?

Finally, this patch-job proposal belies the most striking thing about the listening system. According to the Moscow trip report of May 12 we have from International Operations Subcommittee, the espionage system is so well integrated into the building's superstructure that possibly "it may not be fully neutralized, even by reconstructing whole floors."

Other people other plans: Save the structure and build a new, secure one next to it. Well, we could. There's nothing in my amendment to prevent that. It doesn't make half the sense that replacing the bad building does, but I don't legally foreclose that option. I just can't imagine spending millions to finish and fix a wreck we'll never trust, and then spend millions more to build an adjacent structure designed to do what the first one can't. Yet an intense interest among some people for doing just that compels me to offer my perfecting amendment.

Mr. Chairman, for once the dictates of security and economy speak with a single voice. We have invested $23 million in the chancery thus far. Presidential troubleshooter James Schlesinger says it will take "many tens of millions" of dollars more to make parts of it secure. Obviously the cheapest and safest plan is to put a stopper on the talk of patching and debugging, recognize it for the KGB masterpiece that it is, and begin anew under American supervision with American plans, American materials, and American labor.

Then we'll know what we've got. After all, we have to use it for the next four or five decades.

Mr. MICA. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. The time of the gentleman from New Jersey [Mr. COURTER] has expired.

(By unanimous consent, Mr. COURTER was allowed to proceed for 1 additional minute.)

Mr. COURTER. I am happy to yield to the gentleman from Florida.

Mr. MICA. Mr. Chairman, the gentleman has indicated that the building did not have to be torn down and could be used for other purposes. In determining that, on page 2 of the gentleman's amendment, it says the chancery building "may not be completed, improved or prepared for use by the United States diplomatic personnel." That personnel means anybody from the custodian on up to the Ambassador.

The gentleman further indicated it did not have to be torn down. What do we do with it?

Mr. COURTER. I thank the gentleman for his question. The sensible thing, because the entire building is a monitoring device, it is not the fact that there is some implanted listening devices in some parts, but the whole superstructure is designed to transmit information, and the sensible thing is to tear it down.

But if we decide not to, and we use it for simple storage, or if we sell it to an international hotel chain, then it could be used. I think that is senseless.

The amendment does not require that it be torn down, but I think the prudent action would be the removal, the demolishing of this building and the construction of one in which we can be secure and one in which our conversations will not be monitored.

Mr. MICA. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, although I think the gentleman makes some excellent points and expresses concerns which we all share about the new chancery in Moscow, I think first and foremost that the amendment as it has been offered is flawed. It does indeed say, counter to what we just heard in the well, that the building may not be completed, improved or prepared in its present state. Nobody can use it. It is only 60 percent complete, and the gentleman indicates it would not be torn down, but it would not be completed, and we may not be able to use it at all. It would just be left there.

Second, even if it were not a faulty amendment, we are waiting on a report from the best technical minds in the United States, from the Central Intelligence Agency, from the National Security Council, from all of the intelligence people we can gather as to how much of the Embassy can be salvaged or not salvaged. This prejudges that entire report and, in fact, one of the preliminary reports indicates that we can indeed use a good portion of this Embassy, and the report comes up I think with a very creative plan to utilize a facility that was created with American taxpayer dollars.

Finally, I would just add that we have worked a very delicate balance with the gentleman from Michigan [Mr. Broomfield], the gentleman from Florida [Mr. Fascell], the gentleman from Texas [Mr. Armey], and the gentlewoman from Maine [Ms. Snowe], the majority and the minority in effect to hold Mount Alto hostage until we occupy an Embassy, a facility in Moscow. They cannot use it until we use whatever we are going to use.

This upsets that balance. It negates that balance in effect. I think it does great harm to the intent and the structure of the amendment that we so delicately balanced.

While my basic feeling is yes, tear it down and start over again, the amendment itself is flawed and does not say that. It does not say tear it down and it does not say complete it. It says leave a building semifinished there now until time immemorial.

So we have a flawed amendment and I think we have flawed reasoning in opposition to an amendment that has been worked on for 3 months. We have new information coming in constantly as to what we can and cannot do with that building.

One last point I might make. Right now if we did tear it down immediately we would deprive the United States intelligence community of some very, very sophisticated information that we are gathering on the Soviets' ability. So we have a whole list of reasons why not to act out of emotion, but yes indeed, we wish we could say tear it down now. But let us wait until all of the information is in. Let us see if we cannot utilize some of this facility or part of this facility and move forward on this bipartisan effort. I think ours is a well thought out amendment without this new secondary amendment.

Ms. SNOWE. Mr. Chairman, I move to strike the last word and I rise in opposition to the amendment.

Mr. Chairman, I want to agree with the comments that have been made by the chairman of the subcommittee. Although I share some of the concerns that have also been raised by the gentleman from New Jersey, it is clearly premature at this point to suggest only one option for the new Embassy in Moscow.

Mr. Schlesinger has been designated by the Secretary of State to investigate all of the options available with respect to the final disposition of that building.

Second, in reading the gentleman's amendment he implies that maybe the building could be secured. So on the one hand he is suggesting that we could have to tear the building down; it cannot be improved in any respect, but on the other hand it may be possible to secure. That is a perspective being pursued by the Schlesinger panel, and although I might personally have reservations about the final recommendations of the Schlesinger panel, I think it would be wise for this committee to wait and withhold any final judgment pending the outcome of the panel's study.

Finally, I will offer an amendment if the amendment of the gentleman from New Jersey is adopted requiring Presidential discretion and waiver with respect to the disposition of this amendment similar to the amendment incorporated in the comprehensive and bipartisan package that was worked out over a long period of time subsequent to our trip to Moscow. I think the President should have the ability to make a decision on all of the options, but also require that the decision to reconstruct the new Embassy must be personally approved by the President and that he can verify that all areas of the building will be secured and can be utilized for diplomatic purposes with absolute confidence.

So I would urge the Members of this committee to resist this amendment at this point because we have a number of decisions that have to be made with respect to this building and the final judgment has not been made.

Mr. TORRICELLI. Mr. Chairman, I move to strike the last word and I rise in favor of the amendment.

I do so because this Government and our diplomatic corps has approved this issue previously, being conscious of costs, of practicality, of the need to compromise. Indeed, in the committee's own report it is cited, and I quote, "that the recommendations for security of the Embassy were too expensive, would cut down on natural lighting in the environment and would delay occupancy of the Embassy."

What is it we are dealing with? We faced this issue before when our own diplomats, faced with security concerns, dealt with the practicalities of occupying a new condominium.

□ 1335

This involves the most important security of our country and it has been compromised and it needs to be faced here today. An outrage has been committed against the Government of the United States and the security of our country. Let us begin today by addressing this wrong, by understanding the extent of the loss.

There is no useful safe purpose for these facilities.

What is it that Members of the body would suggest? Consular activities where opponents of the Soviet Government would come to confess their hopes, their interest in leaving the Soviet Union, they are in a situation which will be permanently, at least to some measure compromised? Where diplomats may spend their off-moments relaxing, speaking, discussing business and their contacts? There is no measure of activity that is appropriate in this situation which can to any degree be compromised. And under anyone's analysis, these facilities can never, with any assurance, be safe for any of those levels of activity.

Mr. Schlesinger has already addressed the point. There may be technology on hand already in place which we may not even understand. He says we may not understand the technology that is in place now to compromise a facility. But there are some here who would suggest that we can counter it. Would anyone like to explain how it is we are going to counter a technology we may not be able to find, and by Mr. Schlesinger's account may not even understand? I do not expect anyone to be pleased with the outcome. Millions of dollars have been lost. Time has been lost. Diplomats will find themselves inconvenienced.

But we have a responsibility here. It goes beyond the cost of any building. We are dealing with the fundamental security of this Government. We have no greater responsibility. We meet that responsibility today by not compromising, by beginning again.

I want two messages to come today from the adoption of Mr. COURTER's amendment. First, to the Soviet Government, unmistakably, that we are serious, that we understand we have been compromised; it will not be tolerated, no cost will be saved or spared, we will undo that which has been done to us.

And second and just as important to our own Government, to those who did not meet their responsibilities. Two years ago Mr. COURTER brought together Members of this institution to meet with Mr. Hartman to express real concern over security of our Embassy in Moscow. He told us that no step was not being taken; everything was being done. He did not tell us the truth and I want that message understood in the Government, too.

To those who will not meet their responsibilities to assure our security, they will be held accountable. And this Congress will take every step that is necessary. I compliment the gentleman on his amendment. I strongly support him and I urge my colleagues to do the same.

Mr. COURTER. Mr. Chairman, will the gentleman yield?

Mr. TORRICELLI. I yield to the gentleman from New Jersey [Mr. COURTER].

Mr. COURTER. I thank the gentleman for yielding.

Mr. Chairman, I think the statement was an excellent one. The point here is that about a year ago, a year and a half ago, Ambassador Hartman told me and the gentleman from New Jersey [Mr. TORRICELLI] and others in this body that the Embassy simply could not function unless there was Soviet personnel inside, Soviet nationals. There was an amendment proffered on the floor of this Congress to eliminate Soviet personnel from entering the Embassy. And he said it would be impossible to carry out business without the Soviet personnel.

We found out a few months later regrettably that the Congress was right, that they had wisdom.

The CHAIRMAN. The time of the gentleman from New Jersey [Mr. TORRICELLI] has expired.

(On request of Mr. COURTER and by unanimous consent Mr. TORRICELLI was allowed to proceed for 2 additional minutes.)

Mr. COURTER. Mr. Chairman, will the gentleman continue to yield?

Mr. TORRICELLI. I yield to the gentleman from New Jersey [Mr. COURTER].

Mr. COURTER. I thank the gentleman for yielding.

We said that Soviet personnel should not have been allowed inside that Embassy. Perhaps had that not occurred, had we prevailed, the desire of Congress prevailed, rather than the Congress genuflecting to the State Department, once again our Embassy would not have been compromised with regard to the incidents of the past number of months.

Mr. TORRICELLI. I think the gentleman states the point well. The point is that we have followed others' leads on this point before. We were assured on questions of personnel, on construction, and responsibility was not taken.

Now it is time for the Congress I think to take the lead, to come forward, to set the policy and to begin again with the only real measure of complete security, and that is to start again with these buildings.

Mr. COURTER. I thank the gentleman for his contribution.

Mr. TORRICELLI. I thank the gentleman.

Mr. Chairman, I would urge my colleagues, those who think there is another use for this facility, some practical purpose, where we can be secure, let them name it. Those who think it is consular, those who think that our diplomats can live or consult with each other there, let us hear what that use is because I can think of no use that would be safe for the purpose of this Government.

I yield back the balance of my time.

Mr. ARMEY. I would like to begin by thanking Mr. TORRICELLI for his remarks. I found that he made just about every point I wanted to make. But I may reiterate them.

Mr. Chairman, this is a difficult amendment. I want to congratulate the gentleman from New Jersey [Mr. COURTER] for proposing it. It is in my view exactly what the gentleman has suggested it is, a perfecting amendment.

I think Mr. TORRICELLI made the case very clearly. We cannot tolerate what the Soviets have done under the guise of these agreements. They have been probing with a bayonet and finding a soft spot time after time after time. And their probes have been met with what I call diplomatic acquiescence.

So not only have the Soviets, I think, violated the spirit of the agreements made in 1969 and 1972, but they have done so with the acquiescence of our State Department. Both the Soviets and the State Department require instruction from this body.

If we do not, through our State Department, make use of this eight-story microphone built by the Soviets, what will happen to it? Within the context of this perfecting amendment we would, if it passes into law and the Presidential waiver is not exercised, return the property to the Soviet Union as we reclaim Mount Alto: There are a variety of uses that the Soviets could make of the property. Let the Soviets decide what use to make of the property and under what extent it will be completed and put to use. They have made a big investment in this building already. They have enough microphones in this building, I understand, to pretty well run the espionage operation of most nations in the world. Let them use it. I understand and I suggest they might make effective use of it in spying on each other, since that is not an uncommon practice in the Soviet Union.

Then let us reclaim Mount Alto and let us put it to the use we would make of it. I suggest not altogether facetiously, that we might use Mount Alto as an early retirement home for State Department officials.

We should remember that Mount Alto was at one time a veterans home. To me it is somewhat abrasive to think that we have taken this ground which is in a sense hallowed ground which housed our veterans who risked their lives and their limbs in defense of this country, and have turned it over to the Soviets to give them this location.

So, yes, Mr. COURTER's amendment is in my view a perfecting amendment. It strengthens the amendment, it makes it tougher. It pretty well locks the cancellation of the 1969 and 1972 agreements in. But that is what has been made necessary by the aggressive espionage efforts of the Soviet Union on the one hand and the confrontation avoiding acquiescence of our State Department on the other hand. They have brought us to this brink. Mr. COURTER quite rightly sees, as the committee has seen, that the time has come to get tough and for this Congress to make a statement that we will protect the diplomatic security of the United States, that we will do that by being as tough as the circumstances we inherit require of us.

I congratulate the gentleman on offering his amendment. I again congratulate the committee for their fine work and I commend the body to pass both Mr. COURTER's amendment and the committee amendment in the interest of American security.

Mr. Chairman, I yield back the balance of my time.

Mr. FASCELL. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to the pending amendment.

I gather that the gist of the gentleman's amendment is that we should legislate the new Embassy office building in Moscow should never be used notwithstanding the outcome of expert findings. Such a position flies in the face of executive branch decision to explore all options. It flies in the face of very thorough intelligence estimates of the various options, and of inspections by Congress and the findings of the Schlesinger Commission. It really does not serve the national interest. The amendment presumes, in some magical way, that we are going to get a unilateral agreement from the Soviets for new land someplace else so that we can leave the existing structure as a monument to espionage. It assumes that we can then, with American labor and American contractors, go into the Soviet Union and build something that we want, where we want it, and when we want it.

Now the truth of the matter is that this cannot be done because it requires two parties to make such agreements. We have struggled now for 20 years trying to get a proper reciprocal arrangement with the Soviets but, unfortunately, we entered into an agreement permitting offsite construction by Soviet labor. It should not be to anybody's surprise that there would be espionage equipment in a building built in the Soviet Union by Soviet labor. We have known that we had to expect that ever since we have had relations with the Soviets.

Our experts—and we think they are very good—have capability of not only recognizing the equipment but using it, neutralizing it or doing whatever is necessary to secure the building.

Now the President's inspection team has gone out. They have made a very serious recommendation with regard to the use of this property. Our personnel there are already in the new townhouses adjacent to the building in question. It is a vast improvement over the former housing. I have been there, I have seen it all. I have been through it all. It is about as good as we can do under the circumstances. Now it is naive to think that the U.S. Government is not going to do everything it can and will do to protect itself with regard to electronic interceptions.

We have been facing this problem from day one. This amendment does not add anything new. All it says is "Don't do anything with the complex you have got," period. That does not make any sense at all because it flies in the face of inspections and determinations by many experts who say that we can use it with proper, supervised reconstruction, shielding and, if necessary, a separate adjacent structure for certain classified activities.

So when the gentleman who preceded me in the well said, "I challenge anybody to say what the use would be," the challenge is easy. We have had all kinds of intelligence experts and other experts tell us we can use the building if it is restructured and shielded.

I am for giving them a chance to determine that and I have enough confidence in the technological capability of our own people to do that rather than to just leave the existing structure standing there because we are angry; and when we have no intelligence substitute.

Now, if you follow the logic of the amendment you have to say, "Well, we are just going to move everybody out. We are not going to do business with the Soviets." That is like saying everything that is wrong in the world emanates out of Moscow so why do we not just break relations with Moscow and get it over with?

The fact is we have got a very difficult problem in dealing with these people. We know that. We are not stupid. The fact that we got stuck with espionage equipment in this building should not surprise anybody.

But let me tell my colleagues this: Those of you who are watching and listening, give us the opportunity to get that structure turned around to our use. Do not pass an amendment that in effect says you may not be able to use the new housing when we already have our people living there in very much improved quarters.

☐ 1350

Of course, we are going to protect our national security. The congressional investigators who went out there, especially commissioned congressional inspectors from the executive branch, experts understand that.

The CHAIRMAN. The time of the gentleman from Florida [Mr. FASCELL] has expired.

(By unanimous consent Mr. FASCELL was allowed to proceed for 1 additional minute.)

Mr. COURTER. Mr. Chairman, will the gentleman yield?

Mr. FASCELL. I yield to the gentleman from New Jersey.

Mr. COURTER. Mr. Chairman, I thank the gentleman for yielding.

My amendment has nothing to do with the Mount Alto treaty.

It has nothing to do with the——

Mr. FASCELL. It says you cannot use the new Embassy office building.

Mr. COURTER. It has to do with one chancery building which is riddled with bugs, the security of which is compromised.

Mr. FASCELL. Mr. Chairman, reclaiming my time, the gentleman from New Jersey is saying just leave the building like it is, an empty shell.

That is what the gentleman's amendment says. It says we cannot do anything to it.

We have got experts and others who have said, and I am ready to hear their case, that they not only can cure the problems but also can make the building secure. I would rather take their word for it, in all deference to the gentleman from New Jersey.

The CHAIRMAN. The time of the gentleman from Florida [Mr. FASCELL] has expired.

(On request of Mr. TORRICELLI, and by unanimous consent, Mr. FASCELL was allowed to proceed for 1 additional minute.)

Mr. TORRICELLI. Mr. Chairman, will the gentleman yield?

Mr. FASCELL. I yield to the gentleman from New Jersey.

Mr. TORRICELLI. Mr. Chairman, I, too, want to have that confidence in our experts, and indeed in the past I always did.

But what we have to ask ourselves today is, are these the same experts who are working for the State Department who allowed the Soviets to construct buildings forming their own concrete, bringing in prefabricated pieces of equipment.

Mr. Chairman, our ability to have confidence in these people, I believe, our own confidence rests on our ability to ask them to start over, to do it again, and this time do it right.

I see no reason for that confidence.

Mr. FASCELL. The gentleman seems to be saying that he would have to personally supervise it to be satisfied.

The gentleman says: Do not improve the building; do not tear it down; do not do a thing to it, so it stands right there.

In order to get the space to do what the gentleman is talking about, we are going to have to go someplace else and start from scratch.

It does not make sense. If the gentleman says that he has no confidence in anybody, then why not blow the building up and start all over again. The gentleman might have a better approach but his amendment does not do that. I do have confidence in our experts.

The CHAIRMAN. The time of the gentleman from Florida [Mr. FASCELL] has expired.

(By unanimous consent, Mr. FASCELL was allowed to proceed for 1 additional minute.)

Mr. FASCELL. Mr. Chairman, I do have confidence, because this investigation is not a routine inspection by diplomatic personnel.

This inspection with regard to this espionage effort in our building has been examined by technical experts that are not in the State Department. This is not only State Department bashing here, other experts and agencies are involved.

It is much more serious. Our intelligence communities have all looked at it. We have had all kinds of outside and inside experts look at it. We have had a former Secretary of Defense and Director of the CIA conduct an investigation at the President's request, and what he is saying makes eminent sense to me, from a political, economic, and security standpoint.

Just to say here that the building may not be completed, improved, prepared for use is not good policy and provides no flexibility to the President. Why not rely on the bipartisan committee amendment offered by our colleagues, Mr. MICA and Ms. SNOWE which provides that flexibility but also requires well documented assurances from the President that the new office building in Moscow will be secure before we occupy it and before we permit the Soviets to occupy Mount Alto. I urge my colleagues to reject the Courter amendment and to vote "yes" on the Mica-Snowe amendment.

Mr. HOPKINS. Mr. Chairman, I move to strike the requisite number of words.

Mr. COURTER. Mr. Chairman, will the gentleman yield?

Mr. HOPKINS. Mr. Chairman, I yield to the gentleman from New Jersey.

Mr. COURTER. Mr. Chairman, I thank the gentleman for yielding.

I have a couple of points I would like to make. The chairman, an articulate chairman indeed, and I have enjoyed serving with the chairman on another specially empaneled committee, talks about the experts, and we have to rely on them.

Where were the experts in 1977 when construction commenced on the chancery, and they said everything was just fine? Where were the experts in 1985 when they said there are no implanted listening devices inside the chancery building?

The same faith that the chairman shows in the experts today, we showed in the experts in 1985 and in 1977. The experts were wrong.

James Schlesinger made the statement just a few days ago when he came back, he said, believe it or not, the Soviet technology and capability in this type of monitoring device exceed ours.

They are a generation ahead of us. The gentleman from New Jersey [Mr. TORRICELLI] made the point, how do you countermeasure that which you do not know exists. How do you stop something you do not see? How can you develop a countermeasure to something you do not know what drives it?

That particular chancery building is compromised. The entire infrastructure is one large telecommunications device. It is not a bug here, there.

The whole superstructure is an antenna. The building has to be destroyed.

Mr. MICA. Mr. Chairman, will the gentleman yield?

Mr. HOPKINS. Mr. Chairman, I yield to the gentleman from Florida.

Mr. MICA. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I would like to continue and make two points. One, the amendment neither allows us to tear down nor does it allow us to complete. One or the other, it leaves it standing there.

Second, the amendment, and let us think about this, and as the Members listen and yet prepared to vote on this, the amendment does nothing to the Soviet Union. The amendment ties the hands of the United States behind its back, and says to stand there with a three-quarters complete building and do nothing with it.

That is one reason, among many why we should oppose this amendment.

Mr. COURTER. Mr. Chairman, would the gentleman yield?

Mr. HOPKINS. Mr. Chairman, I yield to the gentleman from New Jersey.

Mr. COURTER. Mr. Chairman, the amendment prohibits the United States from using the chancery building for diplomatic-sensitive purposes. That is what it does.

Obviously, if the amendment passed, we cannot use it for diplomatic purposes, and the embassy, the chancery building which is compromised, one large bug, will be razed, and we will build a new one under supervision with American labor, American materials flown in from the United States after inspection.

I cannot believe the U.S. Government, the State Department did not even examine the pouring of the concrete a couple of years ago. Nothing makes less sense.

What makes sense, if the Members are interested in security, if the Members are interested in confidential communications inside the chancery building is the demolishing of this building and building a secure one.

Mr. MICA. Mr. Chairman, will the gentleman yield?

Mr. HOPKINS. Mr. Chairman, I yield to the gentleman from Florida.

Mr. MICA. Mr. Chairman, I thank the gentleman for yielding.

The gentleman continues to make the point, demolish it, and then says in the gentleman's amendment that nothing needed demolishing.

It does not allow us to complete it. If the gentleman wants to demolish it, I might think about blowing it up or completing it, one or the other; but to leave it standing there in this flawed amendment is the worst possible thing by tying the hands of the United States saying we cannot do anything.

Mr. SUNDQUIST. Mr. Chairman, will the gentleman yield?

Mr. HOPKINS. I am delighted to yield to the gentleman from Tennessee.

Mr. SUNDQUIST. Mr. Chairman, I thank the gentleman for yielding.

I would like to make one point. Not only in the construction of this building in Moscow did we not supervise that building that is full of bugs, but we paid bonuses to the people who did supervise the building, the construction of that embassy. I will have more to say about that later, but it is an indication of how poorly supervised the construction of that building was. I think the gentleman makes some good points.

Mr. TORRICELLI. Mr. Chairman, will the gentleman yield?

Mr. HOPKINS. I yield to the gentleman from New Jersey.

Mr. TORRICELLI. Mr. Chairman, I thank the gentleman for yielding.

It appears to me in some of this conversation today that we are approaching the issues of cost and of practicality as if we were about the business of building a HUD housing project.

We are talking about the security of this country. In a $1 trillion Federal institution, what measure is it worth to know that our diplomats who talk about arms control are secure, that people who want freedom in the Soviet Union and are seeking to come to this country can talk to our diplomats in security? What price these questions? Is it worth $10 million, $20 million, $50 million to rebuild a building?

We are talking about the construction of a building in an institution the size of this Government, and I believe it is a modest price to pay.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New Jersey [Mr. COURTER] to the amendment offered by the gentleman from Florida [Mr. MICA].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. COURTER. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 142, noes 272, not voting 19, as follows:

[Roll No. 180]

AYES—142

Anderson
Applegate
Archer
Armey
Badham
Baker
Ballenger
Bartlett
Barton
Bateman
Bennett
Bentley
Biaggi
Bilirakis
Bliley
Boulter
Brown (CO)
Bunning
Burton
Callahan
Clinger
Coats
Coble
Coleman (MO)
Combest
Courter
Craig
Crane
Daniel
Daub
Davis (IL)
DeLay
DeWine
Dickinson
DioGuardi
Dornan (CA)
Dreier
Duncan
Edwards (OK)
Emerson
Fields
Frenzel
Gallegly
Gallo
Gingrich
Gonzalez
Gradison
Grandy
Gregg
Hall (TX)
Hansen
Hastert
Hefley
Henry
Herger
Hiler
Holloway
Hopkins
Horton
Hubbard
Huckaby
Hunter
Hyde
Inhofe
Kanjorski
Kasich
Kemp
Konnyu
Kyl
LaFalce
Lagomarsino
Latta
Lent
Lewis (CA)
Lewis (FL)

Lightfoot
Livingston
Lott
Lujan
Lukens, Donald
Lungren
Mack
Madigan
Marlenee
McCandless
McDade
McEwen
McGrath
McMillan (NC)
Miller (OH)
Molinari
Moorhead
Murphy
Nielson
Packard
Parris
Penny
Petri
Porter
Quillen
Rinaldo
Ritter
Roe
Roth
Rowland (CT)
Saxton
Schaefer
Schuette
Schulze
Sensenbrenner
Shaw
Shumway
Sikorski
Skeen
Skelton
Slaughter (VA)
Smith (NJ)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Solomon
Spence
Stangeland
Stratton
Stump
Sundquist
Sweeney
Swindall
Taylor
Thomas (CA)
Torricelli
Upton
Vucanovich
Walgren
Walker
Weber
Weldon
Wolf
Wortley
Wylie
Young (FL)

NOES—272

Ackerman
Akaka
Alexander
Andrews
Annunzio
Anthony
Aspin
Atkins
AuCoin
Bates
Beilenson
Bereuter
Berman
Bevill
Bilbray
Boehlert
Boggs
Boland
Bonker
Borski
Boucher
Boxer
Brennan
Brooks
Broomfield
Brown (CA)
Bruce
Bryant
Buechner
Bustamante
Byron
Campbell
Cardin
Carper
Carr
Chandler
Chapman
Chappell
Cheney
Clarke
Coelho
Coleman (TX)
Collins
Conte
Conyers
Cooper
Coughlin
Coyne
Crockett
Darden
Davis (MI)
de la Garza
DeFazio
Dellums
Derrick
Dicks
Dingell
Dixon
Donnelly
Dorgan (ND)
Dowdy
Downey
Durbin
Dwyer
Dymally
Dyson
Early
Eckart
Edwards (CA)
English
Erdreich
Espy
Evans
Fascell
Fawell
Fazio
Feighan
Fish
Flake
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Frank
Frost
Gaydos
Gejdenson
Gekas
Gibbons
Gilman
Glickman
Goodling
Gordon
Grant
Gray (IL)
Gray (PA)
Green
Guarini
Gunderson
Hall (OH)
Hamilton
Hammerschmidt
Harris
Hatcher
Hawkins
Hayes (IL)
Hayes (LA)
Hefner
Hertel
Hochbrueckner
Houghton
Howard
Hoyer
Hughes
Hutto
Jacobs
Jeffords
Jenkins
Johnson (CT)
Johnson (SD)
Jones (NC)
Jones (TN)
Jontz
Kaptur
Kastenmeier
Kennedy
Kennelly
Kildee
Kleczka
Kolbe
Kolter
Kostmayer
Lancaster
Lantos
Leach (IA)
Leath (TX)
Lehman (CA)
Lehman (FL)
Leland
Levin (MI)
Levine (CA)
Lewis (GA)
Lipinski
Lloyd
Lowery (CA)
Lowry (WA)
Luken, Thomas
MacKay
Manton
Markey
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCollum
McCurdy
McHugh
McMillen (MD)
Meyers
Mfume
Mica
Michel
Miller (CA)
Miller (WA)
Mineta
Moakley
Mollohan
Montgomery
Moody
Morella
Morrison (CT)
Morrison (WA)
Mrazek
Murtha
Myers
Nagle
Natcher
Neal
Nelson
Nichols
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens (NY)
Oxley
Panetta
Pashayan
Patterson
Pease
Pelosi
Pepper
Perkins
Pickett
Pickle
Price (IL)
Price (NC)
Pursell
Rahall
Ravenel
Regula
Rhodes
Richardson
Ridge
Roberts
Robinson
Rodino
Rogers
Rose
Roukema
Rowland (GA)
Roybal
Russo
Sabo
Saiki
Savage
Sawyer
Scheuer
Schneider
Schroeder
Schumer
Sharp
Shuster
Sisisky
Skaggs
Slattery
Smith (FL)
Smith (IA)
Smith (NE)
Snowe
Solarz
Spratt
St Germain
Staggers
Stallings
Stark
Stenholm
Stokes
Studds
Swift
Synar
Tallon
Tauke
Thomas (GA)
Torres
Towns
Traficant
Traxler
Udall
Valentine
Vento
Visclosky
Volkmer
Watkins
Waxman
Weiss
Wheat
Whittaker
Whitten
Williams
Wilson
Wise
Wolpe
Wyden
Yates
Yatron
Young (AK)

NOT VOTING—19

Barnard
Boner (TN)
Bonior (MI)
Bosco
Clay
Dannemeyer
Garcia
Gephardt
Ireland
Martin (IL)
Martin (NY)
Owens (UT)
Rangel
Ray
Roemer
Rostenkowski
Slaughter (NY)
Tauzin
Vander Jagt

☐ 1405

Mr. CLARKE and Mr. SCHUMER changed their votes from "aye" to "no."

Mr. MOORHEAD and Mr. HALL of Texas changed their votes from "no" to "aye."

So the amendment to the amendment was rejected.

The result of the vote was announced as above recorded.

(By the unanimous consent, Mr. MICHEL was allowed to speak out of order.)

STATEMENT OF THE MINORITY LEADER REGARDING EXTENSIONS OF REMARKS

Mr. MICHEL. Mr. Chairman, I have instructed my leadership and House floor staff to have an objection made to any unanimous-consent request made regarding the Extension of Remarks or inclusion of additional or extraneous material if the inclusion of such material will result in a cost estimated by the Public Printer to exceed $10,000.

I would like to look at such inclusion to make sure that these are moneys well spent. I have noted that we have gotten quite excessive lately and it has just got to stop.

I also will have my floor representatives require that every such request must be made at a microphone so that all can clearly understand exactly what the request was.

I thank the Chair for its indulgence in this matter.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Florida [Mr. MICA].

The question was taken; and the Chairman announced that the ayes appeared to have it.

RECORDED VOTE

Mr. MICA. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 414, noes 0, not voting 19, as follows:

[Roll No. 181]

AYES—414

Ackerman
Akaka
Alexander
Anderson
Andrews
Annunzio
Anthony
Applegate
Archer
Armey
Aspin
Atkins
AuCoin
Badham
Baker
Ballenger
Bartlett
Barton
Bateman
Bates
Beilenson
Bennett
Bentley
Bereuter
Berman
Bevill
Biaggi
Bilbray
Bilirakis
Bliley
Boehlert
Boggs
Boland
Bonker
Borski
Boucher
Boulter
Boxer
Brennan
Brooks
Broomfield
Brown (CA)
Brown (CO)
Bruce
Bryant
Buechner
Bunning
Burton
Bustamante
Byron
Callahan
Campbell
Cardin
Carper
Carr
Chandler
Chapman
Chappell
Cheney
Clarke
Clay
Clinger
Coats
Coble
Coelho
Coleman (MO)
Coleman (TX)
Collins
Combest
Conte
Conyers
Cooper
Coughlin
Courter
Coyne
Craig
Crane
Daniel
Darden
Daub
Davis (IL)
Davis (MI)
de la Garza
DeFazio
DeLay
Derrick
DeWine
Dickinson
Dicks
Dingell
DioGuardi
Dixon
Donnelly
Dorgan (ND)
Dornan (CA)
Dowdy
Downey
Dreier
Duncan
Durbin
Dwyer
Dymally
Dyson
Early
Eckart
Edwards (CA)
Edwards (OK)
Emerson
English
Erdreich
Espy
Evans
Fascell
Fawell
Fazio
Feighan
Fields
Fish
Flake
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Frank
Frenzel
Frost
Gallegly
Gallo
Gaydos
Gejdenson
Gekas
Gibbons
Gilman
Gingrich
Glickman
Gonzalez
Goodling
Gordon
Gradison
Grandy
Grant
Gray (IL)
Gray (PA)
Green
Gregg
Guarini
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Hansen
Harris
Hatcher
Hawkins
Hayes (IL)
Hayes (LA)
Hefley
Hefner
Henry
Herger
Hertel
Hiler
Hochbrueckner
Holloway
Hopkins
Horton
Houghton
Howard
Hoyer
Hubbard
Huckaby
Hughes
Hunter
Hutto
Hyde
Inhofe
Ireland
Jacobs
Jeffords
Jenkins
Johnson (CT)
Johnson (SD)
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kasich
Kastenmeier
Kemp
Kennedy
Kennelly
Kildee
Kleczka
Kolbe
Kolter
Konnyu
Kostmayer
Kyl
LaFalce
Lagomarsino
Lancaster
Lantos
Latta
Leach (IA)
Leath (TX)
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lewis (CA)
Lewis (FL)
Lewis (GA)
Lightfoot
Lipinski
Livingston
Lloyd
Lott
Lowery (CA)
Lowry (WA)
Lujan
Luken, Thomas
Lukens, Donald
Lungren
Mack
MacKay
Madigan
Manton
Markey
Marlenee
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCandless
McCloskey
McCollum
McCurdy
McDade
McEwen
McGrath
McHugh
McMillan (NC)
McMillen (MD)
Meyers
Mfume
Mica
Michel
Miller (CA)
Miller (OH)
Miller (WA)
Mineta
Moakley
Molinari
Mollohan
Montgomery
Moody
Moorhead

Morella
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Murtha
Myers
Nagle
Natcher
Neal
Nelson
Nichols
Nielson
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens (NY)
Oxley
Packard
Panetta
Parris
Pashayan
Patterson
Pease
Pelosi
Penny
Pepper
Perkins
Petri
Pickett
Pickle
Porter
Price (IL)
Price (NC)
Pursell
Quillen
Rahall
Ravenel
Regula
Rhodes
Richardson
Ridge
Rinaldo
Ritter
Roberts
Robinson
Rodino
Roe
Rogers
Rose
Roth
Roukema
Rowland (CT)
Rowland (GA)
Roybal
Russo
Sabo
Saiki
Savage
Sawyer
Saxton
Schaefer
Scheuer
Schneider
Schroeder
Schuette
Schulze
Schumer
Sensenbrenner
Sharp
Shaw
Shumway
Shuster
Sikorski
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter (VA)
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Snowe
Solarz
Solomon
Spence
Spratt
St Germain
Staggers
Stallings
Stangeland
Stark
Stenholm
Stokes
Stratton
Studds
Stump
Sundquist
Sweeney
Swift
Swindall
Synar
Tallon
Tauke
Taylor
Thomas (CA)
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Upton
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Vucanovich
Walgren
Walker
Watkins
Waxman
Weber
Weiss
Weldon
Wheat
Whittaker
Whitten
Williams
Wilson
Wise
Wolf
Wortley
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (FL)

NOT VOTING—19

Barnard
Boner (TN)
Bonior (MI)
Bosco
Crockett
Dannemeyer
Dellums
Garcia
Gephardt
Hastert
Martin (IL)
Owens (UT)
Rangel
Ray
Roemer
Rostenkowski
Slaughter (NY)
Tauzin
Wolpe

□ 1430

Mr. HAYES of Illinois changed his vote from "no" to "aye."

So the amendment was agreed to.

The result of the vote was announced as above recorded.

Mr. BROOKS. Mr. Chairman, I move to strike the last word in order to ask a few questions of the gentleman from Florida [Mr. MICA], the distinguished subcommittee chairman.

Section 201 of the proposed legislation requires the Secretary of State to implement a polygraph screening program for the diplomatic security service at the State Department. It makes reference to a screening program at the Department of Defense. Am I correct in my understanding that section 201 requires the Secretary of State to issue regulations which, at a minimum, adhere to the employee safeguards found in the Department of Defense provisions?

Mr. MICA. If the gentleman will yield, yes, the gentleman is correct.

Mr. BROOKS. Am I correct, however, that this language leaves the Secretary of State free to fashion a program that provides greater protections for polygraph testees than that contained in the Department of Defense program?

Mr. MICA. Yes, the reference to the Department of Defense program in this bill is intended solely to fix, at a minimum, the various rights that individuals being tested under the program have. These safeguards relate to the scope of the polygraph examinations and the conduct of such examinations from the viewpoint of the person being tested. The State Department must adhere at least to the DOD standards. They are free, however, to fashion greater protections for the examinee in their programs.

Mr. BROOKS. That is my understanding of the amendment, too. As you are aware, I believe that polygraph screening will, on the whole, be detrimental to our national security and I oppose any such program at the State Department. I do think, however, that if the Department is going to implement a program, they should be free to design the best possible program to ensure protection for innocent employees. I believe your language allows them to do so.

PERSONAL EXPLANATION

Mr. WOLFE. Mr. Chairman, I, along with a few other Members, were just at a subcommittee hearing and inadvertently missed the last vote.

Had I been present, I would have voted "aye" on the Mica amendment.

PERSONAL EXPLANATION

Mr. CROCKETT. Mr. Chairman, because of a meeting of the subcommittee which I was attending along with my colleagues, I also missed the last vote.

Had I been present, I would have voted "aye."

PERSONAL EXPLANATION

Mr. DELLUMS. Mr. Chairman, I too was at the same subcommittee hearing as my colleagues and missed the last vote.

Had I been present, I would have voted "aye."

Mr. GILMAN. Mr. Chairman, I move to strike the last word in order to have a colloquy with the distinguished gentleman from Florida [Mr. MICA], chairman of the subcommittee.

On reference to section 102 of the act which provides for the authorization of appropriations for fiscal year 1988 for U.S. contributions to International Organizations. The committee, faced with severe budget restrictions, agreed to freeze this funding at the level of the fiscal year 1987 continuing resolution. Regrettably this would fall far short of the U.S. treaty obligation to these organizations. The committee earmarked funds for fiscal year 1988 for each organization and recommended a 4-percent increase in fiscal year 1989 over fiscal year 1988 levels.

In the case of the first listed organization, the Food and Agriculture Organization [FAO], the earmarked amounts are $25,383,000 for fiscal year 1988 and $26,398,000 for fiscal year 1989; the amount of $25,383,000 being the amount allocated to the FAO under the 1987 continuing resolution.

Mr. Chairman, it is my understanding that freezing the earmarking at the 1987 level, rather than maintaining the same authorization for FAO, would have the unintended and very unfortunate result of reducing it by approximately $9 million. This comes about because the approximately $9 million was an extraordinary savings by FAO anticipated by the State Department. The State Department, therefore, reduced the amount requested for fiscal year 1987 appropriations. In view of the fall on the value of the dollar, no savings are anticipated in fiscal year 1988.

Mr. Chairman, it is obvious we were unaware of the harm that would be done to this outstanding organization under the formula the committee used, and I wonder if this also is your understanding of the committee's action.

Mr. MICA. Mr. Chiarman, if the gentleman will yield, I thank the gentleman for New York for bringing this matter to our attention. He is correct that we were confronted by the Gramm-Rudman-Hollings amendment to the Federal Deficit Reduction Act of 1987 and the committee recommended that we freeze the contributions to international organizations in fiscal year 1988 at the fiscal year 1987 levels. We overlooked the fact that the unusual savings accomplished by the Food and Agriculture Organization had been taken into account in the State Department fiscal year 1987 request and therefore a simple freeze penalizes the FAO for its savings.

Mr. GILMAN. Mr. Chairman, I appreciate your confirmation that this fact was not recognized when the committee acted and I can appreciate how a technical matter of this nature could have been overlooked. Certainly the matter needs correction so that the FAO is treated as equitably as the other fine specialized agencies and is not penalized for having made substantial savings which prompted the State Department to reduce its fiscal year 1987 presentation. I realize, Mr. Chairman, that this may not be the precise time to increase the authorization. If that is correct, then this legislative history is ncessary so that the other body is aware of this deficiency. We should correct this before final congressional passage of the act.

Mr. MICA. I am in full agreement with the gentleman from New York that full equity be accorded to the

FAO in the earmarking of funds under this Authorization Act before its final passage. I can assure you that this will be a priority concern when reconciliation of the act is under consideration.

Mr. GILMAN. Mr. Chairman, I thank the gentleman from his reassuring remarks.

□ 1445

Mr. MICA. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MICA. Page 27, after line 13, insert the following:

SEC. 137. UNITED STATES EMBASSY IN HUNGARY.

(a) FINDINGS.—The Congress finds that—

(1) the full implementation of the security program of a United States diplomatic mission to a Communist country cannot be accomplished if employees of that mission who are citizens of the host country are present in the same facilities where diplomatic and consular activities of a sensitive nature are performed;

(2) the facilities currently housing the offices of the United States diplomatic mission to Hungary are totally inadequate for the proper conduct of United States diplomatic activities, and unnecessarily expose United States personnel and their activities to the scrutiny of the intelligence services of the Government of Hungary;

(3) the presence of local citizens in a facility where sensitive activities are performed, as well as their access to certain unclassified administrative information, greatly enhances the ability of the host government's intelligence services to restrict our diplomatic activities in that country;

(4) since the United States Government owns a substantial amount of property in Budapest, it is in a unique position to build new facilities which will substantially enhance the security of the United States diplomatic mission to Hungary; and

(5) the United States Corps of Engineers and the Navy Construction Battalion are uniquely qualified to construct such facilities in an eastern bloc country.

(b) STATEMENT OF POLICY.—It is the sense of the Congress that—

(1) the Department of State should proceed in a timely fashion to conclude an agreement with the Government of Hungary to allow for the construction of new chancery facilities in Budapest which would totally segregate sensitive activities from those of an unclassified and public-oriented character; and

(2) any such agreement should ensure that the United States Government will have the right to employ only American construction personnel and materials and will have complete control over access to the chancery site from the inception of construction.

(c) EARMARK OF FUNDS.—Of the funds authorized to be appropriated for fiscal year 1987 by title IV of the Diplomatic Security Act, $60,000,000 shall be available only for the construction of new chancery facilities for the United States embassy in Budapest, Hungary.

Mr. MICA (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. MICA. Mr. Chairman, during our review of the Embassy security situation in Moscow, we uncovered three basic flaws in the agreement between the United States and the Soviet Union concerning the construction of our new Embassy complex in Moscow. These are:

First, Soviet labor was used to construct the chancery;

Second, Soviet material was employed; and

Third, the United States did not have complete control of the access to the new Embassy site.

The result is known to everyone in this Chamber. We have a new chancery which has been so totally compromised that many doubt that it can be salvaged.

If the past has anything to do with the future, we are nowhere near resolving this situation. Most probably, negotiations for any future chancery construction will be dragged out while the Soviet Union continues to enjoy the advantanges of Mount Alto.

The purpose of this amendment which earmarks funds currently available to the Department of State for the construction of new Embassy facilities in Budapest, Hungary, is to initiate a pilot program for future construction in Communist countries. During a recent committee trip to that country, we have learned that the U.S. Embassy has launched an ambitious project which, if fully implemented, could set the standard for the future.

Ambassador Palmer seems to be nearing completion of an agreement which would permit the United States to:

First, use only American labor;

Second, use only American material brought in under American security; and

Third, maintain complete control of the sites from the inception of the project.

Furthermore, the post is seeking to address several thorny security problems by building two facilities separate and distinct from each other. The first would be the "core" chancery which would house all activities of a sensitive nature. This facility would be off limits to local nationals. The second facility would be located in the center of downtown and would be used for those unclassified activities of a more public-oriented nature such as the consular and visa offices, the USIA Library and press centers, as well as the offices of the Foreign Commercial Service. The intent of this approach is to fully segregate those activities which require daily contact with foreign Nationals from all diplomatic and consular activities of a sensitive nature.

The Embassy is hoping to employ the U.S. Corps of Engineers and the Naval Construction Battalion (Seabees) to build the facilities.

After a careful review of the record, it is clear that the United States has never initiated an Embassy construction project embodying the concepts and procedures I just mentioned. I believe that the successful implementation of this prototype proposal will set a standard for future Embassy construction in the Eastern bloc.

I urge my colleagues to support this amendment.

Ms. SNOWE. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in support of the gentleman's amendment.

This amendment directs the State Department to conduct a test case in Budapest, Hungary, in two areas related to Embassy security in high intelligence threat countries. The proposals in this amendment arise from the subcommittee's investigation into technical security threats in East bloc nations.

This amendment recognizes that our current Embassy building in Budapest simply cannot be secured with any confidence. The Embassy shares two common walls with the National Bank of Hungary, and a third wall with a Government-owned apartment building. Penetration of the Embassy is possible from across the roof, from under the basement, or directly through the walls.

This amendment directs the State Department to build two new facilities in Budapest to replace the existing Embassy building if an appropriate agreement can be reached with the Hungarian Government. The agreement must allow all the use of all U.S. materials and workmanship, and the United States must have total access and control over the new sites during construction. Only Americans with security clearances would have access to new core Embassy building from the moment construction begins. These guarantees didn't exist in the construction agreement we signed with the Soviet Union, and the results speak for themselves.

We envision a new core, highly classified chancery building. This would be built somewhat outside of town at a large site that has already been identified. This site can meet all of the security requirements recommended by the Inman Panel on overseas security. We also would expect the Department to use a Navy Seabee construction battalion to build the new core Embassy. The Seabees already construct the internal classified areas of our embassies, and they have the capabilities to do the job right.

We are also sensitive to the value of maintaining a public-oriented facility in a more accessible area of Budapest. Hungary is a dynamic, changing country that is increasing its experimentation with a mixed economy. There are opportunities for the United States in Hungary and other East bloc nations.

The United States currently owns prime, undeveloped on the Fifth Avenue of Budapest. The amendment calls for constructing an Embassy annex containing all the unclassified, public-oriented activities of the mission. The annex would contain the cultural center and other USIA activities, the U.S. Commercial Service, and the consulate. Again, not only must all the activities at the annex be unclassified, but they must be of a clearly public-oriented nature. We must want all activities that go on there to be known.

If the experiment in Hungary works, it could serve as a model for improving the security at other diplomatic missions in Eastern Europe. I urger adoption of the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Florida [Mr. MICA].

The amendment was agreed to.

AMENDMENT OFFERED BY MS. SNOWE

Ms. SNOWE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Ms. SNOWE. Page 39, after line 4, insert the following:

SEC. 147. REVIEW OF PERFORMANCE PAY PROGRAMS

(a) SUSPENSION OF AWARDS DURING REVIEW.—During the period beginning on October 1, 1987, and ending on the date on which the Secretary of State reports to the Congress pursuant to subsection (c)—

(1) performance pay may not be awarded under section 405 of the Foreign Service Act of 1980 (22 U.S.C. 3965) to any member of the Senior Foreign Service; and

(2) ranks may not be awarded under section 4507 of title 5, United States Code, and performance awards may not be paid under section 5384 of that title to any career appointee in the Department of State.

(b) REVIEW BY INSPECTOR GENERAL.—The Inspector General of the Department of State shall conduct a complete and thorough review of—

(1) the awards of performance pay which have been made to members of the Senior Foreign Service under section 405 of the Foreign Service Act of 1980;

(2) the ranks which have been awarded to career appointees in the Department of State under section 4507 of title 5, United States Code; and

(3) the performance awards paid to career appointees in the Department of State under section 5384 of that title.

The purpose of this review shall be to determine the criteria actually used in making those awards and to determine whether each award was warranted. The Inspector General shall report the results of this review to the Secretary of State and to the Congress no later than October 1, 1988.

(c) REPORT BY SECRETARY OF STATE.—The Secretary of State shall submit to the Congress, no earlier than October 1, 1988, a report containing the comments of the Secretary on the report of the Inspector General pursuant to subsection (b) and describing the actions taken by the Secretary as a result of the Inspector General's report.

Ms. SNOWE (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentlewoman from Maine?

There was no objection.

Ms. SNOWE. Mr. Chairman, a performance pay award program for the Senior Foreign Service was instituted by the Foreign Service Act of 1980. That act provided great flexibility to the Department of State on how to recognize outstanding performance in the Senior Foreign Service in the form of monetary awards. I have grave concerns about the way that performance award system is being implemented, however, and propose that it be suspended for a year pending a thorough review by the new independent State Department inspector general.

Last month, our colleague from Tennessee, Mr. SUNDQUIST, wrote a letter to Secretary Shultz and to the Foreign Affairs Committee regarding performance pay awards proposed for those individuals involved in the security situation at our Embassy in Moscow. I joined with the chairman of the subcommittee, Mr. MICA, and the chairman and ranking Republican of the full committee, Mr. FASCELL and Mr. BROOMFIELD, in writing a letter to the Secretary of State. In that letter, we requested that performance pay bonuses for such individuals be withheld until ongoing investigations into the security breaches in Moscow are completed. Less than a week after we sent our letter, those bonuses were released.

Furthermore, it took the State Department a full month to respond to our letter, which came from the Assistant Secretary for Legislative Affairs not the Secretary of State. The response was little more than an explanation of how the performance award system works.

Clearly, however, that system does not work well if it is unable to take into account a Presidentially appointed investigation into the security breach in Moscow by the President's Foreign Intelligence Advisory Board, and a similar investigation conducted at the President's and Secretary of State's request by Melvin Laird.

Perhaps it is indicative of lack of concern for security issues at the Department of State. I had considered simply terminating the performance award program. Ultimately, this may be necessary, if the Department cannot operate this program appropriately. While the inspector general looks into the problems of the current program, suspending its authority is absolutely necessary in order to prevent similar questionable awards in the coming year.

I urge Members to support my amendment.

Mrs. MORELLA. Mr. Chairman, I would like to express concern about the gentlelady from Maine's amendment to suspend the State Department's Performance Pay Program for 1 year. There are legitimate questions about the implementation of the Performance Pay Program. There is concern that the money allocated is not being used to reward extraordinary performance but instead being spread around rather indiscriminately. As has been mentioned today, even some of the State Department employees involved in the Moscow Embassy construction fiasco have been given performance bonuses. But I am concerned that the response here is not proportionate, and I wonder why requiring a report from the Department would not be sufficient.

The Performance Pay Program is important to the morale of those senior State Department employees who do perform particularly well, and we know from a recent series of articles in the Washington Post that morale among this group is extremely low. The Department's management technique of retiring all but a few employees at a relatively young age makes a Performance Pay Program particularly important, and this was taken into account when the Foreign Service Act was enacted in 1980. The Department's senior personnel management technique has been described as "high-risk, high-gain" and I am disappointed to see that an effort is now being made to do away, even temporarily, with the reward that goes with the risk.

AMENDMENT OFFERED BY MR. SUNDQUIST TO THE AMENDMENT OFFERED BY MS. SNOWE

Mr. SUNDQUIST. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. SUNDQUIST to the amendment offered by Ms. SNOWE: Add the following at the end of the text proposed to be inserted by the Snowe amendment to the bill:

SEC. 148. CONCERNING THE AWARD OF SENIOR EXECUTIVE SERVICE MERIT BONUSES TO CERTAIN INDIVIDUALS.

(a) FINDINGS.—The Congress makes the following findings:

(1) On May 7, 1987, the individuals responsible for security at the United States Embassy in Moscow were awarded executive service merit bonuses.

(2) An investigation is being conducted concerning violations of security and the status of security at the United States Embassy in Moscow.

(3) The investigation could result in findings or allegations of possible negligence or nonfeasance of certain officials, including the individuals designated in paragraph (1).

(b) SENSE OF THE CONGRESS.—It is the sense of the Congress that in consideration of the pending investigation of security at the United States Embassy in Moscow, it was inappropriate for the Secretary of State to award senior executive service merit bonuses to the individuals designated in subsection (a)(1) before such investigation was completed and a determination was made on the basis of the findings of such investigation that negligence or nonfeasance relating to the official duties of such individuals was not involved in security violations under such investigation.

(c) REPORT.—Not later than 180 days after the date of enactment of this Act, the Secretary of State shall submit to the Committee on Foreign Affairs of the House of Representatives a report which sets forth the basis on which senior executive service merit bonuses were awarded to the individuals designated in subsection (a)(1).

Mr. SUNDQUIST (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. SUNDQUIST. Mr. Chairman, my amendment is a perfecting amendment to Ms. SNOWE'S amendment which suspends authority for the State Department to award performance pay to career employees. My amendment expresses the sense of Congress that it was inappropriate for the State Department to give bonuses to those responsible for security at the Moscow Embassy.

I am still amazed by the arrogance with which the State Department awarded merit bonuses of nearly $10,000 each to the top three officials in charge of security for the Moscow Embassy:

Under Secretary for Management, Ronald I. Spiers;

Assistant Secretary for Diplomatic Security, Robert E. Lamb;

Former Ambassador to the Soviet Union, Arthur A. Hartman; and

Additionally, several deputies to these individuals with management responsibilities for security also received merit bonuses of between $5,000 and $10,000.

Mr. Chairman, I would not be offering this amendment today had the State Department and Secretary Shultz acknowledged a request I made 1 full week before these checks were cut that they be held until the Moscow Embassy investigation is completed.

My request, and a similar one by the House Foreign Affairs Committee, were totally ignored until 1 month after the checks were distributed. And I am still waiting for some justification as to why Secretary Shultz thinks these individuals should be rewarded with merit pay.

Obviously, the leadership of the State Department believes they are beyond being accountable to the American people. I know the citizens of this great country would be outraged if they knew that the State Department is paying itself bonuses for shabby work rather than accepting responsibility for one of the severest security breaches in U.S. history.

I would like to challenge each of the people who received bonuses, who were responsible for security in Moscow, that they prove their commitment to this country by returning the bonuses until the Moscow investigation is completed. By returning the bonuses, they can prove they are accountable to the American people—that they have the courage to accept the responsibility of what happened in Moscow. It is the only conscionable recourse for a real leader and a selfless patriot. Anything less would be opportunism and cowardice.

My amendment simply expresses the sense of Congress that it was inappropriate for these bonuses to be given before the Moscow Embassy investigation was completed.

I hope this body will stand united and send a message to the State Department that they cannot pull one over on the American people—that they must be accountable for all their actions—including the Moscow Embassy.

The text of the letters is as follows:

HOUSE OF REPRESENTATIVES
Washington, DC, May 1, 1987.

Hon. GEORGE P. SHULTZ,
Secretary of State,
Department of State,
Washington, DC.

DEAR MR. SECRETARY: It has come to my attention that a list was released April 20, 1987, naming SES-level (Senior Executive Service) Foreign Service Officers who will be receiving SES merit bonuses of between $5000–$10,000.

Given the pending status of the investigation regarding the Moscow embassy, I respectfully request that the appointed bonuses for the below-named individuals be withheld until all investigations are concluded, and until these individuals are fully cleared of any wrong-doing or negligence. Further, I additionally request that a report be made to the House Foreign Affairs Committee explaining the basis upon which SES bonuses are dispensed within your agency, and the basis on which the following individuals were named.

Please withhold the following SES bonuses:

The Honorable Ronald I. Spiers, Under Secretary for Management.

The Honorable Robert E. Lamb, Assistant Secretary for Diplomatic Security.

The Honorable Arthur A. Hartman, former U.S. Ambassador to the Soviet Union.

Under the circumstances, I believe you can understand the need to clarify the pending issues surrounding the Moscow embassy before merit bonuses are dispensed to any of the parties involved.

Thank you for your consideration.

Sincerely,

DON SUNDQUIST,
Member of Congress.

COMMITTEE ON FOREIGN AFFAIRS,
HOUSE OF REPRESENTATIVES,
Washington, DC, May 6, 1987.

Hon. GEORGE P. SHULTZ,
Secretary of State, Department of State,
Washington, DC.

DEAR MR. SECRETARY: We are writing with regard to a request from the Honorable Don Sundquist that a report be made to the Committee on Foreign Affairs explaining the basis upon which Senior Executive Service (SES) bonuses are dispensed within the Department of State, especially in connection with individuals involved with the situation at the U.S. Embassy in Moscow. We agree that the recommended bonuses for the individuals specified in Mr. Sundquist's letter should be withheld until the investigation into the incidents at the Moscow Embassy and related matters is completed.

In order to assist the Committee in its review, we hereby request that the Department of State provide the Committee with the complete list and detailed justification for all of the pending SES merit bonuses.

With best wishes, we are

Sincerely yours,

William S. Broomfield, Ranking Minority Member; Olympia J. Snowe, Ranking Minority Member, Subcommittee on International Operations; Dante B. Fascell, Chairman; Daniel A. Mica, Chairman, Subcommittee on International Operations.

HOUSE OF REPRESENTATIVES,
Washington, DC, May 14, 1987.

Hon. RONALD REAGAN,
President of the United States,
The White House, Washington, DC.

DEAR MR. PRESIDENT: On May 1, 1987, I had the attached letter hand-delivered to the Secretary of State requesting that SES merit bonuses be withheld from Under Secretary Spiers, Assistance Secretary Lamb and Ambassador Hartman until they were fully cleared of any negligence or wrongdoing in the Moscow embassy security violations.

I am deeply agitated by the news I received today that the bonus checks were distributed on May 7, 1987—six days after my letter requesting a temporary hold—without any acknowledgment of my request by the State Department.

Mr. President, I believe the American people have the right to know why these individuals have been given large merit bonuses despite their respective responsibilities in one of the largest security breeches in U.S. history.

As a member of Congress, it is my responsibility to investigate, question and expose possible misfeasance in the federal government. I was attempting to do this with my May 1st letter to Secretary Shultz.

Apparently, Mr. President, the Secretary and the Department of State do not feel that they must justify their actions to the American people. If they had, someone would have had the conscience to at least acknowledge my request.

I respectfully request that the State Department report to the House Foreign Affairs Committee with a complete explanation of their dismissal of my request, and that the bonuses be returned to the federal government until they can be fully justified by the State Department.

Sincerely,

DON SUNDQUIST,
Member of Congress.

HOUSE OF REPRESENTATIVES,
Washington, DC, May 18, 1987.

Hon. GEORGE P. SHULTZ,
Secretary of State, Department of State,
Washington, DC.

DEAR MR. SECRETARY: I have been following with fascination the saga of the three officials who, having been involved in the US Embassy spy scandal in Moscow, received bonuses for their work.

Could you please tell me what date the bonuses were decided on, what date they were issued, and whether or not the people who issued the bonuses understood the mess that had developed at the embassy? If they did understand the situation, why did they decide to issue the bonuses anyway?

I look forward to your reply.

Sincerely,

NEWT GINGRICH.

HOUSE OF REPRESENTATIVES,
Washington, DC, May 14, 1987.

The PRESIDENT,
The White House, Washington, DC.

DEAR MR. PRESIDENT: I wanted to write to you in support of the letter you recently received from Congressman Don Sundquist.

Congressman Sundquist was justly outraged over meritorious cash bonuses approved by the Secretary of State for Under Secretary Ronald Spiers, for former Ambassador to the Soviet Union Arthur Hartman and for Assistant Secretary Robert Lamb.

Mr. President, I must echo the sentiments of Congressman Sundquist, and would sincerely appreciate your ensuring that this matter is thoroughly investigated. It is my hope that the bonuses will be returned to the Federal Treasury, and that more strict criteria will be established so that future bonus recipients will be those officials who have enhanced the prominence of the United States, rather than those who have allowed it to become impaired.

I look forward to your response, and with kind personal regards and very best wishes, I remain

Respectfully yours,

TRENT LOTT.

Ms. SNOWE. Mr. Chairman, will the gentleman yield?

Mr. SUNDQUIST. I am delighted to yield to the gentlewoman from Maine.

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Ms. SNOWE. Mr. Chairman, I thank the gentleman for yielding.

I have reviewed the gentleman's amendment. I think it is appropriate.

I certainly would accept that amendment and approve it, and I also want to commend the gentleman for bringing this issue to our attention.

Mr. SUNDQUIST. Mr. Chairman, I thank the gentlewoman from Maine for her amendment and for allowing me to perfect it.

Mr. MICA. Mr. Chairman, will the gentleman yield?

Mr. SUNDQUIST. I yield to the gentleman from Florida.

Mr. MICA. Mr. Chairman, I thank the gentleman for yielding.

The majority and the chairman on this side have examined the perfecting amendment to the amendment and have no objection to it.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Tennessee [Mr. SUNDQUIST] to the amendment offered by the gentlewoman from Maine [Ms. SNOWE].

The amendment to the amendment was agreed to.

The question is on the amendment offered by the gentlewoman from Maine [Ms. SNOWE], as amended.

The amendment as amended, was agreed to.

AMENDMENT OFFERED BY MR. LEVINE OF CALIFORNIA

Mr. LEVINE of California. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. LEVINE of California: Page 4, line 12, strike "$1,375,974,000" and insert in lieu thereof "$1,371,474,000".

Page 4, line 13, strike "$1,431,013,000" and insert in lieu thereof "$1,425,513,000".

Page 9, line 5, strike "$32,691,000" and insert in lieu thereof "$37,191,000".

Page 9, line 6, strike "$33,999,000" and insert in lieu thereof "$38,499,000".

Mr. LEVINE of California (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. LEVINE of California. Mr. Chairman, this is a simple amendment transferring a small but relatively significant amount of money from one account to another within this overall authorization. I believe this amendment has broad bipartisan support from the Foreign Affairs Committee and from other Members. The amendment restores $4.5 million to the United States' assessed contribution to the Pan American Health Organization.

The bill as drafted cuts the Reagan administration's request for PAHO by 15 percent, from $38.7 to $32.7 million. If this cut were to be enacted, it would represent the largest reduction in American support for any inter-American organization, and a significantly greater reduction than that applied to many U.N. agencies.

Yet, as many Members are aware, the Pan American Health Organization has been singled out by the Congress and by this and previous administrations for its technical excellence in the field of health, for its special benefits to the United States, and for its managerial competence. The State Department has in the past commended PAHO for its successful health promotion efforts, for its zero real budget growth, and for its responsiveness to U.S. management concerns.

Last year, in the conference report adopted by the Congress as a part of the continuing resolution, we stated that PAHO:

> has demonstrated technical excellence in health cooperation benefitting the United States and other Western Hemisphere countries and which has been responsive to U.S. financial concerns in reducing its budget and limiting staff costs.

In addition, I want to emphasize that the entire U.S. health community, including the American Association of Public Health, the American Association of Schools of Public Health, the American Nurses Association, the National Council on International Health, the American Academy of Pediatrics, the American Medical School Association, and the Commissioned Officers Association of the U.S. Public Health Services, all have endorsed congressional approval of the full United States assessed contribution to the Pan American Health Organization.

Because of the proportionately greater impact of any reduction in the U.S. contribution to inter-American organizations, the 15 percent shortfall in the current bill would have a very serious impact on PAHO.

This amendment would avoid such disproportional and unintended damage to the PAHO Program. It would increase the authorization for PAHO by $4.5 million, reducing the 15-percent shortfall to a significantly less onerous 5 percent shortfall. This amendment does not increase the overall authorization level of the bill—it simply transfers $4.5 million from the large general State Department fund to PAHO.

I would like now to review just a few of the Pan American Health Organization's notable initiatives and accomplishments.

PAHO has special and growing importance to the health of U.S. citizens through its efforts to monitor and help organize regionwide responses to disease threats in the region. One of its highest priority projects at the moment is an attempt to collect all available data on AIDS in the Western Hemisphere. This project includes advising countries on how to screen blood banks, training health workers in the identification and treatment of the disease, and helping them to develop public education programs aimed at limiting the spread of the disease.

Congress and the administration have recognized the important linkages of PAHO to the Centers for Disease Control of the U.S. Public Health Service in monitoring and preventing the spread of communicable diseases in the United States. More than 13 million travelers move back and forth between the United States and Latin America and the Caribbean each year for business, education, and recreational purposes. With this level of human movement, the more that can be done to improve health conditions in those countries also helps protect U.S. citizens both when they travel and here at home.

Many Members commended PAHO a few years ago for its highly successful subregional health initiative, "priorities health needs in Central America and Panama," which generated a truce in El Salvador to permit a nationwide immunization campaign. Congress adopted a resolution acclaiming that initiative.

PAHO's list of other accomplishments and initiatives is long, and includes such important efforts as the campaign a decade ago which wiped out smallpox in this hemisphere, and a new campaign to erádicate polio in the hemisphere by 1990.

In this time of deep concern on Capitol Hill about the Nation's budget, PAHO has been particularly responsive by taking steps to improve the effectiveness and efficiency of their activities. PAHO has made sure that the United States has been on the executive committee whenever budgets have been considered. Of all the significant international organizations, PAHO has the lowest rate of budget increases over the last decade.

This amendment will serve to lessen the shortfall faced by this very valuable institution, and I hope it will receive the strong bipartisan support which it deserves.

Ms. SNOWE. Mr. Chairman, will the gentleman yield?

Mr. LEVINE of California. Mr. Chairman, I would be happy to yield to the gentlewoman from Maine.

First, I would like to thank the gentlewoman for her generous display of the true spirit of compromise and cooperation which we need to see more of in this body. I know the gentlewoman shares my concern that PAHO is a standout among international organizations, and while budgetary concerns demand that we restrain our commitment to PAHO, as with other international organizations, I am very pleased that gentlewoman agrees that we should try to make that restraint at a reasonable level, one which does not place undue hardship on this very valuable organization.

Ms. SNOWE. I thank the gentleman from California for his comments.

I indeed agree that we should try to minimize the hardship faced by PAHO. However, the gentleman's amendment shifts $4.5 million from the State Department salaries and expenses account to provide greater funding for PAHO. I'm sure the gentleman is aware that the salaries and expenses account is already $70 million short of current services. As this bill moves forward into conference, would the gentleman support shifting the cut necessary to increase funds to PAHO to some account other than State Department salaries and expenses, which is the most seriously underfunded account within this legislation?

Mr. LEVINE of California. I am very sympathetic to the budgetary dilemma the gentlewoman and her colleagues on the International Operations Subcommittee have faced. I commend the gentlewoman and her colleagues for their strenuous efforts to craft a fair bill under difficult circumstances. I will be happy to try to work out with the gentlewoman a way to reduce the funding shortfall faced by PAHO without causing equally unintentional harm to other deserving accounts within the bill.

Ms. SNOWE. In that case, I accept the gentleman's amendment, and would be happy to work with him toward that end. I thank the gentleman for his flexibility in this matter.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. LEVINE].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. SUNDQUIST

Mr. SUNDQUIST. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SUNDQUIST: Page 55, after line 25, insert the following:

SEC. 192. HOUSING ALLOWANCES OF INTERNATIONAL CIVIL SERVANTS.

(a) UNITED STATES POLICY.—It is the policy of the United States to seek the implementation by the United Nations of the recommendation by the International Civil Service Commission to deduct from the pay (commonly referred to as a "rental deduction") of an international civil servant the amount of any housing allowance or payment which is provided by any member state to that international civil servant, in accordance with Article 100 of the Charter of the United Nations and regulations thereunder.

(b) REDUCTION IN UNITED STATES CONTRIBUTION FOR RENTAL DEDUCTIONS NOT MADE.—The United States shall reduce the amount of its annual assessed contribution to the United Nations by the amount of that contribution which, as determined by the Secretary of State, is equal to the amount of the rental deduction described in subsection (a) which is not deducted from the pay of any international civil servant.

Mr. SUNDQUIST (during the reading). Mr. Chairman, I ask unanimous consent that the amemdment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. SUNDQUIST. Mr. Chairman, last year the Senate Intelligence Committee revealed the shocking information that $20 million were being kicked back by Soviet and Eastern bloc employees at the U.N. to the Soviet Union. Additional information by the Senate Intelligence Committee detailed the kickback scheme:

Soviet and Eastern bloc employees at the United Nations are required to turn over their U.N. dollar paychecks to the finance clerk of the Soviet and the respective Eastern bloc missions. They are only allowed to keep a portion of their paycheck, an amount equal to the Soviet civil service wage—which is much lower. The remainder of the salary allotment goes into a fund that enables the Soviets to continue building their spy network in the United States.

My amendment is an attempt to substantially reduce the amount of dollars that are flowing through the hands of these U.N. employees and into the Soviet's spy slush fund.

Under the U.N. charter and U.N. staff regulations, it is illegal for a U.N. employee to receive housing or a housing allowance. Of course, this has not stopped the Soviets in any way from providing housing for its employees at the United Nations.

The International Civil Service Commission recently recommended that housing deductions be taken from the pay of U.N. employees who are provided with any type of housing or housing allowance.

My amendment states that it is U.S. policy to seek implementation by the United Nations of its own policies—by taking rental deductions. In effect, this amendment will directly reduce the amount of the United Nations paychecks paid to Soviet U.N. employees—and reduce the amount of dollars being kickedback to the Soviet Union.

Mr. Chairman, I hope this body will take direct action to stop the Soviets blatant and sickening abuse of the United Nations and American taxpayer dollars by voting for this amendment.

AMENDMENT OFFERED BY MR. KOSTMAYER TO THE AMENDMENT OFFERED BY MR. SUNDQUIST

Mr. KOSTMAYER. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. KOSTMAYER to the amendment offered by Mr. SUNDQUIST: At the end of the text of the Sundquist amendment to the bill add the following:

"This subsection shall take effect at the end of the 18-month period beginning on the date of enactment of this Act. During such period, the United States Ambassador to the United Nations shall seek to promote the adoption of the recommendation described in subsection (a)."

Mr. KOSTMAYER (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. KOSTMAYER. Mr. Chairman, I think the gentleman from Tennessee [Mr. SUNDQUIST] makes a good point, but the amendment he has offered would hurt not only the Soviets but our allies as well, including Canada, France, and the Federal Republic of Germany. It would further reduce the American commitment or contribution to the United Nations.

I am wondering whether the gentleman from Tennessee would be willing to accept my amendment, which would give us 18 months to try to work this problem out. This is a legitimate problem, and I share the gentleman's concern. This would provide that if at the end of that 18-month period some agreement had not been worked out, then the language offered by the gentleman from Tennessee [Mr. SUND-

QUIST] would be implemented automatically.

Mr. SUNDQUIST. Mr. Chairman, will the gentleman yield?

Mr. KOSTMAYER. I yield to the gentleman from Tennessee.

Mr. SUNDQUIST. Mr. Chairman, I thank the gentleman for offering this perfecting amendment, and in the interest of trying to work this out with our allies, I am delighted to accept the gentleman's amendment.

Mr. KOSTMAYER. Mr. Chairman, I thank the gentleman from Tennessee, and I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. KOSTMAYER] to the amendment offered by the gentleman from Tennessee [Mr. SUNDQUIST].

The amendment to the amendment was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Tennessee [Mr. SUNDQUIST], as amended.

The amendment, as amended, was agreed to.

AMENDMENT OFFERED BY MR. RICHARDSON

Mr. RICHARDSON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. RICHARDSON: Page 55, after line 25, insert the following:

SEC. 192. TREATMENT OF CUBAN POLITICAL PRISONERS.

(b) REFUGEE POLICY.—The Department of State shall take steps as may be necessary to ensure that applications of Cuban political prisoners and their families for refugee status will be processed without regard to the duration of their imprisonment. Former political prisoners living in third world countries will also be entitled to have their applications processed according to this refugee policy.

(c) DEFINITIONS.—For purposes of this section—

(1) The term "process" means the acceptance and review of applications and the preparation of necessary documents and the making of appropriate determinations with respect to such applications.

Mr. RICHARDSON (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New Mexico?

There was no objection.to Cuban political prisoners now being tortured in Castro's prisons. I am introducing an amendment that will assist former and present Cuban political prisoners in obtaining their freedom. Due to problems encountered with the Cuban Government in 1984, the United States announced that it would not accept Cuban political prisoners. Recently, the United States began accepting political prisoners who have served 10 years or longer. My amendment ensures that once these political prisoners' applications are processed for refugee status, additional political prisoners' applications will be processed with preference given to those who have served in prison longest. There has been bipartisan support for this legislation in the past. Political prisoners who fight for our democratic ideals, especially in Communist Cuba, should not be ignored by our Government. I urge my colleagues to adopt this amendment.

Ms. SNOWE. Mr. Chairman, will the gentleman yield?

Mr. RICHARDSON. I yield to the gentlewoman from Maine.

Ms. SNOWE. Mr. Chairman, I have had a chance to review the gentleman's amendment. It certainly is appropriate, and we accept it.

Mr. MICA. Mr. Chairman, will the gentleman yield?

Mr. RICHARDSON. I yield to the chairman of the subcommittee, the gentleman from Florida.

Mr. MICA. Mr. Chairman, the committee has examined the amendment, and I understand we have an agreement on it from all sides. We have no objection to the amendment.

Mr. SMITH of Florida. Mr. Chairman, will the gentleman yield?

Mr. RICHARDSON. I yield to the gentleman from Florida.

Mr. SMITH of Florida. Mr. Chairman, I rise in full support of the gentleman's amendment.

Mr. RICHARDSON. Mr. Chairman, I especially want to thank the gentleman from Florida [Mr. SMITH] for his efforts and his help on this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New Mexico [Mr. RICHARDSON].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. SHUMWAY, AS MODIFIED

Mr. SHUMWAY. Mr. Chairman, I offer an amendment and I ask unanimous consent that an additional paragraph, a copy of which is at the desk, be added to the amendment.

The CHAIRMAN. The Clerk will report the proposed amendment as modified by the unanimous consent request.

The Clerk read as follows:

Amendment offered by Mr. SHUMWAY, as modified: After section 191, insert the following new section:

SEC. 192. FAILURE OF UNITED NATIONS TO PLACE CUBA ON ITS HUMAN RIGHTS AGENDA.

(a) FINDINGS.—The Congress finds that the United Nations and the United Nations Human Rights Commission have acted selectively in addressing fundamental human rights violations in various countries.

(b) CUBA.—The Congress disapproves of the failure of the United Nations General Assembly and the United Nations Human Rights Commission to place Cuba on its human rights agenda despite overwhelming evidence of the continuing disregard and systematic abuse of the most fundamental rights by the Government of Cuba.

(c) U.S. AMBASSADOR.—The Congress applauds the efforts by the U.S. Ambassador to the United Nations, Ambassador Vernon Walters, to place Cuba on the human rights agenda of the United Nations and urges him to continue in his efforts to bring this issue before the attention of the United Nations.

Mr. SHUMWAY (during the reading). Mr. Chairman, I ask unanimous consent that the amendment, as modified, be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

The CHAIRMAN. Is there objection to the request of the gentleman from California relative to the modification?

There was no objection.

Mr. SHUMWAY. Mr. Chairman, this amendment simply expresses the will of Congress that the United Nations has acted selectively in addressing human rights violations and particularly expresses disapproval of the U.N.'s failure to address human rights violations in Cuba.

There has been a great deal of evidence produced about the disregard and systematic abuse of very fundamental rights, and this amendment expresses the fact that we are unhappy with that posture taken by the United Nations and urges our ambassador at the United Nations to speak out about these abuses and place this upon the agenda of the different agencies involved.

Mr. Chairman, less than 90 miles from the coast of Florida lies one of the world's most brutal regimes. The Castro brothers came to power promising "individual rights that will be fully practiced in real life." For almost 30 years the Cuban people have endured a very different reality.

Fidel Castro has built one of the most repressive societies in the Western Hemisphere, including an elaborate network of prisons and concentration camps. Today Cuba has the highest number of political prisoners, per capita, in the world. The length of sentences for political prisoners, often exceeding 20 years, and the arbitrary extension of these sentences is unprecedented in Latin America or elsewhere.

The inhumanities of the Castro regime are no secret. It has driven 15 percent of the Cuban population into exile, with 1 million persons seeking refuge in the United States. Yet the international community has been silent.

In the words of Armando Valladares, the Cuban poet who spent 22 years in Castro's prisons, "Someday, when the truth is known in detail, mankind will feel the revulsion it felt when the crimes of Stalin were brought to light."

Armando Valladares was a member of the U.S. delegation to the U.N.

Human Rights Commission which recently completed its 43d session in Geneva. Despite the overwhelming testimony of 17 former political prisoners, including Mr. Valladares, the Commission decided that this was not the time to consider Cuba.

On behalf of 17-year-old Antonio Frias Sosa who was arrested, tortured, and killed in 1986 for possessing a copy of the Universal Declaration of Human Rights;

On behalf of the 11 farmers who refused to sell their crops to the Government below cost and were executed for their protest in 1983;

On behalf of the women prisoners, including Anna Lazara Rodriguez, and their visiting mothers who were beaten on Mother's Day, May 12, 1961;

On behalf of the workers, inspired by the Solidarity movement in Poland, who dared to discuss the need for a free labor union in 1983 and are currently serving 30-year sentences in isolation cells at Combinado del Este Prison;

On behalf of the nine persons imprisoned in Combinado del Este Prison for religious activities who were reportedly awaiting execution at the end of 1986;

On behalf of 15,000 political prisoners who languish in Castro's prisons, we have an obligation to ask:

If not now, when?

When will the United Nations find the courage to live up to its charter which lists as one of its principal aims the promotion of fundamental rights and freedoms?

For nearly three decades the silence of the international community has allowed the atrocities to continue in Cuba. In the words of Ambassador Vernon Walters:

> Fidel Castro kills, maims, and tortures. It is that simple. Today, yesterday, tomorrow. No one seriously denies it. Most ignore it.

It is time to speak out against the inhumanities of Castro's Cuba.

It is time to speak out against the failure of the United Nations to consider the brutality of Castro's Cuba which has trampled upon every right and freedom recognized by civilized nations in the Universal Declaration of Human Rights.

□ 1515

Mr. MICA. Mr. Chairman, will the gentleman yield?

Mr. SHUMWAY. I am happy to yield to the gentleman from Florida.

Mr. MICA. Mr. Chairman, I might say that the committee strongly endorses this amendment and I want to add my own personal support. The administration supports it. The committee supports it. I support it, and I understand the gentlewoman from Maine [Ms. SNOWE] supports it and we commend the gentleman for offering this amendment.

Mr. SHUMWAY. Mr. Chairman, I thank the gentleman.

Ms. SNOWE. Mr. Chairman, will the gentleman yield?

Mr. SHUMWAY. I am happy to yield to the gentlewoman from Maine.

Ms. SNOWE. Mr. Chairman, I want to commend the gentleman for offering this amendment and to bring to the attention of the United Nations that certainly the Castro regime is one of the worst abusers of human rights in the world. We had the opportunity before our subcommittee to hear from Armando Valladares. He told us about 20 years of deprivations in the prisons of Cuba, and to hear his story is to understand exactly what is taking place.

So I appreciate the gentleman's amendment, because the United Nations has to take these issues seriously if it wants to be treated seriously as an institution.

Mr. MILLER of Washington. Mr. Chairman, will the gentleman yield?

Mr. SHUMWAY. I am happy to yield to the gentleman from Washington.

Mr. MILLER of Washington. Mr. Chairman, I rise in support of the amendment which expresses the strong disapproval by this body of the U.N.'s failure to place Cuba's abuse on human rights on the U.N. agenda.

Mr. Chairman, a quote from a poem of Armando Valladares written in his own blood during one of his 22 years spent in the prisons of Castro's Cuba speaks far better for this resolution than I can.

They've taken everything away from me
pens
pencils
ink
because they don't want
me to write
and they've sunk me here
in this cell . . .
They've taken everything away from me
pens
pencils
but I still have life's ink
my own blood
and I'm still writing poems with that.

The U.N.'s continuing silence on human rights abuses in Cuba is a shameful reminder of that organization's failure to live up to its noble, founding purpose of fighting for peace and freedom; it has callously ignored the blood, sweat, and tears given by Armando Valladares and others in this fight for freedom. So, we in Congress must not only speak up for the 15,000 political prisoners who languish in Castro's prisons, but almost speak out on the U.N.'s shirking of its responsibility on this most basic of issues. I urge your support for this amendment.

Mr. SOLOMON. Mr. Chairman, I rise in strong support of this amendment. The reluctance of the United Nations to place Cuba on the agenda for human rights investigation is indeed a graphic example of the double standards that pervade the U.N. system.

I am reluctant to even get started discussing the subject of double standards at the United Nations because we could be here all night and not even begin to exhaust the topic. My own personal favorite is a debate that I participated in back in 1985, when Chairman MICA and I served as delegates to the 40th General Assembly. One afternoon, the committee that deals with human rights concerns was debating the subject of self-determination. I was representing the American position and, at one point, had to respond to a tirade by the Ambassador from Afghanistan, of all places, who was ranting and raving over what he called the "colonial subjugation" of Puerto Rico.

I say that just as an aside so that you can get an appreciation of just what goes on up there. Believe me, there is a certain fantasyland atmosphere up there. But the reality of oppression and injustice in Cuba is not a fantasy. Nor is there any excuse for the United Nations, which regularly investigates Chile, Guatemala, and El Salvador, to ignore Castro's police state. It is a sad commentary on the 20th century that prison literature has become the primary expression of moral philosophy, and Armando Valladares' book, "Against All Hope," written after 22 years in Castro's jails, has revealed once and for all the truth about Castro and his regime.

Just the other day, the gentleman from California and I and a number of other members met with Ambassador Walters. We encouraged him to keep up the fight, particularly with Cuba. He then told us that a man who was recently released from many years in prison in Cuba was asked by his fellow prisoners just before he was let go to find General Walters and tell him to keep speaking the truth about Cuba. The news of what we have been trying to do at the United Nations managed to penetrate the innermost recesses of Castro's prisons.

I hope that passage of this amendment today will have the same effect and that the many thousands of people who continue to languish in Castro's jails will take heart and realize that we have not forgotten them.

I urge adoption of the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. SHUMWAY], as modified.

The amendment, as modified, was agreed to.

AMENDMENT OFFERED BY MR. RICHARDSON

Mr. RICHARDSON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. RICHARDSON: Page 55, after line 25, add the following:

SEC. 192. HUMAN RIGHTS IN ETHIOPIA AND PARAGUAY.

(a) FINDINGS WITH RESPECT TO PARAGUAY.—The Congress finds that—

(1) the police authorities in Paraguay regularly arrest and hold individuals in an arbitrary manner;

(2) the state of siege provision of the Constitution of Paraguay provides for the de-

tention of individuals for an indefinite period of time without trial; and

(3) there are credible charges that police authorities have tortured and physically abused prisoners.

(b) Findings With Respect to Ethiopia.—The Congress finds even more deplorable human rights abuses in Ethiopia, including the following:

(1) The Government of Ethiopia exercises absolute power over the majority of Ethiopians.

(2) Ethiopians have no civil or political freedoms and no institutions of law to protect their human rights.

(3) Reliable reports that approximately 60 political prisoners in Ethiopia were executed in October 1985 without benefit of a trial.

(4) Over 1,000,000 Ethiopians have fled the country.

(c) Sense of Congress.—The Congress expresses its outrage at the human rights abuses specified in subsections (a) and (b) and pledges to continually speak out against governments, such as the governments of Paraguay and Ethiopia, which torture and maim human beings.

Mr. RICHARDSON (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from New Mexico?

There was no objection.

Mr. RICHARDSON. Mr. Chairman, this amendment I believe has been worked out. It simply condemns human rights abuses in all countries, regardless of their ideological perspective, by pointing out deplorable human rights abuses in two countries whose ideologies encompass the left and the right of the political spectrum: Ethiopia and Paraguay respectively.

Mr. Chairman, this amendment is designed to show that the United States condemns human rights abuses in all countries regardless of their ideological perspective by pointing out the deplorable human rights abuses in two countries whose ideologies encompass the left and right of the political spectrum—Ethiopia and Paraguay respectively.

Ethiopia is ruled by chairman Mengistu Haile-Mariam who exercises absolute power over the majority of Ethiopians. The ability of the Mengistu regime to maintain itself in power is based on the conviction of most Ethiopians that it is prepared to take whatever steps are necessary to continue in power. Ethiopia's record on human rights remains deplorable. Ethiopians have no civil or political freedoms and no institutions or laws to protect their human rights. Over 1 million Ethiopians have fled the country, many preferring life in refugee camps. There were reliable reports in 1986 of the execution of approximately 60 political prisoners in October 1985. None of the executed is known to have been granted a trial, much less an appeal, and the Government has never acknowledged the executions nor attempted to justify them.

Similarly, the authoritarian Government of Paraguay has a dismal record with regard to human rights. As in past years, there were credible charges that police authorities had tortured and physically abused prisoners. The police forces regularly arrest and hold persons arbitrarily, citing variously the state of siege authority, Paraguay's antisubversive statute, or, as was the case in most of the detentions which occurred in 1986, offering no rationale.

Mr. Chairman, these human rights abuses year after year are inexcusable. I have taken the liberty of selecting countries from different political ideologies to emphasize the point that the United States cannot tolerate this kind of inhumane action on the part of any government. For this reason, I am requesting that my amendment be adopted as a token of our outrage over these events, and to emphasize that we will continually speak out against governments such as Ethiopia and Paraguay that feel they can torture and maim other human beings. I urge my colleagues to adopt this amendment.

Mr. Chairman, I believe this is an amendment that has received the support of the majority and the minority.

Mr. MICA. Mr. Chairman, will the gentleman yield?

Mr. RICHARDSON. I yield to the distinguished chairman of the subcommittee, the gentleman from Florida [Mr. Mica].

Mr. MICA. Mr. Chairman, the committee has examined the amendment and has no objection.

Ms. SNOWE. Mr. Chairman, will the gentleman yield?

Mr. RICHARDSON. I yield to the gentlewoman from Maine.

Ms. SNOWE. Mr. Chairman, the minority has no objection and accepts the gentleman's amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New Mexico [Mr. Richardson].

The amendment was agreed to.

AMENDMENTS OFFERED BY MR. KASICH

Mr. KASICH. Mr. Chairman, I offer two amendments, and I ask unanimous consent that they be considered en bloc.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

Mr. MICA. Reserving the right to object, Mr. Chairman, I only reserve the right to make sure that we have the appropriate understanding.

We have an amendment, I understand, that is identical to one portion of the bill and to a second portion of the bill applying first to the State Department, and second to the USIA.

I understand the gentleman from Ohio will also accept an amendment that I am offering to his amendment.

Mr. KASICH. Mr. Chairman, that is correct.

Mr. MICA. Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The CHAIRMAN. The Clerk will report the amendments.

The Clerk read as follows:

Amendments offered by Mr. Kasich: Page 27, after line 13, add the following new section:

SEC. 137. DEBT COLLECTION.

Title I of the State Department Basic Authorities Act of 1956 (22 U.S.C. 2669 et seq.) is amended by redesignating section 42 (as so designated by section 130) as section 43 and inserting after section 41 the following:

"SEC. 42. DEBT COLLECTION.

"(a) Contract Authority.—(1) Subject to the availability of appropriations, the Secretary of State shall enter into contracts for collection services to recover indebtedness owed by a person, other than a foreign country, to the United States which arises out of activities of the Department of State and is delinquent by more than 3 months.

"(2) Each contract entered into under this section shall provide that the person with whom the Secretary enters into such contract shall submit to the Secretary at least once each 6 months a status report on the success of the person in collecting debts. Section 3718 of title 31, United States Code, shall apply to any such contract to the extent that such section is not inconsistent with this subsection.

"(b) Disclosure of Delinquent Debt to Credit Reporting Agencies.—The Secretary of State shall disclose to those credit reporting agencies to which the Secretary reports loan activity information concerning any debt of more than $100 owed by a person, other than a foreign country, to the United States which arises out of activities of the Department of State and is delinquent by more than 31 days.".

Page 62, after line 22, add the following new section:

SEC. 211. DEBT COLLECTION.

Title VIII of the United States Information and Educational Exchange Act of 1948 (22 U.S.C. 1472 et seq.) is amended by adding at the end thereof the following:

"SEC. 811. DEBT COLLECTION.

"(a) Contract Authority.—(1) Subject to the availability of appropriations, the Director of the United States Information Agency shall enter contracts for collection services to recover indebtedness owed by a person, other than a foreign country, to the United States which arises out of activities of the United States Information Agency and is delinquent by more than 3 months.

"(2) Each contract entered into under this section shall provide that the person with whom the Director enters into such contract shall submit to the Director at least once each 6 months a status report on the success of the person in collecting debts. Section 3718 of title 31, United States Code, shall apply to any such contract to the extent that such section is not inconsistent with this subsection.

"(b) Disclosure of Delinquent Debt to Credit Reporting Agencies.—The Director of the United States Information Agency shall disclose to those credit reporting agencies to which the Director reports loan activity information concerning any debt of more than $100 owed by a person, other than a foreign country, to the United States which arises out of activities of the United States Information Agency and is delinquent by more than 31 days.".

Mr. KASICH. Mr. Chairman, first of all, I want to thank the chairman of the subcommittee and the ranking member of the subcommittee for permitting me to offer the amendments and to look on the amendments favorably.

This is part of an ongoing effort to address this most serious problem that we have in terms of the Government's credit being lent to people and no effort being made to manage the credit allocations of the Federal Government.

Very briefly, as I pointed out in the Maritime Administration authorization bill and the DOD bill, the Federal debt in our country now is up to $68.3 billion in delinquent debts owed by individuals and companies to the Federal Government. That is a $40 billion increase in delinquent debts since 1981, or a 129-percent increase.

Now, obviously we have much more outstanding delinquencies in DOD, the Maritime Administration, than we have in the State Department; however, within the State Department we have also a significant amount of money that is owed by employees, believe it or not, who were given travel advances to go overseas and to conduct their jobs.

They are required to come back and to file travel vouchers outlining what the costs are as they perform their duties. When they come back to this country, they are supposed to file their vouchers claiming how much money was legitimately spent and refunding the rest.

At this point in time, as of June 10, 1987, there is $11.3 million owed to the Federal Government by employees who have failed to file travel vouchers. In January 1985, that number was $9.96 million, up now again to $11.3 million, with $17 million outstanding, so the potential for even more delinquencies certainly exists.

The State Department controller informed my staff that he views the travel advance problems as "a creeping cancer" within the State Department that allows employees not to do what they really ought to be doing, and it is a problem in terms of trying to manage that particular section of the Federal Government's credit program.

So what I am asking for, Mr. Chairman, is that we force the State Department to use collection agencies and force the State Department to refer the names of delinquent debtors to credit bureaus, because when you get right down to it, I believe there is a minimum of $11 million that the Federal Government could collect if only we pressed the case. This will set a good precedent, not only within the State Department, but also within the USIA. The amendment will apply to them and will apply, I hope, across the Federal Government, saying that we ought to manage our credit better.

Mr. MICA. Mr. Chairman, will the gentleman yield?

Mr. KASICH. I yield to the gentleman from Florida.

Mr. MICA. Mr. Chairman, I just say at this time, and I will offer an amendment in just a moment on my own time to the amendment, but I will accept the gentleman's amendments, providing he accepts an amendment that I am about to offer.

We have no problem with it, except to say that it may violate the privacy law. We ought to be able to collect debts owed and if we do this in accordance with the law and with the amendment that I offer, the privacy law will be covered; so I will be offering that in just a moment.

Ms. SNOWE. Mr. Chairman, will the gentleman yield?

Mr. KASICH. I am glad to yield to the gentlewoman from Maine.

Ms. SNOWE. Mr. Chairman, I want to thank the gentleman for his amendment. I think it is very worthy and certainly the State Department, like all other agencies, should make a special effort to collect past due debts.

Sometimes Departments do not have the ability to make those collections and therefore, as the gentleman is suggesting correctly, that we should contract with private organizations to do that, but we should not neglect $10 or $11 million of past due debts; so I commend the gentleman for raising this issue with the committee.

Mr. KASICH. Mr. Chairman, I appreciate the gentlewoman's comments.

I just want to point out that the $11 million here will be important to people back home, but this is part of a problem across the Federal Government that is totaling now over $68 billion.

I am certainly going to accept the amendment of the gentleman from Florida. We do not want to do anything to violate the Privacy Act, but the Debt Collection Act of 1982 does provide for certain things to be released in terms of credit.

I certainly appreciate the gentleman's concern. It is not my intention to violate any Privacy Act, but simply to make sure that this is taken care of. This is silly, that people are not filing these vouchers. It really is just crazy that we do not do something about it and this is I think a good effort to do it.

AMENDMENT OFFERED BY MR. MICA TO THE AMENDMENTS OFFERED BY MR. KASICH

Mr. MICA. Mr. Chairman, I offer an amendment to the amendments.

The Clerk read as follows:

Amendment offered by Mr. MICA to the amendments offered by Mr. KASICH: In subsections (b) of the section proposed to be added to the bill by the Kasich amendment, strike out "The Secretary" and insert in lieu thereof "To the extent otherwise allowed by law, the Secretary".

Mr. MICA (during the reading). Mr. Chairman, I ask unanimous consent that the amendment to the amendments be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

There was no objection.

PARLIAMENTARY INQUIRY

Mr. MICA. Mr. Chairman, may I make a parliamentary inquiry?

The CHAIRMAN. The gentleman will state it.

Mr. MICA. Mr. Chairman, I offered one amendment and I am seeking that this amendment amends both of the amendments that were offered en bloc. Is this the appropriate form?

The CHAIRMAN. The Clerk read it as applying to both subsections (b) in both amendments.

Mr. MICA. Mr. Chairman, simply stated, we have no objection to the gentleman's amendment.

Counsel advised us that in its broad interpretation, this legislation in debt collection could violate the Privacy Act. This just says to the extent that the law provides, including the Privacy Act.

I do not think it needs any further explanation.

I understand we have total support on this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Florida [Mr. MICA] to the amendments offered by the gentleman from Ohio [Mr. KASICH].

The amendment to the amendments was agreed to.

The CHAIRMAN. The question is on the amendments offered by the gentleman from Ohio [Mr. KASICH], as amended.

The amendments, as amended, were agreed to.

AMENDMENT OFFERED BY MR. PETRI

Mr. PETRI. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. PETRI: Strike all of section 130, relating to an offical residence for the Secretary of State (and redesignate the subsequent sections accordingly).

Mr. PETRI. Mr. Chairman, this is a simple amendment. It just strikes from the bill section 130, which would authorize the State Department to acquire, through private donation, an official residence for the Secretary of State.

This proposal appears to be a personal project of George Shultz. Although he himself would not occupy the residence, the Secretary of State apparently has spent hours of his own time lobbying for it. Therefore, the proposal has come to be known as "Chateau Shultz."

Now the stated justification for Chateau Shultz is saving about $100,000 the Department is spending to secure each new Secretary's house. But if anyone thinks that is the only reason for it, or even the major reason, I'd like to talk to him about buying a certain bridge up in New York. In my experience, Cabinet secretaries simply do not invest this kind of personal effort in saving the taxpayers a hundred thousand dollars once every 4 years or so.

No, there's more going on here. In one document, Secretary Shultz admits, ". . . the house must be larger than an average suburban home." And when you think about it, it's clear that the house must be grand enough so that any future Secretary of State would want to live in it. Make no mistake about it—we're talking mansions here.

There are several reasons why we should squash this proposal. First, it sets a terrible precedent. If the Secretary of State has a grand mission provided at nominal rent, can we deny this same perk to the Secretary of Defense? How about the Secretary of the Treasury and the Director of the CIA? They'll want and deserve lovely mansions too. Once you start this process with one cabinet official, there's just no logical place to stop it. And lo and behold, by and by all major officials will hold forth in grand princely palaces scattered about the city.

I believe this prospect is wholly inappropriate to our democracy. Our forefathers thought public officials should be servants of the people rather than an aristocracy lording it over the people, and I think that judgement is still sound.

Apart from the terrible precedent, this proposal is costly as well. Maybe we'll save a hundred thousand dollars every 4 years, as Secretary Shultz contends, but up front it's going to cost us millions in the value of the tax deductions taken by the wealthy donors, to say nothing of the favors they might seek from the department in return. And what assurance have we that we can maintain a mansion at no cost to the taxpayers? What about mansions for all the other officials? How much will they cost to acquire and maintain? If anyone thinks all this won't cost the taxpayers plenty, I hear that bridge up in New York is still available.

If security really is a concern, there are other ways to address it besides acquiring a mansion. For example, there are lots of perfectly respectable dwellings at secure military installations all around the city. In fact, there are three nice ones right across twenty third street from the State Department. Why not house the Secretary in one of those?

If security is a problem, let's take a careful overall look at the issue and develop a governmentwide policy to deal with it. Let's not stumble step by step into a de facto policy that we may later regret.

Mr. Chairman, a Boston Herald editorial said it well: "Here we have imperial Washington at its worst." I urge all my colleagues to vote for this amendment and stop Chateau Shultz.

□ 1530

Mr. MICA. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I do not intend to make a major issue out of this and call for a vote, but I would like to explain why the committee included this, notwithstanding the fact that the gentleman from Wisconsin or this gentleman from Florida may one day need a place to occupy as a future Secretary of State, but there were a number of reasons why we looked at this.

First, our Secretary of State does indeed host more heads of state than anyone in the U.S. Government aside from the President and possibly the Vice President. That requires individuals to live in the basement of his home. Now think about this for a moment and think of your spouse if you came home and said, "We've got to set aside half of our basement or some of our bedrooms to let security people live with us in our home." Particularly if you are like me, a man of modest means, who might be Secretary of State someday in a small house with 10 secret service agents living with you, it does raise some questions.

Also, some say, "Just entertain at the State Department, at the office, and no other place," when indeed around the world there is a tradition by many heads of state, and you have heard it before, particularly to the south of us, "Mi casa es su casa"—"My house is your house." And aside from all of the official duties that take place, heads of state and leaders often make a special point of adding sincerity by inviting you to their home for entertaining.

Also, it is not just every 4 years that we have a Secretary of State. Historically we have had them more often, and what happens essentially is that a Secretary who receives constant threats on his life who does try to show U.S. sincerity by entertaining at home needs major security renovations on a regular basis. In some administrations we have had two or three or four Secretaries of State in one 4-year period and they have to tear out all of that equipment each time and then replace it at a phenomenal cost.

So there are a number of reasons. Additionally, Secretary Shultz said, "I will never live in it." This Republican administration will not use it, but we will go to the trouble of setting up a fund to pay for it and to take care of it in the future. There would be no taxpayers' dollars used other than to maintain security. So from an economic standpoint, from a business standpoint, from a security standpoint, from an honest standpoint of a situation where a contingent of men and women are required to live in your home and when you bring in another head of state or Foreign Minister, another dozen or so move in on you, it does seem to have some merits.

Now I understand all of the arguments against it, and the precedents that it could cause, but I think that a legitimate case, aside from all the hype and all the fluff, was made that there are some concerns. As a matter of fact, I would commend Secretary Shultz for bringing this to the Congress, because actually and as we understand it there is authority in the law already to purchase a residence and use it under the auspices of the eighth floor of the State Department, the top floor, and it could be done. He wanted to do everything appropriately, and he did not want to do it for himself, he wanted to do it for the next Democratic administration or Republican administration.

Ms. SNOWE. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, I support the amendment offered by the gentleman from Wisconsin [Mr. PETRI] and oppose establishing a permanent and official residence for the Secretary of State. While the intentions might be commendable, I think that frankly, this is a policy that has not been carefully reviewed, and there are many questions that remain unanswered as to whether or not we want to begin to establish this precedent, as the gentleman from Wisconsin has indicated.

Furthermore, it does represent additional costs to the taxpayers, because of the deductions that would be allowed under our Tax Code. Second, there is no guarantee that sufficient private donations will be raised in order to maintain the building maintenance in the future.

I also question why we want to establish a separate and permanent residence for the Secretary of State and exclude other Cabinet officials. Certainly the issue concerning security is a legitimate claim to be made for the Secretary of State, as it could be made for other Cabinet officials such as the Secretary of Defense or the Director of Central Intelligence or any other Cabinet officer. From that standpoint I do not believe that we should begin this process or establish this policy for Cabinet officers, and I think that once we do for the Secretary of State, we will have similar requests for similar treatment of other highranking public officials.

I want to join in support of my colleague's amendment. I think that this action is precipitous and unnecessary. The Secretary of State has ample space to host officials of foreign governmental at many of the reception areas at the Department of State. So I urge adoption of this amendment.

Mr. COBLE. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I will be brief, and I want at the outset to make it clear that my words are not personally directed to the present Secretary of State nor to subsequent Secretaries of State in the event that this fails, nor to the distinguished gentleman from Florida.

Mr. Chairman, this is symbolically important, it seems to me. As the gentlewoman from Maine said, where do indeed we draw the line? This time perhaps a grand residence for the Secretary; next year or next session, a grand residence for whomever. Perhaps one day it will be for every Member of Congress. That would be fine for those who sit here, but for the taxpayers who must shoulder the burden I think that it is indeed unwise and imprudent.

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I think the gentleman from Wisconsin [Mr. PETRI] has submitted a very worthwhile amendment, Mr. Chairman, and I stand to heartily endorse it.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin [Mr. PETRI].

The question was taken; and on a division (demanded by Mr. PETRI) there were—ayes 11, noes 2.

So the amendment was agreed to.

AMENDMENT OFFERED BY MR. OBERSTAR

Mr. OBERSTAR. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. OBERSTAR: Page 27, after line 13, insert the following:

SEC. 137. FUNDS TO KEEP CERTAIN CONSULATES OPEN.

In addition to the amounts otherwise authorized to be appropriated, there are authorized to be appropriated for "Salaries and Expenses" for the Department of State $3,100,000 for each of the fiscal years 1988 and 1989, which amounts shall be used for the expenses necessary to continue to operate those consulates in Austria, the Federal Republic of Germany, France, Italy, and Sweden which are currently scheduled to be closed during fiscal year 1987.

Mr. OBERSTAR. Mr. Chairman, the purpose of this amendment is modest, and that is to keep open certain consulates in five countries mentioned in the amendment that the State Department proposes to close. It does not make sense to close these consulates where a great deal of important business for the United States is conducted. I would like to address in particular two, since I cannot take the time to address the needs of all of the countries.

The first one is in Sweden, in Goteburg. Sweden was the first country to recognize the fledgling United States, the first country to extend diplomatic recognition to the newly formed United States of America.

The consulate in Goteburg was one of the very first, one of the first four consulates the United States opened. It has been continuously open longer than any other consulate that we have had, from 1797 until 1972, when it was closed for various reasons that had nothing to do with saving money or with the United States presence in Sweden. It was reopened in 1977. An effort was made to close it again in 1982 and 1983. We persuaded the Congress to continue keeping the Goteburg consulate open.

Meanwhile, the Soviet Union saw the value of having a consulate in Goteburg and established a $6 million facility in that city right next to the Swedish naval shipyard and the Swedish Naval Academy so that they could oversee the activities. While the United States was proposing to cut down and pull out of Goteburg, the Soviet Union saw some merits in being located there, and they went ahead with a major initiative.

There are 25 other countries that have consulates in Goteburg, and that is the only city outside of Stockholm where we have a consulate.

In 1988 the United States will celebrate 350 years of friendship with Sweden in the year of New Sweden. It does not make sense on the eve of that great celebration to shut down the United States presence outside of Stockholm in Sweden.

In Strasbourg, the home of the Council of Europe, the home of the European Parliamentary Assembly, the home of the European Court of Human Rights, this year in September in Strasbourg at the Council of Europe will be conducted the Conference on Parliamentary Democracy and the United States and the U.S. Congress will be represented at that meeting. Why should we shut down our listening post on Europe where 37 other countries have consulates, where 37 other countries maintain a listening post and a national presence.

At this point where all of Europe assembles, where we can maintain a very unique U.S. presence, we should not be shutting down our consulate there, which is a very modest cost, and a very modest expense.

My colleague, the gentleman from Wisconsin, Mr. SENSENBRENNER, was recently in Strasbourg, the only U.S. Member of Congress who is an Alsatian, and he received very, very strong, warm support from the people of Strasbourg for his proposal to maintain the U.S. presence there. The gentleman concurs with me in maintaining the U.S. presence in Strasbourg at this relatively modest cost, and I earnestly hope the Committee can accept the amendment.

Mr. MICA. Mr. Chairman, will the gentleman yield?

Mr. OBERSTAR. I yield to the gentleman from Florida.

Mr. MICA. Mr. Chairman, I would just say the committee has examined the amendment. We have no objection to the amendment, and particularly since the gentleman has provided the funding for these facilities. I commend him for his courage.

Mr. OBERSTAR. I thank the gentleman and I yield back the balance of my time.

Ms. SNOWE. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I have concerns about the amendment that has been offered by the gentleman from Minnesota. Although I understand the concerns the gentleman has raised regarding to the various consulates, and while a good case could be made for each of these consulates, I think we have reached a point in time where we have to develop priorities with respect to which ones we can maintain and which ones require closure. The State Department has been under extraordinary pressure in the last few years because of the underfunding, frankly, by Congress, with respect to its operating levels and, as a result, they have identified areas which are of lesser priority to the Department. They have made recommendations closing these facilities which would amount to $3.1 million in savings.

Mr. Chairman, the reason I oppose the gentleman's amendment is because it is going to increase the authorization levels above the 1987 funding level. The chairman of the committee and I have worked very hard to keep it within the overall 1987 funding level. So by virtue of this amendment, it will raise that level by $3.1 million.

The State Department clearly cannot afford to continue to maintain all of these consulates and, therefore, they have identified five for closing. If you review the consulate the State Department is recommending for closure in Germany, after the proposed closing a consulate office, we not only have our Embassy but we also still have five consulates. In Italy we would have the Rome Embassy and we would still have five consulates. In Sweden we would have the Embassy. In France we would have the Embassy plus three additional consulate offices. In Austria we would still have the Embassy. So it seems to me that we have adequate representation in these countries. And at a time when we are requiring budgetary constraints, I think it is necessary to uphold the Department's decision in this respect and, therefore, I oppose the amendment.

Mr. SCHEUER. Mr. Chairman, I rise in strong support of the amendment offered by Representative OBERSTAR which will prevent the State Department from closing U.S. consulates in Germany, Sweden, Italy, France, and Austria.

I'm particularly opposed to the State Department's proposed closing of the U.S. consulate in Strasbourg, France, by the end of this fiscal year.

Mr. Chairman, there aren't many areas of the world where people protest with signs saying "Yankee Please Stay." But that's exactly what happened recently outside the Strasbourg, consulate. What a refreshing change from the treatment the United States has received elsewhere.

Strasbourg is at the crossroads of Europe, geographically as well as politically. It is where the Council of Europe sits, along with the European Parliament, the European Court, and the European Commission of Human Rights. As such, Strasbourg is regularly visited by heads of state, cabinet ministers, and other government officials, not only from the European Community, but also from the rest of the world. The obvious absence of the American consulate from these ranks would place in jeopardy the opportunities presented for formal and informal contact between the United States and the European institutions there.

It has been suggested that the United States would continue its relationship with the Council of Europe from its mission in Brussels. I believe that such a long-distance relationship with the Council, which has no activities in Brussels, will place in jeopardy the very close relations we now enjoy. Removal of the consulate from Strasbourg may be taken as a sign that the United States no longer maintains the level of interest in the Council of Europe it has expressed in the past.

The Strasbourg consulate, along with the other consulates covered by the Oberstar amendment, are being closed, it is argued, for budgetary reasons. I certainly understand the need for our Government to eliminate unnecessary spending, but closing them for a mere $3.1 million in savings does not compare with the ramifications such closings would have. These consulates serve vital economic and political purposes. I urge my colleagues to support the amendment.

Mr. SENSENBRENNER. Mr. Chairman, the amendment we have before us to restore funding to five U.S. consulates abroad will only continue to enhance U.S. foreign policy objectives in the World.

I speak particularly of the consulate in Strasbourg.

Recently, I visited the consulate to discuss their role working with the European Community. As I am sure the membership is aware, the Council of Europe is located in Strasbourg. The Council is not a political body of the past, but rather a forum for the future of Europe. The Council in Europe is taking on increased vitality as an instrument of European unification. The 21-member-country organization includes all Western European democracies except Finland. I believe the forum serves to stimulate European cooperation and to achieve harmonization of laws and regulations between member states.

With an ever-increasing role by the Council of Europe, how can the United States reduce its commitment to the ideals of a united Europe? Mr. Chairman, the cost we speak of is slight, if we relate it to how we usually spend money in this House. I am informed the total cost of the amendment is $3.1 million, to fund all five consulates.

A 1985 editorial published in the International Herald Tribune, and entitled "Thank God for Strasbourg," suggested that the United States was saved from additional embarrassment over the Bitburg speech, by President Reagan's speech to the Council of Europe. the editorial reads:

> Mr. Reagan has chosen to follow the practices of other American presidents and avoid the sites that evoke the most painful recollections. Presidents are usually optimists, who prefer not to dwell publicly on the dark side of politics and human nature. Mr. Reagan is going to Europe to celebrate the industrial democracies' present unity and the world's hope of prosperity. Strasbourg is just the place in Europe for such a celebration.

If we are committed to the future of Europe then we must be committed to the Council of Europe and Strasbourg. So when future generations continue to live in peace they too can say, "Thank God for Strasbourg."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota [Mr. OBERSTAR].

The amendment was agreed to:

AMENDMENT OFFERED BY MR. HUNTER

Mr. HUNTER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HUNTER: Page 56, before line 1, insert the following new section.

SEC. 192. CONCERNING BREACH OF EXPORT CONTROLS.

(a) REPORT.—Not later than 30 days after the date of the enactment of this Act, the Secretary of State shall submit to the appropriate committees of the Congress a report concerning:

(1) The status of the Japanese government investigation of the transfer of milling machines to the Soviet Union by Toshiba Machine Company, including any prosecution, fine, or other government action.

(2) The status of the Norwegian government investigation of the transfer of numerical controllers by Kongsberg Vappenfabrik (KV) to the Soviet Union, including any prosecution, fine, or other government action.

(3) Actions undertaken by the Japanese and Norwegian governments to ensure that such transfers or other breaches of security related to export controls do not recur.

(4) Actions and plans of the United States government to respond to such breaches of export controls.

(b) DISCUSSIONS.—The Secretary of State shall enter into discussions with Japan and Norway regarding compensation for damage to United States national security resulting from such breaches of export controls. The Secretary shall submit a preliminary report to the appropriate committees of the Congress concerning the status of such discussions 180 days after the date of enactment of this Act and shall submit a final report 360 days after the date of enactment of this Act. The Secretary may submit such other subsequent reports as may be appropriate.

Mr. HUNTER (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HUNTER. Mr. Chairman, this amendment addresses what I consider to be the most serious case of corporate espionage in this century. It is a case that is now coming to light in the newspapers of this Nation. It is manifest in secret reports that are available to every Member in the Armed Services' safe and in the intelligence repositories in the Department of Defense.

Very simply, the case is one in which the Toshiba Corp. and the Kongsberg Corp. sold out the West and the free world to make a few bucks. They received approximately $17 million for the transfer of four milling machines to the Soviet Union, to Soviet shipyards along with numerical controllers produced by Kongsberg that allowed the Soviet Union to substantially quiet their submarine force.

Let me tell my colleagues the submarine leg of our triad has been one of the least vulnerable aspects, dimensions, to our strategic forces, while our ICBM forces have become more and more vulnerable, while we have had more and more problems with the air breathing leg, the bomber leg, because of increased Soviet air defenses, and we have had to rely increasingly on our submarines. There is a war going on underneath the sea. It is a war in which we try to keep ahead of the Soviets' ability to find our boats, our submarines, before they find us.

The Japanese Government, in my estimation, and certainly the Toshiba Corp. and Kongsberg of Norway have done a great deal in this case of corporate espionage to advance the interests of the Soviet Union.

This is an amendment that is offered by myself and by the gentleman from Texas [Mr. WILSON], which very simply, for purposes of this bill, requests the Secretary of State to submit a report to us giving us the status of the Japanese Government's investigation of the transfer of the machines by the Toshiba Company, the status of the Norwegian Government's investigation of the transfer of the numerical controllers by Kongsberg; any actions that are undertaken by the Japanese or Norwegian Governments to ensure that such transfers and breaches of security do not take place again; and finally, a directive to the Secretary of State that he should enter into discussions with Japan and Norway regarding compensation for the damage done to the United States' security, in fact, the security of all the free world because of these transfers.

Let me just tell my colleagues we are already paying for this because, as a result of this case and the increased capability of the Soviet Union's submarines, the House Armed Services Committee has marked up an additional $113 billion in R&D costs this year to try to meet this very threat. We are already paying, and in my estimation we are going to pay $30 billion in an attempt to bring ourselves back to the position vis-a-vis the Soviet Union that we were in before this case of treachery by the corporations of Toshiba and Kongsberg.

Mr. KASICH. Mr. Chairman, will the gentleman yield?

Mr. HUNTER. I yield to my friend, the gentleman from Ohio.

Mr. KASICH. Mr. Chairman, I want to commend the gentleman for his amendment. He touched on the problems we are having in submarine capabilities.

If my colleagues will read the recent article in U.S. News about submarines, the United States vis-a-vis the Soviet Union, the lead that we have has been shrinking, and it has been shrinking for some fundamental reasons, and one of them has to do with theft of intelligence data, most particularly related to the Walker case. This kind of an incident where we are simply handing the Soviets high technology that they can use to quiet their submarines is such a significant thing it is unbelievable.

I do not know exactly what the correct formula is, but first of all the Japanese Government should bear some responsibility because of the unique relationship between us and the Government in Japan, and the report is just a minimal request, and the compensation question is some effort to make inroads.

I think the gentleman should be commended, not only because of that, but because we have the Japanese, and at the same time we have a Japanese company giving high technology to the Soviets, and at the same time they have refused to bear up under the burden of their responsibility to the free world in terms of their own defense.

So we have a variety of things, a variety of issues at stake right here, and I think the gentleman's approach is most reasonable, most modest, and I would encourage the committee to accept the Hunter amendment.

Mrs. BENTLEY. Mr. Chairman, will the gentleman yield?

Mr. HUNTER. I yield to the gentlewoman from Maryland.

Mrs. BENTLEY. Mr. Chairman, I thank the gentleman for yielding. I want to join in commending him for bringing this amendment up at this time.

The CHAIRMAN. The time of the gentleman from California [Mr. HUNTER] has expired.

(By unanimous consent, Mr. HUNTER was allowed to proceed for 5 additional minutes.)

Mr. HUNTER. Mr. Chairman, I continue to yield to the gentlewoman from Maryland.

Mrs. BENTLEY. Mr. Chairman, I think one thing should be noted here, that in the Japanese press it has been said that the representatives of the ministry of international trade and industry of Japan, and that is at cabinet level, that their representatives participated in the negotiations with the KGB on the sale of these machines to the Soviet Union.

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And I think that this is a very mild step that the gentleman is taking. I think it is certainly a first and we need to go forward in making these people sit up and take notice that we are not going to stand for our secrets being given away.

Ms. SNOWE. Mr. Chairman, will the gentleman yield?

Mr. HUNTER. I yield to the gentlewoman from Maine.

Ms. SNOWE. I thank the gentleman for yielding. I want to support the gentleman's amendment and commend him for raising this issue, as one who has advocated import controls on Cocom countries who have violated agreements, I think the gentleman is raising a very critical issue. As the gentleman indicated, this addresses a critical diversion of technology to the Soviet Union. As the New York Times indicated recently, this is one of the most egregious diversions to the Soviet Union in over a decade. I think this particular technology diversion represents a major setback for this country. I think our allies and other Cocom members must understand they have to uphold their agreements and understand the kind of technology they are diverting to the Soviet Union that does represent our national security interests.

I want to thank the gentleman for offering this amendment.

Mr. WALKER. Mr. Chairman, will the gentleman yield?

Mr. HUNTER. I yield to the gentleman from Pennsylvania [Mr. WALKER].

Mr. WALKER. I thank the gentleman for yielding.

The gentleman has raised a very serious issue here. You do not suppose that this company just made a mistake, do you?

Mr. HUNTER. Let me explain to the gentleman and to my colleagues, in this case this was a case of corporate decision to sell out the West for $17 million. Very briefly described: what happened was the Soviets found out, because of the Walker case and other situations, that they needed to quiet their propellers, reduce cavitation. They knew that Toshiba made the machines that would do this. The KGB met with Toshiba and Toshiba changed the names on the machines that they had, put phoney names on them. They put a phoney destination on the machinery. Kongsberg, which was also restricted by Cocom section 1019, sent their restricted numerical controllers, the brains of the machine, to Tokyo. The KGB met with both representatives and executives of Kongsberg and Toshiba. They sent the machines to a shipyard in the Soviet Union and teams from both companies followed the machinery and set up the machines and started to quiet Soviet propellers. So it was an absolute case in which they knew precisely what they were doing and they felt that for a few bucks it was worth it. I guess that is the point of this case. If we do not make them pay something for doing this, other Western corporations are going to sell out the free world for dollars. The Soviet Union has a very simple theory that they operate under and that is they give the capitalists money and expect to receive our technology and our equipment. And so far they have been fairly successful.

Mr. WALKER. Will the gentleman yield to me?

Mr. HUNTER. I will be happy to yield to the gentleman from Pennsylvania.

Mr. WALKER. I thank the gentleman for yielding.

The gentleman is claiming that this company, as a conscious corporate decision, decided that what they would do is sell out the West in terms of technology that will give the Soviet Union an opportunity to be a far greater threat than they were previously, not only to the free world but also directly to this country? The gentleman is really making that kind of a very, very flat statement?

Mr. HUNTER. Let me go just a little further to show how deliberate this was. Kongsberg and Toshiba also went ahead and entered, when they sold the equipment, entered into a 5-year service contract with the Soviet Union to service the machinery. I think that Steven Bryan, the head of the Defense Department's Office of Export Administration, said it best. He said, and I quote him in the New York Times:

> These people did terrible damage for the sake of making just one more sale. The story of capitalism and export control.

Mr. WALKER. In other words they not only have sold us out, they are now engaged in a service contract after the sellout?

Mr. HUNTER. That is right. They had a 5-year service contract. I am sure that Toshiba at this point, since they have been discovered, has terminated the contract. But they engaged, there is no doubt they knew precisely where this was going and they engaged in a service contract following the transfer.

Mr. WALKER. And this is the same company that has VCR's and televisions and all that kind of thing?

The CHAIRMAN. The time of the gentleman from California [Mr. HUNTER] has expired.

(By unanimous consent Mr. HUNTER was allowed to proceed for 2 additional minutes.)

Mr. WALKER. If the gentleman will continue to yield, this is the same company that has televisions and VCR's and all kinds of things on the shelves for Americans to buy?

Mr. HUNTER. This is a company that does 13.5 billion dollars' worth of exports a year and, yes, it is a company that makes enormous profits in the United States selling consumer goods.

Mr. WALKER. They sell consumer goods and yet what they have done is they have sold to the Soviets the technology that would allow the Soviets to within minutes attack most of the major cities in this country?

Mr. HUNTER. Precisely, the gentleman is precisely correct.

Mr. WALKER. Well, I hope the gentleman will get a unanimous support of his amendment. There is absolutely no way that anybody could possibly vote against this amendment designed to take at least minor action against this company. It seems to me we ought to be taking major action. We ought to have legislation on this floor that would absolutely assure that this company never does business in the United States again.

Mr. HUNTER. I think that is precisely what needs to be done. Mr. WILSON of Texas and myself have bills that would do that.

Mr. BEREUTER. Mr. Chairman, will the gentleman yield?

Mr. HUNTER. I yield to the gentleman from Nebraska [Mr. BEREUTER].

Mr. BEREUTER. I thank the gentleman for yielding.

I am certainly in support of the amendment of the gentleman. If there was a way to make it stronger, to make it a greater penalty on Toshiba, I would be for that effort as well. This gentleman does not get angry very easily about things. But I do not know what instance has made me more angry than the sale of Toshiba of this high-technology equipment to the Soviet Union. For a matter of money that have falsified the export requirements and they have, therefore, sold out the national security interests of the Western World. The costs to the United States and to our allies are incredible. I want my colleagues to remember and I hope their constituents will remember the name Toshiba. Toshiba ought to be crucified in a commercial sense in the United States of America. I hope that we will have a boycott on Toshiba products in this country.

The CHAIRMAN. The time of the gentleman from California has again expired.

(On request of Mr. BEREUTER and by unanimous consent Mr. HUNTER was allowed to proceed for 2 additional minutes.)

Mr. BEREUTER. If the gentleman will continue to yield, these people sell copying machines, they sell VCR's. I would suggest that anyone who has a business relationship with Toshiba sever those relationships and I would suggest that it is a patriotic duty of all Americans to stop buying anything that has the name Toshiba on it. If the Japanese will not give them a good penalty that really hits them since they seem to be motivated only by money, let us send them a message through the consumers and the business community of the United States.

I suggest a boycott. And if we can make this tougher I would say to the gentleman I will be there with him helping him.

Mr. PARRIS. Mr. Chairman, will the gentleman yield?

Mr. HUNTER. I yield to the gentleman from Virginia [Mr. PARRIS].

Mr. PARRIS. I thank the gentleman for yielding.

Mr. Chairman, I rise to inquire of the gentleman, my friend from California, who is a respected member of the Committee on Armed Services and I am not privileged to serve on that body, but as I understand this matter the materials, the information, the technology that was used by this company had to do with propeller design which creates a radar and sonar footprint for our nuclear submarines and others, is that correct?

Mr. HUNTER. That is correct.

Mr. PARRIS. And that what this technology transfer permitted was a redesign of the Soviet submarines so as to make them harder to detect and make them more stealthy in their activities and that our benefits, our technology benefits that are enjoyed by our equipment now is largely a result of the propeller design, is that correct?

Mr. HUNTER. That is absolutely true. The Soviets for many years were making noises with their propellers they did not realize they were making. And now they have made, because of these highly sophisticated machines, quiet propellers, if you will.

Mr. PARRIS. And finally, what happened is that our submarines, enjoying the technology of quiet propellers, were much harder to detect and superior equipment for many other reasons but certainly including that one and that this transfer has now permitted the Soviets to make a dramatic leap forward in terms of the competition if you will, of the capacity of that submarine in terms of their ability to move without detection, is that correct?

Mr. HUNTER. The gentleman is absolutely correct and he has led this debate right down the appropriate path because the real question is that we are outnumbered almost 3 to 1 in attack submarines by the Soviets. For years we have lived with that numerical disadvantage because we were so much quieter than they were. We could hear them coming a long time before they could hear us coming. Because of this treachery by Toshiba and the quieting of the Soviet submarines, we are going to have to buy a lot more submarines. We are only buying submarines at the rate of about two to four a year. Our latest attack submarine, the SSN-21, is going to cost us over $1 billion. In fact, the first one will cost almost $2 billion.

So we are going to have to spend in my estimation, as a member of the Seapower Subcommittee, maybe $30 billion more as a result of this particular transfer.

The CHAIRMAN. The time of the gentleman from California [Mr. HUNTER] has again expired.

(On request of Mr. PARRIS and by unanimous consent, Mr. HUNTER was allowed to proceed for 2 additional minutes.)

Mr. PARRIS. If the gentleman would continue to yield I would just say to the gentleman aside from the enormous economic implications of this situation, the security, the national defense of this Nation has been seriously compromised and I would certainly hope that the gentleman would, in his capacity along with our friend from Texas and others on the Committee on Armed Services, take this matter to its final conclusion in attempting in some way to make sure that nothing like this can ever happen again. And I thank the gentleman for yielding.

Mr. DORNAN of California. Mr. Chairman, will the gentleman yield?

Mr. HUNTER. I yield to the gentleman from California.

Mr. DORNAN of California. I thank the gentleman for yielding.

Mr. Chairman, I have been following this issue more in the general press than in our committees. But I was listening to some of the arithmetic figures in there. I want to make sure I heard them correctly. Toshiba in its commercial outlets, television, VCR and so forth, is taking out of this country $13.5 billion? Is that the figure I heard, $13.5 billion?

And they jeopardized that for a sale of how many millions to the Soviet Union?

Mr. HUNTER. Approximately $17 million.

Mr. DORNAN of California. So for $17 million they have jeopardized their American commercial base of billions. Already, our downpayment just this year to start to make up for Toshiba's treachery, is $130 million that will have to come out of some other segment of our national defense budget this year. We think we may have to add multimillions of dollars each year for the foreseeable future to make up for the ability of the Soviet submarines to run silent.

Mr. HUNTER. The gentleman has stated it precisely. We should add one extra thing here and that is no matter how much we spend the security of every man and woman who is on a warship today around the world is less secure because now silent Soviet submarines are able to get closer and in a better position to kill those people because of what Toshiba did. Toshiba sold to the Soviet Union the wherewithal to kill Americans easier. And that capability is something that the Soviets have now that we can never completely take back. So even if we spend these dollars, it may widen the gap out to approximately where we were before, the qualitative advantages over Soviet submarines, but we have placed in peril our people who serve in the Armed services; in fact, every American family.

The CHAIRMAN. The time of the gentleman from California [Mr. HUNTER] has again expired.

(By unanimous consent Mr. HUNTER was allowed to proceed for 2 additional minutes.)

Mr. DORNAN of California. Will the gentleman continue to yield?

Mr. HUNTER. I yield to the gentleman from California.

Mr. DORNAN of California. I thank the gentleman for yielding. I have one final thought. I want to underscore what the gentleman from Nebraska said. I may be a little easier to anger than Mr. BEREUTER, but I think the American people have a patriotic obligation to punish in the marketplace—there is no simpler way to put it—Toshiba so that other countries around the world do not continue this incredible hemorrhage of Western technology.

I asked Dr. Kissinger once when he was Secretary of State what he thought was a sufficient gap of high technology between the West and the Communist powers. He said, "eight years is a pretty good figure." I said, "would 9 or 10 be better than 8?" And he said, "Of course."

In closing the technology gap window through this treacherous move by Toshiba is the kind of thing that destabilizes the world and I cannot think of anything more important than to punish companies that do this for a bloody dollar, yen or any currency.

Mr. COATS. Mr. Chairman, will the gentleman yield?

Mr. HUNTER. I yield to the gentleman from Indiana.

Mr. COATS. I thank the gentleman for yielding.

I was watching with interest in my office at the time the gentleman offered his amendment. First of all, I want to commend the gentleman for bringing this matter to our attention. And second, I join with the gentleman not only in supporting this particular amendment but also in any other efforts that other Members have mentioned in terms of not only sending a message but providing the appropriate response to what I consider to be one of the most egregious breaches of security that we have witnessed in a long, long time.

I would like to ask the gentleman a couple of questions about the timing and the sequence here. Do we know when this sale took place?

Mr. HUNTER. Approximately. The documents were signed prior to 1981; the deal was made. The first equipment began to arrive at the Soviet shipyard in approximately 1981 and it continued through the early part of 1983.

Mr. COATS. So nearly 6 years ago an agreement was made by Toshiba or representatives to Toshiba to provide the necessary equipment to the Soviets. Can we assume that those propellers designed by that equipment are now on Soviet submarines?

☐ 1610

Mr. HUNTER. Yes, we can.

The CHAIRMAN. The time of the gentleman from California [Mr. HUNTER] has expired.

(On request of Mr. COATS, and by unanimous consent, Mr. HUNTER was allowed to proceed for 3 additional minutes.)

Mr. HUNTER. The answer is, that is right, and the Toshiba and Kongsberg teams of technicians went to the Soviet shipyard, worked with the Soviets at their shipyard, and ensured that the machines were working properly, and in fact, were milling quiet Soviet propellers under their service contract.

Mr. COATS. Mr. Chairman, will the gentleman yield?

Mr. HUNTER. Mr. Chairman, I yield to the gentleman.

Mr. COATS. Mr. Chairman, I thank the gentleman for yielding.

With this action by teams from Toshiba and the Kongsberg Co. from Norway, was this in direct violation of an international agreement that Japan and Norway had signed with the United States, a formal agreement?

Mr. HUNTER. It violated Cocom, section 1019 which prohibits any machines that can mill on more than three axes from going to the Soviet Union.

The machines that they sent with the phony labels and false destinations can mill on nine axes.

Mr. COATS. It is inconceivable to think that Toshiba would come before us and say, we did not know anything about it, because they sent teams to the Soviet Union and signed the service contract to service machines and it is pretty unreasonable to think that they were now aware.

Mr. HUNTER. The gentleman is absolutely correct.

Some of the officers of Toshiba have resigned over what has occurred.

Mr. COATS. The gentleman's amendment simply calls for a report on the status of investigations by the appropriate authorities in Japan and Norway, and to report back to us?

Mr. HUNTER. That is right. It also requires that the Secretary of State negotiate or discuss with Japan and Norway the question of compensation for the $30 billion or so that we are going to have to spend, that the American taxpayers are going to have to spend as a result of this transfer, to enter into discussions with them about compensation.

Mr. COATS. The point is, the damage is done. One of the strategic advantages enjoyed by the United States in terms of silent submarines, that gap has been significantly narrowed; and the point is that there is no adequate dollar compensation that can make up for the security breach that has taken place, and not only the jeopardy of American men and women on ships in the sea, but the security interests of every American living here in the United States or any Western NATO ally, is that correct?

Mr. HUNTER. There it is.

Mr. COATS. Again I commend the gentleman for this.

I hope this is the first step in what, hopefully, can be a constructive effort not to recoup what has been done, because I do not think there is anything that this Congress can do to totally recoup the loss that has taken place, but in sending a signal once and for all to Toshiba, and any other country that might be engaged in the transfer of technology that is specifically prohibited by law to enemies of the United States, so that we can prevent this from happening in the future.

Mr. HUNTER. I thank the gentleman. The gentleman has hit the nail on the head.

We have to deter other Western corporations that are being asked right now to sell out for money by the Soviet Union and their agents.

The CHAIRMAN. The time of the gentleman from California [Mr. HUNTER] has expired.

(On request of Mr. BURTON of Indiana, and by unanimous consent, Mr. HUNTER was allowed to proceed for 2 additional minutes.)

Mr. MICA. Mr. Chairman, will the gentleman yield?

Mr. HUNTER. I yield to the gentleman from Florida.

Mr. MICA. Mr. Chairman, this amendment appears to be agreed upon, that there will be a vote, and there seems to be support.

I have no problems with the various debates; but if we can move quickly, we have got a lot of amendments here, and I am not going to object to a vote.

I am just asking for consideration. All these unanimous consent requests for additional minutes could throw this bill into next week, so I hope we can proceed.

Mr. HUNTER. Mr. Chairman, let me just answer the gentleman briefly.

I think that we do need to move along expeditiously, but what has occurred in this technology transfer is at least as bad as what occurred in the Rosenbergs and other devastating transfers in this century.

This is a very, very important thing. I want to tell the gentleman from the Democrat side of the aisle, I have offered an amendment several times.

The gentleman from Texas [Mr. WILSON] has a freestanding bill to ban Toshiba from doing business in the United States. Both times the Democrat majority has pulled this bill, or asked the Committee on Rules not to allow it to come to the House floor for a vote.

It is important to air this debate, because the debate has not been allowed on either the defense or the trade bills.

Mr. BURTON of Indiana. Mr. Chairman, will the gentleman yield?

Mr. HUNTER. I yield to the gentleman from Indiana.

Mr. BURTON of Indiana. Mr. Chairman, I thank the gentleman for yielding.

As I understand it, if this had been an American corporation, the executives involved would be subject to the same penalties as Mr. Walker who was involved in the Walker spy case.

Mr. HUNTER. Precisely. Those executives and Toshiba would have been subjected to, in fact in some cases, I think, to capital punishment.

Mr. BURTON of Indiana. They could have been put to death for giving this information and this technology to the Soviets.

Let me just say to the gentleman, I would be anxious to join the gentleman and other Members of this body in sponsoring a resolution urging our friends in Japan and in other countries throughout the world to have a reciprocal agreement with the security of the free world at risk in general, or the United States in particular, and if somebody violates these laws of the United States in another country, they would be subject to the same penalties inflicted in their own country on them, as they would be here in the United States.

That is the only way we are ever going to stop this thing.

Mr. WILSON. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, it is hard to say anything that has not been said; but I would like to point out a couple of things that are important.

It is always a mystery to me how the media decide what is important and what is not important in the United States. In the field of espionage, it is equal.

You remember the great hoopla and all of the headlines that concerned the Pollard case. That was a real game of marbles compared to this.

The Pollard case was meaningless relative to the damage that was done in this case.

I would like to explain a couple of things that have not been said. One is that the way this case got started was because Mr. Walker, who is now imprisoned for life in the United States, told the Soviets that we were able to strategically locate their submarines; and it was at that disclosure of highly classified information that the Soviets began to scramble for a way to make their submarines quieter, because until Walker told them, they did not know that they could strategically locate their submarines all over the oceans of the Earth.

After Walker disclosed this information, then the Soviets went to Toshiba and began, through trading companies owned by Toshiba and the Soviet Union, the Soviets began to maneuver in order to gain this technology, because they knew that they were not able to hear the American submarines.

There is strong evidence already that the Japanese department of trade and commerce aided and abetted Toshiba Machine in getting around the Japanese trading regulations that would have prohibited this sale.

But the truth of the matter is, in order to make one more sale, and $21 million in profit, Toshiba Machine sold to the Soviet Union, and received money from the Soviet Union, a decision; and Toshiba—that was not a rogue decision—it was not made for cash under the table by some rogue executive. This was a major corporate decision made by the Toshiba Co. of Japan in order to increase their profits by $21 million.

They sold the machines necessary to make these propellers, which is going to cost the United States between $20 and $30 billion, although the estimates vary, over the next 10 years to regain the ability to hear the Soviet submarines that we would have had already if Toshiba had not decided to make another $20 million.

What this amendment does is simply require the Secretary of State to raise the reparation issue with Japan. Of course, Japan should pay for that. Of course, they should pay for the fact that they are costing the United States—they are not costing themselves anything because they do not pay anything on defense—$20 or $30 billion that they risked in order to make $21 million. Of course, they should pay for that.

But that is not the issue here with this amendment. The only issue here with this amendment is that we are instructing the Secretary of State to simply raise the issue. The only objection to that would be that it might offend the Japanese for us to raise the issue of obvious treachery and an obvious violation of the Cocom agreements.

So I urge the adoption of the amendment. It does not make any difference to me whether we have a vote on it or not.

Mr. BONKER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would like to add a little balance to this discussion so we can keep some perspective. In doing so, I want to state that I am as outraged as anyone in this body over the activities of the companies involved in Japan and in Norway to divert this vital technology to the Soviet Union. It is a serious breach of Western security. It is unconscionable, and our Government and the governments involved must deal effectively with it to ensure that future activities of this kind will not occur.

But in doing so, I want to remind my colleagues that the Export Administration Act, which is the statutory authority for our export control policy, provides the means which our Government can deal through Cocom with the diversion of technology that may enhance the military capability of adversarial nations.

The subcommittee which I chair, the Subcommittee on International Economic Policy and Trade, has already conducted classified briefings concerning this matter, and we fully intend to have oversight hearings so we can better understand the facts and circumstances and the prospective steps of the governments involved to take effective action against the companies and the personnel who are responsible for the diversion.

I would like to state that the evidence that we have from the administration, which, I might add, strongly opposes the amendment, indicates that both Japan and Norway are taking strong measures against the companies and the personnel who are responsible for the diversion. I have a chronology that has been provided to the committee that I would make available for the RECORD.

Mr. HUNTER. Mr. Chairman, will the gentleman yield on that point?

Mr. BONKER. I yield to the gentleman from California.

Mr. HUNTER. Mr. Chairman, I thank the gentleman for yielding.

I have also surveyed the responses that the companies or the countries, Japan and Norway, have made, and I want to tell the gentleman that my analysis of what can possibly be given in punishment is a total of 1 year, which is roughly equivalent to a four-time drunk driving statute, and the Japanese Government delayed for 1 year the investigation of this situation, allowing the statute of limitations to run, or as it is at least argued by the defendants' lawyers in every case.

They have made several indictments, but there is a real question raised by our legal people as to whether there will be any jail sentences served whatsoever by the Japanese defendants.

Kongsberg has already had one person indicted, and that is a British national, and the total monetary punishment is a ban only on Toshiba machinery and only to the Soviet Union for 1 year, which would cost them roughly one twenty-thousandth of their net worth or what they did last year in sales, which was $13.5 billion.

So, Mr. Chairman, in my estimation that was absolutely inadequate on the punishment side.

Mr. BONKER. Mr. Chairman, I would add that the investigations, according to the State Department, are ongoing. There is no conclusive action to date. There have been arrests, there have been indictments. The export trading agencies have been shut down. The chronology of all these investigations and Government actions is available from the State Department, and I think they speak for themselves. But the cases in both Norway and Japan have not been concluded, and I suspect there will be additional investigations and indictments before it is all over.

The second point I want to make is that the kinds of actions that are proposed in the amendment contemplate negotiations and compensation, and I am wondering whether the countries involved might feel that that is an affront to their national sovereignty.

Well, you may say, when it comes to Western security, national sovereignty takes second place. I would just remind the sponsors of the amendment that the United States has had serious breaches of Western security. We have had many examples of private companies that have been involved in diversion of critical technology. We have had U.S. naval personnel and others in the Government who have been involved in this kind of activity. It is an ongoing problem for every government. If we set a precedent here by requiring negotiations for compensation, then conceivably other Western countries, who are member nations of Cocom could also take comparable action against the United States in considering the problems of diversion. In other words, we may be setting a precedent which would enable other countries to take comparable action against the United States.

The CHAIRMAN. The time of the gentleman from Washington [Mr. BONKER] has expired.

(By unanimous consent, Mr. BONKER was allowed to proceed for 2 additional minutes.)

Mr. BONKER. So, Mr. Chairman, we have to be cognizant of the possible consequences of our action here today by requiring discussions or negotiations for compensation.

Mr. Chairman, there is another issue that I would like to address, and that is how we arrive at a proper figure if we are going to talk about compensation for whatever damages are involved to national security. I have one report that says the Navy has estimated the potential loss of $1 billion.

□ 1625

The sponsor of the amendment, the gentleman from California [Mr. HUNTER], in previous debate on the House floor has indicated that it could go as high as $30 billion. I am wondering if the gentleman today has any estimate as to what the potential damage might be and what expectation exists that a small country like Norway could come up with the amount of money the gentleman is talking about, if it is in the range of $30 billion.

Mr. HUNTER. Mr. Chairman, will the gentleman yield?

Mr. BONKER. I am happy to yield to the gentleman from California.

Mr. HUNTER. Mr. Chairman, I thank the gentleman for yielding.

Let me tell the gentleman and my colleagues, we have already started to pay for this. We have had to put $113 million——

Mr. BONKER. I am asking the gentleman if he has an estimate of the potential damage to Western security.

Mr. HUNTER. I have an estimate, but I want to say that you could start at a minimum of what we spent this year in this bill because of this case; but my estimate is this: We are outnumbered approximately 3-to-1 on attack submarines. I think in my analysis on seapower and R&D and armed services, because of this quieting, I think we are going to have to build an additional 30 submarines beyond what we had planned in our defense program.

Mr. BONKER. Now, is this the gentleman's estimate or is this from the Navy or is this from a Government agency?

Mr. HUNTER. This is my estimate as a Member who has conferred with the staff.

Mr. BONKER. This is the gentleman's own estimate that he has come up with?

Mr. HUNTER. Well, let me say, I have conferred with the staff. I have conferred with intelligence agencies. I have conferred with our experts on armed services and I think very simply, I am telling the gentleman, we have 3-to-1 disavantage in submarines and attack boats. I think we are going to have to build at least an additional 30 boats.

It is a fact that our submarines, the SSN-21 is going to cost in excess of a billion dollars per submarine; so I am telling the gentleman that if we have to build an additional 30 submarines, that is my projection, that is $30 billion in itself.

The CHAIRMAN. The time of the gentleman from Washington has expired.

(By unanimous consent, Mr. BONKER was allowed to proceed for 1 additional minute.)

Mr. HUNTER. Mr. Chairman, to respond further——

Mr. BONKER. Well, if the gentleman will desist for just a moment, I think he has probably responded to my question. I would like to ask the gentleman another question in the time remaining, and that is the wording in his amendment.

As I understand it, the amendment is in two parts. The first part requires the Secretary of State to submit a report to the Congress on the status of the investigations. I think that is a proper request. I would hope that the State Department would be forthcoming, even without this language.

The second part of the gentleman's amendment calls on the Secretary of State to enter into discussions concerning compensation for the potential loss of intelligence and the damage to Western security. Insofar as I know, the gentleman's amendment only calls on the Secretary of State to submit a preliminary and a final report to the appropriate committees of Congress after these discussions.

Mr. HUNTER. That is right.

Mr. BONKER. The gentleman's amendment does not go beyond that?

Mr. HUNTER. Well, the amendment directs——

The CHAIRMAN. The time of the gentleman from Washington has again exired.

(At the request of Mr. HUNTER, and by unanimous consent, Mr. BONKER was allowed to proceed for 1 additional minute.)

Mr. HUNTER. Mr. Chairman, if the gentleman will yield, the amendment directs the Secretary of State to enter into discussions with Japan and Norway regarding compensation for damage to the United States security resulting from this case of international espionage and it says that he shall submit a preliminary report to the appropriate committees concerning the status of such discussions 180 days after the date of enactment of this act and shall submit a final report about a year after the date of this act.

Mr. BONKER. So it calls on the Secretary to submit both a preliminary and a final report to the appropriate committees.

Mr. HUNTER. Precisely, after his discussions concerning the question of compensation.

Mr. BONKER. It does not mandate any action beyond that?

Mr. HUNTER. That is right.

Mr. BONKER. Mr. Chairman, I thank the gentleman,

Mr. ROWLAND of Connecticut. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I am not going to go into great detail. I think there has been some excellent arguments made so far.

Quite frankly, the biggest frustration I see on both sides of the aisle is that we are not taking a strong enough action. I will be very surprised to see any opposition to this amendment.

I think as the gentleman from California [Mr. HUNTER] outlined, the amendment is very, very simple. We are calling on the Secretary of State to initiate some action, to at least report to the Congress exactly what has happened, and to at least report to us what action the Japanese and Norwegian Governments are presently taking.

I think if the American people and I think if all of us as Members of this Congress were to look at the entire story, and it has only been a few months now, and realize the significant impact to our national security, no one would rise in opposition to this particular amendment.

I would also say that the gentleman from California and others have sponsored other pieces of legislation which are going to be much more direct and I think going to speak much louder as to the way many of us feel.

The irony, I believe, Mr. Chairman, is that if these two countries want us to protect their oil in the Persian Gulf, then the least they could do is to prosecute Toshiba and Kongsberg to the fullest extent that their laws will allow.

We have got a responsibility to the American people to get some answers. We have a responsibility to ourselves. We have a responsibility, yes, to the other nations that we protect. I think all of us are tremendously frustrated at the loss of technology. We are frustrated at the advances of the Soviet Union. We are frustrated at the fact that we have a good open society that allows other security violations to occur.

I want to congratulate the gentleman from California for working on this so fervently over the last several months and I encourage all our colleagues on both sides of the aisle to support this very mild, modest amendment.

Mr. HUNTER. Mr. Chairman, will the gentleman yield?

Mr. ROWLAND of Connecticut. I yield to the gentleman from California.

Mr. HUNTER. Mr. Chairman, I thank the gentleman for yielding.

I wanted to remind the gentleman that the gentleman from Texas does have a bill in that would ban Toshiba products for 5 years. I have one in that would ban them forever; but the real people with an interest in this particular legislation are the men and women of our armed services who are out there in danger everyday, many of them under the sea, and if the United States of America will not come down hard on the people who sell the wherewithal to kill American sailors to the Soviet Union, how can we in good faith send them forth to defend this country? That is the question.

Mr. ROWLAND of Connecticut. Mr. Chairman, I thank the gentleman for that comment.

Mr. Chairman, this is a very mild amendment. I hope we will all rise in support of it and continue with the action.

Mr. FRENZEL. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I think the gentleman from California and the gentleman from Texas have provided us with a moderate amendment which ought to be accepted by the House. We are all outraged by security violations and by violations of an international agreement, the Cocom agreement, by two of our very close allies.

As near as I can figure in both those countries there is a high level of concern about the violation as well; however, I must say that I was somewhat concerned when I came to the floor about the amendment, because I was afraid that it would have mandated that we collect some compensation for this matter.

In fact, there has never been compensation collected under the Cocom agreement, nor is there any mention of it in the agreement, nor any instrumentation under which it might be collected.

Of course, we in the United States know that we have been guilty of violations of this agreement in the past and, of course, if we are to press too hard for compensation, obviously others will press back on us; but as long as the gentleman from California has assured us that that is not mandated, I think the amendment is a good one, because what it does is to call the attention of the world, and particularly in those two governments, to our outrage over this situation.

As a matter of fact, in Japan, as has been already indicated, the president of the subsidiary of Toshiba has resigned. Criminal indictments are pending. There has been punishment of the company, insufficient in my judgment, and we will have to wait and see before we can render final judgment as to the criminal ramifications of this.

That has not been the case in Norway. I am informed that we are making some progress in discussions with the Norwegian Government, but to date the punishments in Norway have either been nonexistent or so unimportant as to be totally inconsistent with the kind of problem that we have before us.

But I do want to warn again that if we try to be overbearing in Cocom and to exert more from our allies there than we can give ourselves, we will lose the valuable cooperation that we have in Cocom.

I would simply invite the attention of the membership to the fact that all of the technology in the world is not American. Toshiba and Kongsberg did not sell American technology. They sold Norwegian technology and Japanese technology.

We desperately need the Cocom. We need it to work well. We need our allies to focus on it. I think the amendment of the two gentlemen will do that very well. I congratulate them for their amendment and urge its swift passage.

Mr. HEFLEY. Mr. Chairman, I rise in support of Congressman Hunter's amendment to the State Department authorization bill.

Recently, Congress was made aware of a very serious technology transfer violation by two foreign firms, Toshiba of Japan and Kongsberg of Norway. In 1983 and 1984, Norway's state-owned armaments company, Kongsberg, and one of Japan's largest machine tool makers, Toshiba Machine Co., sold to the Soviet Union the technology to make ultraquiet submarine propellers.

This action is an evident breach of Western controls on military technology. Investigations by the International Trade and Industry Ministry [MITI] have revealed that the machine tools supplied by Toshiba to the Soviet Union was in violation of the Coordinating Committee for Export Control [Cocom] rules. Exporting these machines without permission further violates the Foreign Exchange Commission and foreign trade control law.

The milling machines in question contain nine pivot blades mounted on a pedestal, allowing them to perform work as precisely as human hands. The 1987 edition of the Department of Defense's "Soviet Military Power" states that the Soviet submarines have become far more elusive than ever before. Previously, Soviet submarines produced more noises than their United States counterparts, which made them considerably easier to track. Soviet submarines now have the capability to position their missiles to within 10 minutes flying time of America's coastlines.

It is evident that the U.S. national security policy has been severely damaged. I believe that this violation cannot and should not go unnoticed by congressional inquiry.

This amendment does exactly what needs to be done to deal with this breach of international trade regulations and Western military policy. The amendment requires the Secretary of State to report on the status of the investigations by both Japan and Norway; and actions these countries will enforce to ensure that such illegal sales do not happen again. The amendment also calls for a report on what action the United States Government plans to take; and directs the Secretary to begin discussions with both governments for the compensation of our national security.

We now know that Norwegian and Japanese officials are taking stern measures against these companies. But because this technology transfer to the Soviet Union directly violates United States and Western military security, I believe it is imperative that we, as Members of Congress, actively support this amendment which immediately deals with the unwarranted and outrageous action by Toshiba and Kongsberg.

I urge my colleagues to support this amendment.

Mr. LEWIS of Florida. Mr. Chairman, I rise in strong support of the amendment offered by the gentleman from California [Mr. HUNTER]. In my view, this amendment addressing what has been called the most harmful transfer of militarily sensitive technology in over a decade is urgently needed.

Undoubtedly, when the Toshiba Machine Co. of Japan and the Kongsberg Trade Co. of Norway sold sophisticated technology to the Soviet Union, they compromised not only the national security of the United States, but the entire free world. By shipping this equipment to the U.S.S.R., these companies clearly violated regulations of the Coordinating Committee for Export Control [Cocom], the 16-nation watchdog group, including the United States, Japan and Norway, which monitors the transfer of strategic goods to the East bloc.

When I recently participated in the North Atlantic Assembly, the interparliamentary body of the 16 member countries of the North Atlantic Alliance, I had occasion to address this very situation.

At the Assembly's spring session, I was pleased to be appointed to the Assembly's Scientific and Technical Committee. During a meeting of that committee, a proposal which I offered to help ensure NATO member countries no longer engage in this type of illegal technology transfer was accepted. While debating my proposal, I had a unique opportunity to discuss this issue with other Alliance delegates. I am proud that the committee recognized the validity of my recommendation and chose to approve it.

In view of my recent experiences, I am more convinced than ever of the serious nature of this technology transfer situation. Therefore I commend the gentleman from California and strongy support his amendment.

The CHAIRMAN. The question is on the amendment of the gentleman from California [Mr. HUNTER].

The question was taken; and the Chairman announced that the ayes appeared to have it.

RECORDED VOTE

Mr. HUNTER. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 415, noes 1, not voting 17, as follows:

[Roll No. 182]

AYES—415

Akaka
Alexander
Anderson
Andrews
Annunzio
Anthony
Applegate
Archer
Armey
Aspin
Atkins
AuCoin
Badham
Baker
Ballenger
Bartlett
Barton
Bates
Beilenson
Bennett
Bentley
Bereuter
Berman
Bevill
Biaggi
Bilbray
Bilirakis
Bliley
Boehlert
Boggs
Boland
Bonker
Borski
Bosco
Boucher
Boulter
Boxer
Brennan
Brooks
Broomfield
Brown (CA)
Brown (CO)
Bruce
Bryant
Buechner
Bunning
Burton
Bustamante
Byron
Callahan
Campbell
Cardin
Carper
Carr
Chandler
Chapman
Chappell
Cheney
Clarke
Clay
Clinger
Coats
Coble
Coelho
Coleman (MO)
Coleman (TX)
Collins
Combest
Conte
Conyers
Cooper
Coughlin
Courter
Coyne
Craig
Crane
Crockett
Daniel
Dannemeyer
Darden
Daub
Davis (IL)
Davis (MI)
de la Garza
DeFazio
DeLay
Dellums
Derrick
DeWine
Dickinson
Dicks
Dingell
DioGuardi
Dixon
Donnelly
Dorgan (ND)
Dornan (CA)
Dowdy
Downey
Dreier
Duncan
Durbin
Dwyer
Dymally
Dyson
Early
Eckart
Edwards (CA)
Edwards (OK)
Emerson
English
Erdreich
Espy
Evans
Fascell
Fawell
Fazio
Feighan
Fields
Fish
Flake
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Frank
Frenzel
Frost
Gallegly
Gallo
Gaydos
Gejdenson
Gekas
Gibbons
Gilman
Gingrich
Glickman
Gonzalez
Goodling
Gordon
Gradison
Grandy
Grant
Gray (IL)
Gray (PA)
Green
Gregg
Guarini
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Hansen
Harris
Hastert
Hatcher
Hawkins
Hayes (IL)
Hayes (LA)
Hefley
Hefner
Henry
Herger
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Lewis (FL)
Lewis (GA)
Lightfoot
Lipinski
Livingston
Lloyd
Lott
Lowery (CA)
Lowry (WA)
Lujan
Luken, Thomas
Lukens, Donald
Lungren
Mack
MacKay
Madigan
Manton
Markey
Marlenee
Martin (IL)
Martin (NY)
Matsui
Mavroules
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McCandless
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McMillan (NC)
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Obey
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Ortiz
Owens (NY)
Oxley
Packard
Panetta
Parris
Pashayan
Patterson
Pease
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Penny
Pepper
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Pickett
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Price (IL)
Price (NC)
Pursell
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Regula
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Rogers
Rose
Roth
Roukema
Rowland (CT)
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Saiki
Savage
Sawyer
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Schroeder
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Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
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Solomon
Spence
Spratt
St Germain
Staggers
Stallings
Stangeland
Stark
Stenholm
Stokes
Stratton
Studds
Stump
Sundquist
Sweeney
Swift
Swindall
Synar
Tallon
Tauke
Taylor
Thomas (CA)
Thomas (GA)
Torres
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Towns
Traficant
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Vander Jagt
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Whitten
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Wise
Wolf
Wolpe
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Wyden
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Yates
Yatron
Young (AK)
Young (FL)

NOES—1

Solarz

NOT VOTING—17

Ackerman
Barnard
Bateman
Boner (TN)
Bonior (MI)
Garcia
Gephardt
Martinez
Morrison (WA)
Owens (UT)
Rangel
Ray
Roemer
Rostenkowski
Schumer
Slaughter (NY)
Tauzin

□ 1650

Mr. MANTON changed his vote from "no" to "aye."

So the amendment was agreed to.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mr. BATEMAN. Mr. Chairman, I ask that the RECORD reflect that I would have voted "aye" on the last roll call vote had I not been so engrossed in negotiations on the matter just concluded that I overlooked voting, even though I was on the floor.

Mr. MICA. Mr. Chairman, I move to strike the last word for the purposes of engaging in a colloquy with the gentleman from Michigan [Mr. FORD].

Mr. FORD of Michigan. Mr. Chairman, will the gentleman yield?

Mr. MICA. I yield to the gentleman from Michigan.

Mr. FORD of Michigan. Mr. Chairman, I appreciate the gentleman yielding to me so that we may clarify the committee's intent with respect to section 142 of the bill, which amends the Foreign Service Act of 1980 by inserting two new sections. The new sections 810 and 831 authorize retirement and survivor benefits to certain individuals who, on February 14, 1981, were former spouses of members of the Foreign Service. It is my understanding that such benefits are payable only to the extent of available appropriations and that the participant's annuity may not be reduced or otherwise affected as a result of the benefits authorized by sections 830 and 831. Is my understanding of the provisions correct?

Mr. MICA. It is the committee's intent that the former spouse benefits authorized by sections 830 and 831 will be payable from funds appropriated to the Department of State in any fiscal year. In the event there are no available funds, the benefits cannot be paid. As is clearly stated in both sections 830 and 831, nothing in either of those sections shall be construed to impair, reduce, or otherwise affect the annuity or the entitlement to an annuity of a participant or former participant.

Thus, even though there may be no appropriations available to fund the benefits payable to a former spouse under sections 830 to 831, there can be no reduction in the annuity or other benefits of a participant or former participant under the Foreign Service Retirement System for the purpose of providing such benefits to the former spouse.

Ms. SNOWE. Mr. Chairman, will the gentleman yield?

Mr. MICA. I yield to the gentlewoman from Maine.

Ms. SNOWE. Mr. Chairman, I would like to concur with the interpretation of sections 830 and 831 offered by the chairman of the subcommittee. We specifically drafted this language to correct current inequities by providing benefits to former spouses of Foreign Service officers through available appropriated funds. Sections 830 and 831 would not affect the benefits of the participant under the Foreign Service Retirement System.

I offered a technical amendment earlier as a part of the en bloc amendment to further address benefits for former spouses. I would like to emphasize that this amendment, too, would not reduce the benefits of the Foreign Service officers in any way.

(By unanimous consent, Mr. FOLEY was allowed to speak out of order for 1 minute.)

LEGISLATIVE PROGRAM

Mr. FOLEY. Mr. Chairman, after discussions with the members of the committee, the chairman, the bill manager and the leadership on the other side, we propose to rise at 6 o'clock this evening, or as close to that hour as possible.

We will resume consideration of this bill later this week.

Tomorrow the House will begin consideration of the so-called double-breasted bill and continue on that legislation until completion. If it requires 2 days to complete it, then this bill will be scheduled sometime next week.

We will not be meeting on Friday except in pro forma session, and there will be no votes scheduled on Monday next. So for the advice of Members, no votes on Friday, pro forma session, and no votes next Monday.

We will rise at 6 o'clock tonight. If it is possible, I think the committee hopes to complete the next amendment and then we will resume consideration of the bill either later this week or after the double-breasted bill has been concluded, or it will be subsequently scheduled.

Mr. Chairman, I neglected to announce or reannounce for the benefit of the Members that on Friday, June 26, there will be a session with votes expected, and on Monday, June 29, there will be a session with votes expected. No votes this Friday or next Monday, but the following Friday and Monday there will be votes.

The bad news with the good, in the interest of our continuing policy of helping Members make advanced decisions on their schedules.

AMENDMENT OFFERED BY MR. BAKER

Mr. BAKER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BAKER: Page 27, after line 13, insert the following section:

SEC. 137. LIMITATION ON CERTAIN SERVICE IN THE UNITED STATES MARINE CORPS SECURITY GUARD PROGRAM.

(a) LIMITATION.—Except as provided in paragraph (b), no individual may perform guard functions at United States diplomatic or consular posts in any Communist country for an aggregate period of more than 180 days.

(b) EXCEPTION.—The limitation under subsection (a) shall not apply to any commander of a Marine Corps security detachment at any United States diplomatic or consular post in a Communist country.

(c) DEFINITION.—As used in this section, the term "Communist country" means a country listed in section 620(f) of the Foreign Assistance Act of 1961.

(d) EFFECTIVE DATE.—This section shall take effect 180 days after the date of enactment of this Act.

Mr. BAKER (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

□ 1705

Mr. BAKER. Mr. Chairman, the amendment I have offered is in recognition of a problem, in my opinion, with the length of tour of duty that marines are currently asked to serve while in Communist countries, in embassies which are located there. It is my opinion that asking a 19-year-old or 20-year-old individual to serve 15 months or longer and expect them not to maintain some social contact with individuals is unreasonable. I therefore suggest that some statutory revision was in order and originally suggested a 6-month tenure. That was not well received by certain individuals within the Marine Corps, and it was suggested some compromise might be in order.

Therefore, after discussion of the requirement of limiting the tour of duty to something less than the current policy of 15 months and in consultation with the gentlewoman from Maryland, there will be offered a substitute motion in a moment which would provide for a maximum tenure of 12 months with certain designated periods for rest and relaxation for those marines stationed in this politically sensitive posture. I feel this is an important step for us to take, providing a reasonable method of controlling the circumstances under which we place these young individuals in such an important task and therefore feel it important that we provide statutory authorization for the Secretary of Defense to assure Congress that these individuals will not be called upon for periods of longer than 12 months. And in the event there are extenuating circumstances we provide for a waiver, that the Secretary will then stipulate to Congress as to the reasons why the 12 months limitation may not be met.

Mr. Chairman, I yield back the balance of my time.

AMENDMENT OFFERED BY MRS. BYRON AS A SUBSTITUTE FOR THE AMENDMENT OFFERED BY MR. BAKER

Mrs. BYRON. Mr. Chairman, I offer an amendment as a substitute for the amendment.

The Clerk read as follows:

Amendment offered by Mrs. BYRON as a substitute for the amendment offered by Mr. BAKER: Page 55, after the matter below line 25, insert the following new section:

SEC. 199. SECURITY GUARD PROGRAM.

(1) Chapter 41 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 721. Security guards at certain diplomatic and consular posts; tour-of-duty limitations

"(a) The Secretary of Defense shall require that—

"(1) a member of the armed forces performing guard functions at a diplomatic or consular post in a high intelligence threat country (as defined in subsection (c) of section 188 of the Foreign Relations Authorization Act, Fiscal Years 1988 and 1989) not perform those functions for a period of more than 12 consecutive months; and

"(2) during such period, such member be required to have two rest and recuperative absences of not less than ten days each, to be taken in a country other than a high intelligence threat country, with—

"(A) the first such absence to be taken during the period from the 75th through the 135th day of such tour of duty; and

"(B) the second such absence to be taken during the period from the 225th through the 285th day of such tour of duty.

"(b) Any such rest and recuperative absence shall be in addition to any leave to which the member is otherwise entitled, and expenses for round/trip transportation in connection with any such rest and recuperative absence shall be paid by the United States.

"(c) Subsection (a) does not apply to the Commander of a security detachment of the armed forces performing guard functions at any diplomatic or consular post in a high intelligence threat country.

"(d) The Secretary of Defense may waive any provision of this section. The Secretary shall notify Congress concerning each such waiver.".

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

"721. Security guards at certain diplomatic and consular posts: tour-of-duty limitations.".

(b) REPORT TO CONGRESS.—The report required by subsection (b) of section 188 shall be submitted jointly by the Secretary of State and Secretary of Defense and shall include a discussion of the implementation of the amendment made by subsection (a)(1) of this section.

Mrs. BYRON (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentlewomen from Maryland?

There was no objection.

Mrs. BYRON. Mr. Chairman, my amendment would modify the amendment just offered by the gentleman from Louisiana [Mr. BAKER] so that it would fall under title 10 of the Defense Authorization Act.

Let me explain first of all the reason for the changes. The Personnel and Compensation Subcommittee of the Committee on Armed Services has already an ongoing investigation regarding the problems of the Marine security guard program. We have already held two hearings. We plan to have formal hearings in the July timeframe. It is my intention to move quickly with the legislation, if appropriate, in cooperation with the chairman of the Committee on Armed Services, Mr. ASPIN, and the House leadership.

From our initial investigation the problem with the Marine security guard program appears to be more serious than just lack of leave time although I agree a serious problem. The size of Marine staff at the Embassies, the screening process, the familiarity, fraternization rules, the relationship between the Marine guards and the State Department staff of the Embassies are also contributing factors to the breakdown in the security. I do not think we have paid enough attention to all of those problems, the smaller Marine contingencies in remote posts.

Let me remember that adversaries can infiltrate these remote posts probably easier than they can the posts located in the Communist bloc nations since it is usually a practice of having only one Marine guard on duty during the night.

My subcommittee wants to look at all of these issues. I welcome and encourage Mr. BAKER working with us to come up with a comprehensive plan to resolve those problems. I think the language of my amendment in conjunction with his will address this issue.

Mr. BAKER. Mr. Chairman, will the gentlewoman yield?

Mrs. BYRON. I would be glad to yield to the gentleman from Louisiana [Mr. BAKER].

Mr. BAKER. I thank the gentlewoman for yielding.

Mr. Chairman, I rise in support of the substitute amendment and appreciate the cooperation extended to us in trying to reach an agreement on this important matter and feel that the term of 12 months that the amendment of the gentlewoman provides would go a long way toward rectifying the problems that we have found inherent in the current policy of tour duty assignments. I appreciate the spirit exhibited with the leadership of the gentlewoman and I thank her.

Mr. SOLOMON. Mr. Chairman, will the gentlewoman yield?

Mrs. BYRON. I will be glad to yield to the gentleman from New York [Mr. SOLOMON].

Mr. SOLOMON. I thank the gentlewoman for yielding. I am not sure who I would like to yield but would someone explain the waiver? There is a waiver to this 12-month limitation period, is that correct?

Mrs. BYRON. Yes; that is correct.

Mr. SOLOMON. Would the gentlewoman yield to this author of the original amendment?

Mrs. BYRON. I will yield to the original maker of the motion.

Mr. BAKER. I thank the gentlewoman for yielding.

The waiver provision is one intended to allow some measure of flexibility so that if the Secretary of Defense would determine there were some extenuating circumstances, that the 12-month provision could not be met or that the two, 10-day R and R periods stipulated in the act were unreasonable for some particular version, that the Secretary may feel appropriate, that he could then ignore the requirement. But he could only do so under the waiver provision with acknowledgement to Congress of the reasons legitimizing his inability to meet the requirement.

Mr. SOLOMON. If the gentlewoman would continue to yield, I had originally had some concern about the gentleman's amendment.

We all have concern with what has happened at the Moscow Embassy in the past. But I was a little concerned that we may be unduly pointing a finger at the U.S. Marine Corps and the job that the Marine Corps have done in our Embassies over many, many decades under very, very difficult circumstances. I am sure it is not the intention of either the gentlewoman from Maryland or the gentleman from Louisiana to point any finger at the Marine Corps for the job they do.

I was a little concerned that we might be interfering with the commandant of the Marine Corps and his ability to keep well-trained Embassy Marine personnel at these Embassies longer than the prescribed 12-month period. There are times when that would become necessary, having observed the Marines at these Embassies over the years.

So I would not have any objection to the amendment but I would just like to hear both of them state their concern and their praise for the Marine Corps and the job they have done and they continue to do in many of these Embassies.

Mrs. BYRON. Let me say to the gentleman's question that this is one Member who is extremely supportive of the overall concept of the use of Marine security guards at our Embassies. I think that is one of the reasons that the Committee on Armed Services with the Defense Policy Committee in conjunction is going to look into the overall view of usage of Marine guards at our Embassies because I think in the past they have been a very integral part of our Embassy staff and have been extremely beneficial to the security of our Embassy personnel.

Mr. SOLOMON. I thank the gentlewoman for her explanation. She has been a very strong supporter of the military and the Marine Corps in general.

The CHAIRMAN. The time of the gentlewoman from Maryland [Mrs. BYRON] has expired.

(On request of Mr. BAKER and by unanimous consent Mrs. BYRON was allowed to proceed for 2 additional minutes.)

Mr. BAKER. Mr. Chairman, will the gentlewoman yield?

Mrs. BYRON. I yield to the gentleman from Louisiana.

Mr. BAKER. I appreciate the courtesy. I just wanted to go on record in support of the fine effort that the Marine Corps has made throughout the country and under many pressing circumstances and simply restate "semper fi" as the important concept in these deliberations.

Ms. SNOWE. Mr. Chairman, will the gentlewoman yield?

Mrs. BYRON. I will be delighted to yield to the gentlewoman from Maine.

Ms. SNOWE. I thank the gentlewoman for yielding.

Mr. Chairman, I would like to concur with the chairman that nothing in this legislation is intended to restrict the authority of the Secretary of Defense in the administrative role of the Marine Security Guard Program. I would also like to mention to the gentlewoman that I certainly approve of her substitute to the amendment of the gentleman because I think the 12-months rotation is appropriate for the marine security guards until, in the meantime, we can evaluate the entire program. But nothing in this legislation should suggest that we are overruling the Secretary of Defense's role with respect to the Marine Security Guard Program and also I would hope that nothing in the substitute would be construed to interfere with the legislation that we incorporated in this package and that was approved by the House, 417 to zero, concerning the security program that should be developed by the Secretary.

Mrs. BYRON. Let me just say to the gentlewoman from Maine that in the Mica amendment which this body, as she said, overwhelmingly passed, the only problem that I have and the concern that I have is the fact that the Secretary of Defense will be involved in the development, with the Secretary of State, of a security program for the Department of Defense personnel that are under the jurisdiction of the Department of Defense.

Ms. SNOWE. I appreciate the gentlewoman's comments. And if she would further yield I agree with that. I think the Secretary of Defense and Secretary of State should work in consultation with one another to review this aspect of what is a very important part of the Embassy program.

So I thank the gentlewoman for her contribution toward this effort and the gentleman from Louisiana for his contribution as well.

Mrs. BYRON. Mr. Chairman, I yield back the balance of my time.

Mr. BATEMAN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I will not take the 5 minutes.

Mr. Chairman, I rise only to indicate the involvement I have had in the discussions with the leadership of the two committees involved and with the offeror of the principal amendment, the gentleman from Louisiana [Mr. BAKER]. There have been some concerns on the part of the Committee on Armed Services that the language of the Mica amendment originally passed by the House earlier today might well bear some opportunity for improvement but without any policy or philosophical concerns that entered into it.

It is my understanding that this will be an item, that if the language now in the Mica amendment is adopted by the House, can be improved upon, it can be explored in committee of conference.

Further, as to the amendment of the gentleman from Louisiana [Mr. BAKER], he has agreed to the amendment sponsored by the gentlewoman from Maryland [Mrs. BYRON], chairman of the Military Personnel and Compensation Subcommittee, which makes it clear that it is the Secretary of Defense who has the control over the leave and the assignment of military armed personnel who are guards at American embassies throughout the world. Certainly appropriately the chain of command should officially and formally be with the Secretary of Defense.

The gentleman from Louisiana's amendment having made the period of assignment as long as 12 months and providing for some flexibility on a case-by-case basis as necessary, I think certainly significantly improved the terms of the original Baker amendment as I had read it.

I hope the House would now be in a position to go forward to adopt the substitute for the original Baker amendment as offered.

Mr. SOLOMON. Mr. Chairman, will the gentleman yield?

Mr. BATEMAN. I would be happy to yield to the gentleman from New York [Mr. SOLOMON].

Mr. SOLOMON. I thank the gentleman for yielding.

Mr. Chairman, I concur in the statement of the gentleman. I would also commend the gentleman from Louisiana for his deep concern on this issue, both for what has happened and also for the Marine Corps. He has done an outstanding job, put in a lot of time on it and certainly shows his legislative prowess. We all appreciate that very much for the good job that he did.

Mr. BATEMAN. Reclaiming my time only briefly enough to add my congratulations and appreciation to the gentleman from Louisiana for his efforts in this matter.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentlewoman from Maryland [Mrs. BYRON] as a substitute for the amendment offered by the gentleman from Louisiana [Mr. BAKER].

The amendment offered as a substitute for the amendment was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Louisiana [Mr. BAKER], as amended.

The amendment, as amended, was agreed to.

The CHAIRMAN. The Committee will rise informally.

MESSAGE FROM THE PRESIDENT

The SPEAKER pro tempore (Mr. GRAY of Illinois) assumed the chair.

The SPEAKER pro tempore. The Chair will receive a message.

SUNDRY MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Mrs. Emery, one of his secretaries.

The SPEAKER pro tempore. The Committee will resume its sitting.

FOREIGN RELATIONS AUTHORIZATION ACT, FISCAL YEARS 1988 AND 1989

The Committee resumed its sitting.

The CHAIRMAN. For what purpose does the gentleman from Florida [Mr. SHAW] rise?

□ 1720

AMENDMENT OFFERED BY MR. SHAW

Mr. SHAW. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SHAW: Page 27, after line 13, insert the following section:

SEC. 137. CONTROLLED SUBSTANCES TESTING PROGRAM FOR EMPLOYEES OF THE DEPARTMENT OF STATE HAVING ACCESS TO CLASSIFIED INFORMATION.

(a) ESTABLISHMENT OF PROGRAM.—With one year after the date of enactment of this Act, the Secretary of State shall establish and implement a controlled substances testing program for employees of the Department of State (including individuals under contract with such agency) whose duties involve access to classified information.

(b) REPORTING.—The results of any test administered pursuant to this section shall be reported—

(1) to the individual tested; and

(2) to the Secretary of State or a designee of the Secretary of State.

(c) REPORT TO CONGRESS.—The Secretary of State shall submit to the appropriate committees of the Congress an annual report concerning the controlled substances testing program under this section.

(d) DEFINITION.—For purposes of this section—

(1) the term "employee of the Department of State" means any employee of the Department of State, including any member of the Foreign Service; and

(2) the term "classified information" has the meaning given such term by section 1 of the Classified Information Procedures Act (94 Stat. 2025; 18 U.S.C. App.).

Mr. SHAW (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. MICA. Mr. Chairman, will the gentleman yield?

Mr. SHAW. I yield to the gentleman from Florida.

Mr. MICA. Mr. Chairman, the preference of the leadership is to rise at 6 o'clock, and we have an informal agreement among the majority and the minority on the Committee to rise and to stop all discussion on this amendment no later than 6 o'clock.

Mr. SHAW. I believe that would now be 5 minutes after 6, but that is the nature of the agreement.

Mr. MICA. 6:05?

Mr. SHAW. Yes. Perhaps the gentleman would want to put that in the form of a unanimous-consent request?

Mr. MICA. I would be happy to.

Mr. SHAW. Does the gentleman want to see how we go along?

Mr. MICA. At this point we do not need to do a unanimous consent. We have an agreement, and we will abide by it.

Mr. SHAW. Mr. Chairman, this is a simple, yet extremely vital amendment. It requires that those who are involved in the diplomatic activities of this country be demonstrably drug free.

One of the gravest threats to the security of this Nation is the possibility that classified information and covert activities may be revealed to foreign powers by those who are entrusted with the protection of such secrets. Someone who abuses illegal drugs not only demonstrates a serious lack of character and good sense; he also exposes himself to the threat of blackmail.

Individuals who purchase illegal drugs engage in a criminal conspiracy. They are, by definition, felons. If exposed as such, they face professional ruin, personal disgrace, and possibly prison. When such people are confronted by a foreign agent with proof of their crimes, what is their likely reaction? Having proven a lack of moral fiber by using drugs, are they now going to redeem themselves by refusing to spy? I doubt it.

The addict's chronic need for money to fund his habit causes him to yield to the temptation to make easy money in whatever way he can. Illegal drugs are not cheap. A cocaine user may spend $100 a day on drugs. That comes to over $36,000 a year. Where does a civil servant making a maximum of $70,000 gross per year come up with $36,000 to spend on drugs?

As we learned from the infamous spy Ronald Pelton, who had a $200-a-week drug habit, the users come up with the money by selling the most valuable commodity they can lay their hands on, our Nation's security.

Narcotics also played a contributory roll in the Falcon and Snowman case where Christopher John Boyce, a self-admitted abuser of marijuana and cocaine, conspired with his pusher, Andrew Dalton Lee, to sell cryptographic data to the Russians.

Another example of drug abuse by a Federal employee with top secret clearance is Edmond Lee Howard, a former employee of the CIA, who is now known to have had a pattern of drug abuse. Mr. Howard distinguished himself by becoming the first CIA agent to defect to the Soviet Union.

Finally, there is the case of Randy Myles Jeffries, a Washington, DC, courier who was addicted to both cocaine and heroin. Mr. Jeffries tried to sell classified transcripts of closed proceedings of this very body.

In these cases the culprits were revealed after the damage was done. If any one of these people had been required to take a drug test, their treasonous activities might have been prevented. With this amendment, we have an opportunity to preclude further such abuses.

As we all know, the conferees on the supplemental appropriations bill are working out a compromise on the funding for the President's Executive order on drug testing. I have not seen this compromise and therefore cannot say that I approve or disapprove of what is contained in the provisions.

But what we must realize is that an Executive order is not a law, it is not an act of Congress, and its authority may be repealed at the end of this administration.

This is the body which must act; it is Congress which must craft a law to deal with the threat of drug abuse by those in sensitive positions within our Government.

I would like to clarify that this amendment is free standing from any section that is contained in the supplemental appropriations bill that is currently in conference.

If I understand correctly, the language that is being considered is related to the use of Federal funds for Executive Order No. 12564. However, it also sets guidelines which must be followed before any money is appropriated to carry out the Executive order.

I am concerned that these guidelines are being attached onto an appropriations bill, since it appears that it is legislative language. Furthermore, there is a strong possibility that the supplemental will be restricted to the end of this fiscal year. Finally, if the President chooses to veto the bill, we are left with nothing.

I assure my colleagues that if we do not identify those within our diplomatic community who abuse narcotics, sooner or later our enemies will. I urge a "yes" vote on this amendment.

Mr. DeLAY. Mr. Chairman, I rise in support of the amendment.

This amendment is designed to prevent any drug abuse that might exist in the Department of State. It requires that employees with access to highly classified information be subject to a drug testing program. This provision would apply to approximately 7,000 to 9,000 out of 25,000 employees.

We all are aware of the dangers of drug addiction. Selling top secret information to spys in order to support a drug habit is not just a far-out unknown idea—it's happened in the past—what will prevent it from occurring again?

People who are drug free have nothing to fear. It is that simple. People who are not drug free do not belong in a job in which they may threaten our national security. Other intelligence agencies, such as the CIA and the National Security Council, have some type of drug screening and/or drug testing program in operation. Why should the State Department be exempted from these types of safeguards? Let's not make it any easier for hostile entities to gain top secret information.

I urge my colleagues to vote "yes" on the Shaw amendment.

Mr. HOYER. Mr. Chairman, will the gentleman yield?

Mr. DeLAY. I yield to the gentleman from Maryland.

Mr. HOYER. Mr. Chairman, the Attorney General of the United States has made a statement similar to the one the gentleman made, and I want to ask him a question. The gentleman indicated that if someone is not taking drugs, they have nothing to fear; that was the gentleman's statement, if I understand it?

Mr. DeLAY. Exactly.

Mr. HOYER. Am I correct, therefore, in this: I represent to the gentleman that I do not have any illegal substances in my home. I never have had, I will not accept them, I do not want them there, and I will make sure that neither my children nor anybody else will bring them into my house.

Having said that, I do not want any policeman or anybody else, without probable cause, to enter my home. The fourth amendment guarantees that to me. I say this, not because I have anything to hide, because I do not, but because our Founding Fathers thought the King did not have unlimited rights and could not come into the people's homes.

Would the gentleman agree with me that that is a good principle of constitutional law?

Mr. DeLAY. Oh, I think it is a good principle of constitutional law, but we are not advocating that the police come into the gentleman's home. I might say that I do not have any controlled substances in my home either and would not allow them to be in my home. But if I wanted a job handling top secret information and part of my job was to be tested to make sure I was drug free and I wanted that job, then I would be willing to submit myself, because I do not take drugs, to such a stipulation of employment. I would have no qualms whatsoever.

Mr. HOYER. Mr. Chairman, I understand the gentleman's position.

Let me ask the gentleman another question, if I may. Of the 6,000 or 7,000 folks involved, let us take the Walkers as an example. They were not with the State Department, but presumably—and the evidence seems to indicate this—they took some of this material home. What about having these 6,000 or 7,000 people agree to having their homes searched on a random mandatory basis?

Mr. DELAY. I do not think that is part of the amendment, and we are not advocating that.

Mr. HOYER. No; I understand that. The gentleman is absolutely right, it is not a part of the amendment.

The gentleman drew an analogy, and I am trying to see how far we take that analogy.

Because of the security problem involved, does the gentleman think it would be appropriate for us to require either as a condition of employment or as an additional regulation on those folks who have a security clearance that they in effect agree to random searches of their homes?

Mr. DELAY. As the gentleman well knows, that is not the amendment. That is not what we are talking about. We are talking about situations where we have people handling top secret documents, and there have been certain cases that have shown that they have sold those documents to take care of a drug habit. We want no drugs, and hopefully we will have some system by which we can find those who are on drugs and who are handling top secret and national security-sensitive documents.

We are not talking about making it a condition of employment to allow us to come into your home and search your home. What we are doing is taking a simple drug test that many of us have already submitted to to show our interest in having a drug-free environment in our State Department, especially in these sensitive areas.

Mr. HOYER. Mr. Chairman, what about an alcohol-free environment? Is the gentleman for that?

Mr. SHAW. Mr. Chairman, will the gentleman yield to me?

Mr. DELAY. I am glad to yield to the gentleman from Florida.

Mr. SHAW. Mr. Chairman, we bring up those things all the time. Alcohol is legal.

The CHAIRMAN. The time of the gentleman from Texas [Mr. DELAY] has expired.

(On request of Mr. SHAW, and by unanimous consent, Mr. DELAY was allowed to proceed for 2 additional minutes.)

Mr. SHAW. Mr. Chairman, if the gentleman will yield, what we are talking about is people who are actually violating the laws. If alcohol was illegal, then I would suggest we would want to consider that, but it is not illegal, and the lawmakers across this country have not chosen it to be illegal. As a matter of fact, it was made legal specifically in the Constitution some years ago.

Mr. DELAY. Mr. Chairman, reclaiming my time, I might point out that it probably does not take $36,000 a year to support a drinking habit. So that is not the kind of thing we are talking about.

Mr. Chairman, I yield back the balance of my time.

Mr. HOYER. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in opposition to the Shaw amendment.

I realize that there is a lot of emotion attached to this whole question about drug testing and the use of drugs. I observed when last this issue was on the floor that all of us were opposed to the use of illegal drugs on this floor, as far as I am concerned. All of us want to see a drug-free environment in the workplace. All of us want to see employees who are unimpaired by the use of either alcohol or drugs, and all of us want to make sure that our Nation is secure.

Now, this House voted by almost 100 votes to reject language which would have stricken from the supplemental appropriation bill the testing prohibition. That testing prohibition was for the purposes of allowing this House and the Senate to work out procedures under which I very much suggest to the Members that the employees' fourth amendment constitutional rights are being diminished and undermined. That is why I brought up the search of the home, because it is under that same amendment that we are protected, and the courts of this land, from the Supreme Court to the State courts, have held that an intrusion of a person's body is equally a search and seizure.

So there is an analogy. I understand it is not in this amendment, but to stand up on this floor and say there is no analogy is to defy what the courts have said.

Let us move on, however, I said on the floor that we wanted to set parameters. I say to the Members of this House that we are in the process of doing just that. The Senate adopted parameters which would allow the executive department across the board—not just one agency but across the board—to conduct mandatory, random drug tests. I put that language on the Treasury-Postal bill, or a variation of it, on the Treasury-Postal bill. We are now in conference on the supplemental, and the Treasury-Postal bill comes to the committee either this week or in the very near future. There may be some problems with some other items in that bill.

Therefore, this Congress and the President are very close to an agreement on the parameters under which drug testing will be effected. I believe that to be appropriate. I said on this floor that we are not in the Soviet Union, we are in America, and it may be inconvenient sometimes to have constitutional rights which prevent the State from doing certain things.

□ 1735

But all of us have always felt that notwithstanding there may be some insufficiencies or inconvenience attached to that, that it was a price we were willing to pay.

Now, I do not support the procedure, but I think we are going to lose the battle, so I am working with Senator DOMENICI and Senator DECONCINI of the Treasury and Postal Committee in the Senate to work out procedures under which this can be done.

I will tell the gentleman that we have already agreed on almost all the procedures. First of all, they provide not only coverage of the State Department, I will tell the gentleman from Florida, but also the 12 other Cabinet departments.

They also provide for five or six or seven, the number is not specific yet, of the independent agencies, such as GSA, the Veterans' Administration and other large executive agencies that are not within the Cabinet, to be tested; however, they also say some other things.

First of all, you have got to make sure that the testing that is being done is appropriate testing. Why is that a concern?

From today's paper, not yesterday's, not a week ago, this is a current problem: "FAA lab may be barred from drug tests."

Now, I quote from a memo from the Armed Services Institute of Pathology, not anything that I have done: "At present quality control is performed in a very unstructured manner."

In effect they said, Secretary Dole, a strong proponent of testing has said that this lab ought to be discontinued because they are not doing the tests properly.

Now, what is the language that we are going to adopt, either in the Treasury-Postal bill or in the supplemental appropriation bill? It says that the Secretary of Health and Human Services for the State Department, for the Justice Department, for OPM, GSA, Treasury-Postal, and all those agencies, must establish and certify that the lab tests are correct.

The CHAIRMAN. The time of the gentleman from Maryland has expired.

Mr. MICA. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I yield to the gentleman from Maryland.

Mr. HOYER. Mr. Chairman, I thank the gentleman for yielding.

Now, what the Secretary of Transportation said is that if the tests are not done correctly that we ought not to be doing them.

I do not think there is a Member here who believes that if the tests are not accurate that we ought to be subjecting employees to tests. I think we all agree on that. I do not think we ought to test, but I think we are going to test, and therefore the tests ought to be accurate.

All the language is going to require is that the Secretary of Health and Human Services certify that those tests are accurate.

Second, it says that the President, the executive department, will describe and identify those employees who are sensitive employees. The administration has already said that security and safety will be their criteria.

So that the gentleman's concern will be covered by the Executive order and by the Executive implementation of that order.

It also requires some other things that I think all of us in this House, liberal, conservative, Republican or Democrat, of whatever philosophical stripe, because we are Americans, which makes us different, would want to require. And what does it require? Due process, something our Founding Fathers 200 years ago thought was very important, and what did they say? They wanted them to have notice of what they are going to be tested for. They wanted them to have notice as to what the tests reflect. What are the results? And they wanted to limit the distribution of that information.

The language that is going to be on this floor, I tell the gentleman from Florida, within 3 weeks will provide for all of that; so I say to my colleagues, this language is not necessary and in fact should not be adopted because it will do piecemeal what ought to be done, if it is going to be done.

I oppose it. I understand that. I do not think I am going to win on that issue. I think ultimately I will win, because like the Court of Appeals of New York, which said this is an unconstitutional procedure. I think the Supreme Court, this Supreme Court, seven of whom have been appointed by Republican Presidents is going to hold that this is unconstitutional; but that is not the issue we are to decide and that is not what I am trying to prevail upon. I am trying to prevail upon the issue of doing it fairly, doing it across the board so that all employees are equally affected.

I say to the gentleman from Florida, that is what will happen under the language that is going to come to this floor in a short period of time.

To deal with this department and then another department and another department singly, discretely, will undermine the uniformity of the program, and I say to the gentleman, will undermine the fiscal responsibility of this body to the extent that it clearly will be more expensive to do it on a piecemeal basis.

I would hope the gentleman, and I know he feels strongly about this issue, but I would hope the gentleman would not press this amendment at this time. This House gave us some time to work out some parameters. Consistent with the views of this House, we have done so.

They are currently in both the House bill that is going to full markup and in the Senate bill which has passed the supplemental appropriation process, so that we are not delaying, we are proceeding in a responsible and effective fashion, and I would ask this House to reject this amendment at this time, so that we can provide for a very full testing process that guarantees accuracy, fiscal responsibility, and employee due process.

Mr. WILLIAMS. Mr. Chairman, will the gentleman yield?

Mr. MICA. I am glad to yield to the gentleman from Montana.

Mr. WILLIAMS. Mr. Chairman, my question to the gentleman from Florida is to ask whether or not he can define for me the term "classified information."

I understand that it is with regard to section 1 of the Classified Information Procedures Act, but I tell the gentleman that I am not totally familiar with that act.

Mr. MICA. I think the gentleman would like to have in layman's terms what classified means. Obviously, that act references a Presidential order, as I understand it, and it is confidential and above; but for layman's purposes, classified—and the best evidence I could give for daily operation in embassies, is probably 90 percent or better of everything that is done in an embassy is routinely stamped classified, so this covers probably the State Department.

I say this with some support and some opposition. This covers essentially everything that is done.

The CHAIRMAN. The time of the gentleman from Florida has expired.

Mr. WILLIAMS. Mr. Chairman, I move to strike the requisite number of words and I yield to the gentleman from Florida for a continuation of the answer.

Mr. MICA. Essentially, Mr. Chairman, as I indicated, this provision would cover virtually all of the information and the employees who work at the State Department. It is hard to imagine that there is not a time when one person or another does not get a minimally classified document, documents that maybe tomorrow or the next day are public record, but they get them; so essentially it does cover the State Department.

Mr. Chairman, if I may continue for just a moment on this subject, I know we all want to secure information and make sure that we have an appropriate approach, but I think the gentleman from Maryland makes some legitimate points.

As the chairman of a committee that oversees the State Department, you take some offensive, if you will, that this is the only agency of Government, although virtually every agency covers classified or utilizes classified documents. The only one that would be singled out in this way is the State Department.

The gentleman from Maryland indicated that there is legislation that will come forward that would have a uniform State Department statute based on a selective procedure that would meet constitutional requirements and the like.

While I continue to understand the concerns of my colleague, the gentleman from Florida, it just seems a little bit unfair because we happen to have a State Department bill on the floor to subject only those employees in the State Department to this type of test.

Also, I do have concerns as one who has tried to study the issue to see what we can do to tighten up our security on the results of these types of tests and whether or not they really are legitimate.

First, I think we do need to be tough, but we need to be tough in a very careful area, in a specific area.

Second, there is no use giving the excuse that we are being tough with procedures that time and again our own Army, our own military, the Air Force and our best chemist are telling us are giving us false positive readings.

So I share some empathy and some concern and I also have some opposition to the general approach. I would wish that we could work this out in a better way, that we could selectively get to those people who really do handle top secret documents that are important to this Nation.

Mr. WILLIAMS. Reclaiming my time, Mr. Chairman, if the author of the amendment would let me yield to him for the purpose of answering a question, I simply want to understand the gentleman's amendment, because I have some sympathy for it.

Does the gentleman's amendment include every Department of State employee, including those who are under contract, but not actually direct employees, who would have access to classified information? The chairman has identified that as more than 90 percent of all the information present in the embassies. Is that the gentleman's understanding of his amendment?

Mr. SHAW. No. I would take exception as to the percentage; however, the definition that the gentleman referred to in the act itself does, and I understand, I get this information from the Under Secretary for Management, that we are talking about 7,000 to 9,000 employees out of 29,000; so there are roughly one-third or less employees that we are talking about.

Mr. WILLIAMS. Mr. Chairman, if the gentleman will let me reclaim my time, why is it only a third? I understood it was anybody with access to classified documents?

Mr. SHAW. I understand that is only a third of the employees, and again my information comes from the Under Secretary for Management.

Mr. Chairman, if the gentleman will yield further for just one moment, I would like to track the words of the amendment for just a second. It says that within 1 year after the date of enactment of this act, the Secretary of State shall establish and implement a controlled substance testing program for employees of the Department, including individuals under contract with such agencies, whose duties involve access to classified information, which the gentleman rightfully went on and noted was defined in the final paragraph of the amendment.

I would think that such a program would have different levels of drug testing, according to the information that the particular employee had access to.

What we are talking about and what I really want to get to are those people who really have access to this information. We check their backgrounds right now. Their civil liberties are somewhat compromised when they authorize security checks. We know they look into their credit. We look into all kinds of things where the normal person does not subject himself to this. We are just adding one more set of background information in testing these people out.

The CHAIRMAN. The time of the gentleman from Montana has expired.

Mr. LUNGREN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of this amendment. At the outset, I would like to talk to several myths that have been presented on the floor which unfortunately are inaccurate.

One is that this would be isolating out one group of Federal employees as the only employees who would be subjected to any drug testing. That is just not true. Every member of the Armed Forces today and for the last several years has been required to be subjected to random testing of drugs, every single member, whether he or she is a PFC just in the military or the commanding officer at any base anywhere in the world. So in fact we are not starting with State Department officials. We have been doing it with millions of employees who happen to be in uniform around the world.

Second, the myth that these testing programs are inaccurate, that is just not true. It is true that they are not infallible, but if infallibility were the test, we would all go home. In fact, they are extremely accurate. They have been utilized by the Armed Forces for the last several years.

There are some labs that have been discontinued because they in fact showed that they could not do the job, just as you do in virtually every other situation that we deal with. When you find some person or some organization that does not do the job, you get rid of them.

□ 1750

The process has worked with millions upon millions of tests that have been done by our men and women who are in the Armed Forces.

The other thing that I would just say is that this does go to the question of those dealing with classified information. Some are attacking this on the floor because so many people have access to classified information. That does not go to the question of drug testing, that goes to the question of our classified information system. That goes to the question of the number of people who have classified data. That is an entirely different subject. The question here is, "If you'd entrust with people some information which is considered important enough by their employers to be classified, that may go to the security of the United States, ought not you take those precautions necessary to protect the security of the United States?"

We are not talking about a time in which we have not had scandals involving the security of the United States. We are not talking about a time in which the State Department has been absolutely free of this, or the CIA has been free of it, or the Armed Forces have been free of it. We are talking about a time in which we are in the midst of a slew of scandals which have caused us tremendous difficulty with the security of the United States. I do not think that the American people, and I certainly do not think that their elected representatives, have taken that security problem seriously enough.

Mr. MICA. Mr. Chairman, will the gentleman yield?

Mr. LUNGREN. I yield to the gentleman from Florida.

Mr. MICA. I thank the gentleman for yielding.

Mr. Chairman, I would just like to add that I think that there is about to be an agreement to change the word from "classified" to "secret" and "top secret" so that we can get to those people who really handle the documents that we have concern with.

I would say this: Whether that is worked out or not, there is some constitutional concern, and there are legitimate concerns over the general approach.

Mr. LUNGREN. Mr. Chairman, reclaiming my time. I would say that constitutional concerns in most cases deal with the question of unnecessary or unconstitutional invasions of privacy, in most cases going to the question of criminal activity. Here you are going to the question of a condition of employment. It is a very, very different thing.

The courts have allowed certain tests as conditions of employment under certain circumstances, and if what we are talking about is the national security interests of the United States, people who have access to classified information, I believe that you will find courts finding that that is appropriate and constitutional. The question here is not whether it is constitutional, the question here is whether we think that it is appropriate under the circumstances. I would argue that in the circumstances in which we now find ourselves, it is absolutely necessary.

The other thing is, in my own State of California we now have as a condition of playing on a football team being subject to tests for drugs. We are imposing that on our young people because we think that it is important enough. What about our mature adults who are dealing with security interests of the United States? Do we think that it is important enough to be a condition of playing on athletic teams in high school, competing in the Olympics, playing in the NCAA, playing in the Rose Bowl, yet we do not think that it is important enough to be a condition of employment when you are dealing with security interests of the United States? I find that kind of double standard one very, very difficult to accept, and I think that the American people would find it as well.

Mr. LAGOMARSINO. Mr. Chairman, will the gentleman yield?

Mr. LUNGREN. I yield to the gentleman from California.

Mr. LAGOMARSINO. I thank the gentleman for yielding.

Mr. Chairman, I want to indicate my support for the amendment. It seems to me that the points that the gentleman just made are really the gist of the whole matter here. These are not games that are being played. A lot of damage has been done. How much of that could be prevented if we had this kind of law on the books is open to some question, but I think that it certainly would be better than the present situation. I hope that my colleagues will vote for the amendment.

Mr. LUNGREN. Mr. Chairman, the other point is that not only would people be necessarily involved in giving secrets to our enemies to take care of their drug habit, this would be a condition which would subject them to easy blackmail. It just seems to me for any number of circumstances that we ought to support the amendment.

Mr. DURBIN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, would the gentleman from Florida [Mr. SHAW], the author of the amendment, respond to a few questions?

Mr. SHAW. Mr. Chairman, will the gentleman yield?

Mr. DURBIN. I yield to the gentleman from Illinois.

Mr. SHAW. I thank the gentleman for yielding.

Mr. Chairman, I will be glad to respond to the gentleman's questions.

Mr. DURBIN. Mr. Chairman, I have read the amendment, and I would like to clarify in my own mind the gentleman's intent. I do not see any specific reference in the gentleman's amendment that would require the Secretary of State to test all of the employees who have access to classified information. Is that a correct conclusion?

Mr. SHAW. It requires him to establish and implement the testing program for the employees. I interpret that as a direction from Congress that he do so. However, if the Secretary of State decides not to, there may be some weasel words in there that he could wiggle out with, but I view it as a mandate from the Congress of the United States.

Mr. DURBIN. I think that the gentleman's amendment does mandate the establishment of a program. It does not mandate that every employee be tested, not does it mandate that it be a mandatory test. If the Secretary of State should decide to establish a voluntary test for such employees or a mandatory test for a random sample of those employees, it would seem to comply with the language of the gentleman's amendment. I would like to get the legislative intent clear at this point.

Mr. SHAW. I would say as far as legislative intent is concerned that a random testing could be very possible. I think that it is very important to realize what we are after. We are not after any employee to catch him, to punish him, to fire him, or anything else. This is meant simply as a deterrent against the use of drugs. We do not want people who have access to classified information using drugs, period.

Mr. DURBIN. Has the Secretary of State testified before the Committee on Foreign Affairs and suggested that he would oppose random testing of employees for drugs?

Mr. SHAW. The gentleman would have to address that question to someone else.

Mr. DURBIN. It is my understanding, and I can stand corrected from someone who has better information, that the Secretary of State has no opposition to testing as to drugs. He does have some resistance to polygraph testing. If I understand this correctly, I am not sure that he would find the gentleman's suggestion objectionable, if he is calling for random testing that does not involve every employee of the Department of State.

I also notice that there are no penalty provisions in the gentleman's amendment. In other words, if an employee is found to have a drug habit of some kind or an addiction of some kind, it does not require his dismissal or his being discharged from employment. Is that correct?

Mr. SHAW. The gentleman is absolutely correct. As a matter of fact, anybody who has put together these drug programs on any massive basis will tell you, and I am sure that the gentleman knows, the first thing that you should do is protect confidentiality; the second thing that you should do is try counseling to rehabilitate the particular employee, and perhaps during this period in a classified situation I would hope that he would not be given further access to particular sensitive information. But this is not in any way meant to try to in any way damage the employee or hurt him.

Mr. DURBIN. I would say that there is one other element that the gentleman has just mentioned that is very important to me, and that is that in the report to Congress there is no requirement that the Secretary of State protect the confidentiality of those tested. The gentleman and I assume that, but I wonder in something as delicate and sensitive as this whether there should be some provision or clause protecting the confidentiality of those tested.

Mr. SHAW. I think that this is one area in which the gentleman from Maryland and I agree entirely, and I think that if these results were to be made public, that it would be an improper invasion of the civil rights of the individual, and I would oppose that type of conduct, unless it were the subject of a criminal investigation.

Mr. HOYER. Mr. Chairman, will the gentleman yield?

Mr. DURBIN. I yield to the gentleman from Maryland.

Mr. HOYER. I thank the gentleman for yielding.

Mr. Chairman, I would like to again make the point that while the gentleman and I disagree on the random-testing issue, I believe that it is going to go forward. The answer to the question of the gentleman from Illinois is, the Executive order which has been promulgated provides for all of the issues that he asked the gentleman from Florida about. The language that is currently in the Treasury-Postal bill adopted by the subcommittee, going to the full committee, provides for the executive department to identify sensitive employees. They have indicated that security and safety are two of their criteria, so that these employees would fall within that—and provides further for the procedural safeguards and the certification of the accuracy of testing. So it provides for everything that the gentleman from Florida wants. The difference is that it will provide it uniformly, across the board, affecting every department in a uniform way.

I would urge the Members of this House not to move precipitously. This language is very general, does not provide for the procedural safeguards that the gentleman from Illinois asked about, and we have coming in a very few days language which will effect the end that the gentleman seeks.

AMENDMENT OFFERED BY MR. SMITH OF FLORIDA TO THE AMENDMENT OFFERED BY MR. SHAW

Mr. SMITH of Florida. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

> Amendment offered by Mr. SMITH of Florida to the amendment offered by Mr. SHAW: At the end of subsection (a), after "classified information" insert "which is classified at the level of secret or top secret".

Mr. SMITH of Florida. Mr. Chairman, I think that this amendment is fairly self-explanatory. The original offering by my good friend, the gentleman from Florida [Mr. SHAW], is, in the opinion of a lot of us on this side, and I think some on the other side, a little too broad.

When you are dealing with the State Department and then with the words "classified information," what you have is a situation where about 95 percent of all of the employees of the Department in fact could qualify under that for drug testing, and we feel that that is probably inappropriate. I do not believe that the gentleman from Florida really wanted the reach of the drug testing to extend that far. It would probably include a lot of secretaries who have access to information which is of no real merit to most people or to those small few that want to get in there and steal that information.

By reducing the impact to those and the qualification for tests to those who are classified as "secret" or "to secret," what you do is limit it to the very few who are handling the sensitive kind of information that almost all in this body have agreed is the information which we have to safeguard and are the kind of people in fact who must be determined to be drug-free in order to achieve that kind of designation. So I would hope that the gentleman from Florida would accept the amendment.

□ 1800

Mr. SHAW. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Florida. I am happy to yield to the gentleman from Florida.

Mr. SHAW. Mr. Chairnman, I have discussed this particular amendment with my friend, the gentleman from Florida [Mr. SMITH].

Whereas I generally am in favor of expanding the inclusion within the drug testing, my specific intent with this amendment is to get at the person who is carrying around national secrets, the exposure of which could be damaging to our security. Because of that, I feel that the gentleman has improved upon the marksmanship of my amendment, and I would certainly be glad to support it and certainly agree to it.

Mr. SMITH of Florida. I appreciate the gentleman. The reality of it is we are not going to be in a situation where we are testing people and find them drug free, and then have them go out and sell classified documents anyway, I mean top secret documents. We want to be sure are getting at the people who are there for the purpose of exchanging somewhat that classification for an obligation to be tested. That is what we have talked about in the past. It is the quid pro quo. If you are getting something unique, a national security clearance, there ought to be the ability to possibly test you.

Mr. WILLIAMS. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Florida. I am happy to yield to the gentleman from Montana.

Mr. WILLIAMS. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, my earlier questions of the chairman had to do with the numbers of people that would have access to all classified information. Can the gentleman now tell me how much his amendment would narrow the numbers of people that would have access to secret and top secret information?

Mr. SMITH of Florida. This would take the number from approximately 9,000 people in the State Department down to somewhere around 3,000 people in the State Department by eliminating the lowest level of classification, which is confidential.

Mr. WILLIAMS. I thank the gentleman.

Mr. HOYER. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Florida. I am happy to yield to the gentleman from Maryland.

Mr. HOYER. Mr. Chairman, I, of course, am not going to oppose the amendment. The amendment is more specific and more delineated.

But let me say to my friends from the State of Florida who has offered the amendment that my objection at this point in time is not to the numbers involved, but it is to the fact that within a very few days we are going to have on this floor an answer to the questions that have been raised regarding the accuracy of testing, the protection of employee rights and the scope of testing itself. If that is the case, we ought not to do it agency by agency.

Those definitions will be set by the Executive department, the President, the OMB, OPM, and the individual agencies, the Secretaries. We ought not at this point in time move at this juncture for a specific agency when an overall procedure has been established.

Furthermore, to do so will be more expensive and less efficient.

Furthermore, I say to my two friends from Florida that, in fact, under the language that is in the Treasury-Postal bill right now testing will be required before the gentleman's amendment requires it. It will be within probably 120 days rather than 360 days.

Mr. SMITH of Florida. If I can reclaim my time, let me just say I am very sensitive to the gentleman's statement and to the understanding that he has of the issue.

Let me just say I would hope that in the negotiations which are being gone through right now and the possibility of a final conclusion coming to the floor that there should be superseding language which would then obviate anything we may do here for the sake of uniformity across the face of government, and I would hope that would happen.

Mr. BARTON of Texas. Mr. Chairman, I move to strike the last word.

Mr. Chairman, due to the lateness of the hour I will not use my entire time.

Mr. MICA. Mr. Chairman, will the gentleman yield?

Mr. BARTON of Texas. I yield to the gentleman from Florida.

Mr. MICA. Mr. Chairman, I would like to announce to Members who come to the floor that we have agreed to have a vote no later than 6:05.

Mr. BARTON of Texas. I understand. I have been waiting an hour and a half to speak.

Mr. MICA. So this would be the last speaker.

Mr. BARTON of Texas. Mr. Chairman, I rise in support of the amendment as amended.

Very briefly I will make a few comments. To the extent that the Supreme Court has ruled on this issue recently it has ruled that drug testing is permissible. On June 1 it allowed to go forward the drug testing program that the Customs agencies had put into effect or wanted to put into effect down in Louisiana. I believe the vote on that was 8 to 1.

There was also a recent Supreme Court ruling that allowed a random drug testing to go forward for horse-racing jockeys.

Much has been said about fourth amendment rights and the Constitution. The courts have ruled that drug testing is a reasonable search, that it is not an unreasonable search, and that is what the fourth amendment is addressed to, unreasonable searches and seizures.

So, for these reasons, I think this is a good amendment and should be adopted.

Mr. Chairman, I rise in support of the amendment as amended. I commend my friend from Florida for bringing the issue of drug testing to the attention of our colleagues. While the issue before us today is the specific testing of State Department employees with access to secret and top secret documents, I hope my colleagues will view this as a positive first step in implementing the President's Executive order of September 15, 1986 that called for drug testing of Federal employees in sensitive positions. We need to reconfirm our commitment to establishing a drug-free America by ensuring a drug-free Federal work place. The Federal work force must set the example for the Nation in waging the war on drugs.

The need to test employees of the State Department has been well articulated by my colleagues, and I agree that the national security of our Nation should not be compromised by individuals whose actions are influenced and whose judgment is clouded by the use of illegal drugs. However, I would like to inform the gentleman from Maryland of a recent Supreme Court ruling that addressed his concerns that drug testing violated the fourth amendment and represented an unreasonable search and seizure. On June 1, the Supreme Court ruled 8 to 1 to allow the U.S. Customs Service to continue its mandatory drug testing program of employees seeking promotion to key positions. The highest Court also recently declined to review two lower court rulings upholding random drug testing for jockeys and bus drivers involved in accidents. I am confident these actions by the Supreme Court will effectively allow the heads of the respective agencies to go ahead with their drug testing programs.

I urge my colleagues to support this amendment and remember that this vote is only the beginning in implementing drug testing to the full extent of the Executive order delivered by the President. We should continue to do whatever it takes legislatively to ensure that the Federal Government is drug free. It is time to stop putting up road blocks and applying stall tactics to discourage drug testing and show the American people and the world that we are serious about fighting drugs and establishing a drug free Federal work force.

Mr. WORTLEY. Mr. Chairman, will the gentleman yield?

Mr. BARTON of Texas. I yield to my friend, the gentleman from New York.

Mr. WORTLEY. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I rise in support of the amendment being offered by my colleague and friend from Florida. This amendment is necessary to make sure that employees of the Department of State who have access to classified information are not under the influence of any controlled substance.

On any given day, information which is highly sensitive and classified, and which directly affects the security of our country, is handled by a variety of Federal employees. We must be able to confidently say that the individuals that have access to this material have the clear, cognitive and rational ability to properly make decisions which will affect our national security. Time and time again, our national media informs us that national security has once again been breached in some location. Time and time again, we hear another secret has fallen into the wrong hands. I rise to say enough "time and time agains."

The Department of Transportation has seen the need to test for controlled substance abuse in the Nation's airline and railroad industries. In particular, the Nation's railroads have experienced the disastrous effects of substance abuse in its industry. We should not wait for a disaster to happen in our national security posture before we act. The time to act is now. The Shaw amendment does not seek to deny any rights to an individual but rather it seeks to protect the rights of citizens to a secure country. It seeks to prevent a catastrophe from happening. One has only to see the effects of an addictive controlled substance on an individual's life and the potential for adverse consequences in our national security becomes quite clear.

Again, we cannot afford to stand by and risk irresponsible handling of highly sensitive material and the possible misuse of our Nation's most guarded secrets. I urge my colleagues to support the Shaw amendment as amended to test certain State Department employees for controlled substances.

Mr. BARTON of Texas. Mr. Chairman, I yield back the balance of my time.

Mr. KENNEDY. Mr. Chairman a vote in favor of this amendment would require drug testing of State Department employees with access to secret or top secret materials. I rise in strong opposition to this mandatory testing requirement.

The first objection to this testing is unreliability. I am told by the staff of the gentleman from Florida that it is likely that the State Department would opt for urinalysis rather than blood testing for reasons of cost and convenience. Urinalysis is notoriously unreliable: Who knows how many senior diplomats will be wrongfully indicted by these mandatory tests? A poppy seed bagle for breakfast can yield a positive result on some tests. The probability of error is simply too high.

A second factor is the invasion of personal rights of privacy. If the fourth amendment means anything in this bicentennial year of the Constitution, it means that citizens—whether or not they are Government employees—are entitled to be secure in their person from unjustified searches. To require Americans to submit to drug testing without any reasonable basis or suspicion is an intrusion unprecedented in our history. To argue that this gross invasion of privacy is a condition of Government employment is to put public servants to a cruel choice between abandoning their constitutional rights or abandoning their careers. In what sense is "Fill the bottle or you're fired," a fair and voluntary choice?

Drug abuse is a problem throughout our society, and the State Department is not immune from the plague of chemical dependency. There is a real risk that an employee could be blackmailed or compromised as a result of a drug problem. If a supervisor has a reasonable basis to suspect a particular individual of drug abuse, or if the employee's performance is substantially impaired, then the supervisor should certainly be able to ask the person to submit to a reliable drug test. If the amendment established a standard of probable cause as a prerequisite for a drug test, it would have my support. But this amendment takes the person-to-person element out of the loop and substitutes a random and unreliable chemical test for human judgment.

A final reason to oppose this misguided, heavy-handed, and arbitrary policy is the simple need for trust. A sound Government must place its trust in public servants if it expects those servants to be trustworthy in return. When we reach the point where senior officials of the world's greatest democracy cannot be trusted to remain drug-free, we have reached a sorry era in American history.

Let's remember that we are talking about people to whom we have entrusted a security classification of secret or top secret—roughly 7,000 to 9,000 employees. What reason do we have to believe that they have betrayed that trust? By forcing these people to submit to drug testing, we send a message that we do not trust them. Mr. Chairman, if we want public servants who are worthy of our trust, we must place our trust in them, at least until there is evidence to suggest abuse of that trust.

The House will undoubtedly approve this provision today because we are frustrated. All of us want to do something about the drug problem in this Government and in this country, and we are frustrated by the lack of effective weapons to fight the war on drugs. But that frustration should not lead us to endorse a policy without safeguards, without reliability, without probable cause or personal judgment. What we do today will spread throughout the Government and may effect pending litigation on the legality of drug testing for Federal employees. I for one raise my voice in strong opposition to a policy that so cavalierly ignores the basic rights of privacy of honest Americans and decent public servants.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Florida [Mr. SMITH] to the amendment offered by the gentleman from Florida [Mr. SHAW].

The amendment to the amendment was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Florida [Mr. SHAW], as amended.

The question was taken; and the Chairman announced that the ayes appeared to have it.

RECORDED VOTE

Mr. HOYER. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 307, noes 103, not voting 23, as follows:

[Roll No. 183]

AYES—307

Alexander
Anderson
Andrews
Anthony
Applegate
Archer
Armey
AuCoin
Badham
Baker
Ballenger
Barnard
Bartlett
Barton
Bateman
Bates
Bennett
Bentley
Bereuter
Bevill
Biaggi
Bilbray
Bilirakis
Bliley
Boehlert
Boland
Bonker
Bosco
Boucher
Boulter
Brooks
Broomfield
Bruce
Bryant
Buechner
Bunning
Burton
Bustamante
Byron
Callahan
Campbell
Carper
Carr
Chandler
Chapman
Chappell
Cheney
Clarke
Clinger
Coats
Coble
Coleman (MO)
Coleman (TX)
Combest
Conte
Cooper
Coughlin
Courter
Craig
Crane
Crockett
Daniel
Dannemeyer
Darden
Daub
Davis (IL)
Davis (MI)
de la Garza
DeLay
Derrick
DeWine
Dickinson
Dicks
DioGuardi
Donnelly
Dorgan (ND)
Dornan (CA)
Dowdy
Dreier
Duncan
Durbin
Dwyer
Dyson
Early
Eckart
Edwards (OK)
Emerson
English
Erdreich
Espy
Fascell
Fawell
Feighan
Fields
Fish
Flippo
Frenzel
Frost
Gallegly
Gallo
Gaydos
Gibbons
Gilman
Gingrich
Glickman
Gonzalez
Goodling
Gordon
Gradison
Grandy
Grant
Gray (IL)
Gregg
Guarini
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Hansen
Harris
Hastert
Hatcher
Hayes (IL)
Hayes (LA)
Hefley
Hefner
Henry
Herger
Hiler
Holloway
Hopkins
Horton
Houghton
Howard
Hubbard
Huckaby
Hughes
Hunter
Hutto
Hyde
Inhofe
Ireland
Jenkins
Johnson (CT)
Johnson (SD)
Jones (NC)
Jones (TN)
Kanjorski
Kasich
Kemp
Kennelly
Kolbe

Kolter
Konnyu
Kyl
Lagomarsino
Lancaster
Lantos
Latta
Leath (TX)
Lehman (CA)
Lent
Lewis (CA)
Lewis (FL)
Lightfoot
Lipinski
Livingston
Lloyd
Lott
Lowery (CA)
Lujan
Lukens, Donald
Lungren
Mack
MacKay
Madigan
Marlenee
Martin (IL)
Martin (NY)
Martinez
Matsui
Mazzoli
McCandless
McCollum
McCurdy
McDade
McEwen
McGrath
McMillan (NC)
Meyers
Mica
Michel
Miller (OH)
Miller (WA)
Moakley
Molinari
Mollohan
Montgomery
Moorhead
Morrison (WA)
Murphy
Murtha
Myers
Natcher
Neal
Nelson
Nichols
Nielson
Olin
Ortiz
Oxley
Packard
Parris
Pashayan
Patterson
Penny
Pepper
Petri
Pickle
Porter
Price (IL)
Price (NC)
Pursell
Quillen
Rahall
Ravenel
Regula
Rhodes
Richardson
Ridge
Rinaldo
Ritter
Roberts
Robinson
Roe
Rogers
Rose
Roth
Roukema
Rowland (GA)
Saiki
Saxton
Schaefer
Schneider
Schroeder
Schuette
Schulze
Sensenbrenner
Sharp
Shaw
Shumway
Shuster
Skeen
Skelton
Slattery
Slaughter (VA)
Smith (FL)
Smith (NE)
Smith (NJ)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Snowe
Solomon
Spence
Spratt
St Germain
Staggers
Stallings
Stangeland
Stenholm
Stratton
Stump
Sundquist
Sweeney
Swindall
Tallon
Taylor
Thomas (CA)
Thomas (GA)
Torricelli
Traficant
Traxler
Udall
Upton
Valentine
Vander Jagt
Volkmer
Vucanovich
Walgren
Walker
Watkins
Weber
Weldon
Whittaker
Whitten
Williams
Wilson
Wise
Wortley
Wyden
Wylie
Yatron
Young (AK)
Young (FL)

NOES—103

Akaka
Aspin
Atkins
Beilenson
Berman
Borski
Boxer
Brennan
Cardin
Clay
Coelho
Collins
Coyne
DeFazio
Dellums
Dixon
Downey
Dymally
Edwards (CA)
Evans
Fazio
Flake
Florio
Foglietta
Ford (MI)
Frank
Gejdenson
Gekas
Gray (PA)
Green
Hawkins
Hertel
Hochbrueckner
Hoyer
Jacobs
Jeffords
Jontz
Kaptur
Kastenmeier
Kennedy
Kildee
Kostmayer
LaFalce
Leach (IA)
Lehman (FL)
Leland
Levin (MI)
Levine (CA)
Lewis (GA)
Lowry (WA)
Luken, Thomas
Manton
Markey
Mavroules
McCloskey
McHugh
McMillen (MD)
Mfume
Miller (CA)
Mineta
Moody
Morella
Morrison (CT)
Mrazek
Nagle
Nowak
Oakar
Oberstar
Obey
Owens (NY)
Panetta
Pease
Pelosi
Perkins
Pickett
Rodino
Rowland (CT)
Roybal
Russo
Sabo
Savage
Sawyer
Scheuer
Sikorski
Skaggs
Smith (IA)
Solarz
Stark
Stokes
Studds
Swift
Synar
Tauke
Torres
Towns
Vento
Visclosky
Waxman
Weiss
Wheat
Wolf
Wolpe
Yates

NOT VOTING—23

Ackerman
Annunzio
Boggs
Boner (TN)
Bonior (MI)
Brown (CA)
Brown (CO)
Conyers
Dingell
Foley
Ford (TN)
Garcia
Gephardt
Kleczka
Owens (UT)
Rangel
Ray
Roemer
Rostenkowski
Schumer
Sisisky
Slaughter (NY)
Tauzin

☐ 1815

Messrs. SAWYER, COYNE, JACOBS, LELAND, PANETTA, SWIFT, and NOWAK changed their votes from "aye" to "no."

So the amendment as amended was agreed to.

The result of the vote was announced as above recorded.

Mr. RANGEL. Mr. Chairman, I rise in support of H.R. 1777, the Foreign Relations Authorization Act, fiscal years 1988 and 1989. This bill authorizes appropriations of $3,903,603,000 for 1988 and $4,596,109,000 for 1989 for the Department of State, the U.S. Information Agency, the Board for International Broadcasting, and the Asia Foundation.

As chairman of the Select Committee on Narcotics Abuse and Control, I particularly want to offer my support for part D of title I of the bill relating to international narcotics control.

Section 161 would require a minimum of two Drug Enforcement Administration [DEA] agents to be assigned to any U.S. mission abroad where the Secretary of State has determined that a DEA office is needed. The Foreign Affairs Committee report on H.R. 1777 notes that this provision is intended to apply to existing DEA posts abroad as well as to those opened after enactment of the bill. The committee is concerned that the DEA office in Cairo, where one agent is now responsible not only for Egypt but also almost 30 other African countries, be increased to at least two agents.

I agree wholeheartedly with this provision. For reasons of safety and efficiency, the assignment of no less than two DEA agents to our DEA offices abroad makes good sense.

Section 162 broadens the existing requirement for quarterly State Department reports to Congress on the progress of the Camarena case to include information on the case involving DEA agent Victor Cortez, Jr., too. In February 1985, DEA agent Enrique Camarena Salazar and his pilot, Alfredo Zavala Avelar, were kidnapped and murdered in Mexico. The Foreign Relations Authorization Act for fiscal years 1986 and 1987 included a requirement for quarterly reports to Congress on the progress of the Camarena investigation. Subsequently, in August 1986, Victor Cortez was detained and tortured for several hours by Mexican officials. Section 162 will require the quarterly reports on the Camarena case to include information as well on the progress made in investigating and prosecuting those responsible for the Cortez incident.

In testimony presented to the Select Committee on Narcotics on March 25 of this year, the State Department said that a major suspect in the Camarena killing was arrested in Mexico recently. Nonetheless, in the more than 2 years since the Camarena and Zavala murders, there have been no prosecutions or convictions. The lack of any real progress in this case justifies the continuing requirement for regular reports to Congress on the Camarena investigation, and the intervening arrest and torture of Victor Cortez warrants the inclusion in this bill of the added requirement for periodic information on the progress of the Cortez case.

Section 163 of the bill requires that U.S. missions in major illicit drug producing and trafficking nations give greater priority to the negotiation and implementation of effective extradition treaties to ensure that drug traffickers can be extradited to the United States for prosecution.

As the report by the Foreign Affairs Committee points out, extradition of a country's citizens to stand trial in the United States on drug charges is a difficult bilateral issue to pursue. Ideally, a country should have the means to investigate, arrest, prosecute, and incarcerate its own nationals who are involved in illicit drug trafficking. A major goal of U.S. international narcotics control assistance should be to help major drug producing and transit nations develop this capacity.

Extradition, however, can be an important tool. The gentleman from New York [Mr. GILMAN], who serves as the select committee's ranking minority member, and I recently returned from Colombia where we represented the Speaker at the meeting of the Andean Parliament. We found that the Government of Colombia is virtually paralyzed in its narcotics enforcement efforts. The drug trafficking organizations have declared war on Colombia and are engaged in a campaign of fear, violence, and intimidation to prevent the government from moving against them. Arrests of major traffickers are rarely made. Because of fear and intimidation, the civilian courts in Colombia are unable to prosecute major drug traffickers. The Colombian supreme court has invalidated the authority for the military courts to prosecute drug cases. Extradition to the United States was the threat traffickers feared most, but the Colombian supreme court recently struck down the resolution implementing the extradition treaty with the United States.

Colombia is but one example of a country that is unable to effectively prosecute drug dealers on its own. Similar problems exist in Bolivia, Peru, and other nations as well. Under these circumstances, the negotiation and implementation of effective extradition treaties should be a high priority of our missions in major drug producing and trafficking countries as we try to help them develop their own investigative and prosecutional capacity. I support the inclusion of section 163 in the bill.

Finally, section 164 requires the Secretary of State to report to Congress within 90 days on the status of a comprehensive information sharing system on drug arrests of foreign nationals. This system is intended to ensure that foreign drug traffickers are denied visas to enter the United States. The system was required to be set up under the Foreign Relations Authorizations Act for fiscal years 1986 and 1987. I supported the original establishment of this system and concur in the Foreign Affairs Committee's determination to require a full accounting from the executive branch as to the implementation of this system.

Mr. Chairman, in closing, I must take this opportunity to express my deep concern for a problem that is not being addressed by this legislation. I am shamefully aware of the discriminatory hiring practices at the Department of State, the Agency for International Development, and the U.S. Information Agency. Despite the fact that in 1980 Congress enacted legislation requiring the Foreign Service agencies to aggressively seek an increase in the numbers of blacks, Hispanics, Asian-Americans, and women hired in these agencies, there has been an appalling decline in minority representation in our principal foreign affairs agencies. While I will support this legislation because of my commitment to eradicating the international drug problem, I must admit that I am not completely supportive of the measure. I am dismayed by the committee's lack of action on this particular issue and demand that immediate congressional attention be given to securing enforcement of the Foreign Service Act of 1980.

Mr. MICA. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

☐ 1830

Accordingly the Committee rose; and the Speaker pro tempore [Mr. WEISS], having assumed the chair, Mr. SWIFT, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 1777) to authorize appropriations for fiscal years 1988 and 1989 for the Department of State, the U.S. Information Agency, and for other purposes, had come to no resolution thereon.

GENERAL LEAVE

Mr. MICA. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 1777, the bill just considered.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

REPORT CONCERNING NATIONAL EMERGENCY WITH RESPECT TO IRAN—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 100-84)

The SPEAKER pro tempore (Mr. WEISS) laid before the House the following message from the President of the United States; which was read and, without objection, referred to the Committee on Foreign Affairs and ordered to be printed.

(For message, see proceedings of the Senate of today, Tuesday, June 16, 1987.)

ANNUAL REPORT OF CORPORATION FOR PUBLIC BROADCASTING FOR FISCAL YEAR 1986—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and together with the accompanying papers, without objection, referred to the Committee on Energy and Commerce.

(For message, see proceedings of the Senate of today, Tuesday, June 16, 1987.)

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 2342, COAST GUARD AUTHORIZATION ACT OF 1987

Mr. PEPPER, from the Committee on Rules, submitted a privileged report (Rept. No. 100-156) on the resolution (H. Res. 195) providing for the consideration of the bill (H.R. 2342) to authorize appropriations for the Coast Guard for fiscal year 1988, and for other purposes, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 281, BUILDING AND CONSTRUCTION INDUSTRY LABOR LAW AMENDMENTS OF 1987

Mr. PEPPER, from the Committee on Rules, submitted a privileged report (Rept. No. 100-157) on the resolution (H. Res. 196) providing for the consideration of the bill (H.R. 281) to amend the National Labor Relations Act to increase the stability of collective bargaining in the building and construction industry, which was referred to the House Calendar and ordered to be printed.

FILING OF AMENDMENTS TO LABOR BILL

(Mr. PEPPER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PEPPER. Mr. Speaker, I wish to call the attention of the Members of the House to the fact that one of the rules, the rule on H.R. 281, the labor bill, allows Members up until the close of business in the House this evening to file any amendments that the Members have to that bill.

I hope all Members who have amendments will be able to get them in by the close of the House business, if not already done so.

Mr. WALKER. Mr. Speaker, will the gentleman yield?

Mr. PEPPER. I yield to the gentleman from Pennsylvania.

Mr. WALKER. Mr. Speaker, is this the first notice that Members have had if the Member wants amendments to the bill, that that Member would have to have them in by tonight?

The House is just about to go out here, and it seems to me that this is reasonably inadequate notice.

Mr. PEPPER. The House Committee on Rules tries to exercise its best judgment in respect to each bill where the request is made by the chairman of the committee, or the chairman of the subcommittee, asking that amendments to the bill be required to be filed by such a time.

We try to take into account all the facts and circumstances, and give an opportunity to the speaking chairman, or the chairman of the subcommittee, to give the reasons why they think it is desirable to make that requirement of the rule.

We are very reluctant to do that, because we know it is an interference with the prerogative—it was announced last Wednesday on the floor by the chairman of the committee that that would be the request of the chairman of the Committee on Rules.

The gentleman also stated, I think, that the gentleman would like the requirement for the amendments to be filed by the close of business yesterday. We did not agree to that request, but at today's hearing, the Committee on Rules allowed the request to be up to the close of business this evening.

Mr. WALKER. If the gentleman would yield further, I understand that the Committee on Rules is very reluctant to do these kinds of things; but it seems to me that we are now setting a new standard.

We have now had a situation where the Committee on Rules did not announce that Members should have these things in. We now have some committee chairmen coming to the floor announcing the fact that we are going to have a limitation on amendments, the Committee on Rules buying off on that, and then coming to the floor when the House is just about to adjourn and explain to Members that for an amendment to be considered tomorrow, they will have to have all their amendments in the RECORD tonight.

That could literally mean if we do not have very many people here take their special order time, that within a matter of 10 or 15 minutes, if the amendments are not in the RECORD, the Members will lose their rights to offer an amendment tomorrow.

The SPEAKER pro tempore. The time of the gentleman from Florida [Mr. PEPPER] has expired.

TOO MANY CLOSED RULES

(Mr. WALKER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WALKER. Mr. Speaker——

Mr. PEPPER. Mr. Speaker, will the gentleman yield?

Mr. WALKER. I yield to the gentleman.

Mr. PEPPER. Mr. Speaker, I thank the gentleman for yielding.

The chairman of the Committee on Education and Labor made the announcement on the floor last Wednesday that the chairman was going to make that request.

In the second place, the Committee on Rules had this matter up this morning; and a number of Members were there, and we announced then what the rule was going to be, not as of the close of business yesterday, but for the reasons that seemed justifiable to us, at the close of business today.

I say to the gentleman from Pennsylvania, we are going to be rather sparing about such requirements. We do not like to interfere with the regular order of the House in the offering of amendments, unless an occasion does seem to justify it.

There have already been over 20 amendments, as I recall, which were heard this morning. One Member had offered 16 already this morning at the Committee on Rules, and another Member said that 3 had been offered; and another Member said that Member had offered 1. So to my knowledge, at least 20 amendments have already been offered.

□ 1845

Mr. WALKER. Well, I appreciate the gentleman's explanation, but——

Mr. PEPPER. We do this with reluctance and only when in a particular case it seems justified.

Mr. WALKER. Well, I would say to the gentleman that it is getting harder and harder for us on this side of the aisle to buy the idea that the Rules Committee does this with reluctance. Seventy-five percent or more of the rules that are brought to the floor this year have been closed rules, so it is not being done with reluctance. It is being done as a matter of course. Now all of sudden we are going to have a new standard that suggests that under those closed rules the Members may have a total of about 5 or 10 minutes to get their amendments into the RECORD. That is just not an appropriate way to proceed.

I would hope that the Rules Committee would get far more reluctant about this kind of procedure.

Mr. PEPPER. We have been very sparing. We would be very sparing in the exercise of that authority.

Mr. WALKER. Mr. Speaker, I thank the gentleman.

□ 1225

LITTLE HOOVER COMMISSION

(Mr. WOLF asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. WOLF. Mr. Speaker, I am introducing legislation today which would establish a bipartisan commission to investigate, study, and recommend changes in the U.S. civil service system. The panel would be organized in a similar fashion as the Truman-appointed Hoover Commissions of 1947 and 1952 which included appointees by the House and Senate leadership and the President who studied the organization and functions of the executive branch of government.

I am proposing that a "Little Hoover Commission" be established to provide a broad, objective perspective on issues which affect the civil service including pending initiatives and personnel practices. Among the issues to be addressed would be civil service retirement and its funding, Federal employee personnel policies, appropriate levels of pay and benefits, and other vital issues which go to the heart of Federal employment and the civil service's ability to render quality services to the American people.

For this Commission, I believe it would be appropriate to enlist the service of respected Americans such as former President, Gerald Ford and David Henderson, former chairman of the House Post Office and Civil Service Committee. In order to make the long-term, realistic proposals for the civil service and the future of our country, this Commission must be composed of men and women who are leaders in their fields with outstanding records of achievement in both the private and public sectors. I believe that President Ford is a particularly exemplary candidate because no chief executive has been asked to serve in an official policymaking position since the President Truman initiative to appoint former President Hoover.

This commission would be strictly bipartisan in makeup and comprised of individuals who can make recommendations to the Congress and the President in a timely manner. Only by working in a bipartisan manner can we hope to make the decisions which can provide equitable and effective policies for the civil service. I urge my colleagues to join me in cosponsoring this legislation.

A section-by-section analysis of this legislation and the bill itself follows:

"LITTLE HOOVER COMMISSION"—SECTION-BY-SECTION ANALYSIS

Section 1. This act may be cited as the "Little Hoover Commission."

Section 2. This act establishes a commission.

Section 3. In order tro ensure that quality government services are rendered to the American people and that the individuals commissioned with the task of providing those services are treated properly and compensated appropriately, this commission is set up to review current personnel pay and practices and to consider current private and public sector practices, cost concerns, and expectations federal employees have from the government.

It is also the purpose of this commission to study the history and development of the federal civil service system since its inception in 1883 and to make recommendations on methods for ensuring its continued high level of performance or providing for its further improvement, as the Commission determines appropriate. The Commission shall consider:

(1) the civil service retirement and disability system,

(2) pay and benefits for employees under the civil service system,

(3) federal personnel practices,

(4) the labor-management relations system for federal employees, and

(5) such other matters as the Commission considers appropriate.

Section 4. To ensure the integrity of the Commission and to establish a bipartisan panel, the Commission will be composed of 15 members appointed by the President, the Speaker of the House of Representatives, and the President Pro Tempore of the Senate (each having 5 appointments). Each of the above named appointers will appoint 2 Democrats, 2 Republicans, and 1 nonaffiliated individual. Each group of five should have two, but not more than three, individuals from the private sector.

Terms of service shall be for the life of the Commission.

Section 5. The Commission shall appoint and fix the pay of such staff as it considers appropriate.

Section 6. The Commission will have the ability to request and acquire information as needed in achieving the goals set forth in this act.

Section 7. The Commission shall report to the House, Senate, and President within 10 days of the convening of the 2nd session of the 101st Congress. All recommendations made by the Commission shall be accompanied by provisions specifying the method and period of time over which such recommendations may be phased in without causing undue interruption to government operations and specifying population of individuals to be affected by these recommendations. The President shall submit legislative proposals in conjunction with the Commission's findings.

Section 8. The Commission will expire 90 days after submitting its report to Congress.

Section 9. This act appropriates whatever funds may be necessary to implement its provisions.

H.R. 2699

A bill to establish the Special Commission on Civil Service Policy, Compensation, and Benefits

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. ESTABLISHMENT.

There is established a commission to be known as the Special Commission on Civil Service Policy, Compensation, and Benefits (hereinafter in this Act referred to as the "Commission").

SEC. 2. POLICY; PURPOSE.

(a) POLICY.—It is hereby declared to be the policy of Congress that appropriate terms of Federal employment should be provided to ensure that quality Government services continue to be rendered to the American people, that such terms should reflect the proper treatment and compensation of employees charged with the task of providing such services, and that such terms should incorporate personnel practices (taking into consideration those successfully applied in the private sector or other governmental institutions, and those effectively used in the Federal Government) that allow desired levels of cost-efficiency to be achieved without sacrificing the Government's commitment to preserving the interests and expectations of its employees.

(b) Purpose.—In carrying out the policy set forth in subsection (a), it is the purpose of the Commission to study the history and development of the Federal civil service system since its inception, and to make recommendations on methods for ensuring its continued high level of performance or providing for its further improvement, as the Commission determines appropriate. The Commission shall consider—

(1) the civil service retirement and disability system, including methods and sources of funding, offsets (if appropriate) in the case of individuals entitled to annuities under one or more Government retirement systems, benefit levels, eligibility requirements, and disability and survivor benefits;

(2) pay and benefits for employees under the civil service system, including within-grade and quality step-increases, comparability pay increases, leave policies, health benefits, and life insurance;

(3) Federal personnel practices, including those relating to hiring and retention, training, promotions, and performance appraisal systems;

(4) the labor-management relations system for Federal employees, including grievance, arbitration, and appeal procedures; and

(5) such other matters as the Commission considers appropriate.

SEC. 3. MEMBERSHIP.

(a) In General.—The Commission shall be composed of fifteen members as follows:

(1) five individuals appointed by the President;

(2) five individuals appointed by the Speaker of the House of Representatives in consultation with the minority leader of the Senate; and

(3) five individuals appointed by the majority leader of the Senate in consultation with the minority leader of the House of Representatives.

(b) Requirements for Certain Members.—Of the individuals appointed under paragraphs (1), (2), and (3) of subsection (a)—

(1) at least two, but not more than three, of the individuals appointed under each such paragraph shall be appointed from persons who are not officers or employees of any government, and who are specifically qualified to serve on the Commission by virtue of their education, training, or experience; and

(2) four of the individuals appointed under each such paragraph shall be appointed from persons from either of the two major political parties (two from each party), and one individual shall be appointed from persons unaffiliated with any political party.

(c) Vacancies.—A vacancy in the Commission shall be filled in the manner in which the original appointment was made.

(d) Government Employment.—(1) If any member of the Commission who was appointed to the Commission as an officer or employee of any government leaves office or is separated from service as such an employee, or if any member of the Commission who was appointed from persons who are not officers or employees of any government becomes an officer or employee of a government, that individual may continue as a member of the Commission for not longer than the thirty-day period beginning on the date that such individual leaves that office or is separated from service, or becomes such an officer or employee, as the case may be.

(2) Service as a member of the Commission shall not be discontinued because of paragraph (1) in the case of an individual who has served as a member of the Commission for a period of fifteen calendar months or more.

(e) Term of Appointment.—Members shall be appointed for the life of the Commission.

(f) Quorum.—Eight members of the Commission shall constitute a quorum.

(g) Chair and Vice Chair.—The Chair and Vice Chair of the Commission shall be elected by the members of the Commission.

(h) Compensation.—(1) Except as provided in paragraph (2), members of the Commission shall each be paid at a rate equal to the rate of basic pay payable for level III of the Executive Schedule for each day (including travel time) during which they are engaged in the performance of duties vested in the Commission.

(2) Members of the Commission who are full-time officers or employees of the United States or Members of Congress shall receive no additional pay by reason of their service on the Commission.

SEC. 4. STAFF OF COMMISSION; EXPERTS AND CONSULTANTS; DETAIL AUTHORITY.

(a) Staff.—(1) The Commission may appoint and fix the pay of such personnel as it considers appropriate.

(2) The staff of the Commission may be appointed without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and may be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates.

(b) Experts and Consultants.—The Commission may procure temporary and intermittent services under section 3109(b) of title 5, United States Code.

(c) Detail Authority.—Upon request of the Commission, the head of any Federal agency is authorized to detail, on a reimbursable basis, any of the personnel of such agency to the Commission to assist the Commission in carrying out its duties under this Act.

SEC. 5. POWERS OF COMMISSION.

(a) Hearings.—The Commission may, for the purpose of carrying out this Act, hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence, as the Commission considers appropriate. The Commission may administer oaths or affirmations to witnesses appearing before it.

(b) Delegation of Authority.—Any member or agent of the Commission may, if so authorized by the Commission, take any action which the Commission is authorized to take by this section.

(c) Information.—The Commission may secure directly from any department or agency of the United States information necessary to enable it to carry out this Act. Upon request of the Chair or Vice Chair of the Commission, the head of such department or agency shall furnish such information to the Commission to the extent permitted by law.

(d) Gifts and Donations.—The Commission may accept, use, and dispose of gifts or donations of services or property.

(e) Mails.—The Commission may use the United States mails in the same manner and under the same conditions as other departments and agencies of the United States.

(f) Support Services.—The Administrator of General Services shall provide to the Commission on a reimbursable basis such administrative support services as the Commission may request.

SEC. 6. REPORTS.

(a) Interim and Final Reporting Requirements.—The Commission shall transmit to the President and each House of Congress such interim reports as it considers appropriate, and shall transmit a final report to the President and each House of Congress not later than ten calendar days after the One-hundred-first Congress assembles for its second session. The final report shall contain a detailed statement of the findings and conclusions of the Commission, together with its recommendations for such legislation or administrative action as it considers appropriate. Any recommendations submitted under this section shall be accompanied by provisions specifying the method and period of time over which such recommendations may be phased in without causing undue disruption to the existing civil service system, and provisions describing any employees who should be covered under such recommendations (or any part thereof).

(b) President's Evaluation.—Not later than ninety calendar days after receiving the Commission's final report, the President shall transmit to each House of Congress an evaluation of the findings and conclusions contained in such report, together with recommendations for supporting, supplementing, or otherwise modifying the legislation proposed by the Commission (including the reasons therefor), as the President determines appropriate.

SEC. 7. TERMINATION.

The Commission shall cease to exist ninety days after submitting its final report pursuant to section 7.

SEC. 8. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated such sums as may be necessary to carry out this Act.

AGRICULTURE AND THE EUROPEAN COMMUNITY

(Mr. BEREUTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. BEREUTER. Mr. Speaker, I want to bring to the attention of our colleagues two articles concerning European farm policies—one that appeared in this month's edition of Europe magazine, and an editorial which appeared in the Economist. The articles discuss the subsidies and problems associated with the EC's Common Agricultural Policy [CAP], and a report recently issued by the Organization for Economic Cooperation and Development [OECD] concerning government intervention in agriculture.

While the United States has been struggling for several years with its own agricultural problems and farm programs, many of our problems have their root in European farm programs which continue to subsidize overproduction at a time when we already had huge agricultural surpluses in the world market. The EC farm programs not only create havoc and disrupt the world market, but they cost the Europeans billions of dollars each year in both government subsidies and especially in higher consumer prices.

Before the worldwide agricultural economy will improve, we must recognize and analyze the fundamental causes of our farm problems. Over the years, the subject of agricultural policy has engaged much of the time, energy, and occasionally the passion of farm State legislators, agricultural ministers, and assorted academics, but only rarely has it featured in discussions between heads of government. However, agricultural did, have a significant slot on the agenda at the recent economic summit that was held in Venice, Italy.

The reason for agriculture being a major topic of discussion at the summit is that the world agricultural situation continues to deteriorate further. Recently, the Organization for Economic Cooperation and Development [OECD] issued a stark analysis of the problem which shows that the structural imbalance between supply and demand for agricultural products on world markets has been caused not only by sharply increased productivity and stagnating demand, but also by domestic support policies that have insulated producers from market realities.

The OECD report details a formula for calculating the amount of subsidies used to support agricultural producers—both through government and higher food prices for consumers. The formula considers all subsidies, including direct government payments, and protective quotas and tariffs, which are used to encourage production or support farm income. The OECD report analyzes the inefficiency of spending billions on farm programs and it recommends that all nations begin together to systematically reduce their government intervention in agriculture.

The OECD notes that if coordinated action is not forthcoming, then the already extremely serious situation will become disastrous not only for the world market and the budgets of the relatively prosperous industrialized countries, but particularly so for developing countries.

The article from the Economists which focuses on the EC's proposed tax on fats and oils would deprive U.S. producers of European markets for their soybeans, and increase food costs for European consumers.

I am pleased that the seven heads of state affirmed their commitment to the OECD report at the recent Venice economic summit meeting. I am also especially encouraged that the Europeans are beginning to wake up to the serious problems caused by their farm programs and that the EC has begun, albeit slowly, to reduce their agricultural subsidies.

All countries that either export, or import, agricultural products should seriously examine the OECD report and together pursue the policy that it sets forth.

[From the Economist, June 6, 1987]

Europe's Farmyard Follies

A treasury is facing bankruptcy because of the cost of paying subsidies that have encouraged high-cost farmers to raise more animals and grow more crops. To avoid that bankruptcy, the government proposes a new demand-reducing food tax to let it keep paying the subsidies and so give farmers an incentive to increase production even more. If this were a third-world country, the International Monetary Fund would send men in white coats to cart away the finance minister and restore fiscal sanity. But this is the EEC, which is assumed to be capable of responsible economic behaviour.

That assumption no longer holds good. The tax on vegetable oils and fish oils that the Brussels Commission wants levied on millers and refiners, as part of the EEC's 1987-88 agricultural-pricing system, will hurt European consumers by putting up the price of cooking oil and margarine. . . . The tax will damage the economies of those mainly poor, largely Asian countries that export oils and oilseeds to Europe, just as the EEC's sugar policies have damaged Asian, African and Caribbean sugar-cane growers. Yet the commission, bullied by the European farm lobby, is prepared to accept these costs to stave off fundamental changes in the Community's common agricultural policy (CAP) for a while longer—although those changes are what every European should want.

Unfortunately, political pressure from European consumers will not deter those governments inclined to endorse the commission's proposals. Even with rising prices, food absorbs a declining share of the increasing incomes of Europeans. Most of them are too affluent really to care about European Consumer Bureau calculations showing that they will be up to $35 a year less well off if the tax comes into effect. Poorer Europeans just might shout from soapboxes and throw vegetable oil at passing commissioners if they learn about an impending 25-60% rise in the price of an ingredient used in about 80% of food. But they are flummoxed by the CAP. The developing Asian nations, which depend on exports of palm oil for a large part of their foreign-exchange earnings, do care. Malaysia, Indonesia and Thailand together sold around $170m-worth of vegetable oils to the EEC last year. The Malaysian government has already suggested that they might band together to stop goods from the countries supporting the tax. But their lobbying, too, will be shrugged off when the EEC governments get down to their customary horse-trading ("you French accept our monetary compensatory amounts; we Germans will agree to your oilseeds tax").

PLEASE, AMERICAN, LOSE YOUR TEMPER

The interested country that could make the most difference is the United States. As America sells nearly half it oilseeds and more than four-fifths of its fish oil and to the EEC, the Reagan administration will be under intense domestic pressure to make good its threat to retaliate against selected European exports if the commission's proposals are accepted. It will please American farmers if it now decides to fight rather than opt for appeasement. A successful American fight ought also to please nearly all Europeans. Otherwise the proposed tax, by pushing up the price of cheap imports, will encourage the output of high-cost European olive oil and butter. And all this to find the money to preserve a system of agricultural subsidies which is making Western Europe overproduce more and more.

The alternative, say supporters of the EEC Commission's proposals, is bankruptcy. It isn't. The gathering financial storm, as supporters of a sane EEC have long maintained, could be a godsend if it were used to slice subsidies and so allow the Community to become something much more than a club for the protection of internationally uncompetitive farmers. If a tax on oils and fats is the best fiscal solution the EEC can come up with, maybe bankruptcy is what it deserves.

[From the Europe Magazine, June 1987]

E.C. Has Already Begun Reforming Farm Policies—But Trading Partners Must Follow Suit if Global Progress is to be Made

(By Derwent Renshaw)

Over the years, the subject of agricultural policy has engaged, much of the time, energy and occasionally the passion of farm state legislators, Agriculture Ministers and assorted academics, but only rarely has it featured in discussions between Heads of Government. However, it is a virtual certainty that it will, for the first time ever, have its own slot on the agenda for the Western economic summit to be held in Venice in early June 1987.

It is true that the leaders of the seven major industrialized nations, together with the E.C. Commission's President, Jacques Delors, discussed the topic at their Tokyo summit meeting in 1986. But there is mounting pressure to return to the subject again and in greater depth.

A major reason behind this determination to revisit an area normally left to less elevated mortals is that the world agricultural situation—already very serious at the time of Tokyo—has deteriorated still further. This deepening crisis has been expertly analyzed by the Organization for Economic Cooperation and Development (OECD) whose recent report was adopted by Finance and Trade Ministers meeting in Paris on May 12-13, 1987.

Adoption by the European Community and its trading partners means that they have all accepted the OECD's stark analysis, which, briefly, concludes that the structural imbalance between supply and demand for agricultural products on world markets has been caused not only by sharply increased productivity and stagnating demand, but also by domestic support policies that have insulated producers from market realities. This is a situation for which all OECD members have accepted blame and toward the solution of which all have agreed to work—each in his own way—by increasing producer awareness. if coordinated action is not forthcoming, then the OECD warns, the already extremely serious situation will become disastrous not only for the world market and the budgets of the relatively prosperous industrialized members of the organization, but particularly so for developing countries.

General agreement and acceptance of responsibility on this scale is both encouraging and remarkable and something that would have been impossible only one or two years ago. But, it is only a first step and, moreover, the least difficult one to take. It should, nevertheless, lend impetus to and help focus the talks on agriculture in Venice that, in their turn, should impart the essential political momentum for the detailed negotiations in the General Agreement on Tariffs and Trade (GATT).

But, clearly, the most difficult step to take is not the drafting of declarations and communiqués, but the painful and politically sensitive actions needed to actually cut support and thereby make farmers more sensitive to the realities of the market place. These steps need not be identical for all—a view accepted in the OECD declaration—since we have each of us landed in today's mess by different routes.

As to a way to climb out of the mess, the Community has already started on the laborious ascent by taking drastic steps to reform its own farm program—the Common Agricultural Policy, or CAP. The CAP has now been in place for some 25 years and the committed Europeans who developed it could never have foreseen the problems that now confront it. For example, who, not only in Europe but around the world, was then predicting the spectacular advances in technology and productivity that have taken place in recent years? Today's conditions are very different from those obtaining in the late 1950s and early 1960s, so the CAP is being painfully reshaped to fit into the changed world of the late 1980s.

The sectors with the most glaring imbalances have been tackled first, starting with dairy farming. Here, after introduction production quotas in 1984 that had already reduced milk production by between 4 percent and 5 percent by 1985, European farm ministers decided last December not only to cut output by 9.5 percent over the next two years, but to abolish the automatic right of producers to sell surplus production to public authorities and to make it available on only a very restricted basis. At the same time, the beef support price was slashed by 13 percent.

In the grain sector, the first phase of policy reform was introduced in the 1986-87 marketing year. This involved price cuts for feed wheat and barley and a price freeze for the third year running for bread wheat; a cutting back of the period during which farmers could sell their grain to public authorities and the tightening of quality standards when they did so together with the introduction of a coresponsibility levy (Eurojargon for a producer tax) on every ton of grain sold off the farm. These measures taken together effectively reduced price support by between 10 percent and 15 percent depending on the type of grain involved.

But this was only the first phase and the Commission is proposing more of the same nasty medicine for European grain farmers in its price proposals for the 1987-88 marketing year. Briefly, cuts in official support prices will once again be the order of the day, which, together with further reductions in the opportunities for selling to public authorities, plus the continuation of the producer tax, would effectively lower price support by at least a further 10 percent.

Similar steps are being taken in other sectors. The result of these fundamental measures directed at reforming the CAP—reducing support prices, removing the automatic possibility of selling to public authorities, tougher quality standards, and the increased participation of producers in the cost of disposing of surplus production—has been that our farmers now realize that the days of guaranteed outlets for unlimited quantities are gone forever. Anyone who witnessed 20,000 farmers marching through the streets of Bonn in March would have had no doubts on that score. In other words, they are becoming increasingly aware of, and sensitive to, market signals.

Thus the recent OECD declaration on agricultural policy, and the difficult steps that the Community has already taken, are closely matched. However, this is only a start, albeit a tough one, and much remains for us to do. But we feel disinclined to continue down this rough road on our own. The Community has already set off and is looking back over its shoulder to see when its trading partners are going to follow it along the route now clearly mapped out by the OECD to put some order into world agricultural markets.

Encouraged and directed by a determined push from the summit leaders, the Uruguay Round should present us all with the best opportunity we have had for many years to take the unpopular but essential and, hopefully, coordinated steps. Let us hope that the languorous and seductive atmosphere of "La Serenissima" will not prevent the summit from sending a clear and firm political message to the negotiators laboring hard and long in the sterner and brisker climate of Calvin's city on the shores of Lake Geneva.

THE ABUSE OF THE CONGRESSIONAL RECORD

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania [Mr. Walker] is recognized for 5 minutes.

Mr. WALKER. Mr. Speaker, I have here in my hand the Congressional Record from yesterday. It is a rather interesting Congressional Record, because if you take a look at what happened yesterday in the U.S. Senate, they did no business. This one page, hardly filled, is all of the information from the U.S. Senate yesterday.

Then you go to the House of Representatives and if you go to the back of the Record and you find out what business the House conducted yesterday, you will find that the House met at noon and adjourned at 12:50 p.m., 50 minutes of session yesterday; and yet I would ask my colleagues to take a look at this Record. That Record looks like there was an awful lot said on the House floor yesterday. It would look like we met and talked a long, long time. It is page after page, I would suggest that there are over 600 pages in this Record.

Now, not even a long-winded politician in his glory on this House floor can speak 600 pages worth of material in 50 minutes.

The fact is, no one did.

If you take a look at what happened, you will find that in 1 minute speeches yesterday, one Member of the House rose and said, "I have asked the Library of Congress to assemble all debate, on the Boland amendment during the various processes and stages it went through Congress and I will submit the compendium for the Record."

What was not said very clearly on the House floor is that which exists a little further back in this Record, and that is these words:

> By unanimous consent, permission to revise and extend remarks was granted to include extraneous matter, notwithstanding the fact that it exceeds two pages of the Record and is estimated by the Public Printer to cost $197,382.

This copy of the Congressional Record cost the American taxpayer yesterday $197,382.

That is appalling, my colleagues, and the reason why we have it is because one Member decided to include extraneous remarks in the Congressional Record.

Now, I would say that this is a process out of control. We hear a lot about $400 toilet seats and coffee pots around here. I would suggest we have got our own problem, a $197,000 Congressional Record that cannot be in anyway justified.

Most of the material, in fact, 90 percent of all the material that was put in the Record has already been published in the Congressional Record. What they did was they took pages from the Congressional Record before and reprinted them, stuff that has been in the Congressional Record in previous years. It is not new information. It's all public documents. It is a Record of shame, I would say to my colleagues, $197,000 worth of shame.

Now, I will tell you, that is all of the taxes of 60 American families. Sixty American families when they filled out their tax returns this year did nothing but pay taxes so that one Member of Congress could print a $197,000 Record.

We have got to correct this place. We have got to stop that abuse of revise and extend.

The minority leader was on the floor today and suggested that we are going to try from the minority side to stop this, that we are not going to allow this kind of thing to happen again.

It is high time the majority side also responded and tell their Members that we are not going to permit this to happen. It is high time that the Chair takes this matter into its hands and makes certain that this never happens again. The American taxpayer should never again have to pay $197,000 for

Members to revise and extend their remarks.

Mrs. BENTLEY. Mr. Speaker, will the gentleman yield?

Mr. WALKER. I am very glad to yield to the gentlewoman from Maryland.

Mrs. BENTLEY. Mr. Speaker, I want to commend the gentleman from Pennsylvania for calling this abuse of the taxpayers' dollars to the attention of the House. Even though it was printed in the Record, I am sure that most of the Members failed to notice what happened yesterday, and I think that this is a very flagrant violation of our privileges.

Mr. Speaker, I commend the gentleman.

Mr. WALKER. Mr. Speaker, I thank the gentlewoman from Maryland.

THE NEW APPALACHIA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. Bustamante] is recognized for 5 minutes.

Mr. BUSTAMANTE. Mr. Speaker, I want to read into the Record and article which appears in the June 8 issue of Newsweek magazine. The article is entitled "In Texas, a Grim New Appalachia." It describes the lower Rio Grande Valley of Texas, part of which spills over into the 23d Congressional District of Texas.

The population of the valley is approximately 250,000. That population is 95 percent Mexican-American. In two south Texas counties, Starr and Maverick, unemployment in April reached 46 percent and 34 percent. The average per capita income in those counties is less than $3,000 per year, placing them last and next-to-last among Texas' 254 counties.

I want my colleagues to know about these conditions; 25 years ago, when newscasters aired programs on the "Harvest of Shame" in migrant communities in Texas, California, and the Southwest, Washington responded by initiating reform programs.

Today, relative to the rest of the Nation, south Texas has actually lost ground. The Congress and the administration have an obligation to do something to address this blight.

Obviously, there are no easy legislative solutions to the disease, hunger, and poverty in this area. Some of the causes are beyond our control. The continuous depreciation of the Mexican peso since 1982 has had disastrous effect along the border. Depressed crop prices and bad weather have made a bad situation worse.

But as the Congress conducts its business—budgeting, authorizing, appropriating, and overseeing—it should recognize that this is not the Third World. Yet every social index tells us that these people are overlooked. What is worse is that the problem is growing. Forty-four percent of the populations of Starr and Maverick Counties is under the age of 18. What are these young people supposed to look forward to? The greatest accomplishment they can imagine is to get out, to move north.

A recent congressional research service study showed that, unlike the rest of the States in the Southwest, the Concentration of Hispanics in Texas decreases as you move away from the border. In other words, Mexican Americans in Texas are stuck—they have not assimilated into the economic mainstream and have not gained the skills to enable them to find jobs in an increasingly high-technology work force.

This disgrace cannot be blamed solely on the policies of the Reagan administration. This body shares in the designation of spending priorities. We are the ones who tolerate cuts in rural health care delivery, in public housing assistance, in bilingual education, in Head Start.

I would like, for instance, to send off a generous foreign aid bill. I would certainly like to provide economic assistance, and not just military assistance, to our neighbors in this hemisphere.

But what can I tell my people, that we are more concerned about Tamil separatists than about their lack of drinking water? Or that we have chosen to fund SDI research at the expense of Farmers Home Administration ownership loans?

Other Members may have a different agenda. I want to see more paved roads, more schools and teachers, more clinics and doctors. Three percent of the populations of Starr and Maverick Counties have college degrees. High school dropout rates approach 50 percent.

I can only say that this is intolerable. We are creating a permanent growing underclass of half-citizens—one which gets no relief from tax reform and immigration reform. I am asking my colleagues for help, for suggestions.

To pretend this poverty will go away, or worse, that it does not exist, is more than irresponsible and more than hypocritical. It is un-American.

Mr. Speaker, the Newsweek article follows:

IN TEXAS, A GRIM NEW APPALACHIA

(By Frank Gibney, Jr.)

In 1964 President Lyndon Johnson declared America's first war on poverty with a battery of laws to improve education and attack hunger and disease, from urban ghettos to the remote, gritty valleys of Appalachia. If Johnson could witness what is happening in his native Texas today, however, he would surely shudder—perhaps as Antonio Gonzalez's 10 children do every winter. The Gonzalez family lives in the lower Rio Grande valley in a cramped, dark and drafty three-room shack. Their home is in a colonia (neighborhood), an unincorporated rural subdivision. They have no heat or sewage system, and when it rains the colonia's rutted dirt roads and yards flood so badly that children must wade through a stew of water and raw sewage to get to the school buses. Even in the dry, 100-degree heat of spring kids have the wheezing cough of poverty.

That cough echoes up and down the U.S. border with Mexico, a poverty belt more desperate than even Appalachia. The heart of the squalor is in the lower Rio Grande valley, now the poorest region in the United States. In "the Valley," as it is known, Gonzalez and up to 250,000 other American citizens live in more than 400 rural slums. Unemployment in the colonias runs as high as 50 percent, water supplies are fouled and chronic diseases are rampant. Schools in the Valley's three main counties are haplessly overcrowded. In short, the conditions in the colonias are the worst America has to offer. And The population is increasing so rapidly that studies predict it will double by the year 2000. Until recently the crisis was all but ignored, in large part because officials in Austin and Washington viewed the Valley as just another part of Mexico.

Like most of the colonia residents, Gonzalez is a first-generation Mexican-American whose parents came to the United States in search of opportunity. In the beginning they bought cheap plots from wealthy landlords, putting $10 down and paying the balance in monthly installments of $25. County officials ignored the explosive growth of the unrecorded subdivisions. Before long the landlords were supplanted by large-scale developers who charged more in return for less land and even more primitive services.

Gloria Costilla's two-room home in El Dora has dirt floors and wall-to-wall beds—for herself, her husband and eight children. Unable to afford either the $200 meter installation fee or the developer's monthly water-supply bill of $14, she resigned herself to rising each dawn and hauling eight 10-gallon buckets from a neighbor's house. One day in April open sores broke out on her seven-year-old son Roberto's face and arms. The same thing happened to her husband. Finally Texas Rural Legal Aid attorneys took the Costillas to a doctor and paid for the visit. The family learned, after El Dora's water was tested, what caused the infections—the water was contaminated with fecal matter. "In some cases the water is so bad that even using if for bathing can make people sick," says Evonne Charboneau, a Legal Aid Lawyer.

Doctors in the Valley work overtime controlling basic illnesses normally seen only in developing countries. Their patients' lack of education and the high cost of medicine make health care a Sysyphean task. Diabetes, for instance, which can be easily controlled, frequently causes blindness and limb loss in the Valley.

Funding cuts: Yet last year Congress froze the appropriations that support the seven federally funded health clinics in the region. And the National Health Service Corps, the federal program that supplies 85 percent of the health centers' doctors, was abolished by the Reagan administration. In the meantime, there are waiting lists of 1,000 patients at the clinics.

Most of the people who live in the colonias do not have health insurance, and there is widespread ignorance about Medicaid. Only 3.5 percent of the colonia residents use Medicaid. As a result, many colonia dweller depend on the Valley's private hospitals, where profits are important. These hospitals usually demand a deposit: cold cash, a lien on a patient's truck or, as was the case at one hospital, a patient's silver belt buckle.

The fertility rate in the colonias is estimated at twice the nation average, and infant mortality is high. Ten percent of the nation's out-of-hospital births occur in Hidalgo and Cameron counties, which contain only two-tenths of 1 percent of the nation's population. If pregnant women receive prenatal care, it is usually not until they are well into pregnancy, and often ill mothers give birth to babies with a variety of sicknesses and disorders. For example, a disproportionate number of colonia babies are born partially deaf from middle-ear infections.

Though school is a haven—most children get their only decent meal of the day there—few make it beyond the ninth grade. Many children of migrant farmhands miss the beginning and end of the school year, and the overall dropout rates are pushing 50 percent.

Local and state governments are gradually facing up to hardship in the Valley. In March, after all but ignoring the colonias for 20 years, the Hidalgo County commissioners issued regulations that they hope will effectively bar the establishment of any new colonias. But local officials say there is little money to ease the plight of existing settlements. It was not until three years ago that state officials even acknowledged the desperation in the Valley. Two weeks ago Texas provided a $4.1 million, low-interest loan to the city of Pharr to install sewage lines for 5,000 families who live in Las Milpas and Lopezville colonias. But such measures barely put a dent in the colonia problem. According to a recent study by the Texas Water Development Board, it would take 30 years and at least $200 million just to bring clean water and sewage lines to all 400 of the existing colonias.

Republican businessman: Until very recently the federal government seemed oblivious to the squalor and poverty in the Valley. But when Assistant Surgeon General David Sundwall visited the border last December, he was so shocked by the conditions there that he immediately authorized a Border Health Initiative to provide money for health projects. But there is only $2 million in the BHI pot, and that money must be stretched from Texas to California. Doctors fear that state funding for health care may shrink because of Texas's severe fiscal crunch.

"It's like we live in a forgotten land down here," says Iris Hernandez, executive director of the Hidalgo County Health Care Corporation. Antonio Gonzalez, who has worked as a migrant laborer since he was 10, has one great hope: "I tell my children, "This is not life, you must get an education and get out'." But the colonias are prisons of poverty from which few have managed to escape.

MERGE THE FEDERAL DEPOSIT INSURANCE FUNDS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin [Mr. KLECZKA] is recognized for 5 minutes.

Mr. KLECZKA. Mr. Speaker, as the crisis at the Federal Savings and Loan Insurance Corporation continues to worsen, the prospect of a merger of the various Federal deposit insurance funds grows more likely by the day.

I am a strong advocate of such a course. It is in an option also endorsed by such well regarded observers of the financial institution scene as William Isaacs, the former head of the Federal Deposit Insurance Corporation.

What until recently have been singular voices calling for a fund merger may soon sound more like a chorus.

A recent editorial in the Milwaukee Business Journal noted that:

> * * * there seems to be little doubt that the government's insurance fund for deposits at savings and loans will merge with the federal insurance fund for deposits at banks.

James Cirona, the president of the Federal Home Loan Bank of San Francisco, recently predicted a merger of the funds. Mr. Cirona, one of 12 Federal Home Loan Bank presidents, said: "The merger will take place simply because it has to happen."

An article in the June 12, 1987 American Banker headlined "Thrifts Increasingly Back Proposal to Merge Ailing FSLIC with FDIC" noted that trade groups and savings and loan executives are already beginning to discuss the mechanics of how to bring about a merger of the FDIC and the FSLIC.

I am pleased to report to my colleagues that members of the Banking Committee have sought advice from the General Accounting Office on this very subject. On May 14, Chairman ST GERMAIN, Mr. PARRIS, Mr. BARTLETT, and myself sent a letter to the GAO which requested advice on the technical details of a fund merger.

In consultation with members of the House Banking, Finance, and Urban Affairs Committee, Federal regulators, Wisconsin financial institutions and others, I am now drafting legislation to bring about the orderly merger of the Federal deposit insurance funds.

My legislation would provide a three-stage merger process over approximately 10 years. In the first stage, the managing boards of the various deposit insurance funds would be consolidated while the funds would be kept separate. In the second stage, the funds would be actually commingled or merged. Finally, the process would be carried to its logical conclusion: a merger of the Federal financial institutions regulatory agencies.

At this point, I would like to include in the RECORD some recent articles on the merge of the funds and the letter to the GAO requesting technical advice.

The material follows:

U.S. HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE ON FINANCIAL INSTITUTIONS SUPERVISION, REGULATION AND INSURANCE OF THE COMMITTEE ON BANKING, FINANCE AND URBAN AFFAIRS,
Washington, DC, May 14, 1987.

Hon. CHARLES. A. BOWSHER,
Comptroller General of the United States, Washington, DC

DEAR MR. COMPTROLLER GENERAL: The current congressional debate on the recapitalization of the Federal Savings and Loan Insurance Corporation (FSLIC) has made clear that the Congress should consider all options to preserve the soundness of our federal deposit insurance system. Accordingly, we request that not later than October 1, 1988, you submit a report to both Houses of the Congress which examines the issues involved in a merger of the various federal deposit insurance funds.

Specifically, we request that such a report examine the extent to which the merger of the reserves of the FSLIC and/or the National Credit Union Share Insurance Fund into the Permanent Insurance Fund of the Federal Deposit Insurance Corporation is feasible and advisable for purposes of increasing the financial and managerial resources available for, and decreasing risks involved in, the administration of federal deposit insurance.

The report should contain a description of the current fiscal condition and future fiscal prospects for each federal deposit insurance fund.

We also ask that the report describe the effects a merger of such funds would have on the supervision and regulation of insured institutions, including an analysis of the impact a merger would have on regulatory decisions on depository institution activities, on depository institution examinations, on liquidation and offsite montoring of such institutions, and on the training of supervisory personnel and related administrative and policy issues.

The report should explain the effect such a merger would have on existing deposit insurance accounting procedures, portfolio management policies, and financial data that is required for insured institutions.

In addition, the report should give an account of the differences in insurance assessments and premium rates and procedures in effect with respect to such funds and the effect a merger would have on such rates and procedures, with appropriate recommendations for setting such rates and procedures in a transitional period following a merger of the funds. The discussion of procedures for setting rates should include the extent to which it is practical for differences among the activities and financial condition of insured institutions to be taken into account.

We ask that you discuss such alternative methods as you deem appropriate which would allow for a phase-in of a merger of the funds, including a description of an alterrnative which would provide for a merger of the funds over a five year period and an analysis of the particular impact the recapitalization of the FSLIC would have on any such merger. In discussing structural alternatives, you should feel free to go beyond the current regulatory structure and address issues on the horizon, such as functional regulation of financial institutions.

We also ask that you outline several options for accomplishing a merger of the funds, including an alternative which would provide for a merger of such funds into one fund, an alternative which would provide for the continued maintenance of the separate funds under the management of a single supervisory agency, and an alternative which would reorganize the funds to allow special consideration to be given to insured institutions of whatever type whose principal focus is fostering homeownership.

As the Congress exercises its oversight function in the recapitalization of the FSLIC, comprehensive information on a merger of the federal deposit insurance funds will be essential if Congress is to ensure depositor confidence in our financial system. Such observations and recommendations with respect to such a merger which you may find appropriate would be most welcome.

Sincerely,

FERNAND J. ST GERMAIN

GERALD D. KLECZKA
STAN PARRIS
STEVEN BARTLETT

[From the Milwaukee Business Journal, May 18, 1987]

MERGER OF FDIC, FSLIC IS THE BEST ALTERNATIVE

Wisconsin's financial executives may not think too much of the idea, but there seems to be little doubt that the government's insurance fund for deposits at savings and loans soon will merge with the federal insurance fund for deposits at banks.

In fact, U.S. Rep. Gerald Kleczka, a Wisconsin Democrat, already has asked for a study of the merger of the Federal Deposit Insurance Corp., the Federal Savings and Loan Insurance Corp. and the National Credit Union Share Insurance Fund.

The near insolvency of the FSLIC has precipitated the need for a recapitalization of that insurance fund to retain investor confidence in the savings and loan system. Unfortunately, a recently proposed $5 billion congressional rescue plan holds out little hope for a system that cannot survive without $40 billion in taxpayers' money.

Depositors are not in trouble here. Congress has promised to unconditionally back thrift deposits of up to $100,000.

And Wisconsin's home-grown savings and loans aren't in trouble, either. The state as a whole is considered one of the top five in the nation.

But around the rest of the country, especially in the so-called Depression Belt, which stretches from Texas and Louisiana up through Oregon, thrifts are in big trouble. Currently, about 25 percent of the industry's 3,200 institutions are technically insolvent, losing money daily but continuing to operate from cash flows.

In some circles, industry executives will even acknowledge that the problem is out of control, and that means trouble for an industry so dependent on depositor confidence.

Congress has made some attempt to shore up an industry that is holding billions of dollars in problem loans and foreclosed real estate. Those efforts have centered on helping the FSLIC replenish its quickly diminishing assets. The insurer now is technically insolvent by more than $6 billion, and losses at insolvent institutions under the FSLIC's control grow by more than $4 billion a year.

Unfortunately, the U.S. League of Savings Institutions, a Chicago-based trade group that is the thrifts' biggest booster, continues to support the $5 billion bailout. The league was instrumental in the recent defeat of an amendment to increase the congressional bailout package to $15 billion. It apparently was worried that its healthy members would end up having to pay a higher price to help less fortunate—and less solvent—thrifts.

The league's support of the $5 billion plan may keep intact a separate industry dedicated to home-mortgage lending in the short term, but eventually we'd like to see a continued blurring of the lines separating banks, savings and loans and credit unions. We'd also like to see savings and loans spread their risk as much as possible by converting from mutual ownership to stock ownership.

Earlier this month, the chairman of the FDIC warned that the $5 billion congressional bailout package would encourage many savings and loans to leave the FSLIC and join the FDIC because the House bill retained the paltry penalties for thrifts wanting to leave the insurance fund. If Congress passes legislation that allows healthy thrifts to leave the FSLIC and join the stronger FDIC at a cheaper rate, the interest rate on the FSLIC debt surely will increase.

When we reach the point at which the FDIC insures both commercial banks and healthy thrifts, there will be little reason to maintain a separate system to regulate savings and loans. At that time, we'll all come to accept the inevitable: We don't need a separate thrift industry.

[From the American Banker, June 2, 1987]

MERGER OF INSURANCE FUNDS PREDICTED BY HOME LOAN BANK CHIEF IN CALIFORNIA

(By Jim McTague)

NASHVILLE—A merger of the commercial bank and thrift insurance funds is unavoidable, according to James Cirona, president of the Federal Home Loan Bank of San Francisco.

"The merger will take place simply because it has to happen," Mr. Cirona told a gathering of state savings and loan regulators meeting Monday in the Opryland Hotel. He made his remarks on panel discussing the future of the savings and loan industry.

Mr. Cirona said a pending congressional plan to fund the insolvent Federal Savings and Loan Insurance Corp. with between $5 billion and $7.5 billion in new capital from the thrift industry was "too little, much too late."

He predicted that debate on a merger of the insurance funds would begin in Congress in earnest as early as next year when it becomes evident that $7.5 billion is not enough to dispose of the troubled savings and loans whose deposits are guaranteed by the FSLIC.

Sen. Jake Garn, who also addressed the group, said M. Danny Wall, who has been nominated by the White House as the next chairman of the Federal Home Loan Bank Board "doesn't want to be chairman if he inherits that $5 billion FSLIC recap" with forbearance provisions proposed by the House to keep regulators from closing insolvent thrifts that might eventually recover.

"Some institutions that would be kept open because of those forbearance provisions need to be closed," said Mr. Garn.

But Mr. Garn conceded after the speech that Mr. Wall, his current chief of staff, had no intention of refusing the Bank Board post if the recapitalization plan he opposes passes Congress. "I was simply overstating the case to make a point," he said, adding that he would announce Mr. Wall's replacement on his own staff on Tuesday.

Mr. Garn said he did not think there was any political possibility of an insurance fund merger in the near future "simply because neither side wants it."

But Mr. Cirona predicted that a year from now the industry would balk at making further contributions to bail out the FSLIC and that Congress would merge commercial and thrift funds, perhaps creating an insurance fund for community-oriented banks and thrifts and another for institutions with a commercial orientation.

"Who's going to pay for it? There's little question in my mind that Treasury will pay for it," he said. "I think that's unfortunate, but I think that's where it is headed," said Mr. Cirona, who has been president of the San Francisco bank since 1983. With $36 billion in assets, it is the largest of the 12 banks in the Federal Home Loan Bank System.

"I think the savings and loans that we know today will have to decide if they want to be a bank or a thrift," he predicted.

"The Federal Home Loan Bank System will continue as a provider of long-term credit, and a lot of commercial banks will become eligible to join the bank system," he said.

The National Association of State Savings and Loan Supervisors is meeting here through Wednesday.

[From the American Banker, June 12, 1987]

THRIFTS INCREASINGLY BACK PROPOSAL TO MERGE AILING FSLIC WITH FDIC

(By Jim McTague)

There's growing sentiment in the savings and loan industry that the Federal Savings and Loan Insurance Corp. cannot be saved by throwing money at it.

Trade groups and savings and loan executives, though not yet publicly endorsing the idea, are privately discussing how to merge the FSLIC with the Federal Deposit Insurance Corp.

This is despite warnings from both Congress and the banking industry that such a merger is politically unacceptable.

Even senior officials at the Federal Home Loan Bank Board, which for two years has been urging Congress to make the industry raise $30 billion for the fund, concede that the time may have passed for such an approach to save the FSLIC. The fund is losing $10 million a day because of some 400 troubled institutions it cannot afford to shut down.

Congress, bowing to industry pressure, is expected to authorize the Bank Board to raise about $10 billion from insured thrifts, a figure regulators claim is woefully inadequate.

The Federal Home Loan Bank of Dallas this week indicated it needs $4 billion to solve problems in its five-state region.

And it will cost the FSLIC nearly $1 billion to close the insolvent Beverly Hills Savings and Loan Association in California, according to Bank Board estimates.

The shot heard around the industry was fired a week ago in Nashville by James M. Cirona, president of the Federal Home Loan Bank of San Francisco, the largest of the 12 reserve credit institutions in the Federal Home Loan Bank System.

Mr. Cirona, addressing a gathering of state thrift regulators, predicted that congressional debate on the funds merger could begin as early as next year, when it becomes apparent that recapitalization is not going to work.

Meanwhile, Congress is pushing ahead with what many believe is an exercise in futility.

"I think Mr. Cirona's speech was rather dramatic because it shows industry leaders are no longer debating merger of the funds. They are talking mechanics, and that is a quantum leap in a very short period of time," said James Butera, vice president for legislative policy at the National Council of Savings Institutions, a group that represents institutions insured by both funds.

"The speech represents a substantial shift by the thought leaders of the industry," he said.

A senior Bank Board official was more cynical, claiming the speech reflected the views of the large California thrifts, whose officers make up the board of directors of the San Francisco bank.

"Jim Cirona was saying things they wanted to hear. They don't want to bail out the FSLIC. They want the taxpayers to foot the bill," the official said.

Many in the regulatory community believe that the industry's plan all along has been to stall recapitalization until the FSLIC's situation deteriorated greatly. Then, a taxpayer bailout would be necessary to prevent the collapse of the savings and loan system and the financial panic that might follow.

Mr. Butera said healthy institutions are saying that they cannot afford to solve the FSLIC's problems, caused by some 400 institutions primarily west of the Mississippi.

Even so, he said, "It is remarkable that the debate has progressed this far."

Even under the best of circumstances, at the pace Congress is moving, the FSLIC is unlikely to get any recapitalization money until late fall or early winter.

In a crunch, the Bank Board could allow the FSLIC institutions to use up to 1% of their deposits to head off any liquidity crisis.

"That is an absolute last resort. It would be like pushing the red button," said Robert Sahadi, acting director of economic policy and research at the Bank Board.

Bank Board Chairman Edwin J. Gray said he has no intention of invoking the assessment during his final two weeks in office.

There have already been some silent runs on institutions in Virginia and Tulsa, Okla., because of depositor concerns about the FSLIC fund, according to the lastest edition of Savings Institutions, a publication of the U.S. League of Savings Institutions.

HUMAN RIGHTS ABUSES IN TIBET

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Carolina [Mr. ROSE] is recognized for 5 minutes.

Mr. ROSE. Mr. Speaker, I recently had the honor of hosting a briefing/luncheon that addressed the current status of Tibet. During this function, Kalon Lodi Gyari made a very appropriate appeal to my colleagues and I in regard to the resolution of human rights abuses in Tibet. What follows is the statement made by Mr. Gyari, a cabinet member of the Tibetan Government-in-exile:

TEXT OF ADDRESS BY KALON LODI GYARI

Congressman Rose, dear friends, I will not talk much because Dr. Van Walt and Mr. Avedon have spoken at great length about what is happening in Tibet today.

When China invaded Tibet in 1949, His Holiness the Dalai Lama and the Tibetan Government, which he headed, had no option but to try and find a peaceful and workable relationship with the Chinese in order to avoid any unnecessary violence and bloodshed. However, by 1959, the increasing degree of Chinese repression and harsh actions against the Tibetan population resulted in a nation-wide [?] and the beginning of a life of exile for his Holiness the Dalai Lama and some 100,000 Tibetans.

Despite the destruction and horrors of the Chinese occupation of Tibet, His Holiness the Dalai Lama and his government still believes that the Tibetans must refrain from violence.

Contrary to official Chinese statements, which suggest that the Tibetans in exile are pressing simply for the return of His Holiness the Dalai Lama from exile and his reinstatement within the PRC in an official capacity, I would like to clearly state for the record that both His Holiness the Dalai Lama and the Tibetan government in exile believe that the real issue which must be addressed is the rights and aspirations of the six million Tibetans in Tibet, who we believe wish to be an independent and free people.

Since 1979, the Chinese have renewed their contacts with His Holiness and the Tibetan Government-in-exile. I have had the privilege and duty of being a member of the special delegation which visited Peking in 1982 and 1984 for talks with the Chinese leadership. This process of negotiation began when our exiled Government sent three separate fact-finding missions to visit Tibet in 1979 and 1980. (A fourth delegation was sent to 1985 which visited a limited part of northeast Tibet). The purpose of these missions and the special delegations was to respond positively to the Chinese gestures of being more open and forthright in their assessment of the Tibetan situation. This new attitude of the Chinese was reflected by the high-level visit of Hu Yaobang to Tibet in the summer of 1980.

The Tibetan government felt that this was an opportunity for the exiles to renew contact with our fellow Tibetans, and to see the conditions in Tibet first hand. The three fact-finding delegations spent a total of 11 and one-half months visiting over five hundred towns and villages throughout the Tibetan plateau. Therefore, we not only learned in great detail the prevailing conditions, but we were able to gather sufficient facts and documents to assess the tremendous losses suffered by the Tibetans since the beginning of the occupation. The untimely death of some 1.2 million people and the destruction of over 6,000 monasteries are the two most shocking features of Chinese rule in Tibet.

This renewed contact with China was positive because a line of communication was opened with the Chinese leadership. We were able to voice our concerns and our views on the situation in Tibet, and to build some understanding and trust with the Chinese leaders.

At the very beginning of this dialogue, both Deng Xiaoping and Li Xiannian (presently China's head of state) acknowledged to some extent past errors and harsh measures adopted in Tibet. They further suggested that, "short of total separation", anything concerning Tibet could be discussed. As conciliatory as these remarks may appear, subsequent discussions did not progress or fulfill our expectations. In fact, we felt that the unrelenting emphasis on the return of His Holiness to China, as outlined in their "Five-point Proposal", totally distorted and misrepresented the issue.

In his recent statement on March 10th, 1987, His Holiness the Dalai Lama pointed out the three main areas of concern as follows:

"Firstly, the so-called religious freedom in Tibet today amounts to permitting our people to worship and practice religion in a merely ritualistic and devotional way. There are both direct and indirect restrictions on the teaching and study of Buddhist philosophy. Buddhism is thus being reduced to a blind faith which is exactly how the Communist Chinese view and define religion."

"Secondly, although economic and other conditions have been eased slightly, in reality the young Tibetans are neither provided with adequate facilities nor are they encouraged in their educational development. Bad habits like drinking and gambling are allowed to spread in the society despite the knowledge of their harmful effects. Deliberate obstacles are being placed before those who are academically inclined. There is thus every danger of Tibetans being turned into a backward and illiterate community devoid of any real culture and education."

"Thirdly, the large-scale Chinese influx is threatening to transform Tibet into a Chinese territory."

In spite of all that has happened to our nation, the Tibetan Government is still committed to finding a solution to the problem of Tibet by non-violent methods. Therefore, by coming to you here today, I do not ask for arms. You may wish to trade with China and sell your weapons, but I do not see the need to totally neglect the very principles of democracy and justice on which your nation has been founded. It is my belief that you must also support the students in China who call for more democracy and openness. As China's friend, you must prevent your friend from committing the genocide of the Tibetan people and culture. In a truly healthy relationship, between the U.S. and China, you must prevent them from making such gross mistakes and guide them towards the very basic values that you cherish.

I would also like to reiterate that our struggle is not against the Chinese people purely on racial grounds, but simply a reaffirmation of our belief in our right to exist and live as a free people. We would like to see Tibet become a zone of peace in the heart of Asia, once again. We need the world's and your support more than ever because there is a fear that unless the influx of Chinese into Tibet is brought to a halt and reversed, our people will literally drown in a sea of Chinese.

I would also like to take this opportunity to let you know that the support and sympathy from the United States in our early years of exile has been an important factor in the successful rehabilitation of refugees and in our efforts to preserve the cultural heritage of Tibet. In this context I would like to bring to your attention the generosity of India to the Tibetan refugees. India is by no means an affluent nation, but the central government, the public at large, and even state governments and individuals from all walks of life have magnanimously stepped forward to help us begin new lives and to reconstruct our religious and cultural life.

But the problem of refugees and exiles are not easily solved in a short time. We still have a segment of refugees that need to be properly rehabilitated. We hope that you will consider extending some help in this regard too.

I am extremely pleased to learn that Congressman Benjamin Gilman and Congressman Charlie Rose have introduced a bill that will address many of the subjects presented and discussed here this morning, and I am most encouraged to learn that a number of prominent members of the House Committee on Foreign Affairs have already agreed to co-sponsor and support this bill.

It is my further hope that, sometime in the near future, a Congressional delegation will visit the Tibetan people, both within and outside Tibet. We would like you to see and understand all our problems and shortcomings, and also the modest successes we have had in our many endeavours in exile.

I want to thank Congressman Gilman and Congressman Rose once again. I also want to express the heartfelt gratitude of all my fellow Tibetans to the staff members of the

U.S. Congress who I have had the pleasure of working with.

Thank you very much.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. ANNUNZIO] is recognized for 5 minutes.

[Mr. ANNUNZIO addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

LEGISLATION TO PROHIBIT FOREIGNERS FROM RECEIVING FARM SUBSIDY PAYMENTS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. PANETTA] is recognized for 5 minutes.

Mr. PANETTA. Mr. Speaker, today I would like to introduce a bill which would restore some basic equity to U.S. farm programs and would also save the Government millions of dollars without reducing services to American citizens. Last year, we spent $25.8 billion on price support and agricultural production adjustment programs. Our farm programs seek to stabilize farm commodity supplies as well as stabilize and provide a floor for farm prices. Unfortunately, a portion of these subsidies, while intended for American farmers and financed by American taxpayers, is going to foreign owners of domestic land. Our Government should not be in the business of subsidizing foreign investors.

By making deficiency and diversion payments as well as loans to foreign owners of domestic land, we are increasing our agricultural surplus and expending money that should be used to help our farmers. I asked the GAO to study the scope of this problem. Their study of 401 U.S. counties revealed that 598 foreign owners received $7.7 million in direct subsidies and $12.3 million in price-support loans intended to aid U.S. farmers and encourage farmers to remove cropland from production to curb the unrelenting surplus problem. Furthermore, in 1985, 6 percent of the foreign owners received at least the $50,000 ceiling in payments from the Government. Several received more than the ceiling due to loopholes in the program. Clearly, Federal farm programs were not set up for this purpose.

Federal payments earmarked for American producers should not encourage speculative investment by foreigners. Therefore, I am introducing legislation that would prevent foreigners who own U.S. cropland from receiving deficiency and diversion payments as well as price-support loans in the future. This legislation would apply to all farm price support programs which includes wheat, feed grains, cotton, rice, dairy products, tobacco, sugar and peanuts. It builds on previous Federal efforts to ensure that Federal funds are targeted at Americans and not diverted abroad. The Merchant Marine Acts, for example, prohibits foreigners from receiving subsidies which U.S. citizens may receive to defray the cost of new ships which will be used for international commerce. Similarly, other Federal legislation requires an entity to be at least 95 percent domestically owned to be eligible for insurance from the Overseas Private Investment Corporation. Another example of this sort of legislation prohibits the Secretary of the Interior from lending money for the purchase, construction, and operation of commercial fishing vessels and gear to any non-U.S. citizen or corporation that is not at least 75 percent U.S. owned.

We must make every effort to carefully target Federal dollars and bring the Federal deficit under control. Given the reality of today's budget constraints, we cannot and should not finance foreign corporations through programs designed to help our citizens. This legislation would save the Government millions of dollars while preserving the agricultural programs which serve American farmers. I urge my colleagues to support this legislation.

H.R. 2695

A bill to amend the Food Security Act of 1985 to prevent foreigners from receiving production adjustment payments and price-support payments and loans

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. PREVENTION OF FOREIGNERS FROM RECEIVING FARM PROGRAM PAYMENTS.

Subtitle A of title X of the Food Security Act of 1985 is amended by inserting at the end thereof the following new section:

"AGRICULTURAL PROGRAM INELIGIBILITY FOR FOREIGNERS

"SEC. 1025. (a) Except as otherwise provided in this section and notwithstanding any other provision of law, after the date of enactment of this Act, any person who is not a citizen or national of the United States or an alien lawfully admitted for permanent residence shall be ineligible to receive any type of production adjustment payments or price-support program loans, payments, or benefits made available under the Agricultural Act of 1949 (7 U.S.C. 1421 et seq.), the Commodity Credit Corporation Act (15 U.S.C. 714 et seq.), or any other Act with respect to any commodity produced on a farm that is owned or operated by such person.

"(b) For the purpose of subsection (a), a corporation shall be considered a person that is ineligible for production adjustment payments or price-support program loans, payments, or benefits if more than 10 per centum of the beneficial ownership of the corporation is held by persons who are not citizens or nationals of the United States or aliens lawfully admitted for permanent residence.

"(c) No person shall become ineligible under this section for production adjustment payments or price-support program loans, payments, or benefits as the result of the production of a crop of an agricultural commodity planted before the date of enactment of this section."

SEC. 2. TECHNICAL AMENDMENT.

The table of contents contained in section 2 of the Food Security Act of 1985 is amended by inserting after the item relating to section 1024 the following new item:

"Sec. 1025. Agricultural program ineligibility for foreigners.".

POEM CAPTURES MEANING OF MEMORIAL DAY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Mississippi [Mr. MONTGOMERY] is recognized for 5 minutes.

Mr. MONTGOMERY. Mr. Speaker, I want to bring to your attention a poem, written by the granddaughter of one of my constituents. It was written as part of the observance of Memorial Day 1987 and I think it captures the true meaning of this special day that we set aside to remember the people who served and died to keep our great country free.

I know my old friend, R.E. Mitchell of Meridian, MI, is proud of his granddaughter's work and I want to share it with my colleagues. it was written by Michelle Williamson, who lives in Atlanta, GA.

MEMORIAL DAY, MAY 25, 1987.

Yesterday, Memorial Day, May 25, 1987, the DeKalb County schools were operating as usual. On that day I did not teach my students from prepared lesson plans. Instead, I tried to help them understand the special significance of Memorial Day. I wanted them to appreciate the individual sacrifice of those that died in the service of our country. I hoped they would realize was each of the dead was a person with dreams and loved ones, that each death personally felt by family and friends. Each was more than a statistic. I told them about Larry Taylor, a young Marine from Broken Bow, Oklahoma, who was killed in the Republic of Viet Nam in 1968. The story was simple, about a friend. Today, May 26, 1987, I found an anonymous poem in my mail box at school. Teaching does have great rewards. Our children do care!—Coach Ken Cory

[In memory of Larry Taylor, this poem was written on May 25, 1987]

MEMORIAL DAY

For the cause of freedom they fought and died
While their loved ones wept tears of grief and pride.
The crosses white lie in their grassy place
As a veteran looks on with a tear-stained face.
Boys went to war—some died, some lived,
But they all became, too early, men.
Their innocence was lost in rivers of red
While in flag-clad coffins lay the war's silent dead.
For America's cause they fought to the end
So, in freedom, our lives we might surely spend.
The wall has grown old, the names on its space,
Its purpose time can never erase.
As the veteran turns and limps quietly aways,
He remembers his friends on Memorial Day.

TRIBUTE TO THE BOARD OF DIRECTORS OF THE NEIGHBORHOOD SERVICE ORGANIZATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan [Mr. CROCKETT] is recognized for 5 minutes.

Mr. CROCKETT. Mr. Speaker, I rise today to pay special tribute to a group of individuals who have devoted their time and energies to the noble cause of providing much-needed social services to the people of Detroit and the county of Wayne in the State of Michigan. These individuals have served for a number of years as members of the board of directors for the Neighborhood Service Organization.

Today, Monday, June 15, 1987, these individuals will preside over their last board meeting. Their years of service range from 7 to 19; throughout those years, they have provided experience, expertise, and guidance to the Neighborhood Service Organization, its personnel and clients.

I want to individually recognize and thank these individuals for their tireless efforts on behalf of the people of Detroit. Special thanks and recognition to: Mr. Roy Little, Mr. Charles Boyce, Ms. Louise Sally Brown, Mr. Murray Jackson, Mr. John Lewis, Mr. Richard Lobenthal, Mr. Fenton Ludtke, Mr. Isaiah McKinnon, Ms. Maggie Reid, Mr. Edwrd Roche, Mr. Miles Jaffe, Mr. Hershal Clover, Judge Theresa Doss, and Ms. Harriet Saperstein.

The **SPEAKER** pro tempore. Under a previous order to the House, the gentleman from California [Mr. DANNEMEYER] is recognized for 60 minutes.

[Mr. DANNEMEYER addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

IN HONOR OF GENERAL GEORGE CATLETT MARSHALL, JR.

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from Virginia [Mr. OLIN] is recognized for 60 minutes.

Mr. OLIN. Mr. Speaker, I rise to honor Gen. George Catlett Marshall, Jr., soldier, statesman, winner of the Nobel Peace Prize, and by many people a man thought to be one of the outstanding leaders in America of our century. I will be joined tonight by any of our other colleagues who wish to speak on this subject, either present or those who hear my voice, and I hope that they will make their presence known when they arrive here.

Mr. Speaker, on Monday, June 1, President Reagan issued a proclamation after an act of Congress designating the month of June 1987, as George C. Marshall Month, honoring the 40th anniversary of the Marshall plan. At the signing ceremony at the White House were assembled the ambassadors of the 15 countries that were recipients of the Marshall plan, a good number of the members of the Cabinet, many individuals who served with General Marshall during World War II and after World War II, and Members of the House and the Senate.

The President used this occasion to comment on General Marshall's contribution to this Nation and he put that in the context of the eve of going to the Venice Summit Conference. He pointed out the similarities and the dissimilarities to the situation today to that which existed in 1947.

I would like to read some of the President's remarks in that proclamation prior to recognizing some of the Members of the House.

The President said:

> Forty years ago this June 5th Secretary of State George Catlett Marshall, Jr., in a commencement address at Harvard University proposed plans for the reconstruction of war shattered Europe. It is truly fitting that we commemorate the 40th anniversary of what became known as the Marshall Plan because it was the foundation for the most remarkable period of peace and prosperity in history. Highly symbolic of the American commitment to peace and freedom in Europe, the plan most appropriately bore General George Marshall's name.
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> As Chief of Staff of the Army during World War II, he has been instrumental in the liberation of Europe. After peace had come, he worked with equal vigor as Secretary of State to see Europe restored to a new level of strength and vitality.
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> The Marshall Plan is a proud moment in the history of our Nation because it derives from our large and generous spirit and our commitment to the principles of interdependence, self-determination and openess to positive cooperation.
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> The Plan succeeded beyond the greatest expectations and remains an inspiration today because it demonstrated what is possible when Nations lay aside differences to meet a common challenge.
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> We also take this opportunity to honor George C. Marshall for his lifetime of devotion to the United States of America. He led the Army during our greatest test of arms, served as Secretary of State and Secretary of Defense and became the first professional soldier to receive the Nobel Peace Prize. He will be remembered forever as the epitome of the citizen soldier.

□ 1900

Mr. Speaker, at this time I would like to yield to my distinguished colleague, the gentleman from Virginia [Mr. BATEMAN].

Mr. BATEMAN. Mr. Speaker, I thank my distinguished colleague, the gentleman from Virginia [Mr. OLIN], for yielding to me, and commend him for having taken out this special order on this very appropriate and very important subject.

Mr. Speaker, it is with great pleasure that I join my distinguished colleagues in paying tribute to George C. Marshall, in connection with the 40th anniversary of the Marshall plan.

The Marshall plan was a triumph in the annals of American foreign policy—one of its crowning achievements. The United States in an unprecedented action offered money and relief to the war-ravaged countries of Europe. America was willing to help both friends and enemies alike in their efforts to reconstruct their society on their own terms. This offer fostered a sense of hope and cooperation that paved the way for the solid relations between Western Europe and America that are enjoyed to this day. Winston Churchill referred to the Marshall plan as the most unsordid act in history, even as the Soviets described it as American imperialism and demanded Czechoslovakia and Poland not participate.

George Marshall felt, as he said in his commencement address at Harvard University in 1947, that, "It is logical that the United States should do whatever it is able to do to assist in the return of normal economic health in the world, without which there can be no political stability and no assured peace." These efforts on behalf of peace and stability in the world community led to Marshall's receiving the Nobel Prize for Peace in 1953.

Dwight D. Eisenhower once referred to Marshall as having very remarkable and unique characteristics including "his consideration for others; his clear, direct, and logical approach to any major military problem; his complete, single-minded dedication and loyalty to his country and government; and his selflessness and objectivity in making decisions and in courageously discharging his vitally important duties." Marshall was performing consistently with these characteristics in formulating and carrying out one of the most successful foreign policy initiatives of the United States.

In less than five years from the Marshall plan's inception, European agricultural and industrial outputs were at levels 35 percent higher than they had been before WWII. This was a miraculous turnaround from a European community that had barely been able to survive. This was brought about by a brilliant and well-executed plan devised and supervised by one of the greatest public servants of all time.

It is with great pride and respect for this outstanding soldier and American that I stand before you to honor George C. Marshall, for all that he accomplished for the resurrection of a war-torn Europe and for fostering of what is today a strong United States-European partnership.

Mr. OLIN. Mr. Speaker, I thank the gentleman from Virginia for his comments, and he knows, as I do, that even though George Marshall was not born in Virginia—having been born in Uniontown, PA—nevertheless he was a 1901 graduate of Virginia Military Institute at Lexington, VA, and subsequent to that lived in Virginia a fair share of his life when he was not overseas in public service. I think that the gentleman from Virginia and I are very proud of having had General Marshall start a very important part of his career in our State.

Mr. BATEMAN. I would certainly concur in the remarks just offered by the gentleman from Virginia. All Virginians have taken through the many decades of his service to America a great deal of justifiable pride in the connection between the Commonwealth of Virginia and George Catlett Marshall.

Mr. OLIN. Mr. Speaker, I yield to the gentleman from Oklahoma [Mr. McCURDY].

Mr. McCURDY. I thank the gentleman for yielding.

Mr. Speaker, I want to commend the gentleman from Virginia for taking out this special order to commemorate and honor the late George C. Marshall, George Catlett Marshall.

As the gentleman knows, I do not make a habit of signing commemorative legislation, because of the cost of such, but I think that it is important that we do take time out of our business to join our Nation in this important commemoration.

At a time when America looks for heroes, I do not think that we need to invent any; I think that we can look in history and find the perfect example of truly a great American hero, a man who served his country so admirably and so well.

I am not a person who looks for heroes, but I have one, and that is George Catlett Marshall. As a matter of fact, I have a portrait of him in my office. I have read virtually every book written about Marshall, and would have to commend to those who read this RECORD or see this on television, whether it is Moseley's book, "A Hero for Our Times," or the four volumes that Pogue has written, it is an invaluable lesson. It is an experience that I think each of us can share.

I borrowed the chairman's latest version. I have read the first three volumes of Pogue's biography of Marshall. I have yet to read this one, and I think that I will have many an interesting night reading it, the last being the years as Secretary of State, a documentary of those years as a civilian that George Marshall served his Nation.

I believe that George Catlett Marshall is perhaps the most important person in the 20th century. I do not say that lightly, because as a student of history, as a person who has been extremely interested in American history and in the history of the civilized world, I believe that we find very few people who have been able to combine the skills and the personality and the devotion to service that George Marshall performed and exemplified. He was a cadet at VMI, which the gentleman in the well has mentioned. Even though he was a Pennsylvanian by birth, I think he certainly did claim Virginia as home, and Virginia can be proud of that, as well as Pennsylvania, but the fact is that George Marshall was an American. He was a person who lived by the highest code of conduct and standards and set, I believe, an incredible standard of conduct for the military. I think that he set a standard of conduct for leaders, elected leaders such as ourselves, but also for men and women and children throughout the world who can learn from the strengths that this person exhibited, those being incredible moral integrity and honesty.

You read the volumes and the history of George Marshall, and you find that it was this standard of conduct and this constant standard, unflappable, consistent, always there, the standard that you knew that this man was honest in his dealings with you and with the importance of the job that he was performing at the time, and that he put everything that he had into that job. So it is that level of professionalism, that incredible standard, that I think we can certainly learn from.

As a member of the Committee on Armed Services I have also spent time trying to ascertain some of the skills that General Marshall had when it came to the running of the Army as Chief of Staff, his incredible understanding of organization. He was an organizational man par excellence. He understood the logistics, the role of logistics, and if anyone elevated that area of the service and the military, it was George Marshall. He understood that fully, and it was because of his incredible organization and his logistical skill that we were able to be victorious I think in World War II.

I think a more important quality that he had which has stayed with me after reading so much about George Marshall is that he understood people, he cared about people, whether they were enlisted people within the Army or the citizenry of Europe or the people whom he served in this country. He was able to draw out the potential of those individuals, and I think that that is the mark of a true leader.

He kept his notorious black book, where he took notes about the performance of people whom he worked with over the years, and he would go to that when trying to find a person to perform a skill or to fill a role, wherever it was in the military, the Army, or in American service, and with those voluminous notes he was able to draw upon key people and insert them.

□ 1910

I think that too was probably a lesson for many of us.

I recall one instance, and again I think this is probably as accurate a portrayal as the fact that he was recognized throughout his military career, and he probably had one of the most frustrating tenures as a captain of any of the five-star generals, because after World War I when he was promoted, and after the war he was back to the grade of captain, he lingered there for some time, or before that he lingered there. I know it was a frustrating time for him. But on one of the promotion slips the story goes that the colonel who was rating him wrote in there under how would you rate the leadership capability of Captain Marshall, and he said I should be so lucky as to serve under him, or that he should serve under me. So again he was recognized throughout his career.

I think it can be safely said that General Marshall, and I guess we always refer to him as General Marshall, no one ever called him George. I think one admiral called him that and that was a rarity because of the stature that this person had and his own sense of professionalism. But General Marshall knew how to conduct a war, but he also, and more importantly, knew how to preserve the peace. And I think that is what led to the Marshall plan and the recovery of Europe, and the basis for NATO today, and the fact that we have had deterrence and peace since that time was a legacy that General Marshall gave to the free world.

Rightfully he was a Nobel Peace Prize winner. Again, he set the standard I think for the citizen soldier and for all of us who are devoted to public service.

So in conclusion I would again commend my colleague from Virginia for his insight and foresight in calling this special order and taking the time at a time when we sometimes question what we are doing in this country, and the fact that we have not had a bipartisan foreign policy and we tend to split apart in this body. The fact that there is a person there, whether we are Democrats or Republicans, Southerns or Northerners, whatever, that we can unite around, a person that set a standard of conduct which is truly remarkable, and one that should live as a light directing our actions in the future, whether it is in war or in peace, I think General Marshall was truly one of the greatest Americans to ever live, and certainly one that made 20th century what it is today. I thank the gentleman for his time.

Mr. OLIN. I thank the gentleman from Oklahoma for his very fine comments. He is truly a student of Gen. George C. Marshall, and the book that he was referring to is the fourth of the Pogue books on Marshall. Pogue was Marshall's biographer. It is called, "Statesmen," and covers the period 1945 to 1959 when Marshall died.

The gentleman is correct that it was the personal qualities of Marshall that made him so effective. He was a very, very smart man, but it was not his intellect that really counted, but it was his sense of fairness, his absolute integrity. It was his ability to judge situations objectively and unemotionally, and his ability to see other points of view and reach a conclusion and then stand by that conclusion.

When the general brought forth the idea of the Marshall plan, of course the problem then was to put some meat on the bones to develop it into something that really was practical, and then he had to sell it to Congress. It was his own personal stature that made the sale to the Congress, because he, in leading the United States all through World War II, became more aware than almost anybody else of what had happened in Europe, the degree of the destruction and the degree of the devastation. And he came up with a concept that the United States could help rectify that situation and build the basis for long-term peace.

It is hard to say whether anybody else could have done that. I appreciate the gentleman's remarks. If he would like to borrow that book, I would be happy to loan it to him. Take it with you. I have another copy.

Mr. McCURDY. I am going to have to go out and get one, I appreciate the offer.

The gentleman is correct, if I could just take a second longer. I think what we see here is the definition of a statesman. Many of us would give anything to rise to that stature and be known as such.

But I think if there is a perfect definition it would have to be the body and soul of George Catlett Marshall, because he did rise to that stature. He was a trusted adviser to many Presidents, and so many people that had to deal with those issues. Again, I think the most important lesson we can ever learn is that it is that personal integrity and honesty and moral code that he had and exemplified and his demand for excellence of the people that served around him which is something we can all ascribe to.

One last comment, if the gentleman does not mind. I was recalling an anecdote, and there are so many. There was one that I always felt was pretty good as an excellent indication of the standard that he set for himself. One officer rushed in when the general was the Chief of Staff of the Army and he asked him what basically did he feel about a certain issue. The general corrected him and he said, I feel fine, but what do I believe or what is my position on this issue. Again, he set him straight, and it was the clarity of position that he had. He was one of the few during the times of crises when called to brief, whether it was President Roosevelt or President Truman or Eisenhower after that, to brief them or advise them on any particular issue, without question throughout the history books and all that has been written, he was the person that always had the most concise, definitive response that set the issue very clearly, that made it possible for a decision to be reached.

Again, that is an art form that he elevated, and something that we all can learn from.

Again, I appreciate the gentleman yielding.

Mr. OLIN. As the gentleman knows, this is a quality of leadership which made our country great, and it was required during his times, it was required during the earlier history of the country, it is required now, and it will be required in the future. One of the purposes of having this special order is to try to help keep alive the memory of this man and the understanding of the type of contribution that he made, and how he made the contribution through basically his strength of character.

Mr. McCURDY. If the gentleman will yield further, I know the gentleman, as is true of many of our colleagues, addresses young people and groups on a daily basis. I always like to ask a question when I am in those audiences: Who was the most important person, if you can single out one person, in the 20th century. I find it interesting that we always hear the names of Presidents and other people, but very few times do they come up with the name of General Marshall. But I think it is important that young people today who certainly do not recall, and I was not born during the war, the big war, World War II, and many of us were just babes literally during the Korean conflict, and I think it is important that we remind Americans, regardless of age, of the sense of purpose and the quality of service that this American, the sacrifices that this individual made for his country out of an incredible sense of duty.

If there was any requirement that we can have or make of Americans today, I think it is that of service, and I think we can do no better than to go back and study the life and times of George Catlett Marshall and use him as a guiding light for the standard of conduct, whether it is in government or in the private, business sector, or just in our daily lives.

I think the time the gentleman has taken tonight is indeed worthwhile, and again I commend him for it.

Mr. OLIN. I thank the gentleman very much.

Mr. Speaker, I would like to make some additional comments about the Marshall plan, and I would like to read a little bit from an article by John Hall in the Richmond Times Dispatch when he is talking about Marshall's address and the impact of it. He says:

> George C. Marshall's address to the alumni of Harvard University on June 5, 1947, probably has more to do with the shape of the modern world than any single event since the end of World War II.
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> The Marshall Plan, which he outlined in a vague way that day, fashioned an economic and geopolitical order that has stood for two generations.
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> It broke the United States' bonds with isolationism, dampened fires of protectionism, inaugurated a new system of economic interdependence between nations and constructed a sophisticated and intelligent framework for how victors in their own interests, should treat the vanquished. This is unparalleled in the history of the world.
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> Marshall's speech invited war-ravaged European states to join in drawing up a request for huge amounts of U.S. assistance in order to restart the European economy and its main engine, occupied Germany. The result was a four year, $13.3 billion program of aid to the Europeans to buy critically needed materials to get production started again.

You will remember that the principal aid went to about 13 nations, and among them are our major allies, France, the Netherlands, the United Kingdom, and other countries, Belgium, and a good bit of the money went there. But the aid also went to the vanquished, the Federal Republic of Germany, Austria, Italy. Those are the principal ones, and that $13.3 billion was used to buy the machinery of production, to buy the materials to get the training and to help bring back the economic strength of all of Europe. That, of course, worked to the benefit of the Continent and also worked to the benefit of the United States.

I would like to say a little bit more about General Marshall's career. We know where he was born. His parents had come from Kentucky. He was born in Pennsylvania, lived most of his life in Virginia.

He graduated from VMI in 1901. A year later he married a woman named Elizabeth Carter Coles of Lexington, VA, and after duty in the Philippines and the Continental United States, prior to World War I—he served in World War I intially with the First Division, and eventually on the staff of General Pershing, John J. Pershing. And then in between the wars he continued to serve as an aide to General Pershing, and he served with the troops in China, at Fort Benning, and other posts in the United States.

His first wife died, and then 3 years later he married again a woman named Katherine Boyce Tupper Brown of Baltimore, MD.

General Marshall gradually increased his stature in the armed services during that time. Finally he got to be a temporary colonel in World War I, in 1918.

□ 1925

It took him until 1933 to become a permanent colonel. But he did, he then became brigadier general in October 1936 and then at the outset of World War II at the very beginning of it, if you remember in September 1939 when Hitler first made his invasion I think of Poland it was as I recall—I am not sure—at that time General Marshall was appointed Army Chief of Staff.

He served in that capacity until November 1945, 6 years. He was the one Chief of Staff this country had. He basically managed World War II. About a week after his retirement from being Chief of Staff, President Truman asked him to go to China. This was in 1945, a week after he retired as Chief of Staff. He went there to try to straighten out the situation in China, that is the relations between mainland China and Taiwan and other issues that occurred during the war. It was a thankless task. It was impossible to find a permanent solution.

But when he came back from that assignment President Truman asked him to become Secretary of State in 1947. And he did. Of course, it was shortly after that that he gave his speech at Harvard regarding the Marshall plan.

He spent most of his time as Secretary of State getting the plan approved, getting it outlined, getting it detailed and making it effective. In 1949 he left the Government for the first time in almost 50 years, became president of the American Red Cross only to be recalled 1 year later in 1950 as Secretary of Defense.

This was into the center part of the Korean war. He was called back to help bring his talents to bear on that very difficult situation and he stayed in that assignment for 2 years.

In 1953, he received the Nobel Peace Prize for his initiation of the European recovery. He finally died on October 16, 1959 at Walter Reed Army Hospital in Washington.

I would like to also enter in the record that during the interim between World War I and World War II, Marshall got to know all of the upcoming military leaders, the colonels, the brigadier generals. He trained them, he helped to place them, he helped in their instruction. So that by the time World War II came about, Marshall was intimately familiar with the total management strength, military strength of our armed services. This really stood him in very good stead as he undertook his tasks in World War II.

I would like to note also that following Marshall's getting the Nobel Peace Prize, President Truman recognized the magnitude of what Marshall was in total and suggested that a foundation be formed, and it was; the George C. Marshall Foundation.

Heading up the committee in charge of that foundation in the early days first of all was General of the Army Omar N. Bradley. He was succeeded by Robert A. Lovett, who was a close colleague of General Marshall, worked with him in the State Department and later in the Department of Defense and was his successor as Secretary of Defense.

That George C. Marshall Foundation is located in Lexington, VA, on the campus of VMI, just about in-between VMI and Washington-Lee University. It contains Marshall's letters, his papers, a museum, a library. It is there for the purpose of helping keep alive knowledge of Marshall and his contribution and the principles that he lived by and the qualities that he had that we have been talking about here tonight.

The foundation is a living memorial.

This is one of the requirements that Truman laid down, that it not be an inanimate statue or monument of that type, but it would be somethng that would live and grow.

It is there for the thousands of visitors of all ages who come from all over the world to visit. It is there for the many students and scholars who use the archives and the library to dig out the facts about General Marshall and his service to the Nation, all the things that he did and particularly for the young men and women beginning their military or their public careers to seek in his leadership, in his principles things that they should know about to guide their careers, and for the military and civilian leaders of our Nation who find in his selfless services inspiration for their own activities.

In this month which is the 40th anniversary of the Marshall plan, there will be a commemorative dinner in Washington, DC, on June 23 at the Mayflower Hotel. It is going to be attended by, again, the Ambassadors of the countries who were the recipients of the Marshall plan, attended by many of Marshall's closest associates who are living. The honorary chairman is John J. McCloy and the chairman of the meeting and principal speaker will be Ambassador Paul Nitze. We are hoping that this will be a very well-attended affair. The program booklet for the affair will be a commemorative booklet containing many items of historical importance.

So to conclude the special order, let me just say a few more things. This may be somewhat repetition, but it is worth repeating. We all know what people of the world thought of Marshall. You have heard some of those comments tonight. Leadership is really what all the comments are about.

Marshall lived his life under principles essentially dedicated to service, dedicated to hard work, integrity and humanity. He lived the life that represented values that were important to America then, they are important now and they will be in the future.

Probably no other American in our time possessed the qualities of leadership to the degree that are found in George C. Marshall.

When Marshall died in 1959, there were those who wondered how one man could have done so much for his country. There is really no record of service that can match it.

So today Members of the House of Representatives commemorate George C. Marshall. We commend his life to the young people of our country to learn about, to emulate and to the leaders of our country, to think on and ponder and recognize the effect that someone with his strength of character, with his understanding and experience, can bring not only to the problems of the nation but to the world.

Mr. BROWN of California. Mr. Speaker, I rise today to pay tribute to an extraordinary man, Gen. George Catlett Marshall, and to praise his most famous achievement, the Marshall plan which began 40 years ago.

On June 5, 1947, George C. Marshall delivered the outlines of the most successful and triumphant economic assistance program ever undertaken—the Marshall plan. Over the subsequent 4 years, a golden wave of rejuvenation and hope swept across the same European plains that had previously seen only destruction and dealth. However, the Marshall plan was not an instantaneous response to the aftermath of World War II. It was only after 2 years and much thought that the United States decided to help Europe rebuild.

When the war in Europe ended, Marshall believed that a peace on the order of the Versailles Treaty of 1919 was to be avoided at all costs. Many thought the treaty that ended World War I was one of the major reasons for the Fascists' rise to power in Germany, as Hitler capitalized on the great misery visited on the German people by the dictated war reparations clauses. The post-war economy of Germany was in shambles, as inflation was so high that it took wheelbarrows to carry the cash needed to buy simple groceries, and the country was in no position to pay her former enemies billions while, at the same time, rebuilding a viable economy from the ravages of war and occupation. When the French invaded the Ruhr and seized the German industry there in order to extract payment, the folly of the peace was evident. In addition to the reparations, another burden imposed on Germany by the peace of 1919 was the infamous article 231. First proposed by John Foster Dulles, the article placed the responsibility of the war directly on Germany. This betrayal of Wilsonian principles by the conferees in Paris gave Hitler even more fodder for his propaganda cannons.

The situation after World War I was accentuated by the United States calling in the debts that France and England had built up during the war. This led to increasingly unstable world financial situation that, despite the Dawes plan of 1924 and other attempts to rectify the problems, contributed greatly to the worldwide depression of the 1930's. The United States learned valuable lessons from the dictated peace of 1919 and the post-war world of the 1920's. Our country practically wrote off the World War II debts of our allies while guilt was only assigned to individuals as a result of the Nuremberg trials. Still, a program to deal with the revitalization of Europe had to be found.

Marshall and his advisers in the State Department knew that a haphazard spending program could not counter the poverty and distress the continent faced. According to Marshall, "such assistance * * * must not be on a piecemeal basis as various crises develop. Assistance * * * should provide a cure rather than a mere palliative." In his speech, he called for European cooperation and noted that there must be "some agreement among the countries of Europe as to the requirements of the situation and the part those countries themselves will take to give proper effect to whatever action might be undertaken by this Government." Confidence must not only be reestablished in the individual countries, but also in "Europe as a whole."

Europe immediately responded in concert with applications for economic aid. After 6 weeks of debate, Congress, persuaded by President Truman, Senator Arthur Vandenburg, and General Marshall, appropriated the money within 11 days ships packed with grain left Texas for the cities of France. The Marshall plan, through which the people of the United States would eventually give over $13 billion to rebuild Europe, was underway.

The transformation of Europe was startling. During the first 2 years, American aid averaging $4 billion a year resulted in a $30 billion expansion of Western Europe's annual output. Production of goods and services went up 25 percent while industrial output as a whole rose nearly a third. Wherever one went in Europe of the late 1940's, the effects of the Marshall plan could be seen.

In less than 2 years, France's economy was springing to life. The French harbors, which had been reduced by 70 percent during the war, were completely restored. The tractor population of the country went from 25,000 in 1945 to over 125,000 by 1949. The increasing farm capability allowed France to feed its own citizens and exert efforts toward the building of an industrial base.

American coal and other raw materials found their way to Italy, buying the nation time to improve its industrial capacity, which, at the end of the war was only 20 percent of prewar levels. Two years later, it was increased by a third, and even more dramatically, by 1968 one out of seven Italians owned a car.

The Western zones of Germany underwent a total metamorphosis. Between 1948 and 1964, industrial productivity rose 600 percent while unemployment went from 9 percent to 0.4 percent. The production of steel went from 2.5 million tons in 1946 to 14.5 million by 1953 and fueled the automobile industry which in 1953 produced twice as many automobiles as it had in 1936.

Many other countries, from Austria to Ethiopia benefited from the Marshall plan. In addition, Japan was the recipient of the spirit of the Marshall plan as the United States exercised a leniant occupation of the islands. The only country that did not appear as a glowing success was Great Britain, though the program probably allowed that country to delay by a few years the decline that was brought about by a collapsing colonial empire and the liquidation of capital during the war.

In addition to economic aid, there were a number of tangential programs associated with the Marshall plan, the most successful probably being the displaced persons plan. The war had created a large number of persons who were separated from their families or had been driven out of their land by the de facto boundary settlements after the war. Through the displaced persons plan many individuals were reunited with their families and over 339,000 displaced persons were allowed to become American citizens.

Taken as a whole, the Marshall plan was the most generous and noble postwar act ever undertaken by a victorious society and, especially when coupled with the programs launched in Japan, show the graciousness and greatness of the American people. Its success, however, like all things designed and implemented by humans, was not total. As a result of the Marshall plan, Europe was inundated with things American, from Coca-Cola and Scotch tape to hamburgers and jukeboxes. Cries of cultural imperialism were soon heard from some elements of European society. Indeed, it was evident that, almost overnight, the cultural center of Western Europe had been transferred to the middle of the Atlantic.

In his speech at Harvard Yard, Marshall arduously avoided any mention of political gain that might accrue from the plan. In his most famous line, Marshall emphasized the foundation of his plan: "Our policy is directed not against any country or doctrine but against hunger, poverty, desperation and chaos." Indeed, the plan was offered to all the countries of Europe, including the Soviet Union. When the Soviets turned down the offer and forbade any of the Eastern European countries under their control to participate, the Marshall plan gradually began to emerge as a weapon in the nascent cold war. Truman underscored the politicization of the program's principles by presenting it to Congress as the economic companion to the Truman doctrine. In 1949, the North Atlantic Treaty Organization was formed and in the ensuing years the aid provided by the United States to Europe became increasingly associated with the military, while the amount of economic aid dwindled.

To be sure, if Truman wanted the Marshall plan, his appeal to Congress had to be based on more than the magnanimity of the American people. Many Congressmen, on both sides of the aisle, disagreed with the Marshall plan, arguing that it would take away the capital needed to cope with the expected postwar recession in this country, or that a "worldwide W.P.A." was against free enterprise principles. It took the anti-Communist appeal of Truman, the crises in Greece and Turkey, and the Czechoslovakian invasion by the Soviet Union to spur Congress' approval of the plan, and even then, the amount appropriated was less than Marshall felt was necessary.

These, however, are minor points when compared to the overwhelming achievements of the Marshall plan. More than just economic aid, more than stabilizing the political process throughout Europe, the Marshall plan contributed confidence to Europe and lifted the continent out of the psychological abyss it had fallen into after the war.

The aid provided by the United States allowed the Europeans to make use of their human capital; to free the technical, financial, and managerial skills needed for the task of rebuilding after a great war. The essential element, and one that has been singularly absent in attempts to duplicate the Marshall plan, was the cooperation and planning that Marshall required in his Harvard speech. "The initiative," said Marshall, "must come from Europe. The program should be a joint one, agreed to by a number, if not all, European nations." The purpose was not to buy the gratitude of Europe by indiscriminately throwing money at the continent. It was, instead, a shared adventure designed to be implemented by equals. Although the United States came up with the blueprint, it was Western Europe that decided on a specific plan of renewal. American aid coupled with European effort led to the success of the Marshall plan. In the future, when an offshoot of the Marshall plan is suggested as a remedy to some hotspot in the world, we must remember this point. To not do so would be an act of hubris, and would reinforce the stereotype of the "ugly American" who can buy whatever is wanted.

Although the Marshall plan was contributed to by a number of worthy individuals, it was necessary for Marshall to have his name attached to, what Winston Churchill termed, "the most unsordid act in history." Marshall was one of the greatest men of his time and perhaps the most unsordid leader in history. His career was one of service, not ambition. His name was above politics and reproach, at least until the time of McCarran and McCarthy. This was the spirit that carried public opinion and allowed the Marshall plan to be implemented.

Marshall's service touched all corners of the globe and involved him in many of the major decisions of this century. His life was, in a word, exemplary, and I daresay all the individual accomplishments by the 435 members of this body would not come close to what George C. Marshall achieved in one lifetime.

After college at Virginia Military Institute, Marshall found himself in France planning World War I offensives for General Pershing. He so distinguished himself as a skillful battle planner that Pershing paid Marshall the ultimate compliment in military circles by saying, "He's a man who understands military." The 1920's saw Marshal still apprenticed to Pershing, but instead of designing armed offensives, Marshall was planning political offensives, lobbying Congress on behalf of the Army. The dual foundation built in the service of Pershing would serve him well in the future.

During the 1930's, as Franklin Delano Roosevelt's New Deal reshaped America, Marshall was in charge of 17 Civilian Conservation Corps camps throughout the South. It was in this capacity that he first gained the attention of President Roosevelt, as he exhibited a great talent for building men out of malnourished boys. In 1938, President Roosevelt wanted a Chief of Staff who not only could understand the politics and bureaucracy of the United States, but also an administrator who could build an army and a leader who could train young men. To get his man, the President ignored the merits of 20 major generals and 14 brigadier generals and picked George Marshall.

When Marshall was sworn in, the U.S. Army consisted of 227,000 soldiers, but had only enough equipment for 75,000. When Hitler told Mussolini that the United States was a soft country, he should have been reading the papers of his predecessor, Hindenburg, who paid America the same kind of compliment that Pershing had paid Marshall, "They understood war." By 1945, Marshall and his subordinates had trained over 8 million soldiers and the Nation had outfitted them all.

As the war drew to a close, Marshall's life became more hectic than ever. He made his presence felt at the two meetings that shaped the postwar world, Yalta and Potsdam, and was on the committee that recommended the United States use the atom bomb on Japan. In 1946, he went to China as the United States intermediary to try to get Mao Tse-Tung and Chiang Kai-Shek to end hostilities in the Chinese civil war. One year later, he was appointed Secretary of State where he was instrumental in solving the Berlin blockade by undertaking a massive airlift. The Korean war saw Marshall agree with President Truman on the MacArthur question and triumph over those planners who wanted to commit the United States to a major land conflict. He also oversaw the formation of NATO and graciously ended his retirement to help Truman out by becoming the Secretary of Defense in 1950.

These are the actions and deeds of a truly great American. However, George Marshall is more remembered by the American people for something he did not do. During World War II, Marshall proved himself so valuable an administrator and leader that President Roosevelt said to him, "I feel I could not sleep at night with you out of the country." When the glory job of Allied Commander in Europe was formed, it did not go to Marshall, but, on Marshall's advice, to Dwight Eisenhower. This was the supreme sacrifice for a military man, but Marshall shouldered the burden of administration so brilliantly that Churchill called him "the true organizer of victory".

By following Roosevelt's wishes, Marshall displayed a rare trait in the makeup of military men. America was fortunate to have great generals like Patton and MacArthur, whose egos fueled their great military minds. America, however, owes a greater debt to men like Marshall, men who subverted any personal ambition for the survival of their country, or, in Marshall's case, it would not be too much of an exaggeration to say "his world."

Any one of these accomplishments would be enough to put Marshall in the history books. Taken together they are an amazing testimony to Marshall's unshakable integrity and relentless dedication to the service of his country. Indeed, President Truman, himself a much-venerated personality and inspiration of many politicians today, noted on this appointment sheet that, "The more I see and talk to him the more certain I am he's the great one of the age."

Marshall's life has many lessons for us, but I believe the one we should pay the most attention to is his dispassionate, logical, outlook on crises. Marshall always thought of the consequences before acting. He did not allow himself to get angry, for anger is exhausting and sometimes fatal. He strove to keep his mind clear and free of sentiment so that he could make the best possible decision as quickly as possible. Panic was anathema. During the Berlin airlift, an assistant asked, "How in the world can you be so calm during this appalling crisis?" Marshall replied, "I've seen worse." Indeed, he had dealt with worse and would do so again in the future.

Mr. FASCELL. Mr. Speaker, many remarks have been made in recent days and many articles written about General Marshall and about the Marshall plan which he boldly announced 40 years ago. I am pleased to have this opportunity to add my comments about this great American.

General Marshall is truly one of our Nation's greatest heroes—soldier, diplomat, statesman, the first professional soldier ever to be awarded a Nobel Peace Prize. He was both a man of vision and a master of organizational detail. From his early rise to military prominence as chief of military operations of the First Army during World War I, through his years as assistant commandant in charge of instruction at Fort Benning, GA, where he was able to institute many changes in instruction which were valuable to subsequent military organization during World War II, and on to his supreme achievements as Chief of Staff and Secretary of State, he saw clearly the needs and problems at hand and worked with exceptional clarity to accomplish goals which to most of us would have been unattainable.

As we contemplate General Marshall's many accomplishments and particularly the unparalleled success of the Marshall plan in bringing about economic recovery in postwar Europe, there are many lessons which we can consider as we seek to guide our country wisely. General Marshall was not afraid to propose bold solutions. He was not afraid to challenge accepted wisdom or to fight against special interests. At the same time, General Marshall was aware of the need to prepare carefully and to educate others as to the validity of the course of action he was preparing. The Marshall plan, which was proposed on June 5, 1947, was at that time the product of months of consideration of the problems facing Europe and concern over the consequences of the United States failure to act. During the months that followed, studies were undertaken to determine whether and how the United States could support an aid program of the magnitude anticipated, and Secretary Marshall and others in the administration were busy with activities to inform both Members of Congress and the public about the need to provide assistance to Europe. Nearly 11 months of careful effort elapsed before a well-informed Congress strongly endorsed the Economic Cooperation Act of 1948, the largest foreign aid program in our Nation's history.

Finally, General Marshall thoroughly understood the need for bipartisan cooperation to achieve the ends he sought. He and Senator Vandenberg worked closely together to support passage of the act. The Administrator of ECA, Paul Hoffman, was a successful Republican businessman who made every effort to run the huge program above partisan political considerations.

General Marshall represented the best of American values. I echo the words of President Reagan last week in hailing him as "a gallant soldier, a visionary statesman and an American who set a standard of honor and accomplishment for all who have followed."

Mr. OLIN. Mr. Speaker, I yield back the balance of my time.

GENERAL LEAVE

Mr. OLIN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of my special order tonight.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Virginia?

There was no objection.

QUESTIONING USAGE OF THE U.S. MAIL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. DURBIN], is recognized for 60 minutes.

Mr. DURBIN. Mr. Speaker, the reason for this special order this evening involves something which is common to most Americans in their daily lives. I make reference to the fact that a recent poll disclosed that a substantial percentage of Americans listed as one of the more interesting things that occurs to them on a daily basis the delivery of the U.S. mail. And I guess when you think about it, how many times you go home and open up the mailbox, looking for maybe a surprise letter or communication, disappointed sometimes to find too many bills, occasionally wondering why you are receiving all these advertising circulars and wondering why some of this mail is being sent to you. "How did my name get on this list? Why am I the recipient of this particular piece of mail?" Usually a person will take a cursory glance at a piece of mail coming across the table and if they do not recognize something on it that catches their eye or they identify it very quickly as something that is characterized as junk mail, they will toss it in the wastebasket. Of course when that occurs, the party who sent the mail to you has just made a mistake; they have sent some mail to you that you did not open, something that did not catch your eye or fancy and you tossed it away and whatever they invested in that mailing was wasted.

So the people who are involved in mass mailings have become very sophisticated. In fact, they use us I guess to experiment from time to time.

How many times have you come home and saw the mail stacked in front of you and just for one passing second thought "Well, maybe I am going to open this particular letter which does not look too familiar" but there is something on the outside of that envelope that catches your attention. Well, if you open that mail, they have been successful. The mailer has made his point, you are into the letter, you take a look at it. You may pick up some information, you may, in fact, turn around and do whatever that person wanted you to do, whether it is to buy a product or contribute some money or shop at a certain store or whatever.

So this whole process of enticing Americans and people around the world for that matter to get into the mail, has become very sophisticated. Some of the people who mail in our country, of course, are very common to us, commonly known; retailers, merchants, of course. But I suppose the men and women who occupy this Chamber on a day-to-day basis as professional politicians and elected public officials have become some of the most adroit and capable mailers in America. For you see, those of us who are mailing out to our constitutents and potential contributors have to put something on that envelope to catch a person's attention, to make certain that they open it, that they do not toss it aside as just another piece of mail in which they are not interested. It is amazing sometimes the lengths to which they will go as elected officials and candidates to send something out to try to encourage people to take a look.

The reason for this special order this evening is to call attention to one particular mailing, a mailing which I think steps over that line of being enticing, into the area of deception. It is particularly troubling because this mailing which was made last month by the National Republican Congressional Campaign Committee involves several things which I think most Members of Congress would suggest goes too far, several things which perhaps on reflection, even some leaders at the National Republican Congressional Campaign Committee have conceded should not have been done.

The mailing I make reference to had on the envelope, on the upper left-hand corner in the official script used most commonly here in Washington "Congress of the United States." Directly below that, "Ways and Means Committee." And below that in bold print, "Official Business."

Right over the name of the person receiving the mailing is written, "1987 Federal Tax Information Enclosed."

There is nothing to suggest on this envelope that this is a political mailing, at least on the front of the envelope. Many people receiving it, I am sure, would take a look at it and say, "Wait a minute, Federal tax information? I had better take a look at this." Of course, with all the W-4's we have been mailed, with all the forms you receive, the changes in the tax law, there is not a person, I do not think, who would not be drawn into this envelope to take a look.

When you flip the envelope over, if you should happen to do that before you open it, you will see the only reference on the outside of the envelope to what it is all about. The reference, of course, is to the National Republican Congressional Committee, Washington, DC.

While I need not tell you, and I think it comes as no surprise, the contents of this mailing had very little to do with the official business of the U.S. Congress or the Ways and Means Committee. In fact, the Federal tax information enclosed, if you turn around and send it to the Internal Revenue Service would be rejected because, in fact, the Internal Revenue Service had nothing to do with this mailing either.

What is enclosed in this particular mailing was a letter from a Republican Member of Congress who serves on the Ways and Means Committee. And our stationery, which, again, resembles the official stationery of the Congress of the United States, this individual writes, "Dear Taxpayer," and proceeds for three or four pages to outline a very clear political message. I do not take exception to the right of my colleagues on either side of the aisle to state their public opinions, to try to entice people across the United States to be persuaded that either the Republican or Democratic point of view is the proper one. That is part of our political system.

But I think this mailing crossed the line which the use of the "Official Business" of the "Congress of the United States" and suggested that 1987 Federal tax information was enclosed. For you see, this mailing as you read on turns out to be more than just information. It is a solicitation. Specifically, and I quote from the letter, it states:

> That's why I'm counting on you to send a generous contribution of at least $20 or $25 to the GOP victory fund and join me in fighting the Democrats' 1987 tax increase.
>
> Perhaps you can send as much as $50 or even $100 when you sign and return your postcards to me. Whatever you decide, the most important thing is for you to send something.

□ 1940

Then you turn to the page which is the operative page where the person makes that conscious decision to join in this crusade against those tax-and-spend Democrats, and you find—and this is particularly troubling to me—the categories of donation. These are questions being asked of the person receiving the letter. "Do you want to join in this crusade?"

But the final category is one that is troubling, and that says:

> I am on a fixed income and although I cannot fully join your campaign to stop the Democrats * * * I am sending $5 to help you.

The reason that is particularly troubling is that most surveys and analyses suggest that many senior citizens are vulnerable to this type of mailing and this type of solicitation. I can tell the Members from first hand experience, having attended several hundred town meetings in my district, that many senior citizens have come forward and asked whether or not they should send $10 to James Roosevelt because he says he is going to campaign to save Social Security and to avoid cuts in the future.

There is a genuine, personal, sincere concern by the senior citizens as to whether of not they should make this investment even though they know in their heart of hearts that they do not have the resources to be giving away this kind of money. They are vulnerable. They are on the line. Many of them are concerned that a cut in Social Security may mean the difference between paying a utility bill in the coldness of winter and making sure there is enough food in the refrigerator as they try to make it through another month. I have suggested to them that they should not send the money, and many of them are disappointed in me. I tell them that they have elected Members of Congress who are supposed to have that responsibility, that we are paid by the Federal Government, and that they need not send us money, particularly a solicited $10 donation for that purpose.

But in this particular mailing which encloses the solicitation for fundraising, on the face of it we have the suggestion: "1987 Federal Tax Information Enclosed," and as you go into this tax fighters' action packet, you find they are going after the senior citizens' action packet, you find they are going after the senior citizens' pocketbooks just as much as anyone else, and it troubles me. I think that this mailing stepped over the line. It is a line which is not very clear. In fact, some interpretations of the law would suggest that the National Republican Campaign Committee is even exempt from existing House rules and regulations. But whatever is the case, I am pleased to report to the Members of Congress and those in the reach of my voice that the gentleman who signed that mailing has already suggested that they will not do it again, that perhaps they went too far. I think the gentleman reached the right conclusion. I think that this mailing may have preyed on some people who got it and, believing they were dealing with official Government documents, sent a check they could not afford to send for a cause which is of questionable purpose.

As I said at the outset of this special order, many people take liberties to entice us to open the mail. Those of us who serve in public service and Government, I think, should take care that we do not abuse the basic integrity of the documents of the House of Representatives, that we do not send something and label it "official business" when it is not and it is only a campaign political mailing, that we do not say that official 1987 tax information is enclosed when we know that all that is enclosed is a hit for a contribution. That goes too far.

I think and I hope that the mailing was a disaster. I hope that the Republicans found that this is not the approach to take, and if there are still people listening who have sitting on the back of their bureau one of these solicitations, let me tell them point blank that it is not official business, it is not Federal tax information, and the best thing they can do for themselves and their family and the future of the Republic is to toss it in the wastebasket.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mrs. MARTIN of Illinois (at the request of Mr. MICHEL), for today, on account of attending a funeral.

Ms. SLAUGHTER of New York (at the request of Mr. FOLEY) for today and the balance of the week, on account of a death in the family.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. HENRY) to revise and extend their remarks and include extraneous material:)

Mrs. JOHNSON of Connecticut, for 5 minutes, on June 17.

Mr. CLINGER, for 5 minutes, on June 17.

Mr. SWINDALL, for 60 minutes, on June 17.

Mr. WALKER, for 5 minutes, today.

(The following Members (at the request of Mr. GRAY of Illinois) to revise and extend their remarks and include extraneous material:)

Mr. BUSTAMANTE, for 5 minutes, today.

Mr. KLECZKA, for 5 minutes, today.

Mr. ROSE, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. PANETTA, for 5 minutes, today.

Mr. MONTGOMERY, for 5 minutes, today.

Mr. GONZALEZ, for 60 minutes, on June 19.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. BROOKS, on the en bloc amendments by Mr. MICA on H.R. 1777 in the Committee of the Whole today.

Mr. SOLOMON, on the Shumway amendment dealing with Cuba today in the Committee of the Whole, on H.R. 1777.

(The following Members (at the request of Mr. HENRY) and to include extraneous matter:)

Mr. HENRY.
Mr. BAKER.
Mr. DANNEMEYER in three instances.
Mr. SOLOMON.
Mr. BROOMFIELD in three instances.
Mr. MICHEL in two instances.
Mr. GINGRICH in two instances.
Mr. DREIER of California.
Mr. TAUKE.
Mr. MCMILLAN of North Carolina.
Mr. LAGOMARSINO in six instances.
Mr. BLILEY.
Mr. LATTA.
Mr. CLINGER in two instances.
Mr. PURSELL.
Mr. SLAUGHTER of Virginia.
Mr. COURTER.
Mr. HORTON.
Mr. REGULA.
Mr. DICKINSON.
Mr. HYDE.
Mr. PORTER.

(The following Members (at the request of Mr. GRAY of Illinois) and to include extraneous matter:)

Mr. VENTO in two instances.
Mr. NELSON of Florida.
Mr. SHARP.
Mr. DIXON.
Mr. BATES.
Mr. DORGAN of North Dakota.
Mr. TRAFICANT in two instances.
Mr. RANGEL.
Mr. LIPINSKI in two instances.
Mr. MILLER of California.
Mr. LOWRY of Washington.
Mr. FLORIO in three instances.
Mr. HOYER in two instances.
Mr. FAZIO.
Mr. DOWNEY of New York.
Mr. DELLUMS.
Mr. VISCLOSKY.
Mr. HOCHBRUECKNER.
Mr. MATSUI in three instances.
Mr. COELHO.
Mr. MONTGOMERY.
Mr. STARK.
Mr. ATKINS.
Mr. ACKERMAN.
Ms. SLAUGHTER of New York.
Mr. MILLER of California.
Mr. HALL of Ohio.
Mr. SCHEUER.
Mr. PEASE.
Mr. RODINO.
Mrs. COLLINS.
Mr. FOLEY.
Mr. BROWN of California.

ADJOURNMENT

Mr. DURBIN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 7 o'clock and 45 minutes p.m.), under its previous order, the House adjourned until tomorrow, Wednesday, June 17, 1987, at 11 a.m.

OATH OF OFFICE, MEMBERS, RESIDENT COMMISSIONER, AND DELEGATES

The oath of office required by the sixth article of the Constitution of the United States, and as provided by section 2 of the act of May 13, 1884 (23 Stat. 22), to be administered to Members, Resident Commissioner, and Delegates of the House of Representatives, the text of which is carried in 5 U.S.C. 3331:

> "I, NANCY PELOSI, do solemnly swear (or affirm) that I will support and defend the Constitution of the United States against all enemies, foreign and domestic; that I will bear true faith and allegiance to the same; that I take this obligation freely, without any mental reservation or purpose of evasion; and that I will well and faithfully discharge the duties of the office on which I am about to enter. So help me God."

has been subscribed to in person and filed in duplicate with the Clerk of the House of Representatives by the following Member of the 100th Congress, pursuant to the provisions of 2 U.S.C. 25:

Hon. NANCY PELOSI, Fifth District, California.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1612. A communication from the Secretary of Health, and Human Services, transmitting a report entitled, "DRG Refinement: Outliers, Severity of Illness, and Intensity of Care", pursuant to Pub. L. 98-21, (603(A)(2)(C)(iii)); to the Committee on Ways and Means.

1613. A communication from the Secretary of Commerce, transmitting a draft of proposed legislation to increase the authority of the Secretary of Commerce to take necessary actions to collect on loans extended under the Public Works and Economic Development Act of 1965 and section 254 of the Trade Act of 1974; jointly to the Committees on Public Works and Transportation, Ways and Means, and Appropriations.

1614. A letter from the Secretary of the Interior, transmitting a report on the Government's Helium Program providing operating statistical and financial information for the fiscal year 1986, pursuant to 50 U.S.C. 167n; to the Committee on Interior and Insular Affairs.

1615. A letter from the Acting Assistant Secretary, Department of the Interior, transmitting to amend the Reclamation Project Act of August 4, 1939, to authorize modification of certain contracts, and for other purposes, pursuant to 31 U.S.C. 1110; to the Committee on Interior and Insular Affairs.

1616. A letter from the Acting Assistant Secretary of the Army (Civil works), transmitting the annual report of the Chief of

Engineers for fiscal year 1985; to the Committee on Public Works and Transportation.

1617. A letter from the Chairman, National Council on Public Works Improvement, transmitting the second report of the National Council on Public Works Improvement in the form of studies of nine categories of public works, pursuant to 42 U.S.C. 3121 nt; to the Committee on Public Works and Transportation.

1618. A letter from the Director of Management and Budget, transmitting a draft of proposed legislation to amend title 31, United States Code, to improve the method of disbursing Federal funds to State governments and for other purposes; jointly, to the Committees on Ways and Means and Government Operations.

1619. A letter from the Comptroller General of the United States, transmitting a report on the financial statements of the Federal Crop Insurance Corporation for the years ended September 30, 1986 and 1985, (GAO/AFMD-87-36; June 87); jointly, to the Committees on Government Operations and Agriculture.

1620. A letter from the Secretary of Commerce, transmitting a draft of proposed legislation to abolish the Economic Development Administration, to repeal the Public Works and Economic Development Act of 1965, and for other purposes; jointly, to the Committees on Public Works and Transportation and Banking, Finance and Urban Affairs.

1621. A letter from the Secretary, Department of Defense, transmitting a report on the security arrangements in the Persian Gulf pertaining to the reflagging and escorting of Kuwaiti tankers; jointly, to the Committees on Armed Services, Foreign Affairs, Merchant Marine and Fisheries, and the Permanent Select Committee on Intelligence.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk of printing and reference to the proper calendar, as follows:

Mr. FROST: Committee on Rules. House Resolution 195. Resolution providing for the consideration of H.R. 2342, a bill to authorize appropriations for the Coast Guard for fiscal year 1988, and for other purposes (Rept. 100-156). Referred to the House Calendar.

Mr. MOAKLEY: Committee on Rules. House Resolution 196. Resolution providing for the consideration of H.R. 281, a bill to amend the National Labor Relations Act to increase the stability of collective bargaining in the building and construction industry (Rept. 100-157). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. DUNCAN:

H.R. 2688. A bill to amend title 11 of the United States Code to provide that the trustee may not avoid certain transfers made to depositors by uninsured industrial banks that are debtors; to the Committee on the Judiciary.

By Mr. FASCELL (for himself, Mr. Broomfield, Mr. Berman, Mr. Udall, Mr. Clarke, Mr. Hamilton, Mr. Studds, Mr. Lantos, Mr. Weiss, Mr. Leach of Iowa, Ms. Snowe, Mr. Hyde, and Mr. Burton of Indiana):

H.R. 2689. A bill to amend the Arms Control and Disarmament Act to authorize appropriations for the fiscal years 1988 and 1989 for the Arms Control and Disarmament Agency, and for other purposes; to the Committee on Foreign Affairs.

By Mr. FOLEY (for himself, Mr. Lott, Mr. Conte, and Mr. Ireland):

H.R. 2690. A bill to provide permanent authorization for White House Conferences on Small Business; to the Committee on Small Business.

By Mr. LEACH of Iowa (for himself, Mr. Grandy, Mr. Lightfoot, Mr. Nagle, Mr. Smith of Iowa, and Mr. Tauke):

H.R. 2691. A bill to provide for modification of the voluntary agreement between the Secretary of Health and Human Services and the State of Iowa under section 218 of the Social Security Act to provide for coverage of certain police and firefighters; to the Committee on Ways and Means.

By Mr. LIPINSKI:

H.R. 2692. A bill to provide for adjustment of status of certain Polish nationals who arrived in the United States before the end of the period of martial law in Poland and who have continuously resided in the United States since before the end of the period; to the Committee on the Judiciary.

By Mr. THOMAS A. LUKEN (for himself, Mr. Lent, Mr. Whittaker, Mr. Synar, Mr. Wyden, Mr. Richardson, Mr. Rahall, Mr. Staggers, Mr. Bliley, Mr. Ritter, and Mr. Sikorski):

H.R. 2693. A bill to require asbestos manufacturers to submit information on their asbestos products to the Environmental Protection Agency and to require owners of buildings containing asbestos to inspect the buildings and take samples of asbestos or asbestos-containing material before commencing civil actions relating to asbestos, and for other purposes; to the Committee on Energy and Commerce.

By Mr. MILLER of California (for himself, Mr. Ackerman, Mr. Atkins, Mr. Bates, Mr. Beilenson, Mr. Bereuter, Mr. Berman, Mr. Biaggi, Mr. Conyers, Mr. Dymally, Mr. Feighan, Mr. Gilman, Mr. Green, Mr. Levine of California, Mr. Mrazek, Mr. Owens of New York, Mr. Scheuer, Mr. Smith of Florida, Mr. Stark, Mr. Studds, Mr. Udall, and Mr. Wolpe):

H.R. 2694. A bill to amend the Arms Export Control Act to impose certain requirements with respect to the issuance of export licenses for commercial arms sales; to the Committee on Foreign Affairs.

By Mr. PANETTA:

H.R. 2695. A bill to amend the Food Security Act of 1985 to prevent foreigners from receiving production adjustment payments and price support payments and loans; to the Committee on Agriculture.

By Mr. PEASE:

H.R. 2696. A bill to amend the Social Security Act to make health insurance widely available to individuals, based on income and assets, under a competitive system; jointly, to the Committee on Ways and Means and Energy and Commerce.

By Mr. RAHALL:

H.R. 2697. A bill to amend the Surface Transportation Assistance Act of 1982 relating to reasonable access to the Interstate System by commercial motor vehicles; to the Committee on Public Works and Transportation.

By Mr. WILSON:

H.R. 2698. A bill to prohibit, for a 5-year period, any goods produced by the Toshiba Corp. of Japan, the Kongsberg Vappenfabrik Co. of Norway, or their subsidiaries, from entering, or being withdrawn from warehouse for consumption, into the customs territory of the United States; to the Committee on Ways and Means.

By Mr. WOLF (for himself, Mr. Bateman, Mr. Bevill, Mr. Bliley, Mr. Daub, Mr. Hall of Ohio, Mr. Hunter, Mr. Lagomarsino, Mr. Parris, Mr. Rahall, Mr. Smith of New Jersey, and Mr. Stokes):

H.R. 2699. A bill to establish the Special Commission on Civil Service Policy, Compensation, and Benefits; to the Committee on Post Office and Civil Service.

By Mr. HAYES of Illinois (for himself, Mr. Akaka, Mr. Atkins, Mr. Berman, Mr. Biaggi, Mrs. Boxer, Mr. Bustamante, Mr. Clay, Mr. Coelho, Mrs. Collins, Mr. Conyers, Mr. Crockett, Mr. DeFazio, Mr. Dellums, Mr. de Lugo, Mr. Dixon, Mr. Dymally, Mr. Espy, Mr. Evans, Mr. Fauntroy, Mr. Fazio, Mr. Flake, Mr. Ford of Michigan, Mr. Frank, Mr. Fuster, Mr. Garcia, Mr. Gejdenson, Mr. Gray of Pennsylvania, Mr. Hawkins, Mr. Kostmayer, Mr. Leland, Mr. Lewis of Georgia, Mr. Lowry of Washington, Mr. Martinez, Mr. McCloskey, Mr. Mfume, Mr. Miller of Washington, Mr. Moody, Mr. Morrison of Connecticut, Mr. Mrazek, Mr. Neal, Mr. Owens of New York, Mr. Rangel, Mr. Rodino, Mr. Savage, Mr. Stokes, Mr. Towns, Mr. Udall, Mr. Walgren, Mr. Wheat, Mr. Kennedy, Ms. Pelosi, Mr. Hoyer, and Mr. Solarz):

H.J. Res. 317. Joint resolution to designate June 16, 1987, as "Soweto Remembrance Day"; to the Committee on Post Office and Civil Service.

By Mr. HEFNER (for himself and Mr. Conte):

H.J. Res. 318. Joint resolution to authorize and request the President to designate the month of December, 1987, as "Made in the USA Month"; to the Committee on Post Office and Civil Service.

By Mr. ROYBAL (for himself, Mr. Rinaldo, Mr. Valentine, Mr. Hertel, Mr. Dyson, Mr. Kennedy, Mr. Fuster, Mr. Scheuer, Mr. Dixon, Mr. Dowdy of Mississippi, Mr. Morrison of Connecticut, Mr. Foglietta, Mr. Moody, Mr. Saxton, Mr. Neal, Ms. Oakar, Mr. Rowland of Georgia, Mr. Richardson, Mr. Conte, Mr. Gray of Illinois, Mr. Gordon, Mr. Fazio, Mr. Smith of Florida, Mr. Shumway, Mr. Weiss, Mrs. Collins, Mr. Akaka, Mr. Applegate, Mr. Barnard, Mr. Berman, Mr. Bevill, Mr. Biaggi, Mr. Boner of Tennessee, Mr. Bosco, Mr. Bustamante, Mr. Coelho, Mr. Crockett, Mr. DeFazio, Mr. Dellums, Mr. de Lugo, Mr. Dornan of California, Mr. Duncan, Mr. Dwyer of New Jersey, Mr. Dymally, Mr. Feighan, Mr. Gunderson, Mr. Harris, Mr. Hefner, Mr. Horton, Mr. Hyde, Mr.

Inhofe, Mr. Jones of North Carolina, Mr. Lantos, Mr. Levin of Michigan, Mrs. Lloyd, Mr. McDade, Mr. Manton, Mr. Matsui, Mr. Miller of Ohio, Mr. Moorhead, Mr. Murphy, Mr. Rodino, Mr. Roe, Mr. Savage, Ms. Slaughter of New York, Ms. Snowe, Mr. Solarz, Mr. Sunia, Mr. Tallon, Mr. Tauke, Mr. Traficant, Mr. McHugh, Mrs. Kennelly, Mr. Coble, Mr. Volkmer, and Mr. Waxman):

H.J. Res. 319. Joint resolution designating July 1, 1987, as "National Centenarians Day", in honor of this Nation's centenarians, our citizens of 100 years and older; to the Committee on Post Office and Civil Service.

By Mr. WATKINS:

H.J. Res. 320. Joint resolution designating the week of June 21 to June 27, 1987, as "National Invent America Week"; to the Committee on Post Office and Civil Service.

By Mrs. BOGGS (for herself, Mr. Gingrich, Mr. Sharp, Mr. Shuster, Mr. Foglietta, and Mr. Henry):

H. Con. Res. 140. Concurrent resolution authorizing printing of the compilation of materials entitled "Guide to Research Collections of Former Members of the United States House of Representatives, 1789-1987"; to the Committee on House Administration.

By Mr. FEIGHAN (for himself, Mr. Leach of Iowa, Mr. Solarz, Mr. Yatron, and Mr. Torricelli):

H. Con. Res. 141. Concurrent resolution regarding the promotion of democracy and security in the Republic of Korea; to the Committee on Foreign Affairs.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

122. By the SPEAKER: Memorial of the Legislature of the State of Texas, relative to wastes generated by oil and gas exploration and production activities; to the Committee on Energy and Commerce.

123. Also, memorial of the Legislature of the State of Hawaii, relative to nuclear testing facilities; to the Committee on Foreign Affairs.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 82: Mr. Studds.

H.R. 291: Mr. Hamilton.

H.R. 378: Mr. Anderson and Mr. Foley.

H.R. 393: Mr. McMillen of Maryland, Mr. Stokes, Mr. Wortley, Mrs. Meyers of Kansas, Mr. Hughes, Mr. Buechner, and Mr. Garcia.

H.R. 585: Mr. Sawyer, Mr. Murtha, Mr. Mfume, Mr. Gejdenson, Mr. Dornan of California, Mr. de Lugo, Mr. Swindall, Mr. DeWine, Mrs. Schroeder, Mr. McEwen, Mr. Bryant, Mr. Synar, Mr. Schumer, Mr. Howard, Mr. Visclosky, and Mr. Ford of Tennessee.

H.R. 592: Mr. Jeffords, Mr. Rowland of Connecticut, Mr. Dreier of California, Mrs. Boxer, and Mr. Price of North Carolina.

H.R. 612: Mr. Swift, Mr. Traxler, Mr. Bilbray, Mr. Hawkins, Mr. Cardin, and Mr. Price of North Carolina.

H.R. 639: Mr. Coelho and Mr. Downey of New York.

H.R. 782: Mrs. Boxer.

H.R. 792: Mr. Dellums, Mr. Kennedy, and Mr. Andrews.

H.R. 898: Mr. Udall and Mr. Eckart.

H.R. 911: Mr. Wolpe, Mr. Swindall, Mr. Garcia, Mr. Fish, Mr. Frank, Mr. Craig, Mr. Ford of Tennessee, and Mr. Dymally.

H.R. 939: Mr. Wolpe, Mr. Shaw, Mr. Frost, Mrs. Martin of Illinois, Mr. Coleman of Missouri, Mr. Gray of Pennsylvania, Mr. McMillan of North Carolina, Mr. Kolter, Mr. Rhodes, and Mr. Garcia.

H.R. 954: Mr. Bates, Mr. Matsui, Mr. Berman, Mr. Callahan, and Mr. Weiss.

H.R. 956: Mr. Fish and Mr. Matsui.

H.R. 1020: Mr. Robert F. Smith.

H.R. 1049: Mr. Scheuer and Mr. Gray of Pennsylvania.

H.R. 1088: Mr. Towns.

H.R. 1106: Mrs. Kennelly, Mr. Nichols, Mr. Callahan, Mr. Bevill, Mr. Huckaby, Mr. Nielson of Utah, Mr. Levin of Michigan, and Mr. Jones of North Carolina.

H.R. 1158: Mr. Hochbrueckner.

H.R. 1173: Mr. Roybal, Mr. Matsui, Mr. Sharp, Mr. Bennett, Mr. Price of Illinois, and Mr. Panetta.

H.R. 1242: Mr. Davis of Illinois.

H.R. 1337: Mr. Denny Smith.

H.R. 1376: Mr. Ackerman, Mr. Akaka, Mr. Atkins, Mrs. Bentley, Mr. Bereuter, Mr. Boland, Mr. Clinger, Mr. Crockett, Mr. Espy, Mr. Feighan, Mr. Garcia, Mr. Hall of Ohio, Mr. Kostmayer, Mr. Lehman of Florida, Mr. Lewis of Georgia, Mr. Lowry of Washington, Mr. McCollum, Mr. Mfume, Mr. Mrazek, Mr. Roe, Mr. Towns, and Mr. Wortley.

H.R. 1468: Mr. Feighan and Mr. Smith of Florida.

H.R. 1470: Mr. Studds, Mr. Wise, Mr. Markey, and Mr. Spence.

H.R. 1543: Mr. Bartlett.

H.R. 1544: Mr. Bartlett.

H.R. 1546: Mr. Bonior of Michigan, Mr. St Germain, Mr. Matsui, Mr. McDade, Mr. Staggers, Mr. Wilson, and Mr. Savage.

H.R. 1580: Mr. Mineta.

H.R. 1647: Mr. Duncan.

H.R. 1662: Mr. Derrick, Mr. Holloway, Mr. Synar, Mr. Smith of New Hampshire, Mr. Marlenee, and Mr. Panetta.

H.R. 1742: Mr. Conyers.

H.R. 1765: Mr. Lewis of Georgia, Mr. Martinez, Mr. Coleman of Texas, Mr. Owens of New York, Mr. Morrison of Connecticut, Mr. Boehlert, Mr. Skeen, Mr. Michel, Mr. Rogers, Mr. Lungren, Mr. Buechner, Mr. Gibbons, Mr. Daub, Mr. Armey, Mr. Nielson of Utah, Mrs. Johnson of Connecticut, Mr. DeLay, Mr. Crane, Mr. Coughlin, Mr. Mineta, and Mr. Garcia.

H.R. 1766: Mr. Inhofe, Mr. Williams, Mr. McCurdy, Mr. Porter, Mr. Daub, and Mr. McGrath.

H.R. 1770: Mr. Nielson of Utah.

H.R. 1794: Mr. Fazio, Mr. Owens of New York, Mr. de Lugo, and Mr. Edwards of California.

H.R. 1801: Mr. Roe, Mr. Lewis of Georgia, Mr. Williams, Mr. Traxler, Ms. Snowe, Mr. Mrazek, Mr. Ford of Michigan, Mr. Bilbray, Mr. Dymally, Mr. Garcia, and Mr. McMillen of Maryland.

H.R. 1907: Mr. Gallo, Mr. Mrazek, Mr. Wilson, Mr. Smith of Florida, Mr. Stangeland, Ms. Slaughter of New York, Mr. Hyde, Mr. Upton, Ms. Kaptur, Mr. Lewis of Georgia, Mr. Emerson, Mr. Davis of Michigan, Mr. Wolpe, Mr. Weiss, Mr. Fish, Mr. McGrath, Mr. Gunderson, Mr. Buechner, Mr. Nielson of Utah, and Mr. Boehlert.

H.R. 1908: Mr. Gallo, Mr. Mrazek, Mr. Wilson, Mr. Smith of Florida, Mr. Stangeland, Mr. Hyde, Mr. Upton, Ms. Kaptur, Mr. Lewis of Georgia, Mr. Emerson, Mr. Davis of Michigan, Mr. Wolpe, Mr. Weiss, Mr. Fish, Mr. McGrath, Mr. Gunderson, Mr. Buechner, Mr. Nielson of Utah, and Mr. Boehlert.

H.R. 1909: Mr. Gallo, Mr. Mrazek, Mr. Wilson, Mr. Smith of Florida, Mr. Stangeland, Ms. Slaughter of New York, Mr. Hyde, Mr. Nielson of Utah, Ms. Kaptur, Mr. Lewis of Georgia, Mr. Emerson, Mr. Davis of Michigan, Mr. Wolpe, Mr. Weiss, Mr. Fish, Mr. McGrath, Mr. Gunderson, and Mr. Buechner.

H.R. 1910: Mr. Gallo, Mr. Mrazek, Mr. Wilson, Mr. Smith of Florida, Mr. Stangeland, Ms. Slaughter of New York, Mr. Hyde, Mr. Upton, Ms. Kaptur, Mr. Lewis of Georgia, Mr. Emerson, Mr. Davis of Michigan, Mr. Wolpe, Mr. Weiss, Mr. Fish, Mr. McGrath, Mr. Gunderson, Mr. Buechner, Mr. Nielson of Utah.

H.R. 1911: Mr. Buechner, Mr. Mrazek, Mr. Wilson, Mr. Smith of Florida, Mr. Stangeland, Ms. Slaughter of New York, Mr. Hyde, Mr. Gunderson, Ms. Kaptur, Mr. Lewis of Georgia, Mr. Emerson, Mr. Davis of Michigan, Mr. McGrath, Mr. Weiss, and Mr. Fish.

H.R. 1924: Mr. Gilman and Mr. Eckart.

H.R. 1974. Mr. Dingell, Mr. Wolpe, Mr. Gilman, Mr. Conyers, and Mr. Applegate.

H.R. 1975: Mr. Kildee, Mr. Morrison of Connecticut, Mr. Lagomarsino, and Mr. Martinez.

H.R. 2026: Mr. Dorgan of North Dakota, Mr. Wortley, Mr. Chapman, Mr. Davis of Michigan, Mr. Nagle, and Mr. Holloway.

H.R. 2059: Mr. Wilson.

H.R. 2126: Mr. Atkins, Mr. Bates, Mr. Gilman, and Mr. Wolpe.

H.R. 2131: Mr. Lagomarsino, Mr. Gray of Illinois, Mr. Ackerman, Mr. Boland, Mr. Wilson, Mr. Lehman of Florida, Mr. Biaggi, Ms. Kaptur, Mr. Yates, Mr. Lantos, Mr. Hayes of Illinois, Mr. Atkins, Mr. Cardin, Mr. Boehlert, Mr. Jeffords, Mr. McHugh, Mrs. Johnson of Connecticut, Mr. Fish, Mrs. Schroeder, Mr. Bates, Mr. Williams, Mr. Mineta, Mr. Wolpe, and Mr. Gunderson.

H.R. 2146: Mr. Bustamante.

H.R. 2153: Mr. Lewis of Georgia.

H.R. 2240: Mr. Owens of New York, Mr. Lewis of Georgia, and Mr. Florio.

H.R. 2245: Mr. Savage, Mr. Stokes, Mr. Dellums, Mr. Garcia, Mr. Bustamante, Mr. Bevill, and Mr. Towns.

H.R. 2246: Mr. Bosco, Mr. Wolpe, Mr. Stokes, Mr. Dellums, Mr. Garcia, Mr. Bustamante, Mr. Bevill, Mrs. Bentley, and Mr. Towns.

H.R. 2249: Mr. Bonior of Michigan, Mr. Matsui, Mr. Markey, Mr. Lowry of Washington, Mr. Callahan, and Mr. Jones of North Carolina.

H.R. 2253: Mr. Edwards of California, Mr. Beilenson, Mrs. Johnson of Connecticut, Mr. Frank, Mr. Brown of California, Mr. Bevill, Mr. Neal, and Mr. Conyers.

H.R. 2270: Mr. Boucher, Mr. Borski, and Mr. Walgren.

H.R. 2276: Mr. Atkins.

H.R. 2285: Mr. Jontz, Mr. Hochbrueckner, Mr. de Lugo, and Mr. DioGuardi.

H.R. 2287: Mr. Wilson, Mr. McCandless, Mr. Bennett, Mr. Hyde, Mr. Porter, Mr. Crane, Mr. Frank, Mr. Frenzel, Mr. Pickett, Mr. Biaggi, Mr. Edwards of Oklahoma, Mr. Murphy, and Mr. Sensenbrenner.

H.R. 2310: Mr. Visclosky.

H.R. 2320: Mr. Conyers.

H.R. 2373: Mr. Buechner.

H.R. 2456: Mr. Bates, Mr. Smith of Florida, Miss Schneider, Mr. Biaggi, and Mr. Ford of Michigan.

H.R. 2482: Mr. Hatcher, Mr. Gray of Illinois, Mr. Yates, Mr. Gilman, Mr. Chapman, Mr. Lancaster, Mr. Conyers, Ms. Kaptur, and Mr. Murphy.

H.R. 2522: Mrs. Boxer, Mr. Fauntroy, Mr. Cooper, Mr. Rangel, Mr. Eckart, and Mr. Coelho.

H.R. 2538: Mr. Anderson, Mr. Bunning, Mr. de Lugo, Mr. Lancaster, and Mr. McMillen of Maryland.

H.R. 2546: Mr. Smith of New Hampshire.

H.R. 2556: Mr. Penny, Mr. Neal, and Mr. Kolbe.

H.R. 2572: Mr. Lagomarsino.

H.R. 2577: Mr. Sabo, Mr. Kastenmeier, Mr. Sikorski, Mr. Gonzalez, Mr. Owens of New York, Mr. Bevill, Mr. Stark, Mr. Jontz, Mr. Coyne, and Ms. Pelosi.

H.R. 2579: Mr. Conyers, Mr. Owens of New York, Mr. Rahall, and Mr. Thomas A. Luken.

H.R. 2609: Mr. Lightfoot, Mr. Applegate, Mr. Garcia, Mr. Roe, Ms. Kaptur, Ms. Slaughter of New York, Mr. McMillen of Maryland, Mr. Hughes, Mr. Schumer, and Mr. Eckart.

H.R. 2611: Mr. Richardson, Mr. Anthony, Mr. Kasich, Mr. Robinson, Mr. Erdreich, Mr. Smith of New Hampshire, Mr. Stump, and Mr. Badham.

H.R. 2641: Mr. de Lugo.

H.R. 2655: Mr. Synar, Mr. Annunzio, Mr. Frank, Mr. de Lugo, and Mr. Levin of Michigan.

H.J. Res. 8: Mr. Goodling.

H.J. Res. 35: Mr. Skelton.

H.J. Res. 52: Mr. Regula and Mr. Boucher.

H.J. Res. 100: Mr. Rangel, Mr. Sweeney, Mrs. Roukema, Mr. Bartlett, Mr. Atkins, Mr. Dyson, Mr. Grandy, Mr. Derrick, Mr. Livingston, Mr. Gallegly, Mr. de Lugo, Mr. Nielson, of Utah, Mr. Torres, and Mr. Fauntroy.

H.J. Res. 130: Mr. Brennan, Mr. Grandy, Mr. Scheuer, Mr. Gunderson, Mr. Conte, Mr. Sikorski, Mr. Schuette, Mr. Hamilton, Mr. Mrazek, Mr. McMillen of Maryland, Mr. Yatron, Mr. Anderson, Mr. Kostmayer, and Mr. Atkins.

H.J. Res. 134: Mr. Roybal.

H.J. Res. 180: Mr. Akaka, Mr. Hall of Ohio, Mr. McMillen of Maryland, Mr. Rangel, and Mr. Lancaster.

H.J. Res. 192: Mr. Anderson, Mr. Anthony, Mr. AuCoin, Mr. Boucher, Mr. Brown of California, Mr. Bruce, Mr. Callahan, Mr. Cardin, Mr. Clarke, Mr. Coyne, Mr. Davis of Michigan, Mr. de Lugo, Mr. Donnelly, Mr. Dowdy of Mississippi, Mr. Erdreich, Mr. Espy, Mr. Flippo, Mr. Hammerschmidt, Mr. Horton, Mr. Hutto, Mr. Jacobs, Mr. Jones of Tennessee, Mr. Kennedy, Mr. Lehman of California, Mr. Levine of California, Mr. Moody, Mr. Morrison of Washington, Mr. McCloskey, Mr. McGrath, Mr. McMillen of Maryland, Mr. Nagle, Mr. Neal, Mr. Owens of Utah, Mrs. Patterson, Mr. Rangel, Mr. Rodino, Mr. Rowland of Georgia, Mr. Rowland of Connecticut, Mr. Roybal, Mr. Russo, Mrs. Saiki, Mr. Sawyer, Mr. Scheuer, Mr. Schumer, Mr. Skaggs, Ms. Slaughter of New York, Mr. Smith of New Jersey, Mr. Solomon, Mr. Stallings, Mr. Stark, Mr. Synar, Mr. Tauke, Mr. Torricelli, Mr. Traficant, Mr. Valentine, Mr. Wortley, and Mr. Hochbrueckner.

H.J. Res. 231: Mr. Smith of New Hampshire, Mr. McCloskey, Mr. Martinez, Mr. Wilson, Mr. Murtha, Mr. McDade, Mr. Thomas of Georgia, Mr. Lujan, Mr. Barnard, Mr. Neal, Mr. Dickinson, Mr. Hamilton, Mr. Kasich, Mr. Volkmer, Mr. DioGuardi, Mr. Broomfield, Mr. Stangeland, Mr. Burton of Indiana, Mr. Stark, Mr. Denny Smith, Mr. Whitten, Mr. Daniel, Mr. Gunderson, Mr. Walgren, Mr. Fascell, Ms. Kaptur, Ms. Snowe, Mr. Foglietta, Mr. Kildee, Mr. Bevill, Mr. Grant, Mr. Rose, Mr. Hubbard, Mr. Hammerschmidt, Mr. Wyden, Mrs. Martin of Illinois, Mr. Miller of Washington, Mr. Spratt, Mr. Gingrich, Mr. Hayes of Louisiana, Mr. Sisisky, Mr. Coleman of Texas, Mr. Schumer, Mr. Nielson of Utah, Mrs. Saiki, Mr. Davis of Michigan, Mr. Jenkins, Mr. DeWine, Mr. Akaka, Mrs. Meyers of Kansas, Mr. Tauke, Mr. Holloway, Mr. Fawell, and Mr. Sundquist.

H.J. Res. 248: Mr. Kemp, Mr. Fawell, Mr. Murphy, Mr. Fuster, Mr. Borski, Mr. Hayes of Illinois, Mr. Solarz, Mr. Stokes, Mr. Davis of Illinois, Mr. Harris, Mr. Hefner, Mr. Pepper, Mr. Hyde, Mr. Shumway, Mr. Hastert, Mr. Pickle, Mr. Kildee, Mr. Jones of North Carolina, Ms. Kaptur, Mrs. Vucanovich, Mr. Sikorski, Mr. Ireland, Mr. Kleczka, Mr. Latta, Mr. Traficant, Mr. McGrath, Mr. Flippo, Mr. Garcia, Mr. Gallo, Mr. Frenzel, Mr. Dwyer of New Jersey, Mr. Emerson, Mr. Espy, Mr. Hansen, Mr. Mineta, Mr. Sunia, Mr. Lehman of Florida, Mr. Kolbe, Mr. Livingston, Mr. Lancaster, Mr. Hayes of Louisiana, Mr. Lujan, Mr. Rowland of Connecticut, Mr. Kostmayer, and Mr. Hall of Ohio.

H.J. Res. 268: Mr. Brooks, Mr. McMillen of Maryland, Mr. Fuster, Mr. Denny Smith, Mr. Solarz, Mr. Johnson of South Dakota, Mr. Mavroules, Mr. Hayes of Louisiana, Mr. Schumer, Mr. de Lugo, Mr. Volkmer, Mr. Davis of Illinois, Mr. Savage, Mr. Tallon, Mr. Dornan of California, Mrs. Bentley, Mr. McGrath, Mr. Shumway, Mr. Foglietta, Mr. Frost, Mr. Sharp, Mr. Duncan, and Mr. Gilman.

H.J. Res. 284: Mr. McMillen of Maryland and Mr. Stump.

H.J. Res. 288: Mr. Solarz, Mr. Anderson, Mr. Fuster, Mr. Gray of Illinois, Mr. Dixon, Mr. Levin of Michigan, Mr. Traficant, Mr. Stokes, Ms. Kaptur, Mr. Bevill, Mr. Dellums, Mr. Hayes of Louisiana, Mr. Wortley, Mr. Garcia, Mr. Gallo, Mr. de la Garza, Mr. DeFazio, Mr. Weiss, Mr. Jeffords, Mr. Bustamante, Mr. Fazio, Mr. Kostmayer, Mr. Kasich, Mr. Bilbray, Mr. Nielson of Utah, Mr. Sawyer, Mr. Applegate, Mr. Frost, Mr. Hughes, Mr. Towns, Mr. Rangel, and Mr. Lancaster.

H.J. Res. 291: Mr. Edwards of Oklahoma, Mr. Rangel, Mr. Bonior of Michigan, and Mr. Lancaster.

H.J. Res. 313: Mr. Bateman, Mr. Conyers, Mr. Scheuer, Mr. Owens of New York, and Mr. Kostmayer.

H. Con. Res. 30: Mr. Leland, Mr. Kildee, Mr. Huckaby, Mr. de Lugo, Mr. Oberstar, Mr. Smith of Iowa, and Ms. Snowe.

H. Con. Res. 54: Mrs. Martin of Illinois.

H. Con. Res. 97: Mrs. Saiki, Mr. Hansen, Mr. Dorgan of North Dakota, Mr. Huckaby, Mr. Stump, Mr. Hall of Ohio, Mr. Gordon, Mr. Smith of New Hampshire, Mr. Hayes of Louisiana, and Mr. Crockett.

H. Con. Res. 114: Mr. Lancaster.

H. Con. Res. 120: Mr. Bates, Mr. Conyers, Mr. Frost, Mr. Boehlert, Mr. Lewis of Georgia, and Mr. Owens of New York.

H. Con. Res. 130: Mr. LaFalce and Mr. Hughes.

H. Con. Res. 138: Mr. Levin of Michigan and Mr. Matsui.

H. Res. 145: Mr. Swift, Mr. Sikorski, Mr. Herger, Mr. Torres, Mr. Beilenson, Mr. Hughes, Mr. Berman, Mr. DeFazio, Mr. Hayes of Illinois, Mr. de Lugo, Mr. Gilman, Mr. Rangel, and Mr. Kolbe.

H. Res. 188: Mr. Frenzel, Mr. Daub, Mr. Chandler, Mr. Combest, Mr. Fawell, Mr. Ballenger, Mr. Dannemeyer, and Mr. Lancaster.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 281

By Mr. ARMEY:

—Page 4, after line 16, insert the following new section (and redesignate the succeeding section accordingly):

Sec. 3. Section 10(1) of such Act (29 U.S.C. 160(1)) is amended by inserting the before "or section 8(e)" the following: "section 8(b)(1) (when it is charged that a labor organization in the building and construction industry is directly engaged in or encouraging the use of violence),".

Page 4, line 18, strike "section 2" and insert "section 2 and 3".

—Page 4, after line 16, insert the following new section and redesignate the succeeding section accordingly:

Sec. 3. Section 10(c) of the National Labor Relations Act (29 U.S.C. section 160(c)), is amended by adding at the end the following new sentences: "No order of the Board may direct reinstatement of any employee in the building and construction industry who has engaged, or who is engaging, in violent conduct which would be an unfair labor practice under section 8(b)(1)(A) if engaged in by a labor organization. In any case in which the Board finds that any employee has suffered a loss of wages or some other damage as a result of violent conduct by a labor organization in the construction industry, which conduct is an unfair labor practice under section 8(b), the Board shall order the labor organization to pay the employee damages equal to 3 times the amount of such lost wages and special damages.".

Page 4, line 18, strike "section 2" and insert "sections 2 and 3".

—Page 4, line 16, before the quotation marks insert the following: "or if the Board revokes, in accordance with section 10(n), the exclusive bargaining status of the labor organization found by the Board to engage directly in or encourage the use of violence".

Page 4, after line 16, insert the following new section and redesignate the succeeding section accordingly:

Sec. 3. Section 10 of the National Labor Relations Act (29 U.S.C. 160) is amended by adding at the end the following new subsection:

"(n) The Board shall revoke the exclusive bargaining status of any labor organization in the building and construction industry found by the Board to engage directly in or encourage the use of violence.".

Page 4, line 18, strike "section 2" and insert "section 2 and 3".

By Mr. BALLENGER:

—Page 3, strike out line 23, and insert the following: "the geographical area covered by the agreement: *Provided*, That such duty shall not apply if a labor organization has as an officer or a former officer any person who, within the previous 5-year period, has been convicted of—

"(1) any racketeering activity described in section 1961(1) of title 18 United States Code; or

"(2) bribery of any public official under section 201 of such title.".

By Mr. DeLAY:

—Page 2, strike line 5 and all that follows through page 4, line 16 (section 2).

Page 4, line 17, strike Sec. 3 and insert Sec. 2.

—Page 2, strike line 5 and all that follows through page 3, line 11 (subsection (a)).

Page 3, line 12, strike (b) and insert (a)).

Page 3, line 24, strike (c) and insert (b).

—Page 2, by striking all which follows the word "the" on lines 3 and 4 and inserting the following in lieu thereof: "Building and Construction Trades Department Economic Assistance Act of 1987."

—Page 2, strike line 5 and all that follows through page 3, line 23 (subsection (a) and (b)).

Page 3, line 24, strike (c) and insert (a).

—Page 2, line 8, strike the word "primarily," and replace with the word "exclusively."

—Page 2, line 3, after the quotation mark, strike all that follows through line 4 and insert the following in its place:

"Construction Industry Compulsory Unionization Amendments of 1987.".

—Page 3 line 23 (a) by deleting the period after the word "agreement", and inserting in lieu thereof a comma; and

(b) by adding at the end thereof the following new proviso: "*Provided*, that for the purposes of this section, the geographical area covered by a collective bargaining agreeement shall not encompass an area greater than the county, parish, township, or similar political subdivision, in which entities comprising a single employer operate. In no circumstance shall such area be deemed to be a statewide geographical area.".

—Page 3, line 4, strike "or", and insert "and" following the semicolon.

—Page 3, strike line 12 and all that follows through page 3, line 23 (subsection (b)).

Page 3, line 24, strike (c) and insert (b).

—Page 3, strike line 24 and all that follows through page 4, line 16 (subsection (c)).

—Page 3 line 1, after the word "directly," strike all that follows through Page 3, line 2.

—Page 3, strike line 24 and all that follows through page 4, line 16 and insert the following:

"(c) Section 8(f) of such Act (29 U.S.C. § 158(f) is hereby repealed."

—Page 3, line 23 before the quotation marks, insert the following:

"Any labor organization which is a party to a collective bargaining agreement with a business entity comprising part of a single employer in the building and construction industry, as defined in Section 2(2) of this Act, shall as part of its duty of fair representation, extend journeyman status to any employee of any other business entity comprising the single employer and performing the work described in the collective bargaining agreement, and shall count all hours worked for such business entity as hours worked for an employer signatory to a collective bargaining agreement with such labor organization.".

—Page 4, strike line 17 and all that follows page 5, line 4 and insert the following:

"Sec. 3. The amendments made by Section 2 of this Act shall take effect upon the latter of the following events:

(1) The completion of any building and construction project for which the contract was entered into by an employer before the date of enactment of this Act; or

(2) The expiration of any collective bargaining agreement to which an employer was a party on the date of enactment of this Act.".

—Page 4, strike line 17 and all that follows through page 4, line 19 (subsection (a)).

Page 4, strike line 20 and all that follows through page 4, line 21 and insert the following:

"Sec. 3. The amendments made by section 2 shall take effect .".

—Page 4, strike line 17 and all that follows through page 5, line 4 (section 3).

—Page 4, after line 16, insert the following new section (and redesignate the succeeding section accordingly):

"Sec. 3. Within 90 days after the date of the enactment of this Act, the General Accounting Office shall prepare a report concerning the effect of this Act on—

"(1) the competitiveness of the United States businesses engaged in the building and construction industry and other related businesses with respect to foreign businesses engaged in such industry;

"(2) the employment of American workers who are members of labor organizations and who are employed in such industry; and

"(3) costs incurred by United States businesses which contract with businesses engaged in the building and construction industry.".

—At the end of the bill, insert the following new section:

SEC. .

(a) Section 8(d) is amended by adding the following new paragraph at the end of such section:

"Notwithstanding any of the foregoing, no employer shall have a duty to bargain collectively with any labor organization which has been determined to have committed three or more separate unfair labor practices within three successive years as found by the Board pursuant to Section 10(c) of this Act (29 U.S.C. § 160(c))."

(b) Section 9(c) of the National Labor Relations Act (29 U.S.C. § 159(c)) is amended by adding the following new paragraph at the end thereof:

"(6) Notwithstanding any of the foregoing, the Board shall not certify as a representative of employees under this Act any labor organization determined to have committed three or more separate unfair labor practices within three successive years as determined by the Board pursuant to Section 10(c) of the Act (29 U.S.C. § 160(c))."

(c) Section 10(c) of the National Labor Relations Act (29 U.S.C. § 160(c)) is amended by inserting after the sentence, "Such order may further require such person to make reports from time to time showing the extent to which it has complied with the order.", the following new sentence:

"Where the Board finds that a labor organization has committed three or more separate unfair labor practices within three successive years, it shall order that the labor organization shall no longer be the exclusive representative of employees as provided in Section 9(c) of this Act (29 U.S.C. § 159(c)).".

—At the end of the bill, insert the following new section:

Sec. . Section 8(d) of the National Labor Relations Act (29 U.S.C. § 158(d)) is amended—

(a) by striking out the first period and inserting in lieu thereof a colon; and

(b) by adding at the end thereof the following new proviso:

"*Provided further*, That nothing in this subsection shall be construed to restrain an employer from reassigning work performed by employees of a particular bargaining unit to employees outside such unit unless the right to reassign such work is expressly waived in a collective bargaining agreement.".

—At the end of the bill, insert the following new section:

Sec. . (a) Section 8(d) of the National Labor Relations Act (29 U.S.C. § 158(d)) is amended by adding the following new paragraph at the end thereof:

"Notwithstanding any of the foregoing, no employer shall have a duty to bargain collectively with any labor organization which has been determined, in whole or in part, to be an enterprise operated by a pattern of racketeering within the meaning of U.S.C. § 1961 et seq. by a court of the United States in any civil or criminal action for a period of ten years from the date of such determination."

(b) Section 9(c) of the National Labor Relations Act (29 U.S.C. § 159(c)) is amended by adding the following paragraph at the end thereof:

(6) "Notwithstanding any of the foregoing, the Board shall not certify as a representative of employees under this Act any labor organization which has been determined to be, in whole or in part, an enterprise operated by a pattern of racketeering within the meaning of 18 U.S.C. § 1961 et seq. by a court of the United States in any civil or criminal action for a period of ten years from the date of such determination."

—At the end of the bill, insert the following new section:

"Sec. . Section 8(d) of the National Labor Relations Act (29 U.S.C. § 158(d)) is amended by inserting after the colon at the end of paragraph (4) the following new provisos: *Provided further*, That where there is in effect a collective-bargaining contract covering employees in an industry affecting commerce, the duty to bargain collectively shall also mean that such employees shall not engage in a strike or other concerted refusal to perform work for any reason whatsoever during the term of such contract regardless of whether such strike or other concerted refusal to perform work is actually authorized by the representative of such employees subject to the provisions of Section 9(a): *And provided further*, That where such strike or other concerted refusal to perform work occurs, the duty to bargain collectively shall also mean that the representative of such employees subject to the provisions of Section 9(a) shall take all steps reasonably necessary to end such strike or other concerted refusal to perform work."

—At the end of the bill, insert the following new section:

Sec. . Section 8(d) of the National Labor Relations Act (29 U.S.C. § 158(d)) is amended—

(1) by inserting after the phrase "the making of a concession" the following new proviso: "*Provided*, That where there is in effect a collective-bargaining contract covering employees in an industry affecting commerce, the duties imposed by this section shall not be construed to require either party to discuss any matter not specifically covered by such collective-bargaining contract;" and

(2) by striking out the word "*Provided*" and inserting in lieu thereof "*Provided further.*"

—At the end of the bill, insert the following new section:

SEC. . (a) Section 8(d) of the National Labor Relations Act (29 U.S.C. § 158(d)) is amended by inserting the following new paragraph at the end thereof:

"No employer shall be compelled to bargain with, and it shall not be unlawful under this Act for an employer to refuse to bargain with, any individual prohibited from representing a labor organization as provided in Section 504(a) of the Labor-Management Reporting and Disclosure Act (29 U.S.C. § 504(a))."

(b) Section 504(a) of the Labor-Management Reporting and Disclosure Act (29 U.S.C. § 504 (a)) is amended by inserting after the clause, "assault which inflicts grievous bodily injury," the following new clauses: "assault or threat of assault upon any employee, serious strike misconduct,".

—At the end of the bill, insert the following new section:

SEC. . Section 8(d) of the National Labor Relations Act (29 U.S.C. § 158(d)) is amended—

(1) by inserting after the colon following the first occurrence of the word "concession" the following new proviso: *"Provided,* That it shall be an unfair labor practice for a labor organization to make a proposal which directly or indirectly affects employees outside the bargaining unit represented by such labor organization;" and

(2) by striking out the word *"Provided"* and inserting in lieu thereof the phrase *"Provided further."*

—At the end of the bill, insert the following new section:

"SEC. . Section 8(d) of the National Labor Relations Act (29 U.S.C. § 158(d)) is amended—

(1) by inserting after the colon following the word "concession" the following new proviso: *"Provided,* That this Section shall not require any employer to bargain collectively with respect to any decision which affects the scope, direction, or nature of its business, and which is not prohibited by other provisions of this Act, to discontinue, contract out, relocate, sell, or otherwise change, modify, restructure, or dispose of its business, plant, equipment, or operations, or any part thereof, except that, on request, the employer (unless the collective bargaining agreement between the parties defines their duties in such circumstances) without having to defer the decision or any action pursuant thereto, shall after making such decision meet and bargain with the representatives of any affected employees concerning the effects, if any, of such action upon such employees:"; and

(2) by inserting before the comma preceding the phrase "That where there is in effect a collective-bargaining contract" the word "further."

—At the end of the bill, insert the following new section:

SEC. . Section 2(2) of the National Labor Relations Act (29 U.S.C. § 152(2)) is amended—

(1) by striking out the period at the end thereof and inserting in lieu thereof a comma; and

(2) by adding the following clause at the end thereof: "or any eleemosynary institution whose purpose is primarily noncommercial."

—At the end of the bill, add the following new section:

"SEC. . Section 8(d) of the National Labor Relations Act (29 U.S.C. § 158(d)) is amended—

(1) by inserting after the phrase "but such obligation does not compel either party to agree to a proposal or require the making of a concession:" the following new proviso:

Provided, That nothing in this subsection shall require an employer to negotiate with a representative of a labor organization who has been convicted of violating the criminal laws of the United States, or any state, district or territory, or who has committed an act of violence against the employers, against any of its employees or agents, or against the property:" and

(2) by inserting *"further"* after *"Provided"* preceding the phrase "that where there is in effect a collective-bargaining contract . . ."."

—At the end of the bill, insert the following new section:

"SEC. . Section 2(2) of the National Labor Relations Act (29 U.S.C. § 152(2)) is amended—

(1) by deleting the phrase "person acting as an agent of an employer, directly or indirectly,"; and

(2) by inserting in lieu thereof "owner, management official, or director of an employer,".

—At the end of the bill, insert the following new section:

"SEC. . Section 2(2) of the National Labor Relations Act (29 U.S.C. § 152(2)) is amended by inserting after the phrase, 'or any State or political subdivision thereof,' the following new phrase: 'any employer which shares an intimate relationship or connection with the United States or any State or political subdivision thereof.'."

—At the end of the bill, insert the following new section:

"SEC. . Section 8(d) of the National Labor Relations Act (29 U.S.C. § 158(d)) is amended by inserting after the colon at the end of paragraph (4) the following new proviso: *"Provided further,* That the mere failure of an employer to abide by the terms of a valid enforceable collective bargaining agreement shall not be considered as evidence of an unfair labor practice:"

—At the end of the bill, insert the following new section:

"SEC. . Section 8(d) of the National Labor Relations Act (29 U.S.C. § 158(d)) is amended—

(1) by striking out the colon after the first occurrence of the word "concession" and inserting in lieu thereof a comma; and

(2) by adding the following new phrase: "And under no circumstances shall the failure or refusal of a party to agree to a proposal or to make a concession be considered as evidence of an unfair labor practice:"

—At the end of the bill, insert the following new section:

SEC. . Section 8(d) of the National Labor Relations Act (29 U.S.C. § 158(d)) is amended—

(1) by inserting after the clause "or require the making or a concession:" the following new proviso: *"Provided,* That nothing herein shall require any employer to bargain concerning a decision to require its employees to undergo periodic testing for drug or alcohol use while working at the job site when such use may tend to impair an employee's job performance or may endanger the health or safety of the employee or others, on the implementation of such decision."; and

(2) by deleting the word *"Provided"* and the comma thereafter and inserting in lieu thereof the phrase *"Provided further,"*.

—At the end of the bill, insert the following new section:

SEC. . Section 8(d) of the National Labor Relations Act (29 U.S.C. § 158(d)) is amended—

(1) by inserting after the clause "or require the making of a concession:" the following new proviso: *"Provided,* That nothing herein shall require an employer engaged in the business of the generation of nuclear power or the disposal of hazardous waste to bargain concerning a decision to require is employees to undergo periodic testing for drug or alcohol use while working at the job site when such use may tend to impair an employee's job performance or may endanger the health or safety of the employee or others, on the implementation of such decision."; and

(2) by deleting the word *"Provided"* and the comma thereafter and inserting in lieu thereof the phrase *"Provided further,"*.

—At the end of the bill, insert the following new section:

SEC. . (a) Section 8(d) is amended by adding the following new paragraph at the end of such section:

"Notwithstanding any of the foregoing, no employer shall have a duty to bargain collectively with any labor organization which has been determined to have committed three or more separate unfair labor practices within three successive years as found by the Board pursuant to Section 10(c) of this Act (29 U.S.C. § 160(c)."

(b) Section 9(c) of the National Labor Relations Act (29 U.S.C. § 159(c)) is amended by adding the following new paragraph at the end thereof:

"(6) Notwithstanding any of the foregoing, the Board shall not certify as a representative of employees under this Act any labor organization determined to have committed three or more separate unfair labor practices within three successive years as determined by the Board pursuant to Section 10(c) of the Act (29 U.S.C. § 160(c))."

(c) Section 10(c) of the National Labor Relations Act (29 U.S.C. § 160(c)) is amended by inserting after the sentence, "Such order may further require such person to make reports from time to time showing the extent to which it has complied with the order.", the following new sentence:

"Where the Board finds that a labor organization has committed three or more separate unfair labor practices within three successive years, it shall order that the labor organization shall no longer be the exclusive representative of employees as provided in Section 9(c) of this Act (29 U.S.C. § 159(c))."

—At the end of the bill, insert the following new section:

SEC. . (a) Section 8(d) of the National Labor Relations Act (29 U.S.C. § 158(d)) is amended by adding the following new paragraph at the end thereof:

"Notwithstanding any of the foregoing, no employer shall be required to bargain collectively with any labor organization which has been determined by the Board or by a court of the United States to have discriminated against employees on the basis of race, color, religion, sex or national origin until such time as it has been determined by the Board or a court of the United States that such discrimination has ceased."

(b) Section 9 of the National Labor Relations Act (29 U.S.C. § 159) is amended by adding the following new subsection:

"(f)(1) Notwithstanding any other proviso of this title, the Board shall not certify as a collective bargaining representative any person or labor organization which the Board determines has engaged in discrimination against employees on the basis of race, color, religion, sex, or national origin, until such time as it has been determined by the Board or a court of the United States that such discrimination has ceased.

(2) Upon its determination that a labor organization has discriminated against employees on the basis of race, color, religion, sex or national origin, or upon receipt of a certified copy of a judgment of the United States so determining, the Board shall immediately revoke any current certification of said labor organization.".

H.R. 281

By Mr. FAWELL:

—On Page 3, line 9, strike "by itself".

—On page 3, line 6 and 7, strike "existence" and insert in lieu thereof "terms and provisions".

On page 3, line 9, strike "by itself".

By Mr. JEFFORDS:

—Page 2, strike line 5 and all that follows through page 3, line 23 (section 2(a) and 2(b)) and insert the following subsections:

(a) DEFINITION OF SINGLE EMPLOYER.—Section 2(2) of the National Labor Relations Act (29 U.S.C. 152(2)) is amended by adding at the end thereof the following new sentences: "Any two or more business entities engaged primarily in the building and construction industry, performing work within the geographical area covered by a collective bargaining agreement to which any of the entities is a party, performing building or construction work of the type described in such agreement, and having substantial commonality based on the following four factors:

"(i) common management;

"(ii) centralized control of labor relations;

"(iii) interrelation of operations; and

"(iv) common ownership,

shall be deemed a single employer. Such commonality shall be presumed where there is a practice of——

"(i) transfer among the entities of employees performing work described in the collective bargaining agreement;

"(ii) direct competition among the entities in submitting bids for the same work; or

"(iii) deprivation of work by one entity against another.

Provided, That the existence of a contractor-subcontractor relationship between any two or more business entities working at a common construction site shall not be deemed to create a single employer or be considered as evidence of commonality with respect to the factors described in clauses (i) through (iii) of the second sentence, within the meaning of this paragraph.".

(b) CONCERNING SCOPE OF DUTY TO BARGAIN.—Section 8(d) of such Act (29 U.S.C. 158(d)) is amended by adding at the end thereof the following new sentence: "Whenever the collective bargaining involves employees of a business entity comprising part of a single employer in the building and construction industry, as defined in section 2(2) of this Act, and such employees share a sufficient community of interest (as determined solely on the basis of similarities in skills and work performed) to constitute a unit appropriate for purposes of bargaining, the duty to bargain collectively, for the purposes of this section, shall include the duty to apply the terms of a collective bargaining agreement between such business entity and a labor organization to all other business entities comprising the single employer and performing building or construction work of the type described in the collective bargaining agreement within the geographical area covered by the agreement.".

—Page 2, strike line 5 and all that follows through page 3, line 11 (section 2(a) of the bill) and insert the following new subsection:

(a) DEFINITION OF SINGLE EMPLOYER.—Section 2(2) of the National Labor Relations Act (29 U.S.C. 152(2)) is amended by adding at the end thereof the following new sentences: "Any two or more business entities engaged primarily in the building and construction industry, performing work within the geographical area covered by a collective bargaining agreement to which any of the entities is a party, performing building or construction work of the type described in such agreement, and having substantial commonality based on the following four factors:

"(i) common management;

"(ii) centralized control of labor relations;

"(iii) interrelationship of operations; and

"(iv) common ownership,

shall be deemed a single employer. Such commonality shall be presumed where there is a practice of—

"(i) transfer among the entities of employees performing work described in the collective bargaining agreement;

"(ii) direct competition among the entities in submitting bids for the same work; or

"(iii) deprivation of work by one entity against another.

Provided, That the existence of a contractor-subcontractor relationship between any two or more business entities working at a common construction site shall not be deemed to create a single employer or be considered as evidence of commonality with respect to the factors described in clauses (i) through (iii) of the second sentence, within the meaning of this paragraph.".

H.R. 281

By Mrs. ROUKEMA:

—Page 3, line 17, after the first comma insert the following: "and such employees share a community of interest (as determined solely on the basis of similarities in skills and work performed) to constitute a unit appropriate for purposes of bargaining,"

H.R. 281, by Mrs. ROUKEMA:

—Page 3, after line 23, insert the following proviso: *Provided*, That the labor organization has the support of a majority of the employees employed in all such business entities and performing the type of work described in such agreement within 30 days after the hiring of the first employees under an agreement pursuant to section 8(f) of this Act or within one year of the date of enactment of this Act in the case of contracts entered into before the date of enactment of this Act. In any case in which a petition has been filed under section 9(c), the Board shall direct an election and certify the results thereof within 30 days of the filing of the petition, which petition is not subject to the requirements of section 9(c)(1) or subject to the showing of a substantial interest on the part of the labor organization.

By Mr. WALKER:

—On page 4, after line 16, insert the following new section:

SEC. 2(d). It is the sense of the Congress that, under the requirements set forth in this bill, violence and coercion are inimicable to the collective bargaining process and that employers and labor organizations in the building and construction industry in fulfilling the objectives of this bill should never use or condone the use of violence.

H.R. 281, by Mr. WALKER:

—Page 4, after line 16, insert the following new section and redesignate the succeeding section accordingly:

SEC. 3. It is the sense of the Congress that, under the provisions set forth in this Act, violence and coercion are inimicable to the collective bargaining process, and that employers and labor organizations in the building and construction industry, in fulfilling the principal objective of this Act to increase the stability of collective bargaining in the building and construction industry, should never use or condone the use of violence.

EXTENSIONS OF REMARKS

NORTH DAKOTA'S "VOICE OF DEMOCRACY" WINNER

HON. BYRON L. DORGAN

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 16, 1987

Mr. DORGAN of North Dakota. Mr. Speaker, I'd like to share with my colleagues the thoughts of Susan Ann Roehrich of Bismarck, ND. Susan is this year's State winner of the annual "Voice of Democracy" contest. The contest is sponsored by the Veterans of Foreign Wars of the United States and its ladies auxiliary.

She makes important points on the challenge of American citizenship.

THE CHALLENGE OF AMERICAN CITIZENSHIP

(By Susan Ann Roehrich)

Have you ever thought about what your life would be like if you had not been born an American citizen? What if you had been born a black in South Africa, a nation where people are unfairly oppressed, or a peasant in Russia, where people are puppets of the government? Yet you and I are Americans by a power other than our own.

We possess a precious gift in our American Citizenship. This gift is the pillar that makes our nation strong. It embodies many virtues, including freedom, opportunity, and justice. These virtues are the building blocks of that pillar of American citizenship.

Freedom, opportunity, and justice play a major role in our lives. However, many of us take these advantages of our citizenship for granted. As Americans, we must broaden our outlook and challenge ourselves to employ our advantages in a more positive and productive manner, thus benefiting ourselves and our nation.

As American citizens, we are challenged: challenged to our freedom unselfishly, with respect for others; challenged to make the most of the wide range of opportunities we are offered; challenged to act and speak out for justice.

Our freedom as Americans is often the focal point of our citizenship. When we think of our freedom, those liberties exhibited in everyday life, the ones that involve our individual needs, immediately come to mind. These freedoms are easily employed, but the challenge of freedom is to look beyond those individual needs—to employ a greater freedom that considers the needs of others a priority, such as preventing nuclear wastes from ruining the earth, in preservation for others. It is this unselfishness that creates unity and ultimately makes freedom a reality.

In America, there is a range of opportunities unequaled anywhere. We as Americans must explore and expand upon these opportunities, making the most of our technology. By developing and challenging ourselves, we are brightening our world's future.

As American citizens, we have the privilege of being involved in the fight for justice. We are not only responsible for our actions, but we are challenged to do our part to promote justice and insure that justice is done to others. In some instances, one way we can do our part is by reporting crimes and identifying criminals, if we are in any way involved.

As Americans, we do have many advantages. Our nation offers us numerous liberties and opportunities. It secures justice for every individual. We must strive to broaden the benefits of these virtues, and challenge ourselves to take action. Our American Citizenship includes a lifelong challenge to uphold the deep rooted convictions of our nation to the best of our abilities. This is, in fact, the Challenge of American Citizenship.

BALANCING THE NEED TO CURB FLIGHT DELAYS WHILE KEEPING THE SKIES SAFE

HON. NEWT GINGRICH

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 16, 1987

Mr. GINGRICH. Mr. Speaker, a recent editorial in the Atlanta Constitution points out accurately the frustrating position that airline companies are in. They have a responsibility to meet the ever increasing flight demands of a growing group of consumers while maintaining the high level of safety that Americans have a right to expect. Part of the solution of this dilemma is to spend the funds necessary to upgrade and expand our air transportation facilities. We have adequate resources available, but because the airways trust fund counts against our Nation's high debt, the administration is reluctant to spend from that fund. Logically, the trust fund should be taken out of the unified budget, to stand independent of other Government assets and deficits. In this manner, we can protect those funds, generated solely from air transportation related taxes, for air transportation expenditures. I urge my colleagues to read the following editorial and take its ideas to heart:

FLIGHT DELAYS ARE ONLY HALF OF IT

The Reagan administration has been disingenuous in the way it has tried to frame the issue of air-travel delays and air-traffic safety. It has ignored the question of safety and focused almost entirely on the growing problem of flight delays, blaming the airlines for creating the congestion by over scheduling flights.

There is little doubt the airlines have some culpability in the matter, but while flight delays are inconvenient, they are merely a symptom of a larger, more urgent concern: the deterioration of the air-traffic control network. That deterioration has led to an erosion of safety in the skies.

The blame for that lies with the federal government, which, through the Federal Aviation Administration, oversees the country's airports, airlines and airways. The FAA, plagued by internal problems, antiquated equipment and a shortage of safety inspectors and qualified air traffic controllers, has not met the challenge of skyrocketing growth in the volume of air traffic following deregulation of the industry.

A primary reason for that failing has been the Reagan administration's effort to get the job done on the cheap. It has chosen to go slow with the development of a new generation of air-traffic control and safety-enhancing equipment. It has held back on spending for airport expansions and construction, and it has dragged its feet in building up the air-traffic controller ranks, decimated when President Reagan fired striking controllers in 1981.

The administration has been stingy at a time when billions of dollars were earmarked for upgrading the air-safety system and were just waiting to be spent. The Airport and Airways Trust Fund, supported by taxes on airline passengers, currently has a $6 billion surplus. That surplus is expected to grow to more than $12 billion by 1991. Why? Because the administration wants to keep as much of the money on hand as possible in order to make its deficits look smaller—on paper.

The only way to end that scam is for Congress to pass legislation removing the aviation trust fund from "unified" federal budget. That would prevent an administration from spending the trust fund's money for other projects and simply placing an IOU in the fund's account. The Reagan administration is not the first to use the practice, but it has shown little reluctance to use it excessively.

Sixth District Congressman Newt Gingrich and other critics on Capitol Hill are right: The temptation for an administration to cook the books is just to great. The law should be changed to force the Reagan White House to spend the money for its intended purpose: to make the nation's airways safe.

TEAR DOWN THE WALL, MR. GORBACHEV!

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 16, 1987

Mr. BROOMFIELD. Mr. Speaker, today, the President delivered one of the most impressive speeches of his administration. He challenged the Soviet leader to tear down the Berlin Wall, the symbol of the closed police states that seal in their own people to keep them from seeking freedom in the West.

During this age of glasnost, the President gave Mr. Gorbachev the opportunity to prove to the world that the new Soviet openness is more than words. Our Chief Executive dared the Soviet Secretary General to make openness a reality by opening the gates of the Iron Curtain. The President's eloquent speech speaks for itself. I commend it to my colleagues in the Congress, and to students of American government everywhere.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

REMARKS BY THE PRESIDENT AT THE BRANDENBURG GATE, WEST BERLIN, JUNE 12, 1987

The PRESIDENT. Thank you very much. Chancellor Kohl, Governing Mayor Diepgen, ladies and gentlemen, twenty-four years ago President John F. Kennedy visited Berlin, speaking to the people of this city and the world at the City Hall. Well, since then two other presidents have come, each in his turn, to Berlin. And today I, myself, make my second visit to your city. (Applause.)

We come to Berlin, we American presidents, because it's our duty to speak, in this place, of freedom. But I must confess, we're drawn here by other things as well: by the feeling of history in this city, more than 500 years older than our own nation; by the beauty of the Grunewald and the Tiergarten; most of all, by your courage and determination. (Applause.)

Perhaps the composer, Paul Lincke, understood something about American presidents. You see, like so many presidents before me, I come here today because wherever I go, whatever I do: Ich hab noch einen koffer in Berlin. (Applause.)

Our gathering today is being broadcast throughout Western Europe and North America. I understand that it is being seen and heard as well in the East. To those listening throughout Eastern Europe, I extend my warmest greetings and the goodwill of the American people. To those listening in East Berlin, a special word. Although I cannot be with you, I address my remarks to you just as surely as to those standing here before me. For I join you as I join your fellow countrymen in the West in this firm, this unalterable belief: Es gibt nur ein Berlin. (Applause.)

Behind me stands a wall that encircles the free sectors of this city, part of a vast system of barriers that divides the entire continent of Europe. From the Baltic south, those barriers cut across Germany in a gash of barbed wire, concrete, dog runs, and guard towers. Farther south, there may be no visible, no obvious, wall. But there remain armed guards and checkpoints all the same—still a restriction on the right to travel, still an instrument to impose upon ordinary men and women the will of a totalitarian state.

Yet it is here in Berlin where the wall emerges most clearly; here, cutting across your city, where the news photo and the television screen have imprinted this brutal division of a continent upon the mind of the world. Standing before the Brandenburg Gate, every man is a German, separated from his fellow men. (Applause.) Every man is a Berliner, forced to look upon a scar.

President von Weizsaecker has said: The German question is open as long as the Brandenburg Gate is closed. (Applause.) Today I say: As long as this gate is closed, as long as this scar of a wall is permitted to stand, it is not the German question alone that remains open, but the question of freedom for all mankind. (Applause.) Yet I do not come here to lament. For I find in Berlin a message of hope—even in the shadow of this wall, a message of triumph.

In this season of spring in 1945, the people of Berlin emerged from their air-raid shelters to find devastation. Thousands of miles away, the people of the United States reached out to help. And in 1947, Secretary of State—as you've been told—George Marshall announced the creation of what would become known as the Marshall Plan. Speaking precisely 40 years ago this month, he said: "Our policy is directed not against any country or doctrine, but against hunger, poverty, desperation, and chaos." (Applause.)

In the Reichstag, a few moments ago, I saw a display commemorating this 40th anniversary of the Marshall Plan. I was struck by the sign on a burnt-out, gutter structure that was being rebuilt. I understand that Berliners of my own generation can remember seeing signs like it dotted throughout the western sectors of the city. The sign read simply: "The Marshall Plan is helping here to strengthen the Free World."

A strong, free world in the West, that dream became real. Japan rose from ruin to become an economic giant. Italy, France, Belgium—virtually every nation in Western Europe saw political and economic rebirth. The European Community was founded.

In West Germany and here in Berlin, there took place an economic miracle, the "Wirtschaftswunder." Adenauer, Erhard, Reuter, and other leaders understood the practical importance of liberty—that just as truth can flourish only when the journalist is given freedom of speech, so prosperity can come about only when the farmer and businessman enjoy economic freedom. (Applause.) The German leaders reduced tariffs, expanded free trade, lowered taxes. From 1950 to 1960 alone, the standard of living in West Germany and Berlin doubled.

Where four decades ago there was rubble, today in West Berlin there is the greatest industrial output of any city in Germany—busy office blocks, fine homes and apartments, proud avenues and the spreading lawns of parkland. Where a city's culture seemed to have been destroyed, today there are two great universities, orchestras and an opera, countless theaters and museums. Where there was want, today there's abundance—food, clothing, automobiles—the wonderful goods of the Ku'damm. (Appluse.)

From devastation, from utter ruin, you Berliners have, in freedom, rebuilt a city that once again ranks as one of the greatest on Earth. The Soviets may have had other plans. But, my friends, there were a few things the Soviets didn't count on—Berliner Herz, Berliner Humor, Ja, und Berliner Schnauze. (Laughter and Applause.)

In the 1950's, Khrushchev predicted: "We will bury you." But in the West today, we see a free world that has achieved a level of prosperity and well-being unprecedented in all human history. In the communist world, we see failure, technological backwardness, declining standards of health—even want of the most basic kind—too little food. Even today, the Soviet Union still cannot feed itself.

After these four decades, then, there stands before the entire world one great and inescapable conclusion. Freedom leads to prosperity. Freedom replaces the ancient hatreds among the nations with comity and peace. Freedom is the victor. (Applause.)

And now the Soviets themselves may, in a limited way, be coming to understand the importance of freedom. We hear much from Moscow about a new policy of reform and openness. Some political prisoners have been released. Certain foreign news broadcasts are no longer being jammed. Some economic enterprises have been permitted to operate with greater freedom from state control.

Are these the beginnings of profound changes in the Soviet state? Or are they token gestures, intended to raise false hopes in the West or to strengthen the Soviet system without changing it? We welcome change and openness. For we believe freedom and security go together—(applause)—that the advance of human liberty can only strengthen the cause of world peace. There is one sign the Soviets can make that would be unmistakable, that would advance dramatically the cause of freedom and peace.

General Secretary Gorbachev, if you seek peace, if you seek prosperity for the Soviet Union and Eastern Europe, if you seek liberalization: Come here, to this gate.

Mr. Gorbachev, open this gate. (Applause.)

Mr. Gorbachev, tear down this wall. (Applause.)

I understand the fear of war and the pain of division that afflict this continent—and I pledge to you my country's efforts to help overcome these burdens. To be sure, we in the West must resist Soviet expansion. So we must maintain defenses of unassailable strength. Yet we seek peace. So we must strive to reduce arms on both sides.

Beginning 10 years ago, the Soviets challenged the Western Alliance with a grave new threat—hundreds of new and more deadly SS-20 nuclear missiles, capable of striking every capital in Europe. The Western Alliance responded by committing itself to a counterdeployment unless the Soviets agreed to negotiate a better solution—namely, the elimination of such weapons on both sides. For many months, the Soviets refused to bargain in earnestness. As the Alliance in turn prepared to go forward with its counterdeployment, there were difficult days—days of protests like those during my 1982 visit to this city—and the Soviets later walked away from the table.

But through it all, the Alliance held firm. And I invite those who protested then—I invite those who protest today—to mark this fact: because we remained strong, the Soviets came back to the table. (Applause.) And because we remained strong, today we have within reach the possibility, not merely of limiting the growth of arms, but of eliminating, for the first time, an entire class of nuclear weapons from the face of the Earth.

As I speak, NATO ministers are meeting in Iceland to review the progress of our proposals for eliminating these weapons. At the talks in Geneva, we have also proposed deep cuts in strategic offensive weapons. And the Western allies have likewise made far-reaching proposals to reduce the danger of conventional war and to place a total ban on chemical weapons.

While we pursue these arms reductions, I pledge to you that we will maintain the capacity to deter Soviet aggression at any level at which it might occur. (Applause.) And in cooperation with many of our allies, the United States is pursuing the Strategic Defense Initiative—research to base deterrence not on the threat of offensive retaliation, but on defenses that truly defend; on systems, in short, that will not target populations, but shield them.

By these means we seek to increase the safety of Europe and all the world. But we must remember a crucial fact: East and West do not mistrust each other because we are armed. We are armed because we mistrust each other. (Applause.) And our differences are not about weapons but about liberty. When President Kennedy spoke at the City Hall those 24 years ago, freedom was encircled, Berlin was under siege. And today, despite all the pressures upon this city, Berlin stands secure in its liberty. And freedom itself is transforming the globe.

In the Philippines, in South and Central America, democracy has been given a rebirth. Throughout the Pacific, free markets are working miracles of economic growth. In the industrialized nations, a technological revolution is taking place—a revolution marked by rapid, dramatic advances in computers and telecommunications.

In Europe, only one nation and those it controls refuse to join the community of freedom. Yet in this age of redoubled economic growth, of information and innovation, the Soviet Union faces a choice. It must make fundamental changes, or it will become obsolete. (Applause.)

Today thus represents a moment of hope. We in the West stand ready to cooperate with the East to promote true openness—to break down barriers that separate people, to create a safer, freer world. And surely there is no better place than Berlin, the meeting place of East and West, to make a start. (Applause.)

Free people of Berlin: Today, as in the past, the United States stands for the strict observance and full implementation of all parts of the Four-Power Agreement of 1971. Let us use this occasion, the 750th anniversary of this city, to usher in a new era—to seek a still fuller, richer life for the Berlin of the future. Together, let us maintain and develop the ties between the Federal Republic and the Western sectors of Berlin, which is permitted by the 1971 Agreement.

And I invite Mr. Gorbachev: Let us work to bring the Eastern and Western parts of the city closer together—(applause)—so that all the inhabitants of all Berlin can enjoy the benefits that come with life in one of the great cities of the world. (Applause.)

To open Berlin still further to all Europe, East and West, let us expand the vital air access to this city, finding ways of making commercial air service to Berlin more convenient, more comfortable, and more economical. We look to the day when West Berlin can become one of the chief aviation hubs in all Central Europe. (Applause.)

With our French and British partners, the United States is prepared to help bring international meetings to Berlin. It would be only fitting for Berlin to serve as the site of United Nations meetings, or world conferences on human rights and arms control, or other issues that call for international cooperation. (Applause.)

There is no better way to establish hope for the future than to enlighten young minds, and we would be honored to sponsor summer youth exchanges, cultural events, and other programs for young Berliners from the East. Our French and British friends, I'm certain, will do the same. And it's my hope that an authority can be found in East Berlin to sponsor visits from young people of the Western sectors. (Applause.)

One final proposal—one close to my heart. Sport represents a source of enjoyment and ennoblement, and you may have noted that the Republic of Korea—South Korea—has offered to permit certain events of the 1988 Olympics to take place in the North. International sports competitions of all kinds could take place in both parts of this city. And what better way to demonstrate to the world the openness of this city than to offer in some future year to hold the Olympic Games here in Berlin, East and West? (Cheers and applause.)

In these four decades, as I have said, you Berliners have rebuilt a great city. You've done so in spite of threats—the Soviet attempts to impose the East-mark, the blockade. Today the city thrives in spite of the challenges implicit in the very presence of this wall. What keeps you here?

Certainly there's a great deal to be said for your fortitude, for your defiant courage. But I believe there's something deeper, something that involves Berlin's whole look and feel and way of life. Not mere sentiment—no one could live long in Berlin without being completely disabused of illusions—something instead that has seen the difficulties of life in Berlin but chose to accept them, that continues to build this good and proud city in contrast to a surrounding totalitarian presence that refuses to release human energies or aspirations. Something that speaks with a powerful voice of affirmation, that says yes to this city, yes to the future, yes to freedom. In a word, I would submit that what keeps you in Berlin is love—(applause)—love both profound and abiding.

Perhaps this gets to the root of the matter, to the most fundamental distinction of all between East and West. The totalitarian world produces backwardness because it does such violence to the spirit, thwarting the human impulse to create, to enjoy, to worship.

The totalitarian world finds even symbols of love and of worship an affront. Years, ago, before the East Germans began rebuilding their churches, they erected a secular structure—the television tower at Alexander Platz. Virtually ever since, the authorities have been working to correct what they view as the tower's one major flaw, treating the glass sphere at the top with paints and chemicals of every kind. Yet even today when the sun strikes that sphere—that sphere that towers over all Berlin—the light makes the sign of the cross. (Applause.) There in Berlin, like the city itself, symbols of love, symbols of worship, cannot be suppressed.

As I looked out a moment ago from the Reichstag, that embodiment of German unity, I noticed words crudely spray-painted upon the wall—perhaps by a young Berliner—"This wall will fall. Beliefs become reality." (Applause.) Yes, across Europe, this wall will fall. For it cannot withstand faith. It cannot withstand truth. The wall cannot withstand freedom.

And I would like before I close to say one word. I have read, and I have been questioned since I've been here about certain demonstrations against my coming. And I would like to say just one thing, and to those who demonstrate so. I wonder if they have ever asked themselves that if they should have the kind of government they apparently seek, no one would ever be able to do what they're doing again. (Cheers and applause.)

Thank you and God bless you all.

CONSUMERS WANT BOTH DISC AND DAT

HON. WILLIAM E. DANNEMEYER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 16, 1987

Mr. DANNEMEYER. Mr. Speaker, the July 1987 issue of High Fidelity magazine contained a report of the debate over whether to include copy-code scanners in digital audio tape recorders. This article was entitled "Interrupted Melody." I would like to commend this article to my colleagues because it discusses many of the technical aspects of the copy-code scanner and its impact on prerecorded music.

The article follows:

[From High Fidelity Magazine, July 1987]

INTERRUPTED MELODY

It all started in 1979, when researchers at the now-defunct CBS technology center in Stamford, Connecticut, were directed to find a method of stopping unauthorized copying of records and tapes. After experimenting with inaudible signals that would disrupt the recording process (then only analog), and after not finding any method that did not require the addition of circuitry to the recorder, they came up with what CBS calls Copy Code. Although the system *does* require a detector in the recorder, it was CBS's hope—and is now the hope of much of the record industry—that a law would be enacted to require such circuits in tape recorders, including analog and digital audio decks and VCRs.

One such proposed law (which is being advanced in several bills with nearly identical wording) is the Digital Audio Recorder Copy-Code Act of 1987, whose grand sweeping edicts make for chilling reading to anyone familiar with the most fundamental principles of high fidelity audio:

(a) No person shall manufacture, assemble, or offer for sale, resale, lease or distribution in commerce (1) any digital audio recording device which does not contain a copy-code scanner; or (2) any device, product, or service, the primary purpose or effect of which is to bypass, remove, or deactivate a copy-code scanner. (b) No person shall bypass, remove, or deactivate a copy-code scanner. [A copy-code scanner is] an electronic circuit . . . (A) which is built into the recording mechanism of an audio recording device; (B) which, if removed, bypassed, or deactivated, would render inoperative the recording capability of the audio recording device; (C) which continually detects, within the audio frequency range of 3,500 to 4,100 hertz, a notch in an encoded phonorecord; and (D) which, upon detecting a notch, *prevents the audio recording device from recording . . . for at least 25 seconds*. . . . An "encoded phonorecord" is a phonorecord which has a notch within audio frequency range of 3,700 to 3,900 hertz."

. . . [A notch is] *an absence of sound resulting from the removal of sound signals at a certain frequency.* [italics added]

It boils down to this: To prevent unauthorized copying of any particular recording, *all* of its incarnations will have to be "notched"; its LP, cassette, and CD versions will have to have a "certain frequency" removed (filtered out). Unfortunately for the creators and consumers of recorded music such antimusical processing would be in the end literally and figuratively self-defeating.

FURY ABOUT SOUND

On April 2, in testimony before Congress by the Recording Industry Association of America (RIAA), David Stebbings (Director of Recording Research at the CBS Records Technology Center in Milford, Connecticut) stated that the Copy Code system encodes any master recording "by removing a sliver of sound from the music." He further claimed that "listeners cannot distinguish an encoded recording from an unencoded recording" and that the encoding filter is "effectively inaudible and does not affect the quality of the music." And indeed, in a demonstration of encoding using a "notched" track from Barbra Streisand's "*The Broad-*

way Album" (a CBS CD, CK 40092), there was no immediately apparent difference between the filtered and unfiltered versions. But the sonic nature of the segment played would make the effects of the system hard to discern in any case, not to mention that the material was unfamiliar to many of the listeners in the room and that opportunities for comparison were limited and controlled by CBS representatives.

However, that was followed by an utterly convincing counterdemonstration of the audible sonic effects of the Copy Code filter by the Home Recording Rights Coalition (HRRC). The HRRC used a filter designed according to the then-known parameters of the system. When a pure tone was swept through the frequency range of the notch—disappearing when it neared the notch frequency—the Congressmen, along with the assembled press and observers, could easily "distinguish an encoded recording from an unencoded recording." And when the notes of a scale played on a piano passed through the notched frequencies, the change in timbre was unmistakable.

In his testimony, Stebbings claimed that the HRRC filter was incorrect because the notch was too wide and was located at the wrong frequency: "It [the HRRC filter frequency] was placed on musical notes that were part of the recording in a way that overlapped with audible sound." In an unnecessary swipe at those who built the HRRC filter. Stebbings testified that "any competent audio engineer could have easily avoided any of these obvious mistakes, at least with CBS technology." That technology, however, was not generally available on April 2, because, as Stebbings admitted, "We have yet to release our [latest] technical specifications for the encoder to anyone outside the music industry." Nor is it available as of this writing (early May), despite Stebbings's April 2 promise to Congress to make the system available for independent listening tests.

After that morning's testimony was over. Stebbings, commencing to me on the HRRC demonstration, said. "You heard attenuation of the fundamentals of two piano notes. Now, on their document there, which they have produced, you've got the [minus] 3-dB points on the fundamental [of the piano note]. Now you know that if you change either a fundamental or an overtone on a piano by 3dB, you're not going to hear any difference. So I'm saying that that demonstration was not even the spec he said it was. Believe me, our encoder wouldn't make that sound effect on a piano."

UNCERTAIN FREQUENCY

If the proponents of the copy code system choose to defend it with such musical/technical arguments, so be it. Basic facts about how musical instruments behave demonstrate that any anticopying system operating in a fashion similar to Copy Code in the frequency band specified by the legislation stands a good chance of causing audible changes—detrimental ones—to a great deal of music.

The notch, Stebbings claims, "is cut so as to fall between the fundamentals, overtones, or harmonies of notes on the musical scale." It does, but only if you adopt a restricted and rather culture-specific view of what constitutes a musical scale. The center frequency of the Copy Code notch is given by one CBS document as 3,840 Hz (3.84 kHz), and that was the frequency of the HRRC filter, although the precise frequency (within 10 or 20 Hz) matters little. Musically speaking, the filter frequency is about halfway between the highest A sharp and B natural on a standard piano keyboard, assuming that the instruments has been tuned to modern standard pitch with middle C equaling 261.626 Hz (and A4 equaling 440 Hz) and that the instrument has been tuned in equal temperament, with the pitches of a 12-note scale separated by a frequency ratio of 2 to the 1/12 power (see Fig. 1).

Unfortunately for Copy Code's promoters, few instruments—not even pianos—fulfill both of these assumptions. In fact, the notch does not "fall between the fundamentals, overtones, or harmonics" of a piano, because all correctly tuned pianos are actually tuned "sharp" in their highest registers. In tuner's parlance, a piano's tuning is "stretched" in the uppermost octaves so that the notes' fundamental frequencies are higher than a simple application of the equal-temperament ratio would dictate. This stretching is necessary to bring the fundamentals of the high notes into consonance with the harmonics of lower notes. Those harmonics are moved up in pitch by the characteristics of piano strings (they have some stiffness, which shifts the harmonics slightly from being simple multiples of the fundamental frequency).

Using a middle C of 261.626 Hz, a typical grand piano's highest equal-tempered A sharp will be not tuned to a calculated 3,729.31 Hz, but to around 3,783 Hz (half a quarter-tone higher). Stebbings' post-testimony claim to me was at best dubious: A Copy Code encoder will not attenuate the fundamental of a piano's high A sharp by only 3 dB. Instead of being 111 Hz away fromn the filter's center frequency, that note is only 57 Hz away and will be virtually obliterated by the encoder, causing a change in timbre. This is precisely what was heard in the HRRC demonstration. Granted, not all piano works explicitly call for such high notes, but those that do (including works by Liszt, Debussy, and many contemporary composers) will have the musical effect ruined as a player hits a clanging high A sharp (or B flat). Other acoustic instruments (such as pipe organs, glockenspiels, xylophones, and violins) as well as electronic synthesizers generate fundamental frequencies straddling the pitch of the Copy Code filter, and their sound quality would also be at risk when passed through it.

And not only the high A sharp or B natural will be altered. All the notes for whose fundamentals 3.84 kHz is a harmonic will be changed, perhaps audibly so, and especially if the instrument being used is not tuned to standard modern pitch. As you start examining these submultiples of 3.84 kHz, you immediately enter regions for which a great deal of music has been and is being written. The Copy Code filter is close to the third harmonics of the D sharp and E natural two octaves above middle C. These two pitches occur very often in, for example, flute and violin music (see Fig. 2). A violinist using vibrato while playing one of these pitches, say, in the Bach, Beethoven, or Brahms violin concertos, could sweep the third harmonic of the instrument's sound through the frequency of the Copy Code filter, with disconcerting changes in timbre a distinct possibility. Streisand may escape sonic mutilation, but the classical "Three Bs" will not. Performances using historical "original" instruments are often performed below modern standard pitch, so that the instruments' harmonics stand a good chance of falling directly into the abyss. Historical pipe organs are tuned in all sorts of non-equal-tempered systems to all sorts of standard pitches. Many orchestras deliberately tune sharp for a more brilliant tone quality. For example, the Boston Symphony is said to tune its A4 to 442 Hz instead of 440 Hz. At the top A sharp, this 2-Hz difference has been magnified to more than 16 Hz, pushing the whole ensemble's fundamentals and harmonics closer to the notch frequency.

There are few, if any, types of music whose pitches would conveniently avoid Copy Code's musical black hole. You don't have to be a graduate student in ethnomusicology to understand that any culture whose music contains much pitch inflection (Indian, Chinese, and Japanese classical music and good old American jazz spring immediately to mind) will generate fundamentals or harmonics that will eventually slide into the notch. If, as Jan Timmer (President of Corporate Management at Polygram International) believes, home taping represents "cultural vandalism," then the Copy Code system, with its claims to inaudibility poorly founded on the equal-tempered scale, equally signifies cultural demagoguery. All told, it is impossible to design a dependable Copy-Code-type anticopy system whose encoding will filter all music without audible damage. Indeed, for the Copy Code system to operate at all, the music must originally have some information at and near the notch frequency.

UNFINISHABLE SYMPHONY

The record companies supporting copy code (not all do) seem willing not only to distort, perhaps grossly, the very product they are trying to protect, but also to impose a form of culturally biased musical censorship. If the system is required by law, a composer or arranger will not be able to write certain notes with the assurance that they will emerge in recorded performance without some form of sonic impairment. What if, in order to achieve a certain musical effect, a composer needs to sweep a tone through the frequencies of the Copy Code notch? (This happens occasionally in synthesized pop music and in the Ondes Martenot part in Messiaen's *Turangalila* Symphony.)

If the Copy Code system is indeed so audibly innocuous as to "not affect the quality of the music," why has CBS steadfastly refused to release those relevant technical details on the system that would enable independent listening tests? Where are the artist endorsements like the ones that accompanied the release of the CD system? We have yet to hear ringing praise of the system from the likes of Herbert von Karajan or Maurizio Pollini (Polygram artists). Michael Tilson Thomas and Murray Perahia (CBS artists), or other performers whose work is to be shielded by the Copy Code system. Perhaps they haven't even heard of Copy Code. By advocating the system, are record companies presuming to speak for Liszt. Debussy, and the rest of the composing community?

Also strangely silent in this affair have been reputable audio engineers and designers, especially those of the CD system, many of whom work at Philips. I've observed them applying prodigious energy and brainpower toward the sonic perfection and operational reliability of that digital medium. I can't believe they would, on principle, allow their work to be so undone by Copy Code and not raise a fuss. Perhaps Philips's CD-system designers have been "reminded" that their employer also owns much of Polygram Records.

THE ULTIMATE TURNOFF

Copy code supporters, in addition to not realizing—or dismissing—the musical damage it may cause, also seem to realize that requiring the installation of a Copy Code circuit in a digital-audio tape recorder (or, for that matter, in a analog deck or VCR) will be self-defeating. They have forgotten the history of the Dolby-encoded analog cassette: It, like DAT, is a medium pioneered by the high fidelity industry (Advent and Nakamichi, to be specific) and promoted by it before any prerecorded software was available. Advent, in fact, resorted to duplicating its own line of prerecorded Dolby-encoded cassette tapes in order to convince the rest of the world of the high fidelity potential of a medium orginally intended for dictation machines. Now, thanks largely to Sony's introduction of the Walkman (unprompted by the recording industry) analog cassettes make up a substantial portion of the prerecorded music sold worldwide surpassing in dollar volume and unit sales both the LP and the CD.

There is no reason to believe that the same type of hardware and software acceptance will not eventually come to the DAT medium. No reason, that is, unless consumers are inhibited from investing in DAT technology from the start. Consider the following questions:

Would you buy a deck (digital, analog, or video) that would prevent itself from taping your own records for your personal use?

Would you want a DAT deck for making live recordings (the best possible use for such high-quality technology) if, in the middle of a once-in-a-lifetime musical event, the Copy Code circuit might think it detected a notch in the music and, without warning, shut down the recording "for at least 25 seconds"?

Would you purchase a recording if you knew if had been intentionally filtered and might be missing some musically crucial frequencies?

The incorporation of Copy Code chips in DAT machines and the encoding of music softwear will effectively eliminate most of the potential market for DAT machines. If this is the true intention of the Copy Code advocates, they have taken a very shortsighted view. Without a large number of DAT decks already in use, there will not be a market for prerecorded DAT software when a high-speed DAT duplication process is perfected. Nor will there be lower-cost massmarket DAT machines, because large-scale production economies will not have taken effect. Requiring the Copy Code system in all DAT machines will ultimately prove costly to the recording industry because it will handicap, and perhaps foreclose, the potentially very lucrative prerecorded DAT market.

COPY CODE COPS

Suppose a law requiring copy code in tape machines is passed. How will it be enforced? By the threat of civil lawsuits? By the dreaded "RIAA Tape Police"? In testimony also presented April 2, Fred Weingarten, of Congress's own Office of Technology Assessment (OTA), urged Congress to investigate:

"The extent to which, and how, the Federal Government might need to be involved in order to make a technological solution [to the software-copying issue] stick. Insofar as these technologies are susceptible to bypass or deactivation, the Government would, first of all, have to make such activities illegal. Then, in order to deter and enforce this prohibition, either the Government or private parties would have to conduct some form of search, inspection, or surveillance. . . . Courts would also experience a greater workload to the extent that deactivating or bypassing technological devices entails civil lawsuits. . . . Such laws may be very hard to enforce since they attempt to govern how people use their personal property in the privacy of their homes."

I, for one, would not appreciate a midnight raid by the Copy Code Cops, nor would I be disposed to buy the recordings of any company supporting such folly.

"Every technological approach to protection," said Weingarten, "requires a trade-off between the security of the property and its accessibility, marketability, cost, and quality." As you have seen, the Copy Code system will not make the software secure, but it will certainly make it less accessible. Those record companies refusing to encode their products might gain a marketing advantage and added prestige in the eves of music consumers.

Somebody will eventually have to pay for the development of the Copy Code chip, its manufacturing, and its incorporation into tape-recorder circuitry, as well as for the manufacturing and installation of encoders and the remastering of software through Copy Code filters. Since I can't imagine the recording industry paying for all of this voluntarily, it is the music consumer who ultimately will bear these economic burdens. Furthermore, as the quality of prerecorded software is deliberately violated by the Copy Code process, the burden of musical damage will be borne by all sensitive listeners and musicians, Weingarten summed it up simply: "Attempts to control information flows too tightly may either fail or be so draconian as to be legally and socially unacceptable, as well as economically costly." He might well have added: musically disastrous.

SOUND OFF

Mandatory installaton of copy code scanners in DAT machines is called for in House bill HR-1384 and Senate bill S-506, as well as the Administration's "Competitiveness" Trade Bill.

The Home Recording Rights Coalition is at P.O. Box 33576, 1145 19th St. N.W., Washington, D.C. 20033, (800)-282-TAPE. You might also want to let Copy Code advocates know your feelings by writing to the Recording Industry Association of America. 1020 19th St. N.W., Suite 210, Washington, D.C. 20036. (202) 775-0101, and to the Coalition to Save America's Music, 1200 New Hampshire Ave., N.W., Suite 320, Washington, D.C. 20036, (202) 728-4964.

CONSUMER PROTECTION PROBLEMS IN THE AIRLINE INDUSTRY

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 16, 1987

Mr. FLORIO. Mr. Speaker, consumers of airline services are being mistreated daily. Reports of canceled and delayed flights, misconnections, advertised but unavailable discount fares, lost baggage, and overbooking occur with increasing frequency. Indeed, in May, consumer complaints to the Department of Transportation were nearly triple the number from May of 1986.

The Subcommittee on Commerce, Consumer Protection, and Competitiveness, which I chair, has jurisdiction over consumer protection. The subcommittee is in the process of reviewing consumer protection problems in the airline industry. What follows is an article from the May 19 edition of the Ocean County, NJ, Observer presenting a typical example of the way airline passengers are often treated these days.

WATERFALLS, POOLBEAT FLOOR OF AIRPORT

(By Loretta Ascione)

Rep. James Florio's recent decision to take a look at the nation's airline services is certainly a wise choice—especially after my friends, myself and about 80 senior citizens ended a seven-day Caribbean cruise by sleeping on the floor of the San Juan, Puerto Rico, airport.

We didn't sleep on the floor because we had gambled our money away in San Juan casinos; we did so because our flight to Newark was mysteriously cancelled.

The flight, Eastern Airlines Flight 960, was scheduled to depart from San Juan at 5:15 p.m. on April 27.

We had disembarked from the cruise ship Amerikanis in San Juan at 9 a.m. and were greeted by morning temperatures of 92 degrees. We then spent part of the day at a hotel, enjoying its swiming pool which included refreshing artificial waterfalls.

No one could ask for a better vacation. Myself, my sister Bev and seven couples soaked up the sun as we visited six islands in the Caribbean.

Everyone regretted having to return home but, on what allegedly was the last day of our trip, we forced ourselves out of the gorgeous pool to head to the airport at 3 p.m.

At 3:30 we arrived at the airport, which is not air conditioned. Many of us joked that we should return to the pool. We were then told at the Eastern Airlines desk that our flight had been delayed and it would not depart until 6:45 p.m.

To make our involuntary stay a little more pleasurable, we were each given $5 food vouchers to use toward dinner.

Said co-travelers Walt and Clare Denman: "Be sure to eat very slowly as we can waste time until the plane takes off."

But the service in one of the airport's restaurants was so slow that we ended up inhaling our food to make it to the gate on time.

And as the saying goes . . . hurry up and wait.

When we returned to Eastern, we were told our flight had been cancelled; but we shouldn't leave and do something silly, such as enjoy the nightlife in San Juan, we should wait at the airport while other flight plans were being prepared.

So, we sat on the middle of the airline terminal floor. Two women also awaiting the Newark flight were in wheelchairs, so they were spared the floor as they waited and sweltered in the hot terminal.

By about 9 p.m., we were herded into another area of the airport, equally as hot, and were told that Eastern was making arrangements with TransWorld Airlines to fly us home. We were then herded to the TWA area—wheelchairs, carry-on luggage and all.

We then waited patiently at the TWA gates where we were told at about 11:30 p.m. that TWA was bringing a plane in especially for us at 1:30 a.m. and we would depart at about 3 a.m.

By now nerves were frazzled and the travelers were hot and weary.

In an effort to make us more comfortable, Eastern then paraded us into its public lounge area with the promise of sandwiches and beverages. At least the lounge was somewhat air conditioned.

Employees brought in the sandwiches, soda and coffee and then began carting in blankets.

We began wondering why we would need blankets in the intense heat.

It was then that a brave Eastern representative approached us shortly after midnight. Asked fellow travelers Jim Cernak and Al Pasqualetto: "Should we get ready to meet the TWA plane?"

Says the Eastern rep: "What plane? I don't know what you're talking about."

At that point some of the senior travelers began to lose their tempers and the representative fled . . . apparently fearing for her life.

Our smaller group kept our sanity and Cernak and Pasqualetto eventually lured the representative back to talk to us at about 1 a.m.

Our options, she said, were to fly non-stop to Kennedy sometime Tuesday or leave for Atlanta at 7:40 a.m. Tuesday and meet a connecting flight to Newark. Otherwise, there wouldn't be another plane for a few days.

"We'll take Atlanta!" we agreed.

Meanwhile, co-cruiser Florence Jensen, whose first flight ever was the one we took to get to the ship, was slowly being tortured by the long delay for the plane she wasn't too thrilled about getting on in the first place. (It could be compared to sitting in the dentist's office, listening to the drill while you wait for your turn in the chair.)

The question most asked by the stranded travelers was why weren't we told in the first place that there was no plane, so we could have found comfortable, accommodations for the night? The elderly, at least, could have gotten some rest and the remainder of us could have explored San Juan and still had gotten some sleep.

Perhaps Florio's examination of the airlines will help answer such questions.

We eventually did get to Newark—23½ hours after we had walked into the San Juan Airport.

THE CONTINUING CRISIS IN FOSTER CARE

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 16, 1987

Mr. MILLER of California. Mr. Speaker, thousands of our Nation's children are suffering from an emerging crisis in foster care.

Public Law 96-272, the Adoption Assistance and Child Welfare Act of 1980, which I authored, was designed to reform the Nation's policy for substitute care. The act brought great improvements by reducing the number of children in foster care by promoting permanency and adoptions, and by establishing accountability requirements for States. But since 1984, we have been sliding backward, with more children in foster care each year and more reports of child abuse within both natural and foster homes.

The Department of Health and Human Services has failed to enforce the 1980 act's accountability requirements. Many States are taking Federal money but not providing services or conducting the investigations of foster care facilities required by law. Congress is also to blame for its failure to allocate adequate resources for foster care and preventive child welfare services.

Yet, as yesterday's Wall Street Journal points out, the problems are more complicated now than in 1980. The increase in poverty and in single-parent families has created stresses that too often have led to increased child abuse and neglect, while the rise in double-income families has left fewer women at home and, thus, fewer homes that can take in foster children.

Those who remain in foster care—the multiproblem children, the adolescents, the sexually abused children—need our attention. And the foster families who willingly care for these children need greater support from Government for the valuable service they provide.

I am submitting for the RECORD the article from yesterday's Wall Street Journal discussing the problems currently confronting the nation's foster care system. Together with extensive evidence the Select Committee on Children, Youth and Families is gathering from around the Nation, these findings should motivate us to achieve legislative improvements in foster care during the 100th Congress.

[From the Wall Street Journal, June 15, 1987]

FOSTER-CARE SYSTEM IS STRAINED AS REPORTS OF CHILD ABUSE MOUNT

(By Michel McQueen)

BALTIMORE.—At age 10, Melissa was sexually abused by her father and placed in a foster home. She was treated so harshly there that she was moved to another home. There she was raped. In March the girl, now 15, was confined to a psychiatric facility after her most recent suicide attempt.

Like Melissa, a growing number of children across the country are caught in a vicious circle, encountering abuse wherever they are placed. The number of children in foster care is rising even as the number of available foster homes is shrinking. Child-welfare groups and lawyers charge that, to keep up, many state and local agencies are forced to cut corners on foster-home investigations, overcrowd homes and overlook risks. Reports of child abuse in both natural homes and foster homes have surged.

"The system is overwhelmed," says Mary Lee Allen, a child-welfare expert at the Children's Defense Fund, a child-advocacy group in Washington, D.C.

VICTIMS OFTEN BLACK

In many cases, the victims of abuse in foster homes are black or other minority-group children. "It's a crisis of major proportions when you think that there are more black kids injured by the foster-care system in a year than were injured by the Ku Klux Klan in 20 years," says Robert Woodson, the president of the National Center for Neighborhood Enterprise, a Washington-based think tank on black issues.

Although there are thousands of good foster homes and many states are stepping up efforts to find more of them, foster-care systems throughout the nation are showing signs of stress:

In Maryland, a suit filed on behalf of the 2,800 foster children in Baltimore charges that children as young as three years have been raped and that many have been medically neglected and otherwise mistreated in foster homes. The suit was filed against the state by the Children's Defense Fund and legal-aid lawyers. State officials say they have done everything possible to protect the children.

In the District of Columbia last spring, five foster childen, three of them infants, died in a fire in their inner-city row house. The foster mother had left them in the care of a 65-year-old alcoholic and former convict who was drunk when the fire began. The tragedy made public what city officials already knew—that because of a dearth of homes, they were sometimes placing more infants in a foster home than district regulations permit.

TROUBLE IN NEW YORK

In New York City, child-welfare workers have operated in a crisis atmosphere since last year when the number of children entering foster care began to far exceed the number of homes available. The 17,600 children in foster care now are the most since 1982, and the city for the first time has opened a group home for infants because of the dearth of beds in private homes. Several suits have been filed charging that too few services are being offered to families who could otherwise keep their children with them.

Six-year-old Tiffany B. entered foster care as an infant in Baltimore. Soon after she was adopted last spring, she told her new mother about a "game" involving sexual fondling that she said she was taught by her foster father. The mother took Tiffany to a doctor, who found physical scarring associated with rape.

Now the mother has seen that Tiffany receive psychiatric therapy—and is undergoing therapy herself as she tries to figure out how to best raise a six-year-old who has experienced what her daughter has.

"ROBBED OF HER CHILDHOOD"

"All the pain she's ever known you can see in her eyes," the mother says of her pensive daughter, who often becomes depressed when away from home, trails her mother from room to room, and refuses to undress for a medical examination without a fierce struggle. "It's like somebody has robbed this child of her childhood, somebody's taken it from her."

Another victim is Frederick Martin, an 18-year-old with a deep desire for an apartment and family to call his own. He has lived in 14 different foster homes, and some of the scars on his arms, chest and legs are testimony to the beatings he received from foster parents.

Frederick, who was sent to a home for troubled youths at the age of 14 after he tried to poison a girl in a foster home—he says she repeatedly taunted him for being parentless—is happy in his current home where his foster parents are teaching him such skills as cooking and grocery shopping.

"They let me know they trust me. They've had teen-agers so they know what it's like," he says, beaming. Still, he complains, "a lot of the stuff I've been through wouldn't have happened to me" if the foster homes had been checked out thoroughly.

A law passed by Congress in 1980 was supposed to prevent many of the problems surfacing today. It is designed to reduce the number of children in foster care by a system of federal aid that encourages authorities to release children for adoption or return them to their own homes. And indeed, the U.S. Department of Health and Human Services estimates that the number of children in "out of home" care fell by nearly one-half—to about 260,000 in 1983 from around 500,000 in 1977.

But it was children from families with relatively minor problems who were sent home. And those children placed for adoption were those easiest to place. The most-troubled children—as well as many older and minority-group children—were left in foster homes. Troubled children, child-welfare experts say, need foster parents with special training, something few such parents receive.

"You saw the numbers going down," says Ms. Allen of the Children's Defense Fund. "But also what you saw, as a result of getting the easiest kids out of care, what you're left with are the roughest cases—the multi-problem children, the adolescents, sexually abused children."

That might have been manageable, officials say, if the number of children in foster care had continued to drop, but it began rising again, to about 270,000 in 1984, and continues to rise in many sections of the country. The main reason: a rise in reports of child abuse by biological parents. The rise is attributed to everything from poor economic conditions to increased public awareness of child abuse. In any case, the number of reports of abuse in all homes jumped to more than 1.9 million in 1985 from 669,000 in 1976, according to a recent report to Congress by the American Humane Association.

The result is that more abused children are removed from homes. At the same time, mainly because more women have joined the work force, fewer foster homes are available. This is particularly true of the kind of foster home that agencies have traditionally relied upon—those with a wife at home full time and room for more children. Now, in a growing number of cases, children abused by their parents are ending up in homes where they are abused by foster parents.

"I think the system itself is better off today" than a decade ago, Ms. Allen says. "But I think the demands are greater, and I'm not sure the system can withstand the demands that are being placed on it."

Marcia Robinson Lowry, who heads the American Civil Liberties Union's children's-rights project, charges that in many cases, "the states are taking the [federal] money and not doing the difficult and sometimes expensive things that the law requires them to do." Under the 1980 law, states are required, for example, to adequately regulate and evaluate foster homes.

State officials say they feel beaten on all sides—buffeted by social forces beyond their control and stung by public criticism.

"We're dealing with a crisis situation," says Ruth Massinga, Maryland's secretary of human resources. After the federal law was passed, "States were figuring we'd clean up what had become a mess in many places," she says. "However, none of us anticipated that poverty would rise as quickly as it did. None of us knew the phenomenon of single-parent families would rise as it has, that the problems of families would become as intractable as they have over the past decade."

Some foster parents also feel stung. Carl Brown and his wife, Mary, have raised foster children in Pontiac, S.C., for 13 years. With more reports of abuse, he says, "I think there's a stigma attached to foster parents and a stigma attached to foster children." And Mr. Brown says the cost of providing such care has increased. In his state, he says, parents are paid $4 a day to care for a pre-school child—"in most states, it costs $5 to $7 to board a dog."

Many states are taking action to improve that situation. In Maryland, the legislature has granted repeated increases in the reimbursement rates for foster parents, to an average of $265 a month starting this summer from $181 in 1981. The state has also hired more caseworkers and raised social workers' salaries in an effort to stem the rapid turnover that left some children without an assigned worker for months at a time.

After the lawsuit was filed, the state reviewed its foster homes—and closed 25% of Baltimore's. Now state officials have hired a marketing agency and a task force to help them come up with a strategy for recruiting more foster parents. So far, however, only 60 families have come forward to replace more than 600 cut from the rolls.

Other states and localities have also stepped up recruitment efforts in Harris County, Texas, which includes Houston and about 25% of the state's child-welfare caseload, recruiting and training of foster parents are part of a program that closely evaluates the numbers and reasons that children are taken into the system.

The county has managed to keep removals of children from their original homes at about 5%, says Gene Daniel, the regional director of protective services. "I think it's important to treat the child in the home because we know how traumatic it is for a child to be removed from the home," he says. It also can be dangerous to leave children at home, where they occasionally are seriously injured or killed. That, in turn, sparks harsh criticism that an agency isn't doing its job. "It's a risk every time we send a child home," Mr. Daniel says, "but the risk is worth it."

In the Houston area, Mr. Daniel says, foster parents recruit other foster parents. He says the county is lucky to have held the number of foster families steady at 450 over the last eight years "because for us, not losing is winning."

Other areas, including parts of Minnesota, are experimenting with salary-sized payments to specially trained foster parents who care for particularly hard-to-place children. Such payments would allow many trained workers to stay home and provide 24-hour care.

Douglas Besharov, a scholar in residence at the American Enterprise Institute, a Washington think tank, calls for a radical shift away from the use of foster homes. "Sometimes foster care is good for kids. It's essential that foster care be available when the parents are beating the child. And sometimes they get a good home, where they get a lot of love and stability for several years," Mr. Besharov says. But, he adds, "we just don't deliver that product very often."

Doing everything possible to keep children at home even in troubled families is a goal that at least one foster youth endorses. Says Frederick Martin: "If I did have a baby, I would keep it with me. I wouldn't let nobody else raise it."

EAGLE SCOUT STEVEN LEWIS

HON. WILLIAM O. LIPINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 16, 1987

Mr. LIPINSKI. Mr. Speaker, it is with great pleasure that I call to the attention of my colleagues an exemplary young citizen, Steven Lewis. He was recognized this past Saturday, June 13, for achieving the highest rank in Scouting, Eagle Scout.

In becoming an Eagle Scout, he will join the ranks of a very select group. The individual tasks which he had to complete are impressive alone. These tasks challenged every facet of his personality—mental, physical, psychological, and more. His accomplishment becomes even more notable when it is viewed cumulatively. That is, the entire sum of achievements and the perseverance of character demanded illustrate just what high caliber young man Steven is.

In today's society, our youth are truly bombarded with a variety of lifepaths to choose from. While the freedom of choice is in itself good, too often we hear of young people who are led astray by the ignorance of their years to a lifestyle they do not deserve. It is always refreshing to recognize young men who choose a constructive way of life and also excel at it. Though some credit should be given to the family of this young man and to the Scout leaders who provided support, Steven today knows that he can participate in society in a manner that will benefit himself as well as his community.

The achievement of attaining the rank of Eagle Scout lays an excellent base for a productive future. I'm sure my fellow members of Congress join me in wishing Steven the best of luck in his future endeavors.

"THE IMPLICATIONS OF GLASNOST": REPRESENTATIVE STENY HOYER'S SPEECH BEFORE THE NORTH ATLANTIC ASSEMBLY

HON. RONALD V. DELLUMS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 16, 1987

Mr. DELLUMS. Mr. Speaker, I recently had the privilege of participating in the spring session of the North Atlantic Assembly in Quebec. Since its founding in 1966, the assembly has provided a unique forum for parliamentarians from NATO countries to discuss important issues of the day.

The central theme of the Quebec meeting was "Mr. Gorbachev's Glasnost: Opportunity or Challenge for the Alliance?" Among those taking part in the open debate on the implications of glasnost was my colleague, Representative STENY HOYER of Maryland, who serves as chairman of the Commission on Security and Cooperation in Europe, also known as the Helsinki Commission.

Mr. Speaker, as you know, Representative HOYER joined your April delegation to the Soviet Union, where you appointed him to head the human rights working group between Members of Congress and their Soviet counterparts. In view of his participation with the human rights working group, STENY HOYER's remarks before the assembly were both timely and insightful, and it is with pleasure that I commend them to the attention of my colleagues.

HON. STENY H. HOYER—THE POLITICAL IMPLICATIONS OF GLASNOST, NORTH ATLANTIC ASSEMBLY, QUEBEC, CANADA

Winston Churchill once said that the Soviet Union is "a riddle wrapped in a mystery inside an enigma." But if we hope to understand the impact of Glasnost, we better try to figure out what's going on there. We need to move beyond the headlines—especially the headlines the Soviets want us to read.

Last month I had a special opportunity to gain some insight into the Soviet Union of Mikhail Gorbachev. I was a member of the highest ranking congressional delegation ever to visit the Soviet Union. Led by Speaker Jim Wright, our delegation included Democrats and Republicans, chairmen and ranking members of major congressional committees. We met with Gorbachev, Ligachev, Shevardnadze, Gromyko, Dobrynin, Scherbitsky and other top leaders—5 of the 11 members of the Politburo.

What became clear to me and my colleagues is that the Soviet leadership is serious about reform. But they do not seek to realize Western values or economics.

Over and over the top Kremlin officials told us not to mistake the purpose of glasnost and perestroika. They don't want Western democracy. No, they are determined to strengthen Soviet-style socialism. To turn the Soviet Union into a leaner and more efficient state. As Mr. Ligachev made clear, what they want is more and better Soviet socialism.

Thus the reforms proposed are internally directed—towards efficiency. The goal is not to address human and political rights. If the human rights situation changes at all, it appears it will be only a tangential result.

It seems clear that reducing censorship in the press is not designed to promote free speech, but rather to stimulate criticism of inefficient institutions. Elections will not be a choice of ideas, but of who can best manage the system. And the release of an Andrei Sakharov comes not from a desire to end arbitrary imprisonment—but instead to energize intellectuals for the coming modernization drive.

In other words, reform in the Soviet Union is from the top down.

Because of this top-down quality of glasnost, policy-makers in the West will be faced with a number of opportunities—as well as traps.

Probably the most significant opportunity comes from the fact that Soviet leaders are energized for change. They are impatient. They want an arms control accord that would enable them to focus attention on domestic reforms. They want to clean out corruption from an entrenched bureaucracy. They want more criticism of inefficient institutions and immediate results to follow.

From Gorbachev to Ligachev to Shevardnadze on down, it appeared to us that there is a sense of mission in the Soviet leadership. They seem to be testing the limits of what is possible. And while it is true that Soviet initiatives are inspired by domestic needs, it would be naive to think that Soviet leaders are not keeping an eye on how glasnost plays in the West.

That is why we must and will follow glasnost keenly, welcome all the positives and point out when promises fail to match realities. Perhaps, just perhaps, this may have an impact on tilting future reforms in the direction of greater human rights, and greater international stability and security.

To accomplish their goals, and to appeal to the West, Soviet leaders have become more western and urbane. They now speak of partnership and cooperation with the West. In our meetings they were neither confrontational nor defensive—except, that is, when the issue of human rights was addressed.

With glasnost, with the new style of Soviet leadership, the psychological barriers between leaders of East and West have been lowered. Witness the statement of Prime Minister Thatcher, that Gorbachev is a man she could do business with. The results could be stunning: fewer tensions in the world, and perhaps a mutual and verifiable arms agreement. This would be a major step forward.

But for all the good that can come with glasnost, we must beware of a trap. It is a lurking trap, perhaps, in our own thinking.

We must be careful not to read too much into glasnost and perestroika. We must avoid projecting our own hopes and expectations into it. We must not mistake a Westernized Soviet leadership with a Westernized Soviet democracy. We must not create any illusions that could unjustifiably distort our policies.

This is particularly true with the way we view our alliance. Our alliance is about shared values. No amount of glasnost can erase that. If glasnost presents us with any challenge as an alliance, it is to make sure we communicate better among ourselves so we can more effectively counter and anticipate Soviet propaganda offensives.

We must also be grateful not to let glasnost divert attention from significant and continuing human rights concerns. Indeed, this should be our litmus test on the merits of glasnost.

While in the Soviet Union, I took the opportunity to meet with political dissidents, refuseniks and divided spouses. It was in these meetings that the grape of glasnost turned sour, as I heard story after frustrating story of the way the Soviet Union continues to deny and exploit human rights.

If not to assert control over its people, why else does the Kremlin keep cancer patients from getting treatment in the West? Why else prevent Jews, Germans or others from emigrating? Why else divide spouses and families? Why else abuse psychiatry for political purposes?

So we must be sure, my colleagues, that glasnost does not distract us from the values and goals that bind us together. My colleagues, glasnost confronts us with not alternatives of challenge or opportunity, but with both.

We are challenged to respond to its apparent flexibility and its appeal in the West of its promise.

We have an opportunity to seize the opening created by glasnost to decrease tensions, advance the cause of human rights, and realize more fully the objectives of the universal declaration of human rights, the international covenants on human rights, and the Helsinki accords.

THE TRUE STORY BEHIND THE 1930'S BANKING COLLAPSE

HON. DAVID DREIER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 16, 1987

Mr. DREIER of California. Mr. Speaker, the House and Senate are currently at odds over the scope of comprehensive banking legislation. The push for an ill-conceived moratorium on certain regulatory efforts to expand the range of permissible banking activities is, in my view, rooted in false assumptions about the collapse of the banking system in the 1930's. It wasn't the securities activities of banks that caused that collapse; it was the system's structural defects. The establishment of Federal deposit insurance and a strengthened Federal Reserve—not the Glass-Steagall Act—resolved that problem. Also, a wide variety of laws and regulations which exist today to limit conflicts of interest were not available when Glass-Steagall was enacted.

The attached article by a respected financial consultant provides a more detailed glimpse of the primary causes of the banking collapse in the 1930's. It illustrates why a moratorium on bank powers would actually weaken the safety and soundness of the banking system by delaying necessary reforms to strengthen and modernize our Nation's banking laws.

THE TRUE STORY BEHIND THE 1930'S BANKING COLLAPSE

(By Bert Ely)

American banking has been handicapped for 53 years by regulations rooted in myths about the causes of the 1930-33 banking collapse. Common to these politically motivated myths is the notion that bank mismanagement caused the collapse. That notion is false. Yet the myths this notion has engendered are still driving public policy, while the real causes of the banking collapse are largely ignored.

The underlying cause of the banking collapse was the branch-banking restrictions that Congress and State legislatures imposed over many decades. In 1930 only three percent of the country's 23,700 banks had any branches at all. Thus, almost every bank held a small, geographically undiverse portfolio of loans. With only three or four employees, the average bank also was an easy target for fraud and embezzlement. The banking collapse, which cost bank depositors $1.3 billion, was a pre-ordained disaster because branching restrictions kept banks unnaturally small.

The medium-size bank in 1930 had deposits of $400,000, just $3 million in today's dollars. Today's has deposits of $35 million. During the generally prosperous 1920s, banks below the medium size were less profitable than larger banks and thus more likely to fail. This is why bank failures in that decade were 3.4 times higher than during the previous three decades.

The typical failed bank, invariably a rural one, was even tinier than the medium-size bank. Usually it failed because of fraud or a local economic catastrophe. These failures often deprived area farmers and merchants of their only source of business credit, thus worsening economic conditions in their locale. The independent bank, far from being the strength of smalltown America, was its Achilles' heel. Yet despite these shortcomings, nationwide branching restrictions remain in place today even with the recent spread of limited interstate banking.

The parochial attitudes of the Federal Reserve System at that time enhanced the potential for a banking disaster. The Fed, diffident about controlling the nation's money supply and disdainful of the two banks out of three that were not Fed members, was unwilling to act as lender of last resort to the entire banking system.

Although the stock market crash occurred in October 1929, the banking collapse did not begin until November 1930. By then, wholesale prices had declined by 16 percent from their peak in the summer of 1929. Price deflation of this magnitude drove many banks into insolvency because they were highly leveraged and held assets that lost value during the deflation. Small banks are particularly susceptible to such deflation since they have fewer alternatives for diversifying their risks. The Fed accelerated this vicious downward spiral by permitting the money supply to decline 33 percent between November 1930 and March 1933, the end of the banking collapse.

The average number of banks that failed each month during the collapse was more than triple the monthly failure rate of the 1920s, while the monthly average of deposits in failed banks increased by a factor of seven. In all, 4,800 banks failed during the 28-month span of the collapse.

By March 1932, one year before the national Bank Holiday, the worst of the collapse was over. Later that year, a feeble economic recovery began, only to be crippled by a final banking crisis sparked by three public policy blunders.

The first of these blunders was Franklin Roosevelt's public deliberations, beginning in December 1932, about devaluing the dollar against gold. Increasing speculations about a devaluation triggered a run to gold that drained reserves from the banking system. This in turn encouraged many bank depositors to run to currency.

The second blunder occurred when Congress, in January 1933, directed the Reconstruction Finance Corporation to publish the names of banks it previously had assisted. Runs soon started on these banks.

Finally, the Fed, now paralyzed by a banking system crippled by these runs, abdicated its responsibility as lender of last resort. As a result, numerous states were forced to declare banking holidays during February and early March, culminating in the national Bank Holiday that started on March 6, 1933.

The final banking crisis probably would not have occurred had Mr. Roosevelt been inaugurated on January 20, 1933, instead of six weeks later, on March 4. Had he taken office on the earlier date, he would have been able to act sooner to avert this crisis. However, the Constitutional amendment to change the inauguration date from March 4 did not become effective until October 15, 1933.

Canada provides an instructive contrast with America's tragic experience. During the Great Depression, just ten banks operated almost 4,000 branches across Canada. Four banks had branches in every province; the rest operated regionally. Except for one relatively small failure in 1923, no Canadian bank failed during the 1920s and 1930s. Extensive branching, which gave Canadian banks a broad geographical dispersion of their banking risks, built soundness into the Canadian banking system.

In spite of the obvious causes of the banking collapse, several myths arose. The facts easily rebut them.

Myth One: Banks paid excessive interest rates on deposits.

Fact: During the late 1920s, bank interest rates remained amazingly flat while rates on alternative short-term investments skyrocketed.

Myth Two: Banks made bad loans during the 1920s.

Fact: The percentage rate of the extraordinary loan losses experienced by banks from 1930 to 1936 equaled just one-third of the price deflation percentage during that time. Had prices rebounded quickly after 1930, extraordinary loan losses would have been negligible. In other words, the high loan losses of the 1930s were caused by deflation, not by bad lending practices during the 1920s.

Myth Three: Investment banking activities of commercial banks caused bank failures, thus justifying the Glass-Steagall Act's separation of commercial from investment banking.

Fact: The data simply does not support this, since almost all of the 4,800 banks that failed during the banking collapse were much too small to conduct investment-banking activities.

Myth Four: Big city banks bled funds out of rural banks during the 1920s for re-lending in the stock market, thus depriving farmers and merchants of badly needed loans.

Fact: Country bank deposits in city banks, as a percentage of all banking deposits, were lower during the 1920s than immediately before or after. The entire 1927-29 increase in lending to stockbrokers came from outside the banking industry.

The new Congress must base today's banking legislation on the facts, not myths about what caused the banking collapse of the 1930s, if it is going to strengthen U.S. banking at home and in the international financial marketplace.

SUBTLE BOOST FOR CONTRAS?

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 16, 1987

Mr. LAGOMARSINO. Mr. Speaker, a recent commentary in the Washington Times by Ben Wattenberg describes the effect of the Iran-Contra hearings on the general public. From his perspective, Mr. Wattenberg believes those who are following the hearings are becoming better informed about the national security interests of the United States, and, therefore, are becoming more supportive of U.S. policy to aid the Contras. It's an interesting analysis, and I urge my colleagues give it their thoughtful attention.

[From the Washington Times, June 11, 1987]

SUBTLE BOOST FOR CONTRAS?

(By Ben Wattenberg)

A British journalist, living in Washington, reporting on America, decided he would report on America from America, rather than from Washington. His name is Andrew Manderstam of the London Broadcasting Co. His topic was the Iran-Contra affair and the congressional hearings about it.

Several weeks ago, Mr. Manderstam traveled to two American cities, Nashville and Detroit. He arranged meetings with small groups of Americans and, with them, watched videotapes of the hearings. He asked them what they thought about it all. Later, Mr. Manderstam made phone calls to more-or-less ordinary Americans in other parts of the country. Mr. Manderstam makes no claim to having reached a scientific sample. Still, his conclusions are interesting and, as I sense it, valid.

First, says Mr. Manderstam, many Americans are not interested in Central America and are not paying much attention to the hearings. However, in that somewhat barren context, most say they are getting a positive impression of the American policy regarding aid to the Contras. Mr. Manderstam reports that people have said that the hearings help them understand the policy better, and when they understand it, they believe there is more justification for the policy than they had believed earlier.

In one sense, this is remarkable. After all, the focus of the hearings is on all the things the Reagan administration may have done that were illegal. In another way, however, it adds up. Many witnesses, and some members of Congress have been insistent on explaining the reasons for the administration's actions. They say the Soviets are attempting to set up the first communist national base on the mainland of North America. A newsweek story says this: "As witness after witness testified in favor of continued support, letters to Congress have been surprisingly sympathetic to the insurgency." A New York Times report echoes that view.

Some of the recent public opinion polls on the matter also show a shift—small, but measurable—toward a more pro-Contra position. While opinion is still heavily against providing military aid to the Contras, the margin between "anti" and "pro" has narrowed somewhat since the hearings began—by 10 percent in the Washington Post/ABC poll and by 76 percent in the Wall Street Journal/NBC poll.

This pattern, if indeed it proves to be a pattern, would make some sense. In polls, the support for the Contras has been highest among people who were informed about the situation. Then the Iran-Contra scandal was revealed. The support level dropped, reflecting the issue of the scandal, which deals with legalities concerning U.S. government behavior. As these facts are digested, however, there is more room to look at the geopolitical essence of the situation. And as the hearings bring out more of the essence to more people, it makes some sense to posit that the polls may be moving in the Contra direction. Approval rates have climbed back to pre-scandal levels and may go higher as still more is said about the substance of the matter.

The substance of the case has always had a good deal of merit to it. Assistant Secretary Elliott Abrams summed it up well in his closing statements to the congressional panel: "The challenge we face is grave—a Soviet effort to achieve domination of . . . the region between the Panama Canal and Mexico, which would constitute a change in the fundamental security situation [of] our country. . . . Our ability to defend our own neighborhood and to project power in the world would be irrevocably compromised. . . . My fear is that we will act to prevent it, but too late. Not now, when all we are called upon to do is to aid those brave Nicaraguan freedom fighters who each day risk their lives, but a few years from now, when our only option is the direct use of force."

REMARKS OF PRESIDENT AT BRANDENBURG GATE

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 16, 1987

Mr. MICHEL. Mr. Speaker, one of the most striking barriers between the citizens of Eastern Bloc countries and those of the West is the wall that divides East and West Berlin. President Reagan spoke on June 12 in front of the Brandenburg Gate in West Berlin. He spoke to the West Germans of his hopes that the wall will be torn down and all of the people of Berlin—and the world—will be given the freedom we enjoy.

At this point I would like to insert in the RECORD remarks by the President at the Brandenburg Gate, June 12, 1987:

REMARKS BY THE PRESIDENT AT THE BRANDENBURG GATE, WEST BERLIN, JUNE 12, 1987

The PRESIDENT. Thank you very much. Chancellor Kohl, Governing Mayor Diepgen, ladies and gentlemen, twenty-four years ago President John F. Kennedy visited Berlin, speaking to the people of this city and the world at the City Hall. Well, since then two other presidents have come, each in his turn, to Berlin. And today I, myself, make my second visit to your city. (Applause.)

We come to Berlin, we American presidents, because it's our duty to speak, in this place, of freedom. But I must confess, we're drawn here by other things as well: by the feeling of history in this city, more than 500 years older than our own nation; by the beauty of the Grunewald and the Tiergarten; most of all, by your courage and determination. (Applause.)

Perhaps the composer, Paul Lincke, understood something about American presidents. You see, like so many presidents before me, I come here today because wherever I go, whatever I do: Ich hab noch einen Koffer in Berlin. (Applause.)

Our gathering today is being broadcast throughout Western Europe and North America. I understand that it is being seen and heard as well in the East. To those listening throughout Eastern Europe, I extend my warmest greetings and the goodwill of the American people. To those listening in East Berlin, a special word. Although I cannot be with you, I address my remarks to you just as surely as to those standing here before me. For I join you as I join your fellow countrymen in the West in this firm, this unalterable belief: Es gibt nur ein Berlin. (Applause.)

Behind me stands a wall that encircles the free sectors of this city, part of a vast system of barriers that divides the entire continent of Europe. From the Baltic south, those barriers cut across Germany in a gash of barbed wire, concrete, dog runs, and guard towers. Farther south, there may be no visible, no obvious, wall. But there remain armed guards and checkpoints all the same—still a restriction on the right to travel, still an instrument to impose upon ordinary men and women the will of a totalitarian state.

Yet it is here in Berlin where the wall emerges most clearly; here, cutting across your city, where the news photo and the television screen have imprinted this brutal division of a continent upon the mind of the world. Standing before the Brandenburg Gate, every man is a German, separated from his fellow men. (Applause.) Every man is a Berliner, forced to look upon a scar.

President von Weizsaecker has said: The German question is open as long as the Brandenburg Gate is closed. (Applause.) Today I say: As long as this gate is closed, as long as this scar of a wall is permitted to stand, it is not the German question alone that remains open, but the question of freedom for all mankind. (Applause.) Yet I do not come here to lament. For I find in Berlin a message of hope—even in the shadow of this wall, a message of triumph.

In this season of spring in 1945, the people of Berlin emerged from their air-raid shelters to find devastation. Thousands of miles away, the people of the United States reached out to help. And in 1947, Secretary of State—as you've been told—George Marshall announced the creation of what would become known as the Marshall Plan. Speaking precisely 40 years ago this month, he said: "Our policy is directed not against any country or doctrine, but against hunger, poverty, desperation, and chaos." (Applause.)

In the Reichstag, a few moments ago, I saw a display commemorating this 40th anniversary of the Marshall Plan. I was struck by the sign on a burnt-out, gutter structure that was being rebuilt. I understand that Berliners of my own generation can remember seeing signs like it dotted throughout the western sectors of the city. The sign read simply: "The Marshall Plan is helping here to strengthen the Free World."

A strong, free world in the West, that dream became real. Japan rose from ruin to become an economic giant. Italy, France, Belgium—virtually every nation in Western Europe saw political and economic rebirth. The European Community was founded.

In West Germany and here in Berlin, there took place an economic miracle, the "Wirtschaftswunder." Adenauer, Erhard, Reuter, and other leaders understood the practical importance of liberty—that just as truth can flourish only when the journalist is given freedom of speech, so prosperity can come about only when the farmer and businessman enjoy economic freedom. (Applause.) The German leaders reduced tariffs, expanded free trade, lowered taxes. From 1950 to 1960 alone, the standard of living in West Germany and Berlin doubled.

Where four decades ago there was rubble, today in West Berlin there is the greatest industrial output of any city in Germany—busy office blocks, fine homes and apartments, proud avenues and the spreading lawns of parkland. Where a city's culture seemed to have been destroyed, today there are two great universities, orchestras and an opera, countless theaters and museums. Where there was want, today there's abundance—food, clothing, automobiles—the wonderful goods of the Ku'damm. (Applause.)

From devastation, from utter ruin, you Berliners have, in freedom, rebuilt a city that once again ranks as one of the greatest on Earth. The Soviets may have had other plans. But, my friends, there were a few things the Soviets didn't count on—Berliner Herz, Berliner Humor, Ja, und Berliner Schnauze. (Laughter and Applause.)

In the 1950's, Khrushchev predicted: "We will bury you." But in the West today, we see a free world that has achieved a level of prosperity and well-being unprecedented in all human history. In the communist world, we see failure, technological backwardness, declining standards of health—even want of the most basic kind—too little food. Even today, the Soviet Union still cannot feed itself.

After these four decades, then, there stands before the entire world one great and inescapable conclusion. Freedom leads to prosperity. Freedom replaces the ancient hatreds among the nations with comity and peace. Freedom is the victor. (Applause.)

And now the Soviets themselves may, in a limited way, be coming to understand the importance of freedom. We hear much from Moscow about a new policy of reform and openness. Some political prisoners have been released. Certain foreign news broadcasts are no longer being jammed. Some economic enterprises have been permitted to operate with greater freedom from state control.

Are these the beginnings of profound changes in the Soviet state? Or are they token gestures, intended to raise false hopes in the West or to strengthen the Soviet system without changing it? We welcome change and openness. For we believe freedom and security go together—(applause)—that the advance of human liberty can only strengthen the cause of world peace. There is one sign the Soviets can make that would be unmistakable, that would advance dramatically the cause of freedom and peace.

General Secretary Gorbachev, if you seek peace, if you seek prosperity for the Soviet Union and Eastern Europe, if you seek liberalization: Come here, to this gate.

Mr. Gorbachev, open this gate. (Applause.)

Mr. Gorbachev, tear down this wall. (Applause.)

I understand the fear of war and the pain of division that afflict this continent—and I pledge to you my country's efforts to help overcome these burdens. To be sure, we in the West must resist Soviet expansion. So we must maintain defenses of unassailable strength. Yet we seek peace. So we must strive to reduce arms on both sides.

Beginning 10 years ago, the Soviets challenged the Western Alliance with a grave new threat—hundreds of new and more deadly SS-20 nuclear missiles, capable of striking every capital in Europe. The Western Alliance responded by committing itself to a counterdeployment unless the Soviets agreed to negotiate a better solution—namely, the elimination of such weapons on both sides. For many months, the Soviets refused to bargain in earnestness. As the Alliance in turn prepared to go forward with its counterdeployment, there were difficult days—days of protests like those during my 1982 visit to this city—and the Soviets later walked away from the table.

But through it all, the Alliance held firm. And I invite those who protested then—I invite those who protest today—to mark this fact: because we remained strong, the Soviets came back to the table. (Applause.) And because we remained strong, today we have within reach the possibility, not merely of limiting the growth of arms, but of eliminating, for the first time, an entire class of nuclear weapons from the face of the Earth.

As I speak, NATO ministers are meeting in Iceland to review the progress of our proposals for eliminating these weapons. At the talks in Geneva, we have also proposed deep cuts in strategic offensive weapons. And the Western allies have likewise made far-reaching proposals to reduce the danger of conventional war and to place a total ban on chemical weapons.

While we pursue these arms reductions, I pledge to you that we will maintain the capacity to deter Soviet aggression at any level at which it might occur. (Applause.) And in cooperation with many of our allies, the United States is pursuing the Strategic Defense Initiative—research to base deterrence not on the threat of offensive retaliation, but on defenses that truly defend; on systems, in short, that will not target populations, but shield them.

By these means we seek to increase the safety of Europe and all the world. But we must remember a crucial fact: East and West do not mistrust each other because we are armed. We are armed because we mistrust each other. (Applause.) And our differences are not about weapons but about liberty. When President Kennedy spoke at the City Hall those 24 years ago, freedom was encircled, Berlin was under siege. And today, despite all the pressures upon this city, Berlin stands secure in its liberty. And freedom itself is transforming the globe.

In the Philippines, in South and Central America, democracy has been given a rebirth. Throughout the Pacific, free markets are working miracle after miracle of economic growth. In the industrialized nations, a technological revolution is taking place—a revolution marked by rapid, dramatic advances in computers and telecommunications.

In Europe, only one nation and those it controls refuse to join the community of freedom. Yet in this age of redoubled economic growth, of information and innovation, the Soviet Union faces a choice. It must make fundamental changes, or it will become obsolete. (Applause.)

Today thus represents a moment of hope. We in the West stand ready to cooperate with the East to promote true openness—to break down barriers that separate people, to create a safer, freer world. And surely there is no better place than Berlin, the meeting place of East and West, to make a start. (Applause.)

Free people of Berlin: Today, as in the past, the United States stands for the strict observance and full implementation of all parts of the Four-Power Agreement of 1971. Let us use this occasion, the 750th anniversary of this city, to usher in a new era—to seek a still fuller, richer life for the Berlin of the future. Together, let us maintain and develop the ties between the Federal Republic and the Western sectors of Berlin, which is permitted by the 1971 Agreement.

And I invite Mr. Gorbachev: Let us work to bring the Eastern and Western parts of the city closer together—(applause)—so that all the inhabitants of all Berlin can enjoy the benefits that come with life in one of the great cities of the world. (Applause.)

To open Berlin still further to all Europe, East and West, let us expand the vital air access to this city, finding ways of making commercial air service to Berlin more convenient, more comfortable, and more economical. We look to the day when West Berlin can become one of the chief aviation hubs in all Central Europe. (Applause.)

With our French and British partners, the United States is prepared to help bring international meetings to Berlin. It would be only fitting for Berlin to serve as the site of United Nations meetings, or world conferences on human rights and arms control, or other issues that call for international cooperation. (Applause.)

There is no better way to establish hope for the future than to enlighten young minds, and we would be honored to sponsor summer youth exchanges, cultural events, and other programs for young Berliners from the East. Our French and British friends, I'm certain, will do the same. And it's my hope that an authority can be found in East Berlin to sponsor visits from young people of the Western sectors. (Applause.)

One final proposal—one close to my heart. Sport represents a source of enjoyment and ennoblement, and you may have noted that the Republic of Korea—South Korea—has offered to permit certain events of the 1988 Olympics to take place in the North. International sports competitions of all kinds could take place in both parts of this city. And what better way to demonstrate to the world the openness of this city than to offer in some future year to hold the Olympic Games here in Berlin, East and West? (Cheers and applause.)

In these four decades, as I have said, you Berliners have rebuilt a great city. You've done so in spite of threats—the Soviet attempts to impose the East-mark, the blockade. Today the city thrives in spite of the challenges implicit in the very presence of this wall. What keeps you here?

Certainly there's a great deal to be said for your fortitude, for your defiant courage. But I believe there's something deeper, something that involves Berlin's whole look and feel and way of life. Not mere sentiment—no one could live long in Berlin without being completely disabused of illusions—something instead that has seen the difficulties of life in Berlin but chose to accept them, that continues to build this good and proud city in contrast to a surrounding totalitarian presence that refuses to release human energies or aspirations. Something that speaks with a powerful voice of affirmation, that says yes to this city, yes to the future, yes to freedom. In a word, I would submit that what keeps you in Berlin is love—(applause)—love both profound and abiding.

Perhaps this gets to the root of the matter, to the most fundamental distinction of all between East and West. The totalitarian world produces backwardness because it does such violence to the spirit, thwarting the human impulse to create, to enjoy, to worship.

The totalitarian world finds even symbols of love and of worship an affront. Years, ago, before the East Germans began rebuilding their churches, they erected a secular structure—the television tower at Alexander Platz. Virtually ever since, the authorities have been working to correct what they view as the tower's one major flaw, treating the glass sphere at the top with paints and chemicals of every kind. Yet even today when the sun strikes that sphere—that sphere that towers over all Berlin—the light makes the sign of the cross. (Applause.) There in Berlin, like the city itself, symbols of love, symbols of worship, cannot be suppressed.

As I looked out a moment ago from the Reichstag, that embodiment of German unity, I noticed words crudely spray-painted upon the wall—perhaps by a young Berliner—"This wall will fall. Beliefs become reality." (Applause.) Yes, across Europe, this wall will fall. For it cannot withstand faith. It cannot withstand truth. The wall cannot withstand freedom.

And I would like before I close to say one word. I have read, and I have been questioned since I've been here about certain demonstrations against my coming. And I would like to say just one thing, and to those who demonstrate so. I wonder if they have ever asked themselves that if they should have the kind of government they apparently seek, no one would ever be able to do what they're doing again. (Cheers and applause.)

Thank you and God bless you all.

A TRIBUTE TO REV. THOMAS F. KELLY

HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 16, 1987

Mr. TRAFICANT. Mr. Speaker, today I rise in order to pay tribute to the Reverend Thomas F. Kelly, a very special resident of my 17th Congressional District. A mass of thanksgiving in honor of the fortieth anniversary of Father Kelly's ordination to the priesthood was held at St. Christine Church in Youngstown, OH on June 14, 1987. Father Kelly has admirably served as pastor of St. Christine for the past 14 years.

Father Kelly was born and raised in Galway County, Ireland. His burning desire to enter the priesthood was evident as he went through the Franciscan Brothers Grade School, the Jarlath Boys Boarding High School in Taum of Galway County, and the All Hallows Seminary in Dublin, Ireland. He was ordained on June 22, 1947 by Bishop John Marshall in Saltford, England.

Father Kelly began his religious career with a 13-year residency at St. Columbia Cathedral in Youngstown. In 1960, he assumed the first of many extremely successful pastorships when he became the pastor of St. Ambrose Church in Garretsville. After serving as pastor of both Mother of Sorrows in Ashtabula and St. Brendan's in Youngstown, he was now ready to assume the crowning position of his career in 1973—pastor of St. Christine Church.

At St. Christine, Father Kelly has worked diligently and tirelessly to improve the spiritual life of his parishioners. His efforts have paid off handsomely, as hundreds of St. Christine members have become closer to God as a result of Father Kelly's leadership. He has instituted countless programs at St. Christine since taking over the helm. One of the most successful has been the "Renewal" and "Renew" programs, which have brought about a truly amazing spiritual awakening and breathless increase in members' participation in parish activities at St. Christine. Father Kelly has also overseen and pushed to completion major renovations in the school, hall, rectory, and church, and has been extremely active in the church's bowling and golf leagues.

Father Kelly has the love and devotion of every member of St. Christine, and I believe that every priest in the Mahoning Valley should look to him as a role model. Thus, it is with thanks and special pleasure that I join with the people of the 17th Congressional District in recognizing the outstanding accomplishments and truly admirable character of the Reverend Thomas F. Kelly.

A TRIBUTE TO CHIEF JUSTICE WARREN E. BURGER

HON. BRUCE F. VENTO

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 16, 1987

Mr. VENTO. Mr. Speaker, I want to thank the House for approving the bill, H.R. 436, that will designate the Federal building and U.S. Courthouse in St. Paul, MN, as the "Warren E. Burger Federal Building and U.S. Courthouse."

This bill carries the unanimous consent bipartisan support of the Minnesota House delegation, and in fact mustered similar support in the last Congress which passed the legislation as part of an omnibus measure without dissent. A similar bill to designate the "Warren E. Burger Federal Building and United States Courthouse" in St. Paul, MN passed the Senate very late last year and unfortunately, there was not enough time to reconcile the differences in the legislative measures.

Mr. Speaker, the era of the Warren Burger Court has recently ended. Former Supreme Court Chief Justice Warren Burger served with distinction as the 15th Chief Justice of the U.S. Supreme Court for a term of 17 years—the longest of any Chief Justice in the 20th century. Only Chief Justices Marshall, Taney, and Fuller have served longer.

Renaming the St. Paul Federal Building in honor of Chief Justice Warren Burger is indeed a fitting tribute to a man who has served his country long and well. This building symbolizes the essence of Chief Justice Burger's distinguished career. Before his appointment to the Supreme Court, he established himself as a successful attorney in St. Paul, served as the Assistant Attorney General and as a U.S. Circuit Judge in Washington, DC for 13 years. Even today, he is leading our Nation's celebration of its heritage by serving as the chairman of the Bicentennial Celebration of the Constitution Commission.

Along with many other distinguished public officials, Chief Justice Burger's commitment to public service can be traced to his roots in Minnesota. Chief Justice Burger was born and raised on St. Paul's East Side. His education at St. Paul's Van Buren Elementary School, Johnson High School, the University of Minnesota, and the St. Paul College of Law—now the William Mitchell Law School—instilled in him the philosophy of commitment to public service that is embodied within his career. From his early law practice in Minnesota's capitol city on behalf of farmers and workers hit hard by the Great Depression, to his activism in the St. Paul community and in Minnesota's political scene, Warren Burger portrayed a sense of dedicated service.

Chief Justice Burger has not forgotten where he came from. He established a scholarship at St. Paul's Johnson Public High School in honor of a beloved teacher, Edna Moore, who greatly influenced him. He has been a frequent visitor to his alma mater, the William Mitchell Law School. Warren Burger has his roots in Minnesota and as he continues to contribute to the St. Paul and Minnesota community, it is only fitting that we honor this dedicated and distinguished man in an appropriate manner.

Mr. Speaker, the debate may continue about the Burger Court's place in history. However, I am pleased that this body again agreed that the designation of the St. Paul Federal Building and U.S. Courthouse is a well-deserved recognition of this illustrious Minnesotan's career of service to our Nation.

Mr. Speaker, I want to take this opportunity to thank Chairman JAMES HOWARD and subcommittee Chairman FOFO SUNIA, as well as his counterpart, the gentleman from New York, Mr. GUY MOLINARI, for their part and that of their good staffs for their continued support for this measure. I thank them and my colleagues for supporting this measure.

TRIBUTE TO GEORGE LINDE

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 16, 1987

Mr. MATSUI. Mr. Speaker, I would like to take this opportunity to recognize Mr. George Linde, who is retiring after 24 years of exemplary service to the Sacramento community.

Mr. Linde served in the U.S. Navy during the later years of World War II. He rejoined the Navy in 1950 and continued to serve until 1954. After graduating from Sacramento State College, Mr. Linde was hired as a teacher by the newly established high school, Rio Americano. Since his hiring in 1964, he has taught a variety of classes; English, history, journalism, and government. In addition to teaching, Mr. Linde has served for many years as an advisor for the Rio Mirada, the school newspaper.

Mr. Speaker, on behalf of all the people of Sacramento, I have to congratulate Mr. George Linde on a job well done. His 24 years of dedication to public service in the teaching profession has enriched the lives of each of us who have been fortunate enough to know him. I am pleased to be able to extend my best wishes to this outstanding leader and educator as he enters a well-deserved period of rest and relaxation in retirement.

BALTIC FREEDOM DAY

HON. STENY H. HOYER

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 16, 1987

Mr. HOYER. Mr. Speaker, this past Sunday, June 14, marked the beginning of a sad chapter in the history of the Baltic peoples. On that day in 1941 the Soviet Army deported, imprisoned, and executed tens of thousands of Latvians, Lithuanians, and Estonians in what became the bloodiest day of Soviet occupation since the invasion of those nations a year earlier. I would like to commend my distinguished colleagues, DENNIS HERTEL and DON RITTER, for their leadership in sponsoring House Joint Resolution 159 designating June 14, 1987, as "Baltic Freedom Day." It is a day we should not forget.

Those of us who support Baltic Freedom Day share a common purpose, to bring to light the repression of the Baltic nations by the Soviet Union in an attempt to change this dismal situation. Since they were swallowed by the Soviet Union in 1940, these nations have been subject to fierce programs of Sovietization—in reality, Russification—designed to destroy their national heritage and forcibly incorporate them into Soviet society.

Despite the Soviet Government's harsh treatment of religious and nationalist dissent in the Baltic nations, the people of Latvia, Lithuania, and Estonia have long been characterized by resistance to the assimilation of Russian language and culture and by their determined quest for genuine human rights and freedoms. This unswerving devotion to freedom is manifested in the creation of several human rights groups in the last decade, the latest of which is the Latvian Helsinki Monitoring Group, Helsinki 86. On Sunday's anniversary of the Soviet deportations, members of Helsinki 86 held a peaceful demonstration to honor the victims of the Soviet occupation 47 years ago.

By adopting House Joint Resolution 159, Congress has shown its solidarity with this group as they demonstrate their commitment to regain their basic human rights, and will show the world that we do not recognize the illegal incorporation of the Baltic nations into the Soviet Union. In addition, we shall be reaffirming our own commitment to those ideals of national freedom and self-determination inherent in our Constitution.

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200 YEARS AGO TODAY AT THE CONSTITUTIONAL CONVENTION (JUNE 16)

HON. PHILIP R. SHARP

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 16, 1987

Mr. SHARP. Mr. Speaker, on june 16, 1787, the principal author of the New Jersey plan, William Patterson, addressed the delegates.

Patterson argued that the Convention did not have the authority to make the significant changes in the existing Articles of Confederation that Virginia and other larger States wanted. He said that some States would not have sent delegations to Philidelphia if they knew the Convention would be considering measures that could strip them of sovereignty.

Gov. Edmund Randolph of Virginia disputed Patterson's contention, saying, "When the salvation of the Republic is at stake, it would be treason to our trust not to propose what we find necessary."

With no progess made that day, the delegates were probably surprised to read in the June 16 edition of the newspaper, the Independent Gazetteer, that "the greatest unanimity subsists in the councils of the Federal Convention."

CONGRESS SHOULD PROHIBIT THE REFLAGGING OF KUWAITI TANKERS

HON. MIKE LOWRY

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 16, 1987

Mr. LOWRY of Washington. Last week, I introduced H.R. 2651, a bill to prohibit the documentation under the laws of the United States of any vessel beneficially owned by a sovereign nation adjacent to the Persian Gulf. My bill would amend chapter 121 of title 46, United States Code, to expressly prohibit the Secretary of Transportation from processing the necessary documents to complete the reflagging to 11 Kuwaiti tankers. My bill offers the most streamlined way to effectively derail this idea.

This legislation is essential to stop what I see as an extremely dangerous move on the part of the administration. I urge my colleagues to join in the effort to ensure that our Nation does not commit itself to an expanded role in the Persian Gulf that could have tragic consequences.

Certainly, we have legitimate national interests in the Persian Gulf and we all want to protect these interests. But the President has yet to show us that he has devised an appropriate policy for achieving that goal. In my view, the reflagging proposal is the wrong way to go.

This plan is a makeshift effort to mitigate part of the damage caused by the secret weapons deal with Iran. One of this fiasco's more significant foreign policy repercussions is the part it played in convincing Kuwait to seek Soviet assistance in protecting gulf shipping. In response to Kuwait's overtures to the Soviet Union, the administration rushed forward with a plan to incorporate 11 Kuwaiti tankers into the United States-flag fleet.

Yet Iran regards Kuwait as a belligerent in the gulf war because of Kuwait's close ties with Iraq. It should be no surprise if Iran interprets the reflagging to mean that the United States has become a party to the conflict rather than a neutral enforcer of international law. That would increase the likelihood that Iran will attack our merchant ships or naval forces.

If that happens, what will we do? I do not think that anyone has an answer. When asked what he would do if the Iranians attack a United States vessel, the President answered that he wanted them to "go to bed every night wondering what we might do." Unfortunately, it is not clear that he has any idea what he would do. If he is faced with such a decision in a crisis, we could all suffer from the consequences of his failure to think things through beforehand.

In addition, looking, at this proposal as a member of the Merchant Marine and Fisheries Committee, I am concerned that we would be setting a bad precedent by allowing the use of U.S.-registered vessels to operate in the foreign trade with foreign crews. This proposal goes against longstanding U.S. practices and the intent of Congress with regard to our merchant fleet. The presence of American crew members of U.S.-flag vessels has traditionally guaranteed a readily available, loyal crew to champion the United States in times of national emergency or war. The willingness of foreign crews to defend our country is questionable. Our merchant fleet is an important part of our national defense and we must ensure that the U.S. flag never comes to be considered a flag of convenience.

Many of us were Members of this body when President Reagan sent the marines to Beirut. Unfortunately, the administration proved incapable of monitoring conditions in Lebanon and responding adequately to the changing political situation there. We all know the tragic consequences of the administration's inability to grasp the fact that, over time, more and more Lebanese ceased to regard our men as neutral peacekeepers and began to see them as supporters of one side in that complex, ages-old dispute.

Now the President proposes to send our naval forces into another part of the Middle East. Though we describe these forces as neutral peacekeepers, it is already evident that the Iranians will view them as parties to the conflict. The parallel to the Lebanon deployment is all too close. This time, let us demand a careful, thoughtful analysis of the situation. In fairness to those who have volunteered to serve our Nation, we can do no less.

1987 QUESTIONNAIRE

HON. DELBERT L. LATTA

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 16, 1987

Mr. LATTA. Mr. Speaker, for the benefit of my colleagues in the House of Representatives, I want to share the results of my 1987 questionnaire of the Fifth District of Ohio. Twenty thousand of my constituents took the time to complete the 1987 opinion poll, often adding personal comments on matters of importance to this Nation. The number of people responding clearly indicates their interest and awareness in the many issues facing us today. I submit for the RECORD, the text of my 1987 questionnaire, together with the results of those who responded:

[In percent]

	Yes	No	No opinion
1. The Reagan administration has proposed expanding the Medicare Program to cover catastrophic illnesses. The cost would be approximately $5 per month. Do you support this proposal?	77	19	4
2. Should the President be given line-item veto authority so that he can veto individual items in appropriation bills which exceed the budget without vetoing the entire bill?	80	18	2
3. Do you favor mandatory production controls on farmers as a way to balance supply with demand?	19	77	4
4. Do you support a new trade bill even though it may mean higher consumer prices for you?	53	39	8
5. Do you favor a constitutional amendment mandating a balanced Federal budget except in cases of national emergency?	81	15	4
6. In an attempt to balance the budget by 1991, the Democrats are advocating a tax increase; the Republicans want less Federal spending. Which do you favor: A. Tax increase: 3 percent. B. Reduced spending: 62 percent. C. Combination of both: 35 percent.			
7. Do you support development of SDI to help defend the United States in the event of a nuclear attack?	60	32	8
8. Since we have not perfected a missile defense system, do you agree it is in our national interest to aid the freedom fighters presently fighting communism in Nicaragua?	48	44	8
9. Most people agree that jury awards in liability cases are out of hand. Should some governmental restraints be imposed?	81	17	2
10. Do you believe raising the minimum wage to $4.85 per hour would cause many employers to refrain from employing teenagers and older Americans?	53	44	3
11. Should the Federal Government become more involved financially in the education of our youth?	40	56	4
12. Should the United States pay ransom to any country (including Iran) to secure the return of hostages?	2	95	3
13. In the order named, the Republicans would prefer Howard Baker, George Bush, Bob Dole, Jack Kemp, Pat Robertson, Alexander Haig, Jeanne Kirkpatrick, Pete du Pont, Paul Laxalt, and Donald Rumsfeld as their nominees for President. In the order named, the Democrats would prefer Lee Iacocca, Mario Cuomo, Bill Bradley, Richard Gephardt, Jesse Jackson, Sam Nunn, Dale Bumpers, Joseph Biden, Charles Robb, and Ernest Hollings as their nominees for President.			

WE NEED ROUTINE TESTING FOR AIDS

HON. NEWT GINGRICH

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 16, 1987

Mr. GINGRICH. Mr. Speaker, I am very worried about the AIDS situation and the public's lack of knowledge about the seriousness of the situation. I believe that AIDS is one of the most deadly threats to our Nation's health in modern times and we should not back away from out commitment to fight the spread of this disease. I would like to urge all of my colleagues to read Secretary of Education, William Bennett's recent comments in the May 26, 1987 edition of the Wall Street Journal. He candidly points out why we need routine testing for AIDS in order to insure the survival of our Nation's health.

[From the Wall Street Journal, May 26, 1987]

WE NEED ROUTINE TESTING FOR AIDS

(By William J. Bennett)

The AIDS epidemic may be the most serious health threat of this century. How best to deal with it has been the subject of a vigorous national debate. And out of this debate is emerging a growing and welcome consensus on a number of issues.

We can all agree, for example, on the need to care for those afflicted with AIDS, by helping to ensure that families, states, localities, hospitals and others have the resources to provide adequate medical care for those suffering from this disease. We can all agree that we must prevent violations of the civil rights of those who are carriers of the AIDS virus. And we can all agree on the need to educate all of our citizens, including young people, about how the AIDS virus is transmitted and how to guard against it. Moreover, there is now nearly universal agreement on a further point: the need for more widespread AIDS testing.

We need more testing for several reasons: Testing provides important epidemiological information, allowing us to determine just how widespread the virus is.

Testing informs individuals if they have contacted AIDS so they can seek proper medical treatment.

If an individual tests positive, he will know that he must refrain from activities that would endanger the life of another person.

If an individual tests positive, he or the public health authorities can alert others who may be at risk.

While there is general agreement on the need for more widespread AIDS testing, some balk at going about this in the most effective way. They call for more testing, but only voluntary testing. They reject out of hand proposals for routine testing of individuals upon certain occasions: for example, for some or all of those admitted to hospitals, for those being treated at clinics serving "high risk" populations, for couples seeking marriage licenses, and for prison inmates. Some individuals are so concerned about guaranteeing privacy that they will not allow even the confidential notification of other individuals possibly infected, or at risk of being infected, by someone found to be an AIDS carrier.

What has emerged, then, is a troubling paradox: Confronted with this grave public health threat, with a disease that is expected to claim more American lives by 1991 than did the Vietnam and Korean wars combined, we have failed to employ routine testing and contact notification—commonly accepted public health measures for other similarly transmitted diseases.

An extraordinary gap has developed, between the recognition of the magnitude of the threat of AIDS and the failure to adopt eminently reasonable and useful public health measures to respond to it, measures for which there is long precedent.

Opponents of routine testing offer several arguments against it. None is convincing.

One argument is that routine testing would drive the principal classes of AIDS victims (homosexuals and intravenous drug users) "underground," because some individuals would be so fearful of discrimination as a result of testing positive.

First of all, even if a few individuals did go "underground," we would have to balance this fact with the crucial information more widespread routine testing would produce for individuals, and for society. This information would save lives.

Second, the possibility that some individuals may avoid testing can be minimized by strong guarantees of appropriate confidentiality and nondiscrimination.

Third, we would not, of course, eliminate voluntary AIDS testing sites even as we adopt a policy of select, routine testing. Routine testing would serve in conjunction with, and not in lieu of, voluntary and even voluntary anonymous testing. And states and localities could, in certain circumstances, allow exceptions to routine testing.

It is precisely by making testing routine, by dealing with it just as we treat other similar communicable diseases, that we will go a long way toward lessening the stigma that now surrounds AIDS test.

Above all, I would point out that most estimates are that the great majority of AIDS carriers are currently unaware that they are infected. Routine testing at appropriate occasions—along with much more readily available voluntary testing—would surely decrease the number of individuals who might be unwittingly spreading the disease.

A second argument against routine testing is that it could lead to violations of confidentiality, particularly as it relates to the notification of past sexual partners.

A number of precautions can be taken to guard against this. For example, in many states today, if a person tests positive for syphilis, health authorities will ask the names of people with whom that person has been intimate. Then, without mentioning the name of the syphilis carrier, health authorities will confidentially notify those people who may have contracted the disease and recommend that they come in and be tested. This has long been standard public health practice. It can be done for AIDS as well. To protect others, it certainly should be done.

The American Medical Association's Principles of Medical Ethics recognize that a physician may reveal otherwise confidential information if this is necessary to protect the welfare of another individual or the community. There has long been recognition of the need in some instances to balance a patient's right to confidentiality and a physician's obligation to protect lives. In the case of AIDS, confidentiality would be superseded only in certain circumstances, such as to inform public health officials or to inform a wife that her husband has AIDS.

A third argument made against routine testing is that the AIDS test is costly and unreliable.

In fact, experience at the Department of Defense shows that testing can be done for less than $5 a person. The additional cost of counseling those who test positive is well worth the money.

The AIDS tests are reliable and have been used successfully. Moreover, a proper testing program includes provisions for double-checking positive test results.

There is no denying that a program of routine testing and contact notification presents some challenges. Few decisions on AIDS are easy. But the difficulty of the task cannot discourage us from facing up to our responsibilities. For what is the alternative? To go on as we have been? We cannot do that.

By now, the facts are clear: Business as usual is not enough. If we are to contain the spread of this deadly epidemic, routine testing must play a part. The real question we face is whether we will adopt aggressive public health measures now when time is still on our side and the spread of the virus can be curbed. Objections noted, cautions observed, civil liberties protected: We must now do what is essential to save lives.

VICE PRESIDENT BUSH COMPLETES REEXAMINATION OF TERRORISM POLICY

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 16, 1987

Mr. BROOMFIELD. Mr. Speaker, on March 4, 1987, President Reagan asked Vice President BUSH, who chairs the Task Force on Combatting Terrorism, to review U.S. policy for combating terrorism and to evaluate the effectiveness of current U.S. counterterrorism programs. The Vice President recently submitted his highly classified report to the President. Vice President BUSH's report should spark renewed emphasis by Federal agencies on achieving our national counterterrorism objectives.

The Vice President's unclassified letter to the President accompanying the report set forth the conclusions of the task force. I urge my colleagues to read the letter which follows:

DEAR MR. PRESIDENT: On March 4, 1987 you directed me to reconvene the Vice President's Task Force on Combatting Terrorism to review our policy for combatting terrorism and to evaluate the effectiveness of our current program. That review has now been completed.

I am pleased to report that the Task Force has reaffirmed that our current policy as articulated in the Task Force report is sound, effective, and fully in accord with our democratic principles and national ideals of freedom, justice, the rule of law, and respect for human rights. That policy, however, needs re-emphasis and its provisions and purposes need careful explanation to the American people.

Americans must understand that our actions in preventing and responding to terrorism are part of a conscious policy and an integrated national program that was spelled out in detail in the report to you a year and a half ago. In following the policy and the program we have been effective in countering terrorism. Hence, our commitment to that policy has been, and will continue to be, beneficial. The mistakes involved in our contacts with Iran caused a temporary reduction in credibility which has been regained as our resolve has become apparent. Indeed, our programs of practical cooperation with friendly states—intelligence sharing, training and assistance—have expanded and grown stronger in recent months.

In this program review the Task Force has focused primarily on an item-by-item review of the effectiveness with which each of the Task Force recommendations have been implemented. Where any new concerns or issues emerged, they were examined in the review process.

Overall we have found progress has been excellent and the improvement in our counterterrorism capability has been evident in the results. Most of the taskings have been completed. Others of a continuing nature are being effectively managed. In a few cases—usually requiring the cooperation of foreign governments—our final objectives have not yet been attained, but the efforts of the Administration have been vigorous and sustained. These situations were not unanticipated.

A detailed evaluation of the effectiveness with which the original recommendations have been implemented is forwarded as a classified enclosure to this letter-report. When the remaining work noted in these evaluations is completed, our program will, in a technical sense, fulfill the resource requirements of our national policy.

Although this remarkable progress is praiseworthy, I must emphasize that our vulnerability to terrorism, though reduced, has not been eliminated. This is a critical point which must be conveyed to the American people. Democratic societies are by their nature more vulnerable to terrorism than others. As a practical matter, in the face of extensive worldwide international terrorist activity, the United States will certainly continue to be a principal target of terrorists. Because of the growing experience of the terrorists and the sophistication of their methods, human casualties and property losses to American citizens and US interests regrettably will continue to occur. When we suffer these losses at the hands of terrorists, we must be prepared to minimize the impact.

Except in the case of a catastrophe resulting from biological, chemical or nuclear terrorism, the gravest threat is the potential political impact: a short term crisis, reduced American credibility in the eyes of others, and an upsurge in activity by terrorists who believe they have succeeded.

We can minimize the political effects of a successful act of terrorism against the United States so that it will not upset or cast doubt on our process of government or our leadership. To do this we must emphasize at all levels of government that adherence to our policy, our program, and our procedures is most important. Only in this way, by demonstrating resolve and consistency in dealing with the threat, can the political impact be blunted.

Evidence has demonstrated that our policy for combatting terrorism has been effective when carried out with consistency and supported by the expanded resources we are devoting to it. According to the latest statistics for 1986, the year following the issuance of the Task Force Report, the number of Americans who died worldwide as the result of terrorist incidents declined to 12 from 38 in 1985. Also, working unilaterally or with friendly nations we took preemptive action in several hundred instances to stop possible terrorist acts against Americans and American interests. Finally, of special note is that only one American was killed in the United States by terrorists in 1986 and that a dozen intended terrorist acts in the U.S. were avoided due to the efforts of our counterterrorist agencies.

We should also highlight our effective efforts to deal with state-sponsored terrorism. Although terrorist incidents had been increasing for several years, there was a noticeable drop in Mideast-related, state-sponsored, terrorism in Europe in the second half of last year. This resulted from our strike on Libya last April, the expulsion from Western Europe of Libyan "diplomats" and "businessmen", and increased surveillance and intelligence. These actions produced good effects, thus showing that carefully chosen military action combined with cooperation with our Allies can be beneficial. In concert with other nations we have also selectively applied diplomatic pressure to good effect. Tightened airport and travel security has also contributed to fewer hijackings and incidents.

The best approach to a terrorist incident is to prevent its occurrence. Hence, we and our friends and allies have devoted increased attention and resources to identifying, tracking, and apprehending terrorists and through courageous judicial actions to effectively prosecuting, convicting and punishing the terrorists as the criminals they are. This quiet, unspectacular, but very effective, police and intelligence work combined with a determined judicial process has resulted in a significant decline in international terrorist incidents and an increase in the numbers of terrorists in custody around the world. These successes have been the direct result of a step-by-step application of our policy.

I am convinced that we are doing a better job in combatting the terrorism now than we were seventeen months ago when the Task Force submitted its report. I am equally convinced that we must do better. As we increase our efforts we as a nation should not exaggerate either the threat, or the limited damage that terrorists can do to us and to our society. To do so only plays into the terrorists' hands by increasing their political impact. We must, therefore, emphasize good intelligence, careful police work, international cooperation, judicial process, and a controlled approach to public handling of terrorist incidents. Only in this way can we stop and then extinguish this criminal menace to all civilized societies.

Sincerely,

GEORGE BUSH.

LIQUOR AD TARGETING AND FTC LEGISLATION

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 16, 1987

Mr. FLORIO. Mr. Speaker, recently I placed in the RECORD an article discussing the targeting of advertising of cigarettes at young people (May 6, 1987, E1770). I commented that recent public concern about this issue confirms the importance of Federal Trade Commission authority to address such practices. The Senate FTC reauthorization bill, unfortunately, contains a highly objectionable provision that would exempt unfair advertising from the FTC's rulemaking authority. Now another potential example of the need for FTC authority has come to my attention. I am inserting in the RECORD an article on targeting of liquor ads. I suggest to my colleagues that in this very sensitive area it would be a serious mistake to cripple the ability of the administrative process to protect the public interest.

LIQUOR ADS ARE TARGETING THE BLACK CONSUMER

LET'S SAY NO TO THIS TYPE OF AFFIRMATIVE ACTION

(By Barbara Jordon and George A. Hacker)

America is moderating its drinking behavior. In response to public-service education campaigns, a trend toward health and fitness, beefed-up enforcement of laws against drunk driving, and the gradual aging of the population, consumption of alcohol in this country has been declining steadily in the past few years. As a result of this relative temperance, society suffers fewer alcohol-related traffic fatalities and a decreasing number of alcohol-related cirrhosis deaths.

Despite these health and safety gains, alcoholism and alcohol abuse are still the leading social and health problems in black America. When compared to similar problems among white Americans, the results of alcohol are disproportionately high, despite an overall lower rate of drinking in the black community. The rate of cirrhosis mortality is twice as high among black males as it is among white males nationally; in some urban areas the rates are three to 12 times higher than for white males.

The leading causes of "excess death" among blacks—for example homicide, accidents of all kinds and cancer—indicate a correlation with alcohol and other drug abuse. The rate of cancer of the esophagus among black males 35-49 years old—a condition closely linked to alcohol consumption and smoking—is a staggering 10 times that of their white counterparts.

In the face of this carnage, blacks are being targeted, as never before, by alcohol producers intent upon expanding their sales and profits. The appeals range from implicit promises of elegance, power and sexual conquest to outright bribes of community groups who are asked to deliver more alcohol consumers in return for jobs and other economic development assistance.

The time has come to question the commercial activities of alcholic beverage producers who aim to flood the black community with the country's most damaging, albeit legal, drugs. Black civic and religious organizations, community groups, and business and political leaders must develop a strategy to reduce alcohol-related problems in our community.

Alcohol marketers, too, have a role to play, beginning with reducing the pressure on blacks to drink. Celebrating Black History Month in advertisements or providing scholarships and other economic opportunities, which appear to be worthy contributions to the community, are often little more than public relations efforts carefully staged to maximize good will and forestall serious inquiry into prevention policies to reduce the harm from alcohol abuse.

Young black men don't need Billy Dee Williams' or Fred Williamson's promises of fulfillment through drink. Black communities don't need the plethora of billboards extolling the virtues of alcohol.

Why must so many of our community events—from school-yard basketball tournaments to the annual meeting of the Congressional Black Caucus Foundation—be sponsored by beer and liquor companies? The help may be gratifying, but is it worth the price? And why do so few makers of products other than alcohol and cigarettes court black consumers? Likewise, is it healthy for black-owned media and advertising agencies to be so heavily dependent on alcohol—and tobacco—marketers? We must ask why they are largely ignored when it comes to advertising more wholesome products to black audiences.

What is needed immediately is a commitment—on the part of alcohol marketers and the black media—to extend their community service in the black community by launching a full-scale, frontal assault on alcohol as one of the many drugs that is undermining our community. We suspect that a sincere endeavor would be rewarded by enhanced positive brand awareness as well as by solid improvements in the conditions of black lives. A forthright acknowledgement of responsibility to do their share to reduce the toll of alcohol problems in the black community would also help reduce suspicions among many blacks and other industry critics about the true motives of alcohol producers.

Compared to the incessant advertising reminders in the black community that create an air of acceptability and necessity for drinking, there is a virtual vacuum of pro-health information and resources. Alcohol producers may do a little, but we must demand that government, insurance companies and others greatly expand programs to correct this imbalance.

We can no longer afford to sit back as the very fabric of our community is torn asunder by those who, wittingly or not, put profit above the best interests of the black community. We must not ignore the future of our children, the stability of our families, the safety of our neighborhoods and the health of our people.

The time is ripe for serious discussion among black—and white—civic and political leaders, advertising agencies, alcohol producers, governmental agencies and community groups about how to work together to fight alcohol problems rather than exacerbate them. Our society can only benefit as a result.

A TRIBUTE TO KERRY ENGLERT AND OTHER YOUNG ARTISTS

HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 16, 1987

Mr. TRAFICANT. Mr. Speaker, today I rise in order to pay tribute to four very special young residents of my 17th Congressional District. They are Kerry Englert, Lisa Burnett, Maria Koulianos, and Leona Spay—all winners in the 17th District Art Competition sponsored by the Congressional Arts Caucus. I am proud to say that such masterpieces of art are being painted by students in the Mahoning Valley of Ohio.

Kerry Englert proved himself to be the Picasso of the 17th Congressional Districts by winning first prize in the District Art Competition. Kerry was honored for his brilliant and astounding masterpiece "Flying High Again." Lisa Burnett of Chaney High School earned second place for her extremely beautiful painting "Sagittar." Third place went to Maria Koulianos of Campbell Memorial High School for her awe-inspiring and eye-pleasing artwork called "Winter Love." Leona Spay of Struthers High School received honorable mention for her touching and haunting "Lost in Love" artpiece.

I also want to salute the Congressional Arts Caucus for promoting this competition. Their objective is to tap the boundless energies and deep reservoir of talent in young people across the Nation. The Congressional Arts Caucus should be congratulated for bringing to the surface the latent artistic talents of thousands of high school students in the United States.

It humbles me to say that the creativity and imagination of student-artists in the Mahoning Valley matches that of any location in the country. Kerry Englert's "Flying High Again" is currently being displayed in a corridor of the U.S. Capitol, and I urge all Members of Congress to go view his artwork and the artwork of all the other young artists which are being exhibited there. Thus, it is with pleasure and special thanks that I join with the people of the 17th Congressional District in recognizing the creative energies and artistic talents of Kerry Englert, Lisa Burnett, Maria Koulianos, and Leona Spay.

A TRIBUTE TO NATIVE AMERICAN WOMEN IN MINNESOTA'S HISTORY

HON. BRUCE F. VENTO

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 16, 1987

Mr. VENTO. Mr. Speaker, recently, Congress designated March of 1987 as "National Women's History Month." I was pleased to cosponsor and support this measure which recognized the importance of women in the shaping of our great Nation. However, one group of women has not had the recognition it deserves—in part due to the lack of written information. I am referring to native American women. Women who have played a significant role in the history of the United States and the history of the Star of the North, Minnesota.

I would like to point out to my colleagues some of the native American women in Minnesota's history who played important roles in the field of education and in tribal leadership of the Objibwe—Chippewa—and Dakota—Sioux—nations.

In Indian community life all adults were teachers of the young. As a matter of course, mothers and grandmothers were especially important in their role as teachers. They talked, sang and told dramatic stories to the children and in this manner passed on tribal history and traditions.

When Indian children began to study in the schools of the white man, some young women chose to become teachers in their home communities and spent their lives teaching the children of their tribes. Julia LaFromboise, a granddaughter of the Sisseton—Dakota—chief. Sleepy Eyes, is one such example from the early 1800's. She taught for 4 years in Minnesota and Nebraska after completing her education at seminaries in Ohio and Illinois. Sadly, Julia fell ill and after returning to her old home in Minnesota, died at the young age of 28. She was remembered as being thoroughly educated, generous, dependable and loyal to her people.

In 1835, Mary Warren English was born on Madeline Island, WI. At that time, her father, Lyman Warren, was in charge of the island's fur trading post. Her mother, an Ojibwe woman, was the granddaughter of White Crane, a prominent leader of the Lake Superior Ojibwe. After completion of her mission school education, she became a teacher. After teaching for 2 years, Mary English decided to pursue further studies at Twinburgs Institute in Ohio and Beloit College in Wisconsin. Mary had been teaching for a number of years when her brother asked her to accept a position as a teacher on the newly formed White Earth Indian Reservation in Minnesota. She served as principal of the White Earth School for 2 years before accepting another position on the Red Lake Indian Reservation also in Minnesota. It was here that she met and married John English.

In the first score of the 20th century, Mary English spent a good amount of time as an interpreter for the author and ethnomusicologist, Frances Densmore. Well known for his books about the Ojibwe people, Densmore was helped immensely by Mary's insights, contacts, and translating abilities. Their work recorded valuable information about the old ways of Ojibwe life. Mary spent her latter years on the White Earth Reservation with her sister, Julia Spears. She died in 1925 at the age of 90.

Another woman who stands out in Ojibwe history is Ruth Faltmouth, In the late 1800's, she was selected by her brother to be leader of a band of Ojibwe living in the Leech Lake area. It is interesting to note that she is one of three women chiefs from that area.

Minnesota has benefited from the cultural wealth of the native Americans living there. Many of our cities and counties proudly bear Indian names and even the name of our State is derived from the Dakota word "minisota," meaning "sky tinted waters."

I would like to thank Prof. Priscilla Buffalohead, a history professor at Augsburg College in Minneapolis for her extensive work in compiling the information from which my remarks were extracted.

ARMS EXPORT CONTROL AMENDMENTS ACT OF 1987

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 16, 1987

Mr. MILLER of California. Mr. Speaker, today I am introducing legislation that provides for critical reform in the commercial export of munitions.

The procedures used by the Government to regulate the commercial export of arms are grossly inadequate. If a violent felon applies for a Government license today to export U.S. weapons, it is virtually certain that the license will be granted. That's because a criminal record is not a basis for denying arms dealers an export license.

Violent criminals, terrorists, and felons who have violated weapons export laws may be trading in millions of dollars of our most sophisticated weapons because the State Department's Office of Munitions Control does not conduct background checks on applicants. Unlike the Pentagon's Defense Security Agency, the OMC does not keep a list of persons disqualified from obtaining a license.

Last year, the Office of Munitions Control processed almost 50,000 applications worth almost $15 billion. Less than 700 of those license requests were denied. The number of applicants and value of munitions export licenses approved has increased enormously in recent years.

Given how little we know about the licenses that were approved, it is entirely possible that we may inadvertently be providing weapons for terrorists around the world. The OMC does not routinely verify delivery of the exported arms to the destination described on the application. Nor does the OMC routinely conduct end-use checks to ensure that the arms are to be used for a suitable purpose. Just last month, two individuals were arrested in connection with a scheme to export military equipment to Libya and Syria. Phoney end-use certificates were to be used to disguise the ultimate recipient of the material.

My bill places restrictions on the procedures for approving export licenses, requiring the OMC to develop and update regularly a standard operating manual for munitions export. The operating manual would require background and end-use checks on all exports requests before the license is approved, as well as verification of arms delivery. My bill mandates not only the maintenance of a list of persons ineligible to be issued licenses, but the reporting of all fees charged in a transaction.

The second part of my bill disqualifies certain individuals from participating in the commercial export of arms. The bill ensures that the Office of Munitions Control has the authority to deny a license to any criminal. It specifically bans the granting of a license to criminals who have violated laws involving the shipment of weapons and to violent felons—those convicted of an offense involving involving lethal weapons, terrorism, torture, and physical injury or death. Members of illegal and terrorist organizations also are prohibited from obtaining a license.

As the Iran-Contra arms hearings reveal, the potential for egregious abuse in the business of arms trading is immense. An unbridled international network of private profiteers working with middlemen who operate for outrageous fees can easily subvert the goals of Government policy. Clandestine agreements, secret Swiss banks accounts, and phony documents are the tools of the trade. In regulating the commercial export of U.S. munitions, we must know with whom we are dealing, where we are allowing weapons to be transported, and for what reason.

Twenty-one of my colleagues representing both parties have joined me in sponsoring this legislation, including the following members of the Foreign Affairs Committee: Mr. ACKERMAN, Mr. BEREUTER, Mr. LEVINE, Mr. WOLPE, Mr. UDALL, Mr. BERMAN, Mr. STUDDS, Mr. DYMALLY, Mr. GILMAN, Mr. SMITH of Florida, Mr. FEIGHAN, and Mr. ATKINS. I am pleased that they agree on the urgent need for these vital reforms in our export policy.

The text of my bill follows:

H.R. 2694

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Arms Export Control Amendments Act of 1987".

SEC. 2. PROCEDURES AND RESTRICTIONS.

(a) PROCEDURES.—Section 38(b) of the Arms Export Control Act (22 U.S.C. 2778(b)) is amended by adding at the end the following:

"(3) In exercising the authorities conferred by this section, the President shall ensure that a standard operating manual is developed and maintained which sets forth the procedures that shall be followed by officers and employees of the Government with respect to the issuance of licenses under this section. Such procedures shall include the following:

"(A) Background checks on all applicants for an export license, before the license is approved.

"(B) End-use checks on all applications for an export license, before the license is approved.

"(C) Verification of delivery of the exported items to the person and place indicated on the license application.

In addition, the President shall ensure that an updated list of all persons ineligible to be issued export licenses under this section is maintained. Any person applying for an export license under this section shall be required to report with the application all commissions and fees being charged, directly of indirectly, by any person in connection with the export transaction, including any intermediary.".

(b) PERSONS INELIGIBLE FOR LICENSES.—Section 38 of the Arms Export Control Act is amended by inserting after subsection (c) the following:

"(d)(1) Any person who is convicted of a violation of this section, secton 39, or any criminal offense under any Federal, State, or local law, or under the laws of any other country, which involves—

"(A) the use of a gun or other weapon,

"(B) an act of terrorism or torture,

"(C) the shipment or transfer of weapons, or

"(D) physical injury to or death of any individual, may not be issued a license under this section and may not be approved for participation in any export transaction with respect to which a license is issued under this section, and any license issued under this section which is held by such a person shall be revoked.

"(2) Any person who is convicted of a violation of any criminal offense under any Federal, State, or local law, or under the laws of any other country, other than a criminal offense described in paragraph (1), may be denied a license under this section or denied approval for participation in any export transaction with respect to which a license is issued under this section, and any license issued under this section which is held by such a person may be revoked.

"(3) Any person who—

"(A) is a member of or supports the criminal activities of any terrorist organization, or

"(B) is engaged in, has an interest in, or is an enterprise that derives significant income from a pattern of racketeering activity,

may not be issued a license under this section and may not be approved for participation in any export transaction with respect to which a license is issued under this section, and any license issued under this section which is held by such a person shall be revoked. As used in subparagraph (B), the terms 'enterprise' and 'racketeering activity' have the meanings given those terms in section 1961 of title 18, United States Code.".

THE 1987 TEACHER'S BONUS AWARD WINNERS

HON. WILLIAM O. LIPINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 16, 1987

Mr. LIPINSKI. Mr. Speaker, in order for our educational institutions to progress and face the demands of tomorrow, it is necessary to focus on the work of our teachers. Our teachers, who are our educators and essential components of our educational system, need to be recognized. To assist in this effort, I have initiated the Fifth Congressional District Teacher Bonus Award Program. In the past, this program has attracted many distinguished participants from throughout my congressional district.

I am pleased to announce that the following teachers have been selected as the 1987 Teacher Bonus Award winners and have received commemorative plaques and $50 savings bonds in honor of their selection: Sister Helen Therese Salus, St. Joseph Elementary School; Sister Francis Menarik, St. Odilo Elementary School; Sister Kathleen Ryan, Bridgeport Catholic Academy; Ms. Janet Ahern, Mark Twain Elementary; Mr. Keith A. Bucher, Industrial Skill Center; Ms. Mary Ann Boroczky, Five Holy Martyrs Elementary School; Ms. Joann Geiger, Mark Sheridan Academy; Ms. Angeline Janek, Sacred Heart of Jesus; Ms. Margery Kepka, Kennedy High School; Ms. Sandra Kulak, Wilkins Jr. High School; Mr. Ralph Toritz, Conrady Jr. High School; Mr. Daniel Meier, Curie Metro High School; Ms. Nancy Rockwood, Wilkins Jr. High School; and Ms. Pamela Samulis, Maria Saucedo Magnet School.

On May 23, I sponsored an awards breakfast to honor these 16 outstanding teachers in honor of their instrumental importance in promoting academic excellence in their respective schools and their special enthusiasm for the teaching profession. I'm sure my fellow Members of Congress join me in congratulating these award winners and in thanking them for their dedicated service to our community.

TRIBUTE TO RAYMOND SALATIEL NEVEL

HON. RONALD V. DELLUMS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 16, 1987

Mr. DELLUMS. Mr. Speaker, I take the well in order to share wtih my colleagues the great sense of loss we of the Eighth Congressional District feel at the death of a distinguished artist, Raymond Salatiel Nevel. Raymond Nevel, who as a painter became better known by the name of Zala, a contraction of his middle name, was born in Vera Cruz, Mexico and raised in Mexico City. Although he was a resident of Oakland, CA for nearly 40 years, the early inspiration for his art sprung from his native Mexico, and his work was a celebration of his Hispanic past and a glorious expression of hope for the future and dignity of Hispanic peoples both in this country and in Mexico.

In the cities of Oakland and Berkeley we were particularly blessed to have his striking and provocative murals painted in bold relief in many areas of the cities. He often involved his students and residents of the communities in his art, both as subjects and as collaborators. He was a noted teacher, and generally an inspiration to all who either had personal contact with him, or who had the distinct pleasure of viewing his work.

A chronicler of Zala's life once noted that Camus once said that "an artist's life is a search for a way back to a few simple truths he knew in the beginning". Such was Zala's life, and in searching for a rediscovery of those simple truths, he strengthened the bonds between Mexico and the Hispanic community, and immeasurably enriched the capacity of all members of our community for a greater brotherhood and understanding of the common threads of our fragile humanity. While the community will sorely miss the presence and inspiration of Zala, we are thankful that his works will continue to inspire us into the indefinite future.

THE EXILE OF BISHOP STEPANOVICIUS

HON. STENY H. HOYER

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 16, 1987

Mr. HOYER. Mr. Speaker, all of us in this body and throughout the free world were heartened by the news in December 1986 that Dr. Andrei Sakharov and his wife Dr. Elena Bonner had been allowed to return to Moscow from their exile in the Soviet city of Gorky. Such news tends to overshadow the fact that thousands of others have suffered and continue to suffer today similar fates that Drs. Sakharov and Bonner suffered in exile. For instance, there is a bishop of the Lithuanian Catholic Church who was forcibly removed from his diocese of Vilnius in 1961, and, like Dr. Sakharov, was exiled to the Lithuanian town of Zagare without a pretense of legal procedure. He remains in Zagare to this day.

In 1961, Bishop Julionas Stepanovicius was the apostolic administrator of the Vilnius and Panevezys Dioceses of Lithuania, when, by a decision of the Lithuanian SSR Council of Ministers, he was removed from his diocesan post in Vilnius and exiled to the town of Zagare. Bishop Stepanovicius had been resisting efforts by local authorities to interfere in the internal affairs of the church. He refused to carry out authorities' demands that he prohibit priests from teaching religion to children. Nor would he submit to governmental interference in the selection of seminary students and consecration of new priests, or attempts to direct the appointment and transfer of priests within his diocese. Bishop Stepanovicius resisted those who were attempting to subvert the Roman Catholic Church in Lithuania for political purposes.

Although the legal code of the Lithuanian SSR provides that terms of internal exile may not exceed 5 years, Bishop Stepanovicius' exile has lasted over 25 years. The Commission continues to decry religious presecution. It speaks for those of all faiths and for all whose voice has been rendered quiet by years of imprisonment, torture, and isolation. The Commission calls upon the Soviet Government to allow Bishop Stepanovicius his freedom of movement, freedom of thought, religious belief and association.

In March of this year, 12 Lithuanian Catholics petitioned General Secretary Gorbachev to allow Bishop Stepanovicius to return from exile to his diocese in Vilnius. At this time, I would like to submit for the RECORD the text of this petition, which has been received and translated by the Commission on Security and Cooperation, of which I am pleased to serve as chairman:

STATEMENT

Dear Comrade General Secretary! It is 25 years now since the Bishop of Vilnius, Julionas Stepanovicius, has not been permitted to administer the Vilnius Diocese entrusted to him. In violation of all the existing statutes of the Soviet Union, he was banished without trial from his diocese to the town of Zagare.

Lithuanian priests and believers have frequently raised this issue with a number of local, republic, and union authorities, but these appeals have not been acted upon.

At this time, when all areas of life are experiencing a fundamental restructuring, the political expression of which is the release of many persons who had been previously sentenced to various terms of incarceration, and the granting of permission to Academic A.D. Sakharov to return to Moscow, from where he had been banished without trial, in the same manner as our Bishop, we, the believers of Lithuania, appeal to you, and relying on your good will, believe that the injustice accorded to Bishop Stepanovicius will also be corrected, and he will be able to return unhindered to his duties as administrator of the Vilnius Diocese entrusted to him.

A collection of signatures on this issue is presently being conducted in Lithuania.

We also request you, Comrade General Procuror, to examine this issue as part of a review of observation of legality and conformity with the Constitution of the U.S.S.R.

Our address: Lithuanian SSR, 234316 Kaunas Raion, Village of Garlyava, 11 Pazhangos Street, Kyalpshas, Saulyus,

Yuozas Kazalupskas, Saulyus Kyalpshas, Laimute Truskauskaite, Aldona Raizhite, Gintas Sakavichyus, Alfonsas Bumbulis, Pyatras Grazhulis, Vitas Rinkyavichus, Arunas Rekashyus, Domininkas Chyapas, Salomeya Menkyavichyute, Tsidzikas Pyatras.

IF INDIAN TRADE LIBERALIZATION ON ALMONDS IS NOT FORTHCOMING, RETALIATION WILL BE NECESSARY

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 16, 1987

Mr. MATSUI. Mr. Speaker, in 1981, the Indian Government revoked its policy of open general licensing on almond imports and returned to a system of severely restrictive import quotas and tariffs. Since that time, the California almond industry and the U.S. Government have made an endless number of unsuccessful attempts to gain fair access to the Indian market. With no other avenues available, the almond industry along with the U.S. Government were compelled to launch a section 301 investigation against India's prohibitive and illegal licensing and tariff barriers.

India's tariffs on almonds are the highest in the world and continue to become progressively more restrictive. The tariff on shelled almonds has an ad valorem equivalent of approximately 216 percent. Inshell almonds are assessed at the equivalent of 128 percent. At these levels, the tariffs act as a virtual ban on market access.

To ensure a closed market, the Indians have complemented their tariff structure with a licensing scheme, under which importers are entitled to buy only a specified fraction of historical purchases. The practice cannot be justified under GATT law. The Indian Government also allows small importers to sell their licensing permits to larger importers for a premium price—a practice that violates India's own domestic law and intensifies the price-distortive effects of the licensing system.

The California almond industry has lost millions of dollars annually in unrealized sales to the Indian market and will continue to do so until open general licensing is restored and duties are reduced to fair and reasonable levels. We in Congress applaud the administration for challenging these practices under section 301. The Indian Government should be on notice that Congress will not permit a protracted GATT process in ths case. If a timely resolution is not achieved, Congress will insist that the President exercise his retaliatory rights. We are already looking at cashews as an ideal candidate for retaliation. The Indian Government can best ensure continued free access to the U.S. market for cashews if reciprocal treatment is extended to U.S. almonds in the Indian market.

FOREIGN ASSISTANCE AND FOREIGN POLICY

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 16, 1987

Mr. LAGOMARSINO. Mr. Speaker, my colleague and good friend from Oklahoma, Mr. EDWARDS, who is a member of the Appropriations Committee, recently spoke at the Heritage Foundation's Center for International Economic Growth. His topic was "Foreign Assistance and Foreign Policy."

Congressman EDWARDS analyzes the types of foreign assistance going to more than 100 nations around the world, not all of whom could be considered friends and allies of the United States. His perspective on the reasons for giving foreign aid and, more importantly, his suggestions for improving our foreign assistance program merit the attention of every Member of the House.

I urge my colleagues to consider carefully Congressman EDWARDS' thought-provoking analysis.

FOREIGN ASSISTANCE AND FOREIGN POLICY

(By Representative Mickey Edwards)

Neither Fiji nor Botswana faces a serious military threat, either from internal opposition or from superior external forces. Neither is central to our defense planning. Yet both received military aid from the United States last year. And so did 100 other countries.

Countries that repress and murder their citizens get U.S. aid to help keep their repressive governments in power.

Countries that oppose U.S. foreign policy consistently and vocally receive U.S. foreign aid.

Countries that cannot meet their debt payments and refuse to meet the terms of loans they have already been given receive, through third parties, still more U.S. money in the form of still more loans.

In the southwestern United States, federal regulators are closing dozens of banks which make loans that contain any degree of risk, but the United States continues to pump billions of dollars into international banks which then loan that money to foreign governments which are in such bad financial shape that, if a loan were offered to an American citizen in the same kind of financial shape, the loan officer would be fired, and might even go to prison.

American farmers see their farms seized and sold at auction because the same federal government which encourages Peru or Poland to renege on loan commitments will not let a family farmer in the United States renegotiate a loan for a longer payout or lower interest rates.

No Interest Loans. And while an American businessman, banker, realtor, or farmer is held to current payments at contract interest rates, the United States, through international agencies, provides 50-year, no-interest loans to foreign governments and pours tens of millions of dollars a year into international agencies to help train foreign farmers and businessmen to take business away from the American farmers and businessmen who paid for their training.

"Sophisticated" people, of course, know that this is all essential, and they shake their heads in dismay at the resistance to foreign aid among the rednecks outside the Washington Beltway. But the rednecks may be right; because they are farther from the forest, maybe they can see more clearly that the trees have no leaves.

The Case for U.S. Aid. Is it important for the United States to have a program of providing assistance to foreign governments? Yes, probably so. And for a number of reasons. For example:

First, a number of countries that are friendly to the United States, and which play an important role in preventing the Soviet Union from gaining a military advantage and increasing the threat to our national security, do not have the resources to provide the help we ask of them without help from the United States. For example, nations such as Greece and Turkey, in the NATO alliance.

Second, a number of countries provide the United States with important basing rights which allow us to maintain important forward positioning of our defense forces (for example, the Philippines), and whether you consider it blackmail or merely the advantage held by the seller in a seller's market, the United States at times provides substantially more than the rental price to "reassure" these host nations that we are "friends" with whom they will want to continue doing business at the expiration of the current agreements.

Third, there are countries which neither provide basing nor play an important role in our defense calculations but which in the hands of forces friendly to the Soviet Union, could provide a fairly substantial threat to our security and which, therefore, must be supported against either aggression or armed overthrow by forces supportive of (and supported by) the Soviet Union. El Salvador is a good example. Nicaragua, after the fact is probably a better one.

Fourth, there are countries which are both in serious financial trouble and either economically interwoven with the United States, to a high degree, or in the category of nations we simply cannot afford to see fall into pro-Soviet hands, and in those cases we must sometimes provide economic assistance to keep a nation afloat.

Finally, there is a clear and compelling case to be made for using U.S. assistance to do what good people ought to do—to keep children from starving to death, for example. And so we provide money to keep essential services going after earthquakes, or to provide emergency famine relief, or finance the PL-480 program, which sends U.S. grain overseas to help feed the starving populations of places such as India. (But one must be careful not to lump every conceivable humanitarian act under the same heading: for example, the issue becomes more complicated when funds for a government hit hard by earthquake go beyond maintenance of essential services and provide the financing for rebuilding shops, office buildings, and houses, which are services the federal government provides only sparingly to homeowners and businessmen who suffer disasters in the United States.)

So—and I suspect that the people in my district, and in a score of other distant places, realize this—there is a proper and justifiable role for the providing of assistance by the United States to other governments. But in each of the cases I have listed above, the instances are all either humanitarian or related to our own national interest in a clear and easily discernible way.

But these guidelines do not lead one to provide military assistance to 102 nations, at a cost of $5.8 billion, at least 7 percent of it or nearly $450 million to nations which face no immediate threat and play no critical role in the U.S. defense. They do not justify the United States providing $11 million in various kinds of foreign aid to Mozambique, which voted against the United States 94.1 percent of the time last year in the United Nations, or $63 million to Zaire, which voted against us 90 percent of the time. Yet, more than $1 billion, or 13.6 percent of all the money spent by the United States on bilateral foreign aid last year, went to nations which voted against the United States at least 50 percent of the time in the United Nations. What is more, the United States last year provided close to $1 billion to the World Bank or 14 percent of the money the World Bank spent through its various agencies, such as the International Development Assocation, and about 30 percent of the World Bank's loans went to nations which oppose U.S. policies more than half the time.

Working against U.S. Interests. There is an interesting argument that goes like this: the United States ought to contribute heavily to international organizations such as the World Bank, rather than concentrating exclusively on its own foreign aid agencies, because there is a multiplier effect: in other words, for every dollar it puts in, 10, or 20, or 60 additional dollars are spent, because of the pooling of the resources from various countries around the world. That is all very true, but it is absurd logic. If a nation is hostile to the interests of the United States and we would not, or should not, want to give a nation even a single dollar of the taxpayer's money, why should we be pleased to learn that instead of getting one dollar they will get ten, or whatever multiplier a particular agency claims? If I would be foolish to spend a dollar to hire someone to work against my own interests, why am I to be persuaded that it is possible, if I play my cards right, to spend nine to ten times as much to hire people to work against my interests? Granted that a certain portion of the money spent through such international organizations will go to nations friendly to the United States, much of that will not go for purposes which further the best interests of the American taxpayer, and that which does can better be provided through direct bilateral assistnce by our own Agency for International Development. There is a "multiplier effect," but what is being multiplied is the overhead: we may be paying something like $1 into these international or multilateral agencies in order to get $.30 of good for the United States. It is questionable logic and unquestionably bad arithmetic.

Foreign aid is an important part of U.S. global strategy: it arms others, who provide our first line of defense, and because a strong military is an essential component of effective diplomacy, it helps secure U.S. interests without resorting to military means; it helps assure us that countries essential to the military advantage of the Soviet Union will not fall into pro-Soviet hands; and it demonstrates that the United States, by responding to dramatic and urgent need in time of flood, famine or earthquake, is a nation that can be trusted to care about the welfare of the rest of the world—which, too, is a help to diplomacy.

Vocally Oppose the U.S. But in the world of Washington politics, what so often separates the "sophisticate" from the "redneck" or uninformed provincial—to the detriment, I fear, of the sophisticate—is a sense of perspective. It is one thing to know that it serves the interests of the United States to appropriate some of the money taken from the taxpayers to further the interests of the United States, and something quite different to use that money to provide weapons and military training to nations that are neither threatened nor important to our national security. And it is something quite different to provide the financial support for those nations that most vocally and most consistently oppose the policies of the United States.

If 60 or 70 or 80 percent of the money spent by the United States on foreign aid does, in fact, fall into the categories of assistance which are justifiable, then it is irrational to spend the additional billions of dollars which do not fall into those categories.

If 70 percent of all the money spent by the United States on foreign aid last year falls into one of these categories of justifiable expenditure of taxpayers' dollars, that means we spent nearly $4 billion through our foreign aid program last year which either did not benefit the United States or benefited nations hostile to our interests. As a member of both the Appropriations and Budget Committees in the House of Representatives—one of only four members to serve on both committees—I am acutely aware of the difficulties we are having in trying to deal with a federal deficit that threatens to drown the American economy and of the severity with which federal programs in health care, education, and housing are being affected by the frantic scramble to find places to cut federal spending. And if we assume we wasted $4 billion on foreign aid, think how much education or defense we could have bought with that money.

If we start with two basic premises, that some foreign aid is essential and that much of our current program is either wasteful or counterproductive, then it is clearly essential that the architects of these programs go back to the drawing boards and produce, instead of pleas and complaints, a new and more rational program for meeting this element of our foreign policy.

Let me suggest some starting points:

(1) Officials of the State Department and the Treasury Department—the agencies of the federal government which administer most U.S. foreign assistance programs—should develop a measuring stick to gauge which programs (a) do the most (b) to further those U.S. interests (c) which are most critical. Proposed expenditures should be held up to this measurement not only in

terms of how much each proposed beneficiary shall receive, but whether the beneficiary shall receive anything at all.

(2) We should limit military assistance, and we should particularly limit military assistance to nondemocratic nations. We often hear arguments that security assistance is needed to demonstrate American support for countries with which we want military cooperation, usually in terms of access to military bases. But our security needs are not always fulfilled when it is necessary to purchase the cooperation of strategically important nations. I do not believe we have the obligation to treat U.S. aid devoted to any security objective as compensation on an indefinite basis. One of the problems when we do is that, when locally supported insurgencies develop, we often view the threat to our "allies" as a requirement to provide them with more arms—when those are used against their own citizens resisting government policies which we ourselves condemn. If we want to look at our long-term interests, supporting nonsupportable governments is not a reasonable foreign policy response.

(3) It should be a standard rule-of-thumb that U.S. foreign assistance participation will be exclusively in the form of bilateral aid unless changes can be made in the internal structures of multilateral organizations to permit effective use of U.S. vetoes or other means of ensuring that the money contributed by American taxpayers does not go to work against our own national interests.

(4) No-interest or low-interest loans should go only to the neediest of nations that fit these criteria for U.S. assistance. IDA loans now go to credit worthy and unfriendly nations. Almost 40 percent of IDA VII credits will go to India and China. Another third goes to African nations, many of which vote with us from 5 to 15 percent of the time in the U.N. and receive substantial Soviet bloc assistance.

When it first began receiving zero-interest IDA loans, The PRC was among the world's top seven foreign currency holders. It bought large amounts of foreign bonds and invested heavily in foreign development projects. The PRC was a net creditor, lending more to the world than it borrowed. It makes no sense to have IDA grant zero-interest loan to the PRC, which turns around and provides credit to other countries at market interest rates.

India also has ready access to commercial credit. It has the tenth largest GNP in the world and a low debt-service ratio. Part of the reason India has a good credit rating is that it has shunned borrowing in private capital markets in favor of concessional multilateral aid. What is more, India has been a leader in the Third World of distinctly anti-American policies.

(5) Foreign governments should not find our own government more generous than Americans do. Disaster relief for people in San Salvador should not be more comprehensive than that offered to people in Oklahoma or New Jersey, and we should not forgive contractual obligations incurred by the Peruvian government if we are not willing to do the same for a businessman in Philadelphia.

Given these starting points, it is possible to develop a new foreign assistance approach that will both meet our national needs and win increased public support. But without such changes, that support will be neither forthcoming nor deserved.

ALPINE TOWNSHIP CELEBRATES FOUNDING

HON. PAUL B. HENRY

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 16, 1987

Mr. HENRY. Mr. Speaker, Alpine Charter Township, located in the rolling hills just north of Grand Rapids, MI, will celebrate its 140th birthday on the weekend of July 17 to 19, 1987. The celebration will include a reenactment of the first settlers, Solomon Wright, his wife, and five sons, coming to the future Alpine Township. Attracted by the large stands of pine trees in the area, the Wrights came to Michigan from New York in 1837. The family first lived in a log house until the present fine colonial home was erected. At that time, the area was known as North Walker Township and was renamed Alpine Township in 1847. Now, 140 years later, the track which Solomon Wright's covered wagon cut through the wilderness country is a heavily traveled road, the pine forest is a golf course owned by an ancestor of the Wright/Wilson family, and the gracious colonial is still used by descendants of Solomon Wright.

In 1840, two more settlers came to the township from Ohio and settled in the western edge of the township. Their farms were considered "the jumping off place" to the wilderness to the north, since in 1840 there was reportedly no other settlements between their houses and the Straits of Mackinac.

By 1847, Mr. Speaker, there were enough settlers in the area that they decided to form their own township. At the first meeting, the name "Alpine" was selected. This was a shortened version of "All Pine" in reference to the large stands of pine trees that existed in that day. Edward Wheeler was elected the first supervisor.

Today, those pine trees have been replaced by apple trees planted on the rolling hills and slopes of the farmland that makes up the greater part of Alpine Township. Alpine Township farmland is unique, Mr. Speaker, because of the slopes and its proximity to Lake Michigan making it a center for the apple industry in Michigan. The largest concentration of privately owned storages in the world are in Alpine and its neighboring northwest townships. The first on farm air-cooled storage was built by Henry Kraft in 1914 and was the forerunner for the controlled atmosphere storage used today. Dairy and vegetable farming also comprise a major portion of the agricultural industry in the area.

Chartered in 1979, Alpine Township, in 1987, has an approximate population of 9,500 and its State equalization valuation has risen to $100 million. The Westgate residential area of 750 homes was developed in the early 1960's and is unique because of the curving streets and trees left by the developer. The residential, M-37 commercial area and the gradually growing industrial areas of Alpine, in addition to the agricultural industry, are all important segments of the township.

Today, Alpine Township is committed to preserving the agricultural industry and natural greenbelt it provides to the more populated areas. It seeks to preserve the delicate balance between urban and rural and maintain a quality of life that is appropriate and desired for all.

Please join me, Mr. Speaker, in offering congratulations and best wishes to the residents of Alpine Township as the community steps back in history to observe the township's first settlers making their way into the township 140 years ago, while at the same time gathering together to celebrate their hopes and dreams for the future.

STRENGTHENING U.S. EMBASSY SECURITY

HON. RICHARD H. BAKER

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 16, 1987

Mr. BAKER. Mr. Speaker, in last Thursday's RECORD, I included an amendment to H.R. 1777, the State Department authorization bill which would limit the tour of duty for Marines serving Embassy guard duty in Communist countries to 6 months, except for the commander of the guard. If this amendment had been policy, the recent Marine guard incident at the Moscow Embassy would not have occurred.

Sergeant Lonetree did not meet the KGB agent Violetta Sauna until his 11th month on station in Moscow. At present, the Marines serving embassy duty in Communist countries are put into a position where they are far from family and friends for a year and are not allowed to fraternize with the locals.

The State Department and the Marine Corps, while they have taken steps to prevent this situation from reoccurring, have not gone far enough. Their plan reduces the tour of duty from 15 to 12 months. Thus, Sergeant Lonetree, under their program, would still have been in Moscow opening doors for the Soviets. Despite the previous policy limiting duty to 15 months, Sergeant Lonetree was allowed to serve 19 months in Moscow.

My office has discussed this legislation with State Department Security Officers and Marines who have served embassy guard duty. From this, I have concluded that limiting the tour to 6 months is a needed step in improving embassy security.

It takes time for the KGB to recruit and train an individual. This legislation will cut down substantially the time with which the KGB has to work. In addition, if a recruitment is made, it will reduce the amount of time that the Marine can jeopardize embassy security.

To expect the young Marines to not fraternize is foolhardy. We can not base the security of our intelligence operations on this hopeful assumption.

I urge my colleagues to support this amendment which will improve the security of our embassies. The text of the amendment follows:

AN AMENDMENT TO H.R. 1777, AS REPORTED, OFFERED BY MR. BAKER OF LOUISIANA

Page 27, after line 13, insert the following section:

SEC. 137. LIMITATION ON CERTAIN SERVICE IN THE UNITED STATES MARINE CORPS SECURITY GUARD PROGRAM.

(a) LIMITATION.—Except as provided in paragraph (b), no individual may perform guard functions at United States diplomatic or consular posts in any Communist country for an aggregate period of more than 180 days.

(b) EXCEPTION.—The limitation under subsection (a) shall not apply to any commander of a Marine Corps security detachment at any United States diplomatic or consular post in a Communist country.

(c) DEFINITION.—As used in this section, the term "Communist country" means a country listed in section 620(f) of the Foreign Assistance Act of 1961.

(d) EFFECTIVE DATE.—This section shall take effect 180 days after the date of enactment of this Act.

NITTANY KNIGHTS BARBERSHOP CHORUS

HON. WILLIAM F. CLINGER, JR.

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 16, 1987

Mr. CLINGER. Mr. Speaker, throughout the history of this Nation, music has been a special part of our culture, serving both to entertain our people and to define our character. The development of great musical forms such as jazz and the blues have told the world that we are unique and that our heritage is a rich one.

While many types of American music have become internationally renowned, others remain in the United States and are treasured by our people. Barbershop quartets and choruses produce just that type of music: wholly American, entertaining, and sure to bring a smile to a child's or an adult's face.

In my congressional district, we are privileged to have a group of dedicated musicians who have been delighting the young and old for the past 25 years. The Nittany Knights Barbershop Chorus brings out the best in the audiences they entertain and they deserve a sincere congratulations on their silver anniversary.

Recently the Nittany Knights held an Old Timers Night that brought together old and new members of the chorus along with their spouses and friends. Included in this group were six members who helped found the group in 1962; Elton Atwater, Bob Avey, Ken Reagle, Fred Thompson, Clarence Trotter, and Ray Williams deserve special accolades for their devotion to preserving our musical heritage and for helping to create such a fine chorus.

I applaud the Nittany Knights Barbershop Chorus and would like to tender best wishes to them for continued success through the next 25 years.

COACH EDWARD TATARIAN ON THE OCCASION OF HIS RETIREMENT

HON. JAMES H. SCHEUER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 16, 1987

Mr. SCHEUER. Mr. Speaker, during a time in our Nation's history in which our youth wander through a growing-up process ladened with more mines than ever before, we should recognize those men and women who provide models of leadership to this troubled generation. Such a model is Coach Edward Tatarian of Benjamin N. Cardozo High School in the Oakland Gardens section of the Borough of Queens in New York City.

Coach Tatarian has had a long, distinguished, and successful career of bringing out the best in New York's young people through baseball. His teams have won 17 division titles, advancing to the city championship round 5 times. He was named Coach of the Year in 1987 by Newsday in recognition of his admirable record of over 25 years at Cardozo and Franklin K. Lane High School in Brooklyn.

Those whose lives were touched by Coach Tatarian will tell you his effect on them is measured by more than wins and losses, balls and strikes, or 60 feet 6 inches. He stressed not only success for the team on the field, but also success for the individual off the field. Fundamentals were essential parts of the Tatarian tutorial; the best educated, the best prepared, the best disciplined was the team on the top.

I wish to present a recent article from the New York Times on Coach Edward Tatarian. I'm sure my colleagues will take note of this extraordinary man and his career.

FATHER AND SON AIM AT TITLE

"There was a man on second, and the ball was hit up the middle. It bounced funny off the mound, and by the time Dean fielded it, there's no play at first," Ed Tatarian explained; "So I say to the guy next to me 'watch third.' Boom, Dean spins and nails the guy at third, who'd taken too big a turn.

"I always taught him to watch the aggressive runner because sometimes he may get too aggressive."

Tatarian, who was describing a play made by his son last week, had waited a long time for this.

Tatarian, who once was good enough to have a tryout with the Mets, always wanted a son he could help become a better ballplayer than he had been. After Tatarian and his wife, Stella, first had two daughters and then a son, Drew, who lost interest in playing baseball as a high school sophomore, Dean Tatarian became his father's last hope.

COACH SINCE 1967

Ed Tatarian has been the only baseball coach at Benjamin N. Cardozo High School since the school opened in Bayside, Queens, in 1967. Although he has guided the Judges to 17 division titles and to the Public School Athletic League championship game four times, he has never won a city title.

Now, all at once, Tatarian is in the midst of realizing two dreams. Dean, a shortstop at Cardozo, is one of the best players in the city, and the Judges, with a 23-2 record after beating Aviation, 20-6, in the first round of the P.S.A.L. playoffs Tuesday in Bayside, are favorites to win the city title.

Tatarian, 51 years old, has also announced that this will be his last season as Cardozo's coach.

"It's been a season I'll never forget," he said before Tuesday's game. "We've had scouts at all our games. It could've caused problems but it hasn't. Once a scout wanted to get a look at Dean playing third. What was I going to do, sit a star third baseman to showcase my boy? No way. We're out here to win the city championship."

No one can accuse the coach of nepotism. When Dean was a freshman, Tatarian called a team vote before starting him at shortstop in the first game of the season. He did the same before inserting him in the lead-off spot in the batting order.

"I would never take such precautions for another player," the coach said, "but you know every father thinks his own son is the best on the team. So in the beginning I had to double-check."

SCHOLARSHIP IS OFFERED

Dean, a senior, has been offered a scholarship to play baseball at the University of Miami, but he is waiting to see what next week's major league draft has to offer before deciding whether college will be his next step.

"Everybody's got a different idea about what I should do next year," said the youngest Tatarian, who has hit over .400 in each of his four seasons as a varsity starter. "I say that no matter what happens it should be great."

A free college education and baseball in Miami or professional baseball and a big check is not a bad choice for an 18-year-old to have.

"I just want him to get what he wants," the father said. "He's smart. He won't end up a baseball bum. He'll do what's right. He's worked very hard to be a baseball player, so if college has to wait, it will."

Of course, the roles of father and coach often intersect. Tatarian has always worked his son hard and has never hesitated to show disappointment. The two used to have a problem with bringing the afternoon's game or practice home to the dinner table.

But a deal was struck a couple of years ago: They would not talk about baseball for one whole hour after getting home. Dinners have become a lot more relaxing at the Tatarian home.

"It's a much better situation now," Dean said.

Dean wants the championship, but he can't want if half as badly as his father, who has been trying for 20 years. The P.S.A.L. championship that can look so big to a 51-year-old coach, or say, a 17-year-old junior, might suddenly lose magnitude in the eyes of an 18-year-old senior who is debating whether or not to accept a Miami scholarship or begin a professional career. But the 6-foot-2-inch, 186 pound shortshop insists Cardozo is all he is concerned with now.

"I've always wanted to do well for myself, but now I really want to do well for my father," said Dean. "He's taught me so much—my sisters know more baseball than most guys I know—I'd like to give something back."

THE CHARADE OF GLASNOST: SOVIETS INCREASE JAMMING OF RADIO FREE EUROPE AND RADIO LIBERTY

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 16, 1987

Mr. BROOMFIELD. Mr. Speaker, I want to share with my colleagues both good and bad news about the Soviet Union. The good news is that the broadcasts of the Voice of America beamed into the Soviet Union are no longer being jammed. The bad news is that the Soviet jammers previously directed at Voice of America transmissions have been redirected against Radio Free Europe/Radio Liberty Broadcasts to that country. This is yet another example of the charade of glasnost, the new Soviet openness. Why did Mr. Gorbachev fail to provide the world with a demonstration of glasnost by ceasing all jamming of foreign broadcasts? Regardless of what Mr. Gorbachev may say about remaking Soviet society, the Kremlin still fears uncensored news from outside that police state. For all intents and purposes, business goes on as usual in that closed and paranoid society.

Why did the Soviets decide to increase their jamming of Radio Free Europe/Radio Liberty? Unlike the Voice of America and the British Broadcasting Corporation, Radio Free Europe/Radio Liberty concentrate on internal news within the U.S.S.R. and Eastern Europe. Soviet leaders have never accepted Radio Free Europe/Radio Liberty's unique mission as a surrogate radio station which provides Soviet citizens and Eastern Europeans with balanced news about events in their own countries.

Soviet jamming of Radio Free Europe/Radio Liberty is in direct contravention of several treaties to which the U.S.S.R. is a signatory and a violation of international law. Those radios have been continuously jammed for decades. Current estimates reveal that jamming costs the Soviet Union up to $1.2 billion per year. This is several times the combined budgets of all Wesern broadcasters.

It is time for Mr. Gorbachev to show the world the true spirit of glasnost by ceasing all jamming of foreign radio broadcasts beamed toward the Soviet Union. Ceasing all jamming would prove that glasnost is not merely a temporary tactic designed to improve the image of the U.S.S.R. This would be a commendable first step along the road to a truly open Soviet society.

With these thoughts in mind, I commend the following Los Angeles Times editorial on Soviet jamming to my colleagues in the Congress.

[From the Los Angeles Times, May 27, 1987]

JAMMING ELSEWHERE

For the first time since 1980, the Soviet Union has stopped jamming Voice of America broadcasts in Russian and eight other Soviet languages. It's a welcome move. Unfortunately, however, what the Kremlin offered with one hand it took away with the other. Two jamming transmitters previously used against the Voice are now being employed in intensified efforts to jam programs from two other U.S. overseas broadcasting services.

English-language broadcasts by VOA, the British Broadcasting Corp. and other foreign information services have generally been let alone. For years, however, the Soviet government has carried on a massive, off-and-on effort to blot out foreign broadcasts in the major languages spoken by the Soviet Union's diverse ethnic groups. This despite the Soviet Union's signature on the 1975 Helsinki accord which banned such interference.

British experts estimate that jamming costs Moscow $1.2 billion a year—more than all Western governments combined spend to broadcast the programs in the first place. When jamming eases in one direction, it is usually intensified in another. For example, when jamming of the BBC stopped last January, the transmitters previously used for that purpose were redirected at Deutsche Welle, the West German version of VOA and the U.S.-run Radio Liberty.

That pattern is being repeated. Two jamming transmitters previously targeted on the Voice were quickly put to work intensifying the jamming of Radio Liberty and Radio Free Europe, which specialize in broadcasting news of developments within the Soviet Union and Eastern Europe in competition with the controlled Soviet media.

There is no question that under Gorbachev's policy of *glasnost*, or greater openness, the Soviet people are being allowed greater though still limited access to information that is at odds with the party line. Maybe, in time, jamming of RL and RFE will be halted, too. As of now, however, the definition of news that can be entrusted to Soviet citizens will continue to be made solely by the Kremlin.

A TRIBUTE TO MS. DOROTHY M. HILL

HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 16, 1987

Mr. TRAFICANT. Mr. Speaker, today I rise in order to pay tribute to Ms. Dorothy M. Hill, a very special resident of my 17th Congressional District. She is retiring after an inspiring career at WYTV-channel 33 in Youngstown, OH, and is being saluted for her years of dedicated and tireless service to WYTV with a reception in her honor at Anton's in Boardman, OH. All who know her love her and are ecstatic to have had their lives touched by her. It is my sincere desire and hope that she has a happy and active retirement.

Ms. Hill is a native of New Castle, PA, and earned a bachelor's degree in business administration from New Castle Business College. After working as an administrative assistant to the vice president of Pittsburgh Films, she joined what was then WKST-TV as a traffic manager and executive secretary. She then diligently clawed her way up to becoming office manager and bookkeeper. When the station became WYTV in 1965, she began a long career as accounting/office manager. For over 20 years, Ms. Hill has admirably supervised all accounting functions, including such diverse areas as A/C payables, A/C receivables, cash receipts, payroll data, and employee records.

Ms. Hill has been an outstanding employee and a role model for all of her fellow workers at WYTV. Her hard work and long hours have helped to make WYTV one of the best television stations in the Youngstown area. Thus, it is with pleasure and special thanks that I join the people of the 17th Congressional District in recognizing the outstanding accomplishments and very admirable character of Ms. Dorothy M. Hill.

AVOIDING THE NEXT INSURANCE CRISIS

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 16, 1987

Mr. FLORIO. Mr. Speaker, I am inserting in the RECORD a perceptive article from Business Week on the lessons from the recent liability insurance crisis. The article points out the role in the crisis of industry financial practices and observes that the crisis has abated without help from an overhaul of the Nation's civil justice system. The article suggests that a recurrence of the crisis may be less likely because State insurance commissioners and Congress are considering stronger industry regulation to prevent another wild cycle.

Mr. Speaker, on July 1, the Subcommittee on Commerce, Consumer Protection, and Competitiveness will hold a hearing at which State insurance commissioners will testify on this very question—whether the States have taken adequate steps to prevent further crisis or whether congressional action is necessary.

The article follows:

[From Business Week, May 25, 1987]

THE CRISIS IS OVER—BUT INSURANCE WILL NEVER BE THE SAME

(By Christopher Farrell in New York with Resa King in Stamford, Joan O'C. Hamilton in San Francisco, and bureau reports)

MORE CUSTOMERS ARE FINDING WAYS TO COVER THEIR OWN RISK

Remember the "insurance crisis" of 1986? In one of America's scarier business episodes, companies and cities across the country buzzed angrily with horror stories about price hikes of up to 1,000% and abrupt, unprovoked cancellation of policies.

Everyone played the Blame Game: Too many lawsuits and recklessly generous juries. No, it was a price-fixing conspiracy engineered by a greedy insurance industry. No, it was a sign that the American character had deteriorated, with everybody trying to pass risks on to the next guy. But all agreed that the crisis could only deepen.

Wrong on all counts. The property/casualty insurance crisis is largely over, down to "vestiges," says California Insurance Commissioner Roxani M. Gillespie. Except for a few high-risk sectors such as ski lifts and medical malpractice, few would-be buyers of coverage are having to "go naked," and premium prices are starting to come back down.

This doesn't mean that "the crisis" can be forgotten. On the surface it would appear to be merely part of a "normal" insurance cycle: When premiums and profits are high, the business attracts more entrants, who crowd in by slashing rates—until the financially weaker ones drop out, coverage becomes scarce, and premiums climb again. But calling the recent travail a "normal" insurance cycle is like calling the Great Depression an ordinary business cycle.

LOSS PREVENTION

As the decade began, insurers were underpricing their products to collect premiums to invest at then-high interest rates. But rates fell just as losses from carelessly written policies hit home, and huge asbestos cases loomed. By late 1984, insurers started a panicky retreat from their ruinous price war. When insurance is scarce, "the system can make all kinds of demands" on insurance customers, observes one broker. It did. Insurers jacked prices sharply higher. That began attracting more capital, the seed needed to increase the basic insurance crop. "When capacity is there, it will find a home," adds the broker. So plain vanilla supply-and-demand largely explains the rise and fall of the insurance crisis.

Still, it's becoming clear that last year's crunch is altering the insurance world—perhaps permanently. More customers are taking matters into their own hands. Before the crisis, such "self-insurance" totaled no more than 25% of the market. Now, it's about 33% and growing. "We've learned our lesson," declares Norman B. Chanzis, risk-management director at American Standard Inc. Insurers are "smug in their assumption that we'll all come back. I don't intend to."

Many risk managers are emulating the approach of Hardee's Food Systems Inc. The chain pays for losses of up to $2 million itself "and just buys insurance against catastrophe," says risk manager Susan M. Werner. The key: "We have a good loss-prevention program." Helping make the big deductible practical are measures such as installing nonskid floors to minimize falls.

Other companies took more elaborate steps. Du Pont Co. invested $20 million to help create two companies that now insure it and some 550 others against catastrophic losses. Not all the clients will buy all their coverge from the two, ACE Insurance Co. and XL Insurance Co. But they serve as a source of stable capacity in the high-risk end of the business.

Control Data Corp., one of many companies to have lost liability coverage for its officers and directors, joined last year with 50 other companies to form Corporate Officers & Directors Assurance. Partly in response, at least 10 regular insurance companies are actively competing again to sell such policies.

To the alarm of local officials, countless cities were forced to find insurance alternatives. Warwick, R.I., for instance, started pooling funds with other cities in the state to create an insurance "trust" offering liability coverage for municipal services. Dallas is considering a similar arrangement in Texas. "We know with a 100% certainty that we'll have to go through another cycle," says Mark Ferraro, the city's risk manager. "We want a guarantee that there will be some capacity."

Ferraro's attitude is typical of a new credo among corporate chieftains and political leaders: Protection against many risks is too important to be left to traditional insurance companies. Those that do return to them will be armed with a greater sensitivity to risk. In a widely echoed observation, Warwick Mayor Francis X. Flaherty notes: "Now that we are dealing with our own money, [we realize] the key to success is loss prevention." To help cut accidents, he says, Warwick is having police cars stick to regular speed limits unless they're rushing to a life-threatening emergency.

PRICE BATTLES

As more erstwhile clients are learning to live without them, insurers are trying to woo them back. With the industry enjoying record profits in 1986, competition is heating up (chart). Sighs Michael G. Fitt, president of Employers Reinsurance Corp., a General Electric Co. unit: "We have two problems in our business: short memory and we can't stand prosperity."

Insurance companies are offering customers better policy terms. And after last year's huge rate increases, prices have not only leveled off but are definitely heading lower, says Michael P. Dinstein, vice-president at insurance broker Fred. S. James & Co. Says Fitt of Employers Reinsurance: "There are a number of major companies out there starting to cut rates."

The price battles are fiercest over property insurance, mainly because insurers got through 1986 without paying for any massive natural disasters. Casualty competition is getting strong in most lines of business. Global Marine Inc., partly because it is doing less offshore drilling, saw its liability rates drop 15% to 20% when it renewed its policy in February, says insurance manager James R. Frazier.

Nonetheless, "problem areas still exist," says Robert Clements, president of insurance broker Marsh & McLennan Inc. Few insurers are willing to do business with ski areas. Hidden Valley Resort Community & Conference Center in the mountains of western Pennsylvania expects to pay an additional 20% premium increase this year—after last year's liability premium jumped from $50,000 to $165,000. For some high-risk lines of insurance, such as pollution policies for chemical companies and malpractice insurance for doctors, finding coverage is still tough.

Yet even some of these markets could improve. St. Paul Cos., the biggest underwriter of medical malpractice insurance in the country, still has a moratorium on new malpractice policies. However, because physician claims and paid-out losses rose only slightly in 1986, Timothy R. Morse, a senior officer in St. Paul's medical services unit, says there's "some cause for optimism."

Pollution, toxic waste, and chemical exposures will take longer. Insurers still worry that "there is the potential for catastrophic loss," says Du Pont's insurance manager, James A. Mitchell, Jr. Insurers recoiled from the potential liability from asbestosis claims, and they aren't about to step back in. The potential losses in such cases may be so huge as to be uninsurable—or only partly insurable. Most of Corporate America is willing to take the risk. Du Pont, for example, insists that last year's "crisis" didn't cause it to stop any product launches.

With more customers bearing their own risks, through pooling or other arrangements, the industry's market has shrunk. That spells trouble. In a fight for slices of a smaller pie, insurers may well slash prices too low, setting off another severe cycle. As Chairman William McCormick of Fireman's Fund Insurance Co. Says, property/casualty insurance is "like aluminum. Every time supply and demand shifts, the prices go way up or down."

Insurers' ability to engage in suicidal price behavior will be slightly tempered, though. A number of reinsurance companies, which backstop insurers in exchange for a portion of premium income, have failed already. And more of the smaller, poorly capitalized ones are expected to go under in the next few years as claims pile up. When that happens, the original insurers get stuck, so they'll want to go slow on premium cuts. Also, state insurance commissioners and Congress are considering stronger industry regulation to prevent another wild cycle.

HORROR STORIES

Nevertheless, there's certain to be another insurance shortage. And next time around, insurers are likely to be hard-pressed for excuses when they play the Blame Game. During the 1986 crisis, the industry embarked on a splashy public relations campaign proclaiming that the "insurance crisis" was really a "lawsuit crisis." Some three dozen states did make minor changes in the law. But the insurance crisis has abated without help from an overhaul of the nation's civil justice system.

Cool analysis is discrediting last year's horror stories about an epidemic of multimillion-dollar jury awards for relatively little cause. In a sample of 359 cases in the 1982-85 period, mostly involving product liability, punitive damages were "insignificant," according to a study published by the American Enterprise Institute. "The civil litigation system is stable," says Mark Peterson of the Rand Institute for Civil Justice. Only in mass toxic tort cases, notably those involving asbestos, is potentialy enormous cost a real concern.

Even insurance executives are finding it harder to pass on the blame. "If we were an electric company delivering voltage and went from 110 to 220 to 400 to 0, we'd have blown all our customers' applicances," exclaims McCormick of Fireman's Fund. "They'd go to another electric company or get their own generators." That's happening now. The legacy of the insurance crisis is that insurance is becoming everybody's business.

TRIBUTE TO JUNE H. GABLE

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 16, 1987

Mr. MATSUI. Mr. Speaker, it is with great pleasure that I rise today to offer my congratulations to a distinguished public servant, Ms. June H. Gable, upon her retirment from the Sacramento City Unified School District.

Ms. Gable's career has been an extremely distinguished one. Following her graduation from the University of Minnesota in 1942, for which she was honored with a summa cum laude degree, Ms. Gable continued on to earn her master's degree in 1945. After she completed her degree, Ms. Gable continued in the field of education, teaching in Iowa, and later, in Sacramento, CA. Throughout her career, Ms. Gable has been a strong advocate of sex equity in education. As project manager for title IX compliance in the Sacramento City Unified School District, as a leader of numerous seminars and projects related to the role of women in education, and as a consultant to the State of California Department of Education, to name just a few of her accomplishments, Ms. Gable has worked diligently to increase our understanding of the educational process, and has been a champion of the increasing stature of women in the field of education. I know that Ms. Gable has a great deal to be proud of, and I am confident that she will be sorely missed by her many friends and colleagues in the school district.

Mr. Speaker, it is not possible to adequately thank Ms. June Gable for all that she has done for the Sacramento community, but I believe that I speak for all the people of this community when I offer my sincere thanks, and my best wishes for a well-deserved and enjoyable retirement to this distinguished public servant.

REAGAN AND THATCHER: A WEEK OF STUNNING SUCCESS

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 16, 1987

Mr. LAGOMARSINO. Mr. Speaker, I have recently noticed many editorials and commentaries that attack President Reagan and his policies. Conveniently using the Iran-Contra affair, these critics claim the President no longer has the ability to lead our Nation effectively. How wrong they are. The editorial by William Randolph Hearst, Jr., which appeared in the Los Angeles Herald Examiner on Sunday, June 14, 1987, clearly shows that President Reagan continues to be a strong, active leader. Furthermore, this editorial elaborates on Mrs. Thatcher's historic victory in the British general elections. It is important to remember that Mrs. Thatcher's policies and political philosophies are very similar to President Reagan's. Rather than listening to "misleading media opinions," I urge my colleagues to acknowledge the facts: the results of the Venice summit and the British elections show that leaders and policies like those of Mr. Reagan and Mrs. Thatcher are popular, alive, and well.

REAGAN AND THATCHER: A WEEK OF STUNNING SUCCESS

(By William Randolph Hearst, Jr.)

President Reagan did much better at the Venice summit than media reports would have us believe. And Margaret Thatcher, the most successful woman leader in modern history, kept her majority in Parliament to give her historic third consecutive term as prime minister.

Despite the media tendency to depict President Reagan as an impotent leader since the Iran-contra affair and the Venice economic summit as a "bust" and "a stalemate," the facts indicate an impressive list of accomplishments for the president after his meeting with the six leaders of the major industrialized nations of the free world. Among them were.

Unanimous support for the U.S. position that freedom of navigation in the Persian Gulf must be upheld.

Unanimous support for his proposal that the United Nations Security Council adopt a resolution calling on Iran and Iraq to cease fire and immediately start negotiating an end to their war. Secretary of State George Shultz said was the principal commitment the U.S. sought from the European allies and Japan on the Persian Gulf crisis. The other summit leaders also accepted the U.S. proposal that the Security Council take "effective measures" against either of the two warring nations that failed to comply with the U.N. demand.

Among the "effective measures" Secretary Shultz has in mind is a mandatory arms embargo against either nation that persists in fighting. If the ban is vetoed in the Security Council, but "effective measures" remain in an adopted resolution, it would give the U.S. and other allies a free hand to impose a ban of their own.

In response to President Reagan's appeal for stronger action to deter terrorism, it was unanimously agreed that if a country refuses to extradite or prosecute a captured terrorist, all seven governments will bar flights to and from that country.

In the economic discussions, President Reagan rejected appeals from some of the other leaders that he increase taxes to reduce the U.S. deficit. He obtained a pledge that all seven nations refrain from accumulating further farm surpluses.

Following the Venice summit, the NATO allies approved the president's decision to conclude an agreement with the Soviets for removal of shorter-range nuclear missiles from Europe.

So President Reagan wasn't the weak, lame-duck leader his critics predicted he would be in Venice.

In Britain, the 61-year-old "Iron Lady's" election victory was a triumph for the good sense of the British people. They gave the leftist-dominated Labor Party one of its worst defeats in 50 years. Labor analysts attributed the political debacle to the party's policy of unilateral disarmament and expulsion of America's nuclear forces from Britain.

However, the major reason the people returned Mrs. Thatcher to an unprecedented third term with a majority of at least 112 seats in the House of Commons was because of her capitalist economic policy, curbing of tyrannical union power, maintenance of a nuclear deterrent and tough stand against Soviet imperialism.

Her economic policy of de-nationalizing socialized industry, cutting government spending, reversing a century of ever-expanding state bureaucracy and cutting taxes to enable more middle-class workers to own their own homes has led to seven consecutive years of economic growth with low inflation.

There are 2.5 million more home-owning families in Britain today than when she took office in 1979. One million of them are former public-housing tenants who received government aid to help buy the units they occupied. The number of individual stockholders has trebled. Many of the new capitalists were employees of former nationalized industries returned under her leadership to private ownership.

Calling her reformed system "Popular Capitalism," she campaigned on the slogan: "Britain is on the March."

It is obviously is, and therein lies a lesson for us. President Reagan's policy of cutting government spending, opposing tax increases and encouraging free-market enterprise is similar to Mrs. Thatcher's successful economic formula. Let us continue to support the president's policy that brought us economic recovery and has created more than 13 million new jobs.●

THE CENTRAL AMERICAN NEGOTIATIONS COMMISSION

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 16, 1987

Mr. MICHEL. Mr. Speaker, I have received a letter from Ambassador Jeane J. Kirkpatrick and Dr. Ira Gallaway dated June 4, 1987, concerning the Central American Negotiations Commission set up by legislation providing military aid to the democratic resistance in Nicaragua.

I want to insert this letter into the RECORD because I believe our colleagues should know that Ambassador Kirkpatrick and Dr. Gallaway, the Commission designees of Minority Leader BOB DOLE and myself, have worked diligently to make this commission a success. Their efforts to choose a chairman for the Commission were frustrated time and again and they have reached certain conclusions as to the realistic hopes of ever getting the Commission started.

At this point I wish to insert in the RECORD the letter Ambassador Kirkpatrick and Dr. Gallaway sent to me and to Minority Leader DOLE.

AMERICAN ENTERPRISE INSTITUTE
FOR PUBLIC POLICY RESEARCH,
Washington, DC, June 4, 1987.

Hon. ROBERT H. MICHEL,
Minority Leader, House of Representatives, Washington, DC.

DEAR CONGRESSMAN MICHEL: We, the Republican appointees to the Central American Negotiations Commission, believe that the Commission, having failed since November to elect a chairman, is unable to fulfill its responsibility as mandated by existing legislation for monitoring progress toward a diplomatic settlement of the conflicts in Central America.

We made repeated, serious efforts over the last six months to comply with the intent and requirements of the authorizing legislation. Under the legislation, the Commission could not function until a chairman had been chosen. In a bipartisan spirit, we nominated three Democrats with broad knowledge of Central America: former Senator Richard Stone (nominated on November 21); President John Silber of Boston University (nominated on January 5); Mr. John T. Joyce, President of the Bricklayers and Allied Craftsmen Union (nominated in March). Each was rejected by the Democratic representatives. Finally, on April 21, we nominated former Secretary of State Henry Kissinger who had agreed to serve if selected. Unfortunately, six weeks elapsed before the Democratic appointees acted on the nomination. By then Secretary Kissinger believed that there was not sufficient time remaining for the Commission to discharge its responsibilities.

Now, the time allotted for the Commission's operations under the authorizing legislation has passed. The President issued his determination for further assistance to the Nicaraguan democratic resistance. The $100 million was disbursed. Having taken no official action and having issued no report, the Commission should discontinue its operations. We regret that the Commission was unable to serve the purposes which the Congress had envisaged for it.

Sincerely yours,

Jeane J. Kirkpatrick.
Ira Gallaway.

ADDRESS BY GEORGE E. SHAW, ANNUAL MEMORIAL SERVICE ARLINGTON NATIONAL CEMETERY

HON. JOSEPH D. EARLY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 16, 1987

Mr. EARLY. Mr. Speaker, George E. Shaw, the past sovereign grand master of the Independent Order of Odd Fellows, spoke at the annual memorial service held by the Order at the Tomb of the Unknown Soldier in Arlington National Cemetery. Mr. Shaw is a resident of the Third Congressional District, and I would like to share his comments with my colleagues. The text of his speech follows:

Chairman of this Memorials Committee and all members of this great fraternal order and your guests, greetings: We meet here today to honor, not the dead, for they shall reap their reward; not this place of memorial; for it shall pass away. We have come to honor the bravery, the untold and countless acts of chivalry of those who rest here. They paid the ultimate price with their lives: some willingly, some not so willingly; some who fought by choice and those who had no choice. Some fought with the full knowledge of why they were fighting while others fought by their sides, wondering what it was all about, knowing only that they were serving where they were sent by those in authority over them.

Since the earliest days and accounts recorded in the Holy Bible, gallant men have fought for a cause. Gallant men have given their lives on both sides of every conflict. Both believing that their ideals were right. Both praying to the same God that their people would be the victors, each believing that their prayers would be answered. We must be content with the knowledge that only God is, and will be, the ultimate judge of all our works. To some will come the answer, "Well done, thou good and faithful servant," and to others the prayers will seemingly go unanswered.

In the war of good and evil that we wage each day of our lives, let us as Brothers and Sisters strive to live our lives so that we will hear that welcomed plaudit, "Well done, thou good and faithful servant. When our life here on earth is spent may we be prepared to enter into the joy of our Lord.

I have, this past year, visited countries where the memories of war are still fresh on their minds. I talked, laughed and cried with Brother Odd Fellows and Sister Rebekahs, who suffered in prisons and concentration camps. I talked with those who lost loved ones, those who lost whole families in a war they never understood. In Antwerp, Belgium, Brothers and Sisters recalled the arrival of the allied forces, the American boys in particular. Upon arriving their first act of bravery, their first concern, was to do all they could to save the children, to remove them to safety. They recalled vividly being freed from the strangles of war. As we were leaving that city, I thanked a beautiful lady for their endless acts of hospitality. In the middle of my comments she stopped me, saying, "No, no, you must not thank us, we must thank you. You are American, you saved our children!

My friends, there is great unrest around the world: great powers distrust great powers. Nations rise up against nations. The youth in parts of our country as well as abroad are running wild with no specific destiny in life. Yet, in the countries where we travelled, it was most gratifying to experience a love and respect for America from the average man in the street; a love and respect, because America cannot and does not stand idly by and watch, while small nations are swallowed up by oppression. Because America stands for freedom, not just here at home but around the world. Because America is great!

We here in America are, and have been, so fortunate. Hardly a week goes by that we do not hear of a war or of a conflict somewhere in the world. Do you ever wonder why we have been spared for so long in America? Could it be that we have been chosen by destiny to be the peace makers? While we may never be sure of the answer. I believe that we must be ever ready and willing to help those who call us in desperation. It is a desperate plight indeed to have no one to call when in need of help. Help does not just come. Help is given.

My Brothers and Sisters, Odd Fellowship binds all men together in a common bond. Odd fellowship knows no countries. Odd Fellowships knows no boundaries, no lines, no color, no race and no hatred. It is my firm belief that we have one of the greatest foundations on which to build, on which to bring all men of all nations together in one fellowship. God has given each of us a special job to do, a special calling here on earth. Let us be faithful to that calling. Let us give peace, and we shall be peaceful; let us give friendship, and we shall be befriended; let us give love, and we shall be loved; let us give truth, and we shall be trusted. For giving of ourselves, only then can we be sure that we are fulfilling our purpose as fraternal men and women.

My Brothers and Sisters, I am so grateful today for the opportunity to share with you in these memories. To remember for a few brief moments those who, for no matter what the cause may have been, died that we might be here today and enjoy our lives as we do without the fear of repression. That we can worship our God without fear of being jailed and that we can choose where we go and for whom we work. It is my personal philosophy that now that we have paused and remembered, now that we have spent this brief moment looking back, we can now go forward with more zeal and determination in our hearts and a prayer on our lips, "that America will always be that example of freedom and peace around the world, and that the lessons taught here, the lessons of history, the lessons that could be told by each one of us here beneath this clod will assure us, and them, that the past must never be repeated." Odd Fellows must always emulate the precepts of our order, here, now and forever.

As we have gathered here together, today, in this most beautiful setting, here at Arlington National Cemetery, this quiet, peaceful, resting place of brave men from all walks of life, let us do so with the most reverence. We shall soon present our wreaths in their memory and honor, let us do so with great respect.

To each of you here today, I appreciate the respect and reverence you have shown, and for your presence.

Thank you and may God bless.

PERSONAL EXPLANATION

HON. BILL NELSON

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 16, 1987

Mr. NELSON of Florida. Mr. Speaker, I was unable to be present and voting on June 10, 1987, for roll No. 172, an amendment to H.R. 4, the housing authorization bill. Had I been present, I would have voted "aye" on the Kemp amendment, as amended.

STEVIE WONDER OPPOSES S. 506 AND H.R. 1384, THE DIGITAL AUDIO RECORDER ACT OF 1987

HON. WILLIAM E. DANNEMEYER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 16, 1987

Mr. DANNEMEYER. Mr. Speaker, House and Senate proponents of the Digital Audio Recorder Act of 1987 would like us to believe that, when supporting their legislation, the recording industry speaks for all musicians. In fact, during a hearing before the Energy and Commerce Subcommittee on Commerce, Consumer Protection and Competitiveness, the recording industry made sure that an established musician, Ms. Emmylou Harris, was on hand to testify in favor of this legislation on behalf of musicians.

In an effort to dispel the notion that musicians are united on this issue, I would like to commend to my colleagues the statement that Stevie Wonder submitted to the Senate Commerce Subcommittee on Communications. As you will note, Mr. Speaker, his brief statement articulately states the view that all consumers should be allowed to record prerecorded material for noncommercial purposes. Before Congress acts too expeditiously on this legislation, we should be aware that the strong consumer interest in the availability of this technology extends to established musicians as well as home tapers.

The statement follows:

Statement of Stevland Morris (Stevie Wonder) to the U.S. Senate Committee on Commerce, Science and Transportation, Subcommittee on Communications on S. 506

Please accept my sincere appreciation for the opportunity to express my opposition to The Digital Audio Recorder Act of 1987, S. 506 (hereinafter S. 506).

As you may know I am a recording artist and composer. In both these capacities I use advanced computers and high-tech audio equipment. Over the past fifteen years I have worked diligently to bring to reality the best audio equipment our minds can conceptualize; this task has not been easy. It is because of my extensive involvement in the research and development of new audio equipment that I have developed an understanding of many of the issues raised by S. 506.

The Digital Audio Tape Machine ("DAT") creates high fidelity recordings that are superior to any other conventional analog tape recorder on the market. This new technological advancement has many redeeming qualities. Some of the benefits of the DAT are as follows; (1) artists can make high quality tapes of their live performances; (2) artists can make high quality tapes of their music while traveling on the road or simply at any location outside of the home base studio; and (3) struggling new artists with low production budgets can make high quality demonstration tapes for presentation to record companies.

Like many consumers when I tape prerecorded music I select songs off of albums I already own. These tapes are for my personal use only and not for resale or any commercial purpose. In addition, I frequently purchase prerecorded audio cassette tapes. As with the conventional tape recorder, I would like to make tapes for my personal use with the DAT machine.

Many of the arguments made against the use of the DAT were used in an attempt to ban the VCR. However, those arguments have proved to be unfounded. Today the prerecorded video market is a viable and substantial industry. I submit to you that the DAT will flourish like the video cassette market. Moreover, the advent of the DAT will further stimulate the interest of the American people to the music industry.

Finally the copy code scanner system supported by S. 506 will unnecessarily limit the usefulness of the DAT. More importantly the encoding process has the effect of distorting the music. Consequently, I like other artists are opposed to the efforts of those who want to encode our music. I take great pride in trying to provide quality music to the public and I am distressed to learn that the integrity of my music will be compromised by the encoding process.

In summation I oppose S. 506 and I respectfully request that you keep my views in mind.

H.R. 2661, MERCHANT SEAMEN CITIZENSHIP REQUIREMENTS FOR U.S.-FLAG VESSELS

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 16, 1987

Mr. BIAGGI. Mr. Speaker, on June 11, I introduced H.R. 2661, a bill to clarify merchant seamen citizenship requirements for U.S.-flag vessels. The need for this bill was precipitated by efforts to document 11 Kuwaiti tankers under the U.S. flag in order to secure U.S. military protection for them in the Persian Gulf.

In 1985, the Coast Guard ruled that only the master of a U.S.-flag vessel must be a U.S. citizen when a vessel is on a foreign voyage and does not call at a U.S. port. My bill would eliminate this so-called "foreign voyage exception" for certain U.S. vessels in all but limited circumstances.

While the Kuwaiti tanker situation is the catalyst for review of the foreign voyage exception, I have introduced this bill without passing judgment, at this point, on the general policy of reflagging foreign vessels so they may have U.S. military protection. My concern is strictly U.S. maritime policy.

The Merchant Marine Act of 1936 mandates that we foster the growth and development of a U.S. merchant marine—and that we have sufficient ships manned with trained and efficient citizen personnel. I am concerned that such a broad reading of the applicable manning statute could have disastrous effects on maritime labor and the maritime industry, already beset with monstrous problems.

Citizenship manning laws for U.S. vessels were first enunciated in 1792; all the officers of U.S. vessels were required to be U.S. citizens. The provision allowing foreign seamen to replace U.S. citizen crewmembers below the grade of master was first permitted by the act on June 26, 1884. That provision was restated when the manning laws were codified in 1985. The 1884 act included this provision to make U.S. laws more flexible and to improve the competitiveness of U.S. shipping. I suspect that this replacement provision was also necessitated—at least in part—by the state of world travel in 1884. Today, we can transport replacement by air within a day. In 1884, slow communications and slower transportation methods presented quite another situation.

The requirement that 75 percent of the crew be U.S. citizens upon departure from a U.S. port was added in the 1936 act. The overall purpose was to improve "the personnel on our ships and maintain discipline and control over them". My bill would require that all officers and 75 percent of the unlicensed seamen on U.S.-flag vessels must be U.S. citizens—whatever the port of departure. The amendment does not affect the status of a fishing vessel or whaling vessel or yacht under existing law. H.R. 2661 also gives the Secretary of Transportation the authority to modify the U.S. citizen complement of an offshore supply vessel when it is operating from a foreign port.

Finally, the bill makes it quite clear that a foreign seaman may replace a U.S. seaman on the foreign voyage when the vessel is deprived of the services of an individual. However, the bill provides that this replacement authority is temporary. A U.S. citizen replacement is mandated as soon as the vessel returns to a port at which, in the most expeditious manner, a U.S. citizen can be obtained. Simply put, whenever a vacancy occurs on a U.S. ship on a foreign voyage because of illness, death, dismissal, or other similar emergency, a foreign seaman can fill that vacancy—temporarily. This should eliminate any misconception that U.S. citizen crews can be supplanted by foreign crews because it's cheaper or because the owner wishes it.

The Merchant Marine and Fisheries Committee will hold a hearing this Thursday on the broader implications of U.S. maritime laws and policies resulting from recent events in the Persian Gulf. My bill would eliminate the authority that permits foreign vessels to be documented as U.S. vessels and carry foreign national crews in the future. Should similar national security needs arise, the President has at his disposal constitutional power and the statutory authority to respond as he deems necessary. For now, I am content to correct this loophole in our laws to assure that, under ordinary circumstances and as far as practicable, U.S. citizens man U.S. ships.

ROBERT M. SEAVERS RETIRES FROM SANTA MARIA VALLEY CHAMBER OF COMMERCE

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 16, 1987

Mr. LAGOMARSINO. Mr. Speaker, it is my pleasure to rise today to honor my constituent, Robert M. Seavers.

Bob is retiring as long-time executive director of the Santa Maria Valley Chamber of Commerce. Bob will be concluding 35 years of service with the chamber on June 30, 1987. It is believed to be one of the longest tenures in the Nation by a chamber executive director serving one chamber.

It has been my pleasure to have known Bob during my 25 years in public service. During that time we have worked together on a number of issues that have affected the Santa Maria Valley and Santa Barbara County. He has spoken out on behalf of the residents of the area in an attempt to improve the quality of life in the area. Bob's career has been dedicated to serving others and to helping others.

Bob became affiliated with the Santa Maria Valley Chamber of Commerce in 1952, at that time the chamber had 125 members; it now numbers more than 1,300, which is believed to be among the largest memberships in the Nation on a per capita basis.

The Santa Maria Valley Chamber of Commerce in 1952 shared a small office in city hall. Growth of the membership necessitated moving to a new facility under the direction of Bob Seavers. The chamber has also grown through various activities to be a major force in the community.

I know that Bob Seavers will not fade into retirement, but will remain an active member of our community, as well as traveling throughout the United States.

I ask that you please join me in wishing Bob and his family a happy, healthy, and productive retirement.

A SENSELESS LOSS

HON. FRANK HORTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 16, 1987

Mr. HORTON. Mr. Speaker, recently a tragedy struck Upstate New York. It was a tragedy that has struck all of our districts far too frequently. But that doesn't make it any easier to accept or any easier to justify. Four people in the Rochester area—three high school students and a high school instructor—were killed when another car crossed the center line and collided with the car the four were in. The driver of the other car had a part-empty fifth of whiskey by his side and had been seen weaving all over the road prior to the accident.

The three students, Kathlena "Mindy" Beals, Rhonda Reeves, and Eric Hamm-Johnson, and their driving instructor, Patrick Collins, are a part of a statistic that is far too large—people who have needlessly died at the hands of drunk drivers.

Though the media and other outlets have continued to bring home the message that drinking and driving don't mix, grim stories like this one continue to haunt us. The pain and anguish caused by this senseless act will not soon be forgotten.

Mr. Speaker, a newspaper in my district, the Rochester Times-Union, recently published an editorial about this situation, which I have added below. These four young people will be missed. Our community continues to grieve, but I hope that we will also learn from this tragedy to prevent even more senseless death on our highways.

[From the Times-Union, Rochester, NY, June 12, 1987]

FOUR MORE REASONS

"A thousand skeptic hands won't keep us from the things we've planned," Mindy Beals wrote in her high school yearbook.

No, but the hands of one driver did, 5½ miles west of Batavia on Route 6.

Kathlena "Mindy" Beals. National Honor Society. Fluent in Spanish and German. She wanted to work for the United Nations someday.

Rhonda Reeves. Once overweight and withdrawn, she lost weight and turned her life around—and no doubt the lives of the classmates she persuaded to stay in school.

Eric Hamm-Johnson. Outgoing, an above-average student, whose jokes would lighten a classroom. He was looking forward to a trip to Europe next year with the German Club.

Patrick Collins, their driving instructor, new to Pembroke High School, but already making a mark as a skilled and personable teacher.

All dead. The driver who crashed into their car apparently had been drinking—had the smell of alcohol on him at the scene, had a part-empty fifth of whiskey beneath the seat, had been seen weaving all over the road just minutes before.

Only four weeks before, Mindy Beals had warned her fellow students at an assembly about the dangers of drinking and driving.

There is more than a terrible irony here. There should be a growing sense of outrage.

How can this continue to happen?

Mindy was among the many who have spoken about the dangers of drinking and driving.

Groups like Mothers Against Drunk Driving have spoken out. Individual victims and survivors have spoken out. Convicted drunk drivers have spoken out.

Their stories have been told in countless newspaper articles, on countless TV programs.

The drinking age has been raised. DWI penalties have been made tougher. Roadblocks have been placed.

Bartenders have been warned. Hosts have been made liable. Lawsuits have been filed.

In short, society has been saturated with the message: Don't Drink and Drive.

But people still do.

So now our state has four more reasons to wonder what more can be done. Four more reasons to mourn, four more reasons to be angry. Enough has been said and written about the dangers of drinking and driving. When people persist, it is easier and easier to demand punishment, harder and harder to forgive.

THE RUSSIANS ARE COMING . . .

HON. DONALD J. PEASE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 16, 1987

Mr. PEASE. Mr. Speaker, I bring to your attention the following tongue-in-cheek article in Ohio Business on our country's defense that was written by one of my valued constituents from Oberlin, OH. Note that the article illustrates well the danger to our country of allowing foreign imports of goods ranging from shoes to textiles to weapons to vehicles to invade our domestic industries. Personally, I found it quite insightful, and I hope that my colleagues will read it carefully and take note of the important points that it makes.

The article follows:

[From Ohio Business, June 1987]

THE RUSSIANS ARE COMING . . .

(By Harvey Gittler)

If I were Mikhail Gorbachev, I would encourage the United States to continue with Star Wars. I would encourage the U.S. to concentrate on high-technology armaments. Then I would sit back and wait. Eventually, I would launch a conventional war—and defeat the U.S. before it could mobilize its resources.

The U.S. was the arsenal of democracy when it entered World War II in December, 1941. What has happened to the arsenal of democracy in just the past ten years?

What would happen to us as a nation if a conventional war came to our shores—or if we had to go overseas to fight one?

First, we would have to mobilize our people.

The government would mail out letters telling our young citizens to report for service.

How long would it take for the letters to arrive?

Then we would need to move vast numbers of people to military bases. We would load up a troop train, and then what? The train would derail. We couldn't move a troop train from one part of the country to another without a derailment.

So we won't use trains. We'll move our troops via buses. The only question is whether our highways and bridges will be able to stand up to the heavy traffic.

Shall we fly the troops from one place to another?

Civilian traffic has clogged the airlanes and congested the airports. How would it be in wartime?

That means we'll have to resort to what the infantry has always done—walk. Soldiers, bring your jogging shoes with you when you report for service!

We mobilize our citizens. They report to boot camp, and so we need boots. We call the supply depots.

LIKE VALLEY FORGE

We call Korea and Taiwan; we call Brazil and Italy. We call every place shoes come from—except the shoe factories in the U.S., because most of them have closed. So, like the troops in Valley Forge, ours sit around barefoot.

I could live with the idea of our troops sitting around barefoot. But the problem is more than just shoes. We have to put these troops in uniform.

So back to the supply depot to order uniforms.

But most of the textile factories have also shut down, and so have the clothing factories. They are all, to use the current euphemism, *off-shore.* So our troops will go through basic training in civvies.

But after a few weeks in basic training, the civvies are worn out—even blue jeans have a limited life.

Soon our troops are reduced to walking around barefoot in their underwear.

But remember, this is almost the 1990s and we have unisex troops; men and women fighting side by side. I see nothing wrong with that—but in their underwear?

Once the underwear wears out, our troops are barefoot and naked. The admonition of the flower children of the '60s will finally come true: MAKE LOVE, NOT WAR. Ah, for want of a pair of trousers or slacks and a shirt or a blouse, the war is lost.

Hurry up, you third-world countries, with your supplies of shoes and clothing; otherwise the leader of the first world is going to disappear and you'll move up to second place!

BETTER CALL JAPAN

What is the first thing one thinks of in a conventional war? (No morality please; this is not a philosophical treatise.)

Bullets! Bullets need brass, and brass needs copper. But the copper mines have closed down.

After the mines are opened, the refineries and smelters have to be reactivated.

Of course, we'll need machinery to make the bullets. That brings up our machine tool industry.

Better call Japan or Germany if we really need a good supply of machine tools fast.

Many of our machine tool companies have disappeared.

Of course we need tanks and guns. And these essentials require steel.

Almost half the steel we use comes from foreign sources. So we have to step up our own steel production—LTV, don't give up. We need you!

In the Rust Belt, headquartered in Ohio, dozens of steel mills have shut down.

The furnaces and rolling mills are no longer usable. Anyone have any idea how long it takes to build and equip a rolling mill? Years!

Of course, with the reduction of U.S.-produced steel, iron mines have shut down.

But what about the companies that produce mining equipment, furnaces, and rolling mills? They certainly haven't been expanding over the past ten years.

There's the picture, Mr. Gorbachev is making a big mistake fussing so much about Star Wars. It's a program made to meet his objectives.

How is this nation, the arsenal of democracy in previous days, expected to survive if we are ever asked to defend our shores?

As we close our factories, our mines, our smelters, our foundries, our textile plants, our farms, and our shipyards, and as we allow our roads, bridges, and railroads to rot away, we lay bare our shores and become vulnerable to any enemy.

Mr. Gorbachev, you don't have to draw up elaborate plans to defeat the United States. We are doing it to ourselves!

DISABLED AMERICANS WORK INCENTIVE BILL

HON. J. ALEX McMILLAN

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 16, 1987

Mr. McMILLAN of North Carolina. Mr. Speaker, recently, I introduced the disabled Americans work incentive bill. This legislation will give handicapped individuals, who have relied on Social Security disability income and Medicare health benefits, the chance to again become productive, working members of our society.

Two years ago, I was fortunate to meet Deborah McKeithan, president of Handicapped Organized Women, from Charlotte. She told me, "Our Government is paying people to be sick. Without the barriers, thousands of disabled persons will go back to work and once again become productive members of society."

Deborah is legally blind, partially paralyzed from a stroke, epileptic and has cerebral multiple sclerosis. She is working now as part of a 2-year trial work period established under Public Law 96-265.

Because of this law, thousands of disabled Americans, just like Deborah, have been able to enter the work force for 2 years without the fear of losing their Medicare health benefits. They continue to receive SSDI checks for 9 months and pay a quarterly premium for their Medicare health benefits during the 2-year period.

There is one major flaw, however. The program is only temporary. After 2 years, the participant is either declared able to work and is then ineligible for Medicare health benefits, or the person is forced to return to SSDI and leave the work force. Many choose the latter course because most private group insurance plans declare the disabled uninsurable.

The disabled Americans work incentive bill will change this. No American should be forced to sit at home, dependent on the Federal Government, if they want to work.

Many social programs feed on themselves, forcing more and more people to become caught in a web of dependency. We now have a chance to allow some handicapped citizens to escape this web.

Our bill will accomplish two things:

First, the 2-year trial work period would become permanent, allowing the disabled to purchase Medicare health benefits at a premium for as long as they work; and

Second, it would eliminate the 5-year rule, which forces a disabled individual to go through another 2-year waiting period if they are again unable to work after 5 years of being off of SSDI.

The economic strength of our country was created by the desire of individuals to succeed. Why should we deny anyone the freedom to pursue their goals? And what kind of Government do we have when our laws make it easier for the disabled not to work, even if they are willing to try? We should encourage participation in society, rather than to deny it.

The disabled Americans work incentive bill will be positive in economic terms too. The reemployed workers will be generating income and paying taxes and there will be a dramatic change in behavior in regard to the amount of medical attention that will be required. Studies have shown that when a disabled individual goes back to work, a positive mental attitude results and contributes to a healthier person, with less doctor and hospital visits and reduced costs to the Medicare trust funds. No longer will they need to receive disability payments. In short, this program should save the Government money.

By adopting this legislation, we will restore incentives for the disabled to return to the work force. It is time to recognize that handicapped Americans can, and should, be useful, productive members of our society.

Mr. Speaker, I introduced the disabled Americans work incentive bill with 35 original cosponsors, both Democrat and Republican, from both ends of the political spectrum and everywhere in between.

This legislation is badly needed and I urge the Ways and Means and the Energy and Commerce Committees to act swiftly so thousands of disabled American will again be able to realize their dream of returning to a productive job.

A TRIBUTE TO GRACE AND EDWARD SEIFERT

HON. GEORGE J. HOCHBRUECKNER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 16, 1987

Mr. HOCHBRUECKNER. Mr. Speaker, I rise today to pay tribute to Grace and Edward Siefert, two very special residents of my First Congressional District. This wonderful couple will be celebrating the 50th anniversary of their wedding day at a special liturgy and family reunion party on June 20, 1987. Five decades ago, they were joined in matrimony in a simple ceremony on June 12, 1937.

Grace Joan McBride is the youngest of nine children born to Mary Anastasia White and William McBride on November 26, 1913, in Brooklyn, NY. In 1932 Grace graduated from St. Brendan's High School and was voted "the student with the most pleasant disposition and friendliest smile." As a matter of fact, those who know her feel she deserves the lifetime title of Mrs. Congeniality. Grace has been a loving daughter, a caring sister, a sharing friend, a sensitive mother, an energetic grandmother, and a devoted wife. She is much loved and admired by all who have had the privilege to share a part of her life.

Edward John Siefert was the only child born to Gertrude Josephine Schoppe and Edward John Seifert, Sr., on September 30, 1912, in Manhattan, NY. He graduated in 1933 from Evander Childs High School after a 3½-year "time out." Eddy has been something of a character his entire life. He received much fanfare at his graduation as the student "most improved in both athletic and academic pursuits." His skills in the area of swimming and particularly diving, earned him 31 medals, 3 loving cups, and 1 statuette.

On April 10, 1932, the paths of these two unlikely lovers crossed at the home of a mutual friend at a surprise birthday party for Tommy Daly. After sending Grace's date out for more "liquid refreshment," Eddy made his move to the piano bench to sit next to Grace. They started "keeping company" immediately and for the next 5 years disproved the notion that the Bronx and Brooklyn are imcompatible. Grace and Eddy were married at St. Mary's Star of the Sea on June 12, 1937. Grace's sister, Marge, and brother-in law, John MacDonald, were their matron of honor and best man. They had a whirlwind weekend honeymoon at the Waldorf Astoria followed by a trip to Keansburg and Manasquan, NJ.

The chronicle of their years together has had many highlights both positive and negative, happy and sad. They were united in their desire for a big family, Grace because of her fond memories of a large, warm household and Eddy because as an only child he was very often lonely. God was good to them and blessed them with five healthy and unique children: Carol Ann, Patricia, Linda, Diane, and Edward.

There have been the difficult times, especially the war years. Eddy enlisted in the U.S. Army in 1943 and was sent to the European theatre. Grace held down the fort at home and ran the Bar and Grill business. Eddy was severely wounded in Luxembourg on December 16, 1944, and received a Purple Heart. There were the lean years when Eddy worked three jobs to provide for his family. There were the extended family years when Eddy's parents and Aunt Tilly joined the young family at their home in Hicksville. It was during this time that Grace's mettle was put to the test. She worked very hard to keep peace and harmony among three generations of characters. There were the Florida years and the period of adjustment to retirement.

And now come the very best years of all! The present few years have been among the happiest in both their lives. Their health is excellent and their love of one another is at its peak. They rejoice in their time together and their time with their family. They are grateful to God for the fine people their children married and their 12 grandchildren growing straight and strong.

The gala gathering on Saturday, June 20, will give testimony to the love and regard felt by all those who have come as well as those unable to be physically present. This event takes on an even greater significance as the celebration will include the 25th anniversary of their daughter, Carol Ann, and myself. Please join with me and all those who love them in wishing them a long and happy life together. These are truly the golden years of Grace McBride Seifert and Edward Seifert, Jr.

I am proud to be a part of their family.

CATHERINE CAREY RETIRES FROM VISITING NURSE SERVICE OF NORTHERN SANTA BARBARA COUNTY

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 16, 1987

Mr. LAGOMARSINO. Mr. Speaker, it is my pleasure to rise today to honor a fine and dedicated community leader from my district, Mrs. Catherine Carey.

Catherine is retiring on June 30, 1987 after serving as executive director of the Visiting Nurse Service of Santa Barbara County for the past 20 years.

Catherine, a longtime civic leader, served on the original steering committee that organized the nonprofit Visiting Nurse Service of Santa Maria. Catherine states, "It has been the biggest challenge in my life." Prior to becoming the executive director of Visiting Nurse Service she served as a public health nurse and administrator.

Catherine has served as a grand marshal of the Elks Rodeo, a former Santa Maria "Citizen of the Year" and is quite active in the Republican Party as well as in her name-sake the Katherine K Children's Home Society of Santa Maria.

Catherine, through her own efforts, saved the Visiting Nurse Service from a precarious financial situation because Medicare failed to process claims and make prompt payments. Catherine and I worked together to get the problem resolved and reimbursements were resumed. If it had not been for Catherine the Visiting Nurse Service would no longer be serving the Santa Maria area.

Catherine states that retirement will give her more time to work in other areas of community service. She'll also have time for such avocations as bridge, gardening, cooking and making jams, jellies and pickles.

I ask that you please join me in wishing Catherine and her husband Jim a happy, healthy, and productive retirement.

TRIBUTE TO MRS. RUTH WASHINGTON

HON. JULIAN C. DIXON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 16, 1987

Mr. DIXON. Mr. Speaker, it is an honor to bring to the attention of my colleagues a lifetime of achievement and community service by Mrs. Ruth Washington, publisher of the Los Angeles Sentinel.

Mrs. Washington has long served the community through her stewardship of the Sentinel. Founded in 1933 by her beloved husband, the late Leon H. Washington, Jr., the Sentinel blazed a new path in black journalism and has long been the largest black-owned newspaper in the Western United States.

Mrs. Washington became a pioneer of black journalism when she assumed the position of business manager of the Sentinel in 1948 after her husband's illness, and succeeded him as publisher after his death in 1974. Under her leadership, and that of her husband before her, the Sentinel has rendered distinguished service to the black community in Los Angeles and across the Nation for over 40 years.

Mrs. Washington's leadership in the community extends beyond her leadership of the paper to include numerous area youth groups and community organizations. Acting on her conviction that the youth of today are the leaders of tomorrow, Mrs. Washington has long been associated with the 28th Street and Crenshaw YMCA's.

To further a broader, community-minded agenda, Mrs. Washington founded the Los Angeles Black Women's Forum with Assemblywoman Maxine Waters and Mrs. Ethel Bradley.

She and her husband were among Los Angeles' earliest leaders in the fight for civil rights, and in 1933 organized a local boycott against Zerg's Furniture Store on the theme, "Don't spend where you can't work." Now, near that same site on the corner of 43d Street and Central Avenue stands a Post Office named after Leon H. Washington, Jr., just two blocks from the Leon H. Washington, Jr., branch of the Los Angeles Public Library.

To every enterprise Mrs. Washington has brought her expertise and inspiration, and, in keeping with the title of her well-regarded column in the Sentinel, a great deal of "Common Sense."

Mrs. Washington will be honored at a dinner hosted by her friends at the Crenshaw Chamber of Commerce on June 20, 1987. I join them in thanking her for nearly 40 years of pioneering efforts and tireless service to the black community, and wish her well in future undertakings.

HEARST EDITORIAL PRAISES REAGAN AND THATCHER

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 16, 1987

Mr. SOLOMON. Mr. Speaker, the press corps accompanying President Reagan to the Venice Summit had made up its mind in advance: The image of Ronald Reagan as a lame duck President must be enhanced.

Had it not been for such editorials as that of William Randolph Hearst, Jr., which appeared in the Albany Times-Union, we might never have read the truth. That truth is that the President was able to secure unanimous support in such areas as freedom of navigation in the Persian Gulf, terrorism, arms reductions, and the world economy.

Hearst also reminded us that British Prime Minister Margaret Thatcher was reelected to an unprecedented third term. Mrs. Thatcher was able to do that, confounding her critics once again, by pursuing policies almost exactly like those of President Reagan's. President Reagan and Prime Minister Thatcher have both given their nations periods of prosperity. Mr. Hearst is correct in saying we should continue those policies that made it possible.

TWO SUCCESSFUL LEADERS

There was both good and great news from Europe last week.

President Reagan did much better at the Venice allied summit meeting than media reports would have us believe.

Margaret Thatcher, the most successful woman leader in modern history, won a landslide victory to give her an historic third consecutive term as prime minister.

Despite the media tendency to depict President Reagan as an impotent leader since the Iran-contra affair and the Venice summit as a "bust" and "a stalemate," the factual reports show an impressive list of accomplishments for the President at the meeting with the leaders of six other major industrialized free world nations.

Among issues on which the President achieved unity were:

Unanimous support for the U.S. position that freedom of navigation in the Persian Gulf must be upheld.

Unanimous support for his proposal that the UN Security Council adopt a resolution calling on Iran and Iraq to cease fire and immediately start negotiating an end to the war. Secretary of State George Shultz said this was the principal commitment the U.S. wanted from the European allies and Japan on the Persian Gulf crisis. The other summit leaders also accepted the U.S. proposal that the Security Council take "effective measures" against either of the two warring nations that failed to comply with the UN demand.

The "effective measures" Secretary Shultz has in mind is a mandatory arms embargo against either nation that persists in fighting. If the ban is vetoed in the Security Council, but "effective measures" remain in an adopted resolution, it would give the U.S. and other allies a free hand to impose a ban of their own.

In response to President Reagan's appeal for stronger action to deter terrorism, it was unanimously agreed that if a country refuses to extradite or prosecute a captured terrorist, all seven governments will bar flights to and from that country.

In the economic discussions, President Reagan rejected appeals from some of the other leaders that he increase taxes to reduce the U.S. deficit. He obtained a pledge that all seven nations refrain from accumulating further farm surpluses.

Following the Venice summit, the NATO allies approved the President's decision to conclude an agreement with the Soviets for removal of short range nuclear weapons from Europe.

So President Reagan wasn't the weak, lame-duck leader his critics predicted he would be in Venice.

In Britain, the 61-year-old lovely "iron lady's" election victory was a triumph for the good sense of the British people They gave the radical-leftist dominated Labor Party one of its worst defeats in 50 years. Labor analysts attributed the political debacle to the party's policy of unilateral disarmament and expulsion of America's nuclear forces from Britain.

However, the major reason the people turned Mrs. Thatcher to an unprecedented third term with a majority of at least 112 seats in the House of Commons was because of her conservatively capitalist economic policy, curbing of tyrannical union power, maintenance of a nuclear deterrent and tough stand against Soviet imperialism.

Her economic policy of de-nationalizing industry, cutting government spending, reversing a century of ever-expanding state bureaucracy and cutting taxes to enable more middle class workers to own their own homes led to seven consecutive years of economic growth with low inflation.

There are 2.5 million more home-owning families in Britain today than when she took office in 1979. One million of them are former public housing tenants who received government aid to help buy the units they occupied. The number of individual stockholders has tripled. Many of the new capitalists were employees of former nationalized industries returned under her leadership to private ownership.

Calling her reformed system "Popular Capitalism," she campaigned on the slogan: "Britain is on the March."

It obviously is and therein lies a lesson for us. President Reagan's policy of cutting government spending, opposing tax increases and encouraging free market enterprise is similar to Mrs. Thatcher's successful economic formula. Let us continue to support the President's policy that brought us economic recovery and has created more than 13 million new jobs.

INSTITUTIONS OF HIGHER LEARNING ARE DOING A POOR JOB

HON. THOMAS S. FOLEY

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 16, 1987

Mr. FOLEY. Mr. Speaker, I am pleased to bring to the attention of my colleagues an article from the New York University Magazine, Spring, 1987 issue, entitled "The Ascent of Higher Education" by Dr. Lynne P. Brown, director of the Office of Writing, Research and Editorial Services at New York University, and assistant to the president of NYU, Dr. John Brademas, our former colleague. Prior to her assignment at NYU, Dr. Brown served on my staff in the Office of Majority Whip. Dr. Brown's article provides a much needed critical analysis of recent charges by the Secretary of Education that our institutions of higher learning are doing a poor job of educating our students. I am very pleased to share this insightful and timely article with the House.

THE ASCENT OF HIGHER EDUCATION

(By Lynne P. Brown)

After fifteen years of relative tranquility, colleges are embroiled in controversy this spring. But unlike an earlier era, when campus unrest was sparked by student protests against the establishment, this time the instigator is the establishment—in the person of the highest-ranking government official in charge of education, Secretary William Bennett.

The focus of the debate, which has been carried on in print and public appearances, is money. On one side is Bennett who, over the last year, has accused colleges and universities of being "under-accountable and under-productive." Students and their parents should "kick the tires" of higher education to ensure that they are getting their money's worth, claims Bennett. Arrayed against him are leaders of the academic community, who are crying foul and accusing the Secretary of manipulating data in an attempt to discredit their institutions and perhaps divert attention from the budget-cutting measures of the Reagan Administration that have hurt higher education. Over the past several months, Bennett and his critics have traded charges in an escalating minuet of point-counterpoint.

When the Secretary of Education used the occasion of Harvard's 350th birthday last fall to take that university and its sister institutions to task for flabby curricula, lapsed attention to moral issues, and preoccupation with money, Harvard president Derek Bok followed with a stinging rebuttal to Bennett's charges. Bok defended Harvard's "core curriculum," which many colleges use as a model, pointed to a resurgence of courses in moral and ethical reasoning on campuses across the nation, and admonished the Secretary for dealing with complicated financial issues such as appropriate levels of student aid "by rhetorical statements about divesting students of their stereos and their vacations at the breach." (At a press conference two years ago, Bennett suggested that college students facing cutbacks in financial aid should consider "divestitures of certain sorts—stereo divestiture, automotive divestiture, three-weeks-at-the-beach divestiture.")

As evidence of price-gouging by colleges and universities, Bennett has fastened on tuition increases that outstrip inflation. Yet separate reports recently released by two Washington-based groups representing higher education—the American Council on Education and the National Association of Independent Colleges and Universities—demonstrate that in the 1970s tuition lagged behind inflation, and so academic institutions may now be in a "catch-up" phase. Moreover, these studies argue, the basket of goods and services that a college must purchase to stay in business is full of items, including salaries and benefits, books and periodicals, and state-of-the-art scientific equipment that have risen in price faster than most items contained in standard measures of inflation. In fact, over the past five years the Higher Education Price Index developed by the Federal government as a measure of higher-education costs, has increased at an average rate of almost two percent a year above the Consumer Price Index.

New York University Chancellor L. Jay Oliva points out that "it is only inflationary when you charge a higher price for the same product. It is not inflation when you raise the price because you're delivering a better product. At NYU we're providing a constantly improving product for the money."

And certainly the cost of four years of higher education is not the only item, after two inflation-drenched decades, that induces sticker shock among consumers; we now pay for automobiles what good-sized houses cost in 1965. Still, college remains an expensive proposition for most American families: the bill for undergraduate education at an independent institution of higher learning can now range from $40,000 to $65,000. Why are the costs of college rising?

Analysts point to several factors. Education is a highly labor-intensive industry, and faculty salaries have been increasing in the last several years. These gains follow dramatic losses when the purchasing power of faculty salaries plummeted by twenty-eight percent between 1973 and 1981. Many schools have also delayed making needed repairs to their physical plants, but can wait no longer. College consumers—the students—must be provided with an increasingly sophisticated array of costly "tools" such as computers, high-powered microscopes, and electronic and engineering equipment that supplement classroom or laboratory instruction.

College officials cite another reason for higher tuitions: the fall-off of Federal student financial aid, which has forced institutions to fill the gap with their own resources. Bennett puts the opposite spin on this, claiming that "increases in financial aid in recent years have enabled colleges and universities blithely to raise their tuitions, confident that Federal loan subsidies would help cushion the increase." However, statistics show that tuition hikes were rather modest when student aid was growing most rapidly from 1970 to 1980, while during the current period of slow growth in student aid, tuitions have climbed.

Underlying the debate over cost is the larger question of value: what is a college education worth, and how is it measured? Bennett cautions students and their families to follow the ancient dictum: Let the buyer beware. Higher-education leaders are adding to "caveat emptor," another caveat: a college education is not a quantifiable purchase. The value—and the price—of an educated person are immeasurable. "The danger may be less that universities charge too much than that they charge too little to maintain high quality," says Princeton University president William Bowen.

As the largest private university in the nation, New York University clearly figures in the current debate, and has a stake in its outcome. NYU president John Brademas and Chancellor and Executive Vice President for Academic Affairs L. Jay Oliva recently discussed the issue of college costs in terms of the large national scene and the institution they know best. To Bennett's criticisms of higher education, headlined "Our Greedy Colleges" in a New York Times op-ed article this spring, both men take strong exception.

"Is Bennett correct in calling us 'greedy'?" asks Brademas. "If he means 'greedy' to provide the finest possible education for the people who study here, in that sense, yes, we are! If he means are we 'greedy' to provide our students decent housing; adequate libraries, laboratories, and classrooms; safe, up-to-date athletic and recreational facilities—then, yes, we're 'greedy' for these as well. We also think it's essential that talented but needy students are not for lack of funds denied the chance to study here. During my tenure as president, we've doubled the amount of financial aid to students from University, as distinguished from government sources. So we're 'greedy' to make it possible for able, motivated men and women to attend NYU. We're also committed to offering proper compensation to the people who teach and work here. We realize that beyond competition for our faculty from the private sector, we also have to keep them from being lured away by richer institutions. So in all these ways, yes, we're 'greedy'. As far as efficient use of money is concerned, I can tell you that since I've been at this University," Brademas says, "our budgets have been balanced every year, which is more than can be said of the Administration Mr. Bennett serves!"

Both Brademas and Oliva fault Bennett for painting the world of higher education with a broad brush, treating all colleges and universities as if they were Harvard, blessed with a fiscal serenity bred of large endowments, wealthy donors, and shrink-resistant applicant pools. "There are some 3,500 post-secondary institutions in this country, and only two hundred of the private ones have endowments that reach even $1 million," explains Brademas. "Moreover," he continues, "a more important statistic in assessing the wealth of a university is its endowment per student. And by that measure, even institutions that on the surface have large total endowments, such as NYU, are really not rich at all. In fact, more than one hundred private colleges and universities have per-student endowments larger than ours at NYU."

Chancellor Oliva emphasizes that like most colleges and universities, NYU will increase tuition next fall. "There are special costs associated with moving into the first rank of American universities in the space of a single generation," he says. "We are in the process of doing in this generation a long list of things that other schools did a generation ago. We are building dormitories now and, therefore, funding thousands of beds in an era when construction costs are higher. In the last fifteen years, we have built Bobst Library, Tisch Hall, Coles Sports and Recreation Center, and the Meyer Hall of Physics. And we're taking on many other major projects to upgrade our computing facilities, science facilities, and classrooms—all to enhance the education we offer our students. We are competing with institutions that made these commitments—and paid the bills for them—a long time ago. We are moving ahead now, and we have to pay for it now."

Both NYU's President and Chancellor find it ironic that an Administration committed to the virtues of free enterprise and the place of private values in public life should pursue policies that harm private colleges and universities. Oliva observes that, by temperament and practice, universities are just the type of institutions the Reagan Administration should applaud because they are self-regulating and subject to the pressures of a highly competitive marketplace.

"Colleges and universities are among the best self-policing organizations in American society," says Oliva. "We subject ourselves to constant internal review, as well as evaluations by outside accreditation boards and regional and national associations. Philanthropists, foundations, corporations, and alumni don't spend their money blindly or without strings of review attached.

"We put ourselves on the line every semester by saying to our 'customers'—the students and their parents—'Would you like to come here? Would you like to stay here?' Nor will good faculty," he adds, "remain at institutions where the quality of academic life has grown shoddy. And our growing pool of applicants means we must be doing something right. So talk about free enterprise! Colleges and universities are among the best examples of free enterprise in operation."

Brademas also points to the gap between the rhetoric and the reality of Administration's posture. He recalls being present in May 1981 at the Univeristy of Notre Dame when President Reagan declared that it would be a sad day for academic freedom when tax-supported colleges and universities drove out the great independent ones. Yet the policies of the Reagan Administration work severe hardship on private institutions, contends Brademas. "The sharp reductions in student aid, for example, have already caused real pain for students at New York University," Brademas says, "Since Reagan came into office, NYU students have suffered a net loss of forty percent in total dollar volume of Guaranteed Student Loans."

Several provisions of the 1986 Tax Reform Act also harm academic institutions as well as students. Explains Brademas, "The new tax law denies continued deductibility of interest on student loans and imposes new taxes on fellowships and scholarships. Other provisions of the Tax Reform Act will discourage charitable contributions, making it harder for us to raise funds. Still other changes will hit the private sector of higher education with particular force. Especially outrageous as a matter of principle is the effective denial to twenty or so independent research universities, including NYU, of access to tax-exempt financing while continuing such access for public institutions."

Challenges faced by private universities also include a fundamental fact of economic life in the world of higher education. Asks Oliva: "What does it cost to educate someone? It costs no more at a private university than a public one. But in the case of the private institution, more of the cost is borne by the student. At public institutions, the taxpayer picks up a big share of the bill. Bennett ignores this distinction, and lets people think that private education is more costly."

Bennett "may be getting a lot of play in some quarters, but I think it's significant that on Capitol Hill, both Republicans and Democrats are rejecting his proposals," concludes Brademas. "In taking the positions he does, Secretary Bennett betrays an innocence of the complexities of financing American colleges and universities. If Mr. Bennett genuinely understands the real world of American higher education and still makes such assertions, he's not being wholly honest; if he does not understand, he should educate himself."

The great college-cost debate shows no signs of abating. In fact, the controversy is likely to intensity as academic institutions announce new tuition levels for 1987-88, as high-school seniors and their parents pass through the anxious annual ritual of waiting for admissions acceptances from colleges and universities, and as Congress votes on student-aid budgets.

This much is clear; with an aggressive, articulate Secretary of Education hammering away at them, colleges and universities can no longer afford, in the words of New York Times education reporter Edward Fiske, to operate "on the premise that the fruits of higher education are self-evident." Leaders of academic institutions, including John Brademas and L. Jay Oliva, agree that costs are climbing, but make the case that higher learning is among the soundest investments a person—and a society—can make.

SABOTAGE OF SDI: BETRAYAL OF AMERICA

HON. THOMAS J. BLILEY, JR.

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 16, 1987

Mr. BLILEY. Mr. Speaker, can any Member of this body imagine a future in which the United States has little influence in world events and our free, democratic capitalistic society is constantly held at gun point?

Though hard to believe, the U.S. Congress has moved closer to making this scenario a reality by its continued sabotaging of the strategic defense initiative [SDI].

This sabotage has taken many forms. The first method is to warn that the SDI Program would actually destabilize the precarious peace that we have achieved as a result of a policy of mutually assured destruction. Opponents argue that if the United States developed a way to even partially protect its citizens from nuclear attack that the Soviet Union would feel threatened and thus the chance of the Soviets launching a first-strike would increase.

I do not see any logic to this argument. It is sheer folly to believe that the Soviets would be more likely to launch a first strike if we have the capability to stop some of their missiles than if we are defenseless.

On the contrary, President Reagan's resolve to make SDI a reality has actually brought the Soviets to the negotiating table, more eager than ever to stabilize the relationship between the two superpowers. This serves as another example that the Soviets respect strength and resolve.

Another method for blocking the advance of the SDI Program is to claim that it violates the 1972 Anti-Ballistic Missile [ABM] Treaty. The American reasoning behind the treaty was that since both sides were content that they had the capability to destroy each other, then the prohibition of future anti-ballistic missile systems would limit the growth of offensive weapons. The Soviets, who have the only antiballistic missile system and an extensive air defense network found great merit in a plan that prevents the United States from having similar defenses. Since its signing, the Soviets have increased their offensive nuclear first-strike capability by 600 percent.

Mr. Speaker, the United States is not operating in a vacuum. The Soviets realize the vast potential of this technology and are furiously conducting their own research. A recent CIA report estimates that over the past decade, the Soviet Union has spent over $150 billion of their own SDI research. They are also in clear violation of the ABM Treaty by constructing the new phased-array radar near Krasnoyarsk in central Siberia.

A majority of my colleagues in the House of Representatives voted to force the President to comply with the "narrow" interpretation of the ABM Treaty out of fear that continued progress with SDI would damage our balanced relationship with the Soviets. These very same colleagues then performed an incredible feat of mental gymnastics by passing, unanimously, an amendment that "expressed the sense of the Congress that the Soviet Union was in violation of its legal obligation under the ABM Treaty regarding the radar installation."

The final method of sabotage was to show that even though SDI was a good idea, it could never work. The sole basis of proof is the much ballyhooed report of the study group of the American Physical Society (APS) which concluded that a successful deployment of SDI was improbable if not impossible. This report was clearly at odds with the findings of the Marshall Institute, a think-tank that believes the first phase of SDI could be deployed by 1994.

Much less publicized has been the critical review of the report by a group of noted scientists, led by Dr. Frederick Seitz who is a former president of the APS as well as the

National Academy of Sciences and winner of the National Medal of Science. Dr. Seitz states that the report had major faults and the study group, though comprised of noted scholars, lacked a single member with any experience in the technologies relating to SDI. He said: "The mistakes in the report are not small. They are major errors, by factors of as much as 100-fold. Furthermore, these errors and inaccuracies are, as far as we can tell, always in one direction—such as to make the plan for defending the American people—indeed the people of the free world—against a Soviet nuclear attack seem more difficult than it really is."

The report also ignored the fact that the first stage of SDI would be rendered from "off the shelf" technology. This already available technology would allow the United States a system that would defend against 10 percent of incoming missiles. This is a figure far too low for the critics; however, the benefits from even this partial defense would be immeasurable.

The most basic benefit is that it would give us a device to neutralize an accidental launch. Of even greater importance is that its deployment would make a Soviet first strike less likely. Remember, the main goal of a first strike is to neutralize the enemy and to destroy his ability to resist. Soviet missiles are trained on our missiles in order to eliminate our potential response. A defense system, even only 10 percent effective, would increase our missiles survivability. Confident that the United States can retaliate, even after a first strike, dims the chances of a Soviet first strike.

Today we stand at a critical junction in America's history. We must answer the question: How best to guarantee the peace and security of our Nation? Will we meet the challenges of new technologies head-on and commit our Nation to a program that will protect our citizens and lead to a true arms reduction. Or are we to listen to those, who through lack of resolve, would rather America match the Soviets missile for missile and rely on mutually assured destruction for our long-term peace? For me the answer to the question is easy. I choose to respond progressively and responsibly to our changing world. I intend to follow the path that will lead to a more secure tomorrow. My support for the Strategic Defense Initiative is firm. It will be the guardian of American liberty and prosperity. Mr. Speaker, SDI is an investment we can ill afford not to make.

WALTER CRONKITE OPPOSES THE FAIRNESS DOCTRINE

HON. THOMAS J. TAUKE

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 16, 1987

Mr. TAUKE. Mr. Speaker, several weeks ago the House passed legislation, H.R. 1934, codifying the so-called fairness doctrine. I argued during our debate that this doctrine is nothing more than direct governmental intrusion into the editorial process of the news medium the American public depends on the most—broadcasting—and therefore is an open contradition to the first amendment.

I recently received a copy of the following letter to the President from one of our Nation's most outstanding journalists, Walter Cronkite, outlining his opposition to this legislation. His cogent comments merit the attention of my colleagues, and I hope that all Members will pause to review his analysis of the impact that this legislation will have on news coverage.

CBS,
New York, NY, June 9, 1987.

The President,
The White House,
Washington, DC

My Dear Mr. President: As a journalist with nearly 40 years of experience in broadcasting, I am writing to urge you to veto S. 742. This bill, recently passed by Congress, would codify the so-called "fairness" doctrine, under which the FCC regulates the adequacy and fairness of broadcasters' treatment of controversial public issues. The enactment of such a law in this, the 200th anniversary of our great Constitution, would be bitterly ironic. For the effort of the government to regulate the "fairness" of the press is directly contrary to one of the Founding Fathers' most profound and most inspired visions: a free and independent press, protected from government censorship and supervision.

"Fairness" in news coverage is, of course, an important and laudable objective. What is fundamentally wrong with the fairness doctrine, however, is that it assumes for government the power and responsibility to regulate the adequacy and "fairness" of broadcasters' coverage of controversial issues. The First Amendment was added to our Constitution in 1791 to ensure that the government not engage in this sort of supervision of the press. We need only look at the history of the Amendment itself to confirm this view.

In 1791, a handful of newspapers provided information to the citizens of the fledgling nation. These newspapers were, by today's journalistic standards, remarkably partisan and, indeed, filled, as Jefferson noted, with "falsehoods, calumnies, and audacities." Yet our Founders, in their wisdom, did not attempt to impose standards of fairness, or balance, on the press. Nor did they suggest the establishment of a governmental agency to monitor the press' editorial content for bias or abuse. As much as they may have regretted the biases and excesses of the press of their time, the drafters of our Constitution and Bill of Rights nevertheless considered such things, in Jefferson's words, "an evil for which there is no remedy, [since] our liberty depends on the freedom of the press, and that cannot be limited without being lost." In the end, they made the determination, in the First Amendment, that "Congress shall make no law . . . abridging the freedom of speech, or of the press."

Yet, here we are, 200 years later, confronting a law, passed by Congress, abridging the freedom of speech and of the press. The Founders would be astonished and dismayed, I think, to learn that a major segment of the American press—indeed, the media on which the public most relies for news and information—must now answer to a government agency's review of the fairness, balance, and responsibility of its news reporting.

Mr. President, you have often noted the tendency of government regulation to have unintended—and unfortunate—effects. Just so here. The fairness doctrine was designed to enhance the depth and variety of broadcast coverage of controversial issues. Yet, it has had just the opposite effect: it breeds timidity and caution. When a news report about a controversial issue may entangle a broadcaster in time-consuming and costly government proceedings, the natural tendency of many broadcasters is to steer clear of controversy. Regulation of "fairness", in other words, inhibits rather than encourages a robust discussion of the issues of our day.

There is also simply no need for governmental regulation of "fairness" to assure a diversity of views. Unlike the situation 50, or perhaps even 25 years ago, when there were far fewer broadcast stations, the American public today has available to it an extraordinary range of choice in the sources of its news and information, from broadcasters, newspapers, magazines and cable television. Broadcast journlists no less than journalists in the print media, strive to the responsible in their coverage of public issues. We seek to govern ourselves by a standard of journalistic ethics which requires us to present both sides of controversial issues. No one will ever be able to assure that we always achieve that goal. We do not. We inevitabley make mistakes. But I respectfully submit that the nation can better tolerate some limited number of journalistic abuses than government oversight of the journalistic process with all its attendant risks.

Mr. President, your administration for many years has supported the view that this country is best served by a free market in our economic commerce. I urge that even more important is the free market of ideas, as Justice Holmes so eloquently termed it. Government regulation of our commerce in news and information is inconsistent with our most basic beliefs. The fairness doctrine injects a government agency into the editorial room, where government should have no place. It subjects journalistic decisions to government second-guessing and intimidation. And it treats broadcasters as second-class journalists, depriving them of the full freedoms rightfully accorded their print brethren.

I have spoken to many of my colleagues in broadcast journalism, and I know that they share my views. As a former broadcaster yourself, I hope that you also share our concern with protecting the freedom of broadcast journalists.

I respectfully urge you to veto this legislation.

Sincerely,

Walter Cronkite.

THE 78TH ANNUAL CONFERENCE OF THE SPECIAL LIBRARIES ASSOCIATION

HON. WILLIAM E. DANNEMEYER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 16, 1987

Mr. DANNEMEYER. Mr. Speaker, I am pleased to note that Anaheim, CA was the host city for the 78th annual conference of the Special Libraries Association, June 6–11. The challenges and opportunities involved in the worldwide transfer of information led to the formulation of the theme for the meeting. "Global Information Access—Expanding Our

World." The advances in communication and computer technologies, which enable us to receive, transmit, store, and retrieve data internationally, and the implications of these capabilities as they relate to the information management profession, were addressed in seminars and sessions throughout the 1987 SLA annual conference. It is estimated that more than 5,000 special librarians and information professionals were in attendance.

SLA has come quite far from its organizational meeting, held on July 2, 1909 in Bretton Woods, NH, with 26 charter members. Today, the association is made up of approximately 12,500 information managers and librarians in corporations, research centers, Government agencies including our own Library of Congress and specialized department of public and academic libraries around the world. More than 84 percent of SLA's members are women, with almost 50 percent employed in the corporate world, 13 percent in Government, 18 percent in education and 14 percent in nonprofit settings.

The goal of the Special Libraries Association is to advance the leadership role of its members in putting knowledge to work in the information society. Toward this end, SLA's Conference offers continuing education seminars and workshops to enhance its members' professional growth. Dr. Arno Penzias, vice president of research and development, at AT&T Bell Laboratories was the keynote speaker at the opening general session. Dr. Penzias, a Nobel Prize recipient for his contributions to the big bang theory of the origin of the universe, spoke on "Global Information Access."

In addition, more than 100 programs have been developed by SLA members, through its 29 interest area divisions, which included panel discussions, expert speakers and field trips.

Sunny, balmy Anaheim was an ideal location for this meeting. The abundance of attractions, fine hotels and nearby ocean views make Anaheim irresistable. I congratulate the association for its 78 years of "Putting Knowledge to Work."

LAKERS PROVE THEY ARE THE WORLD'S GREATEST

HON. JULIAN C. DIXON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 16, 1987

Mr. DIXON. Mr. Speaker, it is with great pride and satisfaction that I rise for the second time in the past 3 years to pay tribute to a truly exceptional collection of athletes and sportsmen—the Los Angeles Lakers.

For the fourth time this decade, the mystical talents of the league's Most Valuable Player, Magic Johnson, and the untiring efforts of the living legend Kareem Abdul-Jabbar combined to reward their loyal fans in Los Angeles with the National Basketball Association's championship trophy.

Mr. Speaker, the Lakers' offensive gallantry has long been lauded around the league. However, this past season they displayed a tenacious defense that served to effectively rattle and subsequently dissipate all opponents who dared to cross their path.

This Lakers team, assembled, motivated, and coached by the exceptional Pat Riley, proved that hard work and determination can win basketball championships and still be entertaining and exciting.

Congratulations to the entire Lakers organization for a well deserved trophy. And thank you, Lakers, for another championship season.

TRIBUTE TO MRS. REGAL KNECHT

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 16, 1987

Mr. LAGOMARSINO. Mr. Speaker, I appreciate this opportunity to extend recognition to one of my most distinguished constituents on the occasion of her recognition by the Volunteer Auxiliary at County Medical Center in Ventura, CA.

Mrs. Regal Knecht, for years arranged flowers and cultivated plants for profit in the nursery business. Now 87 years old, Mrs. Knecht does it for others to bring cheer and to earn a little extra income for the Volunteer Auxillary at County Medical Center in Ventura.

She grows a wide variety of flowers and potted plants that she donates for sale in the hospital's gift shop. She also arranges many of the floral bouquets sold there and works as clerk in the shop 1 day a week.

Honored among 150 hospital volunteers in observance of National Volunteers Week, Mrs. Knecht was awarded a plaque for 17,500 hours of volunteer work she has performed during the past 12 years.

Mrs. Knecht will continue to work with the Volunteer Auxiliary at County Medical Center. The hospital is within walking distance of her house, and she enjoys doing the work. She's been doing it for years and does not plan to quit now.

I extend to Mrs. Knecht the best wishes of this body and our hopes for an enjoyable and healthful future.

REPUBLICAN STUDY COMMITTEE ON LONG TERM AND CATASTROPHIC HEALTH CARE PRIVATE SECTOR SOLUTIONS

HON. DAVID DREIER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 16, 1987

Mr. DREIER of California. Mr. Speaker, on April 30, I had the honor of chairing a Republican study committee hearing to explore potential solutions available in the private sector which can address the problems of financing long-term health care. I would like to submit for the RECORD the comments of some of the members who participated in that hearing:

The Republican Study Committee met, pursuant to notice, at 10:15 a.m., in Room 2212, Rayburn House Office Building, Mr. David Dreier, presiding.

Present: Representatives Dreier, Crane, Ballenger, Shumway, Walker, Regula, Saxton, Kyl, Lewis, Lungren, Vucanovich and Slaughter.

Mr. DREIER. What a great experience wielding a gavel. It's very rare for a Republican to do that.

Ladies and Gentlemen and my fellow colleagues, I want to extend a welcome to all of you. I especially want to thank the witnesses who have come for a great distance to be here. We are anxiously looking forward to what certainly will be very interesting testimony.

The Republican Study Committee has put together this hearing to explore a variety of potential solutions available in the private sector which can address the problem of financing long-term health care for America's growing elderly population. Unlike other hearings on catastrophic and long-term care, we are here to take a somewhat different approach.

Many of the witnesses who have come here, have come as private citizens to talk about their experiences, either with a family member who has a chronic illness or from working directly with individuals who require long term care. They are the people who ultimately will be affected by any decisions we make here in Washington. I think you will find their comment, to be very revealing and refreshing.

Let me make just a few brief comments and then I'll recognize my colleagues, who want to make a statement as well, before we proceed with the testimony.

I will say that I am going to proceed with my statement. I am going to yield to one of my colleagues. I am going to go over for the Journal Vote that we have and then I will return and my colleagues, many of whom are faster than I am, will be able to have the last few moments to get over for that vote.

The House Ways and Means Committee is currently in the process of marking up a legislative package which would provide the elderly and disabled with catastrophic medical protection by limiting out-of-pocket hospital, physician and out-patient expenses. We all agree that providing acute catastrophic care is a necessary component of a long-term care package. But one criticism that is often voiced about this legislation is that it doesn't immediately solve the problems of catastrophic coverage for the general population and the cost of long-term care for the elderly.

We're here today to show that something can be done without placing additional burdens on the taxpayers and health care providers.

The extent of the problem is vast and growing. Today, about 5 percent of the 28 million elderly Americans depend on some form of institutional care at a cost of up to $22,000 per year. Within 25 years, an estimated 50 million Americans will need nursing home care. Bringing such care into Medicare could by many estimates, add an additional $50 billion a year to the program's $75 billion budget.

How would the government pay for such a program? Medicare and state Medicaid budgets will grow dramatically over the next few decades just to meet current mandated benefits. Ultimately, to finance a long term care program, a substantial increase in the Medicare payroll tax would be necessary because of projected deficits in both the Medicare trust fund and in the general treasury. Such a tax increase would be devastating to today's workers and to the medicare system as a whole.

Fortunately, as with most issues, we are here today as Republicans to offer what we think is a very viable alternative to address the long term health care issue.

We have legislation that would establish such vehicles to address this problem as Health Care Savings Accounts; medical IRAs combined with insurance; Medicare vouchers for the purchase of private long-term care insurance; state risk pools to provide protection for uninsurable Americans; tax incentives for the cost of long-term care premiums; and health Banks to encourage workers to purchase inexpensive catastrophic coverage and save for their out-of-pocket health care costs, just to name a few items.

Now, I'm not suggesting that any of these proposals alone can completely shelter a majority of Americans from the financial drain of long-term care. But, I think that today's hearing will show that, taken together, they offer a very viable alternative for massive spending proposals which have been offered by many and would certainly increase the already horrendous federal budget deficit and bankrupt Medicare.

I would like to call on my co-chairman, Mr. Kyl, for a statement and I'm going to go over to the House floor and I will be back so that we won't have to interrupt the hearing here at all.

Mr. KYL. I'll handle it for a few minutes here until our colleagues return. Thank you very much, Congressman Dreier.

I too would like to thank the witnesses for being with us today to talk about potential private sector solutions which address the problem of financing our long term health care needs and expenses.

Indeed consideration of the various forms of legislation to provide acute catastrophic care is a good first step, but the greatest concern regarding health care for the elderly is the ability to finance long term nursing care, custodian and home health care.

I think it would be wrong and misleading for the Congress to only address a small part of the problem and then declare that the problem was solved.

The number of Americans aged 65 and older will more than double between the year 1980 and the year 2040. The number that will need nursing home care is expected to increase five fold within that same period of time. The burden on federal and state Medicaid budgets, as Congressman Dreier indicated, will be severe, particularly in my home state of Arizona, which has a sizeable and growing elderly population. So finding a viable and affordable solution to the long-term care problem is a major problem for the Congress.

Proposals to expand Medicare and Medicaid are costly and will more than likely become a part of the problem, rather than part of the solution. On the other hand, private and supplemental insurance policies currently do not do enough to deal with the problem.

Today 70 percent of older Americans are on medigap policies or other private insurance that supplement their Medicare benefits, yet fully 9 out of 10 have no protection from long-term care expenses which can average about $22,000 per year. Current budget constraints will preclude a government sponsored remedy. Fortunately, as I hope we will hear today, there are a number of things that government can do to encourage the private sector to develop long-term health care financing options.

I know the witnesses will be expanding on these options in more detail and while it will not be possible for me to hear in person, the testimony of most of the witnesses, I look forward to reviewing your testimony and to visiting with you in the future about these problems.

Now, as my colleague has pointed out, the first thing that we have this morning, as the House went into session at 10:00 o'clock, is a vote on the Journal and that is a vote that I have about 5 minutes to make if I run. So, what I will do is temporarily recess our hearing to give you an opportunity to stand up and stretch for just a moment and then as soon as Congressman Dreier, he should be back, in perhaps 4 or 5 minutes, and can proceed with the testimony.

As I said, I have two other hearings this morning, I am testifying at one which begins at 10:30 and it's on the Senate side, so I will proceed from the Capitol on over to the Senate and will not be able to hear, at least the first witnesses, but I do look forward to reviewing your testimony and visiting with you in the future and I am glad that you are all here.

(A short recess was taken.)

Mr. SLAUGHTER. Ladies and gentleman, thank you for your patience. We will reconvene here and I want to make a brief statement to just say a few words about the subject and I'll keep my comments very brief.

My comments concern legislation that I introduced, along with colleagues Phil Crane and Dave Dreier in 1985 and again this year, the Health Care Savings Account Act, H.R. 995.

The primary purpose of this legislation is to put our endangered Medicare System on sound and financial footing, but it also includes provisions which I believe would improve the climate for the financing of long term care in the future.

Without getting into the specifics of the bill which is necessarily complicated by a very complex Medicare system, it provides tax incentives for contributions to a new savings vehicle, a health care savings account, the interest on which would accumulate tax free.

After retirement, individuals with these accounts would use these funds to finance their health care costs before making claims on Medicare. By reducing claims on Medicare, while maintaining the payroll tax revenues, the financial outlook of Medicare's trust fund will rapidly improve.

The amount of health care each individual would be responsible for financing in retirement would depend upon the amount contributed to his or her savings account over the entire working career.

The bill is drafted in such a way, however, that it is highly likely that individuals will have more savings account funds available than they need to purchase insurance to cover this new responsibility each year.

I believe that many of these individuals will utilize their excess savings account funds to purchase long term care insurance. I certainly realize that at present comprehensive long term care insurance is not available for the great majority of elderly Americans. There is an ongoing debate as to market viability and actuarial soundness of comprehensive long term health care insurance and I am hopeful that some of our panelists will tell us more about that.

There is little doubt in my mind, however, that an accelerated growth, indeed the real prospects of such growth, in the liquid assets of the elderly would create a stronger effective demand for such insurance. I believe this is precisely what is needed to induce insurers to bear the start up costs and the financial risks of aggressively marketing long term care insurance on a national basis.

It is my belief that many individuals will take their savings account funds, upon retirement, go to the private insurance industry and negotiate for a policy that will not only cover their new responsibilities in the acute care sector, but also long term care costs.

By using such a lump sum arrangement, I believe these individuals would be able to take care of nearly all their future health care needs, that is coverage for both the gaps in Medicare and long term care with the purchase of one policy at age 65. I believe such a policy would be affordable to those who have utilized the savings account over their careers as a build up in such an account even with small monthly contributions is tremendous.

I believe the Congress must swiftly act to approve the health care savings account legislation in order to build up the savings needed to substantially reduce claims on Medicare and to expand the availability and affordability of long term care health insurance. Thank you, Mr. Chairman.

Mr. DREIER. Thank you very much, I appreciate that, and I also want to congratulate my friend, Mr. Slaughter, for his fine work and leadership on the issue of the health care savings account.

We're very fortunate to have several of our other colleagues who have just come from the House floor and I would like to call on each of them for an opening statement.

Since I just arrived, I don't know who was here first. I would like to first call on my distinguished colleague from Ohio, Mr. Regula.

Mr. REGULA. Thank you, Mr. Chairman, I ask unanimous consent to submit my statement for the record in the interest of time, and congratulate you for the work you're putting into this effort. I think this is one of the serious problems that confronts the senior citizen population. It's a peace of mind to have the security of knowing that their not going to be wiped out by catastrophic illness and I hope that you will examine the many alternatives that have been put forth in the various bills introduced, that you can hopefully take a look at the potentials for home care so that people can stay in their own environment for a longer period of time and again thank you for the opportunity to be here.

Mr. DREIER. Thank you and we appreciate your fine work on this issue.

(Prepared statement of Congressman Regula follows:)

OPENING STATEMENT OF THE HONORABLE RALPH REGULA, OHIO, APRIL 30, 1987

Mr. Chairman, I commend you on your concern that serious attention be given to alternatives employing the untapped abilities of the private sector in protecting both the young and old from the devastation of catastrophic illness.

Traditionally, the structure of the American health care system and the delivery of care have been considered separately from the cost of that care. This is because large infusions of capital from private and public sources helped create a system isolated from the market pressures of cost. As health expenditures have sharply risen, however, purchasers have begun to redefine their role within that system, and a price-centered health care policy has emerged.

As price and utilization control have become the focus of both public and private health care policy questions have arisen regarding access and quality of care. The cross-subsidies and personal funds that have in the past met the costs of health care are being eroded.

Over the past three years, the Aging Committee's Subcommittee on Health and Long-Term Care has compiled data regarding catastrophic care and the broader issue of universal access to care. The conclusions of our study indicate that approximately one out of every five Americans is being denied care or receiving less care than adequate due to insufficient health care insurance.

In 1985, some 37 million Americans were without private or public health insurance, an increase of 25% over the previous eight years. Between 1981 and 1983, the years of the recent economic recession, Medicaid enrollees decreased by 1.1 million rather than increasing an estimated 635,000 to reflect higher unemployment. In fact, the Medicaid program has become inaccessible to 54% of all poor families compared to 37% in 1975.

The result is an unprecedented increase in uncompensated care to hospitals and less services to the sick, and, more subtly, a shift in public policy for funding health care. Those who are Medicaid-ineligible receive treatment under an informal patchwork of hospitals offering various services at different times based upon their bad debt load and government subsidies. Instead of a guarantee of certain minimal services, care has become a question of the individual hospital's finances.

The elderly are not exempt from this problem either. Although Medicare provides acute care and physician services it does not reimburse for the staggering costs of nursing home care. Of the $30 billion spent last year for long term care less than 3% was paid for by Medicare. Over half of the amount was paid by individuals.

Finding an adequate remedy to this issue is complicated in that the affected populations vary across social, economic and age-related spectrums. The final solution will likely be a patchwork of initiatives. It is my judgment that the private sector must be an integral part of the solution.

A recent report by Dr. Marc Cohen, of Brandeis University, suggests that long-term care, the most costly component of catastrophic care, is an insurable event. His team has found the expected lifetime costs of nursing home care across all ages are between $10,500 and $13,600. These costs are distributed very unequally. Only 13% of the elderly account for 90% of all nursing home expenditures. Given current life expectancy, the expected annual cost per person over age 65 is between $532 and $760. In the year 2000, the expected annual average costs of nursing home care per elderly person will range from $450 to $650. The decline in the average annual cost per person reflects shifts in the age structure and increased life expectancy. In the words of Dr. Cohen, "Figures presented here help establish the feasibility and desirability of long-term care risk-sharing arrangements among the elderly, like long-term care insurance, life care communities and other models."

I have introduced legislation, HR1182, which incorporates many of the original recommendations of the "Bowen" plan, as well as the use of Medical IRAs and a novel public/private approach known as Statewide Pooling Corporations. These organizations are private corporations supported by public and private dollars to purchase insurance or services for eligible state residents. It creates a partnership between state, federal and private sectors, emphasizing the active participation of insurers. HMOs, and other health care providers.

I am confident that the testimony provided by our witnesses will offer an insight into this complex and ever-changing issue.

A TRIBUTE TO REPRESENTATIVE EDWARD BOLAND

HON. CHESTER G. ATKINS

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 16, 1987

Mr. ATKINS. Mr. Speaker, As the Iran-Contra scandal investigations enter their second phase much has been said and debated about the Boland amendment. As a result of these hearings, our colleague EDWARD BOLAND has gained a great deal of national recognition.

Yet, Mr. Speaker, EDDIE BOLAND's accomplishments are not limited to this one amendment! During a career as a public servant that has spanned over half a century, EDDIE has quietly and diligently made major contributions to his district, the Commonwealth of Massachusetts, and to the entire country.

In the June 15 edition of the Washington Post, Congressman BOLAND finally received national recognition for his many accomplishments. At this time, I would like to insert that article into the CONGRESSIONAL RECORD.

THE BOLAND ACHIEVEMENT

(By Sidney Blumenthal)

Edward P. Boland seems an improbable man at the storm center.

Seated behind his nameplate, in the front row of the select committee on the Iran-contra scandal, the 75-year-old congressman from Springfield, Mass., has peered through his clear-frame glasses, almost clinically inexpressive during the first phase of the congressional hearings. In his spare opening statement about the clash between "policy and constitutional principle," it was typical of the self-effacing Boland that he never mentioned the amendment that is at the heart of the clash and bears his name.

The Boland Amendment is actually a changing series of measures on the contras reflecting the shifting sentiment of Congress on Central American policy. Outrage at the secret mining of Nicaragua's harbors led to the framing of the amendment's most ironclad version. From October 1984 to September 1985, it prohibited funds "available to the CIA, DOD or any other agency or entity of the United States involved in intelligence activities" from "supporting, directly or indirectly, military or paramilitary operations in Nicaragua."

But far from halting a subterranean foreign policy, Reagan's men, directed by Lt. Col. Oliver North, began to construct what Richard V. Secord has called "the Enterprise"—a clandestine apparatus to provide for the contras until the White House could again persuade Congress to resume the funding.

Partly as a consequence of the Boland Amendment, the scandal may be gathering into a crisis. What is at issue is beyond partisan divisions, beyond the combat of contras and Sandinistas. The question now, as Boland believes, is whether the president and the National Security Council staff are above the rule of this law. If they are, the old republic, as Boland understands it, will have been replaced by a new imperium.

Reagan, in fact, signed the Boland Amendment and has said he was adhering to its strictures, but his ultimate defense is that he is exempt:

"It so happens that it does not apply to me," Reagan told U.S. News & World Report on May 25 while denying that he had violated it. "And there is nothing that has ever been done in the Boland Amendment that could keep me from asking other people to help the rebels."

"Swiss cheese," said retired major general Secord, referring to the amendments, not to bank accounts.

In a concerted display of op-ed strength, conservatives have contended that the Boland Amendment was the real crime, usurping the president's rightful prerogative in foreign policy and breaching the separation of powers.

"Unconstitutional in intent," opined George F. Will, the columnist.

As slings and arrows are hurled at Boland, he remains taciturn. "The attack is building all the time," he says, "Maybe that's the only way out for them."

But Boland dismisses the view that the passage of his amendment was a symbolic indulgence, or an unconstitutional doctrine. "It's not even a law? Swiss cheese full of holes? The first amendment that was offered passed in 1982. That passed [the House] by 411 to nothing—*to nothing.* That was the first one . . .

"Does the National Security Council come in under it? I think so. Obviously, there was no question raised by the administration at the time it was passed. You know, they've got the whole Department of Justice to ask for legal opinions. If they thought it was unconstitutional that would have been a good time to question it."

In the meantime, the Boland Amendment is scourged. "George Will does it," says Boland. "Oh, he's a smart, intelligent guy. Who's the other columnist? Charles Krauthammer. He's a good writer, incidentally. He's smart. So you get him. You get James Kilpatrick. You get The Wall Street Journal and the Washington Times. That's about the size of it."

For all that, says Boland: "It is the law * * * no technicalities there. No confusion there. * * * It is as clear as a bell—*clear as a bell.*"

And if it is the law, he continues, "It would be a very significant question, given the way the hearings are going, if the law was broken by this administration. That question will be answered in time, and it may well be answered by the court."

The Boland Amendment is more famous than Boland. He has no interest in 15 minutes of fame, preferring 34 years so far of national political influence. A conspicuous display of importance, to him, would be gratuitous and imprudent.

"I don't like the limelight in this situation," he says. "I think you have the responsibility of staying out of it." His biographical entry in the Congressional Directory, inserted by him, is three terse lines: name, party, district and congresses to which he was elected. It is the shortest entry in the book. No one remembers Boland ever having called a press conference. And he never gave an interview about his role as the first chairman of the House Intelligence Committee.

Boland has the modesty of one whose standing where he is best known—The House of Representatives—is not modest.

"When you get done writing all the history, the reason this whole strategy of the administration unraveled is that they decided to lie to Eddie Boland rather than tell the truth," says Rep. George Miller (D-Calif.). "This is not a guy who's a flash in the pan. What you had were all his years of credibility." And when he proposed the Boland Amendment, says Miller, "people had to take a step back and say, whoa, this is Eddie Boland."

"If the Boland Amendment had been anyone else's it wouldn't have passed. It would not have had the institutional significance," says former congressman James Shannon, the Massachusetts attorney general, who has been close to Boland. "It wouldn't have happened if you didn't have someone from the background Eddie comes from."

"I'm not a fan of the Boland Amendment, but I am a big fan of Eddie Boland," says Rep. Richard Cheney (R-Wyo), chairman of the House Republican Conference. "You won't find as many members of the House as respected as he is. He took the Intelligence Committee when it was brand new and made it into something significant. On our side of the aisle you won't find anyone to say anything bad about him."

Boland's devotion to his office has been almost priestly. He married at 62, after having roomed for 24 years with Tip O'Neill, whose family remained in Cambridge. "Frankly," says the former speaker of the House, "his life was politics. He studied every night."

Many mornings Boland eats breakfast with a couple of members of the Massachusetts congressional delegation. He is of an older Irish American political strain that is not breezy or casual. He is given to long silences, especially among those with whom he shares implicit assumptions such as the old political virtues of loyalty and friendship. "He honors the New England code: Only talk when it improves the silence," says Christopher Matthews, O'Neill's former press secretary and now president of the Government Research Corp.

He has lived his political life within hierarchies as complex as the Vatican, and slowly risen. He appears to be the opposite of a true believer, but is governed by a belief in how the American government is supposed to function so deep that it is inseparable from who he is. Only after this belief was profoundly offended did he begin to formulate his amendment. His intent was to restore, not obliterate, the separation of powers.

"He is one of those quiet men of the House, who in fact make it work," says Sen. Daniel Patrick Moynihan (D-N.Y.), who, as former vice chairman of the Senate Intelligence Committee, worked closely with Boland. "He has absolute integrity and no personal interest, only the interest of his district and his country * * * The office is his vocation. There is none other."

"A lifetime," say Boland on what he has contributed to politics. "I've been here a long period of time—hell, 18th term."

His parents were immigrants from County Kerry, Ireland. And his father was a railroad worker. He grew up in the Irish ethnic neighborhood of Hungry Hill, where politics was as natural as breathing. In Springfield, Boland came to know other young politicos; Lawrence O'Brien, who would become John F. Kennedy's crackerjack campaign operative and Democratic National Committee chairman, and Joseph Napolitan, who would become a founder of modern political consulting and an international strategist.

But Springfield politics, unlike Boston's, was not noted for its colorful chicanery and clamor. "The elections are very civilized compared to Boston, less vitriolic," say Napolitan.

Within Massachusetts, Springfield has been a crucible of first-rate political figures who have played secondary roles to Boston politicans. In this light, Boland has been the exemplary Springfield politician.

In 1934, when the midterm election results resoundingly reaffirmed support for the New Deal, the 23-year-old Boland, just graduated from the Boston College Law School, was elected to the Massachusetts legislature, a body dominated by Republicans. Two years later, he was joined by young Tip O'Neill. While O'Neill stayed on, becoming the first Democratic speaker of the Massachusetts House, Boland returned home, to become the Hampden County register of deeds. He was so popular in this minor post that he wound up securing both the Democratic and Republican nominations for reelection.

In 1952, the year of the Eisenhower ascendancy, Boland was elected to Congress, arriving in Washington with his old friend O'Neill. Together they rented an apartment and became known as the capital's odd couple. O'Neill, tall and stout, was the sloppy one; Boland, short and thin, was the neat one. "Eddie was the alarm clock," says one who knows them. The refrigerator was stocked with beer and cigars. "I don't think we ever had a meal in the place," says Boland.

At every station of O'Neill's progress, Boland was there. "I nominated him for the position of majority leader twice, and for the office of speaker five times. He won each time," he said in a warm tribute, delivered on the occasion of O'Neill's retirement.

O'Neill always believed that their Bay State experience gave them a head start in Washington. "They play a hard cruel game," says O'Neill about the Massachusetts legislature. "If you come to Washington, you have a five- or six-year advantage on your freshmen congressmen."

Boland soon became friendly with another young Massachusetts representative, John F. Kennedy, five years his junior. According to O'Neill, "They were very close." Both of them broke with most of the delegation to vote for the St. Lawrence Seaway, thought to threaten the local economy, as a sign that they would transcend parochial limitations.

Kennedy's 1960 presidential campaign was a crusade to Irish Americans of the Democratic faith, and Boland was a knight. His assigned duchy for the general election was Ohio (which voted finally for Richard Nixon). Boland's office is a veritable Kennedy shrine, containing a small bust of him and three framed pictures, one showing Boland shaking JFK's hand as Lyndon Johnson looks on.

Over the years, Boland quietly accumulated seniority, quietly promoted O'Neill within the leadership and quietly helped transform ailing Springfield into a thriving postindustrial center through the adroit use of federal programs.

In 1973, he quietly married 35-year-old Mary Egan, a bright lawyer who had been president of the Springfield city council. "A surprise," says O'Neill. It was whimsically remarked in Springfield that Egan was the only serious potential rival for Boland's seat. Every weekend, he quietly commuted home. And within six years he had four children.

His political vulnerability reached the vanishing point. He had not faced a serious challenger in decades. In 1982, he spent $47 on his reelection campaign. An infinitesimal 4 percent of the voters in his district regard him negatively, according to a 1987 poll conducted by Joseph Napolitan. "He doesn't make a lot of noise," says Napolitan. "And he does extraordinarily well."

O'Neill, in the meantime had become speaker. Every Wednesday, at 6:30 a.m., he was briefed by the CIA. "It was so confidential," says O'Neill, "I couldn't tell my wife. So after about three months I said to myself that this is crazy. There ought to be an intelligence committee." In short order, the House created one; and so did the Senate. "Everyone I put on that committee I trusted," says O'Neill. "I knew of nobody more trustworthy than Eddie—of the greatest sincerity, dedicated to the country and dedicated to keeping his mouth shut." When the Reagan team moved into Washington, Boland had been chairman for four years.

By the end of 1981, the administration had secretly organized the contras. In December, in a closed session of the House Intelligence Committee, officials explained that these contras existed only to halt arms flowing from the Nicaraguan regime to the El Salvadore rebels. Boland's skepticism, according to a source, was aroused. And he expressed it in a confidential letter to CIA Director William Casey. But he did not rush to controversy. Every step he took was carefully measured. Thus began the tortuous history of the Boland Amendment.

Throughout 1982, Tom Harkin, then a Democratic representative and now a senator from Iowa, advanced a bill that would cut off all contra funding. He was a Vietnam veteran, and he feared another quagmire.

"I wanted to believe the administration in what it wanted done: interdict the flow of arms into El Salvador," says Boland. With old-fashioned bipartisan spirit, Boland crafted what may be considered the first of several incarnations of the Boland Amendment—which continued to finance the contras, but prohibited the rebels from using the money "for the purpose of overthrowing the government of Nicaragua or provoking a military exchange between Nicaragua and Honduras."

The administration gave the signal, and the Republicans in Congress unanimously supported the measure.

"That doesn't prohibit anything," muttered Casey, after this Boland Amendment passed in December 1982, according to a former Intelligence Committee staff member.

Within the House Democratic Caucus, the younger and liberal members argued that the administration's policy was deceitful. Boland, however, kept them at a distance. "He thought we were young, irascible, pretty far to the left," says George Miller. "He essentially didn't believe me for a long period of time."

"He is instinctively cautious, has great respect for the institution of the presidency, and believes the president should have real authority over foreign policy. He didn't have the built-in-questioning that the younger Democrats have," says James Shannon. "He would never have moved if the administration had been honest. But they lied."

In the spring of 1983, Boland was traveling in China with O'Neill. Every day the U.S. Embassy provided him with press clippings. Says Boland: "Christopher Dickey [of The Washington Post] was traveling with the contra group. The clear evidence he got from those who were contras and leaders was that they were interested in over throwing the government of Nicaragua, more interested than in the interdiction of arms * * * There was deception there." Then more news stories appeared, featuring the contras boasting about the road to Managua.

And Boland began to move.

His personal emissary, Rep. Wyche Fowler Jr. (D-Ga.), then a member of the Intelligence Committee and now a senator, was dispatched to Central America to investigate. He reported to Boland that his amendment was being violated.

Reagan, for his part, claimed on April 14, 1983, that he was "complying fully" with the Boland Amendment: "We are not doing anything to try and overthrow the Nicaraguan government."

In an unusual secret House session on July 19, Boland led the debate. "He was so determined and so deliberative in his presentation," says Miller. "You felt this is an institutional inside player; his best friend is the Speaker; you felt this guy was standing on 10 feet of concrete in his argument. He came in that determined voice to send the signal to members of Congress that this whole policy was a subterfuge. He wasn't going to misrepresent to his colleagues what was going on. It was his pride, his sense of the institution. That's why the issue turned. He started to occupy center stage. He started getting larger and larger."

"This secret war is bad U.S. policy," said Boland about a week later on the House floor, "because it does not work, because it is in fact counterproductive to U.S. interests, because it is illegal."

The House promptly cut off all contra aid. The Republican-dominated Senate appropriated $50 million. And a compromise—$24 million—was eventually granted.

Then, Boland learned that Nicaragua's harbors had been mined months previously by the CIA without informing either the House or Senate intelligence committees. He took the floor on April 14, 1984: "The first announcement—the first announcement—of the mining was made by the contras—the contras—not by the Intelligence Committee, not by the CIA, not from the briefings that we heard, but made by the contras on Jan. 8, Acts of war by the United States against Nicaragua are wrong, absolutely wrong."

"The instinct to deceive overwhelmend them," says Moynihan about the administration.

"I think the whole committee was distressed," says Boland. The atmosphere was one of "shocked disillusion," says Moynihan. Sen. Barry Goldwater, then chairman of the Senate Intelligence Committee, sent Casey a letter expressing the collective dismay.

Boland himself was prompted to introduce the toughest version of the Boland Amendment. Its intent, as understood by the committee, was never in doubt.

"The notion that it might be ambigous was never broached in any conversation in the Intelligence Committee," says Moynihan. "The matter was thought settled, a policy was thought revised."

"You could make a technical argument that it was not specific enough, but one has to strain to reach that conclusion," says Sen. William Cohen (R Maine), vice chairman of the Senate Intelligence Committee.

The loophole that Reagan now claims, that the NSC was not included in the amendment and therefore not subject to its fiat, was never thought to be a loophole by Congress. By law and history the NSC served the president solely as an advisory body, and thus lay beyond congressional oversight. Nobody imagined that the NSC would be transformed into "the Enterprise."

The administration, according to Cohen, has created "a Catch 22 problem": It insisted that the NSC was not operational, and now argues that the Boland Amendment did not apply because it failed to mention the NSC. "Sophistic," says Cohen about this logic. "They transfer the activities to the NSC and say they are not covered by the Boland Amendment."

"The amendment," says Boland, "is crystal clear."

But the administration refused to consider the issue settled. it followed a two-track policy.

In public, it sought congressional approval of military and "humanitarian" aid to the contras. In the aftermath of Reagan's landslide reelection, a decisive bloc of House Democrats quivered and, in 1986, voted for $100 million in contra funding, which passed. "No, $100 million does not buy a contra victory," said Boland during the debate. "It buys continued fighting to no apparent conclusion."

Meanwhile, in private, the administration constructed "the Enterprise" to transgress the Boland Amendment and covertly finance the contra war. Soon, Reagan's men were found on the doorstep of the Ayatollah Khomeini, offering arms for alms.

In the end, the improbable man turns out to have been the inevitable man. When confronted with what he came to regard as a reign of deception, he could not turn away.

On the opening day of the select committee's hearings, Arthur Liman, the Senate chief counsel, watched Boland quietly assume his seat. "The first witness who sees Boland will have a heart attack," he said offhandedly.

But the administration has disputed the amendment's relevance. Witnesses like former North aide Robert Owen—"the Courier"—trace the origin of the entire affair to Congress, which acted "wrongly in stopping funds for the effort." Conservative opinion-makers offer similar jibes.

Yet the official who was supposed to "monitor Ollie," Assistant Secretary of State Elliott Abrams—"Mr. Kenilworth"—told the panel that the amendment applied to everyone in the administration.

On June 8 another witness, Bretton Sciaroni, the counsel to the President's Intelligence Oversight Board, confessed that his September 1985 classified opinion that the amendment did not apply to the NSC was based on superficial and incomplete evidence. Still, he clung to his opinion. Sciaroni explained that he had flunked the bar exam four times, that this was his debut at analyzing legislation and that his was the only legal analysis of the amendment made by the administration.

"Very useful," said Boland of Sciaroni's testimony. "Very enlightening."

As the crisis builds, so does the heated ideological contention around the Boland Amendment.

To which Edward P. Boland simply replies: "It is the law."

Mr. Speaker, I again salute my colleague and good friend EDWARD P. BOLAND—a man who has come to personify the true spirit of a public servant and the conscience of Congress.

PRIVATE SECTOR OPTIONS FOR LONG-TERM CARE

HON. D. FRENCH SLAUGHTER, JR.

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 16, 1987

Mr. SLAUGHTER of Virginia. Mr. Speaker, with catastrophic care legislation swiftly moving through both Houses of the Congress, I thought it would be appropriate at this time to include in the RECORD some of the views of my colleagues on the important issue of long-term care, as voiced at a recent discussion on this complex topic.

Mr. SHUMWAY. In California, during the Easter break, I sponsored a hearing of the Aging Committee. We had some 33 witnesses appear before that committee to talk about their views on the reauthorization of the Older Americans Act and as you might expect, much of the discussion during that day centered on health, both long term care and in home care.

One of those who testified, I think, summed up the concern that old and young alike feel, when he suggested that we need to keep well because we can't afford to be sick. I think there is a growing awareness that the ranks of senior citizens in America are growing today, but in addition to that, seniors are living longer today than ever before and certainly that poses a real challenge to Congress and to all of us trying to devise ways to meet their needs which are very important.

I think part of the problem lies in perception. Many seniors believe that Medicare covers long term care, for example, and they don't realize that most private insurance plans do not cover those very steep expenses for long term care. I think it's unfortuante that medigap policies don't often fill the gap in Medicare coverage at all.

The fact that public funding has favored nursing home care over non-institutional care for community based care has further contributed to the dilemma that we must resolve.

I strongly believe that the solution to the long term care problem must come from the private but not the public sector and therefore I am pleased to be a co-sponsor of Congressman Slaughter's bill to permit health care IRA's and there are other worthy proposals which are in keeping with the federal government's role of helping to shape health care policy without committing public resources beyond what the federal government can afford.

For this reason, Mr. Chairman, I look forward to the testimonies of today's panelists and I ask unanimous consent to submit my entire statement for the record.

Mr. DREIER. Thank you very much. I appreciate my California colleague joining us here today and I know he spent a great deal of time on this issue.

[The prepared statement of Congressman Shumway follows:]

STATEMENT OF THE HONORABLE NORMAN D. SHUMWAY

Mr. Chairman: I appreciate the opportunity to participate in today's hearing, and commend my colleagues, Rep. Dreier and Rep. Kyl, for their foresight in convening this forum to discuss the important issue of financing long-term care. I recently sponsored a hearing of the Aging Committee in my hometown of Stockton, California. The topic of the hearing was reauthorization of the Older Americans Act, and part of our discussion centered on health, long-term, and in-home care. One of my constituents summed by the overriding concern of young and old alike when he suggested that "We need to keep well, because we can't afford to be sick."

I concur with the premise of this hearing, which is that while financial protection against catastrophic health care costs is very important, the need for long-term health care protection is of equal or greater importance. Thanks to modern technology, seniors are living longer today than ever before. But this technology is almost as costly as it is miraculous.

Recently, the California Department of Insurance conducted a study of insurance coverage of various of long term care services. The study group estimated that in 1985, $35 billion was spent for nursing home care and $9 billion for home health products and services. 51.4% of the nursing home cost was borne directly by patients, while 41.8% was borne by Medicaid. Only 1% of those costs were paid by private health insurance. Long term care is the largest element of health care cost borne by consumers without third party assistance, and it consumes almost half of the nationwide Medicaid budget.

Further, long term care is the principle cause of impoverishment of the elderly today. It diverts Medicaid and Title XX funds from other health needs of the poor. Tragically, much long term care which could be provided in the home is provided in nursing homes so that Medicaid will pay for it. Although Medicare was designed to assist the poor, half of its resources are used to subsidize middle class nursing home patients. As another of my constituents suggested, "This occurs even though the middle class could probably afford to finance most of its long term care needs, were a risk-spreading mechanism available."

Part of the problem is, of course, perception. Many seniors believe that Medicare covers long term care. And they do not realize that most private insurance plans do not cover the potentially steep expenses for long term care; it is unfortunate that "Medigap" policies often do not fill the gap in Medicare coverage at all. The fact that public funding has favored nursing home care over non-institutional care for community-based care has further contributed to the dilemma.

I strongly believe that the solution to the long-term care problem must come from the private- not the public-sector. I am a cosponsor of Rep. Slaughter's bill to permit health IRAs, and there are other worthy proposals which are in keeping with the federal government's role of helping to shape health care policy, without committing public resources beyond what the federal government can afford. I look forward to the testimonies of today's panelists.

Mr. DREIER. Continuing right along the Sun Belt, across the country to Florida, I am happy to call on my colleague, Tom Lewis.

Mr. LEWIS. Thank you. I want to extend my thanks to you and to the Study Committee for extending me the opportunity to serve on this panel today to discuss this issue of great importance to Floridans and all Americans.

Catastrophic health care was one of the catch phrases of the 99th Congress. It has become the legislative issue of the 100th Congress and has prompted a score of initiatives intending to address the problem of sky rocketing costs of medical care.

The question is no longer if Congress will address the issue or what will be done and how will it be financed. I am particularly concerned with insuring adequate coverage for all Americans without creating budgetary havoc within the barebones fiscal atmosphere of 1987.

Clearly the private sector must play a key role in finding a solution. The Administration has taken a giant first step toward bridging the gap in health care financing by supporting the proposal submitted by the Secretary of HHS, Otis Bowen.

I applaud the initiative by Dr. Bowen and his staff who brought needed attention to this issue. Unfortunately, the Bowen plan addresses only the financing of acute long term illness. (If the cost of living long term chronic care, nursing homes are expensive and even middle class families who have saved carefully for retirement can be impoverished.)

When a spouse or parent requires more than home or hospital care, a problem lies with financial drain that will be self financing. Private sector initiatives to provide better and more affordable insurance for nursing home care will insure that both the consumer and government will be protected.

Of course, we must not allow the insurance companies which refuse to participate to make their own rules and police themselves. The only way to make sure that every American has access to adequate protection is for the government to set guidelines and remain involved in the oversight role. This is a responsibility which we cannot delegate to others.

The government has traditionally taken on costly programs to provide health care to all risk groups. These are the routes of Medicare and Medicaid. Private sector initiatives have not been used to their full potential.

I applaud the efforts of this group for bringing out the possibilities for increased involvement of the vast resources of our system to provide for our citizens and one who comes from Florida whose constituency makes up about 24 percent of retired people, with a heavy majority of those people on Medicare, I am certainly concerned as to what we do in the interest of catastrophic health care and long term health care. It is most important. Thank you, Mr. Chairman.

Mr. DREIER. Thank you very much, Mr. Lewis. Appreciate your contribution.

We have been joined by two of our colleagues. I would first like to call on Jim Saxton from New Jersey.

Mr. SAXTON. Thank you, Mr. Chairman.

It is with a great deal of pleasure that I am able to be here this morning to join with my colleagues to address the heart of the catastrophic health insurance debate.

The question, of course, is how do we provide long-term care insurance for the 28 million older Americans who face the very real threat of financial devastation in the event of an acute or chronic illness.

With the lead from the President, from a year or so ago in his State of the Union Address, and his activities since that time, legislation capping out-of-pocket expenses and other physician and out-patient services is currently moving through the House, with many different proposals, I might add.

While this is an important step, my communications with constituents in my district in the Southern part of New Jersey and the experience of the panel members testifying today, demonstrates the urgent need for the development of a comprehensive plan; one that offers protection from the overwhelming expenses of long-term care.

At the rate our elderly population is expanding, it has been estimated that long-term care coverage would cost up to $50 billion just 25 years from today.

However, we cannot afford to continue without adequate protection. The challenge posed to all of us today is how to develop an innovative and affordable plan that will provide comprehensive coverage for older adults of today and of the future.

I look forward to hearing the testimony this morning from our distinguished panel and I look forward to taking part in the future discussions on this subject.

Mr. DREIER. Thank you very much, Jim.

Now, I would like to call on my colleague from Illinois, Mr. Phil Crane.

Mr. CRANE. Thank you very much and I would like to thank our two chairmen, Congressman Dreier and Congressman Kyl for holding what I think is a much needed hearing on long term health care.

This comes at a fortuitous time because the Ways and Means Committee, as you know, is going to be taking up the so called Stark-Gradison catastrophic legislation next week and one of the things that Congressman Slaughter and I and Congressman Dreier have argued for better than a year now is that that makes no provision for long term health care costs and we have co-authored legislation to try and accomplish that, a bill that would, in effect, create a health care IRA which, as far as we're concerned, is an infinitely more sensible approach because it could also deal with the catastrophic problem and deal with it in a way that it's not putting the kind of burden on the tax payer on the one hand, that is contained in the Stark-Gradison legislation and, on the other hand, deals with long term health care problems and simultaneously reduces some of the pressure that inevitably is going to be felt on the funding for government health care programs, so I simply want to welcome all the experts and panelists that are before us today and look forward to their testimony.

Mr. DREIER. Thank you very much, Phil. I appreciate your contribution and your hard work on this issue.

[The prepared statement of Congressman Crane follows:]

STATEMENT: CRITIQUE OF STARK-GRADISON

I would like to thank the two Chairmen, Congressman David Dreier and Congressman John Kyl for holding this much needed hearing on long-term health care. This hearing comes at the eve of the Ways and Means Committee mark-up the Stark-Gradison bills, "The Medicare Parts A and B Catastrophic Protection Acts of 1987." Since the Stark-Gradison expansion of Medicare does nothing to provide long-term, or nursing home, health care, I look forward to hearing the testimony from today's witnesses on how we should avoid increased government involvement in the health-care field and instead, seek private sector alternatives for providing long-term care.

I would also like to take a moment to point out some of the problems with the Stark-Gradison approach, which appears to be the likely outcome of Tuesday's mark-up.

The Stark-Gradison expands Medicare through two pieces of legislation, H.R. 1280 and H.R. 1281. H.R. 1280 would amend the Social Security Act to limit Medicare beneficiaries' out-of-pocket costs for Part A covered services ($541 in 1988) and finance these and Part B benefit expansion included in H.R. 1281, by taxing the subsidized value of Medicare coverage. H.R. 1281 would amend the Social Security Act to limit Medicare beneficiaries' out-of-pocket costs for Part B covered services to approximately $1,000 in 1989 and expand the Medicare benefit with regard to home health and outpatient mental health services. Another section of the bill requires states to pay the Medicare premium deductible and coinsurance amounts for all elderly and disabled with incomes up to the Federal poverty level. Changes concerning the Federal standards and requirement for Medicare Supplemental Insurance policies are also included in the legislation. Lastly the Part B premium is increased to make the proposal appear budget neutral.

As I stated earlier, these two bills do nothing for the issue of long term care, the primary fear of the elderly and the greatest out-of-pocket liability borne by the elderly. Nor do these two pieces of legislation seek a way to assist individuals who incur high-cost prescription drug bills as a result of a catastrophic illness. Nor does the Stark-Gradison approach cover the "extra-bill" above assigned payment rates and provide services that are not covered by Medicare. I welcome the testimony of today's witnesses on how the private sector insurance market—which could very well be decimated once Stark-Gradison replaces it with another government entitlement program—is beginning to provide such coverage.

The bill's silence on these issues might be a blessing in disguise, assuming Stark-Gradison would have paid for such an expansion of Medicare in the same manner they pay for their own Medicare expansion plan.

One of the most atrocious provisions of the bill is the financing mechanism. The Stark-Gradison bill will pay for its expansion of Medicare with a tax increase on the elderly. This financing mechanism will raise $26.5 billion in additional taxes from the elderly over the next five years. In order to pay for this huge tax increase, each Medicare beneficiary must add $1,760 to his or her income in 1988, and, by 1992, the CBO estimates that this amount will grow to $2,838. The $1,760 translates into an average tax increase of $407 for 46% of the Medicare beneficiaries per year. Individuals in the $20,000-$30,000 income ranges will pay as much as $320 in additional taxes per couple. Those in the $30,000 to $50,000 income range will pay as much as $282 per person, or $564 per couple.

What is even more disturbing is the estimate by the Ways and Means Committee that, only one year after Tax Reform dropped 6 million people from the tax roles, the Stark-Gradison bill will add about 2 million people right back!

What I also find very disturbing about the approach taken by Stark-Gradison approach is the idea that the private sector should be replaced by yet another government entitlement program. The Medicare program currently covers 28.4 million Americans; 65.4 percent of them now are covered by supplemental coverage (Medigap insurance) and 7.8 percent are dually eligible for Medicare and Medicaid. For the populations with Medigap policies or Medicaid coverage, virtually all their health care costs are met. Beneficiaries who purchase Medigap policies already have Stark-Gradison-like coverage or better. The Stark-Gradison bills only provide a partial Medicare stop-loss, and thus are not a complete equivalent to Medigap, which generally covers some or all of the first dollar cost-sharing as well as the catastrophic out-of-pocket expenses.

Why, then, must the Stark-Gradison approach provide coverage for those who do not need it? The answer, of course, lies in the fact that if you force a huge percentage of the Medicare population into an entitlement program, there will be a large enough tax base to justify transfering their income to the small percentage of elderly who cannot afford Medicare Supplemental insurance.

But let us take a look at this small percentage of the elderly population who will actually benefit from the Stark-Gradison approach.

Only 157,000 Medicare beneficiaries will benefit from the elimination of the co-payments on hospitalizations beyond the 60th day and the lifetime limits. Many already do not pay this cost-sharing, as hospitals absorb these costs as bad debt, which is ultimately reimbursed by Medicare. Hospitals indicate only a handful of beneficiaries actually will pay full hospital charges using up the lifetime hospital days. But, of these 12,000 individuals, a large percentage of them are already covered by Medicare supplemental insurance policies. Is this $26 billion expansion of Medicare really necessary to pay for such a small handful of the elderly?

I am certain that the testimony at this hearing will provide useful insights into the problems of increasing the government involvement in the health care field at the expense of the private sector. Certainly, the approach of Stark-Gradison, that increasing taxes on the elderly to pay, shrinking the market for private health insurance, and expanding government entitlements foreshadows the possible approach which Congress might take when dealing with the issue of long-term care. It is not too late to turn to the private sector for alternatives to providing both increased coverage for nursing home care and for acute care. Again, Chairman, I congratulate you on providing an opportunity for members of Congress to examine the important issue of long-term care.

INDIAN GOVERNMENT MUST PROVIDE TIMELY AND MEANINGFUL TRADE RELIEF ON U.S. ALMONDS OR FACE RETALIATION

HON. TONY COELHO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 16, 1987

Mr. COELHO. Mr. Speaker, since 1981, the U.S. almond industry has suffered continuous frustration in its efforts to restore fair access to the Indian market. It was in 1981 that the Indian Government revoked open general licensing on almond imports and reinstated a regime of ever-increasing licensing restrictions and prohibitive tariffs. Our Government has attempted over the past 6 years through every possible means to persuade the Indian Government to return to open general licensing and lower its high tariffs—but with no success. Having no other recourse, the almond industry in conjunction with the U.S. Government have now launched a section 301 investigation against these unfair and restrictive licensing and tariff barriers.

India's licensing practices are in blatant violation of the GATT. Under the GATT, quantitative restrictions implemented through import licenses are prohibited unless imposed for balance of payments reasons. Since India's balance of payment picture has substantially improved since 1981 when India revoked open general licensing, there is no justification for their increasingly restrictive licensing requirements. These increased restrictions have occurred in the face of exhaustive bilateral requests for return to open general licensing.

The restrictive effect of the licensing scheme is compounded by the practice of small importers transferring their licensing permits to larger importers for a premium. This practice has intensified the price distortions on U.S. almonds. Significantly, the transferring of licenses is illegal under India's own domestic law. Yet, despite their full knowledge of this practice, Indian officials steadfastly refuse to take corrective measures.

Much the same pattern has been used in the area of tariffs. The tariff on shelled almonds has an ad valorem equivalent of approximately 216 percent; the rate on inshell almonds is equivalent to 128 percent. Nowhere else in the world are the tariffs on almonds this high. Moreover, these rates far exceed the average Indian tariff rate of 66.2 percent. Like the licensing scheme, the almond tariffs continue to increase.

The damage caused by these concerns has been exorbitant. It is estimated that India's restrictive practices have cost the California almond industry up to $10 million a year in lost sales. In 1983 there were 12 United States companies selling California almonds in India. Today there is only one.

At last our Government has taken an aggressive step to seek both open general licensing and a radical reduction in the almond tariffs. We in Congress do not intend to watch the 301 case flounder in the GATT with no hope of resolution. If the President is unable to obtain an elimination of these restrictive practices in timely fashion, it is recommended that Indian cashews—which are competitive with United States almonds and enjoy unencumbered access to the United States market—be the subject of retaliation. Unless the 301 petition results in substantially free access for United States almonds, we have no choice but to subject Indian cashews to quota and tariff barriers comparable to those imposed by India on United States almonds.

CONTINUING HAPPINESS TO THE O'GEEN FAMILY OF LEROY, NY

HON. LOUISE M. SLAUGHTER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 16, 1987

Ms. SLAUGHTER of New York. Mr. Speaker, I rise today in recognition of the O'Geen family of LeRoy, NY. On June 3, 1937, Louis J. O'Geen and Anna Ruth Bataglia were married at St. Joseph's Church in LeRoy. I ask my colleagues to join me in congratulating them as they celebrate the 50th anniversary of their wedding.

The O'Geens are both first generation American citizens whose parents immigrated to New York from Sicily. Mr. O'Geen was born in LeRoy and has lived there all his life. He worked with the New York Central Railroad until 1936 when he and his brother started the O'Geen Press. This job printing company was the first to publish a local advertising paper, The LeRoy Advertiser. Mr. O'Geen worked at the press for 42 years until he sold the company in 1978 and retired.

Mrs. O'Geen also grew up in LeRoy and has worked the majority of her life in the area. In the late 1970's, she retired from her position at Bausch & Lomb. Mrs. O'Geen is a curio collector who boasts of a large collection of Hummel figurines. Mr. O'Geen is an avid stamp collector.

The O'Geens, in their retirement, have remained active in the LeRoy community. Mr. O'Geen is a charter member of the LeRoy Chamber of Commerce and helped organize the little league there. Mrs. O'Geen is active in the LeRoy St. Joseph's Church Rosary and Altar Society.

Fifty years of sharing their lives has given the O'Geens three children: Josephine, John Louis, and Anthony Paul. They have been additionally blessed with six grandchildren: Terri, John, Daniel, Ann Marie, Beth Anne, and Mary Margaret. The entire O'Geen family will gather on June 19, 1987, for a special celebration of their parents' everlasting strength, faith, and love.

The O'Geen family stands proudly as a fine example of the American family tradition. Their bond has survived the test of time and strenghened. It is fitting that we join the O'Geen family in celebrating the enduring love of their parents, Louis and Anna Ruth. I wish them continuing happiness.

CITICORP WITHDRAWS FROM SOUTH AFRICA

HON. GARY L. ACKERMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 16, 1987

Mr. ACKERMAN. Mr. Speaker, I rise today to express my extreme pleasure with Citicorp's decision to withdraw its assets from South Africa.

Several months ago, President Reagan described South Africa as the economic locomotive that would drive the region toward prosperity and self-sufficiency. He argued that withdrawing American business interests would prove contrary to the desired goal of creating a free South Africa. Apartheid, he stated, would be abolished through quiet negotiations. At the time, I commented that if South Africa is a train, then apartheid represents the tracks on which it rides. It maintains a straight and unswerving path. It ensures that the train will remain on course, moves in one direction, and prohibits a majority of citizens from enjoying the ride.

Citicorp is our Nation's largest bank and its actions are monitored closely by competitors, investors, and governments. The decision to withdraw from South Africa was not an easy one. However, it comes at an appropriate time and sends a vital message to Pretoria. Eleven years ago today, thousands of people lost their lives in the riots in the black township of Soweto. Just 1 week ago, the Rev. Leon Sullivan, the creator of the Sullivan Principles on corporate guidelines in South Africa, wisely reversed his position. He no longer saw a contructive role for U.S. business in the fight against governmental racism. His plea now calls for all U.S. industry to leave the country and allow "every American moral, economic, and political force" to be brought to bear against apartheid.

Citicorp has taken the first difficult step toward realizing this objective. The measure is harsh and the losses significant. But the discomfort inflicted upon U.S. interests pales in comparison to the humiliation of racist oppression and the grief of friends and families as more people perish in the turmoil of South Africa.

Citicorp has shown that big business can and does have a moral conscience and I commend Citicorp's officers and directors for their action.

A BETTER WAY TO REMEMBER KENNETH G. WARD

HON. AL SWIFT

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 16, 1987

Mr. SWIFT. Mr. Speaker, H.R. 2100, which the House passed yesterday, names the new border station at Lynden, WA, for Kenneth G. Ward. Mr. Ward was a U.S. Customs inspector who was slain while performing a routine check on a vehicle entering the United States from British Columbia, Canada, on May 24, 1979. Mr. Ward was the 31st Customs officer to be killed in the line of duty.

Kenneth Ward was hardworking and dedicated, exemplifying the best qualities of Federal service. Mr. Ward, known to his fellow officers as Gerry, was described by them as top-notch and top of the line. Previous to serving 8 years with the Customs Service, Ward was with the Border Patrol of the Immigration and Naturalization Service. He also served his country in the U.S. Army.

This bill has the support of both the U.S. Customs Service and the General Services Administration which owns the building. The local Customs Service officers who serve on the border in my congressional district originated the idea of dedicating the new station to their fallen comrade. They took up a collection of their hard-earned money for a memorial to honor Ward. When the District Director heard about this, she got behind their efforts, and Customs paid for a brass plaque which is now on the building.

H.R. 2100 will not bring back Gerry Ward's life, but it will serve as a constant reminder of the risk that Gerry and his fellow officers, whether they work for Customs, Immigration, or another branch of the Federal Government, face every day to protect our borders. Since Gerry Ward's death, three more Customs employees have died serving their country.

These jobs have, over the last decade, changed from one of a mostly clerical nature, to one of mostly a law enforcement nature. During fiscal year 1985, Customs inspectors made 17,324 arrests, including 1,832 from the FBI's National Crime Information Center [NCIC] network. In fiscal year 1986 total arrests increased by 28 percent and the NCIC arrests increased by 38 percent to 2,537. Customs inspectors make more NCIC arrests than all other Federal agencies combined, and all of these arrests are felony arrest. I hope that Congress will recognize this change soon, and treat these dedicated Federal employees who put their lives on the line to protect our borders in the same fashion we treat other Federal workers with law enforcement responsibilities.

That would be an even better way to remember Kenneth G. Ward.

MADONNA COLLEGE CELEBRATES ITS 40TH ANNIVERSARY

HON. CARL D. PURSELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 16, 1987

Mr. PURSELL. Mr. Speaker, I have the privilege today of commending Madonna College of Livonia, MI, in celebration of its 40th anniversary of distinguished service to its community and the State of Michigan.

Madonna College is a Catholic coeducational institution sponsored by the Felician Sisters. Within the framework of a strong liberal arts curriculum, it offers pre-service and inservice career-oriented programs, and awards associate, bachelor, and master degrees.

Founded by the Felician Sisters as Presentation Junior College in 1937, it was renamed Madonna College in 1947 and incorporated as a baccalaureate institution. It became coeducational in 1972 and initiated its first graduate programs in 1982.

Since its origination, Madonna has continued to serve the needs of its students and community. Its special dimension of caring has met the educational demands of an industrialized urban area with a warm, personal quality.

I ask my colleagues in the U.S. House of Representatives to join me as I extend my warmest congratulations to Madonna College on this, its 40th anniversary.

GASOLINE PRICES RISE: WHAT WILL OUR REACTION BE?

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 16, 1987

Mr. STARK. Mr. Speaker, for months we heard of plummeting gasoline prices and people around the country again enjoyed Sunday afternoon drives, switched from commuting on public transportation back to cars, and the administration itself relaxed fuel economy standards.

Some who were more cautious reminded us that we would not enjoy these prices forever, and that we should plan for a future time when gasoline prices would not be so low. I am inclined to agree with this group. It takes looking at only one simple fact to make this point—oil is a finite resource.

For the past 7 weeks gasoline prices have consistently risen by over an average of 0.6 cent per gallon for a total of 4.2 cents thus far. Across the country gasoline prices are at their highest point in over a year and this trend is expected to continue through the summer. Low gasoline prices may be nearing their end. Before we get to a crisis situation we need to scale down our dependency on gasoline.

To this end I introduced H.R. 1816, a bill to repeal the administration's authority to lower the Corporate Auto Fuel Economy [CAFE] standard and to return it to 27.5 mpg as it was required by the Motor Vehicle and Cost Savings Act. The CAFE standard was enacted by Congress during the 1970's energy crisis to promote energy conservation and to ease our dependence on foreign oil. Between 1975 and 1985 this law saved consumers $50 billion and dramatically reduced U.S. foreign oil dependency.

In the 1970's the country was caught offguard in terms of conservation measures. From the experience we now know the telltale signs to look for—such as rising gasoline prices and increased oil imports. These two occurrences are staring us in the face. Now is the time for government and the concerned public to develop, without panic, policies that will resolve future energy needs fairly and practically. The CAFE standards are a proven tool in this regard.

I urge Members to take a look at the increasing cost of gasoline and to support my bill, H.R. 1816, which will begin to reduce our dependency on this precious resource, and to promote the conservation of it for future generations.

SAY "YES" TO FITNESS, "NO" TO DRUGS

HON. PETER J. VISCLOSKY

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 16, 1987

Mr. VISCLOSKY. Mr. Speaker, I rise today to salute a group of dedicated and imaginative individuals and organizations in northwest Indiana who have joined forces to combat drug abuse among our children by emphasizing and ecouraging physical fitness.

The program, "Say 'Yes' to Fitness, 'No' to Drugs," is geared so that the students compete against themselves to improve their physcial fitness. Unlike other fitness programs where the youngsters must compete against others or attain group goals, in this program they are encouraged to show personal improvement over an extended period of time. It is hoped that participants will be instilled with a sense of personal motivation and self-improvement. When students realize that they can control their lives, the attraction to drugs will diminish.

The lack of physical fitness of many of our schoolchildren is well documented—and the results are alarming. Numerous studies have demonstrated that youngsters are generally fatter today than their counterparts in the mid-1960's. It has been estimated that the proportion of children who are obese has risen by more than 40 percent in the past 15 years. It is ironic that while a growing percentage of those over 21 years of age go to the health club, take aerobics classes or participate in some regular physical activity, our children do less and less. This latter situation must be reversed.

The sponsors of the program, Our Lady of Mercy Hospital, McDonald's Corp. and Omni 41 Sports Complex, as well as the teachers and students in the participating schools are to be commended. They are trying to deal with a situation before it becomes a problem. Their efforts deserve our recognition and admiration.

VA EMPLOYEES VOICE STRONG SUPPORT FOR THEIR MEDICAL COMPUTER SYSTEM

HON. G.V. (SONNY) MONTGOMERY

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 16, 1987

Mr. MONTGOMERY. Mr. Speaker, a controversy over the effectiveness and cost of the Veterans' Administration's medical computer system, known as the Decentralized Hospital Computer Program [DHCP] system, has arisen in the Congress. As chairman of the Committee on Veterans' Affairs, I have scheduled many oversight hearings on this important medical computer system over the past several years and the reports on its effectiveness and costs have been uniformly very positive.

Since our hearing of April 8, 1987 on this important subject, I have received many letters from veterans and Veterans' Administration employees in support of the DHCP.

I would like to share with my colleagues a copy of a letter which I received from Dr. Daniel M. Baer, chief of the laboratory service at the Portland, OR, VA Medical Center, that demonstrates how the VA employees feel about "their" medical computer system. The letter follows:

TUALATIN, OR,
May 14, 1987.

Hon. G.V. MONTGOMERY,
Chairman, House Veterans' Affairs Committee, Rayburn House Office Building, Washington, DC.

DEAR MR. MONTGOMERY: I wish to express my thoughts concerning the VA's Decentrailized Hospital Computer Program [DHCP]. I am Chief of the Laboratory Service at the Portland VA Medical Center, Chairman of the VA Medical Center's Computer Committee and a member of the VA Laboratory Special Interest Users Group [SIUG]. The SIUG is appointed by the Director of Pathology Service, VA Central Office and is responsible for setting the functional requirements of the Laboratory Module, testing it for compliance with these requirements, and planning and initiating educational programs to implement the computer system and keep it operating.

Our Medical Center, which had no previous computer experience, has successfully implemented all of the current modules of DHCP system. We are convinced that it provides us with more accurate patient care information in a more timely manner than our previous manual system.

The DHCP system has benefits that are not found in comparable commercial systems. I wish to discuss these in the following paragraphs.

The DHCP system was developed by users representing a cross section of VA Medical Centers. The method of development was unique in that members of the developing SIUG had an opportunity to work directly with the software developer by communicating from their Medical Centers with a central computer as it took shape. This allowed very fast development which was responsive to the users.

I enclosed a copy of a paper from one of the scientific journals describing this method of development. We are convinced that using this method, the VA is able to develop software that is more responsive to the users needs in a shorter period of time and at less cost than can be done by commercial developer.

A single set of computer software was developed for VA Medical Centers of all levels of complexity and size. This was possible because a large amount of flexibility in choices of computer operation were written into the programs. This was known as Site Configurability. It was planned to allow the computer staff and users at the individual Medical Centers to set up the software in a manner that was most appropriate for the individual location. Comparable commercial systems frequently do not allow the users to make the changes that are required to adapt the software to the local needs. The user is thus held captive to the vendor and must pay fees to the vendor's programmer to make these changes. This seriously limits the flexibility of the system and does not allow it to change as local conditions change.

In a similar way the software that has already been developed is continuing to evolve. Through electronic mail and other means users of our systems are continually making suggestions for improvement. Through the SIUG we have a mechanism to incorporate improvements into the software. Many of the improvements have been developed by users in the field who are able by simple utility programs to develop new and improved applications of the computer software. Commercial systems discourage this kind of broad based user development, insisting that only their programers make changes in the software. Moreover, many commercial software developers have failed to provide improvements for their system, over the years.

In addition to the CORE software developed at the VA computer development site, talented computer amateurs at many of the VA Medical Centers have written additional programs that have a high clinical or management utility. For instance at the Portland VA Medical Center we have developed programs to assist scheduling of operating rooms and to notify services throughout the Medical Center of the current operating room schedule, on inventory control and supply ordering system, and an inventory system for control of hazardous and toxic chemical throughout the Medical Center.

Implementation of the DHCP system has not been without problems, however, I believe that most of the problems have been related to insufficient computing capacity of the computer hardware that was originally supplied, insufficient numbers of appropriately trained computer center personnel and the resistance of some individuals who were required to implement the computer system without having first understood its benefits. In spite of these problems there has been wide spread implementation within a time frame that compares favorably with implementation of other comparable large computer systems.

Development and implementation of the VA/DHCP system has in my opinion been highly successful and because of the high level of involvement of its users it is likely to evolve at a rapid pace providing capabilities which will be envied and copied by the private sector. I urge your continuing and vigorous support for this system.

Sincerely,

DANIEL M. BAER, M.D.

PERSONAL EXPLANATION

HON. ESTEBAN EDWARD TORRES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 16, 1987

Mr. TORRES. Mr. Speaker, I was unavoidably absent on official business during rollcall votes No. 174 through No. 179 on Thursday, June 11. Had I been present on the House floor, I would have cast my votes in the following manner:

Rollcall No. 174, "no," Hefley amendment to H.R. 4.

Rollcall No. 175, "no," Hiler amendment to H.R. 4.

Rollcall No. 176, "aye," Gonzalez amendment to Hiler amendment.

Rollcall No. 177, "no," motion to recommit.

Rollcall No. 178, "aye," final passage of H.R. 4.

Rollcall No. 179, "aye," approval of House Resolution 190.

THE DEPARTMENT OF STATE AUTHORIZATION BILL AND THE ELEVENTH ANNIVERSARY OF SOWETO

HON. THOMAS J. DOWNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 16, 1987

Mr. DOWNEY of New York. Mr. Speaker, today we commemmorate the tragic events that began in Soweto 11 years ago. On this day in 1976, the South African police murdered a 13-year-old student, Hector Peterson, and sparked weeks of rioting in the black townships. This morning's news reports informs us that over 1 million Africans are observing this day by staying away from work. Across the United States, local communities will observe this day with rallies and memorial services.

Today here in Congress we have our own opportunity to pause and reflect on the events that transpired in Soweto, and, perhaps more importantly, we have an opportunity to do something. We have before us on the floor of the House H.R. 1777, the Department of State authorization for fiscal year 1988. Today, we will have to vote on a number of amendments to the bill which seek to give aid and comfort to South Africa in its war against its neighbors.

Since the Reagan administration came to town in 1981 it has been single minded in its support for a two track approach to southern Africa. One track—best known as constructive engagement—involves increased support for the apratheid regime in its war against its own population. The other track—less well known, but every bit as critical to the survival of apartheid—involves increased support for South Africa in its military agression against its neighbors and in its military occupation of Namibia.

Mr. Speaker, as you know, Congress has repudiated the administration's policy of support for apartheid. Unfortunately, we have not been quite as clear in our opposition to South Africa's policy of carrying its war against Africans beyond its borders.

The South African regime can only be encouraged by continued administration support for Jonas Savimbi in his war against Angola. Today, we may have the opportunity to vote on an amendment to H.R. 1777 which would have the effect of legitimizing Jonas Savimbi's insurrection under international law. Should this amendment pass, it will be a major victory for South Africa, which has up until now been the mainstay of Savimbi.

The South African regime can only be encouraged by continued efforts to bring down the Government of Mozambique. Today, we may have the opportunity to vote on another amendment which would prohibit the United States Government from providing foreign assistance to Mozambique which faces a serious South African inspired and supported insurrection. Should this amendment pass, the people of Mozambique will be at the mercy of the scorched Earth policy of South Africa's hired guns.

The South African regime can only be encouraged by the attempts to prevent American citziens from hearing first hand from Namibians and South Africans about the state of war that now exists in South Africa. While Jonas Savimbi is feted in Washington and Johannesburg, it is proposed that representatives of the South West Africa Peoples' Organization and the African National Congress be barred from freely traveling in the United States. Should this amendment pass, we will be marching in lock step with the apartheid regime in its attempt to remove the public spotlight from its deadly policies.

Mr. Speaker, I urge my colleagues to vote against these amendments. We have taken a stand against apartheid with our votes for sanctions. We must not allow those votes to be undermined. We must not now give to the South African regime the support we took away last year. I would hope that my colleagues would remember the courage and determination of those African students who began their school boycott 11 years ago and stamped the evil of apartheid firmly into the international conscience. We should not betray their vision today.

STRUGGLE FOR HUMAN RIGHTS

HON. CARDISS COLLINS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 16, 1987

Mrs. COLLINS. Mr. Speaker, as the 100th Congress continues its important legislative work, Congressman MILLER and I are honored to be the 1987 cochairs of the Congressional Call to Conscience for Soviet Jewry. As we work on reducing the trade and budget deficits, welfare reform, housing, and other issues facing this Congress, we must not forget the most fundamental of issues—the abuse of human rights that takes place in the Soviet Union and too many other parts of the world.

As the era of glasnost raises our hopes for a more open Soviet society, now, more than ever, is the time to push the struggle for the basic rights Soviet Jews are denied. As we credit the Soviets for allowing the Anatoly Shcharanskys to emigrate, we must not forget the Vladimir and Maria Slepaks, the Valery and Svaione Federovs, and the thousands of others still denied their basic rights. As Members of Congress we hold a special responsibility to press for human rights, and we in Congress are indebted to groups such as the Union of Councils for Soviet Jews that have worked tirelessly for these rights.

The Congressional Call to Conscience is an important tool in the continuing struggle for human rights. We urge our colleagues to use this forum so that a week does not go by without a plea—a call to conscience—to the Soviets to allow religious liberty, cultural freedom, the right to emigrate and other freedoms for Jewish as well as all peoples. Congressman JEFFORDS will make the first statement this week.

TRIBUTE TO KENNETH GIBSON, FORMER MAYOR OF NEWARK, NJ

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 16, 1987

Mr. RODINO. Mr. Speaker, I take great personal pleasure in joining my fellow New Jerseyans in a tribute to Kenneth Gibson, the former mayor of my hometown, Newark.

For many of us, Ken Gibson epitomizes the American dream and devotion to public service. The son of a butcher and a seamstress, Ken grew up in Newark and worked his way through the New Jersey Institute of Technology—then known as the Newark College of Engineering—graduating with a degree in engineering in the 1950's. He worked as an engineer for the New Jersey Department of Transportation, the Newark Redevelopment and Housing Authority, and, later, the Newark Bureau of Buildings. Like many Americans of conscience and vision, Ken helped lead the civil rights movement to make our Nation more compassionate and fair—for all its citizens.

In 1970, Ken directed his commitment to civil rights and to his community toward city hall—and he made history as the first black mayor of newark and the first black mayor of a large eastern city. In an era of despair, upheaval, and racial tension—one of the most divisive in the history of Newark and our Nation—Ken Gibson's leadership as mayor of Newark helped restore public confidence in government and helped launch sorely needed economic revitalization. For the first time in their lives, black children living in Newark could look at their mayor and see not a detached outsider, but a reflection of their possibilities, their hopes and dreams for a better future. They saw a mayor who cared about equal opportunity for all Americans, a mayor who helped bring millions of dollars in aid to Newark for housing, health care, and economic recovery. During Mayor Gibson's term, Newark saw the establishment of the Gateway complex, which has become a springboard for reviving downtown business areas. Under Mayor Gibson's leadership, the Newark Airport grew and Newark's universities—Rutgers University, the University of Medicine and Dentistry of New Jersey, and the New Jersey Institute of Technology and Essex County College—thrived.

Mayors from all over the United States, impressed with Ken's innovation and skill, selected him as president of the U.S. Conference of Mayors in 1976—a leading voice for urban reform.

Among Ken's many honors are the Congressional Black Associates Award, the Fiorello H. LaGuardia Award, Time magazine's Outstanding Young Man Award, and the Jefferson Award.

Ken once eloquently spoke of his urban philosophy when he said that American cities are "The heart of our Nation, pumping blood of survival into the towns, townships, hamlets, and rural areas of our Nation." This commentary serves as a warning to those who ignore the role that urban areas play in the collective health of our country, and Ken Gibson's 16 years of leadership and service to the people of Newark remind us of the greatness cities can achieve.

TRIBUTE TO VIRGINIA DE ST. PAER

HON. HENRY J. HYDE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 16, 1987

Mr. HYDE. Mr. Speaker, every once in awhile, someone very special is accorded recognition by her neighbors and friends. Such a person is Virginia de St. Paer, who on Sunday, June 21, will be honored by the Republicans of Du Page County as one of their most distinguished members.

A resident of Wheaton for 30 years, Virginia has been a leading and energetic force among party members, who are celebrating her 11 years of outstanding service as Du Page County Republican Chairwoman. Her valuable contributions to the community are well known and appreciated by all of us who know her as a good and loyal friend.

In 1975, Virginia was named "Woman of the Year" by the Du Page County Federation of Women for her selfless contribution to good government. Virginia also served as president of the Wheaton Women's Republican Club from 1967 through 1970, and has dedicated 30 years of service to the party and the county's Republican central committee. In 1983, Virginia was honored for her volunteer service effort in the community during the "Yea! Wheaton Celebration."

In addition, Virginia has been a vital source of service in clubs such as the Women's Department Club of Wheaton, P.E.O. Chapter J.O., the Home Garden Club of Wheaton and the Wheaton A.M. Homemakers.

So today, I join with her husband Claude, her children Sue and Jerry, and her many dear friends in honoring this special person who has given so much of herself to others.

INNOVATION AMONG THE YOUNG AND AMERICA'S STANDARD OF LIVING

HON. WES WATKINS

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 16, 1987

Mr. WATKINS. Mr. Speaker, as some of my colleagues know, for the past 4 years, on my initiative, we in southeast Oklahoma have been encouraging innovative and creative thinking as a means to try to solve some of our economic problems. We are teaching in the vocational-technical school system problem solving as a part of the curriculum. One of the results of that curriculum is the New Products and Processes Fair.

The challenge is to define a problem which needs to be solved by a new product or a new process which not only solves the immediate problems but also could possibly result in a factory or manufacturing plant to actually manufacture the product. Through this mechanism, we have not only solved problems, but we have also created new jobs and new businesses to make and sell the products so conceived. The first New Product and Process Fair was held in 1983 and drew 41 entries. Last month, the fourth New Product and Process Fair had 257 entries and 2,500 people came and saw what was new and innovative. There are several categories so as to encourage adults and youngsters; students and others, to think and then enter the competition with the results of their thinking.

This concept, originated in southeast Oklahoma, has made my district a leader in this new concept which is now being adopted by other regions of Oklahoma as well as other States.

In this connection, it is with particular pride that I point to an accomplishment of a fifth grader in my district. Allison M. Goeden, a fifth grader in the Stillwater, OK, school system, has been declared a regional winner in the Invent America Program. The daughter of Mr. and Mrs. Galen Goeden conceived a battery-operated spoon which, when attached to a cooking utensil will electrically stir the cooking contents without being operated by hand. Allison chose the name of "Spoon Magic" for her device which was impressive enough to take a regional prize. From the list of regional winners, 45 were selected to enter the national competition, which I assisted in judging. All 45 winners, their parents teachers, and congressional representatives have been invited to attend an ice cream social June 24 to further recognize these young thinkers.

Invent America is a program which teaches kindergarten through the eighth grade how to think creatively and innovatively. One of the stated purposes of Invent America is to promote excellence in education through the invention process. A young organization formed only a year, Invent America has been embraced by schools in 15 States including Oklahoma.

It is my judgment that, for the United States to reclaim its place as a world leader in innovation and technology, we should perhaps consider ways to meld the concepts of Invest America, the elementary and secondary school system, the vocational technical schools, as well as higher educational institutions; and programs such as my New Products and Processes Fair, along with program long espoused by industry leaders such as Westinghouse Electric Co., just to name one, and scientific organizations, as a means to further create interest in creative and analytical thinking and in the sciences and scientific engineering.

To further call attention to this need, I have introduced a joint resolution designating the week of June 21–26 as "Invent America Week," and I call on my colleagues to join in cosponsorship.

We must think and we must work to compete in a global economy.

Thank you, Mr. Speaker.

A TRIBUTE TO CONCERNED CITIZENS OF WESTCHESTER COUNTY

HON. JOSEPH J. DioGUARDI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 16, 1987

Mr. DIOGUARDI. Mr. Speaker, I rise to pay tribute to an effort by my Westchester County, NY, constituents to help raise private funds for the homeless of our county.

Concerned citizens of Westchester County, involved in the WFAS AM/FM Bikeathon for the Homeless, will be cycling to Washington, DC, on June 25 to increase public awareness of the plight of the homeless and to help raise funds for the Coalition for the Homeless, the Coalition of Westchester Food Pantries and Food Kitchens, and the Have a Heart for the Homeless Committee.

While the Federal Government has a pivotal role to play in assisting the homeless of our Nation, those taking part in the WFAS bikeathon are important to the effort to promote private sector voluntarism.

The participation of the Federal Government in the effort to ameliorate the pains of homelessness can be augmented by those in the private sector who, through their kind help, involve themselves and their businesses in the effort to help their fellow man.

In addition, Mr. Speaker, those who are taking the time and effort to bike their way to Washington to lobby on behalf of the homeless deserve special praise for their efforts and I want to pay tribute to Ross Pollack of Hartsdale, Margot Brown of New Rochelle, Hon. Paul Feiner of Hastings, Christopher Guglielmo of Yonkers, Adam Klotz of Rye Brook, Michael Molinelli of White Plains, Larry Paquette of White Plains, Berth Weil of Yonkers, Winston Gonzalez of Yonkers, Hilary Kao of Pound Ridge, Susan Lauer of Hartsdale, Martin Zagari of Larchmont, Russell Roman of Yonkers, Raphael Riverso of Hartsdale, Les Mahon of Greenburgh, James Halsey of Mount Vernon, and Richard DiGiacomo of Eastchester.

Norman Weil III, the news director of WFAS AM/FM, deserves special thanks for his effort on behalf of the homeless and I lend my full support to the bikeathon's goal of helping those less fortunate than ourselves.

Thank you, Mr. Speaker.

GOMPERS SECONDARY SCHOOL TOPS IN NATION

HON. JIM BATES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 16, 1987

Mr. BATES. Mr. Speaker, it is with great admiration that I rise today to pay tribute to Gompers Secondary School in San Diego, CA, which has recently established itself as the top scholastic science school in the Nation. Students at Gompers have one of the lowest dropout rates in the school district and are regarded as the top science, math, and computer students in the State of California.

According to the Principal Marie Thornton, the school's underlying philosophy is that students can achieve and they can succeed. With encouragement and positive reenforcement such as this, it is no wonder that the students have achieved and they have succeeded in winning the National Science Olympiad for junior high school students, and placing second at the high school level.

I would like to congratulate these students for their diligence and hard work in establishing themselves as the top science students in the country. They raised the money they needed for themselves with the support of their community and their teachers.

I commend the students, staff, and community for their drive, dedication, and their willingness to strive for the best in themselves.

VOTE "NO" ON THE AMENDMENT TO KILL THE NATIONAL ENDOWMENT FOR DEMOCRACY

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 16, 1987

Mr. COURTER. Mr. Speaker, I was not surprised to see that an amendment will be offered tomorrow, June 17, to the State Department bill to abolish the National Endowment for Democracy. There is a small—very small—minority in this House which continues to represent the Endowment as the epitome of evil interventionism. I can not imagine a more baseless charge against this bipartisan American effort to promote democracy. And yet the charges persist. It was in 1984, when the Endowment was barely a few months old, that George Will wrote a column on attempts, as he put it, "to slay the butterfly of democracy." Every year since, the same angry minority has appeared wielding its cleaver. And so while I am not surprised that the effort to kill NED has arisen again, I am indeed very troubled by it.

The Endowment has a very small budget and does with it a great deal of good. The New Republic, for example, has given regular and thoughtful praise to NED. As one staff editorial written just before Mrs. Aquino came to power declared in January, 1986:

> NED supports democratic developments in countries whose governments . . . would prefer not to see democracy developing at all . . . This is the case now in the Philippines, where fully ten percent of NED's money is going. It is also the case in Paraguay, Chile, South Africa, and other countries where it takes bravery to want social and political change . . . In Guatemala, NED aid was critical in mobilizing the population for the recent election, which has given that country its first hope in decades of ending the reign of terror.

What problem does the sponsor of the amendment to kill NED have with such work?

Mr. Speaker, the recent National Endowment for Democracy conference held here in Washington witnessed the presentation of a special award to the honorable gentleman from Florida, the chairman of the House Foreign Affairs Committee, [Mr. DANTE FASCELL] a partisan of the Endowment. Among the letters of thanks to Chairman FASCELL on that occasion were messages from the heads of democracies around the world. Their praise of the NED deserves our notice. One came from the President of Argentina, a new democracy. Margaret Thatcher wrote to wish NED "every success." The President of Costa Rica was thankful for the "opportunity to offer (the) Endowment, and all those involved in its lofty purposes, all of my support and solidarity."

But the most striking cable by far came from Corazon Aquino, President of the newly democratized Philippines. Let me cite from what she wrote:

> We shall always remember in gratitude and appreciation the Endowment's important assistance to the democratic struggle of our country. Such contributions and commitment to the hopes and ideals of democracy is the Endowment's greatest legacy, not only to the Filipino people, but to the rest of humanity.

I can not do better than that. I'll end my remarks with that assessment by President Aquino about the hope that NED has offered. She knows.

ARLINGTON HEIGHTS FIRST 100 YEARS: A CAUSE TO CELEBRATE

HON. JOHN EDWARD PORTER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 16, 1987

Mr. PORTER. Mr. Speaker, I have the honor of representing a large portion of the fine village of Arlington Heights, IL. It is with great pride that I congratulate Mayor James T. Ryan and the village board of trustees, the Arlington Heights Centennial Commission and the 70,000 residents of this great community on celebrating the 150th anniversary of its founding and the 100th anniversary of its incorporation as a village.

Arlington Heights was originally known as Dunton, named after the man who first settled the area in 1836, Asa Dunton. The town Mr. Dunton founded 150 years ago soon became home to hundreds of Americans and German immigrants moving westward in search of rich farmland. The Klehm Nursery, the Arlington Elevator Co. and the Sigwalt Sewing Machine Co. were just some of the local industries that provided jobs for the growing population of the area in the late 19th century.

The post-World War II boom brought rapid commercial and residential growth as thousands of young families moved to Arlington Heights from nearby Chicago and from around the country. The community evolved into a bustling bedroom suburb without losing the appeal of the small town atmosphere that had initially drawn the new residents to it. Currently, Arlington Heights is home to 275 corporations and small businesses including Honeywell Computers and Arlington Park racetrack, where each summer the finest thoroughbreds and jockeys in the world compete in the Arlington Million horse race. Also, an ambitious development project is now being undertaken in the downtown area that will combine economic growth with careful planning and aesthetic beauty.

A strong commitment to education is a long time Arlington Heights tradition. What started out in 1849 as a one-room, bare-walled school house is now Elementary School District 25, a system recognized throughout the State for its excellence. Wheeling Township High School District 214 students are consistently among the top average scorers nationwide on college entrance exams. The Arlington Heights Memorial Library is the largest single library system under one roof in the State of Illinois.

The Arlington Heights Park District, a recent recipient of the National Gold Medal for Excellence in Parks and Recreation Management, maintains 49 parks on 502 acres of land and provides recreational activities for young and old alike. Organized instructional programs and competitive leagues are available for those young people who wish to participate in baseball, football, basketball, soccer and swimming. This community has produced many outstanding college and professional athletes throughout the years who began their careers on the playing fields of Arlington Heights schools and parks.

Mr. Speaker, the village of Arlington Heights has been successful in achieving economic growth while maintaining a proud sense of community and history. The accomplishments of this community and the individuals that have built it over the last 150 years serve as an inspiration to us all.

VALUES EDUCATION

HON. TONY P. HALL

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 16, 1987

Mr. HALL of Ohio. Mr. Speaker, on June 11 I introduced H.R. 2667, legislation to create a Commission on Values Education. The purpose of this bill is to find out how we can better educate people to become productive members of society by identifying and promoting basic values.

Our Nation is in the grips of a moral recession. Our country has witnessed Watergate, Abscam, and Irangate. We pick up the papers and read about insider trading scandals, fraud in scientific research, bribery, kickbacks and corruption.

Cheating in the schools is out of control. Teen pregnancy, teen suicide and drug abuse are on the rise.

We are raising a generation of children who cannot distinguish between right and wrong. They are not prepared to make tough choices when there are gray areas, or when values seem to conflict.

Mr. Speaker, I am not arguing that this is the fault of our schools. But schools can play a role in helping to instill values in individuals. The 1960's and 1970's saw a move toward "values free" teaching in which students were given the options, but no guidance towards answers. Now, many educators agree that schools should teach civic virtue and take clear positions on right or wrong behavior.

Leaders from a wide range of political and social arenas and religious backgrounds have called for strengthening the teaching of democratic values stating that education for democracy must extend to education in moral issues.

My bill requires the Commission to identify values which are essential to our well-being, including, honesty, integrity, tolerance, self-discipline, self-respect, civility, importance of family, justice, and equality, the rule of law, individual rights, the common good, love of country, love of knowledge, responsibility and accountability, and protection of oneself and others from degradation and abuse.

My bill also requires a report to Congress within a year with recommendations on what Congress and the executive branch can do to promote the teaching of values in American schools.

This Commission should not be made up of so-called experts. I have included language specificially stating that appointments be made from groups including parents, students, educators, philosophers, theologians, and religious leaders, sports figures, social service workers and the general public.

Mr. Speaker, I hope that bill can be expeditiously passed. A renewal of basic values is critical to our future moral health.

For the benefit of my colleagues, I submit the following bill:

H.R. 2667

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Commission on Values Education Act of 1987".

SEC. 2. PURPOSE.

The purposes of this Act are—

(1) to establish a commission to examine the issues associated with the teaching of values in elementary, secondary, and post-secondary schools, and in institutions of higher learning;

(2) to recommend to the President and to Congress how the Federal Government, through executive action and legislation, can promote the teaching of values in American schools, including (but not limited to) encouraging the offering of independent courses on values, and the integration of values in existing courses;

(3) to explore and assess a variety of approaches to teaching values;

(4) to identify those values supported by a consensus of Americans as essential to a complete education and preparation for becoming productive members of society, and which may be appropriately endorsed and promoted by the Federal Government; and

(5) to identify the ways in which judgments of values and of right and wrong are implicated in matters of public and private concern.

SEC. 3. FINDINGS.

The Congress finds that—

(1) many Americans no longer make determinations of right and wrong as to their own actions or the actions of others, and this phenomenon crosses economic, social, religious, and age lines, and is evident in matters of both public and private concern;

(2) institutions of education, which have traditionally played a role in assisting students to make such determinations, have abdicated this responsibility;

(3) this abdication is evident in a national epidemic of incidents in which people have failed to consider the ethics governing their behavior, in governmental and political activities, scientific research, and business and commerce;

(4) statistics show alarming increases in the incidence of teenage pregnancy, drug and substance abuse, and suicide among both young people and adults;

(5) polls reflect that Americans overwhelmingly prize values such as honesty, but believe that people are less honest today than in the past;

(6) this national moral recession has impaired the proper functioning of our system of democratic government;

(7) leaders across a wide spectrum of political, social, and religious beliefs believe that education for democracy must extend to education in moral issues, and have called for strengthening the teaching of democratic values; and

(8) while education remains the responsibility of local and State government, the Congress and Federal Government may appropriately provide assistance to educational agencies and institutions attempting to include values education in their curriculums.

SEC. 4. ESTABLISHMENT.

There is hereby established a Commission on Values Education, hereafter in this Act referred to as the "Commission".

SEC. 5. DUTIES.

The Commission shall—

(1) consider the widest range of values for inclusion in the consensus of values that should be taught, including traditional Judeo-Christian values, honesty, integrity, tolerance, self-discipline, self-respect, civility, importance of family, justice, equality, the rule of law, individual rights, the common good, love of country, love of knowledge, responsibility and accountability, protection of oneself and others from degradation and abuse;

(2) conduct interviews, meetings, hearings, and conferences in various regions and localities in the United States to gather the opinions of a wide variety of individuals, including educators and educational administrators, students, parents, philosophers and theologians, civic, religious, and professional leaders, social service professionals, political leaders, persons prominent in the arts, entertainment, and sports, and concerned citizens;

(3) report its findings and recommendations to Congress and the President not later than one year after the enactment of this Act;

(4) include in such report its recommendations for specific legislation or executive actions, as well as broad policy goals and objectives;

(5) include in such report a recommendation as to the establishment within the Federal Government of a clearinghouse for current programs and ideas on values education;

(6) include in such report a recommendation to Congress as the appropriateness of institutional changes in the House of Representatives and the Senate, including the establishment of a Select Committee on Values Education;

(7) seek the cooperation, advice, and assistance of the Department of Education and such other Federal, State, and local agencies, and private and religious organizations, institutions, and associations, as may be helpful in carrying out its purposes and duties;

(8) recognize those individuals and institutions which have demonstrated outstanding success in teaching values; and

(9) identify the potential of values education for reducing the incidence of such problems as those mentioned in section 3(4) of this Act.

SEC. 6. MEMBERSHIP AND APPOINTMENT OF COMMISSION.

(a) MEMBERSHIP.—The Commission shall be composed of 17 members as follows:

(1) Seven members each appointed by the Speaker of the House of Representatives and the majority leader of the Senate, in consultation with the respective minority leaders, from among individuals who are broadly representative of, but not restricted to, the folowing groups—

(a) professional educators and educational administrators;

(B) parents of students at elementary, secondary, and postsecondary levels;

(C) students at secondary and post-secondary levels;

(D) philosophers, theologians, and religious leaders;

(E) State and local elected and appointed government officials, including members of State and local boards of educations;

(F) persons prominent in sports, the arts, and entertainment;

(G) persons active in business, the professions, or civic activities;

(H) social service professionals; and

(I) the general public.

(2) One member each of the House of Representatives and the Senate, designated by the Speaker of the House and the majority leader of the Senate, respectively.

(3) The Secretary of Education or his designee.

(b) VACANCIES.—A vacancy in the Commission shall be filled in the manner in which the original appointment was made.

(c) TERMS.—Members of the Commission shall be appointed for the life of the Commission.

(d) CO-CHAIRS OF COMMISSION.—The Speaker of the House and the majority leader of the Senate shall each designate one of their appointees as co-chair of the Commission.

SEC. 7. COMPENSATION.

(a) PLAY.—Members of the Commission shall serve without compensation.

(b) TRAVEL EXPENSES.—Members of the Commission shall be allowed reasonable travel expenses, including a per diem allowance, in accordance with section 5703 of title 5, United States Code, when performing duties of the Commission.

SEC. 8. POWERS.

(a) MEETINGS.—The Commission shall first meet not more than 30 days after the date on which members are appointed, and the Commission shall meet thereafter upon the call of the chair or a majority of the members.

(b) HEARINGS AND SESSIONS.—The Commission may hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence as the Commission considers appropriate. The Commission may administer oaths or affirmations to witnesses appearing before it.

(c) ACCESS TO INFORMATION.—The Commission may secure directly from any Federal agency information necessary to enable it to carry out this title. Upon the request of co-chair of the Commission, the head of such agency shall furnish such information to the Commission.

(d) EXECUTIVE DIRECTOR.—The co-chairs of the Commission shall select an executive director of the Commission, who shall be paid at a rate no greater than that payable for grade GS-18 of the General Schedule.

(e) STAFF.—The executive director shall appoint such staff members as may be necessary to perform the work of the Commission. In allocating authorized, appropriated, and contributed funds, priority shall be given to those activities, such as hearings and conferences, designed to elicit the broadest public participation in the Commission's deliberations, rather than to the payment of professional staff.

(f) GIFTS AND BEQUESTS.—The Commission is authorized to accept, use, solicit, and dispose of donations of money, property, or personal services to perform the duties hereinbefore described. No donation may be accepted which prescribes or limits the purpose for which it may be used, or which exceeds $25,000 in the case of an individual donor, or $100,000 in the case of a corporation, partnership, association, or other organization or business association.

(g) USE OF SERVICES AND FACILITIES.—Upon the request of the Commission, the head of any Federal agency may make available to the Commission any of the facilities and services of such agency.

(h) PERSONNEL FROM OTHER AGENCIES.—Upon the request of the Commission, the head of any Federal agency may detail any of the personnel of such agency to assist the Commission in carrying out its duties.

SEC. 9. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to carry out this title $300,000 for fiscal year 1987, and such sum as may be necessary for fiscal year 1988. Amounts appropriated pursuant to this section are authorized to remain available until expended.

SEC. 10. TERMINATION.

The Commission shall terminate 30 days after the date of the submission of its final report to the Congress.

SEC. 11. CONGRESSIONAL HEARINGS REQUIRED.

Within 90 days after the submission of the Commission's report to the Congress, the Committee on Education and Labor of the House of Representatives and the Committee on Labor and Human Resources of the Senate shall conduct hearings on such report and the recommendations contained therein and shall report to their respective houses on the results of those hearings within 30 days after the completion of the hearing.

SENATE—*Wednesday, June 17, 1987*

The Senate met at 12:30 p.m. and was called to order by the Honorable Timothy E. Wirth, a Senator from the State of Colorado.

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

Thine, O Lord, is the greatness, and the power, and the glory, and the victory, and the majesty: for all that is in the heaven and in the earth is Thine; Thine is the kingdom, O Lord, and Thou art exalted as head above all. Both riches and honour come of Thee, and Thou reignest over all; and in Thine hand is power and might; and in Thine hand it is to make great, and to give strength unto all.—I Chronicles 29: 11-12.

Eternal God, omniscient Lord, in the words of Israel's great King David, we honor you today. In Your omniscience You know each of us in our total being, past, present, and future, our thoughts, our aspirations, our ambitions. You know not only what we do, but why we do it. Our motives are as plain to You as our actions. You knew the hearts and minds of our forebears: George Washington, Benjamin Franklin, Thomas Jefferson, John Adams, Alexander Hamilton, James Madison. You knew their intentions and that of all their peers as they signed the Constitution 200 years ago. As You in Your infinite wisdom guided them, so guide the Senators in their critical deliberations, debate and decision. In His name Who is truth incarnate, we pray. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. Stennis].

The assistant legislative clerk read the following letter:

U.S. Senate,
President pro tempore,
Washington, DC, June 17, 1987.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable Timothy Wirth, a Senator from the State of Colorado, to perform the duties of the Chair.

John C. Stennis,
President pro tempore.

Mr. WIRTH thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. Under the standing order, the majority leader is recognized.

Mr. PROXMIRE. Mr. President, I ask unanimous consent that the time of the majority leader be reserved for his use later in the day, at his discretion.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. PROXMIRE. Mr. President, I also ask unanimous consent that the time of the minority leader be reserved for his use later in the day, at his discretion.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. PROXMIRE. Mr. President, I ask unanimous consent that I may speak as in morning business for not to exceed 6 minutes.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

EXPERT ADVICE ON FUNDING SDI

Mr. PROXMIRE. Mr. President, to whom should the Congress look for advice on funding President Reagan's strategic defense initiative [SDI], or star wars? Here is by far the most controversial and costly military project of our time. Should we look to the military experts who have served this country over the years as Secretary of Defense and learned from their years of hard, tough experience? Should we look to the scientists who have worked directly on the specific technology involved in the great national laboratories dedicated to advancing the strategic defense initiative? Or should we look to the eminent scientists, especially the physicists who have the firmest grasp of the physical principles involved in this startling, rapidly changing and highly complex technology? The answer, of course, is that we should look to qualified experts in all three of these disciplines: Military, SDI-oriented scientific expertise, and general competence in physics. Mr. President, there is one person—and, to the best of my knowledge, only one person—who embodies all of these areas of "superqualification." That one person is Harold Brown.

Consider the qualifications of Harold Brown with respect to evaluating SDI and advising the Congress on the most sensible way to proceed with this controversial project. Does Harold Brown understand the military, budgetary, strategic problems? Dr. Brown served from 1977 to 1981 as the Secretary of Defense. He understands, as only a former Secretary of Defense can, the military problems, the budgetary problems and the competing demands for resources available for our national security. But does Dr. Brown really understand the complex technology required for this particular, unique new project with its rapidly advancing technology? He certainly does. In fact, Harold Brown served as the director—the top man—in the Livermore Laboratory, the country's leading locus for the study of this technology. Does Harold Brown have respected credentials as a physicist? Does he really understand the complex new developments that can make or break this project? Yest, indeed, Harold Brown is a world-class physicist.

So when Harold Brown speaks on the proper funding level for SDI, the Congress should listen and listen carefully. And what does former Secretary of Defense Brown tell us? In an article in the May issue of Arms Control Today, Harold Brown writes:

> I believe a robust program of research and technology development is justified for several reasons.

Here are the reasons given by Brown: First, completely unexpected technological development that would make defense much more promising is "conceivable though very unlikely." Second, such a program is useful as a deterrent and response to a Soviet breakout from the ABM Treaty. Third, we should have an option available if ballistic missiles are not limited and we need an ICBM force that can survive without warning.

How much should the Congress provide for such a research program? Brown tells us it would be inefficient to have a more rapid growth "beyond a $3-billion-plus-a-year base."

What is Brown's reaction to the proposal for an early deployment of SDI as in 1993-94? Here is his devastating observation:

> Six years is the same time period that elapsed between the Reagan administration's 1981 decision to produce the B-1 bomber and its initial deployment. Seven years is about how long it will take to deploy an aircraft carrier if Congress appropriates money the first year. Can anyone believe that these systems are anywhere near as complex as even a first slice of an SDI system, or that a first-step SDI design is anywhere near as well defined as the B-1 was in 1981 or an aircraft carrier is now, or that its components are as ready?

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

Then Brown addresses the heart of the Nitze criteria. The highly respected arms control expert Paul Nitze announced in 1983 the basis on which the Reagan administration would decide whether or not to proceed with deployment. The decisive criterion was whether deployment would be cost effective at the margin—that is, whether it would be cheaper for our country to deploy SDI than it would be for the Soviet Union to develop counter measures to overcome it. If SDI were not cost-effective, we would not proceed. If it were cost-effective, we would proceed. What does Brown say about the cost-effectiveness of SDI? Here it is:

> A U.S. decision to proceed with a space-based kinetic kill vehicle layer would provide a strong motivation for Soviet development of fast-burn boosters, space mines and other countermeasures. Those can be developed and deployed more easily, quickly and cheaply than the space-based KKV's. The Soviets would be imprudent not to do so, and in these matters the Soviets are not imprudent.

Former Secretary Brown calls on our country to abide by the "traditional" interpretation of the ABM Treaty for the next several years at least. He contends that we can find out a great deal more about the feasibility of a space-based defense during this period and make a national decision in the early 1990's.

Harold Brown's advice is the counsel of unique experience, competence, and judgment. His is precisely the kind of advice this Congress desperately needs. We are dealing with an immensely complex technological problem. Few, if any, experts can understand the full complexity of the problem as thoroughly as former Secretary Brown.

We are also facing an immense shift in our military resources. Think of it. A full-fledged space-based SDI would absorb, according to Brown, about $150 billion each and every year for maintenance, operation, and modernization in 1986 dollars. Unless we skyrocket our defense spending, that would mean that half the military budget—half, Mr. President, would have to go every year into this new star wars. That would mean slicing our Army in half, our Air Force in half, our Navy in half, our National Guard and Reserve in half; or, if we maintain the present size of our Army, Navy, and Air Force, it would mean roughly doubling our current deficit or a mammoth increase in Federal taxes. This is quite a fiscal decision. We in Congress who make this decision will need all the expert advice we can get. Harold Brown's article is a good place to start, so I ask unanimous consent that the article by Harold Brown to which I have referred, entitled "Too Much Too Soon for SDI," be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

TOO MUCH, TOO SOON

(By Harold Brown)

A strategic defense against ballistic missiles can have a wide spectrum of purposes. At one end is the defense of land-based ballistic missiles and command and control facilities in order to enhance deterrence through the threat of retaliation—making more secure the U.S. ability to threaten whatever the Soviet leadership most values. At the other end is the perfect defense of the United States and everything in it—military forces, cities, people—and, in some versions, an equally perfect defense of U.S. allies. Some purposes that lie in between, in roughly increasing difficulty, are defense of other military forces, defense of populations against a third country attack, defense against accidental or unauthorized launch of a few missiles, defense against a light but sophisticated attack, limiting damage from a major attack, and assuring survival of the United States, albeit in a gravely damaged state.

The feasibility of these goals depends on many factors, not least of which is the definition chosen for success. For most cases, including the population defenses against Soviet attack, the criteria of cost-effectiveness at the margin, invulnerability of the defenses, and stability seem to me appropriate. Constraint, through arms control, on the numbers or quality of offensive forces, is an important factor. Estimates will vary as to the comparative difficulty of various offensive countermeasures and defensive counter-countermeasures, of Soviet strategy and goals and the intensity with which they will be pursued. My judgment is that a comprehensive, near-perfect defense of population will be infeasible for decades, and probably forever against an attack by many thousands of warheads. Survival as a nation is conceivable as a goal if arms control were to limit ballistic missile warheads to a few hundred and the defense were 95 percent effective, which is by no means an effectiveness that is feasible with anything we know. At the other end, a cost-effective active defense overlay of some basing modes for land-based ICBMs is probably feasible. It should be noted, however, that: (a) ground-based ABMs would suffice for such a purpose; (b) the present ICBM basing modes cannot be defended cost-effectively; (c) a survivable basing mode without ballistic missile defense is feasible in combination with limitations of offensive forces; (d) and even ground-based hard-point defenses will probably excite concern about their actual or potential capabilities for population defense.

A PLAN FOR SDI RESEARCH

Considering these purposes and the likelihood of their achievement, I believe a robust program of research and technology development is justified for several reasons. Some completely unexpected technological development that would make defense look much more promising is conceivable, though very unlikely. In other words, I and the majority of informed military-technical opinion could be wrong. Second, such a program is useful as a deterrent, and perhaps as one response, to a Soviet breakout from the ABM Treaty. The Strategic Defense Initiative program has been a lever in negotiating, and will be an element in concluding, any treaty on strategic arms. Third, we should keep open an option for timely full-scale development and deployment of a ballistic missile-defense overlay of ICBMs if ballistic missiles are not limited and the United States decides that it must have an ICBM force that can survive without warning.

The research and development program that follows from such an assessment of its purposes should stress:

(a) more advanced technologies—ground-based free-electron lasers, space-based chemical lasers, etc.—for multiple kill, especially in boost-phase and mid-course intercept.

(b) discrimination methods—needed to discern real missiles and warheads from decoys—for boost-phase and mid-course defense. This should include passive, active, and interactive discrimination. Passive discrimination should include a broad spectrum of wavelengths; active discrimination should include radar and optical imaging. Interactive discrimination should cover medium-term approaches such as neutral particle beams and long-term approaches such as the X-ray laser.

(c) ground-based hard-point defense systems design and component development.

(d) research on space-based sensors of advanced design.

(e) design of command, control, and communications to operate the system, and the accompanying software.

The management of the SDI program, it seems to me, has improved significantly during the past year—at least in terms of the technical program and of system studies. On the other hand, policy-directed decisions appear to take even less account than before of the technical and military factors.

The idea of proceeding with development of a three-tier SDI system (space-based kinetic kill vehicles (KKVs) for use against missiles in the boost-phase, exoatmospheric weapons for the late mid-course phase, and high-altitude endoatmospheric weapons for the terminal phase) deciding on deployment within a few years, and beginning deployment of all three layers by 1993 or 1994 is unrealistic and would not lead to an effective capability. Though there are some interesting experimental results on boost-phase detection of missiles (which has always been considered feasible), some useful advances in KKV technology, and respectable analysis of self-defense of space-based systems, the KKV architectures appear to be too easily countered by a reactive offense. It has been suggested that the Soviets are already committed on the design of their next generation of ICBMs, and could not begin to deploy fast-burn boosters by 1993; thus it is said that a three-tier system of "modest" cost ($50, or 100 or 150, billion) could intercept 25 of even 50 percent of Soviet ICBMs and deny the Soviets a successful attack. Whether 25 or 50 percent attrition denies that success depends on the nature and goal of the attack.

More important, the 1993-94 initial deployment date is difficult to credit. Six years is the same time period that elapsed between the Reagan administrations' 1981 decision to produce the B-1 bomber (which had begun development in the 1970s, but was modified in design after 1981) and its initial deployment. Seven years is about how long it will take to deploy an aircraft carrier if Congress appropriates the first funds for it this year. Can anyone believe that these systems are anywhere near as complex as even a first slice of an SDI system, or that a first-step SDI design is anywhere near as well defined as the B-1 was in 1981 or an aircraft carrier is now, or that its components are as ready? The question answers itself. If a fast-burn booster is not in development in the Soviet Union, it is because there is now no need for it. A U.S. decision to proceed with a space-based KKV layer would provide a strong motivation for Soviet development of fast-burn boosters, space mines, and other countermeasures. Those can be developed and deployed more easily, quickly, and cheaply than the space-based KKVs. The Soviets would be imprudent not to do so, and in these matters the Soviets are not imprudent.

As to the appropriate level of funding for SDI, a modest growth rate—on the order of 10-15 percent per year—is justified over the next few years. Such a level of funding will provide some flexibility to explore new ideas and carry out experiments to investigate what sensors—variously based on the surface, in the air, or in space—can do in finding and discriminating boosters, warheads, and decoys at various points in their trajectory. Both the general budgetary pressures on defense and the likely inefficiency of more rapid growth beyond a $3-plus billion-a-year base argue against rapid increases in funding in the absence of conviction that SDI has a fair chance of achieving a needed goal. As you will recognize, I have no such conviction.

SHOULD WE KEEP THE ABM TREATY?

With respect to the proper interpretation of the ABM Treaty, my own recollection is that the U.S. SALT delegation's purpose was to prevent development and testing of ABM systems and their components unless those were fixed land-based systems, while at the same time allowing development and testing of new kinds of ABM componentry—lasers, particle beams, forms of detectors other than radars—associated with land-based ABMs. The delegation believed that the Soviets had agreed to this, and that the treaty language expressed that agreement. I continue to believe so. Moreover, the treaty language, the testimony leading to the advice and consent of the Senate to its ratification, and the sum total of the behavior and statements of the parties until the Reagan administration's change over the past year all support that view. The negotiating record is ambiguous enough to leave some room for argument, but even there the proponents of the narrow interpretation seem to me to have the better case.

Incidently, it is hard to think of a KKV as anything but an interceptor, based on the same physical principles as one that operates from the ground. Thus, if that particular form of space-based SDI is to be developed and tested, then Agreed Statement D to the treaty is a weak justification for asserting that such action is allowed under even the broad interpretation.

It is possible to hold the view that SDI development, testing, and early deployment are vital to U.S. security, indeed its survival. I do not hold that view, but if I did, I would suggest that the proper course is to exercise the supreme national interest clause, withdraw in six months time, and accept the responsibility for doing so. In fact, if one is prepared to make the case that Soviet violations of the ABM Treaty have destroyed it, then the United States does not need to wait six months.

How much more rapidly could SDI research and development proceed under a broad interpretation of the ABM Treaty? Since the Strategic Defense Initiative Organization is still looking at alternative programs, any judgment must be tentative. However, even a narrow interpretation requires further definition—unilateral, in the absence of Standing Consultative Commission or other bilateral consideration—of the treaty terms "component" and "testing." I would expect that a broad interpretation would allow tests to be carried out together that otherwise would probably have to be done separately. That could save some time, and incur costs at a more rapid rate though perhaps at a lower total cost. No such experiments could be carried out sensibly, as I read the SDIO's statements, before 1989 at the earliest, though planning and some expenditures might take place earlier.

But that approach misses the main point. It would be a mistake for the United States to erode the ABM Treaty, perhaps decisively, by embarking on such a program, as it would be to withdraw from the treaty. Why? Because we don't have any basis on which to decide that an ABM deployment in space is in our national security interest. That has also been the administration's position most of the time, at least until recently. And we can find out a great deal more about the feasibility of a space defense over the next couple of years under the traditional interpretation of the ABM Treaty. Erosion or abrogation of the ABM Treaty will have major—and I think adverse—effects on relations with allies, on U.S.-Soviet relations, and quite possibly on the U.S. military position.

Let's keep the SDI a research program, do the necessary analysis and evaluations, have the necessary debate, and then make a national decision in the early 1990s as to what is the appropriate stance for that decade.

Mr. PROXMIRE. I yield the floor.

RECOGNITION OF THE REPUBLICAN LEADER

The ACTING PRESIDENT pro tempore. The Republican leader is recognized.

GLENN-WARNER PERSIAN GULF REPORT

Mr. DOLE. Mr. President, I shall take a moment to express my appreciation to Senators GLENN and WARNER for undertaking their recent trip to the Persian Gulf. It was an arduous effort and a very worthwhile one.

The report they have written, which the majority leader has printed in the RECORD reflects the kind of fine work that has always been the hallmark of the authors: well-informed, incisive, and pulling no punches. It is an excellent companion piece to Secretary Weinberger's report provided to the Senate earlier.

I would certainly agree with the basic conclusions of the Glenn-Warner report: that the United States has vital interests in the gulf, which we must defend; and that we should push hard on our allies and friends in Europe, Japan, and the gulf to do their share.

I would also agree with what I believe to be their most urgent recommendation that, as we get into this—whether it involves flagging, or any other tactic or exercise—we better get in with our eyes wide open.

What may be the most important contributions of the Glenn-Warner report are the commentary on the attitudes of the gulf states themselves and the very realistic assessment of what we face and what we must be prepared to do militarily as we pursue our interests and our strategy in the gulf.

I have said it myself before, and the report underscores the fact: this is a deadly serious matter. We better know that and be prepared to act accordingly before we go in.

So, again, Mr. President, I thank the Senators for their important contribution on this vital matter, and I urge all Senators to read their excellent report.

BICENTENNIAL MINUTE

JUNE 17, 1932: SENATE DEFEATS BONUS BILL

Mr. DOLE. Mr. President, 55 years ago today, on June 17, 1932, U.S. Senators voted to defeat a "bonus bill" for veterans of the First World War. A difficult vote to cast under any circumstances, it was made even more ominous by the 12,000 marchers waiting outside the Capitol Building.

The time was the Great Depression. Among the millions of unemployed Americans were thousands of veterans of the First World War. Some of these veterans proposed that the bonus scheduled to be paid to them in 1945 be made payable immediately in 1932. From all over the country, veterans converged on Washington in what became known as the "bonus march." They camped at various sites near the Capitol, where they lobbied for the bill's passage.

On the evening of June 17, an estimated 12,000 bonus marchers congregated on the Capitol Plaza, silently waiting for the outcome of the Senate vote. Inside the building, Capitol policemen armed with rifles guarded the doors. There was an ominous sense of trouble brewing, for no one knew how the marchers would react if the bill did not pass.

At 9 p.m., one of their leaders emerged and announced that the Senate had rejected the bonus bill by a vote of 62 to 18. Promising to continue their fight, the veterans stood facing the Capitol and sang "America." Then they peacefully departed for their camps.

One month later, the "bonus army" was violently dispersed. Nervous Government officials ordered the U.S. Army to clear the veterans out of their camps. Soon, tanks were rumbling down Pennsylvania Avenue, mounted cavalrymen were charging the crowd, and tear gas was tossed. The situation got completely out of hand. Thus, the bonus march on Washington ended with more than 100 casualties among the former American servicemen and their families.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of morning business for not to extend beyond the hour of 1 o'clock, with Senators permitted to speak therein for not to exceed 5 minutes.

OPPOSITION TO INCREASING THE FEDERAL GASOLINE TAX FOR DEFICIT REDUCTION

Mr. BURDICK. Mr. President, I am very concerned about various proposals to increase the Federal gasoline tax for deficit reduction. Since the Reagan administration took office, the Federal deficit has tripled and become one of the most critical problems facing us.

However, I do not believe it is wise to try to solve that problem by diverting dedicated highway trust fund moneys which are urgently needed for road and bridge repairs and construction.

For over 30 years the highway trust fund has supported the Federal-Aid Highway Program.

Motorists have paid user fees knowing, and indeed trusting, that those fees would be used for transportation. Our roads and bridges are essential to the national economy, productivity, and the mobility of all citizens. We cannot afford to tamper with the highway trust fund.

We must not jeopardize one of the most successful and necessary programs we have. There are many good reasons not to increase highway user taxes for nontransportation purposes:

First, this is a regressive, unfair, roundabout tax hitting lower income and rural drivers hardest.

Second, motor fuel is already one of the most heavily taxed essential commodities. Gasoline taxes account for more than a fourth of all excise taxes collected. And this product is a necessity, not a luxury or an option, for those dependent on cars and trucks for work and personal travel.

Third, the highway program has not contributed to the deficit. In fact, the Byrd amendment requires the trust fund to always have adequate funds to cover expenditures. Earlier this year Congress considered and passed the highway bill with an annual obligation limit of $12.35 billions.

This is a reduction of $775 million from the fiscal year 1986 level made in order to conform with budget control requirements. The Environment and Public Works Committee and our colleagues on the House side recognized that the highway program would have to make a contribution toward deficit reduction.

In drafting the legislation, spending for individual categories was reduced, typically at levels 10 to 25 percent below 1986 authorization levels.

Fourth, reduced funding levels, however, come at a time when it is estimated that over $20 billion is needed annually to maintain the present highway system.

To meet bridge needs alone, the Federal Highway Administration says that $50 billion is required. To raise highway user taxes, and then not use them to meet our very pressing transportation needs, is not a responsible policy.

Fifth, States are also concerned. They see problems in raising State taxes for transportation needs if the Federal motor fuel tax is increased, and they see the situation aggravated further at a time when Federal funding for transportation is being reduced.

Mr. President, the National Governors' Association, the National Conference of State Legislatures, the American Trucking Associations, the Highway Users Federation, and dozens of other public and private sector groups are opposed to a Federal fuel tax increase for deficit reduction.

The American Association of State Highway and Transportation Officials, which is made up of the top administrative officers of the 50 States, Puerto Rico and the District of Columbia, has passed a resolution opposing this proposed tax hike, and I ask unanimous consent that it be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

AMERICAN ASSOCIATION OF STATE HIGHWAY AND TRANSPORTATION OFFICIALS,
Washington, DC, June 10, 1987.

To Members of the U.S. Congress, Washington, DC.

DEAR MEMBERS: In response to inquiries made by Congressional staff members as to the possition of the American Association of State Highway and Transportation Officials on proposals to employ a motor fuel tax increase for deficit reduction purposes, I am pleased to transmit a copy of Policy Resolution PR 3-87, titled "Opposition to Federal Fuel Tax for Deficit Reduction."

It is our understanding that an increase in the federal excise tax on motor fuel is one of the options currently being considered in tax-writing committees of both the House and Senate, as a means of raising revenue to reduce the federal deficit. That possibility has raised deep concerns among the states, many of whom depend upon state motor fuel tax revenues to fund state and local transportation programs.

According to statistics from the National Association of State Budget Officers, states collected $14.1 billion in fiscal year 1986 through state motor fuel taxes. As stated in the enclosed resolution, it is the belief of the leadership of the state departments of highways and transportation that an increase in the federal excise tax on motor fuel would seriously impair the ability of the states to raise revenue to meet transportation needs, at a time when federal-aid for transportation is declining.

As is required under our bylaws for adoption of such a policy statement, PR 3-87 received more than a two-thirds favorable vote of our 52 member departments. If you have any questions about the specific impact that an increase in the federal excise tax may have upon transportation revenues in your state, we suggest that you contact the chief administrative officer of your state highway or transportation agency.

Very truly yours,

FRANCIS B. FRANCOIS,
Executive Director.

OPPOSITION TO FEDERAL FUEL TAX FOR DEFICIT REDUCTION

[AASHTO Policy Resolution PR3-87]

Whereas, since 1956 revenues from the federal tax on motor fuels have been deposited in the Highway Trust Fund for the exclusive support of the federal-aid highway and, since 1982, public transportation programs;

Whereas, conservative estimates of annual requirements to maintain the current federal-aid highway system exceed $20 billion;

Whereas, in an effort to reduce the federal deficit Congress has already reduced the obligation authority for the federal-aid highway programs to $12.35 billion per year through 1991;

Whereas, in the absence of sufficient federal highway funding states have steadily increased state funding for highway programs;

Whereas, motor fuel taxes are relied upon by the states as the traditional source of highway program revenues;

Whereas, any action by Congress to increase the cost of motor fuel either by increasing the federal taxes on motor fuel or levying a per barrel oil import fee must be strongly opposed, because it will severely hamper the ability of states to raise their own motor fuel taxes and adequately fund state transportation programs;

Whereas, there are major geographical inequities in using a motor fuel tax for federal deficit reduction in that such action places a disproportionately heavier burden on rural residents in the larger states to pay for reducing the deficit, because they must drive many more miles in their daily activities.

Therefore, be it resolved, that the American Association of State Highway and Transportation Officials opposes any attempt to employ federal motor fuel gallonage or other excise taxes on motor fuel for any other purpose than to fund transportation programs; and

Be it further resolved that the American Association of State Highway and Transportation Officials opposes any increase in the federal tax on motor fuels for purposes of deficit reduction, or imposition of any oil import fee or other tax that would serve to raise the cost of motor fuel to the consumer.

(Approved June 10 by the necessary two-thirds vote of the 52 AASHTO member departments.)

EXTENSION OF MORNING BUSINESS

Mr. BYRD. Mr. President, I ask unanimous consent that the period for morning business be extended to 1:30 p.m. and that Senators may speak therein for not to exceed 5 minutes.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The Senator from South Carolina.

SOVIET IMPORTS OF TEXTILES AND APPAREL

Mr. THURMOND. Mr. President, outrageous and disturbing news has recently come to my attention. Over 5 million square yards of textiles, specifically cotton sheeting and printcloth, have been imported into the United States from the Soviet Union. Amazingly, more shipments are expected in the immediate future.

For every textile job created in the Soviet Union due to imports into the country, an American textile worker loses his or her job. These imports make the Soviet Union stronger and the United States weaker. The opportunistic Soviets should not be made stronger at our expense. If left unchecked, the Soviet Union will take full advantage of this opportunity to ship greater amounts of textiles to the United States.

As I consider this serious matter, the most appalling fact of all is that the administration has no import quotas, restrictions, or prohibitions on textiles and apparel originating from the Soviet Union. Many believe that the Soviet Union could become a major supplier of textiles to our Nation. Without import prohibitions or restrictions, this possibility is all too likely.

Regarding the current plight of the domestic textile and apparel industry, the most recent Commerce Department statistics clearly show that this industry cannot continue to compete and survive against more foreign imports. The Commerce Department statistics for 1986 are alarming. Incredibly, imports last year rose by 17 percent over the level of the previous year, resulting in a record textile and apparel trade deficit of $21.5 billion. If the 1987 first-quarter trend continues, this year's textile trade deficit will exceed 1986 levels by over $2 billion.

The administration's current policy regarding Soviet imports provides another clear, cogent example of its failure to effectively control the massive textile and apparel imports flooding into this country. If the Soviet Union is allowed to import without restrictions, other foreign nations with whom we do not have limitation agreement, will follow the same course. In fact, the Journal of Commerce recently reported that Togo is gearing up to become a major textile exporter to the United States. The administration has failed to negotiate to limit textile imports with Togo. Countries without some textile quota restrictions or prohibitions present a continued threat to the survival of the domestic industry.

In summary, the current administration policy is ineffective. At the expense of the men and women employed by the textile mills across this country, new foreign exporters will take full advantage of the wide-open domestic market. While they gear up, other nations are making every effort to increase their share of the American textile market. For example, in 1 short year, 1985 to 1986, textile and apparel imports from the Republic of China increased by 61 percent achieving a massive level of 1.7 billion square yards. The administration failed to negotiate agreements that would curb these incredible surges.

When apprised of these recent statistics regarding textile and apparel imports, the merits of the Textile and Apparel Trade Act of 1987 is convincingly illustrated. The wisdom of my 48 colleagues who have cosponsored this important legislation is apparent. Unless this bill passes, the domestic textile and apparel industry and its 2 million employees will be devastated beyond repair.

In closing, it is urgent that the administration take prompt, effective action against the Soviet Union and others to save the domestic textile and apparel industry. I urge immediate action.

Mr. President, I ask unanimous consent that a newspaper article from the Charleston News and Courier dated June 2, 1987, relating to textile shipments from the Soviet Union be included in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

TEXTILE SHIPMENT FROM U.S.S.R. HALTED

(By Fred Rigsbee and Ken Burger)

The U.S. Customs Service on Monday halted a shipment of Soviet textiles at the North Charleston ports terminal.

William C. Byrd, U.S. Customs district director in Charleston, said he stopped about 40 containers filled with cotton sheeting goods after inspecting the cargo that had been trucked to the S.C. State Ports Authority terminal from Jacksonville, Fla.

Byrd said the cargo's country of orgin wasn't listed, which is a violation of customs law. Also, there was no listing of the textiles' fiber content which is a violation of Federal Trade Commission regulations, Byrd said.

About 92 containers had been scheduled to come to the North Charleston Terminal from Florida. Arriving in Jacksonville aboard a Soviet ship, the cargo was put under bond and shipped to Charleston.

Approximately 4 million yards of Soviet textile goods were slated to come into Charleston during this latest shipment, officials said.

An informed source, who asked not to be identified, speculated that the goods were shipped to Charleston so they could be distributed throughout the Carolinas and Georgia.

The director said he could only say the shipment was earmarked to a New York broker, because privacy laws prevent customs officials from divulging the names of cargo recipients.

This shipment, some observers believe, is only a small amount compared to others scheduled to arrive. Another 9 million yards is expected in a few weeks. There are no quotas on the Soviet goods, experts say.

American textile officials are crying foul, claiming the Soviet shipments hurt the domestic textile industry.

The ACTING PRESIDENT pro tempore. The Senator from Montana is recognized.

GEPHARDT AMENDMENT AND THE TRADE BILL: PART IV

A THREAT TO GATT

Mr. BAUCUS. Mr. President, over the last few days, I have tried to speak out against what I see as an unwise piece of international trade legislation, the Gephardt amendment.

One chief casualty of the Gephardt amendment would be the General Agreement on Tariffs and Trade—better known as GATT.

GATT is the major international agreement that governs international trade.

It was established after the Great Depression to set the "rules-of-the-road" for International trade and to prevent a recurrence of the trade war of the 1930's.

The core concept of GATT is that trade policy should be pursued multilaterally with nations seeking to develop a trading system built on open, free markets.

The Gephardt amendment departs from that. It favors a unilateral solution built on managed trade.

Under the amendment, we would retaliate against "excessive surplus countries" unilaterally, without any attempt to work through the GATT.

We would, in effect, be establishing a system of trade regulation that competes with GATT.

The problem is not that some of the provisions of the Gephardt amendment violate GATT—although they do. The problem is that we would be establishing an entirely new, sweeping system of trade regulation—one that competes with and undermines GATT.

Many would ask why it matters whether or not the United States abandons GATT. Since GATT is not working and other nations are violating it, why not abandon the whole thing and try a new approach?

It is true that GATT rules are weak and ineffective—particularly for agriculture. GATT dispute settlement procedures are slow and cumbersome.

All that is true but let us not throw out the baby with the bathwater.

The fact is that GATT has made significant progress toward opening world markets.

When GATT was formed in 1947, world tariff rates averaged 40 percent. Today, they average 5 percent.

That market opening has fueled an average post-war growth rate, that has exceeded world output by 1 to 2.5 percent each year.

If the United States weakens GATT by adopting the Gephardt approach, GATT will be crippled.

With the major international advocate of GATT, the United States, avoiding it, GATT will undergo a steady deterioration borne of lack of credibility.

With the United States accounting for 30 percent of world trade, we should not toss out lightly the main international system for opening world markets.

And even if the GATT were to survive the Gephardt amendment, the amendment at least would deal a serious blow to the new GATT round of negotiations known as the Uraguay round, currently in progress.

In the new round, the administration is committed to shortening GATT dispute settlement procedures. That change alone would benefit virtually all U.S. exports that face foreign trade barriers.

The administration has also already made substantial progress toward an agreement to end foreign subsidies and import barriers that sharply limit U.S. agricultural exports. All GATT signatories have now committed themselves to not adopting any more GATT inconsistent measures, and to phase out those that already exist.

If these efforts are successful, U.S. farm exports could boom. United States farmers could sell everything from beef to Japan to wheat to Europe.

Many other important trade goals, such as the inclusion of rules on important nontariff barriers to trade also seem achievable in the new GATT round.

But, if the United States demonstrates that it has very little regard for GATT by enacting the Gephardt amendment, our trading partners will not make the hard concessions that would convert these negotiating goals into reality.

Other nations will not have much interest in strengthening GATT, if the United States has signaled its trading partners that it will no longer use GATT to resolve major trade problems.

We cannot flaunt international rules ourselves and still press trading partners, like Japan, to play fair.

If we want access to foreign markets, we must play by the rules of international trade, not make up new rules as we go along.

We must at least try to preserve the integrity of GATT as a mechanism for opening heavily protected markets like Japan.

Tomorrow, I plan to conclude this series of floor statements, by outlining a better strategy for dealing with nations like Japan on trade problems.

Mr. President, I yield the floor and suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

PERSIAN GULF CONGRESSIONAL DELEGATIONS

Mr. BYRD. Mr. President, on Monday, the Senate received from the Secretary of Defense his report on security arrangements in the Persian Gulf. That report responds to the amendment that I offered on behalf of myself, the distinguished Republican leader [Mr. DOLE], and the distinguished Senator from Tennessee, [Mr. SASSER], and which the Senate passed by a vote of 91 to 5 on May 21. That was an amendment to the supplemental appropriations bill.

Yesterday, I asked the chairman of the Committee on Foreign Relations, the chairman of the Committee on Armed Services, and the chairman of the Intelligence Committee to examine the report carefully and report back to me on its adequacy in addressing the issues of concern to the Senate. I have also asked these chairmen for their detailed assessments of the administration's plan, as well as for any recommendations that they may have on the overall course that is being pursued by the United States in the Persian Gulf region. I hope all Senators will read the administration's report as they consider the situation in the region.

Mr. President, the Senate is pursuing a responsible course in addressing the security situation in the Persian Gulf and the policy being pursued by the administration with respect to the proposal to reflag and to provide United States warship protection for Kuwaiti oil tankers. Many of our colleagues have expressed serious reservations about various aspects of the proposal, but there has been no rush on the part of most of us to prejudge the course of the administration policy until we have an opportunity to carefully study it.

We all recognize that America's credibility has suffered in the region as a result of the recent events, and we must put a stop to this erosion. We cannot afford policies which are not defensible on their merits, policies which are not carefully considered in an interagency process, and policies which are not developed in careful consultation with the Congress. We have had enough experience with poorly conceived policies, secretly conceived, conceived outside the purview of Congress and, as a matter of fact, with instructions to agencies not to inform Congress.

We found that these do not work, I think it is obvious to everybody that if you do not trust the American people, they will not trust you. It also should be obvious, after many painful lessons and painful sacrifices, that unless the American people are behind a policy that is controversial and that is bound to cause pain and suffering and be costly—not only to our national Treasury but also to the blood of American men and women—then that policy will not last very long.

The people have to support it and they are in no position to support it unless they know what it is they are supporting.

It may seem to some that there is too much consideration being given to this proposed operation, but I fully feel it is far better to examine this from all sides in order to ensure that we know what we are doing before we get too far down the road.

I have also learned in my lifetime that he who is slowest in making a promise is very likely to be the one who will be the longest in keeping it.

I would say that, as a result of congressional attention to date, the policy has changed, the structure of our forces in the region has been substantially revised and upgraded from the original plan, and additional diplomatic initiatives with our allies and friends in the gulf have been underway. This is a very positive preliminary outcome. More needs to be done. We still really do not have an overall policy framework oriented toward ending the Iran-Iraq war. We still do not have an overall policy framework for containing escalation in the Persian Gulf. We still do not have a high enough level of confidence in the administration's threat assessment, its risk analysis, call it what you will. It is precisely because the gulf is so critical to U.S. interests that we need to very carefully consider our course and once we decide on what the best course is, then of course be unwaivering in our steadfastness.

REPORT OF SENATE FACT-FINDING MISSION

As part of the effort to attain complete information and to assist the Senate in understanding the complex realities of the troubled Persian Gulf region—troubles which were dramatically demonstrated by the Iraqi attack on the U.S.S. *Stark*—I dispatched a fact-finding mission to the gulf region.

I asked three very distinguished Senators to conduct this mission. The mission was led by the distinguished senior Senator from Tennessee [Mr. SASSER], and it included the equally distinguished Senators WARNER and GLENN, so it was a bipartisan group of sound, solid thinking, clear-headed men in whom I have the utmost confidence.

These Senators conducted an arduous two-phased investigation consulting with officials throughout the gulf area and visiting our American military and diplomatic officials on the scene. Together they visited about all of the gulf nations. Of course, they did not visit Iran, but they visited most of the gulf nations of consequence and met with the key decisionmakers in each nation. There views and comments have served already to enrich the Senate's understanding of the complexities of the region. They are to be commended for their efforts, for their perseverance, for their willingness to take on this arduous task on short notice. I congratulate them for their performance. The Senate owes them a debt of gratitude, and I am personally very grateful to all three of them. They have now developed reports on their mission, and I ask unanimous consent that the complete text of these reports appear in the RECORD at the conclusion of my own remarks and the remarks of Senators SASSER, WARNER, and GLENN. Senator DOLE has already given remarks.

The PRESIDING OFFICER (Mr. ADAMS). Without objection, it is so ordered.

(See exhibit 1.)

Mr. BYRD. Mr. President, I commend the reports to the attention of all Senators. The information and the assessments which they contain are and will be an invaluable contribution to our consideration of these issues.

Mr. SASSER. Mr. President, I thank the distinguished majority leader for his comments. I also express my appreciation to my colleagues, Senator GLENN and Senator WARNER, for their extensive reports on their journey to the Persian Gulf region, which I think will provide the Senate and the American people with a great deal of very valuable information and also a unique perspective on the issues which we as a country will face in the Persian Gulf in coming weeks, in coming months, and indeed in coming years.

The visit of Senator GLENN and Senator WARNER to the region was an important contribution to our understanding of the challenge that we face there.

Mr. President, our distinguished majority leader has pointed out this morning that the Senate and the American people support the presence of United States naval units in the Persian Gulf. Our naval units have been operating in the Persian Gulf since shortly after the Second World War. And after the withdrawal of the British from that region as they moved back from their positions east of Suez, the United States presence and the presence of United States naval forces there have served as a powerful deterrent, as a means of keeping the peace and protecting the right of free navigation in that very vital region for the whole Western World.

No one is contemplating a withdrawal by the United States or its naval forces from the Persian Gulf. That should be made crystal clear.

There are those who seek to overdraw this whole argument and cast it in terms of either staying there and putting our flags on vessels that belong to the country of Kuwait or cutting and running.

Nothing could be further from the truth. I know of no Member of this body who is proposing that the United States unilaterally withdraw our naval forces from the Persian Gulf. They have been there for decades, and let friend or foe alike know that we intend to maintain these forces at least at their present level there into the foreseeable future.

But these same voices that would seek to overdraw this whole controversy to the point that it is a question of either reflagging Kuwaiti vessels or getting out of the gulf and withdrawing would also seek to lead the American people to believe that it is either a question of putting our flags on Kuwaiti tankers or suffering a cutoff of oil flowing out of the Persian Gulf.

I think it is helpful to review the facts here. Number one, the oil is coming out of the gulf. There has been no appreciable slowing in recent years of oil coming out of the gulf by tanker. There has not been a tanker sunk in the gulf since 1984. And the Kuwaitis, who in recent months have become the principal targets of the Iranians, have suffered minimal damage themselves. The damage to Kuwaiti tankers over the past 2 years amounts, I am reliably advised, to less than $10 million. Of course, no Kuwaiti tanker has been sunk.

So the whole issue is being overdrawn. The situation is not as grave as some would have us believe. The oil supply is not being cutoff. Indeed, quite the contrary, the oil is coming out by tanker; it is coming out by pipeline; and the atmosphere in the gulf is very much one of business as usual. Iran is not on the verge of winning the war, as some would have us believe, and certainly the Soviets are not marching into the oil fields in the Persian Gulf.

So a strong case can be made, Mr. President, that the administration is simply overreacting and, in the process, exposing American interests in the gulf to an uncertain future.

Our principal allies have counseled confidentially that we in the United States should "cool it"; that we should act in a more discreet manner in the Persian Gulf. There are many among our allies and many in this body who believe that the reflagging of the Kuwaiti oil tankers should never have been approved. There are many who believe that the United States naval forces should not commence to escort the tankers belonging to the country of Kuwait.

The administration has let us down in many ways, Mr. President. The ill-advised arms sales to the elusive moderates in the Ayatollah Khomeini's government has weakened our credibility. It has weakened the credibility of the United States in the Persian Gulf area. We are weakened to the point that we are vulnerable to the manipulations of a tiny gulf nation, Kuwait. Kuwait has used our perceived weakness to initiate an auction between ourselves and the Soviet Union for oil tanker protection.

The report received yesterday from the Secretary of Defense, Mr. Weinberger, seeks to minimize the threat and the risk that our forces will face in the Persian Gulf. But I do not believe there is any Member of this body, and certainly not many American citizens, who, looking at the record will believe that those who rule in Teheran will sit idly by and let the superpowers tilt this war in the Persian Gulf in the direction of their arch enemy, Iraq.

The Iranian radicals will lash out in their irrational manner, as surely as they have done before, without provocation, at our Embassy and in Beirut and at our innocent citizens around the world.

Make no mistake about it: It is not that we fear the Iranians. It is not that we do not believe ourselves capable of dealing with them at a time and a place of our choosing. But this simply may be the wrong place and the wrong time to do so, and we should not provoke an irrational enemy when we are not in a position to deal with them with the dispatch that we would be under other circumstances.

So, before we sail United States naval vessels through the Strait of Hormuz, into the path of these Silkworm missiles which the Iranians have purchased from the Chinese, we should consider where this policy ultimately will take us. It is a slippery slope, indeed, that we began moving down when we began escorting those Kuwaiti ships with our naval vessels within range of these powerful Silkworm missiles.

I believe that the better part of wisdom at this juncture might be for the administration to discuss this matter further, the whole question of reflagging, with the country of Kuwait, and perhaps suggest to Kuwait, as some of the other nations of the Gulf Council have already suggested, that the reflagging might not be such a good idea; that perhaps the Kuwaitis ought to withdraw their request for reflagging and at the same time terminate their lease of Soviet vessels.

A strong case can be made that this is not the time to accelerate superpower presence in the Persian Gulf in a provocative manner. This might be the time for a discreet military presence, with our vessels continuing to stay over the horizon, but always available to protect our interests at a moment's notice, if need be. If, after discreet discussions with the Kuwaitis, they should refuse to withdraw their request for reflagging, we might, in the final analysis, be forced to honor the administration's unilateral commitment to reflag Kuwaiti tankers—but I say "might be." If that should occur, if we should determine that the Kuwaitis are not going to withdraw their request for reflagging, in the final analysis, we should not sail into the gulf's troubled waters alone.

The security of the Persian Gulf, I think, is the duty of all our allies, the duty of all the naval powers of the Western World, just as it is the obligation of the United States. Today, our allies have indicated that they want no part of this Kuwaiti tanker scheme. They want the United States to take the responsibility, and they want us to take the risk, while at the same time they have grave doubts about the wisdom of proceeding along the path that the United States and the administration seeks to proceed down unilaterally.

I submit that, for the past 7 years, we in the United States have spent hundreds of billions of dollars to meet our obligations to defend the Western World. Indeed, according to some reports, almost half of our defense budget goes, either directly or indirectly, to defend Western Europe and our NATO allies.

The strong case can be made that it is time for our allies to pay more, to pay their fair share. Certainly, if we are going to go forward with the plan to reflag Kuwaiti tankers and to convoy these oil vessels of another nation, it is time for our allies to share the risk and the cost of protecting Persian Gulf oil, oil, I might add, that is six times more likely to be burned in European or Japanese boilers than in the United States.

So if escorts are to occur, a multinational force of allied warships, a true deterrent force, should be created, and the Persian Gulf oil-producing countries, recipients of billions of petrodollars, should contribute their jet fighters for the air cover our fleet in the gulf will need.

Mr. President, I think the administration must understand that these are minimum requirements. Without the visible support of our allies, without their ships being at risk, then the whole poorly conceived process of reflagging should be carefully reexamined.

There is much at stake here, Mr. President. There is more at stake than just the Persian Gulf.

When I was in the gulf last month—and I am sure that my distinguished colleagues will echo my thoughts—I kept hearing the same refrain: "America is not a reliable ally." That is what some of the Gulf State leaders were saying.

My response to that is: Where are the reliable allies of the United States? If we are to get into the business of escorting the oil tankers of another nation, then should not our allies who enjoy the benefits of that oil also share the risk and the cost of the escorting? If we are to become the superpower who deters the Iranians from more adventuristic pursuits in the gulf, if we are to become the superpower that discourages a larger Soviet presence in the gulf, then are we not entitled to the help and open support of our allies and of those nations around the Persian Gulf, the oil-producing Gulf States that stand to benefit more than anyone else from our presence there? If our allies are nowhere to be found now in the Persian Gulf, before the shooting actually starts, where are they going to be when the going really gets tough?

So, this I submit, Mr. President, is the issue that we must face and I look forward to hearing from my distinguished colleagues who just returned from the gulf getting their views on this very critical and crucial issue.

I yield the floor.

FURTHER EXTENSION OF MORNING BUSINESS

(The following occurred during Mr. BYRD's remarks.)

Mr. BYRD. I ask unanimous consent that the time for morning business be extended to 2 p.m. and that these three Senators may speak each in excess of 5 minutes if they wish.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I think I am going to have to extend that to 2:15 p.m.

The PRESIDING OFFICER. Is there objection?

Mr. BYRD. Under the same arrangement.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Virginia.

Mr. WARNER. Mr. President, first I join my distinguished colleagues, Mr. SASSER and Mr. GLENN, expressing our appreciation to the majority leader who had the foresight some weeks ago to see the growing magnitude of this problem and to provide the opportunity for three Senators to make two separate trips into the gulf region and to provide the Senate today with a report of our findings.

Indeed, throughout the process, the minority leader, Mr. DOLE, joined, and was present when we discussed in some detail the findings of our mission.

May I say to my colleague from Ohio that he is an outstanding traveling working partner. We covered over 18,000 miles, visited 5 countries in 7 days, crossed 8 time zones, and, to the best of my recollection, experienced no temperatures below 100 °F., at least during the working days. I look forward to other trips in the years to come with my distinguished friend.

Mr. President, the issues surrounding the gulf are the most complex this Senator has ever encountered. Further, there have been, in my judgment, some issues overstated and some understated.

The Senate Armed Services Committee, under the strong leadership of Chairman NUNN, has had a series of hearings—indeed today we have another this afternoon—and during the course of those hearings we have had the opportunity to examine almost all perspectives of these various issues. I believe there has been a measure of overstatement and understatement on some issues. For example, I am gravely concerned about the safety of U.S. military in the gulf region. While it is "business as usual" in the gulf today, and has been for some period of time, hundreds of ships have been hit but, fortunately, with little loss of life, and, since 1984 no sinking of a ship. The gulf region has been able to adjust and continue to export oil.

However, the necessity to increase our military assets to protect U.S. flags, will increase the risk. Members of the Joint Chiefs of Staff have, in a very professional, pragmatic way informed the Congress of the risks.

I think with the emphasis that is being placed on the region now, in part heightened by the tragedy of the *Stark*, in part owing to greater interest by both superpowers, and in part by the United States declared commitment to flag Kuwaiti ships, together these actions have increased the risk to our United States military in the region. Let's not underestimate the risks.

The Congress has played an important role to date, Mr. President, in that through our individual statements and through the hearings, we have slowed the executive branch implementation of the reflagging plan. As a result, those in positions of responsibility are planning the programs with greater care. The consultation process being followed by the administration has been productive.

Clearly, one of the reasons the President decided to reflag was his recognition that our Nation has a very major strategic interest in this region—a recognition shared by President Carter and other previous Presidents. Central to all debate is the potential for future Soviet expansion of their influence in the gulf region. While there is the potential for some increase, we must not overstate this potential and sound alarmist and over react. Look at the history and the facts today. The Gulf States, their culture and form of government, are based on religion, a strong belief in God; that is the antithesis of communism. Second their economy, is basically a free enterprise system which is highly dependent on the sale of oil to western markets. Politically, the Gulf States are monarchies. The governmental structure, the economic philosophy, the religious culture, all are the very antithesis of communism. Add to this history the fighting between Muslim brothers in Afghanistan and the Soviet Union and one does not find a basis for a significantly larger Soviet influence in the gulf region.

And finally consider, the split position in the Communist world: It is acknowledged that the Soviet Union is a supplier of arms to Iraq, but other nations in the Warsaw Pact are supplying arms to Iran. All of this background is well known in the Gulf Council, the federation of the six gulf states which view with skeptiscism the overtures now being made by the Soviet Union. Therefore when we assess the threat of Soviet expansion, let us assess it pragmatically the background of history and current realities.

Now, Mr. President, turning to the question of reflagging, Senators are legitimately concerned about this decision. I myself am concerned. Quite frankly I wish the President had not made the decision to reflag. I support the President wholeheartedly on raising the level of our military assets in the gulf to meet the risk. I support approaching the Gulf States for additional infrastructure support and encouraging our allies to join us.

The reflagging limits the flexibility of how we employ U.S. military assets. We, of course, have to continue protecting United States-flag vessels that were transiting the gulf prior to the decision to reflag Kuwait vessels. But adding more flags, especially from only one nation, expands our military responsibility. That expansion commits our limited assets to a pattern of operations and thereby limits the availability of assets to perform on expanded "presence" in the traditional manner. The greater the flexibility, the greater the doubt in the mind of a potential agressor as to what, where, and when we might respond.

Nevertheless, that reflagging decision is behind us, in my judgment. The President of the United States has committed this Nation to flag those 11 vessels. And for the Congress at this time to use any of our several means to cut off the funding to provide protection or to otherwise try to block that Presidential decision would compound tenfold our problems in the gulf.

The issue of credibility of the United States in that region is critical. We can recite the history of how that credibility has been eroded, following the fall of the Shah of Iran. Those are facts in history. This time the United States must be prepared to stay the course or risk further eroding our credibility in that region. Congress should not now try to block or undo this Presidential decision.

We are a superpower. With that status, whether we like it or not, comes the responsibility to that region to try and foster peace and stability. Wise or unwise, the reflagging decision has been made. What remains is the formulation of a protection program. Congress has taken an active role in requiring the administration to study with greater care how they are going to implement the second part of that decision; namely, the protection of those vessels flying the U.S. flag.

And I suggest to the administration that they examine the role that the French and the British have played with their warships for many years. Senator GLENN and I studied in detail how they conduct their operations, and they are quite different from the operation plan that the United States contemplates to protect these newly-flagged vessels.

Essentially, they have, as they say, provided protection. Sometimes it has been referred to as "over the horizon." In other words, the British or French warship will not be alongside the merchant ship with the flag, but they will be over the horizon a short distance keeping an eye, where necessary, on the situation. In contrast, as I understand it—and I am not suggesting how the Department of Defense will come down on this—our escorts may accompany directly, right alongside, our reflagged and flagged vessels.

It seems to me that that bears a very close analysis and particularly in light of the success that the French and British have had through these many years.

Last, what I call the "go it alone doctrine." It concerns me greatly that this Nation will be undertaking these added risks without the full support of our allies and those who presently share the benefits of the gulf region. They should share the burdens as well as the benefits. It is my expectation that our President will continue to urge our allies and friends join in this effort.

We have a responsibility, the President and every Member of Congress, to look the American people straight in the eye and say. "This is not a risk-free operation." We may sustain losses; we shall not speculate on the measure or the nature of such losses—but they might include prisoners of war. We must explain there risks in the context of this Nation's strategic interests in the entire gulf region, not just Kuwait.

Mr. GLENN addressed the Chair.

The PRESIDING OFFICER (Mr. DASCHLE). The Senator from Ohio.

Mr. GLENN. Mr. President, I rise to add my voice to those of the distinguished majority leader, Senator BYRD, my distinguished colleague to senior Senator from Tennessee, Senator SASSER, the Senator from Virginia, Senator WARNER, and others who may have or will speak here today regarding our joint report on our recent visit to the Persian Gulf area.

I would like to first commend the distinguished majority leader for his wisdom and foresight in deciding to sponsor a bipartisan Senate factfinding mission to the Gulf region following the Iraqi attack on the U.S.S. *Stark.* He quickly recognized the seriousness of the situation in the gulf, resulting not only from the apparent mistaken attack on the *Stark*—we hope it was mistaken—where 37 American servicemen lost their lives. We visited that ship. We talked to the people there, and I can tell you, from our observation of it, there were plenty of examples of heroism in even keeping that ship afloat.

Senator BYRD wanted us to go over and assess the potential military and political risks associated with implementing the administration's plan to reflag Kuwaiti tankers and to provide United States Naval escort for their transit through the Persian Gulf.

I believe our report clearly confirms and documents Senator BYRD's perception and concerns, indeed the concern of 91 members of this distinguished body who supported a resolution to investigate the current and future U.S. role in this vital part of the world.

I would secondly like to commend and thank my colleague and friend from Virginia without whose wisdom and guidance this report would not have been possible. His distinguished public service to this country is a matter of record, but is of particular importance to this mission to the Persian Gulf. JOHN WARNER is a former sailor, marine, and Secretary of the Navy, and currently a member of the Senate Intelligence Committee and the ranking member of the Senate Armed Services Committee, so he brought to this study a depth and breath of knowledge and experience that was virtually unattainable anywhere else.

Although we did not always agree on every phase of everything we saw over there on every issue we faced, we always acknowledged and respected the position of the other. JOHN, in language that you understand best, as a former Secretary of the Navy well done! You did an admirable job.

As for the report itself, I believe it provides a good foundation for the Senate and for the American people to study further what the U.S. role should be in the Persian Gulf. Make no mistake about it, as stated clearly in our report, the Persian Gulf region is truly in this country's vital interest and the United States must continue to play a significant part.

Now, let me address that in a little bit more detail. Why risk war involvement in the Persian Gulf? Why put our ships in harm's way? Are there vital United States and world interests there? What should our commitment be?

Well, in answering, I would say there must be a policy that is worthy of support and worthy of risk before showing the flag—maybe getting bullet holes in that flag and risking American lives—makes any sense. And if that cause and policy are worthy, then it is not only showing the flag that's important, but maintaining the flag and its cause that becomes crucial if we really mean it. If it is vital, truly vital, not stand on a stage and shout meaningless platitudes about vital, but of real, long-term vital importance to ourselves and our free world allies, then the full force and might of the United States must prevail, if it is vital.

Vital U.S. interest has become a coin of reduced value in the last few years. At one time, it was termed "vital" that we not be pushed around—we were going to show them—yet Desert One failed. It was said to be "vital" that our presence in Lebanon be maintained and we dispatched 1,600 marines on a near impossible task, knowing that no 1,600 of anybody could bring stability to Lebanon. We returned 241 body bags to the United States. We decided vital overstated the case, and withdrew. Again, it was of overriding importance, we were told, that the world should not traffic arms with Iran, and now the United States stands shamefacedly before international opinion, having said one thing to the world while doing another secretly, and may even have prolonged the war in the process.

Again we are being told that control of the Persian Gulf is vital to our interests. Well, is it, really? While the natural tendency is to be skeptical and say, "Here we go again," I believe it comes closer to fitting the definition of vital than the other examples mentioned earlier. Let me explain why I feel that way.

Just in historical terms, the uses of new kinds of energy to supplement or replace human muscle power has determined man's advances all through history. There was the use of animal power, then burning wood, then coal.

In our time, petroleum has become by far the single most important fuel. It sustains the world as we know it—jobs, business, commerce, transportation, homes, standard of living, military capability, all our hopes for the future—and will continue to do so into the indefinite future when some newer energy source may appear on the scene.

In an average year, nearly one-third of the Western World's petroleum comes from the Persian Gulf. We may not like that, but that is the situation we face, together with our friends and allies.

I have a graph which shows the ups and downs of the Persian Gulf share of the percentage of the total world oil production. It has been down as low as 20-some percent and it has been up as high as 45 percent, back in 1975. In 1985, it is once again estimated to be up around 45 percent of the daily supplies. Right now on any given day, one-fourth to one-third of the world's oil supply comes out of that Persian Gulf area.

The distribution of that oil is not uniform. While the United States is one of the largest recipients of gulf oil in volume, receiving some 800,000 barrels per day, I believe, the percentage of our total is only 7 percent. But we can all recall all too vividly our gas lines, high prices, disruptions to business and industry, and inflation when world production was reduced by only about 3 percent or so. Dependencies on Persian Gulf oil varies from nation to nation: Western Europe 30 percent, Japan 65 percent, and many smaller nations and developing countries with even higher percentages.

Well, that is today, here and now. How about the future? Does this term "vital interest of the United States" apply on into the future or is this a temporary thing? Is it looking better or worse?

Unfortunately, as of now, somewhere between 55 and 60 percent of the known oil reserves of the whole world are found around the Persian Gulf, and I believe their new discoveries have increased more rapidly than anywhere else in the world, meaning their percentage of supply in the future may become markedly higher. Long after Texas and Alaska, Mexico and the North Sea may well have run dry, the gulf will undoubtedly still be pumping oil.

Well, even with that, so what is the danger? Oil prices are down. There is a glut of oil on the world market. We find it quite plentiful. The price of gasoline is down at the pump from what it was 2 or 3 years ago.

Even the Iran-Iraq war has not disrupted the flow. That war, for all the attention it has received, has not begun to seriously interfere with the flow of oil out of the gulf, not more than about a 1-percent reduction, according to the experts.

As to ship damage, not more than six small ships, not all of them tankers, were destroyed in the first year or so of this war, but for approximately the last, I believe, 4 or 4½ years, something like that, not a single ship has been sunk.

The impression many people have in this country is that the gulf looks like Pearl Harbor with ships sinking all over the place, with billows of smoke going up. There are a few billows of smoke, but not a single ship has been sunk for several years in spite of all these attacks. There have been 318 attacks since the war began but it has to be the most unlethal war in history.

Why? Well, the weapons are not available of a size to do greater damage, and the nature of the targets is such that ships can absorb a tremendous punch into their liquid cargo without the devastating damage a similar weapon would do to a densely packed war ship like the U.S.S. *Stark*.

There has been damage and the estimate, I think, has been 55 lives lost, but the shipping goes on.

Once again, why worry? The oil is getting out. In the short term, that might have some credibility, although even in the short term, recent moves by Iran in obtaining the far more powerful Silkworm missile system from the Chinese, and preparing to install them around the Strait of Hormuz, puts all transiting ships in jeopardy.

Of even greater concern is the ultimate control of the gulf. In the Gulf Cooperation Council, GCC, which is all the nations fronting the gulf except Iran and Iraq, is no match for their giant 46 million population Iranian neighbor, with their significantly military machine. In fact, all of the GCC nations combined have a population only one-fourth that of Iran. In fact, just by numbers of people, someone calculated that the number of babies born in Iran since the revolution more than equals the total population of all the GCC states put together. So, naturally, they are afraid of this giant neighbor across the gulf.

One of the long-term dangers, then, that we have to consider is an Iranian victory over Iraq. GCC members have no doubt whatsoever that an Iranian victory over Iraq will be followed in close order by Iran's efforts to continue down the western side of the gulf or at least try to control the other side of the gulf as far as policy goes. They are afraid that Iran could readily absorb the comparatively weak GCC members and gain an additional 60 percent of the world's oil reserves.

Mr. President, an Ayatollah Khomeini controlled one-third of the world's immediate oil supply, plus the reserves control of the future, is something we in the free world cannot chance.

Second, in the long-term category is the Soviet Union. They have sought warm water access for generations and would find gulf domination doubly attractive since it would carry with it a controlling grip on the free world energy lifeline. Very attractive.

I am certainly not tying to "play the Russian card" or do "the Russians are coming, the Russians are coming" bit, which seems to work too often in international diplomacy when people want to deal with the United States.

As I view it, short of an all-out war movement by the Soviets, which I consider almost unthinkable, highly unlikely, it will take them many, many years of concentrated effort to build up contacts, trade and relationships in the gulf to the point where their influence could seriously affect the oil trade or permit them to have a controlling influence.

Just imagine the Soviet Union in charge of one-third of the free world's current oil flow and 60 percent of future reserves. Would they always act in the best interests of my grandchildren's future? Do I want to see little Daniel and Zachary growing up with that kind of a stranglehold on what kind of a future they can have or jobs they can expect to get? I am not willing to depend on the good will of the Soviet Union or Iran in control of the Persian Gulf.

I would note that the Soviets have been increasing their presence in the gulf, including the leasing of three Soviet-flag tankers to Kuwait.

All the above I have talked about are the stark stakes in the gulf. I would add it has baffled me why our U.S. leadership tries to soft-pedal these concerns that are very real, dynamic economic concerns for the United States and just say we are over there to stress rights of passage and principles of freedom of the sea, acting as though that principle of naval international law and customs is the only, or at least the major, issue.

I would submit that if there were two small island nations out in the Pacific at war, and they were shooting back and forth at each other, and there was little or no United States economic interest involved, we would hardly be sailing our ships up and down, back and forth, into harm's way in between them just to uphold our right of free passage.

I think it is better by far to tell our people the truth: that a Persian Gulf in unfriendly hands affects their future. Their jobs could vanish if energy prices stayed too high too long. It affects their pocketbooks. Remember the impact of increased prices from the comparatively small shortages of a few years ago; and it affects their standard of living and that of their children into the generations ahead.

American and free world futures dramatically affected by a victorious Iran or more remote possibility of a Soviet-dominated gulf are not something to leave to chance.

Our position in the gulf cannot be just showboat. We cannot assume that Iran would not dare attack an American-flagged vessel. They called our bluff in Beirut. We brought home 241 Marine body bags to prove our presence there had been ill conceived. In fact, there may be some evidence that they now welcome the opportunity to even further embarrass the United States as they did at the U.S. Embassy in Tehran, with the subsequent Desert 1, and in Beirut.

The point is we must be there not with token forces, hoping for the best. We must be there with strong forces, prepared for the worst, and use them if our announced mission is damaged by Iranian action.

Mr. President, the issue is not so simple as just to state that the gulf region is vital and that that vital interest is seriously and immediately threatened. The region is vital as I said, but its importance to the West is as much or more future than present, and that threat is more potential than immediate. Right now the U.S. dependence on gulf oil is down, the oil is flowing with very minor disruptions, the war is essentially a stalemate, and Soviet gulf influence is minimal. The threat then is more potential since, if Iran can successfully intimidate Iraq's gulf supporters like Kuwait and thus tip the war balance in their favor, then we could face the unacceptable scenario of a gulf region dominated and intimidated by a fundamentalist Iran. Or if the United States backs out of its commitment to Kuwait the Soviets could assume the role of protector and, over time, enhance their presence and influence in the area. Neither of these scenarios is acceptable from a United States strategic perspective yet it is unclear if affording United States protection to 11 Kuwaiti tankers, a fraction of the ships in trade with Kuwait, is an effective or the most effective way to preclude the realization of either or both of those unacceptable situations. Given the current military and political situation in the gulf, then, the most difficult and complex question remains what the U.S. role should be.

Unfortunately, the administration has already determined what that role will be. It is:

To reflag 11 Kuwaiti tankers as United States merchant ships, although they will be owned by Kuwait and essentially manned by Kuwaitis. I think they responded to the "Russians are coming, the Russians are coming" and rushed into this policy before it had been well thought out. We now are proposing:

To provide U.S. naval escort of these 11 ships during each near week-long transit in and out of the gulf.

At present, the role as determined by the administration is singularly unilateral. Our NATO and other free world allies—who depend on the oil from the Persian Gulf area to a much greater degree than the United States does—are simply not interested. They perceive no new threat to the stability of the area; and we were indeed surprised when we were there at the business-as-usual atmosphere in the gulf: less than 1 percent of shipping has been interdicted in the gulf, insurance rates have not increased, and the price of oil has actually declined since the tanker war began in 1984.

As for our friends in the gulf region, some countries are currently providing an important level of support and considering others within their capabilities. Nevertheless, what we are clearly talking about, Mr. President, is a United States-only show—that is a unilateral commitment to increase our political and military activity in the gulf in order to protect the world's oil shipments—while at the same time running the risk of a miliary confrontation with Iran.

Mr. President, I am not convinced that the reflagging was the best way to go, and I still strongly urge the administration to consider alternatives which might complement or supplant the narrow focus on the 11 Kuwaiti ships.

Mr. President, flagging may be necessary sometime but not until we have exhausted the other means at our disposal: First, a U.N. resolution with sanctions. Now, that may be done in a matter of a few weeks, as I understand it, from talking to our State Department people.

Second, support within the gulf. Secretary Weinberger has been over there recently, talking to some of our friends in that region, about what they may be able to do. Our allies in Europe who benefit far more than we do from this can certainly give us support. There are four British ships in that gulf area now, and three French ships, which could be combined in a multilateral force short of a U.N. action.

Finally, the administration package is still being put together. If it is the administration's intention not to back off of this flagging, then we must do several things. We must not bluff. And the purpose of a force over there is not to just sit with defensive craft, hoping that no missile gets through. It seems to me there are three elements that we have to deal with.

First, how do we best deter a nation that might think of embarrassing the

United States with an attack? So, No. 1 is to deter.

No. 2, if there is an attack, how do we defend ourselves? We must go in there with very first class equipment, everything working, make sure we can defend ourselves.

But, let us say that does not work. Then we must be able to retaliate and retaliate rapidly. That is the best way of deterring more attacks. We do not do that with defensive vessels, hunkered down waiting for an attack.

You can say we retaliate with a carrier; all right, we can send attack planes up, we can refuel them en route, and go ahead and strike a target along the gulf there, but I would submit we must consider the type of targets.

Mr. President, I have here behind me a map, a chart of the Persian Gulf.

If I ever saw a nation that was vulnerable, it is Iran, and they have to know this—the total wealth of Iran, their economic support, comes out in oil through Kharg Island, right here. Because they are afraid of attacks by Iraqi aircraft, they bring small tankers up here, load them up at Kharg Island, take them down the coast, reload them into the international tankers down here off of Bandar Abbas. This is why the Iraqui airplanes at night come down here and try to intercept the shuttle tankers and that is where they reportedly mistook one of our ships, the *Stark*, and hit it, making a mistake that it was a tanker.

The point is this: All of Iran's wealth comes from the oil shipments out here through Kharg Island and a couple of other smaller places here, and the oil heads around Kharg Island right here. That is the economic sustenance for Iran. It means they are extremely vulnerable.

If you were designing a weapons system, that could put under pressure the economic lifeline of Iran, what would it be? The gulf is hardly big enough to operate a carrier that has to go into the wind and recover aircraft. A carrier would be more vulnerable operating in such a restricted space.

I would submit this: we have four battleships. We started a couple of weeks ago talking rather facetiously about we ought to send a battleship in. The more I have thought about this, the more it is an ideal weapons system to deter an Iranian attack, whether suicide or anything else, against us; because the battleship can cruise up and down here with impunity.

It can bring the whole economic lifeline of the Iranians within range of their 16-inch guns, or within the cruise missiles they have on board. It could cruise up and down with impunity, because there is no weapons systems in Iran that could even have a prayer of seriously damaging or sinking that battleship. I think all you would need to do is cruise a battleship up here, perhaps even unescorted because it really does not need anything with it. With its search radar on, on each one of these targets here, either Bandar Abbas or the air base at Bushehr or Kharg Island up here, you train your fire control radar on there that they pick up on their scopes also and they get the message very fast that their economic lifeline is being threatened if they are dumb enough to make any attack on an American ship. We could rotate our four battleships through there, one on station at 90 days at a time. I think we could even save money if we went that route.

We could perhaps pull a carrier out of the Indian Ocean and save all that expense of keeping a carrier battle group in there all the time. So that is one thing for the administration to consider if we are looking for an effective deterrent.

Where the Iranians make their attacks now is just inside the gulf. Here are the in and out shipping channels on the gulf. We were out there on a ship in the middle of those shipping channels just 2 weeks ago last Sunday, so we had a firsthand chance to see what is happening over here at Bandar Abbas. On the radar at that time we saw 42 international ships over here waiting to be loaded in Iran.

They make their attacks on international shipping down here along the waters of the United Arab Emirates. The Iranians do not venture where the Iraqis can get to them further up in the gulf.

So that is basically the military situation we find ourselves in.

But it is a situation that I think we cannot bluff on. We cannot say we hope that they will not be so dumb as to make suicide attacks or anything like that. They have to know absolutely and without fail that we have a retaliatory capability in there that is going to leave them without the ability to prosecute a war if they are dumb enough to hit an American ship. That cannot be left to chance.

Mr. President, while I do not like the idea of the flagging, if it becomes necessary, then I think we have to have enough force to maximize deterrence and minimize risk. Do we need the carrier? Much has been made out of the fact that we should have air cover over there. Now, I spent much of my life, I went through two wars, as a fighter pilot. I think I am a fair student of what is needed in an air war. I am not that much concerned, quite frankly, about the possibility of air attacks. The best estimates are that Iran only has about 60 F-4's and at any one time, because of spare parts and maintance problems, we estimate that only about 20 to 25 of those are in commission and usable. They have an estimated 60 F-14's, and at any one time only about 11 to 15 of those are in usable condition.

So it seems to me the possibility of having large-scale air attacks from Iran is reasonably remote. But with the battleship again it is rather impervious to anything that the Iranians might throw at it, even possibly a suicide attack by an F-4 or an F-14. So I am not sure that I share the views of some of my colleagues that we need air cover. I would like to have air cover available. Perhaps we could work out some arrangement with the Saudis which would not mean we would have to keep a carrier over there all the time. I do believe a battleship up and down that coast, up and down the gulf, whose weapons could reach everything of any importance as far as the economic lifeline in Iran goes would make deterrent sense and possibly even save us money over the long haul.

So, Mr. President, this is a very brief rundown of my views and my concerns about the Persian Gulf. I think the United States must redouble its efforts on the diplomatic front. Flagging might very well become unnecessary if the war could be brought to a peaceful conclusion by the United Nations or through bilateral contacts. Until we have studied the administration's threat assessment and corresponding specific protection plan, until we have examined potential alternatives to reflagging, and until we have ascertained more fully the degree of allied and gulf support, I think a decision on whether to back the administration's reflagging would be premature. We do not have forever because it requires congressional action or it does go into effect. But we do have a little bit of time left.

So, Mr. President, in closing, I believe that the Sasser report and Warner-Glenn reports will provide a good foundation for the Senate as it proceeds to discuss and debate a very complex and vitally important issue facing this country—in fact the free world—into the long-term future.

Once again, I compliment our majority leader, Senator ROBERT BYRD, for having the foresight to ask us to get the information. I hope it has been helpful. I am happy to work with him and the leadership in the Senate, with Senator WARNER and Senator SASSER, to do whatever we can to, first, bring the war to an end and then to make sure that the American policy in this area is not an on-again, off-again situation.

Senator SASSER mentioned earlier that one of the things he heard over and over on his trip was, "Can we rely on America?" He said, "Can we rely on the gulf states, too?" That is a fair question to ask. But I would submit with what happened in Desert I and Beirut and the arms sale to Iran and the *Stark* tragedy, there are some pretty good reasons why our reputation over there is at a low ebb at the present time. I want to see us be a reliable partner in whatever we do in the gulf. It is too important for the long term; it is going to control a large part of the energy sources of this world.

Ever since the energy shortages back in the 1970's, I have been making speeches and occasionally challenging audiences, asking them, if you had your choice of 10 square miles of any property on Earth, what would you pick? Someone would say a square mile in downtown Moscow, London, Washington, or wherever. I would come back and say, "If I could pick 10 square miles that would come closer to giving me good control of things in this world than any other spot, I would pick 10 square miles on the in and out channels of the Strait of Hormuz." That is not something new. That is something I have been saying since way back in the midseventies during the energy crunch. I believe it is even more vital for our future today because the energy reserves of the world are more bound up in the Persian Gulf area and we cannot leave to chance those future oil supplies for our children and our grandchildren falling under the domination of Iran or the Soviets. I think it is that important for the long-term future of the world.

I thank the Chair.

EXTENSION OF MORNING BUSINESS

Mr. WARNER. Mr. President, first I ask unanimous consent that I might expand on my statement and, second, that the hour of morning business be extended another 10 minutes.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

Mr. WARNER. Mr. President, I hope my distinguished colleague from Ohio can stay 1 or 2 more minutes on the floor. I would like to engage him in a colloquy. I think we should perhaps narrow a point of difference that is vital to our colleagues in the Senate at this time.

Before doing so, I want to say again what a personal pleasure it is for me in my brief career here in the Senate to have been associated with the leadership that the Senator from Tennessee, and particularly the Senator from Ohio, provided on this trip. The Senator from Ohio has most unusual of qualities that when he walks into a room, be there kings or sheiks or emirs, his presence is felt and his presence is respected.

Apart from that, I shall always remember his presence when he looked into the eyes of our personnel wearing the uniform of the United States serving in that part of the world, particularly the sailors aboard the U.S.S. *Stark* still reeling from the tragedy of their lost brethren. When Senator GLENN spoke, they listened. He left with them a very clear message of hope; that their futures were of primary concern to the President and those of us in positions of authority back in the United States, not only those aboard the U.S.S. *Stark* but those that are in the gulf now and in all likelihood will be coming to the gulf region in the months to come as we enhance our military forces.

I would like to settle one other matter. The distinguished Senator from Ohio referred to this report as the Warner-Glenn report. We will rename that the Glenn-Warner report not because of seniority in the Senate but because we both were privileged to wear the uniform of the Marine Corps and he is senior in grade and rank to me, and that settles it.

Now, Mr. President, to the question of the difference we appear to have here today. Earlier I said that the President has made a decision to reflag these vessels. While I had some options that I would have urged other than reflagging, the decision is now made. It seems to me it is the responsibility of the Congress to advise the President on how best to implement that decision and most particularly the measures to be taken by military presence to protect our flag vessels.

The last few statements by my distinguished colleague addressed, to use his words, "the low ebb of American credibility in that region."

That is the precise reason why I am saying now that the President has made the decision and Congress should join and move forward; and I urge Congress not to take steps to try to undo or in any way block or impede the implementation of that decision to reflag, right or wrong though it may be. I say that for the reason that if this body, the Congress of the United States, takes such actions as to delay further or impede that decision, it would again begin to drive down the U.S. credibility in that region—drive it to depths far below those described by my eminent colleague from Ohio, in the aftermath of Lebanon, in the aftermath of the seizing of our Embassy personnel by the Iranians, in the aftermath of Desert I.

I say to my friend, let us discuss, for the benefit of our colleagues, what would be the reaction, in all likelihood, in that part of the world if Congress were to take the steps to reverse or impede the President's decision to reflag. It seems to me that we have to address that before we contemplate any action along those lines. This Senator has addressed it and has come to the conclusion that we really have no option but to support our President at this time, other than perhaps an option to limit any further expansion of this commitment.

I agree to that, because my thought would have been to remain flexible, keep any aggressor in a thinking posture as to what we might do with enhanced military assets, rather than committing to one specific nation and to one fleet of 11 ships. Flexibility and military response have been lessened, it seems to me, by this commitment; but that is done and it is behind us now.

I ask my good friend, recognizing and reciting the sense of history as to the low ebb of our credibility, if this body were to take any action now to impede or delay that Presidential decision, would that not contribute to the decline of our credibility in the region?

Mr. GLENN. Mr. President, if the Senator will yield, I will be glad to reply.

I think we cannot back out of an overall commitment. While we may disagree on the necessity to follow through at this time on flagging—we disagree on that particular point—there is no doubt in my mind that we have to keep our commitment over there in the gulf.

I see this as a number of other things that we have to look at. I mentioned the U.N. resolution, getting the agreement of our allies, hoping that we can get the war wound down, and flagging may not be necessary. But there are other aspects that concern me.

As I understand the agreement right now with regard to flagging on Kuwaiti tankers, we could be in the gulf and could be escorting with a frigate one of those American-flagged former Kuwaiti vessels, and go right past a British supertanker under attack, and we could steam right on by. Our mission is to escort the Kuwaiti tanker, and that is it. Is that rational? I bring this up because it indicates some situations we can get into.

Also, let us say we flag the Kuwaiti tankers and they now become American-flag ships. Are we then to turn down Singapore's request to reflag ships so that they are protected? How do we turn down Japanese ships going in to pick up oil? Japan is our friend. We have guaranteed them protection, freedom of the seas.

I can go on with any number of nations that might ask for our help and our protection. That is the quagmire I see us getting into if we go ahead with the reflagging. Where do we stop? How many nationalities want our help? Do we send frigates and battleships up and down the gulf with them? Once we enter into that, there is no place to stop.

That is why I question the whole reflagging concept. I think the administration did not think it through well.

In response to the Senator's question, would I say now absolutely no reflagging, as some of my colleagues want to do? Would I say no reflagging under any circumstances? No, I would not, at this point, and for the reason the Senator is talking about: for the reason that I think if we have to go that way to maintain American credibility in the future, after all these other avenues have failed, I would still retain that as a last-ditch possibility. I just do not want to go to it as the item of first resort. I would go to that as a last resort.

I want the first resort to be an attempt to end the war through the U.N., line up the support of allies, define who we are going to support and who we are not.

I would like to see a dozen questions ironed out before I would personally approve reflagging as it is now outlined. I think it was a policy put together in haste and was ill-considered. But we may be bound into it and have no option but to go with it sometime in the future, but that future is not yet.

That is my position.

Mr. **WARNER**. I thank my colleague.

I think the reflagging decision has been made. It is there, right or wrong, and we have to move forward. I agree, let us not expand to other firm commitments. Let us maintain flexibility.

There are 350 to 450 ships passing through the Strait of Hormuz every month—the major ships. The Senator from Ohio and I went into the Strait of Hormuz on a small patrol craft, and we saw the free flow of merchant ships and the exercise of the right of free passage, one of the principle reasons why we have a stake in the gulf to preserve that free passage. But I say to my friend that I think the decision has been made; and every day that goes by and Congress begins to try to think of a way to tinker with it or change it or reserve or impede the President, we are beginning to negatively impact the credibility of this Nation in the gulf.

Mr. **GLENN**. I did not say "tinkering."

Mr. **WARNER**. I withdraw the word "tinkering." We used to tinker with our airplanes.

Mr. **GLENN**. Constructive tinkering.

Mr. **WARNER**. Mr. President, I think we probably have the opportunity to discuss these issues in full.

What do we do when we see another ship, irrespective of what flag is under attack? Obviously, we offer humanitarian assistance, if that did not, in turn, render our own ships more vulnerable to the situation in which the attack were occurring. But we cannot hope to have the military assets to take care of all the problems that might arise in the gulf. That is why I hoped we would not have gotten into it in this fashion. I would hope it would be a flexible situation, to get the aggressor, whatever side, to think about what we would do, and attempt to bring about peace in the gulf region.

Mr. President, I thank the majority leader and the minority leader for making possible this opportunity to gather the facts and to prepare the report, for their participation in receiving the report, and for the opportunity today to discuss freely those differences and those areas of agreement that the three of us have.

EXHIBIT 1

THE PERSIAN GULF CRISIS

(A report submitted to the majority leader, U.S. Senate By Senator JIM SASSER)

U.S. SENATE,
COMMITTEE ON APPROPRIATIONS,
Washington, DC, June 15, 1987.

Hon. ROBERT C. BYRD,
The Majority Leader, U.S. Senate, Washington, DC.

DEAR LEADER: Attached is my report providing observations and recommendations on the Persian Gulf crisis.

As we previously discussed, I am not submitting a written discussion of the STARK tragedy. It is my view that the Navy is proceeding with dispatch to take corrective actions to ensure that such an accident does not occur again. I also believe the Navy's own investigation into the events leading up to the tragedy will be thorough and will be made available to the Congress.

For the moment, therefore, I believe the Navy's own internal investigation should go forward uncomplicated by premature observations and conclusions.

I have also refrained from specific references to conversations I have held with representatives and leaders of foreign governments. I believe those specific conversations should remain confidential. My report does, however, reflect my findings and conclusions based on those conservations.

My personal view on the issue of reflagging Kuwaiti tankers is that it should not have been approved by the Administration. Reflagging is, unfortunately, the direct result of America's weakened credibility brought about by the secret arms sale to Iran, an Administration initiative upon which the Congress was never consulted or advised.

The reflagging of Kuwaiti tankers and granting them the protection of U.S. Navy escort are, in my view, unnecessary and unwise. Before proceeding, the Administration should again consult with the Government of Kuwait to see if the request can be withdrawn and the Soviet tanker lease terminated.

The Administration has again committed our nation to what could rapidly become a foreign policy folly. The risks are far greater than the Administration is willing to admit.

If reflagging and escort are to go forward, I believe the Congress should take specific legislative actions to ensure that American men and equipment are properly safeguarded from attack and to ensure that our allies in Europe and Japan, as well as those in the Gulf, fully participate in a multinational deterrent force.

It is on that basis that I submit this report for your consideration.

Sincerely,

JIM SASSER,
U.S. Senator.

INTRODUCTION

The United States has embarked upon a very dangerous policy in the Persian Gulf—a policy which clearly risks armed conflict with Iran.

The Administration's decision to reflag eleven Kuwaiti oil tankers, and to escort those tankers with U.S. warships, has added a new dimension to U.S. Persian Gulf policy and raised the stakes for the United States.

However, beyond the President's decision to grant Kuwaiti ships the protection of the U.S. Navy are the more fundamental questions of policy which the Senate should address.

WHAT ARE OUR PERSIAN GULF INTERESTS?

In his State of the Union Address of 1980, President Carter committed the United States to the defense of Persian Gulf oil supplies.

The Congress has explicitly supported a U.S. military commitment in the Gulf by approving funding for a rapid deployment force—the U.S. Central Command—and providing facility construction for regional base access.

President Carter's commitment has been supported and broadened during the Reagan Administration.

Oil

Oil, of course, is our chief interest in the Persian Gulf. Western security is critically dependent on oil for its economic and military survival—a dependence which will remain well into the next century. The vision of gas lines and high prices of the late 1970s has not faded from any American's memory.

Persian Gulf countries control over half the world's remaining oil reserves. Over five million barrels of oil per day are shipped through the Straits or Hormuz by tanker. That is twelve percent of the world's current oil consumption.

If the West is to remain economically and militarily strong, oil supplies from the Persian Gulf must not be disrupted.

Freedom of the Seas

The right of passage in international waters is a fundamental principal of international law. Whenever American interests have been jeopardized on the high seas, the nation has always responded.

However, despite sustained attacks on oil tankers in the Gulf, first initiated by Iraq three years ago, the oil flow through the Straits of Hormuz has continued. No tanker has been sunk since 1984. The principal threat to navigation continues to be, substantially, harassment.

The recent purchase of Chinese Silkworm missiles, however, provides the Ayatollah Khomeini's government the capability to sink oil tankers, freighters and even warships. As the Silkworms are erected and placed in operation, Iran will have the ability, for the first time, to effectively reduce the flow of oil through the Straits of Hormuz.

U.S. and allied policy must be directed toward reducing the potential that Iran will choose its Silkworm option.

The Iran-Iraq War

One million casualties have already been inflicted by the brutal seven-year Iran-Iraq War.

United States policy has been to remain neutral in the conflict. A victory by Iraq, an enemy of America's ally—Israel, would threaten the only Middle Eastern democracy. An Iranian victory could spread the Ayatollah's Islamic radicalism throughout the Persian Gulf—a sure threat to Western oil supplies.

A negotiated settlement to the Iran-Iraq War is the only alternative which is acceptable to the West. However, despite great human sacrifice in battle, Iran has shown no interest in coming to the bargaining table.

Given the Iranian propensity for human sacrifice and Iraq's failure to turn its technological superiority into decisive victories, it is reasonable to conclude the war will continue to rage.

Time, however, is on Iran's side. Barring a lengthy, destabilizing power struggle to succeed Khomeini, Iran's staying power far exceeds that of Iraq. Thus, an Iranian victory cannot be discounted.

Soviets in the Gulf

Throughout history, Russia has coveted a warm water port. Documents made available shortly after World War II detail the Soviet military's view that Iranian Persian Gulf ports would provide the Soviet Union a major economic and strategic advantage.

It can also be concluded that the impact of oil on the industrialized democracies since World War II has only served to intensify the Soviet's desire for a Persian Gulf port.

Since the Carter Doctrine was enunciated in 1980, following the Soviet invasion of Afghanistan, U.S. policy has been directed toward denying the Soviets access to the Gulf.

As a result, Soviet influence in the Gulf has been minimized, as oil-rich gulf states turned to petrodollars from the West instead of an alien Communist ideology.

There is, however, no limit to the number of scenarios which could bring the Soviets more forcefully into the Persian Gulf. Once there, the Soviets would seek to strip away the traditional Western-Persian Gulf commercial relationship.

United States policy must, therefore, continue to emphasize denial of Soviet influence in the Gulf.

U.S. Credibility

United States credibility in the Persian Gulf has never been lower. Clearly, American humiliations during the hostage crisis and in Beirut contributed to the current U.S. credibility gap.

The most significant failure of credibility, however, occurred when it was revealed the United States had been selling arms and military spare parts secretly to Iran. No other event has so significantly served to undermine U.S. interests in the region.

Rebuilding U.S. credibility must be a priority for American foreign policy in the Persian Gulf. Failure to do so will result in a rapid diminution of U.S. influence and prestige, not only in the Gulf, but throughout the Middle East.

The American credibility gap provides the Soviet Union an opportunity to achieve, heretofore, unlikely success in altering the course of events in the Persian Gulf. This, above all else, may be the true elusive "moderates" in the Ayatollah's radical government.

Kuwaiti Reflagging

The threat to Kuwaiti oil tankers is essentially no greater than the threat to any other ships in the Gulf. Recently, however, Iranian attacks have been stepped up on Kuwaiti oil shipments, but those attacks have not effectively reduced the flow of Kuwait's oil through the Gulf.

Iran has been increasingly targeting Kuwaiti interests in the Gulf primarily because Kuwait provides the principal port for trans-shipment of arms and military supplies to Iraq. And Kuwait, along with Saudi Arabia, directly provides financial assistance to Iraq's faltering economy.

Iran apparently believes the intimidation of Kuwait could alter the course of the war. How far Iran is prepared to go in its policy of increased Kuwaiti intimidation is far from clear.

Yet, Kuwait has seized upon the Iranian attacks to justify its recent efforts to effectively engage the superpowers in the Iran-Iraq conflict. Kuwaiti leaders mistakingly believe that the presence of the superpowers will lead to a more speedy conclusion of the war.

Whether Kuwait's advances to the superpowers were influenced by the leadership of Iraq cannot be discounted. Neither can Kuwait's relationship with the Soviet Union, clearly closer than any other Gulf state, be disregarded as a factor.

It is likely, however, that Kuwait acted out of fear and pique generated by the U.S. arms sale to Iran.

Whatever the reason, the Government of Kuwait is successfully manipulating both the United States and the Soviet Union into wider involvement in Gulf affairs.

For the United States and the world's democracies, Kuwait's year-long lease of three Soviet oil tankers, with Soviet naval escort, presents a profound challenge. Indeed, it was that challenge, not a threat to shipping, that led the Administration to agree to reflag and escort eleven Kuwaiti oil tankers.

Kuwait is taking a calculated risk based on the vacuum left by America's faltering credibility. Kuwait's government believes that the Soviet Union's desire for influence in the region will override any Soviet concern of potential Iranian countermeasures. They also believe the United States will accept increased exposure to Iranian retaliation just to regain credibility and keep the Soviet's from gaining a foothold in the Gulf.

The Iranian response has been predictable. After the Soviet charter was announced, a Soviet freighter sailing in the northern Gulf was attacked by a Revolutionary Guard speedboat detachment. And the first Kuwaiti-leased Soviet tanker struck a mine, likely deployed on its course by Iranian boats.

The United States can expect a similar response from Iran once the U.S. Navy begins escorting oil tankers. The only question is what degree of risk Iran is willing to take, and, if harassment attacks fail to achieve the Ayatollah's goals, will Iran turn its Silkworms on U.S.-flagged tankers and warships. Prudence dictates such an event should be considered likely, if not inevitable.

SHOULD WE ACT ALONE?

American intervention on behalf of Kuwait, without the direct support of our European and Japanese allies and the other countries in the Gulf, is not likely to stabilize the war and bring Iran to the negotiating table.

America alone is not a helpless giant. Our military capability has been well demonstrated. America alone, however, is too tempting a target for the Ayatollah to ignore.

Alone, an American military presence to safeguard Kuwaiti shipping is certain to further destabilize the region and invite an unbridled Iranian response.

The United Nations is the most appropriate forum for stimulating an end to the Iran-Iraq war. However, the Administration's support of an arms embargo in the Security Council, while laudatory, is not likely to achieve a quick end to the war.

For such a proposal to succeed, the Security Council must act unanimously. It is unrealistic to expect China, which has already sold Iran its most lethal weapon, the Silkworm, to overnight halt its relationship with the Ayatollah.

A total embargo, depriving arms to both belligerents in the war—Iran and Iraq—would eliminate the only counter Iraq has against the human waves if ideologically-charged Iranian armies. Without access to sophisticated military technology, Iraq would fall as Iran successfully conducted a war of attrition.

Allies and Oil

The United States receives less than seven percent of its oil from the Persian Gulf. Europe, as much as forty percent. Japan, sixty percent. Our allies, economically, have much more immediately at stake in the Gulf than the United States. Strategically, we share the same goals: To prevent increased Soviet influence in the region.

Yet, in the current crisis, our allies are effectively sitting on the sidelines. Their view of the present situation is vastly different from that of the United States.

Informally, our allies have advised the United States to "keep its cool" in the present situation. Formally, Britain and France rejected Kuwaiti appeals to charter or reflag their vessels.

The failure of the Venice summit to achieve any concrete support for U.S. policy underscores an allied view that the U.S. reaction to Kuwait's Machiavellian manipulation exceeds that which the current situation calls for.

In the abstract, the allies view may be correct. But it fails to recognize the reality the industrial democracies now face.

The allies are no longer war-ravaged economies. Many of their economies are stronger than that of the United States. President Carter recognized that fact when he negotiated a Long Term Defense Plan with the NATO allies in 1979—a commitment which has been permitted to languish during the current Administration.

Increasingly, the United States has accepted the burden of defending the free world, while our allies have deferred defense expenditures and devoted large amounts of capital to crowding out U.S. products on international markets.

As was so dramatically demonstrated in Venice, when it comes to the Persian Gulf, the allies have allowed the United States to go it alone.

Americans have, therefore, financed a military build-up at a cost of hundreds of billions of dollars to create a land, sea and air force to defend Western oil supplies—supplies which are primarily for Europe's and Japan's industrial machinery.

The failure to demand equity from our allies in defense spending and international risk taking has been one of the most significant U.S. foreign policy failures of the 1980s.

Britain and France, with their own modest naval presence in the region, appear unwilling to participate in any multinational arrangement to escort non-belligerent shipping through the Gulf. Their own warships never venture toward the northern war zone. Neither do they escort vessels flying their own national flags. Instead, the British and French see their role in the Gulf as one of "picking up survivors."

Japan, which is by law and international preference, prohibited a naval role far beyond its borders, has not offered any financial support for a multinational force, or economic assistance to Gulf littoral status.

Europe and Japan are not alone in ceding the defense of the Persian Gulf to the United States. The Gulf states, themselves the primary beneficaries of billions of petrodollars, continue to shy away from any defense regime which could incur the rath of Iran.

Even with reduced oil prices, Kuwait maintains a strong economy. But there are no Kuwaiti frigates escorting Kuwaiti oil tankers in the Gulf. Kuwait's air force is not insignificant; yet, the Government of Kuwait has not offered to provide air cover for U.S. Navy warships escorting Kuwaiti reflagged vessels sailing in the northern Gulf.

Saudi Arabia, the recipient of hundreds of millions of dollars of sophisticated American military hardware, likewise, will not commit their aircraft to provide air cover to U.S. ships in the Straits of Hormuz.

The oil-rich Persian Gulf countries are, thus far, unwilling to share the risk of protecting their own oil supplies and their own national interest. Like Europe and Japan, they remain content to let the United States provide their security shield.

The Iranian Threat

The leaders of the government of Iran are neither rational or moral. Neither are they ignorant of the weakness being displayed by the Western allies and their Persian Gulf neighbors.

Recent statements from Tehran's ruling elite demonstrate a rising fervor against what is perceived there to be U.S. and Soviet intervention on behalf of Iraq's ally, Kuwait. Iran sees a superpower tilt in the war toward Iraq.

Rhetorical threats, however, do not sink ships or halt the flow of oil; weapons do. Armed with the Silkworm, which is at least three times more powerful than the Exocet which struck the Stark, Iran will be able to turn rhetorical threats into reality in just a matter of hours. From several sites in Iran, the Silkworm can completely cover the narrow Straits of Hormuz.

A large portion of the lethal Silkworm is controlled, not by the regular Iranian Navy, but by the radical Revolutionary Guards. The Northern Gulf is, likewise, increasingly subjected to lightning hit and run raids by Revolutionary Guard speedboats operating from small islands.

Command and control of the Revolutionary Guards is not widely understood. What is known is that it was Revolutionary Guards that took control of the American Embassy in Tehran in 1979, and held Americans hostage for over a year. It was Revolutionary Guards which reportedly played a role in the bombing of the U.S. Marine barracks in Beirut and who maintain a network of terrorists throughout the Western world.

These Revolutionary Guards, themselves, may be brought to bear in the coming power struggle to succeed Khomeini, as they are believed to be heavily influenced by Iran's Parliament Speaker Rafsanjani. Emeshed in a struggle for power, the Revolutionary Guards could become even more radical and unpredictable.

The Risk of Unilateralism

The Administration tends to discount the Iranian threat. In fact, by agreeing to escort reflagged Kuwaiti tankers without effective air cover throughout the Gulf, the Administration is gambling that Iran will not attack. Such wishful thinking ignores the radical philosophy of the Ayatollah as well as the documented fervor of the Iranian people.

Iran has almost seven million men fit for military duty. There is no evidence to indicate Iranians would oppose their government in a holy war against an unprotected U.S. naval contigent in the Gulf.

If the U.S. goes it alone in the Gulf, Iran will not likely be deterred from some level of attack. American warships, alone escorting Kuwaiti tankers, are not an effective deterrent. They are, instead, an invitation to escalation of the regional conflict—an escalation which would undoubtedly lead to a reduction in the flow of oil in the Gulf and a dramatic increase in the price of oil. This is the very outcome we seek to prevent.

A multinational force is the only realistic effective deterrent in the Persian Gulf. Britain, France, Italy, and the Netherlands could all contribute warships to the task. Germany and Japan, both effectively prevented form military activity beyond their borders, could contribute financially to such a multinational regime.

Kuwait and Saudi Arabia could provide air cover or base access to allied aircraft. Other oil producing countries of the Gulf could cooperate in other tangible ways.

The defense of the Persian Gulf and freedom of navigation there rightly rests with the Gulf oil-producing states and the oil consuming nations. The Soviet Union has no direct economic interests in the Gulf and should not be expected to participate in any multinational task force.

In fact, an allied naval and air force, protecting its own economic lifeline and the economic viability of the Gulf states is the only sure way to block Soviet influence in the region effectively.

RECOMMENDATIONS

The Senate should act promptly to help restore American's lost credibility in the Persian Gulf and require the Administration to seek allied participation in a multinational Gulf defense regime.

First, the Administration should recognize the dangers and consult with Kuwaiti leaders in an effort to encourage the Government of Kuwait to withdraw its request for reflagging and U.S. escort and terminate its lease with the Soviet Union.

Unless Kuwait decides to withdraw its request, the fact of the Iranian arms deal probably prevents the United States from backing out of the Administration's unilateral commitment to reflag Kuwaiti tankers, as dangerous as that may be.

To back out now would have predictable results. Despite the fact other Gulf leaders were not consulted before Kuwait approached the superpowers and still may believe the action ill-advised, they see the U.S. reflagging as a litmus test of American's reliability—a reliability severely shaken by the Iranian arms sales.

Iranian belligerence would likely be bolstered and Iran's influence strengthened as other Gulf states feared American resolve would crumble at the first sign of trouble.

Soviet influence-peddling would be encouraged as Kuwait has threatened to turn entirely to the USSR for tanker escort. It would then be only a matter of time until the Soviets sought basing rights and port facilities in the Gulf.

If ever the United States was caught between the proverbial rock and a hard place, it is now. For the United States to cancel reflagging will have undesirable and unacceptable results, but to go forward will bring a clear risk of an armed confrontation with Iran.

The Administration has an obligation to advise and consult with Congress on foreign policy issues, especially those that involve substantial risk. That obligation is crucial if we are to have the kind of Congressional and public consensus that must support sound foreign policy. We cannot have such a consensus if we do not act to reduce the damage created by the Administration's failure to remain constant in its own policies and to limit the chances for war in the Persian Gulf.

Allied help is necessary

War in the Gulf will only be deterred when the oil porducing nations and the oil consuming nations agree to collectively defend their common interests.

The creation of a multinational force is necessary to assure free passage of the West's oil in the Gulf and to mazimize deterrence of potential Iranian provocations.

There is no evidence that the Administration has approached our European allies and Japan with a proposed multinational force regime.

Prior to the Venice summit, Japanese Prime Minister Nakasone and British Prime Minster Thatcher would not publicly rule out responding to such a request, but they both indicated that no request had then been made.

The Venice summit yielded no results other than a public declaration for freedom of the seas. Apparently President Reagan asked for nothing more.

The Senate should consider leigislation which places the reflagging effort on hold and prevents the initiation of U.S. naval escorts until the Administration has tabled, bilaterally, a detailed multinational force proposal with each of our allies, and the allies have agreed to participate and share in the risk and the cost.

The legislation should also link escort operations to agreements with the oil-producing Persian Gulf countries, themselves, for the provision of air cover for the multinational force or base access for allied aircraft.

Finally, the legislation should require the Secretary of Defense, prior to initiating escort operations, to certify that every appropriate measure to protect U.S. men and equipment has been taken. Such protection should include, but not be limited to, sufficient air cover throughout all sectors of the Gulf, appropriate defensive equipment and weapons systems on all naval vessels in the Gulf, and assurance that intelligence assets are sufficiently robust to provide early warning of hostile Iranian intentions.

Future Considerations

Finally, the appropriate committees of the Congress should initiate an extensive review of the adequacy of forces assigned to the U.S. Central Command. Many believe these forces are too few and too far away to effectively respond to a major challenge to Western interests in the Gulf region.

If U.S. military strategy and assets are not up to the mission, corrective actions should be identified and implemented before forces are committed to combat.

The current situation provides a grim reminder that U.S. forces are deployed 7,000 miles away without assured base access and facilities in the region.

American military commitments must not exceed our military capabilities. If, to better protect the Persian Gulf, adjustments are necessary in force structure, the allies should be called upon to provide additional defense commitments and manpower to assure the West's defense is robust wherever it might be challenged.

CONCLUSION

Nowhere are U.S. and Western security and economic interests more clear than in the Persian Gulf. For that reason the West must approach its commitments there with firmness and unity.

Above all, the West must collectively share the responsibility and the risk of protecting the Gulf from Iranian radical Islamic domination and Soviet adventurism.

Acting unilaterally, the United States sets the stage for an escalation of the regional conflict. Acting together, Western allies provide deterrence to both the Iranian radicals and the Soviet expansionists.

The Congress has the responsibility to insure that American interests in the Gulf are being managed properly and with all due caution.

When the Administration fails to act, as in securing allied support, or exceeds its charter, as in the Iranian arms sale, the Congress must step in.

It is that duty we are now called upon to perform.

REPORT BY SENATORS GLENN AND WARNER TO SENATORS BYRD AND DOLE ON THEIR TRIP TO THE PERSIAN GULF, MAY 27–JUNE 4, 1987

I. PURPOSE OF TRIP

Following the Iraqi air attack on the American frigate USS *Stark* in the Persian Gulf on May 17, 1987, Senate Majority Leader Robert C. Byrd appointed a three-member Senate delegation to visit the Persian Gulf region. Headed by Senator Jim Sasser (D-TN) the delegation included Senator John Glenn (D-OH) and Senator John Warner (R-VA) both of the Senate Armed Services Committee.

As outlined in Senator Byrd's tasking letter of May 22 the purpose of the trip was to:

Conduct an assessment of the threats to American and friendly force in the Gulf; and to

Conduct an assessment of options to improve cooperative security arrangements with friends and allies in the Gulf Region.

Out of respect for the Muslin Ramadan holy days a decision was made to divide the delegation into two parties. Senator Sasser was to conduct a preliminary investigation prior to the holy days with emphasis on the USS *Stark* attack. Senators Glenn and Warner would follow as the holy days were concluding, expanding their investigation to include visits to as many of the Gulf Cooperation Council (GCC) nations as time would permit. Some planning was given to including Iraq, but this option, once in the area, appeared not viable. With this expanded intinerary, Senators Glenn and Warner further broadened the purpose of their trip to include an on-scene assessment of the political and military implications of the Administration's plan to provide protection for Kuwaiti tankers scheduled for reflagging in early June as U.S. ships.

Senator Sasser has submitted a separate report on the results of his preliminary investigation; this report by Senators Glenn and Warner complements and builds on the Sasser report.

U.S. SENATE,
OFFICE OF THE MAJORITY LEADER,
Washington, DC, May 22, 1987.

Hon. JIM SASSER,
U.S. Senate,
Washington, DC.

DEAR JIM: In order to further your investigation into the security situation in the Persian Gulf, and in light of the wide range of nation-states and interests which are central to that situation, as well as the timing of the Ramadan holy day period beginning on Wednesday morning, May 27, 1987, I recommend a two-part intinerary.

First, I would recommend that you build an initial foundation for your security assessment by pursuing an investigation into an assessment of the threats to American forces and vessels in the Gulf, and to Kuwaiti interests and shipping by visiting both Bahrain and Kuwait, and by meeting with appropriate foreign and American official representatives in those locales. Second, I suggest that you begin your assessment of methods to improve cooperative security arrangements, with particular attention to the question of air cover, with our friends and allies, when in the Gulf region, including discussions with European allied representatives on this matter.

Since the Ramadan holy days preclude productive work with Arab governments for several days beginning on May 27th, I strongly suggest that Senators John Warner and John Glenn of your delegation conduct a follow-on visit later next week, and include in their itinerary the possibility of meetings in Saudi Arabia, Iraq, Oman, and with the Gulf Cooperation Council. Their visit would, then, serve to complement and build on your preliminary work.

I look forward to the report and recommendations of your delegation's combined assessment, and am sure that it will be of great value to the full Senate as it continues its efforts to provide for an adequate security system for our men and ships in the Persian Gulf.

Sincerely,

ROBERT C. BYRD.

II. SCHEDULE OF OFFICIAL VISITS

Bahrain (29–30 May):

Shaikh Isa bin Sulman Al-Khalifa, Amir of Bahrain.

Muhammad bin Mubarak Al-Khalifa, Minister of Foreign Affairs.

Hon. Sam Zakhem, U.S. Ambassador to Bahrain.

Rear Adm. Harold J. Bernsen, USN Commander, Middle East Force.

Visited: USS *Stark* (FFG-31); USS *Stephen W. Groves* (FFG-29); and USS *La Salle* (AGF-3).

Oman (30–31 May):

Yusuf bin Alawi bin Abballah, Minister of State for Foreign Affairs.

Gen. Johnny Watts (British Army, retired) Former Chief of Staff, Sultan's Armed Forces.

Lt. Gen. Hamed Al-Aufi, Chief of Staff, Sultan's Armed Forces.

Air Commodore Mohammed Mubarak, Deputy Commander, Sultanate of Oman Air Force.

Group Capt. Chris Sprent, Director of Plans and Policy, Sultanate of Oman Air Force.

Capt. John DeWinton, Chief of Staff, Sultanate of Oman Navy.

Hon. G. Cranwell Montgomery, U.S. Ambassador to Oman.

Saudi Arabia (1 June):

Prince Saud al-Faysal Al Saud, Foreign Minister.

Maj. Gen. John R. Farrington, USAF, Chief, U.S. Military Training Mission.

Col. Jack Gray, USAF, Commander, ELF-One AWACS Detachment.

Hon. Walter L. Cutler, U.S. Ambassador to Saudi Arabia.

Kuwait (1–2 June):

Sheikh Saad Al-Abdullah Al-Sabah, Crown Prince and Prime Minister.

Sheikh Sa'ud Muhammad al-'Usaymi, Minister of State for Foreign Affairs.

Sheikh Ali al-Khalifa al-Athbi Al-Sabah, Oil Minister.

Sheikh Salim al-Sabah al-Salim Al-Sabah, Defense Minister.

Abdullah Bishara, Secretary General of the Gulf Cooperation Council.

Hon. Anthony Quainton, U.S. Ambassador to Kuwait.

United Arab Emirates (3 June):

Shaikh Zayed bin Sultan Al Nahayyan, President of the United Arab Emirates and Ruler of Abu Dhabi.

Rashid 'Abdallah' Ali al-Nu'aymi, Minister of State for Foreign Affairs.

III. STATISTICAL SUMMARY

1. Belligerents:

A. Iran: Land area: 1,648,000 km2; Population: 46,604,000; GDP (1984/5): $163.544 billion.

B. Iraq: Land area: 434,924 km2; Population: 16,019,000; GDP (1985 est.): $22.515 billion.

2. Gulf Cooperation Council:

A. Bahrain: Land area: 676 km2; Population: 422,000; GDP (1985 est.): $4.468 billion.

B. Kuwait: Land area: 17,818 km2; Population: 1,771,000; GDP (1984/5): $21.474 billion.

C. Oman: Land area: 212,380 km2; Population: 1,271,000; GDP (1985): $9.844 billion.

D. Qatar: Land area: 11,000 km2; Population: 305,000; GDP (1985): $3.050 billion.

E. Saudi Arabia: Land area: 2,149,690 km2; Population: 11,519,000; GDP (1985): $93.653 billion.

F. United Arab Emirates: Land area: 83,600 km2; Population: 1,326,000; GDP (1984 est.): $25,742 billion.

(Sources: The World Factbook 1986, CIA; Military Balance 1986–1987, International Institute for Strategic Studies.)

IV. BACKGROUND

Iran-Iraq War

On September 22, 1980, hoping to take advantage of internal disturbances in Iran, Iraq launched a strike into Iran. Although tensions between the two states had increased following the 1979 revolution in Iran, the outbreak of hostilities had historic roots in the cultural differences between Arabs and Persians. For centuries, Arabs have fought Persians with the border between Iran and Iraq being a primary source of contention. These differences are exacerbated by strong personal antagonisms between the current leaders.

In launching its September 1980 attack, Iran apparently believed that Arabs in the Khuzistan region of Iran would rise in support of Iraq, the Iranian army would collapse, and the government in Tehran would either collapse or agree to a ceasefire. None of this occurred. Despite the advance of Iraqi troops through more than half of Khuzistan, Iran did not yield.

In a series of counterattacks beginning in September 1981, Iran forced Iraqi troops to retreat from much of the territory occupied during the previous year. In June 1982, Iraq withdrew its forces from Iran. In July 1982, Iran began to attack Iraqi territory. Since that time, Iraqi forces have been primarily defending their own territory while inflicting heavy losses on Iranian forces.

Since mid-1982, the Iran-Iraq conflict has become a war of attrition in which the line of battle has moved little more than a few miles from the pre-war border. Tactically, the Iranians have persisted in attacking, using massed infantry, but battles have not been fought to decisive conclusions. Iran apparently lacks the firepower and logistical support to effectively achieve its objectives. For its part, Iraq has adopted a defensive strategy to preserve its more limited human resources.

In the near term, it appears that the static war of attrition will continue with neither Iran nor Iraq capable of achieving a decisive military victory over the other.

Tanker War

During the first 3½ years of the Iran-Iraq war, only 51 ships were attacked in the Persian Gulf. Ships struck during this period were directly involved in combat resupply. However, on March 27, 1984, Iraq escalated the air war, into what has been called the "tanker war", by attacking Iran's economic shipping and oil installations. Iraq's objectives were to prevent or reduce the importation of vital materials required by Iran for its war effort, to reduce or terminate Iran's oil revenues which help finance the war, and to internationalize the war. On May 19, 1984, the Iraqi Foreign Minister reiterated his government's intention to interdict Iranian shipping and to demonstrate to Tehran that "the elusive war of attrition which they have bet on is not in their interest." Iran has retaliated—by sea and by air—by attacking the shipping of Iraqs Gulf supporters.

Since March 27, 1984, 248 ships have been attacked in the "tanker war." (Nineteen other ships have been attacked by Iraq, but these combat resupply vessels are not considered part of the "tanker war.") Iraq initiated 153 of these attacks while Iran has conducted strikes on 95 ships. Sources may differ on the exact number of attacks because of different counting methods. The rate of buildup of the number of attacks has been roughly parallel between the two nations, but the preponderance of Iraqi-initiated attacks is indicative of Iraq's agressiveness in moving the war to a maritime dimension as a means of breaking the land war deadlock.

Despite the high number of ship attacks, the actual damage to ships has been relatively insignificant in comparison to other military actions to disrupt a maritime lifeline; a case in point is the heroic Murmansk run of World War II. Very few ships have been sunk during the "tanker war", and estimates are that oil exports from the Persian Gulf have been reduced only by less than 1 percent due to hostile action. In part, this ineffective campaign against shipping reflects the failure of both Iran and Iraq to aggressively use their military assets in this campaign. In addition, the ordnance used by both sides is ineffective in causing significant damage to oil-laden tankers.

Gulf Cooperation Council

As a result of developments in the Persian Gulf region during the late 1970's and early 1980's, notably the Iranian revolution and the Iran-Iraq conflict, the six Arab states on the western and southern edges of the Persian Gulf—Kuwait, Saudi Arabia, Bahrain, Qatar, United Arab Emirates, and Oman—agreed in February 1981 to form the Gulf Cooperation Council (GCC). The official date of establishment was May 25, 1981. Perceiving real threats to their security, the GCC was formed to enhance prospects for security cooperation and to contend with economic and political concerns. Formation of the GCC demonstrated a readiness on the part of the six conservative, monarchial Arabian Peninsula states to put aside longstanding differences in favor of stronger coordination and mutual security.

Under a confederal structure, along the lines of the European Community, the GCC seeks to achieve a consensus among its members. In a statement issued by its General Secretariat in May 1982, the GCC stated five principal goals: economic integration, considered to be the underlying basis for all other cooperative efforts; political coordination in foreign policy, through nonalignment in international affairs and intimate involvement in Arab affairs; defense cooperation; internal security; and social, cultural, and educational cooperation.

U.S. Forces in the Middle East

A United States military presence in the Gulf region began in 1948 with the establishment of the U.S. Naval Forces, Persian Gulf command. In August 1949, the small surface ship patrol force was re-named the Middle East Force (MEF). The MEF remains in place today, a continuous naval presence in the Gulf for almost 40 years.

The original purpose of the MEF was to show the flag, support U.S. relationships with regional states, provide emergency services at sea, procure and ship fuel oil, and to conduct hydrographic surveys. Since the Soviet invasion of Afghanistan and the Iran-Iraq War, MEF missions have expanded to include more operational tasks. Today the MEF maintains air/sea lines of communication, demonstrates U.S. resolve, conducts maritime surveillance operations, exercises with local navies, and promotes goodwill through port visits in the region.

MEF currently operates out of Bahrain's Mira Sulman pier under a leasing arrangement with the government of Bahrain. An Administrative Support Unit of 135 people performs administrative support functions for the force. There is no other comparable U.S. facility in the Gulf area.

In its early days the MEF consisted of a command ship and two combatant escort ships. In 1980 two additional escorts were added, expanding the force to a total of five ships. When there is no aircraft carrier battle group in the region, MEF may be further augmented to provide for a total force of six cruisers/destroyers/frigates and one command ship.

Commander-in-Chief U.S. Central Command at MacDill AFB, FL is the Unified Commander for the Gulf region. Commander, U.S. Naval Forces Central Command, at Pearl Harbor, HI, is the Navy Component Commander and immediate superior to the Commander, Middle East Force.

Kuwaiti Requests for Assistance

Although the "tanker war" has not caused significant economic dislocations or interrupted "freedom of passage", Kuwait has come under increasing pressure from Iranian attacks. Since September 13, 1986, 25 of 30 Iranian attacks have been against Kuwaiti tankers or ships in trade with Kuwait. During November and December 1986, Kuwait began to explore options, including discussions with the Soviet Union and the United States, to provide protection for its tankers. Below is chronology, prepared by the Department of State, of key events leading to and concerning the U.S. commitment to reflag eleven Kuwaiti tankers. Details of the means of protection are being defined.

1986—

Nov. 1: Government of Kuwait (GOK) raises concern about shipping at Gulf Cooperation Council (GCC) Summit.

Dec. 10: Kuwait Oil Tanker Co. (KOTC) requests from U.S. Coast Guard (USCG) information on U.S. flagging requirements.

Dec. 23: KOTC informs U.S. Embassy of interest in reflagging.

Dec. 25: USCG informs KOTC of reflagging requirements.

1987—

Jan. 12: USCG sends KOTC reflagging information.

Jan. 13: GOK asks U.S. Embassy if reflagged Kuwait-owned vessels would receive U.S. Navy protection; United States Government (USG) learns GOK has similar offer from Soviets.

Jan. 23: Presidential statement reiterates commitment to free flow of oil through Strait of Hormuz and support for GCC self-defense.

Jan. 29: USG reply to GOK inquiry of Jan. 13 reiterates policy commitment on Persion Gulf; GCC must be first line of defense; Kuwait can reflag/charter if requirements are met.

Feb. 6: USG affirms to Kuwaitis U.S. Navy mission to protect all U.S.-flag ships to degree possible with available assets.

Feb. 25: Presidential statement reiterates USG commitment to free flow of oil and GCC states' security.

Late Feb. USG learns that USSR agreed to reflag/protect some Kuwaiti tankers.

Mar. 2: KOTC asks to put six vessels under U.S. flag.

Early Mar.: USG learns that Soviets are prepared to protect five tankers under Soviet flag.

Mar. 7: GOK informed of U.S. offer to protect all eleven vessels in question.

Mar. 10: GOK indicates it will accept USG offer.

Mar. 12: State Dept. Legislative Affairs notifies Staff Directors of the Subcommittees on Europe/Middle East of the Senate Foreign Relations Committee (SFRC) and the House Foreign Affairs Committee (HFAC) of USG offer to Kuwait and offers detailed briefing.

Mar. 17: Admiral Crowe, Chairman of the Joint Chiefs of Staff, reaffirms USG offer to GOK.

Mar. 19: Classified talking points on US/Kuwait offer delivered to SFRC and HFAC staffers.

Mar. 22: KOTC/Middle East Force begin talks on protection modalities.

Mar. 23: Classified talking points delivered to Senate and House Armed Services Committees staffers.

Mar. 26: Informal briefing to Sen. Byrd staffer; briefings offered to Senators Byrd and Dole.

Mar. 30: Assistant Secretary of State Murphy gives closed joint briefing to HFAC Subcommittees on Europe/Middle East and Arms Control/International Security/Science.

Mar. 31: Murphy briefs SFRC members in closed session.

Apr. 2: Kuwait formally responds to offer of Mar. 7.

Early Apr.: USG learns Kuwait will charter three long-haul Soviet tankers.

Apr. 21: Murphy in open testimony to HFAC Subcommittee on Europe/Middle East refers to reflagging arrangement.

Apr. 22: KOTC/USCG begin talks on technical details of reflagging; first step is USCG inspection.

Early May: Soviet charters begin.

May 12: Murphy discusses arrangements with GOK officials.

May 13: USCG inspection begins in Kuwait.

May 13: GOK/Middle East Force meeting on proposed system of protection.

May 14: Department of Defense authorizes National Defense Waiver allowing vessels one year to comply with certain U.S.-specific safety requirements.

May 17: USS *Stark* attacked.

May 19: Murphy presents open testimony to HFAC Subcommittee on Europe/Middle East; closed briefing to SFRC.

May 19: USCG inspections in Europe begin.

May 21: Murphy presents closed briefing to HFAC Subcommittee on Europe/Middle East.

May 21: First application for U.S. registry deposed at USCG, Philadelphia.

May 25: Senator Sasser meets with GOK officials.

May 28: President briefs Republican congressional leadership.

May 29: USCG grants 1-year waiver of certain U.S.-specific safety requirements.

June 2: Senators Glenn and Warner meet with GOK officials.

June 6: GCC Foreign Ministers voice support for Kuwaiti efforts to protect its economic interests, reiterate adherence to United Nations Security Council resolutions on free passage of vessels using GCC ports, and appreciation for interest of international community in protecting Persian Gulf navigation.

President Reagan's Proposal

In response to Kuwait's requests, President Reagan has proposed:

1. to expedite procedures for the registry of eleven Kuwaiti oil tankers under the American flag; and,

2. to provide appropriate protection by U.S. military forces (principally U.S. Navy ships) to the eleven reflagged Kuwaiti oil tankers while operating in the Persian Gulf region and transiting the Strait of Hormuz.

The attack on USS Stark

Shortly after 10:00 p.m. local time on Sunday evening, May 17, 1987, the USS *Stark* was struck by two Exocet anti-ship missiles while on patrol in the Arabian Gulf. Thirty-seven U.S. servicemen died in the attack. The remaining crew fought heroically for 18 hours to extinguish the shipboard fires and save their ship.

The attack originated two hours earlier when a Mirage F-1 fighter aircraft took off from a base in Iraq and flew southeast down the Gulf in a profile typical of those previously employed by the Iraqis in attacks on shipping. The Mirage was tracked on radar by several U.S. Navy ships, including the USS *Stark*, and by a U.S. Air Force AWACS aircraft airborne over Saudi Arabia operating in its usual flight pattern. The Saudis are committed to providing air defense for the AWACS plane over their territory. As the Mirage headed south, parallel to the Saudi coastline, two F-15 fighters were launched from the Saudi airbase at Dhahran.

The *Stark* issued two warnings by radio in English to alert the Iraqi pilot he was approaching a U.S. vessel, but there was no response. The Mirage launched two Exocet missiles at a range of 10-25 miles from the *Stark*. Both missiles struck the ship on her port bow, tearing a ten by fifteen-foot gash in the side.

When the AWACS crew realized the *Stark* had been attacked, they requested that the airborne Saudi F-15s intercept the Mirage and force it to land. Saudi controllers did not have authority to permit such an operation in international airspace, and before they could secure approval, the Mirage was crossing into Iraq enroute to its base.

A formal U.S. Navy Board of Inquiry is examining the circumstances of the attack on the *Stark*. Evidence to date strongly suggests the attack was an accident and that the Iraqi pilot erroneously believed he was attacking an Iranian oil tanker. Within days of the attack, Secretary of Defense Caspar Weinberger characterized the attack as a "single, horrible error on the part of the Iraqi pilot."

The Silkworm Missile as a Threat to the Strait

During 1986, Iran began to take delivery of Chinese HY-2 "Silkworm" coastal defense missiles. Because of their range and lethality, the Silkworms, if deployed, are a serious potential threat to shipping in the Strait of Hormuz. For the first time, Iran has the military means to effectively close the Strait.

The Silkworm is a land-based variant of the Soviet SS-N-2 STYX missile, originally developed for shipboard launch during the late 1950's. Performance of the Chinese Silkworm is assumed to be similar to that of the Soviet version. The missile has a range of about 50 nautical miles, carries an 1,100 pound warhead (three times that of the Exocet) and attacks in a sea-skimming trajectory at high sub-sonic speed. Because of its very large warhead, the Silkworm is fully capable of sinking both cruiser/destroyer size warships and large commercial tankers.

While the Iranian Silkworms are not yet operational, at least two launch sites are being prepared overlooking the Strait of Hormuz. These sites will allow the Iranian Silkworms to put shipping at risk over the entire width of the Strait.

United Nations Initiative

The United States has taken the initiative in the United Nations Security Council to seek effective international pressure for an end to the Iran-Iraq war. The U.S. is currently working with the other permanent Security Council members to seek concurrence on a draft resolution which calls for an immediate ceasefire and withdrawal to internationally-recognized boundaries. Unlike previous U.N. hortatory efforts, the U.S. proposal would contain enforcement mechanisms against any belligerent who does not accept the resolution's conditions. To become effective, the resolution must win majority support in the Security Council, including all five permanent members. General Assembly concurrence is not required. If the Security Council approves the resolution, all U.N. members would be obligated to maintain the sanctions provision. However, there are no concrete means for calling to account members who violate the arms embargo. The State Department is hopeful about the prospects for agreement on this approach.

V. FINDINGS

U.S./Western Vital Interest in Gulf Oil

The United States currently imports from the Gulf region 7 percent of its total oil consumption, Western Europe imports 30 percent of their needs and Japan 65 percent. By volume, the United States is second only to Japan in oil imports from the Gulf region; for 1986 the U.S. averaged .9 million barrels per day in Gulf imports. Oil from Gulf states leaves the area either by tankers through the Strait of Hormuz or pipelines to various Red Sea and Mediterranean ports. It is estimated the Gulf region contains between 50 and 60 percent of the world's proven crude oil reserves. Western dependence on Gulf oil is projected to grow throughout this century. (See Appendix A for further data on U.S./Western dependence on Gulf oil).

U.S. Credibility in Region Has Suffered

U.S. credibility in the Gulf region has been damaged by various policy setbacks, reversals, and inconsistencies since the fall of the Shah of Iran. Most often mentioned was the sale by the U.S. of arms and spare parts to Iran while proclaiming a public posture opposing such sales. The U.S. pull-out from Beirut following the terrorist bombing of the Marine barracks also raised questions regarding a commitment to a geographic area the U.S. has proclaimed as a "vital" interest. Furthermore, at least one Foreign Minister suggested that the U.S. is acquiring a reputation as an undependable arms supplier, particularly when the Congress is involved. Finally, although not frequently addressed, our ill-fated support for the Shah, the prolonged hostage situation following, and the tragic outcome of Desert One continue to evoke doubts over U.S. diplomatic and military competence.

In the face of this track record, the Gulf nations are reluctant to embrace the U.S. current representation as their protector in the region. The total native population of the GCC states is barely one-ninth that of Iran. (Even when non-residents and expatriates are included, GCC states total only one-fourth of Iran's population.) The Gulf states are concerned that the U.S. might expand its military presence in the area, antagonize Iran, and then depart, following a pattern in Lebanon when confronted with prolonged adversity, leaving the Gulf states to face the wrath of Iran. This concern was accentuated by Iranian Foreign Minister Velayati's visit to several of the Gulf states during our trip.

It should be noted that in questioning the "staying power" of the U.S., several officials, in a very diplomatic, sophisticated way, specifically questioned the willingness of the Congress to make or keep a long-term commitment. In general, the leaders we met were intelligent observers of our system of government.

Limited Economic Impact of Tanker War

The economic impact of the tanker war has been minimal. Less than one percent of Gulf shipping has been interdicted by the attacks at an annual loss of approximately $150 million, a figure described by one Foreign Minister as "within our ability to absorb". Very few vessels have been sunk as a direct result of an attack, and the ship repair business is thriving. Insurance rates, which peaked shortly after the attacks began, have now subsided, and in some cases the largest vessels now transit the Strait of Hormuz without any special insurance at all. There is an ample supply of tankers, no shortage of seamen willing to man them, and an atmosphere of "business as usual".

For Kuwait, however, the picture is different. Since September 1986, of 30 ships attacked by the Iranians, 25 were Kuwaiti ships or ships "in trade" with Kuwait. The Iranians, unlike the Iraqis, are quite circumspect in their target selection—they positively identify vessels prior to attacking.

The recent concentration on Kuwaiti shipping is not without reason. Because Iraq receives most of its seaborne Gulf cargo, including war materials, through Kuwait ports and often in Kuwaiti ships, Iran has focused its anti-shipping campaign on Kuwait. The Iranians have also applied political pressure and sponsored terrorist attacks inside Kuwait to intimidate and discourage the Kuwaitis from supporting neighboring Iraq.

The Real Issue is Not the 11 Tankers

Given the large volume of traffic through the Strait of Hormuz (350-450 vessels each month) and the limited number of attacks (less than one percent of shipping has been interdicted in the Gulf area), it is apparent that the 11 Kuwaiti tankers proposed for reflagging and the relatively insignificant amount of oil they may carry are not the real issues.

The real issues are first, the strategic interest of the U.S. (and the industrialized West) in an area that holds 50-60 percent of the world's known petroleum reserves and second, the threat posed to that interest by the Iran/Iraq War. The "tanker war", per se, does not significantly threaten that interest—few oil tankers have been sunk and the price of oil has actually declined since the tanker war began (March 1984).

The war does, however, create instability in the region that could lead to unacceptable consequences. First, victory over Iraq could be followed by an Iranian attempt to sweep southward along the Gulf's west coast. Of the GCC states, only Saudi Arabia has the manpower and military capability to slow such an advance. Should Iran dominate the western Gulf, western economies could be held hostage to policies and pricing structures dictated by Khomeini or his fundamentalist successors.

Second, the Soviet Union may take advantage of the existing instability (and the request by Kuwait to charter Soviet vessels) to expand their influence in the region. In time, this could lead to Soviet domination of the area, although the basics of religion and capitalism create a barrier to Communism.

If We Don't Help, The Soviets Will

Gulf state officials with whom we met repeatedly made clear their understanding that the Soviet Union was ready to lease the Kuwaitis tankers and protect them if the U.S. declined the reflagging request. Such a development would not be welcomed by all of Kuwait's GCC partners. However, while traditionally suspicious of the Soviet Union, Gulf officials seemed to understand that if help was not forthcoming from "traditional friends", Kuwait would be justified in seeking help wherever it was available. The officials further pointed out that in contrast to the Soviet's immediate and unconditional response to Kuwait's request, the U.S. debate over the issue is confusing and unsettling, fueling their suspicion that the U.S. cannot be relied upon to fulfill its commitments to friends and its obligations as a superpower in areas it proclaims "vital" to its interests.

Furthermore, the Soviet Union's willingness to increase its Gulf presence is consistent with its stated long term strategy for the region. In a speech given in Prague in 1973, Leonid Brezhnev stated:

"Our aim is to gain control of the two great treasure houses on which the West depends: the energy treasure house of the Persian Gulf and the mineral treasure house of central and southern Africa."

Gulf leaders also cited Soviet willingness to supply arms, in contrast to prolonged uncertainties associated with U.S. sales.

Political Support Among GCC Greater U.S. Presence

Political support for a greater U.S. military presence in the Gulf is not unanimous among GCC members. While some members actively and publicly proclaim their support for such a presence, others express concern over where such an increased presence might lead.

One Foreign Minister, concerned that a greater U.S. presence may trigger a confrontation that would jeopardize the free flow of oil from the Gulf (on which all GCC economies depend), advised first seeking diplomatic solutions—particularly those involving the GCC. He underscored the importance of not disrupting the oil flow by saying, "If we do not sell oil, we cannot drink water."

Others were more outspoken in support of an increased presence. Several stressed the importance of coming to the aid of a friend. One head of state said, "When a friend is in need and asks you for help, you must help him. Otherwise, what is the value of the friendship?" The reflagging proposal is now seen by many in the region to be a litmus test of U.S. dependability.

Virtually all with whom we met indicated that an increased presence would be acceptable only if it came without fanfare. This is consistent with the theme of having the U.S. fleet (as well as other military assets) just "over the horizon—out of sight but close enough if needed."

On balance, the GCC appears to welcome a greater U.S. presence in *private*—but is reluctant to proclaim their support in *public*. This attitude is a reflection of their culture.

Propects for Use of GCC Facilities

A greater U.S. military presence will require the increased use of new and existing regional facilities, yet none of the officials we met were forthcoming that such facilities would be made available unconditionally. Virtually all tempered their comments by stressing the need to examine all applicable circumstances before reaching decisions.

A common theme we encountered throughout our visit was the need for the U.S. to make our commitment first, reestablish credibility, and then the Gulf nations would consider an appropriate response on their part. We were asked at virtually every stop, "What is *your* strategy? What is *your* commitment?"

Despite this cautious approach, several officials implied that use of facilities (and we stress "use of facilities" rather than "basing rights") would be available when needed.

Prospects for Any Active Military Participation by GCC

All GCC members expressed willingness to employ their defense forces as necessary to defend their own borders or territorial waters. None, however, indicated any willingness to go beyond those limits. We repeatedly asked, and they were repeatedly clear in reply.

When asked directly whether they would authorize their forces to participate (even in a token or symbolic way) in a retaliatory strike (or "hot pursuit" of an aggressor) following an attack on a tanker or naval vessel, none volunteered. In their view, an attack outside their territorial waters is an international concern—not a domestic one—and therefore should not involve local forces. "This is the sole responsibility of superpowers!"

VI. CONCLUSIONS

U.S./Western Vital Interest in Gulf

Oil is obviously the principal strategic economic interest of the United States and the Western world in the Gulf region. Oil is our predominant energy source and that situation is not likely to change in the foreseeable future. While the United States currently receives only 7 percent of its oil from the Gulf—as opposed to 30 percent for Western Europe and 65 percent for Japan—oil is a fungible commodity, so supply reductions and price increases would impact on all consumers. focusing solely on current dependence on Gulf oil provides an incomplete picture of the region's strategic importance. The Persian Gulf region contains between 50 and 60 percent of the world's proven crude oil reserves, and these reserves are more readily available and thus cheaper to extract than other known sources. U.S. and allied reliance on Persian Gulf oil is expected to increase in the future, hence the Gulf may be expected to increase in strategic importance.

Vital Interest Potentially Threatened

The very minor disruptions in oil supply currently resulting from the Iran-Iraq War, specifically the tanker war, do not pose an immediate threat to U.S. security or economic interests. There is, however, a serious risk of escalation. The continuation of the war or its widening to encompass added Iranian intimidation of Gulf states poses a real potential threat. The conflict creates uncertainty and instability. Neither a Persian Gulf controlled by a revolutionary Iran nor a Soviet presence would be in the interests of the Western world.

Timely End to Iran-Iraq War is First Priority

Since it is the ongoing war which threatens our interests, our first priority should be, in concert with the United Nations and Gulf Cooperation Council and our allies and Japan, to continue every effort to bring the war to an equitable termination.

Increased U.S. Forces Required for Escort

The long-standing U.S. commitment to the free flow of oil through the Strait of Hormuz has led the Administration to propose a plan to protect reflagged Kuwaiti tankers against attack in the Gulf. Prudence dictates that additional U.S. military forces will be required in the region in order to conduct this expanded escort mission and reduce risks.

Greater Support from Regional States is Essential

Support of those increased forces will necessitate further essential cooperation from the Gulf states. That cooperation will in part depend on their perception of U.S. resolve and willingness to stay the course, even in the face of adversity.

Allies Should Share the Burden

Since many of our NATO allies and Japan share our interest in the Gulf region, we must also make every effort to enlist their participation, both military and economic, in developing a common strategy in the region for peace and stability.

Need for Firm, Lasting Commitment

If, we are to succeed, our commitment must be firm, unequivocal, and enduring. Moreover, it must be well understood and backed by the Congress.

Only American Lives at Risk in Retaliatory Strikes

The tanker protection plan will probably rely on the threat of retaliation to deter attacks on U.S. ships. Such retaliatory strikes could take many forms, could occur in international waters or in an aggressor's territory, and would put U.S. forces at risk. Neither our Allies nor the regional states have, as of the time of this report, committed to participating in such operations. We are gravely concerned with a policy of "going it alone" with U.S. forces and the potential that only U.S. servicemen might be killed or captured.

VII. ISSUES REQUIRING FURTHER EXAMINATION

Several issues were identified that require further examination. These include:

Likely Soviet Response to U.S. Reflagging/Protection of Kuwaiti Tankers

The Kuwaitis have agreed to charter three Soviet tankers which the Soviets have agreed to escort. Further Soviet activities in the Gulf in response to a greater U.S. presence should be thoroughly considered. This assessment should include likely Soviet military activities (including arms sales in the region), as well as potential diplomatic initiatives.

Likely Soviet Response if U.S. Decides Not to Flag and Escort Kuwaiti Tankers

This is a critical issue which must be evaluated if any option other than U.S. flagging of the Kuwaiti tankers is considered. According to the Administration, it was in part the possibility of Soviet flagging/chartering that induced the U.S. to volunteer to flag the Kuwaiti tankers. Moreover, it was clearly implied by senior Kuwaiti officials that should the U.S. fail to go through with the reflagging, Kuwaiti would have to "look elsewhere for help."

Prospects for Allied Cooperation

Every effort should be made to continue to involve our European allies and Japan in devising a long term strategy for western involvement in the Gulf region. Just as they share the benefits, so they should share the costs of ensuring the free flow of oil from the Gulf.

U.S. Forces for Protection of Shipping

When the Kuwaiti request for reflagging and protection was first considered, it was commonly believed the ships then assigned to the MEF (6 cruiser/destroyer/frigates) would be sufficient for the escort role. No augmentation was anticipated.

Following the attack on USS Stark, and as the Iranian Silkworm missiles neared operational status and Iranian intentions became less clear, force requirements for the protection of shipping were revised upward. While the exact composition has not been announced, the expanded force is expected to include several additional escort ships inside the Gulf, and an aircraft carrier battle group in the North Arabian Sea to provide air cover over the Strait and southern reaches of the Gulf.

The nation's thirteen deployable aircraft carriers already operate at a very demanding pace in order to meet commitments elsewhere. Since July 1986 the Navy has only been required to maintain a carrier battle group in the Indian Ocean for a minimum of seven months of the year. If a carrier battle group is now required to remain on permanent station in the region, this will inevitably affect the world-wide carrier deployment plan, training and readiness, and time in homeport between deployments.

A commitment of this magnitude raises several questions which deserve further explanation by the Administration.

Exactly what forces, including land based aircraft, will be required in order to execute the tanker protection plan at an acceptable level of risk?

What will be the effect of such a reallocation of forces on:

Our ability to respond to crises elsewhere?

Training and readiness?

Deployment schedules and time in homeport?

Personnel retention?

How much will the tanker protection plan cost to implement and maintain?

How long will escorting be required to continue? Under what circumstances would it be terminated and our augmentation forces withdrawn?

What is the impact of added commitments on people?

Potential for a Truce in the Tanker War

Both Iraq and Iran refrained from attacking commercial shipping for the first three and one half years of the war. But in April 1984, in an effort to damage Iran's economic lifeline, Iraq initiated a campaign against ships carrying Iranian oil for export. Iran, which is far more dependent on sea transport than Iraq, responded with a retaliatory campaign against ships in trade with several GCC states and, since September 1986, predominantly ships in trade with Kuwait. Most Gulf seaborne cargo bound for Iraq is actually landed in Kuwait and transported overland.

Given their dependence on the sea lanes, Iran's strategic interests would clearly be served by the restoration of safe navigation in the Gulf and the Strait. If Iraq could be persuaded to cease their anti-ship campaign, Iran would likely follow suit. Such a plan holds little appeal for Iraq, however, because their anti-ship campaign provides the Iraqis with substantial leverage in a war in which they enjoy few strategic advantages.

Possible Options Available to U.S. Other Than Flagging and/or Providing U.S. Navy Escort for Kuwaiti Tankers

Although Administration officials have indicated that the decision to flag and escort the Kuwaiti tankers has already been made, the Congress should nevertheless understand the alternatives to flagging. Options suggested for further examination include but are not limited to the following:

Economic pressure on Iran;

Pressure on Iraq to stop their tanker attacks;

Pressure on UK, France, et al., to stop arms sales to Iran;

Pressure on all nations to stop arms sales to both Iran and Iraq;

Increased naval presence without flagging;

Provide naval escort to several nations (regardless of flag);

Accelerate construction of pipelines to reduce dependence on Hormuz SLOC; and

Conduct the operations of our Naval forces in a manner that is consistent with British and French naval forces, that is, have a de facto common pattern of operations.

Other Nations May Seek U.S. Protection

How will the U.S. respond to other nations whose ships are threatened in the Gulf should they also seek U.S. naval protection through reflagging? Such requests may come from Gulf nations or others who routinely trade with Gulf countries.

APPENDIX A

WORLD OIL DEMAND/SUPPLY

[mbd]

	1985	1990	2000
Total consumption	45.6	509.4–52.6	53.2–56.8
Supply from Gulf OPEC [1]	10.1	13.6–14.8	18.3–20.3
Percent from Gulf OPEC	22.2	27–28.6	33–35.7

[1] Includes domestic consumption as well as exports.

Sources: International Energy Agency, March 1987.

INTERNATIONALLY TRADED OIL

[mbd]

	1985	1987	1990	1995	2000
Internationally traded oil	22.32	23.6	25.5–28.5	27.0–31.0	25.5–29.7
Percent Gulf oil exports	37	40	44	55–57	58–60
Percent transiting Hormuz	29	23	14–19	23–25	19–23

Source: International Energy Agency, March 1987.

OIL EXPORTED THROUGH HORMUZ: PRINCIPAL MARKETS

	1974	1980	1982	1984	1986
MARKET					
United States:					
Volume (mbd)	1.0	1.8	0.7	0.5	0.8
Percent of oil consumption	6	10.6	4.6	3.2	5
Western Europe:					
Volume (mbd)	9.0	6.9	4.3	2.9	2.9
Percent of oil consumption	58.8	52	36.4	25.4	25
Japan:					
Volume (mbd)	3.5	3.0	2.5	2.6	2.5
Percent of oil consumption	71	60	55.6	57.8	60

Note.—This chart depicits only that oil which transits the Strait of Hormuz. Oil exported via pipeline is not reflected here.

Source: Department of State.

GULF OIL EXPORTS VIA PIPELINE AND STRAIT OF HORMUZ

[mbd]

	1985	1987	1990	1995	2000
Total Gulf oil exports	8.16	9.4	11.2–12.4	15.3–16.9	14.9–16.9
Via pipeline	(1.76)	(4.0)	(7.0)	(9.0)	(10.0)
Via Strait	(6.4)	(5.4)	(4.2–5.4)	(6.3–7.4)	(4.9–6.9)
Percent via pipeline	21.6	42.6	62.4–56.5	58.8–53.3	66.7–59.2
Percent via Strait	78.4	57.4	37.6–43.5	41.2–46.7	33.3–40.8

Since 1973, the proportion of Gulf oil exported by pipeline has been increasing, primarily due to the effect of the Iran-Iraq war on Iraq's ability to ship through the Gulf. The following chart shows the dramatic increase in pipeline exports over the past decade:

PROPORTION OF GULF COUNTRY EXPORTS BY PIPELINE

	1978	1979	1981	1983	1985	1987
Vol. (mbd)	0.25	0.8	1.05	1.3	1.76	4.0
Percent	1.3	4	7	13	22	42.6

The current capacity of the Gulf pipelines is 4.0 mbd; or 42.6 percent of total Gulf oil exports. Planning or construction is now underway on new pipelines which would add 1.7 mbd to current capacity. However, pipelines with a capacity of 2.2 mbd are currently shut down for technical or political reasons.

The International Energy Agency estimates that within approximately five years, 50 percent of Gulf oil could be exported by pipeline. European imports of Gulf oil are more and more likely to be those transiting pipelines to the Red Sea or Mediterranean ports. By contrast, over half of the oil transiting the Strait of Hormuz in recent times was headed for the Asia/Pacific region. It is likely that the dominance of that region as the principal customer for Hormuz oil will continue.

Source: International Energy Agency, March 1987.

WORLD OIL RESERVES

[Billions of barrels]

	1980	1985	1986
Communist	86.3	84.1	81.3
Non-Communist	562.2	614.6	618.8
Middle East [1]	(361.0)	(397.6)	(397.3)
Total world oil reserves	648.5	698.7	700.1

[1] Middle East: GCC nations, Iran, Iraq and Syria. In 1986, Syrian reserves were 1.4 billion barrels. Saudi Arabia has the most oil reserves with 168 billion barrels in 1986; Kuwait is second with 90 billion barrels.

Source: International Petroleum Encyclopedia.

CRUDE OIL PRICES

[Per barrel]

	OPEC official sale price	World price
1984 average	$28.70	N/A
1985 average	28.14	$27.16
1986 average	23.49	15.35
1987	18.00	17.40

Source: CIA International Energy Statistical Review, May 26, 1987.

APPENDIX B

SELECTED MILITARY DATA

(Source: The Military Balance 1986-1987, International Institute for Strategic Studies, London)

Belligerents

Iran: Total Armed Forces: 704,500 regulars; 350,000 army reserves (ex-service volunteers).

Army: 305,000—

3 mechanized divisions (each with 3 brigades or 9 armored, 18 mechanized battalions);

7 infantry divisions;

1 Special Forces division (4 brigades);

12 SAM battalions with HAWK.

Revolutionary Guard Corps: 350,000 (still independent of the Army). Perhaps 8 divisions and many independent, paratroop, artillery, engineer, air defense and border defense units) are serving independently or with the Army and Navy elements.

Navy : 14,500—

Destroyers: 2 US *Sumner* class; 1 British *Battle* class with 2 quad *Standard* surface-to-surface missile; and 1 quad *Seacat* surface-to-air missile launchers.

Frigates: 4 *Saam* class (possibly 2 non-operational) with 1 quintuple *Seakiller* surface-to-surface missile and 1 triple *Seacat* SAM launcher.

Corvettes: 2 US PF-103.

Fast Attack Craft (Missile): 8 *Kaman (La Combattante II)* class (3 possibly serviceable) with a total of 7 *Harpoon* surface-to-surface missile launchers.

Large Patrol Craft: 3 improved PGM-71; 4 *Cape* class; 2 BH-7 hovercraft (possible).

Marines: 3 battalions.

Maritime Reconnaissance: 1 squadron with 2 P-3F (possibly non-operational).

Air Force: 35,000; perhaps 68 serviceable combat aircraft—

Fighter-Ground Attack: 8 Squadrons—4 with some 35 (20 possibly serviceable) McDonnell-Douglas F-4D/E; 4 with some 45 (30 possibly serviceable) Northrop F-5E/F.

Interceptor/Fighter: (10 possible) Grumman F-14.

Reconnaissance: 1 squadron (detachments) with some 5 F-14 and 3 RF-4E.

Tanker/Transport: 2 squadrons with 17 Boeing (10 707 and 7 747 aircraft).

SAM: 5 squadrons with *Rapier* and 25 *Tigercat* fire units.

Iraq: Total Armed Forces: 845,000.

Army: 800,000—

5 armored divisions (typically 1 armored and 1 mechanized brigade each);

3 mechanized/motorized infantry divisions;

10 infantry divisions;

1 Presidential Guard Force (3 armored, 1 infantry, commando brigade);

2 Special Forces divisions (6 brigades);

9 Reserve brigades;

15 Peoples' Army/volunteer infantry brigades.

Army Air Corps: (40 possible) Mil M-24 *Hind*, 50 SA-342 *Gazelle* (some with *HOT*), 10 SA-321 *Super Frelon* (some with *Exocet*), some 30 SA-316B Alouette III with AS-12, some 44 MBB BO-105 with SS-11 anti-tank missiles.

SAM: 120 SA-2, 150 SA-3, SA-6, SA-7, SA-9, 60 *Roland*.

Navy: 5,000—

Frigates: 1 *Lupo* class with 8 *Otomat-2* surface-to-surface missile and 1 octuple *Albatros/Aspid* SAM launchers; 1 helicopter; 1 *Yug* class (training).

Corvettes: 6 (5 possible) *Assad* class with 1 quad *Albatros/Aspid* SAM launcher; 2 with 2 *Otomat-2* SSM launchers; 1 helicopter; 4 with 6 *Otomat-2* launchers.

Fast Attack Craft (Missile): 10 *Osa* class with 4 *Styx* surface-to-surface missile launchers.

Fast Attack Craft (Torpedo): 5 P-6.

Large Patrol Craft: 3 SO-1.

Coastal Patrol Craft: 8 including *Poluchat*, *Nyryat* II, PO-2, and *Zhuk*.

Air Force: 40,000, some 500 combat aircraft—

Bomber: 1 squadron with 7 Tupolev Tu-22; 1 squadron with 8 Tupolev Tu-16.

Fighter-Ground Attack: 11 squadrons— 4 with some 40 MiG-23BM; 4 with 20 *Mirage* F-1EQ5 (*Exocet*-equipped) and 23 *Mirage* F-1EQ-200; 3 with Sukhoi Su-7 and Su-20.

Interceptors: 5 squadrons with some 25 MiG-25, some 40 MiG-19, some 200 MiG-21, and 30 *Mirage* F-1EQ.

Reconnaissance: 1 squadron with 25 MiG-25.

Gulf Cooperation Council

Bahrain: Total Armed Forces: 2,800.

Army: 2,300—

1 infantry battalion;

1 armored car squadron;

1 artillery, 2 mortar batteries.

Navy: 300—

Fast Attack Craft (Missile): 2 Luerssen 45 meter boats with 4 *Exocet* surface-to-surface missile launchers.

Fast Attack Craft: 2 Luerssen 38 meter boats.

Air Force: 200—

Fighter-Ground Attack: 1 squadron with 6 F-5Es.

Helicopter: 1 squadron with 10 Agusta-Bell AB-212, 3 MBB BO-105, 2 Hughes 500D.

Kuwait: Total Armed Forces: 12,000.

Army: 10,000—

2 armored brigades;

1 mechanized infantry brigade;

1 surface-to-surface missile battalion.

Navy: 1,100—

Fast Attack Craft (Missile): 6 Luerssen TNC 45 with 4 *Exocet* launchers;

Fast Attack Craft: 2 Luerssen FPB-57;

Patrol Craft: 50 coastal (15 armed).

Air Force: 2,000, 80 combat aircraft, 23 armed helicopters—

Fighter-Ground Attack: 2 squadrons with 30 A-4KU, 4 TA-4KU *Skyhawk*;

Interceptor: 1 squadron with 32 *Mirage* F-1CK, 2 F-1BK;

Counter-insurgency/Training: 1 squadron with 12 BAe *Hawk*;

Helicopters: 3 squadrons; Attack: 23 SA-342K *Gazelle*; Transport: 12 SA-330 *Puma*, 5 AS-332 *Super Puma*.

Oman: Total Armed Forces: 21,500.

Army: 16,500—

1 armored regiment (2 tank squadrons and 1 self-propelled artillery battery);

3 artillery regiments;

1 reconnaissance regiment (2 armored car squadrons);

8 infantry regiments (battalions);

1 signals regiment;

1 field engineer regiment;

1 parachute regiment.

Navy: 2,000—

Fast Attack Craft (Missile): 3 *Province* class (2 with 2 quadruple, 1 with 2 triple *Exocet* launchers); 1 Brook Marine with 2 *Exocet* launchers.

Fast Attack Craft: 4 *Al-Wafi class.*

Patrol Craft: 4 inshore.

Air Force: 3,000; 52 combat aircraft—

Fighter-Ground Attack: 2 squadrons with 20 Sepecat *Jaguar* S(O) Mk.1 and 4 T-2.

Fighter-Ground Attack/Reconnaissance: 1 squadron with 12 BAe *Hunter* FGA-73 and 4T-7.

Counter-insurgency/Training: 1 squadron with 12 BAC-167 *Strikemaster* MK-82.

Air Defense: 2 squadrons with 28 *Rapier* fire units.

Oatar: Total Armed Forces: 6,000.

Army: 5,000—

1 Royal Guard regiment;

1 tank battalion;

3 infantry battalions;

1 artillery battery;

1 SAM battery with *Rapier*.

Navy: 700—

Fast Attack Craft (Missile): 3 *La Combattante IIIB* class with 8 *Exocet* launchers.

Patrol Craft: 6 Vosper Thornycraft 120-ton.

Coast Defense: 3 *Exocet* MM-40.

Air Force: 300, 23 combat aircraft, 2 armed helicopters—

Fighter-Ground Attack: 14 *Mirage* F-1, 2 BAe *Hunter* FGA-6, 1 BAe *Hunter* T-79, and 6 Breguet-Dornier *Alphabet*.

Helicopters: 2 SA-341 *Gazelle*, 20 Westland (3 *Whirlwind*, 4 *Commando* MK-2A, 10 MK-2B, and 3 *Lynx*).

Saudi Arabia: Total Armed Forces: 67,500.

Army: 40,000—

2 armored brigades;

4 mechanized brigades;

1 infantry brigade;

1 Airborne brigade (2 parachute battalions, 3 special forces companies);

1 Royal Guard regiment (3 battalions);

5 artillery battalions;

18 anti-aircraft artillery batteries;

17 SAM batteries: 12 with 105 *I-HAWK* fire units (216 missiles); 3 with 12 *Shahine* fire units (48 missiles) and AMX-30SA 30 mm self-propelled anti-aircraft guns.

Navy: 3,500: 20 combat helicopters—

Frigates: 4 F-200 with 8 *Otomat-2* surface-to-surface missile and 1 *Crotale* SAM launcher, 1 AS-365 helicopter.

Corvettes: 4 PCG-1 with 2 quad RGM-84A *Harpoon* surface-to-surface missile launchers.

Fast Attack Craft (Missile): 9 PGG-1 with 2 twin *Harpoon* launchers.

Fast Attack Craft (Torpedo): 3 *Jaguar* (Luerssen).

Large Patrol Craft: 1 (100 ton).

Coastal Patrol Craft: 45.

Mine Counter-measures: 4 MSC-322 coastal boats.

Helicopters: 24 AS-365N *Dauphin* 2 (4 SAR, 20 with AS-15TT air-to-surface missiles).

Air Force: 14,000; 216 combat aircraft—

Fighter-Ground Attack: 3 squadrons with 65 Northrop F-5E.

Interceptor: 3 squadrons (1 forming) with 45 F-15C.

Reconnaissance: 1 squadron with 10 RF-5E.

Operational Conversion Units: 2 with 24 F-5F, 16 F-5B, and 17 TF-15D.

Air Defense: 2 batteries *Shahine* (*Crotale*) and 10 batteries *Improved Hawk*.

United Arab Emirates: Total Armed Forces: 43,000.

Army: 40,000—

1 Royal Guard "brigade";

1 armored brigade;

1 mechanized infantry brigade;

2 infantry brigades;

1 artillery, 1 Air Defense brigade (each 3 battalions).

Navy: 1,500—

Fast Attack Craft (Missile): 6 Luerssen TNC-45 with twin *Exocet* launchers.

Patrol Craft: 6 Vosper Thornycraft large; 3 Keith Nelson coastal.

Air Force: 1,500—

Interceptor: 2 squadrons of 24 *Mirage* 5AD, 3, 5RAD, 5DAD.

Fighter-Ground Attack: 1 squadron with 3 Breguet-Dornier *Alphaiet*.

Counter-insurgency: 1 squadron of 8 Aermacchi MB-326 KD/LD.

Helicopters: 7 SA-316 *Alouette* III with AS-11, 8 Agusta Bell AB-205, 6 AB 206, 3 AB-212, 3 Bell 214, 9 SA-330 *Puma*, 6 AS-332F *Super Puma*, and 10 SA-342 *Gazelle*.

ECONOMIC DISLOCATION AND WORKER ADJUSTMENT ASSISTANCE ACT

Mr. KENNEDY. Mr. President, the Labor and Human Resources Committee has reported out S. 538, the Economic Dislocation and Worker Adjustment Assistance Act. This legislation will provide assistance to the millions of Americans who lose their jobs because of changes in the domestic economy and the effects of the world economy. Nearly a billion dollars will be authorized for distribution to the States. A critical provision of the bill requires notice to workers and communities in advance of plant closings and mass layoffs.

While we have worked closely with the Labor Department and our Republican colleagues in reaching a consensus on a service delivery system for dislocated workers, we have been frustrated by the complete refusal of the administration even to discuss the notification provisions with us.

It is shameful that the administration has joined with special interests in opposition to a concept that is vital to effective adjustment programs. Secretary Brock's own task force on economic dislocation concluded that advance notification is essential to successful adjustment.

In a recent report, GAO has added its voice to the chorus of studies supporting this view. GAO found that worker adjustment programs with early notice are twice as likely to achieve above average results as projects without early notice.

In the face of this evidence, the administration has offered only the lame response that notice should be voluntary. But voluntary does not assure that States will be able to set up on site programs before workers lose their jobs. Voluntary does not assure that unemployment and welfare payments will be minimized because workers are helped to find new jobs before they lose their old ones. And voluntary does not satisfy considerations of basic fairness to American workers.

Workers who have devoted a lifetime to their jobs deserve more than a get lost notice slapped on a factory gate in the middle of the night. Everyone expects workers to give their employers notice before they leave for other jobs or retire. It is only fair that employers do the same by giving notice before they move their plants to greener pastures or cease operations altogether.

Rebuilding America's competitiveness starts with the skills and commitment of individual workers. Workers who lose their jobs because of technology, imports or other economic dislocations should not be left out of any competitiveness program worthy of the name. They are a proven resource in the workplace, and it is our national obligation to harness their talents for the workplaces of the future.

America's workers are being asked to adapt to new economic realities. The old pattern of one job for a worker's lifetime is becoming less the rule and more the exception. But a flexible, mobile, and productive work force cannot be built on a foundation of insecurity. Workers cannot concentrate on productivity if they are worrying about whether their jobs will be gone the next day. They cannot concentrate on retraining if they are worrying about where their next meal will come from.

Advance notification is pragmatic, fair and necessary for effective adjustment. It gives workers the respect they deserve. And it saves dollars that will go to unemployment and welfare. It is regrettable that the administration has yielded to ideological pressure against this realistic and considered measure to protect workers and communities. A major battle lies ahead, I urge the Senate to consider this legislation carefully and dispassionately—and to break a filibuster and override a veto if necessary.

ACQUIRED IMMUNE DEFICIENCY SYNDROME ACT OF 1987

Mr. COHEN. Mr. President, yesterday, the Republican leader introduced the Acquired Immune Deficiency Syndrome Act of 1987. I am pleased to join him, and my other distinguished colleagues, as an original cosponsor of this measure. This proposed legislation represents a broad consensus regarding what is politically and fiscally possible to legislate now in the U.S. Senate.

AIDS is caused by a virus that can be passed from one person to another chiefly during sexual contact or through the sharing of intravenous drug needles used for "shooting" drugs. The AIDS virus attacks the victim's immune system, rendering him or her incapable of fighting off other diseases. There is no cure for AIDS and no vaccine to prevent AIDS. Symptoms of AIDS can take up to 10 years to develop. In the meantime, persons who carry the virus, but who show no symptoms, can unwittingly spread the virus to others.

We recently observed the sixth anniversary of the reporting of the first acquired immune deficiency syndrome [AIDS] cases in the United States. As of last week, the Centers for Disease Control had recorded 36,514 AIDS cases in the United States. Of these, 21,155 have died. Public health authorities estimate that some 1½ million people in the United States are already infected with the AIDS virus. Although we do not know how many of those who carry the virus will come down with the disease, it is feared that half or more will eventually sicken and die of AIDS.

AIDS is, of course, a world problem. The World Health Organization estimates that, worldwide, some 10 million people may be infected. In most countries, the epidemic has not advanced as far as it has in the United States. In some African nations, however, and in Haiti, rampant epidemic has already taken a staggering toll in human life.

Heightened concern over AIDS has come about because mainstream Americans—those with typical lifestyles—now fear that they are in real danger of exposure to the disease. Until fairly recently, AIDS was perceived as a disease of homosexuals and drug users. Although the vast majority of AIDS infection remains closely associated with these high-risk groups, lately, the news has been full of reports about the spread of the disease by heterosexual transmission or exposure to infected blood.

Although the disease is hardly rampant in the United States, the current experience in Africa suggests what could happen here and elsewhere. Concern and caution are certainly justified. Fear or panic, however, will only interfere with the best efforts of governments, public health workers, and individuals to fight the spread of AIDS.

In the years since the discovery of the AIDS disease, the Congress has provided for increasing Federal support of research into the prevention and treatment of AIDS. This year Federal spending will amount to some $416 million. Research to date has led to swift progress in finding the virus responsible for the disease, in developing a blood test to screen the Nation's blood supply from the virus, and in treating some of the opportunistic infections that occur when the patient's immune system has been compromised by the AIDS virus. However, treatments that could alter the course of the disease appear to be years away.

We must continue to strive for a vaccine to protect from AIDS and for an effective treatment, but we must also do what we are able in the meantime to halt the spread of AIDS. This is what the Acquired Immune Deficiency Syndrome Act of 1987 would seek to do.

The Acquired Immune Deficiency Syndrome Act of 1987 includes three titles. The first of these would:

Declare AIDS a public health emergency, thereby giving the Secretary of Health and Human Services additional capacity to fight the spread of AIDS;

Establish an International AIDS data bank through the National Library of Medicine;

Establish a virus and serum bank through the National Institutes of Health, through which all human immunodeficiency virus serotypes and serum would be available to qualified investigators and organizations;

Authorize additional personnel for the Food and Drug Administration to expedite the drug approval process; and

Provide for technical assistance to State and local governments, and public and nonprofit organizations for carrying out programs, projects, and activities relating to AIDS.

Title II of the acquired Immune Deficiency Act of 1987 addresses the need for training and services to deal with AIDS. This second title would:

Provide for grants to States to coordinate and support health care in the home for AIDS patients; and

Provide for grants to support improvement in the training of health professionals in the care and treatment of victims of AIDS.

Title III of the proposed legislation addresses the need for public information. These provisions would:

Provide for the development of public service announcements with special emphasis on announcements directed at minorities and other groups at high risk;

Establish a telephone hotline at the Centers for Disease Control; and

Provide for block grants to the States for developing, establishing, and operating public information activities relating to the prevention of AIDS.

AIDS is nothing short of a disaster. The ways it has been spread, its insidious development, and its stigma conspire to make this disease the unprecedented public health menace that it has become. Current trends portend that this disease could overwhelm our health care system and strain public resources. However, we must not allow this disease to overcome our values, our ethics, our reason, and our compassion.

I urge my colleagues to support the Acquired Immune Deficiency Syndrome Act of 1987 and to make good this opportunity to begin a concerted Federal effort to stem the tide of suffering and death carried by the dread disease AIDS.

BALTIC STATES TRIBUTE

Mr. PRESSLER. Mr. President, this week marks the 46th anniversary of the mass deportation of the Lithuanian, Latvian, and Estonian peoples from their homelands.

The Baltic States were illegally incorporated into the U.S.S.R. in 1940 against their will. The United States has never recognized this act of aggression. Since then, the U.S.S.R. has shown total disregard for the basic human rights of these proud and courageous peoples. The U.S.S.R. blatantly ignores the human rights provisions of the Helsinki accord, which it voluntarily signed, by continuing to subjugate the Baltic peoples.

On June 14, 1941, the mass deportations began. The U.S.S.R. uprooted hundreds of thousands of Baltic people and sent them to the gulags where many died. Many were committed to psychiatric institutions, slaughtered, exiled, and deported to Siberia. Nearly every Baltic family was affected by this tragedy.

The Lithuanians, Latvians, and Estonians have been subjected to some of the most brutal acts of oppression ever practiced by the U.S.S.R.

The Soviets continue to practice a russification program that includes trying to strip the Baltic people of their strong religious, cultural, and historical heritage. Russians are still being relocated to the Baltic States as part of this ethnocide effort. The Baltic States' citizens are losing ground in their beloved homelands. If many more non-Balts continue to flood into the Baltic States, it will be only a short time before Latvians become a minority in their own country. The Estonians and Lithuanians are experiencing the same problem.

Despite all of the hardships and suffering experienced by the Baltic people at the hands of the Soviets, these defiant Latvians, Estonians, and Lithuanians have not given up the struggle for their basic human rights, civil liberties, and religious freedom. These brave people hold on to the belief that one day they will be freed from Soviet oppression.

We as Americans must continue to stand firmly behind the peoples of the Baltic States in their unending search for independence from the yoke of Soviet subjugation.

BALTIC FREEDOM DAY

Mr. PRYOR. Mr. President, on Sunday we commemorated the spirit of freedom in Estonia, Latvia, and Lithuania by celebrating "Baltic Freedom Day."

Today the Russian reign continues to deny the Baltic States their religious, political, and national rights; however, throughout the free world the Baltic countries continue to be recognized as independent nations.

Antanas Terleckas, a Lithuanian, brought it upon himself nearly 8 years ago to stand up for the rights of the Baltic States by petitioning and speaking out against Soviet rule. In August 1979 Terleckas and 44 other Lithuanians signed a memorandum condemning the Soviet regime and demanding self-determination for the Baltic countries. Terleckas was arrested by the KGB and sentenced to 3 years in strict-regime camps and 5 years of exile.

This memorandum, which expressed an outward display of rebellion against Soviet dominance, brought about conflict and controversy. The Lithuanians protested because of Terleckas' imprisonment, and the Soviets' excessive reaction demonstrated that anybody who is unwilling to submit to Soviet repression is subject to prison or exile.

The American people have consistently supported the independence of the Baltic States. In recognition of the courage and independent spirit of people like Antanas Terleckas, the Senate adopted the legislation naming June 14, "Baltic Freedom Day." In this way we keep alive the hopes and traditions of the Estonian, Latvian, and Lithuanian peoples.

Mr. GLENN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

CONCLUSION OF MORNING BUSINESS

Mr. BYRD. Mr. President, I ask that morning business be closed.

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

SENATORIAL ELECTION CAMPAIGN ACT

The PRESIDING OFFICER. The clerk will report the unfinished business before the Senate.

The assistant legislative clerk read as follows:

A bill (S. 2) to amend the Federal Election Campaign Act of 1971 to provide for a voluntary system of spending limits and partial public financing of Senate general election campaigns, to limit contributions by multicandidate political committees, and for other purposes.

The Senate resumed consideration of the bill.

RECESS UNTIL 3:20 P.M.

Mr. BYRD. Mr. President, I ask unanimous consent that the Senate stand in recess for 30 minutes.

There being no objection, the Senate, at 2:50 p.m., recessed until 3:20 p.m., whereupon, the Senate reassembled when called to order by the Presiding Officer [Mr. FOWLER].

Mr. BYRD. Mr. President, I ask unanimous consent that the time between now and the hour of 5 o'clock today be equally divided and controlled by the two leaders.

The PRESIDING OFFICER. Hearing no objection, it is so ordered.

Mr. BYRD. I yield my time to Mr. BOREN.

I ask unanimous consent that Senators who wish to speak out of order, may do so in the event they get time from Mr. BOREN, which I am sure he will be glad to let them have.

The PRESIDING OFFICER. Without objection, it is so ordered.

Who yields time?

Mr. BOREN. Mr. President, I yield 5 minutes to myself.

The PRESIDING OFFICER. Hearing no outstanding objection, the Senator is recognized.

Mr. BOREN. I thank the Chair.

Mr. President, we resume debate on the pending matter, which of course is the campaign finance reform bill, S. 2. Again in just a few minutes we will make another effort to allow the Senate to work its will, to allow the majority, which has been clearly expressed in previous votes, to move ahead to pass meaningful campaign reform for this country.

I hope today Members will make it possible for Members to move forward. I emphasize we are not asking Members to vote on a particular piece of legislation. Amendments can still be offered. We are simply saying let us remove the roadblocks; let us move forward; let us put this firmly on the agenda; let us deal with this problem; let the Senate work its will; let us share ideas with each other in the form of amendments and write a piece of legislation which will do something to protect the integrity of the election process.

In the last several days we have been discussing the need for change, and it is not coincidental that I have not heard a single Senator come to the floor and defend the status quo. How can the status quo be defended when you look at what is going on in the current system? It clearly is a disgrace. What is happening constitutes a clear threat to the integrity of the election process, the integrity of the democratic process as we know it. The cost of campaigns has skyrocketed. It has gone up by 500 percent in the last decade, far outstripping the rate of inflation. There is no end in sight. It continues to escalate.

How long are we going to wait, Mr. President, before we act? Are we going to allow the average cost of campaigns, which has already gone from $600,000 up to $3 million, to go on up to $10 million before we act? Are we going to wait until it costs $25 million to run in an average-sized State before we do something about the disgraceful trend? Are we going to wait until it is $50 million or $100 million?

Obviously, something has to be done. I have not heard anyone assert that it is good for the country. Members of the Senate who were sent here to solve the Nation's problems are having to spend more and more and more of their time out raising money. It is not only a matter of time taken away from dealing with the Nation's problems. It is that Senators are having to go to other States and other parts of the country to try to raise money from those who have money, instead of being able to go back home and listen to the people, listen to the people in the States they represent, walk up and down the main streets, go to the farms, talk to the people about the problems on their minds, problems that need to be solved. It is creating an unhealthy appearance about what is going on in the legislative process.

It is very difficult for Members of this body to raise large sums of money and at the same time convey to the people of this country that they are trying in a conscientious way, free of any undue influence, especially monetary influence, to grapple with the Nation's problems, and so too much money is being spent under the status quo. It cries out for change.

It is not only that too much money is being spent, Mr. President. There is reason for concern about from where that money is coming. Almost half of the Members of the Congress who were elected in this last election cycle in 1986 received half or more of all of their campaign contributions not from the folks back home, not from the voters at the grassroots, not from the citizens of their own districts or their own States but from interest groups with little or no contact with their States at all. This is simply not healthy.

What is going to happen to the concept of grassroots democracy when it takes $3 million or $5 million or $10 million to run for the U.S. Senate and most of those millions are raised not from the people at home but from the people who have absolutely no contact with those States at all?

What is going to happen to the concept of grassroots democracy? Will the people in those States really feel that they have a Congressman anymore, that they have a Senator anymore, responsive primarily to their own interests?

So it is an unhealthy trend.

I was at a meeting recently where I was asked, in all seriousness: "Senator, don't you think it is a good thing that you can raise all the money in other places without having to go back to the people in your home State and ask them to contribute to your campaign? You can raise all the money here in Washington. You don't have to be embarrassed anymore by going back to the people in your own home State or your own district to ask them to contribute to your campaign. You can raise several hundred thousand dollars in a fundraiser from special interest groups in one evening, and it frees you from having to go back home and asking the people to support your campaign."

My answer was: "Thank goodness that the Constitution requires that we trouble the people back home, that we inconvenience the people back home to vote in our elections. We can handle the whole thing with special interest groups in Washington, DC, and have them cast all the votes and put up all the money."

It is not good for the country, and we know it, Mr. President. I do not think there is a single Member of the Senate who feels good about the appearance created by the present system, whereby we have to go out and accept money from special interest groups which have no real contact with the people back home that we are elected to represent.

Mr. President, it is clear, also, when new Senators have come to the floor to say that the status quo is working as it should, when you consider who gets that special interest money. Why is so much money being pumped into the campaign? It is for access.

As one Senator said yesterday: "You just have an hour in which to reflect about a decision that you are trying to make, and someone comes in with a list of 50 people who have been trying to telephone you, and you can only talk to one or two or three. To whom are you going to speak? Are you going to speak to people back home you never heard of, who have not participated in your campaign, or are you going to take a call from a political action committee that just gave a $5,000 contribution to your campaign fund?"

Human nature being what it is, I think it is unreasonable to expect that you are not even going to listen to that interest group that has put $5,000 or $10,000—your primary and general election campaigns—into your campaign fund for your election. So, access is sought.

People heading these groups know that Senators and Congressmen here now can have an influence on decisions being made. They do not know if the challengers are going to win.

As we have seen from statistics of the last election, special interest groups have no trouble coming in after the election, when a candidate has a deficit, and making a contribution at that time, to make amends for not having given during the election, for having supported the incumbent instead. We have dozens of cases in which millions of dollars have been pumped into campaign funds after the election because the incument has lost and the same groups want to make sure they have access to the newly elected Member of the Senate.

So, over 80 percent of all funds from political action committees have been going to incumbents rather than challengers. That makes it harder for new people with new ideas, ideas that may have to be heard by the policymakers of this country, to seek office and to ultimately win seats in Congress. It is not healthy, and it is not good for our system.

The appearance of undue influence of money in the American political system is adding to the sense of alienation, the sense of disaffection, the sense of cynicism that the American people, tragically, have toward their own government.

This Government belongs to the people. We are here as the hired hands of the people back home, and it is a tragedy when they begin to notice that it takes millions of dollars for us to run campaigns, and most of that is not coming from them but from special-interest groups; and they decide that they can no longer make a difference as to what goes on in the Congress of the United States, which should belong to all the people of the United States. We run the real risk of having government of the people, for the people, and by the people replaced by government for the special intrests and government by the special interests.

Even if it does not occur, in fact, we allow for a system which creates the appearance. We are driving people out of the political process and causing them to become unduly discouraged.

We have tried to do something about this concern that the American people legitimately have about what is going on in their own Government, and there is a strong concern. I want to cite the most recent public opinion polls I have been able to find on this subject, the Harris survey. Unfortuantely, they are not from this year, but from the recent past. They indicate very strong concern on the part of the American people.

Here is one statement:

> Campaign spending is now an area of legitimate competition and if one candidate is better at raising money than another, that candidate deserves an advantage.

The American people were polled on that question. Twenty-seven pecent agred with it. Seventy percent disagreed with that particular statement. In other words, the vast majority of the American people are saying, "Yes, we want competition in the political process."

I have heard some of those arguing against the campaign reform bill indicate that they want competition. They think that going out and raising unlimited amounts of money is the kind of competition we want in our political system. That is not what the American people think. They do not think we should be competing between candidates and giving advantage to a candidate based upon his ability to raise money. The American people want a competition of ideas. They want candidates to compete on the basis of their qualifications, what those candidates can do to serve their country, to build an American that is going to be sound for the next generation. They are not interested in electing people to office on the basis of who can raise the most money.

They were asked:

> Candidates should be elected based on how good they would be in office, not according to how rich they are or how many commercials they can put on television.

What did the American people say to that? Ninety-four percent agreed that they want candidates based upon merit, how good they would be in office, not based upon how much money they can raise or spend to buy TV commercials. Ninety-four percent agreed; five percent disagreed.

They were asked:

> Do you feel the excessive campaign spending in national elections is a very serious problem, only somewhat serious, or not a serious problem at all?

Sixty-two percent, very serious; twenty-nine percent said somewhat serious; 8 percent said not serious at all.

Yet, we have heard that any kind of bill which puts any outer limit on campaign spending should not be allowed to be considered. We have heard from the other side of the aisle that it would be off the table: Yes, we will negotiate on campaign reform, but we will not allow any consideration to be given to the idea of setting any kind of spending limits.

We do not want to do anything about the ability of people to buy elections. No limit is in order.

We have had races in which over $20 million was spent running for the U.S. Senate last time. And we have heard Members of the Senate who participated in those kinds of election express their horror at what went on and their desire to do something about it.

It is very difficult for me, Mr. President, to believe that the other side can bear the burden of proof of showing us we should never put any limit on it, that we should not stop if campaigns go to $100 million to run for the U.S. Senate in a State of 1 million people; that is just fine. Let it go to $100 million. It is good for the country. It is good for competition.

Mr. President, the American people disagree. They strongly disagree by a vast majority with that point of view, and the Senate of the United States, now the majority has clearly expressed itself in favor of a desire to get on, to get on with the business, to enact some kind of meaningful campaign reform. We ought to have a chance to do it. It should not be on the basis of taking those items off the table for discussion that are essentially what the American people are concerned about. We ought to have a chance to deal with it.

We cannot afford, as I said yesterday, to try to fool the people with something short of true campaign reform, to say we are going to talk about campaign reform and do nothing about runaway spending in elections, nothing about the ability of some people to literally buy elections because they have so many financial resources or access to so much money. It is like saying, "Well, you can go swimming but we are not going to let you go near the water."

It is time for us to deal with real campaign reform.

I was encouraged, Mr. President, very encouraged that in the final discussion which we had on the Senate floor last night, the distinguished Republican leader, Senator DOLE, indicated that he did see the need at some point. He said it has to be fair. And I agree. You have to set campaign spending limits high enough so challengers who are not well known have a chance against an incumbent who is well known. You have to set limits at a level at which those parties that find themselves geographically in the minority status have a chance.

But he did concede that we can reach a point and, certainly, sometime do reach a point in which excessive amounts of money are being spent that unduly influence the outcome of elections, and at that point, it is time to do something about it.

We can begin serious negotiations on that basis and we can begin to fashion something that will be of real benefit to this country.

I hope there will be enough Senators come to the floor today to register their strong feeling that we should move forward. We will be able to move ahead in a constructive way.

I see my good friend from Arizona on the floor, and I am happy to yield to the Senator as much time as he may desire to speak on this issue.

Mr. DECONCINI. I thank the chairman.

The PRESIDING OFFICER. The Senator from Arizona Mr. DECONCINI.

Mr. DECONCINI. Mr. President, I sat around for the last several weeks and listened to a number of eloquent speeches on both sides of this issue, those opposing it for some philosophical reasons and offering the alternative of cutting out PAC money.

I just want to say, Mr. President, I will be back again to speak again on this subject matter. I am sure everyone will be waiting with bated breath. But it looks like we are going to be here for a while.

As the Senator from Oklahoma just mentioned, yesterday we had an encouraging statement from the minority leader. He said that he wants to talk about some changes, some alterations, some negotiations and that is better than what we have had so far.

The Senator from Oklahoma has taken a strong leadership position here. He has been willing to negotiate and take into consideration everyone's interest. Even if he has not always agreed with them.

I have a few things that I would like to see attached to this bill and I plan to offer amendments. But, if we cannot get it up, how can we really have any public debate on whether or not election law reform, campaign reform, campaign limits, both as to the tolerance of the people of this country and as to the cost of elections, is ever going to come about?

So I applaud the minority leader's movement yesterday, that he is willing to talk about change. Up to now, his has been a position of total recalcitrance toward any type of negotiations on campaign reform and election law reform.

So maybe tomorrow will be a better day. Who knows? Maybe even today may be a better day.

Mr. President, it is my strong desire to speak on that election law reform for a few additional minutes. It is an important issue that is not going to leave us. This is not only because of the determination of the distinguished majority leader, but because it is necessary that we move ahead on this legislation.

The majority leader and Senator BOREN have put before this particular body a piece of legislation that is monumental. They have argued that their basic concern is that we must change the system of the high cost of Senate elections. I agree. However, some Senate Republicans have argued that their basic concern is opposition to the public financing of any elections.

As we have repeated many times, the Supreme Court, in the Buckley versus Valeo case, specifically stated that spending limits would not be held constitutional without partial public financing.

Now, given that and given the Supreme Court's clear decision in this area, what alternative is there?

We have seen some Republican Senators offer the elimination of PAC's. But that is not going to pass.

This bill is not that extreme. It does not eliminate PAC's. I do not think that that is really the problem. Yes, PAC's are very influential and yes, they play a major role but they are not the sole problem. But we should not just be trying to beat up PAC's here, and I do not see any necessity to just attack PAC's.

What we really want to do is something comprehensive that will limit the amount of money that is being spent by individuals and in total in a campaign.

Limits by themselves have been held to be unconstitutional because of the Valeo case, and this will necessitate that we address head on the issue of public financing.

I know the Senator from Oklahoma has already agreed that maybe we cannot bite the whole apple at once, and that is a good indication that he is willing to move in a positive way, and I commend him for that.

However, to respond to the concerns of our Republican colleague, Senators BYRD and BOREN have come up with a new proposal which drastically cuts the amount of public money, and that seems to be the great stumbling block from the other side of the aisle; in fact, this compromise cuts the amount of public money by more than half. This certainly is a good faith effort and a reasonable approach.

Last Thursday, I noticed that the Louisville Courier-Journal carried an article titled "McConnell-Ford Split on Campaign Financing." I see my distinguished colleague from Kentucky is here. The last paragraph of that article is of particular concern to this Senator. Let me quote it:

> McConnell said Senate Republicans met late yesterday and, with one GOP Senator dissenting, agreed to bind themselves as a caucus to vote against the new version and any subsequent versions that contained spending limits and public financing.

Now, I am concerned, Mr. President, that the minority leader came out here last night and said, "Hey, we don't like public financing," but he also said, "We are willing to negotiate." And I am willing to negotiate as well. Maybe there is a solution that I have not thought of.

Maybe the Supreme Court case has not been totally refined for me. Maybe there is a loophole that you would allow limitations on spending without public financing. I welcome it. I do not know that we have seen that offered yet. But I am concerned about this newspaper article because it shows to me a lack of real commitment on the side of the Republicans to compromise.

The best thing to do would be to let this bill come up. That means about 7, or 8, or 10 Republican Members would have to vote for cloture and then let them offer whatever better scheme or better legislation or better way to skin the cat that they may have, offer it as an amendment. I might very well join in it.

I am just a little bit confused about this debate. As I understand it the Supreme Court case has made it very clear in their ruling that you have to have partial public financing. Maybe there is some other public funding scheme that we can come up with if we put our heads together. But without joining with our distinguished partners across the aisle we know that won't be possible. We know that meaningful legislation will be passed when we find a consensus, when Democrats and Republicans join together. And when we really talk about election law reform, we are not going to have it for this body, just as we would not have had it for Presidential elections, if there is not a bipartisan effort the willingness of both Republicans and Democrats, to join together to improve and to correct a situation that is truly out of hand.

So I am hopeful that we might see some movement from the Republican side of the aisle. What is served by preventing a good debate on whether it is public financing or some other form of effort to curb the cost of these campaigns? What better forum is there than to let it be debated, to let people offer those types of compromises, those types of additions or deletions that they feel are necessary? It is also important to note that the President of the United States is of the Republican Party. I would suspect he may share many of the views of the minority here today and they have the very good capability of seeing that this would be vetoed. And without that Republican support, it would be impossible to override a veto. Good common sense says to me let us move ahead. Let us not stall this country in longer. Let us have an opportunity to vote on anybody's amendment, anybody's proposal.

I am prepared to consider other ways than this bill and have some amendments myself, but we are prevented by the Republicans on a filibuster.

And what is a filibuster? Mr. President, a filibuster is an effort by the minority—and here a successful effort—to prevent the consideration—not the passage—the consideration, the debate—not the passage—the debate, the public scrutiny in listening to what both sides have to say. Their refusal to permit improvement of the legislation, new ideas, looking to the future and moving ahead, that is what a filibuster is and that is what we have here.

We have a group of my distinguished colleagues—and I respect their right to do what they are doing—prohibiting us to move ahead on some important legislation. And maybe we cannot pass it. That is a different proposition altogether. But here we cannot even get up and debate various amendments.

I have a couple of amendments and I would love to offer them here. I would like to get the Senators to consider the DeConcini amendments. Maybe they will say, "Hey, we don't want those amendments," but I sure would like to have an opportunity to have a debate on them.

So, Mr. President, I hope that this next vote will be positive in the sense that we will get the necessary votes to curtail the filibuster. I hope our Republican friends will see their way clear to have a public debate on this and then vote against it and work against it, if they want. That is what this body is all about, to take up issues, to debate them and to have a call for a vote and to let the process go through and not be stymied for several weeks because a few Senators feel that they do not want to take this bill up because it does not quite suit them. This does not suit me just the way I would like it, either.

Mr. President, I thank, again, the Senator from Oklahoma and the Senator from West Virginia for their strong support and leadership in this particular legislation.

Mr. PACKWOOD. Mr. President, over the past 2 weeks the Senate has witnessed an important debate over fundamental political issues and specifically the role of financing in congressional campaigns. As in every debate in this body, we have no shortage of viewpoints or opinions. Although we have not yet resolved our differences, we have heard an articulate discourse and the ablest arguments both pro and con. I am certain no one mistakes my own views on this question.

No matter one's position in this debate, I am convinced I will hear little argument on either side of the aisle regarding the outstanding role played by my distinguished friend from Kentucky, Mitch McConnell.

Over the past 2 years, I have come to work closely with Senator McConnell on a host of issues and often relied on his judgment and his counsel. Most recently, I have also come to know and respect his debating skills here on the floor and I can honestly say I am glad he is on my side on any question.

Senator McConnell has clearly distinguished himself not only among his Senate colleagues, but back home in Kentucky and throughout the Nation. Recently, the Louisville, KY, Courier-Journal identified the "national spotlight" focused on our friend and colleague and I ask unanimous consent to insert the article in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the Courier-Journal, June 15, 1987]

Campaign-Finance Filibuster Trains National Spotlight on McConnell

(By Robert T. Garrett)

Washington.—A dozen years ago, Mitch McConnell lectured political science students at the University of Louisville on the niceties—and the not-so-niceties—of American campaign financing.

For the past week and a half he has been lecturing the nation as a United States senator.

In leading a Republican filibuster this month against a Democrat-sponsored bill on election finance, McConnell has been speaking out on the Senate floor, on televised public-affairs shows and via newspaper interviews.

Vigilant and often the lone Republican on the floor, he has argued with all comers and displayed a self-confidence intimates say wouldn't have been possible a year ago.

Even rival Democrats concede McConnell has been well prepared and articulate in his most prolonged high-profile Senate role since he took office in early 1985.

In deportment and oratory "he's done very well," said Oklahoma Sen. David Boren, sponsor of the bill, and its Democratic floor manager.

But Boren said McConnell "has staked out an extreme point of view" in arguing against any limits on campaign spending.

McConnell's embrace of big campaign war chests—he says they're a welcome sign of increased citizen participation in politics—runs counter to majority sentiment, Boren said.

"I'm just surprised Mitch would pick this issue and take this position," Boren said. "I think the people are really disturbed about campaigns costing $20 million for the Senate in California . . . and, as I understand it, $12 million for governor in Kentucky."

Fred Wertheimer, president of the public-affairs lobby Common Cause, said McConnell "has taken on the mantle of defending a fundamentally corrupt campaign-financing system."

Wertheimer, whose group strongly supports the bill offered by Boren and Senate Majority Leader Robert Byrd of West Virginia, said McConnell and other opponents may block its passage for now. But, he predicted, they'll ultimately fail.

But others say the filibuster that began June 3 has shown McConnell to be at the cutting edge of modern politics—both in knowledge of election finance and in advocating pragmatic changes in the status quo.

"I think he's been an outstanding advocate" in arguing against the Boren-Byrd bill, said Ken Cole, president of the National Association of Business PACs (political-action committees). "He knows that bill so much better than the sponsors do."

On the surface, at least, praise for McConnell from a spokesman for business and trade association PACs seems ironic.

To counter the Boren-Byrd bill, McConnell and Oregon Republican Robert Packwood have offered a bill that, among other things, would ban PACs from giving money directly to congressional candidates. Most PACs oppose the McConnell-Packwood measure.

By contrast, the Boren-Byrd bill would allow a PAC to keep giving up to $5,000 per election to such candidates. But PACs seem to be more adamant in their opposition to it.

The apparent reason is that, under Boren-Byrd, much of the money now given to Senate candidates by PACs—and, for that matter, by individuals—would come instead from a federal fund.

The Boren-Byrd bill would provide matching federal grants to Senate candidates who, after raising a prescribed amount of money from small contributors, voluntarily agreed to cap their spending.

(In Kentucky, $2 million would be the most they could spend for both the primary and general elections; in Indiana, $2.7 million. The difference is based on population.)

Boren-Byrd also would limit how much all Senate candidates—those who accept public money and those who decline—could accept from PACs.

(The limit would be $243,390 in Kentucky and $321,177 in Indiana. In coasts to re-election last year, Kentucky Democrat Wendall Ford took in $844,982 from PACs and Indiana Republican Dan Quayle received $855,641.)

McConnell's bill to ban PAC gifts has left Democrats, who frequently rely on PACs to offset the Republicans' edge in tapping individuals for money, grumbling about his motive and sincerity.

Last August, McConnell proposed a bill by Boren and then-Arizona GOP Sen. Barry Goldwater that would have capped the total PAC receipts congressional candidates could harvest and lowered to $3,000 the amount a PAC could give each candidate per election.

"Most members at some point receive contributions from PACs on opposing sides of the same issue." McConnell said in a floor speech.

"My goodness, how can it be asserted that they are going to have undue influence over a member? . . . There is no reason to impose restrictions on . . . a group's right to participate."

Why, then, did McConnell propose just such restrictions 10 months later?

"PACs have the appearance of undue influence, and they certainly are special interests," he said Friday. "And if that is the issue, then we ought to let the PACs go."

Wartheimer said 'McConnell's move to cut out direct PAC gifts "is a charade, in implying he's for reform, he's kidding." '

Last week, Common Cause criticized McConnell and Packwood for not seeking an end to the practice of "bundling", in which PACs collect $1,000 checks from individuals and forward them to candidates.

McConnell, while saying he's "no PAC-basher," insisted he's sincere. Sacrificing PACs to allay public suspicions of corruption "isn't too big a price to pay," he said.

And it's certainly, preferable to public financing and which McConnell said would protect incumbents, who are too glothful to follow his own rigorous regimen of fund raising.

As for "bundling" checks, McConnell said "it shouldn't be improper for somebody to go out and collect a bunch of checks for you," even if the "somebody" is a PAC. His bill would make sure the people writing the checks knew to whom they were going, he said.

Generally, McConnell said, he disagrees that the election-finance system is corrupt.

Although some fine tuning is needed, mostly in requiring fuller disclosure of the origin of contributions, the current system has worked "reasonably well," he said.

In fighting the Boren-Byrd bill's proposed spending limits and partial public financing of Senate elections, McConnell denied he's out to bolster his prospect for re-election in 1990.

"I'm really quite idealistic about it." he said.

Recalling his underdog victory against Democratic incumbent Wolier "Dee" Huddleston in 1984, McConnell said he wants other challengers to have the same chance "to go out and get support and do their thing and win like I did."

McConnell acknowledged some partisan motives lay behind his recent actions.

The Boren-Byrd bill seeks to offset or negate advantages now enjoyed by Republicans, such as their vast network of regular individual donors, he said. But he said it ignores areas in which Democrats now hold the upper hand, such as the unregulated "soft money" that unions, corporations and PACs give to party groups to indirectly help favored candidates.

McConnell's bill takes the reverse aproch. It protects GOP donor lists, spotlights "soft money," curbs PACs and put less limits on independent spending and negative TV ads by such groups as the National Conservative Political Action Committee, which helped the GOP capture the Senate in 1980.

McConnell's moment in the Senate spotlight may end with votes tomorrow and Wednesday to end his filibuster. But whatever the outcome, he and Boren have vowed to continue the fight on campaign finance in future months and years.

Mr. McCONNELL addressed the Chair.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. McCONNELL. I ask unanimous consent that I be allowed to control the time on this side.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCONNELL. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator from Kentucky has 50 minutes remaining. The Senator from Oklahoma has 13 minutes remaining.

Mr. McCONNELL. Mr. President, we on this side are certainly not seeking to obstruct progress on this issue. We are on S. 2 now. No filibuster was undertaken on the motion to proceed. A cloture vote, on the other hand, would stop debate, stop negotiations, restrict amendments, and calcify a bill that too many of us in this body and in this Nation simply do not want.

After cloture, extreme restrictions on amendments, as we all know, would be in effect. Even some of the pressing concerns and alternatives raised by Members on both sides of the aisle could not even be considered, because they would not meet the germaneness standard. Thus, we would end up with a so-called reform that does not control special interests in politics. We would only bloat campaign spending by pumping in massive amounts of taxpayers' money.

Any negotiations that would be appropriate could go on right now. We have been calling for those for quite some time, in good faith and with the best intentions. None of these overtures have been addressed by the other side which, it appears, would rather obstruct the process of creating a workable bill.

I might say, Mr. President, there are some special interests out in the land who are extremely excited about S. 2 We all know that Common Cause, one of the most vocal special interests in the country, is strongly supporting S. 2 with everything at their disposal. And there are other interest groups that are excited about S. 2 as well. I will get back to Common Cause in a minute.

There was an interesting article last Sunday in the Louisville Courier-Journal, which is the statewide newspaper in Kentucky. It is a column by Bob Johnson, the senior political reporter in our State, quite possibly the most respected. He is looking back at the recently-completed Kentucky Democratic primary for Governor, Lieutenant Governor, and other statewide offices. Bob Johnson writes in this column about the two principal special interest groups in Kentucky—that is, organized labor and the Kentucky Education Association—and where these groups see politics going. He quotes a fellow named Terry Turner saying that:

> Turner practices his craft for the Kentucky State AFL-CIO, which lined up behind Lt. Gov. Steve Beshear in last month's Democratic primary for Governor.* * *
>
> Turner said the heavy use of television in the closing weeks took the race away from those who practice his kind of politics—a message he took to a recent AFL-CIO regional conference in New Orleans.
>
> Our efforts just pale in comparison to what can be done on television today, Turner said.
>
> But in the wake of his loss, Democrats who play organization politics are asking if they have a future in expensive top-of-the-ticket races.

The article goes on:

> The AFL-CIO and Kentucky Education Association, two groups that claim to swing the biggest sticks in turning endorsements into political clout, have come up empty in each of the last three races for Governor in Kentucky. "Despite the problem of trying to compete with TV," KEA and organized labor say they are going to go on.

And the final word, Mr. President, what they are really hoping for—the labor representative says, is to look at ways of putting a cap on spending.

Well, it is pretty clear, Mr. President, that some interest groups are very excited about S. 2: the interest groups that want to put a lid on individual donor participation, so they can enhance their position in the electoral process. Those groups that have large memberships, Mr. President, are really excited about spending limits because they know if they can put a clamp on the individual donor, the little guy out there who is financing and participating increasingly in politics in America, if they can just put a clamp on his participation, Mr. President, then all the membership groups that have a lot of votes figure they are back in the game.

So what this is all about is a question of political power. S. 2 was finely crafted to benefit those interest groups that by and large have supported our friends on the other side of the aisle, and also finely crafted in a way that would diminish, cap out and make less effective those working men and women across America who are busy, who employ people, who spend their free time with family and volunteer organizations who do not have time to go out and walk door to door or operate the telephone bank, those folks who have contributed to our side in recent years in increasing numbers. It is those people who this bill will put a clamp on, their kind of participation. Instead, S. 2 will only let a different breed of supporters have greater influence.

That is what is underneath this bill, Mr. President. That is what is involved here. It is a play for power.

Common Cause, which is, I might say, one of those other special-interest groups, gave us yesterday 47 more editorials on the subject of campaign finance reform across the United States. It is a good opportunity for us here in Washington, representatives of the people, to learn what America thinks about campaign finance reform.

We ought to address what American people think about the campaign finance system. It is their system. They pay for 72 percent of the cost of every election. Continued strength of the Democratic system depends on faith in the electoral process.

Let us look at these 47 editorials that were given to us today. I will later ask for their insertion in the RECORD.

Of the 47 editorials only 17 supported limits to curb high campaign spending. That is, 36 percent of these 47 editorials were in favor of spending limits. Thirteen of the forty-seven editorials supported public financing to curb spending. That is 28 percent. Twenty-eight percent were in favor of public financing. Seven others supported spending limits only because of

PAC spending. As we have said frequently, there is not much of a limitation on PAC's in S. 2. Twenty others supported public financing only to curb PAC influence. That is 43 percent.

And most importantly, of these 47 editorials laying here on my desk, 45 of the 47, 96 percent, supported strong limits on PAC's.

Mr. President, there is a good deal of confusion on this issue. The issue is PAC's, if there is any issue at all. That is what the Boren-Goldwater bill was all about last year. But S. 2 is not a PAC bill: S. 2 is a bill to limit expression to put a clamp on spending, a clamp on participation, a bill to fund the races out of the taxpayer's pocket. As we pointed out frequently, there would not be any limit on spending, because you would have so many people running for office, under S. 2, getting a chance to get their hands into the taxpayers' till, that there would be a vast proliferation of candidates and an exponential increase in spending. The only difference would be that the public would pay for it, rather than those contributing privately.

(Mr. DECONCINI assumed the chair.)

Mr. BOREN. Will the Senator yield on that point?

Mr. McCONNELL. Yes.

Mr. BOREN. Is the Senator aware that the bill, as written would only allow the nominees of the two parties to qualify and that the primary election process in which there could be a number of candidates would be totally privately funded? I am a little puzzled by the Senator's statement that there would be a huge number of candidates if we would only have two party nominees since the primaries. It would seem to me that there would be a limitation on how much proliferation would occur.

Mr. McCONNELL. As my friend knows, there is a provision in his bill for third-party candidates in the general election who by raising the same threshold amount would be entitled to one-half of the amount that the nominees of the Republican Party and Democratic Party would be allowed.

It is anticipated that anybody who does not want to mess around in party politics and go through all the process of developing and following over the years, who just goes right into the general election and by raising the threshold amount which in our judgment is rather easy to do, can get a check from the Treasury. We anticipate at least one independent candidate in every Senate race in America.

As we also know, there is a provision for public spending to attack a candidate. In the last cycle there were $4,476,000 spent on independent expenditures. We can assume that will not go down any and there will be public money available to respond to those independent attacks. As the Senator from Kentucky said, the place where the new candidate is going to come, of course, will be at the general election. Everybody who has ever looked in the mirror in the morning and said, "By golly, I think I see a U.S. Senator," can go out and raise the threshold amount and get one-half of what the Republican and Democratic nominee can get from the taxpayers to go out and seek public office. In the Presidential race, public funding has provided an opportunity for the proliferation of candidates.

Mr. President, we have a speaker here on our side who has been waiting patiently. I would like at this point to yield to my good friend from Delaware for 10 minutes.

The PRESIDING OFFICER (Mr. GRAHAM). The Senator from Delaware.

Mr. ROTH. I thank the distinguished Senator from Kentucky.

Mr. President, in talking to my constituents in recent months about the subject of political campaigns, three basic concerns have been expressed. First, there is the feeling that PAC's play too great a role. Second, there is the feeling that the campaigns are too long. And third, there is the feeling that too much money is being spent on campaigns.

What is interesting to me about the popular thinking on campaign reforms is that it runs counter to Supeme Court pronouncements on all three points. First, regarding PAC's, it should be understood, that PAC money is collected only from individuals and not from corporations. While it is possible to legislate limits on PAC contributions to candidates, such legislation cannot dry up PAC money itself because the individuals who gave to the PAC have a constitutional right, according to the Supreme Court, to spend their own money, singly or in groups. Thus while Congress can limit what a PAC contributes to a candidate, it cannot prevent the PAC from spending its money on the same campaign independently of the candidate.

Second, regarding the desire for shorter campaigns, some clarification is necessary. We would not want to limit the time when people could think about running for office. Nor would we want to limit their planning or preparation for the campaign. Nor would we want to eliminate public appearances by possible candidates for office. When my constituents complain about lengthy campaigns, I believe they are complaining about the length of time they are bombarded with TV ads, pamphlets, billboards, newspaper ads, and the like. That is the problem.

Yet the Supreme Court has ruled that we cannot shorten such political expression, even by 1 day.

Third, regarding the belief that too much money is being spent on campaigns, the Supeme Court has ruled that each American citizen has a constitutional right to spend as much money as he wishes on political campaigns. While we can protect the candidate from exessive contributions from individuals and PAC's, individuals and PAC's have a constitutional right to spend as much as they wish independently of the candidates.

Therefore, as I see it, what my constituents want, as reasonable as it sounds, is blocked by Supreme Court decisions interpreting the Constitution. That is why, after lengthy reflection, I introduced a proposed constitutional amendment that would allow Congress to control PAC's, to control spending, and to control the length of campaigns.

S. 2 tries to achieve campaign financing reform by legislation. Because of the road blocks set up by the Supreme Court, this legislative attempt at reform cannot accomplish what the people want. But not only will S. 2 fail in theory, it will fail in practice, and it will impose additional tax burdens on the American people.

In sum, I oppose S. 2 for three reasons:

First, S. 2 will not achieve what the people want;

Second, S. 2 creates a new entitlement program for Senators—and perhaps Representatives as well—in a time of mounting budget deficits; and

Third, S. 2 is administratively unworkable.

Let me explain these reasons further.

First, S. 2 will not give the people the kind of reform they want. It does not even purport to control the length of campaigns—a popular complaint of my constituents. But even more important to this debate is that S. 2 would not significantly lower the total amount of money spent on Senate campaigns. Yet this is advertised as S. 2's primary virtue. The argument is made that we must have spending limits, that the only way we can have such limits in view of the Supreme Court ruling is to make them voluntary, that the only way to make candidates volunteer to surrender their constitutional rights is to give them taxpayers' money in return for their consenting to such limits, and that, therefore, S. 2 is the only solution before us.

That argument is fatally flawed. The truth of the matter is that the spending limits in S. 2 have been set roughly at the anticipated level of spending without S. 2. The reason the limits are so high is that, if they were lower, candidates would not volunteer to accept them, and S. 2 would be meaningless. So the limits are put way up there, in line with the levels of spending in our last election that are so widely criticized, so that S. 2 avoids being meaningless.

In doing so, S. 2 has fallen into a trap. A cynic might say that what Congress does best is reform without change. S. 2 can be said to be reform without change—a reform in campaign expenditure levels that does not change the level of campaign expenditures. Much to his credit, the chief sponsor of S. 2 conceded on the floor 2 weeks ago that S. 2 would not significantly lower campaign spending.

In fact, S. 2 would, in my opinion, work to raise campaign expenditures. Here's why. Under S. 2 every candidate would—before signing up to participate in public financing—look at the limit and ask himself if that amount of money is enough for the campaign. A lot of factors would bear on that decision. But the basic question would be the same. If the answer is yes, he would take the taxpayers' money instead of raising it himself. It's a lot easier and he does not need any more anyway. If the answer is no, because, for example he is personally very wealthy and plans to spend a great deal of money, then he does not participate.

The "no" candidate is very likely to say "no" so that he can exceed the spending limits. Thus the "no" candidates will increase the level of spending beyond that set out in S. 2, a level already noted as roughly equal to last year's high level. The Congressional Budget Office analyzed the 1988 races and reported that it anticipates that in 20 percent of the races both major-party candidates will say "no" to S. 2.

It should be noted that since that CBO analysis was prepared, the sponsors of S. 2 have offered a floor amendment to cut the amount of public financing for "yes" candidates. That change in the legislation would decrease incentives for candidates to agree to S. 2's spending limits. With that change even more candidates could be expected to say "no" to S. 2.

Moreover, for many candidates who do participate, spending will exceed what they would have spent had they had to raise all the money themselves. But since S. 2 money is free money—whether matching funds or an outright gift—given to any candidate who raises a modest qualifying amount, it is inconceivable to me that that money will not all be spent. Easy come, easy go.

What S. 2, therefore, accomplishes is to raise the level of spending of those who would otherwise be below average to the average level contained in S. 2 and allow those otherwise above average to spend as they wish. The result has to be more spending—not less. So S. 2 would run opposite to its avowed purpose. I wonder if the people really understand that.

S. 2 also makes a curious assumption. S. 2 says to the candidate, "don't take money from your supporters; don't take money from PAC's; take the taxpayers' money instead." Suppose the candidate agrees and takes the taxpayers' money. What makes you think that these supporters and the PAC's will stay at home and sit out the election? S. 2 does not tell them to. The Supreme Court has said they have a constitutional right to participate in the political process. That's still true if the candidate agrees not to take their money under S. 2. Those folks are not going to sit out the election. They will go off on their own. One can anticipate that many PAC's will become independently active in campaigns, as permitted by the Supreme Court ruling.

For example, they will buy ads in the paper, they will run commercials on TV, they will talk on the radio, they will distribute pamphlets, and so on, all on their own. So their political money will be spent anyway. It just will not be channeled through the candidate. The candidate will, in the meantime, be spending the taxpayers' money.

So S. 2 produces a double flow of spending: the candidate spends the taxpayers' money while supporters and PAC's continue to spend their money independently of the candidate.

But hold on to your wallet. S. 2 does not stop spending there. It creates a third flow of money. Taxpayer dollars flow under S. 2 to the candidate's opponent whenever independent expenditures are made adversely affecting the opponent's candidacy. Another faucet of money is turned on whenever a participating candidate finds that independent expenditures are being directed against him.

In sum, S. 2 raises the level of spending by the candidates themselves, raises the level of independent expenditures, and raises the level of expenditures to counter independent expenditures. S. 2's spending limits are a shambles. The reason is that the limits are voluntary. The notion of voluntary limits is, in itself, a contradiction. For limits to limit they must be mandatory. And to make limits mandatory we need a constitutional amendment, like the one I have previously proposed.

Generally, at this point in the debate, proponents move on to another argument, that the real purpose of S. 2 is to curb the role of PAC's. Regarding this goal, S. 2 at best achieves mixed results.

Basically, S. 2 takes two approaches to the issue. The first establishes a spending limit in each State and then forbids PAC contributions to exceed 30 percent of that limit. Each PAC may still give up to $5,000 for the primary election and up to another $5,000 for the general election so long as the cap is not reached. But suppose the cap has been reached. What can the PAC that wanted to help a candidate do? It's simple. Rather than give its $5,000 contribution directly to the candidate so that he is able to buy space in the local paper, the PAC writes its own ad in favor of the candidate and runs it in the newspaper.

In this way the candidate does not have to spend $5,000 of his money. S. 2 does not prohibit this. S. 2 cannot prohibit this. The PAC has a constitutional right to do this. If we want to stop this end-around, we need a constitutional amendment. So the limit is not really an effective limit.

But S. 2's opportunities for PAC's don't stop there. One of the better ones is the fundraiser provision. Under S. 2, a PAC is expressly permitted to hold a fundraiser for the candidate where the candidate is expected to speak and pick up his checks, not from the PAC itself, but from the individuals that attend. S. 2 does not count this money as PAC money. So, I believe that PAC's will be throwing a lot of fundraisers under S. 2, just like today.

Moreover, nothing in S. 2 can preclude PAC members from exercising their rights as Americans by exhorting fellow PAC members and others to make individual contributions to candidates. Again the only way to limit this activity is by way of a constitutional amendment. S. 2, as I said before, is reform without change.

The second approach of S. 2 to the rule of PAC's is the public-financing provision. Supporters of S. 2 would like you to think that because the money that the candidate must raise to qualify for taxpayer financing must come from individuals and because the rest is to come from the taxpayer, there is no room under the spending limit for PAC activity. What a ruse that is.

First, public financing is only given in general elections. In my State, the general-election cycle covers only the last 2 months of the campaign. The rest of the time is called the primary-election cycle. Here, PAC contributions to a candidate do not run afoul of any public-financing provisions. In other words, PACS have quite a role to play in primaries under S. 2.

Second, because S. 2 is so complicated, it will be very difficult to comply with its provisions. To satisfy such complaints, S. 2 allows a candidate to set up a compliance fund with which to hire lawyers, accountants, and others. The fund is equal to 10 percent of the spending limit and may be infused with PAC contributions.

Third, under the provisions of S. 2, a participating candidate may, when his opponents exceeds twice the spending limit established for each State under

S. 2, raise additional money from any source, including PAC's.

Fourth, if for any reason there is not sufficient taxpayer money to fund the participating candidate's campaign in full, such candidate may raise funds equal to the shortfall from any source, including PAC's.

Fifth, while S. 2 states that the qualifying money is to be raised from individuals, nothing in S. 2 prohibits PAC members from prompting individuals to make individual contributions directly to the candidate and nothing prevents a PAC from throwing a fundraiser to elicit individual contributions.

Sixth, during no aspect of the campaign does anything in S. 2 prevent a PAC form making an independent expenditure to favor the candidate of its choice. Such spending is not counted as having been made by the candidate even though he is the beneficiary. So here PAC's have an unlimited role to play.

I do not recite the various opportunities PAC's will have under S. 2 to spread pessimism about the prospects for true campaign reform. Rather, I merely wish to detail and underscore my basic point that the only way we can stop PAC's from circumventing legislative hurdles is by way of a constitutional amendment.

In assessing S. 2's overall success in controlling PAC's, it should be noted that the public-financing provisions of S. 2 have absolutely no affect on the total amount of PAC contributions that any candidate, whether or not he seeks public financing, can receive. In any given State under this bill, candidates for the Senate will be able to receive the same amount of contributions from PAC's whether or not they take the taxpayers' money. I think the taxpayer is being taken. The taxpayer is being told that he should support public financing so that his tax dollars will displace PAC dollars in the campaign coffers. But the tax dollars do not displace PAC money at all; they displace only individual contributions.

In all fairness, S. 2 does have a provision which does limit PAC's, which I have previously described. it would limit every candidate's PAC contribution receipts to 30 percent of the spending limit established in the bill for each State. In modified form, the PAC limit would even apply to House candidates. The point I am making, however, is that that limitation is achievable, without requiring taxpayer financing. You do not need taxpayer-financing provisions in the bill in order to achieve PAC reform.

The part of S. 2 that does limit PAC contributions, has one important virtue: It does not cost the taxpayers a dime.

Neither would the proposal of the Senator from Alaska to cut PAC contributions in half, nor would the proposal of the Senator from Oregon and the Senator from Kentucky to ban PAC contributions completely. These proposals are worthy of the Senate's further deliberation.

I am hopeful that a bipartisan consensus can be developed for interim campaign reform, including limitations on PAC's.

In sum, the public-financing provisions of S. 2, which are its unique contribution to this debate, do not deliver what they promise. Public financing does not lower spending. Public financing does not curb PAC contributions. And public financing does not even claim to shorten campaigns.

My second reason for opposing S. 2 is its cost to the taxpayer. Certainly, our deficit is already too high. Nor do I think that taxes are too low.

The question of whether S. 2 is too costly is an easy one to answer. S. 2's public financing provision does not fulfill its claims. It does not work. Why buy it?

Basically, we have a choice between two options: one which is ineffective but has a price tag; the other, which is effective but has no price tag. This is my proposed constitutional amendment. The choice, for me, is clear.

The only response I get is that constitutional amendments take too long to ratify. I assume that response concedes the point that my proposal is the only valid answer to the question before us. Regarding the time factor, let me point out that the 21st amendment took only less than 10 months to ratify.

In contrast, it has been 11 years that we in Congress have been looking for legislative solutions to a problem requiring a constitutional amendment, 11 years since the Supreme Court struck down our mandatory spending limits, 11 years since the Court unfortunately equated spending money with free speech. Shall we consume another 11 years raising false hopes of the American people? Or shall we start now to process the real answer?

Not even the wrong answer can be processed quickly. Supporters of S. 2 have offered an amendment to delay its effective date until 1990. If we got to work we could have the real answer in place by then.

Public financing is unacceptable. I took a poll in my State of Delaware about public financing of Senate campaigns, and 69.3 percent of those responding opposed public financing while only 29 percent favored it. That result does not surprise me. The people in my State can perceive when politicians are about to pick their pockets.

The precise cost of S. 2 to the taxpayer is far from clear. There seems to be agreement that a round of 33 elections in the Senate would take about $100 million to cover two major-party candidates in each race, if they all participated. The Congressional Budget Office estimates that both major-party candidates will refuse to participate in 20 percent of the races which, while lowering the cost, increases the failure rate of the bill in curbing PAC's and controlling campaign spending.

These figures—both the cost and the failure rate—will have to be modified if the Senate adopts a pending amendment to provide matching funds rather than direct grants in some of its public-financing provisions. We have no reliable estimates at present.

As a Senator when I vote on S. 2 I must not assume that the bill will apply only to the 33 or 34 Senate elections held every 2 years. If S. 2 is a good idea, it should also apply to the House. We have no official cost estimates of what it would cost to cover an additional 435 House races every 2 years. Needless to say, it would cost significantly more than the $100 million estimate we were given for the reported bill.

Moreover, that estimate did not cover taxpayer-financing that will be required under S. 2 to finance third-party candidates who are also entitled to participate. Nor did it cover costs relating to funding replies to independent expenditures. Since S. 2 creates new incentives for independent expenditures and for third-party candidates, we cannot reasonably ignore the potential for these additional costs.

No one in this body wants to induce fringe candidates to run just to make some point. That undermines our healthy two-party competition. Yet that's what S. 2 does.

No one in this body wants to see independent expenditures rise. There is a great potential for negative advertising here. Independent spenders are, by definition, accountable to no candidate. So S. 2 will cause dirtier, messier campaigns. This is not something the people will want. This is not something the people should pay for. This is not something we should vote for.

As campaign costs for television time and other expenses rise, some in this body who are worried about paying these bills have decided to send them to the American taxpayer. We are told that this new entitlement program—"Food Stamps for Senators" as the Senator from Alaska aptly described it—will cost relatively little. But every entitlement program begins with the same promise, yet each such program has a way of expanding and growing.

While the rest of the country is subjected to budget cuts, the Washington establishment apparently does manage to take care of itself.

It is not hard to envision how this program would grow. Campaign spending has risen dramatically in recent times reflecting sharp increases in the cost of advertising. Ten years ago, a full page ad in a prominent newspaper in my State of Delaware cost $500. Today it costs $5,000—a tenfold increase. The same is true of TV costs. It now costs up to $15,000 to broadcast a 30-second commercial out of Philadelphia.

If S. 2 is enacted and these media costs continue to grow rapidly, how long do you think it would take Congress to require the taxpayer to pay the extra costs? So while Senators now estimate that S. 2, if amended to include both the Senate and House, would cost $300 to $500 million, it would not be long that S. 2 would be costing a billion dollars.

While proponents of S. 2 suggest that its spending limits will hold back further increases, that's not the way human nature works. If Congress places itself on welfare, you can bet your last dime on the fact that Congress will always maintain its own benefits at realistic levels and send the taxpayer the bill.

Today, S. 2 sets its taxpayer-financed spending levels for a populous State like California at about $5.5 million per candidate. If media costs continue to rise at the present rate, it won't be long before the cost estimate for S. 2 will not even cover that single State. So let us think before we march down the road marked "S. 2."

The third reason I oppose S. 2 is that it won't work. Many of my constituents complain that the Senate is becoming a millionaire's club. So suppose that Mr. Poor is in a race against Mr. Rich. Some have suggested that S. 2 solves this problem since it limits Mr. Rich's personal spending to $20,000. However, it limits Mr. Rich's spending only if he agrees to abide by it as a condition to receiving public financing. But if Mr. Rich does not need taxpayer help, he need not comply with the personal-spending limit or any of the other conditions. He can continue to spend as much of his personal wealth as he chooses.

In contrast, Mr. Poor, who has less wealth, will gladly agree not to spend his own money. He agrees to participate in order to get public financing. However, S. 2 provides no help during the primary-election period, in which Mr. Rich may spend millions of dollars to clobber Mr. Poor. The only help Mr. Poor gets is a limit on his spending for the primary, which is not lifted no matter how much Mr. Rich spends. During the general-election cycle, which begins in my State less than 2 months before election day, S. 2 will provide Mr. Poor his basic entitlement, probably a fraction of what Mr. Rich has already spent.

Although S. 2 purports to help Mr. Poor when Mr. Rich has spent excessively, it does not unless Mr. Rich has spend excessively during the general election cycle. How do we know what Mr. Rich has spent during the general election cycle? S. 2 requires that Mr. Rich come forward and confess when he has exceeded the limit and again when he has exceeded twice the limit. One has to wonder how diligently candidates like Mr. Rich will confess, especially when such confession is supposed to trigger a bonus payment from the U.S. Treasury to Mr. Poor.

At this point, Mr. Poor has some problems. First, the Justice Department has taken the position that it would be unconstitutional for the Government to pay the bonus to Mr. Poor just because Mr. Rich exercised his constitutional rights. Second, Mr. Poor no longer has a practical opportunity to raise money to counter Mr. Rich. Mr. Poor, you see, had to agree not to raise extra money in order to become qualified. Now at a later stage when S. 2 permits him to do so, the election is upon him and time is running out.

In this classic confrontation with a very wealthy candidate, I find that S. 2 performs very badly. The only way to prevent the Senate from becoming a millionaire's club is to adopt a constitutional amendment. Then we can limit—truly limit—what each candidate can spend. Otherwise, complicated gimmicks like S. 2 are bound to fail.

In conclusion, Mr. President, I oppose this public-financing proposal. It will not accomplish its purpose. As a practical matter, it is not very well thought out.

Once the American people understand this bill, they will recognize it is not the answer. It is, rather, the first wrong step toward a political welfare system where the beneficiaries determine their own benefits with their ambition serving as the only check.

Mr. BOREN. Mr. President, on my time, I ask the Senator from Delaware if he will respond to one brief question.

I have listened to his remarks, and we do have some points of disagreement. I understand that the Senator from Delaware would like to do it by constitutional amendment. He does see the need. There has been some discussion that, philosophically, there are some who are opposed to any spending limits at all, even if we did it by constitutional amendment. But I gather that the Senator from Delaware is concerned about the growing cost of campaigns and would like to find a workable way of putting on some reasonable spending limits to get the cost of campaigns under control, if we can find, through a process of negotiation, some acceptable way to do that.

Am I correct in the assumption that the Senator shares my concern that we try to do something about some mechanism to control spending limits, be it a constitutional amendment or some other proposal we might design?

Mr. ROTH. The distinguished Senator from Oklahoma, my good friend, correctly states my position. I would be very happy to see some kind of overall limitation. I think that is something that my people back home want.

As I indicated in my prepared statement, I, of course, feel strongly that a constitutional amendment is essential, if we are truly going to bring about the kind of reform I think both of us want.

I respect the fact that the Senator, in drafting this legislation, was seeking to find an answer. It is this Senator's opinion that it is impossible to do the job unless we amend the Constitution. But I do say to the distinguished Senator that I would hope that in the hours and days ahead, a bipartisan consensus could be agreed upon as to interim reform. I look forward to working with him as well as the other Members of this body.

Mr. BOREN. I thank the Senator from Delaware very much.

Mr. President, I yield myself 2 additional minutes to make a comment, and I will yield the floor to the Senator from Kentucky, who wishes to speak.

I am encouraged by what I have just heard, because I think it is important that we try to develop a consensus. There are points on which we can yield. There are areas of compromise that can be reached.

We feel that any fundamental package put together should address not only the problem of special interest money, which has been discussed by the Senator from Delaware, but also the problem, effectively, of what we do about overall campaign spending being out of control.

Although there are some exceptions and there are some who oppose any kind of spending limit, it is my belief and my hope that there exists a bipartisan consensus in this body in favor of doing something to put on reasonable spending limits.

This Senator has supported the constitutional amendment in the past and certainly does not find support for the constitutional amendment inconsistent with efforts to also develop legislative solutions.

One of the things we must remember is that if we were to pass a constitutional amendment, we would still have to have enacting legislation to enact the limits that the constitutional amendment would allow us to have.

Perhaps we can also work toward speeding up that process as we consider this legislation of looking at not only the constitutional amendment in terms of an overall agreement but also proceeding ahead to enact enacting legislation in advance of its ratification.

I would say to my good friend, I think there are two areas that perhaps he misunderstood in S. 2.

One, our proposal is the only one before us that would do anything to discourage independent expenditures. I think we do a lot to discourage independent expenditures because those independent groups would know if they attempted to make independent expenditures to buy ads attacking candidates those candidates would be able to receive, out of the checkoff funds, matching funds by which to buy advertising to answer those independent expenditures. That is going to make it unattractive for those groups to put those kinds of independent expenditures to work by buying advertising.

In addition, we also require that if the independent groups attack a candidate that throughout the 30-second television spot, for example, throughout it at the bottom of the screen in large lettering that group has to show its own identity so that the voters know this is not just some objective citizen who is on the screen speaking.

We have had some examples in the last election—I see my good colleague from Oklahoma on the floor at this time; he knows full well before this kind of advertising independent groups come in, actors are on the screen making statements and only at the very end was there any kind of disclosure that shows this is coming from some interest group or independent group that was financing the expenditures.

Under this bill, we would make a requirement those kinds of ads would have to have a disclaimer printed throughout.

So I think, really, what would happen is with this kind of effective disincentive to independent groups to make such expenditures and buy such advertising, that this bill would go a long way toward greatly reducing those kinds of negative advertising and that kind of unhealthy, independent expenditures which, unfortunately, has been allowed under Supreme Court decisions that I think the vast majority of us feel are misguided and mistaken.

I thank the Chair, and I want to yield the floor so that my colleague from Kentucky may make the comments he desires to make.

The **PRESIDING OFFICER**. The Senator from Oklahoma has yielded the floor.

The Senator from Kentucky.

Mr. **McCONNELL**. Mr. President, how much time do I have left?

The **PRESIDING OFFICER**. Ten minutes and fifty-five seconds.

Mr. **McCONNELL**. Mr. President, I commend the Senator from Delaware for his brilliant speech and outstanding addition to this debate, particularly his observation about the increased cost of television which has certainly driven the cost of campaigns upward.

Of course, the spending limit would not do anything about the cost of television. We could, however, by statute do something, Mr. President, about the increase in cost of television. That is something that has been discussed on this side of the aisle and something if we ever get serious about a compromise legislative measure we ought to take a look at, because the cost of television has put a great deal of pressure on all of us.

My friend from Iowa has been here for some time in order to make his speech.

How much time does the Senator from Iowa need?

Mr. **GRASSLEY**. All the Senator yields me.

Mr. **McCONNELL**. All right.

How much time does the Senator from Kentucky have?

The **PRESIDING OFFICER**. Ten minutes and one second.

Mr. **McCONNELL**. All right. I yield to the Senator from Iowa 9 minutes.

The **PRESIDING OFFICER**. The Senator from Iowa.

Mr. **GRASSLEY**. Mr. President, I rise today to speak in opposition to the Senatorial Election Campaign Act of 1987 and, of course, even to the substitute amendment by Senator BOREN and Senator BYRD. I am like all of my colleagues proud to be a Member of this body today to stand before you as an elected official resulting from our democratic process. I am especially proud to say that I came to this body, as has every other Member of the U.S. Senate, by the graces of the good citizens of our respective States and there was not involved in that selection process anything we are dealing with here today which could be considered a distorted welfare system of tax supported campaigns.

These good citizens choose to exercise their constitutional rights of democratic participation in the election process. They not only vote us to our public office, but also contribute their time and money to causes in which they believe. They exercise their participatory rights through political parties, through special interest political action committees, and as individuals involved with our individual campaigns. They select the method of participation that best meets their needs. The dynamics of our society allow that free choice, and I think it works very well.

Mr. President, I ask my colleagues: "How can it be wise for this body to compromise the process by which citizens of this great country select their representative officials?" The legislation which is before us, the Senatorial Election Campaign Act of 1987, does that by imposing a method of public financing for U.S. senatorial candidates. How can we call such legislation "reform" as that reform ought to legitimately be used?

It is simply wrong and immoral to give taxpayers' money to candidates that taxpayers do not support, a philosophy that they may not even believe in. The proponents of taxpayer financing will say that taxpayers have the choice whether to check off the campaign contribution on the tax form. But the taxpayer cannot, Mr. President, I remind you, select the candidates to whom that money will be given.

As with many of the Members of this body, I support reform of campaign financing. In 1984, $1.8 billion was spent on campaigns for public office. Two-thirds of this sum, or $1.2 billion, was spent on candidates seeking Federal office. This massive amount of money is called a public disgrace by some and an election albatross by others.

But, in many ways, this burden is shared by the public, the office seekers, and the political action committees, by political parties, and by a lot of people with money and a lot of time contributed in place of money. Of course, all entities involved in public policy are required to spend far too much time and energy raising money, and this diversion does take us away from the pressing concerns of policy development as incumbent Senators.

But so what, Mr. President? There are 24 hours in every day, for every citizen to use as he wants and for us politicians nobody twists our arms to serve in public office or to run in the first instance.

So, Mr. President, the basic question is whether it is fiscally wise to subsidize our own elections. With a $2.3 trillion national debt, the last thing Congress should do is create another Federal entitlement program to fund reelection campaigns of sitting Senators as well as challengers who would also be subsidized. Moreover, this entitlement program would generate additional bureaucratic expense to the Federal Government. If the issue is the cynicism of Americans, that Americans have about our political process, and that is a legitimate question to raise, what can make them any more cynical than our voting ourselves, as we did in January of this year, big pay raises and then spend several weeks funding our own reelection with taxpayers' money, and somehow have these be the issues that take up the major portion of the 100th Congress when we have so many other issues of more important consequence to be dealing with?

It is not the way in a time when people are cynical about the processes of the Congress for us to be spending this kind of time on issues like this that looks like we are just feathering our own nests.

I believe we must be committed, though, to real campaign reform and we can do that without the taxpayers financing those elections and we can do it without the surrender to faceless and formless process that we would have through Government financing.

Reforming the method by which senatorial campaigns are financed, of course, is foremost in the concern of many Americans because they are cynical about this process.

Unfortunately, the majority party has chosen to address only one area of campaign financing, that of contributions from political action committees. I am not going to discuss the merits or demerits of PAC contributions. I believe the Senate has already belabored that issue beyond usefulness and, of course, I did vote for the reform that was proposed in the Boren-Goldwater bill of last year which had major reform in it but not connected with it the issue of public financing of elections which is new and has taken over this whole debate during these last weeks with this new bill that Senator BOREN and Senator BYRD has put in.

As an issue of vital importance in the sophisticated world of congressional campaigns, I think something that ought to be brought attention to, of course, is that issue of the soft money that finds itself into campaigns.

I have cosponsored the legislation that Senators PACKWOOD and STEVENS and MCCONNELL and others have put in to require the full disclosure of soft money expenditures which intend to influence the election of public officials in some ways and in some elections as much as the hard money that comes into a campaign.

I question restrictions on soft money contributions, but at the very least I endorse full accounting of this expenditure because disclosure of soft money is just as legitimate as the disclosure of cash contributions. I emphasize the significance of this issue in light of the increasing sophistication of election campaigns. The American people, and they are known for their creativity—we take off on it all the time during our campaigns—are very ingenious in their capability to involve themselves in the election process. We have seen a huge growth in the expense of soft money or the contribution of that soft money and since the FEC does not currently require these expenditures to be reported, neither Congress nor the public is able to determine the full effects of this back door type of contribution.

One of the principal concerns of soft money campaign efforts is that which is conducted by tax exempt organizations. By law, these organizations cannot engage in partisan activities without the risk of losing their tax exempt status.

There are clear and indisputable reports, however, that such nonprofit tax exempt organizations do conduct mail drives to influence Federal elections. The problem with this involvement is their utilization of special postal rates, subsidized with American tax dollars. If these groups are going to conduct such mailings, they should not use their tax exempt mail permits to do so.

Mr. President, independent expenditures are another important issue. According to the Buckley versus Valeo decision in 1976, independent expenditures on behalf of a candidate for public office should be considered a contribution to that candidate. The loophole that is being exercised, however, is the inability to provide that such expenditures are spent "in cooperation or consultation" with a candidate. Independent expenditures became particularly prominent in the 1980 election: $2.4 million in independent expenditures was spent on congressional races. The 1982 election cycle saw the proliferation of independent expenditures to launch negative publicity against candidates.

Unaccounted and unlimited independent expenditures provide ripe opportunity for unchecked character assassination. Victims of negative independent expenditures frequently find themselves in a situation in which they cannot effectively counter the attack. Since the originator of the attack is seldom identified and the opponent is innoculated from the attack, the victim cannot effectively initiate a defense. This allows the candidate who benefits from the independent expenditure to retain the "nice guy" image.

The problem in election law that contributes to this problem is the lack of a clear definition of "cooperation" or "consultation" between the PAC making the expenditure and the candidate in whose behalf the expenditure is made.

The legislation presented by our friends across the aisle does not address this issue at all. Therefore, the exploitation of independent expenditures that can't be legally linked to a candidate would continue to scar future campaigns.

FIRST AMENDMENT CONCERNS

I wonder how Congress can claim moral authority to limit and restrict the participation of citizens in the election process. As all of us have frequently heard, the first amendment to the Constitution protects the rights of political expression and association by which both campaign giving and campaign spending are fully and broadly protected. Mr. President, let us not belittle the protections offered in the first amendment. It is significant that the guarantee, the guarantee, of free speech is the first provision in the Bill of Rights. Let us then be hesitant to endorse or adopt any measure which may in any way circumvent or thwart this first and essential freedom for which our forefathers fought for independence from political tyranny.

The Supreme Court has recognized that contributions, as well as expenditures, involve certain first amendment freedoms: the freedom of political expression and the freedom of political association. The act of making a contribution is an expression by the contributor of support for a candidate. A contribution is also an indication of association with others who support that same candidate.

Mr. President, I oppose S. 2 for these reasons and urge my colleagues to vote "no" on the motion to suspend debate on the bill.

Mr. PRESSLER addressed the Chair.

The PRESIDING OFFICER. There are now 11 seconds remaining to the Senator from Kentucky. There are 8 minutes and 1 second remaining to the Senator from Oklahoma.

The Senator from Kentucky.

Mr. McCONNELL. Mr. President, I ask unanimous consent that the Senator from South Dakota have 5 minutes.

The PRESIDING OFFICER. Is there objection?

Mr. BOREN. Mr. President, reserving the right to object.

Mr. McCONNELL. Mr. President, the Senator from South Dakota has been standing here patiently for some time. He indicates to me that he does not require a whole lot of time. Since the Senator from Oklahoma does not have any more speakers, I wonder if he would yield some of his time, as I yielded some of my time to Senator MITCHELL the other day.

Mr. BOREN. Mr. President, how much time remains on this side?

The PRESIDING OFFICER. Eight minutes and one second.

Mr. BOREN. There are a couple of conclusory remarks the Senator from Oklahoma would like to make, but I would be happy to yield 4 minutes to the Senator from South Dakota.

The PRESIDING OFFICER. The Senator from Oklahoma has yielded 4 minutes to the Senator from South Dakota.

Mr. PRESSLER. Mr. President, I shall summarize my remarks by saying what I have said on this floor before, that I am very much for reform but I think there are two elements that are missing here. One is that we are using taxpayers' money unnecessarily and, two, the soft money is not counted toward the ceiling.

I have cosponsored legislation which places great restrictions on PAC's. I feel the big problem is PAC's. S. 1308, which I am cosponsoring would zero out PAC's in terms of the contributions to candidates. I would not even mind if we eliminated PAC's altogether.

When I first came to Congress in 1974, reform was a big item. PAC's were going to clean up politics, but they have not done it. Let me say that this is one Senator who thinks that the best we can do is to zero them out.

In S. 2, PAC's can still contribute $5,000 each.

S. 1308 also reforms the soft money contributions in terms of reporting requirements. It limits independent expenditures and negative ads. It strengthens disclosure of party finances. It eliminates the millionaire's loophole. It provides an antibundling provision and has a bipartisan commission on campaign financing.

Mr. President, something that I had hoped to address in more detail is the myth that is going around that this can be paid for with a $2 checkoff. It cannot be. That is why this Senate passed the budget waiver the other night, because this would go into the Treasury funds. There is no way that the $2 checkoff can pay for it.

For example, the present $1 checkoff for the Presidential election raises about $35 million a year. Participation has been dropping in that. It is down to the 23 percent level, dropped down from 28 percent.

There could be some money raised by the checkoff, but it would not be anywhere near the amount required, especially when you consider all of the independent candidates who would be running. In New York State, there are usually at least six candidates for the Senate. In my State, I am sure we would have a Lyndon LaRouche candidate besides the Democratic and Republican candidates. And if you expanded this to the House of Representatives, which certainly would come, we are probably talking about, in my estimate, between $500 million and $1 billion a year very quickly.

Also, the pattern in this body has been to raise the debt ceiling. Under S. 2 we would have taxpayers' money, plus PAC money, plus individual contributions. And knowing how quickly this body raises the national debt limit, I am sure it would be raising the campaign limit frequently.

So, Mr. President, I believe strongly that there is plenty of private money around. We could place limitations on it, fence it, do lots of things with it. But there is no need to use taxpayers' money.

Also, in fairness, the soft money activities of nonprofit organizations, of labor unions, of corporations, and so forth, should be reported as campaign expenditures if they occur 60 days before the election.

Mr. President, I had hoped to engage my colleague from Kentucky in a colloquy about how low the cost estimates have been. The sponsors, the proponents of S. 2, have said this would only cost $100 million a year. The Senator from Kentucky has submitted to me a document that indicates the total public and private cost would be at least $200 million a year.

In addition, if S. 2 were enacted, I would say that in my State we would have at least four or five types of candidates coming out to take the $1 million. In my own case, I would be better off personally in 1990 when I run again. Under S. 2 I would get nearly a million dollars in taxpayers' money. That is more than I have ever spent. I would not have to spend all of it, but if four or five others did, I would have to. Plus I could raise $5,000 a crack from PAC's. I submit this is not true reform.

The PRESIDING OFFICER. The Senator from South Dakota has used his 4 minutes.

The Senator from Oklahoma has 4 minutes remaining.

Mr. BOREN. Mr. President, was the Senator from Kentucky seeking?

Mr. McCONNELL. Does the Senator from Kentucky have any time remaining?

The PRESIDING OFFICER. No, there is no time remaining to the Senator from Kentucky. His time has expired.

Mr. BOREN. Mr. President, I yield the balance of my remaining time to myself.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. BOREN. Mr. President, I think our debate this afternoon has been constructive. I can say that the most encouraging part of the debate this afternoon to me was the commitment of the Senator from Delaware to the idea that if we are going to deal with the problems of what is going on in the campaign elections cycle we have to deal at least in part in solving this problem with the amount of money that is being spent. I think that is a useful point from which we can begin to negotiate in a serious way to come up with a package that can gain strong bipartisan support on both sides of the aisle.

I have to say that the legislation which has been proposed as a substitute on the other side of the aisle under the guise of being campaign finance reform offered by the Senator from Kentucky and the Senator from Oregon simply does not constitute true campaign reform. First of all, it does absolutely nothing about the amount of total campaign spending. Total campaign spending could go from the present average of $3 million per Senate race all the way up to $50 million or $100 million.

The proposal of the Senator from Kentucky and the proposal of the Senator from Oregon would do absolutely nothing whatsoever to impose any limits on the amount of money that candidates could spend. Candidtates would absolutely be free to buy elections if they could get their hands on enough money to try to influence the outcome by the expenditure of vast amounts of money. So it is not comprehensive reform.

It purports to be a limit of what political action committees can do. They have said, "Oh, we do away completely with what political action committees can contribute to candidates." That is true, Mr. President, but they allow political action committees to give, without any aggregate limits whatsoever, to political parties. The political parties can then just take the PAC money and send it on to the candidates.

In addition, they allow the PAC's to take individual contribution checks simply made out to certain candidates, bundle that money and give it on to candidates. So you could get $100,000, $200,000, $300,000, far beyond even the present $5,000 or $10,000 in checks from members of your PAC, take all those individual PAC's, walk into a U.S. Senator and say:

> Here is $500,000 in individual checks from members of our political action committee.
>
> We hope that you will remember that our political action committee representing our special interests is the one that bundled up all that money and gave it to you.

In addition, there is a glaring loophole in the disclosure of soft money. I think we all agree that soft money, the so-called giving of in-kind services and goods to candidates and parties, should be disclosed. there is a glaring loophole in the substitute proposal which has been offered in that there is no disclosure of soft money given to State party organizations under the proposal of the Senator from Kentucky and the Senator from Oregon. that is a loophole wide enough to drive a truck through, goods and services that can be given to State parties and passed on to candidates.

In addition, nothing is done about the problem of the wealthy, the millionaire proposal. Under their proposal, those candidates could spend up to $250,000 before anything at all happened. Then what is the solution? They say that the other side can take off the expenditure limits and instead of receiving only $1,000 from each contributor, they can now receive $10,000 from each contributor. So I would call it a double problem, I would call it a double loophole, for the very wealthy. Let the millionaires spend up to $250,000 and then add insult to injury, compounding the problem, by extending the contribution limits all the way up to $10,000 and allow the influence to those people with that amount of money.

Let us move on, Mr. President, and have a chance to consider all these ideas. Vote for cloture so we can deal with campaign reform.

CLOTURE MOTION

The PRESIDING OFFICER. All time has expired. The hour of 5 p.m. having arrived, under the previous order the clerk will report the cloture motion to the Senate.

The legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of Rule XXII of the Standing Rules of the Senate, hereby move to bring to a close debate on the Committee substitute for

S. 2, to amend the Federal Election Campaign Act of 1971 to provide for a voluntary system of spending limits and partial public financing of Senate general election campaigns, to limit contributions by multicandidate political committees, and for other purposes.

Senators Robert C. Byrd, Donald W. Riegle, Tom Daschle, Bill Proxmire, Max Baucus, David Boren, Timothy H. Wirth, Daniel K. Inouye, Claiborne Pell, Spark Matsunaga, Harry Reid, Lawton Chiles, Brock Adams, John J. Rockefeller IV, Terry Sanford, Alan Cranston, and Wyche Fowler.

CALL OF THE ROLL

The PRESIDING OFFICER. Pursuant to rule XXII, the Chair directs the clerk to call the roll to ascertain the presence of a quorum.

The legislative clerk called the roll, and the following Senators answered to their names:

[Quorum No. 17]

Boren
Byrd
Cohen
Graham
Grassley
McConnell
Pressler
Proxmire
Roth
Specter
Stennis

The PRESIDING OFFICER. A quorum is not present. The clerk will call the names of the absent Senators.

The legislative clerk resumed the call of the roll and the following Senators entered the Chamber and answered to their names:

Adams
Bingaman
Bond
Boschwitz
Breaux
Burdick
Chafee
Cochran
Conrad
Daschle
Dixon
Dole
Domenici
Evans
Exon
Ford
Fowler
Garn
Gore
Harkin
Heflin
Hollings
Kerry
McClure
Melcher
Metzenbaum
Mikulski
Mitchell
Nickles
Reid
Riegle
Rockefeller
Sanford
Shelby
Stafford
Stevens
Symms
Thurmond
Trible
Weicker
Wirth

VOTE ON CLOTURE MOTION

The PRESIDING OFFICER (Mr. BREAUX). A quorum has been established. The question is, Is it the sense of the Senate that debate on the committee substitute to S. 2 to amend the Federal Election Campaign Act of 1971 shall be brought to a close? The yeas and nays are automatic under the rule. The clerk will call the roll.

The legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Delaware [Mr. BIDEN] is necessarily absent.

I further announce that the Senator from Vermont [Mr. LEAHY] is absent on official business.

I further announce that, if present and voting, the Senator from Vermont [Mr. LEAHY] would vote "yea".

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The yeas and nays resulted—yeas 51, nays 47, as follows:

[Rollcall Vote No. 151 Leg.]

YEAS—51

Adams
Baucus
Bentsen
Bingaman
Boren
Bradley
Breaux
Bumpers
Burdick
Byrd
Chafee
Chiles
Conrad
Cranston
Daschle
DeConcini
Dixon
Dodd
Exon
Ford
Fowler
Glenn
Gore
Graham
Harkin
Inouye
Johnston
Kennedy
Kerry
Lautenberg
Levin
Matsunaga
Melcher
Metzenbaum
Mikulski
Mitchell
Moynihan
Nunn
Pell
Proxmire
Pryor
Reid
Riegle
Rockefeller
Sanford
Sarbanes
Sasser
Simon
Stafford
Stennis
Wirth

NAYS—47

Armstrong
Bond
Boschwitz
Cochran
Cohen
D'Amato
Danforth
Dole
Domenici
Durenberger
Evans
Garn
Gramm
Grassley
Hatch
Hatfield
Hecht
Heflin
Heinz
Helms
Hollings
Humphrey
Karnes
Kassebaum
Kasten
Lugar
McCain
McClure
McConnell
Murkowski
Nickles
Packwood
Pressler
Quayle
Roth
Rudman
Shelby
Simpson
Specter
Stevens
Symms
Thurmond
Trible
Wallop
Warner
Weicker
Wilson

NOT VOTING—2

Biden
Leahy

The PRESIDING OFFICER. On this vote, the yeas are 51, the nays are 47. Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is not agreed to.

The Chair recognizes the majority leader.

SENATE ELECTION CAMPAIGN ACT

Mr. BYRD. Mr. President, I thank the Chair.

We are here again at the roadblock. Cloture has not been invoked. Cloture has been denied.

Clearly the vote today was a very strong vote of 51 Senators. Two of our Senators are absent who are supporters of cloture. At such time as we feel that the critical vote has arrived, it will be up to me to try to get our people here and I will certainly be making every effort to do that. Today's vote indicates that the majority of Senators understand how important campaign finance reform is to the good name of this institution.

As I said yesterday, there is a scandal waiting to happen. The money chase continues. The money lenders remain in their temple.

Our distinguished colleague from Mississippi, Mr. STENNIS, gave us an instructive lesson in the history of the Senate yesterday. He reminded us that the original rule for electing Senators was to have members of the State legislatures to do the electing. It was the rule written into the Constitution. Yet that rule was changed in 1913 by the people when they became disgusted by an earlier money chase. The people rose up and threw the robber barons out. I have no doubt that we are repeating history.

What can the good people of the United States think about what is going on not only here in Washington but in all the other great seats of power? Wall Street is full of scandal. What is that scandal about? It is about the money chase.

We have hearings going on, important bipartisan hearings about the Iran-Contra affair. What are those hearings about? They are about the money chase and illegal profits.

Mr. President, at some point the American people are going to add all these bits and pieces together and they are going to begin to wonder.

They will not read the fine print of our debates over the last 2 weeks. They will just simply say there is too much corruption and it is time to clean house and use the broad broom in doing it.

The distinguished minority leader said yesterday that he does not have a lot of mail now on campaign finance reform. But the American people, when they make a decision, sometimes act pretty quickly. They will not use the postage stamp, perhaps. They may take the direct route and use the ballot box.

Those of us who are proponents of campaign finance reform want to reform our own house before a scandal occurs. That is the point of this effort. We need to get ahead of that curve.

We do not seek to make this a partisan effort, either. When we first proposed S. 2, our good friends on the other side of the aisle asked for a compromise. So we changed our approach and we offered an amendment and we offered the hand of compromise. But there has been no compromise, just continued opposition. We extend the hand of compromise again.

The distinguished minority leader has said he is for compromise. Well, let us compromise. Let us protect the good name of the Senate. Let us restore the good faith of the people.

Mr. President, there was an editorial in yesterday's Washington Post, June 16, titled "Cloture to the Bone." I will ask to have the editorial printed in the RECORD, but the editorial points out the fact that our good friends on the other side of the aisle are opposed to spending limits—spending limits. And that is closer to the bone. They met in caucus and they decided that they did not want any public financing aspect but they also said they did not want any limitations on campaign spending. And the editorial says:

> That's closer to the bone. Clearly it is the position of some Republicans; the question is whether it is the position of all. Sen. Byrd says he will keep up the pressure to find out. It's a good use of the Senate's time.

Mr. President, I ask unanimous consent that the editorial from the Washington Post be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

CLOSER TO THE BONE

Senate Democrats began the present campaign finance debate by proposing that candidates who agreed to spending limits be able to get up to 80 percent of their money in public funds. The Republicans objected, and now the Democrats have cut their proposal in half: the most a candidate could get would be 40 percent. The Democrats have indicated they might be willing to retreat even farther; their interest, they say, is not the money, but the spending limits the money makes possible. It is in this context that Majority Leader Robert Byrd has scheduled another cloture vote this afternoon.

This is not prissy legislation, nor is it, as some Republicans have heatedly argued, partisan. There will always be money in politics, and no one is saying there should not be. But the need for enromous amounts of money has come in recent years to dominate and twist the system in a way that is not healthy. In state after state, to the detriment sometimes of one party, sometimes of the other, the campaign process has been taken over by high rollers and the fear of being left behind. The path is insane. The Democrats are appealing to moderate Republicans to vote for . . . moderation in this most sensitive juncture of our politics. The alternative is to continue to obstruct the bill.

Originally the Democrats proposed that a candidate who agreed to the spending limit for his state—the limits are based on population—should raise the first 20 percent on his own, mostly in small amounts from his constituents. The Treasury would then give him the rest. Now the proposal is that, after the candidate antes up the first 20 percent, the Treasury would match his remaining small contributions. The most the Treasury could thus contribute would be 40 percent of the state spending limit.

No legislator likes to appear to be feathering his own nest. The sponsoring Democrats say that if they could they would be happy merely to legislate spending limits, but the Supreme Court has said they can't. The court has ruled that under the First Amendment spending limits can be imposed only in a kind of contract between government and volunteering candidate, as a condition for receipt of federal funds. Since the trade-off of spending limits for public funds would thus be voluntary, there is also a practical problem in keeping it attractive. Otherwise no one would play; the whole apparatus would be hortatory and meaningless.

The Democrats in any case have moved to minimize the role of public finance. The Republican caucus has responded by saying public finance is not the only issue; Minority Leader Bob Dole has been instructed not to negotiate on spending limits either. That's closer to the bone. Clearly it is the position of some Republicans; the question is whether it is the position of all. Sen. Byrd says he will keep up the pressure to find out. It's a good use of the Senate's time.

Mr. BYRD. I think, Mr. President, that the Senate's time is being well used in this effort. I do not know of any matter that is more important to this institution and to our representative form of democracy under our Constitution—and we are this year observing the 200th year of that Constitution—I do not know anything that is more important than cleaning up the election process so that our people will have faith in their democracy, so that they will have faith in the representatives whom they elect to represent them.

Mr. President, the House of Representatives is also going to deal with campaign finance reform legislation. Representatives TONY COELHO, of California, has told me today that he will be introducing legislation on tomorrow in the House to provide for campaign financing reform. So it is not just a matter that is of interest to this body. It is going to be of interest to the other body.

Mr. President, as I said yesterday and I repeat today, it is my intention to keep this matter before the Senate. I am in no big hurry to take it down. We will be voting on cloture tomorrow. We will be voting on cloture Friday and we will be voting on cloture again on next Tuesday.

On tomorrow, I would expect to call the Senate in at about 1 o'clock or 2 o'clock in the afternoon so that we can vote. One may wonder why we do not come in earlier. Well, we are working on this matter. And like many other matters that come before the Senate, it requires a good bit of discussions and time off the floor. We are not being unmindful of this legislation, Mr. President. I think we have had good debates on both sides of the aisle on this legislation.

So it would be my plan to come in, if the leader on the other side would be agreeable, we could come in at noon or thereabout. We could have some morning business and perhaps some debate and still vote on the motion around 2 o'clock. When then for Friday, I would say to my colleagues it would be my plan to come in Friday early and vote under the rule, which would mean that 1 hour after the Senate comes in on Friday, the Chair would have the clerk call the roll to establish a quorum and, upon the establishment of a quorum, then the Senate would vote on the motion to invoke cloture. This should mean that we would vote on the motion to invoke cloture on Friday at around, say, 10:30, give or take a little.

CLOTURE MOTION

Mr. BYRD. Mr. President, I send to the desk a cloture motion. Then, if the distinguished Republican leader would like to respond to what I have said or give his view on the vote today, I will be happy to yield to him. Then, shortly, I would like to ask the leader if we could agree to take up some matters.

The PRESIDING OFFICER. The clerk will report the cloture motion.

The assistant legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of Rule XXII of the Standing Rules of the Senate, hereby move to bring to a close debate on the committee substitute for S. 2, to amend the Federal Election Campaign Act of 1971 to provide for a voluntary system of spending limits and partial public financing of Senate general election campaigns, to limit contributions by multicandidate political committees, and for other purposes.

Senators Brock Adams, David L. Boren, Jeff Bingaman, John Glenn, Jim Sasser, Tim Daschle, John F. Kerry, Wyche Fowler, Jr., Christopher Dodd, Wendell Ford, Edward M. Kennedy, Dennis DeConcini, Terry Sanford, Bob Graham, John Melcher, Robert C. Byrd, Claiborne Pell, and John C. Stennis.

Mr. BYRD. Mr. President, I yield the floor for the moment if the distinguished Republican leader would like to respond.

The PRESIDING OFFICER. The Chair recognizes the minority leader.

Mr. DOLE. Mr. President, I would just say, as I indicated yesterday, there are some fundamental differences with almost half the Senators in this body about campaign finance reform. I think that has not changed and will not change in the foreseeable future. We have the question of whether we limit participation in the political process if we cap expenditures. We have the question of whether we should have taxpayers pay for our campaigns if we move to public financing. And now perhaps that the House will introduce campaign reform legislation, the third objection that many have on this side would be removed. But it remains to be seen precisely what they have in that House bill.

But, in any event, as I indicated previously, we are talking on this side, too. I do not know if we have talked much with each other, but we are talking and your side is talking. It may be that the process will evolve that we can still find some common ground, because the bottom line is that everybody, most everyone that I know of, would like to find some way to bring some reason or more reason to campaign spending. It is a question of how we do it, and that is why we have differences. And I am certain there must be some difficulties on the other side. But we will continue.

In fact, we will have a meeting tomorrow morning with a number of Senators on this side—some not even aware of it yet; Senator McCONNELL, Senator PACKWOOD, Senator STEVENS, and myself—and we will be in a position maybe to discuss with the majority leader sometime later tomorrow whether we have made any progress.

(Mr. REID assumed the chair.)

Mr. SYMMS. Mr. President, I was here on the floor to hear our two distinguished floor leaders on both sides. I have the highest respect for the distinguished majority leader, but I think it is worth noting that the people who write the editorials to which the majority leader refers have an institutional conflict of interest. They have never won an election, but, boy they sure would like to pick all the Members of the U.S. Senate and House and have more political influence. They are opinionated people, and I respect them for that. They are intelligent people. But they are not out running for office and getting elected and telling what it is they believe in.

You could make a case that somehow this system is in disarray. I happen to think the elective process and the Constitution of the United States are in pretty good array.

We are getting more and more participation in terms of people becoming interested in what is happening. More and more numbers of people are able to participate in the political process.

It is not a spectator sport. It is true that many, many of the newspapers in this country, all with good intentions, write editorials about limiting campaign spending. You would probably not find an interest in limiting expenditures if you went to the business section of the paper where they sell advertising. You find it with the people who write the editorials because those people would like to select the people who get elected to office. There is only so much political power. It is a zero-sum game and if you give more power to the news media you have less power in the hands of people running for office.

All I am saying is that I think this idea will neutralize politics if it passes. Then you would have the special-interest groups, like the Common Causes of the world, which would have more power instead of less and Member of the Senate and the House would not be decisionmakers. Politics forces decision. There is nothing wrong with having a different point of view, as far as I am concerned. As long as the leadership in the Senate want to push limiting spending and having the taxpayers pay for it, I am going to be voting against cloture, and I hope my colleagues on this side of the aisle will, too.

The first thing we do this year is the Congress shoves through a pay raise for the Congress and the second thing the proponents of S. 2 want to do is make the taxpayers pay for their elections. As far as I am concerned, that is not what we should be doing. We ought to be working on the budget. We ought to be working on the armed services bill. We ought to be doing the things that are necessary to move forward those items.

I am amazed that Members of the Senate would be willing to limit the ability of people in the United States of America to get out on the soapbox and tell their story.

As Senator DOLE said on the floor last night, the Republican Party makes no bones about it. We are trying to build a second party in some parts of the country where it has been a one-party system, particularly across the South. If this legislation were passed as being proposed by the majority leader, it will assure that the Democratic Party will stay the majority party forever. That is not healthy for the United States. I think it is very healthy that we have to have these elections like we had in 1980. We had a housecleaning in 1980. We had another housecleaning in 1986. That is as it should be.

The Constitution says you have a right to stand up on a soapbox and tell your story. If you start limiting how much money people can spend, you are giving that power to the Washington Post, the New York Times, the Idaho Daily Statesman, and the Twin Falls Times. You are giving them the power that you are taking away from the challengers and incumbents in office.

As far as I am concerned, if we do pass something in this Senate, and cloture is given, where it looks like we are going to have Government money financing campaigns, then I am going to offer an amendment that we cannot fly home at taxpayers' expense, that we cannot mail out letters at taxpayers' expense unless someone writes to us, and we cannot use the power of our incumbency to our advantage against an opponent who does not have the ability to generate news.

We do have a Constitution and the Constitution says there shall be an election on the first Tuesday in November of even years. Senators get elected after 6 years. In my case, the Governor of my State made a decision, when he knew I would be up for reelection, to start running for the Senate and he started running a long time before the campaign officially broke out. They spent a lot of soft money in that race, money that was not reported. I am stating what is a fact. If you have the State airplane and the State police take you to give a speech before a Rotary somewhere, there is no reporting of that money. There are all kinds of Governors elected because the Governor's chair is the best place there is to run for the Senate. The distinguished Senator from Oklahoma was Governor of his State, and the Senator from Arkansas was Governor of his State. The two Senators from Arkansas were Governors of their State. I think they would agree with me that the best position to have to run for the Senate is to be Governor because you can generate news that does not cost anything. You do not have to buy ads to do that. You can go to any small community in your State and be on the front page.

I think for us standing here, it is a travesty to start talking about how much money people spend.

I happen to be a sports fan. I do not know about the rest of you, but I am glad that some of the big companies in this country spent a lot of money to advertise so that I can watch ball games. If you add up how much money the major beer companies, major soap companies, and others spend on advertisements, what we spend to elect U.S. Senators is a drop in the bucket.

We think the decisions made in this Chamber are important. We seem to say that. But the principle of it is that the American people should be allowed to make contributions to political figures of their choice and that money should be allowed to be spent to try to get the message out to tell the story. Anything other than that, in my view, would not be healthy for the country.

I just want to say that I have the greatest respect for the majority and minority leaders and the people on my side and the other side, including the distinguished Senator from Oklahoma with whom I have worked on many issues, but on this issue so far as I am concerned there can be no compromise to having taxpayer-funded elections and no compromise on limitations on spending. I know it is a problem but we do not have a parliamentary system in this country. We do not have a system like they have in Great Britain where Mrs. Thatcher can call for an election and it is only 6 weeks before the election is held. They cannot get our kind of campaigns generated. But that is not our system.

If we are going to live under our Constitution, we will have elections every 2 years, Governor elections, Senator elections, and Congressman elections. We can figure out when somebody will be up for election and who wants to run against whom. I think we ought to lay this out on the table.

If we want to save money on Senate races, all we have to do is repeal the 17th amendment which makes Senators popularly elected and let it go back to the legislatures. Let them appoint us and there will not be so much politics in this electing of United States Senators. Maybe we will spend more money at the local level to elect legislators and see who gets control of the Senate.

The point is we do have a system that permits people to stand on a soapbox and use all modern technology, media, newspapers, handouts, brochures, what have you, to publicize their efforts to tell their story of how they feel about the issues. Without that ability and freedom, you can never have a fair election in this country because there always will be a bias.

I love the free media. I agree with Thomas Jefferson in that case. Even though you may get irritated about the free press, the free press in this country is one of its great strengths, and freedom of speech is one of its great strengths. I yield the floor.

Mr. BYRD addressed the Chair.

The PRESIDING OFFICER. The majority leader.

UNANIMOUS-CONSENT AGREEMENT—S. 490

Mr. BYRD. Mr. President, I am authorized by the distinguished Republican leader to proceed with the following unanimous-consent request. He indicated that Mr. McConnell would be acting for the leader momentarily. He said I could present the request while Mr. McConnell is here.

Mr. President, I ask unanimous consent that the majority leader, after consultation with the minority leader, may at any time, after 2 p.m. on Tuesday, June 23, turn to Calendar Order No. 167, S. 490, the Finance Committee reported trade bill, for consideration by the Senate, and I ask unanimous consent that upon the completion of the amendment process on that bill that the Senate proceed without further debate, action, or motion, to take up the House bill, and that all after the enacting clause be stricken and that the language of the Senate bill, as amended, if amended, and it surely will be, be inserted in lieu thereof, and that without further debate, action of any kind, motion, or whatever, the Senate proceed immediately to pass the House bill as amended by the Senate bill.

Mr. McCONNELL. I will say to the distinguished majority leader that I am told that is agreeable to the distinguished Republican leader.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. I also thank the distinguished Republican leader.

Mr. President, this request gives to me the authority, at any time after 2 o'clock next Tuesday afternoon, to take up the Senate bill dealing with trade, Calendar Order No. 167.

This does not mean, however, that I will move at that time to do that. Of course, I can do that after consultation with the distinguished Republican leader. The order means that I will not do it before 2 o'clock in the afternoon on next Tuesday. It does not mean that I will do it at 2 o'clock on next Tuesday, or that I will do it at all next Tuesday. I will be discussing the matter with the distinguished Republican leader in accordance with the order entered in due time, and Senators then may program their schedules accordingly.

I should say, Mr. President, that I fully expect the pace of voting to pick up next week. It has been rather slow these days. We have been having about one vote a day on cloture. But there will be an acceleration of votes, and I am pretty confident of that, next week.

So Senators who were absent, I say this for the benefit, mostly, of Senators who are not here and who may be planning not to be here next week—I hope that they will be notified by the cloakrooms and their staffs who may be listening in at this time, to expect more votes in the future, coming days of the next week or two than we have seen in the days of the past 2 weeks.

I hope they will be adequately informed and I hope that they will be able to be present on the floor for that purpose.

THE CALENDAR

Mr. BYRD. Mr. President, I inquire of the acting Republican leader if the following calendar orders, calendar order numbers, have been cleared on his side of the aisle: Calendar Orders Nos. 158, 162, 164, and 169.

Mr. McCONNELL. It is the understanding of the Senator from Kentucky that those items have, indeed, been cleared.

Mr. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to consider those calendar orders, ad seriatim.

The PRESIDING OFFICER. Without objection, it is so ordered.

RELIEF OF DICKINSON, ND

The bill (S. 640) for the relief of the city of Dickinson, ND, was considered.

Mr. BURDICK. Mr. President, I rise today to speak in support of S. 640, a bill for the relief of the city of Dickinson, ND.

I, along with my colleague from North Dakota, Senator Conrad, introduced this bill on March 3, 1987 in order to settle an ongoing controversy between the city of Dickinson, ND, and the Bureau of Reclamation. Public Law 94-228, signed into law in 1976, ordered the Secretary of the Interior to construct a new spillway and gate at the Dickinson Dam in order to provide additional water storage capacity, as well as for safety purposes. Included in Public Law 94-228 was the requirement that Dickinson repay an estimated $681,000 for their share of the benefits to be received from the modification. Well, the final cost charged to the city turned out to be $3.22 million.

The city of Dickinson believes that it should not be held financially accountable for cost overruns caused by the Bureau of Reclamation. I have to agree with the city. The increase in cost from $681,000 to $3.22 can be attributed to a number of factors including poor design, inflation, and the extended construction time. The issue is who should shoulder the blame for the cost overruns. I contend, and I have the support of every member of the Energy and Natural Resources Committee that the Bureau of Reclamation, not the city, is responsible for this incredible increase in costs. The Bureau of Reclamation was responsible for overseeing and approving the design and construction of the system and chose to use a design that had not been tested and proven to operate adequately in cold climates such as that found in North Dakota. The city of Dickinson at one point questioned the bascule gate system, but in the end relied on the expertise of the Bureau.

As it stands, the city must not pay back $3.22 million. S. 640 would reduce that amount to $1.625 million which is to be paid back over a period of 40 years. This amount represents a compromise from what I proposed in the last Congress. It is an amount that the city can live with, albeit $1.625 million is still a substantial obligation for a city the size of Dickinson.

It all boils down to a question of fairness. It is incomprehensible that we should expect the city to pay for the Bureau's mistake. I hope and trust that when my colleagues look at the facts, they will agree with the position I have laid before you today.

I would like to take this opportunity to especially thank the chairman of the Energy and Natural Resources Committee, my good friend, Senator Johnston, and the distinguished chairman of the Water and Power Subcommittee (Mr. Bradley) for their support. I also thank the entire Energy and Natural Resources Committee for their unanimous support of this legislation. I urge my colleagues to support this bill.

Thank you, Mr. President.

Mr. CONRAD. Mr. President, S. 640 would relieve the city of Dickinson, ND, of repayment of approximately $1.575 million spent by the Bureau of Reclamation for construction of new gates at the Dickinson Dam. The money represents unexpected cost overruns that the city of Dickinson could not have foreseen, and this bill deserves the support of the Senate.

Dickinson Dam provides municipal and industrial water for the city of Dickinson. The dam was authorized by the Flood Control Acts of 1944 and 1946 and construction was completed in 1950.

The need for safety modifications and additional storage capacity led Congress to enact Public Law 99-228 in 1976 which authorized the Secretary of the Interior to construct a new spillway and to install a Bascule gate. The act required the city of Dickinson to repay approximately $681,000—January 1974 dollars—allocated to providing additional municipal and industrial water supplies.

Inflation, design modifications and an extended construction period caused the final cost for water supply and repayment by the city to rise to $3.22 million. The city objects to repayment of this amount because most of the cost is attributable to inadequate design. The Bascule gate has performed poorly and is unreliable. For example, in February 1982 the gate collapsed because of a large ice flow caused by an unusually rapid spring thaw. The gate mechanism had been designed for more temperate climates and had never been tested in rivers with large ice and debris. The city originally intended to expand the capacity of the dam by adding 3 feet of concrete to the structure, but the Bureau of Reclamation claimed that a Bascule gate would be the best method to save water. The Bureau assured the city that the gate would automatically adjust for outflow.

S. 640 authorizes the city of Dickinson to repay the capital cost of the Bascule gate at $1,625,000 over 40 years at an interest rate of 7.21 per centum per annum. The bill is an equitable solution for the city and the Bureau of Reclamation. S. 640 passed the Energy and Natural Resources Committee unanimously, and I urge the Senate to enact it.

Mr. CHILES. Mr. President, today the Senate considers S. 640, which grants relief for the city of Dickinson, ND. The bill would allow the city of Dickinson to write down the amount of debt it owes the Federal Government for construction of flood gates at a nearby dam. Dickinson contends it should not be liable for the extensive cost overruns and faulty construction which plagued the project. CBO estimates this write-down will cost the Federal Government $120,000 per year starting in 1989.

It is not my intention to oppose S. 460 or to comment on the validity of the city's case. Instead, I wish to address the budgetary implications of the bill.

First, let me say that S. 640 is not subject to a Budget Act point of order. While it would result in a decrease in governmental receipts, a technical provision in the Budget Act relating to timing provides an exception for this spending.

The bill does raise a broader budgetary issue: precedent. I want to ensure that the Dickinson case will not become an example to which people who have contracts with the Federal Government can point when expenses are higher than anticipated.

Many construction projects suffer from cost overruns. The question is, Who should bear the risk of these increases? Currently, the beneficiary of the project bears the risk of cost overruns. S. 640 would shift the entire responsibility to the Federal Government.

There are certainly circumstances which warrant the Federal Government sharing the risk of cost increases. However, if we start letting people who sign on the dotted line with the Federal Government out of their contracts because the costs were higher than expected, we are setting ourselves up for potentially enormous losses—losses for which we cannot plan or for which there may be no money.

Clearly, Dickinson's case merits special attention and consideration. I commend the Energy Committee for its work on this issue. However, Dickinson's case is just that—special. It has been carefully reviewed by the Energy Committee and found to have merit.

Not every Government contract which has cost overruns is a Dickinson, ND. While I compliment my colleagues on their efforts, I must also urge them to be mindful of the budgetary implications the proposal entails.

The bill was ordered to be engrossed for a third reading, read the third time, and passed; as follows:

S. 640

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) notwithstanding title II of the Reclamation Authorization Act of 1975 (Public Law 94-228), the city of Dickinson, North Dakota, is forgiven all obligations incurred by such city under the contract (numbered 9-07-60-WR052) entered into with the Secretary of the Interior or his delegatee.

(b)(1) The Secretary of the Interior, acting through the Commissioner of the Bureau of Reclamation, is authorized to enter into a new repayment contract with the city of Dickinson the terms of which shall entitle the city of Dickinson to water supply benefits provided by the bascule gate project authorized by title II of the Reclamation Authorization Act of 1975 in consideration for repayment of the costs of the bascule gate project as provided in paragraph (2).

(2) Repayment terms of the new contract shall provide for—

(A) repayment by the city of Dickinson of the capital cost of the bascule gate project of $1,625,000 over a period of 40 years at an interest rate of 7.21 per centum per annum; and

(B) payment of the annual operation, maintenance, and replacement costs of the project facilities.

CONTINENTAL SCIENTIFIC DRILLING AND EXPLORATION ACT

The Senate proceeded to consider the bill (S. 52) to direct the cooperation of certain Federal entities in the implementation of the Continental Scientific Drilling Program, which had been reported from the Committee on Energy and Natural Resources, with an amendment:

On page 1, after line 2, insert the following:

"That this Act may be cited as the "Continental Scientific Drilling and Exploration Act"."

So as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Continental Scientific Drilling and Exploration Act".

PURPOSES

SEC. 2. The purpose of this Act is to—

(1) implement section 323 of the joint resolution entitled "Joint Resolution making continuing appropriations for the fiscal year 1985, and for other purposes", approved October 12, 1984 (Public Law 98-473; 98 Stat. 1875) which supports and encourages the development of a national Continental Scientific Drilling Program;

(2) enhance fundamental understanding of the composition, structure, dynamics, and evolution of the continental crust, and how such processes affect natural phenomena such as earthquakes, volcanic eruptions, transfer of geothermal energy, distribution of mineral deposits, the occurrence of fossil fuels, and the nature and extent of acquifers;

(3) advance basic earth sciences research and technological development;

(4) obtain critical data regarding the earth's crust relating to isolation of hazardous wastes; and

(5) develop a long-range plan for implementation of the Continental Scientific Drilling Program.

FINDINGS

SEC. 3. Congress finds that—

(1) because the earth provides energy, minerals, and water, and is used as a storage medium for municipal, chemical, and nuclear waste, an understanding of the processes and structures in the earth's crust is essential to the well being of the United States;

(2) there is a need for developing long-range plans for a United States Continental Scientific Drilling Program; and

(3) the Continental Scientific Drilling Program would enhance—

(A) understanding of the crustal evolution of the earth and the mountain building processes;

(B) understanding of the mechanisms of earthquakes and volcanic eruptions and the development of improved techniques for prediction;

(C) understanding of the development and utilization of geothermal and other energy sources and the formation of and occurrence of mineral deposits;

(D) understanding of the migration of fluids in the earth's crust for evaluation of waste contamination and the development of more effective techniques for the safe subsurface disposal of hazardous wastes;

(E) understanding and definition of the size, source, and more effective use of acquifers and other water resources; and

(F) evaluation and verification of surface geophysical techniques needed for exploring and monitoring the earth's crust.

IMPLEMENTATION OF CONTINENTAL SCIENTIFIC DRILLING PROGRAM

SEC. 4. The Secretary of the Department of Energy, the Secretary of the Department of the Interior through the United States Geological Survey, and the Director of the National Science Foundation shall implement the policies of section 323 of the joint resolution entitled "Joint Resolution making continuing appropriations for the fiscal year 1985, and for other purposes", approved October 12, 1984 (Public Law 98-473; 98 Stat. 1875) by—

(1) taking such action as necessary to assure an effective, cooperative effort in furtherance of the Continental Scientific Drilling Program of the United States;

(2) taking all reasonable administrative and financial measures to assure that the Interagency Accord on Continental Scientific Drilling continues to function effectively in support of such program;

(3) assuring the continuing effective operation of the Interagency Coordinating Group to further the objectives of such program;

(4) taking such action to assure that the Interagency Coordinating Group receives appropriate cooperation from any Federal agency that can contribute to the objectives of such program, without adversely affecting any program or activity of such agency; and

(5) acting through the Interagency Coordinating Group, preparing and submitting to the Congress, within one hundred and eighty days after the enactment of this Act a report describing—

(A) long and short-term policy objectives and goals of the United States Continental Scientific Drilling Program;

(B) projected schedules of desirable scientific and engineering events that would advance United States objectives in the Continental Scientific Drilling Program;

(C) to the extent and for the duration that the Interagency Coordinating Group deems practicable, maximum, minimum, and intermediate levels of resources and funding that would be required by each participating Federal agency to carry out events pursuant to subparagraphs (A) and (B) at the various levels of effort;

(D) the scientific, economic, technological, and social benefits expected to be realized through the implementation of such program at each level described in subparagraph (C);

(E) a recommended course for interaction with the international community in a cooperative effort to achieve the goals and purposes of this Act;

(F) the extent of participation or interest shown to date in the Continental Scientific Drilling Program by—

(i) any other governmental agency;

(ii) any academic institution;

(iii) any organization in the private sector; and

(iv) any governmental or other entity in the international community;

(G) a plan to develop beneficial cooperative relationships among the entities mentioned in subparagraph (F), to the extent that the Interagency Coordinating Group deems practicable; and

(H) any other information or recommendations that the Interagency Coordinating Group deems appropriate.

The committee amendment in the nature of a substitute was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

ESTABLISHMENT OF A PEACE GARDEN

The bill (H.R. 191) to authorize the establishment of a Peace Garden on a site to be selected by the Secretary of the Interior was considered, ordered to a third reading, read the third time, and passed.

KENNETH G. WARD BORDER STATION

THE PRESIDING OFFICER. The clerk will report the next item.

The assistant legislative clerk read as follows:

A bill (H.R. 2100) to designate the border station at 9931 Guide Meridian Road, Lynden, Washington, as the "Kenneth G. Ward" Border Station.

The Senate proceeded to consider the bill.

Mr. ADAMS. Mr. President, I rise today to join my distinguished colleague from the State of Washington in support of H.R. 2100 which names the new border station at Lynden, WA, for Kenneth G. Ward.

On May 24, 1979, Mr. Ward was on duty as the customs inspector at the Port of Lynden. During a routine check on a vehicle entering the United States from British Columbia, Mr. Ward was slain. Hardworking and dedicated, Mr. Ward had worked 8 years with the Customs Service. Before that he worked with the Border Patrol of the Immigration and Naturalization Service, and he also served his country in the U.S. Army.

Mr. Ward's death marks the 31st time a U.S. Customs Officer has been killed in the line of duty. In the wake of immigration reform and control, his death reminds us all of the tremendous responsibility we have put in the hands of U.S. Customs officers. Called upon to make increasingly more arrests, Customs officers play a major role in maintaining the control of our borders. Memorializing the Lynden Station in Kenneth Ward's name will serve as a constant reminder of the commitment and dedication he, and others, have made to protecting our country's boundaries.

This legislation, passed by the House, is supported by the General Services Administration, which owns the building, and by the Customs Service. On behalf of Senator EVANS and myself, I urge the Senate's swift passage of this bill in recognition of Mr. Ward.

The bill was ordered to be read a third time, was read the third time and passed.

Mr. BYRD. Mr. President, I ask unanimous consent that a motion to reconsider en bloc be in order.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I move to reconsider en bloc the votes by which the various measures were adopted.

Mr. McCONNELL. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

CEREMONIAL MEETING OF CONGRESS IN PHILADELPHIA

Mr. BYRD. Mr. President, I ask unanimous consent that the Chair lay before the Senate House Concurrent Resolution 131, a concurrent resolution providing for a ceremonial meeting of a congressional delegation in Philadelphia on July 16, 1987.

The PRESIDING OFFICER. The clerk will report the resolution.

The assistant legislative clerk read as follows:

A concurrent resolution (H. Con. Res. 131) providing for the attendance of Representatives, Senators, and other appropriate persons at a special ceremony and related events to be held in Philadelphia, Pennsylvania, in honor of the bicentennial of the Constitution and in commemoration of the Great Compromise of the Constitutional Convention.

The Senate proceeded to consider the concurrent resolution.

AMENDMENT NO. 314

(Purpose: To clarify the extent of Senate participation)

Mr. BYRD. Mr. President, I send to the desk an amendment.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from West Virginia (Mr. BYRD) proposes an amendment No. 314.

Mr. BYRD. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 1, line 14, after the period insert the following: "Not less than 20 percent of the official delegates designated pursuant to subsection (a) shall be Senators.".

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 314) was agreed to.

Mr. BYRD. Mr. President, on May 28, the House of Representatives adopted House Concurrent Resolution 131 providing for a ceremonial meeting of a congressional delegation at Independence National Historical Park in Philadelphia on July 16, 1987. That date marks the 200th anniversary of the "Great Compromise" in which the framers of the Constitution established the fundamental structure of the Senate and the House of Representatives. The July 16 ceremonies are intended to serve as Congress' principal tribute to the Constitution's bicentennial.

This significant commemorative event, planned for nearly 3 years, would be conducted in Independence Hall, the building in which the Constitution was drafted. Under this resolution, 55 Members of Congress, representing all 50 States and the leadership of both bodies, would meet in this historic structure for appropriate ceremonial activities. This number of Members is identical to the number of delegates who met at the 1787 Constitutional Convention. Each State's combined Senate-House congressional delegation would select a single Member to represent them at this historical celebration.

The July 16 meeting offers the advantage of utilizing an existing building that is directly related to the symbolism of the occasion. This event will allow the American people to focus on this magnificent and richly historical site and the Governmental bodies to which it gave birth. I look forward to working closely with the host institutions, including the National Park Service, the city of Philadelphia and We the People 200, to ensure the success of this meaningful event.

Mr. DOLE. Mr. President, since the beginning of the current 100th Congress, I have delivered a series of approximately 85 brief addresses known as Senate Bicentennial Minutes. These are designed to commemorate important persons and events associated with the Senate's nearly 200-year history.

On July 16 of this year, we will observe one of the most significant of all Senate anniversaries. On that date, 200 years ago, the framers of the Constitution achieved the so-called Great Compromise. That agreement established the basis of representation within the proposed new Congress and in so doing, resolved a potentially crippling dispute between delegates from the large States and small States. Under this compromise, States were to be represented in the House in proportion to their populations. In the Senate, all States, regardless of size, were to be represented equally.

The 200th anniversary of the Great Compromise provides an unparalleled opportunity for Congress to pay tribute to the monumental achievement of the Constitution's 55 framers during that hot summer of 1787. Consequently, I am pleased to support adoption of House Concurrent Resolution 131. That measure provides for a delegation of 55 Members of the 100th Congress to attend a special commemorative session in Philadelphia at Independence Hall on July 16, 1987. I cannot think of a more appropriate way to salute the Constitution, as it has developed over the years, and to launch a series of activities culminating in the 1989 bicentennial of Congress.

The PRESIDING OFFICER. Are there further amendments to the resolution? If not, the question is on agreeing to the resolution.

The concurrent resolution (H. Con. Res. 131), as amended, was agreed to.

Mr. BYRD. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. McCONNELL. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Ms. Emery, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

ANNUAL REPORT ON INTERNATIONAL SCIENTIFIC AND TECHNOLOGICAL ACTIVITIES—MESSAGE FROM THE PRESIDENT—PM 48

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Foreign Relations:

To the Congress of the United States:

In accordance with Title V of the Foreign Relations Authorization Act for Fiscal Year 1979 (Public Law 95-426), I am transmitting the Administration's eighth annual report of the international scientific and technological activities of U.S. Government agencies during Fiscal Year 1986. This report was prepared by the Department of State with information provided by relevant technical agencies, consistent with the intent of the legislation.

Science has always been an international enterprise. Today, as the rate of scientific discovery accelerates, the international character of science is even more pronounced than in the earlier decades of this century. Scientific progress and technological innovation underpin U.S. economic growth, trade, and our high standard of living. Our Nation's global competitiveness in the 21st century will depend on maintaining our comparative advantage in science and technology. If U.S. science and technology (S&T) is to remain the worlds' best, its participants must have full access to developments and scientific results produced elsewhere. In parallel, most countries see S&T expertise and capability as a key to their economic development and long-term competitiveness. They increasingly seek an S&T relationship with the United States to further their national goals. Accordingly, S&T cooperation is playing an increasingly prominent role in the conduct of our foreign relations and diplomatic initiatives throughout the world.

The Administration's international science and technology policy serves four primary objectives: (1) to strengthen the Nation's scientific and technological enterprise; (2) to enhance commercial relations and establish new trading partnerships; (3) to promote our foreign policy goals and improve our international relations; and (4) to protect and, where possible, enhance our national security. We believe that all of the industrialized countries of the world have a responsibility to apply a portion of their economic and manpower resources to basic research to advance human knowledge and ensure humankind's continued ability to meet the challenges of the future. In international scientific agreements, we are working with our global partners to emphasize and implement the principles of equity and reciprocity of access to research and training facilities, experimental sites, information, and data. As specific agreements are negotiated or renewed, we strive to incorporate specific assurances that intellectual property rights will be protected. Such protection exemplifies the general principle of maintaining an equitable balance of contributions and rewards. Protection of intellectual property is also an indispensable element of an investment climate that fosters the rapid development of useful technologies applying the results of international scientific cooperation.

The Technology Transfer Act of 1986 is an example of how these principles will apply to international cooperative activities carried out in U.S. Federal laboratories. Specific provisions of the Act address such factors as safeguards for intellectual property and incentives to assure equity and reciprocity of access in international research collaboration. To ensure that the international cooperation actively pursued at such centers of excellence is truly a two-way street, the Act permits directors of Federal laboratories to take into consideration whether a foreign government permits U.S. entities to enter into cooperative research and development (R&D) arrangements and licensing agreements with comparable institutions. We will certainly encourage the Federal laboratories to look very closely at this as they proceed.

To fully exploit developments in science and technology from overseas, I issued Executive Order No. 12591 on April 10, directing the Department of State to develop a recruitment policy that encourages scientists and engineers from other Federal agencies, academia, and industry to apply for assignments in U.S. embassies abroad. There is a wealth of qualified candidates whose professional careers bridge the domestic and international dimensions of science and technology. They can well serve the interests of our Nation as we collectively face the new challenges of the 21st century.

The task of formulating policies to harmonize international S&T activities with domestic programs and priorities poses a special challenge, given the decentralized nature of the U.S. R&D system. Recognizing the need for a mechanism to manage our resources in the international arena more effectively, my Science Adviser, in December 1985, established the Committee on International Science, Engineering and Technology (CISET) of the Federal Coordinating Council on Science, Engineering, and Technology (FCCSET). This interagency forum commenced operations in early 1986. It is bringing high-level scientific and technical expertise and responsibility in the government to bear on critical international issues. By ensuring that senior policymakers oversee key international S&T issues and activities, the CISET mechanism is helping to integrate international S&T activities into the framework of domestic R&D policy, consistent with the Administration's policy priorities and budget resources.

The United States formal S&T relationship with Japan dates back to the 1950's and to a large extent still reflects the relative scientific status of the two countries at that time. During 1986, the CISET conducted a coordinated U.S. Government review of that relationship and recommended a policy framework for the next phase of bilateral cooperation under the auspices of our Presidential Science and Technology Agreement. CISET's recommendations provided the foundation for negotiations with the Japanese that began in early 1987. We expect those negotiations to result in a more sharply focused program of joint research in areas of high priority and equitable benefits to both countries, with increased access by U.S. researchers to Japanese science and technology centers of excellence, commensurate with the range of access that our country has long afforded to Japanese students and researchers.

China and the United States first signed an umbrella agreement on science in 1979. As of the end of fiscal year 1986, 27 technical protocols have been implemented covering a wide spectrum of science and technology activities. The umbrella agreement was extended for a second 5 years during Premier Zhao Ziyang's visit to Washington in January 1984. These S&T activities have been the cornerstone of our relationship with China, opening the door to beneficial interchanges in many areas outside the S&T arena. Since last year new agreements have been signed in water resources, nature conservation, and transportation. The next meeting of the U.S.-China Joint S&T Commission is scheduled for June 1987 in Beijing. We expect to discuss with the Chinese ways that the umbrella agreement can reflect the maturing of scientific relations between our two countries in the years since 1979.

In September, President Jose Sarney of Brazil and I announced an initiative to establish a joint panel of eminent scientists, engineers, and industrial experts to determine priorities for cooperation in areas of mutual strength and benefit. The panel met in April 1987 and will meet again this summer. The panel's recommendations will be used to formulate an initial agenda to implement the 1984 U.S.-Brazil S&T agreement. It is in the long-term strategic interest of the United States to strengthen ties that have been traditionally strong with Brazil, but which have suffered setbacks during the era of Brazilian military rule. Brazil is poised to become a major power of the 21th century, and believes that science and technology is key to her economic aspirations. Although our countries are at quite different stages of industrial development, President Sarney and I share the conviction that strength in science and technology is crucial for sustained prosperity. Cooperation in this area affords an important channel for dialog with Brazil regarding her responsibilities as a mature player in the global economy.

At my meeting with Soviet General Secretary Gorbachev in Reykjavik, we explored the potential for increased interaction in a number of areas of science and technology. As we proceed with the Soviets, as well as the other Bloc countries, in such cooperative programs, our major objectives are to produce a scientific payoff for the United States, while protecting sensitive technology that would contribute to Soviet military objectives.

Bilateral cooperative agreements are only one facet of our scientific and technological activities in the international arena. To an increasing extent, issues of priority concern on the U.S. domestic scene also have international aspects and, thus, require coordinated attention and cooperation worldwide to achieve their solution.

Five years ago, a disease that has become known as AIDS was first identified in our country. Today, it affects all levels of society. Prevention and control of this devastating disease has become one of our Nation's highest public health priorities. However, AIDS is not a problem for the United States alone. AIDS is a worldwide epidemic. Alarm over its spread has spurred a concerted international effort to understand, control, and cure it. The United States is collaborating in the worldwide AIDS research and information dissemination campaign through direct bilateral activities and active participation in multilateral organizations.

The Chernobyl accident was an unprecedented international emergency that required urgent, immediate response and spurred international organizations to take action on many fronts. Notable among these was the action of the International Atomic Energy Agency to formulate conventions for notification and assistance. Through the leadership of the United States, there is now a better understanding of the incident and improved international cooperation on nuclear energy issues, including safety.

The year just ended saw continued close cooperation with the Soviet Union, the United Kingdom, and France to reduce the threat of nuclear proliferation. Five new signatories acceded to the Nuclear-proliferation Treaty during 1986. The United States was active in urging nations to institute and strengthen physical safeguards and urged cooperative programs to reduce the use of enriched uranium fuel in research reactors. In bilateral negotiations with several key countries, significant progress was made toward achieving U.S. non-proliferation objectives to help ensure the security of the world.

Cooperation in space remained an important element of our international S&T activities in fiscal year 1986, despite the Challenger accident. At the end of October 1985, NASA launched the Spacelab D-1 mission for the Federal Republic of Germany. That mission marked the first dedicated Spacelab application and technology science mission launched for one of our allies. Participation of a Dutch payload specialist on the Spacelab D-1 mission marked the entry of the Netherlands into the manned space arena. Negotiations with our international partners for the flight hardware phase of Space Station continued during this time period.

In issues concerning the environment and natural resources, some problems can be solved through national efforts alone, but there is an increasing awareness of a number of problems that threaten the future well-being of the planet, which demand international cooperation on a regional or even global scale. Examples in the environmental area include transboundary pollution, the global carbon cycle, and Antarctic atmospheric phenomena. The United States is addressing these problems through research programs and policy discussions under multilateral and bilateral auspices and through specific agreements with our nearest neighbors, Canada and Mexico. In the area of natural resources, the United States is cooperating with other countries through a wide range of multilateral and bilateral programs in addressing a number of important problems including: deforestation, the depletion of the world's genetic resources, and desertification. A related issue is concern over the environmental implications of recombinant DNA technology. A major milestone was achieved with the adoption in July by the Organization for Economic Cooperation and Development Council (OECD) of a recommendation on recombinant DNA safety considerations. This recommendation is expected to foster harmonization of the regulatory infrastructures of OECD members and of other countries as well and help avoid barriers to international trade.

Our Nation's scientific and technological excellence is a great national asset that underpins our Nation's future economic prosperity and security. To make optimum use of this national asset, we must make wise and long-term investments at home and, at the same time, fully participate in the world's science and technology enterprise. Through international cooperation in science and technology, we can strengthen our future position in global markets and advance our foreign policy and national security goals.

This administration is committed to strengthening our international relationships in science and technology to ensure that they advance our Nation's broadest interests as we approach the challenges and new opportunities of the 21st century. We shall continue to work closely with our international partners to generate the new knowledge and to apply the innovative technologies of the future to help solve the problems of mankind and ensure global prosperity and security.

Ronald Reagan.

The White House, *June 17, 1987.*

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. MOYNIHAN, from the Committee on Environment and Public Works, without amendment:

S. 1383. An original bill to make certain technical corrections to H.R. 2, the "Surface Transportation and Uniform Relocation Assistance Act of 1987."

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. KENNEDY, from the Committee on Labor and Human Resources:

Evan J. Kemp, Jr., of the District of Columbia, to be a member of the Equal Employment Opportunity Commission for the remainder of the term expiring July 1, 1987;

Evan J. Kemp, Jr., of the District of Columbia, to be a member of the Equal Employment Opportunity Commission for the term expiring July 1, 1992 (reappointment); and

Fred William Alvarez, of New Mexico, to be an Assistant Secretary of Labor.

(The above nominations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. THURMOND:

S. 1378. A bill to provide for setting aside the first Thursday in May as the date on which the National Day of Prayer is celebrated; to the Committee on the Judiciary.

By Mr. ROTH (for himself and Mr. Nunn):

S. 1379. A bill to provide for the imposition of further sanctions against drug-transiting countries unless such countries curtail corruption and cooperate with the United States to combat drug trafficking; to the Committee on Foreign Relations.

By Mr. RIEGLE (for himself and Mr. D'Amato):

S. 1380. A bill to amend the Securities and Exchange Act of 1934 to prohibit certain trading or communications by those who possess material, nonpublic information; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. ROTH (for himself and Mr. Sasser):

S. 1381. A bill to improve cash management by executive agencies, and for other purposes; to the Committee on Governmental Affairs.

By Mr. METZENBAUM (for himself, Mr. Johnston, Mr. Evans, and Mr. Fowler):

S. 1382. A bill to amend the National Energy Conservation Policy Act to improve the Federal Energy Management Program, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. MOYNIHAN from the Committee on Environment and Public Works:

S. 1383. An original bill to make certain technical corrections to H.R. 2, the "Surface Transportation and Uniform Relocation Assistance Act of 1987"; placed on the calendar.

By Mr. DURENBERGER (for himself, Mr. Lautenberg, Mr. Stafford, Mr. Mitchell, Mr. Baucus, and Mr. Chafee):

S. 1384. A bill to amend the Clean Air Act; to the Committee on Environment and Public Works.

By Mr. DeCONCINI (for himself, Mr. Hatch, and Mr. Proxmire):

S.J. Res. 161. A joint resolution proposing an amendment to the Constitution to provide for a balanced budget for the U.S. Government and for greater accountability in the enactment of tax legislation; to the Committee on the Judiciary.

By Mr. JOHNSTON (for himself and Mr. Breaux):

S.J. Res. 162. A joint resolution to designate the month of August 1987 as "Cajun Music Month"; to the Committee on the Judiciary.

By Mr. KARNES (for himself, Mr. Bond, Mr. Boren, Mr. Bumpers, Mr. Burdick, Mr. DeConcini, Mr. Dole, Mr. Durenberger, Mr. Exon, Mr. Garn, Mr. Hatch, Mr. Heflin, Mr. Helms, Mr. Humphrey, Mr. Inouye, Mr. Johnston, Mrs. Kassebaum, Mr. Matsunaga, Mr. McClure, Mr. Mitchell, Mr. Murkowski, Mr. Nunn, Mr. Pell, Mr. Pryor, Mr. Roth, Mr. Stennis, Mr. Symms, Mr. Trible, Mr. Warner, Mr. Weicker, and Mr. Wallop):

S.J. Res. 163. Joint resolution to designate the month of November 1987 as "National Family Bread Baking Month"; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. MURKOWSKI (for himself, Mr. Simpson, and Mr. DeConcini):

S. Con. Res. 61. Concurrent resolution expressing the sense of the Congress on the resumption of the Orderly Departure Program from Vietnam conducted by the United Nations High Commissioner for Refugees; to the Committee on Foreign Relations.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. THURMOND:

S. 1378. A bill to provide for setting aside the first Thursday in May as the date on which the National Day of Prayer is celebrated; to the Committee on the Judiciary.

CELEBRATION OF THE NATIONAL DAY OF PRAYER

Mr. THURMOND. Mr. President, I am pleased to introduce today legislation which would name the first Thursday of May each year as the National Day of Prayer. Currently, an existing law passed by the 82nd Congress requires the President to proclaim such a day each year, although a date is not specified.

The National Day of Prayer is interdenominational and belongs to everyone. It is a historic tradition, yet with a date that changes each year it is difficult for religious groups to give advance notice to the many citizens who would like to make plans for their church and community. Maximum participation in the public knowledge of this event could be achieved, if, in addition to its being proclaimed annually, it were established as a specific, annual, calendar day.

Mr. President, I urge my colleagues to join me in cosponsoring this legislation.

By Mr. ROTH (for himself and Mr. NUNN):

S. 1379. A bill to provide for the imposition of further sanctions against drug-producing and drug-transiting countries unless such countries curtail corruption and cooperate with the United States to combat drug trafficking; to the Committee on Foreign Relations.

COMBATING DRUG TRAFFICKING

Mr. ROTH. Mr. President, I rise to introduce legislation to enlarge the scope of possible sanctions against countries involved in the international drug trade. I am pleased to announce that Senator SAM NUNN, the distinguished chairman of the Permanent Subcommittee on Investigations, is a cosponsor of this legislation. This bill builds on the provision of the comprehensive antidrug bill which Congress passed and President Reagan signed into law last October. That law requires the President to report to Congress each year on the progress in the fight against drugs and to certify that certain countries are cooperating fully in the drug interdiction efforts. If not certified, such countries are subject to a cutoff of foreign aid. My bill would permit a reduction in visas and a cutoff of air service and would require termination of Customs preclearance facilities for countries which are not certified in the future.

My colleagues will recall that a lengthy debate took place on the Senate floor during April on the question of whether the Senate ought to disapprove the certification of three countries, Mexico, Panama, and the Bahamas, on the grounds that they had not been fully cooperative in fighting drug trafficking as the law required.

That debate is over and it is not my intention to revive it here today. But as a result of some of the questions raised during that debate I resolved to take a closer look at the activities of several of these countries, particularly the Bahamas and Panama.

The Permanent Subcommittee on Investigations, which I previously chaired and on which I now serve as ranking minority member under the distinguished chairmanship of Senator SAM NUNN, has long had a bipartisan interest in the problem of international drug trafficking. Over the years under both Senator NUNN's chairmanship and under my chairmanship, PSI has held numerous hearings on drug interdiction efforts, money laundering of drug profits and programs to reduce the demand for drugs in the United States.

With respect to Panama, PSI staff members, at my direction, have been looking into allegations of money laundering and drug trafficking for some months. With respect to the Bahamas, Senator NUNN and I recently sent PSI staff members to the Bahamas for a first hand look at antidrug efforts there.

The results of that investigation can be summarized briefly. While some Bahamian authorities have clearly been very cooperative in joint antidrug efforts with United States law enforcement agencies, including assigning Bahamian law enforcement officers to joint task forces and allowing hot pursuit of drug smugglers into Bahamian territory, it is also true that Bahamian authorities have failed dismally to deal with widespread drug related corruption at all levels of the Bahamian Government and have similarly failed dismally to adequately prosecute drug smugglers in Bahamian courts.

Let me give you an example. The United States operates U.S. Customs and Immigration preclearance facilities at the Nassau and Freeport airports in the Bahamas. These facilities allow passengers who are about to enter the United States to clear U.S. Customs and Immigration before they ever leave the Bahamas. Now these preclearance facilities are of little value to the United States. In fact, the Customs and Immigration personnel which we station in the Bahamas probably cost us more money than if they were stationed at the regular ports of entry in the United States. However, because of the convenience they offer passengers and the improvements in airline scheduling, the preclearance facilities are of significant assistance to the Bahamian tourist industry. Now, I don't object to that. What I do object to is what too often happens when drug smugglers are caught by U.S. officials at these preclearance facilities. Since they are apprehended in Bahamian territory, they are turned over to Bahamian authorities for prosecution. Many of the smugglers who are arrested are allowed to post relatively low bond, are released and then allowed to leave the Bahamas, never to be heard from again. We have reviewed the results of 47 cases during 1985 and 1986 all of which involved substantial seizures of cocaine. In only a few cases were defendants sentenced to more than a few months in prision. Many were never brought to trial or were given no prison sentences at all. At the same time, according to statistics compiled by the U.S. Customs Service, the number of narcotics seizures and the amount of cocaine seized at these preclearance facilities has increased more than 5 fold from fiscal year 1985 to fiscal year 1986. Given the lack of serious prosecution effort by the Bahamian authorities, it is no wonder that this huge increase in seizures occurred during the course of a single year.

One of these cases involved the arrest of Gaius Bethel, the son of the Bahamian Minister of Transport, whose jurisdiction includes the operations of the Nassau Airport. Mr. Bethel was caught with a confederate attempting to smuggle a kilo of cocaine. Mysteriously, the charges against Mr. Bethel were dropped for "lack of evidence."

Perhaps this result was not so mysterious given the history of corruption of public officials in the Bahamas by narcotics smugglers as detailed at great length in the December 1984, report of the Royal Commission of Inquiry and more recently by sworn testimony before the Terrorism, Narcotics and International Operations Subcommittee of the Senate Foreign Relations Committee. The subcommittee heard testimony under oath from a former drug smuggler who paid off many officials in the Bahamas over a period of years, and testimony from Gorman Bannister, whose father, Everette Bannister, is a friend and business associate of numerous high level Bahamian Government officials. Gorman Bannister testified at length about payoffs his father transmitted to Bahamian Government officials, including payments to Prime Minister Pindling, and assistance his father gave to the notorious Colombian cocaine dealer, Carlos Lehder. For several years, Lehder enjoyed the use of an entire island in the Bahamas as a protected stop over point for narcotics he was bringing into the United States.

What has the Bahamian Government done about this widespread corruption? Sadly, very little. In fact, some very disturbing signals have recently been sent. Three former members of Parliament, who resigned or were forced out of office after detailed allegations of corruption were cited against them in the Royal Commission Report, have been placed on the government party's ticket in the coming parliamentary elections set for June 19. Those actions clearly tell us that the current Bahamian Government has no real commitment to eliminating drug related corruption in the Bahamas.

The sanction of elimination of foreign assistance, which is possible under current law in the event of decertification, holds little incentive for the Bahamas to curtail the drug trade since that country receives almost no foreign aid from the United States. That's why my bill is necessary. It will add some meaningful teeth to the sanctions by mandating elimination of the Customs preclearance facilities and permitting the termination of direct airline service and a limitation on the number of visas which may be issued.

Moreover, "full cooperation" in eliminating drug trafficking manifestly ought to include real efforts to eliminate the bribing of public officials by drug dealers. If public corruption is permitted or encouraged, the fight against the international cocaine cartel will have no chance to succeed. That is why my bill will also include lack of efforts against official corruption as one of the factors to be considered in determining whether a particular country should be certified.

Of course, these sanctions will be imposed only if a country is not certified next year as being fully cooperative in the efforts to eliminate the international drug trade. While my concern in offering this amendment is aimed primarily at the Bahamas, the language of my amendment applies to all countries which facilitate the international drug trade. So the Bahamas is not the only country being singled out. But there is still time for the government of the Bahamas to wake up and take meaningful action against official corruption and against drug smugglers through its own criminal system.

I am confident that the vast majority of Bahamian citizens as well as United States citizens want the drug trade eliminated. A vote for my amendment will help speed that result.

Mr. President, I ask unanimous consent that the text of the legislation be included in the RECORD at the conclusion of my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1379

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 802 of the Trade Act of 1974 is amended—

(1) in subsection (a)—

(A) by striking out "or" at the end of paragraph (3);

(B) by redesignating paragraph (4) as paragraph (7);

(C) by amending paragraph (7), as so redesignated, to read as follows:

"(7) take the action described in paragraph (6) and any combination of the actions described in paragraphs (1) through (5)."; and

(D) by inserting after paragraph (3) the following new paragraphs:

"(4) limit by one-half the number of visas that may be issued for aliens born in that country for nonimmigrant status described in section 101(a)(15)(B) of the Immigration and Nationality Act;

"(5) take the steps described in subsection (d) to curtail air transportation between the United States and that country;

"(6) withdraw the personnel and resources of the United States from participation in any arrangement with that country for the pre-clearance of customs by visitors between the United States and that country; or";

(2) in subsection (b)—

(A) in paragraph (1), by inserting "corruption by government officials and" after "preventing and punishing";

(B) in paragraph (2)(A), by striking out "and" at the end thereof;

(C) in paragraph (2)(B), by striking out the period at the end thereof and inserting in lieu thereof "; and"; and

(D) by adding at the end thereof the following new clause:

"(C) has taken the legal and law enforcement steps necessary to eliminate, to the maximum extent possible, corruption by government officials, with particular emphasis on the elimination of bribery."; and

(3) in subsection (c), by inserting "paragraph (1), (2), or (3) of" after "under"; and

(4) by adding at the end thereof the following new subsection:

"(d)(1)(A) The President shall notify the government of a country against which is imposed the sanction described in subsection (a)(5) of his intention to suspend the rights of any air carrier designated by the government of that country under the agreement between the United States and that country relating to air services to service the routes provided in the agreement.

"(B) Ten days after the imposition of the sanction described in subsection (a)(5), the President shall direct the Secretary of Transportation to revoke the right of any air carrier designated by the government of that country under the agreement to provide service pursuant to the agreement.

"(C) Ten days after the imposition of the sanction described in subsection (a)(5), the President shall direct the Secretary of Transportation not to permit or otherwise designate any United States air carrier to provide service between the United States and that country pursuant to the agreement.

"(2)(A) The Secretary of State shall terminate the agreement between the United States and that country relating to air services in accordance with the provisions of that agreement.

"(B) Upon termination of such agreement, the Secretary of Transportation shall prohibit any aircraft of a foreign air carrier owned, directly or indirectly, by the government or nationals of that country from engaging in air transportation with respect to the United States.

"(C) The Secretary of Transportation shall prohibit the takeoff and landing in that country of any aircraft by an air carrier owned, directly or indirectly, or controlled by a national of the United States or by any corporation or other entity organized under the laws of the United States or of any State.

"(3) The Secretary of Transportation may provide for such exceptions from the prohibition contained in paragraph (1) or (2) as the Secretary considers necessary to provide for emergencies in which the safety of an aircraft or its crew or passengers is threatened.

"(4) For purposes of this subsection, the terms 'aircraft', 'air transportation', and 'foreign air carrier' have the meanings given those terms in section 101 of the Federal Aviation Act of 1958 (49 U.S.C. 1301).".

(b) The title heading for title VIII of the Trade Act of 1974 is amended to read as follows: "**TITLE VIII—TARIFF TREATMENT OF PRODUCTS OF, AND OTHER SANCTIONS AGAINST, UNCOOPERATIVE MAJOR DRUG PRODUCING OR DRUG-TRANSIT COUNTRIES**".

By Mr. RIEGLE (for himself and Mr. D'AMATO):

S. 1380. A bill to prohibit certain trading or communications by those who possess material nonpublic information; to the Committee on Banking, Housing, and Urban Affairs.

INSIDER TRADING PROSCRIPTIONS ACT

Mr. RIEGLE. Mr. President, today I am introducing legislation, together with Senator D'AMATO, to clarify the law of insider trading. This legislation is the work of a distinguished group of securities lawyers led by Mr. Harvey L. Pitt, a former general counsel of the Securities and Exchange Commission, and Mr. John F. Olson, the chairman of the American Bar Association's Task Force on Regulation of Insider Trading.

I want to explain why congressional action is needed; how the group led by Messrs. Pitt and Olson developed this legislation; and what this legislation accomplishes.

WHY LEGISLATION IS NEEDED

Insider trading is cause for serious concern. It's unfair when someone gains an advantage by abusing or wrongfully obtaining material, nonpublic information about a security. And it's not a case of victimless crime: one person's gain really is another person's loss. Insider trading undermines the integrity of, and jeopardizes public confidence in, our securities markets.

Recent developments in the securities markets have greatly increased the temptations to trade on inside information. As the American Bar Association's task force has reported:

> The increased incidence of hostile tender offers creates unparalleled opportunities for quick profits from an informational advantage, while the growing availability of options on securities has permitted realization of those profits on a smaller investment risk. The internationalization of the securities markets has made it possible to purchase or sell securities on American markets through foreign accounts, sometimes under the protection of foreign bank secrecy laws.

Strange though it may seem, insider trading as such is not now specifically prohibited by statute. The law of insider trading has developed from the antifraud provisions of the Securities Exchange Act of 1934. It now centers on SEC rule 10b-5, a generalized prohibition against fraud and deception in connection with the purchase or sale of securities.

Through a process of administrative and judicial interpretation which began in earnest in the 1960's and culminated in the late 1970's, rule 10b-5 became a formidable weapon against trading on the basis of material, nonpublic information. Such trading was held to be fraud for purposes of rule 10b-5 even if traditional elements of fraud—such as a misrepresentation of fact or, alternatively, a failure to carry out a fiduciary duty to disclose—were absent. Anyone who possessed material, nonpublic information was required either to disclose it or to refrain from trading on it.

But the Supreme Court's Chiarella and Dirks decisions rejected that approach and cut back the scope of rule 10b-5. They sought to reorient the law of insider trading toward more traditional—and limited—notions of fraud. Those decisions have made it difficult to apply rule 10b-5 to persons who are not corporate insiders and who do not otherwise owe a fiduciary duty to the corporation and its shareholders. The difficulty is particularly acute in the case of "tippees"—persons who use tips of inside information to buy and sell securities.

The fundamental weakness of current law has been aptly summarized by Messrs. Richard M. Phillips and Robert J. Zutz as follows:

> By their very terms, Section 10(b) and Rule 10b-5 are not directed at insider trading per se, but at fraud. The *Dirks* and *Chiarella* decisions rigidly conform the insider trading doctrine to this fraud context by holding that trading on the basis of material, nonpublic information constitutes fraud only where there is a duty to speak, and by limiting that duty largely to those who owe a fiduciary duty to the issuer of the securities being traded and its shareholders. In so doing, these decisions confirm the use of that doctrine as a control over insider misconduct. Yet the federal securities laws are investor protection statutes, and their primary purpose is not to police insiders, but to protect market participants from unfair trading and other abuses. This goal cannot be met as long as the insider trading doctrine is confined to fraud.

The current law of insider trading suffers not only from the systemic weakness described by Messrs. Phillips and Zutz, but from numerous specific uncertainties. Among those identified by Messrs. Pitt and Olson are the following:

(1) Is the misappropriation theory an appropriate basis for insider trading liability?

(2) If so, what breaches of duty will render a defendant liable?

(3) What actions and states of mind are required to impose liability on tippers who do not trade and tippers who do?

(4) When, and under what circumstances, will mere silence constitute a breach of duty?

(5) To what extent will trading while in possession of inside information be deemed to be trading on the basis of that information, and thus result in liability for insider trading?

(6) When, and under what circumstances, will institutions that employ persons who engage in illegal insider trading be liable for the wrongful acts of those employees?

(7) Who, if anyone, has a private right of action for damages caused by insider trading?

(8) To what extent may a person guilty of insider trading be held liable for civil damages (in addition to being required to disgorge his ill-gotten gains and to pay treble civil penalties under the Insider Trading Sanctions Act of 1984)?

(9) What statute of limitations applies to any private right of action for insider trading?

(10) To what extent can the SEC exempt transactions from the prohibition against insider trading?

The current uncertainties in the law are bad both for the Government and for law-abiding market participants. The uncertainties stemming from the Chiarella and Dirks decisions may impede effective prosecution and divert energy into developing convoluted legal theories to satisfy the requirements of those cases. Uncertainty about what conduct is or is not illegal creates confusion, causes needless anxiety for persons who desire to obey the law, helps wrongdoers rationalize their violations, and promotes disrespect for the law.

There is little prospect that the problems in the law of insider trading will be resolved judicially any time soon. Congressional action is needed to clarify the law and give it an adequate statutory foundation

THE AD HOC COMMITTEE AND ITS WORK

The foundations for this legislation were laid by Senator D'AMATO in the 98th Congress as chairman of the Banking Committee's Securities Subcommittee; and by Mr. Olson and the American Bar Assocation task force.

On February 24 of this year, as chairman of the Securities Subcommittee, I requested Mr. Pitt to work with a group of other distinguished securities lawyers, including Mr. Olson, to develop a plain-language, workable overhaul of the law applicable to insider trading. I shall refer to that group as the "ad hoc committee." I asked that committee to have such a proposal ready within 90 days, if possible.

The members of the ad hoc committee are among the top securities lawyers in the country. They also represent a diverse set of interests. Some have close ties to industry; others have spent much of their careers as prosecutors at the SEC. Two members were SEC Commissioners, one was general counsel, two were directors of the Division of Enforcement, and one was associate director of that Division. The members of the ad hoc committee include: a U.S. district judge; the chairman of the American Bar Association's Committee on Federal Regulation of Securities; the chairman of the Federal Bar Association's Securities Law Committee; and two members of the American Law Institute.

The ad hoc committee considered drafts prepared by a drafting committee, discussed the issues in a series of meetings, and arrived at a tentative proposal for a comprehensive statute. The committee sought and received comments on that proposal from persons with ties to a wide range of industry groups. Those comments were circulated and discussed, and the committee then adopted its current proposal.

That the committee could develop a consensus definition and still meet my 90-day target date is a great accomplishment and a credit to its members' professionalism.

WHAT THIS LEGISLATION DOES

Subsection (a) sets forth the purposes of the legislation. It explains that insider trading is prohibited in order to protect the fairness, honesty, and integrity of the securities markets. It also affirms the importance of the free flow of information to the markets. These objectives will guide the courts and the SEC in interpreting and applying the legislation.

Subsection (b) prohibits anyone from using material, nonpublic information to buy or sell any security if he knows—or is reckless in not knowing—that that information has been obtained wrongfully or if buying or selling the security would be a wrongful use of that information.

Information is obtained "wrongfully" for purposes of the legislation if it has been obtained by theft, conversion, misappropriation, or a breach of a fiduciary, contractual, employment, personal, or other relationship of trust and confidence. Likewise, information is used wrongfully if its use constitutes such a theft, conversion, misappropriation, or breach. These standards are in keeping with a basic purpose of this legislation: to attack the unfairness of abusing an informational advantage or obtaining one through such improper means, without mandating parity of information in securities trading. For there are legitimate reasons why some persons; for example, market-markers or industrious analysts—may have earlier and better access to information, and attempts to mandate parity of information could actually impede the flow of information.

Under subsection (b), someone who buys or sells a security while possessing material, nonpublic information relating to that security—or the market for that security—is presumed to have used that information. A company can rebut the presumption by proving that the information did not influence the decision to buy or sell the security, and was not known to the individual who actually made the decision. In determining whether a company has met its burden of proof and thus rebutted the presumption, a judge or jury may consider whether, and to what extent, the company had implemented and maintained reasonable policies and procedures to prevent the individuals who made or influenced the company's investment decisions from violating this legislation.

Subsection (c) contains two prohibitions against tipping. The first prohibits anyone from communicating material, nonpublic information relating to a security to another person, knowing—or being reckless in not knowing—that the other person would use the information to buy or sell a security in violation of subsection (b). The second prohibits any person who is planning to acquire or dispose of a publicly held company, its assets, or a material block of its securities, from communicating information about that person's plans to other persons in order to influence the purchase or sale of the company's securities. But the prohibition does not apply if the communication is to someone who is acting on behalf of or as part of a group with the person making the communication, or is a good-faith solicitation to act in such a capacity. The second prohibition outlaws the practice of putting a company into play by passing tips to risk arbitrageurs.

Subsection (d) provides that a defendant is not liable under this legislation solely because it controls or employs someone who violates this section if the defendant neither induced nor participated in the violation. This narrow safe-harbor provision is not available to an employer who condoned or profited from the violation.

Subsection (e) authorizes the SEC to issue rules implementing this legislation, and to grant appropriate exemptions. This authority enables the Commission to effectuate the purposes of the legislation, prevent evasions, resolve uncertainties about the reach of the legislation, and avoid having the legislation apply to transactions or persons not within its purposes.

Subsection (f) grants a private right of action to any person injured by a violation of the legislation in connection with the purchase or sale of a security. It specifies that a person is injured by a violation if he purchased or sold the securities in question contemporaneously with the securities transactions on which the violation is based. The private right of action provides just redress to investors injured by insider trading and allows them to help enforce the prohibitions against such trading.

A defendant's liability under subsection (f) is limited to the profit obtained or the loss avoided through the violation. If the defendant is required to disgorge money in proceedings brought by the SEC, that money will reduce his liability under subsection (f) and will also be available to pay claims under that subsection.

The statute of limitations for claims under subsection (f) is 5 years from the date of the purchase or sale, the same as for civil penalty actions under the Insider Trading Sanctions Act.

Subsection (g) specifies that the legislation establishes exclusive standards for insider trading actions under the Federal securities laws. I would therefore expect the legislation to supplant rule 10b-5 in cases based solely on improper informational advantage. But the legislation does not affect provisions of law based on conduct other than the wrongful use or communication of material, nonpublic information. Thus the legislation will not impede rulemaking or enforcement directed against fraud or manipulation in which improper informational advantage is part of a larger offense.

The Insider Trading Proscriptions Act does not purport to be the last word on insider trading. But it does clarify the law and provide a sound framework for resolving future causes.

I want to express my deep appreciation to all the lawyers who worked on this legislation. They include, in addition to Messrs. Pitt and Olson, Mr. Theodore A. Levine, Mr. Sam Scott Miller, Mr. Richard M. Phillips, Mr. Irving M. Pollack, the Honorable Stanley Sporkin, Mr. James C. Treadway, Mr. Lewis S. Black, and Ms. Karen L. Shapiro.

I ask that copies of the bill and the ad hoc committee's report be printed in the RECORD following my remarks.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1380

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as "The Insider Trading Proscriptions Act of 1987."

SEC 2. INSIDER TRADING PROSCRIPTIONS.

Chapter 78 of Title 15, United States Code, is amended, by adding at the end of § 78p the following:

"SEC. 16A. (a) FINDINGS.—

"(1) The fairness, honesty and integrity of the nation's securities markets are impaired when corporate insiders and other persons who obtain material, nonpublic information relating to a particular security or group of securities (or the market for such security or group of securities) wrongfully use that information, or wrongfully communicate that information to others who misuse it, in connection with the purchase or sale of any security.

"(2) Effective prohibitions against trading by persons who wrongfully use material, nonpublic information, and wrongfully communicate that information to others who misuse it, are necessary to preserve the integrity of our markets and their ability to serve important national and international economic functions, including capital formation.

"(3) There is an important public interest in the prompt, unfettered flow to the securities markets of information.

"(4) The specific delineation of what constitutes the wrongful use or wrongful communication of material, nonpublic information provided herein is necessary to promote greater clarity in the law.

"(b) PROHIBITION AGAINST THE USE OF MATERIAL, NONPUBLIC INFORMATION.—

"(1) It shall be unlawful for any person, directly or indirectly, to use material, nonpublc information to purchase or sell any security, by the use of any means or instrumentalities of interstate commerce, or of the mails, or of any facilities of any national securities exchange, or of any automated quotations system maintained for the trading of securities, if such person knows or is reckless in not knowing that such information has been obtained wrongfully, or if the purchase or sale of such security would constitute a wrongful use of such information. For the purposes of this Section, information shall have been used or obtained wrongfully only if it has been obtained by, or its use would constitute, directly or indirectly, theft, conversion, misappropriation or a breach of any fiduciary, contractual, employment, personal or other relationship of trust and confidence.

"(2) For purposes of subsection (b)(1), any person who purchases or sells a security while in possession of material, nonpublic information relating to that security (or the market therefor) shall be presumed to have used that information in connection with such purchase or sale. Notwithstanding the foregoing, in the case of a person other than a natural person, the presumption that such material, nonpublic information in that person's possession was used in connection with transactions in that security shall be overcome if such person sustains the burden of proving that:

"(A) the purchase or sale of the security was not influenced by such material, nonpublic information; and

"(B) the individual effecting the purchase or sale, or causing to purchase or sell, on behalf of such person, did not know the material, nonpublic information.

In determining whether any person other than a natural person has sustained its burden of proof under this subsection, it shall be relevant whether, and to what extent, such person had implemented and maintained reasonable policies and procedures to prevent violations of this Section by the individuals making or influencing investment decisions on its behalf.

"(c) PROHIBITIONS AGAINST THE WRONGFUL COMMUNICATION OF CERTAIN MATERIAL, NONPUBLIC INFORMATION.—

"(1) It shall be unlawful for any person, directly or indirectly, wrongfully to communicate material, nonpublic information to another person who, directly, or indirectly, purchases or sells any security that is directly or indirectly the subject of the communication, while in possession of such information, if the person making the communication knows (or is reckless in not knowing) that such information would be used for a purchase or sale of a security that would violate subsection (b) of this Section.

"(2) It shall be unlawful for any person planning an acquisition or disposition of an issuer, a material block of the issuer's securites or its assets, or any person acting on behalf of such a person (herein the "transacting person"), for the purpose of influencing or encouraging the purchase or sale of the securities of such issuer, to communicate, directly or indirectly, material, nonpublic information concerning such plans to any other person who thereafter purchases or sells the affected securities, unless such other person is acting on behalf of or as part of a group with the transacting person (within the meaning of Section 13(d)(3) of this Title) or the communication of such information has been made in the course of a good faith solicitation of such other person to act on behalf of or as part of a group with the transacting person (within the meaning of Section 13(d)(3) of this Title) or the securities are acquired directly from or sold directly to the transacting person.

"(d) Derivative Liability.—No person shall be liable under this Section solely by reason of the fact that such person controls or employs a person who has violated this Section, if such controlling person or employer neither participated in, nor directly or indirectly induced the acts constituting the violation of this Section.

"(e) Commission Rulemaking and Orders.—The Commission may, by rules consistent with the provisions of this Section, implement the provisions of this Section. The Commission, by rules, or by order, may exempt any person, security or transaction, or any class or classes of persons, securities or transactions, from any provision or provisions of this Section, if and to the extent that such exemption is consistent with the provisions of this Section.

"(f) Private Rights of Action.—Any person who is injured by a violation of this Section in connection with the purchase or sale of any security may recover any damages sustained by reason of such violation. For the purpose of this Section, a person shall be deemed to have been injured by a violation of this Section if such person has purchased or sold the affected securities contemporaneously with the transactions in such securities that form the basis of the violation of paragraphs (b) or (c) of this Section. No person shall be liable in damages in any action under this subsection for an amount in excess of such person's actual profit obtained or loss avoided. Any damages imposed against any person under this subsection shall be diminished by (and, where available, recovered from) the amounts, if any, that such person may be required to disgorge, pursuant to a court order obtained at the instance of the Commission, in a proceeding brought under Section 21(d) of this Title relating to the same transaction or transactions. Any person who violates subsection (c) of this Section shall be liable, jointly and severally, to the same extent as any persons who obtained profits or avoided losses as a result of such violations of subsection (c). The period of limitations for the commencement of any action under this subsection shall be the same as that provided in Section 21(d)(2)(D) of this Title [the Insider Trading Sanctions Act].

"(g) Exclusivity.—This section shall provide the exclusive standards by which the wrongful use or wrongful communication of material, nonpublic information in connection with the purchase or sale of a security shall be addressed. This Section shall not, however, affect other prohibitions or requirements of law based, in whole or in part, on conduct other than such wrongful use or wrongful communication of material, nonpublic information.".

SEC. 3. EFFECTIVE DATE.

This Act shall take effect immediately upon enactment of this Act.

Fried, Frank, Harris,
Shriver & Jacobson,
Washington, DC., June 9, 1987.

Hon. Donald W. Riegle, Jr.,
Chairman, Securities Subcommittee, Senate Banking Committee, Washington, DC.

Hon. Alfonse D'Amato,
Securities Subcommittee, Senate Banking Committee, Washington, DC.

Dear Senators Riegle and D'Amato: Pursuant to the request of your Subcommittee, made during my testimony on February 24, 1987, I enclose herewith proposed legislation defining and prohibiting "insider trading" and related offenses. The enclosed statute reflects the efforts of an ad hoc committee of lawyers selected at the Subcommittee's suggestion (whose names and affiliations are set forth on the enclosed list), and reflects comments we received on earlier drafts from a broad spectrum of knowledgeable people at the Commission and in the public sector.[1]

This legislation, which we propose as an Amendment to the Securities Exchange Act of 1934 in the form of a new Section 16A, codifies and clarifies the overarching principles set forth by the courts concerning the scope and purpose of the prohibition against insider trading, while eliminating the ambiguities that emerged from the case-by-case evolution of the law in this area. Indeed, considerable uncertainty permeates the jurisprudence of insider trading precisely because the theories upon which insider trading prosecutions have been founded were developed without the involvement of Congress.

In my view, Congress should take the opportunity to focus on this important issue and put its imprimatur on a legislative approach to prohibiting this brand of unfair dealing in the nation's capital markets. In discussing the need for a statutory definition of insider trading during my testimony on February 24, 1987 before the Securities Subcommittee, there was unanimous agreement that an effort should be made to formulate a precise, plain-English definition of the offense of insider trading, to prevent the fundamental unfairness of prosecuting a crime that has never properly been defined.

The legislation introduced by Senator D'Amato in the last Congress and the work of the American Bar Association's Task Force on Insider Trading, chaired by John F. Olson (a principal member of our drafting committee, along with Theodore A. Levine), provided our Committee with an excellent foundation from which to commence its deliberations. After much discussion, we believe that we have reached a consensus as to an appropriate formulation of the scope and reach of the prohibition against insider trading, as developed by the courts.

On behalf of our Committee, I respectfully submit Proposed Section 16A, a summary illustration of its application to typical situation implicating insider trading concerns and an explanatory report that more fully describes the need for, and theoretical underpinnings of the proposed legislation.

We sincerely appreciate having been given this opportunity to assist in the clarification of the principles governing this important aspect of the federal securities laws, and remain available to discuss the proposed statute and any related issues with you and your staff.

Very truly yours,
Harvey L. Pitt.

MEMBERS OF AD HOC COMMITTEE

Lewis S. Black, Jr., Esq., Morris, Nichols, Arsht & Tunnell, Wilmington, DE.

Theodore A. Levine, Esq., Wilmer, Cutler & Pickering, Washington, DC.

Sam Scott Miller, Esq., Orrick, Herrington & Sutcliffe, New York, NY.

John F. Olson, Esq., Gibson, Dunn & Crutcher, Washington, DC.

Richard M. Phillips, Esq., Kirkpatrick & Lockhart, Washington, DC.

Harvey L. Pitt, Esq., Fried, Frank, Harris, Shriver & Jacobson, Washington, DC.

Irving Pollack, Esq., Wheaton, MD.

Judge Stanley Sporkin, U.S. District Court, Washington, DC.

James C. Treadway, Esq., Baker & Botts, Washington, DC.

Karen L. Shapiro, Esq., Fried, Frank, Harris, Shriver & Jacobson, Washington, DC.

SUMMARY

The following summary describes the application of proposed Section 16A to various factual situations:

An individual comes into possession of inside information and uses that information to trade securities:

Under proposed Section 16A(b)(1), a person wo receives inside information and wrongfully uses that information, such as by personally benefiting from securities trading, has violated the insider trading statute. The term "wrongfully" is broadly defined in the statute to embrace any direct or indirect theft or misappropriation of information or any use of information that is inconsistent with a fiduciary, contractual, employment, personal or other relationship of trust and confidence.

An individual who comes into possession of inside information does not personally use the information, but passes it along (a "tipper") to another person who then uses the information to trade securities (a "tippee"):

A tipper who passes inside information to a person whom he knows (or is reckless in not knowing) would, and does use that information to trade securities is liable under proposed Section 16A(c)(1), which prohibits the wrongful communication of inside information. Thus, a wrongful tip of inside information that would and does lead to a securities transaction is prohibited, and the tipper is liable under the statute for such a communication.

A tippee receives inside information from another person and trades securities on the basis of that information:

A tippee who knows (or is reckless in not knowing) that either the tip to him or his use of the tipped information is "wrongful," as defined above, is liable under Section 16A(b)(1).

An entity comes into possession of inside information and uses that information to trade securities:

Except as noted in the last item of this summary, an entity that possesses inside information, either about itself or another public company, and *uses* the information to trade securities, is liable under Section 16A(b)(1) for wrongfully using inside information.

An entity that possesses inside information does not itself use that information to trade securities, but communicate the information to another person or entity, who then uses the information to trade securities:

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[1] The proposed legislation is, however, not the product of any commentator. For your information, I have enclosed a list of persons who have commented on various drafts of the proposed legislation.

Except as noted in the last item of this summary, an entity that gives inside information to another entity or person knowing (or recklessly not knowing) that the recipient of the information would use the information to trade securities is liable under Section 16A(c)(1), for wrongfully communicating inside information. If, however, an entity communicates inside information to another person for a proper business purpose and the receipient of the information nevertheless wrongfuly use it for personal gain, the communicating entity would not be liable under the statute since the communication itself was not wrongful.

An entity receives inside information from another person and trade securities on the basis of that information:

As in the case of an individual, if the entity knows (or is reckless in not knowing) that either the tipping of the information, or trading on the tipped information, is wrongful, then the entity is liable under Section 16A(b)(1). If, however, a multifaceted entity possesses inside information in one department and another department trade securities that are the subject of the inside information, the entity will not be liable if it can prove that (a) the trades were not influenced by the inside information and (b) the persons trading the securities (or causing the trades) did not know the inside information. Evidence of an effective "Chinese Wall" will be relevant, but not necessarily dispositive in meeting the entity's burden of proof.

BRIEF EXPLANATORY MEMORANDUM

I. PURPOSES OF, AND NEED FOR, THE PROPOSED LEGISLATION

Recently, there has been considerable criticism of the development of the law on so-called "insider trading." Among other things, concern has been voiced that the actual parameters of existing law are unknown, and the theories by which those parameters might be applied or extended in the future remain ambiguous.[1] Two recent decisions of the Supreme Court underscore the difficulties encountered in the search for principled theories of law to apply.[2] The Supreme Court's recent grant of a writ of certiorari in *United States* v. *Carpenter* (often referred to as the *Winans* case)[3] presages additional uncertainty about the continued viability of at least certain prosecutorial theories.

[Footnotes located at end of article.]

In short, there is need for greater certainty in the development and application of the law. All those who deal with questions of securities fraud and insider trading on a daily basis recognize the impracticality of attempting to define too rigidly or too precisely the nature of the conduct that is prohibited. The Securities and Exchange Commission ("SEC" or the "Commission") and the Department of Justice have, in general, done a commendable job of conforming their actions to developing judicial constructs. But the cost of the present process is a reduction of clarity in the theories of law to be observed in conduct and to be applied by the courts in responding to instances of alleged illegal trading conduct, and an increase in doubt about the extent to which breaches of some legal duties may be cognizable under Rule 10b-5 promulgated under Section 10(b) of the Securities Exchange Act of 1934 (the "Exchange Act").

At present, for example, the government cannot prosecute tips of inside information absent a showing that the tipper communicated the information in order to receive some form of "personal benefit," or that the tippee had an independent duty to speak before trading on the basis of the information so communicated. These theories were articulated in passing by the Supreme Court in the *Dirks* decision, but have no statutory antecedents. Indeed, the search for "personal benefits" has been a troublesome issue in a number of cases, as has the search for independent duties requiring a tippee to speak before trading on the basis of a tip of inside information.[4]

In addition, the major linchpin on which many governmental insider trading cases are predicated today—the misappropriation theory—is itself a judicially created construct, the parameters of which have never been addressed by either Congress or the Supreme Court. The Congress should determine whether the theory has sound policy bases, articulate those bases and establish guidelines for application of the theory. This is essential both as a matter of fundamental fairness to those who seek to conform their conduct to the law and to facilitate expeditious prosecutions when violations occur.

Moreover, even if the government is successful in preserving a broad scope to the misappropriation theory, it is nonetheless anomalous to permit the law to develop without the benefit of some guidance from the Congress as to the principles to be applied, and the standards that should obtain. The *Winans* case is an example of this phenomenon, since the prosecution depended, at least in part, upon the fortuity of the adoption of a Code of Conduct by the Wall Street Journal, upon which a breach of duty by Mr. Winans was predicated. It seems evident that the law should be based on statutory principles, even if those statutory principles do no more than affirm the principles upon which Mr. Winans's conviction rested.

Beyond these concerns, it is manifest that the courts have been struggling with the development of rational principles to govern insider trading cases, in large part because Congress has never identified the reasons that insider trading should be prohibited, or the persons who are injured by such conduct. Thus, it seems clear that, under current law, the ambiguities that have been created by what is, in the absence of clear direction from Congress, judicial legislation, leave far too many questions not only unanswered, but unstructured for appropriate response. These include:

(i) whether the misappropriation theory is an appropriate basis for insider trading liability and, if it is, what type of breaches of duty will invoke the theory;

(ii) what actions and state of mind of tippers who do not trade and tippees who do are required to impose liability;

(iii) the extent, if any, to which institutions that employ persons who engage in illegal insider trading should bear any liability for the wrongful acts of their employees outside the scope of employment;

(iv) whether, and on behalf of whom, a private right of action may exist;

(v) the extent to which persons who engage in insider trading can be held liable for civil damages (in addition to the disgorgement of ill-gotten gains at the behest of the SEC, and the imposition of treble civil penalties under the Insider Trading Sanctions Act of 1984);

(vi) the extent to which trading while in possession of inside information will, in and of itself, result in insider trading liability;

(vii) the statute of limitations applicable to any private right of action for alleged insider trading; and

(viii) the extent, if any, of the Commission's authority to exempt certain transactions from the reach of any insider trading prohibition.

Thus, the proposed legislation, drafted at the request of the Senate Subcommittee on Securities, and its Chairman, Senator Riegle, is an attempt to provide guidance to the government, the courts and legitimate businessmen, concerning the principles that will be applied in the future to test securities trading conduct for possible abuses in cases involving wrongful informational advantage.

At the outset, it should be noted that this proposal is intended to supplant only those portions of existing law which are based solely on unlawful informational advantages. Thus, there will be no basis for the fear expressed by some that a statutory definition of insider trading will limit the government's ability to prosecute novel frauds not caught by the new definition. Sections 10(b), 14(e) and 13(d) of the Exchange Act will continue to provide avenues for government enforcement, and SEC rulemaking, in other types of frauds, including market manipulations, that may include, as one element of a larger offense, a wrongful use or communication of material, nonpublic information. It is expected, however, that proposed Section 16A will replace the use of Rule 10b-5 in "insider trading" cases, and that Rule 14e-3 will be withdrawn by the Commission as superfluous in the face of the new statute.

The new provision specifically rejects the notion that federal law mandates equality of information in securities trading. The fact that various participants in the securities markets do not have equal information at any given time is not, in and of itself, a basis for the institution of an enforcement action by the government. Nor does the proposed statute mandate an absolute equality of access to stock-related information in order to avoid legal liability.

There are many legitimate reasons that certain persons might have earlier and better access to material, nonpublic information, and might even be able to trade on such information, without violating existing or proposed law. A case in point is the role of stock exchange specialists, who often have better information about the market for any particular security than the public or even other securities professionals. Similarly, under present law, individuals and companies intending to launch a tender offer for a publicly held company's stock can purchase up to five percent of the target company's stock without violating any laws. The proposed statute would not change these present rules, but would make it clear that such offerors cannot lawfully "tip" others outside their group and its agents. The new statute leaves the regulation of disclosure obligations in such areas to other provisions of the securities laws, such as the reporting provisions of Section 13(d) of the Exchange Act. Should such reporting obligations be tightened, as has been proposed, proposed Section 16A is entirely consistent with that change.

The proposed legislation addresses its proscriptions to the wrongful use or communication of material, nonpublic information. Thus, as noted above, a prospective purchaser could make purchases of target stock up to whatever Section 13(d) disclosure threshold the Congress sets, without informing the marketplace. However, if an employee of, or an advisor to, the proposed bidder, with proper access to that information, were to convert that information to his or her own personal use, and trade on the information, or tip someone else who then trades the affected securities, the policies underlying the laws against insider trading would be implicated, and the proposed statute would expressly prohibit that conduct.

Unlike the present law, in fact, the proposed statute would set forth three basic purposes the new law would be designed to foster. Many commentators, and the courts, have expressed difficulty in ascertaining the precise purposes behind the laws against insider trading. Some commentators have even urged that the existing case law is contrary to sound policy. It is anticipated that the inclusion of express Congressional findings will serve to enhance judicial interpretation, the establishment of governmental enforcement policies, and the ability of private sector lawyers and businessmen to understand the full extent and reach of the law and govern conduct accordingly.

Moreover, the Commission's rulemaking authority is intended to be channelled by the Congressional findings set forth in the proposed statute. Unbridled rulemaking power might by detrimental to the continued liquidity and efficiency of our markets; unduly circumscribed rulemaking power might leave the Commission unable to address clear abuses. The proposed statute strikes an appropriate balance between these two extremes.

Nevertheless, it should be noted that no statute can delineate with precision the entire spectrum of conduct that might violate the law. The proposed statute provides a framework for governmental prosecutions and judicial resolutions, but trusts to our common law system, and the unquestionable expertise of the Securities and Exchange Commission in implementing Congressional directives through rulemaking, the ultimate evolution and development of the outer reaches of the proscribed conduct.

II. OVERVIEW OF THE PROPOSED LEGISLATION

The legislation starts with a statement of Congressional findings. It cannot be gainsaid that there are daily instances in which persons buy or sell securities without knowledge of material, nonpublic information that might have influenced their trading decisions had it been disclosed. The proposed statute, as noted above, does not effect a change to current law in that respect. Instead, the legislation makes clear that the gravamen of insider trading abuses is the perceived unfairness and loss of integrity in our marketplace when an informational advantage is abused or wrongly obtained. The Congressional findings balancing the needs for both a fair marketplace and a prompt, unfettered flow into the market of material information, set the framework for future judicial interpretations and Commission rulemaking.

The statute contains two operative provisions. First, the proposed legislation deals with the question of trading by persons who possess material, nonpublic information concerning the security[5] traded. Second, the proposed legislation addresses the communication (or tipping) of material, nonpublic information. In both cases, a broad prohibition is set forth, followed by a statement of defenses and limitations imposed on governmental prosecutions.

A major question to be addressed is whether persons who merely possess material, nonpublic information about a security which they have traded (or the market therefor), violate the law, or whether it must also be shown that such persons traded on the basis of that information. The proposed statute resolves this controversy by providing that the mere possession of material nonpublic information will give rise to a presumption that an individual, or natural person, possessing the information used that information in deciding to buy or sell the security in question, if such a use would be wrongful.[6] The term "wrongful" has been defined expansively to encompass any theft, conversion, misappropriation, or use of such information in breach of any "fiduciary, contractual, employment, personal or other relationship of trust and confidence."[7]

In the case of a person other than a natural person, this presumption of use may be overcome upon a showing that the decision to buy or sell the security in question was not influenced by such material, nonpublic information. Among other things, it is intended that this provision will satisfy the legitimate concerns of the brokerage industry, and other financial institutions, that decisions to buy or sell a stock will not be tainted merely because someone in the organization possessed material nonpublic information about the security. As long as the institution involved could sustain the burden of demonstrating that the person who directed the trade did not know of the information, and was not influenced in any way by another employee's possession of that information, liability would not attach to the institution, even though the trade might be for its account. Thus, in the case of a multifaceted financial institution, the statute clearly provides that the demonstration of reasonable policies and procedures, properly implemented and maintained, to prevent employees from violating this statute, will be relevant to the fact-finder's determination whether the institution should be liable for having violated the proscription against trading in securities while in possession of material, nonpublic information related thereto. Thus, the burden will clearly be on the institution that traded while in possession of the material, nonpublic information to demonstrate that it was not influenced by, and the information was not otherwise used, directly or indirectly, when the institution effected the challenged trade or trades.

Additionally, as discussed above, no liability will attach to trading while in possession of material, nonpublic information concerning a person's own plans to acquire or dispose of an issuer, a material block of its securities, or its assets. Thus, the proposed legislation preserves the regulatory scheme of Section 13(d) of the Exchange Act, which presently allows the accumulation of up to 5% of any class or an issuer's equity securities before the stock ownership and plans of the owner must be disclosed.

Both of the principal prohibitions of this statute limit their reach to trading while in possession of information that is both nonpublic and material. The standard for determinations as to materiality remains unchanged; the test articulated by the Supreme Court in *TSC Industries, Inc.* v. *Northway,* whether "there is a substantial likelihood that a reasonable investor would consider [the omitted fact] important in [making his or her decision,]"[8] continues to apply in cases brought under the proposed legislation. Further guidance in assessing materiality should be drawn from decisions that looked to whether the information in question was "reasonably certain to have a substantial effect on the market price of a security."[9]

As noted above, trading while in possession of material, nonpublic information concerning that security does not, standing alone, constitute a violation of this statute. There must be shown an element of "wrongfulness" in the means by which such information was obtained or used.

This test precludes the government from relying on the existence of corporate policies as a basis for prosecution, as occurred in the so-called *Winans* case, but would permit the government to pursue such a case by demonstrating that Winans had some fiduciary or other legal duty not to use the information for his own personal benefit or gain. (Additionally, a case like *Winans* could be pursued on an alternative theory not involving the jurisprudence of insider trading, such as a market information under Section 10(b) of the Securities Exchange Act.)

A major limitation of the scope of the proposed legislative proscriptions against "insider trading" is the requirement that proposed defendants know (or be shown to have been reckless in not knowing) that

(i) the information in question was material;

(ii) the information in question was nonpublic; and

(iii) the information in question was wrongfully obtained, used or communicated.

This standard more clearly defines the liability of tippees, and avoids the troublesome "personal benefit" test set forth in *Dirks* v. *Securities and Exchange Commission.* It also precludes liability for good faith communications made for a proper purpose, thus preserving the protections accorded by *Dirks* to analysts and the corporate officials from whom they seek information. Similarly, corporate officials' communication to shareholders that might inadvertently convey material, nonpublic information do not constitute an illegal "tip" under the federal securities laws if such communications are made in good faith for a proper purpose.[10] On the other hand, when proceeding against a tipper, it is clear that, in addition to the elements of tipper liability, as to the tippee, the government must establish simply that he or she traded after receiving the information; this provision would not require the government to prove that the tippee knew that the communication, and therefore his trade, was wrongful, to sustain the action against the tipper.

Conspicuously absent from both the language of the statute, and this report, is the language of "fraud." This omission is intended to reject any suggestion that the jurisprudence of insider trading still may require analysis under the former antifraud approach. Not every case of misused or improperly obtained material, nonpublic information will contain each element of a common-law fraud claim; this statute will nevertheless prohibit conduct that constitutes a wrongful use of material, nonpublic information. As previously noted, cases that fall outside this proscription for lack of an essential element may constitute fraud of a variety other than "insider trading," and will continue to be within the reach of the appropriate antifraud provisions of the Securities Act of 1933 and the Exchange Act.

The proposed statute limits the application of the principle of respondent superior, by providing a safe harbor for employers and controlling persons upon a showing that such persons have not participated in or induced the violation by the employee or controlled person. In determining whether an employer has induced the violation of the employee, it will be relevant whether, and the extent to which, the employer has taken reasonable steps to prevent and detect conduct proscribed by the proposed statute. This provision assures that public companies, law firms, financial printers and other entities and persons that have taken proper precautions, are not held accountable for the misdeeds of an employee who has deliberately circumvented the safeguards of his employer.

As previously noted, the proposed statute gives the Commission rulemaking power to avoid ambiguities in the reach of the law in two discrete ways. First, the Commission may implement the prohibitions of this statute, so long as the Commission's rulemaking is consistent with the statement of Congressional findings at the outset of the section. Second, the Commission may exempt transactions or persons (or classes thereof) from the reach of the proposed statute that the Commission finds were not intended to be within the reach of this legislation.

Finally, the proposed legislation explicitly provides a private right of action for investors injured by a violation of the statute. This provision both recognizes that private, as well as public, enforcement of such legislation is necessary to vindicate its remedial purposes, and assures that those persons whom the statute is intended to protect possess a mechanism by which they may invoke that protection.

The provision for a private right of action is intended to replace the standard set forth by the Court of Appeals in *Moss* v. *Morgan Stanley Inc.*[11] for ascertaining the class of persons in whom that right reposes. The most readily identifiable persons injured by a violation of the statute are those who traded contemporaneously with the violater but did not possess that person's informational advantage. Because the statute articulates a standard that differs from the *Chiarella* and *Dirks* fiduciary duty analysis in defining the violation of insider trading, a decisional principal that predicates the standing of a private plaintiff upon that analysis no longer is required and, indeed, now seems inappropriate. This approach would, however, preserve the standing requirements articulated in *Birnbaum* v. *Newport Steel Corp.*[12] and *Blue Chip Stamps* v. *Manor Drug Stores.*[13]

This Section does not address, and is not intended to affect the analysis of claims articulating other types of injuries that are alleged to have been caused by a violation of this statute, such as the action filed in *Anheuser-Busch Co.* v. *Thayer.*[14] No view is expressed on the viability of such claims under present law, and the proposed legislation would not affect the outcome of any such pending cases.[15] Nor does this Section preempt state law or supersede the provisions of the Racketeer Influenced and Corrupt Organizations statute ("RICO") [18 U.S.C. §§ 1961 et seq.], except insofar as insider trading may constitute a predicate act under RICO, in which case this Section shall provide the exclusive standards for finding that such a predicate offense has been committed.

The broad definition of securities and the damages and statute of limitations provisions of the Insider Trading Sanctions Act of 1984 ("ITSA" or the "Act") are retained and incorporated in the proposed statute, which is intended to preserve ITSA without change. Thus, as is currently the case under ITSA, a person adjudged to have committed an insider trading violation would face a maximum financial sanction of four times his profit gained or loss avoided, representing disgorgement plus a treble penalty which latter remedy would continue to be available only to the government. Any actual damages assessed in private civil litigation arising out of the same set of facts would be offset by the amount, if any, disgorged by the individual pursuant to the relating proceedings brought by the Commission.

III. CONCLUSION

In short, there is a need for greater clarity and precision in the application and development of the law with respect to so-called insider trading and related abuses. The proposed legislation is intended to respond fully to those needs.

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[1] See, Report of the Task Force on Regulation of Insider Trading (Part I: Regulation under the Antifraud Provisions of the Securities Exchange Act of 1934), 41 Bus. Lawyer 223 (Nov. 1985); see also, Hearing Before the Subcomm. on Securities of the Senate Banking, Housing and Urban Affairs Comm., 100th Cong., 1st Sess. (Feb. 24, 1987) (Testimony of Harvey L. Pitt); Hearing Before the Subcomm. on Telecommunications, Consumer Protection and Finance of the House Comm. on Energy and Commerce, 99th Cong., 2d Sess. (June 18, 1986) (Testimony of Harvey L. Pitt and George Ball).

[2] *Dirks* v. *Securities and Exchange Commission*, 463 U.S. 646 (1983); *United States* v. *Chiarella*, 445 U.S. 222 (1980).

[3] 791 F.2d 1024 (2d Cir.), cert granted, 107 S. Ct. 666 (1986).

[4] See e.g., *United States* v. *Reed*, 601 F. Supp. 685 (S.D.N.Y.), rev'd in part, 773 F.2d 477 (2d Cir. 1985); *Securities and Exchange Commission* v. *Switzer*, 590 F. Supp. 756 (W.D. Okla. 1984).

[5] This statute does not change the existing statutory and decisional principles concerning the definition of the term "security."

[6] In a limited class of cases, it is possible that an individual who possesses material, nonpublic information should not be presumed to have used that information wrongfully—for example, where a preexisting dividend reinvestment plan of many years' duration is not interrupted by an individual who obtains material, nonpublic information he or she cannot convert to his or her own use. It is anticipated that those situations are so limited that the general presumption that individuals have used such information should apply, but the SEC is expected to develop rules to exempt from the terms of the statute those situations in which the statute should not apply. Specific exemptive authority would be vested in the SEC to accomplish such a result.

[7] This definition of wrongfulness will encompass uses of properly obtained information that are materially inconsistent with the purpose for which that information was communicated. Consideration was given to including in the definition of the term "wrongful" additional language that would have encompassed any such materially inconsistent use of information; it was determinated, however, that such language would be superfluous. This provision, then, is intended to provide a basis in the federal securities laws for proscribing the types of conduct seen in *United States* v. *Carpenter*, *United States* v. *Reed* and other cases brought by the government which, under current case law, have required tortured analyses of business, personal and other relationships in order to find a common law breach of a fiduciary duty.

[8] 426 U.S. 438, 450 (1976).

[9] *Elkind* v. *Liggett and Myers, Inc.*, 635 F.2d 156, 166 (2d Cir. 1980), citing with approval *Securities & Exchange Commission* v. *Bausch & Lomb, Inc.*, 565 F.2d 8, 15 (2d Cir. 1977).

[10] It is implicit in this requirement of a proper purpose that scienter must be shown for an allegation of an improper purpose to be sustained. The current judicial definition of scienter—that is, a "mental state embracing intent to deceive, manipulate, or defraud," *Ernst & Ernst* v. *Hochfelder*, 425 U.S. 185, 193-194 n. 12 (1976)—is not altered by this legislation; nor does this statute in any way affect the case law that holds recklessness to constitute scienter. Further, it is expected that the courts will continue to develop the contours of the definition of scienter, as they have prior to this legislation.

[11] 719 F.2d 5 (2d Cir. 1983).

[12] 193 F.2d 461 (2d Cir.), cert. denied, 343 U.S. 956 (1952).

[13] 421 U.S. 723 (1975).

[14] No. CA3-85-0794-R (N.D. Tex.)

[15] Courts evaluating other types of private claims brought under this Section may still find that the prohibitions contained therein imply private rights of action of forms other than the form of action articulated in Section 16A(f). The measure of damages and limitations period pertaining to such "implied" rights of action would also be left to the courts to articulate.

Mr. D'AMATO. Mr. President, this morning Senator RIEGLE and I are introducing the Insider Trading Proscription Act of 1987. We are introducing this bill because it is a needed complement to the Insider Trading Sanctions Act of 1984—a bill which I sponsored, advocated, and which was ultimately enacted. At that time I believed and still believe that a definition of insider trading was needed.

Why do I believe this? I think it is clear that the present state of uncertainty about the law is simply not acceptable. The ambiguities about the law were vividly demonstrated in subcommittee hearings earlier where members of the securities industry and securities bar could not specify what conduct constituted insider trading and what conduct is permissible. I believe that an "I know it when I see it standard" is totally unacceptable.

Further, the Supreme Court in the Dirks and Chiarella cases have requested guidance from Congress in determining prohibited and permissible conduct. Therefore, it is incumbent upon Congress to confront the basic policy questions of what uses of informational advantage are to be forbidden, rather than leaving the law to be developed on a case-by-case basis.

Some have criticized the legislation because a definition could permit crooks to elude the grasp of the SEC. I think that a failure to clarify the law permits creative lawyers to find loopholes in the legal theories espoused by the SEC. Clarity in the law will not handcuff the SEC. The statute embodies the insider trading theories employed by SEC prosecutors. The application of the statute by the SEC can be applied to novel and unique situations with the increased certainty provided by a congressional pronouncement on the subject. It is time that Congress state the public policy goals that the SEC, the industry, and the securities bar should follow in determining what activities constitute appropriate market activities.

This legislation, which we propose as an amendment to the Securities Exchange Act of 1934 in the form of a new section 16A, codifies and clarifies the overarching principles set forth by the courts concerning the scope and purpose of the prohibition against insider trading, while eliminating the ambiguities that emerged from the case-by-case evolution of the law in this area. Indeed, considerable uncertainty permeated the jurisprudence of insider trading precisely because the theroies upon which insider trading prosecutions have been founded were developed without the involvement of Congress.

In my view, Congress should take the opportunity to focus on this important issue and put its imprimatur on a legislative approach to prohibiting this brand of unfair dealing in the Nation's capital markets. In discussing the need for a statutory definition of insider trading during a February 24, 1987, Securities Subcommittee hearing, there was unanimous agreement that an effort should be made to formulate a precise, plain-English definition of the offense of insider trading, to prevent the fundamental unfairness of prosecuting a crime that has never been defined.

The statute contains two operative provisions. First, the proposed legislation deals with the question of trading by persons who possess material, nonpublic information concerning the security traded. Second, the proposed legislation addresses the communication—or tipping—of material, nonpublic information. In both cases, a broad prohibition is set forth, followed by a statement of defenses and limitations imposed on governmental prosecutions.

This bill is a starting point in our deliberations on an appropriate response to a definition of insider trading. It embodies many of the principles contained in bills I introduced earlier this year.

The legislative proposal will be subject to the subcommittee's closest scrutiny in upcoming hearings. The bill represents our best efforts to provide guidance to the SEC, the courts, the securities industry, and the securities bar in their determination of what constitutes permissible and prohibited conduct. The legislative proposal endeavors to establish principles that will be applied to test securities trading activity for possible abuses in cases involving the use of wrongful informational advantage.

By Mr. ROTH (for himself and Mr. SASSER):

S. 1381. A bill to improve cash management by executive agencies, and for other purposes; to the Committee on Governmental Affairs.

CASH MANAGEMENT IMPROVEMENT ACT

Mr. ROTH. Mr. President, today I am here to introduce the Federal Cash Mangement Improvement Act of 1987. This bill is a continuation of my ongoing interest and efforts in fiscal responsibility and the improvement of government management. It is just one part of a group of government management reforms that I will be introducing in the Senate. Joining me in introducing this bill is a colleague also on the Governmental Affairs Committee, Senator SASSER, who has shown great interest in this area. I thank him for his help and input.

In the critical area of cash management, the Federal Government's financial management practices have not reached the standards associated with the private sector. We must develop cash transfer policies that are fair, uniform, predictable, and enforceable. We cannot go back to the wide variety of practices that were documented in the studies of eight States by the Joint Financial Improvement Program in 1982 and 1983.

My bill would authorize the exchange of interest to provide for the timely exchange of funds. Experience has shown that States don't always get funds from the Federal Government when they need them, and that not all States have historically waited until they need them to draw them down.

When payments to States from the Federal Government are late, it forces the use of State funds for federally funded, State run programs, this costs the States unfairly. In reverse the States are not timely in the return of refund money to, or the premature draw down of moneys under letters of credit from the Federal Government.

Currently, the Intergovernmental Cooperation Act, which this bill amends, falls short of providing for uniformity and predictability. While some State officials think the act prohibits the Federal Government from collecting interest from States, the act is not crosscutting and there are many instances in which the interest prohibition does not apply. Only to grant money pending its disbursement for the program purposes, does the interest prohibition apply. Therefore, the interest prohibition does not apply to some funds—like research and development grants—that are specifically excluded from the definition of the word "grant." Other funds, like the refunds for AFDC, Medicaid, and Child Support Enforcement are excluded from the interest prohibition because they are not awaiting disbursement. Still other funds are not subject to the interest prohibition because laws governing them were enacted after the Intergovernmental Cooperation Act, or because they are more specific than the act.

These exemptions to the interest prohibition lead to confusion, not just for the States, but for the Federal agencies that are attempting to require States to pay interest under a variety of programs. The Federal Cash Management Improvement Act of 1987 establishes a set of government-wide cash management policies and practices that would govern exchanges of funds between the Federal and State governments, and would make it clear when interest should be paid by either the Federal Government or the States, and assure that neither the Federal nor the State governments benefit or suffer financially as a result of the transfer of cash in support of federally assisted programs. It would also provide for a simplified approach for calculating interest, rather than the multiple ways currently being advanced by different Federal agencies. Four pilot tests conducted by the States demonstrated that interest could be calculated without significant changes or increases in staffs.

States, however, do not have to choose a funding option that calls for interest exchange. Options are available that would not require the exchange of interest, and the U.S. Treasury will work with States in implementing one of the options already identified or in developing a new, mutually agreeable option for drawing down funds.

In any case agency heads would be required to minimize the time elapsing between the transfer of funds by the Treasury and the issuance of payments by the State, and conversely, States would also have to minimize their timeframe. The Treasury is to issue regulations that require a State to pay interest on applicable Federal funds that are received in advance of need. On the other hand, if a State disburses its own funds for program purposes in accordance with Federal law, regulation, or Federal-State agreement, the State is to be paid interest by the Federal Government. The act authorizes the Secretary of the Treasury to assess fines against an agency that does not comply with requirements for timely disbursement of Federal funds.

In other words, Treasury is to set up methods of paying interest between the States and the Federal Government while assuring comparable and equitable treatment of both parties.

Federal grant awards would be executed in a timely basis to assure the availability of funds when needed by the State to make payments under a Federal program. Interest earned by the States on refunds of grant funds is to be returned to the Federal Government. Treasury is, however, required to take into account costs incurred by the State in establishing the amount of interest.

A final addition to the bill is the requiring of the Secretary of the Treasury to make a study and prescribe criteria to be used by agencies in determining whether to establish a payment procedure called a lockbox system. The system uses rental box at a central post office to which Federal receipts are directed and which is serviced by a commercial bank under Federal contract.

I think it noteworthy that both the National Association of State Auditors, Comptrollers, and Treasurers and the National Association of State Budget Officers have called for the introduction of this bill. These groups have had members on the State/Federal Cash Management Reform Task Force since its inception, and they endorse the spirit and content of this bill, which closely tracks legislation the task force developed. I originally introduced this piece of legislation in the 99th Congress as a title in my omnibus bill, the Federal Management Reorganization and Cost Control Act of 1986. That bill was unanimously voted out of committee favorably, and at that time, CBO found that the title, which is now this bill, had a cost savings to the Federal Government of $50 million per year.

This bill provides the government with improvements and efficiency and the added bonus of budget savings. The savings estimate, which is based on previous years of Treasury information, found the States to be paying that much in interest on Federal grant funds per year. The value of good cash management lies not only in its savings, but also in the efficiency it brings to the workings of government. Moneys must flow between Federal and State governments in a timely manner. It allows programs to run more smoothly, eases bookkeeping, and saves money. There are no better reasons for passing legislation, and in light of our soaring deficits and the need for tighter controls in the flow of our money, I feel that this is a bill whose time has come.

Mr. SASSER. Mr. President, an unresolved issue of long standing, in the field of intergovernmental financing, has been the timely drawdown of Federal funds to meet State disbursement requirements. Federal officials often complain that States profit unfairly from the interest earned when Federal funds are drawn down too far in advance of the date of actual disbursement. State officials have returned the charge, citing unreasonable delays in Federal reimbursement when States advance their own funds to meet program commitments.

To remedy this source of friction, and to promote uniform procedures for the efficient transfer of Federal funds to the State level, I am pleased to join Senator ROTH in cosponsoring a bill entitled the "Cash Management Improvement Act of 1987."

The primary object of S. 1381 is to provide mutual incentives on the part of Federal and State agencies to minimize the time elapsing between the drawdown of Federal funds and their expenditure by the States. This goal is to be accomplished by a built-in incentive mechanism in the form of reciprocal interest charges on such funds. Thus, interest will accrue to the Federal Government between the time when funds are advanced, and are actually disbursed by a State. Conversely, interest will accrue to a State in instances when the State advances its own funds, pending reimbursement by Federal authorities. The incentive to avoid or to minimize interest charges will promote efficient drawdown practices at both the Federal and State levels. The interest provisions would also promote equity by insuring that neither the Federal nor any State government benefits or suffers financially as a result of Federal cash transfers to assistance programs.

This legislation is the product of a high degree of cooperation between Federal and State officials, working through the Joint State/Federal Cash Management Reform Task Force. This body was created in 1983 at the request of the chairman of the Governmental Affairs Committee, after a number of Senators and State officials expressed concern over a new cash management procedure being proposed by the Department of Health and Human Services. This procedure, called delay of drawdown, was intended to address the problem of too-early drawdowns on the part of the States. Under it, States would be reimbursed by the Federal Government on the basis of historical check clearance patterns, rather than on the basis of actual issuance of checks or warrants. To the extent this would result in a State being required to issue checks or warrants for which funds were lacking in the State treasury, it posed statutory and constitutional problems for nearly half the States.

In considering equitable cash management alternatives, the task force contemplated that each State would select from among three drawdown techniques which would govern all Federal cash transfers to the State. The first would predicate drawdown requests on the basis of checks paid by the State. The second method, the delay of drawdown method, would utilize estimated checks clearing, that is, historical check clearance patterns. Under the third option, checks issued with interest paid or credited, the State would time requests for advances of Federal funds to coincide with anticipated check issuance dates. Under this third method, States would be permitted to draw down Federal funds within a reasonable period prior to the actual issuance of checks or warrants, obviating any statutory or constitutional difficulty on the State's part. Interest would be paid or credited by the State, according to an agreed formula, for the period Federal funds were in the State's treasury prior to disbursement to a recipient. This interest would be netted, on an annual basis, against interest owed by the Federal Government to the State for funds it advanced under other programs requiring Federal reimbursement, for example, under SSI or revenue-sharing programs.

This last method of disbursement was the subject of a test program involving four States, Virginia, Indiana, Wisconsin, and California, under which reciprocal interest was calculated, though not actually exchanged. On the basis of these pilot programs and further study, the task force executed a memorandum of understanding on November 1, 1985 which, following input from other Federal agencies, forms the basis for the legislation we introduce today.

At the heart of this bill are the provisions of section 4, entitled "Payment of Interest." This would amend the Intergovernmental Cooperation Act, 31 U.S.C. section 6503, essentially as follows: The Federal executive agency carrying out a program, and a State, would mutually obligate themselves to minimize the time elapsing between transfer of Federal funds and the issuance of redemption of checks, warrants, or other means of payment by the State. Under regulations to be issued by the Secretary of the Treasury, a State would be required to pay interest on funds from the time of their deposit to the State's account and the time of their payout by the State, at a rate equal to the average of the bond equivalent rates of 13-week Treasury bills auctioned during the same period. The State would be entitled to interest, calculated in the same manner, on any of its own funds from the time of their disbursement for program purposes under Federal law, until reimbursement by Federal funds. Additional provisions govern treatment of refunds of grant funds received by the State, and of direct payments to a recipient by the Federal Government which are made in part on behalf of a State.

Another substantive provision of this bill, contained in section 3 and entitled "Disbursement Objectives," is intended to provide the Secretary of the Treasury with authority, in the area of disbursements, which he presently has in connection with Federal collection efforts under 31 U.S.C. section 3720. Basically, the Secretary is authorized to assess and to collect a charge from the head of an executive agency which fails to comply with regulations, to be prescribed by the Secretary, requiring timely disbursements by the agency of Federal funds. It is contemplated that such a penalty would be an extraordinary and not a routine occurrence, but one which will afford the Secretary leverage to deal with instances of persistent or gross noncompliance with cash management improvement regulations.

Finally, section 5 of the bill incorporates a Grace Commission proposal to augment the timeliness and efficiency of Federal collections by the increased use of lockbox systems. The Secretary of the Treasury is to study and make recommendations concerning the establishment of such a system as to each executive agency.

Let me reiterate that this legislation enjoys broad and enthusiastic support among State and Federal officials. When government funds lie idle unnecessarily, losses result to our Federal as well as State treasuries. At a time of increased budgetary constraints, it is doubly important that such funds be transferred in a timely manner. S. 1381 will advance this worthwhile objective by establishing reciprocal interest charges, as an incentive to Federal and State fiscal officers to adopt and maintain good cash management techniques. The real beneficiaries of this bill, of course, are the citizens for the efficient use of whose tax moneys we share responsibility. I urge on their behalf the prompt consideration and adoption of this legislation.

By Mr. METZENBAUM (for himself, Mr. JOHNSTON, Mr. EVANS, and Mr. FOWLER):

S. 1384. A bill to amend the National Energy Conservation Policy Act to improve the Federal Energy Management Program, and for other purposes; to the Committee on Energy and Natural Resources.

FEDERAL ENERGY MANAGEMENT IMPROVEMENT ACT

● Mr. METZENBAUM. Mr. President, I rise today to introduce the Federal Energy Management Improvement Act, legislation to revitalize and continue the Federal Government's efforts to encourage Federal agencies to use energy efficiently. These efforts have yielded significant benefits in the past and it is essential that the Federal Government maintain its commitment to energy efficiency, particularly in its own operations.

Over 10 years ago the Federal Government developed its first 10-year plan for energy conservation. As a part of the implementation of that plan Executive Orders 11912 and 12003 established a 10-year energy reduction goal for Federal buildings of 20 percent. Actual per square foot energy consumption was reduced over the 1975-85 10-year period by nearly 17 percent; a significant effort which represents hundreds of millions of taxpayer dollars saved. In addition, this reduction in energy demand has enhanced our national security by reducing our dependence on foreign energy supplies.

Nevertheless, much remains to be done. Each year the Federal Government continues to spend nearly $4 billion for energy consumed in over 500,000 buildings and facilities. Experts estimate that approximately one-quarter of that energy could be saved through the use of just a few existing energy conservation technologies. This legislation establishes a more modest goal. It establishes a goal for the Federal Government to reduce its energy demand, in its buildings on a per-square-foot basis, by 10 percent over 10 years, 1985 to 1995. Along with other existing energy conservation statutes this legislation also provides the tools to achieve this goal.

When evaluating the tools by the Government to save energy, consideration must be given to the barriers which currently frustrate the Federal Government in making energy efficiency improvements. There appear to be two major barriers: funding to finance energy efficiency improvements, and a lack of incentive for Federal building/facility managers to save energy.

As for funding, this barrier appears to have been lowered by making private funds available to the Federal Government to finance energy efficiency improvements. For many years in the private sector, energy service companies, banks, and utilities have been willing to fund energy efficiency improvements in return for a share of the cost savings which result from the improvements. Unfortunately, these so-called shared savings contracts were not legal under Federal procurement and contracting regulations until last year. Then, the 1985 omnibus budget reconciliation bill amended the National Energy Conservation Policy Act [NECPA] by authorizing, under a new title VIII, the Federal Government to enter into shared savings contracts. Even with this new authority and the resulting availability of funds, however, Federal building managers remain reluctant to make investments in energy improvements. Experience has taught them that if they ever save funds, then their budgets will simply be cut and those savings taken away. Federal managers have no incentive to save energy—so why should they bother?

The Federal Energy Management Improvement Act has as its principal provision a directive to agencies to create an incentive for managers to save energy and to overcome this second barrier to Federal energy efficiency improvements. Under this legislation, title V, part 3, of NECPA would be amended to require agencies to establish incentives for building managers, to improve energy efficiency, including arrangements in which agencies would retain a portion of the dollar savings resulting from previous energy savings measures undertaken by that agency. These retained savings could then be used to make investments in additional energy efficiency improvements. In effect, these incentive payments could function as an energy improvements revolving fund.

This new directive for incentive payments, when combined with the existing shared savings contracting authority, should lower the barriers which have frustrated Federal efforts to exploit energy efficiency opportunities. Considering the nearly 17-percent improvement in energy efficiency achieved from 1975 to 1985, an improvement of 10 percent from 1985 to 1995 is clearly achievable. Such a 10-percent improvement represents taxpayer savings of roughly $40 million per year.

Another important provision of this legislation is the establishment of an interagency task force of agency energy managers to communicate and promote energy efficiency ideas. This task force would encourage greater energy efficiency achievements by requiring Federal energy managers with hands on experience in energy efficiency to meet to exchange ideas, and to meet with private sector contractors who can assist in their efforts. Currently, such meetings are not required. Poor communication and understanding of energy efficiency options by Federal officials are blamed for the Government's reduced success in saving energy.

Finally, this bill establishes a 10-percent energy efficiency improvement goal for Federal automobiles. Given the dramatic increases in automobile fuel efficiency in recent years and the current availability of models able to meet this energy improvement goal, it is easily achievable and represents an additional savings of $4 million per year to U.S. taxpayers.

Mr. President, our Nation continues be be faced with a most serious energy situation. This legislation will send a strong signal to other American institutions that the Federal Government is not becoming complacent with regard to energy conservation. This legislation will establish new Federal energy efficiency goals, it will provide new tools to save energy and it will signal a revitalization of the Federal Government's efforts and commitment to energy efficiency improvements.

Mr. President, as chairman of the Subcommittee on Energy Regulation and Conservation, I anticipate expeditious consideration of this legislation and I urge the support of my colleagues in its prompt enactment. Estimated budget savings of over $400 million and a strengthened national energy policy are compelling reasons for its enactment.

I ask unanimous consent that a copy of the bill be printed at this point in the CONGRESSIONAL RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1382

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited to as the "Federal Energy Management Improvement Act".

SEC. 2. (a) Title V, part 3 of the National Energy Conservation Policy Act (42 U.S.C. Sec. 8251-8261) is amended to read as follows:

"PART 3—FEDERAL ENERGY MANAGEMENT

"SEC. 541. FINDINGS.

"The Congress finds that—

"(1) the Federal Government is the largest single energy consumer in the nation;

"(2) the cost of meeting the Federal Government energy requirement is substantial;

"(3) there are significant opportunities in the Federal Government to conserve and make more efficient use of energy through improved operations and maintenance, the use of new energy efficient technologies, and through the application and the achievement of energy efficient design and construction;

"(4) federal energy conservation measures can be financed at little or no cost to the Federal Government using private investment capital made available through performance contracts as authorized by Title VIII of the National Energy Conservation Policy Act.

"(5) an increase in Federal Government energy efficiency would benefit the nation by reducing the cost of government, reducing national dependence on foreign energy resources, and demonstrating the benefits of greater energy efficiency to the nation.

"SEC. 542. POLICY.

"It is the policy of the United States that the Federal Government has the opportunity and the responsibility, with the participation of industry, to promote the efficient use of energy by the Federal Government.

"SEC. 543. PURPOSE.

"It is the purpose of this part to promote the conservation and the efficient use of energy by the Federal Government.

"SEC. 544. DEFINITIONS.

"For the purposes of this part—

"(1) The term "agency" has the meaning given it in 5 U.S.C. 551(1).

(2) The term "community of Federal buildings" means a collection of Federal buildings including but not limited to a National laboratory, a military base, buildings which are only part of a National laboratory or military base, and the energy consuming support systems for those building collections.

(3) The term "construction" means construction and substantial retrofitting or renovation.

(4) The term "energy conservation measures" means measures that are applied to a Federal building or community of Federal buildings that improve life cycle cost efficiency and that involve energy conservation, cogeneration systems, renewable energy sources, improvements in operations and maintenance efficiencies, or retrofit activities, such as architectural improvements, daylighting, and high efficiency lighting. The term includes modifications to a building or equipment.

(5) The term "energy survey" means a procedure to be used in determining energy and cost savings likely to result from use of appropriate energy related maintenance and operating procedures and modifications, including the purchase and installation of particular energy-related equipment, and use of renewable energy sources.

(6) The term "Federal building" means any building, structure, or facility which is constructed, renovated, leased, or purchased in whole or in part for use by the United States, and which consumes energy during the reporting period.

(7) The term "life cycle cost" means the total costs of owning, operating, and maintaining a building over its useful life, including such costs as fuel, energy, labor, and replacement components, determined on the basis of a systematic evaluation and comparison of alternative building systems; except that in the case of leased buildings, the life cycle cost shall be calculated over the effective remaining term of the lease.

(8) The term "renewable energy sources" includes but is not limited to sources such as agriculture and urban waste, geothermal energy, solar energy, and wind energy.

(9) The term "cogeneration" means the sequential production of thermal and electrical energy; cogeneration applications will be limited to those approved under Title VIII of NECPA.

(10) The term "performance contracting" means a contract under which energy conservation measures are installed at reduced or no cost to the government and subsequent payments are linked to energy savings. Total payments to the contractor over the term of the agreement should not be greater than the total energy savings achieved over the term of the contract, or in the case of cogeneration projects, no greater than the government's avoided energy cost. Examples of performance contracting include, but are not limited to, shared savings, guaranteed leasing, guaranteed installment sale and discounted energy prices for energy produced by cogeneration.

(11) The term "Secretary" means the Secretary of Energy.

"SEC. 545. ESTABLISHMENT AND USE OF LIFE CYCLE COST METHODS.

"(a) ESTABLISHMENT OF LIFE CYCLE COST METHODS.—The Secretary, in consultation with the Director of the Office of Management and Budget, the Secretary of Defense, the Director of the National Bureau of Standards, and the Administrator of the General Services Administration, shall—

"(1) establish practical and effective methods for estimating and comparing life cycle costs for Federal buildings or communities of Federal buildings, using the sum of all capital and operating expenses associated with the energy system of the building involved over the expected life of such system or during a period of 25 years, whichever is shorter, and using average fuel costs and discount rate as determined by the Secretary; and

"(2) develop and prescribe the procedures to be followed in applying and implementing the methods so established.

"(b) USE OF LIFE CYCLE COSTS.—In the design of new Federal buildings and communities of Federal buildings, and the application of energy conservation measures to existing Federal buildings and communities of Federal buildings, selection of design or conservation alternatives by the Federal Government shall be made using life cycle cost methods and procedures established under subsection (a) of this section.

"(c) USE IN NON-FEDERAL STRUCTURES.—The Secretary shall make available to the public information on the use of life cycle cost methods in the construction of buildings, structures, and facilities in all segments of the economy.

"SEC. 546. BUDGET TREATMENT FOR ENERGY CONSERVATION MEASURES.

"Each agency, in support of the President's annual budget request to the Congress, shall specifically set forth and identify funds requested for energy conservation measures under section 550.

"SEC. 547. LEASED BUILDINGS.

"In leasing buildings for its own use or that of another agency, each agency shall give appropriate preference to buildings which minimize life cycle costs through the use of energy conservation measures.

"SEC. 548. INCENTIVES FOR AGENCIES.

"Each agency shall establish a program of incentives that uses internal resources to encourage that agency to conserve and make more efficient use of energy. Such a program shall consist of arrangements in which the managers of Federal buildings or communities of Federal buildings of the agency retain a portion of the dollar savings which result from their energy conservation measures to undertake further conservation measures. An additional portion may be retained for furthering the objectives of that agency.

"SEC. 549. INTERAGENCY ENERGY MANAGEMENT TASK FORCE.

"(a) In order to assist the interagency committee organized under section 656 of the Department of Energy Organization Act (42 U.S.C. 7266) to coordinate the activities of the Federal Government in promoting energy conservation and the efficient use of energy and inform non-federal entities of the Federal experience in energy conservation, an Interagency Energy Management Task Force, referred to in this section as the "Task Force", shall be established.

(b) The Task Force shall be composed of the chief energy managers of the Departments of Energy, Defense, Transportation, Agriculture, Interior, Justice, Health and Human Services, and Housing and Urban Development; the Postal Service; the Veterans Administration; the General Services Administration; and the National Aeronautics and Space Administration. The Assistant Secretary of Energy for Conservation and Renewable Energy shall be the Director of the Task Force and may request the participation of any other agency or office as is deemed appropriate.

"(c) The Task Force shall meet when the Director requests, but not less often than twice a year, to assess the progress of the various agencies in achieving energy savings; to collect and disseminate to agencies, states, local governments, and the public, information on effective survey techniques, innovative approaches to the efficient use of energy, incentive programs developed under section 548, innovative performance contracting methods, the use of cogeneration and renewable resources, and other information and technologies that would promote the conservation and the efficient use of energy; to coordinate energy surveys conducted by the agencies; to develop options for use in conserving energy; and to report to the committee organized under section 656 of the Department of Energy Organization Act (42 U.S.C. 7266).

"SEC. 550. ENERGY MANAGEMENT GOALS.

"(a) ENERGY PERFORMANCE GOAL FOR FEDERAL BUILDINGS.—Each agency shall apply energy conservation measures to and shall improve the design for the construction of its Federal buildings and communities of Federal buildings so that the energy consumption per gross square foot of its Federal buildings and communities of Federal buildings in use during the Fiscal Year ending September 30, 1995, is at least 10 percent less than the energy consumption per gross square foot of its Federal buildings and communities of Federal buildings in use during the Fiscal Year ending September 30, 1985.

"(b) Implementation Steps for Federal Buildings Goal.—To achieve the goal set in subsection (a), each agency shall—

"(1) prepare or update a plan describing how the agency intends to meet the goal including designation of staff and identification of high priority projects;

"(2) perform energy surveys of its Federal buildings and communities of Federal buildings to the extent necessary for implementation of this section;

"(3) using the results of the energy surveys, apply to its Federal buildings and communities of Federal buildings the most life cycle cost-effective energy conservation measures in accordance with the methods and procedures specified in section 545;

"(4) among federally funded measures, give priority to those having the highest savings to investment ratio, and

"(5) among measures accomplished with private investment capital, give priority to those having the highest estimated net benefit to the government; and

"(6) ensure that any operation and maintenance procedures applied are continued."

"(7) maintain temperature control devices in Federal buildings and communities of Federal buildings in conformance with the requirements of 41 Code of Federal Regulation 101-20.116 in effect on July, 1, 1986; and

"(c) Energy Performance Goal for Federal Passenger Automobiles.—(1) Each agency shall apply appropriate procurement, operations, and maintenance policies to its passenger automobile fleet so that the fleet's energy consumption per mile driven during the Fiscal Year ending September 30, 1995, is at least 10 percent less than the energy consumption per mile driven during the Fiscal Year ending September 30, 1985.

"(2) For purposes of this subsection the term "passenger automobile" has the meaning given it in section 501(2) of the Motor Vehicle Information and Cost Savings Act (15 U.S.C. 2001 (2)), except that the term does not include automobiles designed to perform combat related missions for the Armed Forces or designed to be used in law enforcement or emergency rescue work.

"SEC. 551. REPORTS.

"Each agency shall periodically furnish the Secretary with complete information on its activities under this part; on its progress in achieving the goals set in section 550; on the incentives, activities, and result of its program conducted under section 548; on obstacles encountered and recommendations to overcome such obstacles; and on its progress in achieving the goals established in the Federal Ten Year Plan required by section 381 (a)(2) of the Energy Policy and Conservation Act. The Secretary shall report annually to Congress on all activities under this part on the progress made toward achievement of the objectives of this part."

Sec. 3. Section 101(b) of the National Energy Conservation Policy Act (the Table of Contents) is amended to read as follows:

"Part 3—Federal Energy Management

"Sec. 541. Findings.
"Sec. 542. Policy.
"Sec. 543. Purpose.
"Sec. 544. Definitions.
"Sec. 545. Establishment and use of life cycle cost methods.
"Sec. 546. Budget treatment for energy conservation measures.
"Sec. 547. Leased buildings.
"Sec. 548. Incentives for Agencies.
"Sec. 549. Interagency Energy Management Task Force.
"Sec. 550. Energy Management Goals.
"Sec. 551. Reports.".

Sec. 4. Section 381(c) of the Energy Policy and Conservation Act (42 U.S.C. 6361(c) is amended to read:

(c) The Secretary shall include in the report required under section 553 of the National Energy Conservation Act the steps taken under subsections (a) and (b) of this section.".●

By Mr. DURENBERGER (for himself, Mr. Lautenberg, Mr. Stafford, Mr. Mitchell, Mr. Baucus, and Mr. Chafee):

S. 1384. A bill to amend the Clean Air Act; to the Committee on Environment and Public Works.

TOXIC AIR POLLUTION CONTROL ACT

Mr. DURENBERGER. Mr. President, I am today joining with Senators Lautenberg, Stafford, Mitchell, Baucus, and Chafee to introduce the Toxic Air Pollution Control Act of 1987. This legislation will amend section 112 of the Clean Air Act to assure that the health of our citizens and the quality of our environment will be protected from the harm which may be caused by emissions of toxic air pollutants.

Amendment of the law is made necessary by the slow pace of standard-setting under the existing statute. After 17 years, EPA has listed and regulated only seven hazardous air pollutants while at the same time acknowledging that several dozen substances and several hundred chemical plants and other sources of emissions may today be a threat to public health.

In this case I don't lay whole blame for delay at the doorstep of the Agency. In many respects it is the language of the statute that is to blame. It creates unrealistic schedules for the promulgation of standards. It requires a pollutant-by-pollutant review of health effects that minimizes the reach of effective steps. And it fails to take advantage of the role that can be played by State air pollution control agencies in the regulation of these substances.

So we're not here to criticize the Agency, but to fix the statute. And many of the reforms we are proposing are based on steps the Agency has taken to get the program for air toxics moving. We want to support those efforts and give a clear signal that this is an important priority for the Congress.

Mr. President, there are four main elements of this bill. First, it contains amendments to the existing language of section 112. It provides a more realistic period of time to review, list, and regulate hazardous air pollutants. It provides that section 112 may be used to respond to environmental problems caused by air toxics. We have been made aware of such problems in the Great Lakes region of the Nation recently as many studies show damage to fish and wildlife from the deposition and bioaccumulation of toxic substances which are released into the air.

Section 112 is also amended to prohibit the consideration of cost or other factors in establishing the health-based standards which this section of the statute mandates. This is consistent with the original intent of the Congress when these provisions were first adopted as a part of the Clean Air Act. This bill also responds to recent decisions of the Agency with respect to some hazardous chemicals which are cause for concern, but which have not been listed. These are the so-called intent to list chemicals. They are automatically listed by this legislation.

In addition to fixing the existing section 112, this bill also adds new approaches to the statute. The second major element of this bill adds a new subsection to the law for the control of a broad range of toxic air pollutants. These are substances which the Congress identified as of high concern when we reauthorized the Superfund Program last year. For these substances—of which there are approximately 300—we will depart from the pollutant-by-pollutant approach to regulate directly the sources of air emissions of these substances. Major sources of these pollutants will be required to install best available control technology to reduce emissions. Major sources are generally chemical plants, oil refineries, treatment facilities, and other large plants and manufacturing units.

In addition EPA will be taking action to reduce the emission of toxic air pollutants from the smaller sources—the woodstoves, service stations, and solvent cleaning operations—which contribute substantial amounts of these chemicals to the air pollution problems of our cities and suburbs. The objective established by this act is to reduce the emission of air toxics from these "area sources" by 55 percent over the next 10 years.

The third major element of this bill addresses the extremely hazardous substances which when released in chemical accidents can cause acute illness and even immediate death to those who are exposed. This bill includes several provisions to reduce the likelihood of chemical accidents and to establish countermeasures which will mitigate the extent of the damage from those events which nevertheless do occur. These provisions include requirements that chemical plants prepare hazard assessments, authorize a new chemical safety and hazards investigations board, require the owners and operators of plants where extremely hazardous substances are present to conduct safety audits, and provide EPA authority to promulgate regulations with an objective of preventing all releases of these materials.

Mr. President, I might say that these new accident prevention provisions build on authorities which the Congress created in the Superfund law last year when it adopted the Emergency Planning and Community Right-to-Know Act of 1986. That is principally an informational statute. This bill tries to use that information to identify steps that will reduce risks and mitigate the consequences where accidents do occur. It is our firm intention to coordinate this bill with that 1986 law and we will appreciate the advice and counsel of all those interested in these questions as to how we might better assure that coordination.

Mr. President, the fourth major element of this bill is an authorization of a definite and full partnership role for the agencies of State and local government in the control of toxic air pollutants. This bill for the first time provides that the authorities given to EPA in section 112—including the new authorities established here—can be delegated to the States and be administered in cooperation with EPA. State programs will be supported by grants for that purpose. States may take delegation for the control of hazardous or toxic air pollutants and for the prevention of releases of extremely toxic substances. State agencies may run all three or any individual element of this mix in a partially delegated program.

The Committee on Environment and Public Works is moving toward markup of legislation to amend and reauthorize the Clean Air Act including amendments to control acid rain and to respond to the nonattainment problem which is developing under existing law. It is the hope of the authors of this bill that the committee will also consider the issue of air toxics in preparing and reporting that reauthorization legislation. There will be a hearing on this bill in the Environmental Protection Subcommittee on Friday morning of this week. We expect to have thorough review and discussion of this legislation before it is considered in markup sessions and we invite all those interested to share their views in an open and cooperative atmosphere which will best facilitate an effective legislative product.

Mr. President, I would ask that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1384

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SEC. 1. This bill may be cited as the "Toxic Air Pollution Control Act of 1987".

SEC. 2. Section 112 of the Clean Air Act (42 U.S.C. 7412) is amended to read as follows:

NATIONAL EMISSION STANDARDS FOR HAZARDOUS AND TOXIC AIR POLLUTANTS

SEC. 112. (a) PURPOSE.—It is the purpose of this section to establish standards, regulations and requirements that will protect human health and the environment from exposure to hazardous air pollutants, control the release of toxic air pollutants and prevent the release of extremely hazardous substances into the air and to authorize and require the Administrator of the Environmental Protection Agency to take appropriate regulatory and other actions to protect human health and the environment from injury or damage that may result from the emission of air pollutants.

[a] (b) DEFINITIONS.—For purposes of this section—

(1) The term "hazardous air pollutant" means an air pollutant which in the judgment of the Administrator causes, or contributes to, air pollution which may reasonably be anticipated to result in—

(A) an increase in mortality or an increase in serious irreversible, or incapacitating reversible, illness (including, but not limited to, substances which are carcinogenic, mutagenic, teratogenic, neurotoxic, which cause reproductive dysfunction, or which are acutely or chronically toxic, whether individually or by reason of cumulative or synergistic effects), or

(B) adverse effects to the environment including disruption of climatic or atmospheric processes or which through ambient concentrations, deposition or bioaccumulation may cause injury to or loss of wildlife, aquatic life or damage to other natural resources except air pollutants the environmental effects of which are subject to mitigation pursuant to part E of this Act or other air pollutants for which the Congress explicitly establishes a control program in lieu of this section.

(2) The term "new source" means a stationary source the construction or modification of which is commenced after the Administrator proposes regulations under this section establishing an emission standard which will be applicable to such source.

(3) The term "best available control technology" means an emission limitation (including a prohibition of emissions, if achievable) based on the maximum degree of reduction of emissions of a pollutant emitted from or which results from any source within a category to which the limitation applies which the Administrator (or a State acting pursuant to the authorities of subsection (f)) determines is achievable for sources in such category through application of measures, processes, methods, systems or techniques including, but not limited to, measures which—

(A) reduce the volume of such pollutants through process changes, substitution of materials or other modifications,

(B) enclose systems or processes to eliminate emissions, or

(C) collect, capture or treat such pollutants when released from a process, stack, storage or fugitive emissions point.

In determining the "best available control technology" which is achievable by a category or subcategory of major sources, the Administrator (or a State acting pursuant to a program approved under subsection (f)) shall review the emission limitations achieved in practice or contained in a permit for sources of a similar size, type and class and shall identify the most stringent of such emission limitations. An emission limitation based on the application of "best available control technology" under this section shall be no less stringent than the most stringent limitation identified pursuant to the previous sentence.

(4) The term "major source" means any stationary source (including all emissions points and units of such source located within a contiguous area and under common control) of air pollutants which emits, or has the potential to emit, ten tons per year or more of any air pollutant or combination of air pollutants which have been listed pursuant to subsection (d).

(5) The term "area source" means any stationary or mobile source of air pollutants which is not a major source and which emits, or has the potential to emit, any air pollutant or pollutants which have been listed pursuant to subsection (d) which is emitted into the air in measurable amounts.

(6) The term "toxic air pollutant" means any chemical or substance subject to the requirement of section 313 of the Emergency Planning and Community Right-to-Know Act of 1986 and which is emitted into the air.

(7) The term "stationary source" means any facility or installation or unit of such facility or installation which emits or may emit any air pollutant.

(8) The terms "modification," "owner or operator," and "existing source" shall have the same meaning as such terms have under section 111(a).

(c) HAZARDOUS AIR POLLUTANTS.—

(1) LISTING AND STANDARDS.—

(A) The Administrator shall, within 90 days after the date of enactment of the Clean Air Amendments of 1970, publish (and from time to time thereafter revise) a list which includes each hazardous air pollutant for which the Administrator shall establish an emission standard under this subsection and identifies the categories of sources which emit each such pollutant in more than de minimis amounts. The list shall include arsenic, asbestos, benzene, beryllium, coke oven emissions, mercury, radionuclides, vinyl chloride, acrylonitrile, butadiene, cadmium, carbon tetrachloride, chloroform, chromium, ethylene dichloride, ethylene oxide, methylene chloride, perchloroethylene and trichloroethylene. The Administrator shall add any air pollutant to the list established by this subparagraph (whether or not the Administrator has information with respect to such air pollutant sufficient to establish a specific emission standard) whenever available evidence indicates that, without further regulation of the sources of such air pollutant—

(i) the most exposed persons may be exposed to such pollutant in ambient concentrations which may exceed the threshold for adverse health effects,

(ii) (for non-threshold pollutants) the most exposed persons may be exposed to ambient concentrations of such pollutant which may present more than a negligible risk of adverse health effects, or

(iii) significant adverse effects to the environment are likely to occur as a result of ambient concentrations, deposition or bioaccumulation of such pollutant.

(B) The Administrator shall assess the health and environmental effects of various air pollutants or classes of air pollutants to determine whether nor not such pollutants meet the criteria for listing established by subparagraph (A).

(i) The Administrator shall conduct assessments for air pollutants or classes of pollutants and shall, to the extent practicable, complete each assessment within a two-year period. Each year the Administrator shall publish and take comment on the list of pollutants which are candidates for assessment in the following year.

(ii) In selecting the pollutants which are to be subject to assessments under this subsection, the Administrator shall first consider those pollutants which are listed pursuant to sections 302 and 313 of the Emergency Planning and Community Right-to-Know Act of 1986 and other substances which are proposed for inclusion on such lists.

(iii) The National Toxicology Program through its Director, shall make recommendations to the Administrator as may be appropriate with respect to air pollutants which should be subject to assessment pursuant to this subparagraph.

(iv) The Administrator shall submit preliminary results from each assessment to the Science Advisory Board for review and comment before publishing the assessment in final form. The Board shall respond, as it deems appropriate, but in no event shall the Board's review delay the completion of any assessment under this subparagraph.

(v) At the conclusion of the two-year period the Administrator shall publish a determination that—

(I) the air pollutant is a hazardous air pollutant as defined in section 112(b)(1),

(II) the air pollutant is not a hazardous air pollutant as defined in section 112(b)(1), or

(III) there is insufficient information to determine whether the air pollutant is a hazardous air pollutant.

Such determination shall be made after opportunity for comment from interested parties. The Administrator shall establish a docket for such substance identified under clause (i) in a manner comparable to that provided in sections 307(d) (2), (3), (4) and (5). Such determination shall be published together with a statement of the basis for such determination and an identification of the information available to the Administrator at the time of the determination. A determination pursuant to subclause (II) is a final Agency action. If, with respect to any pollutant or class of pollutants, the Administrator determines that there is insufficient information pursuant to subclause (III), the Administrator shall by rule, after notice and opportunity for public comment, establish a research program to collect the necessary information and a date (no later than three years after the date of the initial determination) on which a further determination will be made. The Administrator may require the owners and operators of facilities which emit the pollutant to conduct the necessary research and such owners and operators shall be liable to the United States for the costs of such research.

(vi) The identification of a substance or material under paragraph (i) shall not be deemed a presumption that such substance or material is a toxic or hazardous air pollutant.

(C) Any person may petition the Administrator to list a substance under subparagraph (B). Within 180 days after the receipt of such petition the Administrator shall either grant such petition or publish a written explanation of why the petition should not be granted. If the Administrator grants the petition, the substance shall be included on the list of substances under subparagraph (B) for which an assessment will commence in the following year.

(D) At the time of inclusion of any air pollutant on the list established by subparagraph (A), the Administrator shall publish and take public comment on, a schedule for the proposal and promulgation of regulations establishing an emission standard or standards for such pollutant. The schedule shall provide for the promulgation of such standard or standards as expeditiously as practicable but in no event later than 36 months after the date on which such pollutant is listed. At least 180 days before promulgating any emission standards, the Administrator shall publish a proposed standard together with a notice for public hearings.

(E) Not later than 36 months after the inclusion of any air pollutant on the list established by subparagraph (A), the Administrator shall promulgate an emission standard or standards for such pollutant for all categories of sources listed pursuant to subparagraph (A), unless the Administrator finds, on the basis of information included in the docket, that such pollutant clearly is not a hazardous air pollutant. The emission standard or standards shall be set at a level at which no known or anticipated adverse effect on the health of persons occurs including an ample margin of safety unless a more stringent standard is required to protect the environment. No consideration of costs, economic, energy or other factors or technological feasibility shall be included in the determination of the appropriate level for any emission standard under this subsection.

(F) Any emission standard established pursuant to this subsection shall become effective upon promulgation and, with respect to new sources, shall apply to such sources the construction or modification of which was commenced after the date on which such standard was proposed.

(2) INFORMATION AND GUIDANCE.—The Administrator shall, from time to time, issue information on pollution control techniques for air pollutants subject to the provisions of this subsection.

(3) PROHIBITIONS.—

(A) After the effective date of any emission standard under this subsection—

(i) no person may construct any new source or modify any existing source which, in the Administrator's judgment (or the judgment of a State acting pursuant to a program approved under subsection (f)), will emit an air pollutant to which such standard applies, unless the Administrator (or the State) finds that such source, if properly operated, will not cause emissions in violation of such standard and establishes such requirements as are necessary to assure proper operation of such source, and

(ii) no air pollutant to which such standard applies may be emitted from any stationary source in violation of such standard, except that in the case of an existing source

(I) the Administrator (or a State acting pursuant to a program approved under subsection (f)) shall, after notice and opportunity for public comment, establish a compliance date or dates for each category of existing sources, which shall provide for compliance as expeditiously as practicable, but in no event later than two years after the effective date of such standard, and

(II) in the case of a pollutant for which there is no health effects threshold, the Administrator (or a State acting pursuant to a program approved under subsection (f)) may exempt a particular existing source or category of existing sources from compliance with the standard for not to exceed 10 years if the Administrator (or the State) determines based on specific information submitted and placed in the docket that owners or operators of such source or sources would experience extraordinary economic hardship in compliance with such standard and requires that such source or category of sources comply with an alternative emission limitation which would result from the application of best available control technology for that pollutant and category and that after compliance with such alternative emission limitation the maximum exposed persons will not be exposed to ambient concentrations of the pollutant which result from emissions from the source at levels which present more than a negligible risk of adverse health effects.

The owner or operator of each source of air pollutants subject to an emission standard under this subsection shall certify in a written statement submitted to the Administrator (or to a State acting pursuant to a program approved under subsection (f)) that such facility is in compliance with the standard on and after the effective date.

(B) The President may exempt any stationary source from compliance with subparagraph (A) for a period of not more than two years if the President finds that the technology to implement such standards is not available and the operation of such source is required for reasons of national security. An exemption under this subparagraph may be extended for one or more additional periods, each period not to exceed two years. The President shall make a report to Congress with respect to each exemption (or extension thereof) made under this subparagraph.

(4) EXCEPTION.—

(A) For purposes of this subsection, if in the judgment of the Administrator it is not feasible to prescribe or enforce an emission standard for control of a hazardous air pollutant or pollutants, the Administrator may instead promulgate a design, equipment, work practice, or operational standard, or combination thereof, which in the Administrator's judgment is adequate to protect public health and the environment from any known or anticipated adverse effect from such pollutant or pollutants with an ample margin of safety. No consideration of costs or economy, energy or other factors shall be included in the determination of the appropriate level for any standard under this paragraph. In the event the Administrator promulgates a design or equipment standard under this subsection, such standard shall include requirements which will assure the proper operation and maintenance of any such element of design or equipment.

(B) For the purpose of this paragraph, the phrase "not feasible to prescribe or enforce an emission standard" means any situation in which the Administrator determines that—

(i) a hazardous air pollutant or pollutants cannot be emitted through a conveyance designed and constructed to emit or capture such pollutant, or that any requirement for, or use of, such conveyance would be inconsistent with any Federal, State, or local law, or

(ii) the application of measurement methodology to a particular class of sources is not practicable due to technological or economic limitations.

(C) If after notice and opportunity for public hearing, any person establishes to the satisfaction of the Administrator that an alternative means of emission limitation will achieve a reduction in emissions of any hazardous air pollutant at least equivalent to the reduction in emissions of such hazardous air pollutant achieved under the requirements of subparagraph (A), the Administrator shall permit the use of such alternative by the source for purposes of compliance with this subsection with respect to such pollutant.

(D) Any standard promulgated under subparagraph (A) shall be promulgated in terms of an emission standard whenever it becomes feasible to promulgate and enforce such standard in such terms.

(E) Any design, equipment, work practice, or operations standard, or any combination thereof, described in this paragraph shall be treated as an emission standard for purposes of the provisions of this Act (other than the provisions of this paragraph).

(d) Toxic Air Pollutants.—

(1) In general.—In emissions of any hazardous air pollutant at least equivalent to the reduction in emissions of such hazardous air pollutant achieved under the requirements of subparagraph (A), the Administrator shall permit the use of such alternative by the source for purposes of compliance with this subsection with respect to such pollutant.

(D) Any standard promulgated under subparagraph (A) shall be promulgated in terms of an emission standard whenever it becomes feasible to promulgate and enforce such standard in such terms.

(E) Any design, equipment, work practice, or operations standard, or any combination thereof, described in this paragraph shall be treated as an emission standard for purposes of the provisions of this Act (other than the provisions of this paragraph).

(d) Toxic Air Pollutants.—

(1) In general.—

(A) List of toxic air pollutants.—There is hereby established a list of toxic air pollutants which shall include, but not be limited to, each chemical or substance subject to the requirements of section 313 of the Emergency Planning and Community Right-to-Know Act of 1986 which is emitted into the not deny a petition on the basis of inadequate resources or time for review.

(C) Delisting.—With respect to requirements that may be imposed under paragraph (2) or (3), any person may petition the Administrator to remove a particular toxic air pollutant from the list of pollutants established pursuant to subparagraphs (A) and (B) and the Administrator shall remove such pollutant from the list upon a showing that there is complete, valid and adequate data on the health and environmental effects of such pollutant and that—

(i) the pollutant will not cause any adverse effect on the health of persons or the environment; or

(ii) the threshold for adverse health or environmental effects caused by the pollutant is substantially above the emissions limitation which would result from the application of best available control technology and compliance with the standard would impose extraordinary economic costs on the owners or operators of major sources of such pollutant.

If the Administrator determines that it is appropriate to remove a pollutant from the list pursuant to a showing under clause (ii), the Administrator shall, simultaneous with such removal, establish an emission limitation for such pollutant which, in the Administrator's judgment, is adequate to protect human health and the environment with an adequate margin of safety and which shall apply to all major sources of such pollutant in lieu of a standard established under paragraph (2). Any pollutant which is removed from the list pursuant to a showing under clause (ii), shall remain on the list with respect to actions taken and requirements imposed under paragraph (3).

(2) Major sources.—

(A) Major source categories.—The Administrator shall publish (and from time to time revise) a list of categories of all major sources which emit toxic air pollutants listed pursuant to this subsection. The categories and subcategories of major sources designated pursuant to this subparagraph shall, to the extent practicable, be consistent with the source categories established pursuant to subsection (c), section 111 (with respect to new source performance standards) and part C (with respect to prevention of significant deterioration) of this Act. The categories and subcategories listed shall include, but not be limited to, synthetic organic chemical manufacturing plants; petroleum refineries; treatment, storage and disposal facilities for hazardous and solid waste; publicly owned treatment works; industrial wastewater treatment facilities; and facilities burning used oil.

(B) Standards.—The Administrator shall promulgate an emission standard or standards for each category or subcategory of toxic air pollutants which shall assure that all major sources of toxic air pollutants will achieve a degree of emissions reduction at least equivalent to that which would be achieved if the source employed best available control technology to reduce the emissions of such pollutants. To the maximum extent practicable the Administrator shall establish such standards by identifying best available control technology for classes of pollutants using the generic classes listed at 52 Federal Register 21168. The Administrator shall from time to time (but not less often than every five years) review and revise the emission standards established pursuant to this paragraph in light of improvements in the emissions reduction potential of available control technologies.

(C) Compliance schedule.—After the date of promulgation of any emission standard for a category or subcategory of major sources under this paragraph—

(i) no person may construct any new major source or modify any existing major source which, in the judgment of the Administrator (or a State acting pursuant to a program approved under subsection (f)), will emit a toxic air pollutant, unless the Administrator (or the State) find that such source if properly operated will not cause violations of such standard and establishes such requirements as are necessary to assure proper operation of such source, and

(ii) no toxic air pollutant may be emitted from any major source in violation of such standard, except that in the case of an existing source the Administrator (or a State acting pursuant to a program approved under subsection (f)) shall establish a compliance date or dates for each category of existing sources, which shall provide for compliance as expeditiously as practicable, but in no event later than three years after the effective date of such standard. The Administrator may grant a waiver permitting an existing source a period of up to two additional years after the compliance date established under this clause to comply with the standard, if the Administrator finds that such a period is necessary for the installation of controls and that steps will be taken during the period of the waiver to assure that the health of persons will be protected from imminent endangerment.

(D) Schedule for promulgation.—

(i) Not later than 12 months after the date of enactment of this subsection, the Administrator shall list under subparagraph (A) the categories and subcategories of sources which emit toxic air pollutants. The Administrator shall promulgate regulations establishing emissions standards for such sources as expeditiously as practicable assuring that standards for 25% of such categories or subcategories shall be established no later than three years after the date of enactment of this Act and that standards for an additional 25% of such categories or subcategories shall be established no later than five years after the date of enactment of this Act. Emissions standards for all categories and subcategories shall be effective not later than ten years after the date of enactment of this Act.

(ii) In determining priorities for promulgating standards for categories and subcategories of major sources for the purpose of clause (i), the Administrator shall consider—

(I) the quantity of toxic air pollutants that each such category or subcategory will emit;

(II) the known or anticipated adverse effects of such pollutants emitted on human health and the enviornment; and

(III) the exposure to and location of sources of such pollutants and the consequent urgency of a national standard.

(E) Other applicable requirements.—In no event shall application of "best available control technology" in setting standards for major sources under this paragraph result in emissions for a source of any air pollutant which will exceed the emissions allowed by any applicable standard established for new sources pursuant to section 111 (including new source performance standards), for prevention of significant deterioration established pursuant to part C (including best available control technology requirements), or for nonattainment areas established pursuant to part D (including lowest achievable emission rates and reasonably available control technology requirements) of this Act or any permit issued by a State which is applicable to emissions from a particular source.

(3) Area sources.—

(A) Area source categories.—The Administrator shall publish (and from time to time revise) a list of all categories of area sources which emit the toxic air pollutants listed pursuant to this subsection. At the time any category of area sources is listed, the Administrator shall also publish a detailed estimate of the total quantity of toxic air pollutants emitted by such category of sources in calendar year 1988. The categories of area sources listed shall include, but not be limited to degreasing and solvent cleaning operations; pesticide applications; wood combustors; other small combustion units; gasoline marketing;' mobile sources; and materials transportation.

(B) Objective.—it shall be the objective of this paragraph to reduce emissions of toxic air pollutants from area sources by an amount not less than 25% of 1988 emissions not later than four years after the date of enactment of this subsection. It shall be a further objective of this subsection to reduce emissions of toxic air pollutants from area sources by an amount not less than 10% of 1988 emissions during each of three two-year periods following the initial reduction for a total reduction of 55% of 1988 emissions of toxic air pollutants after the date of enactment of this subsection.

(C) REQUIREMENTS.—To achieve the objectives established by subparagraph (B), the Administrator shall use the authorities of this Act, the Toxic Substances Control Act, the Federal insecticide, Fungicide and Rodenticide Act, the Solid Waste Disposal Act and other appropriate Federal statutes administered by the Environmental Protection Agency to establish emission standards, regulations and other requirements applicable to area sources of toxic air pollutants. The Administrator may promulgate an emission standard or standards for toxic air pollutants applicable to any category or subcategory of area source requiring each source (including both new and existing sources) in the category or subcategory to achieve a degree of emissions reduction at least equivalent to that which would be achieved if the source employed reasonably available control technology to reduce emissions of such pollutants. The Administrator may use the authorities of section 111 of this Act to require that new sources in any category comply with emissions standards as provided in such section or a degree of emissions reduction equivalent to that which would be achieved if new sources in the category employed best available control technology. The Administrator may promulgate a design, equipment, work practice, or operational standard, or combination thereof, including requirements which will assure the proper operation and maintenance of any such element of design or equipment, applicable to any new or existing source in any category or subcategory of area sources which emit significant amounts of the toxic air pollutants listed pursuant to this subsection.

(e) EXTREMELY HAZARDOUS AIR POLLUTANTS.—

(1) OBJECTIVE.—It shall be the objective of the regulations and programs authorized under this subsection to prevent the release to the air and to minimize the consequences of any accidental release of any extremely hazardous air pollutant listed pursuant to paragraphs (2)(A) or (3)(A). The owners and operators of facilities producing, processing, handling or storing extremely hazardous substances have a general duty to design and maintain a safe facility taking such steps as are necessary to prevent releases and to minimize the consequence of accidental release which do occur.

(2) SUDDEN RELEASES.—

(A) LIST OF EXTREMELY HAZARDOUS AIR POLLUTANTS SUBJECT TO SUDDEN RELEASE.—Within 30 days after the enactment of this subsection, the Administrator shall publish a list of extremely hazardous substances which may, as the result of sudden events, be released as air pollutants in concentrations that may reasonably be anticipated to cause acute toxic effects in humans. The list shall be drawn from, but not be limited to, those substances on the list required by section 302 of the Emergency Planning and Community Right-to-Know Act of 1986. The Administrator shall from time to time (but not less often than every five years) review and revise the list established by this paragraph adding substances which, as a result of sudden events, may be released as air pollutants in concentrations that may reasonably be anticipated to cause acute toxic effects in humans.

(B) HAZARD ASSESSMENT.—

(i) Not later than 18 months after the date of enactment of this subsection (or 12 months after a substance is listed under subparagraph (A) whichever is later), the owner or operator of each facility at which a substance listed pursuant to subparagraph (A) is present shall conduct and complete a hazard assessment for each extremely hazardous air pollutant present at the facility. The purpose of such assessments shall be to anticipate the consequences of a range (including worst case events) of accidental releases of extremely hazardous air pollutants from the facility and to provide information that may aid in the prevention or mitigation of or response to such accidental release.

(ii) The hazard assessments required by this subparagraph shall include, but not be limited to, the following elements—

(I) basic data on the facility, units at the facility which contain or process extremely hazardous air pollutants (including the longitude and latitude of such units), facility operating procedures, population of the nearby communities, and the meteorology of the area where the facility is located;

(II) an identification of the potential sources of release of extremely hazardous air pollutants;

(III) an identification of any previous releases including the amounts released, frequencies and durations;

(IV) an identification of a range (including worst case events) of potential releases including an estimate of the size, concentration and duration of such potential releases and a correlation of such factors with the distance from the source of release;

(V) a determination of potential exposure (including the concentration and duration of exposure) for all persons who may be put at risk as the result of a release;

(VI) a determination of the probability of exposure as the result of various release scenarios including consideration of meteorological factors;

(VII) information of the toxicity of the extremely hazardous air pollutants present at the facility;

(VIII) a review of the efficacy of various release prevention and control measures; and

(IX) a sensitivity analysis with respect to the uncertainties and assumptions incorporated in the hazard assessment.

(iii) Each hazard assessment prepared pursuant to this subparagraph shall be updated biennially.

(iv) Hazard assessments prepared pursuant to the requirements of this subparagraph shall be available to the Administrator, to the Chemical Safety and Hazards Investigations Board, to the State in which the facility is located, to any local emergency planning entity or public safety agency having responsibility for planning or response with respect to releases which may occur from such facility, and to the public subject to the conditions of sections 322, 323 and 324 of the Emergency Planning and Community Right-to-Know Act of 1986.

(v) Not later than 12 months after the date of enactment of this subparagraph, the Administrator shall publish guidance with respect to the preparation of hazard assessments as required by this subsection. As a part of such guidance, the Administrator may collect and publish information on accident scenarios and consequences covering a range of possible events for various extremely hazardous air pollutants. The administrator shall establish a program of long-term research to develop and disseminate information on methods and techniques of hazard assessment which may be useful in improving and validating the procedures employed in the preparation of hazard assessments under this subparagraph.

(C) INVESTIGATION CAPACITY.—

(i) There is hereby established within the Environmental Protection Agency an independent safety board to be known as the Chemical Safety and Hazards Investigations Board.

(ii) The board shall consist of five members including a chairperson who shall be appointed by the President, by and with the advice and consent of the Senate. The other four members of the Board shall be appointed by the Administrator of the Environmental Protection Agency and may be selected from individuals in private life, or designated from the staff of the Agency or other agencies of the United States. At any given time, no less than three members of the Board shall be individuals who have been appointed on the basis of technical qualification, professional standing, and demonstrated knowledge in the fields of accident reconstruction, safety engineering, human factors, chemical safety, toxicology or chemical regulation.

(iii) The terms of office of members of the Board shall be 5 years, except as otherwise provided in this clause. Any individual appointed to fill a vacancy occurring on the Board prior to the expiration of the term of office for which his or her predecessor was appointed shall be appointed for the remainder of the term. Upon the expiration of his or her term of office, a member shall continue to serve until his or her successor is appointed and shall have qualified. Any member of the board may be removed by the President for inefficiency, neglect of duty, or malfeasance in office.

(iv) The chairperson shall be the chief executive officer of the Board and shall exercise the executive and administrative functions of the Board with respect to the appointment and supervision of personnel employed by the Board; the distribution of business among such personnel and among administrative units of the Board; and the use and expenditure of funds. Subject to the civil service and classification laws, the Board is authorized to select, appoint, employ and fix the compensation of such officers and employees, including investigators, attorneys, and administrative law judges, as shall be necessary to carry out its powers and duties under this subtitle.

(v) THE BOARD SHALL—

(I) investigate (or cause to be investigated), and determine the facts, conditions, and circumstances and the cause or probable cause of any chemical spill or other accident involving the production, processing, handling or storage of chemical substances in which there is a fatality or substantial property damage;

(II) report in writing on the facts, conditions and circumstances of each accident investigated pursuant to subclause (I) and make such reports available to the public;

(III) issue periodic reports to the Congress, Federal, State and local agencies including the Environmental Protection Agency concerned with the safety of chemical production, processing, handling and storage, and other interested persons recommending and advocating meaningful responses to reduce the likelihood of recurrence or the consequences of chemical accidents of a similar nature to those investigated by the Board and proposing corrective steps to make chemical production, processing, handling and storage as safe and free from risk of injury as is possible;

(IV) recommend to the Administrator of the Environmental Protection Agency proposed rules and orders which should be issued under the authority of this subsection to prevent or minimize the consequence of the release of extremely hazardous substances as a result of sudden events;

(V) initiate and conduct special studies and special investigations on matters pertaining to the safety of chemical production, processing, handling and storage whether or not an accidental release has occurred where the Board has evidence which indicates the presence of a potential hazard or hazards;

(VI) assess and reassess techniques and methods of hazard assessment and prepare and publish from time to time recommended procedures for hazard assessment; and

(VII) establish by regulation requirements binding on persons for reporting accidents subject to the Board's investigatory jurisdiction under this subparagraph.

(vi) Whenever the Board submits a recommendation with respect to the safety of chemical production, processing, handling and storage to the Administrator, the Administrator shall respond to such recommendation formally and in writing not later than 180 days after receipt thereof. The response to the Board's recommendation by the Administrator shall indicate whether the Administrator will—

(I) initiate a rule-making or issue such order as are necessary to implement the recommendation in full, pursuant to any timetable contained in the recommendation;

(II) initiate a rule-making or issue such orders as are necessary to implement the recommendation in part; or

(III) refuse to initiate a rule-making or issue orders as recommended.

Any refusal by the Administrator to implement a recommendation of the Board in full or in part, including any variation from the schedule contained in the recommendation, shall be accompanied by a statement from the Administrator setting forth the reasons for such refusal.

(vii) The Board, or upon authority of the Board, any member thereof, any administrative law judge employed by or assigned to the Board, or any officer or employee duly designated by the Board, may, for the purpose of carrying out this subparagraph, hold such hearings, sit and act at such times and places, administer such oaths, and require by subpoena or otherwise attendance and testimony of such witnesses and the production of evidence as the Board or such officer or employee deems advisable.

(viii) The Board, or an officer or employee of the Board duly designated, may conduct an inquiry to secure data with respect to any matter pertinent to the safety of chemical production, processing, handling, and storage upon publication of notice of such inquiry in the Federal Register and may require by order that any person engaged in the production, processing, handling or storage of chemicals to submit written reports and responses to such requests and questions as are propounded with respect to any matter pertinent to the duties and functions of the Board. Such reports and responses shall be submitted to the Board within such time and in such form as the Board may require.

(ix) Any duly designated officer or employee of the Board, upon presenting appropriate credentials and a written notice of inspection authority, is authorized to enter any property wherein an extremely hazardous substance listed pursuant to subparagraph (A) is produced, processed, handled or stored and to do all things therein necessary for a proper investigation. Such officer or employee may inspect at reasonable times records, files, papers, processes, controls, and facilities and take such samples as are relevant to such investigation. Each inspection shall be commenced and completed with reasonable promptness and the results of such investigation made available.

(x) The Board is authorized to establish such procedural and administrative rules as are necessary to the exercise of its functions and duties.

(xi) The Board is authorized without regard to section 5 of title 41 of the United States Code to enter into such contracts, leases, cooperative agreements or other transactions as may be necessary in the conduct of the duties and functions of the Board with any other agency, institution, organization or person.

(xii) The Administrator shall provide to the Board such support and facilities as the Board determines it needs to carry out its functions.

(xiii) Whenever the Board submits or transmits any budget estimate, budget request, supplemental budget request, or other budget information, legislative recommendation, prepared testimony for congressional hearings, recommendation or study to the President, the Administrator or the Office of Management and Budget, it shall concurrently transmit a copy thereof to the Congress. No officer or agency of the United States shall have authority to require the Board to submit its budget requests or estimates, legislative recommendations, prepared testimony, comments, recommendations or reports to any officer or agency of the United States for approval or review prior to the submission of such recommendations, testimony, comments or reports to the Congress. In the performance of their functions as established by this Act, the members, officers and employees of the Board shall not be responsible to or subject to supervision or direction of any officer or employee or agent of any other part of the Environmental Protection Agency or any other agency of the United States except that the President may remove any member of the Board for inefficiency, neglect of duty or malfeasance in office.

(xiv) Copies of any communication, document, investigation, or other report, or information received or sent to the Board, or any member or employee of the Board, shall be made available to the public upon request, and at reasonable cost, except that the Board shall not disclose information obtained under this subparagraph which concerns or relates to a trade secret referred to in section 1905 of title 18 of the United States Code. Such trade secret information may be disclosed in a manner designed to preserve confidentiality—

(I) upon request, to other Federal Government departments and agencies for official use;

(II) upon request, to any committee of the Congress;

(III) in any judicial proceeding under a court order formulated to preserve the confidentiality of such information without impairing the proceedings; and

(IV) to the public in order to protect health and safety, after notice to any interested person to whom the information pertains and an opportunity for such person to comment on such proposed disclosure (but only if the delay resulting from such opportunity to comment would not be detrimental to health and safety).

(XV) The Board shall submit an annual report to the President and to the Congress which shall include, but not be limited to, information on accidents which have been investigated by or reported to the Board during the previous year, recommendations for legislative or administrative action which the Board has made, the actions which have been taken by the Administrator or the heads of other agencies to implement such recommendations, an identification of priorities for study and investigation in the succeeding year, progress in the development of risk reduction technologies and the response to and implementation of significant research findings on chemical safety in the public and private sector.

(xvi) There are authorized to be appropriated to carrry out the provisions of this subparagraph not to exceed $25,000,000 in each of the fiscal years ending September 30, 1988, 1989, 1990, 1991, and 1992.

(D) RELEASE DETECTION, PREVENTION AND CORRECTION REQUIREMENTS.—In order to prevent the release of extremely hazardous air pollutants from all devices and systems (including pumps, compressors, valves, flanges, connectors, containers, and vessels) from which there may be a release of any extremely hazardous air pollutant listed under subparagraph (A) due to sudden events, the Administrator shall promulgate release prevention, detection and correction requirements which may include monitoring, record-keeping, reporting, vapor recovery, secondary containment, and other design, equipment, work practice, and operational requirements which shall be applicable to all such devices and systems which are located at a facility which manufactures, stores or processes any extremely hazardous air pollutant listed pursuant to subparagraph (A).

(E) ORDER AUTHORITY.—

(i) In addition to any other action taken, when the Administrator determines that there may be an imminent and substantial endangerment to the public health or welfare or the environment because of an actual or threatened release of an extremely hazardous air pollutant from a facility, the Administrator may secure such relief as may be necessary to abate such danger or threat, and the district court of the United States in the district in which the threat occurs shall have jurisdiction to grant such relief as the public interest and the equities of the case may require. The Administrator may also, after notice to the State in which the facility is located, take other action under this subsection including, but not limited to, issuing such orders as may be necessary to protect human health and welfare and the environment.

(ii) Any person who willfully violates, or fails or refuses to comply with, any order of the Administrator under clause (i) may, in an action brought in the appropriate United States district court to enforce such order, be fined not more than $25,000 for each day in which such violation occurs or failure to comply continues.

(iii) Within 180 days after enactment of this subsection, the Administrator shall publish guidance for using the order authorities established by this subparagrah. Such guidance shall provide for coordination with other authorities under this Act, the Comprehensive Environmental Response, Compensation and Liability Act, the

Federal Water Pollution Control Act, the Solid Waste Disposal Act, and the Toxic Substances Control Act which are available for response to such releases or threatened releases.

(3) Non-Sudden and episodic releases.—

(A) List of extremely hazardous air pollutants subject to non-sudden and episodic release.—Within 30 days after enactment of this subsection, the Administrator shall publish a list of extremely hazardous substances which may, as a result of non-sudden or episodic events, be released as air pollutants in concentrations that may be reasonably anticipated to cause acute or chronic adverse health effects in humans. The list shall be drawn from, but not be limited to, those substances on the list required by section 302 of the Emergency Planning and Community Right-to-Know Act of 1986. The Administrator shall from time to time (but not less often than every five years) review and revise the list established by this paragraph.

(B) Audits and safety inspections.—The owner or operator of any facility or device from which there may be a release of an extremely hazardous air pollutant as a result of non-sudden and episodic events shall be required under regulations issued pursuant to this subsection to carry out an annual audit and safety inspection of such facility or device. The purpose of such audit and investigation shall be to locate and correct all leaks and other routine or episodic releases of any extremely hazardous air pollutant listed under subparagraph (A). The results of such inspection and the results of any other safety inspection, survey or audit carried out with respect to the facility or device shall be available to the Administrator, to the State in which the facility or device is located, to any local emergency planning entity or public safety agency with responsibility to plan for or respond to releases from the facility, and to the public consistent with the provisions of sections 322, 323 and 324 of the Emergency Planning and Community Right-to-Know Act of 1986.

(C) Release detection, prevention and correction requirements.—In order to prevent the release of extremely hazardous air pollutants listed pursuant to subparagraph (A) from all devices and systems (including pumps, compressors, valves, flanges, connectors, containers and vessels) from which there may be a release of such pollutants due to non-sudden or episodic events, the Administrator shall promulgate leak prevention, detection and correction requirements which may include monitoring, record-keeping, reporting, vapor recovery, secondary containment, and other design, equipment, work practice and operational requirements which shall be applicable to all such devices and systems which are located at a facility which manufactures, stores or processes any such pollutant and which shall be adequate to assure the protection of human health and the environment.

(3) Penalties.—Regulations promulgated pursuant to this subsection shall include penalties for the release of extremely hazardous air pollutants and the owner or operator of any facility or device which experiences any release, whether sudden or non-sudden, shall be liable to the United States for the payment of such penalties. The penalty with respect to any particular release shall be not less than $5 per pound of the extremely hazardous air pollutant released to the air and shall otherwise be determined under a formula established by the Administrator. In establishing the formula, the Administrator may consider factors including, but not limited to, the following—

(A) the specific pollutant that is released and its relative toxicity; and

(B) the class or category of the facility or device from which the substance was released.

The formula shall provide for increases in the amount of the penalty scheduled periodically and in relation to the quantity of cumulative releases from any one facility in order to create incentives for owners and operators to take all measures which will prevent releases.

(f) State Programs.—

(1) In general.—Each State may develop and submit to the Administrator for approval pursuant to this subsection a program for control of emission of toxic and hazardous air pollutants from stationary sources or for the prevention and mitigation of releases of extremely hazardous air pollutants from facilities in such State. A program submitted by a State under this subsection may provide for partial or complete delegation of the Administrator's authorities and responsibilities to control hazardous and toxic air pollutants and prevent the release of extremely hazardous air pollutants under subsections (c), (d) and (e) of this section. The Administrator may also delegate to a State the authority to enforce standards, regulations and requirements which the Administrator has established under such subsections.

(2) Guidance.—Not later than 12 months after the date of enactment of this paragraph, the Administrator shall publish guidance which would be useful to the States in developing toxic and hazardous air pollution control programs and programs to prevent and minimize the consequences of the release of extremely hazardous air pollutants. The guidance shall specify the procedures and standards to be used in establishing emissions standards for hazardous air pollutants, toxic air pollutants and other regulations and requirements applicable to the sources of such pollutants and to facilities which have the potential to emit extremely hazardous air pollutants. Such guidance shall at a minimum provide for permitting requirements for new and existing major sources of toxic air pollutants and all sources of hazardous air pollutants with emissions in more than de minimis amounts. The guidance shall also provide for the registration of all facilities producing processing, handling or storing any extremely hazardous air pollutant listed pursuant to subsection (e)(2)(A) or (e)(3)(A).

(3) Clearinghouse.—The Administrator shall establish and maintain an air toxics clearinghouse to provide technical assistance and information to the several States on measures, methods, practices and techniques effective in reducing the emission of toxic and hazardous air pollutants.

(4) Financial assistance.—Upon application of a State, the Administrator may make grants, subject to such terms and conditions as the Administrator deems appropriate, to such State for the purpose of assisting the State in developing and implementing a program or partial program to control the emissions of toxic and hazardous air pollutants or to prevent and minimize the consequences of any release of extremely hazardous air pollutants.

(5) Approval of state programs.—Not later than 180 days after receiving an air pollution control program or partial program submitted by a State pursuant to the provisions of paragraph (1), and after notice and opportunity for public comment, the Administrator shall either approve or disapprove the general procedures and authorities contained in such program. The Administrator shall disapprove any program submitted by a State, if the Administrator determines that—

(A) the authorities contained in such program or partial program are not adequate to assure compliance by all sources within the State with each standard, regulation or requirement established by the Administrator under this subsection (c), (d) or (e);

(B) adequate authority does not exist, or adequate resources are not available, to implement such program or partial program;

(C) the schedule for implementing such program or partial program and assuring compliance by affected sources is not sufficiently expeditious; or

(D) the program or partial program is otherwise not in compliance with guidance issued by the Administrator under paragraph (2) or is not likely to satisfy, in whole or in part, the objectives of this section.

If the Administrator disapproves a State program or partial program, the Administrator shall notify the State of any revisions or modifications necessary to obtain approval. The State may revise and resubmit the proposed program for review and approval pursuant to the provisions of this subsection. The Administrator shall not approve a State program or partial program that would establish a standard, regulation or requirement applicable to a source or category of sources of toxic or hazardous air pollutants or to a facility which produces, processes, handles or stores an extremely hazardous air pollutant which is less stringent than a standard, regulation or requirement issued by the Administrator under this section and which would be applicable to the same sources or facilities.

(6) Withdrawal of Approval.—Whenever the Administrator determines after public hearing that a State is not administering and enforcing a program or partial program approved pursuant to this subsection in accordance with the guidance published pursuant to paragraph (2) or the requirements of paragraph (5), the Administrator shall so notify the State and, if appropriate action is not taken within 90 days, the Administrator shall withdraw approval of such program or partial program. The Administrator shall not withdraw approval of any program or partial program unless the State shall have been notified and the reasons for withdrawal shall have been stated in writing and made public.

(7) Savings clause.—Nothing in this subsection shall prohibit the Administrator from enforcing any applicable emission standard under this section.

(g) Monitoring Requirements.—For the purposes of developing or assisting in the development of any standard, requirement or regulation, conducting any study, or enforcing the provisions of this section, the Administrator may require the owner or operator of any facility which emits hazardous or toxic air pollutants or which produces, processes, handles or stores any extremely hazardous air pollutant listed pursuant to subsection (e)(2)(A) or (e)(3)(A) to monitor for the presence of such pollutant in the emissions (both point and nonpoint) from such source and in the ambient air within the vicinity of the facility, to install and maintain leak detection systems and to keep such records and make such reports on the results of monitoring and leak detection as are necessary to discharge the duties and responsibilities assigned to the Administrator by this section.

(h) RESEARCH.—The Administrator shall conduct a program of research, studies and investigations with respect to the sources, effects and control of toxic and hazardous air pollutants. In conducting such program the Administrator may encourage, cooperate with, and render financial and other assistance to appropriate public authorities, agencies, and institutions and private agencies and institutions in the conduct of research investigations, experiments, training, demonstrations, surveys, public education programs, and studies relating to the sources, effects and control of emissions of toxic and hazardous air pollutants. In carrying out the activities authorized by this subsection the Administrator shall give high priority to—

(1) research with respect to the health and environmental effects caused by the release, concentration, deposition and bioaccumulation of toxic and hazardous air pollutants;

(2) studies, surveys and investigations with respect to the exposure of persons to toxic and hazardous air pollutants;

(3) studies and investigations of atmospheric processes that may affect the fate and transport of toxic and hazardous air pollutants after emission from a source;

(4) methods and techniques for analyzing air samples for the presence and quantification of toxic or hazardous air pollutants;

(5) methods and techniques for monitoring ambient air quality and emissions from specific sources of toxic or hazardous air pollutants to detect and quantify the presence of such pollutants;

(6) methods and techniques for controlling emissions, whether intentional or unintentional, from sources or potential sources of toxic or hazardous air pollutants; and

(7) the development of methods and techniques effective in reducing the quantity or toxicity of materials used in processes or activities which give rise to the emission of toxic or hazardous air pollutants.

SEC. 3. Section 105(a)(1) of the Clean Air Act (42 U.S.C. 7405) is amended by adding the following new subparagraph:

"(D) The Administrator may make grants to air pollution control agencies in an amount up to two-thirds of the cost of planning, developing, establishing, or improving, and up to one-half the cost of maintaining, programs for the control of emissions of toxic air pollutants, if the State program is approved pursuant to section 112(f) of this Act. There are authorized to be appropriated $35,000,000 in each of the fiscal years ending September 30, 1988, 1989, 1990, 1991 and 1992 to carry out the purposes of this subparagraph and section 112(f) of this Act."

SEC. 4. No amendment to section 112 of the Clean Air Act (42 U.S.C. 7412) made by this Act shall affect any emission standard for a hazardous air pollutant which has been previously promulgated.

● Mr. LAUTENBERG. Mr. President, I am pleased to join Senator DURENBERGER in introducing this measure today to regulate hazardous and toxic air pollutants.

This bill responds to a disgraceful failure of the Environmental Protection Agency to regulate releases of these substances. In 1970 section 112 was included in the Clean Air Act. Its purpose was to address the problem of highly toxic air pollutants. To date EPA has promulgated regulations for only seven of these substances. Yet there may be hundreds of these pollutants.

This failure by EPA exposes citizens in New Jersey and throughout the country to risks of cancer, respiratory problems, and other serious illnesses. Congress cannot stand by and let these toxic chemicals continue to pour into the air we and our children breathe.

According to EPA's May 1985 air toxics studies, cancer risks due to the 15 to 45 toxic air pollutants EPA analyzed ranged from 1,300 to 1,700 cases of cancer annually. New Jersey's Department of Environmental Protection indicates that for 10 toxic substances it has monitored, about 4.5 million tons are released in our State annually.

It's time to act to protect citizens of New Jersey and across the country. It's time to move ahead. A first step was the enactment of the right to know provisions I sponsored in the Superfund amendments last year. These provisions put in place emergency planning, notification, and emissions reporting requirements for dangerous substances. They will help prevent and reduce the risks of emergency releases, and provide additional information on the sources and types of toxics being emitted into the environment on a daily basis.

A second step we should take is to get an emissions control program up and running. The bill does this in several ways. First, it improves section 112 of the Clean Air Act. The bill closes the loopholes in the current law that EPA has used to avoid taking action. It also sets up a schedule for Agency action, to push along the decision to regulate dangerous pollutants under section 112.

A second component of the bill is a toxics safety net. The bill phases in over 10 years strong technology based emissions standards for the so-called major sources of toxic pollutants. The basis for the safety net is the list of chemicals currently regulated under section 313 of the Emergency Planning and Community Right to Know Act, which I sponsored in the last Congress.

The measure also seeks to reduce emissions from so-called area sources of the section 313 chemicals. It calls for a phased-in reduction of these air pollutants of 55 percent over 10 years. EPA has found that as much as 75 percent of the toxics problem comes from these smaller sources.

A third component of the bill seeks to prevent releases of some extremely hazardous substances from occurring. It seeks to prevent both emergency releases and routine releases of these substances. New Jersey's Department of Environmental Protection indicated that in our State over 350 accidental releases are reported every month. Out of these 350 releases, about 48 are deemed serious enough to merit response action by the State.

Mr. President, this bill is a strong response to a very serious problem. While it is not a perfect bill, it is an important first step. I look forward to working with Senator DURENBERGER and others on the Environment and Public Works Committee to perfect the measure. I also would like to thank Senator MITCHELL, our able chairman of the Environmental Protection Subcommittee, Senator STAFFORD, and Senator BAUCUS for joining us in this effort.●

By Mr. DECONCINI (for himself, Mr. HATCH, and Mr. PROXMIRE):

S.J. Res. 161. Joint resolution proposing an amendment to the Constitution to provide for a balanced budget for the United States Government and for greater accountability in the enactment of tax legislation; to the Committee on the Judiciary.

BALANCED BUDGET CONSTITUTIONAL AMENDMENT

Mr. DECONCINI. Mr. President, today I stand before you to once more take up the fight to amend the Constitution to require a balanced budget. We, as representatives of the American people, are faced with the task of addressing a crisis threatening the very core of our society. The time we can get away with avoiding our responsibility has long passed. We can no longer afford to manage the financial condition of our Nation while turning a deaf ear to the problems associated with an ever increasing deficit. Rather, we must commit this Congress to balancing the budget by utilizing a constitutional amendment.

The national debt is currently hovering near the $2.2 trillion level. The debt did not reach the $1 trillion mark until the passage of over 200 years, yet in just 5 years it has increased from $1 trillion to over $2 trillion. In light of the recent past, it is not inconceivable that a $3 trillion debt will be encountered in 3 short years.

Beginning with my arrival here in 1977 and, most recently, during the last congressional session supporting Senator THURMOND's Senate Joint Resolution 225, I have come before this body on a number of occasions to espouse the necessity for a balanced budget constitutional amendment. Throughout my congressional career, I have struggled to convey the message which has been trumpeted across the land for decades. This message is exemplified by a recent CBS/New York Times poll showing 85 percent of the American public in support of an amendment to the Constitution requiring a balanced budget. The message is clear—the time for passage of a balanced budget amendment is now.

Since I first co-sponsored legislation on this matter in 1977, the deficit has increased by $1.4 trillion. In the last 18 years, the United States has experienced the 12 largest peacetime deficits in the history of this country. Ten of those 12 have produced deficits of over $50 billion. In 1985 the national debt stood at approximately $2 trillion while just 15 years earlier the debt had reached only $383 billion. The estimated gross interest on the 1986 Federal debt reached $196 billion—this figure alone is more than the total 1970 budget. $196 billion transforms to almost two-thirds of the defense budget or approximately 60 percent of all individual tax revenue.

The problem with government spending is not a recent development. Rather, it has escalated over the preceding decades. In 1962 the first $100 billion budget was approved. Some 170 years after the founding of our nation. Having breached the $100 billion barrier, the $200 billion figure was a mere 9 years in following, being reached in 1971. Just 4 years later the $300 billion figure was achieved in 1975. The pattern of increase was set and Congress has not hesitated to fall in step: $400 billion-1977; $500 billion-1980; $600 billion-1981; $700 billion-1982; $800 billion-1984; and over a trillion dollars has been proposed for fiscal year 1988. Undoubtedly, Government spending is out of control.

Continued massive deficit spending has had a direct effect on an increase in the tax burden experienced by taxpayers while also influencing the increase of foreign investment capital in the United States. Clearly, untethered deficit spending will have inherent costs which will be felt by the American economy. It is equally clear that deficit spending cannot continue if our Nation is going to maintain the free enterprise system historically found in our country.

In addition to short term socio-economic by-products of budget deficit spending, future generations will be faced with addressing a problem for which our generation has thus far neglected to take responsibility. A slow but definite erosion of economic power is currently taking place and it is our sons and daughters and their children who will suffer the brunt of our misdeeds if we chose to forego action on this issue. The next generation may be the first in this century to experience a heretofore little known malady, "downward mobility."

Because our parents were forced to turn to borrowing to recover from economic hardship brought on by World War II, a national debt was created with an annual interest rate of $7 billion in the mid-1950's. If we fail to take steps to correct this injustice, our children could be faced with an annual interest cost of more than $300 billion. A young person entering the work force of today can anticipate paying somewhere in the neighborhood of $100,000 in additional taxes simply to cover the expense of carrying the national debt.

Since 1970 the real per capita income for a young adult has declined by approximately one-fifth. The poverty rate for Americans under the age of 25 is higher than any other age group. As a result of deficit-caused burdens, even the American dream of owning one's own home is being threatened. It is not unrealistic to envision a time in the future when, although the life span of an individual will have increased, the quality of life will have deteriorated. Our offspring will be living longer, but not as well.

The time for shirking the responsibility of future generations has passed. We must now be willing to make the right decisions for the good of our children and our children's children. The selfishness must end and a new beginning with a view to their future must commence.

Under the joint resolution I have presented to you today, the President would be required to submit a balanced budget to Congress. Congress and the President would then be required to establish, by joint resolution, a single revenue estimate which total outlays for that fiscal year may not exceed, unless Congress so provides by rollcall vote of three-fifths of the total membership of both Houses. In the event that outlays exceed revenues for any given year, Congress is required by law to provide in the next succeeding year for the repayment of any actual deficit incurred. Furthermore, the public debt may not be increased unless approved by a three-fifths vote of both Houses.

No bill to increase revenues can become law unless approved by a majority of the total membership of both Houses by rollcall vote. However, in the event of war the provisions of the amendment are waived. The resolution also contains a definition of both receipts and outlays. Finally, this amendment is scheduled to take effect in fiscal year 1991 or 2 years after ratification, whichever is later.

The major distinguishing feature of this amendment from other legislation submitted is section 2 which requires repayment of outlays exceeding actual receipts. By including this section, it is hoped that the problems experienced in the past with enforcing the good intentions of those who desired to keep spending within realistic confines, yet never seemed able to achieve that goal, will be avoided.

As has so often been the circumstance in this lengthy battle to achieve our ultimate goal, I once again find myself aligned with my distinguished colleague from Utah, Senator Hatch. Senator Hatch and I, in addition to numerous other Members of this body, have struggled long and hard to garner passage of a constitutional amendment and it is reassuring to have a statesman of his stature as an original cosponsor of this measure.

Congressman Stenholm's leadership in the House has resulted in the support of 227 cosponsors, over 50 percent, in that Chamber. The amendment has been endorsed by the National Taxpayers Union, the National Tax Limitation Committee, and Citizens for a Sound Economy, and it is anticipated that, as in the past, the grassroots support of various associations and organizations will follow.

This body, as representative of the American public, can no longer ignore the voice of the people calling for a constitutional amendment requiring a balanced budget. Furthermore, we have a duty to future generations to insure that they too have the opportunity to lives comparable to those which we experience today. Unless we act to address the budget deficit by requiring a balanced budget, the economic impact will impede our children from sharing in the fruits of this great Nation. I for one do not plan on denying them that opportunity.

I ask unanimous consent that a copy of the joint resolution be printed in the Record."

There being no objection, the joint resolution was ordered to be printed in the Record, as follows:

S.J. Res.161

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, (two-thirds of each House concurring therein), That the following article is proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution if ratified by the legislatures of three-fourths of the several States within seven years after its submission to the States for ratification:

Article —.

Section 1. Prior to each fiscal year, the Congress and the President shall agree on an estimate of total receipts for that fiscal year by enactment into law of a joint resolution devoted solely to that subject. Total outlays for that year shall not exceed the level of estimated receipts set forth in such joint resolution, unless three-fifths of the total membership of each House of Congress shall provide, by a rollcall vote, for a specific excess of outlays over estimated receipts.

Sec. 2. Whenever actual outlays exceed actual receipts for any fiscal year, the Congress shall, in the ensuring fiscal year, provide by law for the repayment of such excess. The public debt of the United States shall not be increased unless three-fifths of the total membership of each House shall provide by law for such an increase by a rollcall vote.

Sec. 3. Prior to each fiscal year, the President shall transmit to the Congress a proposed budget for the United States Government for that fiscal year in which total outlays do not exceed total receipts.

Sec. 4. No bill to increase revenue shall become law unless approved by a majority of the total membership of each House by a rollcall vote.

Sec. 5. The provisions of this article are waived for any fiscal year in which a declaration of war is in effect.

Sec. 6. Total receipts shall include all receipts of the United States except those derived from borrowing. Total outlays shall include all outlays of the United States except for those for repayment of debt principal.

Sec. 7. This article shall take effect beginning with fiscal year 1991 or with the second fiscal year beginning after its ratification, whichever is later.

By Mr. JOHNSTON (for himself and Mr. Breaux):

S.J. Res. 162. Joint resolution to designate the month of August 1987 as "Cajun Music Month"; to the Committee on the Judiciary.

CAJUN MUSIC MONTH

● Mr. JOHNSON. Mr. President, today Senator Breaux and I are introducing a joint resolution to designate the month of August 1987 as "Cajun Music Month." My dear friend, Senator Breaux, originates from the southwestern corner of the State of Louisiana and can surely attest to the importance of the Cajun culture in Louisiana's history.

Mr. President, music is an integral part of the Cajun way of life. These French-speaking farmers who left Acadia in 1755 settled on land west of the Mississippi River along with other immigrants of Spanish and German heritage. This dynamic mixture of cultures, including that of the already present Indian and black Creole, gave birth to Cajun music.

Cajun music evolved as a French folk music, bearing signs of strong black influence and making use of the newly borrowed German accordion in addition to the familiar fiddle. As the Cajun people developed their own distinct cultural identity so did their music become uniquely identifiable.

Mr. President, the rich heritage of Louisiana is largely preserved through its music. It is important for us to encourage appreciation of Cajun music because it not only helps to preserve the Cajun language and culture, but because it also unites people from many diverse backgrounds and cultures.

While the Cajuns are a tremendous natural resource of which Louisiana is very proud, their appeal stretches far beyond the borders of our State. Indeed, the music of the Cajuns is an infectiously entertaining and charming blend of cultures that can be enjoyed by Americans all over this Nation and individuals worldwide. The message of the Cajun people, "Joie de vivre" (Love of Life) should be celebrated around the world.

For this reason, Senator Breaux and I have introduced this joint resolution to both honor the musical abilities of our native statesmen and share our cultural wealth with others. I urge my fellow colleagues to once again lend their full support to recognizing August 1987 as "Cajun Music Month."●

By Mr. KARNES (for himself, Mr. Bond, Mr. Boren, Mr. Bumpers, Mr. Burdick, Mr. DeConcini, Mr. Dole, Mr. Durenberger, Mr. Exon, Mr. Garn, Mr. Hatch, Mr. Heflin, Mr. Helms, Mr. Humphrey, Mr. Inouye, Mr. Johnston, Mrs. Kassebaum, Mr. Matsunaga, Mr. McClure, Mr. Mitchell, Mr. Murkowski, Mr. Nunn, Mr. Pell, Mr. Pryor, Mr. Roth, Mr. Stennis, Mr. Symms, Mr. Trible, Mr. Warner, Mr. Weicker, and Mr. Wallop):

S.J. Res. 163. Joint resolution to designate the month of November 1987, as "National Family Bread Baking Month"; to the Committee on the Judiciary.

NATIONAL FAMILY BREAD BAKING MONTH

● Mr. KARNES. Mr. President, I rise today to introduce a Senate joint resolution cosponsored by 30 of my fellow colleagues to designate the month of November as "National Family Bread Baking Month." This commemorative resolution would give recognition to a culinary art which emphasizes the important values of family strength and unity. The modern American family is able to effectively meet today's challenges by drawing upon the same family oriented values of our colonial ancestors. These values are inherent in the traditional activity of family bread baking which united the family.

Family bread baking ingredients represent a large spectrum of U.S. farm products including: Wheat, rye, corn, milk and cream, sugar, eggs. Recognizing this fact, several agriculture-related organizations have endorsed this resolution. Among these organizations: the National 4-H Council, the National Association of Wheat Growers, the National Corn Growers Association, the Sugar Association, the United Egg Association, the American Butter Institute, and the Future Farmers of America.

The Judiciary Committee's Executive Committee will meet next week, June 23, to act on all commemorative resolutions having at least 50 cosponsors. The agenda for this committee meeting will be set this Friday, June 19. The Judiciary Committee will not meet again until October to act on commemorative resolutions, and it is essential that adequate time be allowed for advance planning of appropriate commemorative activities during the month of November. Therefore, I urge my colleagues who are not currently cosponsors of this Senate joint resolution to join with me today by becoming an original cosponsor of this resolution honoring traditional values of family and giving recognition to the very basic necessities provided by American agriculture.●

ADDITIONAL COSPONSORS

S. 170

At the request of Mr. Riegle, the name of the Senator from Arizona [Mr. DeConcini] was added as a cosponsor of S. 170, a bill to amend title II of the Social Security Act to repeal the separate definition of disability presently applicable to widows and widowers, and to provide in turn that the months of a widow's or widower's entitlement to SSI benefits on the basis of disability may be used in establishing his or her entitlement to medicare benefits on that basis.

S. 305

At the request of Mr. Leahy, the name of the Senator from Arizona [Mr. DeConcini] was added as a cosponsor of S. 305, a bill to amend the National School Lunch Act to improve the administration of the commodity distribution program, and for other purposes.

S. 328

At the request of Mr. Sasser, the names of the Senator from Florida [Mr. Graham] and the Senator from Utah [Mr. Hatch] were added as cosponsors of S. 328, a bill to amend chapter 39, United States Code, to require the Federal Government to pay interest on overdue payments, and for other purposes.

S. 508

At the request of Mr. Levin, the name of the Senator from Arizona [Mr. DeConcini] was added as a cosponsor of S. 508, a bill to amend title 5, United States Code, to strengthen the protections available to Federal employees against prohibited personnel practices, and for other purposes.

S. 552

At the request of Mr. Cranston, the name of the Senator from Massachusetts [Mr. Kennedy] was added as a cosponsor of S. 552, a bill to improve the efficiency of the Federal classification system and to promote equitable pay practices within the Federal Government, and for other purposes.

S. 563

At the request of Mr. Bingaman, the names of the Senator from Wyoming [Mr. Wallop] and the Senator from Oklahoma [Mr. Nickles] were added as cosponsors of S. 563, a bill to amend the Internal Revenue Code of 1986 to exclude from the gross income of landowners certain payments or economic benefits received from the abandoned mine reclamation fund for uses set forth in section 401 of the Surface Mining Control and Reclamation Act of 1977, and for other purposes.

S. 604

At the request of Mr. PRYOR, the name of the Senator from South Dakota [Mr. PRESSLER] was added as a cosponsor of S. 604, a bill to promote and protect taxpayer rights, and for other purposes.

S. 633

At the request of Mr. LAUTENBERG, the name of the Senator from New Jersey [Mr. BRADLEY] was added as a cosponsor of S. 633, a bill to prohibit the disposal of plastic products in the waters under the jurisdiction of the United States, to require a study to determine ways to eliminate plastic pollution, to require a pubic awareness program about plastic pollution, and to implement Annex V to the International Convention for the Prevention of Pollution from ships, as modified by the Protocol of 1978.

S. 714

At the request of Mr. SPECTER, the name of the Senator from Massachusetts [Mr. KENNEDY] was added as a cosponsor of S. 714, a bill to recognize the organization known as the Montford Point Marine Association, Inc.

S. 780

At the request of Mr. REID, the name of the Senator from Massachusetts [Mr. KERRY] was added as a cosponsor of S. 780, a bill to amend the enforcement provisions of the Federal Election Campaign Act of 1971.

S. 912

At the request of Mr. EXON, the name of the Senator from Texas [Mr. BENTSEN] was added as a cosponsor of S. 912, a bill to amend the Rural Electrification Act of 1936 to permit the prepayment of Federal financing bank loans made to rural electrification and telephone systems, and for other purposes.

S. 924

At the request of Mr. BENTSEN, the names of the Senator from North Dakota [Mr. BURDICK], the Senator from Minnesota [Mr. DURENBERGER], and the Senator from Louisiana [Mr. BREAUX] were added as cosponsors of S. 924, a bill to revise the allotment formula for the alcohol, drug abuse, and mental health services block grant under part B of title XIX of the Public Health Service Act.

S. 998

At the request of Mr. DECONCINI, the names of the Senator from West Virginia [Mr. ROCKEFELLER], and the Senator from Ohio [Mr. METZENBAUM] were added as cosponsors of S. 998, a bill entitled the "Micro Enterprise Loans for the Poor Act".

S. 1081

At the request of Mr. BINGAMAN, the name of the Senator from Massachusetts [Mr. KERRY] was added as a cosponsor of S. 1081, a bill to establish a coordinated National Nutrition Monitoring and Related Research Program, and comprehensive plan for the assessment of the nutritional and dietary status of the U.S. population and the nutritional quality of the U.S. food supply, with provision for the conduct of scientific research and development in support of such program and plan.

S. 1106

At the request of Mr. HATFIELD, the names of the Senator from Michigan [Mr. RIEGLE], the Senator from Ohio [Mr. METZENBAUM], and the Senator from New Jersey [Mr. LAUTENBERG] were added as cosponsors of S. 1106, a bill to provide for simultaneous, mutual, and verifiable moratorium on underground nuclear explosions above a low-yield threshold.

S. 1218

At the request of Mr. EXON, the name of the Senator from North Dakota [Mr. BURDICK] was added as a cosponsor of S. 1218, a bill to require that any imported food be labeled to specify the country of origin.

S. 1234

At the request of Mr. CHAFEE, the names of the Senator from Rhode Island [Mr. PELL], the Senator from Minnesota [Mr. BOSCHWITZ], the Senator from Nevada [Mr. REID], and the Senator from Alabama [Mr. HEFLIN] were added as cosponsors of S. 1234, a bill to amend title 38, United States Code, to insure eligibility of certain individuals for beneficiary travel benefits when traveling to Veterans' Administration medical facilities.

S. 1242

At the request of Mr. HUMPHREY, the name of the Senator from Kentucky [Mr. MCCONNELL], was added as a cosponsor of S. 1242, a bill to prohibit the use of Federal funds for abortions except where the life of the mother would be endangered, and to prohibit the provisions under title X of the Public Health Service Act of Federal family planning funds to organizations that perform or refer for abortions, except where the life of the mother would be endangered, and for other purposes.

S. 1267

At the request of Mr. ROCKEFELLER, the names of the Senator from Massachusetts [Mr. KERRY], and the Senator from California [Mr. WILSON] were added as cosponsors of S. 1267, a bill to provide authorization of appropriations for the U.S. Travel and Tourism Administration, and for other purposes.

S. 1343

At the request of Mr. HATFIELD, the name of the Senator from Washington [Mr. ADAMS] was added as a cosponsor of S. 1343, a bill to require that the use of U.S. Armed Forces to escort, protect, or defend certain reregistered vessels in the Persian Gulf comply with the War Powers Resolution.

S. 1371

At the request of Mr. MOYNIHAN, the names of the Senator from Nevada [Mr. REID], the Senator from Colorado [Mr. WIRTH], the Senator from California [Mr. WILSON], and the Senator from Wyoming [Mr. SIMPSON] were added as cosponsors of S. 1371, a bill to designate the Federal building located at 330 Independence Avenue SW, Washington, DC, as the "Wilbur J. Cohen Federal Building."

SENATE JOINT RESOLUTION 23

At the request of Mr. CRANSTON, the name of the Senator from New York [Mr. MOYNIHAN] was withdrawn as a cosponsor of Senate Joint Resolution 23, a joint resolution proposing an amendment to the Constitution relating to increases in the public debt of the United States.

SENATE JOINT RESOLUTION 26

At the request of Mr. PELL, the name of the Senator from South Carolina [Mr. THURMOND] was added as a cosponsor of Senate Joint Resolution 26, a joint resolution to authorize and request the President to call a White House Conference on Library and Information Services to be held not later than 1989, and for other purposes.

SENATE JOINT RESOLUTION 87

At the request of Mr. RIEGLE, the names of the Senator from Vermont [Mr. STAFFORD], the Senator from South Carolina [Mr. THURMOND], the Senator from Utah [Mr. GARN], the Senator from Wisconsin [Mr. KASTEN], the Senator from Connecticut [Mr. DODD], and the Senator from Virginia [Mr. TRIBLE] were added as cosponsors of Senate Joint Resolution 87, a joint resolution to designate November 17, 1987, as "National Community Education Day."

SENATE JOINT RESOLUTION 101

At the request of Mr. CRANSTON, the name of the Senator from South Carolina [Mr. HOLLINGS] was added as a cosponsor of Senate Joint Resolution 101, a joint resolution designating June 19, 1987, as "American Gospel Arts Day."

SENATE JOINT RESOLUTION 103

At the request of Mr. LAUTENBERG, the name of the Senator from Washington [Mr. ADAMS] was added as a cosponsor of Senate Joint Resolution 103, a joint resolution to designate October 1987 as "Computer Learning Month."

SENATE JOINT RESOLUTION 109

At the request of Mr. DURENBERGER, the names of the Senator from Washington [Mr. ADAMS], the Senator from New Mexico [Mr. DOMENICI], the Senator from Connecticut [Mr. WEICKER], the Senator from Rhode Island [Mr. PELL], the Senator from Colorado [Mr. WIRTH], and the Senator from Tennessee [Mr. SASSER] were added as cosponsors of Senate Joint Resolution 109, a joint resolution to designate the week beginning October 4, 1987, as "National School Yearbook Week."

SENATE JOINT RESOLUTION 125

At the request of Mr. Roth, the names of the Senator from Virginia [Mr. Warner], the Senator from North Carolina [Mr. Helms], the Senator from Iowa [Mr. Grassley], and the Senator from Georgia [Mr. Nunn] were added as cosponsors of Senate Joint Resolution 125, a joint resolution to designate the period commencing on May 9, 1988, and ending on May 15, 1988, as "National Stuttering Awareness Week."

SENATE JOINT RESOLUTION 138

At the request of Mr. Helms, the name of the Senator from Minnesota [Mr. Boschwitz] was added as a cosponsor of Senate Joint Resolution 138, a joint resolution to designate the period commencing on July 13, 1987, and ending on July 26, 1987, as "U.S. Olympic Festival—87 Celebration," and to designate July 17, 1987, as "U.S. Olympic Festival—87 Day."

SENATE JOINT RESOLUTION 157

At the request of Mr. Gore, the names of the Senator from Texas [Mr. Bentsen], the Senator from Pennsylvania [Mr. Heinz], the Senator from Massachusetts [Mr. Kerry], the Senator from Ohio [Mr. Metzenbaum], the Senator from Alaska [Mr. Murkowski], and the Senator from Virginia [Mr. Trible] were added as cosponsors of Senate Joint Resolution 157, a joint resolution to designate the month of October 1987 as "Lupus Awareness Month."

SENATE CONCURRENT RESOLUTION 23

At the request of Mr. Cranston, the names of the Senator from Minnesota [Mr. Durenberger], and the Senator from New York [Mr. Moynihan] were added as cosponsors of Senate Concurrent Resolution 23, a concurrent resolution designating jazz as an American national treasure.

SENATE RESOLUTION 93

At the request of Mr. Lautenberg, the name of the Senator from Ohio [Mr. Glenn] was added as a cosponsor of Senate Resolution 93, a resolution expressing the sense of the Senate regarding future funding of Amtrak.

SENATE RESOLUTION 219

At the request of Mr. Daschle, the names of the Senator from Oklahoma [Mr. Boren], the Senator from Kentucky [Mr. Ford], the Senator from Illinois [Mr. Simon], the Senator from North Dakota [Mr. Conrad], the Senator from Minnesota [Mr. Boschwitz], the Senator from Colorado [Mr. Wirth], the Senator from Arizona [Mr. McCain], the Senator from Iowa [Mr. Grassley], the Senator from Nevada [Mr. Hecht], and the Senator from Kentucky [Mr. McConnell] were added as cosponsors of Senate Resolution 219, a resolution expressing the sense of the Senate with respect to the use of ethanol, methanol, and other oxygenated fuels as an accepted air pollution control strategy in nonattainment areas designed by the Environmental Protection Agency.

AMENDMENT NO. 289

At the request of Mr. Graham, the name of the Senator from South Dakota [Mr. Daschle] was added as a cosponsor of Amendment No. 289 intended to be proposed to S. 2, a bill to amend the Federal Election Campaign Act of 1971 to provide for a voluntary system of spending limits and partial public financing of State general election campaigns, to limit contributions by multicandidate political committees, and for other purposes.

AMENDMENT NO. 290

At the request of Mr. Graham, the name of the Senator from South Dakota [Mr. Daschle] was added as a cosponsor of Amendment No. 290 intended to be proposed to S. 2, a bill to amend the Federal Election Campaign Act of 1971 to provide for a voluntary system of spending limits and partial public financing of Senate general election campaigns, to limit contributions by multicandidate political committees, and for other purposes.

AMENDMENT NO. 291

At the request of Mr. Graham, the name of the Senator from South Dakota [Mr. Daschle] was added as a cosponsor of Amendment No. 291 intended to be proposed to S. 2, a bill to amend the Federal Election Campaign Act of 1971 to provide for a voluntary system of spending limits and partial public financing of Senate general election campaigns, to limit contributions by multicandidate political committees, and for other purposes.

AMENDMENT NO. 292

At the request of Mr. Graham, the name of the Senator from South Dakota [Mr. Daschle] was added as a cosponsor of Amendment No. 292 intended to be proposed to S. 2, a bill to amend the Federal Election Campaign Act of 1971 to provide for a voluntary system of spending limits and partial public financing of Senate general election campaigns, to limit contributions by multicandidate political committees, and for other purposes.

AMENDMENT NO. 293

At the request of Mr. Graham, the name of the Senator from South Dakota [Mr. Daschle] was added as a cosponsor of Amendment No. 293 intended to be proposed to S. 2, a bill to amend the Federal Election Campaign Act of 1971 to provide for a voluntary system of spending limits and partial public financing of Senate general election campaigns, to limit contributions by multicandidate political committees, and for other purposes.

SENATE CONCURRENT RESOLUTION 61—RELATING TO RESUMPTION OF THE ORDERLY DEPARTURE PROGRAM FROM VIETNAM

Mr. MURKOWSKI (for himself, Mr. Simpson, and Mr. DeConcini) submitted the following concurrent resolution; which was referred to the Committee on Foreign Relations:

S. Con. Res. 61

Whereas, more than 120,000 persons have emigrated from Vietnam under the United Nations Orderly Departure Program for Vietnam established under an agreement made between the United Nations High Commissioner for Refugees and authorities of the Social Republic of Vietnam in 1979;

Whereas, in 1984 and 1985 more people departed Vietnam under the Orderly Departure Program than departed by sea;

Whereas, the Orderly Departure Program has eliminated the need for emigrants from Vietnam to risk the hazards of departure by sea, including dangerous weather, unseaworthy vessels, and harm by pirates;

Whereas, the international community, the United States Government, and the American people support the Orderly Departure Program;

Whereas, the agreement establishing the Orderly Departure Program permits departure from Vietnam in "family reunion and humanitarian cases";

Whereas, that agreement requires the Government of the Socialist Republic of Vietnam to provide the United Nations High Commissioner for Refugees and the receiving countries with every facility to conduct the Orderly Departure Program;

Whereas, the President, in consultation with the Congress, stated in September 1984, and reaffirmed in 1985, 1986, and 1987, that the United States was prepared to receive (1) persons of special humanitarian concern from Vietnam, in particular the prisoners interned in so-called re-education camps, thousands of whom remain imprisoned because of their past associations with United States programs and policies in the region or with the former Government of the Republic of Vietnam; and (2) the Amerasian children and their mothers and other close relatives remaining in Vietnam;

Whereas, disagreements have arisen between the United States and the Socialist Republic of Vietnam regarding the eligibility of applicants for participation in the Orderly Departure Program;

Whereas, representatives of the United States Government and representatives of other concerned governments have earnestly sought improvements in the operation of the Orderly Departure Program at meetings with representatives of the United Nations High Commissioner for Refugees and representatives of the Socialist Republic of Vietnam;

Whereas, on January 1, 1986, the authorities of the Socialist Republic of Vietnam suspended the interviewing and processing of all applicants in Vietnam for resettlement in the United States, thus threatening to interrupt the flow of departures from Vietnam of those persons found eligible for admission to the United States as refugees or immigrants;

Whereas, many Vietnamese seeking family reunification by means of the Orderly Departure Program may once again choose the perilous exodus by boat because of the perception that the Orderly Departure Program is not a meaningful means for such reunification;

Whereas, many Vietnamese people who receive exit permits are disadvantaged and stripped of entitlements pending their departure from Vietnam;

Whereas, it is in the best interests of both the United States Government and the Government of the Socialist Republic of Vietnam and the best interests of the people concerned to reach a compromise on who is eligible for emigration from Vietnam;

Whereas, on September 30, 1986, the Congress agreed to a concurrent resolution calling on the Government of the Socialist Republic of Vietnam to take similar actions urged by the Congress in this concurrent resolution; and

Whereas, the Government of the Socialist Republic of Vietnam has failed to take the actions called for in the 1986 concurrent resolution: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That the Congress calls on the Government of the Socialist Republic of Vietnam—

(1) to fulfill its international commitments under the Orderly Departure Program for Vietnam conducted by the United Nations High Commissioner for Refugees by permitting the immediate resumption of interviewing and processing of applicants in Vietnam who have received preliminary approval from the United States Government for resettlement in the United States under the Orderly Departure Program;

(2) to permit the orderly departure of prisoners interned in so-called reeducation camps, Amerasian children, and other persons of special humanitarian concern to the United States; and

(3) to work with United States Government, generally and through the Orderly Departure Program technical talks conducted annually in Geneva, Switzerland, to resolve all humanitarian issues which divide our two countries.

● Mr. MURKOWSKI. Mr. President, as ranking minority member of the Veterans' Affairs Committee, I introduce today along with my distinguished colleagues Senator SIMPSON and Senator DECONCINI a concurrent resolution expressing the sense of Congress that the Socialist Republic of Vietnam resume the Orderly Departure Program. This program was negotiated in 1979 between the Socialist Rebublic of Vietnam and the U.N. High Commissioner for Refugees in response to the flood of boat people who fled Vietnam in 1978 and 1979. When it was in operation the Orderly Departure Program enabled more than 120,000 persons to leave Vietnam in a safe and legal manner. Similar legislation was introduced in May 1986 by the distinguished Senator from Arizona, Mr. DECONCINI, and myself urging the resumption of this highly successful program. I believe now is the time to get this program back on track.

The Orderly Departure Program proved to be a highly successful program, and for 5 years more Vietnamese emigrated to the United States and the 40 other receiving countries via ODP than by any other means, including illegal ones. Unfortunately, on January 1, 1986, the Socialist Republic of Vietnam suspended the U.N. High Commissioner for Refugees interviewing and processing of applicants for departure. This resulted in the suspension of a program that had enabled some 50,000 people to depart Vietnam for the United States and 65,000 for other countries.

My interest in this issue grew significantly as the result of a trip I made to Southeast Asia, along with Senator DECONCINI as part of a bipartisan congressional delegation, to meet with various governmental officials in Vietnam, Laos, and Thailand to discuss a broad range of issues confronting our respective countries. Our trip was successful and provided the members of the delegation with a deeper insight into the many issues affecting our relationship with Vietnam.

While in Hanoi, I made a personal request to the Vietnamese Foreign Minister concerning two children whose Vietnamese mother currently reside in the State of Alaska. The two children, already in the State Department's Orderly Departure Program, were awaiting exit permits from the Vietnamese authorities. Since I was returning immediately to the United States, I requested permits be issued in time to allow the children to return with me. In light of my presence in Hanoi and impending departure for the United States, Foreign Minister Thach graciously acceded to my request. My wife Nancy and I were able to reunite these two small children with their mother in Fairbanks, AL. I cannot begin to tell you the feelings that overcame us as we witnessed this reunion. We were able to witness firsthand the importance of the ODP Program through the reuniting of this family.

Separation from one's family, at any age, can be a very difficult and emotional experience. These two small children, who were so young and so far away from their mother, are two prime examples of the many children, brothers, sisters, parents and grandparents in Vietnam who have been separated from their families for many years and have only a glimmer of hope of ever seeing their loved ones again. The seriousness of this issue is heightened by the fact that many of these children are Amerasian. They are the children of American servicemen who served in that country and are now stigmatized by their race. We as Americans are concerned with this fact and will continue to be concerned until something more can be done.

But the ODP Program is not the only issue at stake. The POW/MIA issue, reeducation camp political prisoners, Amerasian children and the Vietnamese occupation of Kampuchea are all of utmost concern to us. The resumption of the Orderly Departure Program and progress in these other areas could very well lead to the beginning of a new era in United States-Vietnam relations. A relationship which I believe would be in the best interest of both nations and a relationship I earnestly believe is desired by the people of the United States and the Socialist Republic of Vietnam.

Twelve years ago the war in Vietnam ended, the United States and Vietnam entered into a new phase of relations. Now is the time for the implementation of phase 2. The relationship between the United States and Vietnam has improved, but we must not let it become stagnant. Let's keep the communication channels open and put the Department of State in the forefront of formulating and implementing our foreign policy toward Vietnam in order to resolve these troubling issues. I cannot stress enough the importance of continued communication and cooperation that will be needed by both governments to improve relations. It is my earnest hope that the Vietnamese will continue to demonstrate increased cooperation with the U.S. Government in order to resolve these issues which hinder improved relations. I urge my colleagues to join me in approving this important resolution.●

AMENDMENTS SUBMITTED

CONGRESSIONAL SALARY INCREASES

HUMPHREY AMENDMENT NO. 312

(Ordered to lie on the table.)

Mr. HUMPHREY submitted an amendment intended to be proposed by him to a measure; as follows:

At the appropriate place add the following new section:

Sec. . None of the provisions of this Act shall take effect unless paragraph (1) of Section 225(1) of the Federal Salary Act of 1967 (2 U.S.C. 359) is amended to read as follows:

"(1) Each recommendation of the President which—

(A) is transmitted to the Congress pursuant to subsection (h) of this section; and

(B) is approved by a joint resolution agreed to by the Congress not later than the last day of the thirty-day period which begins on the date on which such recommendations are transmitted to the Congress,

shall be effective as provided in paragraph (2) of this subsection.

HUMPHREY AMENDMENT NO. 313

(Ordered to lie on the table.)

Mr. HUMPHREY submitted an amendment intended to be proposed by him in the second degree to an amendment; as follows:

At the end of the pending amendment add the following new section:

SEC. . None of the provisions of this Act shall take effect unless paragraph (1) of Section 225(1) of the Federal Salary Act of 1967 (2 U.S.C. 359) is amended to read as follows:

"(1) Each recommendation of the President which—

(A) is transmitted to the Congress pursuant to subsection (h) of this section; and

(B) is approved by a joint resolution agreed to by the Congress not later than the last day of the thirty-day period which begins on the date on which such recommendations are transmitted to the Congress,

shall be effective as provided in paragraph (2) of this subsection.

CONGRESSIONAL DELEGATION TO OBSERVE THE CEREMONY OF THE BICENTENNIAL OF THE CONSTITUTION IN PHILADELPHIA

BYRD AMENDMENT NO. 314

Mr. BYRD proposed an amendment to the concurrent resolution (H. Con. Res. 131) providing for the attendance of Representatives, Senators, and other appropriate persons at a special ceremony and related events to be held in Philadelphia, Pennsylvania, in honor of the bicentennial of the Constitution and in commemoration of the Great Compromise of the Constitutional Convention; as follows:

On page 1, line 14, after the period insert the following: "Not less than 20 percent of the official delegates designated pursuant to subsection (a) shall be Senators.".

NOTICES OF HEARINGS

SUBCOMMITTEE ON ENERGY RESEARCH AND DEVELOPMENT

Mr. FORD. Mr. President, I would like to announce for the information of the Senate and the public that a hearing has been scheduled on the status of the Department of Energy's efforts to address questions on environmental and safety issues concerning the defense materials production reactors located in the United States.

This hearing will take place on July 17, 1987, at 9:30 a.m. in room SD-366 in the Senate Dirksen Office Building in Washington, DC.

Those wishing to submit written testimony should address it to the Committee on Energy and Natural Resources, Subcommittee on Energy Research and Development, U.S. Senate, Washington, DC, 20510.

For further information, please contact Mary Louise Wagner at (202) 224-7569.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. JOHNSTON. Mr. President, I would like to announce for the information of the Senate and the public that an oversight hearing has been scheduled to discuss the Department of Energy's program for the geological disposal of civilian high level radioactive nuclear waste.

This hearing will take place on June 29, 1987 at 2 p.m. in room SD-366 in the Senate Dirksen Office Building in Washington, DC.

Those wishing to submit written testimony should address it to the Committee on Energy and Natural Resources, U.S. Senate, Washington, DC, 20510.

For further information, please contact Mary Louise Wagner at (202) 224-7569.

AUTHORITY FOR COMMITTEES TO MEET

SUBCOMMITTEE ON FEDERAL SERVICES, POST OFFICE, AND CIVIL SERVICE

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on Governmental Affairs, Subcommittee on Federal Services, Post Office, and Civil Service be authorized to meet during the session of the Senate on Wednesday, June 17, 1987, to hold hearings on S. 1009, the Aleutian and Pribilof Island Restitution Act.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON INTERNATIONAL FINANCE ON MONETARY POLICY

Mr. BYRD. Mr. President, I ask unanimous consent that the Subcommittee on International Finance and Monetary Policy of the Committee on Banking, Housing, and Urban Affairs be allowed to meet during the session of the Senate Wednesday, June 17, 1987, to conduct oversight hearings on the implications of Toshiba-Kongsberg technology diversion case for the U.S. Export Control Policy.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ARMED SERVICES

Mr. BYRD. Mr. President, I ask unanimous consent the Committee on Armed Services be authorized to meet during the session of the Senate on Wednesday, June 17, 1987 at 3 p.m. to receive an intelligence briefing on the Persian Gulf region.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on Environment and Public Works, be authorized to meet during the session of the Senate on June 17, beginning to markup radon legislation, S. 744 as adopted by the Subcommittee on Environmental Protection. The agenda will include Mississippi River Commission nominations; pending committee resolutions; a bill naming the Warren E. Burger Federal Court Building in Minnesota; other building namings pending before the Committee; and other pending business. Note: The Environmental Protection Subcommittee hearing on Clean Air Act legislation will begin immediately after the markup.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

THE STATE RADON PROGRAM DEVELOPMENT ACT OF 1987

● Mr. GLENN. Mr. President, I am pleased to cosponsor S. 744, the State Radon Program Development Act of 1987. This bill authorizes the EPA to assist States in developing radon programs, and to determine the extent to which radon in the Nation's schools poses a threat to children.

Radon is a naturally occurring radioactive gas presently believed to be the No. 2 cause of lung cancer in the Nation today, resulting in up to 20,000 lung cancer deaths annually. Although radon is often overlooked because it is colorless, odorless, and difficult to measure, it is a serious health threat when it enters homes, schools, and other buildings. The severity of the health hazard from radon exposure dramatizes the need for additional research and financial assistance.

Radon exposure is a significant problem in my State of Ohio. The Ohio Department of Health has been addressing the radon issue since 1983 and has collected data on radon contamination in homes and ground water. The Ohio EPA and the Ohio Regional Air Pollution Control Agency estimate that between 30 and 40 percent of Ohio homes are affected with levels of radon above 4 picocuries per liter, the minimum safety level recommended by the EPA. Some homes are as high as 50 pCi/L, which is the equivalent health risk of a person who smokes two packs of cigarettes a day. In addition, the Ohio Department of Health supports this legislation and has specifically testified about the need for certification of radon measurement devices and methods of assistance to perform comprehensive surveys of radon levels in Ohio.

S. 744 also requires the EPA to provide assistance to States on radon issues and provides grants to help States set up radon programs. Furthermore, the legislation lists several specific assistance activities which EPA may undertake including establishment of a clearinghouse of radon information, setting up training and seminars for State and local officials, demonstration of radon mitigation methods, and certification of radon measurement devices.

Mr. President, the evidence clearly shows that radon gas is a serious health threat of national concern. I believe that we should move expeditiously to address this problem and I support the enactment of S. 744.●

CAPITOL HILL ICE CREAM PARTY

● Mr. GRASSLEY. Mr. President, on the afternoon of June 18 in the courtyard of the Russell Building, a long-awaited-for treat that Members won't want to miss will be sponsored by the members of the Milk Industry Foundation and the International Ice Cream Association, the Nation's trade associations for the processors, manufacturers, and distributors of milk and ice cream products. For most of us here on the Hill, it's known simply as the Capitol Hill Ice Cream Party.

I urge my colleagues to attend this fun and uniquely Washington event and help pay tribute to two truly great American industries. There won't be any high-pressure lobbying going on that afternoon, unless it's somebody twisting your arm to make you eat a delicious scoop of "vanilla fudge ripple."

In a day and age where we constantly bemoan America's lack of competitiveness in this industry or that technology, the milk and ice cream industries keep chugging right along, economically healthy, constantly improving their processing technologies and marketing techniques, and vitally concerned about the healthy and wholesome attributes of their products.

Especially important to Americans is the state of our Nation's ice cream industry. I'm happy to report that the health of the American ice cream manufacturing industry is indeed quite good. Let me cite just a few statistics to illustrate the good things going on in the ice cream industry: Ice cream production increased 2.5 percent in 1986, to a record 924 million gallons, according to year-end production figures from the U.S. Department of Agriculture.

Other frozen dairy products posted similar increases. Ice milk production was up 4.4 percent, also setting a production record of 315 million gallons. Sherbet production was up 3.1 percent. Other frozen dairy products, including such novelty products as frozen yogurt and frozen pudding, skyrocketed 33.5 percent above 1985 production figures.

The healthy increases in production have translated into healthy gains in the value of ice cream products sold nationally. The International Ice Cream Association estimates the retail value of ice cream and related frozen dessert products totalled over $9 billion in 1986.

Ice cream is certainly America's favorite food. Market research has found that 98 percent of U.S. households consume ice cream. We Americans eat more of it than anybody else in the world—over 44 pints last year.

Let's salute the people who make the products that put smiles on people's faces, conservative and liberal, Republican and Democrat, young and old, all across this Nation. We celebrate July as National Ice Cream Month and the third Sunday in July as National Ice Cream Day. Most of all we salute the people in the milk and ice cream industries who bring these products to us.●

NATIONAL ICE CREAM MONTH

● Mr. DIXON. Mr. President, it is with a great deal of pleasure that I urge my colleagues and people everywhere to take note next month of a truly all-American industry—the ice cream manufacturing industry.

This industry began in 1851, when a Baltimore milk dealer named Jacob Fussell began producing ice cream commercially. By 1899, 5 million gallons of ice cream were being produced in the United States and, with the help of the tremendous technological innovations of the time, ranging from mechanical refrigeration to motorized delivery vehicles, production kept increasing. By 1909, production reached 30 million gallons, and by 1919, more than 150 million gallons were manufactured.

Last year, according to the U.S. Department of Agriculture, a record 924 million gallons of ice cream were produced in this country.

This tremendous growth has a lot to do with the fact that Americans are the most obliging ice cream consumers in the world. Ninety-eight percent of American households love ice cream. Nearly one-third of the households consume at least 1 gallon of ice cream every 2 weeks. More than $9 billion was spent on ice cream and related products at the retail level last year, according to estimates from the International Ice Cream Association, the industry's trade association.

Why do Americans love ice cream so much? It's not just the product they love, it's the care that's put into the making of the product. Ice cream manufacturers care about the quality of their product. They are constantly experimenting with new flavors and ingredients. Practically every week we see some new, tantalizing product on our grocery store shelf.

Yes, Mr. President, as the old song goes, "We all scream for ice cream." During July, National Ice Cream Month, let's pay homage to this all-American dessert—by celebrating with ice cream, naturally.●

CHANGES IN THE NATURAL GAS MARKET

Mr. RIEGLE. Mr. President, I recently obtained an article entitled "Natural Gas on a Frontier of New Challenges," written by Robert W. Stewart. Mr. Stewart is the chairman of the board and chief executive officer of Primark Corp., which is the parent company of Michigan Consolidated Gas Co., the largest natural gas distribution company in Michigan. Mr. Stewart knows firsthand the natural gas business, the natural gas marketplace, and the effects of the policies of the Federal Energy Regulatory Commission on prices and supplies of natural gas.

This article presents Mr. Stewart's assessment of the difficulties and challenges facing the entire natural gas industry, and his thoughts on the necessary changes that must occur in the marketplace to bring about greater efficiencies and lower prices for consumers. I recommend this article to all my colleagues, and that it be placed in the RECORD.

The article follows:

NATURAL GAS ON A FRONTIER OF NEW CHALLENGES

(By Robert W. Stewart)

Local distributors cannot continue to rely on pipelines for long-term reliability and must assume more responsibility for their destiny. With increased price competition, unstable oil prices, and continuing pressure placed upon industrial customers from foreign competition, the natural gas industry faces unprecedented new business and marketing demands. Fresh challenges and issues in the face of Order No. 436 have unfolded before the Federal Energy Regulatory Commission, the Congress and the state public service commissions. This has created new roles and opportunities for producers, pipelines, and the local distributors which are just starting to be understood by many in the marketplace. As roles shift, it is critical to note that producers still sell a commodity whereas local distributors and pipelines are selling a service.

Today, growing emphasis is placed on the competitiveness of U.S. business. Yet, in the natural gas business the FERC routinely suspends rate decisions for five months, and then the proposed rates can automatically become effective while the FERC spends years reaching a final decision. The hearing and appeals process before the FERC is simply too long. This practice drives the cost of gas to consumers still higher, reduces financial incentives for producers, and precludes U.S. industry from responding quickly to competitive forces. Our competitiveness is held captive to this distorted business practice and to tolling orders delaying rate case decisions for years. If we are going to have a truly market responsive industry, the stacking of rate cases upon rate cases, and the issuance of tolling orders are luxuries that we can no longer afford.

There is a continuing need to balance business and financial risks among affected parties. As creators and potential solvers of these challenges and their related problems, pipeline companies are better situated to assume a leadership role. But, these pipeline companies are too insulated from the business risks, which provide no incentives and feedback that make a market economy dynamic and responsive. Until federal regulations which govern pipeline operations are altered, they will have little incentive to modify current business practices that have created serious marketing problems for local distributors.

The critical issue which must be addressed is the need for open access, nondiscriminatory transportation. The FERC's Order No. 436, on its face, provides a framework for the industry's transition from an industry characterized by rigid wellhead price regulation based on arcane theories to one characterized by market-oriented pricing. However, this transition can only be accomplished if Order No. 436 is implemented with a real appreciation of the importance of open access, nondiscriminatory transportation. Repeated delays of the effective date of all of that order's provisions, or the approval of settlement agreements that demonstrate some pipeline's ability to use its entrenched market power to institutionalize discrimination, cannot be permitted.

Finally, this article will discuss three other issues of critical importance: (1) take-or-pay provisions in wellhead gas purchase contracts, (2) flexibility and pricing of pipeline services, and (3) the impact of distribution company bypass. Each of these issues will be reviewed in turn with an assessment of their long-term impact in this emerging market environment, and the inevitable conflict between federal and state regulation.

Nothing remotely like free market conditions can ever exist in the gas marketplace until changes are timely made in interstate pipeline regulation on these three critical issues. Otherwise, a distorted market or system will continue to evolve totally captive to the spot market, which would create chaos for all key elements of the marketplace.

NONDISCRIMINATORY OPEN ACCESS TRANSPORTATION MUST BE IMPLEMENTED

With the critical need to maintain neutrality between sales and transportation, proper profit incentives based upon sales and transportation volumes and throughput can be maintained by interstate pipelines. Performance should be tied to profit margins, and the risks must be keyed into the establishment of mutual self-interest on transportation and sales between local distribution companies and their pipeline suppliers.

In this regard, the FERC has not implemented Order No. 436 consistently with either its original intent or its specific items announced in October, 1985. Those original goals were to communicate clear market signals for gas and for services associated with gas purchases, to provide strong incentives to minimize costs, and to allow maximum flexibility for customers to choose among suppliers of pipeline services. Various proposed pipeline settlements are not really settlements, but effective waivers from fundamental requirements of the FERC order. Instead, what has evolved is a shift from the original intent of the FERC, and each pipeline has tailored its own version and interpretation of Order No. 436, and characterized it as a settlement. In the process, the prior artificial regulatory imbalances have been recreated, and discrimination has been promoted.

The FERC must return to its original goal of broadening access to the wellhead with both distributors and end users characterized as eligible shippers. This would ensure the capability of distributors to aggregate the smaller requirements of residential and commercial end users and purchase producer gas on their behalf. Seasonality considerations originally supported by the FERC must also be emphasized, along with the insistence that existing customers have the option to reduce their contract demands or convert them to firm transportation service.

The rates for blanket certificate transportation will also require unbundled charges for gathering, storage, standby, and transmission—separately priced on a cost-of-service basis. Such rates should be devised based upon the sales rate, including demand charges less the cost of gas.[1] Neutrality between sales and transportation avoids the sacrifice of firm customers served by local distribution companies for the long term. Neutrality will not promote an artificial shift of fixed costs among existing customers, and will avoid the creation of competitive imbalances which artificially operate to favor new customers over historical customers of the traditional pipeline and local distribution companies' systems.

The world of open access and nondiscriminatory transportation will be different from the one we have known in the past. But our experience following wellhead deregulation proves that change is necessary. The failure of the regulatory system to communicate price signals between burner tip and wellhead created the oversupply and underconsumption we call the "gas bubble." This has created havoc in the producing regions and provided windfalls for a minority of end users who have access to gas at the wellhead which is currently available at distress prices. In the longer run, and for the majority of gas consumers, such market instability is not beneficial.

Open access, nondiscriminatory transportation is intended to avoid these huge mismatches between supply and demand. It is intended to create a gas market that parallels that existing for most other goods where prices, supply, and demand are flexible and market responsive, and where middlemen who deliver the product communicate, and do not block, the pricing signals between consumer and the producer.

Some industry observers have claimed that the transition facing the gas industry signals the end of the pipelines' merchant function since end users and local distribution companies will have direct access to wellhead gas. We may hope that these observers are wrong. Pipeline have significant natural advantages in performing the merchant function primarily based on their experience dealing at the welhead, their detailed geological knowledge of gas producing regions, and their intimate familiarity with the transportation of gas. Those natural advantages, and not monopoly control over transmission facilities, should be the foundation of a pipeline's merchant function in the future. In the new world of open access, nondiscriminatory transportation, those pipelines who can build on their natural business advantages to perform the merchant role more efficiently and more effectively than producers, brokers, and users, or local distribution companies will stay in the merchant business. Those who cannot, will not. This natural selection process, based on business performance, is what the free enterprise system is all about.

TAKE-OR-PAY CONTRACT CHARGES MUST BE ADDRESSED BY PIPELINES AND PRODUCERS

Recent proposals to separate take-or-pay charges into old, transition, and new charges offer a constructive first step, but not a panacea for solving this problem. For, take-or-pay obligations are a symptom of a more pervasive underlying problem—the pricing in pipeline and producer gas supply contracts was set too high. Any FERC policy must provide more than general guidelines, and direct billing and sharing of such costs with distributors and other customers. Instead, the FERC should force pipelines to negotiate hard on behalf of their customers with producers. Since they are in privity of contract, pipelines and producers should bear the lion's share of risks, and implement fair and equitable treatment and contract adjustments between themselves for the removal of these charges. Any such policy must be in lieu of all other cost recovery from local distributors and their customers for costs associated with take-or-pay payments currently in effect whether in base rates or a purchased gas adjustment tracker.

Since the pipelines were the closest to the source of the problem because of their supply contracts directly with producers, they should also be viewed as the primary source of any solution. Direct billing proposals for take-or-pay charges to distributors and other customers are irresponsible and anticonsumer—and are a throwback to the "passthrough" mentality of the 1970s. Certainly, there are business management and prudence issues raised for pipelines. But stated more simply, these market risks properly consist of the exposure of reduced sales and diminished income levels which should be borne in a more balanced fashion by producers and pipelines for the supply contracts they created between themselves.

This result is necessary since pipelines paid higher prices for their gas contracting with producers than they needed. These decisions were independently and solely made by pipelines, and they should bear responsibility for these choices. Moreover, open transportation changes business operations for all and diminishes the market-ability of their more expensive gas decisions currently, and in the long term.

The pipelines masquerade behind the threat of a $14 billion contingent liability related to take-or-pay contract charges. But, we conclude this is a mere financing problem—a veritable "paper tiger" issue—with financial impact at a mere fraction of this cost. Contrary to popular belief, pipelines are generally not liable to pay for the full extent of their reduction in gas takes. The total liabilities are really the cost of *financing* take-or-pay liabilities, and not the theoretical liabilities themselves. As the American Petroleum Institute concludes: "The use of total liabilities themselves as a measure of the burden distorts the extent of any problem since the finance costs are but a fraction of total liabilities." [2]

Congressional testimony from major gas producers had confirmed that in many contracts or settlements with pipelines, take-or-pay funds for gas are placed into a special account, whereby producers cannot book those revenues until the gas is actually taken. This is in large measure because the funds frequently revert to the pipeline after the makeup period has expired if the gas is never taken by the pipeline under such makeup rights. This is the way numerous pipelines carry such take-or-pay settlements as assets on their financial statements filed with the FERC, and why many producers find alternative forms of settlement with the pipeline at ten cents on the dollar an attractive option. Where take-or-pay prepayments are made by pipelines with makeup or reversionary rights to the funds after a specified time, the actual cost of the pipelines is not total prepayments or outstanding liabilities in the abstract. Instead the costs only relate to financing such prepayments because the payments would be ultimately made once the gas is taken.

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[1] Prior FERC marketing programs have failed to establish such neutrality. For example, the Panhandle special marketing program only provided special treatment through avoidance of pipeline demand charges and deferred gas cost surcharges on the system. Most pipeline special marketing programs suffered from the same problem.

[2] Evi Savrides-Gellerson, and Donald A. Norman, "Resolving Take-or-Pay Liabilities: Progress Through Voluntary Renegotiation," Policy Analysis Department, American Petroleum Institute, Discussion Paper No. 049 (July), p. 2, citing Michael E. Canes and Donald A. Norman, "Analytics of Take-or-Pay Provisions in Natural Gas Contracts," Discussion Paper No. 029 (December, 1983).

FLEXIBILITY AND PRICING OF PIPELINE SERVICES: MORE THAN RATE DESIGN

The industry's movement in the direction of unbundling services should be maintained and promoted. Flexibility and separate pricing of such services would promote better risk management, minimize purchased gas costs, and promote future efficiency. The result would be to permit local distributors to compete with alternative fuels, maintain existing loads, and engage in new marketing opportunities.

Competitive gas prices offered through open transportation is an essential element of a market-responsive gas industry. However, the only way to a truly market-responsive industry lies in the future availability of flexible pipeline services and access to competitive field prices offered through open access, nondiscriminatory transportation. Specifically, rate design adopted by the FERC must not only link a pipeline's profits to its ability to render both sales and transportation service at the lowest reasonable prices, but also address the need to react to frequently changing demands for services in an increasingly sophisticated marketplace.

Modified fixed variable rate designs and the elimination of fixed and variable cost minimum bills have already been adopted by the FERC for most pipelines. We supported that progress. While these are necessary first steps and offer a number of advantages, it is time to move to the next plateau in an evolutionary industry, expeditiously without the drain of protracted, case-by-case review. Profitability must become increasingly dependent upon whether the pipeline actually provides needed services at competitive prices. To that end, both pipeline transportation service and sales service must bear an appropriate share of the pipeline costs and the services must be designed around the service offerings that customers need and want.

In recent years this has clearly not been the case. Rather, pipeline costs have been assigned to customers in a manner that was not necessarily related to the services actually required or utilized. In order to remedy this situation, pipeline services and prices should be unbundled and a customer should be able to purchase only those specific services that it requires. Unbundling, then, is intended to force pipelines to focus their efforts on the needs of their customers, and establish services to meet those needs. With respect to sales service, for example, those needs can be best measured by a customer's requests for firm and interruptible seasonal purchase entitlements, as well as annual and peak day requirements. Parallel service offerings should be available to those customers who want transportation service only. But the underlying point centers on the recognition that the ultimate market has moved from one in which natural gas undercut the price of alternate fuels, to one in which natural gas is competing with alternate fuels. Services must be tailored to provide timely responses and priced accordingly to meet that market challenge.

In order for an unbundling proposal to be effective, it must be inaugurated in conjunction with the requirement that all pipeline customers be allowed to realign fully their requirements for each of the offered services. Without a "clean slate," true unbundling of services will be available only to new customers, while existing customers will be penalized. For certificated customers, with locked-in entitlement levels and corresponding fixed-cost obligations for services that may no longer reflect their current market needs, unbundling would simply be a cosmetic, but meaningless, exercise unless all customers are provided an immediate opportunity to better align contractual service requirements with market needs. Future periodic opportunities to further realign contractual service requirements should be preserviced if we are to have a system that is flexible enough to meet future challenges in the industry. If there is one lesson that the last ten years should have taught all of us in the gas industry, it is that change is the only "sure thing."

The underlying premise of rate design reform centers on the recognition that the needs of the gas market have permanently changed. Options for acquiring gas supply must also coincide with the types of service being demanded by the ultimate consumer. Gas acquisition in the years ahead should continue to be a difficult and constantly changing endeavor. While I recognize the need to balance the supply scales between short-term gains on the spot market and long-term agreements that assure a secure supply for the future, utility executives will need to be flexible and imaginative if they are to strike the proper balance that will guarantee natural gas for customers at the best possible price. This needed flexibility in pipeline tariffs could take the form of market-out or buyer-protection provisions for the pipeline and the distributor to promote both buyer and seller protection.[3]

Another key element in this move to unbundled services could be the subdivision of purchase options into different gas portfolios to meet the specific requirements of specific customers. In this manner, as present pipeline reserves are exhausted or released, a customer could buy into those supply options it found attractive and reject those that were undesirable. The result would be better communications to producers regarding the prices customers would be willing to pay and the contract terms they would be willing to accept. For example, if a producer and a pipeline agreed to a fixed charge as well as a variable charge for gas, a customer would only be responsible for those fixed costs if it purchased an entitlement to the portfolio containing that contract

By comparison, under current regulations the pipline makes these decisions and passes all of the cost consequences of those decisions on to its customers. The portfolio approach would allow the decisions of the pipelines, their customers, and the ultimate end user to determine exactly what role each will have in arranging gas supplies for the future. For a market to be truly efficient there has to be communication between producer and user. This would make producer-pipeline contracts more responsive to market forces. It would recognize that once the natural gas is introduced into the market supply stream, it is the local distributor who bears all of the risk of pricing and selling those supplies. Therefore, the distributor should have a choice.

In any event, the FERC needs to initiate a thorough examination of pipeline services on a *generic basis* to promote more competitive and sophisticated, long-term solutions. With Order No. 436, where the FERC adopted general principles and left implementation to a case-by-case approach, the pipelines have demonstrated the ability to utilize FERC procedures to obstruct the implementation of innovative modifications through procedural maneuvering and protracted litigation. It is to be hoped that in the future the FERC will adopt specific rules in a generic case capable of being implemented without extensive case-by-case hearings. This was the approach successfully used in eliminating gas cost minimum bills in Order No. 380.

This approach would ultimately promote movement toward more uniform rate designs by pipelines, while recognizing that each pipeline is different. With common rate designs, pipelines will have to compete for the same markets based upon operating efficiencies. This should result in more pipelines becoming true open access carriers, acceptance of key operating conditions imposed upon such status, restructuring rates to compete more on operating characteristics and efficiencies and less on rate design, and neutralizing rates with respect to sales or transportation. Such an approach is certainly preferable to bidding for transmission services which only serves to destablize and create insecurity in our marketplace and in our industry's ability to deliver services.

We should hope that we will soon enjoy a competitive, market-responsive natural gas industry in which the risk is shared by all segments of the industry. In sharing that risk, we will all have the potential for a better share of the rewards through increased flexibility and more sophisticated pricing of pipeline services.

DISTRIBUTION COMPANY BYPASS CONSTITUTES POOR PUBLIC POLICY

The FERC's adoption of a policy supporting distribution company bypass will prove unfounded and is not supported by any bona fide federal or state energy policy objectives. Its promotion has been spawned by a failure to recognize that producers sell a commodity, whereas distributors and pipelines sell a service. This is a critical but ignored point. Distribution bypass will not promote an iota of economic or constructive competition and not increase gas markets, but effectively shifts the composition of those gas markets and the underlying fixed costs for services to those markets among interested parties. If blindly pursued, it could operate to diminish natural gas sales over the long term.

Fundamental differences in service obligations exist between distributors and interstate pipelines. My company operates under laws in Michigan which require it to provide public utility service. In exchange for the grant of this exclusive privilege to provide utility service within a specific geographic area, any customer has a right to request service from my company, and we are obliged to provide such service at the lowest, reasonable cost. The pipelines' potential customers generally have no right to receive service unless the pipeline chooses to serve them. Their obligation to serve arises not by law, but through a contract. This gives the pipelines almost complete control over which sales and transportation customers they choose to serve or not to serve. Moreover, where a contract is established, the pipeline's obligation is limited by stated daily and annual volumes and FERC-approved tariffs. The rates charged by pipelines are on a wholesale, not retail basis. If distribution bypass is persistently promoted, then either the entire pipeline rate structure must be re-examined, or charges of discrimination in pipeline service will proliferate.

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[3] This flexibility would also recognize that one of the basic problems of the Natural Gas Policy Act of 1978 was that the act only provided for price escalation. The gas industry should not repeat that lesson of history by only providing for price reductions.

The only situation where bypass might be appropriate is where a local distribution company was abusing its public utility status and preventing its customers from obtaining access to transportation. In that situation, the state public service commission and not the FERC might be justified in using whatever powers were available to it to eliminate the potential bottleneck. Where, however, the local distribution company is already providing open access transportation, no bottleneck would exist and no state action would be necessary.

This limited use of state regulatory power, would tend to benefit all potential transportation customers because it would provide local distribution companies and state regulators with a powerful incentive to provide open access transportation. This is in sharp contrast to a FERC policy, as advocated by some industrial customers, which would permit bypass on a case-by-case basis simply on the happenstance of the customer's proximity to an interstate pipeline. This latter policy is a lottery approach to regulation that may provide significant benefits to a small select group of industrial customers who have fortuitous plant locations, but does not provide any general benefit to the customers. This is an inappropriate use of power by a regulatory agency whose statutory responsibility is to protect the public interest, not parochial private interests. The public interest is best served by promotion of a bypass policy that is limited to eliminating bottlenecks and providing general access to transportation gas.

Outright permission for distribution company bypass from the FERC is not a solution, but instead raises new problems for the industry. The FERC bypass proposal has implications for long-term policy goals on natural gas, and cannot override prior Supreme Court decisions to the contrary, which conclude that the FERC has no overriding jurisdiction over this issue. Often, in a bypass situation the industrial or commercial customer is only seeking short-term cost savings. But, the FERC is charged with evaluating not only immediate, but also long-term effects of its policies and decisions, and must be careful of subordinating the long-term interests of the public to the short-term interests of a single private party.

Approval of pipeline bypass against local distribution companies works against full implementation of Order No. 436. Assuming a local distributor supports Order No. 436 over the objection of the supplying pipeline, that pipeline can gain leverage against the local distributor by threatening to bypass. It is to be hoped that state commissions and distributors will be reluctant to support nondiscriminatory carriage if that means shifting fixed costs to captive customers.

The gas industry is not static, and will be changing in the face of declining or stable sales volumes for the future. Distributors are most vulnerable in this new marketplace of competition after Order No. 436, since their historical basis for state regulation will be maintained and in many jurisdictions regulatory oversight may be increased. I would recommend that new transportation rates and services must be structured to avoid illegal interference with local distributor's historical relationships to its respective service area, and its public utility obligation to serve all customers. Any continuing oversight related to open access transportation implementation and the need to remove transportation bottlenecks from the local distributor should occur before the state public service commission, and not the FERC.

THE ISSUES DEMAND ACTION NOW

Pressures are mounting to maintain the competitive position of U.S. industry in both domestic and international markets. The gas industry can play a constructive role with its indigenous supply base and delivery infrastructure in place if action is taken now. The need for open access, nondiscriminatory transportation must be clearly implemented and supported. Pipelines and producers must resolve take-or-pay contract charges between themselves. Flexibility and separate pricing of pipeline services as they are unbundled must be promoted, and distribution company bypass should be stopped dead in its tracks.

These results will protect the ratepayers and consumers we serve, and place the future potential and opportunities for natural gas service on the frontier of new challenges that are boundless and unlimited well into the next century.●

A CONSTRUCTIVE APPROACH TO CENTRAL AMERICAN FOREIGN POLICY

● **Mr. BENTSEN.** Mr. President, earlier this year former Virginia Gov. Charles S. Robb, chairman of the Democratic Leadership Council, visited Honduras, El Salvador, Costa Rica, and Nicaragua. In a June speech before the Foreign Policy Association in New York City, he explained how he returned from this trip with a reinforced opinion that "the reality in Central America is far more complex and multifaceted than the shrill and sometimes simple-minded debate in Washington suggests."

In his speech, Governor Robb called for a new foreign policy toward Central America based upon support for democracy, long-term economic development, continued aid to the Contras as necessary support for negotiations with the Sandinistas, and vigorous diplomatic efforts in the region. These are goals that many of us here in this body support, and I commend to you the entire text of Governor Robb's presentation.

Mr. President, I ask that the full text of Governor Robb's remarks be inserted in the RECORD.

The speech follows:

FORTIFYING THE DEMOCRATIC CENTER IN CENTRAL AMERICA

(Remarks by Gov. Charles S. Robb)

It is a great privilege to be here.

Since early in this century, when America began its ascent to global leadership and responsibility, this association has been one of the nations's premier forums for enlightened public debate on foreign affairs. The need for such debate is today more acute than ever.

Since the Vietnam War, Americans have remained deeply ambivalent about the proper uses of U.S. power abroad. Sometimes self-assertive, at others, self-absorbed, we oscillate between engagement * * * and detachment from a fractious world.

The rhythm of these swings is dictated by ideological and institutional rivarly.

While the right tends to see American power as the antidote to communist contagion * * * the left often views U.S. intervention itself as the problem.

As the political factions contend, the executive and legislative branches are likewise engaged in a continuing struggle over control of foreign policy.

What's missing, of course, is the stabilizing force of national consensus. In its absence, complex foreign policy questions tend to be decided in the context of domestic politics.

Instead of asking where our nation's interests lie, the question becomes: who will prevail, the Democrats or the Republicans * * * the president or Congress?

In short, political conflict at home is preventing us from pursuing a stable and effective policy abroad.

If America is to effectively carry out its obligations as a world power, our elected leaders will have to strive harder to compose their differences * * * to find common ground on which a durable foreign policy can be built.

Under our Constitution, the president has primary responsibility for foreign policy. A wise president, however, understands that he cannot conduct a successful policy by executive fiat.

No policy can be sustained over time if the president fails to muster broad public and congressional support for it. To proceed without such a consensus is to invite mistrust, bad faith and deception. The Iran-Contra affair is a distressing case in point.

While the onus of forging a sturdy consensus falls chiefly on the president, he must have a reasonable measure of discretion and flexibility in the execution of his policy. Once Congress has approved the broad outlines of a policy, it should give that policy time to work and to refrain from managing every detail.

No policy will work if Congress reverses course with every setback abroad or every election. The bipartisan leadership of both Houses must act as a force for stability and continuity in U.S. foreign policy.

I offer these general reflections because I think they apply with particular force to U.S. policy in Central America.

Two months ago, I visited Honduras, El Salvador, Nicaragua and Costa Rica. The trip reinforced my impression that the reality in Central America is far more complex and multi-faceted than the shrill and sometimes simple-minded debate in Washington suggests.

I left Central America convinced that our current policy has failed and must be replaced by a new one. We simply cannot afford to continue on the current path of paralysis and partisan rancor.

Instead, we need to forge a new, bipartisan policy that serves both our strategic and our moral interests * * * a long-term policy designed to fortify the democratic center in Central America.

I recognize that the policy I'm about to propose will not be popular in my own party. I suspect, as well, that it may run counter to the views of a majority of the people in this room. Nonetheless, I believe that fair-minded Americans need to take a fresh view of the crisis in Central America, and that is why I've chosen to deliver this particular message in this forum.

I should also add that these thoughts are entirely my own and do not reflect the position of the Democratic Leadership Council.

I think the lesson of Central America's recent history is clear: when the United States fails to identify early, consistently and strongly with the democratic center in a nation undergoing revolutionary change, our options will only grow narrower and less attractive and the crisis wears on.

Yet some contend that we should once again seek the path of least resistence in Central America, as if a U.S. withdrawal from the region would somehow solve the problems there. I would argue, instead, for a different policy that consciously allies our country over the long term with those struggling against the enemies of democracy on the right and left to build democracy and social justice for the people of Central America.

Such a policy, in my view, could be built on these four propositions:

First, that our paramount goal should be to promote freedom and democratic values in Central America.

Second, that we should work with the region's democracies to fashion a long-term development program for economic and social progress.

Third, that we should continue aid to the Nicaraguan resistence in order to buy time for neighboring countries, to keep alive the democratic option in Nicaragua and to support a serious negotiating strategy.

Fourth, that we should engage in more vigorous diplomacy to rally Latin American democrats to our mutual cause.

Let me elaborate on these points.

First, I believe the overriding objectives of U.S. policy should be to give Central America's struggling democracies a fighting chance to survive. Ultimately, their success is the best guarantee of their security as well as ours.

Today our attention is riveted on the Iran-Contra spectacle, especially the issue of illegal aid to the Nicaraguan resistance. These hearings should and must investigate what went wrong and why, and identify those responsible.

However, they should not be allowed to obscure the larger question of how we protect our enduring interests in Central America long after the inquiry and scandal have passed into history.

What happens in Nicaragua is important. But it's time to put that controversy within the broader context of a stunning expansion of freedom and democratic pluralism in Latin America.

In the last decade, Brazil, Argentina, Bolivia, Ecuador, El Salvador, Guatemala, Honduras, Peru and Uruguay have all replaced military rulers with popularly elected civilians.

Of course, there are exceptions to this promising trend, including Paraguay and Panama * * * Chile and Cuba. And there has been one aborted democratic revolution: in Nicaragua.

Moreover, the emerging democratic center in Central America is under violent attack from extremists on both the left and the right.

Elected leaders face a daunting array of obstacles: a landowning and business elite loathe to yield power and privilege * * * Marxist insurgents who reject the very possibility of peaceful change * * * abject proverty and illiteracy * * * inefficient, statist economies * * * staggering external debts * * * and, most insidious of all, a haunting legacy of political trayal and failure.

Will the center hold? Certainly the odds are better with American support. The alternative is the spread of what Peruvian writer Mario Vargas Llosa has called "terrible violence" fostered by the vicious cycle of revolution and counterrevolution. He has said:

"The ordinary people have opted for democracy in an attempt to find an escape from this nightmare reality of civil war, terrorism, indiscriminate repression, revolutionary 'taxes,' blind executions and the proliferation of torture . . . They decided to support that system which, intuitively and instinctively, they thought would be best able to defend human rights, or oppress them least * * *"

I believe our country, with constructive leadership from my party, now has an opportunity to transform a narrow policy of Contra aid and anti-communism into a broader strategy that aligns the United States with the democratic aspirations of most Central Americans.

We have learned, from painful experience, that defending our values is the best way to defend our interests in Central America.

And the Central Americans I spoke to—presidents * * * leaders of business, labor and the church * * * Nicaraguan dissidents * * * and ordinary citizens—all find it inconceivable that the United States would simply abandon the isthmus to the Sandinistas and their Cuban and Soviet patrons.

After all, if Americans won't stand up for small and vulnerable democracies in this hemisphere, where will we?

So my second point is that regardless of the fate of Contra aid, the U.S. needs a comprehensive and sustained program of economic and security aid to the four Central America democracies: Costa Rica, El Salvador, Guatemala and Honduras.

Just as President Kennedy answered Fidel Castro's revolutionary challenge to Latin America with the Alliance for Progress, so must we today offer fresh hope for renewed economic progress and social justice within a democratic framework.

For example, we need to go forward with the Kissinger Commission's plan for long-term economic aid and security assistance to the region, including this year's $300 million installment. Our development package should include debt relief * * * a reduction of trade barriers * * * and a commitment to channel part of our aid through the proposed Central American Development Organization.

In return, the region's democracies should agree to make internal reforms that promote both economic efficiency and social equity * * * and that create a more congenial climate for investment and growth. That means scaling back public bureaucracy and subsidies * * * easing government economic and trade controls * * * and dismantling inefficient state enterprises. It also means proceeding with land reform, investments in public education and health and other policies that foster upward mobility and a more equitable distribution of wealth.

Growth alone won't do; the poor in Central America also need a chance to share in renewed prosperity. Otherwise, the promise of democracy will remain out of reach * * * a glittering abstraction.

The U.S. can also work to ensure the integrity of democratic institutions and processes in Central America: honest elections * * * professional security forces subject to civilian control * * * and, especially * * * fair and impartial judicial systems. And, as Sen. Bob Graham has proposed, we ought to reach out to the next generation of Central American political leaders by offering more scholarships to our colleges.

Private efforts to build the infrastructure of democracy are also welcome. In Nicaragua, for example, the AFL-CIO, through its Institute for Free Labor Development, is providing crucial support to the free trade union movement * * * whose members and leaders are subject to constant harassment by the Sandinistas. And in El Salvador, the AFL-CIO's support is crucial to the success of land reform.

Finally, if we are serious about bolstering Central America's fledgling democracies, we can't ignore the grave security threats they face.

To pour large amounts of economic aid into Guatemala or El Salvador, while ignoring the insurgencies that threaten their stability, would be a futile and self-deluding gesture. Improving the lives of the people of Central America must begin with the basic security that we all take for granted.

The Central American presidents with whom I spoke clearly fear the Sandinista's revolutionary ambitions * * * their growing dependence on Cuba and the East Bloc for economic support and arms * * * and their faithful devotion to the Soviet line in foreign policy. Without the counterweight of U.S. power, several leaders told me, their countries won't be able to withstand Sandinista attempts to export their revolution.

They also recognize, as we should, that a Sandinista victory would strengthen rightist and militarist forces throughout Central America, who would use the heightened threat of subversion and increased guerrilla activity as an excuse to seize power and, once in power, to forego badly needed social reforms.

And should the Sandinistas fully and finally succeed in consolidating their power and permanently silencing all internal opposition, neighboring countries fear they will be engulfed by a new tide of refugees. Already, about 200,000 Nicaraguan refugees are living in Costa Rica and Honduras.

So regional stability requires that we continue security aid to Nicaragua's neighbors, to erect a shield behind which their free institutions can take root and flourish.

My third point is that continued U.S. aid to the Nicaraguan resistance can serve three critical goals: buying time for neighboring democracies * * * keeping the democratic option alive in Nicaragua * * * and sustaining pressure for serious negotiations.

To be effective, our support has to be steady and consistent. The chronology of Contra aid, however, offers a vivid tableau of indecision:

1981 * * * Congress approves covert military assistance.

1982 * * * Congress again approves covert aid and adopts the first Boland Amendment, which says that the money cannot be used to overthrow the Sandinista regime.

1983 * * * Congress openly appropriates $24 million for the Contras. Later, in response to the CIA's mining of Nicaraguan ports, it cuts off all aid. And it passes the second Boland Amendment, barring any public money for the resistance.

1985 * * * the Senate votes for and the House against further aid. Congress later approves $27 million in "non-lethal" or humanitarian assistance, conditioned on steps by the Reagan Administration to seek a negotiated settlement of the conflict.

1986 * * * Congress appropriates $100 million in military and non-lethal aid to the contras. Now, in light of the Iran-Contra affair, the smart money in Washington says that no further aid will be approved, at least this year.

What kind of policy is this?

Americans need to recognize that every change in the political wind in Washington has gale-force repercussions in Central America.

During a visit to Washington last month, Guatemalan President Vinicio Cerezo was asked to name the most important step the U.S. can take to help Central America. He asked not for more aid or arms * * * or for less U.S. meddling. He simply asked for a predictable policy.

Much of the blame for our erratic course rests with the Reagan Administration, whose shifting rationales for Contra aid and extra-legal misadventures have done much to discredit its policy.

Still, I hope Congress will recognize that it too has a responsibility to the Nicaraguan resistance. Turning aid on one year and off the next is tantamount to playing with their lives. If Congress is unwilling to make a clear and continuing commitment to aid for the Contras it should terminate the program altogether—and be prepared to accept the consequences.

My view is that Congress should approve a multiyear package of aid. For without constant pressure, the Sandinistas will have little incentive to relax their repressive grip on Nicaraguan society or to reach a negotiated settlement with their neighbors.

While we should refrain from pressing the resistance for quick military results, some conditions should accompany our aid.

The Contras urgently need to define a clear political and moral alternative to the Sandinistas. They need to unite their various military factions under civilian control * * * to continue progress toward eliminating human rights abuses * * * and to prepare to play a supportive role in peace negotiations.

To encourage such steps, we should channel aid through the civilian leadership—through the new umbrella group called the Nicaraguan Resistance. Putting a civilian buffer between the CIA and the FDN, the main Contra fighting force, will help the resistance demonstrate that is an authentic Nicaraguan movement, not simply an instrument of U.S. policy in the region.

Closer coordination of the political and military aims of the resistance is also critical. I raised this matter with Contra leaders in Central America, and I welcome their recent announcement that the members of the new directorate will be spending more time with the troops in the field.

The Contras cannot contest the Sandinistas on military grounds alone. They must offer a credible political agenda that offers the Nicaraguan people hope of a democratic future, not a return to a discredited past.

To spark a wider insurrection, the resistance needs to establish itself permanently on Nicaraguan territory * * * to treat the rural folk decently * * * to educate them in the theory and practice of democracy and to win their confidence * * * and, eventually, to demonstrate support in the cities, where Sandinista domination is strongest.

In short, the resistance must win political as well as military victories. It is likely to do neither, however, if it must face, alone and unaided, a Sandinista army of 70,000 men, trained by Cuba and supplied by the Soviets, and equipped with advanced weaponry like the Soviet Hind helicopter gunship.

Only with consistent U.S. backing can the Contras even the military odds sufficiently to win growing support among the Nicaraguan people. We can't expect them to rally behind a doomed cause.

In the months ahead, I hope we can at least advance the Contra aid debate beyond the level of crude caricature that has marred it in the past. The Nicaraguan resistance is neither the equivalent of our founding fathers nor a gang of venal thugs.

No doubt there are some reactionaries among the Contras. There are also men and women of impeccable democratic credentials. Mostly, there are peasants, thousands of them, who hold a variety of legitimate grievances against the Sandinistas.

And any movement that at times has attracted such former Sandinista government officials as Alfonso Robelo, Arturo Cruz, Alfredo Cesar and Eden Pastora, and such undoubted Somoza opponents as Adolfo Calero, Pedro Joaquin Chomorro Jr. and Marta Patricia Baltodano—such a movement cannot honestly be accused of plotting to return Nicaragua to a Somoza-style tyranny.

Whether the current leaders are capable of creating a truly democratic order in Managua—which hasn't seen one in over 50 years—is another question. Considering the alternative, I believe they deserve the right to try.

But most importantly, the issue of internal democracy in Nicaragua cannot be separated from the issue of containing Sandinista subversion in the region. Democracy in Nicaragua and the constraints of a functioning political opposition are the only reliable check against the expansionist ambitions of the Sandinista regime.

As Costa Rican President Oscar Arias has succinctly put it: "Without democracy there can be no peace in Central America."

My fourth and final point is that the U.S. needs to make more adroit use of diplomacy to rally the democratic center throughout the Americas to our mutual cause.

So far, U.S. support for diplomatic openings has been tepid at best and obstructionist at worst. It's time to follow the lead of Nicaragua's democratic neighbors and embark on a diplomatic path that can lead to an enforceable negotiated settlement.

Though far from perfect, the regional peace plan proposed by President Arias does keep the focus on the central problem: the Sandinistas' unrelenting drive to monopolize political power and to lock in place their version of totalitarian rule in Nicaragua.

Later this month, Central American leaders will meet to discuss the plan. Their challenge will be to transform a rather vague set of well-intentioned ideas into a concrete timetable for a truce accompanied by measurable progress toward the establishment of civil and economic freedoms in Nicaragua.

Key elements of such an agreement should include a temporary ceasefire during which censorship would be lifted * * * a suspension of U.S. military aid to the Contras and Soviet bloc military aid to the Sandinistas * * * immediate talks between the Sandinistas and the domestic opposition to lift the state of emergency and reinstate the suspended constitution * * * a firm deadline for general elections in Nicaragua, overseen by the Organization of American States * * * an end to Sandinista support for insurgents in the region * * * and, as democratization is irrevocably underway in Nicaragua, the disbanding of the Contras and their integration into Nicaraguan society.

We shouldn't be under any illusions about the Sandinistas' intentions. They are not going to bargain away their power in the absence of serious military pressure. A policy that calls for negotiations without continued support for the resistance is—in my opinion—a toothless policy * * * a policy without leverage.

Even if negotiations falter or fail * * * they still serve a useful purpose by keeping the world's attention focused on the despotic character of the regime in Managua. If the Sandinistas can't be persuaded to share power, they can at least be further isolated. We should press our European friends to end their economic aid to the Sandinista regime, which uses rationing and strict regulation of Nicaragua's disintegrating economy as a means of social control.

We should also urge the rest of Latin America, under the auspices of the Organization of American States, to take a much higher profile in resolving the crisis. Respected figures like Alfonsin of Argentina and Sarney of Brazil can bring stronger moral and diplomatic pressure to bear on the Sandinistas. They and other elected leaders should step forward and say to the Sandinistas: "We are part of the new democracy of Latin America and what you do in Nicaragua affects us all."

Regardless of what happens to the Arias plan, the United States, in conjunction with the OAS, should give firm assurances to the Central American democracies, particularly Costa Rica, which has no army, that we will come to their aid in case of an armed attack.

And, finally, we ought to spell out clearly our vital security interests in the region. All Americans have good cause to be concerned by the deepening strategic relationship between the Sandinistas and the Soviet Union. We need to serve notice on the Cubans and Soviets that we will not tolerate the introduction of advanced weaponry or the transformation of Nicaragua into a strategic base for Moscow.

This fall, the nation will again grapple with the question of aid to the Nicaraguan resistance. As we debate, let us be aware of the consequences of inaction. Let's ask ourselves: what will become of the resistance if we abandon them? Where will they go, and what about the other refugees who will likely follow them out of Nicaragua?

Let's also ask: how will such a decision affect those who are struggling peacefully for democracy, not only in Nicaragua but also in El Salvador * * * Honduras * * * and Guatemala? How far are we prepared to go to prevent those countries from going the way of Nicaragua?

And let's be clear about the dual nature of the threat to peace and stability in Central America. It stems from the gross social inequities that have long plagued the region * * * and from the betrayal of a democratic revolution in Nicaragua by the Sandinistas, who now contemplate a similar fate for neighboring countries.

How should America respond? We could pull back, send some economic aid and hope it all works out in the end. We could—but that strikes me as neither a principled nor a prudent course.

The alternative policy—one that serves both our nation's interests and our sense of moral purpose—is to engage energetically in the struggle for human rights and dignity in Central America.

There is ample historical precedent for such a policy. This year, in fact, we celebrate the 40th anniversary of the Marshall Plan, one of the greatest achievements of U.S. foreign policy. Its lesson is clear: when America joins with other nations to defend democracy and promote hope and economic advancement, we lay a lasting foundation for our own national security.●

COMMENCEMENT ADDRESS OF SENATOR CLAIBORNE PELL AT NEW YORK UNIVERSITY

● Mr. MOYNIHAN. Mr. President, our colleague, the distinguished senior Senator from Rhode Island, the Honorable CLAIBORNE PELL, on June 5, 1987, delivered the commencement address at New York University. Senator PELL was on this occasion awarded the honorary degree of doctor of laws. Having myself in 1982 delivered the commencement address at New York University, I warmly congratulate our colleague.

Other distinguished persons who received honorary degrees on this occasion were Avery Fisher, the audio pioneer, musicologist and philanthropist; Philip Johnson, the architect and design consultant; the Honorable Amalya Lyle Kearse, circuit judge of the U.S. Circuit Court of Appeals, Second Circuit; and Torsten Nils Wiesel, neurobiologist, Nobel laureate and head of the Neurobiological Laboratory of the Rockefeller University.

A distinguished New Yorker, Lewis Rudin, received the 1987 Albert Gallatin Medal, awarded annually to an alumnus, honorary alumnus or member of the New York University family who has made an outstanding contribution to society.

The honorary degrees were bestowed by the president of New York University, our former colleague in the House of Representatives, John Brademas.

Mr. President, because I believe my colleagues will read with much interest Senator PELL's thoughtful remarks on the Relationships between the United States and the Soviet Union, I insert the text of his commencement address at this point in the RECORD:

The address follows:

RELATIONS BETWEEN THE SUPERPOWERS: HOPE FOR A NEW PARADIGM

(Commencement Address by Senator Claiborne Pell)

President Brademas, Mr. Tisch, Judge Kearse, Mr. Johnson, Dr. Weisel, Mr. Fisher, graduating students, ladies and gentlemen:

I am honored by the opportunity to appear before this graduating class today, but also profoundly aware of the solemn responsibility I bear as the one remaining obstacle between many of you and your diplomas.

I take particular pleasure in sharing the platform with John Brademas, with whom I had the honor to work for many years in Congress—particularly in writing legislation that brought much-needed support to the arts and humanities, to libraries and museums, and above all, to education through financial aid to students. As recent Federal budget cuts have shown, that battle is by no means over. But to those who believe that educating American minds should take precedence over building redundant American missiles, I can offer assurance that you continue to have a voice in Congress.

RELATIONS BETWEEN THE UNITED STATES AND THE SOVIET UNION

My subject today—the relationship between the United States and the Soviet Union—bears directly on how our nation allocates its enormous financial and human resources.

More than a quarter of a century in the United States Senate has confronted me, almost daily, with the reality that much of American life—from our national budget to our role in the international community—is profoundly shaped by the U.S.-Soviet relationship. My own lifetime has spanned much of the 20th century, whereas most of you will spend more of your lives in the 21st century than in the 20th. But one thread of continuity is that superpower relations will continue—for better or worse—as a predominant factor in the world you inhabit.

FUNDAMENTAL REALITIES OF THE NUCLEAR AGE

The past seven years have shown that our world can, in the short term, survive without progress in U.S.-Soviet relations. But what has not changed during the current Administration—what no Administration could change—are these fundamental realities of the nuclear age:

First, both the United States and the Soviet Union are today capable—and will remain capable in any foreseeable future—of inflicting massive global destruction on a scale almost beyond the imagination. Mankind might not be destroyed, but our civilization certainly would be.

The second reality is that the premise of Star Wars—that we can somehow hide from the nuclear threat beneath a technological astrodome—is a beguiling but dangerous illusion. The genie of nuclear weaponry is out of the bottle, and our most pressing need—far more than a fantastic scheme for orbiting battle stations—is for an enlightened diplomacy to improve and stabilize the superpower relationship on earth.

The third reality is that arms control-negotiated agreement limiting offensive and defensive systems—represents our best hope of enhancing nuclear stability and reducing the risk of nuclear war. Certainly, arms control is the only hope for actual reductions in nuclear weaponry.

As a practicing optimist, I would like to believe that General Secretary Gorbachev is sincere in his quest for nuclear arms control; certainly Soviet economic difficulties offer evidence that the Kremlin could find benefit in a sound agreement. Similarly, I believe that President Reagan's desire for an historic achievement could, before he leaves office, triumph over the forces of confusion and obfuscation that have dominated his Administration's arms control policy thus far.

Yet, realistically, one must note that these positive signs appear bright only against the extremely grim background of the past seven years. Not only has that period been marked by no apparent progress in arms control; we have also seen the superpower relationship well-nigh swamped by a tide of ideology, harsh rhetoric, and ill will that has threatened to produce a nearly total dismantlement of the entire arms control framework previously erected.

A MAJOR HISTORICAL TURNING POINT

We thus face a major historical turning point—a choice between the end of arms control and an unconstrained arms race on the one hand, and substantial progress on the other. I hope therefore that the Administration will focus its full energies on the construction possibilities in Geneva. Nuclear arms control does not require a dramatic breakthrough. Quite the contrary, what I envisage constitutes no more than the preservation of agreements already reached, and slow but steady progress built upon that foundation.

In the years ahead, management of the superpower relationship will continue to demand all the patience, firmness, and intellect we can bring to bear. Our task is not to eliminate U.S.-Soviet competition, but rather to render that competition safer by managing it through agreements built on the ground of fundamental mutual interest. American and Soviet values may differ; our ideologies may sharply conflict; but our national interests per se are often quite similar.

A 19th century British statesman, Lord Palmerston, said of his country, "We have no eternal allies, we have no perpetual enemies. Our interests are eternal and perpetual and those interests it is our duty to follow." For the United States and the Soviet Union in the nuclear age, a paramount interest in common is the interest in peace.

EXPAND UNITED STATES-SOVIET CONTACTS

A key pursuing that common interest, I believe, is to expand U.S.-Soviet contacts at all levels—educational, cultural, economic, and political. My enthusiasm for exchanges is not born of any naive faith that familiarity necessarily produces fondness, but rather of a conviction that familiarity breeds realism and that realism in international affairs is a crucial commodity in short supply. The French diplomat Tallyrand said that for each hour spent negotiating with an adversary, one should spend ten minutes inside the skin of the adversary. Exchanges help to provide that ten minues.

Ultimately, our goal must be to change the paradigm—the model, the expectation—that each side brings to bear on U.S.-Soviet relations. For some four decades, the two superpowers have invested deeply—financially and emotionally—in a policy of mutual animosity. On both sides, that policy has created formidable political, psychological, and bureaucratic barriers that will not be easily dismantled. To do so will require a great exercise of leadership and political will. But as Governor Cuomo pointed out just last week, there may now be "an unprecedented convergence" of U.S. and Soviet interests that provide an historic opportunity.

A PARADIGM SHIFT

To see that such a "paradigm shift" is possible, one need only observe the dramatic transformation in our once hostile relations with China—a relationship that, only two decades ago, motivated our tragic involvement in Vietnam and, only a decade ago, still consisted of mutual antipathy and fear. Today, our image of the "yellow peril" has given way to a policy of limited but growing cooperation with a China with whose ideology we remain in conflict, but with which we are engaged in an emerging economic and political partnership.

Even more profound is the change that has occurred in our image and expectation of Japan and Germany, against whom we fought in a vicious war four decades ago, but with whom we have been partners, in democratic alliance, for most of the period since. In that same war, of course, the Soviet Union was our ally, until the war's end led us into 40 years of cold war and confrontation.

In future U.S.-Soviet relations, much will depend, of course, upon the Soviet Union. But Mr. Gorbachev's "glasnost" policy may conceivably represent an historic turning point in Soviet life and in East-West relations, and we should be prepared to participate fully and creatively in all opportunities it may offer for a progressive transformation of the Soviet Union. A more modern Soviet society would almost inevitably be a more liberal Soviet society—less repressive, more open to outside influences, and more and more integrated into the world community—all of which would enhance our own national security.

TIME IS ON OUR SIDE

To hope for—indeed, to expect—such change is far from naive. For communism is an ideological system fundamentally at odds with human nature. The desire to travel freely, worship freely, talk freely, work freely, save a little money for one's future or one's children—these are drives possessed by all human beings. These are drives that will erode the communist system. I am thus conviced that time is one our side—that it is communism, not capitalism, that contains the seeds of its own destruction. Our task, as leaders, is to keep the peace as time moves us down the path toward mutual forbearance.

Someday—perhaps through a grand breakthrough but more likely through the steady progress of an evolving Soviet Union and an expanding East-West relationship—U.S.-Soviet relations may bloosom into a true partnership of friends. In my lifetime, I doubt that it will happen. But certainly progress in that direction will remain my aspiration, warranting a continuing, dedicated and determined effort in which I urge all of you to share.

President John F. Kennedy once observed that the American eagle holds in one talon a bundle of arrows, and in the other an olive branch. "We intend," he declared, "to give equal attention to both." As you emerge now from this distinguished university, you can perform no greater service to our nation, and to the children you will raise, than to help our great Republic establish and maintain the judicious and enlightened balance of which President Kennedy spoke.

I congratulate you, and wish you well.●

TOM HARKIN AND ISRAEL

Mr. LEVIN. Mr. President, on June 8, Senator TOM HARKIN spoke in Minneapolis at a meeting of the American Israel Public Affairs Committee. A member of the Subcommittee on Foreign Operations of the Senate Appropriations Committee; TOM HARKIN has been a staunch advocate of a strong United States-Israel relationship.

In his speech in Minneapolis, Senator HARKIN discussed United States-Israel relations, the proposed Saudi arms sale, and the Persian Gulf situation. Senator HARKIN's analysis is a thoughtful one and I commend it to my colleagues and to other readers of the RECORD.

The speech follows:

THE IDEA OF ISRAEL

I have always been a staunch supporter of Israel, but I guess the emotional turning point for me came when I actually visited Israel a few years ago. I went along with Gary Rubin, and old friend who is a regional officer with AIPAC, and though I visited with several top officials and toured much of the country, one impression above all remains with me.

I remember the eerie feeling I had in the semi-darkness of the interior hall of Yad Va'shem . . . when I saw the names of the Nazi death camps carved in stone—dimly lit by a single torch.

And the feeling I had when I stepped into another hall where there were pillars for each country and the number of Jews killed by the Nazis. Of course, I do not presume to know what it was like. But that experience, along with my positive impressions of what the Israelis have accomplished in little more than a quarter-century, has made my support for Israel even stronger.

Just the idea of Israel is exciting:

An ancient nation reclaimed by a millenia of descendants, reclaimed by their blood, suffering and sacrifices;

A nation rooted in the ideas of freedom, democracy, social justice, economic opportunity and human rights;

A nation surrounded by hostile enemies, yet defending itself and at the same time preserving those democratic institutions;

A nation that has survived against all odds, a homeland for Jews and a refuge from hostile anti-Semitism around the world;

A nation with whom we have shared values.

For these reasons, I feel Israel will always retain a special place in the hearts and minds of the American people.

Still, we must remain vigilant. And tonight, I just want to share some of my thoughts about this special relationship and U.S. policy toward the Middle East in general.

I'm concerned that in some cases, the current administration is having a hard time distinguishing our friends from our enemies.

Take Saudi Arabia. Two weeks ago, Saudi F-15 fighters denied a United States Air Force request to intercept an Iraqi aircraft after it attacked the U.S.S. *Stark* in the Persian Gulf.

This is the same country—Saudi Arabia—which has denied our F-15's landing rights on their airstrips . . . consistently opposed every American peace initiative in the Middle East . . . refused to negotiate for peace with Israel and opposed our efforts to isolate the outlaw Khadaffi regime.

And this is the same country President Reagan calls one of America's "best friends" in the region. With friends like that who needs enemies?

The administration wanted to sell another 12 F-15's to Saudi Arabia.

I proudly count myself as one of the Congressional leaders on the fight agaist that sale. And we did force the administration to back down—at least for the moment.

But now they're back again—this time with a request for 1600 Maverick anti-tank missiles for the Saudis. They can come back all they want, but just like the F-15 sale, I assure you we'll block this sale as well.

I am proud to be one of the leaders of the resolution of disapproval of this sale—and I'm pleased to report that on the same day we introduced the resolution we already had more than 50 Senate cosponsors.

For some reason, the administration just isn't getting the message.

Our rule should be ironclad: No arms sales to nations that will not engage in the peace process with Israel.

One way to ensure that is to change the way that the executive proposes arms transfers. Under current law, Congress is forced to get a two-thirds vote to override a presidential veto of resolutions disapproving arms sales.

Congress must restore the principle that a sale should not proceed if simple majorities in both Houses oppose it. That is why I have cosponsored the Arms Export Control Reform Act, which would restore a cooperative rather than dictatorial relationship between the administration and Congress on arms sales.

Now, what about U.S. policy in the Persian Gulf?

The House of Representatives just voted to have President Reagan explain his Persian Gulf strategy. What strategy? I'm afraid the House may have assumed too much.

First, the administration engages in a covert policy of selling arms to Iran. Then, in response to an Iraqi attack against the Stark, the United States threatens Iran, and announces a program to flag Kuwaiti ships.

The President says he can't imagine an Iranian attack on one of these tankers. I can imagine it. Iran knows they're Kuwaiti vessels and they know Kuwait sides with Iraq.

Now is the time to proceed with caution and deliberation. If this is not a time when there is a clear need to invoke the War Powers Act, then I don't know when is.

And as a former Navy pilot, I certainly don't believe we should be sending American servicemen into the region without providing adequate air cover.

Five percent of our oil comes from the Persian Gulf. Japan gets 60 percent of its oil from the Gulf, Western Europe gets 30 percent. They need to share the burden.

But aside from the British, the rest of our NATO allies have resisted, once again raising questions about the strength of our alliances in the region. No wonder—you can't announce a policy publicly, then ask your allies to join in—and call that consultation.

The fact remains that the only constant in the region is our relationship with Israel.

Israel's alliance with us, and our continued support for the security, survival and well-being of Israel, are the two absolutes in our Middle East policy.

Obviously, the United States and Israel have not always agreed upon every issue. After all, we are Israel's partners, not her parents.

Accordingly, there will be incidents which create a strain in the relationship—such as the Jonathan Pollard spy case.

Without question, Israel made a series of mistakes. Corrections are being made, though, and I look for the long-range damage to be minimal.

For some, the Pollard case raised once again the question of "dual loyalty" among

American Jews. Gore Vidal, for example, recently wrote a frenzied diatribe in The Nation in which he referred to Jewish neoconservatives as "Israeli fifth columnists" and described the United States as "their host country."

We've heard this charge before. For all of us, Jews or not, we should be outraged and offended each time we hear it.

I believe the finest comments on this subject were delivered by Hubert Humphrey at the 1976 AIPAC Policy Conference:

"Let no one contest the patriotic dedication of the Jewish community in the United States. From the first days of our republic, from the days George Washington needed help in the battles for independence, peoples of the Jewish faith have been in the front lines doing their job for freedom, for justice. The whole theme of justice and the priceless nature of the human spirit comes from Jewish philosophy and Jewish religion."

As in any marriage—and I liken our relationship with Israel to a marriage—there may be rough times, but the bond remains strong.

There is a bipartisan recognition of this fact. We realize that not only is America important to Israel, but Israel is important to America.

The proof of this recognition has been the legislative record and the strengthened strategic relations between the U.S. and Israel.

In response to Congressional action last fall, the administration has now formally designated Israel as a "major non-NATO ally," which is an extremely historic step.

Finally, I think we can feel positive about the level of aid provided by Congress. Foreign aid bills have been voted out of the House and Senate authorizing committees containing $3 billion in grant aid for Israel. These bills might not become law. But I assure you, as a member of the Foreign Operations Appropriations Subcommittee, that funding level will become law.

Frankly, though, it will be increasingly tough to maintain these levels as the overall foreign budget is squeezed by Gramm-Rudman cuts.

Unless you and other fellow citizens can help generate more public support for foreign aid programs overall, those programs will continue to be severely reduced, and it will become increasingly difficult to secure $3 billion in aid to Israel.

But I am optimistic. Twenty years after the Six-Day War, Israel is stronger and more secure than ever. Peace is still our ultimate goal—but it must not be obtained at the cost of endangering Israel's national security.

We must be steadfast—even if it takes another generation. We hope it won't take that long, but we must commit ourselves now to the struggle for peace however long it takes.●

FORMAL NOTIFICATION—PROPOSED ARMS SALE

● Mr. PELL. Mr. President, section 36(b)(1) of the Arms Export Control Act requires that Congress receive formal notification of proposed arms sales under the act in excess of $50 million, or, in the case of major defense equipment as defined in the act, those in excess of $14 million. Upon receipt of such notification, the Congress has 30 calendar days during which the sale may be reviewed. The provision stipulates that, in the Senate, the notification of proposed sales shall be sent to the chairman of the Foreign Relations Committee.

In keeping with my intention to see that such information is available to the full Senate, I ask to have printed in the RECORD the notifications I have received. The classified annexes referred to in the notifications is available to Senators at the Foreign Relations Committee.

The notifications follow:

DEFENSE SECURITY
ASSISTANCE AGENCY,
Washington, DC, June 15, 1987.

In reply refer to: I-02885/87ct.

Hon. CLAIBORNE PELL,
Chairman, Committee on Foreign Relations, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: Pursuant to the reporting requirements of Section 36(b)(1) of the Arms Export Control Act, we are forwarding herewith Transmittal No. 87-26 and under separate cover the classified annex thereto. This Transmittal concerns the Department of the Navy's proposed Letter(s) of Offer to Canada for defense articles and services estimated to cost $23 million. Soon after this letter is delivered to your office, we plan to notify the news media of the unclassified portion of this Transmittal.

Sincerely,

PHILIP C. GAST,
Director.

[Transmittal No. 87-26]

NOTICE OF PROPOSED ISSUANCE OF LETTER OF OFFER PURSUANT TO SECTION 36(b)(1) OF THE ARMS EXPORT CONTROL ACT

(i) Prospective Purchaser: Canada.

(ii) Total Estimated Value:

[In millions of dollars]

Major Defense Equipment [1]	$21
Other	2
Total	23

[1] As defined in Section 47(6) of the Arms Export Control Act.

(iii) Description of Articles or Services Offered: Ninety-six AIM-7M SPARROW missiles.

(iv) Military Department: Navy (AKS).

(v) Sales Commission, Fee, etc., Paid, Offered, or Agreed to be Paid: None.

(vi) Sensitivity of Technology Contained in the Defense Articles or Defense Services Proposed to be Sold: See Annex under separate cover.

(vii) Section 28 Report: Included in report for quarter ending March 31, 1987.

(viii) Date Report Delivered to Congress: June 15, 1987.

POLICY JUSTIFICATION

CANADA—AIM-7M SPARROW MISSILES

The Government of Canada has requested the purchse of 96 AIM-7M SPARROW missiles. The estimated cost is $23 million.

This sale will contribute to the foreign policy and national security objectives of the United States by improving the military capabilities of Canada; furthering NATO rationalization, standardization, and interoperability; and enhancing the defense of the Western Alliance.

The Government of Canada needs these missiles for use on its CF-18 aircraft. Canada will have no difficulty absorbing these missiles into its armed forces because it already has them in its inventory.

The sale of this equipment and support will not affect the basic military balance in the region.

The principal contractors are Raytheon Company of Lowell, Massachusetts and General Dynamics of Camden, Arkansas.

Implementation of this sale will not require the assignment of any additional U.S. Government personnel or contractor representatives to Canada.

There will be no adverse impact on U.S. defense readiness as a result of this sale.

DEFENSE SECURITY
ASSISTANCE AGENCY,
Washington, DC, June 15, 1987.

In reply refer to: I-02976/87ct.

Hon. CLAIBORNE PELL,
Chairman, Committee on Foreign Relations, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: Pursuant to the reporting requirements of Section 36(b)(1) of the Arms Export Control Act, we are forwarding herewith Transmittal No. 87-27 and under separate cover the classified annex thereto. This Transmittal concerns the Department of the Navy's proposed Letter(s) of Offer to Canada for defense articles and services estimated to cost $31 million. Soon after this letter is delivered to your office, we plan to notify the news media of the unclassified portion of this Transmittal.

Sincerely,

PHILIP C. GAST,
Director.

[Transmittal No. 87-27]

NOTICE OF PROPOSED ISSUANCE OF LETTER OF OFFER PURSUANT TO SECTION 36(b)(1) OF THE ARMS EXPORT CONTROL ACT

(i) Prospective Purchaser: Canada

(ii) Total Estimated Value:

[In millions of dollars]

Major Defense Equipment [1]	$30
Other	1
Total	31

[1] As defined in Section 47(6) of the Arms Export Control Act.

(iii) Description of Articles or Services Offered: Twenty-four MK-48 torpedoes and related engineering and technical services.

(iv) Military Department: Navy (AKR).

(v) Sales Commission, Fee, etc., Paid, Offered, or Agreed to be Paid: None.

(vi) Sensitivity of Technology Contained in the Defense Articles or Defense Services Proposed to be Sold: See Annex under separate cover.

(vii) Section 28 Report: Included in report for quarter ending March 31, 1987.

(viii) Date Report Delivered to Congress: June 15, 1987.

POLICY JUSTIFICATION

CANADA—MK-48 TORPEDOES

The Government of Canada has requested the purchase of twenty-four MK-48 torpedoes and related engineering and technical services. The estimated cost is $31 million.

This sale will contribute to the foreign policy and national security objectives of the United States by improving the military capabilities of Canada; furthering NATO rationalization, standardization, and interoperability; and enhancing the defense of the Western Alliance.

The Government of Canada needs these torpedoes for its Oberon-class submarines. These torpedoes can also be used on replacement submarines, planned under the Canadian Submarine Acquisition Program for the 1990's. Canada will have no difficulty absorbing these torpedoes into its armed forces because it already has them in its inventory.

The sale of this equipment and support will not affect the basic military balance in the region.

The prime contractor will be Gould Incorporated, Ocean Systems Division, of Cleveland, Ohio.

Implementation of this sale will not require the assignment of any additional U.S. Government personnel or contractor representatives to Canada.

There will be no adverse impact on U.S. defense readiness as a result of this sale.●

TERRORISM POLICY

● Mr. BOREN. Mr. President, I recently read a very thought-provoking article in the summer issue of Foreign Policy on the subject of the policy of or Government on terrorism. The article was written by Jeffrey D. Simon, a policy analysist for the National Security Research Division of the RAND Corp. Mr. Simon displays unusual insight and common sense as he describes pit falls in the way in which we have dealt with the threat of terrorism in the last decade. His article merits the serious consideration of all Senators and other policymakers. I ask that the article be printed in the RECORD.

The article follows:

MISUNDERSTANDING TERRORISM

(By Jeffrey D. Simon)

Terrorism's most enduring feature remains its capacity to provoke anger, frustration, and fear. Terrorist incidents are sudden, violent, and highly publicized. The U.S. air raid on Libya in April 1986 struck a responsive chord with the American public that came after months of warnings by the Reagan administration that the United States would hit back hard against terrorists and the states sponsoring them. Combatting terrorism has become a top-priority issue with both government officials and the average citizen. But lost in the search for a policy on terrorism are fundamental questions: Are vital U.S. interests really threatened by international terrorism? And if not, should Washington be devoting as much attention to the problem as it has been in recent years?

The debate over military responses to terrorism is fueled by the American public's and government's growing frustration and anger toward the new enemy. It also reflects the pragmatic strain in American culture that seeks straightforward solutions to the most complex problems. That there may be no solution to this one, or that solutions may lie in long-term developments beyond Washington's control, has not been addressed. Yet the continuing expectation that terrorism can be beaten raises the stakes in the conflict and places American foreign policy at further risk. The Reagan administration already may have reached the point where the costs of searching for a counterterrorist strategy outweigh the likely benefits of implementing one.

Placing the problem so high on the national agenda and then failing to deliver a solution has inadvertently played into the terrorists' hands. The sense of fear has increased. And by encouraging one of the terrorists' key objectives—publicity—the U.S. reaction has given terrorists a position in international affairs far more significant than their actions or capabilities warrant. Meanwhile, terrorism has been allowed at times to dominate U.S. foreign policy. Ultimately, the most serious consequence of the 1979–1981 captivity of U.S. citizens in Iran was that it preoccupied an American president for more than a year and pushed into the background issues of greater national security importance, such as East-West relations. No creative foreign-policy initiatives emerged from the last year of the Carter administration, a paralysis traceable in part to the consuming search for a way out of the hostage drama.

The quest for a terrorism strategy also has strained relations with trusted allies while elevating unfriendly governments to a stature Washington would have preferred to avoid. The friction in U.S.-Israeli relations that resulted from the June 1985 hijacking of a Trans World Airlines plane to Beirut, and the prominent role that Syrian President Hafez al-Assad was allowed to play in obtaining the release of the hostages, demonstrate the ironic twists that attempts to resolve a terrorist siege can take. The Reagan administration's secret arms shipments to one state sponsor of terrorism, Iran, in order to free Americans held by pro-Iranian extremists in Lebanon, as well as a disinformation campaign against Libya, have eroded U.S. credibility at home and abroad. Terrorists have gained the upper hand not so much through their own actions as through how the United States has responded.

For years Washington has allowed the natural emotional abhorrence of terrorism to supplant a rational evaluation of the terrorist danger. The United States is trying to design high-level policies for what are essentially low-level threats. But an effective counterterrorist policy requires policymakers to put terrorist incidents in the overall context of national security.

Of the many international developments involving the United States during the last 25 years, few have been considered crises. This relative rarity has prevented the public from becoming immune to such events; a captivated audience is assured whenever one emerges. In this manner, the association of terrorism with "crisis" automatically heightens the perceived threat. Presidents traditionally have taken the lead in defining for the American public which events should be viewed as crises. For example, when the Soviet Union threatened to make a separate peace treaty with East Germany in July 1961, thereby isolating West Berlin, President John Kennedy stated on July 25 that "the faith of the entire free world" rested upon the U.S. commitment to West Berlin and that every American citizen would be told what steps to take "without delay to protect his family in case of [nuclear] attack." Similarly, during the October 1962 Cuban missile crisis, Kennedy told the American people that the establishment of a Soviet nuclear base in Cuba constituted "an explicit threat to the peace and security of all Americans."

For the remainder of the decade, presidents continued to define certain international developments as crises. But the clearly dangerous confrontations between the United States and the Soviet Union were followed by incidents involving different actors who could not seriously threaten the United States. The Gulf of Tonkin incident of 1964—which precipitated a major escalation of U.S. involvement in the Vietnam War—the Dominican Republic turmoil of 1965, and the North Korean seizure of the U.S. intelligence ship Pueblo in 1968 were viewed by the Johnson administration as major crises that demanded action. Although media reports were assuming a more critical role in shaping public perceptions, the president still determined whether an international incident would be viewed as a crisis.

The potential for linking the word "crisis" with acts of international terrorism first appeared during the Nixon administration. In September 1970, when the regime of Jordan's King Hussein was being challenged by Soviet- and Syrian-backed Palestinian guerrillas, the Popular Front for the Liberation of Palestine, a wing of the Palestine Liberation Organization (PLO), hijacked three planes bound for New York and demanded the release of Arab prisoners in Great Britain, Israel, Switzerland, and West Germany in exchange for 300 American and European hostages. In a scenario that would be all too familiar 15 years later, negotiations were conducted among several governments, military options were considered but rejected by Washington, and the hostages were released gradually.

However, no singular focus on the terrorist threat emerged because the Nixon administration already was intent on preventing an outbreak of war in the Middle East and the fall of the pro-West Hussein regime. Because the conflict in Jordan occurred at the same time as the hijackings, it would have been difficult for either the government or the public to think of terrorism apart from the long-standing issues of peace and war in the Middle East.

TERRORISM AS CRISIS

This absence of a sense of crisis was not to last the decade. Since the hostage-taking at the American embassy in Tehran, terrorism clearly has been elevated to the level of crisis. This association cannot be attributed to any increase in the frequency of international terrorist acts. Although terrorism has been on the rise, some years in the 1980s have had fewer incidents than the preceding year. Four hundred eighty incidents were recorded in 1985, the most ever. But preliminary figures for 1986 show a total of 415 terrorist acts. In fact, the 348 incidents counted in 1976 fell only slightly below the yearly average from 1980 through 1986 of 386 incidents.[1]

Nor can the mood of crisis be traced to any growing tendency to single out the United States for attack. For the past decade the proportion of terrorist incidents directed at American targets abroad has remained in the 20–32 per cent range. The U.S. share peaked in 1977, when American targets were hit in 99 out of 306 incidents. The lowest share occurred in 1984, when the United States was the victim in 78 out of 383 incidents. Preliminary statistics for 1986 indicate that 28 per cent of the incidents, or

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[1] These figures are based on the "RAND Corporation Chronology of International Terrorism," which does not include indigenous terrorist incidents, such as Basque separatist attacks on Spanish targets in Spain.

118, were directed against U.S. citizens and facilities. The number of Americans killed by terrorists also does not appear to have spurred the association of terrorism with crisis. Except for 1983, when 241 U.S. Marines were killed in the bombing of their barracks in Beirut, Americans during the 1980s accounted for between 2 and 5 per cent of terrorist-related deaths. In 1985, when more than 850 people were killed in international terrorist incidents, only 27 of the victims were Americans. And in 1986, the U.S. share of the 400 deaths was less than 3 per cent, or 11 people.

Thus reasons for the feeling of crisis over terrorism must lie elsewhere. They can be found partly in the dramatic nature of recent incidents and the reactions they have elicited from the government and the media. What distinguished 1985 and the first half of 1986 from previous years was the rapid sequence of major, high-profile terrorist acts, several involving Americans. The June 1985 TWA hijacking, in which an American navy man was murdered, was followed in October 1985 by the seizure of the Italian cruise ship *Achille Lauro*, during which an elderly New York man was killed. The startling combination of attacks in the air and at sea conveyed to Americans the feeling that terrorists could strike at will, by any means, and in any locale. Other attacks included the June 1985 midair explosion of an Air India jet en route from Canada to India, the November 1985 hijacking of an Egyptian airliner and the bloody rescue attempt that followed in Malta, the December 1985 massacres at El Al Israel Airlines ticket counters at the Rome and Vienna airports, the April 1986 explosion on a TWA airliner on its way from Rome to Athens, and the explosion, also in April 1986, at a West Berlin discotheque frequented by American military personnel. These events only propelled the feeling of vulnerability. The fear of terrorism continued during summer 1986 with the hijacking of a Pan American World Airways jetliner in Pakistan, a synagogue massacre in Istanbul, Turkey, and a 2-week bombing campaign in the streets of Paris.

The long list of audacious attacks has led some to regard terrorism as a threat of the highest proportion. Some see terrorism as an onslaught against civilization and democracy, and as "a growing threat to the maintenance of an orderly society that is unprecedented in history."[2] But equating the threat terrorism poses to individuals with its challenge to democratic societies underestimates the ability of Western societies to withstand periodic terrorist campaigns. While terrorists may find fertile ground for fomenting instability in countries that have weak democratic traditions or underlying political, social, or ethnic and religious divisions, this is not the case in the United States.

Similarly, while the threats of some Palestinians and of Libyan leader Muammar el-Qaddafi to launch terrorism within U.S. borders cannot be dismissed, several factors work against them. The great distance that separates America from the principal regions of terrorism, the relative ease with which terrorists can slip into and out of many European and Middle Eastern states, and the logistic difficulties in planning operations, transporting weapons, and issuing commands from Europe or the Middle East to the United States militate against the spread of terrorism to American soil. But perhaps most important, the large number of vulnerable U.S. targets abroad allows terrorists to achieve dramatic results without having to penetrate America's borders or activate potential terrorists in the country. Although Middle Eastern terrorist groups have shown a tendency to strike beyond their region, most of their extraregional activity has occurred in Western Europe. The Middle East and Western Europe, accounting for 30 percent and 29 percent, respectively, of worldwide incidents in 1986, are the centers of terrorism.

In recent years, the perception more than the reality of the terrorist threat has risen to the point where national security and vital interests are considered at stake each time terrorists strike. And the media have contributed to the widened notion of threat. Satellite technology has made possible live television broadcasts and round-the-clock reports. The public gains a sense of participation in the event and identification with the victims. A flair for the dramatic will remain an inherent part of media coverage, just as it will continue as a central characteristic of terrorism.

However, the media alone cannot create or dampen the perception of a national crisis over an act of terrorism. Despite the enormous growth of media influence during the last two decades, presidents still take the lead in molding public opinion. While the high emotions evoked by terrorism would prevent any leader from relegating the issue to secondary status, there is a need to balance concern about a terrorist event with the possibility, strong in recent times, to overract.

Indeed, the President's Special Review Board, commonly known as the Tower commission, concluded in its February 1987 report that President Ronald Reagan's "intense compassion" for American hostages in Lebanon—he reportedly brought up the hostage issue at 90 per cent of his briefings—motivated his support for the secret arms sales to Iran, with disastrous results. The president acknowledged, in a nationwide address on March 4, 1987, that he "let [his] personal concern for the hostages spill over into the geopolitical strategy of reaching out to Iran" and that, by asking "so many questions about the hostages' welfare," he failed to see the implications of the arms transfer to the regime of Iranian leader Ayatollah Ruhollah Khomeini.

Although the United States subsequently reversed its call for restraint, the initial U.S. response to the December 1985 Palestinian attacks on El Al demonstrated that terrorism can be put in proper perspective. The Reagan administration urged Israel not to retaliate for the raids, citing the chance that an Israeli military reprisal could derail peace efforts involving Hussein. Also, the administration noted, Syria's placement of surface-to-air missiles in Lebanon's Bekaa Valley, the site of previous Israeli retaliatory raids, could enhance the possibility of a full-scale war.

Unquestionably, each terrorist attack upon American citizens and facilities becomes an assault upon national pride and honor. The emotional impact of watching terrorists hold, abuse, or kill innocents is understandably great. The public demands action, and no president can walk away from the event. In this charged atmosphere, the distinction between threats to national security and threats to national honor is blurred. While the public may not always recognize a national security threat, it certainly can see the death and destruction inflicted by terrorists.

Thus presidents, the State Department, and other governmental entities cannot play down the significance of international terrorism, but they can refrain from statements and actions that promote the image of crisis. Although public anger over the 1979 U.S. embassy takeover in Tehran was natural, President Jimmy Carter's cancellation of a scheduled trip to Canada shortly after the incident began and his initial "Rose Garden" strategy of not hitting the campaign trail in order to focus on the event only served to ensure that the incident would be viewed as a crisis by the American public. One administration later, White House and State Department officials were again issuing statements that bolstered the appearance of crisis during the TWA and *Achille Lauro* seizures. Reagan's decision to address the country as soon as the TWA hostages were released and airborne added stature to the event. And early in 1986, Reagan stated that Libya's sponsorship of terrorism posed a "threat to the national security." Such statements, and the numerous administration threats to retaliate militarily for terrorist acts, have ensured a sense of crisis for any future terrorist acts involving Americans.

A "crisis" over terrorism arose again in early 1987 when several Americans were kidnaped in Beirut. Washington responded by deploying additional ships of the U.S. Sixth Fleet off the shores of Lebanon within striking distance of the Bekaa Valley. Concerned that a military attack was imminent, Britian, France, and West Germany pulled out of an antiterrorism conference that had been called by the United States. The European allies feared that their presence at such a meeting, followed by a U.S. retaliatory operation, would bring terrorist attacks home, and the conference was subsequently canceled. After several days of high tension the United States eased the crisis atmosphere by withdrawing several warships from Lebanese waters. The move was intended in part to reassure European allies that a military strike was not imminent.

TERRORISM AS WAR

In addition to being viewed as crises, terrorist incidents are on the verge of being defined as acts of war. During the TWA hijacking in Beirut, Secretary of Defense Caspar Weinberger proclaimed, "It is a war and it is the beginning of war." One year later, Secretary of State George Shultz said that the United States was "pretty darn close" to declaring war on Libya. The evolution of terrorism toward "war" has troubling implications for future U.S. responses to provocations. Equating terrorism with war effectively ends debate about whether military responses are justified: If a country is at war, it must respond militarily to an attack. Anything less would discredit a declaration of war and foster an image of weakness and vacillation.

In contrast to terrorism, an act of war in traditional forms of fighting is clear. The invasion of a country's territory by a hostile outside force is obviously an act of war. Even unconventional forms of warfare, such as guerrilla insurgencies, have basic characteristics that define them as acts of war. They typically include concerted efforts by medium-sized or large groups of armed combatants to topple a government or gain control over a section of a country through a campaign of rural attacks, including direct engagements with national military forces.

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[2] Yonah Alexander, Phil Baum, and Raphael Danziger, "Terrorism: Future Threats and Responses," Terrorism, 1985, no. 4: 367.

While terrorism, such as assassinations of small-town mayors in the Philippines by the communist New People's Army, is a tactic of guerrilla insurgents, it is not the primary means of achieving their goals.

Even when states fund or guide terrorism, it remains a different type of conflict from war. Unlike conventional warfare and guerrilla insurgencies, terrorism is primarily an urban phenomenon carried out by small cells of individuals who rarely battle government troops. Most terrorist groups seek to create a climate of fear through seemingly indiscriminate acts of violence. Also, terrorism can be perpetrated by a lone person in protest to a specific government policy. American citizens and facilities are vulnerable to terrorist assaults worldwide. But not all of these incidents can be considered acts of war, or the United States would be at war at every incident. The problem of finding an appropriate military response further distances terrorism from warfare among nation-states. Deterrence, pre-emption, and retaliation take on new meanings when applied to terrorist groups. Deterrence rests heavily on rationality. But the rationality posited in how governments react to each other's policies cannot be applied to terrorist groups that use suicide tactics. It is likewise difficult to deter an enemy whose objective is to activate an escalating cycle of violence. Identifying who perpetrated a given incident is often difficult, as is locating the terrorists' base of operations. Terrorists can move quickly from one location to another, making intelligence on their whereabouts outdated. They can merge easily into urban areas, thus ensuring that any retaliatory or pre-emptive attack will result in the death of innocent civilians.

Military strikes on independent terrorists or state sponsors also are likely to exacerbate the conflict. For terrorists to avenge American retaliation would have a greater symbolic value than previous attacks and would raise the toll of violence. This has been the experience of Israel and South Africa in recent years. The Israeli policy of military retaliation against terrorists has been held up by some as a model for the United States. Unlike Israel, however, the United States is geographically distant from likely targets of counterterrorist raids and usually cannot pinpoint one to attack. Therefore, military operations rarely are feasible. More important, military strikes against terrorists may not significantly reduce the terrorist threat. Israel is still plagued by terrorism, both within its borders and outside them.

The tendency of military reactions to terrorism to further a cycle of violence can be seen in the Israeli air raid on PLO headquarters in Tunis in October 1985. The raid was meant to retaliate for the murder of three Israelis in Cyprus. But soon afterward, the *Achille Lauro* was hijacked. The operation's mastermind, Mohammed Abbas, also known as Abu Abbas, head of a Palestinian faction loyal to PLO chairman Yasir Arafat, reportedly stated that the terrorist' initial plan was to launch an attack at the Israeli port of Ashdod. Then, in December 1985, in an incident believed to have been orchestrated by the renegade Palestinian leader Mazen Sabry al-Banna, also known as Abu Nidal, Palestinian terrorists opened fire and hurled grenades at passengers at the El Al ticket counters at the Rome and Vienna airports. A note found on one terrorist stated that the attacks were in retaliation for the Tunis raids.

It also was not surprising that immediately following the U.S. bombing raid on Libya, which used fighter-bombers based in Britain, one American and two British hostages in Lebanon were killed. A group of Libyans also attempted to blow up a U.S. officers' club in Ankara, Turkey, and an American diplomat was shot in Sudan. During July 1986, nine people carrying two suitcases full of explosives were arrested in Togo for plotting to blow up the U.S. embassy and an open-air market there. Togo authorities said that the suspects confessed to having obtained the explosives from the Libyan embassy in Benin. Thus if Washington decided to use military measures against terrorists, it would have to prepare to continue using them and probably to increase their intensity.

A U.S. war on terrorism would be a long conflict; it also would be unwinnable in the military sense, given the many terrorist groups that operate around the world. The belief that military reprisals would end the American public's frustration and satisfy its understandable demand for retribution might be correct initially. However, support might wane if the United States made little progress in stopping terrorism and if American military casualties during counterterrorist operations mounted. Terrorists can reverse any counterterrorist "victories" with one well-placed bomb.

But military measures against terrorists should not be ruled out when they present a minimal risk to American troops and interests. The safety factor may have been a major reason why Libya, rather then Syria or Iran, was singled out for the first U.S. military strike against a state sponsor of terrorism. Yet in moving beyond the terrorism-as-war perspective, the armed forces should not be pushed into compromising their national defense role by diverting resources to an endless conflict. Viewing terrorism as a long-term problem that only occasionally calls for military countermeasures will require toning down the national reaction to terrorist incidents. Policymakers need to break off their search for an overall solution and accept the fact that some lives, tragically, will continue to be lost.

THE NEED FOR LOW-LEVEL RESPONSES

The sheer diversity of terrorism—its varying methods, goals, and perpetrators—precludes the design of any single doctrine to meet the threat. U.S. responses to terrorism are inexorably linked to a variety of problems in world affairs. Acting as though vital U.S. interests are at stake during each terrorist episode increases the chances that a real crisis might develop, one that could lead to superpower confrontation, to war in geopolitically important regions, or to sabotaging of peace efforts in areas like the Middle East. Such are the outcomes that in fact may be the terrorists' primary objectives.

Thus there is a compelling need to distinguish among terrorist acts, recognizing which pose an actual threat to U.S. interests. Washington should respond militarily only when it is warranted, when it will work, and, most important, when an attack is consistent with long-term security concerns. Counterterrorist strategy toward incidents that cause minimal or no damage to national security should reflect that lesser danger. The first step is to take low-level responses for what are essentially low-level challenges, thereby avoiding additional risk and the diversion of resources needed for national defense. This approach does not preclude military operations, such as the in-flight interception of the Egyptian airplane carrying the *Achille Lauro* hijackers. Although this response aggravated U.S.-Egyptian relations, it was a relatively low-risk military operation, had a concrete objective, and offered a strong likelihood of success.

Another response that also can be considered low-level is employing surrogates to take more extreme action against terrorists responsible for anti-American violence. As nationals of the country in which the United States has been victimized, surrogates have the advantages of familiarity with the terrorists' movements and the ability to conduct operations that will not be blamed on the United States. Relying on local counterterrorist operatives, however, carries the risk that they might launch an unauthorized attack, as reportedly occurred in Beirut in March 1985, when the residence of Lebanese Shiite Moslem leader Sheik Mohammed Hussein Fadlallah was car-bombed.[3] There is also the risk of being drawn into local conflicts, which explains why governments have not widely used surrogates in fighting terrorism. Nevertheless, surrogate operations may be an attractive option when a direct response is appropriate. Such a strategy does not appear to conflict with the executive order prohibiting the U.S. government or those acting at its behest from engaging in assassinations. Without breaking this ban, surrogates could disrupt terrorists' communications and supply headquarters, infiltrate their groups, and capture terrorist leaders.

Economic sanctions and diplomatic pressure also offer low-level measures against terrorism. Such actions, however, can apply only to governments that sponsor terrorism and not to the multitude of "independent" terrorist groups, such as the Red Army Faction in West Germany, the Red Brigades in Italy, and Direct Action in France. The difficulty of persuading other countries with substantial economic ties to a state sponsor—such as Italy's trade relationship with Libya—to agree to retaliatory economic measures is well known. This reluctance finds justification when the state seeking the sanctions has little to lose economically. U.S. trade with Libya in 1982 was unimportant when the first sanctions, including an embargo on Libyan oil imports and a ban on the sale of American oil-drilling equipment to Libya, were imposed. That U.S. oil companies, which accounted for about 75 per cent of Libya's oil output, were permitted to continue their Libyan operations until 1986 undermined the credibility of the earlier sanctions. And a loophole in the 1986 sanctions allowed subsidiaries of American companies to continue working in Libya.

The diplomatic and political realm offers better prospects for coalescing action against state sponsors of terrorism. The risk of terrorism guided by states such as Libya and Syria can be reduced by closing down missions, cutting personnel, and expelling potential operatives of those governments. The Soviet Union, too, can be pressured quietly to use its influence to curb terrorism by client states like Syria. Still, support can be hard to come by even in the diplomatic realm, as Britain discovered after breaking relations with Syria over its role in the attempted bombing of an El Al airliner at London's Heathrow Airport in April 1986. France, for example, continued secret negotiations with Syria in an effort to free French hostages held in Lebanon.

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[3] The United States suspected Fadlallah of leading several attacks against American facilities in Lebanon, including the 1983 U.S. Marine barracks bombing. He escaped the attack at his residence uninjured, although more than 50 other persons lost their lives (Washington Post, 12 May 1985, 1).

The greatest promise for cooperation among Western countries in fighting terrorism lies in gathering and sharing intelligence. Such cooperation helped avert a potential deadly terrorist attack on the U.S. embassy in Rome by a group of Lebanese Shiites in 1984. Swiss authorities uncovered the plot and alerted Italian and U.S. officials, who stepped up security at the embassy. Italian police arrested the terrorists before they could launch their operation. One effect of the U.S. air raid on Libya was a rush to bolster security in anticipation of Libyan-sponsored retaliatory attacks. This heightened level of security accounted for the thwarting of the El Al plot, the arrest by Turkish police of the Libyans carrying grenades and other explosives outside the U.S. officers' club in Ankara, and the discovery of the scheme to blow up the U.S. embassy in Togo.

Realistically, however, terrorism's pervasiveness and its roots in different causes and issues make searching for any single method to collapse the threat fruitless. Successes in combating terrorism have been recorded in countries where the threat lay within those countries, not worldwide. Because most terrorism directed at the United States takes place on foreign soil, the desire to respond with legal, political, economic, or military action is badly complicated. Where the terrorist danger is mainly indigenous, the power and inducements of the state, as well as information from local citizens, can be used to curtail attacks. Thus the 1980 imposition of martial law in Turkey, subsequent mass arrests, and increased police and military surveillance greatly reduced the rampant violence between left-wing and right-wing extremists that had become part of daily life in the late 1970s. But even the most stringent security measures cannot make a state terrorist-free, as the 1986 massacre of worshippers at Istanbul's main synagogue demonstrated. In Italy, the combination of increased police power and the inducement of reduced sentences to terrorists who "repent" and cooperate with authorities has weakened the infamous Red Brigades. Yet Italy also has been the scene of some of the most dramatic terrorist incidents in recent years, such as the attack at the Rome airport. A faction of the Red Brigades also claimed responsibility for the assassination of an Italian air force general in March 1987. Increased police and security measures also have failed to wipe out terrorism in India, Spain, and West Germany.

One of the ironies of U.S. counterterrorist policy before the air raid on Libya was that the actual responses to terrorism, in contrast to the expectations that had been raised by the Reagan administration, were relatively moderate. This discrepancy between the attention and stature the administration gave to terrorism and what it delivered explains in large part the American people's frustration and anger over terrorism.

The raid sheds light on the problems of pursuing military measures against state sponsors of terrorism. The decision to attack was based on intercepted messages from the Libyan People's Bureau in East Berlin to Tripoli that implicated Libya in the explosion in a West Berlin nightclub that killed two U.S. servicemen. Reagan stated on April 23, 1986, that other countries backing terrorism, including Syria and Iran, also would suffer retaliatory strikes if "irrefutable evidence" linked those countries to anti-American violence.

However, the principle of irrefutable evidence cannot be applied consistently without damaging U.S. interests. It is one thing to launch a military strike against an international pariah like Libya; it is quite another to target Syria. The military risks are heightened by Syria's more sophisticated air defense system, and the political risks rise because of Syria's alliance with the Soviet Union. Syria's perpetually tense relations with Israel and its identification with an array of Arab causes give a U.S. military strike against Damascus an unpredictable and explosive dimension.

Washington should retain the right to use military force against state sponsors of terrorism but should avoid becoming cornered into responding militarily whenever clear evidence implicates a foreign government in anti-American terrorism. Military strikes against certain countries can raise the stakes for American interests well beyond the original losses. U.S. counterterrorist policy directed at Syria or Iran, recognizing their strategic and political attributes, will have to differ from policy toward Libya. Similarly, counterterrorist options toward the Soviet Union, if longstanding allegations that it trains and directs terrorists are proved, will have to take into account Moscow's superpower status. While some diplomatic and economic responses may be applied to any government backing terrorism, the military options are limited by the geopolitical consequences of confrontation.

Just as the principle of irrefutable evidence can hamper Washington's flexibility, the proclamation of other counterterrorist doctrines also can set the stage for problems. The secret arms deal with Iran contradicted prior declarations of "no negotiations with, no concessions to" terrorists or their state sponsors. With Iran officially designated as a state sponsoring terrorism, the arms sales undermined the credibility of counterterrorist policy, confused allies who had been exhorted not to deal with terrorists or their state sponsors, and led to questions of who was making foreign policy.

No country with global interests like the United States can afford to isolate itself from influential actors in the Middle East like Iran and Syria, no matter how repugnant their actions. Creating the public image that the administration never deals with states that assist terrorists makes it that much worse when Washington has to interact, either directly or indirectly, with such countries. Whether the primary motive for the arms deal was to effect the release of hostages—which would make foreign policy subservient to the resolution of a terrorist incident—or to normalize relations with Tehran, bringing the terrorism issue to the top of the foreign-policy agenda has greatly complicated America's relationships in the Middle East and elsewhere.

Similarly, Washington's emphasis on terrorism has at times spawned other policies of dubious long-term benefit. The disinformation campaign against Qaddafi that was disclosed in 1986 apparently was part of an overall plan to keep the Libyan leader off balance and hasten his downfall.

In addition to throwing the credibility of Reagan administration pronouncements into doubt, the campaign raised questions about the future of Libya. While the overthrow of Qaddafi undoubtedly would please many Western governments, there is no guarantee that the next regime in Tripoli will be any less inclined toward terrorism or anti-Americanism. However, a post-Qaddafi Libya that was drawn closer to the Soviet Union than is the case now could certainly harm U.S. geopolitical interests.

Terrorism can be considered a threat to national security in certain extreme cases. Terrorist acts that actually weaken defense, undermine the stability of friendly or neutral governments, or directly threaten vital interest are events of a higher order than the seizure of an airplane or a cruise ship. Applying the term "crisis" to terrorism in those cases would be appropriate. The implications of an attack on U.S. security concerns, not whether the targets are civilians, diplomats, or military personnel, should determine whether the terrorist incident deserves attention at the highest levels of government. Among the more obvious examples of true crises would be if terrorists obtained or used nuclear, chemical, or biological weapons, disabled vital communications and electrical systems in the United States, or destroyed vital military assets.

Terrorism also can pose a threat to vital interests through the cumulative effect of attacks that go unanswered over time. Failing to act when appropriate would cut into U.S. credibility to defend its interest against both terrorists and other adversaries. However, every single incident does not require a response or merit being treated as a test of national nerve. Doing so complicates the issue and gives terrorists the international platform they so desperately desire. As terrorism increases in volume and intensity, it will become more important to begin discriminating among the events. Acknowledging that terrorism is unlikely to threaten the country's core interest unless each episode is allowed to be perceived as a crisis would be the first step in developing a practical response.●

FAMILY PLANNING REAUTHORIZATION

● Mr. **KERRY**. Mr. President, I am pleased to cosponsor the measure introduced on Tuesday by my distinguished colleague from Massachusetts. This bill would reauthorize, for 4 years, title X of the Public Health Service Act, known more commonly as the Family Planning Program.

Title X provides funds to more than 4,500 family planning clinics run by States, local health departments, and private nonprofit groups throughout the country that disseminate information on family planning and contraceptives on a voluntary basis to all persons desiring such services and particularly to low-income women. Title X represents our Nations's most important effort to expand access to contraceptive services among low-income women and teenagers, thereby reducing the incidence of unintended pregnancy, upgrading general reproductive health, and reducing or alleviating poverty and government dependency.

In 1983, 1.1 million teenagers became pregnant and almost 500,000 of that total gave birth. The incidence of pregnancy among our Nation's teens increased by more than 23 percent in the 10 years between 1973 and 1983, and in fact adolescent pregnancy has become one of the most pervasive social problems affecting the youth of today. This national epidemic of teenage pregnancy is a major contributor to poverty and welfare dependency and is costing taxpayers $16.5 billion a year in welfare and other government program costs. While family planning services alone will not eliminate or solve the problem of teenage pregnancy, it is clear that they can help. Studies repeatedly have demonstrated the cost effectiveness of the Federal investment in domestic family planning services. Every dollar invested is estimated to save a minimum of $2 in health and social welfare costs for a dependent mother. The cost-benefit ratio is even greater for teenage mothers, saving almost $3 to every dollar spent.

The legislation introduced on Tuesday contains two important new initiatives. The first would enhance ongoing work at the National Institutes of Health and would provide for additional research into the development of new and improved contraceptive methods.

Since its enactment in 1970, the title X program has proven itself as an important and effective mechanism for providing family planning services, as well as community education and outreach through schools, churches, and community organizations. Consistent with congressional intent over the past 10 years, family planning clinics strongly encourage voluntary parent-child communication about sexual activity and contraception. The second initiative included in this legislation would expand upon this existing network to encourage greater community-based information and education programs, with a particular emphasis on providing information and education to parents and to teens.

Mr. President, the need for title X is patently clear and I encourage my colleagues to support this important legislation.●

ORDERS FOR THURSDAY

ADJOURNMENT UNTIL 12:30 P.M.

Mr. **BYRD**. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until 12:30 p.m. tomorrow.

The **PRESIDING OFFICER**. Hearing no objection, that is the order.

WAIVER OF CALL OF THE CALENDAR

Mr. **BYRD**. Mr. President, I ask unanimous consent that on tomorrow the call of the calendar be waived under rule VII, and that resolutions and motions over under the rule not come over.

The **PRESIDING OFFICER**. Hearing no objection, that will be the order.

MORNING BUSINESS

Mr. **BYRD**. Mr. President, I ask unanimous consent that on tomorrow, after the two leaders are recognized under the standing order, there be a period for the transaction of morning business not to extend beyond 1 p.m. and that Senators be permitted to speak therein for not to exceed 5 minutes each.

The **PRESIDING OFFICER**. Hearing no objection, that is the order.

RESUMPTION OF CONSIDERATION OF THE UNFINISHED BUSINESS

Mr. **BYRD**. Mr. President, I ask unanimous consent that on tomorrow at 1 p.m. the Senate resume consideration of the unfinished business.

The **PRESIDING OFFICER**. Hearing no objection, that is the order.

DIVISION OF TIME UNTIL CLOTURE VOTE

Mr. **BYRD**. Mr. President, I ask unanimous consent that the time between 1 o'clock and 2 p.m. tomorrow be equally divided and controlled by the two leaders or their designees.

The **PRESIDING OFFICER**. Hearing no objection, that is the order.

PROGRAM

Mr. **BYRD**. Mr. President, on tomorrow the Senate will meet at 12:30 p.m. After the two leaders have been recognized under the standing order, there will be a period for the transaction of morning business not to extend beyond 1 p.m. with Senators permitted to make statements up to not to exceed 5 minutes each. At 1 o'clock p.m. then, the Senate will proceed for 1 hour to debate the motion to invoke cloture. The time will be equally divided and controlled by the two leaders or their designees. At 2 o'clock, if the automatic quorum is not waived, the Senate will proceed with a quorum call. Upon the establishment of a quorum, then the Senate will proceed to vote on the motion to invoke cloture.

If cloture is invoked, then the matter before the Senate will be the committee substitute to S. 2 and will be before the Senate to the exclusion of other business until that matter has been disposed of. If cloture is not invoked, the Senate will continue debate on the bill, S. 2.

Mr. President, I ask unanimous consent that the vote on cloture occur tomorrow at the hour of 2 p.m.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

Mr. **BYRD**. Mr. President, there could be other rollcall votes during the afternoon of tomorrow. It is possible that conference reports may be ready. It is possible that other matters that have been cleared for action at that point could be voted on.

There are two nominations on the Executive Calendar that I expect to go to at a point in the very near future. I am thinking of the nomination of Melissa Wells to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the People's Republic of Mozambique. I am thinking also of the nomination of David Bryan Sentelle, of North Carolina, to be U.S. circuit judge for the District of Columbia Circuit vice Antonin Scalia, elevated. There may be other matters.

There will be a vote on cloture on Friday morning. As I indicated earlier, I will let the rule probably operate, Senate rule XXII, on its own, and we will just determine the time of the vote by the coming in of the Senate, by the hour of the Senate's convening.

On tomorrow, I will offer another cloture motion, to be voted on next Tuesday.

I say once again that Senators should be alerted to the fact that I fully expect the pace on rollcalls to pick up next week.

Mr. President, does the acting minority leader have anything he wishes to say or any other business he wishes to transact?

Mr. **McCONNELL**. I say to the distinguished majority leader that there is nothing further on this side of the aisle.

Mr. **BYRD**. Mr. President, I thank our fine staff people for the help they render us everyday in clearing matters on the calendar. Without them, we would not make as much progress as we are able to make.

ADJOURNMENT UNTIL 12:30 P.M. TOMORROW

Mr. **BYRD**. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the order previously entered, that the Senate stand in adjournment until the hour of 12:30 p.m. tomorrow.

The motion was agreed to; and at 6:22 p.m., the Senate adjourned until tomorrow, Thursday, June 18, 1987, at 12:30 p.m.

NOMINATIONS

Executive nominations received by the Senate June 17, 1987:

DEPARTMENT OF JUSTICE

Lawrence J. Siskind, of California, to be special counsel for Immigration-Related Unfair Employment Practices for a term of 4 years (new position).

EXPORT-IMPORT BANK OF THE UNITED STATES

Simon C. Fireman, of Massachusetts, to be a member of the Board of Directors of the Export-Import Bank of the United States for a term expiring January 20, 1991 (reappointment).

HOUSE OF REPRESENTATIVES—*Wednesday, June 17, 1987*

The House met at 11 a.m.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

Give us a sense of all Your gifts, O God, and especially the gift of truth. We recognize that our society cannot function without this sacred gift, and we pray that we may speak and live lives of honesty and trust, one with another. In our words and deeds, O God, grant us this gift. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate has passed without amendment joint resolutions of the House of the following titles:

H.J. Res. 17. Joint Resolution to designate the third week in June 1987 as "National Dairy Goat Awareness Week";

H.J. Res. 106. Joint Resolution to designate June 19, 1987, as "American Gospel Arts Day."

CLOSE THE NONBANK BANK LOOPHOLE

(Mr. KLECZKA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KLECZKA. Mr. Speaker, when the House and Senate conferees meet on the FSLIC recapitalization bill, I urge that they act to close what has come to be called the nonbank bank loophole.

This quirk in the law allows huge commercial concerns to evade the intent of existing banking law by establishing federally insured banks which are only partially regulated.

The institutions which result break down the barriers Congress wisely erected to separate banking from commerce.

In addition, nonbank banks are used to bypass existing Federal and State restrictions on interstate banking.

If Congress, in its wisdom, decides that nonbank banks are appropriate for our banking system, so be it. As a member of the House Banking Committee, I look forward to that debate.

But Congress has made no such decision. Instead, the future of our banking system is being plotted by loophole lawyers with little regard for the public interest.

This is unacceptable. I urge the House conferees to accept the Senate banking bill provisions which close the nonbank bank loophole.

I also ask my colleagues to consider the arguments of other Members who will address the nonbank bank issue this week.

WHO IS IN LABOR'S CAMP?

(Mr. WALKER asked and was given permission to address the House for 1 minute.)

Mr. WALKER. Mr. Speaker, in this week's Time magazine there is this quote from AFL-CIO executive Howard Samuel. He boasts, it says in the magazine, "We control the committees and the agenda on the floor." That is an AFL-CIO executive telling the American people flatly, "We control the committees and the agenda on the floor."

Many of us believe that that is the reason why we will have the bill on the floor that we have today and other bills that will follow it. Members today will begin defining who they are. A Member may not think that he is one of labor's lackeys in this Congress, but Howard Samuel believes that a majority of the Members of this Congress are his lackeys, and whether Members are labor's lackeys will be shown by their votes.

If a Member voted with big labor bosses to report that bill, the bill that we have out here on the floor today, out of the Committee on Education and Labor, he may not think that he is a labor lackey, but Howard Samuel thinks he is.

If a Member voted for the rule yesterday that gave big labor bosses what they wanted on this floor, he may not think that he is one of labor's lackeys, but Howard Samuel thinks that he is.

If a Member is one of those on this floor today who votes consistently for the big labor positions, he may not think that he is one of labor's lackeys, but Howard Samuel will think that he is.

Howard Samuel—and I repeat again—said, "We control the committees and the agenda on this floor." Today we will find out who is in their camp.

MEMORIAL CELEBRATION TODAY HONORING WILBUR COHNEN

(Mr. PICKLE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PICKLE. Mr. Speaker, for over 50 years Wilbur Cohen devoted his life to public service.

It is no exaggeration to say that his work has touched the lives of everyone who lives in America.

All his life Wilbur Cohen fought to ensure a basic level of economic security for the most vulnerable members of our society, the aged, the sick, the disabled, children, and those unable to find work. His efforts have given hope to millions in their time of need. More importantly, through his efforts, millions more have never known the fear and humiliation of hopeless and grinding poverty.

On a more personal level, Wilbur Cohen as a congressional aide, a civil servant, and as teacher, has inspired those who worked with him and for him.

This afternoon, from 2 p.m. to 4 p.m. in the Ways and Means Committee main hearing room there will be a memorial celebration. In the room where he eloquently pleaded his cause so many times, those of us who knew him best will gather one last time to honor his life and work. I hope that as many of my colleagues as are here today will join us in this tribute.

EGYPT ABUSES BAHA'I HUMAN RIGHTS

(Mr. PORTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PORTER. Mr. Speaker, I am alarmed to report that 48 Egyptian Baha'is were recently fined and sentenced to the maximum term of 3 years in jail for allegedly violating an Egyptian law banning Baha'i religious activities.

Egyptian Baha'is, like their Iranian counterparts, have long been targets of Islamic fundamentalist attacks. Despite guarantees of religious freedom in the Egyptian Constitution and Egypt's adoption of the International Convenant on Civil and Political Rights, Baha'is have been victims of harassment, public slander and periodic arrests over the past 30 years. Since February 1985, arrests and attacks on Baha'is have appeared regularly in the

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☐ This symbol represents the time of day during the House proceedings, e.g., ☐ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

Egyptian press, including Government-sponsored papers.

Mr. Speaker, Egypt is considered a tolerant and forward-looking nation. I fear that such actions by Egypt will send a dangerous signal to other countries in the Islamic world where hundreds of thousands of Baha'is reside. I urge the Members of Congress to renounce these recent human rights violations by the Egyptian Government and prevent the spread of further abuses of the Baha'i community.

CORREGIDOR

(Mr. MONTGOMERY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MONTGOMERY. Mr. Speaker, during the week of April 11-18, members of the Committee on Veterans' Affairs, including the gentleman from Georgia [Mr. ROWLAND], the gentleman from Alabama [Mr. HARRIS], and myself, and the Disabled American Veterans made a site visit to Corregidor. We found the condition of the memorials there deplorable.

I am happy to report that based on our site visit and our meeting with President Aquino, action is being taken to restore the historic sites.

The Philippine Government has provided security on the island thus preventing scavangers from destroying the remaining sites. A Navy Seabee team has been given permission to survey the sites and to proceed with any repairs the team might wish to undertake.

A survey team from the American Battle Monuments Commission will be on the island during the week of June 22 to see what needs to be done to restore the Pacific War Memorial.

We asked the Secretary of State to work with the Philippine Government in getting agreements so that work could begin without delay. The Secretary of State has personally visited the island as reported yesterday in the Washington Times and has pledged his support for plans to restore the historic sites in that part of the world.

Mr. Speaker, Government does work, and saving Corregidor is on track. This cooperative spirit between our two Governments and our national service organizations proves that we can get the job done when we set our mind to it. Corregidor must be restored.

□ 1110

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF HOUSE RESOLUTION 150

Mr. BATES. Mr. Speaker, I ask unanimous consent that the name of the gentleman from Michigan [Mr. FORD] be removed as a cosponsor of House Resolution 150.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

SOVIETS ENCOURAGED TO ALLOW FREER EMIGRATION

(Mr. SMITH of New Jersey asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SMITH of New Jersey. Mr. Speaker, much has been made of Mr. Gorbachev's glasnost policy which is designed to bring change in some internal policies and an improvement of the Soviet Union's perception in the the West. Unfortunately, only 16 days following the glasnost initiative an announcement was made on February 12 by the OVIR, the Moscow visa office, that eight individuals were permanently proscribed from emigrating because of their past employment in fields which allegedly gave them access to state secrets. In actual fact, Mr. Speaker, most of these refuseniks had first applied for an exit visa over a decade ago and pose no threat whatever to the Soviet Union.

In April, many of my colleagues cosigned a letter with me addressed to Secretary Gorbachev on behalf of these individuals. Mr. Speaker, we have seen absolutely no movement on the cases and are, like the refuseniks themselves, frustrated by the refusals. Today I am joined by 69 of my colleagues in introducing a resolution regarding these 8 refuseniks and their families. The resolution also calls on the Soviets to permit all Soviet Jews who are wishing to exercise their right to emigrate to be allowed to do so.

The individuals which are specifically mentioned in the resolution include several long-time refuseniks such as Aleksandr Lerner, Vladimir Slepak, and Yuli Kosharovsky. Mr. Speaker, I had the pleasure of meeting with these men during a trip to the Soviet Union in 1982, and was impressed by their abiding commitment to their religious and cultural heritage and their persistent attempts to emigrate to Israel. The other cases are Yakov Rahlenko, Valery Soifer, Yulian Khasin, Natasha Khasin, and Lev Sud.

Refuseniks and their families continue to face difficulties once the application for an exit visa is submitted. Children of these applicants have become targets for KGB harassment and discrimination. Usually applications for visas become the catalyst for employers to demote or even fire the applicants. It seems, Mr. Speaker, clear that Soviet authorities deliberately seek to frustrate and dissuade potential emigres by erecting a myriad of obstacles and barriers in the application process.

Mr. Speaker, the language of the Helsinki Final Act unambiguously commits the signers, including the Soviet Union, to "promote and encourage the effective exercise of * * * rights and freedoms, all of which derive from the inherent dignity of the human person." Clearly, Mr. Speaker, if the word and commitment of the Soviet Union is to have any meaning at all, it cannot continue to deprive Soviet Jews of their basic human rights.

Mr. Speaker, I encourage this House to consider in a timely fashion the resolution and I am hopeful that our efforts on behalf of all Soviet Jews who are seeking to emigrate will be fruitful. I believe this resolution represents a clear expression of congressional commitment to help Jews in the Soviet Union exercise this fundamental right.

INTRODUCTION OF TAUZIN RESOLUTION IN OPPOSITION TO MANDATORY MEDICARE COVERAGE OF ALL STATE AND LOCAL EMPLOYEES

(Mr. TAUZIN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TAUZIN. Mr. Speaker, last year, after extensive debate on mandatory Medicare coverage for all State and local employees, we decided to phase in such coverage through budget reconciliation. Under the new law, State and local government employees hired after March 31, 1986, are required to pay the Medicare payroll tax.

Mandatory Medicare coverage of all State and local employees hired prior to April 1986, is currently being considered as a way to reduce the deficit. This would cut the paychecks of approximately 4.5 million workers and would impose an immediate and severe financial burden on school districts, firefighters, police officers, health and social workers, as well as other State and local agencies.

Many States are already reeling under the combined blows of decreases in Federal appropriations for State programs, the loss of revenue-sharing, new limits upon tax-exempt bonds, and, in the case of States like Texas and Louisiana, record-high unemployment brought on by the decline in oil prices. A tax increase of the magnitude called for in mandatory Medicare might well be disastrous.

Mr. Speaker, today I am introducing a resolution asking Congress to oppose this mandatory coverage. I invite my colleagues to join me.

PERMISSION FOR SUBCOMMITTEE ON ECONOMIC DEVELOPMENT OF COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION TO SIT TOMORROW DURING 5-MINUTE RULE

Mr. GRAY of Illinois. Mr. Speaker, I ask unanimous consent that the Subcommittee on Economic Development of the Committee on Public Works and Transportation be permitted to sit tomorrow, June 18, 1987, during the 5-minute rule.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

PERMISSION FOR COMMITTEE ON APPROPRIATIONS TO FILE REPORT ON ENERGY AND WATER DEVELOPMENT APPROPRIATION BILL FOR 1988

Mr. BEVILL. Mr. Speaker, I ask unanimous consent that the Committee on Appropriations may have until midnight tonight to file a privileged report on the energy and water development appropriation bill for 1988 for printing under the rule.

Mr. MYERS of Indiana reserved all points of order on the bill.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

HAPPY BIRTHDAY WEST VIRGINIA

(Mr. WISE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WISE. Mr. Speaker, delivered to your desk today, and the desks of our House colleagues, is a birthday present. This attractive commemorative crystal paperweight is a symbol of West Virginia's 124th birthday celebration.

Our thanks to a proud West Virginia tradition, the Louie Glass Co. in Weston. Louie Wohino, an Austrian glass blower, founded the company in 1926 and soon turned it into one of the largest producers of handmade glass in the world.

You are invited to visit the Louie Glass operations in the Mountain State. Michael Sturm, vice president and general manager, and his work force of nearly 600 friendly West Virginians, will be pleased to welcome you.

Louie Glass is one of more than 80 West Virginia businesses to observe our State's birthday here in Washington today. Dutchess Bakery in Charleston, WV, has baked a 6-foot high cake, and we have a blue grass band on Capitol Hill today for some down-home clogging.

We are delighted with the participation of Louie Glass and other West Virginia firms on our State's birthday.

RESIGNATION AS MEMBER AND APPOINTMENT AS MEMBER OF SELECT COMMITTEE ON NARCOTICS ABUSE AND CONTROL

The SPEAKER laid before the House the following resignation as a member of the Select Committee on Narcotics Abuse and Control:

HOUSE OF REPRESENTATIVES,
Washington, DC, June 4, 1987.

Hon. JIM WRIGHT,
Speaker of the House, H-208, The Capitol, Washington, DC.

DEAR MR. SPEAKER: I hereby submit my resignation from the Select Committee for Narcotics Abuse and Control.

Thank you for the privilege to serve on this committee.

With personal regards, I am,
Very truly yours,
ROBERT T. MATSUI,
Member of Congress.

The SPEAKER. Without objection, the resignation is accepted.

There was no objection.

The SPEAKER. Pursuant to section 303 of House Resolution 26, 100th Congress, the Chair appoints the gentleman from Ohio [Mr. TRAFICANT] to the Select Committee on Narcotics Abuse and Control, to fill the existing vacancy thereon.

OPPOSITION TO EXPANSION OF MEDICARE COVERAGE TO STATE AND LOCAL GOVERNMENT EMPLOYEES

(Mr. SCHAEFER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SCHAEFER. Mr. Speaker, in 1985 Congress passed the Consolidated Budget Reconciliation Act. One provision of this measure forced employees of State and local governments hired after March 31, 1986, to participate in the Medicare Program.

Now, in order to raise additional funds, Members of Congress are considering expanding Medicare coverage to all State and local government employees. In Colorado we have an excellent pension and insurance system for these employees, and having participated in this program as a former State employee, I can vouch for this system.

The added cost of mandated Medicare coverage would create a great burden on State and local governments, as well as their employees. Having opposed Cobra back in 1985, I want to reaffirm my opposition to expanding Medicare coverage to all of these employees. As an original cosponsor with Mr. TAUZIN, I urge my colleagues to support the resolution he introduces opposing mandated coverage for State and local government employees hired before April 1, 1986.

DEMOCRACY IN SOUTH KOREA

(Mr. MILLER of Washington asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MILLER of Washington. Mr. Speaker, the past several weeks both the International Organization and Human Rights Subcommittee on Foreign Affairs and the Human Rights Caucus have focused on the political situation in South Korea.

The United States must send a message to South Korean President Chun Doo Hwan: catch the wave. Catch and ride the wave of democracy that is landing on the shores of nations throughout the world. Brazil, Argentina, the Philippines, Haiti, Guatamala, El Salvador, and Uganda are just some of the nations emerging from right wing dictatorships. These nations are taking those always difficult, sometimes perilous steps toward democracy. The leaders of these nations have risked the wrath of entrenched right wing oligarchs or Soviet backed rebels for a political system that offers no guarantee save one—freedom.

Why do they take these risks? More to the point, Mr. President, why should you risk your booming economy and enduring political regime for freedom and democracy.

First, Mr. President, your booming economy will best survive without repressive political controls. For proof, you need only look to the stagnant economy of North Korea where political dissent is nonexistent but so is economic prosperity. The most enduring well spring of economic prosperity in individual initiative. This same initiative invariably spurs political self-determination. The more prosperous your nation becomes, the more adamant will be the demands of the Korean people for genuine democratic institutions—a free press, freedom to associate, to organize and dissent, freedom from persecution. This is human nature; this is the history of our modern world.

Second and even more important Mr. President, democracy which some may disparage as an elitist Western ideal is the most powerful political force in the world. To win over the masses in your country and elsewhere, even committed Marxist-Leninist revolutionaries must now pay lipservice to free elections and other democratic institutions. Stifling political dissent with human rights abuses and martial law will play right into the North Korean ruler's hands, yielding for you, at best a Pyrrhic and temporary victory.

Simply put Mr. President, if you choose the authoritarian route you cannot win. If you choose democratization, you cannot lose.

TRIBUTE TO COURAGEOUS 10-YEAR-OLD LANCE DURGIN

(Mr. SMITH of New Hampshire asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SMITH of New Hampshire. Mr. Speaker, frequently, when we pick up a newspaper, we are inundated with stories of tragedy. And too often, the only stories about adolescents that get national attention are those of young people who have done something wrong.

I want to share with my colleagues the story of a courageous young man from my district who is the sort of youngster that I believe is more reflective of the values of American youth, than those which receive the negative headlines.

Lance Durgin, a 10-year-old boy from Wolfeboro, NH—near my hometown of Tuftonboro—was operating a paddle boat on Lake Winnipesaukee this past memorial day weekend when he spotted an object in the water. He said he at first thought it was a log with some cloth stuck to it. When he came closer, he realized the foating object was a child.

Demonstrating uncommon courage and composure, Lance quickly reached in and pulled the three-year-old toddler's head above water and summoned assistance to bring him to shore.

With the help of nearby adults, resuscitation was administered and at last report, the child is home and doing fine.

Lance was recognized by his friends, neighbors, and elected officials in his community with a plaque that read: "For your unselfish courage in saving another child's life." As Wolfeboro selectwoman Shirley Ganem said to Lance at the ceremony, "we need more people like you."

I wanted to bring Lance Durgin's heroism to the attention of my colleagues and all America. His valor is a shining example for all young Americans to follow.

□ 1125

H.R. 281 IS ANTILABOR

(Mr. FAWELL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FAWELL. Mr. Speaker, shortly the House will consider H.R. 281, the so-called double-breasting dual shop legislation. I strongly urge my colleagues to defeat this antilabor bill.

There are two markets in the construction industry—union and open shop. Although the proponents of H.R. 281 believe the elimination of legitimate dual shops will bolster union membership, the exact opposite is most likely to happen.

If H.R. 281 were to become law, a parent corporation would be forced to discard either its union shop or its open shop operations. That is, to forego either its union shop market; or its open shop market. Get rid of one or the other. No more working together of union and open shops on construction sites.

That, to me, is illogical and anticompetitive. It says don't approach these two markets, union and open shop, as separate markets to be handled in a competitive manner. Don't support cooperation between union and open shops, helping both union and open shops to be more competitive.

And H.R. 281 is also antilabor. Currently, 70 to 75 percent of all building and construction jobs are provided by open shops. If dual shop companies, and perhaps singular open shop companies too, are to be mandated into union contracts for having the temerity to compete with union shops, we had better at least let the vast majority of all construction workers know what Congress wants to do to them.

My colleagues should vote "no" on this antilabor bill.

ELLIOTT ABRAMS MUST GO

(Mr. MOODY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MOODY. Mr. Speaker, during the Iran-Contra hearings Assistant Secretary of State Elliott Abrams said to Representative JACK BROOKS, "Fortunately, Mr. Congressman, I don't work for you; I work for George Shultz and he seems to be pretty satisfied with the job that I have done for him." As Pierre Papazian of Dumont, NJ, wrote on June 14 in the New York Times, "Unless Mr. Shultz is running a private company down in Washington and Mr. Abrams is an employee of that company, Mr. Abrams is actually working for the people of the United States. Mr. Abrams is as much a servant of the people as our Senators and Representatives. When our servants in Washington forget that fact, it is time to replace them."

Mr. Speaker, 129 Members of the House of Representatives agree and have sent a letter to George Shultz asking him to reconsider his glowing tributes to Elliott Abrams despite Mr. Abrams' practice of lying to Congress.

NICARAGUA: THE EVIDENCE MOUNTS

(Mrs. BENTLEY asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. BENTLEY. Mr. Speaker, this morning's New York Times reports that the Communist Government of Nicaragua last month uprooted the residents of two villages and put the residents in relocation camps. Rather offhandedly, the story says that these villagers joined a march of over 6,000 other peasants to relocation camps.

The Times story says that the Sandinista Communist officials admit that the reason for the relocation is that the Contras have broad popular support. The bottom line of the story is that, in the Nicaragua so faithfully supported by some, you go to concentration camps if you are suspected of opposing the government.

It seems about time to admit that support for the current totalitarian Government of Nicaragua is also support for repression of the people. You can dress it up in investigations and calls for State Department action to denounce the Contras. It all boils down to support for freedom or Communist gulags.

THE EFFECTS OF THE GOETZ DECISION

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, years ago Richard Speck murdered eight nurses in Chicago. One at a time he bound their arms and legs and literally executed them.

But there was one young Spanish-speaking nurse that had the good fortune of rolling underneath the daybed. She watched this scene unfurl before her eyes. She later wrote in a book that is now memorialized the following passage every American should consider: "God don't let him hear the pounding of my heart." In other words, "don't let him see me, he will kill me." She was spared.

Now what happened to Richard Speck? He went to jail supposedly for life. It cost us $100,000 a year to keep him in a maximum security cell so no one hurts him. By the way, the parole board thought of sending him to college a few years later.

Americans are fed up, which takes us to the Goetz case here.

This is a case where Americans are ready to roll the dice in front of a jury rather than be raped, mugged, or murdered and they are saying, "Congress and the Nation do something about it."

But let us be cautious of what we do, because crime is only symptomatic of greater problems and greater cancers.

When kids are graduating from school who cannot read, faced with not getting a job and the only prospects are becoming a pimp or a drug pusher, something is inherently wrong. So let us not mistake the signals of the Goetz case. Let us start looking at America rather than sending money all over the world, let us look at home.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 1049

Mr. DUNCAN. Mr. Speaker, I ask unanimous consent that my name be removed as a cosponsor of H.R. 1049.

The SPEAKER pro tempore. (Mr. Gray of Illinois). Is there objection to the request of the gentleman from Tennessee?

There was no objection.

H.R. 1572, DAY CARE FOR ALL WHO NEED IT

(Mrs. JOHNSON of Connecticut asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. JOHNSON of Connecticut. Mr. Speaker, day care is high on America's agenda. We talk about it a lot here in Washington. We talk about it a lot in the communities of our Nation, and in our State legislatures. Yet in spite of all the talk, we have not focused on the cold, hard fact that in America we provide an entitlement for day care subsidies for those who make enough money to benefit from the tax credit and nothing for low income working families. In other words, we entitle you, if you are rich enough, to get a subsidy to help shoulder the cost of providing day care for your children. And, yes, we provide a little money if you are poor enough, through title XX, to receive a day care subsidy.

But for the ordinary citizen in America, for the hard working families that need it the most, we provide nothing. Unless we adopt a new program such as that in my bill, H.R. 1572, all the talk in the Halls of Congress, all of Washington's concern about access to day care for children in America will come to nothing. Our talk will provide no action for the ordinary working families of America.

I urge you to join me in cosponsoring H.R. 1572.

WHERE IS THE BUDGET OF THE DEMOCRATS?

(Mrs. MARTIN of Illinois asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. MARTIN of Illinois. Mr. Speaker, it is my understanding that this afternoon the majority party is going to ask the Committee on Rules to allow the House-passed budget to act as the allocation numbers for the appropriation bills that will soon be making their way to us. I realize this is an unpopular question, but where is the budget? Where is the conference report?

Now, it seems to me that last November one of the things the majority party promised the American people was good governing and governance. Now they say it is just too hard to get agreement with the Senate.

Now here is the rather surprising news: The Senate is not Republican, it is their own party.

We have had criticism of the President's budget, some of it deserved. We have had criticism that the Republicans should come up with a budget. Well, we will when we have the House and the Senate.

But may I suggest that the Democratic Party is making a mockery of its majority when it cannot even come up with the budget document. May I also suggest that it does no service to the American people but it does provide that the art and science of governing has been lost by the majority party when they cannot even reach agreement between the bodies.

The question may not be "where is the budget?", therefore, but "Why cannot the majority party find agreement so that it can produce a budget for the American people?"

PROVIDING FOR CONSIDERATION OF H.R. 281, BUILDING AND CONSTRUCTION INDUSTRY LABOR LAW AMENDMENTS OF 1987

Mr. MOAKLEY. Mr. Speaker, by direction of the Committee on Rules I call up House Resolution 196 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. Res. 196

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House of the State of the Union for the consideration of the bill (H.R. 281) to amend the National Labor Relations Act to increase the stability of collective bargaining in the building and construction industry, and the first reading of the bill shall be dispensed with. After general debate, which shall be dispensed with. After general debate, which shall be confined to the bill and which shall not exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Education and Labor, the bill shall be considered for amendment under the five-minute rule. It shall be in order to consider the amendment in the nature of a substitute recommended by the Committee on Education and Labor now printed in the bill as an original bill for the purpose of amendment under the five-minute rule and each section of said substitute shall be considered as having been read. No amendment to said substitute shall be in order except those amendments printed in the "Amendments" portion of the Congressional Record on or before June 16, 1987. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the committee amendment in the nature of a substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER pro tempore. The gentleman from Massachusetts [Mr. Moakley] is recognized for 1 hour.

Mr. MOAKLEY. Mr. Speaker, for purposes of debate only I yield the customary 30 minutes to the gentleman from Ohio [Mr. Latta], pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 196 is the rule providing for the consideration of the bill H.R. 281, the Building and Construction Industry Labor Law Amendments of 1987.

Mr. Speaker, the rule is a modified open rule which provides 1 hour of general debate, equally divided between the chairman and ranking minority member of the Committee on Education and Labor.

The rule makes in order an amendment in the nature of a substitute recommended by the Committee on Education and Labor now printed in the bill as original text. The substitute shall be considered by sections and each section shall be considered as having been read.

Mr. Speaker, the rule also provides that no amendments to the substitute shall be in order except those amendments that are printed in the Congressional Record on or before June 16.

Mr. Speaker, on June 11, Members were informed that the Committee on Education and Labor would seek a rule that would require amendments to be printed in the Congressional Record prior to consideration of H.R. 281. The Rules Committee included the requirement that amendments be printed in the Record in order to ensure the H.R. 281 would not be subject to dilatory amendments.

In addition, this requirement allows Members ample time to understand amendments which are printed in advance. I would like to point out, that Members have had over 5 days to prepare and file any amendments to the bill, and as long as they are germane they will be in order for consideration.

Finally, Mr. Speaker, the rule provides for one motion to recommit with or without instruction.

Mr. Speaker, H.R. 281, the Building and Construction Industry Labor Law Amendments of 1987, is a bill that would amend the National Labor Relations Act to increase the stability of collective bargaining in the building and construction industry.

The bill attempts to make changes in the law affecting construction labor law agreements. Specifically two provisions—double-breasting and prehire agreements. Double breasting is the practice where a company which has negotiated an agreement with a construction union establishes a related company which is operated on a nonunion basis.

This practice would then enable the employer to shift work to the nonunion shop to avoid paying union scale wages and benefits that were negotiated in the collective bargaining agreement. Under the provisions of this bill multiple construction companies would be defined as a single employer for collective bargaining if there is substantial common ownership control or management. The bill would restrict double breasting and ensure that employers will abide by contract agreements.

Mr. Speaker, the prehire agreement provision of the bill simply states that a company could only void its prehire agreement if the National Labor Relations Board conducts an election and certifies that a majority of the employees select another union or choose not to be represented by any labor union. The bill also provides that when the prehire agreement does expire the employer is required to negotiate with the union that was representing the employees providing of course that a vote to disband the union hasn't taken place.

Mr. Speaker, this bill is not without contraversy, Members on both sides of the isle have strong opinions on the merits of the bill. The printing of amendments to be considered will ensure that this bill is dealt with properly and orderly. I urge Members to vote for House Resolution 196 and for final passage of H.R. 281.

□ 1140

Mr. LATTA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would like to direct my remarks to the Members of the House who might be concerned about their rights, their rights as an elected Member of this body, elected by their constituents.

I do not know whether Members are conscious of what has been going on in the Rules Committee in restricting your rights, but here is another case where the Rules Committee, by a vote of 5 to 5 is restricting your rights to offer an amendment unless it was printed in the RECORD as of yesterday. The rule is being adopted today, but this rule provides that if you did not have your amendments in by yesterday, after the Rules Committee met and made that decision on a 5 to 5 vote you have missed your opportunity to amend the bill. You had just a few hours, and not many Members of this body were at the Rules Committee, because, as we know, it is a very small committee room and you cannot get very many Members in there.

Let us say that the Rules Committee itself and the Education and Labor Committee members might have known of this very restrictive rule, but how many other Members of this body knew of this rule that we are going to be voting on now, today, that restricts their right as of yesterday to offer a germane amendment to this all-important bill?

Mr. WALKER. Mr. Speaker, will the gentleman yield?

Mr. LATTA. I am happy to yield to the gentleman from Pennsylvania.

Mr. WALKER. Mr. Speaker, I thank the gentleman for yielding.

The gentleman is making an excellent point. This rule was officially announced in the House of Representatives last evening after special orders had begun, so the Members did not have all day yesterday after the Rules Committee acted on the rule. It came to the floor and was announced. This restriction was announced on the floor by the Rules Committee after special orders had begun last evening.

There were only a handful of Members on the floor for special orders, so Members were given practically no time whatsoever to prepare amendments for this bill. It is absolutely appalling, what is happening here, from the standpoint of the rights of the Members.

Mr. LATTA. Mr. Speaker, I thank the gentleman for his contribution.

Let me say that what is going on is the diluting of your right as a Member of this body to offer amendments in open session of this House to a very important piece of legislation, and it is a trend that has been developing in this House. Let me give the Members some statistics to indicate that trend.

In the 95th Congress we only had 12 percent of the rules reported out that were restricted; in the 96th Congress 19 percent of the rules were restricted; in the 97th Congress 20 percent of the rules were reported out were restricted; in the 98th Congress 28 percent of the rules were restricted; and in the 99th Congress 36 percent of the rules were restricted. Now, get this percentage: For the 100th Congress 50 percent of the rules reported out have been restricted, taking away certain rights you have as a Member of this House to offer amendments germane to a bill on this floor.

Now, this is something that the American people ought to be aware of, as to how their Members are being treated by the Rules Committee and the majority of this House. I do not think it is fair to the people of this country to have their Members treated in such a fashion. And certainly there was a division, because the vote was 5 to 5 in the Rules Committee yesterday, about whether we should be going in this direction with this rule.

Mr. Speaker, I know it has been pointed out that we had some notice. The Rules Committee did not act until yesterday. If somebody who is on the committee puts in the RECORD that he is going to ask for a restricted rule, does that mean that the Rules Committee has got to follow that request? Absolutely not. If we are going to do that, let me say as a member of the Rules Committee that we might just as well abolish the Rules Committee and go by whatever somebody sticks in the RECORD and says that is what we want to do, and we can just follow that blindly.

But I do not think the American people elected us for that purpose. The Members of this House are going to have an opportunity to vote on this issue today, as to whether or not we are going to continue this process of diluting our rights to offer amendments on this floor in this fashion.

Now, if you want to go back home and tell your people that elected you as a full-blown Member of this House that you want your rights diluted in the future and you want this 50 percent restricted rule to continue and maybe go to 60 percent or 70 percent, so be it, that is your decision, but I do not think you want to send that signal back home. I would think that you do not want to send that signal to the American people.

Mr. Speaker, to me one of the great benefits of democracy is that all kinds of ideas may be considered and the majority of a democractic body can then choose the best idea given the needs of the day.

As I have pointed out, under this rule, after listening to the debate, if you come up with an amendment that was not printed in the RECORD, you are going to be denied the opportunity to offer that amendment. Certainly our democracy cannot function at its best if good ideas are not even considered because of arbitrary deadlines set on a 5-to-5 vote in the Rules Committee. If this process becomes widely accepted, the Nation will ultimately be the loser because it will be deprived of the ideas which might have made this a better place in which to live.

Mr. Speaker, another benefit of defeating this rule is that we will not be making in order a bad piece of legislation. Not many people know what this is all about. This bill would apply the terms and conditions of a collective bargaining agreement covering the employees of one construction business entity to cover the employees of another. This so-called double-breasting provision would in effect deprive the employees of their right to decide whether they want to be represented by a union and, if so, to select the union of their choice.

This bill is also objectionable because it contains a provision relating to prehire agreements that would apply the agreement and union representation to employees without allowing them to seek an election during the term of the agreement. The provision would also require the employer to continue to bargain with the union after the termination of the prehire agreement even though the employees had never selected that union as their representative. Democracy? Is this democracy?

Mr. Speaker, this is a short piece of legislation. It is only four pages. However, it may do tremendous damage. There are approximately 3.7 million nonunion construction workers and 1.3 million unionized construction workers, many of whom will lose part of their freedom under this bill. There are almost 60,000 minority contractors whose businesses would be jeopardized by this bill. Many of them are nonunion subcontractors who would be prevented from working on what would become totally unionized projects.

Finally Mr. Speaker, manufacturers and America's basic industries know that union monopoly in the construction industry would inflate the cost of their products. They and their employees cannot risk further losses to foreign competition. If their costs to build in America make them now competitive, America's workers lose. If they are forced to build their projects overseas to be competitive with foreign competition. America's 5 million construction workers will be the losers.

Mr. Speaker, we should be trying to make America more competitive, not less competitive.

Mr. Speaker, let me say that if this rule that brings this piece of legislation to the floor under these provisions should be defeated, we ought to have an opportunity to amend this piece of legislation. We should not have some preordained rule that says you have to have your amendments in by last night, if you please, Mr. Speaker.

Mr. MOAKLEY. Mr. Speaker, I yield 2 minutes to the gentleman from Texas [Mr. Stenholm].

Mr. STENHOLM. Mr. Speaker, I reluctantly rise in opposition to this rule because I happen to be a Member who believes that we ought to fully debate and vote one more time on this issue. But I think we should consider the fact that we have voted twice now in the manner in which we have voted, and the fact that there has once again been so much misinformation about exactly what is in this bill and what is not in this bill, and also that you have reasonable people on all sides saying one thing and then on another side saying that it is just not so. After studying as much as I have on this particular issue and opposing this legislation as strongly as I do, I think this rule that precludes and prohibits full debate and an open rule is really upon close analysis something that sets a very dangerous legislative precedent.

This bill does far more for labor law and precedence of labor law than what those who support it indicate to the majority of Congress that it does. For that reason, I would hope that my colleagues on both sides of the aisle would slow down this train today. There is no urgency to bring this legislation to the floor under this expedited process, none whatsoever. This is major, legislative change in our labor laws that affect this Nation at a time when competition is the watchword of this country.

□ 1155

This is a very noncompetitive bill before us. I urge defeat of this rule.

Mr. LATTA. Mr. Speaker, I yield 5 minutes to the gentleman from Vermont [Mr. Jeffords].

Mr. JEFFORDS. Mr. Speaker, I, too, like the gentleman before me, reluctantly rise in opposition to this rule.

I think this is an important debate that we are having here and I hope Members will take note of it.

Let me ask you a simple question. If you do not have an open rule on this particular piece of legislation, what bill will you ever have one on? That is why in my mind the Rules Committee was split on whether or not to make the printing time retroactive, because we are really trampling on the rights of Member to participate.

This is not a minority-majority problem. This is a committee versus the rest of the House type of situation.

What we are doing here is preventing other Members from having any meaningful debate on this issue by not having had adequate notice to be able to file their amendments on time.

No rule like this should be passed unless it is prospective.

I would not have as much of an objection, although I would have an objection, if the rule passed today said for the next 2 legislative days you can file amendmemts. That would be an appropriate and a fair approach if this is a problem. I do not think it is a problem with this particular bill.

What we have here is a bill which is only four pages in length with two issues, issues that have been debated. It is not one like a tax bill that has such ramifications that you need to have amendments greatly restricted. It is not one such that you cannot come in with some amendments which make it a more workable bill. It is an attempt here to really trample on the rights of our Members to participate meaningfully in this debate.

Think now what advantages the committees have. Do they need this additional one?

Right now we know how hard it is for any Member to get an amendment up now. You have to wait your turn. You have to wait hours and hours, while every other member of the committee has an opportunity to have their amendments considered, and then if you are lucky you may be recognized, if time has not been cut off, or whatever.

Now we are seeing, not only that, but if you are going to be able to participate in the bill, you have to have it printed retroactively. You have to put it into the Record.

This is a bad, bad precedent. That is why the committee was split on this issue.

In addition to that, think of the other advantages that committees have.

Now the Rules Committee is giving more and more control to chairmen and even ranking members on amendments that are before the committee. This is a continuing trend to forestall the efforts of members not on the committee to be able to participate in meaningful debate.

In addition to that, we are also running into problems right now. Some of us race to try to get our amendments in on time and now we are finding that maybe they have a little problem here or there. We are precluded now from redoing those amendments in order to have them presented to this body.

Finally, and I think just as important, even those of us on the committee, those of us who really want to see this bill work, are trying to say, what are the problems? But we have not been able to work those problems out. We have not been able to have the kind of a pressure that we need to be able to work compromises. How would that be done on the floor? Can we do that on the floor now? No, we cannot. It is extremely difficult to work a compromise now without unanimous consent, and on a bill of this nature you would never get unanimous consent, never; so we are precluded from being able to resolve this on a friendly basis where we could try to accommodate the interests of all parties and come up with a workable piece of legislation. We are precluded from doing that now on this rule.

So I urge you to vote against the rule. This is not a minority-majority issue, as demonstrated again by the Rules Committee vote, a split vote on this issue. This is an issue as to whether or not you and other Members on this bill or future bills are going to have an opportunity to have meaningful participation in the debate on an important piece of legislation.

I urge you to vote "no" on the rule.

Mr. MOAKLEY. Mr. Speaker, for purposes of debate only, I yield 2 minutes to the gentleman from Georgia [Mr. Jenkins].

Mr. JENKINS. Mr. Speaker, I also reluctantly rise in opposition to the rule.

I think for those of us who do not serve on the committee, it is extremely difficult with the changes that are made to keep up with the final bill that will be debated and whether or not any proposed amendments can be or should be offered to the final legislation, so I think that the rule is a mistake. I think the Members should oppose the rule, not only for this reason, but for the reasons that my colleague, the gentleman from Texas, and others have stated.

As far as the bill itself is concerned and as far as my position, let me say this.

Mr. Speaker, let there be no mistake about this fact: I am against the evils created when contractors walk away from prehire agreements and when contractors engage in sham double-breasting operations.

While it is intended that H.R. 281 will cure these two evils, the fact is that it goes much too far. Under the recent NLRB Deklewa decision, contractors must honor their prehire contractual obligations. Furthermore, under Federal court and NLRB decisions, sham double-breasted operations are illegal. But the fatal flaw in the legislation is not that it is unnecessary—we can always codify agency and court rulings—but that it punishes innocent people.

How, you ask, does this happen? There are two ways in which innocent people are punished. In both cases we are discussing a holding company with one union and one nonunion subsidiary, neither of which ever walked away from a prehire agreement or conducted a sham operation. Here they are:

1. SINGLE EMPLOYER PICKETING

Section 2(a) of the bill establishes a definition for "single employer" in the construction industry. Once defined as a single employer, the companies involved are subject to the provisions of the National Labor Relations Act pertaining to single employers. To illustrate how this works, let's use an example.

Holding company X owns company A, a union construction company performing carpentry work in the metropolitan New York area. The union contract defines that geographical area. Holding company X also owns company B, an open shop construction company performing carpentry work nationwide. Company B moves one of its carpentry entities into the union designated area of company A to perform carpentry work. While in that designated geographical area, company B conforms to the conditions of the union contract. Nevertheless, company A and company B are now defined under H.R. 281 as a "single employer." The newly defined "single employer" can be subject to picketing as follows:

First, an entity of company B anywhere in the United States could be picketed by a union having an unrelated dispute with company A; and

Second, company A could be picketed in New York City because of a dispute with company B anywhere in the country.

These two examples of single employer picketing are so because H.R. 281 merely defines a relationship between two or more companies within a geographical area as "single employer," but the bill does not limit the legal effects of such a definitional finding in any way.

It is also noteworthy that no sham double-breasting operation has been engaged in by holding company X. In fact, nonunion company B conformed to the provisions of company A's union contract while in the geographic area defined by that contract.

2. NATIONAL AGREEMENTS

Section 2(b) of the bill refers to an existing collective bargaining agreement. In his written testimony presented to the House Subcommittee on Labor-Management Relations, Mr. Robert A. Georgine, president of the AFL-CIO Building and Construction Trades Department, said March 4, 1987: "Only where an employer has signed a nationwide agreement would the bill require its application anywhere in the United States." In other words, a perfectly honest nonunion company—not in any way connected to a sham operation—located in Texas would become automatically a union company because its union side in New York City is signatory to a national agreement.

Both employees and management are the innocent victims under the provisions of H.R. 281. Strikes shut down work and employees lose pay. Nonunion companies which automatically become unionized under the provisions of this bill are forced to submit union scale bids on jobs in areas dominated by open shop contractors. This makes the company noncompetitive with consequent loss of work.

No doubt both labor and management have solicited your support or opposition to H.R. 281. The issue has been framed as labor versus management. I believe that is wrong. The real issue is whether we, as legislators, perform our duty properly; do we punish innocent people or don't we?

It is my opinion that the people of Georgia's Ninth District elected me to this body to help resolve issues and not create problems. Punishing innocent people is not my understanding of how to resolve any national issue.

Therefore, Mr. Speaker, I must oppose the passage of H.R. 281.

Mr. CLAY. Mr. Speaker, will the gentleman yield?

Mr. JENKINS. I yield to my friend, the gentleman from Missouri.

Mr. CLAY. Mr. Speaker, I do not know if the gentleman is reading the bill that is being discussed today. We have specific language in this bill that would prohibit the kind of activity that the gentleman described in his example. It is limited to the area of the contractural agreement and it cannot go across the country. I think that is part of the distortion that is taking place by those who are opposed to this bill, who have deliberately attempted to distort the provisions of this bill.

Mr. JENKINS. Well, Mr. Speaker, I have read the revisions that the committee has attempted to make to clear up this problem. I simply do not believe that the committee has been successful in eliminating the possibility of the very example that I gave from occurring, event though you have tightened up both the prehire as well as the double-breasting problem.

Mr. BARTLETT. Mr. Speaker, will the gentleman yield?

Mr. JENKINS. I yield to the gentleman from Texas.

Mr. BARTLETT. Mr. Speaker, the gentleman from Georgia is correct. Although the committee attempted to limit it to a geographical area, many contractors have national contracts and those national contracts are multiarea contracts, so therefore they are effective.

The effect of the legislation is as the gentleman described, and that is, it prohibits one company from owning independent subsidiaries, one with a collective-bargaining agreement and one without. It is strictly a prohibition against legal double-breasting. I do not believe it is being sold that way, but I believe that is what the effect of the bill is.

Mr. CLAY. Mr. Speaker, will the gentleman yield further?

Mr. JENKINS. I yield to the gentleman from Missouri.

Mr. CLAY. Mr. Speaker, the gentleman from Texas is precisely right, if the company has a national contract it would affect a national contract; but that is the employer's decision to enter into a national contract. If he had a contract within a region, then it would only bind him in that region. So let us not confuse or distort what this bill will do.

Mr. JENKINS. Well, I do not want to debate the entire bill on the rule.

Mr. LATTA. Mr. Speaker, I yield 3 minutes to the gentlewoman from New Jersey [Mrs. ROUKEMA].

Mrs. ROUKEMA. Mr. Speaker, I would like to direct the attention of our colleagues back to the subject of the rule. I find this a most egregious rule. I know a lot of my colleagues have not seen me up here before debating against a rule, but this is a very important principle here today.

As the ranking Republican on the Labor-Management Relations Subcommittee, I rise in strong opposition to the rule. At approximately 12:30 p.m.

yesterday, the Rules Committee issued a rule making in order only those amendments which had been printed in the Record by yesterday. A rule restricting the offering of amendments to only those preprinted in the Record and giving only a few hours notice of doing so—effectively no notice for the vast majority of Members—has no place on a major piece of legislation which is of importance to all Members of the House. It especially has no place on a bill like H.R. 281. An important matter of principle is involved. We either have one open rule or not.

This is the second consecutive year in which this bill has been considered by the House. It would make a significant change to the National Labor Relations Act with regard to labor relations in the construction industry. Since the bill's initial introduction in 1984, it has been characterized by extreme polarization, oversimplification, and misunderstanding. There is good reason for the misunderstanding in particular—the bill would change a very complex, technical area of labor law. It is precisely for these reasons that all Members should have complete access to the amending process on the floor.

This rule is extremely unusual on a bill such as H.R. 281. In those few instances where preprinting has been required, there are extraordinary reasons for the requirement, there has been agreement between the majority and minority members of the committee of jurisdiction, or there has been lengthy advance notice of the preprinting requirement. With regard to H.R. 281, there are no extraordinary reasons for preprinting amendments, there has been no agreement between majority and minority members of the Education and Labor Committee to require preprinting, and there certainly was no decent period of advance notice of the preprinting requirement.

This rule should be defeated.

□ 1210

Mr. LATTA. Mr. Speaker, I yield 3 minutes to the gentleman from Mississippi [Mr. Lott].

Mr. LOTT. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, I urge my colleagues to oppose this rule.

The pattern continues. The Committee on Rules this year has just been very reluctant to give the membership an opportunity to make their case on the floor. We have had restrictive rule after restrictive rule. At one point I think that it was close to maybe 70 percent of the rules which had some sort of restriction or budget waiver. It has gotten a little better. We are now batting 50-50, as the gentleman from Ohio has already pointed out. But as compared to the 98th and the 99th Congress, open rules in the 98th were 72 percent of the time, and in the 99th it was 64 percent of the time, but now it is only 50 percent.

What happens when we have these restrictive rules, a rule that requires that we have a printing in the Record by a certain date in order for that amendment to be considered? Well, one thing that it does is cause the proliferation of amendments. We saw that on the State Department authorization bill. I am guilty of that myself. When you see you are fixin' to be cut off and not be able to have an opportunity to offer an amendment, then you start conjuring up all possible amendments, and you put them in the Record.

The other thing is that it creates mischief. Members start trying to find ways of blocking a Member from having an opportunity to make his or her case on an amendment. It is just not the way that we should go.

To show how the pattern is continuing, this week it was the State Department, this week it is the double-breasting bill, next week there is even a suggestion that we do it on the Justice Department. Why must we restrict the membership from having a chance to make their case? We need to stop it. We need to stop it here and now. If we do not, it will continue on every bill.

On this particular rule also the Members at most had maybe 6 hours' notice. The Committee on Rules voted at about noon yesterday on this rule, which said that the Members had to have their amendments in the Record by the close of business yesterday, if you want to call that notice, although we are actually bringing the rule up now that has that requirement in it.

Is that fair? I do not think so. In fact, we even had some suggestion that maybe you would have to get your amendments into the Record the day before.

Mr. Speaker, I would just like to conclude with these points. In the Committee on Rules a lot of questions were asked by the Rules Committee members, Republicans and Democrats, some very thoughtful questions about why we have these restrictive rules. The vote to delete this particular provision failed on a 5-to-5 tie vote, bipartisan vote. I want to emphasize that to my colleagues. There are Democrats today who are opposing this rule because they think that it is too restrictive and not fair.

Why are the Members being shut out? Whatever happened to "We the people," where Members who are not on the committee have an opportunity to come to the floor, make their case, offer amendments, and have them voted on?

I urge that we defeat this rule.

OPEN AND RESTRICTIVE RULES, 95TH–100TH CONGRESS [1]

Congress	Open rules		Restrictive rules		Total rules
	Number	Percent	Number	Percent	
95th	213	88	28	12	241
96th	161	81	37	19	198
97th	90	80	22	20	112
98th	105	72	40	28	145
99th	65	64	36	36	101
100th [2]	13	50	13	50	26

[1] Source for data: Survey of Activities of the House Committee on Rules (Reports by the Committee on Rules), 95th–99th Congress. Rules counted were those providing for the initial consideration of legislation (as opposed to special rules on conference reports, etc.) For the purposes of this table, restrictive rules are those which limit the number of amendments which can be offered, and include so-called modified open and modified closed rules as well as completely closed rules.

[2] Data for the 100th Congress is based on "Notice(s) of Action Taken," Committee on Rules, 100th Congress, as of 6/17/87.

Prepared by Don Wolfensberger, Minority Counsel, Subcommittee on Legislative Process, Committee on Rules.

RULES REPORTED IN THE 100th CONGRESS

[Providing for the Initial Consideration of Legislation in House]

Bill No. and Title	Rule No. H. Res.	Date reported	Rule type [1]
Establishing three select committees	26	Jan. 7, 1987	C
H.R. 1: Water Quality Act	27	do	C
H.R. 2: Surface Transportation	38	Jan 8, 1987	C
H.R. 558: Homeless Relief Act	109	Mar. 4, 1987	O
H.J. Res. 175: Contra Aid Moratorium	116	Mar 10, 1987	C
H.R. 1320 Land & Water Conservation Fund Act Amendments.	135	Mar. 31, 1987.	MC
H. Res. 139: Budget Resolution	139	Apr. 7, 1987	MC
H.R. 1827: Supplemental Appropriations	148	Apr. 22, 1987	MO
H.R. 3: Omnibus Trade Bill	151	Apr. 27, 1987	MC
H.R. 1748: DOD Authorization	152	Apr. 28, 1987	MO
	156	Apr. 5, 1987	
	160	May 6, 1987	
H.R. 27: FSLIC	154	May 4, 1987	MO
H.R. 1039: Mineral Lands Leasing Act	155	May 5, 1987	O
H.R. 2360: Public Debt Limit	165	May 12, 1987	MC
H.R. 5: School Improvement Act	172	May 19, 1987	O
H.R. 1451: Older Americans Act	171	do	O
H.R. 953: Maritime Authorization	178	May 28, 1987	O
H.R. 1934: Fairness Doctrine	179	do	O
H.R. 2355: EPA Authorization	182	June 2, 1987	O
H.R. 2330: NSF Authorization	183	do	O
H.R. 2160: Bureau of Standards	184	do	O
H.R. 157: Constitution Day	186	June 4, 1987	O
H.R. 2112: Intelligence Authorization	187	do	O
H.R. 1777: State Dept. Authorization	190	June 9, 1987	MO
H.R. 4: Omnibus Housing Act	191	do	O
H.R. 2342: Coast Guard Authorization	195	June 16, 1987.	O
H.R. 281: Double-Breasting	196	do	MO

[1] Restrictive rules are those which provide for less than a completely open amendment process (O): Closed (C); Modified Closed (MC); or Modified Open (MO). As of June 10, 1987, 24 rules were reported of which 12 (50%) were open, and 12 (50%) were restrictive.

OTHER ITEMS OF INTEREST

Restrictive Rule Update—The following table reflects all rules granted through last week:

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99th	65	64	36	36	101
100th [2]	12	50	12	50	24

[1] Source for data: Survey of activities of the House Committee on Rules (Reports by the Committee on Rules), 95th–99th Congress. Rules counted were those providing for the initial consideration of legislation (as opposed to special rules on conference reports, etc.) For the purposes of this table, restrictive rules are those which limit the number of amendments which can be offered, and include so-called modified open and modified closed rules as well as completely closed rules.

[2] Data for the 100th Congress is based on "Notice(s) of Action Taken," Committee on Rules, 100th Congress, as of 6/12/87.

Prepared by Don Wolfensberger, Minority Counsel, Subcommittee on Legislative Process, Committee on Rules.

Mr. LATTA. Mr. Speaker, I yield 2 minutes to the gentleman from North Carolina [Mr. Ballenger].

Mr. BALLENGER. Mr. Speaker, I rise today in vigorous opposition to the rule governing consideration of H.R. 281. Although this is my first session of Congress, I understand that a restrictive rule on a labor bill is unprecedented. This rule requires preprinting of amendments before those amendments to H.R. 281 may be offered. Although a restrictive rule is bad enough, Mr. Speaker, hold on to your hat, it gets worse.

I intended to offer an amendment to H.R. 281, today, which would have provided the the bill's mandatory requirements shall not apply if their application would force nonunion employees to be represented by a union having an officer or former officer who, within the previous 5 years, had been convicted of a racketeering activity under 18 U.S.C. 1961 or the bribery statutes of 18 U.S.C. 201.

To require by law that nonunion employees be represented by a union against their will is abhorrent. To require that they be represented by a corrupt union is unconscionable.

The amendment, however, has been ruled out of order, nongermane. I can think of nothing more germane to this heavyhanded legislation.

However, the amendment will not be offered. This House has been robbed of the opportunity to vote on it.

Mr. GRANDY. Mr. Speaker, will the gentleman yield?

Mr. BALLENGER. I yield to the gentleman from Iowa.

Mr. GRANDY. I thank the gentleman for yielding.

Mr. Speaker, I would like to associate myself with the remarks of the gentleman from North Carolina. He knows that we both serve on this committee, he knows that we both went to the Committee on Rules yesterday, and I think that if there is one argument that is being put forth, as bad as we feel H.R. 281 might be, it is not as bad as the rule that we are voting on right now.

The gentleman's amendment has been ruled ungermane, but the ability to cooperate and compromise on the floor has been taken away from this body, and there are a lot of new Members, the gentleman and myself included, who will not be able to participate because we do not have an open rule.

Mr. BALLENGER. Therefore, Mr. Speaker, there you have it. We have an unprecedented restrictive rule on a labor bill, amendments being ruled out of order in wholesale fashion, and I urge my colleagues to cast a vote today for openness and reason and vote no on this rule.

Mr. LATTA. Mr. Speaker, I yield 3 minutes to the gentleman from Texas [Mr. BARTLETT].

Mr. BARTLETT. Mr. Speaker, I rise to urge the defeat of this unfair rule. It seems to me that it is incumbent and it is important to both sides of the aisle that this rule be defeated, both because it is procedurally unfair, and based on its substance it is unnecessary.

This is not a partisan issue. The other side of the aisle has as much at stake in being able to offer germane amendments and to perfect the art of legislative compromise as does our side of the aisle. Indeed, perhaps it could be said that Members from the other side of the aisle have more reason to vote against this rule than even those on my side of the aisle.

There are three basic reasons why this rule should be defeated today. First, the rule itself is unfair and is highly restrictive, and it is virtually without precedent. There is a procedure which the Committee on Rules sometimes uses to require a preprinting of the amendments in the RECORD, but that procedure is only used based on precedent if there is a formula that has to be calculated, or if it is a Ways and Means bill, or if it is some kind of a tax bill or trade bill. Other pieces of legislation typically come to the House floor and should come to the House floor under an open rule, and if an amendment is offered that somehow the other side of the aisle opposes or the House does not accept, the House can weigh the arguments on the substance of the amendment, and not on the process.

The rule itself on a technical basis requires that the House spend most of its time then on parliamentary maneuver. The House should be free to debate the substance, and not the parliamentary procedure. With this rule what happens, and has happened in the past, is one Member offers an amendment that is printed in the RECORD, and a Member who is opposed to it offers a so-called perfecting amendment that eliminates or guts the amendment, and then there is no process left open to the House to vote on what could well be a very substantive amendment and a very substantive issue, and the debate is essentially stopped and the House is left to debate the parliamentary procedure and not the substance.

Second, the fundamental timing of this rule and this bill is wrong, and it is wrong more from the perspective of the other side of the aisle than even our side of the aisle. The House has acted on this legislation twice in the last 12 months. The other body has never taken up the legislation, either in committee or on the floor. So long as we act on the double-breasting legislation only on our side of the Congress, only in this body, and never have the other body act at all, then it is relegated to merely a political issue, one done purely for political reasons.

I would suggest to those who may believe that legislation is needed that what they ought to do is to cause the legislation, if they support it, to happen by beginning in the Senate, and only at that time bringing it to this House. If we do anything else, if we continue to bring a bill that has never been considered by the other body to this House floor, then it is only a political exercise, and I think that the House Members are mistreated.

I urge a "no" vote on the rule itself.

Mr. MOAKLEY. Mr. Speaker, I yield 7 minutes to the gentleman from Missouri [Mr. CLAY], who is the chairman of the Subcommittee on Labor-Management Relations.

Mr. CLAY. Mr. Speaker, I urge my colleagues to support this rule. The argument about printing of amendments is a subterfuge by those who do not have any valid reasons for opposing this legislation.

The issue is not the rule—the real issue is restoring fairness and stability to labor relations in the construction industry. It is needed because decisions of the National Labor Relations Board and the courts now permit employers to ignore their contractual obligations through the practice of double breasting. Since the Board developed this line of cases, there has been a virtual explosion of double breasted contractors in the industry. Double breasting, by freeing one party from its contractual commitments, distorts the bargaining process and denies to workers a voice in the determination of their working conditions.

The first hearing on this subject was held more than 4 years ago, by the Subcommittee on Labor-Management Relations. Those hearings led to the introduction of legislation in July 1984. It was reintroduced at the beginning of the 99th Congress and in September of last year was considered and passed by this body. Every Member knew this issue was working its way through. On January 6 of this year I again introduced legislation, incorporating the amendments adopted on the floor last year. In March, hearings were held at which both proponents and opponents of the legislation testified. Numerous additional statements were also accepted for the RECORD. On March 13, H.R. 281 was considered in the subcommittee. At that time, I offered a substitute amendment intended to further clarify the limited scope of the bill and that amendment was adopted. On May 19, H.R. 281 was favorably reported by the Committee on Education and Labor without amendment.

At every step we have given all sides an opportunity to participate in the consideration of this bill. We have heard both from participants in the industry and from experts in labor law. Advocates of all sides have had the opportunity to present their views. The process has been a fair one and a deliberative one.

Today, we are again seeking a fully open rule so that all sides may have a fair opportunity to work their will. Those who oppose this legislation, as well as those who support it, are fully protected and should vote for this rule. The consideration of H.R. 281 has been and continues to be fair and open.

The rule that is being proposed requires preprinting of amendments. Last, week, I informed Members that I would seek a rule requiring preprinting and a statement to that effect was printed in the CONGRESSIONAL RECORD at the time. Ample advance notice of our intent has been provided. I requested a rule requiring preprinting in order that amendments offered will be considered fairly and knowledgeably and in order to provide all Members the opportunity to better understand the issues that will be raised. The rule is in all other respects an open rule. Those who oppose this legislation as well as those who support it are fully protected and should vote for the rule. I urge support of the rule.

□ 1220

Mr. LATTA. Mr. Speaker, will the gentleman yield?

Mr. CLAY. I yield to the gentleman from Ohio.

Mr. LATTA. Does the gentleman mean to take over the function of the Rules Committee by inserting something in the RECORD? I did not know the gentleman was on the Rules Committee.

The gentleman is not going to direct the Rules Committee and give notice to this House by merely putting in the RECORD that he is going to request the Rules Committee to give this kind of a rule that is going to be voted on today. Let us not lead Members to believe that members of the Rules Committee can be directed to do exactly as the gentleman wishes.

Mr. CLAY. If I might recapture my time I will say to the gentleman that better than 10 days ago I informed the Members of this House that I intended to seek a rule that would require preprinting, and I had requested Monday evening at the close of business. The Rules Committee changed it to last evening at 5 o'clock.

If this was prohibiting anyone, this deadline was prohibiting anyone from inserting amendments or coming up wtih amendments, it certainly did not reach its purpose because more than 75 amendments were preprinted in the RECORD.

Mr. LATTA. Will the gentleman yield further?

Mr. CLAY. I yield further to the gentleman from Ohio.

Mr. LATTA. I think the gentleman misses my question. The gentleman is not leaving the impression here that merely by putting something in the RECORD requesting such a rule that you automatically get the Rules Committee to follow your wishes? And besides that, the gentleman knows that he is only the chairman of a subcommittee and not the chairman of a full committee.

Mr. CLAY. Let me say to the gentleman, recapturing my time, that I informed this House through the proper procedure, and that was the CONGRESSIONAL RECORD.

If the gentleman had problems reading the CONGRESSIONAL RECORD and was unaware of the fact, if his staff did not call to his attention that that was in the CONGRESSIONAL RECORD, that is not my fault.

Let me say one other thing, if I might.

For a bill that is only four pages in length, for Members to be coming up with at least 75 amendments tells me that the Rules Committee would have been justified in requiring preprinting maybe a month ago, because it is apparent that the efforts of some who are opposed to this bill are dilatory. They want to debate and they want to filibuster, and they do not want to vote on the merits of the bill. And I say that the argument ought to be about the merits of the bill and not about the rule.

I urge that my colleagues support this rule and I yield back the balance of my time.

Mr. LATTA. Mr. Speaker, how much time do I have remaining?

The SPEAKER pro tempore (Mr. GRAY of Illinois). The gentleman from Ohio has 4 minutes remaining.

Mr. LATTA. Mr. Speaker, I yield myself 1 minute. I was not going to take this time, but I just want to say to the gentleman who just preceded me and to the Members of the House that as one member of the Rules Committee I am certain that we are not going to take the wishes of somebody who puts a letter or a request in the RECORD as a direction for us to follow. Otherwise, we might as well abolish the Rules Committee. And the rule came out by a 5-to-5 vote. So if we had one more opposing this rule that says that you have to have your amendments in the RECORD as of last night before we passed the rule today, it would have been defeated in the Rules Committee.

Mrs. ROUKEMA. Mr. Speaker, will the gentleman yield?

Mr. LATTA. I am happy to yield to the gentlewoman from New Jersey.

Mrs. ROUKEMA. I would ask the gentleman from Ohio, is it not virtually unprecedented for a bill of this magnitude and importance to come before this House with such a division not only among the committee but among the committee members, no agreement between majority and minority on this subject. Is it not virtually unprecedented for this kind of preprinting requirement under these circumstances?

Mr. LATTA. I cannot recall anything this year that is as controversial and as far-reaching as this bill coming to the floor under a similar rule. As I pointed out before, we are getting to the point right now where 50 percent of all of the rules that come down here for the Members to act on are restricted rules, and it is denying the membership their rights.

Mrs. ROUKEMA. I think that is the last words our colleagues should hear, we are denying the membership their rights.

Mr. LATTA. Mr. Speaker, I have no further requests for time and I yield back the balance of my time.

Mr. MOAKLEY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, we have heard a lot of debate on preprinting in the RECORD, and I think it is a judgment call. But it allows both parties the same opportunity and nobody gets blind-sided by amendments.

If one wants to say this has cut the ability of Members to put amendments into the RECORD, let us look at last year's bill. That was a completely open rule with no preprinting requirement, and seven amendments were offered. This year, 75 amendments have been printed, which shows that nobody was restricted from putting amendments in.

One Member talked about not being able to get a nongermane amendment allowed. Nongermane amendments are not allowed unless there is a specific rule granting nongermane amendments, so therefore that is a specious argument.

Mr. WALKER. Mr. Speaker, will the gentleman yield?

Mr. MOAKLEY. I yield to the gentleman from Pennsylvania.

Mr. WALKER. Mr. Speaker, the problem the gentleman pointed to though I think is that once he had his amendment in and found out that it was nongermane, he could not get a germane amendment written in time to get it in under the deadline imposed by the committee. There are many times when I have amendments that the Parliamentarian will tell me are not germane, and I go back and revise them and make them germane amendments. That opportunity has been denied the Members of the House under the process that is being adopted here.

Mr. MOAKLEY. That may be so, but the problem is nongermane amendments should not be allowed whether there is an open rule or a preprinted requirement.

So, Mr. Speaker, if we look at last year's bill, 7 amendments; this year 75 amendments. I just think that nobody who really wanted to have an amendment put into the bill was restricted from doing so.

As far as the statement by the gentleman from Missouri [Mr. Clay] at the podium last week, he did not say that there was going to be a preprinting requirement. He said that he was going to seek a preprinting requirement to give people further notice than the Rules Committee gave. So the gentleman from Missouri [Mr. Clay] is not a member of the Rules Committee and he just, as any chairman has the right to do, asked for the type of rule that he wanted. And it was a 5-to-5 vote, as was pointed out, by the committee, on the issue of whether or not the printing requirement should be stricken.

Mr. Speaker, I have no further requests for time, and I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. LATTA. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 240, nays 178, not voting 15, as follows:

[Roll No. 184]

YEAS—240

Ackerman
Akaka
Alexander
Anderson
Annunzio
Anthony
Applegate
Aspin
Atkins
AuCoin
Bates
Beilenson
Bennett
Berman
Bevill
Biaggi
Bilbray
Boggs
Boland
Boner (TN)
Bonker
Borski
Bosco
Boucher
Boxer
Brennan
Brooks
Brown (CA)
Bruce
Bryant
Bustamante
Byron
Campbell
Cardin
Carper
Carr
Chapman
Chappell
Clarke
Clay
Coelho
Coleman (TX)
Collins
Conte
Conyers
Coyne
Crockett
Daub
Davis (MI)
de la Garza
DeFazio
Dellums
Derrick
Dicks
Dingell
DioGuardi
Donnelly
Dorgan (ND)
Dowdy
Downey
Durbin
Dwyer
Dymally
Dyson
Early
Eckart
Edwards (CA)
Espy
Evans
Fascell
Fazio
Feighan
Foglietta
Foley
Ford (MI)
Ford (TN)
Frank
Frost
Garcia
Gaydos
Gejdenson
Gephardt
Gibbons
Glickman
Gonzalez
Gordon
Gray (IL)
Gray (PA)
Green
Guarini
Hall (OH)
Hamilton
Harris
Hatcher
Hawkins
Hayes (IL)
Hayes (LA)
Hefner
Hertel
Hochbrueckner
Howard
Hoyer
Hughes
Jacobs
Johnson (SD)
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kastenmeier
Kemp
Kennedy
Kennelly
Kildee
Kleczka
Kolter
Kostmayer
LaFalce
Lancaster
Lantos
Lehman (CA)
Lehman (FL)
Leland
Levin (MI)
Levine (CA)
Lewis (GA)
Lipinski
Lloyd
Lowry (WA)
Lujan
Luken, Thomas
MacKay
Manton
Markey
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCurdy
McDade
McGrath
McHugh
McMillen (MD)
Mfume
Mica
Miller (CA)
Miller (WA)
Mineta
Moakley
Molinari
Mollohan
Montgomery
Moody
Morrison (CT)
Mrazek
Murphy
Murtha
Nagle
Natcher
Neal
Nelson
Nichols
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens (NY)
Owens (UT)
Panetta
Patterson
Pease
Pelosi
Penny
Pepper
Perkins
Pickett
Price (IL)
Price (NC)
Rahall
Richardson
Rinaldo
Robinson
Rodino
Roe
Rose
Rowland (GA)
Roybal
Russo
Sabo
Savage
Sawyer
Scheuer
Schroeder
Schumer
Sharp
Sikorski
Sisisky
Skaggs
Skelton
Slattery
Smith (FL)
Smith (IA)
Smith (NJ)
Solarz
Spratt
St Germain
Staggers
Stallings
Stokes
Stratton
Studds
Swift
Synar
Tallon
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Valentine
Vento
Visclosky
Volkmer
Walgren
Waxman
Weiss
Wheat
Williams
Wilson
Wise
Wolpe
Wortley
Wyden
Yates
Yatron
Taylor
Thomas (CA)
Thomas (GA)
Upton
Vander Jagt
Vucanovich
Walker
Watkins
Weber
Weldon
Whittaker
Whitten
Wolf
Wylie
Young (AK)
Young (FL)

NAYS—178

Andrews
Archer
Armey
Badham
Baker
Ballenger
Barnard
Bartlett
Barton
Bateman
Bentley
Bereuter
Bilirakis
Bliley
Boehlert
Boulter
Broomfield
Brown (CO)
Buechner
Bunning
Burton
Callahan
Chandler
Cheney
Clinger
Coats
Coble
Coleman (MO)
Combest
Coughlin
Courter
Craig
Crane
Dannemeyer
Darden
Davis (IL)
DeLay
DeWine
Dickinson
Dornan (CA)
Dreier
Edwards (OK)
Emerson
English
Erdreich
Fawell
Fields
Fish
Flippo
Frenzel
Gallegly
Gallo
Gekas
Gingrich
Goodling
Gradison
Grandy
Grant
Gregg
Gunderson
Hall (TX)
Hammerschmidt
Hansen
Hastert
Hefley
Henry
Herger
Hiler
Holloway
Hopkins
Horton
Houghton
Hubbard
Huckaby
Hunter
Hutto
Hyde
Inhofe
Ireland
Jeffords
Jenkins
Johnson (CT)
Kasich
Kolbe
Konnyu
Kyl
Lagomarsino
Latta
Leach (IA)
Leath (TX)
Lent
Lewis (CA)
Lewis (FL)
Lightfoot
Livingston
Lott
Lowery (CA)
Lungren
Mack
Madigan
Marlenee
Martin (IL)
Martin (NY)
McCandless
McCollum
McEwen
McMillan (NC)
Meyers
Michel
Miller (OH)
Moorhead
Morella
Morrison (WA)
Myers
Nielson
Oxley
Packard
Parris
Pashayan
Petri
Pickle
Porter
Pursell
Quillen
Ravenel
Regula
Rhodes
Ridge
Ritter
Roberts
Roemer
Rogers
Roth
Roukema
Rowland (CT)
Saiki
Saxton
Schaefer
Schneider
Schuette
Schulze
Sensenbrenner
Shaw
Shumway
Shuster
Skeen
Slaughter (VA)
Smith (NE)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Snowe
Solomon
Spence
Stangeland
Stenholm
Stump
Sundquist
Swindall
Tauke
Tauzin

NOT VOTING—15

Bonior (MI)
Cooper
Daniel
Dixon
Duncan
Flake
Florio
Gilman
Lukens, Donald
Rangel
Ray
Rostenkowski
Slaughter (NY)
Stark
Sweeney

□ 1235

Mr. FLIPPO changed his vote from "aye" to "no."

Mr. NEAL and Mr. WORTLEY changed their votes from "no" to "aye."

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. GILMAN. Mr. Speaker, I was inadvertently detained and missed the last vote on House Resolution 196.

Had I been present, I would have voted yes in favor of the rule.

PERSONAL EXPLANATION

Mr. COOPER. Mr. Speaker, I was inadvertently absent during the last rollcall, No. 184, the vote on the rule on the double-breasting bill, H.R. 281. Had I been present I would have voted "yes" on the rule.

HOUSING AND COMMUNITY DEVELOPMENT ACT OF 1987

Mr. GONZALEZ. Mr. Speaker, I ask unanimous consent that the Committee on Banking, Finance and Urban Affairs be discharged from further consideration of the Senate bill (S. 825) to amend and extend certain laws relating to housing, and for other purposes, and ask for its immediate consideration.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

□ 1250

Mrs. ROUKEMA. Mr. Speaker, reserving the right to object, I should like to ask the gentleman from Texas [Mr. Gonzalez], the distinguished chairman of the Subcommittee on Housing and Community Development, to clarify the gentleman's unanimous-consent request.

Mr. GONZALEZ. Mr. Speaker, if the gentlewoman will yield, I will be delighted to.

It is what I have discussed with the gentlewoman a little bit earlier.

We have consulted with the gentleman from Ohio [Mr. Wylie], the ranking minority member of the Committee on Banking, Finance and Urban Affairs.

We will be making a motion. I explained to the gentlewomen from new Jersey that this merely does what we should have done last week after the House acted on the housing bill, and it merely takes the Senate bill and substitutes the language of the House bill that we approved for the Senate number.

It sends it back to the other body.

Mrs. ROUKEMA. Mr. Speaker, I thank the gentleman. The minority has no objection to the request; and, Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore (Mr. GRAY of Illinois). Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the Senate bill as follows:

S. 825

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Housing and Community Development Act of 1987".

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Sec. 123. Refinancing of graduated payment mortgages.
Sec. 124. Refinancing mortgage insurance for hospitals, nursing homes, intermediate care facilities, and board and care homes.
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Sec. 126. Requirement of State approval for mortgage insurance for hospitals.
Sec. 127. Release of pool funds.
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Sec. 129. Limitations on certain secondary mortgage market fees.
Sec. 130. FNMA cumulative voting.
Sec. 131. Mortgage insurance program loss reduction.
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TITLE I—PROGRAM EXTENSIONS AND AMENDMENTS

Subtitle A—General Extension of Programs

SEC. 101. PERMANENT INSURANCE AUTHORITY FOR FHA.

(a) REPEALS.—Each of the following provisions of law is repealed:

(1) Section 217 of the National Housing Act.

(2) The fifth sentence of section 221(f) of the National Housing Act.

(3) Section 244(d) and the last sentence of section 244(h) of the National Housing Act.

(4) The last sentence of section 245(a) of the National Housing Act.

(5) The second sentence of section 809(f) of the National Housing Act.

(6) The second sentence of section 810(k) of the National Housing Act.

(7) The second sentence of section 1002(a) of the National Housing Act.

(8) The second sentence of section 1101(a) of the National Housing Act.

(b) AMENDMENT.—The first sentence of section 2(a) of the National Housing Act is amended by striking out "and not later than September 30, 1987".

SEC. 102. FLOOD INSURANCE.

(a) LIMITATION ON PREMIUMS.—The premium rates charged for flood insurance under any program established pursuant to the National Flood Insurance Act of 1968 may not be increased during the period beginning on the date of enactment of this Act and ending on September 30, 1989, by more than a prorated annual rate of 10 percent.

(b) EXTENSION OF PROGRAM.—Section 1319 of the National Flood Insurance Act of 1968 is amended by striking out "September 30, 1987" and inserting in lieu thereof "September 30, 1989".

(c) EMERGENCY IMPLEMENTATION.—Section 1336(a) of the National Flood Insurance Act of 1968 is amended by striking "September 30, 1987" and inserting "September 30, 1989".

(d) ESTABLISHMENT OF FLOOD-RISK ZONES.—Section 1360(a)(2) of the National Flood Insurance Act of 1968 is amended by striking "September 30, 1987" and inserting "September 30, 1989".

(e) Postponement of Implementation of Regulations Dealing With Flood Plain Management Standards.—The Federal Emergency Management Agency's revised regulations relating to flood plain management standards (51 Federal Register 30290, August 25, 1986) shall not be effective during the 60-day period beginning on the date of enactment of this Act. During such 60-day period, the Director of the Federal Emergency Management Agency shall solicit and receive public comment and prepare and submit to the Congress a study of the impact on small business of such regulations.

SEC. 103. MISCELLANEOUS EXTENSIONS.

(a) Section 202 Interest Rate Limitation.—Section 223(a) of the Housing and Urban-Rural Recovery Act of 1983 is amended by striking out paragraph (2).

(b) Home Mortgage Disclosure Act of 1975.—Section 312 of the Home Mortgage Disclosure Act of 1975 is repealed.

(c) Rehabilitation Loans.—Section 312(h) of the Housing Act of 1964 is amended by striking out "September 30, 1987" and inserting in lieu thereof "September 30, 1989".

(d) Rural Programs.—(1) Section 515(b)(4) of the Housing Act of 1949 is amended by striking out "September 30, 1987" and inserting in lieu thereof "September 30, 1989".

(2) Section 523(f) of such Act is amended by striking out "September 30, 1987" and inserting in lieu thereof "September 30, 1989".

Subtitle B—Mortgage Insurance and Secondary Mortgage Market Programs

SEC. 121. LIMITATION ON FEDERAL HOUSING ADMINISTRATION INSURANCE PREMIUMS.

(a) In General.—Section 203(c) of the National Housing Act is amended by striking out all that precedes the first proviso and inserting in lieu thereof the following: "The Secretary is authorized to fix premium charges for the insurance of mortgages under the separate section of this title. In the case of any mortgage insured under section 203(b) or 234, such charge shall not be more than 3.8 per centum of the principal obligation of the loan or mortgage involved. In the case of any other mortgage insured under this title such charge shall not be more than an amount equivalent to 1 percent per annum of the amount of the principal obligation of the mortgage outstanding at any time, without taking into account delinquent payments or prepayments. The Secretary shall certify to Congress 90 days prior to any increases in these fees that the proposed increases are solely for the purposes specified in the following sentence. The fee charged for the insurance of mortgages under this title shall be set by the Secretary at a level adequate to create reserves sufficient to meet anticipated claims based upon actuarial analysis, and to compensate for actual administrative expenses, but for no other purpose:".

(b) Effective Date.—The amendment made by subsection (a) shall take effect on October 1, 1987.

(c) Maximum Mortgage Amount.—Section 203(b)(2)(A) of the National Housing Act is amended by striking out "133⅓" and inserting in lieu thereof "150".

SEC. 122. ADJUSTMENTS TO RENTAL HOUSING INSURANCE MORTGAGE LIMITS.

(a) Section 221(d)(3) Limits.—Section 221(d)(3)(ii) of the National Housing Act is amended by striking out "$21,563"; "$24,862"; "$29,984"; "$38,379"; "$42,756"; "$22,692"; "$26,012"; "$31,631"; "$40,919"; and "$44,917" and inserting in lieu thereof "$28,032"; "$32,321"; "$38,979"; "$49,893"; "$55,583"; "$29,500"; "$33,816"; "$41,120"; "$53,195"; and "$58,392", respectively.

(b) Section 221(d)(4) Limits.—Section 221(d)(4)(ii) of the National Housing Act of 1934 is amended by striking out "$19,406"; "$22,028"; "$26,625"; "$33,420"; "$37,870"; "$20,962"; "$24,030"; "$29,220"; "$37,800"; and "$41,494" and inserting in lieu thereof "$25,228"; "$28,636"; "$34,613"; "$43,446"; "$49,231"; "$27,251"; "$31,239"; "$37,986"; "$49,140"; and "$53,942", respectively.

SEC. 123. REFINANCING OF GRADUATED PAYMENT MORTGAGES.

Section 223(a)(7) of the National Housing Act is amended by inserting in the first proviso after "except that" the following: "(A) the principal amount of any such refinancing mortgage may equal the outstanding balance of an existing mortgage insured pursuant to section 245 of this Act, if the amount of the monthly payment due under the refinancing mortgage is less than that due under the existing mortgage for the month in which the refinancing mortgage is executed; and (B)".

SEC. 124. REFINANCING MORTGAGE INSURANCE FOR HOSPITALS, NURSING HOMES, INTERMEDIATE CARE FACILITIES, AND BOARD AND CARE HOMES.

(a) State Certification Requirement.—Section 223(f)(4)(D) of the National Housing Act is amended to read as follows:

"(D) the applicable requirements for certificates, studies, and statements of section 232 (for the existing nursing home, intermediate care facility, board and care home, or any combination thereof, proposed to be refinanced) or of section 242 (for the existing hospital proposed to be refinanced) have been met.".

(b) Refinancing Insurance for Nursing Homes, Intermediate Care Facilities, and Board and Care Homes.—Section 223(f) of the National Housing Act is amended—

(1) in paragraph (1), by inserting after "existing hospital" the following: "(or existing nursing home, existing intermediate care facility, existing board and care home, or any combination thereof)"; and

(2) in paragraph (4) (other than in subparagraph (D)), by inserting after "existing hospital" each place it appears the following: "(or existing nursing home, existing intermediate care facility, existing board and care home, or any combination thereof)".

(c) Regulations.—The Secretary of Housing and Urban Development shall issue such regulations as may be necessary to carry out the amendment made by this section by not later than the expiration of the 90-day period following the date of enactment of this Act.

SEC. 125. MORTGAGE INSURANCE FOR NURSING HOMES, INTERMEDIATE CARE FACILITIES, AND BOARD AND CARE HOMES.

(a) Insurance for Public Nursing Homes.—Section 232(b)(1) of the National Housing Act is amended by inserting "public facility," before "proprietary".

(b) Requirement of State Approval.—Section 232(d)(4)(A) of the National Housing Act is amended by inserting at the end the following new sentences: "If no such State agency exists, or if the State agency exists but is not empowered to provide a certification that there is a need for the home or facility or combined home and facility as required in clause (i) of the first sentence, the Secretary shall not insure any mortgage under this section unless (i) the State in which the home or facility or combined home and facility is located has conducted or commissioned and paid for the preparation of an independent study of market need and feasibility that (I) is prepared in accordance with the principles established by the American Institute of Certified Public Accountants; (II) assesses, on a marketwide basis, the impact of the proposed home or facility or combined home and facility on, and its relationship to, other health care facilities and services, the percentage of excess beds, demographic projections, alternative health care delivery systems, and the reimbursement structure of the home, facility, or combined home and facility; (III) is addressed to and is acceptable to the Secretary in form and substance; and (IV) in the event the State does not prepare the study, is prepared by a financial consultant selected by the State and approved by the Secretary; and (ii) the State complies with the other provisions of this subparagraph that would otherwise be required to be met by a State agency designated in accordance with section 604(a)(1) or section 1521 of the Public Health Service Act. The proposed mortgagor may reimburse the State for the cost of the independent feasibility study required in the preceding sentence.".

(c) Regulations.—The Secretary of Housing and Urban Development shall issue such regulations as may be necessary to carry out the amendments made by this section by not later than the expiration of the 90-day period following the date of enactment of this Act.

SEC. 126. REQUIREMENT OF STATE APPROVAL FOR MORTGAGE INSURANCE FOR HOSPITALS.

(a) In General.—Section 242(d)(4) of the National Housing Act is amended by inserting at the end the following new sentences: "If no such State agency exists, or if the State agency exists but is not empowered to provide a certification that there is a need for the hospital as set forth in clause (A) of the first sentence, the Secretary shall not insure any mortgage under this section unless (A) the State in which the hospital is located has conducted or commissioned and paid for the preparation of an independent study of market need and feasibility that (i) is prepared in accordance with the principles established by the American Institute of Certified Public Accountants; (ii) assesses, on a marketwide basis, the impact of the proposed hospital on, and its relationship to, other health care facilities and services, the percentage of excess beds, demographic projections, alternative health care delivery systems, and the reimbursement structure of the hospital; (iii) is addressed to and is acceptable to the Secretary in form and substance; and (iv) in the event the State does not prepare the study, is prepared by a financial consultant selected by the State and approved by the Secretary; and (B) the State complies with the other provisions of this paragraph that would otherwise be required to be met by a State agency designated in accordance with section 604(a)(1) or section 1521 of the Public Health Service Act. The proposed mortgagor may reimburse the State for the cost of the independent feasibility study required in the preceding sentence.".

(b) Regulations.—The Secretary of Housing and Urban Development shall issue such regulations as may be necessary to carry out the amendment made by this section by not later than the expiration of the 90-day period following the date of enactment of this Act.

SEC. 127. RELEASE OF POOL FUNDS.

(a) SECTION 236.—Section 236 of the National Housing Act is amended by adding at the end thereof the following:

"(r) The Secretary shall, not later than 45 days after receipt of an application by the mortgagee, provide interest reduction and rental assistance payments for the benefit of projects assisted under this section whose mortgages were made by State or local housing finance agencies or State or local government agencies for a term equal to the remaining mortgage term to maturity on projects assisted under this section to the extent of—

"(1) unexpended balances of amounts of authority as set forth in certain letter agreements between the Department of Housing and Urban Development and such State or local housing finance agencies or State or local government agencies, and

"(2) existing allocation under section 236 contracts on projects whose mortgages were made by State or local housing finance agencies or State or local government agencies which are not being funded, to the extent of such excess allocation, for any purposes permitted under the provisions of this section, including without limitation rent supplement and rental assistance payment unit increases and mortgage increases for any eligible purpose under this section, including without limitation operating deficit loans.

An application shall be eligible for assistance under the previous sentence only if the mortgagee submits the application within 548 days after the effective date of this subsection, along with a certification of the mortgagee that amounts hereunder are to be utilized only for the purpose of either (A) reducing rents or rent increases to tenants, or (B) making repairs or otherwise increasing the economic viability of a related project. Unexpended balances referred to in the first sentence of this subsection which remain after disposition of all such applications is favorably concluded shall be rescinded. The calculation of the amount of assistance to be provided under an interest reduction contract pursuant to this subsection shall be made on the basis of an assumed mortgage term equal to the lesser of a 40-year amortization period or the term of that part of the mortgage which relates to the additional assistance provided under this subsection, even though the additional assistance may be provided for a shorter period.".

(b) RENT SUPPLEMENT PROGRAM.—Section 101 of the Housing and Urban Development Act of 1965 is amended by adding at the end thereof the following:

"(m) The Secretary shall, not later than 45 days after receipt of an application by the mortgagee, provide interest reduction and rental assistance payments for the benefit of projects assisted under this section whose mortgages were made by State or local housing finance agencies or State or local government agencies for a term equal to the remaining mortgage term to maturity on projects assisted under this section to the extent of—

"(1) unexpended balances of amounts of authority as set forth in certain letter agreements between the Department of Housing and Urban Development and such State or local housing finance agencies or State or local government agencies, and

"(2) existing allocation under section 236 contracts on projects whose mortgages were made by State or local housing finance agencies or State or local government agencies which are not being funded, to the extent of such excess allocation, for any purposes permitted under the provisions of this section.

An application shall be eligible for assistance under the previous sentence only if the mortgagee submits the application within 548 days after the effective date of this subsection, along with a certification of the mortgagee that amounts are to be utilized hereunder for the purpose of either (A) reducing rents or rent increases to tenants, or (B) making repairs or otherwise increasing the economic viability of a related project. Unexpended balances referred to in the first sentence of this subsection which remain after disposition of all such applications is favorably concluded shall be rescinded.".

SEC. 128. INCREASE IN AUTHORITY TO INSURE ADJUSTABLE RATE SINGLE FAMILY MORTGAGES.

(a) IN GENERAL.—Section 251(c) of the National Housing Act is amended to read as follows:

"(c) The aggregate number of mortgages and loans insured under this section in any fiscal year may not exceed 40 percent of the aggregate number of mortgages and loans insured by the Secretary under this title during the preceding fiscal year.".

(b) CONFORMING AMENDMENTS.—

(1) Section 245(c) of the National Housing Act is amended in the last sentence by striking out ", section 251,".

(2) Section 252(g) of the National Housing Act is amended—

(A) by striking out the first comma and inserting in lieu thereof "and"; and

(B) by striking out ", and section 251".

SEC. 129. LIMITATIONS ON CERTAIN SECONDARY MORTGAGE MARKET FEES.

(a) FEDERAL NATIONAL MORTGAGE ASSOCIATION.—Section 304 of the Federal National Mortgage Association Charter Act is amended by adding at the end thereof the following new subsection:

"(f) Except for fees paid pursuant to section 309(g), no fee or charge may be assessed or collected by the United States (including any executive department, agency, or independent establishment of the United States) on or with regard to the purchase, acquisition, sale, pledge, issuance, guarantee, or redemption of any mortgage, asset, obligation, trust certificate of beneficial interest, or other security by the corporation. No provision of this subsection shall affect the purchase of any obligation by the Secretary of the Treasury pursuant to subsection (c).".

(b) GOVERNMENT NATIONAL MORTGAGE ASSOCIATION.—Section 306(g) of Federal National Mortgage Association Charter Act is amended by adding at the end thereof the following new paragraph:

"(3)(A) No fee or charge in excess of 6 basis points may be assessed or collected by the United States (including any executive department, agency, or independent establishment of the United States) on or with regard to any guaranty of the timely payment of principal or interest on securities or notes based on or backed by mortgages that are secured by 1- to 4-family dwellings and (i) insured by the Federal Housing Administration under title II of the National Housing Act; or (ii) insured or guaranteed under the Serviceman's Readjustment Act of 1944, chapter 37 of title 38, United States Code, or title V of the Housing Act of 1949.

"(B) The fees charged for the guaranty of securities or on notes based on or backed by mortgages not referred to in subparagraph (A), as authorized by other provisions of law, shall be set by the Association at a level not more than necessary to create reserves sufficient to meet anticipated claims based upon thorough actuarial analysis, and for no other purpose.

"(C) Fees or charges for the issuance of commitments or miscellaneous administrative fees of the Association shall not be on a competitive auction basis and shall remain at the level set for such fees or charges as of September 1, 1985, except that such fees or charges may be adjusted or instituted if reasonably related to the cost of administering the program, and for no other purpose.

"(D) Not less than 90 days before increasing any fee or charge under subparagraph (B) or (C), the Secretary shall submit to the Congress a certification that such increase is solely for the purpose specified in such subparagraph.".

(c) FEDERAL HOME LOAN MORTGAGE CORPORATION.—Section 306 of the Federal Home Loan Mortgage Corporation Act is amended by adding at the end thereof the following new subsection:

"(i) Except for fees paid pursuant to section 303(c) or 306(c), no fee or charge may be assessed or collected by the United States (including any executive department, agency, or independent establishment of the United States) on or with regard to the purchase, acquisition, sale, pledge, issuance, guarantee, or redemption of any mortgage, asset, obligation, or other security by the Corporation. No provision of this subsection shall affect the purchase of any obligation by any Federal Home Loan Bank pursuant to section 303(a).".

SEC. 130. FNMA CUMULATIVE VOTING.

The first sentence of section 303(a) of the Federal National Mortgage Association Charter Act is amended to read as follows: "The corporation shall have common stock, without par value, which shall be vested with all voting rights, each share being entitled to one vote with rights of cumulative voting at all elections of directors, except that the corporation may eliminate such rights of cumulative voting by a resolution adopted by its board of directors and approved by the holders of a majority of the shares of common stock voting in person or by proxy at the annual meeting, or other special meeting, at which such resolution is considered.".

SEC. 131. MORTGAGE INSURANCE PROGRAM LOSS REDUCTION.

(a) REGULATORY ACTIONS.—The Secretary of Housing and Urban Development shall take appropriate administrative actions to reduce losses in connection with the mortgage insurance programs carried out pursuant to the National Housing Act.

(b) REPORTS OF IDENTIFYING NUMBERS.—Title V of the National Housing Act is amended by adding at the end thereof the following new section:

"AUTHORITY FOR THE SECRETARY TO REQUIRE MORTGAGEES AND LENDERS TO REPORT TAXPAYER IDENTIFYING NUMBERS OF BORROWERS

"SEC. 533. Notwithstanding any other provision of law, to assist in enforcing the requirements of this Act, the Secretary may require a mortgagee approved under this Act, or a lender holding a contract of insurance under title I of this Act, to disclose to the Secretary the taxpayer identifying numbers contained in the records of the mortgagee or lender with respect to borrowers under any program under this Act. The Secretary shall establish such safeguards as are necessary (as determined in regulations issued by the Secretary) to ensure that information secured under this section is used only for the purpose of assisting the Secretary in enforcing the requirements of this Act. The term 'taxpayer identifying number' has the meaning given to such term by section 6109 of the Internal Revenue Code of 1954.".

(c) REPORTS BY MORTGAGEES.—Title V of the National Housing Act is amended by adding at the end thereof the following new section:

"DIRECTION TO THE SECRETARY TO REQUIRE MORTGAGEES WITH ABOVE NORMAL RATES OF EARLY, SERIOUS DEFAULTS AND CLAIMS TO SUBMIT REPORTS AND TAKE CORRECTIVE ACTION

"SEC. 534. (a) To reduce losses in connection with mortgage insurance programs under this Act, the Secretary shall review, at least once a year, the rate of early serious defaults and claims involving mortgagees approved under this Act. On the basis of this review, the Secretary shall notify each mortgagee which, as determined by the Secretary, had a rate of early serious defaults and claims during the preceding year which was higher than the normal rate for the geographic area or areas in which that mortgagee does business. In the notification, the Secretary shall require each mortgagee to submit a report, within a time determined by the Secretary, containing the mortgagee's (1) explanation for the above normal rate of early serious defaults and claims; (2) plan for corrective action, if applicable, both with regard to mortgages (A) in default; and (B) its mortgage-processing system in general; and (3) a timeframe within which this corrective action will be begun and completed. If the Secretary does not agree with this timeframe or plan, a mutually agreeable timeframe and plan will be determined.

"(b) Failure of the mortgagee to submit a report required under subsection (a) within the time determined by the Secretary or to commence or complete the plan for corrective action within the timeframe agreed upon by the Secretary may be cause for suspension of the mortgagee from participation in programs under this Act.".

SEC. 132. MORTGAGES ON HAWAIIAN HOME LANDS AND INDIAN LANDS.

(a) HAWAIIAN HOME LANDS.—(1) Section 247 of the National Housing Act is amended by adding the following new subsection at the end thereof:

"(d) Notwithstanding any other provision of this Act, the insurance of a mortgage using the authority contained in this section shall be the obligation of the General Insurance Fund created pursuant to section 519 of this Act. The mortgagee shall be eligible to receive the benefits of insurance as provided in section 204 of this Act with respect to mortgages insured pursuant to this section, except that all references in section 204 to the Mutual Mortgage Insurance Fund or the Fund shall be construed to refer to the General Insurance Fund, and all references in section 204 to section 203 shall be construed to refer to the section under which the mortgage is insured.".

(2) Section 247(c)(1) of such Act is amended by inserting before the period at the end thereof the following: "(or, in the case of an individual who succeeds a spouse or parent in an interest in a lease of Hawaiian home lands, such lower percentage as may be established for such succession under section 209 of the Hawaiian Homes Commission Act, 1920, or under the corresponding provision of the Constitution of the State of Hawaii adopted under section 4 of the Act entitled 'An Act to provide for the admission of the State of Hawaii into the Union', approved March 18, 1959 (73 Stat. 5)".

(b) INDIAN LANDS.—Section 248 of the National Housing Act is amended by—

(1) redesignating subsections (f), (g), and (h) as subsections (g), (h), and (i), respectively, and inserting after subsection (e) the following new subsection:

"(f) Notwithstanding any other provision of this Act, the insurance of a mortgage using the authority contained in this section shall be the obligation of the General Insurance Fund created pursuant to section 519 of this Act. The mortgagee shall be eligible to receive the benefits of insurance as provided in section 204 of this Act with respect to mortgages insured pursuant to this section, except that all references in section 204 to the Mutual Mortgage Insurance Fund or the Fund shall be construed to refer to the General Insurance Fund, and all references in section 204 to section 203 shall be construed to refer to the section under which the mortgage is insured."; and

(2) striking out in the last sentence of subsection (g)(3) and the first sentence of subsection (g)(5), as such subsections were redesignated by paragraph (1), "insurance fund" each place it appears and inserting in lieu thereof "General Insurance Fund".

SEC. 133. FHA TITLE I REGULATIONS.

(a) IN GENERAL.—Until January 1, 1988, any applicant for a loan insured under title I of the National Housing Act may (at the option of the applicant) have such application considered under—

(1) the regulations of the Department of Housing and Urban Development in effect on January 15, 1986; or

(2) the regulations published by the Department of Housing and Urban Development on October 25, 1985 (50 Federal Register 43516 et seq., relating to insurance of title I property improvement and manufactured home loans).

(b) REVIEW OF REGULATIONS.—Prior to January 1, 1988, the Secretary of Housing and Urban Development shall reopen the regulations referred to in subsection (a)(2) for public comment and take into consideration the comments received.

SEC. 134. HOME EQUITY CONVERSION MORTGAGE INSURANCE DEMONSTRATION.

(a) IN GENERAL.—Title II of the National Housing Act is amended by adding at the end the following new section:

"DEMONSTRATION PROGRAM OF INSURANCE OF HOME EQUITY CONVERSION MORTGAGES FOR ELDERLY HOMEOWNERS

"SEC. 254. (a) PURPOSE.—The purpose of this section is to authorize and require the Secretary to carry out a demonstration program of mortgage insurance designed—

"(1) to meet the special needs of elderly homeowners by reducing the effect of the economic hardship caused by the increasing costs of meeting health, housing, and subsistence needs at a time of reduced income, through the insurance of home equity conversion mortgages to permit the conversion of a portion of accumulated home equity into liquid assets;

"(2) to encourage and increase the involvement of mortgagees and participants in the secondary mortgage market in the making and servicing of home equity conversion mortgages for elderly homeowners; and

"(3) to require the evaluation of data to determine—

"(A) the extent of the need and demand among elderly homeowners for insured and uninsured home equity conversion mortgages;

"(B) the types of home equity conversion mortgages that best serve the needs and interests of elderly homeowners, the Federal Government, and lenders; and

"(C) the appropriate scope and nature of participation by the Secretary in connection with home equity conversion mortgages for elderly homeowners.

"(b) DEFINITIONS.—For purposes of this section:

"(1) The terms 'elderly homeowner' and 'homeowner' mean any homeowner who is, and whose spouse, if any, is, at least 62 years of age or such greater age as the Secretary may prescribe.

"(2) The terms 'mortgage', 'mortgagee', 'mortgagor', and 'State' have the meanings given such terms in section 201.

"(3) The term 'home equity conversion mortgage' means a first mortgage which provides for future payments to the homeowner based on accumulated equity and which a housing creditor (as defined in section 803(2) of the Garn-St Germain Depository Institutions Act of 1982) is authorized to make (A) under any law of the United States (other than section 804 of such Act) or applicable agency regulations thereunder; (B) in accordance with section 804 of such Act, notwithstanding any State constitution, law, or regulation; or (C) under any State constitution, law, or regulation.

"(c) INSURANCE AUTHORITY.—The Secretary may, upon application by a mortgagee, insure any home equity conversion mortgage eligible for insurance under this section and, upon such terms and conditions as the Secretary may prescribe, make commitments for the insurance of such mortgages prior to the date of their execution or disbursement to the extent that the Secretary determines such mortgages—

"(1) have promise for improving the financial situation or otherwise meeting the special needs of elderly homeowners;

"(2) will include appropriate safeguards for mortgagors to offset the special risks of such mortgages; and

"(3) have a potential for acceptance in the private mortgage market.

"(d) ELIGIBILITY REQUIREMENTS.—To be eligible for insurance under this section, a mortgage shall—

"(1) have been made to a mortgagee approved by the Secretary as responsible and able to service the mortgage properly;

"(2) have been executed by a mortgagor who—

"(A) qualifies as an elderly homeowner;

"(B) has received information as provided in subsection (f); and

"(C) meets any additional requirements prescribed by the Secretary;

"(3) be secured by a dwelling that is designed principally for a 1-family residence and is occupied by the mortgagor and that has a value not to exceed the maximum dollar amount established by the Secretary under section 203(b)(2) for a one-family residence;

"(4) provide that prepayment, in whole or in part, may be made without penalty at any time during the period of the mortgage;

"(5) provide for a fixed or variable interest rate or future sharing between the mortgagor and the mortgagee of the appreciation in the value of the property, as agreed upon by the mortgagor and the mortgagee;

"(6) contain provisions for satisfaction of the obligation satisfactory to the Secretary;

"(7) provide that the homeowner shall not be liable for any difference between the net amount of the remaining indebtedness of the homeowner under the mortgage and the amount recovered by the mortgagee from—

"(A) a foreclosure sale; or

"(B) the insurance benefits paid pursuant to subsection (i)(1)(C); and

"(8) contain such terms and provisions with respect to insurance, repairs, alterations, payment of taxes, default reserve, delinquency charges, foreclosure proceedings, anticipation of maturity, additional and secondary liens, and other matters as the Secretary may prescribe.

"(e) Disclosures by Mortgagee.—The Secretary shall require each mortgagee of a mortgage insured under this section to make available to the homeowner—

"(1) at the time of the loan application, a written list of the names and addresses of third-party information sources who are approved by the Secretary as responsible and able to provide the information required by subsection (f);

"(2) at least 10 days prior to loan closing, a statement explaining the homeowner's rights, obligations, and remedies with respect to temporary absences from the home, late payments, and payment default by the lender, all conditions requiring satisfaction of the loan obligation, and any other information that the Secretary may require; and

"(3) on an annual basis (but not later than January 31 of each year), a statement summarizing the total principal amount paid to the homeowner under the loan secured by the mortgage, the total amount of deferred interest added to the principal, and the outstanding loan balance at the end of the preceding year.

"(f) Information Services for Mortgagors.—The Secretary shall provide or cause to be provided by entities other than the lender the information required in subsection (d)(2)(B). Such information shall be discussed with the mortgagor and shall include—

"(1) options other than a home equity conversion mortgage that are available to the homeowner, including other housing, social service, health, and financial options;

"(2) other home equity conversion options that are or may become available to the homeowner, such as sale-leaseback financing, deferred payment loans, and property tax deferral;

"(3) the financial implications of entering into a home equity conversion mortgage; and

"(4) a disclosure that a home equity conversion mortgage may have tax consequences, affect eligibility for assistance under Federal and State programs, and have an impact on the estate and heirs of the homeowner; and

"(5) any other information that the Secretary may require.

"(g) Limitation on Insurance Authority.—No mortgage may be insured under this section after September 30, 1991, except pursuant to a commitment to insure issued on or before such date. The total number of mortgages insured under this section may not exceed 2,500. In no case may the benefits of insurance under this section exceed the maximum dollar amount established under section 203(b)(2) for a one-family residence.

"(h) Administrative Authority.—The Secretary may—

"(1) enter into such contracts and agreements with Federal, State, and local agencies, public and private entities, and such other persons as the Secretary determines to be necessary or desirable to carry out the purposes of this section; and

"(2) make such investigations and studies of data, and publish and distribute such reports, as the Secretary determines to be appropriate.

"(i) Protection of Homeowner and Lender.—

"(1) Notwithstanding any other provision of law, and in order to further the purposes of the demonstration program authorized in this section, the Secretary shall take any action necessary—

"(A) to provide any mortgagor under this section with funds to which the mortgagor is entitled under the insured mortgage or ancillary contracts but that the mortgagor has not received because of the default of the party responsible for payment;

"(B) to obtain repayment of disbursements provided under subparagraph (A) from any source; and

"(C) to provide any mortgagee under this section with funds not to exceed the limitations in subsection (g) to which the mortgagee is entitled under the terms of the insured mortgage or ancillary contracts authorized in this section.

"(2) Actions under paragraph (1) may include—

"(A) disbursing funds to the mortgagor or mortgagee from the General Insurance Fund;

"(B) accepting an assignment of the insured mortgage notwithstanding that the mortgagor is not in default under its terms, and calculating the amount and making the payment of the insurance claim on such assigned mortgage;

"(C) requiring a subordinate mortgage from the mortgagor at any time in order to secure repayments of any funds advanced or to be advanced to the mortgagor;

"(D) requiring a subrogation to the Secretary of the rights of any parties to the transaction against any defaulting parties; and

"(E) imposing premium charges.

"(j) Safeguard To Prevent Displacement of Homeowner.—The Secretary may not insure a home equity conversion mortgage under this section unless such mortgage provides that the homeowner's obligation to satisfy the loan obligation is deferred until the homeowner's death, the sale of the home, or the occurrence of other events specified in regulations of the Secretary. For purposes of this subsection, the term 'homeowner' includes the spouse of a homeowner.

"(k) Report to Congress.—(1) The Secretary shall, not later than September 30, 1989, submit an interim report to Congress describing—

"(A) design and implementation of the demonstration;

"(B) number and types of reverse mortgages written to date;

"(C) profile of participant homeowner-borrowers, including incomes, home equity, and regional distribution; and

"(D) problems encountered in implementation, including impediments associated with State or Federal laws or regulations governing taxes, insurance, securities, public benefits, banking, and any other problems in implementation that the Secretary encounters.

"(2) Not later than March 30, 1992, the Secretary shall submit to Congress a preliminary evaluation of the program authorized in this section. Such evaluation shall include an updated report on the matters referred to in paragraph (1) and shall in addition—

"(A) describe the types of mortgages appropriate for inclusion in such program;

"(B) describe any changes in the insurance programs under this title, or in other Federal regulatory provisions, determined to be appropriate;

"(C) describe any risk created under such mortgages to mortgagors and mortgagees or the insurance programs under this title, and whether the risk is adequately covered by the premiums under the insurance programs;

"(D) evaluate whether such program has improved the financial situation or otherwise met the special needs of participating elderly homeowners;

"(E) evaluate whether such program has included appropriate safeguards for mortgagors to offset the special risks of such mortgages;

"(F) evaluate whether home equity conversion mortgages have a potential for acceptance in the private market; and

"(G) evaluate whether such program has increased secondary mortgage market activity with respect to home equity conversion mortgages.

The preliminary evaluation shall incorporate comments and recommendations solicited by the Secretary from the Board of Governors of the Federal Reserve System, the Secretary of Health and Human Services, the Federal Council on Aging, Federal Home Loan Bank Board, the Comptroller of the Currency, and the National Credit Union Administration Board regarding any of the matters referred to in this paragraph or paragraph (1).

"(3) Following submission of the preliminary evaluation, the Secretary shall, on a biennial basis, submit to the Congress an updated report and evaluation covering the period since the most recent report under this subsection and shall include analysis of the repayment of the home equity conversion mortgages under this demonstration during such period.".

(b) Regulations.—The Secretary of Housing and Urban Development shall—

(1) not later than 6 months after the date of enactment of this Act, consult with lenders, insurers, and organizations and individuals with expertise in home equity conversion in developing proposed regulations implementing section 254 of the National Housing Act; and

(2) within 9 months, issue proposed regulations implementing section 254 of the National Housing Act.

SEC. 135. AUTHORITY TO PURCHASE SECOND MORTGAGES.

(a) Federal National Mortgage Association.—Section 302(b)(5)(A)(i) of the Federal National Mortgage Association Charter Act is amended by striking "until October 1, 1987,".

(b) Federal Home Loan Mortgage Corporation.—Section 305(a)(4)(A)(i) of the Federal Home Loan Mortgage Corporation Act is amended by striking "until October 1, 1987,".

SEC. 136. MISCELLANEOUS AMENDMENTS.

(a) Section 223 of the National Housing Act is amended—

(1) by striking out in the first proviso of subsection (a)(7) "a rate not in excess of the maximum rate prescribed under the applicable section or title of this Act" and inserting in lieu thereof the following: "such rate as may be agreed upon by the mortgagor and the mortgagee";

(2) by striking out in the second proviso of subsection (a)(7) "maturity, a principal obligation, and an interest rate" and inserting

in lieu thereof the following: "maturity and a principal obligation";

(3) by inserting at the end of the second proviso of subsection (a)(7) before the semicolon the following: ", and shall bear interest at such rate as may be agreed upon by the mortgagor and the mortgagee"; and

(4) by amending clause (1) of the second sentence of subsection (d) to read as follows: "(1) bear interest at such rate as may be agreed upon by the mortgagor and the mortgagee,".

(b) Section 232(i)(2)(B) of such Act is amended to read as follows:

"(B) bear interest at such rate as may be agreed upon by the mortgagor and the mortgagee;".

(c) Section 236 of such Act is amended by striking out "(h)" in the last sentence of subsection (i)(1) and inserting in lieu thereof "(f)(4)".

(d) Section 244(f) of such Act is amended by striking out paragraph (2) and redesignating paragraphs (3), (4), (5), and (6) as paragraphs (2), (3), (4), and (5), respectively.

(e) Section 247(a)(2) of such Act is amended by striking out "Mortgagor" and inserting in lieu thereof "mortgagor".

(f) Section 248 of such Act is amended—

(1) by striking out in subsection (a)(1) "lands" and inserting in lieu thereof "land";

(2) by striking out in subsection (a)(2) "lands"; and

(3) by striking out "tribal or trust land" in subsection (d) and inserting in lieu thereof "trust or otherwise restricted land".

(g) Section 253 of such Act is amended—

(1) by striking out the fourth sentence of subsection (b) and inserting in lieu thereof the following: "For purposes of this section, the term 'net appreciated value' means the amount by which the sales price of the property (less the mortgagor's selling costs) exceeds the actual project cost after completion, as approved by the Secretary.";

(2) by striking out in the first sentence of subsection (c) "204" and inserting in lieu thereof "207"; and

(3) by striking out the last sentence of subsection (c) and inserting in lieu thereof the following: "The term 'original principal face amount of the mortgage' as used in section 207 shall not include the mortgagee's share of net appreciated value.".

(h) The first sentence of section 810(h) of such Act is amended—

(1) by striking out "(exclusive of" and all that follows through "207" and inserting in lieu thereof "at such rate as may be agreed upon by the mortgagor and the mortgagee"; and

(2) by striking out before the period at the end thereof "not to exceed the rate applicable to mortgages insured under section 203" and inserting in lieu thereof "such rate as may be agreed upon by the mortgagor and the mortgagee".

(i) Section 203(k)(3)(B) and section 241(b)(3) are each amended by striking out "mortgagor" and inserting in lieu thereof "borrower" and by striking out "mortgagee" and inserting in lieu thereof "financial institution".

SEC. 137. CHANGE IN THE DEFINITION OF VETERAN.

The National Housing Act is amended—

(1) by inserting immediately after "other than dishonorable" at the end of the first undesignated paragraph of section 203(b)(2) the following: ": *Provided*, That persons enlisting in the armed forces after September 7, 1980, or entering active duty after October 16, 1981, shall have their eligibility determined in accordance with 38 U.S.C. 3103A(d)"; and

(2) by inserting immediately after "other than dishonorable" at the end of the last sentence of section 220(d)(3)(A)(i) the following: ": *Provided further*, That persons enlisting in the armed forces after September 7, 1980, or entering active duty after October 16, 1981, shall have their eligibility determined in accordance with 38 U.S.C. 3103A(d)".

SEC. 138. REPEAL OF SECTION 244(c) OF COINSURANCE AUTHORITY.

Section 244(c) of the National Housing Act is hereby repealed.

SEC. 139. PROTOTYPE HOUSING COSTS.

Section 904 of the Housing and Community Development Act of 1977 is hereby repealed.

SEC. 140. CREDIT LIMITATION.

Any new credit authority (as defined in section 3 of the Congressional Budget and Impoundment Control Act of 1974) which is provided by this Act shall be effective only to such extent or in such amounts as may be approved in appropriation Acts.

Subtitle C—Community and Neighborhood Development and Conservation Programs

SEC. 141. CITY AND COUNTY CLASSIFICATIONS.

(a) Metropolitan City.—Section 102(a)(4) of the Housing and Community Development Act of 1974 is amended—

(1) in the second sentence, by striking out "September 30, 1987" and inserting in lieu thereof "September 30, 1989"; and

(2) by adding at the end thereof the following new sentence: "Any city classified as a metropolitan city pursuant to the first or second sentence of this paragraph, and that no longer qualifies as a metropolitan city under such first or second sentence in a fiscal year beginning after fiscal year 1989, shall retain its classification as a metropolitan city for such fiscal year and the succeeding fiscal year, except that in such succeeding fiscal year (A) the amount of the grant to such city shall be 50 percent of the formula value under section 106(b); and (B) the remaining 50 percent shall be added to the amount allocated under section 106(d) to the State in which the city is located and the city shall be eligible in such succeeding fiscal year to receive a distribution from the State allocation under section 106(d) as increased by this sentence.".

(b) Metropolitan City Option.—Section 102(a)(4) of the Housing and Community Development Act of 1974 is amended by striking out the third sentence and inserting in lieu thereof the following: "Any unit of general local government that becomes eligible to be classified as a metropolitan city, and was not classified as a metropolitan city in the immediately preceding fiscal year, may, upon submission of written notification to the Secretary, defer its classification as a metropolitan city for all purposes under this title, if it elects to have its population included in an urban county under subsection (d). Notwithstanding the preceding sentence, a city may elect not to retain its classification as a metropolitan city for fiscal year 1988.".

(c) Urban County.—Section 102(a)(6) of the Housing and Community Development Act of 1974 is amended—

(1) by inserting after the first sentence the following: "Such term also includes a county that has a combined population in excess of 175,000, has more than 50 percent of the housing units of the area unsewered, and has an aquifer that was designated before March 1, 1987, a sole source aquifer by the Environmental Protection Agency, with the amount of the grant to such urban county under this clause to be deducted from the State's allocation under section 106(d).";

(2) in the second sentence, by striking out "September 30, 1987" and inserting in lieu thereof "September 30, 1989"; and

(3) by striking out the last sentence and inserting in lieu thereof the following new sentence: "Any county classified as an urban county pursuant to the first or second sentence of this paragraph, and that no longer qualifies as an urban county under such first or second sentence in a fiscal year beginning after fiscal year 1989, shall retain its classification as an urban county for such fiscal year and the succeeding fiscal year, except that in such succeeding fiscal year (A) the amount of the grant to such an urban county shall be 50 percent of the formula value under section 106(b); and (B) the remaining 50 percent shall be added to the amount allocated under section 106(d) to the State in which the urban county is located and the urban county shall be eligible in such succeeding fiscal year to receive a distribution from the State allocation under section 106(d) as increased by this sentence.".

(d) Retention of Urban County Classification.—Section 102(a)(6) of the Housing and Community Development Act of 1974 is amended in the second sentence by inserting "or 1984" after "fiscal year 1983".

(e) Definition of "Area Involved".—The last sentence of section 102(a)(20)(A) of such Act is amended by inserting before the period at the end thereof the following: ", except that in the case of amounts distributed under section 106(d) to units of general local government located in nonmetropolitan areas, the area involved shall be the entire nonmetropolitan area of the State".

(f) Eligible Activities.—Section 105(a)(15) of the Housing and Community Development Act of 1974 is amended by striking out "grants" both places it appears and inserting in lieu thereof "assistance".

(g) Energy Use Strategies.—Section 105(a)(16) of such Act is amended to read as follows:

"(16) activities necessary to the development of energy use strategies related to a recipient's development goals, to assure that those goals are achieved with maximum energy efficiency, including items such as—

"(A) an analysis of the manner in, and the extent to, which energy conservation objectives will be integrated into local government operations, purchasing and service delivery, capital improvements budgeting, waste management, district heating and cooling, land use planning and zoning, and traffic control, parking, and public transportation functions; and

"(B) a statement of the actions the recipient will take to foster energy conservation and the use of renewable energy resources in the private sector, including the enactment and enforcement of local codes and ordinances to encourage or mandate energy conservation or use of renewable energy resources, financial and other assistance to be provided (principally for the benefit of low- and moderate-income persons) to make energy conserving improvements to residential structures, and any other proposed energy conservation activities;".

(h) State Certification.—Section 106(d)(2) of the Housing and Community Development Act of 1974 is amended—

(1) by striking out in subparagraph (C) "the Governor must certify that the State"

and inserting in lieu thereof "the State must certify that it"; and

(2) by striking out in subparagraph (D) "the Governor of each State" and inserting in lieu thereof "the State".

(i) Consideration of Certain Counties as Cities Under Urban Development Action Grant Program.—Section 119(n)(1) of the Housing and Community Development Act of 1974 is amended by adding at the end thereof the following new sentence: "Such term also includes the counties of Kauai, Maui, and Hawaii in the State of Hawaii.".

SEC. 142. URBAN DEVELOPMENT ACTION GRANT PROGRAM.

(a) Authorization.—Section 119(a) of the Housing and Community Development Act of 1974 is amended by striking out the last sentence and inserting in lieu thereof the following: "There are authorized to be appropriated to carry out the provisions of this section not to exceed $440,000,000 for each of the fiscal years 1984 and 1985, such sums as may be necessary for fiscal years 1986 and 1987, and $225,000,000 for each of the fiscal years 1988 and 1989. Any amount appropriated under the preceding sentence shall remain available until expended.".

(b) Project Quality Criteria.—Section 119(d)(1) of the Housing and Community Development Act of 1974 is amended—

(1) by inserting a dash before "(A)";

(2) by indenting subparagraphs (A) and (B) in the same manner as subparagraphs (C) and (D), as inserted by this subsection;

(3) in subparagraph (A), by striking out "as the primary criterion,";

(4) by striking out "and" at the end of subparagraph (B); and

(5) by striking out subparagraph (C) and inserting in lieu thereof the following new subparagraphs:

"(C) the following other criteria:

"(i) the extent to which the grant will stimulate economic recovery by leveraging private investment;

"(ii) the number of permanent jobs to be created and their relation to the amount of grant funds requested;

"(iii) the proportion of permanent jobs accessible to lower income persons and minorities, including persons who are unemployed;

"(iv) the extent to which the project will retain jobs that will be lost without the provision of a grant under this section;

"(v) the extent to which the project will relieve the most pressing employment or residential needs of the applicant by—

"(I) reemploying workers in a skill that has recently suffered a sharp increase in unemployment locally;

"(II) retraining recently unemployed residents in new skills;

"(III) providing training to increase the local pool of skilled labor; or

"(IV) producing decent housing for low- and moderate-income persons in cases where such housing is in severe shortage in the area of the applicant, except that an application shall be considered to produce housing for low- and moderate-income persons under this clause only if such application proposes that (a) not less than 51 percent of all funds available for the project shall be used for dwelling units and related facilities; and (b) not less than 30 percent of all funds used for dwelling units and related facilities shall be used for dwelling units to be occupied by persons of low and moderate income, or not less than 20 percent of all dwelling units made available to occupancy using such funds shall be occupied by persons of low and moderate income, whichever results in the occupancy of more dwelling units by persons of low and moderate income;

"(vi) the impact of the proposed activities on the fiscal base of the city or urban county and its relation to the amount of grant funds requested;

"(vii) the extent to which State or local Government funding or special economic incentives have been committed; and

"(viii) the extent to which the project will have a substantial impact on physical and economic development of the city or urban county, the proposed activities are likely to be accomplished in a timely fashion with the grant amount available, and the city or urban county has demonstrated performance in housing and community development programs; and

"(D) additional consideration for projects with the following characteristics:

"(i) projects to be located within a city or urban county which did not receive a preliminary grant approval under this section during the 12-month period preceding the date on which applications are required to be submitted for the grant competition involved; and

"(ii) twice the amount of the additional consideration provided under clause (i) for projects to be located in cities or urban counties which did not receive a preliminary grant approval during the 24-month period preceding the date on which applications under this section are required to be submitted for the grant competition involved.

If a city or urban county has submitted and has pending more than one application, the additional consideration provided by subparagraph (D) of the preceding sentence shall be available only to the project in such city or urban county which received the highest number of points under subparagraph (C) of such sentence.".

(c) Selection Limitations and Criteria Weight.—Section 119(d) of the Housing and Community Development Act of 1974 is amended by adding at the end thereof the following new paragraphs:

"(3) The Secretary shall award points to each application as follows:

"(A) not more than 35 points on the basis of the criteria referred to in paragraph (1)(A);

"(B) not more than 35 points on the basis of the criteria referred to in paragraph (1)(B);

"(C) not more than 33 points on the basis of the criteria referred to in paragraph (1)(C); and

"(D)(i) 1 additional point on the basis of the criterion referred to in paragraph (1)(D)(i); or

"(ii) 2 additional points on the basis of the criterion referred to in paragraph (1)(D)(ii).

"(4) The Secretary shall distribute grant funds under this section so that to the extent practicable during each funding cycle—

"(A) 65 percent of the funds is first made available utilizing all of the criteria set forth in paragraph (1); and

"(B) 35 percent of the funds is then made available solely on the basis of the factors referred to in subparagraphs (C) and (D) of paragraph (1).

"(5)(A) Within 30 days of the start of each fiscal year, the Secretary shall announce the number of competitions for grants to be held in that fiscal year. The number of competitions shall be not less than—

"(i) 2 competitions for grants under paragraph (1) for cities not described in the first sentence of subsection (i) (relating to small cities) and urban counties; and

"(ii) 2 competitions for cities described in the first sentence of subsection (i) (relating to small cities).

"(B) Each competition for grants described in any clause of subparagraph (A) shall be for an amount equal to the sum of—

"(i) approximately the amount of the funds available for such grants for the fiscal year divided by the number of competitions for those funds;

"(ii) any funds available for such grants in any previous competition that are not awarded; and

"(iii) any funds available for such grants in any previous competition that are recaptured.".

(d) Use of Repaid Grant Funds.—Section 119(f) of the Housing and Community Development Act of 1974 is amended by adding at the end thereof the following: "In any case in which the project proposes the repayment to the applicant of the grant funds, such funds shall be made available by the applicant for economic development activities that are eligible activities under this section or section 104. The applicant shall annually provide the Secretary with a statement of the projected receipt and use of repaid grant funds during the next year together with a report acceptable to the Secretary on the use of such funds during the most recent preceding full fiscal year of the applicant.".

(e) Nondiscrimination.—Section 119(r) of the Housing and Community Development Act of 1974 is amended to read as follows:

"(r) In utilizing the discretion of the Secretary when providing assistance and applying selection criteria under this section, the Secretary may not discriminate against applications on the basis of (1) the type of activity involved, whether such activity is primarily housing, industrial, or commercial; or (2) the type of applicant, whether such applicant is a city or urban county.".

(f) Reports of Comptroller General.—

(1)(A) Not later than the expiration of the 6-month period following the date of enactment of this Act and every 3 years thereafter, the Comptroller General of the United States shall prepare and submit to the Congress a comprehensive report evaluating the eligibility standards and selection criteria applicable under section 119 of the Housing and Community Development Act of 1974.

(B) Such report shall evaluate in detail the standards and criteria specified in such section that measure the level or comparative degree of economic distress of cities and urban counties and the effect of the grants awarded on the basis of such standards and criteria on stimulating the maximum economic development activity.

(C) Such report shall also evaluate in detail the extent to which the economic and social data utilized by the Secretary in awarding grants under such section is current and accurate, and shall compare the data used by the Secretary with other available data. The Comptroller General shall make recommendations to the Congress on whether or not other data should be collected by the Federal Government in order to fairly and accurately distribute grants under such section based on the level or comparative degree of economic distress. The Comptroller General shall also make recommendations on whether or not existing data should be collected more frequently in order to ensure that timely data is used to evaluate grant applications under such section.

(2) Not later than the expiration of the 3-month period following the date of the final competition for grants for fiscal year 1987 under section 119 of the Housing and Community Development Act of 1974, the Comptroller General of the United States shall prepare and submit to the Congress a comprehensive report describing the effect of the amendments made by this section on—

(A) the targeting of grant funds to cities and urban counties having the highest level or degree of economic distress;

(B) the distribution of grants funds among regions of the United States;

(C) the number and types of projects receiving grants;

(D) the per capita funding levels for each city, urban county, or identifiable community described in subsection (p) of such section 119, receiving assistance under such section 119; and

(E) the stimulation of the maximum economic development activity.

(g) REGULATIONS.—The Secretary of Housing and Urban Development shall issue such regulations as may be necessary to carry out the amendments made by this section. Such regulations shall be published for comment in the Federal Register not later than 60 days after the date of enactment of this Act. The provisions of section 119(d)(1)(D), section 119(d)(3), and section 119(d)(4) of the Housing and Community Development Act of 1974, shall take effect on the date of enactment of this Act.

(h) APPLICABILITY.—The amendments made by this section shall be applicable to the making of urban development action grants that have not received the preliminary approval of the Secretary of Housing and Urban Development before the date on which final regulations issued by the Secretary under subsection (g) become effective. For the fiscal year in which the amendments made by this section become applicable, such amendments shall only apply with respect to the aggregate amount awarded for such grants on or after such effective date.

(i) LIMITATION ON GRANT AMOUNTS.—Section 119 of the Housing and Community Development Act of 1974 is amended by adding at the end thereof the following:

"(s)(1) The maximum grant amount for a project under subsection (b)(2) of this section is $6,000,000.

"(2) The maximum grant amount for a project under subsection (b)(1) of this section is $6,000,000 during fiscal years 1988 and 1989, except that this paragraph shall not apply to a project in which the Secretary determines that the average cost for each new permanent job does not exceed $8,000 and that the average cost for each permanent job retained that would otherwise be lost to the community does not exceed $8,000.".

SEC. 143. PROHIBITION ON USE OF URBAN DEVELOPMENT ACTION GRANTS FOR BUSINESS RELOCATIONS.

Section 119(h) of the Housing and Community Development Act of 1974 is amended—

(1) by inserting after the subsection designation the following: "(1) SPECULATIVE PROJECTS.—";

(2) by adding at the end of paragraph (1), as so redesignated, the following new sentence: "The provisions of this paragraph shall apply only to projects that do not have identified intended occupants."; and

(3) by adding at the end thereof the following new paragraphs:

"(2) PROJECTS WITH IDENTIFIED INTENDED OCCUPANTS.—No assistance may be provided or utilized under this section for any project with identified intended occupants that is likely to facilitate—

"(A) a relocation of any operation of an industrial or commercial plant or facility or other business establishment—

"(i) from any city, urban county, or identifiable community described in subsection (p), that is eligible for assistance under this section; and

"(ii) to the city, urban county, or identifiable community described in subsection (p), in which the project is located; or

"(B) an expansion of any such operation that results in a reduction of any such operation in any city, county, or community described in subparagraph (A)(i).

"(3) SIGNIFICANT AND ADVERSE EFFECT.—The restrictions established in paragraph (2) shall not apply if the Secretary determines that the relocation or expansion does not significantly and adversely affect the employment or economic base of the city, county, or community from which the relocation or expansion occurs.

"(4) APPEALS.—Following notice of intent to withhold, deny or cancel assistance under paragraph (2), the Secretary shall provide a period of not less than 90 days in which the applicant can appeal to the Secretary the withholding, denial, or cancellation of assistance. Notwithstanding any other provision of this section, nothing in this section or in any legislative history related to the enactment of this section may be construed to permit an inference or conclusion that the policy of Congress in the Urban Development Action Grant program is to facilitate the relocation of businesses from one area to another.

"(5) DEFINITION.—For purposes of this subsection, the term 'operation' includes any plant, equipment, facility, position, employment opportunity, production capacity, or product line.

"(6) REGULATIONS.—Not later than 60 days after the date of enactment of the Housing Act of 1986, the Secretary shall issue such regulations as may be necessary to carry out the provisions of this subsection. Such regulations shall include specific criteria to be used by the Secretary in determining whether there is a significant and adverse effect under paragraph (3).".

SEC. 144. CDBG AUTHORIZATION.

The second sentence of section 103 of the Housing and Community Development Act of 1974 is amended by inserting "and $3,000,000,000 for each of the fiscal years 1987, 1988, and 1989" before the period.

SEC. 145. URBAN HOMESTEADING.

(a) AUTHORIZATION.—(1) The first sentence of section 810(k) of the Housing and Community Development Act of 1974 is amended by inserting before the period at the end thereof the following: "and fiscal year 1986, and not to exceed $12,000,000 for each of the fiscal years 1987, 1988, and 1989".

(2) Section 810(h)(1) of such Act is amended by striking out "and 1985" and inserting in lieu thereof ", 1985, 1986, 1987, 1988, and 1989".

(3) Section 810(i)(1) of such Act is amended by striking out "and 1985" and inserting in lieu thereof ", 1985, 1986, 1987, 1988, and 1989,".

(4) Section 810(j) of such Act is amended by striking out "December 31, 1985" and inserting in lieu thereof "December 31, 1989".

(b) STATE ADMINISTRATIVE EXPENSES.—

(1) The second sentence of section 106(d)(3)(A) of the Housing and Community Development Act of 1974 is amended—

(A) by inserting immediately after "such expenses" the first time it appears the following: "and its administrative expenses under section 810 of this Act and section 17(e)(1) of the United States Housing Act of 1937"; and

(B) by inserting immediately after "such expenses" the second time it appears the following: "under this title".

(2) Section 107(b)(4) of such Act is amended by striking out the first semicolon, and inserting in lieu thereof a comma and the following: "section 810 of this Act, and section 17(e)(1) of the United States Housing Act of 1937;".

(c) SELECTION PROCEDURE.—

(1) Section 810(b)(2) of the Housing and Community Development Act of 1974 is amended to read as follows:

"(2) an equitable procedure for selecting recipients of homestead properties who have the capacity to make or cause to be made the repairs and improvements required under paragraph (3) of this subsection, which procedure shall—

"(A) give special priority to applicants who are 'lower income families' as defined in section 3(b)(2) of the United States Housing Act of 1937;

"(B) exclude applicants who are currently homeowners;

"(C) take into account the applicant's capacity to contribute a substantial amount of labor to the rehabilitation process, or to obtain assistance from private sources, community organizations, or other sources; and

"(D) include other reasonable selection criteria.".

(2) Section 810(b)(5) of such Act is amended by adding "and" after the semicolon.

(3) Section 810(b)(6) of such Act is amended by striking out "; and" and inserting in lieu thereof a period.

(4) Section 810(b)(7) of such Act is repealed.

(d) TRANSFERS TO QUALIFIED COMMUNITY ORGANIZATIONS.—(1) Section 810(b)(1) of the Housing and Community Development Act of 1974 is amended by inserting before the semicolon the following: "or in accordance with subsection (l) to qualified community organizations".

(2) Section 810 of such Act is amended by adding at the end thereof the following:

"(l) A unit of general local government, or a State, or a public agency designated by a unit of general local government or a State may transfer any real property that it receives under subsection (a) or purchases under subsection (h) to a qualified community organization. Qualified community organizations will be limited to those organizations—

"(1) that are incorporated and controlled by a Board of Directors whose members receive no compensation of any kind for the performance of their duties;

"(2) that are organized exclusively for charitable, educational, or scientific purposes, or the promotion of social welfare;

"(3) that qualify as exempt organizations under section 501(c)(3) or 501(c)(4) of the Internal Revenue Code of 1986; and

"(4) that agree to assist the applicable State or unit of general local government with the selection of homesteaders, selection, inspection, and rehabilitation of the properties, and to perform such other functions as may be agreed between the States or unit of general local government and the qualified nonprofit organization, including the acceptance of title to property and the conveyance of the property to the homesteaders subject to the terms and conditions specified elsewhere in this section.".

SEC. 146. REHABILITATION LOAN FEES.

Section 312(g) of the Housing Act of 1964 is amended by adding at the end thereof the following new sentences: "No risk premium or loan fee may be assessed or collected by or for the Secretary or any other Federal agency on or with respect to a loan made under this section.".

SEC. 147. NEIGHBORHOOD REINVESTMENT CORPORATION.

(a) AUTHORIZATION.—Section 608(a) of the Neighborhood Reinvestment Corporation Act is amended—

(1) by striking out "and" after "1984,"; and

(2) by inserting before the period at the end thereof the following: ", and $19,000,000 for each of fiscal years 1988 and 1989".

(b) TECHNICAL AMENDMENT.—Section 604 of such Act is amended—

(1) by inserting before the semicolon in subsection (a)(1) the following: "or a member of the Federal Home Loan Bank Board to be designated by the Chairman";

(2) by striking out subsection (a)(3) and inserting in lieu thereof the following: "(3) the Chairman of the Board of Governors of the Federal Reserve System, or a member of the Board of Governors of the Federal Reserve System to be designated by the Chairman;";

(3) by inserting before the semicolon in subsection (a)(4) the following: "or the appointive member of the Board of Directors of the Federal Deposit Insurance Corporation if so designated by the Chairman"; and

(4) by striking out "Administrator" in subsection (a)(6) and inserting in lieu thereof the word "Chairman"; and by inserting after "Administration" the following: "or a member of the Board of the National Credit Union Administration to be designated by the Chairman.".

SEC. 148. NEIGHBORHOOD DEVELOPMENT DEMONSTRATION PROGRAM.

Section 123(g) of the Housing and Urban-Rural Recovery Act of 1983 is amended by inserting before the period at the end thereof the following: ", and such sums as may be necessary for fiscal years 1986, 1987, 1988, and 1989".

SEC. 149. TECHNICAL AMENDMENTS.

(a) Section 106(d)(3)(A) of the Housing and Community Development Act of 1974 is amended by striking out "$102,000" and inserting in lieu thereof "$100,000".

(b) Section 702 of the Housing Act of 1954 is amended—

(1) by striking out subsections (c) and (h); and

(2) by striking out subsection (g) and inserting in lieu thereof the following:

"(g) Effective upon the enactment of this subsection, and in accordance with such accounting and other procedures as the Secretary may prescribe, each advance made by the Secretary under this section that has any principal amount outstanding shall be forgiven. The terms and conditions of any contract, or any amendment to a contract, for such advance with respect to any promise to repay the advance shall be cancelled.".

SEC. 150. URBAN RENEWAL LAND DISPOSITION PROCEEDS.

(a) HARTFORD, CONNECTICUT.—Notwithstanding any other provision of law or other requirement, the City of Hartford in the State of Connecticut is authorized to retain any land disposition proceeds from the financially closed-out Sheldon-Charter Oak, Section A Urban Renewal Project (No. Conn. R.77) not paid to the Department of Housing and Urban Development and to use such proceeds in accordance with the requirements of the community development block grant program specified in title I of the Housing and Community Development Act of 1974. The City of Hartford shall retain such proceeds in a lump sum and shall be entitled to retain and use, in accordance with this section, all past and future earnings from such proceeds, including any interest.

(b) LEBANON, PENNSYLVANIA.—Notwithstanding any other provision of law or other requirement, the City of Lebanon in the State of Pennsylvania is authorized to retain any land disposition proceeds from the financially closed-out Southside Urban Renewal Project (R-635(C)) not paid to the Department of Housing and Urban Development, and to use such proceeds in accordance with the requirements of the community development block grant program specified in title I of the Housing and Community Development Act of 1974. The City of Lebanon shall retain such proceeds in a lump sum and shall be entitled to retain and use, in accordance with this section, all past and future earnings from such proceeds, including any interest.

SEC. 151. AVAILABILITY OF COMMUNITY DEVELOPMENT BLOCK GRANTS FOR UNIFORM EMERGENCY TELEPHONE NUMBER SYSTEMS.

(a) IN GENERAL.—Section 105(c)(2) of the Housing and Community Development Act of 1974 is amended—

(1) by inserting "(A)" after the paragraph designation;

(2) by redesignating subparagraphs (A) and (B) as clauses (i) and (ii), respectively; and

(3) by adding at the end thereof the following new subparagraph:

"(B) The requirements of subparagraph (A) do not prevent the use of assistance under this title for the development, establishment, and operation for not to exceed 2 years after its establishment of a uniform emergency telephone number system if the Secretary determines that—

"(i) such system will contribute substantially to the safety of the residents of the area served by such system;

"(ii) not less than 51 percent of the use of the system will be by persons of low and moderate income; and

"(iii) other Federal funds received by the grantee are not available for the development, establishment, and operation of such system due to the insufficiency of the amount of such funds, the restrictions on the use of such funds, or the prior commitment of such funds for other purposes by the grantee.

The percentage of the cost of the development, establishment, and operation of such a system that may be paid from assistance under this title may not exceed the percentage of the population to be served that is made up of persons of low and moderate income.".

(b) APPLICABILITY.—

(1) IN GENERAL.—The amendments made by this section shall be applicable to amounts made available for fiscal year 1987 and each succeeding fiscal year.

(2) NOTIFICATION OF GRANTEES.—Not later than the expiration of the 30-day period following the date of enactment of this Act, the Secretary of Housing and Urban Development shall notify each grantee of assistance under section 106 of the Housing and Community Development Act of 1974 for fiscal year 1987 of the availability of such assistance for the development, establishment, and operation of a uniform emergency telephone number system in accordance with section 105(c)(2)(B) of such Act.

(c) NOTICE.—Not later than the expiration of the 30-day period following the date of enactment of this Act, the Secretary of Housing and Urban Development shall by notice establish such requirements as may be necessary to carry out the amendments made by this section. Such notice shall not be subject to section 553 of title 5, United States Code, or section 7(o) of the Department of Housing and Urban Development Act.

(d) REGULATIONS.—The Secretary of Housing and Urban Development shall issue such regulations, based on the notice required by subsection (c), as may be necessary to carry out the amendments made by this section. Such regulations shall be published for comment in the Federal Register not later than 90 days after the date of enactment of this Act.

SEC. 152. LOAN CANCELLATION.

The Secretary of Housing and Urban Development shall cancel the indebtedness represented by loan number 070024914 under section 312 of the Housing Act of 1964. The obligor on such loan is relieved of all liability to the Government for the outstanding principal balance on such loan, for the amount of accrued interest on such loan, and for any other fees and charges payable in connection therewith.

SEC. 153. BAY CITY HOUSING COMMISSION, MICHIGAN.

Notwithstanding any other provision of law or other requirement, the Secretary of Housing and Urban Development may not require the Bay City Housing Commission in the State of Michigan to pay any amount relating to ineligible costs incurred with respect to the public housing development grant numbered Michigan 24-7, awarded in 1974, under the United States Housing Act of 1937 (42 U.S.C. 1401, et seq.).

SEC. 154. VERIFICATION SYSTEM, NO LIABILITY FOR COMPLYING.

Section 214 of the Housing and Community Development Act of 1980 (42 U.S.C. 4136(a)), is amended by adding a new subsection at the end as follows:

"(f)(1) Notwithstanding any other provision of law, no agency or official of a State or local government shall have any liability for the design or implementation of the Federal verification system described in subsection (d) if the implementation by the State or local agency or official is in accordance with Federal rules and regulations.

"(2) The verification system of the Department of Housing and Urban Development shall not supersede or affect any consent agreement entered into or court decree or court order entered prior to the date of enactment of this Act.".

Subtitle D—Miscellaneous Program Amendments

SEC. 161. STUDIES UNDER NATIONAL FLOOD INSURANCE PROGRAM.

Section 1376(c) of the National Flood Insurance Act of 1968 is amended by inserting before the period at the end thereof the following: ", fiscal year 1986, and fiscal year 1987, and not to exceed $37,000,000 for each of fiscal years 1988 and 1989".

SEC. 162. COLLECTION OF CERTAIN DATA.

(a) IN GENERAL.—The Secretary of Housing and Urban Development and the Secretary of Agriculture shall each collect, not less than annually, data on the racial and ethnic characteristics of persons eligible for, assisted, or otherwise benefiting under each community development, housing assistance, and mortgage and loan insurance and guarantee program administered by such Secretary. Such data may be collected on a building by building basis if the Secretary involved determines such collection to be appropriate.

(b) REPORTS TO CONGRESS.—The Secretary of Housing and Urban Development and the Secretary of Agriculture shall each include in the annual report of such Secretary to the Congress a summary and evaluation of the data collected by such Secretary under subsection (a) during the preceding year.

SEC. 163. SOLAR ENERGY AND ENERGY CONSERVATION BANK.

Section 522(a) of the Solar Energy and Energy Conservation Bank Act is amended by striking out "the fiscal year 1985" and inserting in lieu thereof "each of the fiscal years 1986, 1987, 1988, and 1989".

SEC. 164. RESEARCH AUTHORIZATION.

The second sentence of section 501 of the Housing and Urban Development Act of 1970 is amended by inserting before the period at the end thereof the following: ", fiscal year 1986, and fiscal year 1987, and $17,000,000 for each of the fiscal years 1988 and 1989".

TITLE II—HOUSING ASSISTANCE

Subtitle A—Programs Under United States Housing Act of 1937

SEC. 201. LOWER INCOME HOUSING AUTHORIZATION.

(a) AGGREGATE BUDGET AUTHORITY.—Section 5(c)(6) of the United States Housing Act of 1937 is amended by adding at the end thereof the following new sentence: "The aggregate amount of budget authority that may be obligated for contracts for annual contributions is increased by $7,510,000,000 on October 1, 1987, and on October 1, 1988.".

(b) UTILIZATION OF BUDGET AUTHORITY.—Section 5(c)(7) of the United States Housing Act of 1937 is amended to read as follows:

"(7)(A) Any amount available for public housing development, comprehensive improvement assistance, or Indian housing under subsection (a) that is recaptured shall be available for reuse for the same purpose notwithstanding any other provision of law. The preceding sentence does not apply to those amounts that become available for rescission pursuant to section 4(c)(3).

"(B) Any amount available for the conversion of a project to assistance under section 8(b)(1), if not required for such purpose, shall be used for assistance under section 8(b)(1).".

(c) ALLOCATION OF ASSISTANCE BETWEEN PROGRAMS.—(1) Section 8 of the United States Housing Act of 1937 is amended by adding at the end thereof the following:

"(q) The Secretary shall not, during a fiscal year, enter into contracts to provide assistance for a number of units under subsection (o) that is greater than twice the number of units assisted under contracts entered into under subsection (b) during that year.".

(2) The amendment made by paragraph (1) shall take effect on October 1, 1987.

SEC. 202. SECTION 8 ASSISTANCE.

FAIR MARKET RENTALS.—Section 8(c)(1) of the United States Housing Act of 1937 is amended by inserting before the last sentence the following new sentence: "Each fair market rental in effect under this subsection shall be adjusted to be effective on October 1 of each year to reflect changes, based on the most recent available data trended so the rentals will be current for the year to which they apply, of rents for existing or newly constructed rental dwelling units, as the case may be, of various sizes and types in the market area suitable for occupancy by persons assisted under this section.".

SEC. 203. OPERATING SUBSIDIES.

Section 9(c) of the United States Housing Act of 1937 is amended to read as follows:

"(c) For the purpose of providing annual contributions under this section, there are authorized to be appropriated:

"(1) Such sums as may be necessary for fiscal year 1987.

"(2) $1,600,000,000 for each of the fiscal years 1988 and 1989.".

SEC. 204. INCOME ELIGIBILITY FOR ASSISTED HOUSING.

Section 16 of the United States Housing Act of 1937 is amended by adding at the end thereof the following:

"(c) In developing admission procedures implementing subsection (b) of this section, the Secretary may not totally prohibit admission of lower income families other than very low-income families, and shall establish, as appropriate, differing percentage limitations on admission of low-income families in separate assisted housing programs which, when aggregated, will achieve the overall percentage limitation contained in subsection (b) of this section. The Secretary shall promulgate regulations to carry out this subsection not later than 60 days after the date of enactment of this subsection.".

SEC. 205. RENTAL REHABILITATION AND DEVELOPMENT GRANTS.

(a) AUTHORIZATION.—Section 17(a)(4) of the United States Housing Act of 1937 is amended to read as follows:

"(4) AUTHORIZATION.—To carry out the purposes of this section, there are authorized to be appropriated not to exceed $320,000,000 for each of the fiscal years 1988 and 1989, of which amount—

"(A) not to exceed $220,000,000 shall be available in each such year for rental rehabilitation, of which $1,500,000 shall be available each year for technical assistance, including the collection, processing, and dissemination of program information useful for local and national program management; and

"(B) not to exceed $100,000,000 shall be available in each such year for development grants.".

(b) ELIGIBILITY.—Section 17(k)(4) of the United States Housing Act of 1937 is amended—

(1) by inserting "privately owned" before "real property";

(2) by inserting "(A)" after "includes"; and

(3) by inserting before the semicolon at the end thereof the following: ", and (B) housing which is owned by a State or locally chartered, neighborhood based, nonprofit organization the primary purpose of which is the provision and improvement of housing".

(c) RENTAL REHABILITATION.—

(1) The last sentence of section 17(b) of the United States Housing Act of 1937 is amended by striking out all after "assistance under this section" and inserting in lieu thereof a period.

(2) The second sentence of section 17(e)(1) of such Act is amended by striking out all that follows "subsection (b)(2)" and inserting in lieu thereof a period.

(3) Section 17(c)(2)(E) of such Act is amended by striking out "$5,000 per unit" and inserting in lieu thereof the following: "$7,500 per unit for units with up to two bedrooms and $8,500 per unit in the case of units with three or more bedrooms".

(d) DISPLACEMENT EXEMPTION.—Section 16(b) of the United States Housing Act of 1937 is amended by adding at the end thereof the following: "This subsection does not apply to units made available under section 8 housing assistance contracts for the purpose of preventing displacement, or ameliorating the effects of displacement, including displacement caused by rents exceeding 30 percent of monthly adjusted family income, of lower income families from projects being rehabilitated with assistance from rehabilitation grants under section 17 of this Act and the Secretary shall not otherwise unduly restrict the use of payments under section 8 housing assistance contracts for this purpose.".

(e) RENTS.—The second sentence of section 17(d)(8)(A) of the United States Housing Act of 1937 is amended to read as follows: "In approving such rents, the grantee shall provide that the rents of such units are not more than the higher of (i) 30 percent of the adjusted income of a family whose income equals the income limit for very low-income families in the area, as determined by the Secretary with adjustments for smaller and larger families, or (ii) 30 percent of the adjusted income of a family whose income equals such income limit for very low-income families as determined by the Secretary at the time an application for a development grant is submitted.".

SEC. 206. PREVENTING FRAUD AND ABUSE IN HOUSING AND URBAN DEVELOPMENT PROGRAMS.

(a) IN GENERAL.—As a condition of initial or continuing eligibility for participation in any program of the Department of Housing and Urban Development involving loans, grants, interest or rental assistance of any kind, or mortgage or loan insurance, and to assure that the level of benefits provided under these programs is correct, the Secretary may require that an applicant or participant (including members of an applicant's or participant's household) disclose his or her social security number or employer identification number to the Secretary.

(b) APPLICANT AND PARTICIPANT CONSENT.—As a condition of initial or continuing eligibility for participation in any program of the Department of Housing and Urban Development involving initial and periodic review of an applicant's or participant's income, and to assure that the level of benefits provided under the program is correct, the Secretary may require that an applicant or participant (including members of an applicant's or participant's household) sign a consent form approved by the Secretary authorizing the Secretary, or the public housing agency or owner responsible for determining eligibility or level of benefits to request current or previous employers to verify salary and wage information pertinent to the applicant's or participant's eligibility or level of benefits. This consent form shall not be used to request taxpayer return information protected by section 6103 of the Internal Revenue Code of 1986.

(c) DEFINITIONS.—As used in this section:

(1) The term "Secretary" means the Secretary of Housing and Urban Development.

(2) The terms "applicant" and "participant" shall have such meanings as the Secretary by regulation shall prescribe. Such terms shall not include persons whose involvement is only in their official capacity,

such as State or local government officials and officers of lending institutions.

(3) The term "public housing agency" means any agency described in section 3(b)(6) of the United States Housing Act of 1937.

(d) ACCESS TO STATE EMPLOYMENT RECORDS.—

(1) AMENDMENT TO SOCIAL SECURITY ACT.—Section 303 of the Social Security Act is amended by adding at the end thereof the following new subsection:

"(h)(1) The State agency charged with the administration of the State law—

"(A) shall disclose, upon request and on a reimbursable basis, to officers and employees of the Department of Housing and Urban Development any of the following information contained in the records of such State agency with respect to individuals applying for or participating in any housing assistance program administered by the Department—

"(i) wage information, and

"(ii) whether an individual is receiving, has received, or has made application for, unemployment compensation, and the amount of any such compensation being received (or to be received) by such individual, and

"(B) shall establish such safeguards as are necessary (as determined by the Secretary of Labor in regulations) to insure that information disclosed under subparagraph (A) is used only for purposes of determining an individual's eligibility for benefits, or the amount of benefits, under a housing assistance program of the Department of Housing and Urban Development.

"(2) Whenever the Secretary of Labor, after reasonable notice and opportunity for hearing to the State agency charged with the administration of the State law, finds that there is a failure to comply substantially with the requirements of paragraph (1), the Secretary of Labor shall notify such State agency that further payments will not be made to the State until he or she is satisfied that there is no longer any such failure. Until the Secretary of Labor is so satisfied, he or she shall make no further certification to the Secretary of the Treasury with respect to such State.".

(2) APPLICANT AND PARTICIPANT PROTECTIONS.—(A) In order to protect applicants for, and recipients of, benefits under the programs of the Department of Housing and Urban Development from the improper use of information obtained pursuant to the requirements of section 303(h) of the Social Security Act from the State agency charged with the administration of the State unemployment compensation law, no Federal, State, or local agency, or public housing agency, or owner responsible for determining eligibility or level of benefits receiving such information may terminate, deny, suspend, or reduce any benefits of an individual until such agency or owner has taken appropriate steps to independently verify information relating to—

(i) the amount of the wages or unemployment compensation involved,

(ii) whether such individual actually has (or had) access to such wages or benefits for his or her own use, and

(iii) the period or periods when, or with respect to which, the individual actually received such wages or benefits.

(B) Such individual shall be informed by the agency or owner of the findings made by the agency or owner on the basis of such verified information, and shall be given an opportunity to contest such findings, in the same manner as applies to other information and findings relating to eligibility factors under the program.

(3) PENALTY.—(A) Any person who knowingly and willfully requests or obtains any information concerning an individual pursuant to the authority contained in section 303(h) of the Social Security Act under false pretenses, or any person who knowingly and willfully discloses any such information in any manner to any individual not entitled under any law to receive it, shall be guilty of a misdemeanor and fined not more than $5,000. The term "person" as used in this paragraph shall include an officer or employee of the Department of Housing and Urban Development, an officer or employee of any public housing agency, and any owner (or employee thereof).

(B) Any individual affected by (i) a negligent or knowing disclosure of information referred to in this section or in section 303(h) of the Social Security Act about such person by an officer or employee of any public housing agency or owner (or employee thereof), which disclosure is not authorized by this section, section 303(h), or any implementing regulation, or (ii) any other negligent or knowing action that is inconsistent with this section, section 303(h), or any implementing regulation may bring a civil action for damages and such other relief as may be appropriate against any officer or employee of any public housing agency or owner (or employee thereof) responsible for any such unauthorized action. The district court of the United States in the district in which the affected individual resides, or in which such unauthorized action occurred, or in which the individual alleged to be responsible for any such unauthorized action resides, shall have jurisdiction in such matters. Appropriate relief that may be ordered by such district courts shall include reasonable attorney's fees and other litigation costs.

(4) EFFECTIVE DATES.—(A) The amendment made by subsection (d)(1) shall take effect on September 30, 1988, except that at the initiative of a State or an agency of the State, and with the approval of the Secretary of Labor, the amendment may be made effective in such State on any date before September 30, 1988, which is more than 90 days after the date of enactment of this section.

(B) The effective date of subsections (d)(2) and (d)(3) shall be 90 days after the date of enactment of this section.

SEC. 207. PUBLIC HOUSING RESIDENT MANAGEMENT.

The United States Housing Act of 1937 is amended by adding at the end the following new section:

"PUBLIC HOUSING RESIDENT MANAGEMENT

"SEC. 20. (a) PURPOSE.—The purpose of this section is to encourage increased resident management of public housing projects, as a means of improving existing living conditions in public housing projects, by providing increased flexibility for public housing projects that are managed by residents by—

"(1) permitting the retention, and use for certain purposes, of any revenues exceeding operating and project costs; and

"(2) providing funding, from amounts otherwise available, for technical assistance to promote formation and development of resident management entities.

For the purpose of this section, the term 'public housing project' includes one or more contiguous buildings or an area of contiguous row houses the elected resident councils of which approve the establishment of a resident management corporation and otherwise meet the requirements of this section.

"(b) PROGRAM REQUIREMENTS.—

"(1) RESIDENT COUNCIL.—As a condition of entering into a resident management program, the elected resident council of a public housing project shall approve the establishment of a resident management corporation. When such approval is made by the elected resident council of a building or row house area, the resident management program shall not interfere with the rights of other families residing in the project or harm the efficient operation of the project. The resident management corporation and the resident council may be the same organization, if the organization complies with the requirements applicable to both the corporation and council. If there is no elected resident council, a majority of the households of the public housing project shall approve the establishment of a resident council to determine the feasibility of establishing a resident management corporation to manage the project.

"(2) PUBLIC HOUSING MANAGEMENT SPECIALIST.—The resident council of a public housing project, in cooperation with the public housing agency, shall select a qualified public housing management specialist to assist in determining the feasibility of, and to help establish, a resident management corporation and to provide training and other duties agreed to in the daily operations of the project.

"(3) BONDING AND INSURANCE.—Before assuming any management responsibility for a public housing project, the resident management corporation shall provide fidelity bonding and insurance, or equivalent protection, in accordance with regulations and requirements of the Secretary and the public housing agency. Such bonding and insurance, or its equivalent, shall be adequate to protect the Secretary and the public housing agency against loss, theft, embezzlement, or fraudulent acts on the part of the resident management corporation or its employees.

"(4) MANAGEMENT RESPONSIBILITIES.—A resident management corporation that qualifies under this section, and that supplies insurance and bonding or equivalent protection sufficient to the Secretary and the public housing agency, shall enter into a contract with the public housing agency establishing the respective management rights and responsibilities of the corporation and the public housing agency. Such contract may include specific terms governing management personnel and compensation, access to public housing projects records, submission of and adherence to budgets, rent collection procedures, tenant income verification, tenant eligibility determinations, tenant eviction, the acquisition of supplies and materials, and such other matters as may be appropriate.

"(5) ANNUAL AUDIT.—The books and records of a resident management corporation operating a public housing project shall be audited annually by a certified public accountant. A written report of each audit shall be forwarded to the public housing agency and the Secretary.

"(c) COMPREHENSIVE IMPROVEMENT ASSISTANCE.—Public housing projects managed by resident management corporations may be provided with comprehensive improvement assistance under section 14 for purposes of renovating such projects in accordance with such section. If such renovation activities (including the planning and architectural design of the rehabilitation) are administered by a resident management corporation, the public housing agency involved may not retain, for any administrative or other reason, any portion of the assistance provided pursuant to this subsection unless otherwise provided by contract.

"(d) Operating Subsidy and Project Income.—

"(1) Calculation of operating subsidy.—Notwithstanding any provision of section 9 or any regulation under such section, and subject to the exception provided in paragraph (3), the portion of the operating subsidy received by a public housing agency under section 9 that is allocated to a public housing project managed by a resident management corporation shall not be less than the public housing agency per unit monthly amount provided in the previous year as determined on an individual project basis.

"(2) Contract requirements.—Any contract for management of a public housing project entered into by a public housing agency and a resident management corporation shall specify the amount of income expected to be derived from the project itself (from sources such as rents and charges) and the amount of income funds to be provided to the project from the other sources of income of the public housing agency (such as operating subsidy under section 9, interest income, administrative fees, and rents).

"(3) Calculation of total income.—

"(A) Subject to subparagraph (B), the amount of funds provided by a public housing agency to a public housing project managed by a resident management corporation may not be reduced during the 3-year period beginning on the date of enactment of the Housing and Community Development Act of 1987 or on any later date on which a resident management corporation is first established for the project.

"(B) If the total income of a public housing agency (including the operating subsidy provided to the public housing agency under section 9) is reduced or increased, the income provided by the public housing agency to a public housing project managed by a resident management corporation shall be reduced or increased in proportion to the reduction or increase in the total income of the public housing agency, except that any reduction in operating subsidy that occurs as a result of fraud, waste, or mismanagement by the public housing agency shall not affect the funds provided to the resident management corporation.

"(4) Retention of excess revenues.—

"(A) Any income generated by a resident management corporation of a public housing project that exceeds the income estimated for purposes of this subsection shall be excluded in subsequent years in calculating (i) the operating subsidies provided to the public housing agency under section 9; and (ii) the funds provided by the public housing agency to the resident management corporation.

"(B) Any revenues retained by a resident management corporation under subparagraph (A) shall be used for purposes of improving the maintenance and operation of the public housing project, for establishing business enterprises that employ residents of public housing, or for acquiring additional dwelling units for lower income families.

"(e) Resident Management Technical Assistance and Training.—

"(1) Financial assistance.—To the extent budget authority is available for section 14, the Secretary shall provide financial assistance to resident management corporations or resident councils that obtain, by contract or otherwise, technical assistance for the development of resident management entities, including the formation of such entities, the development of the management capability of newly formed or existing entities, the identification of the social support needs of residents of public housing projects, and the securing of such support.

"(2) Limitation on assistance.—The financial assistance provided under this subsection with respect to any public housing project may not exceed $100,000.

"(3) Funding.—Of the amounts available for financial assistance under section 14 for fiscal year 1987, the Secretary may use not more than $1,500,000 to carry out this subsection.

"(f) Assessment and Report by the Secretary.—Not later than 3 years after the date of enactment of this section, the Secretary shall conduct an evaluation and assessment of resident management, and particularly of the effect of resident management on living conditions in public housing, and shall transmit a report thereon, including such recommendations as the Secretary deems appropriate, to the Congress.".

SEC. 208. PUBLIC HOUSING OWNERSHIP OPPORTUNITIES.

(a) In General.—The United States Housing Act of 1937 (as amended by section 207 of this Act) is amended by adding at the end the following new section:

"PUBLIC HOUSING OWNERSHIP OPPORTUNITIES

"Sec. 21. (a) Ownership Opportunities in General.—Lower income families residing in a public housing project shall be provided with the opportunity to purchase the dwelling units in the project through a qualifying resident management corporation as follows:

"(1) Formation of resident management corporation.—As a condition for public housing homeownership—

"(A) the adult residents of a public housing project shall have formed a resident management corporation in accordance with regulations and requirements of the Secretary prescribed under this section and section 20;

"(B) the resident management corporation shall have entered into a contract with the public housing agency establishing the respective management rights and responsibilities of the resident management corporation and the public housing agency; and

"(C) the resident management corporation shall have demonstrated its ability to manage public housing effectively and efficiently for a period of not less than 3 years.

"(2) Ownership assistance.—

"(A) The Secretary may provide comprehensive improvement assistance under section 14 or section 20 to a public housing project in which ownership activities under this section are conducted.

"(B) The Secretary, and the public housing agency owning and operating a public housing project, may provide such training, technical assistance, and educational assistance as the Secretary determines to be necessary to prepare the families residing in the project, and any resident management corporation established under paragraph (1), for ownership.

"(3) Conditions of purchase by a resident management corporation.—

"(A) A resident management corporation may purchase from a public housing agency one or more multifamily buildings in a public housing project following a determination by the Secretary that—

"(i) the resident management corporation has met the conditions of paragraph (1);

"(ii) the resident management corporation has applied for and is prepared to undertake the ownership, management, and maintenance of the building or buildings with continued assistance from the Secretary;

"(iii) the public housing agency has held one or more public hearings to obtain the views of citizens regarding the proposed purchase and, in consultation with the Secretary, has certified that the purchase will not interfere with the rights of other families residing in public housing, will not harm the efficient operation of other public housing, and is in the interest of the community;

"(iv) the public housing agency has certified that it has and will implement a plan to replace (by production, acquisition, or rehabilitation of vacant public housing units) public housing units sold under this section within 30 months of the sale, which plan shall provide for replacement of 100 percent of the units sold under this section or such lower percentage as the public housing agency determines is justified by the local supply of lower income housing; and

"(v) the building or buildings meet the minimum safety and livability standards applicable under section 14 and section 20, and the physical condition, management, and operation of the building or buildings are sufficient to permit ownership by the families residing in the project.

"(B) The price of a building purchased under the preceding sentence shall be approved by the Secretary, in consultation with the public housing agency and resident management corporation, taking into account the fair market value of the property, the ability of resident families to afford and maintain the property, and such other factors as the Secretary determines to be consistent with increasing the supply of dwelling units affordable to very low income families.

"(4) Conditions of resale.—

"(A) A resident management corporation may sell a dwelling unit or ownership rights in a dwelling unit only to a lower income family residing in, or eligible to reside in, public housing and if the Secretary determines that the purchase will not interfere with the rights of other families residing in the housing project or harm the efficient operation of the project, and the family will be able to purchase and maintain the property.

"(B) A purchase under the previous sentence may be made under any of the following arrangements:

"(i) cooperative ownership;

"(ii) condominium ownership;

"(iii) shared appreciation with a public housing agency providing financing under paragraph (6); or

"(iv) any other arrangement determined by the Secretary to be appropriate.

"(C) Property purchased under this section shall be resold only to the resident management corporation or to a lower income family residing in or eligible to reside in public housing or to the public housing authority.

"(D) Recapture at time of sale.—If any purchaser of property under this section, including a resident management corporation, sells the property before the expiration of the 5-year period following the date of the purchase, the purchaser shall pay to the public housing agency the following percentage of any excess of the sales price over the purchase price:

"(i) 100 percent, if the sale occurs during the 1st 1-year period following such date;

"(ii) 100 percent, if the sale occurs during the 2d 1-year period following such date;

"(iii) 75 percent, if the sale occurs during the 3d 1-year period following such date;

"(iv) 50 percent, if the sale occurs during the 4th 1-year period following such date; and

"(v) 25 percent, if the sale occurs during the 5th 1-year period following such date.

"(5) USE OF PROCEEDS.—Proceeds from the sale of a building or buildings under paragraph (3) and amounts recaptured under paragraph (4) shall be paid to the public housing agency and shall be retained and used by the public housing agency only to increase the number of public housing units available for occupancy. The resident management corporation shall keep and make available to the public housing agency and the Secretary all records necessary to calculate accurately payments due the local housing agency under this section. The Secretary shall not reduce or delay payments under other provisions of law as a result of amounts made available to the local housing agency under this section.

"(6) FINANCING.—Where financing for the purchase of the property is not otherwise available for purposes of assisting any purchase by a family or resident management corporation under this section, the public housing agency involved may make a loan on the security of the property involved to the family or resident management corporation at a rate of interest which shall not be lower than 70 percent of the market interest rate for conventional mortgages on the date on which the loan is made.

"(7) ANNUAL CONTRIBUTIONS.—Notwithstanding the purchase of a building in a public housing project under this section, the Secretary shall continue to pay annual contributions with respect to the project. Such contributions may not exceed the maximum contributions authorized in section 5(a).

"(8) OPERATING SUBSIDIES.—Operating subsidies shall not be available with respect to a building after the date of its sale by the public housing agency.

"(b) PROTECTION OF NONPURCHASING FAMILIES.—

"(1) EVICTION PROHIBITION.—No family residing in a dwelling unit in a public housing project may be evicted by reason of the sale of the project to a resident management corporation under this section.

"(2) TENANTS RIGHTS.—Families renting a dwelling unit in a building purchased by a resident management corporation shall have all rights provided to tenants of public housing under this Act.

"(3) RENTAL ASSISTANCE.—If any family resides in a dwelling unit in a building purchased by a resident management corporation, and the family decides not to purchase the dwelling unit, the Secretary shall provide to the family such assistance as is necessary to enable the family to continue to reside in the dwelling unit.

"(4) RELOCATION ASSISTANCE.—If any family resides in a dwelling unit in a public housing project in which other dwelling units are purchased under this section, and the family decides not to purchase the dwelling unit, and to relocate, the Secretary shall at the family's option—

"(A) assist the family in relocating to a dwelling unit in another public housing project; and

"(B) provide to the family such financial and other assistance as will permit the family to obtain comparable and affordable alternative housing.

"(c) FINANCIAL ASSISTANCE FOR PUBLIC HOUSING AGENCIES.—The Secretary shall provide to public housing agencies such financial assistance as the Secretary determines is necessary to permit such agencies to carry out the provisions of this section.

"(d) ADDITIONAL OWNERSHIP OPPORTUNITIES.—This section shall not apply to the turnkey III, the mutual help, or any other ownership program established under section 5(h) or section 6(c)(4)(D).

"(e) REGULATIONS.—The Secretary shall issue such regulations as may be necessary to carry out the provisions of this section. Such regulations may establish any additional terms and conditions for ownership or resident management under this section that are determined by the Secretary to be appropriate.

"(f) ANNUAL REPORT.—The Secretary shall annually submit to the Congress a report setting forth—

"(1) any need for the development of additional public housing dwelling units as a result of the sale of public housing dwelling units under this section;

"(2) recommendations of the Secretary for additional budget authority to carry out such development; and

"(3) recommendations of the Secretary to ensure decent homes and decent neighborhoods for lower income families.

"(g) LIMITATION.—Any authority of the Secretary under this section to provide financial assistance, or to enter into contracts to provide financial assistance, shall be effective only to such extent or in such amounts as are or have been provided in advance in appropriation Acts.".

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect on the date of enactment of this Act. Paragraphs (2) and (3) of section 21(a) of the United States Housing Act of 1937 shall not have effect after September 30, 1990.

SEC. 209. LIMITATION ON PUBLIC HOUSING DEVELOPMENT AND ASSURANCE OF PUBLIC HOUSING QUALITY STANDARDS.

Section 5 of the United States Housing Act of 1937 is amended by adding at the end the following new subsection:

"(j)(1) After September 30, 1987, in providing assistance under this Act to a public housing agency for public housing (other than for Indian families), the Secretary shall reserve funds for the development of public housing only if—

"(A) the Secretary determines that additional amounts are required to complete the development of dwelling units for which amounts are obligated on or before such date;

"(B) the public housing agency certifies to the Secretary that 85 percent of the public housing dwelling units of the public housing agency—

"(i) are maintained in substantial compliance with the housing quality standards established by the Secretary under section 8(o)(6); or

"(ii) will be so maintained upon completion of modernization for which funding has been awarded or for which applications are pending under section 14 or 20 or under a comparable State or local government program (and such applications shall comply with the comprehensive plan of the public housing agency developed under such section 14 or 20);

"(C) the public housing agency certifies that such development—

"(i) will replace dwelling units that are disposed of or demolished by the public housing agency, including dwelling units disposed of or lost through sale to tenants or through unit redesign; or

"(ii) is required to comply with court orders or directions of the Secretary;

"(D) the public housing agency certifies that it has demands for family housing not satisfied by the rental assistance programs established in subsection (b) or (o) of section 8 for which it plans to construct or acquire projects of not more than 100 units; or

"(E) the Secretary makes such reservation under paragraph (2).

"(2) Notwithstanding any other provision of law, not more than 20 percent of the funds appropriated for development of public housing also may be committed by the Secretary for the substantial redesign, reconstruction, or redevelopment of existing public housing projects or units, which work shall be carried out pursuant to the rules and regulations applicable to the development of public housing.".

SEC. 210. COMPREHENSIVE GRANTS.

(a) FINDINGS.—The Congress finds and declares that:

(1) The condition of lower income public housing financed under the United States Housing Act of 1937 is in some cases substandard with many dwelling units remaining vacant, which forces many lower income families to live in substandard or dangerous living conditions and prevents many others from obtaining decent, safe, and sanitary rental housing at an affordable rent as provided for under such Act.

(2) The Federal Government has a responsibility to help ensure the maintenance of public housing dwelling units in decent, safe, and sanitary condition, and to help provide public housing agencies with funds sufficient to carry out such maintenance.

(3) Public housing agencies should be provided with the flexibility, responsibility, and predictable funding levels that are needed (A) to establish priorities for capital improvement expenditures, (B) to assess the relative needs of all public housing projects, (C) to evaluate the relative advantages of repair, major maintenance, and capital replacement, and (D) to make managerial improvements.

(4) The current comprehensive improvement assistance program has made it difficult for public housing agencies to anticipate, plan, and carry out capital replacement and improvements on a multiyear basis and has involved unnecessary paperwork and delay that increase the cost of capital improvements.

(b) PURPOSE.—The purpose of this section is to encourage the development of a proposal to reform section 14 of the United States Housing Act of 1937 to—

(1) provide public housing agencies with reliable assistance to manage, upgrade, modernize, and rehabilitate lower income housing financed under the United States Housing Act of 1937 so as to ensure its continued availability as decent, safe, and sanitary rental housing at rents affordable to lower income families;

(2) allocate Federal assistance for capital improvements to public housing units on the basis of need;

(3) significantly increase local managerial flexibility in the planning and implementation of capital improvement of public housing;

(4) provide increased opportunities and incentives for efficient management of public housing; and

(5) establish stronger local mechanisms for public accountability through closer consultation among public housing agencies, local governments, and residents with regard to the planning and establishment of priorities of capital and managerial improvements, thereby eliminating the necessity for extensive review and approval by the Secretary of Housing and Urban Development.

(c) DEVELOPMENT OF A COMPREHENSIVE GRANT PROGRAM.—Not later than one year after the date of enactment of this Act, the Secretary of Housing and Urban Development (hereafter referred to as the "Secretary") shall—

(1) complete the study of the need for public housing modernization initiated under the Department of Housing and Urban Development—Independent Agencies Appropriation Act, 1984, and any other studies that are necessary to evaluate the current condition and capital requirements of public housing as well as the future need for rehabilitation and replacement of public housing facilities;

(2) submit to Congress proposed methods for determining the relative allocation of funds between activities to correct existing deficiencies and the annual accrual of resources to meet future needs;

(3) submit to Congress proposed alternatives for allocating funds among public housing agencies to correct existing deficiencies, including formulas for distributing funds to public housing agencies, to regional and field offices of the Department of Housing and Urban Development, or to States, as well as such other allocation methods as the Secretary may wish to recommend;

(4) provide Congress with (A) an analysis of data and other information used to develop recommendations for measuring existing deficiencies, future needs, and anticipated emergencies, (B) an analysis of the bases underlying each of the proposed allocation methods, and (C) a comparison of proposed allocations to previous allocations under section 14 of the United States Housing Act of 1937;

(5) propose criteria for distinguishing capital replacement activities that are routine from those that are not routine;

(6) propose alternative methods to (A) allocate funds to public housing agencies to meet routine and regular capital replacement expenses, and (B) provide for unpredictable, infrequent, or extraordinary capital replacement needs through an actuarially based fund administered on a national, regional, State, or local level or through such other methods as the Secretary may recommend; and

(7) consult at least on a quarterly basis with organizations and individuals representing public housing agencies, local government, and tenants regarding progress on the studies referred to in paragraph (1) and the development of alternatives for improving section 14 of the United States Housing Act of 1937.

(d) CONTINUATION OF CURRENT PROGRAM.—The comprehensive improvement assistance program under section 14 of the United States Housing Act of 1937 shall continue under current regulations until that section is repealed or amended by Congress.

SEC. 211. REVISED DEFINITION OF DISABILITY.

(a) Section 3(b)(3)(A) of the United States Housing Act of 1937 is amended—

(1) by striking out "or" the first place it appears and inserting in lieu thereof a comma; and

(2) by striking out "Developmental Disabilities Services and Facilities Construction Amendments of 1970" and inserting in lieu thereof the following: "Developmental Disabilities Assistance and Bill of Rights Act".

(b) The third sentence of section 202(d)(4) of the Housing Act of 1959 is amended by striking out "is a developmentally disabled individual as defined in section 102(5) of the Developmental Disabilities Services and Facilities Construction Amendments of 1950" and inserting in lieu thereof the following: "has a developmental disability as defined in section 102 of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6001)".

SEC. 212. TECHNICAL AMENDMENTS.

(a) Section 6(c)(4)(A) of the United States Housing Act of 1937 is amended—

(1) by striking out "or are paying more than 50 per centum of family income for rent"; and

(2) by inserting ", are paying more than 50 per centum of family income for rent," after "substandard housing".

(b) Sections 6(k) (4) and (5) of such Act are each amended by striking out "his" and inserting in lieu thereof "their".

SEC. 213. VOUCHER PROGRAM.

Section 8(o) of the United States Housing Act of 1937 is amended—

(1) in the first sentence of paragraph (1), by striking out "In" and all that follows through "demonstration program" and inserting in lieu thereof "The Secretary may provide assistance";

(2) by striking out paragraph (4) and inserting in lieu thereof the following:

"(4) Assistance payments under this subsection shall be made for (A) lower income families who were living in rental projects rehabilitated under section 17 of this Act or section 533 of the Housing Act of 1949 before rehabilitation and who are physically displaced from their units, and (B) lower income families who were living in such projects before rehabilitation and who would have to pay more than 30 percent of their adjusted income for rent after rehabilitation whether they choose to remain in, or to move from, the project. For the purpose of this paragraph, 'physically displaced' means that the family must move out of the unit it is occupying because of the physical rehabilitation activities or because of overcrowding.".

SEC. 214. PUBLIC HOUSING AGENCY FEES.

(a) Section 8 of the United States Housing Act of 1937 is amended by adding at the end thereof the following new subsection:

"(r)(1) The Secretary shall establish a fee that may be charged by public housing agencies for the costs incurred in administering the programs under subsections (b) and (o). The amount of the fee for each month for which a dwelling unit is covered by an assistance contract shall be 8.2 percent of the fair market rental established under subsection (c)(1) for a 2-bedroom existing rental dwelling unit in the market area of the public housing agency.

"(2)(A) The Secretary shall also establish reasonable fees (as determined by the Secretary) that may be charged by public housing agencies for—

"(i) the costs of preliminary expenses incurred in connection with new allocations of assistance under the programs under subsections (b) and (o); and

"(ii) the costs incurred in assisting families who experience difficulty (as determined by the Secretary) in obtaining appropriate housing under the programs.

"(B) The method used to calculate fees under subparagraph (A) shall be the same for the programs under subsections (b) and (o) and shall take into account local cost differences.".

SEC. 215. FLEXIBILITY TO ADJUST ASSISTANCE PAYMENTS.

Section 8(o)(7) of the United States Housing Act of 1937 is amended—

(1) in subparagraph (A), by striking out "as frequently as twice during any five-year period" and inserting in lieu thereof "annually"; and

(2) by striking out subparagraph (D).

SEC. 216. ADJUSTMENT POOLS.

Section 8(o) of the United States Housing Act of 1937 is amended by adding at the end thereof the following:

"(9) The Secretary shall set aside a portion of amounts appropriated under this subsection as an adjustment pool to pay for the adjustments required by paragraph (7)(A). Funds shall be distributed from the adjustment pool on a needs basis. To receive an adjustment, a public housing agency shall certify that adjustment funds are necessary to compensate for higher than normal increases in rent levels in its jurisdiction. Distribution of adjustment funds shall be made at the discretion of the Secretary.".

SEC. 217. GAO STUDY.

The Comptroller General of the United States shall prepare and submit to the Congress not later than October 30, 1987—

(1) a report relating to the administrative fees provided for under section 8(r) of the United States Housing Act of 1937 specifically addressing—

(A) whether the percentage set by section 8(r)(1) of the United States Housing Act of 1937 is adequate to cover the costs of administering the programs under sections 8(b) and 8(o), and

(B) whether the fee system set under section 8(r)(1) should be restructured to reflect the different characteristics and experiences of localities such as size, geographic location, and vacancy rates; and

(2) a report comparing the voucher and certificate programs in representative rental markets, and containing an assessment of what changes should be made in either the certificate or voucher programs. In preparing such assessment, the Comptroller General shall consult with the Secretary of Housing and Urban Development and other appropriate Federal officials as well as individuals and national and other organizations representing public housing agencies, local governments, and tenants.

SEC. 218. ABT ASSOCIATES REPORT.

Not later than 90 days after the date of enactment of this Act, the Secretary of Housing and Urban Development shall submit to Congress the preliminary findings of the ABT Associates in connection with the preparation of the report entitled "Evaluation of the Housing Voucher Demonstration Program".

Subtitle B—Other Housing Assistance Programs

SEC. 221. NONDISCRIMINATION AGAINST SECTION 8 CERTIFICATE HOLDERS.

No owner of a subsidized project (as defined in section 203(h)(2) of the Housing and Community Development Amendments of 1978, as amended) shall refuse unreasonably (1) to lease any vacant dwelling unit in the project that rents for an amount not greater than the fair market rent for a comparable unit, as determined by the Secretary under section 8 of the United States Housing Act of 1937, to a holder of a certificate of eligibility under such section solely because of the status of such prospective tenant as a holder of such certificate, and to enter into a housing assistance payments contract respecting such unit, or (2) to lease any vacant dwelling unit in the project to a holder of a voucher under section 8(o) of such Act, and to enter into a voucher contract respecting such unit, solely because of the status of such prospective tenant as holder of such voucher.

SEC. 222. HOUSING FOR THE ELDERLY AND HANDICAPPED.

(a) Authorization To Issue Obligations.—The first sentence of section 202(a)(4)(B)(i) of the Housing Act of 1959 is amended—

(1) by striking out "and" the first place it appears; and

(2) by inserting after "1984," the following: "and to such sums as may be approved in appropriation Acts for fiscal years 1986 and 1987, and to $595,000,000 for fiscal years 1988 and 1989,".

(b) Interest Rate on Loans.—Section 202(a)(3) of the Housing Act of 1959 is amended—

(1) by inserting "(A)" after "(3)";

(2) by striking out everything after "Secretary" the second place it appears through "loan is made" and inserting in lieu thereof the following: "taking into consideration the average yield, during the three-month period immediately preceding the fiscal year in which the loan is made, on the most recently issued 30-year marketable obligations of the United States"; and

(3) by adding the following new subparagraph at the end thereof:

"(B) At the option of the borrower, a loan under this section may be made and may be processed for a conditional or firm commitment either (i) at an interest rate not to exceed a rate and allowance determined by the Secretary in accordance with subparagraph (A) using the one-month period immediately prior to the month in which the request for a commitment is submitted, or (ii) at an interest rate not to exceed a rate and allowance determined by the Secretary in accordance with subparagraph (A) using the three-month period immediately preceding the fiscal year in which the request for a commitment is submitted.".

(c) Interest Rate on Notes.—The second sentence of section 202(a)(4)(B)(i) of the Housing Act of 1959 is amended to read as follows: "Such notes or other obligations shall bear interest at a rate determined by the Secretary of the Treasury taking into consideration the average yield, during the three-month period immediately preceding the fiscal year in which the loan is made, on the most recently issued 30-year marketable obligations of the United States.".

(d) Effective Date.—The provisions of subsections (b) and (c) of this section shall be effective on the date of enactment of this Act.

SEC. 223. HOUSING FOR THE HANDICAPPED.

(a) Findings and Purpose.—

(1) The Congress hereby finds that—

(A) housing for nonelderly handicapped families is assisted under section 202 of the Housing Act of 1959 and section 8 of the United States Housing Act of 1937;

(B) the housing programs under such sections are designed and implemented primarily to assist rental housing for elderly and nonelderly families and are often inappropriate for dealing with the specialized needs of the physically impaired, the developmentally disabled, and the chronically mentally ill;

(C) the development of housing for nonelderly handicapped families under such programs is often more expensive than necessary, thereby reducing the number of such families that can be assisted with available funds;

(D) the program under section 202 of the Housing Act of 1959 can continue to provide direct loans to finance group residences and independent apartments for nonelderly handicapped families, but can be made more efficient and less costly by the adoption of standards and procedures applicable only to housing for such families;

(E) the use of the program under section 8 of the United States Housing Act of 1937 to assist rentals for housing for nonelderly handicapped families is time consuming and unnecessarily costly and, in some areas of the Nation, prevents the development of such housing;

(F) the use of the program under section 8 of the United States Housing Act of 1937 to assist rentals for housing for nonelderly handicapped families should be replaced by a more appropriate subsidy mechanism;

(G) both elderly and handicapped housing projects assisted under section 202 of the Housing Act of 1959 will benefit from an increased emphasis on supportive services and a greater use of State and local funds; and

(H) an improved program for nonelderly handicapped families will assist in providing shelter and supportive services for mentally ill persons who might otherwise be homeless.

(2) The purpose of this section is to improve the direct loan program under section 202 of the Housing Act of 1959 to ensure that such program meets the special housing and related needs of nonelderly handicapped families.

(b) Housing for Handicapped Families.—

(1) Section 202(h) of the Housing Act of 1959 is amended to read as follows:

"(h)(1) Of the amounts made available in appropriation Acts for loans under subsection (a)(4)(C) for any fiscal year commencing after September 30, 1987, not less than 15 percent shall be available for loans for the development costs of housing for handicapped families. If the amount required for any such fiscal year for approvable applications for loan under this subsection is less than the amount available under this paragraph, the balance shall be made available for loans under other provisions of this section.

"(2) The Secretary shall take such actions as may be necessary to ensure that—

"(A) funds made available under this subsection will be used to support a variety of methods of meeting the needs primarily of nonelderly handicapped families by providing a variety of housing options, ranging from small group homes to independent living complexes; and

"(B) housing for handicapped families assisted under this subsection will provide families occupying units in such housing with an assured range of services specified in subsection (f), will provide such families with opportunities for optimal independent living and participation in normal daily activities, and will facilitate access by such families to the community at large and to suitable employment opportunities within such community.

"(3)(A) In allocating funds under this subsection, and in processing applications for loans under this section and assistance payments under paragraph (4), the Secretary shall adopt such distinct standards and procedures as the Secretary determines appropriate due to differences between housing for handicapped families and other housing assisted under this section.

"(B) The Secretary may, on a demonstration basis, determine the feasibility and desirability of reducing processing time and costs for housing for handicapped families by limiting project design to a small number of prototype designs. Any such demonstration shall be limited to the 3-year period following the date of enactment of the Housing and Community Development Act of 1987, may only involve projects whose sponsors consent to participation in such demonstration, and shall be described in a report submitted by the Secretary to the Congress following completion of such demonstration.

"(4)(A) The Secretary shall, to the extent approved in appropriation Acts, enter into contracts with owners of housing for handicapped families receiving loans under, or meeting the requirements of, this section to make monthly payments to cover any part of the costs attributed to units occupied (or, as approved by the Secretary, held for occupancy) by lower income families that is not met from project income. The annual contract amount for any project shall not exceed the sum of the initial annual project rentals for all units and any initial utility allowances for such units, as approved by the Secretary. Any contract amounts not used by a project in any year shall remain available to the project until the expiration of the contract. The term of a contract entered into under this subparagraph shall be 240 months. The annual contract amount may be adjusted by the Secretary if the sum of the project income and the amount of assistance payments available under this subparagraph are inadequate to provide for reasonable project costs. In the case of an intermediate care facility in which there reside families assisted under title XIX of the Social Security Act, project income under this subparagraph shall include the same amount as if such families were being assisted under title XVI of the Social Security Act.

"(B) The Secretary shall approve initial project rentals for any project assisted under this subsection based on the determination of the Secretary of the total actual necessary and reasonable costs of developing and operating the project, excluding the costs of the assured range of services under subsection (f), taking into consideration the need to contain costs to the extent practicable and consistent with the purposes of the project and this section.

"(C) The Secretary shall require that, during the term of each contract entered into under subparagraph (A), all units in a project assisted under this subsection shall be made available for occupancy by lower income families, as such term is defined in section 3(b)(2) of the United States Housing Act of 1937. The rent payment required of a lower income family shall be determined in accordance with section 3(a) of such Act, except that the gross income of a family occupying an intermediate care facility assisted under title XIX of the Social Security Act shall be the same amount as if the family were being assisted under title XVI of the Social Security Act.

"(D) The Secretary shall coordinate the processing of an application for a loan for housing for handicapped families under this section and the processing of an application for assistance payments under this paragraph for such housing.".

(2) Section 202(d) of the Housing Act of 1959 is amended by adding at the end thereof the following new paragraphs:

"(9) The term 'housing for handicapped families' means housing and related facilities to be occupied by handicapped families who are nonelderly handicapped families.

"(10) The term 'nonelderly handicapped families' means elderly or handicapped families, the head of which (and spouse, if any) is less than 62 years of age at the time of initial occupancy of a project assisted under this section.".

(3) Section 202(c)(3) of the Housing Act of 1959 is amended by inserting after "section" the following: "and designed for dwelling use by 12 or more elderly or handicapped families".

(c) Supportive Services for Elderly and Handicapped Families.—Section 202(f) of the Housing Act of 1959 is amended—

(1) by inserting "(1)" after the subsection designation; and

(2) by adding at the end thereof the following new paragraph:

"(2) Each applicant for a loan under this section for housing and related facilities shall submit with the application a supportive services plan describing—

"(A) the special needs of residents which such housing and facilities are intended to serve;

"(B) the range of necessary services to be provided to the families occupying such housing;

"(C) the manner in which such services will be provided to such families; and

"(D) the extent of State and local public and private funds available to assist in the provision of such services.".

(d) Termination of Section 8 Assistance.—On and after the first date that amounts approved in an appropriation Act for any fiscal year become available for contracts under section 202(h)(4)(A) of the Housing Act of 1959, as amended by subsection (b) of this section, no project for handicapped (primarily nonelderly) families approved for such fiscal year pursuant to section 202 of such Act shall be provided assistance payments under section 8 of the United States Housing Act of 1937, except pursuant to a reservation for a contract to make such assistance payments that was made before the first date that amounts for contracts under such section 202(h)(4)(A) became available.

(e) Implementation.—Not later than the expiration of the 120-day period following the date of enactment of this Act, the Secretary of Housing and Urban Development shall, to the extent amounts are approved in an appropriation Act for use under section 202(h)(4)(A) of the Housing Act of 1959 for fiscal year 1986, publish in the Federal Register a notice of fund availability to implement the provisions of, and amendments made by, this section. The Secretary shall issue such rules as may be necessary to carry out such provisions and amendments for fiscal year 1987 and thereafter.

(f) Effective Date and Applicability.—

(1) Except as otherwise provided in this section, the provisions of, and amendments made by, this section shall not apply with respect to projects with loans or loan reservations made under section 202 of the Housing Act of 1959 before the implementation date under subsection (e).

(2) Notwithstanding paragraph (1), the Secretary may apply the provisions of, and amendments made by, this section to any project in order to facilitate the development of such project in a timely manner.

SEC. 224. SECTION 235 HOMEOWNERSHIP PROGRAM.

Section 235(h)(1) of the National Housing Act is amended by adding at the end thereof the following: "After the date of enactment of the Housing and Community Development Act of 1987, the Secretary may insure mortgages and contract to make assistance payments in accordance with the fourth proviso under the heading 'Annual Contributions for Assisted Housing' in Public Law 99-160.".

SEC. 225. CONGREGATE SERVICES.

(a) Report.—Section 408(c) of the Congregate Housing Services Act of 1978 is amended to read as follows:

"(c) The Secretary shall contract with a university or qualified research institution to produce a report—

"(1) documenting the number of elderly living in federally assisted housing at risk of institutionalization;

"(2) studying and comparing alternative delivery systems in the States, including the Congregate Housing Services Program, to provide services to older persons in assisted congregate housing; and

"(3) assessing existing and potential financial resources at the Federal, State, and local levels for the support of congregate housing services.

The Secretary shall submit this report to the Congress not later than September 30, 1989.".

(b) Authorization.—Section 411(a) of such Act is amended to read as follows:

"(a) To carry out the provisions of this title, there are authorized to be appropriated—

"(1) not to exceed $7,000,000 for fiscal year 1988; and

"(2) not to exceed $13,000,000 for fiscal year 1989, of which not to exceed $2,000,000 shall be used to carry out the study on at risk population under section 408(c).".

SEC. 226. TENANT ELIGIBILITY DETERMINATIONS IN RENT SUPPLEMENT PROJECTS.

Section 101 of the Housing and Urban Development Act of 1965 is amended by—

(1) striking out the second sentence of subsection (e)(1); and

(2) striking out subsection (k) and inserting in lieu thereof the following:

"(k) In selecting individuals or families to be assisted under this section in accordance with the eligibility criteria and procedures established under subsection (e)(1) of this section, the project owner shall give preference to individuals or families who are occupying substandard housing, are paying more than 50 per centum of family income for rent, or are involuntarily displaced at the time they are seeking housing assistance under this section.".

TITLE III—RURAL HOUSING

SEC. 301. PROGRAM AUTHORIZATIONS.

(a) Insurance and Guarantee Authority.—Section 513(a)(1) of the Housing Act of 1949 is amended to read as follows:

"(a)(1) The Secretary may insure and guarantee loans under this title in an aggregate amount not to exceed $2,033,093,000 in each of the fiscal years 1988 and 1989 as follows:

"(A) For insured loans made under section 502 to borrowers receiving assistance under section 521(a)(1), the aggregate amount may not exceed $1,339,800,000 in each of the fiscal years 1988 and 1989.

"(B) For insured loans made under section 515, the aggregate amount may not exceed $669,900,000 in each of the fiscal years 1988 and 1989.

"(C) For insured loans made under section 514, the aggregate amount may not exceed $11,484,000 in each of the fiscal years 1988 and 1989.

"(D) For insured loans made under section 504, the aggregate amount may not exceed $11,335,000 in each of the fiscal years 1988 and 1989.

"(E) For insured loans made under section 524, the aggregate amount may not exceed $574,000 in each of the fiscal years 1988 and 1989.".

(b) Authorization of Appropriations.—Section 513(b) of the Housing Act of 1949 is amended to read as follows:

"(b) There are authorized to be appropriated for each of the fiscal years 1988 and 1989, and to remain available until expended—

"(1) for grants under section 504, $12,500,000;

"(2) for purposes of section 509(c), $713,000;

"(3) such sums as may be necessary to meet payments on notes or other obligations issued by the Secretary under section 511 equal to—

"(A) the aggregate of the contributions made by the Secretary in the form of credits on principal due on loans made pursuant to section 503; and

"(B) the interest due on a similar sum represented by notes or other obligations issued by the Secretary;

"(4) for financial assistance under section 516, $9,513,000;

"(5) for grants under section 523(f), $8,000,000;

"(6) for grants under section 533, $19,140,000; and

"(7) such sums as may be necessary for the Secretary to administer the provisions of sections 235 and 236 of the National Housing Act and section 8 of the United States Housing Act of 1937.".

(c) Rental Assistance Payment Contracts.—Section 513(c) of the Housing Act of 1949 is amended to read as follows:

"(c) The Secretary, to the extent approved in appropriation Acts, may enter into rental assistance payment contracts under section 521(a)(2)(A) aggregating $160,310,000 for each of the fiscal years 1988 and 1989. Such authority as is approved in appropriation Acts shall be used by the Secretary to renew rental assistance payment contracts that expire during such fiscal year and to make additional rental assistance payment contracts for existing or newly constructed dwelling units.".

SEC. 302. RURAL AREA CLASSIFICATION.

Section 520 of the Housing Act of 1949 is amended by striking out "September 30, 1987" in the last sentence and inserting in lieu thereof "September 30, 1989".

SEC. 303. MANUFACTURED HOUSING.

Section 502(e) is amended by adding at the end thereof the following:

"(3) A loan which may be made or insured under this section with respect to a manufactured home or a manufactured home and lot shall be repayable over the same period as would be applicable under section 2 of the National Housing Act.".

SEC. 304. AMENDMENT TO SECTION 502(d).

Section 502(d) of the Housing Act of 1949 is amended by adding at the end thereof the following:

"For the purpose of this subsection, the term 'very low-income families or persons' means those families or persons whose incomes do not exceed the respective levels established for very low-income families under the United States Housing Act of 1937, or those families and persons whose incomes do not exceed 50 per centum of the median income for all nonmetropolitan areas in the State.".

SEC. 305. LOAN PACKAGING BY NONPROFIT ORGANIZATIONS.

Section 501 of the Housing Act of 1949 is amended by adding at the end thereof the following new subsection:

"(h) For the purposes of this title, the term 'development cost' shall include the packaging of loan and grant applications and actions related thereto by public and private nonprofit organizations tax exempt under the Internal Revenue Code of 1986.".

SEC. 306. ESCROWING TAXES AND INSURANCE.

Section 501(e) of the Housing Act of 1949 is amended to read as follows:

"(e) The Secretary shall establish procedures whereby borrowers under this title are required to make periodic payments for the purpose of taxes, insurance, and other necessary expenses as the Secretary may deem appropriate. Notwithstanding any other provision of law, such payments shall not be considered public funds. The Secretary shall direct the disbursement of the funds at the appropriate time or times for the purposes for which the funds were escrowed. If the prepayments made by the borrower are not sufficient to pay the amount due, advances may be made by the Secretary to pay these costs in full, which advances shall be charged to the account of the borrower, bear interest, and be payable in a timely fashion as determined by the Secretary. The Secretary shall notify a borrower in writing when loan payments are delinquent.".

SEC. 307. CONFORMANCE WITH LOW-INCOME HOUSING TAX CREDIT ELIGIBILITY CRITERIA.

Section 515(o) of the Housing Act of 1949 is amended by adding at the end thereof the following:

"(4) In projects financed under this section, units which have been allocated a low-income housing tax credit by a housing credit agency pursuant to section 42 of the Internal Revenue Code of 1986 shall not be available for occupancy by persons or families other than persons or families with incomes not in excess of the qualifying income applicable to such units pursuant to subparagraph (A) or (B) of section 42(g)(1) of such Code, except when the Secretary determines that the continued vacancy of units which have been unoccupied for at least 6 months threatens the project's financial viability.".

TITLE IV—FAIR HOUSING DEMONSTRATION

SEC. 401. FAIR HOUSING INITIATIVES PROGRAM DEMONSTRATION.

(a) IN GENERAL.—The Secretary of Housing and Urban Development (hereafter referred to as the "Secretary") may make grants to, or (to the extent of amounts provided in appropriation Acts) enter into contracts or cooperative agreements with, State or local governments or their agencies, public or private nonprofit organizations or institutions, or other public or private entities that are formulating or carrying out programs to prevent or eliminate discriminatory housing practices, to develop, implement, carry out, or coordinate—

(1) programs or activities designed to obtain enforcement of the rights granted by title VIII of the Act of April 11, 1968 (commonly referred to as the Civil Rights Act of 1968), or by State or local laws that provide rights and remedies for alleged discriminatory housing practices that are substantially equivalent to the rights and remedies provided in such title VIII, through such appropriate judicial or administrative proceedings (including informal methods of conference, conciliation, and persuasion) as are available therefor; and

(2) education and outreach programs designed to inform the public concerning rights and obligations under the laws referred to in paragraph (1).

(b) PROGRAM ADMINISTRATION.—

(1) Not less than 30 days before providing a grant or entering into any contract or cooperative agreement to carry out activities authorized by this section, the Secretary shall submit notification of such proposed grant, contract, or cooperative agreement (including a description of the geographical distribution of such contracts) to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Banking, Finance and Urban Affairs of the House of Representatives.

(2) The Secretary shall provide to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Banking, Finance and Urban Affairs of the House of Representatives a quarterly report that summarizes the activities funded under this section and describes the geographical distribution of grants, contracts, or cooperative agreements funded under this section.

(c) REGULATIONS.—

(1) The Secretary shall issue such regulations as may be necessary to carry out the provisions of this section.

(2) Such regulations shall include provisions governing applications for assistance under this section, and shall require each such application to contain—

(A) a description of the assisted activities proposed to be undertaken by the applicant, together with the estimated costs and schedule for completion of such activities;

(B) a description of the experience of the applicant in formulating or carrying out programs to prevent or eliminate discriminatory housing practices;

(C) available information, including studies made by or available to the applicant, indicating the nature and extent of discriminatory housing practices occurring in the general location where the applicant proposes to conduct its assisted activities, and the relationship of such activities to such practices;

(D) an estimate of such other public or private resources as may be available to assist the proposed activities;

(E) a description of proposed procedures to be used by the applicant for monitoring conduct and evaluating results of the proposed activities; and

(F) any additional information required by the Secretary.

(3) The Secretary shall, for use during the demonstration authorized in this section, establish guidelines for testing activities funded under the private enforcement initiative of the fair housing initiatives program. The purpose of such guidelines shall be to ensure that investigations in support of fair housing enforcement efforts described in subsection (a)(1) shall develop credible and objective evidence of discriminatory housing practices. Such guidelines shall apply only to activities funded under this section, shall not be construed to limit or otherwise restrict the use of facts secured through testing not funded under this section in any legal proceeding under Federal fair housing laws, and shall not be used to restrict individuals or entities, including those participating in the fair housing initiatives program, from pursuing any right or remedy guaranteed by Federal law. Within 6 months of the close of the demonstration period authorized in this section, the Secretary shall submit to Congress the Secretary's evaluation of the effectiveness of such guidelines in achieving the purposes of this section.

(4) Regulations issued under this subsection shall not become effective prior to the expiration of 90 days after the Secretary transmits such regulations, in the form such regulations are intended to be published, to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Banking, Finance and Urban Affairs of the House of Representatives.

(5) The Secretary shall not obligate or expend any amount under this section before the effective date of the regulations required under this subsection.

(d) AUTHORIZATION OF APPROPRIATIONS.—

(1) There are authorized to be appropriated to carry out the provisions of this section, including any program evaluations, $5,000,000 for each of fiscal years 1988 and 1989, of which not more than $3,000,000 in each such fiscal year shall be for the private enforcement initiative demonstration.

(2) Any amounts appropriated under this section shall remain available until expended.

(e) SUNSET.—The demonstration period authorized by this section shall close on September 30, 1989.

TITLE V—NEHEMIAH HOUSING OPPORTUNITY GRANTS

SEC. 501. STATEMENT OF PURPOSE.

It is the purpose of this title—

(1) to encourage homeownership by families in the United States who are not otherwise able to afford homeownership;

(2) to undertake a concentrated effort to rebuild the depressed areas of the cities of the United States and to create sound and attractive neighborhoods; and

(3) to increase the employment of neighborhood residents.

SEC. 502. DEFINITIONS.

For purposes of this title:

(1) The term "Fund" means the Nehemiah Housing Opportunity Fund established in section 609(a).

(2) The term "home" means any 1- to 4-family dwelling. Such term includes any dwelling unit in a condominium project or cooperative project consisting of not more than 4 dwelling units, any town house, and any manufactured home.

(3) The term "lower income families" has the meaning given such term in section 3(b)(2) of the United States Housing Act of 1937.

(4) The term "metropolitan statistical area" means a metropolitan statistical area as established by the Office of Management and Budget.

(5) The term "nonprofit organization" means a private nonprofit corporation, or other private nonprofit legal entity, that is approved by the Secretary as to financial responsibility.

(6) The term "Secretary" means the Secretary of Housing and Urban Development.

(7) The term "State" means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Northern Mariana Islands, the Trust Territory of the Pacific Islands, and any other territory or possession of the United States.

(8) The term "substantial rehabilitation" means—

(A) rehabilitation involving costs in excess of 60 percent of the maximum sale price of a home assisted under this title in the market area in which it is located; or

(B) the rehabilitation of a vacant, uninhabitable structure.

(9) The term "unit of general local government" means any borough, city, county, parish, town, township, village, or other general purpose political subdivision of a State.

SEC. 503. ASSISTANCE TO NONPROFIT ORGANIZATIONS.

(a) In General.—The Secretary may provide assistance to nonprofit organizations to carry out Nehemiah housing opportunity programs in accordance with the provisions of this title. Such assistance shall be made in the form of grants.

(b) Applications.—Applications for assistance under this title shall be made in such form, and in accordance with such procedures, as the Secretary may prescribe.

SEC. 504. USE OF ASSISTANCE.

(a) In General.—Any nonprofit organization receiving assistance under this title shall use such assistance to provide loans to families purchasing homes constructed or substantially rehabilitated in accordance with a Nehemiah housing opportunity program approved under this title.

(b) Specific Requirements.—Each loan made to a family under this section shall—

(1) be secured by a second mortgage held by the Secretary on the property involved;

(2) be in an amount not exceeding $15,000;

(3) bear no interest; and

(4) be repayable to the Secretary upon the sale, lease, or other transfer of such property.

SEC. 505. PROGRAM REQUIREMENTS.

(a) In General.—Assistance provided under this title may be used only in connection with a Nehemiah housing opportunity program of construction or substantial rehabilitation of homes.

(b) Family Need.—Each family purchasing a home under this title shall—

(1) have a family income on the date of such purchase that is not more than whichever of the following is higher:

(A) the median income for a family of 4 persons in the metropolitan statistical area involved; or

(B) the national median income for a family of 4 persons; and

(2) not have owned a home during the 3-year period preceding such purchase.

(c) Downpayment.—

(1) Each family purchasing a home under this title shall make a downpayment of not less than 10 percent of the sale price of such home, or of such greater amount determined by the nonprofit organization involved to be appropriate.

(2) Any downpayment made under this subsection shall accrue interest from the date on which such downpayment is made through the date of settlement, at a rate not less than the passbook rate. Such interest shall be paid by the nonprofit organization involved to the family purchasing the home for which such downpayment was made.

(d) Leasing Prohibition.—No family purchasing a home under this title may lease such home.

SEC. 506. TERMS AND CONDITIONS OF ASSISTANCE.

(a) Local Consultation.—No proposed Nehemiah housing opportunity program may be approved by the Secretary under this title unless the nonprofit organization involved demonstrates to the satisfaction of the Secretary that—

(1) it has consulted with and received the support of residents of the neighborhood in which such program is to be located; and

(2) it has the approval of each unit of general local government in which such program is to be located.

(b) Program Schedule.—Each nonprofit organization applying for assistance under this title shall submit to the Secretary an estimated schedule for completion of its proposed Nehemiah housing opportunity program, which schedule shall have been agreed to by each unit of general local government in which such program is to be located.

(c) Minimum Participation.—No nonprofit organization receiving assistance under this title may commence any construction or substantial rehabilitation (except with respect to homes to be constructed or substantially rehabilitated for the purpose of display) until not less than 25 percent of the homes to be constructed or substantially rehabilitated are contracted for sale to purchasers who intend to live in such homes and the required downpayments are made.

(d) Financial Feasibility.—The Secretary may not provide any assistance under this title to any nonprofit organization unless such nonprofit organization demonstrates the financial feasibility of its proposed Nehemiah housing opportunity program, including the availability of non-Federal public and private funds.

(e) Home Quality and Location.—A Nehemiah housing opportunity program may be approved under this title only if it provides that—

(1) the number of homes to be constructed or substantially rehabilitated under such program will not be less than whichever of the following is less:

(A) the greater of (i) 50 homes; or (ii) 0.25 percent of the number of existing dwelling units in the unit of general local government that provides the most assistance to such program; or

(B) 250 homes;

(2) each home constructed or substantially rehabilitated under such program will comply with—

(A)(i) applicable local building code standards;

(ii) in any case in which there is not an applicable local building code, a nationally recognized model building code mutually agreed upon by the sponsoring nonprofit organization and the Secretary; or

(iii) in the case of a manufactured home, the standards prescribed pursuant to title VI of the Housing and Community Development Act of 1974 and the installation, structural, and site requirements that would apply under title II of the National Housing Act; and

(B) the energy performance requirements established under section 526 of the National Housing Act or in the case of manufactured housing, the energy conservation requirements prescribed in accordance with section 203(b) of the National Housing Act;

(3) all homes constructed or substantially rehabilitated under such program will be located in census tracts, or identifiable neighborhoods within census tracts, in which the median family income is not more than 80 percent of the median family income of the area in which such program is to be located, as such median family income and area are determined for purposes of assistance under section 8 of the United States Housing Act of 1937;

(4) all homes constructed or substantially rehabilitated under such program will be concentrated in a single neighborhood and located on contiguous parcels of land, except that if the unit of general local government in which the project is located certifies that such land cannot be made available for a program of the size required by paragraph (1), homes may be constructed in a single identifiable neighborhood if the program provides for construction or substantial rehabilitation of homes on not less than 20 percent of the lots in such neighborhood; and

(5) sales contracts entered into under such program will contain provisions requiring repayment of any loan made under this title upon the sale or other transfer of the home involved, unless the Secretary approves a transfer of such home without repayment (in which case the second mortgage held by the Secretary on such home shall remain in force until such loan is fully repaid).

SEC. 507. PROGRAM SELECTION CRITERIA.

(a) In General.—In selecting Nehemiah housing opportunity programs for assistance under this title from among eligible programs, the Secretary shall make such selection on the basis of the extent to which—

(1) non-Federal public or private entities will contribute land necessary to make each program feasible;

(2) non-Federal public and private financial or other contributions (including tax abatements, waivers of fees related to development, waivers of construction, development, or zoning requirements, and direct financial contributions) will reduce the cost of homes constructed or substantially rehabilitated under each program;

(3) each program will produce the greatest number of units for the least amount of assistance provided under this title, taking into consideration the cost differences among different market areas;

(4) each program is located in a neighborhood of severe physical and economic blight (and, in determining the degree of physical blight, the Secretary shall consider the condition of the housing, other buildings, and infrastructure, in the neighborhood of the proposed program);

(5) each program uses construction methods that will reduce the cost per square foot below the average construction cost in the market area involved; and

(6) each program provides for the involvement of local residents in the planning, and construction or substantial rehabilitation, of homes.

(b) Exception.—To the extent that non-Federal public entities are prohibited by the law of any State from making any form of contribution described in paragraph (1) or (2) of subsection (a), the Secretary shall not consider such form of contribution in evaluating such program.

SEC. 508. DISTRIBUTION OF ASSISTANCE TO NONPROFIT ORGANIZATIONS.

(a) Reservation of Amounts.—Following the selection of any Nehemiah housing opportunity program for assistance under this title, the Secretary shall reserve sufficient amounts in the Nehemiah Housing Opportunity Fund for such assistance.

(b) Distribution of Assistance.—Following the sale of any home constructed or substantially rehabilitated under a Nehemiah housing opportunity program selected for assistance under this title, the Secretary shall provide to the sponsoring nonprofit organization an amount equal to the amount of the loan made to the family purchasing such home. Such amount shall be provided not more than 30 days after the sale of such home.

(c) MAXIMUM ASSISTANCE.—The assistance provided to any nonprofit organization under this title may not exceed $15,000 per home.

SEC. 509. NEHEMIAH HOUSING OPPORTUNITY FUND.

(a) ESTABLISHMENT.—There hereby is established in the Treasury of the United States a revolving fund, to be known as the Nehemiah Housing Opportunity Fund. The Fund shall be available to the Secretary, to the extent approved in appropriation Acts, for purposes of providing assistance under section 503.

(b) ASSETS.—The Fund shall consist of—

(1) any amount appropriated under section 512;

(2) any amount received by the Secretary under section 504(b)(4); and

(3) any amount received by the Secretary under subsection (c).

(c) ADMINISTRATION.—Any amount in the Fund determined by the Secretary to be in excess of the amount currently required to carry out the provisions of this title shall be invested by the Secretary in obligations of, or obligations guaranteed as to both principal and interest by, the United States or any agency of the United States.

SEC. 510. ANNUAL REPORT.

The Secretary shall annually prepare and submit to the Congress a comprehensive report setting forth the activities carried out under this title. Such report shall include—

(1) an analysis of the characteristics of the families assisted under this title during the preceding year, including family size, number of children, family income, sources of family income, race, age, and sex;

(2) an analysis of the market value of homes purchased under this title during the preceding year;

(3) an analysis of the non-Federal public and private financial or other contributions made during the preceding year to reduce the cost of homes constructed or substantially rehabilitated under each program;

(4) an analysis of the sales prices of homes under this title during the preceding year;

(5) an analysis of the amounts of the grants made to programs under this title during the preceding year; and

(6) any recommendations of the Secretary for modifications in the program established by this title in order to ensure the effective implementation of such program.

SEC. 511. REGULATIONS.

The Secretary shall issue such regulations as may be necessary to carry out the provisions of this title. Any such regulations shall be issued in accordance with section 553 of title 5, United States Code, notwithstanding the provisions of subsection (a)(2) of such section.

SEC. 512. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to carry out this title such sums as may be necessary for fiscal years 1988 and 1989. Any amount appropriated under this section shall be deposited in the Nehemiah Housing Opportunity Fund, and shall remain available until expended.

MOTION OFFERED BY MR. GONZALEZ

Mr. GONZALEZ. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. GONZALEZ moves to strike all after the enacting clause of the Senate bill, S. 825, and to insert the text of the House bill, H.R. 4, as passed by the House, as follows:

SECTION 1. SHORT TITLE AND TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Housing, Community Development, and Homelessness Prevention Act of 1987".

(b) TABLE OF CONTENTS.—

Sec. 1. Short title.
Sec. 2. Findings and purpose.
Sec. 3. Budget compliance.

TITLE I—HOUSING ASSISTANCE

Subtitle A—Programs Under United States Housing Act of 1937

PART 1—GENERAL PROVISIONS

Sec. 101. Lower income housing authorization.
Sec. 102. Tenant rental contributions.
Sec. 103. Income eligibility for assisted housing.

PART 2—PUBLIC HOUSING

Sec. 111. Public housing management simplification.
Sec. 112. Discretionary preference for near elderly families in public housing projects designed for the elderly.
Sec. 113. Grants for public housing development.
Sec. 114. Limitation on public housing development and assurance of public housing quality standards.
Sec. 115. Limitation on recapture of funding reservations.
Sec. 116. Indian public housing.
Sec. 117. Location of acquired housing.
Sec. 118. Public housing evictions due to nonpayment of rent.
Sec. 119. Public housing grievance procedures.
Sec. 120. Public housing child care grants.
Sec. 121. Payments for operation of lower income housing projects.
Sec. 122. Grants for comprehensive improvement assistance.
Sec. 123. Public housing demolition and disposition.
Sec. 124. Public housing comprehensive grants.
Sec. 125. Public housing resident management.
Sec. 126. Public housing homeownership and management opportunities.
Sec. 127. Treatment of certain public housing development funds.
Sec. 128. Energy efficient public housing demonstration.
Sec. 129. Public housing comprehensive transition demonstration.

PART 3—SECTION 8 ASSISTANCE AND OTHER PROGRAMS

Sec. 141. Section 8 contracts for existing dwelling units.
Sec. 142. Section 8 fair market rentals and contract rents.
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Sec. 144. Administrative fees for section 8 certificate and housing voucher programs.
Sec. 145. Portability of section 8 certificates and vouchers.
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Sec. 163. Acquisition of insured multifamily housing projects.
Sec. 164. Tenant participation in multifamily housing projects.
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Subtitle C—Multifamily Housing Preservation Loans

Sec. 171. Purpose.
Sec. 172. Definitions.
Sec. 173. Authority to provide loans.
Sec. 174. Eligibility for loans.
Sec. 175. Amount and conditions of loans.
Sec. 176. Multifamily Housing Preservation Fund.
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Sec. 178. Funding.

Subtitle D—Other Housing Assistance Programs

Sec. 181. Housing for the elderly and handicapped.
Sec. 182. Housing for the handicapped.
Sec. 183. Section 235 homeownership program.
Sec. 184. Congregate services.
Sec. 185. Procedures and policies for mandatory meal programs in assisted housing for the elderly.
Sec. 186. Modification of restriction on use of assisted housing by aliens.
Sec. 187. Preventing fraud and abuse in Department of Housing and Urban Development programs.
Sec. 188. Energy conservation in assisted housing.
Sec. 189. Annual report on characteristics of families in assisted housing.
Sec. 190. Use of certain excess rental charges for assistance for troubled multifamily housing projects.
Sec. 191. Housing demonstration project.
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Sec. 193. Exclusion of housing assistance as income.
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Sec. 196. Emergency homeownership counseling.
Sec. 197. Housing assistance technical amendments.

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Sec. 203. Definition of very low-income families.
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TITLE VII—BUDGET ENFORCEMENT

Sec. 701. Enforcement provisions.
Sec. 702. Definitions.

SEC. 2. FINDINGS AND PURPOSE.

(a) FINDINGS.—The Congress finds that—

(1) for the past 50 years, the Federal Government has taken the leading role in enabling the people of the Nation to be the best housed in the world, and recent reductions in Federal assistance have contributed to a deepening housing crisis for low- and moderate-income families;

(2) the efforts of the Federal Government have included a system of specialized lending institutions, favorable tax policies, construction assistance, mortgage insurance, loan guarantees, secondary markets, and interest and rental subsidies, that have enabled people to rent or buy affordable, decent, safe, and sanitary housing; and

(3) the tragedy of homelessness in urban and suburban communities across the Nation, involving a record number of people, dramatically demonstrates the lack of affordable residential shelter, and people living on the economic margins of our society (lower income families, the elderly, the working poor, and the deinstitutionalized) have few available alternatives for shelter.

(b) PURPOSE.—The purpose of this Act, therefore, is—

(1) to reaffirm the principle that decent and affordable shelter is a basic necessity, and the general welfare of the Nation and the health and living standards of its people require the addition of new housing units to remedy a serious shortage of housing units for all Americans, particularly for persons of low and moderate income;

(2) to make the distribution of direct and indirect housing assistance more equitable by providing Federal assistance for the less affluent people of the Nation;

(3) to provide needed housing assistance for homeless people and for persons of low and moderate income who lack affordable, decent, safe, and sanitary housing; and

(4) to reform existing programs to ensure that such assistance is delivered in the most efficient manner possible.

SEC. 3. BUDGET COMPLIANCE.

(a) IN GENERAL.—This Act and the amendments made by this Act may not be construed to provide for new budget authority, budget outlays, or new entitlement authority, for fiscal year 1988 in excess of the appropriate aggregate levels established by the concurrent resolution on the budget for such fiscal year for the programs authorized by this Act and the amendments made by this Act.

(b) DEFINITIONS.—For purposes of this section, the terms "budget authority", "budget outlays", "concurrent resolution on the budget", and "entitlement authority" have the meanings given such terms in section 3 of the Congressional Budget Act of 1974 (2 U.S.C. 622).

TITLE I—HOUSING ASSISTANCE

Subtitle A—Programs Under United States Housing Act of 1937

PART 1—GENERAL PROVISIONS

SEC. 101. LOWER INCOME HOUSING AUTHORIZATION.

(a) AGGREGATE BUDGET AUTHORITY.—Section 5(c)(6) of the United States Housing Act of 1937 is amended by adding at the end the following new sentence: "The aggregate amount of budget authority that may be obligated for contracts for annual contributions for assistance under section 8, for contracts referred to in paragraph (7)(A)(iv), and for grants for public housing and comprehensive improvement assistance, is increased (to the extent approved in appropriation Acts) by $7,813,118,050 on October 1, 1987.".

(b) UTILIZATION OF BUDGET AUTHORITY.—Section 5(c)(7) of the United States Housing Act of 1937 is amended to read as follows:

"(7)(A) Using the additional budget authority provided under paragraph (6) and the balances of budget authority that become available during fiscal year 1988, the Secretary shall, to the extent approved in appropriations Acts, reserve authority to enter into obligations aggregating—

"(i) for public housing grants under subsection (a)(2), $481,312,000, of which amount $144,697,000 shall be available for Indian housing;

"(ii) for assistance under section 8(b)(1), $3,238,096,050;

"(iii) for assistance under section 8(e)(2), $400,925,000;

"(iv) for assistance under section 8 in connection with projects developed under section 202 of the Housing Act of 1959, $1,681,323,000;

"(v) for comprehensive improvement assistance grants under section 14(k), $1,500,000,000;

"(vi) for assistance under section 8 for property disposition, $315,660,000; and

"(vii) for assistance under section 8 for loan management, $195,802,000.

"(B)(i) Any amount available for Indian housing under subsection (a) that is recaptured may be used only for such housing.

"(ii) Any amount available for the conversion of a project to assistance under section 8(b)(1), if not required for such purpose, shall be used for assistance under section 8(b)(1).

"(iii) Any amount available for assistance under section 8 for property disposition, if not required for such purpose, shall be used for assistance under section 8(b)(1).".

SEC. 102. TENANT RENTAL CONTRIBUTIONS.

(a) ECONOMIC RENT.—Section 3(a) of the United States Housing Act of 1937 is amended—

(1) by inserting "(1)" after "(a)";

(2) in the last sentence, by striking "A" and inserting the following: "Except as provided in paragraph (2), a";

(3) by redesignating paragraphs (1) through (3) as subparagraphs (A) through (C), respectively; and

(4) by adding at the end the following new paragraph:

"(2)(A) Any public housing agency may provide that each family residing in a public housing project owned and operated by such agency (or in lower income housing assisted under section 8 that contains more than 2,000 dwelling units) shall pay as monthly rent for not more than a 5-year period an amount determined by such agency to be appropriate that does not exceed a maximum amount that—

"(i) is established by such agency and approved by the Secretary;

"(ii) is not more than the amount payable as rent by such family under paragraph (1); and

"(iii) is not less than the average monthly amount of debt service and operating expenses attributable to dwelling units of similar size in public housing projects owned and operated by such agency.

"(B) The 5-year limitation established in subparagraph (A) shall not apply to any family residing in a public housing project administered by an Indian public housing agency.".

(b) ADJUSTED INCOME.—

(1) Section 3(b)(5) of the United States Housing Act of 1937 is amended—

(A) by striking "and" at the end of subparagraph (C);

(B) by striking the period at the end of subparagraph (D) and inserting "; and"; and

(C) by adding at the end the following new subparagraph:

"(E) 10 percent of the earned income of the family, in the case of a family in which any member pays taxes imposed under chapter 2 or 21 of the Internal Revenue Code of 1986.".

(2) The amendments made by this subsection shall become effective on the date of the enactment of this Act, or October 1, 1987, whichever occurs later.

(c) UTILITY ALLOWANCE.—

(1) Section 3(c) of the United States Housing Act of 1937 is amended by adding at the end the following new paragraph:

"(4) The term 'rent' means—

"(A) the amount payable by a family to a public housing agency for shelter; and

"(B) in any case in which a family is required to make a separate payment to a public housing agency or a utility supplier based on actual utility consumption, an allowance established annually based on actual utility consumption (excluding telephone service) for each size and type of dwelling unit.".

(2) Section 3(a) of the United States Housing Act of 1937 (as amended by subsection (a) of this section) is further amended by adding at the end the following new paragraph:

"(3) In return for the payment made pursuant to this subsection, the family shall be entitled to receive housing, including all necessary appurtenances, equipment and services, and reasonable use of utilities (excluding telephone). The allowance for reasonable use of utilities shall be established annually based upon actual utility consumption for each size and type of dwelling units, but shall exclude unreasonable or wasteful usage. If a family is required to make a separate payment to a utility supplier for utility consumption, the allowance for reasonable use of such utilities shall be deducted from the rent payable by the family as computed under paragraph (1).".

(d) RENT PHASE-IN.—Section 3 of the United States Housing Act of 1937 is amend-

ed by adding at the end the following new subsection:

"(d) In any case in which the obtaining of employment by a resident of a dwelling unit assisted under this Act will result in an increase in the rent payable by the family of such resident under subsection (a), the public housing agency involved (or the Secretary, if no public housing agency is involved) shall provide for a gradual increase in such rent to the full amount during a period of not more than 6 months.".

(e) REDUCTION OF RENTAL PAYMENTS FOR ELDERLY FAMILIES.—Section 3(a)(1)(A) of the United States Housing Act of 1937 (as so redesignated by subsection (a) of this section) is amended by inserting before the semicolon at the end the following: "(25 percent in the case of an elderly family)".

SEC. 103. INCOME ELIGIBILITY FOR ASSISTED HOUSING.

Section 16 of the United States Housing Act of 1937 is amended to read as follows:

"INCOME ELIGIBILITY FOR ASSISTED HOUSING

"SEC. 16. Of the aggregate dwelling units that are available for occupancy under public housing annual contributions contracts and section 8 housing assistance payments contracts under this Act, 25 percent may be available for leasing by lower income families other than very low-income families.".

PART 2—PUBLIC HOUSING

SEC. 111. PUBLIC HOUSING MANAGEMENT SIMPLIFICATION.

Section 2 of the United States Housing Act of 1937 is amended—

(1) by inserting "(a)" after the section designation; and

(2) by adding at the end the following new subsection:

"(b)(1) To encourage efficient and effective administration of public housing by public housing agencies, to increase the amount of responsibility of these agencies for administering their public housing, and to minimize Federal involvement in the administration of public housing, the Secretary shall establish a system under which public housing agencies (following consultation with tenants and tenants organizations) are permitted to certify compliance with—

"(A) voluntary professional performance standards established by the public housing profession for certifying public housing agencies as efficient and well managed; and

"(B) other requirements established by the Secretary for purposes of substantially simplifying the procedure for receiving assistance under section 9 or 14 of the United States Housing Act of 1937.

"(2) The provisions of paragraph (1) shall not apply if—

"(A) the Secretary determines that there is a reasonable basis to conclude that prior review and approval of one or more specific activities is necessary to ensure efficient and effective conduct of the activity throughout the program;

"(B) the Secretary determines that there is a reasonable basis to conclude that prior review and approval is necessary with respect to a particular public housing agency due to such factors as its inexperience or poor performance in carrying out the same or related activities; or

"(C) prior review or approval by the Secretary is required by law.".

SEC. 112. DISCRETIONARY PREFERENCE FOR NEAR ELDERLY FAMILIES IN PUBLIC HOUSING PROJECTS DESIGNED FOR THE ELDERLY.

Section 3(b)(3) of the United States Housing Act of 1937 is amended to read as follows:

"(3)(A) The term 'families' includes families consisting of a single person in the case of—

"(i) a person who is at least 62 years of age, is under a disability (as defined in section 223 of the Social Security Act or in section 102 of the Developmental Disabilities Assistance and Bill of Rights Act), or is handicapped;

"(ii) a displaced person;

"(iii) the remaining member of a tenant family; and

"(iv) other single persons in circumstances described in regulations of the Secretary.

"(B) Not more than 15 percent of the units under the jurisdiction of any public housing agency shall be occupied by single persons referred to in subparagraph (A)(iv). The Secretary may increase this limitation to not more than 30 percent if, following consultation with the public housing agency involved, the Secretary determines that—

"(i) the dwelling units involved are neither being occupied, nor are likely to be occupied within the next 12 months, by families or persons described in clauses (i), (ii), and (iii) of subparagraph (A), due to the condition or location of the dwelling units; and

"(ii) the dwelling units may be occupied if made available to single persons referred to in subparagraph (A)(iv).

In determining priority for admission to housing under this Act, the Secretary shall give preference to single persons who are elderly, handicapped, or displaced before those referred to in subparagraph (A)(iv).

"(C) In determining priority for admission to public housing projects designed for elderly families, the public housing agency shall give preference to such families. When the public housing agency determines (in accordance with regulations of the Secretary) that there are insufficient numbers of elderly families to fill all the units in such a project, the agency may give preference to families in which the head of household (or spouse) is at least 50 years of age but below the age of 62 before those in which the head of household and spouse, if any, are below the age of 50.

"(D) For purposes of this Act:

"(i) The term 'elderly families' means families whose heads (or their spouses), or whose sole members, are persons described in subparagraph (A)(i). The term 'elderly families' includes 2 or more elderly, disabled, or handicapped individuals living together, or 1 or more such individuals living with 1 or more persons determined under regulations of the Secretary to be essential to their care or well-being.

"(ii) A person shall be considered 'handicapped' if he or she is determined, pursuant to regulations of the Secretary, to have an impairment that is expected to be of long-continued and indefinite duration, substantially impedes such person's ability to live independently, and is of such a nature that such ability could be improved by more suitable housing conditions.

"(iii) The term 'displaced person' means a person displaced by governmental action, or a person whose dwelling has been extensively damaged or destroyed as a result of a disaster declared or otherwise formally recognized pursuant to Federal disaster relief laws.".

SEC. 113. GRANTS FOR PUBLIC HOUSING DEVELOPMENT.

(a) AUTHORITY TO PROVIDE GRANTS.—Section 5(a) of the United States Housing Act of 1937 is amended to read as follows:

"(a)(1) The Secretary may make annual contributions to public housing agencies to assist in achieving and maintaining the lower income character of their projects. The Secretary shall embody the provisions for such annual contributions in a contract guaranteeing their payment. The contribution payable annually under this section shall in no case exceed a sum equal to the annual amount of principal and interest payable on obligations issued by the public housing agency to finance the development or acquisition cost of the lower income project involved. Annual contributions payable under this section shall be pledged, if the Secretary so requires, as security for obligations issued by a public housing agency to assist the development or acquisition of the project to which annual contributions relate and shall be paid over a period not to exceed 40 years.

"(2) The Secretary may make contributions (in the form of grants) to public housing agencies to cover the development cost of public housing projects. The contract under which such contributions shall be made shall specify the amount of capital contributions required for each project to which the contract pertains, and that the terms and conditions of such contract shall remain in effect for a 40-year period.

"(3) The amount of contributions that would be established for a newly constructed project by a public housing agency designed to accommodate a number of families of a given size and kind may be established under this section for a project by such public housing agency that would provide housing for the comparable number, sizes, and kinds of families through the acquisition and rehabilitation, or use under lease, of structures that are suitable for lower income housing use and obtained in the local market.".

(b) CONFORMING AMENDMENTS.—

(1) Section 5 of the United States Housing Act of 1937 is amended—

(A) by striking "ANNUAL" in the section heading; and

(B) by striking "annual" in subsection (e)(2).

(2) Section 6 of the United States Housing Act of 1937 is amended by striking "annual" the first place it appears in the first sentence of subsection (g), and each place it appears in subsection (d) and the first sentence of each of subsections (a) and (c).

(3) Section 7 of the United States Housing Act of 1937 is amended by striking "annual" in the proviso in the first sentence.

(4) Section 9(a)(2) of the United States Housing Act of 1937 is amended—

(A) by striking "being assisted by an annual contributions contract authorized by section 5(c)" and inserting the following: "one developed pursuant to a contributions contract authorized by section 5"; and

(B) by striking "any such annual" and inserting "any such".

(5) Section 12 of the United States Housing Act of 1937 is amended by striking "annual".

(6) Section 14 of the United States Housing Act of 1937 is amended—

(A) by striking "receive assistance under section 5(c)" in subsection (c)(2) and inserting "assisted under section 5"; and

(B) by striking "annual" in each of paragraphs (2) and (4)(C) of subsection (d).

(7) Section 15 of the United States Housing Act of 1937 is amended by striking "with loans or debt service annual contributions" in clause (2).

(8) Section 18(c) of the United States Housing Act of 1937 is amended by striking "annual contributions authorized under section 5(c)" and inserting "contributions authorized under section 5".

SEC. 114. LIMITATION ON PUBLIC HOUSING DEVELOPMENT AND ASSURANCE OF PUBLIC HOUSING QUALITY STANDARDS.

Section 5 of the United States Housing Act of 1937 is amended by adding at the end the following new subsection:

"(j)(1) After September 30, 1987, in providing assistance under this Act to a public housing agency for public housing (other than for Indian families), the Secretary shall reserve funds for the development of public housing only if—

"(A) the Secretary determines that additional amounts are required to complete the development of dwelling units for which amounts are obligated on or before such date;

"(B) the public housing agency certifies to the Secretary that 85 percent of the public housing dwelling units of the public housing agency—

"(i) are maintained in substantial compliance with the housing quality standards established by the Secretary under section 8(o)(6);

"(ii) will be so maintained upon completion of modernization for which funding has been awarded; or

"(iii) will be so maintained upon completion of modernization for which applications are pending that have been submitted in good faith under section 14 or 20 (or a comparable State or local government program) and that there is a reasonable expectation, as determined by the Secretary in writing, that the applications would be approved;

"(C) the public housing agency certifies that such development—

"(i) will replace dwelling units that are disposed of or demolished by the public housing agency, including dwelling units disposed of or lost through sale to tenants or through units redesign; or

"(ii) is required to comply with court orders or directions of the Secretary;

"(D) the public housing agency certifies that it has demands for family housing not satisfied by the rental assistance programs established in subsection (b) or (o) of section 8 for which it plans to construct or acquire projects of not more than 100 units; or

"(E) the Secretary makes such reservation under paragraph (2).

"(2) Notwithstanding any other provision of law, not more than 20 percent of the funds appropriated for development of public housing also may be committed by the Secretary for the substantial redesign, reconstruction, or redevelopment of existing public housing projects or units, which work shall be carried out pursuant to the rules and regulations applicable to the development of public housing.".

SEC. 115. LIMITATION ON RECAPTURE OF FUNDING RESERVATIONS.

Section 5 of the United States Housing Act of 1937 (as amended by section 114 of this Act) is further amended by adding at the end the following new subsection:

"(k) After the reservation of public housing development funds to a public housing agency, the Secretary may not recapture any of the amounts included in such reservation due to the failure of a public housing agency to begin construction or rehabilitation, or to complete acquisition, during the 30-month period following the date of such reservation. During such 30-month period, the public housing agency shall be permitted to change the site of the public housing project or reformulate the project, if not less than the original number of dwelling units are to be constructed, rehabilitated, or acquired. There shall be excluded from the computation of such 30-month period any delay in the beginning of construction or rehabilitation of such project caused by (1) the failure of the Secretary to process such project within a reasonable period of time; (2) any environmental review requirement; (3) any legal action affecting such project; or (4) any other factor beyond the control of the public housing agency.".

SEC. 116. INDIAN PUBLIC HOUSING.

Section 5 of the United States Housing Act of 1937 is amended by adding at the end the following new subsection:

"(l) The Secretary may not use as a criterion for distributing assistance under this section the progress made by an Indian public housing agency in collecting rents owed by tenants.".

SEC. 117. LOCATION OF ACQUIRED HOUSING.

Section 6(h) of the United States Housing Act of 1937 is amended—

(1) by inserting before "is" the following: "in the neighborhood where the public housing agency determines the housing is needed"; and

(2) by inserting "in such neighborhood" after "rehabilitation".

SEC. 118. PUBLIC HOUSING EVICTIONS DUE TO NONPAYMENT OF RENT.

(a) REVIEW AND NOTIFICATION REQUIREMENTS.—Section 6(c)(4)(B) of the United States Housing Act of 1937 is amended by striking the semicolon at the end and inserting the following: ", except that, before a public housing agency may issue a pretermination notice to a tenant for nonpayment of rent, the public housing agency shall—

"(i) review the situation of the tenant and verify that the rent charged to, and the subsidy provided on behalf of, the tenant have been accurately computed and assessed;

"(ii) inform the tenant of agencies providing housing counseling services to tenants;

"(iii) notify the tenant of any rental or relocation assistance that may be available from other sources; and

"(iv) inform the tenant of the availability of other housing or emergency shelter, if the tenant would otherwise become homeless;".

(b) REGULATIONS.—The Secretary of Housing and Urban Development shall, not later than 90 days after the date of the enactment of this Act, issue regulations to carry out the amendments made by this section.

SEC. 119. PUBLIC HOUSING GRIEVANCE PROCEDURES.

Section 6(k) of the United States Housing Act of 1937 is amended by inserting "or failure to act" after "action" each place it appears.

SEC. 120. PUBLIC HOUSING CHILD CARE GRANTS.

(a) PROGRAM AUTHORITY.—

(1) The Secretary of Housing and Urban Development shall, to the extent approved in appropriation Acts, carry out a demonstration program of making grants to nonprofit organizations to assist such organizations in providing child care services in lower income housing projects for lower income families who reside in public housing.

(2) The Secretary shall design the program described in paragraph (1) to determine the extent to which the availability of child care services in lower income housing projects facilitates the employability of the parents or guardians of children residing in public housing.

(3) The program described in paragraph (1) shall be in addition to any demonstration program carried out under section 222 of the Housing and Urban-Rural Recovery Act of 1983.

(b) ELIGIBILITY FOR ASSISTANCE.—The Secretary may make a grant to a nonprofit organization for child care services in a lower income housing project only if—

(1) prior to receipt of assistance under this section, a child care services program is not in operation in the project;

(2) the public housing agency agrees to provide suitable facilities for the provision of child care services;

(3) the child care services program in the project will serve preschool children during the day, school children after school, or both, in order to permit the parents or guardians of such children to obtain, retain, or train for employment;

(4) the child care services program in the project is designed, to the extent practicable, to involve the participation of the parents of children benefiting from such program;

(5) the child care services program in the project is designed, to the extent practicable, to employ in part-time positions elderly individuals who reside in the lower income housing project involved; and

(6) the child care services program in the project complies with all applicable State and local laws, regulations, and ordinances.

(c) ALLOCATION OF ASSISTANCE.—In providing grants under this section, the Secretary shall—

(1) give priority to nonprofit organizations providing child care services in lower income housing projects in which reside the largest number of preschool and school children of lower income families;

(2) seek to ensure a reasonable distribution of such grants between urban and rural areas and among nonprofit organizations providing child care services in lower income housing projects of varying sizes; and

(3) seek to provide such grants to the largest number of nonprofit organizations practicable, considering the amount of funds available under this section and the financial requirements of the particular child care services programs to be established in the lower income housing projects for which applications are submitted under this section.

(d) ADMINISTRATIVE PROVISIONS.—

(1) Applications for grants under this section shall be made by nonprofit organizations (in consultation with public housing agencies) in such form, and according to such procedures, as the Secretary may prescribe.

(2) Any nonprofit organization receiving a grant under this section may use such grant only for operating expenses and minor renovations of facilities necessary to the provision of child care services under this section.

(3) The Secretary shall conduct periodic evaluations of each child care services program assisted under this section for purposes of—

(A) determining the effectiveness of such program in providing child care services and permitting the parents or guardians of children residing in public housing to obtain, retain, or train for employment; and

(B) ensuring compliance with the provisions of this section.

(4) No provision of this section may be construed to authorize the Secretary to establish any health, safety, educational, or other standards with respect to child care services or facilities assisted with grants received under this section. Such services and facilities shall comply with all applicable State and local laws, regulations, and ordinances, and all requirements established by the Secretary of Health and Human Services for child care services and facilities.

(e) Report to Congress.—Not later than the expiration of the 3-year period following the date of the enactment of this Act, the Secretary shall prepare and submit to the Congress a detailed report setting forth the findings and conclusions of the Secretary as a result of carrying out the demonstration program established in this section. Such report shall include any recommendations of the Secretary with respect to the establishment of a permanent program of assisting child care services in lower income housing projects.

(f) Definitions.—For purposes of this section:

(1) The term "lower income families" has the meaning given such term in section 3(b)(2) of the United States Housing Act of 1937.

(2) The terms "lower income housing project" and "public housing" have the meanings given such terms in section 3(b)(1) of the United States Housing Act of 1937.

(3) The term "public housing agency" has the meaning given such term in section 3(b)(6) of the United States Housing Act of 1937.

(4) The term "Secretary" means the Secretary of Housing and Urban Development.

(g) Authorization of Appropriations.—There is authorized to be appropriated to carry out the provisions of this section $5,000,000 for fiscal year 1988. Any amount appropriated under this subsection shall remain available until expended.

SEC. 121. PAYMENTS FOR OPERATION OF LOWER INCOME HOUSING PROJECTS.

(a) Performance Funding System.—Section 9(a) of the United States Housing Act of 1937 is amended—

(1) by striking the last sentence of paragraph (1); and

(2) by adding at the end the following new paragraph:

"(3)(A) For purposes of making payments under this section, the Secretary shall utilize a performance funding system that is substantially based on the system defined in regulations and in effect on the date of the enactment of the Housing, Community Development, and Homelessness Prevention Act of 1987 (as modified by this paragraph), and that establishes standards for costs of operation and reasonable projections of income, taking into account the character and location of the project and the characteristics of the families served, in accordance with a formula representing the operations of a prototype well-managed project. Such performance funding system shall be established in consultation with public housing agencies and their associations, be contained in a regulation promulgated by the Secretary prior to the start of any fiscal year to which it applies, and remain in effect for the duration of such fiscal year without change.

"(B) Under the performance funding system established under this paragraph—

"(i) in the first year that the reductions occur, any public housing agency shall share equally with the Secretary any cost reductions due to the differences between projected and actual utility rates attributable to actions taken by the agency which lead to such reductions;

"(ii) in the case of any public housing agency that receives financing (from a person other than the Secretary) or enters a performance contract to undertake energy conservation improvements in a public housing project, under which payment is to be equivalent to the cost of the energy saved as a result of the improvements during a negotiated contract period of not more than 12 years that is approved by the Secretary—

"(I) the public housing agency shall retain 100 percent of any cost avoidance due to differences between projected and actual utility consumption (adjusted for heating degree days) attributable to the improvements, until the term of the financing agreement is completed, at which time the annual utility expense level 3-year rolling base procedures shall be applied using—

"(a) in the first year following the end of the contract period, the energy use during the 2 years prior to installation of the energy conservation improvements and the last contract year;

"(b) in the second year following the end of the contract period, the energy use during the 1 year prior to installation of the energy conservation improvements and the 2 years following the end of the contract period; and

"(c) in the third year following the end of the contract period, the energy use in the 3 years following the end of the contract period; or

"(II) the Secretary shall provide an additional operating subsidy above the current utility expense level equivalent to the cost of the energy saved as a result of the improvements and sufficient to cover payments for the improvements through the term of the contract or agreement;

"(iii) there shall be a formal review process for the purpose of providing such revisions to the allowable expense level of a public housing agency as necessary—

"(I) to correct inequities and abnormalities that exist in the base year expense level of such public housing agency;

"(II) to accurately reflect changes in operating circumstances since the initial determination of such base year expense level (including, but not limited to, any increase in amounts paid for employee salaries or wages due to the repeal of the Comprehensive Employment and Training Act); and

"(III) to ensure that the allowable expense limit accurately reflects the higher cost of operating the project in an economically distressed unit of local government and the lower cost of operating the project in an economically prosperous unit of local government;

"(iv) public housing agencies shall be reimbursed for costs incurred that were beyond their control (such as costs due to insurance increases, changes in State or local law or requirements, and increases in charges for basic services) and the full extent of which were not taken into consideration in the original distribution of funds for the fiscal year involved;

"(v) the estimate of the rental income for the next fiscal year of a public housing agency shall be based on the actual rent for the fourth, fifth, or sixth month prior to the beginning of the new fiscal year of the public housing agency;

"(vi) any revenues resulting from rental income or other income (including investment income) in excess of estimated revenues from such items may not be recaptured, used, or computed to reduce assistance provided under this section, unless such estimate—

"(I) was unreasonable according to regulations in effect when the estimate was made; or

"(II) was fraudulent and deceptive; and

"(vii) if a public housing agency redesigns or substantially rehabilitates a public housing project so that 2 or more dwelling units are combined to create a single larger dwelling unit, the payments received under this section shall not be reduced solely because of the resulting reduction in the number of dwelling units if not less than the same number of individuals will reside in the new larger dwelling unit as resided in the dwelling units that were combined to form such larger dwelling unit.".

(b) Authorization of Appropriations.—Section 9(c) of the United States Housing Act of 1937 is amended to read as follows:

"(c) There is authorized to be appropriated, for the purpose of providing annual contributions under this section, $1,600,000,000 for fiscal year 1988.".

(c) Time of Payment.—Section 9 of the United States Housing Act of 1937 is amended by adding at the end the following new subsection:

"(e) In the case of any public housing agency that submits its budget for any fiscal year of such agency to the Secretary in a timely manner in accordance with the regulations issued by the Secretary under this section, assistance to be provided to such agency under this section for such fiscal year shall commence not later than the 1st month of such fiscal year, and shall be paid in equal monthly or quarterly installments or in accordance with such other payment schedule as may be agreed upon by the Secretary and such agency.".

(d) Use of Operating Subsidies To Remedy PHA Noncompliance With Audit Responsibilities.—Section 9(a)(1) of the United States Housing Act of 1937 is amended by adding at the end the following new sentences: "If the Secretary determines that a public housing agency has failed to take the actions required to submit an acceptable audit on a timely basis in accordance with chapter 75 of title 31, United States Code, the Secretary may arrange for, and pay the costs of, the audit. In such circumstances, the Secretary may withhold, from assistance otherwise payable to the agency under this section, amounts sufficient to pay for the reasonable costs of conducting an acceptable audit, including, when appropriate, the reasonable costs of accounting services necessary to place the agency's books and records in auditable condition.".

SEC. 122. GRANTS FOR COMPREHENSIVE IMPROVEMENT ASSISTANCE.

(a) Authority To Provide Grants.—Section 14 of the United States Housing Act of 1937 is amended by adding at the end the following new subsection:

"(k) The Secretary may make contributions (in the form of grants) to public housing agencies under this section. The contract under which such contributions shall be made shall specify the amount of contributions required for each project to which the contract pertains, and that the terms and conditions of such contract shall remain in effect for a 20-year period.".

(b) Conforming Amendments.—

(1) Section 14(e) of the United States Housing Act of 1937 is amended by striking "annual".

(2) Section 14 of the United States Housing Act of 1937 is amended by inserting "or (k)" after "subsection (b)" each place it appears in subsections (c), (d), (e), (g), (h), and (i).

(c) SPECIAL PURPOSE NEEDS.—Section 14(i)(1)(D) of the United States Housing Act of 1937 is amended by inserting before the period at the end the following: ", including replacing or repairing major equipment systems or structural elements, upgrading security, increasing accessibility for elderly families and handicapped families (as such terms are defined in section 3(b)(3)), reducing the number of vacant substandard units, and increasing the energy efficiency of the units".

SEC. 123. PUBLIC HOUSING DEMOLITION AND DISPOSITION.

Section 18 of the United States Housing Act of 1937 is amended—

(1) in subsection (a)(1), by striking "or" after "purposes," and inserting "and"; and

(2) in subsection (b)—

(A) by striking "and" at the end of paragraph (1);

(B) by striking the period at the end of paragraph (2) and inserting "; and"; and

(C) by adding at the end the following new paragraph:

"(3) the public housing agency has developed a plan for the provision of an additional decent, safe, sanitary, and affordable dwelling unit for each public housing dwelling unit to be demolished or disposed under such application, which plan—

"(A) provides for the provision of such additional dwelling units through the acquisition of additional public housing dwelling units, the development of additional public housing dwelling units, the use of assistance under section 8 (excluding vouchers under section 8(o)), the acquisition or development of dwelling units assisted under a State or local government program that provides for project-based assistance comparable in terms of eligibility, contribution to rent, and length of assistance contract (not less than 15 years) to that available under section 8(b)(1), or any combination of such methods; before approving any plan which calls for the use of assistance under section 8, the Secretary shall find that (i) replacement with project-based assistance is not feasible and that (ii) the supply of private rental housing actually available to those who would receive such assistance under the plan is sufficient for the total number of certificates and vouchers available in the community after implementation of the plan and that such supply is likely to remain available for the full 15-year term of the assistance; the Secretary shall base the required finding on objective information which shall include rates of participation by landlords in the section 8 program, size, conditions and rent levels of available rental housing as compared to section 8 standards, the supply of vacant existing housing meeting the section 8 quality standards with rents at or below the fair market or payment standard or the likelihood of adjusting the fair market rent or payment standard, the number of eligible families waiting for public housing or housing assistance under section 8, and the extent of discrimination against the types of individuals or families to be served by the assistance;

"(B) is approved by the unit of general local government in which the project is located;

"(C) includes a reasonable plan for funding, which plan shall include the Secretary's agreement to commit the Federal funds necessary to carry out the plan;

"(D) includes a method of ensuring that the same number of individuals and families will be provided housing;

"(E) provides for the payment of the relocation expenses of each tenant to be displaced and ensures that the rent paid by the tenant following relocation will not exceed the amount permitted under this Act; and

"(F) no demolition or disposition of any unit shall take place until the tenant of that unit has been actually relocated to decent, safe, sanitary and affordable housing, which housing shall be of the tenant's choice to the extent reasonably possible.".

SEC. 124. PUBLIC HOUSING COMPREHENSIVE GRANTS.

(a) IN GENERAL.—The United States Housing Act of 1937 is amended by adding at the end the following new section:

"COMPREHENSIVE GRANT PROGRAM

"SEC. 20. (a) PURPOSE.—It is the purpose of this section—

"(1) to provide assistance on a reliable basis to public housing agencies to enable them to operate, upgrade, modernize, and rehabilitate public housing projects financed under the United States Housing Act of 1937 to ensure their continued availability for the benefit of lower income families as decent, safe, and sanitary rental housing at affordable rents;

"(2) to increase the reliability of Federal assistance for capital improvements in public housing projects;

"(3) to significantly simplify the program of Federal assistance for capital improvements in public housing projects;

"(4) to provide increased opportunities and incentives for more efficient management of public housing projects; and

"(5) to afford public housing agencies greater control in planning for the maintenance and improvement of public housing projects to benefit lower income families.

"(b) AUTHORITY TO PROVIDE FINANCIAL ASSISTANCE.—

"(1) IN GENERAL.—The Secretary may make available, and (to the extent of amounts provided in appropriation Acts) contract to make available, financial assistance to public housing agencies in accordance with the provisions of this section with respect to public housing (as defined in section 3(b)(1)) owned or operated by such agencies.

"(2) GRANTS.—The Secretary may make contributions (in the form of grants) to public housing agencies under this section. The contract under which such contributions shall be made shall specify the amount of contributions required for each project to which the contract pertains, and that the terms and conditions of such contract shall remain in effect for a 20-year period.

"(c) COMPREHENSIVE PLAN.—No financial assistance may be made available to a public housing agency under this section unless the Secretary approves a 5-year comprehensive plan submitted by the public housing agency on a date determined by the Secretary, except that the Secretary may provide such assistance if it is necessary to correct conditions that constitute an immediate threat to the health or safety of tenants. The comprehensive plan shall contain—

"(1) a comprehensive assessment of—

"(A) the current physical condition of each public housing project owned or operated by the public housing agency;

"(B) the physical improvements necessary for each such project to permit the project—

"(i) to be rehabilitated to a level at least equal to the minimum property standards established by the Secretary and in effect at the time of the preparation of the comprehensive plan; and

"(ii) to comply with life-cycle cost-effective energy conservation performance standards established by the Secretary to ensure the lowest total rehabilitation and operating costs over the estimated life of the building; and

"(C) the replacement needs of equipment systems and structural elements that will be required to be met (assuming routine and timely maintenance is performed) during the 5-year period covered by the comprehensive plan;

"(2) a comprehensive assessment of the improvements needed to upgrade the management and operation of the public housing agency and of each such project so that decent, safe, and sanitary living conditions will be provided such projects, which assessment shall include at least an identification of needs related to—

"(A) the management, financial, and accounting control systems of the public housing agency that are related to such projects;

"(B) the adequacy and qualifications of personnel employed by the public housing agency (in the management and operation of such projects) for each category of employment; and

"(C) the adequacy and efficacy of—

"(i) tenant programs and services in such projects;

"(ii) the security of each such project and its tenants;

"(iii) policies and procedures of the public housing agency for the selection and eviction of tenants in such projects; and

"(iv) other policies and procedures of the public housing agency relating to such projects, as specified by the Secretary;

"(3) an analysis, made on a project-by-project basis in accordance with standards and criteria prescribed by the Secretary, demonstrating that completion of the improvements and replacements identified under paragraphs (1) and (2) will reasonably ensure the long-term physical and social viability of each such project at a reasonable cost;

"(4) an action plan for making the improvements and replacements identified under paragraphs (1) and (2) that are determined under the analysis described in paragraph (3) to reasonably ensure long-term viability of each such project at a reasonable cost, which action plan shall include at least a schedule, in order of priority, of the actions that are to be completed over a period of not more than 5 years from the date of approval of the comprehensive plan by the Secretary and that are necessary—

"(A) to make the improvements and replacements identified under paragraph (1) for each project expected to receive capital improvements or replacements (with priority to improvements and replacements required to correct any life threatening condition); and

"(B) to upgrade the management and operation of the public housing agency and its public housing projects as described in paragraph (2);

"(5) a statement, to be signed by the chief local government official (or Indian tribal official, if appropriate), certifying that—

"(A) the comprehensive plan was developed by the public housing agency in consultation with appropriate local government officials (or Indian tribal officials) and with tenants of the housing projects (or tenants of the Indian housing projects) eligible for assistance under this section, which shall

include not less than 2 public hearings (i) at least one of which shall be held prior to the initial adoption of any plan by the public housing agency for use of such assistance, and afford tenants and interested parties an opportunity to summarize their priorities and concerns, to ensure their due consideration in the planning process of the public housing agency; and (ii) at least one of which shall be held prior to final submission of the plan to the Department of Housing and Urban Development for its approval, to provide tenants and other interested parties an opportunity to comment on the plan of action proposed by the public housing agency in its submission; and

"(B) the comprehensive plan is consistent with the assessment of the community of its lower income housing needs and that the unit of general local government (or Indian tribe) will cooperate in the provision of tenant programs and services (as defined in section 3(c)(2));

"(6) a statement, to be signed by the chief public housing official, certifying that the public housing agency will carry out the comprehensive plan in conformity with title VI of the Civil Rights Act of 1964, title VIII of the Act of April 11, 1968 (commonly known as the Civil Rights Act of 1968), and section 504 of the Rehabilitation Act of 1973;

"(7) a preliminary estimate of the total cost of the items identified in paragraphs (1) and (2), including a preliminary estimate of the costs that will be incurred during each year covered by the comprehensive plan; and

"(8) such other information as the Secretary may require.

"(d) REVIEW OF COMPREHENSIVE PLANS.—

"(1) STANDARD FOR APPROVAL.—The Secretary shall approve a comprehensive plan unless—

"(A) the comprehensive plan is incomplete;

"(B) on the basis of available significant facts and data pertaining to the physical and operational condition of the public housing projects of the public housing agency or the management and operations of the public housing agency, the Secretary determines that the identification by the public housing agency of needs is plainly inconsistent with such facts and data;

"(C) on the basis of the comprehensive plan, the Secretary determines that the action plan described in subsection (c)(4) is plainly inappropriate to meeting the needs identified in the comprehensive plan, or that the public housing agency has failed to demonstrate that completion of improvements and replacements identified under paragraphs (1) and (2) of subsection (c) will reasonably ensure long-term viability of one or more public housing projects to which they relate at a reasonable cost; or

"(D) there is evidence available to the Secretary that tends to challenge in a substantial manner any certification contained in the comprehensive plan.

"(2) SCHEDULE FOR APPROVAL.—The comprehensive plan shall be considered to be approved, unless the Secretary notifies the public housing agency in writing within 75 calendar days of submission that the Secretary has disapproved the comprehensive plan as submitted, indicating the reasons for disapproval and modifications required to make the comprehensive plan approvable.

"(e) ANNUAL STATEMENT.—

"(1) SUBMISSION.—Each public housing agency receiving assistance under this section shall submit to the Secretary, at a date determined by the Secretary, an annual statement of the activities and expenditures projected to be funded, in whole or in part, by such assistance during the immediately following fiscal year of the public housing agency. The annual statement shall include a certification by the public housing agency that the proposed activities and expenditures are consistent with the approved comprehensive plan of the public housing agency. The annual statement also shall include a certification that the public housing agency has provided the tenants of the public housing and other interested parties the opportunity to review the annual statement and comment on it, and that such comments have been taken into account in formulating the annual statement as submitted to the Secretary.

"(2) PROPOSED AMENDMENTS TO COMPREHENSIVE PLAN.—A public housing agency may propose an amendment to its comprehensive plan under subsection (c) in any annual statement. Any such proposed amendment shall be reviewed in accordance with subsection (d), and shall include a certification that (A) the proposed amendment has been made publicly available for comment prior to its submission; (B) tenants and other interested parties have been given sufficient time to review and comment on it; and (C) such comments have been taken into consideration in the preparation and submission of the amendment.

"(3) APPROVAL.—The Secretary shall approve the annual statement unless the Secretary determines that it is inconsistent with the comprehensive plan. The annual statement shall be considered to be approved, unless the Secretary notifies the public housing agency in writing before the expiration of the 75-day period following submission of the annual statement that the Secretary has disapproved the annual statement as submitted, indicating the reasons for disapproval and the modifications required to make the annual statement approvable. The annual statement shall be approved before the public housing agency receives any assistance under this section for the fiscal year to which the annual statement relates.

"(f) ANNUAL PERFORMANCE REPORTS; REVIEWS AND AUDITS.—

"(1) PERFORMANCE AND EVALUATION REPORTS.—Each public housing agency receiving assistance under this section shall submit to the Secretary, on a date determined by the Secretary, a performance and evaluation report concerning the use of funds made available under this section. The report of the public housing agency shall include an assessment by the public housing agency of the relationship of such use of funds made available under this section, as well as the use of other funds, to the needs identified in the comprehensive plan of the public housing agency and to the purposes of this section. The public housing agency shall certify that the report has been made available for review and comment by tenants and other interested parties prior to its submission to the Secretary.

"(2) REVIEWS BY SECRETARY.—The Secretary shall, at least on an annual basis, make such reviews as may be necessary or appropriate to determine whether each public housing agency receiving assistance under this section—

"(A) has carried out its activities under this section in a timely manner and in accordance with its comprehensive plan;

"(B) has a continuing capacity to carry out its comprehensive plan in a timely manner;

"(C) has satisfied, or has made reasonable progress towards satisfying, such performance standards as shall be prescribed by the Secretary, and has made reasonable progress in carrying out modernization projects approved under this section.

"(3) AUDITS OF FINANCIAL TRANSACTIONS.—Recipients of assistance under this section shall have an audit made in accordance with chapter 75 of title 31, United States Code. The Secretary, the Inspector General of the Department of Housing and Urban Development, and the Comptroller General of the United States shall have access to all books, documents, papers, or other records that are pertinent to the activities carried out under this section in order to make audit examinations, excerpts, and transcripts.

"(4) CORRECTIVE ACTION.—The comprehensive plan, any amendments to the comprehensive plan, and the annual statement shall, once approved by the Secretary, be binding upon the Secretary and the public housing agency. The Secretary may order corrective action only if the public housing agency does not comply with paragraph (1) or (2) or if an audit under paragraph (3) reveals findings that the Secretary reasonably believes require such corrective action. The Secretary may withhold funds under this section only if the public housing agency fails to take such corrective action after notice and a reasonable opportunity to do so. In administering this section, the Secretary shall, to the greatest extent possible, respect the professional judgment of the administrators of the public housing agency.

"(g) ELIGIBLE COSTS.—A public housing agency may use financial assistance received under subsection (b) only—

"(1) to undertake activities described in its approved comprehensive plan under subsection (c) or its annual statement under subsection (e);

"(2) to correct conditions that constitute an immediate threat to the health or safety of tenants and to meet special purpose needs described in section 14(i)(1)(D), whether or not the need for such correction is indicated in its comprehensive plan or annual statement;

"(3) to prepare a comprehensive plan under subsection (c), including reasonable costs that may be necessary to assist tenants in participating in the planning process in a meaningful way, an annual statement under subsection (e), an annual performance and evaluation report under subsection (f)(1), and an audit under subsection (f)(3); and

"(4) to operate public housing projects consistent with the requirements that apply to amounts provided under section 9, except that not more than 20 percent of the funds secured under this section may be used for such purposes.

"(h) ALLOCATION OF ASSISTANCE.—

"(1) IN GENERAL.—No assistance may be allocated under this section until the Secretary submits the report required in paragraph (2) and the Congress, following such submission, establishes by law criteria for a formula or other allocation method to be used by the Secretary under this section in determining—

"(A) for each public housing agency, the amounts that are necessary to address current needs for capital improvements;

"(B) for each public housing agency, the amounts that are necessary to address the future needs for capital improvements through a replacement reserve; and

"(C) the relative needs of public housing agencies of different sizes for the amounts described in subparagraphs (A) and (B).

"(2) REPORT ON ALTERNATIVE ALLOCATION SYSTEMS.—Not later than 6 months after the date of the enactment of the Housing, Community Development, and Homelessness Prevention Act of 1987, the Secretary shall submit to the Congress a report—

"(A) assessing the condition of public housing and the need for financial assistance for capital improvements and for establishment of replacement reserves for future capital improvements and maintenance;

"(B) setting forth proposals for alternative systems of allocating financial assistance under this section according to criteria for a formula or other allocation method to be used by the Secretary under this section in determining—

"(i) for each public housing agency, the amounts that are necessary to address current needs for capital improvements;

"(ii) for each public housing agency, the amounts that are necessary to address the future needs for capital improvements through a replacement reserve; and

"(iii) the relative needs of public housing agencies of different sizes for the amounts described in clauses (i) and (ii); and

"(C) estimating, for not less than the 200 largest public housing agencies, the amount that will be received annually under each such alternative allocation system.

"(i) ANNUAL REPORT.—The Secretary shall include in the annual report under section 8 of the Department of Housing and Urban Development Act a description of the allocation, distribution, and use of assistance under this section on a regional basis and on the basis of public housing agency size.

"(j) REGULATIONS.—The Secretary may issue such regulations as are necessary to carry out the provisions of this section.".

(b) USE OF OPERATING ASSISTANCE.—Section 9(a)(1) of the United States Housing Act of 1937 is amended by inserting after the first sentence the following new sentence: "A public housing agency may also use any available amounts provided under this section in accordance with the purpose and requirements of section 20.".

SEC. 125. PUBLIC HOUSING RESIDENT MANAGEMENT.

The United States Housing Act of 1937 (as amended by section 124 of this Act) is further amended by adding at the end the following new section:

"PUBLIC HOUSING RESIDENT MANAGEMENT

"SEC. 21. (a) PURPOSE.—The purpose of this section is to establish a program of resident management of public housing projects, as one means of improving existing living conditions in public housing projects, by providing increased flexibility for public housing projects that are managed by residents by—

"(1) permitting tenants to volunteer labor subject to existing statutory and contractual obligations of the public housing agency;

"(2) permitting the retention, and use for certain purposes, of any revenues exceeding operating and projects costs; and

"(3) providing funding, from amounts otherwise available, for technical assistance to promote formation and development of resident management entities.

"(b) PROGRAM REQUIREMENTS.—

"(1) RESIDENT COUNCIL.—As a condition of entering into a resident management program, the elected resident council of a public housing project shall approve the establishment of a resident management corporation. The resident management corporation and the resident council may be the same organization, if the organization complies with the requirements applicable to both the corporation and council. The corporation shall be a nonprofit corporation organized under the laws of the State in which the project is located, and the tenants of the project shall be the sole voting members of the corporation. If there is no elected resident council, a majority of the households of the public housing project shall approve the establishment of a resident council to determine the feasibility of establishing a resident management corporation to manage the project.

"(2) PUBLIC HOUSING MANAGEMENT SPECIALIST.—The resident council of a public housing project, in cooperation with the public housing agency, shall select a qualified public housing management specialist to assist in determining the feasibility of, and to help establish, a resident management corporation and to provide training and other duties agreed to in the daily operations of the project.

"(3) BONDING AND INSURANCE.—Before assuming any management responsibility for a public housing project, the resident management corporation shall provide fidelity bonding and insurance, or equivalent protection, in accordance with regulations and requirements of the Secretary and the public housing agency. Such bonding and insurance, or its equivalent, shall be adequate to protect the Secretary and the public housing agency against loss, theft, embezzlement, or fraudulent acts on the part of the resident management corporation or its employees.

"(4) MANAGEMENT RESPONSIBILITIES.—A resident management corporation that qualifies under this section, and that supplies insurance and bonding or equivalent protection sufficient to the Secretary and the public housing agency, shall enter into a contract with the public housing agency establishing the respective management rights and responsibilities of the corporation and the public housing agency. Such contract shall be consistent with the requirements of this Act applicable to public housing projects and may include specific terms governing management personnel and compensation, access to public housing project records, submission of and adherence to budgets, rent collection procedures, tenant selection and screening, tenant income verification, tenant eligibility determinations, tenant eviction, the acquisition of supplies and materials, and such other matters as may be appropriate. The contract shall be treated as a contracting out of services and shall be subject to any provision of a collective bargaining agreement regarding contracting out to which the public housing agency is subject.

"(5) ANNUAL AUDIT.—The books and records of a resident management corporation operating a public housing project shall be audited annually by a certified public accountant. A written report of each audit shall be forwarded to the public housing agency and the Secretary.

"(6) ANNUAL REPORT.—Each resident management corporation operating a public housing project shall annually submit to the public housing agency and the Secretary a report setting forth the activities carried out by the resident management corporation under this section. Each resident management corporation shall provide an opportunity for tenants to review the report prior to submission, and shall include in the report any comments of the tenants with respect to the report.

"(c) COMPREHENSIVE IMPROVEMENT ASSISTANCE.—Public housing projects managed by resident management corporations may be provided with comprehensive improvement assistance under section 14 or 20 for purposes of renovating such projects in accordance with such section. If such renovation activities (including the planning and architectural design of the rehabilitation) are administered by a resident management corporation, the public housing agency involved may not retain, for any administrative or other reason, any portion of the assistance provided pursuant to this subsection.

"(d) WAIVER OF FEDERAL REQUIREMENTS.—

"(1) WAIVER OF REGULATORY REQUIREMENTS.—Upon the request of any resident management corporation and public housing agency, and after notice and an opportunity to comment is afforded to the affected tenants, the Secretary may waive (for both the resident management corporation and the public housing agency) any requirement established by the Secretary (and not specified in any statute) that the Secretary determines to unnecessarily increase the costs or restrict the income of a public housing project.

"(2) WAIVER TO PERMIT EMPLOYMENT.—Upon the request of any resident management corporation, the Secretary may, subject to applicable collective bargaining agreements, permit residents of such project to volunteer a portion of their labor.

"(3) REPORT ON ADDITIONAL WAIVERS.—Not later than 6 months after the date of the enactment of the Housing, Community Development, and Homelessness Prevention Act of 1987, the Secretary shall submit to the Congress a report setting forth any additional waivers of Federal law that the Secretary determines are necessary or appropriate to carry out the provisions of this section. In preparing the report, the Secretary shall consult with resident management corporations and public housing agencies.

"(4) EXCEPTIONS.—The Secretary may not waive under this subsection any requirement with respect to income eligibility for purposes of section 16, rental payments under section 3(a), tenant or applicant protections, employee organizing rights, or rights of employees under collective bargaining agreements.

"(e) OPERATING SUBSIDY AND PROJECT INCOME.—

"(1) CALCULATION OF OPERATING SUBSIDY.—Notwithstanding any provision of section 9 or any regulation under such section, and subject to the exception provided in paragraph (3), the portion of the operating subsidy received by a public housing agency under section 9 that is allocated to a public housing project managed by a resident management corporation shall not be less than the public housing agency per unit monthly amount provided in the previous year as determined on an individual project basis.

"(2) CONTRACT REQUIREMENTS.—Any contract for management of a public housing project entered into by a public housing agency and a resident management corporation shall specify the amount of income expected to be derived from the project itself (from sources such as rents and charges) and the amount of funds to be provided to the project from the other sources of income of the public housing agency (such as operating subsidy under section 9, interest income, administrative fees, and rents).

"(3) CALCULATION OF TOTAL INCOME.—

"(A) Subject to subparagraph (B), the amount of funds provided by a public housing agency to a public housing project managed by a resident management corporation may not be reduced during the 3-year period

beginning on the date of the enactment of the Housing, Community Development, and Homelessness Prevention Act of 1987, or on the date of the initial management contract for the project, whichever is later.

"(B) If the total income of a public housing agency (including the operating subsidy provided to the public housing agency under section 9) is reduced or increased, the income provided by the public housing agency to a public housing project managed by a resident management corporation shall be reduced or increased in proportion to the reduction or increase in the total income of the public housing agency, except that any reduction in operating subsidy that occurs as a result of fraud, waste, or mismanagement by the public housing agency shall not affect the funds provided to the resident management corporation.

"(4) RETENTION OF EXCESS REVENUES.—

"(A) Any income generated by a resident management corporation of a public housing project (other than investment income or rental income) shall be excluded in subsequent years in calculating (i) the operating subsidies provided to the public housing agency under section 9; and (ii) the funds provided by the public housing agency to the resident management corporation.

"(B) Any revenues retained by a public housing agency or resident management corporation under subparagraph (A) shall be used for purposes of improving the maintenance and operation of the public housing project, for establishing business enterprises that employ residents of public housing, or for acquiring additional dwelling units for lower income families.

"(f) RESIDENT MANAGEMENT TECHNICAL ASSISTANCE AND TRAINING.—

"(1) FINANCIAL ASSISTANCE.—To the extent budget authority is available for section 14 or 20, the Secretary shall provide financial assistance to up to 15 resident management corporations or resident councils that obtain, by contract or otherwise, technical assistance for the development of resident management entities, including the formation of such entities, the development of the management capability of newly formed or existing entities, the identification of the social support needs of residents of public housing projects, and the securing of such support.

"(2) LIMITATION ON ASSISTANCE.—The financial assistance provided under this subsection with respect to any public housing project may not exceed $100,000.

"(3) FUNDING.—Of the amounts available for financial assistance under section 14 or 20 for fiscal year 1988, the Secretary may use not more than $2,500,000 to carry out this subsection.

"(g) ANNUAL REPORT.—The Secretary shall submit annually to the Congress a report on the activities carried out under this section. The report shall include—

"(1) an evaluation of the effect of resident management on rent collections, maintenance, tenant employment, and operating costs;

"(2) a summary of any waiver of regulatory requirements provided under subsection (d); and

"(3) any recommendations of the Secretary for waiver of regulatory requirements with respect to all public housing agencies.".

SEC. 126. PUBLIC HOUSING HOMEOWNERSHIP AND MANAGEMENT OPPORTUNITIES.

The United States Housing Act of 1937 (as amended by section 125 of this Act) is further amended by adding at the end the following new section:

"PUBLIC HOUSING HOMEOWNERSHIP AND MANAGEMENT OPPORTUNITIES

"SEC. 22. (a) HOMEOWNERSHIP OPPORTUNITIES IN GENERAL.—Lower income families residing in public housing shall be provided with the opportunity to purchase the dwelling units in any public housing project through a qualifying resident management corporation, subject to the provisions of the annual contributions contract, as follows:

"(1) FORMATION OF RESIDENT MANAGEMENT CORPORATION.—As a condition for public housing homeownership—

"(A) the adult residents of a public housing project shall have formed a resident management corporation in accordance with regulations and requirements of the Secretary prescribed under this section and section 21;

"(B) the resident management corporation shall have entered into a contract with the public housing agency establishing the respective management rights and responsibilities of the resident management corporation and the public housing agency; and

"(C) the resident management corporation shall have demonstrated its ability to manage public housing effectively and efficiently for a period of not less than 3 years.

"(2) HOMEOWNERSHIP ASSISTANCE.—

"(A) The Secretary may provide comprehensive improvement assistance under section 14 or 20 to a public housing project in which homeownership activities under this section are conducted.

"(B) The Secretary, and the public housing agency owning and operating a public housing project, shall provide such training, technical assistance, and educational assistance as the Secretary determines to be necessary to prepare the families residing in the project, and any resident management corporation established under paragraph (1), for homeownership.

"(3) CONDITIONS OF PURCHASE BY A RESIDENT MANAGEMENT CORPORATION.—

"(A) A resident management corporation may purchase from a public housing agency one or more buildings in a public housing project following a determination by the Secretary that—

"(i) the resident management corporation has met the conditions of paragraph (1);

"(ii) the resident management corporation has applied for and is prepared to undertake the ownership, management, and maintenance of the building or buildings with continued assistance from the Secretary;

"(iii) the public housing agency has held one or more public hearings to obtain the views of citizens regarding the proposed purchase and, in consultation with the Secretary, has certified that the purchase will not interfere with the rights of other families residing in public housing, will not harm the efficient operation of other public housing, and is in the interest of the community;

"(iv) the building or buildings meet the minimum safety and livability standards applicable under section 14 or 20, and the physical condition, management, and operation of the building or buildings are sufficient to permit and encourage affordable homeownership by the families residing in the project.

"(B) The price of a building purchased under the preceding sentence shall be approved by the Secretary, in consultation with the public housing agency and resident management corporation, taking into account the fair market value of the property, the ability of resident families to afford and maintain the property, and such other factors as the Secretary determines to be consistent with increasing the supply of dwelling units affordable to very low income families.

"(4) CONDITIONS OF RESALE.—

"(A) A resident management corporation may sell a dwelling unit or ownership rights in a dwelling unit only to a lower income family residing in public housing and if the purchase will not interfere with the rights of other families residing in the housing project or harm the efficient operation of the project, and the family will be able to purchase and maintain the property.

"(B) A purchase under the previous sentence may be made under any of the following arrangements:

"(i) Limited dividend cooperative ownership.

"(ii) Condominium ownership.

"(iii) Fee simple ownership.

"(iv) Shared appreciation with a public housing agency providing financing under paragraph (6).

"(v) Any other arrangement determined by the Secretary to be appropriate.

"(C) Property purchased under this section shall be resold only to the resident management corporation or to a lower income family residing in or eligible to reside in lower income housing or to the public housing authority.

"(D) In no case may the owner receive consideration for his or her interest in the property that exceeds the total of—

"(i) the contribution to equity paid by the owner;

"(ii) the value, as determined by such means as the Secretary shall determine through regulation, of any improvements installed at the expense of the owner during the owner's tenure as owner; and

"(iii) the appreciated value determined by an inflation allowance at a rate which may be based on a cost of living index, an income index, or market index as determined by the Secretary through regulation and agreed to by the purchaser and the resident management corporation or the public housing agency, whichever is appropriate, at the time of initial sale, and applied against the contribution to equity; the resident management corporation or the public housing agency may, at the time of initial sale, enter into an agreement with the owner to set a maximum amount which this appreciation may not exceed.

"(E) Upon sale, the resident management corporation or the public housing agency, whichever is appropriate, shall ensure that subsequent owners are bound by the same limitations on resale and further restrictions on equity appreciation.

"(5) USE OF PROCEEDS.—Proceeds from the sale of a building or buildings under paragraph (3) and amounts recaptured under paragraph (4) shall be paid to the public housing agency and shall be retained and used by the public housing agency only to rehabilitate or increase (through acquisition) the number of public housing units available for occupancy. The resident management corporation shall keep and make available to the public housing agency and the Secretary all records necessary to calculate accurately payments due the public housing agency under this section. The Secretary shall not reduce or delay payments under other provisions of law as a result of amounts made available to the public housing agency under this section.

"(6) FINANCING.—Where financing for the purchase of the property is not otherwise available for purposes of assisting any pur-

chase by a family or resident management corporation under this section, the public housing agency involved may make a loan on the security of the property involved to the family or resident management corporation.

"(7) Annual contributions.—Notwithstanding the purchase of a building in a public housing project under this section, the Secretary shall continue to pay annual contributions with respect to the project. Such contributions may not exceed the maximum contributions authorized in section 5(a).

"(8) Operating subsidies.—Operating subsidies shall not be available with respect to a building after the date of its sale by the public housing agency.

"(b) Protection of Nonpurchasing Families.—

"(1) Eviction prohibition.—No family residing in a dwelling unit in a public housing project may be evicted by reason of the sale of the project to a resident management corporation under this section.

"(2) Tenants rights.—Families renting a dwelling unit purchased by a resident management corporation shall have all rights provided to tenants of public housing under this Act.

"(3) Rental assistance.—If any family resides in a dwelling unit in a building purchased by a resident management corporation, and the family decides not to purchase the dwelling unit, the Secretary shall offer to provide to the family (at the option of the family) a certificate under section 8(b)(1) or a housing voucher under section 8(o) for as long as the family continues to reside in the building. The Secretary may adjust the fair market rent for such certificate to take into account conditions under which the building was purchased.

"(4) Rental and relocation assistance.—If any family resides in a dwelling unit in a public housing project in which other dwelling units are purchased under this section, and the family decides not to purchase the dwelling unit, the Secretary shall offer (to be selected by the family, at its option)—

"(A) to assist the family in relocating to a comparable appropriate sized dwelling unit in another public housing project, and to reimburse the family for their cost of relocation; and

"(B) to provide to the family the financial assistance necessary to permit the family to stay in the dwelling unit or to move to another comparable dwelling unit and to pay no more for rent than required under paragraph (1), (2), or (3) of section 3(a).

"(d) Financial Assistance for Public Housing Agencies.—The Secretary shall provide to public housing agencies such financial assistance as is necessary to permit such agencies to carry out the provisions of this section.

"(e) Additional Homeownership and Management Opportunities.—This section shall not apply to the turnkey III, the mutual help, or any other homeownership program established under section 5(h) or section 6(c)(4)(D) and in existence before the date of the enactment of the Housing, Community Development, and Homelessness Prevention Act of 1987.

"(f) Regulations.—The Secretary shall issue such regulations as may be necessary to carry out the provisions of this section. Such regulations may establish any additional terms and conditions for homeownership or resident management under this section that are determined by the Secretary to be appropriate.

"(g) Annual Report.—The Secretary shall annually submit to the Congress a report setting forth—

"(1) the number, type, and cost of units sold;

"(2) the income, race, gender, children, and other characteristics of families purchasing or moving and not purchasing;

"(3) the amount and type of financial assistance provided;

"(4) the need for subsidy to ensure continued affordability and meet future maintenance and repair costs; and

"(5) the recommendations for statutory and regulatory improvements to the program.

"(h) Limitation.—Any authority of the Secretary under this section to provide financial assistance, or to enter into contracts to provide financial assistance, shall be effective only to such extent or in such amounts as are or have been provided in advance in appropriation Act.".

SEC. 127. TREATMENT OF CERTAIN PUBLIC HOUSING DEVELOPMENT FUNDS.

(a) Forgiveness of Certain Interest.—Notwithstanding any other provision of law or other requirement, any interest accruing on any excess funds advanced to the Housing Authority of the City of Pittsburgh, in the State of Pennsylvania, for development of the public housing project numbered PA-1-22 shall be forgiven, and any such interest paid to the Secretary of Housing and Urban Development before the date of the enactment of this Act shall be returned to such City.

(b) Forgiveness of Certain Payments.—Notwithstanding any other provision of law or other requirement, the Secretary of Housing and Urban Development may not require the Bay City Housing Commission in the State of Michigan to pay any amount relating to ineligible costs incurred with respect to the public housing development grant numbered Michigan 24-7, awarded in 1974, under the United States Housing Act of 1937.

(c) Effective Date.—The provisions of this section shall become effective on the date of the enactment of this Act, or October 1, 1987, whichever occurs later.

SEC. 128. ENERGY EFFICIENT PUBLIC HOUSING DEMONSTRATION.

(a) Establishment.—The Secretary of Housing and Urban Development shall establish a demonstration program through the assistance of an appropriate technology transfer organization specialized in producing detailed energy-efficient designs and in conducting local and statewide, public participation tests for energy efficient, needs-oriented housing. The appropriate technology organization shall carry out the demonstration working through and with public housing agencies to build and test a variety of energy-efficient housing designs in 100 separate housing units in 4 different States that meet local lower income housing needs (including single parent, disabled, and elderly concerns) through a composite ranging from single to 12-plex units in the cluster approach on vacant lots and open areas.

(b) Funding.—Of the budget authority authorized to be provided for the development of public housing for fiscal year 1988, there is authorized to be appropriated $4,700,000 for such fiscal year to carry out this section.

SEC. 129. PUBLIC HOUSING COMPREHENSIVE TRANSITION DEMONSTRATION.

(a) Establishment of Demonstration Program.—The Secretary of Housing and Urban Development (in this section referred to as the "Secretary") shall carry out a program to demonstrate the effectiveness of providing a comprehensive program of services to public housing residents in order to ensure the successful transition of such residents to private housing. In carrying out the demonstration program, the Secretary shall consult with the heads of other appropriate Federal agencies to design and implement procedures to carry out the transition from public housing.

(b) Scope of Demonstration Program.—The Secretary shall carry out the demonstration program with respect to public housing administered by the Housing Authority of the City of Charlotte, in the State of North Carolina. The Secretary may also carry out the demonstration program with respect to public housing administered by not more than 10 additional public housing agencies.

(c) Requirements of Demonstration Program.—The demonstration program shall consist of the following requirements:

(1) Contract of participation.—Each participating public housing agency may enter into a contract with any family that is to commence residence in a public housing project administered by the public housing agency. The contract shall be separate from the lease and shall set forth the provisions of the demonstration program.

(2) Remediation phase.—

(A) During not to exceed the first 2 years of residence of a participating family in public housing, the public housing agency shall ensure the provision of remediation services to the family, which may include—

(i) remedial education;

(ii) completion of high school;

(iii) job training and preparation;

(iv) substance abuse treatment and counseling;

(v) training in homemaking skills and parenting; and

(vi) training in money management.

(B) During the remediation phase, the amount of rent charged the family may not be increased on the basis of any increase in earned income of the family.

(3) Transition phase.—

(A) During not to exceed a 5-year period following completion of the remediation stage—

(i) the head of the family shall be required to have full-time employment; and

(ii) the public housing agency shall ensure the provision of counseling for the family with respect to homeownership, money management, and problem solving.

(B) During the transition phase, the amount of rent charged the family—

(i) may be increased on the basis of any increase in family income; and

(ii) may not be decreased on the basis of any decrease in earned income due to voluntary termination of employment.

(4) Encouragement of savings.—The public housing agency shall take appropriate actions to encourage each participating family to save funds during the remediation and transition phases.

(5) Completion of transition.—Each family participating in the demonstration program shall be required to complete the transition out of public housing during a period of not more than 7 years. The public housing agency may extend the period for any family if special circumstances require such extension.

(d) Reports to Congress.—

(1) Interim report.—Not later than 2 years after the date of the enactment of this Act, the Secretary shall submit to the Congress an interim report evaluating the effec-

tiveness of the demonstration program under this section.

(2) Final report.—Not later than 60 days after the termination of the demonstration program under subsection (f), the Secretary shall submit to the Congress a final report evaluating the effectiveness of the demonstration program under this section.

(e) Regulations.—The Secretary shall issue such regulations as may be necessary to carry out this section.

(f) Termination of Demonstration Program.—The demonstration program under this section shall terminate upon the expiration of the 7-year period beginning on the date of the enactment of this Act.

PART 3—SECTION 8 ASSISTANCE AND OTHER PROGRAMS

SEC. 141. SECTION 8 CONTRACTS FOR EXISTING DWELLING UNITS.

(a) Term of Annual Contributions Contract.—Section 8(b)(1) of the United States Housing Act of 1937 is amended by inserting after the first sentence the following new sentence: "The Secretary shall enter into a separate annual contributions contract with each public housing agency to obligate the authority approved each year, beginning with the authority approved in appropriations Acts for fiscal year 1988 (other than amendment authority to increase assistance payments being made using authority approved prior to the appropriations Acts for fiscal year 1988), and such annual contributions contract (other than for annual contributions under subsection (o)) shall bind the Secretary to make such authority, and any amendments increasing such authority, available to the public housing agency for an aggregate period of 180 months.".

(b) Additional Requirements.—Section 8(b) of the United States Housing Act of 1937 is amended by adding at the end the following new paragraph:

"(2) Each annual contributions contract entered into under this subsection and subsection (o) shall provide for a specific number of certificates or vouchers and full funding of such number. The Secretary shall provide amendments of such annual contributions contract to ensure full funding of such number, and may not require as a prerequisite of such amendments that the public housing agency shall have entered into a contract with a building owner.".

SEC. 142. SECTION 8 FAIR MARKET RENTALS AND CONTRACT RENTS.

(a) Annual Adjustment.—Section 8(c)(1) of the United States Housing Act of 1937 is amended by inserting before the last sentence the following new sentence: "Each fair market rental in effect under this subsection shall be adjusted to be effective on October 1 of each year to reflect changes, based on the most recent available data trended so the rentals will be current for the year to which they apply, of rents for existing or newly constructed rental dwelling units, as the case may be, of various sizes and types in the market area suitable for occupancy by persons assisted under this section.".

(b) Calculation for Certain County.—Section 8(c)(1) of the United States Housing Act of 1937 is amended by adding at the end the following new sentence: "The Secretary shall establish separate fair market rentals under this paragraph for Westchester County in the State of New York.".

(c) Consideration of Capital Improvement Costs.—Section 8(c)(2)(B) of the United States Housing Act of 1937 is amended by inserting "necessary capital improvements," after "resulted from".

(d) Prohibition on Reduction of Certain Contract Rents.—Section 8(c)(2)(C) of the United States Housing Act of 1937 is amended by adding at the end the following new sentence: "The Secretary may not reduce the contract rents in effect on or after April 15, 1987, for newly constructed, substantially rehabilitated, or moderately rehabilitated projects assisted under this section (including projects assisted under this section as in effect prior to November 30, 1983), unless the project has been refinanced in a manner that reduces the debt of the owner.".

(e) Repeal of Limit on Contract Rent Increases.—Section 8(c)(2) of the United States Housing Act of 1937 is amended by striking subparagraph (D).

(f) Required Notice.—Section 8(c) of the United States Housing Act of 1937 is amended by adding at the end the following new paragraph:

"(9) Not less than 1 year prior to terminating any contract under which assistance payments are received under this section (but not less than 90 days in the case of housing certificates or vouchers under subsection (b) or (o)), an owner shall provide written notice to the Secretary and the tenants involved of the proposed termination, specifying the reasons for the termination with sufficient detail to enable the Secretary to evaluate whether the termination is lawful and whether there are additional actions that can be taken by the Secretary to avoid the termination. The Secretary shall review the owner's notice, shall consider whether there are additional actions that can be taken by the Secretary to avoid the termination, and shall ensure a proper adjustment of the contract rents for the project in conformity with the requirements of paragraph (2). The Secretary shall issue a written finding of the legality of the termination and the reasons for the termination, including the actions considered or taken to avoid the termination. For purposes of this paragraph, the term 'termination' means the expiration of the assistance contract or an owner's refusal to renew the assistance contract.".

(g) Adjustment of Allowable Rent.—Section 8(c) of the United States Housing Act of 1937 (as amended by subsection (f) of this section) is further amended by adding at the end the following new paragraph:

"(10) If an owner provides notice of proposed termination under paragraph (9) and the contract rent is lower than the maximum monthly rent for units assisted under subsection (b)(1), the Secretary shall adjust the contract rent based on the maximum monthly rent for units assisted under subsection (b)(1) and the value of the lower income housing after rehabilitation.".

(h) Comparability.—Section 8(c)(2)(C) of the United States Housing Act of 1937 is amended—

(1) by striking "assisted and comparable unassisted units" and inserting the following: "assisted units and unassisted units of similar quality and age in the same market area"; and

(2) by adding at the end the following new sentence: "If the Secretary or appropriate State agency does not complete and submit to the project owner a comparability study not later than 60 days before the anniversary date of the assistance contract under this section, the automatic annual adjustment factor shall be applied.".

SEC. 143. HOUSING VOUCHER PROGRAM.

(a) Operation.—Section 8(o) of the United States Housing Act of 1937 is amended—

(1) in the first sentence of paragraph (1), by striking "In" and all that follows through "demonstration program" and inserting "The Secretary may provide assistance";

(2) by striking paragraph (4); and

(3) by redesignating paragraphs (5) through (8) as paragraphs (4) through (7), respectively.

(b) Flexibility To Adjust Assistance Payments.—Section 8(o)(6) of the United States Housing Act of 1937 (as so redesignated by subsection (a) of this section) is amended—

(1) in subparagraph (A), by striking "as frequently as twice during any five-year period" and inserting "annually"; and

(2) by striking subparagraph (D).

(c) Use of Vouchers in Connection With Cooperative and Mutual Housing.—Section 8(o)(7) of the United States Housing Act of 1937 (as so redesignated by subsection (a) of this section) is amended by striking "not to exceed 5 per centum of the amount of".

SEC. 144. ADMINISTRATIVE FEES FOR SECTION 8 CERTIFICATE AND HOUSING VOUCHER PROGRAMS.

(a) In General.—Section 8 of the United States Housing Act of 1937 is amended by adding at the end the following new subsection:

"(q)(1) The Secretary shall establish a fee for the costs incurred in administering the certificate and housing voucher programs under subsections (b) and (o). The amount of the fee for each month for which a dwelling unit is covered by an assistance contract shall be 8.2 percent of the fair market rental established under subsection (c)(1) for a 2-bedroom existing rental dwelling unit in the market area of the public housing agency. The Secretary may increase the fee if necessary to reflect the higher costs of administering small programs and programs operating over large geographic areas.

"(2)(A) The Secretary shall also establish reasonable fees (as determined by the Secretary) for—

"(i) the costs of preliminary expenses (not to exceed $275) that the public housing agency documents it has incurred in connection with new allocations of assistance under the certificate and housing voucher programs under subsections (b) and (o);

"(ii) the costs incurred in assisting families who experience difficulty (as determined by the Secretary) in obtaining appropriate housing under the programs; and

"(iii) extraordinary costs approved by the Secretary.

"(B) The method used to calculate fees under subparagraph (A) shall be the same for the certificate and housing voucher programs under subsections (b) and (o) and shall take into account local cost differences.".

(b) GAO Study.—The Comptroller General of the United States shall prepare and submit to the Congress, not later than October 30, 1987, a report relating to the administrative fees provided for under subsection (q) of section 8 of the United States Housing Act of 1937 specifically addressing—

(1) whether the percentage established in subsection (q)(1) of such section is adequate to cover the costs of administering the certificate and housing voucher programs under subsections (b) and (o) of such section; and

(2) whether the fee system established under subsection (q)(1) of such section should be restructured to reflect the different characteristics and experiences of localities, such as size, geographic location, and vacancy rates.

SEC. 145. PORTABILITY OF SECTION 8 CERTIFICATES AND VOUCHERS.

Section 8 of the United States Housing Act of 1937 (as amended by section 144 of this Act) is further amended by adding at the end the following new subsection:

"(r)(1) Any family assisted under subsection (b) or (o) may receive such assistance to rent an eligible dwelling unit if the dwelling unit to which the family moves is within the same, or a contiguous, metropolitan statistical area as the metropolitan statistical area within which is located the area of jurisdiction of the public housing agency approving such assistance.

"(2) The public housing agency having authority with respect to the dwelling unit to which a family moves under this subsection shall have the responsibility of carrying out the provisions of this subsection with respect to the family. If no public housing agency has authority with respect to the dwelling unit to which a family moves under this subsection, the public housing agency approving the assistance shall have such responsibility.

"(3) In providing assistance under subsection (b) or (o) for any fiscal year, the Secretary shall give consideration to any reduction in the number of resident families incurred by a public housing agency in the preceding fiscal year as a result of the provisions of this subsection.

"(4) The provisions of this subsection may not be construed to restrict any authority of the Secretary under any other provision of law to provide for the portability of assistance under this section.".

SEC. 146. PROHIBITION OF DENIAL OF SECTION 8 CERTIFICATES AND VOUCHERS TO RESIDENTS OF PUBLIC HOUSING.

Section 8 of the United States Housing Act of 1937 (as amended by section 145 of this Act) is further amended by adding at the end the following new subsection:

"(s) In selecting families for the provision of assistance under this section (including subsection (o)), a public housing agency may not exclude or penalize a family solely because the family resides in a public housing project.".

SEC. 147. NONDISCRIMINATION AGAINST SECTION 8 CERTIFICATE HOLDERS AND VOUCHER HOLDERS.

Section 8 of the United States Housing Act of 1937 (as amended by section 146 of this Act) is further amended by adding at the end the following new subsection:

"(t) No owner who has entered into a contract for housing assistance payments under this section on behalf of any tenant in a multifamily housing project shall refuse—

"(1) to lease any available dwelling unit in any such project of such owner that rents for an amount not greater than the fair market rent for a comparable unit, as determined by the Secretary under this section, to a holder of a certificate of eligibility under this section a proximate cause of which is the status of such prospective tenant as a holder of such certificate, and to enter into a housing assistance payments contract respecting such unit; or

"(2) to lease any available dwelling unit in any such project of such owner to a holder of a voucher under subsection (o), and to enter into a voucher contract respecting such unit, a proximate cause of which is the status of such prospective tenant as holder of such voucher.".

SEC. 148. SECTION 8 EVICTIONS DUE TO NONPAYMENT OF RENT.

(a) PRIOR REVIEW OF RENT.—Section 8 of the United States Housing Act of 1937 (as amended by section 147 of this Act) is further amended by adding at the end the following new subsection:

"(u) Each contract for assistance payments under this section shall provide that, before an owner may terminate the lease of a tenant for nonpayment of rent, the public housing agency shall review the situation of the tenant and verify that the rent charged to, and the subsidy provided on behalf of, the tenant have been accurately computed and assessed.".

(b) REGULATIONS.—The Secretary of Housing and Urban Development shall, not later than 90 days after the date of the enactment of this Act, issue regulations to carry out the amendment made by this section.

SEC. 149. ADDITIONAL PROVISIONS RELATING TO SECTION 8 PROGRAM.

(a) LOAN MANAGEMENT AND PROPERTY DISPOSITION PROGRAMS.—Section 8 of the United States Housing Act of 1937 (as amended by section 148 of this Act) is further amended by adding at the end the following new subsection:

"(v)(1) Each contract entered into by the Secretary under this section for loan management assistance shall be for a term of 180 months.

"(2) The Secretary shall extend any expiring contract entered into under this section for loan management assistance or execute a new contract, if the owner agrees to continue providing housing for lower income families during the term of the contract.

"(3) In carrying out the loan management and property disposition programs under this section, the Secretary may not provide housing voucher assistance.".

(b) PROJECT-BASED ASSISTANCE.—Section 8(d)(2) of the United States Housing Act of 1937 is amended by inserting before the period at the end of the last sentence the following: ", except that the Secretary shall permit the public housing agency to approve such attachment with respect to not more than 15 percent of the assistance provided by the public housing agency if the requirements of clause (B) are met".

SEC. 150. RENTAL REHABILITATION AND DEVELOPMENT GRANTS.

(a) AUTHORIZATION OF APPROPRIATIONS.—Section 17(a)(3) of the United States Housing Act of 1937 is amended to read as follows:

"(3) AUTHORIZATION.—There are authorized to be appropriated to carry out this section—

"(A) for rental rehabilitation, $175,000,000 for fiscal year 1988; and

"(B) for development grants, $99,550,000 for fiscal year 1988.".

(b) RENTAL REHABILITATION ELIGIBLE PROPERTY.—Section 17(a)(1)(A) of the United States Housing Act of 1937 is amended by inserting after "property" the following: ", or of real property that will be privately owned upon the completion of rehabilitation,".

(c) RENTAL REHABILITATION MAXIMUM GRANT AMOUNT.—Section 17(c)(2)(E) of the United States Housing Act of 1937 is amended by striking "$5,000 per unit" and inserting the following: "$5,000 per unit for a unit with no bedrooms, $6,500 per unit for a unit with 1 or 2 bedrooms, or $7,500 per unit for a unit with 3 or more bedrooms,".

(d) RENTAL REHABILITATION USE OF FUNDS.—Section 17(c) of the United States Housing Act of 1937 is amended by adding at the end the following new paragraph:

"(4) USE OF FUNDS TO COMPLY WITH SEISMIC STANDARDS.—If a unit of general local government has a local ordinance that requires rehabilitation to meet seismic standards, the unit of local government may use all rehabilitation assistance received under this section to rehabilitate units with no bedroom or 1 bedroom, if the occupants of the units will have incomes that do not exceed 50 percent of the median income of the area.".

(e) RENTAL DEVELOPMENT AREA ELIGIBILITY.—Section 17(d)(2) of the United States Housing Act of 1937 is amended by adding at the end the following new sentence: "Notwithstanding any other provision of law, the eligibility requirements for development grants under this section shall be the requirements in effect under this subsection on October 17, 1986.".

(f) RENTAL DEVELOPMENT PROGRAM REQUIREMENTS.—Section 17(d)(4) of the United States Housing Act of 1937 is amended—

(1) in subparagraph (G)—

(A) by striking "24 months" and inserting "36 months";

(B) by striking the following "(36 months after notice in the case of projects for which funding notices were issued prior to July 23, 1985)"; and

(C) by striking "and" at the end;

(2) by striking the period at the end of subparagraph (H) and inserting "; and"; and

(3) by adding at the end the following new subparagraph:

"(I) the owner of each assisted structure agrees to comply with the provisions of paragraph (8) until the 20-year period specified in paragraph (7) has ended.".

(g) DEVELOPMENT COST.—Section 17(d) of the United States Housing Act of 1937 is amended by adding at the end the following new paragraph:

"(10) DEVELOPMENT COST.—The Secretary shall include in the development cost of a project assisted under this subsection any developer's fee if such fee is included in a mortgage secured by the project and the lender is a State housing finance agency, except that the amount of any such fee shall not be counted in calculating the maximum grant amount pursuant to paragraph (4)(B). This paragraph shall only be applicable to projects with respect to which a notice of project selection is received before the date of the enactment of the Housing, Community Development, and Homelessness Prevention Act of 1987.".

(h) ADMINISTRATIVE EXPENSES.—Section 17(h) of the United States Housing Act of 1937 is amended by inserting before the period at the end the following: ", except that any State administering resources made available under subsection (b) may retain not more than 10 percent of any grant received under such subsection to cover administrative expenses incurred".

(i) ELIGIBILITY.—Section 17(k)(4) of the United States Housing Act of 1937 is amended—

(1) by inserting "privately owned" before "real property";

(2) by inserting "(A)" after "includes"; and

(3) by inserting before the semicolon at the end the following: ", and (B) housing that is owned by a State or locally chartered, neighborhood based, nonprofit organization the primary purpose of which is the provision and improvement of housing".

(j) APPLICABILITY.—The amendment made by subsection (f)(1) shall be applicable to all grantees, including grantees receiving notice of project selection before the date of the enactment of this Act.

Subtitle B—Multifamily Housing Management and Preservation

SEC. 161. PREPAYMENT OF MORTGAGES.

(a) POLICY, GOALS, AND DEVELOPMENT OF PROGRAM.—

(1) It is the policy of the United States that the Secretary of Housing and Urban Development (in this section referred to as the "Secretary") shall develop, implement, and undertake appropriate policies and programs that will encourage the continued availability, as decent, safe, sanitary, and affordable housing for lower income families, of multifamily rental housing projects that are currently available for such occupancy and are insured or assisted by the Secretary under the National Housing Act, the United States Housing Act of 1937, section 101 of the Housing and Urban Development Act of 1965, or section 201 of the Housing and Community Development Amendments of 1978.

(2) In administering the policy established in this subsection, the Secretary's policies, programs, and actions shall be designed and appropriate to further the goals of—

(A) encouraging, facilitating, and supporting the maintenance of the existing stock of multifamily housing assisted by the Secretary in decent, safe, and sanitary condition, as well as the continued availability and affordability of such housing stock for occupancy by lower income families;

(B) preserving and revitalizing residential neighborhoods; and

(C) minimizing the involuntary displacement of tenants.

(3) In achieving the goals established in this subsection, the Secretary shall, subject to the provisions of this section, respect the rights of owners, including (but not limited to) existing contract rights to prepay mortgages and to convert units to other purposes, to receive a fair and equitable return on their investment, to be able to fully meet outstanding mortgage and other financial obligations secured by or related to the ownership, management, or operation of projects as such obligations become due, and to receive fair market value on any sale or transfer of their property.

(4) Immediately following the date of the enactment of this Act, the Secretary shall undertake a comprehensive identification, examination, and review of all Federal policies, programs, and actions that the Secretary has undertaken or recommended, or might undertake or recommend, in administering the policy established in this subsection, and shall report to the Congress not later than 180 days following such date with the Secretary's findings, recommendations, and current and planned actions. The comprehensive identification, examination, and review shall be conducted by the Secretary using resources of the Department of Housing and Urban Development, which shall be complemented, to the maximum extent practicable, by the technical expertise and resources of outside organizations and institutions with particular expertise, interest, and involvement in the subject matters. The Secretary also shall solicit a wide range of views of owners, tenants, lenders, management companies, State and local governments, finance agencies, and other interested parties and shall include and reflect consideration of the views presented in the Secretary's report to the Congress. In carrying out the Secretary's responsibilities under this paragraph, the Secretary shall invite comment and research on, evaluate and report on, and develop and report on a coordinated program based on, the following:

(A) The adequacy, availability, and utility of the various types of currently available Federal housing subsidy assistance programs in achieving the goals of the policy established in this subsection.

(B) The adequacy, availability, and utility of the various Federal mortgage and loan insurance, purchase, and guarantee programs in facilitating periodically necessary and desirable financing and refinancing of mortgage and other debt secured by or related to multifamily projects assisted by the Secretary, and in otherwise achieving the goals of the policy established in this subsection.

(C) The need for additional or modified Federal housing subsidy, mortgage insurance, purchase or guarantee programs, and for any other additional, modified, or complementary Federal policies, programs, and actions necessary to assure adequate resources to maintain the sound physical and financial condition of the existing stock of multifamily housing assisted by the Secretary, and otherwise to achieve the goals of the policy established in this subsection.

(D) The estimate of potential amounts of budget authority likely to be recaptured (and the timing of such recapture occurring) on prepayment of mortgages and the termination of interest reduction and various housing subsidy assistance contracts, and the repayment of mortgage loans held by the Secretary or the Government National Mortgage Association.

(E) The feasibility of establishing a national nonprofit corporation with the purpose of receiving any amount paid to the Federal Government as part of a prepayment of a loan on a project subsidized by the Secretary and using such amount to purchase other such projects that are eligible for prepayment in order to ensure their continued availability as housing for lower income persons.

(F) Criteria and approaches, consistent with the goals of the policy established in this subsection, for implementing a right of first refusal on the sale of the project at fair market value to a State or local governmental entity, nonprofit organization (including a tenants organization), or other prospective purchaser that agrees to restrict the occupancy of the project for the remaining term of the original mortgage financing on the project or for 20 years, whichever period is longer, to families with incomes that do not exceed 80 percent of the area median income.

(G) Such other matters as the Secretary considers to be appropriate.

(b) NOTICE AND ACTIONS WITH RESPECT TO PROJECTS SUBJECT TO PREPAYMENT APPROVAL BY SECRETARY.—

(1) The Secretary shall publish in the Federal Register, on the first workday of each month, a list organized on a State-by-State basis, of all projects subject to a prepayment approval by the Secretary that will become eligible for prepayment during the same month of the next calendar year.

(2)(A) Each owner of a property subject to a mortgage that includes a provision requiring the approval of the Secretary for prepayment that is or will become eligible for prepayment without the Secretary's approval shall, prior to prepayment of any loan, file a 1-year notice of the intent of the owner to prepay (referred to in this subsection as the "1-year notice"). No prepayment may be made during such 1-year period (referred to in this subsection as the "prohibited period"). The 1-year notice shall be submitted by certified mail to the Secretary, and by first-class mail to the State housing finance agency (or other agency or agencies as designated by the Governor), the tenants of the property, and the local government (referred to in this subsection as "the other interested parties"). Upon the expiration of the prohibited period and subject to the provisions of paragraph (5), the owner may prepay for a period of 1-year (referred to in this subsection as the "permitted period").

(B) The 1-year notice shall include such information as is required by the Secretary (provided disclosure of the information required is consistent with rights of privacy specified in applicable law), including information regarding the financing of the property, the method and term of depreciation utilized for tax purposes, the current rent schedule of the property, and an anonymous profile of the tenants' incomes. If, before 30 days prior to the expiration of the permitted period, the property owner has not prepaid, the owner may again file a 1-year notice, which shall initiate a subsequent permitted period equal to 1-year and commencing at the expiration of the prior permitted period.

(3) The Secretary shall examine, not later than 60 days after the receipt of notice under paragraph (2), each project to determine any possible regulatory or contractual changes that can be made to induce continued use as a lower income housing project. The Secretary, in exchange for a commitment by the owner to continue to use the project as lower income housing for the term of the mortgage or 20 years (whichever is longer), may take one or more of the following actions:

(A) Phase in an increase in the rate of return on equity.

(B) Phase in access to residual reserves.

(C) Revise the method of calculating equity.

(D) Permit refinancing of the project in order to access the equity.

(E) Provide additional assistance under section 8 of the United States Housing Act of 1937 or increase the rents permitted under an existing contract under such section 8.

(F) Provide any other incentive determined by the Secretary to be appropriate to encourage the retention of lower income housing.

(4) The Secretary may take any of the actions described in subparagraphs (A) through (F) of paragraph (3) only if the Secretary determines that—

(A) the owner will maintain adequate expenditures on maintenance and operation; and

(B) the rent burden of lower income tenants will not be increased to levels that would violate the limitations set forth in section 3 of the United States Housing Act of 1937, section 236 of the National Housing Act, section 101 of the Housing and Urban Development Act of 1965, or section 221(d)(3) of the National Housing Act, as applicable to such tenants.

(5)(A) Not later than 120 days after the receipt of a 1-year notice under paragraph (2), the Secretary shall confer with the other interested parties to determine—

(i) the action the Secretary proposes to take under paragraph (3); and

(ii) the State or local assistance that is available to induce the owner to continue to use the property as lower income housing or to enable a nonprofit organization, public agency, or tenant cooperative to purchase the property.

(B) Not later than 150 days after the receipt of a 1-year notice under paragraph (2), *the Secretary shall notify the property owner in writing of the actions proposed by the Secretary under paragraph (3) and other actions proposed by the other interested parties. The owner shall respond in writing to the Secretary not later than 30 days after the receipt of notice under the preceding sentence. If the response of the owner is negative, the response shall identify the specific objections of the owner to the proposed actions or other reasons for the response.*

(C) Notwithstanding any action taken by the Secretary, any interested party may submit a proposal in writing by certified mail to the property owner at any time. The owner shall respond in writing to any such proposal within 30 days after the receipt by the owner of such proposal. In no case shall action taken by any party under this subsection excuse the Secretary from the responsibilities imposed upon the Secretary by this section.

(D) If, during the prohibited period or the permitted period—

(i) the property owner receives a bona fide offer to purchase the property, the owner shall notify, by the methods specified in paragraph (2)(A), the Secretary and the other interested parties of the proposed terms and conditions of the offer, and the owner may not enter into any contract that is binding upon the owner for sale of the property (except to a nonprofit organization, tenant cooperative, or public agency that intends to maintain the lower income character of the property) until a 90-day period has expired after receipt by the Secretary of the notice called for in this clause; or

(ii) the property owner obtains a commitment for refinancing of the property that would require prepayment of the loan, the owner shall notify, by the methods specified in paragraph (2)(A), the Secretary and the other interested parties of the terms and conditions of such commitment, and the owner may not enter into any contract binding upon the owner for refinancing the property until a 60-day period has expired after receipt by the Secretary of the notice called for in this clause; or

(iii) the owner elects to prepay the loan (without refinancing or sale) on a date certain, the owner shall notify the Secretary and the other interested parties by the methods specified in paragraph (2)(A) of the date on which the owner intends to prepay the loan on the 90th day prior to such date.

In each of the cases above, the Secretary shall confer with the other interested parties, and each such person or entity may submit a proposal to the owner in writing, which proposal shall be mailed to the owner by certified mail. In the case of an action described in clauses (i) or (iii), such proposal may be submitted so as to be received by the owner not later than 75 days after the receipt of the notice given by the owner to the Secretary, and in the case of an action described in clause (ii), such proposal may be submitted so as to be received by the owner not later than 45 days after the receipt of the notice given by the owner to the Secretary. Prior to the expiration of the 90-day or 60-day period called for under this subparagraph, as applicable, and prior to the execution in binding form of a contract of sale, a commitment for refinancing, or an actual prepayment (without sale or refinancing), the owner shall respond in writing to each such proposal filed within the time period specified above. Upon the expiration of the 90-day or 60-day period called for under this subparagraph, as applicable, the owner may enter into a firm binding contract for sale or refinancing or may prepay the loan without a sale or refinancing.

(E) The Secretary shall take such actions as may be necessary (consistent with the provisions of this section and other applicable law) to induce the property owner to continue to use the property as lower income housing or to facilitate the transfer or sale of the property to a nonprofit organization, tenant cooperative, or public agency that intends to maintain the lower income character of the property.

(F) The failure of the Secretary, the State agency, the tenants of the property, or the local government to take any action pursuant to this subsection shall not prohibit the property owner from prepaying the mortgage.

(G) Upon the expiration of the prohibited period, or, if later, the expiration of the 90-day or 60-day period (as applicable) provided for in subparagraph (D), the property owner may prepay pursuant to the provisions of paragraph (2) and this paragraph. If the owner does not comply with any provision of this section, the owner may not prepay unless the owner submits a subsequent 1-year notice and complies with the provisions of this section.

(c) FUNDING.—

(1) Any subsidy funds recaptured from contract cancellation, including the proceeds of repayments and sales of loans with below-market interest rates (or sales of beneficial interest loans) that are insured under section 221(d)(3) of the National Housing Act and owned by the Government National Mortgage Association, shall be reserved and, to the extent approved in appropriation Acts, used to assist other projects under section 8 of the United States Housing Act of 1937, under subsection (b), or under paragraph (2).

(2) In the case of any State financed project that was provided a financial adjustment factor under section 8 of the United States Housing Act of 1937 and is being refinanced, 50 percent of the amounts reserved for the project under paragraph (1) shall be made available to the State housing finance agency in the State where the project is located to use to produce new lower income housing.

(d) AMENDMENT TO NATIONAL HOUSING ACT.—Section 250(a)(1) of the National Housing Act is amended by striking "or" and all that follows through "needs" the last place it appears.

SEC. 162. MANAGEMENT AND PRESERVATION OF HUD-OWNED MULTIFAMILY HOUSING PROJECTS.

(a) GOALS.—Section 203(a) of the Housing and Community Development Amendments of 1978 is amended by striking "(a)" and all that follows through the semicolon at the end of paragraph (1) and inserting the following:

"(a) The Secretary of Housing and Urban Development (in this section referred to as the 'Secretary') shall manage and dispose of multifamily housing projects that are owned by the Secretary, or that are subject to a mortgage held by the Secretary that is either delinquent, under a workout agreement, or being foreclosed upon by the Secretary, in a manner that is consistent with the National Housing Act and this section and that will, in the least costly fashion among the reasonable alternatives available, further the goals of—

"(1) preserving so that they are available to and affordable by low- and moderate-income persons—

"(A) all units in multifamily housing projects that are subsidized projects or formerly subsidized projects;

"(B) in other multifamily housing projects owned by the Secretary, at least the units that are occupied by low- and moderate-income persons or vacant; and

"(C) in all other multifamily housing projects, at least the units that are, on the date of assignment, occupied by low- and moderate-income persons;".

(b) MANAGEMENT SERVICES.—Section 203(b)(2) of the Housing and Community Development Amendments of 1978 is amended—

(1) by inserting "(A)" after the paragraph designation;

(2) by redesignating clauses (A) through (D) as clauses (i) through (iv), respectively;

(3) by striking ", owned by the Secretary" and inserting the following: "subject to subsection (a) that is owned by the Secretary (or for which the Secretary is mortgagee in possession)";

(4) by striking the period at the end and inserting "; and"; and

(5) by adding at the end the following new subparagraph:

"(B) to require the owner of a multifamily housing project subject to subsection (a) that is not owned by the Secretary (and for which the Secretary is not mortgagee in possession), to contract for management services for the project in the manner described in subparagraph (A).".

(c) MAINTAINING OF PROJECTS.—Section 203(c) of the Housing and Community Development Amendments of 1978 is amended to read as follows:

"(c)(1) In the case of multifamily housing projects subject to subsection (a) that are owned by the Secretary (or for which the Secretary is mortgagee in possession), the Secretary shall—

"(A) to the greatest extent possible, maintain all such occupied projects in a decent, safe, and sanitary condition;

"(B) to the greatest extent possible, maintain full occupancy in all such projects; and

"(C) maintain all such projects for purposes of providing rental or cooperative housing for the longest feasible period.

"(2) In the case of any multifamily housing project subject to subsection (a) that is not owned by the Secretary (and for which the Secretary is not mortgagee in possession), the Secretary shall require the owner of the project to carry out the requirements of paragraph (1).".

(d) FINANCIAL ASSISTANCE.—Section 203 of the Housing and Community Development Amendments of 1978 is amended—

(1) by redesignating subsections (d) through (g) as subsections (e) through (h), respectively; and

(2) by inserting after subsection (c) the following new subsection:

"(d) In carrying out the goals specified in subsection (a)(1) the Secretary shall take not less than one of the following actions:

"(1) Enter into contracts under section 8 of the United States Housing Act of 1937, to the extent budget authority is available for such section 8, with owners of multifamily housing projects that are acquired at foreclosure or after sale by the Secretary. Such contracts shall provide assistance to the project involved for a period of not less than 15 years. Such contracts shall be sufficient to assist all units in subsidized or formerly subsidized projects, and all units in other projects that are occupied by lower income families eligible for assistance under such section 8 at the time of foreclosure or sale,

as the case may be, and all units that are vacant at such time (which units shall be made available for such families as soon as possible). In order to make available to families any units in subsidized or formerly subsidized projects that are occupied by persons not eligible for assistance under such section 8, but that subsequently become vacant, the contract shall also provide that when any such vacancy occurs the owner involved shall lease the available unit to a family eligible for assistance under such section 8. The Secretary shall provide such contracts at contract rents that, consistent with subsection (a), provide for the rehabilitation of such project and do not exceed the most recently adjusted fair market rents for substantially rehabilitated units published by the Secretary in the Federal Register.

"(2) In accordance with the authority provided under the National Housing Act, provide purchase-money mortgages, reduce the selling price, or provide other financial assistance to the owners of multifamily housing projects that are acquired at foreclosure, or after sale by the Secretary, on terms that will ensure that, for a period of not less than 15 years (A) the project will remain available to and affordable by low- and moderate-income persons; and (B) such persons shall pay not more than the amount payable as rent under section 3(a) of the United States Housing Act of 1937.".

(e) Displacement Protection.—Section 203(e)(1) of the Housing and Community Development Amendments of 1978 (as so redesignated by this section) is amended—

(1) by striking "owned by the Secretary" and inserting the following: "subject to subsection (a) that is owned by the Secretary (or for which the Secretary is mortgagee in possession)"; and

(2) by adding at the end the following new sentence: "In the case of a multifamily housing project subject to subsection (a) that is not owned by the Secretary (and for which the Secretary is not mortgagee in possession), the Secretary shall require the owner of the project to carry out the requirements of this paragraph.".

(f) Limitations on Certain Project, Loan, and Mortgage Sales.—Section 203 of the Housing and Community Development Amendments of 1978 is amended—

(1) by redesignating subsections (g) and (h) (as so redesignated by this section) as subsections (h) and (i); and

(2) by inserting before such subsection (h) the following new subsection:

"(g)(1) The Secretary may not approve the sale of any loan or mortgage held by the Secretary (including any loan or mortgage owned by the Government National Mortgage Association) on any subsidized project or formerly subsidized project unless such sale is made as part of a transaction that will ensure that such project will continue to operate at least until the maturity date of such loan or mortgage in a manner that will provide rental housing on terms at least as advantageous to existing and future tenants as the terms required by the program under which the loan or mortgage was made or insured prior to the assignment of the loan or mortgage on such project to the Secretary.

"(2) The Secretary may not approve the sale of any subsidized project (A) that is subject to a mortgage held by the Secretary; or (B) if the sale transaction involves the provision of any additional subsidy funds by the Secretary or a recasting of the mortgage, unless such sale is made as part of a transaction that will ensure that such project will continue to operate at least until the maturity date of the loan or mortgage in a manner that will provide rental housing on terms at least as advantageous to existing and future tenants as the terms required by the program under which the loan or mortgage was made or insured prior to the proposed sale of the project.".

(g) Definitions.—Section 203(h) of the Housing and Community Development Amendments of 1978 (as so redesignated by this section) is amended—

(1) by inserting "(1)" after the subsection designation; and

(2) by adding at the end the following new paragraphs:

"(2) For the purpose of this section, the term 'subsidized project' means a multifamily housing project receiving any of the following assistance immediately prior to the assignment of the mortgage on such project to, or the acquisition of such mortgage by, the Secretary:

"(A) below market interest rate mortgage insurance under the proviso of section 221(d)(5) of the National Housing Act;

"(B) interest reduction payments made in connection with mortgages insured under section 236 of the National Housing Act;

"(C) rent supplement payments under section 101 of the Housing and Urban Development Act of 1965;

"(D) direct loans at below market interest rates, made under section 202 of the Housing Act of 1959 or to a multifamily housing project under section 312 of the Housing Act of 1964; or

"(E) housing assistance payments made under section 23 of the United States Housing Act of 1937 (as in effect before January 1, 1975) or section 8 of the United States Housing Act of 1937 (other than subsection (b)(1) of such section), without regard to whether such payments are made to all or a portion of the units in the project.

"(3) For the purpose of this section, the term 'formerly subsidized project' means a multifamily housing project owned by the Secretary that was a subsidized project immediately prior to its acquisition by the Secretary.".

SEC. 163. ACQUISITION OF INSURED MULTIFAMILY HOUSING PROJECTS.

Section 207(k) of the National Housing Act is amended by inserting after the second sentence the following new sentence: "In determining the amount to be bid, the Secretary shall act consistently with the goal established in section 203(a)(1) of the Housing and Community Development Amendments of 1978.".

SEC. 164. TENANT PARTICIPATION IN MULTIFAMILY HOUSING PROJECTS.

(a) Applicability.—Section 202(a) of the Housing and Community Development Amendments of 1978 is amended by inserting before the period at the end the following: "or section 202 of the Housing Act of 1959".

(b) Notice and Comment.—Section 202(b)(1) of the Housing and Community Development Amendments of 1978 is amended—

(1) by striking "or" the third place it appears;

(2) by inserting after "alterations," the following: "transfer of physical assets, or application for capital improvements loan,"; and

(3) by striking "and the Secretary deems it appropriate" and inserting the following: "or where the Secretary proposes to sell a mortgage secured by a multifamily housing project".

(c) Nondiscrimination Against Section 8 Certificate Holders and Voucher Holders.—No owner of a subsidized project (as defined in section 203(h)(2) of the Housing and Community Development Amendments of 1978, as amended by section 162 of this Act) shall refuse—

(1) to lease any available dwelling unit in any such project of such owner that rents for an amount not greater than the fair market rent for a comparable unit, as determined by the Secretary under section 8 of the United States Housing Act of 1937, to a holder of a certificate of eligibility under such section a proximate cause of which is the status of such prospective tenant as a holder of such certificate, and to enter into a housing assistance payments contract respecting such unit; or

(2) to lease any available dwelling unit in any such project of such owner to a holder of a voucher under section 8(o) of such Act, and to enter into a voucher contract respecting such unit, a proximate cause of which is the status of such prospective tenant as holder of such voucher.

SEC. 165. TROUBLED MULTIFAMILY HOUSING PROJECTS.

(a) Condition of Subsidy.—Section 201(d)(1) of the Housing and Community Development Amendments of 1978 is amended by inserting before the semicolon at the end the following: "and to apply for sufficient assistance under section 8 of the United States Housing Act of 1937 or any other appropriate Federal, State, or local government housing assistance program to permit the owner to maintain both the financial soundness and the low- and moderate-income character of the project (and for which the Secretary shall submit to the Congress a request for sufficient Federal funds for the contract period), except that the agreement shall also provide (in the case of a project that, prior to the date of the enactment of the Housing, Community Development, and Homelessness Prevention Act of 1987, received assistance under this section) that the agreement of the owner to maintain units for families whose incomes do not exceed 50 percent of the area median income for such period shall be binding only as long as the project or the families living in the projects receive Federal, State, or local government housing assistance sufficient to permit the owner to maintain the financial soundness of the project".

(b) Revolving Fund.—Section 201 of the Housing and Community Development Amendments of 1978 is amended by adding at the end the following new subsection:

"(k)(1) There is established in the Treasury of the United States a revolving fund, to be known as the Flexible Subsidy Fund.

"(2) The Fund shall consist of any amount appropriated under this section, any amount appropriated for use under this section pursuant to section 236(f)(3) of the National Housing Act, and any other amount received by the Secretary under this section.

"(3) The Fund shall, to the extent approved in appropriation Acts, be available to the Secretary to provide assistance under this section (including assistance for capital improvements).".

SEC. 166. MULTIFAMILY HOUSING DISPOSITION PARTNERSHIP.

(a) Establishment of Demonstration Program.—The Secretary of Housing and Urban Development shall carry out a program to demonstrate the effectiveness of disposing of distressed multifamily housing projects owned by the Department of Housing and Urban Development through a partnership with the Massachusetts Housing Finance

Agency. The demonstration program shall be designed to determine the feasibility of entering into similar relationships with other State housing finance agencies.

(b) Requirements of Demonstration Program.—

(1) Opportunity to participate in sale.—Not less than 30 days before offering to sell any multifamily housing project that is located in the State of Massachusetts and subject to section 204 of the Housing and Community Development Amendments of 1978, the Secretary shall—

(A) notify the Agency of the plan of the Secretary to sell the project; and

(B) provide the Agency with the option to provide the long-term financing for the sale of the project through the co-insurance program of the Secretary, if the project complies with the State laws applicable to the Agency.

(2) Terms of participation.—If the Agency agrees to participate in the sale of a project under this section, the terms of the sale shall be as follows:

(A) The Agency shall provide a loan to the purchaser of the property.

(B) The mortgage securing the loan shall be insured by the Secretary and the Agency under paragraph (3) or (4) of section 221(d) of the National Housing Act.

(3) Cooperative agreement.—Not later than the expiration of the 3-month period beginning on the date of the enactment of this Act, the Secretary shall enter into a cooperative agreement with the Agency to carry out the demonstration program under this section.

(c) Termination of Demonstration Program.—

(1) In general.—Except as provided in paragraph (2), the demonstration program under this section shall terminate upon the expiration of the 3-year period beginning on the date of the enactment of this Act.

(2) Continuation of program.—

(A) The Secretary may continue the demonstration program under this section after the termination date established in paragraph (1) for such additional period as the Secretary determines to be appropriate.

(B) The Secretary shall continue the demonstration program under this section with respect to any project for which the Secretary notifies the Agency under subsection (b)(1)(A) before the termination date established in paragraph (1) or under subparagraph (A).

(d) Report to Congress.—Not later than 6 months after the termination date established in subsection (c)(1), the Secretary shall submit to the Congress a report evaluating the effectiveness of the demonstration program under this section as a national model for the disposition of distressed multifamily housing projects owned by the Department of Housing and Urban Development.

(e) Definitions.—For purposes of this section:

(1) The term "Agency" means the Massachusetts Housing Finance Agency.

(2) The term "Secretary" means the Secretary of Housing and Urban Development.

Subtitle C—Multifamily Housing Preservation Loans

SEC. 171. PURPOSE.

The purpose of this subtitle is to provide loans to the owners of certain multifamily housing projects assisted by the Secretary of Housing and Urban Development to permit such owners to make capital improvements required to maintain such projects as decent, safe, and sanitary housing and to maintain the low- and moderate-income character of such projects.

SEC. 172. DEFINITIONS.

For purposes of this subtitle:

(1) The term "capital improvement" means any major repair or replacement of a capital item in a multifamily housing project, including any such repair or replacement required as a result of deferred or inadequate maintenance. Such term does not include maintenance of any such item.

(2) The term "Fund" means the Multifamily Housing Preservation Fund established in section 176.

(3) The term "lower income families" has the meaning given such term in section 3(b)(2) of the United States Housing Act of 1937.

(4) The term "low- and moderate-income character" means the character of a multifamily housing project with respect to tenant admission and rental charges that have been agreed to by the owner of such project and the Secretary in connection with assistance or insurance provided by the Secretary.

(5) The term "Secretary" means the Secretary of Housing and Urban Development.

SEC. 173. AUTHORITY TO PROVIDE LOANS.

(a) In General.—The Secretary may provide and, to the extent approved in appropriation Acts, contract to provide loans to owners of rental or cooperative housing projects meeting the requirements of this subtitle for purposes of assisting such owners to make capital improvements required to maintain such projects as decent, safe, and sanitary housing and to maintain the low- and moderate-income character of such projects.

(b) Applications.—Applications for loans under this subtitle shall be made in such form, and in accordance with such procedures, as the Secretary may prescribe.

SEC. 174. ELIGIBILITY FOR LOANS.

(a) Project Requirements.—The owner of any rental or cooperative housing project shall be eligible for a loan under this subtitle only if such project—

(1)(A) is assisted under section 236 of the National Housing Act, the proviso of section 221(d)(5) of the National Housing Act, or section 101 of the Housing and Urban Development Act of 1965, without regard to whether such project is insured under the National Housing Act;

(B) is assisted under section 8 of the United States Housing Act of 1937 following conversion to such assistance from assistance under section 236(f)(2) of the National Housing Act or section 101 of the Housing and Urban Development Act of 1965;

(C) is assisted under section 23 of the United States Housing Act of 1937, as in effect before January 1, 1975; or

(D) was a project described in subparagraph (A) before the acquisition of such project by the Secretary, and has been sold by the Secretary subject to an agreement that provides that the low- and moderate-income character of such project will be maintained; and

(2) meets such other requirements consistent with the purposes of this subtitle as the Secretary may prescribe.

(b) Loan and Borrower Requirements.—No loan may be provided under this subtitle to the owner of any rental or cooperative housing project unless the Secretary determines that—

(1) such loan, when considered with other resources available to and financially feasible for such project, is necessary for such owner to make capital improvements with respect to capital items that have failed, or are likely to seriously deteriorate or fail in the near future, in such project;

(2) the owner of such project agrees to contribute assistance to such project in such amounts, from such sources, and in such manner as the Secretary determines to be appropriate, except that—

(A) such contribution shall not be less than 20 percent of the total estimated cost of the capital improvements involved, unless the Secretary, upon application of the owner, determines that such contribution is financially infeasible and waives or reduces such contribution to the extent necessary;

(B) the Secretary may not require an amount to be contributed, from the reserve funds established by the owner of such project for the purpose of making capital improvements, in excess of 50 percent of the amount of such reserve funds on the date of such loan; and

(C) the Secretary shall waive the requirements of this paragraph if such owner is a private nonprofit corporation or association;

(3) the owner of such project agrees to maintain the low- and moderate-income character of such project for a period of not less than the remaining term of the project mortgage;

(4) the management of such project is conducted by persons who meet levels of competency and experience prescribed by the Secretary and are approved by the Secretary;

(5) such project is structurally sound, or will be made structurally sound as a result of the capital improvements involved, as determined on the basis of information obtained as a result of an onsite inspection of such project;

(6) such loan, when considered with other resources available to and financially feasible for such project, will maintain the financial soundness of such project;

(7) such project is operated and managed in accordance with a management improvement and operating plan that has been determined to be necessary and approved by the Secretary and that includes the following:

(A) a detailed maintenance schedule;

(B) a schedule for correcting past deficiencies in maintenance, repairs, and replacements;

(C) a plan to upgrade the capital items being improved, and any other capital items determined by the Secretary to be associated with such capital items being improved and to require upgrading, to meet cost-effective energy efficiency standards prescribed by the Secretary;

(D) a plan to improve or maintain financial and management control systems;

(E) a detailed annual operating budget taking into account such standards for operating costs in the area as may be determined by the Secretary to be appropriate; and

(F) such other items as the Secretary may determine to be appropriate;

(8) the reserve funds established by the owner of such project for the purpose of making capital improvements are insufficient to finance both the capital improvements for which such loan is requested and other capital improvements that are reasonably expected to be required in the near future, and such insufficiency is not the result of the failure of such owner to comply with any standard established by the Secretary for management of such reserve funds; and

(9) such loan will be less costly to the Federal Government than other reasonable alternatives available to the Secretary for maintaining the low- and moderate-income character of such project.

(c) PRIORITIES IN PROVIDING LOANS.—In providing, and contracting to provide, loans under this subtitle, the Secretary shall give priority to—

(1) the extent to which the capital improvements for which such loans are requested are immediately required;

(2) the extent to which the projects for which such loans are requested serve as the residences of lower income families, and the extent to which other suitable housing is unavailable for such families in the areas in which such projects are located;

(3) the extent to which the capital improvements for which such loans are requested involve the life, safety, or health of the residents of the projects or involve major capital improvements in the projects; and

(4) projects that demonstrate the greatest financial distress, while continuing to meet the requirements of subsection (b)(6).

SEC. 175. AMOUNT AND CONDITIONS OF LOANS.

(a) PRINCIPAL AMOUNT OF LOANS.—Subject to section 174(b)(2), the principal amount of any loan provided under this subtitle to the owner of any project shall not exceed 80 percent of the sum of—

(1) the amount determined by the Secretary to be necessary for such owner to make capital improvements with respect to capital items that have failed, or are likely to seriously deteriorate or fail in the near future, in such project;

(2) the amount determined by the Secretary to be necessary to carry out a plan to upgrade the capital items being improved, and any other capital items determined by the Secretary to be associated with such capital items being improved and to require upgrading, to meet cost-effective energy efficiency standards prescribed by the Secretary; and

(3) the amount determined by the Secretary to be necessary to comply with the requirements of section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794).

(b) CONDITIONS OF LOANS.—

(1) The term of any loan provided under this subtitle shall not exceed the remaining term of the mortgage on the project with respect to which such loan is provided.

(2) Subject to subsection (c), each loan provided under this subtitle shall bear interest at a rate determined by the Secretary that is not more than 3 percentage points below a rate determined by the Secretary of the Treasury taking into consideration the average interest rate on all interest bearing obligations of the United States then forming a part of the public debt, computed at the end of the fiscal year next preceding date on which the loan is made, adjusted to the nearest ⅛ of 1 percent, plus an allowance adequate in the judgment of the Secretary of Housing and Urban Development to cover administrative costs and probable losses under the program, except that such interest rate plus such allowance shall not exceed 6 percent per annum nor be less than 3 percent per annum.

(3) Each loan provided under this subtitle shall be considered to be a liability of the project involved, and shall not be dischargeable in any bankruptcy proceeding under section 727, 1141, or 1328(b) of title 11, United States Code.

(4) The Secretary may establish such additional conditions on loans provided under this subtitle as the Secretary determines to be appropriate.

(5) The Secretary may provide more than one loan to any project under this subtitle, if each such loan complies with the provisions of this subtitle.

(c) MINIMIZATION OF RENT INCREASES.—In order to minimize any increases in rental payments that may occur as a result of the debt service and other expenses of a loan provided under this subtitle, and that would be incurred by residents of the project involved whose rental payments are, or would as a result of such expenses be, in excess of the amount allowable if section 3(a) of the United States Housing Act of 1937 were applicable to such residents, the Secretary may take any or all of the following actions:

(1) Provide assistance with respect to such project under section 8(b)(1) of the United States Housing Act of 1937, to the extent amounts are available for such assistance and without regard to section 16 of such Act.

(2) Reduce the rate of interest charged on such loan to a rate of not less than 1 percent.

(3) Increase the term of such loan to a term that does not exceed the remaining term of the mortgage on such project.

(4) Increase the amount of assistance to be provided by the owner of such project under section 174(b)(2), if applicable, to an amount not to exceed 30 percent of the total estimated cost of the capital improvements involved.

SEC. 176. MULTIFAMILY HOUSING PRESERVATION FUND.

(a) ESTABLISHMENT OF FUND.—For purposes of carrying out the provisions of this subtitle, there is established in the Treasury of the United States a revolving fund, to be known as the Multifamily Housing Preservation Fund. The Fund shall, to the extent approved in appropriation Acts, be available to the Secretary for purposes of carrying out the provisions of this subtitle.

(b) ASSETS OF FUND.—The Fund shall consist of (1) any amount made available to the Fund under section 236(f)(3) of the National Housing Act; (2) any amount repaid on a loan provided under this subtitle; and (3) any other amount received by the Secretary under this subtitle.

(c) MANAGEMENT OF FUND.—Any amounts in the Fund determined by the Secretary to be in excess of the amounts currently required to carry out the provisions of this subtitle shall be invested by the Secretary in obligations of, or obligations guaranteed as to both principal and interest by, the United States or any agency of the United States.

SEC. 177. REGULATIONS.

The Secretary shall, not later than the expiration of the 180-day period following the date of the enactment of this Act, issue such regulations as may be necessary to carry out the provisions of this subtitle.

SEC. 178. FUNDING.

Section 236(f)(3) of the National Housing Act is amended—

(1) by inserting before the period at the end of the first sentence the following: "or subtitle C of title I of the Housing, Community Development, and Homelessness Prevention Act of 1987"; and

(2) by inserting before the period at the end of the second sentence the following:, "and not more than $50,000,000 may be so approved for any fiscal year for transfer to the Multifamily Housing Preservation Fund established in subtitle C of title I of the Housing, Community Development, and Homelessness Prevention Act of 1987".

Subtitle D—Other Housing Assistance Programs

SEC. 181. HOUSING FOR THE ELDERLY AND HANDICAPPED.

(a) BORROWING AUTHORITY.—The first sentence of section 202(a)(4)(B)(i) of the Housing Act of 1959 is amended—

(1) by striking "and" the first place it appears; and

(2) by inserting after "1984," the following: "and to such sums as may be approved in appropriation Acts for fiscal year 1988,".

(b) LOAN AUTHORITY.—Section 202(a)(4)(C) of the Housing Act of 1959 is amended by adding at the end the following new sentence: "Not more than $621,701,000 may be approved in appropriation Acts for such loans for fiscal year 1988.".

(c) INTEREST RATE LIMITATION.—Section 223(a) of the Housing and Urban-Rural Recovery Act of 1983 is amended by striking paragraph (2).

(d) APPEAL OF CANCELLATION OF LOAN AUTHORITY.—Section 202 of the Housing Act of 1959 is amended by adding at the end the following new subsection:

"(n) The Secretary shall notify the project sponsor not less than 30 days prior to canceling any loan authority provided under this section. During the 30-day period following the receipt of a notice under paragraph (1), a sponsor may appeal the proposed cancellation of loan authority. Such appeal, including review by the Secretary, shall be completed not later than 45 days after the appeal is filed.".

(e) PRIORITY.—Section 202(a) of the Housing Act of 1959 is amended by adding at the end the following new paragraph:

"(8) In reviewing applications for loans under this section, the Secretary shall give a priority to any project that will provide housing designed to replace a structure that is owned by a public housing agency, contains not less than 100 dwelling units, is used for housing only elderly families, and is to be demolished.".

(f) COMMUNITY PARTICIPATION.—

(1) Section 202(a) of the Housing Act of 1959 (as amended by subsection (e) of this section) is further amended by adding at the end the following new paragraph:

"(9) To the maximum extent practicable, the Secretary shall encourage each corporation to provide for appropriate community participation in the development of the housing project assisted under this section.".

(2) Section 202(d)(2)(B) of the Housing Act of 1959 is amended to read as follows:

"(B) that owns and is responsible for the operation of the housing project assisted under this section; and".

SEC. 182. HOUSING FOR THE HANDICAPPED.

(a) FINDINGS AND PURPOSE.—

(1) The Congress finds that—

(A) housing for nonelderly handicapped families is assisted under section 202 of the Housing Act of 1959 and section 8 of the United States Housing Act of 1937;

(B) the housing programs under such sections are designed and implemented primarily to assist rental housing for elderly and nonelderly families and are often inappropriate for dealing with the specialized needs of the physically impaired, the developmentally disabled, and the chronically mentally ill;

(C) the development of housing for nonelderly handicapped families under such programs is often more expensive than necessary, thereby reducing the number of such families that can be assisted with available funds;

(D) the program under section 202 of the Housing Act of 1959 can continue to provide direct loans to finance group residences and independent apartments for nonelderly handicapped families, but can be made more efficient and less costly by the adop-

tion of standards and procedures applicable only to housing for such families;

(E) the cost containment policies currently being implemented in the development of small group homes (i) do not adequately reflect the necessity for building designs to meet the needs of the designated residents; and (ii) do not recognize necessary State and local standards for the operation of such homes;

(F) the use of the program under section 8 of the United States Housing Act of 1937 to assist rentals for housing for nonelderly handicapped families is time consuming and unnecessarily costly and, in some areas of the Nation, prevents the development of such housing;

(G) the use of the program under section 8 of the United States Housing Act of 1937 to assist rentals for housing for nonelderly handicapped families should be replaced by a more appropriate subsidy mechanism;

(H) both elderly and handicapped housing projects assisted under section 202 of the Housing Act of 1959 will benefit from an increased emphasis on supportive services and a greater use of State and local funds; and

(I) an improved program for nonelderly handicapped families will assist in providing shelter and supportive services for mentally ill persons who might otherwise be homeless.

(2) The purpose of this section is to improve the direct loan program under section 202 of the Housing Act of 1959 to ensure that such program meets the special housing and related needs of nonelderly handicapped families.

(b) Housing for Handicapped Families.—

(1) Section 202(h) of the Housing Act of 1959 is amended to read as follows:

"(h)(1) Of the amounts made available in appropriation Acts for loans under subsection (a)(4)(C) for any fiscal year commencing after September 30, 1987, not less than 15 percent shall be available for loans for the development costs of housing for handicapped families. If the amount required for any such fiscal year for approvable applications for loan under this subsection is less than the amount available under this paragraph, the balance shall be made available for loans under other provisions of this section.

"(2) The Secretary shall take such actions as may be necessary to ensure that—

"(A) funds made available under this subsection will be used to support a variety of methods of meeting the needs primarily of nonelderly handicapped families by providing a variety of housing options, ranging from small group homes to independent living complexes; and

"(B) housing for handicapped families assisted under this subsection will provide families occupying units in such housing with an assured range of services specified in subsection (f), will provide such families with opportunities for optimal independent living and participation in normal daily activities, and will facilitate access by such families to the community at large and to suitable employment opportunities within such community.

"(3)(A) In allocating funds under this subsection, and in processing applications for loans under this section and assistance payments under paragraph (4), the Secretary shall adopt such distinct standards and procedures as the Secretary determines appropriate due to differences between housing for handicapped families and other housing assisted under this section. In adopting such standards, the Secretary shall ensure adequate participation by representatives of the disability community through the provisions available under the Federal Advisory Committee Act.

"(B) The Secretary may, on a demonstration basis, determine the feasibility and desirability of reducing processing time and costs for housing for handicapped families by limiting project design to a small number of prototype designs. Any such demonstration shall be limited to the 3-year period following the date of the enactment of the Housing, Community Development, and Homelessness Prevention Act of 1987, may only involve projects whose sponsors consent to participation in such demonstration, and shall be described in a report submitted by the Secretary to the Congress following completion of such demonstration.

"(4)(A) The Secretary shall, to the extent approved in appropriation Acts, enter into contracts with owners of housing for handicapped families receiving loans under, or meeting the requirements of, this section to make monthly payments to cover any part of the costs attributed to units occupied (or, as approved by the Secretary, held for occupancy) by lower income families that is not met from project income. The annual contract amount established initially for any project shall not exceed the sum of the initial annual project rentals for all units and any initial utility and services allowances for such units, as approved by the Secretary. Any contract amounts not used by a project in any year shall remain available to the project until the expiration of the contract. The term of a contract entered into under this subparagraph shall be 240 months. The annual contract amount may be adjusted by the Secretary if the sum of the project income and the amount of assistance payments available under this subparagraph are inadequate to provide for reasonable project costs. In the case of an intermediate care facility in which there reside families assisted under title XIX of the Social Security Act, project income under this subparagraph shall include the same amount as if such families were being assisted under title XVI of the Social Security Act.

"(B) The Secretary shall approve initial project rentals for any project assisted under this subsection based on the determination of the Secretary of the total actual necessary and reasonable costs of developing and operating the project, taking into consideration the need to contain costs to the extent practicable and consistent with the purposes of the project and this section.

"(C) The Secretary shall require that, during the term of each contract entered into under subparagraph (A), all units in a project assisted under this subsection shall be made available for occupancy by lower income families, as such term is defined in section 3(b)(2) of the United States Housing Act of 1937. The rent payment required of a lower income family shall be determined in accordance with section 3(a) of such Act, except that the gross income of a family occupying an intermediate care facility assisted under title XIX of the Social Security Act shall be the same amount as if the family were being assisted under title XVI of the Social Security Act.

"(D) The Secretary shall coordinate the processing of an application for a loan for housing for handicapped families under this section and the processing of an application for assistance payments under this paragraph for such housing.".

(2) Section 202(d) of the Housing Act of 1959 is amended by adding at the end the following new paragraphs:

"(9) The term 'housing for handicapped families' means housing and related facilities to be occupied by handicapped families who are primarily nonelderly handicapped families.

"(10) The term 'nonelderly handicapped families' means elderly or handicapped families, the head of which (and spouse, if any) is less than 62 years of age at the time of initial occupancy of a project assisted under this section.".

(3) Section 202(c)(3) of the Housing Act of 1959 is amended by inserting after "section" the following: "and designed for dwelling use by 12 or more elderly or handicapped families".

(c) Supportive Services for Elderly and Handicapped Families.—Section 202(f) of the Housing Act of 1959 is amended—

(1) by inserting "(1)" after the subsection designation; and

(2) by adding at the end the following new paragraph:

"(2) Each applicant for a loan under this section for housing and related facilities shall submit with the application a supportive services plan describing—

"(A) the category or categories of families such housing and facilities are intended to serve;

"(B) the range of necessary services to be provided to the families occupying such housing;

"(C) the manner in which such services will be provided to such families; and

"(D) the extent of State and local funds available to assist in the provision of such services.".

(d) Termination of Section 8 Assistance.—On and after the first date that amounts approved in an appropriation Act for any fiscal year become available for contracts under section 202(h)(4)(A) of the Housing Act of 1959, as amended by subsection (b) of this section, no project for handicapped (primarily nonelderly) families approved for such fiscal year pursuant to section 202 of such Act shall be provided assistance payments under section 8 of the United States Housing Act of 1937, except pursuant to a reservation for a contract to make such assistance payments that was made before the first date that amounts for contracts under such section 202(h)(4)(A) became available.

(e) Implementation.—Not later than the expiration of the 120-day period following the date of the enactment of this Act, the Secretary of Housing and Urban Development shall, to the extent amounts are approved in an appropriation Act for use under section 202(h)(4)(A) of the Housing Act of 1959 for fiscal year 1988, publish in the Federal Register a notice of fund availability to implement the provisions of, and amendments made by, this section. The Secretary shall issue such rules as may be necessary to carry out such provisions and amendments for fiscal year 1988 and thereafter.

(f) Effective Date and Applicability.—

(1) Except as otherwise provided in this section, the provisions of, and amendments made by, this section shall not apply with respect to projects with loans or loan reservations made under section 202 of the Housing Act of 1959 before the implementation date under subsection (e).

(2) Notwithstanding paragraph (1), the Secretary may apply the provisions of, and amendments made by, this section to any project in order to facilitate the development of such project in a timely manner.

SEC. 183. SECTION 235 HOMEOWNERSHIP PROGRAM.

The second sentence of section 235(h)(1) of the National Housing Act is amended by inserting after the third sentence the following new sentence: "Any amount of budget authority under this section that is recaptured by the Secretary shall be made available for new contracts for assistance payments under this section.".

SEC. 184. CONGREGATE SERVICES.

(a) AUTHORIZATION OF APPROPRIATIONS.—Section 411(a) of the Congregate Housing Services Act of 1978 is amended to read as follows:

"(a) There is authorized to be appropriated to carry out this title $13,000,000 for fiscal year 1988.".

(b) DELETION OF REFERENCE TO PROGRAM AS NONPERMANENT.—Section 408 of the Congregate Housing Services Act of 1978 is amended by striking subsection (c).

(c) REPORT.—Section 408 of the Congregate Housing Services Act of 1978 (as amended by subsection (b) of this section) is further amended by adding at the end the following new subsection:

"(c)(1) The Secretary shall contract with a university or qualified research institution to produce a report—

"(A) documenting the number of elderly living in federally assisted housing at risk of institutionalization;

"(B) studying and comparing alternative delivery systems in the States, including the congregate housing services program, to provide services to older persons in assisted congregate housing;

"(C) assessing existing and potential financial resources at the Federal, State, and local levels for the support of congregate housing services; and

"(D) making legislative recommendations as to the feasibility of permitting State housing agencies to participate and operate the program on a matching grant basis.

"(2) The Secretary shall submit the report to the Congress not later than September 30, 1988.".

SEC. 185. PROCEDURES AND POLICIES FOR MANDATORY MEAL PROGRAMS IN ASSISTED HOUSING FOR THE ELDERLY.

(a) EXEMPTIONS FROM MEAL PROGRAMS.—

(1) REQUIRED EXEMPTIONS.—The owner of any assisted housing for the elderly that requires tenants to participate in a meal program shall grant a tenant an exemption from such participation if—

(A) the program cannot satisfactorily accommodate the special dietary or health needs of the tenant, as certified by the physician of the tenant;

(B) the program cannot satisfactorily accommodate the special diet or food practices of the tenant;

(C) participation in the program substantially interferes with the employment of the tenant; or

(D) participation in the program constitutes an unbearable financial hardship on the tenant, taking into consideration the cost to the tenant of meals not covered by the program and other necessary living costs remaining after payment of charges for the program.

(2) ADDITIONAL EXEMPTIONS.—The owner of any assisted housing for the elderly that requires tenants to participate in a meal program may grant a tenant an exemption from such participation for any additional reason determined by the owner to be appropriate.

(b) FINANCIAL ASSISTANCE.—The owner of any assisted housing for the elderly that requires tenants to participate in a meal program may, in lieu of granting an exemption under subsection (a)(1)(D), provide the tenant with financial assistance toward the cost of participation in the program.

(c) ACCEPTANCE OF FOOD STAMPS AS PAYMENT.—The owner of any assisted housing for the elderly that requires tenants to participate in a meal program shall accept food stamps toward payment for the meals included in such program.

(d) NOTICE AND RIGHT TO CONTEST.—

(1) NOTICE.—The owner of any assisted housing for the elderly that requires tenants to participate in a meal program shall inform tenants of the exemptions listed under subsection (a)(1) and any additional exemptions determined by the owner to be appropriate under subsection (a)(2), as well as the right to appeal a denial of exemption pursuant to paragraph (2).

(2) RIGHT TO CONTEST.—The tenant shall have the right to appeal any denial of a request for exemption to the Secretary or his designee and the Secretary or his designee is authorized to hear and decide such appeals.

(e) DEFINITIONS.—For purposes of this section:

(1) The term "assisted housing" means housing that is assisted under section 202 of the Housing Act of 1959, section 236 of the National Housing Act, or section 8 of the United States Housing Act of 1937.

(2) The term "elderly" means any individual who is not less than 62 years of age or any family the head of which (or whose spouse) is not less than 62 years of age.

(f) REGULATIONS.—The Secretary of Housing and Urban Development shall issue such regulations as may be necessary to carry out this section.

SEC. 186. MODIFICATION OF RESTRICTION ON USE OF ASSISTED HOUSING BY ALIENS.

(a) ALIENS ADMITTED FOR LAWFUL RESIDENCE.—Section 214(a) of the Housing and Community Development Act of 1980 is amended—

(1) by striking "or" at the end of paragraph (4);

(2) by striking the period at the end of paragraph (5) and inserting "; or"; and

(3) by adding at the end the following new paragraph:

"(6) an alien lawfully admitted for temporary residence under section 245A of the Immigration and Nationality Act.".

(b) PRESERVATION OF FAMILIES.—Section 214 of the Housing and Community Development Act of 1980 is amended by inserting after subsection (b) the following new subsection:

"(c)(1) The restriction established in subsection (a) shall not apply to—

"(A) any family in which any member is a citizen of the United States, a national of the United States, or an alien resident of the United States described in any of the paragraphs (1) through (6) of subsection (a); or

"(B) the continued provision of any financial assistance commenced before the effective date of the regulations issued to carry out this subsection.

"(2) Notwithstanding any other provision of law, the Secretary of Housing and Urban Development may not make financial assistance available for the benefit of—

"(A) any alien who—

"(i) has a residence in a foreign country that such alien has no intention of abandoning;

"(ii) is a bona fide student qualified to pursue a full course of study; and

"(iii) is admitted to the United States temporarily and solely for purposes of pursuing such a course of study at an established institution of learning or other recognized place of study in the United States, particularly designated by such alien and approved by the Attorney General after consultation with the Department of Education of the United States, which institution or place of study shall have agreed to report to the Attorney General the termination of attendance of each nonimmigrant student (and if any such institution of learning or place of study fails to make such reports promptly the approval shall be withdrawn); and

"(B) the alien spouse and minor children of any alien described in subparagraph (A), if accompanying such alien or following to join such alien.".

(c) VERIFICATION PROCEDURES.—Section 214(d) of the Housing and Community Development Act of 1980 (as added by section 121(a)(2) of the Immigration Reform and Control Act of 1986 (Public Law 99-603)) is amended—

(1) in paragraph (2), by inserting after "States" the following: "and is not 62 years of age or older";

(2) in paragraph (4), in the matter before subparagraph (A)—

(A) by inserting after "States" the following: "and is not 62 years of age or older"; and

(B) by inserting "or recertification" after "application";

(3) in paragraph (4)(A)(i), by inserting after the comma the following: "or to appeal the verification determination of the Immigration and Naturalization Service under paragraph (3),";

(4) in paragraph (4)(B), by striking the matter before clause (i) and inserting the following:

"(B) if any documents or additional information are submitted as evidence under subparagraph (A), or if appeal is made to the Immigration and Naturalization Service with respect to the verification determination of the Service under paragraph (3)—";

(5) in paragraph (4)(B)(i), by inserting "or additional information" after "documents";

(6) in paragraph (4)(B)(ii), by inserting "or appeal" after "verification";

(7) by inserting after paragraph (5) the following new paragraph:

"(6) For purposes of paragraph (5)(B), the applicable fair hearing process made available with respect to any individual shall include not less than the following procedural protections:

"(A) The Secretary shall provide the individual with written notice of the determination described in paragraph (5) and of the opportunity for a hearing with respect to the determination.

"(B) Upon timely request by the individual, the Secretary shall provide a hearing before an impartial hearing officer designated by the Secretary, at which hearing the individual may produce evidence of a satisfactory immigration status.

"(C) Not later than 45 days after the date of the request of the individual for a hearing, the Secretary shall notify the individual in writing of the decision of the hearing officer on the appeal of the determination.

"(D) Financial assistance may not be denied or terminated until the completion of the hearing process."; and

(8) by striking the last sentence and inserting the following: "For purposes of this subsection, the term 'Secretary' means the Secretary of Housing and Urban Development, a public housing agency, or another entity that determines the eligibility of an individual for financial assistance.".

(d) ENFORCEMENT PROCEDURES.—Section 214(e) of the Housing and Community Development Act of 1980 (as added by section 121(a)(2) of the Immigration Reform and Control Act of 1986 (Public Law 99-603)) is amended—

(1) in the matter before paragraph (1), by inserting "of Housing and Urban Development" after "Secretary";

(2) in paragraph (2), by inserting after "(d)(4)(A)(ii)" the following: "(or under any alternative system for verifying immigration status with the Immigration and Naturalization Service authorized in the Immigration Reform and Control Act of 1986 (Public Law 99-603))";

(3) in paragraph (3), by inserting after "(d)(4)(B)(ii)" the following: "(or under any alternative system for verifying immigration status with the Immigration and Naturalization Service authorized in the Immigration Reform and Control Act of 1986 (Public Law 99-603))"; and

(4) in paragraph (4), by inserting after "(d)(5)(B)" the following: "(or provided for under any alternative system for verifying immigration status with the Immigration and Naturalization Service authorized in the Immigration Reform and Control Act of 1986 (Public Law 99-603))".

(e) REIMBURSEMENT FOR COSTS OF IMPLEMENTATION.—

(1) Section 214 of the Housing and Community Development Act of 1980 (as amended by section 121(a)(2) of the Immigration Reform and Control Act of 1986 (Public Law 99-603)) is amended by adding at the end the following new subsection:

"(f) The Secretary of Housing and Urban Development is authorized to pay to each public housing agency or other entity an amount equal to 100 percent of the costs incurred by the public housing agency or other entity in implementing and operating an immigration status verification system under subsection (d) (or under any alternative system for verifying immigration status with the Immigration and Naturalization Service authorized in the Immigration Reform and Control Act of 1986 (Public Law 99-603)).".

(2) The United States Housing Act of 1937 (as amended by section 121(b)(6) of the Immigration Reform and Control Act of 1986 (Public Law 99-603)) is amended by striking section 20.

(f) TRANSITIONAL CERTIFICATION AND DOCUMENTATION PROVISIONS.—In carrying out section 214 of the Housing and Community Development Act of 1980 during fiscal year 1988, the Secretary of Housing and Urban Development shall require, as a condition of providing financial assistance for the benefit of any individual, that such individual—

(1) declare in writing, under penalty of perjury, whether or not such individual is a citizen or national of the United States; and

(2) if not a citizen or national—

(A) declare in writing, under penalty of perjury, the immigration status of such individual, if such individual is not less than 62 years of age; or

(B) provide such documentation regarding the immigration status of such individual as the Secretary may require by regulation.

(g) EFFECTIVE DATES.—

(1) The provisions of, and amendments made by, subsections (a), (b), and (f) shall take effect on the date of the enactment of this Act.

(2) The amendments made by subsection (e) shall take effect on October 1, 1987.

(3) The amendments made by subsections (c) and (d) shall take effect on October 1, 1988.

SEC. 187. PREVENTING FRAUD AND ABUSE IN DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT PROGRAMS.

(a) DISCLOSURE OF SOCIAL SECURITY ACCOUNT NUMBER.—As a condition of initial or continuing eligibility for participation in any program of the Department of Housing and Urban Development involving loans, grants, interest or rental assistance of any kind, or mortgage or loan insurance, and to ensure that the level of benefits provided under such programs is proper, the Secretary of Housing and Urban Development may require that an applicant or participant (including members of the household of an applicant or participant) disclose his or her social security account number or employer identification number to the Secretary.

(b) DEFINITIONS.—For purposes of this section, the terms "applicant" and "participant" shall have such meanings as the Secretary of Housing and Urban Development by regulation shall prescribe. Such terms shall not include persons whose involvement is only in their official capacity, such as State or local government officials or officers of lending institutions.

SEC. 188. ENERGY CONSERVATION IN ASSISTED HOUSING.

(a) IN GENERAL.—Any housing project, for which development or rehabilitation is assisted under the United States Housing Act of 1937 or section 202 of the Housing Act of 1959 and commences after the 1-year period following the date of the enactment of this Act, shall be developed or rehabilitated in accordance with life-cycle cost-effective energy conservation performance standards established by the Secretary of Housing and Urban Development and designed to ensure the lowest total construction, rehabilitation, and operating costs over the estimated life of the building.

(b) CONSTRUCTION COST LIMITS.—The Secretary shall revise the cost limits applicable to the development or rehabilitation of housing assisted under the United States Housing Act of 1937 and section 202 of the Housing Act of 1959 for purposes of taking into consideration life-cyle costs of the structure and major energy consuming heating and cooling systems.

(c) REGULATIONS.—The Secretary of Housing and Urban Development shall, not later than the expiration of the 1-year period following the date of the enactment of this Act, issue regulations establishing the standards referred to in subsection (a) and revising the cost limits referred to in subsection (b).

SEC. 189. ANNUAL REPORT ON CHARACTERISTICS OF FAMILIES IN ASSISTED HOUSING.

(a) IN GENERAL.—The Secretary of Housing and Urban Development shall include in the annual report under section 8 of the Housing and Urban Development Act descriptions of the characteristics of families assisted under each of the following programs of assistance: public housing, section 8 of the United States Housing Act of 1937 (other than subsection (o) of such section), section 8(o) of the United States Housing Act of 1937, and section 202 of the Housing Act of 1959.

(b) SPECIFIC REQUIREMENTS.—The descriptions required in subsection (a) shall include information with respect to—

(1) family size, including the number of children;

(2) amount and sources of family income;

(3) the age, race, and sex of family members; and

(4) whether the head of the family (or the spouse of such person) is a member of the armed forces.

SEC. 190. USE OF CERTAIN EXCESS RENTAL CHARGES FOR ASSISTANCE FOR TROUBLED MULTIFAMILY HOUSING PROJECTS.

Section 236(f)(3) of the National Housing Act is amended by striking "1985" and inserting "1988".

SEC. 191. HOUSING DEMONSTRATION PROJECT.

(a) AUTHORIZATION OF APPROPRIATIONS.—Section 225(i) of the Housing and Urban-Rural Recovery Act of 1983 is amended to read as follows:

"(i) There is authorized to be appropriated to carry out this section $5,000,000 for fiscal year 1988. Any amount appropriated under this subsection shall remain available until expended.".

(b) ELIGIBLE PURPOSES.—Section 225(d) of the Housing and Urban-Rural Recovery Act of 1983 is amended—

(1) by inserting "(1)" after "States"; and

(2) by inserting before the period at the end the following: "; and (2) to provide incentives, on a matching basis not to exceed 20 percent, for States to adjust their local shelter allowances under title IV of the Social Security Act to make housing rehabilitated under this section affordable to families who are receiving assistance under such title IV and are participating in the demonstration program under this section, or to encourage the targeting of State-funded or administered counseling, employment, and family support services to such families".

(c) ADMINISTRATIVE PLAN REQUIREMENTS.—Section 225(e)(2) of the Housing and Urban-Rural Recovery Act of 1983 is amended—

(1) by striking "and" at the end of subparagraph (C);

(2) by striking the period at the end of subparagraph (D) and inserting "; and"; and

(3) by adding at the end the following new subparagraph:

"(E) work with the State to establish and implement a program to target counseling, employment, and family support services to families who are receiving assistance under title IV of the Social Security Act and are participating in the demonstration program under this section.".

(d) REPORT.—Section 225(h) of the Housing and Urban-Rural Recovery Act of 1983 is amended to read as follows:

"(h) Not later than June 1, 1988, the Secretary shall submit to the Congress a report on the implementation of the demonstration under this section.".

SEC. 192. FLEXIBLE SUBSIDY ASSISTANCE FOR CERTAIN HOUSING PROJECTS FOR ELDERLY OR HANDICAPPED FAMILIES.

(a) PURPOSES.—Section 201(a) of the Housing and Community Development Amendments of 1978 is amended by inserting "the Housing Act of 1959," after "1937,".

(b) ELIGIBILITY FOR ASSISTANCE.—Section 201(c)(1)(A) of the Housing and Community Development Amendments of 1978 is amended by inserting before the semicolon at the end the following: ", or received a loan under section 202 of the Housing Act of 1959 more than 15 years before the date on which assistance is made available under this section".

SEC. 193. EXCLUSION OF HOUSING ASSISTANCE AS INCOME.

Notwithstanding any other provision of law, the value of any assistance paid with respect to a dwelling unit under the United States Housing Act of 1937, the National Housing Act, section 101 of the Housing and Urban Development Act of 1965, section 202 of the Housing Act of 1959, or title V of the Housing Act of 1949 may not be considered as income or a resource for the purpose of denying eligibility of, or reducing the amount of benefits payable to, any person living in such unit under any other Federal law.

SEC. 194. SECTION 236 RENTAL HOUSING PROGRAM.

(a) STATE-AIDED PROJECTS.—

(1) Section 236(f)(4) of the National Housing Act is amended by striking "90 per centum" and inserting "100 percent".

(2) Section 101(g) of the Housing and Urban Development Act of 1965 is amended by striking "90 per centum" and inserting "100 percent".

(b) INSURING AUTHORITY.—Section 236(n) of the National Housing Act is amended by adding at the end the following new sentence: "A mortgage may be insured under this section after the date in the preceding sentence in order to refinance a mortgage insured under this section or to finance pursuant to subsection (j)(3) the purchase, by a cooperative or nonprofit corporation or association, of a project assisted under this section.".

SEC. 195. TENANT ELIGIBILITY DETERMINATIONS IN RENT SUPPLEMENT PROJECTS.

Section 101 of the Housing and Urban Development Act of 1965 is amended—

(1) by striking the second sentence of subsection (e)(1); and

(2) by striking subsection (k) and inserting the following:

"(k) In selecting individuals or families to be assisted under this section in accordance with the eligibility criteria and procedures established under subsection (e)(1), the project owner shall give preference to individuals or families who are occupying substandard housing, are paying more than 50 percent of family income for rent, or are involuntarily displaced at the time they are seeking housing assistance under this section.".

SEC. 196. EMERGENCY HOMEOWNERSHIP COUNSELING.

(a) CONGRESSIONAL FINDINGS.—The Congress finds that an economic crisis exists for homeowners in certain States due to—

(1) the failures of a substantial number of businesses, resulting in the temporary displacement of many workers;

(2) temporary reductions of the number of employees in certain industries, resulting in the loss of a substantial number of jobs until the economy recovers;

(3) the exhaustion of personal savings, unemployment compensation, and other financial resources by homeowners who are temporarily removed from their jobs; and

(4) other adverse economic and social conditions affecting the households of the Nation.

(b) GRANTS FOR HOMEOWNERSHIP COUNSELING ORGANIZATIONS.—The Secretary of Housing and Urban Development may make grants—

(1) to nonprofit organizations experienced in the provision of homeownership counseling to enable such organizations to provide homeownership counseling and advice to eligible homeowners; and

(2) to assist the establishment of such nonprofit homeownership counseling organizations.

(c) PROGRAM REQUIREMENTS.—

(1) Applications for grants under this section shall be submitted in such form, and in accordance with such procedures, as may be established by the Secretary.

(2) The homeownership counseling organizations receiving assistance under this section shall use such assistance only to provide homeownership counseling and advice to eligible individuals.

(3) The homeownership counseling and advice provided by homeownership counseling organizations receiving assistance under this section shall include counseling and advice with respect to—

(A) financial management;

(B) available community resources, including public assistance programs, mortgage assistance programs, home repair assistance programs, utility assistance programs, food programs, and social services; and

(C) employment training and placement.

(d) AVAILABILITY OF HOMEOWNERSHIP COUNSELING.—The Secretary shall take such actions as may be necessary—

(1) to ensure the availability throughout the United States of homeownership counseling from organizations assisted under this section, with priority to areas that are experiencing high rates of home foreclosures and are not adequately served by homeownership counseling organizations; and

(2) to inform the public of the availability of such homeownership counseling.

(e) ELIGIBILITY FOR COUNSELING.—A homeowner shall be eligible for homeownership counseling and advice under this section if—

(1) the home loan in dispute is secured by property that is the principal residence of the homeowner;

(2)(A) the creditor notifies the homeowner that the creditor intends to foreclose on the home loan in dispute; or

(B) the homeowner is delinquent in payments on the home loan in dispute for at least 90 days;

(3) the homeowner, due to circumstances beyond the control of the homeowner, is temporarily unable to make payments on the interest or principal of the home loan without unduly impairing the standard of living of the homeowner; and

(4) the homeowner is temporarily unable to make payments, correct a home loan deliquency within a reasonable time, or resume full home loan payments due to a reduction in the income of the homeowner because of—

(A) an involuntary loss of, or reduction in—

(i) the employment of the homeowner, other than as a result of any willful, repeated, or felonious misconduct of the homeowner;

(ii) the self-employment of the homeowner, other than as a result of any willful, repeated, or felonious misconduct of the homeowner; or

(iii) returns from the pursuit of the occupation of the homeowner, other than as a result of any willful, repeated, or felonious misconduct of the homeowner; or

(B) any similar loss or reduction experienced by any person who contributes to the income of the homeowner.

(f) STAY ON CERTAIN FORECLOSURES.—

(1) During the 6-month period beginning on the date on which an eligible homeowner applies for homeownership counseling and advice under subsection (c), a creditor may not initiate or continue an action to foreclose on a home loan.

(2) This subsection shall only apply if the creditor is federally chartered or the home loan is federally guaranteed or insured.

(g) DEFINITIONS.—For purposes of this section:

(1) The term "creditor" means any person or entity that makes a home loan.

(2) The term "home loan" means any loan secured by a mortgage or lien on residential property.

(3) The term "homeowner" means any person who is obligated under a home loan.

(4) The term "residential property" means a 1-family residence (including 1-family units in a condominium project, a membership interest and occupancy agreement in a cooperative housing project, and any manufactured home and the lot on which such home is situated) that is the principal residence of the debtor involved, but does not include any 1-family residence located on farm property or in a rural area.

(5) The term "Secretary" means the Secretary of Housing and Urban Development.

(h) REGULATIONS.—The Secretary shall issue such regulations as may be necessary to carry out this section.

(i) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $30,000,000 for fiscal year 1988. Any amount appropriated under this subsection shall remain available until expended.

SEC. 197. HOUSING ASSISTANCE TECHNICAL AMENDMENTS.

(a) SECTION 235 HOMEOWNERSHIP ASSISTANCE.—Section 235(i)(3)(C) of the National Housing Act is amended by inserting an opening parenthesis before "including".

(b) RENTAL HOUSING FOR LOWER INCOME FAMILIES.—The last sentence of section 236(i)(1) of the National Housing Act is amended by striking "(h)" and inserting "(f)(4)".

(c) LOWER INCOME HOUSING.—

(1) The first sentence of section 6(a) of the United States Housing Act of 1937 is amended by inserting "The" before "Secretary".

(2) Section 6(c)(4)(A) of the United States Housing Act of 1937 is amended—

(A) by striking "or are paying more than 50 per centum of family income for rent"; and

(B) by inserting ", are paying more than 50 percent of family income for rent," after "substandard housing".

(3) Paragraphs (4) and (5) of section 6(k) of the United States Housing Act of 1937 are amended by striking "his" each place it appears and inserting "their".

(d) HOUSING DEVELOPMENT GRANTS.—Section 17(d)(7)(A) of the United States Housing Act of 1937 is amended by striking "title" and inserting "subsection".

(e) PUBLIC HOUSING DEMOLITION AND DISPOSITION.—Section 18(b) of the United States Housing Act of 1937 is amended in the matter preceding paragraph (1) by inserting "or" after "section".

(f) HOUSING FOR THE ELDERLY AND HANDICAPPED.—

(1) The third sentence of section 202(d)(4) of the Housing Act of 1959 is amended by striking "is a developmentally disabled individual as defined in section 102(5) of the Developmental Disabilities Services and Facilities Construction Amendments of 1950" and inserting the following: "has a developmental disability as defined in section 102(7) of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6001(7))".

(2) Section 202(f) of the Housing Act of 1959 is amended by striking "section 134" and inserting "section 133".

(3) Section 202(l) of the Housing Act of 1959 is amended by striking "difference" and inserting "different".

(g) RENT SUPPLEMENTS.—Section 101(j)(1)(D) of the Housing and Urban Development Act of 1965 is amended by striking "divided" and inserting "dividend".

TITLE II—RURAL HOUSING

SEC. 201. PROGRAM AUTHORIZATIONS.

(a) INSURANCE AND GUARANTEE AUTHORITY.—Section 513(a)(1) of the Housing Act of 1949 is amended to read as follows:

"(a)(1) The Secretary may, to the extent approved in appropriation Acts, insure and guarantee loans under this title during fiscal year 1988 in an aggregate amount not to exceed $1,960,090,000, as follows:

"(A) For insured or guaranteed loans under section 502 on behalf of borrowers receiving assistance under section 521(a)(1) or receiving guaranteed loans pursuant to section 502(f), $1,109,700,000.

"(B) For loans under section 504, $11,340,000.

"(C) For insured loans under section 514, $11,480,000.

"(D) For insured loans under section 515, $826,000,000.

"(E) For loans under section 523(b)(1)(B), $1,000,000.

"(F) For site loans under section 524, $570,000.".

(b) AUTHORIZATION OF APPROPRIATIONS.—Section 513(b) of the Housing Act of 1949 is amended to read as follows:

"(b) There are authorized to be appropriated for fiscal year 1988, and to remain available until expended, the following amounts:

"(1) For grants under section 502(c)(3)(C), $47,000,000.

"(2) For grants under section 504, $13,113,000.

"(3) For purposes of section 509(c), $713,000.

"(4) Such sums as may be necessary to meet payments on notes or other obligations issued by the Secretary under section 511 equal to—

"(A) the aggregate of the contributions made by the Secretary in the form of credits on principal due on loans made pursuant to section 503; and

"(B) the interest due on a similar sum represented by notes or other obligations issued by the Secretary.

"(5) For financial assistance under section 516, $9,979,000.

"(6) For grants under section 523(f), $8,392,000.

"(7) For grants under section 533, $20,078,000.".

(c) RENTAL ASSISTANCE PAYMENT CONTRACTS.—Section 513(c) of the Housing Act of 1949 is amended to read as follows:

"(c)(1) The Secretary, to the extent approved in appropriation Acts for fiscal year 1988, may enter into rental assistance payment contracts under section 521(a)(2)(A) aggregating $160,310,000.

"(2) Any authority approved in appropriation Acts for fiscal year 1988 or any succeeding fiscal year for rental assistance payment contracts under section 521(a)(2)(A) shall be used by the Secretary—

"(A) to renew rental assistance payment contracts that expire during such fiscal year;

"(B) to provide amounts required to continue rental assistance payments for the remaining period of an existing contract, in any case in which the original amount of rental assistance is used prior to the end of the term of the contract; and

"(C) to make additional rental assistance payment contracts for existing or newly constructed dwelling units.".

(d) SUPPLEMENTAL RENTAL ASSISTANCE CONTRACTS.—Section 513 of the Housing Act of 1949 is amended by adding at the end the following new subsection:

"(d) The Secretary, to the extent approved in appropriation Acts for fiscal year 1988, may enter into 5-year supplemental rental assistance contracts under section 502(c)(3)(D) aggregating $26,000,000.".

(e) RENTAL HOUSING LOAN AUTHORITY.—Section 515(b)(4) of the Housing Act of 1949 is amended by striking "September 30, 1987" and inserting "September 30, 1988".

(f) MUTUAL AND SELF-HELP HOUSING GRANT AND LOAN AUTHORITY.—Section 523(f) of the Housing Act of 1949 is amended by striking "September 30, 1987" and inserting "September 30, 1988".

SEC. 202. INCOME LEVELS FOR FAMILY ELIGIBILITY.

(a) IN GENERAL.—Section 501(b)(4) of the Housing Act of 1949 is amended by adding at the end the following new sentence: "Notwithstanding the preceding sentence, the maximum income levels established for purposes of this title for such families and persons in the Virgin Islands shall not be less than the highest such levels established for purposes of this title for such families and persons in American Samoa, Guam, the Northern Mariana Islands, and the Trust Territory of the Pacific Islands.".

(b) APPLICABILITY.—The amendment made by subsection (a) shall be applicable to any determination of eligibility for assistance under title V of the Housing Act of 1949 made on or after the date of the enactment of this Act.

SEC. 203. DEFINITION OF VERY LOW-INCOME FAMILIES.

Section 501(b)(4) of the Housing Act of 1949 (as amended by section 202 of this Act) is further amended by adding at the end the following new sentence: "For purposes of assistance under section 502, the term 'very low-income families or persons' mean families and persons whose incomes do not exceed the applicable level established pursuant to the preceding sentences, or 50 percent of the statewide nonmetropolitan median income (as determined and adjusted by the Secretary of Housing and Urban Development in consultation with the Secretary of Agriculture), whichever amount is higher.".

SEC. 204. RURAL HOUSING ESCROW ACCOUNTS.

Section 501(e) of the Housing Act of 1949 is amended by striking the first sentence and inserting the following: "The Secretary shall, not later than 60 days after the date of the enactment of the Housing, Community Development, and Homelessness Prevention Act of 1987, establish procedures under which any borrower under this title may, at the option of the borrower, make periodic payments for the purpose of taxes, insurance, and such other necessary expenses as the Secretary determines to be appropriate.".

SEC. 205. RURAL HOUSING GUARANTEED LOAN DEMONSTRATION.

Section 502 of the Housing Act of 1949 is amended by adding at the end the following new subsection:

"(f)(1) Of the total loans under this section for fiscal year 1988 or any succeeding fiscal year, not less than 5 percent nor more than 10 percent shall be guaranteed loans in accordance with this section, section 517(d), and the last sentence of section 521(a)(1)(A).

"(2) Loans guaranteed pursuant to this subsection shall be made only to borrowers with moderate incomes that do not exceed 115 percent of the median income of the area, as determined by the Secretary, with adjustments for smaller and larger families.".

SEC. 206. RURAL RENTAL HOUSING DISPLACEMENT PREVENTION.

(a) SALE OF RURAL RENTAL HOUSING TO NONPROFIT ORGANIZATIONS AND PUBLIC AGENCIES.—Section 502(c) of the Housing Act of 1949 is amended by adding at the end the following new paragraph:

"(3)(A) OFFER TO SELL TO NONPROFIT ORGANIZATIONS AND PUBLIC AGENCIES.—

"(i) IN GENERAL.—Before accepting any offer to prepay, or requesting refinancing in accordance with subsection (b)(3) of, any loan made or insured under section 514 or 515 pursuant to a contract entered into before December 21, 1979, the Secretary shall require the borrower (except as provided in subparagraph (G)) to offer to sell the assisted housing and related facilities involved to any qualified nonprofit organization or public agency at a fair market value determined by 2 independent appraisers, one of whom shall be selected by the Secretary and one of whom shall be selected by the borrower. If the 2 appraisers fail to agree on the fair market value, the Secretary and the borrower shall jointly select a third appraiser, whose appraisal shall be binding on the Secretary and the borrower.

"(ii) PERIOD FOR WHICH REQUIREMENT APPLICABLE.—If, upon the expiration of 90 days after an offer is made to sell housing and related facilities under clause (i), no qualified nonprofit organization or public agency has made a bona fide offer to purchase, the Secretary may accept the offer to prepay, or may request refinancing in accordance with subsection (b)(3) of, the loan.

"(B) QUALIFIED NONPROFIT ORGANIZATIONS AND PUBLIC AGENCIES.—

"(i) LOCAL NONPROFIT ORGANIZATION OR PUBLIC AGENCY.—A local nonprofit organization or public agency may purchase housing and related facilities under this paragraph only if the organization or agency is determined by the Secretary to be capable of managing the housing and related facilities (either directly or through a contract) for the remaining period of the loan made or insured under section 514 or 515.

"(ii) NATIONAL OR REGIONAL NONPROFIT ORGANIZATION.—If the Secretary determines that there is no local nonprofit organization or public agency qualified to purchase the housing and related facilities involved, the Secretary shall require the borrower to offer to sell the assisted housing and related facilities to an existing qualified national or regional nonprofit organization.

"(C) FINANCING OF SALE.—To facilitate the sale described in subparagraph (A), the Secretary shall—

"(i) to the extent provided in appropriation Acts, make an advance to the nonprofit organization or public agency whose offer to purchase is accepted under this paragraph to cover any direct costs (other than the purchase price) incurred by the organization or agency in purchasing and assuming responsibility for the housing and related facilities involved;

"(ii) approve the assumption, by the nonprofit organization or public agency involved, of the loan made or insured under section 514 or 515;

"(iii) to the extent provided in appropriation Acts, transfer any rental assistance payments that are received under section 521(a)(2)(A), or under section 8 of the United States Housing Act of 1937, with respect to the housing and related facilities involved; and

"(iv) to the extent provided in appropriation Acts, provide a grant to the nonprofit organization or public agency whose offer to

purchase is accepted under this paragraph to enable the organization or agency to purchase the housing and related facilities involved.

"(D) RENT LIMITATION AND ASSISTANCE.—The Secretary shall, to the extent provided in appropriation Acts, provide to each nonprofit organization or public agency purchasing housing and related facilities under this paragraph financial assistance (in the form of forgiveness of debt or monthly payments) in an amount necessary to ensure that the monthly rent payment made by each low income family or person residing in the housing does not exceed the maximum rent permitted under section 521(a)(2)(A).

"(E) RESTRICTION ON SUBSEQUENT TRANSFERS.—Except as provided in subparagraph (B)(ii), the Secretary may not approve the transfer of any housing and related facilities purchased under this paragraph during the remaining term of the loan transferred under subparagraph (C)(ii), unless the Secretary determines that—

"(i) the transfer will further the provision of housing and related facilities for low income families or persons; or

"(ii) there is no longer a need for such housing and related facilities by low income families or persons.

"(F) GENERAL RESTRICTION ON PREPAYMENTS AND REFINANCINGS.—Following the transfer of the maximum number of dwelling units set forth in subparagraph (H)(i) in any fiscal year or the maximum number of dwelling units for which budget authority is available in any fiscal year, the Secretary may not accept in such fiscal year any offer to prepay, or request refinancing in accordance with subsection (b)(3) of, any loan made or insured under section 514 or 515 pursuant to a contract entered into before December 21, 1979, except in accordance with subparagraph (G). The limitation established in this subparagraph shall not apply to an offer to prepay, or request to refinance, if, following the date on which such offer or request is made (or following the date of the enactment of the Housing, Community Development, and Homelessness Prevention Act of 1987, whichever occurs later) a 12-month period expires during which no budget authority is available to carry out this paragraph. For purposes of this subparagraph, the Secretary shall allocate budget authority under this paragraph in the order in which offers to prepay, or request to refinance, are made.

"(G) EXCEPTION.—This paragraph shall not apply to any offer to prepay, or any request to refinance in accordance with subsection (b)(3), any loan made or insured under section 514 or 515 pursuant to a contract entered into before December 21, 1979, if—

"(i) the borrower enters into an agreement with the Secretary that obligates the borrower (and successors in interest thereof) to utilize the assisted housing and related facilities for the purposes specified in section 514 or 515, as the case may be, for the remaining term of the loan (but not to exceed the 20-year period beginning on the date on which the loan is made or insured); or

"(ii) the Secretary determines that—

"(I) tenants of the housing and related facilities financed with the loan will not be displaced due to a change in the use of the housing, or to an increase in rental or other charges, as a result of the prepayment or refinancing; or

"(II) there is an adequate supply of safe, decent, and affordable rental housing within 25 miles of the housing and related facilities and sufficient actions have been taken to ensure that the rental housing will be made available to each tenant upon displacement.

"(H) FUNDING.—

"(i) BUDGET LIMITATION.—Not more than 5,000 dwelling units may be transferred under this paragraph in any fiscal year, and the budget authority that may be provided under this paragraph for any fiscal year may not exceed the amounts required to carry out this paragraph with respect to such number.

"(ii) REIMBURSEMENT OF RURAL HOUSING INSURANCE FUND.—There are authorized to be appropriated to the Rural Housing Insurance Fund such sums as may be necessary to reimburse the Fund for financial assistance provided under this paragraph and section 517(j)(7).

"(I) DEFINITION.—For purposes of this paragraph, the term 'nonprofit organization' means any private organization—

"(i) no part of the net earnings of which inures to the benefit of any member, founder, contributor, or individual; and

"(ii) that is approved by the Secretary as to financial responsibility.

"(J) REGULATIONS.—Notwithstanding section 534, the Secretary shall issue final regulations to carry out this paragraph not later than 60 days after the date of the enactment of the Housing, Community Development, and Homelessness Prevention Act of 1987. The Secretary shall provide for the regulations to take effect not later than 45 days after the date on which the regulations are issued.".

(b) NOTICE OF POSSIBLE PREPAYMENTS AND REFINANCINGS.—Section 502(c) of the Housing Act of 1949 (as amended by subsection (b) of this section) is further amended by adding at the end the following new paragraph:

"(4)(A) ADVANCE NOTICE OF ELIGIBLE PROJECTS.—The Secretary shall publish in the Federal Register a timely notice of the housing and related facilities for which the Secretary is authorized to accept an offer to prepay, or to request refinancing in accordance with subsection (b)(3) of, loans made or insured under section 514 or 515. The Secretary shall publish such notice—

"(i) not later than 30 days after the date of the enactment of the Housing, Community Development, and Homelessness Prevention Act of 1987, in the case of any loan made or insured pursuant to a contract entered into before December 21, 1979; and

"(ii) not less than 1 year before the Secretary is authorized to accept an offer to prepay, or to request refinancing in accordance with subsection (b)(3) of, any other loan.

"(B) NOTICE OF OFFER TO PREPAY OR REQUEST OF REFINANCING.—As soon as practicable after receiving an offer to prepay, or requesting refinancing in accordance with subsection (b)(3), of any loan made or insured under section 514 or 515, the Secretary shall provide notice of the offer or request (through publication in the Federal Register and otherwise) to the public, the tenants of the housing and related facilities involved, and the nonprofit organizations and public agencies that the Secretary considers qualified to purchase the housing and related facilities.".

(c) USE OF RURAL HOUSING INSURANCE FUND.—Section 517(j) of the Housing Act of 1949 is amended—

(1) by striking "and" at the end of paragraph (5);

(2) by striking the period at the end of paragraph (6) and inserting "; and"; and

(3) by adding at the end the following new paragraph:

"(7) to provide advances, financial assistance, and other payments required to carry out section 502(c)(3).".

SEC. 207. REQUIREMENT OF LOCAL CONSULTATION FOR DOMESTIC FARM LABOR HOUSING.

(a) INSURED LOAN PROGRAM.—Section 514 of the Housing Act of 1949 is amended by adding at the end the following new subsection:

"(i) The Secretary may not insure a loan under this section (regardless of the number of units proposed to be included in the housing and related facilities involved) unless the application for the loan includes a certification that the applicant has consulted with the unit of general local government in which the housing and related facilities are to be located.".

(b) GRANT PROGRAM.—Section 516 of the Housing Act of 1949 is amended by adding at the end the following new subsection:

"(j) The Secretary may not provide financial assistance under this section (regardless of the number of units proposed to be included in the housing and related facilities involved) unless the application for the financial assistance includes a certification that the applicant has consulted with the unit or general local government in which the housing and related facilities are to be located.".

(c) APPLICABILITY.—The amendments made by this section shall apply only to applications submitted after the date of the enactment of this Act.

SEC. 208. DEFINITION OF DOMESTIC FARM LABOR.

(a) INSURED LOAN PROGRAM.—Section 514(f)(3) of the Housing Act of 1949 is amended to read as follows:

"(3) the term 'domestic farm labor' means any person (and the family of such person) who receives a substantial portion of his or her income from primary production of agricultural or aquacultural commodities or the handling of such commodities in the unprocessed stage, without respect to the source of employment, except that (A) such person shall be a citizen of the United States or a person legally admitted for permanent residence; and (B) such term includes any person (and the family of such person) who is retired or disabled, but who was domestic farm labor at the time of retirement or becoming disabled.".

(b) GRANT PROGRAM.—Section 516(g) of the Housing Act of 1949 is amended—

(1) by striking "and" at the end of paragraph (2);

(2) by striking the period at the end of paragraph (3) and inserting "; and"; and

(3) by adding at the end the following new paragraph:

"(4) the term 'domestic farm labor' has the meaning given such term in section 514(f)(3).".

SEC. 209. LIMITATION OF FEES ON RURAL RENTAL HOUSING LOANS.

Section 515 of the Housing Act of 1949 is amended by adding at the end the following new subsection:

"(q)(1) Except as provided in paragraph (2), no fee may be imposed by or for the Secretary or any other Federal agency on or with respect to a loan made or insured under this section.

"(2) A fee may be imposed by or for the Secretary or any other Federal agency on or with respect to a loan made to or insured for a for-profit entity under this section, except that such fee may not exceed the fee imposed

by the Secretary of Housing and Urban Development for the same type of activity.

"(3) Prior to establishing or revising any fee under paragraph (2), the Secretary shall submit to the Congress a notice and explanation of the proposed fee or fee revision.".

SEC. 210. CONFORMANCE WITH LOW-INCOME HOUSING TAX CREDIT ELIGIBILITY REQUIREMENTS.

Section 515 of the Housing Act of 1949 (as amended by section 209 of this section) is further amended by adding at the end the following new subsection:

"(r) The Secretary may not carry out this section in any manner that would cause housing and related facilities for which a loan is made or insured under this section to become ineligible for a low-income housing tax credit under section 42 of the Internal Revenue Code of 1986.".

SEC. 211. SECTION 515 OPERATING RESERVE AND EQUITY CONTRIBUTION REQUIREMENTS.

Section 515 of the Housing Act of 1949 (as amended by section 210 of this section) is further amended by adding at the end the following new subsection:

"(s) The Secretary—

"(1) may require that the initial operating reserve under this section may be in the form of an irrevocable letter of credit; and

"(2) may not require more than a 3 percent contribution to equity.".

SEC. 212. RURAL AREA CLASSIFICATION.

(a) Hold Harmless.—Section 520 of the Housing Act of 1949 is amended by striking "September 30, 1987" in the last sentence and inserting "September 30, 1988".

(b) Eligibility of Rural Area Proximate to Urban Area.—Section 520 of the Housing Act of 1949 is amended in the first sentence by inserting before "part of or associated with" the following: "(except in the case of Pajaro, in the State of California)".

SEC. 213. PROCEDURES FOR REDUCTION OF INTEREST CREDITS.

Section 521(a)(1)(B) of the Housing Act of 1949 is amended by adding at the end the following new sentence: "In the case of assistance provided under this subparagraph with respect to a loan under section 502, the Secretary may not reduce, cancel, or refuse to renew the assistance due to an increase in the adjusted income of the borrower if the reduction, cancellation, or nonrenewal will cause the borrower to be unable to reasonably afford the resulting payments required under the loan.".

SEC. 214. RENTAL ASSISTANCE TENANT CONTRIBUTION.

Subsections (a)(2)(A), (a)(3)(C), and (e) of section 521 of the Housing Act of 1949 are each amended by inserting at the end the following new sentence: "In addition, the Secretary shall not increase such rent in any 12-month period by any percentage that will result in vacancies in rental units assisted under this title in any area because of the availability of alternative affordable housing in the area.".

SEC. 215. RURAL HOUSING PRESERVATION GRANT PROGRAM.

Section 533(h) of the Housing Act of 1949 is amended—

(1) by inserting "(1)" after the subsection designation; and

(2) by adding at the end the following new paragraph:

"(2) The Secretary shall, not later than the expiration of the 30-day period following the date of the enactment of the Housing, Community Development, and Homelessness Prevention Act of 1987, issue regulations to carry out the program of grants under subsection (a)(2).".

SEC. 216. STUDY OF MORTGAGE CREDIT IN RURAL AREAS.

The Secretary of Housing and Urban Development shall conduct a study of the availability and use of funds for the purchase and improvement of residential real property in rural areas, particularly in communities that have populations of not more than 2,500 individuals. Not later than April 1, 1988, the Secretary shall submit to the Congress a detailed report setting forth the findings of the Secretary as a result of the study.

SEC. 217. DEBT SETTLEMENT AUTHORITY OF SECRETARY.

Section 510(c) of the Housing Act of 1949 is amended to read as follows:

"(c) compromise, adjust, reduce, or charge-off claims, and adjust, modify, subordinate, or release the terms of security instruments, leases, contracts, and agreements entered into or administered by the Secretary under this title, as circumstances may require, including the release of borrowers or others obligated on a debt from personal liability with or without payment of any consideration at the time of the compromise, adjustment, reduction, or charge-off of any claim;".

SEC. 218. MANUFACTURED HOUSING.

Section 502(e) of the Housing Act of 1949 is amended by adding at the end the following:

"(3) A loan that may be made or insured under this section with respect to a manufactured home on a permanent foundation, or a manufactured home on a permanent foundation and a lot, shall be repayable over the same period as would be applicable under section 203(b) of the National Housing Act.".

SEC. 219. LOAN PACKAGING BY NONPROFIT ORGANIZATIONS.

Section 501 of the Housing Act of 1949 is amended by adding at the end the following new subsection:

"(h) For the purposes of this title, the term 'development cost' shall include the packaging of loan and grant applications and actions related thereto by public and private nonprofit organizations tax exempt under the Internal Revenue Code of 1986.".

SEC. 220. RURAL HOUSING TECHNICAL AMENDMENTS.

(a) Definitions.—Section 501(b)(3) of the Housing Act of 1949 is amended by striking "is a developmentally disabled individual as defined in section 102(7) of the Development Disabilities Services and Facilities Construction Act" and inserting the following: "has a developmental disability as defined in section 102(7) of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6001(7))".

(b) Farm Labor Housing.—Section 514(f)(1) of the Housing Act of 1949 is amended by striking "and" at the end.

(c) Housing for Elderly Families.—Section 515(o)(1) of the Housing Act of 1949 is amended by striking "effective".

(d) Loans to Low- and Moderate-Income Families.—Section 521(a) of the Housing Act of 1949 is amended—

(1) in paragraph (1)(A), by striking ", except" and all that follows through "charges"; and

(2) in paragraph (2)(A), by striking "; or" and inserting ", or".

(e) Housing for Rural Trainees.—Section 522(a) of the Housing Act of 1949 is amended by striking the comma after "Health".

(f) Condominium Housing.—

(1) Section 526(a) of the Housing Act of 1949 is amended by striking "and" the first place it appears.

(2) Section 526(c) of the Housing Act of 1949 is amended by striking "and" the first place it appears.

(g) Housing Preservation Grants.—

(1) Section 533(e)(1)(B)(iii) of the Housing Act of 1949 is amended by inserting "to" before "refuse".

(2) Section 533(g) of the Housing Act of 1949 is amended by striking "persons of low income and very low-income" and inserting "low income families or persons and very low-income families or persons".

TITLE III—MORTGAGE INSURANCE AND SECONDARY MORTGAGE MARKET PROGRAMS

Subtitle A—FHA Mortgage Insurance Programs

SEC. 301. PERMANENT INSURANCE AUTHORITY FOR FHA.

(a) Repeals.—Each of the following provisions of law is repealed:

(1) Section 217 of the National Housing Act.

(2) The fifth sentence of section 221(f) of the National Housing Act.

(3) The last sentence of section 235(h)(1), section 235(m), and the last sentence of section 235(q)(1), of the National Housing Act.

(4) Section 244(d), and the last sentence of section 244(h), of the National Housing Act.

(5) The last sentence of section 245(a) of the National Housing Act.

(6) The second sentence of section 809(f) of the National Housing Act.

(7) The second sentence of section 810(k) of the National Housing Act.

(8) The second sentence of section 1002(a) of the National Housing Act.

(9) The second sentence of section 1101(a) of the National Housing Act.

(b) Amendment.—The first sentence of section 2(a) of the National Housing Act is amended by striking "and not later than September 30, 1987,".

SEC. 302. LIMITATION ON AMOUNT TO BE INSURED UNDER NATIONAL HOUSING ACT.

Section 531 of the National Housing Act is amended to read as follows:

"LIMITATION ON COMMITMENTS TO INSURE LOANS AND MORTGAGES

"Sec. 531. (a) The authority of the Secretary to enter into commitments to insure loans and mortgages under this Act shall be effective for any fiscal year only to such extent or in such amounts as are or have been provided in appropriation Acts for such fiscal year.

"(b) Notwithstanding any other provision of law and subject only to the absence of qualified requests for insurance, to the authority provided in this Act, and the limitation in subsection (a), the Secretary shall enter into commitments during fiscal year 1988 to insure mortgages under this Act with an aggregate principal amount of $100,000,000,000.".

SEC. 303. LIMITATION ON FEDERAL HOUSING ADMINISTRATION INSURANCE PREMIUMS.

Section 203(c) of the National Housing Act is amended by adding at the end the following new sentence: "In the case of any mortgage secured by a 1- to 4-family dwelling, the total premium charge shall not exceed an amount equal to 3.8 percent of the original principal obligation of the mortgage if the Secretary requires (1) a single premium charge to cover the total premium obligation of the insurance of the mortgage; or (2) a periodic premium charge over less than the term of the mortgage.".

SEC. 304. CHANGE IN DEFINITION OF VETERAN.

The National Housing Act is amended—

(1) by inserting before the period at the end of the first undesignated paragraph of

section 203(b)(2) the following: ", except that persons enlisting in the armed forces after September 7, 1980, or entering active duty after October 16, 1981, shall have their eligibility determined in accordance with section 3103A(d) of title 38, United States Code"; and

(2) by inserting before the semicolon at the end of section 220(d)(3)(A)(i) the following: ", except that persons enlisting in the armed forces after September 7, 1980, or entering active duty after October 16, 1981, shall have their eligibility determined in accordance with section 3103A(d) of title 38, United States Code".

SEC. 305. LIMITATION ON USE OF SINGLE FAMILY MORTGAGE INSURANCE BY INVESTORS.

(a) IN GENERAL.—Section 203 of the National Housing Act is amended by inserting the following new subsection before subsection (h):

"(g)(1) The Secretary may insure a mortgage under this title that is secured by a 1- to 4-family dwelling, or approve a substitute mortgagor with respect to any such mortgage, only if the mortgagor is to occupy the dwelling as his or her principal residence or as a secondary residence, as determined by the Secretary.

"(2) The occupancy requirement established in paragraph (1) shall apply only if the mortgage involves a principal obligation that exceeds, as appropriate, 75 percent of—

"(A) the appraised value of the dwelling;

"(B) the estimate of the Secretary of the replacement cost of the property;

"(C) the sum of the estimates of the Secretary of the cost of repair and rehabilitation and the value of the property before repair and rehabilitation; or

"(D) the sum of the estimates of the Secretary of the cost of repair and rehabilitation and the amount (as determined by the Secretary) required to refinance existing indebtedness secured by the property, and, in the case of a property refinanced under section 220(d)(3)(A), any existing indebtedness incurred in connection with improving, repairing, or rehabilitating the property.

"(3) The occupancy requirement established in paragraph (1) shall not apply to any mortgagor (or co-mortgagor, as appropriate) that is—

"(A) a public entity, as provided in section 214 or 247;

"(B) a private nonprofit or public entity, as provided in section 221(h) or 235(j);

"(C) an Indian tribe, as provided in section 248; or

"(D) a serviceperson who is unable to meet such requirement because of his or her duty assignment, as provided in section 216 or subsection (b)(4) or (f) of section 222.

"(4) For purposes of this subsection, the term 'substitute mortgagor' means a person who, upon the release by a mortgagee of a previous mortgagor from personal liability on the mortgage note, assumes such liability and agrees to pay the mortgage debt.".

(b) CONFORMING AMENDMENTS.—

(1) Section 203(b)(2) of the National Housing Act is amended—

(A) in the first sentence, by striking "(whether" and all that follows through "purposes)"; and

(B) in the second sentence, by striking the following: "to be occupied as a principal residence of the owner".

(2) Section 203(b) of the National Housing Act is amended by striking paragraph (8).

(3) Section 203(h) of the National Housing Act is amended by striking "is the owner and occupant and".

(4) Section 203(i) of the National Housing Act is amended—

(A) by striking the first proviso; and

(B) by striking "further" the first place it appears.

(5) The first sentence of section 203(o)(2) of the National Housing Act is amended by striking "occupant".

(6) The first sentence of section 203(p)(2) of the National Housing Act is amended by striking "owner-occupant" and inserting "owner".

(7) The fourth sentence of section 214 of the National Housing Act is amended by striking the following: "shall be the owner and occupant of the property or".

(8) Section 216 of the National Housing Act is amended—

(A) by striking "that the mortgagor be the occupant" and inserting "with respect to the occupancy of the mortgagor"; and

(B) by striking "occupy the property" each place it appears and inserting "meet such requirement".

(9) Section 220(d)(3)(A) of the National Housing Act is amended—

(A) by inserting "and" at the end of clause (i);

(B) by striking clauses (ii) and (iii);

(C) in clause (iv), by striking the following: "(except as provided in clause (iii))"; and

(D) by redesignating clause (iv) as clause (ii).

(10) Section 221(d)(2) of the National Housing Act is amended—

(A) by striking the colon at the end of subparagraph (A)(iv) and all that follows through "Provided further, That" the first place it appears, and inserting ", except that";

(B) by striking "Provided, That (i)" and all that follows through "(1) in" and inserting the following: "Provided, That (i)(1) in";

(C) by striking the penultimate proviso; and

(D) in the last proviso, by striking the following: ", if the mortgagor is the owner and an occupant of the property such" and inserting "the".

(11) Section 221(d)(6)(ii) of the National Housing Act is amended by striking the following: "is an owner-occupant of the property and".

(12) The first sentence of section 221(h)(6) of the National Housing Act is amended by striking "and occupied".

(13) Section 221(h)(8) of the National Housing Act is amended by striking the following: "if one of the units is to be occupied by the owner".

(14) Subsections (b)(4) and (f) of section 222 of the National Housing Act are amended by inserting "as a principal residence" after "occupies the property" each place it appears.

(15) Section 223(a) of the National Housing Act is amended by inserting after "this Act," the first place it appears the following: "other than the limitation in section 203(g),".

(16) The first sentence of section 223(e) of the National Housing Act is amended by inserting after "title XI," the following: "other than the limitation in section 203(g),".

(17) Section 234(c) of the National Housing Act is amended by striking the fourth sentence.

(18) Section 235(i)(3)(A) of the National Housing Act is amended by striking the following: "one of the units of which is to be occupied by the owner and".

(19) Section 235(j)(6) of the National Housing Act is amended by striking the following: "if one of the units is to be occupied by the owner".

(c) REPEAL OF VACATION AND SEASONAL HOME INSURANCE PROGRAM.—Section 203 of the National Housing Act is amended by striking subsection (m).

(d) APPLICABILITY.—The amendments made by this section shall apply only with respect to—

(1) mortgages insured—

(A) pursuant to a conditional commitment issued on or after the date of the enactment of this Act; or

(B) in accordance with the direct endorsement program (24 CFR 200.163), if the approved underwriter of the mortgagee signs the appraisal report for the property on or after the date of the enactment of this Act; and

(2) the approval of substitute mortgagors, referred to in the amendment made by subsection (a), if the original mortgagor was subject to such amendment.

(e) TRANSITION PROVISIONS.—Any mortgage insurance provided under title II of the National Housing Act, as it existed immediately before the date of the enactment of this Act, shall continue to be governed (to the extent applicable) by the provisions specified in subsections (a) through (c), as such provisions existed immediately before such date.

SEC. 306. ACTIONS TO REDUCE LOSSES UNDER SINGLE FAMILY MORTGAGE INSURANCE PROGRAM.

Section 203 of the National Housing Act is amended by adding at the end the following new subsections:

"(r) The Secretary shall take appropriate actions to reduce losses under the mortgage insurance program carried out under this section. Such actions shall include—

"(1) independent verification by the Secretary after loan approval of the ability of borrowers to pay, to be carried out by the least expensive method of verification—

"(A) with respect to not less than 10 percent of the mortgage applications submitted by each lender in both the direct endorsement and prior approval programs; and

"(B) with respect to not less than 20 percent of the mortgage applications involving properties located in administrative regions of the Department of Housing and Urban Development where the default rate on mortgages insured under this section exceeds 120 percent of the national default rate on such mortgages during the most recent 12-month period for which data are available;

"(2) an annual review by the Secretary of the rate of early serious defaults and claims, in accordance with subsection (t);

"(3) independent verification by the Secretary of all credit reports in the case of sales of investor-owned properties when the mortgagors have no prior credit history;

"(4) independent verification by the Secretary of all appraisals involving investor-owned property that is acquired by the investor less than 12 months prior to the date of the mortgage application; and

"(5) requiring reviews of the credit standing of each person seeking to assume a mortgage insured under this section during the 24-month period following (A) the date on which the mortgage is endorsed for insurance; or (B) the date of a previous assumption of the mortgage.

"(s) In conducting field reviews of appraisals, the Secretary may not use the services of fee appraisers who are employed by the Secretary to appraise single-family dwellings that are subject to mortgages insured under this title.

"(t)(1) To reduce losses in connection with mortgage insurance programs under this

section, the Secretary shall review, not less than annually, the rate of early serious defaults and claims involving mortgagees approved under this section. On the basis of the review, the Secretary shall notify each mortgagee who for the administrative region, as determined by the Secretary, has an above-normal rate of early serious defaults and claims during the preceding year. In the notification, the Secretary shall require each mortgagee to submit a report, by a date determined by the Secretary, that contains (A) an explanation for the above-normal rate of early serious defaults and claims; (B) a plan for corrective action (if applicable), both with respect to mortgages in default and the general mortgage-processing system of the mortgagee; and (C) the date by which the corrective action will be begun and completed. If the Secretary does not agree with the plan or schedule for implementation, a mutually agreeable plan and schedule shall be determined.

"(2) Failure of a mortgagee to submit a report acceptable to the Secretary by the date determined by the Secretary or to commence or complete the plan for corrective action by the date agreed upon by the Secretary may be cause for suspension of the mortgagee from participation in programs under this Act.".

SEC. 307. INSURANCE OF GRADUATED PAYMENT MORTGAGES.

(a) AUTHORITY TO INSURE REFINANCING.—Section 223(a)(7) of the National Housing Act is amended in the first proviso by inserting after "except that" the following: "(A) the principal amount of any such refinancing mortgage may equal the outstanding balance of an existing mortgage insured pursuant to section 245, if the amount of the monthly payment due under the refinancing mortgage is less than that due under the existing mortgage for the month in which the refinancing mortgage is executed; and (B)".

(b) TERMINATION OF AUTHORITY TO INSURE.—Section 245(b) of the National Housing Act is amended by adding at the end the following new sentence: "No loan or mortgage may be insured under this subsection after the date of the enactment of the Housing, Community Development, and Homelessness Prevention Act of 1987, except pursuant to a commitment to insure entered into on or before such date.".

SEC. 308. REFINANCING MORTGAGE INSURANCE FOR HOSPITALS, NURSING HOMES, INTERMEDIATE CARE FACILITIES, AND BOARD AND CARE HOMES.

(a) STATE CERTIFICATION REQUIREMENT.—Section 223(f)(4)(D) of the National Housing Act is amended to read as follows:

"(D) the applicable requirements for certificates, studies, and statements of section 232 (for the existing nursing home, intermediate care facility, board and care home, or any combination thereof, proposed to be refinanced) or of section 242 (for the existing hospital proposed to be refinanced) have been met.".

(b) REFINANCING INSURANCE FOR NURSING HOMES, INTERMEDIATE CARE FACILITIES, AND BOARD AND CARE HOMES.—Section 223(f) of the National Housing Act is amended—

(1) in paragraph (1), by inserting after "existing hospital" the following: "(or existing nursing home, existing intermediate care facility, existing board and care home, or any combination thereof)"; and

(2) in paragraph (4) (other than in subparagraph (D)), by inserting after "existing hospital" each place it appears the following: "(or existing nursing home, existing intermediate care facility, existing board and care home, or any combination thereof)".

(c) REGULATIONS.—The Secretary of Housing and Urban Development shall issue such regulations as may be necessary to carry out the amendment made by this section by not later than the expiration of the 90-day period following the date of the enactment of this Act.

SEC. 309. MORTGAGE INSURANCE FOR NURSING HOMES, INTERMEDIATE CARE FACILITIES, AND BOARD AND CARE HOMES.

(a) INSURANCE FOR PUBLIC NURSING HOMES.—Section 232(b)(1) of the National Housing Act is amended by inserting "public facility," before "proprietary".

(b) REQUIREMENT OF STATE APPROVAL.—Section 232(d)(4)(A) of the National Housing Act is amended by inserting at the end the following new sentences: "If no such State agency exists, or if the State agency exists but is not empowered to provide a certification that there is a need for the home or facility or combined home and facility as required in clause (i) of the first sentence, the Secretary shall not insure any mortgage under this section unless (i) the State in which the home or facility or combined home and facility is located has conducted or commissioned and paid for the preparation of an independent study of market need and feasibility that (I) is prepared in accordance with the principles established by the American Institute of Certified Public Accountants; (II) assesses, on a marketwide basis, the impact of the proposed home or facility or combined home and facility on, and its relationship to, other health care facilities and services, the percentage of excess beds, demographic projections, alternative health care delivery systems, and the reimbursement structure of the home, facility, or combined home and facility; (III) is addressed to and is acceptable to the Secretary in form and substance; and (IV) in the event the State does not prepare the study, is prepared by a financial consultant who is selected by the State or the applicant for mortgage insurance and is approved by the Secretary; and (ii) the State complies with the other provisions of this subparagraph that would otherwise be required to be met by a State agency designated in accordance with section 604(a)(1) or section 1521 of the Public Health Service Act. The proposed mortgagor may reimburse the State for the cost of the independent feasibility study required in the preceding sentence. In the case of a small intermediate care facility for the mentally retarded or developmentally disabled, or a board and care home housing less than 10 individuals, the State program agency or agencies responsible for licensing, certifying, financing, or monitoring the facility or home may, in lieu of the requirements of clause (i) of the third sentence, provide the Secretary with written support identifying the need for the facility or home.".

(c) REGULATIONS.—The Secretary of Housing and Urban Development shall issue such regulations as may be necessary to carry out the amendments made by this section by not later than the expiration of the 90-day period following the date of the enactment of this Act.

SEC. 310. REQUIREMENT OF STATE APPROVAL FOR MORTGAGE INSURANCE FOR HOSPITALS.

(a) IN GENERAL.—Section 242(d)(4) of the National Housing Act is amended by inserting at the end the following new sentences: "If no such State agency exists, or if the State agency exists but is not empowered to provide a certification that there is a need for the hospital as set forth in clause (A) of the first sentence, the Secretary shall not insure any mortgage under this section unless (A) the State in which the hospital is located has conducted or commissioned and paid for the preparation of an independent study of market need and feasibility that (i) is prepared in accordance with the principles established by the American Institute of Certified Public Accountants; (ii) assesses, on a marketwide basis, the impact of the proposed hospital on, and its relationship to, other health care facilities and services, the percentage of excess beds, demographic projections, alternative health care delivery systems, and the reimbursement structure of the hospital; (iii) is addressed to and is acceptable to the Secretary in form and substance; and (iv) in the event the State does not prepare the study, is prepared by a financial consultant selected by the State and approved by the Secretary; and (B) the State complies with the other provisions of this paragraph that would otherwise be required to be met by a State agency designated in accordance with section 604(a)(1) or section 1521 of the Public Health Service Act. The proposed mortgagor may reimburse the State for the cost of the independent feasibility study required in the preceding sentence.".

(b) REGULATIONS.—The Secretary of Housing and Urban Development shall issue such regulations as may be necessary to carry out the amendment made by this section by not later than the expiration of the 90-day period following the date of the enactment of this Act.

SEC. 311. MORTGAGE INSURANCE FOR PUBLIC HOSPITALS.

(a) ELIMINATION OF ADDITIONAL COLLATERAL REQUIREMENTS FOR PUBLIC HOSPITALS.—Section 242(a) of the National Housing Act is amended by adding at the end the following: "Such assistance shall be provided regardless of the amount of public financial or other support a hospital may receive, and the Secretary shall neither require additional security or collateral to guarantee such support, nor impose more stringent eligibility or other requirements on publicly owned or supported hospitals.".

(b) CREDIT FOR EXISTING EQUIPMENT AND IMPROVEMENTS.—Section 242(d)(2) of the National Housing Act is amended by striking the matter preceding subparagraph (A) and inserting the following:

"(2) The mortgage shall involve a principal obligation in the amount requested by the mortgagor if such amount does not exceed 90 percent of the estimated replacement cost of the property or project including—".

(c) CONTINUED USE OF LETTERS OF CREDIT.—Section 242(d) of the National Housing Act is amended by adding at the end the following new paragraph:

"(6) To the extent that a private nonprofit or public facility mortgagor is required by the Secretary to provide cash equity in excess of the amount of the mortgage to complete the project, the mortgagor shall be entitled, at the option of the mortgagee, to fund the excess with a letter of credit. In such event, mortgage proceeds may be advanced to the mortgagor prior to any demand being made on the letter of credit.".

(d) IMMEDIATE PROCESSING OF APPLICATIONS FOR PUBLIC HOSPITALS.—Section 242(f) of the National Housing Act is amended by adding at the end the following: "The Secretary shall begin immediately to process applications of public facilities for mortgage insurance under this section in accordance with

regulations, guidelines, and procedures applicable to facilities of private nonprofit corporations and associations.".

SEC. 312. MORTGAGE INSURANCE ON HAWAIIAN HOME LANDS AND INDIAN RESERVATIONS.

(a) APPLICABILITY OF MORTGAGE INSURANCE ON HAWAIIAN HOME LANDS.—Section 247(c)(1) of the National Housing Act is amended by inserting before the period at the end the following: "(or, in the case of an individual who succeeds a spouse or parent in an interest in a lease of Hawaiian home lands, such lower percentage as may be established for such succession under section 209 of the Hawaiian Homes Commission Act, 1920, or under the corresponding provision of the Constitution of the State of Hawaii adopted under section 4 of the Act entitled 'An Act to provide for the admission of the State of Hawaii into the Union', approved March 18, 1959 (73 Stat. 5))".

(b) MORTGAGE INSURANCE ON HAWAIIAN HOME LANDS AS OBLIGATIONS OF GENERAL INSURANCE FUND.—Section 247 of the National Housing Act is amended—

(1) by redesignating subsection (c) as subsection (d); and

(2) by inserting after subsection (b) the following new subsection:

"(c) Notwithstanding any other provision of this Act, the insurance of a mortgage using the authority contained in this section shall be the obligation of the General Insurance Fund established in section 519. The mortgagee shall be eligible to receive the benefits of insurance as provided in section 204 with respect to mortgages insured pursuant to this section, except that (1) all references in section 204 to the Mutual Mortgage Insurance Fund or the Fund shall be construed to refer to the General Insurance Fund; and (2) all references in section 204 to section 203 shall be construed to refer to the section under which the mortgage is insured.".

(c) MORTGAGE INSURANCE ON INDIAN RESERVATIONS AS OBLIGATIONS OF GENERAL INSURANCE FUND.—Section 248 of the National Housing Act is amended—

(1) in paragraphs (3) and (5) of subsection (f), by striking "insurance fund" each place it appears and inserting "General Insurance Fund";

(2) by redesignating subsections (f), (g), and (h) as subsections (g), (h), and (i), respectively; and

(3) by inserting after subsection (e) the following new subsection:

"(f) Notwithstanding any other provision of this Act, the insurance of a mortgage using the authority contained in this section shall be the obligation of the General Insurance Fund established in section 519. The mortgagee shall be eligible to receive the benefits of insurance as provided in section 204 with respect to mortgages insured pursuant to this section, except that (1) all references in section 204 to the Mutual Mortgage Insurance Fund or the Fund shall be construed to refer to the General Insurance Fund; and (2) all references in section 204 to section 203 shall be construed to refer to the section under which the mortgage is insured.".

SEC. 313. CO-INSURANCE PROGRAM.

Section 244 of the National Housing Act is amended by striking subsection (c).

SEC. 314. INCREASE IN AUTHORITY TO INSURE ADJUSTABLE RATE SINGLE FAMILY MORTGAGES.

(a) IN GENERAL.—Section 251(c) of the National Housing Act is amended to read as follows:

"(c) The aggregate number of mortgages and loans insured under this section in any fiscal year may not exceed 20 percent of the aggregate number of mortgages and loans insured by the Secretary under this title during the preceding fiscal year.".

(b) CONFORMING AMENDMENTS.—

(1) Section 245(c) of the National Housing Act is amended in the last sentence by striking ", section 251,".

(2) Section 252(g) of the National Housing Act is amended—

(A) by striking the first comma and inserting "and"; and

(B) by striking ", and section 251".

SEC. 315. PENALTIES FOR EQUITY SKIMMING.

(a) PURCHASE OF DWELLING SUBJECT TO LOAN IN DEFAULT.—Section 912 of the Housing and Urban Development Act of 1970 is amended—

(1) in paragraph (1), by inserting "(including condominiums and cooperatives)" after "dwellings";

(2) in paragraph (2), by inserting after "due" the following: ", regardless of whether the purchaser is obligated on the loan"; and

(3) in the matter following paragraph (3)—

(A) by striking "$5,000" and inserting "$250,000"; and

(B) by striking "three" and inserting "5".

(b) USE OF FUNDS DERIVED FROM PROPERTY SUBJECT TO LOAN IN DEFAULT.—Title II of the National Housing Act is amended by adding at the end the following new section:

"EQUITY SKIMMING PENALTY

"SEC. 254. Whoever, as an owner, agent, or manager, or who is otherwise in custody, control, or possession of property that is security for a mortgage note that is insured, acquired, or held by the Secretary pursuant to section 203, 207, 213, 220, 221(d)(3), 221(d)(4), 223(f), 231, 232, 234, 236, 238(c), 241, 242, 244, 608, or 810, or title XI, or is made pursuant to section 202 of the Housing Act of 1959, willfully uses or authorizes the use of any part of the rents, assets, proceeds, income or other funds derived from property covered by such mortgage note during a period when the mortgage note is in default or the project is in a nonsurplus cash position as defined by the regulatory agreement covering such property, for any purpose other than to meet actual or necessary expenses that include expenses approved by the Secretary if such approval is required under the terms of the regulatory agreement, shall be fined not more than $250,000 or imprisoned not more than 5 years, or both.".

(c) CONFORMING AMENDMENTS.—Section 239 of the National Housing Act is amended—

(1) by striking "INSURED" in the section heading;

(2) by striking "(a)" after "SEC. 239."; and

(3) by striking subsection (b).

SEC. 316. AUTHORITY FOR SECRETARY TO IMPOSE CIVIL MONEY PENALTIES.

(a) IN GENERAL.—Title II of the National Housing Act (as amended by section 315 of this Act) is further amended by adding at the end the following new section:

"AUTHORITY FOR SECRETARY TO IMPOSE CIVIL MONEY PENALTIES

"SEC. 255. (a) IN GENERAL.—

"(1) Whenever a mortgagee approved under section 203, a lender holding a contract of insurance under title I, or an individual violates any of the requirements of this Act, as set forth in subsection (b), the Secretary may impose a civil money penalty on the mortgagee, lender, or individual in accordance with the provisions of this section. This penalty shall be in addition to any available civil remedy or any other available civil or criminal penalty, and may be imposed whether or not the Secretary imposes other administrative sanctions.

"(2) The amount of the penalty may not exceed $1,000 for each violation, as determined by the Secretary, except that the maximum penalty for all violations by a particular mortgagee, lender, or individual during any 1-year period shall not exceed $1,000,000. In the case of a continuing violation, as determined by the Secretary, each day shall constitute a separate violation.

"(b) VIOLATIONS FOR WHICH PENALTY MAY BE IMPOSED.—The Secretary may impose a civil money penalty under subsection (a) for any of the following violations by a mortgagee, lender, or individual:

"(1) Unless expressly permitted by statute or regulation, transfer of a mortgage insured under section 203 to a mortgagee not approved by the Secretary, or transfer of a loan to a transferee that is not holding a contract of insurance under title I.

"(2) Failure of a nonsupervised mortgagee, as defined by the Secretary—

"(A) to segregate all escrow funds received from a mortgagor for ground rents, taxes, assessments, and insurance premiums; or

"(B) to deposit such funds in a special account with a financial institution whose accounts are insured by the Federal Deposit Insurance Corporation, the Federal Savings and Loan Insurance Corporation, or the National Credit Union Administration.

"(3) Disbursal of escrow funds for any purpose other than the purpose for which such funds are received.

"(4) Submission to the Secretary of information that the mortgagee, lender, or individual knew was false, in connection with any mortgage insured under section 203, or any loan that is covered by a contract of insurance under title I.

"(5) Hiring or retaining in employment an officer, director, principal, or employee with knowledge that, at the time of hire or while in employment (as appropriate), the person was under suspension or debarment by the Secretary.

"(6) Submission of a false certification to the Secretary.

"(7) Failure to comply with an amendment, certification, or condition of approval set forth—

"(A) on the application of a mortgagee, or lender, for approval by the Secretary; or

"(B) on the notification by a mortgagee, or lender, to the Secretary concerning establishment of a branch office.

"(8) Significant or substantial violation of any contract with the Secretary under section 203 or title I, any statute or implementing regulation that applies to the programs administered by the Secretary under section 203 or title I, or handbook instruction or mortgagee or title I letter that is issued under this Act and mailed, sent, or delivered to a mortgagee under section 203 or a lender under title I.

"(c) AGENCY PROCEDURES.—

"(1) The Secretary shall establish standards and procedures governing the imposition of civil money penalties under subsection (a). The standards and procedures—

"(A) shall provide for the imposition of a penalty only after the mortgagee, lender, or individual has been given an opportunity for a hearing on the record by a hearing officer authorized by the Secretary to conduct hearings; and

"(B) may provide for—

"(i) use of an administrative entity to make the determination to impose a penalty, subject to a hearing if requested; and

"(ii) review of any determination or order, or interlocutory ruling, arising from a hearing.

"(2) In determining the amount of a penalty under subsection (a), the Secretary shall take into account the gravity of the offense, degree of culpability, any history of prior offenses, ability to pay, size of the business entity, effect upon ability to continue in business, and such other factors as the Secretary may determine in regulations to be appropriate.

"(3) The determination of the Secretary or order of the Secretary imposing a penalty under subsection (a) shall not be subject to review, except as provided in subsection (d).

"(d) JUDICIAL REVIEW OF AGENCY DETERMINATION.—After exhausting all administrative remedies established by the Secretary under subsection (c)(1), a mortgagee, lender, or individual against whom the Secretary has imposed a civil money penalty under subsection (a) may obtain judicial review of the determination or order of the Secretary in the appropriate United States district court, as provided in chapter 7 of title 5, United States Code.

"(e) ACTION BY SECRETARY TO COLLECT PENALTY.—If any mortgagee, or lender, or individual fails to comply with the determination or order of the Secretary imposing a civil money penalty under subsection (a), after the determination or order is no longer subject to review as provided by subsections (c)(1) and (d), the Secretary may, acting through the General Counsel of the Department of Housing and Urban Development, bring an action in an appropriate United States district court to obtain a monetary judgment against the mortgagee, lender, or individual and such other relief as may be available. The monetary judgment may, in the discretion of the court, include the attorneys fees and other expenses incurred by the Secretary in connection with the action.

"(f) SETTLEMENT BY SECRETARY.—The Secretary may compromise, modify, or remit any civil money penalty that may be, or has been, imposed under this section.

"(g) REGULATIONS.—The Secretary shall issue such regulations as may be necessary to carry out this section.

"(h) DEPOSIT OF PENALTIES IN INSURANCE FUNDS.—All civil money penalties collected under this section shall be deposited in the appropriate insurance fund or funds established in this Act, and shall be available for use to the extent approved in appropriation Acts.".

(b) APPLICABILITY.—The amendment made by subsection (a) shall apply only with respect to—

(1) violations that occur on or after the effective date of the regulations issued to carry out such amendment; or

(2) in the case of a continuing violation (as determined by the Secretary of Housing and Urban Development), any portion of the violation that occurs on or after such effective date.

SEC. 317. HOME EQUITY CONVERSION MORTGAGE INSURANCE DEMONSTRATION.

(a) IN GENERAL.—Title II of the National Housing Act (as amended by section 316 of this Act) is further amended by adding at the end the following new section:

"DEMONSTRATION PROGRAM OF INSURANCE OF HOME EQUITY CONVERSION MORTGAGES FOR ELDERLY HOMEOWNERS

"SEC. 256. (a) PURPOSE.—The purpose of this section is to authorize the Secretary to carry out a demonstration program of mortgage insurance designed—

"(1) to meet the special needs of elderly homeowners by reducing the effect of the economic hardship caused by the increasing costs of meeting health, housing, and subsistence needs at a time of reduced income, through the insurance of home equity conversion mortgages to permit the conversion of a portion of accumulated home equity into liquid assets;

"(2) to encourage and increase the involvement of mortgagees and participants in the secondary mortgage market in the making and servicing of home equity conversion mortgages for elderly homeowners; and

"(3) to require the evaluation of data to determine—

"(A) the extent of the need and demand among elderly homeowners for insured and uninsured home equity conversion mortgages;

"(B) the types of home equity conversion mortgages that best serve the needs and interests of elderly homeowners, the Federal Government, and lenders; and

"(C) the appropriate scope and nature of participation by the Secretary in connection with home equity conversion mortgages for elderly homeowners.

"(b) DEFINITIONS.—For purposes of this section:

"(1) The term 'elderly homeowner' and 'homeowner' mean any homeowner who is, or whose spouse is, at least 62 years of age or such higher age as the Secretary may prescribe.

"(2) The terms 'mortgage', 'mortgagee', 'mortgagor', and 'State' have the meanings given such terms in section 201.

"(3) The term 'home equity conversion mortgage' means a first mortgage which provides for future payments to the homeowner based on accumulated equity and which a housing creditor (as defined in section 803(2) of the Garn-St Germain Depository Institutions Act of 1982) is authorized to make (A) under any law of the United States (other than section 804 of such Act) or applicable agency regulations thereunder; (B) in accordance with section 804 of such Act, notwithstanding any State constitution, law, or regulation; or (C) under any State constitution, law, or regulation.

"(c) INSURANCE AUTHORITY.—The Secretary may, upon application by a mortgagee, insure any home equity conversion mortgage eligible for insurance under this section and, upon such terms and conditions as the Secretary may prescribe, make commitments for the insurance of such mortgages prior to the date of their execution or disbursement to the extent that the Secretary determines such mortgages—

"(1) have promise for improving the financial situation or otherwise meeting the special needs of elderly homeowners;

"(2) will include appropriate safeguards for mortgagors to offset the special risks of such mortgages;

"(3) have a potential for acceptance in the private mortgage market; and

"(4) be eligible for purchase by a secondary market institution.

"(d) ELIGIBILITY REQUIREMENTS.—To be eligible for insurance under this section, a mortgage shall—

"(1) have been made to, and be held by, a mortgagee approved by the Secretary as responsible and able to service the mortgage properly;

"(2) have been executed by a mortgagor who—

"(A) qualifies as an elderly homeowner;

"(B) has received adequate counseling by a third party (other than the lender) as provided in subsection (g); and

"(C) meets any additional requirements prescribed by the Secretary;

"(3) be secured by a dwelling that is designed principally for a 1-family residence and is occupied by the mortgagor and that has a value not to exceed the maximum dollar amount established by the Secretary under section 203(b)(2) for a 1-family residence;

"(4) provide that prepayment, in whole or in part, may be made without penalty at any time during the period of the mortgage;

"(5) provide for a fixed interest rate, as agreed upon by the mortgagor and the mortgagee;

"(6) contain provisions for satisfaction of the obligation satisfactory to the Secretary;

"(7) provide that the homeowner shall not be liable for any difference between the net amount of the remaining indebtedness of the homeowner under the mortgage and the amount recovered by the mortgagee from—

"(A) the foreclosure sale; or

"(B) the insurance benefits paid pursuant to subsection (i)(1)(C); and

"(8) contain such terms and provisions with respect to insurance, repairs, alterations, payment of taxes, default reserve, delinquency charges, foreclosure proceedings, anticipation of maturity, additional and secondary liens, and other matters as the Secretary may prescribe.

"(e) DISCLOSURES BY MORTGAGEE.—The Secretary shall require each mortgagee of a mortgage insured under this section to make available to the homeowner—

"(1) at the time of the loan application, a written list of the names and addresses of third-party information sources who are approved by the Secretary as responsible and able to provide the information required by subsection (f);

"(2) at least 10 days prior to loan closing, a statement explaining the homeowner's rights, obligations, and remedies with respect to temporary absences from the home, late payments, and payment default by the lender, all conditions requiring satisfaction of the loan obligation, and any other information that the Secretary may require; and

"(3) on an annual basis (but not later than January 31 of each year), a statement summarizing the total principal amount paid to the homeowner under the loan secured by the mortgage, the total amount of deferred interest added to the principal, and the outstanding loan balance at the end of the preceding year.

"(f) INFORMATION SERVICES FOR MORTGAGORS.—The Secretary shall provide or cause to be provided by entities other than the lender the information required in subsection (d)(2)(B). Such information shall be discussed with the mortgagor and shall include—

"(1) options other than a home equity conversion mortgage that are available to the homeowner, including other housing, social service, health, and financial options;

"(2) other home equity conversion options that are or may become available to the homeowner, such as sale-leaseback financing, deferred payment loans, and property tax deferral;

"(3) the financial implications of entering into a home equity conversion mortgage;

"(4) a disclosure that a home equity conversion mortgage may have tax consequences, affect eligibility for assistance under Federal and State programs, and have an impact on the estate and heirs of the homeowner; and

"(5) any other information that the Secretary may require.

"(g) Limitation on Insurance Authority.—No mortgage may be insured under this section after September 30, 1991, except pursuant to a commitment to insure issued on or before such date. The total number of mortgages insured under this section may not exceed 2,500. In no case may the benefits of insurance under this section exceed the maximum dollar amount established under section 203(b)(2) for a 1-family residence.

"(h) Administrative Authority.—The Secretary may—

"(1) enter into such contracts and agreements with Federal, State, and local agencies, public and private entities, and such other persons as the Secretary determines to be necessary or desirable to carry out the purposes of this section; and

"(2) make such investigations and studies of data, and publish and distribute such reports, as the Secretary determines to be appropriate.

"(i) Protection of Homeowner and Lender.—

"(1) Notwithstanding any other provision of law, and in order to further the purposes of the demonstration program authorized in this section, the Secretary shall take any action necessary—

"(A) to provide any mortgagor under this section with funds to which the mortgagor is entitled under the insured mortgage or ancillary contracts but that the mortgagor has not received because of the default of the party responsible for payment;

"(B) to obtain repayment of disbursements provided under subparagraph (A) from any source; and

"(C) to provide any mortgagee under this section with funds not to exceed the limitations in subsection (g) to which the mortgagee is entitled under the terms of the insured mortgage or ancillary contracts authorized in this section.

"(2) Actions under paragraph (1) may include—

"(A) disbursing funds to the mortgagor or mortgagee from the General Insurance Fund;

"(B) accepting an assignment of the insured mortgage notwithstanding that the mortgagor is not in default under its terms, and calculating the amount and making the payment of the insurance claim on such assigned mortgage;

"(C) requiring a subordinate mortgage from the mortgagor at any time in order to secure repayments of any funds advanced or to be advanced to the mortgagor;

"(D) requiring a subrogation to the Secretary of the rights of any parties to the transaction against any defaulting parties; and

"(E) imposing premium charges.

"(j) Safeguard To Prevent Displacement of Homeowner.—The Secretary may not insure a home equity conversion mortgage under this section unless such mortgage provides that the homeowner's obligation to satisfy the loan obligation is deferred until the homeowner's death, the sale of the home, or the occurrence of other events specified in regulations of the Secretary (as long as the homeowner is not involuntarily displaced). For purposes of this subsection, the term 'homeowner' includes the spouse of a homeowner.

"(k) Reports to Congress.—

"(1) The Secretary shall, not later than September 30, 1989, submit an interim report to Congress describing—

"(A) design and implementation of the demonstration;

"(B) number and types of reverse mortgages written to date;

"(C) profile of participant homeowner-borrowers, including incomes, home equity, and regional distribution; and

"(D) problems encountered in implementation, including impediments associated with State or Federal laws or regulations governing taxes, insurance, securities, public benefits, banking, and any other problems in implementation that the Secretary encounters.

"(2) Not later than March 30, 1992, the Secretary shall submit to Congress a preliminary evaluation of the program authorized in this section. Such evaluation shall include an updated report on the matters referred to in paragraph (1) and shall in addition—

"(A) describe the types of mortgages appropriate for inclusion in such program;

"(B) describe any changes in the insurance programs under this title, or in other Federal regulatory provisions, determined to be appropriate;

"(C) describe any risk created under such mortgages to mortgagors and mortgagees or the insurance programs under this title, and whether the risk is adequately covered by the premiums under the insurance programs;

"(D) evaluate whether such program has improved the financial situation or otherwise met the special needs of participating elderly homeowners;

"(E) evaluate whether such program has included appropriate safeguards for mortgagors to offset the special risks of such mortgages;

"(F) evaluate whether home equity conversion mortgages have a potential for acceptance in the private market; and

"(G) evaluate whether such program has increased secondary mortgage market activity with respect to home equity conversion mortgages.

"(3) The preliminary evaluation shall incorporate comments and recommendations solicited by the Secretary from the Board of Governors of the Federal Reserve System, the Secretary of Health and Human Services, the Federal Council on Aging, Federal Home Loan Bank Board, the Comptroller of the Currency, and the National Credit Union Administration Board regarding any of the matters referred to in paragraph (1) or (2).

"(4) Following submission of the preliminary evaluation, the Secretary shall, on a biennial basis, submit to the Congress an updated report and evaluation covering the period since the most recent report under this subsection and shall include analysis of the repayment of the home equity conversion mortgages under this demonstration during such period.".

(b) Regulations.—The Secretary of Housing and Urban Development shall—

(1) not later than 6 months after the date of enactment of this Act, consult with lenders, insurers, and organizations and individuals with expertise in home equity conversion in developing proposed regulations implementing section 254 of the National Housing Act; and

(2) not later than 9 months after the date of the enactment of this Act, issue proposed regulations implementing section 254 of the National Housing Act.

SEC. 318. ASSURANCE OF ADEQUATE PROCESSING OF APPLICATIONS FOR LOAN AND MORTGAGE INSURANCE.

Title V of the National Housing Act is amended by adding at the end the following new section:

"ASSURANCE OF ADEQUATE PROCESSING OF APPLICATIONS FOR LOAN AND MORTGAGE INSURANCE

"Sec. 533. In order to ensure the adequate processing of applications for insurance of loans and mortgages under this Act, the Secretary shall maintain not less than one office in each State to carry out the provisions of this Act.".

SEC. 319. CLOSING OF ANY OFFICE PROHIBITED BEFORE COMPLETION OF CERTAIN STUDIES.

Title V of the National Housing Act (as amended by section 318 of this Act) is further amended by adding at the end the following new section:

"CLOSING OF ANY OFFICE PROHIBITED BEFORE COMPLETION OF CERTAIN STUDIES

"Sec. 534. The Secretary may not implement any proposal or determination to close any office maintained by the Secretary in any State (on or after October 1, 1985) to carry out the provisions of this Act until at least 30 days after the completion of any investigation, study, or review by any other Federal agency or department or any committee of either House of the Congress of the proposal or determination of the Secretary to close the office.".

SEC. 320. PROHIBITION OF REQUIREMENT OF MINIMUM PRINCIPAL LOAN AMOUNT.

(a) Original Loans.—Title V of the National Housing Act (as amended by section 319 of this Act) is further amended by adding at the end the following new section:

"PROHIBITION OF REQUIREMENT OF MINIMUM PRINCIPAL LOAN AMOUNT

"Sec. 535. A mortgagee or lender may not require, as a condition of providing a loan insured under this Act or secured by a mortgage insured under this Act, that the principal amount of the loan exceed a minimum amount established by the mortgagee or lender or that the interest rate and discount points charged on the loan exceed the interest rate and discount points charged by the mortgagee or lender for mortgages or loans having the maximum principal amount permitted for insurance under this Act.".

(b) Refinancings.—Section 223(a)(7) of the National Housing Act (as amended by section 307(a) of this Act) is further amended by striking "; and (B)" and inserting the following: "; (B) a mortgagee may not require a minimum principal amount to be outstanding on the loan secured by the existing mortgage or require that the interest rate and discount points charged on the loan exceed the interest rate and discount points charged by the mortgagee or lender for mortgages or loans having the maximum principal amount permitted for insurance under this Act; and (C)".

SEC. 321. STUDY OF VOLUNTARY STANDARDS FOR MODULAR HOMES.

(a) In General.—In order to facilitate the construction and delivery of housing, the Secretary of Housing and Urban Development shall prepare and submit to the Congress not later than 6 months after the date of the enactment of this Act a report describing feasible alternative systems for implementing one or more voluntary preemptive national codes for modular housing, including the method for inspecting the structures to ensure compliance with the selected code or set of codes. Such codes may be national model codes and shall provide for periodic upgrading through recognized model code development procedures and the development of modular housing standards for construction, design, and performance that ensure quality, durability, and safety and are in accordance with life-cycle cost-effective energy conservation standards established by the Secretary of Housing and Urban Development and designed to ensure the lowest total construction and operating costs over the estimated life of such housing.

(b) DEFINITION.—For purposes of this section, the term "modular housing" means factory-built single-family and multifamily housing (including closed wall panelized housing) not subject to the requirements of the National Manufactured Housing Construction and Safety Standards Act of 1974.

SEC. 322. REPEAL OF REQUIREMENT TO PUBLISH PROTOTYPE HOUSING COSTS FOR 1- TO 4-FAMILY DWELLING UNITS.

The Housing and Community Development Act of 1977 is amended by striking section 904.

SEC. 323. DOUBLE DAMAGES REMEDY FOR UNAUTHORIZED USE OF MULTIFAMILY HOUSING PROJECT ASSETS AND INCOME.

(a) ACTION TO RECOVER ASSETS OR INCOME.—

(1) The Secretary of Housing and Urban Development (referred to in this section as the "Secretary") may request the Attorney General to bring an action in a United States district court to recover any assets or income used by any person in violation of (A) a regulatory agreement that applies to a multifamily project whose mortgage is insured or held by the Secretary under title II of the National Housing Act; or (B) any applicable regulation. For purposes of this section, a use of assets or income in violation of the regulatory agreement or any applicable regulation shall include any use for which the documentation in the books and accounts does not establish that the use was made for a reasonable operating expense or necessary repair of the project and has not been maintained in accordance with the requirements of the Secretary and in reasonable condition for proper audit.

(2) For purposes of a mortgage insured or held by the Secretary under title II of the National Housing Act, the term "any person" shall mean any person or entity which owns a project, as identified in the regulatory agreement, including but not limited to any stockholder holding 25 percent or more interest of a corporation that owns the project; any beneficial owner under any business or trust; any officer, director, or partner of an entity owning the project; and any heir, assignee, successor in interest, or agent of any owner.

(b) INITIATION OF PROCEEDINGS AND TEMPORARY RELIEF.—The Attorney General, upon request of the Secretary, shall have the exclusive authority to authorize the initiation of proceedings under this section. Pending final resolution of any action under this section, the court may grant appropriate temporary or preliminary relief, including restraining orders, injunctions, and acceptance of satisfactory performance bonds, to protect the interests of the Secretary and to prevent use of assets or income in violation of the regulatory agreement and any applicable regulation and to prevent loss of value of the realty and personalty involved.

(c) AMOUNT RECOVERABLE.—In any judgment favorable to the United States entered under this section, the Attorney General may recover double the value of the assets and income of the project that the court determines to have been used in violation of the regulatory agreement or any applicable regulation, plus all costs relating to the action, including but not limited to reasonable attorney and auditing fees. Notwithstanding any other provision of law, the Secretary may apply the recovery, or any portion of the recovery, to the project or to the applicable insurance fund under the National Housing Act.

(d) TIME LIMITATION.—Notwithstanding any other statute of limitations, the Secretary may request the Attorney General to bring an action under this section at any time up to and including 6 years after the latest date that the Secretary discovers any use of project assets and income in violation of the regulatory agreement or any applicable regulation.

(e) CONTINUED AVAILABILITY OF OTHER REMEDIES.—The remedy provided by this section is in addition to any other remedies available to the Secretary or the United States.

SEC. 324. MISCELLANEOUS MORTGAGE INSURANCE PROVISIONS.

(a) MORTGAGE INSURANCE FOR CONDOMINIUMS.—Section 234(e)(3) of the National Housing Act is amended by inserting after "design;" the following: "except that each of the foregoing dollar amounts is increased to the amount established for a comparable unit in section 221(d)(3)(ii);".

(b) MORTGAGE INSURANCE FOR CERTAIN PROPERTIES WITHIN AN INDIAN RESERVATION.—Section 203(q)(1) of the National Housing Act is amended by striking "Secretary may" and inserting "Secretary shall".

SEC. 325. INCREASE IN MAXIMUM MORTGAGE AMOUNT UNDER SINGLE FAMILY INSURANCE PROGRAM.

(a) IN GENERAL.—Section 203(b)(2)(A) of the National Housing Act is amended by striking "133⅓ per centum" and inserting "150 percent".

(b) STUDY.—Not later than 4 months after the date of the enactment of this Act, the Secretary of Housing and Urban Development shall submit to the Congress a report analyzing the feasibility of providing, for geographic areas experiencing particularly high prevailing housing sales prices, administrative exemptions from the principal amount limitations established in section 203(b)(2) of the National Housing Act. Such report shall include any recommendations of the Secretary for authorizing legislation.

SEC. 326. CALCULATION OF MAXIMUM MORTGAGE AMOUNT UNDER SINGLE FAMILY INSURANCE PROGRAM.

Section 203(b)(2) of the National Housing Act is amended by inserting after the first sentence the following: "For purposes of the preceding sentence, the term 'area' means a county, or a metropolitan statistical area as established by the Office of Management and Budget, whichever results in the higher dollar amount.".

SEC. 327. APPROVAL OF INDIVIDUAL RESIDENTIAL WATER PURIFICATION OR TREATMENT UNITS.

(a) IN GENERAL.—When the existing water supply does not meet the minimum property standards established by the Department of Housing and Urban Development and a permanent alternative acceptable water supply is not available, a continuous supply of water may be provided through the use of approved residential water treatment equipment or a water purification unit that provides bacterially and chemically safe drinking water.

(b) APPROVAL PROCESS.—A performance-based approval of the equipment or unit and the maintenance, monitoring, and replacement plan for such equipment or unit shall be certified by field offices of the Department of Housing and Urban Development based upon general standards recognized by the Department as modified for local or regional conditions. As a part of such approved plan, a separate monthly escrow account may be required to be established through the lender to cover the cost of the approved yearly maintenance and monitoring schedule and projected replacement of the equipment or unit.

SEC. 328. DIRECT LOANS TO PREVENT DEFAULTS BY MULTIFAMILY PROJECTS.

Section 203(f) of the Housing and Community Development Amendments of 1978 (as so redesignated by section 162(d) of this Act) is amended—

(1) by inserting "(1)" after the subsection designation; and

(2) by inserting at the end the following new paragraph:

"(2) If the Secretary determines that a mortgage insured by the Secretary that covers a multifamily housing project is at risk of going into default and if the mortgagee indicates to the Secretary that it will not agree to a request to accept partial payment of a claim under the mortgage insurance contract and to recast the mortgage in accordance with paragraph (1), the Secretary may make a loan to the mortgagor from the applicable insurance fund in order to assist the mortgagor to avoid a default under the mortgage. To be eligible for a loan under this paragraph—

"(A) the amount of the loan or loans made with respect to any mortgage shall not exceed the amount necessary to cover the sum over a 36-month period of the taxes, principal, and interest on the mortgage debt, mortgage insurance premiums, and hazard insurance premiums;

"(B) the mortgagor shall agree to repay the Secretary;

"(C) the loan shall have a maturity satisfactory to the Secretary, which shall not extend beyond the term of the original mortgage;

"(D) the loan shall bear interest at such rate as may be agreed upon by the mortgagor and the Secretary;

"(E) the mortgagor shall provide the Secretary with a note and mortgage or deed of trust, in recordable form, together with a deferred recordation agreement; and

"(F) the loan shall be subject to such other terms and conditions as the Secretary may prescribe.".

SEC. 329. EXPIRATION OF CERTIFICATES OF REASONABLE VALUE.

If a certificate of reasonable value issued by the Administrator of Veterans' Affairs is relied upon for the purpose of determining the value of a single-family property in connection with the insurance of a mortgage under the National Housing Act, the expiration of the certificate of reasonable value shall be considered to be 12 months from the date of issuance, or such shorter period as may be established by the Administrator of Veterans' Affairs to reflect local market conditions.

SEC. 330. REGULATION OF RENTS IN INSURED PROJECTS.

After May 1, 1987, the Secretary of Housing and Urban Development shall continue to control rents and charges for any multifamily housing project insured under the National Housing Act if—

(1) the project owner and the Secretary have not executed, during the period of April 19, 1983, through May 1, 1987, an amendment to the regulatory agreement electing to utilize an alternative formula for determining the maximum allowable rents pursuant to regulations published by the Secretary on April 19, 1983; and

(2)(A) the project was, as of May 1, 1987, receiving a housing assistance payment *under a contract pursuant to section 8 of the United States Housing Act of 1937 (other than under the existing housing certificate program of section 8(b)(1) of such Act); or*

(B) not less than 50 percent of the units in the project are occupied by lower income families (as defined in section 3(a)(2) of the United States Housing Act of 1937).

SEC. 331. AUTHORITY FOR INCREASED MORTGAGE LIMITS FOR MULTIFAMILY PROJECTS IN HIGH-COST AREAS.

Section 207(c)(3), the second proviso of section 213(b)(2), the first proviso of section 220(d)(3)(B)(iii), section 221(d)(3)(ii), section 221(d)(4)(ii), section 231(c)(2), and section 234(e)(3) of the National Housing Act are each amended by striking "not to exceed 75 per centum" and all that follows through "involved) in such an area" and inserting the following: "not to exceed 110 percent in any geographical area where the Secretary finds that cost levels so require and by not to exceed 140 percent where the Secretary determines it necessary on a project-by-project basis, but in no case may any such increase exceed 90 percent where the Secretary determines that a mortgage purchased or to be purchased by the Government National Mortgage Association in implementing its special assistance functions under section 305 of this Act (as such section existed immediately before November 30, 1983) is involved".

SEC. 332. OPERATING LOSS LOAN INSURANCE.

Section 223(d) of the National Housing Act is amended—

(1) by inserting "(1)" after the subsection designation;

(2) by striking the first and second sentences and inserting the following: "Notwithstanding any other provision of this Act, the Secretary is authorized to insure loans made to cover the operating losses of certain projects that have existing project mortgages insured by the Secretary. Insurance under this subsection shall be in the Secretary's discretion and upon such terms and conditions as the Secretary may prescribe, and shall be provided in accordance with the provisions of this subsection. For purposes of this subsection, the term 'operating loss' means the amount by which the sum of the taxes, interest on the mortgage debt, mortgage insurance premiums, hazard insurance premiums, and the expense of maintenance and operation of the project covered by the mortgage, exceeds the income of the project.

"(2) To be eligible for insurance pursuant to this paragraph—

"(A) the existing project mortgage (i) shall have been insured by the Secretary at any time before or after the date of enactment of the Housing, Community Development, and Homelessness Prevention Act of 1987; and (ii) shall cover any property, other than a property upon which there is located a 1- to 4-family dwelling;

"(B) the operating loss shall have occurred during the first 24 months after the date of completion of the project, as determined by the Secretary; and

"(C) the loan shall be in an amount not exceeding the operating loss.

"(3) To be eligible for insurance pursuant to this paragraph—

"(A) the existing project mortgage (i) shall have been insured by the Secretary at any time before or after the date of enactment of the Housing, Community Development, and Homelessness Prevention Act of 1987; (ii) shall cover any property, other than a property upon which there is located a 1- to 4-family dwelling; and (iii) shall not cover a subsidized project, as defined by the Secretary;

"(B) the loan shall be in an amount not exceeding 80 percent of the unreimbursed cash contributions made on or after March 18, 1987, by the project owner for the use of the project, during any period of consecutive months (not exceeding 24 months) in the first 10 years after the date of completion of the project, as determined by the Secretary, except that in no event may the amount of the loan exceed the operating loss during such period;

"(C) the loan shall be made within 10 years after the end of the period of consecutive months referred to in the preceding subparagraph; and

"(D) the project shall meet all applicable underwriting and other requirements of the Secretary at the time the loan is to be made.

"(4) Any loan insured pursuant to this subsection shall (A) bear interest at such rate as may be agreed upon by the mortgagor and mortgagee; (B) be secured in such manner as the Secretary shall require; (C) be limited to a term not exceeding the unexpired term of the original mortgage; and (D) be insured under the same section as the original mortgage. The Secretary may provide insurance pursuant to paragraph (2) or (3), or pursuant to both such paragraphs, in connection with an existing project mortgage, except that the Secretary may not provide insurance pursuant to both such paragraphs in connection with the same period of months referred to in paragraphs (2)(B) and (3)(B)."; and

(3) by inserting "(5)" before "A loan" at the beginning of the undesignated paragraph at the end.

SEC. 333. INTEREST CHARGES ON TEMPORARY MORTGAGE ASSISTANCE PAYMENTS AND ASSIGNMENT OR OTHER ASSISTANCE.

Section 230(a)(5) of the National Housing Act is amended by striking the third sentence and inserting the following: "The interest rate on payments made under this subsection shall be determined at the discretion of the Secretary. The interest rate to be charged shall be determined when the Secretary approves assistance under this subsection.".

SEC. 334. MORTGAGE INSURANCE TECHNICAL AMENDMENTS.

(a) Administrative Provisions.—The second sentence of section 1 of the National Housing Act is amended by striking the last comma.

(b) Applicablity.—Section 9 of the National Housing Act is amended by inserting the following section heading:

"APPLICABILITY".

(c) Loan Insurance Programs.—Sections 203(k)(3)(B) and 241(b)(3) of the National Housing Act are amended—

(1) by striking "mortgagor" each place it appears and inserting "borrower"; and

(2) by striking "mortgagee" each place it appears and inserting "financial institution".

(d) Miscellaneous Housing Insurance.—

(1) Section 223(a)(7) of the National Housing Act is amended—

(A) in the first proviso, by striking "a rate not in excess of the maximum rate prescribed under the applicable section or title of this Act" and inserting the following: "such rate as may be agreed upon by the mortgagor and the mortgagee";

(B) in the second proviso, by striking "maturity, a principal obligation, and an interest rate" and inserting the following: "maturity and a principal obligation"; and

(C) by inserting before the semicolon at the end the following: ", and shall bear interest at such rate as may be agreed upon by the mortgagor and the mortgagee".

(2) Section 223(d)(1) of the National Housing Act is amended by striking "bear interest (exclusive of premium charges for insurance) at not to exceed the per centum per annum currently permitted for mortgages insured under the section under which it is to be insured" and inserting the following: "bear interest at such rate as may be agreed upon by the mortgagor and the mortgagee".

(e) Insurance for Nursing Homes, Intermediate Care Facilities, and Board and Care Homes.—

(1) Section 232(b) of the National Housing Act is amended—

(A) by indenting as a separate paragraph (in the same manner as paragraph (1)) "(3) a nursing" and all that follows through "day; and";

(B) in such new paragraph (3)—

(i) by inserting "the term" after the paragraph designation; and

(ii) by striking "and" at the end;

(C) by redesignating the second paragraph (3) as paragraph (4); and

(D) by redesignating paragraph (4) as paragraph (5).

(2) Section 232(i)(2)(B) of the National Housing Act is amended to read as follows:

"(B) bear interest at such rate as may be agreed upon by the mortgagor and the mortgagee;".

(f) Co-insurance.—

(1) Section 244(g) of the National Housing Act is amended—

(A) by striking paragraph (2); and

(B) by redesignating paragraphs (3) through (6) as paragraphs (2) through (5), respectively.

(2) Section 244(h) of the National Housing Act is amended by striking "coinsurance" each place it appears and inserting "co-insurance".

(g) Insurance on Hawaiian Home Lands.—Section 247(a)(2) of the National Housing Act is amended by striking "Mortgagor" and inserting "mortgagor".

(h) Insurance on Indian Reservations.—Section 248 of the National Housing Act is amended—

(1) in subsection (a)(1), by striking "lands" and inserting "land";

(2) in subsection (a)(2), by striking "lands"; and

(3) in subsection (d), by striking "tribal or trust land" and inserting "trust or otherwise restricted land".

(i) Shared Appreciation Mortgages.—Section 253 of the National Housing Act is amended—

(1) in subsection (b), by striking the fourth sentence and inserting the following: "For purposes of this section, the term 'net appreciated value' means the amount by which the sales price of the property (less the mortgagor's selling costs) exceeds the actual project cost after completion, as approved by the Secretary.";

(2) in the first sentence of subsection (c), by striking "204" and inserting "207"; and

(3) in subsection (c), by striking the last sentence and inserting the following: "The term 'original principal face amount of the mortgage' as used in section 207 shall not include the mortgagee's share of net appreciated value.".

(j) Defense Housing for Impacted Areas.—The first sentence of section 810(h) of the National Housing Act is amended—

(1) by striking "(exclusive of premium charges for insurance) at not to exceed the rate applicable to mortgages insured under section 207" and inserting the following: "at

such rate as may be agreed upon by the mortgagor and the mortgagee"; and

(2) by striking "not to exceed the rate applicable to mortgages insured under section 203" and inserting the following: "such rate as may be agreed upon by the mortgagor and the mortgagee".

Subtitle B—Secondary Mortgage Market Programs

SEC. 341. LIMITATIONS ON CERTAIN SECONDARY MORTGAGE MARKET FEES.

(a) Federal National Mortgage Association.—Section 304 of the Federal National Mortgage Association Charter Act is amended by adding at the end the following new subsection:

"(f) Except for fees paid pursuant to section 309(g), no fee or charge may be assessed or collected by the United States (including any executive department, agency, or independent establishment of the United States) on or with regard to the purchase, acquisition, sale, pledge, issuance, guarantee, or redemption of any mortgage, asset, obligation, trust certificate of beneficial interest, or other security by the corporation. No provision of this subsection shall affect the purchase of any obligation by the Secretary of the Treasury pursuant to subsection (c).".

(b) Federal Home Loan Mortgage Corporation.—Section 306 of the Federal Home Loan Mortgage Corporation Act is amended by adding at the end the following new subsection:

"(i) Except for fees paid pursuant to section 303(c) or 306(c), no fee or charge may be assessed or collected by the United States (including any executive department, agency, or independent establishment of the United States) on or with regard to the purchase, acquisition, sale, pledge, issuance, guarantee, or redemption of any mortgage, asset, obligation, or other security by the Corporation. No provision of this subsection shall affect the purchase of any obligation by any Federal home loan bank pursuant to section 303(a).".

SEC. 342. FNMA CUMULATIVE VOTING.

Section 303(a) of the Federal National Mortgage Association Charter Act is amended by inserting after the first sentence the following new sentence: "The corporation may eliminate such rights of cumulative voting by a resolution adopted by its board of directors and approved by the holders of a majority of the shares of common stock voting in person or by proxy at the annual meeting, or other special meeting, at which such resolution is considered.".

SEC. 343. PERMANENT AUTHORITY TO PURCHASE SECOND MORTGAGES ON SINGLE-FAMILY PROPERTIES.

(a) Federal National Mortgage Association.—Section 302(b)(5)(A)(i) of the Federal National Mortgage Association Charter Act is amended by striking "until October 1, 1987,".

(b) Federal Home Loan Mortgage Corporation.—Section 305(a)(4)(A)(i) of the Federal Home Loan Mortgage Corporation Act is amended by striking "until October 1, 1987,".

SEC. 344. PERIOD FOR APPROVAL OF ACTIONS OF FNMA.

Section 309(i) of the Federal National Mortgage Association Charter Act is amended in the second sentence by inserting before the period at the end the following: ", but such 45-day period may not be extended for any other reason or for any period in addition to or other than such 15-day period".

SEC. 345. PROHIBITION OF LIMITATION ON FHLMC MORTGAGE OPERATIONS.

Section 305 of the Federal Home Loan Mortgage Corporation Act is amended by adding at the end the following new subsection:

"(c) The Board of Directors may not impose any annual limitation on the maximum aggregate principal amount of mortgages purchased by the Corporation.".

SEC. 346. LIMITATION ON GNMA GUARANTEES OF MORTGAGE-BACKED SECURITIES.

Section 306(g)(2) of the Federal National Mortgage Association Charter Act is amended to read as follows:

"(2) Notwithstanding any other provision of law and subject only to the absence of qualified requests for guarantees, to the authority provided in this subsection, and to any funding limitation approved in appropriation Acts, the Association shall enter into commitments for fiscal year 1988 to issue guarantees under this subsection for such fiscal year in an aggregate amount of $150,000,000,000.".

TITLE IV—COMMUNITY DEVELOPMENT AND MISCELLANEOUS PROGRAMS

Subtitle A—Community and Neighborhood Development and Preservation

SEC. 401. COMMUNITY DEVELOPMENT AUTHORIZATIONS.

(a) Community Development Block Grants.—The second sentence of section 103 of the Housing and Community Development Act of 1974 is amended to read as follows: "There is authorized to be appropriated for purposes of assistance under sections 106 and 107 $3,000,000,000 for fiscal year 1988.".

(b) Discretionary Fund.—

(1) The first sentence of section 107(a) of the Housing and Community Development Act of 1974 is amended to read as follows: "Of the total amount provided in appropriation Acts under section 103 for fiscal year 1988, $60,000,000 may be set aside in a special discretionary fund for grants under subsection (b).".

(2) Section 107 of the Housing and Community Development Act of 1974 is amended—

(A) by redesignating subsections (c) and (d) as subsections (d) and (e), respectively; and

(B) by inserting after subsection (b) the following new subsection:

"(c) Of the amount set aside for use under subsection (b) in any fiscal year, the Secretary shall, to the extent approved in appropriation Acts, make available not less than $2,500,000 in the form of grants to institutions of higher education, either directly or through areawide planning organizations or States, for the purpose of continuing programs in effect during fiscal year 1984 for providing assistance to economically disadvantaged and minority students who participate in community development work study programs and are enrolled in full-time graduate or undergraduate programs in community and economic development, community planning, or community management. Such grants may be made only to institutions of higher education receiving grants for such purpose under subsection (b) for fiscal year 1984, and may only be provided to such institutions in the same manner as such grants are provided during such fiscal year.".

(c) Urban Development Action Grants.—Section 119(a) of the Housing and Community Development Act of 1974 is amended by striking the second and last sentences and inserting the following new sentences: "There is authorized to be appropriated to carry out this section $225,000,000 for fiscal year 1988. Any amount appropriated under this subsection shall remain available until expended.".

(d) Congressional Policy on Community Development Funding.—It is the policy of the Congress that the amounts appropriated for the community development block grant and urban development action grant programs under title I of the Housing and Community Development Act of 1974 for fiscal year 1988 and each succeeding fiscal year should not be less than the amounts appropriated for such programs for fiscal year 1987.

SEC. 402. TARGETING OF BENEFITS TO PERSONS OF LOW AND MODERATE INCOME.

(a) Primary Objective.—Section 101(c) of the Housing and Community Development Act of 1974 is amended in the second sentence by striking "51 percent" and inserting "75 percent".

(b) Specific Objectives.—Section 101(c)(6) of the Housing and Community Development Act of 1974 is amended by striking "to attract persons of higher income".

(c) Certification.—Section 104(b)(3) of the Housing and Community Development Act of 1974 is amended by striking "51 percent" and inserting "75 percent".

SEC. 403. CITY AND COUNTY CLASSIFICATIONS.

(a) Metropolitan City.—Section 102(a)(4) of the Housing and Community Development Act of 1974 is amended—

(1) in the second sentence, by striking "September 30, 1987" and inserting "September 30, 1988";

(2) by striking the third sentence and inserting the following: "Any unit of general local government that becomes eligible to be classified as a metropolitan city, and was not classified as a metropolitan city in the immediately preceding fiscal year, may, upon submission of written notification to the Secretary, defer its classification as a metropolitan city for all purposes under this title, if it elects to have its population included in an urban county under subsection (d). Any city classified as a metropolitan city pursuant to the second sentence may elect not to retain its classification so that it may be included in an urban county."; and

(3) by adding at the end the following new sentence: "Any city classified as a metropolitan city pursuant to the first or second sentence of this paragraph, and that no longer qualifies as a metropolitan city under such first or second sentence in a fiscal year beginning after fiscal year 1988, shall retain its classification as a metropolitan city for such fiscal year and the succeeding fiscal year, except that in such succeeding fiscal year (A) the amount of the grant to such city shall be 50 percent of the amount calculated under section 106(b); and (B) the remaining 50 percent shall be added to the amount allocated under section 106(d) to the State in which the city is located and the city shall be eligible in such succeeding fiscal year to receive a distribution from the State allocation under section 106(d) as increased by this sentence.".

(b) Urban County.—Section 102(a)(6) of the Housing and Community Development Act of 1974 is amended—

(1) in clause (B), by striking "has a combined population of two hundred thousand or more" and inserting the following: "has a population of 200,000 (excluding the population of metropolitan cities therein) and has a combined population of 50,000 or more";

(2) by inserting before the period at the end of the first sentence the following: ", or (D) has a current population in excess of

177,000 (exclusive of all metropolitan cities therein), with more than 50 percent of the housing units of the area unsewered and with the unsewered housing units contributing to the degradation of an aquifer that has been declared a sole source aquifer by the Environmental Protection Agency; and such term includes Knox County in the State of Tennessee, and Beaver County in the State of Pennsylvania";

(3) in the second sentence—

(A) by inserting "or 1984" after "fiscal year 1983"; and

(B) by striking "September 30, 1987" and inserting "September 30, 1988"; and

(4) by adding at the end the following new sentence: "Any county classified as an urban county pursuant to the first, second, or third sentence of this paragraph, and that no longer qualifies as an urban county under such first, second, or third sentence in a fiscal year beginning after fiscal year 1988, shall retain its classification as an urban county for such fiscal year and the succeeding fiscal year, except that in such succeeding fiscal year (A) the amount of the grant to such an urban county shall be 50 percent of the amount calculated under section 106(b); and (B) the remaining 50 percent shall be added to the amount allocated under section 106(d) to the State in which the urban county is located and the urban county shall be eligible in such succeeding fiscal year to receive a distribution from the State allocation under section 106(d) as increased by this sentence.".

(c) Additional Qualification as Metropolitan City.—During 1987 and each succeeding fiscal year, any city within a metropolitan area shall be considered to be a metropolitan city under section 102(a)(4) of the Housing and Community Development Act of 1974 if such city—

(1) was entitled to a grant of a hold-harmless amount under section 106(h) of such Act as such section was in effect prior to the enactment of Public Law 96-399;

(2) had, according to the 1980 decennial census, a population of 36,957; and

(3) received a preliminary grant approval on March 8, 1984, for an urban development action grant under section 119 of the Housing and Community Development Act of 1974.

A city that qualifies as a metropolitan city pursuant to paragraphs (1), (2), and (3) shall be eligible in fiscal year 1987 for a grant under section 106(b)(1) of the Housing and Community Development Act of 1974, notwithstanding the provisions of section 102(d) of such Act, except that any such city that had entered into a cooperation agreement to include its population in that of an urban county, as provided in section 102(a)(6)(B)(ii) of such Act, shall only be eligible for such a grant if both the city and urban county mutually agree to terminate such cooperation agreement for such fiscal year.

(d) Inclusion of Units of General Local Government in Urban Counties.—Section 102(d) of the Housing and Community Development Act of 1974 is amended by striking the last sentence.

(e) Definition of Urban County for Purposes of Allocation.—Section 106(b)(2)(A)(i) of the Housing and Community Development Act of 1974 is amended by inserting before the semicolon at the end the following: "(except that, for purposes of this clause, the population of any county qualifying as an urban county under section 102(a)(6)(B) shall be the population of the portion of the urban county complying with the requirements of clauses (i) or (ii) of such section)".

SEC. 404. CALCULATION OF MEDIAN INCOME FOR NONENTITLEMENT AREAS.

Section 102(a)(20)(A) of the Housing and Community Development Act of 1974 is amended by inserting before the period at the end the following: ", except that in the case of any nonentitlement area the Secretary shall determine the median income on the basis of the median income of the area, or of all nonentitlement areas in the State, whichever is higher".

SEC. 405. STATEMENT OF ACTIVITIES AND REVIEW.

Section 104(a)(1) of the Housing and Community Development Act of 1974 is amended by striking out the last sentence.

SEC. 406. ALLEVIATION OF LAKEFRONT FLOODING AND EROSION.

Section 104(b)(3) of the Housing and Community Development Act of 1974 is amended—

(1) by inserting "(A)" after "except that"; and

(2) by inserting before the semicolon at the end the following: "; and (B) notwithstanding any other provision of this section, grantees that border on the Great Lakes and that experience significant adverse financial and physical effects due to lakefront erosion or flooding may include in the projected use of funds activities that are clearly designed to alleviate the threat posed, and rectify the damage caused, by such erosion or flooding".

SEC. 407. ACTIVITIES TO PRESERVE AND EXPAND LOWER INCOME HOUSING.

(a) Grantee Certification.—Section 104(b)(4) of the Housing and Community Development Act of 1974 is amended—

(1) by inserting "(A)" before "identifies"; and

(2) by striking "and" the second place it appears and inserting the following: "; (B) includes provisions to preserve or expand the availability of housing for persons of low and moderate income, to minimize the displacement of such persons, and to provide relocation assistance when such displacement is unavoidable, and specifies separately the provisions developed for persons of low income and the provisions developed for persons of moderate income; and (C)".

(b) Housing Assistance Plan.—Section 104(c)(1) of the Housing and Community Development Act of 1974 is amended—

(1) by striking "and" at the end of subparagraph (B);

(2) by striking the period at the end of subparagraph (C) and inserting "; and"; and

(3) by adding at the end the following new subparagraph:

"(D) specifies activities that will be undertaken annually to minimize displacement and preserve or expand the availability of housing for persons of low and moderate income, such as the preservation of single room occupancy housing and the development by public and private nonprofit organizations of vacant properties that become available under in rem proceedings, and specifies separately the activities that will be undertaken for persons of low income and the activities that will be undertaken for persons of moderate income.".

SEC. 408. HOUSING ASSISTANCE PLANS.

(a) Assessment of Housing Assistance Needs of the Homeless.—Section 104(c)(1)(A) of the Housing and Community Development Act of 1974 is amended—

(1) in the second parenthetical phrase, by inserting "homeless persons," after "assistance,"; and

(2) in the last parenthetical phrase, by inserting "and homeless persons" after "persons".

(b) Technical Amendments.—Section 104(c)(1) of the Housing and Community Development Act of 1974 is amended—

(1) by striking "lower income persons" each place it appears and inserting "persons of low and moderate income"; and

(2) in subparagraph (C)(ii), by striking "low-income persons" and inserting "persons of low and moderate income".

SEC. 409. ECONOMIC DEVELOPMENT STRATEGY.

Section 104 of the Housing and Community Development Act of 1974 is amended—

(1) by redesignating subsections (d) through (j) as subsections (e) through (k), respectively; and

(2) by inserting after subsection (c) the following new subsection:

"(d) Any grant under section 106 shall be made to a grantee proposing to use funds for economic development activities only if the grantee certifies that it is following a detailed economic development strategy with respect to the economic development activities to be carried out with the grant. The economic development strategy shall—

"(1) describe the economic development needs of persons of low and moderate income and the manner in which the economic development activities will meet the needs;

"(2) describe the nature and amount of long-term employment that will be created by the economic development activities for persons of low and moderate income who are unemployed and underemployed;

"(3) ensure that the employment, training, and vocational development created by the economic development activities will be targeted to persons of low and moderate income residing or expected to reside in the jurisdiction of the grantee;

"(4) take into account neighborhood revitalization goals and activities that include planning, promotion, and financing of economic development efforts by neighborhood-based nonprofit organizations located in low and moderate income neighborhoods or controlled by persons of low and moderate income;

"(5) minimize displacement of existing businesses and jobs in neighborhoods through the use of economic development funds under section 106; and

"(6) include measures for documenting the extent to which the project activities actually benefit persons of low and moderate income, including records demonstrating the numbers and income levels of those who benefit from the employment, business opportunities, and other economic development generated by the activities.".

SEC. 410. CITIZEN PARTICIPATION PLAN.

Section 104 of the Housing and Community Development Act of 1974 is amended—

(1) by redesignating subsections (e) through (k) (as so redesignated by section 409 of this Act) as subsections (f) through (l), respectively; and

(2) by inserting after subsection (d) (as added by section 509 of this Act) the following new subsection:

"(e)(1) Any grant under section 106 shall be made only if the grantee certifies that it is following a detailed citizen participation plan. The citizen participation plan shall—

"(A) provide for and encourage citizen participation, with particular emphasis on persons of low and moderate income who are residents of slum and blight areas, and in areas where section 106 funds are pro-

posed, provided that grantees described in section 106(a) shall provide for participation of residents in low and moderate income neighborhoods as defined by the local jurisdiction;

"(B) provide citizens with reasonable and timely access to local meetings, information, and records relating to the proposed and actual use of funds under this title;

"(C) provide for continuity of citizen participation in an advisory role, in all stages of the community development program of the grantee, including all plans and strategies required under this title, the development, implementation, and evaluation of programmatic activities;

"(D) provide for technical assistance to groups that are representative of persons of low and moderate income and are seeking to develop proposals;

"(E) provide for public hearings to obtain citizen views and to respond to proposals and questions at all stages of the community development program, including at least the development of needs, the review of proposed activities, and review of program performance, which hearings shall be held after adequate notice, at times and locations convenient to potential or actual beneficiaries, and with accommodation for the handicapped;

"(F) provide for a response to complaints and grievances in writing within 15 working days of receipt; and

"(G) identify how the needs of non-English speaking residents shall be accommodated for the public hearings where a significant number of non-English speaking residents can be reasonably expected to participate.

"(2) No provision of this subsection may be construed to restrict the responsibility or authority of the grantee for the development and execution of its community development program.".

SEC. 411. CONSERVING NEIGHBORHOODS AND HOUSING BY PROHIBITING DISPLACEMENT.

Section 104 of the Housing and Community Development Act of 1974 is amended—

(1) by redesignating subsections (f) through (l) (as so redesignated by section 410 of this Act) as subsections (g) through (m), respectively; and

(2) by inserting after subsection (e) (as added by section 410 of this Act) the following new subsection:

"(f) Any grant under section 106 or 119 shall be made only if the grantee certifies that it is following a residential antidisplacement and relocation assistance plan. Grantees receiving a grant under section 106(a) or section 119 shall so certify to the Secretary. Grantees receiving a grant under section 106(d) shall so certify to the States. The residential antidisplacement and relocation assistance plan shall—

"(1) permit the involuntary displacement of persons of low and moderate income due to activities assisted under section 106 or 119 only if unavoidable or in the best interest of the households and community affected;

"(2) in the event of such displacement, provide that—

"(A) governmental agencies or private developers shall provide one for one replacement of all low and moderate income dwelling units demolished within the same community;

"(B) such replacement housing shall be designed to remain affordable to persons of low and moderate income for 20 years;

"(C) relocation benefits shall be provided for displaced persons, including—

"(i) reimbursement to all displaced persons for moving expenses, security deposits, credit checks, and other moving-related expenses, including any interim living costs;

"(ii) compensation sufficient to ensure that, for a 10-year period, displaced low and moderate income households shall not bear, after relocation, a ratio of shelter costs to income that exceeds 30 percent; and

"(iii) permitting the displaced low and moderate income households to participate in a housing cooperative or mutual housing association, in which case such compensation as provided under clause (ii) shall be provided to enable such households to capitalize the value of the compensation in order to secure participation in a cooperative or mutual housing association and to maintain the ratio of the shelter costs of the household to the income of not more than 30 percent; and

"(D) persons displaced due to activities assisted under section 106 or 119 shall be relocated into comparable replacement housing, which means housing that is—

"(i) decent, safe and sanitary;

"(ii) adequate in size to accommodate the occupants;

"(iii) functionally equivalent;

"(iv) in an area not subject to unreasonable adverse environmental conditions; and

"(v) located in an area approved by the displaced person; and

"(3) provide that persons displaced due to activities assisted under section 106 or 119 shall have the right to elect to receive benefits under the Uniform Relocation Assistance Act (42 U.S.C. 4601) if such persons determine that it is in their best interest to do so.".

SEC. 412. COMMUNITY DEVELOPMENT BLOCK GRANT PUBLIC SERVICE ACTIVITIES.

Section 105(a)(8) of the Housing and Community Development Act of 1974 is amended—

(1) by inserting "(A)" after "paragraph unless"; and

(2) by inserting before the semicolon at the end the following: "; or (B) the Secretary authorizes such unit of general local government to use more than 15 percent (but not more than the highest percentage permitted to be used under subparagraph (A) by another unit of general local government located in the same metropolitan area) of the assistance received under this title for such activities following (i) a determination by such unit of general local government that the activities carried out using the amounts authorized under this subparagraph are appropriate to support proposed community development activities; and (ii) submission to the Secretary of a request for such authorization by such unit of general local government".

SEC. 413. LIMITED NEW CONSTRUCTION OF HOUSING UNDER COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM.

Section 105(a) of the Housing and Community Development Act of 1974 is amended—

(1) by striking out "and" at the end of paragraph (17);

(2) by striking out the period at the end of paragraph (18) and inserting in lieu thereof "; and"; and

(3) by adding at the end thereof the following new paragraph:

"(19) provision of assistance to facilitate new construction or substantial reconstruction in instances in which persons of low and moderate income own and occupy a home that the grantee determines is not suitable for rehabilitation.".

SEC. 414. STATE CERTIFICATIONS FOR RECEIVING COMMUNITY DEVELOPMENT BLOCK GRANTS FOR NONENTITLEMENT AREAS.

Section 106(d)(2) of the Housing and Community Development Act of 1974 is amended—

(1) in subparagraph (C), by striking "the Governor must certify that the State" and inserting "the State must certify that it"; and

(2) in subparagraph (D), by striking "the Governor of each State" and inserting "the State".

SEC. 415. MULTIYEAR AND MULTIPURPOSE DISTRIBUTIONS FOR NONENTITLEMENT AREAS.

Section 106(d)(2) of the Housing and Community Development Act of 1974 is amended by adding at the end the following new subparagraph:

"(E) The Governor of any State may make commitments to units of general local government under this paragraph for multiyear or multipurpose funding.".

SEC. 416. ADMINISTRATIVE EXPENSES OF STATES DISTRIBUTING FUNDS TO NONENTITLEMENT AREAS.

Section 106(d)(3)(A) of the Housing and Community Development Act of 1974 is amended by striking "$102,000" and inserting "$100,000".

SEC. 417. COMMUNITY DEVELOPMENT BLOCK GRANT LOAN GUARANTEES.

(a) Limitation on Commitments.—The last sentence of section 108(a) of the Housing and Community Development Act of 1974 is amended—

(1) by striking "fiscal year 1984" and inserting "fiscal year 1988"; and

(2) by striking "$225,000,000" and inserting "$150,000,000".

(b) Prohibition on Fees.—Section 108 of the Housing and Community Development Act of 1974 is amended by adding at the end the following new subsection:

"(m) No fee or charge may be imposed by the Secretary or any other Federal agency on or with respect to a guarantee made by the Secretary under this section after the date of the enactment of the Housing, Community Development, and Homelessness Prevention Act of 1987.".

(c) Eligible Uses of Loan Guarantees.—Section 108(a) of the Housing and Community Development Act of 1974 is amended in the first sentence—

(1) by inserting "(1)" after "purposes of financing"; and

(2) by inserting before the period at the end the following: "; (2) housing rehabilitation; or (3) economic development activities permitted under paragraphs (14), (15), and (17) of section 105(a)".

SEC. 418. URBAN DEVELOPMENT ACTION GRANT SELECTION CRITERIA.

(a) Project Quality Criteria.—Section 119(d)(1) of the Housing and Community Development Act of 1974 is amended—

(1) by inserting a dash before "(A)";

(2) by indenting subparagraphs (A) and (B) in the same manner as subparagraphs (C), (D), and (E), as inserted by this subsection;

(3) in subparagraph (A), by striking "as the primary criterion,";

(4) by striking "and" at the end of subparagraph (B); and

(5) by striking subparagraph (C) and inserting the following new subparagraphs:

"(C) the following other criteria:

"(i) the extent to which the grant will stimulate economic recovery by leveraging private investment;

"(ii) the number of permanent jobs to be created and their relation to the amount of grant funds requested;

"(iii) the proportion of permanent jobs accessible to lower income persons and minorities, including persons who are unemployed;

"(iv) the extent to which the project will retain jobs that will be lost without the provision of a grant under this section;

"(v) the extent to which the project will relieve the most pressing employment or residential needs of the applicant by—

"(I) reemploying workers in a skill that has recently suffered a sharp increase in unemployment locally;

"(II) retraining recently unemployed residents in new skills;

"(III) providing training to increase the local pool of skilled labor; or

"(IV) producing decent housing for low- and moderate-income persons in cases where such housing is in severe shortage in the area of the applicant;

"(vi) the impact of the proposed activities on the fiscal base of the city or urban county and its relation to the amount of grant funds requested;

"(vii) the extent to which State or local government funding or special economic incentives have been committed; and

"(viii) the extent to which the project will have a substantial impact on physical and economic development of the city or urban county, the proposed activities are likely to be accomplished in a timely fashion with the grant amount available, and the city or urban county has demonstrated performance in housing and community development programs;

"(D) the failure of the city or urban county to receive a preliminary grant approval under this section—

"(i) on or after December 21, 1983; or

"(ii) during the 12-month period preceding the date on which applications are required to be submitted for the grant competition involved; and

"(E) whether the project will utilize one or more small business concerns owned and controlled by socially and economically disadvantaged individuals (as such term is defined in section 8(d) of the Small Business Act (15 U.S.C. 637(d)).

An application shall be considered to produce housing for low- and moderate-income persons under subparagraph (C)(v)(IV) only if such application proposes that—

"(i) not less than 51 percent of all funds available for the project shall be used for dwelling units and related facilities; and

"(ii) not less than 30 percent of all funds used for dwelling units and related facilities shall be used for dwelling units to be occupied by persons of low and moderate income, or not less than 20 percent of all dwelling units made available to occupancy using such funds shall be occupied by persons of low and moderate income, whichever results in the occupancy of more dwelling units by persons of low and moderate income.".

(b) Selection Limitations and Criteria Weight.—Section 119(d) of the Housing and Community Development Act of 1974 is amended by adding at the end the following new paragraphs:

"(3) The Secretary shall award points to each application as follows:

"(A) not more than 35 points on the basis of the factors referred to in paragraph (1)(A);

"(B) not more than 35 points on the basis of the factors referred to in paragraph (1)(B);

"(C) not more than 33 points on the basis of the factors referred to in paragraph (1)(C);

"(D)(i) 2 additional points on the basis of the factor referred to in paragraph (1)(D)(i); or

"(ii) 1 additional point on the basis of the factor referred to in paragraph (1)(D)(ii); and

"(E) not less than 1 additional point on the basis of the factor referred to in paragraph (1)(E).

"(4) The Secretary shall distribute grant funds under this section so that to the extent practicable during each funding cycle—

"(A) 65 percent of the funds is first made available utilizing all of the criteria set forth in paragraph (1); and

"(B) 35 percent of the funds is then made available solely on the basis of the factors referred to in subparagraphs (C), (D), and (E) of paragraph (1).

"(5)(A) For each fiscal year, the Secretary shall hold—

"(i) 3 competitions for grants under paragraph (1) for cities not described in the first sentence of subsection (i) (relating to small cities) and urban counties; and

"(ii) 3 competitions for cities described in the first sentence of subsection (i) (relating to small cities).

"(B) Each competition for grants described in any clause of subparagraph (A) shall be for an amount equal to the sum of—

"(i) approximately ⅓ of the funds available for such grants for the fiscal year;

"(ii) any funds available for such grants in any previous competition that are not awarded; and

"(iii) any funds available for such grants in any previous competition that are recaptured.

"(6) In determining the score to be awarded each of the criteria under subparagraphs (A) through (E) of paragraph (1) for applications for grants for urban counties, the Secretary shall compare such applications only with other applications for grants for urban counties.".

(c) Use of Repaid Grant Funds.—Section 119(f) of the Housing and Community Development Act of 1974 is amended by adding at the end the following: "In any case in which the project proposes the repayment to the applicant of the grant funds, such funds shall be made available by the applicant for economic development activities that are or would be eligible activities under this section or section 105. The applicant shall annually provide the Secretary with a statement of the projected receipt and use of repaid grant funds during the next year together with a report acceptable to the Secretary on the use of such funds during the most recent preceding full fiscal year of the applicant.".

(d) Nondiscrimination.—Section 119(r) of the Housing and Community Development Act of 1974 is amended to read as follows:

"(r) In utilizing the discretion of the Secretary when providing assistance and applying selection criteria under this section, the Secretary may not discriminate against applications on the basis of (1) the type of activity involved, whether such activity is primarily housing, industrial, or commercial; or (2) the type of applicant, whether such applicant is a city or urban county.".

(e) Reports of Comptroller General.—

(1)(A) Not later than the expiration of the 1-year period following the date of the enactment of this Act and every 3 years thereafter, the Comptroller General of the United States shall prepare and submit to the Congress a comprehensive report evaluating the eligibility standards and selection criteria applicable under section 119 of the Housing and Community Development Act of 1974.

(B) Such report shall evaluate in detail the standards and criteria specified in such section that measure the level or comparative degree of economic distress of cities and urban counties and the effect of the grants awarded on the basis of such standards and criteria on stimulating the maximum economic development activity.

(C) Such report shall also evaluate in detail the extent to which the economic and social data utilized by the Secretary in awarding grants under such section is current and accurate, and shall compare the data used by the Secretary with other available data. The Comptroller General shall make recommendations to the Congress on whether or not other data should be collected by the Federal Government in order to fairly and accurately distribute grants under such section based on the level or comparative degree of economic distress. The Comptroller General shall also make recommendations on whether or not existing data should be collected more frequently in order to ensure that timely data is used to evaluate grant applications under such section.

(2) Not later than the expiration of the 3-month period following the date of the final competition for grants for fiscal year 1987 under section 119 of the Housing and Community Development Act of 1974, the Comptroller General of the United States shall prepare and submit to the Congress a comprehensive report describing the effect of the amendments made by this section on—

(A) the targeting of grant funds to cities and urban counties having the highest level or degree of economic distress;

(B) the distribution of grant funds among regions of the United States;

(C) the number and types of projects receiving grants;

(D) the per capita funding levels for each city, urban county, or identifiable community described in subsection (p) of such section 119, receiving assistance under such section 119; and

(E) the stimulation of the maximum economic development activity.

(f) Regulations.—The Secretary of Housing and Urban Development shall issue such regulations as may be necessary to carry out the amendments made by this section. Such regulations shall be published for comment in the Federal Register not later than 60 days after the date of the enactment of this Act.

(g) Applicability.—The amendments made by this section shall be applicable to the making of urban development action grants that have not received the preliminary approval of the Secretary of Housing and Urban Development before the date on which final regulations issued by the Secretary under subsection (f) become effective.

SEC. 419. PROHIBITION ON USE OF URBAN DEVELOPMENT ACTION GRANTS FOR BUSINESS RELOCATIONS.

(a) In General.—Section 119(h) of the Housing and Community Development Act of 1974 is amended—

(1) by inserting after the subsection designation the following: "(1) Speculative projects.—";

(2) by adding at the end of paragraph (1) (as so redesignated by paragraph (1) of this

subsection) the following new sentence: "The provisions of this paragraph shall apply only to projects that do not have identified intended occupants."; and

(3) by adding at the end the following new paragraphs:

"(2) Projects with identified intended occupants.—No assistance may be provided or utilized under this section for any project with identified intended occupants that is likely to facilitate—

"(A) a relocation of any operation of an industrial or commercial plant or facility or other business establishment—

"(i) from any city, urban county, or identifiable community described in subsection (p), that is eligible for assistance under this section; and

"(ii) to the city, urban county, or identifiable community described in subsection (p), in which the project is located; or

"(B) an expansion of any such operation that results in a reduction of any such operation in any city, county, or community described in subparagraph (A)(i).

"(3) Significant and adverse effect.—The restrictions established in paragraph (2) shall not apply if the Secretary determines that the relocation or expansion does not significantly and adversely affect the employment or economic base of the city, county, or community from which the relocation or expansion occurs.

"(4) Appeal of adverse determination.—Following notice of intent to withhold, deny, or cancel assistance under paragraph (1), the Secretary shall provide a period of not less than 90 days in which the applicant can appeal to the Secretary the withholding, denial, or cancellation of assistance. Notwithstanding any other provision of this section, nothing in this section or in any legislative history related to the enactment of this section may be construed to permit an inference or conclusion that the policy of the Congress in the urban development action grant program is to facilitiate the relocation of businesses from one area to another.

"(5) Definitions.—For purposes of this subsection, the term 'operation' includes any plant, equipment, facility, position, employment opportunity, production capacity, or product line.

"(6) Regulations.—Not later than 60 days after the date of the enactment of the Housing, Community Development, and Homelessness Prevention Act of 1987, the Secretary shall issue such regulations as may be necessary to carry out the provisions of this subsection. Such regulations shall include specific criteria to be used by the Secretary in determining whether there is a significant and adverse effect under paragraph (3).".

(b) Applicability.—The amendments made by this section shall be applicable to urban development action grants that have not received the preliminary approval of the Secretary of Housing and Urban Development before the date of the enactment of this Act.

SEC. 420. STATE ADMINISTRATION OF CDBG PROGRAM IN NONENTITLEMENT AREAS.

(a) In General.—Subparagraphs (A) and (B) of section 106(d)(2) of the Housing and Community Development Act of 1974 are amended to read as follows:

"(2)(A) Amounts allocated under paragraph (1) shall be distributed by the State to units of general local government that are located in nonentitlement areas of the State to carry out activities in accordance with the provisions of this title. For the purposes of this subsection, distributions shall not be made in the form of loans to units of general local government. The State shall distribute amounts allocated to it consistent with the statement submitted under section 104(a), and shall be responsible for the administration of funds so distributed.

"(B) Any amounts appropriated for fiscal year 1987 or prior fiscal years that were available for distribution under this subsection by the Secretary immediately before the date of the enactment of the Housing, Community Development, and Homelessness Prevention Act of 1987 shall be distributed by the Secretary in accordance with the provisions of this subsection as they existed immediately before such effective date, except that amounts that are not obligated by January 1, 1988 (i) shall be added to amounts allocated to the State under paragraph (1) for fiscal year 1988, or (ii) if the State does not elect to receive a grant for fiscal year 1988, shall be rescinded.".

(b) Conforming Amendments.—

(1) Section 104(a)(1) of the Housing and Community Development Act of 1974 is amended—

(A) in the first sentence, by striking ," under section 106(d) by any State, or under section 106(d)(2)(B) by any unit of general local government" and inserting "or under section 106(d) by any State"; and

(B) in the second sentence, by striking "and in the case of units of general local government receiving grants pursuant to section 106(d)(2)(B)".

(2) Section 104(d)(1) of the Housing and Community Development Act of 1974 is amended by inserting after "section 106(d)(2)(B)" the following: "(as such provision existed immediately before the effective date of the Housing, Community Development, and Homelessness Prevention Act of 1987)".

(3) Section 106(d)(3)(A) of the Housing and Community Development Act of 1974 is amended by striking the first sentence.

(4) Section 106(d)(3) of the Housing and Community Development Act of 1974 is amended—

(A) by striking subparagraph (B);

(B) by redesignating subparagraphs (C) and (D) as subparagraphs (B) and (C), respectively; and

(C) in subparagraph (C) (as so redesignated by this subsection)—

(i) by inserting "(i)" before "shall be added"; and

(ii) by inserting before the period at the end the following: "; or (ii) if the State does not receive a grant for such year, shall be rescinded".

(5) Section 106(d)(5) of the Housing and Community Development Act of 1974 is amended by striking "or the Secretary".

SEC. 421. PROHIBITION ON USE OF COMMUNITY DEVELOPMENTS FUNDS TO INCREASE MARKET SHARE OF NONDOMESTIC CORPORATIONS.

(a) In General.—Title I of the Housing and Community Development Act of 1974 is amended by adding at the end the following new section:

"PROHIBITION ON USE OF FUNDS TO INCREASE MARKET SHARE OF NONDOMESTIC CORPORATIONS

"Sec. 122. (a) In General.—No assistance may be provided or utilized under this title for any project that the Secretary determines will be used to expand the market share of a nondomestic business entity in a manner that decreases the market share or operations of a domestic business entity.

"(b) Definitions.—For purposes of this section:

"(1) The term 'domestic business entity' means any business entity not described in paragraph (2).

"(2) The term 'nondomestic business entity' means any business entity—

"(A) more than 50 percent of the ownership of which is held by persons who are not citizens of the United States or permanent residents of the United States;

"(B) that is controlled by persons who are not citizens or permanent residents of the United States; or

"(C) that is a subsidiary of, or is controlled by, another business entity described in subparagraph (A) or (B).

"(3) The term 'operation' includes any plant, equipment, facility, position, employment opportunity, production capacity, or product line.".

(b) Applicability.—The amendment made by this section shall be applicable to all assistance provided under title I of the Housing and Community Development Act of 1974 after the date of the enactment of this Act.

SEC. 422. URBAN HOMESTEADING.

(a) Conveyances of Property by State and Local Governments for Consideration.—Section 810 of the Housing and Community Development Act of 1974 is amended—

(1) in subsection (b)(1), by inserting after "consideration" the following: "in the case of a lower income family or individual, or for such consideration (if any) as may be agreed upon by the entity and the family or individual in the case of a family or individual that is not a lower income family or individual";

(2) by striking "and" at the end of subsection (b)(3)(C);

(3) by inserting "and" after the semicolon at the end of subsection (b)(3)(D);

(4) by adding at the end of subsection (b)(3) the following new subparagraph:

"(E) pay the agreed upon consideration (if any) for the property, in the case of a family or individual that is not a lower income family or individual;";

(5) in subsection (b)(5), by inserting after "consideration" the following: "in the case of a lower income family or individual, or for such consideration (if any) as may be agreed upon by the entity and the family or individual in the case of a family or individual that is not a lower income family or individual,";

(6) in subsection (b)(7)—

(A) by striking "and" at the end of subparagraph (B);

(B) by striking the period at the end of subparagraph (C) and inserting a semicolon; and

(C) by adding at the end the following new subparagraphs:

"(D) prohibits the unit of general local government, State, or public agency designated by a unit of general local government or a State, from charging consideration for a property, if such charge results in excluding any prospective recipient qualified for the special priority under subparagraph (A); and

"(E) prohibits the conveyance of any property under this section to a family or individual that is not a lower income family or individual, if there is a qualified applicant who is a lower income family or individual.";

(7) by adding at the end of subsection (b) the following new sentences: "Any unit of general local government, State, or public agency designated by a unit of general local

government or a State, that receives consideration in connection with the conveyance of a property to an individual or family under this section shall remit to the Secretary any amount received, in such manner and at such time as the Secretary may prescribe. The Secretary shall deposit any amount remitted under the preceding sentence in a revolving fund, which shall be available to the Secretary, to the extent approved in appropriation Acts, for purposes of carrying out this section."; and

(8) in subsection (h)(3), by striking "subsection and subsection (i)" and inserting "section".

(b) Purchase of Tax Delinquent Properties for Program.—Section 810(g) of the Housing and Community Development Act of 1974 is amended by adding at the end the following new paragraph:

"(3) The Secretary may purchase properties that become available in satisfaction of public liens such as tax liens for purposes of transferring such properties under subsection (a).".

(c) Increased Assistance for Communities Having High Rates of Foreclosures.—Section 810 of the Housing and Community Development Act of 1974 is amended—

(1) by redesignating subsection (k) as subsection (l); and

(2) by inserting after subsection (j) the following new subsection:

"(k)(1) Any unit of general local government in which the rate of foreclosure on mortgages on single-family dwellings insured under title II of the National Housing Act exceeds by more than 20 percent such rate of foreclosure in such unit of general local government during the preceding year may apply to the Secretary for an increase in its assistance under this section.

"(2) Any unit of general local government applying for an increase in assistance under this subsection shall provide the Secretary with documentation describing the rate of foreclosure referred to in paragraph (1), the administrative capacities of the homestead program of such unit of general local government, and the likely effect of the use of additional assistance under this subsection on such rate of foreclosure.

"(3) The Secretary may not approve an increase in assistance under this subsection that exceeds an amount equal to 50 percent of the assistance requested by the unit of general local government under this section in its original application.".

(d) Transfer of Property to Qualified Community Organizations.—Section 810 of the Housing and Community Development Act of 1974 is amended—

(1) in subsection (a), by inserting "qualified community organization or" before "public agency designated";

(2) in subsection (b), by inserting "qualified community organization or" before "public agency designated";

(3) in subsection (b)(1), by inserting before the semicolon the following: "or in accordance with subsection (l) to qualified community organizations";

(4) in subsection (b)(3)(D), by inserting "qualified community organization or" before "public agency designated";

(5) in subsection (b)(5), by inserting "qualified community organization or" before "public agency designated";

(6) by redesignating subsection (l) (as so redesignated by subsection (c) of this section) as subsection (m); and

(7) by inserting after subsection (k) (as added by subsection (c) of this section) the following new subsection:

"(l) A unit of general local government or a State, or a public agency designated by a unit of general local government or a State, may transfer any real property that it receives under subsection (a) or purchases under subsection (i) to a qualified community organization. Qualified community organizations shall be limited to organizations that—

"(1) are incorporated and controlled by a board of directors whose members receive no compensation of any kind for the performance of their duties;

"(2) are organized exclusively for charitable, educational, scientific purposes, or the promotion of social welfare, and qualify as exempt organizations under paragraph (3) or (4) of section 501(c) of the Internal Revenue Code of 1986; and

"(3) agree to assist the applicable State or unit of general local government with the selection of homesteaders, the selection, inspection, and rehabilitation of the properties, and to perform such other functions as may be agreed between the State or unit of general local government and the qualified nonprofit organization, including the acceptance of title to property from the relevant Federal agency and the direct conveyance of the property to the homesteaders subject to the terms and conditions specified in this section.".

(e) Authorization of Appropriations.—The first sentence of section 810(m) of the Housing and Community Development Act of 1974 (as so redesignated by subsection (d) of this section) is amended to read as follows: "To reimburse the housing loan funds for properties transferred pursuant to this section, and to carry out subsections (c), (g), (h), and (i), there is authorized to be appropriated $12,000,000 for fiscal year 1988.".

SEC. 423. REHABILITATION LOANS.

(a) Extension of Loan Authority.—Section 312(h) of the Housing Act of 1964 is amended by striking "September 30, 1987" and inserting "September 30, 1988".

(b) Prohibition of Certain Fees.—Section 312(g) of the Housing Act of 1964 is amended by adding at the end the following new sentence: "No risk premium or loan fee may be imposed by or for the Secretary or any other Federal agency on or with respect to a loan made under this section after the date of the enactment of the Housing, Community Development, and Homelessness Prevention Act of 1987.".

(c) Prohibition of Loan Sales.—Section 312 of the Housing Act of 1964 is amended by adding at the end the following new subsection:

"(l) The Secretary may not sell any loan made under this section.".

SEC. 424. NEIGHBORHOOD REINVESTMENT CORPORATION.

(a) Authority of Members to Designate Alternate Members.—Section 604(a) of the Neighborhood Reinvestment Corporation Act is amended by inserting ", or a designee" before the semicolon or period at the end of each paragraph.

(b) Authorization of Appropriations.—Section 608(a) of the Neighborhood Reinvestment Corporation Act is amended to read as follows:

"(a) There is authorized to be appropriated to the corporation to carry out this title $19,000,000 for fiscal year 1988.".

SEC. 425. NEIGHBORHOOD DEVELOPMENT DEMONSTRATION PROGRAM.

(a) Housing for the Homeless.—Section 123(a)(1) of the Housing and Urban-Rural Recovery Act of 1983 is amended—

(1) by striking "or" at the end of subparagraph (D);

(2) by striking the period at the end of subparagraph (E) and inserting "; or"; and

(3) by adding at the end the following new subparagraph:

"(F) acquiring, developing, or rehabilitating property to serve as permanent housing for families and individuals who—

"(i) are lower income families and individuals (including lower income families and individuals who are elderly families and individuals or handicapped families and individuals), as such terms are defined in section 3(b) of the United States Housing Act of 1937; and

"(ii) lack traditional or permanent housing, or reside in overcrowded conditions.".

(b) Matching Funds.—

(1) Section 123(b)(1) of the Housing and Urban-Rural Recovery Act of 1983 is amended by inserting "or metropolitan areas" after "neighborhoods".

(2) Section 123(e)(1) of the Housing and Urban-Rural Recovery Act of 1983 is amended by inserting "or metropolitan area" after "neighborhood".

(c) Authorization of Appropriations.—Section 123(g) of the Housing and Urban-Rural Recovery Act of 1983 is amended to read as follows:

"(g) There is authorized to be appropriated to carry out this section $2,000,000 for fiscal year 1988.".

SEC. 426. PARK CENTRAL NEW COMMUNITY PROJECT.

(a) Housing Assistance.—Section 213 of the Housing and Community Development Act of 1974 is amended by adding at the end the following new subsection:

"(e) From budget authority made available in appropriation Acts for fiscal year 1988, the Secretary shall enter into an annual contributions contract for a term of 180 months to obligate sufficient funds to provide assistance payments pursuant to section 8(b)(1) of the United States Housing Act of 1937 on behalf of 500 lower income families from budget authority made available for fiscal year 1988, so long as such families occupy properties in the Park Central New Community Project or in adjacent areas that are recognized by the unit of general local government in which such Project is located as being included within the Park Central New Town In Town Project. If a lower income family receiving assistance payments pursuant to this subsection ceases to qualify for assistance payments pursuant to the provisions of section 8 of such Act or of this subsection during the 180-month term of the annual contributions contract, assistance payments shall be made on behalf of another lower income family who occupies a unit identified in the previous sentence.".

(b) Community Development Assistance.—Section 107(a) of the Housing and Community Development Act of 1974 is amended by adding at the end the following new sentence: "Of the amount set aside for grants under subsection (b) for fiscal year 1988, $5,000,000 shall be made available by the Secretary for purposes of grants under subsection (b)(1) for the Park Central New Community Project.".

SEC. 427. LIMITATION ON RECAPTURE OF CERTAIN RESERVATIONS OF ASSISTANCE.

After the reservation of assistance for any person or governmental entity under section 312 of the Housing Act of 1964 or section 810 of the Housing and Community Development Act of 1974, the Secretary of Housing and Urban Development shall not recapture any of the assistance included in such reservation due to the failure of such person or governmental entity to utilize, obligate, or expend such assistance during the 12-month period beginning on the date on which such amount is received.

SEC. 428. USE OF URBAN RENEWAL LAND DISPOSITION PROCEEDS AND CERTAIN OTHER COMMUNITY DEVELOPMENT FUNDS.

(a) In General.—Notwithstanding any other provision of law or other requirement, each unit of general local government referred to in subsection (b) is authorized to retain any land disposition proceeds from the specified financially closed-out urban renewal projects not paid to the Department of Housing and Urban Development and to use such proceeds in accordance with the requirements of the community development block grant program specified in title I of the Housing and Community Development Act of 1974. Each such unit of general local government shall retain such proceeds in a lump sum and shall be entitled to retain and use, in accordance with this section, all past and future earnings from such proceeds, including any interest.

(b) Applicability.—The units of general local government and projects to which subsection (a) applies are as follows:

(1) The City of Hartford, in the State of Connecticut, with respect to the Sheldon-Charter Oak, Section A Urban Renewal Project (No. Conn. R. 77).

(2) The City of Lebanon, in the State of Pennsylvania, with respect to the Southside Urban Renewal Project (R-635(C)).

(3) The City of Richmond, in the State of Virginia, with respect to the following projects:

(A) The Washington Park Conservation Project (No. VA-A-3-1).

(B) The Fulton Redevelopment Project (No. VA-A-3-2).

(C) The George Mason Redevelopment Project (No. VA-A-3-3).

(D) The Jefferson Park Conservation Project (No. VA-A-3-4).

(E) The Randolph Redevelopment and Conservation Project (No. VAR-58).

(4) The City of Milwaukee, in the State of Wisconsin, with respect to urban renewal projects (Nos. R-1 and R-20).

(5) The Borough of East Stroudsburg, in the State of Pennsylvania, with respect to the Courtland Plaza Urban Renewal Project (No. PA-R-352).

(c) Additional Authorizations.—

(1) Notwithstanding any other provision of law or other requirement, the Village of Northfield in the State of Illinois (A) shall repay to the original grantee, Cook County in the State of Illinois, an amount equal to the 2 subgrants of community development block grant funds made on September 20, 1976, and December 20, 1977; and (B) is authorized to retain any land disposition proceeds from such subgrants and to use such proceeds in accordance with Phase II and Phase III of its Central Business District Development Plan and the requirements of the community development block grant program specified in title I of the Housing and Community Development Act of 1974. The Village of Northfield shall retain such proceeds in a lump sum and shall be entitled to retain and use, in accordance with this paragraph, all past and future earnings from such proceeds, including any interest.

(2) Notwithstanding any other provision of law or other requirement, the City of Nanticoke in the State of Pennsylvania is authorized to retain any categorical settlement grant funds that remain after the financial closeout of the Lower Broadway Disaster Urban Renewal Project (No. B-79-UR-42-0001) and to use such funds in accordance with the requirements of the community development block grant program specified in title I of the Housing and Community Development Act of 1974. The City of Nanticoke shall retain such funds in a lump sum and shall be entitled to retain and use, in accordance with this paragraph, all past and future earnings from such funds, including any interest.

(d) Effective Date.—The provisions of this section shall become effective on the date of the enactment of this Act, or October 1, 1987, whichever occurs later.

SEC. 429. REGULATIONS TO IMPLEMENT CDBG PROVISIONS OF HOUSING AND URBAN-RURAL RECOVERY ACT OF 1983.

The Secretary of Housing and Urban Development shall, not later than the expiration of the 30-day period following the date of the enactment of this Act, issue regulations to carry out the provisions of, and amendments made by, part A of title I of the Housing and Urban-Rural Recovery Act of 1983 (Public Law 98-181).

SEC. 430. COMMUNITY DEVELOPMENT PROJECTS LABOR STANDARDS.

Section 110 of the Housing and Community Development Act of 1974 is amended by striking "is designed for residential use of eight or more families" and insert "contains not less than 8 units".

SEC. 431. URBAN PLANNING.

Section 702 of the Housing Act of 1954 is amended—

(1) by striking subsections (c) and (h); and

(2) by striking subsection (g) and inserting the following:

"(g) Effective upon the date of the enactment of the Housing, Community Development, and Homelessness Prevention Act of 1987, and in accordance with such accounting and other procedures as the Secretary may prescribe, each advance made by the Secretary under this section that has any principal amount outstanding shall be forgiven. The terms and conditions of any contract, or any amendment to a contract, for such advance with respect to any promise to repay the advance shall be canceled.".

SEC. 432. COMMUNITY DEVELOPMENT TECHNICAL AMENDMENTS.

Section 123(e)(3) of the Housing and Urban-Rural Recovery Act of 1983 is amended by striking "Act" and inserting "section".

Subtitle B—Flood and Crime Insurance Programs

SEC. 441. EXTENSION OF FLOOD INSURANCE PROGRAM.

(a) General Authority.—Section 1319 of the National Flood Insurance Act of 1968 is amended by striking "September 30, 1987" and inserting "September 30, 1988".

(b) Emergency Implementation.—Section 1336(a) of the National Flood Insurance Act of 1968 is amended by striking "September 30, 1987" and inserting "September 30, 1988".

(c) Establishment of Flood-Risk Zones.—Section 1360(a)(2) of the National Flood Insurance Act of 1968 is amended by striking "September 30, 1987" and inserting "September 30, 1988".

(d) Limitation on Premiums.—The premium rates charged for flood insurance under any program established pursuant to the National Flood Insurance Act of 1968 may not be increased during the period beginning on the date of the enactment of this Act and ending on September 30, 1988, by more than a prorated annual rate of 5 percent.

SEC. 442. EXTENSION OF CRIME INSURANCE PROGRAM.

(a) General Authority.—Section 1201(b)(1) of the National Housing Act is amended by striking "September 30, 1987" in the matter preceding subparagraph (A) and inserting "September 30, 1989".

(b) Continuation of Existing Contracts.—Section 1201(b)(1)(A) of the National Housing Act is amended by striking "September 30, 1986" and inserting "September 30, 1990".

(c) Limitation on Premiums.—The premium rates charged for crime insurance under any program established pursuant to part C of title XII of the National Housing Act may not be increased during the period beginning on the date of the enactment of this Act and ending on September 30, 1988, by more than a prorated annual rate of 5 percent.

SEC. 443. STUDIES UNDER NATIONAL FLOOD INSURANCE PROGRAM.

Section 1376(c) of the National Flood Insurance Act of 1968 is amended to read as follows:

"(c) There is authorized to be appropriated for studies under this title $37,773,000 for fiscal year 1988. Any amount appropriated under this subsection shall remain available until expended.".

SEC. 444. SCHEDULE FOR PAYMENT OF FLOOD INSURANCE FOR STRUCTURES ON LAND SUBJECT TO IMMINENT COLLAPSE OR SUBSIDENCE.

(a) In General.—Section 1306 of the National Flood Insurance Act of 1968 is amended by adding at the end the following new subsection:

"(c)(1) If any structure covered by flood insurance under this title and located on land that is along the shore of a lake or other body of water is certified by a State or local authority to be subject to imminent collapse or subsidence as a result of erosion or undermining caused by waves or currents of water exceeding anticipated cyclical levels, the Director shall (following verification that the certification was made in accordance with procedures established by the Director) pay amounts under such flood insurance coverage for proper demolition as follows:

"(A) Following verification by the Director, 40 percent of the value of the structure.

"(B) Following the demolition of the structure (including any septic containment system) prior to collapse—

"(i) 60 percent of the value of the structure; and

"(ii) 10 percent of the value of the structure, or the actual cost of demolition, whichever amount is less.

"(2) If the owner of a structure described in paragraph (1) chooses to relocate the structure, the Director shall pay amounts under such flood insurance coverage for proper relocation as follows:

"(A) Following verification by the Director, 20 percent of the value of the structure.

"(B) Following proper relocation (including removal of any septic containment system) prior to collapse, 20 percent of the value of the structure.

"(C) Total payments under subparagraphs (A) and (B) shall not exceed the actual cost of relocation.

"(3) If any structure certified under paragraph (1) or (2) collapses or subsides before the owner demolishes or relocates the structure, but after the owner has a resaonable period of time after verification by the Director (or after the enactment of the Housing, Community Development, and Homelessness Prevention Act of 1987, whichever occurs later) to demolish or relocate the structure, the Director shall not pay more than the amount provided in paragraph (1)(A) with respect to the structure.

"(4) For purposes of paying flood insurance pursuant to this subsection, the value of a structure shall be whichever of the following is lowest:

"(A) The fair market value of a comparable structure that is not subject to imminent collapse or subsidence.

"(B) The price paid for the structure and any improvements to the structure, as adjusted for inflation in accordance with an index determined by the Director to be appropriate.

"(C) The insured value of the structure under this title.

"(5)(A) The provisions of this subsection shall apply to contracts for flood insurance under this title that are in effect on, or entered into after, the date of the enactment of the Housing, Community Development, and Homelessness Prevention Act of 1987.

"(B) The provisions of this subsection shall not apply to any structure not subject to a contract for flood insurance under this title on the date of a certification under paragraph (1).

"(C) The provisions of this subsection shall not apply to any structure unless the structure is covered by a contract for flood insurance under this title—

"(i) on or before June 1, 1988;

"(ii) for a period of 2 years prior to certification under paragraph (1); or

"(iii) For the term of ownership if less than 2 years.

"(6) For any parcel of land on which a structure is subject to a certification under paragraph (1) no flood insurance coverage shall be available for any structure that is constucted or relocated, subsequent to the certification, at a point seaward of the 30-year erosion setback.

"(7)(A) The Director shall promulgate regulations and guidelines to implement the provisions of this subsection.

"(B) Prior to issuance of regulations regarding the State and local certifications pursuant to paragraph (1), all provisions of this subsection shall apply to any structure which is determined by the Director—

"(i) to otherwise meet the requirements of this section; and

"(ii) to have been condemned by a State or local authority because it is subject to imminent collapse or subsidence as a result of erosion or undermining caused by waves or currents of water exceeding anticipated cyclical levels.".

(b) Effective Date.—The amendment made by this section shall become effective on the date of the enactment of this Act, or October 1, 1987, whichever occurs later.

SEC. 445. MORATORIUM ON CERTAIN FLOOD INSURANCE REGULATIONS RELATING TO MOBILE HOMES.

The regulation changes to parts 59 and 60 of title 44, Code of Federal Regulations, promulgated by the Federal Emergency Management Agency and set forth at 51 Federal Register 30306–30309 (August 25, 1986), which amended the definition, placement, and exclusion of mobile homes in an existing mobile home park or mobile home subdivision, as previously defined, shall not be effective during the 6-month period beginning on the date of the enactment of this Act. During such period, the Director of the Federal Emergency Management Agency shall (1) solicit and receive public comments on such regulation changes; and (2) prepare and submit to the Congress a study of the impact of such regulation changes on small business.

SEC. 446. FLOOD AND CRIME INSURANCE TECHNICAL AMENDMENTS.

(a) Crime Insurance Program Authority.—Section 1201(b) of the National Housing Act is amended—

(1) by striking paragraphs (2) and (3);

(2) by striking "(b)(1)" and inserting "(b)"; and

(3) by redesignating subparagraphs (A) through (C) as paragraphs (1) through (3), respectively.

(b) Reinsurance Agreements.—Section 1222(c) of the National Housing Act is amended by striking "section 3679(a) of the Revised Statutes of the United States (31 U.S.C. 665(a))," and inserting "section 1341(a) of title 31, United States Code,".

(c) National Insurance Development Fund.—Section 1243(d) of the National Housing Act is amended by striking "by law (sections 102, 103, and 104 of the Government Corporation Control Act (31 U.S.C. 847–849))" and inserting "by sections 9103 and 9104 of title 31, United States Code,".

(d) National Flood Insurance Fund.—Section 1310(e) of the National Flood Insurance Act of 1968 is amended by inserting a comma after "Code".

(e) Flood Insurance in Colorado River Floodway.—The National Flood Insurance Act of 1968 is amended by inserting the following section heading for section 1322: "COLORADO RIVER FLOODWAY".

(f) FEMA Treasury Borrowings.—The third sentence of section 15(e) of the Federal Flood Insurance Act of 1956 is amended by inserting a comma after "Code".

Subtitle C—Miscellaneous Programs

SEC. 461. FAIR HOUSING INITIATIVES PROGRAM.

(a) In General.—The Secretary of Housing and Urban Development (in this section referred to as the "Secretary") may make grants to, or (to the extent of amounts provided in appropriation Acts) enter into contracts or cooperative agreements with, State or local governments or their agencies, public or private nonprofit organizations or institutions, or other public or private entities that are formulating or carrying out programs to prevent or eliminate discriminatory housing practices, to develop, implement, carry out, or coordinate—

(1) programs or activities designed to obtain enforcement of the rights granted by title VIII of the Act of April 11, 1968 (commonly referred to as the Civil Rights Act of 1968), or by State or local laws that provide rights and remedies for alleged discriminatory housing practices that are substantially equivalent to the rights and remedies provided in such title VIII, through such appropriate judicial or administrative proceedings (including informal methods of conference, conciliation, and persuasion) as are available therefor; and

(2) education and outreach programs designed to inform the public concerning rights and obligations under the laws referred to in paragraph (1).

(b) Program Administration.—

(1) Not less than 30 days before providing a grant or entering into any contract or cooperative agreement to carry out activities authorized by this section, the Secretary shall submit notification of such proposed grant, contract, or cooperative agreement (including a description of the geographical distribution of such contracts) to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Banking, Finance and Urban Affairs of the House of Representatives.

(2) The Secretary shall provide to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Banking, Finance and Urban Affairs of the House of Representatives a quarterly report that summarizes the activities funded under this section and describes the geographical distribution of grants, contracts, or cooperative agreements funded under this section.

(c) Regulations.—

(1) The Secretary shall issue such regulations as may be necessary to carry out the provisions of this section.

(2) The Secretary shall, for use during the demonstration authorized in this section, establish guidelines for testing activities funded under the private enforcement initiative of the fair housing initiatives program. The purpose of such guidelines shall be to ensure that investigations in support of fair housing enforcement efforts described in subsection (a)(1) shall develop credible and objective evidence of discriminatory housing practices. Such guidelines shall apply only to activities funded under this section, shall not be construed to limit or otherwise restrict the use of facts secured through testing not funded under this section in any legal proceeding under Federal fair housing laws, and shall not be used to restrict individuals or entities, including those participating in the fair housing initiatives program, from pursuing any right or remedy guaranteed by Federal law. Not later than 6 months after the end of the demonstration period authorized in this section, the Secretary shall submit to Congress the evaluation of the Secretary of the effectiveness of such guidelines in achieving the purposes of this section.

(3) Such regulations shall include provisions governing applications for assistance under this section, and shall require each such application to contain—

(A) a description of the assisted activities proposed to be undertaken by the applicant, together with the estimated costs and schedule for completion of such activities;

(B) a description of the experience of the applicant in formulating or carrying out programs to prevent or eliminate discriminatory housing practices;

(C) available information, including studies made by or available to the applicant, indicating the nature and extent of discriminatory housing practices occurring in the general location where the applicant proposes to conduct its assisted activities, and the relationship of such activities to such practices;

(D) an estimate of such other public or private resources as may be available to assist the proposed activities;

(E) a description of proposed procedures to be used by the applicant for monitoring conduct and evaluating results of the proposed activities; and

(F) any additional information required by the Secretary.

(4) Regulations issued under this subsection shall not become effective prior to the expiration of 90 days after the Secretary transmits such regulations, in the form such regulations are intended to be published, to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Banking, Finance and Urban Affairs of the House of Representatives.

(5) The Secretary shall not obligate or expend any amount under this section before the effective date of the regulations required under this subsection.

(d) Authorization of Appropriations.—There is authorized to be appropriated to carry out the provisions of this section, including any program evaluations, $5,000,000

for fiscal year 1988, of which not more than $3,000,000 shall be for the private enforcement initiative demonstration. Any amount appropriated under this section shall remain available until expended.

(e) TERMINATION OF DEMONSTRATION.—The demonstration period authorized in this section shall end on September 30, 1989.

SEC. 462. COLLECTION OF CERTAIN DATA.

To assess the extent of compliance with Federal fair housing requirements (including the requirements established under title VI of Public Law 88-352 and title VIII of Public Law 90-284), the Secretary of Housing and Urban Development and the Secretary of Agriculture shall each collect, not less than annually, data on the racial and ethnic characteristics of persons eligible for, assisted, or otherwise benefiting under each community development, housing assistance, and mortgage and loan insurance and guarantee program administered by such Secretary. Such data shall be collected on a building by building basis if the Secretary involved determines such collection to be appropriate.

SEC. 463. REGULATORY AUTHORITY.

(a) DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT.—Section 7(o) of the Department of Housing and Urban Development Act is amended by adding at the end thereof the following new paragraphs:

"(7) The Secretary shall, on a quarterly basis, transmit to both Committees a summary (or, upon the request of the Chairman of either Committee, a copy) of each notice or handbook to be issued by the Secretary not less than 15 days before the date of such issuance.

"(8) The Secretary shall include with each rule or regulation, notice, or handbook required to be transmitted to the Committees under this subsection a detailed summary of all changes required by the Office of Management and Budget that prohibit, modify, postpone, or disapprove such rule or regulation, notice, or handbook in whole or part.".

(b) FARMERS HOME ADMINISTRATION.—Section 534 of the Housing Act of 1949 is amended by adding at the end thereof the following new subsections:

"(d) The Secretary shall, on a quarterly basis, transmit to both Committees referred to in subsection (b) a summary (or, upon the request of the Chairman of either Committee, a copy) of each notice or handbook to be issued by the Secretary under this title not less than 15 days before the date of such issuance.

"(e) The Secretary shall include with each rule or regulation, notice, or handbook required to be transmitted to the Committees under this section a detailed summary of all changes required by the Office of Management and Budget that prohibit, modify, postpone, or disapprove such rule or regulation, notice, or handbook in whole or part.".

SEC. 464. TIMELY PAYMENT OF SUBCONTRACTORS.

It is the policy of the United States that each prime contractor of the Department of Housing and Urban Development should establish procedures to ensure the timely payment of amounts due pursuant to the terms of the subcontracts of such prime contractor.

SEC. 465. RESEARCH AND DEVELOPMENT.

(a) AUTHORIZATION OF APPROPRIATIONS.—Section 501 of the Housing and Urban Development Act of 1970 is amended by striking the second and third sentences and inserting the following: "There is authorized to be appropriated to carry out this title $17,000,000 for fiscal year 1988.".

(b) ADDITIONAL RESEARCH PROGRAMS.—Title V of the Housing and Urban Development Act of 1970 is amended by adding at the end the following new sections:

"PUBLIC HOUSING ENERGY IMPROVEMENTS

"SEC. 513. In carrying out activities under section 501, the Secretary shall develop a system that may be used by public housing agencies to monitor energy use in public housing projects and to identify energy conservation improvements that are cost-effective (taking into consideration alternative financing mechanisms).

"LOWER COST BUILDING TECHNOLOGIES

"SEC. 514. In carrying out activities under section 501, the Secretary shall conduct research on new building technologies that are designed to lower the cost of construction of single- and multi-family housing.".

SEC. 466. HOME MORTGAGE DISCLOSURE.

(a) APPLICABILITY TO MORTGAGE BANKING AFFILIATES.—

(1) Section 303(2) of the Home Mortgage Disclosure Act of 1975 is amended—

(A) by striking "or" the first place it appears; and

(B) by inserting before the semicolon at the end the following: ", mortgage banking subsidiary of a bank holding company or savings and loan holding company, or savings and loan service corporation that originates or purchases mortgage loans".

(2) Section 304 of the Home Mortgage Disclosure Act of 1975 is amended by adding at the end the following new subsection:

"(g) The requirements of subsections (a) and (b) shall not apply with respect to mortgage loans that are—

"(1) made by any mortgage banking subsidiary of a bank holding company or savings and loan holding company or by any savings and loan service corporation that originates or purchases mortgage loans; and

"(2) approved by the Secretary for insurance under title I or II of the National Housing Act.".

(3) The first sentence of section 311 of the Home Mortgage Disclosure Act of 1975 is amended by inserting after "306(b)" the following: "(and for each mortgagee making mortgage loans exempted under section 304(g))".

(4) The amendments made by this subsection shall be applicable to calendar years beginning after December 31, 1986.

(b) RECORDS ON MORTGAGE LOANS SECURED BY PROPERTY OUTSIDE METROPOLITAN STATISTICAL AREAS.—Section 304(a)(2)(B) of the Home Mortgage Disclosure Act of 1975 is amended by inserting ", by State," after "paragraph (1)".

(c) RECORDS ON CONVENTIONAL MORTGAGE LOANS.—Section 304(b) of the Home Mortgage Disclosure Act of 1975 is amended—

(1) by redesignating paragraphs (2) and (3) as paragraphs (3) and (4), respectively; and

(2) by inserting after paragraph (1) the following new paragraph:

"(2) the number and dollar amount of other (conventional) mortgage loans secured by 1- to 4-family dwellings and whether such loans are insured or uninsured;".

(d) AVAILABILITY OF DISCLOSURE STATEMENTS.—Section 304(f) of the Home Mortgage Disclosure Act of 1975 is amended by adding at the end the following new sentence: "Disclosure statements shall be made available to the public at such central depository of data not later than June 1 of the year following the calendar year on which the statements are based.".

(e) PERMANENT EXTENSION OF GENERAL AUTHORITY.—The Home Mortgage Disclosure Act of 1975 is amended by striking section 312.

(f) STUDY OF DATA COLLECTION REQUIREMENTS.—

(1) The Federal Financial Institutions Examination Council shall conduct a study to assess the following:

(A) The estimated cost incurred by depository institutions for the preparation and dissemination of disclosure reports pursuant to the requirements of the Home Mortgage Disclosure Act of 1975, based upon the results an independent analysis of the actual costs incurred by a representative sample of such institutions located in at least 3 and not more than 6 metropolitan statistical areas.

(B) The estimated usage of the data available to the public pursuant to the Home Mortgage Disclosure Act of 1975, based upon the results of a survey of both direct and indirect usage of such data over a 12-month period following the date of the enactment of this Act.

(C) The obstacles to the usage by the public of the data made available pursuant to the Home Mortgage Disclosure Act of 1975 and recommendations for action to be taken by the Federal financial institutions regulatory agencies to increase public awareness about the availability of such data.

(2) The Council shall submit a report on the results of such a study to the Congress not later than 36 months following the date of the enactment of this Act.

SEC. 467. LEAD-BASED PAINT POISONING PREVENTION.

(a) LEAD-BASED PAINT POISONING PREVENTION PROCEDURES.—Section 302 of the Lead-Based Paint Poisoning Prevention Act is amended—

(1) in the first sentence, by inserting after "Secretary" the following: ", except as provided in subsections (b) and (d)";

(2) in clause (1) of the second sentence, by inserting after "exposed" the following: ", including intact lead-based paint on the interior and exterior surfaces of such housing";

(3) by striking the third sentence;

(4) by inserting "(a)" after the section designation; and

(5) by adding at the end the following new subsections:

"(b)(1) The provisions of this subsection shall apply to any application for mortgage insurance on a 1- to 4-family dwelling to be insured under title II of the National Housing Act.

"(2)(A) The customary inspector shall inspect the dwelling for defective (cracking, scaling, chipping, peeling, or loose) paint surfaces. If the inspector determines that the dwelling contains a defective paint surface or surfaces, the commitment or other approval document shall contain the requirement that the surface or surfaces shall be treated in order to abate the possibility of ingestion.

"(B) Upon the expiration of the 3-year period (4-year period in the case of any rural area) beginning on the date of the enactment of the Housing, Community Development, and Homelessness Prevention Act of 1987, the customary inspector shall inspect the dwelling for intact lead-based paint. If the inspector determines that the dwelling contains lead-based paint, the results shall be disclosed to the purchaser prior to sale.

"(3) The mortgagee shall be responsible for providing a brochure to a mortgagor purchasing housing constructed prior to 1978 at or before settlement. The brochure shall be

developed by the National Institute of Building Sciences and the Department of Housing and Urban Development not later than 180 days after the date of the enactment of the Housing, Community Development, and Homelessness Prevention Act of 1987, and shall outline the hazards represented by lead-based paint that may be present in housing constructed prior to 1978, and provide recommendations for appropriate abatement techniques for lead-based paint.

"(4) Any mortgagor who leases housing subject to paragraph (3) to another person shall be responsible for providing a brochure to the prospective tenant prior to the signing of any lease.

"(5) The Secretary may impose a fine or administrative sanctions on any person who fails to provide a brochure required under paragraph (3) or (4), as determined by the Secretary to be appropriate.

"(c) The Secretary shall make a periodic determination of whether housing constructed during or after 1950 but prior to 1978, except for housing constructed or rehabilitated between 1973 and 1978 that was approved by the Secretary prior to the start of construction or rehabilitation, presents hazards of lead-based paint. The Secretary shall apply the procedures established under this section to such housing constructed during or after 1950 but prior to 1978 if such housing presents immediate hazards of lead-based paint.

"(d) The provisions of this section shall not apply to housing that is covered by an application for mortgage insurance under section 202 of the Housing Act of 1959 and sections 232 and 242 of the National Housing Act or that is a 0 bedroom unit.

"(e) In the case of any multifamily dwelling unit that is subject to an application for mortgage insurance under title II of the National Housing Act, such as any mortgage insured under section 207, 221(d)(2), 221(d)(3), 221(d)(4), 223(f), or 236 and any other multifamily insured and direct assistance housing program under the National Housing Act, or in the case of any dwelling unit receiving any housing assistance payment under section 8 of the United States Housing Act of 1937, the cost of carrying out the abatement of lead-based paint after the unit becomes vacant shall be a permissible activity under the following programs if other funds are not available, with priority to the abatement of defective paint surfaces:

"(1) For any individual participating in the multifamily housing preservation loan program established in subtitle C of title II of the Housing, Community Development, and Homelessness Prevention Act of 1987, the Secretary shall have the authority to waive section 274(b)(2)(A) of such Act when a loan will be used to finance a project where it is necessary to abate lead-based paint from any unit within the project.

"(2) The Secretary shall amend existing housing assistance contracts, certificates, and vouchers under section 8 of the United States Housing Act of 1937 to allow for rent increases for units in projects where abatement of lead-based paint is required.

"(3) The Secretary shall give priority consideration under section 241 of the National Housing Act for any loan that will be used for the abatement of lead-based paint.

"(4) The Secretary may authorize the use of flexible subsidy funds under section 201 of the Housing and Community Development Act of 1978 for the abatement of lead-based paint.

"(5) For purposes of the community development block grant program under title I of the Housing and Community Development Act of 1974, the abatement of lead-based paint in single- and multi-family housing covered in this subsection shall be considered an urgent need and eligible for funding.

"(6) The Secretary, in providing refinancing insurance under section 223(f) of the National Housing Act, shall allow rehabilitation costs to be increased to cover the cost of abatement of lead-based paint as required.

"(7) The Secretary may provide assistance under section 107 of the Housing and Community Development Act of 1974 for the abatement of lead-based paint.

"(f) The Secretary shall take such actions as may be necessary to ensure that each public housing agency owning or operating housing assisted under the United States Housing Act of 1937 complies with the procedures established by the Secretary under this section.".

(b) REGULATIONS.—Not later than the expiration of the 90-day period following the date of enactment of this Act, the Secretary of Housing and Urban Development shall issue such regulations as may be necessary to carry out the amendments made by this section.

(c) STUDY.—Not later than 18 months after the date of the enactment of this Act, the National Institute of Building Sciences shall submit to the Secretary of Housing and Urban Development a report on the results of a study of the scope of the existing lead-based paint problem in 1- to 4-family dwellings insured under the National Housing Act and its recommendations for safe, cost-effective testing and treatment of intact lead-based paint. The Secretary may provide not more than $100,000 from the funds available for the Office of Policy Development and Research for purposes of such study.

SEC. 468. COUNSELING.

Section 106(a)(3) of the Housing and Urban Development Act of 1968 is amended—

(1) by striking "fiscal year 1984" and inserting "fiscal year 1988"; and

(2) by striking "$3,500,000" and inserting "$3,651,000".

SEC. 469. MEDIAN AREA INCOME.

For purposes of calculating the median income for any area that is not within a metropolitan statistical area (as established by the Office of Management and Budget) for programs under title I of the Housing and Community Development Act of 1974, the United States Housing Act of 1937, the National Housing Act, or title V of the Housing Act of 1949, the Secretary of Housing and Urban Development or the Secretary of Agriculture (as appropriate) shall use whichever of the following is higher:

(1) the median income of the county in which the area is located; or

(2) the median income of the entire nonmetropolitan area of the State.

SEC. 470. REMOVAL OF MAXIMUM FEE FOR INTERSTATE LAND SALES REGISTRATION.

Section 1405(b) of the Interstate Land Sales Full Disclosure Act is amended by striking out "a fee, not in excess of $1,000" and inserting in lieu thereof "a reasonable fee".

SEC. 471. SOLAR ENERGY AND ENERGY CONSERVATION BANK.

(a) EXTENSION OF BANK.—Section 505(a) of the Solar Energy and Energy Conservation Bank Act is amended by striking "1987" and inserting "1988".

(c) AUTHORIZATION OF APPROPRIATIONS.—Section 522(a) of the Solar Energy and Energy Conservation Bank Act is amended by striking "1985" and inserting "1988".

SEC. 472. ANNUAL REPORTING OF INNOVATIVE HOUSING AND NEIGHBORHOOD DEVELOPMENT BY NONPROFITS.

(a) IN GENERAL.—The Secretary of Housing and Urban Development shall include in the annual report required in section 8 of the Department of Housing and Urban Development Act a comprehensive section detailing innovative housing, neighborhood and community development initiatives for low and moderate income families throughout the United States. Such section shall include—

(1) a State by State identification of nonprofit housing rehabilitation, new construction, or community or neighborhood development initiatives for low and moderate income families involving any public-private partnership, State and local government sponsored and church or community based efforts;

(2) project name, contact, location, project sponsor, organizational affiliation, if any, geographic area served or project size (number of units), financing mechanism, including (but not limited to) downpayment and income requirements, use of any Federal program, sales price or average rent, and a description of the special features of the project;

(3) an analysis and detailed description of the non-Federal public and private financial or other contributions made to reduce the cost of construction, rehabilitation, or development;

(4) an analysis of the demographic characteristics of the population served, including service to any special target population, family size, number of children, family income, sources of family income, race, age, and sex; and

(5) an evaluation by the Secretary, including any recommendations or modifications in any existing program under the jurisdiction of the Secretary or creation of new Federal programs to promote or expand any of the innovative programs.

(b) AVAILABILITY OF DATA.—The Secretary of Housing and Urban Development shall also make available upon request the data used to compile the reporting required in subsection (a) in an appropriate format so as to facilitate specific project inquiries.

SEC. 473. REPORT ON EMPLOYMENT OPPORTUNITIES FOR LOWER INCOME PERSONS.

(a) IN GENERAL.—The Secretary of Housing and Urban Development shall prepare and submit to the Congress a detailed report setting forth the activities carried out under section 3 of the Housing and Urban Development Act of 1968 during the 10-year period preceding the date of the enactment of this Act.

(b) SPECIFIC REQUIREMENTS.—The report required in this section shall include the following:

(1) A separate description of the activities carried out under section 3 of the Housing and Urban Development Act of 1968 with respect to each program of the Secretary of Housing and Urban Development providing direct financial assistance.

(2) A description of the categories of projects with respect to which such activities have been carried out.

(3) A description of the business concerns awarded contracts pursuant to paragraph (2) of such section 3, and the categories of work performed by such business concerns.

(4) The recommendations of the Secretary of Housing and Urban Development for legislative and administrative actions that

may be taken to improve the effectiveness of such section 3.

(c) Date of Submission.—The Secretary of Housing and Urban Development shall submit the report required in this section before the expiration of the 9-month period beginning on the date of the enactment of this Act.

SEC. 474. MANUFACTURED HOUSING CONSTRUCTION AND SAFETY STANDARDS.

Section 604 of the National Manufactured Housing Construction and Safety Standards Act of 1974 is amended by adding at the end the following new subsection:

"(i)(1) The Federal manufactured home construction and safety standards established by the Secretary under this section shall include energy conservation standards in accordance with this subsection.

"(2) The energy conservation standards established under this subsection shall be requirements relating to construction of a manufactured home that ensure that its thermal performance is equivalent to such performance required of newly constructed single-family homes insured under title II of the National Housing Act.".

SEC. 475. USE OF AMERICAN MATERIALS AND PRODUCTS FOR CONSTRUCTION AND REHABILITATION.

(a) In General.—None of the amounts made available under this Act may be used to purchase any material or product to be used in the construction or rehabilitation of any structure unless the material or product is mined or produced in the United States.

(b) Exception.—The requirements of subsection (a) shall not apply if the material or product is not mined or produced in the United States in sufficient and reasonably available quantities and of a satisfactory quality.

SEC. 476. FORECLOSURE PROCEDURES FOR MORTGAGES HELD BY SECRETARY ON SINGLE-FAMILY PROPERTIES.

(a) Part Heading.—The heading for part 6 of the Housing and Community Development Amendments of 1981 is amended to read as follows: "PART 6—SECRETARY-HELD MORTGAGE FORECLOSURE".

(b) Short Title.—Section 361 of the Multifamily Mortgage Foreclosure Act of 1981 is amended by striking "Multifamily Mortgage Foreclosure Act of 1981" and inserting "Secretary-Held Mortgage Foreclosure Act of 1987".

(c) Findings and Purpose.—Section 362 of the Multifamily Mortgage Foreclosure Act of 1981 is amended—

(1) in subsection (a)(1), by inserting "and single-family residential properties" after "properties";

(2) in subsection (a)(1), by inserting "and properties" after "projects";

(3) in subsection (a)(2), by inserting ", homeowners," after "projects"; and

(4) in subsection (b), by inserting "and single-family residential" after "nonresidential".

(d) Definitions.—Section 363(2) of the Multifamily Mortgage Foreclosure Act of 1981 is amended to read as follows:

"(2) 'Secretary-held mortgage' means a mortgage held by the Secretary pursuant to title II of the National Housing Act or section 312 of the Housing Act of 1964 covering any property;".

(e) Applicability.—Section 364 of the Multifamily Mortgage Foreclosure Act of 1981 is amended by striking "Multifamily mortgages held by the Secretary" and inserting "Secretary-held mortgages".

(f) Designation of Foreclosure Commissioner.—Section 365 of the Multifamily Mortgage Foreclosure Act of 1981 is amended in the second sentence by striking "Where the Secretary is the holder of a multifamily mortgage," and inserting "In the case of a Secretary-held mortgage,".

(g) Prerequisites to Foreclosure.—Section 366 of the Multifamily Mortgage Foreclosure Act of 1981 is amended in the first sentence by striking "multifamily mortgage" and inserting "Secretary-held mortgage".

(h) Notice of Default and Foreclosure Sale.—Section 367(b)(2)(A) of the Multifamily Mortgage Foreclosure Act of 1981 is amended by inserting "multifamily" before "property" each place it appears.

(i) Commencement of Foreclosure.—Section 368(a) of the Multifamily Mortgage Foreclosure Act of 1981 is amended in the first sentence by striking "multifamily mortgage" and inserting "Secretary-held mortgage".

SEC. 477. MISCELLANEOUS PROGRAMS TECHNICAL AMENDMENTS.

(a) HUD Administrative Provisions.—

(1) Section 502(a) of the Housing Act of 1948 is amended by striking the fourth sentence.

(2) Section 502(b) of the Housing Act of 1948 is amended—

(A) by striking "United States Housing Authority" each place it appears and inserting "Secretary of Housing and Urban Development"; and

(B) by striking "the Authority" each place it appears and inserting "the Secretary of Housing and Urban Development".

(3) Section 502(c)(2) of the Housing Act of 1948 is amended by adding "and" at the end.

(b) Annual Report of Secretary.—Section 802 of the Housing Act of 1954 is amended by inserting the following section heading:

"ANNUAL REPORT OF SECRETARY".

(c) Energy Conservation in New Buildings.—Section 303(11) of the Energy Conservation Standards for New Buildings Act of 1976 is amended by striking "Secretary of Housing and Urban Development" and inserting "Secretary of Energy".

(d) Weatherization Assistance.—Section 412(9)(G) of the Energy Conservation in Existing Buildings Act of 1976 is amended by striking the first comma after "determine".

(e) Solar Energy and Energy Conservation Bank.—Sections 506(f)(1), 509(b)(2)(E), 509(c), 515(b)(1)(A)(iii), 515(b)(1)(B), 515(b)(1)(C)(ii), 515(b)(1)(D), and 515(b)(2) of the Solar Energy and Energy Conservation Bank Act are amended—

(1) by striking "section 38" each place it appears and inserting "section 23";

(2) by striking "section 44C" each place it appears and inserting "section 38"; and

(3) by striking "Internal Revenue Code of 1954" each place it appears and inserting "Internal Revenue Code of 1986".

(f) National Institute of Building Sciences.—

(1) Section 809(g)(4) of the Housing and Community Development Act of 1974 is amended by striking "and its" and inserting "of its".

(2) Section 809(h) of the Housing and Community Development Act of 1974 is amended by striking "preceeding" in the last sentence and inserting "preceding".

(g) Real Estate Settlement Procedures.—Section 8(c)(5) of the Real Estate Settlement Procedures Act of 1974 is amended by striking "clause 4(B)" and inserting "clause (4)(B)".

(h) Home Mortgage Disclosure.—Section 304(a)(1) of the Home Mortgage Disclosure Act of 1975 is amended by striking "at at" and inserting "at".

TITLE V—NEHEMIAH HOUSING OPPORTUNITY GRANTS

SEC. 501. STATEMENT OF PURPOSE.

It is the purpose of this title—

(1) to encourage homeownership by families in the United States who are not otherwise able to afford homeownership;

(2) to undertake a concentrated effort to rebuild the depressed areas of the cities of the United States and to create sound and attractive neighborhoods; and

(3) to increase the employment of neighborhood residents.

SEC. 502. DEFINITIONS.

For purposes of this title:

(1) The term "Fund" means the Nehemiah Housing Opportunity Fund established in section 509(a).

(2) The term "home" means any 1- to 4-family dwelling. Such term includes any dwelling unit in a condominium project or cooperative project consisting of not more than 4 dwelling units, any town house, and any manufactured home.

(3) The term "lower income families" has the meaning given such term in section 3(b)(2) of the United States Housing Act of 1937.

(4) The term "metropolitan statistical area" means a metropolitan statistical area as established by the Office of Management and Budget.

(5) The term "nonprofit organization" means a private nonprofit corporation, or other private nonprofit legal entity, that is approved by the Secretary as to financial responsibility.

(6) The term "Secretary" means the Secretary of Housing and Urban Development.

(7) The term "State" means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Northern Mariana Islands, the Trust Territory of the Pacific Islands, and any other territory or possession of the United States.

(8) The term "substantial rehabilitation" means—

(A) rehabilitation involving costs in excess of 60 percent of the maximum sale price of a home assisted under this title in the market area in which it is located; or

(B) the rehabilitation of a vacant, uninhabitable structure.

(9) The term "unit of general local government" means any borough, city, county, parish, town, township, village, or other general purpose political subdivision of a State.

SEC. 503. ASSISTANCE TO NONPROFIT ORGANIZATIONS.

(a) In General.—The Secretary may provide assistance to nonprofit organizations to carry out Nehemiah housing opportunity programs in accordance with the provisions of this title. Such assistance shall be made in the form of grants.

(b) Applications.—Applications for assistance under this title shall be made in such form, and in accordance with such procedures, as the Secretary may prescribe.

SEC. 504. USE OF ASSISTANCE.

(a) In General.—Any nonprofit organization receiving assistance under this title shall use such assistance to provide loans to families purchasing homes constructed or substantially rehabilitated in accordance with a Nehemiah housing opportunity program approved under this title.

(b) Specific Requirements.—Each loan made to a family under this section shall—

(1) be secured by a second mortgage held by the Secretary on the property involved;

(2) be in an amount not exceeding $15,000;

(3) bear no interest; and

(4) be repayable to the Secretary upon the sale, lease, or other transfer of such property.

SEC. 505. PROGRAM REQUIREMENTS.

(a) IN GENERAL.—Assistance provided under this title may be used only in connection with a Nehemiah housing opportunity program of construction or substantial rehabilitation of homes.

(b) FAMILY NEED.—Each family purchasing a home under this title shall—

(1) have a family income on the date of such purchase that is not more than whichever of the following is higher:

(A) 115 percent of the median income for a family of 4 persons in the metropolitan statistical area involved; or

(B) the national median income for a family of 4 persons; and

(2) not have owned a home during the 3-year period preceding such purchase.

(c) DOWNPAYMENT.—

(1) Each family purchasing a home under this title shall make a downpayment of not less than 5 percent of the sale price of such home, or of such greater amount determined by the nonprofit organization involved to be appropriate.

(2) Any downpayment made under this subsection shall accrue interest from the date on which such downpayment is made through the date of settlement, at a rate not less than the passbook rate. Such interest shall be paid by the nonprofit organization involved to the family purchasing the home for which such downpayment was made.

(d) LEASING PROHIBITION.—No family purchasing a home under this title may lease such home.

SEC. 506. TERMS AND CONDITIONS OF ASSISTANCE.

(a) LOCAL CONSULTATION.—No proposed Nehemiah housing opportunity program may be approved by the Secretary under this title unless the nonprofit organization involved demonstrates to the satisfaction of the Secretary that—

(1) it has consulted with and received the support of residents of the neighborhood in which such program is to be located; and

(2) it has the approval of each unit of general local government in which such program is to be located.

(b) PROGRAM SCHEDULE.—Each nonprofit organization applying for assistance under this title shall submit to the Secretary an estimated schedule for completion of its proposed Nehemiah housing opportunity program, which schedule shall have been agreed to by each unit of general local government in which such program is to be located.

(c) MINIMUM PARTICIPATION.—No nonprofit organization receiving assistance under this title may commence any construction or substantial rehabilitation (except with respect to homes to be constructed or substantially rehabilitated for the purpose of display) until not less than 25 percent of the homes to be constructed or substantially rehabilitated are contracted for sale to purchasers who intend to live in such homes and the required downpayments are made.

(d) FINANCIAL FEASIBILITY.—The Secretary may not provide any assistance under this title to any nonprofit organization unless such nonprofit organization demonstrates the financial feasibility of its proposed Nehemiah housing opportunity program, including the availability of non-Federal public and private funds.

(e) HOME QUALITY AND LOCATION.—A Nehemiah housing opportunity program may be approved under this title only if it provides that—

(1) the number of homes to be constructed or substantially rehabilitated under such program will not be less than whichever of the following is less:

(A) the greater of (i) 50 homes; or (ii) 0.25 percent of the number of existing dwelling units in the unit of general local government that provides the most assistance to such program; or

(B) 250 homes;

except that the Secretary may waive the requirements of this paragraph for particular areas of a State if the Governor of the State requests such waiver and certifies with supporting documentation that such requirements will prevent the State from being able to use such program effectively;

(2) each home constructed or substantially rehabilitated under such program will comply with—

(A)(i) applicable local building code standards; or

(ii) in any case in which there is not an applicable local building code, a nationally recognized model building code mutually agreed upon by the sponsoring nonprofit organization and the Secretary; and

(B) the energy performance requirements established under section 526 of the National Housing Act;

(3) all homes constructed or substantially rehabilitated under such program will be located in census tracts, or identifiable neighborhoods within census tracts, in which the median family income is not more than 80 percent of the median family income of the area in which such program is to be located, as such median family income and area are determined for purposes of assistance under section 8 of the United States Housing Act of 1937;

(4) all homes constructed or substantially rehabilitated under such program will be concentrated in a single neighborhood and located on contiguous parcels of land, except that if the unit of general local government in which the project is located certifies that such land cannot be made available for a program of the size required by paragraph (1), homes may be constructed in up to 4 identifiable neighborhoods; and

(5) sales contracts entered into under such program will contain provisions requiring repayment of any loan made under this title upon the sale or other transfer of the home involved, unless the Secretary approves a transfer of such home without repayment (in which case the second mortgage held by the Secretary on such home shall remain in force until such loan is fully repaid).

(f) PRIORITY FOR RESIDENTS OF FEDERALLY ASSISTED HOUSING.—

(1) A Nehemiah housing opportunity program may be approved by the Secretary only if it provides that—

(A) the sponsor will give priority in selecting program participants to households residing in housing assisted under the United States Housing Act of 1937, or in housing assisted under comparable State and local programs serving low-income households; and

(B) the sponsor has developed an affirmative marketing plan, which plan shall include—

(i) a description of how such priority will be carried out, including (but not limited to) joint marketing efforts with local public housing agencies, units of general local government, and organizations representing tenants in housing assisted under the programs specified in subparagraph (A); and

(ii) an affirmative marketing goal specifying the estimate of the sponsor of how many program participants residing in housing described in subparagraph (A) it anticipates will be placed in housing assisted under this program.

(2) The Secretary shall not approve any application for assistance for Nehemiah housing opportunity grants unless the application includes a copy of the affirmative marketing plan described in paragraph (1)(B) and a certification by the applicant agency that it will conform with the requirements of paragraph (1)(A).

SEC. 507. PROGRAM SELECTION CRITERIA.

(a) IN GENERAL.—In selecting Nehemiah housing opportunity programs for assistance under this title from among eligible programs, the Secretary shall make such selection on the basis of the extent to which—

(1) non-Federal public or private entities will contribute land necessary to make each program feasible;

(2) non-Federal public and private financial or other contributions (including tax abatements, waivers of fees related to development, waivers of construction, development, or zoning requirements, and direct financial contributions) will reduce the cost of homes constructed or substantially rehabilitated under each program;

(3) each program will produce the greatest number of units for the least amount of assistance provided under this title, taking into consideration the cost differences among different market areas;

(4) each program is located in a neighborhood of severe physical and economic blight (and, in determining the degree of physical blight, the Secretary shall consider the condition of the housing, other buildings, and infrastructure, in the neighborhood of the proposed program);

(5) each program uses construction methods that will reduce the cost per square foot below the average construction cost in the market area involved; and

(6) each program provides for the involvement of local residents in the planning, and construction or substantial rehabilitation, of homes.

(b) EXCEPTION.—To the extent that non-Federal public entities are prohibited by the law of any State from making any form of contribution described in paragraph (1) or (2) of subsection (a), the Secretary shall not consider such form of contribution in evaluating such program.

SEC. 508. DISTRIBUTION OF ASSISTANCE TO NONPROFIT ORGANIZATIONS.

(a) RESERVATION OF AMOUNTS.—Following the selection of any Nehemiah housing opportunity program for assistance under this title, the Secretary shall reserve sufficient amounts in the Nehemiah Housing Opportunity Fund for such assistance.

(b) DISTRIBUTION OF ASSISTANCE.—Following the sale of any home constructed or substantially rehabilitated under a Nehemiah housing opportunity program selected for assistance under this title, the Secretary shall provide to the sponsoring nonprofit organization an amount equal to the amount of the loan made to the family purchasing such home. Such amount shall be provided not more than 30 days after the sale of such home.

(c) MAXIMUM ASSISTANCE.—The assistance provided to any nonprofit organization under this title may not exceed $15,000 per home.

SEC. 509. NEHEMIAH HOUSING OPPORTUNITY FUND.

(a) ESTABLISHMENT.—There is established in the Treasury of the United States a revolving fund, to be known as the Nehemiah Housing Opportunity Fund. The Fund shall

be available to the Secretary, to the extent approved in appropriation Acts, for purposes of providing assistance under section 503.

(b) ASSETS.—The Fund shall consist of—

(1) any amount appropriated under section 512;

(2) any amount received by the Secretary under section 504(b)(4); and

(3) any amount received by the Secretary under subsection (c).

(c) ADMINISTRATION.—Any amount in the Fund determined by the Secretary to be in excess of the amount currently required to carry out the provisions of this title shall be invested by the Secretary in obligations of, or obligations guaranteed as to both principal and interest by, the United States or any agency of the United States.

SEC. 510. ANNUAL REPORT.

The Secretary shall annually prepare and submit to the Congress a comprehensive report setting forth the activities carried out under this title. Such report shall include—

(1) an analysis of the characteristics of the families assisted under this title during the preceding year, including family size, number of children, family income, sources of family income, race, age, and sex;

(2) an analysis of the market value of homes purchased under this title during the preceding year;

(3) an analysis of the non-Federal public and private financial or other contributions made during the preceding year to reduce the cost of homes constructed or substantially rehabilitated under each program;

(4) an analysis of the sales prices of homes under this title during the preceding year;

(5) an analysis of the amounts of the grants made to programs under this title during the preceding year; and

(6) any recommendations of the Secretary for modifications in the program established by this title in order to ensure the effective implementation of such program.

SEC. 511. REGULATIONS.

The Secretary shall issue such regulations as may be necessary to carry out the provisions of this title. Any such regulations shall be issued in accordance with section 553 of title 5, United States Code, notwithstanding the provisions of subsection (a)(2) of such section.

SEC. 512. AUTHORIZATION OF APPROPRIATIONS.

There is authorized to be appropriated to carry out this title $100,000,000 for fiscal year 1988. Any amount appropriated under this section shall be deposited in the Nehemiah Housing Opportunity Fund, and shall remain available until expended.

TITLE VI—ENTERPRISE ZONE DEVELOPMENT

SEC. 601. DESIGNATION OF ENTERPRISE ZONES.

(a) DESIGNATION OF ZONES.—

(1) DEFINITION.—For purposes of this section, the term "enterprise zone" means any area that—

(A) is nominated by one or more local governments and the State or States in which it is located for designation as an enterprise zone (in this section referred to as a "nominated area"); and

(B) the Secretary of Housing and Urban Development designates as an enterprise zone, after consultation with—

(i) the Secretaries of Agriculture, Commerce, Labor, and the Treasury, the Director of the Office of Management and Budget, and the Administrator of the Small Business Administration; and

(ii) in the case of an area on an Indian reservation, the Secretary of the Interior.

(2) NUMBER OF DESIGNATIONS.—

(A) IN GENERAL.—The Secretary of Housing and Urban Development may designate not more than 100 nominated areas as enterprise zones.

(B) MINIMUM DESIGNATION IN RURAL AREAS.—Of the areas designated under clause (i), not less than ⅓ shall be areas that—

(i) are within a local government jurisdiction or jurisdictions with a population of less than 50,000 (as determined under the most recent census data available);

(ii) are outside of a metropolitan statistical area (as designated by the Director of the Office of Management and Budget); or

(iii) that are determined by the Secretary, after consultation with the Secretary of Commerce, to be rural areas.

(3) AREAS DESIGNATED BASED SOLELY ON DEGREE OF POVERTY.—

(A) IN GENERAL.—Except as provided in subparagraph (B), the Secretary shall designate the nominated areas with the highest average ranking with respect to the criteria set forth in subparagraphs (C), (D), and (E) of subsection (c)(3). For purposes of the preceding sentence, an area shall be ranked within each such criterion on the basis of the amount by which the area exceeds such criterion, with the area that exceeds such criterion by the greatest amount given the highest ranking.

(B) EXCEPTION WHERE INADEQUATE COURSE OF ACTION, ETC.—An area shall not be designated under subparagraph (A) if the Secretary determines that the course of action with respect to such area is inadequate.

(C) SEPARATE APPLICATION TO RURAL AND OTHER AREAS.—Subparagraph (A) shall be applied separately with respect to areas described in paragraph (2)(B) and to other areas.

(4) LIMITATION ON DESIGNATIONS.—

(A) PUBLICATION OF REGULATIONS.—Before designating any area as an enterprise zone, the Secretary shall prescribe by regulation not later than 4 months following the date of the enactment of this Act, after consultation with the officials described in paragraph (1)(B)—

(i) the procedures for nominating an area under paragraph (1)(A);

(ii) the parameters relating to the size and population characteristics of an enterprise zone; and

(iii) the manner in which nominated areas will be evaluated based on the criteria specified in subsection (d).

(B) TIME LIMITATIONS.—The Secretary shall designate nominated areas as enterprise zones only during the 24-month period beginning on the later of—

(i) the 1st day of the 1st month following the month in which the effective date of the regulations described in subparagraph (A) occurs; or

(ii) July 1, 1987.

(C) PROCEDURAL RULES.—The Secretary shall not make any designation under paragraph (1) unless—

(i) the local governments and the State in which the nominated area is located have the authority—

(I) to nominate such area for designation as an enterprise zone;

(II) to make the State and local commitments under subsection (d); and

(III) to provide assurances satisfactory to the Secretary that such commitments will be fulfilled;

(ii) a nomination therefor is submitted in such a manner and in such form, and contains such information, as the Secretary shall by regulation prescribe;

(iii) the Secretary determines that any information furnished is reasonably accurate; and

(iv) the State and local governments certify that no portion of the area nominated is already included in an enterprise zone or in an area otherwise nominated to be an enterprise zone.

(5) NOMINATION PROCESS FOR INDIAN RESERVATIONS.—In the case of a nominated area on an Indian reservation, the reservation governing body (as determined by the Secretary of the Interior) shall be deemed to be both the State and local governments with respect to such area.

(b) PERIOD FOR WHICH DESIGNATION IS IN EFFECT.—

(1) IN GENERAL.—Any designation of an area as an enterprise zone shall remain in effect during the period beginning on the date of the designation and ending on the earliest of—

(A) December 31 of the 24th calendar year following the calendar year in which such date occurs;

(B) the termination date designated by the State and local governments as provided for in their nomination pursuant to subsection (a)(4)(C)(ii); or

(C) the date the Secretary revokes such designation under paragraph (2).

(2) REVOCATION OF DESIGNATION.—The Secretary, after consultation with the officials described in subsection (a)(1)(B) and a hearing on the record involving officials of the State or local government involved, may revoke the designation of an area if the Secretary determines that the local government or the State in which it is located is not complying substantially with the State and local commitments pursuant to subsection (d).

(c) AREA AND ELIGIBILITY REQUIREMENTS.—

(1) IN GENERAL.—The Secretary may make a designation of any nominated area under subsection (a)(1) only if it meets the requirements of paragraphs (2) and (3).

(2) AREA REQUIREMENTS.—A nominated area meets the requirements of this paragraph if—

(A) the area is within the jurisdiction of the local government;

(B) the boundary of the area is continuous; and

(C) the area—

(i) has a population, as determined by the most recent census data available, of not less than—

(I) 4,000 if any portion of such area (other than a rural area described in subsection (a)(2)(B)(i)) is located within a metropolitan statistical area (as designated by the Director of the Office of Management and Budget) with a population of 50,000 or more; or

(II) 1,000 in any other case; or

(ii) is entirely within an Indian reservation (as determined by the Secretary of the Interior).

(3) ELIGIBILITY REQUIREMENTS.—For purposes of paragraph (1), a nominated area meets the requirements of this paragraph if the State and local governments in which it is located certify and the Secretary, after such review of supporting data as he deems appropriate, accepts such certification, that—

(A) the area is one of pervasive poverty, unemployment, and general distress;

(B) the area is located wholly within the jurisdiction of a local government that is eligible for Federal assistance under section 119 of the Housing and Community Development Act of 1974, as in effect on the date of the enactment of this Act;

(C) the unemployment rate, as determined by the appropriate available data, was not

less than 1.5 times the national unemployment rate for that period;

(D) the poverty rate (as determined by the most recent census data available) for each populous census tract (or where not tracted, the equivalent county division as defined by the Bureau of the Census for the purpose of defining poverty areas) within the area was not less than 20 percent for the period to which such data relate; and

(E) the area meets at least one of the following criteria:

(i) Not less than 70 percent of the households living in the area have incomes below 80 percent of the median income of households of the local government (determined in the same manner as under section 119(b)(2) of the Housing and Community Development Act of 1974).

(ii) The population of the area decreased by 20 percent or more between 1970 and 1980 (as determined from the most recent census available).

(4) ELIGIBILITY REQUIREMENTS FOR RURAL AREAS.—For purposes of paragraph (1), a nominated area that is a rural area described in subsection (a)(2)(B) meets the requirements of paragraph (3) if the State and local governments in which it is located certify and the Secretary, after such review of supporting data as he deems appropriate, accepts such certification, that the area meets—

(A) the criteria set forth in subparagraphs (A) and (B) of paragraph (3); and

(B) not less than one of the criteria set forth in the other subparagraphs of paragraph (3).

(d) REQUIRED STATE AND LOCAL COMMITMENTS.—

(1) IN GENERAL.—No nominated area shall be designated as an enterprise zone unless the local government and the State in which it is located agree in writing that, during any period during which the area is an enterprise zone, such governments will follow a specified course of action designated to reduce the various burdens borne by employers or employees in such area. A course of action shall not be treated as meeting the requirements of this paragraph unless the course of action includes provisions described in not less than 4 of the subparagraphs of paragraph (2).

(2) COURSE OF ACTION.—The course of action under paragraph (1) may be implemented by both such governments and private nongovernmental entities, may be funded from proceeds of any program administered by the Secretary of Housing and Urban Development or of any program administered by the Secretary of Agriculture under title V of the Housing Act of 1949, and may include, but is not limited to—

(A) a reduction of tax rates or fees applying within the enterprise zone;

(B) an increase in the level of public services, or in the efficiency of the delivery of public services, within the enterprise zone;

(C) actions to reduce, remove, simplify, or streamline paperwork requirements within the enterprise zone;

(D) involvement in the program by public authorities or private entities, organizations, neighborhood associations, and community groups, particularly those within the nominated area, including a written commitment to provide jobs and job training for, and technical, financial, or other assistance to, employers, employees, and residents of the nominated area;

(E) the giving of special preference to contractors owned and operated by members of any minority; and

(F) the gift (or sale at below fair market value) of surplus land in the enterprise zone to neighborhood organizations agreeing to operate a business on the land.

(3) RECOGNITION OF PAST EFFORTS.—In evaluating courses of action agreed to by any State or local government, the Secretary shall take into account the past efforts of such State or local government in reducing the various burdens borne by employers and employees in the area involved.

(4) PROHIBITION OF ASSISTANCE FOR BUSINESS RELOCATIONS.—

(A) IN GENERAL.—The course of action implemented under paragraph (1) may not include any action to assist—

(i) any establishment relocating from one area to another area; or

(ii) any subcontractor whose purpose is to divest, or whose economic success is dependent upon divesting, any other contractor or subcontractor of any contract customarily performed by such other contractor or subcontractor.

(B) EXCEPTION.—The limitations established in subparagraph (A) shall not be construed to prohibit assistance for the expansion of an existing business entity through the establishment of a new branch, affiliate, or subsidiary if the Secretary—

(i) finds that the establishment of the new branch, affiliate, or subsidiary will not result in an increase in unemployment in the area of original location or in any other area where the existing business entity conducts business operations; and

(ii) has no reason to believe that the new branch, affiliate, or subsidiary is being established with the intention of closing down the operations of the existing business entity in the area of its original location or in any other area where the existing business entity conducts business operations.

(e) DEFINITIONS.—For purposes of this section:

(1) GOVERNMENT.—If more than one government seeks to nominate an area as an enterprise zone, any reference to, or requirement of, this section shall apply to all such governments.

(2) LOCAL GOVERNMENT.—The term "local government" means—

(A) any county, city, town, township, parish, village, or other general purpose political subdivision of a State;

(B) any combination of political subdivisions described in subparagraph (A) recognized by the Secretary; and

(C) the District of Columbia.

(3) SECRETARY.—The term "Secretary" means the Secretary of Housing and Urban Development.

(4) STATE.—The term "State" includes Puerto Rico, the Virgin Islands, Guam, American Samoa, the Northern Mariana Islands, and any other possession of the United States.

SEC. 602. EVALUATION AND REPORTING REQUIREMENTS.

Not later than the close of the 4th calendar year after the year in which the Secretary of Housing and Urban Development first designates areas as enterprise zones, and at the close of each 4th calendar year thereafter, the Secretary shall prepare and submit to the Congress a report on the effects of such designation in accomplishing the purposes of this title.

SEC. 603. INTERACTION WITH OTHER FEDERAL PROGRAMS.

(a) COORDINATION WITH RELOCATION ASSISTANCE.—The designation of an enterprise zone under section 601 shall not—

(1) constitute approval of a Federal or federally assisted program or project (within the meaning of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 U.S.C. 4601 et seq.)); or

(2) entitle any person displaced from real property located in such zone to any rights or any benefits under such Act.

(b) ENTERPRISE ZONES TREATED AS LABOR SURPLUS AREAS.—Any area that is designated as an enterprise zone under section 601 shall be treated for all purposes under Federal law as a labor surplus area.

SEC. 604. WAIVER OR MODIFICATION OF HOUSING AND COMMUNITY DEVELOPMENT RULES IN ENTERPRISE ZONES.

(a) IN GENERAL.—Upon the written request of the governments that designated and approved an area that has been designated as an enterprise zone under section 601, the Secretary of Housing and Urban Development (or, with respect to any rule issued under title V of the Housing Act of 1949, the Secretary of Agriculture) may, in order to further the job creation, community development, or economic revitalization objectives of the zone, waive or modify all or part of any rule that the Secretary has authority to promulgate, as such rule pertains to the carrying out of projects, activities, or undertakings within the zone.

(b) LIMITATION.—No provision of this section may be construed to authorize the Secretary to waive or modify any rule adopted to carry out a statute or Executive order that prohibits, or the purpose of which is to protect persons against, discrimination on the basis of race, color, religion, sex, marital status, national origin, age, or handicap.

(c) SUBMISSION OF REQUESTS.—A request under subsection (a) shall specify the rule or rules to be waived or modified and the change proposed, and shall briefly describe why the change would promote the achievement of the job creation, community development, or economic revitalization objectives of the enterprise zone. If a request is made to the Secretary of Agriculture, the requesting governments shall send a copy of the request to the Secretary of Housing and Urban Development at the time the request is made.

(d) CONSIDERATION OF REQUESTS.—In considering a request, the Secretary shall weigh the extent to which the proposed change is likely to further job creation, community development, or economic revitalization within the enterprise zone against the effect the change is likely to have on the underlying purposes of applicable statutes in the geographic area that would be affected by the change. The Secretary shall approve the request whenever the Secretary finds, in the discretion of the Secretary, that the public interest that the proposed change would serve in furthering such job creation, community development or economic revitalization outweighs the public interest that continuation of the rule unchanged would serve in furthering such underlying purposes. The Secretary shall not approve any request to waive or modify a rule if that waiver or modification would—

(1) directly violate a statutory requirement; or

(2) be likely to present a significant risk to the public health, including environmental health or safety.

(e) NOTICE OF DISAPPROVAL.—If a request is disapproved, the Secretary shall inform the requesting governments in writing of the reasons therefor and shall, to the maximum extent possible, work with such governments to develop an alternative, consistent with the standards contained in subsection (d).

(f) PERIOD FOR DETERMINATION.—The Secretary shall discharge the responsibilities of the Secretary under this section in an expeditious manner, and shall make a determination on requests not later than 90 days after their receipt.

(g) APPLICABLE PROCEDURES.—A waiver or modification of a rule under subsection (a) shall not be considered to be a rule, rulemaking, or regulation under chapter 5 of title 5, United States Code. To facilitate reaching a decision on any requested waiver or modification, the Secretary may seek the views of interested parties and, if the views are to be sought, determine how they should be obtained and to what extent, if any, they should be taken into account in considering the request. The Secretary shall publish a notice in the Federal Register stating any waiver or modification of a rule under this section.

(h) EFFECT OF SUBSEQUENT AMENDMENT OF RULES.—In the event that the Secretary proposes to amend a rule for which a waiver or modification under this section is in effect, the Secretary shall not change the waiver or modification to impose additional requirements unless the Secretary determines, consistent with standards contained in subsection (d), that such action is necessary.

(i) EXPIRATION OF WAIVERS AND MODIFICATIONS.—No waiver or modification of a rule under this section shall remain in effect for a longer period than the period for which the enterprise zone designation remains in effect for the area in which the waiver or modification applies.

(j) DEFINITIONS.—For purposes of this section:

(1) RULE.—The term "rule" means—

(A) any rule as defined in section 551(4) of title 5, United States Code; or

(B) any rulemaking conducted on the record after opportunity for an agency hearing pursuant to sections 556 and 557 of such title 5.

(2) SECRETARY.—The term "Secretary" means the Secretary of Housing and Urban Development or, with respect to any rule issued under title V of the Housing Act of 1949, the Secretary of Agriculture.

SEC. 605. COORDINATION OF HOUSING AND URBAN DEVELOPMENT PROGRAMS IN ENTERPRISE ZONES.

Section 3 of the Department of Housing and Urban Development Act is amended by adding at the end the following new subsection:

"(d) The Secretary shall—

"(1) promote the coordination of all programs under the jurisdiction of the Secretary that are carried on within an enterprise zone designated pursuant to section 601 of the Housing, Community Development, and Homelessness Prevention Act of 1987;

"(2) expedite, to the greatest extent possible, the consideration of applications for programs referred to in paragraph (1) through the consolidation of forms or otherwise; and

"(3) provide, whenever possible, for the consolidation of periodic reports required under programs referred to in paragraph (1) into one summary report submitted at such intervals as may be designated by the Secretary.".

SEC. 606. COORDINATION WITH CDBG AND UDAG PROGRAMS.

It is the policy of the Congress that amounts provided under the community development block grant and urban development action grant programs under title I of the Housing and Community Development Act of 1974 shall not be reduced in any fiscal year in which the provisions of this title are in effect.

TITLE VII—BUDGET ENFORCEMENT

SEC. 701. ENFORCEMENT PROVISIONS.

If this Act and the amendments made by this Act provide for new budget authority, budget outlays, or new entitlement authority, for fiscal year 1988, the amounts provided shall not exceed the level established (for any budget function applicable to programs authorized by this Act and the amendments made by this Act) by the concurrent resolution on the budget for such fiscal year.

SEC. 702. DEFINITIONS.

For purposes of this title, the terms "budget authority", "budget outlays", "concurrent resolution on the budget", and "entitlement authority" have the meanings given such terms in section 3 of the Congressional Budget Act of 1974 (2 U.S.C. 622).

The **SPEAKER** pro tempore. The question is on the motion offered by the gentleman from Texas [Mr. GONZALEZ].

The motion was agreed to.

The Senate bill was ordered to be read a third time, was read the third time, and passed.

The title of the Senate bill was amended so as to read: "A bill to amend and extend certain laws relating to housing, community and neighborhood development and preservation, and shelter assistance for the homeless and displaced, and for other purposes."

A motion to reconsider was laid on the table.

A similar House bill (H.R. 4) was laid on the table.

BUILDING AND CONSTRUCTION INDUSTRY LABOR LAW AMENDMENTS OF 1987

The **SPEAKER** pro tempore. Pursuant to House Resolution 196 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 281.

☐ 1253

IN THE COMMITTEE ON THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 281) to amend the National Labor Relations Act to increase the stability of collective bargaining in the building and construction industry, with Mr. MURTHA in the chair.

The Clerk read the title of the bill.

The **CHAIRMAN**. Pursuant to the rule, the first reading of the bill is dispensed with.

Under the rule, the gentleman from Missouri [Mr. CLAY] will be recognized for 30 minutes and the gentleman from Vermont [Mr. JEFFORDS] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Missouri [Mr. CLAY]

Mr. **CLAY**. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, once again we are considering H.R. 281. In the previous Congress this legislation passed the House by a margin of more than 50 votes. The only changes between this years' bill and the one voted on last Congress, are clarifying changes that were requested by opponents of the measure to assure that the bill does not permit situs-picketing, that it is limited in scope and purpose to control the practice of double-breasting in the construction industry. Those who opposed the bill before because of concerns that it went beyond double-breasting should be able to vote for the bill this year.

For workers in the construction industry, things have not changed since we first considered H.R. 281. They continue to be subjected to harsh and unfair treatment as the result of a recent turn of events in labor-management relations. Twenty-five years ago, the Congress enacted legislation promising them a fair opportunity to collectively bargain if that was their choice. What we see today is an ever increasing recital of broken promises. A fair chance at organizing for the purpose of protecting their job interests does not exist. Agreements which are voluntarily entered into by contractors, are routinely ignored. Construction workers get no relief when they turn to the Labor Board or the courts.

The bill before us today merely states that construction workers deserve the same protection under the law as other workers. It says that when a contractor and a union arrive at an agreement both sides are bound by the terms of that agreement.

Specifically, H.R. 281 will restrict "double-breasting" which is increasingly depriving construction workers of their right to organize. The new interpretation of the law allows a contractor who has signed a union agreement to establish a second operation whose only difference from the original is its lack of a union contract. The employer then transfers work from its union company to its nonunion company. H.R. 281 restricts this practice by making prehire agreements applicable to all businesses operated by a single-employer within a specific geographical area. Prehire agreements are binding unless there is a vote by the workers to decertify the union.

Construction contractors have been able to walk away from prehire agreements in midterm because of decisions by the Labor Board and the courts which negate the intent of Congress.

Once a contract expires, unlike other industries, the construction contractors can simply refuse to collectively bargain with the union. H.R. 281 would make 8(f) bargaining agreements in the construction industry no more or less binding than they are in any other industry. Enactment of H.R.

281 would clarify the situation and restore basic fairness to construction workers.

It is my hope that the debate today will concentrate on what H.R. 281 does. However, Mr. Chairman, if the debate to this point is any indication, opponents will focus on issues that have no bearing on H.R. 281. We will probably continue to hear concerns expressed about situs picketing and right-to-work laws. Because we were tried of explaining how the bill had nothing to do with common situspirketing and right-to-work laws, when the bill was in subcommittee, we made several changes to put to rest these arguments. Once and for all there is now explicit language, stating that the bill cannot be construed to permit situs-picketing is included. Likewise, we have taken great pains to describe how the bill does not in any way affect right to work laws or the ability of workers to join or refrain from joining a union. The opponents persistence in raising these issues can only be an indication of the weakness of their arguments in support of double-breasting.

Finally, I want to deal with the issue of competitiveness. It was never intended that collective bargaining occur in a vacuum, free from market pressures. If a union is unwilling to negotiate an agreement that reflects market realities, the employer won't sign it and the union won't be able to provide work to its members. Employers that do sign union contracts must still be able to bid successfully if unions are to be able to provide work for their members. All of this is part of the intended give and take at the bargaining table.

Double-breasting, by freeing one party from its bargaining commitments, distorts the bargaining process and denies workers a voice in the determination of their working conditions. Why should an employer bother to negotiate a realistic agreement when he remains free to bring in a subsidiary to perform work subject to that agreement and thereby avoid its requirements? Double-breasting distorts the competitive process, it does not enhance it.

Unique problems in the construction industry have not changed, neither should Congress' commitment to the collective bargaining rights of construction workers. H.R. 281 provides those workers with a fair chance to engage in collective bargaining. It does not force workers to join unions, it does not force contractors to sign prehire agreements, it does not affect State laws where union shop agreements are prohibited. This bill simply requires that parties live up to the commitments previously made in collective bargaining agreements. I urge you to vote for passage of H.R. 281.

Mrs. ROUKEMA. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise in opposition to the bill. This is not a new debate today. H.R. 281 was first introduced in 1984, and it has been surrounded by polarization, oversimplification, and misunderstanding ever since—not to speak of heavy-handed lobbying. The significant, complex changes to labor law this bill makes boil down to three issues.

First and foremost—employee choice. The real question is, Are we going to protect employee choice in the construction industry? The unions are asking for special treatment that is given nowhere else in the National Labor Relations Act. They want to impose a union on employees without ever determining in advance whether or not those employees want union representation. The law already gives construction unions favored treatment, for admittedly legitimate reasons, but they want more.

The second issue is the one of competitiveness—the ability of contractors to compete in the open market. Double-breasting simply represents a desire to compete in nonunion marketplaces where union shops cannot compete. This decision is not made by the contractor, but by the customer. Yet this bill would effectively shut out contractors' expansion into new markets. Why? Because the unions think—and have stated publicly—that there is no such thing as legitimate double-breasting. They want to ban all of it.

The third issue concerns the legitimate rights of the union and employees to protect themselves against sham double-breasting and employers who break the prehire contracts they voluntarily entered into. There are sham double-breasters out there and not all of them get caught. The answer to this is not to prohibit all double-breasting—both illegitimate and legitimate—but to beef up enforcement of the law.

I hope today to make sense out of this situation. H.R. 281 is not the way to go. Now I will get into some of the more technical areas of the bill to show you exactly what is wrong with it and what I plan to do about it.

There are two changes to the National Labor Relations Act which H.R. 281 would make. It prohibits "double breasting," that is, the operation of both union and nonunion shops—and it changes the legal status of prehire agreements. Let me address each of these issues in turn.

H.R. 281 would prohibit the practice of double-breasting, defining a single employer as any two or more business entities having substantial common ownership, management, or control which perform the type of work described in the union contract of one of its entities, and requiring such a single employer to apply any collective bargaining agreement it has with a union to all other business entities within the geographic area covered by the agreement. Double-breasting would thereby be prohibited not just in cases where an employer's open shop branch is a sham operation set up to circumvent a union contract, but also in cases where the nonunion shop is truly separate and causes no harm to the union shop employees.

The primary reason why I am opposed to this blanket prohibition against double-breasting is because it fails to provide a role for employee choice—a choice which has been guaranteed by the National Labor Relations Act for over 50 years. Under the bill, if only one construction project were unionized, that project's collective bargaining agreement would have to be applied to all other business entities performing the work listed in the agreement and within the geographic area covered by the agreement, regardless of how many other entities there are, regardless of how many employees work in those other entities, and regardless of whether or not employees wish to be represented by a union. A contract applying to only a small minority of employees could potentially result in a great many employees being represented by a union without those employees ever having shown that they support it.

In addition and importantly, prohibiting such dual operations will present employers with the choice of operating either all union shop or all open shop. I believe that faced with such a choice, many employers would refuse to sign any prehire agreement, choosing to go totally nonunion, because they know that if they sign a contract with a union, their entire business will have to be unionized and they will lose their chance to compete in certain markets. Thus, in the long run, these amendments would be harmful to employee free choice because it would encourage employers to operate completely on a nonunion basis.

The proponents of this bill have refused to consider the role of employee choice in the double-breasting question. They simply declare that it is union employees' choice to prevent double-breasting. Well, what about all the other employees who may be affected? I believe that we can and should provide for employee choice regarding union representation in the construction industry, and I will be offering an amendment to the bill today which does so.

There is a second problem with this blanket prohibition against double-breasting which is very troubling. It fails to recognize that there is a difference between sham double-breasting and legitimate double-breasting. In legitimate double-breasting, an employer sets up a separate nonunion branch to operate in a nonunion marketplace where a union shop would not be competitive. There is no harm to the union shop employees. Sham double-breasting is already prohibited by law.

This case law has been criticized, partly because the evidentiary burden on the union can be a difficult one to fulfill. At a hearing earlier this year, unions made a persuasive case on the difficulty of gathering such evidence, before they can convince the National Labor Relations Board to file a complaint. They contend that much illegal or sham double-breasting exists.

A good case has been made for some improvements in the law to address enforcement problems. Employee choice as to whether or not to be represented by a union is not protected when the National Labor Relations Act cannot be adequately enforced. Therefore, I support the amendments which will be offered by my colleague from Vermont to improve enforcement, and will also offer my own amendment relating to enforcement. I emphasize again, however, that we should permit legitimate double-breasting to continue to exist.

□ 1305

The second issue, H.R. 281, addresses is the enforcement of prehire agreements and bargaining obligations related to those agreements. Prehire agreements are collective bargaining agreements entered into by a union and contractor before any employees have been hired. Although they are illegal in all other industries, due to the unique nature of employment in the construction industry, they are permitted as a special exception to the act. Because employees in this industry often work for a particular employer for very short time periods, because of the employer's need to know labor costs before bidding for a contract, and because of the use of the union hiring hall as a source of labor, it is often necessary for contractors to enter into an agreement with a union before hiring any employees.

H.R. 281 would make prehire agreements immediately enforceable and also give them nearly the same status as section 9(a) agreements—contracts negotiated by unions which have majority support.

Under previous case law, employers had been free to repudiate prehire agreements at any time before the union had shown majority support. This gave employers a great advantage over the union.

In February of this year, the National Labor Relations Board issued a landmark decision, John Deklewa & Sons, which sign changed this case law, making H.R. 281's prehire amendments unnecessary. Prehire agreements may no longer be repudiated unless the Board has conducted a decertification election and the employees have voted to reject the union or select a different bargaining representative. The Board specifically declined to give these agreements the same status as section 9(a) agreements as H.R. 281 would do. The reason is because in the prehire situation there is no showing of majority support before the union represents employees and before the contract is signed, as there is in 9(a) cases. Thus, the Board held that upon the expiration of a prehire agreement, there is no presumption of majority support and consequently no continuing bargaining obligation as in the nonprehire situation.

I agree with the Board's decision. The decision is currently on appeal and it may be years before a final resolution is made by the courts, and since there have already been too many years of instability in this area, I will be offering an amendment to the bill which would strike the provision placing prehire agreements on a par with section 9(a) agreements and replace it with a provision codifying the Deklewa decision.

I urge you to vote against this bill. Although its chief sponsor, the gentleman from Missouri, did make some improvements in committee clarifying the intent of the bill, nothing was done about the serious problems I have addressed. H.R. 281 should be defeated.

Mr. CLAY. Mr. Chairman, I yield 3 minutes to the distinguished chairman of the Committee on Education and Labor, the gentleman from California [Mr. HAWKINS].

Mr. HAWKINS. Mr. Chairman, I rise in strong support of H.R. 281, the Construction Industry Labor Law Amendments of 1987. I urge my colleagues to do the same.

Over the last five decades this country has been fortunate having experienced relative labor peace and stability; stability achieved peacefully, through legal mechanisms, which fostered negotiated accommodation of our labor/management interests.

While we can be proud of our past efforts to achieve this stability, we must remember, however, that our system has worked because we have had in place fair and reliable processes which protect the rights of both employees and employers. This system rests on labor laws which ensure, first and foremost, that workers have the right to organize and collectively bargain with their employers, and that each party can, thereafter, rely on the binding nature of these agreements.

Both of these basic and fundamental elements must be protected; the workers' meaningful right to organize and bargain, and the ability of each to rely on the other's final promises. If we lose or in any way diminish either of these elements we will lose any hope for long-term labor peace and stability.

Mr. Chairman, our labor laws over the decades have always reflected the principles of fairness and reliability. H.R. 281 restores the elements of fair play and reliability to the construction industry. These elements have unfortunately been severely and incorrectly eroded by recent NLRB decisions.

H.R. 281 simply provides that in the construction industry a prehire agreement is a valid collective bargaining agreement with all rights provided by section 9(a) agreements; that such an agreement cannot be repudiated at will, and that it can be relied upon by both parties.

H.R. 281 reflects the view that the practice of double-breasting inherently undermines the basic right of workers to organize and to rely on their bargained-for agreements, and should not be allowed. Such a manipulative system acts to deny those very basic tenets of our labor law system so essential to labor market stability.

H.R. 281 restores and preserves to the construction industry fair and reliable rules for representation and negotiation, and I therefore, Mr. Chairman, urge my colleagues to support H.R. 281.

Mrs. ROUKEMA. Mr. Chairman, I yield 5 mintues to the distinguished ranking member of the committee, the gentleman from Vermont [Mr. JEFFORDS].

Mr. JEFFORDS. Mr. Chairman, I certainly agree with the chairman of the committee that what we should be doing here is to try to provide a rational basis to operate in the rather complicated situations involving labor law and the construction industry and so-called double-breasting. I know we voted on this last year. Members may say, "Well, you know, I voted last year this way or that way. Why should I change this year?"

I think it is important to keep in mind that there is a significant difference in the situation this year than there was last year. In fact, I recognize that last year there were some abuses in the prehire area. Remember, in this bill, there are two aspects. There is the double-breasting aspect and then there are prehire agreements.

Last year, I admitted and believed that there were some problems in the prehire area. Well, a National Labor Relations Board decision since we had this bill last year has overruled the problem area and has come up with a rational way to handle the difficult questions of prehire agreements; so I think you ought to keep that in mind when you look at this. There are reasons to vote differently this year.

Mr. Chairman, I rise in strong opposition to H.R. 281, the Building and Construction Industry Labor Law Amendments of 1987, which would prohibit double-breasting in the construction industry and make prehire agreements immediately enforceable.

Mr. Chairman, it has been over a year since the House last considered this legislation and I sincerely hope that, with the passage of time, the Members have had a better chance to analyze the bill and its repercussions in their districts and nationwide. Unfortunately, prior to House passage of H.R. 281, there was very little analysis or public discussion of this issue. Given the bill's superficial appeal, it is not surprising that it was passed by a wide margin—229-173.

In the wake of House passage of the bill, there has been considerable discussion over the past year. Many of those who would be adversely affected by the bill have come forward and I believe most Members know more this year about the bill's effects in their districts. Also, the National Labor Relations Board, in John Deklewa & Sons, 282 NLRB No. 184 (1987), has resolved one of the concerns many of my colleagues had with the law—the ability of a construction contractor to sign a prehire contract with a union and then walk away from it.

Mr. Chairman, I recognize the difficulty the House would have in reversing itself on this issue. We do agonize over our votes before we cast them and we like to think that, once we've done so, the issue has been resolved and we won't have to reexamine our actions. It is not very often that such a reexamination is called for, but, given the serious nature of this bill, I ask my colleagues to look at this issue anew. Recognize that you do know more about this issue this year than you did last year. You know more about the law, and you know more about the peculiar industry it affects. I suggest that we consider alternative, more balanced approaches to the problems raised by the sponsors of the bill. I intend to join with several of my colleagues in offering amendments which will provide those alternatives to the Members. If those are rejected, then I suggest that this bill also be rejected since current law, with all of its limitations, is highly preferable to the sledgehammer effect this bill would have.

This bill is commonly known as the anti-double-breasting bill. That alone helps the sponsors because the very phrase "double-breasting" sounds inherently deceptive and abusive. Well, sometimes it is and when it is the law should and does prohibit it.

For example, consider company A, a pipefitting company which has a collective bargaining agreement with a union local. Company A suffers severe financial problems and files bankruptcy. Immediately thereafter, Company B is formed as an open shop company by the same individual who owned company A except that his wife is the nominal owner, director and chief officer. Although the stated purpose of the new company is to manufacture a new pipefitting, company B's business purpose and operation is substantially identical to company A's and 80 percent of its work is identical to that which was formerly done by company A's union employees. Many of company A's former customers are now customers of company B.

Does this sound abusive? Yes. Should it be prohibited? I think it should and so did the NLRB which found company B to be an "alter ego" of company A, required company B to recognize and bargain with the union, and required back pay to be provided to company A's employees. *Goodman Piping Products* v. *NLRB*, 268 NLRB No. 192, 1984.

The law on which this decision was based was well stated by a U.S. District Court in another recent case where a violation of the law was found: "[A]n employer who is party to a contract will not be permitted to evade its obligations by setting up what appears to be a new company, but is in reality a 'disguised continuance of the old one' * * *. The focus of the alter ego doctrine * * * is on the existence of a disguised continuation or an attempt to avoid the obligations of a collective bargaining agreement through a sham transaction or technical change of operations." *Pension Fund* v. *Insul-Contractors*, 115 LRRM 2442 (E.D. La. 1983).

In addition, the law requires that double-breasted operations be maintained separately and, if it is determined that together they constitute a "single integrated enterprise", they will be treated as a single employer for purposes of applying the collective bargaining agreement to all of the employees of the operations who share a "community of interest".

Now that I've described what is prohibited, the question is what does the law permit? Let's consider a different set of facts. Company A is a member of an association of employers in the electrical industry organized primarily for the purpose of bargaining collectively with the unions in the area. Five years after company A is formed, its three owners from company B, a nonunion electrical contractor, and serve in the same capacity as officers, directors and stockholders. However, although both are electrical contracting companies, their work differs significantly. Company A's work is exclusively related to commercial and industrial construction. Company B, on the other hand, is exclusively limited to residential contracting work, an area which company A has abandoned, finding it impractical to compete with nonunion contractors.

Are company A's union employees injured by the existence of company B, which performs work company A has no hope of securing? Clearly not. Is company B designed to avoid company A's union contract and do the same work without having to incur the costs of that contract? The NLRB didn't think so and as a result, in the case of *Central New Mexico Chapter, National Electrical Contractors Association, Inc.*, 152 NLRB No. 145 (1965), the Board determined that no unfair labor practice existed.

These cases illustrate that every situation is unique and must be examined according to its own set of circumstances. Hard and fast rules simply don't apply here if one is looking for a just solution. In looking at the case law, I am confident that the NLRB has done a good job of distinguishing legitimate situations from abusive ones. If one reads these cases, there is a common thread running through them—that is, is the open shop doing work that should be done by the union company? If it is, then work is being taken away from the union employees and it is clearly a circumvention of the collective bargaining agreement. If work isn't being taken away, then no one is being harmed and there is no need to apply sanctions. Indeed, in the latter situation, the double-breasting may be the very device that keeps the whole enterprise afloat, thus saving the jobs of the union employees.

In order to understand legitimate motives for double-breasting, one has to understand the distinction between marketplaces where union shop bids are competitive and those where they are not. For example, residential construction has historically been less unionized than commercial or industrial construction, even in heavily unionized construction markets. At the same time, union shop companies in many areas have dominated bidding for federally assisted projects, which are subject to prevailing wage rates under the Davis-Bacon Act. Another factor beyond the control of an individual construction company can be the wishes of the project owner. It is perfectly legal for a project owner to determine at the outset that subcontracts will only be awarded to open shop companies. At the same time, the converse is specifically allowed under section 8(e) of the NLRA.

The point is that usually the use of an open shop company versus a union shop company is preordained because of forces beyond the control of the double-breasted companies. As was stated by Mr. William A. Pogue, chief executive officer of CBI Industries, Inc., in testimony before the Senate Labor Subcommittee: "CBI Industries, Inc., is but one of many such 'double breasted' companies which have organized and which operate separate construction units to serve customers in the two distinct markets which presently exist in the United States—union and open shop. Our decision to operate in this manner was dictated totally by our customers and conditions in the construction marketplace."

I believe that the National Labor Relations Board and the courts have generally interpreted the law in a manner that reflects the distinction between the union and the open shop marketplace. If there is any legitimate criticism of current law, it is that it seems to lack focus as to what it is protecting against. That lack of focus, in turn, may create some enforcement problems because of the need to produce more evidence than should be necessary to demonstrate a violation. An examination of whether there is a "single integrated enterprise" can involve consideration of a considerable amount of evidence dealing with the minutiae of everyday operations of the entities involved—evidence which may be extremely difficult to obtain. In addition, evidence regarding motives is always difficult to produce and evaluate.

However, a mere allegation of enforcement problems does not in itself justify outright rejection of an otherwise balanced law, especially when it would affect both guilty and innocent parties. Therefore, I intend to offer an amendment which will clarify the law to ensure that it is carefully aimed at those abusive practices cited by supporters of H.R. 281—interchanging of employees, direct competition between the open shop and the union shop for the same projects, and shifting of work between the two. One could not describe an abusive double-breasting situation where at least one of these practices did not occur. By the same token, prohibiting an arrangement which did not include at least one of these practices would be an injustice to contractors whose only reason for double-breasting is to compete in marketplaces where they are currently excluded. Yet that is precisely what H.R. 281 would do.

H.R. 281 contains another important provision, which would make prehire agreements entered into under section 8(f) of the NLRA immediately binding. In the 99th Congress, a great deal of the support for H.R. 281 was generated by resentment over a line of National Labor Relations Board rulings which seemed contrary to traditional notions of fair play and the economic importance of binding contracts.

The NLRB had held that an employer who had entered into a so-called prehire agreement with a union in the construction industry was not bound by that agreement until the union had established majority support among the workers. A prehire agreement is one which an employer enters into with a union before any workers are hired. Such agreements are generally prohibited under the National Labor Relations Act because a union is supposed to be chosen by a majority of the workers before it can represent them. Prehire agreements are specifically permitted in the construction industry under section 8(f) of the NLRA because of the difficulty in conducting elections in an industry characterized by fluctuating and temporary workforces.

In an attempt to make section 8(f) consistent with the rest of the statute, the Board had ruled that majority support for the union would have to be present among an employer's workforce before that employer could be bound by the agreement. However, this ruling gave the employer the upper hand because majority support could always be avoided by ignoring the normal requirement in prehire agreements that workers be hired through the union hiring hall.

Consequently, H.R. 281, which makes prehire agreements immediately binding, was presented to the House last year as a way of making contractors live up to their agreements. Even many of us who voted against the bill for other reasons were sympathetic with the objections to this line of cases.

Fortunately, the Board itself has since recognized the flaws in its position and, in February of this year, formulated a new rule in *John Deklewa & Sons,* 282 NLRB No. 184 (1987). In Deklewa, the Board ruled that repudiation of a prehire agreement by a construction employer would be prohibited unless the Board has conducted a decertification election and the employees have voted to reject the union or select a different bargaining representative. Upon expiration of the agreement, the employer and the union are under no obligation to bargain in the absence of voluntary recognition of the union by the employer or a determination of majority support by the union.

I believe that the Board has adopted a more reasonable, balanced approach to this issue than that of the bill, which locks the employer into both the prehire agreement and the bargaining relationship until the union has been rejected in a decertification election. Under the bill, the parties would be required to bargain upon expiration of the contract regardless of whether majority status had ever been shown. This is contrary to the fundamental principle of the NLRA that workers should not be represented by a union they have not selected. Out of necessity, the very existence of prehire agreements already compromises that principle somewhat. This principle would be more than compromised under the bill—it would be undermined.

In summary, I urge my colleagues to consider this measure carefully. Don't take it lightly. Don't just rubber stamp it and send it to the other body with the hope that they will straighten it out. Look at it very carefully and recognize that complex problems do not lend themselves to easy answers. I ask that you join me in attempting to correct this bill through the amendment process. If that fails, I urge you to reject it.

Mr. CLAY. Mr. Chairman, I yield 2 minutes to the gentleman from Pennsylvania [Mr. MURPHY].

Mr. MURPHY. Mr. Chairman, I rise today in support of H.R. 281, the Construction Industry Contract Security Act and thank the gentleman from Missouri, the chairman of the Labor-Management Subcommittee.

Under current law, a prehire agreement between a union and a contractor is a one-sided agreement. Even when the union has lived up to its side of the agreement the contractor can easily avoid its obligation through double-breasting, that is, setting up a shell company under common control of ownership to do essentially the same work in the same area, thus avoiding the prehire agreement. Employers may also simply walk away from the agreement without fear of recrimination.

Double-breasting is not a necessary tool to meet competition, it has instead become a method to avoid an agreement already voluntarily entered into. We have long recognized that holding one party to a contract while the other is free to repudiate it encourages labor strife and distrust rather than promoting stability. This legislation will prevent employers from repudiating prehire agreements they have voluntarily signed.

H.R. 281 restricts double-breasting by preventing employers from establishing second companies and transferring work from their union half to their nonunion half in order to avoid their collective bargaining agreements and obligations.

Mr. Chairman, H.R. 281 will restore basic fairness to labor relations in the construction industry by requiring that collective-bargaining agreements have a binding affect. And in fact, this was the original intent of Congress when the Landrum-Griffin Act was passed in 1959. At that time Congress established special rules and rights for construction workers because employment in the construction industry does not fit the traditional labor relations model. H.R. 281 merely restores these rights.

Mr. Chairman, I urge the adoption of H.R. 281 to ensure stability in the construction industry, to reverse the erosion of construction worker's rights and to uphold the tradition of basic fairness in labor relations.

□ 1320

Mrs. ROUKEMA. Mr. Chairman, I yield such time as he may consume to the gentleman from Texas [Mr. Armey], a member of the committee.

Mr. ARMEY. Mr. Chairman, let us put the cards on the table about this piece of legislation. It is presented as an effort to bring social justice to construction employment in the United States despite the fact that construction trades unions are already favored under existing law. The unions in the construction industry already have more prerogatives and more control over their workers under existing law than workers must suffer from their union bosses in other areas of employment in the United States.

Despite that extra privilege granted to union bosses in this industry, as compared with other industries, union membership in construction over the past 20 years has declined from 42 percent to 22 percent. On the average, 1 percent of the workers a year voluntarily decide that they would prefer not to be unionized.

That is an alarming trend to the union bosses. Subsequently, they have come to ask us to give them additional leverage over their workers. They argue that there is a problem with prehire agreements, which are not allowed in other areas of employment—that employers they say do not abide by these agreements.

Well, prior to Deklewa the condition was that after a prehire agreement, the workers on the job covered by that agreement would have an opportunity to affirm the agreement, or it would not be binding. Deklewa has said, last February, that now the condition has changed. After the prehire agreement and the workers coming to the job, they must vote to decertify, and unless they do, the agreement is binding. In an industry as seasonal as this, that makes what had been an opportunity an obligation. Yet, H.R. 281 would go further and extend the union authority over the worker beyond the prehire agreement.

The same misleading reasoning lies behind this legislation's arguments regarding double-breasting. The fact is pure and simple. If we vote yes on this legislation, we vote yes for compulsory unionization, we vote against the rights of the workers, and we vote to extend the power of union bosses over workers in America.

Mr. CLAY. Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. Martinez].

Mr. MARTINEZ. Mr. Speaker, I rise in support of this legislation. As the last speaker said, let us put our cards on the table. In every card game except solitaire, there are two hands in the game, and in solitaire you are playing against yourself. Here we are not playing against ourselves, we are playing against unfairness.

Let me put it very simply. H.R. 281 is a bill that would amend the National Labor Relations Act to deem that two or more businesses with a common ownership that engage in the same or similar work in the same geographical area in the construction industry is a single employer, and if that employer has a prehire agreement, they should honor it in both entities.

I do not see anything complicated about that, and I do not see anything unfair about that. I do see as unfair the idea that in order to negate a prehire agreement that an employer will create another company and bid for the same job with that other company, gain the contract, and then hire employees that do not come under that prehire agreement.

Prehire agreements are signed between companies and unions to provide stability. It is not right that a company violate that agreement.

Understand that prehire agreements give an employer a guaranteed skilled work force, as well as giving workers some sort of security. This bill would effectively eliminate the practice of double breasting, a devious and unfair business practice.

Mrs. ROUKEMA. Mr. Chairman, I yield 3 minutes to the gentleman from Illinois [Mr. Fawell], a member of the committee.

Mr. FAWELL. I thank the gentlewoman for yielding time to me.

Mr. Chairman, I will try not to repeat some of the statements that have been made here. We are talking in this bill about much more than in my opinion double breasting, because we are talking about the legitimate operations of a dual shop, and what we are eliminating here is a legitimate operation, dual shops.

I think that if we want to eliminate double breasting, why do we not tighten up the law, because double breasting has the connotation that there is something wrong here. This is a legitimate mode of doing business. It is something that is dictated by the market forces. It is not a sham. It has separate management, separate boards of directors—these corporations that are dual shops, separate sales forces, separate accounting, separate employees, separate payrolls, separate wage and benefit programs, separate labor and personnel policies, and each company, the union shop and the open shop, operate separately on a day-today basis to pursue work in two separate markets, open shop and union shop.

When we define them, because of the change in the definition of single employer, when we define a legitimate operation simply because it is owned by the same parent company, as something evil, as double breasting, and something bad, then the effects I think are much more than the average person might think. We basically eliminate the joint shop, the union shop and the open shop operation. We also have in effect, and I think that I heard something to the contrary that was expressed by the gentleman from Missouri [Mr. Clay], and I believe that he is mistaken on this, that the effect, once you are labeled as a single employer, the effect is nationwide, that you must abide then by the collective-bargaining agreement of the union shop to which you are the sister subsidiary corporation.

Now granted you have to have a geographical test to be labeled as a single employer. Once you are labeled and hooked as a single employer, then nationwide your operation in Los Angeles, your operation in Chicago, you can be hit by the union, picketed, and have secondary boycott. Now that I think is quite clear if you check the wording. I am not talking about the initial definition. And also you have in effect hit all of the operations, you are under the collective bargaining now of your sister subsidiary, and if you have an operation going on in Los Angeles, even though it is in operation, suddenly you are under a collective-bargaining agreement.

We are talking about corporations which are worldwide in effect. I suppose that you could have something in Tokyo and technically speaking you are now bound by a collective-bargaining agreement. So the effects of what we are doing here I think we have to look at and look at it real closely.

Mr. CLAY. Mr. Chairman, I yield 1 minute to the gentleman from Minnesota [Mr. Penny].

Mr. PENNY. Mr. Chairman, many charges have been made regarding H.R. 281, the construction labor law amendments of 1987. If you have taken the time to read the bill, you will find that:

H.R. 281 does not permit common situs picketing. The bill specifically addresses this potential problem with language modifications.

H.R. 281 does not cause forced unionism. Under section 8(f) of the National Labor Relations Act, workers can rid themselves of unwanted union representation. This bill does not change that right.

H.R. 281 does not forbid all dual shops. Dual shops are allowed as long as the second shop is outside the geographical area specified in the collective bargaining agreement.

What does H.R. 281 do?

H.R. 281 does hold construction companies to the obligations of collective bargaining agreements they have voluntarily entered into.

Read the bill and you'll find that the charges made by opponents to the bill have no basis. The House approved this bill last year, I urge my colleagues to support it again this year.

Mrs. ROUKEMA. Mr. Chairman, I yield 2 minutes to the gentleman from Iowa [Mr. GRANDY].

□ 1330

Mr. GRANDY. Mr. Chairman, I rise in opposition to H.R. 281, the double-breasting bill, which would effectively deny thousands of workers the right to choose. This bill violates the fundamental right of workers to choose whether or not to join or be represented by a labor organization. In fact, this bill is so maligned that it may eventually lead to the loss of choice for both employer and employee. By applying the terms of a collective bargaining agreement to all employees of a newly defined single employer, this bill usurps the right of the employee to choose representation and the right of the employer to compete in a marketplace where both open shops and unions are in demand. I would warn my colleagues that if this bill were to pass, we would be encouraging contractors to phase out their dual shops and opt for a strict nonunion shop which is often more competitive. Members of this body should ask themselves if they want to take away such a fundamental right.

Mr. Chairman, I would also like to point out that with the decision of the National Labor Relations Board in the case of Deklewa & Sons, there is even less need for this legislation. The substitute bill offered in committee by my colleague, Mrs. ROUKEMA, would have codified the Deklewa decision, making prehire agreements binding on contractors unless a decertification election was held. H.R. 281, however, goes far beyond the Deklewa decision to the point that a union need not be chosen by the very employees it purportedly represents, even after a prehire agreement has expired. Clearly, H.R. 281 ignores the right of workers to choose whether or not to join or be represented by a union, and if so, which union.

Let us not forget that legitimate double-breasted companies represent opportunities for both union and nonunion workers to be gainfully employed. Furthermore, current law already prohibits double-breasting abuses whose purpose, like that of this bill, is to take away freedom of choice.

Mr. Chairman, I strongly urge my colleagues to reject H.R. 281 and protect the right of choice for the American worker and the right of employers to be engaged in legitimate double-breasting pursuits.

Mr. CLAY. Mr. Chairman, I yield 2 minutes to the gentleman from New York [Mr. WEISS].

Mr. WEISS. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, as a longtime cosponsor, I rise in strong support of H.R. 281, the Construction Industry Labor Law Amendments.

Our Nation's labor laws are designed to give American workers the opportunity to gain and preserve union representation if they choose to do so. However, certain workers in the building and construction industry are being denied this right by loopholes in current labor law that permit construction companies to evade their contractual obligations.

The construction industry differs from other industries in that it is characterized by constantly shifting work sites and a fluctuating need for workers. As a result, the procedures commonly used for certifying a union as the bargaining agent are often impractical when applied to this industry.

Congress specifically recognized these differences when it amended the Nation's labor laws to permit prehire agreements, or contract agreements that are entered into before an employer has hired all of its employees. In return for a pool of skilled labor, construction industry employers agree to abide by a union contract.

However, construction industry employers have devised a number of methods of avoiding their contractual obligations. And they have been supported in these activities by the Reagan administration's National Labor Relations Board [NLRB].

In recent years, the NLRB has held that an employer may unilaterally repudiate a prehire agreement unless the union can demonstrate majority support. While the NLRB changed their position on this matter in a recent decision, they held that an employer is not obligated to negotiate with the existing union upon the expiration of the prehire agreement. This contradicts the normal standard for collective bargaining, under which employers must continue to bargain with a duly elected union, even when the union contract has expired.

The second major method employers have used to avoid their contractual obligations is double breasting. This practice, under which a company does nonunion work, is nothing less than a modern version of union-busting. Double-breasting manuals are now the rage among industry employers, who are rushing to open these shell companies in increasing numbers.

H.R. 281 is a modest measure that simply seeks to restore fairness to labor relations in the construction industry. It does not seek to impose a union or collective bargaining agreement on employers against their will. It does not interfere with the right of workers to decertify their union at any time they choose. Its only aim is to restore the same protections to workers that were envisioned when Congress approved prehire agreements more than 25 years ago.

The bill accomplishes three essential tasks. It prohibits the practice of evading a union by setting up a nonunion company to do the same type of work in the same geographical area. It affirms the NLRB's recent decision that employers may not repudiate legitimate prehire agreements. But it also makes clear that employers must continue to bargain with their unions even when their prehire agreements expire.

As I said in my statement on this bill last year, this bill is fair, it is simple, and it is just. It is difficult to imagine that the House of Representatives would idly stand by while an entire group of workers is denied the fundamental right of bargaining in good faith with their employers. I urge my colleagues to approve this bill intact and without any weakening amendments.

Mrs. ROUKEMA. Mr. Chairman, I yield 2 minutes to the gentleman from North Carolina [Mr. BALLENGER], a member of the committee.

Mr. BALLENGER. Mr. Chairman, as the Members of the House know, H.R. 281 would amend the National Labor Relations Act to prohibit double breasting or dual shop operations in the construction industry. This practice has become quite common in recent years. Twenty years ago, unions represented more than 80 percent of the employees on major construction projects and today, they represent less than 30 percent.

Now the proponents claim that this legislation is needed because contractors are intentionally establishing nonunion shops to circumvent union contracts. This is absolutely ridiculous. The NLRB already prohibits sham double-breasting. In the one hearing held on this proposed legislation, the witnesses brought forth by the proponents of this bill could cite only a few examples where any cases on this matter were brought to the National Labor Relations Board. Sham operations established by contractors to avoid their bargaining obligations are already illegal and there are laws which address these violations. In June 1986, in *NLRB* v. *DMR Corporation,* 795 F.2d 472, Fifth Circuit Court of Appeals in New Orleans enforced an NLRB decision of finding of single employer and obligated a union electrical contractor to extend its labor agreement to cover its open shop operation. This clearly demonstrates that with regard to the establishment of sham operations, this bill is redundant.

But, Mr. Chairman, it is not just the redundancy of this proposed law that is offensive. The bill as reported by the committee supposedly redefines "single employer" in an attempt to allay concerns.

The original version of H.R. 281 in the 99th Congress defined as a single employer, construction companies with any common ownership, management or control. In the apparent concession to the opponents, this was amended to read "(a) substantial common ownership; (b) common management; or (c) common control * * *."

In this session of Congress, in an apparent further concession to the opponents, the bill has been amended to read "(1) substantial common ownership; (2) substantial common mangement; or (3) substantial common control * * *."

Now all of this leads to the question of what is substantial. Black's Law Dictionary defines substantial as, "Of real worth and importance; Something worthwhile as distinguished from something without value or merely nominal; Not seeming or imaginary." In other words, substantial can be very small so long as it is real.

The National Labor Relations Board does not define substantial, but in section 9(c) it provides that representation elections be conducted upon the showing of substantial interest.

The NLRB regards petitions signed by 30 percent of the employees in a bargaining unit as substantial interest to conduct a certification election.

Also, the NLRB regards petitions signed by 10 percent of the employees in a bargaining unit as substantial interest to grant full intervenor status to another union.

Further, the NLRB regards one or two signed cards out of hundreds, as substantial interest to grant participating intervenor status to a union. In one case, *Beneke Corporation,* 109 NLRB 167, the NLRB accepted one card out of 185 employees in a bargaining unit—that's 0.54 percent—as substantial interest.

This makes the addition of the word "substantial" ludicrous at best.

Mr. Chairman, I do not support H.R. 281 as amended in the committee. I do not support under any circumstances the elimination of double breasting. By prohibiting double breasting, the Congress would provide union organizers a significant advantage in unionizing the construction industry. Also, the freedom of choice of thousands of workers in the construction industry would be eliminated. Unions could gain numerous new members without earning those members through a representational election.

H.R. 281 is an attempt by organized labor to redress its recent slide in its membership. The passage of this bill would allow them to extend compulsory unionism, even to right-to-work States like my State, North Carolina. Mr. Chairman, I intend to cast a vote today for freedom of choice and competitiveness and vote against H.R. 281, an ill-advised, unneeded piece of legislation.

Mr. CLAY. Mr. Chairman, I yield 2 minutes to the gentleman from New York [Mr. SCHEUER].

[Mr. SCHEUER addressed the Committee. His remarks will appear hereafter in the Extensions of Remarks.]

Mrs. ROUKEMA. Mr. Chairman, I yield 2 minutes to the gentleman from Texas [Mr. BARTLETT], a member of the committee.

Mr. BARTLETT. Mr. Chairman, I thank the gentlewoman for yielding me this time.

Mr. Chairman, I call upon the House to oppose this legislation. I believe that the arguments pro and con are rather well known.

What I will do in the next 2 minutes is to focus on some of the effects of this bill, and the negative effects that this bill would have on the lives and the working lives of American men and women.

First of all, the House needs to understand that this bill does not reform double breasting or alter double breasting. This legislation repeals or prohibits what is currently legal double-breasted companies so long as those companies are independent one from another.

The law today provides that there can be legally double-breasted operations with one owner so long as that owner keeps their operations separate and independent, separate in management and in interrelations of labor and in control of the operations. That right for a legally double-breasted company would be completely prohibited by this legislation by the single statement in the legislation that so long as you have common ownership you would be deemed to be illegally double breasted.

Second, the House needs to understand that there are in place today separate markets, that there are different markets for different kinds of construction companies. So the reason that we should continue to permit legally double-breasted companies is so that one company can have two or more different subsidiaries serving different markets. The clearest example of that would be in a geographical area, that area may well call for a union shop contractor to be involved in the construction of highrise buildings and a nonunion shop contractor to compete for lowrise residential buildings. This bill would require that contractor to close down one or the other of those two companies and put the employees of that company out of work.

Mr. CLAY. Mr. Chairman, I yield 2 minutes to the gentleman from New York [Mr. BIAGGI].

Mr. BIAGGI. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, I rise as a cosponsor and full supporter of this vital legislation, which seeks to restore important and basic protections for our Nation's construction workers.

Simply put, we would not be here today debating this issue if the clear will of Congress still prevailed. The fact of the matter is that in recent years, courts and the NLRB have issued decisions that have substantially eroded essential labor protections established by the Congress.

In 1959, Congress established prehire agreements for the construction industry in order to promote stability in an industry that had been highlighted by instability, labor strife, unemployment problems and heavy monetary losses for management.

Those prehire agreements achieved their intended purpose, granting management access to qualified workers, and guaranteeing labor fair working conditions and compensation.

But, now, we find that the level playing field Congress established in 1959 for the construction industry has indeed been allowed to tilt further and further toward management in recent years. Earlier this year, the NLRB did rule that prehire agreements were binding and could not be repudiated by employers. One would think that would be salutory and it was. However, the NLRB did more harm than good in that decision, by also ruling that once a prehire agreement expires, the employer is under no obligation to continue bargaining with the union. This is in direct contradiction of the normal standard for the collective-bargaining process.

Further, employers have been allowed to double-breast, or simply set up a second nonunion company to perform the same work as their union company, thus getting the best of both worlds.

That is clearly duplicitous, deceptive, and contrived in order to avoid the collective-bargaining process. No matter which way you cut this story, the construction workers themselves will be the ones that suffer the consequences of this double-breasting.

H.R. 281 seeks to restore balance and stability to the construction industry. It would restore congressional intent and a moral commitment to the collective-bargaining process. We have a proud history in this country of providing basic protections for the working man and woman. This bill will ensure that these protections are restored and maintained. I strongly urge my colleagues to join me in supporting H.R. 281.

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The CHAIRMAN. The gentleman from Missouri [Mr. CLAY] has 12½ minutes remaining and the gentlewoman from New Jersey [Mrs. ROUKEMA] has 6½ minutes remaining.

Mr. CLAY. Mr. Chairman, I yield 2 minutes to the gentleman from Illinois [Mr. EVANS].

Mr. EVANS. Mr. Chairman, I rise in strong support of H.R. 281, which I believe will restore stability to construction industry labor relations. While it is very clear that workers in every industry must have the freedom to choose—or not to choose—to be represented by a union, it is just as clear that once that relationship has been bound in a collective-bargaining agreement, it is only fair to workers that the labor agreement carry the force of law. If this extremely important legislation is enacted, no longer will National Labor Relations Board and court decisions allow contractors to set up dual or nonunion shops to circumvent labor laws designed to protect our hard-working building and construction workers.

All this bill asks for is to require employers in the construction industry to honor their agreements and live by the same contract law that employers in every other industry must live by. Simply put, consenting parties should not be allowed to "wiggle out" of their agreements. That's why this legislation makes so much sense and why I rise in strong support of it.

Mrs. ROUKEMA. Mr. Chairman, I yield 1 minute to the gentlewoman from Nebraska [Mrs. SMITH].

Mrs. SMITH of Nebraska. Mr. Chairman, I rise in strong opposition to H.R. 281, the Construction Industry Labor Law Amendments of 1987.

This bill is unnecessary and misguided because the National Labor Relations Board's [NLRB] 1987 decision in John Deklewa & Sons struck a wise and delicate balance between protecting employee free choice and promoting labor relations stability.

While protecting the integrity of prehire agreements, the Deklewa decision rules that, upon expiration of such agreements, the employer is not required to continue negotiations with a union unless that union can prove it has the support of the majority of workers.

Remarkably enough, H.R. 281 would require employers to continue bargaining with a union after the prehire agreement had expired, even if that union had never proved the workers support it!

That provision of H.R. 281 that prohibits all double breasting, even legitimate double breasting, also applies union contracts to all of a construction firm's shops without regard to the wishes of the employees at those shops. Except in right-to-work States, these workers would also be required to pay union dues while working under the collective-bargaining agreement, an agreement reached by a union they didn't elect. If this isn't forced unionism, I don't know what is.

This legislation appears to be little more than a heavy-handed ploy of the construction unions to beef up their dwindling ranks through congressional mandate rather than their own recruitment efforts. The results are forced unionism, lowered competitiveness, and inflated construction costs. This is too high a price to pay. I strongly urge my colleagues to defeat this bill.

Mr. CLAY. Mr. Chairman, I yield 3 minutes to the gentleman from Montana [Mr. WILLIAMS].

Mr. WILLIAMS. My colleagues and Mr. Chairman, as our colleagues on both sides of the aisle asked questions about what is in this bill, the questions invariably go to what is not in it.

So let me spend my 2 or 3 minutes in talking about what is not in the bill. That might be more instructive at least in response to the questions I have been asked.

Folks want to know if this bill requires people to join any kind of organization, union or otherwise, in the United States. They want to know if it in any way changes right-to-work laws. They want to know if it affects picketing during strikes. They want to know if all businesses in the United States are affected by this bill. And they want to know if it involves just union shops or nonunion shops.

So let me quickly, probably too quickly, about each of those.

The bill does not force anybody to join any organization. It does not force anybody to join a union. It does not deal at all with right-to-work laws. It has nothing to do with changing right-to-work laws. It does not deal at all with permitting common situs picketing. That is not what this bill is about. The bill does not apply to all businesses in the United States. It does not go beyond the construction industry.

So we are only talking about limited segments of business in this country.

The bill does not even forbid dual shops, union and nonunion shops. It does not require contractors in the construction business to operate solely on a union basis. That is not what is in this bill.

Contracts can be signed under this bill that allow the owners of construction to say, "Look, I want to have a union shop here in this town but in the city over there I want to have a nonunion shop." This is the bill that allows them to do that.

Now what it does require is this: If a contractor signs the agreement, the collective-bargaining agreement that says "in this city or in this given area, I am going to operate with all my workers granted the right to join a union," than this bill requires that the contract be kept. You can't go out and cut a side deal outside of that contract and create a shop where the workers do not join a union and then have that as your new company."

Now, it does not seem to me that there is anything wrong with that. Does the bill prevent somebody who owns one construction company to have an interest in another construction company? No, this bill does not deal with that sort of thing whatsoever.

What this bill does in the final analysis, again, is it says, "Look construction companies, when you sit down to bargain and you decide voluntarily in the bargaining process to sign a contract that says in this area my jobs are all going to involve workers who belong to a union then you have to keep that contract." That is all it says.

Mrs. ROUKEMA. Mr. Chairman, I yield 1 minute to the gentlewoman from Nevada [Mrs. VUCANOVICH].

Mrs. VUCANOVICH. Mr. Chairman, I thank the gentlewoman.

Mr. Chairman, I rise today in opposition to H.R. 281, the Construction Industry Labor Law Amendments of 1987.

As my colleagues will recall, late in the last session of Congress we narrowly averted the disaster of this measure when it was added as an amendment to the omnibus appropriations bill. Fortunately, the House and Senate conferees reported in "true disagreement" to the amendment and it was dropped from the final version.

Under H.R. 281, entities having substantial common ownership, common management, or common control, are defined as a "single employer," and if the single employer situation does exist, the collective-bargaining agreement of the union operation will automatically apply to the nonunion operation. In addition, prehire agreements will be automatically binding and enforceable on all employees.

What does this mean? It means that through this measure the unions seek to accomplish legislatively what they have been unable to impose through collective bargaining and through the courts.

It is clear that the intent of this bill is to go far beyond the stated objective and establish the precedent of forcing a union shop arrangement on an open shop arrangement without the consent of the employees. The language of H.R. 281 has far-reaching implications for other industries.

I am opposed to H.R. 281 because it is unnecessary; it will result in higher construction costs; it will further reduce workers' freedom of choice; and it is an unwarranted invasion into the free collective-bargaining process.

An industry that is the foundation of our economy will suffer irreparable damage if this legislation passes. I urge my colleagues to vote against H.R. 281.

Mr. CLAY. Mr. Chairman, I yield 2 minutes to the gentleman from Indiana [Mr. VISCLOSKY].

Mr. VISCLOSKY. Mr. Chairman, I rise in support of H.R. 281 and commend Chairmen CLAY and FORD for bringing this measure to the floor of the House.

The enactment of the basic Federal labor laws in the 1930's gave workers the right to join a union and bargain with their employer. In 1959, recognizing the peculiar characteristics of the construction industry, Congress enacted section 8(f) of the National Labor Relations Act which allows construction unions to enter into prehire agreements. H.R. 281 simply revives what Congress originally intended.

Recently, concern has been expressed about how this bill would affect the free choice of employees. One thing is absolutely clear: An employee who is working under a collective-bargaining agreement by her own choice, and for her own benefit, loses that freedom of choice when her employer sets up a second company to do the same kind of work that the prior company performed, but without using the union hiring hall, without hiring the same work force and without paying the benefits that were negotiated at the bargaining table.

It should also be noted that both the employer and employees have the right, under the proviso to section 8(f) which is retained in the bill, to seek a board election to oust the union, if that is in fact the desire of the employees of the second company. Under that proviso, the contract bar rules that apply in other industries do not apply in the construction industry, so an election can be held at any time.

A second point I would like to address is the concern expressed regarding common site picketing. It has been intimated, if not expressly stated, that H.R. 281 would legalize the practice because a general contractor and its subcontractors on a single jobsite may be held to be a single employer. This is not correct. Not only has the author of the bill said that the measure should not be so interpreted, H.R. 281 has been amended in two respects to make it absolutely clear that there could be no back door common site picketing rule by virtue of the relationship of the general contractor and its subcontractors.

H.R. 281 is necessary to reverse the erosion of construction workers' rights and restore stability to labor relations in the construction industry. I urge my colleagues to join me in support for this important legislation.

Mrs. ROUKEMA. Mr. Chairman, I yield 2 minutes to the gentleman from Wisconsin [Mr. GUNDERSON], a member of the committee.

Mr. GUNDERSON. Mr. Chairman, the legislation before us today, H.R. 281, the Construction Industry Labor Law Amendments of 1987, at first sight seems to be a very simple and straightforward measure. It is advanced by its supporters as a bill which would prevent employers from ignoring prehire agreements in the construction industry and which would prevent construction industry contractors from setting up dual shops solely for the purpose of avoiding union contracts. However, this measure is anything but simple. I want to begin my remarks by warning Members to take time before voting on this legislation, as it in reality is a very complex issue which if enacted could set a dangerous precedent for workers throughout all industries.

If enacted, this legislation could very well result in two basic outcomes: That of forcing construction companies to choose between operating as either all union or all nonunion; and denying construction workers the right to officially choose whether or not they want to be represented by a union. As I have stated numerous times during consideration of this bill, in my mind this does not constitute either sound or fair public policy for workers.

Due to the temporary nature of the construction industry, employers in the construction industry often negotiate prehire agreements with unions, setting the terms and conditions of employment on a worksite before any employees are hired and union status determined. Such agreements are specifically allowed under the National Labor Relations Act. However, sponsors of H.R. 281 have argued that it has been too easy for employers to repudiate these prehire agreements. And in reality, prior to the National Labor Relations Board decision, John Deklewa & Sons, Inc., which was determined in February of this year, employers could repudiate a prehire agreement without an election. However, this is no longer permissible. In the Deklewa decision, the Board held that an employer who has entered into a prehire agreement may not unilaterally repudiate that agreement before its expiration date, unless the employees vote in an official NLRB election to terminate or change their bargaining representative.

While the need for congressional action with regard to prehire agreements is debatable in light of the Deklewa decision, I did support an effort in Education and Labor Committee consideration of this legislation to codify this decision, and I plan to support such an effort on the floor today. However, I continue to have real problems with the language further governing prehire agreements that is contained in H.R. 281.

While the NLRB decision does prevent employers from repudiating prehire agreements without an election, it continues to maintain that at the expiration of the bargaining agreement, the union is not automatically presumed to have majority status and must prove it has majority support before it can strike or picket the employer. H.R. 281 would impose continued representation upon employers and employees by law through a presumption of the union's majority status after the bargaining agreement expires, even where the employees never elected that union to represent them. Thus forcing employees to belong to—and pay dues to—a union they did not vote to represent them.

On the issue of double breasting, one may ask again, why is an act of Congress necessary when both NLRB and court decisions have repeatedly upheld that companies not truly separate in ownership, management, and control must be treated as a single employer, and their employees be covered by the same collective-bargaining agreements.

Proponents of H.R. 281 argue that the double-breasting provisions within the bill are necessary to halt increasing and widespread establishment of dual-shop enterprises which are formed unlawfully, for the sole purpose of avoiding collective-bargaining obligations and union workers. However, upon examining the facts, this alleged widespsread abuse is limited at best.

In a survey conducted by the National Labor Relations Board covering the period from October 1983 through July 1986, on the average unions filed fewer than two charges per State, per year involving such alleged dual shop abuses. In fact, of the over 100,000 unfair labor practice charges filed with the NLRB during that period, only 245 charges involving dual-shop allegations were filed against employers in NLRB regional offices across the Nation.

For example, in the State of Wisconsin, for the survey period fiscal year 1984 through July 1986, only four double-breasting charges were filed involving Wisconsin employers, all four of which were filed and closed without issuance of complaint in 1984.

One of these charges involved an employer in LaCrosse in my district. In that complaint the union alleged that the employer set up a nonunion company and refused to recognize and bargain with the union or to honor contractual obligations. That charge was later dismissed as lacking in merit. In the other three charges filed involving Wisconsin employers, two alleged that the employer set up a nonunion company, refusing to recognize and bargain with the union. Of these charges, one case was withdrawn by the union and the other dismissed. In the fourth case, a charge was made against an employer who refused to provide the union with information relative to its other operations. The parties informally settled this charge.

If Wisconsin is any indication of the extent of the double-breasting problem, I can't help but believe that the real motivation behind this legislation is not to solve a widespread problem plaguing construction industry workers, but rather is an effort to increase the building trades union membership.

It is a well-known fact that since 1967, the percentage of construction workers represented by unions has dropped from 44 percent to less than 25 percent. Frankly, I am surprised that organized labor and supporters of H.R. 281 are sponsoring legislation such as this which might very well backfire on union workers. With the open shop market at 60 to 70 percent of the construction industry labor market and growing, this bill could actually result in reduced numbers of union workers being hired, due to the threat that employers would be forced to decide whether to become all union or all nonunion. Many employers have already stated that they will be forced to operate totally open shop if H.R. 281 is enacted.

In summary, I will repeat what I said last year during consideration of this legislation. I do not feel that H.R. 281 is in any way a proworker bill. Quite the contrary, I feel that H.R. 281 would weaken the underlying principle of our labor laws, that of assuring workers the right to make individual decisions on whether or not and by whom they want to be represented. It would force union representation, beyond that agreed to in an initial prehire agreement, upon construction industry workers, and it would force employers to decide whether to operate on a totally union or nonunion basis. I am strongly opposed to this bill's passage and I encourage my fellow colleagues to join in opposition to H.R. 281 as well.

Mrs. ROUKEMA. Mr. Chairman, I yield 1 minute to the gentleman from Oklahoma [Mr. INHOFE].

Mr. INHOFE. I thank the gentlewoman from New Jersey for yielding this 1 minute to me.

Mr. Chairman, I rise in opposition to H.R. 281. Unfortunately, 1 minute is not adequate time to express that opposition. However, this is one of those unique bills that is bad for everyone. It is a hardship on the employers, the employees, and the taxpayers.

I think I have to say that I am coming from a depressed Oklahoma right now and I cannot go back and impose one more hardship on the employers in Oklahoma. I think it also should be recognized, something that has not been discussed, is how much this costs the taxpayers in the public projects that are being built.

When I was mayor of Tulsa, we determined that in compliance with the Davis-Bacon Act, it ended up costing $11 million in one bond issue as far as improvements being made. So I think when we are talking about something that is very difficult for the employees as well as the employers, forcing employees to take on a situation that is not of their choosing and employers to be less competitive, it is certainly going to be very much of a hardship on the State of Oklahoma.

I urge you to oppose this legislation.

Mr. Chairman, this bill was passed out of the Education and Labor Committee and would outlaw all dual-shop or double-breasted construction operations. Last year on April 17, the House passed this measure by a vote of 229 to 173. The vote was ill-conceived then, and in light of recent National Labor Relations Board [NLRB] decisions, is unnecessary now.

In February of this year, the NLRB strengthened the enforceability of prehire agreements which nullifies the need for H.R. 281. In its decision in Deklewa & Sons it ruled that repudiation of a prehire agreement by a construction employer is prohibited unless the board conducts a decertification election and the employees have voted to reject the union or select a different bargaining agent. This important decision replaces the need for H.R. 281. It corrects the overriding problem of H.R. 281; that is the loss of choice for the individual worker to join a union or not.

Double breasting occurs when the owner of more than one construction firm has at least one operation which is union and another which is not. If enacted, H.R. 281 would require that any collective-bargaining agreement with the employer be applied to all other business entities that the employer has within the geographic area covered by the labor agreement.

Under provisions of the bill, collective-bargaining agreements that were designed for one business operation would be imposed on employees of other operations who have had no opportunity to choose. I will oppose passage of the bill because it advocates compulsory unionism and it interferes with the workers' free choice. It is my view that H.R. 281 would harm a central tenet of our labor laws by interfering with an individual's right to choose whether to join a particular union or not.

The construction industry has experienced rapid growth in recent years and the skilled tradesmen of this industry continue to be the world's most productive. It is my view that H.R. 281 will destroy the balance of fairness provided to construction workers under current law, causing a decrease in competition among construction firms and an overall decline in the construction business.

For the record, I would like to insert the full text of a letter I received on June 16 of this year, from Secretary William Brock of the Labor Department outlining the administration's objections to the bill. I urge my colleagues who have not seen the letter to take time out to read it.

This legislation would impose more redtape on the private construction market and represents an intrusion on the worker's right to choose union representation or not. I urge the defeat of this measure.

Other labor bills that I oppose include: H.R. 925, the Parental Leave Act; H.R. 1122, the Plant Closing Act; H.R. 162, the high-risk notification; and H.R. 1834, raising the minimum wage. These bills would interfere with activities that are better managed in the private, free-market community, without bureaucratic intervention. In the long run, it is my sense that these bills would cost jobs and be particularly devastating to business, especially small business. The increased costs associated with the legislation would slow our economic expansion and harm the same people that it is supposed to help.

U.S. DEPARTMENT OF LABOR,
SECRETARY OF LABOR,
Washington, DC, April 10, 1987.

Hon. JAMES M. INHOFE,
House of Representatives,
Washington, DC.

DEAR CONGRESSMAN INHOFE: H.R. 281, the "Building and Construction Industry Labor Law Amendments of 1987," would prohibit "double-breasting" in the construction industry. The Administration strongly opposes this legislation and supports current law and enforcement procedures as provided through the National Labor Relations Act.

H.R. 281 is a two-part bill. The first part would make it illegal for construction company owners to operate a double-breasted, or dual shop, company. A dual shop consists of two separate operations using two different labor procedures. One operates under the terms and conditions of a collective bargaining agreement, and the other operates with no such agreement. This dual arrangement is legal as long as—and only as long as—the two entities meet the National Labor Relations Board's standards for separateness. If the relationship is determined to be insufficiently separate, current law requires that the two operations be treated as one, with the terms of the collective bargaining agreement applied to employees of both entities.

Under H.R. 281, however, dual shops could not exist. The terms of the collective bargaining agreement of the unionized company could be applied to the employees of the non-unionized company without conducting a separate election. Normally, all employees have a voice—through their note—to decide who, if anyone, will represent them before their employer. H.R. 281 would disturb these fundamental underpinnings of a law which has served us well.

The second part of the bill would prohibit a unilateral repudiation of a pre-hire agreement. A pre-hire agreement, unique to the building and construction industry, is one by which an employer and a union enter into a collective bargaining agreement although the employees to be hired have not had an opportunity to select or reject the union as their bargaining representative. In its recent Deklewa decision, the NLRB held that pre-hire agreements cannot be unilaterally terminated during the term of that agreement. However, unlike the legislation which would permit the union to enjoy a presumption of majority status, the NLRB held that employees covered by a pre-hire agreement would have a right to decide, through an NLRB-conducted election, whether they wish to continue to be represented by a union. This right to an election could be exercised by the employees at any time during the term of the pre-hire agreement, or upon its expiration. Thus, individual employee rights are protected by the NLRB ruling.

In sum, the NLRB's decisions, as affirmed by the courts, confirm that our labor laws are working as they should to assure a balance among the interests of employers and employees. H.R. 281 would upset this balance and would be an unfortunate precedent for other industries as well.

H.R. 281 should be defeated.

The Office of Management and Budget advises that there is no objection to the submission of this report to the Congress, and that enactment of H.R. 281 would not be in accord with the program of the President.

Very truly yours,

WILLIAM E. BROCK.

Mrs. ROUKEMA. Mr. Chairman, I yield 1 minute to the gentleman from Arizona [Mr. KOLBE].

Mr. KOLBE. Mr. Chairman, the buzzword around Washington these days is "competitiveness." We are faced with the challenge of increasing our share of the world market, to revamp aging domestic industries, and develop new sources of economic growth like high-technology industries. This body tried to solve the problem by passing H.R. 3. It didn't do very well, but ironically now we are debating a measure that would severely hamper our ability to compete.

The construction industry labor law amendments, H.R. 281, the first of many big-labor bills, would tie employers hands and hurt workers themselves. It innocently claims to fight abuses in double-breasted operations. In fact, it would do much more than this. It would eliminate the practice of double breasting in all forms, both legal and illegal. There are already very stiff regulations with stiff penalties on the books to combat illegal double breasting. With the issuance of the National Labor Relations Board Deklewa decision there is no reason for this legislation.

If H.R. 281 were enacted, many construction companies faced with the decision of using an open shop or a closed shop contract when renewing prehire agreements would undoubtedly go with an open shop contractor. It is very easy to see the result of this action, union workers would lose out on jobs as the pool of union contractors dried up. What would Congress do then; mandate that all construction companies hire union employees?

Double breasting is one of many attempts by the construction industry to become more aggressive and competitive in the world market. It comes in response to an ever-increasing challenge by foreign construction companies in our own backyard. Are we going to start tying the hands of businesses when they need our help most? You can bet that if we pass this bill we will.

All too often, Republicans are accused of concentrating on the "bottom line," at the expense of people. Well, the bottom line in this debate is people. If we pass H.R. 281, we will be taking jobs away from productive, skilled workers, the very same workers that this bill so innocently alleges to help. The bottom line is, a vote for H.R. 281 is a vote of higher unemployment and reduced competitiveness. I urge every one of my colleagues to consider the number of jobs lost in his or her district as a result of a "yea" vote.

Mrs. ROUKEMA. Mr. Chairman, I yield such time as he may consume to the gentleman from California [Mr. SHUMWAY].

Mr. SHUMWAY. Mr. Chairman, I rise in opposition to this bill.

Mr. Chairman, I rise in opposition to H.R. 281, and urge its defeat by the House. This bill is anticompetitive, antibusiness, and antiworker.

The bill is comprised of two provisions: the first would prevent a contractor from operating both a union and a nonunion operation; the second would broaden the existing prehire construction exemption now found in the National Labor Relations Act [NLRA].

First, such changes would interfere with employee free choice and the collective-bargaining process. The NLRA has established a precise method by which employees can decide their collective-bargaining representation. This process contains safeguards for all parties to ensure that neither employers nor employees evade their statutory or contractual obligations under a collective bargaining agreement. H.R. 281 would alter this careful process.

The bill would also fundamentally alter a central tenet of our labor laws—protecting an individual's right to choose whether one wishes to join a particular union or any union. Our current labor laws guarantee that the choice of whether to join a union is the employee's, not the employer's and not the union's.

Finally, sham double-breasting is already illegal, and under the NLRA, the National Labor Relations Board has in place recourse when a company is found to be illegally double-breasting. To prohibit all double breasting, including legitimate operations, is to deal a serious blow to companies' ability to compete in different markets.

I therefore strongly oppose H.R. 281, which marks a significiant and detrimental departure in labor-management relations policy.

Mr. GALLEGLY. Mr. Chairman, I wish to express my strong opposition to H.R. 281, the Construction Labor Law Amendments of 1987. It seems to me that the fundamental issue of H.R. 281 is freedom of choice; the right of employers and employees to choose whether or not their workplace is unionized. Their right to choose a union-free marketplace would be seriously compromised if H.R. 281 is passed.

It seems to me that the role of the Federal Government is to address areas of concern, not mandate employer/employee practices. It's interesting to note that while the proponents of H.R. 281 claim to be redressing an inherent "wrong" in the system, statistics indicate that less than one-tenth of 1 percent of all of the unfair labor practice charges filed with the National Labor Relations Board even allege double-breasting abuse.

I believe that every individual should have the right to work without being forced to join a union. H.R. 281 denies workers this basic freedom and is a direct repudiation of one of the most basic tenets of this country's labor laws—the right to freely choose whether or not to join a union.

We have all witnessed the ill effects of decreased competition in other sectors of our economy, and there is no reason to expect that the ramifications in the construction industry will be any different. Excessive Federal regulation of industry has historically led to waste and inefficiency, to the ultimate detriment of American products and services. Equity now exists in construction employment as employers and employees have the choice of working in either a union or open shop. Let's not encourage increased Federal intervention in the construction industry when the established methods for doing business have been proven both competitive and successful.

I strongly urge my colleagues to vote against H.R. 281.

Mr. OBERSTAR. Mr. Chairman, 4 years ago, in March 1983, the House Education and Labor Committee held the first hearing on the subject of double breasting in the construction industry. Last year, H.R. 281 passed by 56 votes after a long and involved debate often characterized by distortions, misinformation, and hyperbole from opponents of the bill. That measure died in the Senate, where opponents were able to bottle it up in committee. Today, we will again vote on this measure to prohibit the mushrooming practice of double breasting in the construction industry: a recent Wharton study found that double breasting among the top 35 contractors in the Nation has increased from 14 percent in 1980 to 80 percent in 1987. The construction industry is a major factor in the U.S. economy, with over $340 billion of construction completed in 1986 employing almost 5 million workers. H.R. 281 promises those workers fair treatment.

In 1935, Congress enacted the landmark Wagner Act or National Labor Relations Act, the "Magna Carta" of American working men and women which promises collective bargaining to assure a just wage, safe working conditions, and job opportunities. In 1959, the passage of the Landrum-Griffin Act established section 8(f) of the NLRA to ensure that workers in the construction industry would be covered by the act. Section 8(f) allows a contractor to enter into a prehire agreement before he has hired a full complement of workers. Typically, the contractor agrees to hire his work force through a union and pay mutually determined wages and benefits, while the union assures a pool of skilled, qualified workers. Neither the contractor nor the union is obligated to sign such an agreement and once a project is underway, the workers retain the right under Federal labor law to decertify a union by a simple majority vote.

Decisions of the National Labor Relations Board and the courts recently have allowed a construction contractor, who has signed a union agreement, to establish a second operation that differs from the original only in the sense that it is not covered by a union contract. The employer may then transfer work from its union company to its nonunion company with impunity. This scheme has flourished because of these new interpretations of the law and because this administration has attempted to roll back labor law in the construction industry to its pre-1959 position.

Despite the attempt to balance the competing interests of workers and their employers in the 1959 legislation, several decisions by the NLRB and the courts have seriously eroded the effect of prehire agreements. Indeed, the majority of U.S. contractors are now walking away from these contracts as if they had never been agreed upon. Such actions are in conflict with the fundamental principle of collective good-faith bargaining established over long years of hard-fought labor negotiations in this country.

The short-term nature of construction industry labor agreements requires a different standard than other industries; prehire agreements evolved in the first place to accommodate the longstanding practices of the industry. This difference in duration of such agreements, however, does not minimize the need for these workers to be protected and granted the same rights as workers in other industries. Today an employer can walk away from an otherwise legally binding contract unless the union can meet the impossible burden of proving majority support at all work sites, regardless of the duration of the projects. Because construction projects typically take 3 to 6 months to complete, it would be foolish to require union members to vote every 3 months in order to prove they constitute a majority, as the Congress recognized in 1959.

This legislation promises those workers a fair opportunity for collective bargaining. H.R. 281 merely states that construction workers deserve the same protection under the law as other workers. It says that when a contractor and a union arrive at an agreement, both sides are bound by the terms of that agreement. The law Congress passed in 1959 was sound public policy; unfortunately, it has been undermined by decisions of the National Labor Relations Board and the courts, which has circumvented the clear intent of Congress.

Enactment of H.R. 281 is necessary to restore to workers in the construction industry a meaningful right to collective bargaining and the protection of our labor laws. Unique problems in the construction industry have not changed; neither should Congress' commitment to the collective-bargaining rights of construction workers. H.R. 281 provides those workers with a fair chance to engage in collective bargaining. It does not force workers to join unions. It does not force contractors to sign prehire agreements. It does not affect State laws where union shop agreements are prohibited. It does not impinge upon the constitutional rights of employers to invest in firms of their choosing. It will not create lengthy jurisdictional disputes or lead to lengthy litigation.

The "common ownership, management, or control" language of H.R. 281 is the same that has been used by the NLRB and the courts for years to determine single-employer status, and its meaning is well established. Further, the specious claims that present law already prohibits the formation of double-breasted companies or that the bill legalizes common situs picketing, or that it will apply to all operations or projects of an employer, regardless of their location, are patently false. These concerns have been explicitly addressed by the committee's new version of H.R. 281; it merely requires that parties who have entered into labor agreements observe the sanctity of those agreements.

Finally, I would like to note that since 1980, the growth of double breasting in the construction industry has been astonishing. There are currently more double-breasted companies at work in the construction industry in this country than companies which have observed the terms of their collectively bargained agreements. The urgency of action on this measure cannot be overstated; I urge my colleagues to vote "yes" on H.R. 281.

Mr. BRENNAN. Mr. Chairman, I rise in support of H.R. 281, the Construction Industry Labor Law Amendments of 1987. This needed measure is designed to correct circumvention of existing labor law—to render effective prehire agreements and end the means of avoiding contractual obligations known as double breasting.

The construction industry is fluid and transient. Because of this nature, collective bargaining in this industry is difficult. The construction worker faces an uncertain future due to their numerous job changes. The job changes often involve delays in starting new work or travel to another city or town. Through a collective-bargaining agreement, much of this uncertainity can be eliminated. The wages are consistent and health and pension benefits are maintained as the worker moves to the next job. This legislation will assist in the stability needed in the construction industry.

The National Labor Relations Act, when originally adopted, sought to deal with the process for establishing collective bargaining in industrial fixed-site locations. The construction industry through its mobile nature is different than the fixed industrial plant site. Realizing these differences, Congress in 1959 created what are known as prehire agreements in the construction industry. A prehire agreement means, in return for access to a stable skilled work force, a contractor will commit to abide by negotiated wages and conditions on specific jobs for a specific period of time. This is the principal means for construction workers to maintain their right to engage in collective bargaining.

Recent NLRB decisions have worked to undermine the rights of construction workers gained through congressional action in 1959. The NLRB has permitted contractors to abrogate prehire agreements, unless unions can demonstrate that the contractor has a stable work force and a majority of support at each work site.

Different trades may work at different job sites, at different times. Few contractors have "a stable and constant work force," because of these reasons. I do not see, in fairness, how the union could be told an NLRB certification election is required, which could take many months. The peaks and valleys of construction employment on the job site causes great doubt about whether an election can practically be held. The prehire agreement brings stability by binding the parties and preventing unilateral abrogation of the agreement.

Another abuse corrected through this legislation involves the practice of double breasting—where a firm establishes another entity to operate nonunion. What transpires is the nonunion entity is placed in direct competition with the firm which has a union work force and a collective-bargaining agreement, with both the union and nonunion firms served by the same party. Traditionally this competition results in the nonunion entity gaining more and more work at the expense of the unionized firm, resulting in the employee's right to union representation being a sham.

This legislation is needed to restore the congressional intent established 28 years ago. H.R. 281 restores the enforceability of section 8(f) of the Wagner Act by giving prehire agreements the same status as other collective-bargaining agreements. This would give them equal footing with provisions held in other industries. The measure would also eliminate the sham of double-breasting firms.

I urge my colleagues to join me in support of clarifying congressional intent regarding the application of Federal labor statutes to the construction industry. I urge a strong "yes" vote on H.R. 281.

Mr. DREIER of California. Mr. Chairman, I rise in strongest opposition to this bill. If ever there were an unnecessary, special-interest bill, H.R. 281 is it.

In listening to the bill's proponents over the past few weeks, it appears that the true impetus for this legislation has nothing to do with how current law has affected individual workers in the construction industry whether or not they belong to the union. Rather, the real basis for this bill, clearly stated, is that construction is turning more and more to open-shop labor, and something must be done to stop it. Since the union bosses cannot ask Congress to outlaw all nonunion construction contractors, they are asking us to do the next best thing—force many open-shop workers to join the union.

The unions want us to outlaw all double-breasted firms because a few have abused the practice. Those who have faithfully abided by the letter and principle of the law would be punished.

Consider the case of CBI Industries, a large double-breasted firm which operates open-shop construction in Fontana, CA, and elsewhere. CBI is a 100-year-old Illinois firm which, until the 1970's, employed only union labor. At that time, to make itself competitive in labor markets where open-shop labor was preferred, CBI founded a subsidiary with a separate management, separate boards of directors, and separate geographic markets. While the original organization maintains its labor agreement with the Brotherhood of Boilermakers, employees of the subsidiary at far-flung operating sites in California, Texas, and Georgia, have never voted for union representation.

What will CBI do if this bill passes? It will be forced to forgo either the union market or the open-shop market, and the guaranteed losers will be the workers themselves. On one hand, nonunion workers may be forced to work under a labor agreement they had no hand in adopting. On the other hand, the firm might abandon the unionized construction market, leaving its union workers in the cold.

Either choice is unacceptable and unnecessary, and many honest firms and hard workers would be penalized by having to comply with this sledgehammer of a law. Those companies who do abuse the practice, by shifting work to nonunion sham operations, are already in violation of the law. H.R. 281 only strikes at the firms which have been careful to abide by the law.

Minorities would also be victimized by this bill. It is no secret that union hall hiring has never favored minorities; the great recent gains in minority contracting and employment have been primarily in the nonunion sector. Representatives of the industry have testified that H.R. 281 would "wreak havoc" with the Nation's 60,000 minority contractors. It is amazing to me that we would enact a bill which would have such an effect on a group Congress has tried so hard to foster.

The other matter addressed by H.R. 281, construction prehire agreements, is a moot issue already handled by the National Labor Relations Board earlier this year. The construction industry is the only industry in which an employer can set an agreement with a union before ever hiring any workers covered by the agreement. That is a reasonable consequence of unique features of the industry itself, including shifting worker requirements and sites.

The NLRB held this year in the Deklewa decision that employers must abide by such agreements through their full term, an important victory for union workers. Undoubtedly, unions and employees should have the confidence that employers will stick to the agreement under which they were hired.

But H.R. 281 takes that a step further, continuing by law the presumption of a union's majority status after the bargaining agreement expires. Under current law, the only chance construction workers ever have to vote on their bargaining representative is when the agreement expires. This provision favors the workers because it allows them to repudiate representation if it is not performing. Under H.R. 2381, even this safeguard would be taken away, as workers would have no opportunity to judge a union having won a prehire agreement.

Mr. Chairman, the construction industry and its employees have been experiencing great prosperity during the past 5 years. H.R. 281 is just the monkey wrench that could derail that record, and I urge its defeat.

Mr. PORTER. Mr. Chairman, I rise in strong opposition to H.R. 281, the anti-double-breasting bill.

The bill presumes the guilt of all businesses who run legitimate double-breasted operations. When the recent insider trading scandal broke on Wall Street, this body did not take it upon itself to outlaw stock trading because someone violated the law. But when some businesses are running so-called sham operations which are already illegal under NLRB case law, many here are all too willing to forbid the long-standing and legal practice of double breasting.

Current trends show that the amount of construction work done by nonunion shops is increasing while union membership in the construction industry declines. If forced to decide, businesses might be more likely to opt for the more competitive wages of an open, nonunion shop. The ironic thing about this bill is that in denying businesses the right to double-breast, Congress may hasten the demise of unions in the construction industry.

Mr. Chairman, there is another disturbing aspect of this bill. If, under this bill, businesses are forced to go to an all union shop, workers in the nonunion shops would be forced to accept the conditions of a union they did not choose to join. The idea of compulsory unionism in a nation founded on the principle of freedom should give us all pause.

From a practical viewpoint, all union shops would undermine our competitiveness at a time when we can ill-afford to lose more ground to foreign business. Money that could be used to provide more employment will go instead toward increased construction costs. And just as home mortgage interest rates are beginning to creep upward, the worst thing we could do is increase the cost of a new home by passing this bill.

I strongly urge my colleagues in the House to vote "no" on H.R. 281. What has been lost in the open, free market, Congress should not grant at the expense of personal and economic freedom.

Mr. RIDGE. Mr. Chairman, I rise in support of H.R. 281.

During recent months, I have listened to the arguments and presentations offered by those on both sides of this debate. I finally feel comfortable that I have sorted out and understand the different points of view on this issue. I support H.R. 281 not only because of what it does but also because of what it does not do.

In 1959, Congress acted to establish prehire agreements. A prehire agreement simply means that in return for access to a skilled work force, a contractor will abide by a negotiated contract which provides wages and conditions of employment on specific jobs for a specific period of time within a specific, and I might add, limited geographic region. A contractor, having negotiated an agreement, having signed the agreement, must therefore comply with the contractual language. Unfortunately, changes in the construction industry and several recent National Labor Relations Board rulings undermined and subverted the intent of this 1959 law. H.R. 281 reverses this recent trend and corrects inadequacies in existing law by providing protection for unions and employees from abuses of double-breasted companies seeking to avoid previously-negotiated collective bargaining agreements.

H.R. 281 restores the enforceability of section 8(f) of the Wagner Act by elevating prehire agreements to the same status as other collective bargaining agreements. Given the transient nature of the construction business and its labor force, this is essential. No contractor is compelled to sign a prehire agreement. However, H.R. 281 provides that where an employer enters into one and specifically promises that work subject to that agreement will be performed by union employees according to the terms and conditions of that agreement, then the employer shall be required to abide by that commitment.

As I mentioned before, it is equally important for us to understand what this bill does not do. There have been some unfortunate and misleading characterizations of the consequences of this bill. It is necessary for us to address these matters as well.

First, it does not permit common-situs picketing. Specific legislative language in this bill provides that "the existence of a contractor-subcontractor relationship between any two or more business entities working at a construction site shall not, by itself, be deemed to create a single employer or be considered as evidence of direct or indirect common management or control." Combined with explicit legislative history, there is no way that H.R. 281 permits common-situs picketing,

H.R. 281 does not require employers in the construction industry to work exclusively on a union or nonunion basis. If there is no prehire agreement, the contractor is free to pursue that work regardless of the fact that other jobs performed by that contractor may be subject to prehire agreement. It is important to note that H.R. 281 does not restrict the ability of union and nonunion contractors to work on the same job site.

The bill does not force labor agreements on employees against their wishes. There are many individuals who believe H.R. 281 imposes a union or collective bargaining agreement on employees against their will. Some define it as a measure to impose compulsory unionism on America's construction industry. Others are concerned that this legislation will deny workers freedom of choice. Had I concluded that this would be the result of H.R. 281, I would not support the bill.

H.R. 281 is a worthy and necessary bill. It is intended to ensure that employees in the construction industry have a meaningful right to engage in collective bargaining. Employers are free to seek to negotiate prehire agreements, employers are able to operate on both a union and nonunion basis and employers are free to refuse to enter any agreement. They are not free to sign an agreement and then ignore it or subvert it by setting up another company to do the same kind of work in the same geographic area covered by the agreement.

It is unfortunate that certain opponents of this legislation have attempted to portray the proposal as being broader in scope and purpose than it actually is.

This bill protects the contractual relationship arising between an employer and the union who both set the boundaries of their agreement through the collective bargaining process. It does nothing to limit an employee's choice. It requires compliance with the agreement previously signed by both parties and is limited to effect to the terms and conditions, including geographic area, described in the contract. The employer's freedom of choice to accept or reject a voluntary agreement with a union through collective bargaining remains unimpaired. H.R. 281 simply requires that the employer live up to the agreement during its duration. That certainly is not too much to ask, is it? If parties sign an agreement, it is not an unrealistic expectation that they honor it—in the construction industry or anywhere else. I encourage my colleagues to support H.R. 281.

Mr. DENNY SMITH. Mr. Chairman, I rise in strong opposition to H.R. 281, the "Construction Industry Labor Law Amendments of 1987." This legislation is ill-conceived, ill-timed, and will cost thousands of jobs in the private sector. I find it ironic that this week we are scheduled to debate a one-time holiday commemorating the bicentennial of our Constitution and all that it stands for. Yet, at the same time, we are forced to consider a bill which will deprive thousands of workers around this country of one of their freedoms—the freedom to choose whether or not to belong to a union.

As a union member myself, I have always supported the rights of workers to organize into unions for the purpose of collective bargaining. H.R. 281 goes beyond that basic concept. This legislation proposes to close all dual shop operations in the construction industry, regardless of whether or not the shop is legal. H.R. 281 is forced unionism at its worst, and every worker will be forced to pay a price.

Dual-shop activities have been ruled legal by the National Labor Relations Board and the courts. These operations are set up so that contractors have the ability to bid on a variety of different construction projects. Large projects often require a number of specialized, union workers. Smaller projects are often given to nonunion skilled labor. "Sham" double-breasting operations, set up as a way to avoid certain contractual obligations and to deceive the owner of the project and the workers have been ruled illegal.

This is another example of the House leadership wanting it both ways. On the one hand, they rail against the lack of competitiveness on the part of our businesses. On the other, they try to enact legislation which will increase regulations, drive up costs and tax the lives out of the small to medium sized businesses that make up the bulk of our economy. They rail against unemployment figures and want more done to put people to work—so long as they belong to a union.

Union leaders have lost a great deal of their clout over the last few years, in large measure because their membership as a total percentage of workers has dropped significantly. The enactment of H.R. 281 would mean that contractors must operate as strictly a union or nonunion shop. Given the specialized nature of the construction trades, and the fact that many of these specialties are already unionized, it is easy to see that nonunion contractors would have little or no chance of bidding on major projects. This would drive up the costs of many projects, and would mean that workers would have the choice of joining a union or not working.

No one in this Chamber opposes the ideas of unions, but this body has no business endorsing the idea of forced unionism as the basis of our construction industry. It flies in the face of everything we should be standing for as the elected representatives of all the people. I urge my colleagues to oppose H.R. 281, a bill that will hurt the construction industry, the economy and the thousands of workers who will lose their jobs simply because they want to exercise their freedom of choice.

Mr. VENTO. Mr. Chairman, I rise in support of H.R. 281, the construction industry labor law amendments.

It is certainly worth asking why we are addressing this issue today and what circumstances exist within the construction industry today that make this legislation necessary. It is worth asking because the answers shed considerable light on the antilabor bias of the Reagan administration's National Labor Relations Board [NLRB] and because the answers also dispel some of the most fallacious arguments being made against this measure by its opponents.

Nearly 30 years ago, Congress realized the unique circumstances which apply in the construction industry. Because of the time-sensitive nature of most construction work, the traditional practices governing the election and certification of collective-bargaining agents for construction workers do not always apply. By the time a traditional certification election could be held and representation questions resolved, the construction project could in all likelihood be finished and the workers moved on.

It was this realization which led Congress to enact section 8(f) of the National Labor Relations Act in 1959, which permitted employers and construction unions to enter into prehire agreements. These prehire agreements typically set wage scales, conditions of employment, and provide the employer with access to a ready pool of skilled labor. Section 8(f) was enacted into law because Congress realized the transitory nature of construction work and because if it didn't act, it would, in effect, deny the advantages of collective bargaining to the thousands of workers in the Nation's construction industry.

Under the law, representation elections are required to maintain prehire agreements only when employees request an election. Unlike workers in other industries, however, those who work in construction can seek an election at any time to either change union representation or even to eliminate union representation altogether.

For most of the period since 1959, section 8(f) has functioned well for both employers and employees. Unfortunately, however, in recent years we have witnessed a wave of incidents in which employers have sought to unilaterally abrogate the terms of their prehire agreements by setting up a dual shop or so-called double-breasted operation. Double-breasting involves the establishment of a nonunion shop next to an established union shop. Work is often transferred from the union shop to the nonunion shop, often at the ultimate expense of the jobs of those union workers and often in direct violation of the prehire agreement.

Mr. Chairman, agreements reached through collective bargaining should be honored. Employers must not be allowed to unilaterally determine that they will nullify agreements which have been negotiated and agreed to in good faith. This legislation does nothing more and nothing less than to clarify this intent in law. After much abuse of the law, earlier this year the NLRB ruled that prehire agreements are binding and enforceable throughout the term of the agreement. But the NLRB also held that upon the expiration of a prehire agreement, an employer is under no legal obligation to continue bargaining with a union unless that union has won a certification election or otherwise demonstrated majority support. It is important to understand that this decision represents a radical departure from the standard which normally applies in other collective-bargaining situations. Normally, an employer has an obligation to bargain with an existing union in good faith upon the expiration of a contract on the legal assumption that the union continues to enjoy majority support. Again, let us remember, it is not the employer under section 8(f) who has the right to contest union representation; it is the employees. H.R. 281 clarifies this point. The NLRB decision and contractor practice stand this employee right on its head, turning around the real meaning of the law.

Some opponents of this legislation claim that it mandates union representation. In fact, it does not. Again, it is up to the employees of a particular firm to determine whether or not they are to be represented by a particular union or any union at all.

Some opponents of this legislation claim that it will prevent construction contractors from establishing legitimate subsidiary operations. It does not. It simply prevents a contractor from establishing a separate nonunion company simply for the purpose of evading an existing prehire agreement or other collective-bargaining agreement. Multiple construction companies would be considered to be a single employer for collective-bargaining purposes if there is substantial common ownership, control, or management and if such companies do generally the same work, in the same geographical area.

Mr. Chairman, it is important that we also understand the context in which this measure comes to the floor today. During the past 6 years, we have witnessed a veritable onslaught and assault by the Reagan administration and the National Labor Relations Board on the rights of this Nation's working men and women. From safety and health in the workplace to good faith negotiations at the bargaining table, this administration has compiled the most anti-labor record of any administration in modern times. It has severely damaged the balance between the rights of employers and employees and created a climate where it has become acceptable for some unscrupulous employers to ignore their collective-bargaining agreements. Obviously, this situation should not be permitted to continue. We cannot tell those who work in constuction that our Nation's most basic labor laws don't apply to them. This legislation seeks to restore the balance in the collective-bargaining framework: the rights and responsibilities of both employers and employees. I hope that my colleagues will join me in supporting this legislation.

Mr. BROWN of California. Mr. Chairman, I rise in support of H.R. 281, the Building and Construction Industry Labor Law Amendment Act. I supported this measure last year and, I continue to believe that this action is necessary to stem the unfair labor practices of some companies in the construction industry.

I commend Representative WILLIAM CLAY, chairman of the Subcommittee on Labor-Management Relations, for his work in preparing this year's version of H.R. 281. The revised language is much tighter, and should help clarify questions raised by the construction industry.

In essence, the bill will remedy certain adverse decisions of the National Labor Relations Board [NLRB] with regard to the construction industry. From the earliest days of the Wagner Act in 1935, it was recognized that union election procedures designed for the industrial workplace could not be directly transferred to the construction industry. A 1959 amendment to the act, the Landrum-Griffin Act, permitted prehire agreements and was intended to provide workers in the construction industry with an effective opportunity to secure union representation.

In recent years, however, two sets of NLRB decisions have developed which erode the ability of construction workers to secure and retain the protections of collective bargaining. One set of cases has permitted the wholesale repudiation of lawful prehire collective agreements. The other set allows the avoidance of collective-bargaining agreements through corporate shell games.

Mr. Chairman, H.R. 281 is intended to simply correct these practices in the construction industry. The bill addresses three main concerns: first, it restricts the practice of double-breasting; second, it prohibits the unilateral repudiation of prehire agreements by construction industry employers; and third, it specifies that employers engage in bargaining with labor representatives upon expiration of the prehire agreement.

Double-breasting refers to the practice of some construction companies which have signed legitimate union contracts to sidestep the terms of the contracts by establishing separate nonunion companies to do essentially the same work in the same area. The bill will require that multiple business entities in the construction and building industry be considered as one employer for the purposes of labor laws. The bill is specific in that multiple subsidiaries will be considered a single employer only if there is substantial common ownership, management, or control; are within a geographic area; and the work is of the type covered by the prehire agreement.

Let me stress to my colleagues who have reservations about the bill that it would not tie the hands of the construction industry. The bill states clearly that the single-employer test could not be met merely by virtue of a contractor-subcontractor relationship.

Too often, carefully negotiated labor agreements are dashed by double-breasting practices. It has undermined the progress made in this century to improve the position of construction workers. When a company can bypass labor laws through its subsidiary nonunion labor shops, then the process of meaningful negotiation is impaired.

H.R. 281 prohibits builders who have entered into legal prehire agreements from repudiating that agreement prior to its expiration date. The bill states that an employer would be released from a prehire agreement prior to expiration date only if the NLRB conducts an election and certifies that a majority of the employees in an appropriate bargaining unit have selected another union to represent them or have voted against union representation.

Finally, the bill would require that construction industry employers engage in collective bargaining with labor representatives upon expiration of the prehire agreement unless the employees vote to join a different union or not to be represented by a union at all. It should be made clear that this provision does not require management to sign an agreement, but simply requires that meaningful negotiation be conducted, consistent with the law.

Representative CLAY and the Education and Labor Committee have worked out a bill that provides a sound framework for future prehire agreements in the construction and building industry. I strongly encourage my colleague to vote for passage of this bill.

Mr. OWENS of New York. Mr. Chairman, Henny Penny is back in town.

The opponents of H.R. 281 have given up arguing their case on its merits, resorting instead to a campaign of lies and hysteria which has been whipped up to a fever pitch. These tactics, this "sky-is-falling" rhetoric are not just embarrasing—more than that, they really are an insult to any Member who has actually taken time to read this simple, four-page piece of legislation.

All H.R. 281 says is that if you are a construction corporation and you sign a contract with your workers, you have to live up to it. Period. You can't walk away from it. And you can't weasel out of it through legal shell games like double-breasting. A labor contract is just like any other contract in business—if you sign it, you have to carry it out.

H.R. 281 does not outlaw double-breasting in the construction industry; if you want to set up a dual shop, nothing in this bill will stand in your way so long as you do not violate a labor agreement in the process. Nor does H.R. 281 impose so-called compulsory unionism on either construction firms or their workers. If you are a contractor and you don't want to work with a union, nothing in this bill says you have to. If you are an employee who does not want to join a union, nothing in H.R. 281 says you must.

What this legislation simply does is eliminate the legal double-standard which makes labor agreements in the construction industry binding on workers but only optional for employers. Some construction contractors may call that a radical idea, but the rest of us call it fairness.

Finally, it is crucial to emphasize that this legislation does not substantively change construction industry labor law—it only makes existing law work as it was intended. For the last 7 years, the Reagan administration has deliberately bred an unprecedented contempt both within and out of government for the rights of working men and women. Between the perverse and inept decisions of the partisan National Labor Relations Board and the shrewd manipulations of slick union-busting consultants, construction industry labor law has broken down. We are here today to try to repair the damage.

Vote for H.R. 281 and against the killer amendments. I guarantee that the sky will not fall.

Mr. KOLBE. Mr. Chairman, the buzzword around Washington these days is "competitiveness." We are faced with the challenge of increasing our share of the world market, to revamp aging domestic industries and develop new sources of economic growth like high-technology industries. This body tried to solve the problem by passing H.R. 3. It didn't do very well in my opinion. But ironically we are now debating the first of many measures that would continue to severely hamper our ability to compete.

H.R. 281 would tie employers' hands and hurt workers themselves. It innocently claims to fight abuses in double-breasted operations. In fact, it would do much more than this. It would eliminate the practice of double breasting in all forms, both legal and illegal.

If H.R. 281 were enacted, many construction companies faced with the decision of using an open-shop or a closed-shop contract when renewing prehire agreements would undoubtedly go with an open-shop contractor. It is very easy to see the result of this action, union workers would lose out on jobs as the pool of union contractors dried up.

The bottom line in this debate is the people. If we pass H.R. 281, we will be taking jobs away from productive, skilled workers, the very same workers that this bill so innocently alleges to help. I urge every one of my colleagues to consider the number of jobs lost in his or her district as a result of a yea vote.

Mr. DICKINSON. Mr. Chairman, today we are considering legislation to amend the National Labor Relations Act to prohibit "double breasting" or dual shop operations in the construction industry.

H.R. 281, the Construction Labor Law Amendments of 1987, would first, impose collective bargaining agreements that cover the employees from one business entity to cover the employees of another, and second, outlaw legitimate dual shop operations by construction firms.

This measure would mandate prehire agreements on employees without their consent, while depriving them of their choice of union representation.

This bill would also prohibit a construction firm from operating both a union shop company and an open shop company, even though such arrangements comply with the National Labor Relation Board's standards, which specifically guard against "sham" or "alter ego" operations.

Howard Jenkins, special counsel to the National Association of Minority Contractors and veteran member of the National Labor Relations Board, testified before the Senate Subcommittee on Labor and stated that enactment of this legislation would hurt minority workers and contractors, as they have been systematically excluded by building trade unions from job opportunities and advancements in the construction industry.

Jenkins further stated that, based on his 20 years experience on the Labor Board, current law adequately addresses the problem of "sham" or "alter ego" operations, and that no legislative remedy is needed. He concluded, "if it's not broke, don't fix it."

Close to 60,000 minority contractors have businesses that will be in jeopardy by enactment of H.R. 281.

Mr. Chairman, in short, this legislation would: Eliminate employee free choice in the construction industry, would force thousands of construction workers to join unions in order to keep their jobs, would disallow open shop employees from having the opportunity to vote on whether they want a union, would force open shop employees to go through the union to get back jobs they already have.

H.R. 281 is the first bill in a series of big labor legislation pending before the 100th Congress, in an effort to regain their dominance which has been eroding over the years.

In 1967, 44 percent of construction industry employees were unionized. By 1984, that figure fell to below 25 percent, and is continuing to drop.

The University of Pennsylvania's Wharton School recently completed a study on this legislation and found:

H.R. 281 is another special legal protection for the construction unions, which would allow these unions to reap a considerable windfall from signing new members—3.7 million nonunion construction workers—something they have been unable to do through traditional means.

The study further concludes that the law has functioned consistently to achieve a commendable balance of the interests of employers, employees, and unions alike. There is no sound reason for changing policies which have worked so well, and there is no justification for the severe abrogation of employer and employee rights that would result from this double-breasting bill.

Mr. Chairman, it is clear that H.R. 281 is unnecessary and would be very damaging to the construction industry. In a time when this Nation is struggling to become internationally competitive, the last thing we need is for legislation like this which will hamstring our ability to compete.

The administration strongly opposes this bill; it received an unfavorable executive comment from the Department of Labor, and is opposed by over 160 organizations nationwide. I strongly urge all Members to oppose this legislation.

Mr. ACKERMAN. Mr. Chairman, as a strong advocate of efforts to end unfair labor practices, I rise today in strong support of H.R. 281, the Construction Industry Labor Law Amendments of 1987.

The stability of labor relations in the construction industry has been threatened by the pervasive practice of double breasting. As you know, the term double breasting refers to the practice in which a contractor who has signed a prehire agreement with one or more trade unions nevertheless establishes a parallel business entity to operate a nonunion shop in the same labor market in order to avoid or subvert the contract. Double breasting makes a mockery of the collective bargaining process! That is why legislation is urgently needed to restore equity and fairness to collective bargaining contracts in the construction industry.

Until recent years, there was no real necessity to have Federal legislation in this area because the National Labor Relations Board [NLRB] and the courts required employers to honor collective bargaining agreements whenever they bid on a project. But today an employer can literally walk away from an otherwise legally binding contract unless the union can meet the difficult burden of proving majority status at all worksites, regardless of the duration of the project.

Unlike most industrial workers who report to a fixed site for a period of perhaps years, the construction industry is characterized by constantly shifting job sites, continually expanding and contracting work force requirements, and a largely transient labor pool. In 1959, recognizing the peculiar situation facing construction workers, Congress enacted section 8(f) of the National Labor Relations Act which allows construction unions to enter into prehire agreements. A prehire agreement is one entered into by a business and a union before a full complement of laborers is employed. In return for access to a pool of skilled employees, a construction contractor agrees that the work will be performed in accordance with a union contract. However, many building contractors are circumventing the letter of the law by setting up double-breasted shops and illegally repudiating prehire agreements. When an employer is permitted to deliberately renounce a contractual obligation, I believe it is time for the Congress to take corrective action.

H.R. 281 would eliminate double breasting by applying all collective bargaining agreements signed by one subsidiary to all other subsidiaries which have substantial common ownership, control or management, and perform the type of work covered by an agreement, in a geographic area covered by an agreement. The measure does not forbid all dual shops. Dual shops are allowed as long as the second shop is outside the geographical area specified in the collective bargaining agreement.

This legislation would also make prehire agreements binding in the construction industry, as if they were ratified by a majority of the work force. This is necessary because due to the unique characteristics of the construction industry, such as the numerous different employers in scattered geographic locations and an itinerant work force, it takes longer for the NLRB election process to run its course than to complete a construction project. H.R. 281 does not promote forced unionism. The bill does not alter the right of workers—provided under sector section 8(f) of the National Labor Relations Act—to rid themselves of unwanted union representation. Employees can select another union to represent them or dissolve union representation if a democratic election conducted by the NLRB shows that the union has lost majority support.

The Construction Industry Labor Law Amendments would help restore the ability of all American workers to reach and maintain meaningful union and collective bargaining rights, by holding construction companies to the obligations of collective bargaining agreements they have voluntarily entered into. I urge my colleagues to support passage of H.R. 281 and end the practice of setting up a phony company or arbitrarily repudiating prehire agreements to deny workers their rights.

Mr. BONIOR of Michigan. Mr. Chairman, today we have the opportunity to return justice to the construction site. For too long, decent and hard-working construction workers have had their collective bargaining rights compromised. H.R. 281 will restore basic labor rights to our Nation's construction workers—rights that are enjoyed by workers in other industries.

Prior to 1959, difficulties arose for labor unions in their efforts to negotiate contracts with construction companies because of the short duration of construction jobs. Congress amended the National Labor Relations Act in 1959 to permit employers and unions in the construction industry to enter into prehire agreements prior to the initiation of a project and the hiring of employees. Such agreements usually establish conditions of employment and wage scales, and provide for hiring through the union.

H.R. 281 is a balanced and moderate bill and it is designed to address circumstances in the construction industry which recently have subjected construction workers to unfair treatment by some construction contractors. Specifically, the bill deals with two issues: Prehire agreements and double breasting.

This arrangement also provides a steady source of labor for construction managers and it allows them to calculate labor costs before bidding on construction jobs. For many years, these prehire agreements were respected by both labor and management after contractors were awarded the construction job.

In certain cases, the National Labor Relations Board has ruled that prehire agreements can be broken by the employer unless the union can prove that it has majority support. This gave rise to the second issue which this bill seeks to address. That is the problem of double breasting.

Double breasting occurs when a company that has a collective-bargaining agreement with a union establishes a second company that is operated on a nonunion basis. This practice has deprived many union workers of jobs because contractors contend that the union does not have the right to negotiate for its workers since no certification election has been held. Since there is no certification, the prehire agreement is voided by the contractor once the job is awarded, and the second nonunion company is used to do the job.

This situation is intolerable and defies the tradition we have in our country of legally mandating fair labor practices. H.R. 281 will correct these injustices.

H.R. 281 will accord prehire agreements the same legal standing as other labor contracts. They cannot be broken unless the NLRB conducts an election and certifies that a majority of the employees in an appropriate bargaining unit have selected another union to represent them or have voted against union representation.

H.R. 281 will also restrict companies' ability to form nonunion subsidiaries, which have allowed them to avoid using union labor. Companies will have to negotiate with unions in a geographic area to operate nonunion subsidiaries. In cases where a company does not wish to do this, it would no longer have the ability to displace union workers by operating a nonunion company.

Mr. Chairman, I urge my colleagues to support this important legislation. As the economic base of our Nation grows, so will the rate of construction. H.R. 281 will ensure that construction workers have a fair chance to share in that growth by holding a steady job and earning a decent and fair wage.

Mr. RAHALL. Mr. Chairman, I rise in strong support of H.R. 281, the Building and Construction Labor Law Amendments of 1987, which is sorely needed to close loopholes in our labor law which presently allow construction companies which have signed legitimate union contracts to escape their obligations under the contracts by setting up nonunion subsidiaries.

This year's bill has been carefully crafted to alleviate many of the concerns expressed during debate on the legislation last Congress. The provisions of the bill apply only to firms which in fact should be considered the same company for labor relations purposes. To be considered a single employer, entities must meet the stringent test of having substantial common ownership, control or management, and must be performing work covered by a union contract signed by one of the entities, and must be operating in the geographic area covered by the contract. Truly separate companies would in no way have collective bargaining agreements imposed upon them and the establishment of nonunion subsidiaries which do not undermine the terms of existing collective bargaining agreements would not be prevented under this legislation.

Further, this bill does not require employers to enter into prehire agreements against their will. However, the bill does prevent employers from unilaterally withdrawing from agreements which have been signed in good faith which is in line with a principle that has previously been established by the National Labor Relations Board. The bill also requires an employer to negotiate with the union when an agreement expires, unless the workers involved decide otherwise, which is a normal standard for collective bargaining agreements.

The unique circumstances of the construction industry mandate that construction employers and unions be able to enter into prehire agreements without formal procedures for holding union recognition elections. Many times a construction project is completed in less time than it takes to hold a union certification election. Therefore, prehire agreements, and the right to enforce those agreements, are crucial to a construction worker's lawful right to union representation.

It is important to keep in mind that H.R. 281 would not deny a worker the right to choose between union and nonunion employment. Construction workers who are subject to prehire agreements can demand decertification elections at any time during a contract's term. Additionally, while the bill does require employers to negotiate with the union when an agreement expires, it does not require that the employers reach agreement on a new contract.

It is unfortunate that so much misinformation in regard to this legislation has been circulated recently. This bill is desperately needed to correct an inequity that is causing a great deal of undue hardship for this nation's construction workers and I strongly urge my colleagues to give their full support to H.R. 281.

Mr FEIGHAN. Mr. Chairman, today we will vote on H.R. 281, a bill of critical importance to the millions of working men and women in the construction industry. I urge my colleagues to support its passage.

Unfortunately, recent NLRB decisions have created a virtual blueprint of ways for construction industry employers to evade their collective bargaining obligations. In particular, these decisions have permitted contractors to set up sham nonunion companies solely to transfer work from their union operations.

This expanded practice of double-breasting flagrantly disregards the intent of the NLRA. In order to reaffirm that intent, H.R. 281 would make such double-breasting illegal. In so doing, it merely requires an employer to provide union benefits to its employees performing the same work in the same geographic area.

H.R. 281 would also reaffirm the binding character of prehire agreements. And it would make clear that, when a prehire agreement expires, the employer must still bargain with the union. If employers did not have to respect the sanctity of these agreements, then they could effectively deny workers the right to union representation that is guaranteed by law.

Mr. Chairman, this bill does not impose collective bargaining on contractors. It simply assures that employers in the construction industry abide by their written commitments. I urge my colleagues to vote "yes" on H.R. 281.

Mr. RAY. Mr. Chairman, I rise in opposition to the bill, H.R. 281. This legislation would bring about drastic changes in the construction industry that would be detrimental to the Nation's economy. In my opinion, Mr. Chairman, our economy is too fragile to withstand the disruptions this bill would cause.

For instance, this bill would ban dual shops, which arose as a direct result of forces of the free market. Over the past several decades the construction industry has evolved from a virtually all-union market into a market of both union and open shops. The reason for this is simple. As competition from abroad began to increase, manufacturers were forced to reduce costs, including construction costs. Open shop contractors, who were able to provide construction services at a lower cost, began to increase their share of the market. At the same time, union contractors who were losing their market share looked for ways to increase their business. As a result, the practice of double breasting, whereby a contractor owns both a union and an open shop arm, was born.

The elimination of dual shops would reduce a contractor's freedom to compete in these distinct markets—union and open shop—which have been dictated by customer preference. This elimination of dual shops will cause disruptions as many, many double-breasted contractors are forced to reorganize their businesses—some of which are operated on a national basis. It would also discourage, if not eliminate, "mixed site" projects where union and open shop contractors work side by side. And, at the heart of it all, competition brought on by the presence of both union and open shop contractors will be seriously diminished. As a result, construction service costs will increase.

Because this bill requires the application of the collective bargaining agreement of a contractor's union arm to its open shop arm, it will also result in compulsory unionism. Open shop employees located within the geographic area described by the contract would be unionized without ever having the opportunity to vote first on whether they desired union representation. The implications of this are even more profound when one considers the fact that many of the Nation's largest double-breasted contractors are signatory to nationwide agreements.

In right-to-work States, such as my home State of Georgia, this aspect of the bill is particularly troublesome. Many open shop employees could be displaced from work. Although employees in right-to-work States, upon application of the collective bargaining agreement, could not be required to join the union, they can be required to go through a union hiring hall. Most collective bargaining agreements contain exclusive hiring hall provisions. Thus, the employer is required to obtain employees through the union hiring hall. Nonunion employees, despite their prior work experience, would be placed at the bottom of the seniority list. They would be forced to go through apprentice programs to prove they are able to do the job they have been doing—and would be required to take a substantial cut in pay during the apprenticeship. In addition, given the discrimination which occurs in many hiring halls, there is little likelihood that nonunion workers would be treated on an equal basis with longtime union members. As a result, many nonunion workers may never actually be referred by the union. I have received many letters from nonunion workers in my district who fear for their livelihoods if this bill is enacted.

Another aspect of this legislation that disturbs me is that, to a large extent, the secondary boycott afforded to certain employers would be eliminated. Under section 8(b)(4) of the National Labor Relation's Act, a labor union may not picket "neutral" employers who are not parties to the primary labor dispute. A union may, however, picket an employer other than the one with whom it has a primary dispute, if those employers together constitute a single employer. Consequently, the expansion of the single employer definition which section 2(a) of this bill makes would necessarily result in the elimination of the safeguards of section 8(b)(4) for those employers who fall within that definition. There can be little doubt, then, that this bill, by sweeping more and more employers within the single employer definition, would embroil hither to neutral employers in labor disputes. This expanded picketing carries with it the serious potential for disrupting our economy.

Mr. ATKINS. Mr. Chairman, I rise in support of H.R. 281, the building and construction industry labor law amendments. This is a bill which will help ensure that workers in the construction industry have an opportunity to be represented by a union if they desire, and to prevent construction workers from being denied their right to union representation.

The anti-double-breasting provisions of the bill are designed to close loopholes in labor law which presently allow construction companies which have signed legitimate union contracts to escape their obligations under the contracts by setting up sham nonunion subsidiaries. These provisions have been carefully drawn so as to apply only to firms which truly should be considered the same enterprise for labor relations purposes. The language specifically states that only firms with substantial common ownership, performing work covered by a union contract signed by one of the entities, and operating in the same geographic area covered by the union contract, are covered by the law. These stringent requirements would obviously not impose collective bargaining agreements on truly separate, independent companies, or prevent the establishment of nonunion companies.

By the same token, the section of the bill dealing with prehire agreements does not require any employers to enter into such agreements against their will. Rather, the bill simply prevents employers from unilaterally withdrawing from agreements that they have signed in good faith, and requires the employer to negotiate with the union when an agreement expires—unless the workers involved decide otherwise.

Neither of these concepts is based on anything but longstanding principles of labor law applied to the unique circumstances of the construction industry. Often, it takes more time to hold a union certification election than it does to complete a construction project. Thus, without prehire agreements and the double-breasting provisions, construction workers can be effectively denied the right to union representation guaranteed by law.

This bill does not force workers to form a union. It gives them the option and freedom of choice that American workers are entitiled to. This bill offers an important protection to our construction workers, and I urge its adoption.

Mr. HEFLEY. Mr. Chairman, I rise today in opposition to H.R. 281, the Building and Construction Industry Labor Law Amendments of 1987.

H.R. 281 would legislate what many unions have failed to accomplish in the collective bargaining process. It would make it illegal for construction company owners to operate a double-breasted, or dual shop, company. A dual shop consists of two separate operations using two different labor procedures. This bill disallows this arrangement and forces management to automatically recognize a union even when the employees have not voted for it. And that's not all. The union contract will be forced on nonunion sister companies no matter where they are located in the United States, if the contractor has a national agreement. If there is no national agreement, then the collective bargaining agreement of one sister company will be automatically imposed on all other sister companies in the same geographical area.

Proponents of this legislation contend that contractors operating dual shops or double-breasting contracts abuse the system by running sham operations. But in the last 3 years, only 107 out of over 100,000 unfair or labor practice charges that were filed with the National Labor Relations Board dealt with the dual-shop issue.

Passage of this bill would deprive construction employees of their right to select or reject union membership. It will destroy new job opportunities. It removes competitiveness from the construction industry which would inflate construction costs; and, create the possibility of common situs picketing.

Many people involved in business have indicated their concern to me that this legislation severely impedes an employers ability to make competitive management decisions. In fact, the threat that this bill will pass has caused large construction contractors to back out of multi-State labor agreements.

I believe that H.R. 281, if passed, would give the Federal Government far too much authority in determining business and labor practices. An excellent editorial in the Wall Street Journal also makes the case against H.R. 281 and I submit the article for the Record with the hope that all my colleagues will read the story and be persuaded to vote with me against H.R. 281.

[From the Wall Street Journal, Apr. 29, 1987]

A HARD LAW FOR HARDHATS

Bricks & Mortar Inc., let us imagine, is a construction firm with two smaller subsidiaries—one unionized, the other not. The unionized subsidiary usually handles projects in Northeastern cities, where unions tend to dominate local construction and closed shops are the rule. The nonunionized subsidiary mostly does work in the South, where unions exercise considerably less influence and open shops are common.

A conflict arises when B&M wins a contract for a project in the Midwest. It picks its lower-cost nonunion subsidiary for the job. But union officials cry foul, charging unfair "double-breasting" (steering work to a nonunion shop that would otherwise go to a union shop), and file a complaint with the National Labor Relations Board.

What is the NLRB's ruling? Right now, it likely would be in favor of B&M. Federal labor law permits double-breasting so long as a construction firm does not deliberately create a subsidiary to circumvent union agreements. But legislation wending its way through Congress would effectively outlaw double-breasting

The legislation, H.R. 281 and S. 492, would achieve this by redefining "single employer." Contractors like the hypothetical B&M, now classified as multiple-construction firms, would be reclassified as single employers if they were "performing or otherwise conducting or supervising the same or similar work, in the same or in different geographic areas, and having—directly or indirectly—substantial common ownership, common management or common control."

The double-breasting ban is, not surprisingly, being promoted by organized labor. It ultimately could require newly reclassified single employers to impose compulsory unionism on workers for all subsidiaries if a union had a contract at one site. Workers at other subsidiaries would not be permitted to vote for an open shop. Moreover, the proposed new law would forbid so-called "merit-shop" operations where union and nonunion contractors work side by side at construction sites. The elimination of merit shops means less competition for closed shops and higher construction costs.

The law is written in such a way that "common situs" and "multisitus" picketing—currently illegal in the industry—would be permitted. Aggrieved unions would be able to shut down entire construction sites even if they have a dispute with only a single subcontractor.

The sponsor of the House bill, Rep. William Clay (D., Mo.), insists that the legislation merely requires that construction-industry employers "live up to their contractual agreements." But there is little evidence that they are not doing that. Of the more than 100,000 complaints of unfair labor practices received by the NLRB between October 1983 and July 1986, roughly 100 concerned illegal double-breasting. Of these double-breasting complaints, nearly half were ultimately withdrawn by the unions.

Construction unions are clearly trying to rebuild their drastically reduced memberships through the force of legislation. But we wonder how many construction workers want to go back to the days when they had juicy union contracts but no work because they had, in effect, priced themselves out of the market. It sounds to us as if Rep. Clay and others are striking a blow for the unions, but against the job interests of construction workers themselves.

Mr. MILLER of California. Mr. Chairman, I rise in support of H.R. 281, the Construction Industry Labor Law Amendments of 1987.

This is very important legislation for members of the building trades in my district. The practice of double breasting—setting up separate, nonunion subsidiaries to avoid union contracts—undermines the collective-bargaining system and jeopardizes the livelihoods of thousands of members of the construction trades in Contra Costa County.

In recent years, we have made a number of efforts to support the rights of men and women in the building trades. Several years ago, we unsuccessfully sought passage of the situs picketing law. In the last Congress, we attempted to pass an earlier version of the bill which is before us today.

Unfortunately, both those efforts failed. And in the intervening years, the economic condition of the trades, and the stability of the unions which represent those workers, have been significantly undermined.

That situation has come about because of the weakening of the economy in general, which has produced an enormous pool of lesser skilled, nonunion workers who are willing to work for far less than the established rate in a particular area. And the existence of double breasting contributes substantially to the problem by permitting a device by which many of those lesser skilled and unorganized workers can be brought into direct competition with the organized trades.

In my own district, we have seen a new threat to the building trades in the form of a joint venture Korean-American steel company which has signed the biggest nonunion construction contract in the history of the State. Many of the workers who will be hired by the contractor, an out-of-State nonunion shop, and the subcontractors will be nonunion. They will work at wages and benefit levels which will depress wages for the entire San Francisco Bay area.

It is clear that unless the laws afford construction workers an opportunity to secure contracts without facing such undercutting methods as double breasting, the construction trades will disappear. And if that happens, the effect will be felt in every congressional district in this country which depends on the good wages of the building trades to support local business.

The bill requires that multiple business entities in the building or construction industry must be considered a single employer for purposes of labor law, provided that the following conditions are met: There is direct or indirect substantial common ownership, control, or management; the entities perform work within a geographical area covered by a collective bargaining agreement signed by one of the entities; and the work is of a type covered by the agreement.

Firms considered to be single employers under the bill would be required to apply the terms of a collective bargaining agreement signed by one subsidiary to all other subsidiaries which meet the tests described above.

The bill's provisions relating to the determination of single employer status do not apply to employers outside the construction industry.

The bill also prohibits construction industry employers who have entered into a legal prehire agreement from rebuilding that agreement prior to its expiration date. The term "pre-hire agreement" refers to agreements between construction firms and unions entered into prior to the start of a construction job under which the employer agrees to use union labor and to abide by wages and conditions of employment agreed upon.

Under the bill, an employer would be released from a prehire agreement prior to expiration only if the National Labor Relations Board [NLRB] conducts an election and certifies that a majority of the employees in an appropriate bargaining unit have selected another union to represent them or have voted against union representation.

The provisions of the bill on repudiation of pre-hire agreements simply establish in law the most recent ruling of the NLRB on this issue.

Finally, the bill specifies that employers in the construction industry are required to bargain with union representatives upon expiration of pre-hire agreements, unless the employees involved vote in an NLRB election to be represented by another union or not to be represented by any union at all. This provision does not require the employer to sign a new agreement; rather, it simply requires the employer to enter into good faith bargaining over a new agreement.

Mr. Chairman, we cannot abandon the men and women of the building trades. We cannot allow the continued use of devices which weaken the ability of the trades to collectively bargain and to support the well-being and the standard of living of their members.

H.R. 281 is an overdue bill which deserves our support and which should become law this year. I urge all of my colleagues to join with me in voting for H.R. 281.

Mr. OXLEY. Mr. Chairman, our great Nation was founded upon the principle of individual freedom of choice and opportunity. I am deeply concerned that certain Members of this body are yet again promoting legislation that, if enacted, will restrict this freedom of choice for many American construction workers.

H.R. 281, the construction industry labor law amendments, would, among other things, extend the collective bargaining agreement of a union shop operation to cover nonunion employees of an open shop operation, provided that both operations perform the same or similar work under common ownership or control of a single employer.

In effect, Mr. Chairman, this means that H.R. 281 would require that nonunion employees belong to a labor union, which includes forced payment of union dues, regardless of whether an employee chooses or desires such membership or representation. Legislation that forces membership in any organization is dangerous and goes against the very principles on which our country was founded.

Dual shop operations have withstood legal challenge in the past, and legal precedent allowing dual shop operations, so long as the day to day operations are wholly separate, has been established. Close study of the enforcement of the separation requirement over the years will reveal that such enforcement has been timely and consistent in providing protection against the sham operations, which apparently so concern H.R. 281 proponents.

Outlawing all dual shop operations in order to address concerns about sham operations is sort of like attacking a shadow with a nuclear missile, Mr. Speaker, when actually a little light would more than do the job.

In my view, if a Member of this body truly supports efforts to improve the competitive position of the United States, then he or she cannot justify support for restrictive and far-reaching measures like H.R. 281.

Passage of H.R. 281 or similar legislation will force drastic changes in the U.S. construction industry generally, resulting in increased operating costs for U.S. contractors and decreased opportunity for U.S. construction workers. And will it stop with the construction industry?

I sincerely hope that as we celebrate the 200th anniversary of the U.S. Constitution this year, my colleagues will not allow passage of legislation which restricts the freedom of choice and opportunity so deeply rooted in American history.

I urge my colleagues to oppose H.R. 281.

Mrs. COLLINS. Mr. Chairman, I rise in support of H.R. 281, construction industry labor law amendments. This measure would restore the meaning and intent of the Wagner Act, an act which has served as the protector of union workers in the construction industry.

Within the past several years the construction industry, with the help of the National Labor Relations Board and the courts, has denied workers their basic right to obtain contracts that will guarantee them job security. Congress guaranteed this right in 1959, when it authorized prehire agreements which would allow construction unions to enter into binding agreements with employers. At present construction companies are allowed to avoid such agreements because unions have to prove that they have majority support at all sites every 3 months. This makes for a tenuous situation, at best, for construction projects take at least 6 months or more to complete.

Another disturbing practice allowed by National Labor Board is double breasting. Under this practice construction companies set up subsidiaries that are not covered by union contracts and transfer work from its union site to their nonunion sites.

As a cosponsor of H.R. 281, I fully support this measure and urge its swift adoption. I believe its enactment is necessary because it makes prehire agreements binding on employers. It will restore workers' ability to enforce employers' compliance with such agreements and enable them to bargain with the company upon expiration of the agreement in which the project was to be completed.

Passage of this bill will elevate union agreements to equal status of other collective-bargaining agreements.

Mr. FIELDS. Mr. Chairman, as I did just little more than a year ago, I must rise in opposition to H.R. 281, the Construction industry Labor Law Amendments of 1987.

Before I state my reason for opposing H.R. 281, I want to say that I am not antiunion, but I do support choice in the decision for union representation. Unions historically have played an important role throughout the world in improving working conditions. I do recognize the tremendous contributions the members of our skilled trades have made toward the high productivity and quality found in the construction industry in the United States. By my actions, I aim to ensure that the high productivity and quality continue unabated.

H.R. 281 would redefine a single employer as one who has direct of indirected first, substantial common ownership; second, common management, or third, common control of related activities. The effect of this redefinition would be that the employees of so-defined "single employers" would be forced to either accept union representation or be denied union representation. I do not believe this is an acceptable situation.

Supporters of H.R. 281 claim that employers can avoid contractual obligations under a collective bargaining agreement by establishing nonunion entities. This assertion is false. The record of cases heard before the National Labor Relations Board substantiates that current law already protects against such abuses. The delicate balance which has been achieved by the NLRB and the courts under current law accounts for fairness while simultaneously recognizing the transient and increasingly competitive nature of the construction industry.

I fear that enactment of H.R. 281 would seriously upset this delicate balance. The construction industry in recent years has grown and changed substantially due to natural responses to internal and external conditions. Instead of imposing further disorienting change, I believe the response should be greater cooperation within the framework of present law.

In Texas particularly, this is not the time to impose unsubstantiated changes with profound economic implications on a major industry. Present law allows for the optimum situation for both employers and employees. It should not be changed.

I received numerous letters from construction industry employees and employers alike urging me to vote against this bill.

Employees said they did not want their right to choose whether to work union or nonunion to be taken away from them. Moreover, employers said enactment of H.R. 281 would increase their costs considerably and harm their competitiveness, undermining further productivity gains and development. These are more than adequate reasons for not making an unfounded, fundamental change in our labor laws.

Therefore, I must oppose H.R. 281 in the interests of ensuring the individual's right to choose his or her representation and of maintaining the delicate balance in construction industry labor relations which has facilitated growth and economic development. Both of these aspects I am striving to protect are fundamental to the continued individual and collective prosperity of the United States.

Miss SCHNEIDER. Mr. Chairman, I would like to take a moment to express my position on H.R. 281, the Construction Industry Labor Law Amendments of 1987. It is clear to me that many changes have occurred since the passage of the Landrum-Griffin Act in 1959, and these changes and the way in which they affect the construction industry should be debated. There are contractors in my State who are in strong opposition to this legislation, and there are labor unions which just as adamantly support it. As a legislator, I don't have the luxury of taking a position on this bill purely on the basis of whose interest are served. Rather, I must look at the history of the legislation, assess the current labor management situation, and come to a conclusion about the potential impact of the law.

Congress must determine whether the protection of the construction industry to be represented under a pre-hire agreement, as originally intended by Congress in 1959, has changed. Through NLRB and court rulings, the balance struck in the Landrum-Griffen Act shifted to favor the construction industry. The construction industry took advantage of these rulings to increase their bargaining position over unions, as we would expect it to. I feel that H.R. 281 represents a legitimate attempt to restore the original congressional intent. To return to the standard that served labor and management in the construction industry for more than two decades after its passage in 1959 is not revolutionary. It is also not without consequences, but those consequences are meant to restrict the balance between labor and management in the construction industry. The balance is never perfect in an adversarial relationship, but the concerns of both sides have been expressed on the floor today and I feel that H.R. 281 moves us back into that balance.

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Mr. CLAY. Mr. Chairman, I yield the balance of our time to the gentleman from Michigan [Mr. FORD].

Mr. FORD of Michigan. Mr. Chairman, I thank the gentleman for yielding me this time.

I rise in support of H.R. 281, although as one who has worked with this legislation for a number of years, I have had some difficulty following the arguments coming from over here on my left, some very far left.

I am caused today to think of the little fellow in the cartoon strip Bloom County.

He has a lot of anxieties from time to time that are triggered when he goes home and goes to his bed, and these anxieties come out of the closet in the form of very wicked-looking monsters.

I have seen, I think, the Bloom County syndrome at work over here on the other side of the aisle.

In 1959, the Congress passed, and President Eisenhower signed, the Landrum-Griffin Act. That was not known as a great prolabor piece of legislation.

It is still remembered, as a matter of fact, as a piece of legislation in which labor felt it took its lumps; but nevertheless, that was the change in the National Labor Relations Act that was intended to straighten out the problems that this legislation is addressing itself to with respect to the building and construction industry.

They were intended to stabilize labor relations within the industry, and to protect the ability of workers to enjoy the benefits of collective bargaining. Plain, simple, and honest, that is the way they were sold. That is the way we believed it to be.

The newly constituted National Labor Relations Board has unfortunately been misapplying that law. By permitting employers through the practice of double breasting to renege on bargaining agreements that they have previously voluntarily entered into, the National Labor Relations Board has effectively destabilized labor relations in the industry, and has denied the construction workers the rights Congress and President Eisenhower expected them to have.

I always believed that in a moral society, a promise is a promise. I have the old-fashioned belief that our country is made stronger when our social institutions, both public and private, encourage individuals to live up to their agreements.

The policies of the NLRB encourage just the opposite. The double breasting H.R. 281 would outlaw is nothing more than a legal shell game whereby contractors are permitted to break their promises, to avoid commitments they have, themselves, voluntarily entered into. This practice is especially pernicious in the field of labor relations where, due to competitive pressures, the ability of one contractor to escape its commitments to workers forces others to follow suit.

There is no justification for permitting the people who break their word to have an unfair advantage over the people who keep their word.

Contractors are not compelled to enter into collective-bargaining agreements. Nor is the scope of the agreement predetermined by law or any other factor. These are voluntary agreements mutually negotiated with the union. If the contractor feels it could better compete on a nonunion basis, the contractor is free to do so. It doesn't have to agree to anything. If the contractor wishes to negotiate an agreement that is only applicable to a portion of the work it performs, the contractor is free to do so. H.R. 281 will not limit that freedom.

But once a contractor signs an agreement and makes a promise to hire its employees through a union hiring hall, and pay union wages, the law should require it to stand behind its promise and to live up to its commitment.

Contrary to what some have claimed, H.R. 281 does not have the effect of imposing collective bargaining agreements on "independent" or "separate" business entities in the construction industry. This bill is aimed specifically at related—not independent—business entities. The practice of double breasting in the construction industry is well known and well understood. Ownership of a small share of stock in another company, membership on the board of directors of a bank making loans to another company, or a typical contract between a general contractor and an independent subcontractor do not satisfy the definition of single employer in section 2(a) of this bill.

As is clearly stated on page 13 of the report accompanying this bill, several factors, including substantial common ownership substantial common management, and substantial common control must be viewed in the aggregate in determining single employer status. Only upon examination of the totality of relevant circumstances, where it is shown that the relationship between the two is not an independent one, can single employer status be found.

This bill is not about common-situs picketing, right-to-work laws, or any of the other red herrings being tossed around. It is about honesty and the ability of unions and construction workers to make contractors live up to their promises. Vote for honesty in collective bargaining. Vote for H.R. 281.

The CHAIRMAN. Pursuant to the rule, the committee amendment in the nature of a substitute now printed in the reported bill shall be considered as an original bill for the purpose of amendment, and each section shall be considered as having been read.

No amendments are in order except those amendments printed in the "Amendments" portion of the CONGRESSIONAL RECORD on or before June 16, 1987.

The Clerk will designate section 1.

The text of section 1 is as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be referred to as the "Building and Construction Industry Labor Law Amendments of 1987".

PARLIAMENTARY INQUIRY

Mr. JEFFORDS. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. JEFFORDS. Mr. Chairman, we have several amendments to section 2 of the bill.

If one amendment is to subsection (b) of the section, does that preclude an amendment thereafter to subsection (a)?

The CHAIRMAN. It does not.

Mr. JEFFORDS. I thank the Chair.

The CHAIRMAN. If there are no amendments to section 1, the Clerk will designate section 2.

The text of section 2 is as follows:

SEC. 2. (a) Section 2(2) of the National Labor Relations Act (29 U.S.C. 152(2)) is amended by adding at the end thereof the following new sentence: "Any two or more business entities engaged primarily in the building and construction industry, performing work within the geographical area covered by a collective bargaining agreement to which any of the entities is a party, performing the type of work described in such agreement, and having, directly or indirectly—

"(1) substantial common ownership;

"(2) substantial common management; or

"(3) substantial common control;

shall be deemed a single employer *Provided*, That the existence of a contractor-subcontractor relationship between any two or more business entities working at a construction site shall not, by itself, be deemed to create a single employer or be considered as evidence of direct or indirect common management or control, within the meaning of this sentence".

(b) Section 8(d) of such Act (29 U.S.C. 158(d)) is amended by adding at the end thereof the following new sentence: "Whenever the collective bargaining involves employees of a business entity comprising part of a single employer in the building and construction industry, as defined in section 2(2) of this Act, the duty to bargain collectively, for the purposes of this section, shall include the duty to apply the terms of a collective bargaining agreement between such business entity and a labor organization to all other business entities comprising the single employer and performing the work described in the collective bargaining agreement within the geographical area covered by the agreement.".

(c) Section 8(f) of such Act (29 U.S.C. 158(f) is amended—

(1) by striking out the colon at the end of clause (4) and inserting in lieu thereof a period and the following: "An agreement lawfully made pursuant to this subsection shall impose the same obligations under this Act as an agreement made with a majority representative pursuant to section 9(a):"; and

(2) by inserting before the period at the end of such section the following new proviso: ": *Provided further*, That any agreement lawfully made pursuant to this subsection may be repudiated only after the Board certifies the results of an election conducted pursuant to section 9(c), in which a majority of employees in an appropriate bargaining unit either selects a bargaining representative other than the labor organization with which such agreement was made or chooses not to be represented by a labor organization".

AMENDMENT OFFERED BY MRS. ROUKEMA

Mrs. ROUKEMA. Mr. Chairman, I offer an amendment.

Mr. CLAY. Mr. Chairman, I reserve a point of order on the amendment.

The CHAIRMAN. The gentleman reserves a point of order.

The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mrs. ROUKEMA: Page 3, after line 23, insert the following proviso:

"*Provided*, That the labor organization has the support of a majority of the employees employed in all such business entities and performing the type of work described in such agreement within 30 days after the hiring of the first employees under an agreement pursuant to section 8(f) of this Act or within one year of the date of enactment of this Act in the case of contracts entered into before the date of enactment of this Act. In any case in which a petition has been filed under section 9(c), the Board shall direct an election and certify the results thereof within 30 days of the filing of the petition, which petition is not subject to the requirements of section 9(c)(1) or subject to the showing of a substantial interest on the part of the labor organization.".

Mrs. ROUKEMA (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentlewoman from New Jersey?

There was no objection.

Mrs. ROUKEMA. Mr. Chairman, without this amendment this bill will impose a union on employees, that is, all employees, whether they want one or not. Employee choice has been the very foundation of the National Labor Relations Act, and it would be absolute travesty to enact amendments to this statute, H.R. 281, which would deny employees the right to decide by majority rule whether or not they will have union representation.

My amendment guarantees majority support before a contract is applied to the nonunion entity. The contract would be applied to all other business entities comprising the single employer only if within 30 days of the hiring of the first employee under the prehire agreement the union has the support of the majority of the employees employed in all the union and nonunion entities. After the filing of a petition for an election by an interested party, an election would be conducted by the Board.

Now, what precisely will this amendment do? If the majority of the employees across all the entities vote for the union which is signatory to the contract, the contract will apply to all the entities. In other words, double breasting is prohibited because the employees want it prohibited. If a majority of the employees across all the entities vote against the union, then the contract applies only to the previously unionized shop. The employer is free to double breast during the life of the contract.

I submit, Mr. Chairman, that this is a fair amendment. It is the only one offered today which guarantees employee choice. A vote for my amendment is a vote not for the unions, not for the contractors, but for individual employees—the workers whose rights have always been protected by the National Labor Relations Act.

Mr. BERMAN. Mr. Chairman, will the gentlewoman yield?

Mrs. ROUKEMA. I yield to the gentleman from California.

Mr. BERMAN. Mr. Chairman, I thank the gentlewoman for yielding.

I would like to ask the gentlewoman, fundamentally what is the conceptual difference between her suggested amendment to new entities that meet the tests of this bill that have a common management control, with dual shops, and simply repealing section 8(f) of the National Labor Relations Act which was enacted in 1959 and which authorized prehire agreements?

If the gentlewoman's amendment is appropriate for these new entities that are formed by employers who seek to get out of a union contract, why is it not good for the initial contract? Why is it not appropriate? Why is the gentlewoman not making a frontal assault on section 8(f) of the National Labor Relations Act?

Mrs. ROUKEMA. Mr. Chairman, if I understand the gentleman's question, my amendment goes to the issue of double breasting, not prehire agreements. Later I will have an amendment that deals with the prehire agreements, but this has to do with the section on double breasting.

Mr. CLAY. Mr. Chairman, I rise in opposition to the amendment.

The CHAIRMAN. The Chair will inquire, does the gentleman withdraw his point of order?

Mr. CLAY. Yes, I do, Mr. Chairman.

The CHAIRMAN. The gentleman from Missouri [Mr. CLAY] is recognized for 5 minutes.

Mr. CLAY. Mr. Chairman, contrary to the explanation given by the sponsor of the amendment, this amendment does deal with prehire. It is really a part of the Deklewa agreement or decision. As I read the amendment, it is saying that after the expiration of the contract there would be no duty on the part of the employer to bargain with the employees, which is contrary to all other agreements.

Mrs. ROUKEMA. Mr. Chairman, if the gentleman will yield, that is not the intention of the amendment. The amendment deals directly with the double-breasting issue, and on that matter I would yield for a further comment to the gentleman from Vermont [Mr. JEFFORDS].

Mr. CLAY. Mr. Chairman, I would point out that it is my time, and I will yield to the gentleman from Vermont [Mr. JEFFORDS] if he wishes.

Mr. JEFFORDS. Mr. Chairman, I thank the gentleman for yielding.

We are dealing here with a situation where you still do not have a project yet, so you do not have a prehire agreement in that sense. The union comes in and you have entered into a contract with the union which was signed, but there is no prehire agreement at that point until you have a project essentially and you are going to be hiring the employees. Then you get into prehire agreements and the binding impact upon them.

So I think the gentleman is talking about a period of time that is different than the prehire agreement time.

Mr. BERMAN. Mr. Chairman, will the gentleman yield?

Mr. CLAY. I yield to the gentleman from California.

Mr. BERMAN. Mr. Chairman, I appreciate the comments of both the gentleman from New Jersey and the gentleman from Vermont [Mr. JEFFORDS], but I do not read this amendment in that fashion. My first reading of this amendment makes me think that essentially you are trying to remove the entire foundation for prehire agreements in the construction industry with this amendment.

For a number of very good reasons, and primarily the difficulty of applying the industrial model sector to the construction industry, Congress in 1959 decided to specifically sanction prehire agreements, and the way they made sure that the will of the employees was not abrogated by viture of prehire agreements was to say that that master agreement would not be a bar.

□ 1415

There is no contract bar to a decertification of a representative that did not represent the majority of the workers.

The gentlewoman's amendment essentially undoes all this history, at least as to the dual shop and says a formal election process, which never could work in this industry and particularly could not work when many of the people on that side of the aisle defeated the whole concept of labor law reform and quick and speedy and expedited elections in highly seasonal industries, that could never work and would have to apply in this one area.

If there is an argument for a dual shop that has nothing to do with evading the obligations of a union contract, I would suggest a better approach than undermining the whole foundations of prehire agreements would be to tell us what that purpose is and why this bill would somehow wipe out or make impossible to obtain that purpose.

Mr. JEFFORDS. Mr. Chairman, will the gentleman yield?

Mr. CLAY. I yield to the gentleman from Vermont.

Mr. JEFFORDS. Mr. Chairman, I will certainly ask for more time if it is necessary.

Let us take a look at what the gentleman's bill does against the existing law and the kind of situation we are getting into here and trying to face.

Under existing law, as I explained in general debate, if you have a union shop and an open shop operating separately in the same geographical area, let us say one is working with residential and the union is with commercial, when the gentleman's bill goes into effect, there would be no longer under the gentleman's bill provisions that nonunion, that open shop would now be under the collective bargaining agreement. Now, those employees did not go through the hiring hall. They never had a say as to whether or not they would be under the union agreement. Is that correct?

Mr. CLAY. Well, is the gentleman talking about the ones in the nonunion shop?

Mr. JEFFORDS. Right.

Mr. CLAY. Certainly, if they had an election and they voted against the union.

Mr. JEFFORDS. No, there has been no election. You have an open shop and you have a union shop. Now, this law passes and under the gentleman's law, since it is the same geographical area, that open shop is now under the collective bargaining agreement; is that correct?

Mr. CLAY. The collective bargaining agreement only applies to the contractor that has an agreement with the workers who are in the union.

Mr. JEFFORDS. We are talking about the essence of the gentleman's bill, which says that if you are a single employer——

The CHAIRMAN. The time of the gentleman from Missouri has expired.

(At the request of Mr. JEFFORDS, and by unanimous consent, Mr. CLAY was allowed to proceed for an additional 5 minutes.)

Mr. JEFFORDS. Mr. Chairman, if the gentleman will continue to yield, we have a situation under the gentleman's bill, the gentleman says that if you are in the same geographical area and you have a contract which covers the union side and you have a nonunion shop operating, under the gentleman's bill they now are required to be under that collective bargaining agreement, and yet those employees have never had an election on anything; right?

Mr. CLAY. But what this amendment is saying is that after the contract expires, there must be an election held. I am saying to the gentleman that would totally disrupt what the working conditions have been in this industry. It takes 5 years to hold these elections.

Mr. JEFFORDS. Mr. Chairman, if the gentleman will yield further, that is not my understanding of the amendment. My understanding of the amendment is that at that time they come under that collective bargaining agreement, those employees ought to have an opportunity to be able to vote as to whether or not they ought to be covered by the union.

Mrs. ROUKEMA. Mr. Chairman, will the gentleman yield?

Mr. CLAY. I yield to the gentlewoman from New Jersey.

Mrs. ROUKEMA. Again going back to my first response to the gentleman from California, the gentleman is speaking, I believe, his remarks are more addressed to my other amendment on the prehire agreement.

Now, let me see if I can clarify this and maybe we can have an understanding, if not an agreement, at least an understanding about what we are talking about.

This amendment does not affect the 8(f) prehire agreement issue that the gentleman has raised. That is still allowed. Prehire precedes, in a sense, my amendment.

What we are talking about here is extending employee choice to everyone before the double-breasting kicks in.

Now, it may be helpful, if the gentleman will continue to yield, it may be helpful if I go into some of the details of the legislation as I see it, relating to my amendment, if the gentleman from Missouri will continue to yield to me.

Mr. CLAY. Mr. Chairman, I continue to yield to the gentlewoman from New Jersey.

Mrs. ROUKEMA. I would like to go into a little detail as to the specifics of the legislation that relate to my amendment here.

The election procedure to which I referred in my opening statement calls for a truncated election procedure similar to those already used by the Board under section 8(b)7(c) of the act, which would be used in double-breasting cases.

I believe I can assure the gentleman that the Board can conduct elections in this short time period because it already does so in 8(b)7(c) cases. In such cases it conducts an investigation within 73 hours and an election within a few days or about a week. The election is truncated, not expedited, but truncated in that in almost all cases there is no hearing beforehand.

Further, the filing of the petition for the election is not subject to the requirements of section 9(c)(1) or subject to a showing of substantial interest on the part of the employees.

Finally, I think, although it is expected that in double-breasting cases the usual route for showing majority support would be this truncated election procedure, the amendment does not rule out the possibility of showing majority support in other ways that have been traditionally recognized by the Board and accepted by the employer.

Mr. CLAY. Mr. Chairman, let me say to the gentlewoman that what she is attempting to establish is a new concept in labor law which will give a separate vote to a part of a unit. In essence, what the gentlewoman is saying is that you are calling for an election to decide whether there is majority support for representation, which undermines the very purpose of section 8(f) in the first place. The way to do that, as it was recognized and is still recognized, that having elections in this industry is a very long and complicated situation that takes sometimes as long as 5 years with all the appeals. The recognition was that you have a decertification of the union, instead of an affirmation of the union; so if the majority of the people in that unit did not want the union, then all they had to do was to sign cards decertifying, but not to have a new election which would take 5 years.

I oppose the amendment, Mr. Chairman, and ask for its defeat.

Mr. BARTLETT. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the amendment. I would call to the attention of the sponsors of the bill that the gentlewoman from New Jersey is perhaps trying to save what is proposed to be the intent of the legislation. She is saying that even if you accept, which she does not, and I do not, even if you accept that we should prohibit double breasting or legal double breasting with independent companies, which H.R. 281 does, if H.R. 281 were to be enacted into law and the result of that, as it would be in many cases, would be that the employees of a nonunion company would be subject to the terms and conditions of a collective-bargaining agreement, as it provided on page 3 of the bill. All the gentlewoman from New Jersey is suggesting is that in those cases were that to happen, that the employees of that nonunion company would have within 30 days the opportunity for either an election, or in the terms of her amendment on lines 12 through 14, or some other showing of a substantial interest on the part of the labor organization; so the gentlewoman is accepting the concept of prehire. She is simply saying should H.R. 281 impose collective-bargaining terms and conditions on a group of employees that had never been asked the question, that had previously chosen not to be subject to a hiring hall or a union hall, were nonunion, that before that happens, within 30 days, they should have the opportunity to show a substantial interest on the part of a labor organization or not.

It would be the hope of the gentlewoman and mine that in many cases that would happen with an election, but in other cases it would not under the terms of section (8) and of her amendment.

So I would suggest to the sponsors of this bill that the gentlewoman is offering an amendment which substantially improves the bill and at least says that employees would not have a collective-bargaining agreement imposed on them by H.R. 281 without any opportunity to intervene at all.

Now, I want to call to the attention of the House that that in essence demonstrates one of the most difficult problems of this bill, because the bill, the way it is constructed, by saying that any company, any single employer that owns two or more subsidiaries with common ownership, substantial common ownership, is per se illegally double breasted.

The requirement, therefore, of that company that has an existing prehire agreement, today with one of those companies that prehire agreement is automatically imposed on employees that had never had anything to do with it, that had not been involved in collective bargaining.

The gentlewoman from New Jersey is saying that if the House is going to do that, and we hope they do not, that at least give those employees some voice, some right to be heard before that collective-bargaining agreement is imposed on them.

The gentlewoman is not in any way in this amendment changing 8(f) or other prehire agreement methodology. She is merely saying that those employees under existing law would have the right to be able to show that interest or not.

Mr. BERMAN. Mr. Chairman, will the gentleman yield?

Mr. BARTLETT. I yield to the gentleman from California.

Mr. BERMAN. Mr. Chairman, just to develop the point that the gentleman is making further, first, I want to indicate that I did not think the gentlewoman was seeking to repeal 8(f). All I was saying, and I would repeat it at this point, is that the logic of 8(f) and its authorization of prehire agreements for a good and well-documented reason, and it is there was no other effective way to deal with the desire in the construction industry of workers to get the benefits of union representation and union contracts, that the conceptual logic of that applies just as much in dealing with the double-breasted part of that employer's operation, and that there is no logic to setting forth an election process dealing with that double-breasted part without attacking fundamentally, and I would respect that kind of an attack and we could debate it and hear that out, the authorization of prehire agreements under 8(f).

When we talk about one employer and the second employer, I do not think that is in reality a very fair way to approach it. An employer signs a collective-bargaining agreement which says that he will pay certain wages and provide certain fringe benefits. Maybe it has a union shop provision, maybe it does not have a union shop provision. It depends in some cases in what state that contract is, that all work of a certain kind, and to get to the point of the gentleman from Vermont, whether it is commercial construction or residential construction is irrelevant to certain kinds of work as defined in that contract in a particular geographic area.

The CHAIRMAN. The time of the gentleman from Texas has expired.

(At the request of Mr. BERMAN, and by unanimous consent, Mr. BARTLETT was allowed to proceed for 2 additional minutes.)

Mr. BERMAN. Mr. Chairman, will the gentleman yield further?

Mr. BARTLETT. I yield to the gentleman briefly, and then reclaim my time.

Mr. BERMAN. To create a situation that these are really two employers, when the test and the standard here should be is the guy who signed the contract, who promised to pay his workers who are doing that work in that geographic area, in setting up some kind of operation to get out of that obligation.

Mr. BARTLETT. Mr. Chairman, reclaiming my time, that is precisely the issue. Under current law, a single employer can be defined as someone who has common ownership, but two separate employers. Current case law, which the gentleman is trying to repeal, says that for purposes of labor law, those are two separate employers that can sign two separate collective-bargaining agreements or not.

The gentleman is saying that under current case law if the employer has signed a collective-bargaining agreement with one company, but then another employer with common ownership, but still separate and independent under current law, but if there is common ownership, that other employer would have the terms of this unrelated collective-bargaining agreement attached to him, even though he had signed the collective-bargaining agreement under other terms and conditions.

So I suggest that H.R. 281 is very clear. On page 3 it says that in these cases it shall include the duty to apply the terms of a collective-bargaining agreement between such business entity and a labor organization.

□ 1430

All the gentlewoman is saying is that before you do that, give the employees that have never been represented the right to vote on it in an election called within 30 days.

Mrs. ROUKEMA. Mr. Chariman, will the gentleman yield?

Mr. BARTLETT. I yield to the gentlewoman from New Jersey.

Mrs. ROUKEMA. I thank the gentleman for yielding.

Mr. Chairman, the gentleman from Texas is absolutely correct, and I think that there has been a smokescreen thrown up here to confuse the issue. My amendment does not throw out the prehire agreement. It still applies to the union shop. The only question is, under this employee-choice amendment, whether or not we are going to extend that contract to the nonunion shop, and there it should be the emplyee choice under the truncated election procedure.

(On request of Mr. BERMAN, and by unanimous consent, Mr. BARTLETT was allowed to proceed for 2 additional minutes.)

Mr. BERMAN. Mr. Chairman, will the gentleman yield?

Mr. BARTLETT. I yield to the gentleman from California.

Mr. BERMAN. I appreciate the gentleman's yielding.

Mr. Chairman, I still would like from either the gentlewoman from New Jersey or the gentleman from Texas an answer to this question: What is the conceptual philosophical justification for saying that for the double-breasted operation, the dual shop, whatever you want to call it, there you have this election process, but we are not touching 8(f), we are not touching prehire agreements. If prehire agreements do not make sense, and I think that maybe in the gentleman's heart of hearts, he would like to go after 8(f), and do away with that, and I would understand that and respect that, but there is no logic to doing it here and not doing it there.

Second, just one last thing to respond, because case law says that common ownership can still be dual employers does not make it right, does not make it appropriate, does not make it a definition that this Congress has to accept, and we look at what the National Labor Relations Board has done over the past 6 years and we try to take appropriate responses, and that is what we are doing here.

The untold story of the last 6 years is not the legislation that has rolled back worker rights; much of that has happened through the regulatory process through the relatively unpublicized decisions of this National Labor Relations Board.

Mr. BARTLETT. I appreciate the gentleman's question. In answer to this first question, the logic is that the sponsors of H.R. 281 would impose the terms and conditions of collective-bargaining agreements on a whole new group of employees who had never chosen to be represented by those collective-bargaining agreements. So it does make some case that if we are going to pass a law to impose those terms and conditions, we ought to first give the employees the right to vote.

The gentleman is correct. I believe that American workers always ought to have the right of a secret-ballot election before having a labor union contract apply to them. I believe that. I do not believe that all Members who vote for this amendment would have to accept that premise, but the gentleman is correct, and one day this Congress is going to get around to protecting the rights of individual workers in this country to vote by secret ballot on their own terms and conditions of their employment.

Mr. FORD of Michigan. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, what the gentleman has just said illustrates that he does not understand the unique characteristics of the building and construction industry. This confusion is best illustrated by the gentleman's final remarks that Landrum-Griffin contains specific language to take care of the problem. They were not trying to create problems in Landrum-Griffin, they trying to bring peace.

Now if indeed you go along with the gentlewoman's amendment and you get back to pre-Landrum-Griffin, then the alternative is that you have a strike at each building site trying to get recognition, and that does not benefit anybody.

What this section 8(f) that she seeks to amend provides is for prehire agreements entered into by employers with various trade unions and hiring halls that agree to refer people with certain qualifications on request from the employer.

Indeed, it is common, not unusual, that the employees who go on a particular construction job most likely never will work for that employer again, and many of them never worked for that employer before. A big contractor comes in and he is going to do a job and he asks for x number of rough carpenters, finish carpenters, electricians, what have you, and the hiring hall sends them to him. They are sent to that job, and the next group will go to another contractor. If you did not have that kind of procedure, there would be no way for a contractor who was moving around taking jobs wherever construction can be undertaken to have any kind of stability or peace at all.

Unfortunately the effects of the gentlewoman's amendment is to reverse all of that by saying that if indeed you had not a well-meaning, innocent contractor who had entered into a collective-bargaining agreement and might inadvertently do something that would get him into trouble, what it says is that if you really want to get around the union contract that you have with the building trades, you simply go in, start your job, and hire nonunion people on that job, and then after you have hired the nonunion people who will lose their job if the union is approved, you then would within 30 days have to ask them all if they wanted to belong to the union.

If you were ever setting up a situation that is going to give everybody heartburn, that is the way to do it. That is worse than conditions that existed prior to Landrum-Griffin. And it is not a retreat just to what circumstances have grown into, it is a retreat beyond that, and it will guarantee absolutely nothing but disruption in an area where there has not been disruption.

One of the Members who spoke against this bill a little while ago said, "If it ain't broke, don't fix it." Well, if there was ever a case of something that is not broke that does not need fixing, it is the prehire-agreement understandings and the hiring-hall understandings which everybody has worked with now since 1959.

Everybody understands, they know exactly how to do it, and now we are going to change the rules on them and say, "Hold it. While you, Mr. Contractor, who have a union contract and live up to your contract, are bidding against a guy who wants to cut corners and cheat, we're going to place you at a disadvantage to the fellow who wants to take advantage of the loopholes in the law by providing yet another loophole for this person to sidestep his responsibility, undercut you on the bid to get the job," and that is the point at which you have hurt the legitimate, law-abiding contractor for the benefit of the highbinder who is looking for a way to cut corners and get by on the cheap.

That certainly is not what we want to put into the law as a matter of public policy. That would make all the pain and suffering of what this Congress and the White House went through in the consideration and the adoption of Landrum-Griffin a total waste.

Those Members who cannot remember what went on in this country in terms of controversy and anxiety as a result of the consideration of Landrum-Griffin should know that it tore up both political parties, it tore up parts of this country, it was one of the most controversial pieces of labor legislation during its consideratin that we have had in the history of the National Labor Relations Act, and if they do not remember that, they should take my word for it, nobody who is on either side of the table wants to return to the bad old days of that kind of guerrilla warfare.

Mr. JEFFORDS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, we have had an excellent history of labor law and a lot of educational material here, but let us try to get back to the basic thing we are talking about and which the other side would agree that we are talking about, and understand it in terms that we all can relate to. What we are talking about here is a situation where in the same geographical area you have an open shop on one day, you have a union shop, you have work forces in both of them, and you have no project at that point. Let us take that scenario.

On day 2, a large project arrives for the open-shop company. If this bill is in effect, the labor contract is now imposed upon that labor force in the open shop. They go to work and they say, "Wait a minute, you've got to go over to the union hall to see if you can get your job."

They say, "Wait a minute, I'm not a member of the union."

"Well, that does not make any difference, the contract is now imposed upon you."

They go over to the union hall to get their job, and they say,"Sorry, union seniority, you don't have the prerequisites for the skills, et cetera, et cetera."

So all of the union fellows who are over here suddenly end up with the jobs of these people who would have had the jobs, who have no recourse under the bill except for a decertification election, which might take some 60 days. By the time 60 days is up, they have no place to go, no job, and they have been totally precluded from any kind of representation whatsoever.

What the gentlewoman's amendment says is that under these circumstances, which are transition times, this is when the bill goes into effect, and remember, the bill only has a year waiting period if there is a project—there is no project here—under these circumstances she says that they ought to have an opportunity very quickly, an expedited procedure, to be able to say whether or not they want to be under these union agreements or represented by the union.

Now you could have a situation where that work force in that nonunion company could be 500 and the work force on the union side could be 100, and you are going to have the 500 employees being dictated to by 100 with no chance ever to express themselves as to whether or not they want to be represented by that union.

□ 1440

I would like to beg anyone on the other side that disagrees with that scenario to let me know now.

Mrs. ROUKEMA. Mr. Chairman, will the gentleman yield?

Mr. JEFFORDS. I am happy to yield to the gentlewoman from New Jersey.

Mrs. ROUKEMA. Mr. Chairman, I thank the gentleman from Vermont for yielding.

I want to restate something here. I think the gentleman made the case very graphically and clearly in a real life situation. But I want to go back to some of the allegations that have been made concerning how we are affecting existing law.

I must say and restate that we are not affecting the prehire agreements in this amendment. They still apply to the union shop. There is no effect from my amendment on Landrum-Griffin. I do not know why that should be raised here. It does not apply.

What my amendment does is let all of the employees, nonunion, decide if they want union representation, both union and nonunion, and they decide it, as the gentleman from Vermont has very correctly put it, in a truncated or expedited procedure so that the jobs will not be gone before the people have had the right to their choice, because of the unique nature and the seasonal nature of the construction industry.

I think it is eminently fair. We are not doing all of these terrible things affecting 8(f) as has been intimated. It is a straightforward and clear election procedure and choice.

Mr. JEFFORDS. I agree. I think the gentlewoman has an excellent transition amendment, and that is what it is, a transition amendment to see just how far the other side wants to go, and they ought to be accepting this amendment.

It affects the cases only of those incidents when this bill suddenly goes into effect and you have the kind of situation we are talking about, and it ought to be endorsed by the majority. They ought to agree with this so that we can get on with it and not waste any more time on this amendment, which is so fair, so well meaning and so appropriate.

I yield back the balance of my time.

Mr. LEVIN of Michigan. Mr. Chairman, I move to strike the requisite number of words.

Briefly stated, if I might say to the people on the other side of this, the problem is that you would let the employer have the benefit of the fruits of the evasion of a contract, because in the vast majority of cases there is a separate organization set up to avoid the contract. You are talking about the same basic entity, and they are only combined if they are the same basic entity under this law.

So you are saying where there are 500 versus 100 you let the 500 outvote the 100. That is what you are saying in simple terms.

Now if this were a situation like this, I wonder what would be the answer where you have a business that has a contract say with the Government, and the Government decides it will somehow—or let us say with one business which has an agreement with the other, and the second business does not like it, so it sets up another unit and is going to do the very same work. Are you going to let it out of the contract? I do not think so.

The problem is, in a word again, that the gentlewoman's amendment lets the employer gain the fruits of its evasion.

If you want to apply those two situations where that it not true, draft the amendment that way.

Mr. BARTLETT. Mr. Chairman, will the gentleman yield?

Mr. LEVIN of Michigan. I yield to the gentleman from Texas.

Mr. BARTLETT. I thank the gentleman for yielding and I respect him a great deal.

The difficulty is that it is the employees that are at issue here. It is the employees the gentlewoman from New Jersey is attempting to protect, to say at some point they would have the right to have an election as to whether they have to have collective bargaining imposed on them.

Mr. LEVIN of Michigan. Let me just take back my time to answer that. The problem was that it was not the employees that set up the second unit, it was the employer who set it up with people who were not members of the union. The employees did not just come out of the air, they did not work for this second unit rather than the first unit out of their own choice. The employer created a second unit.

Mr. BARTLETT. Will the gentleman yield further?

Mr. LEVIN of Michigan. Sure; I yield to the gentleman from Texas.

Mr. BARTLETT. I would just pose to the gentleman how did these employees come to go to work for this company? And, incidentally, it is not the same basic entity; it is a separate, independent entity that has to operate separately. But leaving that aside, that is under current law, but if these employees were not forced to go to work for that company, and in fact under the terms of the gentlewoman's amendment if these employees do want the terms and conditions of the collective bargaining agreement to apply to them then they vote for it and that is known as an election, and that is all the gentlewoman is asking for, is for the employees to have an election, to be able to make that choice.

Mr. LEVIN of Michigan. Let me just say that is not the reality. That is not the reality out there where people are working and where people are in business. The reality is you have business 1. Business 1 decides because it wants to undertake work outside of the agreement to set up business 2 in the same geographical area doing the same work, and the same kind of work. And then the gentleman is saying let the employees of that second entity have a vote to be outside of the contract that was binding on unit 1.

So, in a word, you are letting the employer gain the fruits of its creation of a unit to get out from under the contract governing unit 1.

Mr. BERMAN. Mr. Chairman, will the gentleman yield?

Mr. LEVIN of Michigan. I yield to the gentleman from California.

Mr. BERMAN. Mr. Chairman, I think, as I agree very much with my friend from Michigan, that fundamentality this whole bill is to try and deal with an employer getting out from the commitment that he made, the contractual obligation that for certain kinds of work specified in the contract, in a certain geographical area specified in the contract, he will employ union help at union wages with union fringe benefits in accordance with the terms of the contract that he voluntarily signed.

The CHAIRMAN. The time of the gentleman from Michigan [Mr. LEVIN] has expired.

(By unanimous consent, Mr. LEVIN of Michigan was allowed to proceed for 2 additional minutes.)

Mr. LEVIN of Michigan. I yield to the gentleman from California.

Mr. BERMAN. The more one looks at this amendment, the more one sees the problems of it.

What you really are saying is as a transition in the second shop that we think was created solely for the purposes of going through a form change to get out of the obligations that that employer had entered into freely, that in that place, before the double-breasting provisions of this bill apply, there is an election, right? That is the fundamental thrust of it?

Mrs. ROUKEMA. I do not know how I can make it any plainer. This amendment does not change the law on double-breasting. It does not.

The CHAIRMAN. The gentleman from Michigan [Mr. LEVIN] controls the time.

Mr. LEVIN of Michigan. Mr. Chairman, I am controlling the time. Let the gentleman from California continue.

Mr. BERMAN. You have a section (9c) petition that says within 30 days there will be an election. What if the employer makes that petition, and what if the employer makes that petition when he has hardly any construction activity going on, or the employer draws that petition at some other time to make sure that when that election is held by definition there are hardly any workers there, or the only workers are the ones that represent a small proportion of the final work force? You are creating a process that you do not want to apply, and you keep saying you do not want to apply to the basic contract. No one has suggested you are trying to get rid of prehire agreements here.

What I am saying is there is no logical difference, there is no justification for applying a contrived election process that cannot work. In the second place, unless you are going to fundamentally attack the prehire agreements, and I would suggest that that is the right way to go. The Bartlett approach would be to go after the prehire agreements, because we want to have secret ballot elections, even if it is impossible to hold, even if it is very difficult to determine the will of the employees, even if we have all of the protections, the decertification of a union that does not represent the workers already in the law, then let us get rid of the prehire agreements. That is the only argument for this amendment.

The CHAIRMAN. The time of the gentleman from Michigan [Mr. LEVIN] has again expired.

(On request of Mr. BARTLETT and by unanimous consent, Mr. LEVIN of Michigan was allowed to proceed for 5 additional minutes.)

Mr. LEVIN of Michigan. Mr. Chairman, let me just underline what the gentleman from California has said and spell it out. You have an agreement between unit 1 and the union. It has a prehire agreement. They are to hire through the hall.

Entity 1 does not like it, so it sets up entity 2. Entity 2 does not hire through the union hall. Say it hires 500 people through entity 2 and only 100 under entity 1. What you are essentially saying is you allow the people in entity 2, which under this bill has to be essentially the same employer in the same industry in the same geographical area doing the same kind of work, you are letting entity 2 outvote those in entity 1. So essentially this is an open ticket to evasion by the employer.

Mr. JEFFORDS. Mr. Chairman, will the gentleman yield?

Mr. LEVIN of Michigan. I yield to the gentleman from Vermont.

Mr. JEFFORDS. Mr. Chairman, you are setting up an example dealing with employers, for one thing, and we are dealing with the rights of the employees. But you are setting up an example which from the facts you give are violations of existing law with respect to double breasting, and then you are using that as an example of how the gentlewoman's amendment might be frustrated.

That is just very bad logic in the sense of trying to defeat something when you use something that I am sure you must be aware that in the scenario you give either by alter ego concept or by the key decisions would be ruled unlawful under existing law, and you are using that as a situation to show how it might somehow have a detrimental effect on employers. We are interested here in employees and their ability to have some say in their future and some say as to whether or not they will have jobs during this transition period.

Mr. LEVIN of Michigan. Let me just take back my time and say that if my case were a violation of the present law as it is being applied there would be no bill here with the double-breasting provision in it.

Mr. JEFFORDS. That is right, there should be no bill.

Mr. LEVIN of Michigan. There would be none, and what you are doing in the guise of protecting the employees is you are essentially allowing the employer off the hook. That is exactly what you are doing in the guise of protecting employees.

I yield back the balance of my time.

Mr. WALKER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I just want to get some clarification here before we go to a vote on exactly what is going on here, because my understanding of the situation is, if I heard correctly, all we are asking under the gentlewoman's amendment is to give the employees a chance, through an election, to decide what they want.

Mrs. ROUKEMA. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I yield to the gentlewoman from New Jersey.

Mrs. ROUKEMA. The gentleman is exactly correct. That is precisely correct and it affects none of the prehire agreements. It does not apply or change the law on sham double breasting.

There are amendments later where the gentleman from Vermont [Mr. JEFFORDS] and I agree with the gentlemen from the other side of the aisle that there needs to be stricter enforcement on sham double breasting, and we agree with that. It affects none of those things. It simply says that under present law we should extend the right of choice to the employees. They can have the choice of going with the union or not going with the union, but they will have that choice.

Mr. WALKER. So in order to be opposed to this amendment, what you have to fundamentally say is you do not trust the election process?

Mrs. ROUKEMA. Not only do not trust the election process, but a procedure which has already been recognized by the National Labor Relations Board as a correct procedure for dealing with these kinds of elections.

Mr. WALKER. Because under the gentlewoman's amendment each employee would have the chance to decide whether when complying with the law that would come from this bill they want to be represented by the union or they want to continue to be nonunion. So it would simply give the employee that choice.

Mrs. ROUKEMA. The gentleman is correct.

Mr. WALKER. Which under the committee bill they have no choice, is that correct? They would simply have to accept the union, and we would mandate union membership on them under the bill?

Mrs. ROUKEMA. That is correct, that is precisely correct.

□ 1455

Mr. JEFFORDS. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I yield to the gentleman from Vermont.

Mr. JEFFORDS. I thank the gentleman for yielding.

Mr. Chairman, I want to be sure everybody understands: the only alternative they have is to file for decertification. Now they might say that is fine, but the length of time that it takes for decertification process to go through while they are under this transition would probably mean at least 60 days and probably longer than that before they get a chance to vote. In the meantime, they are under this agreement which means they go to the union hall and they probably will end up with no jobs. So they would have no say. So it is just a transition rule that gives some help to those employees that are forced now to be under an agreement which they had nothing to do with, in a expedited fashion to be able to express their will. I do not understand why the majority is so afraid of not having the union being able to convince those employees and why they are so afraid of an election here. I do not understand it.

Mr. WALKER. So, from the standpoint of the employee here, the employee gets his right to choose the union, the employee is in no way undermined nor are they in any way abused by anything which is in the gentlewoman's amendment. Now it is possible, however, that the labor unions themselves, in other words, the structures that run the labor unions, would have a problem with the gentlewoman's amendment, in large part because they do not get automatic members out of her amendment. Is that right?

Mrs. ROUKEMA. That is correct.

Mr. WALKER. So in other words, while the employees would be completely protected by her amendment, in fact, they would now have a choice, it is possible that some people in the unions themselves who run the unions could in fact have a problem with this kind of approach because it would give people a choice rather than having Congress mandate union membership on them. Is that logical?

Mrs. ROUKEMA. That is not only logical, it is correct. But I must also say that the reverse of that point is also true, that the unions could pick up a lot of new members under this procedure. It is fair and evenhanded. But the employees have the choice.

Mr. WALKER. OK. But the choice rests with the employee rather then with this body. This body under this bill that has been brought forward by the committee would mandate that union membership on any double-breasted firm, am I correct on that?

Mrs. ROUKEMA. That is correct.

Mr. WALKER. The one reason why I raise the issue is because it seems to me what the gentlewoman has offered is a very moderate amendment. But I also do raise the question that was raised by the Time magazine article this week where the head of the AFL-CIO said about this process, and I quote, "We control the committees and the agenda on the floor."

We control the committees and the agenda on the floor.

The CHAIRMAN. The time of the gentleman from Pennsylvania [Mr. WALKER] has expired.

(By unanimous consent, Mr. WALKER was allowed to proceed for 3 additional minutes.)

Mr. WALKER. Now, if in fact what is happening here is not good for the employees and is good only for the executives of the labor unions, then it seems to me we have a very key question before us, that the gentlewoman is seeking to protect employees and it appears as though the committee bill is seeking to protect unions and union executives. Mr. Samuel of the AFL-CIO executive council, an executive of the AFL-CIO made it very clear what he thinks the intent of the legislation is that we are bringing forward because he says quite clearly "We control the committees and the agenda on the floor."

I, personally, think that puts a rather large cloud over what we are doing here. I would like to hear from somebody that that in fact is not a true statement.

Mr. FORD of Michigan. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I will be glad to yield to the gentleman from Michigan.

Mr. FORD of Michigan. I would just like to defend Mr. Samuel to the extent that he has nothing to do with building trades. He is the head of the industrial union division of the AFL-CIO and the industrial union division is not affected by anything in this legislation.

So I find it very difficult to believe that the generic statement he made about his belief with respect to the treatment by Congress of labor's agenda had anything specifically to do with this legislation. We would not, as friends of organized labor, go to Howard Samuel and ask him how to handle a bill up here.

Mr. WALKER. Well, I thank the gentleman but that is not exactly a clear denial of what Mr. Samuel said.

I will say to the gentleman that the article in Time magazine is subtitled "The Democrats Push for a Passel of Pro-Labor Bills." This particular bill is one of that passel that they were talking about.

So it seems to me we have a rather large cloud over this particular bill and it comes into focus right on this amendment because this amendment is proemployee, but it does cause the union executives some problem.

So the question before the body is whether or not you are going to be with the employees or whether you are going to be with the labor bosses. I think clearly if you want to be proemployee you vote with the gentlewoman from New Jersey.

Mr. FAWELL. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I do not want to prolong this debate and take very much time, but it seems to me when you come right down to it the gentlemen on the other side have made it very clear that, and I use their words, that we are letting the employer, if we have this election, benefit from the fruits of evasion. What they are saying consistently is what the bill is saying, there is no such thing as a good open shop and a dual shop arrangement; they are all the product of evasion and trying to break away and open an open shop because they want to do something dastardly as far as the union shop is concerned.

All the talking, I guess, that we can do in the world is not going to change that. They do not believe that some of our finest construction companies in this Nation are legitimate at all. They cannot possibly conceive that the open shop and a dual shop arrangement might be actually dictated by the market forces, that it is not a sham, and it is not to avoid the effects of a collective-bargaining agreement. This just does not impress them one bit.

So I feel, I suppose, all the talking we can do is not going to do a bit of good. They would prefer to say to this open shop arrangement that may even come—it could even be there prior to the open shop I suppose; nevertheless, they simply say that you are not legal, you are not lawful, we are simply going to, because there is common ownership, we are going to claim that you are subject to a collective-bargaining agreement, you have no right to an election. And as I mentioned earlier today, that "collective-bargaining agreement will follow you around the Nation," if not around the world because it is here without any geographic limitation.

I think that is very unfortunate and it simply however is what we are talking about here and can be explained on that simple basis.

Mr. STENHOLM. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would like to have the chairman's attention to a serious question or statement that I might want to make and see if I might understand the issue.

As I understand the amendment that is before us it is simply whether there will be a vote at a certain time regarding the prehire agreements. And as I understood Mr. Ford earlier, and I agreed with his explanation of labor law and concerning some of the history of what has occurred. But what concerns me about H.R. 281 in its current form is that the NLRB addressed and resolved the problem that Mr. Ford earlier addressed concerning the union's concern about employers who could walk away from prehire agreements. I think most everyone, all of us—I certainly do—agree that he prehire agreements have a certain uniqueness about Federal labor law. They have been put in place in order to benefit the construction industry.

My concern though is that in the 1987 decision, John Deklewa and Sons decision, they ruled that any employer could not unilaterally repudiate the agreement before it expires. That decision also allowed the process of an election petition during the term of the agreement. That decision bound the employees during the term of the prehire agreement, unless the employees vote to oust the union.

Now as I understand it, this gets to the controversy or the difference of opinion regarding the amendment before us at this particular point in time.

Now as I understand and as I have read and as others have read, H.R. 281 in its current form, unless we are able to amend it in some way, you now argue and H.R. 281 before us, that Deklewa does not go far enough. Rather you would like to see a presumption of union majority after the prehire agreement expires even when a majority of the employees have not demonstrated such support.

That is what concerns me about H.R. 281 in its current form. That is why I have stated in some dear colleagues and earlier on the floor during the rule that this bill in its current form goes far further in the area of labor law than we should be doing in the format in which we are debating it today.

It seems to me that really we are talking about whether or not employees should have an opportunity to vote before you give the prehire contractor or the prehire agreement that substance that you give it if H.R. 281 passes in its unamended form.

Now where do I miss this, Mr. Chairman?

Mr. CLAY. Mr. Chairman, will the gentleman yield?

Mr. STENHOLM. I yield to the gentleman from Missouri.

Mr. CLAY. I thank the gentleman for yielding.

Mr. Chairman, first of all the gentleman missed the point entirely. This amendment has nothing to do with the Deklewa decision. It is dealing with double breasting. This amendment would allow double breasting to continue which this bill will prohibit. So you are talking about a subject matter that is not related to what the nuts and bolts of this amendment are all about.

Mr. STENHOLM. I beg the chairman's pardon entirely, but H.R. 281 deals with prehire agreements, in the double breasting.

Mr. CLAY. I understand that the gentleman is talking about the gentlewoman's amendment, the gentlewoman from New Jersey, which has nothing to do with the decision that the gentleman cited.

Mr. JEFFORDS. Mr. Chairman, will the gentleman yield?

Mr. STENHOLM. I would be happy to yield to the gentleman from Vermont [Mr. Jeffords].

Mr. JEFFORDS. I thank the gentleman for yielding.

Mr. Chairman, the gentleman is correct. What the gentlewoman's amendment is trying to do is before you even get into the prehire situation, when this bill goes into effect, immediately you are thrusting upon a nonunion arm of a double-breasting operation a union contract, the minute the law goes into effect, where there is no project, in effect. What it would say is rather than say that they are bound by that it means that the NLRB—they would have the option to get an election or some way of determining as to whether or not they want to be represented by that union during this transition period.

I agree with what the gentleman's comments were about the bill generally but I think it is important that we focus attention on the gentlewoman's amendment which is merely to take care of that transition period of time. We are trying to protect those nonunion workers, give them a say, an opportunity to express themselves by voting whether or not they want to be covered by the union.

Mr. STENHOLM. I thank the gentleman for the clarification. It is to a different section of the bill. That is what was confusing to me. I do think that my remarks at some point in time concerning the substance of the entire debate, this question is very valid; the subject of voting by employees is certainly one that is very important wherever it occurs within the bill. But I can see the point at this time.

The CHAIRMAN. The question is on the amendment offered by the gentlewoman from New Jersey [Mrs. Roukema].

The question was taken; and on a division (demanded by Mr. Jeffords) there were—ayes 18, noes 9.

☐ 1510

RECORDED VOTE

Mr. FORD of Michigan. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 177, noes 249, not voting 7, as follows:

[Roll No. 185]

AYES—177

Andrews
Archer
Armey
Badham
Baker
Ballenger
Barnard
Bartlett
Barton
Bateman
Bentley
Bereuter
Bilirakis
Bliley
Boulter
Broomfield
Brown (CO)
Buechner
Bunning
Burton
Byron
Callahan
Chandler
Chapman
Chappell
Cheney
Clinger
Coats
Coble
Coleman (MO)
Combest
Craig
Crane
Daniel
Dannemeyer
Darden
Daub
de la Garza
DeLay
Derrick
DeWine
Dornan (CA)
Dreier
Duncan
Edwards (OK)
Emerson
English
Fawell
Fields
Frenzel
Gallegly
Gekas
Gingrich
Goodling
Gradison
Grandy
Grant
Gregg
Gunderson
Hall (TX)
Hammerschmidt
Hansen
Hastert
Hatcher
Hefley
Hefner
Henry
Herger
Hiler
Holloway
Hopkins
Hubbard
Huckaby
Hunter
Hutto
Hyde
Inhofe
Ireland
Jeffords
Jenkins
Kasich
Kemp
Kolbe
Konnyu
Kyl
Lagomarsino
Lancaster
Latta
Leach (IA)
Leath (TX)
Lewis (CA)
Lewis (FL)
Lightfoot
Livingston
Lott
Lowery (CA)
Lujan
Lukens, Donald
Lungren
Mack
Marlenee
Martin (IL)
Mazzoli
McCandless
McCollum
McEwen
McMillan (NC)
Meyers
Michel
Miller (OH)
Montgomery
Moorhead
Morella
Morrison (WA)
Myers
Neal
Nichols
Nielson
Ortiz
Oxley
Packard
Parris
Petri
Porter
Price (NC)
Pursell
Quillen
Ravenel
Regula
Rhodes
Roberts
Roemer
Rogers
Roth
Roukema
Rowland (GA)
Saiki
Saxton
Schaefer
Schulze
Sensenbrenner
Shaw
Shumway
Shuster
Skeen
Slattery
Slaughter (VA)
Smith (NE)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Snowe
Solomon
Spence
Stangeland
Stenholm
Stump
Sundquist
Sweeney
Swindall
Tauke
Tauzin
Taylor
Thomas (CA)
Upton
Valentine
Vander Jagt
Vucanovich
Walker
Weber
Whittaker
Whitten
Wolf
Wortley
Wylie
Young (FL)

NOES—249

Ackerman
Akaka
Alexander
Anderson
Annunzio
Anthony
Applegate
Aspin
Atkins
AuCoin
Bates
Beilenson
Bennett
Berman
Bevill
Biaggi
Bilbray
Boehlert
Boggs
Boland
Bonker
Borski
Bosco
Boucher
Boxer
Brennan
Brooks
Brown (CA)
Bruce
Bryant
Bustamante
Campbell
Cardin
Carper
Carr
Clarke

Clay
Coelho
Coleman (TX)
Collins
Conte
Conyers
Cooper
Coughlin
Courter
Coyne
Crockett
Davis (IL)
Davis (MI)
DeFazio
Dellums
Dicks
Dingell
DioGuardi
Dixon
Donnelly
Dorgan (ND)
Dowdy
Downey
Durbin
Dwyer
Dymally
Dyson
Early
Eckart
Edwards (CA)
Erdreich
Espy
Evans
Fascell
Fazio
Feighan
Fish
Flake
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Frank
Frost
Gallo
Garcia
Gaydos
Gejdenson
Gephardt
Gibbons
Gilman
Glickman
Gonzalez
Gordon
Gray (IL)
Gray (PA)
Green
Guarini
Hall (OH)
Hamilton
Harris
Hawkins
Hayes (IL)
Hayes (LA)
Hertel
Hochbrueckner
Horton
Houghton
Howard
Hoyer
Hughes
Jacobs
Johnson (CT)
Johnson (SD)
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kastenmeier
Kennedy
Kennelly
Kildee
Kleczka
Kolter
Kostmayer
LaFalce
Lantos
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lewis (GA)
Lipinski
Lloyd
Lowry (WA)
Luken, Thomas
MacKay
Madigan
Manton
Markey
Martin (NY)
Martinez
Matsui
Mavroules
McCloskey
McCurdy
McDade
McGrath
McHugh
McMillen (MD)
Mfume
Mica
Miller (CA)
Miller (WA)
Mineta
Moakley
Molinari
Mollohan
Moody
Morrison (CT)
Mrazek
Murphy
Murtha
Nagle
Natcher
Nelson
Nowak
Oakar
Oberstar
Obey
Olin
Owens (NY)
Owens (UT)
Panetta
Pashayan
Patterson
Pease
Pelosi
Penny
Pepper
Perkins
Pickett
Pickle
Price (IL)
Rahall
Richardson
Ridge
Rinaldo
Ritter
Robinson
Rodino
Roe
Rose
Rowland (CT)
Roybal
Russo
Sabo
Savage
Sawyer
Scheuer
Schneider
Schroeder
Schuette
Schumer
Sharp
Sikorski
Sisisky
Skaggs
Skelton
Smith (FL)
Smith (IA)
Smith (NJ)
Solarz
Spratt
St Germain
Staggers
Stallings
Stark
Stokes
Stratton
Studds
Swift
Synar
Tallon
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Vento
Visclosky
Volkmer
Walgren
Watkins
Waxman
Weiss
Weldon
Wheat
Williams
Wilson
Wise
Wolpe
Wyden
Yates
Yatron
Young (AK)

NOT VOTING—7

Boner (TN)
Bonior (MI)
Dickinson
Rangel
Ray
Rostenkowski
Slaughter (NY)

□ 1525

Messrs. ATKINS, FISH, and RITTER changed their votes from "aye" to "no."

Messrs. BILIRAKIS, ANDREWS, and CHAPMAN changed their votes from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

Mr. PETRI. Mr. Chairman, I move to strike the last word.

Mr. Chairman, there has been much concern about the possible application of the provisions of H.R. 281 beyond the construction industry to other industries. Chairman CLAY helped alleviate the concerns of the trucking industry in a March 30, 1987, letter to Thomas J. Donohue, president of the American Trucking Association. I would like to ask the chairman if he still supports the views expressed in the letter to Mr. Donohue.

Mr. Chairman, I yield to the gentleman from Missouri for an answer.

Mr. CLAY. Yes, that letter accurately reflects the intent of this legislation. Further, as I stated in the subcommittee markup, H.R. 281 is not intended to reach nonconstruction employers performing such work as installation or assembly work at a construction site. The bill reaches only building and construction industry contractors.

Mr. PETRI. I would like to thank Chairman CLAY for his assurance. I include, for the RECORD, a copy of Mr. Donohue's letter to Chairman CLAY, dated March 9, and the chairman's March 30 response.

AMERICAN TRUCKING ASSOCIATIONS, INC.,
Alexandria, VA, March 9, 1987.

Hon. WILLIAM CLAY,
Chairman, Subcommittee on Labor-Management Relations, Committee on Education and Labor, U.S. House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: In reviewing your introductory statement at last week's Labor Management Relations Subcommittee hearing on H.R. 281, I was pleased to see that you stated, "this bill only applies to the construction industry." With this statement in the public record, I am now in a position to advise my members that this legislation will not be interpreted or expanded in a manner that would include the trucking industry. As you know, there have been rumors circulating that the bill would indeed be expanded to include our industry. This has been a matter of great concern to many of our members who disagree philosophically with what the legislation proposes to accomplish.

I would also like to take this opportunity, on behalf of our members, to remind you once again that as H.R. 281 moves through the legislative process, we will continue our efforts to clarify that trucking operations, such as the ones below, are not affected by this legislation:

1. Trucking firms that are owned by the same holding company as construction firms;
2. Trucking firms that transport materials to construction sites; and
3. Trucking companies that share board members in common with construction companies.

As always, we thank you for your consideration of our industry's concerns, and we shall look forward to working with you and your colleagues on this and other matters of concern to our industry.

Sincerely,

THOMAS J. DONOHUE.

COMMITTEE ON EDUCATION AND LABOR,
U.S. HOUSE OF REPRESENTATIVES,
Washington, DC, March 30, 1987.

THOMAS J. DONOHUE,
President and Chief Executive Officer, American Trucking Association, Inc., Alexandria, VA.

DEAR MR. DONOHUE: Thank you for your letter of March 9th. Your understanding of the legislation is completely consistent with my own. None of the three circumstances you outlined in your letter would have the effect, of themselves (either singly or collectively), of extending the provisions of H.R. 281 to the trucking operations of the employer. As I stated at the March 4th hearing, H.R. 281 applies only to the construction industry. It does not apply outside of that industry. The specific and sole intent of H.R. 281 is to require employers in the construction industry to abide by the commitments they have made when they entered prehire agreements. Since, by law, these agreements are limited to the construction industry, so too are the provisions of this bill.

Finally, let me assure you that I will oppose efforts to expand H.R. 281 to include other industries. First, the Subcommittee has had no opportunity to consider either specific problems in other industries or possible solutions to those problems. Given the importance of the National Labor Relations Act to both workers and employers it is inappropriate and self-defeating to seek to amend that law without first creating a clear legislative record of both the scope of the problem and the means by which it is to be addressed. Second, given the unique characteristics of the construction industry, in my view H.R. 281 is not an appropriate vehicle to address problems as they may exist in other industries.

Sincerely,

WILLIAM L. CLAY,
Chairman.

Mr. SLATTERY. Mr. Chairman, I move to strike the requisite number of words. I would like to engage the distinguished chairman in a brief colloquy.

Mr. Chairman, I appreciate the chairman of the committee agreeing to enter into this colloquy. There has been a lot of concern raised about the application of this legislation and how it would affect "mixed projects" and the whole question of common situs picketing has continually been raised. In addition to that, the application of the prehire agreements to nonunion employees who works for subsidiary companies.

I would like to ask the chairman if he would agree to several questions. Specifically, is there anything in this legislation that would prohibit what are called "mixed projects" where union contractors and nonunion contractors work on the same job site?

Mr. CLAY. Mr. Chairman, if the gentleman will yield, the answer to that is no.

Mr. SLATTERY. Under this legislation, could prehire agreements signed with union shop construction contractors, under any circumstance, be applied to nonunion workers who are employed in subsidiary companies and are involved in supplying or delivering construction materials or supplies to construction sites where the related construction contractor is active?

Mr. CLAY. Mr. Chairman, if the gentleman will yield further, I would say the answer is "no."

Mr. SLATTERY. Is there anything in this legislation which would allow common situs picketing?

Mr. CLAY. Mr. Chairman, if the gentleman will yield further, the answer to that also is "no."

Mr. SLATTERY. Mr. Chairman, I thank the gentleman for responding to my questions. I think the questions that I have just asked are very important questions that hit directly at the concern of many people in this body about the application of this legislation. I thank the gentleman for responding to the questions and I appreciate his insightful remarks.

Mr. JOHNSON of South Dakota. Mr. Chairman, I move to strike the last word.

On behalf of myself and the gentleman from North Dakota [Mr. DORGAN], I rise for the purpose of engaging in a colloquy with the gentleman from Missouri. South Dakota and North Dakota are among the States that have enacted right-to-work laws. What effect will enactment of H.R. 281 have upon that constitutional provision?

I yield to the gentleman from Missouri for a reply to my question.

Mr. CLAY. Mr. Chairman, I thank the gentleman for raising the question. H.R. 281 does not affect any State's right-to-work law. When the labor law was amended in 1959 to permit prehire agreements, language was specifically included that provided that nothing in the amendment "shall be construed as authorizing the execution or application of agreements requiring membership in a labor organization as a condition of employment in any State or territory in which such execution or application is prohibited by State or territorial law." In States with right-to-work laws, no union operating a hiring hall may require any worker who is seeking to be or has been referred by that hall to pay union dues. Further, in all States, union hiring halls are prohibited under the labor law from discriminating against any worker "in regard to hire or tenure of employment or any term or condition of employment to encourage or discourage membership in any labor organization." The law could not be plainer and nothing in H.R. 281 alters that law.

Mr. JOHNSON of South Dakota. Mr. Chairman, I thank the gentleman for his response. As I understand it H.R. 281 does not affect South Dakota's or North Dakota's right-to-work provisions, and I, therefore, intend to support it. However, should this legislation be interpreted otherwise, though I do not see how it can be, I wish to assure this body that I will be among the foremost proponents of corrective legislation.

AMENDMENT OFFERED BY MR. BARTLETT

Mr. BARTLETT. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BARTLETT: On page 2, line 11, delete everything following the word "performing" through page 3, line 11, and in lieu thereof insert the following: "building or construction work of the type described in such agreement, and having, directly or indirectly, substantial commonality based on the following four factors—

"(1) common management;

"(2) centralized control of labor relations;

"(3) interrelation of operations; and

"(4) common ownership

shall be deemed a single employer: Provided, that the existence of a contractor-subcontractor relationship between any two or more business entities working at a common construction site shall not be deemed to create a single employer or be considered as evidence of direct or indirect common management or control, within the meaning of this sentence."

Mr. CLAY [during the reading]. Mr. Chairman, I reserve a point of order on the amendment.

The CHAIRMAN. The gentleman from Missouri [Mr. CLAY] reserves a point of order on the amendment.

The Clerk will continue the reading of the amendment.

The Clerk concluded the reading of the amendment.

□ 1540

Mr. CLAY. Mr. Chairman, I withdraw my reservation of a point of order on the amendment.

The CHAIRMAN. The gentleman from Texas [Mr. BARTLETT] is recognized for 5 minutes in support of his amendment.

Mr. BARTLETT. Mr. Chairman, before presenting my amendment, I would say that there is substantial difference of opinion as to the effect of this proposed law, H.R. 281, on right-to-work States, as was expressed in the colloquy just a moment ago. So later during the debate on this amendment there will be some additional extended debate on the effect that H.R. 281 would have on workers as the terms and conditions of collective bargaining agreements are imposed on them without respect to whether they live in a right-to-work State or not.

Mr. Chairman, this amendment goes to the heart of what is wrong with H.R. 281. The amendment would write into the National Labor Relations Act the prevailing legal opinions and court cases regarding existing legal and independent double breasting.

This amendment that is before us would make no changes in existing case law, but it would elevate the case-law definition of a single employer to statute.

In that sense, were this amendment to be adopted and the bill to be adopted, it would in fact improve even current case law by removing whatever ambiguities may exist as laws had been set by cases instead of by statute.

Mr. Chairman, under current law a single entity or company may own and operate a nonunion or an open-shop enterprise and a union enterprise so long as the two are kept truly and completely separate. The National Labor Relations Board and the courts have long held this practice of what is termed "double breasting" to be permissible. Indeed, it makes a lot of common sense to permit legal double breasting so long as those double-breasted companies are kept independent. If, under this amendment, the two enterprises are not kept truly separate in ownership, management, and control of labor relations, the Board and the courts and this amendment would hold those to be sham operations and thus illegal. In such a case, the nonunion workers must be covered by the union company's collective-bargaining agreements.

Mr. Chairman, earlier in the debate some of the sponsors of the bill erroneously, I believe, stated into the RECORD that somehow H.R. 281 would not prohibit independent entities from operating in the same geographical area. In fact, that is not the case. H.R. 281 turns current law on its head and current practice on its head by stating that in any case that involves the substantial common ownership or substantial common management or substantial common control, in all of those cases those operations would be held to be illegal double-breasted operations. So therefore per se under the terms of H.R. 281 any entity which is owned by the same owner regardless of whether or not they are separate and independent would be an illegal operation, and the terms and conditions of the union shop of that entity would be applied to the employees of the open shop.

In contrast to existing law, H.R. 281 virtually bans all forms of double breasting—both legitimate and illegitimate—in order to resolve what had been a rather mild and modest problem that had been handled by complaint to the NLRB. H.R. 281 would ban legitimate double breasting by defining a single employer as any two business entities in the construction industry having substantial common ownership, management, or control. Thus the terms of a collective bargaining agreement negotiated at a unionized work site of one entity will be imposed on all operations of both companies within that geographical area.

This does go to the heart of the argument of the sponsors. The sponsors of the bill would state that there is a problem, a modest problem, in existing law, and they would solve that problem by prohibiting all forms of legitimate double breasting.

I would like to quantify for the House the size of that so-called problem. An analysis done by the National Labor Relations Board in its regional offices in fiscal years 1984 through July 21, 1986, found that during that 3-year period there have been only 245 charges nationwide of illegal double breasting out of 35,549 unfair labor practice charges per year, or approximately 100,000 over that 3-year period. Of those 245 charges nationwide, only 107 of those charges were alleged to be violations of illegal double breasting.

Mr. Chairman, I would contend that in fact it is clearly on the record, and was stated by the gentleman from Missouri earlier, and it has been stated in testimony, that the real purpose of H.R. 281 is to prohibit all forms of double breasting. That was in testimony in the other body, in testimony that was held before the Senate Labor Subcommittee by the general counsel of the AFL-CIO when he stated, among other things, that "It is our position that within a given geographical area there is no such thing as a legitimate double-breasted contractor."

(By unanimous consent, Mr. BARTLETT was allowed to proceed for 1 additional minute.)

Mr. BARTLETT. So, Mr. Chairman, this amendment goes to the heart of the bill. If in fact what we would propose to do would be to pass a law that would prohibit sham operations or illegal double-breasted operations that are not kept separate, then we should vote for this amendment and go on and pass the bill which codifies State law, codifies current case law. If on the other hand we believe that in no cases should a legal, independent, double-breasted operation be permitted, then in fact we should vote for the original bill as it is proposed, because that is in fact what it does. That would throw a lot of people out of work, it would help to make this country far less competitive than we are today, it would be disastrous both to the industry and to employees around this country, but that is the heart of the bill. So this amendment would reinstate current case law and provide for legal, independent double-breasted operations.

Mr. CLAY. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, as stated by the gentleman from Texas, this amendment seeks to codify current law as it relates to the definition of a single employer. As such, it does nothing to end the practice of double breasting that H.R. 281 seeks to correct. Rather, it draws a virtual blueprint by which employers may evade their contractual obligations.

Before the plain language of the union contract will be held to apply, workers must prove that there is substantial commonality of interests as demonstrated by common management. Since the second entity exists in order that the employer may have the option of evading collective-bargaining commitments, the employer will be sure that the two companies are directed on a day-to-day basis by different officers. Before the plain language of the union contract will be applied, one must prove that there is central control of labor relations. Once again, notwithstanding the fact that the second company exists for the express purpose of being nonunion, what the amendment is really saying is all that the employer need do is ensure that there is no interchange of foremen and supervisors. Finally, before the plain language of the contract will be applied, the union must show interrelation of operations. In other words, the employer need only operate the entities separately to be able to evade his contractual promises.

When the employer entered the prehire agreement, he promised that work covered by that agreement would be subject to collective bargaining. Why on earth must we create impossible hoops for workers to jump through before we hold the employer responsible for that commitment.

Codifying existing law, as the sponsor of this amendment wants to do, would allow double breasting to continue. That flies in the face of the purpose of this bill, which would make double breasting illegal. I urge my colleagues to reject the amendment.

□ 1550

Mr. JEFFORDS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I want to emphasize again what this amendment attempts to do. It really does go to the heart of the matter.

Those of my colleagues that have been involved with this issue for a number of years and have been before this body trying to point out what is going on. As it was dramatically put by the chairman, it is very clear now that what they want to do is to do away with double breasting. But what does double breasting accomplish and what, if anything are its evils, and what has been done about that?

First of all, double breasting under existing law, and this amendment would codify existing law, carefully proscribes any activity which would frustrate or injure the workers' rights in a union shop.

What current law does allow and what this bill would not allow is a situation such as you will find many times now in the larger communities in particular. That is where the commercial and industrial construction is unionized because you need high quality workers, et cetera, yet the residential is open shop. In order to get any bid in those markets, you must have a different set of work rules in order to have any kind of competitive bid.

So the law now allows that to occur so that a construction business can have 2 separate entities, one dealing only in the residential area and one dealing with the commercial-industrial. This bill would prohibit that. This bill would say that that is no longer legal.

The existing law is perfectly adequate on this basis. There are cases by the NLRB which this amendment would codify, so if you have any problems with the law changing this would take care of it. The law also looks carefully at what is going on to make sure that the union workers are not being hurt.

Now let us consider the substantial differences in the bill and the existing law. You don't have to be a labor lawyer to know the difference between "and" and "or." The present law says that in order to show that you have a commonality, you have taken a look at several factors, including management, ownership, and labor relations. This one said "or" you can find any one of the 3 elements in the bill, and if you find just common ownership or any one of the 3 of them, it is illegal, which shows how expansive this bill is versus existing law.

So I want to make it very clear that what we are trying to do on this side is to say that the NLRB has acted responsibly, on both of the two essential elements of this bill, the double breasting and the pre-hire agreements.

Mr. BARTLETT. Mr. Chairman, will the gentleman yield?

Mr. JEFFORDS. I yield to the gentleman from Texas.

Mr. BARTLETT. What the gentleman is saying is if the bill were to go through as it is, H.R. 281, without this amendment, that double breasting per se, since double breasting does involve common ownership, double breasting per se would in all cases be illegal? Is that what the gentleman is saying?

Mr. JEFFORDS. That is what I am saying, and I am pointing out the chairman readily admitted that last time. What they are saying now is that under almost all of the conceivable circumstances there will be no double breasting any longer. That means a large number of people will be put out of work on one side or the other, and that it is going to have a very detrimental effect on a large number of workers in this country. This is unnecessary, because existing law protects the rights of the unions and the nonunion workers.

Mr. BERMAN. Mr. Chairman, will the gentleman yield?

Mr. JEFFORDS. I am happy to yield to the gentleman from California.

Mr. BERMAN. The gentleman I guess is saying he seeks to allow certain kinds of double breasting. In other words, allowing an employer to set up another operation even though there is common ownership, or even though there is common ownership and common management, but set up another operation which will avoid the obligation he has entered into freely in a collective-bargaining agreement?

Mr. JEFFORDS. No, that is not what I am saying and the gentleman knows it is not what I am saying. The gentleman knows that under existing law, if the open shop is trying in any way to take work away, to bid from work from the union company, or any of those things, they are proscribed by existing law which has prohibited such activities. The law says that double breasting can occur under very, very strict guidelines.

Mr. BARTLETT. Mr. Chairman, will the gentleman yield?

Mr. JEFFORDS. I am happy to yield to the gentleman from Texas.

Mr. BARTLETT. Mr. Chairman, I thank the gentleman for yielding. Indeed, the gentleman is saying that last year during this debate there was a potential for unilateral abrogation of a pre-hire contract. It did not happen very often, but there was that potential.

At this point, through the Deklewa decision an employer is prohibited from abrogating his pre-hire agreement, so if he has entered into a contract, a prehire agreement, he must abide by that prehire agreement that he has entered into.

The CHAIRMAN. The time of the gentleman from Vermont [Mr. JEFFORDS] has expired.

(On request of Mr. BARTLETT and by unanimous consent, Mr. JEFFORDS was allowed to proceed for 2 additional minutes.)

Mr. BARTLETT. Will the gentleman yield further?

Mr. JEFFORDS. I am happy to yield to the gentleman from Texas.

Mr. BARTLETT. What H.R. 281 would say is even though one entity has set up 2 or more operations that are separate and distinct, different contracts, different markets, different operations, different control of operations, different management, even though that is the case, and they hire a lot of people, even though that is the case, H.R. 281 would require those two subsidiaries to be merged.

That is not fair. It also does not make good sense from a competitive point of view.

I thank the gentleman for yielding.

Mr. JEFFORDS. I thank the gentleman for those additional remarks. I just would urge support for the amendment. I think it is a reasonable solution to some problems we have had. It puts them into law, and makes it very clear that the NLRB cannot change what are now a good line of decisions. It would be helpful to all of those that are concerned in this area, and it should be adopted.

Mr. FORD of Michigan. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I simply would like to indicate that as Chairman CLAY said, if what they are saying in explanation of this amendment was indeed the effect of the amendment, there would be absolutely no point in our bringing this bill to the floor. And to suggest that the bill is somehow pernicious because it changes existing law begs the question on what we do around here. Usually when we are passing a law it is to change the status quo, and that is what we intend to do, is to change the status quo.

We are not trying to sneak up on anybody, and a vote for this amendment just means that you will legalize the present practice which we are trying to prevent. I hope that we can get to a vote on it because it should be easy enough to understand.

If you vote for this amendment, it is equivalent to voting against the passage of the bill.

Mr. STENHOLM. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, once again I find myself in substantial agreement with the gentleman from Michigan [Mr. FORD]. This amendment does have the effect of completely undoing H.R. 281. That is why I support the amendment, because that is in the logical place in the debate today, and also I would like to take a few minutes to say why.

Mr. Chairman, I rise in strong support of the Bartlett amendment and in opposition to H.R. 281.

This bill in unnecessary because the abuses its supporters originally claimed it would cure are already taken care of under current law. A string of decisions by the National Labor Relations Board and the courts have made it clear that "sham" or "mirror" operations set up to siphon off work from a union construction shop to a related open shop are illegal. Some supporters of H.R. 281 have begun to admit that their motivation is different and that, philosophically, they are simply and broadly opposed to any form of double breasting. The goal of eliminating double breasting wherever possible—even when two related firms are operated legitimately as separate businesses—was explicitly set forth in recent testimony before the Senate Labor Committee.

The bill is also unnecessary in connection with pre-hire agreements. This is especially true in light of the NLRB's Deklewa decision, which now prohibits employers from repudiating a prehire agreement prior to its expiration date. I remind my colleagues that prehire agreements operate like, and are as binding as, collectively bargained agreements, except that the workers involved may never have even voted for union representation and a majority of them might not, in fact, be represented by the union. In any industry but construction, prehire agreements are illegal, but Congress, the NLRB, and the courts have made special provision for the construction industry due to the more episodic and transient nature of its work.

This bill goes far beyond mere codification of Deklewa, however. It would allow strikes for the purpose of compelling an employer to adopt a successor agreement. In effect, the bill allows workers and employers to be bound by a prehire agreement beyond its originally negotiated term, despite lack of majority representation of the workers and the desire of any of the parties that the agreement expire on schedule.

H.R. 281 also will have adverse effects far beyond the construction industry. For one thing, the bill's expansive definition of a single employer could embroil unrelated firms and nonconstruction firms in disputes that properly should remain within one firm. Under current law, manufacturers, retailers, and even restaurants who have only an incidental involvement in construction—for example, through subsidiary relationships or by acting as their own general contractors on individual projects—would be subject to this bill.

Even if we try, as has been proposed today, to define away the single employer problem by setting a percentage-of-total-volume test on a firm's construction activity, two problems remain:

First, business as diverse as those supplying and distributing construction products, installation work, and various onsite services have been found to be engaging primarily in building and construction, under current law. Further complicating this issue, the definitions of construction and building work in collective bargaining agreements would be one of the determinative factors in such cases.

Second, I question the logic of singling out the construction industry. Construction work is distinctive enough that allowing prehire agreements may be logical. But there is no distinction that warrants prohibiting double breasting in the construction industry while allowing it in others. There is no reason why a movement to ban double breasting in this industry could not spread to others. Regardless of industry, when a dual shop operation is carried on for legitimate business reasons and the businesses are operated as separate entities, the practice should remain legal.

Finally, I would reiterate remarks I made yesterday on the floor of this House as to how this bill would injure minority contractors and their employees.

The National Association of Minority Contractors adamantly opposes H.R. 281. They know the importance of a level playing field and flexibility in a competitive market.

In contrast, this bill would reverse by legislative fiat what has been lost in the open market. The proportion of the construction industry that is unionized has dropped from 67 percent in the 1940's to 45 percent in the 1960's to about 25 percent today. Rather than seek to compel membership, construction unions should recruit members the old-fashioned way: Organize and earn them.

H.R. 281 is typical of the difficult time this body has sometimes exercising common sense in the face of competing needs and demands. Because it is antismall business, antiminority enterprise, and antiworker choice, I urge my colleagues to join me in defeating it.

Mr. GRANDY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I do not intend to take the full 5 minutes, but I would like to engage in a colloquy with the gentleman from Texas [Mr. BARTLETT] and the gentleman from Vermont [Mr. JEFFORDS].

But before I do that, I would like to at least put on the table this discussion of right-to-work States, and there are 21 of those in the United States. The gentleman from South Dakota a moment ago was assured that this legislation would not affect right-to-work States. I am not so sure that it does not immediately affect the philosophy of those 21 States that have elected for right-to-work status, as a matter of public policy, that unions should not be imposed on workers. It seems to me that H.R. 281 is exactly contrary to that philosophy by making possible the imposition of both a labor contract and union terms and conditions of employment on unconsenting workers and contractors.

Now to the point of open shop contractors. If the gentleman from Texas and the gentleman from Vermont can elucidate for me, I would appreciate it.

It is not just sham contractors, all open shop contractors, who are part of a dual shop in a right-to-work State, is it not true, that such contractors will automatically be bound to the terms of the union companies' labor contract and will be subject to suit under section 301 of the Labor Management Relations Act for breach of contract by the union if the terms of the agreement are not followed, such as the use of the union hiring hall, to find workers, is that correct?

Mr. BARTLETT. Mr. Chairman, will the gentleman yield?

Mr. GRANDY. I yield to the gentleman from Texas.

Mr. BARTLETT. Mr. Chairman, the gentleman is exactly correct. Even though in a right-to-work State an employee may not be required to actually join the union, under the terms of H.R. 281, it makes clear that an employee, without any choice on his behalf, in the words of the bill, would have the terms of a collective-bargaining agreement applied to that employee whether he chose to be affiliated with that union or not.

I heard the colloquy earlier, but the colloquy was simply incorrect in its effect on employees who live in right-to-work States.

Mr. GRANDY. And implicitly there is the limitation on who you can refer from a hiring hall to be hired for a job, assuming the gentleman's amendment loses?

Mr. BARTLETT. If the gentleman will yield further, I think it is implicit or explicit that that hiring then would be required to be done at the union hiring hall, and that all of the terms and conditions of that union agreement would apply to all of those employees on the job.

□ 1605

Mr. GRANDY. So I would assume then, if the gentleman would allow me to reclaim my time, limitations of the work that can be performed by various craft workers, start-work and stop-work times, breaks, et cetera, overtime requirements, pay rates including show-up or reporting-pay, travel pay, shift differentials, fringe benefits, restrictions on crew size, foremen to journeymen ratios, journeymen/apprentice ratios and use of helpers and productivity restraints imposed by union work rules are all affected in right-to-work States should this bill become law.

Mr. BARTLETT. If the gentleman will continue to yield, if the bill becomes law, employees would be required to be referred by the union even in a right-to-work State.

One of the additional difficulties is that there has been a strong likelihood that nonmembers of the union would not be referred by the union as readily as members. So not only are the nonunion members required to go through the union hiring hall, but nothing in H.R. 281 states they could get a job at all because if the union declines to refer them they are simply out of work.

Mr. GRANDY. I thank the gentleman.

Mr. Chairman, I would just say in closing that those States are: Alabama, Arizona, Arkansas, Florida, Georgia, Idaho, Iowa, Kansas, Louisiana, Mississippi, Nebraska, Nevada, North Carolina, North Dakota, South Dakota, South Carolina, Tennessee, Texas, Utah, Virginia, and Wyoming would have contractors who would be adversely affected by this legislation.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The Committee will rise informally.

MESSAGE FROM THE PRESIDENT

The Speaker pro tempore (Mr. GRAY of Illinois) assumed the Chair.

The SPEAKER pro tempore. The Chair will receive a message.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mrs. Emery, one of his secretaries.

The SPEAKER pro tempore. The Committee will resume its sitting.

BUILDING AND CONSTRUCTION INDUSTRY LABOR LAW AMENDMENTS OF 1987

The CHAIRMAN. For what purpose does the gentleman from Illinois rise?

Mr. FAWELL. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, again I hope I do not have to take the full 5 minutes. But I rise in support of the amendment which would codify existing law with regard to the alleged sham operations of open shop operations, but with special emphasis in regard to the colloquy that took place a short time ago with the Chairman in regard to common situs picketing, whether there would be any ramifications in that regard.

Mr. Chairman, with this bill the single employer definition would now require that contractors actually perform work in the same geographic area, that has been alluded to before, to be considered a single employer. And while the substitute adds a geographical test to the definition of "single employer," it does nothing however to thereafter geographically limit the ramifications of a finding of a single employer status. As a result, once the bill's definition is satisfied that the companies would still be considered a single employer, once the bill's definition is satisfied the companies would still be considered a single employer for all purposes under the act and without geographic limitation. Thus, a union could picket an employer in one area of the country in order to force a related employer in another part of the country to sign a collective-bargaining agreement. Indeed, the elimination of secondary boycott protections is one of the major gains which the unions are seeking in this bill. J.C. Turner, former president of the operating engineers, urged adoption of this bill to restore the unions to the "good old days" prior to the Taft-Hartley 1947 amendments. He said, and I quote, "Now, I don't need to tell you that that was a whole different world from what you are out there fighting today when you can shut down a job in New York to straighten up a job in another town. It was a great time." Moreover, this expanded picketing/elimination of secondary boycott protections would occur even if each of the companies comprising the single employer was complying with its obligations under the law.

For example, assume company A is a union contractor performing carpentry work in the New York City area. Company A is owned by a holding company which also owns company B, an open shop construction company which performs work nationwide. Under this bill, if company B were to perform carpentry work in the New York City area, it would be considered a single employer with company A and it would be obligated to abide by company A's union contract. Even if company B fully complies with its obligations under the contract while in the New York City area; however, as an entity of the single employer, company B would now be subject to picketing anywhere in the country by a union having an unrelated dispute with company A.

Also, company "A" would be subject to picketing in New York because of a dispute with company "B" anywhere in the country. This is so because the effects of a single employer finding are not limited in any respect by section 2(a) of the bill. Thus, under the substitute, related employers would continue to lose their secondary boycott protections nationwide merely because they lawfully chose to conduct business in the same area and to lawfully abide by the union contract in that area.

Mr. Chairman, I yield back the remainder of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas [Mr. BARTLETT].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. BARTLETT. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 179, noes 247, not voting 7, as follows:

[Roll No. 186]

AYES—179

Archer
Armey
Badham
Baker
Ballenger
Barnard
Bartlett
Barton
Bateman
Bentley
Bereuter
Bilirakis
Bliley
Boulter
Broomfield
Brown (CO)
Buechner
Bunning
Burton
Byron
Callahan
Chandler
Chappell
Cheney
Clinger
Coats
Coble
Coleman (MO)
Combest
Craig
Crane
Daniel
Dannemeyer
Darden
Daub
DeLay
DeWine
Dickinson
Dornan (CA)
Dreier
Duncan
Edwards (OK)
Emerson
English
Fawell
Fields
Frenzel
Gallegly
Gekas
Gingrich
Goodling
Gradison
Grandy
Grant
Gregg
Gunderson
Hall (TX)
Hammerschmidt
Hansen
Hastert
Hatcher
Hefley
Hefner
Henry
Herger
Hiler
Holloway
Hopkins
Hubbard
Huckaby
Hunter
Hutto
Hyde
Inhofe
Ireland
Jeffords
Jenkins
Kasich
Kemp
Kolbe
Konnyu
Kyl
Lagomarsino
Lancaster
Latta
Leach (IA)
Leath (TX)
Lewis (CA)
Lewis (FL)
Lightfoot
Livingston
Lloyd
Lott
Lowery (CA)
Lujan
Lukens, Donald
Lungren
Mack
Madigan
Marlenee
Martin (IL)
Martin (NY)
Mazzoli
McCandless
McCollum
McCurdy
McEwen
McMillan (NC)
Meyers
Michel
Miller (OH)
Montgomery
Moorhead
Morella
Myers
Neal
Nelson
Nielson
Oxley
Packard
Parris
Petri
Porter
Price (NC)
Pursell
Quillen
Ravenel
Regula
Rhodes
Ritter
Roberts
Roemer
Rogers
Roth
Roukema
Rowland (GA)
Saiki
Saxton
Schaefer
Schulze
Sensenbrenner
Shaw
Shumway
Shuster
Skeen
Slaughter (VA)
Smith (NE)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Snowe
Solomon
Spence
Stenholm
Stump
Sundquist
Sweeney
Swindall
Synar
Tauke
Tauzin
Taylor
Thomas (CA)
Thomas (GA)
Upton
Valentine
Vander Jagt
Vucanovich
Walker
Watkins
Weber
Whittaker
Whitten
Wolf
Wortley
Wylie
Young (AK)
Young (FL)

NOES—247

Ackerman
Akaka
Alexander
Anderson
Andrews
Annunzio
Anthony
Applegate
Aspin
Atkins
AuCoin
Bates
Beilenson
Bennett
Berman
Bevill
Biaggi
Bilbray
Boehlert
Boggs
Boland
Bonker
Borski
Bosco
Boucher
Boxer
Brennan
Brooks
Brown (CA)
Bruce
Bryant
Bustamante
Campbell
Cardin
Carper
Carr
Chapman
Clarke
Clay
Coelho
Coleman (TX)
Collins
Conte
Conyers
Cooper
Coughlin
Courter
Coyne
Crockett
Davis (IL)
Davis (MI)
de la Garza
DeFazio
Dellums
Derrick
Dicks
Dingell
DioGuardi
Dixon
Donnelly
Dorgan (ND)
Dowdy
Downey
Durbin
Dwyer
Dymally
Dyson
Early
Eckart
Edwards (CA)
Erdreich
Espy
Evans
Fascell
Fazio
Feighan
Fish
Flake
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Frank
Frost
Gallo
Garcia
Gaydos
Gejdenson
Gephardt
Gibbons
Gilman
Glickman
Gonzalez
Gordon
Gray (IL)
Gray (PA)
Green
Guarini
Hall (OH)
Hamilton
Harris
Hawkins
Hayes (IL)
Hayes (LA)
Hertel
Hochbrueckner
Horton
Houghton
Howard
Hoyer
Hughes
Jacobs
Johnson (CT)
Johnson (SD)
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kastenmeier
Kennedy
Kennelly
Kildee
Kleczka
Kolter
Kostmayer
LaFalce
Lantos
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lewis (GA)
Lipinski
Lowry (WA)
Luken, Thomas
MacKay
Manton
Markey
Martinez
Matsui
Mavroules
McCloskey
McDade
McGrath
McHugh
McMillen (MD)
Mfume
Mica
Miller (CA)
Miller (WA)
Mineta
Moakley
Molinari
Mollohan
Moody
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Murtha
Nagle
Natcher
Nichols
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens (NY)
Owens (UT)
Panetta
Pashayan
Patterson
Pease
Pelosi
Penny
Pepper
Perkins
Pickett
Pickle
Price (IL)
Rahall
Richardson
Ridge
Rinaldo
Robinson
Rodino
Roe
Rose
Rowland (CT)
Roybal
Russo
Sabo
Savage
Sawyer
Scheuer
Schneider
Schroeder
Schuette
Schumer
Sharp
Sikorski
Sisisky
Skaggs
Skelton
Slattery
Smith (FL)
Smith (IA)
Smith (NJ)
Solarz
Spratt
St Germain
Staggers
Stallings
Stangeland
Stark
Stokes
Stratton
Studds
Swift
Tallon
Torres
Towns
Traficant
Traxler
Udall
Vento
Visclosky
Volkmer
Walgren
Waxman
Weiss
Weldon
Wheat
Williams
Wilson
Wise
Wolpe
Wyden
Yates
Yatron

NOT VOTING—7

Boner (TN)
Bonior (MI)
Rangel
Ray
Rostenkowski
Slaughter (NY)
Torricelli

□ 1620

Mr. FOLEY changed his vote from "aye" to "no."

Mr. DELAY changed his vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN. Are there any additional amendments to section 2?

AMENDMENT OFFERED BY MR. FAWELL

Mr. FAWELL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FAWELL: On page 3, line 6 and 7, strike "existence" and insert in lieu thereof "terms and provisions".

On page 3, line 9, strike "by itself".

The CHAIRMAN. The gentleman from Illinois is recognized for 5 minutes in support of his amendment.

Mr. CLAY. Mr. Chairman, will the gentleman yield?

Mr. FAWELL. Mr. Chairman, I yield to the gentleman from Missouri [Mr. CLAY], the chairman of the subcommittee.

Mr. CLAY. Mr. Chairman, I thank the gentleman for yielding.

I am pleased to accept the amendment offered by Mr. FAWELL. The amendment in my view, does not in any way change the meaning of the proviso to section 2(a) of the bill.

I accept the amendment, however, with the understanding that the proviso does not categorically preclude a contractor and subcontractor from being deemed a single employer if, without regard to the contractor-subcontractor relationship, they meet the test for establishing single employer status under the criteria set forth in section 2(a).

Mr. FAWELL. I thank the gentleman. Yes, that is consistent with my understanding and my intention in offering the amendment. I believe it is our mutual intent not to have open shops defined as a "single employer" merely because they are operating as a subcontractor under the terms and provisions of the subcontract which may grant some controls by a contractor upon a subcontractor, or vice versa.

I might add that in all honesty, I cannot vote for the bill; but I think this tightens it up a bit, and I ask for adoption of the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois [Mr. FAWELL].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. JEFFORDS

Mr. JEFFORDS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. JEFFORDS: Page 2, strike line 5 and all that follows through page 3, line 11 (section 2(a) of the bill) and insert the following new subsection:

(a) DEFINITION OF SINGLE EMPLOYER.—Section 2(2) of the National Labor Relations Act (29 U.S.C. 152(2)) is amended by adding at the end thereof the following new sentences: "Any two or more business entities engaged primarily in the building and construction industry, performing work within the geographical area covered by a collective bargaining agreement to which any of the entities is a party, performing building or construction work of the type described in such agreement, and having substantial commonality based on the following four factors:

"(i) common management;
"(ii) centralized control of labor relations;
"(iii) interrelation of operations; and
"(iv) common ownership,

shall be deemed a single employer. Such commonality shall be presumed where there is a practice of—

"(i) transfer among the entities of employees performing work described in the collective bargaining agreement;

"(ii) direct competition among the entities in submitting bids for the same work; or

"(iii) deprivation of work by one entity against another.

Provided, That the existence of a contractor-subcontractor relationship between any two or more business entities working at a common construction site shall not be deemed to create a single employer or be considered as evidence of commonality with respect to the factors described in clauses (i) through (iii) of the second sentence, within the meaning of this paragraph.".

Mr. JEFFORDS (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Vermont?

There was no objection.

□ 1635

Mr. JEFFORDS. Mr. Chairman, I offer an amendment which would amend the bill's "single employer" test to provide a distinction between abusive, union-busting double-breasting and legitimate dual shops which do not take any work away from union shop employees or circumvent collective bargaining agreements.

Currently, the law makes a careful distinction between the two. Since the construction industry has become somewhat polarized between a union market and an open shop market, this distinction must be maintained. Otherwise, a company locked into only one of those markets may find itself at a serious competitive disadvantage, which threatens both the owner of the company and its employees—union or nonunion.

If there is any deficiency in current law, it is perhaps a lack of focus. It is now rather vaguely defined as determining whether there is a "single integrated enterprise." This involves consideration of a variety of factors in the aggregate. From an enforcement perspective, this means evidence dealing with the minutiae of everyday operations of the entities involved—evidence which may be extremely difficult to obtain.

My amendment will simplify enforcement but, unlike the bill, it will ensure that only the guilty parties are affected. The amendment starts with the "single employer" test in current law but then singles out the three types of abuses which supporters say have flourished under current law—First, transferring of employees back and forth between companies; second, competition between the union company and the open shop company for the same projects; and third, shifting of work from the union company to the open shop. All of these are inconsistent with the notion of separate marketplaces and involves a clear-cut circumvention of the collective bargaining process.

While the first two practices are easily defined, the "work-shifting" criteria will involve some exercise of judgment on the part of the NLRB. The primary determinant should be whether the work would normally have gone to the union shop company, but for actions taken by the open shop company. The hearing testimony contained numerous examples of this, such as solicitation of former customers, substitution of the open shop company to perform work originally awarded to the union shop company, and so forth. The amendment does not establish a presumption in situations where both companies are generally competing in the marketplace and the open shop company obtains work which theoretically could have been performed by the union shop company. There must be some deliberate action taken by the open shop company to directly take work away from the union company.

Any time one of these three practices can be shown, there is a presumption of single employer status. At that point, the burden then shifts to the employer to show that the companies are separate. It would then be incumbent upon that employer to bring forth the minutiae of day-to-day operations to defeat the presumption. In order to give the NLRB the necessary flexibility to deal with the wide range of circumstances to which it must apply the law, the presumption is a rebuttable one. However, the evidence brought forth to defeat the presumption must be so overwhelming as to convince the board that the act's purposes have not been undermined.

Let's take an example of how my amendment would work. Let's suppose company A is a unionized electrical contractor which performs a lot of building and maintenance work. The owner of company A becomes frustrated because his company is limited to only one market. He wants to compete in the open shop market also, so he forms a company—company B—which also does electrical contracting but is open shop.

If company A and company B are maintained separately, and if they compete in separate marketplaces, they would be OK under my amendment, just like current law. But let's suppose that that separation is a superficial one. The companies operate out of separate buildings, use different equipment and have different officers. Meanwhile, the owner starts sending letters to all of the old customers of company A—customers who had a steady relationship with the union company for maintenance work. These letters tell the customers that there's this new company—company B—that is just as good as company A, but can work at a cheaper price. Naturally, those customers jump at the offer and company A's maintenance business starts being siphoned to company B.

Now, under existing law, this contact with the customers would merely be evidence of single employer status. The focus would still be on whether, in the totality of circumstances, the two companies are separate.

Under my amendment, all one would have to show would be the taking of customers away from company A and giving them to company B. That by itself would create a presumption of single employer status and it would then be up to the employer to try to rebut that presumption.

Given this clear statement of proscribed abuses and the shift of the burden to the employer, the enforcement difficulties currently facing the unions and the NLRB would be significantly diminished.

I recognize that many of my colleagues have been persuaded by the case made for this legislation. But just because one accepts the need for legislation, that doesn't absolve him or her from closely examining the legislation itself. My amendment addresses all of the abuses which the sponsors point to in justifying the bill. At the same time, it protects those innocent companies which are simply trying to remain competitive while also honoring their collective bargaining obligations.

I urge my colleagues to use a paring knife here and not a meat axe. I urge passage of the amendment.

Mr. CLAY. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I cannot support this amendment. It does not end the practice of double breasting, but allows that practice to flourish. The amendment codifies certain aspects of decisions by the National Labor Relations Board which have allowed double breasting to occur. Notwithstanding a commitment by an employer to perform work in a given area on a union basis, an employer may nevertheless continue to violate that agreement and perform the same work on a nonunion basis so long as he does not transfer employees between the union and nonunion subsidiaries, shift work between entities or permit the entities to compete against each other.

Where one bids only with the nonunion entity, there is no competition or shift of work between entities. Therefore, there is no violation, despite the fact that the employer previously promised the work to the union. The requirement that there be an interchange of employees is particularly inappropriate in the construction industry where employees are typically hired on a job-by-job basis and few contractors maintain a permanent complement of workers. Where there is no permanent complement of workers there can be no transfer of employees between subsidiaries. An employer would, therefore, always be able to evade its commitment to engage in collective bargaining.

The intent of H.R. 281 is to require employers to live up to their contractual commitments. This amendment nullifies that requirement. I urge its rejection.

Mrs. JOHNSON of Connecticut. Mr. Chairman, I move to strike the last word. I rise in support of the amendment offered by the gentleman from Vermont.

Mr. Chairman, I am not one who believes double breasting poses no threat to working people.

From talking extensively to contractors and construction workers, I have concluded that double-breasted outfits can and often do exploit workers. In fact, the very existence of the separateness doctrine attests to this danger. The rules that require separate management and control in double-breasted organizations reflect the conclusion that we, as a society, have reached that double breasting can be used to maximize owner profit at the expense of worker's wages, safety or work quality. Current law attempts to maintain the benefits of the competition between the best of union and nonunion organizations without allowing the abuses that caused unions to develop in the first place; but the separateness doctrine at the local level is hard to enforce and people are being hurt.

Yet to simply outlaw double breasting is an extreme solution. First, it arbitrarily destroys the right in our free society for an individual to invest in a business and constrains this right even without evidence of wrongdoing or intent to do wrong. We should hesitate to strip rights away so cavalierly.

Second, outlawing double breasting entirely will severely compromise our ability to export construction services at a time when we need desperately to increase exports and are facing increasing domestic competition from foreign construction firms.

Of our nationwide firms 80 percent are double breasted. Of those vying for a piece of the action on the great airport in Japan, all are double breasted.

Why? Because to be nationwide in America, a company must be able to compete in those parts of the country that are union and those that are nonunion. Double breasting in nationwide firms does not always pit the nonunion entity against the union entity but allows participation in diverse markets in diverse regions. On a smaller scale, responsible double breasting can simply allow a company participation in different markets within a State or locality, thus allowing an individual to utilize his expertise in this field without any danger of exploiting others.

I believe the proponents of 281 have failed to make the case that double breasting is a priori bad and that we must eradicate it regardless of its appropriateness if a company is to compete in both union and right-to-work States and regardless of its necessity if a company wants to participate in both homebuilding and large commercial work in my State. Double-breasted companies that function truly separately by region of country or market are no threat to the worker and to arbitrarily eradicate such companies and eliminate the individual's right to harmless investment is an extreme solution for a free society.

The Jeffords amendment to clarify the separateness standard offers a responsible solution to the real problems double breasting has caused.

It would allow participation in different market sectors or regions of the country by double-breasted outfits. It would not allow the abuses of separateness that now often maximize profits at the expense of workers. It would not allow bidding on the same project. It would not allow shifting workers from one payroll to another. It goes beyond current separateness requirements to a clearer legal separateness that allows the continued benefits of fair competition between union and nonunion businesses, continued freedom to invest in similar but separate businesses which is so much a part of a free society, but it will eliminate the nitty-gritty front line abuses that now hurt workers and/or undermine legitimate union organizations.

Lastly, this amendment is not embraced by labor or management but off the record is acknowledged by many on both sides to address the problems of the real world and the problems of the solution posed with 281.

It will not force national construction firms that we need to compete abroad to divest to adopt statewide rather than nationwide contracts. It will allow separate companies with some common ownership to participate in different sectors of the construction business. But it will not allow the playing off of the interests of worker against workers, the diversion of dollars from wages to profits, the corner cutting in safety and quality.

It cleans up the competition—it doesn't eliminate it.

Mr. JEFFORDS. Mr. Chairman, will the gentlewoman yield?

Mrs. JOHNSON of Connecticut. I yield to the gentleman from Vermont.

Mr. JEFFORDS. I want to tell the gentlewoman that she gave an excellant statement analyzing the need for this amendment, but also pointed out the problem, and that is when you are in the middle of this kind of a philosophical debate those who come up with reasonable solutions have a hard time talking to anyone; but I would hope that the Members would pay attention to what the gentlewoman has said and what this amendment will do, because it is one that tries to solve the problems that we had all the testimony about, and I think it does that, and I thank the gentlewoman for her comments.

Mrs. JOHNSON of Connecticut. I thank the gentleman. I made the statement at some length, because I do regret the polarized environment in which this issue is being considered. I am convinced in talking with people whose daily lives are spent out there on construction sites that there are abuses and problems. I regret that we are going to strip away cavalierly the rights of some of our citizens and cripple ourselves in the international construction market when foreign construction firms are daily ever a greater threat to jobs in America; but I believe that this is the beginning for this bill and that there are other chapters to be written in its history. I urge support of the Jeffords amendment because it addresses some of the continuing problems with this legislation.

Mr. BARTLETT. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I will not take the full 5 minutes, because it has been a long debate.

I do rise in support of the Jeffords amendment. I think that the gentleman from Vermont [Mr. JEFFORDS] with his amendment, while he is expanding current case law farther than I would like to see, the Jeffords amendment is making one additional attempt to reach out to the proponents of the bill and to give them an opportunity to pass a bill that at least makes some sense.

What the gentleman from Vermont [Mr. JEFFORDS] is suggesting is that we accept current case law and then he suggests that we expand it to correct what are at least the perceived abuses of the sponsors of the legislation. The gentleman would suggest that we correct those abuses by taking current case law, which requires the test of a single employer, or common management, centralized control of labor, interrelation of operations and common ownership, and add to it such commonality as would be presumed in certain situations, including the transfer among the entities of the employees performing work described in direct competition.

I want to suggest to the sponsors of this legislation that if they are serious about prohibiting illegal or nonindependent double-breasting, if they are serious about correcting what they perceive to be the abuses of current law, then they should willingly and eagerly accept the Jeffords amendment as a middle ground, as an opportunity to put into law to continually go double-breasting, but to clearly under the terms of the Jeffords amendment, to prohibit illegal or sham operations or independent operations.

□ 1650

Now the Jeffords amendment goes further than current case law. The sponsors of the bill, if they are serious about getting a bill passed and signed into law, should eagerly embrace this amendment, one final attempt to inject a note of reason into the debate.

Mr. JEFFORDS. Mr. Chairman, will the gentleman yield?

Mr. BARTLETT. I yield to the gentleman from Vermont.

Mr. JEFFORDS. I thank the gentleman for yielding.

Mr. Chairman, I thank the gentleman for his comments, and would just like to say that he has put it right on the line the way it ought to be. This is what I try to do. I am trying to make sure that we do prevent those abuses which were complained about at our hearings, to take the hearings and put them into law and try to get some stability in this area. I urge an "aye" vote on the amendment.

Mr. BARTLETT. The gentleman lays out the question as to whether this will be purely political debate or whether the debate should focus on the substance of what we did see at the hearings and what the testimony should be, and set out in a very precise way to correct the problem.

The gentleman from Vermont offers a way to correct the perceived problems that the proponents of the bill would describe to us. So I would urge a "yes" vote on the Jeffords amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Vermont [Mr. JEFFORDS].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. JEFFORDS. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 159, noes 265, not voting 9, as follows:

[Roll No. 187]

AYES—159

Archer
Armey
Baker
Ballenger
Barnard
Bartlett
Barton
Bateman
Bentley
Bereuter
Bilirakis
Boehlert
Broomfield
Brown (CO)
Buechner
Bunning
Byron
Callahan
Carper
Chandler
Clinger
Coats
Coleman (MO)
Craig
Crane
Darden
DeWine
Dickinson
Dornan (CA)
Dreier
Duncan
Edwards (OK)
Emerson
English
Fields
Frenzel
Gallegly
Gekas
Gingrich
Glickman
Goodling
Gradison
Grandy
Grant
Green
Gregg
Gunderson
Hall (TX)
Hamilton
Hammerschmidt
Hansen
Hastert
Hatcher
Hefley
Hefner
Henry
Herger
Hiler
Holloway
Hopkins
Houghton
Hubbard
Huckaby
Hutto
Hyde
Inhofe
Ireland
Jeffords
Jenkins
Johnson (CT)
Kasich
Kemp
Kolbe
Kyl
Lagomarsino
Lancaster
Leach (IA)
Leath (TX)
Lewis (CA)
Lewis (FL)
Livingston
Lott
Lowery (CA)
Lujan
Lukens, Donald
Lungren
Mack
Madigan
Marlenee
Martin (IL)
Mazzoli
McCandless
McCollum
McCurdy
McEwen
McMillan (NC)
Meyers
Michel
Miller (OH)
Montgomery
Moorhead
Morella
Morrison (WA)
Myers
Neal
Nielson
Oxley
Packard
Petri
Porter
Price (NC)
Pursell
Ravenel
Regula
Rhodes
Ritter
Roberts
Roemer
Rogers
Roth
Roukema
Rowland (GA)
Saxton
Schaefer
Scheuer
Sensenbrenner
Shaw
Shumway
Shuster
Skeen
Smith (NE)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (OR)
Snowe
Spence
Stangeland
Stenholm
Stump
Sundquist
Sweeney
Swindall
Synar
Tauke
Tauzin
Taylor
Thomas (CA)
Thomas (GA)
Upton
Valentine
Vander Jagt
Vucanovich
Watkins
Weber
Whittaker
Wortley
Wylie
Young (AK)
Young (FL)

NOES—265

Ackerman
Akaka
Alexander
Anderson
Andrews
Annunzio
Anthony
Applegate
Aspin
Atkins
AuCoin
Badham
Bates
Beilenson
Bennett
Berman
Bevill
Biaggi
Bilbray
Bliley
Boggs
Boland
Bonker
Borski
Bosco
Boucher
Boulter
Boxer
Brennan
Brooks
Brown (CA)
Bruce
Bryant
Burton
Bustamante
Campbell
Cardin
Carr
Chapman
Chappell
Cheney
Clarke
Clay
Coble
Coelho
Coleman (TX)
Collins
Combest
Conte
Conyers
Cooper
Coughlin
Courter
Coyne
Crockett
Dannemeyer
Daub
Davis (IL)
Davis (MI)
de la Garza
DeFazio
DeLay
Dellums
Derrick
Dicks
Dingell
DioGuardi
Dixon
Donnelly
Dorgan (ND)
Dowdy
Downey
Durbin
Dwyer
Dymally
Dyson
Early
Eckart
Edwards (CA)
Erdreich
Espy
Evans
Fascell
Fawell
Fazio
Feighan
Fish
Flake
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Frank
Frost
Gallo
Garcia
Gaydos
Gejdenson
Gephardt
Gibbons
Gilman
Gonzalez
Gordon
Gray (IL)
Gray (PA)
Guarini
Hall (OH)
Harris
Hawkins
Hayes (IL)
Hayes (LA)
Hertel
Hochbrueckner
Horton
Howard
Hoyer
Hughes
Hunter
Jacobs
Johnson (SD)
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kastenmeier
Kennedy
Kennelly
Kildee
Kleczka
Kolter
Konnyu
Kostmayer
LaFalce
Lantos
Latta
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lewis (GA)
Lightfoot
Lipinski
Lloyd
Lowry (WA)
Luken, Thomas
MacKay
Manton
Markey
Martin (NY)
Martinez
Matsui
Mavroules
McCloskey
McDade
McGrath
McHugh
McMillen (MD)
Mfume
Mica
Miller (CA)
Miller (WA)
Mineta
Moakley
Molinari
Mollohan
Moody
Morrison (CT)
Mrazek
Murphy
Murtha
Nagle
Natcher
Nelson
Nichols
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens (NY)
Owens (UT)
Panetta
Parris
Pashayan
Patterson
Pease
Pelosi
Penny
Pepper
Perkins
Pickett
Pickle
Price (IL)
Quillen
Rahall
Richardson
Ridge
Rinaldo
Robinson
Rodino
Roe
Rose
Rowland (CT)
Roybal
Russo
Sabo
Saiki
Savage
Sawyer
Schneider
Schroeder
Schuette
Schulze
Schumer
Sharp
Sikorski

Sisisky
Skaggs
Skelton
Slattery
Slaughter (VA)
Smith (FL)
Smith (IA)
Smith (NJ)
Smith, Robert (NH)
Solarz
Solomon
Spratt
St Germain
Staggers
Stallings
Stark
Stokes
Stratton
Studds
Swift
Tallon
Torres
Towns
Traficant
Traxler
Udall
Vento
Visclosky
Volkmer
Walgren
Walker
Weiss
Weldon
Wheat
Whitten
Williams
Wilson
Wise
Wolf
Wolpe
Wyden
Yates
Yatron

NOT VOTING—9

Boner (TN)
Bonior (MI)
Daniel
Rangel
Ray
Rostenkowski
Slaughter (NY)
Torricelli
Waxman

□ 1700

Messrs. LATTA, LIGHTFOOT, COBLE, SOLOMON, QUILLEN, WALKER, and SMITH of New Hampshire, and Mrs. SAIKI, changed their votes from "aye" to "no."

Mr. WATKINS changed his vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. BALLENGER

Mr. BALLENGER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BALLENGER: Page 3, strike out line 23, and insert the following:

the geographical area covered by the agreement: *Provided*, That such duty shall not apply if a labor organization has as an officer or a former officer any person who, within the previous 5-year period, has been convicted of—

"(1) any racketeering activity described in section 1961(1) of title 18, United States Code; or

"(2) bribery of any public official under section 201 of such title.".

Mr. BALLENGER (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

□ 1715

Mr. BALLENGER. Mr. Chairman, no one disputes the fact that enactment of H.R. 281 would, by force of law, impose union representation—without a fair opportunity to freely vote—on thousands of construction workers not presently represented by a union. H.R. 281 would automatically impose the terms of a collective-bargaining agreement negotiated at a unionized worksite of one construction company on the employees of any other related nonunion construction company within the geographic area covered by the agreement. As a result, the building trades unions would reap a windfall. Within a few days after H.R. 281 is enacted, the number of employees covered by union collective-bargaining requirements—and the requirement to pay union dues—would increase by many thousands.

What I find particularly distressing is that this automatic coverage of nonunion employees would occur regardless of whether the nonunion employees wanted to be represented by the union. Congress would be saying to nonunion employees of double-breasted contractors that even though you never voted to have this particular union represent you, Federal law now requires you to be represented by this particular union. That's what H.R. 281 is all about—legally compelled union representation.

I am very much opposed to legally compelled union representation. I am also very much opposed to the idea that a union which has officials on its payroll who engage in certain kinds of illegal activity should benefit from the enactment of H.R. 281.

Since coming to Washington and seeing our Federal regulatory agencies government in action, I have become increasingly concerned with organized labor's new tactic for pressuring employers, entitled "Union Corporate Campaigns." The University of Pennsylvania's prestigious Wharton School recently issued a study which says that the corporate campaign "is an increasingly prominent and popular part of the union arsenal of weapons in its battle with management." Indeed, some union consultants are urging that such campaigns should become the basic union weapon, in contravention of well-established Federal labor guidelines.

The AFL–CIO's Industrial Union Department has published a manual on corporate campaigns, called "Developing New Tactics: Winning With Coordinated Corporate Campaigns." This is what the AFL–CIO manual says about using Federal regulatory agencies in a corporate campaign:

> Businesses are regulated by a virtual alphabet soup of federal, state and local agencies, which monitor nearly every aspect of corporate behavior. Once the regulators are alerted to violations by a company, they sometimes assume an adversarial relationship toward the offender. Regulatory agencies exist to protect citizens, and unions can use the regulators to their advantage. An intransigent employer may find that in addition to labor troubles, there are suddenly government problems as well. To achieve this objective, unions should examine the various regulations that the target company must comply with. Chances are that there are areas in which the company has broken the law, which can form the basis for complaints to the government.

It appears clear that the AFL–CIO believes Government enforcement agencies are not just there for protecting employee rights, but also as tools to be used to harass employers into meeting union demands.

Sometimes, a union's use of governmental institutions in a corporate campaign can get completely out of hand. Within the last few days, a criminal trial has been underway in Philadelpia against officials of the Roofers Union. According to newspaper accounts and the criminal indictment, the Roofers Union is alleged to have bribed at least 10 judges in common pleas and municipal courts. In addition, the Roofers Union is alleged to have given several hundred dollars in bribes to the director of OSHA's Philadelphia area office. The OSHA Director apparently agreed to send OSHA inspectors to nonunion construction sites in the Philadelphia area to look for violations of OSHA laws. This is what one open-shop contractor who has obtained Federal court orders and fines against the Roofers Union reportedly said about one incident, "Two hours after the pickets went up, the OSHA inspectors were there. It was so obvious, it was ridiculous."

At this point, I am inserting newspaper articles describing the Roofers Union case and the bribing of the OSHA Director:

[From the Philadelphia Inquirer, May 30, 1987]

FORMER OFFICIAL'S STATEMENT ALLOWED IN BRIBERY TRIAL

(By Emilie Lounsberry)

A federal judge decided yesterday that statements made to investigators by former U.S. Labor Department official Bernard J. Dillon Jr., who is charged with accepting a total of $500 in bribes from two Roofers Union leaders, can be admitted into evidence during his forthcoming trial.

U.S. District Judge Joseph L. McGlynn, Jr., ruled that Dillon had been advised of his constitutional rights against self-incrimination, and had voluntarily spoken with FBI agent Quinn John Tamm, Jr., and two Labor Department investigators on Feb. 14, 1986.

Dillon, the former Philadelphia area director of the Occupational Safety and Health Administration, is scheduled to stand trial June 23 on charges that he accepted $500 in bribes from Roofers Union Local 30-30B business manager Stephen J. Traitz, Jr., and business agent Michael Daly.

According to the federal indictment, Dillon accepted two $100 payments—from Traitz on Oct. 9, 1985, and from Traitz and Daly on Oct. 23, 1985—plus a $300 payment from Traitz on Dec. 17, 1985.

He also was charged with agreeing to accept a "large sum of money" to help an unidentified person get a job at OSHA by supplying that person with answers to a test and by drafting letters of recommendation in the person's behalf for signatures of unidentified "public officials."

Dillon testified yesterday that he had admitted during the Valentine's Day interview that he had accepted a $100 "Christmas present" from Traitz in December 1985.

Dillon said, however, that he was never advised of his right to have an attorney present during the interview, and also did not believe that he was free to leave the interview until it was concluded. He said he was told that he would be fired if he did not answer questions.

Defense attorney Joan M. Gaughan argued that the statement should be barred from evidence because Dillon did not voluntarily answer questions and because, she said, he was never told that he could have an attorney present.

Assistant U.S. Attorney Richard L. Scheff, however, noted that all three investigators and an OSHA administrator had testified during the hearing that Dillon was specifically told that he had a right to have an attorney present during the interview.

Dillon was removed as OSHA area director after his interview with Tamm and the Labor Department investigators. He was transferred to another OSHA office and later retired.

Dillon, 55, of Folcroft, is one of 23 people indicted so far as a result of the federal investigation focusing on the union.

Traitz, 12 other current or former union officials, three reputed organized-crime figures, two lawyers, a former Philadelphia police officer, a retired court aide and two city judges also have been indicted.

OSHA CHIEF REMOVED IN ROOFERS UNION PROBE

(By Huntly Collins and William K. Marimow)

Bernard J. Dillon was removed as director of the Philadelphia-area office of the Occupational Safety and Health Administration (OSHA) after federal law enforcement officials obtained evidence suggesting that he received cash payments from a top official of Roofers Union Local 30-30B.

According to federal law enforcement sources, Dillon was overheard on electronic surveillance equipment in conversation with Steve Traitz, Sr., the local's business manager. In that talk, the federal officials said, Dillon agreed to dispatch OSHA inspectors to nonunion construction sites to look for violations of health and safety rules.

The cash payments totaled several hundred dollars and occurred in the fall and December, according to the sources. "It's now being delved into as to whether it was an ongoing thing," one law enforcement official said yesterday.

Sources in the criminal justice system said Dillon, who was interviewed Feb. 14 by investigators from the FBI's labor squad and the Labor Department's Office of Labor Racketeering, admitted accepting cash from Traitz but was not certain of the amounts on all occasions.

Reached by telephone at his home last night, Dillon said, "I can't make any comment."

During the Feb. 14 interview, according to one source, tapes of Dillon's conversations with Traitz were reviewed in detail "blow by blow."

Jack Hord, Labor Department spokesman in Philadelphia, yesterday confirmed that Dillon, who has worked for the federal government for more than three decades, was removed from his director's job Feb. 14, the day he was interviewed by law enforcement officials.

Dillon has been transferred to another local OSHA office pending the outcome of the FBI and Labor Department investigation sources said. He has a Government Service rating of 14, earning between $44,500 and $58,000 a year.

"Once they [federal investigators] complete their investigation, the necessary administrative action will be taken," Hord said. For at least five years, Dillon has headed the OSHA area office, which is responsible for enforcing federal health and safety standards in Philadelphia, Bucks, Montgomery, Chester and Delaware Counties and the state of Delaware, according to Hord.

The dates of the alleged union payments to Dillon suggest that the FBI had electronic surveillance equipment placed in Traitz's office as early as the fall. It was through that equipment that the FBI gathered evidence suggesting that union officials had given cash to at least 10 Philadelphia judges, according to law enforcement sources.

The union's suspected relations with the judges and Dillon came to light during an investigation into possible corruption within Roofers Local 30-30B. Two weeks ago, FBI agents searched the union's Philadelphia and Bensalem Township offices and seized records related to the union's prepaid legal services fund.

Criminal justice system sources said that on the surveillance tapes of conversations between Traitz and Dillon, Traitz was overheard to say, according to several officials, "You are my man, Bernie. I'll take care of you better than Jack ever did." The reference, according to sources, was to Jack Kinkade, former president of Roofers Local 30-30B.

The sources said evidence indicated that the inspections of the nonunion construction sites ordered by Dillon went against standard OSHA practice, which is to investigate a site either as part of a routine inspection or as the result of a specific written complaint from outside the agency.

In the instances under investigation, sources said, there was no written complaint and the inspections did not appear to be part of the agency's routine.

However, law enforcement officials indicated that no lower-level OSHA inspectors, who carried out the inspections allegedly suggested by Traitz, were under criminal investigation. "They were just doing what the boss told them to do," said one source.

[From the Philadelphia Inquirer, Feb. 27, 1986]

TRACKING THE ROOFERS PROBE: 5 AREAS OF FOCUS

(By William K. Marimow)

For at least the last four months, the FBI's labor squad listened to the leaders of Roofers Union Local 30-30B conduct their daily business. The conversations, picked up on minuscule hidden microphones and tape recorded, involved union leaders, lawyers, police officers, court officers, judges and a federal Labor Department official.

Precisely what the FBI overheard is not likely to be known publicly unless the evidence secured by the U.S. Justice Department is sufficient to persuade a federal grand jury to indict some of those implicated in the investigation.

What is known is that the special agent in charge of the FBI's Philadelphia division, Wayne G. Davis, believes that—as a direct result of the electronic surveillance at the roofers' union headquarters—the FBI has "obtained evidence of illegal activity."

It also is known that those covertly recorded conversations have led in the last three weeks to the suspension of a Philadelphia police officer suspected of attempting to intercede in a criminal case against a roofers' union official; the removal of the director of the Philadelphia-area office of the U.S. Labor Department's Occupational Safety and Health Administration (OSHA), and revelations that at lest 10 judges in Common Pleas and Municipal Courts accepted cash at Christmastime from officials of the roofers union.

From what has become public, it is clear that the FBI's scrutiny of roofers' union leaders and their acquaintances and associates has sent many of those acquaintances—including Philadelphia judges and the law firm that provided prepaid legal services to roofers' union members—scurrying to consult some of the city's most prominent criminal defense lawyers.

Thus far, based on public statements by federal law enforcement officials, defense lawyers and some of those questioned by the FBI, it appears that federal investigators have focused on at least five specific, interrelated subjects in their inquiry. They are:

Steve Traitz Sr., the controversial business manager of Roofers' Union Local 30-30B, an organization that has been accused of resorting to violence to deter nonunion contractors. Traitz, a man with a reputation both for his toughness and for his generosity with his own time and the union's money to charities and youth clubs, has been described by sources in the criminal-justice system as a target of the federal investigation.

The law firm of Bloom, Ocks, Fisher & Anderson, which provides legal services to roofers' union members. In a search of a local 30-30B benefits office in Bensalem Township, FBI agents confiscated financial records of business dealings between the union and the law firm, the retainer agreement for the prepaid legal-services plan and a correspondence file. Defense lawyer Joel Harvey Slomsky said yesterday that he had been retained to represent the firm.

Judges of Common Pleas and Municipal Courts in Philadelphia who—according to law enforcement officials and defense attorneys—accepted cash at Christmastime from the union. Only one judge, Joseph P. Braig of Common Pleas Court, has publicly acknowledged accepting cash from Traitz. But he said that he received the money—$500, he said—during a family exchange of Christmas gifts. Another judge, James R. Cavanaugh of Superior Court, said that he had been offered an envelope with cash in it by a court officer, acting on behalf of Traitz, but that he refused it.

Court officers in Common Pleas and Municipal Courts in Philadelphia who, like the court officer who approached Judge Cavanaugh, may have delivered cash to judges for union officials. A Common Pleas Court judge who was interviewed by the FBI said he was questioned extensively about his aide. One lawyer, who spoke on the condition that his name not be used, said that he had been consulted by a court officer who was interviewed this month by FBI agent William Grace. Grace's questions, the attorney said the court officer told him, focused on whether he and some of his colleagues had received "gifts at Christmas" from someone working for the union.

OSHA, the federal agency responsible for ensuring safe conditions in the workplace. Bernard J. Dillon was removed from his job as director of the Philadelphia-area OSHA office on Feb. 14 after the FBI and the Labor Department's Office of Labor Racketeering obtained evidence suggesting that he had received cash from an official of Roofers Local 30-30B. Federal law enforcement officials said that Dillon dispatched OSHA inspectors to nonunion construction sites to look for health and safety violations after being overheard on electronic surveillance in conversation with Traitz. One source in the criminal-justice system said that Traitz or other union officials "would call him

[Dillon] and say, "There are two scab jobs out in Delaware County; go out and cite them."

The first public knowledge of the FBI investigation was a Feb. 12 article in the Daily News reporting that Philadelphia police Officer Joseph McCook had been suspended the previous week from the Police Department. McCook, according to sources in the criminal-justice system, allegedly was overheard on the FBI surveillance trying to intercede in a criminal case in which a roofers' union official was the defendant.

McCook was suspended from the department Feb. 4. Robert B. Mozenter, an attorney for McCook, said that his client had been subpoenaed to appear before a federal grand jury today, but that he had informed the U.S. attorney's office by letter that McCook would invoke his Fifth Amendment right against self-in-crimination.

On Feb. 10, FBI agents searched the Local 30-30B headquarters at 6447 Torresdale Ave. and a union benefits office at Bristol and Richllen Roads in Bensalem Township. It was then that the broad outlines of the FBI's investigation first became discernible to Traitz, his attorneys and others enmeshed in the case.

The questions plaguing the roofers and their attorneys concerned how the FBI had secured such precise information about the union. Did agents have an informant wearing a concealed microphone? Were microphones hidden in the union local's headquarters? Were their telephones tapped, or—worse yet, from a defense lawyer's viewpoint—had a camera somehow been surreptitiously placed inside the roofers' inner sanctum?

At least part of the answer was provided last Thursday night, when union members discovered three tiny microphones in the ceiling of Traitz's office and a union conference room. The next day, during a hearing in U.S. District Court, Assistant U.S. Attorney Richard L. Scheff declined to say whether the three microphones were the only surveillance equipment to have been installed at union headquarters because, he said, the investigation was continuing.

[From the Philadelphia Inquirer, May 29, 1987]

FBI AGENT: OFFICIAL TOOK ROOFER CASH

(By Emilie Lounsberry)

Former U.S. Labor Department official Bernard J. Dillon Jr., admitted in February 1986 that he received money from Roofers Union Local 30-30B business manager Stephen J. Trail Jr. in December 1985 but characterized the money as a "Christmas gift" an FBI agent testified yesterday.

The testimony by agent Quinn John Tamm Jr. came during a pretrial hearing before U.S. District Judge Joseph L. McGlynn Jr. in which defense attorney Joan M. Gaughan contended that Dillon's statement should be barred from evidence during his forthcoming bribery trial.

Dillon, the former Philadelphia area director of the Occupational Safety and Health Administration, is scheduled to stand trial June 23 on charges that he accepted $500 in bribes from union leader Traitz and business agent Michael Daly.

According to the federal indictment Dillon accepted two $100 payments—one from Traitz on Oct. 9, 1985, and a second from Traitz and Daly on Oct. 23, 1985—plus a $300 payment from Traitz on Dec. 17, 1985.

He also was charged with agreeing to accept a "large sum of money" to help an unidentified person get a job at OSHA by supplying the person with answers to a test and by drafting letters of recommendation in the person's behalf for signatures of unidentified "public officials."

Gaughan contended that Dillon's statements during the Feb. 14, 1986, interview with Tamm and two Labor Department investigators should be suppressed, based on her argument that Dillon was not adequately advised of his constitutional right against self-incrimination.

The government, however, contends that Dillon was specifically advised of his rights to remain silent and to have counsel present during the interview, but made comments during the interview anyway.

Dillon was removed as OSHA area director the same day as the interview, after he was confronted with evidence that he had received money from Traitz.

The amendment that I am offering to H.R. 281 provides that the bill's mandatory requirements shall not apply if their application would force nonunion employees to be represented by a union having an officer or former officer who, within the previous 5 years, has been convicted of any racketeering activity under 18 U.S.C. 1961 or the bribery statutes of 18 U.S.C. 201.

To require by law that nonunion employees be represented by a union against their will is unfair and inequitable. To require by law that nonunion employees be represented by a corrupt union is unconscionable. I urge my colleagues to support my amendment.

Mr. FORD of Michigan. Mr. Chairman, I move to strike the last word and I rise in opposition to the amendment.

If I did not know that the gentleman was serious, I would think that this was really a kind of an interesting practical joke.

Just picture what the gentleman's amendment says. You have a union official who goes bad, he is a crook and so he conspired with an employer to sell out the membership of the union, gets a lousy contract and as a result of that criminal conspiracy, he is convicted of a crime; under Landrum-Griffin he is automatically removed from his position. You then will punish the employees that he has already damaged.

So what you say is that "this guy sold you out, stole your money, did whatever he did to get himself put in jail, but because he was a bad guy and took advantage of you we will now take advantage of you." That would be equivalent to saying to the people in a city whose mayor or city councilmen were indicted for criminal activity and convicted that we are going to cut off their revenue sharing or their highway money. Because they had a crooked official who has already taken advantage of them, now we will take advantage of them.

This amendment does not deserve any further debate. There will not be any as far as we are concerned from this side. It should be soundly defeated.

AMENDMENT OFFERED BY MR. ARMEY TO THE AMENDMENT OFFERED BY MR. BALLENGER

Mr. ARMEY. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. ARMEY to the amendment offered by Mr. BALLENGER: Strike line 8 and insert in lieu thereof: 201 of such title:

Provided further, That such duty shall not apply if such labor organization has been found by the National Labor Relations Board to have directly engaged in or encouraged the use of violence.".

Mr. CLAY. Mr. Chairman, I reserve a point of order on the amendment.

The CHAIRMAN. The gentleman from Missouri [Mr. CLAY] reserves a point of order on the amendment, and the gentleman from Texas [Mr. ARMEY] is recognized for 5 minutes in support of his amendment.

Mr. ARMEY. Mr. Chairman, my amendment is very simple and very direct. I believe that if in fact Mr. BALLENGER's amendment has passed muster by the Parliamentarian, my amendment to his amendment will do likewise.

Mr. BALLENGER has, in fact, a very well-conceived and responsible amendment that prohibits union leaders who are guilty of racketeering from enjoying the benefits of this extraordinary privilege granted the construction trade unions under this extension of existing privilege under existing law. I think it is only fair and appropriate to do this.

Likewise, I seek to amend Mr. BALLENGER's amendment in order to exempt union leaders who have been found by the National Labor Relations Board to have directly engaged in or encouraged the use of violence in the workplace from enjoying the benefits of this extension of benefits beyond existing law to the already privileged union leaders within the construction trade unions.

Mr. Chairman, let me say, after that explanation of my amendment to Mr. BALLENGER's amendment that I have not enjoyed the process by which this bill has been handled from the beginning of this session of Congress, neither through subcommittee, committee, through the Committee on Rules, nor here on the floor.

It has been said in the debate on the rules and later again in debate on the bill that to take this bill up a third time after the other body has refused to act on it twice is a political movement.

The manner in which the bill has been handled has been more a matter of partisan politics than it has been a matter of any effort to work toward a sincere legislative process by which we may be able to address this legislative need.

Consequently, I will call for a recorded vote not only on my amendment to Mr. BALLENGER's amendment but on

Mr. BALLENGER's amendment itself. I do so knowing full well that I call for a political vote. I do not like doing that. I usually will try to do anything to avoid doing that.

But in this case I believe it is not only justified but it is a necessary thing for the minority in this body to do in order for the majority to understand that we will not have our rights abused and simply accept that as they pass special interest legislation.

So, Mr. Chairman, I will call for a recorded vote on this amendment to the amendment and to the amendment itself. And I expect that my explanation of the two amendments is satisfactory. If you approve of union violence, vote "no" on the Armey amendment. If you approve of corruption and criminal activities in the union movement, vote "no" on the Ballenger amendment. If you believe the union community should be held to the same standards of lawfulness and decency as anybody else in the larger economic community, vote "yes" on Armey and vote "yes" on Ballenger—vote "yes" on Ballenger, vote "yes" on Armey if you believe that we should have lawfulness and decency in the American union movement.

Mr. Chairman, I yield back the balance of my time.

Mr. CLAY. Mr. Chairman, I withdraw my reservation of a point of order.

The CHAIRMAN. The gentleman from Missouri [Mr. CLAY] withdraws his reservation of a point of order.

The question is on the amendment offered by the gentleman from Texas [Mr. ARMEY] to the amendment offered by the gentleman from North Carolina [Mr. BALLENGER].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. ARMEY. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 162, noes 262, not voting 9, as follows:

[Roll No. 188]

AYES—162

Archer
Armey
Badham
Baker
Ballenger
Barnard
Bartlett
Barton
Bateman
Bentley
Bereuter
Bilirakis
Bliley
Boulter
Broomfield
Brown (CO)
Buechner
Bunning
Burton
Byron
Callahan
Carper
Chandler
Chappell
Cheney
Coats
Coble
Coleman (MO)
Combest
Craig
Crane
Dannemeyer
Daub
Davis (IL)
DeLay
DeWine
Dickinson
Dornan (CA)
Dreier
Duncan
Edwards (OK)
Emerson
English
Fawell
Fields
Frenzel
Gallegly
Gekas
Gibbons
Gingrich
Goodling
Grandy
Grant
Gregg
Hall (TX)
Hammerschmidt
Hansen
Hastert
Hefley
Henry
Herger
Hiler
Holloway
Hopkins
Houghton
Huckaby
Hunter
Hutto
Hyde
Inhofe
Ireland
Jacobs
Kasich
Kolbe
Konnyu
Kyl
Lagomarsino
Lancaster
Latta
Leach (IA)
Leath (TX)
Lewis (CA)
Lewis (FL)
Lightfoot
Livingston
Lloyd
Lott
Lowery (CA)
Lujan
Lukens, Donald
Lungren
Mack
Marlenee
Martin (IL)
McCandless
McCollum
McEwen
McMillan (NC)
Meyers
Michel
Miller (OH)
Montgomery
Moorhead
Morella
Morrison (WA)
Myers
Nielson
Oxley
Packard
Parris
Petri
Porter
Quillen
Ravenel
Regula
Rhodes
Ritter
Roberts
Roemer
Rogers
Roth
Saiki
Schaefer
Schulze
Sensenbrenner
Sharp
Shaw
Shumway
Shuster
Skeen
Skelton
Slaughter (VA)
Smith (NE)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Solomon
Spence
Stangeland
Stenholm
Stump
Sundquist
Sweeney
Swindall
Tauke
Tauzin
Taylor
Thomas (CA)
Upton
Valentine
Vander Jagt
Vucanovich
Walker
Watkins
Weber
Weldon
Whittaker
Wolf
Wortley
Wylie
Young (FL)

NOES—262

Ackerman
Akaka
Alexander
Anderson
Andrews
Annunzio
Anthony
Applegate
Aspin
Atkins
AuCoin
Bates
Beilenson
Bennett
Berman
Bevill
Biaggi
Bilbray
Boehlert
Boggs
Boland
Bonker
Borski
Bosco
Boucher
Boxer
Brennan
Brooks
Brown (CA)
Bruce
Bryant
Bustamante
Campbell
Cardin
Carr
Chapman
Clarke
Clay
Clinger
Coelho
Coleman (TX)
Collins
Conte
Conyers
Cooper
Coughlin
Courter
Coyne
Crockett
Darden
Davis (MI)
de la Garza
DeFazio
Dellums
Derrick
Dicks
Dingell
DioGuardi
Dixon
Donnelly
Dorgan (ND)
Dowdy
Downey
Durbin
Dwyer
Dymally
Dyson
Early
Eckart
Edwards (CA)
Erdreich
Espy
Evans
Fascell
Fazio
Feighan
Fish
Flake
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Frank
Frost
Gallo
Garcia
Gaydos
Gejdenson
Gephardt
Gilman
Glickman
Gonzalez
Gordon
Gradison
Gray (IL)
Gray (PA)
Green
Guarini
Gunderson
Hall (OH)
Hamilton
Harris
Hatcher
Hawkins
Hayes (IL)
Hayes (LA)
Hefner
Hertel
Hochbrueckner
Horton
Howard
Hoyer
Hubbard
Hughes
Jeffords
Jenkins
Johnson (CT)
Johnson (SD)
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kastenmeier
Kennedy
Kennelly
Kildee
Kleczka
Kolter
Kostmayer
LaFalce
Lantos
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lewis (GA)
Lipinski
Lowry (WA)
Luken, Thomas
MacKay
Madigan
Manton
Markey
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCurdy
McDade
McGrath
McHugh
McMillen (MD)
Mfume
Mica
Miller (CA)
Miller (WA)
Mineta
Moakley
Molinari
Mollohan
Moody
Morrison (CT)
Mrazek
Murphy
Murtha
Nagle
Natcher
Neal
Nelson
Nichols
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens (NY)
Owens (UT)
Panetta
Pashayan
Patterson
Pease
Pelosi
Penny
Pepper
Perkins
Pickett
Pickle
Price (IL)
Price (NC)
Pursell
Rahall
Richardson
Ridge
Rinaldo
Robinson
Rodino
Roe
Rose
Roukema
Rowland (CT)
Rowland (GA)
Roybal
Russo
Sabo
Savage
Sawyer
Saxton
Scheuer
Schneider
Schroeder
Schuette
Schumer
Sikorski
Sisisky
Skaggs
Slattery
Smith (FL)
Smith (IA)
Smith (NJ)
Snowe
Solarz
Spratt
St Germain
Staggers
Stallings
Stark
Stokes
Stratton
Studds
Swift
Synar
Tallon
Thomas (GA)
Torres
Towns
Traficant
Traxler
Udall
Vento
Visclosky
Volkmer
Walgren
Waxman
Weiss
Wheat
Whitten
Williams
Wilson
Wise
Wolpe
Wyden
Yates
Yatron
Young (AK)

NOT VOTING—9

Boner (TN)
Bonior (MI)
Daniel
Kemp
Rangel
Ray
Rostenkowski
Slaughter (NY)
Torricelli

☐ 1745

Mr. PURSELL changed his vote from "aye" to "no."

Mr. KONNYU and Mr. QUILLEN changed their votes from "no" to "aye."

So the amendment to the amendment was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN. The question is on the amendment offered by the gentleman from North Carolina [Mr. BALLENGER].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. ARMEY. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 158, noes 266, not voting 9, as follows:

[Roll No. 189]

AYES—158

Archer
Armey
Badham
Baker
Ballenger
Barnard
Bartlett
Barton
Bateman
Bentley
Bereuter
Bilirakis
Bliley
Boulter
Broomfield
Brown (CO)
Buechner
Bunning
Burton
Byron
Callahan
Chandler
Chappell
Cheney
Coats
Coble
Coleman (MO)
Combest
Coughlin
Craig
Crane
Dannemeyer
Darden
Daub
DeLay
DeWine
Dickinson
Dornan (CA)
Dreier
Duncan
Edwards (OK)
Emerson
English
Fawell
Fields
Frenzel
Gallegly
Gekas
Gingrich
Goodling
Grandy
Grant
Gregg
Gunderson
Hall (TX)
Hammerschmidt
Hansen
Hastert
Hefley
Henry
Herger
Hiler
Holloway
Hopkins
Houghton
Huckaby
Hunter
Hutto
Hyde
Inhofe
Ireland
Kasich
Kolbe
Konnyu
Kyl
Lagomarsino
Lancaster
Latta

Leach (IA)
Leath (TX)
Lewis (CA)
Lewis (FL)
Lightfoot
Livingston
Lloyd
Lott
Lowery (CA)
Lujan
Lukens, Donald
Lungren
Mack
Marlenee
Martin (IL)
McCandless
McCollum
McEwen
McMillan (NC)
Meyers
Miller (OH)
Montgomery
Moorhead
Morrison (WA)
Myers
Nielson
Oxley
Packard
Parris
Petri
Porter
Pursell
Quillen
Ravenel
Rhodes
Ritter
Roberts
Roemer
Rogers
Roth
Saiki
Saxton
Schaefer
Schulze
Sensenbrenner
Shaw
Shumway
Shuster
Skeen
Skelton
Slaughter (VA)
Smith (NE)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Solomon
Spence
Stangeland
Stenholm
Stump
Sundquist
Sweeney
Swindall
Tauke
Taylor
Thomas (CA)
Upton
Valentine
Vander Jagt
Volkmer
Vucanovich
Walker
Watkins
Weber
Whittaker
Wolf
Wortley
Wylie
Young (FL)

NOES—266

Ackerman
Akaka
Alexander
Anderson
Andrews
Annunzio
Anthony
Applegate
Aspin
Atkins
AuCoin
Bates
Beilenson
Bennett
Berman
Bevill
Biaggi
Bilbray
Boehlert
Boggs
Boland
Bonker
Borski
Bosco
Boucher
Boxer
Brennan
Brooks
Brown (CA)
Bruce
Bryant
Bustamante
Campbell
Cardin
Carper
Carr
Chapman
Clarke
Clay
Clinger
Coelho
Coleman (TX)
Collins
Conte
Conyers
Cooper
Courter
Coyne
Crockett
Davis (IL)
Davis (MI)
de la Garza
DeFazio
Dellums
Derrick
Dicks
Dingell
DioGuardi
Dixon
Donnelly
Dorgan (ND)
Dowdy
Downey
Durbin
Dwyer
Dymally
Dyson
Early
Eckart
Edwards (CA)
Erdreich
Espy
Evans
Fascell
Fazio
Feighan
Fish
Flake
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Frank
Frost
Gallo
Garcia
Gaydos
Gejdenson
Gephardt
Gibbons
Gilman
Glickman
Gonzalez
Gordon
Gradison
Gray (IL)
Gray (PA)
Green
Guarini
Hall (OH)
Hamilton
Harris
Hatcher
Hawkins
Hayes (IL)
Hayes (LA)
Hefner
Hertel
Hochbrueckner
Horton
Howard
Hoyer
Hubbard
Hughes
Jacobs
Jeffords
Jenkins
Johnson (CT)
Johnson (SD)
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kastenmeier
Kennedy
Kennelly
Kildee
Kleczka
Kolter
Kostmayer
LaFalce
Lantos
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lewis (GA)
Lipinski
Lowry (WA)
Luken, Thomas
MacKay
Madigan
Manton
Markey
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCurdy
McDade
McGrath
McHugh
McMillen (MD)
Mfume
Mica
Michel
Miller (CA)
Miller (WA)
Mineta
Moakley
Molinari
Mollohan
Moody
Morella
Morrison (CT)
Mrazek
Murphy
Murtha
Nagle
Natcher
Neal
Nelson
Nichols
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens (NY)
Owens (UT)
Panetta
Pashayan
Patterson
Pease
Pelosi
Penny
Pepper
Perkins
Pickett
Pickle
Price (IL)
Price (NC)
Rahall
Regula
Richardson
Ridge
Rinaldo
Robinson
Rodino
Roe
Rose
Roukema
Rowland (CT)
Rowland (GA)
Roybal
Russo
Sabo
Savage
Sawyer
Scheuer
Schneider
Schroeder
Schuette
Schumer
Sharp
Sikorski
Sisisky
Skaggs
Slattery
Smith (FL)
Smith (IA)
Smith (NJ)
Snowe
Solarz
Spratt
St Germain
Staggers
Stallings
Stark
Stokes
Stratton
Studds
Swift
Synar
Tallon
Tauzin
Thomas (GA)
Torres
Towns
Traficant
Traxler
Udall
Vento
Visclosky
Walgren
Waxman
Weiss
Weldon
Wheat
Whitten
Williams
Wilson
Wise
Wolpe
Wyden
Yates
Yatron
Young (AK)

NOT VOTING—9

Boner (TN)
Bonior (MI)
Daniel
Kemp
Rangel
Ray
Rostenkowski
Slaughter (NY)
Torricelli

□ 1800

So the amendment was rejected.

The result of the vote was announced as above recorded.

□ 1810

AMENDMENT OFFERED BY MRS. ROUKEMA

Mrs. ROUKEMA. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mrs. ROUKEMA: Page 3, line 17, after the first comma insert the following: "and such employees share a community of interest (as determined solely on the basis of similarities in skills and work performed) to constitute a unit appropriate for purposes of bargaining,".

Mrs. ROUKEMA (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentlewoman from New Jersey?

There is no objection.

Mrs. ROUKEMA. Mr. Chairman, a persistent problem in construction law has been the enforcement of prehire agreements and bargaining obligations related to those agreements.

I offer an amendment to codify the Deklewa decision by the NLRB. This decision says the employers have to abide by the agreements they sign with construction unions but, unless that union has been elected by the employees, that employer doesn't have to negotiate a new agreement when the first one expires. That is a fair balance between employee choice and the binding nature of contracts. The NLRB decision, which is now on appeal, should be preserved in the statute.

My amendment would prohibit the repudiation of prehire agreements unless the Board certifies the results of a decertification election in which the employees reject the union or select a different bargaining representative. It explicitly states that upon expiration of such agreements, the employer and union are not under an obligation to bargain. In other words, there would not be the normal rebuttable presumption of majority support at the end of the contract period which carries a bargaining obligation. This divergence from the rights and obligations carried by section 9(a) agreements is necessary in the case of 8(f) agreements because, in contrast to 9(a) agreements, there is no showing of majority support before the establishment of the union as the exclusive bargaining representative. However, the amendment also explicitly states that there would be a continuing bargaining obligation when the union's majority status is established by a decertification election or by some other manner determined appropriate by the Board.

Part (B) of my amendment would require the National Labor Relations Board to establish procedures for determining majority status and conducting decertification elections in section 8(f) situations within 1 year of enactment of these amendments.

H.R. 281 would similarly prohibit the repudiation of prehire agreements unless the employees vote in a Board-conducted decertification election to remove or change their bargaining representative. But H.R. 281 specifically states that section 8(f) agreements otherwise "shall impose the same obligations" under the act as agreements made under section 9(a). It would require the parties to bargain upon expiration of the contract regardless of whether majority status has ever been shown.

I believe that my amendment to the act codifying the Deklewa decision provides a better balance among the three parties involved—union, employers, and individual employee—and I urge your support.

Mr. BERMAN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the gentlewoman from New Jersey has accurately described her amendment, which is to codify a National Labor Relations Board decision which has subsequently been appealed to the circuit court in the area of interpreting the operating rules of prehire agreements and the obligations of employers and unions under that agreement.

However, the effect of this decision, while helping and restraining the employer from repudiating a collective-bargaining agreement unilaterally in the middle of the contract has numerous devastating features for the effort to organize and represent workers in the construction industry. This gets to be a very complicated area of the law. But basically, if this amendment is passed and a collective-bargaining contract expires, unlike every other area which has been organized and which operates within the confines of the National Labor Relations Act, the union that represents workers in the construction industry will no longer have any ability to require the employer to bargain in good faith for a new contract.

Taken in the context of, for instance, General Motors and the United Auto Workers, what this essentially would provide if this amendment is passed is that every single time a contract between GM and UAW expires, they could not negotiate. The employer was under no obligation to negotiate a new contract and there would have to be a whole new election process with all of the delays inherent in that.

The present law gives tremendous opportunity for workers who no longer want a union or workers who want another union to reject through the decertification procedure or through choosing another union to get employee choice that has been talked about here. This decision will eliminate the employer obligation to bargain for a new contract without an entire new process being undertaken.

On balance, when one goes to seminars of labor lawyers from both sides, the consensus of agreement is this NLRB decision was a tremendous victory for employers in the construction industry who wished to avoid unionization, notwithstanding the fact that it did contain one element of benefit for those who wish to for the union side of this kind of a conflict.

I would just conclude, my friends, by quoting from the Association of General Contractors, probably the largest organization that represents contractors who said that in the Deklewa case, which the gentlewoman from New Jersey seeks to codify, "The union won the battle and management won the war."

I urge a "no" vote.

Mr. JEFFORDS. Mr. Chairman, I move to strike the last word.

I rise in favor of the amendment and would point out what we are trying to do here again is another reasonable approach to one of the problems that has occurred in prehire agreements.

What the gentlewoman's amendment does is to put into law the decision in the Deklewa case, plus an additional provision which provides for an expedited procedure in order to allow employees to be able to show their consent to the union. I commend the gentlewoman for the amendment. I think it is helpful to bring stability into the area and to provide a means by which confidentiality and timeliness are assured. By not having to use a 9(c) election, employees would be able to vote to show their support or nonsupport for an agreement.

Mrs. ROUKEMA. Mr. Chairman, will the gentleman yield?

Mr. JEFFORDS. I am happy to yield to the gentlewoman from New Jersey.

Mrs. ROUKEMA. I thank the gentleman for his comments. I am not going to prolong this debate except to make sure that everyone understands that the gentleman from California is correct. This is different from other areas of bargaining law, but that is because this is different legislation. Prehire agreements do not exist in other circumstances in other contractual arrangements or collective-bargaining arrangements. There is in others a showing of majority support before the agreement takes place.

Second, under my amendment, if majority support is shown by the union, then there is a continuing obligation to bargain, and I believe that sums up the amendment.

Mr. JEFFORDS. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentlewoman from New Jersey [Mrs. ROUKEMA].

The amendment was rejected.

AMENDMENT OFFERED BY MR. WALKER

Mr. WALKER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WALKER: Page 4, after line 16, insert the following new section and redesignate the succeeding section accordingly:

SEC. 3. It is the sense of the Congress that, under the provisions set forth in this Act, violence and coercion are inimicable to the collective bargaining process, and that employers and labor organizations in the building and construction industry, in fulfilling the principal objective of this Act to increase the stability of collective bagaining in the building and construction industry, should never use or condone the use of violence.

Mr. WALKER (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. WALKER. Mr. Chairman, a few minutes ago the House spoke on a subject from my viewpoint somewhat disappointingly on the issue of union violence as it relates to the construction industry. But I think there is a general feeling around this House that we do not in any way want to indicate that we are in favor of violence at construction sites, either by employers or by unions.

This particular amendment would simply say that we do not condone the use of violence, and says to employers and unions that they should never use violence. It is language that was adopted last year in this bill when it went through, and I understand that we have agreement on the bill. I will not prolong the debate.

Mr. CLAY. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I am happy to yield to the gentleman from Missouri.

Mr. CLAY. Mr. Chairman, this is the same language that we accepted last year. We think it is a good amendment, and this side will accept it.

Mr. WALKER. I thank the gentleman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. WALKER].

The amendment was agreed to.

PARLIAMENTARY INQUIRY

Mr. JEFFORDS. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. JEFFORDS. Mr. Chairman, I just want to make sure that I preserve my rights. I have an amendment to section 3 as the bill was printed, and it is my understanding we are now renumbering sections. Am I still protected?

The CHAIRMAN. The gentleman is protected.

AMENDMENT OFFERED BY MR. DE LAY

Mr. DELAY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DELAY: Page 4, after line 16, insert the following new section (and redesignate the succeeding section accordingly):

SEC. 3. Within 90 days after the date of the enactment of this Act, the General Accounting Office shall prepare a report concerning the effect of this Act on—

(1) the competitiveness of the United States businesses engaged in the building and construction industry and other related businesses with respect to foreign businesses engaged in such industry;

(2) the employment of American workers who are members of labor organizations and who are employed in such industry; and

(3) costs incurred by United States businesses which contract with businesses engaged in the building and construction industry.

Mr. DELAY (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. DELAY. Mr. Chairman, I feel that it is very important to understand the impact legislation such as this will have on our economy. The purpose of my amendment is to require the General Accounting Office [GAO] to perform a study that will show the effects of this act on the competitiveness of the United States. The study will focus on the employment of American workers who are members of labor organizations. And also, costs incurred by U.S. construction consumers.

Through increased costs and changes in employment figures, I believe that our Nation's competitive posture should be examined closely if this legislation should ever become law.

The foundation of our market economy is the premise that parties must compete. We must compete for markets, we must compete for votes—and—we must compete for membership. By requiring individuals to become members of the union, this bill interferes with that competitive process and weakens our economic system as a whole. These factors will have an effect on employment along the rank and file of labor organizations.

Most importantly, however is the idea behind operating a double-breasted shop. The idea of double-breasting has only been practiced on a large scale for the last 15 or 20 years. Contractors operate dual shops in order to have access to as many markets as possible. What the construction industry has been proving over the past two decades is their desire to maximize their competitive ability.

Double-breasting is the result of the growth of the open shop in the construction industry. Back in the 1940's unionized contractors controlled about 70 percent of all construction, but today that share has slipped to less than 25 percent. This decrease is due in large part to an increase in competition from abroad. However, here at home, domestic manufacturers were forced to reduce all costs, including construction. Over time, consumers began to insist on the maximum return for their construction dollar. Since our free market works the way it does, open-shop contractors—who were not burdened by obsolete work rules which had developed over the years in the union sector—were better able to meet these demands.

Competitiveness within the industry demanded an answer to the problem of foreign competition and high prices. Double-breasting was and still is that answer.

Double-breasting is not the cause of the decline in the union construction market. That decline was well under way before double-breasting was even a factor. It is the result of natural market forces—competition—that has dictated this trend.

Again, my amendment, will show the effects of this act on the competitiveness of the United States. By focusing on the employment of labor organization workers and costs incurred by U.S. competition consumers I believe that our Nation's competitive posture and the problems with this act can be made apparent.

Double-breasting is an integral, established, and accepted practice in the construction industry. It promotes fair competition within the industry and clearly results in lower costs to the construction consumer. This fact can only stand to benefit everyone—the consumer and the public at large. My amendment requiring a competitive impact study will show just how this bill will affect our economy.

Mr. Chairman, I believe the amendment has been agreed to.

Mr. CLAY. Mr. Chairman, will the gentleman yield?

Mr. DELAY. I am glad to yield to the gentleman from Missouri.

Mr. CLAY. Mr. Chairman, we have no objections on this side, and we accept the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas [Mr. DELAY].

The amendment was agreed to.

The CHAIRMAN. The Clerk will designate section 3.

The text of section 3 is as follows:

SEC. 3. (a) Except as provided in subsection (b), the amendments made by section 2 shall take effect upon the date of the enactment of this Act.

(b) The requirement imposed by the amendment made by section 2(b) shall take effect—

(1) one year after such date of enactment with respect to any building and construction project for which the contract was entered into by an employer before the date of the enactment of this Act; and

(2) on the date on which the contract is entered into with respect to any new building or construction project for which the contract is entered into by an employer on or after the date of the enactment of this Act.

AMENDMENT OFFERED BY MR. JEFFORDS

Mr. JEFFORDS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. JEFFORDS: Page 4, strike line 17 and all that follows through page 5, line 4 (section 3 of the bill) and insert the following new section:

SEC. 3. The amendments made by section 2 shall apply only with respect to any collective bargaining agreement entered into after the date of the enactment of this Act.

Mr. JEFFORDS (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Vermont?

There was no objection.

Mr. JEFFORDS. Mr. Chairman, this is the last amendment of the day and I know this has been a long and somewhat hard-fought battle over some very emotional issues involving the construction industry and unions.

I am making one more attempt to try to do a reasonable thing with this bill. Basically what my amendment does is to say that it will be prospective in effect. It says that those contracts which are already in existence should stay in existence until they terminate, and then the new law should apply to them.

There is an effective date, postponement, but a very limited one in the existing bill that says that it is postponed for 1 year on existing projects, not contracts. My amendment would say that it would not affect present contracts.

Let me give my colleagues some of the bizarre circumstances which we are creating here, and I will try to do that very briefly.

Probably the one that could be most easily understood is suppose you are a nonunion shop right now and you have submitted a bid on a contract based upon the union scales that are in the open shop employees' agreement. That has not been accepted yet. It is there, it is a bid, but under law it could be accepted. All right, the law passes and goes into effect, and then your bid is accepted, and all of a sudden your bid is accepted but your wage scales are completely different than the ones which you submitted.

☐ 1825

You are going to lose a bundle of money on that contract and just because this law passed and it was not made prospective.

The other situation we talked about earlier is also one that would be covered by this amendment. Suppose, again, this goes into effect, you have a nonunion shop which has employees but no project, without ever having an opportunity to be able to negotiate or whatever else they would if this amendment went into effect, going into effect. This bill you must remember is a far-reaching bill. It overturns decades of law. Should we not reasonably make this a prospective amendment when you are doing something of this nature?

Mr. GEKAS. Mr. Chairman, will the gentleman yield?

Mr. JEFFORDS. I would be happy to yield to the gentleman from Pennsylvania.

Mr. GEKAS. I thank the gentleman for yielding.

The gentleman mentioned, Mr. Chairman, that what his amendment would accomplish would be to preserve existing contracts and the gentleman made a distinction between projects and contracts.

Mr. JEFFORDS. That is correct.

Mr. GEKAS. I am trying to hypothesize where it could be a project but not a contract. If the gentleman would give me a definition, an illustration of that, that would clarify it for me.

Mr. JEFFORDS. I appreciate the question because it is an important one.

Normally in the construction business you have a union agreement, the agreement will not necessarily be a project, it will be an overall agreement that says for the next 1 year or 2 years we have an argument on wage scales and the way things would be done. You might do 20, 30 projects within that year or 2-year period, whatever it is. The bill would only say that you are protected to the end of that project which might be 3 days away, 5 days away, or maybe 1 year away. But if you entered into a project—the minute the next project you enter into, bang, this law goes into effect and that could be 2 or 3 days after this bill goes into effect. Then you have a whole different set of rules to play by. This is just an attempt to make an orderly process under the presumption that the bill passes and I would say, from all the votes, it is going to most likely pass. But why not do it reasonably? At least give some advance notice to your contractors so that they can adjust to the situation and not force them into an untenable situation where they may have already submitted bids and all these other things based upon one set of laws when we are going to make a dramatic, drastic change to the existing law. That is basically what the amendment does.

Mr. Chairman, I yield back the balance of my time.

Mr. FORD of Michigan. Mr. Chairman, I move to strike the last word and I rise in opposition to the amendment.

Unfortunately I cannot agree with the amendment offered by my friend, Mr. JEFFORDS, of Vermont. His amendment would apply only to collective-bargaining agreements entered into after the date of enactment of this proposal. In the first place, most of the agreements are for 3 years, at least 2 years, and this changes entirely the compromise that was worked out with business interests after the bill was considered by the Congress the last time.

When H.R. 281 was introduced in the last Congress, there was no delayed effective date in it. Representatives of employer groups made an impassioned plea for some sort of delay and they suggested 1 year. In the spirit of trying to reach a compromise with them, we accepted 1 year and we said that if indeed, as the gentleman suggested, you have already entered into a contract under the old rules and you are performing that contract, we are not going to catch you short, so we are going to grandfather your right to get around this act until you finish that contract, talking now about our project. You are building a building or something of that kind that takes you 2 years. We are going to give you another year before it will be applicable to an existing project. However, the gentleman's amendment would say that this law would not become applicable until the expiration of the contract which may not involve any particular job at all, between the union and any group of contractors for prehire conditions and otherwise; and if you then relate that to the Deklawa decision, you find the Deklawa decision says that at the expiration of the contract there is no duty to bargain for a new contract, or for an extension of the contract.

So you would find a rather strange situation of trying to provide the relief that business asked for the way the gentleman proposes instead of the way the bill in its present form proposes to answer their problem, that you would have to wait until all the contracts expired so that there is no contract in existence, and then start all over. And that would bring about chaos, indeed.

Now obviously these contracts do not all expire at the same time. So you would have an expiration period stretching out some time over the next 3 years and each individual contract would determine when the law became effective with respect to the contractors covered by that contract and the respective labor unions or trade unions.

That just will not work. We have given the employer 1 year to continue as they are so that they are not caught off base by a change in the law and I believe that that is adequate.

Mrs. JOHNSON of Connecticut. Mr. Chairman, will the gentleman yield?

Mr. FORD of Michigan. I yield to the gentlewoman from Connecticut.

Mrs. JOHNSON of Connecticut. I thank the gentleman for yielding.

Mr. Chairman, if as an owner the gentleman owns a union company and nonunion company and the contract that he has negotiated with his union company is for 2 years, would it in the gentleman's estimation be right and proper if that owner wanted to choose to become nonunion because this law requires him to make a choice, would it be right and proper then since we are changing the law and the rules of the game for that owner to abrogate the 2-year contract?

Mr. FORD of Michigan. The gentlewoman's question is predicated on the mistaken assumption that something in this bill requires a contractor who is now operating union and nonunion to become union. There is no such requirement. He can go either way he wants to go.

Mrs. JOHNSON of Connecticut. I believe the gentleman misunderstands my question, either that or I misunderstand the bill. This is, in my estimation, a very important matter because we are, through this legislation, changing the rights that U.S. citizens have to invest in various businesses.

Mr. FORD of Michigan. No, no, no. I think the confusion arises out of the assumption because it has been said improperly here so many times that if you have a union and nonunion situation with common ownership the effect of this bill would be to make you all union. The effect of the bill is that you have to make a choice to be all union or all nonunion, but you cannot be both.

Mrs. JOHNSON of Connecticut. No; the point of my question is you must make a choice between being either union or nonunion.

Mr. FORD of Michigan. That is correct.

Mrs. JOHNSON of Connecticut. If you choose to be nonunion, but you have a legal obligation to this collective-bargaining contract I assume then you say it was all right to abrogate that contract, if it is a 2-year contract and you must make the decision within 1 year.

Mr. FORD of Michigan. When the contract expires, if we understand the Deklewa decision correctly, there is no obligation on that employer to negotiate any further. They have to organize them all over again.

Mr. BARTLETT. Mr. Chairman, I move to strike the requisite number of words and I rise in support of the amendment as one last attempt to save the bill for the sponsors of this bill.

I think the gentlewoman from Connecticut was precisely correct. The fact of the matter is that under the current bill without the Jeffords amendment if you have already entered into a contract you do not have the right under this bill or under current law to abrogate that contract. So if the Jeffords amendment is not adopted to make it prospective, then you are obligated under this bill to essentially apply the terms and conditions of your collective-bargaining agreement to all of your nonunion businesses with no other choices.

Now, what the gentlewoman from Connecticut was saying is that an employer has signed a contract under one set of laws, the laws that are there, and in place, and in place today. And along comes Congress to change those sets of laws and changes them retroactively and yet the employer has no opportunity to adjust his contracts.

Mr. JEFFORDS. Mr. Chairman, will the gentleman yield?

Mr. BARTLETT. I yield to the gentleman from Vermont.

Mr. JEFFORDS. I thank the gentleman for yielding.

Mr. Chairman, I want to clear up some matters and hopefully the gentleman from Michigan will be alert. I will just point out that under the provisions of this bill the prehire agreement provisions give section 9(a) status to the union which requires them to be bargained with by virtue of this bill. And the gentleman from Michigan was incorrect in his statement. If you will read the sentence it says on lines 3 through 6 on page 4, it gives them the status where they have to be bargained with.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Vermont [Mr. JEFFORDS].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. JEFFORDS. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device and there were—ayes 203, noes 221, not voting 9, as follows:

[Roll No. 190]

AYES—203

Andrews
Archer
Armey
Badham
Baker
Ballenger
Barnard
Bartlett
Barton
Bateman
Bentley
Bereuter
Bilirakis
Bliley
Boehlert
Boulter
Broomfield
Brown (CO)
Buechner
Bunning
Burton
Byron
Callahan
Chandler
Chappell
Cheney
Clinger
Coats
Coble
Coleman (MO)
Combest
Courter
Craig
Crane
Dannemeyer
Darden
Daub
de la Garza
DeLay
DeWine
Dickinson
DioGuardi
Dornan (CA)
Dreier
Duncan
Edwards (OK)
Emerson
English
Erdreich
Fawell
Fields
Fish
Flippo
Frenzel
Gallegly
Gekas
Gibbons
Gingrich
Glickman
Goodling
Gradison
Grandy
Grant
Green
Gregg
Gunderson
Hall (TX)
Hamilton
Hammerschmidt
Hansen
Hastert
Hatcher
Hefley
Hefner
Henry
Herger
Hiler
Holloway
Hopkins
Houghton
Hubbard
Huckaby
Hunter
Hutto
Hyde
Inhofe
Ireland
Jeffords
Jenkins
Johnson (CT)
Kasich
Kemp
Kolbe
Konnyu
Kyl
Lagomarsino
Lancaster
Latta
Leach (IA)
Leath (TX)
Lewis (CA)
Lewis (FL)
Lightfoot
Livingston
Lloyd
Lott
Lowery (CA)
Lujan
Lukens, Donald
Lungren
Mack
Madigan
Marlenee
Martin (IL)
Martin (NY)
Mazzoli
McCandless
McCollum
McCurdy
McEwen
McMillan (NC)
Meyers
Michel
Miller (OH)
Miller (WA)
Montgomery
Moody
Moorhead
Morella
Morrison (WA)
Myers
Neal
Nelson
Nielson
Ortiz
Oxley
Packard
Parris
Petri
Pickle
Porter
Price (NC)
Pursell
Quillen
Ravenel
Regula
Rhodes
Ritter
Roberts
Roemer
Rogers
Roth
Roukema
Rowland (CT)
Rowland (GA)
Saiki
Saxton
Schaefer
Schneider
Schulze
Sensenbrenner
Shaw
Shumway
Shuster
Skeen
Skelton
Slattery
Slaughter (VA)
Smith (NE)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Snowe
Solomon
Spence
Spratt
Stangeland
Stenholm
Stump
Sundquist
Sweeney
Swindall
Synar
Tauke
Tauzin
Taylor
Thomas (CA)
Thomas (GA)
Upton
Valentine
Vander Jagt
Vucanovich
Walker
Watkins
Weber
Weldon
Whittaker
Wolf
Wortley
Wylie
Young (AK)
Young (FL)

NOES—221

Ackerman
Akaka
Alexander
Anderson
Annunzio
Anthony
Applegate
Aspin
Atkins
AuCoin
Bates
Beilenson
Bennett
Berman
Bevill
Biaggi
Bilbray
Boggs
Boland
Bonker
Borski
Bosco
Boucher
Boxer
Brennan
Brooks
Brown (CA)
Bruce
Bryant
Bustamante
Campbell
Cardin
Carper
Carr
Chapman
Clarke
Clay
Coelho
Coleman (TX)
Collins
Conte
Conyers
Cooper
Coughlin
Coyne
Crockett
Davis (IL)
Davis (MI)
DeFazio
Dellums
Derrick
Dicks
Dingell
Dixon
Donnelly
Dorgan (ND)
Dowdy
Downey
Durbin
Dwyer
Dymally
Dyson
Early
Eckart
Edwards (CA)
Espy
Evans
Fascell
Fazio
Feighan
Flake
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Frank
Frost
Gallo
Garcia
Gaydos
Gejdenson
Gilman
Gonzalez
Gordon
Gray (IL)
Gray (PA)
Guarini
Hall (OH)
Harris
Hawkins
Hayes (IL)
Hayes (LA)
Hertel
Hochbrueckner
Horton
Howard
Hoyer
Hughes
Jacobs
Johnson (SD)
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kastenmeier
Kennedy
Kennelly
Kildee
Kleczka
Kolter
Kostmayer
LaFalce
Lantos
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lewis (GA)
Lipinski
Lowry (WA)
Luken, Thomas
MacKay
Manton
Markey
Martinez
Matsui
Mavroules
McCloskey
McDade
McGrath
McHugh
McMillen (MD)
Mfume
Mica
Miller (CA)
Mineta
Moakley
Molinari
Mollohan
Morrison (CT)
Mrazek
Murphy
Murtha
Nagle
Natcher
Nichols
Nowak
Oakar
Oberstar
Obey
Olin
Owens (NY)
Owens (UT)
Panetta
Pashayan
Patterson
Pease
Pelosi
Penny
Pepper
Perkins
Pickett
Price (IL)
Rahall
Richardson
Ridge
Rinaldo
Robinson
Rodino
Roe
Rose
Roybal
Russo
Sabo
Savage
Sawyer
Scheuer
Schroeder
Schuette
Schumer
Sharp
Sikorski
Sisisky
Skaggs
Smith (FL)
Smith (IA)
Smith (NJ)
Solarz
St Germain
Staggers
Stallings
Stark
Stokes
Stratton
Studds
Swift
Tallon
Torres
Towns
Traficant
Traxler
Udall
Vento
Visclosky
Volkmer
Walgren
Waxman
Weiss
Wheat
Whitten
Williams
Wilson
Wise
Wolpe
Wyden
Yates
Yatron

NOT VOTING—9

Boner (TN)
Bonior (MI)
Daniel
Gephardt
Rangel
Ray
Rostenkowski
Slaughter (NY)
Torricelli

□ 1840

Messrs. BATES, STRATTON, and FOGLIETTA changed their votes from "aye" to "no."

Mrs. LLOYD, Mr. FISH, and Mr. HATCHER changed their votes from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN. If there are no further amendments, the question is on the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore [Mr. FOLEY] having assumed the chair, Mr. MURTHA, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 281) to amend the National Labor Relations Act to increase the stability of collective bargaining in the building and construction industry, pursuant to House Resolution 196, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule the previous question is ordered.

Is a separate vote demanded on any amendment to the committee amendment in the nature of a substitute adopted by the Committee of the Whole? If not, the question is on the amendment.

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT OFFERED BY MR. JEFFORDS

Mr. JEFFORDS. Mr. Speaker, I offer a motion to recommit.

The SPEAKER pro tempore. Is the gentleman opposed to the bill?

Mr. JEFFORDS. I am, in its present form, Mr. Speaker.

The SPEAKER pro tempore. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. JEFFORDS moves to recommit the bill (H.R. 281) to the Committee on Education and Labor without instructions, and on that motion, demands the previous question.

The SPEAKER pro tempore. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to recommit.

The motion to recommit was rejected.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. JEFFORDS. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 227, nays 197, not voting 9, as follows:

[Roll No. 191]

YEAS—227

Ackerman
Akaka
Alexander
Anderson
Andrews
Annunzio
Applegate
Aspin
Atkins
AuCoin
Bates
Beilenson
Bennett
Bentley
Berman

Bevill
Biaggi
Bilbray
Boggs
Boland
Bonker
Borski
Bosco
Boucher
Boxer
Brennan
Brooks
Brown (CA)
Bruce
Bryant
Bustamante
Campbell
Cardin
Carper
Carr
Chapman
Clarke
Clay
Coelho
Coleman (TX)
Collins
Conte
Conyers
Courter
Coyne
Crockett
Davis (IL)
Davis (MI)
de la Garza
DeFazio
Dellums
Dicks
Dingell
DioGuardi
Dixon
Donnelly
Dorgan (ND)
Dowdy
Downey
Durbin
Dwyer
Dymally
Dyson
Early
Eckart
Edwards (CA)
Erdreich
Espy
Evans
Fascell
Fazio
Feighan
Fish
Flake
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Frank
Frost
Gallo
Garcia
Gaydos
Gejdenson

Gephardt
Gilman
Glickman
Gonzalez
Gordon
Gray (IL)
Gray (PA)
Green
Guarini
Hall (OH)
Harris
Hawkins
Hayes (IL)
Hertel
Hochbrueckner
Horton
Houghton
Howard
Hoyer
Hughes
Jacobs
Johnson (CT)
Johnson (SD)
Jones (NC)
Jontz
Kanjorski
Kaptur
Kastenmeier
Kennedy
Kennelly
Kildee
Kleczka
Kolter
Kostmayer
LaFalce
Lantos
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lewis (GA)
Lipinski
Lowry (WA)
Luken, Thomas
Manton
Markey
Martin (NY)
Martinez
Matsui
Mavroules
McCloskey
McDade
McGrath
McHugh
McMillen (MD)
Mfume
Miller (CA)
Miller (WA)
Mineta
Moakley
Molinari
Mollohan
Moody
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Murtha
Nagle

Natcher
Nowak
Oakar
Oberstar
Obey
Owens (NY)
Owens (UT)
Panetta
Pashayan
Pease
Pelosi
Penny
Pepper
Perkins
Pickett
Pickle
Price (IL)
Rahall
Richardson
Ridge
Rinaldo
Robinson
Rodino
Roe
Rowland (CT)
Roybal
Russo
Sabo
Savage
Sawyer
Scheuer
Schneider
Schroeder
Schumer
Sharp
Sikorski
Skaggs
Skelton
Slattery
Smith (FL)
Smith (IA)
Smith (NJ)
Solarz
St Germain
Staggers
Stark
Stokes
Stratton
Studds
Swift
Torres
Towns
Traficant
Traxler
Udall
Vento
Visclosky
Volkmer
Walgren
Waxman
Weiss
Weldon
Wheat
Williams
Wilson
Wise
Wolpe
Wyden
Yates
Yatron

NAYS—197

Anthony
Archer
Armey
Badham
Baker
Ballenger
Barnard
Bartlett
Barton
Bateman
Bereuter
Bilirakis
Bliley
Boehlert
Boulter
Broomfield
Brown (CO)
Buechner
Bunning
Burton
Byron
Callahan

Chandler
Chappell
Cheney
Clinger
Coats
Coble
Coleman (MO)
Combest
Cooper
Coughlin
Craig
Crane
Dannemeyer
Darden
Daub
DeLay
Derrick
DeWine
Dickinson
Dornan (CA)
Dreier
Duncan

Edwards (OK)
Emerson
English
Fawell
Fields
Frenzel
Gallegly
Gekas
Gibbons
Gingrich
Goodling
Gradison
Grandy
Grant
Gregg
Gunderson
Hall (TX)
Hamilton
Hammerschmidt
Hansen
Hastert
Hatcher

Hayes (LA)
Hefley
Hefner
Henry
Herger
Hiler
Holloway
Hopkins
Hubbard
Huckaby
Hunter
Hutto
Hyde
Inhofe
Ireland
Jeffords
Jenkins
Jones (TN)
Kasich
Kemp
Kolbe
Konnyu
Kyl
Lagomarsino
Lancaster
Latta
Leach (IA)
Leath (TX)
Lewis (CA)
Lewis (FL)
Lightfoot
Livingston
Lloyd
Lott
Lowery (CA)
Lujan
Lukens, Donald
Lungren
Mack
MacKay
Madigan
Marlenee
Martin (IL)
Mazzoli
McCandless

McCollum
McCurdy
McMillan (NC)
Meyers
Mica
Michel
Miller (OH)
Montgomery
Moorhead
Morella
Myers
Neal
Nelson
Nichols
Nielson
Olin
Ortiz
Oxley
Packard
Parris
Patterson
Petri
Porter
Price (NC)
Pursell
Quillen
Ravenel
Regula
Rhodes
Ritter
Roberts
Roemer
Rogers
Rose
Roth
Roukema
Rowland (GA)
Saiki
Saxton
Schaefer
Schuette
Schulze
Sensenbrenner
Shaw
Shumway

Shuster
Sisisky
Skeen
Slaughter (VA)
Smith (NE)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Snowe
Solomon
Spence
Spratt
Stallings
Stangeland
Stenholm
Stump
Sundquist
Sweeney
Swindall
Synar
Tallon
Tauke
Tauzin
Taylor
Thomas (CA)
Thomas (GA)
Upton
Valentine
Vander Jagt
Vucanovich
Walker
Watkins
Weber
Whittaker
Whitten
Wolf
Wortley
Wylie
Young (AK)
Young (FL)

NOT VOTING—9

Boner (TN)
Bonior (MI)
Daniel

McEwen
Rangel
Ray

Rostenkowski
Slaughter (NY)
Torricelli

The Clerk announced the following pair:

On this vote:

Mr. Bonior of Michigan for, with Mr. Ray against.

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

AUTHORIZING THE CLERK TO MAKE CORRECTIONS IN ENGROSSMENT OF H.R. 281, BUILDING AND CONSTRUCTION INDUSTRY LABOR LAW AMENDMENTS OF 1987

Mr. CLAY. Mr. Speaker, I ask unanimous consent that in the engrossment of the bill, the Clerk be authorized to make corrections in section numbers, punctuation, and cross references and to make such other technical and conforming changes as may be necessary to reflect the actions of the House in amending the bill just passed, H.R. 281—the Building and Construction Industry Labor Law Amendments of 1987.

The SPEAKER pro tempore (Mr. FOLEY). Is there objection to the request of the gentleman from Missouri?

There was no objection.

GENERAL LEAVE

Mr. CLAY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks, and include extraneous material, on H.R. 281, the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

PERSONAL EXPLANATION

Mr. INHOFE. Mr. Speaker, on Thursday, June 11, 1987, I was unavoidably absent from House proceedings. Had I been present, I would have voted "aye" on rollcall No. 177, the Wylie motion to recommit H.R. 4, the housing authorization bill.

Mr. Speaker, I ask unanimous consent that my statement be included in the permanent RECORD immediately following rollcall No. 177.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

REPORT ON RESOLUTION IMPLEMENTING BUDGET PROCEDURES IN THE HOUSE OF REPRESENTATIVES FOR FISCAL YEAR 1988

Mr. MOAKLEY, from the Committee on Rules, submitted a privileged report (Rept. No. 100-164) on the resolution (H. Res. 197) implementing budget procedures in the House of Representatives for fiscal year 1988, which was referred to the House Calendar and ordered to be printed.

ANNUAL REPORT OF INTERNATIONAL SCIENTIFIC AND TECHNOLOGICAL ACTIVITIES OF U.S. GOVERNMENT AGENCIES—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Foreign Affairs and the Committee on Science, Space, and Technology.

(For message, see proceedings of the Senate of today, Wednesday, June 17, 1987.)

ENCOURAGING CONSUMPTION OF MEAT

(Mr. GRANDY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GRANDY. Mr. Speaker, today I am joining colleagues on both sides of the aisle in introducing a resolution that encourages the consumption of meat and meat products. The question one might ask is why?

There is a new kind of prejudice emerging across the land, one fueled by misinformation, exaggeration and misunderstanding. It is called the antimeat bias. This bias has turned into an infestation that has a major goal of destroying a multibillion-dollar livestock industry.

One of the major carriers of this disease is an organization that has the audacity to call itself FARM, the Farm Animal Reform Movement. These prevaricators of the agriculture industry state in their literature that "next to nuclear weapons, the meat industry and its associates in animal agriculture pose the greatest threat to the quality of life on this planet." However, with the exception of the nuclear energy industry, the meat industry is the most regulated in the United States. These thoughtless, mindless, misinformed, self-appointed regulators of the American dinner table are spreading an array of propaganda throughout the land, holding meatless congressional receptions and picketing any place where meat can be bought. Their objective is to infect the minds of the American people with false information and propaganda scare tactics.

Mr. Speaker, unless we stand up for the meat industry, and by that I mean all meats, white and red, we are allowing the citizens of our great country to be brainwashed. It is time to stop this infection and produce an antidote which simply consists of accurate and true information.

As a $1 trillion industry, agriculture is an essential part of the economy. Every dollar that the $40 billion a year meat industry creates is multiplied five or six times in related industries.

In a society that is being told to think thin, a balanced diet is a must for good health. When Government agencies and health organizations issue diet advice, they caution against too much fat, saturated fat and cholesterol. Most groups do not now make recommendations against meat. In fact, they may specify that lean meat is an appropriate part even of restrictive diets. In effect, they say, "meat, yes; too much fat, no." Meat makes a major contribution to Americans' supply of essential nutrients. Because of meat's nutrient density, it provides substantial amounts of vitamins and minerals, as well as protein, in relation to calories supplied. USDA studies have shown that the least disruptive way for a woman to reduce the amount of fat in her diet, while meeting recommended levels of nutrients, is to increase, rather than decrease, the amount of meat she generally eats.

To obtain recommended allowances from a diet, one must select food items that are nutrient dense. Lean meat has a real advantage here. In fact, increased consumption of lean meat is suggested in the USDA booklet "Food" as one way to improve zinc and iron content of a diet low in calories. A 3-ounce serving of cooked lean meat will provide a considerable quantity of minerals—especially iron and zinc—but contain only about 200 calories. As you know, problems with iron have been mentioned frequently. A recent report from Texas A&M University said national surveys show that 11 to 27 percent of all teenage girls are deficient in iron. From 3 to 24 percent of infants are said to be anemic, and 29 to 68 percent are iron deficient. Among women of child bearing age, 5 to 10 percent are iron deficient. Most of the problem is inadequate consumption of iron-rich foods.

Pork, in specific, is the primary dietary source of thiamine, which is essential to normal functioning of the nervous, cardiovascular, and metabolic functions of the body. Pork also supplies a high amount of protein and other essential nutrients for a relatively low amount of calories.

With this evidence it only makes sense to include meat in the diet. If people prefer to eat a meatless diet, then let them have their way. All that I am asking is that they not push their prejudice on those of us who want to have it our way. In an article published in the January/February 1986 edition of the Science magazine titled "The 100,000 Year Hunt" by Marvin Harris, he states:

> Despite recent findings that link the overconsumption of animal fats and cholesterol to degenerative diseases in affluent societies, animal foods are more critical for sound nutrition than are plant foods. This is not to say that we can dispense with plant foods altogether; we are best off when we consume both kinds. Rather, my contention is that while plant foods can sustain life, access to animal foods bestows health and well-being above and beyond mere survival.

Mr. Harris is the author of 16 books, formerly a department chairman at Columbia University and now teaches at the University of Florida.

In the health conscious society that we live in today, a low-cholesterol diet is one way to combat many problems, such as cardiovascular difficulties. It is a fact that poultry is low in saturated fat and cholesterol and is recommended by the American Heart Association.

The meat misconceptions have taken a toll, and producers need our help. Producers believe in the free market, and they are not asking for a Government handout. All they are asking is that we help consumers understand meat's rightful place in a healthy diet. Prices received by these producers are determined strictly by supply and demand at the time of sale. The livestock business is not a margin-added business where margins are added to costs of materials, as in conventional manufacturing or merchandising businesses.

The beef cattle industry is important in part because it converts otherwise wasted resources into essential protein and other nutrients. Eighty percent of the feed consumed by beef cattle in the United States comes from roughages and byproducts not edible by man, and that does not include some 1 billion acres of grazing land. The grain that is fed to cattle is not food grain, but feed grain, like field corn and grain sorghum. If you think we have a grain surplus now, take out the livestock industry and you will see grain piled all the way to the steps of the U.S. Capitol. Then try and explain to the farmers in my home district of northwest Iowa why they cannot sell their grain.

One deception the meatless people parade is that growing fruits and vegetables is easier on the Earth's resources than raising animals for slaughter. They say that an acre of ground can produce 100 to 1,000 pounds of animal flesh, compared with 160,000 to 400,000 pounds of fruit. Even if these figures are true, it is a fact that 50 percent of the land area of the world, including 45 percent of the land in the United States, is classified as grazing or range land—land which cannot be used to produce cultivated crops. Without ruminant—or stomached—animals like cattle, this land would go to waste as a renewable resource for food production. Ruminants offer the only way to harvest food from the billions of acres of land which is too rough, too dry, or too infertile to produce crops.

The animal that is produced today is genetically superior as a result of crossbreeding and better feeding practices than the animal of 30 years ago. Meat today, when trimmed and cooked properly, is not fat, but fits well within the guidelines set by the American Heart Association and the American Dietetic Association.

Today we have the safest, most inspected meat supply in the world. Yet, livestock producers continue to be attacked by a number of misinformed people. We constantly hear scare stories about drugs used in beef production. The basic scientific issue is whether or not continuous, low-level—subtherapeutic—feeding of tetracyclines and penicillin to animals contributes to the development of salmonella and other disease organisms that are resistant to antibiotics administered to humans. The facts are that penicillin never has been fed to beef cattle, and tetracyclines are not fed at subtherapeutic levels on a continuous basis. The scientists are basically concerned about continuous feeding of antibiotics to animals. As shown in recent surveys, cattle feeders no longer feed tetracyclines in that way.

The pork producers still hear the myth that pork must be cooked until well done—and then some. The fear of contracting trichinosis that has been passed down from generation to generation is nearly unfounded today. The incidence of trichinae infection in U.S. hogs today is nearly nonexistent. The pork industry is coming close to its goal of a trichinae-free pork supply. Today, fresh pork is wholesome when handled properly, as all perishable foods should be. To ensure against infection, it is still common to cook the pork through.

USDA, through its Food Safety and Inspection Service, oversees the slaughter and processing of all livestock and poultry to insure that the animals are healthy and that all appropriate sanitation measures are taken. They also sample for drug residues.

Despite the improvements and constant efforts to deliver a product that is safe and nutritious, there will always be those few people who try to destroy a part of our great American heritage. It is up to us to make sure that fairness and honesty prevail. It is the least we can do for the consumer and the producer of meat and meat products.

LEGISLATION TO CREATE ELDERLY CPI

(Mr. RINALDO asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. RINALDO. Mr. Speaker, today I am introducing legislation that would direct the Secretary of Labor to develop and publish a new consumer price index adjusted specifically for the spending habits of the elderly.

Currently there is a disparity between what the current Consumer Price Index [CPI] measures—the purchases of all Americans—and what the elderly of our Nation must purchase. My legislation is simple and to the point. It directs the Secretary of Labor, through the Bureau of Labor Statistics, to develop and publish a new price index that reflects the purchasing habits of only the elderly.

The reason for this legislation is simple. Last January, my retired constituents, like those of all of my colleagues, received a 1.3-percent increase in their Social Security checks. Well, they took a look at that increase, and then they took a look at the prices for the things that they bought in 1986 and found a great disparity. The senior citizens in America found that it cost them a great deal more than 1.3 percent just to keep buying the goods and services they need to stay afloat. They thought something was wrong in Washington; they knew that prices had increased more than 1.3 percent in 1986.

What is so special about the spending patterns of the elderly? Well, for the most part they live on a fixed income, and that income is primarily devoted to paying for the essentials of life; shelter, food, heat, and medical care. I don't have to tell my colleagues that the price tag for health care went up over 7 percent in 1986.

The same holds true for public transportation services—up last year over 6 percent. In housing, we all know that interest rates have fallen and that buying a new house is now more affordable—but how many seniors buy a new house?

My legislation would require the BLS to compute a new CPI tailored specifically for the elderly. My bill would also require that the Secretary of Labor study and investigate any administrative or legislative changes needed for the utilization of the CPI for the elderly in any of the several disability or retirement programs administered by the Federal Government.

Finally, the bill would require that the Secretary submit to Congress within 90 days after passage a detailed statement of his findings along with recommendations for legislation necessary for the utilization of the CPI-Elderly in final disability or retirement programs.

I believe this legislation is justified and necessary. The current CPI simply does not take into account the buying patterns and spending priorities of the elderly. We can develop a more honest and truthful index for the effects of inflation on our elderly—they deserve it.

H.R. 2729

A bill to provide for the monthly publication of a Consumer Price Index for the Elderly and to provide for the utilization of such an index in the determination of cost-of-living adjustments authorized under certain Federal programs for individuals who are at least sixty-two years of age.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of Labor shall, through the Bureau of Labor Statistics, prepare and publish monthly a price index which accurately reflects the distribution of expenditures on goods and services purchased generally by individuals who are at least sixty-two years of age and have retired from the workforce. This index shall be known as the Consumer Price Index for the Elderly.

Sec. 2. (a) In the preparation of the Consumer Price Index for the Elderly, the Secretary shall study and investigate any legislative or administrative action necessary for the utilization of the Consumer Price Index for the Elderly in lieu of the Consumer Price Index currently in use in any of the several retirement or disability programs administered by the Federal Government. During the course of such study and investigation, the Secretary shall consult with the appropriate officers of the several Federal departments or agencies that provide separate retirement or disability programs for individuals who are at least sixty-two years of age.

(b) Within ninety days of the date of the enactment of this Act, the Secretary shall transmit to each House of the Congress a written report containing a detailed statement of his findings and conclusions as a result of the study and investigation made by him under subsection (a) together with his recommendations for legislation which he may deem necessary for utilizing the Consumer Price Index for the Elderly in provisions of law affecting retirement or disability benefits provided by the Federal Government to any individual who is at least sixty-two years of age.

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INTRODUCTION OF THE NATIONAL TRAINING INCENTIVES ACT

The SPEAKER pro tempore (Mr. Cooper). Under a previous order of the House, the gentlewoman from Connecticut [Mrs. Johnson] is recognized for 5 minutes.

Mrs. JOHNSON of Connecticut. Mr. Speaker, today I am reintroducing legislation with Representative Bill Clinger of Pennsylvania to provide a new approach to job skills training that will keep American men and women working in good jobs and provide them with greater career opportunities throughout their life.

Our pioneering legislation, which was introduced first in the 98th and again in the 99th Congress, seeks to achieve effective job training by: First, permitting businesses to receive a 20-percent tax credit for increasing their investment in human resources to provide stronger worker training programs; and second, allowing people with individual retirement accounts [IRA's] who want to improve their job skills to withdraw funds without penalty or taxation to help pay for employment training.

The 20 percent tax credit, which would apply for additional training expenses over a company's 5-year historical average training costs, would stimulate effective on-the-job private sector training in businesses of every size.

Current law enshrines a gross mismatch in providing over $50 billion in tax relief incentives for investment in plant and equipment and research and development while offering a meager $25 million for investment in human resources, an area where we believe we will either make or break our Nation's productivity and competiveness.

That, my colleagues, is a ratio of 2,000 to 1. I repeat, current law suggests that new buildings and machines and products and processes are 2,000 times more important than improving the skills and productivity of our workers.

The advantage of enacting the job training tax credit now is that it would require neither large Federal outlays nor a complex government delivery system.

Assistance in the form of lower taxes would be particularly advantageous to small businesses which provide 80 percent of jobs in America and are the powerful pistons of prosperity in my home State of Connecticut.

The tax-free IRA withdrawal opportunity, which would be available at dollar levels of up to $5,000 over 5 years, draws on an already established network of retirement financing currently invested in by over 15 million working households.

The key is to provide the ability to invest in one's future, to improve one's position; it is this opportunity to better oneself and one's family that is at the very heart of the Great American Dream.

Our legislation, the National Training Incentives Act, would help American families fulfill that dream, families who have seen their hopes dashed and spirit extinguished by forces beyond their control: the impersonal forces of structural economic change, industrial modernization, rapidly changing markets, destabilizing flows of financial capital, regional competition, foreign competition.

Our legislation is intended to complement rather than replace current Government-funded retraining programs such as those under the Job Training Partnership Act [JTPA], which I support.

Through Government incentives provided by tax relief, our measure places training responsibilities in the hands of those who provide the jobs and need an educated, highly skilled workforce and provides training opportunities for those who want to work and move ahead in life.

With the tragic economic dislocation we all have seen in the industrial sector and the urgent need for business, workers, and Government to better manage these changes when they must occur, our legislation is the right approach toward ensuring a comprehensive, coordinated, and cooperative job training effort, and continued prosperity for American families.

Mr. Speaker, I am submitting the bill for the Record at this point, followed by a section-by-section analysis and a brief discussion of the key issues raised by our legislation.

Digest of Draft Legislation To Be Proposed by Representative William F. Clinger, Jr., of Pennsylvania, To Provide Incentives for Worker Training Through Both Employer and Individual Initiative and to Require the Secretary of Labor to Study the Feasibility and Cost of a National Job Bank

National Training Incentives Act of 1987—Declares that it is the policy and responsibility of the Federal Government to encourage cooperation between employers and employees to promote training programs which will assist employees, should they be displaced from the work force, in training for a trade or occupation for which present and future employment opportunities exist.

Enumerates congressional findings with respect to the inadequacies of existing employment and training programs, the importance of such programs to the national security and economy, the current funding of such programs, the impact of foreign trade competition on the U.S. economy and job market, and the inadequacies of the unemployment compensation system.

Title I: Amendments to Internal Revenue Code of 1986 Relating to Employee Training.—Amends the Internal Revenue Code to establish an employee training credit for employers.

Adds such employee training credit to those credits which are included in the current year business credit for purposes of determining the general business income tax credit for a taxable year.

Makes such employee training credit for any taxable year equal to 20 percent of the excess, if any, of: (1) the qualified training expenses of the taxpayer for such taxable year, over (2) the base period training expenses of such taxpayer. Defines "qualified training expenses" as the aggregate amount of expenses paid or incurred by the taxpayer during the taxable year in connection with the training of employees under approved training programs. Defines "base period training expenses" as the average of the qualified training expenses for each year in the base period. Defines "base period" as the five taxable years of the taxpayer immediately preceding the taxable year for which the determination is being made ("the determination year"). Sets forth transitional rules for the first four determination years beginning after December 31, 1986. Sets minimum base period training expenses by providing that, in the case of any determination year of the taxpayer for which the qualified training expenses exceed 200 percent of the base period training expenses, "50 percent of such qualified training expenses" shall be substituted for "the base period training expenses" in the formula to determine the amount of the credit.

Defines "approved training programs," for purposes of such employee training credit, to include: (1) any apprenticeship program registered or approved by Federal or State agencies; (2) any employer-designed or employer-sponsored training program which meets certain requirements prescribed by the Secretary of Labor (Secretary); (3) any cooperative education; (4) any training program designated by the Secretary which is carried out under the supervision of an institution of higher education; or (5) any other training program approved by the Secretary.

Sets forth special tax rules for the aggregation of qualified training expenses, allocations of such credits, and adjustments to such employee training credit amount for acquisitions and dispositions of a trade or business. Specifies that the employee training credit shall be in addition to any other deduction or credit allowed for the same expenses under the Federal tax law.

Amends the Internal Revenue Code to exempt from any penalty tax early withdrawal from an individual retirement plan of a displaced worker if such withdrawals are made to pay training expenses, do not exceed the allowable amount, and are made in accordance with the requirements of this Act.

Title II: Withdrawals from Individual Retirement Plans for Job Training for Displaced Workers.—Entitles a displaced worker to apply to the Secretary of Labor (Secretary) for certification of such individual's status as a displaced worker.

Defines a "displaced worker" as any individual, as of the time of application for a certificate, who has at least 20 quarters of coverage under title II (Old Age, Survivors and Disability Insurance) of the Social Security Act, who has received employment counseling within the past year from an agency approved by the Secretary, and who is in one of the following categories: (1) receiving regular State unemployment compensation; (2) exhausted the right to receive such compensation; (3) unemployed, or received notification of termination of employment within six months, due to permanent closure of a plant or facility; or (4) unemployed for six months or more and with limited opportunity for employment in a similar trade or occupation within a reasonable commuting distance.

Permits displaced workers to withdraw amounts from their individual retirement plan to pay the expense (tuition, fees, books, supplies, or required equipment) of an eligible training program. Limits the amounts of such withdrawal to $5,000 per year (with cost-of-living adjustments), minus aggregate amounts distributed for training expense payments in the four immediately preceding taxable years.

Requires withdrawals from an individual retirement plan for training expenses to be made only through the use of a voucher issued by the trustee of the plan upon presentation to such trustee by the displaced worker of a displaced worker certificate and an invoice or statement evidencing that such worker has enrolled in an eligible training program. Sets forth requirements for the presentation and redemption of vouchers for payment of job training expenses. Prohibits depositary institutions from assessing any penalty against a displaced worker for early withdrawals from an individual retirement plan to pay such training expenses. Permits adjustments in the rate of return on certain investments when individual retirement plan funds are withdrawn to pay such training expenses.

Treats participation by a displaced worker in an eligible training program at a qualified institution as being in training with the approval of the State agency for purposes of State unemployment compensation law.

Defines "eligible training program" as a training program offered by an institution of higher education, a postsecondary vocational institution, a proprietary institution of higher education, or any other institution approved by the Secretary which prepares students for gainful employment in a trade or occupation in which present and future employment opportunities exist. Requires the Secretary to promulgate regulations for: (1) the application of an educational institution for qualification of its training program; and (2) criteria for determining whether such a job training program qualifies as an eligible training program under the terms of this Act. Directs the Secretary, for purposes of determining whether certain job training programs qualify as eligible training programs, to consider any determination relating to such programs made by: (1) the Administrator of Veterans' Affairs or a State approving agency for veterans' educational programs; (2) a private industry council established under the Job Training Partnership Act or other official or group empowered to make determinations under such Act; (3) the Secretary of Education; (4) any State education agency; or (5) a nationally recognized accrediting agency which the Secretary determines to be reliable in evaluating the quality of job training programs. Sets forth nondiscrimination requirements for institutions offering such job training programs.

Requires the Secretary to minimize the amount of paperwork and time necessary to certify any individual as a displaced worker or any training program as an eligible training program.

Title III: State Employment Service Responsibilities.—Directs the Secretary of Labor to allocate funds to States to reimburse administrative costs of public employment offices which provide certification for displaced workers, labor market and training information, and job search services. Authorizes appropriations for such purpose for FY 1988 and thereafter.

Directs the Secretary to submit a report to the Congress on a nationwide computerized job bank and matching program authorized under the Job Training and Partnership Act.

Title IV: Miscellaneous Provisions.—Amends the Job Training Partnership Act to direct the private industry councils established under such Act to make information on job training programs available throughout their service delivery areas. Exempts such councils from limitations on expenditures imposed by such Act in providing such information.

Excludes from the computation of the amount of the expected family contribution to a student for Pell Grant purposes any unemployment compensation received by such student or any individual retirement account distribution used to pay training expenses of such student, provided such student is certified as a displaced worker under the terms of this Act.

National Training Incentives Act—Issues for Discussion

BUDGETARY COSTS

Charge.—The National Training Incentives Act will be very costly at a time of huge budget deficits.

Rebuttal.—This bill provides two approaches for retraining, neither of which requires direct federal outlays. The first approach, the individual retirement plan provisions which allow workers to withdraw money from these accounts for their own retraining, builds upon an existing private finance system. The second approach, the 20% tax credit, in contrast with federal training programs which require one dollar in federal outlays for every dollar spent on training, would generate five dollars in private sector training for every dollar in lost federal revenues. These incentives will have no cost to the federal Treasury unless business and workers themselves decide that more money needs to be spent on retraining.

This legislation also responds to the need for U.S. business and industry to compete in a global economy. Without a sufficiently trained work force, America's competitive position will significantly deteriorate, resulting in a lower standard of living for virtually all Americans. Moreover, absent such policies, increased protectionism would likely result, producing higher costs to consumers for imported products.

WHO WILL BENEFIT?

Charge.—This legislation will assist only a small minority of workers.

Rebuttal.—This legislation is designed to address the problems associated with the training and retraining of all the workforce. It is not intended to replace or duplicate existing programs such as JTPA or Displaced Workers programs, but is intended to stimulate a more realistic, better coordinated, and comprehensive use of resources for training.

The 20% tax credit will help currently employed workers avoid future displacement through increased employer-sponsored retraining programs. Furthermore, the tax credit could be used by small businesses or unprofitable firms because of its carry-forward and carry-back provisions. The individual retirement plan provision provides individuals who are unemployed and collecting unemployment insurance with an increased capability to finance their own retraining without having to divert funds from their own day-to-day income. At the end of 1985, over 15 million individuals held Individual Retirement Accounts, with nearly six million of these held by individuals with annual household incomes below $30,000.

TAX REFORM

Charge.—Doesn't this proposal fly in the face of the 1986 efforts to reform the tax code?

Rebuttal.—Although the tax reform measures reduced the number of allowable business deductions, they did not, in fact, remove all investment incentives. For example, the R&D tax credit was lowered from 25% to 20%, but was not eliminated. Incentives for plant and equipment were also decreased, but generous depreciation schedules still remain in the code.

As budget deficits force Congress to consider changes in retraining strategy, it must consider examining the effect that tax policy has on investment decisions. This is all the more critical when one considers that training and education contribute 50% to productivity growth, but the tax code so dramatically encourages investment in plant and equipment and R&D over retraining.

DOES RETRAINING HELP?

Charge.—Those who are faced with unemployment do not readily adapt to training nor do they have the flexibility or resources to undertake retraining on their own.

Rebuttal.—Employer financed retraining through tax credits will involve workers who have a demonstrated ability to be trained and who already function effectively in industry. The individual retirement plan provision, because it involves employee funds, creates an incentive whereby employees who seek retraining have a greater personal stake in the selection and quality of their retraining.

Moreover, in the 1990s the work force growth rate will be only half as much as it was the last decade. As a result, today's workers will constitute a substantial majority of the labor force in 2000. Also by 2000, over half of all U.S. workers will be between the ages of 24 and 44—the most productive years for workers. This represents a major opportunity to increase productivity if these workers can be adequately trained or retrained.

EMPLOYER PARTICIPATION

Charge.—A corporation and an individual could pay into a joint account to be used by the worker in the event of displacement.

Rebuttal.—Under this bill there is nothing to prevent an employer from contributing to an individual retirement plan for retraining or retirement. Moreover, under the current IRA mechanism, employers can contribute to an employee's retirement account.

The problem with other approaches, such as Individual Training Accounts, is that they require joint employer-employee participation, and that employees seeking such an account would depend upon the willingness of their employers to participate. As a result, the only way to ensure the establishment to a training account would be to mandate employer-employee participation. This would amount to the creation of a new and costly payroll tax at a time when Congress is unable to raise funds to pay the nation's current bills.

EMPLOYER INCENTIVES

Charge.—Since an employer can take a deduction for retraining, why is this legislation necessary?

Rebuttal.—Despite data indicating that education and training contribute 50% to productivity growth, the ratio of federal tax incentives for investment in R&D and plant and equipment to worker retraining in FY '88 is over 2000 to 1. This bill recognizes that the importance of investment in worker retraining is similar to the importance of investment in R&D and equipment.

Specifically, the bill permits employers to deduct a portion of employee training and retraining expenses from federal tax liability. Firms could deduct from their tax liability 20% of training costs above the company's training costs of the previous five years. This differs substantially from a straight-line business-expense deduction, which could still be used with the tax credit, but which fails by itself to differentiate one type of business expense from another. Moreover, the tax credit will not reward current retraining, but will reward retraining expenses over and above a five-year average.

USE OF INDIVIDUAL RETIREMENT PLANS

Charge.—Why should we allow individual retirement plans to be used for retraining? Won't this spur others to ask that these plans be used for a variety of issues unrelated to retirement?

Rebuttal.—Allowing individual retirement plans to be used for retraining is not inconsistent with the rules already existing such plans. For example, many of the Section 401(k) Deferred Compensation Plans allow an individual to borrow from his or her account without incurring tax liability provided the loan is repaid within 5 years (except home loans); the loan does not exceed the lesser of $50,000 or one-half the present value of the employee's vested account balance under the plan (or if higher, $10,000); and it is adequately secured and bears a reasonable rate of interest.

Further, a 1985 survey by Hewitt Associates shows that participation rates are higher when hardship withdrawal and loan provisions are available. Moreover, the survey of 195 companies having plans showed: (1) 35% had a loan provision, and (2) 87% had a hardship withdrawal.

IMPACT ON HOLDERS OF INDIVIDUAL RETIREMENT PLANS

Charge.—Withdrawals would hurt those companies in the financial services industry that hold individual retirement plans.

Rebuttal.—Workers who have individual retirement plans would likely withdraw funds from their accounts if they were to be displaced from their employment. Allowing this money to be used for retraining will only shorten the time of displacement and encourage people to use their withdrawals for training, because of the limited penalties incurred by such withdrawals.

Moreover, the effect on financial institutions of withdrawals is offset by provisions within the bill that allow the rate of return to be adjusted according to the time the account was held. Canada has in place similar legislation which provides for no assessment of penalties for withdrawals from these accounts. Neither the financial institutions nor the levels of participation have been adversely affected under the Canadian legislation. Furthermore, expanding retirement plan investment funds to include retraining adds greater incentive to participate in these plans. Lastly, individual withdrawals are limited to a maximum of $5,000 over any five year period.

AREN'T EXISTING PROGRAMS AND PROPOSALS SUFFICIENT?

Charge.—The National Training Incentives Act is unnecessary given existing job training programs and the most recent proposals in the Reagan Administration's competitiveness package.

Rebuttal.—This legislation is not intended to replace or duplicate existing training programs such as JTPA or Displaced Worker Programs, but is intended to stimulate a more realistic, better coordinated, and comprehensive use of resources for training. The existing programs are well-meaning, but they do not focus on encouraging training or retraining in the workplace. Moreover, with on-the-job training paid for by private industry, the National Training Incentives Act ensures that the training is conducted by those best equipped to do so and funded in part by those who stand to benefit.

This proposal is also more flexible than the Administration's training initiatives because it is not linked to the vissitudes of the Congressional budgeting process. The existing programs and proposals by the Reagan Administration are subject to annual authorizations and appropriations. The National Training Incentives Act, on the other hand, does not result in any direct federal outlays, but costs the federal government money only after the private sector decides to increase investment in training. It also does not contemplate any administrative expenses on the part of Federal, State, or local government. Rather, it acts independently to leverage its own financing only when it is in the interest of workers and employers to seek retraining in response to changing economic forces and market trends.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Arkansas [Mr. ALEXANDER] is recognized for 5 minutes.

[Mr. ALEXANDER addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania [Mr. CLINGER] is recognized for 5 minutes.

[Mr. CLINGER addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

WIL EBEL—UNSUNG HERO

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Mississippi, Mr. MONTGOMERY is recognized for 5 minutes.

Mr. MONTGOMERY. Mr. Speaker, today I rise to pay tribute to the Acting Director of Selective Service System, Mr. Wil Ebel. Wil has been Acting Director since March 1986. He was named Deputy Director in January 1985 and served as Assistant Director for Government and Public Affairs from October 1981. A new Director has been nominated by the President, and therefore, Wil Ebel will be leaving soon. He will have completed nearly 7 years service with Selective Service by the time he leaves Selective Service. During this period Selective Service has proceeded through a long and torturous period of revitalization after being placed in deep freeze after the Vietnam conflict. At each step of the way old battles had to be fought anew and in many cases new ground plowed. This required good relations with the Congress, the Department of Defense, the White House, and the Office of Management and Budget. Wil Ebel supplied many of the necessary ingredients to hold all this complex mixture together.

Selective Service had never operated on a computer basis before. This was a whole new ball game. A means had to be found to provide for computer security, negotiations had to be conducted with other Government agencies possessing computer tape listings of interest to Selective Service for matching and enforcement purposes. In many cases Federal laws had to be changed. A fair and equitable system had to be developed and perfected that would have the confidence of the U.S. Government as well as the public—particularly the young men required to register. The fact that Selective Service is able to register over 98 percent of the draft-eligible young men—ages 20-25—is eloquent testimony to the vitality of the present system. The 98 percent compares with the approximately 86 percent of the draft-eligibles who were registered when he started at Selective Service.

This is just another transition in the career of a man really dedicated to the well being of his country who started life on the farm in Nebraska. Wil served the U.S. Army well and retired as a colonel in the Army Reserve. He served in various Pentagon assignments, the most recent being in the Office, Secretary of Defense [OSD] as Director, Review of the Guard and Reserve. He also served as a member of the Total Force Study, OSD; as a project officer with the Reserve Forces Policy Board, OSD; and as Assistant Executive Officer to the Chief, Army Reserve.

He served on the Planning, Management and Evaluation Staff of the President Ford's Clemency Board and was coauthor and coeditor of the Board's "Final Report to the President," published by the White House in 1976. During the Nixon administration, he was on the staff of the Defense Manpower Commission, a Joint White House-Congressional Commission.

He is a graduate of the Army War College and holds a masters degree in international relations from Syracuse University. He is also a graduate of the Air War College Seminar Program, the nonresident course of the Industrial College of the Armed Forces, and the Executive Development Program of the George Washington University. He has written numerous articles on politico-military issues for professional military journals. One of his articles was designated as study material for Army War College students and another was a seminal document in the field of amnesty for Vietnam-era draft evaders and military deserters. He authored two chapters for "The Guard and Reserve in the Total Force," a book published by National Defense University and placed on the U.S. Army Contemporary Military Reading List for 1986.

I wish him well in any new job and heartily commend him for his extraordinary public service to date.

IMPEACHMENT, THE AMERICAN PUBLIC AND THE AMERICAN WAY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Iowa [Mr. LEACH] is recognized for 5 minutes.

Mr. LEACH of Iowa. Mr. Speaker, there is a testing of waters on the gravest of subjects—impeachment. At issue is the juxtaposition of two of the profoundest principles of our democracy: the notion that the highest as well as the lowest must be held accountable for misdeeds and the notion that Government must be by consent of the governed.

The first notion leads to the inevitable logic that impeachment may have to be considered; the second suggests the reverse: if one is to have government by consent, there should implicitly be consent for removal of the mantle of Presidential authority.

As perhaps the sternest critic in my party of administration foreign policy and as one who has concluded that the Constitution has been stretched and the law of the land violated in the Iran-Contra affair, I nevertheless would caution those who seek to legitimatize the impeachment remedy.

This public at this time wants this President to remain in office. There is a general assumption that the President knows far more about the events that have taken place than he acknowledged, yet there is a far deeper understanding in the countryside than in Washington that Irangate is not Watergate.

The only "smoking gun" that jeopardizes this Presidency would be one that would indicate the President, like some of his minions, has personally profited from the policies he has advanced. A lot of people have concluded that Ronald Reagan has endorsed poor policy and been responsible for poor management. But, unlike the Nixon circumstances nobody believes personal gain motivates Presidential decisionmaking.

The President has made a mistake; impeachment is not the proper remedy. The American people reserve the right to punish the President's party in the polls; but they don't want their representatives in Washington to bifurcate the institution of the Presidency with a second impeachment in two decades.

The public wants a lot of the king's horses and a lot of the king's men changed, but they don't want the king himself deposed. They want to rebuild the Presidency, not tear it down. The issue isn't the man; it is the office.

For the sake of American national security, American sensibilities, and our constitutional way of life, I urge my colleagues to refrain from suggesting impeachment is a rational option at this extraordinary juncture in our history.

Ronald Reagan should be chastised, key advisers replaced, policy changed; but the White House should not be given a new occupant until the term for which he was elected fully expires.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Louisiana [Mr. Tauzin] is recognized for 5 minutes.

[Mr. TAUZIN addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. Annunzio] is recognized for 5 minutes.

[Mr. ANNUNZIO addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

DR. WILLIAM CRAIG TO LEAVE MONTEREY INSTITUTE OF INTERNATIONAL STUDIES

The SPEAKER pro tempore. Under a previous order of the House the gentleman from California [Mr. Panetta] is recognized for 5 minutes.

Mr. PANETTA. Mr. Speaker, Dr. William Craig, a great educator and public servant, is leaving his position as president of the Monterey Institute of International Studies at the end of June to become the president of International University-Europe, in London. I want to take this opportunity to tell my colleagues about the career and accomplishments of Dr. Craig, who has done an excellent job at one of the Nation's premiere educational institutions.

Dr. Craig graduated from Middlebury College and received his graduate degrees at the University of Minnesota and Harvard University.

He has served in the following positions at colleges and universities around the country: Middlebury College, director of admissions for men, 1939–41; Washington State University, dean of students and instructor in educational psychology, 1946–51; Kansas State University, dean of students and professor of education, 1951–55; Harvard Graduate School of Business Administration, admissions assistant, 1953–55; Stanford University, dean of men, associate dean of students, and associate professor of education, 1955–62; University of Montana, vice president for academic affairs, 1969–70; Johnson State College, president, 1970–74; Vermont State Colleges, chancellor, 1973–76; California Community Colleges, State chancellor, 1977–80; and Monterey Institute of International Studies, president, 1980–87. Dr. Craig also served as headmaster of the John Burroughs School in St. Louis from 1964 to 1966.

In addition to his educational career, Dr. Craig has served as Special Assistant to the Director and Director of Training for the Peace Corps (1962–64) and as Deputy Assistant Secretary of Health, Education, and Welfare and Deputy Associate Commissioner for Higher Education (1966–69).

In addition to his professional career, Dr. Craig has served in a number of voluntary positions in which he has made an enormous contribution to issues of great importance to this Nation. He has served on the Education Subcommittee for Japan-United States Conference on Cultural and Educational Interchange; the Private Sector Advisory Board to the House Select Committee on Hunger; the executive committee of the Association of Independent California Colleges and Universities, the board of the Independent Colleges of Northern California; the Statutory Advisory Commission of the California Postsecondary Education Commission; the Veterans' Administration Commission on Education and Rehabilitation; the Vermont Higher Education Planning Commission; the Board of Examiners of the U.S. Civil Service Commission; and the board of Foreign Scholars to help appoint Fulbright scholars.

As my colleagues can see, Mr. Speaker, Dr. Craig has had a long and distinguished career. I know you all join me in congratulating him on the job he has done at the Monterey Institute of International Studies and in wishing him the best of luck in London.

PERSONAL EXPLANATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Tennessee [Mr. Boner] is recognized for 5 minutes.

Mr. BONER of Tennessee. Mr. Speaker, due to a conflict in schedule, I regret that I was unable to be present to vote on final passage of H.R. 281, the Building and Construction Labor Law Amendments of 1987.

Had I been present, I would have voted in favor of the bill on final passage.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. Dannemeyer] is recognized for 60 minutes.

[Mr. DANNEMEYER addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

BIPARTISAN AGREEMENT ON BUDGET REFORM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. Hastert] is recognized for 60 minutes.

GENERAL LEAVE

Mr. HASTERT. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days to revise and extend their remarks on the subject of this special order.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. HASTERT. Mr. Speaker, it seems that whenever talk turns to the issue of the economy, we hear a great deal of rhetoric about the need to "do something." To do something about the deficit, about budget reform, about high taxes. Today, we as Members of the freshman Republican class in Congress are saying that we are ready to do something. In fact, we are anxious to take action for the very reason that the consequences of failing to act are so grave.

Congress is now struggling to approve a budget resolution. A budget which reminds us of the serious failings of our budget process. A few short weeks ago Congress passed an emergency extension of the debt ceiling to keep the Federal Government operating for 2 more months. This is a period in which few Members of this body can feel proud about the progress which Congress has made in restoring fiscal responsibility to the Federal Government, but it can also provide a very real opportunity for all of us to reflect upon the need for immediate measures to correct these problems and act quickly and responsibly.

But it should not be a question of who to blame, there is plenty of blame to go around, and pointing fingers at this stage can only be counterproductive. The important thing is to determine that today, not tomorrow or the next day, is the time to take action to ensure that we bring sensible and practical policies into the Federal budget process.

Many in this body have talked about the need for a bipartisan approach to solving our Nation's economic problems. A bipartisan effort is not simply desirable, it is essential if we are to achieve positive and lasting budget reform. I cannot think of one Member of this body, on either side of the aisle, that would disagree with the need to quickly change our ways with regard to both budget practice and policies. But somehow, a consensus for action can never seem to be achieved. We allow the politics of the budget process to obscure the reality of our economic situation. We let immediate and parochial interests subvert our long-term economic health, and we delude ourselves into believing that by postponing the inevitable that the inevitable will be more tolerable.

I recently received a letter from one of my constituents, Mr. Malcolm Jones, who is a retired businessman and active community leader in Aurora, IL. Mr. Jones asked some questions which, frankly, I had real difficulty in answering. He asked what I personally was doing to improve our Nation's economic picture, and how Congress was going to reduce the Federal debt, and then he expressed his concern for his many grandchildren, and the kind of future they could expect if we continue along our present path. He wanted to know why Congress refuses to take responsibility for the budget, and lastly, he asked where I felt this Nation would be in 10 years.

I, for one, am worried. But telling your constituent that you're worried about the direction of this Nation and its economy is a bit like a ship's captain asking for a life preserver—it creates an unsettling feeling in the minds of those for whom you are responsible. But like many of the other freshman Members that are joining with me today, I told the citizens of my congressional district that I wanted to go to Congress to help change the direction of our Nation's fiscal policies, to work toward more responsible Government.

As Congress voted to increase the Federal debt ceiling a few weeks ago, I started to wonder if perhaps the debt was controlling Congress, and as a Member of Congress if I could really play a role in reducing that debt. I also thought about the questions that Malcolm Jones had asked me in his letter, and how I would answer him the next time we met. To be honest, I'm embarrassed. I'm embarrassed to tell Malcolm that the Government which he respects so much, has lost respect for itself. That the budget process doesn't work, that spending limits are ignored, that deadlines are missed, that spending ceilings are surpassed, and that his grandchildren's future may not be all that rosy.

I would like to think that as a Member of Congress, even a freshman Member, I can have the opportunity to participate in helping to restore sensible and responsible budget practices within the Federal Government. I want to be able to tell the citizens in the 14th Congressional District of Illinois that I'm doing what they sent me to do.

On July 17 the 2 month extension of the budget ceiling will expire. Both the White House and our Republican leadership have indicated that they hope to use this period to negotiate a long-term debt limit bill and significant budget reforms. I also know that the Democratic leadership in both Houses have indicated their desire to achieve substantial changes in the overall budget process.

The freshman Republicans that are here with me today stand ready to lend support to efforts to achieve lasting bipartisan agreement on budget reform. Yes, it is time to do something.

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Mr. Speaker, at this time I yield to the gentleman from California [Mr. HERGER].

Mr. HERGER. Mr. Speaker, I thank the gentleman from Illinois for yielding and commend him for bringing the Republican Members of the class of 1986 together to discuss this crucially important issue.

As the newest Members of this body, we can offer a unique perspective on the budget debate that will soon be reemerging on this floor. After all, we weren't here when the budget deficit was created.

Mr. Speaker, I am concerned over the apparently lukewarm desire this body has to cut the Federal deficit. On one hand, we hear grand speeches about the need to reduce the deficit, and about the dire straits our economy faces unless action is taken. Unfortunately, however, when we are given an opportunity to take action on this issue, we fall short of our stated goals.

When Gramm-Rudman-Hollings was passed in 1985, I was optimistic that action would finally be taken to reduce the deficit and gain control of Federal spending. In passing Gramm-Rudman, Congress acknowledged that perhaps it would be unable to establish realistic spending priorities. But, through Gramm-Rudman, at least someone would perform this function, and take action to reduce the deficit if Congress couldn't.

Alas, this euphoria was short-lived. Soon after Congress passed this law, the mechanism that made it work was declared null and void by the Supreme Court.

What has been the result? Quite frankly, without the trigger mechanism contained in Gramm-Rudman, Congress has failed to meet its obligations under this very important law.

This year, we will have a deficit of $174 billion. This is $30 billion above the target of $144 billion set down by Gramm-Rudman. Under the budget passed by this House for fiscal year 1988, the shortfall between Gramm-Rudman targets and the CBO's expected budget deficit will be a whopping $61 billion.

We need to restore teeth to Gramm-Rudman. Without doing so, we are virtually surrendering, and allowing ourselves to sink even farther beneath a rising tide of red ink.

But there are other mechanisms that we can use to reduce the deficit. A line-item veto, for instance, is something I have called for repeatedly. Why can't we give the President the power to do what Congress obviously cannot? If we can't set priorities, let's at least get out of the way of the President and let him do the job. Just as the Governors of 43 of our 50 States correctly are allowed to do.

We can also pass a balanced budget amendment, and put constitutional pressure to bear on the impulse to overspend. What is wrong with spending only as much as we take in? Mr. Speaker, there are many ways in which we can reduce the Federal deficit. I have offered several possibilities here this evening. The simplest method of all is simply to accept the reality that the Federal Government can't solve every problem by spending money, and then establish some realistic budget priorities.

Mr. Speaker, let me close with just this one thought. Between 1981 and 1986, the total Federal debt more than doubled from $1 trillion to $2.19 trillion. That works out to $9,125 for every man, woman, and child in America. Unless the rate of Federal spending is reduced, the national debt will reach $3 trillion by 1991. What is causing this problem? Overspending. Federal revenues were $30 billion higher in 1986 than in 1981, adjusted to constant 1982 dollars. However, Federal spending was $140 billion higher in 1986 than 1981. If we don't begin now to do something about Federal overspending, we may never solve this problem, and our great free enterprise economy, which is a beacon of freedom throughout the world, will gradually wither away. Mr. Speaker, let's not let that happen. Let's resolve to take action in this session of Congress to solve the problem and restore strength to our great Nation.

Mr. HASTERT. I thank the gentleman from California for his contribution.

I would ask the gentleman is it not amazing that when we ran for election and talked before the people and faced the people who were the electorate that we would not dare talk about mortgaging our homes, 10, 12, or 15 times? I think the points that the gentleman brings out about this irresponsibility are relevant and if the leadership is not there, to set some goals that we can follow, are very, very timely and I appreciate the gentleman bringing that before the Congress.

Mr. HERGER. I thank the gentleman very much and appreciate the gentleman taking the time and the effort to bring together the freshman class in this endeavor. I thank the gentleman from Illinois.

Mr. HASTERT. Mr. Speaker, I yield to the gentleman from South Carolina [Mr. RAVENEL].

Mr. RAVENEL. Mr. Speaker and colleagues of the freshman Republican class, I appreciate this opportunity to speak a little bit about the problems we find in our country. I come from a legislature where I was for many, many years; I served in both the house and the senate. I am a South Carolinian and very proud of it, particularly proud of the fact that we have a constitutional amendment which requires that the budget that we pass on an annual basis has to be balanced. We also have a provision in our constitution which provides that if the revenues do not come in to cover the moneys that we budgeted, at midpoint we have a midpoint correction and the Budget Control Board—how do you like that name?—the Budget Control Board is authorized to make the necessary cuts across-the-board, make exemptions where exemptions are really critically necessary in order to bring our expenditures in line with our income.

Now I come here to Washington and I find that what we have up here—and incidentally let me say this, in South Carolina we have a $100 million, which may not seem like a lot of money up here, but down there where our budget is $5 billion, it is quite an amount of money, $100 million reserve fund in case we run into any financial or natural disasters.

Then I come up here and what do I find? I find an absolute national financial disaster. We have a national debt of over $2 trillion. It is costing us $12 billion a month in interest just on the national debt alone. That is over two and a half times as much as we are paying on our national debt in interest alone, per month, then the entire budget of South Carolina. Absolutely incredible situation.

Fourteen percent of last year's Federal budget went to interest payments alone. That did not buy any FDIC, did not buy any aircraft carriers, did not buy any tanks, it did not reserve any parts for our country. It did not do a doggone thing but enrich a whole lot of people, and an increasing amount of them are foreign nationals, Japanese, Germans, Germans in particular. Eleven cents out of every dollar that the Government spends, 11 cents is borrowed. Imagine that.

Just how long to you think you can support that? Most people do not know it but every dime that comes into the Social Security Trust Fund, practically all the moneys, as soon as they come into the trust fund they are immediately transferred to the Treasury for the every day operation of the Federal Government and the Social Security Trust Fund is devoid of any substantial funding except what might be there just for a couple or 2 or 3 days' receipts, and notes are given from the trust fund to the Treasury. If you did in the private sector what the Federal Government is doing you would almost immediately be indicted and assuredly you would go to jail. That is what the situation is.

But behind every cloud is a silver lining and we had one here this morning. This is the best day, by George, 17th of the month that I have had since I have been in the Congress. A clear majority, about 235 Members of the House of Representatives, the largest number ever to sign on, I understand, have signed a bill which would give us a constitutional amendment for the United States of America if passed by two-thirds of the House and two-thirds of the Senate.

We had the press conference this morning. Since I have been here it was the best attended press conference we have ever had. As a matter of fact, so much press was in attendance and the interest was so great we had to move from the room we were in to a larger area to accommodate the press.

I found this most heartening.

It is the only way, the only way, Mr. Speaker and my colleagues, the only way that we are going to pull this country back from the brink of financial disaster, through a constitutional amendment.

So I would say to you, Mr. Speaker, and I would say to you colleagues, it is going to be up to every American to call his Congressman in the next few days and say, "Look, how do you stand on the balanced budget amendment to the Constitution? How are you going to vote on September 17 when we plan to bring it to the floor of this House?" That will be the 200th year to the day when the Constitutional Convention adopted our Constitution. September 17 is the target date that we have set to vote on it.

Mr. Speaker and colleagues, I say to you and I say to the American people, call your Congressman and ask him, "Where are you going to be on September 17, 1987, at 200 years after, to the very day, after we adopted our Constitution and how are you going to vote? Because I am making my decision about how I am going to vote the second Tuesday in November 1988."

Thank you, sir.

Mr. HASTERT. I thank the gentleman. I appreciate the gentleman from South Carolina and if he would yield for a question: there is talk about disappointment about what we do here in Congress, as freshmen. You talk about doing something. There is a silver lining, there is a light. You talk about the balanced budget that you have in South Carolina. But actually there probably is a solution to those problems. If you fixed it in South Carolina we should probably be able to fix it here in Washington, DC.

Mr. RAVENEL. Hopefully so, hopefully so. I understand that 49 out of the 50 States have some type of, either a constitutional amendment or statutory limitation on deficit spending.

Mr. HASTERT. I thank the gentleman.

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Mr. INHOFE. Mr. Speaker, will the gentleman yield?

Mr. HASTERT. I yield to the gentleman from Oklahoma.

Mr. INHOFE. Mr. Speaker, I thank the gentleman for yielding.

I think this is very significant today because those of us who are talking are all freshmen. We are new here. We are the ones who have experienced the same frustration as those people at home are experiencing right now. The fact is that so far each one of us who has talked has spent several years in another political environment, in State legislatures in States that have budget-balancing amendments. I come from the State of Oklahoma, and we certainly have one there.

I know that every year in the 10 years that I spent in the State legislature there were people trying to figure out some way to cheat on it, some way to spend more money, because everybody wanted to spend more money. This seems to be the political system. It is a frustrating thing. I know for a fact that it is the No. 1 concern in America. If you look at any poll, you can see that. You can look back at any one, including one just a month ago in the U.S. News & World Report, where it said that if you would name the top 10 concerns that face America today, the No. 1 concern, without any close second, was our budget deficit and runaway spending. So everybody is against runaway spending, everyone is against deficit spending, and yet we, year after year, time after time, decade after decade, come up with another deficit. This is something that is extremely frustrating.

But here we are, new people, so we are not going to say, "It's not our fault. It was done before we got here." But in fact that is the case, so maybe it is time to try something new. The old stuff has not worked. The old system has not worked.

I remember 20 years ago I was elected to the State legislature, and at that time the deficit in this country had reached the astronomical pinnacle of $100 billion, and on television—some of you might be as old as I am or remember this 20 years ago—they had something that the Taxpayers Union or somebody was putting out, and they stacked up $1,000 bills all the way to the top to see how tall it was and to try to get people to understand $100 billion, because people cannot conceive of that. I cannot conceive of it. So they had this television commercial to show the $1,000 bills going all the way up as tall as the Empire State Building. So that was $100 billion.

Now we are talking about reaching $2½ trillion. It is incredible. It took this country 180 years to reach the first $100 billion deficit and just 20 more years to reach $2½ trillion. That is what we are anticipating if we have to increase the debt ceiling. It is an incredible thing.

It is not anything new. We knew it would be difficult. One of the speeches I remember was a speech given by Ronald Reagan 20 years ago, "A Rendezvous With Destiny," and in this speech Ronald Reagan said, "There is nothing closer to immortality on the face of this Earth than a government agency once born." What we learned is that there is a direct relationship between inefficiency in government and the political muscle that a government agency has.

In other words, if there is a problem in the country, Mr. Speaker, whether it is a problem dealing with the environment or anything else, the political response is to put together a government agency, and everybody at home loves it and they think you are doing a good job. Then when the problem is solved, the agency stays. So there is nothing closer to immortality on the face of the Earth than a government agency once formed. That was true 20 years ago, and it is certainly true today.

I can remember when I was elected mayor of the city of Tulsa; it was a number of years ago, and I served three terms as mayor of that great city. People said, "Well, you can't really do it," because, they said, every 6 years the average of large cities—and large cities being defined as cities of over 300,000 in population—every 6 years the city would double in its size of government in terms of the number of employees and the amount of money.

I thought, this is incredible. I am going to serve as mayor of a city and have as my goal over 6 years to keep the size of government at the same level and not have it grow. Well, the idea was good. So I started looking around me and I saw inefficiency in government, and, as the gentleman from South Carolina said, you can identify where the problems are; it is just the idea of doing something about it. So I would see these people whose jobs had perhaps outlived their usefulness. I would see that it was no longer a useful job or he was doing an inefficient job, so I fired him as mayor of the city of Tulsa. Then about 2 or 3 weeks would go by and I would see the same guy on the elevator, and I would say, "Pardon me. Didn't I fire you?"

He said, "Yes, but I have been reinstated."

Well, I found out you cannot fire people in government for inefficiency. So that did not work. But we devised a new way that did work. We would get a department that is no longer needed and we would defund the whole department, and in that way you get them all. And so there we were in the city of Tulsa. We went for 6 years and ended up setting a record that had not been set before and has not been set since then, and we were able to keep the size of government static and yet increase the goods and services and the delivery from the city substantially.

So it can be done, but it is very unpopular. I remember one particular department that I defunded, and that was a little public television department that was run by the city of Tulsa. When I was elected—and I want the Members to listen very carefully to this, Mr. Speaker—I was elected, and this person running this department came down and he said, "Now, mayor, congratulations on your overwhelming victory. Now, when would you like to have the Inhofe hour?"

I said, "What is the Ihofe hour?"

He said, "Well, we have a TV channel that is going to be in house. It is a cable channel, and you can get the Inhofe hour every week and every month," and so forth.

So I said, "you mean you have a device where the taxpayers can pay for me to propagandize the people of the city of Tulsa?"

He said, "That's right."

I said, "I don't want an Inhofe hour every month or every week of every day. We're going to defund you."

For about 2 months after that, across the street at this channel that nobody ever watched—with old Hart movies, and so forth—they called the mayor's office, trying to close the doors of government. But we did it. So it is a difficult thing to do, and nobody said it would be easy.

Anyway, here we are in today's political environment. We are freshmen, we are now here, and we are committed. Those of us who are talking and 234 other Members have signed the petitioned that has been referred to by 3 speakers before me, and we know that there are ways of doing it. We know that a line-item veto would work.

So often we get a bill that goes to the President of the United States, and it will be something that has a lot of things in it, like surface transportation, something we need desperately back home, but in there, there will be a bunch of pork, $1.4 billion for this and $2 billion for that, and the President has to veto the whole thing or not veto it at all. That is not responsible.

I have come to the conclusion—and I think I speak on behalf of the other freshmen Members—that there is a very good reason that we in this country have not balanced our budget, and that reason is that over 50 percent of our Congressmen elected to Congress do not want to balance the budget, because they could do it. This insatiable appetite to say yes to every spending bill that comes along—and I hope that people can watch and see that this comes along—is hard to resist. I have seen Congressmen with each group that comes into the office say, "Yes, we will give more money for this program, and we will give more money for that program," and on and on and on. Then they write home and say they want to balance the budget. If 51 percent of the Congressmen elected to Congress wanted to balance the budget, we would balance the budget.

PHIL GRAMM has a great idea. I have always thought that the liberals were missing the boat when they did not realize that they could go back and say yes to everybody who came along for a lot of money and then have the sequestration go into effect, the triggering device, and all of a sudden they could write back and say, "Well, I tried to put this much money into your program, but those bad conservative people now have had to have cuts across the board."

Well, that would work. I suggest to anyone questioning it that they should go back and read the Wall Street Journal of last February 5. The Wall Street Journal had an article on the front page by PHIL GRAMM, and it talks about what we always seem to forget, and that is that the cheap beneficiary of a growing economy is government. We are anticipating a minimum in the coming year of 3.1 percent growth in the economy. That 3.1 percent growth in the economy will result in a $70 billion increase in revenues. In other words, if you read this article in the February 5 Wall Street Journal, you come to the incontrovertible conclusion that all we would have to do is freeze the coming fiscal year at the last fiscal year's level and we would be able to meet the guidelines that would balance the budget by fiscal year 1991.

I was for this, thinking this was the only solution until this wonderful morning that has been referred to now by three of the gentleman who have spoken, and that is talking about a budget-balancing amendment, one that is a good amendment, one that would make people accountable for the big spending, and so far 235 Members have signed onto this thing. This is really a glorious day. I do not think the gentleman from Illinois [Mr. Hastert], who is sponsoring this special order, realized that it was going to be held on the day that a press conference would be held—the largest press conference since I have been in Congress—committing ourselves to balancing the budget and to the passing of a budget-balancing amendment.

Mr. Speaker, I am excited that I am in Congress at this time. I know I speak on behalf of all of the freshmen who are in Congress at this time, the new guys on the block, in saying that we are here at the right time. We are here when we are going to be able to go home and look at the people whose No. 1 concern is balancing the budget and saying, "Yes, we are part of it, and we are glad tobe a part of it."

So this is not a negative message. This, what I thought was going to be somewhat of a negative day, has turned out to be very positive one. If the people at home will really lean on those individuals who are now waffling back and forth and are not real sure whether or not they want a budget-balancing amendment that has teeth in it will write their Congressmen, they can put enough pressure on and we can get it done.

So the job is up to us, Mr. Speaker, and also to the people at home.

Mr. HASTERT. Mr. Speaker, I appreciate the remarks of the gentleman from Oklahoma [Mr. INHOFE]. I just want to say that sometimes, as far as scheduling these matters, sometimes you are good and sometimes you are lucky.

Mr. HEFLEY. Mr. Speaker, will the gentleman yield?

Mr. HASTERT. I yield to the gentleman from Colorado.

Mr. HEFLEY. Mr. Speaker, I thank the gentleman from Illinois for putting this opportunity together for us and for yielding to me.

In my home State of Colorado and in my district, we have a tourist attraction called the Cave of the Winds. It is a beautiful tourist attraction. People come to see it. It does not do anything much, but it is attractive and it is pretty.

Many times when I walk into this Chamber, I am reminded of that Cave of the Winds. Tourists come and they watch us in action. We are a natural phenomenon here. We may be pretty, but many times there is more wind than there is action, and I think that is never more true than on the matter of the budget.

We simply do not have the will to solve the budget problem because in order to solve the budget problem we would have to learn to say no. My colleague, the gentleman from Oklahoma [Mr. INHOFE], was exactly right when he said that we say yes to everything because "no" does not buy us votes. "Yes" buys votes. I say, "no" to your request, and you go back and say, "JOEL HEFLEY is a bum. He won't vote for my very important thing." Then you tell your friends, and they will not vote for me.

So Congress has the propensity to say yes to everything. We say it is the highway bill, and everything has a nice title. Dealing with the highway bill, who can vote against highways? We have the homeless bill, and we have Congressmen and movie stars sleeping on grates to illustrate the problems of the homeless. We have the catastrophic health bill, and we have the clean water bill. These are all good titles, and we say yes to all of these things. And they are good purposes. I am not saying that they are not good purposes. But we simply are not discriminating when we say yes to everything.

What are the three largest functions of our Government? Well, we know defense is. We know Social Security is. But what is the third largest function of our Government? Well, we might think it is agriculture because we want to keep people on the family farms. We might think it is the homeless situation on which there has been a lot of emphasis. Or we might think that it is AIDS research, the No. 1 health problem facing our country. Maybe that is the third biggest thing. Or maybe it is education, to educate our children better so we can be more competitive in the world economy. Maybe it is the highways and the infrastructure.

Really it is not any of these things. They do not even come close to the cost of financing our national debt, which is the third biggest factor in our budget. We spend about $30 billion on agriculture, we spend $8 billion on the homeless, we spend $32 billion on education, and we just passed a $86 billion bill for highways. But this cost of financing and paying interest on our national debt is $140 billion a year. That is enough money to completely pay for 10 of the major programs of government if we had that money. Think what it would do in our communities and in our economy out there if we had $140 billion to infuse into the economy and leave it in the pockets of people to spend and invest and save. Think what that would do for the economy.

The national debt has grown, as we have heard from previous speakers, to over $2 trillion. If it continues at the same rate, by 1990 it will be $3.4 trillion, and by the year 2000 it will be $14 trillion. This year alone it will grow by at least $170 billion and at least $130 billion next year, for a total of $300 billion in the next 2 years.

If we see that this is so, then why is it going on? Deficit spending continues because it is easy. We see the immediate gains, the immediate pork barrel gratification, and we fail to see that the bills are going to come due down the line. We have not balanced the budget because we have not had to pay enough of a price for our failure to balance the budget, but that price will have to be paid down the line.

□ 2005

My constituents write to me, and they are mad. They are concerned. They are confused. They are worried.

They are indignant. They are insistent, but most of all, they are right. We must do something to stop the growth of the Federal deficit.

Last week in the economic summit in Geneva, even foreign leaders were telling our President, you have got to do something to get your deficit down.

When my constituents write to me, I write back and try to explain to them why. I tell them that Congress exceeds its budget targets, Congress misses its deadlines, that the appropriations process has become an exercise simply aimed at preparing the Members of Congress for adopting resolutions.

What do we do? The problem will not go away on its own. We must take action. We must restore the trigger in the Gramm-Rudman bill. We need to pass the balanced budget amendment that has been mentioned so often this afternoon.

We need to give the President the line-item veto. We need to reform the budgeting process, so that it makes sense; but most of all, the Congress of the United States needs an infusion of steel in their backbones, so that they will have the courage to make the tough decisions necessary to get this country back on the road to fiscal responsibility and prosperity.

Mr. HASTERT. Mr. Chairman, I appreciate the gentleman from Colorado giving us some insight.

Probably one of the most fantastic statistics I have heard all day is that if we pass the balanced budget amendment, it would mean that the average worker over his lifetime would have an extra $100,000 to spend just on money that he will pay in taxes to pay off that debt.

Mr. HEFLEY. That brings home to each and every one of us across the country.

Mr. HASTERT. Mr. Speaker, I yield to the gentleman from Iowa [Mr. GRANDY].

Mr. GRANDY. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I am reminded when the gentleman tells a story about his constituents, I am reminded of a story that I heard from one of my constituents.

I was running one of my town meetings back home, getting the usual questions. Somebody would stand up and say, what are you going to do for the farmers; and another person would stand up and say, what are you going to do for the elderly.

Another person would say, what are you going to do for the veterans. At the very end somebody said, "I have got a question for you. What are you going to do for America? What are you going to do for all of us enjoined?"

It occurs to me when we talk about the highway bill and the clean water bill, those porkbarrels, there are Members in this body that voted for that, and there are Members in this room that voted for that.

What I hear more and more when I go home, people are not so concerned about the cuts as they are about the cutting.

For the first time folks around America are aware that there is a budget process that is breaking down, and part of that responsibility is Congress.

I will tell the Members what I do not see when I go home. I do not see a lot of people wearing buttons that say 108 in 1988. The arcane language of the Gramm-Rudman target is not something spoken outside of this Chamber, but they do known when a Pell grant is denied, when a deficiency payment is denied, they do know when their Social Security check is cut; and that is something that we as Members from individual constituencies have to deal with.

In the aggregate, it is very hard to reach a process whereby we can cut everybody equitably and fairly and still get reelected.

The gentleman from South Carolina who spoke earlier encouraged us to have our constitutents write to their Congressmen and say, support the balanced budget amendment, support line-item veto. But there are going to be some rather significant votes before either of those two items come to fruition, if they do.

The main thing we are going to have to deal with in this body in a month's time, on July 17, is raising the debt ceiling; and I would advise people who are watching this program, if there is any besides the people in this Chamber, to write their Congressmen and ask them what they are going to do about the debt ceiling.

How long are we going to keep writing a blank check and allowing the process to continue, because we want to keep providing services, cuts; but we do not know how to balance the two.

Sure, we ought to have an automatic trigger. We ought to have sequestration, cuts that we can make, and perhaps it is time to look at that process of how we are going to make those cuts.

Perhaps we need in return for an automatic trigger in our budget process, a smaller target, a target that we can hit without the smoke and mirrors techniques that we have used up to this point.

I am probably one of the few Members on this side of the aisle that ran a campaign against, and still opposes, Gramm-Rudman, because I never saw $36 billion as a realistic figure. I see the trigger as a realistic device, but that is what I mean when we are talking about process; and that is what I think that we as freshmen Members on the Republican side, and in fact really in this entire body, should start talking about the cuts we can make, because the process here is almost as important as the product.

If America knows that we are cutting in an orderly fashion, and it is not going to be done through a combination of asset sales and creative accounting but through real cuts, then we are on the right track.

In deference to the rest of my colleagues, I hope to be as thrifty with my words and my time as we, of course, will be with the Nation's dollars.

Mr. HASTERT. Mr. Speaker, I thank the gentleman from Iowa. Certainly there are some thoughts there that we can all ponder on.

Mr. Speaker, at this time I yield to the gentleman from Michigan [Mr. UPTON].

Mr. UPTON. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I am pleased to join with my Republican colleagues to discuss the problems with the current Federal budget process. As a former official at the Office of Management and Budget, and now as a Member of this esteemed body, I recognize that the problems with the current process are many. This evening my colleagues and I are discussing many of these problems, and committing ourselves to achieving workable solutions.

Mr. Speaker, I could go on for hours about the various problems of the budget process, many of which I have struggled with firsthand. I will not do so, but instead will focus on one particular problem which is facing this body at this very moment. That problem is the closing down of the Commodity Credit Corporation through a deliberate "shortfunding" of the CCC.

For the past 5 weeks, farmers have been calling my office asking,

"Why has the Government run out of money?"

"Why can't I get my check from the ASCS office?"

"What is the matter with our Government? I am nearly forced to sign up for these farm programs to survive, and now all of a sudden the Government doesn't live up to its commitment?

"How can Congress be so stupid as to allow this to happen?"

My colleagues know what my farmers are talking about. My colleagues know what their farmers are concerned about. The Commodity Credit Corporation ran out of funds on May 1, and since then the American farmer has literally been held hostage by disputes over the supplemental appropor-iations bill.

The worst aspect of this situation is that it is entirely avoidable. Each year in the normal budget process Congress provides the CCC with a specific appropriation to pay farmers who participate in farm programs. These payments are mandatory. They must be paid to all farmers who agree to abide by USDA program requirements.

The changes brought about by the 1985 farm bill have made program participation almost mandatory. Many of my farmers in Michigan's fourth congressional district would prefer not to participate in Government programs. Yet, even with all the costs and dangers of relying on the market, program participation was, until recently, quite low. But just as in other parts of the country, farmers in southwestern Michigan are finding it almost necessary to participate in USDA set-aside programs.

As a result, program costs have escalated. These additional costs are difficult, but certainly not impossible, to predict. Congress knew early last year that program participation would be up, and that CCC disbursements would be very high. But, in spite of all the evidence, Congress deliberately underfunded the CCC. Now we are faced with providing nearly $7 billion more for our farmers. We all know we have no choice about this. The law requires it to happen, and it will happen.

But CCC underfunding is a deliberate choice which Congress makes. It gives our spendthrift Members two more new opportunities to raid the Federal Treasury, as if we didn't have enough already.

First, during the regular budget process, CCC underfunding allows Congress to spend more money on other programs. We take what we save in the CCC, and spend it on other programs, not only in agriculture, but throughout the budget. So we create the illusion of meeting budget targets, and at the same time disguise farm program costs.

Second, this underfunding makes a supplemental appropriation necessary later on. This provides Members of Congress with yet another opportunity to attach money for their favorite programs to the bill containing CCC funds.

The necessary CCC supplemental provides the $7 billion engine for the supplemental pork and gravy train.

Mr. Speaker, this is entirely avoidable. The system is broken, and it needs to be fixed.

What Congress should do is provide enough CCC funds during the normal budget process to meet the demands for the full fiscal year. This is a difficult task, but it is clearly not as difficult as we have pretended it to be.

Or, Congress can fund the Commodity Credit Corporation with a permanent authorizations bill which would not be subject to later appropriations.

Mr. Speaker, right now our corn and wheat farmers are being held hostage by a congressional budget process which forces our farmers to raise a lot of congressional "pork", instead of the real pork, and beef, and poultry which they would prefer to do.

It is time we changed the system.

Mr. HASTERT. Mr. Speaker, I yield to the gentleman from Kentucky [Mr. BUNNING].

Mr. BUNNING. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I rise out of sheer frustration to address the House and to plead with my colleagues on both sides of the aisle to take advantage of the window of opportunity that we have right now—between now and July 17—to do something positive about the budgetary deadlock that has tied this institution into knots all year long.

For 5½ months, I have been a Member of this body. For the most part, I have been impressed with the intelligence, the dedication and the hard work of my colleagues on both sides of the aisle.

On a daily basis we face serious, complex issues and come up with the answers. I don't always agree with the answers that we come up with but at least we are facing those issues and resolving them.

But when it comes to the most serious and the most complex issue facing this body and this Nation—our staggering Federal deficits—we have simply turned our backs on the problem, closed our mind to the solutions and spent 5½ months in name calling, finger pointing and budgetary deadlock.

Instead of hard action, we have seen missed budget deadlines. Instead of belt tightening, we have seen budget waivers. We don't even have a final budget in place yet.

And as the budget process gets farther and farther behind schedule, as the deficit reduction targets of Gramm-Rudman get farther and farther off track, our majority leadership in this body can only come up with one lame solution—let's raise taxes.

Let's get serious. Tax increases are no answer. Tax increases cannot and will not ever be a substitute for budget reform. It is obvious that our budget machinery is not working. We don't need Band-Aids we need a budget process overhaul.

And the debt ceiling limitation which expires on July 17 gives us the perfect opportunity to do something to put our House in order.

A year and a half ago, this body—by a bipartisan majority—recognized the drastic need to impose on itself some backbone. Since then, of course, the Supreme Court pulled the teeth out of that deficit reduction plan and left us with nothing but a set of ambitious goals, unenforceable deadlines and a whole bundle of good intentions which we have not lived up to.

If nothing else, we have to restore the teeth to Gramm-Rudman. The automatic budget cutting features of that act must be restored or we will continue to talk about cutting the deficit without doing anything. We will continue blundering around in deadlock and budgetary limbo while the deficit drives our dreams into the ground.

There are many other things I would like to see done in addition to the restoration of the automatic sequestration provisions of Gramm-Rudman. I would like to see the President given the tools he needs—particularly the line item veto like 43 Governors have—to help reduce the deficit. Particularly, I would like to see a balanced budget amendment to the Constitution, which 235 cosponsors introduced today in the House. I would like to see an end to the use of omnibus continuing resolutions and costly riders on reconciliation bills. But at the very least, we need to restore the automatic sequestration teeth to the Gramm-Rudman Act.

We know sequestration works, because we know that nobody wants the automatic budget cutting features of sequestration to go into effect. Nobody wants to put the Government on automatic pilot where the good programs will be cut along with the bad. And that is exactly the kind of incentive we need to force Congress to make the tough choices which are needed to get the deficit under control.

Nothing less will work. Nothing less has worked in the past.

We have an opportunity right now to reform the budget process. This may be our last chance this year. We cannot afford to let it pass.

I for one do not intend to vote for an extension or an increase in the debt ceiling until I see some real budget reform and a restoration of the sequestration provisions of Gramm-Rudman.

I hope my colleagues will do the same.

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Mr. HASTERT. Mr. Speaker, I thank the gentleman from Kentucky. The gentleman has made some interesting points that we do have a window of opportunity. That window of opportunity is from now until July 17.

We have been in legislatures prior to coming to Congress, as I know the gentleman from Kentucky has been. Sometimes those windows of opportunity mean deadlines and with deadlines you can begin to negotiate.

How does the gentleman see this, does the gentleman think that it is not only the responsibility of Congress, but that really it is the fortitude of the voters and the taxpayers in this country, too, to let their wishes be known, does the gentleman agree?

Mr. BUNNING. Absolutely, and we know that Government cannot be all things to all people. We know there are times you have to say no and if we do not say no to this increase in the debt limit, we are going to lose our last vote this year on the opportunity to get budgetary reform. I hope and pray that this body will use their best judgment when that comes up.

Mr. HASTERT. Mr. Speaker, I thank the gentleman from Kentucky.

Mr. Speaker, I yield to my colleague, the gentleman from Illinois [Mr. DAVIS].

Mr. DAVIS of Illinois. Mr. Speaker, I want to thank the gentleman from Illinois for yielding some time to me to discuss this issue; although as we are winding down on this special order by the Republican freshman of this House, trying to point out the deficiencies of the Members who have sat here for years, particularly the Democrats on the other side of the aisle who, ladies and gentlemen of the viewing audience, will not stop spending, you might as well get that through your heads and, yes, there are Republicans here who will not stop spending. Without some break in this process and without some break in the membership this year and without some changes in that membership, so you might as well get used to that idea.

Now, we have heard all the solutions or partial solutions to the problem, a constitutional balance budget amendment. Really, we need a constitutional amendment on spending limitations, rather than budget amendments, because you can balance the budget by raising taxes as well, but I will take both. I am not unhappy with a line-item veto, Gramm-Rudman sequestration, reform of this budget process.

All my colleagues before me who have spoken have spoken eloquently to these items and why they are absolutely essential.

But now let me tell you what you can do out there, folks out there in television land and those listening to my voice, let me tell you how to get that done. A few years ago there was a movie starring Peter Finch and Faye Dunaway, called "Network." In that movie, the scenario was that a TV commentator went a little bit off his rocker and told people out there in television land that if they were mad and if they were frustrated, he said, "Go to the window and raise that window and stick your head out the window and say, 'America, I'm madder than hell and I'm not going to take it anymore. I'm mad, and you've got to understand that I'm mad and I'm not going to take this anymore.'"

Well, he never specified what this is, but folks in television land, that is exactly what you have to do and you have to do it before July 17 this year. Focus that in your mind, July 17 this year, to keep the Democrats from raising the debt ceiling and to keep the Democrats from continuing to spend with their majorities for the last 48 years in this Congress, you are going to have to do something about it and you are going to have to get madder than hell and pick up that phone and that pencil and write to your Congressman, Democrat and Republican, and say, "Don't you dare vote for that deficit increase, that deficit limit increase on July 17, unless you put some brakes on the process. You had better put a balanced budget amendment out to the States and you better get a line item veto for the President of the United States."

It will not be this one. The Democrats said the other day,"We wouldn't give Ronald Reagan a line item veto." Well, it is not for them. It may even be for one of their party in 1988. We do not know, and God forbid, a Democrat President to line item the Democrats' spending, because it is the Democrats who have created these deficits with their wanton and willful entitlement spending programs.

There are a lot of ways to put breaks in this process, but first you have to call your Congressman and tell him that you are madder than hell and you are not going to take it anymore and you want something done before July 17, 1987.

If you notice, I keep breathing the date. It is like selling soap. Sometimes here in the Congress we have to sell all of you on the notion that July 17, folks, the budget deficit is going to be raised to $2.75 trillion. How much is that? None of us even know here in the Congress. We just know it is a heck of a lot of money and you are mad and you want to stay mad and you want to pick up the phone right now and call your Congressman and say, "Mr. Democrat Congressman, Mr. Republican Congressman, I am madder than hell and I am not going to take it anymore."

Do something about the deficit. You have heard what. Now tell them how.

Mr. HASTERT. Mr. Speaker, I appreciate the comments of the gentleman from Illinois.

Mr. Speaker, I yield to the gentleman from Louisiana [Mr. HOLLOWAY].

Mr. HOLLOWAY. Mr. Speaker, I thank the gentleman from Illinois [Mr. HASTERT]. I appreciate the gentleman setting this up for us to have an opportunity to address the House.

In America, and I quote Everett Dirkson's statement, and many, many more have made the statement before him, but there are politicans and there are statesmen. Politicians worry about the present time and the next 2 years. Statesmen worry about the next 20 years and on past that with our country.

I stand here today and I think our entire freshman class stands here today worried about what happens to America 20 years down the road. Where do we go from here? With figures that Americans would not believe, if they would only stop for a second and think about $2.4 trillion today, $13 trillion in 15 years, and then in that 15-year period of time when we have a $13 trillion deficit, our deficit will be growing at $2 trillion a year.

Mr. Speaker, I come from a very common, a very poor background, where I made it in life on my own. I think that is the way many, many Americans have made it. I think we as a Congress have made the people dependent on the Government. They do not want to say, "What can I do for America?" But, "What can the Government do for me? What can they give me?"

Everywhere we go, we never hear a comment that says, "Let's vote to cut spending. Let's vote to cut out this program or that program." They all want a little increase. They say, "Give us a little more money. The State of Louisiana is in bad shape. We need you to vote for every program you can to send money here."

Well, I am here as a small business person, as a person who employs 50 to 100 people back in my district, to say that we have had 2 tough years in Louisiana, 2 very, very tough years; but we had to make cuts and we are still trying to get ourselves straight, to get our budget in line, to know that we have to make cuts where they have to be made.

I think we have far too many people here who have been politicans all their lives, have been in political life, and really do not know what goes on out in the real world. They do not know what it is like to have to make a cut. They do not know what it is like to have to balance a budget.

So I stand here today and I try not to speak radically, because there are two issues here that mean so much to me and that sometimes I hate to address because of getting almost carried away. One is our deficit, our deficit spending, and the other, of course, is supporting the freedom fighters in Central America; but it is an issue that we should be radical about. The voters of America, the people that we represent, Mr. Speaker, should be absolutely outraged at what is going on in this House. I am thankful for the fact that we as freshmen are not responsible for that. I am thankful for the fact that maybe we can be a part of it. I am thankful that I am an American, and we do live in the greatest country in the world, but I am also hopeful that we can be statesmen in the future, that we can address the problems of this country, that we can carry out Gramm-Rudman-Hollings, that we can bring our budget back in balance.

We have had 4 great years of opportunity to freeze spending. The word deficit is so small, inflation is so small, that our Social Security recipients and our VA recipients would not have noticed it with only a 1- or 2-percent gain; but yet, no, we keep growing and growing.

It is our job here as Congressmen to make the cuts that have to be made. It is tough.

I hope the people will let the Congressmen who represent them know what it means and where their votes come from, to say that we expect you to make the cuts.

Mr. Speaker, I appreciate very much the opportunity to address this Chamber today.

Mr. HASTERT. Mr. Speaker, I appreciate the comments of the gentleman from Louisiana.

Mr. BUECHNER. Mr. Speaker, I thank the gentleman for taking this special order.

This is a special time in America. We are approaching another Fourth of July—a celebration of 211 years of the Declaration of Independence. In addition, it is the 200th anniversary of our Constitution. We have much to be grateful for in this country. The time-honored documents I spoke of have served us well throughout the years. Our political freedoms and our devotion to the American way of life are strong and unwavering. But all is not well in our country.

Although our economy is in its fifth year of growth, significant problems remain and the news is mixed. According to a recently revised estimate from the Department of Commerce, real GNP growth for the first quarter of 1987 is a seasonally adjusted rate of 4.4 percent. Inflation remains low—at about 5 percent. Unemployment—though still too high—is at 6.3 percent. Our public debt is a staggering $2.289 trillion. Estimates of our Federal budget deficit, depending upon whom you believe, varies. The Office of Management and Budget estimates a deficit of $173 billion for fiscal year 1987 and $135 billion for fiscal year 1988. The Congressional Budget Office estimates a deficit of $174 billion for fiscal year 1987 and $169 billion for fiscal year 1988.

One of the ways we are trying to help improve our economy is through the control of Federal spending. We have been given the unique and difficult duty of passing a budget, authorizing and appropriating money for various programs. Unfortunately, that process is in dire need of repair.

Our current budget process is a locomotive out of control heading straight for fiscal disaster. We're going through a tunnel with full speed—or should I say, with full "spend"—and it's time to hit the emergency brake.

The supplemental we recently passed in the House—an $11.3 billion package—exceeds by $2 billion the spending limit for the year set by the fiscal 1987 budget resolution. It makes a mockery of the Gramm-Rudman-Hollings balanced budget law.

The President proposed recissions in the supplemental to offset, in part, the deficit impact of the supplemental requests. The Appropriations Committee rejected the President's proposals.

The supplemental clearly violated section 311(a) of the Budget Act. It pushes Federal spending higher than the overall amounts established for budget authority and outlays. Also, the supplemental violated the Budget Act by providing more budget authority than amounts allocated under section 302(b).

The budget resolution, passed without the vote of any House Republican:

First, did not meet the Gramm-Rudman target after the Democrats repeatedly bashed the President's budget for not doing the same;

Second, used OMB economic projections which they pronounced as phony; and

Third, contains as much "blue smoke and mirrors" as the majority said the President's budget contained.

For example, in agriculture, the budget resolution calls for $4.5 billion over 3 years while continuing allocated advance deficiency payments. Savings of this magnitude could only be achieved two ways: through loan asset sales or from one-time savings through prepaying REA guaranteed FFB loans. But, the chairman of the committee said he opposed asset sales.

Other problems include the repeated waivers of the Budget Act. During the 99th Congress, there were 13 instances in which section 311(a) of the Budget Act was waived. As you know, section 311(a) prohibits consideration of measures increasing spending above total overall budget authority and outlay ceilings, or decreasing revenues below the floor set in the budget resolution.

I could go on and on. We have different sets of economic and programmatic assumptions that lead to different deficit, outlay, and revenue estimates. We must cope with scorekeeping gimmicks to keep appropriation bills "under budget." Reconciliation is used as a vehicle for extraneous provisions, and so forth.

The budget resolution—supposed to be passed by both Houses and agreed to by April 15—is 2 months late.

We have yet to agree to a budget resolution and yet we are considering authorizations and appropriations bills. What does this say about the budget process?

Apparently the House Democrat leadership has just announced an agreement with the Senate, indicating that a budget resolution has been agreed to. At the same time, the House Rules Committee also met this afternoon to permit a rule that says that the House-passed budget resolution will be considered adopted by the Congress for the purposes of the Congressional Budget Act.

Things are getting curiouser and curiouser as Alice said in Wonderland. It appears that the right hand does not know what the left hand is doing. In any case, it appears that the Democrats have agreed to higher taxes and lower defense spending without consulting with the Republicans. So what else is new?

Now it appears we may have a budget resolution—maybe. And it comes about 2 months late.

I submit that the time for budget reform is here. In fact, the time has been right for quite awhile. It is vital for Members on both sides of the aisle to sit down and agree to some fundamental reforms on the budget. As a member of the Budget Committee, I feel especially compelled to push for reform. The system is broken, and it needs fixing.

Mr. GALLEGLY. Mr. Speaker, as a member of the freshmen class of the 100th Congress, I am pleased to participate in this special order on the fiscal year 1988 budget resolution.

Currently, the budget resolution is 2 months late. The House has already passed numerous fiscal year 1988 authorization bills without a budget resolution, thus necessitating numerous waivers of the Budget Act. In the very near future we will begin to address fiscal year 1988 appropriation bills, and again we will be forced to include numerous waivers to the Budget Act. Essentially, the House is authorizing and appropriating taxpayers dollars for fiscal year 1988 without the benefit of the total spending guidelines in the budget resolution. Something is very wrong with this type of budget process, where we spend without even knowing why.

The breakdown of the budget process did not start this year. Since 1974, Congress has failed to enact its appropriations bills on time every year but one. In 1984 congressional delay in implementing the budget process forced the Government to shut down due to lack of money. In 1985, Congress was forced to pass four successive stopgap continuing resolutions for fiscal year 1986. The final fiscal year 1986 budget was not approved until a quarter of the year was completed. Finally, in 1986, Congress failed to pass any of the 13 appropriations bills on time and was forced to wrap them all together into a massive omnibus spending bill. Obviously, the budget process we currently have is not working.

This year, the excuse for not yet passing a budget resolution again stems from the inability of the conferees to come to agreement. Part of the problem this time revolves around the inclusion of some $19 billion in new taxes in the budget resolution. I have taken a pledge not to vote to increase income taxes on the American public and I will abide by that pledge.

Regarding the issue of budget reform, I have cosponsored House Joint Resolution 143, which proposes an amendment to the Constitution to provide that expenditures for a fiscal year shall neither exceed revenues for such fiscal year nor 19 percent of the Nation's gross national product for the last calendar year ending before the beginning of such fiscal year. I will also be an original cosponsor on a bill which will amend the Constitution so that total outlays for any fiscal year shall not exceed the level of estimated revenues unless three-fifths of the total membership of each House of Congress approve of this budget through a rollcall vote. Although I oppose the type of deficit spending this bill proposes to allow with a three-fifths vote, passage of this amendment will at least force each Member to take a clear stand on the issue of deficit spending.

Today, the national debt of the United States stands at $2.25 trillion, a tragic legacy for the future citizens and taxpayers of this great country. On May 13, I voted against a 2-month extension of the Federal debt ceiling, because I felt that it was an invitation for continued fiscal irresponsibility. I am also an original cosponsor of House Resolution 166, which would amend the rules of the House of Representatives to require a two-thirds vote on legislation which increases the statutory limit on the public debt. Unless significant reforms are made in the budget process, I will continue to oppose raising the public debt ceiling and imposing additional burdens on the backs of the citizens of this country.

In conclusion, Mr. Speaker, Congress has two tasks before it in the area of the budget process. First, we must get a budget resolution to the floor so that Members can make informed votes on subsequent authorization and appropriation bills. Second, we must begin the process of substantive and significant reform of the budget process to instill some fiscal responsibility in Congress. To do any less would be to shirk our duty to our constituents and to the Nation.

Mr. SMITH of Texas. Mr. Speaker, the American people are now enjoying the longest economic expansion since World War II. Since 1982, 13 million new jobs have been created, and unemployment has reached its lowest point in 7 years. Inflation has been tamed, and interest rates have come down to where many more Americans can now purchase homes and other consumer items that were unreachable a few years ago.

President Reagan's policies of tax rate cuts and tax reform have put more money in the pockets of American citizens while restoring faith in the tax system. By taking the yoke of high tax rates off of citizens and business, the administration has unleashed the remarkable productive power of the American economy.

One would wonder, then, what contribution Congress has made toward this economic progress. The answer, unfortunately, is that Congress has contributed very little, and in fact has pursued policies that threaten the expansion now underway. From years of busted budget resolutions to continued violations of our own budget-making rules and deadlines, Congress has seldom permed fiscal responsibility. Already this year, we have been asked to vote on major program authorizations without knowing what the fiscal 1988 budget will allow.

Because of Congress' unwillingness to face its budget deficiencies, the goal of reaching a balanced Federal budget, which is clearly supported by the American people, has been repeatedly postponed and ignored. Our commitment to balancing the budget by 1991, embodied by the Gramm-Rudman-Hollings legislation, has been violated by using sham economic forecasting. This enables Congress to say the budget conforms to the requirements of the law while knowing full well that it falls well short of the deficit targets.

Some suggest it is impossible to reach a zero deficit by reducing spending, therefore, the only solution is raise taxes. I strongly disagree. The problem is not that the American people pay too little in taxes; the problem is that the Government spends too much of our taxes in the wrong way.

Recently, we were faced with the need to raise the Federal debt ceiling in order to avert a governmental shutdown. While some wished to simply raise the ceiling once again without responding to the underlying problem, Congress wisely supported those who insisted that we enact meaningful budget reform before a long-term debt ceiling increase is passed.

We now face another vote in mid-July to raise the debt ceiling. It is crucial that Congress use this time wisely to enact meaningful reform of its budget making process, so that we will have the tools necessary to craft responsible budgets. We must look toward putting new teeth into Gramm-Rudman-Hollings, which, like it or not, is the best hope in years for establishing fiscal restraint. We must agree on common principles of economic prediction so the House, Senate and White House will all speak the same language when assessing the impact of our fiscal policies. And we must seriously consider whether we should extend the budget cycle to more than 1 year, which may do much to bring consistency to program budgets and depoliticize the budget process.

But while budget reform is necessary to bring order and predictability to the budget process, we all recognize that it cannot do what is most necessary if we are to fulfill our responsibility to the people. That is, no amount of budgetary reform can create the will that is necessary if we are to make the difficult choices and balance the budget. It is crucial that we muster the discipline needed to make the required spending reductions. Just as American families must redefine their priorities from time to time and adjust their spending patterns, Congress, as custodian of the Federal budget, cannot continue to spend funds that we do not have.

Nothing illustrates Congress' unwillingness to make these hard choices better than its refusal to enact a balanced budget amendment. This refusal says loudly and clearly that we do not have the will to balance the budget. I believe that if we cannot find the will, the American people will impose it upon us. Already, 31 State legislatures have enacted resolutions calling for a Constitutional Convention to propose a balanced budget amendment to the Constitution. This extraordinary step is being considered because, frankly, the American people have lost faith in Congress' ability to do the job.

In March of this year, the Montana House of Representatives passed a constitutional convention resolution. With the support of many colleagues, I coordinated a campaign to let the Montana Legislature know of our strong support for this measure. Because the U.S. Congress has failed in its responsibility, the American people now depend on the State legislatures as the forum in which their desire for a balanced budget provision can finally become the law of the land.

I firmly believe that if Congress continues to duck this issue, more State legislatures are going to take up the issue, and we may well find ourselves with the first Constitutional Convention in 200 years. State and local governments must balance their budgets, as must American families, and the Federal Government should do no less.

Mr. BALLENGER. Mr. Speaker, Congress has the serious responsibility of dealing with vital issues of importance to the welfare of our Nation. None is more important than controlling Federal spending and eliminating our budget deficit.

Undoubtedly, there are a great many causes for and solutions to the escalating expenditures and huge deficits. There are no sure answers. But if Congress could concentrate and improve only a few areas, our budget process would be in better shape.

Looking closely at the structure of Congress, I believe the best place to begin reform is where most of the work of Congress is done—in committee. It is the responsibility of each committee in Congress to determine realistic public policy based on fair and realistic levels of spending. Unfortunately, authorizing committees have a tendency to simply advocate a blanket increase each year in almost all Federal programs and allow the appropriations committees to make the tough decisions regarding actual spending cuts and reductions. As a member of the Education and Labor Committee, I believe that the easiest way to demonstrate the problem is to look at some specific examples.

One of the first bills considered and reported by the Education and Labor Committee was the education and training section of H.R. 3, the omnibus trade bill. While I commend the committee for its work to produce a bipartisan trade package, in order to ensure support for all sides and Members, a large number of education proposals were included that seemed to be more of a "wish list" of ideas rather than constructive steps to abate the trade crisis.

I strongly support sections of the trade bill devoted to helping our beleaguered textile and furniture industries and the Education and Labor Committee's worker readjustment incentives. I take exception with certain provisions in this bill that create unnecessary programs that only increase Federal spending and add to our deficit.

Presuming the Senate passes legislation, a conference committee works out a compromise and the authorization levels are approved by the Appropriation Committee, the budget authority for the trade bill is estimated to be $2.04 billion. Of this, $1.3 billion is authorized for the education and labor section of this bill. A total of $400 million in authorizations for "extra" congressional spending is created for new education programs. The authorizations include $325 million for 13 elementary, secondary, and vocational education programs and $175 million for 10 postsecondary education programs. Many of these programs were reauthorized by the School Improvement Act or may already be carried out under current law.

It is an abdication of oversight and responsibility to add provisions that increase Federal spending without a clear and defined need. No one can convince me that each and every provision of the education section of the trade bill is equally deserving of increased authorization and appropriation. Rather than blindly going forth with massive spending of this nature, I think the prudent choice would be to determine the need and value of each education program before rushing to include the programs in a bill destined to pass the House.

Another example of the unattractive nature of authorizations was evident during the debate on H.R. 1451, the Older Americans Act. This bill called for a blanket 5-percent increase in each of the year's authorizations for programs to assist senior citizens. While it is possible that these increases would be appropriate, the appropriations process rather than the authorizations will determine the level of funding for these programs.

This year, the authorization for the Older Americans Act was $1.24 billion while $1.05 billion was actually appropriated. I believe it is deceptive and unfair to establish authorization levels that Congress will not approach in the appropriations process.

During committee and floor consideration, an amendment that sought to establish fair and reasonable authorization levels was debated. Rather than cutting or increasing authorization levels, this amendment sought to assess each program and establish funding levels that were based on actual need and actual spending. But rather than support responsible public policy, the Congress chose to close its eyes and defeat this amendment. Engaging in subtle deception of setting authorization levels that hold out a false hope is not just bad policy; rather, it comes close to being a cruel hoax.

Obviously, there are other reforms needed to improve our budget process, such as a crackdown on budget act waivers, discouraging omnibus continuing resolutions, approving a line-item veto and restoring some type of automatic sequestration. Only with a combination of reforms can we achieve success.

Earlier today, I joined 231 of my colleagues in introducing a balanced budget amendment. This represents overwhelming support for Congress to act more fiscally responsible. But to achieve the type of reforms that are needed to make our budget process work, I believe the biggest change will have to come from within the Congress. We, in the Congress, have the power and ability to bring order and efficiency to the handling of our Nation's money. Congress must overcome the internal problems and do what is necessary to achieve fiscal responsibility. As this is the historical 100th Congress of the United States, now should be the time to make tough decisions necessary to get our home in order and put it on a sound financial footing.

The SPEAKER pro tempore (Mr. COOPER). The time of the gentleman from Illinois [Mr. HASTERT] has expired.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Georgia [Mr. SWINDALL] is recognized for 60 minutes.

[Mr. SWINDALL addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Georgia [Mr. GINGRICH] is recognized for 60 minutes.

[Mr. GINGRICH addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

WE HAVE REACHED BREAK POINT, DECISION TIME ON THE BUDGET

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Arizona [Mr. KYL] is recognized for 30 minutes.

Mr. KYL. Mr. Speaker, I would like to thank the gentleman from Illinois, DENNY HASTERT, for scheduling this special order today on the budget process. It's especially timely.

Just this week, in his address to the Nation, the President renewed his call for budget reform. He pointed out that "if our budget reduction efforts are not consistent and credible, we will be sending signals all over the world that the economy is in trouble again."

He summarized the situation in a nutshell—"we've reached break point; decision time." Indeed, we have. The budget process is broken. Deficits are continuing. We need action now.

We have had only one balanced budget since 1960. That is a disgrace.

Since the Budget Act became law in 1974, we have had to raise the debt ceiling every year, and have failed to enact our appropriations bills on time every year but one. That, too, is a disgrace.

Last year, Congress failed to enact any of the regular 13 appropriations bills, and instead enacted a $500 billion continuing resolution—the largest spending bill in our history. That is more than a disgrace. That is an abdication of responsibility.

The Arizona Republic, in its June 15 edition, ran two editorials that are appropriate here, and I would ask that they be included in the RECORD at this point for the benefit of my colleagues.

DEFAULT OF CONGRESS

Although it took the U.S. government two centuries—encompassing four major wars and the Great Depression—to accumulate the first trillion dollars of national indebtedness, in just the last six years alone Congress has rung up the second trillion and now is halfway toward $3 trillion.

That dubious mark was reached without fanfare, much less public attention, last month, when Congress routinely voted to raise the national debt ceiling to a staggering $2.5 trillion—a federal IOU of more than $11,300 for every man, woman and child in America.

But instead of raising the roof in disgust over the outrageous national debt, the 100th Congress, like so many before it, only offers more of the same: more taxes—$137 billion proposed over the next four years—and even more spending—a budget plan exceeding its self-imposed Gramm-Rudman deficit-reduction limit by more than $40 billion.

Anyone who still has any doubts that excess and irresponsible spending by Congress is the root cause of the nation's staggering indebtedness has only to track the fiscal disaster left in the wake of the out-of-control congressional spending juggernaut during the past six years.

While federal revenues have increased by $30 billion since 1981—a rate of increase more than four times that of inflation—spending has soared by more than $140 billion during the same period.

Arguments to the contrary aside, if tax increases could erase the deficit, the budget would have been balanced long ago.

Simply stated, our elected federal representatives have collectively and deliberately turned their backs on sensible financial accountability. Never having met a special interest it didn't like, Congress has returned time and time again to the taxpayers to feed its insatiable spending appetite.

The average $200 billion annual budget deficit run up during the past five years offer grim testimony to the power-hungry politicians' unbridled fiscal profligacy.

The 100th Congress, despite all the self-serving rhetoric, has done nothing but make matters worse. Since it convened in January, Congress has voted to override two presidential vetoes of multibillion-dollar, budget-busting bills, and now is considering passage of a $9.4 billion appropriations bill containing funding for such important matters as a national weed center, raises for federal workers and sweeter subsidies for beekeepers.

Congress' inability to control its spending habits already has caused an untold amount of damage to the national economy in the form of potential resources now being diverted to satisfy the tremendous costs of government and the resulting massive interest payments on the over-expanding national debt.

The longer our elected representatives fail to find the courage to change their irresponsible ways, the longer—and more dearly—we'll all have to pay.

END BUDGET ACT CHARADE

"Budget process? It's more like a magic show: It's a wink and a blink, and smoke and mirrors and pulling rabbits out of hats. But almost all that ever comes up are designs to hide increases for special interests."

President Reagan's accurate description of the federal budgetary process paints a disappointing and disturbing picture of how Congress mishandles the nation's finances today under authority of the 1974 Budget Act, which was designed, ironically enough by Congress itself, to produce "timely and responsible" budgets.

The budgetary record since then also says volumes about the ongoing and ever-more-ridiculous congressional charade. Consider:

Since the Budget became law, Congress has been forced to raise the national debt ceiling each year and has failed to enact its appropriations bills on time every year but one.

During the past seven years, Congress enacted appropriations bills exceeding its own "ceiling" by an average of $25 billion.

In 1985, Congress passed four consecutive "stopgap" spending measures because it was unable to approve a budget plan until a quarter of the fiscal year already had been completed.

In 1986, Congress failed to pass any of the 13 appropriations bills, and instead approved a year-ending $500 billion continuing resolution.

This year, Congress has blatantly demonstrated it has no intention of complying with its own Gramm-Rudman deficit-reduction limits, and proposes to raise taxes instead.

From staggering increases in national indebtedness to multibillion-dollar budget deficits to the continuing approval of pork-barrel projects, it's clear the budgetary process not only is out of kilter, but totally unworkable when let solely in congressional hands.

Short of a balanced-budget amendment to the Constitution, the only hope for success in the battle against red ink rests with restoring at least some balance between the president and Congress on budgetary matters.

Aside from conveying line-item veto power to the president—a valid but politically impossible solution—the first step Congress could take to restore some measure of fiscal integrity would be to strengthen the president's rescission authority by requiring a vote for or against a particular program's funding level.

Currently, presidential rescissions—requests to cancel or reduce unnecessary program funding—are simply ignored by Congress. During the last three years alone, President Reagan has issued more than 400 rescissions with potential savings of $18 billion. Congress has not voted on even one.

Two other procedural reforms—penalizing the use of catch-all continuing resolutions and adoption of a multiyear budget cycle—could go a long way toward restoring some degree of legitimacy to the budgetary process.

If continuing resolutions were limited to the previous year's spending levels—as was originally intended in the Budget Act—Congress would at least have some incentive to get its budgetary work done on time. A two-year budget cycle not only would make it more difficult for Congress to project illusory savings, but it also would allow more governmental planning and purchasing efficiency.

As it is now, the Budget Act is a poorly played out charade. The sorry performance is costing us all too much.

The editorials note Congress abdication of responsibility and address three possible reforms with respect to Presidential rescissions, the use of continuing resolutions, and the use of a multiyear budgeting process.

Last month, we passed up a golden opportunity to do something meaningful about our national debt and the broken budget process. We were about to hit the debt ceiling. Rather than addressing the problem and using the opportunity to reform the budget process, Congress and the President chose to simply raise the ceiling and congratulate themselves for averting a catastrophe in the financial markets. Obviously, failure to raise the debt ceiling might have caused the Government to default on its obligations.

But we will never solve the problem by simply voting to incur more debt. We have to restrain spending before we reach the debt ceiling. We have to reform the congressional budget process. And, we need constitutional limitations on spending, as well as a line-item veto amendment.

I did not support the debt ceiling extension last month, and I will oppose it each and every time until the budget process is reformed and we repair the Gramm-Rudman deficit reduction law which has been crippled by the Supreme Court. We will encounter the debt ceiling again on July 17. That, in my opinion, is reckoning day. It's time for us to say "no" to more debt—and to more deficit spending.

Our leadership, BOB MICHEL and TRENT LOTT, has charged a number of task forces with the responsibility for working up a responsible set of reforms that we might consider when the next debt increase reaches the floor. They are expected to include a Gramm-Rudman fix, and a series of amendments to the rules of the House and the Budget Act to improve compliance and encourage fiscal restraint.

We were denied an opportunity to vote on a similar set of reforms when we took up the budget resolution in April. The American people deserve to have the reforms considered, and the most expeditious means of accomplishing that is through the debt ceiling action.

Beside budget reforms we have had opportunities already this session to cut spending from various authorization and appropriations bills. When the supplemental came before us, I joined a number of my colleagues in offering amendments to save the taxpayers some money. We didn't always succeed in getting the amendments passed. But we did succeed in putting Members on record for their votes on spending. I hope the electorate will use those votes to hold their Members accountable at the polls.

Most important, we need a constitutional fix to stop what the President termed in his speech "all the delays and missed deadlines and broken commitments." Congress has proven that it cannot be trusted to balance the budget. We need a balanced budget amendment to the Constitution to force Congress hand.

Earlier this year, I introduced a balanced budget/Federal spending limit amendment, House Joint Resolution 143, which would mandate a balanced budget beginning in fiscal year 1991, the year we expect to hit zero deficit under Gramm-Rudman; and limit Federal spending to no more than 19 percent of GNP. The amendment is unique in that it sets an absolute limit on the amount Congress can spend. As I said, it limits spending to no more than 19 percent of gross national product. That is the level of spending we would have today if we balanced the budget without a tax increase. It is also more in line with historic revenue levels.

For at least the past 15 years, revenue has grown commensurate with GNP—it has been and remains about 19 percent of GNP. Spending, on the other hand, has ballooned to almost 24 percent of GNP. So it is spending, not revenues, that must be addressed.

The spending limit will work. It works at the State level. In fact, we have such a limit in Arizona. The line-item veto has also proven itself at the State level. The President has requested both a balanced budget amendment and a line-item veto amendment. We should give him both.

We cannot continue to put off action until another day. The burden of debt wil damage the economy and threaten future American generations. I hope this body will have the courage to address the deficiencies in the budget process and start to say "no" to all of the special interests. As the President has said, it's time to be concerned about the family budget. The interests of the taxpayers should always be foremost in our minds.

□ 2035

Mr. HASTERT. Mr. Speaker, will the gentleman yield?

Mr. KYL. I yield to the gentleman from Illinois.

Mr. HASTERT. I thank the gentleman for yielding.

Mr. Speaker, I appreciate the time and the effort that my colleagues in the freshman class have come forward with to put forward their views and their concerns, concerns that we share with the American people, concerns, Mr. Speaker, that really the American people had when they elected Members to serve in this Congress.

As we have a time now that we reflect back to what the guidelines and what the goals and what the agenda was for those people who put together this first Congress 200 years ago, we think that maybe some of those goals and values and plain old shrewdness should be revisited, and in the next month and certainly in the next several months we will be spending time as a class and as a Congress looking at those values, looking at what the American people are saying should be done, the 85 percent of the people who think that this budget should be balanced, and we are going to be working with them.

Mr. Speaker, we need to have a joint effort, and we need to reach hands across these aisles so that these types of goals can be achieved. Most of all, the people in this country need to be responsible, too, and understand that when you start to balance the budget, there are some tough things that have to be done. There have to be cuts. There has to be some real responsibility when it comes to spending tax dollars.

So I appreciate my colleagues spending their time and sharing their concerns, and we will be talking to people in the next 3 and 4 months to know what their ideas are and know what their values are, and know what their plans are for the destiny of this country.

Mr. KYL. Mr. Speaker, I once again commend my colleague, the gentleman from Illinois [Mr. HASTERT], for his dedication to this extremely important cause, and his fine work in putting together this special order so that we could all be here this evening to address this critical issue before our Nation.

Mr. Speaker, I yield back the balance of my time.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. BONIOR of Michigan (at the request of Mr. FOLEY) for June 16, June 17, and June 18, on account of illness.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. HASTERT) to revise and extend their remarks and include extraneous material:)

Mr. LEACH of Iowa, for 5 minutes, today.

Mr. GINGRICH, for 60 minutes today.

(The following Members (at the request of Mr. MOAKLEY) to revise and extend their remarks and include extraneous material:)

Mr. ALEXANDER, for 5 minutes, today.

Mr. MONTOGMERY, for 5 minutes, today.

Mr. TAUZIN, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. PANETTA, for 5 minutes, today.

Mr. BONER of Tennessee, for 5 minutes, today.

(The following Member (at his own request) to revise and extend his remarks and include extraneous material:)

Mr. KYL, for 30 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. GILMAN, immediately following the vote on House Resolution 196 today.

Mr. RIDGE, in support of H.R. 281 in the Committee of the Whole today.

Mr. PORTER, in opposition to H.R. 281 in the Committee of the Whole today.

Mr. DELAY, in opposition to H.R. 281 in the Committee of the Whole today.

Mr. FIELDS, in opposition to H.R. 281 in the Committee of the Whole today.

Mr. OWENS of New York, in support of H.R. 281 in the Committee of the Whole today.

Mr. OBERSTAR, immediately preceding the vote on final passage of H.R. 281 today.

(The following Members (at the request of Mr. HASTERT) and to include extraneous matter:)

Mr. PACKARD.
Mr. HEFLEY.
Mr. GALLEGLY.
Mr. BADHAM.
Mr. LUNGREN.
Mr. DREIER of California.
Mr. DANNEMEYER.
Mr. KOLBE.
Mr. GEKAS in two instances.
Mr. CLINGER.

(The following Members (at the request of Mr. MOAKLEY) and to include extraneous matter:)

Mr. HOWARD in two instances.
Mr. CARDIN.
Mr. KANJORSKI.
Mr. ROE.

Mr. ASPIN.

Mr. BONIOR of Michigan in two instances.

Mr. FAZIO in two instances.

Mr. DYSON.

Mr. UDALL.

Mr. STOKES in two instances.

Mr. GRAY of Illinois.

Mr. LEVINE of California in two instances.

Mr. HAMILTON.

Mr. WEISS.

Mr. GEPHARDT.

Mr. FEIGHAN.

Mr. MONTGOMERY.

Mr. TRAXLER.

Mr. TOWNS.

Mr. LIPINSKI.

Mr. MARTINEZ.

Mr. BRYANT.

Mr. BOSCO.

Mr. KOSTMAYER.

Mr. NOWAK in two instances.

Mr. FAUNTROY.

ENROLLED JOINT RESOLUTION SIGNED

Mr. ANNUNZIO, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a joint resolution of the House of the following title, which was thereupon signed by the Speaker:

H.J. Res. 106. Joint resolution to designate June 19, 1987, as "American Gospel Arts Day."

ADJOURNMENT

Mr. KYL. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 8 o'clock and 41 minutes p.m.), the House adjourned until tomorrow, Thursday, June 18, 1987, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1622. A letter from the Assistant Secretary of Defense (Comptroller), transmitting the selected acquisition reports [SARs] for Peacekeeper and Rail Garrison Programs, which were excluded from the March submission of December 31, 1986 SARS (Ex. Com. No. 791); also included are the SAR summary tables for both the December 31, 1986 and March 31, 1987 quarters, pursuant to 10 U.S.C. 2432; to the Committee on Armed Services.

1623. A letter from the Director, Defense Security Assistance Agency, transmitting notification of the Department of the Navy's proposed letter(s) of offer to Canada for defense articles and services estimated to cost $23 million (Transmittal No. 87-26), pursuant to 22 U.S.C. 2776(b); to the Committee on Foreign Affairs.

1624. A letter from the Director, Defense Security Assistance Agency, transmitting notification of the Department of the Navy's proposed letter(s) of offer to Canada for defense articles and services estimated to cost $31 million (Transmittal No. 87-27), pursuant to 22 U.S.C. 2776(b); to the Committee on Foreign Affairs.

1625. A letter from the Secretary of Commerce, transmitting the semiannual report on the activities of the Department's Office of Inspector General for the period October 1, 1986 through March 31, 1987, pursuant to 5 U.S.C. app. (Inspector General Act of 1978) 5(b); to the Committee on Government Operations.

1626. A letter from the Secretary, Department of Transportation, transmitting copies of two reports, the "Status of the Nation's Highways: Conditions and Performance", and the "Eighth Annual Report on the Highway Bridge Replacement and Rehabilitation Program", pursuant to 23 U.S.C. 307(e), 23 U.S.C. 144(i); to the Committee on Public Works and Transportation.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. UDALL: Committee on Interior and Insular Affairs. Supplemental report on H.R. 1315 (Rept. 100-90, Pt. 3). Ordered to be printed.

Mr. HOWARD: Committee on Public Works and Transportation. H.R. 11. A bill to amend the Independent Safety Board Act of 1974 to authorize appropriations for fiscal years 1987, 1988, and 1989, and for other purposes; with an amendment (Rept. 100-158, Pt. 1). Ordered to be printed.

Mr. ROSTENKOWSKI: Committee on Ways and Means. H.R. 1720. A bill to replace the existing AFDC program with a new Family Support Program which emphasizes work, child support, and need-based family support supplements, to amend title IV of the Social Security Act to encourage and assist needy children and parents under the new program to obtain the education, training, and employment needed to avoid long-term welfare dependence, and to make other necessary improvements to assure that the new program will be more effective in achieving its objectives; with an amendment (Rept. 100-159, Pt. 1). Ordered to be printed.

Mr. UDALL: Committee on Interior and Insular Affairs: H.R. 1744. A bill to amend the National Historic Preservation Act to extend the authorization for the Historic Preservation Fund (Rept. 100-160). Referred to the Committee of the Whole House on the State of the Union.

Mr. JONES of North Carolina: Committee on Merchant Marine and Fisheries. H.R. 2480. A bill to extend temporarily the governing international fishery agreement between the United States and the Republic of Korea, and for other purposes; with an amendment (Rept. 100-161). Referred to the Committee of the Whole House on the State of the Union.

Mr. BEVILL: Committee on Appropriations. H.R. 2700. A bill making appropriations for energy and water development for the fiscal year ending September 30, 1988, and for other purposes (Rept. 100-162). Referred to the Committee of the Whole House on the State of the Union.

Mr. JONES of North Carolina: Committee on Merchant Marine and Fisheries. H.R. 1632. A bill to provide a comprehensive system of liability and compensation for oil spill damage and removal costs, and for other purposes; with an amendment (Rept. 100-163, Pt. 1). Ordered to be printed.

Mr. DERRICK: Committee on Rules. H. Res. 197. Resolution implementing budget procedures in the House of Representatives for fiscal year 1988 (Rept. 100-164). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BEVILL:

H.R. 2700. A bill making appropriations for energy and water development for the fiscal year ending September 30, 1988, and for other purposes.

By Mr. BARTON of Texas (for himself and Mr. HALL of Texas):

H.R. 2701. A bill to amend the Natural Gas Policy Act of 1978 to remove certain contract duration and right of first refusal requirements; to the Committee on Energy and Commerce.

By Mr. BRUCE:

H.R. 2702. A bill to amend the Internal Revenue Code of 1986 to provide that individuals who separated from service on account of early retirement before the date of the enactment of the Tax Reform Act of 1986 will be exempt from the additional tax on early distributions from qualified retirement plans; to the Committee on Ways and Means.

By Mrs. BYRON:

H.R. 2703. A bill to amend the Small Business Act to include clothing and textile supplies in the industry categories to which the set-aside programs established under such act apply; to the Committee on Small Business.

By Mr. DANNEMEYER:

H.R. 2704. A bill to provide for the issuance of bonds payable in gold coin; to the Committee on Banking, Finance and Urban Affairs.

By Mr. DAUB (for himself and Mr. SMITH of New Hampshire):

H.R. 2705. A bill to amend the Immigration and Nationality Act to limit effectively to 525,000 the number of aliens who may acquire lawful permanent residence in the United States in any fiscal year as special immigrants, immediate relatives, and preference immigrants; to the Committee on the Judiciary.

By Mr. MOLINARI:

H.R. 2706. A bill to amend the Federal Aviation Act of 1958 to require that airline passengers be given adequate notice of delays, cancellations, and changes in scheduled stops of flights, and for other purposes; to the Committee on Public Works and Transportation.

By Mr. RIDGE (for himself, Mr. OBERSTAR, Mr. CLINGER, Mr. LOTT, Mr. MURTHA, Mr. DINGELL, Mr. STANGELAND, Mr. PANETTA, Mr. RAHALL, Mr. SHUSTER, Mr. BORSKI, Mr. GINGRICH, Mr. KOLTER, Mr. SHAW, Mr. VALENTINE, Mrs. JOHNSON of Connecticut, Mr. TOWNS, Mr. BOEHLERT, Mr. WISE, Mr. HASTERT, Mr. TRAFICANT, Mr. LANCASTER, Mr. FRANK, Mr.

Montgomery, Mr. Bennett, Mr. Lagomarsino, Mr. McDade, Mr. Traxler, Mr. Henry, Mr. Thomas of Georgia, Mr. Kanjorski, Mr. Whittaker, Mr. Tallon, Mr. Richardson, Mr. Eckart, Mr. Walgren, Mr. Coyne, Mr. Goodling, Mr. Kostmayer, Mr. Murphy, Mr. Yatron, Mr. Blaz, Mr. Weber, Mr. Gaydos, Mr. Stump, Mr. Brooks, Mr. Staggers, Mr. Synar, Mr. Schulze, Mr. Buechner, Mr. Livingston, Mr. Edwards of Oklahoma, Mr. Moakley, Mr. Akaka, Mr. Walker, Mr. Rogers, Mr. Hopkins, Mr. Fauntroy, Mr. Tauke, Mr. Lewis of Georgia, Mr. Owens of New York, Mr. Lightfoot, Mr. Sunia, Mr. Kastenmeier, Mr. Jontz, Mr. Pursell, Mrs. Saiki, Mr. Barnard, Mr. Hughes, Mr. Carper, Mr. Fazio, Mr. McCurdy, Mr. Fields and Mr. Callahan):

H.R. 2707. A bill to amend the disaster Relief Act of 1974 to provide for more effective assistance in response to major disasters and emergencies, and for other purposes; to the Committee on Public Works and Transportation.

By Mr. ROBERTS (for himself and Mr. Whittaker):

H.R. 2708. A bill to amend title XVIII of the Social Security Act to ensure that Medicare dependent, small, rural hospitals receive at least their reasonable costs for inpatient hospital services furnished under the Medicare Program; to the Committee on Ways and Means.

By Mr. SAWYER:

H.R. 2709. A bill to delay until October 1, 1988, implementation of a Department of Defense proposal under which, in determining the suitability of individuals for enlistment in the Armed Forces, individuals with college credit or a traditional locally issued high school diploma would be considered more favorably than individuals with high school diplomas from alternative means; to the Committee on Armed Services.

By Mr. SOLOMON:

H.R. 2710. A bill to authorize an employer to pay a youth employment opportunity wage to a person under 20 years of age from May through September under the Fair Labor Standard Act of 1938, and for other purposes; to the Committee on Education and Labor.

By Mr. STENHLOM (for himself, Mr. Craig, Mr. Robert F. Smith, Mr. Carper, Mr. Gibbons, Mr. Anderson, Mr. Anthony, Mr. Archer, Mr. Armey, Mr. Badham, Mr. Baker, Mr. Ballenger, Mr. Barnard, Mr. Bartlett, Mr. Barton of Texas, Mr. Bateman, Mr. Bennett, Mrs. Bentley, Mr. Bereuter, Mr. Bevill, Mr. Bilbray, Mr. Bilirakis, Mr. Blaz, Mr. Bliley, Mr. Boehlert, Mr. Boner of Tennessee, Mr. Bosco, Mr. Boulter, Mr. Broomfield, Mr. Brown of Colorado, Mr. Buechner, Mr. Bunning, Mr. Burton of Indiana, Mr. Bustamante, Mrs. Byron, Mr. Callahan, Mr. Campbell, Mr. Chandler, Mr. Chapman, Mr. Chappell, Mr. Cheney, Mr. Clarke, Mr. Clinger, Mr. Coats, Mr. Coble, Mr. Coleman of Missouri, Mr. Combest, Mr. Courter, Mr. Crane, Mr. Daniel, Mr. Dannemeyer, Mr. Darden, Mr. Daub, Mr. Davis of Illinois, Mr. Davis of Michigan, Mr. de la Garza, Mr. DeLay, Mr. Derrick, Mr. DeWine, Mr. Dickinson, Mr. DioGuardi, Mr. Dorgan of North Dakota, Mr. Dornan of California, Mr. Dowdy of Mississippi, Mr. Dreier of California, Mr. Duncan, Mr. Dyson, Mr. Edwards of Oklahoma, Mr. Emerson, Mr. English, Mr. Erdreich, Mr. Espy, Mr. Fawell, Mr. Fields, Mr. Flippo, Mr. Frenzel, Mr. Gallegly, Mr. Gallo, Mr. Gekas, Mr. Gingrich, Mr. Goodling, Mr. Gordon, Mr. Grandy, Mr. Grant, Mr. Gregg, Mr. Gunderson, Mr. Hall of Texas, Mr. Hammerschmidt, Mr. Hansen, Mr. Harris, Mr. Hastert, Mr. Hatcher, Mr. Hefley, Mr. Hefner, Mr. Henry, Mr. Herger, Mr. Hiler, Mr. Holloway, Mr. Hopkins, Mr. Horton, Mr. Hubbard, Mr. Huckaby, Mr. Hunter, Mr. Hutto, Mr. Inhofe, Mr. Ireland, Mr. Jacobs, Mr. Jenkins, Mrs. Johnson of Connecticut, Mr. Johnson of South Dakota, Mr. Jones of Tennessee, Mr. Jones of North Carolina, Mr. Kasich, Mr. Kolbe, Mr. Konnyu, Mr. Kyl, Mr. Lagomarsino, Mr. Lancaster, Mr. Latta, Mr. Leach of Iowa, Mr. Leath of Texas, Mr. Lent, Mr. Lewis of California, Mr. Lewis of Florida, Mr. Lightfoot, Mr. Livingston, Mrs. Lloyd, Mr. Lott, Mr. Lowery of California, Mr. Lujan, Mr. Thomas A. Luken, Mr. Donald E. Lukens, Mr. Lungren, Mr. McCandless, Mr. McCollum, Mr. McCurdy, Mr. McDade, Mr. McEwen, Mr. McGrath, Mr. McMillan of North Carolina, Mr. McMillen of Maryland, Mr. Mack, Mr. MacKay, Mr. Madigan, Mr. Marlenee, Mr. Martin of New York, Mrs. Martin of Illinois, Mrs. Meyers of Kansas, Mr. Michel, Mr. Miller of Ohio, Mr. Miller of Washington, Mr. Molinari, Mr. Montgomery, Mr. Moorhead, Mr. Morrison of Washington, Mr. Neal, Mr. Nelson of Florida, Mr. Nichols, Mr. Nielson of Utah, Mr. Ortiz, Mr. Owens of Utah, Mr. Oxley, Mr. Packard, Mr. Parris, Mrs. Patterson, Mr. Penny, Mr. Petri, Mr. Pickle, Mr. Porter, Mr. Price of North Carolina, Mr. Pursell, Mr. Quillen, Mr. Ravenel, Mr. Ray, Mr. Regula, Mr. Richardson, Mr. Ridge, Mr. Ritter, Mr. Roberts, Mr. Robinson, Mr. Roemer, Mr. Rogers, Mr. Rose, Mr. Roth, Mr. Rowland of Connecticut, Mr. Rowland of Georgia, Mrs. Saiki, Mr. Saxton, Mr. Schaefer, Mr. Schuette, Mr. Schulze, Mr. Sensenbrenner, Mr. Shaw, Mr. Shumway, Mr. Shuster, Mr. Skeen, Mr. Skelton, Mr. Slaughter of Virginia, Mr. Smith of New Jersey, Mr. Denny Smith, Mr. Smith of Texas, Mr. Smith of New Hampshire, Mrs. Smith of Nebraska, Ms. Snowe, Mr. Solomon, Mr. Spence, Mr. Stallings, Mr. Stangeland, Mr. Stump, Mr. Sundquist, Mr. Sweeney, Mr. Swindall, Mr. Tallon, Mr. Tauke, Mr. Taylor, Mr. Tauzin, Mr. Thomas of California, Mr. Upton, Mr. Valentine, Mr. Vander Jagt, Mr. Volkmer, Mrs. Vucanovich, Mr. Walker, Mr. Watkins, Mr. Weber, Mr. Weldon, Mr. Whittaker, Mr. Wilson, Mr. Wolf, Mr. Wortley, Mr. Wylie, Mr. Young of Alaska, and Mr. Young of Florida):

H.J. Res. 321. Joint resolution proposing an amendment to the Constitution to provide for a balanced budget for the U.S. Government and for greater accountability in the enactment of tax legislation; to the Committee on the Judiciary.

By Mr. Tauzin (for himself, Mr. Akaka, Mr. Applegate, Mr. Borski, Mr. Brown of Colorado, Mr. Bustamante, Mr. DeWine, Mr. Donnelly, Mr. Dymally, Mr. Dreier of California, Mr. Feighan, Mr. Frank, Mr. Gradison, Mr. Hayes of Louisiana, Mr. Howard, Ms. Kaptur, Mr. Lagomarsino, Mr. Latta, Mr. Donald E. Lukens, Mr. Moakley, Mr. Moorhead, Mr. Oxley, Mr. Pease, Mr. Russo, Mr. Sawyer, Mr. Schaefer, Mr. Scheuer, Ms. Snowe, and Mr. Young of Alaska):

H. Con. Res. 142. Concurrent resolution expressing the opposition of Congress to mandatory coverage of all State and local government employees under the Medicare Program; to the Committee on Ways and Means.

By Mr. Grandy (for himself, Mr. Stenholm, Mr. Lightfoot, Mr. Leach of Iowa, Mr. Tauke, Mr. Thomas of Georgia, Mr. Combest, Mr. Donald E. Lukens, Mr. Roberts, Mr. Daub, Mr. Davis of Michigan, Mr. Marlenee, Mr. Jontz, Mr. Weber, Mr. Lancaster, Mr. Holloway, Mr. Chapman, Mrs. Bentley, and Mr. Johnson of South Dakota):

H. Res. 198. Resolution encouraging Americans to consume meat and meat products; to the Committee on Agriculture.

By Mr. Smith of New Jersey (for himself, Mr. Kemp, Mr. Hoyer, Mr. Lantos, Mr. Smith of Florida, Mr. Ackerman, Mr. Berman, Mr. Fazio, Mr. Atkins, Mr. Bereuter, Mr. Bonker, Mr. Waxman, Mr. Saxton, Mr. Rinaldo, Mr. Hyde, Mr. Kostmayer, Mr. Hall of Ohio, Mr. Green, Mr. Florio, Mr. Torricelli, Mr. Levin of Michigan, Mr. DeWine, Mr. Dornan of California, Mr. Scheuer, Mr. Porter, Mr. Lowry of Washington, Mr. Wolf, Mr. Bryant, Mr. Gallo, Mr. Miller of Washington, Mr. Bustamante, Mr. Lagomarsino, Mr. Cardin, Mr. Clarke, Mr. Darden, Mr. Daub, Mr. Dwyer of New Jersey, Mr. Bateman, Mr. Fields, Mr. Archer, Mr. Weldon, Mr. Armey, Mr. Fish, Mr. Tauzin, Mr. Pepper, Mr. Rodino, Mr. Wortley, Mr. Frost, Mr. Lipinski, Mr. Hayes of Louisiana, Mr. Hunter, Mr. Weber, Mr. Denny Smith, Mr. Nelson of Florida, Mr. Jeffords, Mr. Walker, Mr. McMillen of Maryland, Mr. Kolbe, Mr. Lent, Mr. McGrath, Mrs. Kennelly, Mr. Manton, Mr. Owens of Utah, Mr. Lowery of California, Mr. Swindall, Mr. Frank, Mr. Traficant, Mr. Volkmer, Mr. Hochbrueckner, and Mr. Inhofe):

H. Res. 199. Resolution expressing the sense of the House of Representatives regarding the Soviet Union's treatment of Jews who wish to emigrate to Israel, particularly those individuals given long term or permanent refusals on the grounds of "possessing state secrets"; to the Committee on Foreign Affairs.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

124. By the SPEAKER: Memorial of the Legislature of the State of Texas, relative to the Mojave Pipeline to California's enhanced oil recovery fields in Kern County, CA, to the Committee on Energy and Commerce.

125. Also, memorial of the Legislature of the State of Alaska, relative to a proposed federal ban on the export of crude oil and refined oil products; to the Committee on Foreign Affairs.

126. Also, memorial of the Legislature of the State of Maine, relative to the legislative reference of claims of the Aroostook Band of Micmacs to the U.S. Claims Court; to the Committee on Interior and Insular Affairs.

127. Also, memorial of the Legislature of the State of Nevada, relative to sales and use taxes on interstate sales; to the Committee on the Judiciary.

128. Also, memorial of the Legislature of the State of Nevada, relative to legislation authorizing enterprise zones; jointly, to the Committees on Banking, Finance and Urban Affairs and Ways and Means.

129. Also, memorial of the Legislature of the State of Texas, relative to air emissions from marine vessels; jointly, to the Committees on Merchant Marine and Fisheries and Energy and Commerce.

130. Also, memorial of the Legislature of the State of Hawaii, relative to the development of a state-of-the-art applied aquaculture research facility at the Oceanic Institute; jointly, to the Committees on Merchant Marine and Fisheries and Agriculture.

131. Also, memorial of the Legislature of the State of Alaska, relative to relating to tributyltin; jointly, to the Committees on Merchant Marine and Fisheries, Energy and Commerce, and Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. JOHNSON of South Dakota:

H.R. 2711. A bill to settle certain claims arising out of activities on the Pine Ridge Indian Reservation; to the Committee on the Judiciary.

By Mr. LOWRY of Washington:

H. Res. 200. Resolution referring the bill (H.R. 2098) for the relief of Frederick Paul of Seattle, WA, to chief judge of the U.S. Claims Court; to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 311: Mr. Swift, Mr. Johnson of South Dakota, Mr. Rose, and Mrs. Boxer.

H.R. 468: Mr. Rowland of Connecticut.

H.R. 514: Mr. Thomas A. Luken and Mr. Bustamante.

H.R. 544: Mr. Kemp.

H.R. 625: Mr. Petri, Mr. Boulter, and Mr. Towns.

H.R. 753: Mr. Staggers.

H.R. 755: Mr. Clay and Mr. Levin of Michigan.

H.R. 792: Mr. Mrazek.

H.R. 813: Mr. Wheat.

H.R. 954: Mr. Biaggi and Mr. Horton.

H.R. 1036: Mr. Lowry of Washington.

H.R. 1115: Mr. Hutto, Mr. Bustamante, Mr. Fish, Mr. Thomas of Georgia, Mr. Rowland of Connecticut, Mr. Coats, Mr. Daniel, Mr. Pease, Mrs. Bentley, and Mr. Daub.

H.R. 1278: Mr. Gingrich, Mr. Bryant, Mr. Solomon, Mr. Walker, Mr. Clinger, and Mr. Lewis of Georgia.

H.R. 1394: Mr. Frost, Mr. Kolbe, Mr. Smith of Florida, Mr. Rangel, Mr. Sharp, Mr. Gonzalez, Mr. Crockett, Mr. Hawkins, Mr. Edwards of Oklahoma, Mr. Hochbrueckner, Mr. Lowry of Washington, Mr. Valentine, and Mr. Rinaldo.

H.R. 1441: Mr. Rogers.

H.R. 1536: Mr. Stratton.

H.R. 1546: Mrs. Morella and Mr. Stokes.

H.R. 1585: Mr. Lewis of Georgia, Mr. Atkins, Mr. Fauntroy, Mr. Wyden, Mr. Clay, Mr. Hayes of Illinois, Mr. Towns, Mr. Vento, Mr. Kennedy, Mr. Martinez, Mr. Walgren, Mr. Gejdenson, Mr. Kildee, Mr. Durbin, and Mr. Wolpe.

H.R. 1711: Mr. Martinez.

H.R. 1729: Mr. Leath of Texas and Mr. Bevill.

H.R. 1770: Mr. Bennett.

H.R. 1782: Mr. Vander Jagt.

H.R. 1788: Mr. Lewis of Georgia, Mr. Atkins, Mr. Fauntroy, Mr. Wyden, Mr. Clay, Mr. Hayes, of Illinois, Mr. Towns, Mr. Vento, Mr. Kennedy, Mr. Martinez, Mr. Walgren, Mr. Gejdenson, Mr. Kildee, Mr. Durbin, and Mr. Wolpe.

H.R. 1790: Mr. Goodling and Mr. Jeffords.

H.R. 1800: Mr. Olin.

H.R. 1832: Mr. Dicks, Mr. Applegate, Mr. Madigan, and Mr. Swift.

H.R. 1873: Mr. Fuster, Mr. Fazio, and Mrs. Collins.

H.R. 1874: Mr. Fuster, Mr. Fazio, and Mrs. Collins.

H.R. 2036: Mr. DeFazio, Ms. Pelosi, Mr. Rodino, Mr. Towns, Mr. Lowry of Washington, and Mr. Mfume.

H.R. 2062: Mr. Conyers.

H.R. 2083: Mr. Darden, Mr. Saxton, and Mr. Porter.

H.R. 2091: Mr. Dyson, Mrs. Boxer, and Mr. Stokes.

H.R. 2113: Mr. McHugh, Mr. Rowland of Georgia, Mr. Sikorski, Mr. Oberstar, Mr. Weber, Mr. Wilson, Mr. DeFazio, Mr. Davis of Michigan, Mr. Robert F. Smith, Mr. Vander Jagt, Ms. Snowe, Mr. Richardson, Mr. Bevill, Mr. Ortiz, Mr. Nichols, and Mr. Tallon.

H.R. 2148: Mr. Garcia, Ms. Slaughter of New York, and Mr. Kolbe.

H.R. 2165: Mr. Matsui, Mr. Valentine, Ms. Pelosi, Mr. Lancaster, Mr. Packard, Mr. Mineta, Mr. Boehlert, Mr. Walgren, and Mr. Clinger.

H.R. 2232: Mr. McMillan of North Carolina, and Mr. Roth.

H.R. 2371: Mr. Hayes of Illinois, Mr. Davis of Michigan, Mr. Bosco, Mr. Eckart, Mrs. Boxer, Mr. Bilbray, and Mr. Fish.

H.R. 2482: Mr. Darden and Mr. LaFalce.

H.R. 2491: Mr. Weber.

H.R. 2498: Mr. Garcia.

H.R. 2509: Mr. Lancaster, Mr. Owens of Utah, Mr. Price of Illinois, Mr. de Lugo, Mr. Jontz, Mr. Savage, Mr. Howard, Mr. Borski, Mrs. Byron, Mr. Downey of New York, and Mr. Jeffords.

H.R. 2567: Mr. de Lugo, Mr. Leland, and Mr. Martinez.

H.R. 2571: Mr. Clinger, Mr. Coelho, Mr. Florio, Mr. Garcia, Mr. Gray of Illinois, Mr. Hayes of Illinois, Mr. Kolter, Ms. Pelosi, Mr. Rangel, and Mr. Waxman.

H.R. 2584: Mr. Edwards of California, Mr. Lewis of Georgia, Mrs. Boxer, and Mr. Scheuer.

H.R. 2590: Mr. Swindall and Mr. Lagomarsino.

H.R. 2645: Mr. Ford of Michigan, Mr. Neal, and Mr. Nichols.

H.R. 2655: Mr. Russo and Mr. Matsui.

H.R. 2692: Mr. Hiler.

H.J. Res. 132: Mr. Evans, Mr. Dannemeyer, and Mr. Rowland of Connecticut.

H.J. Res. 169: Mr. Clinger and Mr. Borski.

H.J. Res. 180: Mr. Wolf and Mrs. Vucanovich.

H.J. Res. 197: Mr. Barnard.

H.J. Res. 214: Mr. Rangel.

H.J. Res. 219: Mrs. Boxer, Mr. Espy, Mr. Hughes, Mr. de Lugo, and Mr. Stokes.

H.J. Res. 229: Mr. Vento and Mr. Garcia.

H.J. Res. 252: Mr. Stokes.

H.J. Res. 266: Mr. Davis of Michigan, Mr. Fish, Mr. Conyers, Mr. Goodling, Mr. Clinger, Mr. Bonior of Michigan, and Mr. Bevill.

H.J. Res. 282: Mr. Davis of Illinois, Mr. Carper, Mr. Frenzel, Mr. Durbin, Mrs. Martin of Illinois, Mr. Yates, Mr. Markey, Mr. Traficant, Mr. Bliley, Mr. Lancaster, Mr. Levine of California, Ms. Pelosi, Mr. Volkmer, Mr. Waxman, Mr. Weldon, Mr. McGrath, Mr. Fields, Mr. Horton, Mr. Hayes of Illinois, Mr. Miller of Washington, Mr. Dwyer of New Jersey, Mr. Bilbray, Mr. Kennedy, and Mr. Clinger.

H.J. Res. 284: Mr. Chapman and Mr. Garcia.

H.J. Res. 309: Mr. Fazio, Mr. Roybal, and Mr. Conte.

H.J. Res. 310: Mr. Swift, Mr. Lantos, Mr. Markey, Mr. Wolpe, Mr. Kostmayer, Mr. Akaka, Mr. Moody, Mr. Miller of California, Mr. McCloskey, Mr. Beilenson, and Mr. Bonker.

H.J. Res. 313: Mr. de Lugo.

H. Con. Res. 66: Mr. Bliley.

H. Con. Res. 76: Mr. Daub, Mrs. Boxer, Mr. Clinger, Mr. Jontz, Mr. Owens of Utah, Mr. Fawell, Mr. Fish, Mr. Lewis of Georgia, Mr. Mica, Mr. Sundquist, and Mrs. Martin of Illinois.

H. Con. Res. 83: Mr. Ackerman, Mr. Badham, Mr. Bartlett, Mr. Biaggi, Mrs. Bentley, Mr. Bilirakis, Mr. Boehlert, Mr. Bryant, Mr. Buechner, Mr. Bustamante, Mr. Coleman of Texas, Mr. Conte, Mr. Crane, Mr. Davis of Illinois, Mr. Dornan of California, Mr. Fish, Mr. Glickman, Mr. Hall of Texas, Mr. Horton, Mr. Hoyer, Mr. Hyde, Mr. Inhofe, Mr. Konnyu, Mr. Kyl, Mr. Donald E. Lukens, Mr. McGrath, Mr. Miller of Washington, Mr. Murphy, Mr. Nielson of Utah, Mr. Oxley, Mr. Panetta, Mr. Shumway, Mr. Schumer, Mr. Skeen, Mr. Sikorski, Mr. Solomon, Mrs. Vucanovich, Mr. Wylie, Mr. Bliley, Mr. Gunderson, and Mr. Markey.

H. Con. Res. 87: Mr. Martinez, Mr. DeWine, Mr. Buechner, Mr. Shumway, and Mr. Clinger.

H. Con. Res. 116: Mr. Hutto, Mr. Udall, Mr. Jeffords, Mr. Hayes of Illinois, Mr. Howard, Mr. Conyers, Mr. Walker, Mr. Green, Mr. Levine of California, Miss Schneider, Mr. Boehlert, Mr. Miller of Washington, Mr. Smith of New Jersey, Mr. Gilman, Mr. Torres, Mr. Holloway, Mr. Fazio, Mr. Archer, Mr. Sikorski, Mr. Goodling, Mr. Towns, Mr. Dwyer of New Jersey, and Mr. Broomfield.

H. Res. 168: Mr. Parris, Mr. Robinson, Mr. Price of Illinois, Mr. Smith of New Hampshire, Mr. DeLay, Mr. Williams, and Mr. Callahan.

H. Res. 169: Mr. Kolbe, Mr. Tauke, Mrs. Martin of Illinois, and Mr. Bliley.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.R. 1049: Mr. DUNCAN.

H. Res. 150: Mr. FORD of Michigan.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

50. The SPEAKER presented a petition of Medina Area Chamber of Commerce, Medina, OH, relative to Bicentennial of the signing of the U.S. Constitution; which was referred to the Committee on Post Office and Civil Service.

EXTENSIONS OF REMARKS

1986 IS A YEAR OF CHANGE IN TAIWAN AND MAINLAND CHINA

HON. WILLIAM J. HUGHES

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 17, 1987

Mr. HUGHES. Mr. Speaker, I know that many of my colleagues share my interest in economic and political trends that affect United States relations with Taiwan and mainland China. That is a critical part of the world in terms of U.S. trade and defense policies.

Among New Jersey's many scholars and academicians is Dr. Winston L.Y. Yang, who chairs the Department of Asian Studies at Seton Hall University. Over the years, Dr. Yang has distinguished himself as an expert in such major issues as United States relations with Taiwan and mainland China, and the treatment of political dissidents in Taiwan.

Dr. Yang recently delivered a lecture on these subjects at the U.S. Military Academy at West Point. At this point in the RECORD, I would like to insert Dr. Yang's remarks for the use and information of my colleagues.

[Dr. Yang's speech follows:]

THE UNITED STATES, TAIWAN AND MAINLAND CHINA

(By Prof. Winston Yang)

1986 was a year of change in both Taiwan and Mainland China. In Taiwan, Chiang Ching-kuo announced that martial law, imposed for over 30 years, would be lifted and replaced by less restrictive national security regulations. As a result of this decision, Taiwan's long-term ban on the organization of new political parties and on the publication of additional newspapers was also lifted. Earlier, Chiang had revealed his determination to bar military rule in Taiwan in the future, and any member of his family from succeeding him as President. It has thus become obvious that Taiwan is moving rapidly toward greater democratization, along with its significant economic achievements. At the end of 1986 its foreign exchange reserve approached the $50 billion mark and per capita income reached US$3,750.00.

In Mainland China, the year 1986 witnessed growing difficulties in economic reforms; political reforms were completely put aside. Its trade deficit was growing and its foreign exchange reserve was dwindling. Its per capita income remained at about US$300.00. China's economic difficulties became increasingly evident. As a result of these developments, Chinese college students began demonstrations toward the end of 1986 which advocated democracy, freedom, human rights and the improvement of the people's economic life. The demonstrations soon spread to the campuses of dozens of colleges and universities in many parts of China. The disappointments, bitterness, frustrations and disillusionments of the students were apparent. These rapid developments soon led to a power struggle in Peking and to the downfall of Communist Party General Secretary Hu Yaobang on January 15, 1987. A number of reform-minded leaders were removed and several leading liberal intellectuals were purged. Among these was Liu Binyan, who had been revealing the dark side of Chinese society: corruption, decadence and inefficiency. Soon, the Chinese Communist leadership initiated a campaign against "bourgeoisie liberazition" and began its crackdown on student demonstrations. China's economic and political reforms suffered serious setbacks and its economic development slowed down. Many Western observers and scholars have cast doubts on China's stability and on the future of its open-door policy despite the Chinese assertion to the contrary.

In spite of such internal difficulties, Peking continued its emphasis on national reunification. During his recent visit to Peking, Secretary of State George Schultz was asked by Chinese leaders to promote contact and communication between Taipei and Peking. The United States is thus caught between its need for close ties with Peking against the Soviet Union and its desire for maintaining its traditional friendship with Taiwan. The national interests of the United States will not be served by submitting itself to Chinese pressure. American interests, on the contrary, will be best served by the following developments and policies:

1. Peace and stability in the Taiwan Straits;

2. The long-term American refusal to pressure Taipei to negotiate with Peking or to get involved in the Taipei-Peking rivalry and controversy;

3. The American commitment to the one-China stand;

4. The American disassociation of the "Self-Determination" and "Taiwan Independence" movements.

On the one hand, the United States should discourage or even deter China's use of force against Taiwan and its use of force to threaten Taiwan; on the other, Washington must insist on the use of peaceful means to achieve China's reunification goal.

Since Taiwan is well on its way to the two-party or multi-party democratic system, and since Taiwan has already achieved great economic prosperity, Washington should encourage Peking to move toward more significant political and economic reforms and developments. Only when the Mainland reaches the level of genuine prosperity and democracy, will peaceful reunification become possible; only when Taiwan and the Mainland gradually narrow their political, economic, social, and cultural differences and gaps, will reunification become a distinct possibility. It is unrealistic to ask Taipei and Peking to even discuss national reunification today when the two sides are confronted with tremendous gaps in various fields.

The best policy for the United States, therefore, is to encourage and promote a long-term transitional period for Taiwan and Mainland China, and to narrow and diminish the great gaps in political, social and other fields between the two sides. Under the one-China concept, both sides should be encouraged to engage in "Peaceful Co-existence and Peaceful Competition" during the transitional period to concentrate on political and economic development in order to achieve greater democracy and prosperity. Only through such a transitional period will it be possible for both sides to diminish their differences and gaps. Peaceful reunification can then be gradually achieved.

The national interest of the United States will be best served by such a peaceful reunification of Taiwan and the Mainland after going through a transitional period.

DEATH RATE HIGHER ON RURAL ROADS

HON. JAMES J. HOWARD

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 17, 1987

Mr. HOWARD. Mr. Speaker, the House agreed on March 18 to allow higher driving speeds on rural segments of the Interstate Highway System. That action was the first change in the 55-mile-per-hour speed limit that has saved thousands of lives.

Opponents of raising the speed limit claimed the result would be an additional 500 deaths a year on the highways as well as thousands of serious injuries.

Last month, the New England Journal of Medicine published a study showing that, contrary to the claims that were made, the rural areas are not the safest places to drive because of fewer cars. In fact, the study conducted by the Department of Health Policy and Management of the Johns Hopkins School of Hygiene and Public Health in Baltimore, Quality Control Systems Corps. of Arlington, VA, and the Insurance Institute for Highway Safety of Washington, DC, found that rural roads are the most dangerous. The study cited higher speeds as one cause of that added danger.

The following is the text of the article from the New England Journal of Medicine.

[From the New England Journal of Medicine, May 28, 1987]

GEOGRAPHIC VARIATIONS IN MORTALITY FROM MOTOR VEHICLE CRASHES

(Susan P. Baker, M.P.H., R.A. Whitfield, M.A., and Brian O'Neill, B.Sc.)

Motor vehicle crashes are the leading cause of death in the United States among persons 1 to 34 years of age. Detailed geographic analyses of the mortality associated with such crashes have not been undertaken, despite the fact that county maps such as those showing cancer "hot spots" have contributed to our understanding of other important health problems and have helped to identify high-risk populations.

State maps reveal major regional variations in death rates related to motor vehicle crashes but lack the specificity of analysis according to county. For example, in such states as New York, where much of the

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

population lives in urban areas, the death rate for the state is determined largely by the rates of cities, in which death rates of occupants of motor vehicles are low.

In this study, the population-based mortality of occupants of motor vehicles was calculated and mapped for all counties in the United States, and correlations with population density and income were determined. Knowledge of the relations between death rates and population density or income can contribute to our understanding of motor vehicle-related deaths. In addition, detailed maps call attention to similarities among counties with especially high or low death rates.

METHODS

County-specific death rates associated with motor vehicle crashes for the period 1979 through 1981 were calculated on the basis of data on deaths recorded in the National Highway Traffic Safety Administration's Fatal Accident Reporting System (FARS) and the 1980 population of the United States. Three-year average rates were calculated and mapped for all deaths of occupants of motor vehicles (127,110 deaths in the three-year period). The FARS data base was used in preference to mortality data from the National Center for Health Statistics (NCHS), because motor vehicle occupants are not always distinguishable in NCHS data and because deaths in FARS are tabulated according to the county in which the crashes occur. For purposes of comparison, death rates of occupants were also calculated from NCHS mortality data according to the county of residence.

Correlations with population density and per capita income were analyzed according to the rank order of each observation. Density and income data for each county were based on the 1980 census. Rates were not standardized for the composition of the county population according to age and sex, but relevant age distributions of the population were examined.

RESULTS

The death rate of occupants of motor vehicles was 18.7 per 100,000 population for the entire United States, but it varied dramatically from one county to another: 10 percent of all counties in the 48 contiguous states had death rates of less than 13.5 per 100,000, whereas another 10 percent had rates of 57.3 per 100,000 or higher. Comparison of Figures 1 and 2 shows that the mortality is inversely correlated with the population-density pattern, with the highest death rates seen predominantly in counties with fewer than five people per square mile ($r = -0.57$; $P<0.0001$). In most of Nevada, for example, death rates were in the highest two categories (75th through 89th and ≧90th percentile) in all the counties in which population density was in the lowest category (<10th percentile). The reverse was true near Las Vegas and Reno, where the population density is highest and death rates were low; Figure 3 illustrates the correlation.

The more than 100-fold variation in death rates and the remarkable association with population density are illustrated by a comparison of specific counties. For example, Manhattan (New York County) has more than 64,000 residents per square mile (2.6 km^2) and had a death rate of 2.5 per 100,000. Philadelphia, Pennsylvania, and Hudson, New Jersey, each with 12,000 residents per square mile, had death rates of 4.1 and 4.3 per 100,000, respectively. In contrast, the 777 residents of Esmeralda County, Nevada, spread over 3587 square miles (9290.33 km^2) (0.2 resident per square mile), had a rate of 558 per 100,000. The very highest death rate—1456 per 100,000—occurred in Loving County, Texas, which lost 4 of its 91 residents in motor vehicle crashes during the period 1979 through 1981. Although sparsely settled counties obviously have small populations, which are subject to wide fluctuations in death rates, the results were remarkably consistent; none of the 15 counties with the highest death rates had a population density of more than two persons per square mile.

Similarly, death rates of motor vehicle occupants calculated from NCHS data according to the county of residence of the deceased were highest in rural areas; the rank order of these rates correlated directly with the FARS rates, calculated according to the county in which the crash occurred ($r = 0.67$; $P<0.0001$); thus, the high death rates in rural counties are not explained by travel in rural areas by residents of more densely settled areas. Neither are high rural rates explained by the large volume of travel on major routes; for example, the counties in California with the highest death rates do not include the counties traversed by California Route 99 and Interstate 5, which run in a northwesterly direction west of the Sierra Nevada mountains. In fact, none of the federal interstate highways are distinguishable on the map as connecting a string of counties with high death rates.

Death rates of motor vehicle occupants also correlated inversely with per capita income, although the correlation was weaker than for population density ($r= -0.23$; $P<0.0001$). The correlation with income may be partly due to an interaction with density, which was not controlled for.

Since 40 percent of all deaths in motor vehicle occupants occur among persons 15 to 24 years of age, we explored the possibility that this high-risk age group might be substantially overrepresented in rural areas. On the contrary, in both New England, where motor vehicle-related death rates were lowest, and the mountain states, where such rates were extremely high, 19 percent of the population was 15 to 24 years old. County-specific analyses yielded similar results: In Nevada, about 18.5 percent of the population was 15 to 24 in the counties with low population density as well as in the more urban counties.

DISCUSSION

Mapping death rates of motor vehicle occupants according to the county in which the crash occurred makes it possible to demonstrate the substantial variation among counties within individual states, as well as among the various regions of the United States.

The method chosen for these geographic analyses has advantages over such potential alternatives as using NCHS data. The use of data FARS rather than NCHS makes it possible to identify the county in which a crash occurred, which is important in determining potential contributing actors and developing preventive measures. Because of the close correlation between the county in which the crash occurred and the county of residence, county populations can be used as denominators. County-specific data on age distribution make it possible to determine that the results were not due to an interaction between age and population density or income.

High motor vehicle-related death rates in western states have at times been attributed to the greater distances driven in those states. Even when the data were adjusted for the amount of travel, however, rural areas still had high rates; death rates of occupants of motor vehicles per million vehicle miles of travel were lowest in the Northeast and highest in rural western states. The greater distances between emergency facilities and the reduced access to major trauma centers, however, undoubtedly had an adverse effect. Inadequate care of injured patients has been documented in the rural mountain West and probably contributes to deaths from trauma in many other rural areas.

Poor roads may play a major part in raising death rates in areas of low population density. The road's gradient, curvature, lane width, lighting, striping, signs, and signals; ditches and fixed objects near the roadway; and the presence or absence of adequate shoulders and guardrails all contribute to the likelihood and severity of crashes. The highway design standards governing such factors vary with the amount of traffic and are minimal in rural areas where traffic volume is very low. (About one fourth of all public roads are not even paved.) Illustrating this effect are the death rates of Native Americans living on reservations that are especially rural and have few improved roads: They are 4 to 6 times the average rate on all Indian reservations combined and 8 to 12 times the average for the United States. The low death rates on interstate highways, for which the death rate per million vehicle miles is less than half the national average, attest to the success of improved engineering of major roads.

Speed of travel is also an important determinant of death rates. At high speeds, drivers have less time to avert crashes, and resulting injuries are more severe: The ratio of deaths to injuries among occupants of motor vehicles increases more than sixfold as the posted speed limit increases from 30 to 55 mph. Travel at extremely high speeds (65 mph or higher) is especially common in rural areas. In 1981, an estimated 8.8 percent of the travel on rural interstate highways was at speeds exceeding 65 mph, as compared with 4.0 percent on urban interstate highways. Travel at high speeds on other arteries was also twice as common in rural areas. Ironically, the current impetus for raising the 55-mph speed limit comes primarily from states in the West, where fatality rates on rural interstate highways are more than twice the national rate.

Utility vehicles (jeep-like vehicles) and pickup trucks are associated with high death rates. Their popularity in rural states may contribute substantially to the high fatality rates in those states. In particular, small utility vehicles are associated with a death rate per 10,000 vehicles that is more than twice the rate in small cars and four times the rate in large cars; more than 60 percent of the deaths involve "roll-overs," and ejection is a major problem. Roll-over crashes and high-risk vehicles are about 5 to 10 times as frequent in fatal crashes in sparsely settled states as in the states with the highest population density (Table 1).

TABLE 1.—POPULATION DENSITY IN RELATION TO VEHICLE TYPE AND "ROLLOVERS" IN FATAL CRASHES

State	Population per square mile [1]		Percent of occupant deaths in "special" vehicles or light trucks [2] [3]		Percent of fatal crashes involving rollover [2]	
	Number	Rank	Percent	Rank	Percent	Rank
New Jersey	986	1	8	49	3	48
Rhode Island	898	2	7	50	4	45
Massachusetts	733	3	9	48	2	50
United States	64		18		9	
Montana	5	48	35	3	29	2
Wyoming	5	49	40	2	41	1
Alaska	1	50	43	1	24	6

[1] From the 1980 census.

[2] From 1983 FARS data.

[3] Light trucks include pickups and vans. "Special" vehicles include utility vehicles (jeep-like vehicles), which are involved in 15 percent of the deaths of motor vehicle occupants in Alaska and 10 percent in Wyoming, as compared with 3 percent in the United States as a whole.

The use of seat belts is less common in rural areas and varies dramatically with income: In metropolitan areas of Maryland, there was a fourfold difference in the use of belts, and seat-belt use was found to correlate inversely with median property values. Thus, seat-belt use is probably a factor in the inverse relation between the mortality rate of occupants of motor vehicles and income. In addition, very old vehicles may be more commonly used in low-income areas, contributing both to the likelihood of crashes if brakes are not well maintained and, in the case of cars that predate the 1968 occupant-protection standards, to reduced safety in crashes.

In part, the inverse relation with income is due to the fact that per capita income is higher in metropolitan areas, where traffic generally moves more slowly and public transportation is more likely to be available. Population density and income, however, have been shown to have independent effects on county specific rates of death from unintentional injury, including motor vehicle-related injury. The effect of income itself is clearly illustrated above by the difference in seat-belt use within densely populated Maryland counties.

In summary, a variety of factors may underlie the strong inverse correlation between death rates of occupants of motor vehicles and population density or income. They probably include higher travel speeds in rural areas, worse roads, less seat-belt use, more use of high-risk utility vehicles and travel in open pickup trucks, and poorer access to trauma care. These factors are all subject to modification and should receive special attention wherever the population is at excessive risk of death or injury on the highway.

A SALUTE TO JEROME HOLMES—AN EDUCATIONAL ENTREPRENEUR

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 17, 1987

Mr. STOKES. Mr. Speaker, we all share in the belief that the education of all Americans and especially our Nation's youth is one of the most important challenges we face today. Unfortunately, too many of our children are not being educated. They are deprived of the incentive and encouragement to learn. Too many of these children also lack the means to attend college or seek professional training beyond high school.

While our Government addresses this critical challenge, a new breed of educational benefactors is emerging. These benefactors are successful entrepreneurs who recognize the importance of developing our most precious resource—our children. They are saying, "I want to help. I want to contribute. I want to make opportunities possible for these young people." They are committing their time, talents, and financial resources in pursuit of this goal.

The emergence of this new breed of educational contributors was captured in an excellent article "The New Philanthropy: Money To School Children Instead of to Schools," which appeared in the June 4, 1987, issue of the New York Times. I am pleased to bring this article to the attention of my colleagues.

Also, I am proud to report that Mr. Jerome Holmes, a successful businessman who resides within my congressional district, is featured in the article. He has adopted the entire sixth grade class at Kenneth W. Clement School in the Collinwood community. Through his efforts, students are awarded scholarships for academic achievement thus securing the opportunity for educational advancement. Mr. Holmes' program, "The Stokes Educational Endowment Fund," is a great success. In fact, the Cleveland Public School System plans to expand the project to include the entire seventh grade class this fall. Programs such as these are unique in that they encourage student excellence by attention to the student, not the school. More importantly, the program relies solely on the voluntary efforts of individuals, not foundations or Government agencies.

Mr. Speaker, America's greatness will not be realized unless we are prepared educationally to address the challenges of the future. Mr. Holmes and others like him are to be commended for their commitment to our youth. As we know, the children of today are the leaders of tomorrow and for every child that loses the ability to dream of the future, our hope for tomorrow is lost.

THE NEW PHILANTHROPY: MONEY TO SCHOOLCHILDREN INSTEAD OF TO SCHOOLS

(By Matthew L. Wald)

BOSTON.—A new kind of educational philanthropy, in which benefactors give money not to schools but to individual schoolchildren to inspire them to work harder, is taking hold in several American cities.

The best-known example, although not the largest, was the impulsive decision six years ago by Eugene Lang of New York City to promise 61 sixth graders, in the elementary schools he attended more than half a century earlier, that he would finance their college education. Some of those students will enter college this fall.

Another such program marked its first fruits Tuesday in Worcester, Mass. There, many of the 23 graduating seniors whose college education was financed in part by Jacob Hiatt joined in a ceremoney with 120 who are in college or will begin in the fall with Mr. Hiatt's help. They heard Gov. Michael S. Dukakis praise the program, in which scholarships are awarded competitively, stimulating hundreds of students to strive for them.

$40 FOR AN "A" GRADE

In Cleveland, sixth graders from one impoverished neighborhood have been promised $40 toward college for each A grade they earn, with lesser amounts for B's and C's. The offer came from Jerome Holmes, who left school in the ninth grade and became a successful contractor.

In Chicago, the Federal Government and a private donor, Irving B. Harris, are striving to make a difference at the earliest possible time, before the students' birth. All pupils due to enter the 1993 kindergarten class at the Beethoven Elementary School, some of whom have not yet been born, will receive special attention in the form of prenatal care for the mother and an early start in the Federal Headstart program.

The programs are unusual in two ways: They encourage student excellence by attention to the children, not the school, and most are voluntary efforts by individuals, not foundations or government agencies.

Mr. Lang's program at Public School 121 in Harlem are well known, and he now tours the country trying to encourage similar efforts in other cities.

Much less well known, and begun independently, is the $3 million commitment by Mr. Hiatt. His plan at first was to give each of the 25 top students at public high schools in Worcester college scholarships of about $5,000 a year, but he is a philanthropist who sometimes finds his promises too confining.

When a friend pointed out that many seniors in private schools in Worcester faced the same financial obstacles as public school students who want to attend college, Mr. Hiatt added five scholarships to his program. But every year when he receives the student ranking, prepared for him by the admissions department of Holy Cross College on the basis of grades, scores on college entrance examinations and letters of recommendation, he looks carefully at those who barely miss qualifying.

So this year, the program's fifth, he will be financing 32 scholarships.

The publicity stemming from the ceremony Tuesday was a rare departure for Mr. Hiatt, a 77-year-old immigrant from Lithuania, who works from a modest office at the cardboard box company he owns in Worcester. He is virtually unknown to the public outside Worcester, despite gifts totaling millions of dollars to the city's school department, Clark and Brandeis Universities, Holy Cross College and other institutions.

YOU CAN'T TAKE IT WITH YOU

With the hope of inspiring other people of means, as Mr. Lang is also seeking to do, Mr. Hiatt recently consented to an interview. "You can't take it with you," he said, and such people should "part with the money while they can still see what is done with it."

In Mr. Hiatt's case, the list is extensive. He also supports 10 annual nursing scholarships at Worcester State College and Worcester City Hospital and recently made major donations to the Worcester Art Museum for education programs there. Last year, the morning after the space shuttle Challenger exploded, he gave $750,000 to finance Brandeis and Holy Cross scholarships memorializing the astronauts.

Mr. Hiatt has always been very serious about education, having come here from Lithuania in August 1935 intending to earn a Ph.D. in law. Sidetracked by the need to learn English first, he eventually acquired, at Clark University, a master's degree in history. With the rising tide of anti-Semitism in Europe, he never went back.

In Cleveland, Mr. Holmes, who had read of Mr. Lang's effort in New York, approached school officials last fall and said he would like to make a similar offer to two or three children. But educators persuaded him to finance a system of bonuses for all 33 children in the sixth grade at the Kenneth W. Clement School in the Collinwood area of Cleveland, a low-income neighborhood.

IT'S STRICTLY FOR THE HEAD

Under Mr. Holmes' reward-for-success approach, a student who earns A's in all five subjects covered by his program in all four marking periods is credited with $800 for the school year. The money can be used only for college.

"It's not for weddings, cars or clothes; it's strictly for the head," said Mr. Holmes, who recently arranged for the children to go to Washington and meet with their Representative, Louis Stokes, a friend of Mr. Holmes for whom the program is named. Mr. Holmes, who like Mr. Stokes is black, said he wanted the children in the program, most of whom are also black, to have a role model.

Mr. Holmes, now 60, said he came to Cleveland from Montgomery, Ala., in 1952 with nothing but $200 that his mother had raised by selling a cow. His company now employs 81 people. But he said that such a "bootstrap story" is not possible now without education. "Everything is computer today," he said. "The pick and shovel is gone."

ENERGY HYSTERIA

HON. MEL LEVINE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 17, 1987

Mr. LEVINE of California. Mr. Speaker, recently we have witnessed the administration's awakening to the energy crunch that we potentially could face. Unfortunately, rather than looking at the error of their own ways in energy planning, the administration has adopted a new policy that is embodied in three words: drill, drill, and drill. William S. Curtiss, a staff attorney at the Sierra Club legal defense fund recently looked at the inconsistency and dangerous course of the administration's energy policy in an editorial for the Los Angeles Times. I would like to share this editorial with my colleagues and urge them to take the time to read it:

LET'S AVOID MORE ENERGY HYSTERIA: WHY GAMBLE OUR RESOURCES ON HODEL'S APOCALYPTIC VISIONS?

(By William S. Curtiss)

A decade ago, energy hysteria swept Congress. Out of it came the unlamented Synthetic Fuels Corp., whose scandal-ridden life mercifully ended 18 months ago, before it contributed a drop of economical fuel to the nation. We were also nearly saddled with a monstrosity dubbed the Energy Mobilization Board, which would have had the power, among other things, to allow energy schemes to ignore environmental laws.

Reagan Administration officials are currently trying to whip up a similar hysteria. Interior Secretary Donald P. Hodel is touring the country, preaching that we must open up petroleum reserves that he thinks exist off California, Oregon, Washington, New England and Alaska and beneath the untouched lands of the Arctic National Wildlife Refuge. If we don't do so, he says, we'll once again be at the mercy of foreign suppliers. We will face long and tiresome gasoline lines, and, worse, our national security will be imperiled.

It's the sort of apocalyptic sermon of which Hodel is fond, but his crystal ball has been notoriously cloudy.

In the mid-1970s, when he ran the Bonneville Power Administration, Hodel pressured dozens of Pacific Northwest utilities large and small to invest in five giant nuclear-power plants or face the prospect of blackouts and brownouts. Now four of the partly completed plants are in mothballs and the utilities are near receivership. Hodel's vision resulted in the largest bond default in the history of the Republic. No blackouts ensued.

A few years later, as the secretary of energy, Hodel issued a report predicting serious electric-power shortages nationwide if 300 giant new central-station power plants weren't built by the year 2000. That prediction was based on an estimate that demand for electricity would grow about twice as fast as it has.

What are we to make, then, of Hodel's most recent predictions?

The Secretary points out that American companies are producing 800,000 fewer barrels of oil per day than they were a year ago and that we're importing a million more barrels a day from abroad. This is true, but the reason, contrary to what Hodel says, is that the world is awash in cheap petroleum. The decline in American production is result of the economics that the Reagan Administration so stoutly claims to promote. Must the oil industry be shielded from the free market? What is the cost of that protection to consumers and other industries?

Hodel's more serious claim is that America's security will be threatened if we don't extract more domestic hydrocarbons. But his candidates—if they provide out at all—will be very expensive to exploit. How does it ensure our long-term national security to use up America's last crude-oil reserves, especially at a time when cheap foreign supplies are available? Of what benefit to our national security is it to dot the California coast with oil rigs? How secure will America be when our oil is gone? Might it not be more prudent to leave it, as it were, in the bank until it's really needed?

There's an old dilemma about a bathtub that is losing its water: Do you turn up the faucets or put in a cheap rubber stopper?

Hodel's Interior Department has clearly opted for the former strategy, and has thrown the stoppers away. A rational energy strategy must begin with reducing our dependence on oil, but the Reagan Administration has instead helped to increase the demand for energy. It opposed standards for automobiles, tried to eliminate federal energy-conservation and renewable-energy programs, abolished tax credits for residential energy conservation and supported a bill that would allow the construction of new utility boilers that would use oil.

The Administration case is built more on fear than on fact, and there's considerable danger that a Congress distracted by the Iran-contra affair will be stamped into providing long-sought gifts of public resources and tax breaks to the petroleum industry before the guard changes in 1989. It would be a tragedy to risk ruin of our last coastal Arctic wilderness and our precious coastlines all in aid of a policy based on "strength through exhaustion," a fix that merely delays the inevitable day of reckoning by a year or two, at tremendous environmental cost. The Administration's proposals help us not a whit in preparing for a post-petroleum economy.

I don't like gasoline lines any better than anyone else does, nor do I mean to play down the domestic and international problems that will arise as petroleum reserves inevitably dwindle. Even so, the Reagan Administration's approach to the problem is exactly wrong.

We've made great progress in conservation and renewables over the last 15 years, despite the best efforts of the current Administration. We need to return to an energy policy that encourages both and leaves our untouched places as they are. The oil, if any, will be there for the time when we really do need it.

BALANCED BUDGET AMENDMENT

HON. TIM JOHNSON

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 17, 1987

Mr. JOHNSON of South Dakota. Mr. Speaker, today I have joined with a majority of the Members of the House of Representatives in introducing a proposed constitutional amendment which would require the Federal Government to operate under a balanced budget, and which establishes procedures to assure that we enact such a balanced budget.

I do not take amending the Constitution lightly. This document has endured for 200 years without provisions of this sort, but recent years have demonstrated that some sort of discipline must be applied if we are to handle our fiscal affairs responsibly.

I have endorsed this balanced budget amendment for several important reasons:

First, we cannot go on living beyond our means. The collective irresponsibility of past deficit budgets has saddled us and our children with the burden of servicing a massive $2 trillion debt. The cost of the interest on this debt alone is now the third largest element in the budget, and it is still growing. That is well over $100 billion each year that we cannot spend to feed the hungry, to educate our children, or to care for our elderly.

Second, this balanced budget amendment will force Congress and the President to work together. Congress and the President would have to agree on revenue projections. Congress and the President would both have to come up with balanced budgets. All too often, Presidents have taken a walk on their role in the budget process, submitting budgets that do not even attempt to address the realities of the Federal budget. The President's proposed budget should not just be a political throwaway, dead on arrival in Congress. In order to restore responsibility to the budget process, we need to assure that the President and Congress work together to resolve their differences, rather than simply taking pot shots at one another.

Third, our new balanced budget amendment requires that if we do run a deficit, we must provide for the repayment of that deficit. We cannot continue to push our debts off onto future generations. Our children should not suffer just because we do not choose to accept our responsibilities as elected officials.

One of my primary goals when I was elected to Congress was to help to reduce the Federal budget deficit that hits all Americans so hard. This balanced budget amendment will require us to do just that. The Federal budget deficit is the single largest Government-related cause of the crisis in farming States like South Dakota. It causes high interest rates and overvalued dollars that choke off the markets for our farm exports.

One would hope that common sense and decency would force us to do our duty and balance the budget. Obviously that is not enough. This constitutional amendment should provide us with that discipline and force us to make the tough choices.

STATEMENT TO COMMEND JUNE GABLE

HON. VIC FAZIO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 17, 1987

Mr. FAZIO. Mr. Speaker, I would like to commend June Gable on her outstanding achievements. As a member of the Congressional Caucus on Women's Issues, I know that June's contributions have been some of the most valuable of all.

June's accomplishments go to great lengths to promote educational equity. She has served as the Sacramento NOW chapter president, and was a founding member of the Coalition of Labor Union Women in Sacramento and Chicago. June also received the National Education Association Award for Creative Leadership in Women's Rights, served as the director of the sex equity project, and was project manager for Title IX Compliance for the Sacramento City Unified School District. As a strong supporter of women's rights, I thank her for all of her diligent efforts.

Outside of the many positions she has held, she has done consulting work for other school districts, reviewed textbooks for sex discrimination, lobbied for better education laws, and coordinated educational equity workshops. Her work has been superb, and much appreciated by many of my colleagues, as well as myself.

Her impressive list of achievements includes the following awards which she recently received: The YWCA Outstanding Women in Education Award, a Distinguished Service Award to American Public Education from the Sacramento Elks Lodge, and an Outstanding Educator Award from the Downtown Sacramento Soroptomist club. June has obviously gone far beyond her call of duty.

Without question, June has excelled in her work and made remarkable gains in the field of educational equity. All students, teachers, and educators in all capacities have benefited from her unique talent and hard work. With respect and admiration, I commend June Gable.

H.R. 517, LEWIS M. PARAMORE DIVERSION UNIT

HON. HENRY J. NOWAK

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 17, 1987

Mr. NOWAK. Mr. Speaker, on June 15, 1987, the House of Representatives passed H.R. 517 designating the Soldier Creek Diversion Unit in Topeka, KS, as the "Lewis M. Paramore Diversion Unit." I am pleased to support this legislation. The Soldier Creek Diversion Unit is a component of the Topeka local protection project, providing flood protection for the State capital.

The Soldier Creek Diversion Unit, completed in 1961, includes construction of approximately 10 miles of new channel, 18 miles of new levees, three new railroad bridges, two new State highway bridges, and six new county road bridges.

Water resources projects are primarily identified by locations such as towns, rivers, or other features. Occasionally there is local sentiment for another name. For instance, an individual may have been active in the development of the project, and there may be support for naming the project after this individual. That is the case in this instance.

Lewis M. Paramore, was a grocery storeowner in North Topeka, KS, when his store and home were destroyed by the Kansas River flood of 1951. Subsequent to this event, until his death on February 12, 1986, Lew Paramore devoted most of his life toward flood prevention activities. He is credited with the founding of the Topeka Flood Control and Conservation Association, and was a longstanding participant in the multistate MoArk Basin Flood Control and Conservation Association. Largely as a result of Mr. Paramore's dedication to flood control efforts, numerous corps projects have been built in the Kansas River Basin to provide flood protection to the Topeka, KS, area and its inhabitants.

Mr. Speaker, I believe that it is fitting and proper that the memory and efforts of Mr. Paramore be honored by naming a portion of the Topeka local protection project after him.

ALBERT G. BRANCH HONORED

HON. GEORGE W. GEKAS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 17, 1987

Mr. GEKAS. Mr. Speaker, the officers and members of Harris Chapter No. 26, HRAM, PHA and RAHAB Court No. 36, Heroines of Jericho, PHA will honor the most Excellent Grand High Priest, Albert G. Branch, on Saturday, June 20, 1987, at the Sheraton East, Harrisburg, PA.

A quick glance at Al Branch's vita reveals a long and active service in civil and fraternal organizations. He serves his church, the Monumental African Methodist Episcopal Church of Steelton, PA, as a trustee and has been superintendent of the church school for over 35 years.

Al Branch is a member of the Andrew Askins Post No. 479 American Legion. He was also a former volunteer member of the Administration Staff for Children and Youth Services for Dauphin County. His devotion to the young people in our community is immeasurable and has won him several meritorious awards. Al is a long-time member of the executive board of the Keystone Area Council Boy Scouts of America currently serving as the council commissioner, and a member of the north east regional executive board, currently serving as associate vice president for unit service.

The banquet honoring Al Branch this Saturday will serve to highlight his service and dedication to Harris Chapter No. 26 over the years. His list of activities with the fraternal organization is equally long and impressive. To name just a few, he has served as the district lecturer and district deputy grand master of the Fifth Masonic District of the Most Worshipful Prince Hall Grand Lodge F&AM of Pennsylvania. Last October, at the 166th annual convocation of the Most Excellent Grand Chaper of Holy Royal Arch Masons of the State of Pennsylvania, Al Branch was elected and installed as the most Excellent Grand High Priest of Holy Royal Arch Masons PHA of the State of Pennsylvania and jurisdictions there unto belonging.

Al Branch is well respected by his peers in his professional work and in his community. Mr. Speaker, there is no finer honor than to be recognized by one's peers. I would like to extend my congratulations to Al on receiving this most distinguished honor.

THE ASCENT OF HIGHER EDUCATION

HON. THOMAS S. FOLEY

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 17, 1987

Mr. FOLEY. Mr. Speaker, I am pleased to bring to the attention of my colleagues an article from the New York University magazine, Spring, 1987 issue, entitled "The Ascent of Higher Education" by Dr. Lynne P. Brown, director of the Office of Writing, Research and Editorial Services at New York University, and assistant to the president of NYU, Dr. John Brademas, our former colleague. Prior to her assignment at NYU, Dr. Brown served on my staff in the Office of Majority Whip. Dr. Brown's article provides a much needed critical analysis of recent charges by the Secretary of Education that our institutions of higher learning are doing a poor job of educating our students. I am very pleased to share this insightful and timely article with the House.

THE ASCENT OF HIGHER EDUCATION

(By Lynne P. Brown)

After fifteen years of relative tranquility, colleges are embroiled in controversy this spring. But unlike an earlier era, when campus unrest was sparked by student protests against the establishment, this time the instigator is the establishment—in the person of the highest-ranking government official in charge of education, Secretary William Bennett.

The focus of the debate, which has been carried on in print and public appearances, is money. On one side is Bennett who, over the last year, has accused colleges and universities of being "under-accountable and under-productive." Students and their parents should "kick the tires" of higher education to ensure that they are getting their money's worth, claims Bennett. Arrayed against him are leaders of the academic community, who are crying foul and accusing the Secretary of manipulating data in an attempt to discredit their institutions and perhaps divert attention from the budget-cutting measures of the Reagan Administration that have hurt higher education. Over the past several months, Bennett and his critics have traded charges in an escalating minuet of point-counterpoint.

When the Secretary of Education used the occasion of Harvard's 350th birthday last fall to take that university and its sister institutions to task for flabby curricula, lapsed attention to moral issues, and preoccupation with money, Harvard president Derek Bok followed with a stinging rebuttal to Bennett's charges. Bok defended Harvard's "core curriculum," which many colleges use as a model, pointed to a resurgence of courses in moral and ethical reasoning on campuses across the nation, and admonished the Secretary for dealing with complicated financial issues such as appropriate levels of student aid "by rhetorical statements about divesting students of their stereos and their vacations at the breach." (At a press conference two years ago, Bennett suggested that college students facing cutbacks in financial aid should consider "divestitures of certain sorts—stereo divestiture, automotive divestiture, three-weeks-at-the-beach divestiture.")

As evidence of price-gouging by colleges and universities, Bennett has fastened on tuition increases that outstrip inflation. Yet separate reports recently released by two Washington-based groups representing higher education—the American Council on Education and the National Association of Independent Colleges and Universities—demonstrate that in the 1970s tuition lagged behind inflation, and so academic institutions may now be in a "catch-up" phase. Moreover, these studies argue, the basket of goods and services that a college must purchase to stay in business is full of items, including salaries and benefits, books and periodicals, and state-of-the-art scientific equipment that have risen in price faster than most items contained in standard measures of inflation. In fact, over the past five years the Higher Education Price Index developed by the Federal government as a measure of higher-education costs, has increased at an average rate of almost two percent a year above the Consumer Price Index.

New York University Chancellor L. Jay Oliva points out that "it is only inflationary when you charge a higher price for the same product. It is not inflation when you raise the price because you're delivering a better product. At NYU we're providing a constantly improving product for the money."

And certainly the cost of four years of higher education is not the only item, after two inflation-drenched decades, that induces sticker shock among consumers; we now pay for automobiles what good-sized houses cost in 1965. Still, college remains an expensive proposition for most American families: the bill for undergraduate education at an independent institution of higher learning can now range from $40,000 to $65,000. Why are the costs of college rising?

Analysts point to several factors. Education is a highly labor-intensive industry, and faculty salaries have been increasing in the last several years. These gains follow dramatic losses when the purchasing power of faculty salaries plummeted by twenty-eight percent between 1973 and 1981. Many schools have also delayed making needed repairs to their physical plants, but can wait no longer. College consumers—the students—must be provided with an increasingly sophisticated array of costly "tools" such as computers, high-powered microscopes, and electronic and engineering equipment that supplement classroom or laboratory instruction.

College officials cite another reason for higher tuitions: the fall-off of Federal student financial aid, which has forced institutions to fill the gap with their own resources. Bennett puts the opposite spin on this, claiming that "increases in financial aid in recent years have enabled colleges and universities blithely to raise their tuitions, confident that Federal loan subsidies would help cushion the increase." However, statistics show that tuition hikes were rather modest when student aid was growing most rapidly from 1970 to 1980, while during the current period of slow growth in student aid, tuitions have climbed.

Underlying the debate over cost is the larger question of value: what is a college education worth, and how is it measured? Bennett cautions students and their families to follow the ancient dictum: Let the buyer beware. Higher-education leaders are adding to "caveat emptor," another caveat: a college education is not a quantifiable purchase. The value—and the price—of an educated person are immeasurable. "The danger may be less that universities charge too much than that they charge too little to maintain high quality," says Princeton University president William Bowen.

As the largest private university in the nation, New York University clearly figures in the current debate, and has a stake in its outcome. NYU president John Brademas and Chancellor and Executive Vice President for Academic Affairs L. Jay Oliva recently discussed the issue of college costs in terms of the large national scene and the institution they know best. To Bennett's criticisms of higher education, headlined "Our Greedy Colleges" in a New York Times op-ed article this spring, both men take strong exception.

"Is Bennett correct in calling us 'greedy'?" asks Brademas. "If he means 'greedy' to provide the finest possible education for the people who study here, in that sense, yes, we are! If he means are we 'greedy' to provide our students decent housing; adequate libraries, laboratories, and classrooms; safe, up-to-date athletic and recreational facilities—then, yes, we're 'greedy' for these as well. We also think it's essential that talented but needy students are not for lack of funds denied the chance to study here. During my tenure as president, we've doubled the amount of financial aid to students from University, as distinguished from government sources. So we're 'greedy' to make it possible for able, motivated men and women to attend NYU. We're also committed to offering proper compensation to the people who teach and work here. We realize that beyond competition for our faculty from the private sector, we also have to keep them from being lured away by richer institutions. So in all these ways, yes, we're 'greedy'. As far as efficient use of money is concerned, I can tell you that since I've been at this University," Brademas says, "our budgets have been balanced every year, which is more than can be said of the Administration Mr. Bennett serves!"

Both Brademas and Oliva fault Bennett for painting the world of higher education with a broad brush, treating all colleges and universities as if they were Harvard, blessed with a fiscal serenity bred of large endowments, wealthy donors, and shrink-resistant applicant pools. "There are some 3,500 post-secondary institutions in this country, and only two hundred of the private ones have endowments that reach even $1 million," explains Brademas. "Moreover," he continues, "a more important statistic in assessing the wealth of a university is its endowment per student. And by that measure, even institutions that on the surface have large total endowments, such as NYU, are really not rich at all. In fact, more than one hundred private colleges and universities have per-student endowments larger than ours at NYU."

Chancellor Oliva emphasizes that like most colleges and universities, NYU will increase tuition next fall. "There are special costs associated with moving into the first rank of American universities in the space of a single generation," he says. "We are in the process of doing in this generation a long list of things that other schools did a generation ago. We are building dormitories now and, therefore, funding thousands of beds in an era when construction costs are higher. In the last fifteen years, we have built Bobst Library, Tisch Hall, Coles Sports and Recreation Center, and the Meyer Hall of Physics. And we're taking on many other major projects to upgrade our computing facilities, science facilities, and classrooms—all to enhance the education we offer our students. We are competing with institutions that made these commitments—and paid the bills for them—a long time ago. We are moving ahead now, and we have to pay for it now."

Both NYU's President and Chancellor find it ironic that an Administration committed to the virtues of free enterprise and the place of private values in public life should pursue policies that harm private colleges and universities. Oliva observes that, by temperament and practice, universities are just the type of institutions the Reagan Administration should applaud because they are self-regulating and subject to the pressures of a highly competitive marketplace.

"Colleges and universities are among the best self-policing organizations in American society," says Oliva. "We subject ourselves to constant internal review, as well as evaluations by outside accreditation boards and regional and national associations. Philanthropists, foundations, corporations, and alumni don't spend their money blindly or without strings of review attached.

"We put ourselves on the line every semester by saying to our 'customers'—the students and their parents—'Would you like to come here? Would you like to stay here?' Nor will good faculty," he adds, "remain at institutions where the quality of academic life has grown shoddy. And our growing pool of applicants means we must be doing something right. So talk about free enterprise! Colleges and universities are among the best examples of free enterprise in operation."

Brademas also points to the gap between the rhetoric and the reality of Administration's posture. He recalls being present in May 1981 at the University of Notre Dame when President Reagan declared that it would be a sad day for academic freedom when tax-supported colleges and universities drove out the great independent ones. Yet the policies of the Reagan Administration work severe hardship on private institutions, contends Brademas. "The sharp reductions in student aid, for example, have already caused real pain for students at New York University," Brademas says, "Since Reagan came into office, NYU students have suffered a net loss of forty percent in total dollar volume of Guaranteed Student Loans."

Several provisions of the 1986 Tax Reform Act also harm academic institutions as well as students. Explains Brademas, "The new tax law denies continued deductibility of interest on student loans and imposes new taxes on fellowships and scholarships. Other provisions of the Tax Reform Act will discourage charitable contributions, making it harder for us to raise funds. Still other changes will hit the private sector of higher education with particular force. Especially outrageous as a matter of principle is the effective denial to twenty or so independent research universities, including NYU, of access to tax-exempt financing while continuing such access for public institutions."

Challenges faced by private universities also include a fundamental fact of economic life in the world of higher education. Asks Oliva: "What does it cost to educate someone? It costs no more at a private university than a public one. But in the case of the private institution, more of the cost is borne by the student. At public institutions, the taxpayer picks up a big share of the bill. Bennett ignores this distinction, and lets people think that private education is more costly."

Bennett "may be getting a lot of play in some quarters, but I think it's significant that on Capitol Hill, both Republicans and Democrats are rejecting his proposals," concludes Brademas. "In taking the positions he does, Secretary Bennett betrays an innocence of the complexities of financing American colleges and universities. If Mr. Bennett genuinely understands the real world of American higher education and still makes such assertions, he's not being wholly honest; if he does not understand, he should educate himself."

The great college-cost debate shows no signs of abating. In fact, the controversy is likely to intensity as academic institutions announce new tuition levels for 1987-88, as high-school seniors and their parents pass through the anxious annual ritual of waiting for admissions acceptances from colleges and universities, and as Congress votes on student-aid budgets.

This much is clear; with an aggressive, articulate Secretary of Education hammering away at them, colleges and universities can no longer afford, in the words of New York Times education reporter Edward Fiske, to operate "on the premise that the fruits of higher education are self-evident." Leaders of academic institutions, including John Brademas and L. Jay Oliva, agree that costs are climbing, but make the case that higher learning is among the soundest investments a person—and a society—can make.

INTRODUCTION OF THE BALANCED BUDGET AMENDMENT TO THE CONSTITUTION

HON. CHARLES W. STENHOLM

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 17, 1987

Mr. STENHOLM. Mr. Speaker, a recent New York Times/CBS News poll found that 85 percent of the American public favors an amendment to the U.S. Constitution requiring a balanced Federal budget. In this comprehensive survey, covering dozens of issues and conducted in recognition of the 200th birthday of the Constitution, this was the highest level of support registered on any side of any issue.

This result is impressive but, more impressive, it represents growth from similar polls done in previous years. Those surveys were conducted in periods of higher interest rates and a shaky economy; this one in a comparatively good economy following a period of affordable credit. The issue's cadre of support refuses to be categorized by the events of the day and cuts across party, geographic, and demographic lines.

That recent number, however, lends itself to an analysis of the situation before us in Congress. Based on the failed votes in the House and Senate in 1982 and 1986, respectively, a little more than one-third of Congress, speaking with the mandate of 15 percent of the people, have barricaded efforts to send such an amendment to the States for ratification. Congress could give no more meaningful nor more welcome gift to the American people in honor of the Constitution's historic 200th birthday than to submit a Balanced Budget Amendment [BBA] to the States.

Therefore, today, I am joining with LARRY CRAIG, BOB SMITH of Oregon, TOM CARPER, and many more of our colleagues to reintroduce a strongly bipartisan, bicameral BBA. In all, this amendment is being introduced with 233 House sponsors. In the Senate, it is being introduced today by Senators DENNIS DECONCINI and ORRIN HATCH.

This amendment is offered in the same spirit as the following passage of a letter from Thomas Jefferson to John Taylor, dated November 26, 1798. Mr. Jefferson wrote:

> I wish it were possible to obtain a single amendment to our constitution. I would be willing to depend on that alone for the reduction of the administration of our government to the genuine principles of its constitution; I mean an additional article, taking from the government the power of borrowing.

In the 99th Congress, over 200 House Members cosponsored House Joint Resolution 27, the Craig-Stenholm-Smith BBA. The Carper BBA, House Joint Resolution 643, had 100 cosponsors. For the 100th Congress, we decided to work together to offer an innovative approach to the BBA, one with broad-based, bipartisan support because it would have both greater flexibility and real, budget-balancing teeth. The result, after much discussion with House colleagues and outside groups, I am offering with this statement for the record.

Why have we settled on a somewhat new approach?

In 1982, both Houses considered a BBA very similar to House Joint Resolution 27 and Senate Joint Resolution 13, as reintroduced in the 99th Congress. While the version passed the Senate, it was defeated in the House. Although Senate Joint Resolution 13 was one of two BBA's favorably reported by Senate Judiciary last year, it was never brought to the floor. Senate Joint Resolution 225 was considered instead and lost by one vote. The Senate defeat foreclosed House action in the 99th Congress.

Our BBA would depoliticize revenue projections by requiring the President and Congress to agree, by joint resolution, on a single estimate. Both branches would have to write budgets that balance. Backup mechanisms would ensure that both own up to any unanticipated actual deficit. As with previous versions, greater accountability is required on tax legislation, but without an arbitrary formula of "indexing" of revenues to other economic indicators.

I urge all our colleagues to join us as sponsors of this amendment and to help bring this measure to the floor.

[The text of the amendment follows:]

H.J. Res. —

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein), That the following article is proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution if ratified by the legislatures of three-fourths of the several States within seven years after its submission to the States for ratification:

ARTICLE —.

SECTION 1. Prior to each fiscal year, the Congress and the President shall agree on an estimate of total receipts for that fiscal year by enactment into law of a joint resolution devoted solely to that subject. Total outlays for that year shall not exceed the level of estimated receipts set forth in such joint resolution, unless three-fifths of the total membership of each House of Congress shall provide, by a rollcall vote, for a specific excess of outlays over estimated receipts.

SECTION 2. Whenever actual outlays exceed actual receipts for any fiscal year, the Congress shall, in the ensuing fiscal year, provide by law for the repayment of such excess. The public debt of the United States shall not be increased unless three-fifths of the total membership of each House shall provide by law for such an increase by a rollcall vote.

SECTION 3. Prior to each fiscal year, the President shall transmit to the Congress a proposed budget for the United States Government for that fiscal year in which total outlays do not exceed total receipts.

SECTION 4. No bill to increase revenue shall become law unless approved by a majority of the total membership of each House by a rollcall vote.

SECTION 5. The provisions of this article are waived for any fiscal year in which a declaration of war is in effect.

SECTION 6. Total receipts shall include all receipts of the United States except those derived from borrowing. Total outlays shall include all outlays of the United States except for those for repayment of debt principal.

SECTION 7. This article shall take effect beginning with fiscal year 1991 or with the second fiscal year beginning after its ratification, whichever is later.

LIST OF SPONSORS

Mr. Stenholm, Mr. Craig, Mr. Robt. F. Smith (OR), Mr. Carper, Mr. Gibbons, Mr. Anderson, Mr. Anthony, Mr. Archer, Mr. Armey, Mr. Badham, Mr. Baker, Mr. Ballenger, Mr. Barnard, Mr. Bartlett, Mr. Barton (TX), Mr. Bateman, Mr. Bennett, Mrs. Bentley, Mr. Bereuter, Mr. Bevill, Mr. Bilbray, Mr. Bilirakis, Mr. Blaz, Mr. Bliley, Mr. Boehlert.

Mr. Boner (TN), Mr. Bosco, Mr. Boulter, Mr. Broomfield, Mr. Brown (CO), Mr. Buechner, Mr. Bunning, Mr. Burton (IN), Mr. Bustamante, Mrs. Byron, Mr. Callahan, Mr. Campbell, Mr. Chandler, Mr. Chapman, Mr. Chappell, Mr. Cheney, Mr. Clarke, Mr. Clinger, Mr. Coats, Mr. Coble, Mr. Coleman (MO), Mr. Combest, Mr. Courter, Mr. Crane, Mr. Daniel.

Mr. Dannemeyer, Mr. Darden, Mr. Duab, Mr. Davis (IL), Mr. Davis (MI), Mr. de la Garza, Mr. DeLay, Mr. Derrick, Mr. DeWine, Mr. Dickinson, Mr. DioGuardi, Mr. Dorgan (ND), Mr. Dornan (CA), Mr. Dowdy (MS), Mr. Dreier (CA), Mr. Duncan, Mr. Dyson, Mr. Edwards (OK), Mr. Emerson, Mr. English, Mr. Erdreich, Mr. Espy, Mr. Fawell, Mr. Fields, Mr. Flippo.

Mr. Frenzel, Mr. Gallegly, Mr. Gallo, Mr. Gekas, Mr. Gingrich, Mr. Goodling, Mr. Gordon, Mr. Grandy, Mr. Grant, Mr. Gregg, Mr. Gunderson, Mr. Ralph Hall, Mr. Hammerschmidt, Mr. Hansen, Mr. Harris, Mr. Hastert, Mr. Hatcher, Mr. Hefley, Mr. Hefner, Mr. Henry, Mr. Herger, Mr. Hiler, Mr. Holloway, Mr. Hopkins, Mr. Horton.

Mr. Hubbard, Mr. Huckaby, Mr. Hunter, Mr. Hutto, Mr. Inhofe, Mr. Ireland, Mr. Jacobs, Mr. Jenkins, Mrs. Johnson (CT), Mr. Johnson (SD), Mr. Jones (TN), Mr. Jones (NC), Mr. Kasich, Mr. Kolbe, Mr. Konnyu, Mr. Kyl, Mr. Lagomarsino, Mr. Lancaster, Mr. Latta, Mr. Leach (IA), Mr. Leath (TX), Mr. Lent, Mr. Lewis (CA), Mr. Lewis (FL), Mr. Lightfoot, Mr. Livingston, Mrs. Lloyd, Mr. Lott, Mr. Lowery (CA), Mr. Lujan, Mr. Thomas Luken, Mr. Donald Lukens, Mr. Lungren, Mr. McCandless, Mr. McCollum, Mr. McCurdy, Mr. McDade, Mr. McEwen, Mr. McGrath, Mr. McMillan (NC), Mr. McMillen (MD), Mr. Mack, Mr. MacKay, Mr. Madigan, Mr. Marlenee, Mr. Martin (NY), Mrs. Martin (IL), Mr. Meyers (KS), Mr. Michel, Mr. Miller (OH).

Mr. Miller (WA), Mr. Molinari, Mr. Montgomery, Mr. Moorhead, Mr. Morrison (WA), Mr. Neal, Mr. Nelson, Mr. Nichols, Mr. Nielson (UT), Mr. Ortiz, Mr. Owens (UT), Mr. Oxley, Mr. Packard, Mr. Parris, Mrs. Patterson, Mr. Penny, Mr. Petri, Mr. Pickle, Mr. Porter, Mr. Price (NC), Mr. Pursell, Mr. Quillen, Mr. Ravenel, Mr. Ray, Mr. Regula.

Mr. Richardson, Mr. Ridge, Mr. Ritter, Mr. Roberts, Mr. Robinson, Mr. Roemer, Mr. Rogers, Mr. Rose, Mr. Roth, Mr. Rowland (CT), Mr. Rowland (GA), Mrs. Saiki, Mr. Saxton, Mr. Schaeffer, Mr. Schuette, Mr. Schulze, Mr. Sensenbrenner, Mr. Shaw, Mr. Shumway, Mr. Shuster, Mr. Skeen, Mr. Skelton, Mr. Slaughter (VA), Mr. Smith (NJ), Mr. Denny Smith (OR).

Mr. Smith (TX), Mr. Smith (NH), Mrs. Smith (NE), Ms. Snowe, Mr. Solomon, Mr. Spence, Mr. Stallings, Mr. Stangeland, Mr. Stump, Mr. Sundquist, Mr. Sweeney, Mr. Swindall, Mr. Tallon, Mr. Tauke, Mr. Taylor, Mr. Tauzin, Mr. Thomas (CA), Mr. Upton, Mr. Valentine, Mr. Vander Jagt, Mr. Volkmer, Mrs. Vucanovich, Mr. Walker, Mr. Watkins, Mr. Weber, Mr. Weldon, Mr. Whittaker, Mr. Wilson, Mr. Wolf, Mr. Wortley, Mr. Wylie, Mr. Young (AK), Mr. Young (FL).

HOMELESS CHILDREN: A COMPELLING NEED

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 17, 1987

Mr. MILLER of California. Mr. Speaker, the plight of homeless children is tragic. Today there are an estimated 800,000 children in this country who are perpetually at-risk because they live in the street. Homeless children not only suffer severe abuse and neglect, but also the trauma of wandering the streets without shelter, schooling, and a stable environment in which to grow. Testimony before the Select Committee on Children, Youth, and Families, which I chair, revealed that chronic physical disorder in homeless children is nearly twice that of normal children. Children without homes are consistently shown to be depressed, angry, frustrated, and at great risk of succumbing to poverty.

As the attached article, "Homeless Children: A Compelling Need" by Andrew McBride reveals, homeless children come from every sector of our society. The article is an excellent depiction of this crisis.

We will soon be considering the conference report on the emergency relief for the homeless bill, which places special emphasis on assisting homeless families and children. I commend the article to my colleagues and urge them to give their strong support to this urgently needed homeless legislation.

The article follows:

HOMELESS CHILDREN: A COMPELLING NEED

(By Andrew McBride)

You can see them in local gas stations pumping gas for spare change; or in malls, playing pinball machines for hours, their faces reflected in blinking lights; or on the street, panhandling for loose change for something to eat. They are "functionally" homeless children—they may have an address but do not have a home—that is, a safe place to grow and thrive.

In addition to the truly homeless children who live in families that cannot provide for them, there are now thousands of others, across the nation who, through neglect or other circumstances, should be classified as homeless.

In the District, shelters for the homeless house in excess of 1,000 children every month from displaced families. But these are only a fraction of the truly displaced children. "Homeless" children can be found not only among the poor but the middle class as well. The evidence is their presence at all hours in suburban shopping malls, game rooms or on street corners.

Our knowledge of the numbers and health status of street children and functionally homeless children is limited. But all indications are that the homeless child is at severe health risks, compared with other children. Since 1985, the number of homeless families in the city has tripled, with children constituting nearly 67 percent of the District's shelter population.

Last year, the House Select Committee on Hunger reported that there are more homeless families with children than homeless single adults.

Dr. James Egan, chairman of psychiatry at Children's Hospital, says that the growing number of middle-class street children follow "the same road" taken by the child who is homeless because of poverty: "drug and alcohol use, early sexual experiences, teenage pregnancy, declining scholastic achievement and self-destructive behaviors, to name a few."

In the health setting, we encounter such children at the extremes of the clinical spectrum. At one end, the at-risk child is often brought by parents or other "care takers" into the emergency room, clinic or private office, for trivial, if not nonexistent, physical conditions—often at inappropriate times. The parents or care takers use a visit to the doctor to compensate for their otherwise neglect. Sometimes, the parents or care takers require alcohol or drugs to handle their guilt, and they show up intoxicated.

These children, who may or may not have overt signs of abuse or neglect, often go unreported to child protection authorities. Many health professionals, physicians, nurses and others do not have the clinical expertise to pick up the neglect. However, many if not most health professionals base their reporting of marginal neglect on their judgment of what legal authorities will "do" or "not do." Many of the most committed professionals are not sanguine that timely significant help can be obtained by reporting such cases to the authorities.

At the other extreme, the street child comes to the health setting as a critical patient: seriously physically or sexually abused, an accident victim, a crime scene casualty or with serious medical conditions that have been neglected. Even though they may be seriously injured or ill, some children "slip through the cracks" and go unreported. But in even those cases that are reported, the child is faced with a legal system too slow, cumbersome or inadequate to respond to his or her needs.

Our record as a nation in helping children in general, much less the homeless, is becoming shameful. In our country, children lead all the age groups in the growing ranks of the poverty stricken, constituting 28 percent. To a staggering degree, children are being subjected to abandonment, neglect and abuse. In the District, for example, the numbers of children in substantiated abuse and neglect cases was 2,090, a rise of 27 percent since 1981.

Nationally, there has been a slowing of the decline of infant mortality, with infant mortality in selected minority groups actually showing increases. High rates of teenage pregnancy, accidental and intentional injury and drug, tobacco and alcohol abuse are found in our youth population. In addition, we will likely leave many of our children with the legacy of AIDS.

When we chronicle the problems of our children one by one, we are overwhelmed by them. No "silver bullet" cure exists for any of these afflictons. Either out of frustration or a lack of understanding, we wish these children more of a good whipping or a stiff jail sentence, both of which they have no doubt have had more than their quota. All children simply need a safe place to live and enough people to look after them.

In the past, the priests of Boys Town were folk heroes whose mission was to salvage orphans and delinquents. Boys and girls clubs, recreation centers and the "Y"s were places of both fun and sanctuary for those children. Many of these institutions are still with us. But they are losing the battle.

In the health arena, programs are needed to address both the physical and mental health of homeless children. Their health needs require careful assessment. There need to be specialized health programs that emphasize parent support and education, community outreach, tracking and follow-up care of homeless children. These programs should have strong linkages to secondary and tertiary specialty health services.

We must massively invest in our children. As a society that is growing older, we cannot afford to squander a single ounce of the talent, creativity, energy and strength of our youth. We, as a society and as individuals, should provide adequate money, resources and time to assure shelter, nutrition, clothing education, recreation and health care for our children. We must go one step further and adopt a goal of assuring that all children have a right to a home with people to care for them. We are far short of that goal now.

UNITED STATES-SOVIET STUDENT EXCHANGES

HON. MORRIS K. UDALL

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 17, 1987

Mr. UDALL. Mr. Speaker, I sponsored an amendment to the State Department authorization bill which would provide $2 million for United States-Soviet student exchanges. It has long been my belief that barriers of fear and mistrust between our two countries could be reduced significantly if our citizens have more opportunities to get to know each other. It is particularly appropriate that our young people be involved in these exchanges, for it is from their numbers that our leaders for the 21st century will emerge.

As the following article from last Sunday's New York Times suggests, both Soviet and American young people have a great deal to learn about and from each other:

AMERICANS GET EDUCATION ON SOVIET STUDENTS

WASHINGTON, June 13.—Soviet high school students are more serious, do more homework and have a stronger national pride than their American counterparts, according to members of the first group of American high school students to study in Soviet secondary schools.

But "they just want to have fun, too," said Dustin Pons, 18 years old, a member of the group who is a recent graduate of John Carroll High School near Baltimore. "I had always thought they were cold, unfriendly people and very strict in their ways."

Mr. Pons and 47 other American high school juniors and seniors recently spent three weeks in Soviet high schools in Moscow and Leningrad, where they attended Russian classes and mingled with their classmates. The trip was organized by the Schools Exchange Service and sponsored by the National Association of Secondary School Principals.

DECIDING ON DIFFERENCES

Upon their return to the United States, the students had a hard time saying whether there were more differences or similarities between them and their Soviet peers.

"American teen-agers are more socially advanced," Mr. Pons said. "For instance, in their free time Soviets would rather read a book or walk in the park or play the piano. American teen-agers would probably go out and watch TV, go to a movie or something more actively inclined."

Becky Toth, 18, a senior from South Lakes High School in Reston, VA, said: "I tried to dress nicer when I was there, in skirts, for instance. But most of them wore jeans."

A survey of the students' attitudes taken before and after the trip showed that although 45 percent expected to discover that "the U.S.S.R. teen-ager is different than I am," only 21 percent actually found that to be true.

Nonetheless, the students described many instances in which they did find significant cultural differences.

"An old woman once hit me for crossing my legs on the Metro," Miss Toth said. "And a boy in our group who went out jogging in one-piece running tights was stopped by the militia and asked to put on shorts."

SENSE OF HISTORY AND WAR

Mr. Pons said that students his age did not seem especially concerned about joining the army for their mandatory two years. "They didn't talk about it much," he said. He said, however, that his Soviet peers seemed to have a strong sense of history and of the devastation of the World War II. "I don't think they're eager to go to Afghanistan and kill people," he said.

The students had one hour of Russian language instruction in the mornings, which was followed by music classes and a class that rotated between subjects such as Soviet geography or history. They also helped out in English langauge classes for the Russian students.

"They had a hard time understanding the Easter Bunny," Miss Toth said, "but they really liked Valentine's Day and Groundhog Day."

On Sundays, and sometimes in the evenings, the American students would spend time with a Soviet classmate and the classmate's family. When the meal was over though, they found little to do.

"They don't have much of a night life," Miss Toth said. "After 9 o'clock you can't have ice cream, you can't sit in a cafe. The only thing teen-agers or adults can do is go home and sleep so they will be ready for work the next day, or go for a walk around Moscow, which is what most of them do at night."

Misconceptions of sexual morality sometimes intruded awkwardly into the group's experience. One of the teachers who accompanied the students, Ed Miller from John Carroll High School, said that two Russian girls who went out one evening with two of the American boys were picked up by the police on suspicion of prostitution.

Mr. Pons said the school officials in the school he attended in Lenningrad discouraged mixing of boys and girls of different nationalities, adding, "I guess they were afraid of any serious relationships developing."

H.R. 1276, LAKE JACK LEE

HON. JAMES J. HOWARD

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 17, 1987

Mr. HOWARD Mr. Speaker, on June 15, 1987, the House of Representatives passed H.R. 1276, a bill to designate the lake formed by the Felsenthal Dam on the Ouachita River, AR, as "Lake Jack Lee." I am pleased to support this legislation which was recently reported by the Public Works and Transportation Committee. Felsenthal Lock and Dam is a component of the Ouachita and Black Rivers navigation project. The project makes possible the free interchange of river traffic between the Mississippi and Ouachita Rivers, and includes improvements to increase area recreational opportunities and benefit the fish and wildlife environment.

Felsenthal Lock and Dam is located in Union County, AR. The fish and wildlife features of the project include a national wildlife refuge adjacent to Felsenthal Lock and Dam. The refuge is managed by the U.S. Fish and Wildlife Service

Water resources projects are primarily named for locations such as towns, rivers, or other features. Occasionally there is local sentiment for another name such as an individual who may have been active in the development of the project. That is the case in this instance.

Mr. Jack Lee worked with the Ouachita River Valley Association in sponsoring recreational aspects of the navigation project. He worked for the inclusion of fish and wildlife enhancement as a project purpose in addition to navigation. Mr. Lee's work and interest in the project continued after development of the plan as he sought to assure the required local participation in the acquisition of project lands. Mr. Lee continues to devote his talents to the project, serving the Felsenthal refuge as a volunteer editor of the Felsenthal National Wildlife Refuge biweekly news release.

Mr. Speaker, I believe that it is appropriate for the House to support this legislation honoring the efforts of Mr. Jack Lee at the Felsenthal Lock and Dam project.

A SALUTE TO THE SHOTO FAMILY

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 17, 1987

Mr. STOKES. Mr. Speaker, on behalf of the residents of the 21st Congressional District of Ohio, I would like to take this opportunity to salute the Shoto family who will be celebrating their family reunion during the weekend of July 24-26, 1987, in Jackson, MS, the ancestral home of the Shoto family since 1825.

During the reunion, the following family members will be honored: Joe Shoto of Chicago, IL, who is the oldest living male member of the family; Mrs. Velma Shoto Edwards, Brooklyn, NY; Lawerence C. Shoto, Toledo, OH, Ms. Henri Lue Shoto, Bronx, NY; Noble E. Shoto, Mansfield, OH; Mrs. Florostine Shoto Scott, Toledo, OH; and Miss Hester Shoto, Cleveland, OH. Posthumous awards will be presented for Archie J. and Louis T. Shoto. Louis served in the U.S. Navy during World War II.

Mr. Speaker, the Shoto family has endured many trials and tribulations over the years. Yet, they have maintained their life, devotion and commitment to one another. I would like to share with my colleagues a poem which I feel reflects the vitality and spirit of this outstanding American family. I ask that we join together in extending heartfelt best wishes to the entire family on this special occasion.

TRIBUTE

It's so nice to see all the folks you love together,
Sitting and talking about all the memorable yesteryears.
Family reunions are like a Golden Chain,
The links are relatives so close and dear.
And like rare and precious jewels,
Their love is measured more each year.
Family members' love is deep and true,
And it is rich with happy, loving memories.
And fond recollections, too.
The Golden Chain of Family Love
Is a strong and blessed tie,
Binding kindred related hearts together,
As the years go passing by.

TRIBUTE TO MR. ERNIE O'DELL

HON. MEL LEVINE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 17, 1987

Mr. LEVINE of California. Mr. Speaker, I rise today to honor Mr. Ernie O'Dell as his 1986–87 term as president of the North Redondo Beach Rotary Club comes to an end. As a community leader and during his presidency of the Rotary, Ernie has accomplished much and will be recognized officially on June 26. I would like to share some of those achievements with my colleagues in the U.S. House of Representatives.

Ernie O'Dell served as president of the North Redondo Beach Rotary Club for the 1986–87 year while the club experienced the largest growth in its history, increasing its size by over 25 percent.

During his reign, the North Redondo Rotary Club initiated a new international service project by visiting and inviting the Rotary Club of Ensenada B.C. Mexico to be their "brother" club. At the same time, Ernie saw to it that the North Redondo Beach Rotary increased its participation in the district conference by 25 percent. It also increased its contributions to the Rotary Foundation by over 20 percent.

Ernie's efforts lead to the Rotary receiving recognition for successfully cosponsoring a "Candidates Forum" in cooperation with the Redondo Beach Chamber of Commerce. The NRRC also assisted in a successful fundraising event at the "Springfest '87" fair. Ernie O'Dell completed his contributions to Rotary Foundation to accomplish the honor of becoming a Paul Harris Fellow, as well as accomplishing 100 percent attendance for over 5 years.

Ernie O'Dell has also served as treasurer of the South Bay Children's Health Center, vice chairman of the Redondo Beach Parks and Recreation Commission, and serves as an officer on the Redondo Beach Roundtable and Redondo Beach Coordinating Council, as well as the Beautification Committee and the Citizen's Advisory Committee for Redevelopment, and the Police, Fire, and Lifeguard Medal of Valor Committee.

Under his leadership, the North Redondo Beach Rotary Club was honored for its participation in the Redondo Beach Police Crime Prevention Safe School Award and it will receive the highest honor in Rotary—the Rotary International "President's Citation" for accomplishments.

WOUNDED KNEE COMPENSATION

HON. TIM JOHNSON

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 17, 1987

Mr. JOHNSON of South Dakota. Mr. Speaker, today I am introducing legislation which will finally settle all claims against the United States which have arisen from the occupation of Wounded Knee, SD, on the Pine Ridge Indian Reservation in 1973.

This legislation is a result of a longstanding effort to compensate individuals who suffered damages to and loss of property arising from the occupation of Wounded Knee, which took place between February and May 1973. In 1976, the Senate of the United States passed legislation which referred the matter of just compensation to the Chief Commissioner of the U.S. Court of Claims for action. Given the complexity of the issue and the difficulty of identifying and compensating the innocent victims, the Court of Claims undertook a detailed review of the events leading up to and including the occupation of Wounded Knee. Finally, in 1981, the findings and recommended conclusions to accompany the opinion of the trial commissioner were filed. The findings contained in the final decision clearly outline the need for legislation to compensate the individuals listed in this bill. These are innocent people who lost property because of actions beyond their control. In many cases, homes were completely ransacked or destroyed by fire, and residents were left to try and restore their lives, homes and community to a livable condition with no assistance. This legislation is a matter of simple justice for the people who were residents of Wounded Knee at the time of the occupation.

TRIBUTE TO WILLIAM J. FLYNN

HON. VIC FAZIO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 17, 1987

Mr. FAZIO. Mr. Speaker, on May 27, 1987, William J. Flynn of New Canaan, CT, died after waging a courageous battle with cancer. Bill Flynn played a significant role in helping the House and Senate Appropriations Committees and the Congressional Budget Office automate the appropriation and budget processes. Bill, as a vendor, worked long hours side by side with our staff in seeking the most cost-effective solutions to our automation problems. His commitment to excellence always exceeded his contractual responsibility.

Mr. Speaker, Bill Flynn, as a public citizen, contributed greatly to making our very difficult task of budgeting a little easier. His contagious zeal toward his work, his community of New Canaan, and to his family will continue to be an inspiration to those who knew him.

On behalf of the Congress of the United States I wish to extend our gratitude to Bill's wife, Kathy, and to his children William, Brian, Elizabeth, and Laura, for the outstanding contribution Bill made to the Congress.

H.R. 1276, LAKE JACK LEE

HON. HENRY J. NOWAK

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 17, 1987

Mr. NOWAK. Mr. Speaker, on June 15, 1987, the House of Representatives passed H.R. 1276, a bill to designate the lake formed by the Felsenthal Dam on the Ouachita River, AR, as "Lake Jack Lee". I am pleased to support this legislation. Felsenthal Lock and Dam is a component of the Ouachita and Black Rivers navigation project. Utilizing four locks and dams, and a 9-foot navigation channel, the project makes possible the free interchange of river traffic between the Mississippi and Ouachita Rivers. In addition, the project includes improvements to increase area recreational opportunities and benefit the fish and wildlife environment.

Felsenthal Lock and Dam is located just north of the Louisiana-Arkansas line in Union County, AR. The fish and wildlife features of the project include a National Wildlife Refuge adjacent to Felsenthal Lock and Dam. The refuge is managed by the U.S. Fish and Wildlife Service. The project also includes recreational facilities.

Water resources projects are primarily named for locations such as towns, rivers, or other features. Occasionally there is local sentiment for another name such as an individual who may have been active in the development of the project. That is the case in this instance.

Mr. Jack Lee, while serving as president of the Union County Wildlife Association, worked with the Ouachita River Valley Association in sponsoring recreational aspects of the navigation project. He worked for the inclusion of fish and wildlife enhancement as a project purpose in addition to navigation. Mr. Lee's work and interest in the project continued after development of the plan as he sought to assure the required local participation in the acquisition of project lands. Mr. Lee continues to devote his talents to the project, serving the Felsenthal refuge as a volunteer editor of the Felsenthal National Wildlife Refuge biweekly news release.

Mr. Speaker, I believe that it is appropriate for the House to support this legislation honoring the efforts of Mr. Jack Lee at the Felsenthal Lock and Dam project.

PENNSYLVANIA VOTER HALL OF FAME

HON. GEORGE W. GEKAS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 17, 1987

Mr. GEKAS. Mr. Speaker, the right to vote as one pleases and the knowledge that the vote will count—and be counted—form the cornerstone of our democratic system of government. Our system is set apart from totalitarian societies in which individual freedom is subservient to and limited by the wishes of a dictatorial individual or party.

Because our constitutional system of government rests on the premises that the people elect their own government, the American electoral process functions not only to determine winners, but also to confer legitimacy upon them and to hold them accountable to the public they have been selected to serve temporarily.

The great Commonwealth of Pennsylvania has established a Voter Hall of Fame to honor citizens with exemplary voting records. Membership to the Hall of Fame is open to all Pennsylvania registered voters who have voted consecutively in every November election for which they were eligible for at least 50 years. Candidates must also agree to encourage the registration of new voters.

Mr. Speaker, today I would like to recognize the constituents from my congressional district who have earned a place in the Pennsylvania Voter Hall of Fame. Those inducted into the Hall of Fame on December 30, 1986, include: Dorothy M. Cico, Highspire; Inez H. Davis, Hershey; Teletha E. Long, Harrisburg; Lillian D. Morrison, Harrisburg; Anna Pease, Harrisburg; and Anna M. Scheipe, Hershey. Those inducted on January 16, 1987, include: Arthur E. Aungst, Harrisburg; Adam B. Hoover, Harrisburg; and Donald E. Koons, Hummelstown.

I am pleased to recognize these citizens for exercising our most precious freedom faithfully, year after year, in elections for government representatives on the local, State, and National levels. They deserve our praise and recognition.

NATIONAL TRAINING INCENTIVES ACT OF 1987

HON. WILLIAM F. CLINGER, JR.

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 17, 1987

Mr. CLINGER. Mr. Speaker, America today is seriously in danger of losing its competitive edge in the international marketplace. If anyone watching this broadcast should doubt that this is true, you need only examine the television set in front of you. Do the words "Made in the USA" appear anywhere on it? No, they don't. The scary part, Mr. Speaker, is that we, as much as anyone, brought this upon ourselves.

That is why, Mr. Speaker, Congresswoman NANCY JOHNSON and I, as well as a number of our colleagues, have today introduced the National Training Incentives Act of 1987, a bill which will provide incentives to both workers and employers to retrain workers for the jobs of the future. This bill will, among other things, attempt to make America more competitive while at the same time making American workers better skilled.

It's a simple fact that training and education traditionally contribute 50 percent to the growth in productivity. Yet, comparing Federal investment in worker retraining to that for research and development, Uncle Sam yields only $1 for worker retraining programs for every $2,000 it loses in taxes to provide incentives for research and development and upgrading of plant facilities and equipment.

Here's what this bill would do. It would give employers a 20-percent tax credit for training costs above the company's average training costs over the previous 5 years. This incentive to employers to provide on-the-job training for workers is well known to be the most effective way to keep the American work force sharp. And it is cost effective too. For every $1 Uncle Sam loses in taxes, the bill generates $5 in private sector training to make America's workers more productive and better prepared for technological changes in the job market. And more workers, Mr. Speaker, means more tax revenues for Uncle Sam in the long run.

The bill also allows each and every one of the over 15 million Americans who have individual retirement accounts to withdraw up to $5,000 over a 5-year period, without penalty, to pay for job retraining. This legislation does not ask much of the Federal Government but instead, encourages workers and employers to prepare for the jobs of the future.

This legislation is not intended to replace or duplicate existing programs such as the Job Training Partnership or Displaced Workers Programs, but is intended to stimulate a more realistic, better coordinated and comprehensive use of our labor resources for retraining. The sponsors of this bill all agree that Government, business, and American workers can work together to better ensure a competitive American economy.

Mr. Speaker, to help my colleagues better understand the provisions of this bill I am inserting in the RECORD explanatory documents.

AN EXPLANATION OF THE NATIONAL TRAINING INCENTIVES ACT OF 1987

The National Training Incentives Act of 1987 is a re-draft of legislation introduced during the 99th Congress. This legislation was offered in recognition of the important relationship between training and education, and productivity growth, and of the fact that our nation's investment incentives fail to recognize this relationship.

Specifically, incentives to train or retrain workers are virtually nonexistent. Despite data indicating that education and training contribute 50% to productivity growth, the ratio of federal tax incentives for investment in R&D and plant and equipment to worker retraining is over 2000 to 1 in FY '88, even after the recent tax reform. At the same time, employers and workers alike are poorly served by the Employment Service and by the nationwide system of unemployment benefits provided as income assistance. In many cases, benefits run out without facilitating a meaningful transition to gainful employment or to a new occupation.

The intent of this legislation is to assist American firms and workers to become more competitive in the domestic and international market by: providing incentives for worker training, both through employer and individual incentives; examining the cost, feasibility, and expected benefits of a nationwide job bank system; and assessing the possibility of using non-profit community-based organizations to assist low-skilled individuals in finding work.

Title I of the bill permits employers to deduct from their tax liability 20% of any skills training expenses in excess of the average training expenses incurred by the employer over the preceding five-year period. This provision is modeled after the existing 20% R&D tax credit (reduced from 25% to 20% by the Tax Reform Act of 1986), and is designed to provide an incentive for new training programs which are sponsored, paid for, or conducted by employers.

The employer may apply the tax credit to expenditures for any state or federally registered apprenticeship program, any employer-run on-the-job or classsroom training program, any cooperative education, or any other program designated by the Secretary of Labor. Similar to the R&D credit, the training tax credit contains carryback and carryforward provisions, which are designed to encourage firms with no tax liability in any given year to continue their training investments.

Title II of the bill is designed to assist structurally unemployed workers by allowing them to use, for retraining, funds invested in individual retirement plans. The bill permits an unemployed individual or one who has received advance notice of layoff to withdraw without the existing 10% interest penalty up to $5,000 for the purpose of financing occupational training.

Any individual who is unemployed, has obtained job counseling within the last year, and meets certain basic requirements under the employment compensation law may make withdrawals from individual retirement plans for training purposes. Those who have received notice of layoff within six months may also make withdrawals. The individual must obtain employment counseling from a local employment office before withdrawals can be made; the employment office then certifies in writing that an individual is eligible to make such withdrawals, using criteria established under existing unemployment compensation law.

The certificate of eligibility, along with an invoice or other evidence of enrollment from a qualified training institution, is then presented by the individual to the trustee (bank or other financial institution) of the individual retirement plan. The amount needed (up to $5,000) is then issued to the training institution in the form of a voucher and is not taxable. The voucher can be used to pay a variety of expenses associated with the training program, including books, tuition, fees, materials, and special tools or equipment.

Training programs that individuals may pursue under this legislation are generally any programs offered by a qualified institution (an institution of higher education, a postsecondary vocational institution, a proprietary institution of higher education, and those institutions meeting criteria established by the Secretary of Labor) which prepare participants for gainful employment. The statutory definitions of "training program" and "qualified institution" track those in existing law, and anti-discrimination provisions are applied to all qualified institutions and eligible training programs.

Title III of the bill directs the Secretary of Labor to report to Congress within one year the extent to which a nationwide job bank system can be expected to increase employment opportunities in each state, its cost, and its adaptability to existing unemployment services. The Secretary must also assess in the report the feasibility of using nonprofit, privately-operated job-referral services for the referral of individuals to jobs in low-wage industries where little or no skill is a prerequisite for employment rather than using state employment service offices. Title III also authorizes funds to cover administrative expenses incurred through the counseling and certification process; this amount ($37 million) is equivalent to 5% of the current administrative budget for the U.S. Employment Service.

Title IV amends the Job Training Partnership Act to instruct Private Industry Councils (PICs) to make available throughout service delivery areas information regarding training programs. Title IV also provides that, for the purposes of determining eligibility for Pell grants, any amount withdrawn from an individual retirement plan for training purposes as well as any amount received in the form of unemployment compensation shall not be included as family income.

THE HOUSE WEDNESDAY GROUP

MEMORANDUM

To: Bill Clinger and Nancy Johnson.
From: Steve Hofman and Becca Newquist.
Re. Provisions of the Tax Code on R&D, plant & equipment, and worker training.

In keeping with the Tax Reform Act of 1986, the following memo outlines the provisions of the tax code which are generally thought of as incentives for investment in R&D, plant and equipment, and worker training. Please be advised that these figures do not include federal outlays.

I. RESEARCH AND DEVELOPMENT

Here, there seem to be three major provisions in the tax code which seek to stimulate research by private industry.

It is notable that R&D tax incentives were largely preserved in the new tax reform legislation that swept away a whole range of special subsidies and incentives for other types of investment.

On the surface R&D rules affecting intangibles appeared relatively unscathed. The most important tax incentive for R&D spending, expensing of intangible costs, was retained. Another important provision, the R&D tax credit, (which had actually expired at the end of 1985), was extended for three years with a reduction in the rate from 25 to 20 percent. The definition of expenditures eligible for the credit was narrowed somewhat, with the objective of targeting it more carefully to technological innovations (i.e. rental payments for the personal property are excluded). At the same time, computer software eligibility for the credit was established in statutory language, reversing the recent regulatory practice. (Development of internal use software was allowed only if use in an eligible research project). The R&D incremental credit was not made permanent, as some proponents argued for, although such a permanent extension is not ruled out when the credit is reconsidered in the future.

ESTIMATED REVENUE EFFECTS OF TAX EXPENDITURE ITEMS RELATING TO R&D

[In billions of dollars]

	1986	1987	1988
Expensing	.875	1.390	1.430
R&D Credit	2.295	1.290	1.085
Allocation Rules	.440	.535	.200
Total Revenue Loss	3.925	3.485	2.970

II. PLANT AND EQUIPMENT

With regard to plant and equipment, there are three provisions resulting in either residual or current cost: safe harbor leasing; the investment tax credit; and the Accelerated Cost Recovery System of depreciation (ACRS). The first two of these provisions have been repealed, but continue to result in a residual cost in terms of foregone tax collections. ACRS was somewhat curtailed by the Tax Reform Act of 1986, and also continues to carry a revenue cost.

Safe harbor leasing

Safe harbor leasing was repealed by the Tax Equity and Fiscal Responsibility of 1982 (TEFRA). The repeal was effective for leases signed after January 1, 1984. Nonetheless, the Office of Management and Budget (OMB) estimates that safe harbor leasing continues to result in a loss of tax revenue. If a taxpayer earns a tax benefit (such as an investment tax credit in a given year) but is unable to use it because of an insufficient tax liability in that year, the unused benefits can generally be carried back to offset taxes paid in previous years, or carried forward for a specified number of years to offset taxes in future years. It is probable that the residual revenue losses from safe harbor leasing occur because of such carryforwards, and represent tax benefits that taxpayers have not yet been able to use, but have been claimed with respect to property acquired and leased before the effective date of safe harbor leasing's repeal.

The following are OMB's most recent estimates of the tax collections foregone as a consequence of safe harbor leasing:

ESTIMATED TAX REVENUE LOSS FOR SAFE HARBOR LEASING

[In billions of dollars]

	1986	1987	1988
Revenue loss	1.7	1.1	0.7

Investment tax credit

The investment tax credit was also repealed by the Tax Reform Act of 1986 (P.L. 99-514). Nonetheless, as with safe harbor leasing, it continues to have a residual tax revenue cost. While the Tax Reform Act generally repealed the credit for property placed in service after 1985, the Act permits taxpayers to use 65% of the investment tax credits carried forward from prior years. Also, the Act specifies effective dates later than 1985 for certain kinds of "transitional" property.

The following revenue losses are thus estimated to result:

ESTIMATED REVENUE LOSS RESULTING FROM INVESTMENT TAX CREDIT

[In billions of dollars]

	1986	1987	1988
Revenue loss	20.1	14.2	9.6

Accelerated depreciation of equipment other than leased property

The Tax Reform Act made major revisions in the ACRS depreciation rules for both general types of depreciable assets—equipment and structures. As a result of these changes, the rate at which the cost of an asset can be deducted from taxable income is slower under the Act than under prior law. Depreciation deductions are thus less valuable for investors than under prior law because a deduction is worth more the sooner it is taken. The deceleration of depreciation under the Act is also estimated to result in an increase in tax collections in the near term.

ACRS governs the overall rate at which the cost of an asset can be deducted (depreciated) through two mechanisms: by specifying a recovery period for each type of asset; and by specifying a depreciation method. An asset's recovery period dictates the number of years over which depreciation deductions must be spread; an asset's depreciation method specifies how rapidly depreciation deductions can be taken within an asset's recovery period.

The Tax Reform Act lengthened recovery periods for most types of equipment, but provided depreciation methods for equipment that are generally more rapid than under prior law. In isolation, lengthening the recovery periods has the effect of slowing down overall depreciation rates, while providing faster depreciation methods has the opposite effect. The Act's net effect for most (but not all) types of equipment, however, was a slower overall rate of depreciation.

The Tax Reform Act provided both longer recovery periods and slower depreciation methods for structures. Thus, the Act also provided for slower overall rates of depreciation for structures.

Estimates of the effect of ACRS on tax revenues appear below. The estimates take into account the effect of the Tax Reform Act.

ESTIMATED TAX REVENUE LOSS FROM ACCELERATED DEPRECIATION

[In billions of dollars]

	1986	1987	1988
Revenue loss	46.8	40.9	37.8

III. WORKER TRAINING

According to CRS, there is only one tax incentive provision which relates to worker training. The Employer Educational Assistance provision, Section 127 of the IRS code, says that individual taxpayers need not include in their gross income amounts paid or expenses incurred by their employers for certain educational assistance programs, up to a $5,250 annual limit.

The Tax Reform Act of 1986 (P.L. 99-514) reauthorized the exclusion retroactive to January 1, 1986 for two years. Thus, this exclusion will expire on December 31, 1987.

ESTIMATED REVENUE LOSS RESULTING FROM EMPLOYER EDUCATIONAL ASSISTANCE EXPENDITURES

[In millions of dollars]

	1987	1988	1987–91
Revenue loss	−137	−23	−160
Individual employment	−79	−12	−91

IV. CONCLUSION

In light of the above discussion, it is obvious that our tax code provides major incentives for investing in R&D or plant and equipment, but offers little, comparatively speaking, with regard to worker retraining. While billions of dollars are spent on plant and equipment or R&D, we see only a few million dollars invested in human capital. For example, under the current tax system, the tax incentives discussed above total $79.2 billion in FY '86 for R&D and plant and equipment, but total only $25 million for worker retraining. This imbalance, while reduced by the Tax Reform Act of 1986 ($50 billion versus $25 million for FY '88), nonetheless remains substantially skewed against retraining.

ADDRESS OF CHARLES R. ALLEN, JR., AT THE PRESENTATION OF THE RAOUL WALLENBERG CIVIC AWARD

HON. TED WEISS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 17, 1987

Mr. WEISS. Mr. Speaker, Raoul Wallenberg symbolizes the highest ideals of humanity. His efforts during World War II saved tens of thousands of Hungarian Jews from certain death. I am proud that earlier this year, the city of New York and the Raoul Wallenberg Committee of the United States presented the Raoul Wallenberg Civic Award to the city of Coeur d'Alene, ID. The inhabitants of this city lived up to the memory of Raoul Wallenberg by banding together in opposition to the terrorism and bigotry of the Aryan nations, a racist, anti-Semitic organization which chose their town as the place from which to spread their message of hate.

On this occasion, the keynote address was given by Charles R. Allen, Jr., a scholar and eminent authority on Nazi war criminals living in the United States. Below appears the text of Mr. Allen's keynote address, which eloquently reminds us that the ultimate victim of genocide is not only the targeted race or group, but all of humanity.

Do We Have the Courage to Emulate Raoul Wallenberg and the People of Coeur d'Alene?

(By Charles R. Allen, Jr.)

President Stein and the Wallenberg Committee of the United States are to be heartily commended for their perceptive leadership in naming the People of the city of Coeur d'Alene, Idaho, as the recipients of the Roaul Wallenberg Civic Award.

What finer, more proper and meet way to perpetuate the memory of the Angel of Rescue, Raoul Wallenberg, than to honor the people of that rugged, splendidly beautiful Rocky Montain community which stood fast, fought and prevailed against the terrorism of the murderously bigoted Aryan Nations—that dark, covert para-military grouping that has spread violent racism, anti-Semitism, arson and armed robbery across the Western United States.

But I wish to ask the people of our own city: Do we have the necessary courage and will to truly emulate Wallenberg?

I put this question seriously. It is easy to strike a medal, draw up an inspiring resolution on paper and award a plaque. All well and good but not sufficient to our full purpose in honoring these "decent folks" from Idaho.

For Wallenberg's legacy is extraordinarily consequential. That legacy carries a charge, a challenge most formidable to seek and do justice.

His compassion and love of his fellow human beings led him to risk—indeed (probably) to lose—his very life while fighting desperately to rescue the Jews of Hungary.

The people of Coeur d'Alene have acquitted themselves in the path of the righteous Wallenberg. With sober, modest strength they accepted the challenge of the legacy. They too put their families, their property, their very lives to risk. They did—and continue to do so—follow in the path of Wallenberg.

Do we too possess such courage?

Beware! The legacy and its challenge come within a clear, historic and moral context of struggle.

The lesson of that context and its hard struggle instructs us: scratch a racist and you will find an anti-Semite; scratch an anti-Semite and you always get a racist.

The people of Coeur d'Alene can tell you this truth.

The context consists of many, broadly historic strands, developments and movements.

Consider:

The machine-gun murder of the Jewish anti-fascist radio journalist, Alan Berg, of Denver, Colorado was carried out by the Aryan Nations.

The same Aryan Nations bombed Father William Wassmuth's Human Relations office in Coeur d'Alene (and he is here with us today, fortunately enough.)

Further consider:

Hitler's Mein Kampf contains his intentions to carry out the extermination of Blacks as he did, once in power.

The German Wehrmacht (Army) and the SS had standing orders not only to exterminate Jews, Gypsies, Communists, Commissars and Slavs ("untermenschen" or "inferiors") but also to kill any captured Black colonialist troops who fought in the Grand Alliance. History shows that Black troops so perished in concentration/death camps, including Auschwitz.

Or examine for yourself the bar charts used in the education of SS guards at such training camps as Travniki in Poland—where the fine art of genocide was meticulously taught—and you will see that Jews were listed as the lowest form of untermensch. With but a single exception: Blacks were "ranked" even lower on the scale of fascist objects of genocide.

Fascism had every intention of exterminating 11 million European Jews; fascism killed 6 million. Evidence at Nuremberg in the "Ost Plan" documentation (East Plan, the occupation and exploitation of the Soviet Union) fascism proposed to exterminate 30 million Slavs and all told fascism killed nearly 20 millions.

Ineluctably, history instructs us, the oppression of any one group leads to broader, more inclusively diverse genocide—regardless of ideological pretext: Hitler, Pol Pot, and 'Aryan Nations' in power. All are inextricably related.

This universal truth alone totally vindicates compassion for and righteousness toward all peoples. Sorry, but you can not have your own private genocide. Each is part of the main.

Yet, in all candor, have we as a people even heeded these lesson? Have we truly?

Here in the United States, we have the dubious distinction of having sheltered some of the Nazi war criminals who perpetrated the Holocaust.

Every borough of this city has been a haven for such creatures. Howard Beach havened a major Nazi war criminal. Indeed every major city of the United States has done so.

Do we have the courage to face this obscenity?

Do we have not only the courage but also the brains, the intelligence to recognize, admit and then act on the reality of the challenge before us? To acknowledge and then act on the direct, one-to-one relationship between pervasive unemployment, no jobs for Black, Hispanic youth, no health care, poor education, homelessness and see that here are the real roots of racism and, yes, anti-Semitism.

In fact, the Holocaust is concerned with the lot of the poor Jews of Europe. Ponder the Holocaust, realize that most, virtually all of its Six Million victims were poor, homeless, despised and outcast because of muderous racial myths.

Will we really do homage to Wallenberg? Dare we emulate the people of Coeur d'Alene?

Do we have the courage to reach out, to grasp hands and to fight together, joined in unity with all peoples—Black, Brown, Yellow, Red and white peoples to seek and win justice?

I believe that we as a people deeply hold, at bottom, the American democratic tradition of equality for all. But the challenge is to forge that unity. I do believe that we will through struggle go on and win full equality for all the brothers and sisters of our land.

I conclude in paraphrase, taking my lead from the Soviet poet, Yevtushenko, his epic "Babi Yar," at this celebration of the legacy of Raoul Wallenberg and the shining example of the people of Coeur d'Alene—all fittingly on the eve of the birthday of Martin Luther King whose noble name rings through the very best in the American democratic tradition.

Let us cojoin their legacies by upholding and carrying out their challenge: to do Justice for all peoples!

We, the American people, will not rest, not rest!, until the last anti-Semite, the last racist is buried in the earth forever.

Thank you.

TESTIMONY OF MRS. ELAINE YARBROUGH BEFORE THE REPUBLICAN STUDY COMMITTEE

HON. DAVID DREIER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 17, 1987

Mr. DREIER of California. Mr. Speaker, as we debate the role of Government in financing catastrophic and long-term health care for the Nation's elderly, I think it's important to keep in mind that most American's only want the opportunity to provide for themselves. This point was made vividly clear by three extraordinary individuals who know first hand the financial burdens of caring for a family member in need of long-term care.

Mrs. Elaine Yarbrough of Green Valley, AZ, and Mr. and Mrs. Richard Long of Saxonburg, PA, recently related their experiences during a recent congressional meeting on long-term health care. I would like to submit for the RECORD their thoughtful and inspiring remarks.

TESTIMONY OF MRS. ELAINE YARBROUGH BEFORE THE REPUBLICAN STUDY COMMITTEE, THURSDAY, APRIL 30, 1987, WASHINGTON, DC

Mr. Chairman, Distinguished Members of the Committee, I am Elaine Yarbrough, a citizen of the community of Green Valley, Arizona, a retirement home for more than 15,000 persons from all over the nation.

I am happy to be here this morning to relate my own experiences in the area of long term care—and to give you the benefit of my own ideas on ways the American people can deal with this most expensive problem.

After several years of various medical treatments, my husband Robert was diagnosed in 1981 by the Health Sciences Center of the University of Arizona as having Alzheimers Disease.

Knowing that the prognosis was "continuing gradual deterioration, mentally and physically, with no prospect of recovery," we tried to put our financial house in order—making new wills, creating living wills, establishing a family trust, power of attorney and etc. and began increasing our savings in every way we could. (Saving for retirement and health care needs had always been a part of our budget, however. Becoming a burden to our children or to society was unthinkable.)

Robert sustained two compression fractures of his spine 17 months ago which compounded our problems. After several days in the hospital, Medicare—and subsequently our medical supplement supplier—refused to certify him for nursing home care even though the hospital stay temporarily made him incontinent and he had been catherized. He had no problem of this kind before his hospital stay. So I took him home. The Alzheimers complicated our efforts to restore him to complete mobility without harm through all the usual methods.

Last August, I was badly in need of rest and decided to have him cared for in our local nursing home for two weeks. Upon my return, I found him tied in a wheel chair, no longer walking and incontinent. The only way I could have him at home was with almost constant help. I found help for 16 hours a day—costing $80, not counting supplies and medication. On my doctor's advice, we decided to leave him at the nursing home which costs $54 per day plus ancillaries and prescriptions for a total of more than $21,000 per year.

I must plan for extended care as he has an excellent heart, the blood pressure of a young man and he has never used alcohol or smoked.

Believe me, it would be very easy to add my encouragement to any proposed legislation that would shift the financial burden from our shoulders to those of Uncle Sam. But, I love my children and grandchildren, and I would be neither a responsible parent nor citizen to increase their tax burden with even more staggering national debt.

To me, the only alternative to having increased government regulation of health care and its astronomical cost as well as its inefficiency is for us to return to the old fashioned idea that we provide for our needs for retirement and health care in our retired years during our working years.

Government can help, however, through responsible actions which would:

Provide tax incentives so that we will see and feel tangible results from savings for health care during those years.

Encourage insurance carriers to develop home health care and nursing home coverages that will be easily understood, will contain no loopholes and will be available during working years—policies which resemble endowments with termination dates and pay death benefits if never used.

Assist in the creation of small, more family oriented homes, rather than the larger institutions, which would also be covered by insurance for health care services which are not as difficult or costly as skilled nursing care.

I wish we had had such a policy available to us during our working years for we would surely have purchased it. I learned the difficulty of health care much earlier in my life.

Robert is my second husband. My first husband died in 1962 after an illness of 3 years—2 of which were spent in a wheel chair. I cared for him at home with the aid of an hydraulic lift and a visiting nurse three times a week. I could do this during my forties, but the care of my Alzheimers-afflicted present husband for these six years during my late 60's and 70's has been much more stressful. There is a saying, "With Alzheimers there are two victims." It is so true!

Because the care of most Alzheimers patients is usually custodial until the last stages, insurance rarely covers the ailment—or it is excluded from policies from the beginning. We were refused a health care policy at one time on the basis of the diagnosis made by the University of Arizona—which again reinforces my belief that provisions for long term care must be made during the working years or during times of good health.

One way in which many persons could benefit for long term care is through the quality care provided by lifecare retirement communities. These provide residents with independent lifestyles for as long as is possible and then intermediate and skilled nursing care at no additional cost should it be necessary—unsubsidized by the federal government.

You could help stimulate additional such facilities by providing good tax breaks for residents on pre-paid medical care in your long term care proposals.

The key to successful planning for health care in retirement is taking care of needs in advance. This is nothing new, but one of the most basic of our foundations as a people in our history.

My own parents lived to need health care in a nursing home. Dad's last 16 months and Mother's last 22 months were spent in a nursing home—a good one, but by no means "posh"—costing $79,596, not including doctor and medicine costs. Dad died in 1984 and Mother in 1985.

They paid for it from their own savings.

On a government salary, they reared four children, helped each of us through universities. When the youngest finished the University of Minnesota, they were almost penniless. They purchased their first home when Dad was 53, and began to save then. Their goal was to save enough for their remaining years. Dad would retire at age 70 after 52 years in the government service.

They considered help from their children abhorrent, but help from the country's taxpayers to be absolutely unthinkable!

They were more frugal than we might have wished, but they used conservative investment of their earnings to pay all their costs through dad's 98th year and Mother's 96th, plus leaving each of us children a generous inheritance.

I'm not so naive to believe that all of us could plan for any catastrophic illness or long term care. I'm glad that some of the hardships for these costs are being helped through Medicaid for those less fortunate. My tax dollars are well spent to help in this way, but I resent paying for those who could have been more personally responsible for their own long term needs rather than living without regard for retirement during their working years.

My father's sister, now 90 years of age, is a retired school teacher living in a retirement complex. She prepared years ago for nursing home care by buying insurance when she could qualify at a reasonable premium. She, too, could have used up her Medicare and teacher's pension with expensive clothes, luxury trips and etc. She didn't. She paid her own way, and remains a happy, loving and beautiful Christian woman with many interests today.

My own choice was to enter a lifecare community. With prayer, careful and frugal living and faith in our economy, I have been accepted for residence at Sonrisa, the first lifecare facility in Southern Arizona, located in beautiful Green Valley, my present home.

Sonrisa was created for middle income people like me so we would never be a burden on our children or the taxpayers, and is closely associated with a national senior organization which has sought to show that middle income persons could care for themselves.

I have lived my three score years and ten—blessed with good health. I am leaving instructions for no heart transplants, no exotic surgery. Sonrisa should be able to provide a quality life for my remaining years. I am grateful.

Thank you for providing me this opportunity to tell you of my experience and my concerns on this most urgently important topic.

STATEMENT OF MR. AND MRS. RICHARD LONG, SAXONBURG, PA

Mr. LONG. Mr. Chairman and colleagues, I won't take very long. I'm not a very good speaker and I wanted to tell you something about our son who was born in 1942 and he was a breech birth and a blue baby and he required two tanks of oxygen and he was a victim of cerebral palsy. The first time we noticed this is when he wasn't able to sit up and he wasn't able to grasp. Of course we took him to any doctor that was available or was made available to us and we took him to a brain specialist in Baltimore, Maryland who told us to just take him home and be good to him and be prepared to put him in an institution, which we was never able to understand that or we didn't try to understand it, I guess, so we started then to give him all kinds of treatments and he was taken to the West Penn Hospital for physical therapy every week for two years and he was taken to East Palestine, Ohio to a Chiropractor who was highly recommended, but with all these treatments, there never seemed to be anything to do him very much good.

So then we got engaged with a Dr. Phelps in Baltimore who was a specialist on cerebral palsy and he suggested we have him fitted for braces which he wears braces from his mid section down and that was at the age of 5. And after we had him fitted with braces, it was suggested that we take him to the Children's Rehabilitation Institute at Cokeysville, Maryland which is north of Baltimore. At that time it cost $225.00 per month and I was only earning $250.00 per month, but before this, we had saved a pretty good nest egg of War Bonds and we were able to handle this for two years and then in those two years it went from $225 to $265 and after those two years we had to bring him home on account of a lack of funds.

In those days, there wasn't anybody that could help you in any way. You couldn't receive homebound anything except for that we had a homebound teacher. Then he was put in the industrial home for crippled children in Pittsburgh who was recommended by a Mrs. Lemon who was on the Easter Seal board in Butler and this home was founded by endowments and charitable foundations, and it really didn't cost us anything. He received physical therapy and occupational therapy and after 3 years of no progress, he was discharged and we brought him home and we kept him—at that time he was 13 years of age. We kept him from then until he was 21 which, at that time, my wife couldn't handle him and I couldn't stay home from work. In fact, I was working two jobs in order to keep enough money in the house to pay for all of these medical expenses. He had braces replaced periodically through his young years, but his last set of braces was in 1983 at a cost of $2,000 and, right before that time, we heard of St. Barnabas Home which is in Gibsonia, Pennsylvania and it was run by the Episcopalian Brotherhood and it was St. Barnabas Free Home and that is what they meant and you couldn't pay them anything. All the churches kept this home going.

And, they provided special and spirtual development and it is now currently managed by a corporation. The Brotherhood was dissolved and now it meets State and Federal standards for patient housing and care, and they provide a variety of cultures and other opportunities for patients while providing good health care, entertainment and social activities.

St. Barnabas and other homes like it provide a sense of relief and satisfaction to families of such patients, knowing that they will receive adequate care for the rest of their lives.

When I retired 4 years ago, he received a portion of my social security. As far as I know, that is the only money that he receives. We don't pay anything. If he is able to stay there for the rest of our lives, that gives us a lot of—oh, what would you call it—relief—he has a place to stay. It's a very lovely place and I don't know of very many homes that are made like that. Thank you very much.

VA EMPLOYEES VOICE STRONG SUPPORT FOR THEIR MEDICAL COMPUTER SYSTEM

HON. G.V. (SONNY) MONTGOMERY

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 17, 1987

Mr. MONTGOMERY. Mr. Speaker, a controversy over the effectiveness and cost of the Veterans' Administration's medical computer system, known as the Decentralized Hospital Computer Program [DHCP] system, has arisen in the Congress. As chairman of the Committee on Veterans' Affairs, I have scheduled many oversight hearings on this important medical computer system over the past several years and the reports on its effectiveness and costs have been uniformly very positive.

Since our hearing of April 8, 1987, on this important subject, I have received many letters from veterans and Veterans' Administration employees in support of the DHCP.

I would like to share with my colleagues a copy of a letter which I received from Mr. Edward R. Lee, Data Processing Manager of the Veterans' Administration Outpatient Clinic in Columbus, OH, that demonstrates how the VA employees feel about "their" medical computer system. The letter follows:

COLUMBUS, OH.
May 12, 1987.

Hon. G.V. (SONNY) MONTGOMERY,
Chairman of the House Committee on Veterans' Affairs, U.S. House of Representatives, Washington, DC.

DEAR REPRESENTATIVE MONTGOMERY: The purpose of this letter is to provide you with my thoughts regarding the McDonnell Douglas challenge to DHCP and to commend you and your committee for supporting our Veterans Administration Department of Medicine and Surgery Decentralized Hospital Computer Program.

My association with the Veterans Administration Independent Outpatient Clinic, Columbus, Ohio as Data Processing Manager has enabled me to witness firsthand the numerous contributions our DHCP initiative provides to promote quality patient care. As manager, we create quality; as veterans, we receive it. The McDonnell Douglas challenge devalues the DHCP standard of quality.

When ADT/R, Scheduling and Pharmacy were implemented during fiscal year 1985, the following in-house benefits were realized:

Phased implementation of VA applications.

Modular construction.

Full compatibility of DHCP applications.

Grass roots involvements of VA health care professionals in the application development process.

Common database used in a DDP architecture.

Improved monitoring of health care delivery.

Assist medical practitioners in providing more informed and productive patient care.

Timeliness and accuracy of patient data increased.

Provides enhanced management capabilities.

Patient inquiries are addressed more expediently.

Eliminates many time consuming manual tasks.

Timely processing of applications for care.

Provides WAN with Austin DPC and other VA facilities.

Effectual appointment scheduling.

48 hour turnaround of prescription mail out program.

Greatly reduced time dispensing medications.

Responsive, demand MIS reporting.

The above benefits generated substantial staff time savings now directed toward improved veteran assistance.

In May, 1986 we activated our Full Core Laboratory Module of DHCP. Its numerous direct patient care contributions to health care providers has resulted in more effective patient care diagnosis and management of treatment provided.

The concept incorporated into the VA DHCP is self-evident in the term decentralized. The continued decentralized operation of each medical care facility's DHCP is paramount to assure that the separate and succinct needs of same are addressed and managed on a timely, effectual basis.

As the largest Integrated Hospital Information Processing System in and out of government, minor logistical problems have been experienced in the attempt to automate DHCP Full Core. However, we must keep things in perspective. To my knowledge, few elements in government have attempted automation on the scale of DHCP, nor has any agency been so successful and beneficial to the accomplishment of their agency's mission as the VA DHCP; in the timeliness of delivery and cost effectiveness of operations.

The VA invested substantial time and resources in studies and use of commercial computer systems prior to DHCP's approval. They either proved too expensive for system wide implementation or were plagued with fallacies in design, performance, cost or overly optimistic schedules.

I am concerned with the actions employed by McDonnell Douglas and supported by its Board of Directors and Chairman, Mr. Sanford McDonnell. Equally discouraging is that they would employ a former staff member from the Senate Veterans Affairs Committee as their representative on Capital Hill. It is common knowledge that this type of action is employed in business and industry to secure an upperhand in the competitive process: however, there are appropriate processes McDonnell Douglas could have opted, such as, use of the federal acquisition regulations to submit a proposed modification to their contract. The latter being a respected professional approach to doing business.

Paramount when evaluating systems, software, or vendor(s)—an important element that cannot be overlooked is the mission of the agency, corporation, or enterprise the hardware or software was designed to meet.

I cannot state with more conviction the fact that it would be difficult, if not improbable, for a vendor or government agency given the same resources, mission and mandates to duplicate the efforts and the success of the VA DM&S DHCP and enjoy the overwhelming support of management, health care providers and patients.

As a taxpayer, it is beyond my comprehension in a time of budget restraints and deficits versus the quality programs that anyone would consider reversing or delaying a proven cost effective, productive program, i.e., DHCP, in favor of McDonnell Douglas with published figures and company financials that are directly adverse to the successful operation of their health systems division. Their ability to project a ten year financial plan for DHCP contract takeover should definitely be scrutinized.

As a veteran I strongly appeal to you, your constituents, and other members of the House Committee on Veterans Affairs, Committee on Appropriations, Subcommittee on HUD—Independent Agencies, the Senate Committee on Appropriations and Subcommittee on Appropriations to move forward without disruption in VA DHCP and achieve programs that are directly beneficial to the quality and timeliness of care provided to veteran patients by VA health care providers.

Should you or your staff require additional information, please do not hesitate to contact me.

Respectfully submitted.

EDWARD R. LEE.

H.R. 517, LEWIS M. PARAMORE DIVERSION UNIT

HON. JAMES J. HOWARD

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 17, 1987

Mr. HOWARD. Mr. Speaker, House of Representatives passed H.R. 517 designating the Soldier Creek Diversion Unit in Topeka, KS, as the "Lewis M. Paramore Diversion Unit." I am pleased to support this legislation which was recently reported by the Public Works and Transportation Committee.

The Soldier Creek Diversion Unit, completed in 1961, provides flood protection for the Kansas State capital.

Water resources projects are primarily identified by locations such as towns, rivers, or other features. Occasionally there is local sentiment for another name such as an individual who may have been active in the development of the project. That is the case in this instance.

Lewis M. Paramore, was a grocery store owner in North Topeka, KS, when his store and home were destroyed by the Kansas River flood of 1951. Following this event, Mr. Paramore devoted most of his life toward flood prevention activities. He is credited with the founding of the Topeka Flood Control and Conservation Association, and was a longstanding participant in the multistate MoArk Basin Flood Control and Conservation Association. Because of local dedication to flood control efforts such as Mr. Paramore's, numerous corps projects have been built to provide flood protection to the Topeka, KS, area and its inhabitants.

Mr. Speaker, I believe that it is fitting and proper that the memory and efforts of Mr. Paramore be honored by naming a portion of the Topeka local protection project after him.

DOWNSIDES BOTH WAYS IN THE PERSIAN GULF

HON. LES ASPIN

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 17, 1987

Mr. ASPIN. Mr. Speaker, I would like to begin today a series of speeches on what is happening—and what may happen—in the Persian Gulf. This is especially relevant in light of the formal report on the Persian Gulf submitted yesterday by Defense Secretary Weinberger. The report was the best statement to date of what the administration is seeking to do in the Persian Gulf. But it failed to cover some very important points. In the coming days, I shall try to cover some of the topics that have been missed by the administration.

Today, I would like to address the question of the dangers inherent in the reflagging issue. A lot has been said on this issue in Congress and in the media. And a lot of that might better have been left unsaid.

The first point to remember is that there are dangers for the United States if we proceed with the administration's proposed reflagging scheme.

The second point to remember is that there are dangers for the United States if we do not proceed with the administration's proposed reflagging scheme.

Either way, the chief threat we must face up to is Iranian-inspired terrorism. If we go forward with the reflagging, Tehran will feel a burning desire to make a goat out of us. If we turn tail, Tehran will feel it has us on the run and can take punches at us, using us as a political foil. Both of these points have been missed in the administration's report.

But let me start at the beginning. Let us look at the danger of staying in the Persian Gulf and providing an escort for Kuwaiti tankers. We can do a traditional military analysis that looks at Iranian military capabilities and ranks those "threats." When we do that, the first threat we usually think of is the Chinese-made Silkworm missiles with a warhead triple the explosive power of the Exocet that struck the *Stark*, May 17.

There are, however, many threats to us in the gulf. In rough order of the potential magnitude for casualties, they look something like the following. What I am talking about in this list is a direct attack by opposing military forces upon our military forces—the kind of attack that has gotten considerable attention and aroused considerable concern, even trepidation.

First, an Iranian Silkworm missile hit. The Silkworm carries a warhead with 1,150 pounds of explosive—triple that of the Exocet. A half-dozen launch sites have been prepared in the Strait of Hormuz area, though no missiles have yet been deployed. Iran has carried out one test shot. It hit the target. Iran has more than a dozen launchers and could thus theoretically fire a barrage of more than a dozen Silkworms simultaneously. It should be noted that the Strait of Hormuz is crowded and the Silkworm is not the most discriminating of weapons. Thus, it could easily strike an unintended target.

Second, an Iranian suicide aircraft attack. Iran has never done this. The likelihood of finding a pilot from the westernized air force who would be willing to fly such a mission is low and the likelihood that he would defect is high. But the Pasdaran—that is, the Revolutionary Guards—have recently started an air arm and should have no problem recruiting a handful of kamikaze volunteers.

Third, an Iraqi Exocet strike. An accidential attack will alway remain a possibility, although it will become more remote if: First, coordination with the Iraqis is improved or second, the Iraqis alter their current targeting policy of hitting radar blips without any effort to check them out first. The likelihood of a repeat mishap has, however, been significantly lessened by the fact that Iraqi President Saddam Hussein had to apologize for the *Stark* attack. I'm sure he has let his air force officers know the cost to them if he must do so again. The Exocet has a warhead of 364 pounds of explosive.

Fourth, an attack by Iranian Regular Navy warships. Iran has about 50 naval vessels, including 3 aged ex-U.S. destroyers and 15 frigates, only about half of which are believed to be operational. The Navy is used primarily to stop and search freighters entering the gulf to search for contraband. The Iranian Navy's combat capability and combat skills are questionable.

Fifth, mines. Both Iran and Iraq seeded mines in the other's ports early in the war. Loose mines have been found in the gulf and on beaches for years. Iran is believed still to have stocks of mines available. Contrary to popular theory, the mines are not a serious threat in the Strait of Hormuz because the current is too swift and the strait is quite wide. But they could be used elsewhere—say in the channel entering Kuwait's harbor.

Sixth, other Iranian missiles. For years, Iran fired Maverick antitank missiles at ships. Since they were designed to knock out 50-ton tanks, they had little impact on 100,000-ton tankers. The shelf-life on those expired more than a year ago and Iran may also have exhausted its supply. At any rate, last year Iran began firing Italian-made Seakiller missiles at ships. They proved singularly ineffective. Lots fell in the water. In the last year, Iran has also used AS-12 missiles, another anti-tank weapon with a warhead of only 62 pounds and a short range. Iran has fired them from helicopters that are based on Irans four British-made *Hengam*-class LST's. They are not a serious threat to any vessel because of their warhead size. Because they would have to approach so close to fire, they are not considered a real threat to warships. Furthermore, Iran has used no missiles at all since April 20.

Seventh, Pasdaran attacks from launches. Currently the Pasdar naval arm is operating several Swedish-made civilian launches. The Pasdaran operate as seabourne infantry, pulling up beside a ship and firing machine guns, mortars, and RPG's. They must come very close to a vessel. Tanker crews see them coming and head for the other side of the ship. The first such attack was last November. Since February 1, 11 of Iran's 19 attacks on vessels have been from such launches. Rarely do the Pasdaran do any serious damage, and no serious threat is posed to warships by these launches. The Pasdaran are expanding their marine arm, however, and I would anticipate that before too long we will see them operating in the gulf out of something like PT boats with heavier—and more threatening—armaments.

But this military analysis really doesn't tell us much about the likelihood of attack. Frankly, just about everyone is looking at the least likely form of attack. An aerial assault or a missile attack provide the most dramatic scenarios, but not the most reasonable scenarios. If you read the Defense Secretary's report to Congress on the Persian Gulf, you will see considerable analysis of these traditional military threats. But the last thing the Iranians want to do is leave their fingerprints on any attack upon Americans. Please not that I did not say the Iranians do not want to attack Americans; I am only saying that the Iranians do not want to leave their fingerprints on any attack. Yet, this is a point—a most important point—that is wholly missed in the Defense Secretary's report to Congress.

The likelihood of the Iranians firing a Silkworm or launching some other kind of attack on a vessel flying the American flag is close to nil. The possibility of a screwup by the Iranian military will remain. But the likelihood of a conscious attack by known Iranian forces is virtually nil because this would leave visible Iranian fingerprints.

Why do I make so much of this fingerprint issue? Because it is the key to understanding what is driving the Iranians. They are not averse to doing us damage. They simply do not want to provide the evidence of an Iranian linkage that would permit the American Government to justify a retaliatory attack on Iran.

The lunatic types have largely been wrung out of the Iranian regime. The current leadership is heavy on rhetoric that gives Westerners an impression of irrationality. But behind the rhetoric, they have shown a calculated approach to policy. The speaker of Parliament, Ali Akbar Hashemi Rafsanjani, gave a speech 1 week after the *Stark* attack in which he laid our a series of reasons for not challenging either the Americans or the Soviets in the gulf. His speech was at the weekly Friday prayers, where policy is enunciated for benefit of the regime's mass following. Rafsanjani argued that the superpowers had been reducing to escorting tankers in the gulf and made to look silly. He chuckled at the thought of a sleek warship forced to lumber alongside a hulking tanker. He compared it to a racing car stuck behind a heavy truck. Rafsanjani said the escort service was very expensive—he even declared it would be cheaper to fly the oil out. He suggested that the expense of the escort service would help to drive up the price of oil to Iran's benefit. He concluded by declaring the superpower naval presence in the gulf to be "a victory" for Iran.

The President of Iran, Ali Khamenehi, gave the homily at Friday prayers April 25, where he made clear that Tehran's main focus was on Kuwait, rather than the United States or the Soviet Union. "Taking refuge in America or the Soviet Union is not beneficial to Kuwait. And if anyone is going to get hurt, it will surely be Kuwait," Khamenehi said. He denounced Soviet and American policies in the gulf, but he reserved the threats for Kuwait.

The point is that the Iranian Government has prepared its people for a policy that does not call for an open challenge to the United States and Soviet presences in the gulf. The question then is: How can Iran attack us without leaving Iranian fingerprints? The most obvious route would be terrorism. Iran may well have attacked us without leaving fingerprints when the Marine barracks and the U.S. Embassy were bombed in Beirut in 1983.

There are probably three real threats to the United States stemming from our increased presence in the gulf.

First, terrorist attack upon American citizens on land in the Persian Gulf littoral states. That would include U.S. bases in Bahrain and Oman, residences in all the countries, embassies, and hotels, bars, and restaurants where Americans congregate.

Second, mines. On May 17, the *Marshal Chuikov,* the first Soviet tanker sent to support Kuwait, hit a mine as it was entering the port of Kuwait. Some reports say fragments of the mine show rust, indicating it was an old mine that probably floated down from an Iraqi port. However, Tass carried a dispatch saying that seamen aboard the tanker saw an unlighted speedboat approach within about 2 miles after the explosion, halt and watch them for some time. The vessel never offered the tanker assistance and later sped off, still unlighted. Ten day later, on May 27, a Liberian-registered tanker, the *Primrose,* hit a mine while leaving Kuwait. It was in the same channel as the Soviet tanker. Last week, Reuters reported that on June 9 the Greek tanker *Ethnic* struck a mine—and in the same comparatively narrow channel leading into the port of Kuwait.

Third, some original and novel means of shedding American blood without leaving Iranian fingerprints. The Khomeini regime has proven itself a master of ingenuity. In its war with Iraq, it has never enjoyed a profusion of financial or technical resources. But it has shown considerable imagination in adapting to a finite existence. It doesn't just make do with little; it makes little do a lot. I expect the minds that dreamed up the truck bomb and that conceived an outboard navy to fight the Iraqis amid the marshes are probably hard at work right now trying to spring some novel surprise upon us.

If you feel frustrated now as we debate the conditions under which we would retaliate against the Iranians, a debate based on the premise that we would know they were the source of the problem, imagine how frustrated we would feel if we were faced with a bloodletting that left no fingerprints. The pressures to cut our losses and leave the gulf would be immense.

I said at the beginning that there were dangers if we reflagged Kuwaiti ships—and dangers if we didn't.

The obvious dangers to a retraction are political:

We look indecisive and insecure to everyone—ally and opposition alike.

We send a message of unreliability—a very strong message of unreliability—when we first make a public promise and then renege on it.

We renew a concern about American will—an issue that was strong in the wake of Vietnam, but had faded in recent years, especially under the Reagan Presidency.

But there is a physical danger from withdrawal as well. Our flight from the gulf won't eliminate an Iranian threat of attack; it may actually increase that threat. If the Iranians think they have us on the run, they will simply be encouraged to keep chasing after us. In 1979, President Carter thought he could mollify the anger of the Iranian revolutionaries by selling them American refined oil products when Iran faced a shortage. He was warned that act would send a message of weakness, not of friendship. Two months later, our Embassy was seized and 52 Americans taken hostage.

We are the perfect foil for Iran's effort to export Khomeini's Islamic revolution throughout the Islamic world. We need not encourage that regime to use us as a foil.

In conclusion, there are real dangers posed by the policy of reflagging 11 Kuwaiti tankers.

There are dangers if we do reflag—primarily the threat of attack sans fingerprints, as with terrorism or mines.

And there are dangers if we do not reflag—still the threat of terrorist attack, plus the added dangers posed by our sowing a political minefield right in front of ourselves.

Neither route is smooth or danger free.

In future days, I plan to discuss other aspects of our Persian Gulf policy. I will look at the worst case analysis of what could happen as a result of our presence in the gulf. I will discuss some alternatives to reflagging that ought to have gotten more attention from the administration. I will look at what the military needs are in the gulf. And I will review some of the lesser known but important facts of the war in the Persian Gulf. Finally, I will talk about possible modifications to our current reflagging policy.

TRIBUTE TO HON. LOUIS BAY, 2D, MAYOR OF HAWTHORNE, NJ, FOR 40 YEARS

HON. ROBERT A. ROE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 17, 1987

Mr. ROE. Mr. Speaker, it is with a great deal of pride and admiration that I rise today to honor someone from my home State who is not only a great New Jerseyan, but a great American, as well; someone who has truly devoted his long and fruitful life to public service and the betterment of the community where he lives and to all such communities nationwide. I speak of Hon. Mayor Louis Bay 2d, who is retiring this month after nearly five decades of outstanding service to the town of Hawthorne, NJ.

Mr. Speaker, Louis Bay 2d holds the distinction of being the longest continuously serving mayor in the United States, having become mayor of Hawthorne in 1947 and remaining in that post ever since with a distinguished and an unsurpassed public record. Next Tuesday, June 23, Louis Bay's many friends, family and colleagues will gather at the Tides Restaurant in Haledon, NJ, to honor his legendary career, a career of which any public official serving in any level of government would be proud.

Louis Bay 2d, who is 75 years young, was born in Hawthorne where he attended the town's elementary schools before going to Paterson Central High School and, later, Pratt Institute of Science and Technology in Brooklyn, NY. He had a distinguished career in the chemical industry, becoming vice president of the Essex Chemical Co., of which he now serves as director emeritus.

Louis Bay's long and storied career in service to Hawthorne began in 1940 when he was elected to the town's school board. It was in 1943 that he not only became president of the Hawthorne School Board, but that he also took the reins as Hawthorne's Director of Public Safety and Public Affairs, a post he held continuously until his retirement this month. It was also in 1943 that Louis Bay 2d was elected to the Hawthorne Borough Commission. Four years later he became Hawthorne's mayor, a position he would continue to hold without interruption for 40 years. I believe the accomplishments and achievements of his long career are best detailed in a recent article in the magazine, "New Jersey Municipalities":

An acknowledged legend in Hawthorne politics, Mayor Bay led his community with a firm but benevolent hand, coupling shrewd political insight with a genuine warmth for his fellow citizens.

Mayor Bay's public service transcended Hawthorne. He served as a Passaic County Freeholder in the 1950s. He has been a guiding influence in the affairs of the New Jersey State League of Municipalities, having served on the Executive Board for eight years and as president in 1967. He continues to be an active member of the Past President's section and has rarely missed a board meeting over the years. In 1981 he was the first recipient of the league's then just-inaugurated President's Distinguished Service Award.

Mayor Bay also has been extremely active in the National League of Cities, having served on the Board of Directors of the national organization from 1968 to 1970 and as a member of the Advisory Council from 1970 until the present. At its March 1987 meeting in Washington, NLC's Executive Board presented Mayor Bay with a congratulatory resolution on the occasion of his retirement.

League President Alfred H. Baumann, the mayor of West Paterson, NJ, and a personal friend of Mayor Bay, commented that "Lou Bay's record of service to Hawthorne is nothing short of extraordinary. His length of service to the people has rarely been equalled and his dedication and leadership have set standards that are difficult to equal."

Among his many positions, Louis Bay 2d was a member of the Passaic County Board of Chosen Freeholders for 6 years, including 1955–56 when he served as director of the board. He was also chairman of the board's welfare committee, which included all the county hospitals and welfare institutions.

Mr. Speaker, Lou Bay also served on the Hawthorne Board of Health, the Hawthorne planning board, and was a trustee of the former Hawthorne Public Library, which is now named the Louis Bay 2d Library and Community Center. In addition, he was a member of the Passaic County planning board and is a former chairman of the Passaic Valley Sewerage Commissioners, as well as a former member of the board of directors of the Red Cross.

Along with activities related to his life in public service, Louis Bay 2d was also highly involved in a number of professional and community endeavors. He was a former alternate director of the Manufacturing Chemists' Association and a member of the executive advisory committee of the Chemical Industry Council of the State of New Jersey. He was also a former member of the board of directors of the Northeastern Bank, and a member of the Hawthorne Elks Lodge 2260 and Columbus Circle in Hawthorne. Louis Bay 2d was one of the founders of the Hawthorne Boys' Club, and has been awarded honorary membership in the Kiwanis Club, Rotary Club and the Hawthorne Chamber of Commerce. Among his many awards have been a U.S. Congressional Salute, a New Jersey senate citation and the Man of the Year Award by the New Jersey District IV Unico National.

Louis Bay 2d is married to the former Emeline Mowers. They have one daughter, Mrs. John P. Donahue; three grandchildren, Kerry Ann Heineman, Kevin Joseph Donahue, and Edwin Louis Donahue, and one great-grandson, Mitchell L. Heineman.

I want to take this opportunity to salute Louis Bay 2d for his nearly half century of selfless devotion to his town, his county, his State and his Nation. Clearly, he is a great American in every sense of the word.

TECHNOLOGY TRANSFERS AND EXPORT CONTROLS

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 17, 1987

Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for Wednesday, June 17, 1987, into the CONGRESSIONAL RECORD:

TECHNOLOGY TRANSFERS AND EXPORT CONTROLS

The sale of the latest U.S. manufacturing, electronics, and computer equipment to other countries has made an important contribution to global development, while at the same time providing an important market for U.S. firms. Yet some technology transfers have become controversial because of their potential for use by the Soviet Union and its Warsaw Pact allies to improve their military capabilities. A crucial task facing the U.S. is to devise a more effective policy on technology transfers which meets both our commercial and national security needs.

Although the magnitude of technology diversions is difficult to document fully, some evidence is beginning to emerge. We now know that a substantial amount of Western industrial and military technology has flowed to the Soviet Union—primarily to the electronics, chemical, petroleum, and communications industries—through legal sales, diversion of equipment originally sent to other countries, and espionage. Some well-publicized examples include the sale of U.S. ball-bearing technology, which eventually contributed to the development of the Soviet SS-18 missile; the illegal sale of technology to make submarine propellers by other Western companies which improved Soviet submarines; and numerous examples of sophisticated computer sales to Eastern Europe. In one five-year period (1976–1980), the Soviets obtained more than 3500 items for their industrial requirements, largely through illegal means and espionage. In 1980 alone, the Soviet Union reportedly spent more than $1 billion to obtain needed Western documents, blueprints, test equipment, and other hardware. Some 70% of the technology targeted and acquired by the Soviet Union was subject to some kind of national security control within the Western nations.

The flow of technology to the Soviets has not been because the U.S. lacks extensive export controls. Current U.S. law requires export licenses for the sale of military weapons and services, or dual-use technologies which could make significant contributions to the military capabilities of an adversary. There is growing concern that many of the U.S. controls are in fact excessive, harming the export sales of American companies. The National Academy of Sciences recently estimated that $9.3 billion and 188,000 jobs were lost in 1985 due to strict U.S. controls. Excessive export controls damage America's trade and competitiveness position abroad, and decrease incentives for American companies to produce new innovations. In the long run, the technological edge which the U.S. has enjoyed could suffer.

Much of the problem lies in coordinating our controls with those of other countries. At a bilateral level, the United States and other technologically-advanced nations have completed agreements with developing countries which prohibit the reselling (re-exporting) of sensitive technology sold to them. On a multilateral level, the Coordinating Committee for Multilateral Export Controls (COCOM)—a group now consisting of the U.S., Japan, and 14 NATO nations—has had voluntary export controls for restricting strategic trade and technology transfers to Eastern Europe since 1949.

Several reasons account for why these control mechanisms have not worked as well as they might. First, a real debate exists in the U.S. over which technologies should be on the list of restricted items and when items should be removed. The U.S. maintains a long control list, reportedly totaling several hundred thousand items, with both the Departments of Commerce and Defense having genuine disagreements over what should be controlled. Second, there are also frequent disagreements among COCOM countries. Europe and Japan do not always share our views as to what controls should be enacted, because of differing economic and political interests. The Soviet natural gas pipeline crisis of 1981–1982 dramatically illustrated these disagreements. While the United States wanted to restrict Soviet access to sensitive new technology to complete its pipeline to Western Europe, the Europeans wanted to gain access to the Soviet gas and to reap the economic and employment benefits of selling the technology. Likewise, many Western European nations today view continued and increased trade with Eastern Europe as beneficial to better relations, while the United States has been more skeptical of the political benefits of increased economic ties. Third, trying to coordinate controls with non-COCOM countries is even more difficult. Many of the countries which purchase sensitive technology from COCOM-controlled countries do not enforce and, in some cases, do not even acknowledge the prohibitions against re-exporting the technology. In addition, some newly industrializing countries, such as South Korea, Taiwan, and Brazil, are readily selling their own technology to Eastern Europe, and are hesitant to impose restrictions. Without effective controls by all producers and recipients of technology, unilateral efforts by the U.S. will not succeed.

Because technological development has been at the heart of America's economic prosperity and our continued military strength, we must develop a more effective policy on technology transfers. Several steps are necessary. The U.S. needs to do a better job deciding what technology it wants to protect. That means better coordination among federal agencies, as well as developing a simplified and more focused list of militarily-critical technologies. We need to harmonize our list of protected technologies with those of our COCOM allies and then push for rigorous enforcement in guarding access to these restricted technologies. We also need a more vigorous effort, in conjunction with our COCOM allies, to persuade non-COCOM countries—and particularly the newly industrialized countries—to protect advanced technologies from falling into the hands of Warsaw Pact nations. The trade bill currently before the Congress would set up incentives against re-exporting, by granting countries better trade treatment from the U.S. in exchange for not reporting sensitive technology.

None of these actions will be easy or achieve results overnight. Nevertheless, by better harmonizing our controls with those of other countries, we are more likely both to remove unnecessary impediments to U.S. export sales, and to deny our adversaries ready access to militarily-important U.S. and Western technology.

PERSONAL EXPLANATION

HON. DAVID E. BONIOR

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 17, 1987

Mr. BONIOR of Michigan. Mr. Speaker, I was absent from House proceedings yesterday because of a recurring back problem. My physician has prescribed quiet bedrest. Had I been present, on the following rollcall votes I would have voted:

"No" on rollcall vote No. 180.
"Aye" on rollcall vote No. 181.
"Aye" on rollcall vote No. 182.
"No" on rollcall vote No. 183.

THE NEW JERSEY IRISH HERITAGE DAY

HON. JAMES J. HOWARD

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 17, 1987

Mr. HOWARD. Mr. Speaker, I rise to announce a very special occasion of individuals of Irish heritage in New Jersey. On Sunday, June 28, thousands of Irish individuals from New Jersey and nearby communities will converge on the Garden State Arts Center in Holmdel for the 1987 New Jersey Irish Festival. General chairman of the festival, George McCormack, exclaims that the event will be the greatest ever.

The day-long schedule of events is headlined by a star-studded stage show including Dublin's Brendan Grace, Raphaelle and Frank O'Farrell, and the Shilling School of Irish Dance. Tom Dunn, anchorman of Channel 9, will act as the master of ceremonies.

The festival will begin at 9 a.m. with 16 of the finest bagpipe bands in the East competing for a variety of championships in what is termed the festival's most colorful ceremony. The Most Reverend Theodore E. McCarrick, Archbishop of Newark, will celebrate the holy sacrifice of the Mass at 11 a.m., with the Very Reverend Edward Hughes, bishop of Metuchen, as cocelebrant. As in previous years, there will be Gaelic football, free Irish entertainment on the plaza, and an interesting Irish cultural exhibit at which those who are attending the festival can purchase a tree to have planted in their native Irish country.

The festival promises great fun and entertainment for all participants, and proceeds will go to the Garden State Cultural Center Fund. The fund sponsors free programs for senior citizens, disabled veterans, the blind, and New Jersey's school children. Some part of the proceeds will be given to the Irish Festival Foundation which contributes to a number of Irish charities. I highly commend the 1987 Irish Festival council for their action in contributing the proceeds to charity, and I wish all concerned a joyful day in celebration of their Irish heritage.

SURVIVAL OF GENERAL AVIATION

HON. JIM KOLBE

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 17, 1987

Mr. KOLBE. Mr. Speaker, I rise today to bring to the attention of my colleagues a speech by James B. Taylor, president and chief executive officer of Gates Learjet Corporation, a substantial employer in my district.

The speech is titled "The Survival of General Aviation". And while some might consider that a form of exaggeration used merely to gain the audience's attention, I am afraid there is a great deal of truth to it, at least as far as the manufacturing segment of general aviation is concerned.

Though a whole host of problems still plague general aviation manufacturers, Mr. Taylor strikes an optimistic—yet cautious—note. He says the reemergence of the industry is based on innovations born of increased research and development that makes buying new aircraft more attractive than buying used aircraft. Without these innovations it makes economic sense for many buyers to purchase a used aircraft. Further, Mr. Taylor calls on the industry to take a giant leap forward in marketing its products. General aviation, he says, needs to look at alternative methods of promoting aircraft other than direct sales and examine a broader market to include small and medium size companies that presently underestimate the benefits and overestimate the costs of corporate use of aviation.

These are simply the highlights of a most insightful speech, and I highly commend it to my colleagues' attention.

SOCIETY OF AUTOMOTIVE ENGINEERING, WICHITA, KS, APRIL 28, 1987 JAMES B. TAYLOR, PRESIDENT AND CEO, GATES LEARJET CORP.

SURVIVAL OF GENERAL AVIATION

I always enjoy meeting with members of your profession. I have the utmost respect for scientists and engineers and whenever I'm around them, I always learn something. In fact, just this morning I learned the difference between a scientist and an engineer.

The scientist, I was informed, will tell you the general principle why something will work. The engineer, on the other hand, will tell you specifically why it won't.

I'm not sure the "survival of general aviation" is a proper title for this discussion. General aviation is not an endangered-species. It all began at Kitty Hawk nearly 85 years ago and—despite the variable winds of our economic climate—it has grown steadily ever since.

General aviation, as a whole, is alive and reasonably well. Only the manufacturing segment of our industry is suffering from a malaise that the doom and gloom soothsayers would have us believe to be terminal.

The fact corporate flight operations are continuing to show gains confirms the need for modern, high technology, cost-effective business aircraft.

But increased corporate utilization is only one factor in the general aviation equation. All of general aviation today flies more planes, more hours to more places than all the scheduled airlines combined.

Used aircraft transactions are up and exports of certain types and models of new planes, especially in cargo and other special purpose configurations, are improving, and even the military services are operating more general aviation aircraft today than ever before.

While I'm no authority on light aircraft, the plight of that market is obvious. This is most unfortunate, because the small planes in the general aviation fleet are a vital component of the National Transportation System. We need them for business, for training and many other applications.

What's happened? The traditional pyramid of new aircraft shipments has become inverted. Turbine models once at the top in comparatively small numbers are now at the base and make up the base of the pyramid in relation to the other models. We've seen the ratio of deliveries—piston versus turbine—reverse itself in recent years.

The manufacturers are in trouble because we seem to have reached our technological limits. Consequently, we now have a "used equals new" situation in the marketplace.

Today, we have eight manufacturers of corporate jets serving a market which isn't large enough to keep them all healthy. I think we will see some more attrition during the next few years and possibly some consolidations.

Historically, the economic well-being and the national security of America and its industries have always depended on technological innovation. Thus, if we are to maintain a position of leadership in corporate aviation, as in other fields of endeavor, then we must invest and invent.

I recently read an article in "FORBES" where the founder of Owens-Corning once said, "You can't be a winner if you don't have the products."

But, as we all know, you can't get a new product if you don't do the research. A company living off its established products won't live very long. Owens-Corning spent 20 years developing fiberglass for commercial use. In today's highly competitive markets, we don't have that kind of time.

Until recently, 30 percent of Owens-Corning's research went for projected business in the 1990's. But, because it needed funds to thwart an unwanted takeover bid, the company cut its research budget in half, sharply reduced its work force and shutdown much of its productive capacity.

Sure, this resulted in an increase in operating income and a boost in the price of stock, but the gains are short-term. As one official put it, "we're cutting into our heart muscle by cutting back on research."

The same thing applies to our own industry: the parallel is remarkably similar. While our problems differed in that they started with a decline in sales, one of the first items cut was R and D. Most companies are still in that mode today or at least operating on a limited budget.

As engineers, you should know the other reason R and D funds are being curtailed. Conventional approaches no longer excite the market. Truly innovative certificated designs, such as the Beech Bonanza and the Model 23 Learjet, are missing—and have been missing for at least 25 years.

In aviation, the cost of research and development has reached staggering proportions. John Newhouse said it well in his book, "The Sporty Game." He stated that you literally bet the company when you develop an all new airplane in today's environment.

Unfortunately, part of the cost increases are due to a lack of resolve to find the most beneficial and economically practical solutions to engineering problems.

Only a few men spent less than a week in a hotel room designing the famed Liberty engine of World War I. And the venerable DC-3, in a day long before we had computers, was developed by fewer than 50 people. Could these remarkable feats be duplicated today? Not likely.

The bottom line is that we must challenge ourselves to produce more with less. The money machines are turned off. Now more than ever, the future of our industry depends on the ingenuity, drive and resourcefulness of aviation's technical community.

Unless we can make such a commitment, the time may come when we would have to consider teaming arrangements or the possibility of forming consortiums. Such options might be the only way we could develop new products that incorporate the latest state-of-the-art.

Cost effective, innovative design is the answer. It will widen the gap between new and used aircraft. I'm convinced that if we offer customers advanced technology products, they will buy!

Corporate aircraft today, when professionally flown and maintained, are every bit as safe and reliable as the most modern airliner. And as we develop new products, we must keep in mind that they should always equal or exceed the impressive performance of commerical transportation.

However, airline service in the United States today is miserable. It falls far short of meeting the needs of business. More and more it is pointing up the many advantages of private jet travel, a condition that bodes well for corporate aviation.

After all, no well-run company can afford to have its key executives hurriedly leave an important business meeting to catch a scheduled flight, or waste time in "hub" airports waiting for an airline connection, or worse yet, suffer the inconveniences and indignities of retrieveing lost luggage.

The scheduled air carriers today have few direct flights to anywhere. Even the shortest trips often require a change at one of the hubs. It's been said that if you go to Heaven or Hell, you'd have to change planes in Atlanta. Deregulation has created many more hubs.

On the marketing side of the ledger, we can no longer expect the larger corporations to consume the lion's share of our production. Sure, they'll always be there, but convincing small and medium size companies of business aviation's unique benefits is our greatest challenge.

Frankly, as an industry, we've done a lousy job. Just as we need technical innovation, we need marketing innovation. A new network of business jets, for instance, might service many companies, regardless of their size, through share leasing or even renting aircraft seat time.

There are many examples of this in other forms of transportation. Regardless of a company's size, every executive's time is precious in terms of productivity. Most companies and corporations today lease automobiles and other vehicles. Why not airplanes or block times or even seats?

Our industry must also create new marketing strategies. In addition to selling hardware and transportation, we must educate everyone on the ever increasing value of time and face-to-face communications. Also, let's make "conceptual selling" a new art form. For one thing, we must increase public awareness of the vital role corporate aviation plays in our business lives.

In other words, we must create a positive image. The business aircraft long ago proved itself the most versatile, efficient means of supplying "on demand, random access" transportation yet devised. Buses and trains will never replace the automobile. Public air transportation will never replace business aviation. Corporation aviation today is a major factor in the Nation's economy.

But so far these facts have escaped those who are placing unwarranted burdens on our industry. A biased press, greedy court claims, restrictive trade policies and uninformed rule-making have all had a negative impact on our industry.

The next generation of business aircraft should fly still faster, farther and higher. The new products should feature innovations in aerodynamics, propulsion and instrumentation. They probably will be built with exotic new materials, new processes, and, their flight controls should be even more automated.

Indeed, the industry needs to see some striking changes in the design and manufacture of business aircraft. In terms of performance, efficiency, comfort and maintainability, the corporate airplane of tomorrow must be far superior to anything flying today.

That's where you come in. For unless you can do the job without putting the entire company at risk, then we may not be meeting together like this much longer.

Contrary to all the pessimists I mentioned earlier, our industry is not terminally ill. They would have us believe that the only answer to our present dilemma is not to build a better mousetrap, but to build a worse mouse.

Yet, if we didn't believe in general aviation's future, we wouldn't be here today. Sure, our plate is full of unsolved opportunities. But, I'm confident that with lots of hard work and your innovative contributions, we'll soon put our problems behind us.

When that happens, we'll see a resurgence of activity, a renewed vitality in corporate aviation. And despite all the scuttlebutt, learjet again will emerge as the technological and marketing leader.

IN CELEBRATION OF 100 YEARS OF THE JEWISH EXPONENT

HON. PETER H. KOSTMAYER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 17, 1987

Mr. KOSTMAYER. Mr. Speaker, for 100 years the Jewish community in the Philadelphia area has been served by a remarkable newspaper, the Jewish Exponent. The Exponent began publication on April 15, 1887, and is now the second oldest continuously published Jewish newspaper in America. The paper has expanded from 14 to over 100 pages, and its circulation has grown to 65,000.

And over its century of publication the Exponent has sustained its tradition of excellence, excellence which has consistently placed the Exponent among the top five Jewish papers in the country. Indeed, the Exponent has been called "the New York Yankees of the Jewish press." Its views are widely respected by Jews and non-Jews alike.

An article about the the Jewish Exponent appears in the June 11 Philadelphia Inquirer. The article follows:

ONE HUNDRED YEARS AS A VOICE OF THE JEWS OF PHILADELPHIA

(By Douglas J. Keating)

If you are Jewish and live in the Philadelphia areas, the joke goes, you don't have a name, you haven't married or you haven't died until it is printed in the Jewish Exponent.

Albert H. Erlick, managing editor of the Exponent, views his paper "as a kind of communal glue that holds together a community that is ever more spread out and diversified. It is one of those voices that brings the Jewish community together."

Five generations of Jews have listened to the Exponent's voice. This year the newspaper is celebrating its 100th anniversary, and the key event of the centennial celebration will be a dinner Sunday at the Sheraton Society Hill.

Founded by a group of 43 Philadelphia Jewish businessmen, the Exponent began publication April 15, 1887. The first issue was 14 pages, compared with the average of 105 of the smaller pages that the tabloid Exponent publishes today.

The front page of the first Exponent was taken up by advertisements for such businesses as Blumenthal Bros. & Co., a boys clothing store at 44 N. Third St., and Hirsh & Bros., "the largest umbrella and parasol manufactory in the world" at 1309-17 Market St. The front page of the Exponent is now dominated by an attractively laid-out four-color picture, with headlines previewing important stores inside.

Although the circulation of that first issue of the Exponent is not known, it is certainly nowhere near the 65,000 copies now distributed weekly to serve the estimated 250,000 to 275,000 Jews in the Philadelphia area. But the motto on the page-one flag of the Exponent of 100 years ago—"A weekly journal devoted to the interests of the Jewish People"—would fit just as appropriately on the Exponent of today.

Erlick freely acknowledges that the Exponent, published by the Federation of Jewish Agencies of Greater Philadelphia, is an advocacy publication whose readers want it that way. "There is an element of trust there," said Erlick. "If you read the story in the Exponent, even if it isn't a positive story in terms of Jewish interest, say, about Israel, somehow the fact that you read it there is different than if you read it in say, the Inquirer."

There is a lot to read in the Exponent. The paper carries full listing of a milestones such as births, deaths, bar mitzvahs and weddings. There are dozens of stories about the activities of individuals and organizations frequently illustrated by photographs of plaque- or check-holding people smiling broadly for the camera.

It also prints news and commentary about national and foreign developments. "If there is a program in Luxembourg, we want to know about it and we want to write about it," Erlick said. "Jews are very interested in what happens to Jews in other places."

Although much of the foreign and national news printed in the Exponent comes from the Jewish Telegraphic Agency, the Jewish press' equivalent of the Associated Press, the Exponent does contract with free-lance writers to cover important events and occasionally sends a staffer abroad or elsewhere in the United States to cover a story. Cooperating with several other Jewish papers, the Exponent has a writer covering the war-crimes trial of Klaus Barbie in France.

Erlick has an editorial staff of 10 working in the paper's office in an office building at 16th and Locust Streets. They handle the nuts-and-bolts news that fills up much of the editorial space, but they also write longer, issue-oriented pieces that have won the paper a number of awards among Jewish newspapers.

As might be expected, Erlick regards the Exponent as one of the best Jewish publications in the country, but he is not alone in that opinion.

Says Robert Cohn, executive editor of the St. Louis Jewish Light and president of the American Jewish Press Association: "It certainly has always been among the top five of Jewish newspapers." Because of its large number of pages and financial resources, Cohn said, the Exponent is sometimes referred to as "the New York Yankees of the Jewish press."

Although the Exponent no longer prints advertisements on the front page, there is no shortage of advertising in the rest of the paper. Sixty to 65 percent of the newspaper's weekly bulk consists of ads. It is, according to Richard Waloff, the paper's business manager, a good place to advertise.

"The demographic makeup of the Exponent reader is of a pretty upscale person," he said. "The people who get the Exponent shop and support the advertisers. They're a smart shopping audience."

What this means for the Exponent is financial success. Although the paper is owned by the Federation of Jewish Agencies of Greater Philadelphia, a charitable organization, it is hardly a charity. Revenues in excess of operating expenses are turned over to the federation—and according to Robert P. Forman, the federation executive who oversees the Exponent, the paper's financial contribution is important.

The Exponent is the second-oldest American Jewish newspaper in continuous publication. (The oldest, The Israelis, was founded in Cincinnati in 1854.) An exhibit on the history of Jewish journalism, which the National Museum of American Jewish History, 55 N. Fifth St., has mounted in recognition of the Exponent's centennial, traces the first Jewish journal in America to New York in 1823. It was called, quite plainly, The Jew.

"It was printed as a response to Protestant evangelical efforts among the Jews," said Kenneth Libo, the museum's curator for historical exhibitions. "It was meant as much to warn Jews of the efforts of the evangelicals as it was to ask the evangelicals not to proselytize among the Jews."

The Jew lasted only two years. What is regarded as the first Jewish newspaper was the Occident, which began publishing in Philadelphia in 1843. Libo describes the Occident, published by Isaac Lesser, as "the major Jewish journal in America in the middle of the 19th century." The publication circulated widely, and many of the readers were Jewish peddlers.

"They would get off the boat in New York and go off to these Godforsaken places on the frontier, where they would find themselves totally isolated from Jewish life," Libo said. "There wouldn't be Jews within hundreds of miles of where they were, yet they would carry in their peddler's cart Lesser's Occident and it would keep them in touch."

The Occident was published for 26 years until Lesser's death in 1868; after a couple of other papers for Philadelphia Jews had experienced short lives, the Exponent began publication nearly two decades later.

Next week the Exponent will publish a special 210-page anniversary issue. It will feature 17 essays, some by nationally famous personalities, on the development of various aspects of Jewish life in the last 100 years. It also will carry a chronology of representative articles, ads and photographs gleaned from its pages.

Over the years the paper offered extensive coverage of issues pertaining to Jews and Judaism, particularly the Zionist movement and the long story of the creation of a Jewish state in Palestine.

Other stories, however, were not so weighty. From the 1950's there is a short piece about Cleveland Indians third baseman Al Rosen receiving permission to skip a game because of Yom Kippur. From the last years of the 19th century, there is an excerpt from a letter to the editor concerning a long-running discussion on the apparently controversial issue of whether Jews should attempt to be farmers.

Although the Exponent survived, it was far from financially successful. It was severely buffeted by the Depression, and by the end of World War II was in deep financial trouble. In 1944 real estate magnate Albert M. Greenfield purchased the financially troubled paper and turned it over to the federation.

Ownership by the federation—which also owns the city's only other Jewish paper, the Jewish Times, which circulates primarily in Northeast Philadelphia—guarantees the Exponent's circulation. Anyone who contributes $25 or more to the Federation gets a year's subscription to the Exponent, an arrangement that accounts for 45,000 readers, or more than two-thirds of the circulation.

The federation, through Forman, plays an active role in publication of the paper. Forman said he meets weekly with the editors to review the editorial policy. "It has a great deal of editorial freedom," said Forman—adding, however, that "anything that appears in the Exponent is clearly the interest of the federation."

The federation's ultimate control over editorial content is something that Erlick, a 17-year Exponent employee who has been managing editor for the last four years, seems content to live with. He acknowledged that he discusses with the federation how the paper can help publicize federation projects, such as the launching of a new agency or a fundraising campaign, but he said that day-to-day decisions on the news coverage were up to him.

The federation may pay them, but both Erlick and business manager Waloff regard themselves as newspapermen rather than federation employees. "It's not that we're boxed into this thing that we are a Jewish publication," Waloff said. "We feel that we are a force in the community, that we are a real newspaper and not one to be taken lightly.

COME ON, MR. PRESIDENT

HON. JOHN BRYANT

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 17, 1987

Mr. BRYANT. Mr. Speaker, President Reagan spins a lot of yarns, some of them with a basis in fact. On one occasion last year, he actually told a shockingly true story about the cost of housing the poor and homeless in New York and even came up with what seemed like a good idea about trying to find a more sensible, less expensive solution.

Now the President is opposing legislation to implement the very suggestion he made. I want to share with my colleagues and the American people an editorial about this issue which appeared in the Dallas Times Herald of June 17, 1987:

REAGAN: WHO THOUGHT THIS UP?

It was bound to happen sometime. President Reagan told an anecdote last fall that contained the germ of one of the most innovative ideas for housing the homeless in years. To the president's consternation, Congress took him seriously, and now the president is fighting a promising program that he inadvertently proposed.

The story began Nov. 19, when Mr. Reagan declared, "I just read this morning in the paper about a needy family in New York that is being put up in a hotel, and the cost to welfare just for the rent of the hotel room is $37,000 a year. And I wonder why somebody doesn't build them a house for $37,000."

It may have been a throwaway line, but New York officials, who pay to house more than 13,000 people in overpriced, run-down welfare hotels, took it seriously. They had been wrestling with federal welfare laws that permit officials to spend almost anything on emergency shelter, but nothing for capital costs.

Cesar Perales, New York's commissioner of social services, aptly noted, "It is a disgrace that we have federal rules that allow us to spend this money on hotels, but not on building housing for poor people."

New York's congressional delegation introduced bills altering rules in the Aid to Families with dependent children program to permit states to use a portion of the federal money to build low-income housing. The bill has cleared the House Ways and Means Committee—but has now run afoul of the president who is siding with the bureaucratic status quo in opposition to his own brainstorm. Come on, Mr. President, you had a good idea. Own up to it.

H.R. 2692—PERMANENT RESIDENCE FOR POLISH MARTIAL LAW REFUGEES

HON. WILLIAM O. LIPINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 17, 1987

Mr. LIPINSKI. Mr. Speaker, I rise today to introduce H.R. 2692, legislation which grants permanent resident status to Polish refugees who fled their country when martial law was imposed.

For years, Polish refugees who fled their country when martial law was imposed have had to endure uncertainty and fear in this country. Under a special immigrant status called extended voluntary departure [EVD], most have been given permission to reside and work in the United States—but only for 6 months at a time. Every half-year, the Immigration and Naturalization Service [INS] has had to renew EVD status or else these Polish refugees would be subject to deportation.

While we are all grateful that the Reagan administration decided to act so expeditiously with the outbreak of martial rule in Poland, the continued practice of EVD has wrought havoc with the lives of these refugees. Try to make long-term plans or committments—getting a mortgage, obtaining credit for major investments, landing a career-oriented job—with the knowledge that every 6 months a decision could be made that would wipe all this out. Along with 55 of my colleagues, I wrote of this concern to Attorney General Meese last July, but received no response whatsoever.

What makes this legislation even more timely and appropriate is the recent decision of the State Department not to recommend renewal of EVD status for these people. Evidently, the Department believes the situation has returned to "normal" in Poland. Come July 1, 1987, the very refugees whom President Reagan has defended so eloquently in the past will become eligible for deportation. Since many of the Poles are former members of Solidarity they can expect nothing but harassment and fear upon return to their native land. Instead of replacing a temporary policy with a lasting and just one, it seems the administration intends to follow a policy of no policy.

The large majority of the refugees in question have been living in this country for a period longer than that required to obtain U.S. citizenship and have been productive members of the American community—none of them are on welfare. It is a tragedy that since most of the refugees came to the United States after the general amnesty date of January 1, 1982, they are not eligible for permanent resident status under the new immigration law.

I urge my colleagues to join with me in this effort not to turn our backs on people who have fled martial law and Communist rule. Support H.R. 2692.

TRIBUTE TO MOE FINKELSTEIN

HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 17, 1987

Mr. TOWNS. Mr. Speaker, today I rise in order to pay tribute to a special person in the 11th Congressional District of New York, Moe Finkelstein, who is retiring this year after long years of service in the New York City school system.

Moe exemplifies the best we have to offer in American education and American sports. After being an all-city player at Thomas Jefferson Senior High School and an all-American at Bucknell University, he returned to his high school alma mater to teach and to coach football. For 32 years, he has been a dedicated football coach at Jefferson High School. In this capacity, he has been a tremendous asset to the school and his team by serving as an excellent role model for both his peers and his players.

While at Thomas Jefferson, Moe has been the winningest football coach in New York City. And, he has produced the greatest number of professional football players in the New York City high school football program. Through his guidance and direction, his teams have won three New York City championships since 1971.

Moe Finkelstein has been a driving force in improving and expanding the Jefferson High football program, year-round, by developing the importance of weight training for players and advocating a championship playoff structure among high schools. In addition, he developed a link between specialized hospitals and high schools to treat the sports injuries of players.

Moe Finkelstein is currently the assistant principal and athletic director at Thomas Jefferson Senior High. He is married to the former Elaine Pearlstein of Brooklyn. They have two children, David, 22, and Karen, 18, who have recently graduated from college and high school respectively.

Thus, Mr. Speaker, it is with great pleasure that I join the people of Brooklyn in extending a special thanks to Coach Finkelstein for his 32 years of service to Jefferson High and the community.

A TRIBUTE TO THE AMERICAN DOUBLE DUTCH LEAGUE WORLD INVITATIONAL DOUBLE DUTCH CHAMPIONSHIP ON THE OCCASION OF THEIR 14TH ANNIVERSARY

HON. WALTER E. FAUNTROY

OF THE DISTRICT OF COLUMBIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 17, 1987

Mr. FAUNTROY. Mr. Speaker, I would like to bring to the attention of my colleagues a very special event, the World Invitational Double Dutch Championship. This event, sponsored by the D.C. Metropolitan Police Department with grants from United Technologies and support from a number of Washington-based businesses and organizations, involves young people engaged in healthy athletic exercise.

For the first time in 14 years, this championship will be held in the Nation's Capital. The increased popularity of double dutch has necessitated that the invitational be extended from a 1-day event to a 3-day event.

Double dutch is a lightning-quick team sport involving two jump ropes turned eggbeater style around one or two jumpers, testing speed, agility, and creativity. The sport, believed to have originated with ancient Egyptian, Phoenician, and Chinese ropemakers, has grown in popularity both as a recreational and competitive activity.

The American Double Dutch League was officially formed in 1974 by New York City Police Detectives David Walker and Mike Williams who were looking for a structured sport in which city youth could become involved.

The league held its first citywide tournament in 1974, in New York City, and the first national championship soon after. Today, more than 100,000 athletes nationwide and in foreign countries participate in double dutch programs for the chance to compete in the World Invitational Championship.

The participants are grouped into five categories: Fifth, sixth, seventh, and eighth graders, high school and college students. Teams are rated by a panel of judges in three areas of competition: Speed jumping, compulsory routines, and freestyle jumping.

Double dutch has served as a wholesome recreational activity, enriching each youngster with the experience of meeting and sharing with other youth, gaining a better understanding of differing traditions, cultures, and nationalities. It is important for our youth to engage in activities which promote physical fitness.

Every young person participating in this event is a winner. I congratulate the organizers of this event, the D.C. Metropolitan Police Department, United Technologies, and other businesses and organizations for their support and I especially extend my best wishes to the double dutch team from the District of Columbia.

BALANCED BUDGET AMENDMENT

HON. ROBERT E. BADHAM

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 17, 1987

Mr. BADHAM. Mr. Speaker, I rise today to express my support for the new version of the balanced budget amendment introduced today by Congressman CHARLES STENHOLM. Similar amendments have been introduced in the past, but today's occasion is unique because the cosponsors of the amendment include a majority of the House of Representatives. It is my sincere hope that this development will help move us toward adopting the amendment.

Excessive deficit spending drains capital away from the free market, where it can be used to create jobs and increase productivity. As our capital markets have improved, business has become increasingly able to fuel economic growth. Fifty years ago, in the time of Keynes, some thought it was relatively more efficient to have government stimulate the economy by running a deficit. It would appear that many of my colleagues are still following this form of thought today. However, they seem to have forgotten the second half of Keynes' theory, that in good economic times, the deficit should be eliminated. Furthermore, capital that the government borrows to finance its projects can be put to much better use in the private sector today than it could in Keynes' time because of our better capital markets.

The amendment introduced today does not specifically prohibit deficit spending. It simply makes it more difficult to run a large deficit by requiring that three-fifths of the Members of each House go on record in favor of such a deficit. It seems that it would be simple enough for Congress to approve such spending if it could be demonstrated that such action was necessary because of a national emergency.

A balanced-budget amendment would help the economy more than deficit spending. Such an amendment would force us to consolidate social programs to make them affordable to the Government. At the same time, such consolidation, if done properly, could very well make such social programs more effective, both by cutting the bureaucracy and by increasing the size of the private sector economy.

Mr. Speaker, it is time to rethink our economic and fiscal policies and the balanced budget amendment is a good place to start.

GERRY COONEY IS A MAN WITH A GREAT HEART

HON. ROBERT J. MRAZEK

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 17, 1987

Mr. MRAZEK. Mr. Speaker, two nights ago, a young man I know personally lost a boxing match in Atlantic City. Since then, I have heard some people suggest that he was never a fighter of championship caliber.

That may be true. But, I would like to point out that, far more importantly, Gerry Cooney is an extraordinarily good man—a man who comes from my own hometown of Huntington, Long Island and of whom we in Huntington are very proud.

Gerry Cooney is a man with great heart. If he possesses a defect as a fighter, it is that he has a gentle soul. In fact, it's hard for anyone who knows Gerry to believe that he ever had the so-called killer instinct that some believe is an important prerequisite for a fighter.

I don't know what Gerry Cooney's plans are for the future. I do know this: After all of the fine work he has done as a volunteer for many causes to help others in our town, he has our best wishes for the years ahead.

A CONGRESSIONAL SALUTE TO CONNIE B. GUZMAN

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 17, 1987

Mr. ANDERSON. Mr. Speaker, I rise today to pay tribute to an outstanding political leader and businesswoman in my district, Connie B. Guzman. Connie was honored May 29 at the installation dinner held by the Mexican-American Democratic Club at Del Conte's Restaurant in Torrance, a city I formerly counted in my district. She has been active in Democratic politics in the South Bay Area for well over 20 years.

A native Californian born in La Puente, the former Connie Betancourt married Louis Guzman in 1942 at the age of 21. While raising her two fine sons, Connie was also building a successful small business venture, which blossomed into the well-known hair salon, Duchess Coiffurett Beauty Salon & Boutique located on Pacific Coast Highway in Lomita, another area whose citizens were once in my district. Her expertise in the hair salon field has been long-valued by her peers in the Hairdressers Association of which she has been a member since 1957.

Connie has long been active in Mexican-American Democratic politics in the South Bay. She was a member of the Mexican-American Unity Council from 1965-68; a member of the Democratic Council; active in the Harbor Area Political Coalition, of which she is currently vice president; and has been appointed to serve on the California State Central Committee every year since 1973. Connie has also lent her considerable energies to service in the Zonta Club of the South Bay Area since 1985, serving as secretary last year. However, she established herself as a leader in the Mexican-American community through her 9-year tenure as president of the Mexican-American Democratic Club, from which she finally stepped down in 1986. She still serves the club as first vice president.

Mr. Speaker, I think we would all agree that Connie B. Guzman's record of service, involvement, and leadership in the Southern Los Angeles area is truly extraordinary. I certainly hope my area's Mexican-American community will continue to benefit from her efforts for many years to come. My wife, Lee, and I would like to commend Connie for her civic pride and numerous contributions to our community, and wish her, her husband, Louis Guzman, their sons, Carlos Louis and James Patrick Guzman, their six grandchildren, Greg Allen, Jeanine Connie, Carlos Louis, Jr., Steven Anthony, Raymond Louis, and Ryan James Guzman, and their great granddaughter, Valerie Nicole Guzman the best of luck in their future endeavors.

THE 75TH ANNIVERSARY OF MONTEBELLO CHAMBER OF COMMERCE

HON. MATTHEW G. MARTINEZ

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 17, 1987

Mr. MARTINEZ. Mr. Speaker, I rise today to pay tribute to the Montebello Chamber of Commerce and Industry on its 75th anniversary.

Founded in 1912 by a group of 26 business and professional leaders, the Montebello Chamber of Commerce and Industry has been instrumental in establishing the San Gabriel Valley community we know today as Montebello, CA. From its earliest beginnings, Montebello was a 40-acre townsite known as Newmark, which was initially developed as a result of an oil discovery on the townsite. At one time, present day Montebello produced one-eighth of California's total crude oil.

Beyond these early beginnings however, the chamber of commerce promoted Montebello as an agricultural community. Early ads in Los Angeles newspapers placed by the chamber of commerce boasted about Montebello's ideal climate, productive soil, abundant water supply and close proximity to downtown Los Angeles. Indeed, from the turn of the century and through the 1920's Montebello was famed for her fields of flowers, vegetables, berries and fruits.

In order to encourage growth of the community, the Montebello Chamber of Commerce was responsible for most of the city's first civic improvements. For instance, a three member panel of chamber members helped to bring electric power to Montebello in 1914. Other early achievements of noteworthy significance included the paving of Whittier Boulevard—one of Montebello's main thoroughfares—planting trees along city streets and purchasing a street grader. Additionally, secondary education became a reality in Montebello as a result of groundwork laid by the chamber of commerce for the construction of a local high school. And finally, perhaps the chamber's greatest achievement came in 1920 when, through its labor, the city of Montebello was incorporated.

Throughout the last 75 years, the Montebello Chamber of Commerce and Industry has been invaluable to the city of Montebello. However, the chamber as an institution cannot be praised without sufficient accolades going to those men and women who have spent many uncompensated hours, weeks, and years promoting the Montebello community. I pay special tribute to these individuals since they clearly demonstrate that hard working men and women make a difference in our country.

As the city experiences rapid growth of the 1980's and undertakes an aggressive redevelopment program, the Montebello Chamber of Commerce and Industry continues to play a vital role in the community and will do so for generations to come.

URGING SUPPORT FOR H.R. 911, THE "VOLUNTEER PROTECTION ACT OF 1987"

HON. EDWARD F. FEIGHAN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 17, 1987

Mr. FEIGHAN. Mr. Speaker, today I urge my colleagues to support H.R. 911, the "Volunteer Protection Act of 1987." This limited, carefully crafted legislation would ensure that the ranks of volunteers are maintained. It would not diminish the rights of injured persons to obtain redress through the courts.

The need for such legislation is imperative for two reasons. First, the fear of personal liability has drastically deterred volunteerism. This problem may partly be one of perception because few lawsuits against volunteers of nonprofits are successful. But volunteers are nevertheless becoming increasingly hard to find. Second, when nonprofit organizations do find volunteers, they may be faced with even costlier—and sometimes unaffordable—liability insurance. Thus, fear and expense threaten volunteerism, a time-honored and crucial American tradition.

The Volunteer Protection Act is a balanced response to this difficult issue. By encouraging

States to grant volunteers immunity from lawsuits, the bill offers an effective solution to the problem of dwindling volunteerism. And by limiting this immunity to actions which such volunteers undertake in good faith as part of their official functions, the bill offers a solution that is appropriately narrow in scope.

Mr. Speaker, our Nation depends on volunteers to make things work. Their services are vital. I urge my colleagues on both sides of the aisle to move quickly to enact volunteer protection legislation.

SALUTE TO MURRAY GOLDSTEIN AND PAUL RICHTER

HON. BENJAMIN L. CARDIN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 17, 1987

Mr. CARDIN. Mr. Speaker, this year the Abraham Schreter Lodge of the B'nai B'rith celebrates its 22d anniversary. This evening the lodge will hold its "Outstanding Citizens Dinner" honoring Murray Goldstein and Paul Richter. Mr. Goldstein and Mr. Richter are both very active in the Baltimore Jewish Community and in the community at large. Their contributions and accomplishments are many. They have been key in B'nai B'rith's yearly donations of over 100 passover food baskets to the needy in the Greater Baltimore area.

I commend and congratulate Murray Goldstein and Paul Richter on their hard work and effort. It is both fitting and proper that they be recognized with the awarding of the B'nai B'rith's Outstanding Citizens Award. Both Mr. Goldstein and Mr. Richter set a fine example for all Americans with their hard work aimed at making their community a better place to live.

I am happy to salute Murray Goldstein and Paul Richter and wish them luck in their future endeavors.

H.R. 2342: COAST GUARD AUTHORIZATION

HON. DOUGLAS H. BOSCO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 17, 1987

Mr. BOSCO. Mr. Speaker, I rise in strong support of H.R. 2342 as approved by the House Merchant Marine and Fisheries Committee. I wish to thank Chairman WALTER JONES and subcommittee Chairman EARL HUTTO for developing a bill that is both fiscally responsible and capable of allowing the U.S. Coast Guard to continue fulfilling its many vital functions.

As House Members will remember, it was not without significant effort that we were successful last year in staving off nearly $230 million in Coast Guard appropriations cuts approved by the Senate with the administration's support. If allowed to stand, these reductions would have rendered the Coast Guard a severely weakened institution. I am hopeful that the recent $2.6 billion authorization bill approved in the other body signifies a new congressional consensus in support of a strong Coast Guard.

This year the House Merchant Marine and Fisheries Committee has passed legislation that once again seeks to preserve and strengthen the Coast Guard's performance level. H.R. 2342 not only meets House budgetary guidelines, but provides the resources necessary to permit the Coast Guard to function efficiently in its missions of search and rescue, drug interdiction, aids to navigation, fisheries law enforcement, marine and boating safety, and environmental protection. Overall, H.R. 2342 provides nearly $130 million more than the total appropriation in fiscal year 1987 for Coast Guard operations. This measure also provides $386 million for retired pay, and $21.1 million for research and development efforts.

As the Representative of nearly one-third of the California coast, I can attest to the importance of Coast Guard activities. In fact, no other governmental institution that I am aware of has earned more respect and support along California's north coast area. Boating and fishing organizations, the business community, local governments, and others involved with the marine environment have all come to depend on the Guard's many operations—none of which is more important than search and rescue.

In California, the Coast Guard saves on the average 21 lives per year. Along the rugged northern California coastline, the Guard's Humboldt Bay air station was credited with saving 18 lives in 1985 alone. This year the air station is likely to be involved in excess of 150 search and rescue operations, many of which involve members of the commercial fishing industry. As with fishermen in other parts of the country, many are forced to fish in extremely hazardous conditions to sustain their livelihood. The one Coast Guard cutter and two lifeboats stationed at the nearby Eureka station are expected to be involved in a like number of rescue missions this year. Further north off Crescent City, the Guard's single cutter undertook 81 search and rescue operations in 1986.

At a minimum, I believe this tremendous workload underscores the need to sustain adequate funding for basic operations. This is particularly true in areas that are economically dependent on fishing, tourism, and coastal trade. Along these lines, it is important to note that the committee report language to H.R. 2342 directs the administration not to reduce search and rescue resources below last year's level.

Mr. Speaker, the public and private demands upon the Coast Guard have never been greater. I thus join with other members of the Merchant Marine and Fisheries Committee in urging expeditious passage of H.R. 2342. I would hope my colleagues recognize the widespread public support for doing so.

EDWARD J. PLAWECKI: COMMUNITY SERVANT, POLITICAL ACTIVIST AND FRIEND

HON. SANDER M. LEVIN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 17, 1987

Mr. LEVIN. Mr. Speaker, it is indeed a pleasure for me to rise and pay tribute to Edward J. Plawecki. Ed will retire July 1, 1987, after a work life filled with United Automobile Workers Union activity and a true dedication to Democratic politics.

Ed was raised in the city of Detroit and served with the U.S. Army during World War II. Upon his return to Michigan, he began his affiliation with the U.A.W. serving in various plant positions until his election as president of the S.T.A.R. Building at U.A.W. Local 600. He served as the president of Woodhaven Stamping Plant Local 387 before advancing to his current position as an international representative of the U.A.W. Region 1–A.

Edward Plawecki has always been active in the Democratic Party from the grassroots level to his present position on the State Central Committee. He has served as the 15th District Chair and as U.A.W. Community Action Program Coordinator for the 2d and 15th Districts.

The Plawecki family moved to Dearborn Township in 1960. Ed played an active role in the formation of the new city of Dearborn Heights and served on the city's civil service board. He is still active in his community through activities with the Goodfellows, the P.L.A.V. and the Knights of Columbus.

Ed and his dear wife, Lillian, who passed away in 1983, raised three sons who share the family interest in politics and public service. David is a former State Senator who now serves as the administrator of my Southfield, MI, office. Edward, Jr. is the vice chairman of the Wayne County Board of Coordinators. Richard is the treasurer of the city of Dearborn Heights.

The name "Plawecki" has become synonymous in our State with political involvement and public service. On behalf of the residents of the 17th District, I thank Ed for his years of service, his dedication to the political system and his commitment to the welfare of our community. My heartiest congratulations to Edward J. Plawecki and my very best wishes to him for a fruitful, healthy, and happy retirement. I am proud to call him my friend.

DUTIES AND RESPONSIBILITIES

HON. RON PACKARD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 17, 1987

Mr. PACKARD. Mr. Speaker, 200 years ago today, convention delegates in Philadelphia began their critical discussions and comparisons of the Virginia and New Jersey plans. Two documents, each representing completely different viewpoints, were layed out so that they could be thoroughly analyzed before a decision could be made for the good of the people and the country. What needed to be determined was where the main source of power should come from and how that power should be divided.

When Mr. Paterson proceeded to defend the New Jersey plan he stated, "a little practical virtue is to be preferred to the finest theoretical principles, which cannot be carried into effect," Our budget process is just one example of how, over the past 200 years, we have lost the pragmatism Paterson spoke of and have yielded to partisan ideology. We need to make changes in our system that will reinstate these practical virtues.

When studying the debates and words of our Founding Fathers one can see the reflections of their wisdom. We need to rebuild their spirit so that we can forcefully confront the many complicated issues before us, issues too complicated to be solved in the black and white world of partisan ideological rhetoric. This might sound like a plea, a plea similar to the one used by Edmund Randolph of Virginia at the conclusion of the day 200 years ago today who stated, "The present is the last moment for establishing a properly constituted national government. After this select experiment, the people will yield to despair."

We cannot continue our current pace because our future and the future of our country is at stake. It is important that we, the Congress, do not lose sight of how our duties and responsibilities came about and what is necessary to uphold the ideals set forth for us 200 years ago.

PETER P. CAPRARI ELECTED IREM'S POTENTATE

HON. PAUL E. KANJORSKI

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 17, 1987

Mr. KANJORSKI. Mr. Speaker, it is my great pleasure to bring to your attention Peter P. Caprari of Swoyersville, PA, who was recently elected 53d illustrious potentate of the Irem Temple AAONMS. Peter P. Caprari was sworn in earlier this year at the Irem Temple's annual business meeting held at the Irem Mosque in Swoyersville.

Raised in West Pittston, Peter P. Caprari is a graduate of Pittston High School and Wilkes College, where he received a degree in business and finance. He furthered his education at Bucknell University and graduated with a bachelor of science degree in chemistry and biology. Peter P. Caprari received his masters in science at Temple University, and he completed postgraduate work in science at the University of Scranton.

Peter P. Caprari has been active in the Irem Temple's affairs for a number of years. He served as secretary of the Stagecrafters Unit, and he has been an influential consultant on various Shrine committees.

He is also involved in many other local community and civic organizations, including the Valley Lodge No. 499, the Greater Wilkes-Barre Shrine Club, the Caldwell Consistory, the Valley of Bloomsburg, and Kiwanis International. He is also a member of the Italian Christian Church, where he serves as lay leader.

Peter P. Caprari is married to the former Irene Wiencoski of Swoyersville. The Capraris have one daughter, Attorney Susan Helen Caprari, who is a partner in the law firm of Hurley, Fox, Selig, Caprari and Kelleher located in Stony Brook, NY.

Mr. Speaker, it is indeed an honor to take this opportunity to draw the attention of my colleagues in the House of Representatives to one of Swoyersville's most committed citizens, Peter P. Caprari.

THOMAS CLARK REPRESENTS THE FINEST IN SERVICE TO THE NATION

HON. JAMES H. BILBRAY

OF NEVADA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 17, 1987

Mr. BILBRAY. Mr. Speaker, I rise today to pay tribute to outstanding citizen and dedicated servant to our Nation, Thomas Clark. Tom will be retiring from Federal service on July 3, 1987, after serving in numerous governmental capacities including most recently as Manager of the Nevada Operations Office of the Department of Energy. As Manager of the Nevada Operations Office, Tom is responsible for overseeing the DOE's critical and sensitive underground nuclear weapons test program as well as certain aspects of the Department's emergency response program.

A native of Aberdeen, WA, Tom was educated at the University of Kansas and the U.S. Military Academy at West Point. He is a graduate of the U.S. Army Command and General Staff College and holds a master of science degree in electrical engineering from Purdue University.

Tom was commissioned in the Corps of Engineers after his graduation from West Point in 1948 where he served in a variety of command and engineering assignments. During the Korean war, he served with honor and distinction as a combat engineer company commander in an infantry division. During this conflict, Tom was awarded a Bronze Star for his exceptional service during combat.

From 1963 until 1975, Tom was assigned to the Atomic Energy Commission's Division of Military Application. During this time, he served as research and development coordinator, Chief of the Nuclear R&D Branch, Director of Systems Analysis, Assistant Director for Production and Planning, and as the principal Assistant Director of the Division.

When the Energy Research and Development Administration was formed in 1975 as predecessor agency to the DOE, Tom served as the Executive Assistant Administrator for Nuclear Energy.

Prior to his appointment as Manager of the Nevada Operations Office of the DOE, Tom was the Deputy Manager for the Department's Albuquerque Operations Office and served as second-in-command in the oversight of the Nation's nuclear weapons production program as well as for energy research and development programs at DOE's Sandia National Laboratories and Los Alamos National Laboratory.

Because of his outstanding record of service, Tom was named to his present position by Energy Secretary Donald P. Hodel on May 27, 1983. Since entering the top post in Nevada, Tom has been directing some of the most important developments to our Nation's nuclear deterrence. His expertise and experience have greatly aided the progress these programs have seen over the past several years.

Tom's professional accomplishments are not merely limited to his fine abilities as a manager, but also include the betterment of knowledge in the nuclear field. In 1975, Tom joined three others in the publishing of ERDA-33, "Nuclear Fuel Cycle" as well as numerous task force reports and classified publications. Tom is a member of Tau Beta Pi, Eta Kappa Nu and Sigma Xi/Scientific Research Society of North America. His professional organization memberships include the American Association for the Advancement of Science and the Society of American Military Engineers.

The record of achievement Tom has accomplished has not gone unnoticed. He is the recipient of the Legion of Merit for serving as the principal contact between the Atomic Energy Commission and the Department of Defense in nuclear weapons planning and resource allocation, an ERDA Special Achievement Award for his contributions to organizing and directing ERDA's nuclear energy programs in 1975, and a DOE Special Achievement Award in 1979. In November 1982, President Reagan presented Tom the Presidential Distinguished Rank Award in recognition of Tom's outstanding performance in his role in the management of the Albuquerque Operations Office.

Mr. Speaker, Tom's wife Barbara and his three children, Thomas R., III, Kathleen, and Christopher are justly proud of his accomplishments. I join in thanking Tom for his many years of selfless service to our country and wish his family and him the best of success in his future endeavors.

Mr. Speaker, the greatest measure of a man may be his service to others and to his nation. By that exacting standard, few match the caliber of Thomas Clark.

A TRIBUTE TO KEVIN J. GRAHAM

HON. BOB TRAXLER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 17, 1987

Mr. TRAXLER. Mr. Speaker, I rise today to pay tribute to a most distinguished individual, Kevin J. Graham, on the occasion of his recent graduation on June 1, 1987, from the Detroit College of Law with a Juris Doctorate degree.

Kevin is the son of attorney and Mrs. James K. Graham, of Bloomfield Hills, MI. His father is a longtime friend and former classmate of mine at the Detroit College of Law.

Mr. Graham also holds a bachelor of arts degree from St. Mary's College in Orchard Lake, MI, where he participated in many student activities, including the debate club. The new doctorate recipient has achieved a licensed registered representative status with the National Association of Securities Dealers. Also, among his major accomplishments, was his election as a board member of Hamilton Place Health and Tennis Club. I ask my colleagues to join with me today in honoring a very special individual, and to wish him continued success and happiness in the future.

HONORING THE EASTERN MICHIGAN UNIVERSITY FORENSICS TEAM

HON. DENNIS M. HERTEL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 17, 1987

Mr. HERTEL. Mr. Speaker, I rise today to pay tribute to the champions of the National Forensics Association's 1987 Tournament, Eastern Michigan University.

On the evening of April 27, 1987, Eastern Michigan won its ninth championship of its 14 years of competing in the tournament, not only successfully defending their title, but breaking the old tournament record score with 517 points.

The team boasts a tournament record of never finishing less than second and its motivated approach to intellectual endeavors is as refreshing as it is inspiring. Americans young and old can view their success as an example of the rewards brought about through disciplined determination. As a former member of the Eastern Michigan forensics squad, I feel appreciative of their efforts and proud of their achievements.

I call upon my colleagues and ask them to join with me in honoring the Eastern Michigan University's Forensic Team: Jerry Bluhm, director; Tracey Anderson and Carole Bennett, assistants; the competitors, Laura Duncan, Kim Roe, Brenda Dempsey, Mark O'Brien, Michael Connell, David Tyler Hill, Daniel Jerore, Robert Laine, Brad Ulrich, and all the up and coming talent on the team for the outstanding performances throughout the years.

WORCESTER COUNTY SCHOOL APPLE COMPUTER CLUB—CONGRATULATIONS

HON. ROY DYSON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 17, 1987

Mr. DYSON. Mr. Speaker, I rise today to salute the Worcester County School of Berlin, MD, for being only one of the 15 nationwide winners of the Apple Computer Clubs International Competition 1987.

The intense competition involved hundreds of computer clubs throughout the United States and Canada. The Worcester County School Club developed a project which, through the ingenious use of their computers, helped to inform their community about Assateague Island, a Maryland State and a national park, which is also in my district. The elementary school students worked with resource specialists, naturalists, and seashore authorities to educate the local community through letters, newspaper articles, reports, data research files and posters on the importance of Assateague Island.

Through their diligence and hard work, Mr. Speaker, the Worcester County School Computer Club not only managed to win this national competition, and the accompanying recognition, but also the appreciation of all in the First District of Maryland for their action on behalf of Assateague Island.

TRIBUTE TO DR. WALTER R. HAZZARD

HON. WILLIAM H. GRAY III

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 17, 1987

Mr. GRAY of Pennsylvania. Mr. Speaker, I rise today to honor a truly remarkable man, Dr. Walter R. Hazzard.

On Friday, June 19, Dr. Hazzard will retire from the Tioga Methodist Church in Philadelphia, after a total of 45 years as a minister, administrator, and an educator in the United Methodist Church.

Mr. Hazzard's friends and parishioners praise him as a fine person and a good Christian. They say he is guided by the Lord every step of the way. He believes that no matter how trying a situation may become, God will always show him the way.

Born in Golts, MD, Dr. Hazzard received his bachelor's degree in 1939 from Lane College in Jackson, TN. In 1941, he earned a master of arts in religious education from Howard University in Washington, DC, and in 1945 he received his master of divinity from Crozier Divinity School, which is now the Colgate/Rochester School. He also holds a doctorate in sacred theology from Temple University in Philadelphia, and received an honorary doctor of law degree from Philander and Smith College in Little Rock, AR, where he served as president from 1969 through 1979. As you can see, God has always come first with this gentleman.

Dr. Hazzard has served the United Methodist Church as a delegate to general and jurisdictional conferences for 16 years. He represented the church at the World Methodist Conference in Oslo, Norway, in 1960. In 1961, he represented the Methodist Committee for Overseas Relief at the Near East Conference, which was held in Jerusalem.

He has taught at the Crozier and the Moravian Seminaries, and was the district superintendent of three districts in the United Methodist Church. Dr. Hazzard also has served as pastor in churches in Delaware; Atlantic City, NJ; Bethlehem, PA; and in Philadelphia, PA.

In addition to all of this, Dr. Hazzard is very active in the United Way, the NAACP, the Omega Psi Phi Fraternity, and he is a Mason.

Dr. Hazzard and his wife, Alexina Ayers, have three children: Alexina, a schoolteacher in Los Angeles; Maisha, who has earned her Ph.D. and is an assistant professor of telecommunication, at Ohio University in Athens, OH; and Walt, the head basketball coach at the University of California at Los Angeles. The Hazzards have seven grandchildren.

I know my colleagues here in the House join me in admiration and respect for this great American. Dr. Walter R. Hazzard is an inspiration to us all. I wish him good luck, health, and happiness in his retirement.

TRIBUTE TO CAPT. GEORGE E. FINK, COMMANDER, LONG BEACH NAVAL SHIPYARD

HON. DAN LUNGREN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 17, 1987

Mr. LUNGREN. Mr. Speaker, during the early days of World War II, the Congress recognized the need for an additional naval shipyard and drydocking facility on the west coast. It subsequently authorized construction on what has since become the Long Beach Naval Shipyard [LBNSY], located on Terminal Island, CA. This is one of eight naval—public—shipyards upon which the United States maintains a base of dedicated Navy-owned resources skilled in the various marine trades that maintain and modernize our fleet of increasingly complex surface and submarine ships. The peacetime maintenance of this base is vital to both our national security and the readiness posture we must assure in this era of violent peace.

About 2 years ago, the Long Beach Naval Shipyard completed, on schedule and under budget, the reactivation and modernization of its third *Iowa*-class battleship, the U.S.S. *Missouri* (BB-63). This singularly proud accomplishment was the product of over 2 years of intense engineering, material procurement, planning, and execution by the shipyard. Those efforts culminated in the on-time delivery of the Pacific Fleet. That this project was accomplished while the shipyard successfully prosecuted other ship assignments and "answered the bell" on numerous unplanned, emergency repairs to nonnuclear surface units of the Pacific Fleet is a tribute to the flexibility and dynamic capabilities one can expect of this fine facility.

Yet these successes did not just happen by themselves. They were the result of the determined efforts of a capable, dedicated, and well-trained work force. Perhaps more importantly, the successes at the Long Beach yard were largely the result of its shipyard commander, Navy Capt. George E. Fink.

Mr. Speaker, I should like to share with my colleagues the career of this fine naval officer who has provided strong, assertive, decisive, and enlightened leadership to the naval shipyard at Long Beach.

Captain Fink began his naval career as an NROTC midshipman at Rensselaer Polytechnic Institute. Graduating in June 1956, his first duty was as ensign, U.S. Navy, as damage control assistant and then engineer officer aboard the U.S.S. *Taylor* (DDE-448), homeported in Pearl Harbor.

In 1959, Captain Fink reported to the New York Naval Shipyard for duty associated with the construction of the aircraft carrier U.S.S. *Constellation* (CV-64). He subsequently earned a master of science degree in mechanical engineering at the U.S. Naval Postgraduate School, Monterey, CA, and was designated an engineering duty officer. This began Captain Fink's long and very successful association with naval ship design, modernization and repair. Subsequent tours of duty took him to the supervisor of shipbuilding, conversion, and repair in San Diego, the Naval Sea Systems Command, the Defense Systems Management College, the staff of Chief of Naval Material, the Charleston Naval Shipyard and the Philadelphia Naval Shipyard.

On January 31, 1983, Captain Fink reported to the Long Beach Naval Shipyard and assumed duties as the shipyard commander where he has, for 4 years, continued the diligent, meticulous, technically demanding and thoroughly professional performance that has typified his 31-year naval career. His foresight, technical knowledge, and experience in the shipbuilding and repair industry has preserved the LBNSY as a vital west coast industrial asset. Several accomplishments during his tour are worthy of note:

Development and implementation of a cost and schedule control system using existing hardware and software assets, which provided the shipyard managers with the tools never before available to them. This system has resulted in improvement of the shipyard on ship overhauls, and the tools developed have been exported to the other seven public shipyards for implementation.

Continuation of a strong, 4-year apprentice training program which provides, on a continuing basis, the "pipeline" of skilled craftsmen who will be the core leaders for the unskilled and semiskilled workers entering the work force in the event of necessary mobilization.

Development and implementation of "functional work teams" that provide an opportunity for substantial demonstrated savings in many areas of the ship overhaul and repair business.

Successful participation in the overhaul of surface ships through congressionally mandated public-private competition. LBNSY recently completed the overhaul of U.S.S. *Cleveland* (LPD-7), one of the two LPD-class ships selected pursuant to the fiscal year 1985 Defense Appropriation Act to be an "experiment" in public-private competition. The competition required the shipyard to design and implement control systems never before used in the public sector and, while the results of the competition are not yet fully known, the shipyard, with Captain Fink's personal and active participation, has aided the process significantly in determining the cost effectiveness and overall merits of such competition. The yard also successfully bid for work on U.S.S. *Jarrett* (FFG-33) and U.S.S. *Fletcher* (DD-992).

Successful implementation of a number of revised training programs to provide shipyard managers, for first-liners to top-level, with additional skills and tools to more effectively and efficiently manage their resources.

Skillful leadership of the shipyard through 3 years of both threatened and actual reductions in force [RIF] driven by steadily diminished workload. This represented a challenge of significant proportion. Since Federal regulations provide for a "bumping mechanism" during RIF's, the activity must deal with a post-RIF work force which has workers in positions for which they were not specifically trained. This trauma is in addition to that suffered by the employees who must leave the facility, and has a deleterious effect on the efficiency and morale of the organization.

In addition to his role in ship overhaul and repair, George Fink has provided a strong presence in the civilian community of the Los Angeles and Long Beach areas. Often called upon to speak to civic groups, the Navy League, professional societies, and other executive gatherings, he has also played an active role on the Long Beach Area Chamber of Commerce Board of Directors; the board of advisers to the California State University at Long Beach; the board of directors for the American Society of Naval Engineers, Long Beach area chapter; the policy committee for the Federal Executive Board for the Los Angeles area; the board of directors of the American Red Cross, Long Beach chapter; and the local Annapolis Parents Club.

Mr. Speaker, the citizens of the Long Beach and surrounding area communities will long benefit from the efforts of Capt. George Fink. As he retires after 31 years of dedicated, loyal and faithful service to the U.S. Navy and our great country, his contributions and achievements will have a lasting and telling influence on the U.S. Navy and the naval profession. We wish him a happy and prosperous future.

PERSONAL EXPLANATION

HON. WILLIAM E. DANNEMEYER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 17, 1987

Mr. DANNEMEYER. Mr. Speaker, due to an out-of-town commitment I was unfortunately unable to attend the beginning of the session yesterday, June 16. I subsequently missed recorded votes on two amendments to H.R. 1777, to authorize appropriations for the Department of State and the U.S. Information Agency. Had I been present I would have voted:

"Aye" on recorded vote No. 180, the Courter amendment to the Mica amendment, that sought to provide that the chancery at the United States Embassy complex in Moscow may not be completed, improved, or prepared for the use of United States diplomatic personnel and to require that if and when a new Embassy chancery building is constructed in Moscow, it must be constructed under American supervision with exclusively American plans, labor, and materials; and

"Aye" on recorded vote No. 181, the Mica amendment that requires the State Department to withdraw from the United States-Soviet Embassy contract, requires that the Secretary establish reciprocal treatment of United States diplomatic personnel in the Soviet Union, and mandates security and counterintelligence measures.

ROBERT C. SANSONE HONORED BY PEERS

HON. RICHARD A. GEPHARDT

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 17, 1987

Mr. GEPHARDT. Mr. Speaker, I rise today to congratulate Mr. Robert C. Sansone, who was honored on June 11, 1987, in St. Louis for his work in his community and for his dedication as a labor leader.

Bob Sansone's community service includes projects such as Dismas House, a half-way house for men working their way back into society, and the St. Louis Backstoppers, an organization that provides financial assistance for the wives and children of police officers and firefighters lost in the line of duty. He is also a cochairman of the State of Israel Bonds and was recently elected to the board of directors of the St. Louis Regional Commerce and Growth Association.

Mr. Sansone has worked in almost every division of his labor union, and was elected president of local 682 in 1976. He is international representative for the International Brotherhood of Teamsters, president of the Missouri-Kansas Conference of Teamsters, president of Teamsters Joint Council No. 13, president of the St. Louis Building and Construction Trades Council, trustee of the Central States Southeast and Southwest areas health and welfare and pension funds, and a member of the board of directors of PRIDE.

I join today with his family and friends in congratulating Bob Sansone on being named "St. Louis Teamster Man of the Year" and for receiving the prestigious "Menorah Award."

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the Congressional Record on Monday and Wednesday of each week.

Any changes in committee scheduling will be indicated by placement of an asterisk to the left of the name of the unit conducting such meetings.

Meetings scheduled for Thursday, June 18, 1987, may be found in the Daily Digest of today's Record.

MEETINGS SCHEDULED

JUNE 19

9:00 a.m.
Environment and Public Works
Environmental Protection Subcommittee
To resume hearings on clean air issues, focusing on toxic air pollutants.
SD-406

10:00 a.m.
Banking, Housing, and Urban Affairs
Securities Subcommittee
To resume hearings on the definition of insider trading.
SD-538

Labor and Human Resources
To hold hearings on polygraphs in the workplace.
SD-430

2:00 p.m.
Foreign Relations
Near Eastern and South Asian Affairs Subcommittee
To hold hearings on the nominations of Willard A. De Pree, of Maryland, to be Ambassador to the People's Republic of Bangladesh, and Hume A. Horan, of New Jersey, to be Ambassador to the Kingdom of Saudi Arabia.
SD-419

JUNE 22

9:30 a.m.
Finance
Private Retirement Plans and Oversight of the Internal Revenue Service Subcommittee
To resume hearings on S. 604 and S. 579, bills to promote and protect taxpayer rights.
SD-215

JUNE 23

9:30 a.m.
Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To resume joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.
SR-325

10:00 a.m.
Agriculture, Nutrition, and Forestry
Agricultural Production and Stabilization of Prices Subcommittee
To resume hearings on the current status of farm programs.
SR-332

Banking, Housing, and Urban Affairs
To hold hearings on proposals with respect to corporate takeovers, including S. 227, S. 678, S. 1264, S. 1323, and S. 1324.
SD-538

Energy and Natural Resources
Public Lands, National Parks and Forests Subcommittee
To hold hearings on S. 693 and S. 695, bills to designate certain lands in the Great Smoky Mountains National Park in North Carolina and Tennessee as wilderness.
SD-366

11:00 a.m.
Judiciary
Business meeting, to consider pending calendar business.
SD-226

2:00 p.m.
Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.
SR-325

JUNE 24

9:30 a.m.
Agriculture, Nutrition, and Forestry
Business meeting, to consider pending calendar business.
SR-332

Commerce, Science, and Transportation
Surface Transportation Subcommittee
To resume oversight hearings on the railroad industry, focusing on proposals to revise certain provisions of the Staggers Rail Act (P.L. 96-448) to enhance rail competition and ensure reasonable rail rates, including S. 676.
SR-253

Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

Environment and Public Works
Water Resources, Transportation, and Infrastructure Subcommittee
To hold hearings on the need for national ground-water legislation.
SD-406

Veterans' Affairs
To hold hearings on Veterans' Administration efforts in AIDS research.
SR-418

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.
SR-325

10:00 a.m.
Banking, Housing, and Urban Affairs
To continue hearings on proposals with respect to corporate takeovers, including S. 227, S. 678, S. 1264, S. 1323, and S. 1324.
SD-538

2:00 p.m.
Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.
SR-325

JUNE 25

9:30 a.m.
Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

Governmental Affairs
Oversight of Government Management Subcommittee
To hold oversight hearings on post-employee lobbying restrictions.
SD-342

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.
SR-325

10:00 a.m.
Agriculture, Nutrition, and Forestry
Agricultural Production and Stabilization of Prices Subcommittee
To resume hearings on the current status of farm programs.
SR-332

Banking, Housing, and Urban Affairs
To continue hearings on proposals with respect to corporate takeovers, including S. 227, S. 678, S. 1264, S. 1323, and S. 1324.
SD-538

Environment and Public Works
Superfund and Environmental Oversight Subcommittee
To hold hearings on Superfund clean up standards implementation issues.
SD-406

2:00 p.m.
Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.
SR-325

7:00 p.m.
Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

JUNE 26

9:30 a.m.
Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.
SR-325

10:00 a.m.
Agriculture, Nutrition, and Forestry
Agricultural Research, and General Legislation Subcommittee
To hold hearings to examine new issues for farm and forest products.
SR-332

Banking, Housing, and Urban Affairs
To hold oversight hearings on the role of employee ownership in corporate takeovers.
SD-538

2:00 p.m.
Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.
SR-325

JUNE 29

10:00 a.m.
Special on Aging
To hold hearings on the need for a new Consumer Price Index (CPI) to reflect the inflation rate that the elderly face and the process by which the Department of Labor should develop such an index.
SD-628

JUNE 30

9:00 a.m.
Veterans' Affairs
To hold hearings on S. 9, Service-Disabled Veterans' Benefits Improvement Act, S. 453, Veterans' Ionizing Radiation Compensation Improvements Act, S. 1002, Veterans' Radiation Exposure Disability and Death Benefits Act, and other related measures.
SR-418

9:30 a.m.
Agriculture, Nutrition, and Forestry
To hold hearings on the nominations of Ewen M. Wilson, of Virginia, to be an Assistant Secretary of Agriculture, and a Member of the Board of Directors of the Commodity Credit Corporation, and Milton J. Hertz, of North Dakota, to be a Member of the Board of Directors of the Commodity Credit Corporation.
SR-332

10:00 a.m.
Judiciary
Immigration and Refugee Affairs Subcommittee
To hold hearings on the Administration's proposed regional refugee admissions level for fiscal year 1987.
SD-430

2:00 p.m.
Energy and Natural Resources
Public Lands, National Parks and Forests Subcommittee
To hold hearings on S. 59, National Forests and Public Lands of Nevada Enhancement Act, and S. 854, Nevada-Florida Land Exchange Authorization Act.
SD-366

JULY 7

9:30 a.m.
Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To resume joint hearings with the House Select Committee to Investigate Covert Arms Tranactions with Iran on matters relating to the Iran/Contra affair.
SR-325

2:00 p.m.
Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.
SR-325

JULY 8

9:30 a.m.
Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.
SR-325

2:00 p.m.
Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.
SR-325

JULY 9

9:30 a.m.
Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.
SR-325

2:00 p.m.
Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.
SR-325

JULY 10

9:30 a.m.
Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.
SR-325

2:00 p.m.
Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.
SR-325

JULY 13

9:30 a.m.
Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To resume joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.
2172 Rayburn Building

2:00 p.m.
Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.
2172 Rayburn Building

JULY 14

9:30 a.m.
Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.
2172 Rayburn Building

10:00 a.m.
Energy and Natural Resources
Mineral Resources Development and Production Subcommittee
To hold hearings on S. 1006, Geothermal Steam Act Amendments of 1987.
SD-366

2:00 p.m.
Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.
2172 Rayburn Building

JULY 15

9:30 a.m.
Commerce, Science, and Transportation
Surface Transportation Subcommittee
To hold hearings on S. 747, to establish a motor carrier administration in the Department of Transportation, and S. 861, to require certain actions by the Secretary of Transportation regarding certain drivers of motor vehicles and motor carriers.
SR-253

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.
2172 Rayburn Building

2:00 p.m.
Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.
2172 Rayburn Building

JULY 16

9:30 a.m.
Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
National Ocean Policy Study Subcommittee
To hold joint hearings on global climate change.
SR-253

Energy and Natural Resources
To hold hearings on proposals to resolve certain problems relating to the storage of high-level radioactive waste, including S. 1007, S. 1141, S. 1211, and S. 1266.
SD-366

Veterans' Affairs
Business meeting, to consider S. 6, Veterans' Health Care Improvement Act, S. 9, Service-Disabled Veterans' Benefits Improvement Act, S. 917, to authorize a headstone allowance for prepurchased grave markets and to modify eligibility requirements to the plot allowance, S. 1090, Veterans Administration Insurance Amendments, and related proposals, and proposed legislation providing for disability payments based on nuclear-detonation radiation exposure.
SR-418

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.
2172 Rayburn Building

2:00 p.m.
Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran

on matters relating to the Iran/Contra affair.

2172 Rayburn Building

JULY 17

9:30 a.m.

Commerce, Science, and Transportation
Communications Subcommittee

To hold hearings on S. 1277, to revise certain provisions of the Communications Act of 1974 regarding the responsibilities of broadcasting licensees.

SR-253

JULY 20

2:00 p.m.

Commerce, Science, and Transportation
Communications Subcommittee

To resume hearings on S. 1277, to revise certain provisions of the Communications Act of 1974 regarding the responsibilities of broadcasting licensees.

SR-253

JULY 21

9:30 a.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To resume joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

SR-325

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

SR-325

JULY 22

9:30 a.m.

Environment and Public Works
Water Resources, Transportation, and Infrastructure Subcommittee

To hold hearings to review infrastructure issues.

SD-406

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

SR-325

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

SR-325

JULY 23

9:30 a.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

SR-325

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

SR-325

JULY 24

9:30 a.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

SR-325

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

SR-325

JULY 27

9:30 a.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To resume joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

JULY 28

9:30 a.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

JULY 29

9:30 a.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

JULY 30

9:30 a.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

JULY 31

9:30 a.m.

Commerce, Science, and Transportation
Communications Subcommittee

To hold hearings on S. 889, to provide for fair marketing practices for certain encrypted satellite communications.

SR-253

AUGUST 3

9:30 a.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To resume joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

AUGUST 4

9:30 a.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

AUGUST 5

9:30 a.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

AUGUST 6

9:30 a.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

AUGUST 7

9:30 a.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

CANCELLATIONS

JUNE 23

10:00 a.m.

Appropriations

Foreign Operations Subcommittee

To hold hearings to review proposed budget estimates for fiscal year 1988 for the Department of State.

SD-192

SENATE—*Thursday, June 18, 1987*

The Senate met at 12:30 p.m. and was called to order by the Honorable RICHARD C. SHELBY, a Senator from the State of Alabama.

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

Omnipotent God, the Bible declares "there is no power but of God; the powers that be are ordained of God."—Romans 13: 1. Our Founding Fathers believed and based our political system on the conviction that "* * * government derives its just power from the consent of the governed." In this place of great power, protect us all against the abuse and misuse of that which comes from You through the consent of the people. Keep us mindful in our use of power we are accountable not only to the public trust but to You as well. Experience teaches that power is addictive like alcohol and drugs. We taste it, feel it, like it, and allow it to enslave us. Deliver us from the desire for power to control others when we do not control ourselves. Help it not produce a sense of superiority in us. We remember that He who said "all power is given unto Me in Earth and in Heaven" was the servant of all. Give us grace to allow love and humility to moderate the power we have. We ask this in His name who was all powerful and incarnate love. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. STENNIS].

The bill clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, June 18, 1987.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable RICHARD C. SHELBY, a Senator from the State of Alabama, to perform the duties of the Chair.

JOHN C. STENNIS,
President pro tempore.

Mr. SHELBY thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. Under the standing order the majority leader is recognized.

THE JOURNAL

Mr. BYRD. Mr. President, I ask unanimous consent that the Journal of the proceedings be approved to date.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

AGENDA

Mr. BYRD. Mr. President, we have been debating the question of whether to move forward on campaign financing reform for a little over 2 weeks now.

Earlier this year, the Committee on Rules and Administration, chaired by the distinguished Senator from Kentucky [Mr. FORD], reported landmark legislation. That legislation has been debated. I think we had a good debate.

We have offered a substitute for the committee substitute in an effort to meet at least half way the concerns and complaints of those who are opposed to the legislation. We have had three cloture votes. We will have another cloture vote today and we will have a cloture vote tomorrow.

I am developing another offer and I will be prepared to introduce it, if not today, certainly by tomorrow or early next week in the hope that that will gain bipartisan support and enable us to enact this legislation and send it over to the other body which will be considering campaign reform legislation as well.

In my judgment, there can be no campaign reform legislation without limitations on campaign spending.

In "The Lady of the Lake" Fitz-James said,

> Come one, come all! this rock shall fly
> From its firm base as soon as I.

Mr. President, there will be no flying from the firm base of limitations on spending because unless there are limitations on campaign spending it is not campaign finance reform. It is a sham; a joke.

There are other areas of the bill perhaps where we can find some compromise that will improve the legislation and make it possible for us to have strong support for the legislation and I would hope bipartisan support. I know that there are Senators on the other side of the aisle who want to vote for campaign finance reform and there is going to be every effort made to reach out and to engage the thoughts, contributions, and support of Members on the other side in this effort. It is not a Republican problem; it is not a Democratic problem. It is not Democratic legislation; it is not Republican legislation. And it is not intended to destroy the Republican Party. That is pap.

I would not want to destroy the Republican Party. I have no desire to do anything other than enact meaningful, effective campaign financing reform. It is an ideal whose time has come. The American people know it. It is not going to go away. If we do not enact it this way, it will be back next year. If we do not enact it next year, it will be back the next year.

Sooner or later, there is going to be an upheaval that will get the attention of those who stubbornly resist the enactment of campaign financing reform.

I would also recommend that Senators get plenty of rest this weekend because the acceleration of votes is going to increase next week.

There will come a time when we will probably go on a two-track system and we will be working on campaign finance reform and trade legislation. It may mean some very, very, very late sessions. But time is passing. We are fast nearing the August recess and we are going to cut in on that recess if we have to do it in order to enact vital legislation. We have the budget conference report which will be coming along certainly by next Tuesday or Wednesday. We have to go to that. We will have reconciliation legislation down the road at some point. We will have the extension of the debt limit at some point. I hope we can have some reforms of the budget process all worked into this.

If we reach that August recess and we have not done reconciliation and have not taken care of the debt limit, then we can be sure that the August recess is the less important of those, important though it is, and the less important has to give way to the more important.

So I urge Senators on both sides to be as cooperative as they can possibly be in enabling us to call up legislation that has to be called up.

I would ask them to be as cooperative as they can be in getting the legislation passed, exercising their rights certainly to offer amendments and debate. But I would hope, if the debate goes on and on and on, that Senators will understand that this is all beginning to pinch everybody's foot and, in the interest of getting the work done, it would be better to invoke cloture and let the Senate work its will.

If the Senate wants to vote the bill down, let it vote it down. If it wants to amend the bill, let it amend the bill.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

But the summer is going to be on us by the end of this week and it is going to be a hot summer. We have got important legislation. We were making good progress for quite awhile. Now we are not making such good progress, but we will double-track so that we can keep the flow of legislation going. But this issue is not going to go away. It will be back one way or another.

So I hope that all Senators would, in the best interests of the Senate and our representative form of democracy and in getting the work done, enable us to come to grips with this legislation and invoke cloture.

When I first came to the Senate, I said I will never vote for cloture—never. It does not pay to say "never."

Then I came to the conclusion that: Why do I hold on to this? Why do I say I will never vote for cloture? What is in that? Suppose there is a very important piece of legislation that comes to this Senate? Perhaps I do not agree with it. Why not let the Senate work its will?

I came to the conclusion I would not always oppose cloture. I have voted for cloture in times past on issues that I was very much opposed to. I have called up issues in the Senate that I was very much opposed to. I am not saying that there will not be an issue in the future that I will not call up. I am not saying that. But I am saying that there will be very, very few occasions when I will stubbornly resist anything and say, "I will never, never vote for cloture." That is a Senator's right. Any Senator that wants to do that, that is his right.

But at least I hope we will consider trying to come together on this legislation. This legislation can be improved. We have not found the best approach yet. Surely there is an approach. There must be a way to limit campaign spending and resolve the other attendant problems that some of us are having with it. It seems to me, if we put our best heads together, that we can come out with a piece of legislation that will put a limitation on spending and we will get this matter behind us. That is what I am asking for.

I hope we can get bipartisan support and find a way. We have found a way on other difficult issues from time to time that have come up. They have been hard to deal with, but we have found ways to do it.

I close by asking the distinguished Republican leader if he might give the majority leader consent to take up at some point, after consultation with the distinguished Republican leader, the defense authorization bill so that at some point down the road we can take up that bill and debate it. Because this campaign financing reform bill is not going to be before the Senate always. One way or the other, it is going to leave and there will come a point when we will be ready to do defense.

I wonder if, at a time after consultation with the Republican leader, we could get up the defense bill without a filibuster.

Mr. DOLE. Let me respond to the majority leader that I think it was yesterday afternoon or this morning that the Republicans on that committee were meeting at the request of Senator WARNER. He was to give me a report and he has not done that yet. As soon as I have information, I will be happy to discuss it further.

Mr. BYRD. Very well.

Does the leader think we might be able to do that today?

Mr. DOLE. I am not certain. I know there are some on the committee who do not yet want to proceed to that. But I will know as soon as I hear from Senator WARNER.

Mr. BYRD. All right; fine.

Mr. DOLE. We do have, of course, permission to go to the trade bill at any time.

Mr. BYRD. Yes. I thank the distinguished minority leader for that. And I may go to the bill that came out of Finance or I may still put the omnibus bill together and move to take that up. But if I could I would also like to have consent to go to defense, because we may want to double-track that at some point.

ORDER FOR ADJOURNMENT UNTIL 9 A.M. TOMORROW

Mr. BYRD. Mr. President, I ask unanimous consent that, when the Senate completes its business today, it stand in adjournment until the hour of 9 o'clock tomorrow morning. That will get the cloture vote out of the way early.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER OF PROCEDURE

Mr. BYRD. Mr. President, after the cloture vote today, I am of the mind to put the Senate out so that Senators on both sides can talk and possibly work together on hopefully a substitute or a different amendment that might get bipartisan support. It would be my plan to put the Senate out fairly early if the Republican leader has no objection.

Mr. SYMMS. Mr. President, if the majority leader will yield, I happened to be at Senator WARNER's office and I can give a report. I do not want to preempt the Republican leader.

Mr. BYRD. Very well. I will be happy to hear what the Senator has to say, but I have overused my time at this point and I think I should give the Republican leader a chance to have the floor.

RECOGNITION OF THE MINORITY LEADER

The ACTING PRESIDENT pro tempore. The Republican leader is recognized.

CAMPAIGN FINANCING REFORM

Mr. DOLE. Mr. President, I will just comment generally on this so-called campaign reform which we do not believe is pending. We think it is something else. It is a limitation on participation which we believe goes to the very heart of the whole process.

But, notwithstanding that, there certainly is a willingness on the part of Members on both sides, I would trust, to work out some compromise if we can. But there is the fundamental difference in positions and, in those rare cases when it is a fundamental difference, then I think cloture may be a protection for, in this case, a bare minority. I mean, we are almost a majority for those who do not want taxpayers to start paying for our campaigns.

But we did have a meeting this morning, as I indicated to the majority leader we would have. I have met with the principal players on this side. They have expressed, again, a willingness to sit down with the principal players on the other side.

When we reach that point where we are talking to each other, I am talking to my group and you are talking to your group, we do not get much movement. Maybe if they are all together—and there are only four on our side; that would be Senators STEVENS, BOSCHWITZ, McCONNELL, and PACKWOOD. I think they are prepared at any time the majority leader gives us an indication that he would like to talk with us. So we are happy to do that.

I would also indicate that we certainly want to move the program. When we do move to the trade bill, there will be an effort on this side, as far as I know, to expedite that as quickly as we can. It is very complicated, very controversial. It is not a partisan difference in many of these cases, but depending on where we come from, geography or whatever.

But I certainly want to cooperate with the majority leader, because that is important legislation that should be passed. There are, as far as I am concerned, maybe differences of views, but they will not fall on party lines, I do not believe, in most cases.

On DOD, I will meet with the Senator from Virginia, the Senator from Idaho, and others and report back to the majority leader.

DEATH OF A CHAMPION: DICK HOWSER, 1936-1987

Mr. DOLE. Mr. President, with the death yesterday of former Kansas

City Royals Manager Dick Howser, the sports world has lost a first-class champion.

Dick's courageous yearlong battle against cancer inspired the Nation. Just as he faced tough times on the baseball diamond, Dick Howser didn't bail out when life tossed a high hard one his way. He accepted the challenge head on, with class and unforgettable dignity.

Many of us had the pleasure of knowing Dick Howser. I recall a visit to Capitol Hill the Royals made in 1982. Always the gentleman, it was clear from our first meeting that this was a man who had both feet on the ground. He was a manager who put a high price on winning; but an even higher premium on friendship, loyalty, and humility.

Of course, we remember well the triumphant return Dick made to Washington in 1985 as manager of the world champion Kansas City Royals. I had the honor, along with my colleague, Senator KASSEBAUM, of hosting a reception for the team; and once again—with his courtesy, good humor, and grace—Dick Howser demonstrated why he was held in such high regard by the baseball world.

In fact, the way the Royals became champions was a reflection of the gutsy determination of their leader. They were down three games to one in both the American League playoffs and the World Series, but they stormed back in each series to complete the most dramatic comeback in baseball history.

The critics had had a field day second guessing Dick Howser when the team was down. And they repeated the cliche that he "couldn't win the big one." Well, Dick Howser blew the critics away. He never rattled, and he never gave up.

But in the afterglow of victory, Dick didn't gloat. And he never fired back at the critics, even though he had plenty of ammunition. He just won—and left it at that. At our reception, he stayed out of the limelight, happy to let the players soak up the spotlight. That was Dick's way. It's spelled "C-L-A-S-S"—Class!

I know my Senate colleagues join me in sending our condolences to the Howser family. We will always remember his courage. And we will always remember him as a winner.

Mr. President, I ask unanimous consent to have printed in the RECORD three newspaper articles concerning Dick Howser.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

WINNING IT ALL WON KANSAS CITY'S HEART

(By Jonathan Rand)

It is powerful testimony to the fickle nature of sports and life that in just two years, Kansas City doubted, honored and then mourned Dick Howser.

Because Howser, the Royal's manager from late in the 1981 season until last summer, was such an understated man, few Kansas Citians had a feel for him. As a manager, he was too laid-back for the tastes of those who complained that he was not enough of a strategist or umpire baiter to manage successfully.

That was before 1985 and comebacks by the Royals in the American League playoffs and World Series, both of which saw the Royals, almost incredibly, overcome deficits of three games to one. Only then did many appreciate Howser's strengths: the steady hand he gave his team, immunity to panic and an ever-positive outlook that seemed to infect everyone around him.

Only an incurable disease could have struck down Howser, because were there a way to beat it, he certainly would have found it.

It seems cruel that the peak of Howser's managing career was followed so soon by his illness and death Wednesday afternoon at St. Luke's Hospital at age 51. After managing the American League team that won the 1986 All-Star Game, he was diagnosed as having a brain tumor—found to be malignant—that three operations could not cure.

By the time Howser died, he finally was understood as a manager. He believed that you put good athletes on the field and let them, not the manager, dominate a game. Howser was a "hands-off" manager who loathed overmanaging. To him, one of a manager's important jobs was to maintain a poised, businesslike clubhouse, win or lose, and he believed he could not keep a firm grip on his players unless he made it clear to them that he had a firm grip on himself.

Howser had a tremendous reservoir of inner strength that was easy to underestimate because outwardly he rarely seemed confrontational. But the way he carried himself suggested that it would be unwise to mistake his calmness for meekness.

Although Howser finally became appreciated as a manager in Kansas City, he still was little-known to the public as a person. When someone dies, there is an understandable tendency to portray him as something he was not. But that is not necessary with Howser because there is so much to respect in what he was.

Howser never seemed seduced by the glamour and celebrity of managing. His ego seldom surfaced, and you never saw him big-timing anybody. He appreciated everybody's need to perform a job, whether it be a clubhouse attendant, groundskeeper, ticket taker or reporter. In many ways, he never ceased being the scrappy shortstop of his playing days who had to hustle for everything he accomplished, taking nothing and nobody for granted.

Howser did not try to make a strong initial impression on people, but familiarity with him bred respect and affection. To visit his office before a game was to be made to feel welcome. His personality was stable and genuine. What you saw, you got, day after day. He rarely exploded or tried to keep people off-balance. Steadiness and dignity were among his strengths.

His strength, sapped as it was, kept surfacing until Howser became too weak to go out in public. He bounced back from his second surgery and announced that he would try to manage in 1987, and then gave spring training a brief fling until it became painfully clear to him he was too weak to continue. Although he initially planned to stay home opening day, the old competitive juices started flowing, and he could not resist a visit to Royals Stadium, making one last wave as fans and players from the Royals and Chicago White Sox rose to their feet in heartfelt applause.

It is a shame to see any good talented person struck down in his or her prime. It is at least of small consolation that before cancer consumed him, Howser, in the fall of 1985, took his rightful place at the top of his profession, and for that, this city will not soon forget him.

BASEBALL'S NO. 1 BATTLER TOPS IN CLASS

(By Ken Picking)

KANSAS CITY, Mo.—George Brett thought he loved baseball until he learned how passionately Dick Howser loved baseball.

"If someone told me, 'George, you are a very sick man; you have maybe a year to live,' I'd want to do things I've never done before," said the Kansas City Royals' 11-time All-Star.

"That shows you how much Dick loved this game and this team. Baseball was his life and from the moment he knew he had cancer, his goal was to beat it and get back to baseball. That was the drive that made him fight cancer and never give in to it."

Howser's courageous battle ended Wednesday when the former Royals manager died at St. Luke's Hospital. It was almost 11 months from the day the tumor was diagnosed.

As prepared as the Royals thought they were for what seemed like Howser's inevitable passing, the news still hit hard Wednesday afternoon. Losing 14 of their last 19 games no longer seemed distressing.

They remembered Howser's words when he resigned Feb. 23 in Fort Myers, Fla., after coming back to manage the start of spring training: "Do the best you can. Don't fret."

Dick Howser, 51, never fretted for himself. "It is not often a person comes along in your life and shows you the friendship and caring Dick showed me," said Royals trainer Mickey Cobb, who was closely involved in Howser's treatment. "This is a great personal loss. I thought I was ready for it, but I guess I wasn't after all."

After 28 years in professional baseball, playing in Kansas City, Cleveland and New York, managing in New York and Kansas City, Howser touched many lives and left many memories.

"Dick taught me how to battle," said infielder Buddy Biancalana, an overachiever in whom Howser saw some of himself as a player. "He always had the right type of attitude. He thought all along he could beat it (cancer)."

Royals equipment manager Al Zych was with the Kansas City A's when Howser came up as a player.

"We'd always think back to the old days and the old guys: Jerry Lumpe, Gino Cimoli, Norm Siebern," said Zych. "He was the type of guy you could always be comfortable with no matter where you were or who you were with."

Howser's determination and optimistic nature characterized his baseball life. "Dick loved to meet the challenge. He was the epitome of a leader and competitor," said Royals President Joe Burke.

At Florida State University, Howser became a two-time All-American shortstop in 1957-58; the first consensus All-American in FSU history. A classmate of actor Burt Reynolds from junior high through college. Howser is a member of the Florida Sports Hall of Fame and he holds the distinction of having been honored as both the state's amateur athlete of the year (1958) and professional athlete of the year (1961).

Reynolds said Wednesday: "Dick Howser has been my friend since the 7th grade. He was always a gentleman and had a tremendous heart. I'll remember him as not only one of the best athletes I ever knew, but also one of my very best friends."

After an outstanding minor league career (1958-1960), Howser, only 5-9 and 145 pounds, made the American League All-Star team and was named Rookie of the Year in 1961 with the Kansas City A's. He hit .280 and struck out only 38 times in 611 at-bats, the lowest ratio in the league.

Howser, known for his hustle and intelligence, played eight seasons in the major leagues, compiling a .248 average with 105 stolen bases.

After 10 years as Yankees third base coach, Howser stepped in as interim manager for one game in 1978 after Billy Martin resigned and before Bob Lemon was hired. Howser spent 1979 as FSU's baseball coach before Yankees owner George Steinbrenner hired him as manager for 1980 to succeed Martin.

Howser managed the Yankees, including Reggie Jackson, Goose Gossage, Graig Nettles and Lou Piniella, to baseball's best record (103-59). Howser became the fourth manager to win 100 games in his first season.

Piniella said Wednesday: "I was very saddened to learn about Dick's death. In addition to being a close personal friend, he taught me a great deal about the game of baseball. Some of the things I learned from him have helped me develop my managerial style, and I am grateful for all that he did for me. First, as teammates with the Yankees, and then when we were in opposite dugouts.

"More important, though, Dick showed me what it meant to be a professional. He was a man of dignity and character who was respected by all who came to know him."

After the Royals swept Howser's Yankees to win the AL pennant, Howser resigned when he had differences with Steinbrenner.

Steinbrenner said Wednesday:

"There is a misconception that Dick and I weren't close friends. I considered him a close friend and I think he considered me the same way all the way to the very end. I think I knew Dick Howser pretty well. He was a battler. He was deceiving 'cause he looked like a college freshman who should be wearing a beanie. He was a good looking kid. He was a battler on the field as a player, a battler as a manager and he battled cancer right to the end just as you knew he would. He was a class act."

Burke and the Royals acted quickly. After firing Jim Frey, Howser was hired before the 1981 season was completed. In 5½ seasons, Howser's teams never finished lower than second before the strife-stricken 1986 season.

Howser's 1985 team—led by Brett and pitcher Bret Saberhagen—distinguished itself with one of baseball's greatest comebacks when it overcame three-games-to-one deficits to Toronto, in the AL playoffs, and cross-state rival St. Louis to bring the Royals their first World Series championship.

"Dick was criticized heavily, even second-guessed by some of his players, in the (1985) playoffs and World Series," said Brett. "He did not manage by the book; he managed by Dick's book. He was true to his beliefs and experience and he was not afraid to be criticized."

Howser preferred to take the heat and share the glory. He would seem almost embarrassed by his success.

"Dick knew the players were No. 1 and he tried to give them what they needed to do their job," said Reggie Jackson. "I remember he'd tell me, 'Don't take any chances. I want that Shillelagh (Jackson's bat) in the lineup every day.' He always was thinking long-term, not short-term."

Billy Gardner, Howser's successor with the Royals, said from the day he took over that he would step aside if Howser was able to return.

"You hate to see a guy who did everything—rookie of the year, allstar games, division championships, world championship—and he didn't really live long enough to enjoy his accomplishments."

DICK HOWSER DIES AT 51; EX-MANAGER OF ROYALS

(By Robert McG. Thomas Jr.)

Dick Howser, the soft-spoken former Kansas City manager who in 1985 led the Royals to their only World Series championship after one of the most dramatic comebacks in major-league history, died yesterday at St. Luke's Hospital in Kansas City, Mo. Howser, a former Yankee player, coach and manager, was 51 years old and had been battling brain cancer for almost a year.

He entered the hospital June 3 after a series of three operations supplemented by experimental therapy failed to curb the cancerous tumor that had been diagnosed during the All-Star Game break in July 1986, when he managed the American League team.

Howser, who underwent surgery that month, had another operation last December and also underwent experimental treatment in which cancer-killing cells were injected into the affected area. He attempted a comeback as the Royals' manager in February, but after only one day of spring-training workouts he stepped down.

"I've been pushing and pushing since the first operation in Kansas City and the second operation in Los Angeles," he said at the time. "I couldn't do it."

He had a third operation the next month, but his condition continued to worsen, and by early this month he was so weak he had to return to the hospital.

"No matter how you prepare for this day, when it actually happens, it's a shock," said George Brett, the Royals' third baseman. "You just hate to see him go. He's going to be missed."

"This is a sad day for baseball," Peter Ueberroth, the commissioner of baseball, said. "Dick Howser was one of the great men of our game."

George Steinbrenner, the principal owner of the Yankees, said in a statement: "Dick Howser was one of the supreme battlers I knew in sports. He was a man of pride and integrity, and he battled cancer with the same fervor he battled the opposition, with an aggressive spirit he exemplified both as a player and as a manager."

In a major-league career that spanned 25 years, Howser, who broke into the big leagues in 1961 as a shortstop with the Athletics, then the Kansas City franchise, and later played with the Cleveland Indians and the Yankees, won acclaim both as a player and coach, but it was as a manager that he excelled. In five and a half seasons, Howser's teams never finished lower than second place.

As a player, he was chosen as the American League's Rookie of the Year after batting .280 and striking out only 38 times in 158 games. With the Indians in 1964, he tied an American League record by playing all 162 games at shortstop. After completing his eight-year playing career with New York in 1968, he spent 10 seasons as a Yankee coach.

After coaching at Florida State for a year, he took over as the Yankee manager in 1980 and led the team to the American League Eastern Division championship, compiling 103 victories and becoming only the fourth manager in major-league history to win more than 100 games in his first season.

His most impressive achievement, however, came two years ago when he took a team that had not been regarded as a serious contender at the beginning of the season to the American League's Western Division championship and then to dramatic seventh-game victories over the Toronto Blue Jays in the American League Championship series and over the St. Louis Cardinals in the World Series. In both cases, the Royals came back after being down by three games to one.

For Howser, the team's postseason success was especially sweet. Until the Royals beat the Blue Jays in the third game of the championship series, teams managed by Howser had lost all 11 of their playoff games.

After the Royals had lost the second game of the 1985 playoffs to Toronto, Howser was asked about his inability to end his streak. "It'll come eventually," he said. "I have to face up to it, but it'll come.

SLUMP COMES TO END

The following day, it did come as the Royals beat the Blue Jays, 6-5. Brett, who starred in the game, caught a foul popup for the final out and gave the ball to Howser.

"He imbedded it in my chest," the happy and relieved manager said. "You should have seen the look on his face. He didn't give me a chance not to accept it."

Howser, who was born in Miami on May 14, 1936, laid the groundwork for his professional career as a star shortstop at Florida State, where he was twice an all-America selection and set a school record with a .422 batting average as a sophomore in 1956. Last April, the school's baseball stadium was renamed in his honor.

REPLACED MARTIN AS MANAGER

He played three seasons in the minors before joining the Athletics. Howser, who was traded to the Indians during the 1963 season and then sold to the Yankees before the 1967 season, never matched the batting record he had made as a rookie and finished his career in 1968 with a .248 career average.

During his decade as a Yankee coach, Howser handled the duties at third base and managed winter-league teams. He left the Yankees after the 1978 season and spent a year coaching at Florida State, then was selected by Steinbrenner to replace Billy Martin for the 1980 season.

Under Howser, the Yankees built a strong lead, but slumped in August. Steinbrenner began criticizing his manager and his players almost daily. Howser, known for his patience, shrugged it off but didn't always ignore it.

After the Yankees lost three games of a five-game series to the Baltimore Orioles in August, Steinbrenner remarked that the Baltimore manager, Earl Weaver, "is a genius; our guy is a rookie." The Yankees then went to Seattle, where they beat the Mariners and their rookie manager, Maury Wills. After the game, Howser said, "I just want to say I might be in line to be rookie manager of the year because I beat the other rookie."

Although the 1980 Yankees led the majors with 103 victories, they lost the league playoffs to Kansas City, and Steinbrenner did not invite Howser back.

Steinbrenner, however, refused to say that he was dismissing Howser. Instead, he told a gathering of reporters in his office six weeks after the end of the playoffs that Howser had been presented with an "unbelievable" real-estate deal in Florida that he could not turn down.

Asked point-blank if he had been dismissed, Howser said, "I'm not going to comment on that."

With two years to go on a three-year contract and his $200,000 annual salary assured, he returned to Florida to pursue real-estate investments. But when the call came from the Royals during the strike-shortened 1981 split season, he accepted and replaced Jim Frey as manager.

He took the club to a first-place finish in the West in the second half of the 1981 season. The club finished second in 1982 and 1983 and first in 1984 and again in 1985 when he and the Royals were finally able to overcome their postseason jinx.

When he was forced to step aside last July, Howser was determined to resume his duties. His weakened condition made a full comeback seem all but impossible, but for Howser the effort, at least, seemed worthwhile.

He is survived by his wife, Nancy, and twin daughters, Jan and Jill.

BRETT'S HOME RUN LIFTS SABERHAGEN, K.C. TO 10-5 WIN

(By Ken Picking)

KANSAS CITY, MO.—George Brett hit his first home run since opening day to break a 5-5 tie and the Kansas City Royals ended a four-game losing streak by beating the Oakland Athletics 10-5.

Although he was roughed up, Bret Saberhagen took command after Brett's home run in the fifth to win his major league-high 12th game. He retired 14 of the last 16 batters for his eighth complete game.

Brett, who missed 45 games with rib and knee injuries, homered deep into the right-field bullpen off Athletics starter Dave Stewart (7-7). It was Brett's second three-hit game.

Saberhagen lost a 5-3 lead in the fifth when he gave up Mike Davis' 17th home run. In the sixth, Bo Jackson—who had struck out twice, Nos. 78 and 79 of the season—hit his team-high 14th home run. Pinch-hitter Hal McRae's single scored Seve Balboni.

"I didn't think about Dick (Howser) when I hit the home run, but I did when I got back to the dugout," Brett said. "I wish he would have been here to see it. I've been struggling at the plate, but things are beginning to come together for me."

BICENTENNIAL MINUTE

JUNE 18, 1787: ALEXANDER HAMILTON PROPOSES LIFETIME SENATE TERMS

Mr. DOLE. Mr. President, Alexander Hamilton at 5 feet 7 inches, was one of the towering figures of this Nation's early history. Two Hundred years ago today, on June 18, 1787, the 32-year-old Hamilton, a New York delegate to the Constitutional Convention, unveiled his own plan for the Constitution. In a lengthy address during one of the season's hottest days, he proposed a structure in which the President and Senators would be elected for life terms.

That would take care of the campaign financing problem, come to think of it.

Mr. BYRD. I wish he were here.

Mr. DOLE. House Members would serve 3-year terms.

Focusing on the proposed Senate, Hamilton set as his model the British House of Lords. He said:

> To the proper adjustment of the power of government between the few and the many, the British owe the excellence of their constitution. Their House of Lords is a most noble institution. Having nothing to hope for by a change, and a sufficient interest, because of their property, in being faithful to the national interest, they form a permanent barrier against every pernicious innovation, whether attempted on the part of the Crown or the Commons.

He continued:

> No temporary Senate would have firmness enough to answer the purpose.

Hamilton believed that a 7-year term for Senators, the one then under consideration, would not likely "induce the sacrifices of private affairs which an acceptance of public trust would require, so as to ensure the services of the best citizens."

Of Hamilton's speech, a Connecticut delegate observed:

> A gentleman from New York, with boldness and decision proposed a system totally different from both/the preliminary drafts/ and though he has been praised by everybody, he has been supported by none.

For the rest of his life, Hamilton paid a price for this speech. His enemies, of whom there were many, called him a "monarchist." He countered that his remarks had been made "without due reflection." Several days after Hamilton's notable remarks, the Convention settled on a 6-year term for Senators.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of morning business, for not to extend beyond the hour of 1 p.m., with Senators permitted to speak therein for not to exceed 5 minutes each.

SON OF STAR WARS? NO WAY

Mr. PROXMIRE. Mr. President, most serious military analysts in this administration and outside it realize that the President's dream for star wars will never become a reality.

The United States will never be able to build a leak-proof astrodome shield to render nuclear weapons impotent and obsolete.

If we should ever become engaged in a nuclear war, we'll never be able to escape its devastation.

Last year, the Senate Armed Services Committee, in its report on the defense authorization bill, concluded that it was unrealistic to try to erect comprehensive ballistic missile defenses, and I think it's safe to say that the committee's conclusion represents the prevailing view in the Congress.

In other words, star wars simply won't work as the President envisions it.

For that reason, some people are pushing a more limited version of star wars—or "son of star wars."

It's called the "point defense." These are ballistic missile defenses that would protect only our land-based ICBM's and our command and control centers.

Here's the argument hard point defense enthusiasts make.

United States land-based missiles are increasingly more vulnerable to being wiped out by a Soviet first strike. That's called the window of vulnerability.

But if we deploy point defenses, we'll make it more difficult for the Soviets to knock out our ICBM's. We'll raise the price the Soviets have to pay to achieve a successful first strike to the point that they won't want to attempt one.

When that happens, the Soviets will realize that their land-based missiles can no longer carry out a first strike and they'll scrap them in favor of submarines and bombers, which are more stabilizing.

Now, these arguments sound persuasive. But the only thing that's missing from them is a strong dose of reality.

Jonathan Stein, a defense aide for my good friend from Illinois, Senator SIMON, has written what I feel is an excellent and incisive analysis of hard point defenses. It appears as a chapter in a book to be published this year by Westview Press, titled "The Technology, Strategy, and Politics of SDI."

Mr. Stein's chapter offers a strong and healthy dose of reality to the debate over whether we should deploy point defenses.

For starters, the vulnerability point defenses would supposedly shore up doesn't exist in the first place. The President's own Scowcroft Commission concluded that there is no window of vulnerability. The Soviets couldn't launch a successful first strike against our ICBMs. And even if they could, two-thirds of our nuclear arsenal on bombers and in subs would survive to retaliate.

What would happen if we deployed point defenses? Would they force the Soviets to scrap their land-based missiles and buy more subs and bombers? Don't bet on it, Mr. President.

If we deploy point defenses, the Soviets will build up their nuclear force to overcome the defense. How will they do that?

The cheapest way is not to scrap their land-based missiles and move to more bombers and subs. No, the cheapest way is simply to pack their ICBM's with more warheads and decoys. They also might try other countermeasures, like maneuverable warheads that could skirt around defense intercepters.

In other words, Mr. President, if we deploy point defenses, get ready for another even more destabilizing arms race with the Soviet Union. Get ready for each side trying to one-up the other with offenses and defenses. There's no way around that cold, hard reality.

It's clear that the President's dream of a comprehensive star wars shield will never become a reality. But it's time to realize that the son of star wars—a point defense—is a dream we never want to see come true.

Mr. President, I ask unanimous consent that Mr. Stein's chapter be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

Point Defense: Gateway to the SDI

(By Jonathan B. Stein)

Amidst all the clamor and din surrounding the Strategic Defense Initiative (SDI), some observers have grasped the obvious: that the splendid defense envisaged by President Ronald Reagan and by precious few others probably will never come to pass. This is so for technical and political reasons and is becoming clearer to specialists inside and outside the government. Harsh reality, however, will not dim the plans of those committed to ensuring that some kind of strategic defense system gets funded and built. As the SDI moves forward, then, we should expect to see systems and components for defensive missions in the terminal or late midcourse phases to protect U.S. missile silos and command and control centers. Deterrence therefore will be enhanced, according to point or silo defense enthusiasts, and not transcended.

In fact, the diminution of Star Wars already has begun. Boost-phase intercept, the only robust defense possible, was narrowly rejected by the Senate Armed Services Committee as a "realistic goal" for the SDI program in July 1986. Long-term research into comprehensive population defense should continue, said the committee, but the "major emphasis within the SDI should be dedicated to exploring survivable and cost effective defensive options for enhancing the survivability of U.S. retaliatory forces and command, control, and communications systems." [1] In other words, the president's vision is in trouble.

Although limited and relatively small-scale research continued after the Antiballistic Missile (ABM) Treaty of 1972 was signed and ratified, much progress had been made on a variety of technological fronts by the time President Reagan focused on the issue of ballistic missile defense (BMD). The political climate was also particularly ripe, and it seems safe to say that although the headier business of building a comprehensive and robust space-based defense lay well beyond the horizon, a good deal of the newer technologies looked most appealing for the mission of point defenses. Reagan's speech gave added impetus to new research and development efforts but obscured the now mundane task of defending missiles within the atmosphere. After March 1983 the prospect of defending the entire nation (or, indeed, any country or countries) by destroying Soviet boosters in the early stages of their flight from low earth orbit captured most of the headlines and most scholarly attention.

WHY POINT DEFENSE NOW?

Why does the Reagan administration find it necessary to embark on any kind of defensive program? The answer given by the administration is usually a variant of the following: Deterrence needs fixing—it no longer works to U.S. advantage, nor can it stem the rising tide of Soviet nuclear superiority. This theme has been repeated ad nauseum since the mid-1950s and the onset of the first of many "gaps," later shown to be vastly overestimated or completely mythical.

The school of thought that gave us bomber and missile gaps and now gives us windows of vulnerability and a purported BMD gap are known as "strategic rationalists" or sometimes "military traditionalists." Today they are better known as "nuclear warfighters" or "theorists of victory." [2] This class of analysts refuses to acknowledge that nuclear weapons are categorically different from conventional weapons. There is occasional public reference to this important distinction, but as a body of strategic thought their writings obfuscate or deny the difference. All wars, they argue, are fought by military establishments for very definite political and military objectives. Colin Gray has said on more than one occasion that deterrence based on mutual assured destruction (MAD) is both "absurd and murderous," absurd because its proponents cannot specify a viable strategy of waging or terminating war and murderous because countervalue targeting is held in high esteem. The warfighters' focus, then, has been on the inevitability of deterrence breaking down and breaking down catastrophically at that.

Therefore, given the assumption deterrence will fail at some definite point along the conflict spectrum, the only position that makes sense is to devise ways to cope with that inevitable contingency. The nuclear warfighters' emphasis on preparing specific, credible measures to guide and wage nuclear war leads them to embrace counterforce weapons in the triad, comprehensive BMD and the attendant counterforce targeting doctrine that in their view must be joined to these weapons systems. Only thus, do they argue, can Soviet political-military aims be frustrated, crises or wars averted (or won, if fought), and arms control survive. Many strategic analysts who previously came down on the side of "defense emphasis" rather than "victory" are now comfortably united behind President Reagan's SDI. Where better to start on the overambitious SDI than with hard-site point defenses of ICBMs and launch control centers (LCCs)?

Now that the warfighters have thoroughly conventionalized nuclear strategy, they assert that deterrence credibility has eroded since the advent of heavily MIRVed Soviet intercontinental ballistic missiles (ICBMs); they also argue somewhat tardily, that the U.S. fixed landbased missile force became vulnerable to a theoretical first strike (these were the same people who favored MIRVing the U.S. ICBM force to cement a longlasting technological lead!). ICBMs, they argue, provide the backbone of U.S. strategic forces because of their inherent flexibility in targeting, accuracy, reliability, and yield. Soviet predominance in these "prompt, hard-target killers" presumably grants the Kremlin political dividends (blackmail?) and escalation dominance in both a central exchange and in the European theater as well.

The existence of submarine-launched ballistic missiles (SLBMs) and heavy bomber weapons is conveniently factored out of the foregoing analysis as "nondeterring," apparently because these weapons cannot as yet perform prompt counterforce missions with the same confidence that ICBMs can. When future technologies, however, allow the Strategic Air Command (SAC) to reduce the radar signatures (Stealth) on a variety of air-breathing and submarine platforms and weapons, then warning time will be extremely short and much more important than flight time. Sufficient yield, accuracy, and absence of warning time will one day make these countervalue weapons as prompt a counterforce threat as ICBMs are today. Yet the warfighters consistently refuse to acknowledge the march of offensive technologies (or, more precisely, the march of technologies that may have either offensive or defensive applications) in their zeal to promote strategic defense. When these arguments do surface, the warfighters claim that insecure communications between land and sea or the pace of antisubmarine warfare (ASW) technology reduces the value of at least the emerging sea-based counterforce fleet of Trident IIs. But if we are forced to assume that defensive technologies will one day grant us all manner of military opportunities, then we must also assume that command, control, communication, and intelligence (C^{3}1) problems can be overcome or that the oceans can be made more rather than less opaque.

These rather difficult assumptions are then followed by the now-typical partisan attack on the root cause of U.S. strategic discomfort: arms control and arms controllers, at least as traditionally practiced since SALT I. The crown jewel of arms control, the ABM Treaty of 1972, has of late come in for special scorn and derision owing to its failed promise in the minds of treaty opponents. The treaty promised a leveling off in the growth of offensive nuclear forces and promised both crisis and arms race stability. Critics have long asserted that none of this has come to pass; instead, the SALT process resulted in steady force accumulations centered around the proliferation of MIRV systems (the Soviets have quadrupled and the United States has tripled its strategic force loadings since SALT I began more than fifteen years ago). It is ironic that today one of SDI's avowed goals is the de-MIRVing of the heavy Soviet ICBMs, but the warfighters insisted on forging ahead with the multiple independently targeted, reentry vehicle (MIRV) even after severe ABM restrictions obviated the MIRV's utility in penetrating the militarily insignificant Soviet defenses. When MIRVs no longer were necessary to shore up deterrence of a purely countervalue nature, they took on increasing importance as instruments of counterforce doctrine.

The Reagan administration found arms control a tranquilizer for the U.S. people and a blatant gift to the Soviets and now views strategic defenses as the necessary corrective. Defenses can do what the

Reagan administration asserts traditional arms control has not done: bolster crisis stability through protection of U.S. retaliatory assets and, eventually, U.S. urban-industrial centers, thereby diminishing the utility of the ICBM as a first-strike weapon. Moscow certainly will see the light, cease producing ICBMs, or at the very least agree to negotiate most or all of them away in the new world of defensive dominance.

Unfortunately, although the ABM Treaty did indeed look to a world of fewer and fewer offensive nuclear forces, the treaty was simply a part of a larger interim agreement that only limited the growth of launchers and not warheads. Therefore, it was inevitable that warhead growth (as much a U.S. concern as a Soviet) would continue unabated and that nuclear force totals on ballistic missiles would expand greatly. Still, the relevant issue is not what the superpowers have done, but what they easily might have done in the absence of any arms limitations agreements. Many additional warheads could readily have been added to both arsenals, especially the Soviet arsenal with its larger missiles, greater throw weight, and the Soviet military's political freedom to add extra launchers and reentry vehicles (RVs) without constraint. In addition, had any sizable defensive program been undertaken by either or both adversary, the launcher/warhead requirements would have steeply climbed throughout the 1970s and early 1980s.

ENHANCING DETERRENCE THROUGH POINT DEFENSE: A DUBIOUS PROPOSITION

How exactly would point defense enhance deterrence? As in most other human endeavors, point defense enthusiasts reply, like the ancient Chinese, that the longest journey must begin with the smallest step. Point defense provides that essential first step. Proponents claim that by raising the Soviet attack price—the number of RVs required to destroy a given target—the cost of mounting a concerted counterforce attack will deprive the Soviets of far too many RVs for uncertain gains. Those gains are held to be uncertain because the attacker will not know in advance which RVs will penetrate to the target and successfully destroy it. Being conservative, the attacker either will be forced to expand by several factors the number of offensive forces needed to conduct the attack—which, at some point, becomes prohibitively expensive even if the attacker is not limited before that crunch point by arms control accords—or the attacker will simply, being reasonable, call off the whole thing because the odds of success have grown too complicated and become too uncertain to take preemptive risks in the first place. Confidence in a counterforce strike will have been diminished and the contemplated disarming first strike abandoned in thought or practice.

The theory enunciated here was given full credence by a plethora of reports, analyses, books, and monographs spawned by the Star Wars speech by those who embraced the new emphasis on the "defensive transition." None took the president's vision to heart more earnestly than did the members of the Defensive Technologies Study Team, which prepared during the summer of 1983 technical and political rationales for undertaking a full-blown SDI program.[3] The Hoffman Panel, responsible for policy analysis and particularly interested in examining "intermediate defensive options" and partial missile defenses, concluded that technology "demonstrations can provide a basis for choosing specific, partial missile defense systems *to be deployed by the early 1990s*" [emphasis added].[4] A limited system, in this view, would defend against smaller attacks and be capable of deterring larger, well-planned attacks because of lingering uncertainties on the part of the aggressor. Counterforce arsenals then would fall into disuse and could be more readily cut back or phased out.

Defensive tactics probably would involve the following: adaptive preferential point defenses, wherein the random defense of individual silos and LCCs gives greater leverage to the defense and by definition forces up the attack price because all silos must be targeted, presumably with several RVs. The adaptive technologies, including a variety of infrared sensors and long wavelength frequencies aboard satellites, ground terminals, and the Airborne Optical System, would attempt to discern real RVs from decoys as they enter the atmosphere upon reentry. Interceptors could then be fired or silos protected through so-called simple/novel defenses (such as the "bed of nails" or the "pebble curtain"), thereby deflecting or destroying enough RVs to save the desired portion of the ICBM force to preserve deterrence.

The primary strategic implication of the foregoing argument is that deterrence is premised first and foremost on U.S. ICBMs and therefore that the other legs of the triad do not deter the Soviets in any appreciable manner. Otherwise, why provide one leg with defenses when roughly 60 percent of U.S. strategic warheads are already well hidden (and accordingly protected) on the U.S. submarine fleet? The flip side of this received wisdom is the pat belief that Soviet military planners believe in the validity of limited nuclear warfighting. If not, why posit that they seriously plan to execute a controlled countersilo exchange for as yet unclear or highly ambiguous political objectives?

It is doubtful in the extreme that Soviet Strategic Rocket Forces Command has that much confidence in its technical proficiency in coordinating any plausible first strike. Even if the command did, it is that much more inconceivable that the "cautious, conservative" Soviet elite (characterized as such by almost all of the serious defense hawks) would take such unabashedly foolish, politically devoid risks as undertaking a controlled counterforce strike to settle a diplomatic (or for that matter almost any military) dispute. Not only would such an isolated attack carry an unacceptable high probability of failure on its own terms, but the USSR would then have to confront the majority of U.S. warheads in a retaliatory strike (those undestroyed ICBM RVs and those nondeterring RVs carried aboard U.S. subs and bombers).

Finally, point defenses are said to be legal under the provisions of the ABM Treaty. The treaty's intent, the warfighters argue, is the prevention of a base for a nationwide or territorial defense of the homeland, as spelled out in the preamble and in Article I. (This line of attack is quickly dropped, however, when the SDI's goal is acknowledged to be a comprehensive, nationwide defense.) The argument loses all validity, however, when Articles III, V, and VI and Agreed Statements B, D, and E are considered. No more than 100 defensive launchers, radars, or interceptors are allowed by treaty; the United States elected to defend only one site (the Grand Forks, ND, ICBM base); development and testing restrictions on such systems and components are most severe. Substantial modification or amendment first would be necessary to deploy point defenses, so much so that it is likely that the entire treaty would have to be scrapped and renegotiated.

THE CASE AGAINST POINT DEFENSES

There are certain very limited, tightly constrained conditions under which point defenses might contribute to stable deterrence. RV totals on ballistic missiles first would have to be severely reduced and maintained at permanently low levels. MIRVed systems would have to be all but eliminated. The cost-exchange ratio between adding extra RVs and extra defensive interceptors would have to greatly favor the defense. A real threat must be presumed that is capable of amelioration; if two-thirds of present or future U.S. forces were to survive any first-strike attack, then the need for such defenses appears increasingly uneconomic—even if all legs of the triad are not evenly weighted.

This is abstract theory. In the real world, these conditions could not possibly hold for very long. The military logic of even limited point defenses leads to expansion of offensive forces, just as similar steps away from the earlier construct of minimum or finite deterrence (steps such as NSDM-242, PD-59, and NSDD-13) required additional refinements away from mutual assured destruction (MAD) and have led directly to the pursuit of active defenses.

The logic of offensive force expansion remains valid because, in the nuclear age, there are only two stable "equilibrium points": mutual assured destruction or mutual assured survival (MAS). Any posture in between these points is unstable; policies or doctrines that avow some intermediate goal or strategy "pulls" force posture toward one extreme or another. For point defense, this can only imply an offense-defense competition and a vigorous expansion of the baseline system of hardsite defenses as now envisaged into all modes of strategic defense—space defense, antisubmarine warfare, civil defense, air defense, antiterrorist defenses. The system demands incremental additions that strengthen each previous layer. As argued previously, any kind of point defense (and by extension, multilayered defense) can work only after significant force reductions have been negotiated.

Without a strong measure of political détente or at least a substantial easing of hostile rhetoric and poor relations, these kinds of negotiations will not bear fruit. In a strategic climate where defenses are being incrementally added to existing offensive forces—now increasing in number and accuracy—justifiable concerns will be raised that the strategic balance is being upset, that a first strike is being planned or contemplated, and that the need for additional nuclear forces demands force building, not arms control. On the other hand, better relations and less mistrust of intentions would have a much better chance of leading to meaningful arms reductions. In such a climate, the need for point defense becomes far less apparent.

In short, by making offensive forces more secure (through the protection of retaliatory assets[5]), the effectiveness of the ICBM force will be multiplied. When both sides develop point defense each adversary will view the other's forces as doubly threatening. However, we cannot realistically assume that countermeasures will not be developed. In a crisis the force multiplier granted through survivable defenses will make the

ICBM force more threatening and more important to take out early in the crisis because of the additional "bonus" and value ICBM forces will have acquired as multiplicative forces. Thus, neither superpower can allow point defenses to function hindered; countermeasures will be sought and deployed.

There are a host of technical objections to point defenses as well, although it is likely that some rudimentary system of point defense could work reasonably well against a very finite "threat cloud" and in the absence of countermeasures. It never will be easy to discriminate between RVs and reflective decoys within the 30-100 second time frame of the terminal phase. The acquisition, track, commit, and destroy sequence will have to be astonishingly precise and rapid. Kinetic-energy (or, one day, directed-energy) weapons will probably be favored because political distaste will in all likelihood prohibit small nuclear weapons from being used in defense. Direct hits must be scored against tens, if not hundreds, of thousands of targets reentering the atmosphere.

To fool the all-important defensive sensors, a host of feasible countermeasures are either with us today or under intensive development or scrutiny. High altitude nuclear bursts will spread electromagnetic pulse (EMP) across large segments of the United States. Low altitude nuclear bursts through salvage-fusing the RV will spread local EMP effects, thus resulting either in sensor blackout or redout. Space-based components peering down into the atmosphere to aid in terminal discrimination may be directly attacked. Ground-burst nuclear weapons would raise great amounts of dust and debris, thus blocking the path of ground-based laser systems. Chaff, infrared aerosols, robust decoys, and new approaches in jamming and spoofing all promise to greatly complicate, if not doom, the defensive network's mission.

In addition to these technological difficulties, the Soviet strategic and tactical reaction must be considered as well. The arms race reaction will inevitably be the one described previously—expansion of Soviet offensive forces with particular emphasis on the ICBM force. This is so in part because of the peculiar role assigned to the ICBM in Soviet concepts of deterrence (it accounts for roughly three-quarters of Soviet strategic firepower), but in a wider sense the ICBM represents the cornerstone of Soviet military policy in the strategic arena and is as such the linchpin of Soviet strategic culture. It is not simply a quaint outgrowth of the dominance of the ground forces in the Soviet military establishment or the natural conclusion of a long history of army weapons development beginning with catapults and artillery and culminating in ICBMs. It is rather one of the few tangible measures of Soviet state power that sets the USSR apart from all its peers except the United States. Soviet submarine and bomber programs are small and relatively unsophisticated by comparison; even so, it is only now with the deployment of the new generation of SS-24 and SS-25 ICBMs that Soviet missile engineers have mastered the art of solid fuel propulsion—an achievement reached by the United States more than twenty years ago.

Deployment of U.S. point defenses therefore will encourage Soviet hardliners (and others) to reject any warhead reduction proposals that seek to reduce the value of the soviet heavy ICBM force below a vague but probably identifiable line drawn by the Soviet General Staff and the Strategic Rocket Forces. The incentive, in fact, leads in a direction unwanted by U.S. planners—the Soviets will add more RVs to their ICBM force and build a point defense of their own outside the strict confines of the ABM Treaty. They thus will be capable of defending, in theory, 75 percent of their strategic forces; U.S. point defense will enable a defense of less than 25 percent of U.S. strategic forces. Regardless of the U.S. declaratory policy of not preempting in a crisis, Congress will not enjoy presiding over a strategic development that grants the USSR a "missile defense gap" in the 1990s.

The strategy of defense suppression will allow the Soviets to continue planning a first strike—if we accept for the sake of argument that such planning is taken seriously by the political leadership—by denying the defenses the ability to operate unhampered and with a high degree of confidence. Suppressing the enemy's defenses, to take the U.S.-Soviet example, could involve using precursor waves of depressed-trajectory SLBMs, air-launched cruise missiles (ALCMs), and submarine-launched cruise missiles (SLCMs), and some older ICBMs in an initial attack designed to disrupt and destroy much of the ground-based elements of a hypothetical point defense system.

This precursor Soviet strike could be followed closely by a much heavier ICBM assault, perhaps timed to arrive on target just several minutes after the first wave. "Punching a hole" in U.S. defenses thus would enable Soviet forces to eliminate as much of the U.S. arsenal as is possible today, only with a higher attack price (and even this so-called "price of admission" need not be exorbitant if offensive countermeasures work fairly well). Point defense, then, cannot offer the United States the option of "riding out" an attack and thereby enhancing deterrence; neither will point defense "complicate" a Soviet attack and thereby deter it.

Pressure will build accordingly to expand the baseline system beyond that of providing a margin of safety to some uncertain portion of the U.S. ICBM force. For example, maneuverable reentry vehicles (MARVs) can be added to the launch vehicle instead of ordinary MIRVs (MARVs are able to change direction once they are inside the atmosphere and are identified by defensive radars). MARV technology will enable the offense to fool the defense down to the very last moment; a sensor will never quite know whether the RV will change direction after an "impact prediction point" has been computed for that RV's final descent or by how much. The leverage of preferential point defense therefore is lost. To regain that leverage, or at least to shore up the final line of defense, it will be necessary to add midcourse and boost-phase defenses. This is indeed what the president's vision is all about, but those uncertain or uncomfortable with the broader implications of Star Wars defenses will have difficulty making the argument henceforth that partial defense of missile silos adds to retaliatory deterrence per se.

There will be serious treaty problems that advocates of point defense have yet to acknowledge. Is it possible to build robust, high-confidence point defenses without providing similar coverage to wider areas? The need for mobility and the co-location of missile fields to a number of population centers in both the United States and the USSR renders a pure point defense concept rather unbelievable. The number of radars, launchers, and interceptors would need to expand to more than 100; the systems and components would have to be MIRVed and made automatic, semiautomatic, or rapidly reloadable; and the necessity of developing, testing, and deploying mobile land-based, air-based, and, very possibly, space-based components for defense in the late midcourse and terminal phases would violate Article V's prohibition against such testing and Article I's ban on the defense of individual regions. This latter point does not rule out all silo defense possibilities. However, for most concepts to succeed a fairly ambiguous degree of mobility will be required, thereby providing some capability for defense of wider areas regardless of stated intentions. In all, at least six articles and agreed statements would be violated. Point defense cannot be secured through reference to the legitimacy of its mission or legal admissibility as the ABM Treaty now stands.

STRATEGIC STABILITY

There is little evidence that the Soviet military as a body, and certainly the Soviet political leadership, accepts the theory of limited nuclear war or believes in the political utility engendered by "controllable" countersilo exchanges. Soviet doctrine is explicit on these points: Wars that escalate to the tactical nuclear level cannot be kept from escalating to full strategic strikes. There is no evidence that the Soviets believe that only ICBMs would engage in a cosmic duel without other nuclear forces coming into play.[6] In the event of a war that promises to become nuclear at some inevitable point, doctrine posits early attacks with forces ranging from conventional to chemical to nuclear, and in a no-holds-barred "shooting war" point defense will be of little avail in European or central-strategic exchanges.

If the Soviets are fully as Clausewitzian as many conservative defense analysts assert, then they will ask themselves what political objectives are furthered or attained by engaging in a countersilo exchange from which they might emerge with a superior postattack ICBM force ratio, but where they still would be subject to the entire fury of the majority of U.S. nuclear forces. Deterrence is a far broader concern for most Soviet analysts than it seems to be for most U.S. analysts, content as many are to rely on statistical models of game theory for measuring strategic advantage. Classical military strategy, both East and West, insists that political goals be matched with military means. Although there has always been some duality of mind between the Communist party and the military on strategic thought, for many years now defense officialdom has played down earlier notions that nuclear war could be won and has played up the importance of parity.

Asymmetries in each side's defense potential—the expected level of defensive effectiveness—are certain to arise. It is doubtful that both countries would erect identical point defense networks that also are capable of handling with equal skill the set of countermeasures designed to overwhelm and spoof the opponent's network. Even if defense potential were equal on both sides, such equality would not be perceived by civilian and military planners who have made a career out of worst-case analysis. The perception of even slight asymmetries in effectiveness and a highly charged political atmosphere guarantee that new RVs will be routinely added.

If the point defense system on either side were configured such that sufficient ambiguity would exist in a crisis as to whether the point defense would include defense of cities, then crisis stability will be seriously eroded as each side fears that the other is preparing to defend critical territory across each landmass. The incentive in this chaotic environment is to launch first, believing that war has become unstoppable. As regards arms race stability, one of the principal benefits of point defense—that it raises the attack price (some would say significantly) per silo—works against the argument that the offensive threat must be finite and stable for the system to work. The tension between these two positions is apparent and makes it hard for critics of point defense to see just how point defense contributes to arms control.

Assuming for the moment that point defense could perform up to design specifications and protect a significant portion of U.S. retaliatory forces, the effect on strategic stability would not necessarily be positive. (It is further assumed that an offense-defense race has not been set off.) The nature of the particular forces being defended must be taken into account as well. We must ask whether some or all of Minuteman II, III, or MX will be defended. If defended ICBMs MIRVed counterforce systems (like MX or the SS-18, SS-19, and SS-24), then these forces could readily be utilized in a first strike. Each side will fear the "ragged retaliation" syndrome, wherein side A goes first, suppresses the enemy's defenses, and severely reduces side B's arsenal. Side B's retaliation could at best be characterized as "ragged," if not depleted.

If the United States persists with point defense, it is obvious that it will quickly become side B. The United States in all probability will deploy only 50 MX ICBMs; Moscow already has 668 SS-18/19s and can top 820 with the SS-24 in the absence of arms control restraints. The USSR will have between 7,000 and 8,000 counterforce RVs to the United States's 2,000, if Minuteman III (500 of which will be MX) is included in those calculations. If, as warfighters believe, the Soviet leadership can be persuaded to act by the power of numerical advantage, then it is not in the U.S. national interest to abandon the ABM Treaty and actively encourage the Soviets to deploy point defenses.

In conclusion, if it is true that the attack price will be increased, then the Soviets will by definition add additional RVs. Any of the current negotiating postures taken by the United States will be rejected, especially those related to substantial reduction of the Soviet heavy missile force. Soviet point defenses will be added as well, with several negative consequences to follow (as outlined previously). the Soviet political and military elite will retain their version of the Single Integrated Operational Plan at the expense of arms control agreements when faced with the new world of defensive deployments; point defense will not be viewed as the end goal for the United States. The USSR will have to prepare for future U.S. defensive increments. As the essential first step on the road to the SDI, point defense must be reassessed by those convinced of its (dubious) merits.

With the exception of some point-defense enthusiasts, the latter-day defense-emphasis strategists have persuaded themselves that deterrence through retaliation is absurd. They are mired in nineteenth-century conceptions of warfare, yet they insist that technology can hand the United States the means to defend itself completely and comprehensively. But Clausewitz, the master of all post-nineteenth-century strategists, wrote that an absolute defense is an absurdity that completely contradicts the idea of war.[7] As long as the new coteric of Star Wars strategists and counterforce enthusiasts insists on seeing nuclear strategy in conventional terms, they would do well to go back and reread the master.

NOTES

1. Senate Armed Services Committee, *National Defense Authorization Act for Fiscal year 1987*, Report no. 99-331 (Washington, D.C.: GPO, July 8, 1986), pp. 181-182.

2. After Colin Gray's articles since the mid-1970s that "victory is possible." Other theorists in this category include William Van Cleave, Fred Ikle, Albert Wohlstetter, and a host of lesser lights best typified by the work of Daniel Graham. As the official justification for MX is to provide a secure "second strike counterforce capability"—surely an even more absurd notion than countervalue destruction—Gray's support for this and other offensive nuclear systems demonstrates either a failure of logic or a misreading of the Soviet target base, Soviet strategy, and the kinds of nuclear weapons necessary to fight a second-strike war. If Moscow destroys the U.S. ICBM force in a premeditated strike, what realistic counterforce targets will the United States hit in response? Those few older ICBMs held in reserve? All conceivable candidates for retaliatory targeting, such as C^3I, airbases/bomber flyout corridors, SAM batteries, and SSBN/SSN pens, do not require prompt, hard-target kill warheads. If these targets are essential for second-strike kill, then the present arsenal of very accurate warheads will do the job quite well.

3. As Richard Garwin commented at a conference on deterrence at the University of Maryland in September 1984, the Reagan speech reminded him of the scene in Alice in Wonderland where the Queen of Hearts says, "First the verdict, then the trial."

4. U.S. Department of Defense, *Defense Against Ballistic Missiles: An Assessment of Technologies and Policy Implications* (Washington, D.C.: U.S. Department of Defense, 1984), p. 8.

5. This assumes, for the moment, that countermeasures will be absent or ineffective.

6. See, for example, David Holloway, *The Soviet Union and the Arms Race* (New Haven, Conn.: Yale University Press, 1983); Robert Jervis, *The Illogic of American Nuclear Strategy* (Ithaca, N.Y.: Cornell University Press, 1984); and Raymond Garthoff, "Mutual Deterrence, Parity, and Strategic Arms Limitation in Soviet Policy," in Derek Leebaert, ed., *Soviet Military Thinking* (London: George Allen and Unwin, 1981).

7. Carl von Clausewitz, *On War*, edited by Michael Howard and Peter Paret (Princeton, N.J.: Princeton University Press, 1976), pp. 377-392.

THE BIG CHALLENGE FOR AMERICAN BANKING

Mr. PROXMIRE. Mr. President, will the next few years be good or bad, easy or difficult for American banking? In the view of this Senator, American banking will be tested as never before in the next few years. Why? Let me ask: What does a bank do? Easy answer. It accepts deposits. It makes loans. So why will this be so difficult? Here's why. This country is up to its eyeballs in debt. We all know the Federal Government has never been more deeply in debt. We all know the Federal deficit for 5 consecutive years now has been rolling along at a horrendous $200 billion level. The national debt has doubled. It has soared from less than $1 trillion to more than $2 trillion! And it is rising.

Is that all? No, there's more. It's worse. American households have increased their debt at a truly reckless pace. They have borrowed more money, more rapidly than ever before. They are now in debt by $2.6 trillion. And how about their savings? Household savings are lower than they have ever been—much lower in relationship to income. For years, American consumers regularly saved 5 to 6 percent of their income. This was low compared to savings in other developed countries. The Japanese save about 20 percent of their income. And now? Now, U.S. household savings has dropped to a pathetic 2 to 3 percent of income—about one-half of the previous rate. There's more bad news. American businesses have skyrocketed their debt to an all-time high of more than $3 trillion!

So, on every front, this country has sunk into a quicksand of debt. Now answer this question for me: What happens in the next few years when the next recession hits? What happens to the millions of Americans who are barely meeting their monthly interest and amortization payments when they lose their job or suffer a substantial payment? And what happens when they find they can't swing it and go bankrupt? That will be a heartbreaking problem for Americans. It will be a disaster for the banks that have loaned them the money. And, of course, these same banks will face losses from American corporations that have greatly increased their vulnerability by trading equity for debt. A year or two of recession and many an American business will go to the wall. So the next recession will be a double disaster for our banking system.

Can it be worse? It can be. It is. Because of these unprecedented debts recession could very well bring our country the first real, full-scale depression since the 1930's. Why? First, because the personal and corporate debt has become so heavy. But also because the Federal Government has fired the last bullet out of its antirecession weapons. How does the Federal Government fight a recession? Two ways. First, it uses its fiscal weapon. It provides jobs, welfare, unemployment compensation for those out of work. It also cuts taxes. Tax cuts leave more after-tax money in the pockets of consumers. Now, what effect do both these actions have? They increase the deficit. Henry Kaufman—that sage of Wall Street—has told us that today we cannot afford a recession. Let me repeat that this highly respectful financial expert tells us we cannot afford a recession. He's right. But what do we do about it? We will have a recession. No one can stop it. Recessions are a price we pay for our free enterprise system. It's an inevitable price. It's as certain as the fact that the Sun will rise in the East and set in the West. We cannot repeal it or stop it. It will come. But did you ask: Why can't we use that other antirecession weapon? Why can't we use monetary policy? Why can't the Federal Reserve Board increase the credit supply so that the price of credit—that is interest rates—falls? Wouldn't that encourage home buying, auto buying and pick the economy up? Why not? The sad answer is that the Fed has already done exactly that. They have done it in spades. They have shot their wad. That alternative is no longer available. So can we look for Government help in this next recession, a recession that will strike when we are in debt up to and over our heads? No. We can't. American bankers will face their toughest test ever.

GREAT TURKEY AWARD

Mr. SANFORD. Mr. President, one of the advantages of membership in the U.S. Senate is that it provides an opportunity to comment on incompetence in the Government. Perhaps, even more, it is an obligation to observe and comment on incompetence and ignorance in high office.

My distinguished colleague, the senior Senator from Wisconsin, performs a valuable public service by pointing out a few of the many illustrations of waste in Government, by making the "Golden Fleece Award" to those who waste taxpayers' money.

It occurred to me today that I should start an award that we might call the "Great Turkey Award" for noteworthy acts by ill-informed, intellectually clumsy, or generally inadequate political appointees.

I got this idea from our Secretary of Labor, Mr. William Brock. He called the managers of American corporations "a bunch of turkeys."

His reason for such comment was to attempt to protect the hostile corporate raiders who are doing so much to undermine the corporate financial strength of America.

First, he demonstrated he is totally uninformed. He concluded that because, in his view, there are bad corporate managers, any practice that tends to throw out managers must be good.

That is like saying there are some bad drivers on the highways, so let's put a Sherman tank on the road running full speed against traffic, and maybe we'll take out some of those turkeys who can't drive.

He is uninformed because he obviously knows little about the hostile takeover process. Nowhere is there an honest judgment by anyone in a hostile takeover that management needs to be replaced. There is reason to believe that the raider primarily goes after companies that have been well managed, that have surpluses, and that have healthy employee pension funds that can be plundered.

The purpose of the hostile raider is almost exclusively to make quick dollars, in unwarranted amounts, and if Secretary Brock sees them as great crusaders for better corporate management, the very best we can say for him is that he is naive.

Not only does he show ignorance of hostile takeovers, he shows a gross insensitivity to the plight of people he is in office to protect. Working men and women of America are in constant jeopardy so long as we have the possibility of unregulated hostile corporate takeovers.

Their jobs, in the breakup that usually follows a hostile takeover, can, and do, disappear overnight.

Mergers and acquisitions have long been a part of healthy growth in corporate America. Hostile takeovers financed by putting the target company in junk bond hock have no redeeming values. They transfer equity to debt, depriving the company of assets for research and modernization, thus reducing the competitiveness of America.

A recent outbreak of takeovers of U.S. companies by foreign hostile raiders is a lesson we ought not to be missing. This further damages our competitiveness, and adds to our negative trade balances by siphoning profits out of the United States. Canada, Great Britain, Japan, and Germany certainly do not permit U.S. hostile raiders to charge in and take over their corporations.

Few hostile takeovers have been good for the employees, the working men and women. Raiders skim great profits and run. They don't care about the workers. It is not bad corporate management, Mr. Secretary, to have care and concern for your employees.

How could we have a Cabinet member, a Secretary of Labor, so ill-informed, so unaware, and so insensitive to the havoc takeovers wreak on employees? I don't know, but he has earned the right to special recognition.

Congratulations, Mr. Brock, U.S. Secretary of Labor. You have stumbled into well deserved recognition, and you are hereby awarded the first "Great Turkey Award."

RETIREMENT CEREMONY

Mr. SYMMS. Mr. President, this past Monday, a retirement ceremony was held for two of this Nation's distinguished fighting men, Gen. John Wickham, USA, and Gen. P.X. Kelley, USMC.

They have devoted their lives, in careers spanning over 37 years each, to the continuance of our country's freedoms. They both richly deserve the honor and respect of their countrymen.

Mr. President, for the benefit of my colleagues, I would like to include for the RECORD the remarks which General Kelley prepared for Monday's event. As is his nature, General Kelley was brief and to the point. In particular, the Commandant makes three points which need to be repeated and emphasized at every opportunity.

The first is the unfortunate rift which seems to have developed between the military leaders of our armed services and the Congress. As General Kelley points out we must not allow partisanship to interfere with our achieving the strongest national defense possible by this body's not working closely with those charged to lead our Armed Forces.

Another point—closely related to the first—is that we cannot be "penny-wise and pound-foolish" in our defense budgets. Freedom has never been cheap, and the military force needed to ensure freedom cannot be "bought on the cheap." This is a point that we in the Congress must not forget and must help explain to the American people.

The third point I would like to emphasize is that, in general—not in all cases but in general—our military has been ill served by the Nation's media. It is true that our military has had and continues to have problems, particularly in weapons procurement. But such is not unique and will happen in any large organization. The disservice comes, not in reporting of problems, but in the media's not fairly and accurately reporting both problems and achievements—which are many—of our men and women in the armed services. To constantly make a "whipping boy" of the institution which guards and protects our national interests is to abandon balance and objectivity by our media.

Mr. President, I hope that my colleagues will take the few minutes necessary to read over the remarks of our Nation's 28th Commandant of the Marine Corps.

At this point Mr. President, I wish General Kelley and his wife, Barbara, the best of all times for the future. I know that neither will be idle. New and exciting challenges await them. But, at this point, the Kelleys deserve the Nation's heartfelt thanks for their service and devotion to this country and the cause of freedom. The corps has been through some of its most trying times recently. But under P.X.'s leadership it has weathered these storms and has emerged stronger and more fit than ever. General Kelley has seen to the needs of the corps, and its combat capability has been increased through his personal involvement in seeing that Marines worldwide have the very best possible in combat equipment and weaponry.

Morale and training of the corps is at an all time high because we had a Commandant who cared.

To General Kelley, I join with thousands everywhere to say, "Semper Fidelis and Godspeed, P.X."

Mr. President, the remarks of General Kelley at the retirement ceremony which I am going to ask be put in the RECORD, were summarized by him because the temperature and humidity were in excess of 90, with the troops in full dress, and General Kelley released the remarks to the press.

I ask unanimous consent that they be inserted in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

REMARKS BY GEN. P.X. KELLEY, U.S.M.C., JUNE 15, 1987

Mr. Vice President, Secretary Weinberger, Secretary Marsh, Secretary Aldridge, Secretary Webb, Admiral Crowe, my colleagues on the Joint Chiefs of Staff and distinguished guests.

First, let me say what a deep honor it is to share this parade with General John Wickham. John and I were commissioned as officers in our chosen service over 37 years ago, and we have served together off and on for over 16 of those years. He is truly a valued friend and a great Soldier. Your many admirers in the Marine Corps salute you, John. God Bless!

I realize that there is always a danger in singling out one person for special recognition at events such as this—a danger that others may feel slighted that they, too, were not equally recognized. But, such is not the case when you talk about our Secretary of Defense, for every Soldier, Sailor, Airman, and Marine recognizes the fact that the combat capabilities of our four services are "light years" ahead of where they were six years ago due, primarily, to the extraordinary efforts of Secretary Weinberger in carrying out the essential military revitalization program put into motion by our Commander-in-Chief. Our Country is blessed, Mr. Secretary, in having you at the helm of the Department of Defense.

I know that it is customary at retirement ceremonies to say—I have mixed emotions—but frankly I do—so I'll say it—I have mixed emotions!

I love my country and I love my Corps, and I have willingly given all of my adult life to both—but I also love my wife of 36 years with all of my heart, and she has received precious little recognition for all she has given to Country and Corps. So, I will take my first step into retirement with a hope that together we can take a little time to "smell the flowers" in our remaining years as "senior citizens."

When I take off the uniform of a Marine for the last time later this month, I will do so with some haunting concerns.

My first concern is with a growing attitude in the Congress which places more credence in the views of staff members on matters dealing with national security than in the views of the Service Chiefs. This attitude is driving a wedge between the members of Congress and the nation's principal military advisors. We must reverse this trend, and make a conscious effort to restore cordial and substantive relationships between members of the Congress and the Service Chiefs—relationships which in the past have been so essential for the proper addressal of defense issues by the legislative branch.

My next concern is with a feeling among some members of our Congress that you can buy the defense of our Country "on the cheap." I pray that my granddaughter's inalienable rights under the Constitution will be preserved in the future—just as much as mine have been preserved for the past 58 years—and the preservation of these rights is not cheap. The requirements for the defense of the Republic are dictated by external threats, and the satisfaction of these requirements should not be emasculated by some arbitrary and capricious budgetary "meat axe." The question all Americans must continue to ask is: "What price freedom?"

My final concern is with the unbalanced treatment of our armed forces by many, not all, but many members of our "fourth estate." For one who has spent the past 37 years in building an institution, it is particularly difficult for me to understand a "lynch mob" mentality—one which appears devoted to destroying the public image of our most precious institutions. One can only ask the question: "Is this what our forefathers envisioned by the First Amendment to our Constitution?" I think not. I ask responsible members of the media to strive for balance and objectivity as they discharge their obligations to the American people. Irresponsible sensationalism has no place among men of honor and integrity!

On a positive note, I believe that today the health and vitality of our four services are the finest I have seen in almost four decades. Our young men and women on active duty today are the very best—and they deserve the very best. Our Nation cannot afford less!

My special thanks to you, Mr. Vice President. During the past four years you have always been there when the armed forces needed you. You know us, you understand us, and you support us! Speaking for all Marines, you have our deep and abiding respect and admiration.

To the Soldiers, Sailors, Airmen, Marines, and Coastguardsmen in this memorable review—God bless you—and God bless America—the land of the free because it remains the home of the brave!

Mr. SYMMS. Mr. President, I ask unanimous consent that General Kelley's résumé be inserted in the RECORD.

There being no objection, the résumé was ordered to be printed in the RECORD, as follows:

GEN. PAUL X. KELLEY, USMC

General Paul X. Kelley is the Commandant of the Marine Corps, Headquarters Marine Corps, Washington, D.C.

General Kelley was born on November 11, 1928, in Boston, Mass. He graduated from Villanova University with a B.S. degree in Economics and was commissioned a Marine second lieutenant in June 1950.

In March 1951, after completing instruction at The Basic School, Quantico, Va., he served consecutively as a platoon leader, assistant battalion operations officer and assistant division training officer with the 2d Marine Division, Camp Lejeune, N.C. He was transferred to the USS SALEM, Flagship of the 6th Fleet, during September 1952, serving as the Executive Officer and then the Commanding Officer of the Marine Detachment for a period of 20 months. He was promoted to captain on Dec. 16, 1953.

He was ordered to Camp Pendleton, Calif., in July 1954, where he served as a battalion executive officer with the 1st Infantry Training Regiment. Transferred to Japan in February 1955, he served as the Division Training Officer, 3d Marine Division. From August 1955 to June 1956, he served as the Aide-de-Camp to the Deputy Commanding General, and then as Assistant Force Training Officer, Fleet Marine Force, Pacific, in Hawaii.

Returning to the U.S in July 1956, General Kelley became the Special Assistant to the Director of Personnel at Headquarters Marine Corps, Washington, D.C., until December 1957. Following his assignment in Washington, he completed the Airborne Pathfinder School at Ft. Benning, Ga. In February 1958, he was assigned to the newly activated 2d Force Reconnaissance Company, Force Troops, Fleet Marine Force, Atlantic, Camp Lejeune, where he served as the Executive Officer and then Commanding Officer.

From September 1960 to May 1961, he was the U.S. Marine Corps Exchange Officer with the British Royal Marines. During this tour he attended the Commando Course in England, served as Assistant Operations Officer with 45 Commando in Aden, and as Commander "C" Troop, 42 Commando in Singapore, Malaya and Borneo. On March 1, 1961, he was promoted to major.

He was assigned to Marine Corps Schools, Quantico, in July 1961, and served there as a tactics phase chief at The Basic School; and then Reconnaissance and Surveillance Officer at the Marine Corps Landing Force Development Center.

In June 1964, he assumed duties as Commanding Officer, Marine Barracks, Newport, R.I. He remained at that post until August 1965, when he was transferred to Vietnam and reported to the 3d Marine Amphibious force, FMF, Pacific, as the Combat Intelligence Officer. Following this assignment, he served as the Commanding Officer, 2d Battalion, 4th Marine Regiment in Vietnam. He was promoted to lieutenant colonel on January 20, 1966. During this tour as battalion commander, he earned the Silver Star Medal, the Legion of Merit with Combat "V" and two awards of the Bronze Star Medal with Combat "V".

From Vietnam, he proceeded to the U.S. Army Infantry School at Ft. Benning, where he served from August 1966 to July 1968, as the Senior Marine Corps Representative of the Commandant of the Marine Corps. He then attended the Air War College, Maxwell Air Force Base, Ala., graduating as a "Distinguished Graduate" in May 1969. For his excellence in politico-military strategy while a student at the Air War College, the Board of Trustees of the National Geographic Society elected him a life member.

He returned to Headquarters Marine Corps in June 1969, as the Military Assistant to the Assistant Commandant. He was promoted to colonel on April 1, 1970, and in June 1970 was reassigned to Vietnam where he commanded the 1st Marine Regiment, 1st Marine Division. General Kelley redeployed the regiment, the last Marine ground combat unit to leave Vietnam, to Camp Pendleton, Calif., in May 1971. During his second tour in Vietnam, he was awarded a second Legion of Merit with Combat "V".

Reassigned to the Washington area in July 1971, General Kelley served as the Chief, Southeast Asia Branch, Plans and Policy Directorate, Organization of the Joint Chiefs of Staff, where he remained until November 1973, when he was assigned as the Executive Assistant to the Director, Joint Staff. Upon completion of this tour he was awarded a third Legion of Merit.

Following his promotion to brigadier general on August 6, 1974, he was assigned as the Commanding General, 4th Marine division.

In June 1975, General Kelley was ordered to the Marine Corps Development and Education Command, at Quantico, where he assumed the duties as Director, Development Center. He assumed duties as Director, Education Center and was advanced to the grade of major general on June 29, 1976.

In May 1978, General Kelley was ordered to Headquarters Marine Corps, where he became Deputy Chief of Staff for Requirements and Programs.

On February 4, 1980, General Kelley was promoted to lieutenant general and appointed by the President as the first Commander of the Rapid Deployment Joint Task Force, (renamed the United States Central Command (USCENTCOM) in January 1983), a four service force with headquarters at MacDill AFB, Tampa, Florida.

General Kelley was promoted to the rank of general and assumed duties as Assistant Commandant of the Marine Corps and Chief of Staff on July 1, 1981. He assumed his present office as Commandant of the Marine Corps on July 1, 1983.

General Kelley's personal decorations and awards include: the Silver Star Medal; Legion of Merit with Combat "V" and two gold stars in lieu of second and third awards; the Bronze Star Medal with Combat "V" and a gold star in lieu of the second award; the Joint Service Commendation Medal; Navy Commendation Medal; and the Army Commendation Medal. He is a Marine corps Parachutist and U.S. Army Master Parachutist.

General Kelley and his wife, the former Barbara Adams of Fall River, Mass., have a daughter, Mrs. John Cimko.

THE SPACE STATION: A PERMANENT PRESENCE

Mr. HEFLIN. Mr. President, when the history of the 20th century is written someday in the distant future, one thing that certainly will be remembered is that this was the period when man left his planet and began to explore the universe. Space is the greatest adventure of our time, and any nation that sees itself as a world leader cannot ignore it. Certainly, the United States has not ignored it. In 1958, Dr. Wernher Von Braun, a leading figure in the dawning days of the U.S. Space Program and the first Director of NASA's Marshall Space Flight Center said.

> After thousands of years of clinging to our planet, man is finally about to burst the bonds of terrestrial gravity and embark on the greatest voyage of his entire existence * * * the exploration of the space around him.

Since that time, the United States has been the leading space faring nation; and, I believe that we should remain so in the decades ahead.

Mr. President, deeply embedded in our national history and a true part of the American spirit is the need to be pioneers, adventurers and entrepreneurs. It is also in our make-up to want to lead and to be preeminent. We did not invent the industrial revolution, but we exploited and improved upon it until we became a world power. Likewise, we may not have been the first in space; but once Sputnik raised our national consciousness, we became the world's leading space pioneer. Mr. President, we have the opportunity to recapture the American preeminence in space.

Space has been important to us in the past, and it will become increasingly important in the future. We use space to ensure our national security, improve our standard of living, and broaden our scientific knowledge.

Manned space flight has existed almost since the beginning of our use of space. Our first satellite, Explorer I, was launched in 1958, and Alan Shepard's brief suborbital flight occurred in 1961. Since then, we have used unmanned space systems extensively to explore the solar system, but our Manned Space Flight Program has proceeded at a slower pace—our total time in space is, so far, little more than 4 man-years.

Through the U.S. Space Program, we have learned a lot about the value of man in space, but there is much more yet to learn. The space shuttle has and will continue to help us gain this knowledge. For example, the flights of Space Lab, aboard the space shuttle, have achieved many major successes and have again demonstrated the critical role that man plays in space. However, the shuttle's ultimate value is limited both in terms of time in orbit and altitude above the Earth's surface. During the 1990's, we will need a space station and associated technologies to increase our utilization of space. Eventually, through research in the environment of space, we will unlock its secrets and make these riches available for all mankind. It is toward this goal that I am committed.

Mr. President, the space station is an idea whose time has come. When NASA opened its doors in 1958, it had been assigned the responsibility for man's space flight and developed project Mercury as its initial manned activity. As the NASA leadership developed its space programs, a space station was a leading candidate for a post-Mercury goal. Since that time, a space station has been studied and analyzed continuously. And now, Mr. President, the development of America's space station is a reality. It became a reality when on January 25, 1984, President Ronald Reagan said:

> Tonight, I am directing NASA to develop a permanently manned space station and to do it within a decade.

It is my sincere hope that this goal is met.

As the first Senator to call for the development of a permanently manned space station, I have followed its progress very closely. As evidenced by Congress' willingness to fully appropriate NASA's fiscal year 1987 request of $410 million for the space station, congressional support has steadily increased for this program and it is my hope that this trend continues. Many people, including private companies and the separate NASA centers, have invested a great amount of time and money in the space station, emphasizing the importance of this vital program. This year, NASA has requested $767 million for the Space Station Program for fiscal year 1988; and it is my hope that Congress will again fully fund NASA's space station request.

Mr. President, let me take just a moment to share with my colleagues in the Senate a little of the background of the space program, of which much is already common knowledge; however, never emphasized enough.

The space program is not very old. Soon, NASA will celebrate its 28th anniversary. In this short time span, much has been learned about the universe and the Earth. However, many of these discoveries were unanticipated. As in all pioneering efforts, you often cannot predict what the ultimate outcome will be. Yet, you know almost instinctively that you must move into that new frontier.

President John F. Kennedy's dream of landing on and returning safely from the Moon was realized not once but numerous times. Much of the initial excitement and purpose began to fade in the early 1970's. People questioned the investment of space and particularly the funding for manned space flight. This affected our quest for the space shuttle. The decision to build a reusable space shuttle did not have the ground swell of support that Apollo had. At that time, the threat of the Soviet Union's Space Program was not as great as it is today.

The space shuttle decision was a compromise to begin with. The initial purpose was to build a space station where the space shuttle was just the transportation needed to get there. Even with the compromise, there was criticism—criticism for politicians who raised questions over national priorities and criticism from scientists who believed they did not need the shuttle.

We did build a shuttle, but to do it, we backed off from the space station and other potential missions in space. NASA's budget suffered in space science, and applications were impacted, particularly in the decade of the 1970's.

While the United States debated its investment in the Space Program, the Soviet Union continued in their deliberate and methodical way to press its space efforts. One author had likened it to the tortoise versus the hare. Our accomplishments in space captured the world's attention and imagination; but, as we paused and thought that we had the race won, the Soviets kept working. While many were not looking, our leadership in space was surpassed in several areas, launch vehicles and a space station among them. Very soon, the Soviet Union will launch its own version of our space shuttle and it will no doubt be used to transport men and important scientific experiments to and from their own space station, Mir, which has been orbiting the Earth now for nearly a year. In fact, Mr. President, the Soviet Union has been manning space stations for nearly 15 years. Salyut I was first launched in April 1971. Since then, five more Salyuts have been successfully orbited.

During our first quarter century in space, our main source of competition has been the Soviet Union. This is no longer true today, nor will it be in the future. Many other nations have joined the space club. There is a new era of competition in space, particulary involving commerical applications. In this arena, competition for leadership comes from the French, Japanese, Germans and others. With the administration's current attitude toward commerical transportation, many in the aerospace, scientific, and communications industries are turning to other countries for their space launch needs. I, for one, place a great value on maintaining our leadership position.

Mr. President, the space station has a vital national importance.

I believe that most of us will agree that we live in a dynamic and changing era. Everywhere we look, there is change, but no where is it greater than the technological progress that is reshaping the American economy. In my opinion, this technological change and, indeed, the U.S. leadership in science and engineering technology is vital to our national security and wellbeing.

In 1956, for the first time, white-collar workers in technical, managerial, and clerical positions outnumbered blue-collar workers. Industrial America was giving way to a new society where most of us work with information rather than producing goods. Today, we have moved into a society that now employs 80 percent of the work force to provide services, and the remaining 20 percent for production.

This transformation into an informational society began about the same time as the launch of Sputnik. Currently, no one would disagree that the Space Program contributed greatly to the information society and hastened our plunge into a new environment. It is not surprising then that today we find ourselves entertained, educated, informed, instructed, and coddled by various microelectronics and communications' devices and systems resulting directly or indirectly from the Space Program.

When we reflect over the past 28 years, we must be encouraged; but let us not look back too long or be too smug. In communications and other areas, we must look to the future. In the balance of the decade of the 1980's and the early 1990's, one can anticipate tremendous growth in satellite communications and remote sensing. We will expand existing services and introduce new ones. The market associated with communication satellites is in the tens of billions of dollars. The awareness in this market potential has not been lost on the Japanese or other interested countries.

The use of communication satellites involve geosyncronis orbits 22,300 miles above the Earth. To reach this altitude, multistaged expendable launch vehicles or the space shuttle with associated boosters must be used to place the satellites in the proper orbit. These boosters employed with the space shuttle are not reusable. However, the space station could provide a platform from which a reusable booster, such as an orbital maneuvering vehicle or an orbital transfer vehicle, could be deployed in order to place satellites in a higher orbit than the space station.

In many ways, our commercial utilization of space parallels the early period of our growth in aviation. The aviation sector of our economy today is at least a $100 billion enterprise. No one could have pictured this at the time of the Wright brothers' first flight at Kitty Hawk, NC, nor even two decades later when Charles Lindberg made his historic flight across the Atlantic.

With time, investment, hard work and cooperation, the space sector of our economy could conceivably surpass aviation. The space station will help this Nation realize many of those economic benefits in space. It will help cement our position as the preeminent space faring nation. We should not relinquish our technological preeminence to the Soviets, Europeans, Japanese, or anyone else. Thus, this is one context in which I view the Space Station Program—maintaining the U.S. leadership in space.

When I was the ranking Democrat on the Senate Science, Technology, and Space Subcommittee, I stated that my primary goal was to see that the United States maintain its leadership in science, engineering and technology. Of course, the Space Program and the space station are key components for maintaining this leadership.

Only by continuing our Space Program and continuing new and challenging programs, such as the space station, can the United States expect to maintain its technological leadership.

I believe that the space station is one of the most important programs facing our Nation. The U.S. Space Program has accrued many benefits for all mankind and I am convinced that potential benefits to be gained from future space activities and a space station will far outweigh all previous gains. I have never made a secret of my belief that this Nation should establish as a goal the completion of a manned space station by 1992, the 500th anniversary of Christopher Columbus' discovery of this great land.

Mr. President, there are many important issues facing the Space Station Program. The potential to learn fundamental insights into how the universe began, insights into fundamental unified theories of physics and the question of how the planets and the Sun develop the atmosphere, the oceans, and the solid planet cannot be regarded lightly. The Space Station Program must consider the needs of the space science community. This is one of the reasons that NASA has decided to make the space station capable to be man tended early in the assembly process. This will allow for scientific experimentation as soon as possible.

We must balance the scientific goals of space exploration with other priorities. Some argue that it is better to fund a multitude of modest programs incrementally than to commit to huge investments in a single specific project whose rationale could shift before it is complete. Others contend that many scientific undertakings get carried along on these large projects that would not otherwise be funded. One can find specific examples to support each argument. Generally, I think the Nation's interest in space science has been observed in most cases.

Space applications is another promising area that will be affected when the space station is complete. Historically, the space applications part of the space program has been a major contributor to our economic and national technological goals. Space communications developments of the past are well known to most of us. Likewise, most U.S. citizens have grown to depend on weather and land remote sensing satellites.

Today, only 13 years after NASA's successful launch of the first Earth resources technology satellite, data from these satellites is helping to forecast agricultural crop trends, explore for oil and minerals, monitor water resources, map vegetation and forest development, assist in land use, and produce geographical maps. This data is received and processed by about a dozen nations; and more than 100 nations use the data to help manage resources.

Mr. President, the space station will maintain a permanently manned laboratory providing new opportunities in the areas of astronomy and life sciences, as well as industrial research, both for the purpose of manufacturing, as well as research that will provide new scientific breakthroughs that may revolutionize various areas of research on Earth, leading to technological advantages for our entire society.

We have been hearing a lot about materials processing in space; an area that I am particularly excited about. Its future is as promising as those in space-based communications and Earth observation. A manned space station would be a major stimulus both as a laboratory in space and a manufacturing platform. Many believe that materials processing in space will be the most significant economic area next to communications.

The remarkable achievements possible through material processing in space has only been hinted at by the limited number of experiments that have been possible through the use of the space shuttle and related equipment. These include the preparation of ultra-pure pharmaceuticals which may lead to a cure for diabetes, prevent anemia related to surgery, control dwarfism, and other important medical achievements. Other materials produced in space indicate the possibility of manufacturing very uniform semiconductor crystals which would enable building superfast computers, possibly provide a new generation of optical computers and other important advancements. Fully as important as these developments, have been the experiments in the area of basic material science. By taking advantage of the unique physical qualities of microgravity materials processing in space, we are able to better understand the basic nature of materials, such as cast iron, and, in turn, to improve our manufacturing of these materials on the ground. This, in turn, could give us better automobiles, farm machinery and the like.

Our ability to realize the promise of materials processing in space depends heavily on the development of a space station. It also depends on U.S. industry and NASA maintaining a sustained high level of effort in materials processing research and development. We must find a way to avoid focusing exclusively on the short-term outlook and accept the promise of a long-term benefit.

In another area which has produced outstanding accomplishments, market projections for pharmaceutical products produced in space show that, in developing nations, they have a market potential of annual sales in the billions of dollars. More importantly are the health benefits that can be derived from these products. As these and other future space shuttle experiments continue to prove successful, the need for space systems that will provide 365 days-a-year production capability becomes greater and greater. Some scientific experiments simply require greater time in space than the normal space shuttle mission time. Other products are being considered for space experiments and possible future production. Industry leaders, such as the Boeing Co., are seeking to commercialize crystal growth in space. Its first project will be growing crystals for the manufacturing of electrode-optics sensors. Other products are thought to have potential for improvement through uniform blending and containerless processing in space. This means that glass could be purified in this manner and could be spun into high performance optical fibers for communications purposes. In my own home State of Alabama, the University of Alabama in Huntsville, striving to become a center of excellence in optics research, is conducting a great amount of new and exciting research in this area. Researchers, such as those at UAH, would have a greater opportunity to conduct their experiments in a gravity free environment which will be provided by a permanently manned space station.

On a broader scale than a space station, the commercialization of space and all its forms will have increasing applications on our economy, security, and world leadership and prestige. We have observed the value to Japan's economy gained through a partnership of industry and government. Space offers one of several opportunities and a challenge to use vision, creativity, and perseverance to make such a partnership work for us—and not to abandon the field to our overseas trading partners.

Communications and other space applications programs illustrate a fact of life. Namely, there is great international competition in space applications projects. While this is a healthy competition, we should not overlook the benefits of international cooperation in space. The international cooperative spirit has been one of the greatest accomplishments of our space program. NASA's plans for international cooperation in the Space Station Program will provide an opportunity for continued and expanded cooperation among nations.

In the past, NASA has strived toward this cooperative effort. For example, the space lab mission of STS-9 is the fruit of the most extensive cooperative effort of the European space agency in NASA. It has given scientists new information on the Earth's atmosphere, materials processing, astronomy and medicine, and much more. It is my hope that this is another step toward what Dr. Wernher Von Braun saw for space—a means for preserving space and uniting nations. NASA and ESA are planning additional flights of space lab. However, the United States has already outgrown this limited use of space and is in desperate need of a permanently manned space station on which man can continue, on a full time basis, to pursue space science and exploration.

One of the most controversial issues facing the United States is that of man versus machine. The human resource implications of the so-called robotics revolution here on Earth are of interest to policymakers and social researchers. It has also become one of the major issues for study by space program managers and scientists.

Certainly, man has proved his value on past space activities, and without question, man will play a vital role in the operation of the space station. However, with all the advances in electronics, automation, and robotics technology, there will be significant use of these technologies with the space station.

One final issue, on which I will not dwell, involves national security. It is clear that maintaining a leadership position in space will be a key component of our future security. How a space station works into an overall strategy will be a key question that Congress will address. I would point out that today's program includes the invaluable monitoring of military activities by surveillance satellites which are recognized by most people as a strong stablizing influence in world affairs.

As is obvious, Mr. President, I am a firm believer in our space program. There is no question that NASA can and will continue to be the right organization for the United States' space development and space exploration. This includes future launch vehicles, payloads and space science facilities, whether permanent or temporary. Its performance record is unrivaled. NASA has built spacecrafts that have operated years beyond their predicted life. It has built complicated hardware that performed flawlessly with reliability rates that are unmatched anywhere. And importantly, NASA has demonstrated, under the glare of public scrutiny, not behind a closed curtain, technical feats that have impressed and inspired all of mankind.

NASA's unmanned space program has provided enormous leaps in the knowledge of our solar system. We have landed two Viking spacecraft on Mars and Voyager is still working its way through the outer reaches of this otherwise unexplored frontier.

As I mentioned, our manned space program began with Alan Sheppard's famous first suborbital flight. Since then, our manned space successes have spanned the eras of Mercury, Gemini, Apollo, Syklab, and have progressed into the space shuttle era. Now, we are moving into the era of the space station.

While we have had our share of successes, Mr. President, we must never forget our failures. In remembrance of the seven brave pioneers who lost their lives in the disaster of the space shuttle *Challenger*, we must go on. We must improve and continue the vision that they possessed. To allow the *Challenger* disaster to set us back or dull our mission * * * their mission * * * would be to desecrate and belittle their memories.

I look forward to NASA's existing programs this year and to studying its program proposals for next year. Just as for any budget request, those proposals that are clear, specific, and balanced have the best chance for acceptance. Last year, NASA's Critical Evaluation Task Force studied the management and technical aspects of the space station, enabling NASA to clearly define for Congress and the public the design and technical characteristics of the space station.

In my view, the space station is an idea whose time has come, and it is one of the most important opportunities facing the United States and the American space program. It is not a new idea that has sprung up recently to sustain NASA and its institution. A space station was first detailed in 1869 by Edward Everett Hale in an Atlantic Monthly article; and, the idea of the space station has stimulated man's thinking ever since.

The space station is now a reality and we must maintain our commitment to it. In that regard, I would ask my colleagues to remember the words of President John F. Kennedy when, in 1962, he said:

> If this capsule history of progress teaches us anything, it is that man, in his quest for knowledge and progress, is determined and cannot be deterred. The exploration of space will go ahead, whether we join in it or not. And it is one of the great adventures of all time, and no nation which expects to be the leader of other nations can expect to stay behind in this race for space.
>
> Those who came before us made certain that this country rode the first waves of the Industrial Revolution, the first waves of modern invention and the first wave of nuclear power, and this generation does not intend to flounder in the backwash of the coming age of space. We mean to be a part of it. We mean to lead it, for the eyes of the world now look into space...

There is little question about the ultimate importance of such an endeavor. The space station program is tied to our economy, to our national security and to advances in science and scientific applications. The space station will be used for maintaining technological leadership, for international prestige, and, of course, for stimulating the human spirit. With the completion of the space station, the Nation's space program, much like the Firebird, must and will go ever onward to reach new plateaus and new horizons in our eternal quest for the understanding of the cosmos and our place in it.

As the Bible says, "Where there is no vision, the people perish."

I am committed to participating in this exciting program and I call on my colleagues in the Senate to join in that commitment for excellence.

Mr. President, the time is now.

Mr. SANFORD addressed the Chair.

The ACTING PRESIDENT pro tempore. The Senator from North Carolina.

Mr. BYRD. Mr. President, will the Senator yield?

Mr. SANFORD. Yes, Mr. President.

Mr. BYRD. Mr. President, at 1 o'clock the Senate, I believe, is to begin the 1-hour debate, the time to be divided and controlled by myself and Mr. DOLE prior to the cloture motion.

The ACTING PRESIDENT pro tempore. The Senator is correct.

Mr. BYRD. If the Chair wishes to close morning business, I will be happy to yield some time on my side to the distinguished Senator from North Carolina.

CONCLUSION OF MORNING BUSINESS

The ACTING PRESIDENT pro tempore. If there is no further morning business, morning business is closed.

SENATORIAL ELECTION CAMPAIGN ACT

The ACTING PRESIDENT pro tempore. The clerk will state the unfinished business.

The legislative clerk read as follows:

A bill (S. 2) to amend the Federal Election Campaign Act of 1971 to provide for a voluntary system of spending limits and partial public financing of Senate general election campaigns, to limit contributions by multicandidate political committees, and for other purposes.

The Senate resumed consideration of the bill.

ORDER OF BUSINESS

Mr. BYRD. Mr. President, how much time does the distinguished Senator from North Carolina desire?

Mr. SANFORD. Five minutes.

Mr. BYRD. I yield 5 minutes to the Senator.

(Mr. REID assumed the chair.)

THE ADMINISTRATION'S SECOND TRACK NOT IN WORKING ORDER

Mr. SANFORD. Mr. President, I am very disturbed by the actions of President Reagan and the other administration officials who virtually ganged up on President Arias yesterday at a White House meeting which centered on criticism of the Costa Rican President's peace initiative for Central America. President Arias, in Washington on his way back from a conference in Indianapolis, spoke to many Members of the Senate and House and received overwhelming bipartisan support for his courageous and valiant efforts to forge a peaceful settlement to the conflict in Central America. The White House, however, was a different story. According to this morning's New York Times, President Arias was criticized for being too lenient on the Sandinistas because the Nicaraguan Government would not have to prove its democracy before pressure on the Government was relaxed. There would be safeguards, however.

Calling President Arias lenient toward the Sandinistas illustrates a total lack of understanding by administration officials of what the Costa Rican President is trying to do. The central focus of his plan is to open up the Nicaraguan political system. One of the administration's principal criticisms of the Contadora draft treaty was that it did not adequately deal with the democratization of Nicaragua. President Arias, in basic agreement with that, drafted his proposal within the framework of Contadora, but placed emphasis on the democratization process. It does President Arias a grave injustice to criticize him on this point. The administration should be showering him with high praise for his efforts on behalf of democracy in Nicaragua.

Frankly, yesterday's White House meeting to me if further evidence that the administration is not sincere about pursuing its so-called second track of a negotiated political settlement in Central America. I do not believe that the administration wants the Arias plan to succeed and has not done anything to encourage the other Central American democracies to support it. Earlier administration statements of support for the Arias plan and statements in support of a political settlement are illustrations of lip-service at its worst. It appears that Special Envoy to Central American Philip Habib has not been fully authorized to help the process. His trip may well have hindered the process. I would recommend that Ambassador Habib's mission be a firm charge to make the Arias proposal work with all possible dispatch.

President Arias has to be disappointed that the meeting of the Central American Presidents, which was to be held in Guatemala on June 25 has been postponed. Now President Arias goes back to Costa Rica wondering how he can get approval of the plan knowing that the administration has such deep objections to it. I hope that the Costa Rican President takes more to heart the strong support that he heard from important Members of the Senate and House yesterday, and the strong support that came in the form of the Senate resolution which endorsed the peace plan back in March by a vote of 97 to 1.

It is clear that the Arias proposal is a Central American proposal. They, the four democratic nations, have most at stake, we should be encouraging them, not standing in their way. They have a far better feel of the dangers and the possibilities than do we. Come now, Mr. President, let us work for democracy and peace. President Arias is leading the way.

I urge the administration to reconsider its views toward the Arias plan and recognize that it is the best hope for democracy in Nicaragua as well as for a lasting peace in the region. I also urge President Arias to keep fighting. There are a lot of Americans on his side.

I thank the Chair.

I yield the floor.

ORDER OF PROCEDURE

The PRESIDING OFFICER. Who yields time?

Mr. McCONNELL. Mr. President, I ask unanimous consent I be allowed to control the time on this side.

Mr. BYRD. Mr. President, I ask unanimous consent that Senators be allowed to speak out of order, notwithstanding the earlier ruling.

The PRESIDING OFFICER. Without objection, it is so ordered. Who yields time?

Mr. McCONNELL. I yield to the Senator from Delaware [Mr. ROTH] 7 minutes.

The PRESIDING OFFICER. The Senator from Delaware.

A 2-YEAR BUDGET PROCESS

Mr. ROTH. Mr. President, in 1981, I proposed that there be a 2-year budget process, and I was pleased to see that the U.S. Chamber of Commerce has recently issued a report endorsing the idea of this 2-year Federal budget and I would urge that Congress carefully consider the reasons why they have come out in support of this much-needed reform.

Already this year the Congress is more than 2 months behind in completing a budget resolution. As both parties consider budget process reform, I believe we should all take a serious look at the idea of a 2-year budget.

While I agree that process reform is not a substitute for making hard budget decisions, I am confident that a biennial budget would improve the budget process and provide greater stability for recipients of public funds.

The chamber presents a well-reasoned argument for consideration of a 2-year cycle. As described in their paper:

> Many in Congress now recognize that a process that invariably pushes the hundreds of individual spending decisions to the end and then forces them into a single vote is intolerable and that something must be done to change it. Among the many proposals that purport to address the issue, the proposal to establish a biennial budget seems to be the most promising.

Mr. President, we all recognize that the Federal budget is one of the most important issues the Congress considers each year. Indeed, it represents "the battleground where the struggle between differing views about the proper role and responsibility of Government occur." Yet for all the time and resources spent developing a budget, it seems more often than not that the hard decisions are left unmade. All too often, Mr. President, our final budget decisions are made in the late hours of the night and quickly passed without due consideration.

The present budget process fosters uncertainty in the financial markets, creates budgetary uncertainty for recipients of Federal funds, whether they be individuals or local government at any level results in redundant congressional action on budget matters, encourages the use of budgetary gimmicks, and focuses attention away from developing long-term national priorities.

Mr. President, a 2-year process would help solve all these problems. A biennial process would provide greater stability and certainty for financial markets and recipients of Federal funds. A 2-year budget would enable Congress to focus on national fiscal policy and the development of national objectives. It would create an orderly, predictable process—one that would improve the operations and effectiveness of the Congress.

Last, Mr. President, I would like to present a final argument in favor of a 2-year cycle. A biennial budget could help to moderate Government spending by forcing the Congress to abide by its budget decisions.

All too often, the Congress reverses or delays hard budget decisions made during the previous year. A biennial process could help bind Congress to its decision. I believe a biennial budget is essential if we are to prevent the budget process from collapsing under its own weight.

Mr. President, I ask that the biennial budget study by the U.S. Chamber of Commerce be included as part of the RECORD.

There being no objection, the study was ordered to be printed in the RECORD, as follows:

THE BIENNIAL BUDGET, A PROMISING REFORM OF THE CONGRESSIONAL BUDGET PROCESS

(By Ronald D. Utt, Deputy Chief Economist)

At perhaps no other time in our history has the federal budget been such a source of contention within Congress, and between Congress and the President. Throughout much of this decade, or at least so it seems, battles over the budget, the many programs that comprise it and the deficit that remains have dominated the legislative agenda. Reasons for the debate are obvious. In one dimension, the deficit, which both the public and public officials have decided is the single most important measure of anything having to do with the federal budget, has risen to levels that were unimaginable seven years ago. Worse, this increase occurred over a period when all segments of government, both political parties and most ideologies were in agreement that the reduction of the deficit was among this nation's highest priorities.

Another reason for all the fuss is that the federal budget is the battleground where the struggle between differing views about the proper role and responsibility of government occur. With this administration committed to making far reaching changes in the scope of government, such battles are more intense than usual.

Confronted with this pressure, the federal budget process is collapsing under the strain. Lots of time and emergy are spent on the process but there is precious little to show for it when the year is over. Deadlines are seldom met. Major decisions are made at the last moment, and then rushed through Congress with little time available for careful review. In the end, virtually all major spending programs get lumped into one piece of legislation—called a continuing resolution. With a continuing resolution, Congress and the President are confronted with a single yes or no vote on the entire federal government. A *no* vote can shut down the government while a *yes* vote means support for the entire package. There is nothing in between and no room for compromise.

Many in Congress now recognize that a process that invariably pushes the hundreds of individual spending decisions to the end and then forces them into a single vote is intolerable and that something must be done to change it. Among the many proposals that purport to address the issue, the proposal to establish a biennial budget seems to be the most promising.

At present, federal budgeting, as guided by the Congressional Budget and Impoundment Control Act of 1947, is an annual exercise with key decisions generally confined to, and applicable for, a single fiscal year. However, several of the component parts of the process, specifically authorizations and appropriations, vary in duration and may either be permanent, multi-year or annual. Some explanations are in order.

The authorization is the substantive legislation that establishes or continues a federal agency or program and also grants authority to enact appropriations. The authorization may also limit the amount of budget authority to be provided, or leave it to "such sums as may be necessary." Authorizations may be permanent (Social Security), multi-year (transportation and agriculture) or annual (State Department). About 15 percent of the budget is accounted for by annual authorizations, and the trend over time has been for Congress to convert permanent authorizations to annual ones in order to increase its control over programs.

Authorizations, however, provide no money for the programs they create, continue or modify. The actual funding of the programs is provided by the appropriations bills. Because the appropriations process establishes spending limits on progams that are authorized, it can be a powerful tool of oversight and control. Many programs, however, particularly the non-means tested entitlements like Social Security and Medicare, have permanent appropriations, while others require annual action by Congress. Of the $1,142 billion in new budget authority requested by the President for FY 1988, $779.9 billion will be available through permanent appropriations. As a result, a substantial portion of federal spending escapes the annual review of the appropriations committees.

The dilemma that confronts Congress is that while a preponderance of permanent appropriations diminish oversight, changing them all to annual appropriations in order to increase control and oversight could so overload Congress that effective oversight may decline even further.

Although authorizations and appropriations can be permanent, multi-year or annual, the budget process, which ties all of these together in a single plan, is binding for one year only, and the whole budget process must be repeated year after year. It is this combination of annual budget requirements—authorizations, appropriations and budget resolutions—plus the growing complexity of the budget itself and the political divisions over each of the items in it, that has allowed the budget process to consume a full year. The process begins in early January when the President submits his spending proposal for the next fiscal year, and then drags on until late fall or early winter before it is wrapped up. Sometimes the wrapping up is only temporary, and the government often begins the new fiscal year without a budget for the entire year!

This is a chaotic, frustrating and time consuming process that the average member of Congress finds almost impossible to monitor or influence. As deadlines press in on the process, compromises are put together at the last moment, with few members understanding exactly what they are voting for or against. Under such circumstances, little of what happens with each of the spending bills would be considered as effective oversight. And seldom is there time to sit back and make a careful assessment of each of the programs and conduct the reforms and changes where needed. As a result, programs continue to operate in the same old way regardless of whether the program does what it is supposed to do or is cost effective.

In an effort to better relate the vast number of required budget decisions with the time needed to effectively consider them, several members of Congress have proposed the creation of a biennial budget, or a two-year budget cycle. Supporters of the proposal believe it offers an attractive compromise between effective oversight and the efficient use of limited time. Under most biennial budget proposals, the approach would be to increase and rationalize the time that could be allotted to budget decisions and reduce the number of decisions to a more managerial volume.

The basic biennial budget plan would put most or all authorizations and appropriations on a two-year schedule. While there are a number of ways that this could be done, at a minimum, all one-year authorizations and appropriations would be extended for two years, as would the budget resolutions and the accompanying reconciliation bills. Permanent authorizations and those that now extend for more than two years could remain as is or be shortened to two years to conform with the rest of the budget.

There are a variety of ways in which the Congressional budget process could be modified to conform to the two-year schedule. Under the plan (H.R. 22) proposed by Representatives Panetta (D-CA) and Regula (R-OH), the first year of the cycle would be limited to oversight and the development of authorization bills. The second year would be used to pass the authorization bills and the two-year budget resolution. Work would then begin on appropriations bills, which would be passed near the end of the second year and before the beginning of the two-year budget cycle. Alternatively, with the legislation (S. 416) proposed by Senators Roth (R-DE) and Domenici (R-NM), the first session of each Congress would be spent processing a two-year budget resolution, two-year appropriations bills and a reconciliation bill. The second session of each Congress would be devoted to processing multi-year authorization bills and conducting oversight activities. Senator Ford (D-KY) has proposed still another alternative (S. 286) in which the first session would be devoted to developing a first budget resolution and the authorization bills, while the second session would be used for the second budget resolution and the appropriations bills.

A recent analysis by the General Accounting Office (GAO) looked into the experience that several states have had with their biennial budget process. Currently, 21 states have biennial budgets, down from 44 in 1940. In studying the experience in several states, the GAO concluded that: (1) Biennial budgeting does not require the state government's full-time attention for budget review every year. More time is available for non-budget activities in both the legislative and executive branches; and (2) Biennial budgeting lends itself to a more planned and deliberate approach to developing the budget, including the budget preparation process, analysis of policy issues and review of major budget proposals. It also provides time for longer range planning, if the state chooses to do so.

But some disadvantages were cited as well. They include: (1) The increased difficulty in estimating accurately revenues and expenditures in the second year and budgeting for "uncontrollable" items, such as changes in expenditures for entitlement programs; and (2) The legislature's perceived loss of control over the executive and state agencies, because there are fewer opportunities to make budget, program and policy changes.

Once the two-year budget is completed, it could be altered only through subsequent legislation, such as extended versions of the supplemental appropriations bills. Several of the biennial budget plans propose to make the subsequent supplemental process more difficult than it is at present by requiring, for example, a super majority vote (60 percent, for example, instead of 51 percent) to exceed the budget once it is passed. Under these plans, after a budget is passed by Congress, it can be breached only in response to an emergency.

While the rationalization of the budget process is the chief reason many in Congress support such a plan, other proponents believe that an added benefit would be lower federal spending. There are several reasons to believe that this might occur. First, much government spending is driven by aggressive special interests which attempt to get as much as possible, as often as possible, for the constituent groups that they represent. Often, they are unopposed by countervailing forces other than whatever can be mustered from responsible legislators and agency executives who are willing to stand up to the pressure. By moving to a biennial budget, these groups get just one shot at the budget every other year, instead of the existing opportunities for annual assaults on the taxpayers. By diminishing the pro-spending pressure, future budgets may be more fiscally responsible.

In addition to this, the biennial budget could further work to moderate government spending by taking advantage of peoples' natural propensity to put off tough decisions until the future. Any observer of federal budgeting can cite numerous examples of programs that most officials and congressmen agree could be cut back or eliminated, but are reluctant to do so immediately. As a result, such cuts or terminations are typically put off into the future or the next year where, under current budgeting procedures, decisions are not binding. When the next year becomes the current year and the formal decision to cut or not cut has to be made, politicians invariably change their minds and the planned cuts are avoided. With biennial budgeting, decisions about the future, however painful, would become binding and would be more difficult to reverse.

Examples of this sort of behavior abound. David Stockman's first budget for President Reagan included numerous, yet unspecified, future cuts to keep spending in line with lowered revenues. However, that decision was not binding, and a gap emerged that persists to this day. More recently, Congress agreed with the President in 1985 that revenue sharing should be terminated, but put off the actual decision until the next year. Although the program was finally terminated, the delay of the decision gave the program's proponents another chance to keep it alive and necessitated a second, close vote on the issue. While this was a case in which spending restraint ultimately triumphed, most delayed decisions go the other way.

Congressional budget resolutions, which establish budget totals for the next three years with only the totals for the immediate year made binding, offer the best example of the dichotomy in spending restraint between present and future years. In 1982, when Congress passed a binding budget resolution for FY 1983 with nonbinding spending totals for FY 1984 and FY 1985, the resolution proposed a spending level of $821 billion for FY 1984. But a year later, when it was time to actually put together a binding resolution for FY 1984, Congress opted to spend $845 billion, an increase of $24 billion over initial plans. Had the initial resolution been binding for the second year, as it would have been in a system of biennial budgets, actual FY 1984 spending might have been considerably lower. The same process occurred the next year when nonbinding totals for FY 1985 were proposed as part of the FY 1984 budget. Total spending of $906 billion was proposed for FY 1985. But a year later, when it was time to make the real decisions about FY 1985, Congress ultimately passed a budget that called for spending of $946 billion, an increase of $40 billion over what was planned. An examination of all of the budget resolutions for this decade indicate the same trend: tough decisions for the future, but retreat in the present. The biennial budget would take advantage of this propensity and work to drive down spending below what otherwise might occur.

Obviously, there is no guarantee that the process would function like this in actual practice. Once decisions about the future become binding, there is always the possibility that margins of excess could be built into multi-year budgets. At the same time, special interests which favor higher spending could also learn to take a longer view and act accordingly. Nonetheless, the mere possibility of lower spending, combined with the needed improvements in the mechanics of the process, suggest that the biennial budget should receive serious consideration by the Congress and the President.

Mr. ROTH. Mr. President, I should like to observe that what is happening to the budget currently gives me real pause for concern. It is my understanding that the budget conference has reached agreement on the new budget. What disturbs me is that part of the budget proposal provides for $64 billion more in tax increases during the next 3 years. What worries me about this is that the budget conference is proposing substantial tax increases for the purpose of financing increased spending. It is my understanding that the same budget resolution will increase domestic spending at least $9 billion over the next 3 years.

Now Mr. President, what this means is that we are going back to the old policies of the seventies of spend, spend, spend, tax, tax, tax, and that is wrong for this country. We cannot continue to increase spending. We cannot continue to increase taxes when the most serious problem this country faces is being competitive in world markets. That means we need savings, savings so that our industrial facilities are the best in the world. Instead, we see program after program increase on the spending side, and then seeking to finance it with new taxes, not for deficit reduction, but for increased spending. This is to the tune of $64 billion over the next 3 years.

Mr. President, a recent study was conducted by Richard Vedder, Lowell Gallaway, and Christopher Freeze based upon the public choice theory of Professor Buchannan, who was awarded the Nobel Prize for his public choice theory. This study shows that based on reviewing what has happened from 1947 through 1986, for every dollar of increased revenue, we spend $1.58 additional in spending.

So here we have $64 billion in tax increases during the next 3 years, and based upon this public choice concept, we can expect for every dollar increase in taxes an additional $1.58 to be spent by the Federal Government. This is a sad story in my judgment.

I strongly agree with the President when he said he will fight such increases in revenue and hope, with the ultimate choice, we will prevail.

I yield back the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. McCONNELL. Mr. President, How much time do I have remaining?

The PRESIDING OFFICER. The Senator has 17 minutes.

SENATORIAL ELECTION CAMPAIGN ACT

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. McCONNELL. Mr. President, the distinguished majority leader in his opening remarks this morning points out once again, as he has said frequently in the past, as he put it, true campaign reform cannot come about without spending limits.

I might say, Mr. President, that in the judgment of the Senator from Kentucky and others who have studied this issue over the years, a limitation on spending, or shall I say participation, is not reform. It is not a step forward. It is a step backward.

That was recognized some years ago after the first few years of experience with the post-Watergate legislation under which we currently handle campaigns in this country.

Back in 1979, the House Committee on Administration asked the John F. Kennedy School of Government at Harvard to do a study on the first few years of campaigns under the post-Watergate reform legislation.

Just to put this whole measure in context, against the backdrop of this study was the congressional cycle 1976 to 1978, and in that period from the congressional election of 1976 to the congressional election of 1978, the country had seen a 70-percent increase in the cost of campaigning, a good deal more alarming percentage increase than anything we have experienced in the last 4 or 5 years prior to today. As a matter of fact, as I have previously pointed out on a number of occasions, the rate of increase in campaign spending in this country is actually beginning to recede. So the rate of increase in spending is not going up anywhere near like it was earlier.

Right before this study was done there had been a 70-percent increase in campaign spending between 1976 and 1978.

Mr. President, what did the John F. Kennedy School of Government say about spending? In its report to the House Committee on Administration in October 1979, it said the following:

> The campaign finance reform enacted into law in the Federal Election Campaign Act and its amendments have brought about major changes in the funding of congressional election campaigns. Most of these changes were long overdue.

It said back in 1979 about our current law:

> The overall impact of the act has added to the honesty and efficiency of the political system. In sweeping terms, the act must be considered successful in alleviating many of the perceived problems which stimulated congressional action.

Referring back to the passage of the law under which we currently operate. The report went on:

> Like any major innovative law, however, the Campaign Act has had consequences unanticipated and unintended by its authors and supporters. Fortunately, these consequences are highlighted by the success of the act in producing reliable information on how campaigns are financed.

The report went on:

> Given the act's provisions for public disclosure and the resulting data compiled by the Federal Election Commission, many of the vexing questions about money and elections can now be addressed from a solid factual base. That information, plus the observations made in the course of this research, point toward some of the remaining problems in the funding of election politics. They have also led us to a reassessment of several conventional ideas about the role of money in congressional elections.

The report of the Kennedy Institute went on:

> Much of the discussion which framed the enactment of the act was animated by the belief that money in politics was somehow an evil force, at best a necessary evil.

The Kennedy Institute went on to say in their conclusion:

> Quite to the contrary, the study group cannot emphasize strongly enough that there is nothing intrinsically wrong with campaign contributions and expenditures. Adequate campaign funds are essential to competitive congressional elections. The essence of an election campaign is to provide voters with a choice among alternative candidates.

They went on:

> That process requires the communication to voters of some minimum quantity of information about the contestants. In contemporary America, providing that information to the voters costs substantial amounts of money.

"Every study based on the information available since 1972"—remember, this was a report in 1979—"Every study based on the information available since 1972 has shown that most campaigns have too little, not too much, money."

I repeat, "most campaigns have too little, not too much, money."

> The most competitive elections where voters have the most information about candidates are those in which the most money is spent. Election contests in which spending is comparatively high are also those in which voter participation tends to be the highest.

I might add the Senator from Kentucky pointed out yesterday that there is a direct correlation between the spending in campaigns and voter turnout. Clearly, the more the voters are stimulated the more they are inclined to vote.

Back to the report:

While campaign finance laws must guard against the influence of wealthy individuals in the political process, they should at the same time be designed to enhance rather than hinder the raising and spending of campaign funds.

Mr. President, who was this speaking? This was the John F. Kennedy Institute of Government at Harvard providing a report for the House Committee on Administration in 1979 viewing the first few years of the operation of the post-Watergate reform legislation under which we operate today, which does not discourage participation; it encourages participation. It does not put a cap on participation, it does not reach into the Treasury to take taxpayers' money to fund our races; it encourages people to participate and requires us to report who is participating.

The Kennedy group goes on to talk about the cost of campaigning. We have all agreed that it has gotten more expensive to campaign and it had gotten expensive back then, a 70-percent increase from 1976 to 1978. The reason for that, according to this study, is the cost of television, as we have said frequently.

If we want to pass meaningful campaign reform in this body as we have said time and time again in this debate over the last 2 weeks, we can do it by doing something about the cost of television. We can pass a simple statute right here in the next few days to mandate lower costs for advertising on television, for example, in the last 60 days of the general election and the last 30 days of the primary. It will cut down on the cost of campaigns without arbitrarily restricting the rights of individuals to participate. There is a section in this report on the cost of campaigning, which I ask unanimous consent to appear in the RECORD at this point.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

COSTS IN CAMPAIGNING

The available data demonstrate that the costs of campaigning for Congress have been increasing markedly since 1972. Candidates have been spending greater and greater sums in the pursuit of public office. Between 1972 and 1978, the amount of money raised (and spent) by Congressional candidates increased by 34.0 percent over and above the rise in the Consumer Price Index. In actual dollar terms, the financial resources of congressional candidates rose from an average of $52,000 in 1972 to an average of $111,000 in 1978.

On first impression, these increases in the available resources indicate that ample funds are being generated by congressional candidates. The dollar raised are more than keeping pace with cost of living increases. Coupled with a few, widely publicized cases of massive spending by wealthy candidates from their own resources, these figures appear to support the belief that campaign spending is expanding dramatically and out of proportion to national policy.

Yet, the increase in available resources is only one-half of an adequate understanding. There is also considerable evidence that the costs in election campaigning are escalating even more rapidly. If we were able to compute a "Cost of Campaigning Index" as opposed to a Consumer Price Index, the whole picture would probably show that available resources are falling behind the increase in cost.[2] For example, the costs of pollling services has more than doubled since 1972.[3] Likewise expenses incurred in advertising have risen sharply.

Television spot time increased 64 percent in costs between 1972 and 1976, outstripping the Consumer Price Index and the growth in campaign resources. Over the same period, advertising in newspapers rose 47 percent, or approximately at the same rate as the growth in funds available to the average congressional candidate.[4] Finally, the Federal Election Campaign Act has itself increased the costs of election campaigning in two ways. Costs of compliance with the act divert scarce resources away from activities which involve communications with voters. And, more significantly, in strictly limiting the amounts of money that individuals can contribute to campaign funds. For example, in a much publicized case, Senator Helms raised and spent approximately $7 million in winning re-election in 1979. Of this $4 million was raised through a direct mail program which cost the campaign about $2 million. 50 percent is actually a rather low percentage for costs in direct mail programs, reflecting the fact that the Helm's campaign began to develop their lists far ahead of the election, and could return to them eleven times during the campaign.

Whether one is discussing direct mail, fundraisers, or private solicitations, it simply costs more to bring in the campaign dollar, than it did before the act. While both of these effects of the act may be defensible in light of other public benefits, they are items which support the argument that the resources available to campaigns are not keeping pace with rising campaign costs. In most cases, moreover, these escalating costs lie in areas beyond the control of the campaign to economize. Campaigns, being small and temporary, cannot affect prices through "supply and demand" economics; they simply must accept the prices established when they need materials and services.

These trends also imply changes in the uses to which campaign resources are put. An increasing percentage of campaign funds must be devoted to "high technology" efforts, such as television advertising, computer targeting, or direct mail, thereby leaving a smaller share of resources available for more traditional methods of reaching voters. A common conjecture among those interviewed was that activities which directly involve citizens in campaign events or efforts have been curtailed by constricted campaign budgets. We also know that election contests characterized by a relatively high level of spending are also those in which voter participation tends to be higher.

Even if income were keeping pace with these rising costs, the average political campaign spends too little money, not too much. Contrary to popular impression, congressional campaigns spend surprisingly small sums. This fact becomes most glaringly evident when campaigning is compared to corporate advertising. For the 1976 elections, all candidates for federal office spent just under $212 million dollars on salaries, materials, office space, fund raising and advertising.[5] In the year 1976, by comparison the total amount spent on advertising media was $33.6 billion, or more than 150 times the sum of campaign budgets.[6] In a very real sense, electoral politics is in competition with corporate advertising for the attention of American citizens. Limited campaign funds often mean limited campaign activity, which, in turn, means a poorly informed and apathetic electorate. By making fundraising burdensome and inefficient, the current laws pose the danger of less open, less responsive and less informative election campaigners.

Raising the legal limit on private contributions will help alleviate this problem. The study group believes, however, that additional measures are required, and we feel that expanded tax credits for contributions to electoral politics will provide needed incentives for smaller contributions. The Congress has already taken steps in this direction, doubling the tax credit available on 1979 returns. We urge the Congress to go one step further.

The Study Group recommends that individual taxpayers be allowed a "dollar-for-dollar" credit for contributions to candidates for public office up to a maximum of $50. A separate and equal tax credit for contributions to political parties should be available. Finally, the credit now available for contributions to non-party committees should be eliminated.

Under current law, for each dollar contributed, taxpayers qualify for a tax credit of 50 cents up to a maximum of $50. The effect of our recommendation would be to give candidates and parties a much more persuasive appeal in reaching for smaller contributions. In effect, they would be able to say "give the money to me to run my campaign and it will cost you nothing."

Encouraging smaller contributions in the electoral process is highly desirable; the study group believes this change would have that effect. Optimally, public policy ought to promote participation in and contributions to institutions which are electorally accountable: That is, candidates running for office and party committees.

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[2] Unfortunately, complete data which would make possible such an index simply are not gathered systematically. The Department of Labor's statistics for its Consumer Price Index consists of items used by the average cosumer. Thus, even rental on office space is not included. Thus, the data presented here is somewhat fragmentary.

[3] This observation is based upon interviews with John Gorman of Cambridge Survey Research, Richard Wirthlin of Decison Making Institute and Robert Teeter of Market Opinion Research.

[4] The advertising figures are based on data supplied by the American Association of Advertising Agencies. In contrast, outdoor posters only rose 33 percent from 1972 to 1976, falling behind the CPI by 3 percent. Radio time rose 28 percent or 8 percent *less* than the CPI. Telephone costs are one aspect of campaigning (about 5 percent—10 percent of the average budget) which have risen significantly slower than the available resources. Local service went up by 28 percent between 1972 and 1976; long distance by 19 percent; and intra-state calls by only 5 cents. Data from the *New York Times* March 17, 1989, p. 25.

[5] This figure includes expenditures made in 1975 in connection with the 1976 elections and excludes spending by party and non-party committees. By level of office, the figures were: House candidates $60.9 million, Senate candidates $38.1 million, and presidential candidates $112.7 million.

[6] Christopher H. Sterling and Timothy R. Haight, *"The Mass Media: Aspen Institute Guide to Communication Industry Trends"* (New York: Praeger, 1978).

On the other hand, to reiterate one of our chief concerns about money flowing through political action committees, these institutions are not accountable to the citizenry through the electoral machinery. No clearer evidence of this assertion is available than their recognized patterns of contributing disproportionally to incumbents and their penchant for contributing sums late in the campaign when a candidate's prospects for victory are clearer or even realized.

A separate tax credit for contributions to political parties is essential. In the testimony on H.R. 1, the Committee on House Administration heard numerous complaints about the negative consequences of the present law for political parties. This is one of those areas where a simple change could have a major benefit for our parties. The current tax code has the effect of forcing parties into competition with their own candidates over limited campaign dollars. For example, neither the Republican nor the Democratic National Committees will share their direct mail lists with their candidates running for federal office. (The RNC does, however, share their lists with their State parties, allowing them to make decisions over how the list will be used.) One staff member voiced surprise when we asked about the possibilities for cooperation; "Well, we haven't even asked them for their lists, because we won't let them use ours." The reason for this lack of cooperation is, obviously, because parties and candidates are in competition over contacting individuals who will give money to electoral politics. The current tax law reinforces that competition; a separate credit will not eradicate that conflict, but it will provide separate incentives to give to *both* candidates and parties, nor the same incentive to give to either.

The traditional wisdom about party composition holds that wealthier citizens are more likely to support the Republican party and its candidates. In 1972, for example, the average Democratic candidates for the House raised approximatley the same amount of funds as his Republican counterpart in contributions of $100 or less. Republicans, however, out distanced Democrats in the amounts earned through larger contributions. By 1976, this difference in fund raising had been reversed, with the average Republican candidate raising substantially more in smaller contributions than his Democratic competitor. Of course, this change is largely attributed to a heavy Republican investment in direct mail, not to a change in party composition.

These figures provide an uncertain basis fo projecting *precisely* the consequences of increasing the tax credit as recommended here. An immediate benefit would be toward Republican candidates who raise substantial sums from smaller contributors. However, as Democrats move to take advantage of the new provision, they would be moving into an area of presumed strength. While believing that the proposed tax credit ceiling of $100 per taxpayer is far from a partisan persepctive, the study group recommends that if higher tax credits or a reinstatement of the tax deduction are contemplated, they should be provided according to a decreasing schedule as the level of gross income and the amount of contribution increase. Thus, someone earning $50,000 and contributing $1,000 should not be given a tax credit or deduction *at the same rate*, as someone earning $10,000 and making a $500 contribution.

Mr. McCONNELL. Mr. President, how much time have I remaining?

The PRESIDING OFFICER. Eight minutes 45 seconds.

Mr. McCONNELL. Mr. President, I yield 3 minutes to the Senator from South Carolina.

The PRESIDING OFFICER. The Senator from South Carolina is recognized for 3 minutes.

Mr. HOLLINGS. I thank my distinguished colleague from Kentucky.

Mr. President, this Senator has been in a quandary. I would ordinarily support my leader in calling up a measure; however, in this one instance, I agree with those who have been voting against cloture. It is simply bad business to raid the public till in order to finance politics in America. There is no question in my mind, Mr. President, that the Byrd-Boren solution would—in the favorite Washington word—only exacerbate the current situation.

The root of our dilemma lies in the very distorted ruling of the Supreme Court in Buckley versus Valeo. The Court equated speech with money—I have no problem with that.

But the Court went on to rule that those who contribute the money can be limited—hence, their speech is circumscribed. However, we politicians who receive the money cannot be limited. You cannot place limits on how much money politicians can spend. This is a total nonsequitur and contradiction.

In essence, under this rule, if my opponent has $1,000 and I have $100,000, I can give him an effective case of lockjaw in the campaign. He will not be heard from. TV is the medium that counts. Everyone in politics and advertising knows that. So if I have 100 times the money—and that is not a spurious example—I can literally snatch away my opponents effective freedom of speech.

Given the constraints of Buckley versus Valeo, Mr. President, a constitutional amendment is the only mechanism by which we can impose spending limitations. However, I cannot present it as an amendment to S. 2 because it calls for a joint resolution. Parliamentary technicalities prevent my offering this constitutional amendment as an amendment to this bill.

Accordingly, I have taken a back seat in this debate so far. But do not construe this as a lack of passionate commitment to this proposed constitutional amendment. We have bipartisan support for this measure. Support for this idea has been growing since it was first offered several years ago.

Questions have been raised as to the time it would take to ratify this constitutional amendment. The fact is that a constitutional amendment need not entail a very lengthy ratification timeframe.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point information I have compiled regarding the number of months required to ratify each of the 19th through 26th amendments.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

19TH AMENDMENT: WOMEN'S SUFFRAGE (15 MONTHS)

May 21, 1919 House passage.

June 4, 1919 Senate passage.

August 18, 1920 ratified by states.

August 26, 1920 certified by Secretary of State.

20TH AMENDMENT: SHORTENS LAME DUCK PERIOD (11 MONTHS)

March 1, 1932 House passage.

March 2, 1932 Senate passage.

January 23, 1933 ratified by states.

February 6, 1933 certified by Secretary of State.

21ST AMENDMENT: REPEAL OF PROHIBITION (10 MONTHS)

February 16, 1933 Senate passage.

February 20, 1933 House passage.

December 5, 1933 ratified by states.

December 5, 1933 certified by Secretary of State.

22ND AMENDMENT: LIMIT PRESIDENT TO TWO TERMS (4 YEARS)

February 6, 1947 House passage.

March 12, 1947 Senate passage.

March 24, 1947 House agrees to Senate Amendment.

February 27, 1951 ratified by states.

March 1, 1951 certified by GSA Administrator.

23RD AMENDMENT: D.C. VOTING IN PRESIDENTIAL ELECTIONS (9 MONTHS)

February 2, 1960 Senate passage.

June 14, 1960 House passage.

June 16, 1960 Senate agrees to House Amendment.

March 29, 1961 ratified by states.

April 3, 1961 certified by GSA.

24TH AMENDMENT: ABOLITION OF POLL TAX (16 MONTHS)

March 27, 1962 Senate passage.

August 27, 1962 House passage.

January 3, 1964 ratified by states.

February 4, 1964 certified by GSA.

25TH AMENDMENT: PRESIDENTIAL SUCCESSION (20 MONTHS)

June 30, 1965 House passage.

July 6, 1965 Senate passage.

February 10, 1967 ratified by states.

February 23, 1967 certified by GSA.

26TH AMENDMENT: LOWERING VOTING AGE TO 18 (4 MONTHS)

March 10, 1971 Senate passage.

March 23, 1971 House passage.

July 1, 1971 ratified by states.

July 5, 1971 certified by GSA.

Mr. HOLLINGS. I will speak at greater length later today. For now, I would simply note that amendment ratifications have occurred in as little as 4 months, 9 months, and 10 months. Even if ratification should consume 1 year or 2 years, surely that would be worthwhile if indeed we end up with an effective solution to campaign finance abuses and excesses.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. HOLLINGS. I thank my distinguished colleague. I look forward to debating further later and I thank him for yielding the time.

The PRESIDING OFFICER (Mr. ADAMS). Who now yields time?

The Senator from Oklahoma.

Mr. BOREN Mr. President, I ask unanimous consent that I be designated to control the time on this side.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BOREN. Mr. President, I associate myself at least in part with the remarks just made by my good friend and colleague from South Carolina. He certainly has eloquently pointed out the need to do something about the rapidly expanding costs of running for office and how unfair it is and how it is impossible to have an equal chance if one candidate has many, many times the amount of money to spend as another candidate.

Certainly this rapidly increasing cost and what it takes to run for public office is a shame and a disgrace. It is eating away at the core of our political system and it is absolutely necessary that something be done about it.

As he well knows, I also support the constitutional amendment. I have cosponsored the constitutional amendment on several different occasions to give us a chance to get around the Supreme Court decision to do something about imposing direct and mandatory limits.

Really this debate is all about whether or not we should have some outer limit on the amount of money that is to be spent.

Until the Supreme Court decision is overturned by constitutional amendment or otherwise, the only way that we can have limits is to have voluntary limits and to give candidates enough incentives to accept those voluntary limits that virtually all candidates will abide by. That is what we have tried to do under S. 2.

If the Supreme Court decision had not been rendered in Buckley versus Valeo this Senator would not be proposing the same kind of legislation that we are proposing in S. 2, but we have to live with that Supreme Court decision as long as it is the law of the land.

Now, really, there are many points on which the Senator from Kentucky and I am in agreement. He has indicated alarm about increasing growth of the influence of special interests in the financing of campaigns. I think we both agree that some sort of aggregate limit, whether that limit is zero or whether it is some other figure, should be imposed on the amount that political action committees, be they from the business community, from the labor community, or just a single issue group, should be able to contribute in total to finance the campaigns of candidates and of parties.

I think we are basically in agreement on that. We see it unhealthy that the local contributor at the grassroots has been displaced to an inordinate degree by the special-interest principally operating here in Washington, DC, principally operated by the lobbyists and the representatives of these interest groups.

The Senator from Kentucky has expressed concern about public financing. This Senator has indicated that while it appears that some amount of public financing is necessary as an incentive to get candidates to accept spending limits, this particular Senator speaking as an individual would like to keep that amount to the minimum that is absolutely necessary to still have a system that is attractive enough that we are able to get limits.

So, basically, in terms of how we feel about how campaigns should be financed, I think both of us come down on the side that we would like to see as much of the campaigns financed by individual contributions of private citizens as is possible. We have some disagreement as to how much is possible, but I think as a value we come down on that side.

The real difference of opinion between us is this: The Senator from Kentucky has said that philosophically he is opposed to putting any limit of any kind by constitutional amendment, by statute, or any other means on the amount of money that candidates can spend in campaigns. In other words, he thinks it is good and healthy for candidates to compete in the area of raising money. He refers to this as healthy competition. He refers to this as participation.

In fact, I have heard him say on the floor and others have said on that side of the aisle that, if we put some limits on the overall amount that people can spend, we are depriving people of the right to participate. Someone said in the debate yesterday well, we will no longer be able to go out on the soapbox and get up to say to the people back home what we believe in and what we are for if we put limits on campaign spending.

Mr. President, that is where we just have a sharp disagreement. I do not think it is good for this country that the amount of money on the average that it takes to run for the U.S. Senate has gone from $600,000 10 years ago to $3 million approximately in the last election cycle. I do not think it will be good for this country if we project forward for the next 12 years the same rate of increase and end up having it cost $15 million on the average in an average-sized State to run for the U.S. Senate. I do not think that is good for the country.

When I encourage people to try to get involved in politics and when I talk to young people about getting involved in running for office in the future and serving their country, it is certainly no incentive to them when you turn around and tell them it may take them $10 million or $15 million if they decide they want to become a public servant in the future, just to have the opportunity to run for office and compete in this kind of process.

We should have competition in politics. We should have participation in politics. I hope people will attend meetings. I hope that they will keep up with the issues. I hope that they will campaign door to door for candidates of their choice. I hope that candidates will compete. I hope they will compete on their qualifications, not running each other down, but on the basis of their positive qualifications. I hope they will compete on the basis of what they want to do to help this country. I hope they will compete on the basis of the ideas they have for solving the Nation's problems, but, Mr. President, I do not think it is healthy for us to make as a principal item of competition who can raise the most money in order to get elected. That is not where we should be competing.

I read a newspaper article the other day and it says here is a multiple choice question for you: What is the most important item in determining whether or not you can get elected to the U.S. Senate? Your answers were (a) have the most experience for the job; (b) have the best ideas about solving the Nation's problems; (c) be able to raise the most money to run your campaign.

And the editorial concluded by saying sadly if you answered (a) or (b), be the most qualified, the most experienced, or have the best ideas to help the country you would be giving the wrong answer; you should have answered (c) be able to raise the most money to finance your campaign because that is probably, the editorial writer suggested, going to have more impact on whether or not you are going to have a chance to get elected than anything else.

That is not good for this country, Mr. President. It is not good that days and days are taken away from use of time of the Members of this body, time that Senators should be spending on solving the Nation's problems, that instead is being spent on the raising of money. That is not good for the country.

I would say also, Mr. President, that there are a few things that I do not understand about the substitute proposal that has been offered by the Senator from Kentucky, and perhaps he could clear those up. One thing I do not understand is in the soft money disclosure, this is the in-kind sort of contributions that are made. There is full disclosure fairly, full disclosure required on soft money contributions to national parties, national committees, but the State party organizations appear to be exempt under the so-called substitute proposal from the soft money disclosure requirements. I do not understand that. It is just as easy for soft money to be given through the State party mechanism as it is through the national party mechanism. It would seem to me it should be covered.

Another thing that I do not understand is why we would not really do anything under the Constitution to discourage independent groups, those groups that go out and spend money to attack candidates from running those ads.

Under S. 2 as proposed, we have a series of things that would discourage those people from making those kinds of attacks. As I read the substitute, there is simply a disclosure requirement of the fact that they are spending this amount of money. But I do not see anything in that really that has teeth in it that would cause these independent groups not to run those ads.

We had a situation that I mentioned on the floor yesterday, for example, where, in my State, an independent group came in and spent somewhere between $300,000, perhaps as high as $500,000, actually, against one of the candidates.

Now, under S. 2, if that group began to spend that kind of money running negative ads about a candidate out of the checkoff fund, the voluntary checkoff fund on the income tax return, we would have, an essence, a fairness fund and an enforcement mechanism for the candidate that had been attacked to get funds from that fund in order to buy the television time, to buy the time to answer these so-called independent attacks, these negative ads run by these independent groups.

In my opinion, you would never have to spend a penny out of the fund because just the fact that the group knew that if it ran all these negative ads against the candidate that that candidate could get money to answer those ads, I do not think they would want to waste their money by running those ads in the first place. So there is an effective mechanism for doing something to stop these negative ads by independent groups.

I have heard people on both sides of the aisle express very strong concern about this. I think it is one of the elements of American politics that we do not like, and I do not think the American people like. If there is anything they have been turned off about it is these negative ads, these vicious personal attacks that are being funded by independent groups, not by the candidates. They are not accountable to anybody. You cannot vote against them. Their names are not on the ballot. It is some faceless, independent group out there running the negative, vicious ads against candidates.

It seems to me we need to have something effective done about it. S. 2 makes an effort to do that in a very positive, forthright way. I think, for us to have any kind of comprehensive campaign reform, we need to be sure we have some effective provision—if not ours, then some other alternative—that actually deals with that in an effective way, and not merely disclosure, because I do not think that would be sufficient to stop them.

So, Mr. President, we have a chance again today to move toward more meaningful campaign reform. We must not wait. We must not wait until it costs $15 million, on the average, to run for the U.S. Senate or $30 million or $50 million, although some on the other side say they see nothing wrong with the cost continuing to go up, the more the better; more people, they say, are participating. There is something badly wrong with that—the image that the highest offices in this land are on the auction block for sale to the highest bidder and the amount of time and effort and energy that it takes and the appearance that can be created when you have to go out and raise $3 million or $6 million or $10 million for a campaign. It is very difficult to raise that amount of money without at least the appearance being created that you are having to go to people with an ax to grind to get that money and that they are going to want something in return.

As one former Member of the Senate was fond of saying to people: "You know, if you make a large contribution to the campaign fund, I can assure you you are not only going to get good Government, but you are going to get a whole lot more." The implication being that if someone was going to give that kind of money, invest that kind of money, if a group was going to invest it, a special interest group, that they are not just looking for good government, they are looking for a whole lot more than that.

So we must not miss this opportunity, this historic opportunity, to fulfill our duty as Senators to protect the integrity of the elective process so that people in this country who want to perform public service, who want to do something to help their country, who want a chance to help solve the problems that this Nation faces; so people at the grassroots who cannot afford to give vast campaign contributions will have an opportunity to help and to elect people who want to come here to render public service; so that we can compete on the basis of who can do the most to help this country, instead of on the basis of who has the most money in their back pocket or who has the greatest access to the special interest groups to raise the most money with which to buy an election.

So I hope, Mr. President, we will not miss this historic opportunity.

I reserve the balance of my time.

The PRESIDING OFFICER. Who yields time?

Mr. McCONNELL. Mr. President, was the Senator from Oklahoma posing a question to the Senator from Kentucky on his time?

Mr. BOREN. Mr. President, let me ask how much time remains.

The PRESIDING OFFICER. The Senator from Oklahoma has 10 minutes and 59 seconds. The Senator from Kentucky has 4 minutes and 54 seconds.

Mr. BOREN. I will be happy to yield. I see the Senator has another speaker on his side. I believe I am going to have another speaker coming. I am happy to yield a couple minutes out of my time to lend that to the Senator from Kentucky to help give him time for an answer. I yield 3 minutes to the Senator.

The PRESIDING OFFICER. The Senator from Oklahoma has yielded 3 minutes to the Senator from Kentucky.

The Senator from Kentucky is recognized.

Mr. McCONNELL. I would just say to my friend from Oklahoma that he raises an area that we certainly agree upon. If there are any gaps in the McConnell-Packwood proposal with regard to soft money or independent expenditures, I can say without fear of contradiction to my friend from Oklahoma that any effort we can make collectively to disclose soft money in all of its forms—I might say that the Senator from Kentucky would even be willing to limit soft money just as we limit the cash contributions.

With regard to independent expenditures, the Senator from Kentucky is willing to go just as far as the Constitution will allow and is willing to support a constitutional amendment to go even further.

So I would say there is no interest on this side of the aisle, in the area of soft money or in the area of independent expenditures, not to make any such legislation as comprehensive as it can be, consistent with the Constitution and, whatever remaining problems there may be, deal with them constitutionally. So I think that is an area, as I have repeatedly said over the last 3 weeks, that we are willing to plug every loophole we can find and work with the Senator from Oklahoma in that regard.

Now, Mr. President, I have very little time remaining. I yield 3 minutes to the Senator from South Dakota.

The PRESIDING OFFICER. The Senator from South Dakota is recognized.

Mr. PRESSLER. Mr. President, some years ago, when I first came to Congress, the Watergate Committee was just issuing its report and, as my colleague from Connecticut, Senator WEICKER, has pointed out, one of the principal recommendations of the Watergate Committee was not to use taxpayers' money in Federal campaigns. Indeed, section 7 of the Watergate Select Committee report read as follows.

> The committee recommends against adoption of any form of public financing in which tax moneys are collected and allocated to political candidates by the Federal Government.

Mr. President, we seem to go in circles here. I guess I came to Congress, in 1974 as a Watergate baby. We are ignoring some of the reports of the Watergate Select Committee in turning to public financing, and that is really what this debate is all about. We are ignoring a key recommendation of what is usually considered one of the great reform committees of recent time, the Watergate Select Committee.

The reason the Watergate Select Committee recommended as it did was because, if the Federal Government gets in the business of financing elections, it will be the Federal Government deciding who the candidates are, what the limits are, and that is the incumbents basically.

For example, let us say that it was decided that no one could spend more than $50,000 as a limit in a primary in my State. That would mean that any incumbent really not be challenged. Or let us say that the board, which decides when you raised your matching funds, took a dim view of some new party or of some independent candidate or indeed of some Republican or Democratic candidate. It could find ways of finding things wrong with the reports and the accounts of that particular candidate to disqualify him.

The Watergate Committee was afraid of the power of the IRS. They saw abuses of the Federal Government using Federal agencies in the political process. One of their strongest recommendations was against starting the practice of using taxpayers' dollars in Federal campaigns.

Mr. President, I ask unanimous consent to have printed in the RECORD the complete explanation of point 7 of the Watergate Select Committee's recommendation against the adoption of any form—and the committee uses those words—any form of public financing. So this particular bill, S. 2, we are looking at would be opposed by the Watergate Committee report.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

> 7. The committee recommends against the adoption of any form of public financing in which tax moneys are collected and allocated to political candidates by the Federal Government.
>
> The Select Committee opposes the various proposals which have been offered in the Congress to provide mandatory public financing of campaigns for Federal office. While recognizing the basis of support for the concept of public financing and the potential difficulty in adequately funding campaigns in the midst of strict limitations on the form and amount of contributions, the committee takes issue with the contention that public financing affords either an effective or appropriate solution. Thomas Jefferson believed "to compel a man to furnish contributions of money for the propagation of opinions which he disbelieves and abhors, is sinful and tyrannical."
>
> The committee's opposition is based like Jefferson's upon the fundamental need to protect the voluntary right of individual citizens to express themselves politically as guaranteed by the first amendment. Furthermore, we find inherent dangers in authorizing the Federal bureaucracy to find and excessively regulate political campaigns.
>
> The abuses experienced during the 1972 campaign and unearthed by the Select Committee were perpetrated in the absence of any effective regulation of the source, form, or amount of campaign contributions. In fact, despite the progress made by the Federal Elections Campaign Act of 1971, in requiring full public disclosure of contributions, the 1972 campaign still was funded through a system of essentially unrestricted, private financing.
>
> What now seems appropriate is not the abandonment of private financing, but rather the reform of that system in an effort to vastly expand the voluntary participation of individual citizens while avoiding the abuses of earlier campaigns.

Mr. PRESSLER. Mr. President, I listened to my colleague from Oklahoma very closely. I would agree with most of the things he said. We are prepared to place limits on PAC's. We are prepared to limit the amount.

The PRESIDING OFFICER. The time of the Senator from South Dakota has expired.

Who yields time?

Mr. BOREN. Mr. President, I yield 1 additional minute to the Senator from South Dakota.

The PRESIDING OFFICER. The Senator from Oklahoma yields an additional minute to the Senator from South Dakota.

Mr. PRESSLER. Mr. President, most citizens I have talked to say that what needs to be reformed is the political action committee situation. S. 2 leaves that at $5,000. Our bill would zero it out. There is another bill which Senator STEVENS has that places it at $2,500. There are ways of addressing this problem other than getting into public financing.

Also, on the issue of soft money reporting, this Senator would not mind if the soft money activities of all the parties were reported. In fact, I would advocate that.

Also, the various unions, teachers groups, and so forth, I feel strongly, should report their soft money activities. Sometimes they say it is just communication to their own members, but it is before an election. Also, the activities of nonprofit foundations before elections is campaign activity and should be included in limitations, if we are to have them.

Let us remember that if we place in the hands of the Federal Government the power to determine these limitations and the power to determine which candidates get the Federal financing, we are giving a whole new power to the Federal Government, and that power was recommended against specifically by the Watergate Select Committee.

This bill is being advocated by Common Cause. There have been several reforms advocated during my time here. Let us remember that the principal recommendation of the Watergate Select Committee, section 7, was not to use taxpayers' money in campaigns because it would extend the power of the Federal Government into another area. The Watergate Select Committee report has been forgotten in this city, from the sounds in this Chamber.

The PRESIDING OFFICER. Who yields time?

Mr. McCONNELL. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator from Kentucky has 1 minute and 35 seconds.

Mr. McCONNELL. Mr. President, in conclusion, as we move toward another cloture vote on this issue, let me refer again to the study of the John F. Kennedy School of Government Institute of Politics, provided to the House Administration Committee in 1979, referring to the kinds of bills that would limit participation, and that is what a spending limit is. It said:

> The campaign finance reforms enacted into law in the Federal Election Campaign Act and its amendments have brought about major changes in the funding of congressional election campaigns. Most of these changes were long overdue; the overall impact of the act has added to the honesty and efficiency of the political system. In sweeping terms, the act must be considered successful in alleviating many of the perceived problems which stimulated congressional action.
>
> Like any major, innovative law, however, the Campaign Act has had consequences unanticipated and unintended by its authors and supporters. Fortunately, these consequences are highlighted by the success of the act in producing reliable information on how campaigns are financed. Given the act's provisions for public disclosure and the resulting data compiled by the Federal Election Commission (FEC), many of the vexing questions about money in elections can now be addressed from a solid factual base. That information plus the observations made in the course of this research point toward some of the remaining problems in the funding of election politics. They have also led us to a reassessment of several conventional ideas about the role of money in congressional elections.
>
> Much of the discussion which framed the enactment of the act was animated by the belief that money in politics was somehow

an evil force, at best a necessary evil. Quite to the contrary, the Study Group cannot emphasize strongly enough that *there is nothing intrinsically wrong with campaign contributions and expenditures.* Adequate campaign funds are essential to competitive congressional elections. The essence of an election campaign is to provide voters with a choice among alternative candidates. That process requires the communication to voters of some minimum quantity of information about the contestants. In contemporary America, providing that information to the voters costs substantial amounts of money.

Every study based on the information available since 1972 has shown that *most campaigns have too little, not too much money.* The most competitive elections, where the voters have the most information about candidates, are those in which the most money is spent. Election contests in which spending is comparatively high are also those in which voter participation tends to be highest. While campaign finance laws must certainly guard against the undue influence of wealthy interests of individuals in the political process, they should at the same time be designed to enhance rather than hinder the raising and spending of campaign funds deemed appropriate.

The available data demonstrate that the costs of campaigning for Congress have been increasing markedly since 1972. Candidates have been spending greater and greater sums in the pursuit of public office. Between 1972 and 1978, the amount of money raised (and spent) by Congressional candidates increased by 34.0 percent over and above the rise in the Consumer Price Index. In actual dollar terms, the financial resources of congressional candidates rose from an average of $52,000 in 1972 to an average of $111,000 in 1978.

On first impression, these increases in the available resources indicate that ample funds are being generated by congressional candidates. The dollars raised are more than keeping pace with cost of living increases. Coupled with a few, widely publicized cases of massive spending by wealthy candidates from their own resources, these figures appear to support the belief that campaign spending is expanding dramatically and out of proportion to national policy.

Yet, the increase in available resources is only one half of an adequate understanding. There is also considerable evidence that the costs in election campaigning are escalating even more rapidly. If we were able to compute a "Cost of Campaigning Index" as opposed to a Consumer Price Index, the whole picture would probably show that available resources are falling behind the increase in cost. For example, the cost of polling services has more than doubled since 1972. Likewise expenses incurred in advertising have risen sharply.

Television spot time increased 64 percent in costs between 1972 and 1976, outstripping the Consumer Price Index and the growth in campaign resources. Over the same period, advertising in newspapers rose 47 percent, or approximately at the same rate as the growth in funds available to the average congressional candidate. Finally, the Federal Election Campaign Act has itself increased the costs of election campaigning in two ways. Costs of compliance with the act divert scarce resources away from activities which involve communications with voters. And, more significantly, in strictly limiting the amounts of money that individuals can contribute to campaigns, the act has unintentionally increased the costs of raising campaign funds. For example, in a much publicized case, Senator Helms raised and spent approximately $7 million in winning re-election in 1978. Of this $4 million was raised through a direct mail program which cost the campaign about $2 million. 50 percent is actually a rather low percentage for costs in a direct mail program, reflecting the fact that the Helms' campaign began to develop their lists far ahead of the election, and could return to them eleven times during the campaign.

Whether one is discussing direct mail, fundraisers, or private solicitations, it simply cost more to bring in the campaign dollar, than it did before the act. While both of these effects of the act may be defensible in light of other public benefits, they are items which support the argument that the resources available to campaigns are not keeping pace with rising campaign costs. In most cases, moreover, these escalating costs lie in areas beyond the control of the campaign to economize. Campaigns being small and temporary, cannot affect prices through "supply and demand" economics; they simply must accept the prices established when they need materials and services.

These trends also imply changes in the uses to which campaign resources are put. An increasing percentage of campaign funds must be devoted to "high technology" efforts, such as television advertising, computer targeting, or direct mail, thereby leaving a smaller share of resources available for more traditional methods of reaching voters. A common conjecture among those interviewed was that activities which directly involve citizens in campaign events or efforts have been curtailed by constricted campaign budgets. We also know that election contests characterized by a relatively high level of spending are also those in which voter participation tends to be higher.

Even if income were keeping pace with these rising costs, the average political campaign spends too little money, not too much. Contrary to popular impression, congressional campaigns spend surprisingly small sums. This fact becomes most glaringly evident when campaigning is compared to corporate advertising. For the 1976 elections, all candidates for federal office spent just under $212 million dollars on salaries, materials, office space, fund raising *and* advertising. In the year 1976, by comparison the total amount spent on advertising media was $33.6 billion, or more than 150 times the sum of campaign budgets. In a very real sense, electoral policies is in competition with corporate advertising for the attention of American citizens. Limited campaign funds often mean limited campaign activity, which, in turn, means a poorly informed and apathetic electorate. By making fundraising burdensome and inefficient, the current laws pose the danger of less open, less responsive and less informative election campaigners.

Enough said, Mr. President, about the effort to put a clamp on the participation of our people in a voluntary way in the elections of this country. That kind of clamp should not be enacted. It is not reform. It is a step backward.

The PRESIDING OFFICER. The time of the Senator from Kentucky has expired.

Mr. BOREN. Mr. President, how much time remains to this side?

The PRESIDING OFFICER. Six minutes and fifty-seven seconds.

Mr. BOREN. I yield the remainder of the time to myself.

Mr. President, again, today, we will have an opportunity, as I said a moment ago, to take a historic step.

We deal with a number of important issues in this body. We deal with issues of war and peace, nuclear arms negotiations, important foreign policy decisions, questions of trade policy, ways in which we can increase the productive capacity of this country so that we can begin to compete more effectively with the rest of the world, important budgetary matters, trying to bring down the deficits which are harming our country. These are all very important matters. But I do not think we can deal with a matter of more fundamental importance in this bicentennial year of the Constitution to our entire democratic system than the issue which is now before us.

I urge my colleagues to vote for cloture today. They would not be voting for this bill as it is now written. Our friends on both sides of the aisle who have ideas for improving this piece of legislation would have an opportunity to present them.

It is clear that a majority of the Members of this body—and they have demonstrated it by their votes—want to press ahead to deal with the issue of campaign finance reform, and the majority should have an opportunity to work its will on a matter of this importance. We should not be blocked from proceeding to do something about this serious problem.

How long are we going to wait before we do something about what is happening to the political process in this country? We did not do anything about it when campaigns for the U.S. Senate cost $400,000, on the average, 12 years ago. We did not do anything about it when, 8 years ago, they crossed the $1 million mark, and said, "Let's wait." Now they have crossed the $3 million mark, and we have had campaigns in some States where the two candidates have spent as much as $25 million getting elected to the U.S. Senate. How long are we going to wait before we wake up to the fact that we have a severe problem?

The time that needs to be spent dealing with the Nation's problems is spent on raising money. The competition which should be waged on the basis of ideas for helping this country is now being waged in the area of who can raise the most money.

Mr. President, it is not only the amount of money that threatens this political system. It is where it is coming from. Eight years ago, less than 100 Members elected to Congress received half or more of their campaign contributions from outside groups instead of from the people in their home districts. Then it went over 140, and we did not do anything about it. We waited. Now, over 190 people elected to Congress received more than half their campaign contributions—that is hundreds and thousands or millions of dollars they have to raise—not from the people back home, not from the voters in the grassroots in their districts, but special interest groups, many of them with no contact with their home States. How long will we have to wait before we deal with this threat to the concept of grassroots democracy? How long are we going to have to wait before the people of this country realize that we have a serious problem and demand action from Congress? How much more serious must the problem become? Are we going to wait until 535 of us receive more of our campaign contributions from special interest groups instead of from the people back home, before we act?

What about what the current system is doing for the opportunity for new people to break into politics? These interest groups want access, want an opportunity to get their foot in the door to have that hour that is available to a Senator before voting on a critical bill, to talk to them instead of somebody else. They give to the incumbents. Eighty percent of the money went to people already here. What does that do to new people who want to come into the system, who can get support from the people back home, who perhaps want to change? That candidate steps down when he ponders the fact that he or she may be faced with millions of dollars brought in by outside interest groups, brought into their State at the last minute. Eighty percent went to incumbents instead of challengers.

How long will it be before we restore some kind of fairness to the election system? What could be more fundamental? People do not have an opportunity, on a fair basis, to express themselves through the election process. What happens to the whole democratic system?

It is no wonder, with the undue influence of money and people sitting back looking at the undue influence of money, the appearance it creates, that fewer and fewer people back home are participating in the election process. Those people without millions to pump into the situation are becoming discouraged and believe that they cannot influence what is going on, that they cannot make a difference in their communities with respect to what is happening here, in their Congress.

Mr. President, this is to be a government of the people and a government for the people, not a government of special interests, not a government for the special interests. We are to be elected by the people from our home States in our home districts. Let us hope we never come to the time when, as someone suggested to me recently, you could just raise all the money in Washington for your campaign; you would not have to embarrass yourself by going back to the people back home to contribute. Let us hope we never have the day when that happens in this country and when the power is taken away from the people back home.

I am grateful for the fact that the Constitution requires the people back home to be the ones to go to the ballot box and cast their votes. We need to do something about this system that we have now, so that it will be the people back home, the averge citizens, who are financing the campaigns and not the special interests.

CLOTURE MOTION

The PRESIDING OFFICER. The hour allotted for debate has expired. The hour of 2 p.m. having arrived, pursuant to rule XXII, the Chair lays before the Senate the pending cloture motion. Will the clerk state it.

The bill clerk read as follows:

Cloture Motion

We, the undersigned Senators, in accordance with the provisions of Rule XXII of the Standing Rules of the Senate, hereby move to bring to a close debate on the committee substitute for S. 2, to amend the Federal Election Campaign Act of 1971 to provide for a voluntary system of spending limits and partial public financing of Senate general election campaigns, to limit contributions by multicandidate political committees, and for other purposes.

Senators Robert C. Byrd, Donald Riegle, Tom Daschle, Bill Proxmire, Max Baucus, David Boren, Timothy H. Wirth, Daniel K. Inouye, Claiborne Pell, Spark Matsunaga, Harry Reid, Lawton Chiles, Brock Adams, John D. Rockefeller, Terry Sanford, Alan Cranston, and Wyche Fowler.

Mr. BYRD. Mr. President, this request has been cleared by the distinguished Republican leader. I ask unanimous consent that the automatic quorum call under the rule be waived.

The PRESIDING OFFICER. Without objection, it is so ordered.

VOTE

The PRESIDING OFFICER. The question is, Is it the sense of the Senate that debate on the committee substitute for S. 2, a bill to amend the Federal Election Act of 1971, shall be brought to a close? The yeas and nays are required under the rule.

The clerk will call the roll.

The bill clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Delaware [Mr. Biden] and the Senator from Tennessee [Mr. Gore], are necessarily absent.

I further announce that the Senator from Vermont [Mr. Leahy], is absent on official business.

I further announce that, if present and voting, the Senator from Tennessee [Mr. Gore], would vote "yea."

The PRESIDING OFFICER (Mr. Conrad). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 50, nays 47, as follows:

[Rollcall Vote No. 152 Leg.]

YEAS—50

Adams
Baucus
Bentsen
Bingaman
Boren
Bradley
Breaux
Bumpers
Burdick
Byrd
Chafee
Chiles
Conrad
Cranston
Daschle
DeConcini
Dixon
Dodd
Exon
Ford
Fowler
Glenn
Graham
Harkin
Inouye
Johnston
Kennedy
Kerry
Lautenberg
Levin
Matsunaga
Melcher
Metzenbaum
Mikulski
Mitchell
Moynihan
Nunn
Pell
Proxmire
Pryor
Reid
Riegle
Rockefeller
Sanford
Sarbanes
Sasser
Simon
Stafford
Stennis
Wirth

NAYS—47

Armstrong
Bond
Boschwitz
Cochran
Cohen
D'Amato
Danforth
Dole
Domenici
Durenberger
Evans
Garn
Gramm
Grassley
Hatch
Hatfield
Hecht
Heflin
Heinz
Helms
Hollings
Humphrey
Karnes
Kassebaum
Kasten
Lugar
McCain
McClure
McConnell
Murkowski
Nickles
Packwood
Pressler
Quayle
Roth
Rudman
Shelby
Simpson
Specter
Stevens
Symms
Thurmond
Trible
Wallop
Warner
Weicker
Wilson

NOT VOTING—3

Biden
Gore
Leahy

The PRESIDING OFFICER. On this vote the yeas are 50, the nays are 47. Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative the motion is rejected.

The majority leader.

SENATORIAL ELECTION CAMPAIGN ACT

Mr. BYRD. Mr. President, may we have order in the Senate?

The PRESIDING OFFICER. The Senate will be in order.

Mr. BYRD. Mr. President, I thank the Chair.

Mr. President, there were three absentees on our side of the aisle. If those three absentees had been here, we would have gotten 53 votes for cloture. That is where we have been for the last four, I believe, or five votes which we have had.

Mr. President, I am not going to offer a cloture motion today for a vote of cloture that would have occurred on next Tuesday. I had indicated that we would have a cloture vote on Tuesday. The reason I am not going to offer the cloture motion today is that several of us are working on another offer—I will use the word "offer"—a substitute, an amendment, hopefully that will garner bipartisan support, and which should go a long way, in my judgment, toward meeting some of the objections of Senators on the other side who really want to vote for meaningful campaign finance reform.

There are some on the other side, I am sure, and maybe some on this side—I do not know—who will not vote for anything that has campaign spending limitations. But to me there can be no meaningful campaign finance reform legislation unless it includes campaign spending limitations.

I know there are some on the other side who adopt the same attitude as I adopt and support it, namely, that borrowing those words from Scott's "Lady of the Lake," "Come one, come all! This rock shall fly from its base as soon as I," which means that we will never move. That is the attitude I have with respect to campaign spending limitations.

If we are going to pass campaign reform it has to include that. I respect those who say that they will not move away from their position either. That is all right. But there are some on both sides who, hopefully, I think will move together and enable the Senate to pass a meaningful, effective, genuine campaign finance reform bill.

In the interest of giving Senators an opportunity to reach across the aisle and to work together to try to develop a package which I hope to be able to offer with Senator BOREN and others, hopefully with some on the other side of the aisle, too, by early next week, I will not have a cloture vote on Tuesday.

I think we ought to have an opportunity to take a look at the package. Senators will recall that I never moved quickly to attempt to invoke cloture. I wanted to give the Senate ample opportunity to debate the subject. We had several days of debate before we had a cloture vote. So there has been no hurry to shut off debate unreasonably.

With that objective in mind, I will not offer a cloture petition today.

Moreover, I would like for the Senate to go out today early so that Senator BOREN and other Senators may have an opportunity to develop contacts on both sides of the aisle, and likewise tomorrow.

There is a cloture motion for tomorrow. The cloture motion was offered on yesterday. The Senate will come in at 9 o'clock in the morning.

I will ask unanimous consent, and I have cleared this with the able Republican leader, that the automatic quorum, under the rule, on tomorrow be waived.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, this will enable the vote on cloture tomorrow to occur at 10 o'clock, and there will be no more rollcall votes tomorrow. We can spend the remainder of the afternoon debating the subject matter on tomorrow on working again with one another on the package which we hope to introduce.

Mr. President, I know the distinguished Senator from South Carolina wants to speak. I would like if I could, with the consent of the able Republican leader to agree that there would be no more than 1 hour of debate this afternoon. The debate can be on the subject of campaign financing or it can be with Senators speaking out of order. I would further like to agree that the Senate go out no later than 3:30 this afternoon.

How much time would the distinguished Senator from South Carolina want?

Mr. HOLLINGS. Thirty minutes.

Mr. BYRD. I would like for the Senator from South Carolina to have 30 minutes and I will accommodate other Senators. Senator MCCLURE, 3 minutes; the Senator from Pennsylvania [Mr. HEINZ], 5 minutes.

Mr. DURENBERGER. Mr. President, I am not speaking for the main proponents on the issue of the Panama resolution. I do not know the degree to which a time agreement of any kind has been arrived at, but I understood from some conversation I heard that there are a number of Senators interested in a Panama resolution.

Mr. BYRD. The Panama resolution will not come up today.

Mr. DURENBERGER. Will not.

Mr. BYRD. I sent a copy of it to the Speaker and I am sure that the distinguished Republican leader probably would want to talk with the leader over there, or already has, to see if we can get the House and Senate to be together on this. That will not occur today.

If the Senator wishes to speak I would like to provide some time and then how much time does he wish?

Mr. DURENBERGER. The Senator from Minnesota respects the wishes of the majority leader in this regard. I thank him very much.

Mr. BYRD. Would the Senator want to delay his remarks on that subject?

Mr. DURENBERGER. I will delay the remarks I make until we have a consensus on the resolution.

Mr. BYRD. The Senator will have an opportunity tomorrow and maybe Tuesday after we are able to establish whether or not the House would go along with us.

Mr. BAUCUS. Mr. President, I would like approximately 10 minutes. I know Senators MITCHELL and ROCKEFELLER would like about 10 minutes on a subject on which I wish to speak, that is, the world health care.

Mr. BYRD. That would be a combined time of 10 minutes?

Mr. BAUCUS. No. A combined time of about 20 minutes.

Mr. BYRD. Does the Senator from New York [Mr. MOYNIHAN] wish to say anything?

Mr. MOYNIHAN. No.

Mr. BYRD. Mr. President, I ask unanimous consent that there be 30 minutes for Mr. HOLLINGS, 3 minutes for Mr. MCCLURE, 5 minutes for Mr. HEINZ, 20 minutes for Mr. BAUCUS and the other Senators whose names were mentioned.

Mr. EXON. Is the majority leader talking about this afternoon?

Mr. BYRD. Yes.

Mr. EXON. The Senator from Nebraska needs 1 minute.

Mr. BYRD. The Senator from Nebraska, 3 minutes; Mr. DURENBERGER, 3 minutes. Any other Senators?

Then, Mr. President, with the Republican leader's accord, I would ask that the Chair adjourn the Senate over until tomorrow under the order. I believe I have already entered an order that there be a meeting and that the Senate convene tomorrow at 9 o'clock a.m. following adjournment.

The PRESIDING OFFICER. That is correct.

ORDERS FOR FRIDAY

Mr. BYRD. Mr. President, I ask unanimous consent that the call of the calendar under rule VIII be waived on tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. I ask unanimous consent, Mr. President, that no motions or resolutions over under the rule come over on tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I ask unanimous consent that after the two leaders have been recognized on tomorrow under the standing order that the remaining 40 minutes be equally divided between the two leaders or their designees on the motion to invoke cloture.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I ask unanimous consent that the vote occur at 10 o'clock a.m., the motion to waive the quorum already having been ordered.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. So, Mr. President, I do not believe I have left out anything. I am going to yield the floor now. I will probably be here to adjourn the Senate myself. If not, I say to the distinguished Republican leader the order is entered that the Chair will do it. May I yield first to the Republican leader if he has anything and then I will yield.

Mr. DOLE. No; I have no requests at this time. I may need a couple minutes before we do adjourn for the day.

Mr. BYRD. Very well.

Mr. DOLE. But I have no objection to that.

Mr. BYRD. Very well.

I ask unanimous consent the distinguished Republican leader have whatever time he wishes before the Senate adjourns.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. HOLLINGS. Mr. President, I thank the distinguished Chair and I thank our majority leader for yielding this time.

Mr. President, because of the controlled time in this debate, we have heard principally from only two opposed points of view. On the one hand, there are those who feel very strongly that any kind of limitations are undesirable because they would limit participation, or freedom of speech. On the other hand, there are those who believe there should be limitations on campaign contributions and spending in the context of S. 2, the bill we have been discussing.

I am sponsoring a constitutional amendment that stakes out a middle ground. The evil that must be attacked is not the participation of citizens and PAC's that contribute money to candidates. The evil lies in out-of-control spending by candidates. Yet because of the constraints of Buckley versus Valeo, we cannot impose limits on spending except through a constitutional amendment.

I have worked with the distinguished Senator from West Virginia and the Senator from Oklahoma. It was in regard to Senator DANFORTH's and my bill 2 years ago that we held hearings on independent PAC's and negative campaigning. We sought to require TV stations to provide equal time for candidates to respond to independent attacks from third parties within a campaign. Today, if you seek to respond to an opponent you get equal time only if you purchase it. Likewise if you seek to respond to independent or third party attacks. This problem is addressed in some measure, in S. 2, the Boren-Byrd measure presently under discussion.

However, once Senators BOREN and BYRD included public financing, they lost the support of this Senator. Go beyond the Washington beltway, go beyond Common Cause and out into the hinterland. What you will find is a pandemic disdane for politics and politicians. We have bungled the budget. We have not been able to promulgate a consistent foreign policy, whether in arms control, the Persian Gulf, or in Central America.

The public simply won't buy or tolerate the notion that taxpayer subsidies to politicians are the answer to campaign finance abuses. We've had welfare for the needy—fine. Then welfare for big business. And now we're proposing welfare for politicians. I tell you, the public won't stand for it. And they shouldn't.

Mr. President, Buckley versus Valeo has trapped us into a contradictory position. The Court equated freedom of speech in political campaigning with money. I do not have a problem on that score. But the Court went on to indulge in a grotesque non sequitur. It said that you cannot limit a candidate's right to spend, but you can limit the right of people to contribute to candidates. In other words, unlimited freedom of speech is reserved only for candidates and denied to contributors.

In the process, the Court reversed the clear intent of Congress in the 1974 Federal Elections Campaign Act. I participated actively in the debate. We opposed public financing at that time. Our objective was to ensure that candidates would not be able to buy office. We sought to crack down on millionaires, the situation where a superendowed individual says, "Well, I have inherited this money or I have made this money and now I think I would like to purchase the aura and prestige of becoming a U.S. Senator." And the pollsters and the consultants accommodate them, will tell them saying, "If you have got enough money, we can arrange it. We can orchestrate the negative campaigning and everything else." And that is why the sheer volume of campaign financing has escalated so rapidly over the last several years.

So the Court thwarted the intent of Congress by ruling that, in effect, you have true and total freedom of speech only if you have all the money in the world. If you have money in politics, then you have freedom of speech. If you do not have money in politics, you have only the freedom to shut up, the right to remain silent.

In essence, if my opponent has $1,000 and I have $100,000, I could take away his freedom of speech. We are realists. The practical matter is that television is the name of the game. If he can't afford to purchase air time, then there is no way he's going to run a competitive campaign.

However, S. 2 does nothing whatsoever to correct this gross distortion. On the contrary, instead of limiting spending, S. 2 enhances and encourages and increases the spending in campaigns. Common sense says that if you want public financing, you have got to provide it at a high enough threshold to attract voluntary participation. If the threshold is too low, then I will opt out and collect my $2 million on my own as I did just last November.

What's more, it is naive to think S. 2 will curb the ingenuity of people in influencing a campaign through independent expenditures. In any case, there is nothing inherently wrong with PAC's and third-party efforts.

There was nothing wrong with our labor friends organizing PAC's: steelworkers, longshoremen, postal workers, on down the line. But as soon as business and industry started to organize their PAC's, as well as the lawyers and doctors and other professions, all of a sudden PAC's became evil. But they are not evil. On the contrary, they are healthy. They get people involved, they give people a voice in politics.

The true evil lies in the sheer amount of money we must raise and spend as politicians. It detracts from my job as U.S. Senator. It detracts from my task as a candidate for reelection.

Last fall, I did not have the time to listen to the people. I had to channel too much of my time and energy into raising money just to stay on television. It was a marathon.

Mr. President, I have studied S. 2 carefully. I have great respect for our leader and the Senator from Oklahoma, but there is no way around this decision of Buckley versus Valeo other than through a constitutional amendment that will enable Congress to place absolute limits on campaign spending.

S. 2 would create a bureaucratic nightmare, aside from it expense in excess of a half-billion bucks.

Instead of limiting spending, S. 2 would simply be one more boost to the inflation of campaign spending. Accordingly, those of us who oppose cloture are not being obstructionists. There is a very clean message coming from the people themselves, through the individual representatives on the floor of this body, that we shall not have public financing of politics in this land.

I say, let us go back to our original intent in 1974 and place caps on campaign spending. Yes, it will take a constitutional amendment, but there is ample precedent for obtaining ratification in less than a year's time. If we succeed, then we will strike at the root of the problem: excessive spending.

Don't give me the argument that campaign spending limits will make it impossible to defeat incumbents. In 1986 we took incumbents to the cleaners. I am looking at the distinguished Senator from Maine, who led the Democrats' effort. We took the incumbent in Georgia. We took the incumbent in North Carolina. We took the incumbent in Florida. We took the incumbent in Alabama. We took the incumbent in South Dakota, and on down the line. In many cases, we did it while spending less money.

People have come to me and said I am hurting my reelection possibilities by advocating spending limits. They say, "Senator, since you have been in office, you know more people and can collect more money. Why start limiting yourself?"

My answer is that we can run a credible campaign in a State my size on $600,000 or $700,000. Each candidate would have roughly equal time and access to television, radio, billboards, and so on. It would be healthy.

Furthermore, once you limit total spending in a campaign, then you virtually eliminate the potential for abuses by PAC's. You rein in how much money a candidate can accept from PAC's without bumping against the spending limits.

I realize this makes Common Cause uneasy. Common Cause would prefer to do away with PAC's altogether—that is, all PAC's except Common Cause. You see, other PAC's, they contribute money. Common Cause, they only give you hell. Common Cause is influential. It is respected. But it is the only PAC that does not give you money. And they seek to enhance their influence and power. What better means to that end than to get rid of all the PAC's but their own. They used to be the sole PAC around town and had all the influence. They haven't adjusted well to sharing influence and power with hundreds of other PAC's.

Common Cause's support for S. 2 is self-serving and wrong-headed. I say, let us get at the heart of the matter: We can increase true freedom of speech for all candidates by enacting a one-line constitutional amendment permitting the Congress to limit total expenditures in Federal elections. Once we bell the cat by capping total campaign spending, then the other abuses—shelf financing by super rich candidates, excessive PAC contributions, "soft" money abuses, et cetera—will largely disappear.

I appreciate the leader's yielding me this time so that I could make this statement. I yield the floor.

(Mr. BREAUX assumed the chair.)

THE GEPHARDT AMENDMENT AND THE TRADE BILL: PART V

THE ALTERNATIVE

Mr. BAUCUS. Mr. President, I have criticized the Gephardt amendment to the House trade bill over the last couple weeks, but it is always easier to criticize someone else's idea than it is to come up with your own.

That is why, in fairness to Representative GEPHARDT, I am going to now set forth in this final statement some of my ideas to the trade problem presented by nations like Japan.

In my judgment, there are three essential qualities any trade proposal should contain.

First, any proposal should aggressively address unfair trade practices.

As I said in an earlier statement in this series, Gephardt is right that unfair trade practices cause the trade deficit. He is about 10 percent right.

But even though unfair trade practices are a relatively small part of our overall trade problem, we must develop a plan for dealing with nations that consistently engage in them. That is an essential part of any solution.

Second, any solution should respect GATT consistent with U.S. interests.

I have suggested that the United States achieve this objective by initiating an article 23 against nations that engage in a pattern of mercantilist trading practices. Such an approach has several advantages.

The multilateral approach of an article 23 action can put more pressure for reform on Japan than the Gephardt amendment.

The practices of Japan and other excessive surplus countries offend nearly all of their trading partners.

The joint pressure generated by all of these countries acting together is likely to be greater than that generated by the United States acting alone.

In addition, unilateral action as contemplated by Gephardt, still permits Japan to sell in other foreign markets. A multilateral approach would be much more effective because alternative markets will be closed.

Finally, instead of abandoning GATT to become an international Lone Ranger, the multilateral approach would actually strengthen GATT at a time when the vital Uruguay round of talks is just getting underway.

The Gephardt approach would completely abandon GATT in favor of a unilateral solution. But by using GATT to forge a multilateral solution to Japanese mercantilistic trading practices, the United States could demonstrate that GATT is an effective way to deal with unfair trade practices.

The third essential element of any solution is that it should recognize that our trade deficit is not due to unfair barriers alone.

Other causes—such as our Federal budget deficit, the low standard of living in Japan, and the slow growth of countries like Japan and Germany—account for much of the problem.

Any solution should include some attempt to deal with these other problems, and that would have several advantages.

First, it is more honest. We would be dealing with the entire problem. Not just the part that is the other guy's fault.

Second, it is more likely to eliminate foreign unfair practices. If another country asked us unilaterally to open our markets, without any attempt by them to solve their problems, would we do it? Would such a move be politically acceptable? Of course not.

But if we negotiate the problem honestly, addressing both country's problems, we stand a better chance of success.

Third, the broader approach will improve our trade position much more. Not only will we eliminate more foreign barriers, but we will address problems that will have a bigger economic effect.

In the end, all of us who care about ensuring a higher standard of living for Americans will find this approach more acceptable.

CONCLUSION

I want to close this series of statements on the Gephardt amendment by sharing one final thought.

Of course we want to get tough on the Japanese and other countries. But we should not do that by adopting a strategy that hurts us more than it helps.

I believe our strategy should be to initiate article 23 cases against selected countries.

That might not be the only approach. But it is a sound, responsible approach that addresses the problem, respects GATT and addresses the other causes of our trade deficit.

Very soon, we will begin debate in this Chamber on the trade bill. It is our responsibility to craft a trade bill that sets a tough—but responsible, realistic—trade policy.

I look forward to working with my colleagues to craft such a provision.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Chair recognizes the Senator from Idaho [Mr. McCLURE] for 3 minutes.

ELECTRIC CONSUMERS PROTECTION ACT OF 1986 [ECPA]

Mr. McCLURE. Mr. President, on Friday, October 3, 1986, the Senate agreed to the conference report on S. 426, the Electric Consumers Protection Act of 1986 (H. Rept. 99-934). While I was generally pleased with that result, I admit that I was taken by surprise in that I understood that the bill would not be cleared until the following week. However, as is often the case in the hectic days at the close of a Congress, there was an inadvertent miscommunication between the committee and the floor. As a result, my remarks as chairman of the Conference Committee and as chairman of the Committee on Energy and Natural Resources, as well as those of other Senate conferees, did not appear until Monday, October 16, 1986, the next day of Senate session. In addition, another relevant colloquy between myself and Senator EVANS did not appear until October 10, 1986. The President signed S. 426 into law on October 16, 1986. While I did not believe that the sequence of these events detracted from the efficacy or weight of the remarks given by myself or my colleagues as part of the legislative history of ECPA due to the fact that I understood at the time that they would precede passage of S. 426 in the permanent Congressional Record, I am now concerned that I may be mistaken. Due to the fact that it nowhere appears specifically in the Congressional Record that the aforementioned will be part of the prepassage history, implementing agencies, such as FERC, are unsure as to the status of the remarks. My personal view is that postpassage remarks such as those I have referenced which occur prior to Presidential signature, should be accorded the same weight as the statements of Members of either body of equal status made prior to passage.

However, to resolve any doubt, I ask unanimous consent that all remarks, statements or colloquies that were made by, between, or among any Senators after October 3, 1986, and prior to October 17, 1986, and printed in the daily Congressional Record of the inclusive dates, shall be made part of the permanent Congressional Record immediately preceding Senate passage of the conference report on S. 426 on October 3, 1986.

The PRESIDING OFFICER. Without objection, it is so ordered.

ALTERNATIVE AGRICULTURAL PRODUCTS RESEARCH ACT OF 1987

Mr. McCLURE. Mr. President, I am pleased to lend my support to the Alternative Agricultural Products Research Act of 1987 which was introduced by Senator Harkin on April 9. I recently cosponsored this legislation which I believe is vital to American Agriculture interests.

The U.S. agriculture industry is now caught between two undesirable alternatives, increasing yields or idling land. Because of increased productivity by the American farmer in recent years, our country has an extraordinary crop surplus. This surplus has been compounded by Federal crop subsidies which have provided only a short-term solution to a difficult problem. In many cases, crop surpluses in our country exceed an entire year's production. Furthermore, these surpluses are likely to continue.

At the other extreme are the programs which set aside extensive farm acreage or place it in the agricultural conservation reserve. While these programs have the admirable goal of reducing crop surpluses, it is not in our country's best interests to allow a major portion of our agricultural production capacity to lie idle. A new approach is needed; one which would strike a balance between these two extremes.

A report prepared by the Office of Technology Assessment estimates that average per acre wheat yields will increase 20 to 25 percent in the next decade, and milk output per cow will increase by 50 percent. Virtually all major crops and livestock products are expected to have similar increases. Federal, State and private research efforts have helped increase productive capacity in agriculture and in some cases have helped lead us into these surplus situations. This is not to say that we should stop agricultural research. It must continue if our farmers are to be competitive, but it is time to redirect our efforts toward research which opens new markets by creating new plants that can be used for nonfood uses. In addition, research can help lower input costs so farmers are more competitive in the marketplace.

The current situation is made more critical by a decline in the American farmer's ability to compete in world markets. A major factor affecting the competitiveness of U.S. farmers is their farm production costs versus those of competing countries. An answer to this problem in the past has been to seek greater yields per dollar input. However, we have seen how this approach has added to the crop surplus problem. A method is needed for lowering the costs of production without increasing output.

The Alternative Agricultural Products Research Act would provide a creative solution to this difficult problem. It is a bill authorizing research to create new agricultural products which will not compete with existing ones or add to the surpluses we already have. At the same time, it would increase use of American agricultural productive capacity and seek ways of lowering production input costs. S. 970 seeks to accomplish these tasks by utilizing the most recent advancements in biotechnology, chemistry, and other scientific fields.

In the past, biotechnology has been used to develop crops that are resistant to disease and insects. One area of biotechnology, genetic engineering, is being used to develop plants that tolerate cold, drought, and other environmental limitations. New emphasis on biotechnology is needed if we are to be competitive in the future. New crops are needed which will not compete with traditional food and fiber crops. New uses are needed for traditional crops to diversify their utility and make them more valuable. Further into the future, genetic engineering may allow us to develop novel plants to produce pharmaceuticals, specialty chemicals, feedstocks, and other valuable products. S. 970 focuses on these latter advances by providing for their research and development.

Examples of how research has led to new product development already exist. One such example is the development of waxy barley by Simplot Corp., an Idaho-based company. The barley is used to produce ethanol, and in the process supplies three other profitable coproducts. Waxy barley has expanded the American farmer's markets by developing a traditional feedstock into a nontraditional product. This successful product development would not have occurred without scientific research.

In Idaho, rapeseed, a relatively new crop developed through university research efforts, promises to open profitable new markets for Idaho farmers. I have sponsored funding for research on this crop which provides an oil useful as a lubricant and as a gasoline extender. It can also be used straight in diesel fueled tractors as a replacement for diesel.

I believe these examples are only the earliest discoveries of a long line which will help give new life to America's agriculture industry. The long-term biotechnology research which S. 970 would provide is the type that is necessary if the industry is to find a way out of its present dilemma.

In addition to product development, biotechnology can also provide the American farmer a means of lowering input costs. This is another reason a long-term research program is of the utmost importance.

The collapse in U.S. export market share during the 1980's was in part caused by the U.S. farmer's inability to compete in world trade. One of the major factors affecting our ability to compete in world markets is significantly higher production costs compared to those in competing countries. In 1984, both Argentina and Canada had lower farm production costs than the United States. This remained true even after adjusting for the high value of the U.S. dollar and other cost factors such as Argentina's higher ocean transportation costs and high export taxes.

If American agriculture profitability is to increase, agricultural research must provide farmers with technology that will allow them to produce at the lowest possible cost per unit. Biotechnology is a means for lowering the cost of production without increasing crop output.

An example of this effective application for biotechnology is the use of selected natural microorganisms to increase the nutritional value of silage. These organisms work during the ensiling process to break down fiber in the silage thereby making it more available to the cow's digestive system. A farmer must invest $600 for the organisms when putting up silage. However, when the silage is fed out, milk production increases to provide more than $4,800 in increased milk receipts—a return on investment of 800 percent. The 5-percent increase in milk output would not have a sudden impact on milk prices. Therefore, this development, using research in biotechnology, maintains current production output levels while dramatically increasing the farmer's profitability.

The research program proposed by the Alternative Agricultural Products Research Act would seek long-term answers for the difficult problems agriculture now faces. Such a program can only be successful if administered effectively. Therefore, it requires adequate funding, logical followthrough, and diligent oversight. S. 970 provides for each of these.

Currently, plant science is supported at only 5 percent of the total Federal obligations for competitive grants in basic biological and medical research. Yet biotechnology is just as applicable to agriculture as it is to medicine in developing new and improved products. The opportunitites to exploit it are considerable but will be realized too slowly, or perhaps not at all, at present levels of Federal support. S. 970 would authorize $75 million for fiscal year 1988 and each of the 19 years following to meet this funding need. Because each research project funded by the act would be evaluated in part by its ability to reduce Federal crop subsidies, I believe Congress will see a great return on its investment in this bill.

Furthermore, the bill fosters its own success by following research with product development. Too often these tasks, which go hand in hand, are separated and fall under the jurisdiction of different groups. S. 970 avoids this common fault by adopting research projects in which laboratories move their technology into commercial and industrial markets.

Finally, S. 970 fosters achievement of its objectives with an effective administration. The bill would establish a New Products Research Board to be administered by the Assistant Secretary of Agriculture for Science and Education. Membership on the board is set forth in such way to bring together the expertise of various public and private sector representatives. The board would assist the Secretary in determining which research projects to undertake as well as provide the necessary followup in seeing that approved projects made satisfactory progress.

This program is needed now. It will help us plan for the future by ensuring a competitive agriculture base. I ask my colleagues to join me in supporting this bill, and urge fast passage and implementation.

ECO-TERRORISM

Mr. McCLURE. Mr. President, today I would like to spend a few minutes addressing an incident that occurred on May 8, 1987. It was a gross, premeditated attempt to injure or perhaps even kill someone to draw attention to an environmental cause. Examples of such blatant terrorism are commonplace in other parts of the world, but we Americans have always assumed ourselves to be more civilized than those who resort to such acts. I am not certain that assumption is any longer valid.

Last fall, a 23-year-old California man started his new job in a Mendocino County sawmill belonging to Louisiana-Pacific Corp. Logs to be sawn into lumber are placed on a piece of machinery called a carriage and then passed through the whirling blade of a huge bandsaw to be reduced to boards. This young man's job required him to stand near the rails along which the carriage traveled.

The man's work day had no doubt started as he kissed his wife good-bye and drove to the mill. When it was time for his shift to take over the duties of the day's operations, he put on his hard hat, lowered his face mask, and stepped into harms way alongside the carriage.

Neither he nor anyone else could know that days, or perhaps even weeks earlier, an ecoterrorist had quietly slipped onto timberlands owned by L-P with the malicious, premeditated intent to maim or kill someone. To the terrorist, their unknown victim would be both faceless and nameless. Unfortunately, they succeeded.

The terrorists located an area they knew would be logged, determined which trees were likely to be cut down and hauled to the sawmill, and then set to work.

They proceeded to drive an 11-inch-long ridge spike, a large nail, deep into the tree. They knew that all traces of their activity would go unnoticed. Once the spike was in place, they climbed back into their vehicle and simply drove home to await the results.

Somehow, the tree was cut down without a chainsaw blade coming into contact with the deadly spike. Logs from the tree were loaded onto a truck, hauled to the mill, and anonymously unloaded among the huge piles of logs waiting to be sawn into lumber.

Early on the morning of May 8, the log containing the spike was plucked from the pile and placed on the live chain that would carry it into the mill. Shortly after 7 a.m., the bark was stripped away and it was finally placed on the carriage at about 7:45. During this phase of the operation, the log was actually scanned by a metal detector but the spike had been driven deeply enough into the log to make it undetectable.

At 7:50 a.m., after a pass or two through the whirling blade of the huge bandsaw, disaster struck. As the teeth of the blade struck the metal spike, the blade was ripped into hot, jagged, deadly projectiles just as the terrorist had planned.

Before the young man on the walkway could even bat an eye, a jagged piece of the steel blade about 10-feet-long and perhaps 6-inches wide struck the side of his helmeted and masked head and face. The helmet was no match for the hot steel. Like a knife through soft butter, the fragment ripped through it and into the man's jaw, severing the bone, shredding his cheek, knocking out several of his teeth, and severing a number of veins and arteries as it sliced through his throat.

Just a month before his face was so tragically ripped apart by the well-planned attack, he had walked down the aisle with a new bride. No doubt the happy newlyweds had many plans for their future together. But, on that fateful Friday morning in early May, their dreams and plans were shattered.

There can be no doubt the person who drove that spike into the tree knew about the possible consequences of his action. This is not the first time that such spiking has occurred, but it is the first time that anyone has been injured by such action.

People who condone and encourage this kind of so called "civil disobedience" will continue to do so as long as our citizens and our Government sit idly by and do nothing to stop it. Death resulting from an act such as this is no less final to an innocent victim than that lost in a bombing or by a hijacker's bullet. It must be stopped.

In order to better acquaint you with the mentality that allows such activities to occur with impunity, let me quote to you from the self-proclaimed guru of the movement that has spawned the ecoterrorist movement.

Dave Forman heads the Tucson based environmental group known as "Earth First." He has coauthored and published a book containing a passage which says that "Tree spiking is an extremely effective method of deterring timber sales which seems to be becoming more and more popular."

The back jacket of the book says:

> No good American should ever go into the woods again without this book and, for example, a hammer and a few pounds of 60 penny nails. Spike a few trees now and then whenever you enter an area condemned to chain saw massacre by Louisiana-Pacific and its affiliated subsidiary, the U.S. Forest service.

Mr. Forman admitted to a reporter that:

> I'm sure that individual Earth Firsters have spiked trees in California, but they have been doing it as individual, not as an organized group.

Providing how-to instructions and encouragement to his followers and then claiming that his organization bears no moral, if not legal, responsibility would be laughable were it not for the seriousness of the matter.

Forman also stated that:

> It's unfortunate this worker was injured and I wish him the best.

Such is the response by one of the leaders of today's environmental movement to an incident in which a young man's jawbone was split, his face ripped apart, teeth torn out and his throat cut.

He also stated that the accident would not deter him from publishing his "how-to" book on tree spiking and other similar tactics.

Probably the most revealing statement by Mr. Foreman is that:

I think it's unfortunate that somebody was hurt, but, you know, I quite honestly am more concerned about old-growth forests, spotted owls, and wolverines and salmon—and nobody is forcing people to cut those trees.

Statements by Greg King, another member of Earth First and a writer for the organization's Journal echoes his leader's sentiments. He stated that:

The real unfortunate thing is if the tree was spiked, a millworker had to suffer from what was the inevitable greed of the timber industry. There would be no spiking if it were not for that greed.

The cavalier manner in which these two spokesmen for Earth First and their followers value human life, when it must be traded away for them to obtain their own, selfish goals, is despicable. Their message is clear: If someone is hurt or killed by their call to action, then so be it.

The attitudes toward their fellow man and the demands made by individuals and organizations such as Earth First and certainly no more noble than those of hostage-takers and kidnappers. In my opinion, they are worse.

Organizations such as Earth First are often afforded special privileges, such as exemption from taxation, because they are perceived as being harmless, nonprofit, public interest organizations. In reality, they openly promote terrorism and anarchy. It is time for the Congress and the American people to recognize these groups for what they really are: people willing to work within our system of Government only so long as they get their way. If the system happens to support them, fine. If not, the system be damned, even if someone ends up being injured or killed.

I call upon responsible environmental organizations to take this opportunity to disassociate themselves from the philosophy espoused by Earth First and its leaders and to denounce the use of such blatant terrorism in support of their cause. I also call upon those organizations to actively work to discourage, isolate, and expose those who support the Earth First movement. The reputation of the entire environmental community has been unfairly blemished by this act. Most environmental organizations have struggled long and hard to establish credibility with both the Congress and the public. Now is the time to demonstrate that responsibility and credibility.

No matter what we say or do at this point, the damage has already been done to one innocent young man and his family. The only consolation, if it can be called such, is that he is still alive. The question now is, who will be the next victim because, unless this stops, there will be one.

Mr. President, I ask unanimous consent that copies of two news articles about this tragedy be entered into the RECORD along with my remarks.

There being no objection, the articles were ordered to be printed in the RECORD, as follow:

[From the San Francisco Chronicle, May 15, 1987]

TREE SABOTAGE CLAIMS ITS FIRST BLOODY VICTIM

(By Dale Champion)

A Sonoma County sawmill worker is the first known victim of a timber sabotage tactic called tree spiking, it was disclosed yesterday.

George Anderson, 23, suffered serious facial and neck injuries last Friday when he was struck by a jagged section of a saw after it ripped into a large nail buried in a redwood log.

Environmentalist foes of logging reportedly have been driving spike-sized nails into trees to make it dangerous for loggers to cut the trees.

Anderson was injured at a Cloverdale sawmill owned by Louisiana-Pacific Corp., the country's largest timber company and the target of widespread opposition to its logging operations in California and elsewhere.

Anderson, recently married and a resident of Hopland, incurred severe face lacerations, cuts on both jugular veins and the loss of upper and lower front teeth, according to Glenys Simmons, L-P's regional public relations director.

"We have been fearful there would be an accident of this sort ever since we first heard about tree spiking several years ago," said Robbie Anderson of the Sacramento-based Western Timber Association. "Until now, we had heard of no injuries."

Simmons said the victim was rushed to Healdsburg Hospital and then taken by helicopter to the University of California Medical Center in San Francisco.

Although George Anderson was released from the medical center on Wednesday, Simmons said he will require facial reconstruction surgery. She described his condition as stable.

Simmons said Anderson was employed as offbearer, a job that required him to stand next to a platform where logs are first cut by a band saw measuring 52 feet long and 15 inches wide.

He was injured, she said, as a big redwood log was being cut.

"The saw struck a 60 penny nail—11 inches long and a diameter of five-sixteenths of an inch. Simmons related. "The saw went wild. A jagged, 15-foot piece of the saw flew across the room and hit Anderson, who crumpled, bleeding profusely from his wounds."

Examination of the log showed that another 60 penny nail had been used to drive the first spike into the tree trunk nine feet from its base.

The damage done to the saw caused the mill, which has 175 employees, to shut down until Monday, when another log spiking was discovered.

Simmons said the second spiking also involved a 60 penny nail embedded in a redwood log. The nail went through the first sawing stage, at which Anderson was hurt, without being struck. But in the next operation, several circular saws hit the nail without injuring anyone. Simmons said.

She said both of the spiked logs were tracked back to L-P property near Elk in Mendocino County.

The Cloverdale mill uses metal detectors to check out logs before they start through saws, Simmons said. But apparently the two nails were so deeply embedded they escaped detection.

The case is being investigated by the Mendocino County sheriff's office. Sheriff Tim Shea has scheduled a news conference today to discuss the investigation.

No arrests have been made and no suspects have been identified.

Simmons said, "We're not pointing our finger at anyone."

However, she cited recent publication of a book entitled "Ecodefense: A Field Guide to Monkeywrenching" and noted that it touts tree spiking.

Dave Foreman, a founder of the radical Earth First! environmental movement, was the co-author and publisher of the book, which contains a passage saying: "Tree spiking is an extremely effective method of deterring timber sales which seems to becoming more and more popular."

The back jacket of the book says: "No good American should ever go into the woods again without this book and, for example, a hammer and a few pounds of 60 penny nails. Spike a few trees now and then whenever you enter an area condemned to chain saw massacre by Louisiana Pacific and its affiliated subsidiary, the U.S. Forest Service."

Reached by The Chronicle by phone at his Tucson home, Foreman said: "I'm sure that individual Earth Firsters have spiked trees in California, but they have been doing it as individuals, not as an organized group."

However, he said he did not know whether an Earth First! adherent was involved in the Cloverdale accident.

"It's unfortunate this worker was injured and I wish him the best," Foreman said. "But the real destruction and injury is being perpetrated by Louisiana Pacific and the Forest Service in liquidating old growth forests."

"The whole idea of spiking," Foreman said, "came from loggers in Montana. Back about 1983 they came up with the tactic because they were upset about clear-cut logging and the destruction of elk habitat."

[From the Los Angeles Times, May 15, 1987]

'ECO-TERRORISTS' FOCUS OF MILL ACCIDENT PROBE

(By Larry B. Stammer)

The Mendocino County Sheriff's Department said Thursday that it is investigating the possibility that malicious damage by timber harvesting opponents may have been responsible for a lumber mill accident in which a worker was injured when a huge saw band flew into his face after hitting a large nail embedded in a log.

It was the first-known accident that could be linked to "tree-spiking," a tactic advocated by radical environmental activists to stop the logging of old-growth trees. Timber industry officials charged Thursday that the "eco-tage"—a play on the word sabotage—was endangering the lives of lumberjacks and sawmill workers.

But there was no official indication Thursday that any particular group was connected with the accident at the Louisiana-Pacific Corp. sawmill in Cloverdale, Calif., near Ukiah, last Friday. The company did not publicly disclose the incident until Thursday in order to give the Sheriff's Department time to investigate.

The company said it is offering a $20,000 reward leading to the arrest and conviction of the person or persons responsible, and Mendocino County Sheriff Tim Shea scheduled a press conference in Ukiah for this morning.

A tree cut down in a forest owned by Louisiana-Pacific near Elk was going through a large band saw when the jagged tooth blade struck an 11-inch nail that had been driven into the log. The force caused a 10- to 15-foot section of the blade to fly off its track and hit millworker George Alexander, 23, in the face.

The blade tore through Alexander's safety helmet and face shield, tore his left cheek, cut through his jawbone, knocked out upper and lower teeth and nearly severed his jugular vein, the company said. Alexander, who has worked for the company for less than a year and was married a month ago, is resting at home and will have to undergo plastic surgery and will require false teeth, the company said.

John Bennett, Western regional manager of the American Forest Council, an industry trade association, said there has been a growing number of spiking incidents.

Most have involved trees harvested in national forests, but the two in Cloverdale involved trees on privately owned Louisiana-Pacific land.

When a band saw hits a spike, according to Bennett, "It just rips the teeth off the saw, and they fly around like shrapnel from a hand grenade. In this case, too, I guess, a large part of the tree broke off and hit the man in the head. These people [tree-spikers] see themselves as peaceful little protesters, but this is getting pretty deadly serious."

Louisiana-Pacific spokeswoman Glenys Simmons said Thursday, "I think it's time that these criminals that commit acts of violence like spiking trees should no longer be protected under the guise of trying to save the environment."

But several people associated with Earth First!, a radical environmental movement that has publicized "monkey wrench" tactics to thwart actions that they say threaten the environment, said they are skeptical that any of them is responsible.

Betty Ball, who said she is an Earth First! "contact" in Ukiah, said, "The last thing I want is for someone to get hurt. I don't think we know enough about exactly what happened. I can see where associations are being drawn . . . but details are way to sketchy to draw any kinds of conclusions about anything."

Greg King, who writes for the Earth First! Journal, said tree-spiking is usually accompanied by warnings in order to prevent cutting the tree in the first place.

"I've never spiked a tree. But, normally they put a big S with spray paint on the tree or they will write a letter or they will call to let people know trees have been spiked. Otherwise, it would be worthless. They would still cut down the trees."

GREED OF THE TIMBER INDUSTRY

King added, "The real unfortunate thing is if the tree was spiked, a millworker had to suffer from what was the inevitable greed of the timber industry. There would be no spiking were it not for that greed."

In Tucson, Earth First! Journal editor Dave Foreman said the accident will not deter him from continuing to publish his "how to" book on tree-spiking and other tactics, entitled "Eco Defense." He said the book is in its second printing and has sold 7,000 copies.

"I think it's unfortunate that somebody was hurt, but, you know, I quite honestly am more concerned about old growth forests, spotted owls, and wolverines and salmon—and nobody is forcing people to cut those trees," Foreman said Thursday.

He added that the nail could have been driven into the tree by campers or someone setting up a hammock.

"I think the timber industry will try to use the incident to paint us as eco-terrorists. But, from my perspective the real terrorists in the woods are the big timber companies and the Forest Service who are destroying the old-growth forests," Foreman said.

Old-growth forests contain trees between 200 and 2,000 years old and are the natural habitat of the endangered spotted owl and other wildlife.

The PRESIDING OFFICER. The Senator from Minnesota is recognized.

Mr. DURENBERGER. Mr. President, I ask unanimous consent that I might speak for 10 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

CAMPAIGN FINANCING REFORM

Mr. DURENBERGER. Mr. President, I have not yet addressed this body in connection with the campaign finance legislation, S. 2, and I hope to do so shortly.

Before I give my full statement I would like to first compliment the Senator from South Carolina for his statement that we all heard delivered here on the floor today. I would say I had few differences with what he had to say, except some of his references to trade policy which crept in, with which I would disagree, particularly with regard to efforts made on the part of one national organization to become the sole surviving PAC in American, which seems to be the dominant force behind S. 2.

There is, however, some remarkable historical information which at this point, Mr. President, I want to share with my colleagues and others who may be watching.

I came across an early public disclosure of sorts, filed by one George Washington, concerning a race of his for the Virginia House of Burgesses. Without television ads or opinion polls to spend his money on, Washington used other means of persuasion. His expenditure report indicates that he gave away 78 gallons of rum, 34 gallons of wine, and 46 gallons of beer.

Now if you cost that out at current prices, and divide by the votes cast, you come up with a figure of approximately $3.25 per vote which candidate Washington spent. At the same rate, I would spend over $8 million in my State of Minnesota, five or six times what S. 2 would allow.

I hope that in light of this information, the Senator from Oklahoma, and other proponents, will reconsider his proposal. I am sure he would not want to carry the burden of history that it was he who kept the next George Washington from public office.

RURAL HEALTH CARE VIABILITY ACT OF 1987

Mr. DURENBERGER. Mr. President, I also find it an appropriate occasion to congratulate my colleague, the junior Senator from Montana, on the introduction of his Rural Health Care Viability Act of 1987. He served 6 years as the ranking member of the Health Subcommittee of the Senate Finance Committee and during that period of time I would say that one of his major contributions to the developments of health policy under Medicare was his constant commitment to improving access and quality to health care in rural America. So I compliment him on his leadership.

I am not a cosponsor of this bill because it uses the word "viability" which I detest.

I also compliment our chairman of the subcommittee, Senator MITCHELL, for his leadership in these areas.

I indicate, Mr. President, and my colleagues, that at about this time next week I intend to introduce the Rural Hospital Payment Equity Act of 1987, which is one of a half-dozen major cornerstone bills around which this Congress can build a major innovation in the delivery and financing of health care in rural America.

What the Rural Hospital Payment Equity Act will do is to establish, not study, a single national payment rate for hospitals, eliminating the distinction that exists between urban and rural hospitals. It will also, during the first year, close the differential between urban and rural hospitals by granting rural hospitals a higher Medicare payment rate increase in 1988.

Third, it would make the wage indices of the Medicare payment formulas more accurately reflect the actual wages paid by each hospital in this country.

Fourth, importantly, and this is a concomitant part of a section in my colleague's bill, it would expand eligibility criteria for sole community provider hospitals.

Fifth, it would improve Medicare programs to more accurately reflect the program benefits.

This, as I indicated, Mr. President, is one of a half-dozen cornerstone bills which are part of a major contribution this body will make to rural America. It includes grants to small rural hospitals which add new services and expand services in rural communities.

Second, there is the expansion of outpatient mental health.

Third, equalization of tax treatment for hospitalization payments made by farmers and other self-employed persons; and two other important areas we will address in coming weeks are to upgrade Medicare payments to physicians in rural areas and, importantly, to correct Medicare's current payment inequities for competitive medical plans, HMO's and other health plans serving rural residents.

DEATH OF WALTER HELLER

Mr. DURENBERGER. Finally, Mr. President, this country lost one of its best minds and kindest hearts with the passing this week of Walter Heller. Walter Heller's death silences a voice that was eloquent and effective in shaping economic policies through several administrations. It was a shock to all of us to learn of his death, particularly to those of us who had not only known Walter Heller but had relied on him from time to time, as I had most recently in just the last few days for his advice in dealing with the Federal deficit.

We from Minnesota feel the loss of a citizen, an adviser, a teacher, and a friend in the death of Walter Heller. He was a consistently reliable source of support on economic matters to everyone who cared about their country. He was the father of revenue sharing, the "no strings" distribution of Federal funds to State and local governments.

He was also a proponent of tax cuts to achieve economic growth, and while serving as Chairman of the President's Council of Economic Advisers, he persuaded President Kennedy to propose a major tax cut to promote economic expansion.

In one of the last articles Walter Heller wrote, he warned of the dangers of both our current budget and trade deficits, and our inattention to investing in the future.

In the article, prepared for June publication by the University of Minnesota's Humphrey Institute, Heller noted the devastating effect the interest burden of our national debt will have on future generations, particularly the growing portion of that debt we owe to foreigners.

He then went on to identify a second threat to future economic well-being, represented by our preoccupation with deficit-financed consumption.

"Recent policies have led to slower economic growth," he wrote, "which clearly leaves a leaner legacy of productive power on which future generations can draw."

But his honest, lucid criticism was never the only contribution Walter Heller was willing and able to make. In that same article, he was careful to outline a series of recommendations for the next American President.

Those recommendations included an agreement to couple tax increases with what he called bearable budget cuts, more stimulative monetary policy to encourage investment rather than consumption, and a range of other policies designed to boost investment in physical infrastructure, human brainpower, and research and innovation "to stimulate private savings and investment."

Heller wrote with his usual optimism that—and I quote—"with plenty of excess capacity in the economy, whether measured in terms of full-time plus part-time employment in terms of excess industrial capacity, we should be able to step up expansion and growth without overstepping our capacity limits and inviting inflation."

But also, typically, Heller didn't claim to have all the answers.

"Surely, the richest, near-lowest-tax, and least socialized of countries can afford such policies," he concluded. And if that sounds a bit old-fashioned, I stand ready—but with a 'show-me' attitude—to accept anything new-fashioned that might be better."

He made Minnesota proud, and his presence on the faculty at the University of Minnesota helped to stimulate a tremendous amount of intellectual energy in the area of economics. I want to honor his memory as a man who was forward-thinking in a way that all public servants might wish to be. I feel fortunate to have known him as a person and I am proud to be a Senator from the State that was home to Walter Heller for most of his life.

Mr. President, because of Walter Heller's important contributions and the visions and inspiration he continued right up until the time of his death, I ask unanimous consent to have printed in the Record the text of an article he only recently prepared for publication in the University of Minnesota's Humphrey Institute News, along with articles from the St. Paul Dispatch, Pioneer Press, and Minneapolis Star-Tribune, and the Washington Post.

There being no objection, the material was ordered to be printed in the Record, as follows:

Economist, Teacher Walter Heller Dies

(By Carol Byrne and Mike Meyers)

Walter Heller, the University of Minnesota professor whose mastery of both economics and communication made him the architect of the U.S. economy during the Kennedy and Johnson administrations, died of a heart attack Monday night at his summer home near Seattle. He was 71.

"My father-in-law, Robert Davis, is a doctor and a neighbor, and he was there when it happened," said Heller's daughter, Kaaren Davis, who lives in the Seattle area. Robert Davis applied cardiopulmonary resuscitation and emergency crews tried for an hour to revive Heller but were unsuccessful, police said.

"It's such a shock," Kaaren Davis said Tuesday. "He had just had a physical and been pronounced physically fit."

Heller, who was born to German immigrant parents in Buffalo, N.Y., received his bachelor's degree from Oberlin College in Ohio and his master's and Ph.D. from the University of Wisconsin. He came to the University of Minnesota in 1946.

He was a renowned teacher of students and presidents alike.

He was one of the bright young men who responded to John F. Kennedy's challenge to establish a New Frontier. With his quick wit and pragmatic approach, Heller quickly became one of the president's most influential advisers.

As chairman of the Council of Economic Advisers from 1961 to 1964, he was an activist, an economist who believed that government should intervene to change the course of the nation's economy. He advocated deficit spending to prod the economy and engineered a period of economic expansion that included a $14 billion tax cut in 1964. He also was one of the first proponents of federal revenue sharing with states.

"He was one of President Kennedy's greatest gifts to the country," Sen. Edward Kennedy, D-Mass., said yesterday. "His 'New Economics' of the 1960s was the cornerstone of the New Frontier, and it launched the longest period of uninterrupted growth and price stability in our history.

"When you were in a room with Walter Heller, economics was never the 'dismal science,' but a fascinating public discipline alive with possibilities for hope and progress," Kennedy said.

Fellow economists, whether or not they agreed with Heller, give him credit for doing more than any economist in his generation to elevate the status and influence of economists in national government. He handpicked some of the best economists at universities across the country to join him in Washington; two of them later won Nobel Prizes in economics.

"He made his mark as a transmission belt between academic economics and the world of public policy," said Murray Weidenbaum, chairman of the Council of Economic Advisers in 1981 and 1982. "In him, an economist became someone who was an important figure who had something to say."

With Heller, it wasn't just what he said but how he said it. Tall, lanky and bespectacled, he looked like the stereotypical college professor but he didn't talk like one.

"He had the ability to make very commonsense, practical recommendations in a complex, sometimes abstract area," said Theodore Sorensen, former Kennedy adviser and now is a New York lawyer. "He also had a shrewd political sense and a good sense of humor, which endeared him to the president."

Heller "was a great teacher of presidents," said James Tobin, Nobel laureate economist at Yale University and a colleague on the economic council. "Heller was the architect of macro-economic policies of the 1960s. It (Heller's plan) brought unemployment down from 7 percent to 4 percent without any inflation—until the Vietnam War came and he was gone (from Washington)."

Kenneth Arrow, another council member who later won a Nobel Prize in economics, said that "the job, in a sense, was created by Heller. He had a profound influence in educating the president and political leadership to new ideas. That could not be done by many people."

In 1964 Heller returned to his teaching position at the University of Minnesota but continued to advise Lyndon Johnson to the end of his administration. He also was an adviser to President Carter, a consultant to the Congressional Budget Office and a sought-after speaker, writer and television analyst on economic matters.

At the university he made a point of teaching introductory economics courses to freshmen and sophomores who flocked to what became known as the "Jack and I" course because of Heller's habit of lacing his lectures with anecdotes about the famous people he had known, including President Kennedy.

"On one occasion his course had to be moved into Northrop Auditorium" to accommodate all the students, said E.W. Ziebarth, former interim president of the university, who was once Heller's dean in the College of Liberal Arts.

Heller was planning to teach the introductory economics course again this fall, even though he had retired a year ago from his regents professorship.

Heller's way with words made him a favorate with the media, as well. He was twice featured on Time magazine covers in the early 1960s. Business Week magazine dubbed him the "most recognized name in economics to the average man on the street" and the New Yorker once ran a cartoon in which a society woman tells her husband, "I don't know a darn thing about Walter Heller. I just like to know he's there."

In the 1970s Heller made the "enemies list" of the Nixon White House. He recently has been a critic of President Reagan's economic policies, which he dubbed a "supply-side fairy tale."

In the 1970s and early 1980s, Heller's brand of government intervention in the economy fell from favor among economists. Higher inflation, growing economic competition from abroad and the failure of economic models to accurately predict how the nation's economy would respond to government intervention sometimes made Heller's earlier actions seem passé.

"He was a proponent of 'fine-tuning' on a macro-economic level (changing taxes or government spending in response to changing conditions). I believe that is neither feasible nor desirable," said Milton Friedman, a Nobel Prize-winning economist at Hoover Institution at Stanford University.

But Friedman said he and Heller were longtime friends whose disagreements once made money for them both. A transcript of an economic debate they had at New York University in 1969 was published under the title. "Monetary versus Fiscal Policy," and became a textbook that was translated into French and Japanese and it still sold throughout the world today. Friedman said the royalty checks are still coming in.

Economics was more than a career to Heller, according to an interview he gave Time magazine in 1962. "The Depression attracted some of the best young minds into economics," he said. "Those of us who were growing up back then saw the economy flat on its back. To explain why, and to try to do something about it, seemed a high calling."

In recent years, Heller worked out of a university office remarkable for its mountains of books and economic publications, which still occupy all but a tiny section in the middle of the desk. On the walls are inscribed pictures of Heller with Kennedy and Johnson and a Chinese inscription declaring that one of the delights of the superior man occurs when "he can get from the whole kingdom the most talented individuals and teach and nourish them."

Heller maintained a home in a faculty housing development in Falcon Heights. Since the death of his wife, Emily, in July 1985 after a long battle with lupus, he spent about half of his time in Seattle to be near his daughter and son, Eric, a professor of chemistry and physics at the University of Washington. Another son, Walter P., is a professor of economics at the University of California at San Diego. Heller had six grandchildren.

Funeral arrangements are pending.

Whatever Else, Heller Was Charming, Disarming and a Great Communicator

(By Dick Youngblood)

I admired Walter Heller because he was awfully smart, exceedingly well-informed and wonderfully opinionated—all characteristics prized by a journalist faced with yawning expanses of newspaper white space.

And I liked him because he called conservative economist Milton Friedman "Uncle Miltie" and because he was willing 18 years ago to carve time out of a busy schedule to try explaining economic policy to an inexperienced young business editor who had trouble balancing his checkbook.

But lordy, I sometimes dreaded interviewing that man.

As I struggle to absorb the news of his death late Monday, the ritual of our periodic encounters remains painfully vivid: First there was a long recitation of how accurate his economic forecasts had been the previous year, then a fusillade of name-droppings that detailed all the important people he had talked with that month.

Even when he was facing the awful uncertainty of prostate cancer a few years back, the Heller trademark didn't desert him: "Teddy Kennedy called when he heard," Heller told me one day, "and offered to fly his personal physician out to examine me."

I kept wanting to shake him impatiently and shout that it was ridiculous for a man of his stature to care whether an obscure business writer from North Dakota knew that he was an intimate of the Kennedys, the Kissingers and the Mondales of this world.

On reflection, however, I came to regard Heller's name-dropping tendencies affectionately as evidence of his humanity.

And occasionally the curtain of pride would slip aside long enough to confirm the vulnerable human being hidden behind it.

I remember waiting in an outer office at the University of Minnesota one day while he took an important telephone call ("CBS is on the line!") and perusing a stack of final examinations for the popular undergraduate macroeconomics course he taught.

To my amazement, I was able to answer most of the test questions just from the general knowledge I had acquired as a reporter—much of it, I hasten to add, at the behest of the redoubtable Dr. Heller.

When I expressed surprise that he wasn't teaching a more advanced, technical course, Heller replied candidly, "Oh, no, I couldn't handle that, those graduate students would eat me alive."

And during an interview last year, when I finally screwed up the courage to confront him about the name-dropping fetish, he reflected a moment, then confided, "Very few people are so totally sure of themselves that they don't have some insecurities."

Indeed. Consider, for example, the exchange between Heller and a colleague three years ago. Heller had referred to himself in a speech as an "informal adviser" to Walter Mondale, then provided a touch of comic refief by defining just what an informal adviser is: "I write him things; he doesn't write to me."

After the quote appeared in the Star and Tribune. Heller apparently became concerned that this quip might have been taken seriously, so he sent the reporter a copy of a letter that Mondale had written thanking him for his advice.

Despite those maddening little conceits, however, the thing to remember was that it really was CBS on the line—and NBC and the New York Times and Time magazine, not to mention Ted Kennedy and Walter Mondale.

Even 27 years after Jack Kennedy plucked the unknown Heller out of the Midwest to become his chairman of the Council of Economic Advisers.

Sure, part of it was Heller's natural talent for self-promotion. But a bigger part was his high standing among his colleagues, liberal and conservative alike.

Alan Greenspan, chairman-designate of the Federal Reserve Board, put it best in an interview last year for a profile of Hellter. "There are few in our profession, who are as objective or as civilized," he said. "When you're debating with Walter, you never have the sense that he's driven by anything but the facts. He's not one to cling to a viewpoint and then look for the facts to support it."

Most important, however, were Heller's skills as a communicator, which made President Reagan look like a clam. He could take the most complex economic issue and breath life and light and clarity into it like no other economist I've encountered.

Lawrence Spivak, originator and longtime host of NBC's "Meet the press," agreed in an interview last year, "I learned more economics listening to Walter than from all my teachers at Harvard."

Even better, Heller taught his lessons with graceful language and a sure instinct for the pungent phrase that was bound to make him a part of the morning paper and the evening news.

Who could resist, for example, his description of Reagan as "charming, disarming and sometimes alarming."

Or his entirely accurate assessment of Reagan's willingness to accept a tax increase to trim the budget deficit: "Like Horatio at the bridge, Mr. Reagan will cut down those Etruscans bearing tax hikes."

Despite the name-dropping, in short, Heller was always charming and disarming.

Political Figures Recount Heller Contributions to State, Nation

(By Steven Thomma)

WASHINGTON.—Economist Walter Heller's life and work were long entwined with Minnesota and its leaders, from his start at the University of Minnesota four decades ago to his help freeing a Minnesotan jailed in Greece several months ago.

"He was one of the best tax economists in the country," said former Governor and Secretary of Agriculture Orville Freeman, who first brought Heller into politics and later helped usher him onto the national stage. "He served me very well when I was governor and did the same for two presidents. . . . He was an outstanding American."

Heller started teaching economics at the university in 1946, but he did not truly mesh economic policy with political reality until he became an adviser to Freeman in his 1954 gubernatorial campaign. He helped Freeman prepare his first budget message in 1955 and then co-chaired a statewide tax study in 1957, resulting in Freeman's tax reform proposals to the Legislature in 1958. Taxes were reduced and numerous other changes were made, Freeman said, to stimulate the economy.

"We would have been able to do more," Freeman said, "but we got caught in the '58 recession."

Freeman introduced Heller to then Sen. John Kennedy when the senator spoke at a Jackson Day dinner in Minnesota in 1958. Kennedy tagged Freeman as his secretary of agriculture, and Freeman urged Kennedy to appoint Heller as chairman of the Council of Economic Advisers.

Heller's push for tax cuts in the Kennedy administration was seeded in the 1958 Minnesota tax study, Freeman said.

Fellow Minnesotan and Democrat Walter Mondale came to Washington in 1964 as a senator and later served as vice president.

"This is a terrible tragedy to us, to our state and to our nation," Mondale said Tuesday in a statement released by his office. "Few men I have ever worked with had the ability and strength that Walter Heller brought to economic analyses. He was able to help people in public life by making it understandable. He was a dear friend and we will all miss him."

Sen. Rudy Boschwitz, a Minnesota Republican, said he was surprised to learn that he often agreed with Democrat Heller on economic policies, most recently in their mutual support for the 1986 tax reform bill.

"He thought the tax bill was very good," Boschwitz said. "He thought it would have a bullish impact on the economy."

But it may have been their joint effort to free a Minnesotan jailed in Greece about six months ago that cemented the senator's respect for Heller.

Hellers' tenure at the university brought him together with another economist, Andreas Papandreou, who taught there from 1947 to 1955. When Papandreou found himself in political trouble at home in Greece years later, Heller used his position in the Johnson administration to get his friend out of the country, Boschwitz said.

When a young Minnesota man was arrested several months ago and charged with allowing his boat to be used for "improper purposes," Heller interceded with Papandreou, who now is the prime minister of Greece, Boschwitz said. Boschwitz refused to identify the Minnesota man, who was released.

Sen. Dave Durenberger, also a Minnesota Republican, said Heller's death was a shock because the two had been discussing the federal deficit in past weeks.

"The death of Walter Heller silences a voice that was eloquent and effective in shaping economic policy through several administrations," Durenberger said.

"He made Minnesota proud, and his presence on the faculty at the University of Minnesota helped to stimulate a tremendous amount of intellectual activity in the area of economics."

Heller often visited Washington, as his opinions continued to command attention and respect. But he came less frequently in recent years following the death of his wife, a loss Freeman said left Heller less enamored of the debate.

To many students at the university, Heller could appear autocratic and egocentric. But in Washington, those traits were not necessarily bad.

"He's get to the point; he wouldn't talk your ear off," Boschwitz said.

"Walter had a good healthy ego, but you didn't do what he did unless you believed in yourself," Freeman said. "He was no shrinking violet, but he was not offensive."

Economist Walter Heller Dies at 71

(By Lynda McDonnell)

Walter W. Heller, an economist of enduring cheerfulness who helped shape national economic policy in the 1960s based on the theories of John Maynard Keynes, died of a heart attack Monday night at his summer home hear Seattle. He was 71.

Heller, who had been in good health, retired last year from the University of Minnesota, where he was a Regents professor. He had been a member of the university's economics department since 1946 and was planning to teach there this fall.

His Tuesday morning lectures on basic macroeconomic theory, which were punctuated with lively tales of his years as a presidential adviser, packed the huge Northrop Auditorium.

From 1961 to 1964, Heller served as chairman of the Council of Economic Advisers under Presidents John F. Kennedy and Lyndon Johnson. As chairman, he assembled a staff of outstanding economists, including James Tobin and Paul Samuelson, who later became Nobel laureates.

The skill of his staff and Heller's talent as a pithy purveyor of economic knowledge helped raise the advisory council to a high level of influence.

"His memos to the president were models of organization: brief and to the point and understandable by a busy president," said George Perry, a Brookings Institution economist who was on Heller's staff.

"He was in touch with the best people he could get at the time, he filtered that advice and got President Kennedy to listen to it," said Tom Sargent, an economist who recently left the University of Minnesota to join the Hoover Institution. "If you measure that by what his successors have done, they've all fallen short."

Heller was instrumental in pushing through a tax cut of unprecedented size in 1964. That tax cut, based on Keynes' theory that deficit spending encourages economic growth, was considered radical at the time but is credited with helping spur the nation's strongest postwar economic expansion.

The early 1960s were filled with optimism among economists and policymakers that careful manipulation of tax, spending and monetary policies could make recessions passe. As a leading advocate of "fine-tuning" the economy. Heller was twice featured on the cover of Time magazine. Look Magazine dubbed him "Mr. Tax Cut."

Faith in the healing powers of Keynesian economics dminished greatly in the face of the "stagflation" of the 1970s. Meanwhile, many young economists suggested that manipulations of monetary and fiscal policy might do more harm than good.

Although Heller disagreed with some of his peers, "He was a really gracious man," Sargent said. "The way he treated colleagues who disagreed with him was unusual in its fairness."

Nobel laureate Milton Friedman, a conservative economist with the Hoover Institution, recalled that when Heller was a graduate student at the University of Wisconsin in 1940, he supported Friedman when a teaching job Friedman had been offered became controversial. Heller carried a picket sign supporting Friedman and the two continued as friends despite their political differences, Friedman said.

"His place will have been primarily as a communicator and a policy operative," Friedman said.

In recent years, Heller was a harsh and persistent critic of the Reagan administration's "supplyside" economic theory and of huge federal budget deficits. In a recent commentary for public television's Nightly Business Report, Heller observed that massive federal deficits make it difficult for the United States to persuade Japan and Germany to stimulate their economies.

"It's hard to ride tall in the saddle when you owe everybody in town," he said.

Although Heller returned to the University of Minnesota in 1964, he never lost his keen interest in economic policymaking. Nor did policymakers lose their interest in Walter Heller.

He advised Walter Mondale during the 1984 campaign, and his close connections with the Democratic Party won Heller a place on the "enemies list" kept by the Nixon White House.

"One of his great gifts was the ability to communicate so well with politicians," Perry said. "Politicians would love him for it because he could make sense of a situation that other economists would often leave obscure."

Heller was in great demand for congressional hearings on economic issues, and his schedule of speeches and consultations kept him criss-crossing the nation on airplanes.

This week, for example, Heller was scheduled to speak at an economic summit meeting in Minneapolis on Friday and to the American Institute of Architects in Florida on Saturday. He was to attend a meeting of the German Marshall Fund in Boston on Monday, brief corporate executives in Washington on Tuesday and return to Minneapolis on Thursday for another speech and briefing.

Heller, who was president of the American Economic Association in 1974, also wrote regularly for the Wall Street Journal, served on several corporate boards, and wrote commentaries for the "Nightly Business Report."

"Educating people on matters economic—that's his big role, whether he's doing it formally or in his popular writings. That's his work," said Normal Simler, chairman of the university's economics department.

Simler also noted that approximately 50,000 university students have heard Heller's lectures in "introduction to Macroeconomics," a course he taught since 1964.

During his 41-year affilation with the university, Heller was both a generous contributor and great booster.

"He undoubtedly brought great lustre to the university's name and reputation," said E.W. Ziebarth, retired dean of the college of liberal arts and Heller's neighbor in the University Grove neighborhood in Falcon Heights.

University President Kenneth Keller said Heller "has been one of the most important and visible of our professors for generations.

It's sad to see him go and it's surprising because it didn't appear that he was slowing up a bit."

Heller's wife, Emily J. Heller, died in 1985 of cancer. He is survived by three children: Walter P. Heller, Eric J. Heller and Kaaren Davis, and by six grandchildren. No furneral or memorial arrangements have yet been made.

THE SPECIAL WALTER HELLER ECONOMIC BLEND

It's appropriate, in a poignant way, that among the first to feel the loss of Walter Heller from public discussion will be participants in a forum this Friday on economic change. The appropriateness has to do with Heller's four decades on the economics faculty at the University of Minnesota, his combination of that career with top-level service in national government and his readiness always to teach with vivid clarity outside the classroom as well as in.

On Friday, the regents professor emeritus was to bring his special blend of experience, ability and community commitment to a "Minnesota Economic Summit" sponsored in Minneapolis by Reps. William Frenzel and Martin Sabo. The bipartisan wish to hear him fit the man too: Despite his identification with Democratic administrations, Heller won respect and affection from people throughout the political spectrum. But the invitation must go unfulfilled. Heller died Monday night of a heart attack.

He will be much missed beyond this week and beyond Minnesota. Among economists, Heller was unusual in his gift for expressing technical analysis in language that lay people could learn from and follow. Among those who learned were Presidents John Kennedy and Lyndon Johnson, for whom Heller chaired the Council of Economic Advisers. Congressional committees often benefited from his testimony as well. And he had a national audience for his newspaper and magazine writing, television interviews and straightforward opinions on economic issues.

For a decade or so, Heller's liberal economic views have not been as ascendant as they were before. All the more remarkable, then, that his respect for economists he disputed and their desire to hear his critiques seemed to increase, not diminish, as Heller reached and passed retirement age. Though a man of strong beliefs, Heller stood above the dangers of doctrinaire economic pronouncement. By example and graceful admonition he helped nonacademics avoid those dangers too. A wide lay public as well as his admiring professional colleagues will mourn the loss of Walter Heller.

WALTER HELLER—ALWAYS THE TEACHER

Walter Heller was one of those people you assume will live forever. He was just there, a public figure, a public wise man, throughout the aware life of many Americans, of many Minnesotans in particular. News of his sudden death Monday was hard to accept.

Mr. Heller moved onto the national stage at the invitation of John F. Kennedy. He achieved prominence for himself and for economics in general as chairman of the Council of Economic Advisers for Presidents Kennedy and Johnson. Style and substance wit and wisdom kept him from slipping into footnote status when Washington changed.

He remained a public wise man, a quotable commentator, back home at the University of Minnesota.

Mr. Heller was forever a teacher. In supporting education, he stressed the link between economic growth and investment in "human capital." In his own teaching, he knew how to catch and hold attention. He even linked mammoth lecture classes because they gave so many beginning students a taste of senior-faculty teaching and "an opportunity for exposure to some of the challenge and excitement—and even the occasional fun—of the big policy issues and battles in economics, the things they read about every day in their papers and magazines and see on TV."

Frequently, those articles and TV shows about the big policy battles seen by the university students featured or referred to Walter Heller (as good guy or bad; economics tends to be partisan). That's how he lectured a national classroom. Minnesota was lucky to have him.

AN ECONOMIC OUTLINE FOR REAGAN'S SUCCESSOR

(Editor's note: Walter W. Heller, a University of Minnesota economics professor emeritus and chairman of the President's Council of Economic Advisers under John Kennedy and Lyndon Johnson, died Monday of a heart attack. He wrote this article in April for the June issue for the Humphrey Institute News.)

(By Walter W. Heller)

"Reagan is a tough act to follow" was the headline on an article by Washington Post columnist David Broder last June. He was referring to all three of the characteristics I have often mentioned in describing the president—charming, disarming and quite alarming.

But Broder's main emphasis was on the alarming legacy of Reagonomics, the fact that the next president's hands will be tied by "Reagan's eight years of spend-now-pay-later fiscal foolishness." He added, "The deficits will make it difficult if not impossible for a liberal Democratic president to attack unemployment, improve education, or reduce the nations' growing economic inequality." Rudy Penner, the just-retired Republican head of the Congressional Budget Office staff, rightly calls it "fiscal child abuse."

Reagan's bitter economic legacy has two other key comments, both related to the gargantuan budget deficits spawned largely by his coupling of the biggest tax cut in U.S. history and the biggest peacetime military buildup in history.

Last, and most obvious, servicing the massive foreign debt we are piling up will put a significant dent in the living standard of our heirs, who will have to ship out perhaps $60 billion or $70 billion a year of goods and services just to pay interest on the debt. Martin Feldstein, chairman of the National Bureau of Economic Research, calculates that our IOU's to foreigners (heading toward $330 billion at the end of this year) will climb to a trillion dollars by 1992 or so, even if we cut our merchandise-trade deficit from last year's staggering $170 billion to about $70 billion a year. Even at a modest rate of 7 percent the interest burden would be $70 billion a year.

We have been gorging ourselves on foreign imports. Our U.S. output has risen about $500 billion in the past six years while total American spending has risen over $700 billion. Spending grew at a 3.4 percent annual rate, while GNP grew at only 2.4 percent. So a sluggish performance by the economy was masked by a flood of imports. Reverse these numbers in the future as we service this debt, and a 3 percent real GNP growth would translate into only a 2 percent growth in real spending.

If we are to service our foreign debt without a socially threatening erosion of the growth in U.S. living standards, high employment and a brisk overall growth rate will have to be maintained through skillful and spartan fiscal and monetary policies, tilted toward investment rather than consumption.

The second inroad on future economic well-being is less obvious, but also significant. Recent policies have led to slower economic growth, which clearly leaves a leaner legacy of productive power on which future generations can draw. Reaganomics has pushed not just the personal saving rate but the national saving rate to the lowest levels in half a century. Both our overall advance in productivity and our overall growth rate have been hobbled by policies that have held the economy well below full employment of its resources and have, on balance, discouraged private and public capital spending.

The 1980s, even assuming steady 3 percent growth in real GNP during the rest of the decade, will wind up with an average annual growth rate of 2.5 percent. That falls well below the 4.1 percent average of the "soaring '60s" and the 3 percent of the "soggy '70s."

Meanwhile, for the first time in the postwar period, income equality has worsened during the 1980s, and the poverty rate has jumped. The percentage of our population in poverty jumped from 11.7 percent in 1979 to 14.4 percent in 1984. Those numbers include cash transfers by government. If we factor in noncash transfers like food stamps, the poverty rate comes down to 9 percent.

But even that is a surge of over one-third since the late 1970s. Tax reform, which has removed the poorest 6.5 million taxpayers from the income-tax rolls, is a welcome first step in reversing this doleful story.

It will take a skilled balancing act to put the economy back on the track of long-term growth while maintaining expansionary momentum.

The vital first step would be to continue to shrink the gigantic deficit that has been leeching the lifeblood out of growth by absorbing over half of our private savings. An agreement to couple tax increases with bearable budget cuts will be vital to this enterprise.

Second, the future president should preside over an improvement in the policy mix. In other words, coupled with policies to shrink budget deficits and carry out a more restrictive fiscal policy must be a more stimulative monetary policy. The tight-money-loose-budget mix has been crowding out investment in favor of consumption, thereby stunting economic growth. It won't be popular but it will be necessary to reverse this mix.

Third, the president-to-be will have to push for an adjustment of our structural policies, applying the classical supply-side precepts designed to boost productive capacity and productivity. This will mean everything from boosting investment in physical infrastructure, in human brainpower, and in research and innovation to stimulating private savings and investments. This, in turn, will require judicious increases in public programs.

Can we afford to do all this? With plenty of excess capacity in the economy, whether measured in terms of full-time plus part-time unemployment or in terms of excess industrial capacity, we should be able to step up expansion and growth without overstepping our capacity limits and inviting inflation.

In an even more basic sense, we can surely afford to do what needs to be done.

We are still the richest country on Earth, not only in terms of total wealth, but of the annual flow of goods and services per capita.

We have the lowest tax burden (federal-state-local), at about 29 percent of GNP, of any advanced country except Japan, which is now just a whisker behind us.

We have the least-socialized industrial economy on Earth.

A new president's first order of business, then, will be to clear the fiscal decks for action, encourage the Federal Reserve to do its full share in improving the policy mix, promote growth with some fairly orthodox measures and use a modest portion of our vast wealth and taxable capacity to share more of our affluence with the poor and the disadvantaged.

Surely this richest, near-lowest-taxed and least-socialized of countries can afford such policies. And if that sounds a bit old-fashioned, I stand ready—but with a "show me" attitude—to accept anything new-fashioned that might be better.

WALTER W. HELLER

When Walter W. Heller became President Kennedy's chief economic adviser in 1961, the new Keynesian ideas were percolating widely through Washington. It was a moment when a man of vigorous intellect could turn them into a powerful instrument for expanding and managing the country's prosperity. Mr. Heller seized his opportunity, and the next four years were a time of extraordinarily successful economic policy—the most successful, for Americans, of this country. Those are the years that, 20 years later, the Reagan economists claimed as the model for their own supply-side strategy.

The essence of Keynesian theory is its ability to lift an economy's growth rate and push it toward full employment. After three recessions in eight years under the Eisenhower administration, there was plenty of slack in the economy and it took off, in the early 1960s, in a surge of growth unprecedented in peacetime. The danger, of course, was inflation. Mr. Heller fought it with the wage guidelines that he developed under the second president he served, Lyndon Johnson. That led to bruising battles with the steel and automobile industries, but the president, with Mr. Heller urging him on, won far more than he lost. In the years that Mr. Heller was chairman of the Council of Economic Advisers, from 1961 to late 1964, the consumer price index never rose as high as 2 percent a year. The trouble started after he left, as the first effects of the Vietnam War began to reach prices.

While Mr. Heller was a vigorous partisan, he was also an honest one who accepted both sides of the Keynesian bargain. He favored tax cuts when the economy was under capacity, and there was a big cut in early 1964. But he also supported tax increases when signs of strain appeared. Even after leaving office he continued to write memos to the president, pressing for tax increases to finance the war. For reasons that had little to do with economics, President Johnson delayed until too late, initiating the great wave of inflation that ran for the next two decades.

Mr. Heller was man of great warmth and great sympathy for liberal Democrats' overriding concern with employment and the condition of working people. That earned him an unusual degree of trust among his party's politicians and even among labor leaders, who resisted and denounced his wage guidelines. Through his long subsequent career at the University of Minnesota he retained a sharp interest in policy and politics, returning here frequently to advise and to testify, until his death, at the age of 71, on Monday.

Mr. DURENBERGER. I yield the floor.

The PRESIDING OFFICER. The Senator yields back his time. Under the previous order all allocated time has expired. Does the majority leader seek recognition?

Mr. BYRD. Mr. President, how much time does the distinguished Senator need?

Mr. MELCHER. Six minutes.

Mr. BYRD. My colleague from West Virginia?

Mr. ROCKEFELLER. About 4 minutes at the most.

Mr. BYRD. Mr. President, I ask unanimous consent that the time be extended 11 minutes, 6 minutes to Mr. MELCHER, 5 minutes to Mr. ROCKEFELLER.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Chair recognizes Senator MELCHER from Montana for 6 minutes.

(The remarks of Senator MELCHER and Senator ROCKEFELLER pertaining to the introduction of legislation are printed under Statements on Introduced Bills and Joint Resolutions.)

HAPPY BIRTHDAY TO SENATOR ROCKEFELLER

Mr. BYRD. Mr. President, I call to the attention of the Senate, today, the fact that this is the birthday of my very distinguished colleague, Senator ROCKEFELLER. He is a former Secretary of State of West Virginia, former member of the legislature of West Virginia, former Governor of West Virginia, and now a very distinguished Member of this body. He is a member of the Senate Committee on Finance, a member of the Senate Committee on Commerce, and a member of the Senate Committee on Veterans' Affairs. He is doing an exemplary job as a member of those committees and a good job for the Nation.

I am happy that today is his birthday. I will not say how old he is. He is twice again as much as 20 and maybe a little more, but a good bit less than I am.

So I wish him many happy returns of the day. I am sure that I speak on behalf of all my colleagues in extending these good wishes to my colleague, Senator ROCKEFELLER.

The hours are like a string of pearls,
  The days like diamonds rare,
The moments are the threads of gold,
  That bind them for our wear,
So may the years that come to you,
  Such wealth and good contain
That every moment, hour, and day
  Be like a golden chain.

Mr. ROCKEFELLER. Will the majority leader yield?

Mr. BYRD. Mr. President, I ask unanimous consent that I may proceed for 2 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. I yield, first, to Mr. MELCHER, and then I will yield to my colleague from West Virginia.

Mr. MELCHER. I would like to join the majority leader in wishing our colleague from West Virginia, the junior Senator, Senator ROCKEFELLER, a very meritorious and delightful birthday. To me, he does not look a day over 49. If anybody says he is more than that, we will have an argument.

Mr. BYRD. I thank my friend, Mr. MELCHER.

I yield now to my distinguished colleague, Mr. ROCKEFELLER.

Mr. ROCKEFELLER. Mr. President, I say to the majority leader, Mr. BYRD, that it is not my habit to discuss personal matters; the junior Senator from West Virginia is uncomfortable discussing personal matters on the floor of the U.S. Senate. But I am very touched not only by what the Senator from Montana has said but particularly by what my senior colleague from the State of West Virginia, the majority leader, has said.

There are many privileges in serving in the U.S. Senate, the main one being in working for our people and working for our Nation. But there are also other privileges and they are personal and that has to do with friendship and respect and the particular privilege of working with men of great distinction.

I do not think it is any secret to our people back home in West Virginia that the respect of the junior Senator from West Virginia for his senior colleague is very great. Obviously, I am most grateful for the remarks of my colleague and accept his birthday wishes with full spirit and good heart.

Mr. BYRD. Mr. President, I thank my friend. The respect is mutual. I not only wish him many, many more happy birthdays, but many many more years of fruitful service to the people of West Virginia and to the Nation.

REMOVAL OF INJUNCTION OF SECRECY

Mr. BYRD. Mr. President, as in executive session, I ask unanimous consent that the injunction of secrecy be removed from a treaty on fisheries with certain Pacific island states (Treaty Document No. 100-5), sent to the Senate today by the President of the United States.

I also ask that the treaty be considered as having been read the first time: that it be referred, with accompanying papers, to the Committee on

Foreign Relations and ordered to be printed; and that the President's message be printed in the Record.

The PRESIDING OFFICER. Without objection it is so ordered.

The message follows:

To the Senate of the United States:

I transmit herewith, for the advice and consent of the Senate to ratification, the Treaty on Fisheries Between the Governments of Certain Pacific Island States and the Government of the United States of America, with annexes and agreed statement, which has been signed by the United States and twelve Pacific Island states. Also transmitted for the information of the Senate are (a) a related economic assistance agreement with the South Pacific Forum Fisheries Agency, (b) notes exchanged with the Governments of Papua New Guinea and Australia concerning fishing areas, and (c) the report of the Department of State with respect to the Treaty.

For the last several years, the United States has been involved in a fisheries dispute with several Pacific Island states as a result of conflicting laws regarding jurisdiction over highly migratory tuna. The Pacific Island nations claim jurisdiction over tuna within their 200-nautical-mile exclusive economic zones. The United States neither recognizes nor claims jurisdiction over tuna beyond 12 nautical miles. As mandated by the Magnuson Fishery Conservation and Management Act, the United States Government has prohibited imports of tuna from several countries as a result of seizures of U.S. tuna boats by nations exercising jurisdictional claims. This dispute has resulted in a cycle of tuna vessel seizures and consequential U.S.-imposed trade embargoes that has resulted in serious erosion of our good relations with the countries of the region and has provided the Soviet Union with an opportunity to exploit these differences through fisheries agreements.

United States policy under the Magnuson Act has been to negotiate international agreements to ensure the effective conservation and management of tuna and to secure access for U.S. fishermen to the stocks wherever they migrate beyond a narrow belt of coastal waters. The Treaty provides for the issuance of regional licenses for tuna fishing in some ten million square miles of the South Pacific Ocean. Data collected on tuna catch may provide a basis for future management and conservation efforts. It thus furthers U.S. fisheries policy goals while eliminating the primary source of bilateral friction between the United States and the Pacific Island states.

I recommend that the Senate give early consideration to the Treaty, with annexes and agreed statement, and give its advice and consent to ratification at an early date.

Ronald Reagan.

The White House, *June 18, 1987.*

AUTHORITY FOR COMMITTEES TO FILE REPORTS

Mr. BYRD. Mr. President, I ask unanimous consent that the Budget Committee and other committees may have until 7 o'clock p.m. this evening to file reports—conference reports and other reports.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF PROCEDURE

Mr. BYRD. Mr. President, there are two legal counsel resolutions that have been cleared by the distinguished Republican leader. I offer both of these on behalf of myself and Mr. Dole. I send them to the desk, and I ask unanimous consent that the Senate proceed to their immediate consideration, ad seriatim.

The PRESIDING OFFICER. Without objection, it is so ordered.

AUTHORIZATION FOR SENATE LEGAL COUNSEL TO REPRESENT SENATOR SIMON—SENATE RESOLUTION 235

The PRESIDING OFFICER. The resolution will be stated by title.

The legislative clerk read as follows:

A resolution (S. Res. 235) to direct the Senate Legal Counsel to represent Senator Simon in the case of Capital Engineering & Mfg. Co. vs. Pledger.

Mr. BYRD. Mr. President, Senator Simon has received a subpoena for the production of casework documents relating to allegations about an Illinois corporation that contracts with the Government for the manufacture of components of military defense systems. The corporation has sued several of its former employees in State court in Illinois, alleging that they converted funds and made false allegations about it to Government authorities.

The plaintiff corporation is now seeking records of Senator Simon's relating to communications to him by his constituents. The Senate has acted previously to assist Senators in protecting the important principle of maintaining confidentiality of constituent communications. Preserving a free flow of communications between Senators and their constituents about allegations of wrong-doing by government contractors is especially important.

This resolution would authorize the Senate legal counsel to represent Senator Simon in asserting in the Illinois court the privileges which all Senators have under the speech or debate clause of the Constitution.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. Res. 235

Whereas, in the case of Capital Engineering & Mfg. Co. v. Pledger, Case No. 85 L 10392, pending in the Circuit Court of Cook County, Illinois, the plaintiff has obtained a subpoena for the production of documents by Senator Paul Simon;

Whereas, pursuant to sections 703(a) and 704(a)(2) of the Ethics in Government Act of 1978, 2 U.S.C. §§ 288b(a) and 288c(a)(2)(1982), the Senate may direct its counsel to represent Members of the Senate with respect to subpoenas issued to them in their official capacity;

Whereas, by the privileges of the Senate of the United States and Rule XI of the Standing Rules of the Senate, no evidence under the control or in the possession of the Senate can, by the judicial process, be taken from such control or possession but by permission of the Senate; Now, therefore be it

Resolved, That the Senate Legal Counsel is directed to represent Senator Simon in the case of Capital Engineering & Mfg. Co. v. Pledger.

AUTHORIZATION FOR SENATE EMPLOYEES TO TESTIFY—SENATE RESOLUTION 236

The PRESIDING OFFICER. The resolution will be stated by title.

The legislative clerk read as follows:

A resolution (S. Res. 236) authorizing Senate employees to Testify at Unemployment Compensation Hearing in the Matter of Anthony J. Brooks.

Mr. BYRD. Mr. President, in late March an employee of the Senate Computer Center was dismissed from his job for cause. On June 19, 1987, the District of Columbia Department of Employment Services is scheduled to hear an appeal on whether the circumstances of the employee's dismissal impose any disqualification on his eligibility for unemployment benefits.

Since it is incumbent on the Senate to make available witnesses who can testify as to the grounds for the discharge, this resolution would authorize the Sergeant at Arms' Director of Human Resources as well as the former employee's supervisor to appear and provide any necessary supporting documents.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. Res. 236

Whereas, in the claim of former Senate employee Anthony J. Brooks, Appeal No. 87,1757-UCFE, pending in the District of Columbia Department of Employment Services, representatives of the Senate have been asked to appear at a hearing to present evidence and testimony concerning the nature of the claimant's separation from employment;

Whereas, Linda Chu Takayama, Director of Human Resources for the Sergeant at Arms, and Donald W. Spear, Director of the Local Network Facility for the Computer Center, have information which may be relevant to that proceeding;

Whereas by the privileges of the Senate of the United States and Rule XI of the Standing Rules of the Senate, no evidence under the control or in the possession of the Senate can, by the administrative or judicial process, be taken from such control or possession but by permission of the Senate;

Whereas, when it appears that the testimony of and production of documents by Senate employees in their official capacities may be needful in any forum for the promotion of justice or equity, the Senate will act to promote the resolution of claims in a manner consistent with the privileges and rights of the Senate: Now, therefore, be it

Resolved, That Linda Chu Takayama, Donald W. Spear, and any other Senate employees who may be requested are authorized to testify and produce documents relevant to the Unemployment Compensation Claim of Anthony J. Brooks, except concerning matters which are privileged.

H.J. RES. 178, "NATIONAL CATFISH DAY," PLACED ON CALENDAR

Mr. BYRD. Mr. President, this request has been cleared with the Republican leader.

May I say, Mr. President, that any time I do something on the floor by way of getting unanimous consent and the Republican leader is not present and I represent the request as having been cleared by him, if I prove to be in error, I will see that that matter is vitiated.

Mr. President, I ask unanimous consent that the Judiciary Committee be discharged from further consideration of H.J. Res. 178, a joint resolution to designate June 25, 1987 as National Catfish Day, and that the joint resolution be placed on the calendar.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXTENSION OF TIME

Mr. BYRD. Mr. President, I ask unanimous consent that the time be extended for not to exceed 5 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE CALENDAR

Mr. BYRD. Mr. President, the distinguished Repubican leader has cleared the following calendar items and has indicated his approval of my proceeding to dispose of them.

Mr. President, I ask unanimous consent that the Senate proceed to consider Calendar Order Nos. 161 and 170, ad seriatim.

The PRESIDING OFFICER. Without objection, it is so ordered.

THOMAS P. O'NEILL, JR., FEDERAL BUILDING

The bill (H.R. 2243) to designate the Federal Building located at 10 Causeway Street, Boston, MA, as the "Thomas P. O'Neill, Jr., Federal Building"; was considered.

Mr. MOYNIHAN. Thomas P. O'Neill, Jr. has had a distinguished public career. For over 50 years he served as a legislator. First, in the Massachusetts House; then succeeding John F. Kennedy in the House; he become majority whip, majority leader and for 10 consecutive years Speaker of the House of Representatives. Throughout his career he has devoted his talents to see that legislation has passed which would help all Americans. He has been a humanitarian, a family man, a friend to all. He is indeed a man for all seasons.

Speaker O'Neill, throughout his entire career has been a true symbol of what is best in America's political life. His record will stand as a guideline for others to follow.

We honor Thomas P. O'Neill, Jr. by naming this building for him. We honor ourselves and all Americans.

The bill was ordered to a third reading, read the third time, and passed.

Mr. BYRD. I move to reconsider the vote by which the bill was passed.

I move to lay that motion on the table.

The motion to lay on the table was agreed to.

TECHNICAL CORRECTIONS TO H.R. 2—SURFACE TRANSPORTATION

The bill (S. 1383) to make certain technical corrections to H.R. 2, the "Surface Transportation and Uniform Relocation Assistance Act of 1987," was considered, ordered to be engrossed for a third reading, read the third time, and passed; as follows:

S. 1383

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembed, That section 149(b)(82) of the Surface Transportation and Uniform Relocation Assistance Act of 1987 is amended by striking "$1,800,000" and inserting in lieu thereof "$500,000" and section 149(b)(83) of the Surface Transportation and Uniform Relocation Assistance Act of 1987 is amended by striking "$500,000" and inserting in lieu thereof "$1,800,000".

Mr. BYRD. I move to reconsider the vote by which the bill was passed.

I move to lay that motion on the table.

The motion to lay on the table was agreed to.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Ms. Emery, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations and a treaty, which were referred to the appropriate committees.

(The nominations and treaty received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE

ENROLLED JOINT RESOLUTION SIGNED

At 12:54 p.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the Speaker has signed the following enrolled joint resolution:

H.J. Res. 106. Joint resolution to designate June 19, 1987, as "American Gospel Arts Day".

The enrolled joint resolution was subsequently signed by the President pro tempore [Mr. STENNIS].

MEASURE PLACED ON THE CALENDAR

The Committee on the Judiciary was discharged from the further consideration of the funding joint resolution; which was placed on the calendar:

H.J. Res. 178. Joint resolution designating June 25, 1987, as "National Catfish Day."

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-1439. A communication from the Assistant Secretary of the Air Force transmitting, pursuant to law, a report on a decision made to convert the protective coating function at Keesler AFB, MS. to performance under contract; to the Committee on Armed Services.

EC-1440. A communication from the Deputy Associate Director of the Minerals Management Services transmitting, pursuant to law, a report on 24 refunds of excess oil and gas royalty payments to certain corporations; to the Committee on Energy and Natural Resources.

EC-1441. A communication from the Secretary of the Interior transmitting a draft of proposed legislation to authorize modification of certain reclamation contracts; to the Committee on Energy and Natural Resources.

EC-1442. A communication from the Secretary of Commerce transmitting a draft of proposed legislation to abolish the Economic Development Administration and to repeal the Public Works and Economic Development Act of 1965; to the Committee on Environment and Public Works.

EC-1443. A communication from the Secretary of Commerce transmitting a draft of proposed legislation to increase the authority of the Secretary of Commerce to take necessary actions to collect on loans extended under the Public Works and Economic Development Act of 1965 and section 254 of the Trade Act of 1974; to the Committee on Environment and Public Works.

EC-1444. A communication from the Acting Assistant Secretary of the Army transmitting, pursuant to law, the Annual Report of the Chief of Engineers for fiscal year 1985; to the Committee on Environment and Public Works.

EC-1445. A communication from the Chairman of the D.C. Council transmitting, pursuant to law, a copy of D.C. ACT 7-26; to the Committee on Governmental Affairs.

EC-1446. A communication from the Chairman for the D.C. Council transmitting, pursuant to law, a copy of D.C. ACT 7-29; to the Committee on Governmental Affairs.

EC-1447. A communication from the Chairman for the D.C. Council transmitting, pursuant to law, a copy of D.C. ACT 7-28; to the Committee on Governmental Affairs.

EC-1448. A communication from the Chairman for the D.C. Council transmitting, pursuant to law, a copy of D.C. ACT 7-30; to the Committee on Governmental Affairs.

EC-1449. A communication from the Chairman for the D.C. Council transmitting, pursuant to law, a copy of D.C. ACT 7-32; to the Committee on Governmental Affairs.

EC-1450. A communication from the Chairman for the D.C. Council transmitting, pursuant to law, a copy of D.C. ACT 7-34; to the Committee on Governmental Affairs.

EC-1451. A communication from the Chairman for the D.C. Council transmitting, pursuant to law, a copy of D.C. ACT 7-37; to the Committee on Governmental Affairs.

EC-1452. A communication from the Chairman for the D.C. Council transmitting, pursuant to law, a copy of D.C. ACT 7-25; to the Committee on Governmental Affairs.

EC-1453. A communication from the Chairman of the D.C. Council transmitting, pursuant to law, a copy of D.C. ACT 7-24; to the Committee on Government Affairs.

EC-1454. A communication from the Chairman of the D.C. Council transmitting, pursuant to law, a copy of D.C. ACT 7-33; to the Committee on Government Affairs.

EC-1455. A communication from the Chairman of the D.C Council transmitting, pursuant to law, a copy of D.C. ACT 7-31; to the Committee on Government Affairs.

EC-1456. A communication from the Chairman of the D.C. Council transmitting, pursuant to law, a copy of D.C. ACT 7-27; to the Committee on Government Affairs.

EC-1457. A communication from the Chairman of the Navajo & Hopi Indian Relocation Commission transmitting a draft of proposed legislation to reauthorize housing relocation funds under the act; to the Select Committee on Indian Affairs.

EC-1458; A communication from the Assistant Attorney General of the U.S. transmitting, pursuant to law, the Department's 1986 Freedom of Information report; to the Committee on the Judiciary.

PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM-209. A concurrent resolution adopted by the Legislature of the State of Texas relative to regulation of wastes created by oil and gas exploration; to the Committee on Environment and Public Works.

"House Concurrent Resolution No. 96

"Whereas the United States Environmental Protection Agency will over the next year report and make recommendations to congress on whether the exclusion of wastes generated in exploring for and producing oil and natural gas in the Resource Conservation and Recovery Act of 1976 should be retained and, if not, how those wastes should be regulated by the federal government; and

"Whereas the State of Texas has in place a program for regulating the disposal of wastes generated in exploring for and producing oil and gas within the state that adequately protects Texas' citizens and natural environment; and

"Whereas there has been no demonstration that wastes generated in exploring for and producing oil and natural gas pose a risk to the public that warrants federal regulation; and

"Whereas the economic prosperity of the State of Texas is directly dependent upon the level of activity in Texas' oil and gas industry; and

"Whereas the recent decline in petroleum prices has resulted in a substantially reduced level of activity in the Texas oil and gas industry and in other industries supplying goods and services to that industry; and

"Whereas the Texas Legislature believes federal regulation of such wastes would unreasonably increase the cost of oil and gas operations in Texas, thus adversely affecting the level of economic activity in the state, without any commensurate betterment of the citizens and natural environment of Texas; now, therefore, be it

"Resolved, That the 70th Legislature of the State of Texas hereby express opposition to any attempt by the federal government to preempt state regulation in Texas of wastes generated by oil and gas exploration and production activities by eliminating or modifying the Resource Conservation and Recovery Act of 1976 exclusion or otherwise imposing additional federal requirements on the disposition of such wastes; and, be it further

"Resolved, That the Texas Legislature hereby urge the United States Environmental Protection Agency to recommend to the Congress of the United States that regulation of those wastes be left to the various states; and, be it further

"Resolved, That the Texas secretary of state forward official copies of this resolution to the president of the United States, the speaker of the United States House of Representatives, the president of the United States Senate, and to each member of the Texas delegation to the 100th Congress of the United States, with the request that this resolution be officially entered in the Congressional Record as a memorial to the Congress of the United States of America."

POM-210. A joint resolution adopted by the Legislature of the State of Nevada; to the Committee on Finance:

"Senate Joint Resolution No. 18

"Whereas, an enterprise zone is a targeted area within which federal, state and local governments foster new business activities by providing financial incentives to start up a business in a particular locale; and

"Whereas, enterprise zones began as inducements for businessmen to establish business enterprises in targeted "pockets of poverty" throughout the United States; and

"Whereas, the concept of enterprise zones and the use of tax credits and alternative funding sources were never implemented; and

"Whereas, programs of economic development and diversification are necessary for the financial survival of Nevada; now, therefore, be it

"*Resolved by the Senate and Assembly of the State of Nevada, jointly,* That the Nevada Legislature urges the Congress of the United States to enact legislation authorizing the establishment of enterprise zones; and be it further

"*Resolved,* That a copy of this resolution be prepared and transmitted by the Secretary of the Senate to the Vice President of the United States as presiding officer of the Senate, the Speaker of the House of Representatives and each member of the Nevada Congressional Delegation; and be it further

"*Resolved,* That this resolution becomes effective upon passage and approval."

POM-211. A joint resolution adopted by the Legislature of the State of Nevada; to the Committee on Finance:

"Senate Joint Resolution No. 20

"Whereas the states have been seriously handicapped in their ability to collect sales and use taxes due on interstate sales because of the 1976 United States Supreme Court decision in *National Bellas Hess v. Department of Revenue of the State of Illinois,* 386 U.S. 753 (1976); and

"Whereas the decision in *National Bellas Hess* denies states the authority to require the collection of sales and use taxes by out-of-state companies which conduct business by mail order and have no physical presence in the taxing state but which may advertise extensively there through the mail or common carriers; and

"Whereas this decision has resulted in a loss of hundreds of millions of dollars in revenue to the states from sales and use taxes which has placed local businesses and retailers from out of state having a physical presence in taxing states at a competitive disadvantage; and

"Whereas losses of state revenue and the competitive disadvantage of local businesses have been intensified in recent years because of the growth in untaxed sales by mail-order or similar sales from out of state; and

"Whereas today, projections indicate that the rapidly accelerating growth in sales by mail order and telephone and those generated by computer could become a major share of all sales by the next decade, rendering state sales and use taxes ineffective; and

"Whereas H.R. 1891 would authorize the states to require the collection of sales and use taxes by sellers in interstate commerce who solicit business in a taxing state through the use of catalogs, advertising materials, radio, television, other electronic media, telecommunications and the press; now, therefore, be it

"*Resolved by the Senate and Assembly of the State of Nevada, Jointly,* That the

Nevada Legislature urges Congress to pass H.R. 1891; and be it futher

"*Resolved*, That a copy of this resolution be prepared and transmitted by the Secretary of the Senate to the Vice President of the United States as presiding officer of the Senate, the Speaker of the House of Representatives and each member of the Nevada Congressional Delegation; and be it further

"*Resolved*, That this resolution becomes effective upon passage and approval."

POM-212. A resolution adopted by the City Council of Lauderdale Lakes, Florida urging the passage of legislation to correct the "Notch" effect in the Social Security Act; to the Committee on Finance.

POM-213. A resolution adopted by the House of Representatives of the State of Hawaii; to the Committee on Foreign Relations.

"House Resolution No. 253

"Whereas France's testing of nuclear weapons is essential to its national defense policies, specifically nuclear deterrence as the chief means of maintaining its sovereignty; and

"Whereas France's present testing of nuclear weapons is opposed by a majority of the nations in the South Pacific as evidenced by numerous protests to the French government and the participation of many of these same nations in signing the Treaty of Rarotonga, declaring the South Pacific a nuclear free zone; and

"Whereas the United States, being a free world ally of France; and yet at the same time wanting to maintain good relations with the nations of the South Pacific to counter the increasing Soviet initiatives, to gain concessions from these nations, which can be harmful to the United States defense strategy in the Pacific; and

"Whereas the United States already offers the use of its nuclear testing facilities to Great Britain; and

"Whereas the State of Hawaii is the state in the United States which has the most concern for the people of the area because of its geographical, ethnic, and cultural proximity with these peoples; now, therefore,

"*Be it resolved by the House of Representatives of the Fourteenth Legislature of the State of Hawaii, Regular Session of 1987*, That the State of Hawaii take the initiative in respectfully requesting the President of the United States and the United States Congress, to issue an invitation to the government of France to use United States nuclear testing facilities instead of its present sites in the South Pacific; and

"*Be it further resolved*, That certified copies of this House Resolution be transmitted to the President of the United States, the President of the United States Senate, the Speaker of the United States House of Representatives, to each member of the United States Congress and the United Nations."

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. JOHNSTON, from the Committee on Energy and Natural Resources, without amendment:

H.R. 626: A bill to provide for the conveyance of certain public lands in Cherokee, DeKalb and Etowah Counties, Alabama, and for other purposes (Rept. No. 100–74).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. BENTSEN:

S. 1385. A bill to authorize the Secretary of the Interior to enter into a contract for the lease of project lands acquired for the Palmetto Bend Project, Texas; to the Committee on Energy and Natural Resources.

By Mr. KENNEDY (for himself and Mr. Weicker):

S. 1386. A bill to amend the Internal Revenue Code of 1986 to assure access to health insurance for self-employed individuals; to the Committee on Finance.

By Mr. BENTSEN:

S. 1387. A bill for the relief of Christy Carl Hallien of Arlington, Texas; to the Committee on the Judiciary.

By Mr. MELCHER:

S. 1388. A bill to amend the Act of February 25, 1920, to reform Federal onshore oil and gas leasing procedures; to the Committee on Energy and Natural Resources.

By Mr. MITCHELL (for himself and Mr. Chafee):

S. 1389. A bill to amend the National Fish and Wildlife Foundation Establishment Act with respect to management, requisition, and disposition of real property, reauthorization, and participation of foreign governments; to the Committee on Environment and Public Works.

By Mr. BAUCUS (for himself, Mr. Mitchell, Mr. Rockefeller, Mr. Daschle, Mr. Burdick, and Mr. Harkin):

S. 1390. A bill to amend the Social Security Act to make viable the provision of health care in rural areas under titles XVIII and XIX of that Act, and for other purposes; to the Committee on Finance.

By Mr. EXON:

S. 1391. A bill to amend the Surface Transportation Assistance Act of 1982; to the Committee on Commerce, Science, and Transportation.

By Mr. KENNEDY (for himself, Mr. Harkin, Mr. Kerry, and Ms. Mikulski):

S. 1392. A bill to rescind certain United States economic benefits to the Republic of Korea unless steps are taken to promote democracy and respect human rights; to the Committee on Foreign Relations.

By Mr. HEINZ (for himself, Mr. Chiles, Mr. Grassley, Mr. Glenn, Mr. Moynihan, Mr. Dole, Mr. Roth, Mr. Burdick, Mr. DeConcini, Mr. Gore, Mrs. Kassebaum, Mr. Levin, Mr. Lugar, Mr. Matsunaga, Mr. Mitchell, Mr. Simon, Mr. Stennis, Mr. Stevens, Mr. Cochran, and Mr. Wallop):

S. 1393. A bill to amend title 39, United States Code, to designate as nonmailable matter any private solicitation which is offered in terms expressing or implying that the offeror of the solicitation is, or is affiliated with, certain Federal agencies, unless such solicitation contains conspicuous notice that the Government is not making such solicitation, and for other purposes; to the Committee on Governmental Affairs.

By Mr. STENNIS (for himself, Mr. Cochran, Mr. Bentsen, Mr. Biden, Mr. Boren, Mr. Breaux, Mr. Bumpers, Mr. Burdick, Mr. Chiles, Mr. Cranston, Mr. Daschle, Mr. DeConcini, Mr. Dole, Mr. Domenici, Mr. Durenberger, Mr. Evans, Mr. Fowler, Mr. Garn, Mr. Gore, Mr. Graham, Mr. Hatch, Mr. Heflin, Mr. Heinz, Mr. Helms, Mr. Hollings, Mr. Humphrey, Mr. Inouye, Mr. Johnston, Mr. Karnes, Mrs. Kassebaum, Mr. Kasten, Mr. Kerry, Mr. Lautenberg, Mr. Levin, Mr. Matsunaga, Mr. McCain, Mr. McClure, Mr. Melcher, Mr. Nickles, Mr. Nunn, Mr. Pell, Mr. Pryor, Mr. Riegle, Mr. Sanford, Mr. Sasser, Mr. Shelby, Mr. Simon, Mr. Stevens, Mr. Thurmond, Mr. Trible, and Mr. Warner):

S.J. Res. 164. Joint resolution to designate June 25, 1987, as "National Catfish Day"; to the Committee on the Judiciary.

By Mr. BRADLEY (for himself, Mr. Karnes, and Mr. Wirth):

S.J. Res. 165. Joint resolution expressing the sense of the Senate and the House of Representatives that the President is authorized and requested to issue a proclamation declaring June 27, 1987, as "National Sokol Day in the United States"; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. BYRD (for himself and Mr. Dole):

S. Res. 235. Resolution to direct the Senate Legal Counsel to represent Senator Simon in the case of Capital Engineering & Mfg. Co. versus Pledger; considered and agreed to.

By Mr. BYRD (for himself and Mr. Dole):

S. Res. 236. Resolution authorizing Senate employees to testify in an unemployment compensation hearing, in the matter of Anthony J. Brooks; considered and agreed to.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. BENTSEN:

S. 1385. A bill to authorize the Secretary of the Interior to enter into a contract for the lease of project lands acquired for the Palmetto Bend project, Texas; to the Committee on Energy and Natural Resources.

LEASE OF CERTAIN LANDS FOR PALMETTO BEND PROJECT, TEXAS

Mr. BENTSEN. Mr. President, today I am introducing a bill to authorize an innovative solution to a severe problem facing the citizens of Jackson County, TX. Jackson county is the location of the Lavaca-Navidad River Authority.

The LNRA administers Palmetto Bend Dam and Lake Texana. Their income comes largely from recreation user fees and from local property taxes. However, the user fees have not covered the costs of operating the recreational facilities. At the same time, assessed local property values have dropped by $31 million last year and are forecast to drop a staggering $212 million, or 22 percent, this year. Since the recreational facilities have been operating at a loss and property values have dropped, the burden of operating this project and making debt payments has become financially backbreaking.

The Lavaca-Navidad River Authority has come up with an innovative solution that may both make the project financially sound and speed up the repayment of the Federal funds owed on this project. Under this proposal, the LNRA will be allowed to develop, through subleasing or licensing, up to 1,000 of the more than 7,000 acres of project lands around Lake Texana. Under strict environmental controls, these leased lands could be used for the construction of condominiums, houses, boat docks, and other public and private uses. One half of the net proceeds generated by this project will be applied toward the operation and maintenance costs of the recreational facilities and the remaining 50 percent recreational and wildlife costs.

This legislation will enable the people of Jackson County to use an innovative blend of public and private sector means to overcome the financial problems now facing the project.

Mr. President, I ask that a copy of this legislation be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1385

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Interior is authorized to enter into a contract allowing the Lavaca-Navidad River Authority to sub-lease or license, under pilot project development to be completed within seven (7) years, certain project lands acquired as part of the Palmetto Bend Federal Reclamation Project, Texas (Public Law 90-562, 82 Stat. 999) and now managed by the Lavaca-Navidad River Authority, for the purpose of private or public development with the proceeds utilized to pay the non-Federal cost of public recreation facilities authorized in accordance with provisions of the Federal Water Project Recreation Act (79 Stat. 213), and the non-Federal reimbursable portion of the total project costs incurred by the Lavaca-Navidad River Authority, and toward payment of the recreation and project operation, maintenance and replacement cost.

SEC. 2. The Secretary of the Interior is authorized to enter into a contract with the Lavaca-Navidad River Authority allowing the Lavaca-Navidad River Authority to sublease or license up to 1,000 acres of the more than 7,000 acres of project lands purchased around Lake Texana and now managed by the Lavaca-Navidad River Authority for the United States. The Lavaca-Navidad River Authority may sub-lease or license such property for development of condominiums, single houses, boat docks, or other private or public facilities or uses. Fifty percent (50%) of all net proceeds from the lease or license of this property are to be applied toward project costs in the following order: First, to be applied toward payment of the non-Federal portion of recreation and fish and wildlife costs; and second, any remaining proceeds shall be applied toward repayment of the non-Federal reimbursable portion of project costs to the Federal Government.

The remaining fifty percent (50%) of the net proceeds are to be utilized by the Lavaca-Navidad River Authority toward payment of the non-Federal portion of recreation and project operation, maintenance, and replacement cost.

SEC. 3. Contract may be entered into without regard to provisions of Section 3.(b)(2) of the Federal Water Project Recreation Act [Public Law 89-72, July 9, 1965, 79 Stat. 214; 16 U.S.C. 4601-14(b)(2)].

By Mr. KENNEDY (for himself and Mr. WEICKER):

S 1386. A bill to amend the internal Revenue Code of 1986 to assure access to health insurance for self-employed individuals; to the Committee on Finance.

ACCESS TO HEALTH INSURANCE FOR SELF-EMPLOYED INDIVIDUALS

● Mr. KENNEDY. Mr. President, I rise to introduce legislation to provide fair tax treatment for self-employed businessmen.

The legislation I am introducing today allows self-employed businessmen to receive the same tax subsidy for purchase of health insurance that they would if they were the hired managers of large corporations. Under current law, any employee who receives employment-based health insurance benefits may exclude from taxable income the the portion of the insurance premium paid by the employer. In effect, health insurance benefits are tax-free compensation; and this tax subsidy has been a major factor in encouraging the growth of the current private, employment-based health insurance system that has served most Americans so well.

By contrast, the current tax system unfairly disadvantages both individuals who are self-employed and work alone and self-employed owner-operators of unincorporated small businesses. Until recent changes in the tax law, these self-employed businessmen had to buy their own health insurance out of after-tax dollars; they received no tax subsidy at all. This situation was particularly ironic for the owner-operator of a business who provided health insurance for his workers. Some one in this situation might provide a health insurance plan for his business and pay 100 percent of the premium for his workers and himself; although the workers would not be taxed for the value of the health insurance, the owner of the business would not receive $1 of tax benefit for his participation in the plan.

The recent Tax Reform Act modified this rule, but it did not go far enough. The new tax law allows self-employed businessmen to exclude 25 percent of their premium costs from taxable income, but this is far less than the benefit that the average worker receives. In addition, the typical small business proprietor will typically pay a substantially higher premium than would be paid by a larger business purchasing the same coverage.

The legislation I am introducing today will modify these unfair rules. It allows the self-employed businessman with no employees to deduct all of this premium cost from income. A businessman who provides health insurance to his employees would be allowed to exclude from income what ever share of the premium he pays on behalf of his workers.

This legislation is a companion bill to S. 1265, the Minimum Health Benefits for All American Workers Act, which I introduced on May 21. That legislation requires all American workers and their families be provided with a basic package of health insurance coverage. The legislation I am introducing today guarantees equitable tax treatment for the self-employed businessmen who have too long been denied fair treatment in the purchase of health insurance for themselves and their families.

Mr. President, I urge that this legislation be given prompt and favorable consideration.●

● Mr. WEICKER. Mr. President, I am pleased to cosponsor legislation introduced today by Senator KENNEDY to assure fair tax treatment for self-employed business men and women. This legislation complements S. 1265, which seeks to provide a minimum package of basic health benefits for all American workers and their dependents.

The legislation introduced today would allow self-employed business men and women to take the same tax deductions they would receive as hired employees of large corporations. Current law stipulates that any employee who receives employment-based health insurance coverage may exclude from taxable income portion of the insurance premium paid by the employer. The new tax law takes a step in the right direction by allowing self-employed entrepreneurs to exclude from taxable income the portion of the insurance premium paid by the lieve we can and should go even further in making our tax system fair and equitable to the self-employed individuals of this Nation. The legislation Senator KENNEDY and I have introduced today would modify the current tax system by allowing self-employed entrepreneurs to deduct from income whatever share of the premium—be it 80 or 100 percent—they actually pay on behalf of their employees.

Together, S. 1265 and this new legislation respond to a national shame—that 37 million Americans lack health insurance, even though two-thirds of them are employed. The consequences of this deficiency are enormous. Preventive health care is sacrificed, hypertension goes untreated, prenatal care lapses, and what can and should be avoidable, like heart attacks and strokes, remain commonplace. Not only is this cost ineffective, but it is also a national disgrace.

I have spent long hours considering how best to provide basic health benefits to as many of these 37 million uninsured Americans as possible. There is, of course, no easy solution. But a clear starting point—and the very purpose of these two bills—is to link the workplace with health coverage. Because 48 percent of uninsured workers are employed by small firms—many of which consist of self-employed individuals or are headed by self-employed owner-operators—the burden of insuring millions of Americans falls upon the self-employed and the unincorporated small businesses of this Nation. This legislation eases that burden by providing self-employed entrepreneurs the same tax benefits that employees of large corporations receive.

Mr. President, I urge expeditious consideration of this legislation that is so vital to the health of our citizens and the economic strength of the Nation.●

By Mr. MELCHER:

S. 1388. A bill to amend the Act of February 25, 1920, to reform Federal onshore oil and gas leasing procedures; to the Committee on Energy and Natural Resources.

FEDERAL ONSHORE OIL AND GAS LEASING ACT

Mr. MELCHER. Mr. President, when oil prices went down, exploration went down. One had to follow the other. And the oil patches became deserted, desolate, with little activity.

Oil prices have started to climb again, and Federal oil and gas leasing should again become active. For a number of years, Federal oil and gas leasing has been stagnant.

But to get prepared for revival of oil and gas leasing on Federal lands, some changes need to be made in our laws.

Today, I have introduced a bill, S. 1388, to reform our law, U.S. law, on the Onshore Federal Oil and Gas Leasing Program.

Federal leasing in the 50 States has been plagued and stalled for several years. My bill addresses problems that have stymied leasing. It will bring much needed integrity and stability to the Federal oil and gas leasing program.

One of the most troubling problems with the current onshore leasing system is the unreliability and the uncertainty engendered by the Department of the Interior's designation of known geologic structures called KGS. Those are the geologic structures where the Department thinks it is highly likely that there will be oil and gas production. Presently lands in the KGS are leased competitively with those outside of the known geologic structure being available on a noncompetitive basis. This might cause some problems and has in the past.

Inaccurate known geologic structures so designated are a problem for oil producers who want to obtain Federal leases for further exploration and development. But also the leasing program has in the past allowed some valuable lands to be leased noncompetitively with large losses to the Federal Government, the States and all of us, the taxpayers, because known geologic structures were not accurately identified.

Now, that is a first and foremost problem connected with the system as it is at the present.

But the second aspect of the leasing program that has engendered controversy is the offering of leases noncompetitively to the simultaneous filling system. It is also known as the lottery. There have been numerous allegations of fraud and abuses in this system. S. 1388 eliminates the need for known geologic structure determinations and eliminates the need for a lottery by offering all lands either by competitive bidding or noncompetitively by application, also known as "over-the-counter".

Under this bill, all lands other than those currenty offered over-the-counter are to be offered competitively. These are all the lands that the Department of the Interior has any reason to believe that there might be some oil and gas there, have some indication, have some definition that because of the geologic structure they will likely have production.

These lands are to be leased to the highest bidder with a minimum bid of $1 per acre in units no larger than 2,560 acres.

Over-the-counter lands, which provide the backbone for frontier exploration in this country, will continue to be available noncompetitively on a first come, first serve basis.

Leases issued under this legislation are for a primary term of 10 years and are subject to a fixed 12½ percent royalty rate and a minimum rental of $1 per year per acre each year.

This is a simple, fair system that is easy to administer, guards against abuses, and ensures continued exploration for oil and gas by providing both independent and major oil and gas producers equal participation in the system. A leasing system that does not recognize the role independent producers have played in the discovery of oil and gas in this country would be unworkable.

This bill does recognize that the independents are the cutting edge of oil and gas exploration and drilling and development. This bill gives them the chance to do what they do best. We need them active again.

It is necessary that oil and gas leasing legislation achieve a balance between providing for development of U.S. resources to achieve energy security for this country and also ensure that the U.S. Government receives fair market value for its public resources. This bill provides that balance.

Mr. President, I ask unanimous consent that a copy of the bill be printed in the Record immediately following my statement.

There being no objection, the material was ordered to be printed in the Record as follows:

S. 1388

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be referred to as the "Federal Onshore Oil and Gas Leasing Act of 1987".

Sec. 2. (a) Section 17 (b)(1) of the Act of February 25, 1920 (30 U.S.C. 226 (b)(1)), is amended to read as follows:

"(b)(1) Other than lands subject to leasing under paragraph (2) of this subsection, all lands to be leased, except those available for leasing under Subpart 3111 of Title 43 of the Code of Federal Regulations on the date of enactment of the Federal Onshore Oil and Gas Leasing Act of 1987, shall be leased as provided in this paragraph to the highest responsible qualified bidder by competitive bidding in units of not more than two thousand five hundred and sixty acres, except in Alaska, where units shall be not more than five thousand one hundred and twenty acres, which shall be as nearly compact as possible. Lease sales shall be conducted by oral bidding. The Secretary shall accept the highest bid from a responsible qualified bidder which is equal to or greater than $1.00 per acre. All bids for less than $1.00 per acre shall be rejected. Lands for which no bids are received, or only bids below $1.00 per acre are received, shall be available for leasing without competitive bidding under subsection (c)(1) of this section. Lease sales shall be held in each State, where eligible lands are available, not less than quarterly, and more frequently if the Secretary determines such sales are necessary. A lease shall be conditioned upon the payment of a royalty of 12.5 per centum in amount or value of the production removed or sold from the lease."

(b) Section 17(c) of the Act of February 25, 1920 (30 U.S.C. 226(c)), is amended to read as follows:

"(1) If the lands to be leased are (A) lands available for leasing under Subpart 3111 of Title 43 of the Code of Federal Regulations on the date of enactment of the Federal Onshore Oil and Gas Leasing Act of 1987, or (B) lands which were offered for lease under subsection (b)(1) of this section and no bids were received or only bids below $1 per acre were received, the person first making application who is qualified to hold a lease under this Act shall be entitled to a lease of such lands without competitive bidding. A lease shall be conditioned upon the payment of a royalty of 12.5 per centum in amount or value of the production removed or sold from the lease.

(2) Lands in a lease for oil or gas, except for leases issued under subsection (b)(2) of this section, which lease terminates, expires, is cancelled or is relinquished, shall again be available for leasing competitively in accordance with subsection (b)(1) within 90 days."

(c) Section 17(d) of the Act of February 25, 1920, (30 U.S.C. 226(d)), is amended to read as follows:

"(d) All leases issued under this section shall be conditioned upon payment by the lessee of a rental of $1.00 per acre for each year of the lease. Each year's lease rental shall be paid in advance. A minimum royalty of $1 per acre in lieu of rental shall be payable at the expiration of each lease year beginning on or after a discovery of oil or gas in paying quantities on the lands leased."

(d) The first sentence of section 17(e) of the Act of February 25, 1920 (30 U.S.C. 226(e)) is amended to read as follows:

"(e) Leases issued under this section shall be for a primary term of ten years."

SEC. 3. The third sentence of section 30(a) of the Act of February 25, 1920 (30 U.S.C. 187(a)), is amended to read as follows:

"The Secretary shall disapprove the assignment or sublease only for lack of qualification of the assignee or sublessee or for lack of sufficient bond: Provided, however, That the Secretary may, in his discretion, disapprove an assignment: (1) of a separate zone or deposit under any lease, (2) of a part of a legal subdivision, or (3) of less than six hundred and forty acres outside Alaska or of less than two thousand five hundred and sixty acres within Alaska, unless the assignment constitutes the entire lease or is demonstrated to future the development of oil and gas. Requests for approval of assignment or sublease shall be processed promptly by the Secretary."

SEC. 4. Section 1008 of the Alaska National Interest Lands Conservation Act (16 U.S.C. 3148) is amended as follows:

(1) Subsections (c) and (e) (16 U.S.C. 3148 (c) and (e)) are deleted in their entirety.

(2) The second sentence of section 1008(d) (16 U.S.C. 3148(d)) is deleted.

(3) Subsections (d) and (f) through (i) (16 U.S.C. 3148 (d) and (f) through (i)) are renumbered subsections (c) through (g) respectively.

SEC. 5. (a) Notwithstanding any other provision of this Act, all noncompetitive oil and gas lease applications and competitive oil and gas bids pending on June 15, 1987, shall be processed, and leases shall be issued under the provisions of the Act of February 25, 1920 (30 U.S.C. 181 et seq.), as in effect before its amendment by this Act, except where the issuance of any such lease would not be lawful under such provisions or other applicable law.

(b) Except as provided in subsection (a) of this section, all oil and gas leasing pursuant to the Act of February 25, 1920 (30 U.S.C. 181 *et seq.*), after the date of enactment of this Act shall be conducted in accordance with the provisions of this Act.

SEC. 6. The Act of February 25, 1920 (30 U.S.C. 18 *et seq.*), is amended by inserting after section 40 the following new section:

"SEC. 41. (a) Any person shall be liable under the standards set forth in subsections (c) and (d) of this section if that person misrepresents to the public by any means of communication the following:

"(1) the value or potential value of any lease or portion thereof issued under this Act;

"(2) the value or potential value of any lease or portion thereof to be issued under this Act;

"(3) the value or potential value of any land available for leasing under this Act;

"(4) the availability of any land for leasing under this Act;

"(5) the ability of the person to obtain leases under this Act on his or her own behalf or on behalf of any other person; or

"(6) the provisions of this Act and its implementing regulations.

"(b) Any person who organizes, or participates in, any scheme, arrangement, plan, or agreement to circumvent the provisions of this Act or its implementing regulations shall be liable under the provisions of this section.

"(c) The Attorney General shall institute against any person who, given the nature of the intended recipient of the communication, knew or should have known he or she was violating subsection (a) or (b) of this section, a civil action, in the district court of the United States for the judicial district in which the defendant resides or in which the violation occurred or in which the lease or land involved is located, for a temporary restraining order, injunction, civil penalty of not more than $100,000 for each violation, or other appropriate remedy, including but not limited to, a prohibition from participation in exploration, leasing, or development of any Federal mineral, or both.

"(d) Any person who knowingly and willfully violates the provisions of this section shall, upon conviction, be punished by a fine of not more than $500,000 for each violation or by imprisonment for not more than five years, or both.

"(e)(1) Whenever a corporation or other entity is subject to civil or criminal action under this section, any officer, employee, or agent of such corporation or entity who authorized, ordered, or carried out the proscribed activity shall be subject to the same action.

"(2) Whenever any officer, employee, or agent of a corporation or other entity is subject to civil or criminal action under this section for activity conducted on behalf of the corporation or other entity, the corporation or other entity shall be subject to the same action, unless it is shown that the officer, employee, or agent was acting without the knowledge or consent of the corporation or other entity.

"(f) The remedies, penalties, fines, and imprisonment prescribed in this section shall be concurrent and cumulative and the exercise of one shall not preclude the exercise of the others. Further, the remedies, penalties, fines, and imprisonment prescribed in this section shall be in addition to any other remedies, penalties, fines, and imprisonment afforded by any other law or regulation.

"(g)(1) A State may commence a civil action under subsection (c) of this section against any person conducting activity within the State in violation of this section. Civil actions brought by a State shall only be brought in the United States district court for the judicial district in which the defendant resides or in which the violation occurred or in which the lease or land involved is located. The district court shall have jurisdiction, without regard to the amount in controversy or the citizenship of the parties, to order appropriate remedies and penalties as described in subsection (c) of this section.

"(2) This State shall notify the Attorney General of the United States of any civil action filed by the State under this subsection within thirty days of filing of the action.

"(3) Any civil penalties recovered by a State under this subsection shall be retained by the State and may be expended in such manner and for such purposes as the State deems appropriate. If a civil action is jointly brought by the Attorney General and a State, by more than one State or by the Attorney General and more than one State, any civil penalties recovered as a result of the joint action shall be shared by the parties bringing the action in accordance with a written agreement entered into prior to the filing of the action.

"(4) Nothing in this section shall deprive a State of jurisdiction to enforce its own civil and criminal laws against any person who may also be subject to civil and criminal action under this section."

SEC. 7. The Act of February 25, 1920 (30 U.S.C. 181 *et seq.*) is amended by adding at the end thereof the following new section:

"SEC. 43. Actions taken by the Secretary of the Interior to develop regulations and procedures for a competitive oil and gas leasing program or to hold particular lease sales shall not be subject to the requirements of section 102(2)(C) of the National Environmental Policy Act of 1969. Nothing in this section shall be considered as affecting the application of section 102 of the National Environmental Policy Act of 1969 to the proposed inclusion of any lands in a lease parcel or subsequent phases of oil and gas development."

Mr. MELCHER. Mr. President, the Subcommittee on Mineral Resources and Development and Production of the Senate Energy and Natural Resources Committee will hold a hearing on June 30 on this bill, S. 1388, and also Senator BUMPER's bill of a similar nature.

By Mr. MITCHELL (for himself and Mr. CHAFEE):

S. 1389. A bill to amend the National Fish and Wildlife Foundation Establishment Act with respect to management, requisition, and disposition of real property, reauthorization, and participation of foreign governments; to the Committee on Environment and Public Works.

NATIONAL FISH AND WILDLIFE FOUNDATION ESTABLISHMENT ACT AMENDMENTS

Mr. MITCHELL. Mr. President, the legislation I am introducing today raises the authorized spending level for the National Fish and Wildlife Foundation and places conditions on the use of any Federal funds appropriated to the foundation for acquisition of lands and waters.

The National Fish and Wildlife Foundation is an independent conservation organization established by the Congress in 1984. It develops private support for selected programs and activities of the U.S. Fish and Wildlife Service which cannot be addressed adequately through traditional governmental channels, and it conducts other programs that will enhance the Nation's fish, wildlife and plant resources.

The foundation focuses its efforts in four general areas: First, habitat protection and restoration; second, research; third, public awareness and education; and fourth, endangered species protection and recovery. Its funding for projects in these areas is provided by private individuals, corporations and foundations. In its first 2 years the foundation has raised $750,000 from these sources.

Private donors have supported efforts to restore the bald eagle in 14 States, to conduct a satellite tracking study of the endangered Kemp's ridley sea turtle, to translocate bighorn sheep to habitats where their survival will improve, and to help private landowners protect the famous trout fishery of New York's Beaverkill River through the donation of conservation easements.

Mr. President, the three sections of this bill make the following changes to the National Fish and Wildlife Foundation Establishment Act to expand carefully the fish and wildlife conservation activities of the foundation.

First, the bill would authorize annual appropriations of up to $5 million to the foundation for fiscal years 1988 through 1993 to match private and other non-Federal contributions and to provide administrative services. The enabling legislation that established the foundation authorized appropriation of $1 million in matching funds over a period of 10 years.

Originally, I and other sponsors of the legislation anticipated that the donations received by the foundation would not surpass a few thousand dollars per year and that the $1 million spending cap would provide sufficient matching funds.

However, as I noted earlier, the foundation has been very successful in raising private funds. The proposed change would take advantage of this success to provide greater support using fewer Federal dollars for fish and wildlife conservation projects where there is a Federal interest.

Second, the bill would place conditions on the use of Federal funds for land acquisition to protect the Federal interest in any lands acquired with these funds and to prevent the foundation from becoming a Federal landholding entity.

Specifically, Federal funds could be used to acquire interests in land or water only if the interests are long-term property interests and if the Director of the U.S. Fish and Wildlife Service consents to the acquisition in writing.

At the request of the Director, the foundation would be required to convey lands acquired with Federal funds to the Service for inclusion in the National Wildlife Refuge System.

Lands acquired with Federal funds and held or conveyed to other persons by the foundation must be administered for the long-term conservation and management of fish and wildlife and in a manner that will provide for appropriate public access and use.

Lands acquired with Federal funds may be disposed of only if the foundation and Fish and Wildlife Service Director agree that the land is no longer valuable for fish and wildlife conservation and the purposes of the foundation would be better served by other use of the Federal funds.

Finally, the bill would clarify a provision of the enabling legislation that allows the foundation to reimburse the Secretary of the Interior for administrative services.

Mr. President, I ask unanimous consent that the bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 1389

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION. 1. ACQUISITION, MANAGEMENT, AND DISPOSAL OF REAL PROPERTY.

(a) In General.—Section 4 of the National Fish and Wildlife Foundation Establishment Act (16 U.S.C. 3703) is amended by adding at the end thereof the following:

"(e) Acquisition, Management and Disposal of Real Property.—(1) The Foundation may only use Federal funds for the acquisition of interests in real property if—

(A) the interest is a long-term property interest, and

(B) the Director of the United States Fish and Wildlife Service (hereafter in this subsection referred to as the "Director") consents to the acquisition in writing.

"(2) The Foundation shall convey to the United States Fish and Wildlife Service for inclusion within the National Wildlife Refuge System any real property acquired by the Foundation in whole or in part with Federal funds if the Director, within one year after the date on which the property was acquired by the Foundation, requests the conveyance in writing.

"(3)(A) Subject to subparagraph (B), the Foundation may—

"(i) convey to another person any real property acquired in whole or in part with Federal funds and not conveyed under paragraph (2); and

"(ii) grant or otherwise provide Federal funds to another person for purposes of assisting that person to acquire real property in whole or in part with such funds.

"(B) The Foundation may only make a conveyance or provide Federal funds under subparagraph (A) if—

"(i) the conveyance or provision is subject to terms and conditions that will ensure that the real property will be administered for the long-term conservation and management of fish and wildlife and in a manner that will provide for appropriate public access and use; and

"(ii) the Director finds that conveyance or provision of Federal funds meets the requirements of clause (i) and consents to it in writing.

"(4) All real property acquired by the Foundation in whole or in part with Federal funds and held by it shall be administered for the conservation and management of fish and wildlife and in a manner that will provide for appropriate public access and use.

"(5) The Foundation shall convey at not less than fair-market value any real property acquired by it in whole or in part with Federal funds if the Foundation and the Director determine, in writing, that—

(A) the land is no longer valuable for the purposes of fish and wildlife conservation or management, and

(B) the purposes of the Foundation would be better served by the use of the Federal funds for other authorized activities of the Foundation.".

(b) Conforming Amendments.—(1) Section 4(c)(2) of the National Fish and Wildlife Foundation Establishment Act (16 U.S.C 3703(c)(2)) is amended by striking "therein;" and inserting in lieu thereof the following: "therein, subject to subsection (e);"

(2) Section 7(b) of such Act (16 U.S.C. 3706(b)) is amended by inserting before the period the following: "; and a description of all acquisition and disposal of real property that is subject to section 4(e).".

SEC. 2. REIMBURSEMENT FOR ADMINISTRATIVE SERVICES.

Section 5 of the National Fish and Wildlife Foundation Establishment Act (16 U.S.C. 3704) is amended—

(1) by inserting "(a) Provision of Services.—" before "The Secretary";

(2) by striking out "Act," and all that follows thereafter and inserting "Act."; and

(3) by adding at the end thereof the following:

"(b) Reimbursement.—The Foundation may reimburse the Secretary for any administrative service provided under subsection (a). The Secretary shall deposit any reimbursement received under this subsection into the Treasury to the credit of the appropriations then current and chargeable for the cost of providing such services.".

SEC. 3. AUTHORIZATION OF APPROPRIATIONS.

Section 10 of the National Fish and Wildlife Foundation Establishment Act (16 U.S.C. 3709) is amended to read as follows:

"SEC. 10. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated to the Department of the Interior for each of fiscal years 1988 through 1993, inclusive, not to exceed $5,000,000 to be made available to the Foundation—

"(1) to match partially or wholly the amount or value of contributions (whether in currency, services, or property) made to the Foundation by private persons and State and local government agencies; and

"(2) to provide administrative services under section 5.".

By Mr. BAUCUS (for himself, Mr. Mitchell, Mr. Rockefeller, Mr. Daschle, Mr. Burdick, and Mr. Harkin):

S. 1390. A bill to amend the Social Security Act to make viable the provision of health care in rural areas under titles XVIII and XIX of that act, and for other purposes; to the Committee on Finance.

RURAL HEALTH CARE VIABILITY ACT

Mr. BAUCUS. Mr. President. Today I am introducing the Rural Health Care Viability Act of 1987, a bill to help preserve quality health care for rural Americans.

Joining me as cosponsors of this legislation are the Senator from Maine [Mr. Mitchell], the Senator from West Virginia [Mr. Rockefeller], and the Senator from South Dakota [Mr. Daschle], the Senator from North Dakota [Mr. Burdick], and the Senator from Iowa [Mr. Harkin]. I thank all five of them for their support of this initiative.

For too long, Federal health policies and priorities have been set without adequate regard for the unique realities of rural life. As a result, many of those who live in remote, rural communities have paid a heavy price.

I think that it's high time that Congress made sure that rural health care needs are properly addressed. And it's time to restore fairness to the way that the Federal Government pays for health care in rural areas.

The threat is real. According to a recent report by the Prospective Payment Assessment Commission, one out of every four small rural hospitals lost money for the services they provided to Medicare patients in 1984.

In fact, the Commission reported that, in the first year of Medicare's prospective payment system, rural hospitals with fewer than 50 beds had the lowest return from Medicare of any class of hospitals.

And fully 40 percent of all hospitals with Medicare losses greater than 5 percent were small rural hospitals.

These facts have led the Commission to warn for each of the last 2 years that current Medicare payment policies may threaten the availability of hospital services for those who live in isolated rural areas.

In this year's report the Commission stated it bluntly. To quote from the Commission's 1987 report: "Medicare payment policies need to be thoroughly evaluated to ensure that they do not inadvertently place rural hospitals at a disadvantage and jeopardize access to hospitals care for Medicare beneficiaries."

THE IMPORTANCE OF MEDICARE PAYMENTS TO SMALL RURAL HOSPITALS

Why is all of this so important?

First of all, the Medicare Program is the dominant source of revenue for many rural hospitals. In Montana, for example, Medicare patients frequently account for well over 50 percent of the total hospital admissions in the State's smallest hospitals.

Second, Medicare now pays an average amount for hospital care, which may be higher or lower than the actual cost of the services provided. Larger hospitals are in a much better position to absorb Medicare's uneven payment amounts because occasional losses can be spread out over a large revenue base.

Smaller hospitals, most of which are in rural areas, simply have difficulty absorbing losses. They have fewer patients and, as a result, lower revenues. Losses that would be only minor fluctuations on the balance sheets of a large hospital can have a potentially devastating effect for a small rural hospital.

Finally, when Medicare payments are inadequate, small communities have to step in to make up the difference out of local budgets. Economic declines in rural areas have already dramatically stretched these local budgets. Rural communities should not be expected to subsidize Medicare rates that consistently fall below the cost of services provided.

In Montana and the other rural mountain States, there are only about 4 hospitals for every 10,000 square miles of land. Many of these are sole community hospitals, meaning that there may be nothing else nearby to take their place if they are forced to close their doors.

The point is that rural areas just don't have multiple providers of the same services that can step in when a hospital falters. For the patients they serve, that means that the alternatives are far more limited than for those who live in large cities.

We are not asking the Medicare Program to write a blank check for health care services in rural areas. But we are saying that those who set Medicare payment policies must recognize the fragile nature of rural health care. We are insisting that Medicare pay its fair share for services provided to rural Americans.

STEPS TAKEN BY CONGRESS LAST YEAR

Last year, Congress took a number of important first steps to alleviate some of these problems.

The changes approved by Congress last year have narrowed the gap between urban and rural hospitals in the amount Medicare pays. The Congress also provided additional financial protections for sole community hospitals and approved new prompt payment standards to make Medicare pay its bills on time.

MORE NEEDS TO BE DONE IN 1987

Despite these accomplishments, more needs to be done. That's why I am again introducing rural health reforms to build on the progress that we made last year.

I hope that many of my colleagues will join us in supporting these actions that we must take to safeguard the availability of health care for rural communities.

Mr. President, I ask unanimous consent that the following items be included in the Record following my statement:

A summary of the Rural Health Viability Act of 1987; an excerpt from April 1, 1987, report by the Prospective Payment Assessment Commission on their recommendations related to rural hospital concerns; the text of the legislation that I am introducing today.

There being no objection, the material was ordered to be printed in the Record, as follows:

S. 1390

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; REFERENCES IN ACT.

(a) Short Title.—This Act may be cited as the "Rural Health Care Viability Act of 1987".

(b) References in this Act.—Whenever in this Act there is an amendment or repeal of a section or provision, the amendment or repeal shall be considered to be made to that section or provision in the Social Security Act.

SEC. 2. IMPACT ANALYSES OF MEDICARE AND MEDICAID RULES AND REGULATIONS ON SMALL RURAL HOSPITALS.

(a) Regulatory Impact Analyses.—Section 1102 (42 U.S.C. 1302) is amended—

(1) by inserting "(a)" after "Sec. 1102.", and

(2) by adding at the end thereof the following new subsection:

"(b)(1) Whenever the Secretary publishes a general notice of proposed rulemaking for any rule or regulation proposed under title XVIII, title XIX, or part B of this title that may have a significant impact on a substantial number of small rural hospitals, the Secretary shall prepare and make available for public comment an initial regulatory impact analysis. Such analysis shall describe the impact of the proposed rule or regulation on such hospitals and shall set forth, with respect to small rural hospitals, the matters required under section 603 of title 5, United States Code, to be set forth with respect to small entities. The initial regulatory impact analysis (or a summary) shall be published in the Federal Register at the time of the publication of general notice of proposed rulemaking for the rule or regulation.

"(2) Whenever the Secretary promulgates a final version of a rule or regulation with respect to which an initial regulatory impact analysis is required by paragraph (1), the Secretary shall prepare a final regulatory impact analysis with respect to the final version of such rule or regulation. Such analysis shall set forth, with respect to small rural hospitals, the matters required under section 604 of title 5, United States Code, to be set forth with respect to small entities. The Secretary shall make copies of the final regulatory impact analysis available to the public and shall publish, in the Federal Register at the time of publication of the final version of the rule or regulation, a statement describing how a member of the public may obtain a copy of such analysis.

"(3) If a regulatory flexibility analysis is required by chapter 6 of title 5, United States Code, for a rule or regulation to which this subsection applies, such analysis shall specifically address the impact of the rule or regulation on small rural hospitals.".

(b) Effective Date.—The amendments made by subsection (a) shall apply to regulations proposed after the date of the enactment of this Act.

SEC. 3. SET ASIDE FOR EXPERIMENTS AND DEMONSTRATION PROJECTS RELATING TO RURAL HEALTH CARE ISSUES.

(a) Set Aside.—Not less than 10 percent of the total amounts expended by the Secretary of Health and Human Services (in this section referred to as the "Secretary") with respect to experiments and demonstration projects authorized by section 402 of the Social Security Amendments of 1967 and the experiments and demonstration projects authorized by the Social Security Amendments of 1972 shall be expended for experiments and demonstration projects relating exclusively or substantially to rural health issues, including (but not limited to) the impact of the payment methodology under section 1886(d) of the Social Security Act on the financial viability of small rural hospitals, the effect of medicare payment policies on the ability of rural areas (and rural hospitals in particular) to attract and retain physicians and other health professionals, the appropriateness of medicare conditions of participation and staffing requirements for small rural hospitals, and the impact of medicare policies on access to (and the quality of) health care in rural areas.

(b) AGENDA.—The Secretary of Health and Human Services shall establish an agenda of experiments and demonstration projects, relating exclusively or substantially to rural health issues, that are in progress or have been proposed, and shall include such agenda in the annual report submitted pursuant to section 1875(b) of the Social Security Act. The agenda shall be accompanied by a statement setting forth the amounts that have been obligated and expended with respect to such experiments and projects in the current and most recently completed fiscal years.

SEC. 4. OFFICE OF RURAL HEALTH POLICY.

Title VII is amended by adding at the end thereof the following new section:

"OFFICE OF RURAL HEALTH POLICY

"SEC. 711. (a) There shall be established in the Department of Health and Human Services (in this section referred to as the "Department") an Office of Rural Health Policy (in this section referred to as the 'Office'). The Office shall be headed by a Director, who shall advise the Secretary on the effects of current policies and proposed statutory, regulatory, administrative, and budgetary changes in the programs established under titles XVIII and XIX on the financial viability of small rural hospitals, the ability of rural areas (and rural hospitals in particular) to attract and retain physicians and other health professionals, and access to (and the quality of) health care in rural areas.

"(b) In addition to advising the Secretary with respect to the matters specified in subsection (a), the Director, through the Office, shall—

"(1) oversee compliance with the requirements of section 1102(b) of this Act and section 3 of the Rural Health Care Viability Act of 1987,

"(2) establish and maintain a clearinghouse for collecting and disseminating information on—

"(A) rural health care issues,

"(B) research findings relating to rural health care, and

"(C) innovative approaches to the delivery of health care in rural areas,

"(3) coordinate the activities within the Department that relate to rural health care, and

"(4) provide information to the Secretary and others in the Department with respect to the activities, of other Federal departments and agencies, that relate to rural health care.".

SEC. 5. MEDICARE PAYMENTS TO SOLE COMMUNITY HOSPITALS.

(a) IMPLEMENTING INSTRUCTIONS FOR SPECIAL ADJUSTMENT DUE TO VOLUME DECREASE.—Not later than 120 days after the date of the enactment of this Act, the Secretary shall issue, to agencies and organizations through which payments are made under part A of title XVIII of the Social Security Act, implementing instructions that set forth clearly and explicitly the manner in which a sole community hospital may apply for an adjustment of the type described in the second sentence of section 1886(d)(5)(C)(ii) of such Act and the factors that such a hospital is required to demonstrate in order to qualify for such an adjustment.

(b) ELIGIBILITY FOR SPECIAL ADJUSTMENT WITHOUT REGARD TO PAYMENT FORMULA.—Section 1886(d)(5)(C)(ii) (42 U.S.C. 1395ww(d)(5)(C)(ii)) is amended—

(1) by striking "1988" in the second sentence and inserting in lieu thereof "1990", and

(2) by inserting between the second and third sentences the following: "A subsection (d) hospital that meets the criteria for classification as a sole community hospital and otherwise qualifies for the adjustment authorized by the preceding sentence may qualify for such an adjustment without regard to the formula by which payments are determined for the hospital under paragraph (1)(A).".

(c) EFFECTIVE DATE.—The amendment made by subsection (b) shall apply to cost reporting periods beginning on or after October 1, 1987.

SEC. 6. EVALUATION AND REPORT.

The Prospective Payment Assessment Commission shall evaluate the study conducted by the Secretary of Health and Human Services pursuant to section 603(a)(2)(C)(i) of the Social Security Amendments of 1983 (relating to the feasibility and impact of eliminating or phasing out separate urban and rural DRG prospective payment rates) and report its conclusions and recommendations to the Congress not later than March 1, 1988.

SEC. 7. REPRESENTATIVE SAMPLE DATA BASE OF HOSPITAL COSTS.

(a) DEVELOPMENT OF DATA BASE.—The Secretary of Health and Human Services (in this section referred to as the "Secretary") shall develop a data base of the operating costs of inpatient hospital services for a representative sample of hospitals, for use by the Congress and the Secretary in determining an appropriate applicable percentage increase under section 1886(b)(3)(B) of the Social Security Act, evaluating the appropriateness of other payment adjustments under section 1886, and analyzing legislative, regulatory, and budgetary changes.

(b) SELECTION OF REPRESENTATIVE SAMPLE.—In selecting a representative sample of hospitals for the data base required to be developed pursuant to subsection (a), the Secretary shall—

(1) select subsection (d) hospitals (as defined in section 1886(d)(1)(B) of the Social Security Act) with cost reporting periods beginning during the first four months of the fiscal year of the United States Government, and

(2) to the extent practicable, provide for adequate representation of small rural hospitals, sole community hospitals, and rural referral centers.

(c) REPORT.—The Secretary shall report to the Congress on the data base developed pursuant to subsection (a) not later than October 1, 1988.

SEC. 8. UPDATING MAXIMUM RATE PER VISIT APPLICABLE TO INDEPENDENT RURAL HEALTH CLINICS.

(a) IN GENERAL.—Section 1833 (42 U.S.C. 1395l) is amended by adding at the end thereof the following:

"(m)(1)(A) The Secretary shall, not later than 120 days after the date of the enactment of the Rural Health Care Viability Act of 1987, determine and announce the payment limit applicable to rural health clinic services furnished by independent rural health clinics during cost reporting periods beginning during the 12-month period beginning on January 1, 1988. The Secretary shall determine the payment limit under this subparagraph in accordance with the same methodology by which the most recently determined payment limit applicable to services furnished by such clinics was determined (in regulations issued under subsection (a)(3)). In determining the payment limit under this subparagraph, the Secretary shall utilize the most recent prevailing charge data available for appropriate physicians' services.

"(B) If a payment limit is not determined and announced under subparagraph (a) on or before the date required by such subparagraph, the payment limit applicable to rural health clinic services furnished by independent rural health clinics during cost reporting periods beginning during the 12-month period beginning on January 1, 1988, shall be $46.00.

"(2) Not later than September 30 of each calendar year (beginning with 1988), the Secretary shall determine and announce an updated payment limit to be applicable to rural health clinic services furnished by independent rural health clinics during cost reporting periods beginning during the 12-month period beginning on January 1 of the following calendar year. In determining an updated payment limit under this paragraph, the Secretary shall take into account changes in appropriate economic index data (including the medicare economic index referred to in the fourth sentence of paragraph (3)) and in the actual costs of furnishing rural health clinic services.".

(b) CONFORMING CHANGE.—Section 1902(a)(13)(E) (42 U.S.C. 1396a(a)(13)(E)) is amended by striking "section 1833(a)(3)" and inserting in lieu thereof "subsections (a)(3) and (m) of section 1833".

(c) APPLICATION.—The amendment made by subsection (a) shall become effective on the date of the enactment of this Act.

SEC. 9. ON-SITE REVIEW IN CERTAIN HOSPITALS.

(a) IN GENERAL.—Section 1154(a)(4) (42 U.S.C. 1320c-3(a)(4)) is amended by adding at the end the following:

"(D) The contract with each organization shall provide that not less than 50 percent of the reviews conducted by the organization with respect to inpatient hospital services furnished in any subsection (d) hospital (as defined in section 1886(d)(1)(B)) that has less than 50 beds and is located in a rural area (as defined in section 1886(d)(2)(D)) shall be conducted on the hospital's premises.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to contracts entered into or renewed on or after January 1, 1988.

THE RURAL HEALTH CARE VIABILITY ACT OF 1987

A. IMPACT ANALYSES OF MEDICARE AND MEDICAID REGULATIONS ON SMALL RURAL HOSPITALS

Requires HHS to include an impact analysis of proposed and final Medicare and Medicaid regulations if such regulations may have a significant impact on a substantial number of small rural hospitals.

B. RESEARCH AND DEMONSTRATION PROJECTS ON RURAL HEALTH CARE CONCERNS

Requires HHS to set-aside 10 percent of the research and demonstration funds appropriated to the Health Care Financing Administration (HCFA) to support projects related "exclusively or substantially" to rural health concerns and demonstrated solutions. Funds would be used to examine issues such as the impact of Medicare's prospective payment system (PPS) on the viability of small rural hospitals and the effect of Medicare policies on the ability of rural areas to attract and retain physicians.

C. OFFICE OF RURAL HEALTH POLICY

Requires the Secretary of HHS to establish an Office of Rural Health Policy. The director of this office would be responsible for: 1. establishing a clearinghouse to collect and disseminate information on rural health concerns; 2. advising the Secretary on the effects of current and proposed policies on health care delivery in rural areas; 3. coordinating rural health activities within the Department of Health and Human Services and serving as the Department's principal contact with other federal agencies on rural health concerns; 4. advising on the development of research priorities related to rural health.

D. MEDICARE PAYMENTS TO SOLE COMMUNITY HOSPITALS

Requires HHS to issue clear and explicit instructions as to how sole community hospitals may qualify under present law for Medicare payment adjustments in cases where patient volume declines by more than 5 percent.

Extends the authority of the Secretary to adjust Medicare payments to other rural, isolated hospitals that meet the definition of a "sole community hospital" when their patient volume declines by more than 5 percent. Not all rural hospitals that qualify for sole community status apply for the designation. This provision would allow the Secretary to respond the unanticipated declines in patient volume of other remote hospitals by making appropriate adjustments to their Medicare payments.

E. PROPAC STUDY ON SEPARATE PAYMENTS TO RURAL AND URBAN HOSPITALS

Directs the Prospective Payment Advisory Commission (ProPac) to examine the Secretary's report on the feasibility of eliminating separate payment amounts to rural and urban hospitals and to report to Congress by March 1, 1988 with regard to the Commission's findings and recommendations.

F. DEVELOPMENT OF A REPRESENTATIVE SAMPLE DATA BASE ON HOSPITAL COSTS

Directs HHS to develop a representative sample of hospital costs each year based on the most recently available data, with the information obtained to be used in the development of recommended adjustments to the Medicare prospective payment system (PPS), as well as ongoing analysis of proposed legislative, regulatory and budgetary changes.

G. UPDATE OF MAXIMUM PAYMENT AMOUNTS TO RURAL HEALTH CLINICS

Directs HHS to update the present reimbursement limitation of $32.10 per visit for services provided by rural health clinics to Medicare and Medicaid patients. In establishing the update, the Secretary is to take into consideration increases in practice costs since the limit was last adjusted. If the Secretary fails to act within 120 days, the present limit would increase automatically to $46.00, which represents the amount that the payment limit would be had it been indexed for increases in health costs since 1980. In future years, the Secretary would be required to announce the appropriate update amount by September 30 of each year, which would become effective the following January.

H. ON-SITE PRO REVIEW OF SMALL RURAL HOSPITALS

Requires HHS to ensure that no less than 50 percent of the reviews conducted by Medicare's Peer Review Organizations (PROs) of rural hospitals with fewer than 50 beds be performed on the premises of the hospital. This requirement would be added to all new contracts entered into by HHS with PROs.

EXCERPTS FROM THE APRIL 1, 1987 REPORT BY THE PROSPECTIVE PAYMENT ASSESSMENT COMMISSION TO THE SECRETARY OF HEALTH AND HUMAN SERVICES

RECOMMENDATION 16: EVALUATION OF CURRENT PPS PAYMENT POLICIES FOR RURAL HOSPITALS

The Secretary should complete the studies mandated by Congress in the original PPS and deficit reduction legislation and make them publicly available as soon as possible.

The study on the feasibility and impact of eliminating or phasing out separate urban and rural DRG prospective payment rates should reflect analyses based on first-year PPS Medicare Cost Reports and, if possible, preliminary findings from the second year of PPS.

The study of Sole Community Hospitals should be supplemented by an evaluation of the appropriateness of current Medicare payment policies for all small, isolated rural hospitals.

The Commission also intends to examine these issues and will share its findings with the Congress and the Secretary as they are developed.

In the Social Security Act amendments of 1983 and the Deficit Reduction Act of 1985, Congress required the Secretary to study and report on a number of issues related to rural hospitals. None of the reports have been submitted to Congress. Preliminary analyses of recent data suggest that there continue to be potential inequities in the treatment of rural hospitals under PPS. Medicare payment policies need to be thoroughly evaluated to ensure that they do not inadvertently place rural hospitals at a disadvantage and jeopardize access to hospital care for Medicare beneficiaries. In particular, the Commission believes that the different levels of urban and rural DRG payments and the Sole Community Hospital provisions warrant a thorough evaluation. Specific issues to be evaluated are outlined below.

Maintenance of Separate Urban and Rural DRG Payments.—The current PPS payment policy to calculate separate urban and rural standardized amounts reflects the historically lower average costs of rural hospitals found in 1981. These cost differences remained even after adjusting for area wage differences, teaching activity, and DRG case mix.

The cost differences were partly attributed to the wider range of services offered by urban hospitals, and to differences in the severity of illness the DRG case-mix index did not reflect. Despite these explanations, however, the cause of these differences has never been fully determined.

Whatever the cause of the cost differences, the establishment of separate standardized amounts has resulted in lower payments to rural hospitals. Because of recent legislation, which created separate outlier pools and discharge weighting, the differential in the standardized amounts will be reduced from approximately 25 percent to approximately 17 percent.

Recent analyses by ProPAC, HCFA, and the Congressional Budget Office (CBO) indicate that, between 1981 and the first year of PPS, costs per case rose more rapidly in rural compared to urban hospitals, especially after adjusting for changes in case mix. If the standardized amounts were computed using the first-year PPS cost data, ProPAC estimates the differential in the urban and rural standardized amounts would be reduced to 13 percent.

Narrowing of the payment differential between urban and rural hospitals has resulted as a by-product of changes in PPS payment policies in different areas. Under the Commission's proposed update factor recommendations, the differential between the urban and rural standardized amounts would be reduced after three years to 14 percent. The Commission believes it is time to evaluate the wisdom of continuing separate urban and rural payments and the appropriateness of further reducing the differences in payment rates.

Sole Community Hospitals and Small, Isolated Rural Hospitals—The Medicare program, as a result of the recent OBRA 1986 legislation, has made a variety of adjustments in PPS to accommodate the problems of rural hospitals, including special payment provisions for SCHs. The extent to which these provisions provide adequate financial protection against financial risk beyond the control of small, isolated rural hospitals is unclear, however.

The Commission is not suggesting that Medicare policies guarantee the solvency of all rural hospitals or even all small rural hospitals. Rather its concern is to ensure that Medicare policies do not jeopardize access to quality hospital services for Medicare beneficiaries living in isolated rural areas.

In its April 1986 report, the Commission expressed concern that volume and case-mix fluctuations in small, rural hospitals might seriously jeopardize their financial viability and, consequently, access to hospital services for Medicare beneficiaries living in these areas. The Commission noted that minor fluctuations in volume and case mix are less critical for larger hospitals since they can average the fluctuations from year to year and over many cases. Small rural hospitals cannot take advantage of this "law of large numbers."

The Commission continues to be concerned that small, isolated rural hospitals are at major financial risk due to volume declines. Much of the volume decline can be traced to general economic declines in rural areas and to general reductions in the demand for inpatient care affecting all urban and rural hospitals. While volume declines have occurred across all classes of hospitals, they have been greatest for small rural hospitals.

According to American Hospital Association (AHA) data, rural hospitals with fewer than 25 beds and those with 25 to 50 beds experienced decreases in average daily census of 28 percent and 14 percent, respectively, between 1980 and 1984. This compared with a 6 percent reduction for all U.S. hospitals. In 1984, rural hospitals with fewer than 25 beds had an average daily census of 7 patients, whereas hospitals with 25 to 49 beds averaged 16 patients per day. AHA Annual Survey data for all small hospitals (80 percent of which are estimated to be rural) indicate a further decline in volume between 1984 and 1985. During this period, admissions per hospital declined 7.6 percent for community hospitals with fewer than 50 beds compared with a 4 percent decline for all U.S. community hospitals.

These volume declines have a potentially devastating effect on small rural hospitals because they tend to operate closer to the margin. This effect becomes even more significant in isolated areas with only a single hospital, where opportunities for gaining financial stability through consolidation are precluded.

Data on the financial status of small, isolated rural hospitals are unavailable. Nevertheless, available data on hospitals with fewer than 50 beds provide insight into the vulnerability of these hospitals. According to recent data from the AHA Panel Survey, average net patient revenue margins for hospitals with fewer than 50 beds were negative in the first six months of 1986 (-11.0 percent for hospitals with fewer than 25 beds and -1.8 percent for hospitals with 25 to 49 beds).

While not strictly comparable to the analyses described above, recent ProPAC analyses of first-year PPS Medicare Cost Report data indicate that rural hospitals with fewer than 50 beds have the lowest Medicare PPS median margins of any class of hospital (7.0 percent compared with 11.6 percent for all hospitals). Rural hospitals with fewer than 50 beds were the only group of hospitals to have negative median patient margins (-3.7 percent) from all payers during the first year of PPS. Moreover, rural hospitals with fewer than 50 beds comprised over 41 percent of all hospitals whose PPS deficits exceed 5 percent.

Recent simulation analyses by the Congressional Budget Office indicate that the financial vulnerability of a substantial portion of small rural hospitals will continue under a fully implemented PPS. According to these analyses, 30 percent of rural hospitals with fewer than 50 beds are estimated to incur a per-case PPS deficit in 1987.

These data suggest that small rural hospitals may continue to experience substantial financial difficulties under PPS. To ensure appropriate evaluation of the effect of PPS on Medicare beneficiaries' access to care, it will be important to monitor the PPS effect on all isolated rural hospitals, not just those electing to be SCHs. Currently, there is no well accepted definition of a small, isolated rural hospital. Nor are there data to identify the universe of isolated rural hospitals. While information on SCHs is available, these hospitals represent only the subset of isolated hospitals that have elected SCH status. The Secretary should develop information on hospitals that would otherwise meet the qualifications of a SCH but which, for various reasons, including financial, have chosen not to seek SCH status.

The discussion highlights two major areas of concern the Commission has addressed during the past year. While the congressionally mandated studies may not cover the complete range of issues outlined by the Commission, they are likely to provide valuable baseline information on which to build a more thorough evaluation. The Commission, therefore, urges the Secretary to complete and publish the findings from these studies as soon as possible. The Commission will also continue to analyze these issues and would welcome the opportunity to work cooperatively with the Secretary in these efforts. The Commission would be particularly interested in developing an ongoing data base to evaluate the effect of PPS on small, isolated rural facilities.

Mr. HARKIN. Mr. President, I rise today to join my distinguished colleague from Montana [Mr. Baucus], the Senator from Maine [Mr. Mitchell], the Senator from West Virginia, [Mr. Rockefeller], and the Senator from South Dakota [Mr. Daschle], in the introduction of the Rural Health Care Viability Act of 1987, a bill to help preserve quality health care for rural Americans.

The Nation's health care system is in a state of transition as the delivery and financing of health care services are restructured in response to the evolution of a more competitive health care marketplace. Nowhere has the challenge to respond to these changes been more difficult than in rural America.

Small rural hospitals by their very nature and mission, are disadvantaged in this competitive marketplace. While small in size, these hospitals must offer a broad range of services that are responsive to the needs of their communities and physicians. They provide services to any individual, regardless of ability to pay, because without their services, patients are left with no other alternative. Yet the patient base to support these services is smaller and more elderly than that of the urban hospitals.

If the restructuring of health care in rural areas is to proceed in a manner that offers the potential to contain costs while still providing reasonable access to adequate health care for all medicare beneficiaries regardless of where they reside, adjustments must be made to current law to address the needs of rural hospitals. It's high time that we restore fairness to the way we pay for health care in rural areas.

The significance of our rural health care system cannot be overstated: nationally, 47 percent of hospitals are in rural settings. These hospitals contain 23 percent of the beds and generate 20 percent of admissions and patient days, and 18 percent of outpatients visits. In Iowa, the importance and contribution of a Rural Health Care System can be doubled. A full 80 percent of Iowa's hospitals are rural. They account for 48 percent of the State's beds, 41 percent of admissions, 44 percent of patient days, and 44 percent of outpatient visits to Iowa's hospitals.

The threat poses to these hospitals, and thereby to the availability of hospital services for those persons who live in isolated rural areas is a real one. The bill we are introducing today will work to ensure that we do not inadvertently place rural hospitals at a disadvantage and jeopardize access to hospital care for, Medicare beneficiaries.

Again, I commend my colleagues for their efforts on this legislation, and hope that other Senators will join us in supporting it. Thank you, Mr. President.

Mr. MITCHELL. Mr. President, I am pleased to join with Senator Baucus and Senator Rockefeller in introducing the Rural Health Care Viability Act of 1987.

Those of us who represent rural States are aware of the particular difficulties in the delivery of quality health care in remote areas of our country.

The majority of people who live in medically underserved areas in this Nation live in rural America. Rural areas contain almost a third of the Nation's population, but just 12 percent of the Nation's doctors, 14 percent of the Nation's pharmacies, and 18 percent of the Nation's nursing staff.

In America, the rural poor outnumber the poor in urban areas. This means that a disproportionate number of rural counties have substantial populations living at or below the poverty level.

Consequently, rural health providers face a greater demand for their services and a disproportionately higher risk of uncompensated care.

Smaller rural hospitals face both the fixed costs all hospitals must meet, regardless of how many beds are occupied, and the special challenge of attracting physicians, nurses and other health practitioners to practice in isolated hospitals and rural health clinics.

The disparity between urban and rural hospital reimbursement rates under Medicare remains a particularly difficult problem for many small, rural hospitals in Maine and across the Nation.

In its April 1, 1987 Report to the Secretary, the Prospective Payment Assessment Commission [ProPac] made a number of recommendations pertaining to rural hospitals under Medicare. These recommendations include an evaluation of current Prospective Payment System policies for rural hospitals. The Commission report states, "Preliminary analyses of recent data suggest that there continue to be potential inequities in the treatment of rural hospitals under PPS."

The Rural Health Care Viability Act of 1987 is designed to address a number of issues of concern in the delivery of health care in rural areas, including issues raised by the April 1, 1987 ProPac report.

It is important that the Department of Health and Human Services is aware of the effect of their policies on rural hospitals and health clinics. This legislation includes a number of provisions which will require the Department to expand its responsibilities in advising the Secretary on the effects of current areas, and also requires an impact analysis of proposed and final Medicare and Medicaid regulations on small rural hospitals.

While there are a number of major financing issues with regard to rural hospitals we believe are more appropriately addressed as part of a comprehensive review of the hospital update factor during the Budget Reconciliation process, our bill does call for a ProPac study on the feasibility of eliminating separate payments to rural and urban hospitals under Medicare's prospective payment system. ProPac is directed to report to Congress on this issue by March 1, 1988.

Our bill addresses one important financing issue which has had a serious effect on the delivery of health care in rural health clinics. Under current law, rural health clinics are reimbursed up to a limit of $32.10 per visit under Medicare and Medicaid. This cap has not been adjusted since 1980, and many rural clinics are up against the cap; some have exceeded the cap.

In Maine, there are 22 community and Indian health centers that are certified Medicare and Medicaid providers under the Rural Health Clinic Services Act. Of the 22 centers, 17 are over the cap, with an average cost per visit of $41. The cost of providing services to Medicare and Medicaid beneficiaries which is not reimbursed is threatening the existence of many of these clinics.

The Rural Health Care Viability Act of 1987 directs the Department of Health and Human Services to update the present reimbursement limitation of $32.10 per visit for services provided by rural health clinics to Medicare and Medicaid patients. If the Secretary fails to act within 120 days, the present limit would increase automatically to $46, which represents the amount that the payment limit would be had it been indexed for increases in health costs since 1980.

Those of us in Congress who represent rural States must continue to protect the access to health care for all Americans. Our primary goal is to assure that persons in remote areas continue to receive care that is comparable to that offered to those who live in cities.

There should not be two classes of medical care in this country. Americans have the right to expect that new developments, new life-saving techniques and new medicines will be available when they need them, regardless of where they live.

The Rural Health Care Viability Act of 1987 is an effort to focus attention on the particular problems associated with the delivery of health care in rural America. It is an effort to continue to analyze the needs and reform the programs which provide health care to our rural citizens to better serve those who live in geographically remote areas of our country.

I urge all of my colleagues in the Senate to support this important legislation.

Mr. ROCKEFELLER. Mr. President, I am pleased and honored to join my distinguished colleagues, Senator BAUCUS and Senator MITCHELL, in introducing this vitally important legislation today. Both of these individuals deserve the gratitude of rural Americans throughout our country. Senator BAUCUS has led the fight in this body to reserve access to quality health care in our rural communities. This legislation, the Rural Health Care Viability Act of 1987 is another example of his dedication to pursuing this objective.

I might also say that our colleague, Senator DURENBERGER from Minnesota, although not a cosponsor of this bill, has been a giant himself in terms of rural health care matters. And, of course, Senator MITCHELL, who is the chairman of the Finance Committee's Subcommittee on Health, is one of the true champions of rural health care in the Congress today.

This legislation attacks the problems plaguing health care in rural America on a number of fronts. It's a comprehensive package to force the Department of Health and Human Services both to pay more attention to rural health care, and to take concrete steps to eliminate inequities in the two major Federal health care programs, Medicare and Medicaid, that currently limit payments to rural hospitals and other health care providers.

Mr. President, the Nation's rural health care system is in deep trouble, and let there be no mistake about that. Almost 40 of the 58 hospitals that closed their doors last year were small or rural hospitals. In West Virginia, which I have the honor to represent, 17 out of the State's 30 small and rural hospitals lost money in 1985. Their average loss was $261,871, which is a lot of money for a small hospital to lose.

This is a pattern that is taking place in State after State. Rural hospitals are on the brink of financial collapse. Physicians practicing in rural communities are understaffed and overburdened. And the quality of care for patients, especially the elderly, is in danger.

While we cannot solve the entire problem at once, I believe Congress can and must provide relief in a number of areas. In my view, the most pressing task is to reform Medicare's payment system for rural hospitals. More elderly Americans live in rural areas. It is statistically more likely that our small, rural hospitals serve elderly people who are poor and have significant health problems. And yet, in Medicare's new prospective payment system, there is a wide disparity between reimbursement rates for urban hospitals versus rural hospitals. Unlike most urban hospitals, rural hospitals have lost money under this system—they are paid an average of 17 percent less than urban hospitals for treating Medicare patients for exactly the same kinds of problems. The dramatic rise in the financial failure of rural hospitals is directly linked to the inequities of Medicare. As our elderly population grows, we cannot allow this unfair situation to continue.

A key provision of our Rural Health Care Viability Act is to direct a series of actions intended to close the gap between Medicare's separate rural and urban rates to hospitals. This makes sense. The data and analysis have already emerged which make a persuasive case for moving toward eliminating this gap, and I urge the administration to cooperate with us in closing that gap as soon as possible.

Time is running out. The health and well-being of rural Americans are at stake. I urge my colleagues in joining Senator BAUCUS, Senator MITCHELL, and myself in promoting this legislation and in enacting immediate measures to protect and preserve health care in rural America.

By Mr. EXON:

S. 1391. A bill to amend the Surface Transportation Assistance Act of 1982; to the Committee on Commerce, Science, and Transportation.

SURFACE TRANSPORTATION ASSISTANCE ACT AMENDMENTS

Mr. EXON. Mr. President, today I am introducing legislation to define and clarify two important terms from the Surface Transportation Assistance Act of 1982. A portion of the 1982 act requires the States to allow 102-inch wide, 28-foot twin trailer combinations and tractor semitrailer units with 48-foot semitrailers to operate on the interstate highways and on a designated primary highway system. It also requires that these vehicles have "reasonable access" from those highways to "terminals" and to facilities for food, fuel, repairs, and rest.

Unfortunately, the 1982 act provided no definition of these key terms of reasonable access and terminals. The States have developed widely differing interpretations of the meaning of these terms. The result has been that manufacturers, shippers, and carriers have not achieved the full expected benefits in exchange for the 1982 act's tax increases on the industry. In addition, the unnecessary confusion and complexity due to widely varying State restrictions on these interstate carriers places a burden on interstate commerce. The Federal Highway Administration could adopt regulations to more clearly define these statutory terms and address the same issues this legislation addresses. However, to date the Federal Highway Administration has not done so.

The bill amends section 412 of the 1982 act to define what is meant by allowing "reasonable access" to and from these designated routes and "terminals." The intent is to provide improved access, more clear standards, and greater predictability for carriers which must operate in interstate commerce, while at the same time striking a careful balance with the legitimate safety concerns of the States and localities.

Mr. President, I look forward to working with my colleagues and all other interested parties to see to it that these issues are resolved in a proper and satisfactory manner.

By Mr. KENNEDY (for himself, Mr. HARKIN, Mr. KERRY, and Ms. MIKULSKI):

S. 1392. A bill to rescind certain United States economic benefits to the Republic of Korea unless steps are taken to promote democracy and respect human rights; to the Committee on Foreign Relations.

DEMOCRACY IN SOUTH KOREA ACT

Mr. KENNEDY. Mr. President, today, we are beginning a new and stronger phase of our efforts in Congress to support human rights and democracy in South Korea. The legislation we are introducing calls for a suspension of three current economic subsidies to that country.

The United States has important security interests in South Korea. Thirty thousand Americans died in the 1950's to defend those interests, and we do not intend their sacrifice to be in vain.

South Korea continues to face a serious threat from North Korea. Forty thousand American troops are stationed in the South to guarantee its defense and to emphasize that our commitment to the security of that nation remains solid and unwavering.

But South Korea today is threatened not only from without, but from within.

For over three decades the people of South Korea have struggled to achieve a prosperous, stable, and democratic country. In fact, Korea has already accomplished one of the great postwar economic miracles. Yet the government in Seoul continues to maintain that its citizens are not ready for democracy.

Patience in South Korea is clearly wearing thin. Now is the time for transition from dictatorship to democracy; unless the Government of Korea implements reforms, increased instability, violence, and even bloodshed are likely, and the Olympic games will be in jeopardy—tear gas is not conducive to Olympic competition.

President Chun's unacceptable attempt to dictate the transfer of power on his own terms in 1988 has triggered the current round of massive protest and civil unrest. And for good reason. In an arrogant and authoritarian action last April, he suspended debate on constitutional reform; his recent attempt to install his crony Roh Tae Woo as his successor has again demonstrated his contempt for democracy.

The people of Korea understand the stakes—for these actions could well mean the denial of democracy in Korea for 7 more years. Students, businessmen, teachers, nuns, and priests have taken to the streets in numbers not seen since the brutal military coup in 1979 and President Chun's rigged election in 1981.

The current stituation is both a challenge and an opportunity for the United States and for American diplomacy. Yet the Secretary of State, instead of forthrightly calling for steps toward democracy, urges restraint and tilts toward the regime.

Again and again and again, in South Africa, in Chile, and now in Korea, the Reagan administration has shown its own contempt for the struggle for democracy in other lands. We have learned to our regret in Congress that quiet diplomacy in this administration means no diplomacy.

Now, in a disgraceful abdication of responsibility, high officials in the State Department plead the pressure of Irangate, the Persian Gulf, and other business, and say they do not have time to deal with South Korea. Well, Congress is busy with these issues too, but we also have time for Korea.

Our legislation, the Democracy in South Korea Act, is designed to fill the vacuum created by the administration's default, and to place America squarely on the side of human rights and democracy in South Korea. It contains three provisions, which are based on the proposition that in the current situation, there is no justification for American trade assistance that subsidizes dictatorship in South Korea.

First, the bill requires the United States to cast a "no" vote on multilateral development bank loans to South Korea. Current law already requires us to oppose loans to governments that violate basic human rights. President Chun's regime is guilty of physical and psychological torture, arbitrary arrest and detention, house arrest, violation of free assembly and association, and violation of freedom of the press.

The respected opposition leader Kim Dae Jung is now under house arrest for the 44th time. Since April 8, his home has been surrounded by hundreds of combat police.

Yet the United States has never voted against a single loan to South Korea on the basis of human rights violations; in 1986, we actually voted for $812 million in loans to South Korea.

Second, the bill eliminates existing trade preferences for Korean exports to the United States. The Government of South Korea consistently violates international standards on the rights of workers, including the right of association and the right to organize and bargain collectively. Yet the Reagan administration has determined that Korean exports remain eligible for duty-free and preferential trade treatment under the generalized system of preferences. Current law requires that GSP beneficiaries must at least be taking steps to comply with internationally recognized workers' rights. In 1986, the United States imported $2.2 billion worth of Korean goods under GSP, and this preferential treatment should end.

Third, the bill denies loans, credits, and other guarantees by the Oversees Private Investment Corporation for United States investment in Korea. Like GSP, the OPIC requires recipients to comply with internationally recognized labor standards. Current OPIC guarantees for South Korea total $270 million—second in the world only to Chile.

These provisions will take effect 30 days after enactment of the legislation. The subsidies and loans can be restored after a Presidential certification is approved by Congress, stating that South Korea has made significant progress in meeting international standards of human rights and labor rights and has taken specific steps to bring democracy to Korea.

We intend to give this measure high priority, and to seek its inclusion in the trade bill that the Senate will soon take up.

Obviously there are differences between South Korea and the Philippines. But there is also a shining similarity—the groundswell of popular support for democracy. Perhaps, in Korea the dictator can stand against that tide yet again—but there is no excuse for the United States of America to stand beside him.

I urge Congress to support this legislation, and I call on the administration to join us in seeking genuine democracy in South Korea.

Mr. President, I ask unanimous consent that the text of the bill may be printed in the RECORD at this time. I also ask that several articles on recent events in Korea, the February 1987 speech by the Assistant Secretary for East Asian and Pacific Affairs, Gaston Sigur, and recent human rights reports published by the North American Coalition for Human Rights in Korea may be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SEC. 1. SHORT TITLE.

This Act may be cited as the "Democracy in South Korea Act of 1987.".

SEC. 2. FINDINGS.

The Congress finds that:

(1) the United States has vital political, strategic, and economic interests in the Re-

public of Korea, and the U.S. commitment to the security of the Republic of Korea is important to American geopolitical interests throughout East Asia;

(2) U.S. interests in the region require a stable political system in Korea which can only be achieved if the government of the Republic of Korea has the support of the Korean people;

(3) the American people support the aspirations of the Korean people for human rights, democracy, and the rule of Law, and tens of thousands of American lives were sacrificed during the Korean War in common cause with the people of Korea to achieve these aims. 40,000 U.S. troops remain in South Korea today in defense of the security and freedom of the Korean people;

(4) despite the Korean people's desire for democracy, President Chun Doo Hwan has ended debate on constitutional reform, hand-picked his successor and halted all progress toward genuine democracy. In response, public outrage has led to confrontation with the police, instability and unrest;

(5) the Korean people have a deep reservoir of goodwill toward the American people, but continued, unwavering U.S. support for President Chun's government has produced a sharp increase in anti-Americanism among the Korean people;

(6) since the 1980 military coup in the Republic of Korea, the government of Chun Doo Hwan has effectively consolidated its political power and has greatly restricted political participation. This failure to allow progress towards democracy has provoked widespread popular opposition which the government has suppressed through torture, denial of political freedoms, arbitrary detention, political imprisonment, and house arrests;

(7) Despite the requirements of section 231A of the Foreign Assistance Act of 1961 and section 502(b)(8) of the Trade Act of 1974 which instruct the United States to deny Overseas Private Investment Corporation assistance and Generalized System of Preferences trade benefits to any country which is not taking steps to afford internationally recognized worker rights to its citizens, the Republic of Korea continues to receive benefits through Overseas Private Investment Corporation and under the Generalized System of Preferences, even though the government has consistently violated international standards of labor rights, including the right of association and the right to organize and bargain collectively;

(8) despite section 701 of the International Financial Institution Act, which instructs the United States Executive Directors of multilateral development banks to use their voice and vote to oppose loans and other assistance to countries whose governments engage in a consistent pattern of gross violations of internationally recognized human rights, unless such assistance is directed specifically to programs which serve the basic human needs of the citizens of such country, the United States has never voted against a loan by a multilateral development bank to the Republic of Korea on the basis of its human rights violations, even though it has engaged in such a pattern of gross violations of internationally recognized human rights;

(9) these United States laws mandate that these human and labor rights provisions be enforced and the Congress believes that enforcement of these laws will encourage democratic reform and stability in the Republic of Korea.

SEC. 3. SUSPENSION OF CERTAIN UNITED STATES BENEFITS EXTENDED TO REPUBLIC OF KOREA UNLESS CERTAIN CONDITIONS ARE MET.

(a) SANCTIONS.—

(1) the Republic of Korea shall not be eligible for designation as a beneficiary developing country under title V of the Trade Act of 1974; and no product of the Republic of Korea that is entered, or withdrawn from warehouse for consumption, in the customs territory of the United States may be extended duty-free treatment under that title;

(2) the Overseas Private Investment Corporation shall not provide any insurance, reinsurance, guarantees, or financing for projects in the Republic of Korea; and

(3) the United States Executive Director of each relevant multilateral development bank shall cast a negative vote on any loan or other financial or technical assistance for the Republic of Korea which is not directed specifically to programs which serve the basic human needs of the citizens of that country, and shall use the best efforts of the United States or persuade other members of that institution to cast a negative vote on loans and other assistance to the Republic of Korea.

(b) EFFECTIVE DATE.—Subject to section 4, subsection (a) shall take effect 30 days after the date of enactment of this Act.

SEC. 4. CONDITIONS FOR LIFTING SANCTIONS.

(a) PRESIDENTIAL CERTIFICATION AND CONGRESSIONAL APPROVAL.—The sanctions described in section 3 shall not apply if—

(1) the President submits the certification described in subsection (b) to the Congress; and

(2) the Congress, within 30 calendar days after receiving that certification, enacts a joint resolution approving that certification.

(b) CERTIFICATION.—The certification required by subsection 9(a) is a certification that the Government of Korea:

(1) is taking steps to afford internationally recognized worker rights to its citizens and has ended its consistent pattern of gross violations of internationally recognized human rights, including the end of all physical and psychological torture and arbitrary arrests, including house arrests; and

(2) has made significant progress in establishing a peaceful transition to democracy in Korea including each of the following:

(a) permitting all democratic political parties to organize freely throughout the country, so as to enable their participation in all elections at all levels;

(b) permitting all Korean citizens to exercise their constitutionally guaranteed and internationally recognized right of freedom of association and assembly and to organize rallies and other meetings, including the selection of size, location and frequency of those meetings;

(c) lifting restrictions on the press, particularly those relating to the coverage of political activity and ending all forms of intimidation of journalists and censorship;

(d) releasing all political prisoners and restoring the civil and political rights to all Korean citizens who have been deprived of such rights by virtue of unlawful or improper criminal convictions for the peaceful expression of their political views; and

(e) through a process of dialogue between the government and democratic opposition political parties, instituting basic legal reforms to ensure that upcoming elections are fair and reflect the will of the Korean people, specifically:

i. the body supervising the elections at the national and local levels should include individuals respected by and acceptable to the different political parties in Korea;

ii. the vote of every Korean citizen should be, to the maximum extent possible, of equal value;

iii. the entire election process, from the printing of ballots to the vote counting, should be subject to observation by the various political parties, the press, and international observers; and

iv. representatives and supporters of political parties shall not be subject to intimidation or subsequent reprisals for their participation in the political process.

SEC. 5 CONGRESSIONAL REVIEW AND ACTION.

(a) SENATE.—A joint resolution referred to in section 5(a)(2) shall be considered in the Senate in accordance with the provisions of section 601(b) of the Internal Security Assistance and Arms Export Control Act of 1976.

(b) HOUSE OF REPRESENTATIVES.—For the purpose of expediting the consideration and enactment of a joint resolution under section 5(a)(2), a motion to proceed to the consideration of any such joint resolution after it has been reported by the appropriate committees shall be treated as highly privileged in the House of Representatives.

[From The New York Times, June 16, 1987]

U.S. WILL NOT PRESS KOREAN INITIATIVE

(By Elaine Sciolino)

WASHINGTON, June 15.—As violent demonstrations in South Korea continued, senior Reagan Administration officials said today that the United States had no plan for a major diplomatic initiative that would press South Korea to move toward democracy.

In contrast to the Philippines, where the Administration eventually forged a strategy that helped insure the ouster of President Ferdinand E. Marcos last year, it has yet to identify how much leverage it has with South Korean authorities and how to use that leverage, interviews with key Administration officials and independent political analysts indicate.

Part of the problem, according to senior Administration officials, is that with the Congressional hearings into the Iran-contra affair and the debate over reflagging Kuwaiti tankers in the Persian Gulf, South Korea is not high on the agenda.

RELUCTANCE TO USE SPECIAL ENVOYS

"Frankly," said Richard L. Armitage, Assistant Secretary of Defense for International Security Affairs, "we're really busy. I'm up to my ears in Kuwait and contras and the normal press of business."

In addition, there is a strong reluctance by the Administration to use special envoys, diplomatic meetings with opposition leaders and threats to cut off American military aid—a combination that was effective in the Philippines—because the South Korean political environment is different and such a high-profile policy could lead to more violence and harm American security interests as well.

"It would be wrong to talk about our launching any sort of initiatives," a State Department spokeswoman, Phyllis Oakley, said today. "We have viewed this as an internal Korean matter."

PRIVATE MESSAGE CONSIDERED

Administration officials briefly discussed and rejected as unwise any change in American security arrangements with South Korea, officials said. They added that a private message by President Reagan to President Chun Doo Hwan expressing concern about the course of events was being considered.

The President, however, is reluctant to wade into the issue because he is not convinced that the street demonstrations now under way will push the country toward democracy, according to one senior White House official familiar with the President's thinking.

State Department officials are pressing for a senior official, preferably Secretary of State George P. Shultz, to make a forceful speech that would criticize President Chun for suspending talks with the opposition over constitutional change in April and call for a more open political system. But the White House reportedly believes such public criticism would only encourage larger street demonstrations and jeopardize a smooth transition of power when he steps down.

INFORMED U.S. AMBASSADOR

"We feel a little more firmly that a quiet diplomatic route is the right one," said one senior White House official. "If we're guilty of proceeding cautiously, then we plead guilty."

The most dramatic recent example of the Administration's reluctance to pressure South Korea came before the current wave of violence in April. Then, the Administration decided not to move to stop the suspension of debate with the opposition over the Constitution, even though South Korean officials informed Ambassador James R. Lilley of the decision a day in advance.

Ambassador Lilley, who spent 27 years with the Central Intelligence Agency and has little strictly diplomatic experience, expressed surprise and told the officials the decision would not be well received by the Administration. The only public Administration response was a State Department statement expressing disappointment.

NO TIME TO LODGE PROTEST

"It would have been appropriate to be somewhat more emphatic and respond somewhat earlier," said William H. Gleysteen Jr., a former Ambassador to South Korea.

Administration officials argue that there was not enough time to lodge a protest against President Chun's move, which they said they could not have stopped anyway. "It doesn't mean the end of democratization," said one senior Administration official.

That response struck some political analysts as surprising considering a strongly worded speech in New York last February by Gaston J. Sigur Jr., Assistant Secretary of State for East Asian and Pacific Affairs, in which he suggested that relations with Washington might hinge on whether South Korea develops "a more open and legitimate political system."

CHUN SAID HE WOULD COMPROMISE

The speech was followed in March by optimistic remarks by State Department officials during Mr. Shultz's trip to Korea. They suggested that Mr. Shultz had won assurances from President Chun that he would seek a compromise with the opposition on constitional changes and submit the proposed change to a plebiscite.

Since then, the Administration has sought to play down the risks of a military coup or the imposition of martial law in South Korea, stressing instead what it calls signs that President Chun is moving toward democracy.

Administration officials continue to praise President Chun's intention to step down when his term ends in February, and his naming of his close ally, Roh Tae Woo, as the presidential candidate of the ruling Democratic Justice Party, as steps in the right direction.

"He's not nearly as imperial or regal as Chun," said one senior Administration official. "I wouldn't place too much in the fact that he's a general."

Although Ambassador Lilley initially told reporters that he would not attend last week's party convention at which Mr. Roh was nominated saying he did not want to be involved in South Korean politics, in the end he did attend.

[From the New York Times, June 16, 1987]

Street Protests by South Koreans Resume and Grow—Students Battle Police—Thousands March in Capital and Clashes Are Reported in Another Six Cities

(By Clyde Haberman)

Seoul, South Korea, June 16—Anti-Government protests spread Monday and early today as tens of thousands of South Koreans in major cities took to the streets in bursts of violence and choruses of prayer.

For a sixth straight day, student militants skirmished fiercely with riot policemen on streets and at campus gates.

Nowhere was fighting more ferocious than at Yonset University in Seoul, where, in a familiar pattern, students hurled gasoline bombs and rocks at officers who responded with countless volleys of potent, face-scorching tear gas.

CLASHES IN 6 OTHER CITIES

According to South Korean press reports, similar clashes occurred in six other cities, involving more than 60,000 students at 45 colleges. Battles reportedly raged in the streets in the central city of Chonan and the southern city of Chinju.

But as the country's political crisis deepened, demonstrations became increasingly dominated by ordinary South Koreans expressing frustration with the Government, its suppression of dissent and its overall timetable for democratic development.

About 10,000 people, cutting across a broad spectrum of backgrounds and ages, held a candlelight vigil in the capital Monday night following religious services at a Roman Catholic Cathedral that has been the focus of recent anti-Government opposition. The rally was one of the largest held in downtown Seoul in years, and it seemed certain that almost everyone there had gone as an act of protest.

CATHEDRAL IS FILLED

Men, women and their children filled the Myongdong Cathedral and spilled over onto a flagstone plaza, where they stood in prayer or sat on the ground despite a drenching rainstorm.

When the rain stopped, the crowd surged into the street outside, holding candles aloft and singing hymn-like songs of protest. They were held back by thousands of police officers with riot shields stretched before them.

In the front ranks, demonstrators were mostly students who shoved menacingly against the police, forcing them to step back and to make more room for the surging crowd.

But for the most part, the rally was peaceful, reflecting a growing middle-class component to protests that the Government has characterized as an attempt at "violent revolution."

"A DEMOCRATIC GOVERNMENT"

"We want the Government leaders to realize what the people want," said I'm Jim Chang, a college professor who attended the Myongdong service. "This is a time when the people unanimously want a democratic Government."

The demonstrations and street violence began to reach new peaks last week after President Chun Doo Hwan and his ruling party formally designated Ron Tae Woo as their choice to become Mr. Chun's successor. Mr. Rho—a former general, like the incumbent President—is all but certain to be chosen by an electoral college next December, and will take office in February.

But protest was building even before last week, fed by disclosures of police torture of dissidents and cover-up attempts, and by Mr. Chun's abrupt cancellation in April of an ongoing debate over how to make the constitutional process for selecting a national leader more democratic. Opposition politicians charge that Mr. Chun's true objective is to perpetuate his behind-the-scenes power in a Government that they denounce as a "military dictatorship."

CARDINAL URGES REVERSAL

The overwhelming importance of this issue for many South Koreans was underlined at the Myongdong prayer service when Stephen Cardinal Kim Sou Hwan, Roman Catholic primate of South Korea, called on the President to withdraw his April decision.

Protests spread Monday on a day of rapidly shifting moods, when it first seemed that the authorities had succeeded in ending the crisis, only to have it flare again.

Late Sunday night and early Monday, the police cleared central Seoul's streets in an attempt to ease tensions by inviting a band of 220 radicals to end a tense six-day occupation of Myongdong without being arrested. Despite a brief clash between street demonstrators midday Monday, the tactic seemed to work, for the dissidents finally agreed to leave.

Their takeover of the cathedral had become the focus of the recent clashes with students and other sympathizers staged forays through downtown streets to express support.

Myongdong is the center of South Korean Catholicism and an important national symbol. Although Catholics account for only an estimated 5 percent of the population of 41 million, they include many of the country's educated elite and wield an influence disproportionate to their numbers.

Under a deal arranged by Catholic priests, the students left the cathedral in three buses with a promise of "safe passage" to their campuses. According to Seoul's police chief, Cho Chong Suk, no arrests will be made, a decision that represents a significant retreat by a Government that had promised to deal sternly with the dissidents.

"The most significant thing about the situation," Cardinal Kim said later, "is that it restored the trust of students in the Government. It is a step forward."

It did not, however, stop the protests. Crowds surged through downtown streets into Monday night and early today, many of them people well beyond student age and seemingly without any specific political loyalty.

At one point, more than 5,000 South Koreans—office workers, shopkeepers and strollers—held a spontaneous anti-Government rally in narrow streets near the cathedral. As they chanted slogans with growing exuberance, others waved from office building windows and threw flowers down to the demonstrators.

Suddenly, without warning, helmeted policemen surged into the crowd, firing bursts of tear gas and sending people scattering amid shrieks of pain and surprise. The police action angered many bystanders. One elderly woman grew so incensed that she struck an officer on the head with her pocketbook.

"There's a mood change under way," a foreign diplomat said. "The Government has always tried to portray the students as radical, but it's not working. The people are not buying it this time."

National police officials announced that 6,094 people had been taken into custody since the surge of protest began last Wednesday. Most were quickly released, but hundreds still face criminal charges.

In addition, the Chun Government is weighing possible emergency measures should the situation deteriorate, but South Korean news reports said no action was contemplated now.

It appeared that the Government wanted to see first if the protests would peter out on their own. Officials, including Mr. Chun, have warned repeatedly that they would be tough on dissidents, but they have held back, apparently for fear of further inflaming anti-Government sentiment.

[From the New York Times, June 16, 1987]

POLITICS, PUSHED INTO KOREA'S STREETS

An important element has been added to the perennial confrontation between radical students and the police in South Korea. In clashes that have now spread from Seoul to other cities, students are being cheered on by a middle class that has so far shown scant sympathy for their demands.

This surprising support arises from outrage over President Chun Doo Hwan's choice of an army crony to succeed him in this year's presidential election, so arranged as to guarantee victory. That would bring seven more years of illegitimate, quasi-military government, and that is unacceptable to many South Koreans. Unless the Government is now willing to give some political ground, greater turmoil is inevitable.

It seems evident that the United States, for its part, has failed to convey clear and consistent signals to President Chun on the need to accommodate this new middle-class movement. Worse, the Reagan Administration, beset by disagreement over Korea and by general disarray, says it will not press the issue in Seoul.

These protests began when the Democratic Justice Party endorsed Roh Tae Woo as its presidential candidate. Mr. Roh, though reputed to be less rigid than Mr. Chun, the highly unpopular incumbent, won his designation only after the Government suspended public debate over the form of electoral reforms.

Opposition leaders wanted direct popular elections for a constitutionally strong president, believing this would give them a fair chance to win. The ruling party instead offered a switch to parliamentary rule, leaving the military free to corner a majority by controlling the many scattered rural constituencies. Democracy can be either presidential or parliamentary, but it must be recognized as free of coercion. After months of fruitless discussion, Mr. Chun abruptly deferred the issue until the next president's term, leaving in place a manipulable electoral college.

That leaves unresolved a legitimacy question that could severely taint Mr. Roh's mandate. The Chun regime came to power by military coup and has never lived down its subsequent bloody rout of a 1980 civil insurrection in the southern city of Kwangju.

South Korea's economic miracle, which owes much to the growing middle class, is jeopardized by this continuing political crisis. So, in a less direct sense, is South Korea's security against attack from the Communist North, a cause to which 40,000 United States troops are committed. With the Olympics scheduled for Seoul next year, there's extensive potential for increasing turmoil, unless a political accord can be achieved.

It won't be easy to reach such an accord with the main opposition parties. Their leaders remain stymied by personal revalries and worries about being outflanked by students on their left. And, rightly, they are unwilling to assent to a rigged electoral process that would confer legitimacy on the military regime.

The results of the failure to agree on a legitimate electoral system, predominantly by fault of the Government, can now be seen on the streets, all over South Korea.

[From the Washington Post, June 16, 1987]

MIDDLE CLASS BROADENS KOREAN PROTEST—NEW MOOD PERMITS SHOWING HOSTILITY TO GOVERNMENT

(By John Burgess)

SEOUL.—It was a handful of students who began the rally that took place shortly after noon today outside Seoul's Myongdong Cathedral. But within half an hour, thousands of solidly middle-class office workers, lunchtime strollers and shoppers had joined in, blocking the street with a high-spirited festival of songs and antigovernment slogans.

Women leaned from high-rise buildings to shower roses and confetti on the crowd. People talked spontaneously to strangers. A man stood atop a stool and led the crowd in cheering, thousands of fists stabbing the air with each round.

"Initially people are afraid," said a trading company employe in suit and tie. "But when they get together, there is no fear."

Until this week, common belief in South Korea was that the middle class could never make common cause with the rock-throwing radicals of the campuses. Five days of demonstrations here have drawn that wisdom into question and could rewrite the rules of politics here.

Invariably there are comparisons to the "people's power" revolution in the Philippines last year.

So far, the numbers of people in the streets are tiny compared to those who toppled Ferdinand Marcos in Manila. The turnout near the cathedral this afternoon, for example, was probably statistically insignificant in a city of almost 10 million inhabitants.

Yet, the public participation is raising talk of a new mood prevailing in South Korea, in which more people may act on long-repressed hostility toward the government of President Chun Doo Hwan.

As an Army general, Chun seized power in stages starting in 1979. Many South Koreans never have accepted his legitimacy as president, especially in view of the deaths of more than 200 people in demonstrations in the city of Kwangju the following year.

The imperial airs that the short, balding man affects add to public hostility. Koreans appear not to mind such behavior if they feel the leader has earned the right to office. But in many people's minds, Chun has not.

South Korea's paradox is that while development of its political institutions has remained stifled, its economy has raced ahead into the industrial age. Gross national product has roughly doubled since Chun came to power.

Chun is not credited for any of this by ordinary people. But it has long been said that as people acquire houses, automobiles and prospects for promotion in thriving companies, they will be less inclined to risk it all by taking to the streets for political protest.

Now, a confluence of traumatic events seems to be pushing many people to do it anyway.

In January, a student died during police torture, and the extent of official involvement in his death was covered up. In April, Chun suspended debate with the opposition on constitutional reform, ending a year-long period of cautious but nonetheless unusual optimism for a long-term political settlement.

Last week, the ruling party formally nominated for president another former general who helped Chun carry out a coup d'etat in 1979, Roh Tae Woo. Chun has presented this first "peaceful transfer of power" in South Korean history as a monumental event.

But many South Koreans see it as simply replacing one dictator with another. "The bald man with a wig," is what some of them are calling Roh, signifying he is just Chun in disguise.

Public anger has also been stirred by indiscriminate tear gassing by police during the protests of the past six days. The fumes have settled over thousands of homes and workplaces, choking children walking to school and people heading for markets. A press campaign against it is under way.

Police battling with students on the streets repeatedly have had to contend with anger and insults from onlookers.

Radical students who took refuge in Myongdong cathedral last week were showered with provisions of food, drink, first-aid equipment and clothing. Cash donated has totalled about $25,000 so far, according to press reports.

Public anger also rose against a popular comedian named Kim Pyong Jo for a joke he made while entertaining the crowd at the ruling party's convention. It was a play on words to the effect that the ruling party gives love to the people while the opposition gives pain.

To apologize, Kim has withdrawn himself from television appearances and a comedy show that he hosts. Ice cream commercials in which he appears are being pulled off the air.

Increasingly in recent days, ordinary people are coming out openly to demonstrate. When they do, they may be radicalized by the police's response.

Today's demonstration at Myongdong was peaceful but ended abruptly when, without warning, squads of policemen in helmets and gas masks sprinted from around corners and, hurling tear gas grenades, charged the crowd. Women screamed. The crowd surged away, some members darting into open shop fronts. Some people were overcome by the gas.

Despite the changes, many of Chun's opponents remain unwilling to move and indecisive about joining the protests.

Korean Politics in Transition

(Following is an address by Gaston J. Sigur, Jr., Assistant Secretary for East Asian and Pacific Affairs, before the U.S.-Korea Society, New York City, February 6, 1987.)

I'm delighted to be here with you today. I've been looking forward to meeting with the U.S.-Korea Society for several months. With scheduling the way it is in our bureau, it often is easier to get to Seoul than to New York. I've had the opportunity to visit the Republic of Korea frequently over the past several years, most recently last November, when I talked with President Chun, Prime Minister Lho, Foreign Minister Choi, and DJP [Democratic Justice Party] leader Rho, as well as NKDP [New Korea Democratic Party] leader Lee and other oppositon party leaders. These visits have provided useful insight into the complex political process evolving there, a process which will influence the security and general well-being of the Korean people for generations to come.

Next month, I expect to return to Seoul with the Secretary of State for a brief visit following our mission to China. It will be a good opportunity to gain, first hand, an update on political and security conditions. In the meantime, I want to take this opportunity today to share with you our government's observations on the domestic political process underway in Seoul.

FACING THE CHALLENGES

In the past few decades, the Republic of Korea has created a dynamic economic system and is now in the process of creating an equally dynamic political system to carry the nation into the next century. This task is being undertaken amid unique circumstances. The Republic of Korea faces a determined and well-armed foe, committed to reunification of the peninsula on its own terms by whatever means are necessary. South Korea also faces the stresses and strains of industrialization, which developed over a period of generations in the West but which is taking place almost overnight in Korea. In these circumstances, the new political system now debated in Seoul must provide security and dynamism for the continued parallel development of economic, social, and political institutions.

Few countries face as direct and sustained a threat to their very existence as does the Republic of Korea. Over the past 40 years, North Korea's Kim Il Sung has tried virtually every tool available—from all-out war to assassination to "peace offensives"—to destroy or eclipse the Republic. As everyone in this room is well aware, the cost of these misbegotten policies had been tremendous for Koreans, both north and south.

The Korean war exacted a terrible toll in human suffering, and its repercussions are still evident. Today, a band of steel still stretches across Korea's beautiful mountains and rivers from one sea to the other. In the past few decades, the North has doubled the size of its armed forces and increased its weaponry with vast assistance from the Soviet Union. The threat to South Korea is still very real.

During the same period the South, with U.S. support, has made steady progress toward modernization of its defense capabilities. The improvements have been largely in equipment and training, neither of which come cheap. South Korea has been devoting some 6% of its gross national product to this effort. Furthermore, this significant investment is being made at the same time that the Republic of Korea has been undertaking one of the world's most impressive programs of economic development and industrialization.

STRONG ECONOMIC BASE

Korea is one of the nations to which the term "newly industrializing country" is aptly applied. Over the past 5 years, the Republic of Korea has maintained an average annual economic growth rate of over 8%, following an earlier decade of equally impressive economic development.

During this time South Korea moved from being a recipient of U.S. aid to America's seventh largest trading partner. Today, the United States has more trade with South Korea than with many of our traditional European trading partners. In 1986, total bilateral trade was some $19 billion. The United States is South Korea's single biggest market, buying $13-billion worth of Korean products. Footwear and apparel top U.S. imports from Korea, but Americans have also become very fond of Korean-made electronic products, from TVs to microwave ovens and small computers. Furthermore, Korean firms have been moving into new areas as well—witness the increasing number of sharp Hyundai automobiles on American roads.

It bears emphasizing that the Republic of Korea is also a major market for U.S. goods and services. The South purchased about $6-billion worth of American goods, services, and agricultural products in 1986.

Economic success has changed South Korean society in fundamental ways. In 1960, the average per capita gross national product was $100. Today, it is over $2,000. In 1975, almost one-third of all South Koreans were engaged in agriculture. Today, that proportion is down to one-fifth. Koreans have moved rapidly to their cities; over half now live in urban areas. Seoul along accounts for one-quarter of the population.

South Koreans, whose drive for learning is an enviable national characteristic, are better educated than ever before. Today, 98%—one of the world's highest percentages—are literate. Korean colleges and universities enroll more than 1 million students. Korean mothers tell their high school student children that they must study long and hard: "Five hours sleep a night means success; six hours means failure."

NEW STRESSES

The Republic of Korea faces new stresses in many sectors of its society, which will require a political system capable of building consensus through discussion and compromise. On the economic side, South Korea faces many new challenges as it moves into industries based on more sophisticated technologies. Firms like Gold Star, Samsung, and Dawood are, for example, already producing integrated circuits and computers. At the same time, Koreans realize they must accept certain responsibilities, such as more open markets, commensurate with their new role as an international trader of some consequence. South Korea has earned full membership on the team. With that full membership comes the obligation to help maintain the free trading system from which it has benefited so greatly. Naturally, such profound changes in economic behavior in such a short time are difficult, but they must be accomplished.

Korean society faces a wide range of other challenges deriving from industrialization. Success in meeting these challenges will require a creative, responsive political system. Seoul needs to decide, for example, on the appropriate amounts of national resources to invest in social capital—schools, medical facilities, and so forth—and how to continue to assure equitable distribution of the benefits of economic success. As the work force becomes more sophisticated, Korea has also to deal with the difficult problems of workers' rights, including safety and labor organizations and the role of unions. Koreans are beginning to address such complex issues. Last year, the National Assembly passed new legislation that permits national labor organizations to participate in individual labor actions. Another effort has begun to establish minimum wages. These issues will not be solved overnight. A more open political system will be a critical part of the solution.

THE MOVE TOWARD POLITICAL MATURITY

Everyone understands the fundamental linkage between a nation's domestic political maturity and its general security. The two elements are mutually dependent. The Republic of Korea's security relies as much upon responsive political institutions that promote the aspirations of its people as upon the mighty military capability it possesses. By the same token, of course, political transition must proceed at a pace consistent with harmony and stability. Secretary of State Shultz has pointed out that transitions toward greater democracy are "often complex and delicate, and . . . can only come about in a way consistent with a country's history, culture, and political realities." We recognize that.

At present, there appears to be a general consensus among South Koreans of various political persuasions that domestic political practices up to now—however well suited they may have been for a simpler, slower moving past—simply are inadequate to meet Korea's complex present and future needs.

First, there is the problem of the peaceful transfer of power from one leader to the next. President Chun Doo Hwan himself has pointed out that the country cannot afford long periods of one-man rule ending in violence and confrontation. Koreans also face the challenge of permanently "civilianizing" their politics—of calling upon the full range of their talent resources to lead an increasingly complex economy and society.

The Korean military has played an important role in various aspects of the Republic's recent development. But Seoul is now moving into a new era. After the destruction of much of the civilian sector by the Korean war, Korea's military men were a significant group among the relatively small number with experience in administering large, modern organizations. Today, however, many South Koreans have a wealth of experience and have operated successfully in a wide variety of fields to ensure progress in a modern society. Korea's industry and business compete aggressively and impressively on the world stage. Its universities produce world-class scholars.

In addition, new technologies have thrust greater complexities into modern defense efforts. Today's soldier lives in a new era in which Korea's national security demands his full-time concentration and energy to accomplish his vital primary mission: mastering the skills needed for the defense of his country.

LAUDABLE INITIATIVE

President Chun has recognized these trends and moved to implement the changes in the Republic of Korea's political institutions necessary to meet the demands of the next century. He has pledged to break the historical cycle of succession, instability, and uncertainty by peacefully transferring power at the end of his term in February 1988. The President has made a historic commitment toward greater democratization in South Korea: he has said that he will be the first major Korean president to retire from office peacefully, in order to set the pattern for future Korean leaders. He will join a pool of retired statesmen, no longer active in politices, whose counsel and advice will be a valuable national resource. It is now the task of the Korean people to establish a system which will ensure that such peaceful transfers of power continue into the future.

President Chun deserves credit for his promise, and history will praise his service to the nation by making good on it. In keeping this pledge, he also thrusts obligations on all his compatriots: to support a peaceaful process while eschewing violence and to deal responsibly with the new phenomenon of a once-powerful president who has retired.

President Chun, the Democratic Justice Party, and the New Korea Democratic Party all deserve credit as well for recognizing the need for and starting the process of constitutional revision. Although political differencs must be played out, most outside observers are concerned that, to date, there seems to have been more argument than discussion and—as a consequence—more rhetoric than results. It is essential for the future of the Republic of Korea, and for the future of our bilateral relations, that any new constitution, and the laws which support representative government, create a more open and legitimate political system.

A CONSENSUS PROCESS

History demonstrates that to be durable, constitutions must be carefully constructed. They emerge from compromise and consensus among the major political players, not from violence, abuse of physical force, or obstinate confrontation. Lasting constitutions encompass broad principles, such as free and fair elections in an open atmosphere. Agreeing on such principles requires that people work together for the future, putting aside personal ambitions and past accusations and grievances. Put another way, any new system must enlist the constructive energies of all South Koreans, emulating the way that economic development has brought together people of divergent backgrounds and used the talents of every man and woman.

Only if it is created through a consensus process can South Korea's evolving political system have the dynamism and the durability to prosper into the next century. Only in this way will it have the firm support of Korea's people, support which is vital if Korea is to break the tragic cycle of unexpected and violent changes of government. Only popular support can give the stability which the Republic of Korea needs to meet the challenges to its national and its economic security in the future.

The task is not an easy one, but Koreans know the time is ripe for beginning.

First, the combined South Korean and UN Command forces present a formidable shield behind which the process of political change can take place.

Second, the Korean economy did well last year. The Republic of Korea had a surplus in its current accounts for the first time, and this year also promises to be a good one.

Third, and perhaps most importantly, Koreans want change. They are better educated than ever before and have a new self-confidence—a "can-do" attitude—after their success in developing their country's economic strength.

The Republic of Korea's political orders have committed themselves to a new course. President Chun has pledged to transfer power peacefully and has started the process of constitutional revision. The other major political actors on both sides are men who know from their own experience the consequences if this chance is missed. They lived through the horrors of the Korean war and past political traumas amidst uncertainty and violence. They know that an orderly system for changing governments is a necessity for their country's security and prosperity. In the hurly-burly of day-to-day political activity, it is easy to lose sight of the big picture; but these men have the breadth of mind to pause and reflect and act constructively, not for narrow partisan interest but for their country.

Regardless of what specific governmental system emerges from the current debate, it surely must reflect elements of openness, fairness, and legitimacy. We would hope for further innovative proposals from participants in this process, proposals which statesmen in both the majority and minority parties will consider with open minds and an eye toward necessary compromise. Innovative ideas can serve as an agenda to move the revision process out of the morass into which it has fallen.

The 1988 Olympics will give South Koreans a chance to show off the results of their hard work to the world. Their country has certainly become a model of economic development, and many nations will be justly impressed. The time remaining before the games also gives South Koreans the opportunity to construct the kind of political institutions, the kind of political model, that they would like the world to see.

OFFER OUR SUPPORT

South Koreans developed their economic system step by step and by their own hard work. They will build a new political system in the same way. The United States can and will support this effort as it did economic development, without interfering in domestic affairs. We shall do so in a number of ways.

First, the United States will continue to work with the Republic of Korea's Armed Forces to maintain and strengthen the military shield which protects the country. The American commitment is firm and will remain so, regardless of changes in the Congress or even in administrations. At the same time, we will support the Republic of Korea in its efforts to reduce tension with the North.

Second, we shall continue to support an open international trade system. This system is the bedrock upon which Korea's present and future prosperity depends. Korea is rich in human resources but lacks many raw materials.

The continuation of free trade between nations is clearly vital to the Republic. One need only observe the stagnation of the North Korean economy to get a good idea of how unproductive that society's go-it-alone approach to development has been. The Reagan Administration will continue to fight for the preservation of this beneficial system. But we will need to help from our friends. From this perspective, the present trade negotiations between Seoul and Washington represent not an agenda of so-called American demands but rather our "request for assistance" in maintaining a dynamic and healthy international commercial system. We must pursue this effort in the face of rather strong protectionist forces in the United States and elsewhere that threaten our mutually beneficial trade.

Finally, the United States wil continue to encourage all sides in Korea to work together to create a new political framework. The United States wholeheartedly supports the important process of constitutional and legislative reform as the means to this end. In that process, we will provide positive support, not interference. We do not and shall not support any particular proposal by any Korean political party; but we shall continue to urge accommodation, compromise, and consensus. Both sides have made eloquent arguments concerning the virtues of their respective ideas. It is for Koreans, not outsiders, to decide what institutional and mechanisms best fit their country's needs. We urge all sides to sit down and work together toward constructive proposals.

CONCLUSION

Citizens of the Republic of Korea have a historic opportunity to create with their own hands new political forms to match the vitality of their economy and society. Clearly, old patterns no longer suffice. Equally clearly, creating new ones will require courage and self-sacrifice on the part of the statesmen who undertake the task. We Americans are fully behind the Korean people in this tremendously important effort to create a new political system with the vitality and solid popular support to carry their country successfully into the next century.

[From Korea Weekly Report, Apr. 27, 1987]

Chun Gag Rule Fosters Unrest

The decision by General Chun Doo Hwan to stop all public discussion of South Korea's political future has ironically triggered exactly the kind of social and political unrest he claimed to be trying to avoid.

Chun's draconian announcement on April 13 that all constitutional debate would be suspended until after the 1988 Olympics (cf. WR VI, 8) and the measures that followed have met a hailstorm of criticism from virtually every sector in Korea outside the ruling party, despite the clear attempt by the government to suppress all dissent by threatening harsh reprisals against such "harmful" activities as "street demonstrations, rallies and petition drives."

The reprisals began before the dissent could even be mobilized. On the 14th, police rounded up more than 4,100 persons in a nationwide crackdown involving 40,000 cops, one third of the nation's entire police force. At least 1,326 of these arrestees were held for booking on crimes ranging from possessing "seditious leaflets" to unlawful assembly. 1,900 were sent by summary courts to jail without trial for up to 29 days, and 874 were later released.

Student protest began the next day. On April 15, some 4,000 students at Pusan National University clashed with police in a demonstration that began by focusing on campus issues, but grew in intensity to protest the crackdown, including a demand for the release of 10 fellow students who had been detained two days earlier. The students had been arrested for calling for the college president's resignation because of his support for government repression. On the 17th, 5,000 students and 50 professors met with the president, who pledged to request the students' release and to take measures to democratize the campus.

A similar incident broke out at Kyungbuk National University in Taegu. Students at both schools and at Seoul National University have boycotted classes in protest since the 15th. At Chonnam University in Kwangju, 200 students have occupied the university president's office in protest against campus and government policies.

Elsewhere on South Korean campuses, demonstrations broke out spontaneously on the 15th and 16, and climaxed on the 17th, when at least 15,000 students staged protest demonstrations on 40 of the nation's approximately 110 university and college campuses. At Seoul National University, at least 20 students were injured, most of them hit by tear gas grenades fired at them point-blank by police. At Korea University, about 2,600 students rallied for two hours, trying to break through police lines to demonstrate on the streets. Earlier, Seoul newspapers reported that more than 20,000 police went to 32 universities to search and seize leaflets, placards and other materials.

As the April 19 anniversary of the 1960 student revolution approached, Interior Minister Chung Ho Yung ordered all 120,000 of South Korea's head-cracking national police on highest alert to squelch any demonstrations.

However, despite the high alert, demonstrations occurred on almost every university campus following ceremonies commemorating the 1960 uprising. At the April 19 Cemetery, some 5,000 students and others participated in a memorial, following which some 3,000 students attempted a march to protest Chun's April 13 declaration. 358 were detained as a result in a brutal crackdown.

Student protest continued through Friday, April 24, when students in at least 13 universities attempted to hold memorial services to mark the 100th day following the death of torture victim Park Chong Chul, a Seoul National University student who was murdered by police tortures on January 14. At SNU the memorializing students clashed with police for three hours.

CARDINAL KIM DENOUNCES "TYRANNICAL DICTATORSHIP"

On Easter Sunday, Korea's ruling Catholic prelate, Stephen Cardinal Kim delivered a sharp attack against the government of Chun Doo Hwan. Stating that "Darkness has begun to take over society and our government," the Cardinal said it seemed to him that a "tyrannical dictatorship" had begun. "I myself don't know how long the dictatorial regime will last," he continued, "or when we can have democracy and a free life. The People's hope for democracy through direct elections has been broken in pieces by a conspiracy of evil." The Cardinal said he supported direct elections, not because he backed the opposition party, but because it was the desire of a majority of the people.

On April 21, 15 Catholic priests in Kwangju diocese began a season of prayer and fasting to seek the repentance of the government. Their fast continues.

PRESBYTERIAN ASSEMBLY TEAR-GASSED

Also in Kwangju on April 23, the Presbyterian Church (ROK) was scheduled to meet for its regular General Assembly. However, police ordered the meeting dissolved, since one of the items on the agenda was a resolution condemning the government's decisions to stop all political debate.

Church leaders refused the police order to dissolve the church's general meeting, whereupon police fired 20 tear gas cannisters into the church to force the meeting to a halt.

SOH JOON SHIK ENDS 50-DAY FAST

Long-term political prisoner Soh Joon Shik ended his protest hunger strike at Chungju Preventive Custody Prison on April 24 after 50 days. He was reported in grave physical condition. Prison officials had repeatedly tried unsuccessfully to thwart his fast by force-feeding him.

While his lawyer was able finally on April 24 to meet with Mr. Soh in order to persuade him to end his hunger strike, his family have been barred from any visits since the fast began on March 3. Nor have their appeals for hospitalization been accepted by prison officials.

Soh Joon Shik was protesting his continued detention in prison nine years after his prison term expired. He was convicted under the Anti-Communist Law in 1971 of anti-government activity while studying at Seoul National University. Soh Joon Shik's brother, Soh Sung, remains in prison under a life sentence for the same incident. All others convicted with them have long since been released, but because they came from Japan, the government has been unwilling to release the two brothers.

YOUTH GANGS ATTACK NEW PARTY OFFICES

Gangs of youths have attacked 19 of 23 local offices of the newly formed Party for Reunification and Democracy (PRD) during the past week. The new opposition party is being organized by 73 National Assembly members who, under the leadership of Kim Dae Jung and Kim Young Sam, left the New Korea Democratic Party earlier on April 8 due to a similar pattern of police-tolerated violence against the NKDP headquarters. According to Kim Dae Jung, who remains in the tightest house arrest he has suffered since his release from prison in 1982, the youths are actually combat police out of uniform. Several of the youths have been recognized from other events, when they were uniformed police, according to human rights sources.

The new party formation is also being thwarted by the refusal of officials in various cities to provide the necessary documents for local party registration. Finally, on April 20th, the first two chapters were able to get registered, at Seoul's Kang-dong and Inchon's Chung-ku.

STUDENT ASSOCIATIONS BACK NEW PARTY

The student associations of 21 universities in Seoul have voted to endorse the newly formed opposition party. This move is unprecedented in Korea, according to experienced student movement sources. While student movements have in the past cooperated from time to time with political parties, suspicion of politicians across the spectrum has dominated student attitudes throughout modern Korean history.

FOUR STUDENTS CHARGED UNDER NSL

Four Korea University students were detained April 13th on charges of violating the National Security Law. They were taken into custody by the National Police headquarters. The four included PARK Jung HO, KOH Jae Ku, AHN Chu Yong, and CHOI To Young.

Another student, KIM Shim, also from Korea University, was arrested April 14 by National Police Headquarters for alleged leadership of the KonKuk University incident of October, 1986.

SIX CULTURAL GROUPS DENOUNCE CHUN

Six cultural organizations issued a joint statement on April 18 denouncing the statement by Gen. Chun Doo Hwan forbidding further discussion of political reform. The groups including the Council of Democratic Journalists, the Federation for Minjun Cultural Movement, Association of Free Writers, Democratic Education Association, Association for National Fine Arts and Korean Publishers Cultural Movement, stated in their common declaration:

Full blame for any incidents caused by national protests against the plot to protect the current constitution will rest upon the present regime.

The Party for Reunification and Democracy must stand strongly in order to end the present dictatorship in alliance with all democratic forces.

The United States must stop immediately any interventionist actions in Korea's internal affairs such as applying patronage and pressure.

DJP ANNOUNCES ELECTION TIMETABLE KIM YOUNG SAM, LEE MIN WOO WILL BOYCOTT

The ruling Democratic Justice Party has announced its plan to hold a party convention in early June to name its candidate for president, who will run for office in late November. Election of the 5,300 members of the Electoral College are set for the period November 25 through December 8, with the election of the president by the electors to follow one week later.

Both KIM Young Sam of the new opposition Party for Reunification and Democracy and LEE Min Woo, president of the nearly defunct New Korea Democratic Party immediately denounced the election plans and indicated their parties would boycott any election held under the present constitution.

FIVE LEGISLATORS IMPRISONED TWENTY OTHER FACE CHARGES

Four opposition assembly members were sentenced to up to one year in prison by Seoul District Court on April 21, for having visited the campus of Korea Universtity during a student demonstration in 1985. The four are: PARK Chan Jong, (1 year), CHOUGH Soon Hyung (8 mo.), KIM Byong Oh, (8 mo.), and HAN Kwang Ok, (1 year, suspended for 2 years.)

In separate legal actions against the opposition, up to 20 parliamentarians who are key members of the new opposition Party for Reunification and Democracy have been threatened with legal actions for such alleged crimes as writing bad checks, tax evasion, adultery, etc.

[From the Korea Weekly Report, May 19, 1987]

NATION-WIDE RESISTANCE GROWS

[461 CLERGY FAST AND 206 WRITERS, 1,468 PROFESSORS, 751 MONKS, 235 ARTISTS, 122 ACTORS, 97 FILM-MAKERS SIGN STATEMENTS TO DEMAND CONSTITUTIONAL CHANGE—STUDENT DEMONSTRATIONS GAIN IN INTENSITY 42,000 ON 62 CAMPUSES PROTEST KWANGJU MASSACRE ANNIVERSARY]

The movement to protest President Chun Doo Hwan's April 13th "suspension of debate" about South Korea's political structure continued to gather momentum in a powerful, nationwide peaceful resistance characterized by prayer and fasting on the part of religious leaders and the issuance of statements by Korea's leading intellectuals, writers, novelists, lawyers, poets and professors.

The newly formed Reunification Democratic Party, inaugurated on May 1, also joined the movement with a strong pledge by its new president, Kim Young Sam, to boycott any elections under the present constitution. (See below). Kim also called for direct dialogue with the government.

On May 6, Catholic Archbishop Yoon, in a homily at Seoul's Myungdong Cathedral, strongly denounced the government's attempt to use the Olympics as a camouflage for sustaining the present group in power. "The present regime after seizing power in a coup d'etat of December 12, 1979," he said, "murdered hundreds of Kwangju citizens. In May, 1980 it drew up the constitution of the 5th Republic in a temporary legislative assembly. It is a military regime, which has usurped power. There is no citizen who is unaware of this. We, the people, are agreed that the present regime lacks legitimacy, and has a tainted pedigree. In particular, the method of indirect election of the president by an electoral college, in a climate of abuse of money and power, is an action which deceives and mocks the people.

"Why does the 1988 Olympics have to be the supreme value? If we listen to the claim of the government and the ruling party, carrying out the Olympic games harmoniously will mean that our country joins the ranks of the advanced nations. rather than the idea of becoming an advanced country through a sports event, protecting the rights of all citizens to make firm a free democratic society with no corruption or injustice has to be considered the most perfect idea. Under the April 13th decree, the government party alone, by electing a single candidate, will be a self-evident puppet show. This sad state of affairs, ironically known as the 'Chamsil Stadium [Seoul's Olympic stadium] Election,' will cause great pain and distress to the spirit of the nation."

As of May 13, communities of Catholic priests in all of South Korea's dioceses, involving as many as half the nation's 600 priests, and at least 161 protestant ministers in six cities had begun to fast and hold special prayer meetings, calling for a resumption of dialogue and for constitutional reform to allow the direct election of the president. The fasting movement, started by fifteen Catholic priests in Kwangju, spread like wildfire through the nation's religious communities.

On April 27, 30 protestant pastors in Kwangju had joined the fast at the Kwangju YWCA. On May 4, 30 protestant pastors in Seoul shaved their heads and launched a hunger strike at the Center for Mission Education, while 20 Inchon ministers started a similar activity in Chaeil Methodist Church, and 10 pastors in Pusan started to fast at Chungbu Church. Supporters of this action and others encouraged overseas friends to phone with messages of support. Telephone numbers of the fasting groups are: Seoul: 2-363-4881; Inchon: 23-426-1384; Pusan: 51-26-9163; Kwangju: 62-524-6507. [Korea's country code for direct dialing is 011-82 + the numbers above.]

On May 7, 34 pastors from the Presbyterian Church of Korea started a prayer fast at the PCK General Assembly Office. An overnight vigil was scheduled by the NCCK to be held May 12.

As of May 7, 12 ministers and 2 priests in Kwangju and several others in Inchon and Pusan had been hospitalized from the fasting, but others continued in their place.

PROTESTANT SERVICE FOR CONSTITUTION MARRED BY POLICE VIOLENCE

Beginning from 8:00 on the evening of May 12, some 1,200 Protestant clergy gathered at A-Hyun Methodist Church in downtown Seoul for an "all-night prayer service for the nation". The church had been surrounded by about 1,000 police since early in the morning, but most of the worshippers had been able to enter the building. However, ministers who had shaved their heads as part of their fast/protest against the cancellation of the constitutional debate were singled out by police for harsh clubbing, as a result of which several ministers require several weeks' hospitalization.

Some 40 ministers who tried to attend the meeting were forced by police into police busses and taken to a garbage dump on an island in the Han River, where they were left.

On May 16, 751 Buddhist monks joined the religious sector protest by issuing a statement calling for the government to revoke the April 13 announcement and denouncing the torture of students.

THOUSANDS OF STUDENTS DEMONSTRATE AGAINST ARREST OF 36 HUNGER STRIKERS

On May 13, at least 3,000 students on Yonsei University in Seoul clashed with police in a demonstration protesting the arrest the previous evening of 36 theological students for engaging in a hunger strike. Police broke up the demonstration with tear gas.

Student demonstrations continued to gather steam in the days leading to the anniversary of the May 18, 1980 Kwangju Incident. On May 18, police reported that 42,000 students were involved in demonstrations on 62 campuses nationwide. The largest demonstrations took place in Kwangju, where some 10,000 students clashed with police. Two police stations were attacked by rock-throwing students. According to preliminary reports, some 300 persons were detained.

POLICE ON HIGHEST ALERT

The National Police Headquarters placed all 120,000 police on highest alert for eight days from May 14 through May 22, in an effort to stop student demonstrations. According to police, "Hundreds of factory workers dismissed for their union activities will be placed under watch" as well. Universities were raided, and most known student leaders were put under surveillance or preventive detention. However, as of May 19, the police activity, while it had prevented large concentrations of students from forming, had not prevented student demonstrations. On the contrary, it had caused them to scatter. On May 19, police estimate that 8,000 students demonstrated on more than 20 campuses in Seoul.

KWANGJU MOTHERS ATTACK POLICE

A group of ten mothers of victims of the Kwangju massacre, visiting their children's graves on May 18, anniversary of the uprising, set upon police with rocks and fists when the police attempted to stop their cemetery visit. They then burned effigies of Chun Doo Hwan.

STUDENTS CHARGE PROVOCATEURS SET FIRE AT HANYANG UNIVERSITY

On May 6, students in two universities, Hanyang University at Panwol near Suwon, and Chosun University in Kwangju, were reported to have set fire to campus facilities in protest against the expulsion of student activitsts. The fire at Hanyang burned three floors of the main campus building. In Kwangju seven cars were reported burned, and another six damaged by students, according to police reports. The students, numbering about 150, "started to rampage shouting slogans that included the resignation of university president Park Chol-ung," according to the Korea Herald. Several professors who attempted to stop the students were injured, the police reported. 17 students were arrested.

The Chair of the Human Rights Committee of the opposition Reunification Democratic Party (RDP), Rep. MOK Yo Sang, said in a statement issued on May 11, that there were many doubtful points in the government's announcement, as to whether the incident had been in fact caused by students. He said the RDP would conduct its own independent investigation. The student body president of Hanyang was arrested on the same day as the incident, but the vice president made his way to the RDP headquarters to present evidence of outsider involvement in the fire to the opposition party's investigating team. As he met with the parliamentarians, the building was surrounded by police, who arrested him as he left.

NEW PARTY INAUGURATED ON MAY 1; GOVERNMENT THREATENS TO ARREST NEW PARTY PRESIDENT KIM YOUNG SAM FOR CONTENTS OF ACCEPTANCE SPEECH

The newly-formed Reunification Democratic Party (RDP) was formally launched on May 1 at a convention attended by 600 party leaders. Kim Young Sam was elected party president, and delivered a stinging challenge to the government in his acceptance speech. Excerpts from his speech included the following:

"We live under a police state where some 120,000 police are massively deployed to restrict and suppress the basic rights and freedoms of the people, yet these police stood idly by and allowed gangster violence to be used in broad daylight against our attempts to found local chapters of our party."

"As soon as we determined to found the Reunification Democratic Party for the sake of substantial dialogue, the regime quickly moved to renounce and refuse dialogue with us. This is clear evidence that they fear a true dialogue which is not some form of fraud or manipulation. At this time those of us who have founded a clear-cut and substantive opposition party based upon the broad support and encouragement of the people of the whole nation intend to speak out confidently. That means precisely that we advocate dialogue which is substantial, not false, dialogue which is straightforward, not fraudulent. That means that we will refuse dialogue which intends to use us in the service of any scheme to prolong dictatorial military rule. We will, however, fear no dialogue whatever which aims toward justice and democratization. We will more than welcome any kind of dialogue which serves the basic rights and freedom of the people of the nation, and respects human dignity and the right of life."

Kim spoke with harsh clarity about the government's plan to hold elections under the current constitution. "We . . . make clear our intention to refuse to participate in a presidential election conducted by a few electors gathered in a gymnasium," he said. "We believe that under the present kind of constitution presidential elections cannot be recognized as elections at all. It is for the same reasons we do not recognize elections in North Korea as true elections either."

Kim made five demands: (1) the immediate withdrawal by President Chun Doo Hwan of his measure of April 13th and the opening of substantial dialogue; (2) the complete restoration of full rights to all those persons who have lost their civil rights unjustly, including Kim Dae Jung, and the release of nearly 2,000 prisoners of conscience; (3) an immediate end of a "politics of torture and violence"; (4) immediate cessation of a "politics of information manipulation" which deceives the people and destroys the principle of democratic politics; (5) an end to the repression and threatening of journalists and press organizations and the guarantee of freedom of the press.

Kim also warned that "if the Olympics are to be a self-advertisement for the government, and if the people are to be forced by the use of government force to participate, then our Olympics will be no more than a reenactment of the Berlin Olympics of 1936 under the Nazis." Government sources immediately called for Kim's arrest, on the grounds that his statements constituted an unwarranted criticism of the state. After several days of threatening such an arrest, the Minister of Justice announced instead that the government would consider banning the new party on grounds that it was detrimental to the political order.

Several organizations such as the Anti-Communist League, and the Veterans Association filed "complaints" against the party. As of May 16, the government had not moved against Kim Young Sam, nor had any steps been taken to close down the new party, but the newspapers continued to report threats by government officials to take these actions.

Government reasons given for banning the new party were focused on one stipulation in the RDP platform, calling for "national unification, transcending ideology, to be the primary national task." The Ministry of Justice contends that this violates Art. 7 of the National Security Law, which bans activities "favoring antistate organizations," by a broad interpretation of the phrase "transcending ideologies and systems" as meaning an acceptance of political systems other than the liberal democratic system. Plans to detain members of the part involved in the drawing up of the party platform were announced, but as of May 17, no arrests had been made. RDP leaders considered the government's move to be aimed primarily at frightening the public away from the new party. In April, one NKDP, now RDP, assembly member, YOO Sung Hwan, was sentenced to two years in prison for advocating a similar line in a speech in the National Assembly.

70 STUDENTS ARRESTED FOR ATTEMPTED MASS RALLY IN SEOUL

The Seoul Prosecutor's office announced the arrest of 70 students on May 6 for their alleged leading roles in a recent aborted anti-government rally on a Seoul street. Twelve others were referred to summary court. They were among 109 people who were rounded up in a police raid while on their way to a place in Karibong-gu, Seoul on Saturday, May 3. The students were arrested, according to the prosecutor, not for any illegal activity they engaged in, but because they were members of "minmintu", a radical student group, and were about to "incite workers by using a large number of "destructive items" such as rocks, pipes, Molotov cocktails and seditious pamphlets.

NATIONAL ASSEMBLY OPENS, CLOSES SPECIAL SESSION

The National Assembly closed a 10-day special session on May 13, after electing chairs for its 13 standing committees. The new ruling party committee leaders were widely interpreted as strengthening Chun Doo Hwan's position in the assembly and weakening Roh Tae Woo. Roh Tae Woo is being whispered about loudly as Chun's choice for a successor, but the Assembly elections suggest either that he will either not be the candidate or, if chosen, will be surrounded by Chun loyalists to restrict his freedom of action.

The two largest opposition parties, RDP and NKDP, boycotted the assembly elections, in protest against the ruling party's refusal to deliberate over President Chun's April 13th suppression of constitutional debate.

PROSECUTOR DEMANDS TWO-YEAR SENTENCE FOR PAIK KI WAN

At Seoul District Court on May 13, the prosecutor demanded a two year sentence for ailing dissident leader Paik Ki Wan, who is standing trial for having presided over a meeting in September to protest the sexual torture of a worker in Puchon, Ms. Kwon In Sook. Paik, who has suffered both physical and psychiatric disorders for seven years as a result of torture under Chun Doo Hwan's Military Security Command in 1979, was recently released from prison to a hospital, after an international campaign protesting the failure of the government to provide him medical care. Paik attended the trial in a wheelchair. The sentencing trial is set for 10 a.m. on May 20.

NEWS ABOUT KOREA FROM WASHINGTON: KOREA TRADE SANCTIONS BILL PROPOSED

Congressman Tom Foglietta (D-PA) proposed in testimony before the House Foreign Affairs Asia and Pacific Affairs Subcommittee (Rep. Stephen P. Solarz, chair) on May 6 that the U.S. should invoke a series of trade sanctions against Korea unless that country moves toward restoration of democracy and protection of human rights. Specifically proposed by Mr. Foglietta were: negative votes for loans for Korea by U.S. representatives at the World Bank and Asian Development Bank, suspension of special trade benefits under the Generalized System of Preferences, suspension of investment insurance for U.S. corporations in Korea (under the OPIC program). If these measures fail to gain some forward movement in democratization, more drastic measures are proposed. In a similar bill about Chile now before the House, those measures included landing rights for the country's airline, (in this case Korean Air Line) and selective import restrictions on key products.

Foglietta's bill, co-sponsored in the Senate by Senators Mikulski, Kerry and others, is expected to be formally introduced next week.

In the May 6 hearing, NACHRK Executive Director Pharis Harvey also testified. Harvey called for these same measures, in particular the invocation of OPIC, GSP and bank loan restrictions. In addition he proposed the holding back of education funds for ROK military officers to study in the United States unless the President has received assurance that the ROK military will not intervene in civilian politics, and for steps to assure that no military officer who has been involved in torturing of suspects is eligible for this training.

On May 17, Rep. Solarz published in the New York Times his own endorsement of strong measures to pressure Chun toward democratic dialogue, including the withholding of bank loans.

100 MEMBERS OF CONGRESS DEMAND KIM DAE JUNG POLITICAL RIGHTS

Under the leadership of Rep. Edward Feighan (D-OH), 100 members of the U.S. Congress have sent a letter to Secretary of State Shultz, asking him to seek opportunities to encourage President Chun to restore Kim Dae Jung's political rights. Kim has been barred from politics for most of the past 16 years, ever since he almost defeated incumbent President Park Chung Hee in the presidential election of 1971. Since April 8 this year, Kim has been under a particularly isolating house arrest, unable to have any visitors except his 3, 5, and 7-year-old granddaughters. It is the 56th time he has been placed under house arrest since he returned to Korea in February 1985.

BILL CALLING FOR U.S. MILITARY WITHDRAWAL PLAN WINS 64 VOTES

On May 8, the House defeated a proposal to request the President to study the feasibility of a phased withdrawal of U.S. ground troops in Korea. The non-binding measure, added to a military appropriations bill, was proposed by Robert Mrazek (D-NY), received 64 votes. It was proposed as a budget-saving measure, based on Korea's economic strength and budget surplus and the U.S. budget deficit. It was not linked to human rights. But opponents of the measure expressed shrill alarm at even studying troop withdrawal, arguing that even to study our military options would undermine the current Korean government's "moves toward democracy." It is not known what moves they imagined the current government is.

[From Korea Weekly Report, June 10, 1987]

NATIONWIDE NIGHT OF PROTEST AGAINST ROH TAE WOO NOMINATION MOBILIZES ONE MILLION KOREAN CITIZENS

LARGEST DEMONSTRATIONS SINCE 1980

An estimated one million people protested June 10 against the Chun Doo Hwan regime as the ruling Democratic Justice (sic) Party staged its convention in Seoul to name Gen. Roh Tae Woo as Chun's successor.

Roh Tae Woo, currently chair of the ruling party, was named by Chun several days ago as the DJP candidate in what promised to be a single-candidate election. The party convention, being held in Chamsil Olympic Stadium, formalized Chun's decision by a unanimous ballot on the afternoon of June 10.

Throughout the country, however, protests against this action cast serious doubt about the government's ability not only to stage-manage a succession, which could claim to be "South Korea's first peaceful transfer of power", but even to peacefully hold the election itself. The demonstrations also made clear that the level of opposition to the government's high-handedness casts an ever-deepening shadow over the holding of the 1988 Olympics in Seoul.

The demonstrations, coordinated by the opposition Reunification Democratic Party and the newly-formed National Council for a Democratic Constitution, called not only for renewed dialogue for constitutional amendment, but for the immediate resignation of Chun Doo Hwan to make way for a transitional government that could oversee a democratic reform. This represented a significant upgrading of the demand of the opposition.

As of midnight June 10, thousands of demonstrators continued to clog the streets of Seoul, Kwangju and Taejon, and sporadic demonstrations continued in other South Korean cities. Total numbers of demonstrators in Kwangju were estimated at over 100,000.

In Seoul, concentrated police force prevented demonstrators from massing more than a few thousand people in any one place, but according to early reports, as many as twenty different demonstrations took place involving from one to five thousand participants. Most were ordinary civilians, rather than students, according to on-the-scenes observers.

At 6:00 p.m., thousands of car drivers began a twenty-minute cacophony of horn-blowing and churches and temples rang their bells. The noise, according to observers, was deafening. The car horns and bells were intended by the opposition to show the regime that its plan to hand-pick Chun's successor is opposed not just by students but by millions of ordinary citizens. It appears to have achieved its goal.

As of 1:00 a.m. June 11 (Seoul time) about 3,000 demonstrators were still massed on the streets in front of the Anglican church's Seoul Cathedral, the main gathering place for demonstrations. The National Police Headquarters placed 12,000 combat troops surrounding the cathedral to prevent the demonstration. Thousands more police surrounded all the universities in Seoul.

One Student Fatally Injured by Tear-Gas Bomb Blow to Back of Head. On the 9th, one business student at Yonsei University, Mr. LEE Han Yol, 20, was declared brain-dead after being struck in the back of the head by a tear-gas canister fired by police who invaded the campus to try to stop student protests against the regime's brutality. He was reported by hospital authorities to being kept alive artificially as of the night of June 10. According to police reports, Yonsei was one of 80 universities where demonstrations are taking place yesterday and today. In Seoul, 23 of 29 universities held demonstrations. South Korea has about 100 universities, and a student population of little over 1 million.

In a Seoul suburb, some 500 students commandeered a railway train, stopping commuter traffic. When police forced them off the train, they lay down on the tracks threatening suicide. It took several hours for the police to forcibly remove them.

Authorities and diplomatic sources said, according to news reports, that it represented the worst night of violence since Chun took power in 1980.

Portents of the 1988 "Tear-gas Olympics": Egypt-ROK Soccer Game Stopped by Tear-Gas; 30,000 Spectators Storm Streets in Anti-Government Demonstration. In Masan, an exhibition soccer game between the ROK and Egypt was underway June 10 when student demonstrations began in or outside the stadium. Police used so much tear-gas to suppress the demonstration that the Egyptian team walked off the playing field in protest and the referee was forced to call the game only after 29 minutes of play. 30,000 spectators stormed out of the stadium in an angry anti-government riot. It is not known how many were arrested.

The match was being broadcast on KBS, the government-owned television network. Due to an apparent slow response by censors, the TV audience was able to review scenes of athletes retching on the benches from the tear gas.

THE RESURRECTION OF PARK CHONG CHUL

New Cover-up Scandal Shakes Government

PARK Chong Chul, the Seoul National University student whose torture death January 14 at the Anti-Communist Bureau of the National Police stirred nationwide protests, has yet again shaken the Chun government and awakened the protests of thousands of angry Korean citizens.

Catholic Justice and Peace Commission Director, Fr. KIM Sung-Hun, disclosed on May 18 that a high-level government operation to cover-up the torture death of SNU student Park Chong Chul had caused two low-ranking policemen to be jailed in place of three higher-ranking police who had been responsible for Park's death, and that at least 200 million won ($250,000) "consolation money" had been paid by higher-level police officials to the families of the two policemen to buy their silence.

The revelation has led to the arrest of three more policemen and five upper echelon officials, and to the resignation of the entire cabinet of President Chun Doo Hwan less than a week after a cabinet shake-up. Chun accepted the resignations of eight ministers, including the prime minister, the deputy prime minister, the head of the Agency for Security Planning (ASP, a.k.a. KCIA), and the ministers of justice and home affairs in an effort to still public anger.

The Catholic Justice and Peace Commission was made aware of the cover-up by the family of one of the policemen, Lt. CHO Han-Kyung. Cho told his family details of the plot when they visited him in prison where he is awaiting trial. In reponse to their appeal, Catholic officials investigated and, when the government refused to act on their findings, announced the case publicly at a mass commemorating the 1980 Kwangju massacre.

The Justice and Peace Commisison and the National Council of Churches' Human Rights Committee issued a joint statement urging an independent investigation by the Korean Bar Association. The opposition Reunification Democratic Party (RDP) also launched a probe and called for a special session of the National Assembly to interrogate responsible officials.

Three additional police were arrested on May 21. However, when the Justice and Peace Commission named five other senior police officials who were allegedly involved in the cover-up, the government reacted swiftly to interrogate the named officers, bringing to ten the number of persons implicated in the case. The five senior officials incluced an assistant national police director, Superintendent General of the NPH, director of the Anti-Communist Investigation Division No. 2, chief of the division's fifth department and the captain who oversaw the interrogation team. On the 28th, the former chief of the National Police, Kang Minchang, was called in for questioning.

Police Arrest 1,170 Anti-Torture Protesters. On May 23, large-scale demonstrations protesting the torture-death cover-up in Seoul were blocked by thousands of tear-gas firing police, who arrested 1,170 persons. 114 were said to face further charges.

"Sweeping Cabinet Changes" Bring Another Chun Crony into Cabinet, Remove Roh Tae Woo's Rivals. On May 26, in a move described as a "sweeping" response to public clamor over the torture cover-up and a recent financial scandal, Chun Doo Hwan reshuffled his cabinet again for the second time in one week, firing the prime minister, the deputy prime minister, the ministers of home affairs, finance, justice, legislation and the director of the Agency for Security Planning (ASP). This move took out of government three key rivals to Roh Tae Woo, the leading contender to replace Chun as president—former prime minister Loh Shin Young, former home minister, (Gen.) Chung Ho Houng and ASP (KCIA) director Chang Se Dong. It brought a close follower of Chun, (Gen.) Ahn Moo-hyuk, who headed up Chun's 1980 "Purification Campaign" to rid government, press and labor of reform elements, into the cabinet in a powerful post. Other changes included naming Chung In Yong, the brother of the president of Hyundai Corporation as the Minister of Finance. Perhaps Chun was responding to the Washington Post's call for a "Hyundai Level of Democracy" in a recent editorial.

Bar Association Barred from Investigating Torture Case. On May 26, the Korean Bar Association said its fact-finding team was barred from meeting two policemen imprisoned for their alleged roles in the death of student Park Chong Chul. The attempted to visit Uijongbu Police station, where the men were detained, but, according to a statement they issued, "Because of uncooperative prison authorities, we were unable to meet with the two men."

Seoul Prosecutor Learned of Fabrication February 27. It was learned this week that the Seoul Prosecutor's office had been informed of the police cover-up on February 27, but had carried out no investigation. The KBA in its challenge also noted that the Minister of Justice, Kim Sung-Ky, had paid a highly unusual visit to the two policemen while they were under detention on February 28. Kim was replaced as justice minister in last week's cabinet shuffle. In response to the demand for an independent investigation, the Prosecutor's Office asked the Catholic Church officials and the KBA to submit any further evidence to them for use in the government's case. Father Kim Sung Hun answered that the government already has the facts, but that if they are not made public in the course of the trial, the church will speak publicly again.

NEW CHARGES OF TORTURE BY PRISONERS' FAMILIES

The Washington Times reported on June 2 that the families of 16 political detainees have levied new charges of torture of their relatives. The detainees were all being held in connection with charges of having links to forbidden labor organizations. The wife of one of the 16 prisoners, Soh Won Ki, told the Times' reporter that Mr. Soh had been detained on April 27 of this year. When she was first allowed to visit him on May 6, he had been unable to eat for three days due to pain from torture. He had been beaten, given water torture and subjected to electric shock. Soh and fifteen others expect to be indicted this week in the case of Namroryon, an allegedly left-oriented labor study group.

Soh's wife, Ms. LEE Kyong Eun, said her husband was taken into custody from a restaurant he owns by nine men who identified themselves as tax officials and held without contact with family or attorneys much longer than the legal 48 hours. She copied down a license plate number from their automobile and traced it to the Anti-Communist Bureau, the same bureau that tortured Park Chong Chul.

67 LEGISLATORS FAST IN ASSEMBLY HALL

Sixty-seven opposition legislators carried out a three-day hunger strike in the National Assembly chamber from June 3 to June 6 in protest against the government party's refusal to participate in a special session of the assembly. By Korean law, one third of the members of the Assembly can petition for a special session. The three opposition parties submitted a request for the session, which was duly scheduled to open June 3, in order to interrogate government officials about the cover-up of the Park Chong Chul torture case. However, the ruling party refused to attend.

700 MONKS PROTEST TEAR-GASSING OF TEMPLE

On Sunday, May 31, 700 Buddhist monks and lay members clashed with tear gas-firing police when they protested the disruption of a memorial service on May 18 at a temple in Kwangju by police who fired tear gas into the temple while the service was underway. The demonstrators were mostly monks who had gathered from 50 major Buddhist temples across the country to register their outrage at the police action.

THREE JOURNALISTS FREED IN "MAHL" CASE

In response to international as well as domestic concern, the Chun government freed three journalists who had been arrested since December for allegedly publishing a detailed description of the government's "press guidelines" for controlling the content of news coverage.

The three, KIM Tae Hong, KIM Jun Hon, and SHIN Hong Bom, had been the object of an international appeal, especially by organizations such as International PEN, Amnesty International, and the U.S.-based Committee to Protect Journalists. South Korea is bidding to host the 1988 international convention of International PEN. The release of the three (two on suspended sentences, the third on an almost-unprecedented acquittal) is seen as related to the government's desire to play down criticism of its press censorship as it seeks the hosting of PEN's conference. (The U.S. Center of PEN international has strongly protested the hosting of the 1988 meeting under current conditions.)

Just days before the two were released, the Korean Catholic Church awarded all three its 1988 Freedom of the Press Award.

CHUNJU MINISTER COMPLETES 40 DAY FAST

It is reported that on June 3, Rev. KANG Hi Nam, presbyterian minister who is in jail in Chunju, completed a 40 day fast to protest the unfair conditions of his trial on political charges. His health is unknown.

DEMOCRACY IN SOUTH KOREA ACT

● Mr. KERRY. Mr. President, South Korea is in crisis. The country is facing the most severe internal unrest since the civil war of the 1950's. Thousands upon thousands of students have taken to the streets. They have been joined by others from all walks of life. Middle class office workers, business people, and even the clergy have joined the protest.

South Korea is in crisis and the government of President Chun is responding with increased repression. He has unleashed the riot police who have blanketed the Republic's cities with tear gas. The government has arrested thousands of people. One day last week 2,393 people were arrested in Seoul alone. Another 1,500 or so were arrested in other cities around the nation. Hundreds of people: police, protesters, and innocent civilians have been injured.

South Korea is in crisis and President Reagan is still pursuing quiet diplomacy. But the time for courting President Chun is over. How the United States responds to the current situation will have an immense bearing on both the future of that nation and on our relations with it.

The United States has longstanding interests in Korea. I think there is consensus in this Congress that we all want continued security for the Korean people. We all want continued mutually beneficial economic relations. And we all support the creation of democratic institutions. But it is becoming increasing clear that democracy in South Korea—something we all want—is nonexistent.

We have helped the South Korean people achieve security. Americans fought and died alongside of South Koreans during the 1950's. Since that time we have had a strong military presence in South Korea—currently some 40,000 United States soldiers are stationed in the Republic.

We have promoted close economic relations with the Korean people. It is, of course, the efforts of the Korean people who are responsible for their astounding economic success, but we have encouraged their achievement. South Korea is now the seventh largest trading partner of the United States and over 40 percent of their exports come to the United States.

But what about our efforts to help the Korean people achieve democracy? There's been some rhetoric from both the Congress and the administration, but little else. Quiet diplomacy and the familiar refrain of "noninterference in Korea's internal affairs" are simply not adequate responses to the present crisis. We have significant interests in the Republic of South Korea and it is becoming increasingly clear that the lack of democracy in that country threatens not only political disintegration but economic chaos and military insecurity as well.

The present crisis in South Korea stems from President Chun's decision last April to curtail debate on constitutional reform and to press ahead with the current election process that virtually assures Mr. Chun's handpicked successor, Mr. Roh Tae Woo, will assume the Presidency next year. But protest was building even before that decision. The roots of the current crisis run much deeper than election reform. Election reform is crucial, but democracy means much, much more.

Democracy means genuine respect for human rights and constitutional guarantees for those rights. While freedom of expression is written into the Korean constitution, there are numerous other laws which render this right meaningless. For instance, there is a law which bars labor unions from political activity. There is a law, liberally construed by the police, which forbids any gathering deemed to fan unrest. There is a law which bans publication of any news which might create social unrest. There is a law that forbids criticism of the state to foreigners. And on and on.

Under one or more of these laws some 5,300 people are in prison or detained and awaiting trial. According to the Korean Government, over 7,000 people were detained last year for political violations. Many were jailed by summary courts without trial. In the last 3 weeks alone, the Government has announced the detention of over 4,000 people, most of whom are presumed still in custody.

Democracy means an end to torture. In January, a Seoul National University student was tortured and died. After a Government investigation the President fired the Minister of Home Affairs and the chief of police. But Amnesty International alleges that the torture of political prisoners has continued. And it will continue until there are laws on the books that prevent prisoners from being detained for long periods of time without being formally charged and without access to a lawyer.

A successful United States-Korean relationship requires a reasonable approach to the current political confrontation. American objectives should be clear: First, a peaceful transition of South Korean leadership, second, the formation of a government enjoying greater legitimacy through fair elections, and third, increasing civilian control and participation in the Government of South Korea.

Should South Korea fail to achieve these objectives it is clear that political disintegration will continue until popular unrest topples the regime or until the more likely scenario occurs—another military coup. That would be disasterous for American interests in South Korea, not to mention for the South Korean people themselves.

I am cosponsoring and avidly support the proposed sanctions against South Korea. These sanctions will not weaken Korean security or seriously hurt the Korean people. But they will send a clear message to President Chun that the American people and the American Congress oppose his draconian approach to governing. No longer can he forstall constitutional reform.

The people of Korea will ultimately decide the nature of their government. It may take months or it may take years, but they will decide. And they will do so with or without the assistance of the United States. But if we do not soon cast our lot with the Korean people, we can be sure that in the future, our Nation will suffer a loss of influence and will incur the scorn of a people who should, in terms of our own traditions and values, be among our strongest allies.●

● Ms. MIKULSKI. Mr. President, I join here today with my colleagues to cosponsor a bill that I hope will promote democracy in South Korea, and protect America's vital security interests in the region.

America and South Korea have a history of working together, fighting together, and trading together. As we stand here, 42,000 American troops are stationed in South Korea, keeping the peace in this critically important region. America is also South Korea's largest trading partner, and South Korea has enjoyed many economic benefits under the generalized system of preferences.

But what South Korea does not have today is democracy. The time is at hand for this country to stand with those in South Korea who seek to bring about democratic reforms. We cannot afford to defend the status quo when the status quo is repression and dictatorship. There is violence in the streets, unrest in the universities and instability within the Government. In a move reminiscent of an episode in the Philippines, nuns and priests have joined with businessmen and students to speak out for democracy and against the dictatorial methods of President Chun Doo Hwan.

Unfortunately, these are voices that President Chun doesn't want to hear. Since his military coup in 1980, Chun has used every method possible, including torture and denial of political and human rights, to suppress any moves toward democratic reform. Recently, Chun suspended dialog on constitutional reforms until after the summer Olympics in 1988. Yesterday, he closed the universities to try and end the demonstrations.

This action has spawned the latest and most serious wave of unrest in Korea—one that could seriously destabilize the entire country and threaten the security of the region. One unfortunate outcome of the recent violence is a rising tide of anti-American sentiment. This happened because our country has not acted swiftly or decisively enough against the repressiveness of Chun's regime.

My hope, in cosponsoring this bill, is to send a clear signal to President Chun and the South Korean people that the United States is deeply concerned about the stability of South Korea and the urgent need for democratic reform. I hope that they will heed this message. We have invested too many lives and too much money to turn our backs now.●

By Mr. HEINZ (for himself, Mr. Chiles, Mr. Grassley, Mr. Glenn, Mr. Moynihan, Mr. Dole, Mr. Roth, Mr. Burdick, Mr. DeConcini, Mr. Gore, Mrs. Kassebaum, Mr. Levin, Mr. Lugar, Mr. Matsunaga, Mr. Mitchell, Mr. Simon, Mr. Stennis, Mr. Stevens, Mr. Cochran, and Mr. Wallop):

S. 1393. A bill to amend title 39, United States Code, to designate as nonmailable matter any private solicitation which is offered in terms expressing or implying that the offeror of the solicitation is, or is affiliated with, certain Federal agencies, unless such solicitation contains conspicuous notice that the Government is not making such solicitation, and for other purposes; to the Committee on Governmental Affairs.

DECEPTIVE MAILINGS PREVENTION ACT

Mr. HEINZ. Mr. President, Social Security is the major source of retirement income for most older Americans today. As our colleagues know, the people's confidence in the system was badly shaken a few years ago.

There was a period of economic crisis but thanks to the work of the Congress, the President, and National Commission on Social Security Reform, Social Security is now solvent. But still, many of our older citizens feel upset and threatened by claims that the program is in financial trouble again.

Yet there are organizations in this country that use the postal system to effectively undermine confidence in both Social Security and Medicare. These organizations market anxiety and apprehension. They make a fast buck through direct mail campaigns forecasting financial gloom for these programs because they allege they are in the hands of unscrupulous politicians. They claim that only a contribution to some national "lobby" group will keep the programs safe and solvent.

Mr. President, today I am introducing legislation to protect our Nation's seniors from these false postal prophecies by false prophets and I am pleased that Senator Chiles, himself a former chairman of the Aging Committee, has joined with a number of others in cosponsoring this legislation.

I might note that over the last few years I have received many letters from older constituents who believe they have been frightened into making contributions to these lobbies, they cannot afford to make.

Indeed, a 79-year-old constituent of mine, a woman from the Pittsburgh area wrote me to complain of one campaign's scare tactics and constant request for money. As she said, "You might as well shoot old people as worry them to death." She wrote and asked what could be done to prevent this particular group from further mailings.

Mr. President, many of these organizations intentionally mislead the elderly by wrapping their mailings in a cloak of officialese. Some disguise the envelopes to look like those the Government uses to mail Social Security benefit checks. Others put urgent warnings on the front—such as "important Social Security and Medicare information enclosed"—to capture 100 percent attention from the unsuspecting recipient.

The legislation I am introducing today will help aged recipients of misleading mailings deal with the contents in a more informed manner. The Deceptive Mailings Prevention Act of 1987 would require any organization requesting contribution for lobbying activities or services related to Social Security and Medicare to specify that it is a private solicitation and not a request by an agent of the Federal Government. This would be done first by requiring the organization to print conspicuously on the envelope of outside wrapper of their mailing the message: "private solicitation enclosed."

The first page of all such mailings must have printed in large type, "This product, service, or solicitation is being offered by a private organization. This organization is not affiliated with the Federal Government or any Federal agency."

To effectively prevent deceptive mailings to the elderly, this proposal has been given some teeth in the form of stiff financial penalties and possible imprisonment for violators. I might add that we have worked closely with the U.S. Postal Inspection Service in drafting this legislation and have been particularly sensitive to their needs for stricter penalties for enforcement.

Mr. President, the Congress and the American people have worked hard over the years to maintain the financial and administrative soundness of our Federal programs for older citizens. We should not tolerate attempts to undercut these efforts by unorthodox mailings. Freedom of speech is a fundamental and precious right to be protected under the law. But freedom of deceit is neither a right nor an option in America and should be punished with the full force of the law.

The net effect of our legislation is to permit people to say whatever they want but not to be able to pretend that it is we in Washington, DC, or the Social Security Administration or some other agency of the Federal Government that is saying it and perhaps misleading them at the same time.

Mr. President, I ask unanimous consent that the bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 1393

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Deceptive Mailings Prevention Act of 1987".

PROHIBITION OF CERTAIN DECEPTIVE SOLICITATIONS

Sec. 2. Section 3001 of title 39, United States Code, is amended by redesignating subsections (f) and (g) as subsections (g) and (h), respectively, and by inserting after subsection (e) the following new subsection:

"(f)(1) Matter otherwise legally acceptable in the mails which—

"(A) constitutes a solicitation by a nongovernmental entity for any contribution or payment or for the purchase of a product or service; and

"(B)(i) contains a seal, insignia, trade or brand name, or any other term, symbol, design, or device which reasonably could be interpreted or construed as representing, expressly or by implication, that the offeror of the solicitation is, or is affiliated with, the Social Security Administration, the Health Care Financing Administration, the Office of Family Assistance of the Department of Health and Human Services, the Veterans' Administration, the Office of Personnel Management, the Federal Retirement Thrift Board, or the Thrift Investment Management System, or any program carried out by any such administration, office, board, or system; or

"(ii) mentions, by name or implication, the Social Security Administration, the Health Care Financing Administration, the Office of Family Assistance of the Department of Health and Human Services, the Veterans' Administration, the Office of Personnel Management, the Federal Retirement Thrift Board, or the Thrift Investment Management System, or any program carried out by any such administration, office, board, or system,

is nonmailable matter, shall not be carried or delivered by mail, and shall be disposed of as the Postal Service directs, unless such matter complies with paragraph (2) of this subsection.

"(2) Matter to which paragraph (1) of this subsection applies is nonmailable matter unless—

"(A) such matter bears on the first page of its face, in capital letters and in conspicuous and legible type in contrast by typography, layout, or color with other printing on its face, in accordance with regulations the Postal Service shall prescribe, the following notice: 'THIS PRODUCT, SERVICE, OR SOLICITATION IS BEING OFFERED BY A PRIVATE ORGANIZATION. THIS ORGANIZATION IS NOT AFFILIATED WITH THE FEDERAL GOVERNMENT OR ANY FEDERAL AGENCY.', or a notice to the same effect in words which the Postal Service may prescribe; and

"(B) the envelope or outside cover or wrapper in which such matter is mailed bears on its face in capital letters and in conspicuous and legible type, in accordance with regulations the Postal Service shall prescribe, the following notice: 'PRIVATE SOLICITATION ENCLOSED'.".

PRIMA FACIE EVIDENCE OF VIOLATION

SEC. 3. Section 3005(a) of title 39, United States Code, is amended by striking out "section 3001(d)" each place it appears and inserting in lieu thereof "section 3001(d) or section 3001(f)".

PENALTIES

SEC. 4. Chapter 83 of title 18, United States Code, is amended by inserting immediately after section 1717 the following new section:

"§ 1717A. Nonmailable matter relating to private solicitations implying affiliation with certain Federal agencies

"(a) Except as provided in subsection (b), whoever deposits for mailing and delivery, or causes to be delivered by mail according to the direction thereon or at any place to which it is directed to be delivered by the person to whom it is addressed, any matter declared to be nonmailable by section 3001(f) of title 39, shall be fined not more than $1,000 or imprisoned not more than one year, or both.

"(b) Whoever knowingly deposits for mailing and delivery, or knowingly causes to be delivered by mail according to the direction thereon or at any place to which it is directed to be delivered by the person to whom it is addressed, any matter declared to be nonmailable by section 3001(f) of title 39, shall be fined not more than $5,000 or imprisoned not more than five years, or both.

"(c) Each individual item of mail matter which is deposited for mailing and delivery, or which is caused to be delivered by mail, in violation of subsection (a) or (b), shall constitute a separate and distinct offense under such subsection.".

(b) The table of sections for chapter 83 of such title is amended by inserting after the item relating to section 1717 the following new item:

"1717A. Nonmailable matter relating to private solicitations implying affiliation with certain Federal agencies.".

● Mr. CHILES. Mr. President, I am pleased today to join the senior Senator from Pennsylvania in introducing the "Deceptive Mailings Prevention Act of 1987".

I would like to share with my colleagues part of a letter I received earlier this year:

> I thought they were legitimate because I remember President Roosevelt as a great President * * * I am disability retired and depend solely on my Social Security and the small amount from the VA for my income. I have faithfully been sending contributions and $10 membership fees each year to the NCPSSM. I guess I have sent at least $400 * * * I really wish I could get it refunded. I really need the money.

And, here is another:

> I received another letter from them yesterday asking for more money. I am enclosing their latest appeal, I feel that I have had more than my share of being frightened about the risk of losing my pension. I hope someone is able to stop this organization from continuing these scare tactics on old people.

Mr. President, these letters are only a couple of examples out of the hundreds and hundreds I have received over the last few months. The authors of these letters are describing an experience which more and more people are sharing.

They are only two of the thousands of individuals in Florida who received doomsday letters from James Roosevelt's National Committee to Preserve Social Security and Medicare, telling them that they must act "right now to save Social Security and Medicare." Convinced by this sense of urgency, they responded to his request for a $10 membership payment. This turned out to be the first of frequent requests for money. Later, they heard reports about the organization which made them strongly regret having ever sent them their hard earned money.

I'd like to help prevent this scenario from being continually repeated. Mail solicitations of contributions should be based on sound facts—not shaky half-truths.

Social Security is not on the verge of collapsing. Through a series of amendments passed in the early 1980's, Congress strengthened the financial status of the system. In their 1987 annual report, the trustees of the Social Security retirement trust funds concluded that the system will be safe and stable over the next 30 years.

For those looking for a fast dollar without expending a great deal of effort, this has turned out to be a bonanza. At least count, there are at least eight separate organizations that are mailing out solicitations to our Nation's elderly dealing with Social Security and Medicare. The closer they can come to presenting themselves as official agencies the better chance they have of obtaining contributions from our older citizens. I have even received a letter from a retired vice squad officer who admitted he was initially taken in by these official looking documents.

The simple truth is that Social Security funds are not being raided for other spending purposes. Current law protects the Social Security trust fund from being used for anything other than paying Social Security benefits and administrative costs related to its operation. Further, Congress set Social Security aside from the Federal budget process in December of 1985. I should know, being chairman of that committee.

Social Security is the lifeblood of many Americans. Because it affects so many of us, Government and organizational leaders must address the status of the Social Security system in accurate terms, so that we can strengthen public confidence—not only of our Nation's seniors who depend heavily upon it—but also of our young people whose futures may rely on it as well.

Mr. President, we in Congress cannot pass legislation mandating that organizations and individuals not slant information, or use half-truths in mail solicitations. In a free country, such as ours, we have freedom of speech. I cherish that freedom and would do nothing to abridge it. While we cannot guarantee the truthfulness of the contents, we can at least do our best to make sure that the persons receiving this type of solicitation will clearly know from whom it came, and what its purpose is. I believe this legislation would help achieve that objective and I hope our colleagues will join us in supporting it.●

● Mr. DeCONCINI. Mr. President, I am proud to join the distinguished Senator from Pennsylvania [Mr. HEINZ] and others in sponsoring legislation designed to protect thousands of older Americans from the psychological and financial abuse they are now face by deceptive solicitors for contributions to protect their Federal benefits. This is an issue of great concern to me, and I urge my colleagues to join in our efforts.

I am sure that we all have heard of the very organized, high-pressure techniques of the modern medicine man which have been used to market youth-restoring beauty aids, as well as cures for cancer, arthritis and other afflicting ailments. Unfortunately today, some of the misleading tactics are used in mail order fund-raising campaigns for the lobbying activities of some organizations representing of beneficiaries of Federal old age pensions, disability insurance and medical care. Some disreputable firms have gone so far as to disguise their requests for support in the same type of envelopes which these beneficiaries receive their monthly checks and notices from Federal agencies. To many older Americans, such practices frighten them into contributing to these unreputable organizations.

Mr. President, this bill being introduced today does not prohibit the solicitation of funds for organizations that lobby or provide other services for recipients of Federal benefits. It, instead, would discourage any of these organizations from implying that they are authorized, or supported by any Federal agency, to solicit funds for their activities by threatening them with stiff fines and possible imprisonment. Given the difficulty in proving beyond reasonable doubt that any organization intended to deceive the individual receiving the mailing, this bill requires that a disclaimer be placed on the envelope or wrapper, and that the enclosure also bear the disclaimer specified in the language of the bill. The bill would not solve the entire problem of proving the specific intent to deceive, but violations of this bill would serve to provide additional proof of such intent, and an added deterrent to the commission of mail fraud.

It is indeed unfortunate that the vast majority of these organizations that do not attempt to scare contributions from senior or disabled individuals would also be required to add to their mail subscriptions a disclaimer that they are not agents of any Federal agency. This certainly would add to their costs and, in turn, reduce the funds available to provide their services. However, the alarming increase in the use of deceptive solicitations threatens to destroy the credibility of even the most honorable of these private organizations, and is robbing the most needy of the precious dollars on which they barely survive.

Mr. President, I applaud the leadership that my distinguished colleague, Senator Heinz, the ranking member of the Aging Committee, has taken on this issue of great importance to so many Americans. His staff has spent a great deal of time working with the Postal Service and Direct Mail Marketing Association in developing a strong and effective deterrent to such unsavory practices. I urge my colleagues to join us in supporting these efforts to protect those that can least afford to be so victimized.●

● Mr. GRASSLEY. Mr. President, many of us have become sick and tired of the constant barrage of scare tactics, high pressure sales campaigns, and out-right misrepresentation used by some unscrupulous groups and businesses in mail or television solicitations designed to con money out of older people.

I am therefore pleased to cosponsor the legislation being introduced today by my colleague from Pennsylvania, Senator Heinz. I think that this legislation addresses a real problem, Mr. President, and one on which it is high time something was done.

Many older people must live on relatively modest incomes. Many are dependent on Social Security as their sole source of income. Most older people, of course, are dependent on the Medicare Program for their health care. Therefore, when they are the target of advertisements, through the mail or on television, which imply that those benefits are in jeopardy, even when such claims are completely untrue, they are understandably concerned.

Sometimes such solicitations offer services, almost always for a fee, which older people could get free from the Social Security Administration, from the Health Care Financing Administration, from some other executive branch office, or from the offices of their Members of Congress.

It's particularly galling when the groups conducting such solicitations employ confusing terms, seals or insignias that imply that a Government sanction or approval is involved, or even that the message is coming from a Government agency. I've even seen letters to Medicare or Social Security beneficiaries that are understood by some constituents as coming from me, or as endorsed by me. All of this borders on misrepresentation, and it is easy to see why people who are ill able to afford it will send money in response to these solicitations.

A good example of what I am talking about is a mass mailing by a group that calls itself the Bureau of Social Security Services. They have offered to check the earnings record of those who receive the mailing. Individuals are told that by enrolling in a plan offered by the Bureau of Social Security Services they will obtain an official Bureau of Social Security Services membership kit with an application for a Social Security account statement. The fee for this service is $7 per year. The Federal Government provides this service free of charge to any individual who requests it. This fact is nowhere noted in the mailing.

As do most of my colleagues, I receive from constituents copies of some of the mail solicitations with which this legislation is designed to deal. Often they ask whether they should send in $10 to a particular organization. Sometimes they are annoyed by the solicitation and ask me to do something about it.

I am therefore pleased to cosponsor this legislation, and urge my colleagues to lend their support to it.●

● Mr. GLENN. Mr. President, I am pleased to join my colleagues in introducing the Deceptive Mailings Prevention Act of 1987, legislation to help prevent older Americans from being misled by mailings they receive from private organizations. These mailings are easily mistaken for official Government documents and raise fears about Government programs. People become very concerned about their Social Security and Medicare benefits when they receive official-looking documents soliciting donations in order to "save" these programs. During the past several years, I have heard from thousands of Ohioans in response to such mailings.

I believe it is deplorable to prey on the fears of the elderly, many of whom are very dependent on Social Security and Medicare, in order to raise money for so-called lobbying activities to benefit them. And I have objected strenuously in the past when mailings are sent out that include my name and the names of other legislators, giving the impression that we are somehow affiliated with the organization or endorse its request for donations. In many cases, constituents are so confused by these mailings that they send money directly to me rather than to the private organization. Along with returning the money, I assure these people that it is not necessary for anyone to join an organization in order to share their opinions and questions with me or to request my position on any issue.

The Deceptive Mailings Prevention Act of 1987 would require private organizations requesting contributions for lobbying activities or services related to Social Security, Medicare, and other Federal programs to print the following on their mailings:

On the envelope—"Private Solicitation Enclosed"; and

On the face of the mailing—"This product, service or solicitation is being offered by a private organization. This organization is not affiliated with the Federal Government or any agency of the Federal Government."

In order to prevent deceptive mailings to the elderly, our legislation provides stiff financial penalties and possible imprisonment for those who violate its provisions.

I urge my colleagues to join in supporting the Deceptive Mailings Prevention Act of 1987. We must put an end to tactics that raise fears about Federal programs, particularly Social Security and Medicare, that are so important to virtually all Americans. Congress has acted to ensure the solvency of Social Security well into the 21st century, and we will continue to improve the Medicare Program and to protect if from budget cuts.●

● Mrs. KASSEBAUM. Mr. President, I strongly support the Deceptive Mailings Prevention Act of 1987. I am disturbed by what I find to be an increasing number of direct mail campaigns targeted at senior citizens and Social Security recipients.

I am sure you can all imagine the reaction of a senior citizen on receiving an official-looking envelope stamped with: "Official Documents—Urgent—Important Social Security and Medicare Information." This is just one example of a private organization's attempt to disguise their mailing so that it appears to come from an agency within the U.S. Government. These deceptive scare campaigns are reprehensible. They create an atmosphere of confusion, panic, and fear among the members of our older generation.

Many elderly citizens have limited financial resources and depend on Social Security benefits as their primary source of income. An announcement from what would appear to be an agency of the Federal Government threatening a loss of benefits naturally invokes fears of poverty and a reduced standard of living. The livelihood and fears of senior citizens should not be subject to such deceptive threats.

The legislation introduced today, would address the deception that has plaqued these mass mailings. It would require the soliciting organizations to inform the recipients that they are private and not affiliated with any agency of the Federal Government. Such disclosure statements will help recipients better understand the source of these mailings and the validity of the enclosed claims. It will help eliminate the atmosphere of fear and confusion surrounding the Social Security issue and enable our senior citizens to make more informed decisions on how they want to spend their often limited financial resources.●

By Mr. STENNIS (for himself, Mr. COCHRAN, Mr. BENTSEN, Mr. BIDEN, Mr. BOREN, Mr. BREAUX, Mr. BUMPERS, Mr. BURDICK, Mr. CHILES, Mr. CRANSTON, Mr. DASCHLE, Mr. DECONCINI, Mr. DOLE, Mr. DOMENICI, Mr. DURENBERGER, Mr. EVANS, Mr. FOWLER, Mr. GARN, Mr. GORE, Mr. GRAHAM, Mr. HATCH, Mr. HEFLIN, Mr. HEINZ, Mr. HELMS, Mr. HOLLINGS, Mr. HUMPHREY, Mr. INOUYE, Mr. JOHNSTON, Mr. KARNES, Mrs. KASSEBAUM, Mr. KASTEN, Mr. KERRY, Mr. LAUTENBERG, Mr. LEVIN, Mr. MATSUNAGA, Mr. MCCAIN, Mr. MCCLURE, Mr. MELCHER, Mr. NICKLES, Mr. NUNN, Mr. PELL, Mr. PRYOR, Mr. RIEGLE, Mr. SANFORD, Mr. SASSER, Mr. SHELBY, Mr. SIMON, Mr. STEVENS, Mr. THURMOND, Mr. TRIBLE, and Mr. WARNER):

S.J. Res. 164. Joint resolution to designate June 25, 1987, as "National Catfish Day"; to the Committee on the Judiciary.

NATIONAL CATFISH DAY

Mr. STENNIS. Mr. President, today I am pleased to introduce a joint resolution establishing June 25, 1987, as "National Catfish Day." I am joined in this by many of my colleagues who recognize the importance of catfish to the economy of States like my own and, in fact, of the entire Nation.

Originally, this fish was appreciated as a delicacy only in the South, but as more people around the United States and abroad have discovered it, its popularity has grown, and the demand for catfish has soared. Certainly, it is appropriate now to have 1 day when we all recognize the contribution catfish has made to the physical and economic well-being of so many of this Nation's citizens.

According to the American Heart Association, seafood is an ideal food in a "heart healthy" diet, and catfish is a delicious item in that category. It is low in total fat, saturated fat, cholesterol, and sodium. On the other hand, it is high in protein and is a good source of important vitamins and minerals.

While it is low in calories, catfish has a delicious taste, and I could go on for some time about different catfish recipes, much as my dear friend and former colleague, Russell Long, used to talk about rice dishes. But there is a more important aspect of this issue which needs discussion—the economic importance of catfish.

In 1977, there were about 56,000 acres of catfish ponds in the United States. Just 10 years later, that figure has more than doubled. In 1986, 15 States had over 115,000 acres in commercial catfish ponds.

These fish ponds translate into jobs for our citizens. In Mississippi, the catfish industry employs almost 6,000 people in production, processing, and feeding, with an annual payroll of more than $72 million. I am told that for every additional 10 million pounds of catfish sold, 220 direct and 1,100 indirect jobs are created, for a total of 1,320 new job opportunities. This is especially important for a State like Mississippi where unemployment remains several percentage points higher than the national average.

The catfish industry also means the influx of sales revenues into the economies of our States and our Nation. In 1986 sales of catfish—live and processed—and catfish feed exceeded $600 million in total revenues in Mississippi.

Mr. President, I hope that it is clear to all in this Chamber how important catfish are for Mississippi and the Nation. If we adopt this resolution, it will help to make the rest of the Nation more aware of their importance. Therefore, I urge my colleagues to join me in passing this resolution, which is identical to a resolution adopted by the House of Representatives on May 11, 1987.

By Mr. BRADLEY (for himself, Mr. KARNES, and Mr. WIRTH):

S.J. Res. 165. Joint resolution expressing the sense of the Senate and the House of Representatives that the President is authorized and requested to issue a proclamation declaring June 27, 1987, as "National Sokol Day in the United States"; to the Committee on the Judiciary.

NATIONAL SOKOL DAY IN THE UNITED STATES

● Mr. BRADLEY. Mr. President, I rise today with my colleagues from Nebraska [Mr. KARNES] and from Colorado [Mr. WIRTH] to honor a very significant event to be held in the District of Columbia from June 24 to 27, 1987, known as the Sokol USA slet.

The Sokol is a fraternal organization founded by Miroslav Tyrs in Czechoslovakia in 1862 and brought to the United States by immigrants. It has since become a national organization known as the Slovak Gymnastic Union of the United States of America.

On this 125th anniversary of the organization, members from the United States, Canada, and Europe will meet in the District of Columbia for a gymnastics competition, followed by a slet, which is a gymnastics festival, at the District of Columbia Armory on Saturday, June 27.

Mr. President, in the 1850's many immigrants from Europe sought to find a new home in America. Among them were the Czechs and Slovaks, who began organizing cultural, fraternal, and gymnastic organizations soon after their arrival. On March 14, 1865, the Czechs organized their first Sokol group in Saint Louis, 3 years after Dr. Miroslav Tyrs and Jindrich Fuegner began their Sokol physical education movement in Praha. The Sokol in all Slavic languages means falcon, a bird representing strength and fearlessness. The aim of the organization was the moral and physical regeneration of their people.

The Sokol system of gymnastics is unique. Its founder and originator, Dr. Miroslav Tyrs, employed a very basic tenet—"a sound mind in a sound body." He also believed that Sokol system of gymnastics is for the masses and should depend on volunteers. He, therefore, adopted a motto: "No personal profit or glory." The Sokol system of gymnastics insists that gymnasts participate in all apparatus events and calisthenics.

Today a preponderant majority of the members of the Sokol organization are American born. Every 2 years the Sokol slets are held in the various cities of the United States, where the Sokol units are in existence. There have been a number of memorable slets—Soldier's Field in Chicago, Madison Square Garden in New York City, Triboro Stadium in New York City, the Coloseum in Pittsburgh, and now, to follow the geat tradition, in the Armory in Washington, DC.

Mr. President, as we struggle for equality for women in our society, it serves to the credit of the Sokols that women were a part of the Sokol movement. Women participate on every level equally with men in the gymnasiums or in the Sokol slets; there has never been a differentiation between the sexes in helping to develop into a healthy human being.

To commemorate the centennial of the Sokol, on February 15, 1965, the United States recognized the contribution that the Sokol movement made to the United States with the issuance of the Sokol commemorative postage stamp in Washington, DC.

And now it is fitting, Mr. President, that we commemorate the 125th anniversary of the Sokol with the Sokol USA slet and national gymnastic championship from June 24 to June 27. Over 1,000 gymnasts, young and old, men and women, will participate in both the gymnastic championship, which will take place beginning on June 24 in the gymnasium of the Gallaudet University, and culminating in the Sokol slet in the Washington Armory with participants and visitors from many of the countries of the free world.

We are proud to inform our colleagues of an event of this magnitude and of an organization that has done so much to enrich our country's heritage. We commend Czechoslovakians who continue to support this wonderful tradition.

I ask unanimous consent that a copy of the resolution be printed in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 165

Whereas, the Sokol, an association of Americans whose ancestry hails from Czechoslovakia and who are dedicated to gymnastics, physical fitness, equality of the sexes, freedom, and democracy, is celebrating the 125th anniversary of its existence with a national festival, called the XX Sokol USA National Slet, on June 27th, 1987 in the Washington, D.C. Armory; and

Whereas, the Slet will be attended by thousands of gymnasts, young and old, men and women, from many parts of the United States who, like Sokol's founder, Dr. Miroslav Tyrs, strive for, "A sound mind in a sound body," for "no personal profit or glory;" and

Whereas, the Sokols since their inception have always been firm believers in democracy and were a very important element in the struggle of the people of Czechosolovakia for their freedom during World Wars I and II; and

Whereas, the Sokols were one of the first organizations in the United States which promoted gymnastics; and

Whereas, the first Sokol unit was established in St. Louis, Missouri on March 14th, 1865 and since that time they have always firmly supported the principles of democracy, human rights, and excellence in all endeavors without compromise: Now, therefore, be it

Resolved by the Senate and the House of Representatives of the United States of America in Congress assembled, That it is the sense of the Senate and the House of Representatives of the United States of America in Congress assembled that the President is authorized and requested to issue a proclamation declaring June 27th, 1987 as "National Sokol Day in the United States."●

ADDITIONAL COSPONSORS

S. 10

At the request of Mr. CRANSTON, the name of the Senator from Connecticut [Mr. WEICKER] was added as a cosponsor of S. 10, a bill to amend the Public Health Service Act to improve emergency medical services and trauma care, and for other purposes.

S. 38

At the request of Mr. MOYNIHAN, the name of the Senator from Washington [Mr. ADAMS] was added as a cosponsor of S. 38, a bill to increase the authorization of appropriations for the Magnet School Program for fiscal year 1987 to meet the growing need of existing Magnet School Programs, and for the establishment of new Magnet School programs.

S. 143

At the request of Mr. INOUYE, the name of the Senator from Idaho [Mr. MCCLURE] was added as a cosponsor of S. 143, a bill to establish a temporary program under which parenteral diacetylmorphine will be made available through qualified pharmacies for the relief of intractable pain due to cancer.

S. 369

At the request of Mr. HUMPHREY, the name of the Senator from Nevada [Mr. HECHT] was added as a cosponsor of S. 369, a bill to amend the Atomic Energy Act of 1954 to require an emergency planning and preparedness plan for an emergency planning zone of at least 10 miles in radius for each nuclear facility.

S. 552

At the request of Mr. CRANSTON, the name of the Senator from Delaware [Mr. BIDEN] was added as a cosponsor of S. 552, a bill to improve the efficiency of the Federal classification system and to promote equitable pay practices within the Federal Government, and for other purposes.

S. 558

At the request of Mr. KENNEDY, the name of the Senator from Arkansas [Mr. BUMPERS] was added as a cosponsor of S. 558, a bill to amend title VIII of the act commonly called the Civil Rights Act of 1968, to revise the procedures for the enforcement of fair housing, and for other purposes.

S. 615

At the request of Mr. HELMS, the name of the Senator from New York [Mr. D'AMATO] was added as a cosponsor of S. 615, a bill to amend the Federal Election Campaign Act of 1971 to prohibit the use of compulsory union dues for political purposes.

S. 747

At the request of Mr. HOLLINGS, the name of the Senator from Florida [Mr. CHILES] was added as a cosponsor of S. 747, a bill to establish a motor carrier administration in the Department of Transportation, and for other purposes.

S. 896

At the request of Mr. BREAUX, the name of the Senator from Georgia [Mr. NUNN] was added as a cosponsor of S. 896, a bill relating to the application of the drawback provisions of section 313 of the Tariff Act of 1930 to certain imports of raw cane sugar.

S. 926

At the request of Mr. THURMOND, the name of the Senator from Connecticut [Mr. WEICKER] was added as a cosponsor of S. 926, a bill to amend the Developmental Disabilities Assistance and Bill of Rights Act to provide grants for the operation of the National Information System for Health Related Services.

S. 1080

At the request of Mr. BOSCHWITZ, the name of the Senator from South Dakota [Mr. PRESSLER] was added as a cosponsor of S. 1080, a bill to amend the Automobile Information Disclosure Act to provide information as to whether or not certain motor vehicles are capable of using gasohol.

S. 1178

At the request of Mr. DOMENICI, the name of the Senator from Arizona [Mr. DECONCINI] was added as a cosponsor of S. 1178, a bill to permit the continued vitality of various agricultural enterprises.

S. 1234

At the request of Mr. CHAFEE, the name of the Senator from Mississippi [Mr. COCHRAN] was added as a cosponsor of S. 1234, a bill to amend title 38, United States Code, to ensure eligibility of certain individuals for beneficiary travel benefits when traveling to Veterans' Administration medical facilities.

S. 1270

At the request of Mr. DeConcini, the names of the Senator from Utah [Mr. Hatch], and the Senator from Hawaii [Mr. Matsunaga] were added as cosponsors of S. 1270, a bill to improve the Government's debt collection and credit management practices, to implement certain recommendations of the President's private sector survey on cost control, and for other purposes.

S. 1323

At the request of Mr. Proxmire, the name of the Senator from Arizona [Mr. DeConcini] was added as a cosponsor of S. 1323, a bill to amend the Securities Exchange Act of 1934 to provide to shareholders more effective and fuller disclosure and greater fairness with respect to accumulations of stock and the conduct of tender offers.

S. 1346

At the request of Mr. Matsunaga, the name of the Senator from Arkansas [Mr. Bumpers] was withdrawn as a cosponsor of S. 1346, a bill to amend the National Labor Relations Act to give employers and performers in the performing arts rights given by section 8(e) of such act to employers and employees in similarly situated industries, to give employers and performers in the performing arts the same rights given by section 8(f) of such act to employers and employees in the construction industry, and for other purposes.

S. 1347

At the request of Mr. Simon, the names of the Senator from Hawaii [Mr. Inouye], and the Senator from Missouri [Mr. Danforth] were added as cosponsors of S. 1347, a bill to facilitate implementation of the 1980 Hague Convention on the Civil Aspects of International Child Abduction, and for other purposes.

SENATE JOINT RESOLUTION 82

At the request of Mr. Glenn, the names of the Senator from Tennessee [Mr. Gore], the Senator from Nebraska [Mr. Exon], the Senator from Utah [Mr. Hatch], the Senator from Connecticut [Mr. Dodd], the Senator from New York [Mr. Moynihan], the Senator from New York [Mr. D'Amato], the Senator from Kansas [Mr. Dole], the Senator from Kansas [Mrs. Kassebaum], the Senator from Wisconsin [Mr. Kasten], the Senator from Maine [Mr. Mitchell], the Senator from Alaska [Mr. Stevens], the Senator from Alaska [Mr. Murkowski], the Senator from Maryland [Mr. Sarbanes], the Senator from Louisiana [Mr. Johnston], the Senator from Massachusetts [Mr. Kerry], the Senator from Massachusetts [Mr. Kennedy], the Senator from New Jersey [Mr. Lautenberg], the Senator from North Carolina [Mr. Sanford], the Senator from Missouri [Mr. Danforth], the Senator from Nevada [Mr. Reid], the Senator from Arkansas [Mr. Bumpers], the Senator from Idaho [Mr. Symms], the Senator from Florida [Mr. Graham], the Senator from California [Mr. Cranston], the Senator from Oklahoma [Mr. Boren], the Senator from Arizona [Mr. McCain], the Senator from New Hampshire [Mr. Humphrey], the Senator from Virginia [Mr. Warner], and the Senator from Colorado [Mr. Armstrong] were added as cosponsors of Senate Joint Resolution 82, a bill to authorize the President to issue a proclamation calling upon the people of the United States to observe the bicentennial of the Northwest Ordinance of 1787.

SENATE JOINT RESOLUTION 99

At the request of Mr. DeConcini, the names of the Senator from Pennsylvania [Mr. Specter], and the Senator from Louisiana [Mr. Breaux] were added as cosponsors of Senate Joint Resolution 99, a joint resolution to express the sense of the Congress that the Special Supplemental Food Program for Women, Infants, and Children should receive increasing amounts of appropriations in fiscal year 1988 and succeeding fiscal years.

SENATE JOINT RESOLUTION 109

At the request of Mr. Durenberger, the name of the Senator from Massachusetts [Mr. Kerry] was added as a cosponsor of Senate Joint Resolution 109, a joint resolution to designate the week beginning October 4, 1987, as "National School Yearbook Week."

SENATE JOINT RESOLUTION 135

At the request of Mr. Simon, the names of the Senator from Nevada [Mr. Reid], the Senator from Texas [Mr. Bentsen], the Senator from Michigan [Mr. Levin], the Senator from Wisconsin [Mr. Kasten], the Senator from Maine [Mr. Mitchell], the Senator from Arizona [Mr. DeConcini], the Senator from Hawaii [Mr. Matsunaga], the Senator from Tennessee [Mr. Gore], the Senator from Delaware [Mr. Biden], the Senator from Louisiana [Mr. Johnston], the Senator from Pennsylvania [Mr. Heinz], the Senator from Utah [Mr. Hatch], the Senator from Virginia [Mr. Trible], the Senator from New Mexico [Mr. Domenici], the Senator from Utah [Mr. Garn], the Senator from Massachusetts [Mr. Kerry], the Senator from Washington [Mr. Adams], and the Senator from California [Mr. Cranston] were added as cosponsors of Senate Joint Resolution 135, a joint resolution to designate October 1987 as "Polish American Heritage Month."

SENATE JOINT RESOLUTION 162

At the request of Mr. Johnston, the names of the Senator from Minnesota [Mr. Durenberger], the Senator from New Jersey [Mr. Lautenberg], the Senator from Michigan [Mr. Riegle], the Senator from Rhode Island [Mr. Pell], and the Senator from Nebraska [Mr. Karnes] were added as cosponsors of Senate Joint Resolution 162, a joint resolution to designate the month of August, 1987, as "Cajun Music Month."

SENATE CONCURRENT RESOLUTION 6

At the request of Mr. Humphrey, the name of the Senator from Alaska [Mr. Stevens] was added as a cosponsor of Senate Concurrent Resolution 6, a concurrent resolution expressing the sense of the Congress with respect to the denial of health insurance coverage for disabled adopted children.

SENATE RESOLUTION 232

At the request of Mr. Riegle, the name of the Senator from Illinois [Mr. Simon] was added as a cosponsor of Senate Resolution 232, a resolution concerning the denial of freedom of religion and other human rights in Soviet-occupied Lithuania.

SENATE RESOLUTION 235—AUTHORIZING REPRESENTATION BY THE SENATE LEGAL COUNSEL

Mr. BYRD (for himself and Mr. Dole) submitted the following resolution; which was considered and agreed to:

S. Res. 235

Whereas, in the case of Capital Engineering & Mfg. Co. v. Pledger, Case No. 85 L 10392, pending in the Circuit Court of Cook County, Illinois, the plaintiff has obtained a subpoena for the production of documents by Senator Paul Simon;

Whereas, pursuant to sections 703(a) and 704(a)(2) of the Ethics in Government Act of 1978, 2 U.S.C. §§ 288b(a) and 288c(a)(2) (1982), the Senate may direct its counsel to represent Members of the Senate with respect to subpoenas issued to them in their official capacity;

Whereas, by the privileges of the Senate of the United States and Rule XI of the Standing Rules of the Senate, no evidence under the control or in the possession of the Senate can, by the judicial process, be taken from such control or possession but by permission of the Senate; Now, therefore be it

Resolved, That the Senate Legal Counsel is directed to represent Senator Simon in the case of Capital Engineering & Mfg. Co. v. Pledger.

SENATE RESOLUTION 236—AUTHORIZING TESTIMONY BY CERTAIN SENATE EMPLOYEES

Mr. BYRD (for himself and Mr. Dole) submitted the following resolution; which was considered and agreed to:

S. Res. 236

Whereas, in the claim of former Senate employee Anthony J. Brooks, Appeal No. 87,1757-UCFE, pending in the District of Columbia Department of Employment Services, representatives of the Senate have been asked to appear at a hearing to present evidence and testimony concerning the nature of the claimant's separation from employment;

Whereas, Linda Chu Takayama, Director of Human Resources for the Sergeant at Arms, and Donald W. Spear, Director of the Local Network Facility for the Computer Center, have information which may be relevant to that proceeding;

Whereas by the privileges of the Senate of the United States and Rule XI of the Standing Rules of the Senate, no evidence under the control or in the possession of the Senate can, by the administrative or judicial process, be taken from such control or possession but by permission of the Senate;

Whereas, when it appears that the testimony of and production of documents by Senate employees in their official capacities may be needful in any forum for the promotion of justice or equity, the Senate will act to promote the resolution of claims in a manner consistent with the privileges and rights of the Senate: Now, therefore, be it

Resolved, That Linda Chu Takayama, Donald W. Spear, and any other Senate employees who may be requested are authorized to testify and produce documents relevant to the Unemployment Compensation Claim of Anthony J. Brooks, except concerning matters which are privileged.

NOTICES OF HEARINGS

SUBCOMMITTEE ON AGRICULTURAL RESEARCH AND GENERAL LEGISLATION

Mr. CONRAD. Mr. President, I wish to announce that the Subcommittee on Agricultural Research and General Legislation of the Committee on Agriculture, Nutrition, and Forestry will hold a hearing on Friday, June 26, 1987 at 10 a.m. in SR-332 to receive testimony on new uses for farm and forest products.

For further information please contact Cris Coffin of the committee staff at 224-5207 or Kent Hall of my staff at 224-2043.

SUBCOMMITTEE ON MINERAL RESOURCES DEVELOPMENT AND PRODUCTION

Mr. MELCHER. Mr. President, I would like to announce for the information of the Senate and the public that a hearing has been scheduled before the Subcommittee on Mineral Resources Development and Production of the Committee on Energy and Natural Resources on Tuesday, June 30, 1987, at 10 a.m. in room 366 of the Dirksen Senate Office Building. The purpose of the hearing is to consider S. 1388, the Federal Onshore Oil and Gas Leasing Act of 1987 and S. 66, the Federal Onshore Competitive Oil and Gas Leasing Act of 1987.

Those wishing to submit written testimony should address it to the Committee on Energy and Natural Resources, room 364 Dirksen Senate Office Building, U.S. Senate, Washington, DC 20510.

For further information, please contact Patricia Beneke at (202) 224-2383.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be allowed to meet during the session of the Senate Thursday, June 18, 1987, at 2:45 p.m., to conduct hearings on the nomination of Mr. Danny Wall, of Virginia, to be Chairman of the Federal Home Loan Bank Board, appointed to the term expiring June 30, 1991, vice Edwin J. Gray, term expired.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on June 18, 1987, at 2 p.m. to hold a hearing on judicial nominations.

The PRESIDING OFFICER. Without objection, it is so ordered.

SELECT COMMITTEE ON INDIAN AFFAIRS

Mr. BYRD. Mr. President, I ask unanimous consent that the Select Committee on Indian Affairs be authorized to meet during the session of the Senate on Thursday, June 18, 1987, at 9 a.m. to hold a hearing on S. 555 and S. 1303, bills to provide for Federal regulation of gaming activities on Indian land.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON WESTERN HEMISPHERE AND PEACE CORPS AFFAIRS

Mr. BYRD. Mr. President, I ask unanimous consent that the Subcommittee on Western Hemisphere and Peace Corps Affairs of the Committee on Foreign Relations be authorized to meet in closed session during the session of the Senate on Thursday, June 18, 1987, to hear witnesses on the situation in Panama.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

COST ESTIMATE OF LAND AND WATER CONSERVATION ACT

● Mr. JOHNSTON. Mr. President, on June 11, 1987, the Committee on Energy and Natural Resources filed the report to accompany S. 84, a bill to amend the Land and Water Conservation Act of 1965.

At the time the report was filed, the committee had not received an estimate of cost from the Congressional Budget Office. The committee has now received that report, and I ask that it be included in the RECORD for the use and information of the public and my colleagues of the Senate.

The report follows:

CONGRESSIONAL BUDGET OFFICE,
Washington, DC, June 15, 1987.
Hon. J. BENNETT JOHNSTON, JR.,
Chairman, Committee on Energy and Natural Resources, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has reviewed S. 84, the Land and Water Conservation Fund Act Amendments of 1987, as reported by the Senate Committee on Energy and Natural Resources, June 11, 1987. Enactment of this bill is not expected to result in any cost to the federal government or to state or local governments.

S. 84 would authorize appropriations into the Land and Water Conservation Fund for fiscal years 1990 through 2015 in an amount of $1 billion a year. Such appropriations are currently authorized through 1989—at a level of $900 million a year for 1988 and 1989. The deficit is not affected by how much money is deposited into the fund, but by how much is spent from the fund. This bill does not affect government receipts and does not authorize any additional appropriations from the fund, and thus has no direct budget impact.

If you wish further details on this estimate, we will be pleased to provide them.

With best wishes,

Sincerely,

EDWARD M. GRAMLICH,
Acting Director.●

INACTION BY DEPARTMENT OF JUSTICE ON DAVIS-BACON ISSUE

● Mr. QUAYLE. Mr. President, I rise today to bring my colleagues' attention to an appalling lack of action on the part of Attorney General Meese and the Department of Justice concerning the resolution of a serious crisis now facing the construction industry, one of the foundations upon which this country's economy is structured.

Over 14 months ago, I alerted the Attorney General to a dispute between the Department of Housing and Urban Development and the Department of Labor over the applicability of the Davis-Bacon Act to certain projects under section 110 of the Housing and Community Development Act of 1974; namely, those funded by community development block grants [CDBG] and urban development action grants [UDAG].

The Davis-Bacon Act required payment of specified wages "for every contract in excess of $2,000, to which the United States or the District of Columbia is a party, for construction * * * of public buildings or public works."

Briefly, in direct contravention of longstanding HUD practice, the Labor Department has issued a directive that requires the imposition of the Davis-Bacon "prevailing wage" rate upon any project which has used CDBG or UDAG funds. In real terms this means, for example, that the construction of an entire business complex by a private concern could be bound to the Davis-Bacon rate, simply because the initial purchase of the land used Government funds or the accompanying sewer system was constructed with the Government as a party to the contract and was therefore subject to the rate requirement.

The ruling of the Department of Labor is strenuously disputed by HUD, which essentially maintains that the Davis-Bacon Act should apply only if the Government funds construction.

HUD has exhausted its remedies at the Department of Labor with a success of losses for its position on the issue. It has long been time for the Attorney General to step in and resolve the conflict between the departments. The companies affected by this dispute need an immediate resolution to the problem in order to effectively bid on projects and otherwise transact business. The Attorney General's failure to act after more than a year of consideration is unpardonable in an industry that is a general barometer of the economy. Any further delay could prove to be extremely harmful to the construction industry in an economy under attack from highly competitive foreign firms.

I urge by distinguished colleagues to share my deep concern for this problem and express to Attorney General Meese a desire to see action taken and a decision made. Attached is my first and my last letter to the Attorney General on this issue.

I ask that my letters of April 16, 1986, and May 19, 1987, to attorney General Edwin Meese be printed in the RECORD.

The letters follow:

U.S. SENATE,
Washington, DC, April 16, 1986.
Hon. EDWIN MEESE III,
Attorney General, Department of Justice, Washington, DC.

DEAR ED: As you may know, there is a major difference of legal interpretation between the Departments of Labor and Housing and Urban Development concerning the application of the Davis-Bacon Act to certain projects under the Housing and Community Development Act of 1974.

The differing positions of the Departments are expressed in the briefs filed before the Wage Appeals Board in the matter of Muskogee Shopping Mall, WAB case No. 85-26.

This conflict has serious adverse economic impacts on projects throughout the United States and is of major concern in the State of Indiana. In the absence of an authoritative ruling from the Department of Justice, this matter will impede the effective implementation of the law because of the confusion created among States, localities, developers and other private sector participants in these projects. As you know, this is not just a matter of administration of Federal grants. These programs involve large scale private sector participation and private investment decisions cannot be made until this matter is resolved.

We know that this matter has not yet been presented to you for resolution by either of the Departments but, as section 1-401 of Executive Order 12146 "encourages" agencies to submit such issues to you for resolution, we wanted to call your attention to this matter in the hope that it would expedite action on this issue.

Sincerely,

Dan Quayle, U.S. Senator; Jake Garn, Chairman, Committee on Banking, Housing, and Urban Affairs; Orrin G. Hatch, Chairman, Committee on Labor and Human Resources; Chic Hecht, Chairman, Subcommittee on Housing and Urban Affairs.

U.S. SENATE,
Washington, DC, May 19, 1987.
Hon. EDWIN MEESE III,
Attorney General, Department of Justice, Washington, DC.

DEAR ED: It is now just over thirteen months since I wrote to you concerning the dispute between the Departments of Labor and HUD concerning the application of the Davis-Bacon Act to certain projects under the Housing and Community Development Act.

As I wrote at that time "This conflict has serious economic impacts on projects throughout the United States and is of major concern to the State of Indiana. . . this is not just a matter of administration of Federal grants. These programs involve large scale private sector participation and private investment decisions cannot be made until this matter is resolved."

I will not burden you with the complete chronology of my efforts to persuade the Departments of Justice, Labor and HUD to resolve this issue. All I can tell you is that much has been promised but nothing has happened. In an Administration that prides itself on its efforts to free private enterprise from excessive regulation, I find this paralysis of decision making authority not only surprising but shocking.

Please do not send me another promise that the matter will be speedily resolved. The Department of Justice has the authority to resolve the issue—why not do so?

Sincerely,

DAN QUAYLE,
U.S. Senator.●

FARM CREDIT SYSTEM

● Mr. BENTSEN. Mr. President, today I am presenting to the Senate House Concurrent Resolution 183, as passed by the Texas Legislature. This resolution expresses the support of the Texas Legislature for the Farm Credit Borrower Relief, System Reform and Local Control Act of 1987.

Mr. President, I share the concerns expressed by the Texas State Legislature in this resolution. The farm credit system is in deep trouble. If the system is to survive, and I hope that it will and have worked hard for measures to help it survive, it must serve the needs of farmers and ranchers for a dependable source of affordable credit.

I commend the remarks of the Texas Legislature on this issue to my colleagues and ask that the resolution be officially entered in the CONGRESSIONAL RECORD.

The resolution follows:

TEXAS LEGISLATURE—HOUSE CONCURRENT RESOLUTION 183

Whereas the agricultural industry is vital to the national interest and well-being of these United States; and

Whereas American farmers currently receive in income approximately one-half of what it costs them to produce the bounty enjoyed by consumers in the United States and abroad; and

Whereas at least 17,000 Texas farms were lost over the last two years, and an estimated 180 American farmers continue to be driven off their land each day, creating an ongoing crisis in American farming and related industries; and

Whereas the Farm Credit Borrower Relief System, Reform and Local Control Act of 1987 promises much-needed relief to farmers and ranchers by directly aiding agricultural borrowers through reduction in interest rates, stock investment guarantees, specification of borrowers' rights, programs for mandatory consideration for restructuring of loans, forebearance on foreclosures, and leaseback or buyback of property; and

Whereas the Act would benefit farmers and ranchers indirectly through reform of the Farm Credit System institutions in that it would create a Farm Credit Reserve Fund, resolve pending litigation, halt the tendency to centralize the credit system, and mandate the use of regulatory accounting principles; and

Whereas the Act would preserve local control of a cooperative system for the future by encouraging the participation of farmer- and rancher-borrowers in the management, control, and ownership of a permanent system of credit for agriculture that would be responsive to the credit needs of all types of agricultural producers having a basis for credit: Now, therefore, be it

Resolved, That the 70th Legislature of the State of Texas hereby urge the Congress of the United States to come to the relief of American farmers by enacting the Farm Credit Borrower Relief System, Reform and Local Control Act of 1987; and, be it further

Resolved, That the Texas Secretary of State forward official copies of this resolution to the president of the United States, to the speaker of the House of Representatives and the president of the Senate of the United States Congress, and to all members of the Texas delegation to the congress, with the request that this resolution be officially entered in the Congressional Record as a memorial to the Congress of the United States of America.●

IRAN-CONTRA: PUBLIC SUPPORTING REAGAN

● Mr. QUAYLE. Mr. President, within the beltway it's easy to be blinded to what the rest of America thinks. This is certainly the case concerning the Iran-Contra scandal. To listen to the Washington news, you'd think that it cost the President all of his public support.

In fact, the President's popularity is much higher than any previous cold war President and has never dipped anywhere near as the low popularity levels temporarily experienced by our most recent previous presidents.

More important, many people outside of the beltway actually think Congress is more blameworthy for capitalizing on this misfortunate than the President ever was for not knowing about Colonel North's activities.

Evidence in support of this contention can be found in my State's local newspapers. Several opinion pieces and letters to the editor recently in the News-Sun and the Auburn Evening Star that bear this out.

Mr. President, I ask that the full text of these columns and letters be placed in the RECORD in hopes that it will serve to remind Congress where the rest of America is.

The material follows:

[From the Kendallville (IN) News-Sun, May 23 and 24, 1987]

PUBLIC'S TURN TO SPEAK ON IRAN-CONTRA HEARINGS

(By George Witwer)

Some people I know say the various Iranian arms Contra investigations by Congress are damaging the national interest.

They charge that by making public the Reagan administration's efforts to create a dialogue with potentially pro-Western leaders in Iran, by detailing the means by which the administration has been secretly aiding the Contras, and by holding up to ridicule patriots like Col. Oliver North, that Congress is acting like an elephant in a China shop. Or perhaps, more aptly, a donkey.

One can argue, as does an article in a recent issue of the scholarly journal "Foreign Affairs," that an Iranian defeat might be worse for the U.S. than an Iranian victory, because in defeat the Russians would move into the power vacuum in Iran, permanently upsetting the balance of power in the Middle East.

Also, it does appear that some Democratics are trying to use the hearings to advance their political careers.

They might advance their careers more if they expended their energies on passing a balanced budget and solving some of our other thorny nationaly problems. Instead, they try to make it big on the cheap, creating another Watergate to propel themselves to higher office.

I disagree that the hearings are a complete national disaster.

When the press started asking questions about arm sales to Iran last fall, President Reagan had two choices. He could have tried to stonewall, as Nixon did.

But to tough it out might have caused him to lie to the American people. And, clearly, with the press and Congress focusing on the arms deal, the mistakes that were made would have leaked out slowly but surely. The public would have known only the failures of the policies. The public would have been given a one-sided picture of misexecuted details without a chance to understand the larger issues involved, or to have seen the good intentions of the cast of characters involved.

Reagan had no choice but to let his political enemies swarm over the most complex secrets of American foreign policy, destroying the initiative toward Iran and, perhaps, the aid to the Contras that Congress had finally approved. To have stonewalled would have played into the hands of the Democrats in Congress. Eventually, they would have destroyed him.

By encouraging openess, Reagan has a chance to take his case to the American people.

I have spent some hours watching the unedited hearings in Congress on the C-Span channel. The unedited version gives a fairer view of what goes on.

The TV highlights on the national nightly news focus on the successes of the Congressional investigators.

The national press and TV commentators do not convey the high motives of most of the actors in this drama, and the pressures they faced attempting to keep the Contras alive until Congress changed its fickle mind.

The Democrats in Congress may come up with a credible alternative to aiding the Contras. Or the Democrats may sample public opinion after these hearings and find that support for the Contras and/or for an Iranian initiative has increased.

Whichever the case, the result of the Iranian arms-Contra hearing may well produce a stronger consensus for American foreign policy toward Iran and Central America.

A national consensus on these foreign policy issues might be worth the unfairness to some individuals who have worked hard for the national interest, the revelation of state secrets and the loss of credibility with our allies.

If you have a view on the Iranian arms-Contra hearings now going on in Congress, write to me at the News-Sun or Evening Star. I will print your letter and forward copies of it to Indiana Senators Richard Lugar and Dan Quayle, and to Congressman Dan Coats.

The sooner America can make up its mind, the sooner we can get these damaging hearings behind us.

Your view will help. I'll print it and send it to Lugar, Quayle and Coats, even if you want to see the Sandinistas running Mexico and the Russians in Tehran.

[From the Kendallville (IN) News-Sun, June 2, 1987]

CONGRESS NEEDS TO "CLEAN UP OWN ACT"

Dear George Witwer:

Your offer to forward letters of comment is most commendable although I don't have much hope it will be effective in changing congressisonal policy.

In my view the president is elected to set and guide foreign policy and to take initiatives in this very complex field that will further the interests of the United States. This is not the function of the Congress.

Furthermore, this policy of necessity to be effective must be carried out in secrecy and regardless of journalisms "right to know" it is unacceptable to discuss this openly until the mission is completed.

With the present Congress we have 535 secretaries of state all working towards maximum publicity for themselves with an absolute disregard for the reputation and well-being of the United States.

Legal restrictions in the form of crippling amendments to funding measures such as the Boland amendment make the president's task almost impossible. As long as the Congress continues to meddle in this we will never have a coherent foreign policy or really accomplish our objectives.

The danger to the United States by Communist regimes both in Cuba and in Nicaragua is plain to everyone except the Congress and some misguided leftish liberals. Sooner or later this threat to our freedoms must be eliminated. Its cheaper and easier to support the citizens of those countries in cleaning up their problems than in sending in American troops as we have done here-tofore. Why should the contras be considered any differently than the people of Afghanistan? They are fighting the same enemy!

Why can't the Congress clean up its own act? They can't agree on a budget—they can't pass a spending bill without adding pork—they don't have the guts to cut spending and eliminate the deficit—all they seem capable of doing is holding endless hearings that ruin the foreign policy initiatives of the president and cause the Washington Post reporters to slaver with excitement.

I can only quote Daniel Webster—"Now is the time that men work quietly in the fields, and women weep softly in the kitchen; the legislature is in session and no man's property is safe."—Sven Osterlund, Albion, Ind.

[From the Kendallville (IN) News-Sun, June 2, 1987]

TOO MANY INVESTIGATIONS?

To the editor:

Now that the Democrats have control of both houses of congress—they think it is time to regain their former tactics they were using to wreck our great country under President Carter and are with the help of the media, bureaucrats, big labor and the KGB by investigating anything and everything and also doing anything that can help to make a lame duck of President Reagan to further the Democrats' chances in next years elections.

Does anyone wonder what happened to Reaganomics? Reagan cut taxes 25% and got Carter's 21% interest rates down and, inflation down from 14 or 15% to under 4% three years in a row and has now put 13 million back to work. But the media has forgotten Reaganomics and has changed it to the Reagan administration instead—I wonder why?

The farmer's plight isn't Reagan's fault when nearly all the other country's undersell us—which is why our farmers can't sell part of their crops. Also, the Soviets force some of the smaller countries to under sell us so as to weaken our economy.

What would we do in case war broke out since President Carter gave away the Panama Canal and then turned right around and allowed the Communist's to move into Nicaragua in 1979? All those who have contributed to the contra's cause really deserve a lot of credit. At least there are some people who still believe the United States policy of protecting the western hemisphere against Communists is correct.

Apparently part of our Congress doesn't love or care for their children and grandchildren etc. If and when the media, Soviets', and the liberal Democrats in our Congress get the Iran-contra affair investigated—then it might be a good idea for President Reagan to pull off another Grenada in Nicaragua and give them something more to investigate. It seems they are always investigating something. When Reagan pulled that they thought they had him where they wanted him until the national poll showed Reagan did the right thing by an 89% to 11% vote.

In 1983, when Reagan had the Nicaraguan harbors mined—which a majority of the country was in favor of—the Congress made him take the mines back up—backed by Gorbachev and Castro, of course.

Sometimes one wonders how long it's gonna take for the communist-inspired liberals in our Congress and the media nationwide to find out that Gorbachev is just another wolf dressed up in sheep's clothing. It may not be until their offspring have to rout the Sandinistas out of Nicaragua. That may be more convincing than the Soviets influencing our dollars.

For years it's been known that the Soviet KGB and spies are mingling in our government influencing things their way. The liberal Democrats in the Congress have two powerful allies in the media and the Washington Post—both of which slant the news and polls to make it sound in reverse and a lot of the public doesn't know it. That is the only way they can win and they know it.

The liberals and media will try to make hay from the fiasco in the Persian Gulf.

Contributing money to the contras may help to convince the Democrats that they had better help also. Let's hope so.—Russ Hippenhammer, Avilla, Inc.

[From the Auburn Evening Star, June 3, 1987]

COMMUNISTS CANNOT BE TRUSTED

DEAR SIR: Following are a few thoughts on the Iran-Contra hearings.

First, I believe the communists are indeed a real threat to our hemisphere. Did not Kruschev once say, "We'll bury you?" Just see what they have done to their neighboring states.

I believe many of our own countrymen think Gorbachev is the peacemaker, and not Reagan. When Russia gets its last soldier home from Afghanistan and all the satellite states, I can perhaps believe he is sincere. He would be more believable if human rights were given more consideration.

I feel we should do all in our power to encourage democracy in Central America. If congress were doing this, then the doings of Col. North and others would not have happened at all. Is it really illegal to encourage other states to support the Contras financially?

Could it be that certain members of both parties are "showing off" before the TV cameras? Are these "investigators" trying to bring Pres. Reagan down? I've even seen the word "impeachable"in print at least once.

I agree with our President, and I absolutely think that the communists can not be trusted.

Sincerely,

RAYMOND RENSCH, Butler.●

IN HONOR OF THE 46TH ANNIVERSARY OF THE RESTORATION OF UKRAINIAN INDEPENDENCE

● Mr. RIEGLE. Mr. President, on June 30, 1941, during the opening days of Nazi Germany's ferocious conquest of Eastern Europe and Russia, brave Ukrainian nationalists rose up to fight both the impending threat of Nazi tyranny, and the retreating Soviet forces. The defeat of those two hostile and powerful adversaries allowed the Ukrainian people to proclaim the restoration of Ukrainian independence. Although free for only a short time, the establishment of Ukraine as an independent state testified to the Ukrainian people's courage and commitment to liberty.

This year we commemorate the 46th anniversary of this important and heroic event. Over four and a half decades later, the burning desire for freedom continues to inspire the 35 million Ukrainians who live under Soviet oppression, as well as their countrymen throughout the world.

Aldolf Hitler failed to take into account the Ukrainian people's unwaivering commitment to freedom when, on June 11, 1941, he began his massive attack to the east known as Operation Barbarossa. The bold actions of the underground Organization of Ukrainian Nationalists, or OUN, just 8 days after the attack, shocked the German invaders. After clearing the city of Lviv of Russian occupying forces, the OUN convened a representative National Assembly which acted promptly to issue the Proclamation of Independence and establish a Provisional Ukrainian Government. Both the Proclamation and the Provisional Government, led by Mr. Yaroslav Stetsko as Prime Minister, received the immediate and enthusiastic support of the Ukrainian people.

The Nazi response to these events was swift and merciless. The head of the OUN, Stepan Bandera, and Prime Minister Stetsko were arrested on July 12, 1941, and after rejecting Hitler's repeated demands to revoke the Proclamation of Independence, were sent to the Nazi concentration camp at Sachsenhausen. At the same time, the Gestapo arrested over 2,000 Ukrainian Nationalists who had participated in the restoration of the Ukrainian State.

Such brutality, however, did not silence the Ukrainian resistance movement, as the Germans had hoped. Refusing to yield to Nazi oppression and genocide, the Ukrainian people mounted a fierce national liberation struggle led by a reorganized OUN. In 1942, various insurgent and paramilitary groups joined forces to form the Ukrainian Insurgent Army [UPA], which carried out a program of civil disobedience, sabotage, reprisal and resistance warfare. By 1944, the UPA had grown to a force 200,000 strong and controlled an area of over 200,000 square miles. The brave and fierce resistance to the German occupation hastened the defeat of fascism. It came, however, at the cost of nearly 8 million Ukrainian lives.

Yet even German defeat did not bring freedom to the Ukrainian people, as Soviet Russian domination replaced Nazi suppression. The UPA resistance forces decentralized and went underground where they continued the Ukrainian national liberation struggle against Soviet imperialism well into the 1950's.

Today, that struggle for independence continues. Despite the Soviets' violent russification policies, and restraints on all fundamental human rights, including freedom of speech and religion, the spirit of the Ukrainian people has not been broken. As they have throughout their history, the Ukrainians persist in their struggle for autonomy and freedom.

On this anniversary of Ukrainian independence, we reaffirm our belief in the right of all Ukrainians to enjoy freedom in their homeland, and we commit ourselves to working with them to achieve that goal.●

THE SOVIET THREAT

● Mr. BOSCHWITZ. Mr. President, I would like to draw your attention today to an article that recently appeared in the Minneapolis Star and Tribune titled "Reforms at Home Don't Mean the Soviets Are No Longer a Threat Abroad." Bill Stewart, a fellow Minnesotan, sent me a copy of Norman Podhoretz article which looks at Mikhail Gorbachev's program of domestic reform, or glasnost, in a historical light. Soviet history illustrates that during periods of internal Soviet reform, contrary to what one might expect, the Soviets have stepped up their aggressive foreign policy.

I found Podhoretz arguments enlightening. I ask that it be inserted into the RECORD and urge all my colleagues to read this article and seriously consider his point of view.

The article follows:

REFORMS AT HOME DON'T MEAN SOVIETS NO LONGER A THREAT ABROAD

(By Norman Podhoretz)

NEW YORK.—Despite what some think, Mikhail Gorbachev's program of domestic reform does not mean that the Soviet Union under his leadership will pursue a less aggressive foreign policy. Nor does the developing detente in Soviet-American relations mean that the Soviet threat will decline. Quite the contrary.

The history of the Soviet Union offers no support for the idea that domestic reform there requires a turning inward or a "breather" from international conflict. If anything, the opposite has been the case. Thus, as Dimitri Simes of the Carnegie Endowment for International Peace reminds us in a recent article in Foreign Affairs, among Russian rulers from Peter the Great to Nikita Khrushchev, "the modernizers rather than the conservatives have pursued the most ambitious international strategies."

Nothing Gorbachev has done, for example, can remotely compare in boldness and radicalism with Khrushchev's expose of the crimes of Stalin.

But Khrushchev did not confine his attack to Stalin's character. He also attempted to change key features of Stalin's legacy. This entailed reforms in industry, agriculture and in cultural life that went much further in the direction of liberalization than anything Gorbachev has attempted.

Yet this same Khrushchev who freed millions from the Gulag and who allowed one of those millions, Aleksandr Solzhenitsyn, to publish the first words of truth about the prison camps ever to see the light of Soviet day, took advantage of the "thaw" in his relation with the United States and outdid Stalin himself in the ferocity of his actions abroad.

Simes sums up the record succinctly:

"It was Khrushchev who ordered the crushing of the Hungarian rebellion, built the Berlin Wall and deployed Soviet missiles on Cuba. It was he who presided over the missile buildup and the aggressive effort to organize an 'anti-imperialist coalition' with Third World nations that transformed the Soviet Union into a truly global power."

Soviet internal reform clearly goes along very confortably with external aggressiveness. More ominous yet, evidence suggests that the time is almost ripe for a new Soviet offensive in the Third World.

This evidence is spelled out by Samuel Huntington of Harvard in the current issue of the National Interest.

According to Huntington, the two Soviet "surges" into the Third World have occurred during periods of detente with the United States. These efforts, involving massive and escalating military and economic interventions, paid off handsomely. "In the 1960s" says Huntington, "there were only four self-proclaimed Marxist-Leninist states in the Third World. By the 1980s there were 16."

And now? Already, as we head toward yet another period of detente, there have been significant increases in Soviet aid to Nicaragua and North Korea. Gorbachev has also reaffirmed the Brezhnev Doctrine which holds that no Communist regime may ever be overthrown. And some of his subordinates have declared that arms-control agreements with the United States will make it easier for the Soviets not only to preserve existing Communist regimes but to encourage the creation of new ones in the Third World.

Putting all the pieces of this jigsaw puzzle in place, we see a horrifying picture taking shape.

First Gorbachev institutes domestic reforms calculated to increase his country's power, and somehow we interpret this to mean that the Soviet Union is becoming less dangerous to us. We therefore decide to give Gorbachev all the economic help we can.

In addition, we prepare to sign an arms-control agreement with him that will leave Europe more vulnerable than ever to the superior conventional forces of the Soviet Union. Furthermore, we get ready to sign another agreement that will prevent us from building a defense against the first-strike capability the Soviets have relentlessly been developing.

Not content with thus neutralizing ourselves on the central front of the struggle, we also prepare to give the green light of detente to Gorbachev's ambitions in the Third World.

Finally, and in some ways worst of all, we move to kill off not Gorbachev's Sandinista clients in Nicaragua but the contras who are fighting both in their own interest and ours to overthrow them.

After such prodigious feats of self-destruction, it is a wonder that we have any energy left over for the congressional hearings into the Iran-contra affair that began last week. Evidently enough self-destructive gas remains in our political culture to keep us hot on the trail of those great miscreants in our own government who may have committed the unforgivable crime of violating the Brezhnev Doctine when, in a fit of temporary insanity, we briefly enacted it into American law under the name of the Boland Amendment, forbidding the U.S. government to aid in toppling the Sandinistas.●

SALUTE TO COUNCILMAN VICTOR TEDESCO

● Mr. DURENBERGER. Mr. President, June 30, 1987, will be a very special day in St. Paul, MN, when its civic and governmental leaders, and all of its citizens mark the retirement of City Council President Victor J. Tedesco.

Vic Tedesco is one of those rare public officials who has the ability to match a strong interest in Government, with a strong interest in people, and a legendary sense of humor. He loves nothing better than to tackle a tough constituent problem or represent the city at an important public event with his quick wit, or even his considerable musical talents.

Vic, 65, has served on the St. Paul City Council for 21 years. His service dates back to a time when St. Paul had a commission form of government under which each councilmember was responsible for heading an executive agency. Vic headed the parks and recreation department. He now represents the city's seventh ward which takes in the southern half of St. Paul's east side.

City hall veterans say that Vic Tedesco has been around so long, and is so well known, that many citizens bring their problems to him even though they don't live in his ward. And Vic is always willing to help, although if he knows he won't gain any votes from his assistance, even if it means only directing constituents to the appropriate agency.

Vic Tedesco's strength as a public official is how well he looks after the interests of his constituents. In recent years, he has been successful in rebuffing commercial encroachment in residential areas of his ward. And, he has pushed for sidewalks along busy streets for the safety of pedestrians, despite frequent objections from property owners.

Vic's legislative initiatives have included several which demonstrate his strong commitment to people and the quality of the city's neighborhoods. He was the author of a 1985 ordinance that would have required hospitals and clinics to bury aborted fetuses in cemeteries, or to incinerate them in crematoriums. He has also sponsored ordinances requiring buildings showing raw wood to be painted and requiring that vacant buildings be registered and maintained by their owners.

But, more than anything, Vic Tedesco will be remembered for his sense of humor and his caring nature. His departure from the St. Paul City Council, as its present and its longest-serving member, will mark the end of an era in city government and the start of a new phase in the life of a unique public servant.●

TRIBUTE TO TED FARRINGTON

● Mr. DURENBERGER. Mr. President, on June 30, one of Minnesota's outstanding public affairs communicators will retire. Ted Farrington, for the past 14 years director of the Hennepin County Public Affairs Department, will retire from a long and distinguished career in journalism, publishing, and government service.

I first came to know Ted Farrington when I was executive secretary to then Gov. Harold LeVander and Ted was covering the Minnesota Legislature for the Suburban Sun Newspapers. Ted's commitment to serious reporting of the complicated issues facing State government impressed both the Governor and his young chief of staff to the extent that we hired him in 1970 to serve as press secretary.

Ted is a native of Veblen, SD, where his father was a weekly newspaper publisher. He was educated in public schools in South Dakota and in Fergus Falls and Waterville, MN. He purchased his own newspaper in Eden Valley, MN, in June 1944, and later founded a countywide newspaper for the local REA cooperative.

Not quite satisfied with the limitations of publishing a small weekly paper, Ted sold the Eden Valley Journal in 1957 and purchased an interest in the suburban Richfield News which he also edited until 1966 when the News joined the Suburban Newspapers group. That group eventually expanded to become Sun Newspapers.

Ted worked as managing editor of the Richfield, Bloomington, and Minnesota Valley Sun newspapers until 1969 when he was appointed metropolitan affairs editor, with responsibility for covering State and metropolitan government. After his service in the Governor's office, he returned to the Sun Newspapers until his appointment in 1973 as public information director for Hennepin County.

At Hennepin County, Ted has had the challenge of supervising the public information and public affairs offices for a unit of government which serves more than 1 million people, approximately one-fourth of Minnesota's population. He has placed a high priority on getting useful information into the hands of county residents through a variety of medium including an annual directory of Hennepin County services which has served as a model for local governments all over the country.

Ted's contributions as a journalist and public affairs communicator have been recognized by a number of awards including the Minnesota Education Association's School Bell Award, the distinguished service award of the South Suburban Exchange Club, the Minnesota Governor's Service Award, and the Award of Excellence of the National Association of County Information Officers.

Always generous with his time, Ted served as president of the Chambers of Commerce in Eden Valley and Richfield and as a member of the Richfield Rotary. He also served as central regional representative of the National Association of County Information Officers.

Ted and his wife Patricia are the proud parents of two sons and a daughter.●

THOUSANDS JOIN IN PEACEFUL ANTI-COMMUNIST DEMONSTRATION IN RIGA

● Mr. RIEGLE. Mr. President, Sunday, June 14, marked the 46th anniversary of the night of terror in the Baltic States. On that date 4½ decades ago, Soviet secret police rounded up tens of thousands of Baltic men, women, and children and deported them to Siberia, from which few ever returned. Within a short time, the Soviet Union robbed the Latvian, Lithuanian, and Estonian people of their hard-won independence in an occupation that continues to this day.

On Sunday, June 14, thousands of Latvians turned out to honor the innocent victims of the June 1941 Soviet deportations, and to protest Soviet occupation of their nation. Under the leadership of "Helsinki 1986," the only Helsinki monitoring committee still operating in the Soviet Union, some 5,000 Latvians, along with activists from Estonia and Lithuania, reportedly participated in what has been called "the largest known peaceful non-Communist political gathering in the history of the Soviet Union."

The fact that Sunday's demonstration was allowed to proceed without police interference is remarkable, given the Soviet Government's continuing refusal to acknowledge that arbitrary deportions of Balts ever occurred. Similar demonstrations have been suppressed in the past, and those who have called for official recognition of the deportations have been arrested as anti-Soviet agitators.

Government concern over Sunday's demonstration was clear, however. In the days before the event, three of the five leaders from Helsinki 1986 were removed from the scene, and were prevented from participating. Still, the demonstration occurred, as scheduled, attracting tens of thousands of Latvians of all ages and from all walks of life. Their activism clearly showed the strength and vitality of the anti-Soviet movement in occupied Latvia.

Reports coming from Latvia now are that some of the participants in Sunday's protest have been arrested. As we await confirmation of this fact, we must put the Soviet authorities on notice that we are watching with great concern events in the Baltic Republics and elsewhere in the Soviet Union. The Soviet Government's response to events such as the Riga demonstration reveals a great deal about the true limits and depth of "glasnost," and the new "spirit of openness" which have been proclaimed by General Secretary Gorbachev.

Mr. President, I submit a copy of the letter on this matter which I and 16 of my Senate colleagues sent to General Secretary Gorbachev, along with an article which appeared in the June 16 issue of the Christian Science Monitor, entitled "Latvian Nationalists in Riga March Against Soviets," to be printed in the RECORD.

The letter follows:

U.S. SENATE,
Washington, DC, June 11, 1987.

Hon. MIKHAIL S. GORBACHEV,
General Secretary of the Communist Party, Union of Soviet Socialist Republics, c/o Embassy of the U.S.S.R., Washington, DC.

DEAR MR. GENERAL SECRETARY: On this, the 47th anniversary of the incorporation of the formerly independent states of Estonia, Latvia and Lithuania into the Soviet Union, we write to express our deepest concern over the continuing violation of human rights in the Baltic republics.

We are following with great interest the initiatives you have undertaken to reform Soviet society, and are hopeful that they indicate your desire for greater openness and freedom throughout the Soviet Union. However, we note that, despite your government's professed commitment to protect the rights of its citizens, Baltic human rights activists remain imprisoned, freedom of expression is denied, and important aspects of Baltic history continue to be distorted or ignored.

In this regard we understand that the Helsinki '86 Monitoring Group has announced its intention to hold a legal and peaceful demonstration in Riga on June 14, 1987, to honor the Latvian victims of the massive deportations which occurred during and after World War II. In light of your own interest in achieving a more complete and honest accounting of the history of Soviet-Polish relations, we hope you can appreciate the desire of the Baltic people to publicly commemorate an important chapter in their own history, which has never been officially acknowledged by your government.

Permitting this ceremony to take place will demonstrate an appreciation of the great emotional significance which the events of June 14, 1941 hold for the Baltic people, and will send the clear signal that your government is truly interested in promoting freedom of expression and assembly, as guaranteed by the constitution of the U.S.S.R.

As a further indication of your government's interest in guaranteeing these freedoms, we urge you to grant full and unconditional amnesty to three prominent prisoners of conscience from the Baltic republics: Balys Gajauskas of Lithuania, Gunars Astra of Latvia, and Mart Niklus of Estonia.

These brave men represent principles of liberty and truth cherished by all Americans, and their continued incarceration and exile belie the spirit of change which you have begun in your country.

Your favorable action on behalf of these three individuals, as well as in allowing the peaceful ceremony in Riga to take place without interference, will be important indicators of your commitment to "glasnost." We hope that this commitment is genuine and that it is demonstrated in the days and weeks to come.

Sincerely,

Senators Donald W. Riegle, Jr., Frank R. Lautenberg, Alan J. Dixon, John F. Kerry, Paul Simon, Christopher J. Dodd, Alfonse M. D'Amato, John Heinz, Quentin Burdick, Daniel Patrick Moynihan, William Proxmire, Patrick J. Leahy, Pete Wilson, Dennis DeConcini, Frank H. Murkowski, Paul S. Sarbanes, and Carl Levin.

LATVIAN NATIONALISTS IN RIGA MARCH AGAINST SOVIETS

(By Juris Kaza)

STOCKHOLM.—Thousands of Latvians marched to Latvia's Statue of Liberty in Riga Sunday and laid flowers in memory of their countrymen deported by the Soviet secret police in 1941, according to reports reaching Latvian émigrés in the West. One estimate said 5,000 people marched with huge crowds watching along Riga's streets.

The demonstration in the Soviet Baltic republic was the largest known peaceful, non-Communist political gathering in the history of the Soviet Union, according to Janis Trapans, head of the Latvian Division of Radio Free Europe in Munich, West Germany, which closely monitored Sunday's events.

Soviet Latvian police didn't interfere with the demonstration, which was called by the unofficial human rights group Helsinki '86, formed last year in the port city of Liepaja by a group of Latvian workers from various walks of life.

The police behavior is a remarkable departure from previous Soviet practice in Moscow, where much smaller groups of demonstrators have been dispersed, arrested, or beaten in front of western television crews. Riga police also did little to stop a spontaneous march April 19 by a few hundred youths who shouted nationalist slogans and danced around the Statue of Liberty.

Another remarkable aspect of the Riga events, analysts say, was that the Soviet Latvian authorities never offically banned the march and used relatively mild methods to harass and discourage its organizers.

Sunday's march was preceded by a public meeting and speeches at a park near the Statue of Liberty, erected during the 1930s with public contributions in memory of Latvians who died fighting Germans and Communists to gain national independence. Speakers included former political prisoners and Latvian dissidents who called for an end to official Russification policies and for the release of Gunars Astra, a Latvian human rights activist, and others still held in prison on political charges, émigré sources said.

The sources in Europe, and here in Sweden, said their information came from telephone conservations with people in Riga late Sunday night. Western tourists reportedly made video tapes and took still photos of the event, which was also apparently filmed by Latvian TV and the Soviet secret police.

The sources said the march was led by Helsinki '86 representatives Rolands Silaraups and Eva Bitenieks, who wore a Latvian folk costume.

The marchers carried a banner with the words "In Memory of the Victims of June 14." Some 15,000 Latvians were deported in cattle cars to Siberia the night of June 13-

14, 1941, less than a year after Joseph Stalin seized and incorporated the Baltic nation, and its neighbors Estonia and Lithuania, into the Soviet Union. Most of the deportees perished, but some returned to Latvia in the mid-1950s, after the death of Stalin.

Some marchers also wore sashes with the phrase "For Fatherland and Freedom." The same phrase is inscribed in the Statue of Liberty in central Riga.

The groundswell of nationalist sentiment appeared in the wake of Soviet Leader Mikhail Gorbachev's calls for openness and reform. Even the official Latvian press has published a number of bold articles discussing the national question and the supression of the Stalinist past. Tourists coming back from Riga have said that the volume of nationalist graffiti compared to earlier years indicates the city is in a state of simmering revolt.●

DEMOCRAT BUDGET IS A GIMMICK GOING NOWHERE

● Mr. DOLE. Mr. President, after months of delay, the Democratic budget sure was not worth the wait. It is a tax-and-spend gimmick that holds our Nation's defense hostage to tax increases. It is a budget that is going nowhere—the American people do not want it, Senate Republicans will not vote for it, and President Reagan will not let it happen.

Let us face it, this is not a responsible budget. The Democrats let nondefense spending increase by $52 billion, they take $72 billion out of the taxpayers' pockets, and then let the national defense go begging.

Earlier this week, Senate Republicans presented the President with a giant veto pen. If this budget is adopted, he will have plenty of opportunities to use it.●

THE ACCOMPLISHMENTS OF DARWIN AYCOCK

● Mr. DECONCINI. Mr. President, I call to the attention of the Senate the accomplishments of Darwin Aycock, who has just been saluted by the Arizona State AFL-CIO for his 25 years of service to that organization. Mr. Aycock has just completed serving an unprecedented 10th term as the secretary-treasurer of the Arizona AFL-CIO, having first been elected to this position in 1967.

Darwin Aycock has had a long history of service to not only the AFL-CIO, but also to Arizona and America. He is an uncommonly selfless individual, having forgone many opportunities for personal gain in order to promote the aims and ideals he believes in.

At the youthful age of 17, Darwin joined the Marine Corps, initiating a career of military service to our Nation that would span 2 wars. During World War II, the young Mr. Aycock served with the Marines while stationed in China. He again saw duty during the Korean war, marking the completion of his military career.

Returing to Phoenix after his stint with the Marine Corps, Darwin began to work for a local newspaper as a stereotyper. It was at this point in his life that he became active in union affairs, starting as a chapel chairman and gradually working his way up to the position of president of the Stereotypers and Electrotypers Union of North America, local No. 151. His commitment and service to the union did not plateau at this level, however, as Mr. Aycock subsequently was selected by his union as a representative to the Phoenix-Maricopa County Labor Council, where he chaired the Education and Legislative Committees. In 1962, Darwin became the State director of the Committee on Political Education [COPE] for the AFL-CIO. He held this office until he was elected to his current position as secretary-treasurer of the Arizona State AFL-CIO.

In addition to his union commitments, Darwin Aycock has donated substantial amounts of his time and energy to a number of worthwhile State and local organizations. He sits on the Urban League board of directors and is a member of the board of trustees of Phoenix Memorial Hospital, just to name a few. He has also been politically active, having been a State committeeman for the Democratic Party, and even attending the Democratic National Convention in 1968 and in 1984.

Darwin Aycock is a man whose longterm dedication to his community, country, and union is remarkable. He is not a man of great material wealth, having forgone this path in life in order to devote his efforts and energies toward the betterment of others. He is, however, a man of great personal wealth, rich in the admiration and respect of those people whom he has worked with.●

COMMEMORATION OF THE SOWETO UPRISING

● Mr. SIMON. Mr. President, 11 years ago this week in South Africa, 10,000 schoolchildren massed in Soweto to protest against the use of Afrikaans as a second language of instruction. In the violence that followed, hundreds of young people were killed by South African police. Thousands left the country to join the liberation groups. The events at Soweto reverberated all around South Africa, and stretched forward into a decade of increased militancy and youth leadership against white repression.

Over the past decade school boycotts and strikes, marches and demonstrations, police violence against funeral gatherings were born of the daring, sacrifice, and passion of students and Soweto. Students who refused to learn by apartheid's rules embraced the paramount cause of liberation.

Today children are at war with apartheid. Arrest, detention, torture, and death has not tempered their thinking or their courage. At least 1,000 young people under the age of 18 are in detention under the state of emergency regulations alone. In 1986, nearly 60,000 children under the age of 17 were jailed without charge or trial, denied bail under repressive laws, or were charged with political offenses as nonthreatening as stone throwing or distributing banned literature. Six days ago, the Botha government extended the state of emergency for another year.

Soweto is a battle cry: the cry of children locked up separated from their parents, humiliated, tortured, beaten; the cry of children who are learning who they are and who are dying to fight the government that seeks to destroy them.

June 16th is not just a day commemorating an event.

It charts the beginning of a movement of youth leadership.

This day is a challenge for us to bring the history of Soweto and the story of South Africa's children into our own homes and our own hearts.

Soweto symbolizes the ruthlessness of the apartheid regime. Even the children they take. But even the children they cannot break.●

NAUM MEIMAN

● Mr. SIMON. Mr. President, as Father's Day approaches and we all look forward to a day spent with our families, I would like to remind you of my friend, Naum Meiman.

Imagine a man, who for ten years has wished for one thing—to leave the Soviet Union and emigrate to Israel. Naum has a daughter living in the West with whom he would love to spend this Father's Day. Unfortunately, the Soviet Government has not allowed Naum an exit visa to obtain the freedom he desires.

So, as the holiday nears and we all plan the day's events with our family members, especially our children, I would like you to think of how Naum Meiman will be spending his Father's Day. It is a tragedy that Naum has family he is prevented from seeing.

It is time for Naum to experience the freedom which we all take for granted. I urge the Soviet Government to allow Naum Meiman to emigrate to Israel.●

ORDER FOR RECORD TO REMAIN OPEN

Mr. BYRD. Mr. President, I ask unanimous consent that the RECORD be kept open today until 5 o'clock for the introduction of bills and statements.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF PROCEDURE

Mr. BYRD. Mr. President, I ask unanimous consent that the time prior to adjournment today be extended in accordance with whatever the distinguished minority leader decides later.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will please call the roll.

The bill clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. DOLE. Mr. President, the Senate will convene tomorrow morning at 9 a.m., and after the recognition of the leaders, the Senate will resume consideration of S. 2. The time will be equally divided between the two leaders or their designees, after which there will be a cloture vote to occur on S. 2 at 10 a.m.

As has previously been indicated, the cloture vote at 10 a.m. will be the last vote of the day tomorrow.

ADJOURNMENT UNTIL 9 A.M. TOMORROW

The PRESIDING OFFICER. Under the previous order, the Senate will stand in adjournment until 9 a.m. tomorrow.

Thereupon, at 4:37 p.m., the Senate adjourned until tomorrow, Friday, June 19, 1987, at 9 a.m.

NOMINATIONS

Executive nominations received by the Senate June 18, 1987:

Department of Commerce

Charles E. Cobb, Jr., of Florida, to be an Assistant Secretary of Commerce, vice Harold Peter Goldfield, resigned.

National Credit Union Administration

Roger William Jepsen, of Iowa, to be a Member of the National Credit Union Administration Board for the term of 6 years expiring August 2, 1993 (reappointment).

Executive Office of the President

Thomas P. Rona, of Virginia, to be an Associate Director of the Office of Science and Technology Policy, vice Ronald B. Frankum.

Marine Mammal Commission

William W. Fox, Jr., of Florida, to be a Member of the Marine Mammal Commission for the term expiring May 13, 1989, vice Karen Pryor, term expired.

National Advisory Council on Women's Educational Programs

Moneesa L. Hart, of Virginia, to be a Member of the National Advisory Council on Women's Educational Programs for a term expiring May 8, 1990, vice Della M. Newman, term expired.

Board of International Broadcasting

Joseph Lane Kirkland, of the District of Columbia, to be a Member of the Board for International Broadcasting for a term expiring April 28, 1990 (reappointment).

U.S. International Cooperation Development Agency

Donley L. Brady, of California, to be a Member of the Board of Directors of the Overseas Private Investment Corporation for a term expiring December 17, 1989, vice Frances Todd Stewart, term expired.

U.S. Arms Control and Disarmament Agency

Marjorie S. Holt, of Maryland, to be a Member of the General Advisory Committee of the United States Arms Control and Disarmament Agency, vice Donald Rumsfeld, resigned.

Department of Energy

Martha O. Hesse, of Illinois, to be a Member of the Federal Energy Regulatory Commission for a term expiring October 20, 1991 (reappointment).

In the Navy

The following named officer to be placed on the retired list in the grade indicated under the provisions of title 10, United States Code, section 1370.

To be vice admiral

Vice Adm. Thomas J. Hughes, Jr., [redacted]/1210, U.S. Navy.

In the Air Force

The following persons for Reserve of the Air Force appointment, in grade indicated, under the provisions of section 593, title 10, United State Code, with a view to designation under the provisions of section 8067, title 10, United States Code, to perform the duties indicated.

DENTAL CORPS

To be lieutenant colonel

Sidney C. Wisdom, [redacted]
Gregory F. Pratt, [redacted]

MEDICAL CORPS

To be lieutenant colonel

Burton K. Ake, [redacted]
Jeffrey H. Bower, [redacted]
William I. Candelario, [redacted]
Avon C. Coffman, II, [redacted]
Nabil A. El-Shammaa, [redacted]
Daniel E. Lattin, [redacted]
Eugene B. McLaurin, [redacted]
Keith S. Meredith, [redacted]
Robert H. Messier, [redacted]
Roy A. Stambaugh, [redacted]
Earl E. Walker, [redacted]

The following person for Reserve of the Air Force appointment, in grade indicated, under the provisions of section 593, title 10, United States Code.

LINE

To be lieutenant colonel

Thomas L. Seiden, [redacted]

The following officer for Reserve of the Air Force (non-EAD) promotion in the grade indicated, under the provision of section 8366, title 10, United States Code.

LINE

To be lieutenant colonel

Larry P. Kelly, [redacted]

The following Air National Guard of the U.S. officers for promotion in the Reserve of the Air Force under the provisions of sections 593 and 8379, title 10 of the United States Code. Promotions made under section 8379 and confirmed by the Senate under section 593 shall bear an effective date established in accordance with section 8374, title 10 of the United States Code (effective dates in parentheses).

LINE OF THE AIR FORCE

To be lieutenant colonel

Maj. Larry L. Allen, [redacted] (2/4/87)
Maj. Roger N. Allen, [redacted] (2/22/87)
Maj. Dwayne A. Alons, [redacted] (3/7/87)
Maj. Robert M. Blackman, Jr., [redacted] (2/12/87)
Maj. Fred E. Bradley, [redacted] (2/13/87)
Maj. Stewart L. Dresch, Jr., [redacted] (2/8/87)
Maj. William J. Drzal, [redacted] (1/25/87)
Maj. Joe W. Erickson, [redacted] (12/6/86)
Maj. Edward Garner, Jr., [redacted] (1/11/87)
Maj. David W. Harding, [redacted] (2/7/87)
Maj. Adam G. Haybach, Jr., [redacted] (1/28/87)
Maj. Douglas E. Henneman, [redacted] (3/7/87)
Maj. John E. Iffland, [redacted] (3/12/87)
Maj. Reid M. Knutson, [redacted] (2/20/87)
Maj. Richard C. Kowalski, [redacted] (3/19/87)
Maj. Craig L. Larcom, [redacted] (3/7/87)
Maj. Efrain Latoni, [redacted] (1/10/87)
Maj. Albert E. Lerberg III, [redacted] (2/12/87)
Maj. James D. McEntire, [redacted] (2/8/87)
Maj. Larry P. McLeod, [redacted] (2/10/87)
Maj. Francis M. Mezzatesta, [redacted] (1/22/87)
Maj. James C. Overmier, [redacted] (2/20/87)
Maj. David S. Penson, [redacted] (2/8/87)
Maj. Robert M. Reynolds, [redacted] (2/10/87)
Maj. Lawrence D. Rusconi, [redacted] (2/27/87)
Maj. Thomas E. Schart, [redacted] (2/8/87)
Maj. Edward C. Sink, [redacted] (2/20/87)
Maj. Robert B. Slack, [redacted] (2/11/87)
Maj. Ronald E. Stricklin, [redacted] (3/14/87)
Maj. Larry R. Strimple, [redacted] (12/13/87)
Maj. Andrew J. Thompson IV, [redacted] (3/14/87)

Maj. Douglas B. Urtel, [redacted] (3/18/87)

Maj. Roger M. Weller, [redacted] (2/7/87)

Maj. Ronald L. Wilcox, [redacted] (2/23/87)

LEGAL CORPS

To be lieutenant colonel

Maj. Elmer E. Bowser, Jr., [redacted] (3/14/87)

Maj. Jerald L. Engelman, [redacted] (2/12/87)

CHAPLAIN CORPS

To be lieutenant colonel

Maj. James A. Knuth, [redacted] (3/21/87)

MEDICAL CORPS

To be lieutenant colonel

Maj. Dean L. Bristow, [redacted] (9/7/86)

Maj. Diane M. Koren, [redacted] (2/7/87)

IN THE NAVY

The following-named commanders of the Reserve of the U.S. Navy for permanent promotion to the grade of captain in the staff corps, as indicated, pursuant to the provisions of title 10, United States Code, section 5912:

MEDICAL CORPS OFFICERS (210X)

Bailey, Philip B.
Bartlett, Eugene Fred
Bissonnette, Bruce M.
Bjornsson, Gottskalk Th
Blanco, Lucas J.
Block, William A.
Bosworth, William Posey
Bowden, Robert Henry, Jr.
Bucklew, Willard Bruce
Bundy, Walter Edward, II
Burnett, Clifford Frank
Carwell, Glenn Ray Jr.
Chikkappa, Gundabhaktha
Cianci, Paul Edmond
Crawley, David Bruce
Dainer, Paul M.
Dee, Anthony James
Deweerd, James H., Jr.
Domaguing, Macario Dele
Don, Sherman
Egan, Michael Comerford
Evans, George Edward Ch
Fisher, John Fremont
Foster, John Watkins
Galang, Remedios Navarr
Garman, Jon Kent
Giacobbe, Francesco
Gross, Gary Peter
Hanson, Stephen Lloyd
Head, Rufus Womack
Hicks, Herbert Hollis
Hirsch, Erwin Federico
Holmes, David R., Jr.
Holmes, William F.
Huddle, Luther Gale, Jr.
Irelandpeters, James Jo
Jacobs, Mark
Jamison, James Carper
Jensen, Christian Edwar
Johnson, Charles M., III
Julsrud, Paul Richard
Kambic, Anne Rooberts
Kearney, Gary Paul
Koen, Lyle Dorsey
Kull, Robert Joseph
Kurtz, Kenneth John
Kurumety, Suryarao
Kurzbach, Elmar
Kusic, Gregory Rudolph
Larkin, Edward Charles
Lau, Mark Mang Ho
Lemmert, William Arden
Liscomb, Jesse Royal, Jr.
Liu, Paul Ishen
Lunetti, Thomas L
McLeod, Timothy Lee
McNeil, Harold Gordon
Mewha, Malcolm Kent
Morrow, Gerald Joseph J
Mueller, Kenneth H
Paras, Irish Crisanto
Payne, Sylvia Negron
Ranck, Sidney Graydon J
Regis, Marilyn lopez
Riley, Terrence Lee
Rolniak, Wallace Anthon
Safer, Michael Louis
Santos, Gil Hauer
Schneider, Gerald Lane
Schroeder, Robert Walte
Scruggs, Thomas Murphy
Silverman, Norman Rober
Stebbins, George Griswo
Straughn, William R., III
Supnet, Benbrigido M
Taylor, Norman Wayne
Thomas, Frank Adkins
Young, Stanley Burkle
Youngberg, John Arthur

DENTAL CORPS OFFICERS (220X)

Antolini, Anthony Paul
Arguelles, John C.
Colbert, Earl Jay
Eberhardt, Harold Rolf
Farrell, William Lawren
Fertig, Steven Allen
Fulp, James Francis, Jr.
Gartner, Richard Ray, Jr.
Herlson, Mark Christian
Hertzberg, Stephen Rich
Jack, James, Jr.
Jedrychowski, Joseph R
Kelly, James Calloway
Kommer, Dennis Dareld
Kronzer, Richard Lawren
Ladas, John Paul
Lally, Edward Thomas
Larson, Jeffrey Frank
Loughlin, Patrick J
Marconyak, Louis Joseph
Meyer, Kenneth Theodore
Musser, James Reginald
Prey, John Henry
Riordan, Thomas Patrick
Rosenberg, Robert Kenne
Russell, John Thomas, II
Scott, Herman Dale
Serles, James Craig
Stevens, Randolph Mooer
Stutz, Andrew Charles
Suffridge, Buford Josep
Terezhalmy, Geza Tibor
Tyler, Martin Thomas
Watt, Dan Leroy
Wohlwend, James Houston
Word, Leonidas D., Jr.
Zeno, Allan Stephen

MEDICAL SERVICE CORPS OFFICERS (230X)

Cothran, Garland Ronald
Pock, Arnold
Staggs, Robert Paul
Stehly, David Norvin
Wright, Dennis Wayne
Zurcher, Louis Anthony

JUDGE ADVOCATE GENERAL'S CORPS OFFICERS (250X)

Barker, Earl Middleton
Benson, Thomas Quentin
Bergh, Marcus Bernard J.
Collins, Cornelius J., Jr.
Coonrad, Douglas Vanzan
Cryan, Thomas M.
Cuneo, James Barnette
Daus, Donald George
Eastwood, Myless Eric
Hynes, Marc Gregory
Lawrie, William Thomas
Lotterhos, Joseph Edwar
Moncure, John
Powers, John Elmer, Jr.
Rader, Martin A., Jr.
Sector, William Fielding
Strauser, Robert Wayne
Tucker, James Burns
Wermcrantz, Steven Eric
Williams, Alexander H.I.
Wurdeman, Richard Dobbe

NURSE CORPS OFFICERS (290X)

Fisher, Jean Ruth
Fitzgerald, Doris Beyer
Munro, Donna Lynne
Stutz, Florence Janice

SUPPLY CORPS OFFICERS (310X)

Adams, Edward Albert, II
Baker, Richard Burl
Baron, Roger Beekman
Barry, John Joseph
Burn, Richard Hunt
Conwell, John William, Jr.
Cranfill, Jerry Lee
Delong, David Loren
Dingeldey, Peter Edward
Dittmann, Harry Gardiner
Duff, Donald Dennis
Easterly, Robert Phillip
Edmonds, Harlan Herbert
Embry, Lloyd Bertis
Eustis, Ernest Lewis, III
Everett, Vernon Michael
Freiberg, Gary Charles
Glenn, Edward Marvin
Grout, Earl Leroy, III
Higgins, William Francis, Jr.
Hoffman, Joel Jeffrey
Ingraham, Murray James
Isley, Christian Robert, IV
Jackson, John Richard, Jr.
Jacot, Jay Foster
Johnson, Larry Edward
Kaegebein, Russ Elmer
Keil, Robert Allen
Knowles, Edward Robert
Makarainen, Dennis Charles
McCarthy, Brian Nelson
McCarthy, William Dodgue
McReaken, David William
Moore, Roger Dean
Murphy, Gary Edward
Northup, Paul Russell
Nunns, Scott Elliott
Puzzo, Dominic Eamon
Ramsdell, Richard George
Roberts, Clarence David, Jr.
Robinson, Terry Lee
Ruckman, Hugh Bennett, III
Russell, Charlie Stephen
Seff, James Michael
Siefken, David Matthew
Tiernan, Harold Sherwood
Torngren, William Philip
Trovaten, Benjamin Austin
Wetlesen, Einar Amund
Wlaschin, David Anthony

SUPPLY CORPS OFFICERS TARS

Callaghan, James George

CHAPLAIN CORPS OFFICERS (410X)

Bishop, Edwin Lyman
Brock, Jerome Warren
Jacobson, George Edwin
Lawson, Paul Coleman
McPherson, Raymond George
Oyler, George Fonda
Rivi, Geno
Spellman, John Patrick

CIVIL ENGINEER CORPS OFFICERS (510X)

Altstaetter, James Lee
Bodine, Dale Patrick
Bogard, Burt Jefferson III
Bossard, Frederick Stanley
Devoe, Harold George
Gorr, Lynn Murray
Hinton, Wilburt Hartley, II
Kane, Raymond William
Kudless, Peter John
OConnor, William C
Prahl, Charles Scott
Shepard, Richard Dale

The following-named lieutenant commanders of the Reserve of the U.S. Navy for permanent promotion to the grade of commander in the staff corps, as indicated, pursuant to the provisions of title 10, United States Code, section 5912:

MEDICAL CORPS OFFICER (210X)

Ahbel, Dorrit E.
Alexievajackson, Boiana
Alway, Paul R.
Anderson, John Jacob, Jr.
Andres, Patricio M.
Andrews, David Roger
Anthamatten, James W.
Arends, Joseph Anthony
Arlinghaus, Frank Henry
Arndt, Carola A.S.
Atencio, Yvonne Rosalin
Bailey, Ronald Oakley
Baker, John A.
Barefoot, Sherwood W.
Barrett, Nathan
Bartine, Edwin C.
Bayless, Romaine Belle
Beier, Karl Martin
Bethencourt, Anthony, VI
Biller, Deborah J.M.
Bisio, James Micheal
Boatman, Gwendolyn A.
Boelen, Louis James
Boyden, Fredric Martin
Boysen, Philip Gerald J.
Brooks, Daniel A.
Brown, Carlton Q.
Burris, Terry Eugene
Calebaugh, Donald Lawre
Campbell, Stephen Bill
Carnes, Robert S., III
Cartagena, Miguel A.
Casamassima, Anthony C.
Cassidy, Scott
Chisum, Aulton Dale
Choong, Patrick Tet Min
Cianflone, Alexander
Coffman, Ralph Bailey
Collins, Robert L.
Colopy, Paul M.
Corcoran, Christopher P.
Cornejo, Jose A.
Cornell, Barry W.
Craig, Barbara Reddy
Cranston, Raymond Josep
Daly, John W.
Davis, Ernest James, Jr.
Davis, Paul Kieffer
Derenoncourt, Frantz Jo
Devillers, Rebecca E.
Devitt, Charles K,
Donovan, John P.
Downey, Edward F., Jr.
Doyle, Michael
Dozier, Fred Augustus
Dunn, Jesse Thomas, Jr.
Eckstein, Tim Errol
Edwards, Susan
Ellis, Vivian Elizabeth
English, Richard Dean
Enright, James Robert
Falls, Darryl Lee
Fang, Peter J.W.
Farber, Robert Steven
Farr, Robert W.
Feerick, John Paul
Fichman, Kaye R.
Fisherkeller, Mark
Flores, Virgilio Villaf
Forde, Richard James
Fort, Richard
Frykberg, Eric Robert
Gardner, Charles
Garrison, John McHenry
Gilmore, Judith M.
Givens, James D.
Griffin, Larry Paul
Hahn, George Alan, Jr.
Harlan, John W.
Hayes, Williston Sterch
Ho, Paul Kai
Hodgkiss, James
Holman, William Addison
Horn, Wayne Garland
Hurt, David Langkop
Iben, Glenn A.
Jacobs, Stephen Harvey
Jacome, Thomas Humberto
Jennette, John A.
Jennings, John L., Jr.
Jones, Lynwood Alexande
Joyner, Ronnie Stephen
Kapral, Jane Louise
Kelley, William Arthur
Kidd, Elizabeth M.
Kiser, William R.
Kishel, Joan Carol
Krahl, Pamela G.
Kreuzer, Robert F.
Lee, Kenneth M.H.
Leier, Ernest Bobby, Jr.
Lillich, Randall K.
Linder, Walter J., Jr.
Liverman, Steven B.
Long, Ursula Schneider
Lord, Pentha Jo
Lyon, Kent Jackson
Maitz, Carlos Antonio
Marciano, Benedict J.
Matthews, Joseph
McMahon, Patrick Vincen
Medinaruiz, Arturo
Meyers, Peter K.
Misiti, John
Monge, Saul
Montgomery, Ronald Kent
Msuku, Cromwell P.
Nash, Howard R.
Nelson, Kenneth J.
Nelson, Mark L.
Nicol, Mark Douglas
Obrien, John G.
Ogilvie, James
Oliver, Steve A.
Oneal, Lynn W.
Dreck, Steven Lewis
Orndorff, George R.
Parks, David Paul, Jr.
Patel, Devchand V.
Pauze, John
Pearson, Don
Pflaum, Byron C. II
Piotrowski, William C.
Polevoy, Terry Alan
Redmond, Doytt Denton
Reeves, William A.
Reid, Mikell Robert
Reynolds, David Nevin
Ridgley, Charles David
Rigdon, Edward Eugene
Robison, Wendell Jesse
Roland, Peter Sargent
Ronquillo, Agustin Hern
Rosa, Louis III
Russo, Armando Paul
Rybicki, Witold
Sanders, John Woodrow
Shurley, William R., III
Singzon, Jaime Merida
Smick, Larry Brennen
Smith, Obrian Cleary
Stull, Carol Grammer
Swan, Robert J.
Talucci, Raymond Charle
Taylor, Charles D.
Taylortyree, Gill Morga
Tesar, Charles B.
Tobin, Hugh McNair
Tontz, William L.
Tucci, James M.
Vengrow, Michael I.
Watts, David R.
Wilcox, John Richardson
Wilson, Frederick Rocke
Wood, Matthew
Zemnickas, William Vinc
Zucker, Karl Albert

DENTAL CORPS OFFICERS (220X)

Aiello, Joaquin Joseph
Berardi, Thomas Robert
Cavanaugh, William
Cook, Thomas Roland, III
Duda, John E.
Fetter, Kenneth A.
Flowers, Douglas Warren
Greene, Ira M.
Grodner, Jack
Harland, Charles J., Jr.
Irons, Roy L.
Kadesh, Jeffery B.
Kaske, Herbert M.
Kline, Norman Charles J.
Krajc, Joseph P.
Kravitz, Arthur, A.
Langwith, Dennis K.
Libby, Lewis S., III
McCarel, Dan Charles
McGowan, Neil R.
Miller, Brett Clinton
Nesi, Richard Conrad
Neureither, Lawrence J.
Oakleaf, Lynn Robert
Reed, Robert D.
Reidy, Edward T., III
Romary, Dennis Collins
Santucci, Steven J.
Savord, Ervin George, Jr.
Schepis, Frank Joseph
Sharpe, Isiah R., III
Shelko, Raymond A.
Staarmann, Nicholas F.
Stephenson, Gerald L.
Stephenson, Lawrence P.
Sunseri, Richard M.
Thomas, Larry W.
Trammell, Calvin D.
Whitney, Riel Eugene
Wiedeman, Carson Englan
Williams, Ben G.
Winkleman, Stephen Wade
Winterholler, Bert W.
Wolanin, Alfred J., Jr.
Wood, Glenn T.

MEDICAL SERVICE CORPS OFFICERS (230X)

Bergner, James Stephen
Buchanan, Gail Dixon
Gosha, Michael Jon
Hughes, Herschel, Jr.
Luehe, Stephen L.
Pluhar, Robert Edward
Prince, Eric Thompson
Scheurer, Jeanne Cecile
Siddle, David Lee
Siemens, Joe David
Spaul, Wilbur Aaron

JUDGE ADVOCATE GENERAL'S CORPS OFFICERS (250X)

Aamodt, David A.
Anderson, Myron K.
Askren, Merlin Gayle

Baroni, Barry Joseph
Beck, Charles J.
Benton, William Duane
Bettis, Vance Jackson
Billings, Joseph Gilber
Bridge, Jonathan Joseph
Brown, Glenn R.
Carpenter, Robert H., Jr.
Cohen, Howard Charles
Crabtree, Daniel B.
Davis, Elise
Durbin, David S.
Edens, Michael O'Donnell
Felder, Gary Maurice
Flynn, Patrick Jerome
Friedle, Gary Allen
Gay, Michael Hubert
Groat, John Sinclair, Jr.
Grodin, Maryann Lawrence
Gugni, Gilbert
Harkin, Edward Cornelium
Janigian, Bruce J.
Jensen, Robert Glenn
Johnson, Caliph
Johnson, John Michael
Johnson, Phillip Randolph
Kasper, Robert J.
Kennedy, Cain James
Kirkpatrick, Michael
Lee, Peter Mark
Lehman, Douglas Charles
Llorca, Manuel R.
Longstreet, Lizann Mall
Lowans, Thurman W.
McGrath, James Joseph
Mounts, William Eugene
Murphy, James T.
Niesen, Jeffrey Scott
Nystedt, Charles Melville
Peterson, James Ralph
Rapp, Walter Keith
Rucker, Jerry Don
Seaman, Robert C.
Simpson, Charles Cass I.
Spencer, Billie Jane
Stemplewicz, John T.
Sundgren, Helen Howell
White, Robert D.
Wright, Thomas D.
Yund, Walter James, Jr.

NURSE CORPS OFFICERS (290X)

Atkinson, Sally Ann
Duetsch, Susan
Slavonic, Martha Jean
Snow, Sandra Ann

SUPPLY CORPS OFFICERS (310X)

Ball, William Raymond, Jr.
Barnett, Kenneth Michael
Bauman, Daniel Joseph, Jr.
Becker, Carl
Bell, Eugene Frederick
Bente, John Thomas
Berger, Douglas
Bresee, William Frederick
Brozovich, Thomas Kent
Canter, James Arthur
Captor, Richard Allen
Carter, David Landon
Creedon, William Leo
Crimmins, William Charles
Debenedetto, Thomas Joseph
Deedy, Kevin Joseph
Demelas, Mario Frank, Jr.
Dubose, Hugh Hammond, Jr.
Ebert, Christopher John
Fitzgerald, Michael Patrick
Gabel, Glenn Paul
Goins, William Elliott, Jr.
Hallford, James Farley
Harris, Douglas Wayne
Jacobs, Eugene Walter
Jennings, William Elwood, III
Johnsrud, Rex Thomas
Kanaley, Thomas Michael
Kenyon, Timothy Alan
Kolasa, Dennis Richard
Kraus, Paul Brian
Levine, Henry Paul
Lowman, Bruce Dorn
Lozier, Thomas Gerard
Maduro, Henry Burton
Matherne, Louis Kirby, Jr.
McKeever, Michael Shannon
Metz, James David
Millsap, Byron Burr
Morien, John Franklin
Murphy, James Carl
Murray, Alexander Homer
Nowitsch, John William
Oakes, John Michael
Oller, Arthur Greenleaf
Pate, Ronald Milston
Potter, Michael Currie
Priest, Fenton Furr, III
Reid, Paul Arthur
Sadler, Douglas Henry
Sternfels, William John
Stewart, Enos Roger, Jr.
Storch, Thomas Michael
Thorpe, John Ross
Walton, Frederick Hyde
Ward, James Tatum
Weil, Frederick William
Wilkes, Stephen Gerard
Williams, James W.
Wisoski, Scott Wilfreda
Zajicek, Roger Allen

SUPPLY CORPS OFFICERS TARS

Barkerding, Theodore F., Jr.
Hensley, John W.
Ristow, Kenneth Alan
Vasquez, Fidencio
Walls, William Rohan, Jr.

CHAPLAIN CORPS OFFICERS (410X)

Cook, James L.
Dincecco, Alfred Anthony
Ross, Ralph McKinley
Stoner, Gary
Weiss, Loel Martin

CIVIL ENGINEER CORPS OFFICERS (510X)

Ames, Thomas Clark
Berg, Eric Robert
Brown, Robert Leonard
Bushey, Randall Kenneth
Coderre, Paul E.
Greggerson, Vernon Lloyd, Jr.
Hazen, Harold Paul
Hillman, Benjamin Franklin I.
Johnson, Ronald Norman
Kirsch, Arnold
Pulst, Marvin Leonard
Shanks, William Lacefield
Shorb, Gary Seymour
Soyka, Michael Walter
Spruit, Donald Robert
Stearns, Donald Frank
Syverson, William Alfred
Thompson, Randall Charles
Walker, Arthur Oquinn, Jr.
Westfall, Lothar Werner
White, Willis Sheridan III
Wickerham, Arthur Eugene

HOUSE OF REPRESENTATIVES—*Thursday, June 18, 1987*

The House met at 10 a.m.

The Reverend Buddy M. Owens, executive director, Rio Grande Children's Home, Mission, TX, offered the following prayer:

Our most gracious Heavenly Father: We thank Thee for last night's rest and protection. We earnestly pray that You will bless these, our Representatives, as they meet and carry on the affairs of our great Nation.

Dear Father, we are all mindful of the unrest that grips our world. We sincerely believe that without Your divine guidance our Nation or any nation cannot long endure.

Father, before we start this session this morning, we want to acknowledge that You are God and we desperately need Your wisdom and discernment for the problems we face. Please, dear Lord, bless these dedicated men and women and bless their families as well.

We ask all these things in Jesus' precious and holy name. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate had passed without amendment bills of the House of the following titles:

H.R. 191. An act to authorize the establishment of a Peace Garden on a site to be selected by the Secretary of the Interior; and

H.R. 2100. An act to designate the border station at 9931 Guide Meridian Road, Lynden, WA, as the "Kenneth G. Ward Border Station".

The message also announced that the Senate had passed with amendments in which the concurrence of the House is requested, a concurrent resolution of the House of the following title:

H. Con. Res. 131. Concurrent resolution providing for the attendance of Representatives, Senators, and other appropriate persons at a special ceremony and related events to be held in Philadelphia, Pennsylvania, in honor of the bicentennial of the Constitution and in commemoration of the Great Compromise of the Constitutional Convention.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair desires to announce his intention to recognize only one request to speak for 1 minute, that of the gentleman from Texas [Mr. de la Garza], who represents the district of our guest chaplain.

Further 1-minute requests will be postponed until after the conclusion of legislative business.

THE REVEREND BUDDY M. OWENS

(Mr. de la GARZA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. de la GARZA. Mr. Speaker, it is my honor and privilege to welcome the Reverend Buddy Owens and members of the choir of the Rio Grande Children's Home, from Mission, TX.

Mr. Speaker, those of us who serve in public office know full well the responsibilities that we share, but the good Lord blesses us with people that He puts in special places to do special things in our society. One of these is the Reverend Buddy Owens, whom the good Lord has blessed with an interest and has placed his ministry in giving a helping hand to youngsters in need.

We are very happy that he has come along and that so many youngsters have been helped along the way through his ministry. We are honored that he would share the prayer this morning with us here in the House of Representatives.

PERMISSION TO OFFER AMENDMENTS EN BLOC TO H.R. 1777, FOREIGN RELATIONS AUTHORIZATION ACT, FISCAL YEARS 1988 AND 1989

Mr. MICA. Mr. Speaker, I ask unanimous consent that, during the consideration of H.R. 1777 in the Committee of the Whole, it be in order for me to offer en bloc amendments that have been printed in the Congressional Record in accordance with the rule—or amendments that are modifications of any such amendment, that the amendments be considered as read and printed in the Record, that the amendments be in order even if amending portions of the bill that have not yet been read for amendment, and that said amendments not be subject to a demand for a division of the question.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

Mr. GALLO. Reserving the right to object, Mr. Speaker, at this point we do not have any Members from the committee here on our side. We expected that 1-minutes were going to take place, and they are on their way. I am not aware of whether this has been discussed with the ranking minority member.

Mr. MICA. Mr. Speaker, will the gentleman yield?

Mr. GALLO. I yield to the gentleman from Florida.

Mr. MICA. I thank the gentleman for yielding.

Mr. Speaker, we understood that the gentlewoman from Maine [Ms. Snowe] did have a little problem, and the gentleman from Michigan [Mr. Broomfield] is en route, but that these particular amendments had been totally agreed to with minority and minority staff, and that there is no question on that.

Mr. GALLO. Mr. Speaker, I withdraw my reservation of objection, based on the assurance of the gentleman from Florida.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

☐ 1010

JOINT REREFERRAL OF H.R. 2241

Mr. MICA. Mr. Speaker, I ask unanimous consent to have the bill H.R. 2241 jointly rereferred to the Committee on Ways and Means, the Committee on Armed Services, and the Committee on Foreign Affairs.

The SPEAKER. The Chair will announce that this matter has been discussed with the Chair and the Chair is familiar with the request.

Is there objection to the request of the gentleman from Florida?

There was no objection.

The SPEAKER. The bill is so referred to the Committee on Ways and Means, the Committee on Armed Services, and the Committee on Foreign Affairs.

☐ This symbol represents the time of day during the House proceedings, e.g., ☐ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

REQUEST FOR PERMISSION TO TAKE UP UNANIMOUS-CONSENT REQUESTS, NOTWITHSTANDING THE FACT OF THE ABSENCE OF CERTAIN MINORITY MEMBERS

Mr. DYMALLY. Mr. Speaker, I am wondering if in the next 5 minutes or so I could have permission to take up two resolutions? The minority leader Member anticipated, as did I, 1-minute speeches this morning.

The SPEAKER. The gentleman refers to commemorative resolutions?

Mr. DYMALLY. Yes, Mr. Speaker.

The SPEAKER. Once we go into the Committee of the Whole that would not be in order, were it not to be done immediately.

Mr. DYMALLY. I am wondering if my friend would accommodate me on a couple of commemoratives that we could take up right now?

Mr. GALLO. Mr. Speaker, I move a call of the House.

The SPEAKER. The Chair would ask the gentleman from California [Mr. DYMALLY] to withhold his request at this time, and would also ask the gentleman from New Jersey [Mr. GALLO] to withhold his request also at this time.

FOREIGN RELATIONS AUTHORIZATION ACT, FISCAL YEARS 1988 AND 1989

The SPEAKER. Pursuant to House Resolution 190 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 1777.

□ 1012

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 1777) to authorize appropriations for fiscal years 1988 and 1989 for the Department of State, the U.S. Information Agency, and for other purposes, with Mr. SWIFT in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee of the Whole rose on Tuesday, June 16, 1987, title I was open to amendment at any point.

Are there any further amendments to title I?

AMENDMENTS OFFERED BY MR. MICA

Mr. MICA. Mr. Chairman, pursuant to the unanimous-consent request previously agreed to, I offer amendments en bloc.

The CHAIRMAN. The Clerk will designate the amendments.

The Clerk read as follows:

Amendments offered by Mr. MICA: Page 55, after line 25, add the following:

SEC. 192. PROBABLE EXEMPTIONS TO THE UNITED NATIONS EMPLOYEE HIRING FREEZE.

(a) FINDINGS.—The Congress makes the following findings:

(1) In April 1986, the Secretary-General of the United Nations adopted a freeze on the hiring of personnel within the United Nations Secretariat.

(2) The conditions of the freeze were such that, as the terms of office for the personnel expired, replacements would not be recruited or hired to fill the vacant positions, with minor exceptions.

(3) The freeze was designed to reduce United Nations personnel by 15 percent over three years, as recommended by the Group of High-Level Intergovernmental Experts to Review the Efficiency of the Administrative and Financial Functioning of the United Nations (commonly referred to as the "Group of 18 Experts").

(4) On May 5, 1987, the Secretary-General reported to the Department of State that he was considering granting 156 exceptions to the hiring freeze.

(5) Of these 156 probable exceptions, 104 would be Soviet and Soviet-bloc nationals currently employed in the United Nations Secretariat—of 298 Soviet and Soviet-bloc nationals currently employed in the United Nations Secretariat—who would be replaced over the next 18 months.

(6) According to a report from the Select Committee on Intelligence of the Senate on "Soviet Presence in the United Nations Secretariat" (Senate Print 99-52, May 1985), approximately one-fourth of the Soviets in the United Nations Secretariat are intelligence officers, many more are co-opted by the Soviet intelligence agencies, and all Soviets in the United Nations Secretariat must respond to KGB requests for assistance.

(7) Other United States intelligence authorities estimate that as many as one-half of the Soviet and Soviet-bloc nationals in the United Nations Secretariat are officers of the KGB or the GRU.

(8) If the Secretary-General's probable exemptions are adopted, the Soviet Union will be allowed to replace retiring Soviet and Soviet-bloc personnel with new, highly skilled and well-trained intelligence officers of the KGB or the GRU.

(9) The Secretary-General's proposed exceptions would thus provide the Soviet Union with the capability to rebuild its intelligence apparatus within the United States, which was devastated in recent years when the United States ordered severe reductions in the size of the Soviet mission to the United Nations, the Soviet Embassy in Washington, District of Columbia, and the Soviet Consulate in San Francisco, California.

(10) Article 100 of the United Nations Charter calls for the establishment of an international civil service whose members are neutral and loyal only to the United Nations.

(11) Section 3 of Article 101 of the United Nations Charter calls for the appointment of individuals who are professionally qualified for the positions they are to fill and maintains that due regard shall be paid to the importance of recruiting the staff on as wide a geographical basis as possible.

(12) As of September 1985, 442 of 446 Soviet nationals employed throughout the United Nations system are "seconded", that is, serve on short, fixed-term contracts.

(13) Through the abuse of short, fixed-term contracts, the Soviet Union has maintained undue influence and control over major offices of the United Nations Secretariat, thereby effectively using the United Nations Secretariat in the conduct of its foreign relations, in clear violation of Articles 100 and 101 of the United Nations Charter.

(14) The Secretary-General's proposed exceptions to the hiring freeze (as described in paragraphs (1) through (5)) would continue the gross violations of Articles 100 and 101 of the United Nations Charter described in paragraph (13).

(15) The Secretary-General's proposed exceptions to such hiring freeze would be clearly inconsistent with the terms of the United Nation's self-imposed reform program.

(16) The United Nations has not yet achieved its reform goals and there is no indication that the United Nations can afford to make such large exceptions to such hiring freeze.

(b) REPORT TO CONGRESS.—(1) The Secretary of State shall report to the Congress not later than 90 days after the date of enactment of this Act and annually thereafter as to the status of secondment within the United Nations by the Soviet Union and Soviet-bloc member-nations.

(2) Such report shall contain as a minimum, a thorough analysis of the following issues:

(A) The number of Soviet and Soviet-bloc nationals who are currently seconded to the United Nations system on short, fixed-term contracts in New York, Geneva, Vienna, and Nairobi, and the percentage such number is to the total number of Soviet and Soviet-bloc nationals so seconded.

(C) The number of Soviet and Soviet-bloc nationals who are currently employed in the United Nations system on long-term contracts.

(D) The measures undertaken by the United States to persuade the United Nations Secretariat to enforce the provisions of the United Nations Charter which specifically govern the behavior and activities of United Nations employees, especially Articles 100 and 101.

(E) The measures undertaken by the United States either through bilateral or multilateral channels with the Soviet Union and other members of the Soviet-bloc to end their abuse of secondment.

(F) The measures undertaken by the United States to challenge Soviet and Soviet-bloc nationals' credentials and to deny them entry visas, in order to keep Soviet and Soviet-bloc intelligence operatives out of the United States and United Nations.

(G) The counterintelligence efforts undertaken by the United States to protect United States national security from hostile intelligence activities directed against the United States by Soviet and Soviet-bloc intelligence operatives employed by the United Nations.

(c) SENSE OF THE CONGRESS.—It is the sense of the Congress that—

(1) the President should take all such actions necessary to ensure compliance with the hiring freeze rule, including withholding all assessed United States contributions to the United Nations, and denying United States entry visas to Soviet and Soviet-bloc applicants coming to the United States to replace Soviet and Soviet-bloc nationals currently serving in the United Nations Secretariat;

(2) the President, through the Department of State and the United States mission to the United Nations, should express to the Secretary-General of the United Nations the insistence of the American people that the hiring freeze continue indefinitely, or

until the United Nations has complied with the Group of 18 recommendations and can thus afford to make exceptions to the freeze;

(3) the Secretary-General should revoke all exceptions to the hiring freeze rule, excepting those member-nations which have 15 or fewer nationals serving in the United Nations Secretariat, or those positions not subject to geographical representation, such as those of the general service category;

(4) the long-term, flagrant violations of Articles 100 and 101 of the United Nations Charter and the abuse of secondment by the Soviet Union and Soviet-bloc member-nations are reprehensible;

(5) the United Nations should adopt the recommendations of the Group of 18 (as referred to in subsection (a)(3)) that no member-nation be allowed to have more than 50 percent of its nationals employed under fixed-term contracts;

(6) the Soviet Union is hereby condemned for—

(A) its refusal to adhere to the principles of the United Nations Charter calling for an international civil service,

(B) its abuse of secondment, and

(C) its absolute disregard of the solemn purpose of the United Nations to be an international civil service; and

(7) if the Soviet Union and the Soviet-bloc intend to remain member-nations of the United Nations, they should adhere to Articles 100, 101, and all other principles of the United Nations Charter to which every other member-nation must adhere.

(d) Definition.—For the purposes of this section, the term "Soviet-bloc" means the countries of Bulgaria, Cuba, Czechoslovakia, East Germany, Hungary, Nicaragua, North Korea, Poland, and Romania.

Page 55, after the text following line 25, insert the following at the end of part E:

SEC. 192. FORCED DETENTION BY THE AFRICAN NATIONAL CONGRESS AND THE SOUTH AFRICAN GOVERNMENT.

Not later than 90 days after the date of enactment of this Act, the Secretary of State shall submit a report to the Congress on detention camps maintained by the African National Congress and on detention in South Africa since the South African Government enacted a State of Emergency in June 1986.

Page 55, after the text following line 25, insert the following at the end of Part E:

SEC. 192. SENSE OF CONGRESS REGARDING PANAMA.

(a) Concern Over Internal Disturbances.—The Congress expresses its deep concern over internal disturbances in Panama including suspension of most constitutional rights.

(b) Support for Elections.—The Congress supports free and constitutional elections in Panama.

Page 70, after line 16, insert the following:

TITLE VII—DEMOCRACY IN TAIWAN.

SEC. 701. CONGRESSIONAL FINDINGS AND STATEMENT OF POLICY.

(a) Findings.—The Congress finds that—

(1) stability and peace prevail on the island of Taiwain and in the Western Pacific region;

(2) prosperity and educational progress on the island of Taiwan have created conditions in which a democratic system of government can thrive;

(3) the people on Taiwan, in both national and local elections, have shown themselves fully capable of participating in a democratic political process;

(4) only a small minority of the seats in the central legislature and central electoral college are filled through periodic elections, with the vast majority of seats still being held by individuals who took office in the late 1940s'

(5) on October 7, 1986, President Chaing Ching-kuo, announced that the Kuomintang intended to end the state of martial law and to lift the ban on the creation of new political parties;

(6) the Kuomintang has also indicated a desire over the next few years to make more representative Taiwan's central representative bodies, to broaden decisionmaking within the Nationalist Party, to enhance the rule of law, and to increase the powers of local-level government;

(7) on September 28, 1986, Taiwan's democratic opposition announced the formation of the Democratic Progressive Party; and

(8) an acceleration of progress towards a full democracy on Taiwan, including full respect for human rights, will strengthen United States ties with the people on Taiwan.

(b) Sense of Congress.—The Congress—

(1) commends the authorities on Taiwan, the democratic opposition, and the people of the island for the recent progress in building a framework for full democracy in Taiwan;

(2) will welcome the day that the state of martial law is ended and the ban on new political parties is lifted; and

(3) urges the authorities on Taiwan to continue and accelerate progress toward a fully democratic system of government, in particular by—

(A) guaranteeing freedom of speech, expression, and assembly; and

(B) moving toward a fully representative government, including the free and fair election of all members of all central representative bodies.

Page 70, after line 16, insert the following new section:

SEC. 602. HUMAN RIGHTS IN THE PEOPLE'S REPUBLIC OF CHINA.

(a) Findings.—The Congress finds that—

(1) the advancement of human rights is a stated objective of the foreign policy of the United States;

(2) the constitutional guarantees of freedom of speech, press, and peaceful assembly have not been respected in the People's Republic of China;

(3) the exercise of religious activities has a detrimental effect on a participant's civil, social, and economic status within the People's Republic of China;

(4) the rights of citizens within the People's Republic of China to travel freely throughout the country, to have contact with foreigners, and to form trade unions and other voluntary associations are severely curtailed;

(5) there have been some encouraging developments including an effort by the current leadership of the People's Republic of China to develop economic policies without regard to a rigid application of Maoist ideology; and

(6) the American people's desire to extend their moral support to the struggle for freedom and justice within the People's Republic of China.

(b) Sense of Congress.—It is the sense of the Congress that the leadership of the People's Republic of China should take necessary steps toward establishing a more democratic society, with a free and open political system that will protect the essential human rights of all people living within that country.

Page 70, after line 16, insert the following:

TITLE VII—HUMAN RIGHTS VIOLATIONS IN TIBET BY THE PEOPLE'S REPUBLIC OF CHINA

SEC. 701. FINDINGS.

The Congress finds that—

(1) the People's Republic of China imposed its rule over Tibet through military force in 1949, and continues to exercise dominion over the Tibetan people through the presence of a large occupation force;

(2) over one million Tibetans have perished since 1949 as a direct result of political instability, imprisonment, and widescale famine;

(3) after 1949, particularly during the ravages of China's Cultural Revolution, over 6,000 monasteries, the repositories of 1,300 years of Tibet's ancient civilization, were destroyed and their irreplaceable national legacy of art and literature either stolen or removed from Tibet;

(4) the Tibetans' standard of living, health, and human services remain far below those of the People's Republic of China as a whole;

(5) Tibetans and others are concerned about the political, cultural, and economic implications of the policy of the People's Republic of China of encouraging large numbers of Chinese to move to Tibet;

(6) there are credible reports, confirmed by Amnesty International, of Tibetans being incarcerated and killed for the nonviolent expression of their religious and political beliefs;

(7) His Holiness and the Dalai Lama, spiritual and temporal leader of the Tibetan people, in conjunction with the 100,000 refugees forced into exile with him, has worked tirelessly for almost thirty years to secure peace and religious freedom in Tibet, as well as the preservation of the Tibetan culture;

(8) in 1959, 1961, and 1965 the United Nations General Assembly called upon the People's Republic of China to end the violation of Tibetan's human rights;

(9) 91 Members of the Congress signed a letter to President Li Xiannian of the People's Republic of China on July 24, 1985, expressing support for direct talks between Beijing and representatives of His Holiness the Dalai Lama and the Tibetans in exile, and urging the Government of the People's Republic of China "to grant the very reasonable and justified aspirations of His Holiness the Dalai Lama and his people every consideration"; and

(10) there has been no evidence of any such consideration being granted by the Government of the People's Republic of China.

SEC. 702. STATEMENT OF POLICIES.

It is the sense of the Congress that—

(1) the United States should express sympathy for those Tibetans who have suffered and died as a result of fighting, persecution, or famine over the past four decades;

(2) the Government of the People's Republic of China should respect internationally recognized human rights and end human rights violations against Tibetans;

(3) the United States should urge the Government of the People's Republic of China to actively reciprocate the Dalai Lama's efforts to establish a constructive dialogue;

(4) Tibetan culture and religion should be preserved and the Dalai Lama should be commended for his efforts in this regard;

(5) the President should instruct United States officials, including the United States

Ambassadors to the People's Republic of China and India, to pay greater attention to the concerns of the Tibetan people and to work closely with all concerned about human rights violations in Tibet in order to find areas in which the United States Government and people can be helpful; and

(6) the United States should urge the People's Republic of China to release all political prisoners in Tibet, including Geshe Lobsang Wangchuk, Thupten Kalsang, and Lobsang Chodag, who have been adopted by Amnesty International as prisoners of conscience.

SEC. 703. ASSISTANCE FOR DISPLACED TIBETANS.

Within 60 days after the date of the enactment of this Act, the Secretary of State shall determine whether the needs of displaced Tibetans are similar to those of displaced persons and refugees in other parts of the world and shall report that determination to the Congress. If the Secretary makes a positive determination, of the amounts authorized to be appropriated for the Department of State for "Migration and Refugee Assistance" for each of the fiscal years 1988 and 1989, such sums as are necessary shall be made available for assistance for displaced Tibetans. The Secretary of State shall determine the best means for providing such assistance.

SEC. 704. SCHOLARSHIPS FOR STUDY IN THE UNITED STATES BY TIBETAN EXILES.

For each of the fiscal years 1988 and 1989, the Director of the United States Information Agency shall make available to Tibetan students and professionals who are outside Tibet not less than 10 scholarships for study at institutions of higher education in the United States.

Page 70, after line 16, add the following:

TITLE VII—LIMITATION ON FUNDING OF UNITED NATIONS

SEC. 701. LIMITATION ON FUNDING OF UNITED NATIONS.

(a) LIMITATION.—No funds authorized to be appropriated by this Act may be obligated or expended to pay to the United Nations or to any United Nations affiliated agency any amount which exceeds 50 percent of the total payments by the United States for its assessed contributions to such organization or agency in 1986, except that the limitation under this section shall not apply to payments for peacemaking activities of any such organization.

(b) WAIVER.—The President may waive subsection (a) if he determines that such a waiver is in the national interest of the United States.

Page 70, after line 16, add the following:

TITLE VII—CONFLICT IN CENTRAL AMERICA

SEC. 701. PEACE IN CENTRAL AMERICA.

(a) FINDINGS.—The Congress finds that—

(1) the heads of state of Costa Rica, El Salvador, Guatemala, and Honduras met in San Jose, Costa Rica, on February 15, 1987, for the purpose of formulating a regional proposal for bringing about an end to the armed conflict in Central America;

(2) these heads of state have reaffirmed—

(A) their faith in finding a political solution to the problems in the region and have recognized their regional responsibility to seek a stable and durable peace through diplomatic negotiations and political dialog; and

(B) their belief that such a durable peace is only possible within the context of democratic regimes which are committed to eradicting extreme poverty, to establishing an effective means for equal opportunity for all elements of society, and to establishing a pluralistic society where dialog among the various elements of society is permitted to occur and free and periodic elections are held;

(3) these heads of state specifically endorsed the "Procedure for Establishing a Firm and Durable Peace in Central America" proposed in San Jose by Oscar Arias Sanchez, the President of Costa Rica, as a useful and constructive proposal for discussion with the ends of establishing a definitive timetable for ending the cycle of violence in Central America and executing a plan for a definitive and verifiable program for establishing peace in Central America;

(4) the Arias initiative recognizes that internal democratization is the key to peace in Central America; and

(5) the President of Nicaragua, Daniel Ortega, recently stated that "our internal policies will never be the object of any negotiations whatsoever".

(b) PEACE INITIATIVE.—The Congress applauds the recent bold initiative by President Arias of Costa Rica and the heads of other democracies in Central America, and congratulates them on the significant contribution made by this initiative toward ending armed conflict, and reinforcing democracy, in Central America.

(c) GOVERNMENT OF NICARAGUA.—The Congress urges the Government of Nicaragua to endorse the Arias peace process and indicate its willingness to negotiate in good faith toward peace and democracy in Central America.

(d) SUPPORT FOR SUMMIT MEETING BETWEEN CENTRAL AMERICAN HEADS OF STATE.—The Congress strongly supports this initiative and looks forward to a summit meeting as the next phase in this historic effort of the Central American heads of state to forge a firm and lasting peace in Central America.

Page 55, after the text following line 25, insert the following:

SEC. 192. UNITED NATIONS PROJECTS WHOSE PRIMARY PURPOSE IS TO BENEFIT THE PALESTINE LIBERATION ORGANIZATION OR THE AFRICAN NATIONAL CONGRESS.

(a) PALESTINE LIBERATION ORGANIZATION.—Section 114(a) of the Department of State Authorization Act, Fiscal Years 1984 and 1985 (22 U.S.C. 287e note), is amended—

(1) by redesignating paragraphs (3) through (6) as paragraphs (4) through (7), respectively; and

(2) by inserting the following new paragraph (3) after paragraph (2):

"(3) 25 percent of the amount budgeted for that year for the Special Committee to Investigate Israeli Practices Affecting the Human Rights of the Population of the Occupied Territories (or any similar successor entity);".

(b) AFRICAN NATIONAL CONGRESS.—Section 114 of that Act is further amended—

(1) in subsection (a)(4), as so redesignated by subsection (a) of this section—

(A) by striking out "it or" and inserting in lieu thereof "it,", and

(B) by inserting before the semicolon ", or to the African National Congress"; and

(2) in subsection (b)—

(A) by striking out "it or" and inserting in lieu thereof "it,", and

(B) by inserting before the period at the end thereof ", or to the African National Congress".

Mr. MICA. Mr. Chairman, as my colleagues know, we have some 43 remaining amendments to this legislation. During the intervening period yesterday when the committee was considering other legislation, we were able to take nine of these amendments on which we had agreements and put them en bloc. We have agreement from the minority and the majority and we are asking that they be approved en bloc.

I would like to yield to my ranking minority member, for any comment on this particular amendment.

Ms. SNOWE. Mr. Chairman, will the gentleman yield?

Mr. MICA. I yield to the gentlewoman from Maine.

Ms. SNOWE. Mr. Chairman, I thank the gentleman for yielding.

The minority has reviewed all of these amendments contained in the en bloc amendments and we certainly accept them. We approve of them, and I think it will expedite the process.

So I urge adoption of the en block amendments.

Mr. ROSE. Mr. Chairman, Tibet, an independent country, has in this modern age been invaded, occupied and turned into a colony by China, a country that claims to be one of the world's most forceful opponents of imperialism and colonialism.

For over 25 years the People's Republic of China has tried systematically and brutally to crush the Tibetan people, in particular their nationalism and religion. That policy has failed, but since 1983 the People's Republic of China has launched and implemented a plan to flood Tibet with Chinese settlers in order to reduce the Tibetan to an insignificant minority in their own country. That is clearly the purpose of China's "final solution;" To destroy the Tibetans as a people, as a nation, while preserving the more unusual aspects of Tibetan culture as a tourist attraction drawing foreign exchange.

This policy can be stopped. When over 90 of you signed a letter to the President of China 2 years ago, the Chinese were made to abandon their policy of destroying the religion and culture of the people of Tibet by brutal force. China's leaders today are highly sensitive about international concern about Tibet. The Chinese are responsive to international pressure because of their desire to create a good image abroad: An image of a country governed by the rule of law and respect for human rights. China's desire for high technology and its need for tourism—which provides the foreign exchange indispensable to her modernization campaign—are perhaps the most important causes for China's responsiveness. With our help, the Tibetan people can be saved before the effect of China's genocidal policies will have become irreversible.

Why should we be interested in what happens on the "roof of the world?" You should be interested in what happens for at least four important reasons:

First. We should express the moral outrage that we all feel in the face of willful infliction of suffering and the deliberate destruction of an entire people. In short, a valuable part of our very humanity is at stake. Today, China is implementing a massive transfer of Chinese into

Tibet to drown the Tibetan people in a sea of Chinese.

A respected international lawyer recently shared his observations about his trip, earlier this year, to Tibet with me. He said, "That I have never felt so depressed in my life is an almost grotesque understatement. I had never before personally witnessed, felt, the systematic destruction of a people, heard the silent cries of an entire generation that spent the greatest part of its life in prison, labor camps, * * * "political reeducation centers." I had never felt the oppressiveness of a military occupation, the fear of one's own words spoken in whispers * * * it was simply heart wrenching."

He went on: explaining an encounter with one of the few Tibetans serving in the Government in Tibet.

"A middle-aged man, who after his release from prison, has been given a high position in Tibet by the Chinese, pushed a little note into my pocket while we drank tea, in loaded silence, in a small living room in the backstreets of Lhasa. I could hear the silence despite a laughter in the adjoining room. The note said:

"I am so sorry, I cannot talk openly now, for there are progressive comrades in this house. We thank you for your help in our cause. Do not be deceived by the talk of liberalization and religious freedom. It is not real. There is no freedom. Please tell his holiness the dalai lama we live in a large burning hole of fire. Please help our dalai lama to rescue us."

Second. We should be interested in the Tibetan issue also for the legal reasons: Because the Tibetan struggle is what America stands for: The struggle of a people to regain the freedom and independence that is rightfully theirs.

Tibet is an independent state under foreign occupation—illegal occupation to be precise—just as is the case in Afghanistan.

Communist China has justified its occupation on two grounds only: That Tibet has always been an integral part of China; that Tibetans were economically, socially, and technologically backward.

But Tibet was never a part of China, and it was fully independent when 80,000 Chinese troops launched the invasion in 1949. The military attack was blatant aggression, and it was strongly denounced as such by the free world—including the United States. The issue has been successfully confused by repetitions of Chinese propaganda. But a serious study of Tibet's status makes the point self-evident.

Tibet's backwardness, of course, is irrelevant. It is true that Tibet was materially backward, but how could this ever justify invasion, occupation and genocide!

Alarmingly, Tibet is the largest territory to have been robbed of its sovereignty since World War II. It is a sad irony that Tibet was occupied and turned into a Chinese colony in the age of decolonization, when so many other countries and people had regained their independence.

Third. The Tibetan issue is a human rights issue; the Tibetan people's fundamental rights have been trampled on for decades now. 1.2 million Tibetans lost their lives and at least as many lingered in prisons or labor camps as a result of the occupation. Solzhenitzyn called the Chinese regime in Tibet "the most brutal Communist regime in the world." And the International Commission of Jurists concluded after an investigation that China was guilty of genocide.

Today Tibetans have no political rights at all in their country's affairs, not even economic, agricultural, or educational affairs. Behind today's facade of religious freedom, the very Tibet identity is being wounded more deeply than the previous overt persecution could do.

The United Nations General Assembly passed 3 resolutions strongly supported by the United States, urging the People's Republic of China to put an end to the violations of fundamental human rights and freedoms in Tibet and calling for the exercise of the Tibetan people's right to self-determination. This has been the U.S. position in the past; it should be our position today.

Fourth. But you do not even have to be interested in the Tibetan cause or support it to be interested in what happens in Tibet today. There are important geopolitical reasons why you should be interested. What do we know about what happens on the vast Tibetan Plateau? Do we realize the importance of this to the Chinese? How many people are aware, for example, that one of the six charges used to depose of Hu Yaobang, in December of last year, was his effort to initiate policies to alleviate the strife suffered by the Tibetans in their own country? How many papers pointed out that China's "one country—two systems" idea for Hong Kong and Taiwan is not novel, but a repetition of China's unified front 1951 "agreement for the peaceful liberation of Tibet," imposed on the Tibetan Government?

There is a great misconception of the relevance of Tibet in China's policies, including her foreign policy. That alone is reason to be interested in what happens in Tibet. Let me give you another example: How much do we read in the paper about Sino-Indian relations? And when we do, does Tibet feature prominently in those articles? Yet, Sino-Tibetan relations are of necessity bound to the whole issue of Tibet. So are the imminent, seasonal border conflicts. Again troops are facing each other on the Indo-Tibetan border. Last summer many men died on both sides in a conflict that was hardly reported. This summer you can expect even more serious fighting. In Tibet, Chinese are telling Tibetans to be prepared for a conflict. Watching what happens in Tibet is important to understand what happens in China.

We forget that Tibet is a vast country, one-fourth the surface area of the People's Republic of China. It is the size of India or Saudi Arabia, it is equal in size to one-third the United States or the size of Western Europe minus Scandinavia. Tibet is located in Asia's strategic heart and, at one time, separated the continents great powers. This is precisely why Asia's empires went to great pains to keep each other out of Tibet in order to preserve what was considered to be a crucial buffer state—a Switzerland of Asia as it were—essential to peace and stability in Asia.

It is Tibet's strategic location that was China's principal reason for invading the country. The invasion has made China a neighbor of India, Afghanistan, Pakistan, Nepal, and other south Asian states it would otherwise be thousands of miles away from.

What can we do to help? I believe that the basis not just for helping the Tibetan people but for helping the United States in shaping its foreign policy with respect to Asia should be to recognize the situation for what it is; genocidal colonialism. We can help Tibetans by exposing what China is really doing in Tibet: It has launched an all-out offensive to eliminate the Tibetans as a people and to secure a dominant position in the area. The eventual presence of 10 million or 20 million Chinese on the Indian subcontinents border will change the demographic and political map of the region and is certain to heighten tension in the area, adding one more focus of conflict in the world.

The Tibetan people have suffered too much. We helped the Tibetans in the past, and I believe that now is the time to renew our commitment to these noble people. We turned our backs on Tibet once, and our Nation, and the Tibetans, have paid dearly. The human rights abuses in Tibet and the Chinese population transfer must stop. China is very sensitive to this issue, and the United States can influence a change in the many tragedies that plague Tibet. Accordingly, I urge you, my honorable colleagues, to adopt this amendment to H.R. 1777.

Ms. SNOWE. Mr. Chairman, I rise in support of the Neal-Snowe amendment which is incorporated in the amendment en bloc.

Mr. Chairman, in February of this year, the leaders of the democratic nations of Central America met in Costa Rica to present a new peace plan for that troubled region. This document, drafted by Costa Rican President Arias, takes a new and promising approach to the conflicts of Central America.

The Arias plan recognizes that the key to peace in the region is internal democratization. As President Arias told me last summer, "There will never be peace in Central America as long as there is a Marxist regime in Nicaragua with the characteristics of the nine commandantes."

The amendment offered by the gentleman from North Carolina applauds the initiative of the Central American leaders, and expresses the support of Congress for the regional summit to discuss the Arias plan that was scheduled to take place next week in Esquipulas, Guatemala.

Unfortunately, this meeting has been postponed. For this reason, it is especially timely today to commend the Central American democracies on their initiative and encourage them to persevere in their long and difficult search for a negotiated settlement to bring peace and democracy to the region.

The gentleman from North Carolina graciously accepted a perfecting amendment which I offered to focus attention on what may be the most important factor in the search for peace in Central America, the commitment of the Government of Nicaragua to negotiate in good faith.

The Sandinista regime has taken at best a lukewarm attitude toward the Arias plan, alternately raising objections and then finding positive aspects, but without coming out with a clear endorsement of the Arias process.

I am especially concerned over a recent statement by President Ortega that "Our internal policies will never be the object of any negotiations whatsoever." This statement was cited in a Reuters dispatch of June 6.

President Ortega's statement runs directly contrary to the spirit of the Arias plan, and raises serious questions over the intentions of the Sandinista regime in entering these negotiations. My amendment to the amendment of the gentleman from North Carolina urges the Sandinista government to endorse the Arias peace process and to indicate its willingness to negotiate in good faith toward peace and democracy in Central America.

Mr. Chairman, the Members of this House are divided over United States policy in Central America. However I believe that we all agree on the importance of democracy in bringing peace to that region. I ask my colleagues to support the Snowe-Neal amendment and the amendment en bloc.

Mr. BURTON of Indiana. Mr. Chairman, we have agreed with the chairman of the subcommittee, Mr. WOLPE, on this amendment, which calls for a report on detention camps maintained by the African National Congress and detention by the South African Government during the state of emergency.

It is our understanding from United States Government sources that several hundred to a thousand South African blacks are being held by the African National Congress in Mungwa, in Zambia.

In addition, the Washington Post and the Christian Science Monitor have both published interviews with ANC defectors who confirm the existence of an ANC prison camp in Angola.

We would like the State Department, in conjunction with the intelligence agencies, to issue a report on these forced detention camps. The report should be unclassified to the maximum extent possible, and should discuss both the human rights situation in these camps and circumstances surrounding the detention of South Africa blacks by the African National Congress.

I would like to submit the articles for the RECORD at this point.

[From the Washington Post, Mar. 10, 1987]

SOUTH AFRICAN BLACK TELLS INFORMER'S TALE

(By William Claiborne)

PRETORIA, SOUTH AFRICA.—The young black man dressed in jeans and jogging shoes fidgeted, shifting in his seat when talk turned to "necklacing," the execution ritual in which those denounced as police informants are burned alive with a gasoline-filled tire around their bodies.

"I'm scared of it, yes. But one should always be vigilant and carry a gun" said the 28-year-old, an ex-guerrilla of the African National Congress who turned undercover police agent after nine years of training to overthrow the white-minority government he now serves.

Identifying himself as "John," he softly described a life in a twilight zone of fear of being unmasked and dragged before one of the "people's courts" that dispense curbside justice in South Africa's violent black townships. "I try to avoid people I knew before I went out of the country. I try to avoid these places," he said.

John, by his own account and that of the South African security branch, fled South Africa after the 1976 riots in Soweto township and began an odyssey with the ANC that took him through Angola, communist East Germany and the Soviet Union.

A two-hour interview, arranged by the security police after a request, was conducted under the supervision of his control agent, Col. Jac Buchner, who did not interfere in the questioning and frequently left the room for lengthy periods.

Repeated questioning of John about his circuit of ANC training camps and his eventual capture and turn to undercover police work evoked consistent answers that appeared to conform to verified accounts of activities of guerrillas in exile.

John said he was arrested last year after infiltrating through the Botswana border carrying an AK47 automatic assault rifle, six magazines of ammunition and six hand grenades. Since then, he has been reporting to the security police whatever he can learn about subversive activities in the townships, and also briefing his employers about guerrilla tactics for a monthly salary of about $200.

Born in Krugersdorp, west of Johannesburg, John grew up in Soweto and fled to Swaziland in 1977 as part of an exodus of black militant students following the bloody 1976 Soweto riots. Initially, he said, he had no intention of becoming a guerrilla, but fell under increasing ANC influence while attending a Mennonite missionary school in Swaziland.

He said he then moved to Mozambique, where for two months he received ideological instruction with 50 other black South Africans at an ANC residence before being flown to Luanda, Angola, and taken overland to the Quibaxe guerrilla training camp in northern Angola.

With about 400 other recruits, he received basic training in bush warfare tactics, ambushes, topography, explosives and the use of small weapons and mortars, John said. He described himself as "very dedicated to the liberation struggle in South Africa" by the time he was assigned to a detachment of the ANC's military wing, Spear of the Nation.

John said that with 40 other guerrillas he was then flown to Teterow, East Germany, for six months of advanced training by East German instructors. Deeply religious at the time, and subjected to intensive indoctrination in dialectical materialism, John said he experienced his first ideological conflicts there.

In late December 1979, he said, he was returned to Angola and for four years served as a prison guard at an ANC camp called Quatro, where defectors, suspected South African agents, ideological deviants and common criminals were incarcerated. John described conditions in the prison as "brutal" and claimed to have participated in the fatal beating of some prisoners.

In early 1984, he said, he was flown to the Soviet Union, where for 10 months he trained with ANC guerrillas and English-speaking Soviet instructors in a camp outside Moscow, learning how to infiltrate South Africa and establish small cells of three to four ANC operatives.

After returning briefly to Angola, he said, he was taken across the Botswana border with two other guerrillas and arrested a month later before he even had time to organize a cell.

"We knew that John was on his way back to South Africa," Buchner said, adding that the security police have "quite a few" agents that have infiltrated ANC guerrilla camps in Angola.

John said he was interrogated at length, but not physically abused, and he decided to accept an offer to become an undercover police agent because he wanted "to try to stop the atrocities that were going on inside South Africa. I thought it was my duty to expose those who want to carry out genocide in South Africa."

When pressed on the question of how, after nine years of self-sacrifice and commitment to a revolutionary struggle, he could so quickly turn sides, John shrugged and replied, "I feel free. I feel liberated. Things have changed since 1976. Things are changing unlike ever before."

Complaining that the ANC is dominated by tribalism and that a successful revolution would result in a "Marxist dictatorship" dominated by the Xhosa tribe, John described himself now as "an ordinary policeman upholding the law.

"There's no alternative other than to put terrorists in jail. It's for the government to act against those activities. We must take the bad element out—those who come to influence the youth with Marxism and Leninism," John said.

But when he mixes with young militant blacks in the townships, John said, he strikes an entirely different pose, one that keeps him constantly on edge against making a fatal slip and always aware of the nine-year gap in his life that he must obfuscate with deception.

Buchner, who calls John and the other turncoat ANC guerrillas he controls "my chappies," described them as "highly motivated for us," adding, "They accept the danger as a consequence of what they have done for the ANC. I won't say they regard it as punishment for their past, but there is definitely physical danger and they are resigned to living with it."

Buchner said the ANC command is certain to know which of their former guerrillas are working for the police. "They know that if a guy is arrested and doesn't turn up in court, he has turned coat. That makes our people all the more careful," he said.

Asked about the possibility that John was a double agent, Buchner said his answers in debriefings were convincing, and in any case John had access only to information that the ANC already could obtain. Both men denied that John had gone into exile already in police employ.

The security police colonel acknowledged that the "necklacing" executions of exposed black informants have made the recruiting of agents more difficult, particularly in the eastern Cape Province. "Necklacing" originated there as an outgrowth of the traditional Xhosa belief that if an evil spirit is discovered, it should be expunged by burning the body before death.

"It's an effective lever. Kids tell other kids not to allow their fathers to inform," said Buchner. But he said that recently a growing revulsion among blacks to such summary executions had generated a backlash. He said the emergence of black vigilante groups has had an inhibiting effect on the young radical "comrades" responsible for many "necklacing" executions.

Nonetheless, the threat to "sellouts" like John remains strong, Buchner said, displaying some handbills that he said were printed and distributed by the ANC.

One of them, with photos of seven alleged informants, proclaims in English and Zulu, "Death to the traitors. These are the unforgivable traitors of our people. They deserted from the ranks of the ANC Spear of the Nation to continue their tasks as servants of the racist dogs and security branches. . . . They should never be left to live a minute longer."

John has not yet appeared in the leaflets, Buchner said.

[From the Christian Science Monitor, Mar. 11, 1987]

Switching Sides: Young Blacks Leave ANC for Arms of Pretoria—South African Police Keep an Eye Out for Disenchanted Dissenters

(By Ned Temko)

For safety's sake, the slight, soft-spoken black man calls himself simply "John."

In the past decade, he recounts, he has fled his native South Africa, trained as an African National Congress activist in Angola, East Germany, and the Soviet Union—and beaten a dissident to death in what he terms an ANC "prison" in Angola.

Now, he has switched sides. He works for the South African police.

Hundreds of other blacks have made the same journey—even crossed the same fences—in the intensifying battle over South Africa's future. It is a tangled struggle, fought with ideology as often as with guns or mines.

It is a struggle both sides say they're confident of winning.

On the ground, there can be little doubt the momentum has shifted in the government's favor since the declaration of a state of emergency last June. For 21 months, the authorities—more often, their alleged black supporters—had come under violent assault in black townships.

In the six months before the emergency, an academic here calculates, there were some 120 separate gunfire incidents or mine explosions presumed to be the work of ANC supporters or of its military wing, Umkhonto we Sizwe ("The Spear of the Nation"). The figure was up 30 percent on the previous six-months—and nearly three times the figure for all 1984.

"The future is within our grasp!" blared an ANC pamphlet handed to this reporter in a black township shortly before the emergency.

Since then, thousands of activists have been jailed without charge. "The people responsible for the unrest have been removed from the community," declares Col. Jak Buchner, a top South African police expert on the ANC. "There is no instigation, no more playing with emotions."

The government has also curbed local news media coverage of the ANC, barring reports deemed likely to improve the political image of an organization increasingly seeking support from whites inside South Africa, and from Western governments. President Pieter Botha has stressed the tie between the ANC and the similarly outlawed South African Communist Party. He has argued that an ANC takeover would bring not a nonracial democracy, but Communist autocracy.

Separate interviews with John and Col. Buchner in Pretoria—and ANC officials in Lusaka—reveal the rivals starkly different strategies, and assumptions.

Buchner, who has complied profiles on some 200 captured or "turned" ANC men in the past 10 years, says patterns have emerged. His aim, he says, is to "see these men as people"—in trace their roots, discover what forces drive them.

Many of the armed men that the ANC has been reinfiltrating into South Africa left after the black-student uprising in Soweto in 1976, he says. Virtually all had poverty, Christianity, and a lack of deep-rooted political militancy in common.

"They might have been involved in a stone-throwing incident, or attended a demonstration. But they weren't members of any political group." As the Soweto unrest spilled into other areas, they typically "heard the police were looking for them," and fled to neighboring states until things cooled down.

"I went to further my studies in Swaziland," says John, whose smattering of Russian, and geographic description of his places of exile, lend apparent credibility to the account of his odyssey. "There were many refugees in our school, and a strong ANC [recruiting] influence." Under ANC auspices, he says, he went to Mozambique for lectures in "political strategy," to Angola for weapons training; then to East Germany for "more advanced studies in topography, military engineering—and political theory."

Above all, he says, he was taught "conspiracy . . . secrecy."

He says he felt torn between an urge to "liberate" his country and, as a devout Christian, doubts about Marxist ideology.

Returning to Angola, he spent five years as a guard at an ANC camp known, he says, as No. 4 "It was a prison . . . for suspected infiltrators, agents, misfits—for suspicious people." John says he watched some of them being shot by firing squad. He participated in beating others—at least once "beating a person to death."

Sent to Moscow for what he describes as 10 months' training in infiltration, political agitation, and organization of "cells of four people" inside South Africa, John slipped back onto his native soil with two ANC comrades last year.

He says he was by then disillusioned with the ANC—its ideology, its "violence," its laws of "conspiracy." Also, he makes clear, he felt homesick. He says he did not dare turn himself in, figuring "this would mean death." But the point proved academic: The police were waiting for him.

In what has become a pattern in recent years Buchner and others "debriefed him for several months" then recruited him, fairly certain he was never hard core ANC material. "We know," says Buchner, "what the situation was afer 1976."

Gradually, he says, South Africa has built up a store of knowledge on ANC activities. It comes from captured infiltrators—and, he says, from agents inside the ANC abroad. "In the case of most people, we know beforehand when ANC men are about to return."

Buchner says the ANC faces mounting difficulties in finding official haven for its cross-border infiltrators in neighboring black states. "The ANC," he adds, "has no infrastructure here. They have some 3,000 trained people outside—of whom roughly 30 are active at any one time in South Africa."

Some academics posit a higher figure. John says he's not sure. "The cells are organized without one's being aware of the others."

Whatever the numbers, the ANC has so far failed to unleash a full-scale "armed struggle." Hopes for an open-ended national strike and a rebellion by South Africa's 25,000 black policemen—aired in the pre-emergency pamphlet—have not borne fruit. The ANC did, by last year, seem near to one shorter-term goal—to make black townships "ungovernable." But independent analysts say it is unclear how much of the unrest was the direct work of the ANC. Buchner feels certain the initial upheaval—over rent in black townships—"was not orchestrated." The ANC, he says, "grabbed on to it."

In Lusaka, ANC's base, officials seem very aware of South African moves to "turn" their activists.

"Habashwe Abafe!" proclaims an ANC pamphlet distributed in South Africa: "Death to the Traitors!" It pictures seven ex-ANC men who testified against former cohorts in South Africa courtrooms.

But, suggests an ANC official, a main focus of the group's evolving strategy is long term *political* organization in South Africa. While confirming an overlap between the ANC and the Communist Party, he stresses the ANC is an umbrella organization—of dedicated men who aim to topple a "racist" system.

"Regardless of the short-term effects, the imposition of the state of emergency is not a sign of strength," he says. "It is a sign of weakness, a sign that this is the only way the South African government feels it can rule."

John does not underestimate the power of the ANC's political weaponry. "People [in the townships] can't even tell you what the strategy and tactics of the ANC are. But still, they say they support the ANC. The ANC is bringing propaganda and agitation to the youth. This thing is spreading."

According to Buchner, the ANC is now seeking to minimize the effect of South Africa penetration: by training black exiles more rapidly, reinfiltrating them in months.

He adds that he has begun to discern a new "exfiltration" of young blacks to neighboring states, similar to the flight after 1976.

"But," he adds, "there is no 'revolutionary climate' here. There are revolutionary-minded people who try to influence others . . . the dissident types, especially in our cities."

ANC sources counter that their supporters remain able to organize, in township "street committees" and other grass-roots bodies, despite the state of emergency.

Mr. SOLOMON. Mr. Chairman, I rise in support of these three amendments that are being considered en bloc. One-fifth of the world's population is Chinese, and by passing these amendments we are expressing our continuing commitment to promoting respect for human rights—the rights of the Chinese people, and all people.

Mr. Chairman, each of these three resolutions is somewhat different from the other two, thus reflecting the different situations that prevail in each of these areas.

The resolution concerning Taiwan is primarily positive in tone, reflecting the important progress the Government and people there have made toward the establishment of a genuine, pluralistic democracy. Indeed, before this bill finally becomes law, I believe that we can expect martial law to be lifted in Taiwan and ground rules to be established concerning political dialog and multiparty competition. I am advised, in fact, that the end of martial law is only weeks, even days, away.

The resolution concerning the People's Republic of China concerns the much more comprehensive denial of basic human rights in that country. Much as we would like to see comparable progress on the mainland as that in Taiwan, the fact remains that the PRC is a centralized Communist dictatorship whose citizens exist to serve the state.

A final resolution concerns the specific situation in Tibet. Why single out Tibet for special consideration when human rights conditions elsewhere in the PRC are equally grievous? The answer simply is that Tibet was given the same promises 30 years ago that Hong Kong and Taiwan are being given today—promises about respecting culture and traditions and preserving the people's way of life. Needless to say, Beijing's promises to Tibet were never made good.

History has yet to record a single instance of a Communist regime being willing to tolerate cultural traditions and expressions of ethnic and social diversity that do not conform to the dictates of the Communist Party. The people in Hong Kong and Taiwan are wise to be skeptical about what is being promised them by the PRC.

And so I urge adoption of these three resolutions, offered en bloc as amendments.

Mr. GILMAN. Mr. Chairman, today I received a copy of a letter written by noted author and fellow New Yorker, John Avedon, in regard to our amendment concerning human rights violations in Tibet. I found his remarks to be very interesting and so I would like to share them with my colleagues:

> While India and China's armies face off across Tibet's high Himalayan borders, there has been a renewed interest in this remote nation. Congress will soon be considering legislation concerning human rights in Tibet. The amendment has provoked vigorous opposition from the State Department, who feels it will harm our China policy. Given its view, why should Americans support or even care about Tibet?"
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> The legislation acknowledges Tibet's heretofore hidden holocaust under three decades of Chinese rule: 1.2 million Tibetans killed, 6,250 monasteries destroyed, the presence of a large occupying army and the interment of thousands of political prisoners. It calls for monitoring human rights in Tibet, and a return by China to negotiations with the Dalai Lama and Tibetan government-in-exile; forfeited in 1984 in favor of a final solution—the massive transfer of Chinese civilians into the region.
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> Though Tibet has been a non-issue for the West, in China it remains critically important. Comprising more than a quarter of its land mass, the Tibetan plateau houses close to one third of the PRC's nuclear arsenal. Tibet policy has a high profile in Beijing's inner circles: Deng Xiaoping himself was purged in the cultural revolution for his Tibet record; the second of the five points cited for Hu Yao Bang's recent dismissal was his failure to resolve Tibet's instability.
>
> The State Department feels that censoring China on Tibet will compel her assailed moderates to retaliate, weakening our overall interests. This view is not only wrong, it squanders a unique opportunity to strengthen U.S. China policy.
>
> A tough stand on human rights in Tibet will remind China's leaders that democratic values are as important to us as arms sales or new contracts. At the same time, it will assist them in their current power struggle. Though much of America's strategic and economic stake in China may survive whichever wing of the Community party emerges victorious, our political goal—fostering democratization as a means to temper China's advent on the world scene—can only be pursued under the moderates. We therefore need to support them. This is best done, not by disengaged prudent of the State Department, but by direct criticism of China on Tibet. Armed by a resolution from the U.S. Congress, the party's rights can confront its left with proof that a resurgent radicalism has already eroded the foreign support both deem critical for modernization.
>
> In the long run, the State Department and Congress alike should recognize the profound geopolitical incentives for raising America's voice on Tibet. By the loss of Tibet's status as an independent buffer state, India was compelled to befriend the Soviet Union; China, in return, courted Pakistan. The result has been the vexed equation, propagating the dramatic political fault lines at the heart of modern Asia. Unless China's massive population transfer into Tibet is halted the tenuous foundations sustaining central Asian security will inevitably collapse. It is therefore deeply important that the long dormant question of Tibet be more aggressively addressed. Over half the world's population is now engaged across the Rubicon of this high plateau. Finding a formula for restoring its ancient neutrality is in the interest of us all.

As an additional point, perhaps it should be noted that despite Tibet's often murky political status, the International Commission of Jurists, whose two reports formed the basis of the United Nation's three resolutions condemning China's annexation of Tibet, maintains that Tibet was a de facto as well as de jure independent state at the time of its invasion by the People's Republic of China in 1949.

Accordingly, I urge my colleagues to support this important measure not only because of the blatant and inexcusable human rights violations, but also because of the global ramifications it addresses.

Mr. BUSTAMANTE. Mr. Chairman, I rise in support of the Rose amendment which promotes Tibetan human rights.

According to congressional hearings on religious persecution as a violation of human rights, the extent of the religious persecution carried out by the Chinese in Tibet will ultimately require volumes to document. In 1959 there were an estimated 200,000 monks in Tibet. Following the Tibetan revolt, the entire clergy, and especially the highly revered reincarnated lamas, were singled out by the Chinese for the most inhumane treatment, including, public execution, torture, and hard labor. The majority of the clergy has since perished.

While the People's Republic of China has made efforts to convince the world that the Tibetan people are now being allowed religious freedom, religious practice is still punishable. Tibetans journeying on pilgrimages forgo their vital work-points and, often, their ration cards and are harassed. The recent easing of certain restrictions, although providing some relief for the Tibetan people, is not evidence of any change in China's basic policy which denies fundamental human rights and political self-rule to Tibetans. The exiled Tibetan leader, the Dalai Lama, has refused to return to Tibet until the basic requirements of a civilized life are provided for his people—including, food, clothing, shelter, education, health care, and the certainty that Tibetan culture, including Buddhism, will not only be preserved but developed.

Mr. Chairman, I urge my colleagues to support the Rose amendment which addresses serious human rights concerns in Tibet.

Mr. PORTER. Mr. Chairman, beginning with the entrance of the Chinese Army into Lhasa in 1951, over 1.2 million Tibetans have died during the past 33 years of Chinese occupation.

Since February 1987, 2 Tibetans were publicly executed, 3 were sentenced to death, and 30 sentenced to hard labor. The charges were stated as "economic sabotage," with no further explanation. Although religious freedom is a right guaranteed under the Universal Declaration of Human Rights, the teaching and study of Buddhism is banned in Tibet and over 6,000 monasteries, temples, and historic structures have been demolished.

Since the Cultural Revolution in the 1960's, the Chinese have forced the Tibetans to stop growing barley, their largest commodity, and allowed them to grow only wheat. This constitutes "induced famine" by the Chinese Government.

On March 31, 1959, His Holiness the Dalai Lama, when only 25 years old, led the Tibetan Government and 100,000 Tibetans through the Himalayan Mountains into India, escaping execution by the Chinese. Since then, the Dalai Lama has headed the Tibetan Government-in-exile.

Recently, the Chinese Government has transferred hundreds of thousands of ethnic Chinese into Tibet in an apparent attempt to force the entire Tibetan population out of their country. The Chinese population in Tibet currently exceeds the Tibetan population by 1 million people. This has caused massive unemployment, a 300-percent inflation rate, and a two-class society divided along racial lines.

Mr. Chairman, the Tibetans are concerned with peace, religious freedom and preservation of their culture. These are fundamental freedoms that should be available to all persons. I strongly support this amendment introduced by my colleague, Mr. Rose, on human rights violations in Tibet by the People's Republic of China. Human rights abuses, regardless of where they are committed, cannot be overlooked or tolerated.

Mr. SOLOMON. Mr. Chairman, as one who has been very actively involved in this whole issue of U.S. funding for the United Nations, I would like to make a few comments concerning this amendment.

When H.R. 1777 was marked up in committee earlier this spring, I offered a bipartisan compromise amendment that served to modify the original Kassebaum-Solomon amendment that was enacted 2 years ago. The amendment I offered is contained in section 191 of the bill. Essentially, this new language establishes a different procedure whereby our Government will make available to the United Nations the American contribution to the U.N. assessed budget and the budgets of U.N. specialized agencies.

I will make this brief, but my amendment, as passed by the committee and incorporated into the bill, would make the amount of American money to be provided to the United Nations each year dependent on a Presidential determination that the reform process at the United Nations is working. When the President so reports to Congress each year, 80 percent of the money he would propose for the United Nations would go to the United Nations automatically. The other 20 percent would be withheld for 30 days, during which time Congress could enact a resolution of disapproval. That remaining 20 percent would then go to the United Nations if Congress took no such action.

The amendment I offered in committee represents a bipartisan effort that was undertaken in good faith, keeping in mind several important considerations.

First, the new language in section 191 pays due recognition to the reform process that has been initiated at the United Nations since the original Kassebaum-Solomon amendment was enacted.

Second, this new language was so crafted as to take into account the fact that the reform process at the United Nations is a long way from being completed, much of it could still come unraveled. Therefore, the need to maintain American financial leverage is very important. By linking the amount of money to be made available to the United Nations to a Presidential determination that the reform process is underway and achieving results, we are maintaining our leverage over that process. Our Government will be in the position of being able to encourage success while at the same time we will not be committed to providing any support if the reform process fails.

That brings me now to the gentleman from Virginia's amendment. What concerns me about what he is trying to do is that a further dramatic reduction in U.S. support for the United Nations could well cause us to lose the kind of leverage we need. The committee bill, in its current form, contains, I believe, the critical mass necessary to encourage reform at the United Nations and to maintain U.S. leverage. I am greatly concerned that any further reductions will undercut Ambassador Walters and all of his efforts in New York, as well as to derail the possibility for significant U.N. reforms.

I understand the gentleman's motives, and I am not unsympathetic to them, and as the gentleman knows, I have tremendous respect for him. But I am quite leery of making any more cuts at this time.

Let me also point out something very interesting, I know the gentleman from Virginia has often talked about reducing the level of United States support to the United Nations to the level of the Soviet Union's support. We are just about at that point now, because of the Kassebaum-Solomon amendment and the Gramm-Rudman-Hollings reductions. Last year, the United States contributed $131.2 million to the U.N. assessed budget and peacekeeping forces. The Soviet Union paid $128.7 million for the same purposes. So as you can see, we are just about on a level of parity now.

Mr. PARRIS. Mr. Chairman, this amendment would have the effect of reducing the assessed contribution of the United States to the regular budget of the United Nations by 50 percent based on United States 1986 contributions—the last year for which such figures are available. Under this amendment, the President would have the authority to waive the reduction if he determined that such a waiver would be in the national interest of the United States. There are a number of reasons which necessitate this action.

The United States plays a very important role in the United Nations of today; specifically, that of whipping boy for the Soviets and chief financier of the cause.

The facts are clear: There is no incentive at the United Nations to cut costs or otherwise hold down budget growth. The vast majority of nations voting on the budget pay a miniscule share of U.N. outlays, and, yet, everyone is given an equal vote. As a matter of fact, 143 of the 159 member nations, or 90 percent of the membership, pay less than a 1-percent share of the U.N. regular budget. More than half of those 143 contribute the minimum 0.01 percent of the budget.

For the latter group, every $1 million increase in the U.N. budget costs them only $100 per nation. Clearly, these developing countries receive a substantial return on their $100 investment; yet, it is the United States and other developed nations that bear the brunt of these increased costs. The trouble is that the United States and other 1-percent plus contributors have only 16 of 159 votes, or about 10 percent of the total vote, with which to control or even influence budget decisions.

The Soviet bloc and the so-called Group of 77, actually a group of 120—the Third World bloc—use the United Nations to attack the free enterprise system in general, the multinational corporations and the United States in particular, as the alleged source of the world's economic ills. Increasingly over the years, there has been a developing pattern of so-called nonaligned nations voting with the Soviet Union in a knee-jerk reaction condemning the United States. In fact, we find that the nonaligned nations have voted 86.2 percent of the time with the Soviet Union. When you vote consistently 9 out of 10 times on one side of an issue, you can hardly be considered nonaligned.

When was the last time the United Nations passed a resolution condemning Soviet use of chemical weapons in Cambodia or Kampuchea? When was the last time the United Nations passed a resolution condemning the Soviet occupation of Poland or Afghanistan? When was the last time the United Nations passed a resolution condemning human rights abuses by the Governments in Cuba and Nicaragua—or by the Soviets in Russia, for that matter?

As I have repeatedly stated, the United Nations has become a bottomless pit, into which the United States has dumped literally tens of billions of dollars. In 1946, the United States paid 40 percent of the United Nations regular budget or $7.7 million. By 1985, our percentage assessment had been reduced to 25 percent, however, our payment to the United Nations regular budget amounted to approximately $205 million, a 2,500-percent increase in 40 years. Indeed, in the past decade, the United Nations regular budget has more than tripled in size.

According to the official U.N. General Assembly Report of the Committee on Contributions, dated August 9, 1985, the total cash payments received in satisfaction of assessments for 1984 was $1,607,446,000. Of that amount, only $134.7 million, or 8.3 percent, was received from the Soviet Union. At the same time, $450.23 million was received from the United States—28.01 percent of the total amount—almost four times the amount furnished by the Soviets.

With respect to voluntary contributions, that same report shows that the Soviet Union contributed only one-half of 1 percent of the total $2.1 billion received, while the United States contributed 23.82 percent of it. A substantial margin of difference by anyone's standards.

It is also interesting to note that according to data obtained from the U.N. Secretariat's January 20, 1986, report on the status of assessed contributions, the Soviet's are in arrears on their "mandatory assessed" payments to the United Nations in the amount of $235.6 million, nearly 80 percent of which is peacekeeping nonsupport. By and large, what the Soviets have paid, they have paid in rubles, which are useless outside of the Soviet Union.

The fact of the matter is, the Soviet Union contributes as little as possible, yet maintains near complete control over the disbursements at the United Nations—and we've seen what that has gotten us. It's time we put a stop to our role as financier of the Soviet cause until we regain some degree of control over the process.

I am not suggesting that we withdraw from the United Nations. In fact, I believe we should maintain our membership and continue our efforts to bring that organization back to the original purpose for which it was created. But until it returns to an institution dedicated to the resolution of world conflict, I believe we should dramatically reduce our financial support of its operating and other program budgets, at least to a similar level of funding as the Soviet Union.

I urge my colleagues to speak for all of America and support the amendment.

Mr. BURTON of Indiana. Mr. Chairman, under current law, the United States withholds its proportionate share of assessed contributions to the United Nations for projects whose primary purpose is to benefit the Palestinian Liberation Organization and SWAPO, the South West Africa People's Organization.

This amendment would do two things. First, it would close a loophole in the language that allows U.S. funds to go to one of the United Nation's pro-PLO activities. Second, it would add the African National Congress, a terrorist organization closely allied with the PLO and SWAPO, to the organizations we withhold from.

The law stipulates that the United States must withhold from two U.N. organizations, that clearly benefit the PLO—the Committee on the Exercise of the Inalienable Rights of the Palestinian People, and the Special Unit on Palestinian Rights. There are other U.N. projects that the United States does not withhold from because the State Department is interpreting the law as narrowly as possible.

One of these pro-PLO projects is the Special Committee to Investigate Israeli Practices Affecting the Human Rights of the Population of the Occupied Territories. This committee is obviously spouting pure PLO propaganda and should have been withheld from long ago.

The special committee was established by a United Nation resolution in 1968, which already concluded that Israel was violating Palestinians' rights. The purpose of the yearly so-called investigation has been to ratify what the United Nation has already decided. None of the committee members have relations with Israel, and Israel has refused to cooperate with the committee, which is clearly rigged against her. So the "investigation" consists of interviews in neighboring states and press reports.

It is time that we stop paying for PLO propaganda. This amendment closes one more loophole and is a step in the right direction.

This amendment also provides for withholding United States funds from U.N. projects whose primary purpose is to benefit the African National Congress.

This idea should not be controversial, as the House has already voted 369 to 49, to prohibit United States taxpayers dollars from going to the African National Congress.

At the time, some members said they thought that the amendment was unnecessary because no funds were being sent to the ANC. Well, in this case there is now doubt that we are helping the United Nations fund the ANC.

It is impossible to know for sure just how much the United Nation is giving to the ANC. Estimates range from $28 to over $40 million a year. One thing we do know is that the United Nations is funding the ANC offices in New York, because it says so in the United Nation's own documents.

Another thing we know is that the Special Committee Against Apartheid is so anti-Western that no Western nation sits on the committee. Its staff is dominated by the Soviet bloc, which tends not to be motivated by humanitarian concerns. Last year, for example, the SCAA held hearings in New York, to which student leaders from all over the United States were invited. The hearings were organized by a Mr. Oudovenko, of the Ukrainian Soviet Socialist Republic.

Another thing we know is that the ANC and the PLO have had a long relationship. In May of last year the Anti-Defamation League issued a report entitled "The African National Congress: A Closer Look." According to the report:

> As a revolutionary movement oriented towards Moscow, the ANC has long echoed Soviet attempts to undermine the legitimacy of Israel. Moreover, the ANC is a strident supporter of the PLO.

The ADL report goes on to make these points:

In 1970, the ANC denounced "Israel's aggressive expansionism" and urged "all peace-loving nonaligned states to immediately sever their relations with Israel."

In September 1980, ANC president Oliver Tambo spoke in Paris at a conference sponsored by the World Peace Council, a Soviet front. He said:

> I would like to assure our comrades in the liberation struggles * * * and the PLO * * * that their struggle is ours * * * our fight is carried on in the knowledge of the degree of intimacy and political, military and economic alliance that has been developed between racism and Zionism.

In July 1982, the ANC United Nations observer referred to Israel's policies as "Zionist Nazism."

Witnesses testifying before a Senate subcommittee stated that the ANC members trained with PLO cadres in the Soviet Union.

The ANC, the PLO, and SWAPO were all observers at the U.N. Symposium on the Question of Palestine in July 1985. According to the ADL, the symposium "was held to plan an anti-Israel progaganda campaign in the United States and Canada, was replete with an anti-Israel propaganda campaign in the straddled the fine line between criticism of Israel * * * and outright anti-Semitism."

According to an Israeli official quoted in the press "the PLO smells blood in South Africa. * * * The PLO thinks its long-term investment in the ANC finally has a chance to pay off." These Israeli sources would not say exactly how much the PLO has given the ANC, except that it is "in the millions," and that for more than 5 years the PLO has provided the ANC with arms, logistical support, and military training.

Both the PLO and the ANC exhibit the hallmark of a true terrorist group: They kill more moderates who are on their side than the enemy they are supposedly fighting. Just as the PLO has killed far more moderate Arabs—just because they oppose the PLO—than they have Israelis, the ANC has mainly killed moderate blacks who oppose ANC terror.

According to the Institute of Race Relations, a respected independent social research institute in South Africa, 2,326 blacks were killed from September 1984 until December 1986. About half of these deaths were caused by black-on-black violence.

The ANC has made very clear that it will kill anyone in its way, black or white. The ANC's radio station is constantly exhorting people to violence in the most graphic terms. One broadcast proclaimed:

> Our people must organize themselves into groups to manufacture traditional weapons which must be used against the enemy. After arming themselves in this manner, our people must begin to identify collaborators and enemy targets and kill them.

In another broadcast, on May 4, 1986, the ANC's radio said:

> Let us take all our weapons, * * * our necklaces, our grenades, our machine guns, our AK-47's, our limpet mines and everything we can get—let us fight the vigilantes * * * together with the apartheid regime * * *.

The "necklace" refered to in this broadcast is perhaps the most gruesome instrument of terror used in modern times. It consists of putting a tire doused in gasoline over the head of the victim, tying his or her hands, and then lighting the tire on fire so the victim slowly burns to death. Hundreds of blacks have died this way.

The ruthlessness of the ANC is perhaps best expressed by Johnny Makatini, the ANC's representative at the United Nations, who I think joined Oliver Tambo for tea at the Foreign Affairs Committee and the State Department. He said—as reported in the New York Times:

> If there were only 4 million of us left after the revolution, that would be better than the present situation.

He alludes here with indifference to the possibility of deaths of 17 million South African blacks.

I am not accusing those who support the ANC of deliberately supporting communism, just as I would hope they would not charge that because I oppose the ANC that I support apartheid. It is just not true that to oppose apartheid we must support the ANC. Major South African black leaders, such as Chief Buthelzi, Bishop Mokoena, Bishop Lekanyane, even Bishop Tutu, have bitterly opposed ANC terrorism.

In any case, the House has already voted that the United States should not fund the ANC and its necklace terrorism. This amendment simply says that the United States should not be funding United Nations programs whose "primary purpose" is to provide benefits to the African National Congress. I believe this is a modest measure that the American people would support, and I am pleased that the Committee on Foreign Affairs has accepted this amendment with the understanding of the majority.

I would like two supporting documents, one a report by the Anti-Defamation League of B'nai B'rith, the other an article from the Washington Jewish Week to appear at this point in the RECORD.

[From the ADL Bulletin, May 1986]

THE AFRICAN NATIONAL CONGRESS: A CLOSER LOOK

(By Nathan Perlmutter and David Evanier)

Discussion of the political scene in South Africa properly begins with the self-evident stipulation that apartheid is racist and dehumanizing.

If you are a black citizen of South Africa, you cannot vote in national elections; you must generally use separate public facilities; you are not allowed to own real estate in 87 percent of your own country; you are told with whom you may socialize, and where you can look for a job. If the government wants to resettle you, it can do so at any time for any reason.

The "homelands" resettlement drive has forced half of South Africa's blacks into overcrowded, unproductive segregated Bantustans, areas with no industiral base that are so overpopulated hardly any viable agricultural land remains. Drinking water is unsafe and sanitation deplorable. Since the Bantustans are little more than detention camps, many Africans migrate to urban centers as "illegals" subject to arrest. Forty percent of black children are estimated to be malnourished and ten percent suffer from kwasiokor (extreme protein deficiency).

In 1984, Pretoria's Constitution granted Parliament chambers to Asian and "colored" communities but not to blacks.

On the positive side, black, colored and Asian trade union membership has grown from 150,000 after legalization in 1979 to 750,000 today and blacks' real income has risen substantially in the last 25 years, higher than in any other African country. The U.S. State Department says that more positive changes have taken place in South Africa in the last five years than in the previous 300.

Hotels, parks and theaters are being integrated, and the pass laws controlling where black can live and work were recently revoked. Other reform commitments that are going to be translated into legislation include guaranteeing blacks freehold property rights.

Paul Johnson, British historian and former editor of the *New Statesman*, recently wrote in *Commentary*: "There is . . . overwhelming evidence that South Africa has been moving away from apartheid . . . It is quite clear that P. W. Botha . . . is convinced that apartheid has to go and has been dismantling it almost by stealth to avoid panicking the regime's followers."

Nevertheless, apartheid remains in force today. We, as Jews, with a collective memory of centuries in European ghettos and who have experienced the singular evil of racism, feel a special personal responsibility to insist on its dismantling.

But this is not to suggest closing our eyes to what may emerge once apartheid is gone. Political morality demands that the values that see us abhor apartheid also measure the society that will follow. We must distinguish between those who will work for a humane, democratic, pro-Western South Africa and those who are totalitarian, anti-humane, anti-democratic, anti-Israeli and anti-American.

It is in this context that the African National Congress (ANC), so frequently discussed as an alternative to the Botha Government, merits a close, unsentimental look.

The question can be fairly asked, what has all this to do with Jews?

As a revolutionary national liberation movement oriented toward Moscow, the ANC has long echoed Soviet attempts to undermine the legitimacy of Israel. Moreover, the ANC is a strident supporter of the Palestine Liberation Organization.

In 1970, the ANC denounced "Israel's aggressive expansionism" as "supported to the hilt by the ruling circles of the U.S. and their allies" and urged "all peace-loving non-aligned states . . . (to) immediately sever state relations with Israel . . ."

An article in the September, 1971, issue of *Sechaba*, the monthly ANC magazine headlined, "Zionism, South Africa and Apartheid—a Paradoxical Triangle," was adapted from a pamphlet with the same title published by the Palestine Research Center, an affiliate of the P.L.O.

In September, 1980, ANC president Oliver Tambo spoke in Paris at an International Conference on Solidarity with the Struggle of the Namibian People, sponsored by the World Peace Council, a Soviet front. He said:

". . . I would like to assure our comrades in the liberation struggles . . . and the P.L.O. . . . that their struggle is ours . . . our fight is carried on in the knowledge of the degree of intimacy and political, military and economic alliance that has been developed between racism and Zionism."

At the 60th anniversary meeting of the South African Communist Party (SACP) in 1981, Tambo stated: "Today, in the anti-imperialist struggle, we have won new allies like the struggling people of Palestine. We have thrown up new enemies of peoples, like those who murder civilians in Beirut."

In July, 1982, during the Israeli military action against Lebanon-based P.L.O. terrorism, ANC chief United Nations observer Johnstone M. Makatini denounced Israel for its "flagrant and unprovoked aggression against Lebanon" and its "attempted extermination of the Palestinian people. He referred to Prime Minister Begin's policies as "Zionist Nazism."

Witnesses who had been associated with the ANC testified before the U.S. Senate Judiciary Committee Subcommittee on Security and Terrorism in March, 1982, that the ANC cooperated with the P.L.O. and that some members trained in the U.S.S.R. with P.L.O. cadres.

In 1983, a controversy erupted at the State University of New York at Stony Brook involving Professor Ernest (Fred) Dube, who taught a course on "The Politics of Race." Dube, an ANC representative at the United Nations serving on the ANC's National Educational Council, taught that Zionism is a form of racism and suggested as a term paper theme "Zionism is as much racism as Nazism is racism." Dube spoke at a teach-in on Palestine" in New York in December, 1983, sponsored by the November 29 Coalition, a pro-P.L.O. organization of radical leftist and Arab-American groups. In an interview published in the July-August 1985 issue of *Palestine Focus*, a publication of the now renamed November 29 Committee for Palestine, Dube said that "what the Zionists did to the Arabs in Palestine was exactly the same that the whites did to us" in South Africa.

At the ANC National Consultative Conference in June, 1985, Oliver Tambo stated: "In 1973, the Arab armies succeeded to inflict a major defeat on Zionist Israel for the first time in a quarter of a century, forcing U.S. imperialism to seek new measures to protect its client state in the Middle East."

The ANC, the P.L.O. and the South West Africa People's Organization (SWAPO) were observers at the second annual United Nations North American Regional Non-Governmental Organizations (NGO) Symposium on the Question of Palestine, in July, 1985, under U.N. auspices in New York. The symposium, held to plan an anti-Israel propaganda campaign in the U.S. and Canada, was replete with anti-Israel and pro-P.L.O. declarations that often straddled the fine line between criticism of Israel and its supporters and outright anti-Semitism.

The ANC and the November 29 Committee for Palestine cosponsored a meeting in New York in April, 1986, on the subject, "Israel-South Africa: The Apartheid Connection?" Similar meetings have since been held in many other American cities.

The ANC, which seeks to overthrow the South African government is a "national liberation movement" that, plainly said, is under heavy Communist influence.

The ANC has been allied with the South African Communist Party (SACP) for 30 years.

The ANC is oriented toward the Soviet Union and its East Bloc allies, who have furnished it with arms, funding, military training and other logistic support.

Oliver Tambo, who has headed the ANC since 1964 when former president Nelson Mandela was sentenced to life imprisonment for acts of sabotage, is a member of the Presidential Committee of the World Peace Council (WPC), a leading Soviet-controlled front organization based in Helsinki. Tambo has been a speaker or guest at various forums sponsored by the U.S. Communist Party.

The ANC is a member of the Afro-Asian People's Solidarity Organization (AAPSO), described in 1983 by the U.S. State Department as a Soviet-controlled front.

Sechaba, the ANC magazine, is printed in Communist East Germany.

Moses Mabhida, General Secretary of the South African Communist Party, speaking at the SACP 60th anniversary meeting in 1981, said: "Our Party . . . fully supports the same program of liberation as the African National Congress for the seizure of power and black majority rule."

In 1982, seven members of the ANC national executive committee were identified in sworn testimony before the U.S. Senate Subcommittee on Security and Terrorism as SACP members. The 30-member national executive committee now has 12 to 15 members said to be affiliated with SACP.

The ANC supports the Soviet Union on foreign policy issues. Tambo told the June, 1985, ANC National Consultative Conference: ". . . the democratic, anti-feudal and anti-imperialist revolution in Afghanistan had been saved, with the support of the Soviet Union."

In a message to the same conference, the SACP Central Committee stated:

". . . The SACP . . . pledges to do its utmost to ensure that your decisions are carried into the field of struggle and implemented."

ANC spokesmen were featured speakers at banquets sponsored by the Communist Party newspaper, *People's World*, held this spring in California.

The fall of South Africa to such a Soviet-oriented and Communist-influenced force would be a severe setback to the United States, whose defense industry relies heavily on South Africa's wealth of strategic minerals. If America's defense industry were handicapped, our allies' security would also be at peril. A recent Commerce Department report noted that South Africa possesses 83.6 percent of the world's chromium; 80.8 percent, platinum; 70.8 percent, manganese; and 47.7 percent, vanadium.

In the event of a Communist-influenced or controlled revolution, South Africa's dependence on income from the export of strategic metals would perhaps result in continued sales to the West. However, if South Africa's strategic metals were controlled by a regime favoring the Soviet Union, American vulnerability to making political concessions to Moscow would increase substantially.

Moreover, should South Africa be controlled by a regime supportive of the Soviet Union, sea lanes and "choke points" around the Cape of Good Hope through the Red Sea, trade routes to the South Atlantic and Indian Oceans, and from the Persian Gulf would be at risk.

During the last three decades, it has been made painfully clear to the American Jewish community and to all supporters of human rights, that while tyrannies can be overthrown, at times the regimes replacing them may be even worse.

Some examples: In Cuba, the authoritarian Batista was replaced by Castro's Communism; in Iran, the undemocratic Shah's fall brought to power the tyrannical Ayatollah Khomeini, in Nicaragua, the corrupt Somoza's ouster saw the Communist Sandinista regime rise to power. And in Vietnam, the boat people are our times' searing reminder of the spawn of Communism.

As Freedom House has stated, ". . . South Africa bears the major onus for the bloodshed. Oppressed by the system of apartheid imposed on them by the white minority, the Africans are fighting back in whatever ways possible."

The ANC and the South African Communist Party are not root causes of the upheaval in South Africa. Communists exploit and manipulate economic and political desperation and oppression for their own purposes. South Africa is a tinder box; the Communists are poised to strike the match.

Yet there is still time for other agents of change to take hold and a number of them exist today in South Africa. Those partisans of democratic alternatives can take heart at the recent outcome in the Philippines, in which a democratic force, Corazon Aquino, emerged triumphant.

One example of assistance to a democratic alternative is the two-month training program in political, economic and social self-sufficiency for leaders from the black township of Soweto taking place at the Afro-Asian Institute in Tel Aviv, Israel.

Israel's labor federation, the Histadrut, a staunch opponent of apartheid, runs the Afro-Asian Institute. The training program focuses on unionizing South Africa's black workers, developing black civil infrastructures, organizing black women and teaching social work.

Israel has repeatedly condemned apartheid and has expressed its willingness to join other countries in economic sanctions against South Africa.

The writer Thomas Mann wrote at the conclusion of his epic novel, "The Magic Mountain":

"Out of this universal feast of death, out of this extremity of fever, kindling the rain-washed evening sky to a fiery glow, may it be that Love one day shall mount?"

The same question applies to violence-ridden South Africa. The survival of freedom in South Africa will be possible only if the forces of violence on the far left and of racial violence on the far right are defeated by the democratic forces of moderation.

[From the Washington Jewish Week, July 10, 1986]

ARAB TERRORISTS AID SOUTH AFRICAN GROUPS

(By Charley J. Levine)

JERUSALEM.—The Palestine Liberation Organization (PLO) is stepping up its support for the African National Congress (ANC), the most prominent of the outlawed organizations seeking to overthrow white minority rule in South Africa, according to both Israeli and South African intelligence sources.

"The PLO smells blood in South Africa," an Israeli expert on the country said. "With international pressure for sanctions against South Africa building, and with the internal situation in South Africa worsening, the PLO thinks its long-term investment in the ANC finally has a chance to pay off."

Israeli officials are reluctant to criticize the ANC publicly for fear of appearing proapartheid. Privately, however, they freely share their growing concern over the prospect of an ANC takeover.

"It's one thing to be opposed to apartheid, which is anti-democratic, unjust, unworkable and altogether doomed," explained an official in Jerusalem who keeps a close eye on events in southern Africa. "But it's quite another thing to be in favor of replacing the existing government with an anti-democratic, anti-Western, and, I must say, anti-Israeli regime."

The ANC is the most well-known and well-heeled of the various underground South African groups. Operating from its headquarters in Lusaka, Zambia, some 750 miles north of Johannesburg, the ANC boasts an annual budget in excess of $20 million, much of which is obtained in grants from foreign governments.

Though the Soviet Union is a major ANC backer, the single largest foreign donor is Sweden, which reportedly gave the organization $6 million last year.

Officials in Israel and South Africa, which this reporter visited for nearly two weeks in early June, would not say exactly how much money the PLO has given the ANC, except that "it's in the millions." In addition to financial aid, these sources add, the PLO has for more than five years provided the African group with arms, logistical support and military training.

ANC acting president Oliver Tambo visited Lebanon as far back as 1980 as a guest of the PLO, according to Israeli and South African sources. Liaison and cooperation between the two organizations were among the key issues reportedly discussed during that visit.

Speaking in Paris following his trip, in September of that year, Tambo publicly assured the PLO—his "comrades-in-arms," as he put it—that "by definition their struggle is ours."

South African government sources say that in 1981 PLO instructors trained ANC terrorists in the use of hand weapons, explosives and military tactics. The training reportedly took place in Mozambique. A year later, the PLO continued its ANC training program in Ethiopia.

ANC parachutists were subsequently trained by the PLO, and Soviet-made explosives were delivered to the ANC's Zambian headquarters via PLO operatives, according to South African officials.

Israeli experts on international terrorism—who include the ANC on their lists of active terrorist organizations—note the ANC's use of PLO-style tactics. The recent car bomb that destroyed a seaside section of Durban, killing three women—two white and one of Indian descent—and wounding 69 people, is the latest in a series of car bombings that have been attributed to the ANC. (Tambo acknowledged after the bombing that it might have been carried out by his guerrillas.)

The first such incident seems to have occurred in May 1983, when an ANC "cell" claimed credit for a car bomb that wrecked a government office building in Pretoria.

Israeli and South African sources say that the man behind the car bombings and other ANC terrorist attacks is the organization's only white executive committee member—a Lithuanian-born Jew who is also chairman-in-exile of the outlawed South African Communist Party (SACP). His name is Joe Slovo, and he serves as deputy chief of the ANC's military wing, known as Umkhonto We Sizwe, or "Spear of the Nation."

Slovo, 60, came to South Africa with his parents at age nine. A lawyer by training, he has spent his entire adult life as an SACP activist, even marrying the daughter of the SACP's treasurer. She was killed years ago by a mysterious letter bomb.

Slovo, who is said to travel regularly between Zambia and the Soviet Union, is the author of numerous ANC tracts. He frequently singles out "Zionist Israel" as "the proxy of U.S. imperialism."

In the Middle East, Slovo has written, U.S. imperialism "has encouraged the forces of reaction to liquidate the PLO and permitted Zionist Israel to invade Lebanon."

South African officials point to the ANC's formal alliance with the SACP and the disporportionate number of SACP members who sit on the ANC's executive committee to support the government's depiction of the ANC as a Communist-run organization.

ANC leaders deny the charge of Communist control, while acknowledging the long-standing ties between their organization and the SACP. At most, ANC leaders and their supporters say, a dozen or so executive members are Communists. The South African government puts the number at somewhere between 19 and 24—out of a total executive committee membership of 30.

"The South African government is caught up in this numbers game," an Israeli analyst said. "The real issue is simply that SACP members occupy a significant number of important, decision-making positions in the ANC."

In addition to Slovo, ANC executive committee members who are said to be active in the SACP include: Alfred Nzo, the ANC's secretary-general, who also serves as deputy chairman of the Afro-Asian Peoples' Solidarity Organization, a Cairo-based Soviet front group; Dan Tloome, the ANC's deputy secretary-general and deputy treasurer-general; Cassius Make, senior commander of Umkhonto We Sizwe; Francis Meli, editor of *Sechaba*, the ANC's official publication, and Mzawi Piliso, a special aide to Oliver Tambo.

South African investigators say that Tambo is not a Communist, in keeping with ANC tradition. But the organization's secretary-general—currently Nzo—is always a SACP member, and the SACP secretary-general always sits on the ANC executive.

The PLO does not appear to be the only Arab force behind the ANC, nor is the ANC the only underground South African group receiving assistance from the PLO.

Israeli and South African sources say that Libya has trained members of a rival South African organization, the Pan African Congress (PAC), since the early 1970s. Two PAC members were arrested in South Africa two months ago and admitted to being trained in Libya, according to David Steward, a South African government spokesman. The PAC members alleged mission: to eliminate certain moderate Black leaders.

Another Libyan trained hit team consisting of a dozen Black South African Muslims, was apprehended—weapons and all—at the Athens Airport in February. Members of the group confessed to local police that they were on their way home to assassinate Black moderates.

Sources familiar with the PLO's operations in southern Africa say that PAC agents stay in weekly contact with the official PLO mission in Zimbabwe, where the Palestinians maintain a transmission station in the PAC communications network.

Ali Halimeh the PLO's representative in Zimbabwe recently explained his organization's support for South African underground groups to foreign newsmen. "It is necessary for the PLO and the liberation movements in southern Africa to work together and exchange information on their struggles and their plight," he said, "because we are convinced that the collapse of the South African system will lead to the destruction of the Zionist state in the Middle East."

In March of this year, ANC and PAC members went to Tripoli for an international conference of terrorists that brought together representatives of the PLO and the Irish Republican Army, among other organizations. The conference was sponsored by a body calling itself the "World Center for Struggle Against Imperialism, Zionism and Racism."

South African officials say that two visiting ANC members, Thabo Mbeki and Johnny Makatine, used the occasion of the conference to visit the Sabaha terrorist training base in the northwestern Gharyan area of Libya, where ANC gunmen are regularly instructed in bombing and assassination methods.

Mr. ROBERT F. SMITH. Mr. Chairman, I rise in support of the amendment by the gentleman from Virginia [Mr. PARRIS].

The current deficit situation has deteriorated so badly—become so desperate—that next week we will be asked to approve a $65 billion tax increase. Yet we are also being asked, once again, to underwrite one-fourth of the operating costs of the United Nations, where we literally cannot buy a friend.

In 1985, the Soviet Union and the United States voted together in the General Assembly of the United Nations 12.2 percent of the time. Of course we did not extend any aid to the Soviets, either.

But that same year we gave $2.5 billion to Egypt and over half a billion to Pakistan, when both nations had voted with the Soviets 75 percent of the time the previous year.

Our $250 million goes to Sudan, when 71 percent of their vote goes to the Soviet Union. Marcos, whose nation received $270 million, voted in agreement with the Soviets 64 percent of the time.

A total of $1.2 billion went to El Salvador, Honduras, Costa Rica, Guatemala, and Panama, yet these nations averaged only 27 percent support of United States positions in the General Assembly.

The famous Group of 77, which really represents 120 nations, have voted with the Soviet Union in recent years 86 percent of the time. None of these nations pay more than 1 percent of the U.N's costs, and the Soviet Union pays less than 10 percent.

I don't expect our contributions to international organizations such as the United Nations to be profitable, but wouldn't it be nice to break even? Indeed, only 19 of 159 members of the United Nations voted with the United States more than half the time.

Everyone would like to be known as a philanthropist, but no one wants to be a sucker.

Mr. SOLARZ. Mr. Chairman, for 4 years, I, along with a number of other Members of Congress, have sought an expression of the sense of Congress regarding the political situation on the island of Taiwan. We have done so because we believe that democracy is an idea whose time has come for the people on Taiwan. We have done so also in response to the aspiration of Americans of Taiwanese descent that their brothers and sisters on Taiwan enjoy the fruits of democracy and freedom. I am pleased, therefore, to offer a provision on "democracy in Taiwan" to H.R. 1777.

It has been almost 40 years since the Kuomintang regime imposed martial law on the island of Taiwan. Whatever justification there may have been at the time for denying the political rights of the people of Taiwan, that rationale has long since vanished amid the prosperity and stability that the island enjoys—and has enjoyed for a long time. No matter how much the restrictions embodied in the original martial law regime have been reduced, the net effect of these so-called emergency measures is to guarantee KMT one-party rule on Taiwan.

It was 40 years ago this year that a majority of the members of the National central legislature and electoral college were elected. Because they supposedly represent districts on the Chinese mainland, they are not required to stand for reelection. There are members of those bodies who are elected from constituencies on Taiwan, but because of the number of "life members," majority rule does not exist on Taiwan.

I am pleased to acknowledge that significant political changes are occurring in Taiwan. In September 1986, the democratic opposition in Taiwan announced the formation of the Democratic Progressive Party. A couple of weeks later, President Chiang Ching-kuo announced that the Kuomintang regime intended to lift martial law and end the ban on the formation on new political parties. Other reforms, which hold out the promise of an evolution toward a democratic system, are to occur later.

The transition toward democracy in Taiwan will not be easy. Some groups believe that progress is too slow, and others want no change at all. The pace and content of change is up for the authorities and people of Taiwan to work out. But it is appropriate for the United States Congress to pay tribute to the social and economic development which has taken place in Taiwan over the last few decades, and to the recent positive steps toward democracy. It is also appropriate, in the context of that commendation, for the Congress to indicate its hope that the endpoint of this political transition will be a democratic system. That is what the provision on democracy in Taiwan seeks to do.

Mr. NEAL. Mr. Chairman, I'm delighted to join my State's distinguished Senator, TERRY SANFORD, in urging that Congress endorse the Central American peace proposal advanced by President Oscar Arias of Costa Rica.

As you know, earlier this year, President Arias presented his plan for a "Procedure for Establishing a Firm and Durable Peace in Central America." It offers a long-range plan for ending guerrilla wars in Nicaragua, El Salvador, and Guatemala, and bringing peace and democracy to the region.

On March 4, I introduced House Concurrent Resolution 63, the House version of the Sanford resolution, which expresses the strong support of the U.S. Congress for the Arias peace proposal. We now have 62 House cosponsors of this resolution.

Today, I am offering the resolution, with some relatively minor modifications, as an amendment to H.R. 1777, the State Department Authorization Act.

In essence, the Arias plan is an attempt to find a peaceful, political solution to the problems of Central America. Our resolution reflects the belief of President Arias and the region's other democratic leaders that "a durable peace is only possible within the context of democratic regimes which are committed to eradicating poverty, to establishing an effective means for equal opportunity for all elements of society, and to establishing a pluralistic society where dialog among the various elements of society is permitted to occur and free and periodic elections are held."

Our resolution notes that the Arias initiative recognizes that internal democratization is the key to peace in Central America. It also acknowledges that Daniel Ortega, the President of Nicaragua, has said, "our internal policies will never be the object of any negotiations whatsoever."

Further, our resolution urges the Nicaraguan Sandinista government and our own administration to get behind this initiative, which is designed to end armed conflict and reinforce democracy in Central America.

And finally, our resolution says that Congress strongly supports the Arias initiative and looks forward to a summit meeting as the next phase in this historic effort to forge a firm and lasting peace in Central America.

Mr. Chairman, it's important that we pass this resolution to demonstrate the support of Congress for the Arias proposal. As I said, it has already passed the Senate on an overwhelming vote. If we pass it today, as an amendment to H.R. 1777, maybe the administration will pay some attention.

I say maybe. Because the fact is, our administration is virtually alone in the world in pursuing its policy of supporting the Contras in Nicaragua. No Central American country supports the Contras. No Latin American country supports the Contras. Even our strongest allies in Europe and elsewhere do not support the Contras. Even Prime Minister Margaret Thatcher, President Reagan's closest friend in Europe, does not support the U.S. policy in Central America.

In fact, most Western European countries are trading with the Government of Nicaragua, and in some cases providing aid to that country. Clearly, I think, anyone who looks at the situation will recognize immediately that our policy has been an abject failure. We've spent about a thousand million dollars of American taxpayers' money in support of the Contras. Yet the Contras control no territory in Nicaragua and do not have the support of the people.

As President Arias said this morning when several of us were having breakfast with him, the United States stands alone in the world, the United States is isolated in its stubborn support for the Nicaraguan Contras.

What can we legitimately expect from the Arias proposal? If the administration finally gets the message that Congress is behind a negotiated settlement, and if that persuades the administration to support the Arias plan, and if the Sandinistas come to support the Arias plan, and if the Sandinistas come to support it, then I think we will achieve a lasting peace in Central America. It's possible.

What if we get behind it and the Sandinistas do not? I don't know whether the Sandinistas are going to take this seriously or not. But if they do not, it will be clear for all the world to see who is for peace and democracy in Central America and who is not.

Unfortunately, as it now stands, much of the world sees the United States as the aggressor in Central America. They see us almost as terrorists. But if we truly get behind this peace proposal, and it doesn't work out because the Sandinistas will not cooperate, the world will be forced to take another look at the Sandinista regime.

It's not necessary to say now what the next step will be. I'm not sure what the next step should be. The key thing for us is to accept this resolution today, to send this clear message from the Congress to the administration and to the Sandinista government and to the people of Nicaragua that we support a negotiated settlement, that we support peace, democracy, and the restoration of human rights in Nicaragua and in the other countries of

Central America. That's the purpose of this resolution. I urge my colleagues to support it.

At this point, I would like to repeat for my colleagues the 10 major parts of the Arias peace plan:

First, amnesty for political and related offenses, monitored by a commission, and dialog with internal opposition groups.

Second, a cease-fire.

Third, a process leading to a democratic representative form of government, with honest periodic elections and guaranteed civil rights.

Fourth, free and democratic elections, monitored by the OAS, for membership on the newly created Central American Parliament.

Fifth, a suspension of all extra-regional military aid, overt or covert, to insurgent or irregular forces.

Sixth, an end to attempts to destabilize the governments of Central American countries.

Seventh, a reduction of arms.

Eighth, supervision of the plan by the United Nations, the OAS, and the Contadora group.

Ninth, an evaluation of progress by the Presidents of the five Central American countries.

Tenth, economic and cultural agreements which will permit accelerated development.

Mr. KENNEDY. Mr. Chairman, I support the spirit of the amendment from the gentleman from North Carolina [Mr. NEAL]. I think it important that the Congress applaud the bold initiative of President Arias of Costa Rica. Mr. Arias himself met with some of the distinguished Members of this Chamber yesterday, and was encouraged by the supportive language of Mr. NEAL's amendment.

Nonetheless, it seems to me that current events have overtaken the substance of the amendment. The U.S. Congress finds itself in the awkward position of applauding a nation that has delayed the progress of peace in Central America, and chastising a nation that had agreed to participate in the Arias plan.

Shortly after meeting with Philip Habib, President Reagan's special envoy to Central America, President Duarte of El Salvador unexpectedly withdrew from the Central American summit conference scheduled for June 25. President Duarte says further preparatory meetings are needed, and that he will attend if it is rescheduled for August. But as a result of the postponement, Nicaragua has now pulled out of the talks, and we see the Arias peace plan unraveling before our eyes.

I don't think I am alone in being extremely troubled by these developments. A summit conference among the Central American leaders is a key feature of the Arias plan. Open, candid talks are the greatest hope for peace among the leaders of that region.

Lets look at the history of the Reagan doctrine in Central America. From Ronald Reagan's boasting about breaking up the Contadora initiative, to the discovery of an assassination manual, to the mining of harbors, to making illegal payments, we have seen the Reagan administration undermining any efforts toward peace in the region. Now that administration has told Duarte to ask for postponement of an important summit, giving Daniel Ortega the propaganda advantage he needed in order to pullout of the talks.

I think we need to give President Duarte, who is receiving $2 million per day of American taxpayers money, the message that he will gain greater support from this body for participating in the peace plan than he will for postponing it.

In short, all Central American nations should participate in this important conference. It is about time the American people realize that the Reagan administration continually undermines progress toward peace in Central America. By giving Daniel Ortega this propaganda advantage, we are shooting ourselves in the foot instead of holding his feet to the fire.

Mr. MINETA. Mr. Chairman, I rise in support of the amendment to order a report on the human rights situation in Tibet and for other purposes.

The People's Republic of China has occupied Tibet since 1950. It has been estimated that as a direct result of this occupation, 1.2 million Tibetans out of a population of 6 million have died. The causes of these deaths include political executions, persecutions, torture, and suicide.

Today the Tibetans continue to suffer many types of persecution. It is estimated that 100,000 Tibetans are presently being held as political prisoners. Included in this number is the elderly scholar Geshe Lobsang Wangchuk, a fact which demonstrates the fallacy of the claim that all Tibetans being held are common criminals.

Furthermore, despite propaganda efforts to the contrary, in reality the teaching of Buddhism is banned, and only a facade of the religion, geared toward pleasing the tourists, is allowed to exist.

As a part of Chinese policy, native Chinese are encouraged to relocate in Tibet, and for the first time ever, the Chinese population outnumbers the native population. As a result of this infusion, the native culture and identify of Tibet threatens to be overwhelmed, much as was that of the native American Indian.

The living standards of Tibetans are strikingly lower than those of the Chinese occupants. In fact, the standard of living is still below what it was in 1959, and the literacy rate is now the lowest in Asia. Furthermore, of the 8,000 monasteries, temples, and historical monuments which have been destroyed over the past 30 years, some are being rebuilt, but those only for purposes of tourism.

This situation is unacceptable, Mr. Chairman, and so for this reason I urge my colleagues to support the amendment.

Mr. GEJDENSON. Mr. Chairman, I rise today in support of the amendment offered by the gentleman from North Carolina [Mr. NEAL] to require the State Department to submit a report to Congress on the human rights situation in Tibet and to earmark funds in the Migration and Refugee Assistance Program for assistance to Tibetan refugees.

Mr. Chairman, the West is too little aware of the tragedy of Tibet. Long an independent country, it was invaded by the People's Republic of China in 1959 and has been occupied ever since. During this occupation living standards for the Tibetans have dropped dramatically, with one-sixth of the population having died between 1949 and 1979. For those who have survived the economic deprivation there has been the additional threat and reality of forced labor, imprisonment and the loss of human dignity. One out of ten Tibetans have been imprisoned at some time in their lives and tens of thousands of others held in labor camps.

The Tibetans' unique cultural heritage has also been savaged; 6,254 monasteries have been destroyed, their art and statuary either melted into bullion or sold for foreign exchange; at least 60 percent of Tibet's philosophic, historic, and biographic literature burned.

In just 20 short years, 2,100 years of civilization was destroyed.

But there is still a dearth of information on the true situation in Tibet today which I hope this amendment will remedy. Mr. Chairman, in closing I would like to quote the spiritual and temporal leader of Tibet, his holiness the Dalai Lama. This passage is from his book, "My Land and My People":

> When the Chinese Communist Armies marched into Tibet in 1950 and occupied the eastern part of it, I and my people found ourselves in a helpless and almost hopeless situation. We appealed to several of the leading nations of the world and to the United Nations, to intervene on our behalf, but our pleas for help were rejected. It was many centuries since Tibet had been a military power, for we believe in the path of peace and have tried to follow it ever since the wisdom of Lord Buddha was brought to our country from India over a thousand years ago; and since our national life was devoted to our religion, our material resources were very small. So denied the help of other nations, we were soon overwhelmed by the armed might of China. We sent delegation to Peking, in the hope of making an honorable treaty, but it was coerced by threats into signing away our sovereignty. Our Government never ratified the agreement which was forced on us.
>
> But it was clear to all of us that if we rejected it, more bloodshed and destruction would inevitably follow. To save my people from worse disaster, I and my government tried to abide by the agreement, unjust though it was; but the Chinese broke every promise they had made in it.
>
> The grim tragedy which followed in Tibet has been told in great detail in the reports of the International Commission of Jurists. In this book, I have tried to give a more personal account of our life in Tibet, and of the sad events which for the present have brought it to an end. I have also mentioned some principles of buddhism, and the religious course from suffering to the path of happiness; for nobody can understand Tibet without some understanding of our religion.
>
> I am a steadfast follower of the doctrine of nonviolence which was first preached by Lord Buddha, whose divine wisdom is absolute and infallible, and was practiced in our own time by the Indian saint and leader Mahatma Gandhi. So from the very beginning I was strongly opposed to any resort to arms as a means of regaining our freedom. All my efforts through these years were spent in a search for a just and peaceful settlement with China, and I tried my best to discourage violence even at the risk of displeasing some of my own people. For 9 years I managed to persuade those of my people who were still under the authority of the Tibetan Government not to take arms against the Chinese oppression, because I believed that course would be immoral and knew it

would cause havoc on both sides. But in the eastern part of the country which had already been invaded, neither I nor my government had any means of communication through which we could use our influence on the people; and there they rose in revolt against the Chinese. Finally, the oppression by the invaders throughout the country became intolerable, and the patience of my people broke.

This is the story I have done my best to tell, in manner which everyone will understand, and I am happy to leave my readers to form their own conclusions. But I must add that we Tibetans still have no feeling of hatred for the great Chinese people, although their representatives in Tibet have treated us so barbarously. Our only wish is to live our own lives in peace and friendship with all our neighbors, including the Chinese; but for that we appeal to all men and women all over the world who value tolerance and gentleness.

The CHAIRMAN. The question is on the amendments offered by the gentleman from Florida [Mr. MICA].

The question was taken; and the Chairman announced that the ayes appeared to have it.

Mr. GALLO. Mr. Chairman, I demand a recorded vote, and pending that, I make the point of order that a quorum is not present.

The CHAIRMAN. Evidently a quorum is not present. Pursuant to the provisions of clause 2 of rule XXIII, the Chair announces that he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device, if ordered, will be taken on the pending question following the quorum call. Members will record their presence by electronic device.

The call was taken by electronic device.

The following Members responded to their names:

[Roll No. 192]

ANSWERED "PRESENT"—402

Ackerman
Akaka
Alexander
Anderson
Andrews
Annunzio
Anthony
Applegate
Archer
Armey
Aspin
Atkins
AuCoin
Baker
Ballenger
Barnard
Bartlett
Barton
Bateman
Bates
Beilenson
Bennett
Bentley
Bereuter
Berman
Bevill
Biaggi
Bilbray
Bilirakis
Bliley
Boehlert
Boggs
Boland
Bonker
Borski
Bosco
Boucher
Boulter
Boxer
Brennan
Brooks
Broomfield
Brown (CA)
Brown (CO)
Bruce
Bryant
Buechner
Bunning
Burton
Bustamante
Byron
Callahan
Cardin
Carper
Carr
Chandler
Chapman
Chappell
Cheney
Clarke
Clay
Clinger
Coats
Coble
Coelho
Coleman (MO)
Coleman (TX)
Collins
Combest
Conte
Cooper
Coughlin
Courter
Coyne
Craig
Crane
Crockett
Dannemeyer
Darden
Daub
Davis (IL)
de la Garza
DeFazio
DeLay
Dellums
Derrick
DeWine
Dickinson
Dicks
DioGuardi
Dixon
Dorgan (ND)
Dornan (CA)
Dowdy
Downey
Dreier
Duncan
Durbin
Dymally
Dyson
Early
Eckart
Edwards (CA)
Edwards (OK)
Emerson
English
Espy
Evans
Fascell
Fawell
Fazio
Feighan
Fields
Fish
Flippo
Florio
Foglietta
Foley
Ford (MI)
Frank
Frenzel
Frost
Gallegly
Gallo
Garcia
Gaydos
Gejdenson
Gekas
Gephardt
Gibbons
Glickman
Gonzalez
Goodling
Gordon
Gradison
Grandy
Grant
Gray (IL)
Gray (PA)
Green
Gregg
Guarini
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Hansen
Harris
Hastert
Hatcher
Hawkins
Hayes (IL)
Hayes (LA)
Hefley
Hefner
Henry
Herger
Hertel
Hiler
Hochbrueckner
Holloway
Hopkins
Horton
Houghton
Howard
Hoyer
Hubbard
Huckaby
Hughes
Hunter
Hutto
Hyde
Inhofe
Ireland
Jacobs
Jenkins
Johnson (CT)
Johnson (SD)
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kasich
Kastenmeier
Kennedy
Kennelly
Kildee
Kolbe
Kolter
Konnyu
Kostmayer
Kyl
LaFalce
Lagomarsino
Lancaster
Lantos
Latta
Leach (IA)
Leath (TX)
Lehman (CA)
Lehman (FL)
Leland
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Levin (MI)
Levine (CA)
Lewis (CA)
Lewis (FL)
Lewis (GA)
Lightfoot
Lipinski
Lloyd
Lott
Lowery (CA)
Lowry (WA)
Lujan
Luken, Thomas
Lungren
Mack
MacKay
Madigan
Manton
Markey
Marlenee
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCandless
McCloskey
McCollum
McCurdy
McDade
McEwen
McGrath
McHugh
McMillan (NC)
McMillen (MD)
Meyers
Mfume
Mica
Michel
Miller (CA)
Miller (OH)
Miller (WA)
Mineta
Moakley
Molinari
Mollohan
Montgomery
Moody
Moorhead
Morella
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Murtha
Myers
Nagle
Natcher
Neal
Nelson
Nichols
Nielson
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens (NY)
Owens (UT)
Oxley
Packard
Panetta
Parris
Pashayan
Patterson
Pease
Pelosi
Penny
Pepper
Perkins
Petri
Pickett
Pickle
Porter
Price (IL)
Price (NC)
Pursell
Quillen
Rahall
Ravenel
Regula
Rhodes
Richardson
Ridge
Ritter
Roberts
Robinson
Rodino
Roe
Rogers
Rose
Roth
Roukema
Rowland (CT)
Rowland (GA)
Russo
Sabo
Saiki
Savage
Sawyer
Schaefer
Scheuer
Schneider
Schroeder
Schuette
Schulze
Sensenbrenner
Sharp
Shaw
Shumway
Shuster
Sikorski
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter (NY)
Slaughter (VA)
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Snowe
Solarz
Solomon
Spence
Spratt
St Germain
Staggers
Stallings
Stangeland
Stark
Stenholm
Stokes
Stratton
Studds
Stump
Sundquist
Sweeney
Swift
Swindall
Synar
Tallon
Tauke
Taylor
Thomas (CA)
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Upton
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Vucanovich
Walgren
Walker
Watkins
Weber
Weiss
Weldon
Wheat
Whittaker
Whitten
Williams
Wilson
Wise
Wolf
Wolpe
Wortley
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (FL)

☐ 1025

The CHAIRMAN. Four hundred two Members have answered to their names, a quorum is present, and the Committee will resume its business.

Does the gentleman from New Jersey [Mr. GALLO] insist upon his request for a recorded vote?

Mr. GALLO. Mr. Chairman, I do not.

The CHAIRMAN. Pursuant to the voice vote prior to the quorum call and the Chair's announcement that the ayes appeared to have it, the amendments are agreed to.

So the amendments were agreed to.

AMENDMENT OFFERED BY MR. SWINDALL

Mr. SWINDALL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SWINDALL:

Page 27, after line 13, add the following:

SEC. 137. TRAVEL RESTRICTIONS WITH RESPECT TO CERTAIN FOREIGN MISSIONS AND FOREIGN ORGANIZATIONS IN THE UNITED STATES.

(a) IMPOSITION OF RESTRICTIONS.—The State Department Basic Authorities Act of 1956 (as amended by section 128) is amended by adding at the end of title II (22 U.S.C. 4301 et seq.; commonly referred to as the "Foreign Missions Act") the following:

"SEC. 216. TRAVEL RESTRICTIONS WITH RESPECT TO CERTAIN FOREIGN MISSIONS AND FOREIGN ORGANIZATIONS IN THE UNITED STATES.

"(a) TRAVEL RESTRICTIONS.—The travel of any individual while in the United States, other than a national or permanent resident alien of the United States, who is one of the personnel of—

"(1) an international organization defined in section 209(b)(1),

"(2) an official mission to an organization defined in section 209(b)(1) from a country specified in subsection (c)(1),

"(3) any organization specified in subsection (c)(2) which has a standing invitation to participate in the sessions and the work of the General Assembly of the United Nations as an observer and maintains a permanent office at the United Nations headquarters,

"(4) any organization specified in subsection (c)(2) which is not described in paragraph (3), or

"(5) any foreign mission (as defined in section 202(4)) of a country specified in subsection (c)(1),

shall be limited to the municipal city limits of the city in which such organization or mission is located, except that for purposes of travel between missions of a country, direct access shall be permitted to and from airports serviced by major air carriers providing interstate or intrastate service.

"(b) SPECIAL RULE FOR WASHINGTON, DISTRICT OF COLUMBIA.—For purposes of paragraphs (4) and (5) of subsection (a), the metropolitan area of Washington, District of Columbia, is that portion of the area which is encircled by interstate route 495 on the west and 95 on the east (commonly referred to as the 'Beltway').

"(c) COUNTRIES AND ORGANIZATIONS TO WHICH RESTRICTION APPLIES.—

"(1) The countries referred to in subsection (a) are Afghanistan, the Czechoslovak Socialist Republic, the Democratic People's Republic of Korea, the German Democratic Republic, the Hungarian People's Republic, Iran, Libya, the Mongolian People's Republic, Nicaragua, the People's Democratic Republic of Yemen, the People's Republic of Bulgaria, the People's Republic of China, the Polish People's Republic, the Republic of Cuba, the Socialist Republic of Romania, the Socialist Republic of Vietnam, and the Union of Soviet Socialist Republics (including the Byelorussian S.S.R. and the Ukrainian S.S.R.).

"(2) The organizations referred to in subsection (a)(1) are the African National Congress, the Palestine Liberation Organization, and the South West Africa People's Organization.

"(d) WAIVER.—The Secretary of State, after consultation with the Director of Central Intelligence and the Director of the Federal Bureau of Investigation may waive the restrictions in subsection (a) if the Secretary determines that the national security and foreign policy interests of the United States require that such restrictions be waived.

Mr. SWINDALL (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia?

There was no objection.

□ 1040

Mr. SWINDALL. Mr. Chairman, I ask unanimous consent that my amendment be considered with modifications which are at the desk and which the majority and the minority have already seen.

The CHAIRMAN. The Clerk will report the modifications.

The Clerk read as follows:

Modifications to the amendment offered by Mr. SWINDALL: Page 3, line 8, strike "Syria,".

Page 3, line 15, strike "Attorney General of the United States" and insert "Secretary of State, after consultation with the Director of Central Intelligence and the Director of the Federal Bureau of Investigation".

Page 3, line 16, after "subsection (a)", strike the balance of line 16 and the language through line 23 and insert "if the Secretary determines that".

Page 3, line 23, strike the dash, and on line 24 strike "(1)".

Page 4, line 1, after "waived", insert a period and question mark and delete the balance of line 1 and the ensuing language through line 21.

Mr. SWINDALL (during the reading). Mr. Chairman, I ask unanimous consent that the modifications be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia?

Mr. WEISS. Mr. Chairman, I object. I have not been able to hear the amendment.

The CHAIRMAN. Objection is heard. The business of the committee cannot continue unless we have better order.

PARLIAMENTARY INQUIRY

Mr. MICA. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. MICA. Mr. Chairman, I would like to know if the situation is correct as I have stated it.

We had a vote prior to the quorum call on the en bloc amendments. The en bloc amendments were approved, but there was a quorum call and a possible call for a recorded vote. After the quorum call, there was a decision not to request a recorded vote, so we are now moving on in regular order for amendments, with amendments to this bill.

An amendment has been offered, and there has been an objection raised as to whether or not the amendment would be accepted at this time pending the quorum in the House; is that correct?

The CHAIRMAN. That is correct. And the objection was raised on the basis that the gentleman from New York could not hear the unanimous-consent request of the gentleman from Georgia to dispense with the reading of his proposed modification of his pending amendment.

Mr. WEISS. Mr. Chairman, I could not hear, and so I did not know what the request of the gentleman was. I would appreciate it if the gentleman would restate his unanimous consent request.

The CHAIRMAN. The Chair understands that the gentleman made a unanimous consent request, and the gentleman from New York reserved the right to object.

Mr. WEISS. I did, yes, Mr. Chairman.

The CHAIRMAN. The Chair will again try to achieve order in the Chamber.

The Chair recognizes the gentleman from Georgia to restate his unanimous-consent request.

Mr. SWINDALL. Mr. Chairman, my unanimous consent request is that my amendment be considered with modifications at the desk which the majority and the minority have already seen. I have an amendment which I have modified, and that modification is currently at the desk. It has been distributed literally 48 hours ago.

Mr. WEISS. Mr. Chairman, on that basis, I withdraw my objection.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The test of the amendment, as modified, is as follows:

Amendment offered by Mr. SWINDALL, as modified: Page 27, after line 13, add the following:

SEC. 137. TRAVEL RESTRICTIONS WITH RESPECT TO CERTAIN FOREIGN MISSIONS AND FOREIGN ORGANIZATIONS IN THE UNITED STATES.

(a) IMPOSITION OF RESTRICTIONS.—The State Department Basic Authorities Act of 1956 (as amended by section 128) is amended by adding at the end of title II (22 U.S.C. 4301 et seq.; commonly referred to as the "Foreign Missions Act") the following:

"SEC. 216. TRAVEL RESTRICTIONS WITH RESPECT TO CERTAIN FOREIGN MISSIONS AND FOREIGN ORGANIZATIONS IN THE UNITED STATES.

"(a) TRAVEL RESTRICTIONS.—The travel of any individual while in the United States, other than a national or permanent resident alien of the United States, who is one of the personnel of—

"(1) an international organization defined in section 209(b)(1),

"(2) an official mission to an organization defined in section 209(b)(1) from a country specified in subsection (c)(1),

"(3) any organization specified in subsection (c)(2) which has a standing invitation to participate in the session and the work of the General Assembly of the United Nations as an observer and maintains a permanent office at the United Nations headquarters,

"(4) any organization specified in subsection (c)(2) which is not described in paragraph (3), or

"(5) any foreign mission (as defined in section 202(4)) of a country specified in subsection (c)(1),

shall be limited to the municipal city limits of the city in which such organization or mission is located, except that for purposes of travel between missions of a country, direct access shall be permitted to and from airports serviced by major air carriers providing interstate or intrastate service.

"(b) SPECIAL RULE FOR WASHINGTON, DISTRICT OF COLUMBIA.—For purposes of paragraphs (4) and (5) of subsection (a), the metropolitan area of Washington, District of Columbia, is that portion of the area which is encircled by interstate route 495 on the west and 95 on the east (commonly referred to as the 'Beltway').

"(c) COUNTRIES AND ORGANIZATIONS TO WHICH RESTRICTION APPLIES.—

"(1) The countries referred to in subsection (a) are Afghanistan, the Czechoslovak Socialist Republic, the Democratic People's Republic of Korea, the German Democratic Republic, the Hungarian People's Republic, Iran, Libya, the Mongolian People's Republic, Nicaragua, the People's Democratic Republic of Yemen, the People's Republic of Bulgaria, the People's Republic of China, the Polish People's Republic, the Republic of Cuba, the Socialist Republic of Romania, the Socialist Republic of Vietnam, and the Union of Soviet Socialist Republics (including the Byelorussian S.S.R. and the Ukrainian S.S.R.).

"(2) The organizations referred to in subsection (a)(1) are the African National Congress, the Palestine Liberation Organization, and the South West Africa People's Organization.

"(d) WAIVER.—The Secretary of State, after consultation with the Director of Central Intelligence and the Director of the Federal Bureau of Investigation determines the national security and foreign policy interests of the United States require that such restrictions be waived.

The CHAIRMAN. The gentleman from Georgia [Mr. SWINDALL] is recognized for 5 minutes in support of his amendment.

Mr. SWINDALL. Mr. Chairman, the purpose of my amendment, simply stated, is to limit spying within the borders of the United States. It does so by limiting travel within the United States by certain foreign employees of the United Nations missions to the U.N. and the U.N. Secretariat's office located in New York and foreign diplomats of the foreign embassies and consulates located in major cities, including Washington, DC, New York, Los Angeles, San Francisco, and Chicago, among many others.

The purpose of this amendment, as I stated, is to address a situation that is not new to the American people, but certainly in the last several years we have heard a great deal more about the problems presented by the Soviets and Soviet bloc countries spying within our borders. In short, they use foreign diplomats for spy purposes. That alone has cost us millions, if not billions of dollars in losses and damages to U.S. military programs and national security.

For example, from 1980 to 1981 Lt. Christopher Cooke, Deputy Commander of the Air Force Titan missile crew, passed classified information to the Soviets on United States strategic missile capabilities. In 1984 Thomas Cavanaugh, an engineer for the Northrop Corp., tried to sell Stealth technology to the Soviet that cost literally a million dollars per hour in Stealth research. From 1979 to 1981 James Harper sold Minuteman missile technology to Polish intelligence authorities. More recently, John Walker and Jerry Whitworth passed cryptographic material to the Soviets on United States naval communications. This enabled the Soviets to read over a million coded messages over 20 years.

In addition to that, we expend millions of dollars each year for FBI surveillance of these individuals who are spying here. One of the reasons it costs so much is that they are limited under current law to only a 25-mile radius. Others are literally restricted in no fashion whatsoever.

According to the Senate Intelligence Committee, up to one-quarter of the Soviet and Soviet bloc diplomats and employees are KGB. Let me read just briefly, Mr. Chairman, one of the reports of the Senate Intelligence Committee.

It states that "The Soviet presence in the U.N. Secretariat is comprised of one-fourth of the Soviets that are KGB or co-opted by the KGB and GRU. All Soviets in the Secretariat must respond to KGB requests for assistance. The Soviet intelligence services use their U.N. assignments to collect information on U.N. activities; to spot, assess, and recruit agents; to support worldwide intelligence operations, and to collect scientific and technological information of value to the U.S.S.R." According to the FBI, U.N.-based Soviet intelligence officers are assisted by the intelligence services of the East Bloc European Soviet satellites.

It is these nations that we are under my amendment going to slap travel restrictions upon. With the exception of Libya, today all of the Soviet Bloc countries can travel up to 25 miles away from a city.

Let me give an example of what that entails. These East Bloc diplomats are not subject to the closed-area restrictions that the United States reciprocally places on the military of the Soviets. Thus in just 3 hours they can legally drive to Fort Dix military reservation near Browns Mill, NJ, operating out of New York, or to the submarine construction facility at Groton, CT.

To make matters worse, the Hungarians and the Romanians are currently under no restrictions whatsoever. They are not even under the 25-mile restriction. This is a serious oversight in our own intelligence.

The purpose of this amendment would be to expand the number of restricted countries to include East Germany, Poland, Czechoslovakia, Bulgaria, Hungary, Romania, Cuba, Nicaragua, and a list of others and to expand the number of organizations to include at least the PLO, SWAPO, and the ANC.

The restriction that we have placed at Washington, DC, if this amendment is adopted, would be basically within the Beltway. In New York it would be a restriction to the five-borough area. Elsewhere it would be the statutory city limits.

In essence, Mr. Chairman, by adopting this amendment we would save ourselves millions of dollars in countersurveillance that we now expend for the FBI by bringing down the amount of broad geographic area which they must observe and keep surveillance upon from a 25-mile radius to roughly a statutory city limit radius, and in the case of Washington, DC, the beltway.

The CHAIRMAN. The time of the gentleman from Georgia [Mr. SWINDALL] has expired.

(By unanimous consent, Mr. SWINDALL was allowed to proceed for 20 additional seconds.)

Mr. SWINDALL. Mr. Chairman, the other aspect of this bill is that it would save us billions and billions of dollars with respect to what we lose to the Soviet Union in stolen technology.

Lastly, I would say that there is a concern that we would be retaliated against by some of the East Bloc countries, and I would say that we have so much more to protect than do the East Bloc countries that that is a small price to pay for the American people.

Mr. MICA. Mr. Chairman, I rise in opposition to this amendment.

Mr. Chairman, I do not want to take too much time on this matter, but I do want to say that I understand that my colleague, the gentlewoman from Maine [Ms. SNOWE], will also oppose the amendment. It is not that we do not have any interest in controlling and, where necessary, to restrict the movements of diplomats in the United States. We have tried to assess the impact of this amendment. The committee has talked directly with the CIA and with our own intelligence community. The basic problem with the way this piece of legislation is drafted is that ultimately we will win only the first move.

We restrict the movements of foreign diplomats in New York City and in Washington. But, at the same time, American diplomats, today enjoy such free access in a number of East Bloc countries we would lose 80 percent of the freedom we have under this amendment.

As chairman of the subcommittee—and I might ask my ranking minority member to work with me on this—we might be able to fashion legislation that would accomplish this goal. But we do have concerns about the amendment offered today without the benefit of any further study. I would accept the view of the Director of the CIA that the ultimate problem with this amendment, as worded, is that we would end up briefly restricting some foreign diplomats and mission officials in the United States, an action which will trigger a reprisal under the guise of reciprocity aimed against American diplomats around the world. As I have said we would lose about 80 percent of the time.

Mr. BURTON of Indiana. Mr. Chairman, will the gentleman yield?

Mr. MICA. I yield to the gentleman from Indiana.

Mr. BURTON of Indiana. Mr. Chairman, let me get this straight. I think the gentleman just said that this would restrict the mobility of our agents in Communist bloc countries or that there might be retaliatory action that might be taken and it would be to the detriment of the United States.

I wish the gentleman would elaborate on or illuminate that statement a little bit more for me. It seems to me that we have beaucoup Communist bloc agents in this country who are able to go almost anywhere, at will, and I do not see how it is going to be counterproductive if we restrict them just a little bit. If there is some kind of a point that I am missing here, I would like to know more about it.

Mr. MICA. Mr. Chairman, let me again just state this: I do not have the numbers at hand, but the committee has consulted with the Director of the CIA and our intelligence community.

First, the U.S. Government has already moved recently to tighten restrictions on Soviets traveling in the United States.

Second, American diplomats throughout the world are given pretty free latitude in a number of countries, including some East bloc countries, to travel. Yet, if we enforce this amendment, we have been told it is almost a certainty that countries affected will take total reciprocal action on this matter, and if it is applied to the numbers worldwide, we will lose in 80 percent of the benefits we enjoy today.

Mr. BURTON of Indiana. Mr. Chairman, if I might follow up on that, my colleague who is sponsoring the amendment indicated that 25 percent of the Soviet bloc employees at the U.N. are KGB agents. They are Communist spies. Is the gentleman saying that the people who are going to be hampered, our American citizens around the world, are also spies?

Mr. MICA. Mr. Chairman, I disagree with the gentleman and I disagree with that number. I would say that it is probably a higher number. But that does not change the net result. If we restrict the movement of foreign diplomats the way the amendment proposes, we seriously run the risk of having the countries named in the amendment take similar steps against our people. In 80 percent of the cases, we will lose an advantage we have enjoyed for some time. What I would like to do is work it out so that at least we have a parity, that we restrict in such a manner that will properly take into account our interests overseas. If not, we will ultimately end up having some of our numbers restricted three times more.

Mr. BERMAN. Mr. Chairman, will the gentleman yield?

Mr. MICA. I yield to the gentleman from California.

Mr. BERMAN. Mr. Chairman, I thank the gentleman for yielding. I appreciate the gentleman's comments, and I agree with them.

I would like to ask the gentleman a few questions. Am I correct in my understanding that the administration opposes this amendment?

Mr. MICA. Yes. The Director of the CIA have asked us to strongly oppose this because, although they agree with the intent, they continue to say that as carried out on a second and third move, we would lose, as I said, 80 percent of the time.

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Mr. BERMAN. I appreciate knowing and being sure of that opposition by the administration to this amendment.

Am I also correct in my understanding that this administration and this Secretary of State could do every single thing provided for in this amendment under Executive discretion, if he thought it were wise to do so?

Mr. MICA. Absolutely.

The CHAIRMAN. The time of the gentleman from Florida has expired.

(At the request of Mr. BERMAN, and by unanimous consent, Mr. MICA was allowed to proceed for 3 additional minutes.)

Mr. MICA. The administration at this time can do everything in this amendment under existing authority. Under this amendment, there would be no mandatory enforcement because the Secretary does have a waiver. So that in essence, the only thing that we might care to do beyond this is micromanage. We do not have the ability right now. Maybe we need it in the future.

Mr. BERMAN. Mr. Chairman, if the gentleman will yield further, I have several more questions.

It is also my understanding that based on a very clear record, evidence from the historical record, these types of restrictions would naturally result in similar restrictions within the countries who they are imposed upon; is that correct?

Mr. MICA. That is correct.

Mr. BERMAN. And would not those kinds of restrictions in those countries limit the ability of our embassies and our diplomats in those countries to deal with contacting and outreach to people who are victims of the kinds of human rights violations and oppression and who need help in facilitating emigration and other kinds of assistance to this country?

Mr. MICA. Absolutely, and without a doubt we could name the list throughout the East bloc, of countries where we do have access to numerous groups from the refuseniks on down the line that could be restricted, under the amendment.

Mr. BERMAN. I also note that the People's Republic of China is one of the countries mentioned on this list. Would my understanding of the restrictions imposed by this amendment, which the administration opposes, be that the commercial attachés of the Chinese Embassy in this country seeking to work with American exporters on permitted exportable technologies in this country would be restricted from visiting the plants and the corporate headquarters in these companies that fell outside the limited geographic areas that would be imposed by these restrictions?

Mr. MICA. The gentleman is absolutely correct, but I just want to restate this. I do not oppose this amendment simply because the administration opposes it or because the CIA opposes it, but because in the long run, and I have said it several times, I will say it again, we will lose in 80 percent of the cases.

I would like to structure this, if we get the opportunity in the future, so that we get some kind of parity.

Mr. BERMAN. Mr. Chairman, I thank the gentleman.

Ms. SNOWE. Mr. Chairman, will the gentleman yield?

Mr. MICA. I am happy to yield to the gentlewoman from Maine.

Ms. SNOWE. Mr. Chairman, I thank the gentleman for yielding.

I must correct the gentleman's statement on the fact that I am in opposition to this amendment. I did have concerns with the original amendment of the gentleman from Georgia, which would have restricted the ability of the Secretary and discretion in imposing these restrictions; but as I understand it now, reading the gentleman's amendment, he provides a waiver which states that the Secretary of State after consultation with the Director of the Central Intelligence Agency, as well as the Federal Bureau of Investigation, can make his determinations as to whether or not the Secretary should impose restrictions.

As we know in the course of the hearings that we have held by the subcommittee in the case of Arkady Shevchenko indicated the scope and the nature of the Soviet bloc personnel working at the United Nations, engaged in intelligence gathering.

I do not think, obviously, that we want to hamper the ability of the Secretary of State in imposing these restrictions, because we could invite reciprocity in these countries, and obviously it would make it difficult for us to conduct our own activities; but I think the flexibility invites the support of the Members of the House, because it does provide that discretion.

Mr. BURTON of Indiana. Mr. Chairman, I move to strike the requisite number of words.

I think the gentlewoman makes a very good point. There is a waiver. It was not mentioned by my colleague on the other side of the aisle.

The Secretary of State, after consultation with the CIA Director and the FBI, can waive this provision if they feel it is necessary; but let us get at the real issue, I think, and that is that around the world in the last 16 years, 700 Soviet agents have been expelled from various countries. That does not include other Communist-bloc countries.

In the United States, since 1947, 66 Soviet employees have been expelled. They are working very hard to get whatever intelligence data they can to spy on the United States at every opportunity. We need to do everything we possibly can to curtail that activity.

I think the gentleman from Georgia has a very fine amendment, one that everybody in this body ought to embrace if they are really going to try to get at the problems we have been facing regarding spying and the tremendous loss of intelligence data that has been going to the Soviet Union.

In addition to that, we have lost an awful lot of technology that has undermined the security of the United States.

Now, one more point that I would like to make, and then I will yield to the gentleman from Georgia.

The gentleman from Florida indicated that this affects commercial attachés. I would like to point out that it does not affect commercial attachés. It only affects diplomats. I think that point needs to be made very clear.

Mr. SWINDALL. Mr. Chairman, will the gentleman yield?

Mr. BURTON of Indiana. I am happy to yield to my colleague, the gentleman from Georgia.

Mr. SWINDALL. Mr. Chairman, I would just like briefly to respond by saying, first and foremost, the waiver provision here addresses virtually every concern that the gentleman from California and the gentleman from Florida have already stated; but what I think needs to be addressed with respect to the comment of the gentleman from Florida about micromanagement is this. It is this Congress that bears the responsibility of appropriations. It is this Congress that bears the responsibility of the $2 trillion debt that we currently are passing along to our children and our grandchildren, and part of that debt has been accumulated because we have to spend more on defense in order to basically do research to pass along, inadvertently, but nonetheless it is still being passed along to the Soviet Union, because through our own ignorance, naivete, or whatever, we allow literally hundreds of KGB and spy activities to occur under our very noses, and what makes this that much more I think naive is that we are a free society. Once these folks get outside of the restricted area, they basically can do whatever they choose. If you go to any of the Eastern-bloc countries, they do not really need any type of these restrictions anyway, because you cannot sneeze without someone being aware of what you are doing. Certainly that is not the case in this country. We would not want it to be the case.

One last point. A 1986 October Senate Intelligence report makes the following statement:

> The hostile intelligence threat to the United States is severe, and it confronts the Government and the American people with increasingly serious challenges. The threat spans all types of intelligence operations from traditional human espionage to the most sophisticated electronic devices. Every kind of sensitive information is vulnerable, including classified Government information, emerging technological breakthroughs, and private financial transactions. Foreign intelligence services also sometimes target the political process, seeking both information and influence.

We are not only talking about those individual spies, but we are talking about the recruitment that occurs as a result of our giving them, under diplomatic immunity, free access to this entire country in some cases and a 25-mile radius that is loosely enforced in the final case.

For no other reason, we ought to be concerned in terms of the financial impact in saying to the FBI and to the members of the Judiciary Committee, I can tell you they are already underfinanced, that it is ludicrous to stand here today and leave them with that large an area for surveillance, when we could narrow the focus down to the statutory city limits inside the beltway in Washington and the five borough area of New York.

Mr. MICA. Mr. Chairman, will the gentleman yield?

Mr. SWINDALL. I yield to the gentleman from Florida.

Mr. MICA. Mr. Chairman, let me just make it clear, I do not oppose the goals of this. The only concern I have is that we are going to pass an amendment here that has a waiver here that everybody says they are going to exercise, the CIA, the FBI and the State Department.

Also I would add that the committee is concerned about this. We agree with everything that has been said.

The CHAIRMAN. The time of the gentleman from Indiana has expired.

(By unanimous consent, Mr. BURTON of Indiana was allowed to proceed for 2 additional minutes.)

Mr. MICA. Mr. Chairman, will the gentleman yield further?

Mr. BURTON of Indiana. I yield to the gentleman from Florida.

Mr. MICA. We agree, Mr. Chairman, with everything that has been said about the problem. We have, as I opened up and indicated, been advised that the way the language is drafted, it is ultimately going to hurt us.

I would just point out, too, that because we had such concern on this, we adopted a provision earlier in this bill 2 days ago, in H.R. 2410, that calls for studied moves on reciprocity and asks the State Department and all the agencies to join together to figure out the puzzle so that when all the pieces come together, we do not lose; but I do not disagree at all with the points that have been made. I have seen the figures. We have heard the testimony about the agents operating in this country.

I just want to move in a way that we can best be helpful; so I have no quarrel with what has been said, but a little bit about the way it is being done.

As I indicated, and as the gentleman said, it does have the waiver which the gentleman offered and which we accepted, and that waiver, we have been told, is all going to be exercised. Once it is exercised, everything that we say is already in law anyhow.

Mr. BURTON of Indiana. Mr. Chairman, let me just end up by saying that in the last couple of days it was brought out by the gentleman from California [Mr. HUNTER] that it is going to cost billions of dollars because of the loss of technology to the Soviet Union regarding the sale of high technology to the Soviets as far as submarines are concerned for us to bring our defenses up to snuff. Anything that this body can do to curtail espionage and Soviet activity of the KGB in this country should be done, and this legislation that we have in hand today I think is an excellent amendment. I commend the gentleman from Georgia for introducing it and I hope everybody in this body will embrace it and support it.

Mr. SMITH of Florida. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I want to commend the gentleman who proposed the amendment for what I consider to be basically an attempt to address a problem that all of us are concerned about. The problem is that, unfortunately, there has not really been a good answer up to this point and this amendment really does not go too far beyond what has already been thought about, and I am not saying that in the negative sense. It means that we still have a problem addressing this issue and we do not know exactly what to do.

My colleagues ought to be aware that this administration has already moved in certain areas to foreclose movement of certain of the organizations which would be affected, so we are talking about travel restrictions that already are being imposed on terrorists groups, like the PLO. They have already been imposed on Libya and they have already been imposed on other countries which are already on the list that the gentleman from Georgia has provided in the amendment.

But the problem of the amendment arises not in the intent, but in the execution. As has been said by both the gentleman from Florida and the gentlewoman from Maine and others, there is a problem here with limiting access of U.S. personnel overseas. That is a very, very big problem. It should not be downplayed.

Let me explain to you why, and I will be reading from a background paper from one of our intelligence agencies. I would be happy to show it to anyone here. It is not classified, but I do not think it is any more germane to know which agency, and so it really is not appropriate. If anyone on the other side would like to see it, I would be more than happy to show it to you.

But let me read:

c. The Swindall amendment, if enacted, would affect the Soviet and NSWP military attaches, and those of the other countries identified, very little. Last year, Soviet attachés made only seven trips outside metropolitan Washington. Destinations included: New York City; West Point; Florida via Alabama, North Carolina, Georgia; Los Angeles and Anaheim. A Czechoslovak attache made the only trip by an NSWP attaché. Thus, one can deduce that their work does not oblige extensive travel. In contract, for U.S. military attaches, travel in the Warsaw Pact and other countries above is the most signfiicant issue in their ability to carry out their missions. In a closed society, the attachés *must* travel to observe and report on military activities. In 1986, a significant part of their work effort required travel outside the capital area.

d. In the event that travel restrictions are imposed for foreign personnel in the U.S., we foresee a strong possibility of reciprocal actions against our attachés that would diminish and restrict their work. For example, reciprocal actions might include closing major areas of military significance, restricting personnel to capital city or consular offices. At the same time, similar restrictions would not seriously affect foreign attachés because they rely very little on travel for their purposes. The net loss, then, would fall on the U.S. attachés.

Let me further continue. The amendment is written in such a fashion as to possibly also cover personnel in the mission of our allies. Thus, we might jeopardize their support for our efforts. With the exception of the U.S.S.R., right now U.S. diplomats may generally travel freely in all of the countries named in that amendment.

While the gentleman wants to do a noble thing, invoking this travel restriction could result in our being restricted in almost every country that is mentioned when we are not restricted now.

There are serious consequences. Not that the gentleman's amendment is wrongheaded—it is not. The problem is that we have attempted to deal with this—and the executive branch—the Secretary of State and the Department of State—already has the capability to do that under the current law—on a piecemeal basis so as not to have a blanket retaliation. And it is important for us not to have that retaliation, because we do the kind of work that is being done in those countries only because of our free access, even though we are fearful that they have the right to travel in this country.

Let me just say also that there is no enforcement mechanism in this amendment, so the reality is that there would be, unfortunately for us, no kicker in the event that they violate it.

Now, with the reference to the gentleman from Indiana and his assertion that this only covers diplomats, let me suggest to the gentleman that a reading of the statute would probably suggest otherwise. The Foreign Missions Act and the definition of foreign missions, and the personnel therein, is much broader than the gentleman would suggest, and I doubt very seriously whether we want to get into the area that has been explored by the gentleman from California here with references to commercial and other missions and all of the other ramifications.

I again reiterate, the gentleman from Georgia is not addressing a problem that does not exist. It is a real, legitimate problem. The problem that we have had for more than just the recent past is that we really have not found a satisfactory solution, and we really have not with this amendment found any better way than we have already reviewed over the course of years, and that is why we should oppose this amendment, but force the administration to continue to do what it has been doing, and that is close down and restrict travel when the circumstances warrant it, as they have in the past.

The CHAIRMAN. The time of the gentleman from Florida [Mr. SMITH] has expired.

(On request of Mr. SWINDALL and by unanimous consent, Mr. SMITH of Florida was allowed to proceed for 2 additional minutes.)

Mr. SWINDALL. Mr. Chairman, will the gentleman yield for a question and a colloquy?

Mr. SMITH of Florida. I yield to the gentleman from Georgia.

Mr. SWINDALL. I thank the gentleman for yielding.

Mr. Chairman, the question is: How many U.N. Secretariat's offices and U.N. missions are contained in either the Soviet Union or the Soviet-bloc countries?

Mr. SMITH of Florida. It is obvious that there are very few, and mostly because the headquarters of the United Nations is here, and most of the work that they do is not in the Soviet Union.

Mr. SWINDALL. That is my whole point. That is the focal point, among other areas, of this legislation. It is no accident that we have much of the spying activity emanating out of offices that are unique to this country because we allow, if you will, the United Nations to base in our country. There is no counterpart upon which retaliatory measures could be taken, first.

Second, I think that it is very important to recognize that today Libya and Libya alone has any type of restrictions of the magnitude that we suggest here. Certainly we are not naive enough to believe that Libya is the only country that poses a threat to our own intelligence in this country, our own technology in this country, yet that is the state of the world today—we recognize only Libya as a threat if you are to match those types of restrictions that we place on Libya to the others.

Mr. SMITH of Florida. The gentleman is not exactly correct. Travel restrictions have been issued against others than the Libyans and foreign diplomats. There are radius requirements on a number of other organizations and others represented.

The problem is that we have basically unimpeded access in most countries around the world except for the Soviet Union.

The CHAIRMAN. The time of the gentleman from Florida [Mr. SMITH] has expired.

(By unanimous consent, Mr. SMITH of Florida was allowed to proceed for 1 additional minute.)

Mr. SMITH of Florida. The reality is that every one of our organizations, both the administration, the Secretary of State, and our intelligence-gathering organizations that are responsible for what we want them to do overseas, what is our role overseas, indicate, and I read from one of their background papers, that they do not want a blanket restriction imposed, nor do they want to get into a battle which would ultimately reduce their capability of traveling overseas. They gave some indication of what the travel was of some of the attaches in the area that they deal with, and it has not been that extensive.

I am confident that this administration will continue to clamp down on the travel when it appears that our rules are being violated or our security is being impaired. We all agree that they are probably sending people here who are wolves in sheep's clothing. The problem is that we have some of our own agenda to run, and this has a very threatening aspect to it which the experts say should not be implemented. It is really that simple.

The CHAIRMAN. The time of the gentleman from Florida [Mr. SMITH] has expired.

(On request of Ms. SNOWE and by unanimous consent, Mr. SMITH of Florida was allowed to speak for 2 additional minutes.)

Ms. SNOWE. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Florida. I yield to the gentlewoman from Maine.

Ms. SNOWE. I thank the gentleman for yielding.

Mr. Chairman, I think that the gentleman is overlooking one point, and that is that the Secretary does have discretion as to whether or not imposing these travel restrictions would invite reciprocity that ultimately would endanger our national security interests and restrict our activities in other countries.

Second, the gentleman mentions a report in which personnel of the Soviet Union have only requested on seven specific occasions to travel outside their travel area. I mention to the gentleman that those were the only seven occasions that we are aware of. Several years ago a KGB agent working for the United Nations approached a member of my staff about a Presidential document that should not have even been known to exist. We reported it to the FBI which ultimately took the action of expelling this individual from the United States, and he went back to the Soviet Union. But that is an incident which we were able to bring to the attention of the U.S. Government. Had we not brought it to the attention of the U.S. Government, obviously it would not have been known.

The point is that we do not know the extent to which these individuals are engaged in intelligence-gathering operations. So I think that the travel restrictions the gentleman from Georgia is attempting to impose are reasonable because the Secretary will have the discretion to make decisions to the contrary.

Mr. SMITH of Florida. Mr. Chairman, it is a very, very good argument that the gentlewoman makes, except for one thing. The gentlewoman discounts or in fact does not acknowledge at all that the ability to do so already exists within the Department of State through the executive capability of the President. There is no reason, as a matter of fact, to pass this amendment, because this could be done already.

If you are going then to blanket restrict and then have them opt out or be allowed out by waiver, you have sent a very chilling signal which our own experts, our own intelligence-gathering network, says is the wrong thing to do. And in this particular case I personally would urge my colleagues to listen to the experts on this particular issue. This is where their expertise lies, and this is where they know what they need to do.

Mr. BARTON of Texas. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I will not take the entire amount of time. We have let the rhetoric I think become a little bit hotter than the actual amendment at hand. I would like to refocus it, if I could.

What the gentleman from Georgia is attempting to do is to rein in some of the Communist countries and their allies from roaming around this country. He proposed adding eight countries or organizations—the African National Congress, China, Hungary, Nicaragua, Romania, South Yemen, the Southwest Africa People's Organization, and Syria—to the list of restricted nations or organizations as far as traveling in this country.

I think that that is a pretty straightforward amendment. The gentleman from Florida I believe made reference to the fact that the Soviet attaches did not make but seven trips outside of Washington. Well, they did not have to. They had all these other folks running around loose, and the fact of the matter is that if you do not believe that there is a terrorist network and you do not believe that these organizations interact, then you have not been reading the newspapers, you have not been studying up on what is really going on.

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I think this is a fairly straightforward amendment. It would not unduly restrict the workers, the employees of the missions and the embassies from doing what they ostensibly are here to do, which is to conduct diplomatic activities in the city in which they are assigned.

For that reason, I think the gentleman should be commended for offering the amendment, and we should vote on it in a very positive fashion.

Mr. HALL of Texas. Mr. Chairman, will the gentleman yield?

Mr. BARTON of Texas. I yield to the gentleman from Texas.

Mr. HALL of Texas. Mr. Chairman, I thank the gentleman for yielding and of course I rise in support of the amendment.

I think the major test is not what the President thinks of this amendment nor the Secretary of State, but what the amendment people think of it, and I really challenge each Member of this body to go among your districts and ask or make the inquiry as to whether or not they are in favor of allowing foreign agents from the Soviet Union, its satellites and client states to conduct the host of subversive activities that they are free to conduct today; I think that is the major test.

If my colleagues remember about 4 years ago we had a bill up relating to the United Nations, giving an opportunity to have the U.N. hosted every other year by Russia. Of course, that would show the difference in the lifestyle, the security, the privation that is known by the citizens over there. I think those are the tests we need.

I also think we should address the fact that about 45 years ago today Yamamoto and the Japanese fleet limped back from the Battle of Midway that left the Pacific safe. And I think about 270 years ago today a fellow named Napoleon met his Waterloo. I think those two are significant in that this is an effort to restrict and to protect this country. And to follow on that with what George Washington said when he addressed the Congress and he said when you go through the augean stables of government, put the Americans on guard, and I think that also includes protecting this area.

Surely this is a step in the right direction. Surely we want to mandate tighter travel restrictions.

I really and truly challenge every Member to ask himself and to ask his constituents, and I would say that not 9 out of 10 but 99 out of 100 would be in favor of this amendment, and I thank the gentleman for yielding.

Mr. ARMEY. Mr. Chairman, will the gentleman yield?

Mr. BARTON of Texas. I yield to the gentleman from Texas.

Mr. ARMEY. Mr. Chairman, I thank the gentleman for yielding. I will very quickly make three points.

I am in support of the amendment. I think it is a judicious thing to do and necessary thing to do.

In that regard, let me remind the Members of this body it was not but about 3 years ago that when a Soviet guard discovered our Major Nicholson in Eastern Germany where the Soviet guard suspected he ought not be, he fired on and shot the major. The major then was left to lay and die while his driver was restrained from going to his aid by Soviet guards in East Germany.

There has been and there is today some doubt whether or not the major was spying, was not spying, whatever. But in East Germany, Soviet guards do not give Americans the benefit of the doubt; they give them a bullet.

I might also mention that I made a recent visit to Mount Alto with a defector from the Soviet Union who had been a KGB agent in the Soviet Union.

The CHAIRMAN. The time of the gentleman from Texas [Mr. BARTON] has expired.

(On request of Mr. ARMEY and by unanimous consent, Mr. BARTON of Texas was allowed to proceed for 2 additional minutes.)

Mr. ARMEY. Mr. Chairman, will the gentleman yield?

Mr. BARTON of Texas. I am happy to continue to yield to the gentleman from Texas.

Mr. ARMEY. Mr. Chairman, the gentleman who had defected as a KGB agent from the Soviet Union told me that the Soviet Union will generally have up to 30 percent of their diplomatic personnel who will be KGB agents in the United States and elsewhere. When I asked him about other Eastern European-bloc nations, he said the ratio was about the same.

Finally, let me mention for those who do make an argument, and I think a very interesting and convincing argument, that there may be times in which it would be better for us to not exercise this restraint on travel, the gentleman from Georgia has provided a waiver here that allows the Secretary of State, in consultation with the Director of the CIA, to exercise that waiver, so it need not necessarily be enforced rigorously. But to the extent that it is deemed to be in our national interest, the Secretary has the authority to do that, and that is far better than giving a Soviet KGB agent a bullet for the benefit of the doubt.

Mr. SWINDALL. Mr. Chairman, will the gentleman yield?

Mr. BARTON of Texas. I yield to the gentleman from Georgia.

Mr. SWINDALL. Mr. Chairman, I would just like to briefly address several of the points the gentleman from Florida [Mr. SMITH] made which I think are slightly confusing to the record.

First of all, with respect to the status of individual countries that are limited to the same restrictions as Libya, there are no others. Libya and Libya alone is limited to the five-borough area of New York City.

It is true that there are other nations that have a 25-mile radius restriction, nations that are equally as dangerous I think as Libya, nations like the Soviet Union, the North Koreans, the Iranians who are limited.

The CHAIRMAN. The time of the gentleman from Texas [Mr. BARTON] has again expired.

(By unanimous consent Mr. BARTON of Texas was allowed to proceed for 2 additional minutes.)

Mr. SWINDALL. Mr. Chairman, will the gentleman yield?

Mr. BARTON of Texas. I continue to yield to the gentleman from Georgia.

Mr. SWINDALL. But there are other nations that have absolutely no radius restrictions whatsoever. These include China, Bulgaria, East Germany, Poland, Czechoslavakia, Nicaragua, and Cuba. I think that is a significant number of countries that have no such restrictions.

Finally, I would suggest that there is a substantial difference between these types of restrictions placed and then require the Secretary of State to make waivers, as opposed to giving blanket, full unlimited accessibility to our country, and then saying it must be restricted on a case by case basis. The reality is we have been too lax and it is time that this Congress stood in and said these are the restrictions, we want to be reasonable, and if you think that there ought to be waivers, tell us what those waivers are, why you think, for example, Nicaragua or China or East Germany or Poland deserves to have absolutely no restrictions whatsoever.

Mr. BARTON of Texas. Mr. Chairman. I yield back the balance of my time.

Mr. SWINDALL. Mr. Chairman, I include the following materials from the State Department and a former American intelligence of the CIA to be inserted into the RECORD:

1968 ANNUAL REPORT ON THE IMPLEMENTATION OF THE FOREIGN MISSIONS ACT OF 1982, AS AMENDED (P.L. 97-241), APRIL 1987

COUNTRIES SUBJECT TO OFM TRAVEL RESTRICTIONS

Embassies and Consulates: Afghanistan, Bulgaria, Cuban Interests Section, Czechoslovakia, German Democratic Republic, Poland, USSR.

UN Missions and Secretariat Officials: Afghanistan, Bulgaria, Byelorussia, Cuba, Czechoslovakia, German Democratic Republic, Iran,[1] Libya,[1] Mongolia,[1] North Korea,[1] Palestine Liberation Organization,[1] Poland, Ukraine, USSR, Vietnam.

Miscellaneous: Bulgarian Office of Commerical Counselor, Bulgarian Travel Office in New York, Czechoslovak Tourist Office in New York (CEDOK), Czechoslovak Financial Office in New York (OMNITRADE), Czechoslovak Commerical Section in New York, German Democratic Republic Commerical Affairs Office, Polish Tourist Office in New York (ORBIS), Polish Office of Commerical Counselor in New York, USSR International Cotton Advisory Board, Soviet news media personnel.

USSR

	Categories						
	Diplomatic, consular (incl. TDYers) personnel, military attaches, News media personnel, & Aeroflot (addendum A)	USSR missions at the UN (incl. Byelor. & Ukrainian missions)	UN Secretariat personnel	Intourist personnel	Business residents Amtorg, Sovfracht, Belarus, Marine resources, UZTEC, and Soviet clergy (addendum B)	US–USSR exchange programs and delegations (incl. short-term visitors)	Tourists
Regulations:							
1. Must submit TSRs for air and ground transp. and hotel acc.	Yes	Yes	Yes	No	No	No	No
2. Tvl note submitted to EUR/SOV, USUN, FLOs.	Yes	Yes	Yes	Yes	Yes	No	No
3. Itinerary submitted with visas	NA	NA	NA	No	NA	Yes [1]	No
4. Subject to closed areas	Yes	Yes	No	Yes	Yes	No	No
5. Time requirements (addendum A)	Yes	Yes	Yes	Yes	Yes	No	No
6. Subject to 25-mile radius (addendum C).	Yes	Yes	Yes	Yes	Yes	Yes	Yes

[1] Any change in itinerary after issuance of a visa must be approved by EUR/SOV. Notification and approval are done telephonically. The change in the itinerary is conveyed to the FBI. OFM receives no notification.

INCORPORATED EAST EUROPEAN COUNTRIES

	Countries				
	Bulgaria, Embassy, Mission to the UN, Commercial Office NY, Travel Office NY	Czechoslovakia, Embassy, Mission to the UN, Commercial Office NY, CEDOK NY, Omnitrade	GDR, Embassy, Mission to the UN Commercial Office NY	Poland, Embassy, Mission to the UN, Consulate General NY, Commercial Office NY, Orbis Travel Bureau NY, Consulate Gen. Chicago, Polish National Tourist Office (PNTO) Chicago	UN Secretariat, Bulgarians, Czechoslovaks, East Germans, and Poles
Regulations:					
1. Must submit TSRs for air and ground transp. and hotel acc.	Yes	Yes	Yes	Yes	Yes
2. Tvl note submitted to EUR/EE, USUN, FLOs	No	No	No	No	No
3. Itinerary submitted with visas	NA	NA	NA	NA	NA
4. Subject to closed areas	No	No	No	No	No
5. Time requirements	Yes	Yes	Yes	Yes	Yes
6. Subject to 25-mile radius	No	No	No	No	No

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[1] UN Missions (including Observer Missions).

OTHER NATIONALITIES SUBJECT TO TRAVEL CONTROLS

Categories	Embassy of Afghanistan	Afghanistan mission to the UN	Libyan mission to the UN	Outer Mongolian mission to the UN	North Korean observer mission to the UN	PLO observer mission to the UN	Vietnamese mission to the UN	Cambodian mission to the UN	Iranian mission to the UN	UN Secretariat personnel (re: Iranians, Vietnamese, Libyans and Afghans)
Regulations:										
1. Must submit TSRs for air and ground transp. and hotel acc..	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes
2. Tvl note submitted to DoS or USUN.	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3. Subject to closed areas	No	No	No	No	No	No	No	No	No	No
4. Time Requirements (addendum D)	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
5. Subject to 15-mile radius	Yes	Yes	Yes[2]	Yes	Yes	Yes	Yes	Yes	Yes	Yes

[1] Afghan citizens assigned in Washington and accredited to the US, and their dependents are authorized free travel within a circular zone whose radius is 20 kilometers (12.43) of the center of Washington, measured from the dome of the US Capitol.

[2] Libyan Mission personnel are restricted to the following boroughs of New York City: Manhattan, Bronx, Queens, Brooklyn, and Richmond County (Staten Island).

Addendum D: Time Requirements;

(a) Travel Services for UN Secretariat personnel (re: Libyans, Iranians, Afghans, Vietnamese citizens) and Afghan Embassy personnel: The above individuals are required to submit a Travel Service Request (TSR) to travel in the US two full working days in advance. The processing time does not include the day the request is submitted or the day the travel documents are released.

(b) Travel Notifications for Mission personnel listed in this chart must be submitted at least 48 hours in advance of any travel to any point outside the free movement zone of New York.

CUBA

Regulations	Categories		
	Cuban interests, Section personnel (including TDYers)	Cuban mission to the United Nations (CUMUN)	Cuban secretariat personnel
1. Must submit TSR for air and ground transp. and hotel accommodations [1].	Yes	Yes	Yes
2. Travel note submitted to Cuban desk of USUN.	No	Yes	Yes
3. Is OFM notified of new arrivals, (incl. TDYers)? How?	Yes (CUBIS notifies OFM by phone).	No	No
4. Subject to closed area restrictions.	No	No	No
5 Subject to 25 mile radius.	No	Yes [2]	Yes [2]

[1] There is no time requirement per se, although, both CUBIS and CUMUN have been "trained" to submit TSRs at least two days in advance of contemplated travel. In the case of Cuban Secretariat personnel, the requirement is two full working days.

[2] From the center of Columbus Circle in New York City to outlying areas not to exceed 25 miles.

ADDENDUM

Addendum A. Time requirements

(a) Travel Services for diplomatic, consular (including TDYers), Military, Soviet news media, Aeroflot, URMUN, and UN Secretariat personnel: The above categories are required to submit a Travel Service Request (TSR) to travel in the US two full working days in advance for any destination other than the cities of New York and San Francisco—their only other posts—. The processing time does not include the day the request is submitted or the day the travel documents are released. The processing time required for DC-NYC or DC-SF travel is one full-working day (with respect to Secretariat personnel, the requirement is two full working days). Note: the Service Bureau is officially closed to the embassy on Fridays (does not apply to OFM/NY). However this does not mean that a TSR received on Thursday cannot be processed on Friday. Unlike in DC, the Service Bureau remains open on Fridays for San Francisco TSRs, based on reciprocity.

(b) Travel Notifications for aforementioned travelers must be submitted to EUR/SOV (to FLOs, for Military attaches; to USUN for URMUN and Secretariat) at least 48 hours in advance of any travel to any point outside the free movement zones of New York, Washington, or San Francisco as defined in Addendum C. These regulations also apply to Business Residents (i.e., Amtorg, Sovfracht, Belarus, Marine Resources Company, US-USSR Trade & Economic Council) and Soviet Clergy.

Addendum B. Projected travel program

(a) For Business Residents (Amtorg, Sovfracht, Belarus, Marine Resource Company, and US-USSR Trade & Economic Council): when Soviet Business Residents are required to use the OFM travel program, they will be subject to the same measures and restrictions in effect for Soviet diplomatic and consular personnel.

Addendum C. Free movement zones

In Washington, DC: The zone of free movement in the Washington, DC area for diplomats and journalists, and for other Soviets subject to these regulations and resident in Washington, DC, is defined as follows:

1. All open areas within 25 miles of the White House, and those portions of Loudoun County, VA within 25 miles of the White House.
2. King's Dominion amusement park in Doswell, VA via route I-95.
3. Front Royal, VA via routes I-66 and US 340.
4. Luray, VA via routes I-66 and US 340.
5. Annapolis, MD via route 50.
6. Colonial Williamsburg and William and Mary College at Williamsburg, VA via routes I-95, I-295 and I-64.
7. Ocean City, MD via routes US 50.
8. The Soviet Recreational property at Pioneer Point, MD via routes US 50, US 301 and MD 18.

In New York City: The zone of free movement in the New York area for diplomats and journalists, and for other Soviets subject to these regulations and resident in New York City, is defined as all open areas in the States of New York and Connecticut within 25 miles of Columbus Circle, and in the State of New Jersey those portions of the counties of Bergen, Essex (except for the City of Nutley), Hudson (except for the City of Bayonne), Middlesex, Monmouth, Morris, Passaic, and Union within 25 miles of Columbus Circle.

In San Francisco: The zone of free movement in the San Francisco area for diplomats and journalists, and for other Soviets subject to these regulations and resident in San Francisco, is defined as follows:

1. The City and County of San Francisco.
2. San Francisco International Airport via route US 101 from and to the City and County of San Francisco.
3. In Alameda and Contra Costa Counties (via the San Francisco-Oakland Bay Bridge) an area bounded by California Route 17 from the San Francisco-Oakland Bay Bridge to its intersection with route I-580, thence east on route I-580 to route I-680, thence north on route I-680 to California Route 24, thence west on California Route 24 to the point where California Route 24 intersects an arc of 18.5 statute miles radius centered at the intersection of the roads Skyview Way and City View Way (southwest of Twin Peaks Park) in San Francisco, thence northwest along the arc to the Contra Costa County/Marin County boundary in San Pablo Bay.
4. In Marin County (via the Golden Gate Bridge) an area bounded by a continuation of the 18.5 mile radius arc from its intersection with the Contra Costa/Marin County boundary in San Pablo Bay to its intersection with route US 101 in Marin County, thence north on US 101 to Lucas Valley Road, west on Nicasio Valley Road to Petaluma-Point Reyes Road, and west on Petaluma-Point Reyes Road to its intersection with California Route 1 (Shoreline Highway), and thence north on California Route 1 for two statute miles, thence by a line due west to the low water line in Tomales Bay, thence, following the low water line, along the west side of Tomales Bay to the Pacific Ocean and south to the Golden Gate Bridge.
5. Drake's Estero, Estero de Limatour and Bolinas Lagoon are included within the free movement zone.
6. In Marin County, only those portions of San Francisco Bay within one kilometer of the low water line are included in the free movement zone.
7. Angel Island is included in the free movement zone and may be reached by any commercial means of transport.

[Foreign Affairs Note, U.S. Department of State, Washington, DC, January 1987]

EXPULSIONS OF SOVIET OFFICIALS, 1986

The expulsions of Soviet representatives from foreign countries continued throughout 1986. Host governments in six countries last year expelled 19 Soviet officials for espionage and related activities, down from 57 in 1985, according to publicly available information. All six—France, Italy, Portugal, Sweden, Switzerland, and the United States—had expelled Soviet officials in previous years.[1]

EXPULSIONS OF SOVIETS, 1970–86 [1]

	1970–79	1980	1981	1982	1983	1984	1985	1986
Africa/Middle East	6	1	11	([2])	1	2	13	([2])

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[1] A sampling of expulsion cases from 1970 through 1985 can be found in Appendix A.

EXPULSIONS OF SOVIETS, 1970–86 [1]—Continued

	1970–79	1980	1981	1982	1983	1984	1985	1986
Asia/Pacific	6	102	6	7	41	1	5	(2)
Europe	150	13	(2)	23	82	16	39	12
Western Hemisphere	88	(2)	10	19	11	(2)	(2)	[3] 7
Total	250	116	27	49	135	19	57	19

[1] Figures for 1970 through 1980 are approximate.

[2] No expulsions publicly announced.

[3] See page 3 for a discussion of Soviet officials expelled from the United States in 1986.

Because many governments prefer not to publicize such expulsions, the total number in 1986, as in previous years, is higher than the public record would indicate.

BACKGROUND

Over the years, Soviet diplomats of all ranks—from ambassadors and ministers counselor to administrative personnel such as library employees, translators, and clerks—have been accused of espionage and expelled from the foreign countries to which they had been assigned. Individuals from nondiplomatic occupations have also been expelled, including correspondents from TASS, Moscow Radio, *Novosti*, the newspapers *Pravda, Komsomolskaya Pravda, Izvestiya, Sotsialisticheskaya Industriya*, and the weekly magazine *New Times;* Aeroflot and Morflot officials; trade union officials, UN employees; employees of other international bodies such as the International Wheat Council, the International Cocoa Organization, the International Labor Organization, and the International Civil Aviation Organization; officials of the Moscow Narodny Bank and Soviet state companies Mashniborintorg and Elecktronorg; and Intourist representatives. Many of these individuals have been publicly identified as KGB (state security/foreign intelligence) and GRU (military intelligence) officers.

Some expulsions of Soviet officials have been preceded or followed by a break in diplomatic relations (Liberia, for example) or by a significant reduction of the Soviet presence in the country and/or closure of Soviet auxiliary institutions (for example, in Portugal, United States, Costa Rica, Equatorial Guinea, Sudan, and Iran).

As the public record demonstrates, foreign governments most often have expelled Soviet officials for engaging in espionage. This activity has included attempted penetration of the host country's security organization (Canada, February 1978); setting up illegal agent networks (Switzerland, January 1983); establishing local front companies for the reexport of sensitive embargoed Western technology to the U.S.S.R. (Norway, February 1982; Japan, June 1983); and bugging foreign embassies (Ireland, September 1983).[2] Soviet agents also have sought to obtain information on local armed forces, military installations, defense cooperation with foreign governments, foreign military and political alliance, and local civil defense programs. In seeking such information, these agents have sought to recruit congressional aides, businessmen, technicians and scientists, military officers, students, industrialists, aides to prime ministers, and foreign government officials.

Other Soviet officials have been expelled for actions deemed hostile or threatening by foreign governments. These have included infiltrating agents for the purpose of sabotage (United Kingdom, September 1971); assaulting local officials (Bangladesh, August 1981): conspiring to kidnap and murder local officials (Jamaica, November 1983); and involvement in local narcotics smuggling (Indonesia, February 1982).

Finally, some Soviet officials have been expelled for active-measures-related including:

Plotting to foment religious and sectarian strife (Egypt, September 1981);

Maintaining contact with and financing leftist rebel movements, communist parties, and other local opposition groups (Bolivia, April 1972; Liberia, April 1979; New Zealand, January 1980; Bangladesh, November 1983);

Complicity in antigovernment coup plotting (Sudan, August 1971; Liberia, November 1983);

Dissemination of hostile propaganda (Pakistan, August-September 1980);

Manipulation of local media and financing local peace and antinuclear movements and groups (Denmark, October 1981; Switzerland, April 1983; Federal Republic of Germany, May 1983);

Maintaining contact with suspected terrorist and other "extraparamilitary" organizations (Spain, February 1980, March 1981);

Infiltrating and influencing local exile communities and ethnic emigre groups (Sweden, April 1982) [3] and

Manipulating local agrarian reform movements, fomenting local labor strikes, and helping to organize demonstrations against food price increases (Ecuador, July 1971; Liberia, April 1979; Costa Rica, August 1979, Portugal, August 1980).

Soviet officials engaged in espionage have gone to great lengths to avoid detection and apprehension. In one case, French authorities in October 1976 expelled a Soviet commercial officer after he was caught, disguised in a wig and dark glasses, with information on plans for a secret new French jet engine. A Soviet second secretary in Singapore, expelled in February 1982, sought to pass himself off as a foreign journalist in an attempt to obtain sensitive military information from a local army officer. And in yet another case, the highest ranking Soviet military officer (an identified GRU agent) at the Soviet Embassy in Washington, D.C., was apprehended and found to possess incriminating documents following a high-speed car chase through the city in February 1982; he was expelled soon thereafter.

Some Soviet officials who have been expelled for espionage subsequently have been nominated to important national and international posts. Vsevolod Sofinsky, the U.S.S.R.'s former Ambassador to New Zealand who was expelled in January 1980 for passing funds to the local communist party, subsequently was nominated by the Soviet Government, on January 27, 1981, to the UN Subcommission on Prevention of Discrimination and Protection of Minorities; later he represented the U.S.S.R. at a UN human rights seminar, June 21–July 2, 1982, in Colombo, Sri Lanka. And Nikolay Chetverikov, expelled along with 46 other Soviet officials from France in April 1983 for espionage, subsequently reentered the Soviet bureaucracy, first as a member of the CPSU [Communist Party of the Soviet Union] Central Committee's International Information Department (IID), and then, in April 1986, as chairman of the board of the U.S.S.R.'s all-union copyright agency, VAAP [see Appendix A].

EXPULSIONS IN 1986

EUROPE

France

Late January: Four unidentified Soviet diplomats, accredited as military and trade attaches and suspected to be GRU members, were expelled from France for espionage. The action came just 1 week after the arrest of a retired French Air Force officer for allegedly tracking, at Moscow's behest, French naval and nuclear submarine movements at strategic ports near Brest. According to French judicial sources, the retired French officer was arrested after being seen making trips to Soviet war cemeteries in northwest France which corresponded to visits by Soviet military delegations.

Prior to the officer's arrest, French authorities had noted a persistent Soviet interest in the Brittany region of France. According to press reports, this included the unusual presence of Soviet trucks equipped with parabolic antennae, allegedly picking up freight, and efforts by Aeroflot (the Soviet airline) to begin services to Brest, site of a minor regional airport. Soviet trawlers, also fitted with parabolic antennae, regularly cruise the inshore waters of the region and often ask permission to dock with "technical problems." In November 1983, Brest mayor Jacques Berthelot suspended a "friendship agreement" with Tallinn, claiming his city was becoming a key point for Eastern-bloc espionage. In July of that year, an Aeroflot plane arriving in Brest to take tourists to the Soviet Union allegedly missed its landing, made a prolonged flight over the Brest anchorage, then overflew the nearby Landivisiau naval air base, which provides space for Super-Etendard strike fighters and antisubmarine detection helicopters.[4]

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[2] The Swedish Foreign Ministry announced November 1, 1986, that hidden microphones had been found during renovation work at the Swedish Embassy in Moscow; the listening devices had been planted when the embassy was first constructed in 1968. *Svenska Dagbaldet* (November 2 and 9, 1986) reported that a "particularly sophisticated system" of between 30 and 100 microphones were built into the embassy; one source cited by the paper claimed that every room in each of the separate buildings making up the embassy was bugged. In another separate development, Danish Foreign Minister Uffe Ellemann-Jensen on December 3 announced that the Danish Embassy in Warsaw was being bugged by Polish authorities. According to his statement, an investigation had revealed a "number of microphones hidden in the ceilings of a number of Embassy offices; Foreign Minister Ellemann-Jensen described the microphones as "ultrasensitive" and linked to a "monitoring center."

[3] For more information on Soviet espionage against and penetration of emigre ethnic groups, see "Cultural Relations of Ethnic Espionage: An Insider's View," *Baltic Forum*, Vol. 2, No. 1, Spring 1985. The Swedish daily *Svenska Dagbladet* (August 25, 1986) reported that Swedish security police wanted to have Dainis Zelmenis, suspected KGB officer at the Soviet Embassy in Stockholm, expelled as far back as 1983 for espionage activities against Baltic exiles in Sweden, but he was warned only to curtail his activities, according to the newspaper. The daily also reported that Zelmenis had been lecturing at a Swedish military interpreter's school in Uppsala.

[4] See *Le Spectacle Du Monde* (Paris), March 1986, pp. 51-57, for an overview of KGB activities in France, including the use of trawlers and trucks for espionage purposes. Also, see the London *Financial Times* (October 16, 1986) for information on "secret internal Soviet documents" obtained by the French Government as long ago as 1979 outlining Soviet plans to acquire high technology from the West. The secret documents reportedly were delivered to the French counterintelligence service between spring 1981 and autumn 1982 by a senior KGB official, codenamed "Farewell," who worked in the KGB's Directorate "T" (science and technology), according to the London daily. See *Le Point* (Paris),

One week after the expulsion of the four Soviets from France, CPSU General Secretary Gorbachev in an interview with *Pravda* (February 8, 1986) noted the "recent expulsion from France of several more Soviet Embassy personnel." Gorbachev downplayed their "supposed pursuit of unlawful activity" and called the expulsion "a totally groundless action undertaken on an invented pretext." Gorbachev revealed detailed knowledge of the case when he declared that one of the Soviets accused of espionage was a "technical assistant who worked exclusively inside the Embassy building, had no contacts with foreigners, and does not even know a foreign language." (France expelled Soviet officials in 1976, 1978, 1980, 1983, and 1984; see Appendix A for more detailed information on those expulsion actions.)

Italy

Late January: Viktor Kopytin, Soviet Embassy first secretary, and Andrey Shelukin, Aeroflot station manager at Rome's Fiumincino Airport, were declared *persona non grata* and expelled from Italy for espionage. Press reports suggested that the two may have been involved in illegally obtaining information on the Anglo-German-Italian "Tornado" fighter-bomber. Former Aeroflot deputy director in Rome, Viktor Pronin, was expelled from Italy February 14, 1983, for covertly seeking and obtaining information on the aircraft. (Italy expelled Soviet officials in 1970, 1980, 1981, 1982, and 1983; see Appendix A.)

June: Two unidentified Soviet officials posted at the Soviet Embassy in Rome were expelled for industrial espionage, according to Italian press reports.

Portugal

June 23: According to press reports, Soviet commercial delegation members Vladimir Galkin and Gennadiy Chiniev were accused of "unacceptable interference in Portuguese internal affairs and threatening the security of the state." They were declared *persona non grata* and given 3 days to leave Portugal. (Portugal expelled Soviet officials in 1980 and 1982; see Appendix A.)

Sweden

June 30: The Swedish Foreign Ministry expelled an unidentified Soviet trade representative in Lidingo, a suburb north of Stockholm, for industrial espionage, according to press reports. (Sweden expelled Soviet officials in 1982 and 1983; see Appendix A.)

Switzerland

Late July: A Soviet official at the Soviet Embassy in Bern identified only as Davidenko was expelled for economic and scientific espionage. According to the Swiss daily *Blick* (September 25), Davidenko sought to obtain information on computer technology and research projects at the Swiss Federal Technical University. (Switzerland expelled Soviet officials in 1970, 1976, 1978, 1982, 1983, and 1985; see Appendix A.)

WESTERN HEMISPHERE

United States

June 20: Vladimir Makarovich Izmaylov, air attache at the Soviet Embassy in Washington, was declared *persona non grata* and expelled from the United States for espionage. Izmaylov was in possession of classified documents at the time of his arrest. (The United States expelled Soviet officials in 1982 and 1983; see Appendix A.)

August 23: Gennadiy Zakharov, a KGB officer working undercover as a scientific affairs official in the UN Secretariat, was arrested on a subway platform in New York City. He had just received three classified documents from an undercover informant before the Federal Bureau of Investigation (FBI) intervened. According to an FBI spokesman, Zakharov paid the informant thousands of dollars for information on robotics, computers, and artificial intelligence. He left the United States on September 30.

September 17: Twenty-five Soviet diplomats based at the United Nations in New York were ordered out of the country in line with a March 7, 1986, order that the U.S.S.R. reduce its level of representation at the United Nations. That order came as the result of Administration concern over Soviet use of the United Nations as a base for espionage. (See Appendix B for a list of Soviet officials expelled from the United States for espionage activities conducted at the United Nations.)

October 21: Vasiliy Fedotov (counselor), Nikolay Kokovin (attache), Oleg Likhachev (counselor), and Aleksandr Metelkin (counselor) of the Soviet Embassy in Washington, D.C., and Lev Zaytsev, consul at the Soviet Consulate in San Francisco, were declared *persona non grata* for "activities incompatible with their diplomatic status" and expelled from the United States in direct response to the Soviet expulsion of five American diplomats on October 19. Fifty other unidentified Soviet officials connected with the Soviet Embassy in Washington and the Soviet Consulate General in San Francisco were ordered out of the United States to equalize the level of diplomatic representation in the two countries.

COUNTRIES THAT PUBLICLY EXPELLED SOVIET OFFICIALS, 1970–86

Algeria, Argentina, Australia, Austria, Bangladesh, Belgium, Bolivia, Botswana, Brazil, Cameroon, Canada, China, Colombia, Costa Rica, Denmark, Ecuador, Egypt, Equatorial Guinea, Ethiopia, Finland, France, Germany, Federal Republic of Ghana, Great Britain, India, Indonesia, Iran.

Ireland, Italy, Jamaica, Japan, Liberia, Malaysia, Mexico, Netherlands, New Zealand, Norway, Pakistan, Philippines, Portugal, Senegal, Singapore, Spain, Sir Lanka, Sudan, Sweden, Switzerland, Thailand, Tunisia, Turkey, Uganda, United States, Yugoslavia, Zimbabwe.

APPENDIX A: PARTIAL COMPILATION OF EXPLUSION CASES, 1970–85

AFRICA/MIDDLE EAST

Egypt

September 15, 1981: Egypt expelled Soviet Ambassador Vladimir Polyakov, six other Soviet Embassy personnel, and two Soviet correspondents on charges of plotting to foment sectarian strife in the country. A statement issued by the government accused Moscow of recruiting agents in Egypt and exploiting religious strife as well as "influencing the spread and escalation of sectarian strife," in coordination with leftist elements in Egypt and unnamed hostile Arab countries.

Equatorial Guinea

February 1980: Yuriy Kiselev, consular officer at the Soviet Embassy in Malabo, was expelled from Equatorial Guinea on charges of espionage. He had allegedly tried to purchase information concerning the Equatorial Guinean Armed Forces.

April 28, 1981: Soviet Embassy in Malabo was asked to reduce the size of its staff from 195 to an unspecified number, according to Madrid radio. The Equatorial Guinean Military Council also asked the U.S.S.R. to cease using the fishing base to which it had access at the Guinean port of Luba.

Ethiopia

February 29, 1984: A Soviet Embassy first secretary and a KGB official were expelled by the Ethiopian Government, according to press reports.

Liberia

April 1979: Vladimir Poperechniy (first secretary), Mikhail Timoshkin (Soviet Ambassador's secretary), and Igor Trekhlebov (chauffeur), all with the Soviet Embassy in Monrovia, were expelled on charges of maintaining contact with members of the Progressive Alliance of Liberia (PAL), which had organized demonstrations on April 14, 1979, against food price increases. The three Soviets were allegedly seen at PAL headquarters on the eve of the riot and were believed to have played a role in organizing the demonstrations.

March 18, 1981: Ivan Muzyken, second secretary at the Soviet Embassy in Monrovia, was expelled for engaging in acts "incompatible with his diplomatic status," according to Monrovia radio.

April 2, 1981: Valentin Petrov, first secretary at the Soviet Embassy in Monrovia, was expelled for engaging in acts "incompatible with his diplomatic status," according to the April 1 issue of the Liberian *Daily Observer.*

November 22, 1983: Soviet Ambassador to Liberia Anatoliy Ulanov was declared *persona non grata* and given 48 hours to leave the country on the charges of complicity in antigovernment coup plotting. On November 21, Liberian Head of State Samuel Doe asserted that a "foreign mission" accredited near Monrovia was aware of an impending plot to overthrow the People's Redemption Council, headed by Doe, and promised to support the operation by providing "money, arms, and drugs."

July 18, 1985: The Liberian Government broke diplomatic relations with the U.S.S.R. for "gross interference" in Liberian internal affairs; all 13 Soviet diplomats were declared *persona non grata* and given 3 days to leave the country. Only three of the Soviets were publicly identified charge d'affaires Anatoliy Filipenko and embassy officials Yakov Sikachev and Andrey Kurchakov.

The previous day, Liberian authorities had arrested 14 Liberian students as they departed the Soviet Embassy; according to a Foreign Ministry statement, the students had passed on to the Soviets "classified information on various Liberian military installations and defense capabilities." According to Monrovian radio (August 9), the material included sensitive security information detailing military installations, military capabilities, manpower deployment of the Liberian Armed Forces, and "coded instructions . . . for secret communication with colleagues in various organizations." The codes used to transmit instructions and messages were reported to have been identical to those used in World War II, apparently by the U.S.S.R.

Sudan

August 2, 1971: Sudanese officials expelled Mikhail Orlov, counselor at the Soviet Embassy in Khartoum, on charges of plotting against the Nimeiri regime. Shortly thereafter, about 200 Soviet military advisers were

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January 6 and 13, 1986, for more information on "Farewell." Also see *Le KGB En France,* listed in the Bibliography.

expelled from the country. Within the next 5 years, all Soviets economic and technical support personnel were gradually withdrawn from Sudan, although diplomatic relations were maintained.

Tunisia

September 23, 1973: Two unidentified Soviet diplomats were declared *persona non grata* and subsequently expelled by Tunisian authorities on charges of "manipulation aimed at Tunisia and a neighboring country," according to *La Presse de Tunisie.* Also implicated in the same espionage-related activity were an unidentified *Novosti* journalist and a number of Tunisian Government officials.

ASIA/PACIFIC

Australia

April 22, 1983: Soviet Embassy First Secretary Valeriy Ivanov, identified by Foreign Minister William Hayden as a KGB operative, was expelled on espionage charges. Foreign Minister Hayden said that Ivanov "threatened Australia's national security" and, in an April 29 interview, charged Ivanov with "seeking to recruit spies."

Bangladesh

August 1981: Aleksey Zolotukhin and Vladimir Lazarev, both third secretaries with the Soviet Embassy in Dhaka, were declared *persona non grata* by the Bangladesh Government for assaulting a local security official during an incident at Dhaka airport in which Soviet Embassy officials attempted to smuggle sensitive electronic equipment into the country.

April 8, 1982: Bangladesh authorities expelled two Soviet Embassy attaches, Lomovsky and Kirichuk, on espionage charges. they were arrested March 31 near a roadside jungle in Jovdevpur, about 25 miles from Dhaka, while attempting to burn 588 rolls of movie film.

November 29, 1983: Eighteen Soviet diplomats were ordered out of Bangladesh and the Soviet Embassy in Dhaka (the largest in the country) was told to close its cultural center, according to press reports. The expulsion order, which cut in half the level of Soviet diplomatic representation in Bangladesh, came 1 day after violent clashes between security forces and antimartial-law demonstrators. The Soviets were accused of interfering in the country's internal affairs, providing funds to antigovernment groups, and otherwise interfering in Bangladesh's political processes.

China

January 19, 1974: Chinese vice foreign minister declared *persona non grata* first secretary V. Marchenko and his wife, third secretary U. Semenov and his wife, and A. Kolosov, an interpreter in the military attache's office, all with the Soviet Embassy in Beijing, on charges of espionage. According to the protest note delivered to the Soviet Ambassador, the five were caught in the outskirts of Beijing with a Chinese national, Li Hung-Shu, as they were handing over a radio transmitter and receiver, communications timetables, means of secret writing, and forged border passes, and receiving intelligence and "counterrevolutionary documents." The entire operation was said to have been filmed by Chinese security and militia officers, according to the Chinese press.

India

February 1975: Soviet assistant military adviser Major Kanvasky and one other unidentified Soviet official were expelled on espionage charges.

February 1979: Two unidentified KGB officers, allegedly posing as Soviet diplomats, were expelled on espionage charges.

Early February 1984: Nikolay Golobov, a deputy military attache at the Soviet Embassy in New Delhi and identified as a GRU operative, was arrested while trying to obtain classified information from a junior officer in the Indian Defense Ministry and left the country the following day, according to a report in the *Far Eastern Economic Review* (April 19). The incident was revealed March 12 by Indian Supreme Court senior lawyer Prannath Lekhi in a telegram to Indian Foreign Minister Rao and released to the press just 3 days before a high-level visit to India by then-Soviet Defense Minister Ustinov.

February 1985: Five Soviet officials—B.G. Krylov, G.N. Rudnev, S.L. Khlebnikov, O.P. Semelenikov, and a man identified only as Portonov—were charged with espionage and harming the "security and safety of India," declared *persona non grata,* and expelled from the country, according to press reports. For about 5 years, the five Soviets had allegedly collected secrets from an Indian espionage ring—the existence of which was revealed by Indian Prime Minister Gandhi to the Indian Parliament on January 18—which had infiltrated the Prime Minister's office and other key government departments. A vast array of secret documents was compromised—including information on Indian foreign policy and from Indian businessmen in the export trade who frequently visited the Soviet Union and Eastern Europe—before the investigators uncovered the ring, according to police reports made available to the local press. According to the *United News of India* (February 8), the documents passed to the Soviets also included information on Indian defense deals with various Western countries; the military hardware production programs undertaken at defense production establishments in India; the operations of the MiG-25 Foxbat reconnaissance squadron of the Indian air Force and three *Kachin*-class destroyers that the Indian Navy had acquired from the U.S.S.R.; and the security apparatus of the Prime Minister's office. Polish and East German diplomats implicated in the incident were also expelled, according to the *Hindu* daily (February 5).

The London *Daily Telegraph* (February 11) reported that, as a result of the scandal, India's counterintelligence agencies had been ordered to make a thorough study of the extent, ramifications, and methods of espionage by the KGB and the secret services of its East European allies around the world, according to the paper.

Indonesia

February 6, 1982: Indonesian authorities expelled Lt. Col. Sergey Yegorov, assistant military attache at the Soviet Embassy in Jakarta, for espionage. According to press reports, Yegorov was apprehended with a camera and film he had received from an Indonesian military officer at a local restaurant 2 nights before. Other reports alleged he was involved in a local narcotics smuggling operation.

February 13, 1982: Indonesian Government expelled Aleksandr Finenko, an Aeroflot representative in Jakarta identified as a GRU officer, and Gregor Odariouk, an embassy attache. Finenko was expelled on charges of espionage and Odariouk for attempting to prevent Finenko's arrest when Finenko was trying to leave the country with Lt. Col. Yegorov.

Iran

June 30, 1980: First secretary Vladimir Golovanov of the Soviet Embassy in Tehran was expelled on charges of espionage. According to Iranian domestic radio, he had been caught handing "espionage documents" to a foreign resident of Iran.

August 18, 1980: The U.S.S.R. was instructed to close one of two Soviet consular offices in Iran and reduce its diplomatic staff in Tehran after Iranian Foreign Minister Ghotbzadeh at a July 2 press conference accused the Soviets of conducting espionage activities in Iran. The Soviet consulate in Isfahan was subsequently closed and the staff in Tehran cut back.

May 7, 1983: Eighteen Soviet diplomats—Nikolay Kozyrev (counselor), Gennadiy Avrilov (first secretary), Anatoliy Kachekov (counselor), Guseyn Guliyev (first secretary), Valeriy Samanyan (second secretary), Valeriy Markov (third secretary), Vyacheslav Zaryia (first secretary), Viktor Kiselev (third secretary), Vladmir Kabalev (attache), Col. Yevgeniy Sheripanov (military attache), Col. Andrey Verbenko (military attache), Anatoliy Lapashin (deputy commercial attache), Yuriy Ogarev (commercial assistant), Vladimir Plakhtin (counselor), Maj. Aleksandr Pantelev (military attache), Mikhail Sharov (commercial assistant), Barkhas Artynov (consul in Esfahan), and Allakhverdi Asadollayev (first secretary)—were expelled for "interference in the internal affairs" of Iran through "establishing contacts and taking advantage of treacherous and mercenary agents," according to Tehran radio. Another broadcast reported that the TASS bureau was closed; Soviet banks and economic installations in Iran were nationalized; and Soviet diplomats were told to restrict their activities and try not to leave their homes.

Japan

June 19, 1983: Soviet Embassy first secretary Arkadiy Vinogradov departed Japan after being expelled on espionage charges. According to a June 21 Japanese Government statement, Vinogradov, a KGB operative, had worked with Boris Kakorin, a Soviet engineer also affiliated with the KGB, to obtain information on high technology from major Japanese computer firms. (Japanese Foreign Ministry sources told reporters that Kakorin had left Japan in January 1982 and will not be permitted to return.) A Foreign Ministry spokesman said the two men asked a senior employee of a major computer company to give them secret information and offered to provide the executive with funds to set up a consulting firm as a cover for illegal transfer of high technology. A third Soviet diplomat and suspected KGB officer, Dimitry Pankratov, was reported by the Kyodo news agency to have departed on the same Moscow-bound flight as Vinogradov. Pankratov, the Soviet Embassy's science and technology attache, reportedly was the head of a 20-member KGB team assigned to covertly obtain computer, ceramics, optical fiber, and other sophisticated technology.

Malaysia

July 13, 1981: First secretary Gennadiy Stepanov, second secretary Vadim Romano, and engineer/interpreter Zardat Khamidulin, all with the Soviet Embassy in Kuala Lumpur, were expelled for espionage shortly after the arrest of Sidek Ghouse, political secretary to the Malaysian deputy prime minister, on charges of spying for the U.S.S.R. The police reportedly seized an assortment of Soviet-supplied espionage equipment, including a portable radio transmitter supplied to Romanov (who was said to have recruited Sidek) which was used to summon Sidek for meetings with him. (Romanov was identified as the KGB "resident" in Kuala Lumpur.)

New Zealand

January 24, 1980: Vsevolod Sofinsky, Soviet Ambassador to Wellington, was declared persona non grata and subsequently expelled for having supplied Soviet funds to the pro-Moscow Socialist Unity Party (SUP) of New Zealand. The Auckland Star reported on January 25 that New Zealand Security Intelligence Service electronic monitoring had caught Ambassador Sofinsky transferring thousands of dollars to the SUP. The transfer was only one of a regular series of fund transfers.

Pakistan

August-September 1980: Alleged espionage activities and violations of the rules governing the dissemination of propaganda in Pakistan reportedly led to the departure of about 100 Soviet diplomats and staff members from Pakistan.

June 1981: Vladlen Baykov, Pravda correspondent in Pakistan, was expelled on charges of engaging in "illegal" and possibly espionage-related activities.

Singapore

February 22, 1982: Anatoliy Larkin, second secretary and press officer at the Soviet Embassy in Singapore, and Aleksandr Bondarev, a Soviet marine superintendent overseeing repairs of Soviet merchant vessels at a local shipyard, were both expelled by Singapore on espionage charges. Larkin allegedly represented himself as a Swedish journalist and tried to obtain sensitive military information from a local army officer. Bondarev was accused of running an intelligence network since October 1979.

Sri Lanka

September 3, 1977: Envar Kapba, secretary of the Georgian Republic Trade Union Council, and Konstantin Tuzikov, an official of the Soviet All-Union Central Council of Trade Unions, were declared *persona non grata* and expelled by Sri Lankan authorities for "interference in the internal affairs of Sri Lanka." Both were in Colombo to attend the Ceylon Workers' Congress.

Thailand

May 20, 1983: Soviet Embassy commercial officer Viktor Baryshev, identified as a GRU lieutenant colonel, was expelled by Thai authorities on espionage charges. Baryshev was apprehended on May 19 in possession of secret documents concerning Thai military installations and forces along the Thai-Kampuchean border.

EUROPE

Belgium

October 1971: Nine unidentified Soviet intelligence officers were expelled on espionage charges.

May 13, 1983: Yevgeniy Mikhailov, director general of Elog, a joint Belgian-Soviet company specializing in the planning and organization of computer and information systems, was expelled on espionage charges. Mikhailov's expulsion was the result of illegal activities aimed at obtaining classified industrial and military information.

August 22, 1983: An unidentified Soviet Embassy official and four Romanian Embassy officers were expelled on espionage charges. The five apparently had supplied sums of money to a high-ranking Belgian Foreign Ministry official in exchange for information on European economic affairs.

October 22, 1983: Belgian authorities expelled Yuriy Shtinov, second secretary, and Aleksandr Kondratiyev, third secretary, with the Soviet Embassy in Brussels, on charges of military and industrial espionage. According to press reports, they were charged with attempting to bribe Belgian employees at NATO headquarters as well as Belgian army staff officers for information concerning Belgium's fleet of U.S.-produced F-16 fighters-bombers.

May 21, 1984: Belgian authorities announced the expulsions of Vladimir Latchev, an engineer, and an unidentified chauffeur, both attached to the Soviet trade mission and accused of attempting to obtain top secret military information concerning the NATO alliance; expulsion procedures also were initiated against a third Soviet diplomat on similar charges.

According to press reports, the two Soviets—neither of whom had diplomatic immunity—had passed "large sums of money" to a NATO official, who in turn tipped off NATO security forces.

July 19, 1985: The Belgian Justice Ministry announced the expulsion of Vladimir Makeyev, a member of the Soviet trade mission in Brussels, on charges of espionage. Makeyev was apprehended July 17 in Antwerp as he was purchasing scientifc documents, according to *Le Soir.*

Denmark

October 1981: Vladimir Merkulov, a KGB case officer working under the guise of Soviet Embassy second secretary, was expelled on charges of espionage. According to Danish press accounts, Merkulov *inter alia* arranged through a local KGB agent-of-influence to have some 150 Danish artists sign an "appeal" calling for a Nordic nuclear-weapons-free zone and supplied funds to have the appeal placed as an advertisement in a number of local newspapers. He also allegedly maintained clandestine contact with the Copenhagen-based Committee for Cooperation for Peace and Security, an umbrella organization of about 50 smaller peace-related associations and groups with well-established ties to the Soviet-dominated World Peace Council.

February 10, 1983: Yevgeniy Motorov, first secretary at the Soviet Embassy in Copenhagen since 1979, was expelled on espionage charges. Motorov had collected classified information on advanced military technology.

May 24, 1984: The Danish Government announced the expulsions of two Soviet engineers, attached to the commercial section of the Soviet Embassy in Copenhagen, on charges of engaging in "industrial espionage of a gross nature." The two—who had sought to purchase electronic and computer equipment known to be embargoed for export to the U.S.S.R.—had been under surveillance by Danish security authorities for some time before their arrest, according to an official announcement.

Federal Republic of Germany

February 17, 1983: West Germany officials arrested Gennadiy Batashev, a KGB operative and Soviet trade mission member in Cologne. Batashev was charged with trying to buy documents on secret coding machines used in NATO countries.

May 17, 1983: Four Soviet officials—second secretary Yevgeniy Shmagin, Col. Viktor Marchenko (both with the Soviet Embassy in Bonn), Boris Kozhevnikov, and Oleg Shevchenko (both attached to the Soviet trade mission in Cologne)—were identified in a West German weekly as intelligence agents and reportedly recalled to Moscow. According to press accounts, Shmagin sought to enlist agents to order to influence the West German antinuclear movement; Marchenko (described as a GRU operative) sought secret data from electronics companies; Kozhevnikov had gathered secret information on medical research and sought to bribe industry officials to gain secrets; and Shevchenko recruited students as agents.

France

October 16, 1976: French officials announced the expulsion of Mikhail Solovyev, a member of the Soviet Embassy commercial section in Paris. French counterespionage agents arrested Solovyev (who was wearing a wig and dark glasses) at the Notre Dame de la Gare Church, after he was handed a dossier allegedly containing plans for a secret new French jet engine.

July 1, 1978: Col. Viktor Penkov, assistant military attache at the Soviet Embassy in Paris, was arrested and subsequently expelled on espionage charges.

February 9, 1980: Commercial officer Gennadiy Travkov, third-ranking official at the Soviet Consulate General in Marseille with the rank of consul, was expelled on charges of espionage. Travkov was caught photographing documents described by French officials as having "important French national defense value." According to local press reports four unidentified French citizens, believed to be contacts who supplied the Soviets with sensitive material related to air and naval defense matters, were also arrested.

February 28, 1980: Vyacheslav Frolov, public affairs officer at the Soviet Consulate General in Marseille, was expelled on undisclosed charges. Press accounts speculated that he was involved in the Travkov affair.

April 5, 1983: The French Government ordered the expulsion of 45 Soviet diplomatic and military officials and two Soviet correspondents based at various Soviet installations throughout France. Investigations by the French counterespionage service had found the Soviets "engaged in a systematic search on French territory for technological and scientific information, particularly in the military area," according to a French Interior Ministry statement. All 47 Soviets were known to Western intelligence agencies to be affiliated with either the KGB or the GRU.

The Interior Ministry statement noted that the number of Soviet residents in France had increased by about 1,400 over a 10-year period, standing at 2,406 at the beginning of 1982. Of that group, about 700 were believed to hold official passports, an increase of about 500 over the 10 years. News agencies quoted French counterespionage officials as saying that about one-third of the 700 were considered professional intelligence agents.

April 1984: The May 18–24 edition of the French weekly magazine Le Nouvel Observateur reported that a Soviet diplomat working at the Soviet trade mission in Paris had been expelled for spying. The publication connected the unidentified official with an espionage ring in the national airline Air France.

Great Britain

June 22, 1971: Lev N. Sherstnev (first secretary) and Valeriy S. Chusovitin (third secretary), both with the Soviet Embassy in London, were expelled from Great Britain on charges of engaging in "intelligence operations" against the United Kingdom.

September 24, 1971: Britain expelled 90 Soviet diplomatic and other representatives on espionage charges and barred the return of 15 others who were temporarily out of the country. The names of the 105 Soviet intelligence operatives had been provided 1 month earlier to British counterintelligence officers by a ranking KGB defector, who also provided information on the planned infiltration into England of Soviet agents for the purpose of sabotage; other documents provided by the defector detailed Soviet plans for infiltrating segments of the Royal British Navy.

August 4, 1981: Second secretary at the Soviet Embassy in London, Viktor Lazin, was declared persona non grata by the British Government for engaging in activities "incompatible with his diplomatic status," according to the London Guardian. Lazin's expulsion reduced the number of Soviet diplomats in London to 46, the same number of British diplomats then posted in Moscow.

February 27, 1982: V. F. Zadneprovskiy, an official attached to the Soviet trade delegation in London, was expelled after being caught in possession of classified information and expelled.

December 5, 1982: Capt. Anatoliy Zotov, naval attache at the Soviet Embassy in London since January 1982 and indentified as a senior GRU officier, was expelled for espionage. He was the highest ranking Soviet to be declared persona non grata in Britain since 1971. Zotov was accused of attempting to set up an agent network to obtain British military secrets.

January 12, 1983: Vladimir Chernov, a translator at the International Wheat Council in London since 1978, was expelled for espionage.

March 31, 1983: Soviet Embassy assistant air attache Lt. Col. Gennadiy Primakov and Soviet New Times correspondent lgor Titov were expelled for espionage. Another Soviet diplomat not in the United Kingdom at the time, second secretary Sergey Ivanov, was declared persona non grata.

September 29, 1983: Vasiliy Ionov, a member of the Soviet trade delegation in London, was expelled by British authorities for espionage.

May 14, 1984: Arkadiy Gouk, a Soviet Embassy first secretary identified as a KGB officer, was ordered out of the country, according to a May 22 Foreign Office announcement.

April 18, 1985: The Foreign Cffice announced the expulsions of Oleg Los, assistant naval attache at the Soviet Embassy in London, and Vyacheslav Grigorov, charter manager of the London staff of the Soviet airline, Aeroflot, both on charges of espionage. The London Sunday Telegraph reported that both men had been under surveillance for 2 months and that "photographic evidence of their spying activities" had been collected. After the U.S.S.R. retaliated by expelling three British diplomats in Moscow, the Foreign Office subsequently expelled three more Soviet officials April 22. They were Capt. Viktor Zaikin, assistant naval attache; Lt. Col. Vadim Cherkasov, assistant military attache; and Oleg Belaventsev, third secretary for science and technology.

September 12, 1985: Britain expelled 25 Soviet Embassy personnel for espionage, according to a Foreign Office statement; the massive expulsion action followed the defection of Oleg Gordievski, the KGB resident in London. Among those expelled were first secretaries Yuriy Ejov, Vyacheslav Kalitin, and Boris Korchagin, second secretary Valeriy Tokar, third secretary Anatoliy Meretikov, and technical attache Dimitry Vasilyev; three Embassy support staff, seven members of the Soviet trade mission; the deputy manager of the Razno Purchasing Agency; and employee of Moscow's Narodny Bank; five journalists representing TASS, Novosti, Moscow Radio, and the daily papers Komsomolskaya Pravda and Sotsialisticheskaya Industriya; and two Soviet employees of the International Cocoa Organization and the International Wheat Council.

After Moscow retaliated by expelling 25 British diplomats and journalists 2 days later, British authorities on September 16 expelled 6 more Soviet officials for espionage. They were first secretary Yevgeniy Ilich Safranov, assistant air attache Col. Viktor Aleksandrovich Mishin, embassy clerks Viktor Vasilyevich Daranov and Aleksandr Ivanovich Yerokhin, Anglo-Soviet shipping director Ivan Ivanovich Vikulov, and Novosti correspondent Sergey Aleksandrovich Volovets. Moscow subsequently expelled six more Britons in response.

Ireland

September 9, 1983: Soviet Embassy first secretary Gennadiy Salin, second secretary Viktor Lipasov, and Lipasov's wife, Irona, were expelled for espionage. Published accounts indicated that the three had sought information about NATO nuclear submarine forces; contacted agents; collected intelligence from countries outside Ireland for transmission to Moscow; and bugged other embassies in Dublin. Mrs. Lipasov also was reported to have made several trips to Northern Ireland in violation of travel restrictions. Her husband was identified as KGB resident in Dublin.

Italy

February 13, 1970: Italy ordered the expulsion of Vladimir Aleksandrov, a Soviet Embassy employee, and Lolli Zamoisky, an *Izvestiya* correspondent, on charges of espionage. The two Soviets were said to have received secret military information from an unidentified Italian noncommissioned officer who had been arrested the previous week.

May 1980: Andrey Kinyapin, employee of the Soviet commercial office in Turin, was declared *persona non grata* and expelled by Italian authorities on undisclosed charges. Local Italian press reports speculated that Kinyapin was involved in clandestine activities.

January 7, 1981: Anatoliy Zazulin, an employee of the Soviet Embassy's commercial section in Rome, was expelled on charges of espionage.

December 7, 1982: An unidentified Soviet diplomat was expelled on expionage charges, according to press reports.

December 17, 1982: Lt. Col. Ivan Kheliag, Soviet assistant military attache in Rome, was expelled on espionage charges. According to the Rome daily *Il Tempo*, Kheliag attempted to obtain NATO defense plans.

February 14, 1983: Viktor Pronin, deputy commercial director in Rome for Aeroflot, and Italian microfilm expert Azelio Negrino were arrested on espionage charges; Pronin was later deported. The two were apprehended as Pronin was about to pick up microfilmed plans of NATO installations in northern Italy and of the European-designed Tornado aircraft, which was due to come into service with NATO air forces. Pronin, reported to be a KGB colonel, and other Soviet intelligence officers had approached Genoese industrialist Negrino and offered him "hugh sums of money" in exchange for microfilms and other documentation of political and military secrets.

February 16, 1983: Two unidentified Soviet officials employed in Italy by Morflot were expelled on espionage charges, according to press reports. It is not known if they were involved in the Pronin affair.

February 24, 1983: Viktor Konyayev, deputy commercial director of the Italian-Soviet petroleum shipping company Nafta-Italia, was arrested by Italian police for complicity in the Pronin affair.

Mid-November 1983: Two Soviet military attaches—Lt. Col. Yuriy Studenikin and Lt. Col. Aleksandr Zhoglo, both attached to the Soviet Embassy in Rome—were believed to be expelled, along with a Bulgarian Embassy military attache, for espionage. According to *La Repubblica* of November 12, the Italian secret service (SISMI) had recommended that the three be expelled for espionage-related activities conducted around Comiso, where NATO cruise missiles are to be installed. According to the Italian press, the three had been under SISMI surveillance for several months prior to their arrest and expulsion.

The Netherlands

May 6, 1970: Second secretary Boris Netrebskiy and Vladimir Sharovatov, both with the Soviet Embassy in The Hague, were expelled on charges of espionage. Following a car accident in which the two were involved. Dutch police found among their personal belongings in the car a map with Dutch military installations marked on it.

April 7, 1972: First secretary A. Lobanov, third secretary A.N. Illarionov, and attache M. Makarov, all with the Soviet Embassy in Copenhagen, were expelled on charges of espionage.

July 1975: A.A. Kiselev, military attache with the Soviet Embassy in The Hague, was expelled on charges of espionage and collecting Dutch military secrets.

March 30, 1978: According to local newspapers, S. Chernyayev of the Soviet Trade Mission and Roman M. Lopukhov, director of the Soviet Intourist office in Amsterdam, were expelled on charges of espionage. A. Poleshchuk, a Soviet electronics specialist, employed in the Netherlands by the Soviet state companies Mashniborintorg and Elecktronorg, was declared *persona non grata* and denied future entry into the country. The three were suspected of trying to obtain secret information about the F-16 aircraft and electronic and military aviation as well as information related to production and research in Dutch military industry. Two days later, Dutch security officials expelled G. Burmistrov, member of the Soviet Trade Mission in Amsterdam, and V. Khlystov, managing director of the mixed Dutch-Soviet company Elorg BV, on similar espionage-related charges.

April 15, 1981: Vadim Leonov, TASS correspondent to The Hague, was asked to leave the Netherlands on undisclosed charges.

February 13, 1983: Dutch authorities expelled Aleksandr Konoval, third secretary at the Soviet Embassy in The Hague on espionage charges.

Norway

September 19, 1970: Valeriy Mesropov, Soviet engineer and identified KGB operative attached to the Norwegian firm Koneisto Norge A/S, was expelled on charges of espionage.

April 11, 1973: Third secretary Yuriy Polyushkin and attache Valeriy Yerofeyev, both attached to the Soviet Embassy in Oslo and identified as KGB operatives, were expelled on espionage charges.

January 28, 1977: A. Printsipalov, third secretary at the Soviet Embassy in Oslo, as well as an unidentified embassy chauffeur, were declared *persona non grata* by Norwegian authorities and expelled for their involvement in political espionage activities. In a separate incident Aleksandr Dementev, Igor Izachtirinsky, and Yevgeniy A. Klimanov, all with the Soviet Embassy's commercial section, were expelled on charges of espionage. Also implicated and charged with espionage against Norway was Yevgeniy Zotin, a TASS correspondent.

February 7, 1977: Gennadiy Titov, counselor at the Soviet Embassy in Oslo and identified KGB general and *rezident* in Norway, was expelled on charges of espionage.

April 1, 1981: Timor Besedin, Georgiy Petrov, and Yevgeniy Mironenko, all with the Soviet Trade Mission in Oslo, were declared *persona non grata* and expelled from Norway, reportedly on charges of industrial espionage.

February 5, 1982: Oleg Dokudovskiy and Yevgeniy Vopilovskiy, both assigned to the Soviet Trade Mission in Oslo and identified as GRU operatives, were expelled on espionage charges. According to press accounts, Dokudovskiy and Vopilovskiy tried to bribe key members of companies under subcontract to a consortium working on an F-16 project. They also endeavored to set up Norwegian front companies to reexport high-technology U.S. products to the U.S.S.R.

June 22, 1983: Norwegian authorities expelled Lt. Col. Vladimir Zagrebnev, Soviet Embassy assistant military attache, for espionage. Zagrebnev was reported to have tried to recruit agents for gathering military secrets and to offer a high-ranking Norwegian officer large sums of money in exchange for information.

February 1, 1984: Five Soviet Embassy officials—Leonid Makarov, Stanislav Tchebotok, Yuriy Anisimov, Mikhail Utkin, and Anatoliy Artamonov—were expelled by Norwegian authorities for espionage, according to a Foreign Ministry statement. Four other Soviet officials—Yevgeniy Belyayev, Vladimir Zhizhin, Alexsandr Lopatin, and Gennadiy Titov, a KGB general previously expelled from the country—were declared persona non grata and banned from ever returning to Norway. The action against the nine Soviets was linked to the arrest at Oslo airport just 10 days earlier of Norwegian diplomat Arne Treholt, who was on his way to a meeting in Vienna with a KGB official. When arrested, Treholt was carrying classified documents and later admitted to having worked for the Soviets for a number of years, according to press reports.

February 10, 1984: Igor Granov, director of a Soviet import firm in Norway, was expelled on charges of working for the KGB.

Portugal

August 20, 1980: Albert Matveyev (minister-counselor), Yuriy Semenychev (counselor), Vladimir Konyayev (assistant naval attache), and Aleksandr Kulagin (employee, military attache office), all with the Soviet Embassy in Libbon, were declared persona non grata and expelled from Portugal on charges of "interference in internal Portuguese affairs," in accordance with Article 9 of the 1961 Vienna Convention, according to an official Portugese Ministry of Foreign Affairs note. Lisbon domestic radio speculated that the four Soviets were involved in "agrarian reform" espionage. Semenychev was identified as the KGB "residents" in Portugal.

January 22, 1982: Portugese authorities announced press counselor Yuriy Babyants and attache Mikhail Morozov, both with the Soviet Embassy in Lisbon since 1978 had been requested to leave, presumably for attempted espionage.

March 4, 1982: Concerned about the size of Soviet-bloc diplomatic missions, the Portuguese Government asked the Soviet, Polish, and East German Embassies in Lisbon each to reduce their staffs by 30 percent. Those ordered to leave the country were Soviet third secretaries Vladimir Gordeyev, Sergey Riyabiv, and Vyacheslav Rybchak, attache Vladimir Novokhatskiy; deputy commercial representative Vyacheslav Obidin; and deputy air attache Oleg Dubas. Also expelled were first secretary Stanislav Raczka and deputy commercial attaches Andrzej Dabrowski and Jerzy Bardski, from the Polish Embassy, and charge d'affaires Manfred Bleskin and attaches Herbert Staadt and Erhard Schmidt of the East German Embassy.

Spain

March 1977: Yuriy Pivovarov, member of the Soviet commercial mission in Madrid for 2 years, was expelled on charges of espionage (the first explusion of a Soviet from Spain since the Spanish Civil War, according to Diario 16). Pivovarov was believed to have been the Soviet GRU "resident" in Madrid.

July 4, 1977: Gennadiy Sveshnikov, director of the Spanish-Soviet maritime company INTRAMAR, was expelled on charges of espionage. Believed to have been a GRU intelligence officer, Sveshnikov was arrested by agents of the Spanish High General Staff in Aranjuez when he tried to discard a packet of documents allegedly concerning Spanish national security affairs, according to Diario 16.

April 1978: Yuriy Ysayev, commercial officer with the Soviet Embassy in Madrid, was expelled on charges of espionage.

May 1978: Yuriy Popov, identified only as a Soviet engineer, was expelled from Spain on charges of industrial espionage.

February 14, 1980: Oleg Suranov, director of Aeroflot in Madrid, was expelled on charges of espionage. He was alleged to have maintained contact with the Fatherland and Liberty Basque separatist organization (ETA) and other "ultraleftist" terrorist groups in Spain.

February 16, 1980: Anatoliy Krasilnikov, first secretary at the Soviet Embassy in Madrid, was expelled on charges of espionage. According to Spanish press reports, he maintained contacts with the Movement for the Self-Determination and Independence of the Canary Archipelago and other "illegal extraparamilitary organizations" and had been apprehended with incriminating information on his person.

March 6, 1981: Vladimir Yefremenkov, second secretary at the Soviet Embassy in Madrid, was expelled for espionage. He was charged with trying to obtain information about and from the Spanish Defense Intelligence Center as well as about the Movement for the Self-Determination and Independence of the Canary Archipelago. *Novosti* journalist Yuriy Goloviatenko was also implicated with him, according to press reports, and left the country hurriedly when his role was disclosed.

March 27, 1981: Yuriy Bychkov, Soviet director of Sovhispan (the joint Soviet-Spanish fishing company), was expelled on charges of political involvement and espionage activities in the Canary Islands.

April 28, 1982: Two employees of Aeroflot in Madrid, Director Vasiliy Fedorin and engineer Vladimir Tirtishnikov, were expelled on espionage charges. The expulsions came after nearly 1 week of reports in the Spanish press that the government had detected two Soviet GRU officers working undercover at the local Aeroflot office. Fedorin tried to infiltrate the Spanish Air Force to ascertain its attitudes toward Spain's entry into NATO. Fedorin was in contact with press and military personnel concerned with the sale of U.S. weapons to Spain; Tirtishnikov with individuals in electronic companies who work on industrial security matters and military communications.

April 1, 1983: The Spanish Foreign Ministry confirmed the expulsion in March of an unidentified Soviet Embassy official for espionage.

January 10, 1985: Yuriy Kolesnikov, cultural attache at the Soviet Embassy in Madrid, was expelled trying to obtain classified documents on Spanish scientific and technical policy, according to media reports. The daily *El Pais* reported that Kolesnikov had paid nearly $3,000 to a member of Spain's High Council of Scientific Research who was working for Spanish intelligence; according to the paper, Kolesnikov had been under surveillance for several months.

Sweden

April 1982: Albert Liepa, Soviet vice consul in Stockholm, left Sweden after being charged with attempting to infiltrate and influence the Latvian exile community in Sweden.

December 23, 1982: Yuriy Averine, Soviet consul in Gothenburg, and Lt. Col. Pyotr Skirokiy, assistant military attache of the Soviet Embassy in Stockholm, were declared *persona non grata* for espionage. Anatoliy Kotyev, a nondiplomatic Soviet official at the Soviet shipping registry in Gothenburg, also was charged. The Swedish daily *Svenska Dagbladet* quoted sources at the National Police headquarters as saying that the diplomats were interested in "electronic components, technical ideas, and details from the drawing boards of Swedish industry." Another paper, *Expression,* noted that the Soviets had attempted to recruit agents among technicians and scientists in advanced electronics and defense industries. During 1981 alone, Soviet intelligence operatives made about 15 recruitment attempts. The paper also stated that nearly 80 accredited Soviet diplomats in Sweden work for either the KGB or GRU.

December 23, 1983: Two unidentified Soviet diplomats and a Soviet citizen were expelled for espionage. Swedish security police reported that the three had been collecting information on the Swedish electronics industry and military technology.

Switzerland

February 12, 1970: Aleksey Sterlikov (first secretary) and Nikolay Savin (second secretary), both with the Soviet Embassy in Bern, were expelled on charges of espionage. According to Swiss officials, the two Soviets were contacts of Marcel Buttex, a Swiss spy suspect who had been arrested 1 week earlier. Buttex established "letter drops" for Soviet agents in Switzerland and in West Germany, according to these officials.

August 22, 1976: Swiss officials expelled Yevgeniy Bogomolov, second secretary at the Soviet Embassy in Bern, on charges of political espionage.

June 6, 1978: Vladimir Bukreyev, Soviet International Labor Organization (ILO) official in Geneva, was expelled on espionage charges.

June 26, 1978: Gregoriy Myagkov, Soviet ILO official in Geneva and KGB operative, was expelled on unspecified "intelligence-related activities."

April 4, 1982: The Swiss Justice Ministry announced that two unidentified Soviet diplomats had left Switzerland earlier in the year. One, an assistant to the Soviet military attache posted in Bern, had been collecting information about a third country and was in possession of incriminating documents when detained by police after a meeting with an informant. The other, a consular section employee at Geneva who had been in Switzerland for 4 years, was arrested after trying to persuade a Swiss contact to seek a Foreign Ministry job.

August 21, 1982: Leonid Barabonov, Aeroflot director in Geneva, left Switzerland "under suspicion of espionage" after being questioned by Swiss police, according to a Justice Ministry spokesman.

January 7, 1983: Two unidentified Soviet diplomats, one a member of the Soviet Consulate General in Geneva and the other an official of the Permanent Soviet Mission to the United Nations in Geneva, were expelled on espionage charges. The Swiss Foreign Ministry charged the two diplomats with gathering information about papers required for "settling or getting married" in Switzerland. Swiss media speculated that such information could have been used by Soviet intelligence to establish illegal agents in the country.

March 3, 1983: Swiss authorities expelled Lt. Col. Vladimir Lugovoy, deputy Soviet military attache in Bern, for espionage. Lugovoy was detained by police as he was trying to make contact with a possible informant in Lausanne. Lugovoy's predecessor was deported the previous April after Swiss authorities apprehended him carrying classified documents concerning a third country.

April 27, 1983: According to press accounts, the Swiss Government asked Soviet Embassy first secretary and press attache Leonid Ovchinnikov to leave Switzerland. Ovchinnikov, a KGV officer, had directed the activities of the Novosti director expelled on April 29.

April 29, 1983: The Swiss Government ordered the closure of the U.S.S.R.'s Bern-based Novosti bureau, charging that it had been used as a center for the "political and ideological indoctrination" of young members of the Swiss peace and antinuclear movements and for planning street demonstrations. Swiss authorities said that the Novosti bureau had "served as a center for disinformation, subversion, and agitation" rather than as a news agency. The director of the bureau, Aleksey Dumov, was expelled.

June 30, 1983: Vladislav A. Istomin, a vice consul at the Soviet mission in Geneva, was ordered out of the country for covertly collecting political, economic, and scientific information for Soviet intelligence over a 6-year period.

July 1, 1985: The Swiss Foreign Ministry announced the expulsion of an unidentified second secretary of the Soviet mission at the UN European headquarters in Geneva on charges of espionage against Swiss and Western military operations. According to a statement issued by the Swiss federal prosecutor, the Soviet tried to collect information on national defense programs, including civil defense and precautions against nuclear and chemical warfare, and recruit agents for intelligence activities outside of Switzerland.

Yugoslavia

March 6, 1976: An unidentified Soviet citizen, described only as a woman in her early thirties, was arrested in Yugoslavia on charges of espionage and acting as a contact between the Soviet Consulate General in Zagreb and pro-Soviet dissident political groups whose activities were linked directly to anti-Tito emigres living in the U.S.S.R. and Czechoslovakia. Her arrest coincided with the sudden departure from Zagreb of Soviet Consul General Yuriy Sepelev, who was ostensibly reassigned to Moscow.

WESTERN HEMISPHERE

Argentina

November 7, 1970: Yuriy Yabov and Yuriy Mamontov, administrative aides in the commercial section of the Soviet Embassy in Buenos Aires, were expelled by Argentine authorities for "activities incompatible with their function as members of a foreign diplomatic mission." The two Soviets had been arrested 2 days earlier in a police raid on a clandestine meeting in suburban Belgrano.

Bolivia

April 10, 1972: Sixty Soviet diplomats working at the Soviet Embassy in La Paz were expelled on charges of financing leftist rebel movements in the country. According to press reports, only four or five Soviets were permitted to remain in La Paz.

Canada

January 1974: Pravda correspondent Konstantin Geyvandov was expelled from Canada on espionage-related charges.

December 10, 1976: Vladimir Vasilyev, assistant air attache at the Soviet Embassy in Ottawa, was declared persona non grata by Canada for "activities incompatible with his diplomatic status," according to the Toronto Globe and Mail.

July 1977: Valeriy Smirnov, assistant military attache at the Soviet Embassy in Ottawa, was expelled on espionage-related charges.

February 9, 1978: Canada expelled Nikolay Talanov (embassy counselor); Igor Vartanyan (Soviet Embassy first secretary in charge of sports and cultural affairs); Vladimir Suvorov (second secretary); Oleg Reztsov (embassy attache); Vera Reztsov (embassy library employee); Anatoliy Mikhalin (Soviet trade officer in Ottawa); Vadim Borishpolets (Ottawa consular attache); Vladimir Oshkaderov (Russian translator at the International Civil Aviation Organization headquarters in Montreal); Yevgeniy Kabloy (embassy clerk); Gennadiy Ivashkevich (embassy third secretary); and Pyotr Lellenrum (embassy second secretary)—all on charges of plotting to penetrate the security apparatus of the Royal Canadian Mounted Police (RCMP). In addition, two Soviet officials who had already returned to Moscow, Voldemar Veber and Andrey Krysin, were barred from returning to Canada. According to Canadian officials, the Soviets had offered a member of the RCMP "unlimited" funds for information on Canadian intelligence methods and had actually paid $30,500 over a period of nearly a year for material deliberately supplied by the Canadians. The operations concentrated on uncovering RCMP methods used in surveilliance of Soviet representatives in Canada.

January 21, 1980: Igor Bardeyev (military, naval, and air attache), Eduard Aleksanyan (assistant military attache), and Vladimir Sokolov (chauffeur to the military attache's office) of the Soviet Embassy in Ottawa were expelled on charges of espionage. After the Soviet Foreign Ministry retaliated by expelling a Canadian diplomat from Moscow, the Canadians on February 7 expelled Vitaliy Trofimov, a clerk in the Soviet Embassy's commercial section.

April 1, 1982: Canadian authorities expelled Mikhail Abramov, Soviet trade representative in Ottawa, on espionage charges. Abramov attempted to purchase and illegally export to the U.S.S.R. high-technology communications equipment which Western countries have agreed not to sell to the Soviet Union.

September 12, 1983: Viktor Tsekovskiy, a Soviet trade mission official, and Anatoliy Solouscv, a member of the secretariat staff of the Montreal-based International Civil Aviation Organization, were expelled by Canadian authorities on charges of trying to steal top-secret high technology.

Costa Rica

August 19, 1979: Costa Rican President Carazo declared Soviet first secretary Yuriy Chernysh and second secretary Aleksandr Mordovyets persona non grata on charges of inappropriate involvement with local labor unions during an August 1979 general strike in Costa Rica over labor and community issues.

November 11, 1982: Costa Rican authorities ordered 17 Soviet diplomats to leave the country. In addition, the visas of two Soviet couriers, who routinely traveled between Costa Rica and Nicaragua, were cancelled. The drastic cutback in the size of the Soviet mission left an ambassador and eight embassy functionaries in the country.

Ecuador

July 6, 1971: Three unidentified Soviet diplomats working at the Soviet Embassy in Quito were expelled "for reasons of state and of internal order," according to the Ecuadorean Foreign Ministry. Press accounts speculated that the diplomats were involved in fomenting labor strikes and conflicts.

Jamaica

November 1, 1983: Four Soviet diplomats—first secretaries Viktor Adrionov and Oleg Malov, interpreter Andrey Nikoforev, and attache Vladimir Bondarev, all identified as KGB operatives—were expelled, along with a Cuban journalist, for espionage and conspiring to murder a Jamaican foreign affairs official. Jamaican Prime Minister Edward Seaga announced the action in a November 1 speech to Parliament in which he outlined the "murderous conspiracy." The official, a protocol officer at the Jamaican Foreign Ministry, had uncovered a series of clandestine meetings between Bondarev, Nikoforev, and another Foreign Ministry officer, Joseph Bewry. According to Seaga, the Soviets plotted to kidnap the protocol officer's children and "confront her in a public place and stage a robbery during which she would be murdered."

Mexico

March 21-22, 1977: Soviet charge d'affaires Dimitry Diakonov and four other unidentified diplomats working at the Soviet Embassy in Mexico City were expelled for engaging in "subversive activities." Their expulsion from Mexico was believed to be related to the arrest 2 days earlier of 20 persons described as members of a revolutionary group trained in guerrilla tactics in North Korea. The 20 had attended the Patrice Lumumba Friendship University in Moscow before going on to Pyongyang. Diakonov had previously been expelled from Argentina in 1959 and from Brazil in 1963.

United States

February 4, 1982: Vasiliy Chitov, an identified Soviet GRU agent and the highest ranking military officer at the Soviet Embassy in Washington, D.C., was expelled on espionage charges. According to press reports, Chitov had incriminating documents in his possession when he was apprehended by U.S. authorities after a high-speed car chase through the city.

April 21, 1983: Three Soviet diplomats—Soviet Embassy military attache Lt. Col. Yevgeniy Barmyantsev and UN Soviet mission employees Aleksandr Mikheyev and Oleg Konstantinov—were expelled on espionage charges. Barmyantsev had been identified by the FBI as a GRU officer known to have attempted to recruit Americans as spies. He was apprehended April 16 as he retrieved eight rolls of undeveloped 35 millimeter film from a "dead drop" in rural Montgomery County, Maryland; the film was reported to have contained photographs of classified U.S. documents. Mikheyev, reportedly attached to the USA/Canada Institute in Moscow, was expelled for trying to obtain highly classified information from a congressional aide. Konstantinov, an identified intelligence operative, was apprehended by authorities April 2 on Long Island when he met an American from whom he was trying to obtain secret information about U.S. weapons technology and the U.S. aerospace industry.

August 17, 1983: Anatoliy Skripko, an assistant attache at the Soviet Embassy, was ordered to leave the country after being "caught in the act of handing over money for a classified document he had just received," according to a State Department statement.

August 19, 1983: Yuriy P. Leonov, assistant air attache at the Soviet Embassy, was expelled after "being apprehended in possession of a briefcase with a classified document inside," according to the State Department.

APPENDIX B: SOVIET ESPIONAGE AT THE UNITED NATIONS

The U.S.S.R. has long used the United Nations as a base for espionage activities. Below is a list, arranged chronologically and derived from published sources, of 41 Soviet officials connected to the Soviet Mission at the United Nations or the UN Secretariat who, from 1950 through 1986, have been declared *persona non grata*, requested to leave, or expelled from the United States for espionage. The list does not include the names of the 25 Soviet officials assigned to the United Nations who departed the United States in October 1986, in line with a March 7, 1986, order that the U.S.S.R. reduce its level of representation at the United Nations.

The list is not exhaustive because it does not include the names of UN-based Soviet personnel who have been involved in unpublicized espionage cases.

Name of official	Where assigned	Date of action
Gubitchev, Valentin	UN Secretariat	Mar. 9, 1950.
Kovalev, Aleksandr P.	UN Mission	Feb. 3, 1954.
Martynov, Maksim G.	UN Mission	Feb. 21, 1955.
Guryanov, Aleksandr K.	UN Mission	Apr. 25, 1956.
Gladkov, Boris F.	UN Mission	June 22, 1956.
Shapovalov, Rotislav	UN Mission	Aug. 20, 1956.
Petrov, Viktor I.	UN Secretariat	Aug. 23, 1956.
Yekimov, Konstantin P.	UN Mission	Oct. 29, 1956.
Grusha, Vladimir A.	UN Mission	Mar. 25, 1957.
Doronkin, Kirill S.	UN Secretariat	Jan. 15, 1959.
Kirilyuk, Vadim A.	UN Secretariat	Dec. 17, 1959.
Melekh, Igor Y.	UN Secretariat	Mar. 24, 1961.
Klokov, Vladimir V.	UN Mission	Jan. 27, 1962.
Mishukov, Yuriy A.	UN Secretariat	Aug. 7, 1962.
Zaitsev, Yuriy V.	UN Secretariat	Aug. 7, 1962.
Prokhorov, Yevgeniy M.	UN Mission	Sept. 29, 1962.
Vyrodov, Ivan Y.	UN Mission	Sept. 29, 1962.
Yegorov, Ivan	UN Secretariat	Oct. 11, 1963.
Pavlov, Gleb	UN Mission	Oct. 30, 1963
Romashin, Yuriy	UN Mission	Oct. 30, 1963
Olenov, Vladimir	UN Mission	Oct. 30, 1963
Kudrashkin, Feodor	UN Secretariat	Jan. 7, 1965.
Novikov, Valentin P.	UN Secretariat	July 7, 1965
Isakov, Vadim A.	UN Secretariat	Feb. 2, 1966.
Sokolov, Anatoliy	UN Mission	June 23, 1966.
Kireyev, Anatoliy T.	UN Mission	Aug. 25, 1967.
Andreev, Igor I.	UN Mission	July 14, 1969.
Tikhomorov, Alesksandr	UN Secretariat	Feb. 17, 1970.
Markelov, Valeriy I.	UN Secretariat	Feb. 14, 1972.
Yakovlev, Aleksandr	UN Mission	Feb. 23, 1975.
Gadzhiyev, Abdulkhalik	UN Mission	June 28, 1975.
Petrosyan, Petros A.	UN Secretariat	June 28, 1975.
Charchyan, Eduard B.	UN Mission	June 28, 1975.
Karpov, Yevgeniy P.	UN Mission	Feb. 6, 1976.
Stepanov, Svyatoslav A.	UN Mission	Sept. 1976.
Zinyakin, Vladimir	UN Mission	May 20, 1978.
Chernyayev, Rudolph P.	UN Secretariat	May 20, 1978.
Enger, Valdik A.	UN Secretariat	May 20, 1978.
Mikheyev, Aleksandr	UN Mission	Apr. 21, 1983.
Konstantinov, Oleg	UN Mission	Apr. 21, 1983.
Zakharov, Gennadiy F.	UN Secretariat	Sept. 30, 1986.

EXCERPT FROM "SOVIET PRESENCE IN THE U.N. SECRETARIAT," A REPORT OF THE U.S. SENATE SELECT COMMITTEE ON INTELLIGENCE, MAY 1985

The Soviet Union is effectively using the UN Secretariat in the conduct of its foreign relations, and the West is paying for most of it. The 800 Soviets assigned to the United Nations as international civil servants report directly to the Soviet missions and are part of an organization managed by the Soviet Foreign Ministry, intelligence services, and the Central Committee of the Communist Party. The Soviets have gained significant advantage over the West through their comprehensive approach to the strategy and tactics of personnel placement and their detailed plans for using the United Nations to achieve Soviet foreign policy and intelligence objectives.

Soviet and Eastern Bloc personnel use their positions to promote a broad range of foreign policy objectives in the United Nations and its specialized agencies. They gather information to provide early warning of possible UN actions and are involved in shaping conference papers controlling the flow of news to staff and delegations, influencing delegations seeking Secretariat advice, and aiding Soviet diplomats during conference and other deliberations. Western diplomats have protested specific instances of Soviet staff abuses, but no comprehensive effort has been undertaken by the United Nations to enforce UN Charter and Secretariat staff regulations that prohibit employees from acting on behalf of their government.

Soviet employees use the United Nations to support Soviet propaganda activities worldwide. Soviet Secretariat officials receive instructions directly from Moscow on propaganda placements for coverage in the Soviet media and to arrange for the UN Secretary General to make favorable reference to statements of Soviet leaders or announcements of the Central Committee. Documents supporting Soviet interests are entered into UN records and later presented as a UN document in Soviet propaganda placements.

Key Soviet personnel have been placed in UN offices responsible for UN relations with nongovernmental organizations and Soviet front groups. Nongovernmental organizations such as the World Peace Council participate in UN activities. Soviet interest in these groups stems from their ability to influence UN debate and the domestic political process in their own countries.

Approximately one-fourth of the Soviets in the UN Secretariat are intelligence officers and many more are co-opted by the KGB or GRU. All Soviets in the Secretariat must respond to KGB requests for assistance. The Soviet intelligence services use their UN assignments to collect information on UN activities, to spot, assess, and recruit agents, to support worldwide intelligence operations, and to collect scientific and technical information of value to the USSR.

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PARTIAL ALPHABETICAL LISTING OF SOVIET OFFICIALS EXPELLED WORLDWIDE, 1970-86 [1]

Abramov, Mikihail N.—(4-1-82: Canada)
Adrionov, Viktor—(11-1-83: Jamaica)
Afonin, V.I.—(12-29-83: Bangladesh)
Alekhin, Anatoliy A.—(8-76: United States)
Aleksandrov, Vladimir—(2-13-70: Italy)
Aleksanyan, Eduard I.—(1-21-80: Canada)
Alekseyev, Vladimir I.—(2-77: United States)
Alekseyev, V.T.—(12-29-83: Bangladesh)
Anan'yev, Vladimir A.—(80: Norway)
Andreyev, Anatoliy V.—(1-75: United States)
Andrianov, Viktor I.—(11-83: Jamaica)
Androssov, Andrey S.—(4-5-83: France)
Anisimov, Yuriy—(12-1-84: Norway)
Arkhipov, A.A.—(4-83: West Germany)
Artamonov, Anatoliy—(2-1-84: Norway)
Artynov, Barkhas L.—(5-7-83: Iran)
Asadollayev, Allakhverdi—(5-7-83: Iran)
Averine, Yuriy D.—(12-23-82: Sweden)
Avrilov, Gennadiy—(5-7-83: Iran)
Azbukin, Viktor—(1-81: Egypt)
Babyants, Yuriy A. —(1-22-82: Portugal)
Bakhtin, Nikolay—(2-82: France)
Barabonov, Leonid A.—(8-21-82: Switzerland)
Baranov, Vitaliy—(2-81: Portugal)
Bardeyev, Igor A.—(1-21-80: Canada)
Barmyantsev, Yevgeniy N.—(4-21-83: United States)
Baryshev, Viktor—(5-20-83: Thailand)

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[1] This list has been supplemented with additional entries obtained from the public record.

Bashmachnikov, Yevgeniy I.—(6-79: West Germany)

Bassov, Viktor N.—(4-83: Austria)

Batashev, Gennadiy—(2-17-83: West Germany)

Baykov, Vladlen V.—(6-81: Pakistan)

Belaventsev, Oleg—(4-22-85: Great Britain)

Belik, Gennadiy S.—(4-5-83: France)

Belosov, Konstantin—(2-73: Denmark)

Belova, Timur A.—(4-2-81: Norway)

Belyayev, Yevgeniy—(2-1-84: Norway)

Besedin, Timor—(4-1-81: Norway)

Bezukladnikov, Vladimir N.—(8-78: Botswana)

Bochkov, Viktor A.—(4-5-83: France)

Bogomolov, Yevgeniy V.—(8-22-76: Switzerland)

Bondarev, Aleksandr A.—(2-22-82: Singapore)

Bondarev, Vladimir—(11-1-83: Jamaica)

Borishpolets, Vadim A.—(2-9-78: Canada)

Borovikov, Vyacheslav Z.—(5-12-75: Sri Lanka)

Bovin, Oleg G.—(4-5-83: France)

Bryantsev, Igor N.—(4-77: West Germany)

Brycov, Anatoliy I.—(3-83: Italy)

Bukreyev, Vladimir—(6-6-78: Switzerland)

Bulyachev, Aleksey—(12-82: Cameroon)

Burmistrov, Aleksandr V.—(6-83: Norway)

Burmistrov, Gennadiy—(3-30-78: Netherlands)

Bychkov, Anatoliy Y.—(8-78: Ghana)

Bychkov, Yuriy I.—(3-27-81: Spain)

Bykov, Yuriy G.—(4-5-83: France)

Charchyan, Eduard B.—(6-28-75: United States)

Chekmassov, Valeriy V.—(4-5-83: France)

Chelyag, Ivan M.—(12-82: Italy)

Cherkasov, Vadim—(4-22-85: Great Britain)

Chernov, Vladimir A.—(1-12-83: Great Britain)

Chernov, Yuriy V.—(4-5-83: France)

Chernyayev, Anatoliy A.—(4-15-83: Great Britain)

Chernyayev, Rudolf P.—(5-20-78: United States)

Chernyayev, Sergey V.—(3-30-78: Netherlands)

Chernysh, Yuriy S.—(8-19-79: Costa Rica)

Chernyshev, Viktor A.—(7-13-73: United States)

Chetverikov, Nikolay N.—(4-5-83: France; as of April 1986, chairman of the board of the USSR's all-union copyright agency, VAAP.)

Chiniev, Gennadiy—(6-23-86: Portugal)

Chistyakov, Aleksey F.—(9-81: Egypt)

Chitov, Vasiliy I.—(2-4-82: United States)

Chulikov, Lev A.—(4-5-83: France)

Churyanov, Yuriy D.—(4-5-83: France)

Chusovitin, Valeriy—(6-22-71: Great Britain)

Daranov, Viktor—(9-12-85: Great Britain)

Dementev, Aleksandr V.—(1-28-77: Norway)

Diakonov, Dimitry—(3-21-77: Mexico; 63: Brazil; 59: Argentina)

Didov, Aleksey—(12-29-83: Bangladesh)

Dimitriyev, Nikolay M.—(11-77: France)

Dokudovskiy, Oleg D.—(2-5-82: Norway)

Druzhinin, Vadim—(6-76: Bangladesh)

Dubas, Oleg K.—(3-4-82: Portugal)

Dumov, Aleksey N.—(4-29-83: Switzerland)

Enger, Valdik A.—(5-20-78: United States)

Ejov, Yuriy—(9-12-85: Great Britain)

Fadeyev, Yuriy A.—(79: Uganda)

Fedorin, Vasiliy N.—(4-28-82: Spain)

Fedotov, Vasiliy—(10-21-86: United States)

Filipenko, Anatoliy—(7-18-85: Liberia)

Filipov, Boris A.—(6-78: France)

Finenko, Aleksandr P.—(2-13-82: Indonesia)

Frolov, Vyacheslav I.—(2-28-80: France)

Gadzhiyev, Abdulkhalik H.—(6-28-75: United States)

Galkin, Vladimir—(6-23-86: Portugal)

Galuzin, I.E.—(12-29-83: Bangladesh)

Gerasimov, Gennadiy B.—(4-5-83: France)

Geyvandov, Konstantin—(1-74: Canada)

Golobov, Nikolay—(2-84: India)

Golovanov, Vladimir—(6-30-80: Iran)

Goloviatenko, Yuriy—(3-6-81: Spain)

Gordeyev, Vladimir A.—(3-4-82: Portugal)

Goryachev, Yuriy V.—(4-5-83: France)

Gouk, Arkadiy—(5-14-84: Great Britain)

Govorukin, Yuriy N.—(4-5-83: France)

Granov, Igor—(2-10-84: Norway)

Grenkov, Vladimir F.—(4-5-83: France)

Grigorov, Vyacheslav—(4-18-85: Great Britain)

Grigoryev, Anatoliy P.—(5-78: Finland)

Grisenko, Viktor N.—(5-27-82: Netherlands)

Gromov, Sergey Z.—(1-77: Norway)

Grushin, Vyacheslav M.—(8-11-83: Belgium)

Grushity, Georgiy—(12-29-83: Bangladesh)

Guliyev, Guseyn A.—(5-7-83: Iran)

Gundarev, Ivan Y.—(12-80: Austria)

Illarionov, Anatoliy N.—(4-7-72: Denmark)

Ionov, Vasiliy V.—(9-29-83: Great Britain)

Isayev, Yuriy N.—(4-17-78: Spain)

Istomin, Vladislav A.—(6-30-83: Switzerland)

Ivanenko, Sergey V.—(11-5-83: Brazil)

Ivanov, Igor A.—(12-16-74: United States)

Ivanov, Sergey V.—(3-31-83: Great Britain)

Ivanov, Stanislav M.—(7-76: Sudan)

Ivanov, Valeriy N.—(4-22-83: Australia)

Ivanov, Yevgeniy F.—(3-9-76: France; 78: Portugal)

Ivashkevich, Gennadiy V.—(2-9-78: Canada)

Izachtirinsky, Igor—(1-28-77: Norway)

Izmaylov, Vladimir M.—(6-20-86: United States)

Kabalev, Vladimir—(5-7-83: Iran)

Kablov, Yevgeniy—(2-9-78: Canada)

Kachekov, Anatoliy—(5-7-83: Iran)

Kakorin, Boris N.—(6-83: Japan)

Kalitin, Vyacheslav—(9-12-85: Great Britain)

Kamenskiy, Aleksandr V.—(4-5-83: France)

Kanvasky—(2-75: India)

Kapba, Envar—(9-3-77: Sri Lanka)

Karpov, Yevgeniy P.—(2-6-77: United States)

Kartavtsev, Valeriy V.—(4-5-83: France)

Kedrov, Viktor N.—(8-75: Denmark)

Khamidulin, Zardat L.—(7-13-81: Malaysia)

Khasanov, Mansur I.—(12-29-83: Bangladesh)

Khatamov, Oman M.—(12-29-83: Bangladesh)

Kheliag, Ivan—(12-17-82: Italy)

Khlebnikov, S.L.—(2-85: India)

Khlystov, Vladimir T.—(3-30-78: Netherlands)

Khvostantsev, Lev G.—(2-77: Canada)

Kinyapin, Andrey L.—(5-80: Italy)

Kirichuk, Bogdan—(4-8-82: Bangladesh)

Kiselev, Anatoliy A.—(7-75: Netherlands)

Kiselev, Viktor—(5-7-83: Iran)

Kiselev, Yuriy—(2-80: Equitorial Guinea)

Klimonov, Yevgeniy A.—(1-28-77: Norway)

Knyazev, Oleg—(6-82: Algeria)

Koblov, Yevgeniy K.—(2-78: Canada)

Kochev, Anatoliy K.—(12-82: Sweden)

Kokadrov—(10-6-80: Egypt)

Kokovin, Nikolay—(10-21-86: United States)

Kolesnikov, Yuriy—(1-10-85: Spain)

Kolosov, A.—(1-19-74: China)

Kondratiyev, Aleksandr M.—(10-22-83: Belgium)

Konoval, Aleksandr—(2-13-83: Netherlands)

Konstantinov, Oleg V.—(4-21-83: United States)

Konyayev, Viktor—(2-24-83: Italy)

Konyayev, Vladimir V.—(8-20-80: Portugal)

Kopytin, Viktor—(1-86: Italy)

Korchagin, Boris—(9-12-85: Great Britain)

Korepanov, Gennadiy V.—(4-5-83: France)

Kotov, Yuriy M.—(4-5-83: France)

Kotyev, Anatoliy—(12-23-82: Sweden)

Kovalev, Vladimir—(5-7-33: Iran)

Kozyrev, Nikolay I.—(5-7-83: Iran)

Kozyrev, Vitaliy S.—(4-5-83: France)

Krasilnikov, Anatoliy I.—(2-16-80: Spain)

Krepkorskiy, Valeriy V.—(4-5-83: France)

Krivagouz, Ivan—(12-29-83: Bangladesh)

Krivtsov, Yuriy I.—(4-5-83: France)

Krylov, B.G.—(2-85: India)

Krylovich, Aleksandr E.—(1-78: Liberia)

Kryuchkov, Sergey V.—(4-5-83: France)

Kukhar, Aleksandr A.—(10-08-78: United States)

Kulagin, Aleksandr S—(8-20-80: Portugal)

Kulemokov, Vladimir I.—(11-81: France)

Kulik, Vladimir Y.—(10-79: France)

Kulikovskikh, Vladimir K.—(4-5-83: France)

Kurchakov, Andrey—(7-18-85: Liberia)

Kurilov, N.D.—(12-29-83: Bangladesh)

Kurnosov, Vladimir S.—(7-81: Rhodesia)

Kushkin, Aleksandr V.—(8-79: Philippines)

Kuvarzin, Yuriy A.—(6-80: United States)

Lapashin, Anatoliy K.—(5-7-83: Iran)

Laptiyev, Vitaliy K.—(77: Norway)

Larkin, Anatoliy A.—(2-22-82: Singapore)

Latchev, Vladimir—(5-21-84: Belgium)

Lazarev, Vladimir V.—(8-81: Bangladesh)

Lazin, Viktor—(8-4-81: Great Britain)

Lellenrum, Pyotr R.—(2-9-78: Canada)

Leonov, Vadim V.—(4-15-81: Netherlands)

Leonov, Yuriy—(8-19-83: United States)

Liepa, Albert A.—(4-82: Sweden)

Likhachev, Oleg—(10-21-86: United States)

Lipasov, Irona—(9-9-83: Ireland)

Lipasov, Viktor—(9-9-83: Ireland)

Litovchenko, Eduard A.—(8-76: Costa Rica)

Lobanov, Anatoliy—(4-7-72: Denmark)

Lomovsky, Vladimir V.—(4-8-82: Bangladesh)

Lopatin, Aleksandr—(2-1-84: Norway)

Lopukhov, Roman M.—(3-30-78: Netherlands)

Los, Oleg—(4-18-85: Great Britain)

Lovchikov, Vasiliy D.—(4-79: Switzerland)

Lugovoy, Vladimir V.—(3-3-83: Switzerland)

Lychak, Nikolay V.—(12-29-83: Bangladesh)

Machekhin, Aleksandr Y.—(5-76: Japan)

Machkov, Yevgeniy A.—(7-78: France)

Makarov, Leonid—(2-1-84: Norway)

Makarov, Mikhail—(4-7-72: Denmark)

Makeyev, Vladimir—(7-19-85: Belgium)

Malov, Oleg K.—(11-1-83: Jamaica)

Malukhin, Boris V.—(3-83: Italy)

Mamontov, Yuriy—(11-7-70: Argentina)

Mantyonkov, Boris—(8-82: Colombia)

Manyukan, Achot B.—(4-5-83: France)

Marakhovskiy, Yuriy N.—(10-03-81: United States)

Marchenko, V.—(1-19-74: China)

Marchenko, Yuriy F.—(81: Egypt)
Mari, Vladimir V.—(12-29-83: Bangladesh)
Markelov, Valeriy I.—(12-14-72: United States)
Markov, Valeriy A.—(5-7-83: Iran)
Materiy, I.B.—(12-29-83: Bangladesh)
Matveyev, Albert A.—(8-20-80: Portugal)
Matveyev, Yuriy G.—(4-5-83: France)
Mayorov, Vladimir M.—(4-5-83: France)
Meretikov, Anatoliy—(9-12-85: Great Britain)
Merkulov, Vladimir—(10-81: Denmark)
Meshcheryakov, Vladimir F.—(10-12-83: Turkey)
Mesropov, Valeriy—(9-19-70: Norway)
Metelkin, Aleksandr—(10-21-86: United States)
Mikhailov, Yevgeniy—(5-13-83: Belgium)
Mikhalin, Anatoliy—(2-9-78: Canada)
Mikhalin, Anatoliy A.—(2-78: Canada)
Mikheyev, Aleksandr N.—(4-21-83: United States)
Mironenko, Yevgeniy S.—(4-1-81: Norway)
Mishin, Viktor—(9-12-85: Great Britain)
Mizin, Viktor V.—(3-76: India)
Mordovyets, Aleksandr L.—(8-19-79: Costa Rica)
Morozov, Mikhail M.—(1-22-82: Portugal)
Motorov, Yevgeniy L.—(2-10-83: Denmark)
Mukhin, Yevgeniy N.—(4-5-83: France)
Muravyev, Aleksey A.—(4-5-83: France)
Musiyko, Yevgeniy V.—(79: Uganda)
Muzykin, Ivan I.—(3-18-81: Liberia)
Myagkov, Gregoriy P.—(6-26-78: Switzerland)
Nagorniy, Yevgeniy D.—(4-5-83: France)
Nasibov, Israfil—(10-9-80: Turkey)
Naumov, Pyotr—(5-84: Denmark)
Nefedov, Yuriy V.—(3-4-77: India)
Nesterov, Aleksandr I.—(4-5-83: France)
Netrebskiy, Boris—(5-6-70: Netherlands)
Nikoforev, Andrey A.—(11-1-83: Jamaica)
Nilov, Viktor P.—(8-78: Ghana)
Novikov, Lev A.—(8-75: Argentina)
Novikov, Viktor N.—(6-82: Netherlands)
Novokhatskiy, Vladimir—(3-4-82: Portugal)
Nuritdinov, Baktyar S.—(4-5-83: France)
Obidin, Vyacheslav A.—(3-4-82: Portugal)
Odariouk, Gregor—(2-13-82: Indonesia)
Ogarev, Yuriy—(5-7-83: Iran)
Ogurtsev, Aleksandr V.—(4-5-83: France)
Orlov, Makhail—(8-2-71: Sudan)
Oshkaderov, Vladimir I.—(2-9-78: Canada)
Osipov, Aleksey N.—(9-75: Denmark)
Ovchinnikov, Leonid—(4-27-83: Switzerland)
Pankratov, Dimitry—(6-19-83: Japan)
Pantelev, Aleksandr L.—(5-7-83: Iran)
Pappe, Andrey A.—(4-5-83: France)
Pashukov, Aleksandr A.—(11-77: Denmark)
Penkov, Viktor A.—(7-1-78: France)
Petrakov, Igor V.—(9-81: Egypt)
Petrosyan, Petros A.—(6-28-75: United States)
Petrov, Georgiy G.—(4-1-81: Norway)
Petrov, Valentin M.—(4-2-81: Liberia)
Pismeniy, Anatoliy T.—(9-81: Egypt)
Piven, Aleksandr I.—(12-29-83: Bangladesh)
Pivovarov, Yuriy S.—(3-77: Spain)
Plakhtin, Vladimir V.—(5-7-83: Iran)
Pogonets, Anatoliy I.—(4-5-83: France)
Poleshchuk, A.—(3-30-78: Netherlands)
Polyakov, Vladimir D.—(9-15-81: Egypt)
Polyushkin, Yuriy—(4-11-73: Norway)
Poperechniy, Vladimir—(4-79: Liberia)
Popov, Nadim V.—(10-9-80: Turkey)
Popov, Vladimir V.—(5-20-80: United States)
Popov, Yuriy—(5-78: Spain)
Portonov, —(2-85 India)
Prelin, Igor N.—(78: Senegal)
Primakov, Gennadiy A.—(3-31-83: Great Britain)
Printsipalov, Aleksandr K.—(1-28-77: Norway)
Prokoviev, Yuriy A.—(10-9-80: Turkey)
Pronin, Viktor—(2-14-83: Italy)
Pugin, Sergey Y.—(4-5-83: France)
Rapota, Grigoriy—(12-20-83: Sweden)
Razhivin, Yuriy A.—(1-20-79: India)
Reztsov, Oleg D.—(2-9-78: Canada)
Reztsov, Vera—(2-9-78: Canada)
Rishkov, Sergey N.—(9-83: Egypt)
Riyabiv, Sergey—(3-4-82: Portugal)
Romanov, Vadim P.—(7-13-81: Malaysia)
Romashkin, Viktor I.—(12-29-83: Bangladesh)
Rostovskiy, Grigoriy G.—(3-76: France)
Rudnev, G.N.—(2-85: India)
Rybachenkov, Vladimir I.—(2-77: France)
Rybchak, Vyacheslav—(3-4-82: Portugal)
Rykalin, Valentin P.—(8-76: Turkey)
Safranov, Yevgeniy Ilich—(9-12-85: Great Britain)
Sakalouskas, Vatslovas—(79: Uganda)
Salin, Gennadiy —(9-9-83: Ireland)
Samanyan, Valeriy I.—(5-7-83: Iran)
Samyulenko, Nikolay A.—(6-77: Denmark)
Savin, Nikolay—(2-12-70: Switzerland)
Savoshchenko, Nikolay—(79: Uganda)
Semelenikov, O.P.—(12-85: India)
Semenov, U.—(1-19-74: China)
Semenov, Yuriy A.—(78: Portugal)
Semenychev, Yuriy K.—(8-20-80: Portugal)
Sepelev, Yuriy F.—(3-76: Yugoslavia)
Sharov, Anatoliy V.—(8-75: Denmark)
Sharov, Mikhail—(5-7-83: Iran)
Sharovatov, Vladimir—(5-6-70: Netherlands)
Shashkov, Vasiliy D.—(78: Switzerland)
Shchukin, Eduard M.—(12-29-83: Bangladesh)
Shebanov, Yuriy K.—(9-81: Egypt)
Shelenkov, Aleksandr I.—(10-78: Egypt)
Shelepin, Vladimir L.—(10-80: Egypt)
Shelukin, Andrey—(1-86: Italy)
Sheripanov, Yevgeniy—(5-7-83: Iran)
Sherstnev, Lev—(6-22-71: Great Britain)
Shipilov, Viktor D.—(4-5-83: France)
Shirokov, Oleg A.—(4-5-83: France)
Shishkov, Viktor I.—(4-5-83: France)
Shmagin, Yevgeniy—(5-17-83: West Germany)
Shtinov, Yuriy N.—(10-22-83: Belgium)
Shtykov, Nikolay I.—(10-79: Uganda)
Shuranov, Oleg V.—(2-16-80: Spain)
Sidak, Valentin A.—(4-5-83: France)
Sikachev, Yakov—(7-18-85: Liberia)
Skirokiy, Pyotr I.—(12-23-82: Sweden)
Skripok, Anatoliy Y.—(8-17-83: United States)
Smirnov, Igor P.—(2-81: Switzerland)
Smirnov, Valeriy—(7-77: Canada)
Smolin, Aleksandr M.—(6-82: Belgium)
Sofinsky, Vsevolod—(1-24-80: New Zealand)
Sokolov, Eduard A.—(4-5-83: France)
Sokolov, Vladimir I.—(1-21-80: Canada)
Solousov, Anatoliy S.—(9-12-83: Canada)
Solovyev, Mikhail M.—(10-16-76: France)
Stankevich, Nikolay V.—(11-77: Denmark)
Stepanov, Andrey—(10-6-80: Egypt)
Stepanov, Gennadiy I.—(7-13-81: Malaysia)
Stepanov, Svyatoslav A.—(9-76: United States)
Stepanuk, Anatoliy N.—(79: Uganda)
Sterlikov, Aleksey—(2-12-70: Switzerland)
Studenikin, Yuriy—(11-83: Italy)
Sturua, Melor G.—(8-82: United States)
Suchkov, Vitaliy I.—(5-81: Spain)
Suntsov, Vladimir G.—(1-81: Egypt)
Suranov, Oleg—(2-14-80: Spain)
Suvorov, Vladimir L.—(2-9-78: Canada)
Sveshnikov, Gennadiy V.—(7-4-77: Spain)
Syzdykov, Assad—(9-81: Egypt)
Talanov, Nikolay M.—(2-9-78: Canada)
Tchebotok, Stanislav—(2-1-84: Norway)
Telezhnikov, Viktor A.—(5-76: Egypt)
Tikhomorov, Aleksandr—(2-17-70: United States)
Timofayev, Vyacheslav—(12-20-83: Sweden)
Timoshkin, Mikhail—(4-79: Liberia)
Tirtishnikov, Vladimir L.—(4-28-82: Spain)
Titov, Gennadiy F.—(2-7-77: Norway; 2-1-84: Norway)
Titov, Igor V.—(3-31-83: Great Britain)
Titov, Sergey N.—(3-76: India)
Tokar, Valeriy—(9-12-85: Great Britain)
Travkov, Gennadiy Y.—(2-9-80: France)
Trekhlebov, Igor—(4-79: Liberia)
Trofimov, Vitaliy—(2-7-80: Canada)
Troshenko, Yuriy—(1-81: Egypt)
Tsekovskiy, Viktor V.—(9-12-83: Canada)
Tuzikov, Konstantin—(9-3-77: Sri Lanka)
Tyurenkov, Aleksandr I.—(1-81: Switzerland)
Ulanov, Anatoliy A.—(11-22-83: Liberia; formerly Soviet Ambassador in Monrovia)
Unidentified (4)—(1-86: France)
Unidentified —(7-1-85: Switzerland)
Unidentified—(7-86: Switzerland)
Utkin, Mikhail—(2-1-84: Norway)
Vanagel, Viktor I.—(9-78: France)
Vartanyan, Igor P.—(2-9-78: Canada)
Vasilyev, Dimitry—(9-12-85: Great Britain)
Vasilyev, Vladimir M.—(12-10-76: Canada)
Verbenko, Andrey—(5-7-83: Iran)
Vidrovich, Paris P.—(7-76: Egypt)
Vikulov, Ivan Ivanovich—(9-12-85: Great Britain)
Vinogradov, Arkadiy A.—(6-19-83: Japan)
Vitebskiy, Viktor V.—(4-5-83: France)
Vlasov, Valeriy P.—(9-81: Egypt)
Voinov, Sergey M.—(3-79: Italy)
Volovets, Sergey—(9-12-85: Great Britain)
Vopilovskiy, Yevgeniy K.—(2-5-82: Norway)
Vorontsov, Oleg S.—(4-5-83: France)
Voynov, Sergey M—(3-79: Italy)
Vroublevski, Vitaliy—(79: Uganda)
Yabov, Yuriy—(11-7-70: Argentina)
Yakubenko, Stanislav A.—(4-5-83: France)
Yastrebov, Yuriy—(12-20-83: Sweden)
Yefremenkov, Vladimir I.—(3-6-81: Spain)
Yefremov, Albert D.—(8-78: Ghana)
Yegorov, Sergey P.—(2-6-82: Indonesia)
Yerdokimov, Aleksandr—(2-82: Norway)
Yermakov, Oleg V.—(9-75: Denmark)
Yerokhin, Aleksandr—(9-12-85: Great Britain)
Yerofeyev, Valeriy N.—(4-78: Ghana; 4-11-73: Norway)
Yerokhin, Vyacheslav I.—(6-82: Belgium)
Tsayev, Yuriy—(4-78: Spain)
Yudenkov, Vitaliy S.—(4-5-83: France)
Zadneprovskiy, Vadim F.—(2-27-82: Great Britain)
Zagrebnev, Vladimir F.—(6-22-83: Norway)
Zaikin, Viktor—(4-22-85: Great Britain)
Zakharov, Gennadiy—(9-30-86: United States)
Zamoisky, Lolli—(2-13-70: Italy)
Zaryia, Vyacheslav I.—(5-7-83: Iran)
Zaytsev, Aleksandr F.—(4-5-83: France)
Zaytsev, Lev—(10-21-86: United States)
Zazulin, Anatoliy—(1-7-81: Italy)
Zevakin, Yuriy F.—(4-5-83: France)
Zhadin, Boris V.—(4-5-83: France)
Zharov, Mikhail—(5-83: Iran)
Zhernov, Leonid A.—(1-79: India)
Zhizhin, Vladimir—(2-1-84: Norway)
Zhoglo, Aleksandr—(9-83: Italy)

Zinyakin, Vladimir P.—(5-20-78: United States)

Zolotukhin, Aleksey N.—(8-81: Bangladesh)

Zotin, Yesgeniy—(1-28-77: Norway)

Zotov, Anatoliy P.—(12-5-82: Great Britain)

EXPULSIONS OF SOVIET AGENTS: THE RAMIFICATIONS

The expulsion of a Soviet official on espionage charges may result in long-term career damage and diminish or even destroy his effectiveness as an intelligence officer. According to defector testimony, if the circumstances surrounding the expulsion—the agent's illegal activities, identity, and KGB/GRU affiliation, for example—are made public, the damage can be exacerbated. The expulsion's impact also can affect operations at both the residencies and at headquarters.

Impact on the Agent: When a Soviet intelligence officer is expelled without publicity, his career need not be seriously disturbed, and the KGB/GRU may be able to assign him abroad again in the future. A publicized expulsion, however, is likely to lead to visa denials from all but those countries allied with the U.S.S.R. The agent involved thus can no longer serve in countries which afford the best opportunity for gaining experience and credit for effective work. Instead, he may face relegation to a less active role in "socialist" countries or at KGB/GRU headquarters and, in the process, lose the personal and financial amenities that accompany an overseas assignment in the West.

Impact on the Residency: The Soviet ambassador and the local *rezident* try to restrict the news of any expulsion, but it usually spreads rapidly through the embassy and affects the morale of other intelligence agents. An overall standdown of intelligence operations may result, depending upon the size of the expulsion action. If relations between the ambassador and the local intelligence chief are strained (as is often the case), the ambassador unilaterally may report the expulsion to the Soviet Foreign Ministry and portray the incident in terms damaging to the *rezident*.

Impact on the KGB/GRU: In the event of publicized expulsions and subsequent visa denials, the KGB/GRU will be obliged to keep exposed agents at headquarters or assign them to "socialist" countries or to countries under Soviet influence. As a result, the Soviet intelligence service can find itself short of experienced officers in certain regions of the world and is obliged to assign inexperienced, first-tour personnel to these areas. Furthermore, the publicized expulsion of an intelligence officer often means the loss of a cover post within the Embassy, thus reducing the overall level of Soviet representation—and intelligence collection capability—in the host country.

A REPORT ON FOREIGN ESPIONAGE IN THE UNITED STATES

EXECUTIVE SUMMARY

On July 29, 1986 the Director of Central Intelligence sent an unclassified assessment of the hostile intelligence threat—updated through July 22, 1986—to the Senate Select Committee on Intelligence. The information in that assessment, a copy of which is attached, remains current and will not be reproduced in this report.

Rather, in the spirit of the legislation this assessment focuses on hostile intelligence services' use of travel by their official personnel in the United States, the advantages travel provides to them, and the effectiveness of our travel countermeasures. We address generally the Soviet use of surrogate services for intelligence collection in the United States and whether the differentiation which exists between the travel regulations for Soviet officials and officials of allied countries has resulted in increased use as surrogates of allied services' personnel who operate under less stringent controls.

The main hostile intelligence threat is posed by the Soviet. Security countermeasures taken by the U.S. government over the past year—reduction of the number of personnel at the Soviet embassy, the Soviet consulate in San Francisco, and the Soviet mission to the United Nations as well as the imposition of controls on the travel of Soviet and certain allied personnel employed at the U.N. Secretariat—have impaired Soviet intelligence operations, but it is too early to make any definitive assessment of the impact of these and earlier travel controls.

Although the Soviet—here as elsewhere—use their allies for intelligence purposes, by preference they rely mainly on their own resources and they will retain substantial capabilities even after the imposition of the recent and planned personnel reductions and travel controls. They have resources to which they can turn for use to replace assets lost before allies need be employed as gap-fillers.

Soviet bloc officials have for years travelled often for intelligence purposes, some of which doubtless has been for the Soviets. There is no indication that this use has increased since the personnel cuts and the imposition of travel restrictions.

The principle of reciprocity is in full force regarding travel by U.S. diplomatic and consular personnel in Czechoslovakia, East Germany, Hungary, and Romania, which do not maintain areas closed to travel by U.S. personnel apart from military sites and small areas contiguous to borders and which amount to one to five precent of their land area. The U.S. closes comparable sites to travel by bloc diplomats.

Since January 6, 1986 all diplomatic, consular, commercial and UN mission personnel as well as other officials of Bulgaria, Czechoslovakia, East Germany, and Poland stationed in the United States have been required to use the Office of Foreign Missions (OFM) to book commercial transportation and public accommodations in the U.S. Bulgaria, Czechoslovakia, and Poland responded by imposing reciprocal restrictions on the travel of U.S. personnel. East Germany did not.

The Secretary of State determined that similar restrictions not be imposed on the officials of Hungary and Romania.

Bulgaria currently closes approximately twenty percent of its territory—contiguous to three of its borders—to travel by all foreign missions. Consequently, the United States has informed Bulgaria that continuation of the practice could lead us to imposing reciprocal controls on official Bulgarian personnel in this country.

Cuba places no security restrictions on diplomatic and consular travel except that overnight lodgings be booked through a centralized office and certain military facilities are permanently closed to foreigners. In turn we require the Cuban interests section in Washington to arrange all public accommodations and travel by common carrier through the Department of State Office of Foreign Missions (OFM).

The ability of U.S. officials stationed in Eastern Europe to travel freely in most of the countries to which they are assigned is valued and stands out in marked contrast to the situation in the Soviet Union, where travel is severely restricted. In Eastern Europe, moreover, our representatives are far more dependent upon travel to understand the situation than are Eastern European officials in the United States where information is readily available. The imposition of Soviet-style restrictions by Eastern European governments inevitably would impair our understanding of these societies and make it more difficult to assist our citizens.

Travel restrictions and the value of free travel to our own officials in Eastern Europe and Cuba are discussed and it is noted that the principle of diplomatic reciprocity is fully in force in each of these countries except in Bulgaria. Restrictions imposed by the United States stimulate retaliatory restrictions there.

INTRODUCTION

The Soviet Union, its Warsaw Pact and Cuban surrogates, the People's Republic of China and other countries conduct massive and highly organized intelligence operations against our installations, activities, information and people. The full dimensions of the foreign intelligence threat are elaborated and prioritized in national assessments prepared annually for the National Security Council and made available to the Intelligence Committees of the Congress. As the most recent report was submitted in September of 1986, it remains current and will not be duplicated here.

SOVIET THREAT

Among foreign intelligence services, the Soviet services, the KGB and GRU, represent by far the most formidable threat to U.S. interests. The Soviet threat is both the largest and, in terms of ability and intent of the Soviets to act against U.S. interests, the most important. The activities of the Warsaw Pact and Cuban intelligence services are primarily significant to the extent which they support the objectives of the Soviets.

The principal elements and spearhead of the Soviet intelligence services (SIS) assigned to the United States operate under "official" cover. As of December 1986 there were 1,344 Soviet diplomats, commercial officials, and other representatives in the United States, many of whom are known or suspected intelligence officers. These figures reflect the October 1986 expulsions. Within the Soviet services, GRU personnel are targeted primarily against strategy military intelligence while KGB personnel are assigned to one of four operational components or "lines"—Political (PR), Counterintelligence (KR), Scientific and Technical (X), or Illegals Support (N). KGB Line PR personnel target government policy information and frequently seek to advance Soviet objectives via contacts with persons of influence or through covert disinformation and influence operations. KGB Line KR personnel are responsible for the security of the Soviety colony overseas and for the penetration of foreign intelligence services. Line X officers are specifically responsible for the collection of S & T information and advanced technology. Line N officers, or Illegal Support personnel, comprise a small group involved in the operations of illegals, that is, intelligence officers and agents infiltrated into a foreign country under false circumstances for clandestine intelligence purposes.

The highest Soviet collection priority is accorded to policy and actions associated with U.S. strategic nuclear forces. Other high priority subjects are key foreign policy matters. Congressional intentions, defense information, advanced dual-use technology, and U.S. intelligence sources and methods. The Soviet also target NATO intensively, partly as a means of obtaining U.S. military and foreign policy information.

The open U.S. society permits the Soviets to acquire much of the information they require through non-clandestine means. This collection is carried out through diplomatic facilities, trade organizations, visitors, students, and through the open exploitation of readily available sources of desired information, such as public libraries and technical data banks.

Soviet operations in the United States are, of course, not confined to their officers serving under official cover on long-term tours.

The Soviet Union uses the United Nations (UN) organization, particularly the UN Secretariat, as a cover for the activities of its intelligence officers and co-optees. The Soviets currently have about 300 of their nationals assigned to the UN Secretariat as "International Civil Servants." A significant percentage of these are considered to be intelligence officers while others have been enlisted as co-optees by the KGB and GRU. Some KGB officers have reached positions of authority in the UN bureaucracy.

The Soviet Intelligence services also use their developed agents in the UN to collect information on UN activities; to spot, assess, and recruit Americans and foreign nationals; to support worldwide intelligence operations; and, to collect S&T information.

The Soviets also depend to an extent on illegals in the United States for intelligence operations.

The Soviets also use the opportunities for intelligence collection provided them by East-West exchange programs (EWEP). Soviet EWEP participants generally fall into two categories:

(1) Soviet Exchange Scholars (SES) studying or conducting research at American colleges and universities; and 2) Soviet delegations, including Soviet scientists, businessmen, and scholars/academicians temporarily visiting the United States to attend various scientific, academic, business and cultural symposiums. In 1986, approximately 5000 Soviet EWEP participants visited the United States, including 90 SES, 27 of which were fulltime students.

Information developed to date indicates that Soviet intelligence, notably the KGB, has made extensive use of the EWEP in their intelligence collection efforts against the United States. In this effort the Soviets integrate the expertise of the KGB and GRU with the resources of other Soviet Government agencies, including the prestigious Soviet Academy of Sciences (USSRAS) and the State Committee for Science and Technology (GKNT).

Estimates vary as to the number of Soviet scholars and scientists in the EWEP who are co-opted by Soviet intelligence to perform intelligence gathering functions, but it appears to be considerable.

Tasking generally includes gathering scientific and technological information as well as spotting and assessing potential recruits among American scientists and Soviet emigres. The Soviet scientist, technician, or student visiting the United States is often in the best position to serve SIS interests simply by virtue of his or her expertise in a given field, and the freedom of movement and accessibility to information on American technology and technical personnel.

While Soviet Intelligence co-opts a significant number of legitimate scholars to act in an intelligence gathering capacity, the KGB and GRU also fill a number of these positions with its own personnel.

We believe Soviet students and intelligence officers have been posted here under exchange programs for training and familiarization tours in preparation for future assignments in the United States and other Western countries. They also serve to monitor the activities of other Soviet exchange students.

Soviet-bloc intelligence services on occasion also use students in intelligence collection. Currently there are over 1500 students from Soviet Bloc countries studying in the United States.

And finally there are their American agents, who can provide access to classified national security information, which is not accessible by the Soviets themselves.

The primary Soviet intelligence goal worldwide continues to be the recruitment of agents targeted against Americans, particularly those with access to classified and sensitive national security information. Recent espionage cases have demonstrated that a broad spectrum of U.S. Government agencies and military components as well as private industry are vulnerable to Soviet intelligence penetration operations. One of the gravest threats to U.S. national security is the KGB's efforts to recruit American citizens holding sensitive positions in government, the military, and the U.S. Intelligence Community.

The John Walker case was one of the most damaging espionage cases in recent history.

Another serious espionage case involved the recent compromise of some significant CIA operations. Edward Lee Howard, A KGB agent, was employed by the CIA from 1980-83 and is believed to have compromised sensitive CIA operations in Moscow and elsewhere. He is currently a fugitive from American justice, residing in the Soviet Union, where he was recently granted asylum.

In November 1985, the FBI identified another penetration of the U.S. Intelligence Community. Ronald William Pelton, a former NSA employee who walked into the Soviet Embassy in Washington in January 1980 and offered to sell the Soviets sensitive NSA documents. Among other things, Pelton compromised, a sensitive NSA project.

The FBI is also a prime target of the Soviet intelligence services, as witnessed by the recent recruitment efforts of Richard Miller, the first FBI Special Agent to be charged with espionage. Fortunately, Miller was detected and arrested within months of this initial contact with Soviet intelligence, before he could inflict serious damage to FBI operations or U.S. national security interests.

Most recent Soviet intelligence successes in penetrating the U.S. government and the Intelligence Community appear to originate from "volunteers," i.e., Americans who contact Soviet establishments or intelligence officers to "volunteer" their services. Nevertheless, Soviet Intelligence continues to expend considerable manpower, time, and resources to spot, cultivate, and recruit Americans with access to classified or sensitive information—particularly overseas.

This assessment will focus on hostile intelligence services use of travel by their official personnel in the United States and address Soviet intelligence use of surrogate services for intelligence collection within the United States.

It should be stated at the outset that as a result of the countermeasures taken by the U.S. Government over the last year Soviet intelligence operations have been impaired. With reductions of personnel at the Soviet Embassy, Consulate and Soviet Mission to the United Nations to scope of their operations will be further constrained. In addition, the travel controls imposed on Soviet personnel, as well as the nationals of East Germany, Poland, Czechoslovakia and Bulgaria employed at the U.N. Secretariat have closed an avenue for exploitation by hostile services.

It is too early to make any definitive assessment of the impact of these countermeasures. Soviet capability even after full reductions are implemented remains substantial. It is our judgment that prior to any increased use of surrogate services, Soviet intelligence will use other Soviet resources.

TRAVEL IN HUMINT COLLECTION OPERATIONS

Intelligence officers use both official and personal travel for their intelligence activities—both covert and overt.

Present travel restrictions on Soviet officials, which require approval for travel outside of a 25-mile area of their city of assignment and all booking of common carriers and public accommodations through OFM, provide adequate prior notice and specific travel information to U.S. counterintelligence to closely monitor such travel. It should be noted that while such controls do not prevent agent contacts in the U.S., they do increase the risk of such contacts.

Information available to the public is, of course, readily available to even low level or marginal value American agents and can be collected easily.

Consequently, while travel restrictions both impose restraints on hostile intelligence activity and enhance counterintelligence effectiveness, they cannot prevent such activities and their effectiveness is clearly proportionate to the counterintelligence resources available for effective surveillance.

SOVIET USE OF SURROGATE INTELLIGENCE SERVICES

Eastern bloc services are tasked to collect for the USSR. Such shared collection tasking on military intelligence targets of all kinds is inherent in the Warsaw Pact military relationship. Thus, travel of Eastern bloc intelligence personnel is often clearly related to Soviet intelligence objectives.

BULGARIA

Bulgarian representation in the United States numbered 84 in December 1985. Of this total 59 are assigned to four establishments in New York City and 25 are assigned to the Bulgarian Embassy in Washington, D.C. Overall, these numbers include a substantial percentage of officials who are considered to be known or suspected of affiliation with the Bulgarian intelligence services (BIS).

In addition to the official presence, roughly 1,000 Bulgarians visited the United States during 1986. The BIS utilize visitors and students to further Bulgarian collection requirements.

The BIS have long been considered to be responsive to the Soviets.

Through 1986, the principal Bulgarian target has been embargoed technology.

Bulgarian IOs frequently exploit their travel privileges for intelligence purposes throughout the United States.

CUBA

The government of Cuba (GOC) is represented in the United States by the Permanent Mission of Cuba to the United Nations in New York City and the Cuban Interests Section in Washington, D.C. Including working wives, the GOC official presence totals 127. This includes a significant percentage of officials with known or suspected affiliation with the Cuban intelligence services (CuIS).

Cuban IOs operating under diplomatic cover in the United States are in frequent contact with a wide range of U.S. citizens, mainly to lobby against the U.S. trade embargo against Cuba and U.S. policies vis-a-vis Latin America.

Concerning travel by Cuban IOs assigned to the United States, we have found little evidence of their travel for the purpose of conducting espionage activities. Cuban officials assigned to the United Nations in New York City are subject to travel restrictions which require prior notice on approval by the U.S. Department of State. Reporting from reliable sources indicates that these restrictions are effective in curbing intelligence activities which require the travel of an IO either to collect intelligence or to meet or recruit an agent.

Officials assigned to the Cuban Interests Section in Washington, D.C., are not subject to travel restrictions.

CZECHOSLOVAKIA

The Czechoslovak Socialist Republic currently has a total of 144 officials assigned to diplomatic and commercial establishments in four cities in the United States. Of this total, 73 are assigned to various establishments in New York City. There are 34 officials assigned to the Czechoslovak Embassy in Washington, D.C. The remaining seven officials are stationed in Charlotte, North Carolina, and New Orleans, Louisiana. A significant percentage of these officials are considered to be known or suspected of affiliation with the Czechoslovak intelligence services (CIS).

The CIS have been aggressive in conducting intelligence operations in the United States, particularly in making contacts with U.S. citizens, with special emphasis being placed on U.S. government employees.

In intelligence collection efforts, priorities of the CIS continues to be the acquisition of S&T material and is military-related intelligence, much of which is of obvious interest to the Soviet Union.

GERMAN DEMOCRATIC REPUBLIC (GDR)

The East German intelligence services (EGIS) historically have used illegals in executing its intelligence operations.

The number of GDR visitors to the United States remains roughly constant each year. During 1986, there were approximately 800 East German visitors to the United States, many of whom were businessmen. As of October 1986, there were approximately 53 GDR students/scholars in the United States.

Overall, the central focus of the EGIS collection continues to be the acquisition of a broad variety of S&T intelligence.

Some East German officials' travel appears to be for Soviet purposes.

HUNGARY

As of October 1986, there were 110 Hungarian officials stationed in the United States. Of this total, 67 were assigned to establishments in New York and 28 were assigned to the Hungarian embassy in Washington, D.C. The Hungarians also maintain small commercial offices in Chicago, Columbus, Ohio, Los Angeles, and Newark. A significant percentage of these officials are considered known or suspected of being affiliated with the Hungarian intelligence services (HIS).

HIS intelligence operations in the United States continue to concentrate on the scientific and political fields.

POLAND

The Polish intelligence services (PIS) continue to maintain the largest presence of the Soviet-bloc countries in the United States. A significant percentage of the approximately 300 Polish officials currently assigned in the United States have been identified as known or suspected IOs. The PIS, composed of the Polish civilian service, the Ministry of the Interior (MSW), and its military counterpart, the Polish Military Intelligence Service (Z-11), gear their intelligence efforts primarily to the collection of the political, economic and S&T information.

In conducting their intelligence operations, the PIS have unquestionably used and exploited the freedom to travel within the United States to engage in espionage activities against this country.

ROMANIA

There are 72 officials Romanian representatives in the United States, located predominantly in New York City. Some of these 72 officials have known or suspected affiliation with the Romanian intelligence services (RIS).

In contrast with the intelligence services of the other Warsaw Pact nations, the Romanians here tend to concentrate on gathering political and economic information rather than on highly sensitive S&T collection.

Romanian IOs travel within the United States for intelligence purposes.

THE ADVANTAGES AND DISADVANTAGES OF THE PRINCIPLES OF DIPLOMATIC RECIPROCITY AND CONSEQUENCES OF SUCH RECIPROCITY FOR THE NATIONAL SECURITY OF THE UNITED STATES

Current Applicability of Principles of Diplomatic Reciprocity in U.S. Relations With Soviet Bloc Countries

The principle of reciprocity is in full force regarding travel by U.S. diplomatic and consular personnel in Poland, Czechoslovakia, Hungary, East Germany, and Romania. These countries do not maintain areas closed to travel by U.S. personnel, apart from military sites and small land areas contiguous to borders, which are closed to their own citizens and amount to about one to five percent of their total land area. The United States closes roughly comparable sites to travel by diplomats from bloc countries, i.e., primarily military reservations.

Effective January 6, 1986, all diplomatic, consular, commercial, and UN mission personnel, as well as other officials of East Germany, Czechoslovakia, Poland, and Bulgaria stationed in the United States have been required to use the Office of Foreign Missions (OFM) to book commercial transportation and public accommodations in the United States. Czechoslovakia, Poland, and Bulgaria have imposed reciprocal restrictions upon travel by U.S. personnel. East Germany, however, did not impose such restrictions.

The Secretary of State determined that mandatory use of OFM travel services initially would not be imposed upon officials of Hungary and Romania.

Bulgaria currently closes approximately 20 percent of its territory (contiguous to its southern and western borders and along the Black Sea coast) to travel by all foreign missions. Although all diplomats, not merely those from the United States, formally are excluded from these areas, the United States considers this practice a violation of the principle of reciprocity. The Bulgarians have not modified these controls despite notification that the practice could lead to the imposition of similar controls by the United States.

As noted above, East Germany does not maintain areas closed to U.S. diplomatic and consular personnel, apart from sites and territories similar to those closed to East German officials in the U.S. This is not the case, however, for members of the U.S. Military Liaison Mission (USMLM), for whom about 40 percent of the German Democratic Republic (GDR) is off-limits. The USMLM, however, is a function of post-war accords on Germany, and is not associated with our Embassy to the GDR. There is no military representation in either our Embassy in Berlin or the GDR Embassy in Washington. Because of the USMLM's presence there, reciprocity works to the advantage of the remainder of our personnel.

Cuba places no restrictions on diplomatic or consular travel except the de facto requirement that overnight lodgings be booked through a centralized government office and paid in hard currency. Day trips are not subject to prior notification. In turn, we require that the Cuban Interests Section in Washington arrange all public accommodations and travel by common carrier through State (M/OFM).

There are no permanent closed areas for foreigners in Cuba, except military reservations and bases. Other possible exceptions to this may be areas for which Cuban citizens themselves need special permission to visit, such as immediately adjacent to our Guantanamo base and the Cabo San Antonio area at the westernmost tip of the island. The percentage of Cuban territory off-limits to U.S. diplomats is probably less than 1 percent of the island.

ADVANTAGES AND DISADVANTAGES OF CURRENT APPLICATION OF THE PRINCIPLE OF DIPLOMATIC RECIPROCITY

General Assessment

The ability of U.S. diplomatic and consular personnel to travel freely in the Soviet bloc countries of Eastern Europe stands in sharp contrast to the severe travel restrictions imposed by the Soviet Union. The two most important distinctions are that, with the exceptions noted above, U.S. officials are able to travel to all parts of the countries to which they are assigned, and that travel does not require host government permission. This freedom to travel is valued as it enables our official to better understand these societies and to assist our citizens in these countries.

As the governments of Eastern Europe and Cuba in most particulars strongly adhere to the principle of diplomatic reciprocity, it is probable that restrictions on their officials in the United States would be responded to by similar restrictions on our officials in those countries.

The requirement that East European officials book were imposed in response to, those the U.S. imposed in January, 1986. There have been instances in the past, however, when Czechoslovak authorities have "temporarily" closed areas formally open to diplomatic travel by posting notices on roads, which American officials discovered only en route.

Under these circumstances, Embassy officers have been and remain able to travel extensively and frequently. The Embassy's ability to overnight in the former Consulate building in Bratislava (owned by the U.S.), in Austria, or in vehicles, effectively nullified the Czechoslovak commercial booking requirements. Officers from the Political/Economic section and Defense Attache Office have traveled to every district of the country during the past year; the latter has devoted 120 man-days to travel and has transitted nearly every sub-region.

Poland.—As with Czechoslovikia, *diplomatic travel arrangements with Poland* are reciprocal and *involve the closure of travel only to military sites.* Requirements to book accommodations through official agencies are essentially the same as those imposed by the U.S. They are not, however, an exact mirror image of U.S. requirements. Notification is required for all travel by U.S. personnel outside the district where thay are stationed, including cities to be visited and places of lodging. Polish notification procedures have proven to be an annoyance, since Polish Government permission to travel is not required.

Hungary.—Full reciprocity applies with respect to diplomatic travel. *Apart from military installations, Hungary has no closed areas and places no restrictions on Embassy travel.* As noted above, The Secretary initially exempted Hungary from OFM travel service requirements.

Romania.—Like Hungary, Romania places no restrictions on Embassy travel apart from desense installations and some production facilities. As noted above, The Secretary initially exempted Romania from OFM travel service requirements.

The Romanian Ministry of Foreign Affairs formally advised Embassy Bucharest on January 14, 1986 that any travel restrictions imposed upon Romanian diplomatic personnel in the United States would cause the same restrictions to be imposed on U.S. official personnel in Romania on the basis of strict reciprocity. Romania already imposes travel controls upon Soviet and Turkish diplomats in response to travel restrictions those countries impose upon all diplomats.

Cuba.—Apart from the requirement to book commercial transportation and hotel accommodations through state agencies, Cuba currently imposes no travel restrictions upon USINT personnel. The exchange of notes in 1977 which established the two interests sections provides that "Members of the Interests Sections shall have freedom to travel throughout the territory of the host country in accordance with the established international practise commonly accepted for Embassy personnel."

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COUNTRIES SUBJECT TO OFM TRAVEL RESTRICTIONS

Embassies and Consulates

Afghanistan
Bulgaria
Cuban Interests Section
Czechoslovakia
German Democratic Republic
Poland
USSR

UN Missions and Secretariat Officials

Afghanistan
Bulgaria
Byelorussia
Cuba
Czechoslovakia
German Democratic Republic
Iran*
Libya*
Mongolia*
North Korea*
Palestine Liberation Organization*
Poland
Ukraine
USSR
Vietnam

*UN Missions (including Observer Missions)

Miscellaneous

Bulgarian Office of Commercial Counselor
Bulgarian Travel Office in New York
Czechoslovak Tourist Office in New York (CEDOK)
Czechoslovak Financial Office in New York (OMNITRADE)
Czechoslovak Commercial Section in New York
German Democratic Republic Commercial Affairs Office
Polish Tourist Office in New York (ORBIS)
Polish Office of Commercial Counselor in New York
USSR International Cotton Advisory Board
Soviet news media personnel

THE KGB: THE EYES OF RUSSIA

(By Harry Rositzke)

X. PLAYGROUND U.S.A.

From the days of Chambers, Bentley, and the Rosenbergs New York City, not Washington, has been the principal center for the KGB's American operations. It is the largest residency in the capitalist world. During the past ten years, there have been at any one time from two hundred to two hundred and fifty Soviet intelligence officers on its staff (out of a total, now, of less than eight hundred Soviet diplomats). The GRU residency ranges in size between fifty and seventy-five officers.

Moscow's ability to supply official cover for these men is almost unlimited: the Soviet consulate, the trade mission (Amtorg) and news agencies, the Soviet quota of permanent employees in the United Nations, and the Soviet mission to the United States.

There is a special bonus for KGB operators in New York. Not only do they have secure cover positions within the United Nations itself, but the more than one hundred permanent missions to the U.N. contain innumerable third-world diplomats of interest to the KGB, especially young African and Latin American diplomats. Here, in the daily workings of the U.N. and during the sessions of its General Assembly, the enterprising KGB officer can spot and study prospect with ease. He can develop a colleague into a friend and pass on the contact to a Soviet colleague in Accra or Rio when the young diplomat finishes his U.N. tour.

African and Spanish specialists in the KGB residency are also available to pick up contacts with diplomats already recruited as agents in their home countries for whatever information they can report on the business before the U.N. or in their own delegations. KGB agent contacts have been noted in the U.N. corridors and, in one case, in a stairwell.

For three years, in the late sixties, I had the opportunity to see their work close up. As chief of the newly formed U.S. station, my principal concern was the recruitment of Soviet and East European diplomats in New York and Washington. Up to 1963 the intelligence officers among these diplomats were of greatest concern and the main FBI mission was to uncover and neutralize their work against American targets. Finally, in 1963, the CIA was authorized to carry out intelligence operations designed to recruit them an intelligence agent for use abroad—either after they transferred to another foreign post or to their own headquarters. Our recruitment efforts required the closest coordination with the FBI's counterespionage effort, for the same man—a Soviet or Czech intelligence officer—could now have a double interest as a security for the FBI or as a prospective intelligence agent for the CIA. We were at last able to exploit the advantage of operating on our own home ground—as the KGB had been for fifty years in their operations against Western diplomats in Moscow.

For the KGB, Manhattan is an easy, inviting playground. With its big banks, its big corporations, its stock exchange and commodity markets, it is the power center of American capitalism. It is the residence of diplomats from over a hundred countries assigned to the United Nations. It has close ties to Washington, where the secrets are.

Manhattan and its environs are a picnic spot for open and secret meetings. It is congested, exuberant, and fast-moving. Its congestion is more attractive than that of Calcutta or Tokyo, where a white face stands out. Its inhabitants offer a smorgasbord of faces and accents. A Slavic face, a Russian or Polish accent, a tweed suit with broad lapels are lost in the crowd.

There are thousands of spots in close range where one can post a signal for a meeting: subway entrances, street-level billboards, sidewalk construction tunnels. There are thousands of places for a brush-contact or the exchange of a few words: street corners, crowded restaurants, buses, ferries, subways.

It is an ideal locale for throwing off a surveillance: office buildings with scores of floors and banks of elevators, department stores with innumerable entrances and exists. There are narrow cross-town streets with loading bays, takeout food shops, and office-building lobbies from which one can watch for suspected tails.

There are also the neighboring boroughs, above all, Brooklyn and Queens, easily accessible, more remote from the vigilant eyes in midtown. Here the secret trysts can take place in open spaces. They almost always take place in open spaces, for the KGB has an instinctive claustrophobia. It does not like inside meetings, nor does it ever employ the "safe houses" favored by Western services. There is Prospect Park, or the Bay Ridge waterfront, or the deserted streets around the cemeteries in Queens.

And beyond the city are the suburbs.

Since the late fifties the KGB has joined the flight to the suburbs—and to the countryside of New York, Connecticut, and New Jersey. During thirty miles along a limited access highway it is not difficult to detect and throw off a tailing car. Getting off the highway, winding around a few country roads, the KGB man can be assured his meeting will be secret, whether it is at a crossroads or at a picnic table on a bluff over the hudson.

And if he wants congestion, he can meet his man on the parking plaza of a huge shopping center in New Jersey or Long Island.

In New York it is the already recruited agent who must be given the most careful handling—someone, most likely, recruited abroad and transferred to local handlers on return to the United States. The transfer of an agent, say, in Europe or Japan to the KGB residency in New York is carried out with the greatest caution. Only after he has been thoroughly tested for discipline and competence in his overseas work will the Center authorize his transfer—and always with the usual tradecraft. In dozens of cases on record the instructions for an agent to meet his first New York contact follow a simple pattern. "Ten a.m. on June 4 at the corner of Madison and 48th. You will have a pipe in your mouth and a copy of Time under your left arm. A man will come up to you and ask: where do I get the train to Hoboken? You will reply: there is no train to Hoboken." If the KGB officer notes anything suspicious, he will not make the contact, and the agent must come to a prearranged second meeting site.

Agents met in this way have ranged from a small-time theatrical producer or a New York municipal employee to direct penetrations of the Pentagon.

The main KGB job in New York is to recruit new agents, and here Manhattan offers a rich variety of ordinary people easily met in bars, night spots, student unions, theater lobbies. The KGB follows a simple rule: one man can lead to another. Only against this rationale can one begin to understand why the KGB makes so many apparently random and valueless contacts and has so many low-level spotters in the various segments of New York's population—low-income Americans, resident aliens, recent immigrants. It is not who they are that counts, or what access they have to classified documents, but whether they can become a link to a person of greater interest. Here is a sampling of ordinary people who have led to bigger game:

—a young Ukrainian to his uncle in Washington (any relative of any federal government official is of interest);

—a taxi driver to a daily pickup fare on Park Avenue (Who is he? When does he go to what office?);

—an IBM secretary to her technician boyfriend;

—a homosexual picked up at random in Greenwich Village who has a "friend" in the United Nations;

—a bartender on Third Avenue to a steady customer from the Chase Manhattan Bank ("I'd like to meet him").

The list could go on for pages: they are all grist to the KGB mill. They may someday pay off.

And, in greater depth, the KGB runs a more broadly ranging support structure characteristic of every residency in a major Western Capital: agents who are in a position to report on other men in their circle who might make productive agents. These spotters are easily recruited (they violate no laws), and they save time and reduce the exposure of the KGB officer. Five spotters can come up with a dozen leads a year. Screened by the case officer, checked out with Moscow Center, some will become targets for professional development. The residency will pursue:

—any journalist, however low level. He meets people, picks up personal gossip, can bring along a contact to have a drink with his Russian friend.

—a first-generation American of Russian extraction who moves in émigré circles and can report on the activities and attitudes of recent Soviet immigrants;

—*any* laboratory technician, or any employee of a research firm, chemical, medical, or pharmaceutical;

—*any* employee of a defense plant.

And sex can be exploited in New York as well as in Moscow, though without the elaborate scenarios of bugged and televised hotel rooms and apartments. One handsome and debonair KGB bachelor had the not unpleasant assignment of meeting, wooing, and bedding as many female secretaries as he could find time and energy for. United Nations and large-corporation employees stood at the head of his list.

The New York Residency

All these operations, secret and open, are run out of the various branches of the residency whose chief, or resident, is housed with his front office within the headquarters of the Soviet Permanent Mission to the United Nations. Here, sealed off from the rest of the mission, with their own independent communications to Moscow, their files immune from search, the branch chiefs and their most active case officers go about their daily business in and out of the office.

The main branches of the residency are the scientific and technical, émigré, counterintelligence, and illegals. Its officers are distributed among the United Nations itself, the Soviet Permanent Mission to the U.N., the Soviet trade mission, and the official Soviet news agencies.

These officers must, for the most part, carry out their cover duties with reasonable efficiency. A U.N. official or a Tass correspondent has a job to do, and he cannot spend all his time away from his normal work. At one time in the fifties the chief of Amtorg, the trade mission, became fed up with the general sloppiness of his KGB officers. They were out of the office too much of the time, did not return their telephone calls, and failed to make meetings with American businessmen. One Amtorg chief got in a fight with the KGB resident on the issue and took his case to Moscow, where he won: Soviet-American trade is a serious matter and cannot be sacrificed for the benefit of a few spies. The new rule for the KGB officers under Amtorg cover: do your spying on your own time.

These KGB officers under official cover are readily identifiable—in New York, as in New Delhi or Bonn. Except for those on their first assignment abroad, most KGB officers have been tagged by the Western services from a wide variety of sources: from Western citizens who have been approached by a Soviet official; from Soviet agents who have turned themselves in to Western security services; from doubled Soviet agents; from the hundreds of KGB officers who have been caught in the act; from KGB defectors in the past thirty years, each of whom has identified scores or hundreds of his colleagues. Western files accumulate each year: age, grade, specialty, personality and private habits, favored methods of approach, etc.

Yet the identification of a KGB officer in the field does not curtail his secret actions. His job is not to hide himself, but to hide the identity of his agents. He is equipped by his training and experience to elude any kind of surveillance when he makes a personal meeting with his agent and to make air-tight arrangements for communicating with him indirectly through dead drops. His challenge is: catch me at it.

The men operating out of the New York residency are, for the most part, highly competent professionals, often with previous assignments in English-speaking countries.

The KGB officer at his best is a cautious and well-trained expert in studying people and arranging the mechanics of secret communications with his agents. He is himself almost immune to the normal investigative methods employed against him: physical surveillance and electronic interception.

The talent for countersurveillance is naturally at a premium in Manhattan, where he anticipates intense, if sporadic, FBI surveillance. He will take the most elaborate precautions to make certain no one is following him, and if he fails to elude his tail, he will simply skip the meeting. Only rarely has he been traced to a secret rendezvous, unless the agent he meets has been doubled against him.

He may take hours to reach a Manhattan rendezvous: changing subways, buses, walking in and out of drug and department stores. He often plays subway tag. One man approached his meeting in Chelsea by going uptown on the subway, changing at an express stop to catch a downtown train, again going uptown and downtown once again to throw off a tail. He may drive around the deserted Bowery on a Sunday afternoon making quick turns to throw off the tailing car. When he feels free, he stops off at a telephone kiosk to make his call. He may drive out on Long Island or up along the Hudson in the daytime or at night watching his mirror. He may go on a Sunday picnic with his family and meet a "friend" in a nearby wooded area. His ingenuity in countering surveillance is his prime asset.

His telephone security is absolute. It is almost instinctive, a built-in caution that does not permit slips. Years ago I patiently read through two years of telephone intercepts of the Soviet Embassy in Havana under Batista. Not a single hint of an agent contact was detectable in the steady stream of calls to and from caterers, laundrymen, and travel agents. A counterintelligence colleague whose dull fate it was to screen thousands of such transcriptions found only a single case in which an outside caller implied an agent relationship—and he, of course, was not identifiable.

He is close-mouthed even in his own living room and in the company of his colleagues outside the office. He keeps his professional life strictly within the confines of his own "clean" premises. There is never a hint, in those conversations we have overheard, of shoptalk. And with the agents he runs there is no professional chitchat that might give away any of his other activities. When a self-confessed Soviet agent seeks to ingratiate himself with us by reporting the "secrets" his case officer has been chatting about, we know he is lying. It is a simple litmus test.

Lest he be looked upon as a paragon of perfection, it is worth noting that, being human, he can make mistakes.

An otherwise competent case officer, who consistently eluded surveillance in making his meets in the metropolitan area, went out of town to meet an agent in upstate New York. Before the set time of his rendezvous he went to a village bar, got drunk, had a fight, and was picked up by the police. He had given away at least the approximate location of one of his agents.

Another officer, assigned to make a meeting on the West Coast, took a bus to Philadelphia and there boarded a plane for San Francisco under an assumed name. When he reached his destination, however, he used his own credit card to identify himself to the hotel registry clerk. With his true name on record, his further movements could again be investigated.

Office accidents can intervene. A senior officer, quiet and imperturbable in his demeanor, normally took three or four hours to get to his meet, but one afternoon he was detained in his cover office by a series of telphone calls. He came dashing out of the U.N. mission and rushed straight to his meeting on the west side of Central Park.

The KGB officer in the field is under constant pressure to produce—and this pressure can sometimes lead to error. Since his performance is measured by the number of contacts he makes, and the number of agents he recruits, he can become too busy. He is not assigned a specific quota (an unrealistic myth), but his fitness reports depend on the amount of his activity outside his office (a pressure not common among the Western services I am acquainted with).

One overzealous KGB officer in New York, clearly a man of energy and ambition, behaved like a jitterbug making over a dozen "secret" contacts almost every week. Not as careful as he might have been in judging the value or reliability of his agents, it was relatively easy for the FBI to feed a few controlled agents into his net. Their subsequent exposure diminished his reputation and slowed down his antics.

The pressure to produce can also breed abuses, but not for long. One inept case officer who needed some recruits simply visited a local bar, struck up conversations with the barflies, and got their names. Paraded as suitable candidates for "study," they would not have fooled the boss for very long.

There are also, of course, some lemons in any elite bureaucracy open to privilege. A notorious case in New York was the nephew of a Soviet Cabinet minister whose stupidity was a free topic of conversation among his colleagues. There are also men who do not have the requisite guts: an officer who has to get drunk before he musters the courage to make an approach, or falsifies his contact report to describe a social contact as a recruited agent.

Although the KGB has a few stupid or obtuse officers who are professionals only by dint of having learned the techniques of clandestine tradecraft, Moscow sends its best men to New York (and Washington) to avoid the kind of foul-ups they have run into in less politically sensitive capitals. Some of their brightest recruits come out of the Soviet-American student exchange program. Some of the Soviet students are already marked for future KGB employment, others are assessed on their return. The most qualified, with excellent English, surefooted in the American environment, with a circle of acquaintances on and off campus, are occasionally assigned to the New York residency on their first foreign tour.

The Technical Target

The largest section of the New York residency is its Scientific and Technical Branch. It is the key collector of both open and secret information on American technology, a top KGB priority for the past thirty years. It is a fair though rough estimate that 80-90 percent of the KGB's budget and manpower spent on American targets has been devoted to scientific and technical intelligence, both industrial and military.

The job of the S&T branch of the New York residency is to fill this maw of requirements from any available sources.

Much of the take comes from completely open sources. Trade and technical magazines are shipped to Moscow by the thousands. Technical developments reported in the press are clipped.

Soviet officials attending industrial fairs and exhibitions come back with shopping bags full of sales brochures, photographs of exhibits, technical layouts. When instructed, they buy pieces of equipment that Moscow wants.

S&T experts visit the many factories, laboratories, and research institutes that are open to them. They develop and maintain personal relationships with professors at Columbia and the Massachusetts Institute of Technology. They attend, and give, lectures to specialized academic audiences.

All of this activity is quite public and proper. No one needs KGB training to be affable, curious, and knowledgeable in his field. All the while, however, the trained S&T officer is mixing with the right people, making friends, sizing up the men he meets. Here are some scenarios:

—A young corporation executive likes his Soviet friend and is happy to invite him to dinner, introduce him to his circle of acquaintance, and do him a favor now and then by opening doors otherwise closed to him. One man leads to another.

—A laboratory assistant is pleased to be invited to dinner by a visiting Russian, talks freely of his work and his boss, and agrees to meet him next time he is the neighborhood. The blueprints are within reach.

—A professor of biochemistry meets a knowledgeable Soviet "fellow scientist," invites him for a weekend, discusses the literature in his field, professes interest in a visit to the Soviet Union.

—The salesman for an instruments firm with a booth at a scientific conference chats with a Russian who gives him his card. Six months later he received a call from the Russian, who invites him to lunch.

Multiplied a thousand times, these carefully reported contacts place the Center in a position to select the right man in the right spot for what it wants and to instruct the residency to "study" him.

Recruited agents carry out a wide variety of missions.

They have been useful in circumventing the restrictions of the stratetic embargo list on exports to the Soviet Union. In one case a KGB officer cultivated the acquaintance of a shady businessman in Queens, New York, and asked him to buy a computer tube for $50,000. They met, both using station wagons, in the far corner of a parking plaza for a shopping center in northern New Jersey. They parked their station wagons back to back and lifted the bulky wooden crate from one car to the other.

Scores of items on the strategic list have been sent over the years by American businessmen to individual addresses in Western Europe supplied by their KGB contacts. These transshipment operations are relatively easy for the KGB to arrange, for they involve no open violation of federal law.

Recruited agents range from an amateur sewer expert who studied sewers all his life and had a firsthand acquaintance with all the sewage systems of California, to an engineer with an American oil company who passed on the technical information available to him.

The richest haul of classified data has come from factory and laboratory research workers in the more than ten thousand companies and plants that have access to defense information ranging up to top secret. Now that Congress had directed the publication of the names of firms that have classified defense contracts, zeroing in on valuable targets has become simpler. The S&T desk men in New York check over the list for firms and locations: whom do we have in the Minneapolis area? Any lead to the Bridgeport area? However long it might take, some laborers, technicians, or engineers will be recruited for what they know or can learn.

Other branches of the residency carry out equally specialized tasks but with fewer men. The KR, or counterintelligence branch, focuses not only on the penetration of the FBI and the CIA, but the old-line federal agencies like State and Defense. It is also responsible for monitoring the security of the "Soviet colony," running informants and checking the contacts of all Soviet officials from the ambassador to the Tass journalist.

The illegals branch does not run illegals, but provides the Center with the material required to dispatch illegals to the United States. It keeps the Center up-to-date on changes in the immigration laws and procedures for getting a social security number or driver's license. It supplies birth certificates and passports when it can, and probes for vital statistics when requested by the Center.

The residency also has a steadily dwindling émigré branch.

Émigrés

It may appear curious that at this late date the KGB still maintains an émigré directorate in its Moscow headquarters and sends our émigré specialists to its major residencies. Most of the wartime Soviet émigrés have died, and nowhere is the emigration an organized group of any consequence. Moscow's forty-year pathological concern with the political and security threat they posed has clearly died down, if not out. What has taken its place is a sensible and businesslike view of their usefulness as agents in their countries of residence.

These émigrés, in New York or San Francisco, many of them second-generation Russians, Ukrainians, or Lithuanians, offer the KGB a pool for possible leads to émigrés in government, industry, or commerce. KGB officers handling support agents in these groups constantly talk about people—about friends, relatives, American acquaintances. Who does what where? Their émigré contacts may be of no use whatever for espionage purposes—clerks, shopkeepers, doormen—but on the solid thesis that one man can lead to another, they might come up with a name (and an introduction) of value to the KGB. Many of these "agents" are short-term: if they can supply nothing useful, they are simply discarded, and new ones found in their place.

Some émigrés, of course, have made it in American society. The émigré section in the San Francisco consulate pays considerable attention to the large White Russian colony on the West Coast, many of whom have done well in business and have good connections with locally prominent Americans. The KGB émigré specialists know the names and backgrounds of the most recent émigré and they can meet and choose the ones that might be useful. They are, of course, useful as support agents, but some eventually reach positions in which they have access to the kind of information the KGB wants.

An Armenian Sahag K. Dedeyan, worked for a defense research organization and brought out classified documents on NATO and U.S. defense matters and delivered them to his cousin, S.O. Paskalian, a diamond cutter. Paskalian photographed the documents and passed them to two Soviet United Nations officials. Both were arrested in 1975.

Two years later Ivan N. Rogalsky, a resident alien living in a Soviet émigré community in Jackson Township, New Jersey, was also arrested for espionage. He had recruited another émigré, an engineer by the name of Nekrasov, who supplied him with classified documents on satellite communications from the RCA Space Center in Princeton, New Jersey. Fortunately, Nekrasov had not been "recruited" but had reported the approach to the FBI. Rogalsky was caught in the act of passing his photographs to his case officer in the Soviet Mission to the United Nations.

Thousands of Soviet émigrés are still coming in to the United States. Many of them are educated in special fields and can hope to get responsible jobs. A handful are well-known intellectuals, both writers and artists, and make high-level contacts on their arrival.

The KGB has a threshold interest in these more recent arrivals: the nature and consent of the interrogations they are subject to by American intelligence; monitoring their eventual location and jobs; and making support agents out of the more useful ones. Some, again, may eventually get jobs of interest to the KGB.

It also goes without saying that the KGB in Moscow makes every effort to recruit some of these emigrants before they leave the Soviet Union. Some have been groomed to become agents: in one case a young Central Asian Jew was trained for two years before he was granted an exit visa. *Any* emigration—Soviet, Polish, Czech, or Cuban—is normally exploited by the home service for the legal entry of a trained agent into a target country.

The Washington Residency

The GRU manual quoted before gives a (1961) operator's view of the nation's capital: ". . . the organization and utilization of agent communications in Washington are full of difficulties because of the city's small size, its limited number of public places, lack of subways, and inadquate public transportation system, especially in the suburbs." Though much changed in the following twenty years, Washington is in many ways still a large small town, not a metropolis.

The KGB residency in Washington, DC, is by contrast with New York City modest in size (probably fewer than fifty officers) and, again probably, less active in the recruitment of government servants than the GRU residency within the Office of the Military, Air, and Naval attaches whose cover gives them ready access to their colleagues in the Department of Defense.

Operating conditions, as the manual points out, are not healthy. Washington's white residential neighborhoods are small and compact, their streets (in Georgetown, Cleveland Park, and Wesley Heights) sparsely populated at night. The Federal Triangle is densely packed with government officials who, for the most part, live in the suburbs. There is both static and mobile surveillance by the FBI.

The biggest obstacle is the high security consciousness of government employees in the Pentagon and State Department. Built-in caution is even higher among CIA and NSA employees (both located just outside Washington).

For the most part the KGB arranges its agent meetings not in the District, but in the suburbs (as in New York), in places like Shirlington or Springfield on the Virginia side of the Potomac. Philby, for example, apparently never met his handler in the District itself. Stretches of highway ensure effective countersurveillance by both case officer and agent. Meetings in the open air permit a critical survey of the surrounding terrain.

Yet the KGB residency appears to be reasonably active in recruiting and handling agents on the local scene. A Soviet attache managed to meet a CIA employee in Washington who still had relatives in the Soviet Union. After threats against his relatives failed to pressure him into cooperation, the KGB brought his brother from the Soviet Union to Washington to help in his recruitment.

Both the KGB and Czech intelligence have worked on desk officers and clerks in the Department of State. Nor are the old-line agencies the only focus. The KGB has gone after employees of the General Accounting Office, since its files include budgets for all government projects—and the budget for a major classified project involving military research, development, or production can provide a compact answer to the most precise questions. It has attempted to recruit employees of the Department of Transportation. Why is not clear.

Yet intelligence agents are not the KGB's main concern in Washington.

A poor area for recruiting or handling secret agents, Washington is ideal for making social contacts. Its concentrated schedule of "official" dinner parties and receptions offers easy opportunities for Soviet (or Polish or Czech) officials to meet top-level government employees, senators and congressmen, foreign diplomats, the cream of American journalists. But they act in a fishbowl, a small-town assembly of people who know and recognize each other. To extract an agent from this assemblage of attractive intelligence targets is a daunting professional task. To make friends is a simpler one.

Agents of Influence

New York and Washington are the power centers of the American establishment. Their elites, corporate, governmental, and political, make the decisions that directly affect the Soviet interest in dealing with the Main Enemy. It is a crucial part of the KGB mission, second only to its espionage function, to influence these decisions.

It is a solid fact that many of the KGB officers in the New York and Washington residencies are not engaged in espionage. A large fraction of these legals—it is impossible to fix the fraction—do not recruit secret meetings, do not collect classified documents. Their task is simply to make friends and influence people.

The term "agent of influence," a literal translation of the Russian term *agent vlyiyania*, is both elastic and misleading. Many so-called KGB agents of influence are by no means "agents" in the conventional sense: men hired to carry out work assigned them by a case officer. Many are not aware that the Soviet diplomat they are in touch with is a KGB officer. Many have no notion that their Soviet contact is anything more than a proper diplomat. Only a few ever become "agents."

These agents of influence cover a broad spectrum of social relationships from casual luncheon partners to close personal friendships. They may be politicians, government servants, industrialists and bankers, journalists, and professors. Their only claim to be singled out by the KGB for personal cultivation is the fact that, in one way or another, they can exert some influence in their own societies.

The KGB has been assigned this essentially diplomatic function for the simple reason that the Soviet Foreign Ministry is not up to the task. For twenty years the KGB has recruited the brightest young men, given them the most intensive language and area training, and converted them into "specialists" (American, German, Latin American, even Turkish) by appropriate field assignments. Meanwhile, the Soviet Foreign Service languished during the Cold War (it did not have much to do) and is only now being built up in size and quality. Among the KGB ranks today are men as fluent, sophisticated, and knowledgeable as any foreign diplomat. KGB careerists have become ambassadors, senior U.N. officials, and top Soviet negotiators.

In Washington, the KGB men about town focus on meeting the right people: government officials, legislators, journalists, and lobbyists.

An increasingly active circle of Soviet interest is the growing array of congressional staffers. In the past few years the Soviet Embassy has taken to lobbying on the Hill, a legitimate enterprise for any foreign diplomat. The purpose is not, as often suggested, to recruit congressmen or their committee staffers because Capitol Hill is off limits to the FBI, but to put forth the Soviet point of view on pending legislation from trade agreements to SALT treaties. They also get to know the staffers and develop social relations off the Hill: a lunch at the Hay-Adams, a drink at a downtown bar. They are not recruiting spies but influential contacts. One staffer regularly consulted his Soviet friend on Moscow's point of view on pieces of upcoming legislation.

They are, of course, more active in New York City (as they are in espionage work), where they have a far larger official representation and where the density of "influential people" in the American corporate, financial, and media world is higher. Even in the late sixties the KGB officers' social calendars featured people from bank vice-presidents and senior corporate officials to influential journalists, professors in New York and Cambridge, stock brokers, and (from what emerged later) grain dealers. Each KGB officer moves in his own proper circle determined by his personality and his cover job: the U.S. diplomat, the member of the Soviet Mission to the U.N., the consular or trade representatives, the scientific and technical specialists, the Tass man. Each meets and cultivates compatible New Yorkers. Each has the job of making friends and exerting influence on them.

During the late sixties, for example, the KGB line to their bankers and businessmen friends in New York was a simple one. The Europeans are getting ahead of you in trade and investment in the Soviet Union. If you do not get moving, the Europeans will monopolize the rich opportunities available.

The KGB conversational line shifts as Moscow's interests shift: on SALT, the Jackson Amendment, troops in Cuba, Afghanistan, Poland.

This kind of routine work simply reinforces the official Soviet line carried out by the ambassador and his legitimate staff. Yet it can be far more effective when it is articulated by a fluent, knowledgeable, and sophisticated Soviet officer at a private lunch or dinner party of people who count. It is most effective when it appeals to the self-interest of the men around the table.

The KGB man about town always has his eye on the main chance: he is a diplomat-plus. His job is to spot, and study, his acquaintances, to keep an eye out for any influential friend who can be recruited as a proper agent. He writes up in detail all his contacts and sends them to Moscow. He assesses the men he deals with: their character, capacities, interests. He can have them invited to the Soviet Union, or facilitate their introduction to Soviet trade official with whom they would like to do business. Those who go to Moscow can be assessed by KGB officers under suitable guise.

In these personal contacts the KGB does not exceed the limits of diplomatic propriety, but its officers can quickly size up and exploit any one man's susceptibility to a more confidential relationship. How willing is he to export items on the strategic list? How eager is he to get in on a specific contract? How open is he to bribery?

The KGB seeks to establish influential contacts not only in New York and Washington, but in all the major capitals of the West. It has been particularly active in Bonn, Paris, Rome, and, up to 1973, when the British threw out more than a hundred KGB officers, in London.

These contacts cannot be tabulated any more precisely than those of any active Western diplomat: it would take a questionnaire addressed to thousands of influential New Yorkers or Washingtonians to determine their nature and range. Since these contacts are normal and legal, it is not the business of the government to question them.

The simple educational value of the KGB's corporate contacts should not be discounted. For a regime that lived in almost total ignorance of the capitalist world for forty years, Western business methods, corporate structures, commercial communications, and government regulations are matters that have to be learned, and they can best be learned from its business and banking practitioners.

Further, Moscow has great respect for the power of the large American corporations, and as seats of power they demand attention. In developing social contacts even with junior employees, KGB officers not only learn about the strange ways of corporate life, but they may be in touch with a man who will grow into an executive position in later years. One mid-level corporate executive had been in steady contact with a series of KGB officers for over six years—at no time was he asked to do anything improper.

It is difficult to nail down a true "agent" of influence, a man recruited and paid (in one way or another) who will carry out Soviet instructions. Those who have come to light include such varied types as a British businessman helpful in evading export restrictions, one of the German negotiators on a truck-plant deal with the Russians, a New Zealand Cabinet minister, an Italian TV director, the wife of a West European Prime Minister. The French ambassador Dejean, whose story I have told earlier, was not the target for espionage but for an influence operation. What the KGB wanted was a sympathetic voice in President De Gaulle's entourage, not a pilferer of documents.

The only case I know of a Soviet agent of influence's being arrested and convicted of a felony was that of Pierre-Charles Pathé, a seventy-year-old French journalist who had acted as a KGB agent for twenty years before his arrest in 1980. His work for the KGB included printing KGB articles in his confidential political newsletter, reporting on the personalities of French journalists and politicians, and analyzing French political developments. His main job clearly was to influence the climate of enlightened French opinion in the Soviet interest. He received a hundred thousand francs and five years in prison for his services.

The run-of-the-mill influence agents recruited by the KGB in the capitalist world must by now run into the hundreds. Most of those we know about are in the world of commerce and trade, sectors of ever-increasing importance to Moscow. It is difficult to determine in many cases the variety of motivations that induce them to "cooperate" with their Soviet friends. Political and commercial opportunities plays a part. Some may have genuine political sympathies with the Soviet side of the Cold War confrontation that remains under détente. Some no doubt have been blackmailed.

Telephone Espionage

The location of Soviet official installations and apartment houses in New York and Washington places the KGB in an ideal position to monitor both private and government telephone conversations. More than half the long-distance calls within the United States and from the United States overseas are made by microwave. These radio signals can be intercepted by antennas located on or in the Soviet Embassy in Washington, the Soviet Permanent Mission to the United Nations, or the Soviet apartment house in the Bronx.

Interception is a simple matter. The selection of calls from or to a specific telephone is far more complex, but recent computer technology has made it possible for the Russians to select from these microwave circuits individual calls that match a list stored in the computer. These calls are automatically taped.

The KGB is interested in both military information from government calls and economic information that can be gleaned from monitoring calls made by corporations, banks, and businessmen.

After the Cuban missile crisis of 1962, Khrushchev complimented the GRU for having provided him with information from telephone intercepts in Washington clarifying the events and discussions in official circles that led to the final resolution of the crisis. Always the creative imitator, the KGB instituted its own monitoring equipment and went heavily into the intercept business. It was, for example, in a position to monitor Pentagon circuits to its overseas commands, including operational instructions to Saigon during the war in Vietnam.

Perhaps the most lucrative contribution in the economic field was its monitoring of telephone calls into and out of the Department of Agriculture in the early seventies. The KGB did a great deal of spade work (mostly involving perfectly legal contacts) in preparing Soviet negotiators to pull off the "Great Grain Robbery" of 1972, but the KGB coverage of telephonic reports by the grain dealers to the Department of Agriculture clearly helped Moscow time its purchases before the full extent of U.S. grain requirements became apparent in Washington. As a colleague of mine put it, "The Russians knew more about events in the American grain market than the White House did."

The grain deal is an excellent example of the KGB's cash value to Moscow. Without secret agents, through legitimate contacts and telephonic intercepts, the KGB helped Moscow get the data required on grain crops, grain dealers, and government reporting requirements that made it possible for its negotiators to carry off this well-coordinated purchase mission. A KGB officer appeared at the final negotiating session in New York, but he was thrown out by the Moscow team on the grounds that grain-buying was none of his business.

Only in the late seventies did Washington take steps to seal off this economical and useful source of both classified and commercial information: sensitive telephone circuits within the United States to be carried by underground cable; the use of ciphers in the traffic of defense contractors; the addition of scrambler devices to render unintelligible more and more official and private circuits in the air—these and other devices costing millions will slowly, but only slowly, cut down the semi-open information available to the KGB.

The Land of Opportunity

The American target can be attacked not only from within, from New York, Washington, and (since 1975) San Francisco, but from outside as well. The United States as a piece of operating terrain is wide open to Soviet intelligence.

With its two long, poorly policed frontiers in the north and the south, illegal entry from Canada or Mexico is child's play. A native Canadian or Mexican national (never a KGB officer) can cross the frontier, have a meeting with an American, and return safely to his case officer.

More than forty American ports are open to Soviet ships, each with a KGB security officer aboard. In New Orleans or San Francisco he can go ashore, service a designated dead drop, and return safety to his ship within a few hours. Any one man among the tens of thousands of Soviet and East European officials and tourist visitors who come to the United States each year can perform the same simple task without imperiling a member of the KGB residencies.

The United States is also a natural target for so-called third-country operations run by the KGB residencies in Ottawa and Mexico City.

These third-country operations (Trepper working in Belgium against Germany) help protect an agent or case officer from the security services in their country of residence. It is common practice in Europe, where the narrow geographic range makes servicing an agent in another country convenient as well as safe. A KGB officer stationed in Copenhagen, for example, made periodic visits to various European capitals to meet George Blake, then working in British intelligence headquarters in London. One of the KGB tasks in New Delhi was to meet agents working in Pakistan. These are common practices, though the notion that legals only operate agents in other countries is far off the mark.

Canada is of major interest to the KGB in its own right, though the Ottawa residency has occasionally served as a support point for operations in the United States. Although the wartime GRU residency in Ottawa was originally set up by a GRU officer coming up from New York, and Colonel Zabotin's agent network included sources with contacts in the United States, in the following years the connections with the United States thinned out. There are cases where an agent of the New York residency traveled to Canada to make contact, but the growing alertness of the Royal Canadian Mounted Police apparently reduced the value of this practice.

Canada has also been a convenient staging area for illegals destined for assignments in the United States. Almost one third of the present Canadian population, French and English, are not native-born but immigrants from all quarters of Europe: French-speaking Rumanians, English-speaking Poles and Czechs. They provide excellent cover for East European illegals like Colonel Abel transiting Canada for an American assignment.

The exposure of Colonel Zabotin's net in 1945 probably still reverberates at the Center, but its main concern is the competence of the Royal Canadian Mounted Police who wrapped up an uncomfortably large number of Soviet agents in the sixties. In the mid-sixties more than fifty KGB officers in Ottawa in support of Canadian operations (more than a score were caught in a ten-year period) and of Cuban operations (the shipping of matériel from Moscow to Cuba and of Cuban trainees to Moscow). In 1978 eleven Soviet diplomats and officials were expelled from Canada for plotting to penetrate the Royal Canadian Mounted Police. One of its officers was offered "unlimited funds" to work for the KGB. Large cash offers are not limited to CIA officers.

Mexico, not Canada, is the principal base for third-country operations against the United States.

In Mexico the operating atmosphere is much more permissive, and from the late forties on, the Mexico City residency has always been staffed by a large quota of American specialists who eye the North. Communications across the northern border are easily carried out by legal or illegal border crossers and by crew members of airlines flying to U.S. cities. These men can act as couriers or pick up material from dead drops at their various destinations. The Mexican police have never gone out of their way to irritate the Russians—or Cubans. In addition, Mexico City is a safe and accessible place to meet sensitive Americans or agents who have hot documents to turn over.

When Sergeant Rhodes, who had been recruited by the Russians in Moscow, came to the end of his tour, the KGB, instructed him to send anti-Soviet newspaper clippings to the Soviet Embassy in Washington as a signal for a meeting with his new Soviet contact in front of a theater in Mexico City.

In 1977 an agent from Washington, D.C., took a week's leave for a Mexican vacation, and handed over his material to a Mexican intermediary at a prearranged meeting. Since Mexican espionage laws do not concern themselves with classified American documents, neither of the two men were committing even a misdemeanor.

Some years before an aide to Senator James Eastland who had been developed and recruited by the Washington residency managed to get his hands on a number of CIA documents from a friend in the Agency. He was instructed to take a vacation in Mexico City and there handed them over to a Soviet case officer. Later, after the operation broke off and the KGB decided to reactivate him, it arranged a meeting in Mexico City which he did not attend.

Air Force Master Sergeant Perkins, whom I mentioned in the previous chapter, was arrested at the Panama City, Florida, airport with a satchel of documents he had been instructed to take to Mexico City for delivery.

Mexico is also a convenient escape hatch for Soviet agents on the run in the States. Julius Rosenberg's escape plans called for an exit to Europe via Mexico City. His agent got as far as Mexico City before he was caught. Had Rosenberg not dallied in New York, he would probably have made it all the way to Moscow.

The main task of the Mexico City residency is to recruit agents in Mexico against domestic American targets. The field is a fertile one and includes American students and (earlier) oil company employees, technicians and engineers on vacation from West Coast laboratory and production jobs; Germans and other Europeans already recruited abroad or developed and recruited in Mexico City; and bright Mexican students, especially graduate students who are encouraged and helped to pursue their education across the border and get a job with an American firm at home or in Mexico.

Its main target is close at hand: the heart of American research and development country in California, the back door into classified government secrets. It has worked against the scientific and technical target since the early fifties: electronic and air research laboratories, defense production firms, not to speak of key Navy installations and aircraft production centers (the latter a low priority since the Soviet aircraft industry is highly advanced).

Mexico City now supplements the work of the Soviet consulate in San Francisco, about a third of whose forty-odd officers in 1978 were attested Soviet intelligence personnel, most of them S&T specialists. They are a new breed of highly educated young men with good manners, excellent English, and specialized competence. They carry on an active public routine, visiting industrial installations and laboratories, attending scientific conferences, and meeting men in their own field of expertise. They are prospecting for recruits. Mexico City's job is to recruit agents outside to work inside the United States. Its success in the past thirty years can with few exceptions only be guessed at.

The Soviet Embassy in Mexico City is easily accessible for Americans who want to get a Soviet visa inconspicuously (like Lee Harvey Oswald) or who want to make a buck by selling the Russians the secrets they have or think they have. At various times in the past ten years, several military personnel, including a retired colonel, have walked in to the embassy to sell their wares.

Every service treasures a legitimate walk-in. He must have some samples of what he has to offer, prove his bona fides, and be persuasive about his access to the secrets he wants to sell.

Sergeant Robert Johnson's penetration of the vault at the Armed Forces Courier Station at Orly was, as we have seen, a technical operation of the highest order. The Mexico City residency penetrated the vault of a top-secret communications center on the West Coast without effort. It started, as the Johnson operation did, with a walk-in.

Assault on the Black Vault

In the first week of April 1975, Andrew Daulton Lee, scion of a well-off family living in a Los Angeles suburb—drug addict, pusher, and smuggler—walked into the Soviet Embassy in Mexico City with information about "spy satellites" from a "friend." He brought some samples: computer programming cards and a piece of paper tape from two cryptographic machines. Vice Consul Vasily Okana, the KGB officer who interviewed him, was of course interested and had nothing to lose by exploring this odd walk-in further. No harm could come to him in Mexico's permissive atmosphere—in New York or Washington Lee would probably have been thrown out as an FBI provocation.

Lee had six more contacts with KGB officers until the end of 1976, bringing with him a vast treasure of highly classified information from the communications vault of the TRW Systems Group, working on classified defense and space projects for the CIA and the Pentagon.

His friend, Christopher Boyce, a college dropout, got a job at TRW through a friend of his father's, and at the age of twenty-one in July 1974 was cleared for "Special Projects," which included a CIA-funded electronic surveillance satellite, the monitoring of Soviet and Chinese telecommunications, and of Soviet missile tests and radar systems.

Boyce became one of six people cleared to work in the Black Vault, the code and communications room linking TRW with CIA headquarters in Langley, Virginia, and ground stations in Australia. The vault was "impenetrable," with a steel bank-style door with a three-number combination and an inside door with a key lock. It was heavily guarded with sign-up sheets for entries and exits.

Boyce had become an alienated son of the middle class. At sixteen he had lost his faith in God and country. He had been turned off by the war in Vietnam, by the hypocrisy he saw in his own bourgeois society, by the actions of his government in Chile. He spent much of his time in an alcoholic haze. He got back by selling its secrets.

The KGB take from this simple operation was enormous. Boyce was a crucial node in CIA communications, operating two cryptographic systems between TRW and Langley, and via Langley to Australia. Fifty to sixty messages a day came in and out, and the decoded messages were kept on file for a year. They flowed into Mexico City. The computerized teleprinter and voice scramblers depended on machine settings changed each day. Computer cards for each day's setting went to Mexico City. The KGB wanted the frequencies on which these machines operated, but never got them.

The heart of the KGB take was detailed information on two top-secret American reconnaissance satellites, the Rhyolite and Argus, several specimens of advanced hardware, and the data from the satellites that passed through the vault. Among the thousands of messages Boyce turned over was one that gave the performance capabilities of most of our intelligence satellites. One of his last deliveries was some 450 frames of microfilm of the Pyramider project, a thirty-volume report on a CIA satellite communications system for global use by secret CIA agents equipped with a portable transceiver. The project, started in February 1973, had been shelved and conveniently placed on the top of a file cabinet in the vault.

Precisely how profitable this intelligence was to Moscow's scientific-technical experts cannot be assessed. It cannot have been invaluable, for in the KGB's last meeting with Boyce (Lee had finally been pressured to bring his "friend" down to Mexico City), he was instructed to give up his job at TRW and go back to college. The deal was the conventional one: the KGB would put up the $40,000 required for college and graduate school, Boyce would become a Russian or Chinese specialist, and eventually seek a job in the State Department or Central Intelligence Agency. Boyce accepted and applied for college admission in October 1976. In the KGB's eyes, "growing" another agent into place must have taken priority over continued access to the Black Vault.

Lee was obviously a weak link for the KGB. Impulsive, undisciplined, high most of the time, he persistently violated KGB instructions on the Mexico City meetings. To enforce some socialist discipline on this maverick capitalist, his handler, Boris, on one forbidden visit to the Soviet Embassy packed Lee into the back of a car and threw him out on the road with the car still in motion. Once the KGB met Boyce, of course, Lee was expendable.

Lee's final stupidity led to his arrest and the exposure of Boyce, who had already resigned from TRW. On January 6, 1977, impatient to get some money to buy drugs from his Mexican supplier, Lee tried to get Boris' attention in the embassy by throwing a Spanish-American dictionary (on which he had marked "KGB") through the fence onto the embassy grounds. Arrested by a Mexican policeman, he was later searched and a sealed envelope with microfilm strips inside was discovered.

The two were tried a few months later.

The Mexican authorities refused to let the Mexican police testify at the trials, clearly for fear of offending the Russians. Even President Carter's personal request to the Mexican president for his cooperation in the trial was turned down.

Boyce, tried in April 1977, got forty years and Lee life.*

Boyce escaped from prison on January 22, 1980, apparently through his own endeavors, and is on the loose. Had Lee not been so stupid, Boyce now could very well be on his way to becoming a Soviet specialist in Washington, another mini-Philby grown into place.

Illegals in the United States

A standing puzzle of the twenty years since Colonel Abel's arrest—and probably for the next twenty—is: How many Soviet illegals are operating in the United States? In what communities and under what guise are KGB or GRU officers living as American citizens or resident aliens? Are they active (running agents) or sleepers waiting for an assignment? Will they be activated only in the event of a rupture of diplomatic relations and the withdrawal of the legals? Are some in place only for wartime contingency plans?

None of these questions can be answered, not even how many. In the late sixties, estimates ran as high as eight hundred to a thousand in Europe and North America. They were based on information supplied by Soviet defectors (who themselves had to guess), by captured illegals who reported the numbers of their "class-mates," by Soviet agents who participated in their instruction or dispatch, and on estimates of the facilities available in Moscow for training illegals. These estimates are probably much too high.

Illegals now in the United States are more likely to be counted by the score and not by the hundreds. Even the professional can only guess, for successful illegals are literally buried in a society like ours, rich in immigrants and ethnic groups.

The great value of an illegal resident to the KGB lies in his total insulation from the legal residency: ideally, the two networks act in parallel and the exposure of a KGB officer under legal cover in, say, New York or Washington cannot lead to the exposure of an illegal. Yet this classic textbook insulation of illegals from official Soviet installations cannot always be maintained. Even Trepper used the Soviet legal residency in Vichy as a means of forwarding some of his reports, and Sorge secretly met a GRU officer from the Soviet Embassy in Tokyo on several occasions.

Today the division is not always practical, for if the illegal has information of importance and has not been authorized to use a radio transmitter, he must pass it on to an embassy officer for immediate transmission to Moscow. At least one illegal on Long Island recently had several meetings with a Soviet official a few blocks from his house in the distant suburbs. Others have been contacted by officers in the scientific and technical branch when the information they secured required expert evaluation.

The most recent illegal caught in this fashion surfaced in early 1980. Colonel Rudolph Albert Herrmann had followed Colonel Abel's route to New York by crossing into West Germany under his new identity and emigrating to Canada. He arrived in the United States in 1968, settled in a New York Suburb, and became a free-lance photographer.

During his eleven-year career Herrmann did not recruit agents or go after classified information of any sort. He was basically a support agent whose main chore was servicing dead drops and transmitting their contents to Moscow via accommodation addresses in Europe. He received his instructions each weekend through coded radio messages from Moscow. He occasionally visited his "homeland" Germany with his family, and went on to Moscow for sessions with his headquarters desk.

Though his duties were limited to support work, his cover was excellent. Had he not been observed servicing a dead drop already visited by a New York legal, he would have remained in place and been available for more serious work in the event of a break in Soviet-American diplomatic relations.

How useful are such active illegals in the United States to Moscow in peacetime?

We do not know, for the few illegals who have been caught are no index to the illegals still quietly active. I would assume, however that if the KGB has a high-level mole in Washington, he would probably be serviced by an anonymous suburbanite who pays his taxes.

ON CAPITALIST FLESHPOTS

There is a long-standing myth that Soviet officials stationed in bourgeois capitals are bound to succumb to the temptations of material comforts and joys not available at home. Give them a chance—and they'll choose our side. A congressman in the late 1960s could not be convinced that $100,000 on the table and the assurance of a prosperous life in the West was not a ready formula for inducing them to defect: "What's wrong with these guys anyway?"

The KGB man stationed in the West today has a good life. No jump in the Soviet standard of living during the last thirty years has been greater than that of the KGB official assigned to New York, London, or Bonn.

In the late forties most Soviet officials in European capitals led a compound or barracks life. They lived and worked in tightly controlled premises. Each was required to sign out and in for any outside foray. Even a KGB officer had to account for his actions whenever he left the "office." Officials went out to shop only in groups of at least three or more, with one man responsible for their proper conduct and safe return.

With few exceptions up to Stalin's death, the family of each official was kept in Moscow as hostage for his good behavior. Yet even the KGB man was required to be celibate. No in-house adultery or affairs within the Soviet community were tolerated. They were puritanical in the narrowest sense and were required to set an example of good Bolshevik behavior: scandals were out.

Sexual liaisons outside the community were forbidden, not so much for fear of blackmail (sexual entrapment in London or New York, Moscow knew, was not a common practice as in Moscow), but for fear of being compromised. Girls in bars or brothels were, in the KGB view, agents of the British or American security services, and could easily rifle the pockets of their coats, identify them, and trap them into indiscreet behavior on future visits.

The first Soviet wives who came out after the war had a sorry lot: they served as cleaning women, cooks and waitresses in a strictly self-sufficient community. A notorious fight among the wives took place in New York many years ago on the issue of who would clean up after the October Revolution celebration.

All that has changed.

Today the private life of a KGB officer in New York is like that of a middle-class American. He can eat out at a good local restaurant, see movies and plays, rent a summer cottage in Long Beach, go on picnics in the parks or the countryside, spend the day at Coney Island—and he can shop.

The Soviet official in bourgeois capitals is an inveterate bargain shopper. He scours the retail stores and makes friends with shopkeepers. He sometimes takes along a bottle of vodka as a present, and expects a *quid pro quo:* a five to ten per cent discount. He favors electronic items, hardware, shirts, and records, sometimes buying thirty or forty records at a clip. An indispensable item for his wife is a fur coat to take home to Moscow.

There is at least one case a year in Manhattan in which a Soviet official is caught shoplifting—and almost always at low-price stores.

There are no import restrictions on Soviet officials returning home on leave or permanent change of assignment. They are a major source of scarce goods for the black market, though some have become record collectors for their own pleasure.

Only a negligible number of Soviet officers have any serious interest in the arts (in contrast to their Polish and Czech colleagues). Most of them are heavy eaters and drinkers, and New York is a good place for both. Most excursions to New York restaurants are made by paired couples, congenial and Russian-speaking foursomes in which all can relax. They favor medium-priced restaurants—even when they are taking along a "foreigner" on the KGB expense account. Many reportedly are reluctant to go home after their tours, but they do—with full trunks.

Reports on their sex life are hard to come by, for the least that can be expected from an operations officer is to keep secret his own love affairs. From what we have learned around the globe, they are not restrained by a puritan sexual ethic only recently dissolving in Western society, but their fornications and adulteries are, for the

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*A detailed recital of this operation can be found in Robert Lindsey, *The Falcon and the Snowman* (New York, 1979).

most part, confined to the Soviet colony. A man can sleep with his colleague's wife much more securely than he can have an affair with an outside woman, yet most affairs on record are with single women. Some overt homosexuals are kept on the KGB payroll for their obvious operational attractions. Being overt, they cannot be blackmailed for their homosexuality.

Sex and money are the main handles for the KGB's recruitment of foreigners. Neither is an effective weapon against it.

There is a relevant footnote to this failure to be sucked in by the fleshpots.

One notable trait of the ethnic *Russian* case officer in New York I had already been impressed with in New Delhi: he takes enormous pride in being a *Russian* (not simply a Soviet citizen). There is in him a powerful and deep ethnic, almost religious faith that lies deeper than the patriotic loyalty to a state. The Russian is a man neither of the West nor of the East: Russia lies uniquely between the two, and it is to this narrower nationalism that many Russians, most of them only one or two generations removed from their villages, are instinctively bound. There is a broader sense of pride: *his* society is working, for it is making its mark in the world; and *his* service is working, the best service in the world (now that KGB officers no longer come to a lethal end, as under Stalin).

The CHAIRMAN. The question is on the amendment offered by the gentleman from Georgia [Mr. SWINDALL], as modified.

The amendment, as modified, was agreed to.

AMENDMENT OFFERED BY MR. DORNAN OF CALIFORNIA

Mr. DORNAN of California. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DORNAN of California: Page 55, after line 25, add the following new section:

SEC. 192. MEMBERSHIP OF BYELORUSSIA AND THE UKRAINE IN THE UNITED NATIONS.

The President shall instruct the United States Ambassador to the United Nations to introduce in the General Assembly of the United Nations a resolution to cease the recognition of Byelorussia and the Ukraine as members of the United Nations.

Mr. DORNAN of California (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

MODIFICATION OF AMENDMENT OFFERED BY MR. DORNAN OF CALIFORNIA

Mr. DORNAN of California. Mr. Chairman, I ask unanimous consent to modify the amendment as agreed to previously with the majority side of the aisle.

The CHAIRMAN. Is there objection to the modification?

There was no objection.

The text of the amendment, as modified, is as follows:

Amendment, as modified, offered by Mr. DORNAN of California: Page 55 after line 25, add the following new section:

SEC. 192. MEMBERSHIP OF BYELORUSSIA AND THE UKRAINE IN THE UNITED NATIONS.

The President shall conduct a review of whether the United States should introduce in the General Assembly of the United Nations a resolution to cease the recognition of Byelorussia and the Ukraine as members of the United Nations, and shall, within 90 days of enactment of this Act, report his recommendation thereon to the Congress.

Mr. MICA. Mr. Chairman, will the gentleman yield?

Mr. DORNAN of California. I am happy to yield to the gentleman from Florida.

Mr. MICA. Mr. Chairman, I would like to point out that the gentleman has an amendment that would require certain actions of the General Assembly of the U.N. or the U.S. Government to take in that General Assembly. The amendment has been modified to create a report that would come to the Congress to give us information on this action, and we do accept that modification.

Mr. DORNAN of California. Mr. Chairman, just briefly, for the edification of my colleagues, and for anyone who may be following the proceedings on the House floor today I want to explain how this originated. In 1945 the United Nations was first formed out of the meetings in San Francisco. The term "United Nations" had been used all during the war in a less formal way to mean united nations of the world banded together for freedom against the Axis powers. When the 51 original nations were finally brought together in this great dream of hope, lo and behold, as a 12-year-old child I discover that the Soviet Union had three votes in the General Assembly. Suddenly there are these 2 so-called republics out of the 15 provinces in the Soviet Union—actually there were 16 then. Finland had not yet managed to escape to a state of freedom and autonomy. But here we have in the U.N. Byelorussia, sometimes called White Russia, and the Ukraine, which had been terribly crushed with purges in the 1930's where millions upon millions of Ukraine farmers were deliberately starved, two countries as that really deserved to be independent. The Ukraine, the breadbasket of Europe, was instead crushed inside the Communist organization of socialists, so-called republics, and suddenly the Soviet Union had not only its permanent seat along with four other nations, and all of them freedom loving because Communist China had yet not taken a seat from free China but not only did they have a seat on the permanent Council, but they had three votes in the General Assembly. To this day that entitles them to far beyond their geographic rights.

I just got the population statistics for both countries. We have had 484 Americans every day, when you take away the deaths in our country and you add the birth rate, and emigration, because most people still want to come here over any other place in the world, and we are now 243,990,800 Americans. The Soviet Union, with some mothers averaging 10 abortions, is kind of static now and we are catching them, and they are 277 million, and they are dwarfed to India which is twice as big, and China is five times as big. Why do they get three seats in the General Assembly?

So I appreciate very much the majority going along with a boyhood dream of mine that we would at least address this problem some day. It has taken 42 years, but I know that Vernon Walters would like to address this on the floor of the General Assembly of the United Nations up in New York. Through two amendments the President is asked in 90 days to come back with a recommendation from the executive branch of our Government what we are going to do about the Ukraine and about Byelorussia, two parts of the Soviet Union that live under Communist domination having these votes in the General Assembly. Their delegates sit right by the Soviet representatives, they live in the same compound at 67th Street on the East Side of New York. The spies that were all discussed at great length in the preceding amendment here today, all those spies are triplicated by what they are able to do in the UN with obligated quotas for employees and everything.

So let us face up to the reality of the real world and give the Soviet Union what the United States, Great Britain, France, and every nation in the world has in the General Assembly: One vote, not the three that they were given to woo Joseph Stalin to come in.

Mr. SOLOMON. Mr. Chairman, will the gentleman yield?

Mr. DORNAN of California. I gladly yield to the gentleman from New York.

Mr. SOLOMON. Mr. Chairman, I just want to commend the gentleman. When I first came to this Congress 10 years ago, the gentleman brought this to my attention. I was not aware of it.

I had the opportunity to serve as a delegate to the United Nations during the 40th session, and to see those puppet governments stand up and belittle the rest of the free world, and then not even pay their dues. Let me just read to the gentleman the dues structure right now of the arrearages of those countries. The Soviet Union is 196.66 percent in arrears in paying their dues. The Ukraine is 193.30 percent in arrears, and Byelorussia is 199 percent in arrearage. Here they do not even pay their dues; yet they have these four floor votes on the floor of the General Assembly of the U.N., and it is outrageous. I commend the gentleman.

Mr. DORNAN of California. Even as deadbeats they operate in unison. Notice how close all of those arrearage figures are. So even as debtors in paying their bills. They stick together. They talked that over at the breakfast table up at East 67th Street, and they operate as one unit.

Just think, it would be as if, let me take the Republican Party here, suppose we had two extra fake, shadow parties that could demand equal time. We would get three to one on every single movement of debate on this floor.

Again, I thank the majority for going along with the amendment language here.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. DORNAN], as modified.

The amendment, as modified, was agreed to.

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Mr. DORNAN of California. Mr. Chairman, I move to strike the last word.

Mr. Chairman, this would have been a very controversial discussion on the House floor if I had insisted upon my amendment to take away the money from the State Department to fund an embassy in Nicaragua. I would have been going against the wishes of the executive branch and, probably, at this point in time, the majority of Members of this Congress. But the reason I wanted to do it was because the debate over the insurrection in Nicaragua has brought much confusion to the American people and to all of our friends throughout the world. If the establishment of a Soviet colony, a Soviet base on the soil of North America, there is truly threatening to the vital security interests of the United States, then have we really served ourselves well by mounting a covert operation? Why do we engage in these discussions on this floor as to whether the Contras are freedom fighters, the moral equivalent of our Founding Fathers, or thugs, rapists, and murderers? Why have we not had an open debate that has brought together a consensus in this country as to whether or not, Nicaragua, under its Communist government in Managua, is truly a threat to the peace of all of its surrounding smaller countries, or peace in South America or peace in North America? I believe that if the President had not only cut off trade but if he had said 2 years ago, "I have had it with this Communist government in Managua. I am ordering them to leave our country. I am breaking off diplomatic relations. I am asking not only our ambassador to come home but to pull out the whole Embassy down there." Yes, we would have lost that tool of American diplomacy and intelligence that you have in every country in which you have a diplomatic presence through the eyes and ears of your representatives in the country. And yes the Nicaraguans would have marched across the street here, almost across the street to the OAS Building. But the statement to the world, would have given a message to the world that we consider this a brigand government, the Sandinistas; that they have sold out their bona filde legitimate revolution against the obligarchy that was making the lives of the people miserable in Nicaragua.

The reason I am not offering this amendment is because the President is not ready to go this route although he previously told me it is a good option and he is thinking about it. And I have another solution that I will present later in another title of this finely crafted bill which is before our colleagues from my Foreign Affairs Committee today. And that is to recognize a state of belligerency in the nation of Nicaragua.

Now our good Members from the Deep South in this country look back upon their cause with some fond memories. We think it was a wrong cause. We think it ended slavery. But a lot of it was brought on by economic problems between the North and the South. Southerns prefer to call it the War Between the States instead of the Civil War. But remember what Great Britain did. They declared a state of belligerency in the United States at that time and that enabled them to trade with the South and still trade with us. All this does in a civilized world is say there is a legitimate civil war here and there certainly is a legitimate civil war in Angola and there certainly is a legitimate civil war going on in Nicaragua.

To declare a state of belligerency does not mean we have to do one thing beyond recognizing the reality of what is going on down there. No longer can people call the Contras criminals, if there is a legitimate state of belligerency and then you move forward with, hopefully, diplomatic means to get the peace. Or if the fighting continues and there are young men and women and some of them are teenage boys and girls ready to die for freedom in Nicaragua, then at least this Nation and the world will say, "We recognize there is some status for the belligerents down there." That may be the proper first step to take before this House votes in its wisdom to cut off money to an embassy in a Communist country that is using our embassy indirectly to have thousands of Americans go down and naively work for a Communist cause. Nicaragua endangers the democratically elected governments that are emerging democracies and endangers this whole hemisphere. With Soviet helicopters flown mostly by Cubans, an operation was mounted against the Contra freedom fighters last month that involved 30 Soviet HIND and HIP helicopters, please tell me that is not a belligerency situation that is supported by Cuban proxies and Soviet war material. The Soviets have cut the Sandinistas' throat this week by cutting off their oil. Things are happening down there. But let us recognize the state of belligerency. That is why I withdrew my amendment on funding the Embassy in Nicaragua.

Mr. CROCKETT. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, it is very, very infrequent that I have occasion to agree with the distinguished Member from California, who happens to be a member of my subcommittee on Western Hemisphere. But on this occasion I would like to compliment him on his good judgment in withdrawing the proposed amendment to mandate the closing of our Embassy in Nicaragua. Indeed, when I first read his proposed amendment, I wondered if he was not out of tune with the administration and with his party.

One of the key foreign policy planks of the Republican Party has been that we, here in the Congress, attempt to interfere too frequently in the conduct of foreign policy. And to think that one of the leading proponents of Republican foreign policy would get on the floor and offer an amendment to mandate the State Department to close an embassy in Nicaragua was, in my humble opinion, a complete reversal of the position of the Republican Party.

So I compliment my fellow member of the subcommittee on Western Hemisphere.

The CHAIRMAN. Are there any other amendments to title I?

If not, the Clerk will designate title II.

The text of title II is as follows:

TITLE II—UNITED STATES INFORMATION AGENCY

SEC. 201. AUTHORIZATIONS OF APPROPRIATIONS.

The following amounts are authorized to be appropriated for the United States Information Agency (other than for the Voice of America) to carry out international information, educational, cultural, and exchange programs under the United States Information and Educational Exchange Act of 1948, the Mutual Educational and Cultural Exchange Act of 1961, Reorganization Plan Number 2 of 1977, and other purposes authorized by law:

(1) SALARIES AND EXPENSES.—For "Salaries and Expenses", $409,194,000 for the fiscal year 1988 and $425,762,000 for the fiscal year 1989.

(2) EDUCATIONAL AND CULTURAL EXCHANGE PROGRAMS.—For "Educational and Cultural Exchange Program", $149,700,000 for the fiscal year 1988 and $155,688,000 for the fiscal year 1989.

(3) TELEVISION AND FILM SERVICE.—For "Television and Film Service", $31,306,000

for the fiscal year 1988 and $32,558,000 for the fiscal year 1989.

(4) NATIONAL ENDOWMENT FOR DEMOCRACY.—For "National Endowment for Democracy" $17,500,000 for the fiscal year 1988 and $18,100,000 for the fiscal year 1989.

(5) CENTER FOR CULTURAL AND TECHNICAL INTERCHANGE BETWEEN EAST AND WEST.—For "Center for Cultural and Technical Interchange between East and West", $20,000,000 for the fiscal year 1988 and $20,800,000 for the fiscal year 1989.

SEC. 202. REPROGRAMMING OF FUNDS APPROPRIATED FOR THE UNITED STATES INFORMATION AGENCY.

(a) Notification Requirement Before Awarding Program Grants.—

(1) Section 705(b) of the United States Information and Educational Exchange Act of 1948 (22 U.S.C. 1477c) is amended by striking out "for the fiscal years 1986 and 1987".

(2) The amendment made by paragraph (1) shall take effect October 1, 1987.

(b) Prohibition on Certain Reprogramming.—Section 705 of the United States Information and Educational Exchange Act of 1948 (22 U.S.C. 1477c) is amended by adding at the end the following:

"(c) Funds appropriated for the United States Information Agency may not be available for obligation or expenditure through any reprogramming described in subsection (a) during the period which is the last 15 days in which such funds are available unless notice of such reprogramming is made before such period.".

SEC. 203. FUNDS FOR EXCHANGE ACTIVITIES ASSOCIATED WITH THE 1990 GOODWILL GAMES.

Of the amounts authorized to be appropriated for the fiscal years 1988 and 1989 by section 201 for the purposes specified in paragraphs (2) through (5) of that section, not less than $500,000 for each such fiscal year shall be available only to the Seattle Goodwill Games Organizing Committee for cultural exchanges of persons and other exchange related activities associated with the 1990 Goodwill Games to be held in Seattle, Washington.

SEC. 204. AVAILABILITY OF CERTAIN USIA PHOTOGRAPHS FOR DISTRIBUTION WITHIN THE UNITED STATES BY THE DEPARTMENT OF DEFENSE.

Notwithstanding section 208 of the Foreign Relations Authorization Act, Fiscal Years 1986 and 1987 (22 U.S.C. 1461-1a) and the second sentence of section 501 of the United States Information and Educational Exchange Act of 1948 (22 U.S.C. 1461), the Director of the United States Information Agency shall make available, upon request, to the Secretary of Defense and the Secretaries of the military departments concerned photographs of military operations and military related activities that occurred in the Republic of Vietnam for the purpose of developing and publishing military histories by those departments. The Secretary of Defense, or the Secretary of the military department concerned, as appropriate, shall reimburse the Director for any expenses involved in making such photographs available. Any reimbursement to the Director pursuant to this section shall be credited to the applicable appropriation of the United States Information Agency.

SEC. 205. USIA UNDERGRADUATE SCHOLARSHIP PROGRAM.

(a) Increased Funding for Caribbean Region.—It is the sense of the Congress that the United States Information Agency should provide increased funding for students in the Caribbean region under the scholarship program for developing countries established by title VI of the Foreign Relations Authorization Act, Fiscal Years 1986 and 1987.

(b) Definition.—

(1) As used in this section, the term "Caribbean region" means—

(A) Antigua and Barbuda, the Bahamas, Barbados, Cuba, Dominica, the Dominican Republic, Grenada, Haiti, Jamaica, St. Christopher and Nevis, St. Vincent and the Grenadines, St. Lucia, Trinidad and Tobago, Belize, Guyana;

(B) Anguilla, Cayman Islands, Montserrat, Netherlands Antilles, Turks and Caicos Islands, British Virgin Islands; and

(C) French Guiana, Guadeloupe, and Martinique.

(2) Nothing in this subsection may be construed to encourage or authorize scholarships for students from any country which is a Communist country.

SEC. 206. TELEVISION SERVICE OF THE UNITED STATES INFORMATION AGENCY.

Title V of the United States Information and Educational Exchange Act of 1948 (22 U.S.C. 1461 et seq.) is amended by adding after section 504 (as added by section 302 of this Act) the following new section:

"SEC. 505. TELEVISION SERVICE OF THE UNITED STATES INFORMATION AGENCY.

"The long-range interests of the United States are served by communicating directly with the peoples of the world by television. To be effective, WORLDNET (the television service of the United States Information Agency) must win the attention and respect of viewers. The following principles shall therefore govern WORLDNET broadcasts:

"(1) WORLDNET will serve as a consistently reliable and authoritative source of news. WORLDNET news will be accurate, objective, and comprehensive.

"(2) WORLDNET will represent America, not any single segment of American society, and will therefore present a balanced and comprehensive projection of significant American thought and institutions.

"(3) WORLDNET will present the policies of the United States clearly and effectively, and will also present responsible discussions and opinion on these policies.".

SEC. 207. LIMITATION ON WORLDNET FUNDING.

Funds may not be reprogrammed in fiscal years 1988 and 1989 from any program, project, or activity for WORLDNET. Funds may not be transferred in fiscal years 1988 and 1989 from any other account for WORLDNET.

SEC. 208. SEPARATE ACCOUNTS FOR NED GRANTEES.

Section 504(h) of the National Endowment for Democracy Act (22 U.S.C. 4413(h)) is amended by inserting "separate accounts with respect to such assistance and" after "keeps".

SEC. 209. NED TREATMENT OF INDEPENDENT LABOR UNIONS.

Section 503 of the National Endowment for Democracy Act (22 U.S.C. 4412) is amended by adding at the end thereof the following new subsection:

"(f) Nothing in this title shall preclude the Endowment from making grants to independent labor unions.".

SEC. 210. PROFESSORSHIP ON CONSTITUTIONAL DEMOCRACY.

(a) Federal Support for Professorship.—The President, in support of the statutory program of American studies abroad, is directed to foster studies in constitutional democracy at the Santo Tomas University in the Republic of the Philippines by supporting at such university under section 102(b)(4) of the Mutual Educational and Cultural Exchange Act of 1961 (22 U.S.C. 2452(b)(4)) a professorship on the subject of constitutional democracy, if such professorship is established by such university.

(b) Financial Support for the Professorship.—If the professorship referred to in subsection (a) is established by the Santo Tomas University in the Republic of the Philippines, veterans of the Pacific theater in World War II and veterans of the Korean conflict and Vietnam era are encouraged to contribute funds under section 105(f) of the Mutual Educational and Cultural Exchange Act of 1961 (22 U.S.C. 2455(f)) to support such professorship.

(c) Effective Date.—This section shall take effect on October 1, 1987.

MODIFICATION OFFERED BY MR. MICA TO THE AMENDMENT OFFERED BY MR. LEVINE OF CALIFORNIA

Mr. MICA. Mr. Chairman, I am going to make a unanimous-consent request, which has been cleared with the minority, to correct a minor technical problem. During the consideration of this bill, H.R. 1777, the Committee of the Whole has agreed to three amendments each of which amends the authorization figures on lines 12 and 13 of page 4. As part of the en bloc amendments which I offered on June 16, we had an amendment relating to the Latin America and Caribbean Data Bank and an amendment relating to the Bureau of International Communications and Information Policy. Subsequently on June 16, we had an amendment offered by Mr. Levine of California relating to the funding level for the Pan-American Health Organization. Each of these amendments was drafted to change the authorization figures printed in the bill. They did not take into account the changes made in those figures by previously adopted amendments. In order to ensure that the final text of the bill accurately reflect the changes made by all three amendments, I ask unanimous consent that the Levine amendment, which was the last amendment adopted, be modified so that dollar amount inserted on line 12 of page 4 is $1,373,024,000 and the dollar amount inserted on line 13 of page 4 is $1,428,063,000.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

There was no objection.

The text of the amendment offered by the gentleman from California [Mr. Levine] as modified by the gentleman from Florida [Mr. Mica] is as follows:

Amendment offered by Mr. Levine of California, as modified: Page 4, line 12, strike "$1,373,024,000" and insert in lieu thereof "$1,371,474,000".

Page 4, line 13, strike "$1,428,063,000" and insert in lieu thereof "$1,425,513,000".

Page 9, line 5, strike "$32,691,000" and insert in lieu thereof "$37,191,000".

Page 9, line 6, strike "$33,999,000" and insert in lieu thereof "$38,499,000".

Mr. DORNAN of California. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, in the full committee unanimously with a great deal of enthusiasm we passed an amendment that is now in the language of the bill recognizing the suffering of the Hungarian minority in that part of Rumania called Transylvania. However, some Hungarian-Americans, including several who serve in this House who were born in Hungary came to me and said, "We don't want Rumania using the words self-determination in the strictest sense to mean that by any manner of means we are claiming that Transylvania should be a separate country." We are not supporting a separatist movement.

Next year I will change, and I do not want to burden the House with the language at this moment—we will let the language stand—but I want to clarify in the legislative record what all of us meant by those words "self-determination." I will have it in the amendment if things do not change and we will have to do it next year.

Therefore, Mr. Chairman, I will add next year and add to the legislative record right now that in this amendment in section 190, the words "self-determination" is in the sense of the people being entitled to freely pursue their unique national, cultural and religious identity. That is what it means.

I thank the Chairman.

The CHAIRMAN. Are there any amendments to title II?

AMENDMENT OFFERED BY MR. HERGER

Mr. HERGER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HERGER: Page 58, strike out lines 3 through 12 (section 203), and redesignate succeeding sections accordingly.

Mr. HERGER. Mr. Chairman, this is a very simple amendment. Its purpose is to eliminate the earmarking of a total of $1,000,000 or $500,000 during fiscal year 1988 and $500,000 during fiscal year 1989 for cultural exchanges associated with the staging of Goodwill Games in Seattle in 1990. The designee of this earmark is the Seattle Goodwill Games Organizing Committee. This group is one of four cosponsors of the Goodwill Games, the other three being Ted Turner's Turner Broadcasting Systems, Goskomsport, the Soviet Union's Sports Ministry, and Gosteleradio, the Soviet Government's television and radio network.

Mr. Chairman, there are many reasons why inclusion of this earmark in H.R. 1777 is inappropriate. First of all, the Department of State as well as the U.S. Information Agency's oppose direct Federal funding of the Goodwill Games.

Second, this money would be used to subsidize activities promoting a commercial enterprise created by Ted Turner. Turner launched these games last year in part as a means of generating advertising revenue for the Turner Broadcasting System's cable television empire. With a projected Federal deficit of more than $169 billion for next year, or more than $61 billion over the Gramm-Rudman deficit target for 1988, we cannot afford even half a million dollars of unnecessary spending. Let's not forget that the Department of Defense barred the participation of Army athletes in the 1986 Goodwill Games because they were a commercial endeavor.

Additional, we must note that organizers of the 1984 summer Olympic games held in Los Angeles received no direct Federal authorization. This is a precedent we should not seek to reverse.

Mr. Chairman, I think it is important to remind by colleagues that the Goodwill Games held in Moscow did not achieve their objective of divorcing politics from international sporting events. Indeed, the Goodwill Games were themselves political in nature, seeking to advance one man's viewpoint about United States-Soviet relations.

Indeed, the politicization of the 1986 Goodwill Games was distasteful to many Americans, who were shocked at Mr. Turner's acquiesence to the Soviet Government's demands that Israeli and South Korean athletes be barred from participation. That action alone stripped away whatever veneer of international goodwill the games might have achieved.

I also wish to point out that these games are to be held in a city which is closed to Soviet diplomats posted in the United States. Thus, the games offer Soviet intelligence operatives visiting Seattle on exchanges associated with them a unique opportunity to gain access to a region chock full of sensitive high technology operations and military installations.

Some may argue the funds earmarked in section 203 annually do not subsidize the games, since they are targeted for cultural exchanges such as art exhibits and ballet performances which will be conducted in association with these games. I strongly dispute this notion, since any taxpayer money granted to the Seattle Organizing Committee for these activities frees up other private Ted Turner funds for the games.

□ 1150

Moreover, these cultural exchanges should properly be viewed as advertising for the Goodwill Games. These exchanges are certainly expected to heighten interest and increase attention for the games, which should increase their viewing audience. Thus, they directly enhance the value of Ted Turner's investment in those games, and further promote his profitmaking enterprise. Such expenses should be shouldered by those who expect to turn a profit from them—Ted Turner and not by the American taxpayer.

Mr. Chairman, the list of reasons why this earmarking of some $1 million in taxpayer money is inappropriate goes on and on. But let me close with this one thought. Ted Turner's company lost $26 million on the Moscow Games, because they couldn't command an audience of American sports fans large enough to attract sufficient commercial advertising.

The CHAIRMAN pro tempore (Mr. SWIFT). The time of the gentleman from California [Mr. HERGER] has expired.

(On request of Ms. SNOWE, and by unanimous consent, Mr. HERGER was allowed to proceed for 2 additional minutes.)

Mr. HERGER. Let us not open the door today to a future tax bailout of Ted Turner's personal olympics. If we do not adopt my amendment, the hand will enter the cookie jar, and we may not be able to extract it later.

I urge the adoption of my amendment.

Ms. SNOWE. Mr. Chairman, will the gentleman yield?

Mr. HERGER. Mr. Chairman, I yield to the gentlewoman from Maine.

Ms. SNOWE. Mr. Chairman, I thank the gentleman for yielding.

I want to thank the gentleman for the amendment.

Am I to understand that the United States has no guarantee, as it currently stands, that the United States would receive a reimbursement in the event that this became a successful operation for Ted Turner, am I correct?

Mr. HERGER. That is my understanding.

Ms. SNOWE. This is a joint commercial enterprise between Ted Turner and the Soviet Government on a for-profit basis?

Mr. HERGER. That is correct.

Ms. SNOWE. Mr. Chairman, I think that Members of the Committee should know that this is a precedent we do not want to establish.

In addition, as I understand it, at the Goodwill Games in Moscow last year Soviets, and Ted Turner agreed, prevented Israel and South Korea from participating in the Goodwill Games, is that correct?

Mr. HERGER. That is absolutely correct.

Ms. SNOWE. Mr. Chairman, I thank the gentleman for offering this amendment.

I do not think we want to engage in support of commercial enterprises for profit making. It is for Ted Turner; and once we begin to engage in support of this undertakings with taxpayer's money it will lead to others.

I also would remind my colleagues that the Goodwill Games in Moscow precluded two of our allies, Israel and South Korea, from participating in these events. So I thank the gentleman for the amendment, and I urge its adoption.

Mr. HUNTER. Mr. Chairman, will the gentleman yield?

Mr. HERGER. Mr. Chairman, I yield to the gentleman from California.

Mr. HUNTER. Mr. Chairman, I thank the gentleman for yielding.

I want to commend the gentleman for the gentleman's amendment.

I think it is appropriate for this House to adopt it; and very simply, briefly I want to remind the Members that we did not participate in the 1980 Olympics because of the Soviet invasion of Afghanistan, an invasion that to date has killed 1 million Afghans, mostly civilians, mostly women and children.

It sent 4 million, Afghans, to the refugee camps around the world, but primarily in the Pakistan area.

In 1984 the Soviets responded to that refusal of ours in 1980 by not participating.

The CHAIRMAN pro tempore. The time of the gentleman from California [Mr. HERGER] has expired.

(On request of Mr. HUNTER, and by unanimous consent, Mr. HERGER was allowed to proceed for 3 additional minutes.)

Mr. HUNTER. Mr. Chairman, will the gentleman yield further?

Mr. HERGER. I yield to the gentleman from California.

Mr. HUNTER. Mr. Chairman, I thank the gentleman for yielding.

The Soviets did not participate in 1984, and very clearly the Goodwill Games had the purpose of substituting for the Olympic Games in 1984 that the Soviets refused to participate in.

I simply want to remind the Members that we attempted to make a moral point in 1980, and that point was that the Soviet Union was brutally oppressing the people of Afghanistan.

The Members of this House floor watched a small Afghan child walk out on the floor a couple of days ago. He was crippled. He talked with a number of Members on the Democrat and Republican sides.

He had been crippled by Soviet attack helicopters that strafed him when he went to school one day.

I have also seen small exploding dolls, dolls that are sprinkled in the Afghan-inhabited areas in Afghanistan for the purpose of exploding, and blowing off the fingers and hands of the children who touch them.

I would suggest that that moral situation has not changed, and I think that Ted Turner's attempt to portray the Soviet Union in a different light than their own actions have proven them to be, has not accrued to the benefit of this country.

I also do not like Mr. Turner's constant thrashing of the President of the United States with regard to foreign policy, and I think the gentleman from California has made an excellent point when the gentleman has reminded the Members that this is a moneymaking project of Ted Turner's.

It is not an appropriate government activity, and I commend the gentleman from California for his amendment. I hope it passes unanimously.

Mr. BONKER. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I think this matter is being grossly misrepresented by the sponsor of the amendment, and those that have spoken on the other side.

This is not a Ted Turner operation. The only involvement of Ted Turner is through the purchasing of television rights, and he will probably lose a great deal of money over it. This is also not a joint United States-Soviet sponsored activity.

The 1990 Goodwill Games are under the direction of a nonprofit organization chaired by the Reverend William Sullivan, the president of the Seattle University, an organization made up of business leaders, civic leaders. There are no direct ties to Ted Turner.

I think what the gentlemen on the other side are talking about is the Goodwill Games in the U.S.S.R.

I would also point out that the money involved, $500,000, out of a $600 million category, is simply an earmark. It is similar to the present authorization of $1.5 million that is earmarked under this account for the Pan-American Games held in Indiana.

Section 203 is consistent with the President's 1985 General Agreement on Cultural and Scientific Exchange.

Nothing in this amount will go to support the games in any direct fashion. The money will go to support cultural exchange before the 1990 games.

I might also add that the city of Seattle is inviting 60 countries to participate, of which the Soviet Union will be one.

Eligibility for the sporting events will be determined by the United States Sports Federation, and it is unlikely that any country teams will be denied, except for those like South Africa which are banned by the International Sports Federation. Since the U.S. Sports Federation will do the inviting, not the Soviet Union, the United States will decide which country teams may participate.

This is an opportunity to bring about an international event in Seattle, WA, that will help bring about greater cultural activities among nations.

It is a lot less costly than the $1.5 million that was in the previous authorization bill that goes to support Pan Am Games. That money went for the games. This money will not support in any direct fashion the games themselves but only the cultural exchanges that will occur beforehand. So I think, given the precedent that exists in the current authorization bill, and given the fact that the U.S. Sports Federation will direct and invite country teams to participate, and given it is being run by the Seattle Goodwill Games Committee of Seattle, I cannot see any reason why we should oppose it or support the gentleman's amendment.

Mr. HERGER. Mr. Chairman, will the gentleman yield?

Mr. BONKER. I am glad to yield to the gentleman from California.

Mr. HERGER. Mr. Chairman, I would like to quote now, if I could, from the factsheet of the Goodwill Games of Seattle, 1990, and I would just read this, if I may. It is under "who are the 1990 Goodwill Games organizers?"

"The 1990 Goodwill Games are cosponsored by the Seattle organization, TBS, Turner Broadcasting System, and the U.S.S.R. State Committee on Physical Culture and Sports, and the U.S.S.R. State Committee on Television and Radio."

The fact is that these games are being sponsored by all four, including the Seattle organizing committee. Therefore, any money that goes into the Seattle organizing committee is that much less money that Turner Broadcasting has to put up in order to promote their games. So, therefore, one assists the other. They are the same.

Mr. BONKER. Mr. Chairman, I do not know the document to which the gentleman refers. I have here a letter from the director of the Seattle organizing committee, and he has assured me that the money involved in this $500,000 earmarking will go for cultural exchanges, that Turner's only participation will be the purchase of the television rights.

Mr. HERGER. Mr. Chairman, will the gentleman yield?

Mr. BONKER. I yield further to the gentleman from California.

Mr. HERGER. Since they are both associated, since all four are together, any money that goes into one in promoting the games, whether it be culturally or whatever, is dollars that helps in promoting the games and, therefore, helps in a profitmaking venture by Ted Turner. At a time when we are running $710 billion deficits, I do not feel it is appropriate for taxpayer dollars to be used in that way.

Mr. MICA. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I will not take all of my time, but before I even talk about the amemdment, let me just state something in the kindest, gentlest way. I am being prompted and the minority is being prompted by our leadership on both sides to keep things moving. Most of the amendments that we are debating, including one that we debated for over a half hour, we all agreed on. So I would just ask Members, with no gag rule being applied, to say what they have to say in as short a time possible, and hold any additional comments for publication in the Record. I will do my best to get us out of here by 4 o'clock today if we can keep things moving.

With regard to this particular amendment simply stated, the money in this section of the bill is to be used for the purposes of cultural exchange. It will be used, whether it is for the Seattle games or not, for these purposes. We have joint U.S. cultural activities with other nations. We have Soviet and Pan-American and other bilateral cultural efforts funded by the United States Information Agency. This grant would represent a very small fraction of the overall budget of that Agency, and it is an infinitesimal part of the budget of the United States.

These activities are something that the present administration and former administrations have always felt should be supported. The argument really is: Do we want to support them in Seattle, or do we want to allow these funds to be earmarked by the Agency somewhere else?

I am willing to abide by the results of the vote here. I think there has been a little misunderstanding that this is some new money set aside for a new purpose. If we eliminate this earmark, in fact the money could still go to support these games. There is nothing here that would stop that. The Agency has that authority.

Mr. HERGER. Mr. Chairman, will the gentleman yield?

Mr. BONKER. I am happy to yield to the gentleman from California.

Mr. HERGER. Mr. Chairman, my concern is twofold. No. 1, we are spending $500,000 that is going into an area specifically. The gentleman mentioned that it could be spent anywhere.

Mr. BONKER. If this amendment is agreed to, it may very well still go there. We are just taking a chunk of money here that has been set aside for these purposes, a larger pot, and saying that this portion will go here. If we remove the earmark, this portion can go anyplace, and maybe even there. It is kind of an intellectual debate on the site, but it does not change the facts on the approach in the bill. I think that is where there is a little bit of a misunderstanding.

Mr. HERGER. If my amendment does not go through, this money will automatically go there to promote a game which is a portion of the cultural exchange, and it cannot help but be used to a great extent as advertising for a game that is for profit. As the gentleman mentioned, the money may be used, and it may be used somewhere else.

Mr. BONKER. There is no money used in this for advertising. This is not for the games again. That has been stated.

Mr. Chairman, I do not want to restate everything that has been stated before and counter what I just asked my colleagues to do, so, therefore, I yield back the balance of my time.

Mr. DORNAN of California. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I heard loud and clear the general admonition of my good friend, the gentleman from Florida [Mr. Mica], to try to move swiftly today because it is a getaway Thursday. I am not getting away myself, but I do not want to be selfish to those who are heading home.

However, I come here not to bury Ted Turner but, rather, to praise him. He is a friend, and I do not think anybody in this Chamber could turn on that 24-hour news that is available daily in their offices and then think ill of Ted Turner. That was a gift to this House years ago. Mayor Barry and the administration of this city still does not have a single home in the District wired for cable, but our Hill is wired, thanks to Ted.

Whose heart did not swell with pride 8 years ago when he captured America's Cup, that handsome, young Georgian with that engineer's-billed hat on, when Captain Outrageous was throwing all his crewmen into the briny, celebrating the America's Cup victory for this common man and great entrepreneur?

Ted and I used to agree on everything. I sponsored him here in the Cannon Caucus Room to discuss the egregious violence and promiscuous sex-pushing that was being shown on on all the major networks in this country.

□ 1205

Most of them still are errant in this area, and Ted made this a cause. He came up here and lectured us severely saying that the coverage in our country in the mass media was doing the work of 15 Soviet divisions tearing our couuntry apart, and he was right.

Then came the Goodwill Games and Ted went over to Russia 10 or 15 times. Why, they might as well have brought back the Minister Potempkin from the grave, put Ted in drag in those gowns of Katherine the Great that are in the museum at the west end of Red Square and taken him for a tour down the Volga and the Don, because everything he saw when he came back he had fallen for. He got the major Potempkin tour of this century.

The Goodwill Games were not goodwill for Israel or for South Korea. Israel was scapegoated and blackballed from those games, and so was the nation of South Korea. As a result, the U.S. Air Force, Army, Navy, Coast Guard, and Marine Corps, all of them said these are not games of goodwill for us. They are games of ill-will, and our great military athletes were not allowed to participate.

The Goodwill Games went in the red deeply. As it was said of Julius Caesar: "The mistakes that men make live after them, the good and their debts are often interred with IRS books and their bones."

Ted Turner is never going to be able to recoup his losses from the Goodwill Games; so like my friend, the excellent mayor of Los Angeles, Tom Bradley, Ted comes here with his hand out asking for money. Tom Bradley was told no by most of the California delegation back in 1981 and by a majority of the House and the Senate. Tom went back. He went to work with the excellent Peter Ueberroth and the Los Angeles Games had money to spare left over. It was a massive commercial and private sector success.

Poor Canada, because the government got involved, is still paying off its debts for the Montreal Games.

So what I would say to my good friend Ted Turner, and he is a friend, all kidding aside, "Ted, I told you before and you used to agree with me, don't get involved with the Federal Government. Do it on your own. Make it work this time.

"The great Pacific Northwest is one of the most beautiful parts of not only America, but the world. Make the Goodwill Games a part of the private sector. Put Peter Ueberroth on retainer. Call my friend, Tom Bradley, and ask him how to make it work and make sure, Ted, because you are still the main entrepreneur, you're the major domo. Make sure Israel and South Korea come to these games. Don't blackball anybody."

Mr. WEISS. Mr. Chairman, will the gentleman yield?

Mr. DORNAN of California. I am glad to yield to my distinguished friend, the gentleman from New York.

Mr. WEISS. Mr. Chairman, I am a little confused as the gentleman was speaking. Does he or does he not consider Ted Turner to be a Russian dupe?

Mr. DORNAN of California. Pardon?

Mr. WEISS. Does the gentleman or does he not consider Ted Turner to be a Russian dupe?

Mr. DORNAN of California. Not in my book, but I wish you would take off that gown of Katherine the Great and stop letting them fool him.

Mr. WEISS. Well, Mr. Chairman, I appreciate the clarification.

Mr. MILLER of Washington. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, also heeding the admonition of the distinguished gentleman from Florida to move swiftly in this debate, I would like to turn to my colleagues and address what I think are some of the concerns here and hopefully try to persuade you that this is not such a bad thing.

What we have here is a proposal for cultural exchange that goes along with an athletic event. As you surmise, this is in an area from which I come, OK; but because of that I put some time into this.

Now, when the promoters of the Goodwill Games came to me and they said, "We would like to have some cultural exchange events along with this, artistic events, whatever."

I said, "Speaking as one Congressman, cultural exchange between the United States and the Soviet Union is fine as long as it is real cultural exchange, as long as real problems are discussed, as long as issues like human rights don't get swept aside."

I had more than one conversation with those involved. In fact, I went out to the district and had a whole meeting on this subject.

I am glad to say that the board that is running the Goodwill Games understands what real cultural exchange is about. As part of these events, there are going to be seminars in which issues like human rights in the Soviet Union are discussed and in which those who are most aggrieved by the denial of human rights will have the opportunity to exchange views with the Soviets. The sponsors and promoters of these games have advised the Soviets, in fact in anticipation of the games, whenever a Soviet official comes to Seattle to talk about the games that Soviet official meets with members of Seattle's Jewish community, meets with Jews who have left the Soviet Union, meets with me to discuss human rights and other concerns in the Soviet Union.

I go into this at length because we are looking at a cultural exchange program. The issue is not whether the Goodwill Games are good or bad. The issue is, is this a good occasion to have some meaningful cultural exchange between the United States and the Soviet Union? I think it is and I think the sponsors and promoters have shown that.

Now, it is true that Ted Turner bought the broadcasting rights for this $26 million. That is the way any athletic games go in this country. If it is not Ted Turner, it is CBS or NBC or ABC. When a station buys the TV rights, it is also true that it's crucial to putting the games on. Most of the sports events that go on today, the big ones, do not go on without a broadcasting station buying some of those rights; but the fact that CBS or NBC or Ted Turner has bought rights to an athletic game is not a reason for this Congress to turn around and say, "No, you shall not have these cultural exchange events."

Mr. DICKS. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Washington. Yes, I am happy to yield to the gentleman from Washington.

Mr. DICKS. Mr. Chairman, I want to compliment the gentleman on his statement. I want to make sure that our colleagues here in the committee recognize that this thing has been totally removed from Ted Turner's control. There is a nonprofit entity that has been created in the State of Washington, led by the Reverend Father William Sullivan, the president of Seattle University, that will control these funds and how they are used as part of this cultural exchange.

It has nothing to do with Ted Turner. The whole thing has been separated from Ted Turner.

Now, yes, the gentleman is correct, Ted Turner is going to broadcast the games, but that is all he is going to do, and he is paying a fee to do that.

Now, is that not correct?

Mr. MILLER of Washington. That is my understanding, and he has nothing to do with these cultural exchange events.

Mr. DICKS. So I would hope that the House would take a look at this.

I would also point out that the House just a few years ago appropriated $35 million for the Pan-American Games.

Now, what we are asking for in this very important cultural exchange between the United States and the Soviet Union, which will be much broader than just sports, is $500,000 this year and $500,000 the next year.

The CHAIRMAN. The time of the gentleman from Washington has expired.

(At the request of Mr. Dicks, and by unanimous consent, Mr. Miller of Washington was allowed to proceed for 2 additional minutes.)

Mr. DICKS. Mr. Chairman, will the gentleman yield further?

Mr. MILLER of Washington. I am happy to yield to my colleague, the gentleman from Washington.

Mr. DICKS. Mr. Chairman, I would hope that the committee would stay with the recommendations of the House Foreign Affairs Committee. Congressman Bonker was one of the originators of this amendment. I think this is a very important activity. I think the more exchange we can have with the Soviet Union, the better we are as a country.

The gentleman from Washington [Mr. Miller] has made a very appropriate point in our State, that human rights must be dealt with. I certainly support him in that respect.

So I think this is a prudent amount of money. It is not an additional amount, I might point out. It is earmarked out of existing USIA funds, so we are not adding money to the budget. We are just saying that out of the money that is being authorized for this, $500,000 will be available for these important activities.

Mr. Chairman, I just want to urge my colleagues to support this.

Mr. BONKER. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Washington. I yield to my colleague, the gentleman from Washington.

Mr. BONKER. Mr. Chairman, I value the comments of both my colleagues from the State of Washington.

Obviously, we have an interest in this matter, since it is in Seattle; but I think we also have the opportunity for an ongoing goodwill event that is going to occur in other parts of the country. It is not just the Soviet Union. I want to be explicit about that. Over 60 countries will be invited to participate. We ought to do all we can to enhance these goodwill exchanges and the cultural opportunities that exist.

The final point I want to make is that this money, which is a very small amount of earmarked money, will be administered by the USIA, no real friend or supporter of the Soviet Union; so I think they will institute the proper controls both in terms of accounting and policy to insure that this money will be going for the kind of cultural opportunities that we here in the House envision.

Mr. TRAFICANT. Mr. Chairman, I move to strike the requisite number of words. I will not take all the 5 minutes.

Mr. Chairman, I want to compliment some of the speakers who are attempting to bring some rational discussion to this issue. We are not talking about Ted Turner.

Member of the House, we spend $300 billion a year to protect us from the so-called Bug Bear that exists out there, called the Soviet Union. We are here today discussing attitude and how the Members of the House will view our positions and assess our policies in trying to come to some reasonable terms with the Soviet Union.

Now, there are two ways we can proceed down the path. One way is that we continue to build missiles, expend $300 billion a year and keep escalating, while the red ink keeps rising.

The other way is we could develop some dialog and some communication in an attempt to bring the two nations somewhat closer together to mitigate some of these problems.

Now, we are either going to do that through cultural terms, social activities, political activities, or we are going to meet in a back alley and that back alley is not going to be settled with fists anymore or handguns. It is going to be a nuclear shooting gallery at some point.

So we are now setting the course for the future. I listened to some of the speakers on the other side and I have great respect for those speakers, but I just feel this is not about Ted Turner. I think Ted Turner may be telling us what we should be doing here today.

We are either going to try to resolve this thing with communication and dialog or we are going to meet on the real playing field, and it is for keeps.

I think this is a very reasonable cost item and I believe it sets the tone of what Congress should be attempting to do. We should be the leaders in this field. It should not be coming from without. So let us get off that business.

I believe Ted Turner lost money. I do not get any money in my district from this. I think this is an issue for the Nation.

I commend those efforts and gestures. I think for Congress to strike that half million dollars is very, very economically foolish here. I think that is exactly the way we should look at it today.

So I say, "Cheers, Ted. Keep it up." Maybe with Father Sullivan we can get something done that Congress has failed to do. If Congress wants to stand around here and talk about all this big confrontation with the Soviet Union, I think that we should be looking and pushing all the buttons and all options to try to reduce the conflict that may someday arise.

I do not think this is a very costly way of going about it. I think it makes some sense. I commend the committee for having it in. I hope the Members of the House, and this probably should not be the amendment that holds us back today, we should come in here today and discuss attitude and vote attitude and that attitude is that we are willing to negotiate and work things out. We are not just willing to drop bombs.

Mr. WALKER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, let me ask the sponsor of the amendment a couple questions about the amendment, if I could, the gentleman from California.

I have listened to this debate now, and in all honesty, I do not care about Ted Turner. I do not think that the $500,000 has anything to do with nuclear shooting galleries or anything else, and I am not certain that we ought to be subsidizing the city of Seattle for something which is going to bring a lot of people into the city.

□ 1220

Let me try to understand here. We are talking $500,000 of taxpayers' money; is that correct?

Mr. HERGER. If the gentleman will yield, that is correct, for 2 years running, so a total of $1 million.

Mr. WALKER. A total of $1 million. So we are talking about fairly significant amounts of money. Let us understand, $500,000 if not minor money, it is over 100 American taxpaying families working the entire year to pay the taxes to have that amount of money spent. So we are not talking about a little bit of money. When those people sat down on Apri 15, 100 families, and wrote their checks, we would spend it all in one fell swoop right here.

Let me ask the gentleman something else.

Mr. MILLER of Washington. Mr. Chairman, will the gentleman yield for a question?

Mr. WALKER. I am glad to yield to the gentleman from Washington.

Mr. MILLER of Washington. Since we are not talking about the overall level here, and there is no motion to cut the overall level, and the same number of taxpayers' dollars are going to be spent, does the gentleman support any taxpayers' dollars for cultural exchange?

Mr. WALKER. I would say to the gentleman that at times of making tough priority decisions that that is one area that needs to be looked at for some cuts. I would have to tell the gentleman that we might not want to "X" it out, but we might want to look at how much money we are spending in that area.

I want to ask a couple more questions here. In this particular arena, Goodwill Games, are they going to sell tickets?

Mr. HERGER. If the gentleman will continue to yield, absolutely.

Mr. WALKER. So in other words, it is partially one of those ventures where they are going to try to make some money by selling tickets; is that correct?

Mr. HERGER. Correct.

Mr. WALKER. And this whole thing is going to be on television, and there is going to be advertising money for it, is there not?

Mr. HERGER. That is right.

Mr. WALKER. So in other words, what we have here is we have a commercial enterprise that may be very worthwhile, and the exchange may be very good, but as I recall, the Olympics made money.

Now why should we have the American taxpayers funding at the cost of $500,000 a year something which is actually going to be a moneymaking enterprise? All I am saying to my colleagues in the House is, "Isn't this something where we can save some money and have that money for other priorities that we may want to spend it on?"

Sure, the gentleman does not take the money out completely, but we have real tough priority decisions to make around here, and where you have this kind of decision, it seems to me that we can eliminate the money, put the money somewhere else, and ultimately save the taxpayers some of that deficit that we are now spending away.

This is a money issue. In Washington parlance, $500,000 is said by some not to be a lot of money. I am sick and tired of hearing about these things not being a lot of money. I think that it is a lot of money, and I congratulate the gentleman for trying to save some money.

Mr. BONKER. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I am glad to yield to the gentleman from Washington.

Mr. BONKER. I thank the gentleman for yielding.

Mr. Chairman, just to keep the record straight, because we are meandering around this issue, funds from the USIA will not be spent for any of the sporting events whatsoever. The sports program in 1990 will be paid for by broadcast rights paid by the Turner Broadcasting System—that is his participation in this thing. Sponsorship from corporations like Boeing and Weyerhaeuser and many of them throughout the country are sponsoring the event, and ticket sales. That is how they plan to pay for the whole event. The $500,000 to which the gentleman refers, the earmarked amount, will only go for cultural exchanges which precede the sporting events in 1990.

Mr. WALKER. I thank the gentleman, but what I am saying to the gentleman is that the whole event is organized as a commercial enterprise. If we want to have some cultural activities connected with it, why do we not just build that into the overall program? Why are the taxpayers all of a sudden having to come up with these amounts of money?

Mr. MICA. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I am glad to yield to the gentleman from Florida.

Mr. MICA. I thank the gentleman for yielding.

Mr. Chairman, the gentleman makes an excellent argument for the need for this House to cut frivolous spending. We as a body and I have supported cut after cut, I must say, be it the military budget with the military bands and their exchanges and so on, or the State Department budget.

I want to remind my colleague in good faith, my ranking minority member and I went through a tumultuous session. This bill is $1 billion below—below—what the State Department requested, and the administration. I do not know of a bill that has come on the floor of the House that a Republican administration is opposing because there is not enough money in it. It is the only one that I am aware of. We have worked long and hard to reach this level.

Now certainly we are going to go back and probably next year make some more adjustments and more adjustments, but the point is, and I have made it before, there is a small amount in this. It is not small by my daily standards or the gentleman's daily standards or any individual taxpayer, but it is small in comparison to the Federal budget.

So the argument is, not will it or will it not be spent, but do we earmark it for this particular purpose.

Mr. WALKER. Let me say to the gentleman that he does not hear this gentleman at all complaining about what the committee did in terms of cuts. I think that it did make some tough decisions, and I congratulate it for that. I congratulate the gentleman and the ranking Republican member. But I am also one who believes that no given bill coming out of committee is a complete work of art, that in fact there are things that can be done on the floor that improve bills. This is one improvement that we can make. It is one place where maybe the gentleman had some difficulty within the internal structure of the committee getting an agreement on this. Fine. We on the floor can do something to help cut further. If the Republican administration does not like it, fine. I do not care about that. Let us still save the money.

Mr. DICKS. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I yield to the gentleman from Washington.

Mr. DICKS. I thank the gentleman for yielding.

Mr. Chairman, I want to make sure that the gentleman understands what we are talking here is not earmarked.

Mr. WALKER. I understand. I made that point myself.

Mr. DICKS. The USIA is going to get the $500,000 one way or the other. There is not a cent, a nickel being saved by this. The gentleman from Washington is totally correct. This has nothing to do with the sporting event.

Mr. WALKER. If the gentleman will allow me to reclaim my time, I made that point myself here just a minute ago. It is a matter of setting priorities. There are some things that are higher priority. Sure, ultimately you save money. If you allow priority decisions to be made that give money to higher priorities because you have eliminated lesser priorities, that in fact saves money.

Ms. SNOWE. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I yield to the gentlewoman from Maine.

Ms. SNOWE. I thank the gentleman for yielding.

Mr. Chairman, I support the gentleman's comments. The point is that we have a principle here. That principle is applying money for a commercial venture, because Ted Turner will get the broadcasting rights of the Goodwill Games and the cultural exchanges, which he will then be able to sell. So it is done on a for-profit basis. This is a policy and a precedent that I do not think that we want to adopt here in the House.

I commend the gentleman for his comments. We have to understand what we are dealing with here, and it is a commercial enterprise.

Mr. WALKER. I could not have said it better, and I thank the gentlewoman.

Mr. DICKS. Mr. Chairman, I move to strike the requisite number of words.

Mr. BONKER. Mr. Chairman, will the gentleman yield?

Mr. DICKS. I yield to the gentleman from Washington.

Mr. BONKER. I thank the gentleman for yielding.

Mr. Chairman, I just wanted to comment that this is not a profit venture. The consortium that has been put together in the State of Washington is nonprofit.

Mr. DICKS. Mr. Chairman, I have just received a letter from the people who are sponsoring these games, and I want to make sure that my colleagues understand just what we are talking about in terms of these funds.

"In order to have a major cultural program in 1990, intensive work needs to take place over the next 2 years. It is this work to which the USIA funds will be applied. In the performing arts we need to have representatives of arts organizations in the Pacific Northwest and from elsewhere in the United States meet with their Soviet counterparts to prepare a major international performing arts festival in 1990. For example, a theater director will travel to Moscow in 1988 and 1989 to identify and begin working with a number of Soviet actors who will then be part of the major performing arts festival. This same needs to done in opera, music, and dance. Seattle officials have already made one trip to the Soviet Union to begin work on a publication that will put together the teams of United States and Soviet writers and photographers to capture the spirit of the Goodwill Games. The United States members of the team will work in the Soviet Union as well as in the 1990 event itself."

So I want to point out that we are talking about two distinct things here. We are talking about cultural exchange in the arts, which I think is an important priority, and that is separate from the sporting activities in most respects. So I think that you can make a very good case that these kinds of cultural exchanges are valid, and I want to reiterate what my friend from Washington said, this is a nonprofit entity that has been created. Some of the finest people in our State are serving on that nonprofit entity. It was done, frankly, to separate this from Ted Turner's operation, so that there would not be any question about who in fact is running it.

I hope that the committee will support what the Committee on Foreign Affairs has brought to the floor.

Mr. Chairman, I yield back the balance of my time.

Mr. DELLUMS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would direct my remarks to my distinguished colleague from California, in the genuine and sincere hope that he would withdraw this amendment.

Mr. Chairman, I am in the State with my distinguished colleague, so I have no parochial interest in this matter whatsoever.

□ 1230

Second, I am not a member of this committee, so there are no loyalties to committee print.

But I have sat here diligently, listened with rapt attention to this debate. I would make the following observation: Incredible amount of sound and fury, signifying virtually nothing.

I understand how after 16½ years as a Member of this body that my colleagues and I from time to time can engage in extraordinarily creative, fanciful judgments. There are times when I believe that politicians are perhaps the most creative thinkers on the face of this Earth. This debate is a classic case in point.

One of the arguments in support of this amendment is that it is profit oriented; yet, my colleagues have time after time, on both sides of the aisle, stated clearly and without equivocation that this is nonprofit.

Some of my colleagues support the amendment because they would suggest that this cuts $500,000 in fiscal 1988, and $500,000 in fiscal 1989, for a total of $1 million in a megabillion dollar budget. But the fact of the matter is the gentleman's amendment does not cut. All the gentleman's amendment does is say let us not earmark funds.

My colleagues on both sides of the aisle have stated clearly, with efficacy, with voracity, with clarity, and articulately stating to my colleagues that even if the gentleman's amendment were to prevail that would not in any way stop the funds from going for this purpose.

The third reason why my colleague stated that we should support the amendment, that in some way this is a Ted Turner venture, yet my colleagues again, without challenge, have stated clearly and without equivocation that this is not about Ted Turner.

But I would say to my colleagues that this is America, that what we are all about in this country is any human being, even my distinguished colleague from California, and this gentleman from California's right to take a stand, whatever the stand may be, that is the beauty, that is the power, that is the gift of democracy.

So even if my colleague wanted to challenge Ted Turner, then he could do so. This amendment is inappropriate. If my colleague has a problem with Ted Turner's politics, debate Ted Turner. This is inappropriate.

The next point, this is in some way a subsidy for sports. My colleagues on both sides of the aisle have stated again, without equivocation, and without challenge, that this money is not going for sports: For cultural exchanges.

Now to the last comment. I have sat here, we have debated this matter for nearly 45 minutes on an amendment that would not even cut the $500,000 from the megabillion-dollar budget. This gentleman from California a few weeks ago offered an amendment on the floor of this body to cut over $2.5 billion, not earmark it, but cut it from what we euphemistically refer to as the star wars program. Does my colleague know what the rule allowed? A 20-minute debate on a $2.5 billion amendment that my colleague did not join me in. Yet we spend 45 minutes engaging in a debate about taxpayers' dollars, $500,000, that is not even being cut.

To summarize, let me suggest to my colleague that he withdrew this amendment. This is an absurdity. This is an amendment that has no place in a significant debate.

This is not about profit. That has been stated; the gentleman has not challenged that. This is not about cutting. That has been stated; the gentleman has not challenged that. This is not about Ted Turner; the gentleman has not challenged that. This is not about sports; the gentleman has not challenged that.

The CHAIRMAN. The time of the gentleman from California [Mr. DELLUMS] has expired.

(By unanimous consent, Mr. DELLUMS was allowed to proceed for 1 additional minute.)

Mr. DELLUMS. Mr. Chairman, we have spent a tremendous amount of time here. If we continue along this line, given the electricity, the amount of staff, we will spend $500,000 in man and woman hours covering this debate, and at the cost that it would cost to print this debate in the RECORD it will more than likely grossly exceed the $500,000 that the gentleman from California is not even cutting from the budget.

So let me suggest to my distinguished colleague that I respect, revere, embrace, love to death, that he withdraw this amendment because it serves no useful purpose. If we are going to go forward in communication with the world as a great power, let it be understood that we have the capacity to engage in cultural exchange, and that we as a great Nation have the capacity to love the Dornans of the world, the Dellumses of the country and the Ted Turners of the Nation, because in this country we can indeed tolerate difference.

I yield back the balance of my time.

Mr. HASTERT. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, certainly the gentleman from California [Mr. DELLUMS] is very eloquent, and he certainly puts forth his view and his ideas very well.

But I think sometimes it comes that we must stand up and we must talk about what the issue really is. If we talk about in this Congress and in this body balancing a budget and being responsible and watching how we spend taxpayers' dollars, it is hard for me to go home and say, Mr. Chairman, yes, I spent $500,000 this year and $500,000 next year to bring over the Russian chess team for cultural exchange. Why can the Russians not send their own chess team over? This is exactly what this is for.

This is not athletics, it is not Ted Turner, it is not TV. It is common sense, Mr. Chairman. We should not in this body be entering into programs of cultural exchange when we are subsidizing other countries to bring their organizations over here.

Fine, send our teams abroad, send our teams to foreign countries, show people what the American culture is about. But I think it behooves the Russians to send their own people over here. That is what it is about, and it is talking about common sense, it is talking about making bright decisions, and good decisions, being frugal when we spend that 10-families' dollars, tax dollars that they worked long hours, and how we spend those dollars.

I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. HERGER].

The question was taken; and on a division (demanded by Ms. SNOWE) there were—ayes 9, noes 10.

RECORDED VOTE

Mr. HERGER. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 203, noes 201, not voting 29, as follows:

[Roll No. 193]

AYES—203

Andrews
Anthony
Archer
Armey
Badham
Baker
Ballenger
Bartlett
Barton
Bateman
Bentley
Bevill
Bilirakis
Bliley
Boehlert
Boulter
Broomfield
Brown (CO)
Bryant
Buechner
Bunning
Burton
Byron
Callahan
Campbell
Chapman
Cheney
Clinger
Coats
Coble
Coleman (MO)
Combest
Conte
Coughlin
Courter
Craig
Crane
Daub
Davis (IL)
de la Garza
DeLay
Derrick
DeWine
Dickinson
DioGuardi
Dornan (CA)
Dreier
Duncan
Durbin
Dyson
Early
Eckart
Edwards (OK)
Emerson
English
Erdreich
Fawell
Fields
Flippo
Frenzel
Gallegly
Gallo
Gekas
Gingrich
Goodling
Gradison
Grandy
Gregg
Gunderson
Hall (TX)
Hammerschmidt
Hansen
Harris
Hastert
Hefley
Hefner
Henry
Herger
Hiler
Holloway
Hopkins
Houghton
Hubbard
Huckaby
Hunter
Hutto
Hyde
Inhofe
Ireland
Johnson (CT)
Johnson (SD)
Jones (TN)
Kaptur
Kasich
Kemp
Kolbe
Konnyu
Kyl
Lagomarsino
Lancaster
Latta
Leach (IA)
Leath (TX)
Lent
Lewis (CA)
Lightfoot
Lipinski
Lott
Lowery (CA)
Lujan
Lungren
Mack
MacKay
Madigan
Marlenee
Martin (IL)
Martin (NY)
Martinez
McCandless
McCollum
McCurdy
McDade
McEwen
McGrath
McMillan (NC)
Meyers
Michel
Miller (OH)
Molinari
Montgomery
Moorhead
Murphy
Myers
Nichols
Nielson
Olin
Ortiz
Oxley
Packard
Patterson
Petri
Pickett
Pickle
Porter
Price (NC)
Pursell
Quillen
Ravenel
Rhodes
Ridge
Rinaldo
Ritter
Roberts
Robinson
Rogers
Roth
Roukema
Rowland (CT)
Saiki
Saxton
Schaefer
Schneider
Schuette
Sensenbrenner
Shaw
Shumway
Shuster
Skeen
Slaughter (NY)
Slaughter (VA)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Snowe
Solomon
Spence
Stenholm
Stump
Sundquist
Sweeney
Swindall
Synar
Tallon
Tauke
Taylor
Thomas (CA)
Upton
Valentine
Vander Jagt
Vucanovich
Walker
Watkins
Weber
Weldon
Whittaker
Whitten
Wolf
Wortley
Wylie
Young (FL)

NOES—201

Ackerman
Akaka
Alexander
Anderson
Annunzio
Applegate
Aspin
AuCoin
Barnard
Bates
Beilenson
Bennett
Bereuter
Berman
Biaggi
Bilbray
Boggs
Bonker
Borski
Bosco
Boucher
Boxer
Brennan
Brooks
Brown (CA)
Bruce
Bustamante
Cardin
Carper
Chandler
Chappell
Clarke
Clay
Coelho
Coleman (TX)
Collins
Conyers
Cooper
Coyne
Crockett
Darden
Davis (MI)
DeFazio
Dellums
Dicks
Dingell
Dixon
Dorgan (ND)
Dowdy
Downey
Dymally
Edwards (CA)
Espy
Evans
Fascell
Fazio
Feighan
Fish
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Frank
Frost
Garcia
Gaydos
Gejdenson
Gibbons
Glickman
Gonzalez
Gordon
Grant
Gray (IL)
Guarini
Hall (OH)
Hamilton
Hatcher
Hawkins
Hayes (IL)
Hayes (LA)
Hertel
Hochbrueckner
Horton
Howard
Hoyer
Hughes
Jacobs
Jeffords
Jones (NC)

Jontz
Kanjorski
Kastenmeier
Kennedy
Kildee
Kleczka
Kolter
LaFalce
Lantos
Lehman (CA)
Lehman (FL)
Leland
Levin (MI)
Levine (CA)
Lewis (GA)
Lloyd
Lowry (WA)
Luken, Thomas
Manton
Markey
Matsui
Mavroules
Mazzoli
McCloskey
McHugh
McMillen (MD)
Mfume
Mica
Miller (CA)
Miller (WA)
Mineta
Moakley
Mollohan
Moody
Morella
Morrison (CT)
Morrison (WA)
Mrazek
Murtha
Nagle
Natcher
Neal
Nelson
Nowak
Oakar
Oberstar
Obey
Owens (NY)
Owens (UT)
Panetta
Parris
Pashayan
Pease
Pelosi
Penny
Pepper
Perkins
Price (IL)
Rahall
Richardson
Rodino
Roe
Rose
Rowland (GA)
Russo
Sabo
Savage
Sawyer
Scheuer
Schroeder
Sharp
Sikorski
Sisisky
Skaggs
Skelton
Slattery
Smith (FL)
Smith, Robert (OR)
Solarz
Spratt
St Germain
Staggers
Stallings
Stangeland
Stark
Stokes
Stratton
Studds
Swift
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Vento
Visclosky
Volkmer
Walgren
Waxman
Weiss
Wheat
Williams
Wilson
Wise
Wolpe
Wyden
Yates
Yatron
Young (AK)

NOT VOTING—29

Atkins
Boland
Boner (TN)
Bonior (MI)
Carr
Daniel
Dannemeyer
Donnelly
Dwyer
Flake
Gephardt
Gilman
Gray (PA)
Green
Jenkins
Kennelly
Kostmayer
Lewis (FL)
Livingston
Lukens, Donald
Rangel
Ray
Regula
Roemer
Rostenkowski
Roybal
Schulze
Schumer
Tauzin

□ 1300

The Clerk announced the following pairs:

On this vote:

Mr. Roemer for, with Mr. Roybal against.

Mr. Lewis of Florida for, with Mr. Rangel against.

Messrs. SPRATT, PRICE of Illinois, APPLEGATE, MFUNE, and BARNARD, Mrs. LLOYD, and Messrs. SLATTERY, HAYES of Louisiana, and BOSCO changed their votes from "aye" to "no."

Ms. KAPTUR and Mr. CONTE changed their votes from "no" to "aye."

So the amendment was agreed to.

The result of the vote was announced as above recorded.

Mr. BROOMFIELD. Mr. Chairman, I move to strike the last word.

Mr. Chairman, while we are considering this bill to fund U.S. foreign affairs activities, I want to bring to the attention of the House recent action by the New Zealand Parliament that terminates that country's special security relationship with the United States.

Since February 1985, New Zealand policy has prohibited entry into New Zealand ports of the United States Navy ships, because they might carry nuclear weapons.

That policy breached New Zealand's alliance obligations under the Anzus Treaty of 1951, and in response in August 1986 the United States suspended its security obligations to New Zealand.

Two weeks ago, the New Zealand Parliament enacted the "Nuclear Free Zone, Disarmament, and Arms Control Act" which places the ship ban policy into law.

By enacting this law, New Zealand made its final national decision to shift its security relationship with the United States from one of close alliance to one of mere friendship.

I have introduced H.R. 85, the New Zealand Military Preference Elimination Act, to strike New Zealand from the list of allies—NATO countries, Japan, Australia, New Zealand—entitled to preferential treatment under various United States security assistance laws. The bill leaves New Zealand under the provisions that apply to friendly, but nonallied, countries.

My bill is a measured and proportionate response to New Zealand's enactment into law its U.S. ship ban. It adjusts the security relationship, but does not impose economic or other sanctions on New Zealand. The two countries should continue to enjoy close economic, political, and cultural ties, even though close security cooperation has ended by New Zealand's choice.

I should add that the administration supports my legislation.

The United States greatly regrets the choice New Zealand has made to leave the group of America's security allies, but New Zealand has made its choice, and United States law should be adjusted accordingly by enactment of H.R. 85.

Mr. Chairman, I yield to the gentleman from New York [Mr. SOLARZ], the chairman of the Subcommittee on Asian and Pacific Affairs.

Mr. SOLARZ. Mr. Chairman, I thank the gentleman for yielding.

I share the concerns which the gentleman from Michigan has very eloquently expressed.

The adoption of this legislation by the New Zealand Parliament has further complicated the task of reestablishing the kind of close and cooperative defense relationship which we had with New Zealand when ANZUS was a fully functioning tripartite alliance.

As the gentleman knows, after the adoption of this policy by New Zealand, but prior to the enactment of the legislation, we suspended our cooperation with New Zealand within the framework of ANZUS, and we made it very clear to the New Zealand Government that the adoption of this legislation was incompatible with the resumption of that cooperation.

I think the legislative response to this development proposed by the gentleman from Michigan makes a lot of sense. If New Zealand has adopted legislation which makes the implementation of our ANZUS commitments to them literally impossible, and their ANZUS requirement for cooperation with us impossible as well, it is difficult to see how we can continue justifying categorizing New Zealand as an allied nation for the purpose of the Arms Export Control Act.

I think, however, that this is the kind of issue which does need to be thoroughly aired. I want to say to the gentleman from Michigan, my friend, it would be my intention to hold a hearing before the subcommittee on Asian and Pacific Affairs for the precise purpose of considerating your legislation, and to solicit the views of the administration with respect to it.

It would also be my intention to try to move forward with that legislation at an appropriate time a little bit later in the session, after we have had an opportunity to consider the implications of it in more depth and detail.

I say to the gentleman from Michigan, I think the gentleman is moving in the right direction. Some sort of response to the New Zealand action is required.

We just want to make sure that whatever we do contributes to a resolution of this problem in a way which over time will facilitate a resumption of the kind of close cooperation we have had in the past.

Whatever New Zealand does or does not do with respect to its ANZUS commitments, we all, I think, recognize the New Zealand people are good friends of the United States. They have sacrificed much over the years in behalf of our common interests.

We want to maintain good relations with New Zealand in the future. It is a democracy, and we have so much in common; but if they want the benefits of the American defense commitment, they have to be prepared to accept the obligations that go with it.

AMENDMENT OFFERED BY MR. CONYERS

Mr. CONYERS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CONYERS: On page 56, strike out lines 23 through line 2 on page 57.

On page 61, strike lines 16 through line 2 on page 62 and on line 3 on page 62 redesignate "SEC. 210" as "SEC. 208".

On page 62, following line 22, insert the following new section:

SEC. 209. REPEAL OF THE NATIONAL ENDOWMENT FOR DEMOCRACY ACT.

The National Endowment for Democracy Act is hereby repealed.

Redesignate all sections, subsections, and the table of contents accordingly.

Mr. CONYERS. Mr. Chairman, I bring to my colleagues' attention an amendment that was introduced last year, and I hope that we will be able to gain the support of all of the Members who thought it very important on the last vote to save $500,000. This amendment would save $20 million, and I would argue that eliminating the National Endowment for Democracy would be a very important step in terms of balancing our economic priorities, where we have so many shortages in the domestic programs and such a shortfall in the money, considering our deficit.

So my first but not final point about the National Endowment for Democracy is that we need the $20 million, but the real consideration, Mr. Chairman, is that we need now to bring an end to the privatization of foreign policy because it is a prescription for confusion and failure. The National Endowment for Democracy takes upon itself to fund foreign political groups, foreign organizations, organizations for which we have little or no information, and groups that could embarrass our Government and have embarrassed our Government and made it the subject of puzzlement and ridicule.

This is the danger of the National Endowment for Democracy, and we come now in a completely different environment from last year. We now have a constitutional crisis in which we have a privatization of foreign policy being at the heart of indeed an intricate and complex amount of activity that is now under investigation by several committees.

So I ask all the Members here to join me in restricting the foreign policy-making ability of a totally private organization. I was just going over the oversight report that was put together by the chairman of the subcommittee last year, and we find that among our Board of Directors of the National Endowment for Democracy is our leader and friend, the honorable gentleman from Florida, Mr. DANTE FASCELL, who chairs the full committee on this very important subject. And it seems to me that we are presented with some difficult problems, some conflict problems, in which we have now the Democratic Party, the Republican Party, the Chamber of Commerce, and the AFL-CIO all very busy taking care of the business of deciding who and which organization shall promote democracy.

I see this as a very serious problem. When we look at the track record of the National Endowment for Democracy, we find in the headlines even now that the military-backed candidate in Panama in 1984 is the source of the great turmoil and rioting that is going on presently. We determined unilaterally, without the Congress ever taking part in it, without the State Department ever taking a position on it, to back the military-supported candidate in Panama, and we have a really critical situation going on there now.

France is another area that was a point of great embarrassment, where we found that we were supporting two organizations in France with taxpayer money without the knowledge or approval of Congress and perhaps without the knowledge of the Department of State, in which we were supporting organizations that were opposed to the democratic government then of Francois Mitterand. We had the internationally embarrassing situation of Prodemca, an apparently pro-Contra funding organization, that determined that because they were keeping the NED funds separate, they would have the audacity to take out full-page ads out of their other funding to advise the American people and the Congress itself through the Washington Post and the New York Times how the Congress ought to behave in deciding this incredibly complex and emotional problem of how we deal with Nicaragua and the Contras.

We have a problem revealed in the oversight hearings of the chairman of the subcommittee—and I want to commend him on his fairness in our attempts to meet and discuss this problem—that at the time of those hearings 88 percent of the grants from the National Endowment for Democracy was going to the organization who were represented on its board.

So I would urge my colleagues to give very close attention to this amendment, because as a result again of the oversight hearings we were able to find much of this information.

The CHAIRMAN. The time of the gentleman from Michigan [Mr. CONYERS] has expired.

(By unanimous consent, Mr. CONYERS was allowed to proceed for 5 additional minutes.)

□ 1315

Mr. CONYERS. Mr. Chairman, I would like for us to consider that in addition to funding the activities of political parties abroad, of operating in democracies, such as Portugal and Spain, that we now also have grantees who are covert. We have a covert division of NED in which we have secret grantees that cannot even be revealed to the Oversight Committee for audit; so this is an incredible circumstance that the Congress, I hope, will no longer tolerate, that we will not move to eliminate this provision which is under USIA and therefore not very carefully controlled, from the authorization that is before this body.

It is a continuing embarrassment. It is one in which a number of distinguished conservative writers and spokesmen have agreed that the National Endowment for Democracy has no place in a democratic system performing our foreign policy.

We cannot allow a $20-million-a-year private organization determine which political organizations in the world will get taxpayer money.

Now, there are some good things that NED is doing and I want to be the first to concede that where there are projects, I saw the Council for Negro Women have a project, they have a few projects in South Africa trying to build up good will. Of course, nothing is all bad.

Those projects can be funded through the public and private foundations that exist in this country that are already funding worthy causes, to the tune of $1½ billion.

We do not need this kind of an organization to be assisting in that character. It is completely, totally out of order, for this committee to allow this to continue in our foreign policy negotiations. It is an embarrassment to the Nation. It should be an embarrassment to the Congress and it is about time that we took it out once and for all and got rid of it.

We have heard economic arguments for amounts of money as little as $50,000 a year. I am talking about $20 million a year, and we can save that money.

The programs that are valuable can go through AID. They can go through USIA. They can go through private and charitable foundations and we will not have to continue to come to this subcommittee and ask them to oversight what is, in fact, a minuscule part of their jurisdiction and their responsibilities. They have important work to do in monitoring many of the State Department agencies. This is among the smallest of their responsibilities, and yet the most controversial and the most unacceptable.

I ask the Members of Congress to carefully examine as to whether you want the National Endowment for Democracy, a private organization, funded with taxpayers' money, that then sends moneys out to grantees that they choose, 88 percent of whom are funded from members of their core group. We have Members of Congress sitting on the executive board of the organization. It absolutely defeats the purpose of a legitimate and a logical way to proceed in establishing foreign policy, training people about democratic actions around this country.

Mr. LAGOMARSINO. Mr. Chairman, will the gentleman yield?

Mr. CONYERS. Of course, I yield to the gentleman from California.

Mr. LAGOMARSINO. Mr. Chairman, I thank the gentleman for yielding. I have asked the gentleman to yield for the purpose of asking if the gentleman would correct a statement he made. I think twice the gentleman said that the authorization in the bill was $20 million. The figure I have, and the documents show, it is $17.5 million, although the administration asked for $25 million and it was more than that last year; but I hope the gentleman will correct that. It is $17.5 million, not $20 million.

Mr. CONYERS. Yes. I think it started off at a higher figure. It is down to $17 million, which is about a million or so less than it was the year before. I stand corrected.

Mr. BERMAN. Mr. Chairman, I move to strike the requisite number of words and I rise in opposition to the amendment.

Mr. Chairman, I am sorry to have to oppose the amendment of my friend. I have not had to do this on many occasions in the past in this body, but I do think this is a case of trying to eliminate a congressional creation that symbolizes and typifies what can be the best of American foreign policy. The debate that is frequently undertaken on the floor of the Congress and in the country between an isolationist or a noninterventionist viewpoint and an interventionist viewpoint is frequently a very sterile one. If there is one thing that I think can bind this country from a range of ideological views, from the left to the right, it is the notion that democratic institutions and efforts by this country to promote democratic institutions around the world, not through military intervention, not automatically and unnecessarily through economic sanctions where they are not designed to work, but through the kind of day-to-day work in funding and working with people who want to be educated about democracy and democratic institutions and who want to move in that direction in their own countries, is the best kind of action we can take.

I think the conceptual framework for the National Endowment for Democracy is very long overdue. Franklin Roosevelt's top adviser, Harry Hopkins, pointed out a long time ago that our country should not be diffident and apologetic and unimaginative about promoting democratic processes throughout the world.

Countries like West Germany, Venezuela, Sweden, and Costa Rica, exemplars of democratic values in this world where those valued frequently are ignored, have been funding this kind of activity for many years. The West German Parliament alone allocated $220 million each year to its party foundations for political development work; so I think that the conceptual framework for which we have adopted the National Endowment for Democracy makes tremendous sense and it will be a tragedy to eliminate it at this point in its early life.

Second, the specific programs that the National Endowment for Democracy have taken, while in a couple cases controversial, have for the most part been both successful and very well received by people of a wide range of views within this country.

Corazon Aquino herself noted the work of the National Endowment for Democracy in her own recent election struggle, where she said:

> It is for this reason that we shall always remember in gratitude and appreciation the Endowment's important assistance to the democratic struggle of our country. Such contribution and commitment to the hopes and ideals of democracy is the Endowment's greatest legacy, not only to the Filipino people, but to the rest of humanity.

If you look at their programs in South Africa or in South Korea, the many programs they are involved with in Chile, to try to reverse the direction of what has become truly a totalitarian state, around the world they are working to promote the values that all of us, Democrat and Republican, liberal and conservative, claim to hold.

It would be a grave mistake to take a very prudent budget which has been allotted for this particular function, significantly less than the administration has requested, too small in my opinion, less than last year, and to eliminate it.

I would urge a no vote.

Mr. LAGOMARSINO. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in very strong opposition to the amendment by the gentleman from Michigan.

You know, there are those in this Chamber and around this country who are always saying of President Reagan that the only policy he has is one of military adventurism. The subject that we are debating today proves that just is not true. Here is an effort made to involve all kind of different bodies and organizations in diplomacy and negotiations and in the promotion of democracy.

This body has debated the merits of the National Endowment for Democracy ever since its founding 4 years ago. I would have thought that NED would have convinced its critics by now with its praiseworthy and creative support of democracy throughout the world.

The endowment received strong public praise for its effort in observing the elections in the Philippines last year, which resulted in the departure of President Marcos and the swearing in of President Aquino.

Most recently, the National Endowment for Democracy sponsored a conference on "The Challenge of Democracy" which focused on efforts now underway to advance the cause of democracy throughout the world. I had the privilege of participating on a panel with the topic of "Supporting Democratic Transitions." The conference brought together individuals from Chile, Paraguay, Haiti, the Philippines, Argentina, Portugal, and a number of other countries which are in varying stages of transition to democracy. In some cases, there were doubts whether there will be a transition or not, but the conference offered a useful opportunity to share the experiences of a number of emerging democracies.

Without the National Endowment for Democracy and the related private institutes of the AFL-CIO, the Chamber of Commerce, and the Democratic and Republican Parties, the opportunities and resources for advancing the cause of democracy would be severely limited.

I urge my colleagues to defeat this ill-advised amendment and demonstrate their strong support for the cause of democracy and the National Endowment for Democracy.

Mr. SHUMWAY. Mr. Chairman, will the gentleman yield?

Mr. LAGOMARSINO. I yield to the gentleman from California.

Mr. SHUMWAY. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, the road to democracy is not easy or short. Democracy does not come with a single election. What happens between elections is crucial. It is essential that the means exist for the full participation of ordinary citizens in the life of society. The National Endowment for Democracy is working to build to infrastructure for democracy to ensure this participation.

While I initially had misgivings about the Endowment, I have had an opportunity to see what grass roots efforts can do. NED supports programs designed to build strong, stable political parties committed to the democratic process; independent private-sector institutions, such as trade unions and business associations; civic organizations, women and youth groups.

At a time when Central America has been inundated with Marxist literature from Havana and Managua, Libro Libre with support from NED has made available to the entire region a literature of democracy.

NED is also involved in telling the tragic story of thousands of political prisons in Castro's Cuba through an organization led by Armando Valladares, the well-known author of "Against All Hope."

By supporting the National Endowment for Democracy we are helping to promote and ensure the future of democracy in countries around the world.

I urge defeat of the amendment.

Mr. MICA. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I, too, rise in opposition to the gentleman's amendment. But I want to assure the gentleman and my colleagues in the Chamber that I have done and will continue to try to do everything I can to address any legitimate concerns that are addressed to NED.

A number of controversies have been raised with regard to this organization. Almost every one of those were problems that we addressed 2 and 3 years ago. I will submit for the Record a comment on each of those problems. I think that suffices to say that I oppose the amendment.

I will just add that I know the gentleman who offered the amendment suspects that there may be some improper or illegal use of the NED funds.

I would just assure the gentleman and my colleagues that if any of the suspicions or any of the concerns are true, or we find any new information that proves that such activities are taking place, then I, too, will throw my support to an amendment that would eliminate this organization from the budget. I do not want to be involved in supporting any project or governmental entity that knowingly spends money improperly. But I must say, we have required a GAO investigation, and audits by the USIA inspector general. Audits are ongoing right now. So far, we have not found one single case of illegal use of funds.

RESPONSES TO CHARGES MADE AGAINST NED

Charge: That NED allows the United States to meddle in foreign elections and domestic politics of other countries. NED moneys supported a military-backed candidate in the 1984 presidential elections in Panama.

Response: In 1984, the Free Trade Union Institute supported a project to increase worker participation in the 1984 presidential election in Panama. As part of this project, support was provided for a rally organized in competition with a Communist May Day rally. The candidate referred to spoke at this rally. The Congress has subsequently enacted legislation to ensure that NED consult with the Department of State on its programs, and to ensure that NED use no funds to support any political candidates. The Endowment has been active in Panama since then with a program with the YMCA for a youth education project.

Charge: NED supports organizations which are represented on the NED Board.

Response: As a result of congressional earmarking of funds, about 80 percent of NED's funds went to the Free Trade Union Institute and the Center for International Private Enterprise represented on the NED Board. Now that the earmarks have been removed, the proportion of funds awarded to these organizations has decreased dramatically. In addition, the Congress has mandated that the directors or employees affiliated with the party national committees step off the Republican and Democratic Institute Boards. The institutes have complied.

Charge: That NED funded the Nicaraguan opposition newspaper, La Prensa, and thus intervened in an internal political dispute.

Response: The Endowment funded a grant to Prodemca to provide newsprint to the Nicaraguan paper, La Prensa. The Endowment was supporting freedom of information, a basic human right.

Charge: NED supported a Philippine labor union created by the deposed dictator, Ferdinand Marcos.

Response: The Trade Union Congress of the Philippines was founded in 1975 following discussion among the leaders of virtually every trade union organization in that country whose leaders had widely ranging political views—including those allied with the Communist insurgency.

The union's general secretary helped investigate the murder of Benigno Aquino.

The union provided much of the manpower for the private organization (Namfrel) which monitored the February 1986 elections, widely viewed as unsupportive of Marcos.

President Aquino invited the union's general secretary, Ernesto Herrera, to become a candidate for the Senate on the Aquino slate of candidates, and he was subsequently elected.

Charge: NED funded such organizations as Prodemca which have been tied to the Contras and whose efforts resulted in the closing of the Nicaraguan newspaper, La Prensa.

Response: Chairman Mica mandated an audit of NED funds going to Prodemca by the USIA inspector general. The audit clearly found that no funds were used by Prodemca for purposes other than those intended by the grant—to provide newsprint for the Nicaraguan newspaper and to support the Human Rights Committee in Nicaragua. No funds were used to support Prodemca's pro-Contra advertising. NED can't prevent any grantee organization from engaging in other activities. However, NED has ended its grant relationship with Prodemca.

Charge: NED supports international organizations with very ideological and political agendas—the ADN Party in Bolivia, the Conservative Party in Colombia, the Center for Political Studies in Guatemala.

Response:

First, Bolivia: NED does not support the ADN Party. The National Republican Institute for International Affairs has a program of assistance to Fundemos—a private, nonprofit public policy research institute devoted to democratic development of Bolivia, which has had affiliations with ADN.

Second, Colombia: NED does not support the Conservative Party in Colombia. The National Republican Institute had worked with FEPED, which conducted a study of voting patterns in that country—focusing on high rate of abstention—and is affiliated with the conservative party—one of the oldest democratic institutions in the hemisphere.

Third, Guatemala: This charge refers to a NED grant to CEDEP in Nicaragua which funded a civic education project prior to the last election. Committee staff was able to view filmed advertisements made with the support of the NED grant. In these ads, prominent Guatemalans—ranging from Miss Guatemala, sports stars, and a member of the clergy—urged Guatemalans to get out and vote.

Charge: NED supported a paramilitary subversive group that was trying to overthrow the Government of France.

Response: In 1985, NED was criticized for funding two labor groups which were in opposition to the French Government.

UNI is a group of professors and students founded in 1969 as an alternative to leftist organizations. It was charged that this organization had historical ties to a Gaullist group—"rightwing paramilitary organization"—founded to protect DeGualle from coups. However, this organization no longer exists and UNI denies any affiliation to it. NED grants to UNI were used to fund publications on systems of justice, civil liberties, and the Gorbachev visit to France. Yves Durand, vice president of UNI, was appointed Counselor for Education and Research to Prime Minister Jacques Chirac.

FO [Force Ouvriere] is the largest non-Communist French trade union organization. NED funded programs in democratic education for the union rank and file, assisted trade union exiles residing in France—from Bulgaria, Hungary, Romania, Czechoslovakia—and aided Vietnamese, Cambodian, and Afghan refugees. Other FO programs include: support for Solidarity, aid for Ethiopian famine victims.

Charge: GAO found that violated congressional mandates by adjusting earmarks for the core grantees.

Response: Earmarks constituted 91 percent of NED funding in 1984; $16.3 million was earmarked out of an appropriation of $18 million. In seeking to reconcile the earmarks and the low appropriation, NED allotted only $12.7 in earmarked funds to FTUI and CIPE. GAO reviewed this Board decision to grant two grantees less than the full amount specified by the earmarks. GAO found that the Board's actions were "understandable in light of the legislative background," but ruled that an agency must comply with the guidelines in the authorizing legislation. The Board complied and awarded the full earmarks for fiscal 1985.

Charge: GAO funded the National Political Party Institutes in violation of congressional law.

Response: Congress barred the Endowment from granting fiscal year 1985 funds to the party institutes. However, in December 1985, the Congress allowed the Endowment to grant fiscal year 1986 funds to NDI and NRI if they divested their boards of individuals employed by or on the boards of the Democratic and Republican National Committees.

Charge: That the National Endowment for Democracy was the "overt side" of the administration's covert foreign policy initiative called Project Democracy.

Response: On April 28, Representative Conyers submitted for the Record the February 15 New York Times article regarding Project Democracy. This article describes the program as the administration's clandestine operation to deal with Iran and the Nicaraguan rebels, and to carry out foreign policy initiatives that other Government agencies were unable to pursue. The article cites NED as the public arm of this covert operation. USIA's IG is looking into this question as did the Tower Commission. The IG has discovered no relationship between the two and will issue the subcommittee a report on its findings. A subsequent New York Times editorial entitled "The Good Project Democracy"—March 13, 1987—clarified the confusion over "Project Democracy" and the NED.

Charge: That NED supports activities of the Contras.

Response: Chairman Mica has directed the USIA inspector general to certify that no NED funds were being used to fund the Contras.

USIA audit of Caribbean grants: It has been a NED policy to fund organizations through U.S. based groups. One of these "pass-through" organizations, the Institute for North-South Issues [INSI], a NED grantee, has been linked in the press with Lieutenant Colonel North's support to the Contras. The Endowment has terminated its relationship with INSI in order to shield the subgrantees from controversy. The USIA IG is looking at INSI's books to ensure that NED funds have been used solely for the purposes described in the grant agreements.

INSI administered four grants in the Caribbean, two in Haiti, and one each in Barbados and Guyana. The audit focus is on the proper use of funds and whether the grants are properly managed.

□ 1330

Ms. SNOWE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I will be very brief, but I would like to express my opposition to the amendment that has been offered by the gentleman, because I think that the work that the National Endowment for Democracy does is very important. It is important for establishing democratic roots in other countries. It is the only organization whose sole purpose is to promote democratic values and democratic institutions and to establish democratic links with other groups within individual countries.

I know that there have been problems with the National Endowment for Democracy in the past, and I originally opposed its formation several years ago, but I have had the opportunity to learn about the good work of the National Endowment, and I believe that it does perform work around the world in the advancement of the United States' interests.

We have attempted in the subcommittee over the last few years to make changes in that program to address some of the problems that the gentleman from Michigan has mentioned this afternoon concerning some of the controversial grants. The accounting procedures were lax in the past when it was originally formed, but over the past 2 years we have made substantive changes which I think are important to raise.

We first of all made a change that requires funds not to be expended to finance the campaigns of candidates for political office. Funds may not be expended to finance the Republican or Democratic National Committees. No funds may be expended for partisan activities on behalf of either the Republican or Democratic National Committees for any candidates for public office or on behalf of any political party.

NED must consult with the Department of State in any overseas program before the program begins. NED is the subject of the Freedom of Information Act with USIA to handle any of these requests, contrary to what the gentleman indicated in suggesting that all their activities are not open for public review and audit. The U.S. Information Agency can audit the National Endowment for Democracy as well as the grantees and all activities of the National Endowment.

So I think that we have taken a number of important steps to improve the National Endowment and provide the kind of legislative guidance that is necessary to this program, particularly because of the nature of its work it can create controversy in its attempt to foster democracy in countries that are dictatorships or are totalitarian in nature.

So I would hope that the members of this committee would oppose the gentleman's amendment. We want to support American interests in other countries, and NED grantees only work in countries at the request of other groups within those countries who are seeking to establish democracy.

Mr. LEWIS of California. Mr. Chairman, will the gentlewoman yield?

Ms. SNOWE. I yield to the gentleman from California.

Mr. LEWIS of California. I thank the gentlewoman for yielding.

Mr. Chairman, I want to associate myself with the gentlewoman's remarks. Clearly one of the stories to be told is the story of the rise of democracy, particularly in the developing part of the world. Significant progress has been made in places like Costa Rica and Guatemala. Evidence of unrest in Poland, concern about freedom, that voice that says that there is a chance for humankind besides dictatorship. It is critical to the world.

America ought to be standing for freedom in the world. This is one voice that is attempting to play a role in that.

The gentlewoman has addressed herself to some of the difficulties that all of us shared regarding this organization early on, and I think significant progress has been made. We certainly should not turn off this opportunity at this moment.

Ms. SNOWE. I thank the gentleman for his contribution, and I would urge Members to vote against this amendment.

Mr. HAYES of Illinois. Mr. Speaker, I move to strike the requisite number of words.

Mr. Speaker, I would like to speak in support of the amendment offered by the gentleman from Michigan. I have always thought that it is the State Department's responsibility to develop friends around the world. They do not always do it, but I think that that is their responsibility.

Mr. CONYERS. Mr. Chairman, will the gentleman yield?

Mr. HAYES of Illinois. I yield to the gentleman from Michigan.

Mr. CONYERS. I thank the gentleman for yielding.

Mr. Chairman, I want to first of all express my appreciation for the cooperation that I have received from the chairman of this subcommittee, the gentleman from Florida [Mr. Mica]. I appreciate the work that the gentlewoman from Maine [Ms. Snowe], the ranking minority member, has contributed to improving the National Endowment for Democracy to the best of her ability. I remember reading some very critical questions and points that she made at earlier times during that juncture.

Let us be honest, Mr. Chairman, it is pretty hard for anybody on this committee to be opposed to an organization when the chairman of the Committee on Foreign Affairs is a member of the Executive Board. I respect the problem that they have, regardless of how they may feel about this program, but as long as my good friend and longtime colleague, the gentleman from Florida, Mr. Dante Fascell, serves on this Board, it is pretty impossible for us to actually think that this committee by itself is going to take this step. It just will not happen. They know it and I know it.

The one way that it will happen is that every Member of this Congress who is not a part of this distinguished committee of ladies and gentlemen will take the step for it and separate it for us.

It is nice to come out here and talk about, "Let's promote democracy all over the place," and we just voted against a puny amendment that would help intercultural relations by a very close vote, and it only cost $500,000.

I heard Members complaining about the crunch that we are in economywise, the deficit. Nobody mentioned Gramm-Rudman-Hollings, but I will mention it now, if it is necessary.

It should be made clear to the gentleman from Florida [Mr. MICA] that there is secret funding going on in NED. That is not an emotional subject that I am raising or an irrelevant subject that I am raising, and having just come out of the Iran-Contra hearings it would seem to me that somebody besides myself in the Congress, maybe even on the Committee on Foreign Affairs, might be slightly concerned about a private organization whose secret funding it would not even submit to the audit of the GAO.

Now where did I get that? Well, I got it out of the oversight report of the good work that was done by this subcommittee and its chairman and ranking leader, and I refer to page 273.

When responding to the president of the National Endowment for Democracy, he made it clear to you that you could not find out in an audit about several of their funding operations because of the sensitive nature of their program. There is a covert operation going on in the National Endowment for Democracy. The president of the organization said so. That is how I know.

I have not been able to find out much else. It is a pretty tight ship that they run over there. But the subcommittee chairman has been cooperative. We are trying to find out where we are going, but it just does not play for the American people to think that a $20 million program with core grantees receiving 88 percent of the funds are necessary for us to promote good will and democratic practices around the world and the United States of America. It is not necessary.

I would like the subcommittee chairman to at least make some kind of response about what I consider to be a fairly serious charge.

The CHAIRMAN. The time of the gentleman from Illinois [Mr. HAYES] has expired.

(On request of Mr. MICA and by unanimous consent, Mr. HAYES was allowed to proceed for 2 additional minutes.)

Mr. CONYERS. Mr. Chairman, will the gentleman continue to yield?

Mr. HAYES of Illinois. I yield to the gentleman from Michigan.

Mr. CONYERS. Let me just read what Mr. Gersham said on page 273: "Clearly it is impractical to audit several NED subgrantees due to the sensitive nature of their program."

Well, there are two kinds of programs. There are covert programs, and then there are sensitive programs. There are some that are not as secret as others.

Mr. MICA. Mr. Chairman, will the gentleman yield?

Mr. HAYES of Illinois. I yield to the gentleman from Florida.

Mr. MICA. I thank the gentleman for yielding.

Mr. Chairman, I have tried to keep the rhetoric as low as I can in this debate. What the gentleman is reading refers to a situation in which we were asked not to give the names of some individuals or groups which had received NED money because it might be dangerous to the grantee. This is not covert funding. As a result of those hearings and that oversight, however, we have made NED subject to freedom of information provisions. We instituted auditing procedures, and so far, we can assure you none of that exists.

The subcommittee was informed of the grants, but they did not put the names in the report, the names of individuals who in a Communist country or an East-bloc nation received some grants and, if their names had been put in the record, could have had their lives in danger.

□ 1340

We have now changed the law to say that there is freedom of information and there are audits. In fact, as a result of our hearings, we have audits going on.

I must just say as carefully and as clearly as I can, I know the gentleman suspects that there is a major covert operation going on, but we have found nothing, no evidence in auditing reports, in GAO reports, from committee investigations. But we will continue, and if I find anything, NED will lose my support also.

Mr. CONYERS. Mr. Chairman, will the gentleman yield?

Mr. HAYES of Illinois. I am glad to yield to the gentleman from Michigan.

The CHAIRMAN. The time of the gentleman from Illinois [Mr. HAYES] has expired.

(On request of Mr. CONYERS and by unanimous consent, Mr. HAYES of Illinois was allowed to proceed for 3 additional minutes.)

Mr. CONYERS. Mr. Chairman, may I say to the gentleman from Florida that I am totally convinced of his sincerity and the conviction with which he has pursued the questions I have raised on this subject. I want to make that very clear, and I appreciate his cooperation.

But the only thing I say to the gentleman from Florida [Mr. MICA] is the oversight hearings that I was privileged to participate in and that he conducted last year, I cannot tell the gentleman what has happened since the oversight hearings because we did not have any this year. The gentleman was quite busy getting the authorization bill out. But as of that time, there were secret audits that could not be gone into. What the reasons were, I have not the vaguest idea.

Mr. MICA. I think there is a misunderstanding. It is just simply not correct to say that there was no additional information. Since that report came out and since the legislation 2 years ago, all of that information is covered by FOIA.

I recall some years ago, before I was chairman of this subcommittee, I think the gentleman and some on the other side sought information from NED and could not get it. We changed the law so that any request under FOIA would have had to have been complied with.

Mr. CONYERS. Let me tell my colleague that there are some requests even under FOIA that are not opened up, and FOIA does not open up all of the reports in the world, which the gentleman knows. FOIA opens up what might be opened up according to the way the law was drafted to cover it. It does not make anything that is agreed not to be revealed. There are certain things that even FOIA will not reach.

I am glad to know that that has happened, but the gentleman has talked about oversight hearings again, and I am convinced that he will come to them as soon as he can. But we still have the question of privatizing American foreign policy into a group that has absolutely no business in countries, some of which are already democracies, others of which their work is highly questionable. We have foundations, we have the USIA, which is doing this work and clearly then for us to come up here and piously talk about what a few hundred grants are doing to make American good will relationships better it seems to me misses the mark.

We are now in an era that revealed that the privatization of American foreign policy has created a crisis in constitutional government. Ladies and gentlemen, we are here today in the shadow of crisis determining to allow a group of people in the private sector to continue to give money to political parties, foreign political parties. It seems to me to be patently outrageous.

Mr. MILLER of Washington. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to the Conyers amendment to repeal funding for the National Endowment for Democracy.

One of the central questions before Congress is our role in the world. Too often, we hear that the United States relies too heavily on military means to influence international politics. The National Endowment for Democracy is one of the most effective nonmilitary tools we have. From seeking compliance to the Helsinki accords by the Soviets to ending military rule in Chile, NED is helping open the closed societies of the world. From the Philippines to Argentina, NED is helping strengthen new democracies.

I know that the author of this amendment is deeply concerned about ending apartheid in South Africa. One of the key groups helping build a democratic black alternative to the white minority government in South Africa is the National Endowment for Democracy. Last month, at a conference sponsored by NED, two frontline opponents of apartheid, Mr. Percy Qoboza, the editor of City Press and Mr. Alex Boraine, the cofounder of the Institute for a Democratic Alternative for South Africa spoke highly of NED's work to build a multiracial democracy in South Africa.

My message, Mr. Chairman, should be clear. We need the good work of the National Endowment for Democracy all around the world.

I urge my colleagues to vote no on this amendment.

Mr. ATKINS. Mr. Chairman, I rise today to voice my opposition to the Conyers amendment—which if approved would disband the National Endowment for Democracy.

The American scholar Robert Maynard Hutchins once wrote that "the death of democracy is not likely to be an assassination from ambush. It will be a slow extinction from apathy, indifference, and undernourishment."

Since its inception in 1983, the National Endowment for Democracy has done all that it can to prevent the indifference and apathy that Mr. Hutchins spoke of from endangering global democracy. Through the use of various grass roots strategies and in the spirit of bipartisanism, the Endowment has creatively and enthusiastically broadened the U.S. commitment to democracy and strengthened many of our allies worldwide.

The NED's list of accomplishments over the past 4 years is wide ranging and highly commendable. The NED helped to fund poll watching during the February 1986 Philippine elections. In South America, it helped to develop the first ever labor-business conference in Paraguay. At the same time that the Endowment was assisting the solidarity movement in Poland, it was helping to create the first democratic study center in Haiti.

As you can see, Mr. Chairman, the NED has been far from unproductive in its brief history. This year's State Department authorization bill calls for a funding level for the NED of $17.5 million—$7.5 million less than the administration's original request.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan [Mr. CONYERS].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. CONYERS. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 91, noes 310, not voting 32, as follows:

[Roll No. 194]

AYES—91

Akaka
Applegate
Barnard
Bates
Beilenson
Bosco
Boucher
Boxer
Brennan
Brown (CA)
Brown (CO)
Carr
Clay
Clinger
Collins
Conyers
Crane
Crockett
Daub
DeFazio
Dellums
Derrick
Dingell
Dorgan (ND)
Durbin
Dymally
Dyson
Early
Eckart
Edwards (CA)
Espy
Evans
Flake
Florio
Ford (MI)
Ford (TN)
Frank
Frenzel
Gekas
Gonzalez
Gray (IL)
Hall (OH)
Hughes
Jacobs
Jontz
Kanjorski
Kastenmeier
Leach (IA)
Leath (TX)
Leland
Lowry (WA)
Luken, Thomas
Markey
Martin (IL)
Mazzoli
McGrath
Miller (CA)
Moody
Morrison (CT)
Murphy
Oakar
Obey
Olin
Owens (NY)
Panetta
Patterson
Pease
Price (IL)
Rahall
Savage
Schroeder
Sensenbrenner
Sisisky
Spratt
Stark
Stenholm
Studds
Sundquist
Synar
Tauke
Towns
Traficant
Vento
Volkmer
Walgren
Wheat
Whitten
Wise
Wolpe
Wyden
Yates

NOES—310

Ackerman
Alexander
Anderson
Andrews
Annunzio
Anthony
Archer
Armey
Aspin
Atkins
AuCoin
Badham
Baker
Ballenger
Bartlett
Barton
Bennett
Bentley
Bereuter
Berman
Bevill
Bilbray
Bilirakis
Bliley
Boehlert
Boggs
Bonker
Borski
Boulter
Brooks
Broomfield
Bruce
Bryant
Buechner
Bunning
Burton
Bustamante
Byron
Callahan
Campbell
Cardin
Carper
Chandler
Chapman
Cheney
Clarke
Coats
Coble
Coelho
Coleman (MO)
Coleman (TX)
Combest
Conte
Cooper
Coughlin
Courter
Coyne
Craig
Darden
Davis (IL)
Davis (MI)
de la Garza
DeLay
DeWine
Dickinson
Dicks
DioGuardi
Dixon
Dornan (CA)
Dowdy
Downey
Dreier
Duncan
Edwards (OK)
Emerson
English
Erdreich
Fascell
Fawell
Fazio
Feighan
Fields
Fish
Flippo
Foglietta
Foley
Frost
Gallegly
Gallo
Garcia
Gaydos
Gejdenson
Gibbons
Gingrich
Glickman
Goodling
Gordon
Gradison
Grandy
Grant
Green
Gregg
Guarini
Gunderson
Hall (TX)
Hamilton
Hammerschmidt
Hansen
Harris
Hastert
Hatcher
Hawkins
Hayes (IL)
Hayes (LA)
Hefley
Hefner
Henry
Herger
Hertel
Hiler
Hochbrueckner
Holloway
Hopkins
Houghton
Howard
Hoyer
Hubbard
Huckaby
Hunter
Hutto
Hyde
Inhofe
Ireland
Jeffords
Jenkins
Johnson (CT)
Johnson (SD)
Jones (NC)
Jones (TN)
Kaptur
Kasich
Kemp
Kennedy
Kildee
Kleczka
Kolbe
Kolter
Konnyu
Kyl
LaFalce
Lagomarsino
Lancaster
Lantos
Latta
Lehman (CA)
Lehman (FL)
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Levin (MI)
Levine (CA)
Lewis (CA)
Lewis (GA)
Lightfoot
Lipinski
Lloyd
Lott
Lowery (CA)
Lujan
Lungren
Mack
Madigan
Manton
Marlenee
Martin (NY)
Matsui
Mavroules
McCandless
McCollum
McCurdy
McDade
McEwen
McHugh
McMillan (NC)
McMillen (MD)
Meyers
Mfume
Mica
Michel
Miller (OH)
Miller (WA)
Mineta
Moakley
Molinari
Mollohan
Montgomery
Moorhead
Morella
Morrison (WA)
Mrazek
Murtha
Myers
Nagle
Natcher
Neal
Nelson
Nichols
Nielson
Nowak
Oberstar
Ortiz
Owens (UT)
Oxley
Packard
Parris
Pashayan
Pelosi
Penny
Pepper
Perkins
Petri
Pickett
Pickle
Porter
Price (NC)
Quillen
Ravenel
Regula
Rhodes
Richardson
Ridge
Rinaldo
Ritter
Roberts
Robinson
Rodino
Roe
Rogers
Rose
Roth
Roukema
Rowland (CT)
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Russo
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Saxton
Schaefer
Scheuer
Schneider
Schuette
Schumer
Sharp
Shumway
Shuster
Sikorski
Skaggs
Skeen
Skelton
Slattery
Slaughter (NY)
Slaughter (VA)
Smith (FL)
Smith (NE)
Smith (NJ)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Snowe
Solarz
Solomon
Spence
St Germain
Staggers
Stallings
Stangeland
Stokes
Stratton
Stump
Sweeney
Swift
Swindall
Tallon
Taylor
Thomas (CA)
Thomas (GA)
Torres
Torricelli
Traxler
Udall
Upton
Valentine
Vander Jagt
Visclosky
Vucanovich
Walker
Watkins
Waxman
Weber
Weiss
Weldon
Whittaker
Williams
Wilson
Wolf
Wortley
Wylie
Yatron
Young (AK)
Young (FL)

NOT VOTING—32

Bateman
Biaggi
Boland
Boner (TN)
Bonior (MI)
Chappell
Daniel
Dannemeyer
Donnelly
Dwyer
Gephardt
Gilman
Gray (PA)
Horton
Kennelly
Kostmayer
Lewis (FL)
Livingston
Lukens, Donald
MacKay
Martinez
McCloskey
Pursell
Rangel
Ray
Roemer
Rostenkowski
Roybal
Schulze
Shaw
Smith (IA)
Tauzin

☐ 1355

Messrs. WEBER, PARRIS, MFUME, MARTIN of New York, DIXON, and HOLLOWAY changed their votes from "aye" to "no."

Messrs. SPRATT, VENTO, APPLEGATE, and DELLUMS changed their votes from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

Mr. LEACH of Iowa. Mr. Chairman, I move to strike the last word.

I rise simply to enter into a very brief colloquy with the chairman of the subcommittee of jurisdiction.

Mr. Chairman, it is my understanding that section 24(b) of the State Department Basic Authorities Act of 1956 authorizes the appropriation of whatever funds are necessary to offset currency fluctuations in order to maintain congressionally authorized levels of activity.

Is it your understanding that the authority of this section is available for funding for the American Institute in Taiwan [AIT]?

Mr. MICA. Mr. Chairman, will the gentleman yield?

Mr. LEACH of Iowa. I yield to the chairman of the subcommittee, the gentleman from Florida [Mr. Mica].

Mr. MICA. I thank the gentleman for yielding.

Mr. Chairman, yes, it is.

Mr. LEACH of Iowa. I thank the gentleman and I yield back the balance of my time.

The CHAIRMAN. Are there any other amendments to title II?

If not, the Clerk will designate title III.

The text of title III is as follows:

TITLE III—VOICE OF AMERICA

SEC. 301. AUTHORIZATIONS OF APPROPRIATIONS.

(a) Authorizations.—In addition to the amounts authorized to be appropriated under title II, the following amounts are authorized to be appropriated for the Voice of America for carrying out title V of the United States Information and Educational Exchange Act of 1948 and the Radio Broadcasting to Cuba Act:

(1) Salaries and expenses.—For "Salaries and Expenses", $177,200,000 for the fiscal year 1988 and $184,288,000 for the fiscal year 1989.

(2) Acquisition and construction of radio facilities.—For "Acquisition and Construction of Radio Facilities", $66,000,000 for the fiscal year 1989.

(3) Voice of america/europe.— For "Voice of America/Europe", $3,000,000 for the fiscal year 1988 and $3,120,000 for the fiscal year 1989.

(4) Radio broadcasting to cuba.—For "Radio Broadcasting to Cuba", $12,652,000 for the fiscal year 1988 and $13,158,000 for the fiscal year 1989.

(b) Effective Date; Prohibition on Certain Reprogramming.—

(1) Subsection (a) shall take effect October 1, 1987.

(2) Amounts appropriated pursuant to subsection (a) shall not be available for obligation or expenditure through any reprogramming of funds for any purpose other than the Voice of America.

SEC. 302. VOICE OF AMERICA/EUROPE.

Title V of the United States Information and Educational Exchange Act of 1948 (22 U.S.C. 1461 et seq.) is amended by adding after section 503 the following new section:

"SEC. 504. VOICE OF AMERICA/EUROPE.

"As part of its duties and programs under title V of the United States Information and Educational Exchange Act of 1948 (22 U.S.C. 1461 et seq.), Voice of America/Europe shall—

"(1) target news and features in accordance with the findings and recommendations of the Young European Survey;

"(2) conduct periodic audience evaluations and measurements; and

"(3) promote and advertise Voice of America/Europe.".

SEC. 303. CONTRACTOR REQUIREMENTS.

(a) Findings.—The Congress finds that the overriding national security aspects of the $1,300,000,000 facilities moderization program of the Voice of America require the assurance of uninterrupted United States logistic support under all circumstances for the program.

(b) Preference for United States Contractors.—(1) Where adequate United States competition exists, only United States persons and qualified United States joint venture persons may bid on projects of the facilities modernization program of the Voice of America, including design and construction projects and projects with respect to transmitters, antennas, spare parts, and other technical equipment which is available in the United States.

(2) In any case where two or more qualified bidders, only one of whom is a United States person or qualified United States joint venture person, submit responsive bids, for purposes of awarding a contract the bid of that United States person or qualified United States joint venture person shall be considered to be reduced by 10 percent.

(c) Exception.—

(1) Subsection (b) shall not apply with respect to any project of the facilities modernization program of the Voice of America in a foreign country when—

(A) precluded by the terms of an international agreement with a foreign country, or

(B) the statutes of a foreign country prohibit the use of United States contractors on such projects.

(2) An exception under paragraph (1)(B) shall only become effective with respect to a foreign country 30 days after the Secretary of state certifies to the Committee on Foreign Affairs and the Committee on Appropriations of the House of Representatives and the Committee on Foreign Relations and the Committee on Appropriations of the Senate what specific actions the Secretary has taken to urge the foreign country to permit the use of United States contractors on such projects.

(d) Definitions.—For the purpose of this section—

(1) the term "adequate United States competition" means with respect to a facility modernization project of the Voice of America, the presence of two or more qualified bidders who are United States persons or qualified United States joint venture persons submitting responsive bids for that project;

(2) the term "United States person" means a person which—

(A) is incorporated or legally organized under the laws of the United States, including any State (and any political subdivision thereof) and the District of Columbia;

(B) has its principal place of business in the United States;

(C) has been incorporated or legally organized in the United States—

(i) for more than 5 years before the issuance date of the invitation for bids or request for proposals with respect to a modernization project under subsection (b); and

(ii) for more than 2 years before the issuance date of the invitation for bids or request for proposals with respect to a modernization project under subsection (b) which involves physical or technical security;

(D) with respect to a modernization project under subsection (b), has achieved total business volume equal to or greater than the value of the project being bid in 3 years of the 5-year period before the date specified in subparagraph (C)(i);

(E)(i) employs United States citizens in at least 80 percent of its principal management positions in the United States;

(ii) employs United States citizens in more than half of its permanent, full-time positions in the United States; and

(iii) will employ United States citizens in at least 80 percent of the supervisory positions on the modernization project site; and

(F) has the existing technical and financial resources in the United States to perform the contract; and

(3) the term "qualified United States joint venture person" means a joint venture in which a United States person or persons own at least 51 percent of the assets of the joint venture.

(e) Effective Date.—The provisions of this section shall apply to any project with respect to which the request for proposals (commonly referred to as "RFP") was issued after December 28, 1986.

The CHAIRMAN. Are there amendments to title III?

AMENDMENT OFFERED BY MR. FRENZEL

Mr. FRENZEL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Frenzel: Page 65, line 26, insert the following after the comma: "or inconsistent with United States international obligations with respect to government procurement from a foreign country,".

The CHAIRMAN. The gentleman from Minnesota [Mr. Frenzel] is recognized for 5 minutes in support of his amendment.

Mr. MICA. Mr. Chairman, will the gentleman yield a moment?

Mr. FRENZEL. I yield to the distinguished gentleman from Florida.

Mr. MICA. Mr. Chairman, I asked the gentleman to yield for a purpose different than the amendment.

I would like to seek, if this is appropriate, a unanimous-consent request on a time limitation that we worked out with the minority. May this be done, Mr. Chairman, at this time?

The CHAIRMAN. On this amendment or on all amendments to the bill?

Mr. MICA. On all amendments.

The CHAIRMAN. It might be wise to dispose of this amendment first and then make such a request.

PARLIAMENTARY INQUIRY

Mr. FRENZEL. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. FRENZEL. Mr. Chairman, may I not yield to the distinguished subcommittee chairman for a unanimous-consent request that would cover the balance of the day's work?

The CHAIRMAN. The gentleman may do that.

Mr. FRENZEL. I so yield to the gentleman from Florida [Mr. Mica].

Mr. MICA. I thank the gentleman for yielding.

Mr. Chairman, at this time I am seeking a unanimous-consent request that debate on this and all amendments cease at 5 o'clock and that all time be equally divided on the amendments that are remaining; I believe the number is six or maybe seven. We will check the record. And that we stop all debate at 5 o'clock, and equally divide the time.

□ 1410

Mr. SOLOMON. Mr. Chairman, reserving the right to object, and I may not object, but there is some word going around that may be a separate vote called on the so-called Herger amendment when we rise back into the full House.

There is no one that wants to go home more than I do. I need to catch a 4:20 plane to make a speech there this afternoon, and I would certainly like not to object; but I think we need some kind of assurances that the minority is not going to get sandbagged on this side of the aisle on issues of asking for separate votes at the last minute.

Does the gentleman have any comment on that, continuing my reservation?

Mr. MICA. Mr. Chairman, will the gentleman yield?

Mr. SOLOMON. Mr. Chairman, I yield to the gentleman from Florida.

Mr. MICA. Mr. Chairman, there has been no decision made on a request for a separate vote at this time.

It is being discussed, but the understanding that I have is that any one of the Members could say that we will not call for it; but any other Member could call for it.

Mr. SOLOMON. Continuing my reservation, Mr. Chairman, I yield to the gentleman from Washington, the majority leader [Mr. FOLEY].

Mr. FOLEY. Mr. Chairman, any Member of the House has a right to make such a request, and no leadership on either side can give assurances which block the rights of any Member under the rule.

Mr. SOLOMON. Mr. Chairman, continuing the reservation then, I certainly respect the answer from the gentleman from Washington [Mr. FOLEY], the majority leader; but we are under the impression that there is a movement by leadership on that side of the aisle to bring that amendment back on the floor for a vote.

If that were the case, and if it were leadership doing this, then I would be constrained to object. I hate to do that.

Mr. MICA. Mr. Chairman, will the gentleman yield?

Mr. SOLOMON. Mr. Chairman, I yield to the gentleman from Florida.

Mr. MICA. Mr. Chairman, I thank the gentleman for yielding.

If I could respond to the Member, I would tell the Member at least a subcommittee chairman is attempting to work this out in a way that it will not require another vote; but I cannot say at this time whether we will be successful.

Mr. SOLOMON. Mr. Chairman, continuing my reservation, and I do not want to hold up the House, but we all know what happened on the Herger amendment. We know rollcall was kept open for almost 20 minutes in order to change that around, and we think that is unfair to a freshman minority Member on this side of the aisle.

I have to forewarn Members that if a separate vote is going to be called on that particular amendment, we intend to ask for rollcalls on every single amendment when the Committee rises.

We do not want to do that, but we would like some assurances from the leadership on that side of the aisle that the leadership is not attempting to reverse this after stalling the vote for so long.

I would object at this time until we can have some conversation on the matter.

The CHAIRMAN. Objection is heard.

(By unanimous consent, Mr. FRENZEL was allowed to proceed for 5 additional minutes.)

The CHAIRMAN. The gentleman from Minnesota [Mr. FRENZEL] is recognized in support of his amendment.

Mr. Chairman, the amendment which I have just introduced is introduced on behalf of the gentleman from Florida [Mr. GIBBONS] and myself.

On page 65 of the bill is where the amendments takes place. That amendment allows foreign firms to bid on certain elements of work for VOA if bilateral agreements exists; and it defines American firms which may bid on the work.

My amendment would provide that all nations who have signed the Government Procurement Code of GATT would be also allowed to bid, and that is in keeping without obligation under the GATT, and this amendment is requested by the administration as being necessary to our GATT negotiations and to honor our commitment.

I believe that it follows the desires of the House as expressed in the Brooks amendment on the trade bill where the Procurement Code signatories were given the right to bid, as long as we had rights to bid, on certain projects in their country.

Mr. BARTLETT. Mr. Chairman, will the gentleman yield?

Mr. FRENZEL. Mr. Chairman, I yield to the gentleman from Texas [Mr. BARTLETT].

Mr. BARTLETT. Mr. Chairman, I thank the gentleman for yielding.

The gentleman and I have discussed this difficulty which is a preference that is in the bill which we all deplore. I know the gentleman has a way of solving that perference, and perhaps the subcommittee chairman may have some other ways.

I would suggest to the gentleman, and inquire as to whether the gentleman would be agreeable to an approach to the gentleman's amendment that would take the words in the legislation on page 66 that say, "The statutes of a foreign country prohibit the use of United States contractors," and accept the gentleman's amendment, but adding the words, "the statutes or practices of a foreign country that prohibit the use of United States contractors," and so forth.

By adding those words "or practices," I would say to the gentleman, we would then be able to include within the scope of our meaning of this amendment the concept that if a foreign country does not permit a U.S. company to bid on similar facilities in their country, then they would not be eligible to bid which, I believe, is the gentleman's intent on this particular VOA transmitter.

It seems to me that would solve the problem. I am preparing a substitute for the gentleman's amendment at the present time, and if the gentleman would comment on that approach?

Mr. FRENZEL. Mr. Chairman, I thank the gentleman for his contribution.

The gentleman's amendment in my judgment would protect the American company which the gentleman seeks to protect by making it impossible for certain European countries to bid.

Unfortunately, it would result in a violation of the GATT agreement.

The gentleman has correctly perceived that the countries that have signed the Procurement Code often have reservations. The United States has some. Germany has some. Each nation that has signed may have one or more. I do not know all of that.

The countries in question in this case, I believe, are Germany and France, which have telecommunications exceptions to the Procurement Code.

As every Member here knows, through our various Buy America laws, we have many exceptions to the Procurement Code too, and the gentleman's amendment would put the purchase of telecommunications on a direct sectoral basis, saying that if we could not buy one thing from them, they could not buy the exact same thing.

If they would not allow us to bid on this work of an exact certain type, they would not be allowed to bid on ours either.

Unfortunately, the reservations have been built up by the countries to be of maximum effect. They are not always harmonious, good by good, commodity by commodity, and sector by sector.

The gentleman may, of course, offer his amendment. I believe it would frustrate what I am trying to do, and that is to make us fulfill our GATT obligations.

AMENDMENT OFFERED BY MR. MICA TO THE AMENDMENT OFFERED BY MR. FRENZEL

Mr. MICA. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. MICA to the amendment offered by Mr. FRENZEL: In the text proposed to be inserted by the amendment, insert "so long as such international obligations are honored by such foreign country (as certified to the Congress by the United States Trade Representative prior to the awarding of each contract for that project)" after "foreign country".

The CHAIRMAN. The gentleman from Florida [Mr. MICA] is recognized for 5 minutes in support of his amendment.

Mr. FRENZEL. Mr. Chairman, will the gentleman yield?

Mr. MICA. I yield to the gentleman from Minnesota.

Mr. FRENZEL. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, the gentleman's amendment is a good amendment. I hope the House will accept it. What the gentleman's amendment does, as I understand it, is to make sure that the countries are living up to their obligations under the Procurement Code by having the USTR sign off and so state before any contract can be issued. It seems to me that that simply strengthens the bill.

I understand, too, that there would have to be a different sign-off in every case. You could not simply sign off for a country; you would have to take up the bid in its turn and sign off on some sort of general statement that the country was in fact living up to its obligations.

Mr. MICA. Mr. Chairman, I thank the gentleman from Minnesota.

If I may continue on my time, I might say that we have attempted to fashion this amendment to the amendment in a way that really would give some teeth to the American concerns that we have been shut out in allowing foreign companies to bid on these contracts.

I would hope that the gentleman would agree with this interpretation, that when the USTR makes a determination that another country is not violating GATT, they take into consideration what their actual practices are as a part of that determination. So if we have a country that may not have a law that we can specifically interpret as protectionist or prohibiting U.S. action, but all of their pattern and practice is such that we cannot compete, we would hope that they would take that into consideration.

Now obviously that is a difficult legal determination to make, but certainly when they make this determination, they should take practice into consideration.

So by fashioning the language we have here, I think perhaps we satisfy not only the gentleman from Minnesota [Mr. FRENZEL] but also the gentleman from Texas [Mr. BARTLETT], who wants to have some assurance that the practices are looked at, as well as the laws and procedures.

Mr. Chairman, I yield back the balance of my time.

Mr. BARTLETT. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I would like to take a minute to attempt to put the facts on the record as to where we are on this amendment and on this entire situation. The subcommittee chairman is attempting to unravel the situation, and I believe that he is almost there in good faith, and I might in a moment suggest a way that is a much more straightforward way to insist that we end up with a reciprocity kind of provision in this bill.

Mr. Chairman, the facts are as follows: the bill currently has a U.S. preference for the purchase of this VOA transmission facility, and the reason for the U.S. preference was because U.S. companies have been historically prohibited from bidding on similar facilities in other countries. The gentleman from Minnesota has suggested that we should not have a U.S. preference but instead we should say that those other countries are required to comply with their international obligations or else they are prohibited from bidding on the transmitter.

That is fine as far as it goes. The difficulty with that and with the amendment as it is proposed to be amended is that there are several countries that have made reservations under GATT in which they are, under their international obligations, legally obligated to prohibit a U.S. company from bidding on that transmission equipment. If we pass the amendment, as amended, then the United States will be in the awkward and, I think, untenable position of permitting foreign countries to bid on VOA transmission equipment when those foreign countries specifically prohibit our companies from bidding on similar projects in their own countries.

So I would propose a substitute and will shortly have a substitute, if it is permitted to be offered, providing that we include this prohibition along with the language of the gentleman from Minnesota and the subcommitte chairman in those cases in which the foreign country prohibits the use of United States contractors on similar types of projects.

I think that is clear, Mr. Chairman. I think it clearly gives those foreign countries the right and the obligation to then remove their prohibitions against U.S. companies from bidding on their jobs.

I would say to both gentlemen that if we do not do this, if we do not adopt this type of substitute, the unintended but perhaps clear result will be that the United States companies will continue to not be permitted to bid on transmission equipment in foreign countries, but some of those foreign countries will be bidding specifically on this $1.5 billion U.S. Federal procurement project.

It is a very, very serious situation, and I think it is time for the United States to begin, in all bills that come before us, to say what we mean, which is reciprocity. We do not want preference; we want no less than being able to bid on our own part under the same terms and conditions that other countries are allowed to bid on our purchases.

□ 1425

I think that is clear. There are other issues involved, Mr. Chairman, but that is the principal one. It does seem to me that the committee has made a good beginning toward resolving this rather sticky problem. The gentleman from Minnesota in good faith is attempting to resolve it even more clearly, but if the amendment of the gentleman from Minnesota is accepted as it is now being presented, it will not resolve the problem and the result will be the perversity of a U.S. company not being allowed to bid on foreign acquisitions, but having to bid against those same foreign companies against the U.S. Government.

Ms. SNOWE. Mr. Chairman, will the gentleman yield?

Mr. BARTLETT. I yield to the gentlewoman from Maine.

Ms. SNOWE. Mr. Chairman, I want to thank the gentleman for his addition to this issue. One of the discoveries the subcommittee made in the course of the VOA modernization program was that the United States was the only Western country that allowed foreign companies to make bids on transmitters. Interestingly enough, in one case that developed, it was only when the chairman offered the language, and it was included in the authorization, did this country begin to pay attention to the fact that there were American firms manufacturing transmitters and should be allowed into the bidding process.

In Germany, there was a case, for example, where they were leasing facilities to the VOA as part of the modernization program, but the United States was successful in including a clause in that agreement that said:

> To the extent permitted by the laws and regulations of the Federal Republic of Germany * * * United States firms shall be permitted to compete for the provision of services and/or equipment in carrying out the

modernization and expansion program hereunder.

But when the actual contracts were issued, the German Government sole-sourced that bid to a German firm. There was never even a competitive bid; so it disallowed any American firm from participating in that bidding process, and therefore we were prohibited from offering a bid.

In April, the German Government recognized that it had violated that agreement with the United States and said that American firms could compete in the future. Unfortunately, the German Government has no current plans for any additional transmitter bids, so therefore American firms are still effectively excluded from that process. So there is an example of what the gentleman is trying to address with his amendment, and I commend him for it.

Mr. BARTLETT. Mr. Chairman, I thank the gentlewoman for her support.

Mr. BRYANT. Mr. Chairman, the United States Trade Representative asserts that the language in H.R. 1777, proposed by Mr. Mica during Appropriations Committee consideration, would violate U.S. obligations under the Government Procurement Code and leave the U.S. vulnerable to retaliation on the order of a billion dollars in sales opportunities in other countries.

It is important for us to take into account the implications of the Mica provision under our international agreements but the Mica language does that with the exemption for such agreements.

First, the provision provides for only 10 percent preference for U.S. bidders, and may not even result in the choice of an American company over a foreign bidder. By contrast, what our companies face in Europe and elsewhere is the outright exclusion from even the right to bid for procurement by foreign owned and subsidized broadcasting companies. Any bidder who can show his country does not discriminate against U.S. contractors and suppliers will not be adversely affected by this provision.

Second, this provision should not even be seen as a preference, but rather as an offset to the advantage that foreign companies enjoy by being able to foreclose United States and other companies from their markets. Just recently, we had to stand by and watch as the British and Germans accepted bids for major procurements of transmission equipment in which United States companies were not even allowed to bid. The cost advantages those foreign companies enjoy by virtue of their captive market is more than the 10 percent provided in this legislation.

Third, I do not see where the enactment of this provision will lead to the retaliation which the USTR is so concerned about. We would have to wait and see what practical impact the provision might have on procurement by the USIA. Only then could we be subject to a dispute settlement action not immediate retaliation.

Why do we need to take this kind of action? The reality is simple. Five years ago we had eight companies that make the kind of transmission equipment that Voice of America will be procuring, now there is only one left and that company is effectively precluded from even bidding in the home countries of its major foreign competitors. If we are not prepared to insist on reciprocity, we are not going to have anything to negotiate for when we sit down with our trading partners to negotiate for access to their markets.

The real irony here is that when the Voice of America broadcasts from overseas, it is forced to use the very broadcasting facilities that have been procured under regulations that exclude U.S. companies from bidding. Voice of America is forced to be a party to the discriminatory practices of our trading partners. If anything, that is—or should be—a violation of the U.S. Government Procurement Code. I would like to ask the USTR if they have ever raised that problem in negotiations with our trading partners.

The basic point here is that the United States cannot expect to get reciprocity from other countries unless it insists on reciprocity in return. If we want to truly aid the process, why don't we insist that the Europeans telecommunications market be included under the Government Procurement Code in the first place. By enacting the Mica provision, I believe we bring Europeans closer to opening their markets than if we simply do nothing or adopt the proposed Frenzel amendment.

AMENDMENT OFFERED BY MR. BARTLETT AS A SUBSTITUTE FOR THE AMENDMENT OFFERED BY MR. FRENZEL

Mr. BARTLETT. Mr. Chairman, I offer an amendment as a substitute for the amendment.

The Clerk read as follows:

Amendment offered by Mr. Bartlett as a substitute for the amendment offered by Mr. Frenzel: Page 65, line 26, after "foreign country," insert the following: "or inconsistent with United States international obligations with respect to government procurement from a foreign country so long as (i) such international obligations are honored by such foreign county (as certificate to the Congress by the United States Trade Representative prior to the awarding of each contract for that project) and (ii) the foreign country does not prohibit the use of United States contractors on similar types of projects that it carries out".

Mr. Chairman, it is my judgment that this substitute may well solve the problem as best we can solve it on the House floor today. The information I have indicates that similar types of reciprocity language is included in the trade bill that is being considered imminently by the other body, so it is likely that before this bill were to become law, this language may or may not be necessary and that we may more globally enforce reciprocity. I hope so. If that is the case, then this language would at that point become redundant, but I do believe that including explicit reciprocity language on a $1½ billion U.S. Government-funded procurement item is clearly in order. We are not asking for U.S. preference. We are only asking that U.S. companies have the same reciprocal rights to bid on similar projects in other countries as other countries have to bid on ours.

It is my judgment that this is one of the clearest cases of the need for reciprocity. This House should in no case let this bill go through with this $1½ billion new authorization unless we enforce reciprocity into this legislation.

It does seem to me that this enforcement will in fact cause a much more serious look by our trading partners and by our own conference committee of the House and the Senate in considering reciprocity on other items; but regardless of what happens with global reciprocity, reciprocity on a $1½ billion new procurement by the U.S. Government for the Voice of America transmission facility, ought to be enforced strictly.

This substitute amendment will accomplish that and I think it is clearly in order.

Mr. FRENZEL. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the amendment of the gentleman from Texas does exactly I think what the gentleman would like it to do, that is, it does furnish strong protection for the firm in question.

What it does, however, is revert to the language of the original bill, whose force and effect was to cause the United States to violate its obligations in the GATT. Under the GATT there is a procurement code which has been signed by many of the contracting parties, including I believe all the States that have been mentioned here as being part of the problem. Some of those States have certain exclusions from the procurement code which date back many years, a kind of a grandfathered set of exclusions; so does the United States. Every time we pass a buy America bill, we produce an exclusion from the GATT.

Now, if we accept the substitute, we will violate our obligation by not living up to our signing of the procurement code because we will deny to somebody who has at least under international law the right to sign it, to bid on our equipment, will not have that. Therefore, the Bartlett amendment simply obviates the force and intent of the Frenzel amendment. Both of them are modified with the Mica amendment.

The problem here is that we are trying to negotiate a new round of GATT. We are trying to encourage more countries to sign the procurement code. If we violate that code ourselves, there will be no incentive for foreigners to sign it. We will have much greater difficulty opening up foreign markets for American products exactly of the kind and type that the company the gentleman seeks to help wants to sell to the Voice of America in this particular instance.

Mr. Chairman, I am really sorry that the debate has become so extended on a late afternoon.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Florida [Mr. MICA] to the amendment offered by the gentleman from Minnesota [Mr. FRENZEL].

The amendment to the amendment was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas [Mr. BARTLETT] as a substitute for the amendment offered by the gentleman from Minnesota [Mr. FRENZEL], as amended.

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. BARTLETT. Mr. Chairman, I demand a recorded vote, and pending that, I make the point of order that a quorum is not present.

The CHAIRMAN. Evidently a quorum is not present. Pursuant to the provisions of clause 2, rule XXIII, the Chair announces that he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device, if ordered, will be taken on the pending question following the quorum call. Members will record their presence by electronic device.

The call was taken by electronic device.

The following Members responded to their names:

[Roll No. 195]

ANSWERED "PRESENT"—398

Ackerman
Akaka
Alexander
Anderson
Andrews
Annunzio
Anthony
Applegate
Archer
Armey
Aspin
Atkins
AuCoin
Badham
Baker
Ballenger
Barnard
Bartlett
Barton
Bateman
Bates
Beilenson
Bennett
Bentley
Bereuter
Berman
Bevill
Biaggi
Bilbray
Bilirakis
Bliley
Boehlert
Boggs
Bonker
Borski
Bosco
Boucher
Boulter
Boxer
Brennan
Brooks
Broomfield
Brown (CA)
Brown (CO)
Bruce
Bryant
Buechner
Bunning
Burton
Bustamante
Byron
Callahan
Campbell
Cardin
Carper
Carr
Chandler
Chapman
Chappell
Cheney
Clarke
Clay
Clinger
Coats
Coble
Coelho
Coleman (MO)
Coleman (TX)
Collins
Combest
Conte
Conyers
Cooper
Coughlin
Courter
Coyne
Craig
Crane
Crockett
Darden
Daub
Davis (IL)
Davis (MI)
de la Garza
DeFazio
DeLay
Dellums
Derrick
DeWine
Dickinson
Dicks
Dingell
DioGuardi
Dixon
Dorgan (ND)
Dornan (CA)
Dowdy
Downey
Dreier
Duncan
Durbin
Dymally
Dyson
Early
Eckart
Edwards (CA)
Edwards (OK)
Emerson
English
Erdreich
Espy
Evans
Fascell
Fawell
Fazio
Feighan
Fields
Fish
Flake
Flippo
Foglietta
Foley
Ford (MI)
Frenzel
Frost
Gallegly
Gallo
Garcia
Gaydos
Gejdenson
Gekas
Gibbons
Gingrich
Glickman
Gonzalez
Goodling
Gordon
Gradison
Grandy
Grant
Gray (IL)
Green
Gregg
Guarini
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Hansen
Harris
Hastert
Hatcher
Hawkins
Hayes (IL)
Hayes (LA)
Hefley
Hefner
Henry
Herger
Hertel
Hiler
Hochbrueckner
Holloway
Hopkins
Horton
Houghton
Howard
Hubbard
Huckaby
Hughes
Hunter
Hutto
Hyde
Inhofe
Jacobs
Jeffords
Jenkins
Johnson (CT)
Johnson (SD)
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kasich
Kastenmeier
Kennedy
Kildee
Kleczka
Kolbe
Kolter
Konnyu
Kyl
LaFalce
Lagomarsino
Lancaster
Lantos
Latta
Leach (IA)
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lewis (CA)
Lewis (GA)
Lightfoot
Lipinski
Lloyd
Lott
Lowery (CA)
Lowry (WA)
Lujan
Luken, Thomas
Lungren
Mack
MacKay
Madigan
Manton
Markey
Marlenee
Martin (IL)
Martinez
Matsui
Mavroules
Mazzoli
McCandless
McCloskey
McCollum
McCurdy
McDade
McEwen
McGrath
McHugh
McMillan (NC)
McMillen (MD)
Meyers
Mfume
Mica
Michel
Miller (CA)
Miller (OH)
Miller (WA)
Mineta
Moakley
Molinari
Mollohan
Montgomery
Moody
Moorhead
Morella
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Murtha
Myers
Nagle
Natcher
Neal
Nelson
Nichols
Nielson
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens (NY)
Owens (UT)
Oxley
Packard
Panetta
Parris
Pashayan
Patterson
Pelosi
Penny
Pepper
Perkins
Petri
Pickett
Pickle
Porter
Price (IL)
Price (NC)
Quillen
Rahall
Ravenel
Regula
Rhodes
Richardson
Ridge
Rinaldo
Ritter
Roberts
Robinson
Rodino
Roe
Rogers
Rose
Roth
Roukema
Rowland (CT)
Rowland (GA)
Russo
Sabo
Saiki
Savage
Sawyer
Saxton
Schaefer
Scheuer
Schneider
Schroeder
Schuette
Schulze
Schumer
Sensenbrenner
Sharp
Shumway
Shuster
Sikorski
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter (NY)
Slaughter (VA)
Smith (FL)
Smith (NE)
Smith (NJ)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Snowe
Solarz
Solomon
Spence
Spratt
St Germain
Staggers
Stallings
Stangeland
Stark
Stenholm
Stokes
Stratton
Studds
Stump
Sundquist
Sweeney
Swift
Swindall
Synar
Tallon
Tauke
Taylor
Thomas (CA)
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Upton
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Vucanovich
Walgren
Walker
Watkins
Weber
Weiss
Weldon
Wheat
Whittaker
Whitten
Wilson
Wise
Wolf
Wolpe
Wortley
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (FL)

□ 1450

The CHAIRMAN. Three hundred ninety-eight Members have answered to their names, a quorum is present, and the Committee will resume its business.

RECORDED VOTE

The CHAIRMAN. The pending business is the demand of the gentleman from Texas [Mr. BARTLETT] for a recorded vote.

A recorded vote was ordered.

The CHAIRMAN. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 334, noes 70, not voting 29, as follows:

[Roll No. 196]

AYES—334

Ackerman
Akaka
Alexander
Anderson
Andrews
Annunzio
Anthony
Applegate
Archer
Aspin
Badham
Baker
Ballenger
Barnard
Bartlett
Barton
Bateman
Bennett
Bentley
Bereuter
Berman
Bevill
Biaggi
Bilbray
Bilirakis
Bliley
Boehlert
Boggs
Borski
Boucher
Boulter
Boxer
Brennan
Brooks
Broomfield
Brown (CO)
Bruce
Bryant
Buechner
Bunning
Burton
Bustamante
Byron
Callahan
Campbell
Carr
Chapman
Chappell
Cheney
Clarke
Clay
Clinger
Coats
Coble
Coelho
Coleman (MO)
Coleman (TX)
Combest
Conte
Conyers
Cooper
Coughlin
Courter
Coyne
Craig
Darden
Daub
Davis (IL)
Davis (MI)
de la Garza
DeFazio
DeLay
Derrick
DeWine
Dickinson
Dingell
DioGuardi
Dixon
Dorgan (ND)
Dornan (CA)
Dowdy
Duncan
Durbin
Dyson
Eckart
Edwards (OK)
Emerson
English
Erdreich
Espy
Evans
Fascell
Fazio
Feighan
Fields
Fish
Flake
Flippo
Foglietta
Ford (MI)
Ford (TN)
Frank
Frost
Gallegly
Gallo
Garcia
Gaydos
Gekas
Gingrich
Glickman
Goodling
Gordon
Grandy
Grant
Gray (IL)
Gregg
Guarini
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Hansen
Harris
Hastert
Hatcher
Hayes (IL)
Hayes (LA)
Hefley
Hefner
Henry
Herger
Hertel
Hiler
Hochbrueckner
Holloway
Hopkins
Horton
Howard
Hubbard
Huckaby
Hughes
Hunter
Hutto
Hyde
Inhofe
Jacobs
Jenkins
Johnson (CT)
Johnson (SD)
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kasich
Kennedy
Kildee
Kolbe
Kolter
LaFalce
Lagomarsino
Lancaster
Lantos
Latta
Leach (IA)
Lehman (CA)
Leland
Levin (MI)
Levine (CA)
Lewis (CA)
Lewis (GA)
Lightfoot
Lipinski
Lloyd
Lott
Lowery (CA)
Lujan
Madigan
Manton
Markey
Marlenee
Martin (IL)
Martinez
Mavroules
Mazzoli
McCandless
McCloskey
McCollum
McCurdy
McDade
McEwen
McGrath
McHugh
McMillan (NC)
McMillen (MD)
Meyers
Mfume
Mica
Michel
Miller (OH)
Mineta
Moakley
Molinari
Mollohan
Montgomery
Moody
Moorhead
Morrison (CT)
Murphy

Murtha
Myers
Nagle
Natcher
Neal
Nelson
Nichols
Nowak
Oakar
Oberstar
Obey
Ortiz
Owens (UT)
Oxley
Packard
Parris
Pashayan
Patterson
Pelosi
Pepper
Perkins
Pickett
Pickle
Porter
Price (IL)
Price (NC)
Pursell
Quillen
Rahall
Ravenel
Regula
Rhodes
Richardson
Ridge
Rinaldo
Ritter
Roberts
Robinson
Rodino
Roe
Rogers
Rose
Roth
Roukema
Rowland (CT)
Rowland (GA)
Russo
Sabo
Saiki
Sawyer
Saxton
Schaefer
Schneider
Schroeder
Schuette
Schulze
Schumer
Sensenbrenner
Sharp
Shuster
Sikorski
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter (NY)
Slaughter (VA)
Smith (FL)
Smith (NE)
Smith (NJ)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Snowe
Solarz
Solomon
Spence
Spratt
St Germain
Staggers
Stallings
Stenholm
Stratton
Studds
Sundquist
Sweeney
Swindall
Synar
Tallon
Tauke
Taylor
Thomas (CA)
Thomas (GA)
Torres
Torricelli
Traficant
Traxler
Udall
Upton
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Vucanovich
Walker
Watkins
Weiss
Weldon
Wheat
Whittaker
Whitten
Williams
Wilson
Wise
Wolf
Wolpe
Wortley
Wylie
Yatron
Young (AK)
Young (FL)

NOES—70

Armey
Atkins
AuCoin
Bates
Beilenson
Bonker
Bosco
Brown (CA)
Cardin
Carper
Chandler
Collins
Crane
Crockett
Dellums
Dicks
Downey
Dreier
Dymally
Early
Edwards (CA)
Fawell
Foley
Frenzel
Gejdenson
Gibbons
Gonzalez
Gradison
Green
Hawkins
Houghton
Jeffords
Kastenmeier
Kemp
Kleczka
Konnyu
Kyl
Lehman (FL)
Lowry (WA)
Luken, Thomas
Lungren
Mack
MacKay
Matsui
Miller (CA)
Miller (WA)
Morella
Morrison (WA)
Mrazek
Nielson
Olin
Owens (NY)
Panetta
Pease
Penny
Petri
Savage
Scheuer
Shumway
Stangeland
Stark
Stokes
Stump
Swift
Towns
Walgren
Waxman
Weber
Wyden
Yates

NOT VOTING—29

Boland
Boner (TN)
Bonior (MI)
Daniel
Dannemeyer
Donnelly
Dwyer
Florio
Gephardt
Gilman
Gray (PA)
Hoyer
Ireland
Kennelly
Kostmayer
Leath (TX)
Lent
Lewis (FL)
Livingston
Lukens, Donald
Martin (NY)
Rangel
Ray
Roemer
Rostenkowski
Roybal
Shaw
Smith (IA)
Tauzin

Mr. STUMP and Mr. DICKS changed their votes from "aye" to "no."

Messrs. PERKINS, MFUME, and RODINO changed their votes from "no" to "aye."

So the amendment offered as a substitute for the amendment as amended, was agreed to.

The result of the vote was announced as above recorded.

□ 1505

PARLIAMENTARY INQUIRY

Mr. MICA. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. MICA. Mr. Chairman, I think there is a question in the minds of some Members about the procedure here.

Mr. Chairman, is it not correct that a "no" vote now would bring us right back to the original committee position?

The CHAIRMAN. The gentleman is correct.

Mr. MICA. I thank the Chair.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota [Mr. FRENZEL], as amended.

The question was taken; and the Chairman announced that the ayes appeared to have it.

RECORDED VOTE

Mr. BRYANT. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were— ayes 167, noes 237, not voting 29, as follows

[Roll No. 197]

AYES—167

Archer
Armey
AuCoin
Badham
Baker
Ballenger
Barnard
Bartlett
Barton
Bateman
Beilenson
Bereuter
Berman
Bevill
Bilirakis
Bliley
Boggs
Bonker
Boulter
Broomfield
Brown (CO)
Buechner
Bunning
Burton
Cardin
Carper
Chandler
Chappell
Cheney
Coats
Combest
Craig
Crane
Daub
Davis (IL)
DeLay
Derrick
DeWine
Dicks
DioGuardi
Dornan (CA)
Downey
Dreier
Early
Edwards (OK)
Fawell
Fields
Fish
Foley
Frenzel
Frost
Gallegly
Gejdenson
Gekas
Gibbons
Gingrich
Goodling
Gradison
Grandy
Green
Gregg
Gunderson
Hall (TX)
Hamilton
Hammerschmidt
Hansen
Hastert
Hefley
Herger
Hiler
Hopkins
Houghton
Hutto
Hyde
Inhofe
Jeffords
Johnson (CT)
Kasich
Kastenmeier
Kemp
Kolbe
LaFalce
Lagomarsino
Leach (IA)
Lent
Levine (CA)
Lewis (CA)
Lightfoot
Lowry (WA)
Lujan
Luken, Thomas
Lungren
Mack
MacKay
Madigan
Marlenee
Martin (NY)
McCandless
McCollum
McCurdy
McEwen
McGrath
McHugh
McMillen (MD)
Meyers
Michel
Miller (WA)
Molinari
Moorhead
Morella
Morrison (WA)
Mrazek
Myers
Nielson
Oxley
Packard
Parris
Pease
Penny
Petri
Pickle
Porter
Pursell
Ravenel
Rhodes
Roberts
Robinson
Rowland (CT)
Saiki
Saxton
Schaefer
Scheuer
Schroeder
Schulze
Schumer
Sensenbrenner
Shumway
Skaggs
Skeen
Slaughter (VA)
Smith (NE)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Solomon
Spence
Stangeland
Stenholm
Sweeney
Swift
Swindall
Tauke
Taylor
Upton
Vander Jagt
Vucanovich
Walker
Waxman
Weber
Weiss
Whittaker
Wolf
Wortley
Wyden
Wylie
Young (FL)

NOES—237

Ackerman
Akaka
Alexander
Anderson
Andrews
Annunzio
Anthony
Applegate
Aspin
Atkins
Bates
Bennett
Bentley
Biaggi
Bilbray
Boehlert
Borski
Bosco
Boucher
Boxer
Brennan
Brooks
Brown (CA)
Bruce
Bryant
Bustamante
Byron
Callahan
Campbell
Carr
Chapman
Clarke
Clay
Clinger
Coble
Coelho
Coleman (MO)
Coleman (TX)
Collins
Conte
Conyers
Cooper
Coughlin
Courter
Coyne
Crockett
Darden
Davis (MI)
de la Garza
DeFazio
Dellums
Dickinson
Dingell
Dixon
Dorgan (ND)
Dowdy
Duncan
Durbin
Dymally
Dyson
Eckart
Edwards (CA)
Emerson
English
Erdreich
Espy
Evans
Fascell
Fazio
Feighan
Flake
Flippo
Foglietta
Ford (MI)
Ford (TN)
Frank
Gallo
Garcia
Gaydos
Glickman
Gonzalez
Gordon
Grant
Gray (IL)
Guarini
Hall (OH)
Harris
Hatcher
Hawkins
Hayes (IL)
Hayes (LA)
Hefner
Henry
Hertel
Hochbrueckner
Holloway
Horton
Howard
Hoyer
Hubbard
Huckaby
Hughes
Hunter
Jacobs
Jenkins
Johnson (SD)
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kennedy
Kildee
Kleczka
Kolter
Konnyu
Kostmayer
Kyl
Lancaster
Lantos
Latta
Lehman (CA)
Lehman (FL)
Leland
Levin (MI)
Lewis (GA)
Lipinski
Lloyd
Lott
Lowery (CA)
Manton
Markey
Martin (IL)
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McDade
McMillan (NC)
Mfume
Mica
Miller (OH)
Mineta
Moakley
Mollohan
Montgomery
Moody
Morrison (CT)
Murphy
Murtha
Nagle
Natcher
Neal
Nelson
Nichols
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens (NY)
Owens (UT)
Panetta
Pashayan
Patterson
Pelosi
Pepper
Perkins
Pickett
Price (IL)
Price (NC)
Quillen
Rahall
Regula
Richardson
Ridge
Rinaldo
Ritter
Rodino
Roe
Rogers
Rose
Roth
Roukema
Rowland (GA)
Russo
Sabo
Sawyer
Schneider
Schuette
Sharp
Shuster
Sikorski
Sisisky
Skelton
Slattery
Slaughter (NY)
Smith (FL)
Smith (NJ)
Snowe
Solarz
Spratt
St Germain
Staggers
Stallings
Stark
Stokes
Studds
Stump
Sundquist
Synar
Tallon
Thomas (CA)
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Valentine
Vento
Visclosky
Volkmer
Walgren
Watkins
Wheat
Whitten
Williams
Wilson
Wise
Wolpe
Yates
Yatron
Young (AK)

NOT VOTING—29

Boland
Boner (TN)
Bonior (MI)
Daniel
Dannemeyer
Donnelly
Dwyer
Florio
Gephardt
Gilman
Gray (PA)
Ireland
Kennelly
Leath (TX)
Lewis (FL)
Livingston
Lukens, Donald
Miller (CA)
Rangel
Ray
Roemer
Rostenkowski
Roybal
Savage
Shaw
Smith (IA)
Stratton
Tauzin
Weldon

□ 1520

The Clerk announced the following pair:

On this vote:

Mr. Lewis of Florida for, with Mr. Bonior of Michigan against.

Mr. YATES, Mr. JACOBS, Miss SCHNEIDER, and Mr. KYL changed their votes from "aye" to "no."

Mr. EDWARDS of Oklahoma changed his vote from "no" to "aye."

So the amendment, as amended, was rejected.

The result of the vote was announced as above recorded.

Mr. KONNYU. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I would like to engage in a colloquy to pose a few questions to the gentleman from Florida [Mr. MICA], the chairman of the Subcommittee on International Operations, pertaining to section 303 of the authorization bill.

Mr. Chairman, some interest, and certainly concern, has been expressed to me regarding the perceived negative impact the current definition of "United States person" will have on competition for various contracts to be awarded by the Voice of America under its modernization program.

As I interpret this provision, a U.S. contractor can be considered for award of a contract under this program only if it has achieved a total business equal to or greater than the value of the project being bid in 3 years of the 5-year period prior to the issuance of the RFP or IFB.

While I support the intent of the provision to ensure that proposals from only qualified contractors be considered, I am concerned that a number of qualified U.S. contractors, particularly in the high-technology areas such as radio transmission and antenna manufacturing, would be deprived from competing for these contracts because they do not meet the extreme size standards of this provision. I also understand that the USIA, which oversees the VOA Modernization Program, also shares these concerns and believes that in some instances, the language will exempt any U.S. manufacturer from competing.

My questions are, is the chairman aware of the possible negative impact this language will have on competition for these contracts, and can I have the assurances of the chairman that these concerns are adequately addressed when the House goes to conference with the Senate on this bill?

Mr. MICA. Mr. Chairman, will the gentleman yield?

Mr. KONNYU. I yield to the gentleman from Florida.

Mr. MICA. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, the intent of section 303 of the bill is to allow competent and financially sound U.S. manufacturers the opportunity to compete for contracts to be awarded under the VOA Modernization Program; a program of unprecedented size and expense. This provision also is designed to grant those U.S. contractors a preference in competing with certain foreign manufacturers due to the national security implications of this program.

In the event of a world crisis, U.S. national security interests will be enhanced by having U.S. manufactured components in place at the various VOA facilities throughout the world. This provision is also designed to insure that an uninterrupted supply of equipment and spare parts exists for these facilities in the event such a crisis occurs.

It was not the intent of the committee to exclude any competent U.S. manufacturers from competing for contracts under this program. The gentleman from California has my assurances that the committee will address this situation in conference with the Senate.

Mr. KONNYU. Mr. Chairman, I thank the gentleman from Florida for his assurances.

Mr. SCHEUER. Mr. Chairman, I move to strike the last word.

Mr. Chairman, yesterday the House passed an amendment offered by the gentleman from Minnesota [Mr. OBERSTAR] to authorize $3.1 million funding for fiscal years 1988 and 1989 for consulates scheduled to be closed by the State Department this year in Germany, Sweden, Italy, France, and Austria.

I supported that amendment with particular concern for the U.S. consulate in Strasbourg, France. It is the understanding of the gentleman from Florida that the Oberstar amendment will keep the U.S. consulate in Strasbourg open?

Mr. MICA. Mr. Chairman, will the gentleman yield?

Mr. SCHEUER. Mr. Chairman, I yield to the gentleman from Florida.

Mr. MICA. Mr. Chairman, absolutely that is the understanding of the U.S. consulate in Strasbourg, France. It is covered by the Oberstar amendment.

If it had not been the Oberstar amendment, it would have been the Scheuer amendment. The gentleman has explained and expressed his concern time and again over this very important issue.

It is of great personal interest to the gentleman.

Mr. SCHEUER. As the gentleman from Florida is aware, Strasbourg is where the Council of Europe sits, along with the European Court, and the European Commission of Human Rights. Does the gentleman from Florida agree that the Strasbourg consulate plays an important role for the United States in Europe, and should not be closed.

Mr. MICA. Yes. The Strasbourg consulate provides the United States with valuable opportunities for formal and informal contact with the European institutions located in Strasbourg, and should not be closed.

Mr. SCHEUER. It has been suggested by some that the United States might continue its relationship with the Council of Europe from its mission in Brussels. Would the gentleman agree that such a long distance relationship with the council, which has no activities in Brussels, place in jeopardy the very close relations we now enjoy.

Mr. MICA. Yes. In fact, removal of the consulate from Strasbourg may be taken as a sign that the United States no longer maintains the level of interest in the Council of Europe it has expressed in the past.

Mr. SCHEUER. There would be great angst in Strasbourg, compounded by bewilderment and resentment if we were to close that consulate. Indeed, citizens of Strasbourg have picketed our consulate relative to our presence there. However, contrary to the usual "Yanks, go home" message, the concerned citizens of Strasbourg have sent us a contrary and welcome signal: Their placard read—"Yanks, stay!" We should value and cherish that kind of picketing, and act on it by determining to keep that consular window open on these three great European organizations, as well as a myriad of other important matters.

I thank the gentleman for his time, and look forward to working with him to ensure acceptance of this provision in conference with the other body.

Mr. HERTEL. Mr. Chairman, I move to strike the last word. Mr. Chairman, I was greatly disturbed and angered to learn that the State Department has recommended that the special immigration status of some 10,000 Polish nationals that are currently residing in this country be revoked.

Since Poland declared martial law in 1981, these people have resided here under voluntary departure status in order to preserve their freedom, and in some cases, their lives. As we all know, the Polish Government declared martial law to crush the Solidarity labor movement and deny the Polish people the right to protest unfair actions of their government. The United States viewed that action most seriously, downgraded the diplomatic relations between our country and Poland, and imposed sanctions as an indication of our disgust with the Communist government's denial of the Polish people's basic human rights.

My first reaction to this news was to question if this was really the U.S. Department of State proposing this action. The United States should not be in the practice of deporting good and honest people who seek freedom to Communist countries. Clearly, many of these people will be torn away from relatives and possibly children who are American citizens, and we will fear for their safety at the hands of their government.

Mr. Chairman, I think we ought to take serious note of and condemn these actions by our Department of State, and I would recommend that the Congress both look into this matter and take a firm stand on behalf of the Polish people seeking to remain free of Communist dictatorship.

In this regard, Mr. Chairman, I am introducing a resolution at this time expressing our concern in this matter, urging the Secretary of State to recommend the continued extension of voluntary departure status for the nationals of Poland in the United States, and urging the Attorney General to agree to the extension.

Mr. MICA. Mr. Chairman, will the gentleman yield?

Mr. HERTEL. I yield to the gentleman from Florida, Mr. MICA.

Mr. MICA. Mr. Chairman, I thank the gentleman for yielding.

I thank the gentleman for his comments on this most important matter and wish to state that I share his concerns. The gentleman raises serious issues that should be addressed and I would like to assure him that we are ready to work with him in resolving this problem as expeditiously as possible.

Mr. HERTEL. I thank the chairman for his concern for the Polish people.

Mr. BARTON of Texas. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I will not offer an amendment that was printed in the RECORD, because it is my understanding that there would be a point of order made against it; but I would like to discuss the amendment briefly, so that the Members will support it on a later bill.

What the amendment would do is remove the most-favored-nation trade status from those nations that sponsor state terrorism.

The State Department at this date maintains a list of those nations that condone and sponsor terrorism. Syria is on that list. Libya is on that list. Iran is on that list, but even though these nations are listed as sponsoring terrorism, they continue to have most-favored-nation status.

I think this is inexcusable, and I think that that most-favored-nation trade status should be removed.

□ 1535

My amendment has been sponsored by a broad cross-section of the House of Representatives. The distinguished Congressman from Arizona [Mr. UDALL] is my original sponsor on the Democratic side of the aisle. We have in the neighborhood of 70 to 80 cosponsors of both parties, moderates, liberals, and conservatives. It is an excellent amendment. I am hopeful that at some point in time we can bring it on the floor, debate it and pass it, because there is a situation before this body that is inexcusable, that we allow nations that sponsor terrorism to continue to receive most-favored-nation trade status. I hope that at some point in the future we do something about that.

Mr. CHAIRMAN. Are there any further amendments to title III?

If not, the Clerk will designate title IV.

The text of title IV is as follows:

TITLE IV—BOARD FOR INTERNATIONAL BROADCASTING

SEC. 401. AUTHORIZATIONS OF APPROPRIATIONS.

(a) FISCAL YEARS 1988 AND 1989.—Subparagraph (A) of section 8(a)(1) of the Board of International Broadcasting Act of 1973 (22 U.S.C. 2877(a)(1)(A)) is amended to read as follows:

"(A) $170,600,000 for the fiscal year 1988 and $219,424,000 for the fiscal year 1989; and".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect October 1, 1987.

SEC. 402. RESERVE FOR OFFSETTING DOWNWARD FLUCTUATIONS IN OVERSEAS RATES.

Section 8(b) of the Board of International Broadcasting Act of 1973 (22 U.S.C. 2877(b)) is amended by inserting after "RFE/RL, Incorporated," the following: "shall be certified to the Congress by the Director of the Office of Management and Budget and placed in reserve in a separate account in the Treasury only for the purpose of offsetting future downward fluctuations in foreign currency exchange rates in order to maintain the level of operations authorized for each fiscal year. Any such amount".

SEC. 403. CERTIFICATION OF CERTAIN CREDITABLE SERVICE.

The third to last sentence of section 8332(b) of title 5, United States Code, is amended by inserting ", and the Secretary of State with respect to the Asia Foundation and the Secretary of Defense with respect to the Armed Forces Network, Europe (AFN-E)," after "Board for International Broadcasting".

The CHAIRMAN. Are there any amendments to title IV?

If not, the Clerk will designate title V.

The text of title V is as follows:

TITLE V—ASIA FOUNDATION

SEC. 501. AUTHORIZATION OF APPROPRIATIONS.

(a) FISCAL YEARS 1988 AND 1989.—Section 404 of the Asia Foundation Act (22 U.S.C. 4401 et seq.) is amended to read as follows:

"SEC. 404. FUNDING.

"There is authorized to be appropriated to the Secretary of State $13,700,000 for the fiscal year 1988 and $14,148,000 for the fiscal year 1989 for grants to The Asia Foundation pursuant to this title.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect October 1, 1987.

The CHAIRMAN. Are there any amendments to title V?

If not, the Clerk will designate title VI.

The text of title VI is as follows:

TITLE VI—MISCELLANEOUS PROVISIONS.

SEC. 601. EFFECTIVE DATE.

Except as otherwise provided in this Act, this Act shall take effect on the date of its enactment.

Amend the title so as to read: "A bill to authorize appropriations for fiscal years 1988 and 1989 for the Department of State, the United States Information Agency, the Voice of America, the Board for International Broadcasting, and for other purposes.".

AMENDMENT OFFERED BY MR. HUNTER

Mr. HUNTER. Mr. Chairman, I offer an amendment.

The Clerk reads as follows:

Amendment offered by Mr. HUNTER: Page 70, after line 16, add the following:

TITLE VII—TREATY OF MUTUAL COOPERATION AND SECURITY BETWEEN THE UNITED STATES AND JAPAN

SEC. 701. UNITED STATES EXPENDITURES IN CARRYING OUT THE TREATY OF MUTUAL COOPERATION AND SECURITY BETWEEN THE UNITED STATES AND JAPAN.

(a) FINDINGS.—The Congress finds that—

(1) Japan has prospered greatly under the security umbrella provided by the United States, rising from devastation to an economic superpower with the third largest gross national product in the world;

(2) the security of Asia and the free world is critical to the continued prosperity of Japan;

(3) Japan contributes proportionately less to defense than any other major industrialized nation;

(4) Japan is limited to how much it can increase its own defense program by political, and psychological constraints;

(5) Japan enjoys a $58,600,000,000 balance of trade surplus with the United States;

(6) the United States taxpayer cannot be expected to indefinitely shoulder a disproportionate share of the burden of defending Japan and the free world;

(7) the current inequitable financial commitment by Japan to its defense and that of the free world threatens to undermine its relations with the United States;

(8) continued good relations between the United States and Japan are mutually beneficial and critical to the security and economic well-being of the free world;

(9) it would be unwise for Japan to dramatically increase the level of its own defense forces to meet modern security needs and commitments; and

(10) the people of Japan would undoubtedly welcome the opportunity to pay a fair share for the defense of their country.

JAPANESE DEFENSE SPENDING.—Within 180 days after the date of enactment of this Act, the Secretary of State shall seek to enter into negotiations with the Government of Japan for the purpose of increasing the amount spent in any year by the Government of Japan for defense to at least 3 percent of the gross national product of Japan for that year.

Mr. HUNTER. Mr. Chairman, I have talked with the gentleman from North Carolina [Mr. NEAL] who is handling the matter on the other side of the aisle. We are going to ask unanimous consent that his amendment be offered first.

For that reason, I ask unanimous consent to withdraw my amendment at this time.

The CHAIRMAN. Could the Chair inquire as to whether the gentleman from North Carolina [Mr. NEAL] is offering his amendment as a substitute for the amendment offered by the gentleman from California [Mr. HUNTER]?

Mr. NEAL. Mr. Chairman, my intent is to offer my amendment. It is an amendment that was printed in the RECORD. It goes to the same subject matter as that of the gentleman from California [Mr. HUNTER].

The gentleman from California [Mr. HUNTER] and I do not agree totally on our amendments. It is my understanding that he will offer his as a substitute for mine.

The CHAIRMAN. Is there objection to the request of the gentleman from California [Mr. HUNTER]?

There was no objection.

The CHAIRMAN. The amendment offered by the gentleman from California [Mr. HUNTER] is withdrawn.

AMENDMENT OFFERED BY MR. NEAL

Mr. NEAL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. NEAL: Page 70, after line 16, add the following:

TITLE VII—TREATY OF MUTUAL COOPERATION AND SECURITY BETWEEN THE UNITED STATES AND JAPAN

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(6) the United States taxpayer cannot be expected to indefinitely shoulder a disproportionate share of the burden of defending Japan and the free world;

(7) the current inequitable financial commitment by Japan to its defense and that of the free world threatens to undermine its relations with the United States;

(8) continued good relations between the United States and Japan are mutually beneficial and critical to the security and economic well-being of the free world;

(9) it would be unwise for Japan to dramatically increase the level of its own defense forces to meet modern security needs and commitments; and

(10) the people of Japan would undoubtedly welcome the opportunity to pay a fair share for the defense of their country.

(b) ANNUAL SECURITY FEE PAID TO UNITED STATES.—The President of the United States should seek to negotiate an agreement with the Government of Japan, whereby that nation would pay an annual security fee to the United States Government equal to 2 percent of Japan's annual gross national product, to more equitably compensate the United States for expenditures related to carrying out the provisions of the Treaty of Mutual Cooperation and Security between the United States and Japan, and for the security of the free world.

Mr. NEAL (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The CHAIRMAN. The gentleman from North Carolina [Mr. NEAL] is recognized for 5 minutes in support of his amendment.

Mr. MICA. Mr. Chairman, will the gentleman yield?

Mr. NEAL. I am happy to yield to the gentleman from Florida.

Mr. MICA. Mr. Chairman, is it my understanding that we have an agreement between the gentleman to close off debate on these amendments in 30 minutes?

Mr. HUNTER. Yes, Mr. Chairman.

Mr. NEAL. Mr. Chairman, it was our understanding that I would have 15 minutes and the gentleman from California [Mr. HUNTER] would have 15 minutes and we would limit debate to that period of time.

Mr. HUNTER. That is my understanding.

The CHAIRMAN. Does the gentleman from North Carolina have a request?

Mr. NEAL. Mr. Chairman, I would make that unanimous-consent request, that we be allotted a half hour, 15 minutes to be controlled by me and 15 minutes to be controlled by the gentleman from California [Mr. HUNTER].

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

Mr. SOLARZ. Reserving the right to object, Mr. Chairman, inasmuch as the authors of these two separate amendments are each trying to extract more from the Japanese, one in the form of a payment to us, the other in the form of more defense expenditures by them, and there are at least some around here who view both amendments as being ultimately not helpful to the very cause they seek to promote, could we have some assurances that the gentleman who will be controlling the time in this debate will relinquish at least a small portion of it to those who might have a contrary perspective on these proposals?

Mr. NEAL. Mr. Chairman, if the gentleman will yield, I will be delighted to yield a very small, a little tiny portion of time—no, I would be happy to yield to the gentleman an adequate amount of time.

Mr. SOLARZ. I deeply appreciate the gentleman's offer.

Mr. NEAL. Does 5 minutes seem reasonable?

Mr. SOLARZ. Which I must say is worth much more than the sinking value of the dollar these days.

Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

Mr. MICA. Reserving the right to object, Mr. Chairman, would the gentleman be considering modifying his request to make it 10, 10, and 10?

Mr. NEAL. Ten for the gentleman from California [Mr. HUNTER], 10 for me, and 10 for who?

Mr. MICA. The gentleman can give it to the chairman or to the gentleman from New York [Mr. SOLARZ]. I just ask this in an effort to be fair.

Mr. NEAL. Certainly, I will be delighted to yield that much.

Mr. MICA. Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina.

Mr. BURTON of Indiana. Reserving the right to object, Mr. Chairman, let me ask the gentleman from California, who was in a private colloquy, did the gentleman hear the agreement that was just made?

Mr. HUNTER. Mr. Chairman, if the gentleman will yield, I heard the previous agreement for the 30-minute division of time between myself and the gentleman from North Carolina [Mr. NEAL].

Mr. BURTON of Indiana. No, it has been changed now. There are three parties involved. Does the gentleman have any problem with that.

Mr. HUNTER. I would have to ask the gentleman from New York [Mr. SOLARZ], if the gentleman from North Carolina [Mr. NEAL] will yield to the gentleman from New York [Mr. SOLARZ] and how much time the gentleman would take out of our 30 minutes?

Mr. SOLARZ. Under this proposal, Mr. Chairman, I would be given 10 minutes. I do not need all of it myself. I do not know if there is anybody else brave enough to speak up against either of these amendments. If they are, I do not want to preclude them from participating.

Mr. HUNTER. Mr. Chairman, I thank my friend for asking me.

I know the gentleman from New York [Mr. SOLARZ] is opposed to both amendments. That really restricts the amount of time that the gentleman from North Carolina [Mr. NEAL] and I have to explain our amendments to a point where I think we could not adequately do that job.

I cannot agree to the unanimous-consent request, unless we can get some more time.

Mr. NEAL. Mr. Chairman, since we cannot have agreement, I would be happy to yield at least 5 minutes to the gentleman from New York [Mr. Solarz].

Mr. SOLARZ. Mr. Chairman, I appreciate that, and since I have no desire to be an obstructionist with respect to proposals that I suspect will be adopted in spite of my eloquent pleas to reject them, I will be happy to go along.

Mr. BURTON of Indiana. Further reserving the right to object, Mr. Chairman, I just want to make sure I understand. This time sequence we are talking about now applies only to this amendment?

The CHAIRMAN. The Chair will state the unanimous consent request as the Chair understands it and ask if there are any objections.

The unanimous-consent request is that 30 minutes be devoted to the Neal amendment and all amendments thereto, to be divided equally between the gentleman from North Carolina [Mr. Neal] and the gentleman from California [Mr. Hunter].

Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The CHAIRMAN. The gentleman from North Carolina [Mr. Neal] is recognized for 15 minutes.

Mr. NEAL. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, it is clear to all of us that Japan has prospered greatly over the years under the security umbrella provided by the United States. At the end of the Second World War Japan was devastated. Now it is one of the world's great superpowers.

It is clear that the security of Japan depends on the security of all of Asia.

Japan is prosperous. They are running enormous trade surpluses. It is clear that they could help a little bit with paying the bills for this defense umbrella.

I think it is also clear that the United States taxpayer cannot be expected to indefinitely shoulder a disproportionate share of the burden of defending Japan and the rest of the free world.

So my resolution urges that the President of the United States seek to negotiate with the Government of Japan an agreement whereby Japan would help pay to the United States part of this burden. We suggest 2 percent of the gross national product, a modest fee.

By the way, when I first introduced this proposal back in 1981, a number of the members of the Japanese media contacted me. They could see that it was a perfectly fair and reasonable idea. In fact, one of them asked me, he said, "We understand that this will be seen as fair. Do you think it could be a little less than 2 percent?"

I said, "Well, I suggest 2 percent, but let's talk about it a little bit. I am sure we could reduce that a little bit if necessary."

The whole point is to try to get Japan to help shoulder a bit of this burden.

The gentleman from California [Mr. Hunter] has proposed or will be proposing an amendment to mine, but he would have Japan rearm.

Now, Mr. Chairman, I think that would be a very dangerous situation for the free world. Japan at one time or another in its history occupied part of Korea, the Philippines, Taiwan, part of China, and I think a major rearmament on the part of Japan would scare the life out of the people of those Asian countries and be very counterproductive; so there is a very essential difference between these two approaches.

My approach urges that Japan help shoulder some of the burden. The approach by the gentleman from California urges Japan to rearm.

Mr. SCHEUER. Mr. Chairman, will the gentleman yield?

Mr. NEAL. I would be glad to yield for about a minute. We are operating under a time limitation, but I will yield to my friend the gentleman from New York [Mr. Scheuer].

Mr. SCHEUER. Mr. Chairman, just to underscore the point the gentleman is making about the gross undesirability of requiring Japan to rearm, does not her constitution, which we in effect wrote for her under the MacArthur regime prevent her from rearming and becoming a major military power in the Pacific Rim?

Mr. NEAL. The distinguished gentleman is absolutely correct.

Mr. SCHEUER. I think they would have to change their constitution even to exceed 1 percent.

Mr. NEAL. Yes, that is my understanding also. I thank the gentleman, and I reserve the balance of my time.

AMENDMENT OFFERED BY MR. HUNTER AS A SUBSTITUTE FOR THE AMENDMENT OFFERED BY MR. NEAL

Mr. HUNTER. Mr. Chairman, I offer an amendment as a substitute for the amendment.

The Clerk read as follows:

Amendment offered by Mr. Hunter as a substitute for the amendment offered by Mr. Neal: Page 70, after line 16, add the following:

TITLE VII—TREATY OF MUTUAL COOPERATION AND SECURITY BETWEEN THE UNITED STATES AND JAPAN

SEC. 701. UNITED STATES EXPENDITURES IN CARRYING OUT THE TREATY OF MUTUAL COOPERATION AND SECURITY BETWEEN THE UNITED STATES AND JAPAN.

(a) Findings.—The Congress finds that—

(1) Japan has prospered greatly under the security umbrella provided by the United States, rising from devastation to an economic superpower with the third largest gross national product in the world;

(2) the security of Asia and the free world is critical to the continued prosperity of Japan;

(3) Japan contributes proportionately less to defense than any other major industrialized nation;

(4) Japan is limited to how much it can increase its own defense program by political, and psychological constraints;

(5) Japan enjoys a $58,600,000,000 balance of trade surplus with the United States;

(6) the United States taxpayer cannot be expected to indefinitely shoulder a disproportionate share of the burden of defending Japan and the free world;

(7) the current inequitable financial commitment by Japan to its defense and that of the free world threatens to undermine its relations with the United States;

(8) continued good relations between the United States and Japan are mutually beneficial and critical to the security and economic well-being of the free world;

(9) it would be unwise for Japan to dramatically increase the level of its own defense forces to meet modern security needs and commitments; and

(10) the people of Japan would undoubtedly welcome the opportunity to pay a fair share for the defense of their country.

(b) Japanese Defense Spending.—Within 180 days after the date of enactment of this Act, the Secretary of State shall seek to enter into negotiations with the Government of Japan for the purpose of increasing the amount spent in any year by the Government of Japan for defense to at least 3 percent of the gross national product of Japan for that year.

□ 1550

Mr. HUNTER (during the reading). Mr. Chairman, I ask unanimous consent that the substitute amendment be considered as read and printed in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HUNTER. Mr. Chairman, I yield myself 3 minutes.

Mr. Chairman, this amendment is very similar to the amendment offered by the gentleman from North Carolina [Mr. Neal], and in fact it includes and incorporates his findings to the effect that the United States has largely borne the burden of the defense of the free world disproportionate to our share of the free world's gross national product, to our share of the world's commerce, to our own productivity and commerce, and that Japan has not borne its fair share of the defense of the free world.

Very specifically, Mr. Chairman, the gross national product of Japan if Japan spent as much of its GNP on defense as we spent, about 6 percent, they would have spent for the defense of the free world this year $110 billion. They saved $110 billion by not bearing their fair share of the defense of the free world.

I think what has happened in the Middle East has very clearly pointed out to us and to them that we are inextricably intertwined and interdependent on the sea lanes of the free world. Japan takes some 60 percent of its petroleum through the Straits of Hormuz, which we are presently protecting. We take about 10 percent of our petroleum through those straits, and yet we are required to be the world's policeman in that area and they are allowed to be the world's salesman without the burden of defending their sea lanes or our sea lanes.

This amendment says that we ask the Secretary of State to enter negotiations with Japan for the purpose of enlarging their defense burden or their expenditures on the defense of the free world. Right now they are spending right at 1 percent of their GNP, and let me say to my colleagues, the Constitution of Japan does not say that they can only spend 1 percent. That is a myth. Nowhere in the Constitution of Japan does it say, "We can only spend 1 percent of our GNP on national defense." That is a policy that was adopted by a recent Japanese administration, but that is not the content of the constitution.

They do say that they will not engage in aggressive warfare, that they want to renounce war. Yet they do acknowledge the fact that they have to be engaged in the defense of their country.

There are a lot of things that they could do to support the defense of the free world. They could build defenses against the SS-21 and -23 missiles that the Soviet Union will be emplacing in positions closer and closer to the Japanese mainland. They could build hospitals for service people. They could engage in military construction. They could provide defense moneys to areas of the world, such as the Middle East, where we are basically shouldering the entire burden of the expenditures that go to countries like Israel and Egypt. There are many areas where the Japanese could contribute, and all that this does is request the Secretary to engage in negotiations with the Japanese for the purpose of bringing their defense level up to half of what ours is in relation to its GNP. We spend 6 percent of our GNP on defense, about 7, they spend 3 percent of their GNP on defense. And that is the essence of the Hunter substitute.

The Hunter substitute gives the Japanese or gives our Secretary of State the requirement of negotiating with the Japanese for purposes of raising their defense spending.

Mr. McMILLAN of North Carolina. Mr. Chairman, I rise in support of the Hunter amendment.

Three percent may not be the right amount for Japan to contribute—maybe it should be 6 percent—but I support this amendment as it does take a significant step toward addressing this vital issue.

Japan, with a GNP of $1,116 trillion, one of the strongest growth economies, spends just 1 percent of this GNP on defense—$12 billion in contrast to our $290 billion.

Japan has a trade surplus of $50 billion with the United States.

It is clear that the United States can no longer continue to bear the lion's share of the free world's defense and it is time for Japan to recognize this and to increase their defense commitments accordingly. Japan is no longer the war-devastated country it was in 1945 and, given its low defense commitments relative to GNP, the size and strength of its economy, and its annual trade surplus, and its enjoyment of peace and security in the Pacific, this amendment is a step in the right direction.

The time has come for the United States to enter into sincere, focused negotiations designed to encourage our great ally, Japan, to increase its defense expenditures.

The resulting increase would significantly reduce the pressure on the United States to finance the defense of the free world.

I urge my colleagues to support the Hunter amendment.

Mr. Chairman, This amendment is consistent with my sense of Congress resolution described as follows:

ANALYSIS OF MCMILLAN DEFENSE ALLIANCE PROPOSAL

The purpose of this legislation is to establish the "sense of Congress" that the United States should enter into negotiations with countries which participate in a common defense alliance with the U.S. for the purpose of establishing a more equitable apportionment of the burden of financial support for the alliance, particularly NATO and our defense agreement with Japan.

Though it is clearly an insufficient means of measuring commitment to an alliance, many of our major allies spend considerably less than 4 percent of their GDP on defense while the U.S. is spending approximately 6.7 percent. Japan represents the most severe instance, spending just 1.004 percent of its very healthy GDP on defense. It is clear from the attached figures that Japan's low defense spending significantly lowers the overall allied defense spending as a percentage of GDP.

This is a solid effort to bring this critical issue to the forefront of our treaty relationships. Even taking into consideration the very real growth in defense expenditures by the NATO countries during the 1970's, the reliance on conscript manpower for military personnel which results in lower manpower costs than would an all volunteer force, and other relevant allied economic burdens such as the loss of relatively greater rent and tax revenue due to the large amount of real estate devoted to defense purposes, it is obvious that some NATO countries and Japan are making financial contributions below their fair share.

This amendment does not mandate any punitive, unilateral action on the part of the U.S. if immediate progress is not made on this issue because negotiation must be the focal point. Unilateral pronouncements by the United States on the extent to which our allies are or are not sharing the burden are not an effective formula for encouraging improved allied efforts.

A more equitable apportionment of the common defense burden can be realized if the countries currently underfinancing the common defense effort were to increase their respective defense budgets. The resulting increase would allow these countries either (1) to increase the overall level of their military commitments to the alliance, commensurate with the level and quality of the forces the United States would then be able to withdraw, or (2) to enter into a system of direct payments to the U.S. in order to offset the cost of the U.S. commitment of forces.

A point of reference would be for our allies to achieve a net shift of $60 billion over five years as a minimum commitment in support of common treaty objectives. This would represent a 1.5% increase in defense spending relative to the aggregate NATO and Japanese GDP.

Development of a negotiating strategy should take into account foreign assistance in support of common treaty goals.

GROSS DOMESTIC PRODUCT, DEFENSE EXPENDITURES AND U.S. TRADE BALANCES

[1984 constant dollars in billions]

Country	GDP	Defense budget	Defense spending as percent of GDP	Trade [1] balance
United States	3,635	231.46	6.5	NA
Japan	1,166	11.69	1.0	−49.8
West Germany	613	20.12	3.3	−15.6
France	489	20.21	4.1	−3.4
United Kingdom	425	23.40	5.3	−4.6
Italy	348	9.35	2.7	−6.5
Canada	332	7.53	2.2	−23.3
Spain	161	4.67	2.9	−0.3
Netherlands	123	3.98	3.2	+3.5
Belgium	76	2.45	3.2	+1.2
Norway	55	1.55	2.8	−0.2
Denmark	55	1.26	2.3	−1.1
Turkey	50	2.19	4.4	+0.5
Greece	33	2.41	7.2	NA
Portugal	19	.63	3.3	NA
Luxembourg	3	.04	1.2	NA
Non-U.S. NATO	2,783	99.80	3.5	−49.8
Non-U.S. NATO plus Japan	3,950	111.49	2.8	−106.6
Total NATO	6,418	331.26	5.2	NA
Total NATO plus Japan	7,584	342.95	4.6	NA

[1] 1986 Department of Commerce figures.

AMENDMENT OFFERED BY MR. RITTER TO THE AMENDMENT OFFERED BY MR. HUNTER AS A SUBSTITUTE FOR THE AMENDMENT OFFERED BY MR. NEAL

Mr. RITTER. Mr. Chairman, I offer an amendment to the amendment offered as a substitute for the amendment.

The Clerk read as follows:

Amendment offered by Mr. RITTER to the amendment offered by Mr. HUNTER as a substitute for the amendment offered by Mr. NEAL: Strike out the final period of subsection (b) and insert in lieu thereof: ", or of obtaining payment by Japan to the United States of this amount by which such percentage amount exceeds the amount spent by Japan for defense in such year."

Mr. RITTER (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. HUNTER. Mr. Chairman, I yield 5 minutes to the gentleman from Pennsylvania [Mr. RITTER].

Mr. RITTER. Mr. Chairman, what my amendment does, very simply, is give Japan the alternative of either increasing their defense expenditures to 3 percent of their gross national product, or paying a fee in the same sense that the Neal amendment seeks a fee, for the difference between 3 percent and 1 percent.

We have already heard that our GNP percentage for defense is 7 percent.

Mr. Chairman, this issue goes to the heart of U.S. industrial and technological competitiveness. We are talking about an extraordinary burden placed on the United States that is not placed on our key competitors. If 3 percent of GNP would have been spent by the Japanese on average over the last 5 years, an additional $239 billion would have been put toward the defense of freedom, democracy, open trade routes, and capitalism.

Mr. Chairman, the cost of protecting open markets in the free world should be borne more evenly and more proportionately by those who benefit. We had a $58 billion trade deficit with Japan in 1986. While we invent the next set of avionics for a figher aircraft, the Japanese build high-definition television. They build VCR's and compact disks and we promote guidance systems for nuclear missiles out of our economy.

Keeping the Panama Canal, Suez Canal, Indian Ocean, and so many other strategic shipping lanes open is as much or more in Japan's interest than it is in ours. An open and expanding world economy protected from our adversaries is as much or more in Japan's interest than it is in ours. Our budget deficit would have disappeared long ago if we spent the same proportion of GNP on defense that Japan does.

Japan has the second largest economy in the world. They had a $1.963 trillion economy in 1986. They had an inflation rate of 1 percent and an unemployment rate of 2.8 percent in the same period. Our trade deficit in 1986 was $166 billion. It is $50 billion in the first 3 months of 1987.

What we are asking for is modest, it is simple, we are asking them to spend half of what we spend on defense as a share of GNP. And, in the event that the Japanese political system does not allow the expenditures of 3 percent of gross national product, all we are asking is that they contribute to the defense of the free world, which is so important to their global exporting economy, by compensating the United States for doing it for them.

Mr. HUNTER. Mr. Chairman, will the gentleman yield?

Mr. RITTER. I yield to the gentleman from California.

Mr. HUNTER. I thank the gentleman for yielding.

Mr. Chairman, I just wanted to say that I agree with the gentleman's amendment to my amendment. Basically the amendment of the gentleman from North Carolina [Mr. NEAL] asks the Japanese to pay the difference between 3 percent that they should be spending on defense and the 1 percent of their gross national product that they in reality are spending on defense.

My amendment asks them to spend that money, to spend that 2 percent on defense, and what the amendment of the gentleman from Pennsylvania [Mr. RITTER] says is that they have the option. It says that the Japanese can either increase defense spending to 3 percent or they can pay that difference to the United States if we are going to provide the fleet protection, the power projection, and the protection of sea lanes around the world that Japan depends upon, that they can pay and help us to bring some of that budget deficit that Mr. Nakasone was complaining to Mr. Reagan about in a recent meeting.

So I commend the gentleman, and I think that it is a good amendment, and I think that it incorporates the best of the Neal amendment in my amendment.

Mr. RITTER. Mr. Chairman, I think that we are quite close with the Neal amendment. The Neal amendment asks for a 2-percent fee, and we are giving the Japanese the alternative of either spending 3 percent of GNP on defense or helping the United States to pay for its defense burden between whatever they do spend on defense and the 3-percent level.

Mr. NEAL. Mr. Chairman, I yield myself 30 seconds.

Mr. Chairman, I just want to say that I appreciate that there is a great similarity between the two approaches now, but I want to say how strongly I feel that we should not in any way encourage Japan to rearm. I think that if we were to do that and in fact if Japan were to rearm significantly that it would put fear in the hearts of the residents of most of Asia and would not serve our interests at all.

So the real difference between the two amendments now is whether or not we want to urge Japan to rearm itself or whether we want to bear some of the burden that we have been bearing all of these years in protecting, as the gentleman pointed out, the sea lanes, the chokepoints of the world.

I would hope that we would adopt the fee provision and not the rearmament.

Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. SOLARZ].

Mr. SOLARZ. I thank the gentleman for yielding time to me.

Mr. Chairman, there is nobody in the House for whom I have greater affection than the gentleman from North Carolina. I wish that I could say the same about his amendment, but unfortunately, I cannot.

I do not think there is anybody here who would dispute that Japan could contribute more to its own defense. I do not think there is anybody here who would dispute the desirability of persuading Japan to contribute more to its own defense. That would be beneficial to them and it would clearly be beneficial to us.

I must say, however, I have the greatest reservations about the efficacy of the approach which has been adopted by the gentlemen whose amendments are before us at this time. I support their ends but I deplore their means, because I think the means they have chosen are likely to be entirely counterproductive.

Take the first of all of the amendments offered by my very dear friend, the gentleman from North Carolina [Mr. NEAL], which calls for the negotiation of a security fee which Japan would have to pay to the United States equivalent to 2 percent of their GNP. That comes, by the way, to approximately $50 billion. That is what we would be asking the Japanese to pay us. I fear that if the Neal amendment were to be adopted, it would put the United States in the business of running the international equivalent of a protection racket.

We are not in Japan as a favor to the Japanese, we are in Japan as a favor to ourselves because we believe the defense of Japan serves the best interest of the United States. If we want the Japanese to spend more, the way to get them to spend more on defense is not to adopt resolutions, in effect, imposing fixed fees on them, but rather to have the kind of candid and hopefully constructive dialog which one has with one's allies rather than the kind of preemptory negotiations which one may have with one's colonies. Japan is not a colony of the United States. It is a friend and an ally.

May I say that when it comes to defense spending, while there is, obviously, room for a significant increase in Japanese defense spending, we often underestimate the extent to which they are contributing to their defense and to our common security interests in the region. For example, it has been said they are spending 1 percent of GNP on defense. It is true, that is what they say. But by NATO accounting standards, which is what we apply to ourselves and to all of our European allies, they are spending 1½ percent of GNP.

We have bases in Japan. We are not paying them rent for those bases. They are contributing $1.5 billion to the upkeep of those facilities. They are spending more on foreign aid, much of it at our request, than any other country in the world other than the United States.

So there are many ways in which they are contributing not only to their defense but to our mutual security. Over the course of the last decade, in fact, Japan has increased its defense spending on an annual basis by an average of 5.4 percent a year in real terms, which is a higher steady and sustained percentage increase than all of our other allies.

Let me point out to my friend from North Carolina that if Japan is spending 1½ percent of its GNP on defense, and the gentleman is asking for a 2-percent fee, that means they would be spending the rough equivalent of 3½ percent of their GNP on security related matters.

The gentleman may be interested to know that by that standard if we were going to be consistent we would have to impose security fees on Canada, which is spending 2.3 percent of GNP on defense, Italy, which only is spending 2.8 percent of its GNP on defense, on Luxembourg, the Netherlands, Spain, Belgium, and other countries as well. What kind of an alliance would we end up with if we went to every nation with which we are allied and if we said if your total spending on defense is less than 3½ percent of GNP we are going to send you a fee for the difference?

It might be nice, and it would be wonderful if they gave us money. But my friends, they are not going to do it. You know it and I know it.

The real question is, Does the adoption of this resolution result in a greater propensity on the part of Japan to spend more on defense? I would submit that we would have a better chance of getting them to spend more on defense if we dropped talk about fees, if we dropped talk about fixed percentages.

The CHAIRMAN. The time of the gentleman from New York [Mr. SOLARZ] has expired.

Mr. NEAL. Mr. Chairman, I thank the gentleman for his generosity in yielding. I only hope that the President is equally accommodating with the Japanese when he gets into negotiations pursuant to the adoption of one of these amendments. I labor under no illusion that my plea for prudence will prevail, but I do say in all sincerity if we had dropped references to specific fees or specific amounts and instead called for friendly discussions on this issue, I think we would have a better chance of encouraging the Japanese to spend somewhat more on defense than they are now.

This kind of approach is not compatible with the approach one takes to a country that has cooperated with us in so many different ways.

Mr. HUNTER. Mr. Chairman, I yield myself 1 minute for a brief rejoinder to the gentleman from New York concerning the thrust of any amendment and the amendment of the gentleman from North Carolina [Mr. NEAL].

No. 1, all this legislation does is to direct the Secretary of State to enter negotiations, to talk with the Japanese about the possibility of raising their defense spending.

It does mention for the first time a figure, and the point is the Japanese are experts at the bottom line. Of course they would like to discuss the subject very generally, but then with the calculations that the gentleman from New York made saying they really spend 1½ percent of GNP on defense, that means they got a free ride last year to the tune of $100 billion. With $100 billion we could have an 800-ship Navy, we could match the Soviets in armor on the western front, we could have enormous sealift and airlift increases, and the West would be much more secure.

The point is the gentleman from North Carolina [Mr. NEAL], the gentleman from Pennsylvania [Mr. RITTER] and I have simply directed the Secretary to enter negotiations, and again, once again the amendment as amended by the gentleman from Pennsylvania [Mr. RITTER] gives them a choice. it says they can either increase their defense spending to 3 percent or pay us for the increased defense spending that we have had to undertake.

I simply say to the gentleman the time has come at least for Secretary Shultz to sit down and talk to the Japanese about specific figures. They are partners in world trade, they are a mature, sophisticated nation, and we want to keep them as partners in helping to defend the free world.

Mr. Chairman, I yield 1 minute to the gentleman from Pennsylvania [Mr. RITTER].

Mr. RITTER. Mr. Chairman, I thank the gentleman from California for yielding.

Mr. Chairman, I want to point out that I have great respect for the achievements of the Japanese. They have led the world in manufacturing, led the world in bringing new commercial products into the consumer marketplace, led the world in consumer electronics. In fact, I have such great respect for the Japanese that I see that with the United States focusing its cutting edge technology efforts in the arena of defense, which I sense is very important for the defense of freedom and our way of life in this world. But, with us doing it and the Japanese not doing it, over time, cumulatively, year after year, the $50 billion adds up to hundreds of billions of dollars, but primarily into consumer oriented world export industry, while we, the United States of America, supports free passage, supports the freedom of peoples to conduct open market economies throughout the world. At that time, at that point, we are at a serious disadvantage.

Mr. HUNTER. Mr. Chairman, I yield 1 minute to the gentleman from New York [Mr. SOLOMON].

Mr. SOLOMON. Mr. Chairman, let me just say if my colleagues want a good reason to support either the Neal, Hunter, or Ritter amendments, let me just read from an article from the Wall Street Journal just the other day.

The article states:

[From the Wall Street Journal, June 12, 1987]

JAPAN GAINS FROM AMERICAN EMBARGO AGAINST NICARAGUA

(By Clifford Krauss)

MANAGUA, NICARAGUA.—After the Reagan administration slapped a trade embargo on Nicaragua in May 1985, Xerox Corp.'s Nicaraguan unit couldn't get spare parts from the U.S. So Nicaraguan businessmen and government officials turned to Japanese-made Canon Inc. copiers.

Xerox lost contracts to service 800 copiers, more than half the number of such machines in the country. In the year before the embargo, Xerox de Nicaragua generated profit of $2.1 million on revenue of $8.6 million; last year, it incurred a loss of $740,000 on revenue of $2.2 million.

"I'm trying to tell the American Embassy that we're losing the market and the Japanese couldn't be happier," says Verona Gurdian de Somarriba, director-general of the Xerox unit. "Before the revolution, you used to see American cars on Nicaraguan streets; now all you see are Toyotas and Datsuns."

BEST TRADING PARTNER

Japan hasn't become a political ally of Managua. But since the U.S. embargo, Japan has become, with little effort, Nicaragua's best trading partner outside the Soviet bloc. And while Japanese trade with Nicaragua has slipped along with the war-strained economy here, representatives of U.S. corporations that still do business in the country say they lose $40 million in annual sales to the Japanese.

(Dozens of American corporations continue to operate in Nicaragua, including Exxon Corp., International Business Machines Corp. and Colgate-Palmolive Co. They sometimes can get around the embargo by using subsidiaries based in other countries; although it's an expensive way to do business.)

Nicaraguan officials contend that U.S. companies have suffered more than the Sandinista government from the embargo. "We've become dependent of Japanese technology the way we used to be dependent on American technology," says Foreign Commerce Minister Alejandro Martinez Cuenca. Mr. Martinez Cuenca gestures to the Sanyo personal computer, purchased last year, that sits beside his desk.

Japanese diplomats stationed here are critical of the ruling Sandinistas, but they stress their nation's nonideological trade policy. "We live in a world with many ideologies, and we try to get along," says Japanese attache Takashi Tanaka.

AID PROGRAM STOPPED

Reagan administration officials, including Secretary of State George Shultz, have repeatedly urged Japan to downgrade its ties with Managua. Washington has even asked Tokyo not to invite top Sandinista officials to Japan. Such efforts apparently have had some success: Japan ended its small aid program here four years ago.

Washington has even less clout over Japanese trade, in large part because many Japanese products are brought into Nicaragua by the Sandinistas themselves. The Heroes & Martyrs Corp., a private trading company owned by Sandinista party officials, imports Japanese cars and Cannon copiers, mostly through Panama and other third countries. Komatsu Ltd. machinery, which was once marketed by the dictator Anastasio Somoza, is now imported by a holding company linked to Nicaragua's Construction Ministry.

Ricardo Mendoza Miranda, the local representative of Deere & Co. and Caterpillar Inc., says he's lost $10 million in sales to Komatsu since the embargo began. "The Japanese don't even have to make an effort. The U.S. embargo opened the door for them," he says.

While giving a boost to Japanese-Nicaraguan trade and damaging Nicaraguan private enterprise, the embargo has failed to bring the Sandinistas to their knees. Western diplomats here estimate that the embargo caused a mere $30 million in damages to the Nicaraguan economy between May 1985, when it was declared, through 1986.

When asked why the Japanese do not support our embargo against Nicaragua they say, "We don't let ideology interfere with our trade policy."

We, the United States, are forced to bear more than our fair share of the defense of the free world while the Japanese take advantage of it time and time again around the world. It is time that this stopped. They can well afford it. Let us pass any of these amendments, but let us pass them and get on with it.

Mr. HUNTER. Mr. Chairman, I yield 1 minute to the gentleman from Indiana [Mr. BURTON].

Mr. BURTON of Indiana. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, 60 percent of the oil that Japan gets comes through the Persian Gulf. They ought to be helping support the defense of the Straits of Hormuz and the Persian Gulf.

They are getting about a $110 billion free ride, as I understand it, just last year, because of our providing for their defense needs. We have a $58 billion trade deficit with them, and Toshiba, a Japanese company, just sold impellers to the Soviet Navy, which puts the United States at risk. It is going to translate into billions of dollars of additional defense expenditures for this country.

This should not go unnoticed, and I think it is absolutely imperative that the United States of America extract some quid pro quo from the Japanese, our good friends overseas.

For that reason, I think it is absolutely essential that one of these three pieces of legislation be passed today. I would prefer that they be in reverse order, but I urge the House of Representatives to support this legislation 100 percent.

Mr. HUNTER. Mr. Chairman, how much time do we have remaining?

The CHAIRMAN. The gentleman from California [Mr. HUNTER] has 2¾ minutes remaining and the gentleman from North Carolina [Mr. NEAL] has 4½ minutes remaining.

Mr. HUNTER. Mr. Chairman, I yield 30 seconds to the gentleman from Missouri [Mr. EMERSON].

Mr. EMERSON. Mr. Chairman, I want to associate myself with the remarks of the gentleman from California [Mr. HUNTER] and the gentleman from Pennsylvania [Mr. RITTER]. I think the arguments that have been made here today about not wanting Japan itself to rearm have a great deal of validity, but I certainly do not see any reason why Japan could not bear more of the burden of expense of helping to defend the West. I think they could do more than they are now doing in terms of promoting stability in the Mideast and in keeping the sealanes of the world open.

So I think what is being asked by these gentlemen here, the gentleman from Pennsylvania [Mr. RITTER] and the gentleman from California [Mr. HUNTER] is eminently fair. If anything, I think they probably do not go far enough. But I think what they have asked for is a good starting point.

The CHAIRMAN. The gentleman from North Carolina [Mr. NEAL] indicates he has only one speaker and would like to close debate. Therefore, the Chair would ask the gentleman from California [Mr. HUNTER] to proceed to use his time.

Mr. HUNTER. Mr. Chairman, I yield 1 minute to the gentleman from Texas [Mr. BARTON].

Mr. BARTON of Texas. Mr. Chairman, I would like to support the Hunter amendment and point out that the Japanese now spend in the neighborhood of $22 billion per year on defense. If the Hunter amendment were passed and the Japanese did increase their defense spending by 3 percent, they would be spending $66 billion. The United States today is spending $280 billion.

If there is an example of why the Japanese need to spend more on defense, one only has to look to the Persian Gulf. I am sure many of the speakers have pointed that out in the debate.

There is not a prohibition in the Japanese Constitution against their spending more than 1 percent. There is a policy of the Japanese Government against their spending more than 1 percent. So if we as a nation, as our official policy were to go to them and ask them to increase defense spending in a very serious way and a systematic way, I think there is every likelihood that they would do so.

For all of these reasons, I urge adoption of the Hunter amendment.

Mr. HUNTER. Mr. Chairman, I yield 30 seconds to the gentleman from California [Mr. DORNAN].

Mr. DORNAN of California. Mr. Chairman, this has been an excellent debate. The problem is one can feel the heaviness in the air here, that this is a get-away afternoon. This should be debated on a Wednesday when we are all full of vigor, because this is one of the most important and constructive things we can do in this House, and I feel the bipartisanship here. I feel a consensus, and we do not have to bash the Japanese. We have to show them a way to burden share the defense of the free world.

I just wish this debate could take place next week at a more propitious time where it gets more focus, more press attention and the attention of all of our colleagues.

Mr. HUNTER. Mr. Chairman, I yield 30 seconds to the gentleman from Florida [Mr. MCCOLLUM].

Mr. McCOLLUM. I thank the gentleman for yielding.

I think this is simple. I rise to support the Ritter-Hunter-Neal effort today to get some commonsense discussions going between the Japanese and us. There is nothing here in any of this that is going to put any undue burden on the Japanese, there is going to be no restrictions or special hardships to them that are going to befall this. This is simply an effort to have negotiations on their participation in the common defense of our countries. I think it is long past overdue. Let us make this simple amendment get into the law. It is time to go vote for Ritter-Hunter-Neal.

The CHAIRMAN. The gentleman from California [Mr. HUNTER] has 15 seconds remaining.

Mr. HUNTER. Mr. Chairman, I yield myself the balance of my time.

Mr. Chairman, this is a very moderate, sensible action. It calls for Secretary Shultz to negotiate with the Japanese, only to negotiate, to try to start bringing them up to the level of responsibility they should be at. It is reasonable.

I would urge passage of the Hunter-Ritter-Neal language that is before you now.

I yield back the balance of my time.

The CHAIRMAN. The gentleman from North Carolina [Mr. NEAL] is recognized for 4½ minutes to close debate.

Mr. NEAL. Mr. Chairman, I am in great sympathy with much of what I have heard here today. In fact, I do not see there is a lot of disagreement except on one point. I must say I feel strongly about this one point. The emphasis of the Hunter amendment, the heart of the Hunter amendment is to urge Japan to rearm, to rearm to the extent of 3 percent of its gross national product. That is about $75 billion I believe. It is a matter of judgment, as I said earlier, but I believe that anyone who spends time of foreign policy in that part of the world would tell you that that would be a very dangerous situation. It would strike fear in the hearts of our Asian friends and allies and simply would not begin to accomplish what we want. The Hunter amendment would urge Japan to rearm. Our amendment, on the other hand, urges that they spend more on the common defense. It says let us urge them to continue spending their 1 percent, we do not interfere, we do not think it is our business to interfere into the internal affairs of a good friend and partner, but we say, in addition to that, contribute a bit to the common defense for all reasons that have been mentioned here earlier, protecting the sealanes, protecting the flow of oil and so on.

So we urge negotiations to get them to spend some more on the common defense.

My good friend from New York talked about how much some of the other countries spend on defense. The fact of the matter is that Japan spends less of its GNP on defense than any developed country in the world. The closest to it, as my friend mentioned, were Canada at 2.2 percent, Denmark at 2.3 percent; even Belgium spends 3 percent, France 4 percent, Greece 7 percent, Netherlands 3.3, Norway 3.5, Portugal 3.5, Turkey 5 percent, United Kingdom, 5.5 percent.

So it is not unreasonable at all to ask Japan to contribute some more to the common defense of the free world. As I say, let us do it this way instead of urging Japan to rearm and scare their friends.

Mr. Chairman, it is time to send a clear signal to Japan that it must accept a much larger share of the cost for the regional security of Pacific Asia. My amendment to H.R. 1777, the State Department authorization bill, calls for negotiations aimed at persuading Japan to pay the United States a security fee equivalent to 2 percent of Japan's gross national product.

Mr. Chairman, the United States annually spends about 7 percent of its GNP on national defense, while Japan spends about 1 percent. In fact, Japan will exceed 1 percent for the first time this year. The average American taxpayer spends about $759 a year on defense; the average Japanese, $98.

The Japanese compete with us in markets throughout the world, using trade routes protected by an overworked and beleaguered United States Navy. Japan relies totally on the United States for the protection of Persian Gulf oil supplies, which provide about 60 percent of its petroleum needs and only about 7 percent of our own.

Free from the economic burden of defending its shores and sealanes, both near and far, Japan has been able to devote its resources to the quest for economic power—and now ranks second only to the United States in the world economy. When I first introduced this legislation to correct the situation in 1981, Japan enjoyed roughly a $19 billion edge in trade with the United States; that figure has now almost tripled.

Mr. Chairman, West Germany, by comparison, stands third in the world economy behind Japan, whose GNP last year was twice as large as Germany's. Clearly less able than Japan to afford a deep military commitment, Germany nonetheless spent an amount equal to about 3½ percent of its GNP for defense last year. The Japanese security fee would raise Japan's contribution for its defense to a level almost as much as Germany's.

My proposal is not intended to punish the Japanese for their economic success. In fact, the amount I am suggesting is trivial relative to the size of the Japanese economy.

If you agree that Japan has benefited from the security blanket provided, virtually cost-free, by the United States and should assume a more equitable share of the cost of this protection, please support my amendment.

Mr. SOLARZ. Mr. Chairman, will the gentleman yield?

Mr. NEAL. I yield to my friend from New York [Mr. SOLARZ].

Mr. SOLARZ. I thank the gentleman for yielding.

Mr. Chairman, would it be fair to characterize the amendment of the gentleman as a legislative version of Elliott Abrams' mission to Brunei?

Mr. NEAL. Well, that is not exactly the way I would characterize it, no. I would say the gentleman's earlier comment that if Japan were to pay a security fee that we somehow would be buccaneers, I cannot remember the language.

Mr. SOLARZ. The national equivalent of a protection racket.

Mr. NEAL. My response to that would be it seems to me that what we are doing now, for free, is protecting the freedom of the world and I would just urge that Japan help out a little bit.

Mr. HUNTER. Mr. Chairman, will the gentleman yield?

Mr. NEAL. I yield to the gentleman from California [Mr. HUNTER].

Mr. HUNTER. I thank the gentleman for yielding.

Mr. Chairman, I thank the gentleman for his generosity and his courtesy. I just wanted to make one point that with Mr. RITTER's amendment the Hunter amendment does offer the Japanese the option of rebuilding national defense or paying the United States for the protection we have been providing.

Mr. NEAL. Yes, I understand. But the amendment of the gentleman from California urges them to rearm, that is a first priority. Then the gentleman says if they do not want to rearm, then chip in a little bit, as I have suggested. I really think that is the heart of the difference. Ours says, "We do not want you to rearm." That is not our business. In fact we do not want to encourage that at all. Let us not encourage Japan to rearm. Let us urge them to contribute to the common defense. I believe that is at the heart of the difference between us. I thank the gentleman and I yield back the balance of my time.

The CHAIRMAN. All time has expired.

The question is on the amendment offered by the gentleman from Pennsylvania [Mr. RITTER] to the amendment offered by the gentleman from California [Mr. HUNTER] as a substitute for the amendment offered by the gentleman from North Carolina [Mr. NEAL].

The amendment to the amendment offered as a substitute for the amendment was agreed to.

The CHAIRMAN. The question in on the amendment offered by the gentleman from California [Mr. HUNTER], as amended, as a substitute for the amendment offered by the gentleman from North Carolina [Mr. NEAL].

The amendment, offered as a substitute for the amendment, as amended, was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from North Carolina [Mr. NEAL], as amended.

The amendment, as amended, was agreed to.

Mr. DORNAN of California. Mr. Chairman, I move to strike the last word.

Mr. Chairman and my colleagues, just as I said in the last debate that you can feel this like a deadly autumn summer torpor, descending on this Chamber, when we are trying to discuss very, very serious issues that involve life and death, peace and freedom in our hemisphere. Just as with this last issue, I wish we were discussing this around noon on a Wednesday.

I am trying to accommodate my colleagues and expedite the time. So rather than offer an amendment that I consider to be very, very critical and serious to peace in this hemisphere, I will merely speak to the amendment, not offer it and then tell some of my colleagues why I am not offering it.

The amendment was to declare in international legal language a state of belligerency in that part of Africa that we call Angola. I am not going to offer this amendment, although I think it had an excellent chance of passing here not because the quality of the debate would be so excellent but, to be very truthful, it seems like more people are left on our side than on the liberal side of some of these issues. I do not want to take unfair advantage of that, even on an issue where lives are involved. But because the Angolan Government, the Communist government which was so designated a Communist government a few weeks ago by unanimous vote in the Foreign Affairs Committee, the Communist Government in Angola is at this moment in delicate negotiations on a human rights issue involving a case which I was able to pursue a few years ago with success with two other Americans and I do not want to do anything that could be misconstrued by the Government of Angola as bashing them when they are trying to be accommodating on the importance of one human life.

But let me take the remainder of this 5 minutes to explain very simply what this state of belligerency would mean, what it would do with international law and why I am going to offer an amendment in a few moments to declare a state of belligerency in the nation of Nicaragua. Now back to Angola.

To declare a nation and a conflict in a nation a state of belligerency would involve a couple of hours of good serious debate on this House floor and it would elevate the whole African insurgency situation and the resistance in Nicaragua to the proper overt, open, robust, hard-fought debate in this House that I have always wanted. Maybe it would help to do away with covert/overt policies that have caused all of the acrimony, rotating week after week, back and forth between the Senate and the House in what is called Iranmock, Irangate or the Iran-Contra hearings. Now, the Iran-Contra hearings have been generating a very unexpected byproduct across this country. In 6 weeks the testimony given in those hearings has been able to convey a message to the American people that 6 years—and keep in mind I am a Reaganaut, not a Reaganite, someone who sailed with President Reagan in the primaries of 1980 and 4 years before that and all the way back to Miami in 1968—but in 6 years of lukewarm propagandizing, the Reagan administration has conclusively failed to do what 6 weeks of these Iran-Contragate hearings are doing. And that is this simple message that a Cuban-Soviet subversive aggression in Central America is quite simply a politico-military fact of life. Somebody in this hemisphere has got to do something about it and most probably not alone. That has obviously got to be the leading nation in the free world and we have got to do it overtly because covert policies should not exist on the massive scale of the aid that we are giving to Angola, in the form of Stinger missiles, $15 million last year, another $15 million, and another $15 million. Most of these figures are supposed to be covert but what I am doing is quoting out of the general press, the New York Times to the L.A. Times. Now, this awareness that there is a Soviet-Cuban military operation taking place on the soil of North America, that there is a conflict now raging in Nicaragua that involves these foreign belligerents, they are the paid professional mercenaries, not Nicaraguans fighting on Nicaraguan soil, or Angolans fighting on Angolan soil under the command of General Savimbi out of Jamba.

The CHAIRMAN. The time of the gentleman from California [Mr. DORNAN] has expired.

AMENDMENT OFFERED BY MR. DORNAN OF CALIFORNIA

Mr. DORNAN of California. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DORNAN of California: Add the following new title at the end of the bill:

TITLE VII—NICARAGUA

SEC. 701. RECOGNIZING A STATE OF BELLIGERENCY IN THE REPUBLIC OF NICARAGUA.

(a) FINDINGS.—The Congress makes the following findings:

(1) The Marxist government of the Republic of Nicaragua has not adhered to its 1979 commitments to the Organization of American States to implement a representative democracy, to respect human rights, and to pursue a policy of nonalignment.

(1) The Fifth Assembly of the United Nicaraguan Opposition met in Miami, Florida, in May 1987 in order to achieve greater unification among all segments of Nicaraguan society opposed to the Sandinista regime, and at that meeting the United Nicaraguan Opposition agreed to reorganize as the "Nicaraguan Resistance".

(3) The Nicaraguan Resistance is composed of 54 representatives, comprising all political groups opposed to the Sandinista regime, without excluding any ideological movement.

(4) The Nicaraguan Resistance is dedicated to fostering a national reconciliation in the Republic of Nicaragua with a genuinely representative form of government that is respectful of human rights and is truly nonaligned.

(5) The Nicaraguan Resistance is a legitimate political contestant to the Soviet-Cuban-backed Sandinista regime in the Republic of Nicaragua.

(6) When a country recognizes insurgents as a belligerent power in another country, the insurgents are not considered to be criminal, such recognition presupposes the existence of civil war in the country of the insurgency, and the belligerent community (including the geographic area under the control of the insurgents and the population supporting the insurgents) resembles a state under international law.

(b) SENSE OF THE CONGRESS.—It is the sense of the Congress that—

(1) the President should consider recognizing the Nicaraguan Resistance in the Republic of Nicaragua as a belligerent power which legitimately challenges the Sandinista regime; and

(2) genuine national reconciliation cannot occur in the Republic of Nicaragua without the full participation of the Nicaraguan Resistance.

Mr. DORNAN of California (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. DORNAN of California. Mr. Chairman, the Congress of the United States, this Congress by unanimous vote has provided aid to the Nicaraguan resistance in both overt and covert manners. We have done the same thing with the resistance movement in Angola despite the congressional allocation of millions in humanitarian and military, sometimes called lethal assistance.

Mr. MICA. Mr. Chairman, will the gentleman yield?

Mr. DORNAN of California. Yes, I yield to my friend, the gentleman from Florida.

Mr. MICA. I thank the gentleman for yielding.

Mr. Chairman, I believe we have agreement in this. I would like to ask unanimous consent that all debate on the pending amendment and all amendments thereto end in 20 minutes, and that that time be equally divided and controlled by myself and the gentleman from California [Mr. DORNAN].

Mr. DORNAN of California. Yes, I gladly accede to those suggestions.

Mr. BURTON of Indiana. Reserving the right to object, Mr. Chairman, this is just on the amendments pertaining to the subject matter we are discussing right now.

Mr. DORNAN of California. Yes; this amendment, yes.

Mr. BURTON of Indiana. Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

There was no objection.

The CHAIRMAN. The gentleman from Florida [Mr. MICA] will be recognized for 10 minutes, and the gentleman from California [Mr. DORNAN] will be recognized for 10 minutes.

The Chair recognizes the gentleman from California [Mr. DORNAN].

Mr. DORNAN of California. Mr. Chairman, I yield myself such time as I may consume, since I am controlling the time.

Now we have given both overt and covert assistance to both the resistence in Angola and Nicaragua and despite this congressional allocation of millions in both lethal and humanitarian aid to both these belligerencies, we have never formally made any effort to recognize either movement as a legitimate political contestant.

Hence, we continue to fight, those of us who support these resistance movements, those of us who call them freedom fighters, are always fighting from a defensive position; one, that we are backing criminals; or, two, that the United States is the source of conflict in both areas. And thirdly that no constituency exists which would be called legally, if this amendment is passed, the belligerent community.

This supports the efforts of the insurgents. The most logical step to put this circular debate to rest once and for all is my amendment, through a sense of the Congress resolution to recognize the facts of life that a state of belligerency exists.

□ 1630

I have put Angola aside. I will wait to see what develops there because of this very sensitive human rights negotiation going on at this time, so let us focus on the southern tip of our North American continent, the nation of Nicaragua.

There are legitimate political contestants down there. The boys and young girls, their infirmaries, their small hospitals on the border of Honduras, are Nicaraguans, and they die on Nicaraguan soil.

The paid professional mercenaries are the Cubans and all the other Eastern-bloc countries involved in this apparatus, the PLO's that I have caught coming through the airport, the Libyans that have been reported to me by people in our Embassy whom I trust and believe, the Bulgarians. I have said many times in this well that Nicaragua is like the bar scene in star wars, the watering hole, the R&R area for every leftist thug and guerrilla in this world.

If you have got some gelignite, you want to blow up people, you find out how to do it in Leon in Nicaragua, the capital city itself.

Mr. HUNTER. Mr. Chairman, will the gentleman yield?

Mr. DORNAN of California. Mr. Chairman, I yield to the gentleman from California.

Mr. HUNTER. Mr. Chairman, I thank the gentleman for yielding. I want to commend the gentleman as one of the real stars in this House, and as one Member who is very, very interested in conveying to the American people the true picture of what is going on in this hemisphere, so we can in this democratic society make the right decision.

I am reminded when I listened to the gentleman talk about the article on the front page of the New York Post that talked about the political prisoners in some of the seven new political prisons that the Sandinistas have installed in Nicaragua where young women are sexually molested and beaten, forced to drink from toilets, I am reminded of Bishop Carballo's humiliation being stripped naked by the Sandinistas, thrown out in the streets in front of national television cameras which happened to be passing by, so that the Catholic Church could be discredited.

Mr. DORNAN of California. That was Monsignor Bismarck Carballo.

Mr. HUNTER. I am reminded of Mr. Qadhafi holding press conferences in Nicaragua, and pursuing a policy with the Nicaraguans that is absolutely anti-Semitic.

The only synagogue in Nicaragua has been gutted and burned, and I share the gentleman's concern that the American people are not seeing the true picture of what is going on down there.

There are so many conflicting reports that the American people think we are on the side of the Sandinistas.

The fact that we had a debate the other week about whether or not we should remove our diplomatic recognition and leave our facility down there; and the debate was, there are some valuable things to be gained from having that location, but I am afraid that the war for democrats and freedom in Central America is going to be lost in the United States, because people do not know what is happening.

Mr. DORNAN of California. Reclaiming my time, I want to ask the gentleman a question.

Is the gentleman willing to debate robustly, vigorously on this House floor whether or not we are going to fight communism in Central America? Are we willing to accept the will of the majority if we lose until we fight next year, to fight again and again and do it openly, and declare the facts of life, that there is a state of belligerency down there Nicaraguan young men and women are dying to bring freedom down there. Let's tell the Elliott Abramses of the world to get behind us, let us go overt with this.

Mr. HUNTER. Mr. Chairman, will the gentleman yield?

Mr. DORNAN of California. Mr. Chairman, I yield to the gentleman from California.

Mr. HUNTER. Mr. Chairman, I thank the gentleman for yielding.

I think the gentleman has put the question precisely, that the American people have to know what is happening.

Congress has to accept the reality of what is happening there, and we have to make decisions as to whether or not we are going to allow the Soviet Union to establish a presence, a beachhead in Central America with submarines and attack warship bases in Corinto and El Butte, and bomber bases in Punta Huete; and the gentleman, by offering the gentleman's amendment, that would recognize that there is a state of belligerency, a resistance in Nicaragua that is dedicated to democracy, that is fighting the Stalinistas down there, and that is a true conflict.

That has to paint a clear picture of what is really happening, and I agree with the gentleman's amendment.

Mr. DORNAN of California. I will touch on the legal points and state emphatically that if I do not win this amendment tonight, it will be for one reason, and one reason only, that the majority of the Members that would be with me simply did not have the time to digest the legal language of what a state of belligerency really means.

If we had the time in this debate, and I am trying to be accommodating, because we are working on this in a great bipartisan way, I would win this debate, given a good thorough hour of debate, on what this is, because this House is sick to death of all of the circular, namby-pamby jockeying around, and we want an up-or-down vote on what we are doing here. We want to know whether or not we are going to support these people or not.

This will be framed in the criticism of my own administration. This is about whether we are serious on our side about this issue.

Item: The second leading source of economic aid to the Nicaraguan dictatorship is the combined efforts of Western Europe and Japan, who are receiving $120 to $150 billion in military aid, real and other, from us.

Item two: This spring the U.S. Information Agency informed the Board of Foreign Scholarships, I just checked this out, and it is confirmed, Mr. Maurio O. Rivas of Managua has been awarded a Fulbright Scholarship to study "industrial management" in the United States.

I wonder if he will demonstrate for his Communist government on whatever campus he goes.

He holds a degree in engineering, and since 1984 has been the budget and computer coordinator for an oil-refining facility to support the gas for the armored personnel carriers going up into the north and killing people, and for the Soviet HIND and HIP helicopters.

Last year, 1986, a knowledgeable observer said that the U.S. Agency for International Development assisted Sandinista Communist officials eager to obtain sophisticated D-base 111-Lotus software, he assisted them to get it from us.

When I called the State Department, they say yes, that is substantially correct.

Item: Proposals for an embargo of Nicaraguan bananas, the country's major export, were delayed in 1983 and 1984, giving the Sandinistas badly-needed time to prepare for a possible embargo. Why?

Because our close friend, Michael Deaver, a top Reagan aide now under indictment, went to the National Security Council several times and set up meetings for his friend, who was a major banana exporter, and bought time for the Communist government in Managua.

A final item: Western businesses are doing their part to help the Communists, too. Xerox, IBM, Colgate-Palmolive, all these multinationals—so writes Clifford Crouse of the Wall Street Journal—are responsible for about 15 percent of Nicaragua's $2.5 billion output in goods and services.

Working with Leninism evidently does not trouble America's corporate executives. Take General Mills. They cannot bring their profits back to the United States from Nicaragua, so they donate the money to a Sandinista Communist approved charity—some charity that must be—and then they deduct that total from their U.S. taxes, causing other Americans to step forward and make up for General Mills' clever little tax dodge.

The point is, are we serious or are we not? Is there a state of belligerency? Are we fighting a war down there and, as we did at the Bay of Pigs, clothing these people in different uniforms and different insignias, recognizing them as legitimate young freedom fighters, again of both genders? I have seen them with my own eyes. I have told them that President Reagan stood behind them. Congressman VIN WEBER was an eye witness. They began to cry in this infirmary. This was 2 years ago.

"Reagan is behind us," they said. "We will fight to the death for freedom."

And then all this nonsense goes on. If we declare a state of belligerency, then next year if things do not turn in Angola, we will win that, too, and then we will be able to clarify the debate and get serious and not tell people that we are mixed up or inconclusive or that we want this done secretly because we cannot convince the American people that our cause is just.

Mr. Chairman, I realize that I obviously am not going to get the last word, but I shall return at another date. I would ask the Members to pick my arguments apart if they will, and if I had more time, I would convince every one of them.

Mr. LEVINE of California. Mr. Chairman, I yield 1 minute to the gentleman from Massachusetts [Mr. FRANK].

Mr. FRANK. Mr. Chairman, apparently micromanagement of foreign policy is alive and well on the Republican side of the aisle.

I do not like the amendment. I do not think the gentleman from California needs a declaration of a state of belligerency since, when we debate foreign policy, he is in a permanent state of one. But what we have here is an effort again on the Republican side of the aisle to tie the hands of the President, to undercut and to interfere.

I have never been much of a one for these procedural arguments on foreign policy, but if you go back to the debate on arms control, if you go back to some of those other debates and you go to that side of the aisle and you dig out the arguments on interfering and undercutting and taking away the President's prerogatives, they all describe this amendment.

What the gentleman says is that Ronald Reagan does not know how to conduct foreign policy, that Ronald Reagan does not know how to confront whoever we are speaking to on that side in Nicaragua, and, therefore, Congress has got to intervene, take the initiative away, and tell the President what to do. He says that the President should consider it. It is presumably something that he could have considered.

So this is an example, I think, of the kind of interference that we have been told we should stay away from.

Mr. LEVINE of California. Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. MILLER].

Mr. MILLER of California. Mr. Chairman, I oppose the amendment offered by the gentleman from California [Mr. DORNAN], but I do find it interesting to this extent: that I think it starts to strip away some of the veneer that has gone on around this debate on Nicaragua in this Congress. I only wish that the gentleman had maybe gone one step further and asked for a declaration of war so that people could really put their feelings down on whether or not they want to engage in the killing by the Government of the United States, with the money and the troops of the United States, of the Nicaraguan people. The fact of the matter is that that is what we have been conducting in Nicaragua, and there is a state of belligerency. The state of belligerency is there because we engage in the ill-thought-of policy of supporting the Contras.

Those people on the northern border and those people in the interior of Nicaragua were not being killed by the Nicaraguan Government, but they started being killed by the Contras and by the supporters of the Contras and by the money and the arms and support of the United States of America. That is the tragedy of this policy.

I would hope that at some point we would call an end to the ill-considered and very, very deadly policy for the Nicaraguan peasants who are caught up in the war between the Sandinistas and the Contras.

Hopefully this will show the American people the duplicity in the statements of the White House where they have suggested they want to negotiate on one hand and yet they engage in the secret, illegal, and unethical activities of supporting the Contras on the other hand.

The gentleman from California [Mr. DORNAN] is quite right, that they have clearly misled the American people. That is why the American people are not clear, because they do not know which side we are on, because they constantly say one time that they want to negotiate with the Sandinista people and at the same time they are sending hundreds of millions of dollars into the same region to kill the very same people they say they want to negotiate with.

I do not think we should accept this amendment, but I think it starts to clear the air in the debate because there are a lot of people who are hiding behind false arguments about what is happening in the country of Nicaragua. They have hidden behind the duplicity and the false statements and the lies of this administration so they could dictate a vote for aid to the Contras but not engage in realizing the realities of what that aid was doing to the Nicaraguan people and the numbers of people who are being killed as a result of that aid.

Mr. Chairman, I commend the gentleman for clearing the atmosphere, but I think the amendment is a bad one.

Mr. LEVINE of California. Mr. Chairman, I yield 1 minute to the distinguished chairman of the Committee on Foreign Affairs, the gentleman from Florida [Mr. FASCELL].

Mr. FASCELL. Mr. Chairman, I rise in opposition to the amendment as a Member who supports aid to the Contras.

I do not believe that a sense-of-Congress resolution is going to establish a thing or do a thing. We can hardly muster the votes for getting U.S. assistance for the Contras, much less try to pass a resolution that establishes a state of belligerency without, first, the support of the President of the United States, and, second, without the support of the unified command of the resistance itself. For us to try to compound confusion by passing a sense-of-the-Congress resolution would not accomplish the purpose, because it does not help them one iota. It is simply a political statement. The best approach is to take this issue up in such a way as to come to an arrangement that will allow us to get long-term resolution to that problem which is in our national interest.

Mr. LEVINE of California. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, this amendment is an unnecessary amendment, as has been indicated by several of my colleagues. It simply suggests to the President of the United States that he should consider an action which he certainly has the ability and the power at this point in time to consider and to pursue to his own. But I do think that it is appropriate to recognize precisely what this amendment does, and we should look at it frankly in the context of the next two amendments that are being considered as well.

We have before us an amendment now, and two amendments which are about to be offered, which are frankly some of the most extreme amendments that have been offered on this subject at any time that the Congress has been considering this issue of Central America. I think that it is accurate to say that this amendment is to a certain extent a more honest portrayal of the administration's agenda in Nicaragua than we have sometimes seen from the administration itself.

I share with my friend, the gentleman from California [Mr. MILLER], the commendation of my other friend and colleague from California, the gentleman from California [Mr. DORNAN], for stripping away some of the veneer of the administration's argument, because in fact this amendment comes very, very close to an agenda that many people in the administration have led for some time, an agenda of pursuing actual belligerency against the Government of Nicaragua.

That is unnecessary, it is inappropriate, it is counterproductive, and it flies in the face of the policy that this Nation ought to be pursuing in Central America. This is a Nation that ought to be pursuing a policy of diplomacy and not a policy of military activity. Yet this amendment would strip away whatever veneer continues to exist of the appearance of diplomacy in administration policy.

I think that we have generally abandoned diplomacy and have looked to a military solution rather than a diplomatic solution in the region, and that is a tragedy. It is a tragedy we have compounded time and time again and one which we have pursued in regard to our policy in Central America.

At least this amendment would recognize that reality, but it is a reality that would undermine American participation in the region, it would undermine the opportunity to achieve a diplomatic solution in the region, it would also undermine any opportunity for peace in the region, and it would clearly undermine the courageous efforts being pursued at this time by President Arias of Costa Rica to achieve a diplomatic and peaceful solution in Central America.

So, Mr. Chairman, I think that this amendment helps to spell out the type of ideological zeal and the type of ideological purity that we have heard discussed during the Iran-Contra hearings, and that has motivated people such as Oliver North in their policies with regard to the region.

□ 1645

It is a bad policy. It is a bad suggestion and it is one that would simply get us mired further in a direction that we should do everything we can to reverse.

I would like for one moment to address the next two amendments as well. We will be talking about them when they are raised; but the policy of taking names, attempting to identify individual American citizens who are traveling into the region again moves us into this ideological mindset, a mindset of extremism, a mindset of rigidity that would simply drag the United States further into an East-West conflict and make it less likely, rather than more likely, that we can achieve the type of diplomatic solution that is so urgently required.

Mr. Chairman, I hope that on a bipartisan basis the membership will reject this amendment and the two amendments to follow and that we will return to the business of the State Department authorization and hopefully give us greater leeway in moving toward a diplomatic, rather than a military solution in Central America.

Mr. DORNAN of California. Mr. Chairman, will the gentleman yield?

Mr. LEVINE of California. I am happy to yield to my colleague, the gentleman from California.

Mr. DORNAN of California. Mr. Speaker, I thank the gentleman for yielding.

I just want to clarify one point. This is not the United States saying that we are belligerent. It is the United States saying that we recognize that fighting is going on down there between two groups in Nicaragua, that a state of belligerency exists, and then maybe a Teddy Roosevelt comes forward to win a Nobel Prize.

I should have asked Arias this yesterday. I am sorry I did not. He might want the formal recognition of a civil war, because it is going on next to his country and he does not even have an army.

I just think it would clarify everything in the debate. If the other side wins in a majority vote, we have to accept it and say, well, what other way do we approach the situation of the reality of two belligerents going at one another and not be tempted to do all this covert stuff by an administration that I believe had the facts and that went underground, when they should have gone overground.

Mr. LEVINE of California. Well, Mr. Chairman, I commend the gentleman for his criticism of the administration's policy in this area. I think the criticism is well-founded.

I do commend the gentleman for his willingness to be more candid about the policy that this administration has been pursuing than the administration itself has been.

At the same time, I think it does not take a sense-of-the-Congress resolution to understand that fighting is going on in Nicaragua and to understand that we are in a situation in the region which has deteriorated in the fashion that it has.

I simply would resubmit that we should not be moving in the direction of abandoning diplomatic solutions and simply retreating to an exclusively military approach to the problems in the region.

Mr. WALKER. Mr. Chairman, will the gentleman yield?

Mr. LEVINE of California. Mr. Chairman, I yield 7 of my 15 remaining seconds to the gentleman from Pennsylvania.

Mr. WALKER. Mr. Chairman, I just was interested in finding out, the gentleman described the next two amendments as extreme. My particular amendment says only that Americans ought not to be helping the Communists in Central America. I wondered what the gentleman thought was extreme about that?

Mr. LEVINE of California. Well, I would be more than happy during the time that is reserved to the amendment of the gentleman from Pennsylvania to discuss that, I say to the gentleman from Pennsylvania [Mr. WALKER]. I think we will have a full exposition of that debate when it comes up.

Mr. Chairman, I urge a no vote on this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. DORNAN].

The question was taken; and on a division (demanded by Mr. DORNAN of California) there were—ayes 17, noes 9.

RECORDED VOTE

Mr. DORNAN of California. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 137, noes 243, not voting 53, as follows:

[Roll No. 198]

AYES—137

Archer
Armey
Ballenger
Bartlett
Barton
Bentley
Bereuter
Bilirakis
Bliley
Boulter
Broomfield
Brown (CO)
Bunning
Burton
Byron
Callahan
Chandler
Cheney
Coble
Coleman (MO)
Combest
Courter
Craig
Crane
Daub
Davis (IL)
DeLay
DeWine
Dickinson
DioGuardi
Dornan (CA)
Dreier
Duncan
Edwards (OK)
Emerson
Fawell
Fields
Gallegly
Gallo
Gekas
Gingrich
Goodling
Gradison
Gregg
Hall (TX)
Hammerschmidt
Hansen
Hastert
Hefley
Herger
Hiler
Holloway
Hopkins
Hunter
Hyde
Inhofe
Kasich
Kemp
Kolbe
Kyl
Lagomarsino
Latta
Lent
Lewis (CA)
Lightfoot
Lott
Lowery (CA)
Lujan
Lungren
Mack
Madigan
Marlenee

Martin (IL)
Martin (NY)
McCandless
McCollum
McDade
McGrath
McMillan (NC)
Michel
Miller (OH)
Miller (WA)
Molinari
Moorhead
Morrison (WA)
Myers
Nielson
Oxley
Packard
Parris
Pashayan
Porter
Quillen
Ravenel
Regula
Rhodes
Rinaldo
Ritter
Robinson
Rogers
Roth
Rowland (CT)
Schaefer
Schuette
Schulze
Sensenbrenner
Shumway
Shuster
Skeen
Slaughter (VA)
Smith (NE)
Smith (NJ)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Solomon
Spence
Stangeland
Stenholm
Stratton
Stump
Sundquist
Sweeney
Swindall
Tauke
Taylor
Upton
Vander Jagt
Vucanovich
Walker
Weber
Weldon
Wilson
Wolf
Wortley
Young (AK)
Young (FL)

NOES—243

Ackerman
Alexander
Anderson
Andrews
Annunzio
Anthony
Applegate
Aspin
Atkins
AuCoin
Barnard
Bateman
Bates
Bennett
Berman
Bevill
Biaggi
Bilbray
Boehlert
Boggs
Bonker
Borski
Bosco
Boucher
Brennan
Brooks
Brown (CA)
Bruce
Bryant
Bustamante
Campbell
Cardin
Carper
Carr
Chapman
Chappell
Clarke
Clay
Clinger
Coats
Coelho
Coleman (TX)
Collins
Conte
Conyers
Cooper
Coughlin
Coyne
Darden
Davis (MI)
de la Garza
Dellums
Derrick
Dicks
Dingell
Dorgan (ND)
Dowdy
Downey
Durbin
Dyson
Eckart
Edwards (CA)
English
Erdreich
Espy
Evans
Fascell
Fazio
Feighan
Fish
Flake
Flippo
Foglietta
Foley
Ford (MI)
Ford (TN)
Frank
Frost
Garcia
Gejdenson
Gibbons
Glickman
Gonzalez
Gordon
Grandy
Grant
Gray (IL)
Gray (PA)
Green
Guarini
Gunderson
Hall (OH)
Hamilton
Harris
Hawkins
Hayes (IL)
Hayes (LA)
Hefner
Henry
Hertel
Hochbrueckner
Horton
Houghton
Howard
Hoyer
Hubbard
Huckaby
Hughes
Hutto
Jacobs
Jeffords
Jenkins
Johnson (CT)
Johnson (SD)
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kastenmeier
Kennedy
Kildee
Kleczka
Kolter
Kostmayer
LaFalce
Lancaster
Lantos
Leach (IA)
Lehman (FL)
Leland
Levin (MI)
Levine (CA)
Lewis (GA)
Lloyd
Lowry (WA)
Luken, Thomas
MacKay
Manton
Markey
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCurdy
McHugh
McMillen (MD)
Meyers
Mfume
Mica
Miller (CA)
Mineta
Mollohan
Montgomery
Moody
Morella
Mrazek
Murphy
Murtha
Nagle
Natcher
Neal
Nelson
Nichols
Nowak
Oakar
Oberstar
Obey
Olin
Owens (NY)
Owens (UT)
Panetta
Patterson
Pease
Pelosi
Penny
Pepper
Perkins
Petri
Pickett
Pickle
Price (IL)
Price (NC)
Pursell
Rahall
Richardson
Ridge
Roberts
Rodino
Rose
Roukema
Rowland (GA)
Russo
Saiki
Savage
Sawyer
Saxton
Scheuer
Schneider
Schroeder
Schumer
Sharp
Sikorski
Sisisky
Skaggs
Skelton
Slattery
Smith (FL)
Smith, Robert (OR)
Snowe
Solarz
Spratt
St Germain
Staggers
Stallings
Stark
Stokes
Studds
Swift
Tallon
Thomas (GA)
Torres
Towns
Traficant
Traxler
Udall
Valentine
Vento
Visclosky
Volkmer
Walgren
Watkins
Waxman
Weiss
Wheat
Whittaker
Whitten
Williams
Wolpe
Wyden
Yates
Yatron

NOT VOTING—53

Akaka
Badham
Baker
Beilenson
Boland
Boner (TN)
Bonior (MI)
Boxer
Buechner
Crockett
Daniel
Dannemeyer
DeFazio
Dixon
Donnelly
Dwyer
Dymally
Early
Florio
Frenzel
Gaydos
Gephardt
Gilman
Hatcher
Ireland
Kennelly
Konnyu
Leath (TX)
Lehman (CA)
Lewis (FL)
Lipinski
Livingston
Lukens, Donald
McEwen
Moakley
Morrison (CT)
Ortiz
Rangel
Ray
Roe
Roemer
Rostenkowski
Roybal
Sabo
Shaw
Slaughter (NY)
Smith (IA)
Synar
Tauzin
Thomas (CA)
Torricelli
Wise
Wylie

□ 1710

The Clerk announced the following pairs:

On this vote:

Mr. Badham for, with Mr. Akaka against.

Mr. Ireland for, with Mrs. Boxer against.

Mr. Buechner for, with Mr. Roybal against.

Mr. Konnyu for, with Mr. Bonior of Michigan against.

Mr. Donald E. Lukens for, with Mr. Crockett against.

Mr. Thomas of California for, with Mr. Rangel against.

Messrs. APPLEGATE, DYSON, and COATS changed their votes from "aye" to "no."

Mr. MORRISON of Washington, Mr. LOWERY of California, and Mrs. BYRON changed their votes from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Ms. SLAUGHTER of New York. Mr. Chairman, during debate on H.R. 1777 I was meeting with constituents and missed rollcall vote No. 198. Had I been present, I would have voted "no."

AMENDMENT OFFERED BY MR. MC COLLUM

Mr. McCOLLUM. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. McCOLLUM: Page 70, after line 16, insert the following:

TITLE VII—AMERICANS WORKING FOR THE SANDINISTA GOVERNMENT OF NICARAGUA

SEC. 701. REPORT TO CONGRESS

The Secretary of State shall, within 30 days after the date of the enactment of this Act, transmit to the Congress an unclassified document listing all United States citizens known to be working for, directly or indirectly, in a paid or in a volunteer capacity, the Sandinista Government of Nicaragua.

Mr. MICA. Mr. Chairman, will the gentleman yield?

Mr. McCOLLUM. I yield to the gentleman from Florida [Mr. MICA] for a unanimous-consent request.

Mr. MICA. Mr. Chairman, I am going to ask for a 30-minute time limit on this amendment. We have a 20-minute time limit on the following amendment, and we hope not to use all that time.

Mr. Chairman, I ask unanimous consent that all debate on the spending amendment and all amendments thereto end in 30 minutes, the time to be equally divided and controlled between myself and the gentleman from Florida [Mr. McCOLLUM].

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

There was no objection.

The CHAIRMAN. The Chairman recognizes the gentleman from Florida [Mr. McCOLLUM] for 15 minutes.

Mr. McCOLLUM. Mr. Chairman, I yield myself as much time as I may consume.

Mr. Chairman, this amendment is very simple. All it does is call for a report by the State Department listing all the United States citizens who are currently working for the Government of Nicaragua. It is very plain and simple.

In my judgment, what is good for the goose is good for the gander. I have been serving on the Iran-Contra Committee for several weeks now. We have been listening to a whole series of examples of private U.S. citizens who have been supporting and aiding the Contras. We have had their names revealed in many cases. We have had lots of various innuendoes and accusations made with regard to the role of private citizens in the Central American situation in Nicaragua from the standpoint of aiding the Contras.

But apparently there is a large number of U.S. citizens involved in supporting the Sandinista government, not only in supporting the Sandinista government but in actually working for them. All this amendment does is simply ask the State Department to report to Congress on those people who are U.S. citizens who are actively working for the Sandinista government.

Mr. McCLOSKEY. Mr. Chairman, will the gentleman yield?

Mr. McCOLLUM. I am glad to yield to the gentleman from Indiana.

Mr. McCLOSKEY. Mr. Chairman, I have some concerns about how well defined the statement would be and what is really meant, or has the gentleman given more thought to a more definite definition of, if you will, directly or indirectly, in a paid or voluntary capacity working for the Sandinista government of Nicaragua? For example, of 10 volunteers from the American Friends Service Committee were to appear to give medical aid to peasants, nonaffiliated with the government, would this be working for the Sandinista government of Nicaragua?

Mr. McCOLLUM. The gentleman's question is anticipated and it is a good question. We need to clarify this.

The answer is no, it is not intended to do that. The reason we have directly or indirectly, paid or volunteer is that there are many functionary organizations, if you will, that are controlled by the Government of Nicaragua in Nicaragua today, and I did not want there to be any ambiguity. We are talking about people working for that government, for any agency of that group, for any group that government indeed controls itself. But when we are talking about some private voluntary organization, chartered in the United States, that is not, indeed, an entity or controlled directly by the Government of Nicaragua, then we are not talking about any report on someone who voluntarily works for them or whatever.

But if you are a volunteer for the government I think you should be accounted for.

Mr. McCLOSKEY. So the American Friends Service medical volunteer would not come under this amendment?

Mr. McCOLLUM. I do not know that particular organization, but assuming that is a private, volunteer organization that is not an arm literally of the Government of Nicaragua, then of course it would not be covered. If it is like the Red Cross, I would rather use that, or Project Hope, we are not talking about any of that type of voluntary group if they happen to be down inside Nicaragua assisting in some way indirectly on projects that maybe the government supports. But if they are indeed working for the Government of Nicaragua, that is what I am concerned about.

Mr. LAGOMARSINO. Mr. Chairman, will the gentleman yield?

Mr. McCOLLUM. I am glad to yield to the gentleman from California.

Mr. LAGOMARSINO. I thank the gentleman for yielding. I want to say I support the amendment and I would like to ask the gentleman a question, if I might.

Does the gentleman's amendment in any way prohibit anyone from carrying out the activities that it describes?

Mr. McCOLLUM. It does not in any way prohibit somebody from carrying out the activities and working for the Government of Nicaragua. They can go right ahead and do it. We just want an accounting, as the gentleman from California probably perceives, of what the situation is about private involvement in Nicaragua on behalf of that government, just as we have had an accounting in the Iran-Contra hearings of private involvement on behalf of the Contras, so we have some balance.

Mr. LAGOMARSINO. So this amendment would provide for opening the process and people can see what is going on?

Mr. McCOLLUM. That is correct.

Mr. LAGOMARSINO. I thank the gentleman and I support the amendment.

Mr. McCOLLUM. Mr. Chairman, I would like to reclaim my time and quote from a letter I received yesterday from a medical doctor at the University of Costa Rica. This is Dr. Sharon Smith de Wolf, and here is in part what she says. She says:

> Living in Costa Rica for 33 years I am frequently asked:
>
> What agencies are operating within the United States on behalf of the Sandinista regime?
>
> Why do churches in the United States support a government pledged to the destruction of freedom of religion?
>
> Why do U.S. news and TV services retain and distort information to the service of a regime which has eliminated freedom of the press in its own country?
>
> Why do black leaders in the U.S. support a government which has severely punished its own black population, the traditionally peace loving, Protestant, English speaking Misquitos, for refusing to give up their children to forced conscription in the Sandinista army?
>
> Why would CBS make a martyr of Benjamin Linders who wore a Sandinista uniform, carried a Soviet AK while Hasenfus receives scorn for aiding the Contras (anti-communist forces.)
>
> Why do members of our own Congress malign and identify the U.S. officials, foreign leaders friendly to the U.S. and individual citizens who seek the liberation of Nicaragua and condone those aiding forces allied to Soviet-Sandinista expansion?

Although I am not really advocating here today getting into a debate on policies in Nicaragua and the Contras, what I am doing is suggesting we need some balance in this. We need to let people who question if we are really impartial, if we are really trying to act as a body interested in peace in that region, we need to let them know we care as much about the role that private citizens are playing here in this country with respect to the Sandinista regime as we do with respect to the Contras. If we get that information, we lay it out, perhaps we have a chance of moving further along.

Mr. Chairman, I know I have more time left and there are several Members who want some of my time, but there are others I know in opposition and I would like at this time to reserve the balance of my time.

The CHAIRMAN. The gentleman from Florida [Mr. McCOLLUM] has consumed 6 minutes.

Mr. SMITH of Florida. Mr. Chairman, I yield 3 minutes to the gentleman from California [Mr. LEVINE].

Mr. LEVINE of California. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, I rise in strong opposition to the McCollum amendment. This is a dangerous amendment. It would require the State Department to compile a list of all United States citizens known to be working for, directly or indirectly, in a paid or volunteer capacity, the Sandinista government of Nicaragua.

The first question which must be asked about this amendment is, What is its purpose? What possible use could be intended for such a list? Proponents of this amendment offer the transparent justification that this amendment is needed to guarantee that United States citizens who work in Nicaragua are formally notified of the danger inherent in their work.

They know the danger they face. We have seen report after report of Contra attacks on civilians in Nicaragua. They know the danger in the region.

The proponents of this amendment do not seek to ensure the safety of American citizens. They seek to intimidate American citizens from exercising their right to travel freely abroad through the use of the most deplorable of McCarthyite tactics—the assembling of a blacklist. They are asking us to do nothing less than establish by legislation an enemies list for the Reagan administration.

The fact of the matter is that this amendment is unnecessary. The State Department already issues travel advisories to warn citizens of the dangers they face when they travel abroad.

U.S. citizens have traveled, worked, and served abroad on many occasions when doing so was not in agreement with the stated policy of the U.S. Government. Such was their right. Citizens may leave this country to do whatever they wish in a foreign country free from any U.S. legal restrictions other than those designed to preserve their safety and the Nation's neutrality.

Mr. Chairman, I ask again, what is the purpose of this amendment? The purpose of this amendment is to intimidate those who oppose this administration's policies in Central America. There have already been repeated reports of harassment of Americans who travel to Nicaragua. Implementation of this amendment will give this administration a blacklist that they can use to further intimidate Americans who choose to visit Nicaragua.

Let us defeat this amendment and try to move toward a more constructive discussion of the real problems we and our Central American friends face in building stability and democracy in the region.

□ 1725

Mr. McCOLLUM. Mr. Chairman, I yield 2 minutes to the gentleman from Georgia [Mr. SWINDALL].

Mr. SWINDALL. First of all, I would like to respond to the gentleman from California's question with respect to what is the purpose of this amendment? I think the gentleman whom he mentioned, Benjamin Linder, is a very good point to focus upon with respect to the purpose. That is that we all know that among other ways the war in Nicaragua is being fought by way of propaganda and certainly it would have been very helpful at the time of Mr. Linder's death had such a list existed so we could have gone to that list and discovered the fact that Benjamin Linder was working for the Sandinista government.

I think that that in large part discredits some of the propagandistic material that has flooded into this country in an effort to win this battle in much the same way that past battles have been won, and that is within the 6-inch space between the two ears of most American people.

I would further say that it is not a black list any more so than a black list has been compiled at a much more exhaustive level at the Contra hearings, as my colleague from Florida suggested.

So I would say to the gentleman from California that if no other purpose exists for this legislation other than to allow this Congress to immediately access the names of the individuals working for the Sandinista government in the event, in the future, the Sandinistas insist on placing citizens in war zones so that they can exploit this type of situation, not only risking lives that should not be risked but also I think pulling a cruel hoax on the American people, then that purpose alone justifies its passage.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The Chair will state the gentleman from Florida [Mr. McCOLLUM] has 7 minutes remaining and the gentleman from Florida [Mr. SMITH] has 12 minutes remaining.

Mr. SMITH of Florida. Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. Edwards].

Mr. EDWARDS of California. I thank the gentleman for yielding this time to me.

Mr. Chairman, 20 years ago we abolished what was known as the Attorney General's list. Now here is a proposal to bring it back and call it the Secretary of State's list.

Who will be on this list? The American doctor who treats peasants injured by a land mine on a dirt road. The American technician seeking to bring fresh water to a rural farm village. The ordinary American with no skills who thinks the best way to promote peace and freedom is by direct personal contact with people in another country.

This amendment is an act of desperation by the proponents of Contra aid. They are embarrassed by shredding parties, $200,000 trust accounts and secret Swiss bank accounts. They are embarrassed by secret documents rewritten and congressional committees misled. So they are trying to shift the focus from profiteering patriots to Americans engaging in lawful travel, lawful dissent, and lawful humanitarian aid in a Third World country.

Mr. Chairman, the word McCarthyism is overused, but this is McCarthyism pure and simple—drawing up lists of law-abiding citizens to smear them with charges of communism. Let's not go back to the 1950's. We don't need these accusations and smear tactics. There will be a debate on Contra aid later. Let's defeat this amendment.

Mr. SMITH of Florida. Mr. Chairman, I yield 2 minutes to the gentleman from Indiana [Mr. McCLOSKEY].

Mr. McCLOSKEY. Mr. Chairman, I think it is somewhat unfortunate that debate involving this much substance and sensitivity is coming late in the week at a time when we are pressed for time and people are concerned about leaving for their planes. But I think it is very important that things should be discussed.

I would like to yield, and I appreciate the gentleman yielding to me, but I would like to yield 10 seconds to the gentleman from Florida [Mr. McCOLLUM] to ask a neutral question.

Does the administration have a formal position on his amendment?

Mr. McCOLLUM. No, the administration is not even aware that I am offering the amendment.

Mr. McCLOSKEY. Taking back my time, Mr. Chairman, I think that shows partially the futility of such an amendment. In that if it is very important, with all concern that the Reagan administration has as to the situation in Nicaragua, they would have been asking for such a measure by now. I ask along with Mr. LEVINE: For what purpose are we doing this? And along with Mr. EDWARDS to say that the only real purpose is to develop a black list, if you will, to start a McCarthy witch-hunt to keep people from exercising constitutional rights and prerogatives that they have under the Constitution of the United States.

I submit that it could inflict embarrassment or even possible danger on numerous people making humanitarian acts of goodwill. I think my initial point also is to the question of definition, what about the medical worker, what about the coffee picker, what about the person who is just trying to help innocent peasants in a war-ravaged area? This, in effect, is a very pernicious amendment to deter people from their constitutional and humanitarian prerogatives. I very strongly urge its defeat.

Mr. McCOLLUM. Mr. Chairman, I yield myself 1 minute.

Mr. Chairman, I am astounded at the kind of reaction that some of my colleagues have to this simple request. We, 30 years-plus later, are still laboring under this idea that McCarthyism is what everything centers on when some of us try simply to point out some facts of life with regard to the relationships of our citizens who are working in this case for a foreign government. Nobody is here, not this Member, nobody else, accusing anybody of being a Communist or getting into that whole McCarthy thing. I think it is ridiculous.

Let me clear up something else: This amendment that I am offering does not ask for a report or a list of doctors or priests or reporters or volunteers or tourists. It simply asks for reports on people who are working as U.S. citizens for a government that we find hostile to our interests and we have declared it so here. We ought to know that. It has nothing else to do with the matter, whatever their philosophy is. It only deals with those people who are working for the Government. It does not involve volunteers who volunteer their services to private organizations or go down there on their own. It is a very simple amendment. So that we can get some balance in this, I wonder if some of the folks on the other side think the Iran-Contra hearings are McCarthyite the way they are going? I do not happen to think so.

The CHAIRMAN. The gentleman from Florida [Mr. McCOLLUM] has 6 minutes remaining, the gentleman from Florida [Mr. SMITH] has 8 minutes remaining.

Mr. SMITH of Florida. Mr. Chairman, I yield 30 seconds to the gentleman from Pennsylvania [Mr. KOSTMAYER].

Mr. KOSTMAYER. Mr. Chairman, let me explain something to my friend from Florida [Mr. McCOLLUM]: The idea of the U.S. Government establishing lists of American citizens based on their ideological convictions is offensive to us. It ought to be offensive to people in your party, a party which has a long and distinguished record of defending the individual rights of the American people. This is a shameful day in the 200th anniversary of our Constitution when we would consider establishing this list.

Mr. WALKER. Mr. Chairman, I demand that the gentleman's words be taken down.

The CHAIRMAN. Would the gentleman restate what he just said?

Mr. WALKER. I demand the gentleman's words be taken down.

The CHAIRMAN. The Clerk will report the words objected to.

Mr. KOSTMAYER. Mr. Chairman, I ask unanimous consent that the final part of my statement be stricken from the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

Mr. EMERSON. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

Mr. EMERSON. Mr. Chairman, I withdraw my objection.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. SMITH of Florida. Mr. Chairman, I yield 1 minute to the gentleman from New York [Mr. WEISS].

Mr. WEISS. I thank the gentleman for yielding.

I think we all recognize that the idea of keeping lists is a totalitarian tactic and it is a sad day when the House of Representatives of the United States of America discusses seriously the idea of keeping lists on its own citizens doing perfectly legal things. What this asks is in no way equivalent to what happened in the Iran-Contra hearings. The issue in those hearings is and I am surprised the gentleman from Florida does not remember it, is officials of the United States Government being involved in lending themselves to raising money from the private citizens to aid the Contras. And two of those people have now pleaded guilty to tax evasion. That is the only basis on which private citizens came in.

Here what you are trying to do is to take private American citizens who are acting perfectly within the law and in some intimidating fashion ask that their names be kept on an official list. I think that is deplorable. I think that really just takes us down the road away from democracy and to totalitarianism.

Mr. WALKER. Mr. Chairman, will the gentleman yield?

Mr. WEISS. I am glad to yield to the gentleman from Pennsylvania [Mr. WALKER].

Mr. WALKER. I thank the gentleman for yielding.

The CHAIRMAN. The time of the gentleman from New York [Mr. WEISS] has expired.

Mr. McCOLLUM. Mr. Chairman, I yield 2 minutes to the gentleman from Virginia [Mr. WOLF].

Mr. WOLF. I thank the gentleman.

Mr. Chairman, I was not going to speak, in fact I am going to be leaving quickly to give a commencement address.

But I could not remain silent. Let me tell you a few of these things:

When we were in Nicaragua, there were Communist troops there, it is a Communist government. They have persecuted Violetta Chamorro and closed down her newspaper, they have violated human rights, they have violated the Catholic Church. They have done many, many bad things.

When we were there on two different occasions our first interpreter was a graduate of the University of Virginia, an American citizen and she was working for the Government. The other interpreter had two brothers that lived in Montgomery County, American citizens. Descoto is an American citizen.

The head of the North American desk who is trying to defeat this government was in the People's Drug Store Training Program. We should not be, and I want the American people to know, we should know that many American citizens are down there helping this Communist government. The purpose is that we would hope they would all come home. Citizens help on both sides, but there are American citizens helping the Communists and that is the concern that the gentleman from Florida has and not the name calling that is going on on the other side.

□ 1740

The CHAIRMAN. The Chair would inform both gentlemen that the gentleman from Florida [Mr. McCOLLUM] has 5 minutes remaining, and the gentleman from Florida [Mr. SMITH] has 6½ minutes remaining.

Mr. SMITH of Florida. Mr. Chairman, I yield 2 minutes to the chairman of the Committee on Foreign Affairs, the gentleman from Florida [Mr. FASCELL].

Mr. FASCELL. Mr. Chairman, I am sorry to say that this is not a new issue. I wish it were. I lived through 20 or 25 years of this campaign, this type of campaign on the American scene, and I do not think it did the American Government one bit of good. It did a lot of damage instead.

Now, one may not agree with that particular position, I certainly do not, but people have a right to a position, and unless they are doing something illegally, then we should protect their right to it, as detestable as we may find it. I have lived through the time, as many of you on this floor have, and as the American people have, when American citizens who did nothing more than express their political opinions with their feet or their hands or their minds were characterized as something detestable. It might be all right for an individual to do that, but I do not think it is right for the U.S. Government to do that.

Now, if somebody breaks the law, then we can go after them to the full extent of the law, but otherwise it would be a shame, a disaster and a travesty to destroy the personal rights of American citizens in a fashion which seeks to do so indirectly, which is what this amendment is about. The State Department does not have a reason or no right to be running around as a policeman chasing down American citizens in foreign countries who somebody thinks or the Congress might think are undesirable or have taken a different political position in an issue. If you want to find out who is working down there, ask the intelligence community. They know, and they are keeping track of them. If you want to know, there is a way to find out about it, and if you want to publicize it, you can buy ads in the newspaper and publicize that information. But for goodness sake, do not take the course of action which puts the Congress of the United States and two political parties on record legislatively to say that one of the departments of our Government should keep a blacklist on the American people.

Mr. McCOLLUM. Mr. Chairman, I yield myself 30 seconds.

Mr. Chairman, I am cognizant of the concerns the chairman of the committee just expressed, and even though I frankly think that the painting and the characterization going on out here is absolutely unreal and unnecessary and wrong on this amendment, I am willing to do something to change this amendment and maybe make it more appealing to some of the Members over there.

So I am going to ask unanimous consent at this time, in hopes that it will be taken seriously, that my amendment be amended so that the words after "documents listing" read "the number of" before "all United States citizens known to be working for * * * the * * * Government of Nicaragua," and at the end, add the words, "and describe the nature of their work."

We do not list the names of anybody in that way, but we get an idea of who is down there and what they are doing, and, therefore, you do not have any blacklist with all those kinds of accusations. I never had that intent.

Mr. Chairman, I hope that my unanimous consent request is accepted. It seems to me that would be the logical way to go here because of the sensitivity expressed today. There is no intent to do otherwise.

So, Mr. Chairman, I ask unanimous consent to so amend my amendment.

The CHAIRMAN. Is there objection to the modification?

Mr. WEISS. I object, Mr. Chairman.

The CHAIRMAN. Would the gentleman first submit his modification to the Clerk?

Mr. WEISS. Objection, Mr. Chairman.

The CHAIRMAN. For what purpose does the gentleman from New York rise?

Mr. WEISS. I object, Mr. Chairman.

The CHAIRMAN. Objection is heard.

Mr. McCOLLUM. Mr. Chairman, I yield myself an additional 15 seconds.

Mr. Chairman, I think what we are talking about here at this juncture is very important and very simple, and that we have now shown a clear demonstration that there is not really good faith on the other side in this regard and there is a lot of name calling that is going on. I think that is rightfully unfair in this body, and I hope my colleagues who are not present can understand why it is important for us to have this kind of amendment at this juncture and time.

Mr. WEISS. Mr. Chairman, a point of personal privilege.

The CHAIRMAN. For what purpose does the gentleman from Pennsylvania [Mr. WALKER] rise?

Mr. WALKER. I have an amendment to the amendment, Mr. Chairman.

The CHAIRMAN. The Clerk will report the amendment.

Mr. WEISS. Mr. Chairman, I have a point of personal privilege.

The CHAIRMAN. Questions of personal privilege cannot be raised in the Committee.

Mr. WEISS. Mr. Chairman, I have a point of order. I ask that the gentleman's words be taken down, the words saying that now we know that those people have not done it in good faith, their objections are not in good faith. The question is motivation, Mr. Chairman.

The CHAIRMAN. The Clerk will report the words.

Mr. McCOLLUM. Mr. Chairman, may I know what the words are? I really do not recall what I said.

Mr. Chairman, may I ask unanimous consent to withdraw any words that referred to any individual Members? I do not think I intended to do that—if they referred to any individual Member or the intent of any individual Member.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

There was no objection.

The CHAIRMAN. The Chair will now state the division of time.

The gentleman from Florida [Mr. McCOLLUM] has 4 minutes and a quarter remaining and the gentleman from Florida [Mr. SMITH] has 4 minutes remaining.

AMENDMENT OFFERED BY MR. WALKER TO THE AMENDMENT OFFERED BY MR. MC COLLUM

Mr. WALKER. Mr. Chairman, I offer an amendment to the amendment.

The CHAIRMAN. The gentleman from Pennsylvania had attempted to offer an amendment, and the Clerk will report the amendment.

Amendment offered by Mr. WALKER to the amendment offered by Mr. McCOLLUM: Page 70, after line 16, insert the following:

TITLE VII—AMERICANS WORKING FOR THE SANDINISTA GOVERNMENT OF NICARAGUA

SEC. 701. REPORT TO CONGRESS

The Secretary of State shall, within 30 days after the date of the enactment of this Act, transmit to the Congress an unclassified document listing the number of all United States citizens known to be working for, directly or indirectly, in a paid or in a volunteer capacity, the Sandinista Government of Nicaragua and describe the nature of their work.

Mr. McCOLLUM. Mr. Chairman, I yield 30 seconds to the gentleman from Pennsylvania [Mr. WALKER].

Mr. WALKER. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, the amendment I have just offered is precisely what the gentleman from Florida has described a moment ago.

Instead of listing names, we would simply ask for the number of people that are working for the Communist Government in Nicaragua; and it would also ask what it is they might be doing for that government, and I would ask the adoption of the amendment.

Mr. SMITH of Florida. Mr. Chairman, I yield 30 seconds to the gentleman from Massachusetts [Mr. FRANK].

Mr. FRANK. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, this is a distinction without a difference. How will they get the number, by taking the names and adding them up?

Maybe they are going to make up a number, but I do not think we would admit that.

If there is an objection to the government taking the names, it is not solved one bit by saying they should publish the number. The number will be the sum total of the names; and if we are being told in this unclassified document, the names will remain a great secret in this well of secrecy and confidentiality at the State Department, sell a few bridges before you expect anybody to believe that.

Mr. McCOLLUM. Mr. Chairman, will the gentleman yield?

Mr. FRANK. Mr. Chairman, I have about 2 seconds, but I will yield to the gentleman from Florida.

Mr. McCOLLUM. Mr. Chairman, I thank the gentleman for yielding.

The chairman of the committee said they already have the names.

Mr. Chairman, I yield 1 minute to the gentleman from California [Mr. HUNTER].

Mr. HUNTER. Mr. Chairman, I thank the gentleman for yielding.

I think if the chairman of the Committee on Foreign Affairs had really thought through what the chairman said about Americans and this Congress supporting the rights of other Americans to help causes that they believe in, the chairman would have comported himself differently in the hearings, in the Contra hearings, when General Secord was testifying.

What we are really talking about here is a type of a Boland amendment for the left, and it is an amendment that applies to people like Ron Ridenour who wrote a book called Yankee Sandinistas, and who said, "I was one of the vanguard so I got to carry the flag when we marched sometimes. Another gringo from Salt Lake City was with me. He'd never fired a rifle before and nearly s--t his pants when he fired the AK. * * * No one wants to go off in the mountains and kill people and lose their lives, but the point is if the Marines come that's what's gonna happen, they're gonna die. Me and plenty of others like me are going to defend this place. * * * It doesn't matter who invades, Marines or not, we're going to kill people."

This is a good amendment, and I would urge its passage.

Mr. SMITH of Florida. Mr. Chairman, I yield 1 minute to the gentleman from Maryland [Mr. HOYER].

Mr. HOYER. Mr. Chairman, I thank the gentleman for yielding, and I rise in opposition to the McCollum amendment.

I agree that the change assists somewhat, but also agree with the gentleman from Massachusetts. The FBI is going around interviewing people who visit Nicaragua. I think that is wrong.

All of us know I am the chairman of the Helsinki Commission; and if we heard the Soviet Union, and they do, of course, interview everybody who comes to the United States or might visit Western Europe, we would say that that was an undercutting of their rights; and it was an effort to intimidate them.

It was an effort to force them to believe as the government believes; and as chairman of the Helsinki Commission, I would object to that on behalf of those who live in captive nations.

I see a definite relationship between the two; and therefore, I think we ought to reject both of these amendments.

We have the information. It is classified. Our Government keeps it, and that is sufficient.

□ 1755

Mr. McCOLLUM. Mr. Chairman, I yield 1½ minutes to the gentleman from Florida [Mr. BILIRAKIS].

Mr. BILIRAKIS. Mr. Chairman, I rise in support of the McCollum amendment, as amended by the Walker amendment.

Mr. Chairman, let us be realistic. Let us get back into the real world. Recent events tell us that the environment for Americans working in Nicaragua has changed. We have reached the point where some action is needed. In the past, many Americans working in war zones felt immune to bodily harm by virtue of being American.

Such is no longer the case. The United States should be aware of the activities as well as whereabouts of its citizens in Nicaragua. We must warn our citizens not to travel to Nicaragua, as we currently warn them not to travel to Beirut. In the absence of an absolute travel ban, United States citizens cannot be prohibited from travel to Nicaragua. We can, however, and we must, alert them to the dangers present.

The threat to Americans in Nicaragua does not come from the Contras, but instead, from the Sandinistas. The American killed in Nicaragua was armed and in fatigues—is it the fault of the Contras that in war, they fired upon individuals who to all appearances were armed combatants, or is it the fault of the host government that allows foreigners to carry weapons within its borders and permits them to work in areas where they know they will come under fire?

Is it the fault of the Contras that an American might take foreign policy in his own hands contrary to the official position of the United States and suffer injury or death as the result? I think not!

Americans are being used for propaganda value, Mr. Chairman, and the value of an American life to the Sandinistas seems to be worth only the notoriety they know they will receive from the American media.

As long as this situation exists we must account for our citizens. I do not want to see Americans dying overseas, whether it is in Lebanon, or Nicaragua, Mr. Chairman, the hour is late, do we know where our Americans are?

The CHAIRMAN. It is the understanding of the Chair that there is an agreement that the gentleman from Florida [Mr. McCollum], the author of the amendment, will conclude the debate. The gentleman has 1¼ minutes remaining. The time remaining for the gentleman from Florida [Mr. Smith] is 2½ minutes.

Mr. SMITH of Florida. Mr. Chairman, I yield myself the balance of the time remaining.

Mr. Chairman, we heard a couple minutes ago from the chairman of the Foreign Affairs Committee, who has a great well of historical context from which to draw, and he drew from that well and I think told us something that he has seen that many others in this House have seen as well; but more than that, it is not just the historical context. Put it in today's context. Let us be realistic.

I think the gentleman from Massachusetts [Mr. Frank] was fairly accurate when he characterized the amendment of the gentleman from Pennsylvania [Mr. Walker] as really not changing the essential nature of the McCollum amendment. In order to get at the number, you must count names.

But let us be honest. Is anyone here willing to extend this to people who go to Poland? Are we going to count names of people who go to the Soviet Union or to any other of the countries from which they may have originally come and who are now American citizens? We are talking, after all, about American citizens.

We are talking about taking names and we are talking about taking names from people and of people who have not committed any crime under United States law.

Is anybody willing to extend this to every other country which has the same kind of Communistic rule as the Sandinista government is in Nicaragua? We make no bones about that.

If those of you who want to extend that will reflect, I think you will find that a great many Americans then will be caught in a net that no one ever intended. People of good will who are Americans to the core, patriotic to the teeth, are you going to deny them the right to travel in this world only because they want to go to a country whose government, even though we recognize it, may not be one we like at all?

I think you are treading on the entry point of a very dangerous road. Think clearly about this. It sounds good. Yes, we should be balanced and fair, but in reality, no Americans should have their names recorded in this kind of context until they break the law. Frankly, when they go to Nicaragua under current law, they are not breaking any laws.

Do you want your name recorded in a book like this to be counted solely because you chose to exercise your rights as an American citizen? I think not.

Mr. Chairman, I would urge a "no" vote on the amendment to the amendment on the amendment.

Mr. McCOLLUM. Mr. Chairman, I think in this impassioned debate in the last 30 minutes we have really had a lot of characterizations that probably have misled some people as to what this amendment does. I certainly advocate supporting the amendment to the amendment, so we do not get into the name listing business; but surely, my colleagues can understand the fairness and the importance to the American people of having the opportunity to have the knowledge, not necessarily of the names, if they do not want that, that is not what is important to this Member; but the knowledge of how many people, how many United States citizens actually are working for the Communist Government, the Sandinista government of Nicaragua.

We have already seen the parade of a list of names of people who are supposedly giving private help, who are United States citizens, to the Contras. In the name of balance, in the name of appropriateness, in the name of information and freedom to the American people, let us at least give the numbers and the description of the people who are U.S. citizens who are now presently actively working for a government which this government opposes in its present form, who this government has stated and we in this body have agreed has violated human rights left and right, who violates freedom of the press and religion and whose government needs to change its ways about expropriating its policies to neighboring countries, if we are going to have our national security protected in this country.

Mr. Chairman, I urge the adoption of my amendment and the amendment thereto to give this information. If we do that tonight, I think the American people will know a whole lot more and nobody is going to be harmed. We are not naming tourists who are going down there. We are naming people who are working for the government. We are listing numbers, if the amendment is adopted, and not names.

Mr. Chairman, I urge adoption of this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. Walker] to the amendment offered by the gentleman from Florida [Mr. McCollum].

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. WALKER. Mr. Chairman, on that I ask for a division.

The CHAIRMAN. A division is requested.

RECORDED VOTE

Mr. WALKER. Mr. Chairman, I withdraw that request and demand a recorded vote.

A recorded vote was ordered.

Mr. GREGG. Mr. Chairman, I ask unanimous consent that the vote on the McCollum amendment, following the Walker amendment, should it occur, be 5 minutes.

The CHAIRMAN. The Chair cannot entertain that request. Members would not have noticed and there could be intervening business.

Members will record their votes by electronic device.

The vote was taken by electronic device, and there were—ayes 144, noes 224, not voting 65, as follows:

[Roll No. 199]

AYES—144

Archer
Armey
Ballenger
Bartlett
Barton
Bateman
Bentley
Bereuter
Bilirakis
Bliley
Boulter
Broomfield
Brown (CO)
Bunning
Burton
Callahan
Chandler
Chappell
Cheney
Coats
Coble
Coleman (MO)
Combest
Courter
Craig
Daub
Davis (IL)
DeLay
DeWine
Dickinson
DioGuardi
Dornan (CA)
Dreier

Duncan
Dyson
Emerson
English
Erdreich
Fields
Flippo
Gallegly
Gekas
Gingrich
Goodling
Gradison
Grandy
Gregg
Gunderson
Hall (TX)
Hammerschmidt
Hansen
Harris
Hastert
Hefley
Herger
Hiler
Holloway
Hopkins
Hubbard
Huckaby
Hunter
Hutto
Hyde
Inhofe
Jenkins
Johnson (CT)
Kasich
Kemp
Kolbe
Kyl
LaFalce
Lagomarsino
Latta
Lent
Lewis (CA)
Lightfoot
Lott
Lowery (CA)
Lujan
Lungren
Mack
Madigan
Marlenee
Martin (IL)
McCandless
McCollum
McGrath
McMillan (NC)
Michel
Miller (OH)
Montgomery
Moorhead
Myers
Nichols
Nielson
Oxley
Packard
Parris
Pashayan
Porter
Quillen
Rhodes
Ridge
Rinaldo
Ritter
Robinson
Rogers
Roth
Saiki
Schaefer
Schuette
Schulze
Sensenbrenner
Shumway
Shuster
Skeen
Skelton
Slaughter (VA)
Smith (NE)
Smith (NJ)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Solomon
Spence
Stangeland
Stenholm
Stratton
Stump
Sundquist
Sweeney
Swift
Swindall
Taylor
Vander Jagt
Volkmer
Vucanovich
Walgren
Walker
Weber
Weldon
Wortley
Young (AK)
Young (FL)

NOES—224

Ackerman
Alexander
Anderson
Andrews
Annunzio
Anthony
Applegate
Aspin
Atkins
AuCoin
Baker
Barnard
Bates
Bennett
Berman
Biaggi
Bilbray
Boehlert
Boggs
Bonker
Borski
Bosco
Boucher
Brennan
Brooks
Bruce
Bryant
Bustamante
Byron
Campbell
Cardin
Carper
Carr
Chapman
Clarke
Clay
Clinger
Coelho
Coleman (TX)
Collins
Conte
Conyers
Cooper
Coughlin
Coyne
Darden
Davis (MI)
de la Garza
Dellums
Derrick
Dicks
Dingell
Dorgan (ND)
Dowdy
Downey
Durbin
Eckart
Edwards (CA)
Edwards (OK)
Espy
Evans
Fascell
Fawell
Fazio
Feighan
Fish
Flake
Foglietta
Foley
Ford (MI)
Frank
Frost
Gallo
Garcia
Gejdenson
Gibbons
Gonzalez
Gordon
Gray (IL)
Gray (PA)
Green
Guarini
Hall (OH)
Hamilton
Hawkins
Hayes (IL)
Hayes (LA)
Hefner
Henry
Hertel
Hochbrueckner
Horton
Houghton
Howard
Hoyer
Hughes
Jacobs
Jeffords
Johnson (SD)
Jones (NC)
Jontz
Kanjorski
Kaptur
Kastenmeier
Kildee
Kleczka
Kostmayer
Lancaster
Lantos
Leach (IA)
Lehman (FL)
Leland
Levin (MI)
Levine (CA)
Lewis (GA)
Lloyd
Lowry (WA)
Luken, Thomas
MacKay
Manton
Markey
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCurdy
McDade
McHugh
McMillen (MD)
Meyers
Mfume
Mica
Miller (CA)
Miller (WA)
Mineta
Molinari
Mollohan
Moody
Morella
Morrison (WA)
Mrazek
Murphy
Murtha
Nagle
Natcher
Neal
Nelson
Nowak
Oakar
Oberstar
Obey
Olin
Owens (NY)
Owens (UT)
Panetta
Patterson
Pease
Pelosi
Penny
Pepper
Perkins
Petri
Pickett
Pickle
Price (IL)
Price (NC)
Pursell
Rahall
Ravenel
Regula
Richardson
Roberts
Rodino
Rose
Roukema
Rowland (CT)
Rowland (GA)
Russo
Savage
Sawyer
Saxton
Scheuer
Schneider
Schroeder
Sharp
Sikorski
Sisisky
Skaggs
Slattery
Slaughter (NY)
Smith (FL)
Smith, Robert (OR)
Snowe
Solarz
Spratt
Staggers
Stallings
Stark
Stokes
Studds
Tallon
Tauke
Thomas (GA)
Torres
Towns
Traficant
Traxler
Udall
Upton
Valentine
Vento
Visclosky
Watkins
Weiss
Wheat
Whittaker
Whitten
Williams
Wilson
Wolpe
Wyden
Yates
Yatron

NOT VOTING—65

Akaka
Badham
Beilenson
Bevill
Boland
Boner (TN)
Bonior (MI)
Boxer
Brown (CA)
Buechner
Crane
Crockett
Daniel
Dannemeyer
DeFazio
Dixon
Donnelly
Dwyer
Dymally
Early
Florio
Ford (TN)
Frenzel
Gaydos
Gephardt
Gilman
Glickman
Grant
Hatcher
Ireland
Jones (TN)
Kennedy
Kennelly
Kolter
Konnyu
Leath (TX)
Lehman (CA)
Lewis (FL)
Lipinski
Livingston
Lukens, Donald
Martin (NY)
McEwen
Moakley
Morrison (CT)
Ortiz
Rangel
Ray
Roe
Roemer
Rostenkowski
Roybal
Sabo
Schumer
Shaw
Smith (IA)
St Germain
Synar
Tauzin
Thomas (CA)
Torricelli
Waxman
Wise
Wolf
Wylie

□ 1810

The Clerk announced the following pairs:

On this vote:

Mr. Ireland for, with Mr. Akaka against.

Mr. Shaw for, with Mr. Roybal against.

Mr. Thomas of Georgia for, with Mrs. Boxer against.

Mr. Dannemeyer for, with Mr. Bonior of Michigan against.

Mr. Badham for, with Mr. Crockett against.

Mr. Crane for, with Mr. Rangel against.

Mr. Konnyu for, with Mr. Ford of Tennessee against.

Mr. Donald E. Lukens for, with Mr. Glickman against.

Mr. Bueuchner for, with Mr. Moakley against.

Messrs. ALEXANDER, ROWLAND of Connecticut, and WHITTAKER changed their votes from "aye" to "no."

Mr. STRATTON changed his vote from "no" to "aye."

So the amendment to the amendment was rejected.

The result of the vote was announced as above recorded.

□ 1820

(By unanimous consent Mr. FOLEY was allowed to speak out of order for 1 minute.)

LEGISLATIVE PROGRAM

Mr. FOLEY. Mr. Chairman, I take this time to advise the membership on both sides of what we anticipate to be the program for the rest of the evening.

After the consideration of the McCollum amendment, which is next in order, and any rollcall vote which may be ordered on the McCollum amendment, we believe that that will be the last rollcall of the evening.

Following the consideration and vote on the McCollum amendment, the Walker amendment will be offered and I believe there is an agreed time limit on the Walker amendment, following which it will be the intention on this side to move to rise. We have discussed this with our colleagues on the Republican side, and we have at least as far as this motion to rise and any motion to adjourn been assured there would be no rollcall votes. So Members can be advised that this bill will be scheduled for consideration again on Tuesday next, and that following the rollcall vote which may occur on the next amendment, the business of the evening will be done as far as rollcall votes are concerned.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Florida [Mr. McCOLLUM].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. McCOLLUM. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 103, noes 257, not voting 73, as follows:

[Roll No. 200]

AYES—103

Archer
Armey
Barton
Bentley
Bilirakis
Boulter
Broomfield
Brown (CO)
Bunning
Burton
Callahan
Cheney
Coble
Coleman (MO)
Combest
Craig
Daub
Davis (IL)
DeLay
DeWine
Dickinson
DioGuardi
Dornan (CA)
Dreier
Duncan
Edwards (OK)
Emerson
Fields
Gallegly
Gekas
Gingrich
Goodling
Hall (TX)
Hammerschmidt
Hansen
Herger
Holloway
Hopkins
Hubbard
Huckaby
Hunter
Hutto
Hyde
Inhofe
Kasich
Kyl
LaFalce
Lagomarsino
Latta
Lewis (CA)
Lott
Lowery (CA)
Lujan
Lungren
Mack
Marlenee
Martin (IL)
McCandless
McCollum
Michel
Miller (OH)
Moorhead
Myers
Nelson
Nichols
Nielson
Packard
Parris
Pashayan
Pepper
Quillen
Ridge
Rinaldo
Ritter
Robinson
Rogers
Roth
Schaefer
Schulze
Shumway
Skeen
Smith (NJ)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Solomon
Spence
Stangeland
Stenholm
Stratton
Stump
Sundquist
Sweeney
Swindall
Taylor
Vander Jagt
Vucanovich
Walker
Weber
Wilson
Wortley
Young (AK)
Young (FL)

NOES—257

Ackerman
Alexander
Anderson
Andrews
Annunzio
Anthony
Applegate
Aspin
Atkins
AuCoin
Baker
Ballenger
Barnard
Bartlett
Bateman
Bennett
Bereuter
Berman

Biaggi
Bilbray
Bliley
Boehlert
Boggs
Borski
Bosco
Boucher
Brennan
Brooks
Bruce
Bryant
Bustamante
Byron
Campbell
Cardin
Carper
Carr
Chandler
Chapman
Chappell
Clarke
Clay
Clinger
Coats
Coelho
Coleman (TX)
Collins
Conte
Conyers
Cooper
Coughlin
Courter
Coyne
Darden
Davis (MI)
de la Garza
Dellums
Derrick
Dicks
Dingell
Dorgan (ND)
Dowdy
Downey
Durbin
Dyson
Eckart
Edwards (CA)
English
Erdreich
Espy
Evans
Fascell
Fawell
Fazio
Feighan
Fish
Flake
Flippo
Foglietta
Foley
Ford (MI)
Frank
Frost
Garcia
Gejdenson
Gibbons
Gonzalez
Gordon
Gradison
Grandy
Gray (IL)
Gray (PA)
Green
Gregg
Guarini
Gunderson
Hall (OH)
Hamilton
Harris

Hastert
Hawkins
Hayes (IL)
Hayes (LA)
Hefley
Hefner
Henry
Hertel
Hiler
Hochbrueckner
Horton
Houghton
Howard
Hoyer
Hughes
Jacobs
Jeffords
Jenkins
Johnson (CT)
Johnson (SD)
Jontz
Kanjorski
Kaptur
Kastenmeier
Kildee
Kleczka
Kolbe
Kostmayer
Lantos
Leach (IA)
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lewis (GA)
Lightfoot
Lowry (WA)
Luken, Thomas
MacKay
Madigan
Manton
Markey
Matsui
Mavroules
Mazzoli
McCloskey
McCurdy
McDade
McGrath
McHugh
McMillan (NC)
McMillen (MD)
Meyers
Mfume
Mica
Miller (CA)
Miller (WA)
Mineta
Molinari
Mollohan
Montgomery
Moody
Morella
Morrison (WA)
Mrazek
Murphy
Murtha
Nagle
Natcher
Neal
Nowak
Oakar
Oberstar
Obey
Olin
Owens (NY)
Owens (UT)
Oxley
Panetta

Patterson
Pease
Pelosi
Penny
Perkins
Petri
Pickett
Pickle
Porter
Price (IL)
Price (NC)
Rahall
Ravenel
Regula
Rhodes
Richardson
Roberts
Rodino
Rose
Roukema
Rowland (CT)
Rowland (GA)
Russo
Saiki
Savage
Sawyer
Saxton
Scheuer
Schneider
Schroeder
Schuette
Sensenbrenner
Sharp
Shuster
Sikorski
Sisisky
Skaggs
Skelton
Slattery
Slaughter (NY)
Slaughter (VA)
Smith (FL)
Smith (NE)
Smith, Robert (OR)
Snowe
Solarz
Spratt
Staggers
Stallings
Stark
Stokes
Studds
Swift
Tallon
Tauke
Thomas (GA)
Torres
Towns
Traficant
Traxler
Udall
Upton
Valentine
Vento
Visclosky
Volkmer
Walgren
Watkins
Waxman
Weiss
Weldon
Wheat
Whittaker
Whitten
Williams
Wolpe
Wyden
Yates
Yatron

NOT VOTING—73

Akaka
Badham
Bates
Beilenson
Bevill
Boland
Boner (TN)
Bonior (MI)
Bonker
Boxer
Brown (CA)
Buechner
Crane

Crockett
Daniel
Dannemeyer
DeFazio
Dixon
Donnelly
Dwyer
Dymally
Early
Florio
Ford (TN)
Frenzel
Gallo

Gaydos
Gephardt
Gilman
Glickman
Grant
Hatcher
Ireland
Jones (NC)
Jones (TN)
Kemp
Kennedy
Kennelly
Kolter

Konnyu
Lancaster
Leath (TX)
Lehman (CA)
Lewis (FL)
Lipinski
Livingston
Lloyd
Lukens, Donald
Martin (NY)
Martinez
McEwen

Moakley
Morrison (CT)
Ortiz
Pursell
Rangel
Ray
Roe
Roemer
Rostenkowski
Roybal
Sabo
Schumer

Shaw
Smith (IA)
St Germain
Synar
Tauzin
Thomas (CA)
Torricelli
Wise
Wolf
Wylie

□ 1835

The Clerk announced the following pairs:

On this vote:

Mr. Ireland for, with Mr. Akaka against.

Mr. Shaw for, with Mr. Crockett against.

Mr. Thomas of California for, with Mr. Lancaster against.

Mr. Dannemeyer for, with Mr. Ford of Tennessee against.

Mr. STARK changed his vote from "aye" to "no."

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. WALKER

Mr. WALKER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Walker: Page 70, after line 16, add the following:

TITLE VII—STATE DEPARTMENT ACTION TO RESTRICT TRAVEL IN SUPPORT OF COMMUNISM IN CENTRAL AMERICA

SEC. 701. PASSPORT RESTRICTIONS.

(a) Finding.—The Congress finds that travel by United States citizens to Central America for the purpose of performing services or providing other assistance for the Government of Nicaragua or for Communist or Communist-supported guerrilla groups causes serious damage to the national security and foreign policy of the United States.

(b) Designation of Passports as Restricted for Certain Travel to Central America.—Accordingly, the Secretary of State shall designate all United States passports—

(1) as restricted for travel to and use in Nicaragua if the purpose of the travel is to perform services or provide other assistance for the Government of Nicaragua; and

(2) as restricted for travel to and use anywhere in Central America if the purpose of the travel is to perform services or provide other assistance for any group which the President has designated as a Communist guerrilla group or as a guerrilla group which receives assistance from the Soviet Union, Cuba, or Nicaragua.

(c) Termination of Restrictions Regarding Nicaragua.—Paragraph (1) of subsection (b) shall remain in effect until the President certifies to the Congress that the Government of Nicaragua is abiding by the commitments made to the Organization of American States in July 1979.

Mr. WALKER (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. MICA. Mr. Chairman, I ask unanimous consent that all debate on the pending amendment and all amendments thereto end in 40 minutes, and that the time be equally divided and controlled by myself and the gentleman from Pennsylvania [Mr. Walker].

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

Mr. WALKER. Reserving the right to object, Mr. Chairman, I do so just to clarify the point. The gentleman says 40 minutes. I want to make sure that it is 40 minutes from the time that we come back onto the amendment on the day proceeding, not in the next 40 minutes.

Mr. MICA. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I yield to the gentleman from Florida.

Mr. MICA. Mr. Chairman, I thank the gentleman for yielding.

No, it is 40 minutes on the day we return on this amendment, 20 minutes each.

Mr. WALKER. I thank the gentleman.

Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. MICA. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore [Mr. Eckart] having assumed the chair, Mr. Swift, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 1777) to authorize appropriations for final years 1988 and 1989 for the Department of State, the U.S. Information Agency, and for other purposes, had come to no resolution thereon.

GENERAL LEAVE

Mr. MICA. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and include extraneous material, on H.R. 1777, the bill just considered.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

REPORT ON RESOLUTION WAIVING CERTAIN POINTS OF ORDER AGAINST THE CONFERENCE REPORT ON HOUSE CONCURRENT RESOLUTION 93, BUDGET FOR U.S. GOVERNMENT FOR FISCAL YEARS 1988, 1989, AND 1990 AND AGAINST THE CONSIDERATION OF SUCH CONFERENCE REPORT

Mr. PEPPER, from the Committee on Rules, submitted a privileged report (Rept. 100-170) on the resolution (H. Res. 201) waiving certain points of order against the conference report on the concurrent resolution (H. Con. Res. 93) setting forth the congressional budget for fiscal years 1988, 1989, and 1990 and against the consideration of such conference report, which was referred to the House Calendar and ordered to be printed.

REPORT ON H.R. 2712, DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS, 1988

Mr. YATES, from the Committee on Appropriations, submitted a privileged report (Rept. 100-171) on the bill (H.R. 2712) making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 1988, and for other purposes, which was referred to the Union Calendar and ordered to be printed.

Mr. CONTE reserved all points of order on the bill.

REPORT ON H.R. 2713, DISTRICT OF COLUMBIA APPROPRIATIONS, 1988

Mr. FAZIO, from the Committee on Appropriations, submitted a privileged report (Rept. 100-172) on the bill (H.R. 2713) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending September 30, 1988, and for other purposes, which was referred to the Union Calendar and ordered to be printed.

Mr. CONTE reserved all points of order on the bill.

REPORT ON H.R. 2714, LEGISLATIVE BRANCH APPROPRIATIONS, 1988

Mr. FAZIO, from the Committee on Appropriations, submitted a privileged report (Rept. 100-173) on the bill (H.R. 2714) making appropriations for the legislative branch for the fiscal year ending September 30, 1988, and for other purposes, which was referred to the Union Calendar and ordered to be printed.

Mr. CONTE reserved all points of order on the bill.

ELECTION AS MEMBER TO CERTAIN STANDING COMMITTEES

Ms. OAKAR. Mr. Speaker, I offer a privileged resolution (H. Res. 202), and I ask for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 202

Resolved, That Nancy Pelosi be, and is hereby, elected to the following standing committees of the House of Representatives:

Committee on Banking, Finance and Urban Affairs; and

Committee on Government Operations.

The resolution was agreed to.

A motion to reconsider was laid on the table.

ELECTION AS MEMBERS TO CERTAIN STANDING COMMITTEES

Mr. LOTT. Mr. Speaker, by direction of the House Republican Conference, I offer a privileged resolution (H. Res. 203) and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 203

Resolved, That the following named Members be, and they are hereby elected to the following standing committees of the House of Representatives:

Committee on Banking, Finance and Urban Affairs: Mr. DIOGUARDI of New York; and

Committee on Small Business: Mr. HOLLOWAY of Louisiana.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PERMISSION TO HAVE UNTIL MIDNIGHT FRIDAY, JUNE 19, 1987, TO FILE CONFERENCE REPORT ON H.R. 558, URGENT RELIEF FOR THE HOMELESS ACT

Mr. GONZALEZ. Mr. Speaker, I ask unanimous consent that the managers may have until midnight Friday, June 19, 1987, to file a conference report to accompany the bill (H.R. 558) to provide urgently needed assistance to protect and improve the lives and safety of the homeless, with special emphasis on elderly persons, handicapped persons, and families with children.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

PERSONAL EXPLANATION

Ms. SLAUGHTER of New York. Mr. Speaker, due to a death in my family, I was unable to be present for rollcall votes 180, 181, 182, 183, 184, 185, 186, 187, 188, 190, and 191.

Had I been present I would have voted "yea" on rollcall numbers: 181, 182, 183, 184 and 191; and "nay" on rollcall numbers: 180, 185, 186, 187, 188, 189, and 190.

LEGISLATIVE PROGRAM

(Mr. LOTT asked and was given permission to address the House for 1 minute.)

Mr. LOTT. Mr. Speaker, I take this time to inquire of the distinguished majority leader the schedule for the balance of the week and for next week.

Mr. FOLEY. Mr. Speaker, will the gentleman yield?

Mr. LOTT. I yield to the distinguished majority leader.

Mr. FOLEY. Mr. Speaker, I thank the distinguished whip for yielding.

Mr. Speaker, the program for today has concluded. We will not be in session tomorrow.

On Monday, the House will meet at noon to consider nine bills under suspension:

H.R. 2020, Office of Environmental Quality Authorization;

H.R. 2480, to extend the Governing International Fishery Agreement United States and Korea;

H. Con. Res. 130, to commemorate the 50th anniversary of the Federal Aid in Wildlife Restoration Act;

H.R. 1101, to ensure fair treatment of airline employees in airline mergers and similar transactions;

H.R. 1163, to impose criminal penalties for offenses relating to certain aviation reports and records;

H.R. 2182, Criminal Law and Procedure Minor Substantive and Technical Amendments Act of 1987;

H.R. 1744, National Historic Preservation Act amendments;

H.R. 145, Computer Security Act of 1987; and

H. Con. Res. 50, to encourage international negotiations by the President to develop a protocol to the Vienna Convention for the Protection of the Ozone Layer regarding the adverse effects of chlorofluorocarbons.

The House will meet at noon on Tuesday, June 23, and consider recorded votes on suspensions debated on Monday, June 22. It will also consider the conference report on House Concurrent Resolution 93, the first concurrent budget resolution for fiscal year 1988. The rules waives certain points of order. Also an unnumbered H.R., for the interior appropriations, fiscal year 1988, open rule, 1 hour of debate. And H.R. 1777, State Department authorization for fiscal years 1988 and 1989, to complete consideration.

Mr. LOTT. If the gentleman will yield at that point so I could ask a couple of questions: On Tuesday, first the conference report on the budget resolution, I know the staff is busily now filling in the blanks of what has been agreed to supposedly by the conferees, but does the gentleman know when this report might be available, when it will be filed?

☐ 1850

Mr. FOLEY. We expect the report to be filed on Monday.

Mr. LOTT. Then on that Tuesday, you expect to take up both the budget resolution, Interior appropriations, and complete consideration of the State Department authorization?

Mr. FOLEY. Yes, I recognize that that is a full program for Tuesday and may involve a somewhat later than normal adjournment hour.

Mr. LOTT. Of course, there would also be recorded votes on suspensions that have been carried over from the previous day?

Mr. FOLEY. The gentleman is correct.

Mr. LOTT. Should the Members anticipate a late night on Tuesday?

Mr. WALKER. Mr. Chairman, will the gentleman yield?

Mr. LOTT. Mr. Chairman, I yield to the gentleman from Pennsylvania.

Mr. WALKER. Mr. Chairman, I thank the gentleman for yielding.

Is the schedule going to be as listed on the calendar, that we would take up the votes on held-over suspensions first, the budget second, Interior appropriations third, and State Department authorization fourth, so that the State Department authorization would be the thing we would be taking up late at night?

Mr. FOLEY. That is our present intention, obviously subject to some further announcement change, if there is a change of plan; but that is the intention to proceed as I have announced the schedule.

Mr. WALKER. One additional question.

On the budget resolution it is my understanding from what the gentleman just said, we will not have the budget resolution available to us until Monday, that the 3-day rule has been waived with regard to the budget; and that instead of 5 hours to debate as given under the law, we are only going to have 1 hour of debate on this budget that no Member has seen up until this point.

Is that in fact what is going to happen?

Mr. LOTT. That is exactly what is going to happen. I think the idea is, they do not want anybody to see what is in it, and I can understand that.

Mr. WALKER. Mr. Chairman, if the gentleman would yield further, my understanding is that we have some taxes in it, that we do not know exactly what they are.

Are we going to find out what is in this thing at any reasonable time before we have to vote on it early on Tuesday?

Mr. LOTT. Since the Committee on Rules has waived the 3-day rule, unless we defeat the rule, which would be a very good idea, you will have, I guess, Tuesday morning to try to take a look at what is in this budget resolution, because we only have 1 hour of debate too instead of 5 hours as required under the Budget Act?

Mr. FOLEY. If the gentleman will yield, there may be an intention on the part of the other body to file tonight; and in that case if the Members have friends in the other body, the Members might be able to get an advance look at the budget resolution after the Senate filing.

The main outlines have been fairly well reported in the press; and as the gentleman from Pennsylvania knows so well, any revenue portion of the bill is not specific. It is a number. The number is 19.3.

Mr. WALKER. Mr. Chairman, will the gentleman yield?

Mr. LOTT. Mr. Chairman, I yield to the gentleman from Pennsylvania [Mr. WALKER].

Mr. WALKER. Mr. Chairman, I thank the gentleman for yielding.

It is very, very useful to have that number. As I recall, however, when we have discussed budgets on the floor, we have discussed in some specificity on the floor exactly where we are going to make cuts and where the revenues were going to come from.

That number obviously has a few blanks to be filled in, and I think the Members might want to find out just what those blanks are; but it is helpful to know the other body is going to be considering this bill, and we hope that all of that consideration does not fill the RECORD to the point that it costs the taxpayers another $197,000 to publish it.

Mr. LOTT. Mr. Chairman, would the gentleman like to complete the schedule for next week?

Mr. FOLEY. Mr. Chairman, I thank the gentleman.

On Wednesday, June 24, the House will meet at 10 a.m. and consider energy and water appropriations for fiscal year 1988 subject to a rule; and on Thursday, June 25, the House will meet at 10 a.m. to consider an unnumbered H.R. for the appropriations for the District of Columbia for fiscal year 1988.

On Friday, June 26, the House would meet at 10 a.m. to consider an unnumbered H.R. for the legislative appropriations for fiscal year 1988.

As we have announced previously, there will be a session on Friday, and a session is expected the following Monday, the 29th of June.

Mr. LOTT. One last question. Should the Members anticipate recorded votes on July 7?

Mr. FOLEY. I am glad the gentleman asked that question. July 7 is the date scheduled for some time now for the returns.

Mr. LOTT. There has been no change in that this week?

Mr. FOLEY. There has been no change on that, and it will be the date on which we will return from the Fourth of July recess.

Members should expect votes on Tuesday, Wednesday, and Thursday of that week.

ADJOURNMENT TO MONDAY, JUNE 22, 1987

Mr. FOLEY. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at noon on Monday next.

The SPEAKER pro tempore (Mr. ECKART). Is there objection to the request of the gentleman from Washington?

There was no objection.

DISPENSING OF CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. FOLEY. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule be dispensed with on Wednesday next.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

DESIGNATION OF THE HONORABLE THOMAS S. FOLEY TO ACT AS SPEAKER PRO TEMPORE TO SIGN ENROLLED BILLS AND JOINT RESOLUTIONS THROUGH TUESDAY, JUNE 23, 1987

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
June 18, 1987.

I hereby designate the Honorable THOMAS S. FOLEY to act as Speaker pro tempore to sign enrolled bills and joint resolutions through Tuesday, June 23, 1987.

JIM WRIGHT,
Speaker of the House of Representatives.

The SPEAKER pro tempore. Without objection, the designation is agreed to.

There was no objection.

NATIONAL IMMIGRANTS DAY

Mr. UDALL. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the Senate joint resolution (S.J. Res. 86) to designate October 28, 1987, as "National Immigrants Day," and ask for its immediate consideration.

The Clerk read the title of the Senate joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arizona?

Mrs. MORELLA. Mr. Speaker, reserving the right to object, I do not object, but would like the Members to know that the minority has no objection to the legislation now being considered.

Mr. Speaker, I rise in support of Senate Joint Resolution 86, designating October 28, 1987, as "National Immigrants Day."

Mr. Speaker, I believe it only fitting that we honor this Nation's immigrants on the same day the people of France dedicated the Lady of Liberty to the people of America on October 28, 1886. This year will be the 101st anniversary of her arrival in America; she has since welcomed millions who have emigrated to our shores. The Statue of Liberty has represented freedom, hope, and opportunity to those millions of immigrants entering the New York Harbor. She has personally welcomed many of our ancestors and is a lasting memorial to the immigrants who have made this country great.

Mr. Speaker, I am also the child of immigrants. I take this opportunity to thank my parents for taking the brave step of crossing the oceans to come to a new culture, to start afresh and for giving me the opportunities that are afforded by our great Nation.

America is a nation of nations. Immigrants from all walks of life in our Nation have contributed to the development and growth of the American way of life. That we are a nation of immigrants truly reflects the determination by which people of all backgrounds and heritages are able to pursue their dreams of independence, freedom, and liberty.

I urge my colleagues to join me in supporting this legislation.

Mr. DYMALLY. Mr. Speaker, I wish to take this opportunity to commend the authors of Senate Joint Resolution 86, and its companion bill, House Joint Resolution 220, which designate October 28, 1987 as "National Immigrants Day," and to express my support of this observance.

Welcoming immigrants from all nations will always be a shining part of our country's history. That history is brightened by the invaluable contributions made by immigrants to our neighborhoods, cities, States, and Nation.

I submit to Members of this body that in any profession and in any walk of life—in fact—even within the Halls of Congress, one will find people who immigrated from other parts of the world.

For many, the road to this country was a struggle; particularly so for people who entered with literally nothing more than hopes and dreams.

Last year, Americans and the entire world united in witnessing an unforgettable celebration of freedom when the Statue of Liberty was again unveiled. Just last month, we witnessed the realization of a dream of many aliens when the legalization program went into effect.

And now, proclaiming October 27, 1987, as "National Immigrants Day" is a fitting tribute to people that have sought nothing more than a better life and to share in the greatness of this country.

Mr. Speaker, I thank the authors of this measure for offering it, and urge my colleagues to adopt the resolution.

Mr. LIPINSKI. Mr. Speaker, I rise today to applaud the House in its decision to take up House Joint Resolution 220, legislation which would recognize our Nation's rich ethnic, immigrant heritage. Last year, National Immigrants Day fell on the Fourth of July, coinciding with the relighting of the Statue of Liberty's torch. The Mother of Exiles is famous the world over as a symbol of freedom, hope, and opportunity for all who have come and who continue to come to America. This year, the bill sets aside October 28, 1987, as National Immigrant's Day—the same date Lady Liberty began welcoming the peoples of the world to our shores 101 years ago.

America is a Nation of many peoples. Our history cannot be separated from mentioning those who have come to our country from abroad. America's first immigrants, those colonists who settled Jamestown, VA, reflect the spirit of all immigrants. Those brave colonists came to a strange, unknown land in order to live and worship freely. And while they were not prepared for the often harsh conditions which greeted them, they persevered and, with hard work and determination, created a legacy for all who have followed.

Mr. Speaker, that legacy is alive and well today. Refugees escaping fear and persecution for their religious and political beliefs continue to regard America as a beacon of hope and a land in which they can secure a better way of life for themselves and their families. The immigrants of today, like those of old, have instilled a vibrancy and dynamism in our Nation—the many small shopkeepers we see all around us in the Washington area who are willing to work long hours for the promise of success are a stirring testimony to this truth.

From all walks of life and from every geographical area of our country, immigrants for centuries have been a vital component of America's growth and development. As a Nation of immigrants we are an example to all the world of what a country can accomplish when peoples of all backgrounds and heritages are able to pursue their dreams and aspirations freely.

Mrs. MORELLA. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arizona?

There was no objection.

The Clerk read the Senate joint resolution as follows:

S. J. Res. 86

Whereas the Statue of Liberty has been the symbol of freedom, hope, and opportunity for millions of immigrants since the people of France dedicated the Lady of Liberty to the people of America on October 28, 1886;

Whereas the Statue of Liberty serves as a reminder to all that the United States is a nation of immigrants, a nation of nations;

Whereas the Statue of Liberty is a lasting memorial to the immigrants who have made America great;

Whereas millions of immigrants settled throughout the vast territory of the United States, and supported the ideals of independence and liberty;

Whereas the torch held by the Statue of Liberty serves as a beacon of freedom that lives in the soul of every American;

Whereas on October 28, 1886, the Statue of Liberty began to greet immigrants who came to America in pursuit of their dreams; and

Whereas it is only fitting that we set aside October 28, 1987, as a day of celebration to honor the immigrants welcomed by the burning torch of the Lady of Liberty to this land of freedom: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That October 28, 1987, is designated as "National Immigrants Day", and the President is authorized and requested to issue a proclamation calling on the people of the United States to observe such day with appropriate ceremonies and activities.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NATIONAL OUTWARD BOUND WEEK

Mr. UDALL. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the joint resolution (H.J. Res. 284) designating the week beginning June 21, 1987, as "National Outward Bound Week," and ask for its immediate consideration.

The Clerk read the title of the joint resolution.

The SPEAKER pro tempore (Mr. ECKART). Is there objection to the request of the gentleman from Arizona?

Mrs. MORELLA. Mr. Speaker, reserving the right to object, I do not object, but I would like this body to know that the minority has no objection to this legislation now being considered.

Mr. Speaker, I yield to the gentleman from Arizona [Mr. UDALL].

Mr. UDALL. Mr. Speaker, I rise in support of House Resolution 284, which designates the week beginning June 21, 1987, as National Outward Bound Week, commemorating the 25th anniversary of the first Outward Bound course in the United States.

Outward Bound is the largest and oldest adventure-based organization in the United States. This nonprofit organization is supported by contributions from individuals, corporations, and foundations of varying political philosophies, all contributing toward developing leadership potential among our American youth.

The primary mission of Outward Bound is to develop leadership, self-esteem, and responsibility among youths. However, Outward Bound also serves adults and those with special needs. Model programs have been developed that serve youth-at-risk, alcohol and substance abusers, the handicapped, Vietnam veterans, and others. The Outward Bound concept places people in value forming experiences. It assumes that learning and understanding takes place when people engage in and reflect upon experiences in challenging environments in which they must make choices, take responsible action, acquire new skills, and work with others.

Teamwork among participants is vital in order to instill a love and appreciation of the wilderness environment. All courses subscribe to this philosophy and take place in the wilderness as an integral part of what has become Outward Bound experience.

Over 150,000 students have participated in Outward Bound courses during the last 25 years. Outward Bound now has schools located throughout the United States offering our American youth an opportunity to take risks and learn the skills needed to become our future leaders.

Mr. Speaker, I urge adoption of the resolution.

Mrs. MORELLA. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arizona?

There was no objection.

The Clerk read the joint resolution, as follows:

H.J. RES. 284

Whereas Outward Bound is an organization that offers young people the opportunity to participate in rigorous outdoor recreational programs to improve their self-confidence, physical fitness, outdoor skills, and sense of social responsibility;

Whereas, since 1962 when Outward Bound offered its 1st program in the United States in the State of Colorado, Outward Bound has dedicated its resources and leadership to the betterment of young people and the environment of the United States;

Whereas Outward Bound is a pioneer in the development and application of experience-based outdoor recreational programs in the United States;

Whereas the principles of Outward Bound, including accomplishment through perseverance, teamwork, leadership, and social responsibility, give countless young people the courage to cope better with adversities, overcome personal obstacles, and discover their potential for achievement and compassion;

Whereas over 150,000 people in the United States have participated in the rigorous outdoor recreational programs offered by Outward Bound; and

Whereas Outward Bound serves as the model and inspiration for hundreds of other experience-based programs that have been established in the United States since 1962: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week beginning June 21, 1987, is designated as "National Outward Bound Week" in honor of the 25th anniversary of the 1st Outward Bound outdoor recreational program offered in the United States, and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such week with appropriate ceremonies and activities.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. UDALL. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the two joint resolutions just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arizona?

There was no objection.

DICK HOWSER

(Mr. SLATTERY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SLATTERY. Mr. Speaker, the sports world mourns today the passing of one of the great gentleman of baseball.

Dick Howser, the former manager of the Kansas City Royals, who delighted his fans with a 1985 World Series championship, lost his courage with brain cancer and died at the age of 51.

The same determination of spirit Dick was famous for on the field earned him the respect and admiration of his family, friends, and fans when he applied it off the field in his fight against cancer.

Dick Howser was not used to losing. He never managed a team that finished worse than second.

His career highlights are a string of successes that even the most seasoned baseball professional could envy.

In 1980, he managed the New York Yankess to the best record in baseball and became only the fourth manager in major league history to win 100 games in his rookie season.

In 1981, he took over the Kansas City Royals and led them to American League west titles in 1984 and 1985.

And, in 1985, the great triumph of his managerial career: Dick led the Royal's drive to capture the world championship from the St. Louis Cardinals.

Dick Howser, a man of kindness and courage, will be missed not only by Kansas City and the Royals, but by baseball fans the world over.

I extend my deepest sympathies to Dick's wife Nancy, and his twin daughters Jill and Jan, and thank them for sharing the man who brought so much distinction and class to the game of baseball.

MEMORIAL FOR DICK HOWSER

(Mrs. MEYERS of Kansas asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. MEYERS of Kansas. Mr. Speaker, in October 1985 Dick Howser led the Kansas City Royals to their come from behind triumph in the World Series.

Just last July, Dick Howser managed the 1986 American League All Star Team to a victory over the National League.

Yesterday, Dick Howser died of cancer.

Today, all of Kansas City, all of sports, mourns his passing.

Dick Howser's baseball career began and ended in Kansas City. In 1958 he signed on with the Kansas City Athletes and became the starting shortstop. During the intervening years Dick played for the Cleveland Indians, and coached and managed the New York Yankees. In August 1981, Dick returned to manage the Kansas City Royals, and in 1985 took the team to its greatest moment.

We share Dick's loss with his wife, Nancy, and daughters Jan and Jill, and hope that they will be comforted and uplifted by respect and love so many people had for him.

□ 1905

THE FEDERAL FISCAL PROCEDURES IMPROVEMENT ACT OF 1987

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan [Mr. SCHUETTE] is recognized for 5 minutes.

Mr. SCHUETTE. Mr. Speaker, despite much discussion and contemplation over the years, there is widespread agreement in the Congress that very little has been accomplished in the area of budget reform. With the exception of the Balance Budget and Emergency Deficit Control Act of 1985, efforts to reform the budget process have been as piecemeal and almost as parochial as the budget writing process itself. That is why today I am introducing legislation to reform the budget process.

It is indeed unfortunate that politics and policy gridlock have generally stymied progress on both eliminating the deficit and implementating this much-needed reform. However, President Reagan recently extended an offer to the Congress to help implement substantive reform before he leaves office in 1989. Congress should take him up on his offer and work expeditiously toward strengthening the congressional machinery to eliminate the Federal deficit.

There can be no doubt that the Federal budget process is broken. The Federal Government has been in the red 18 straight years, and it is getting worse. Budget deficits over the last 5 years have risen to enormous proportions, and they have underpinned a virtual explosion in the national debt. This "sea of red ink" will continue unless or until something is done to alter its course.

Until just a few years ago, deficits of this size were unimaginable, even under the worst of circumstances. Yet today, we have become dangerously accustomed to the practice of budgeting for these deficits. We have been become complacent about accepting them as part of spending blueprints under good time scenarios—scenarios which include an unprecedented, peacetime economic expansion of over 8 years.

That is asking a lot from an economy that has endured a recession roughly every 4 years since World War II. A recession sometime during the next 3 years would result in an astronomical increase in the deficit and the national debt. But this time there would be no guarantor of last resort to bail us out. Those out of work and truly in need would find only a frayed safety net, one simply unable to provide the necessary assistance to bridge the gap until good times returned.

Nevertheless, even if the economy were able to dodge the recession bullet for 4 more years, the best that will happen is that we will continue to mortgage our Nation's future. It is no secret that in just the last half decade, the United States has declined in status from the world's largest creditor nation to the world's biggest debtor. At some point in time, those debts will have to be repaid, and it will be up to our children and to our children's children to pick up the tab.

THE DOMENICI-SCHUETTE PACKAGE OF COMPREHENSIVE BUDGET REFORM

What is needed is a healthy dose of fiscal restraint on the part of budget writers before a crisis emerges and the Nation truly cannot honor its obligations. That is why today I am introducing in the House a comprehensive seven-point package for budget reform. This legislation, if adopted, would strengthen budgetary discipline, streamline the budget mechanism, and restore credibility and accountability to the budget process.

The fact of the matter is that as long as the Congress is permitted to do so, Members will continue to use the wide variety of gimmicks and escape hatches now at its disposal. The availability of such devices essentially renders the current procedures and deadlines for budget writing discipline largely unenforceable. No one really pays attention to them, and virtually every major budget deadline in the process is missed.

The adoption of the Domenici-Schuette budget reform bill will go a long way toward implementing comprehensive budget process reform. Among the major reform provisions embodied in this bill are: First, the implementation of a streamlining 2-year budget process; second, the revitalization of executive recission authority; third, the restoration and stricter enforcement of the budget resolution; and fourth, the restoration of the G-R-H automatic spending cuts mechanism. In addition, this plan, which embodies many of the best of the practical ideas today for budget reform, calls for the passage and ratification of a constitutional amendment to balance the budget.

THE 2-YEAR BUDGET

Right now, the Congress spends nearly a full year piecing together a budget which usually is not completed until well after the fiscal year has already begun. This proposal would implement a 2-year budget cycle, which is the normal practice in State capitals around the Nation.

Among the many advantages of the biennial budget proposal contained in this plan, is significant time savings in the second year of the process, because effort would be targeted at oversight and not on having to build a spending plan from ground zero. In addition, a biennial budget would reduce the tendency of budget-writers to project illusionary savings in the out-years, because the Congress would be bound by second-year spending and revenue targets.

A biennial budget would also produce substantial expenditure savings for the Government by allowing multiyear contracting. This would be especially helpful for the Pentagon, where single year budgets prohibit the purchase of items such as spare parts in more economical quantities. Finally, the adoption of this plan, which includes crafting the Government's spending plan in election off-years, would significantly reduce the temptation for the Congress to engage in special interest spending.

ENHANCED RESCISSION AUTHORITY

In the absence of any possibility for Presidential line-item veto, The Domenici/Schuette budget reform proposal would revitalize the traditional powers of the executive to control spending. Over the past decade, there has been a significant erosion in the President's power to control excessive spending, and this plan would restore executive authority to propose rescissions.

Currently, the Congress can disapprove a rescission request simply by not acting on it. This plan would require an up-or-down vote on any Presidental recission request within 15 days. This component of the Domenici-Schuette proposal would ensure that the Congress would give serious consideration to proposed White House spending cuts instead of the present practice of simply ignoring them.

STRONGER ENFORCEMENT OF BUDGET RULES

Over the last 7 years, the Congress has enacted spending bills which have exceeded its own guidelines by an average of $24.4 billion per year. Although the Congressional Budget Act of 1974 was designed to prevent such fiscal irresponsibility, the appropriations committees have found a variety of loopholes and trapdoors in the procedural guidelines to circumvent or ignore the budget resolution's guidelines.

This circumvention of the budget rules reached new heights with the implementation of the so-called Fazio exemption. Under the Fazio exemption, the House may breech its own budget ceilings by considering spending bills which exceed those set in the budget resolution. Obviously, the Fazio exemption makes it extraordinarily difficult to reduce the deficit by cutting spending.

This proposal would amend the House rules and repeal this harmful provision. Under the Domenici-Schuette plan, consideration of bills on the House floor which exceed spending targets would again be disallowed by making them subject to points of order.

PENALIZE CONTINUING RESOLUTIONS

One of the favorite devices of the Congress in this day of chronically missed deadlines, is to lump as many of the 13 individual appropriations bills as it can into a huge monster of a spending bill. While these end-of-the-year spending plans are supposed to simply continue at amounts appropriated in the previous year, today these omnibus testimonials to fiscal irresponsibility have been used to increase spending.

This proposal would punish the use of continuing resolution as a device to increase spending by disallowing them. If any one of the 13 regular spending bills fails to pass by the start of the fiscal year, program spending would automatically be funded at prescribed levels in the previous year. This rule would hold unless or until a new spending bill for the new fiscal year was enacted.

REFORMS FEDERAL ACCOUNTING PROCEDURES FOR CREDIT PROGRAMS

It is no secret that the present budgetary treatment of Federal activities in its credit programs gives an erroneous, often misleading, picture of the budgetary impact of these programs. This shortcoming is made all the more troublesome by the growing level of activity in Federal credit programs.

The Domenici-Schuette proposal would substantially increase accountability and change the way the government keeps its books on Federal loans. Under the Domenici-Schuette plan, new direct loans would be sold in secondary markets soon after disbursement and loan guarantees would be reinsured in the private market so that a more accurate budgetary impact of these activities is achieved. This market transactions approach to accounting for loans would serve to tighten the link between the budget and the true costs of Federal credit activities.

FIXING G-R-H

One of the more important components of this reform package is the revitalization of the intent of the Gramm-Rudman-Hollings [G-R-H] budget balancing law. This process has played an instrumental role in making some progress on reducing the deficit. The Domenici-Schuette proposal would put teeth back in the G-R-H sequestration mechanism, by satisfying the constitutional problems of the original 1985 law. It also would enforce the original budget deficit targets in the odd-year in order to achieve a balanced budget by the end of 1991.

ENCOURAGES THE PASSAGE OF A CONSTITUTIONAL AMENDMENT TO BALANCE THE BUDGET

The final piece of my proposal is a sense of the Congress resolution that the House and the Senate should pass a constitutional amendment to balance the budget. Although I generally am opposed to amending the fundamental charter of the land for such purposes, this amendment is needed as a last resort to force the hand of the Congress to make the tough decisions needed to balance the budget.

Without this amendment and these much-needed reforms, budget writers and spending bill architects will simply continue to miss deadlines and use gimmicks, smoke and mirrors to reduce the deficit. However, the supply of smoke is running out and the mirrors are breaking.

It is now time for the Congress to take the deficit bull by the horns and implement honest and substantial budget reforms. This bill provides the Congress with the vehicle to accomplish just that. It gives Members a rare opportunity to act proactively, before a crisis emerges, and my colleagues in both Chambers should not allow this to pass us by.

ONLY ADEQUATE FINANCING OF FSLIC CAN PROTECT THE TAXPAYERS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Rhode Island [Mr. St Germain] is recognized for 5 minutes.

Mr. ST GERMAIN. Mr. Speaker, next week we will be sitting down with conferees from the Senate in an attempt to work out the difficult issues involved in the recapitalization of the Federal Savings and Loan Insurance Corporation.

It is essential that we restore confidence in the savings and loan industry and place FSLIC on a firm footing for the long recovery process.

Mr. Speaker, the recovery will take money—billions of dollars—and it has been our hope—which I believe is shared fully by our Senate counterparts—that this can be financed by the industry and not by the taxpayers. Both the House and Senate bills are structured so that the industry bears the costs of raising the new funds in the marketplace.

How well this plan works—and how successful we are in protecting the American taxpayer—depends on the ultimate structure of the FSLIC recapitalization plan and the adequacy of its financing.

Mr. Speaker, the General Accounting Office tells us that the FSLIC fund was $6.3 billion in deficit at the end of 1986. The Federal Home Loan Bank Board says as of April 30 the deficit figure had risen to $9.3 billion.

Through the months there has been disagreement about the level of financing needed for the recapitalization and how long the plan should remain in place. I doubt that there is a magical number.

The recapitalization needs to be carried out at a level that will give FSLIC the ability to deal with hopelessly insolvent institutions that have no chance of recovery and with situations where fraud and gross mismanagement have crept into the industry. Recapitalization must also be at a level that assures the marketplace—and the public—that the recovery plan is viable and that the Congress is serious about returning the industry and its regulatory arm to health.

Many of us in the House supported a higher figure than the $5 billion, 2-year plan ultimately adopted. The last Congress, the House adopted a $15 billion 5-year plan, as proposed by the administration. The Senate earlier this year adopted a $7.5 billion plan. Many have been vocal about concerns that neither the House nor the Senate numbers deal adequately with the problem.

Mr. Speaker, I sincerely hope that the conferees for both the Senate and House will think long and hard about the need for adequate financing of the recapitalization. Frankly, I don't think it would serve either House well or the industry well to adopt a plan that required us to return to these issues a few months down the road. We need to come out of the conference with legislation that we can hold up and tell the American people that we are serious about efforts to bring about recovery in this important financial industry. We need to come out of conference with legislation that provides some reasonable assurance that the plan is not just a way station enroute to tapping the U.S. Treasury and the American taxpayers for the recovery funds.

SECTION-BY-SECTION ANALYSIS OF FEDERAL ELECTION CAMPAIGN AMENDMENTS OF 1987

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. Coelho] is recognized for 5 minutes.

Mr. COELHO. Mr. Speaker, along with my colleagues Mr. Leach of Iowa and Mr. Synar of Oklahoma, I am today introducing legislation which addresses in a comprehensive manner the many valid concerns about the insufficiencies in our current campaign laws for House races. We submit for your review a section-by-section analysis of our Federal Election Campaign Amendments of 1987.

Coelho-Leach-Synar Federal Election Campaign Amendments of 1987—Section-by-Section Analysis

SECTION 2.

Amends the FECA of 1971 by adding Title V, voluntary expenditure limitations and public financing for House general elections.

Sec. 501. Definitions of "eligible candidate," "general elections" and "election cycle" (the two-year period between general elections).

Sec. 502. Eligibility for Payments.

(a) to be eligible to receive payments, general election candidates, within 7 days of qualifying, must agree that the candidate has not and will not exceed the spending limits, will not accept contributions over the limits, will deposit any payments in a separate account, will provide requested information to the FEC and will cooperate with any audit.

(b) and (c) to receive payments, a general election candidate must have received 10% ($40,000) of the spending limit from individuals, 80% of which ($32,000) is from home state individuals, in amounts of $250 or less.

Sec. 503. Limitations on Expenditures.

(a) eligible candidates may only spend $40,000 in personal funds during the election cycle.

(b) eligible candidates may only expend $400,000 in personal funds during the election cycle. This limit will be adjusted by CPI. Eligible candidates who paticipate in a primary runoff election may make additional expenditures up to $150,000 during that election.

(c) if independent expenditures are made during the election cycle in opposition to an eligible candidate or for the opponent of an eligible candidate which aggregate $10,000 or more, the eligible candidate may make additional expenditures above the spending limit in an equal amount.

Sec. 504. Entitlement of Eligible Candidates to Payments. Eligible candidates will be entitled to matching payments up to 50% of the spending limit in amounts equal to contributions from individuals, not given through intermediaries or conduits, in amounts of $250 or less.

Eligible candidates will be entitled to additional payments when $10,000 or more of independent expenditures are made in the general election in opposition to, or on behalf of an opponent of, such eligible candidate.

Eligible candidates will be entitled to additional payments if any candidate in the general election either receives contributions or makes expenditures during the election cycle in excess of the amount of the spending limit.

Eligible candidates will receive third-class mailing rates as do parties.

Payments to eligible candidates may only be used to defray general election period expenditures and only to further the election of the candidate.

Sec. 505. Certification by Commission.

Within 48 hours after the Commission receives a request for payments, the Commission shall certify to Treasury the eligibility for such payments. Candidates' requests must be in amounts of at least $10,000 (the initial request must be at least $40,000—Sec. 503) except for one final payment request which may be in lesser amounts.

A request for funds will be in the form required by the Commission but must be signed by the candidate, treasurer and a state licensed accountant (who may be the treasurer). The Commission's role in certifying is ministerial and the Commission may not delay certification unless the verification is clearly incorrect. If a verification signed by an accountant is incorrect, the Commission must notify the account's State licensing authority.

Sec. 506. Establishment of Account: Payments.

The Secretary of the Treasury will maintain a new, separate account known as "House of Representatives Election Campaign Account." When the Secretary receives a certification from the Commission, the eligible candidate shall receive from the account the amount certified. If the amounts in the account are insufficient, the Secretary shall pay a pro rata share to each eligible candidate.

Sec. 507. Examination & Audits.

The Commission will conduct examinations and audits of 10% of eligible candidates. In selecting the accounts to be audited, the Commission will audit all candidates in any race when any eligible candidate is selected.

If the Commission determines amounts paid were in excess of amounts due, the candidate must repay an equal amount.

If any amount was not used properly, the candidate must repay 200% of the amount.

If expenditures exceeded the limit by 5% or less, the candidate must pay an amount equal to the excess.

If expenditures exceeded the limit by more than 5%, the candidate must repay 300% of the excess.

Payments not expended may be retained for 60 days after the general election for liquidation of obligation incurred during the election period.

Sec. 508. Judicial Review.

Commission action is subject to review by the U.S. District Court for the District of Columbia.

Sec. 509. Participation by Commission in Judicial Proceedings.

The Commissoin is authorized to institute action in district courts to seek recoveries and to obtain injunctive relief if necessary and to appear, on behalf of the US, in the Supreme Court in these actions.

Sec. 510. Reports to Congress.

The Commission shall make full reports to Congress on the payments to and expenditures by eligible candidates and shall prescribe rules, etc., to carry out its duties. There are authorized to be appropriated such sums as are necessary for carrying out the Commission's functions under this title.

Sec. 511. Authorization of Appropriation.

Such sums as may be necessary for the Commission to carry out functions in this bill are authorized.

SECTION 3. AMENDMENTS TO §§ 301 AND 304 OF FECA

Immediately upon filing for candidacy under State law, all candidates must declare whether or not the candidate intends to make expenditures in excess of the spending limitation established for eligible candidates.

Any candidate who is not an eligible candidate and who receives aggregate contributions or makes aggregate expenditures which would exceed the spending limits, shall report to the Commission either when such contributions are received or when such expenditures are made or when the candidate qualifies for the general election ballot, whichever is later. The Commission shall then notify any eligible candidate of such reports and shall certify any additional payments for which any eligible candidate is eligible. The Commission, on its own, may conclude that such contributions have been received or expenditures made and certify additional amounts. Expenditures are deemed made when incurred.

Independent expenditures by any person in an election cycle which aggregate $5,000 must be reported within 24 hours. Under penalty of perjury, the person making such expenditures shall indicate whom the expenditures are actually intended to help or defeat. The Commission shall notify other candidates in the race and, in the case of an eligible candidate, shall certify any additional payments for which such candidate is eligible.

Soft Money: All political committees engaged in non-Federal elections and maintaining separate non-federal accounts, shall report funds received into and disbursements made from such accounts which may influence a federal election (e.g. voter registration, GOTV, general public political advertising, etc.). In addition, donations for building funds must be disclosed.

SECTION 4. CONTRIBUTION LIMITATIONS ON PERSONS OTHER THAN MULTICANDIDATE POLITICAL COMMITTEES

Persons, other than multicandidate committees, may make contributions to House candidates up to $2,000 during an election cycle and $20,000 to national party committees and $5,000 to other political committees in a calendar year. This Section and Section 5 change the contribution limits for House candidates from "per election" limits to limits for full election cycles.

SECTION 5. CONTRIBUTION LIMITATIONS FOR MULTICANDIDATE COMMITTEES AND HOUSE CANDIDATES

(a) PACs may contribute to House candidates up to $10,000 in any election cycle, and $30,000 to national party committees and $5,000 to other political committees in any calendar year.

(b) This Section makes clear that the 441a(d) limits apply to party committee spending for general public political advertising whenever made which clearly identify by name an individual who is, or who is seeking nomination to be, a candidate in the general election for federal office.

(c) During the election cycle, candidates for the House may not accept contributions from nonparty multicandidate committees (PACs) which aggregate in excess of $100,000 ($125,000 if 2 candidates in both the primary and the general).

House candidates in a primary runoff election may accept up to $40,000 in additional contributions from nonparty multicandidate committees.

SECTION 6. LIMITATION ON CANDIDATE PACS

Federal candidates may not establish, maintain, or control multicandidate political committees.

SECTION 7. INTERMEDIARY OR CONDUIT (BUNDLING)

This provision clarifies and strengthens current law with regard to when contributions, which are raised by or go through persons other than the contributor and the candidate, will be considered contributions by both the contributor and the conduit.

SECTION 8. INDEPENDENT EXPENDITURES

This provision clarifies and strengthens current law with regard to when expenditures are independent and when coordinated and, therefore, considered contributions.

SECTION 9. INDEPENDENT EXPENDITURES BROADCAST REQUIREMENTS

Requires persons making independent expenditures through communications on TV to include a clearly readable continuous statement setting forth the person's name and any connected organization in the case of a PAC.

Requires any independent expenditure made through a newspaper, outdoor advertising facility, direct mailing, etc., to state the name of the person making the expenditure, any connected organization, in the case of a PAC, and a statement that the cost is not subject to any limitation.

SECTION 10. INCREASE IN PRESIDENTIAL ELECTION CAMPAIGN FUND INCOME TAX CHECKOFF

Changes from $1 or $2, the checkoff effective the first December 31 after enactment.

SECTION 11. BROADCAST RATES

Requires the candidate to be identified or identifiable for a substantial portion of time of use in order to receive lowest unit rate.

SECTION 12. EFFECTIVE DATE

Next regularly scheduled election during 1990.

SECTION 13. NONSEVERABILITY

Requires the entire legislation to fail should a final decision by the U.S. courts determine that any provision in the legislation is unconstitutional.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. ROYBAL (at the request of Mr. FOLEY) for today, on account of official business.

Mr. LEATH of Texas (at the request of Mr. FOLEY) for today, after 2 p.m., on account of official business.

Mr. LEWIS of Florida (at the request of Mr. MICHEL) for today, on account of a death in the family.

Mr. DANIEL (at the request of Mr. NICHOLS) for Wednesday, June 17, until further notice, on account of illness.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mrs. MORELLA) to revise and extend their remarks and include extraneous material:)

Mr. LUNGREN, for 5 minutes, on June 23.

Mr. LUNGREN, for 5 minutes, on June 24.

Mr. LUNGREN, for 5 minutes, on June 25.

Mr. SCHUETTE, for 5 minutes, today.

Mr. GINGRICH, for 60 minutes, today.

Mrs. BENTLEY, for 60 minutes, on June 24.

Mrs. BENTLEY, for 60 minutes, on June 25.

Mrs. BENTLEY, for 60 minutes, on July 1.

(The following Members (at the request of Mrs. SLATTERY) to revise and extend their remarks and include extraneous material:)

Mr. ANNUNZIO, for 5 minutes, today.

Mr. ST GERMAIN, for 5 minutes, today.

Mr. COELHO, for 5 minutes, today.

Mr. GONZALEZ, for 60 minutes, on June 22.

Mr. DYMALLY, for 60 minutes, on June 24.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. NEAL, immediately preceding the vote on the Mica en bloc amendments to H.R. 1777 in the Committee of the Whole today.

(The following Members (at the request of Mrs. MORELLA) and to include extraneous matter:)

Mr. OXLEY.

Mr. SOLOMON in two instances.

Mr. LUJAN.

Mr. BARTON of Texas in two instances.

Mr. CLINGER.

Mr. IRELAND.

Mr. LAGOMARSINO.

Mr. FIELDS in two instances.

Mr. FAWELL.

Mr. MCMILLAN of North Carolina.

Mr. DICKINSON.

Mr. GREEN.

Mrs. JOHNSON of Connecticut.

Mr. SMITH of New Jersey.

Mr. MCEWEN.

Mr. BEREUTER.

Mr. PORTER.

Mr. DELAY.

Mrs. BENTLEY.

(The following Members (at the request of Mr. SLATTERY) and to include extraneous matter:)

Mr. FASCELL in two instances.

Mr. BONIOR of Michigan.

Mr. Smith of Florida.

Mr. Annunzio.

Mr. Howard.

Mr. Dorgan of North Dakota.

Mr. Sharp.

Mr. Garcia.

Mr. Bustamante.

Mr. Montgomery.

Mr. Pepper.

Mr. Bosco.

Mr. Howard.

Mr. Berman.

Mr. Vento.

Mr. Richardson.

Mrs. Schroeder.

Mr. Bryant.

Mr. Schumer.

Mr. Dixon.

Mr. Torricelli in three instances.

Mr. de la Garza.

Mr. Bonker.

Mr. Hamilton.

Mr. Kostmayer.

ENROLLED BILL AND JOINT RESOLUTION

Mr. ANNUNZIO, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill and joint resolution of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 2100. An act to designate the border station at 9931 Guide Meridian Road, Lynden, Washington, as the "Kenneth G. Ward Border Station"; and

H.J. Res. 17. Joint resolution to designate the third week in June 1987 as "National Dairy Goat Awareness Week."

ADJOURNMENT

Mrs. MORELLA. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 7 o'clock and 5 minutes p.m.), under its previous order, the House adjourned until Monday, June 22, 1987, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1627. A letter from the Chairman, Merit Systems Protection Board, transmitting the eighth annual report of the Merit Systems Protection Board, pursuant to 5 U.S.C. 1209(b); to the Committee on Post Office and Civil Service.

1628. A letter from the Ambassador, Embassy of the Republic of Korea, transmitting a report concerning trade liberalization measures taken by the Korean Government in 1987; to the Committee on Ways and Means.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. UDALL: Committee on Interior and Insular Affairs. H.R. 1860. A bill entitled the "Federal Land Exchange Facilitation Act of 1987"; with an amendment (Rept. 100-165, Pt. 1). Ordered to be printed.

Mr. JONES of North Carolina: Committee on Merchant Marine and Fisheries. H.R. 2020. A bill to authorize appropriations for the Office of Environmental Quality for fiscal years 1987, 1988, and 1989; with an amendment (Rept. 100-166). Referred to the Committee of the Whole House on the State of the Union.

Mr. BROOKS: Committee on Government Operations. A report on NRC's regulation of fuel cycle facilities: A paper tiger; (Rept. 100-167). Referred to the Committee of the Whole House on the State of the Union.

Mr. JONES of North Carolina: Committee on Merchant Marine and Fisheries. House Concurrent Resolution 130. Concurrent resolution recognizing the accomplishments of the Federal Aid in Wildlife Restoration Act in honor of its 50th anniversary (Rept. 100-168). Referred to the House Calendar.

Mr. CONYERS: Committee on the Judiciary. H.R. 2182. A bill to make minor substantive and technical amendments to title 18, United States Code, and for other purposes; with an amendment (Rept. 100-169). Referred to the Committee on the Whole House on the State of the Union.

Mr. DERRICK: Committee on Rules. House Resolution 201. Resolution waiving certain points of order against the conference report on the concurrent resolutions (H. Con. Res. 93) setting forth the congressional budget for fiscal years 1988, 1989, and 1990 and against the consideration of such conference report (Rept. 100-170). Referred to the House Calendar.

Mr. YATES: Committee on Appropriations. H.R. 2712. A bill making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 1988, and for other purposes (Rept. 100-171). Referred to the Committee of the Whole House on the State of the Union.

Mr. DIXON: Committee on Appropriations. H.R. 2713. A bill making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending September 30, 1988, and for other purposes (Rept. 100-172). Referred to the Committee of the Whole House on the State of the Union.

Mr. FAZIO: Committee on Appropriations. H.R. 2714. A bill making appropriations for the legislative branch for the fiscal year ending September 30, 1988, and for other purposes (Rept. 100-173). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. YATES:

H.R. 2712. A bill making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 1988, and for other purposes.

By Mr. DIXON:

H.R. 2713. A bill making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending September 30, 1988, and for other purposes.

By Mr. FAZIO:

H.R. 2714. A bill making appropriations for the legislative branch for the fiscal year ending September 30, 1988, and for other purposes.

By Mr. AKAKA:

H.R. 2715. A bill to amend the Internal Revenue Code of 1986 to make a technical correction relating to the harbor maintenance tax; to the Committee on Ways and Means.

By Mr. BONKER (for himself, Mr. Bilbray, Mr. Bustamante, Ms. Kaptur, Mr. Neal, Mr. Porter, Mr. Smith of Florida, and Mr. Watkins):

H.R. 2716. A bill to establish as an executive department of the U.S. Government a Department of Commerce and Trade, and for other purposes; to the Committee on Government Operations.

By Mr. COELHO (for himself, Mr. Leach of Iowa, and Mr. Synar):

H.R. 2717. A bill to amend the Federal Election Campaign Act of 1971 to provide for voluntary expenditure limitations and partial public financing for House of Representatives general elections, to further limit contributions by multicandidate political committees to candidates in elections for Federal office, and for other purposes; jointly, to the Committees on House Administration and Energy and Commerce.

By Mr. CONTE (for himself, Mr. Crane, Mr. DeLay, and Mr. Gingrich):

H.R. 2718. A bill to authorize the study of the transfer of the Southeastern Power Administration out of Federal ownership; to the Committee on Interior and Insular Affairs.

By Mr. DICKINSON:

H.R. 2719. A bill to amend title 10, United States Code, to increase the combat support assignments open to women in the Armed Forces; to the Committee on Armed Services.

By Mr. FIELDS:

H.R. 2720. A bill to increase the investment of the United States in the Panama Canal by certain amounts in the Panama Canal Commission Fund, and to use that amount of tolls and other receipts that covers interest on that increased investment for a Scholarship for Democracy Program; jointly, to the Committees on Merchant Marine and Fisheries and Foreign Affairs.

By Mr. FLORIO:

H.R. 2721. A bill to establish an alternative dispute resolution procedure; to the Committee on the Judiciary.

H.R. 2722. A bill to amend title 9 of the United States Code to improve the appellate process in the Federal courts of appeals with respect to arbitration; to the Committee on the Judiciary.

By Mr. FOGLIETTA (for himself, Mr. Stark, Mr. Evans, Mr. Levine of California, and Mr. Dellums):

H.R. 2723. A bill to rescind certain United States economic benefits to the Republic of Korea unless steps are taken to promote democracy and respect human rights; jointly, to the Committees on Foreign Affairs; Ways and Means; and Banking, Finance and Urban Affairs.

By Mr. GREEN:

H.R. 2724. A bill to limit the killing of wildlife in the National Wildlife Refuge System; to the Committee on Merchant Marine and Fisheries.

By Mrs. JOHNSON of Connecticut (for herself, Mr. Clinger, Mr. Michel, Mr. Eckart, Mr. Conte, Mr. Conyers, Mrs. Martin of Illinois, Mr. Savage, Mr. McDade, Mr. Boehlert, Mr. Bereuter, Mr. Fish, Mr. Coughlin, Mr. Morrison of Washington, Mr. Henry, Mr. Pursell, Mr. Rowland of Connecticut, Mrs. Roukema, Mr. DeWine, Mr. Lightfoot, Mr. Daniel, Ms. Kaptur, and Mr. Oberstar):

H.R. 2725. A bill to provide incentives for worker training through both employer and individual initiative and to require the Secretary of Labor to study the feasibility and cost of a national job bank; jointly, to the Committees on Education and Labor and Ways and Means.

By Mr. MURPHY (for himself, Mr. Kanjorski, Mr. Clay, Mrs. Roukema, Mr. Coelho, Mr. McDade, Mr. Flippo, Mr. Schumer, Mr. Stenholm, Mr. Hyde, Mr. Hughes, Mr. Boland, Mr. Staggers, Mr. Wyden, Mr. Swindall, Mr. Boucher, Mr. Bevill, Mr. Murtha, Mr. Boehlert, Mr. Martinez, Mr. Rahall, Mr. Bryant, Mr. Fazio, Mr. Walgren, Mr. Clinger, Mr. Biaggi, Mr. Mrazek, Mr. Yatron, Mr. Sikorski, Mr. Traficant, Mr. Lowery of California, Mr. Dwyer of New Jersey, Mr. Borski, Mr. Gonzalez, Mr. Manton, Mr. Stokes, Mr. Bustamante, Mr. Coyne, Mr. Gaydos, Mr. Lipinski, Mr. Kildee, Mr. McCurdy, Mr. Gray of Illinois, Mr. Towns, Mr. Owens of New York, Mr. Fuster, Mr. Stallings, Mr. Ritter, Mr. Fauntroy, Mr. Kleczka, and Mr. Garcia):

H.R. 2726. A bill to establish a corps of administrative law judges to preside at certain Federal proceedings, and for other purposes; to the Committee on the Judiciary.

By Mr. EDWARDS of California (for himself, Mr. LaFalce, Mr. Pepper, Mr. Frank, Mr. Staggers, and Mr. Matsui):

H.R. 2727. A bill to repeal the antitrust exemption applicable to the business of insurance; to the Committee on the Judiciary.

By Mr. OWENS of Utah:

H.R. 2728. A bill to establish in the Department of Education an Office of Comprehensive School Health Education, and for other purposes; to the Committee on Education and Labor.

By Mr. RINALDO:

H.R. 2729. A bill to provide for the monthly publication of a Consumer Price Index for the elderly and to provide for the utilization of such an index in the determination of cost-of-living adjustments authorized under certain Federal programs for individuals who are at least 62 years of age; to the Committee on Education and Labor.

By Mr. ROWLAND of Connecticut:

H.R. 2730. A bill to amend title 10, United States Code, to require the Secretary concerned to notify Congress whenever a progress payment is withheld under a contract in excess of $1 million; to the Committee on Armed Services.

By Mr. ROWLAND of Connecticut (for himself and Mr. Hunter):

H.R. 2731. A bill to prohibit procurement by the Federal Government from firms that have jeopardized the national security of the United States; jointly, to the Committees on Government Operations and Foreign Affairs.

By Mr. RUSSO (for himself, Mr. Beilenson, Mrs. Boxer, Mrs. Collins, Mr. Conyers, Mr. Dellums, Mr. de Lugo, Mr. Foglietta, Mr. Gonzalez, Mr. Lehman of Florida, Mr. Lipinski, Mr. Morrison of Connecticut, Mr. Mrazek, Mr. Rangel, Mr. Scheuer, Mr. Smith of Florida, Mr. Stark, Mr. Towns, Mr. Yates, and Mr. Ackerman):

H.R. 2732. A bill to amend title 18, United States Code, with respect to firearms; to the Committee on the Judiciary.

By Mr. SCHUETTE:

H.R. 2733. A bill to provide for improved Federal fiscal procedures; jointly, to the Committees on Rules; Government Operations; Ways and Means; and Banking, Finance and Urban Affairs.

By Mr. SYNAR (for himself, and Mr. Fields):

H.R. 2734. A bill to reform the regulation of oil pipelines; jointly, to the Committees on Energy and Commerce and Public Works and Transportation.

By Mr. FORD of Tennessee:

H. Con. Res. 143. Concurrent resolution to express the sense of the Congress concerning minority employment practices of the Department of State; to the Committee on Foreign Affairs.

By Ms. OAKAR:

H. Res. 202. Resolution designating membership on certain standing committees of the House; considered and agreed to.

By Mr. LOTT:

H. Res. 203. Resolution designating membership on certain standing committees of the House; considered and agreed to.

By Mr. DORGAN of North Dakota (for himself, Mr. Johnson of South Dakota, and Mr. Penny):

H. Res. 204. Resolution expressing the sense of the House of Representatives that any legislation that provides additional financial assistance to the Farm Credit System should enable the banks and associations of the System to make loans at lower interest rates, ensure the continued participation of borrowers in the System, and assist borrowers to repay their loans obtained from banks and associations of the System; to the Committee on Agriculture.

By Mr. HERTEL (for himself, Mr. Ford of Michigan, Mr. Traxler, Mr. Dingell, Mr. Lipinski, Mr. Richardson, Mr. Kennedy, Mr. Dyson, Mr. Kildee, Ms. Oakar, Ms. Kaptur, Mr. Foglietta, Mr. Kolter, Mr. Gaydos, Mr. Kanjorski, Mr. Ortiz, Mr. Russo, Mr. Lowry of Washington, Mr. Wolpe, and Mr. Mica):

H. Res. 205. Resolution providing that the Secretary of State should recommend the continued extension of voluntary departure status for nationals of Poland in the United States, and the Attorney General should continue such extension; to the Committee on the Judiciary.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

132. By the SPEAKER: Memorial of the Legislature of the State of Nevada, relative to training the drivers of motor vehicles which carry hazardous materials and for tracking shipments of hazardous materials; to the Committee on Public Works and Transportation.

133. Also, memorial of the Legislature of the State of Nevada, relative to the Nevada test site; jointly, to the Committees on Armed Services and Science, Space, and Technology.

134. Also, memorial of the Legislature of the State of Nevada, relative to availability of money for judicial review relating to the high-level nuclear waste program; jointly, to the Committees on Interior and Insular Affairs and Energy and Commerce.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. ACKERMAN introduced a bill (H.R. 2735) for the relief of Lea Gelb, Chaim Morris Gelb, and Sidney Gelb; to the Committee on Foreign Affairs.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 25: Mr. Johnson of South Dakota.

H.R. 80: Mr. McDade and Mr. Torricelli.

H.R. 81: Mr. Oberstar, Mr. Clay, and Mr. Stokes.

H.R. 118: Mr. Stenholm, Mr. Swindall, and Mr. Konnyu.

H.R. 176: Mr. Kennedy.

H.R. 243: Mr. Stratton.

H.R. 306: Mr. Tallon, Mr. Marlenee, and Mr. Saxton.

H.R. 343: Mr. Craig, Mr. Fields, and Mr. Stump.

H.R. 379: Mr. Hyde.

H.R. 457: Mr. Mineta.

H.R. 613: Mr. McMillen of Maryland, Mr. Kennedy, Mr. Synar, Mr. de Lugo, Mr. Kanjorski, Mr. Skaggs, Mrs. Byron, Mr. Williams, Mr. Holloway, Mr. Dyson, Mr. Hochbrueckner, Mr. Kolter, and Mr. McEwen.

H.R. 618: Mr. Staggers, Mr. Clinger, and Mr. Johnson of South Dakota.

H.R. 634: Mr. Boulter, Mr. Duncan, and Mr. Schaefer.

H.R. 637: Mr. Lantos and Mr. Rowland of Connecticut.

H.R. 813: Mr. Gejdenson.

H.R. 898: Mr. Johnson of South Dakota.

H.R. 920: Ms. Pelosi.

H.R. 956: Mr. Foglietta.

H.R. 1001: Mr. Vento and Mr. Mineta.

H.R. 1082: Mr. Vander Jagt, Mr. Daub, Mr. Andrews, and Mr. Kolbe.

H.R. 1172: Mr. Garcia, Mr. Stokes, and Mr. Murphy.

H.R. 1173: Mr. Fauntroy.

H.R. 1181: Mr. Stokes.

H.R. 1242: Mr. Savage and Mr. Atkins.

H.R. 1325: Mr. Skeen, Mr. Conyers, Mr. Mavroules, Mr. Courter, Mr. Hutto, Mr. LaFalce, and Mr. Saxton.

H.R. 1352: Mr. de Lugo and Mr. Hochbrueckner.

H.R. 1393: Mr. Atkins, Mr. Penny, Mr. Gray of Illinois, Mr. Hutto, Mr. Sikorski, Mr. Levine of California, and Mr. Sunia.

H.R. 1396: Mr. Bliley.

H.R. 1445: Mr. Watkins.

H.R. 1543: Mr. Emerson and Mr. McMillan of North Carolina.

H.R. 1544: Mr. Emerson and Mr. McMillan of North Carolina

H.R. 1583: Mr. Buechner, Mr. Gibbons, Mr. DeLay, and Mrs. Morella.

H.R. 1588: Mr. Crockett and Mr. De Lugo.

H.R. 1604: Mr. Schuette, Mr. Lewis of Florida, and Mr. Lantos.

H.R. 1620: Mr. Saxton.

H.R. 1635: Miss Schneider, Mr. Clay, Mr. Sisisky, Mr. Gilman, Mr. Rahall, Mr. Wortley, Mr. Lipinski, Mrs. Morella, Mr. Gregg, Mr. Gejdenson, Mr. Fish, Mr. Yates, Mr. Weiss, Mr. Borski, Mr. Chappell, Mr. Pepper, and Mr. Markey.

H.R. 1707: Mr. Torres, Mr. Florio, Mr. Hughes, Mrs. Smith of Nebraska, Mr. Eckart, Mr. Swindall, Mr. Hunter, Mr. Petri, Mr. Baker, Mr. Hopkins, Mr. Young of Alaska, Mr. Myers of Indiana, Mr. Lightfoot, Mr. Grandy, and Mr. Martin of New York.

H.R. 1729: Mr. Cheney and Mr. Flake.

H.R. 1731: Mr. Lancaster, Mr. Grandy, and Mr. Stallings.

H.R. 1770: Mr. Rhodes and Mr. Borski.

H.R. 1797: Mr. Livingston.

H.R. 1808: Mr. Garcia and Mr. Markey.

H.R. 1857: Mr. Barnard.

H.R. 1885: Mr. Roth, Mr. Durbin, Mr. McMillan of North Carolina, Mrs. Johnson of Connecticut, and Mr. Kolbe.

H.R. 1924: Mr. Kolter.

H.R. 1929: Mr. Cardin, Mr. Daub, Mr. de la Garza, Mr. Fuster, Mr. Garcia, Mr. Hughes, Mr. Nielson of Utah, Mr. Perkins, Mr. Towns, and Mr. Vento.

H.R. 1977: Mr. Borski and Mr. Garcia.

H.R. 1985: Mr. Wortley and Mr. Emerson.

H.R. 2062: Mr. Hawkins.

H.R. 2068: Mr. Hayes of Louisiana, Mr. Skaggs, and Mr. Martinez.

H.R. 2070: Mr. Garcia.

H.R. 2125: Mr. Hughes and Mr. Roe.

H.R. 2165: Mr. Hayes of Louisiana, Mr. Synar, Mr. LaFalce, and Mr. McCurdy.

H.R. 2210: Mr. Hutto and Mr. Anderson.

H.R. 2241: Mr. Hansen, Mr. Hiler, Mr. Gilman, Mr. McCollum, Mr. Weldon, Mr. Bliley, Mr. Robinson, and Mr. Hyde.

H.R. 2249: Mrs. Kennelly.

H.R. 2306: Mr. Gilman.

H.R. 2327: Mr. Borski, Mr. Moody, Mr. Roth, Mr. Russo, Mr. Brown of California, Mr. Florio, and Mr. Jenkins.

H.R. 2375: Mr. DeLay.

H.R. 2392: Mr. Russo, Mr. Whittaker, Mr. McGrath, and Mr. Roe.

H.R. 2410: Mr. Rinaldo.

H.R. 2434: Mr. Bevill, Mr. Fish, Mr. Lewis of Florida, Mr. Pickle, Mr. Parris, Mr. Rodino, Mr. Wilson, Mr. Johnson of South Dakota, Mr. Hertel, Mr. Feighan, Mr. Price of North Carolina, Mr. Kleczka, Mr. Thomas of Georgia, Mr. Andrews, Mr. Solarz, Mr. Gibbons, Mr. Towns, Mr. Gejdenson, Mr. Lipinski, Mr. Edwards of Oklahoma, Mr. Levine of California, Mr. Kolbe, Mr. Lantos, Mr. Kennedy, Mr. Bliley, Mr. LaFalce, Mr. Owens of Utah, and Mr. Dellums.

H.R. 2464: Mrs. Kennelly and Mr. Walgren.

H.R. 2470: Mr. Pursell, Mr. Sawyer, Mr. Sabo and Ms. Kaptur.

H.R. 2476: Mr. Levine of California, Mr. Towns, Mr. Stallings, Mr. Lantos, and Mr. Conyers.

H.R. 2546: Mr. Kolter, Mr. DeFazio, and Mr. Neal.

H.R. 2579: Mr. Lancaster.

H.R. 2587: Mr. Stump, Mr. Dornan of California, Mr. Wortley, Mr. Burton of Indiana, Mr. Solomon, Mr. Tallon, Mr. Swindall, Mr. DioGuardi, Mr. Schumer, Mr. Lungren, Mr. Donald E. Lukens, Mr. Smith of New Hampshire, Mr. DeLay, Mr. Edwards of Oklahoma, Mr. Biaggi, Mr. Bilbray, Mr. Lancaster, Mr. Saxton, Mr. McGrath, Mr. Bliley, Mr. Sundquist, Mr. Lantos, Mr. Scheuer, Mr. Chandler, Mr. Blaz, Mr. Cardin, Mr. Robinson, Mr. Davis of Illinois, and Mr. Schuette.

H.R. 2607: Mr. Frank, Mr. Mfume, Mr. Frenzel, Mr. Murphy, and Mr. Lipinski.

H.R. 2609: Mr. Tauke, Mr. Hawkins, Mr. Bustamante, Mr. Daub, Mr. Atkins, and Mr. Solarz.

H.R. 2623: Mr. Conyers, Mr. Bustamante, Mr. Owens of New York, Mr. Ackerman, Mr. Frank, Mr. Dellums, Mr. Feighan, Mr. Gray of Pennsylvania, and Mr. Pease.

H.R. 2668: Mr. Madigan.

H.R. 2692: Mr. Annunzio.

H.J. Res. 180: Mr. Clinger, Mr. Dyson, and Mr. Boulter.

H.J. Res. 206: Mr. Roe, Mr. Conte, Mr. Waxman, Mr. Markey, and Mr. Mineta.

H.J. Res. 208: Ms. Oakar, Mr. Atkins, Mr. Schuette, Mr. Denny Smith, Ms. Kaptur, Mr. Gephardt, Mr. Bryant, Mr. Lantos, Mr. Wylie, Mr. Gallo, Mr. DeWine, Mr. Guarini, Mr. Shumway, Mr. Darden, Mr. Lewis of California, Mr. Towns, Mr. Dannemeyer, Mr. Fauntroy, Mr. Kennedy, Mrs. Johnson of Connecticut, and Mr. Livingston.

H.J. Res. 254: Mr. Cardin, Mr. Towns, Mr. Mfume, Mrs. Bentley, Mr. McDade, Mr. Lewis of Florida, Mr. Schuette, Mr. Badham, Mr. Hochbrueckner, Mr. Kasich, Mr. Coble, Mr. Vento, Mr. Richardson, Mr. de Lugo, Mr. Lightfoot, Mrs. Morella, Mr. Staggers, Mr. Frenzel, Mr. Bliley, Mr. Gekas, Mr. Rowland of Georgia, Mr. Evans, Mr. Jones of North Carolina, Mr. Fuster, Mr. Boner of Tennessee, Mr. Traxler, Mr. Brooks, Mr. Rinaldo, Mr. Markey, Mr. Dwyer of New Jersey, Mr. Hall of Texas, Mr. Smith of Iowa, Mr. Young of Alaska, Mrs. Lloyd, Mr. Carper, Mr. Hubbard, Mr. Rangel, Mr. Lowry of Washington, Mr. Waxman, Mr. Crockett, Mr. LaFalce, Mrs. Roukema, Mr. Ballenger, Mr. Lowery of California, Mr. Denny Smith, Mr. Garcia, Mr. Levine of California, Mr. Wyden, Mr. Russo, Mr. Torres, Mrs. Meyers of Kansas, Mr. Chappell, Mr. Walgren, Mr. Darden, and Mr. Robert F. Smith.

H.J. Res. 261: Mr. Stokes and Mr. Clinger.

H.J. Res. 284: Mr. Lantos.

H.J. Res. 311: Mr. Solarz, Mr. DeFazio, Mr. Towns, Mr. Mrazek, Mr. Moody, and Mr. Lancaster.

H.J. Res. 313: Mr. Lagomarsino, Mr. Richardson, Mr. Holloway, Mr. Gray of Illinois, and Mr. Fields.

H. Con. Res. 41: Mrs. Vucanovich, Mr. Fields, Mr. Inhofe, Mr. Bilirakis, Mr. Blaz, Mr. Edwards of Oklahoma, Mr. Daniel, and Mr. Holloway.

H. Con. Res. 61: Mr. Dellums, Mr. Guarini, Mr. Levin of Michigan, Mr. Nielson of Utah, Mr. Scheuer, Mr. Moakley, Mr. Mrazek, Mr. Lancaster, Mr. Kolter, and Mr. Traficant.

H. Con. Res. 101: Mr. Hammerschmidt, Mr. Davis of Illinois, Mr. Vento, Mr. Bevill, Mr. Lewis of Georgia, Mr. de Lugo, Mr. Saxton, Mr. Jontz, Mr. Lewis of Florida, and Mr. Clinger.

H. Con. Res. 114: Mr. Brooks.

EXTENSIONS OF REMARKS

ALCOHOL FUELS: KEY TO AIR POLLUTION CONTROL STRATEGIES

HON. MANUEL LUJAN, JR.

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 18, 1987

Mr. LUJAN. Mr. Speaker, I am pleased to cosponsor House Resolution 193, which encourages the EPA and the States to recognize the use of alcohol and other oxygenated fuels—such as ethanol and methanol—as an accepted air pollution control strategy.

The environmental benefits of alcohol fuels have been receiving increasing attention as the impending December 31, 1987, Clean Air Act deadline approaches. Numerous studies have documented that increased use of alcohol-blended gasoline leads to substantial reductions in emissions of hydrocarbons, carbon monoxide and aromatics, particularly the known cancer-causing agent, benzene.

EPA Administrator Lee Thomas has acknowledged the value of alcohol fuels as a pollution control device and recently stated:

> EPA believes that use of alternative fuels, such as methanol, compressed natural gas, or oxygenated gasoline blends could play a significant role in the effort to decrease hydrocarbon and CO emissions. * * * EPA and the States must continue to assess, adopt, and implement a wide range of control measures.

House Resolution 193 complements the EPA Administrator's approach to the air pollution problem. It is neither a mandate, nor a requirement to use alcohol fuels, nor does it preclude other air pollution control options. It does, however, make clear the House of Representatives' commitment in developing the environmental potential of these alternative fuels which offer the strong potential to eliminate the need for onerous inspection and maintenance programs, and I urge its timely adoption.

INTRODUCTION OF THE SCHOLARSHIP FOR DEMOCRACY PROGRAM

HON. JACK FIELDS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 18, 1987

Mr. FIELDS. Mr. Speaker, as the ranking minority member of the Panama Canal/OCS Subcommittee, I am today introducing a bill which I hope will resolve the Panama Canal interest issue.

While the Panama Canal Treaty of 1977 transferred sovereignty over the canal to the Republic of Panama, the implementing legislation (Public Law 96-70) contained a provision requiring the payment of interest to the United States on our original investment in the Panama Canal.

Although the Panama Canal Commission, the United States agency charged with operating the canal until the year 2000, made an interest payment each year, ambiguous language in Public Law 96-70 allowed those funds to be deposited into the PCC account rather than into the general fund of the Treasury.

In fact, some $61.2 million was diverted between October 1, 1979, and December 31, 1985. As a result, a serious erosion in our investment base occurred.

Mr. Speaker, those interest payments still would be going into the Panama Canal Commission Fund today had the Congress not enacted a bill, which I authorized, that mandated that those funds be properly deposited into the United States Treasury starting on January 1, 1986.

Mr. Speaker, while we now have resolved where those funds are to be deposited, we now must address the more serious problem of eliminating the erosion in our investment base.

In an effort to address this issue, I introduced a bill earlier this year, H.R. 1688, which would raise the principal on the level of the United States investment on the Panama Canal to the point where it should have been had no funds been diverted.

Under the provisions of H.R. 1688, the Department of the Treasury would be authorized to add the $61.2 million that was deposited into the PCC Fund to the level of our principal investment, which is approximately $69 million, and to calculate a new interest payment by multiplying that figure by the prevailing interest rate—10.5 percent.

By so doing, we would ensure that the taxpayers of the United States receive a fair and correct yearly interest payment. According to the Congressional Budget Office, this change would raise an additional $6.2 million in fiscal year 1988 and approximately $5 to $6 million per year through December 31, 1999 when the Republic of Panama assumes full operational control of the canal.

Let me emphasize that when I introduced this bill, I had no desire to damage our longstanding relationship with the Republic of Panama. My sole purpose was to correct a serious and unintended problem in the Panama Canal Act of 1979. Based on my careful review of Public Law 96-70, it is clear that there was no debate or controversy over the fact that these interest payments on our investment in the canal should be deposited into the general fund of the U.S. Treasury.

Mr. Speaker, having said that, however, I recently had an opportunity to discuss this legislation with the President of Panama, the Honorable Eric Delvalle; our Ambassador to Panama, the Honorable Arthur Davis; the Panamanian Ambassador to the United States, the Honorable Kaiser Bazan; and the Administrator of the Panama Canal Commission, the Honorable Dennis McCauliffe. Based on these candid discussions, I've come to appreciate the sensitivity of this legislation to the Republic of Panama.

Therefore, in the spirit of cooperation and as a way to help improve relations between our two governments, I am today introducing this compromise bill.

Under the terms of this proposed compromise, the entire proceeds of the change in the interest payment would be used to establish a Scholarship for Democracy Program that would increase the number of Panamanian students studying in the United States.

While it is difficult to know exactly how many students will be able to participate in this scholarship program, current revenue projections lead me to believe that at least 600 additional Panamanian students will have an opportunity each year to study in the United States. More than 8,000 scholarships will be offered during the life of the program which will expire on December 31, 1999.

As a Representative from Houston, TX, I am deeply concerned about the future of Central America and the operation of the Panama Canal during the next century. It is my firm belief that this scholarship program has the potential to significantly offset the growing influence of the Soviet Union in Panama and to help train young Panamanian men and women to operate the canal safely and efficiently in the years ahead.

I would like to highlight the fact that the recipients of these scholarships will be selected by a four member scholarship appointment board comprised of the U.S. Ambassador to Panama, the Administrator or Deputy Administrator of the Panama Canal Commission, and two members selected by the President of the Republic of Panama. The scholarships will be $10,000 per student per year and are limited to those interested in studying at colleges and universities in the United States.

In addition, the bill contains specific language requiring that individuals selected for a scholarship demonstrate a willingness to return to Panama upon the completion of their studies in the United States.

Mr. Speaker, I am hopeful that this new and innovative program, which will be paid for entirely from the proceeds of the increase in our interest payment, will be enthusiastically supported by both the Reagan administration and the Government of Panama.

It is my intention to offer this legislation, in lieu of H.R. 1688, as an amendment to the Panama Canal authorization bill for fiscal year 1988 during the Merchant Marine and Fisheries Committee markup of that legislation.

I hope my colleagues will carefully review this legislation and join with me in supporting this new Scholarship for Democracy Program.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

PANAMA: A NATION MARCHING BACKWARD

HON. DANTE B. FASCELL

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 18, 1987

Mr. FASCELL. Mr. Speaker, I am deeply concerned over recent developments in Panama, including the civil unrest that has arisen over charges of political violence and corruption involving Gen. Manuel Antonio Noriega. In response, the country's military-dominated government has suppressed dissent, suspended constitutional guarantees and imposed censorship of the news media.

At a time when democracy is on the increase in our hemisphere, with military governments being replaced by duly elected civilian authorities, Panama is marching backward. The resulting unrest can only continue to grow, destabilizing the Nation and posing a threat to the security of other hemisphere nations.

This must not be allowed to happen. Other American nations must bring all their resources to bear on the Panamanian dictatorship to return democracy and freedom to the Panamanian people. The United States should make it clear to the Government of Panama that it will support any affirmative Latin American effort.

Continued repression is not the answer. The Government of Panama must promptly and thoroughly investigate the allegations that have triggered the unrest and restore the people's rights, including their right to freely elect their leaders.

All civil rights, including freedom of the press, must be restored immediately and the elections now scheduled for 1989 should be moved up in order to halt the unrest and head off possible bloodshed.

In addition, while President Eric Arturo Delvalle is the nominal leader, the world knows that the real power is wielded by General Noriega through Panama's defense forces. The military should get out of politics and return the nation to civilian rule.

Unless this is done, I can only foresee further suppression in Panama, and more violence to the rights of the Panamanian people. In addition, I am concerned for the security of the thousands of Americans working in Panama, for the United States' strategic interests in the area, and for the integrity of the Panama Canal.

We all have a great stake in the direction Panama takes in coming months. Let us hope Panama will follow the path taken by other nations in our hemisphere and move toward democracy and freedom.

WHAT THE FLAG MEANS TO ME

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 18, 1987

Mr. SOLOMON. Mr. Speaker, it is my pleasure to enter into the RECORD three fine essays on Flag Day, written by the winners of the contest sponsored by the Jane McCrea Chapter, Daughters of the American Revolution.

The three winners were Michael Prutsman, Christine Polunci, and Claudine DeChant, all of South Glens Falls. Their winning essays were published on Flag Day by the Post-Star.

The writing skill of these three winners is matched by their obvious pride in flag and country. Mr. Speaker, we have every reason to feel confident in the future of our country because of such young people.

WHAT THE FLAG MEANS TO ME

FIRST PLACE

The flag means freedom to me. When I see the flag it makes me think of all the people that have given their lives to keep the flag flying high.

Many of my relatives have fought for our flag. One great grandfather fought in the French and Indian war and the Revolutionary War. He makes me feel more patriotic even as I'm writing this. My father's uncle was almost burnt to death at Pearl Harbor. He said the first thing he saw was the flag and it helped him heal. My father's other uncle was a POW in a Japanese prison camp for about two years. He lost about 110 pounds while he was there. But he always told my father, "Your have to live so you can defend your country." And he did. My father was in Vietnam. He always kept a small American flag under his helmet. And I can promise, if my country ever needs me, I'll be there.

When I see other third world countries with their famine, droughts, and war, I think to myself, I'm lucky to live in this great country of ours. The flag gives me confidence that we won't be attacked by another country. I can trust my country and flag to protect me. When I see the flag, it gives me strength to get through the day and helps me feel good about myself.

I remember seeing on the news some people in Spain burning our flag in protest for the bombing of Libya. That really makes me mad. To see our Old Glory up in flames makes me sad.

To me the flag means life, liberty, and freedom.—MICHAEL PRUTSMAN.

SECOND PLACE

The United States flag means a great deal to me. It represents so many things in our country. It is a sign of freedom, peace, and liberty. It also tells about the beginning of our country and of the many great heroes and the ancestors of our past. It reminds me of the spirit of our country and what we went through to get this way. It reminds me of slavery and the way we fought against it.

The United States flag is a symbol. Each part on the flag has a meaning. The 13 stripes on the flag stand for the original 13 colonies. The 50 stars stand for the 50 states in our country. We salute the flag every day in school and we learn about it, too.

The United States flag has a lot of meaning behind it. Wherever you go you will find a United States flag. Our country even put a flag on the moon! Our flag is raised for many events. When we compete in sports in many countries and different places, the flag and all different flags are honored.

The United States flag means a lot to me and it means a lot to many other people, too. A lot of people don't realize how important the flag is and what it means to the many people in our country. The flag is so very important and always will be to freedom-loving people here and around the world.—CHRISTINE POLUNCI.

THIRD PLACE

Our flag of the United States stands for freedom! Everyone knows that, but the flag of the United States means more to me!

My great great uncle came over from Hungary at the age of 18. He came for the freedom and the future he dreamed of when coming to the land of prosperity and hope. The land many immigrants came to for the freedom. After becoming an American citizen he joined the U.S. army and fought for his country in World War I. After the war was over, my uncle did not come back. They did not find his body. I do not know what happened to my uncle. Maybe he was captured by the enemy, maybe he was shot in combat. I do not know. What I do know is that he fought for the love of his country and being proud to be an American citizen. It was a duty to fight for his country, a duty he didn't mind doing. Every time they find a lost body from World War I, I think to myself, what if that's my uncle? A few years back they found another body. They called him "the unknown soldier." When I saw the ceremony I said to myself, "That's my uncle!" I felt proud to think that's my uncle. I knew he would be proud to be buried with the flag of the United States.

The flag of the U.S. means a lot to me! I am proud to know that the Red, White, and Blue flag is mine!—CLAUDINE DECHANT.

H.R. 2620, THE DEFENSE PROTECTION FEE ACT

HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 18, 1987

Mrs. SCHROEDER. Mr. Speaker, recently I introduced H.R. 2620, the Defense Protection Fee Act. In the aftermath of the failed Venice Summit, it is worth discussing this proposal.

President Reagan sought allied defense help at the summit; he got none. You might call it dearth in Venice. So, as usual, the United States is paying the price to protect the rest of the world.

The Defense Protection Fee Act deals with this issue. Instead of cajoling our allies to do more for the common defense, it charges them for what we do. The bill sets a surcharge on goods imported into the United States based on whether the country of origin is an adversary, neutral, or an ally and establishes a fee based on that status. The bill then considers the percentage of GNP each ally spends on defense, and modifies the fee accordingly.

Goods from adversary nations or from a country that sponsors state terrorism against the United States would be assessed with a 10-percent fee. Goods from a nonaligned nation would pay a fee equal to U.S. spending on defense as a percentage of GNP, or 6.6 percent currently. Goods from allies or countries that host American bases would be assessed with the difference between what that country spends on defense and what we spend on defense, as a proportion of GNP.

We have negotiated until we are blue in the face to try to get our allies to do more for the common defense. It's time to do something direct. We should stop begging and start billing.

This bill is not meant as an attack on our allies. You can hardly blame them for accepting something for nothing. But this free ride must stop. This bill is a start on a redistribution of responsibilities among friends.

TRIBUTE TO JIM SHOOP

HON. ROBERT G. TORRICELLI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 18, 1987

Mr. TORRICELLI. Mr. Speaker, it is a rare occurrence to meet a public servant as versatile and dedicated as Jim Shoop. I am pleased today to offer my sincere congratulations to him for completing 10 years as councilman of Passaic. Well recognized by his community, Jim was named the recipient of the N.J. Pulaski Association of Police and Fireman Award and was honored by the Polish-American Congress. He was also recognized as the Salvation Army's Good Citizen of 1983—exhibiting a strength of character that has earned him the respect of those around him.

Jim has also been involved with education. As a candidate for the N.J. Teacher of the Year Award for Passaic County in 1975 and in 1986 for social studies, Jim has demonstrated his dedication on behalf of teaching. This concern with the education of future generations also encouraged Princeton University to consider Jim as a candidate for the Secondary School Teacher of the Year Award in 1986. Most recently, Jim is to be congratulated for receiving that Governor's Education Recognition Award in 1987.

While involved in many aspects of community service, it is perhaps through his role as councilman of Passaic that Jim is most well known. First elected in 1975 as councilman, Jim has continued as councilman at large since 1977. These years of activism have made Jim an integral part of the city of Passaic. Jim's involvement has also lent itself to a variety of organizations ranging from the chamber of commerce to the March of Dimes. This service as well as his position as councilman have been an inspiration to all those who have been privileged to know him.

A TRIBUTE TO MIKE HOLODNAK

HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 18, 1987

Mr. TRAFICANT. Mr. Speaker, today I rise in order to pay tribute to Mr. Mike Holodnak, a very special resident of my 17th Congressional District. Mr. Holodnak, who hails from Kinsman, OH, in Trumbull County, took bold and courageous steps that may have potentially saved the lives of countless people. As a former sheriff of nearby Mahoning County, it makes me burst with pride to know that my constituents are taking enterprising efforts to combat crime.

The entire Kinsman area was gripped in a state of fear when a woman was killed in cold-blood and two others were seriously wounded. The gunman remained at large for 3 long hours after his shooting spree. Mr. Holodnak heard a description of the suspect and his car, and noticed this car outside a local bar. As he apprehensively entered the bar, Mr. Holodnak noticed a nervous man sitting at the end of the bar who exactly matched the description of the suspect. Seeing that one of his closest friends was working as a bartender, Mr. Holodnak was overcome with fear that this madman might go on another shooting spree. He knew he had to act quickly. With stealth-like moves, Mr. Holodnak checked the license plates of this person's car, saw that it matched the description of the suspect's car, and moved swiftly to notify the police.

Continuing to think logically despite the stressful conditions he was under, Mr. Holodnak quickly realized that South Pymatuning police were far away, and could not arrive in time should the suspect decide to leave right away. He decided to risk contacting the Orangeville marshal, who had never before dealt with such life-threatening conditions. Mr. Holodnak's gamble paid off. Seconds before the suspect was to take off in his car, the Orangeville marshal boldly shoved his gun into the face of the suspect and took him into custody.

The entire Kinsman area immediately breathed a sigh of relief due to the fearless actions of Mike Holodnak. It is extremely satisfying for me to see a resident of my district throw aside any concern for his own safety, and move with determination in protecting the lives of others and bringing a wild killer to justice. Mr. Holodnak deserves special commendation for his actions, and should be a model to all citizens in the fight against crime. Thus, it is with thanks and special pleasure that I join with the people of the 17th Congressional District in recognizing the outstanding contribution to public safety and extremely admirable character of Mr. Mike Holodnak.

TRADE SANCTIONS BILL

HON. THOMAS M. FOGLIETTA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 18, 1987

Mr. FOGLIETTA. Mr. Speaker, today I am introducing legislation to rescind trade benefits to South Korea unless the Government makes significant progress toward establishing fair and free elections and respecting internationally recognized human and labor rights.

This legislation calls for the President to deny generalized system of preferences benefits, to suspend overseas private investment loan guarantees, and to vote on loans to South Korea in the World Development Bank and Asian Development Bank. I believe that by pressuring the business community in South Korea, they will in turn force the Chun government to create an political environment conducive to fair and free elections.

The most valuable commodity we have to export to the world is our democracy. We must let our friends throughout the world know that Americans believe that the antithesis of communism is not a military dictatorship but rather freedom and democracy. The people of South Korea are involved in a struggle to attain democracy in the form of freedom of assembly, freedom of the press, freedom to petition their government, and fair and honest elections. They are looking to us for support and friendship. And this legislation is intended to provide that support and friendship.

I urge my colleagues to support this bill.

SUPPORT OF FOGLIETTA TRADE SANCTIONS BILL

HON. LANE EVANS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 18, 1987

Mr. EVANS. Mr. Speaker, throughout my stay in Congress, I've been active in the battle to protect human rights all over the world, and I've been especially concerned with the rights of workers. That's why the current situation in South Korea has attracted my attention, and that's why I've signed on as an original cosponsor of this legislation. As all of you know, the South Korea crackdown on dissent has gotten progressively worse since President Chun Doo Hwan's April 13 measure cutting off debate on constitutional reform. Unless the Government of South Korea works to establish the freedoms of speech, the press, and of assembly, restores full civil rights to Kim Dae Jung and hundreds of other political prisoners, and enacts laws to guarantee free and competitive elections, it is clear that Congress should enact trade sanctions against South Korea.

SUPPORT OF TRADE SANCTIONS BILL

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 18, 1987

Mr. STARK. Mr. Speaker, protests against the regime in South Korea continue to explode daily. It is important we in the United States show our support for positive change. We need to encourage democracy. But it is time to stop using words alone.

The South Korean Government is taking action in the streets of Seoul and other cities. It is time for the U.S. Government to take action. We can and should fight for democracy in South Korea and this legislation being introduced today is an important step in that direction. Economic sanctions will make sure our message is understood.

I join with Mr. FOGLIETTA and several of our colleagues in the Senate in introducing this important legislation to help bring about greater freedom and democracy in South Korea.

BALTIC STATES FREEDOM DAY

HON. FRANK ANNUNZIO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 18, 1987

Mr. ANNUNZIO. Mr. Speaker, June 14 marked yet another sad anniversary of the Soviet occupation of the Baltic States. Forty-seven years have passed since 1940 when the countries of Lithuania, Latvia, and Estonia, were overrun by the Communists, and subsequently forcibly annexed into the Soviet Union.

June 14, 1940 was the tragic beginning of years of systematic terror and massive deportation by the Soviets. In order to make the transition from free, independent nations to Communist-controlled ones, the Soviets had to eliminate the differences in culture that these nations enjoyed. The Red Army began by arresting, forcibly deporting, and in some cases, executing intellectuals, peasants, and politically active persons.

Lithuania, Latvia, and Estonia, lost tens of thousands of people through deportation. These citizens were herded into cold unsanitary boxcars and shipped to Siberia and other remote parts of the Soviet Union. The remaining citizens were subjected to severe restrictions of religious practices, customs, and the use of native languages. Although these efforts were interrupted by the Nazi invasion in 1941, the Communists regained control in 1944, and their destruction of the heritage and identities of the Baltic States intensified.

Today, these countries remain under Soviet control while native citizens struggle to maintain their sense of national identity. The Soviets have attempted to destroy these people with violence and force. Nevertheless, the Communists have been unable to crush the spirit and resolve of the proud people of Lithuania, Latvia, and Estonia, and their desire to live in freedom and human dignity.

The governments of the United States, Great Britain, and Canada have never recognized the illegal annexation of the Baltic States by the Soviet Union, and Lithuania, Latvia, and Estonia, are recognized and represented by diplomats and consulates as distinct nations currently in exile. The plight of the citizens of these countries, who are trying to escape from this tyranny and oppression, is of deep concern to the people of the United States, and all freedom-loving people throughout the world.

Therefore, I was glad to add my name as a cosponsor to House Joint Resolution 159, a bill to designate June 14, 1987, as "Baltic Freedom Day." Similar legislation was approved with my support by the full House of Representatives on June 11, and signed into Public Law by President Reagan who subsequently issued a proclamation on the occasion of "Baltic Freedom Day." A copy of House Joint Resolution 159 and the President's proclamation follow:

H.J. RES. 159

Whereas the people of the Baltic Republics of Lithuania, Latvia, and Estonia have cherished the principles of religious and political freedom and independence;

Whereas the Baltic Republics have existed as independent, sovereign nations belonging to and fully recognized by the League of Nations;

Whereas the people of Baltic Republics have individual and separate cultures, national traditions, and languages, which are distinctively foreign to those of Russia;

Whereas the Union of the Soviet Socialist Republics in 1940 illegally seized and occupied the Baltic Republics and by force incorporated them against their national will and contrary to their desire for independence and sovereignty into the Union of Soviet Socialist Republics;

Whereas the Union of Soviet Socialist Republics since 1940 has systemically removed native Baltic peoples from their homelands by deporting them to Siberia and caused great masses of Russians to relocate in the Baltic Republics, thus threatening the Baltic cultures with extinction;

Whereas the Union of Soviet Socialist Republics has imposed upon the captive people of the Baltic Republics an oppressive political system which has destroyed every vestige of democracy, civil liberties, and religious freedom;

Whereas the people of Estonia, Latvia, and Lithuania today find themselves subjugated by the Union of Soviet Socialist Republics, locked into a union they deplore, denied basic human rights, and persecuted for daring to protest;

Whereas the Union of Soviet Socialist Republics refuses to abide by the Helsinki Accords, which it voluntarily signed;

Whereas the United States stands as a champion of liberty, dedicated to the principles of national self-determination, human rights, and religious freedom, and opposed to oppression and imperialism;

Whereas the United States, as a member of the United Nations, has repeatedly voted with a majority of that international body to uphold the right of other countries of the world, including those in Africa and Asia, to determine their fates and be free of foreign domination; and

Whereas the Union of Soviet Socialist Republics has steadfastly refused to return to the people of the Baltic States of Latvia, Lithuania, and Estonia the right to exist as independent republics separate and apart from the Union of Soviet Socialist Republics, or to permit a return to such people of personal, political, and religious freedoms: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That—

SECTION 1. DESIGNATION.

June 14, 1987, the anniversary of the mass deportation of Baltic peoples from their homelands in 1941, is designated as "Baltic Freedom Day" as a symbol of the solidarity of the American people with the aspirations of the enslaved Baltic people. The President is requested to issue a proclamation calling on the people of the United States to observe Baltic Freedom Day with appropriate ceremonies and activities.

SEC. 2. CONGRESSIONAL RECOGNITION.

The Congress—

(1) recognizes the continuing desire of the people of Lithuania, Latvia, and Estonia for freedom and independence from the domination of the Union of Soviet Socialist Republics and their right to such freedom and independence; and

(2) deplores the refusal of the Union of Soviet Socialist Republics to recognize the sovereignty of the Baltic Republics and to yield to their rightful demands for independence from foreign domination and oppression.

Proclamation 5667 of June 13, 1987

BALTIC FREEDOM DAY, 1987

By the President of the United States of America

A Proclamation

Historians of the 20th century will chronicle many a tragedy for mankind—world wars, the rise of Communist and Nazi totalitarianism, genocide, military occupation, mass deportations, attempts to destroy cultural and ethnic heritage, and denials of human rights and especially freedom of worship and freedom of conscience. The historians will also record that every one of these tragedies befell the brave citizens of the illegally occupied Republics of Estonia, Latvia, and Lithuania. Each year, on Baltic Freedom Day, we pause to express our heartfelt solidarity with these courageous people who continue to prove that, despite all, their spirit remains free and unconquered.

On June 14, 1940, the Soviet Union, in contravention of international law and with the collusion of the Nazis under the infamous Ribbentrop-Molotov Non-Aggression Pact, invaded the three independent Baltic Republics. The imprisonment, deportation, and murder of close to 100,000 Baltic people followed. Later, during Nazi-Soviet war, the Nazi attacked through the Baltic nations and established a Gestapo-run civil administration. By the end of World War II, the Baltic states had lost 20 percent of their population; and between 1944 and 1949, some 600,000 people were deported to Siberia.

Totalitarian persecution of the Balts, this time once again under Communism, has continued ever since. While enduring decades of Soviet repression and ruthless disregard for human rights, the Baltic people have continued their noble and peaceful quest for independence, liberty, and human dignity.

This year marks the 65th anniversary of the *de jure* recognition by the United States of the Baltic Republics. The United States Government has never recognized, nor will we, the Soviet Union's illegal and forcible incorporation of the Baltic states. The United States staunchly defends the right of Lithuania, Latvia, and Estonia to exist as independent countries. We will continue to use every opportunity to impress upon the Soviet Union our support for the Baltic nations' right to national independence and to their right to again determine their own destiny free of foreign domination.

Observance of Baltic Freedom day is vital for everyone who cherishes freedom and the inalienable rights God grants to all men alike; who recognizes that regimes denying those rights are illegitimate; who sees, shares, and salutes the Baltic peoples' hope, endurance, and love of liberty.

The Congress of the United States, by Senate Joint Resolution 5, has designated June 14, 1987, as "Baltic Freedom Day" and authorized and requested the President to issue a proclamation in observance of this event.

NOW, THEREFORE, I, RONALD REAGAN, President of the United States of America, do hereby proclaim June 14, 1987, as Baltic Freedom Day. I call upon the people of the United States to observe this day with appropriate remembrances and ceremonies and to reaffirm their commitment to the principles of liberty and self-determination for all peoples.

IN WITNESS WHEREOF, I have hereunto set my hand this thirteenth day of June, in the year of our Lord nineteen hundred and eighty-seven, and of the Independence of the United States of America the two hundred and eleventh.

Ronald Reagan.

Mr. Speaker, I am privileged to join with Americans of Lithuanian, Latvian, and Estonian descent in the 11th Congressional District of Illinois which I am honored to represent, and throughout the Nation, in commemorating the 46th anniversary of Baltic Freedom Day. On this occasion we honor and remember the brave men and women who died for freedom, as well as those who continue to struggle to keep alive the hopes and dreams of the people of the Baltic States, who seek only to live their own lives and to guide their own destinies, and we hope and pray that democracy will someday be restored to these three proud nations.

OIL PIPELINE RATE DEREGULATION

HON. JACK FIELDS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 18, 1987

Mr. FIELDS. Mr. Speaker, today I am joining my colleague, Representative MIKE SYNAR in introducing the Oil Pipeline Regulatory Reform Act.

Government regulation is necessary to protect the consumer against the potential abuses of monopolies or substantial monopolies. Regulation serves as a substitute for the discipline of a competitive marketplace. However Government regulation is a poor stepsister to true competition. Regulatory bureaucracies, by their very nature, cannot respond quickly to changing environments as the marketplace can and, indeed, must. Regulators cannot exert the intense pressure which the competitive marketplace does, keeping companies lean and responsive to their customers. And, finally regulation is expensive for the Government, for the regulated business and, eventually, for the consumer. For these reasons, the regulation of competitive industries is not only unnecessary but is contrary to the public interest.

The Oil Pipeline Regulatory Reform Act recognizes the competitive nature of the oil pipeline industry and provides for substantial deregulation of crude oil and refined product pipeline rates. The act does not provide complete deregulation of the oil pipeline industry. Oil pipelines must continue to act as common carriers, serving all shippers upon reasonable demand, without undue discrimination. Additionally, the act establishes a procedure before the Federal Energy Regulatory Commission [FERC] by which shippers may challenge potentially discriminatory actions by oil pipelines. This remedy before the FERC is in addition to the existing remedies under antitrust law. While antitrust remedies remain, the FERC procedure provides shippers an alternative forum which can provide relief in a more timely, less expensive manner than antitrust lawsuits.

Mr. Speaker, the oil pipeline industry today differs greatly from the oil pipeline industry which existed when rate regulation was imposed by the Interstate Commerce Act at the turn of the century. The modern oil pipeline industry spans the continent providing customers numerous alternative routes to ship petroleum and petroleum products. In addition to competition within the oil pipeline industry, itself, trucks, barges and tankers vie for shippers' business. Above and beyond actual transportation competition, refiners and marketers can often obtain crude or refined product from different geographical suppliers, bypassing a particular pipeline altogether. Finally, the practice of product exchanges between shippers can reduce or even eliminate the need for transportation. All these factors work together to ensure reasonable oil pipeline transportation rates and render governmental rate regulation unnecessary.

My colleagues may wonder why rate deregulation is now necessary when oil pipelines have been regulated since 1906. I would answer that since regulatory jurisdiction was transferred from the Interstate Commerce Commission to the Federal Energy Regulatory Commission in 1977, regulatory guidelines of oil pipeline rates have been in a state of uncertainty. In mid-1985, after years of costly litigation over oil pipeline ratemaking methodology, the Commission issues Opinions 154-B and 154-C. But, even these decisions did not put an end to the prolonged uncertainty; these decisions leave many questions which may not be resolved without more expensive and lengthy rate cases.

In the end, the consumer will pay the financial cost of this unnecessary rate regulation. Perhaps, more importantly, the consumer will suffer if the current regulatory quagmire discourages new investment in oil pipeline facilities. Shippers may then be forced to use more expensive and less efficient modes of transportation.

Finally, I might point out to my colleagues that the transportation costs on oil through pipelines represent only a minute percentage of the final cost paid by consumers for petroleum products. So, attempting to keep fuel costs down by stringently regulating oil pipeline rates is certainly letting the "tail wag the dog."

In conclusion, Mr. Speaker, governmental regulation of oil pipelines is no longer necessary. The arguments for lifting that outmoded regulation are strong. I urge my colleagues to join with me and Representative SYNAR in supporting the deregulation of oil pipelines.

TEN HISTORIC CONGRESSIONAL DECISIONS

HON. DANTE B. FASCELL

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 18, 1987

Mr. FASCELL. Mr. Speaker, today I am presenting another statement in my series commemorating the upcoming bicentennial of the U.S. Congress, as well as the bicentennial of the U.S. Constitution. The vital role of the Congress in our national life cannot be understated, Mr. Speaker. All lawmaking power within the Federal Government is granted to the Congress. Inevitably, it has been the Congress which has had to confront those critical issues facing America during the great epochs of our past. Congress has not shirked this duty; sometimes quickly and sometimes with agonizing slowness, Congress has responded to changing conditions and changing national needs by enacting major legislation. In the two centuries of the Federal Congress, we have enacted more than 10,000 laws. Many of these are minor statutes, tinkering with larger measures already on the books. Others were controversial in their day, but have long since fallen from public awareness. But still others fundamentally changed our Nation. They changed the way our Government works, they changed the way we as Americans treat each other, and they changed the way America relates to other nations in the world community.

Today, Mr. Speaker, I intend to speak briefly about 10 major laws and issues Congress considered during the past two centuries. Some may say that other laws merit discussion instead; they may be right. Historians and private citizens alike can disagree about the most important issues the Congress has ever faced. But, Mr. Speaker, I think these 10 share a common element: when Congress acted on these issues, some basic element in American life was changed. Afterwards, some may have longed to return to an earlier, simpler era, but the change these laws and actions made was fundamental and could not be overturned except at great cost to us all.

BILL OF RIGHTS

The Bill of Rights, the term we collectively apply to the first 10 amendments to the U.S. Constitution, was arguably the most important single accomplishment of the First Congress.

When the Constitutional Convention was considering the provisions of the draft constitution, one of the delegates, George Mason of Virginia, argued forcefully for the addition of a bill of rights to the document. A motion to appoint a committee to draft such a measure lost on a tie vote in the convention, five States to five, and so the Constitution was submitted to the States for ratification without a bill of rights.

In a number of State ratifying conventions, the absence of a bill of rights was strongly criticized. But, Hamilton and Madison argued in the Federalist papers that a bill of rights was unnecessary because the Federal Government could not act to suppress any right such as freedom of the press in the absence of expressing constitutional authority. Nevertheless, many delegates to the ratifying conventions were not persuaded, and several States in ratifying the Constitution sent along suggestions for items to be included in a subsequent bill of rights.

Madison, elected as a Representative from Virginia to the House of Representatives in the First Congress, took it upon himself to codify the various proposals for a bill of rights. On June 8, 1789, Madison moved that the House immediately consider the issue of a bill of rights; the motion was defeated, but the issue was referred to a select committee of 10, including Madison. On August 13, 1789, the House, meeting as the Committee of the Whole, began consideration of items to be included in a bill of rights. In all, the House considered the proposed bill of rights on eight different days in August 1789. Ultimately, 14 separate amendments to the Constitution were agreed to by the House on August 24, 1789.

The record of Senate consideration of the proposed amendments is exceedingly sketchy. It is known that the Senate proposed to modify some of the House suggestions and, ultimately, delegations from both Chambers met in conference on September 21, 1789. As a result of the conference, the House-passed amendments were redrafted into 12 amendments, and both Chambers completed the approval of the revised amendments on September 25, 1789.

On November 20, 1789, New Jersey became the first State to ratify the amendments. The requisite 11th ratifying State was Virginia on December 15, 1791. Two of the proposed 12 amendments were not ratified by the prescribed number of States: one would have imposed a complex mathematical formula for automatically increasing the size of the House of Representatives after each census and determining the population size of each congressional district; the other would have prevented any congressional salary increase from becoming effective until the beginning of the next Congress. In both instances, apparently, the State assemblies believed such subjects were not appropriate for inclusion in a bill of rights, and, moreover, were subjects which should remain within the discretion of the Congress.

The bill of rights was initially viewed as a limitation on the power of the Federal Government. But, with the passage of the 14th amendment, defining national and State citizenship, along with a number of later rulings by the Supreme Court, most of the provisions of the bill of rights have been declared to be applicable to protect citizens against actions taken by State and local governments as well. Mr. Speaker, the passage of the bill of rights showed that the Federal Government could be trusted with the potentially vast powers granted to it in the Constitution; the bill of rights set a clear and visible barrier beyond which Government could not go. The actions of the First Congress in quickly considering and recommending a bill of rights confirmed that the new Federal Government would remain responsive to the needs of citizens and State governments alike.

THE MISSOURI COMPROMISE

The sectional crisis which erupted when Missouri petitioned to be admitted to the Union as a slave State nearly caused the dissolution of the United States. However, the political skills, personal integrity, and devotion to the Union exhibited by congressional leaders from both North and South preserved the Nation from the fracture that was not to come for 40 more years.

The issues surrounding Missouri's admission were many and complex. When the Congress under the Articles of Confederation organized the Northwest Territory, the area now comprising Ohio, Indiana, and Michigan, it had included a provision banning slavery in that area north of the Ohio River. Vast new territory was acquired by the United States through the Louisiana Purchase, a region which had long recognized slavery under French and Spanish administration. Louisiana was admitted as a slave State in 1812. Missouri, also a territory organized through the Louisiana Purchase, petitioned for admission to the Union as a slave State in 1817, and again in 1819.

The Missouri petition threatened the earlier decision over slavery in the Northwest Territory since most of the Missouri territory was north of the point at which the Ohio River flowed into the Mississippi River. When the House considered the Missouri petition in 1819, it agreed to authorize the Missouri Legislature to draft a State constitution, but also added an amendment prohibiting the further introduction of slaves into Missouri and requiring that children born of slaves be freed at age 25. In the Senate, where there were an equal number of Senators from free and slave-holding States, the House amendment failed on passage, and the Missouri bill died at the end of the Congress.

When the new Congress convened in December 1819, Maine, long a geographically separate part of Massachusetts, petitioned for admission to the Union as a separate State. The basis for a compromise between the sections seemed possible. After the House had quickly passed a measure admitting Maine as a State where slavery was explicitly banned, the Senate added an amendment admitting Missouri to the Union without any reference to slavery in that territory. The Senate further added a stipulation that, in the future, slavery be banned north of 36 degrees, 30 minutes North latitude. This latitude line roughly corresponded to the Ohio River line established in the Northwest Ordinance. The compromise appeared to be sealed; equal representation between slaveholding and free States would be temporarily preserved in the Senate, with a fixed geographic boundary established regarding the extent of slaveholding territory.

At the last minute, the compromise was threatened. The draft Missouri State constitution granted its legislature the power to prohibit the entry of free blacks and mulattoes into the State. After a brief but contentious debate, the Congress passed further legislation stipulating that Missouri would not be admitted until the territory agreed that nothing in its constitution should be interpreted to abridge the privileges and immunities of citizens of the United States. The offending provision was removed from the State constitution, and Missouri was admitted to the Union on August 10, 1821.

A leading role in forging this compromise must be given to Henry Clay, then the Speaker of the House of Representatives. Clay, "the great compromiser," who was also instrumental in the great Compromise of 1850, was instrumental in linking the admission of Maine and Missouri together. This compromise agreement between the sections held for 30 years, until California, located south of the Missouri Compromise line, sought admission as a free State. The Compromise of 1850 attempted to hold the sections together, but this further agreement was broken apart when the Supreme Court ruled in 1857 that Congress could not bar the introduction of slavery throughout the Union. But, the Compromise of 1820 bought time for the Union and for its political institutions to mature. The controversy was a portent of things to come. It was, as Thomas Jefferson observed, an event that filled him with fear "like a fire bell in the night."

THE HOMESTEAD ACT

The movement to grant public land to willing settlers for free or at a small charge dates in the United States from the settlement of the Northwest Territory before the adoption of the Constitution. As vast new lands were added to the United States through the Louisiana Purchase, the acquisition of Texas and the settlement of the Mexican War, popular sentiment for granting settlers free access to public lands rose.

Among the earliest congressional leaders in this movement was Senator Thomas Hart Benton. Benton was Missouri's first Senator and served in the Congress for more than 30 years. Although Benton could not obtain sufficient support for his free land for settlers policy in the Senate, the House Committee on Public Lands endorsed such legislation in 1828. President Andrew Jackson supported an end to fees for the private purchase of public lands in his 1832 annual message. But, sectional antagonism stalled the progress of these proposals. Many in the South feared that the Western public lands would be populated by antislavery northerners. Many in the older Eastern States thought that free public lands in the West would hurt the economies of the Eastern States and would reduce Eastern land values. The splinter "Free Soil Party" emerged in the late 1840's, with a war hero Presidential candidate, Gen. John C. Fremont, son-in-law of Senator Benton, and a platform endorsing homestead legislation and an end to slavery, resulting in the famous slogan "Free Soil, Free Land, Free Men, and Fremont."

The Republican Party from its beginnings in the early 1850's strongly supported homestead legislation. In 1859, a Republican Representative from Pennsylvania, Galusha Grow, introduced a bill providing for the sale of public lands to settlers at a modest price of 25 cents per acre. The bill passed both Houses of Congress by early 1860, but President Buchanan vetoed the measure on the grounds that he believed it to be unconstitutional. The House narrowly failed to override the veto.

Two years later, with the Republican Party solidly in control of both Houses of the Congress after the secession of the Southern States, Grow, now the Speaker of the House, again introduced his homestead bill. This time, the measure passed both Houses easily, and President Lincoln signed the Homestead Act into law on May 20, 1862. The law provided to bona fide settlers 160 acres of land for a nominal filing fee on the condition that they live on the land for 5 years and clear and cultivate it. This unprecedented largesse by the Federal Government gave millions of interested settlers, native born and immigrant alike, access to land and a homesite, opened vast territories and made even more substantial resources available to us all. The Homestead Act helped to populate America and to make our Nation what it is today.

CIVIL WAR CONSTITUTIONAL AMENDMENTS

Mr. Speaker, our greatest sustained domestic tragedy was the Civil War. Fundamental moral differences between the North and South over the issue of slavery and its extension into new territories, coupled with political disputes over the appropriate role and power of the Federal Government, made the War between the States almost inevitable. That the conflict was postponed for four decades after the controversy over the admission of Missouri is a tribute to the skills of political leaders from both the North and South. The list is long and extends far beyond the names of Clay, Calhoun, and Webster. But their skills and those of others could not prevail forever, and the war came.

Whether reestablishing the Union or abolishing slavery was the highest war goal of the North was disputed for a time. Even President Lincoln attempted to avoid the issue of abolishing slavery. The Emancipation Proclamation, it must be remembered, applied only to freeing slaves in rebellious Southern States; it did not free slaves in such unionist States as Missouri, Maryland, and Delaware. But, such halfway measures were not enough, and the Congress moved to formally abolish slavery by constitutional amendment.

The amendment was introduced in the House by Representative James M. Ashley of Ohio. Ashley had been a long-time abolitionist, and an early convert of the Republican Party, and he would become one of the House managers in the impeachment trial of President Andrew Johnson. Representative Ashley, I should note, was the great-grandfather of our former colleague, Representative Thomas "Lud" Ashley, a Democrat from Ohio who served in the House from 1955-81. In the Senate, Senator Charles Sumner, the renowned abolitionist and Republican from Massachusetts, and Senator John B. Henderson, a Democrat from Missouri, jointly introduced the amendment.

The draft amendment, as modified into the form we recognize today by the Senate Judiciary Committee chairman, Senator Lyman Trumbull, passed the Senate easily by a vote of 38 to 6. This issue was more closely fought in the House, however, as two votes were necessary until the needed two-thirds support was obtained, 119-56 on January 31, 1865, only 10 weeks before Lincoln was killed. Even though President Johnson and the Congress would later split over the issue of reconstructing the South, Johnson made ratification of the amendment a condition for readmission of the Southern States to the Union, and the amendment was ratified by the requisite number of States on December 18, 1865.

The need for further action was apparent to the Congress soon after the 13th amendment was ratified. In many States of the former Confederacy, freed blacks were being limited by law in their rights to work for wages and in their rights to own property. In short, they were being subjected to a new form of indentured service, although they were no longer legally slaves.

In the Congress, the Joint Committee on Reconstruction, named by both the House and Senate to review the readmission of the States of the Confederacy to the Union, reported an additional constitutional amendment. The sweeping language of this amendment defined national citizenship for the first time, and forbade any State from enacting or enforcing a law which abridged the privileges and immunities of any citizen of the United States, denied any person the equal protection of the law, or deprived any person of "life, liberty, or property without due process of law."

This amendment, Mr. Speaker, was initially intended to protect freed blacks from economic servitude. For a time, the Supreme Court interpreted this amendment differently, and claimed that its greater protections were to private business enterprises and not to individuals. But, this great amendment has been the basis under which 20th century Supreme Court rulings have made the rights guaranteed to Americans in the bill of rights secure from threat from their State governments as well as from the Federal Government. The 14th amendment has served as the basis for court rulings requiring the redistricting and equal apportionment of the Federal House of Representatives and of the chambers of the State legislatures. Finally, this amendment was the basis for the key court rulings clearly stating that segregation of Americans on the basis of race would no longer be tolerated. The expansion of the amendment's scope over time has been truly extraordinary. The 14th amendment has helped, in large part, to make our society what it is today.

The last of the Civil War era constitutional amendments was the 15th amendment, an attempt by the Congress to guarantee that freed blacks be ensured the right to vote. The amendment forbids the Federal and State governments from denying or abridging the right to vote on account of "race, color, or previous condition of servitude." In one sense, it was an attempt by the radical Republicans in the Congress to prevent Southern State governments from disfranchising freed blacks who had been a consistent voting block supporting the Republican Party. In a broader sense, it was a recognition by Congress that full citizenship for freed blacks required a guarantee of the right to vote.

The amendment was defective in that it did not prohibit other qualifications for the right to vote which were not based on race, but which did disproportionately affect blacks' right to vote. Senator Oliver P. Morton of Indiana, a leading Republican at the time the amendment was ratified, thought that such additional qualifications would be used to disfranchise blacks. He was right; an additional constitutional amendment banning the poll tax and the passage of the Voting Rights Act were necessary before official and unofficial racial bias in voting laws throughout the country were removed.

Mr. Speaker, the Civil War constitutional amendments initially had a limited scope: to end slavery, to guarantee the property and personal rights of freed blacks, and to guarantee that race not be a disqualification for voting. The amendments speak of the lofty sentiments of the Union during the Civil War, and today they are testimony to the ways in which our understanding of the Constitution changes as society and its needs change.

MORRILL LAND GRANT COLLEGE ACT

This major congressional action forever changed the nature of American education. For many years, citizen pressure had been mounting for taxpayer supported elementary education in the States, with Massachusetts taking the lead in providing elementary and secondary education at taxpayer expense. Many Founding Fathers, including Thomas Jefferson, had sought congressional and Federal Government involvement in education. For a time, in the early 19th century, the Congress established a joint committee on a national university. However, the majority believed that the Constitution expressly made education a matter for State and local concern. Thus, while direct Federal control of education seemed barred, many looked for ways for the Federal Government to encourage the development of educational facilities managed by the States. A precedent for this Federal role existed before the Constitution was adopted: in 1785, and again in 1787, the Congress passed legislation—the Land Ordinance of 1785 and the Northeast Ordinance of 1787—granting to the States 640 acres of land in each township for public schools.

With the passage of the Homestead Act, vast new areas of public lands were made available for settlement and for eventual organization into territorial and State governments. Following the precedent set by the earlier ordinances, a public campaign was launched by a number of leading citizens, including Horace Greeley, the editor of the New York Tribune, to persuade Congress to encourage educational facilities construction in the homestead lands. Within the Congress, Representative Justin Smith Morrill of Vermont led efforts to pass more expansive educational legislation. Morrill's efforts led to the passage in 1862 of the Land Grant College Act. Under the act, each State was given 30,000 acres of public land for each Senator and Representative it had in Congress. For the States having no public lands, or an insufficient amount of public lands based upon the allocation formula, the Federal Government provided "land scrip," securities based upon public lands owned by the Federal Government in other States. These securities, in turn, could be sold and the proceeds used by the States to purchase privately held lands for educational purposes.

As a result of this act, agricultural colleges were established in every State. Subsequent amendments to the original Morrill Act have permitted the establishment of mining schools, reform schools, colleges for the education of teachers, a women's college, and even an urban land-grant college, the University of the District of Columbia. It is not an understatement, Mr. Speaker, to credit the Morrill Act for providing the United States with the most extensive public higher education system in the world. Our public colleges and universities and their private counterparts now enroll fully one-quarter of all Americans between the ages of 18 and 24.

SHERMAN AND CLAYTON ANTITRUST ACTS

In its aftermath, the Civil War brought a revolution in the U.S. economy. In the late 19th century, economic enterprises of unprecedented size, scope, and reach developed in the United States. From the major railroad companies, to steel, textiles, meat packaging, and retailing, the American economy was transformed from a relatively small, primarily agricultural base, to an enormously complex, modern industrial state. The Federal Government had never before attempted to intrude upon private economic relationships, but the scope of modern industrial corporations made State regulations ineffective, and such regulations were later ruled unconstitutional.

To most observers, Federal intervention to assure fairness and equity in the marketplace was essential. Two major pieces of legislation passed by the Congress sought to prevent private business from organizing in such a way as to limit competition or to artificially inflate prices to the detriment of consumers. The first such measure was the Sherman Antitrust Act of 1890, named for its chief Senate sponsor, Senator John Sherman of Ohio. After a 1911 ruling by the Supreme Court raised questions about certain key provisions of the Sherman Act, Congress in 1914 passed a second key antitrust act, the Clayton Act, sponsored by the chairman of the House Judiciary Committee, Representative Henry D. Clayton of Alabama.

Together, Mr. Speaker, these antitrust measures prohibited discrimination in prices, interlocking directorships in banks and corporations, contracts tying a purchaser to a single supplier, and the acquisition of competing companies within the same industry when the effect of such actions was to substantially lessen competition or tend to create a monopoly. As a precedent, these acts show Congress' determination to protect consumers in the marketplace from any corporate practice which limits competition. They serve as the predecessor of other consumer protection and regulatory legislation in the 20th century.

FEDERAL RESERVE ACT

The Federal Reserve Act of 1913 was Congress' attempt to stabilize the economy and to assure the safety of the banking system in America. In the early years of the Republic, Congress chartered a Bank of the United States. This bank, a semipublic and semiprivate financial institution, served as the Federal Government's principal revenue collector and currency supply regulator during the first four decades of our Nation's history.

The Bank of the United States helped to stabilize prices by its control of the money supply, and to protect against the worst economic disruptions of recessions and depressions. However, many in and out of the Federal Government distrusted its power, and President Andrew Jackson was instrumental in replacing it with a system of State banks in 1836.

The dispersed banking system, while it reflected popular sentiments, was frequently prone to failure during periods of depression—called panics in the 19th century. Particularly severe panics in 1873, 1884, 1893, and 1907 disrupted the economy and threatened many banks with failure. The financial community wanted to establish a central banking system, controlled by the banks themselves, to regulate the money system. Leaders of the Progressive Movement wanted such a central banking system, but wanted government control over the system.

The election of Woodrow Wilson in 1912 gave dominance to the Progesssive's position. The most important role in drafting and pushing the Congress to enact banking reform legislation was played by Representative Carter Glass of Virginia. Glass' bill provided for the establishment of a Federal Reserve System. Under this banking plan, banks wishing to join the system are required to subscribe 3 percent of their capital in Federal Reserve System stock. The Federal Reserve Bank serves as a clearing house for the Federal Reserve notes—paper currency—issued by the Federal Reserve Bank. The Federal Reserve Bank, in turn, keeps a specified amount of legal reserves usually in the form of U.S. Government securities in regional Federal Reserve Banks. The member banks in each Federal Reserve region elect members to a Board of Governors over the system; the President of the United States has the authority to nominate subject to Senate confirmation members of the Board of Governors and the Chairman of the Federal Reserve Board.

This act is a prime example of our Government's attempt to have Government and business work together in the public interest. The Federal Reserve System provides services for the private sector of the economy, but the Federal Government is guaranteed a substantial role, both by Presidential nomination of key officials and by congressional oversight of the banking system. Representative Glass was a major contributor to the success of this system—first as the author of the bill in the House, later as Secretary of the Treasury, and still later as a Senator from Virginia. His mix of public and private sectors in the administration of the banking system served as a model for other key acts of the Congress in regulating the securities industry, in guaranteeing the deposits of small savers in banks and savings and loan associations, and in many other areas involving financial transactions.

DECLARATIONS OF WAR

America has fought in many wars. Our independence as a nation was secured by war. Many parts of the country came under the control of our Government by war. A civil war threatened to divide our Nation permanently. But, twice in this century, a declaration of war by the Congress brought America into a global conflict. The pressures and problems war of this mangnitude entails make these war declarations by the Congress among the most important decisions we have ever faced.

America had, for most of our national life, avoided involvement in the politics and hostilities of nations outside the Western Hemisphere. That was our intention when war broke out in Europe in 1914. The European states had not faced conflict on such a scale for over a century. President Wilson pledged the continued neutrality of the United States toward the European combatants. In 1915 and 1916, Wilson proposed, and the Congress approved, a substantial increase in military spending—raising the size of the permanent Armed Forces to 200,000 men and increasing spending on warships and merchant ships to lessen United States dependence on shipping facilities of the belligerent or neutral European nations. The preparedness program, along with Wilson's campaign slogan "He Kept Us Out of War," were sufficient to bring the President a narrow reelection victory in 1916, making Wilson the first Democratic President to be elected to two consecutive terms since Andrew Jackson.

The peace with preparedness effort was shattered soon after the election. On January 31, 1917, the German Ambassador to the United States informed the State Department that beginning the next day, German submarines would sink on sight all merchant vessels, armed or unarmed, that they discovered in a military zone around the British Isles or in the Mediterranean. Diplomatic relations were promptly severed. In the month after Wilson was inaugurated, Germany sank five American merchant ships, and Wilson moved to request a declaration of war from the Congress.

Appearing at a joint session of the House and Senate on April 2, 1917, Wilson observed:

> It is a terrible thing to lead this great peaceful people into war, into the most terrible and disastrous of all wars, civilization itself seeming to be in the balance. But the right is more precious than peace. . . .

Not everyone in the Congress was convinced. The Senate did not vote in favor of the declaration of war for 2 days, and even then six Senators voted against war, while 82 voted in favor. One of the six, Senator George Norris of Nebraska, a Progressive Republican leader who was instrumental in the overthrow of Speaker Cannon during his earlier House service, spoke for the opposition:

> We are now the greatest neutral nation. Upon the passage of this resolution we will have joined Europe in the great catastrophe and taken America into entanglements that will not end with this war, but will live and bring their evil influences upon many generations yet unborn.

In the House, the opposition was more numerous. From April 5–6, 1917, the House finally adjourned after 3 a.m. on the morning of April 6, it had voted 373 to 50 to declare war. Among those 50 was Representative Jennette Rankin, a freshman Republican from Montana, the first woman Member of the House.

A quarter of a century later, the issue was more clearly drawn.

The Japanese attack on Pearl Harbor, coupled with its simultaneous attacks on the Philippines, Malaya, Guam, Midway Island, and other Pacific territories, muted nearly all opposition within the Congress. Even staunch isolationists who had opposed earlier preparedness efforts undertaken by President Roosevelt supported the declaration.

All but one, that is. In one of those curious circumstances that history reveals, Representative Jeannette Rankin had returned to serve in the House. After her vote against entry into the first war, Miss Rankin had unsuccessfully sought the Republican nomination for the Senate from Montana, and then was defeated for the Senate when she ran as an independent. She remained out of elective politics, but was then persuaded to run for election to the House in 1940 when the isolationist cause became politically powerful in the West. Returning to the House in 1941, she was the only Member of Congress in either Chamber to vote against the declaration of war on Japan.

Shortly thereafter, the Congress voted to declare war on Germany and Italy after these nations had joined their ally Japan in declaring war against the United States; Rankin remained steadfast, again voting against the declaration of war.

A declaration of war, while momentous in itself, has an impact beyond the start of military hostilities. War brings enormous strains to democratic institutions. The size and scope of Government expands enormously as the peacetime economy is mobilized to become the arsenal of democracy. When peace has returned after both wars, Government involvement in society and the economy has never returned to its earlier prewar levels.

Congress itself changed as a result of these wars. During the first war, Congress found that the existing system of managing Government finances could not cope with the explosion in needed Government spending. Consequently, Congress in 1921 directed the President to take the lead in Federal budget planning, establishing the General Accounting Office to supervise Government spending and management practices, and gave to its Appropriations Committees a central role in regulating spending legislation in the Congress.

During the second war, Congress realized that much of its legislative machinery was ill-equipped for the demands of an even larger, more complex, and more expensive war that would lead to a vastly different peacetime world. The realization led Congress to pass the Legislative Reorganization Act of 1946, the law that forms the basis for much of what we do and how we do it in Congress today.

CIVIL RIGHTS ACT OF 1964

In no area of domestic policy did the post-World War II era bring greater changes than in the area of civil rights. The Civil War amendments were thought to guarantee economic, social, and political rights to blacks emancipated after the Civil War. This was not the case. State government action, court rulings, and an unwillingness or inability of the Federal Government to act to remedy abuses against blacks contributed to the civil rights movement of the 1950's and 1960's.

Many times before, Congress had attempted to legislate an end to discriminatory practices against blacks. Poll tax legislation and antilynching legislation made its way to the Senate several times in the 1940's and 1950's, only to encounter a determined filibuster which supporters of the bill could not overcome. Civil rights legislation was enacted by the Congress in 1957 and again in 1960, but only after the bills had been so modified as to make them virtually meaningless. However, the growth of the civil rights protest movement, the involvement of both blacks and whites in the movement, and widely publicized attacks on civil rights demonstrators increased the demand for strong civil rights legislation.

The Kennedy administration had not been quick to move on civil rights legislation, believing that the devisive congressional debate would endanger the passage of other elements of the President's legislative program. But, in June 1963, as the pace and scope of civil rights demonstrations grew, the Kennedy administration submitted a proposal for the most comprehensive civil rights legislation of the 20th century. Support for the measure grew in the country and in the Congress when the largest civil rights demonstration in American history was held peacefully in Washington. President Kennedy met with civil rights leaders after the rally, and upon meeting Rev. Martin King, Jr., the President said, quoting from the civil rights leader's speech earlier that afternoon, "I have a dream, too." The civil rights bill moved slowly through the committees of the House and Senate until President Kennedy's assassination.

Lyndon Johnson, upon becoming President, urged the passage of the civil rights bill, including the controversial section on racial discrimination in access to public accommodations. President Johnson, as a southerner, spoke to southerners on the need for change, to overcome centuries of past injustice. In his first address to the Congress since becoming President, he urged the passage of the civil rights bill, and stated his determination to see the bill passed as a memorial to the late President Kennedy.

Under the leadership of House Judiciary Committee Chairman Emmanuel Celler, and with the support of House Republican Leader Charles Halleck, the civil rights bill was passed by the House on February 10, 1964. In the Senate, the longest filibuster in Senate history was mounted against the bill. Debate on a motion by Senate Majority Leader Mansfield to take up the bill began on March 9, and debate on the measure itself began on March 26, 1964. Debate continued almost daily on the civil rights measure as key Senate supporters, including Mike Mansfield, Everett Dirksen, Hubert Humphrey, and others, sought to obtain sufficient support to break the filibuster. On June 10, 1964, the Senate voted 71 to 29 to bring debate to a close on the civil rights bill, the first time in history that the Senate had voted to impose cloture on a civil rights bill. On June 17, the Senate passed its amended version of the measure. On July 2, the House agreed to the Senate version, thereby removing the need for a conference and later that day, President Johnson signed the bill providing sweeping protections of civil rights for blacks. The passage of this law brought a long-overdue transformation to our society and to the attitudes of most but, unfortunately, not all Americans.

THE WAR POWERS ACT

Mr. Speaker, I have already spoken of the extraordinary pressures which a formal state of war places upon democratic institutions. But, undeclared wars do the same as well. The Vietnam war brought such strains upon American society and, eventually, caused the Congress to rethink its role in authorizing United States involvement in military action. In earlier times, with slower communications and even slower troop movements, time permitted the President to request Congress to declare war, and time permitted Congress to debate and vote on such requests. Now, the nature of war has changed. It is often not possible for the President to receive advance authority from Congress before committing troops to combat environments. The issue we faced in the 1970's was: does Congress still have a role in approving U.S. involvement in hostilities? We answered finally that it must.

Senator Jacob Javits of New York in the late 1960's took the lead in the Senate in trying to fashion war powers legislation. Senator Javits was convinced that actions taken by the Congress in the Gulf of Tonkin Resolution, giving the President the unlimited authority to commit United States troops in Southeast Asia, was unwise. In 1972, his support in the Senate was crucial to obtaining Senate passage of a measure limiting the President's authority to commit troops to hostilities overseas without consulting the Congress or eventually obtaining congressional approval for continuing overseas troop deployments. However, the bill died in conference when the House and Senate were unable to reconcile their differences.

In 1973, criticism of the Nixon administration was mounting, and support for the war powers proposal grew. House Joint Resolution 542 of the 93d Congress marked the culmination of congressional efforts to fashion a workable, and constitutionally permissable compromise. The measure recognized that the President, as Commander in Chief of the Armed Forces, had the authority to deploy American forces as necessary. However, without a new law, Congress lacked the authority—short of cutting off funds for the support of troops in the field—to cause the troops to be brought home in a safe and orderly fashion. The Congress acted to set a legislative precedent, to establish an historical precedent, which says that there must be some burden on the President of the United States, when he knows something is about to start, to notify key Members of the Congress of his intentions. If there is any way in the world that he can, while protecting the security of the United States, let the Congress in on what is happening, he ought to do it, he must do it.

The War Powers Resolution recognized the President's authority to commit U.S. forces to hostile environments. However, the resolution required the President "in every possible instance" to consult with Congress before committing U.S. forces, and to consult regularly with Congress afterward. The President was required to notify Congress within 48 hours that he had committed American troops to a hostile environment. The measure contained new rules expediting congressional consideration of the issue, and required the termination of U.S. involvement in hostilities within 60 days unless Congress declared war, specifically authorized the troop commitment, or physically was unable to meet because of armed attack upon the United States. The measure provided that the President could extend the 60-day deadline by 30 additional days, if the safety of U.S. forces required a more prolonged disengagement period. The measure clearly also acknowledged Congress' authority to direct the President to disengage U.S. troops at any time.

Senator Javits took the lead on this measure, and our former colleague and long-time associate on the Foreign Affairs Committee, Clement Zablocki of Wisconsin, was a key figure in moving this measure through the House. Although President Nixon subsequently vetoed the bill charging that it was unconstitutional, we were able to pass this vital measure over the President's veto, narrowly in the House and by an overwhelming margin in the Senate.

In the intervening years, some have criticized the measure as unworkable; others have claimed it limits the President's options too much. But, modern conditions require consultation and concurrence between the President and Congress on such vital issues as war and peace. As one who introduced the first war powers bill in Congress, I believed at the time, and I continue to believe, that it is necessary for us, as the first branch of government, to reassert our rightful role under the Constitution. As we celebrate the bicentennial of the Constitution, and near the 200th anniversary of the convening of Congress, let us reflect on how Congress and the Nation have changed. But let us not forget that for the Constitution to remain a strong and vital document, Congress must remain a strong and vital component of the Federal Government. The War Powers Resolution was an essential step in assuring the continuing role of the Congress in setting national policy.

Mr. Speaker, this completes my discussion of great congressional decisions in its nearly 200-year history. Some may say there are other laws, other issues deserving of note. I am sure their suggestions have merit. But, taken as a whole, Congress' action on these 10 major issues show the House and Senate at their best: representatives of the people who reflect the strengths, diversity, and even the weakness of the people who sent them, grappling as best they can with new issues and new challenges, and looking to the future with confidence. It has been this way for 200 years, and we trust it will continue that way in our next century.

DRUG TESTING OK BY SUPREME COURT

HON. JOE BARTON

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 18, 1987

Mr. BARTON of Texas. Mr. Speaker, I rise today to commend the recent Supreme Court ruling that will allow the U.S. Customs Service to immediately implement their employee drug testing program. The National Treasury Employee Union is continuing to try to stop or stall the testing by appealing a Federal appeals court decision to allow the testing. If we are serious about waging "War on Drugs," then we must let our foot soldiers at the Customs Service test to rid their ranks of illegal drugs. In order to send a consistent message of our commitment to purging our Nation of drugs, the Federal Government needs to set the example and be permitted to take the measures necessary to insure a drug-free Federal work place.

I am confident this action will legally allow agency heads to carry out the President's Executive order of September 15 calling for the testing of over 1 million Federal employees in "sensitive positions." I urge my colleagues to encourage testing of Federal employees and not throw legislative road blocks to delay implementation of the Executive order. It has been 8 months since the illegal drug issue was politically popular and the Members of this body overwhelmingly passed the Omnibus Drug bill. The time has come to show our constituents and the world that our Government is dedicated to eliminating drugs from our society.

Mr. SHAW from Florida recently introduced H.R. 2306 that calls for drug testing for any U.S. employee who has access to classified information. We cannot allow the security of our Nation to be compromised by individuals whose decisions and actions are made under the influence of illegal drugs. I urge my colleagues to join me in cosponsoring this important measure.

[From the Washington Post, June 2, 1987]

COURT LETS AGENCY REINSTATE DRUG TESTS

RULING MAY INDICATE VIEW ON ADMINISTRATION-BACKED MANDATORY SCREENING PROGRAM

(By Al Kamen)

The Supreme Court, in a move that could indicate its views on drug testing of federal employees, allowed the U.S. Customs Service yesterday to reinstate a mandatory drug-testing program similar to one ordered last September by President Reagan for an estimated 1 million federal workers.

The court, with Justice William J. Brennan, Jr. in lone dissent, issued a one-sentence order saying it would not halt the program while an employe union appeals a federal appeals court ruling allowing the tests.

The action is the court's first in a case involving mandatory testing of federal employes and means that Customs can resume testing anyone seeking a job or promotion in certain "key" drug-enforcement positions.

In another ruling, the court side-stepped review of one of the most widely criticized decisions in its history. The justices ruled unanimously that a lawsuit brought by Japanese Americans interned in World War II relocation camps should be considered first by a lower federal court.

The drug-testing case began when the National Treasury Employes Union (NTEU), which represents the Customs Service's 9,000 employes, asked the high court to halt the tests, at least until the justices decided whether to hear union arguments.

The union contends that random testing—that not based on a suspicion of drug use in an individual case—violates Fourth Amendment rights against unreasonable searches.

The NTEU has also filed suit, pending in U.S. District Court in New Orleans, to block Reagan's more extensive program, which calls for random drug testing of federal workers in "sensitive" jobs.

A Justice Department spokesman said most federal agencies are devising plans for testing under that program, announced in an executive order last September.

NTEU President Robert Tobias said that, despite the court's action, he is hopeful that the justices will agree to the union's request that the court hear their appeal this month, even though the court finished its argument calendar for this term last month.

"I'm disappointed by the fact that the court failed to grant the stay," he said, "but I don't believe it indicates how the court will rule on the merits."

Government officials, saying they feel that the court action may reflect willingness to allow mandatory drug screening, were heartened. Customs Commissioner William von Raab said "drug screening is necessary to ensure that the people we hire and entrust with the enforcement of our nation's drug laws are not drug users themselves."

Customs spokesman David Hoover said testing is to begin today.

The opinion involving the Japanese-American internees was largely confined to a technical legal issue. The high court said the case should not have been heard by the U.S. Court of Appeals for the District of Columbia.

That court had said victims of the forced evacuation could sue the government for losses incurred when forcibly removed from their homes shortly after the attack on Pearl Harbor.

Justice Lewis F. Powell, Jr., writing for the court in *U.S. v. Hohri*, reversed that, saying the claims should have been reviewed by the U.S. Court of Appeals for the Federal Circuit. That court was created in 1982 specifically to review patent appeals and claims against the government. Powell threw out the original appeals court ruling ordering a trial on the claims.

Benjamin Zelenko, an attorney for the Japanese Americans, said he is "disappointed the court did not reach the merits" of his clients' claims that the normal six-year statute of limitations on such suits did not apply because the federal government concealed information from the Supreme Court when it upheld the internment in *Korematsu v. U.S.* in 1944.

"We're alive," Zelenko said, "but this means we are not going to get a trial" for some time. The court's action, he said, "just postpones it further for people who have waited so long for justice."

In the drug-testing case, the Customs Service tested 740 employees and applicants from July 1986 to November 1986, when a federal judge in New Orleans declared the plan unconstitutional. The judge said the program's monitored urine collection was "degrading" and an unreasonable search.

A divided three-judge appeals court panel reversed him April 22, saying the government's interest in screening employees involved in drug enforcement activities outweighs the program's "limited intrusiveness." It rejected union arguments that the agency failed to show a need for the program and that the program was ineffective.

Most state and federal courts reviewing mandatory drug testing have issued conflicting opinions on the questions, although many have frowned on plans that require testing without probable cause or at least a suspicion that an employee is using drugs.

The Supreme Court recently declined to review a ruling by the 3rd U.S. Circuit Court of Appeals in Philadelphia that upheld random testing for jockeys and in 1976 declined to review a ruling by the 7th U.S. Circuit in Chicago that permitted testing for bus drivers involved in accidents.

JESSE JACKSON OUR NO. 1 NUISANCE

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 18, 1987

Mr. SOLOMON. Mr. Speaker, it's time we declare Jesse Jackson to be Public Nuisance No. 1, and arrest him for impersonating a Secretary of State.

I'll ask the same question Kathleen Sullivan, in so many words, asked him on "Good Morning America." Who does he think he is suggesting a boycott of the 88 Olympics unless South Korea cleans up its act to Jesse Jackson's satisfaction.

Jackson flies around the world hugging and kissing the Castros, the Qadhafis, and the Arafats, praising murderers while condemning leaders of nations under seige whose only crime is to be a friend of America.

Has anyone here ever heard Jesse Jackson say one, just one, word critical of the Soviet Union?

He can do anything, say anything he wants, knowing that the least critical word about him will be drowned in charges of racism.

Well, I'm confident he doesn't speak for most of the black people in this country, and the only satisfaction I get in watching him is knowing that no one takes him seriously.

Jesse Jackson is a graduate of the Andrew Young School of Diplomacy, which sees Castro's troops as a stabilizing influence in Africa.

Has Jesse Jackson ever noticed that riots like those in South Korea never take place in Cuba, Russia, or North Korea?

No. He is too blinded by his own demogoguery to understand that it is South Korea's relative freedom that allows instant mobs to gather and perform for TV cameras.

Or maybe Jesse Jackson does understand * * * which raises a number of questions, doesn't it?

Just when we think we have gotten used to this kind of posturing, the front-running candidate for the Democratic Presidential nomination always manages to find some new subject for his gratuitous moralizing.

Mr. Speaker, Jesse Jackson and all of the other advocates of selective morality are having a field day with the Republic of Korea, their latest focus in the politics of indignation. The problem is that all of the free advice and all of the threats don't really accomplish anything. And we can't really hope to accomplish anything as long as we insist on seeing the situation as something other than what it truly is.

The truth is that there is plenty of blame to go around on all sides for the current impasse in the Republic of Korea. All sides know how to practice the politics on confrontation, and the best that we can do is to be consistent in our diplomacy toward them. Don't shed crocodile tears over the Korean people in the name of human rights and then turn around and take their jobs away in the name of protectionism—not to mention playing into North Korea's hands by questioning the legitimacy of the Olympics.

One final thing: Let's never forget that the Republic of Korea is an ally. We've defended them, and they've defended us. Once again the world is watching to see how America treats an ally during a difficult time. I hope we do a better job of it this time.

A TRIBUTE TO ST. NICHOLAS BYZANTINE CATHOLIC CHURCH

HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 18, 1987

Mr. TRAFICANT. Mr. Speaker, today I rise in order to pay tribute to St. Nicholas Byzantine Catholic Church of Youngstown, OH, a very special church in my 17th Congressional District. St. Nicholas will be celebrating its 75th anniversary on September 27, 1987, with a diamond jubilee dinner at The Embassy in Youngstown. St. Nicholas is one of the most beautiful churches in the 17th Congressional District, and it is with special pride that I take the floor of the U.S. House of Representatives today to pay tribute to this church's diamond anniversary.

St. Nicholas was organized on January 7, 1912, and is one of the oldest Byzantine Rite Catholic Churches in Youngstown. The original church was a wooden frame building, but as the parish expanded the location of the church moved to the corner of Wilson and Haselton Avenues. Construction on the awesome three-domed church started in 1917, and today stands as one of the most magnificent and breathtaking structures in Mahoning County. As the parish continued to rapidly expand, it acquired a cemetery, a parochial school known today as Byzantine Catholic Central, and one of the finest picnic facilities in all of Ohio. Under the outstanding and forward-thinking leadership of Rev. Father Dennis M. Bogda, the current pastor of St. Nicholas, extensive restoration of the church will be completed in August of this year.

The parishoners of St. Nicholas are all hard-working and productive citizens who are making outstanding contributions to the Mahoning Valley. Many of their parents and grandparents immigrated from Eastern Europe in the early part of this century to pursue the American dream. I am certain that the early founders of this church would burst with pride today to see St. Nicholas standing serenely and its parishioners moving confidently into the next 75 years. Thus, it is with thanks and special pleasure that I join with the people of the 17th Congressional District in saluting St. Nicholas Byzantine Catholic Church on its diamond jubilee.

FIVE HUNDRED AND THIRTY-FIVE SECRETARIES OF STATE

HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 18, 1987

Mrs. SCHROEDER. Mr. Speaker, of all the conservative hypocrisies that float—like paper airplanes—through this Chamber, one that is launched frequently is: We can't have 535 Secretaries of State meddling in foreign policy.

This morning's DSG Daily Report advises us that there may be 29 amendments offered to H.R. 1777, the State Department authorization.

Of these 29 amendments, 22 will be offered by conservative Republicans meddling in foreign policy and 7 will be offered by meddlers from the other side of the aisle.

PROMOTING DEMOCRACY IN TAIWAN

HON. ROBERT G. TORRICELLI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 18, 1987

Mr. TORRICELLI. Mr. Speaker, I would like to join my colleagues in urging the authorities on Taiwan to build upon the gains of the past year to accelerate that country's movement toward a fully democratic system of government. Recent unrest in Korea both demonstrates the cooperative spirit that prevails in Taiwan and underscores the danger of not promoting political change.

Over 30 years ago, the people of Taiwan began constructing an economic miracle that has given them prosperity and advanced educational opportunities for all. In addition, they have participated in elections for local offices and, increasingly, for national offices that have demonstrated the advancing state of democracy in Taiwan.

The people of Taiwan, however, recognize the widespread economic growth is bringing new issues into the political arena—the environment, consumer regulation, and mass transit. Consequently, a desire has arisen for a more active and fully capable central legislature and central electoral college to handle these new issues.

Last fall, the authorities on Taiwan announced that the Kuomintang regime intended to end the state of martial law and lift the ban on the creation of new political parties. They also indicated a desire over the next few years to make Taiwan's central representative bodies more representative, to broaden decisionmaking within the Nationalist Party, to enhance the rule of law, and to increase the powers of local-level government.

In addition, Taiwan's democratic opposition announced the formation of the Democratic Progressive Party. Late last year, the party and other opposition figures successfully participated in elections which further indicated the vitality of democracy in Taiwan.

As Taiwan begins implementing the changes announced by the authorities on Taiwan and the Democratic Progressive Party begins to fully participate in representative government, I look forward to continued progress toward free and fair elections at all levels of government. I take this opportunity to commend the people of Taiwan on their achievements, past and future.

IF NECESSARY, A SUPERPOWER ACTS ALONE

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 18, 1987

Mr. LAGOMARSINO. Mr. Speaker, I would like to bring the following essay from the June 22, 1987, edition of Time magazine to the attention of my colleagues. I believe this is an excellent commentary on the current Persian Gulf policy debate. As this insightful essay details, it is sometimes necessary for a superpower to act alone. I strongly urge my colleagues to carefully consider the issues raised in this article before rushing into decisions that may seriously hurt, not help, our Nation.

IF NECESSARY, A SUPERPOWER ACTS ALONE

Since Vietnam, Congress has muscled its way into the formulation of American foreign policy, first with the War Powers Resolution and then with a baroque assortment of Boland amendments. Now Congress is determined to pronounce on the Persian Gulf. But Congress does not know what to say. In the past two weeks it has been toing and froing, its actions best summarized by Congressman George Gekas, who said on the floor of the House, "We are confused. If you are not confused, I am, and I am willing to admit it. That may be the difference between me and most of you."

Congress will not, however, allow confusion to deter. Instead, it is trying to legislate its confusion with a series of stalling actions. First the Senate, then the House voted to block Administration plans to put Kuwaiti tankers under U.S. Navy protection unless they got a report from the President on the risks and dangers. A report is due soon, which means Congress might actually have to make a decision on a plan that the Administration first presented to the Senate Armed Services Committee and the House Foreign Affairs Committee in March. At which time, pre-*Stark*, congressional leaders showed little interest in the issue. Post-*Stark*, they discovered that the Persian Gulf is a dangerous place and went into a frenzy of directionless activity. Except for Claiborne Pell, chairman of the Senate Foreign Relations Committee. He knows where he is headed. He introduced a bill (S. 1327) that prohibits the Administration from reflagging Kuwaiti vessels but urges a "United Nations peacekeeping force to protect nonbelligerent shipping in the Persian Gulf and to seek an early end to the Iran-Iraq war." (It would, of course, be a late end, the Secretary-General having tried for years for an early one.)

The reaction to the President's reflagging plan are many, and they generally fall along party lines. For example, among presidential candidates, Democrats (with the notable exception of Senator Albert Gore) are trying to restrain him. Republicans (with the notable exception of Robert Dole and Alexander Haig) are supporting him.

Democrats begin every call for retreat with the ringing assertion that the Persian Gulf is indeed a vital American interest and the United States will not be run out of the region. But they then set conditions for U.S. action in the gulf that are impossible to meet. The favored technique for doing this is to demand that the United States not act alone. Where are the allies? they complain. After all, it is their oil and not ours that is flowing through the gulf. They should join us in any military action. If they don't act, why should we?

This objection fails on four counts. First of all, it is "their oil" in only a technical sense. It is true that the Europeans and Japanese import more gulf oil than the U.S. does. But oil if fungible, and the U.S. imports almost half its oil. Were the gulf shut down, our allies would have to get it elsewhere, thus bidding up the price. If this resulted in a panic, as happened in the oil shock of 1979, all oil importers, including the U.S., would be badly damaged.

Second, this scenario—"their oil" in the gulf, "ours" safely elsewhere—is not just false, it is beside the point. The reason for reflagging Kuwaiti tankers has little to do with securing Western oil supplies. There is no new threat to world oil supplies. Iran has long threatened to close the Strait of Hormuz and long desisted, for the simple reason that nearly all its own oil flows through the strait. And the tanker war in the Persian Gulf has been raging for almost four years, during which time the world has seen the greatest oil glut and sharpest price collapse in history. The Administration wants to protect Kuwaiti oil not because the West needs to buy Kuwaiti oil, but because Kuwait needs to sell it.

Third, the British and the French, who have powerful navies, are in fact on patrol around the gulf. As for the West Germans and the Japanese, they have no global navies to send. (We arranged for that after World War II.) Shall America wait then for the Canadians and Italians before venturing back into the gulf? As Secretary Shultz points out, the British have two frigates and a destroyer in the area, which is more, proportionately, than the U.S. has. The French also have warships in the region protecting their own vessels. Shouldn't they be acting with the United States to protect American-flagged ships? The answer is that they did join the U.S. in a similar action in Lebanon four years ago and woke up one morning to find that the U.S. had "redeployed" its Marine force to the Mediterranean and left the French high and dry. They have learned that American ambivalence about the use of force abroad is such that it is unwise, indeed reckless, for any ally to risk a joint venture with the U.S.

Fourth, even if all of the foregoing were not true, the idea that a superpower does not act except in conjunction with allies has become the disease of American foreign policy. Central America is without a doubt a vital American interest, but, we hear, America must not act unless Contradora or the OAS or Costa Rica—a country with no army—leads the way. Since it is impossible to imagine that weak countries will go where a superpower fears to tread, this requirement of allied support is a guarantee of American inaction. This is isolationism disguised as multilateralism. It betrays a fundamental misunderstanding of what superpower status means. It means acting to protect allies even when they are too weak or too cowed to do so on their own. In most foreign policy crises, such is the case. The only country in a position to act is the U.S. To fob off the responsibility on allies, who we know in advance are in no position to act, is to declare, in the most pious multilateral tones, an American retreat.

The highest form of multilateral nonsense, however, is to pretend to fob off the responsibility on the U.N., as Senator Pell proposes. And Pell is not alone. Presidential Candidate Michael Dukakis spoke for much of the Democratic Party when he expressed opposition to American use of "armed forces in the gulf unless it does so in concert with other nations, preferably under the aegis of the U.N. Security Council."

When Cordell Hull, F.D.R.'s Secretary of State, talked of the U.N. as a panacea for world problems of bringing an end to the era of power politics, he could be forgiven because the U.N. did not yet exist.

Forty years later, one cannot be forgiven. What exactly do Pell, Dukakis and the Democrats have in mind? Perhaps they think of the U.N. as some independent world actor. Jeane Kirkpatrick, who spent some time there, had a crisper view. She called it a "Turkish bath" where the Third World can let off steam, denounce the West, air resentments and demand transfers of wealth. Its principal achievement is to generate a billion pages of paper every year. This U.N. is not even able to field peacekeeping forces in precisely the areas, like the Sinai, where they are most needed. When Egypt and Israel signed a peace treaty that effectively ended the possibility of a major war in the Middle East, the U.N. called its peacekeepers home, since this was not a peace that it approved. The U.S. had to field a makeshift substitute force. This U.N. is hardly capable of any action. It is certainly not going to do the West's dirty work in the Persian Gulf.

What about the Security Council? If Pell really wants the Security Council to protect the gulf, what he means is for the U.S., Britain, France, China and the Soviet Union to act together. But this is absurd. China, for example, is supplying Iran with the very missiles it would use to target any peacekeeping flotilla. And even if united action were possible, it would not be desirable. What the "U.N. route" really means, after all the disguises are removed, is that the U.S. should act in the gulf only with the permission not just of allies but also of the Soviet Union. This amounts to ending Western control of the gulf, which the British maintained for a century and which the United States has been keeping for the past 15 years, and turning it over to a joint partnership with the Soviet Union. Because of what? Because in an accidental attack one Iraqi plane hit one American ship that was asleep in a war zone.

To invite the Soviets to share the responsibility, and thus the rewards, of controlling the Persian Gulf would amount to the most astonishing voluntary abdication of a Western position in the postwar world. At least when the British ran out on their responsibilities in the gulf in 1971, they turned it over to an ally. But now Pell and others would like to offer the Soviets, who have been lusting for the gulf since Romanov days, a share of it. Gratis.

But the Democrats are not alone. Among the others warming to this idea is Howard Baker. "It's a unique arrangement that the Kuwaitis chose to invite both the United States and the Soviet Union to share the responsibility for assuring the passage of oil tankers in the Persian Gulf," he offered. "That's real first . . . I think it is clearly not a bad thing." If this was an off-the-cuff remark, it shows an amazing lack of seriousness by the vaunted new Administration team. And if what Baker enunciated was a decided change in American policy, it constitutes a far-reaching and gratuitous American capitulation.

Have the Democrats of the Administration thought through the implications of a "U.N. action" or of cooperation with the Soviets? One suspects they have. Congress is obsessed that the Persian Gulf may be a new Gulf of Tonkin. The Administration is obsessed that it may be a new Lebanon. Everybody is looking for a way out.

But if the United States is not going to defend its allies and interests in the Persian Gulf, then where? The gulf is the one area declared by the last Democratic President to be such a vital American interest that he pledged—this is the Carter Doctrine—American military action, if necessary, to secure the gulf.

Those advocating retreat, in its various camouflages, ought not to be debating whether our defense budget should be $303 billion or $289 billion. Thirty billion ought to be quite enough to maintain all that their foreign policy would require: a few nuclear missiles and a Coast Guard to patrol the Florida Keys.

(By Charles Krauthammer)

FOREIGN AID AND U.N. VOTING PATTERNS

HON. PATRICK L. SWINDALL

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 18, 1987

Mr. SWINDALL. Mr. Speaker, as the author of the amendment which was agreed upon on Tuesday, June 16, that dealt with the State Department's annual report on policies pursued by other countries in international organizations, I would like to state my intention that the report be printed in the following manner, so that each individual nation's voting record in the United Nations appears directly beside the amount and type of foreign assistance the U.S. Government makes available to each such nation.

FOREIGN AID AND U.N. VOTING PATTERNS

[Dollars in thousands]

Country	U.S. economic/military assistance, fiscal year 1985	U.N. voting record, 40th General Assembly, percent coincidence with U.S. votes (yes/no)
African Bureau:		
Sudan	$253,220	15.5
Somalia	104,869	16.3
Liberia	81,153	23.7
Kenya	78,449	16.7
Zaire	67,734	23.1
Zambia	50,000	14.9
Senegal	47,196	19.3
Zimbabwe	36,214	14.6
Niger	32,793	17.6
Mali	32,096	11.1
Mozambique	30,000	5.9
Cameroon	27,406	18.0
Malawi	26,979	26.9
Rwanda	21,667	17.4
Botswana	21,227	17.4
Chad	20,717	18.0
Madagascar	19,680	10.6
Ghana	17,041	13.2
Lesotho	16,204	16.0
Mauritania	15,463	16.1
Guinea	11,722	12.1
Burkina Faso	10,855	13.1
Swaziland	9,856	22.0
Sierra Leone	8,715	18.3
Uganda	7,946	13.2
Djibouti	7,576	14.3
Togo	7,307	19.0
Mauritius	7,000	22.1
Gambia	6,354	14.9
Burundi	6,035	15.9
Central African Republic	4,136	20.9
Ethiopia	3,909	9.3
Tanzania	3,278	11.3
Guinea-Bissau	3,004	12.2
Cape Verde	2,795	11.9
Seychelles	2,472	11.9
Benin	2,124	8.8
Gabon	1,931	19.7
Equatorial Guinea	1,071	21.2
Congo	1,000	11.3
Comoros	400	12.1
Ivory Coast	161	27.3
Additional regional funds	110,792	
Total	1,220,547	
Latin America/Caribbean:		
El Salvador	561,076	30.2
Honduras	282,571	29.8
Costa Rica	216,049	29.1
Dominican Republic	178,699	25.0
Jamaica	164,624	22.7
Guatemala	98,124	25.2
Panama	79,411	19.7
Peru	70,035	17.8
Ecuador	58,604	24.6
Haiti	55,021	23.8
Bolivia	44,135	18.5
Belize	24,730	37.8
Colombia	11,476	27.9
Grenada	11,191	71.7
Mexico	9,896	14.5
Paraguay	2,078	35.4
Brazil	750	16.0
Uruguay	100	18.1
Venezuela	96	19.0
Guyana	80	13.9
Barbados	69	20.3
St. Vincent	56	32.7
St. Lucia	48	26.2
Antigua	45	25.0
Bahamas	44	18.6
Suriname	42	16.2
Dominica	41	24.2
Trinidad and Tobago	39	17.8
St. Kitts-Nevis	26	50.0
Additional regional funds	253,410	
Total	2,122,566	
Asia/Near East/Europe:		
Israel	3,350,000	91.5
Egypt	2,479,883	15.3
Turkey	879,490	38.1
Pakistan	638,013	16.1
Greece	501,366	33.3
Spain	414,926	55.6
Philippines	269,676	22.3
Korea	231,943	—
Portugal	207,959	75.0
Bangladesh	198,874	16.1
Jordan	191,877	14.2
India	176,049	8.9
Morocco	150,096	15.9
Indonesia	147,020	14.3
Thailand	140,310	22.4
Tunisia	96,577	13.9
Sri Lanka	65,121	16.8
Oman	60,155	13.6
Yemen	46,955	9.0
Nepal	21,791	18.0
Burma	20,669	17.1
Lebanon	19,480	13.1
Cyprus	15,000	11.6
Malysia	4,981	16.3
Fiji	2,484	26.0
Micronesia	2,361	—
Maldives	1,522	12.5
Western Samoa	1,166	27.4
West Bank	1,373	—
Solomon Islands	982	48.1
Papua New Guinea	971	23.1
Gaza	679	—
Tonga	648	—
Afghanistan	543	6.2
Kiribati	227	—
Yugoslavia	96	11.9
Algeria	64	5.1
Singapore	50	23.6
Austria	49	40.0
Tuvalu	34	—
Fiji (inland)	32	26.0
Iceland	22	62.4
Additional regional funds	49,334	
Total	10,390,848	

Source: Agency for International Development.

BATTLE CREEK, MI, IS A CARING COMMUNITY

HON. HOWARD WOLPE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 18, 1987

Mr. WOLPE. Mr. Speaker, over the years, the residents of Battle Creek, MI have distinguished themselves as a community of caring and concerned people determined to improve their city, revitalize their neighborhoods, and enhance the quality of life they share with all their neighbors. On Saturday, June 20, that spirit of community will be manifest throughout Battle Creek as over 600 volunteers spend their day painting and refurbishing the homes of 33 disabled residents and senior citizens living on fixed incomes.

Sponsored by Neighborhoods, Inc., a local housing rehabilitation agency, and PRIDE, Inc., the local affiliate of Keep America Beautiful, this weekend's painting "blitz" is a beautiful example of selfless giving. Thirty-six crews of volunteers—representing Battle Creek's churches, service clubs, city government and civic organizations—will band together with over 60 local businesses in a cooperative effort to help their neighbors and beautify their neighborhoods.

I want to pay special tribute to those volunteers and businesses who this Saturday will spend their time and energy in service to others. Their example is one that communities everywhere should strive to emulate.

CONGRESS' WHITE FLAG

HON. MICHAEL G. OXLEY

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 18, 1987

Mr. OXLEY. Mr. Speaker, during the past few weeks, many of my colleagues have spoken out against the Reagan administration for its decision to place the American flag on Kuwaiti ships in the Persian Gulf. While my colleagues have questioned and criticized the President's decision, they have offered few, if any, alternatives. An editorial in the June 17 issue of the Washington Times points out that the flow of oil from the Persian Gulf must be protected and that the Soviets should not be allowed to increase their presence in this strategically important area. I would like to place this editorial in the CONGRESSIONAL RECORD and urge all my colleagues to read it.

Thank you.

[From the Washington Times, June 17, 1987]

CONGRESS' WHITE FLAG

The U.S. Congress, taking a break from its Iranamok deliberations, has turned its attention to the Reagan administration's decision to fly the Stars and Stripes—and thus grant U.S. naval protection—on 11 vessels now flying the Kuwaiti flag. Last weekend Senate Armed Services chairman Sam Nunn described reflagging as "a symbol of the absence of policy," while Senate Foreign Relations chairman Clairborne Pell wrote in *The New York Times* that the proposal does not serve U.S. interests and should be blocked by the Senate.

Both criticisms fundamentally distort the strategic issues in the gulf. The map below illustrates what is at stake. The Persian Gulf is a relatively small body of water, bordered on the north and east by the warring states of Iran and Iraq, and to the west by the oil states of Kuwait, Saudi Arabia, Bahrain, Qatar, the United Arab Emirates, Oman—in short, most of the arab oil producing states. This is important because roughly 70 percent of the world's known oil reserves lie in and around the gulf. All the oil products that supply America's fleet in that region of the world also flow through the gulf. If any nation were to control that waterway, it would control the sea lanes through which flow the vast majority of the free world's oil.

Right now, Iran has done its best to sabotage portions of those sea lanes. It has begun mining harbors near Kuwait in order to prevent Kuwaiti trade with Iraq; it has purchased a variety of small aircraft ostensibly for use as Islamic kamikaze machines; and it has issued none-too-subtle threats against nations that try to conduct commerce anywhere near its war with Iraq.

The ayatollah's paradise also has cozied up to the Soviet Union in recent months, signing an economic protocol in December and more recently purchasing arms from the Kremlin. Last week Soviet Deputy Foreign Minister Yuri Vorontsov took tea with Iranian President Ali Khamenei in Tehran and declared that "We in the Soviet Union believe that the U.S. armed forces have no business in the region." The Soviets, who are self-sufficient in terms of oil and who conduct no trade through the gulf, meanwhile have offered to reflag three Kuwaiti vessels, and have dispatched a cruiser, a destroyer, a guided missile frigate, and mine sweepers to the gulf.

These actions fit into a 300-year-old Russian plan for gaining access to a warm water port. If the Soviets could gain a balance of terror in the gulf, they not only would gain a warm water port; they would acquire the ability to control the flow of oil to the free world. Such considerations—not an inordinate fear of Communism—led the president to embrace the reflagging strategy.

Kuwait's request for help amounts to little more than a request to keep Persian Gulf sealanes open. Yet the significant thing about reflagging is that it primarily benefits Americans, since our law requires at minimum that a ship must have an American master and 51 percent American ownership to qualify for such protection. Moreover, the United States has reflagged at least 50 vessels since 1980, without complaint from Congress, for ships previously flagged by such allies as Great Britian.

Seen in those terms, Congress' horror over reflagging contains a certain element of Arab-bashing, especially in light of last week's decision to deny an administration request to sell Maverick missiles to Saudi Arabia. But isolationists on the Hill seem primarily concerned over the fact that members of the American military might actually face hostile fire in the gulf.

Although that is a relatively remote possibility inasmuch as the rules of engagement reported to Congress yesterday ensure that American forces will have the authority and ability to defend themselves, Congress cannot bear the danger of an area in which 2 percent of the vessels over the past year have faced any sort of fire. It wants the president under such circumstances to fly the white flag, not the stars and stripes.

This desire, which our Arab allies say would destroy our credibility in the region for years, has expressed itself in arguments that Kuwait's request for protection is analogous to the Afghan request for Soviet support; that the military could be as vulnerable on the gulf as marines were in the Beirut barracks; and that the Soviets and the United States should work together in the gulf because the Soviets have said they intend no mischief.

These are transparently silly nits. The point is that the United States has a legitimate purpose in protecting the flow of oil through the gulf, and should make use of the reflagging option. If there are any problems with the administration approach, they lie not in the broad outlines of protecting the gulf, but in the important details necessary for making that policy work effectively. Those details range from things as minute as determining just how few English-speaking workers theoretically could wind up on an American-flagged vessel—a question raised by some Navy officials—to how much real support we will get from our NATO allies.

If Congress wants to play a serious role in evaluating the reflagging program, it should focus on these issues and stop stroking our enemies at the expense of our friends.

BILL ALEXANDER'S PUBLIC SERVICE

HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 18, 1987

Mrs. SCHROEDER. Mr. Speaker, our distinguished colleague from Arkansas, BILL ALEXANDER, did a public service Monday. He inserted in the CONGRESSIONAL RECORD 3½ years of legislative debate on the Boland amendment.

This document belongs in every library, every schoolroom, every newsroom, and every living room in the United States.

There are some who complain—they complain about the cost—but their real complaint is a fear. They do not want Americans to have an informed opinion about U.S. foreign policy in Central America.

But the fact is that the American public is better informed on foreign policy than is President Reagan.

We have a President who doesn't know what he knows—who knows what he doesn't know—depending upon which day you ask him.

I urge my colleague from Arkansas to mail Monday's CONGRESSIONAL RECORD to the personal attention of the President. Then he will no longer have any excuses.

I want to put in the RECORD today's Washington Post editorial also commending Representative ALEXANDER's action.

THE RIGHT STUFF

There has been quite a flap over Rep. William V. Alexander's enterprise in causing the hefty legislative history of the Boland Amendment to be exhumed by the Library of Congress and printed in full in the Congressional Record of this past Monday, June 15. The resulting volume, although it is quite portable and handy, contains over 400 pages of Bolandiana. It was estimated the other day to have cost the government $197,000 to produce—an assertion that generated much talk of wantonness and profligacy on the part of the Arkansas Democrat, Mr. Alexander, who set the project in motion.

The $197,000 estimate is said by some to be high and likely to be recalculated downward. But even if the original figure holds, we think it's as wise an expenditure of funds on the Congressional Record as we've heard of in some time. The volume will be an invaluable source book in the angry debate over the genesis and development of U.S. Nicaragua policy, a debate that could surely profit from the introduction of more facts and better history. It will go to libraries and other institutions all over the country that subscribe to the Congressional Record and be available for purchase in individual copies for $1.25.

Those among us who look in on the Congressional Record on a daily basis will know that this will probably be among the most serious and public-business-oriented editions of the venerable journal they will ever see. The Congressional Record, into which legislators can put just about anything and frequently do, on some days resembles a literary version of the Islip garbage barge, an anthology of trivia, claptrap, and—above all—self-promoting, parochial drivel which does the legislator who inserts it some political good somewhere at public expense. If Monday's volume cost the taxpayers too much in the opinion of some of these legislators, they should have no trouble making up the funds by cutting down on the high proportion of junk with which they normally like to fill the Record's pages.

TRIBUTE TO LORRAINE H. WERNER

HON. ROBERT G. TORRICELLI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 18, 1987

Mr. TORRICELLI. Mr. Speaker, it is with great pleasure that I would like to recognize Lorraine Werner for her years as an effective and dedicated community servant on behalf of the city of Garfield. Lorraine began her services for Garfield in 1956 as clerk-typist in the recreation department. She was moved to the city clerk's office in 1957 and then promoted to assistant city clerk in 1969. On May 18, 1976, Lorraine was appointed city clerk.

She has been an active member of the Bergen County Clerk's Association, the New Jersey Municipal Clerk's Association, as well as the International Municipal Clerk's Association. Continuing her interest in the field, Lorraine received certification from Rutgers University as registered municipal clerk in 1980.

Involved in many aspects of community life, Lorraine has been an active member of her church. As a member of the Holy Trinity Lutheran Church, Lorraine has sung in the church choir and taught Sunday School and Vacation Bible School. She has volunteered to serve as codirector of the Holy Trinity Church-Early Childhood Education Department which will open in September. Lorraine's work on behalf of the Garfield youth has also extended to her organization of Youth Week activities for a number of years and her assistance of Garfield Cadets.

I am pleased to have the opportunity to honor Lorraine Werner today. She is an inspiration to all dedicated to community service.

"GLASNOST" SUPERFICIAL AT BEST

HON. GERRY SIKORSKI

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 18, 1987

Mr. SIKORSKI. Mr. Speaker, for many months now we have been hearing about the new Soviet policy of glasnost. But the harsh reality is that improvements have been superficial at best.

While it is true that 871 refuseniks were granted permission to emigrate last month, there are 400,000 more who are awaiting freedom. One of them is Yuri Druzhnikov.

Mr. Druzhnikov is a well-known novelist, playwright, and author of short stories for children. He has been dubbed the "Dr. Seuss of the Soviet Union." Mr. Druzhnikov has been denied permission to emigrate almost 20 times since 1977. When he applied to emigrate to Israel, he became a virtual nonperson. Soviet officials removed his books from stores and libraries, his name was deleted from articles in professional journals, and a play of his was closed without notice.

On April 18 of this year, Mr. Druzhnikov sent a letter to the Union of Soviet Writers asking for permission to speak before his colleagues. He warned that if such permission was not granted within 1 month, he would send an open letter to the members of the Soviet Writers Union and to the West. By May 18 Mr. Druzhnikov had not received a reply from the Soviet officials, so he sent out his letter. This letter was published by a Russian newspaper in New York, Novoye Russkoye Slovo. The following is a translation of Yuri Druzhnikov's article:

"HOLIDAY" ON THE STREET OF REFUSENIKS

Iurii Druzhinin, a writer living in Moscow, is currently celebrating an unusual anniversary. Exactly ten years ago he first applied to OVIR[1] to emigrate to Israel. A month before this anniversary, Druzhinin asked permission of the secretaries of the Union of Soviet Writers (Vladimir Karpov, Iurii Verchenko, Felix Kuznetsov, and Viktor Kobenko) to have an opportunity to appear at a meeting of the union or to tell about what is happening to him in a newspaper article. Since no answer was received, Druzhinin sent the following communication to Soviet writers:

OPEN LETTER TO MEMBERS OF THE SOVIET WRITERS' UNION

When one writer appeals to others it is, you'll agree, something more than just a letter. I wanted to appear before you at a meeting or in the press, but was not given the opportunity.

The date is here: 10 years from my expulsion from the Writers' Union. An expulsion carried out by the secretariat of the Moscow branch secretly, in my absence, not in accordance with the charter and inhumanely. I was never officially informed about the expulsion.

I am the author of eight books of prose and plays; these were all published, translated into many languages, presented on the stage before 1977, when I requested permission to emigrate abroad. I didn't leave. And it appears that my unrealized wish has been subject to punishment.

Shortly after my application to emigrate, the administrators of our Union began to act. And look—the anniversary, an anniversary not only of my expulsion but also of their activity.

10 years—a veto imposed on all publishing houses: a new novel, two collections of short stories, all approved by the reviewers, announced in prepublication plans, some even set in type. Banned by the noise (or writing?) from the Writers' union.

10 years—I haven't been able to publish even a line in any press outlet.

10 years—my plays have been removed from theater repertories, there are no reviews, they don't let me appear before readers, they have removed my name. I was thrown out of Litfund, our union, from access to medical treatment, from the bookstores.

10 years—of black literary work (incidentally, in the publications of the Writers' Union).

10 years—the Writers' Union won't answer my appeals or the inquiries of colleagues or literary organizations abroad. The leaders of the Writers' Union have orally told some western colleagues that so-and-so is flourishing (a legend) or that he doens't even exist (another legend).

In the course of ten years there is the buried image of one disenfranchised, as reconstructured by the Writers' Union.

And—for ten years they won't let me leave.

The reasons why? They change. Here are some examples of official answers: "The condition of his former wife" (who hasn't worked in 12 years; "Other considerations apply"; "Because of the bad weather" (apparently international?); "You yourself ought to know why."

For 10 years the OVIR has demanded employment documents, and my place of employment was the Writers' Union.

The Secretary of the Writers' Union, Vladimir Karpov, at a meeting of the Supreme Soviet of the USSR, announced: "One must not appoint a writer nor must one remove him from employment" (*Izvestiia*, Nov. 19, 1986). And he tells you're expelled. So you're off to the OVIR and there they tell you they don't release those who "maintain a position of employment," and even if they fire you, you're dealing again with the Writers' Union. Is the decision perhaps made by the KGB, which (back in the time now being criticized for lack of 'glasnost') warned me about the dangers of Western publications? I have in mind some fiction, a story about standing in line at the OVIR and a telegram greeting Prof. Sakharov on his birthday.

And so, 10 years—disenfranchised at the Writers' Union, a 'refusenik' at OVIR and, as I was told by the KGB, a "former writer." Isn't this just too many "honorary" positions to hold? What did I deserve? Just one wish to live in Israel?

The Writers' Union for some time has been seeking to normalize its relations with the International PEN Club and, as a group, to join it. But the facts of a case like mine, the relationship toward the Writers' Union member who was some time ago elected a member of the PEN-Club, are a hindrance in normalizing relations. For 10 years they simply won't let me leave.

Our colleagues in various countries, publishers, and literary oganizations are increasingly being drawn into this affair. Heads of state relay requests to release such-and-such a person, taking time away from global matters. But who is it that's turning a private departure into politics?

Why am I writing to you? I often read the presentation of Writers' Union members, where there is much talk of the importance of knowing the truth about the past, of the sacrifices of Soviet literature. I agree. This is important. So, come to the aid of Mandelshtam, Babel, Bulgakov, Tsvetaeva, Zoshchenko, Platonov, of the Jewish writers shot for nothing in 1952, of many others of whom there remained not even a gravestone. Alas, you won't dust off history, but can't we learn some lessons from it?

For 10 years I waited patiently, hoping for something. But the limit has arrived. Now "glasnost," and we can't be silent, can we? I want you to know what is going on behind your back. For even if it's done without your knowledge, it's being done in your name. If arbitrariness rules, nobody is insured.

Among the Writers' Union members there is neither a Zola nor a Korolenko. The same administrative hands are raising the dead from the grave, re-registering them again as Union members, while burying the living, wiping out their names. What can I do if I am still not dead but my books are already buried by the Writers' Union?

POSTSCRIPT

[This story by Iurii Druzhinin, written about his anniversary, was recorded on tape by some American colleagues visiting him.]

The fate of a writer in Russia has always been, if you will, an indicator of what's really going on. As you can see, the long-awaited "glasnost" has not yet reached everybody.

Now my life has entered a new, jubilee, period. You could say I've stood on an anniversary watch. I began to live from event to event: 10 years from the first turndown of my application, 10 years since the publication of my last book (in Poland, where the long arm of the Writers' Union didn't reach immediately), 10 years since the chief physician of the Writers' Polyclinic denied me dental care, 10 years since my first summons to the KGB .... Later I'll celebrate ten years from the second summons, then the second turndown, the third .... Since they've turned down my request to leave so many times (some applications, in various instances, I wrote 156 times, trying to obtain justice) one could say that my life has turned into an unbroken holiday.

My plays have been banned in theaters for 10 years—this is yet another anniversary. Regarding this I'm planning to open by fall, for the upcoming theater season, my own studio, named TOP (Theater of the writer-refusenik). In it'll be performed my comedy, "Who is last? I'm after you."

The comedy takes place at the OVIR. Kolpachnyi lane in Moscow, where the institution is located, becomes changed into Street of Refuseniks. The actors (there will be both actors and puppets) stand in line. These are the "renegades" (as termed by the Soviet press), that is, citizens who were photographed for a visa but weren't given one.

Among the people standing in line is a middle-aged tenor, Aron Berman who was demoted to baritone by the concert-hall administration for applying to emigrate. Another hero was sent to OVIR from the Bureau of Apartment Allocation. He wants to exchange his apartment in downtown Moscow for one in New York and has brought a form showing the agreement of all six of his neighbors in his communal apartment. A third person brings in an application saying "Please transfer me from domestic emigration to foreign." A fourth hero, citizen Luker'ia Sidorova, also wants to go to Israel and comes with a document stating that Isaac Katsnelson in Tel Aviv is really her cousin. Fifth, finally, is an engineer, M., at a watch factory. He has access to state secrets: he know how the hands of a clock work. His dream is to lighten the work load of the OVIR employees. In his free time not spent standing in line, M. made a clock for the reception-room at OVIR. Each six months a little window in the clock opens and a pretty inspector-doll says to those in the room: "Coo-coo"!

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[1] OVIR: Section of Visas and Registration (Otdel viz i registratsii) of the Ministry of Internal Affairs; the Soviet Government agency in charge of granting exit visas to would-be emigrants.

The main hero of the comedy, a writer-refusenik, hesitates, because he doesn't know where best to celebrate the tenth anniversary of being denied—in the reception-room at OVIR, or at the Writers' Union. For, regardless of his wishes, this anniversary was organized by those who stopped him.

It is terrible to say, but writers and bureaucrats are fettered by the same chain. The arbitrariness is not limited, there is nowhere to appeal, and a sense of humor is the only thing that has remained with refuseniks on probation.

And it we share this feeling with bureaucrats? I intend to send tickets to the premier to all the OVIR employees I met over the last ten years, and to all the administrators of the Writers' Union.

Mr. Druzhnikov has already celebrated too many visa application anniversaries in the Soviet Union. Let's make sure that this is the last. It is time for Yuri Druzhnikov to be free.

CONGRESS SHOULD ENACT A REAL DAVIS-BACON REFORM BILL

HON. HARRIS W. FAWELL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 18, 1987

Mr. FAWELL. Mr. Speaker, next week, the Education and Labor Subcommittee on Labor Standards is scheduled to mark up H.R. 2216, the Davis-Bacon Amendments of 1987. This legislation, introduced by the chairman of the subcommittee, AUSTIN MURPHY, could come to the House floor some time this year.

Although H.R. 2216 claims to make substantive changes in the Davis-Bacon Act, these "reforms" are not for the better. Instead, the House should embrace the legitimate reforms proposed in H.R. 2328, the Davis-Bacon Reform Act. Introduced by Charlie Stenholm, H.R. 2328 is a step in the right direction for bringing the Davis-Bacon wage-setting law into line with the economic and labor realities of the 1980's. I am cosponsoring the Stenholm bill because of the much-needed improvements it makes to the Davis-Bacon Act.

During hearings held by the subcommittee in May on the Davis-Bacon Act, I submitted a statement which outlines the numerous problems associated with H.R. 2216 and recommends, instead, the enactment of the substantive reforms proposed in the Stenholm bill.

A copy of my statement to the subcommittee follows:

STATEMENT OF REPRESENTATIVE HARRIS FAWELL

The fine chairman of the Labor Standards Subcommittee, Mr. Murphy, is to be commended for holding a hearing on Davis-Bacon reform legislation and agreeing to move legislation through the Education and Labor Committee and to the House floor. Given Mr. Murphy's strong commitment to the Davis-Bacon Act, I know this is a difficult and sensitive task for him.

I must say, however, that I do not share the subcommittee chairman's commitment to the current Davis-Bacon Act. In testimony presented to this subcommittee last September on Davis-Bacon, I expressed concerns about two adverse economic affects of the Act. The Act is anti-small business and denies job opportunities for disadvantaged adults. Briefly, I would like to reiterate these two important points.

Davis-Bacon hurts small businesses and is anti-competitive. The Act pays wages to workers on federal construction projects above those which would prevail under free market competition. These inflated wage costs have the unfortunate effect of limiting the bidding opportunities of non-union contractors on public projects, discriminating against small businesses, and needlessly raising the cost of federal construction.

The Act also has onerous paperwork and reporting requirements which often prevent many small businesses from ever bidding on federal construction projects. Most small businesses cannot afford to maintain the personnel required to meet the weekly reporting requirements of the Copeland Act's wage provisions. It is little wonder that repeal of the Davis-Bacon Act is a high priority of the 1986 White House Conference on Small Business.

Job opportunities are also limited by Davis-Bacon. The Department of Labor generally has not issued wage determinations for helper and apprentice classifications. Consequently, work that does not require a skilled craftsman has been paid at craftsman rates. The inability to use helpers denies job opportunities to underutilized minority, female, long-term unemployed, and young workers.

The effect of the Department's reluctance to issue wage determinations for helpers and apprentices was best summed up by a Maryland contractor when he stated: "The Davis-Bacon rate for a laborer is $18 while the market rate is $8-12 * * * it's hard to give the inexperienced worker any training at $12-15 an hour."

Now that we know what's inherently wrong with the Act, how do we solve it? Unfortunately, Chairman Murphy's legislation may actually expand the scope of Davis-Bacon, rather than make needed reforms. H.R. 2216 has many problems, and I would like to address them.

The changes proposed in the Davis-Bacon thresholds are practically meaningless. The bill increases the current $2,000 threshold on all federal contracts for construction, alteration, or repair to $50,000 for new construction and to $15,000 for alteration, repair, renovation, rehabilitation, or reconstruction. These increases at most adjust for inflation the $2,000 threshold set back in 1935.

The effect of the modest threshold increases will not significantly reduce the number of construction projects covered under Davis-Bacon. A $50,000 threshold on all work—new construction, repairs, renovations, etc.—would exempt only 2.5 percent of the dollar volume of federal construction contracts from Davis-Bacon. The bill's two-tiered thresholds mean an even lower dollar volume of contracts will be excluded from Davis-Bacon coverage.

Moreover, the two-tiered thresholds will add more confusion and complication to the administration and enforcement of the Act. It would seem easy enough to distinguish between new construction and other types of work. The "multiple contracts" provisions in the bill, however, paint an unclear picture. For related contracts, one for new construction of $20,000 and the other for repairs of $10,000, would Davis-Bacon apply? Maintaining a single threshold is easier to enforce and eliminates many undetermined complications.

The multiple contracts provisions also have the effect of making the modest threshold increases useless. H.R. 2216 would aggregate the amounts of all contracts "relating to the same work or related work at the same site." This provision has the effect of creating a "single contract" and requiring all separate contracts at a job site to be aggregated. While efforts to prevent blatant splitting of contracts to avoid coverage under the Act are understandable, H.R. 2216 does not appear to make this distinction. Instead, this provision would have the effect of extending Davis-Bacon coverage to all contracts.

Problems also arise with a new definition for the term "laborer or mechanic." The new definition includes any individual who is paid "directly or through a subcontract, for services the individual performed to carry out the contract." This definition is much broader than current law, which excludes employees who perform only "mental or managerial" jobs. Another issue is whether the new definition extends Davis-Bacon coverage to laborers and mechanics working off the job-site. The Act currently does not apply to these workers.

A most alarming provision of the bill pertains to prevailing wage determinations. If the Secretary of Labor has not made a prevailing wage determination within two years prior to the date on which a contract is "entered into", then the prevailing wage will be "the highest prevailing wage determined by the Secretary to be prevailing in the state in which the contract is to be performed."

Frankly, I do not understand the purpose of this provision. While every good intention should be made on the part of the Secretary of Labor to maintain updated prevailing wage determinations, the repercussions of not doing so are excessive. Greater problems will be created by using the highest prevailing rate in the state as the standard for a particular job category. In rural areas, the cost of a government contract would inflate to rates far in excess of the prevailing wage for that local market.

H.R. 2216 also makes a significant change in the Secretary's prevailing wage determinations. The bill changes the existing method of calculating prevailing wages by requiring the Secretary to exclude from consideration all projects less than the new threshold amounts established by H.R. 2216. The exclusion of these projects prevents the Secretary from determining the actual prevailing wage in that local market. Consequently, the prevailing rate will be higher in that market because smaller projects usually have lower wage rates than larger ones.

The subcommittee chairman is to be commended for his effort to provide definitions for apprentices, trainees, and helpers. Unfortunately, the definition of "helpers" is inadequate. In order to meet a helper classification, H.R. 2216 requires that the helper prevail in the area, be used to perform duties that can be differentiated from journeymen, and not be used as an informal apprentice or trainee.

The primary flaw with this definition is that it prevents the Secretary from recognizing prevailing practices involving helpers whose duties may be in some instances overlap with those of journeymen. Furthermore, the proposed definition overturns a helper classification proposed by the Secretary back in 1982 which has been upheld in the courts. The Secretary's definition eliminated the need to differentiate between helper and journeymen duties as long as the helper is a "semi-skilled worker * * * who works under the direction of and assists a journeyman." H.R. 2216 would invalidate what the courts have found to be a "logical response to the problem of a federal construction practice not reflecting the widespread * * * practice of using helpers."

H.R. 2216 also creates several private rights of action in the federal courts. Under current law, the courts have generally held that no private right of action exists to enforce the Davis-Bacon Act. By creating private rights of action, H.R. 2216 will unnecessarily increase Davis-Bacon litigation and increase the costs of doing business with the federal government.

Overall, H.R. 2216 does little to reform the Davis-Bacon Act. Instead, it broadens coverage to contracts currently exempt from Davis-Bacon requirements and increases costs to the federal government. This unwarranted expansion of Davis-Bacon will make it even more difficult for small businesses and minority-owned businesses to secure government contracts.

David-Bacon can be reformed in a responsible manner. Several of my colleaues and I have joined Representative Stenholm in introducing H.R. 2328, the Davis-Bacon Reform Act. This bill is a good starting point for bringing this Depression-era wage-setting law into line with the economic realities of the robust 1980s.

H.R. 2328 is not a repeal bill. It is a compromise measure that vastly improves the Davis-Bacon Act. Although there is merit to repealing the Act, as recommended in a 1979 General Accounting Office report, the political realities of Congress preclude serious consideration of this option. The alternative then is to improve the Act through substantive reform. H.R. 2328 does that.

The Stenholm bill focuses on five issues: thresholds, helpers, prevaiing wages, paperwork, and contract splitting. All of the changes made by H.R. 2328 in these areas are designed to ensure small business access to government contracting, provide job opportunities for those most in need, and reduce the cost of government contracting.

H.R. 2328 raises the current $2,000 threshold to $250,000—a level which is far more realistic than the two-tiered thresholds in H.R. 2216. While I think a $1 million threshold is better, a $250,000 threshold is a level which a majority in Congress could support. With a $250,000 threshold, only 12 percent of the total dollar volume of federal construction work is exempt from Davis-Bacon. More significantly, however, is that 74 percent of the total number of contracts would be excluded from Davis-Bacon coverage.

The use of helpers is properly identified in H.R. 2328. A helper is defined as "a semi-skilled worker (rather than a skilled journeyman mechanic) who works under the direction of and assists a journeyman." The definition is carefully crafted to recognize that a separate classification of unskilled and semi-skilled workers exists and that separate prevailing wages for this group should be provided. Permitting the use of helpers based on a separate classification of prevailing wages will open up job opportunities for entry-level workers, women, minorities, the long-term unemployed, and other disadvantaged adults.

H.R. 2328 also ensures that Davis-Bacon wage determinations more accurately reflect actual local prevailing wages. The bill defines prevailing wages as the wage paid to a majority of workers in a given worker classification. Under current law, the prevailing wage has been based on the 30 percent of the workers in the area with the highest wages.

The Davis-Bacon Act now requires weekly payroll reports that prove burdensome to many small and medium-size businesses. The paperwork requirements often prevent many small businesses from competing for government contracts. H.R. 2328 would significantly curtail this red tape by requiring only three compliance reports over the life of the contract: one each at the beginning, midpoint, and end.

Finally, the bill includes language which would prohibit the intentional splitting of contracts in order to avoid Davis-Bacon coverage. The provision is needed to ensure that contracts are not artificially broken into many smaller contracts to prevent the triggering of the $250,000 Davis-Bacon threshold.

All of the changes proposed in H.R. 2328 will provide relief to the American taxpayer. The record is clear that Davis-Bacon artificially inflates the cost of federal construction. If H.R. 2328 is enacted, savings of $3.4 billion in budget authority and $2.3 billion in outlays will be achieved over five years.

The time for Davis-Bacon reform is now. The best solutions are found in the Stenholm bill. Unfortunately, the Murphy bill will compound the problems created by Davis-Bacon and extend its coverage to contracts currently exempt from the Act. Effective Davis-Bacon reform will come through enactment of H.R. 2328.

"FOR JAPAN, AID MEANS TRADE"

HON. DON BONKER

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 18, 1987

Mr. BONKER. Mr. Speaker, the article that I wish to submit for the record, "Tokyo's Motivation on Bilateral Loans?" from the June 11, 1987 Journal of Commerce, offers an interesting insight into the $20 billion aid package announced by the Japanese Government on May 29, 1987. The $20 billion Japanese aid proposal may have made a big splash at the Venice Economic Summit, but it has raised a number of concerns among American exporters. In a period when financing is the key ingredient in overseas contracts—and particularly in big ticket items—this enormous amount of funding could prove devastating for American businesses seeking to compete against Japanese firms in developing countries which are recipients of Japanese aid. Unless the United States begins to rethink the purpose of its own foreign assistance and export finance programs, our firms will continue to lose out on opportunities in developing country markets where the Japanese Government spends its trade surplus.

TOKYO'S MOTIVATION ON BILATERAL LOANS? U.S. SAYS IT'S EXPORTS

(By Keith M. Rockwell)

As Japan grapples to find a role matching its position as the world's largest capital exporter, its lending to developing nations is coming under increasing scrutiny.

The Japanese have shown increasing willingness to fulfill their global responsibilities. However, their expanding involvement in development assistance, like so much else involving Japan, is tangled in controversy.

Some officials in the United States and elsewhere maintain that Japan's underlying objective in increasing aid is to further commercial gains in the developing world.

Stung by such charges, the Japanese counter that their aid is not tied to exports and say such criticism is merely the latest round of Japan-bashing.

Washington, meanwhile, has opened itself to criticism that it is not satisfied by anything the Japanese do. U.S. officials have long pressured Japan to expand its contributions to the developing world, and now that Japan has done so, the Japanese wonder why their motives are being questioned.

Despite the controversy, the Japanese are definitely increasing their commitment. Already the world's No. 3 lender, behind the United States and France, Japan is poised to become No. 1. Budgetary constraints have led to reduced U.S. global assistance and Japan is moving to fill the gap.

Prime Minister Yasuhiro Nakasone took a very large step in this direction May 29 when he proposed a $20 billion, three-year lending package to the developing world. The plan is in its infancy and details are sketchy, but Japanese officials say the package will be broken down roughly along these lines:

$8 billion in government and private sector recycling (or loans made at essentially market rates) for the World Bank, the Asian Development Bank and the Inter-American Development Bank. As yet there are no percentages of government vs. private sector lending but a Japanese government official says the government will supply "seed money" while the private sector provides the balance of the funds.

$9 billion in co-financing with the World Bank, the Overseas Economic Cooperation Fund of Japan and the Japanese Export-Import bank.

Some part of this will be bilateral loans, says the Japanese official.

$3 billion in direct, untied loans through the Japanese Ex-Im Bank.

The Western contention that Japanese aid is tied to exports, is rejected by Tokyo, but Japanese officials concede there is some justification for the criticism of their lending policies. Such complaints center primarily around the inefficiency of official Japanese lending channels.

Because official Japanese institutions have difficulty in determining their lending objectives and then in meeting them, the private sector plays a major role in overseas development assistance—something which has again drawn fire from Japan's critics.

But according to an official with the Japanese Embassy, the new package of assistance goes a long way toward to rectifying that problem.

The proposal indicates Tokyo's willingness to "take the lead with the multilateral development banks," he says. "Although part of the money will be private funds, the private sector will not move without the government."

But multilateral aid makes up only one-third of total Japanese lending.

About two-thirds of Japan's overseas development assistance is on a bilateral basis and roughly 70 percent of that amount is project related. Tokyo insists this aid is not tied to exports, but some U.S. officials have reservations.

"It's true that most of the Japanese aid is untied, but some is tied—especially in consulting and engineering. That can have a linkage to procurement," says Ernest H. Preeg, chief economist and deputy assistant administrator at the U.S. Agency for International Development.

Mr. Preeg says U.S. business interests, particularly capital equipment concerns, have consistently found themselves losing out to Japanese competitors on those projects which are funded with Japanese aid.

"Certainly the results seem to indicate that capital-intensive procurement contracts almost always go to Japanese companies," he says.

An official with a large U.S. capital equipment exporter insists that the majority of Japan's bilateral aid remains tied to exports.

"Aid from MITI (Ministry of International Trade and Industry) is always tied to Japanese exports. Other packages allow for other sources of capital equipment but they exclude industrial nation sources," he says. "On the supposedly untied aid, the Japanese take the same approach the Europeans, and perhaps we, do and get their engineering firms in on the ground floor. Japanese (engineering and technical assistance) companies are the most nationalistic * * * and so those equipment contracts will go to Japanese firms."

An official with another U.S. company said the Japanese practice of using mixed credits—aid tied to exports—is still common.

"We know of one case in Africa, where the Japanese came in with soft loan credits and wiped everybody else out," he says. "We're even getting cases where recipients of U.S. aid are pushing to get Japanese equipment. They know the Japanese because the Japanese have a presence there. Of course, the (practice of mixed credits) is how the Japanese presence got so strong, in the first place."

An official from a Southeast Asian nation said that while Japanese aid to developing nations was at one time almost entirely tied to exports, it is tied now mainly to technical assistance.

But the official, who insisted on anonymity, agreed that the technical assistance tie-in serves to benefit Japanese companies.

"Surely, the link with technical assistance has helped raise demand for Japanese services," he said.

Unlike U.S. assistance, Japanese aid is not given on the basis of the nation's political or military strategic significance. U.S. bilateral assistance this year will be roughly $7.5 billion and according to Mr. Preeg, one-third will go to Egypt and Israel. Another one-third will go to strategically important countries like Greece, Spain, Pakistan and Turkey.

Yet it would be incorrect to assume that Japan does not look out for its own interests. For example, 70 percent of Japan's aid is given to countries in the Pacific Rim—its immediate sphere of influence.

Last month a Japanese official explained Japan's lending strategy to a conference here on the role of Japan and the United States in the developing world.

Tomohiko Kobayashi, special economic adviser to the Japanese minister for Foreign Affairs, described the Japanese motivation as "enlightened self-Interest."

"Japan's success depends on a stable international economic environment * * * as a country with no natural allies it is imperative for us to make as many friends as possible," he said.

"We are a fragile blossom with no military teeth," he told the conference, which was sponsored by Georgetown University's Center for Strategic and International Studies.

But there is some difficulty convincing skeptics that Japan's sole motivation for supplying development assistance is to make "friends."

"Foreign aid is a part of Japan's response to economic sector needs," Alan Rix, professor of Japanese Studies at the University of Queensland, Australia, told the conference. "Japan's policy is protective and self-interested. A humanitarian component is noticeable in its absence."

Japan's aid bureaucracy is, by all accounts, small and unsophisticated. In order to qualify for loans, recipient countries must go to the Japanese government with a request. Those loan requests in turn must be approved by each of four agencies, MITI, the Finance Ministry, the Foreign Ministry and the Economic Planning Agency.

The winding trail that each loan must travel is made bumpier still by the intense bureaucratic infighting that takes place between the various departments.

With the public sector channels so fraught with hazards, the Japanese private sector plays a major role in Japanese lending.

"There is a heavy reliance on the private sector for initiative and dynamism," Mr. Rix says. "And this reliance is built into the structure of decision making."

Officials with Japanese companies defend their role by saying that with the Japanese aid policy so weak, it's up to the private sector to find those countries in need of project funding.

"While the private sector is motivated by profit, private sector involvement allows the developing country a greater role in the project formation," says Stephen W. Pollock, of Mitsubishi International Corp.'s Coordination Division.

Mr. Pollock says private companies also provide an important channel of communication between Tokyo and the developing country, while overseeing the implementation of the project.

Still, the relationship between Japanese companies and the Japanese lending apparatus leads to charges of conflict of interest.

"The fact that project loans are on a request-only basis gives Japanese businesses a very strong incentive to lobby foreign governments. This ultimately furthers the interests of Japanese businesses," according to one economist specializing in Japanese lending.

Tokyo hopes the new lending package will serve to establish a more forceful role for the government in the lending process.

But Seigen Miyasato, a visting scholar at Johns Hopkins school of Advanced International Studies and a professor at the International University of Japan, says more is needed. In particular, he says, reform is needed in the lending process.

Japan's ODA [1] by Region

[In millions of dollars]

	1981	1982	1983	1984	1985
Total	2,260	2,367	2,425	2,427	2,557
Asia	1,605	1,624	1,614	1,594	1,732
Middle East	190	194	150	249	201
Africa	211	268	287	211	252
Latin America	177	184	241	229	225
Europe	−2	−3	23	38	1
Oceania	19	23	18	25	24
Unallocable	62	77	93	117	122

[1] Official Development Assistance.

Note: Net disbursement basis.

Source: Ministry of Foreign Affairs.

LEGISLATION TO ADDRESS THE CRISIS IN AGRICULTURAL CREDIT

HON. BYRON L. DORGAN

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 18, 1987

Mr. DORGAN of North Dakota. Mr. Speaker, though it is not in the news so much these days, the economic crisis in the farm belt continues. It is true that land values may be stabilizing after a prolonged decline, but thousands of farmers are still going out of business, and tens of thousands more are teetering on the brink of financial disaster, because of an inability to make payments on their loans.

During the past few months, the Agriculture Committees of both houses of Congress have been considering how to address these problems in agricultural credit. The problems carry with them a sense of urgency because some lending institutions of the Farm Credit System are virtually insolvent as a result of massive losses on agricultural loans.

Because the Farm Credit System provides about a third of all agricultural credit in this country, many feel that Congress simply cannot allow the System to go bankrupt and throw the entire agricultural credit sector into chaos as farmers scramble for alternative sources of credit.

I tend to agree with that view, but I don't think we ought to give the Farm Credit System (FCS) a blank check. I'd like to take some time today to talk about the conditions that Congress ought place on any financial assistance to the Farm Credit System, and also to address some related issues concerning the Farmers Home Administration.

ASSISTANCE TO THE FARM CREDIT SYSTEM

The Farm Credit System is in deep trouble right now partly due to the decline in farm income and the collapse of land values, which have plagued the entire agricultural sector the past few years. But the problems at FCS are also due in part to some poor management decisions that were made over the past several years. Officials at FCS, like any others, got caught up in the heady atmosphere of the late 1970s and thought the sky was the limit to land prices. Now all that has come crashing down.

The Farm Credit System loaned out too much money in those days without enough collateral, and now a large number of those loans have gone sour. Farm income has dropped, and many farmers can't make payments on their loans. The losses in the Farm Credit System have mounted, and System banks have been forced to charge high interest rates to borrowers who can make payments in order to offset these losses. These high interest rates are causing the most financially secure FCS borrowers to go elsewhere for cheaper credit, creating a vicious circle which further weakens the System.

There are various proposals before the Congress to have the Federal Government step in and prop up the Farm Credit System. If the Government were to help the System absorb its extraordinary losses, FCS banks could then charge borrowers more normal interest rates and rebuild their financial base.

But if we in Congress are going to provide such assistance, then we are also in a position to ask for some things in return. We ought to expect more responsible management, and we ought to expect the Farm Credit System to help preseve our system of family farm agriculture in America to the greatest extent possible.

GUIDELINES FOR ASSISTANCE TO THE FARM CREDIT SYSTEM

I am introducing a resolution stating some guidelines that should be followed by the Congress in considering any legislation to provide financial assistance to the Farm Credit System. The major points of the resolution are:

1. Any financial assistance to FCS should enable FCS banks and associations to offer lower interest rates to borrowers;

2. The legislation should ensure the continued participation of borrowers in the management and control of the Farm Credit System, rather than further centralizing the System;

3. The legislation should require FCS banks and associations to aggressively restructure nonpaying loans if through restructuring the FCS would recover at least as much as they would through foreclosure and liquidation. This should include writing down some debt if necessary to keep good managers who can make it after restructuring. The St. Paul district of FCS has such a restructuring program which has been quite successful, but we need to make sure it continues in that district and is extended to others where such restructuring has been minimal or nonexistent; and

4. The legislation should encourage FCS to co-operate with and participate in any State-sponsored mediation programs that offer financially stressed borrowers a chance to work out agreements with lenders to restructure the loans or otherwise resolve disagreements without resort to litigation.

If we can accomplish these goals while providing financial assistance to the Farm Credit System, I think the System will be worth saving and will be in a position to offer credit to farmers for decades to come.

REFORMING THE FARMERS HOME ADMINISTRATION

Just as the decline in farm income has caused a large number of FCS borrowers to fall behind on their loan payments, many borrowers of the Farmers Home Administration now find themselves in the predicament of not being able to repay their loans. While FmHA officials have in many cases tried to reschedule or consolidate loans in order to assist borrowers, there are thousands of FmHA borrowers for whom that just isn't enough. Many of these farmers need debt write-downs to survive financially.

I have introduced with a bipartisan group from the Agriculture Committee a bill that would require FmHA to write down loans in certain cases. Unfortunately, it seems there has been some confusion about what we are proposing. This bill is not a wholesale giveaway to every FmHA borrower who has not lived up to his or her loan obligations. On the contrary, it is targeted to certain cases in which the Government would recover more from a loan by restructuring it than through foreclosure and liquidation.

The debt write-down provision would work as follows. For any borrower who is more than 6 months delinquent on the payment of interest and/or principal, and whom FmHA has determined will not be able to become current using any other loan servicing program, FmHA must make two calculations before proceeding with foreclosure. FmHA must calculate No. 1 the highest loan amount the borrower could reasonably be expected to repay over time, considering all income and assets at the borrower's disposal, and No. 2 the amount FmHA could expect to recover through foreclosure and liquidation, taking into account the legal and management costs of doing so.

If the second amount is less than the first, FmHA would be required to work on a write-down program in that case, but FmHA would be allowed to write a shared-appreciation mortgage or otherwise arrange to recapture the amount written down if land values rise.

If FmHA can recover more through foreclosure than by restructuring a loan, the agency could proceed with foreclosure. There are still some poor managers out there who won't be able to make it even with a reasonable write-down. We can't save everybody, and this bill does not attempt to.

There are some who aren't in trouble, and who say they don't want to see their neighbors get debt write-downs. But I think they need to consider whether they want to have neighbors, whether it is in the interest of North Dakota's rural communities to have more good farmers or fewer good farmers on the land.

For cases of good managers who have fallen on hard times, we must ask ourselves, what is the best way out of this bad situation we find ourselves in, for both the Government and for the farming community? The answer lies in writing down debt when it will save farmers and save the Government money. To maintain a strong rural America, we need to keep as many good managers on the land as possible, and that is the objective of our legislation dealing with FmHA, H.R. 2340. We're not proposing a wholesale debt forgiveness for bad managers, just saying that FmHA ought to be willing to work with good managers to see if they can be helped through this storm.

This is the same principle that Farm Credit Services in St. Paul is applying to its nonperforming loans, and we're trying to get the entire Farm Credit System to adopt the same attitude. Many private banks in North Dakota are quietly pursuing this approach. We feel its time to get Farmers Home participating in the process.

FCS AND FMHA LEGISLATION SHOULD GO TOGETHER

One final note I'd like to make regarding these issues is that they are obviously closely related and should be included in the same legislative package. With respect to restructuring non-performing loans, obviously one lender should not be required to shoulder the entire burden. In many cases, a borrower in trouble will have loans outstanding from several creditors, including both FmHA and FCS. It would be inappropriate for Congress to required FCS to write down loans, to the benefit of FmHA, without also requiring FmHA to participate in the process and share the losses. Lenders and borrowers need to sit down, with an independent mediator if necessary, and work out an equitable way to restructure the borrowers' loans.

These are troubled times for agriculture, but we must move forward. For the years to come we will need a strong set of institutions to provide credit to farmers. This summer we have the opportunity to provide for that future. But we should not assist just one group of farm borrowers and leave the others behind. I've outlined what needs to be done for borrowers of Farmers Home and the Farm Credit System, and there are some other proposals being made that could benefit other agricultural borrowers. This is a complex problem that requires a comprehensive solution.

I hope my colleagues will support comprehensive legislation which not only provides financial assistance to the Farm Credit System, but also assures a sound system of agricultural credit institutions and supports the maintenance of our system of family farm agriculture by helping as many good farmers as possible survive these difficult times.

THE REFUGE WILDLIFE PROTECTION ACT OF 1987

HON. BILL GREEN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 18, 1987

Mr. GREEN. Mr. Speaker, I rise today to introduce the Refuge Wildlife Protection Act of 1987. This legislation is necessary and appropriate to restore integrity to the management of the National Wildlife Refuge System. For the benefit of my colleagues, I want to review briefly the National Wildlife Refuge System, the destruction of wildlife on refuges, and the provisions of the "Refuge Wildlife Protection Act of 1987."

The National Wildlife Refuge System is the world's foremost collection of lands and waters dedicated to the protection and enhancement of wildlife. The System was established not just to benefit individual animals, but also to benefit wildlife populations and whole species. The Refuge System was begun in 1903 by President Theodore Roosevelt, with the establishment of Pelican Island

Refuge—in Florida—as an inviolate sanctuary for protection of wildlife, principally birds. Since that small beginning, the National Wildlife Refuge System has grown to a spectacular System of 439 refuges, in every State but West Virginia, and I am pleased to note that efforts are now underway to establish a National Wildlife Refuge in West Virginia. Acreage is more than 90 million, with 13 million acres in the coterminous 48 States. It includes nearly every conceivable habitat from beaches, desert, mountains, and tundra to marshes, forests, grasslands, and glaciers.

The Refuge System provides a home during at least some time of some years for 71 endangered and threatened species, and thousands of other species of plants and animals.

But the National Wildlife Refuge System is more than just 439 isolated areas that provide home and life support for resident species. It is a System that provides critical nesting, migration, and wintering habitats for migratory birds and is critical to fulfilling our treaty obligations under Migratory Bird Treaties with Canada, Japan, Mexico, and the Soviet Union. It provides a coordinated network of critical areas to provide needed habitats in various places and times of year. And, over the years, this spectacular System has grown even more important to nonmigratory and migratory animals alike, as development and habitat destruction have enveloped so many other lands.

With this introduction some of my colleagues may yet wonder why I would introduce an act to protect refuge wildlife. Despite these beautiful habitats and areas, refuge animals all too often are under assault, even when they are on the very areas that should provide refuge. Indeed, over the years since refuges were established as inviolate sanctuaries, pressures to exploit their wildlife as inviolate sanctuaries, pressures to exploit their wildlife have grown. In recent years this pressure has become more and more intense and the responsible Government agencies have permitted more and more exploitation of refuge wildlife.

At first, pressure was slight, and the executive branch must have considered a few exceptions to the inviolate sanctuary concept to be insignificant. A few exceptions have grown into a major assault on the integrity of our National Wildlife Refuge System. Indeed, without the recognition of most of the Congress and without knowledge and agreement of the public, national wildlife refuges have become places where wildlife is routinely shot for sport, or trapped for commerce and recreation.

I must emphasize that I am not discussing wildlife killed on refuges as a result of air or water pollution from outside the refuge, as bad as this would be, but rather I am discussing the intentional killing of wildlife on refuges for primarily commercial or recreational purposes.

My colleagues, this makes a mockery of our entire Refuge System. Certainly, the lands and waters are still beautiful, vital and important, but what of the concept of refuge or sanctuary for the wild animals that these areas should protect?

Last year, 256 national wildlife refuges were host to 577 different programs of sport hunting. Moreover, 86 refuges allowed commercial or recreational trapping. These programs resulted in death and wounding of more than 400,000 wild animals that refuges were established specifically to protect.

The animals killed by sport hunting or commercial trapping include arctic fox, grizzly bear, black bear, rabbits, woodchucks, coyotes, skunks, gray foxes, quail, geese, swans, doves, porcupines, wolves, moose, beaver, squirrels, red foxes, opossum, bobcats, racoon, mink, and river otter. Also killed are numerous ducks in spite of the fact that duck populations of species such as the black duck and others are at or near the lowest levels in history.

My colleagues, the intentional killing of wildlife on these areas makes our efforts to stop insidious pollution on refuges laughable. How can anyone take seriously our resolve to protect wildlife on refuges from pollution when we allow the responsible Federal agency to conduct programs to kill wildlife for sport and recreation?

For these reasons, I introduce today the Refuge Wildlife Protection Act of 1987.

The principal purposes of this legislation are to prohibit killing of wildlife for sport, recreational, or commercial purposes on national wildlife refuges. This bill establishes an orderly procedure whereby refuge managers may allow the killing of refuge wildlife for purposes other than sport, recreation, or commercial use of wildlife. For example, there may be times when refuge managers feel that it is necessary to kill one or more wild animals on a refuge for management purposes, such as to benefit the animals themselves, or to provide some overriding and necessary benefit to other wildlife living on the refuge. My bill would allow such necessary programs. Finally, the Refuge Wildlife Protection Act establishes that activities which are permitted on refuges that directly affect refuge wildlife must be conducted in such a way that ensures that such wildlife is treated in the most humane manner possible.

My bill also reaffirms that it is the policy of the U.S. Congress that national wildlife refuges are inviolate sanctuaries for wildlife. That principal was clearly enunciated in the early days of the National Wildlife Refuge System. The public overwhelmingly supports and expects a Refuge System that requires that refuges be true sanctuaries for their wildlife inhabitants.

After all, according to a study by Yale University, a majority of the public opposes any hunting solely for sport or recreation. A majority of the public opposes trapping with the steel jaw trap for any reason. How much more will the public oppose sport hunting or commerical trapping on national wildlife refuges? We can all answer that question; for no one can seriously believe that a public that barely supports any sport or commerical killing of wildlife on any lands, will support such killing on a national wildlife refuge.

Finally, there may be concerns or questions regarding this legislation that need to be addressed now:

First. Will this legislation permit wildlife management programs?

Yes. This legislation will permit any wildlife management programs which are otherwise permissible. Indeed, wildlife management programs will be unaffected. This legislation simply prohibits killing of wildlife for sport, recreation or commerical purposes, and makes certain that killing of wildlife for management purposes on national wildlife refuge is conducted as a last resort, is the minimum necessary, and is conducted in the most humane manner possible. These are reasonable and necessary restrictions for management programs which involve killing of refuge wildlife.

Second. Is such detailed legislation necessary; why can't we just prohibit incompatible activities?

That has always been my question. However, Congress has twice previously, in 1962 and in 1964, attempted to prohibit incompatible commerical or recreational activities. However, the Agency is under intense pressure to allow recreational hunting and commerical trapping, and, as experience shows, without specific standards the Agency will just try to bend the rules to continue to allow these activities.

Third. Will this bill stop refuge personnel from killing an animal that has been injured or is otherwise near death, and for which a quick and painless death is the only humane solution?

It is my intention that this bill not prohibit that kind of activity by refuge personnel. If the Agency believes that this bill would prohibit such action, I shall work with the Agency and Mr. Studds' subcommittee to ensure that such humane action is permissible.

Fourth. There are other abuses of national wildlife refuges; why not prohibit all of them at once?

There are other abuses, such as excessive cattle grazing, timber cutting, and farming which reduce wildlife populations. However, such programs do not assault the very integrity of a wildlife refuge or the National Wildlife Refuge System in the manner of recreational hunting or commerical trapping. Indeed, farming and the other activities, if carefully designed and controlled, can be used to provide wildlife benefits; sport hunting or commerical trapping result in death to the animals that refuges should protect, and as such, assault the integrity of refuges themselves.

Fifth. Does this protect fish on national wildlife refuges?

No. My bill is limited to wild vertebrate animals, excluding fish. The reason for this is that wildlife and fish have normally been separated in management programs. Clearly, the most egregious wrong occurring on refuges is the destruction of the wildlife which refuges were set aside to protect. My bill is limited to addressing that overriding problem.

Sixth. Were not refuge lands purchased by hunters; does this not give hunters a special right to shoot wildlife on refuges?

Some refuge lands have been purchased with moneys derived from hunting—or duck—stamps. According to the 1985 Fish and Wildlife Service Realty Survey, a maximum of only 3 million acres of land—or 3.3 percent of the Refuge System—have been purchased with such funds. The Refuge System contains, however, some 90 million acres of land, most of which has been withdrawn from the public domain or purchased with the land and water conservation fund moneys. Moreover, the fact that funds from hunting stamps were used to purchase refuge lands does not confer any right of hunters to hunt on those lands. That interpretation is consistent with the use of land and water conservation fund. That land and water conservation fund is derived largely from revenues from offshore oil and gas leasing; however, lands purchased with those moneys, such as city parks and wildlife refuges, are not automatically open to oil and gas leasing. Rather than conferring some specific right to hunt, it is more logical to view revenues from hunting stamps or licenses as a check by society for the privilege of killing any of America's wildlife.

Seventh. Are there other places for the public to hunt?

Yes, absolutely. National wildlife refuges constitute only 90 million acres, and all but 13 million acres are in Alaska. As opposed to that, there are 185 million acres of national forest and more than 260 million acres of Bureau of Land Management lands, virtually all of which is open to public hunting. In addition, there are millions of acres of private lands, State lands, and other Federal lands, on which hunting is allowed. Thus, it is clear that many other areas exist for hunting or trapping. Clearly, however, some people would rather hunt on a national wildlife refuge, and those people may be inconvenienced. That inconvenience is a small price for the safety of wildlife and the integrity which our National Wildlife Refuge System deserves.

Eighth. Is this antihunting legislation?

Absolutely not. The question of whether hunting is desirable in America is another question entirely. The public is divided on the general issue, as the Yale University survey demonstrates. In my legislation, we discuss only sport or commercial hunting on national wildlife refuges. In essence, we are discussing whether the killing of wildlife for human sport or commercial purposes is legitimate on the one set of lands which have been supported by the public, and set aside specifically by the U.S. Congress, to benefit and enhance wildlife.

I hope my colleagues will join with me in sponsoring and supporting this legislation.

H.R. —

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Refuge Wildlife Protection Act of 1987".

SEC. 2. CONGRESSIONAL FINDINGS, PURPOSES, AND POLICY.

(a) FINDINGS.—The Congress finds and declares that—

(1) national wildlife refuges, which constitute a national treasure of lands, waters, plants, and animals and are the only national areas that are specifically set aside for the protection and enhancement of wildlife;

(2) all national wildlife refuges are maintained for the primary purposes of preserving, protecting, and enhancing wildlife and other natural resources and of developing a national program of wildlife and ecological conservation and rehabilitation;

(3) the National Wildlife Refuge System, which was established in 1903 to provide inviolate sanctuaries for the protection of wildlife, now contains 439 national wildlife refuges and encompasses more than 90,000,00 acres;

(4) since the National Wildlife Refuge System was established, the areas within it have become even more important for wildlife as other habitats have been destroyed or degraded, and development has increased;

(5) increasing pressures for exploitation of refuge wildlife have caused an erosion of the sanctuary concept and a gradual opening of wildlife refuges to killing of wildlife for purposes of sport hunting and commercial or recreational trapping, as illustrated by the fact that—

(A) trapping programs are permitted on 86 refuges,

(B) hunting programs are allowed on 256 refuges,

(C) trapping or sport hunting of over 100 different species is allowed on the refuges, and

(D) in 1986, more than 400,000 wild birds and mammals were killed or wounded through such sport hunting and commercial or recreational trapping programs,

(6) national wildlife refuges are important to a wide variety of endangered, threatened or rare species and sport hunting and commercial or recreational trapping on the refuges results in unjustifiable death and injury to wild animals of these species; and

(7) the killing of wildlife for sport, recreational, or commercial purposes on the only national lands set aside for the benefit of wildlife is contrary to the purposes, and seriously diminishes the integrity, of the National Wildlife Refuge System.

(b) PURPOSES.—The principal purposes of the amendment made by this Act are—

(1) to reaffirm the concept that national wildlife refuges are established as inviolate sanctuaries for wildlife; and

(2) to prohibit the killing of wildlife for sport, recreational or commercial purposes on national wildlife refuges.

(c) POLICY.—The Congress reaffirms that its policy that national wildlife refuges are established as inviolate sanctuaries whose primary purpose is to benefit and enhance wildlife and that the killing or injuring of wild animals on national wildlife refuges should be prohibited consistent with the welfare of the animals and the ecosystem of which they are a part.

SEC. 3. AMENDMENTS TO REFUGE ACT.

Section 4 of the National Wildlife Refuge System Administration Act (16 U.S.C. 668dd(d)) is amended as follows:

(1) Subsection (b) is amended by adding at the end thereof the following flush sentence:

"The Secretary shall ensure that any wildlife management, research, commercial, or public use activity that is permitted in any area of the System and that directly or indirectly affects wildlife is conducted so as to result in the treatment of the wildlife in the most humane matter possible."; and

(2) Subsection (d) is amended—

(A) by inserting "except as provided in paragraph (3)," after "(A)" in paragraph (1)(A); and

(B) by adding at the end thereof the following new paragraph:

(3)(A) For purposes of this paragraph:

"(i) The phrase 'area within the System' means any area other than a waterfowl production area that is within the System and owned by the United States Government.

"(ii) The term 'killing' means any activity which is likely, or intended, to result in the death of, or serious injury to, a member of a wildlife species.

"(iii) The term 'non-lethal management alternative' means an activity designed to alleviate a wildlife management problem and unlikely to result on the killing of a member of a wildlife species.

"(iv) The term 'wildlife species' means any wild vertebrate species except fish.

"(B) No person other than a person—

"(i) who is an employee of the Department of the Interior; or

"(ii) whose services have been contracted for under subparagraph (F)(i);

Within any area of the System.

"(C) No person described in clause (i) or (ii) of subparagraph (B) may engage in the killing of any member of a wildlife species within any area of the System unless the killing is authorized by the Secretary of the Interior (hereafter in this paragraph referred to as the 'Secretary') under subparagraph (D).

"(D) The Secretary may authorize the killing of members of a wildlife species within any area of the System only if the Secretary finds, on the basis of the best available scientific evidence, that—

"(i) the removal of one or more members of the species within the area is necessary—

"(I) to maintain the health or habitat of one or more significant populations of wildlife species within the area; or

"(II) to protect the public health and safety;

"(ii) none of the non-lethal management alternatives or combinations of non-lethal management alternatives that are currently available can achieve the objective under clause (i)(I) or (II); and

"(iii) the number of members authorized to be killed is the minimum necessary to achieve the objective.

"(E) The findings made under subparagraph (D) with respect to the removal of one or more members of a wildlife species from an area of the System shall be accompanied by—

"(i) detailed estimates of the number of members for which killing is authorized;

"(ii) the period of time in which the killing will occur;

"(iii) the scientific conclusions reached by the Secretary in support of the findings made under subparagraph (D) and the estimates made under clause (i); and

"(iv) a summary of the information and studies that were relied on by the Secretary in making the findings and estimates

"(F)(i) Except as provided in clause (ii), the Secretary shall make the findings required under subparagraph (D) and the estimates required under subparagraph (E)(i) by rule under section 553 of title 5, United States Code, after opportunity for public comment. If any organization interested in the conservation, protection, welfare, or humane treatment of wildlife requests a public hearing with respect to the making of any such finding or estimate, the Secretary shall grant the request unless the Secretary declares that an emergency exists under subsection (b)(B) of such section 553.

"(ii) Clause (i) does not apply in any case in which –

"(I) the Director of the Centers for Disease Control of the Public Health Service; or

"(II) the chief executive officer of a State agency charged with protecting the public health of a State in which an area of the System is located.

notifies the Secretary in writing that the removal of members of a wildlife species from the area of the System is necessary to prevent or control an immediate threat to the public health or safety.

"(iii) The findings made under subparagraph (D) and the detailed estimates and other information referred to in subparagraph (E)(i) shall be published in the Federal Register—

"(I) with notice of the proposed rule, if clause (i) applies; or

"(II) as soon as such findings and estimates are made, if clause (ii) applies.

"(iv) The district court for the District of Columbia, as well as the district court for the district in which the area of the System concerned is located, has jurisdiction over any action filed by an adversely affected person (including an organization referred to in clause (i)) involving any rule issued under clause (i) or regarding any public health emergency removal referred to in clause (ii). In any such action, the Secretary shall be considered to be the proponent of the rule and has the burden of proof to show that the authorized killing is necessary.

"(F)(i) If the Secretary considers that employees of the Department of the Interior cannot complete a killing authorized under this paragraph within the period determined under subparagraph (E)(ii), the Secretary may enter into a contract with one or more persons to carry out the killing. The duration of any such contract shall be until the closing date of the period specified under subparagraph (E)(ii), or until the authorized killing is completed, whichever first occurs. No person contracted with under this clause may be permitted to retain any member, or part thereof, of the wildlife species that is killed.

"(ii) The Secretary may donate the carcass, or any part thereof, of any member of a wildlife species that is killed under this paragraph to charitable organization for charitable purposes.".

THE U.S. TRADE DEFICIT AND THE COMPETITIVE STANDING OF OUR EXPORT POTENTIAL

HON. TOM DeLAY

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 18, 1987

Mr. DELAY. Mr. Speaker, I would like to call the attention of my colleagues to the U.S. trade deficit and the competitive standing of our export potential. We have been overly concerned by other countries efforts to sell in the United States while at the same time we have not tried to enable and induce U.S. producers to enter the world market and compete with the overseas producer. The missing ingredient to enable the U.S. producer to be competitive around the world is an effective marketing, research, and distribution system.

A new export marketing and distribution system, composed of the International Development Institute [IDI] and the U.S. International Trade Center [USIT], together after 11 years of research and design is scheduled to open by the end of 1987.

The IDI and USIT concept form a new and innovative export marketing and distribution system allowing United States producers to be competitive with the large European and Japanese trading companies and to increase United States exports and overseas development in the private sector. It is designed to help companies gain access to markets in all 175 countries with a year round world trade center, educational center, and research center and 60 regional sales and distribution centers around the world to be in place by the end of its fifth year.

There appears to be no argument with the assertion that vigorous U.S. exporting is desirable. One out of every eight industrial jobs, says the Commerce Department, depends directly on exports. America's foremost comparative advantage is in agricultural products, which accounts for $2 out of every $5 worth of our exported goods, and comprises a large and vital part of the American farmer's income. Our exports are also crucial in financing the purchase of ores and oil, which we cannot produce in the amounts we need. We are firmly locked into world trade as a determinant of our national well-being.

SOLUTION

Federal officials insist that export business should be stimulated primarily through private initiative, and we agree.

In hearings before the House Agriculture Committee in February 1978, Dr. Peter Nelsen, chairman of the International Development Institute and the International Trade Council, said to those present that America needs improved marketing and production techniques to first balance foreign trade. Second, to stabilize our farm economy. Third, to increase employment. Finally, to use our production potential to allay the hunger of the world.

USIT was developed to increase productivity and greater foreign sales efficiency with a new marketing and distribution system, operating in the private sector, developed to meet all the needs of suppliers and buyers in world trade. The system that has been proposed as part of the solution to our shrinking presence in world markets is composed of two complementary, nonprofit corporations: the U.S. International Trade Center [USIT] and the International Development Institute [IDI].

HOW USIT AND IDI FUNCTION

USIT and IDI are designed to provide American producers of products and services, which have an unrealized export potential with an efficient, cost-effective way to reach foreign buyers operating as a cooperative for the benefit of the participating producers; thus giving them the economies of scale to compete with the large foreign trading companies.

USIT, a private nonprofit export trading company, and the first to be certified by the U.S. Department of Commerce as such under the Export Trading Company Act of 1982, will provide a direct accessible link between American sellers and foreign buyers giving U.S. producers in all 50 States a show window to the world at major crossroads of the world.

It is anticipated that the year round permanent trade center will, at completion have facilities in Washington and the nearby rural site for 5,000 businesses in 300 industries to display and demonstrate their goods and services to the 400,000 foreign buyers who circulate through the capital area annually. A major portion of the trade system will be located in Texas for those industries that are indigenous to the central part of the United States; that is, energy, transportation, robotics, et cetera.

Expert, on-the-spot, up-to-the-minute informational services will be available at USIT, expediting the complex legal and financial arrangements that often impede foreign trade. Buyers can, therefore, make their purchases without confusion or delay.

Exhibitors' fees at USIT will be more cost effective than formerly existing means of penetrating foreign markets. The basic participation fees include an extensive list of services, including a network of overseas sales and distribution centers for marketing, spare parts service and training facilities so that small and large producers together can obtain the benefits of economies of scale and cooperative savings. The participation fees will also fund the IDI Educational and Research Program so that the entire project becomes self-financing.

USIT will thus successfully address the needs of smaller businesses. These needs were stated, analyzed, and discussed in a 1982 report by the Senate Small Business Committee. The report said that of nearly 1,200 surveyed firms, most said they were reluctant to export chiefly because they lacked the necessary specialized experience, and/or their limited budgets were strained in meeting the high cost of reaching foreign buyers by traditional means. The report also pointed out that only 200 producers control 80 percent of America's exports, even though 80,000 total firms in this country have the potential to competitively and profitably market their products overseas. Clearly one of the greatest opportunities for reversing the no-growth trend in our Nation's exporting lies with tapping that potential and increasing the number of small business exporters. Analysis of the committee's report indicates that USI facilities will help solve or alleviate 87 percent of the problems facing these potential exporters, according to the survey. If a large company is exporting to 50 or 100 countries, USIT will open markets in the balance of the 175 countries around the world.

IDI, USIT's companion organization, is designed to meet informational needs of buyers and sellers. IDI is an educational and applied research institute that will form a link between what we learn each year about technological advancement and putting that knowledge to work.

IDI's Education Center will conduct monthly seminars on 12 major categories of technology affecting human needs: health and medical systems; education and human resources; forestry, fuel wood and lumber; transportation and distribution; productivity and appropriate technology; energy systems; agriculture; nutrition and food processing; fisheries, agriculture, and oceanography; communication, information, and data systems; water, sanitation, and infrastructure; and housing, urban, and rural development. These seminars, open to USIT participants and invited guests from worldwide business, academic, and governmental communities in the 175 countries will keep world leaders abreast of the latest developments in their respective fields and provide a forum for interdisciplinary discussion. The education center will also offer graduate study programs in cooperation with 4 Washington area universities and 23 specialized universities around the United States in multilingual technical training programs and nuts and bolts courses in exporting.

That such educational endeavors can create a multiplying effect on trade was among the points made by Nelson Denlinger of U.S. Wheat Associates, Inc., in a statement to the House Agricultural Committee in 1983. Denlinger said:

> We have found that market educational programs have paid very large long-term dividends to U.S. wheat exports over the years.

IDI's Applied Research Center will, on request, advise of suitable systems and design for use in specific locations and test how well new technology functions in place for specialized applications. It will keep an extensive data base, assuring that access to the most recent technological improvements is available. Perhaps the center's most important function, however, is carrying out demonstration projects at IDI facilities and at onsite locations overseas, aimed at fostering private sector development in industrialized as well as Third World countries. These midsized projects could fill the gap between the small Peace Corps development efforts and huge aid projects undertaken by governments.

USIT and IDI will produce a wide range of positive change. Smaller companies will be able to begin selling internationally, and large businesses can expand existing overseas contacts to all 175 countries. Direct transaction will be simplified, more efficient, and hence, less costly. Participation fees at USIT will be less expensive than participation in a series of regional trade shows overseas, thus creating productivity and competitiveness by decreasing the cost of marketing, distribution, and after sales services.

Advantages to overseas buyers include the convenience of one-stop, anytime shopping; full comparison and demonstration of products; simplified transactions; and access to the services of the education and research center.

The system also works toward solution of persistent Federal Government economic problems. A 10 to 12 precent increase in U.S. exports would reduce the trade deficit by 50 percent, increase GNP by 1.5 percent and provide hundreds of thousands of new jobs.

TRADE AND THE DEVELOPING WORLD

All countries, particularly Third World countries, at present require appropriate technology and services. USIT and IDI can assume a large part of this challenge. If the United States does not satisfy world needs, other countries will reap the consequent benefits. American interest certainly lies in developing infrastructure and in establishing trade relationships with LDC's resuming a leadership posture there before these huge potential markets become dominated by other, more aggressive nations.

Overseas development projects, such as those available through IDI, will assist countries and people the capacity to earn what they need, and become trading partners with the United States instead of aide recipients. They will be able to turn labor to capital, and capital to the necessities of life and further improvement. As the capacity to import is developed in LDC's, the global distribution of products and services will improve, thereby reducing the problems of surpluses in producing countries and unmet demand in LDC's.

ACTION

Speaking for the Agricultural Trade Council before the House Agriculture Committee in February 1978, Dr. Nelsen said that if a fraction of expenditures for subsidies and set-aside programs were spent on market development and the establishment of sound infrastructural bases for trade in LDC's, problems of the farm economy, of unemployment, of the trade deficit and of sluggish GNP growth would diminish.

The effort of USIT/IDI have been carefully examined and praised by business and academic leaders, Governors, officials in the executive branch and Congress. It is an approach that will stimulate the economies of all 50 States, individually and collectively, even as it puts fresh knowledge to use and encourages the shift of developing countries from demeaned recipients of charity to friendly, self-sustaining trade partners. It is in the interests of both U.S. industry and Government to support this kind of innovative program.

Unlike most Government funded aid programs, USIT and IDI are designed to be self-funding and will provide ongoing benefits without the need for continued Government assistance.

CONGRESSMAN LEE HAMILTON TRIBUTE

HON. LAWRENCE J. SMITH

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 18, 1987

Mr. SMITH of Florida. Mr. Speaker, I am certain most of my colleagues read the David Broder article in the Wednesday, June 17, 1987 issue of the Washington Post titled, "Listen To LEE HAMILTON."

It is important that the rest of the Nation also realize the strength and intelligence represented on the joint House-Senate hearings on the Iran-Contra affair in the person of LEE HAMILTON. Consequently, I am placing the Washington Post article in today's RECORD.

Three words used to describe Congressman HAMILTON in the David Broder report are: independent, thoughtful and principled. During his 22 years in the U.S. House of Representatives, LEE HAMILTON has given America and the Ninth District of Indiana the kind of independent thinking that places people ahead of politics. His common-sense thoughtfulness has been noted by many Americans who have heard him speak so eloquently on the Iran-Contra issue. Mr. HAMILTON has the rare ability to study a complicated issue and quickly bring it into clear perspective as we saw him do when he summed up 110 hours of confusing Iran-Contra testimony. Finally, Chairman HAMILTON is the model of a highly principled American leader. His constituents have known this for 22 years. Here in Congress, where a Member's word is all important, we know Congressman LEE HAMILTON is a man to be trusted, respected, and followed:

LISTEN TO LEE HAMILTON: A GOOD CONGRESSMAN'S THOUGHT ON THE IRAN-CONTRA AFFAIR

Rep. Lee H. Hamilton (D-Ind.) is one of the remarkable members of Congress—independent, thoughtful and in every respect reliable. That is not a fresh discovery. But it is a conclusion the country is coming to share as it watches him function as cochairman of the joint House-Senate hearings on the Iran-contra affair.

Those of us who were here 22 years ago took the measure of this tall Hoosier lawyer and Methodist minister's son when he became president of the big class of freshman House Democrats elected on Lyndon B. Johnson's coattails in 1964. As class president and as the man who had beaten a longtime Republican incumbent in his southern Indiana district, Hamilton was a White House favorite.

In his first term Johnson arranged three major public-works projects and 13 post offices for his district. But when it was time to blow the whistle on the frantic, incessant legislative demands Johnson was placing on Congress in his grandiose desire to build "a Great Society," Hamilton did not flinch. In September of 1965, freshman Hamilton wrote a public letter to the president, calling for a "a pause" for reflection and "a more deliberate pace of legislation in 1966."

Johnson was furious, but Hamilton was right. And his insistence on consultation—aggravating to a series of successor presidents—also has been correct. As former chairman of the House Intelligence Committee and ranking Democrat on Foreign Affairs, Hamilton is as consistent in his principles as he is faithful to his long-out-of-fashion crew cut.

His colleagues of both parties know this, and now the American public is finding it out. Hamilton's summary of the lessons of the hearings, delivered last week when Fawn Hall's testimony ended the first phase of the investigation, brought the confusing detail of 18 witnesses and 110 hours of testimony into clear perspective.

The principal lesson, Hamilton said, is that presidents get in hot water when their administrations abandon legitimate ways of operating. "Our government cannot function cloaked in secrecy. It cannot function unless officials tell the truth. The Constitution only works when the . . . branches of government trust one another and cooperate."

"Privatization of foreign policy is a prescription for confusion and failure," he went on. "The use of private parties to carry out the high purposes of government makes us the subject of puzzlement and ridicule.".

Finally, he added, there must be accountability. "High officials cannot look the other way or distance themselves from key aspects of policy or the actions of those they supervise. Accountability requires rigorous oversight by the Congress and a full exercise of the process of checks and balances under the Constitution. It requires above all the operation of the normal processes of government."

When I went to see Hamilton the other day, I asked the obvious question. Having watched presidents from Johnson to Reagan commit excesses of one kind or another, how do we ensure adherence to "the normal processes of government?" Hamilton's answer is that it is a question of attitude more than of law, of people rather than legal prescriptions.

"I don't think we will be making massive new legislative recommendations," he said. "A lot of changes are already occurring as a result of the process" of investigations by the Tower commission, the congressional panels and the special prosecutor. "Don Regan is out, and Howard Baker is in. John Poindexter is out and Frank Carlucci is in. The president already has said he will no longer use the National Security Council for [secret] operations but will restore its advisory role."

While Hamilton talked publicly in a weekend TV interview of the possibility of impeachment proceedings if evidence develops that Reagan knew of the diversion of funds to the contras, he does not want to put further restrictions on the authority of the president. He told me he believes strongly in the existing legal requirement that Congress be notified of covert operations. But even with all he has seen and heard of the Iran-contra affair, Hamilton said he would not join those Democrats who say, "a president should not conduct a covert action without approval of Congress. I think a president has to have authority to conduct secret operations, so long as Congress is notified."

But then he added an important proviso—which somehow presidents have great difficulty learning: "Secret operations should supplement existing policy, not take new initiatives," Hamilton said. "In this case, they were at odds. The United States was urging all nations to refrain from selling arms to Iran or Iraq, but secretly we were selling arms to Iran. Our secret policy contradicted our public policy."

That is what subverted "the normal processes of government" and the credibility of the Reagan administration, with costs being felt everywhere from the Persian Gulf to the 1988 presidential preliminaries. If Hamilton is right again in judging that Congress will not find legislative remedies for such folly, we have to be sure those seeking to succeed Reagan understand the fundamental lesson of this sad affair.

ICE CREAM, IT'S JUST PLAIN GOOD

HON. E de la GARZA

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 18, 1987

Mr. DE LA GARZA. Mr. Speaker, there's talk in the air about President Reagan and General Secretary Gorbachev getting together again for continued negotiations on the weighty issues of the world. I've got just the plan for success this time around.

When the talk turns to ICBM's and the like—the President should immediately hand a spoon to the General Secretary filled with the finest ice cream the White House chefs can create. Before Mr. Gorbachev has a chance to utter a single syllable, the President can hand him a bowl of ice cream and it's downhill from there.

Ice cream is the only food that actually makes people happy. Take the biggest grouch on the block and I guarantee you in private he or she will lose that frown when secretively consuming ice cream. Last year, Americans gulped over 905 million gallons of ice cream—about 15 quarts per person for every man, woman and child in the United States. And they were happy through every spoonful or chomp on the cone.

Today we celebrated in the courtyard of the Russell Senate Office Building in what is now an annual tribute to the glories of ice cream. As last year, I am cochairman with the House majority leader, Mr. FOLEY, and the Senators LEAHY and DOLE. Among the four of us, there is intense bipartisanship on this issue. The event kicks-off the summer months when ice cream consumption is the highest, and the month of July is dedicated soley to ice cream lovers everywhere. July is "National Ice Cream Month," a tradition I began in 1984 with a resolution in our Congress which names the third Sunday in July as "National Ice Cream Day."

Retail sales of ice cream in 1986 amounted to more than $9 billion, and the ice cream manufacturing industry reports over 20,000 employees with a payroll of more than $367 million. And think of all the small retail stores which sell the ice cream and the huge number of jobs thus represented. Ice cream is more than a food passion—it's a big contributor to the Nation's economy.

So to our friends at the International Ice Cream Association and Milk Industry Foundation, we say thank you for bringing your exceptional wares to the Senate courtyard. And to all America—we say "Dig in and enjoy ice cream; it's just plain good, it's just plain good."

JOB RETRAINING INITIATIVE

HON. NANCY L. JOHNSON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 18, 1987

Mrs. JOHNSON of Connecticut. Mr. Speaker, yesterday I took the floor to share with my colleagues a job retraining initiative I am introducing with Representative BILL CLINGER of Pennsylvania.

Our bill provides for a 20-percent tax credit for businesses that increase their spending for job training, the same credit allowed for investment in research and development.

It also allows workers with individual retirement accounts [IRA's] to withdraw from their savings up to $5,000 without taxation or penalty to contribute to retraining expenses.

This legislation would stimulate $5 of private-sector retraining for every $1 of tax relief.

It provides additional support for human resource development, an area in which annual investment by businesses—$25 million—has been overshadowed by enormous investment in facilities, equipment, and research—$50 billion—a ratio of 2,000 to 1.

Many of our colleagues have demonstrated great interest in our proposal, particularly in the past few days after we circulated a Dear Colleague letter, and so we are pleased to be able to introduce the bill today with more than 20 original cosponsors from both parties.

Yesterday's CONGRESSIONAL RECORD, June 17, 1987; pages 16551-16553, contains a floor statement, a section-by-section analysis, and a brief discussion of the key issues raised by our legislation, and I commend this information to the attention of all of my colleagues.

STATE DEPARTMENT NEEDS MORE MINORITIES

HON. HAROLD E. FORD

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 18, 1987

Mr. FORD of Tennessee. Mr. Speaker, I stand against the State Department authorization bill for one reason and one reason only. The State Department needs to be sent a clear message that they can no longer ignore the fact that Congress wants them to hire more minorities. My opposition sends such a message.

The State Department has an obligation to represent the American people abroad. All the people of the United States: women, blacks, American Indians, Hispanics, and so on. In order to do this, they need to have these people in their ranks. However, even now, they haven't done this.

For years now, several of my distinguished colleagues, and I have asked the State Department to increase their efforts to hire and retain women and minorities throughout every level of the Department. We've asked them to report back on the progress they've made. They've reported back. They've made no progress. That's why, today, I am introducing a resolution which calls for the Department to make better efforts to hire minorities and women. Today's resolution simply calls on the State Department to improve their effort. However, tomorrow's resolution may call for stronger sanctions against the Department if, once again, no action is taken.

I oppose this bill and will continue to do so until the State Department represents all of us, the people of the United States.

RESPONSIBILITY IN KOREA

HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 18, 1987

Mr. GARCIA. Mr. Speaker, the Olympics is a time in which many nations take pride in the talents of their people. Ideally, it is a time of international competition and cooperation—a moment in which the world comes together and political differences are on hold.

But there is a spectre hovering over the host country for our next Olympics, South Korea. That spectre is the ongoing violence between the government and the people as result of President Chun Doo Hwan's efforts to block the process democratization in Korea.

When President Chun Doo Hwan came to power, he promised the Korean people that he would revise the constitution and step down in 1988. Cautious optimism by the opposition followed. But earlier this year, Chun ended negotiations with the opposition parties postponing revision of the constitution until after the 1988 Olympics. He made matters worse recently by handpicking his successor, ex-General Roh Tae Woo. Because of these recent events, cautious optimism has given way to strong protests and demonstrations.

Almost every day now, we read in the newspapers about the rising violence between the demonstrators and the police. We can anticipate the protests to continue during the months ahead and more and more people to become involved. During the past three decades, there have been numerous antigovernment demonstrations led primarily by university students. More recently, Korea has enjoyed economic growth, increasing the size of the middle class, and for the first time in Korea's modern history, there is a dramatic increase in the number of the middle-class Koreans sympathizing with the students. These are signs of a revolution. Hopefully, a revolution toward democracy. But the increased violence in South Korea can serve as an opportunity for the Communist regime of North Korea to take control of the peninsula. We cannot stand by to let that happen, especially when it means a major threat to our other allies in the Far East, including Japan. It was not long ago that we lost Vietnam as result of tension between its people and the government.

The time is ripe for the United States to exert influence in facilitating democratization of Korea. One way is to clearly express support for the opposition—the opposition geared toward a more open democratic society. The discontent among the populace toward dictatorship is increasing, and the neutral stance of the Reagan administration means support for the status quo, that is, perpetuating the current dictatorship and increasing instability of the country. I would like to add that expressing support for the opposition does not mean we support a particular faction or a bill of constitutional revision. That is for the Korean people to decide. Moreover, that could be seen as an extreme action which would endanger the 39,000 United States soldiers stationed in Korea.

Korea's rapid economic growth during the past two decades has made it a stronger ally in for the United States. As Korea eases its trade barriers to increase the amount of imports from the United States, our trade with Korea has become more lucrative. If we let the instability in Korea increase, we stand to lose our seventh largest trading partner.

As Korea tries to gain legitimacy in the world as a modern industrialized country by holding the Olympics next year, the United States, as Korea's largest trading partner and strongest military ally, should take definite action to encourage and expedite the process of democratization of South Korea. In so doing the spectre over the 1988 Olympics will be gone, and South Korea will present itself as not only a modernized nation but also a democratic nation. It is in both our interest and the interest of the Korean people.

UNITED STATES PANAMA STAND PROPERLY STRONG

HON. DOUG BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 18, 1987

Mr. BEREUTER. Mr. Speaker, on June 18, 1987, the Omaha World Herald published a thoughtful editorial commending the United States policy response toward recent events in Panama. I, also would like to comment to my colleagues attention the administration's support for democracy in this important Central American nation, one with whom the United States has long had friendly relations and shared responsibilities for collective security.

[The article follows:]

U.S. PANAMA STAND PROPERLY STRONG

The State Department issued a commendably strong, unambiguous statement in favor of civilian government and free elections in Panama. The statement came amid growing indications that Panamanians are losing confidence in their government, which is under the influence of the military.

For a decade, Panamanian generals have in effect, operated a shadow government. Several days ago, after a former high-ranking military officer charged that the general's manipulation included election fraud and murder, protests broke out and the government declared a state of emergency.

Panama has played a crucial role in the geopolitics of the Western Hemisphere ever since the White House under Theodore Roosevelt supported a secessionist coup that led to the creation of Panama in 1903. Roosevelt sought a canal across the isthmus, and Colombia wouldn't come to terms. Roosevelt's solution was to break off a piece of real estate, call it Panama and build the canal there. About 10,000 U.S. troops are stationed in Panama to guard the canal, which will be turned over to Panama in the year 2000.

"The government of the United States continues to support firmly the return of Panama to a state of full and functioning democracy, a course to which Panama's leaders committed the country 10 years ago," the State Department said.

Considering the closeness of the ties between the two nations, a U.S. response to the demonstrations and emergency declaration was in order. The fact that the response was a ringing endorsement of reform speaks well for the officials who drafted and approved it.

HOUSE ACTION ON CAMPAIGN FINANCE REFORM

HON. AL SWIFT

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 18, 1987

Mr. SWIFT. Mr. Speaker, I rise today to note the record of the House on the issue of campaign finance reform. Statements by certain leaders of the other body suggest they may have the impression that, while they have been working on the issue over there, nothing has been happening here.

The facts are dramatically to the contrary.

First, on a historical note I would like to point out for the record that the House has twice passed campaign finance proposals in the last few years. One was a PAC limitation bill; one was a 100-percent tax credit for small campaign contributions. Neither made it through the other body.

Second, let me outline what has transpired so far in this Congress:

As chairman of the Subcommittee on Elections, I put together a group of interested Democrats to discuss what ideas we had, and what proposals we might support. This informal group met almost weekly for several months. We made substantial progress in moving toward consensus on a wide variety of issues.

A number of us, from both sides of the aisle, have introduced campaign finance proposals. I, for instance, put in H.R. 2464, the Campaign Cost Reduction and Reform Act of 1987. Our colleagues MO UDALL, LEE HAMILTON, LEON PANETTA, DAN GLICKMAN, JUDD GREGG, GEORGE BROWN, DON PEASE, BRUCE VENTO, SAM GEJDENSON, JIM BATES, BEVERLY BYRON, MERVYN DYMALLY, BYRON DORGAN, BARBARA KENNELLY, and DOUG WALGREN have joined me in cosponsoring H.R. 2464, which incorporates virtually all the proposals agreed to by the group. It is a comprehensive approach to campaign finance reform that will limit campaign expenditures, reduce campaign costs and limit PAC contributions without public financing.

Among the other proposals that have been introduced are: (1) public financing bills by TONY BEILENSON, MEL LEVINE and HENRY GONZALEZ; (2) contribution limitations by the ranking Republican on the Elections Subcommittee, BILL THOMAS; (3) expenditure limits by MO UDALL; (4) a proposal for public financing of media costs suggested by ANDY JACOBS; (5) a public financing and tax credit bill put forward by TIM PENNY; (6) PAC limitation bills by JIM HOWARD and WES WATKINS; and (7) proposals for free radio and TV time by SAM STRATTON. The most recent is a bill I understand was introduced today, sponsored by TONY COELHO, MIKE SYNAR, and JIM LEACH.

The Subcommittee on Elections has been holding hearings on all these proposals since May. We have held three hearings so far, at which a number of our colleagues—both those who have sponsored bills and those who have not—have testified. We have more hearings scheduled, both this month and next.

I would like to make it clear, Mr. Speaker, that the House has been very active in this important area. We do not intend to mark up anything before we have a bill from the other body, because we have been down that road before. But we have been doing our homework diligently, laying all the necessary groundwork, and we are prepared to act on these bills just as soon as we have a proposal from across the way.

EXPLANATION OF MISSED VOTES

HON. PETER H. KOSTMAYER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 18, 1987

Mr. KOSTMAYER. Mr. Speaker, early this afternoon I was in my district for a ceremony marking the expansion of an important plant in Bucks County, PA. Had I been here, I would have voted

"Nay" on roll call 193.

"Nay" on roll call 194.

"Nay" on roll call 195.

REPRESENTATIVE SHUMWAY'S AMENDMENT TO H.R. 1777

HON. JOHN EDWARD PORTER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 18, 1987

Mr. PORTER. Mr. Speaker, last month the Congressional Human Rights Caucus, chaired by myself and Mr. TOM LANTOS, coordinated a hearing on the human rights situation in Cuba. Witnesses included Gen. Vernon Walters, the U.S. Ambassador to the United Nations, Assistant Secretary for Human Rights Richard Schifter, and four former Cuban prisoners.

General Walters described the arrest of the United States resolution proposed at the U.N. Commission on Human Rights meeting in Geneva to condemn the human rights violations in Cuba. The United States resolution never even came up for a vote because of a procedural motion introduced by India that this was not the time to consider human rights violations in Cuba. Unfortunately, India's resolution passed as a result of warnings by Cuban President Fidel Castro to several South American nations earlier this year that armed disturbances would erupt inside their borders if they sided with the United States resolution.

In spite of the defeat of the United States resolution, I cannot forget the 14,000 to 15,000 persons that remain in prison and labor camps throughout Cuba for political crimes. I especially cannot forget Ricardo Bofill Pages, president of the Cuban Commission on Human Rights, who spent 9 years in prison and remains in Havana today, stripped of all his rights, despite his publicly announced desire to join his wife and son in our country.

The United States Human Rights Commission, established in 1946, is supposed to investigate and make recommendations concerning the violation of human rights and fundamental freedoms. The failure of this organization to reach this goal was evident during the vote on Cuba at the Commission meeting in Geneva.

The United States continually speaks out against human rights abuses. President Reagan said in his address to the U.N.'s General Assembly that democratic countries do not go to war with each other. General Walters confirmed this remark at the caucus hearing stating that "those governments at war with their own people tend to be those also at war with the people of other countries. Totalitarian governments are as aggressive abroad as they are repressive at home."

General Walters has demonstrated his commitment to basic human rights in Cuba and elsewhere throughout the world. I encourage the U.N. Human Rights Commission to follow his lead and express unbiased, bipartisan support for the fundamental freedoms guaranteed to all people.

Mr. Speaker, I commend my colleague, Mr. SHUMWAY, for his leadership on the human rights conditions in Cuba and express my pleasure at the unanimous passage of his amendment to H.R. 1777.

COME ON, MR. PRESIDENT

HON. JOHN BRYANT

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 18, 1987

Mr. BRYANT. Mr. Speaker, President Reagan spins a lot of yarns, some of them with a basis in fact. On one occasion last year, he actually told a shockingly true story about the cost of housing of the poor and homeless in New York and even came up with what seemed like a good idea about trying to find a more sensible, less expensive solution.

Now the President is opposing legislation to implement the very suggestion he made. I want to share with my colleagues and the American people an editorial about this issue which appeared in the Dallas Times Herald of June 17, 1987:

> REAGAN: WHO THOUGHT THIS UP?
>
> It was bound to happen sometime. President Reagan told an anecdote last fall that contained the germ of one of the most innovative ideas for housing the homeless in years. To the president's consternation, Congress took him seriously, and now the president is fighting a promising program that he inadvertently proposed.
>
> The story began Nov. 19, when Mr. Reagan declared, "I just read this morning in the paper about a needy family in New York that is being put up in a hotel, and the cost to welfare just for the rent of the hotel room in $37,000 a year. And I wonder why somebody doesn't build them a house for $37,000."
>
> It may have been a throwaway line, but New York officials, who pay to house more than 13,000 people in overpriced, run-down welfare hotels, took it seriously. They had been wrestling with federal welfare laws that permit officials to spend almost anything on emergency shelter, but nothing for capital costs.
>
> Cesar Perales, New York's commissioner of social services, aptly noted. "It is a disgrace that we have federal rules that allow us to spend this money on hotels, but not on building housing for poor people."
>
> New York's congressional delegation introduced bills altering rules in the Aid to Families with Dependent Children program to permit states to use a portion of the federal money to build low-income housing. The bill has cleared the House Ways and Means Committee—but has now run afoul of the president who is siding with the bureaucratic status quo in opposition to his own brainstorm. Come on, Mr. President, you had a good idea. Own up to it.

TRIBUTE TO MR. NORMAN A. CARLSON

HON. WILLIAM F. CLINGER, JR.

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 18, 1987

Mr. CLINGER. Mr. Speaker, I rise to bring the attention of my colleagues to the retirement of a respected and tireless public servant. Early next month the Director of the Federal Bureau of Prisons, Mr. Norman A. Carlson will be leaving his position after 17 years of exceptional service to our Nation.

Although I have only known and worked with the Director for the last few years, I have found him to be a strong, effective and self-assured administrator. One of his greatest assets is his identification and relationship with the over 11,000 staff members which make up the Federal prison system. He acknowledges the constant, dedicated hard work performed by the Bureau employees and credits their accomplishments as the key ingredient to his success.

Norm Carlson's background certainly indicates his commitment and dedication to the Bureau. Born in Sioux City, IA, he worked as a correctional officer at the Iowa State Penitentiary prior to joining the Federal Bureau of Prisons as a parole officer in 1957. He quickly advanced through the ranks and in 1965, he was one of several Federal career executives to spend a year at Princeton as a National Institute of Public Affairs fellow.

Norm Carlson represented the United States at many international conferences on crime control and for his efforts in 1972, he was awarded the Arthur S. Flemming Award as one of 10 outstanding Federal employees. Additional awards followed including the Roger W. Jones Award for executive leadership; the Attorney General Award for exceptional service in the Justice Department; the E.R. Cass Award by the American Correctional Association and the Presidential Rank Award of Meritorious Executive in the Senior Service.

During his term as Director, Norm had many accomplishments such as the development of intensive line-staff training and an increased level of professionalism among the Bureau's personnel. Today they are recognized as a worldwide example of a well-trained professional prison staff. Moreover, he guided the development of a new classification system for inmates in the Federal system and established a numerical system that replaced minimum, medium and maximum security grades with one to six Federal correctional institutions.

The development of new, innovative correctional facility design was another major initiative instituted by Norm Carlson. While extremely conscious of costs, he tried different approaches to improve prison facilities and get results, discarded the approaches that didn't work, and built the ones that did into the system. For example, he incorporated an institutional design to provide maximum staff/inmate contact; consequently, less staff per prison was required and a more humanizing atmosphere was created.

Norm Carlson symbolizes the consummate career executive member and showed this through his strong management skills. He called for and received a high standard of excellence from the employees he directed and he was always committed to them. During his 17 years as Director, he worked for both Republican and Democratic administrations and was always accountable and determined to make sure goals were set and met. And above all, he knew that he was ultimately responsible to the American taxpayer.

On many occasions, Norm had opportunities to leave public service, yet he remained with the Bureau of Prisons and instilled his own spirit and energy from top to bottom. He served his Nation well and made the Bureau of Prisons responsible and credible.

I am sure that I speak for my colleagues when I thank Norman A. Carlson for his years of service and I wish him the best as he retires from the Bureau to teach and pursue other interests.

IN CELEBRATION OF AN UNUSUAL MAN

HON. HELEN DELICH BENTLEY

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 18, 1987

Mrs. BENTLEY. Mr. Speaker, on the 23d of June, Bishop Isaiah Hill will be honored by the First Baptist Church in Essex for 25 years of hard work and service to the congregation. When Bishop Hill was called to the church 25 years ago, there were 9 members and the building had outside toilets and one oil stove.

Under Bishop Hill's leadership, the church has grown to a membership of 400 and there have been two renovations of the church building plus the addition of a church hall. Plans are underway for a new structure later this year with a sanctuary which will seat several hundred people and additional rooms for different church activities.

The pastorship of this congregation from 9 to 400 is cause enough to celebrate Bishop Hill's silver anniversary; however, this remarkable man—in the last year—has been responsible for a training program for drug counseling which has produced 40 trained drug counselors in the last year.

The group, which works out of the parsonage across the street from the church, is called GLADD for "God's Law Against Drunkenness and Drugs." The Bishop was inspired by a newscast which told about how many young people were dying of alcoholism and drugs. Thinking about the organizations MADD and SADD (Mothers Against Drunken Driving and Students Against Drunken Driving), Bishop Hill was inspired to start GLADD.

This program is being run in addition to other outreach community programs by the congregation including a daycare center for the neighborhood.

I wish to call the attention of our colleagues to this man's inspiring accomplishments and to congratulate his congregation for the support they have given through the years to this important ministry in Essex, MD.

It is a pleasure to pay tribute to this remarkable man of God and wish him another 25 productive years in the community which will honor him on June 23.

THE NEED FOR NATO

HON. DOUGLAS H. BOSCO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 18, 1987

Mr. BOSCO. Mr. Speaker, I rise today to recognize the noteworthy achievement of Mr. Jonathan W. Howes. Mr. Howes is a young constituent who attends Ferndale Union High School in Ferndale, CA. Mr. Howes is one of six high school students nationwide to win an essay contest sponsored by the North Atlantic Treaty Organization. The contest not only required students to demonstrate their knowledge about NATO, but also to write an essay analyzing the need for NATO.

As one of the six winners, Jonathan Howes has won a trip to Brussels, Belgium. He will visit the birthplace of NATO and learn more about the geopolitical influence of the North Atlantic Treaty Organization. The essay is impressive and insightful, and I am proud to insert Mr. Howes' treatise into the Record.

Is There a Need for NATO

The years following World War II were a time of troubles. Although the war was over, it did not mean that so were Europe's troubles. The conditions were terrible. The countryside was blown apart and the people were tired of the fighting. All they wanted was to get back to things as they were before the war. However, with wounded governments and dying economies, that goal seemed impossible. The continent was suffering from a lack of unity between them—a lack of cooperation. The people wanted to be rid of the threat of war and live in peace. If they could only get back on their feet and start moving in that direction.

Before any advancements could be made, each nation was faced with a decision. The world was splitting in half, one half towards democracy, the other towards communism. It was a growing struggle to see which was clear. Many nations who did decide, and decided to go towards democracy, needed some sort of protection against the aggressive communist nations. Europe needed something to help them out of their problems.

On April 4, 1949, twelve nations came up with a solution. Representatives from each of these countries signed the North Atlantic Treaty. This was a treaty that would unify Western Europe and help to lead them back to their previous state of greatness. The most important part of the treaty is Article 5, which states that each of the members of the North Atlantic Treaty Organization (NATO) are to be treated as one. If an attack is made against one, it is to be treated as an attack against all. With that statement, the treaty secured the peace of Western Europe and helped to get the world back on its feet.

Now, thirty eight years later, there is a rising debate on just how valid NATO's existence is. There are those who say it is out of date and useless, while others say that it is essential to Europe's existence. In order to decide, one must view the evidence.

On the positive side, NATO has secured the North Atlantic and allowed an effort of unified progress towards a better world. It has enforced peaceful negotiations while establishing the United States and Europe as world powers. NATO's Committee on the Challenge of Modern Society has led researchers from all over the world into subjects ranging from biology to politics to world economics. When viewing these facts, it is easy to see NATO's positive side.

On the negative side, NATO has divided the East and West, helping to create a more hostile environment. The Cold War has never been so viscious. Internally, NATO also has many problems. The imbalance of power leaves most of Europe leaning on the United States for its protection. The U.S. now has to face a financial as well as a moral burden because of NATO. In a sense, NATO has given the U.S. too much power to play with.

My perspective as a U.S. citizen is that NATO is both good and bad. However, when one sees how the threat of war has been reduced, (Europe is now in its longest reign of peace ever,) and the advances being made in both science and education because of the CCMS, it is my opinion that NATO is still a benefit to the Western world, and will continue to assist us in creating a safer, more beneficial, and more cooperative world in which to live.

OIL PIPELINE REGULATORY REFORM ACT

HON. MIKE SYNAR

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 18, 1987

Mr. SYNAR. Mr. Speaker, today my colleague from Texas [Mr. Fields], and I will introduce legislation to deregulate the transportation rates of oil pipelines. Let me emphasize that this legislation will deregulate oil pipeline, transportation rates, not oil pipelines. Unlike the natural gas pipeline industry, oil pipelines are common carriers—they are not oil merchants; they are simply transporters of oil and oil products. This legislation will not affect this status in any way, nor will it alter the existing obligations of oil pipelines to provide nondiscriminatory, nonpreferential services. Rather, this legislation will remove the regulatory burdens and inefficiencies of Federal ratemaking and allow rates to be determined, as they should, by market competition.

Six years ago I introduced an oil pipeline deregulation bill. At that time many questioned whether oil transportation markets were truly competitive. Some urged further study. And so, after exhaustive review, a Justice Department report and a study by the Association of Oil Pipelines concluded last year that the oil pipeline industry is by and large a competitive industry, confirming what many of us have believed for some time. The oil pipeline industry and oil transportation markets have changed dramatically since the time rate regulation was first enacted some 81 years ago. It is now time to deregulate oil pipeline transportation rates.

Today, shippers enjoy a wide variety of transportation options. The pipeline system is extensive and modern technology enables pipelines to carry a full range of products and offer a multitude of services. Trucks, railcars, barges, ocean tankers, and exchanges all provide flexible shipping alternatives. Furthermore, unlike natural gas, the transportation costs for petroleum products are an insignificant factor in the ultimate product cost borne by consumers. We are literally talking about pennies on the price of a gallon of gasoline.

Despite these conditions, we are beginning to witness an ominous trend within the regulatory bureaucracy of FERC. What has traditionally been a relatively simplistic regulatory structure for oil pipelines is quickly becoming a nightmare of rate-making procedures akin to the extensive controls required of gas pipelines and electric utilities. Such changes in the oil pipeline industry are counterproductive and unacceptable.

Certainly, it is important to ensure that shippers have a forum to remedy potential discriminatory practices by pipelines. For that reason, we have provided in this legislation a very simple but important review process whereby aggrieved shippers may file complaints with FERC. Upon receipt of a complaint, FERC may assert regulatory control in instances where it determines that discrimination or monopoly power has been unduly exercised. I am confident that by providing an accessible forum for shipper complaints and maintaining existing antitrust protections, the oil pipeline industry and consumers will benefit from the removal of unnecessary and intrusive Federal regulation.

In conclusion, a great deal of energy legislation has been introduced during these troubled times in the oil patch. And, as was the case with the recent repeal of the Fuel Use Act, this bill will not solve all of our problems in the Southwest. It will, however, eliminate regulatory burdens and costs that continue to impede growth in a critical component of our Nation's energy industry. For these reasons, I urge my colleagues to support this legislation.

AMERICAN TRUCKING ASSOCIATIONS SUPPORT 55 MPH

HON. JAMES J. HOWARD

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 18, 1987

Mr. HOWARD. Mr. Speaker, the American Trucking Associations, which represents the Nation's truck drivers, those with the largest economic stake in the speed limits on our highways, has again expressed its wholehearted support of the 55 mile-per-hour speed limit.

The ATA Executive Committee not only reaffirmed its longstanding support of the 55 mile-per-hour speed limit but it also strengthened the policy statement. Truck drivers depend on reaching their destinations with their goods as soon as possible but the costs of higher speeds outweigh any benefits.

Following is the policy statement on safety adopted by the ATA Executive Council on Wednesday, June 17.

The national 55 mph speed limit has reduced the severity of accidents, reduced the number of highway fatalities and saved fuel. The trucking industry continues to support a national 55 mph speed limit. Truck speeds should not be increased because higher speeds will increase stopping distances and handling problems. The trucking industry opposes the use of any mechanical or electrical devices which enable drivers to exceed the speed limit without being detected.

ROLL NO. 191

HON. BOB McEWEN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 18, 1987

Mr. MCEWEN. Mr. Speaker, the June 17, 1987 CONGRESSIONAL RECORD lists the final vote on passage of H.R. 281 on pages 16548 and 16549. The final tally for roll No. 191 indicates 227 yea votes and 197 nay votes, with 9 not voting.

Mr. Speaker, this is an incorrect tally. I was present during the final vote on this measure, as I was throughout the day. You will note my votes consistently for each of the six previous recorded rollcalls of Wednesday, June 17, 1987.

While on the floor, I inserted my card into the electronic voting device, saw the red light by my name indicating a "nay" vote and subsequently left the floor without further concern.

Mr. Speaker, I want the RECORD to indicate this vote.

TRADE REORGANIZATION: BUILDING A FIRM FOUNDATION FOR TRADE POLICY

HON. DON BONKER

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 18, 1987

Mr. BONKER. Mr. Speaker, the unprecendented trade deficits which we face represent a grave threat to our future prosperity. In the past 5 years, millions of workers have lost their jobs, thousands of plants have closed, and industries and workers everywhere face an uncertain future. Moreover, the greatest economic power in the world is now the world's largest debtor.

Yet if we turn to the Federal Government in this crisis, we do not hear a strong voice of leadership, but rather a cacophony from a whole host of agencies, each sitting on its own piece of trade turf. No nation in the free world could afford to carry out its international economic and trade policies as we do in the United States. There is no recognizable trade policy, nor is there a single department that oversees trade programs. Whatever policies exist have accumulated over time by a Congress more concerned with issues of the moment than a long-term strategy, and the Federal bureaucracy has evolved in response to these ad hoc measures.

Federal trade departments, agencies, corporations, and commissions are scattered all over the Nation's capital. No one could possible understand the complexity of America's trade policy without retaining a Washington, DC, law firm that employs former ranking officials from the executive branch.

As we work to reform existing trade laws and enact necessary new ones, we must give consideration to the structure of the executive branch, which we are asking to carry out these responsibilities. Trade policy implementation is a very sensitive process, and Congress quite rightly has given the President and his Cabinet the flexibility they need to strike an appropriate balance among the various factor involved. With its current organization, however, the executive branch is not capable of exercising that flexibility and implementing trade policy in a timely and coherent fashion.

Today I am introducing a bill to establish a new Department of Commerce and Trade. This Department would consolidate most of the trade functions now delegated to the Trade Representative and the Secretary of Commerce. The Secretary of the new Department would be the principal spokesman for the administration on trade and would be the President's top trade negotiator. The Department would administer our import relief and export control laws and would run our export promotion programs.

One important function, however, would not be delegated to the new Secretary: coordination of trade policies. Without the active participation of the White House, the legitimate trade interests of the other agencies would not be adequately considered in the formulation and implementation of trade policy. My proposal would retain and strengthen the White House's existing responsibilities for trade policy coordination. Finally, my bill seeks to strengthen the role of the Agriculture Department in the trade policy process. Over the years, USDA has proven itself as an effective and responsible advocate for America's farmers. To ensure that the interests of the agricultural community are not overshadowed or ignored, USDA must be given a stronger voice in the development and implementation of U.S. trade policy.

One additional point should be noted: my proposal would in no way affect existing committee jurisdictions on Capitol Hill, nor would it diminish congressional prerogatives regarding international trade policy.

Responsible trade reorganization can strengthen the formulation and implementation of U.S. trade policies, improve coordination among the agencies, and increase the weight given to trade considerations in the broader context of U.S. domestic and foreign policymaking. Reorganizing the executive branch will not solve our trade problems, but it will provide a firmer foundation on which we can build the policies that will.

I urge my colleagues to join me in cosponsoring this important legislation.

SECTION-BY-SECTION ANALYSIS OF BONKER TRADE REORGANIZATION BILL

TITLE I

Findings and purposes.

TITLE II

PART A

Section 201—Establishes a new Executive Department of Commerce and Trade.

Section 202—Except in the case of responsibilities delegated to the Secretary of Agriculture, the Secretary of Commerce and Trade is empowered to:

Exercise primary responsibility for developing and implementing international trade policy (with the advice of the Trade Policy Committee);

Exercise lead responsibility for trade negotiations (with the advice of the Trade Policy Committee);

Report directly to the President and Congress on the administration of trade remedy and reciprocity laws;

Report directly to Congress (particularly to the Ways and Means and Finance Committees) on the conduct and status of trade negotiations and implementation of the trade agreements program;

Promote the export of goods and services;

Consult with State and local governments and other interested parties concerning international trade and investment matters;

The Secretary of Commerce and Trade shall consult with the Secretary of Agriculture on all matters that involve international trade in agricultural products;

The Secretary of Commerce and Trade shall serve as Deputy Chairman of the National Advisory Council on International Monetary and Financial Policies.

PART B

Section 211—Establishes three Deputy Secretaries in the new Department:

One deputy secretary shall be designated to act on behalf of the Secretary in case of the Secretary's absence or disability, and shall be a member of the Board of Directors of the Export-Import Bank;

The other two deputy secretaries shall be designated as Deputy Secretaries for International Trade Negotiations. They shall act on behalf of the Secretary as Chief Negotiators of the United States on international trade matters over which the secretary has authority. One of these deputy secretaries shall act on behalf of the Secretary as the Permanent Representative and Chief of Mission of the United States to the General Agreement on Tariffs and Trade. Both shall have the rank of ambassador.

Section 212—Establishes two under secretaries in the new Department whose functions shall include:

Preparing trade policy options and recommendations for consideration by the Secretary;

Promoting the export of goods and services;

Implementing United States laws regarding international trade policy;

Gathering and analyzing information regarding developments affecting productivity growth in U.S. industries, the relationship between foreign investment and international trade, and the competitive position of major U.S. industries and services sectors;

One under secretary shall be named Vice Chairman of the Board of Directors of the Overseas Private Investment Corporation.

Section 213—Establishes 8 Assistant Secretaries. The Secretary has full discretion in assigning these assistant secretaries.

Section 214—Establishes a General Counsel who shall provide legal assistance to the Secretary concerning the activities, programs, and policies of the Department.

Section 215—Establishes an Inspector General.

Section 216—Establishes a Chief Textile Negotiator with the rank of ambassador in the new Department;

Establishes a Director General of the United States and Foreign Commercial Service who, within a year, shall submit plans for expanding and enhancing the policy function of the Foreign Commercial Service, with the goal of creating a professional and competitive corps of international trade specialists;

Establishes an Agricultural Advisor within the new Department (if requested by the Secretary of Agriculture). This advisor shall be appointed by the Secretary of Commerce and Trade in consultation with the Secretary of Agriculture and shall act as a liaison between the two departments.

PART C

Section 221—Transfers authorities of the United States Trade Representative to the new Department.

Section 222—Transfers authorities of the Department of Commerce to the new Department.

PART D

Administrative Provision.

PART E

Section 251—Establishes the Assistant to the President for International Trade and the Trade Policy Committee:

The Assistant to the President for International Trade shall provide the President with policy options on international trade matters and shall (in cooperation with the Trade Policy Committee) coordinate the policies and activities affecting international trade that are carried out by the Federal agencies;

The Trade Policy Committee shall assist the President in carrying out his international trade responsibilities. Such assistance shall include coordination of the policies and activities affecting international trade that are carried out by departments and agencies of the government (in cooperation with the Assistant to the President for International Trade). The President shall be Chairman of the Trade Policy Committee, and the Assistant to the President for International Trade shall be Chairman protempore;

The Trade Policy Committee shall seek to expand the responsibilities of the Department of Agriculture in matters affecting agriculture trade and delegate to the Secretary of Agriculture responsibility for formulating and implementing policy and regulations, and conducting international negotiations with respect to agricultural matters;

The Trade Policy Committee may establish additional subcommittees including trade policy review groups, trade policy staff committees, and trade negotiation committees.

Section 252—Amends the Export-Import Bank Chapter by designating a Deputy Secretary of Commerce and Trade as a permanent member of the Bank's Board of Directors.

Section 253—Amends the Overseas Private Investment Corporation Charter by designating an Under Secretary of Commerce and Trade as Vice-Chairman, ex officio, of the Corporation and transferring the Trade and Development Program from the Department of State to the Overseas Private Investment Corporation.

Section 254—Amends the Bretton Woods Agreement Act by requiring the Secretary of Treasury to consult with the Secretary of Commerce and Trade on matters before the International Monetary Fund which relate to trade.

Section 255—Establishes new trade authorities within the Department of Agriculture and requires the Secretary to report directly to the President and Congress (particularly to the Ways and Means and Finance Committees) on the conduct and status of agricultural trade negotiations and implementation of the trade agreements program with respect to agricultural matters for which the Secretary has been delegated responsibility.

PART F

Conforming Provisions.

Section 261(b)(1)—Establishes the Secretary of Commerce and Trade as the chief representative of the United States at any trade negotiation under this title, except in the case of a trade negotiation for which the Secretary of Agriculture has been designated as chief representative of the United States. Provides the Secretary of Agriculture with the opportunity to be represented at any trade negotiation.

TITLE III

Transitional, Savings, and Conforming Provisions.

Section 309—Terminates the Department of Commerce, the Office of the United States Trade Representative, and the position of the United States Trade Representative.

TITLE IV

Miscellaneous.

Section 401—Definitions.

VA EMPLOYEES VOICE STRONG SUPPORT FOR THEIR MEDICAL COMPUTER SYSTEM

HON. G.V. (SONNY) MONTGOMERY

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 18, 1987

Mr. MONTGOMERY. Mr. Speaker, a controversy over the effectiveness and cost of the Veterans' Administration's medical computer system, known as the Decentralized Hospital Computer Program [DHCP] system, has arisen in the Congress. As chairman of the Committee on Veterans' Affairs, I have scheduled many oversight hearings on this important medical computer system over the past several years and the reports on its effectiveness and costs have been uniformly very positive.

Since our hearing of April 8, 1987, on this important subject, I have received many letters from veterans and Veterans' Administration employees in support of the DHCP.

I would like to share with my colleagues a copy of a letter which I received from Mr. DeWayne C. Robertson, Director of the VA Medical Center in Canandaigua, NY, that demonstrates how the VA employees feel about their medical computer system. The letter follows:

VA MEDICAL CENTER,
Canandaigua, NY, April 17, 1987.

Hon. G.V. "SONNY" MONTGOMERY,
Rayburn House Office Building,
Washington, DC.

DEAR MR. MONTGOMERY: I am concerned with the proceedings of the House Appropriation Sub-Committee on HUD and Independent Agencies on Wednesday, March 4, 1987, and by the representations of the McDonnell Douglas Health Systems Company Vice-President and their newly employed former senior member of the Senate VA Committee Staff. The threat of all this was to halt the DHCP effort and replace it with a costly proprietary system. This proposed diversion of funds appropriated for the health care of eligible veterans, particularly in these times of fiscal stringency, would dishonor the Nation's contract with its deserving veterans. McDonnell Douglas surely has many alternatives, meritorious, profit-making undertakings. They can surely afford to abandon this one.

My experience with the DHCP System shows that it is capable of meeting the needs of the VA and is the cheapest and most effective computer system for the VA. Users satisfaction is high and the training of all the medical center staff has easily and successfully been accomplished. This training cycle for the DHCP has been ongoing for four years. The system has had many evaluations and on all evaluations they have recommended its continuation. It is my opinion we don't need to start over with a Department of Defense Contractors inflexible system—designed by computer people—and not health care staff.

It is my hope that you will see to it that this effort by McDonnell will be halted immediately and we can pursue the continued growth of the DHCP which will result in our providing quality health care to our veterans, and information to our staff, that will permit us to continue to provide the cheapest and most effective data for the operation of our VA system.

I am looking forward to a favorable response.

Sincerely yours,

DEWAYNE C. ROBERTSON,
Medical Center Director.

DIOGUARDI TRIBUTE TO AICPA 100TH ANNIVERSARY

HON. JOSEPH J. DioGUARDI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 18, 1987

Mr. DIOGUARDI. Mr. Speaker, I rise to pay tribute today to the American Institute of Certified Public Accountants, a highly esteemed organization that is celebrating its 100th anniversary.

As President Franklin D. Roosevelt said in a 1937 letter to Col. Robert H. Montgomery, then president of the American Institute of Accountants, "The same considerations which make accounting of such paramount importance in private enterprise have equal force in their relation to public business."

Fifty years later, Mr. Speaker, it is obvious that President Roosevelt's words still echo the truth—only more so today, when the public-sector routinely acts as if accountability to the taxpayer is an optional chore, not a public duty.

In the 50 year interim between President Roosevelt's letter to Colonel Montgomery and my words on behalf of the AICPA, the magnitude of the accounting industry's importance to the private and public sectors has grown exponentially. The increasing complexity and reporting requirements in both the public and private sectors has thrust the accounting profession to the forefront of acting on behalf of the public good.

Indeed Mr. Speaker, public polls continue to rank the accounting profession as one of the most trusted vocations in the Nation; it will continue to be viewed as such because integrity and independence play key roles in its professional mandates.

In closing Mr. Speaker, I trust that the impending observance of the 100th anniversary of the American Institute of Certified Public Accountants will give renewed public interest and appreciation to the importance of, as President Roosevelt said, "strict accounting in both private activity and in the discharge of the public business."

AN HONORABLE AND THOUGHTFUL MAN

HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 18, 1987

Mr. GARCIA. Mr. Speaker, yesterday's Washington Post had a column by David Broder on our colleague, LEE HAMILTON, chairman of the House Iran-Contra Committee. As Broder points out in his fine column, we ought to listen to LEE regarding the lessons to be learned from this fiasco.

Our colleague from Indiana has earned our attention by the way he has conducted himself with dignity and intelligence not only during the recent hearings on the Iran-Contra affair but throughout his tenure in Congress. We are lucky to have him.

I submit David Broder's column to the RECORD for my colleagues' persual.

[David Broder's article follows:]

LISTEN TO LEE HAMILTON—A GOOD CONGRESSMAN'S THOUGHTS ON THE IRAN-CONTRA AFFAIR

(By David S. Broder)

Rep. Lee H. Hamilton (D-Ind.) is one of the remarkable members of Congress—independent, thoughtful and in every respect reliable. That is not a fresh discovery. But it is a conclusion the country is coming to share as it watches him function as cochairman of the joint House-Senate hearings on the Iran-contra affair.

Those of us who were here 22 years ago took the measure of this tall Hoosier lawyer and Methodist minister's son when he became president of the big class of freshman House Democrats elected on Lyndon B. Johnson's coattails in 1964. As class president and as the man who had beaten a long-time Republican incumbent in his southern Indiana district, Hamilton was a White House favorite.

In his first term Johnson arranged three major public-works projects and 13 post offices for his district. But when it was time to blow the whistle on the frantic, incessant legislative demands Johnson was placing on Congress in his grandiose desire to build "a Great Society," Hamilton did not flinch. In September of 1965, freshman Hamilton wrote a public letter to the president, calling for "a pause" for reflection and "a more deliberate pace of legislation in 1966."

Johnson was furious, but Hamilton was right. And his insistence on consultation—aggravating to a series of successor presidents—also has been correct. As former chairman of the House Intelligence Committee and ranking Democrat on Foreign Affairs, Hamilton is as consistent in his principles as he is faithful to his long-out-of-fashion crew cut.

His colleagues of both parties know this, and now the American public is finding it out. Hamilton's summary of the lessons of the hearings, delivered last week when Fawn Hall's testimony ended the first phase of the investigation, brought the confusing detail of 18 witnesses and 110 hours of testimony into clear perspective.

The principal lesson, Hamilton said, is that presidents get in hot water when their administrations abandon legitimate ways of operating. "Our government cannot function cloaked in secrecy. It cannot function unless officials tell the truth. The Consitution only works when the . . . branches of government trust one another and cooperate."

"Privatization of foreign policy is a prescription of confusion and failure," he went on. "The use of private parties to carry out the high purposes of government makes us the subject of puzzlement and ridicule."

Finally, he added, there must be accountability. "High officials cannot look the other way or distance themselves from key aspects of policy or the actions of those they supervise. Accountability requires rigorous oversight by the Congress and a full exercise of the process of checks and balances under the Constitution. It requires above all the operation of the normal processes of government."

When I went to see Hamilton the other day, I asked the obvious question. Having watched presidents from Johnson to Reagan commit excesses of one kind or another, how do we ensure adherence to "the normal processes of government?" Hamilton's answer is that it is a question of attitude more than of law, of people rather than legal prescriptions.

"I don't think we will be making massive new legislative recommendations," he said. "A lot of changes are already occurring as a result of the process" of investigations by the Tower commission, the congressional panels and the special prosecutor. "Don Regan is out, and Howard Baker is in. John Poindexter is out, and Frank Carlucci is in. The president already has said he will no longer use the National Security Council for [secret] operations but will restore its advisory role."

While Hamilton talked publicly in a weekend TV interview of the possibility of impeachment proceedings if evidence develops that Reagan knew of the diversion of funds to the contras, he does not want to put further restrictions on the authority of the president. He told me he believes strongly in the existing legal requirement that Congress be notified of covert operations. But even with all he has seen and heard of the Iran-contra affair, Hamilton said he would not join those Democrats who say, "a president should not conduct a covert action without approval of Congress. I think a president has to have authority to conduct secret operations, so long as Congress is notified."

But then he added an important proviso—which somehow presidents have great difficulty learning: "Secret operations should supplement existing policy, not take new initiatives," Hamilton said. "In this case, they were at odds. The United States was urging all nations to refrain from selling arms to Iran or Iraq, but secretly we were selling arms to Iran. Our secret policy contradicted our public policy."

That is what subverted "the normal processes of government" and the credibility of the Reagan administration, with costs being felt everywhere from the Persian Gulf to the 1988 presidential preliminaries. If Hamilton is right again in judging that Congress will not find legislative remedies for such folly, we have to be sure those seeking to succeed Reagan understand the fundamental lesson of this sad affair.

AMERICAN GOSPEL ARTS DAY

HON. JULIAN C. DIXON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 18, 1987

Mr. DIXON. Mr. Speaker, recognizing that gospel music is an important part of this Nation's cultural heritage, a majority of my colleagues in the House of Representatives have chosen to designate June 19, 1987 as American Gospel Arts Day. I have joined them in cosponsoring this legislation.

This rich form of human expression, a unique product of the black experience in this country, is the tie that binds black churches and families together, inspiring communities to Christian living and sharing and connecting one generation to another.

The great names of gospel music—William Herbert Brewster, Thomas Andrew Dorsey, Mahalia Jackson, Shirley Caesar, James Cleveland, the Hawkins family, the Winans among them—call to mind times of suffering and hope, setbacks and progress, the history of a community and dreams of a people. Gospel music carries with it our very identity.

Its influence has filtered throughout American culture. Many of the greatest black music stars of today—in jazz, blues, or pop music—got their start in choirs of their home churches. Directly and indirectly, all Americans have been touched by the rich legacy of gospel music.

On June 19, a day traditionally observed in the black community as a special day of appreciation for the political and cultural heritage of black America, I salute the black churches of Los Angeles for keeping the gospel spirit alive.

PRODIGY KEEPS OUTDOING HIMSELF

HON. CLAUDE PEPPER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 18, 1987

Mr. PEPPER. Mr. Speaker, I am fortunate to have among my constituents a very talented young pianist and composer, 16-year-old Hratch Boghossiam who recently placed first in a statewide competition hosted by the Florida Federation of Music Clubs. Boghossiam has been playing and composing his own compositions since he was 3-years-old. Lourdes Fernandez of the Miami Herald has written a delightful feature about Boghossiam that I would like to bring to the attention of my colleagues.

PRODIGY KEEPS OUTDOING HIMSELF; HONORS FOR PIANIST-COMPOSER REACH A CRESCENDO WITH CARNEGIE CONCERT

(By Lourdes Fernandez)

At the age of 3, Hratch Boghossiam plunked down at a toy organ, a Christmas gift from his parents, and played a couple of tunes he had just heard.

At 8, he wrote his first composition, Inspiration No. 1.

Next year, Boghossiam, 16, will perform at Carnegie Hall in New York.

It's just one more honor for Boghossiam, a junior at Miami Beach High. Last month he placed first in senior concerto and piano solo during a statewide high-school competition hosted by the Florida Federation of Music Clubs.

He also was elected president of the Junior Federation of Music Clubs, a group for piano students.

There have been other honors, among them being a guest soloist with the Miami Youth Symphony Orchestra and drawing a standing ovation a year ago at the Academy Music Halls in Philadelphia when he performed.

It all started with a picnic and the little toy organ. There had been a band at the picnic, and upon returning home, 3-year-old Boghossiam sat at the organ and played some of the same tunes as the band.

A couple of months later, his parents got him a real piano.

His first composition, five years later, was a reaction to a story Boghossiam's mother told him about their heritage. Boghossiam's family is and belongs to the Armenian church. The family moved from Lebanon to New Jersey when he was 9 months old.

The story was about the Armenian Genocide of 1915—when 300 political, intellectual and religious Armenian leaders were pulled out of their homes and executed by Ottoman Turks.

"I sat down at the piano and began composing, and in a way, I relived what had happened," Boghossiam said. "That feeling is very hard to get. I enjoyed it so very much that I knew it was a feeling I wanted to keep forever."

Boghossiam was hooked on composing. Two years later, at age 10, he began studying with University of Miami Professor Rosalina Sackstein. He still takes lesson from her once a week.

"He's very musical. He's not only gifted, but he feels music," Sackstein said. "He has a love of music, and he shows it in his playing."

Boghossiam has the potential to become a classical pianist if he chooses to, Sackstein said.

Talent has to be combined with discipline, Boghossiam has found. After leaving Beach High at 3:30 p.m., he goes home and practices for four hours.

"After that, I do my homework and the rest is sleep. But what I do during off hours is mainly music," Boghossiam said. "You do get tired after a couple of hours of practicing, but you have to keep playing because of the difference it will make—like Carnegie Hall."

Boghossiam also practices on weekends. On Sundays, he plays the organ for St. John the Baptist Church in Miami and St. Gregory Church in Fort Lauderdale, where his father is the choirmaster.

Both churches are Armenian. It was Armenian Archbishop Mesrob Ashjian who, upon hearing Boghossiam play one day, decided to book Carnegie Hall for a concert. Boghossiam will play there in January.

Mostly, Boghossiam plays classical music. He has three 90-minutes tapes filled with his classical compositions.

"I listen to rock, but I don't like performing it because it's too simple compared to classical," he said. "Playing classical puts me in a different state of mind; it's more relaxing."

Boghossiam joined the rock and jazz ensembles in his freshman year at Beach High, but didn't enjoy it too much.

"All of a sudden I was having to follow a whole group, and there were all these spotlights and people screaming," he said. "It was a lot different from classical, where you can't make a sound because the performer will lose his concentration."

TWO HUNDRED YEARS AGO TODAY AT THE CONSTITUTIONAL CONVENTION (JUNE 18)

HON. PHILIP R. SHARP

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 18, 1987

Mr. SHARP. Mr. Speaker, June 18, 1787 belonged to Alexander Hamilton of New York. The 30-year-old Hamilton gave a 6-hour speech in which the expressed his dissatisfaction with both reform plans currently being considered.

He urged the delegates to adopt a more centralized government which would take away even more power from the States than the Virginia Plan called for. Hamilton wanted to establish powerful executive, judicial and legislative branches of the National Government with the authority to overrule any State law.

Hamilton was considered to be one of the brightest men at the gathering and he was to play a leading role in the effort to ratify the Constitution in the months after the Convention.

But on June 18, his proposal did not gain any support whatsoever. In fact, its major contribution, some have said, was only to make the Virginia Plan seem more moderate in comparison.

REPEAL OF ANTITRUST EXEMPTION HELD BY U.S. INSURANCE INDUSTRY

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 18, 1987

Mr. EDWARDS of California. Mr. Speaker, today we are introducing "The Fairness in Insurance Act of 1987" (H.R. 2727), a bill designed to bring fairness, availability, and genuine competition to the insurance industry.

This bill repeals the current exemption of the insurance industry from our country's antitrust laws. Unlike any other major U.S. industry of similar size and scope, the $400 billion insurance industry, consuming 12 percent of our gross national product, is exempt both from Federal regulation and from the market discipline provided by Federal antitrust law. This special treatment is all the more extraordinary and anachronistic at a time when other financial service industries are undergoing deregulation and are fully subject to the Federal antitrust laws.

Many critics question whether the industry, operating in this highly privileged environment, is providing the insurance consumer a fair deal. Shielded by its exemption, the insurance industry legally can and does engage in behavior which, for other industries, would be punishable as criminal offenses.

The insurance industry can and does legally engage in both vertical and horizontal price-fixing. Tying arrangements—tying coverage in unprofitable lines to a required purchase of coverage in a profitable line—are legally used. The availability of certain types of coverage is limited or completely denied at will. Customers and territories are divided up with impunity. Rates are openly shared among competitors. The list goes on.

From the perspective of customers of insurance—and, who among us is not one?—such anticompetitive activities do not serve the public good. And, what's the reciprocal benefit received by the public for the industry's antitrust exemption? The public faces skyrocketing price increases for a decreasing range of insurance products, while the industry has a free license to engage in otherwise criminal, anticompetitive activities. There is no equitable trade-off for the public in this equation.

Yet, insurance is indispensable to most Americans. Americans must insure their businesses, their automobiles, their homes, their health, and their lives. With insurance, they protect themselves against financial catastrophe; and, through social security and private plans, millions of Americans purchase insurance to provide a source of income in retirement years.

In the past 2 years, we have seen some lines of insurance suddenly become prohibitively expensive, or wholly unavailable. Many consumers, businesses, and local communities are now forced to pay astronomical increases just to obtain minimum coverage. Countless others are faced with having to "go bare"—operate without insurance—or to shut down part or all of their business operations.

In recent months, the crisis in availability is said to have lessened; but, it has not disappeared. Meanwhile, the dynamics of continuing price cycles are being virtually ignored. No one knows precisely when the next swing will occur or whether it will be more or less severe than the crisis we have just weathered. What is certain is that, unless something is done, these drastic swings will repeat themselves, just as they have over the last four decades.

The insurance industry is one of the richest and most powerful industries in America, having great impact on our daily lives. Increasingly, consumer groups, businesses, and Government officials have demanded change. FTC Chairman Daniel Oliver, Department of Justice Antitrust Chief Charles Rule, the National Conference of State Legislatures, and the National Association of Attorneys General, among others, have urged removing the industry's antitrust exemption. State officials have come to us in Congress, asking for the additional tools that the Federal antitrust laws would give the States in dealing with this industry.

The bill introduced today meets these requests. It would not supplant existing State authority to regulate the insurance industry. Unfortunately, under the current law, State regulation of the insurance industry is being impeded rather than facilitated. Our intent is to strengthen State regulation.

It is important to emphasize that, under the bill, States would continue to regulate insurance, not the Federal Government, but would be able to do so more effectively. States are granted the authority to supplant the Federal antitrust laws and substitute their own regulation of an area of commerce as a result of a long-established judicial doctrine—the "State action" doctrine. Under this doctrine, if a State clearly adopts a policy to replace free market competition with supervised regulation, it could, in effect, shield insurance companies in that State from prosecution under Federal antitrust law. Thus, insurance activities that are subject to "express State authorization" and "active State supervision" would, to that extent, not be subject to Federal antitrust laws.

The Supreme Court has termed our antitrust laws "the Magna Carta of free enterprise" . . . "as important to the preservation of economic freedom and our free enterprise system as the Bill of Rights is to the protection of our fundamental personal freedoms." (*U.S.* v. *Topco Associations, Inc.* 405 U.S. 596, 610 (1972).) With these laws, we seek to maintain economic freedom in the market place for the benefit of our citizens. The insurance industry is too important to leave beyond their reach.

Bringing the insurance industry under the Federal antitrust laws would be of obvious benefit to consumers. The insurance industry would no longer be able to raise its prices in concert. It could not engage in tying arrangements. It could not set uniform prices, nor could the industry require insurance agents to charge the same commission. If price lists were issued to industry members, they would have to be made timely available to the public.

Forty-five years have gone by since Congress heeded the appeal of the insurance industry for special treatment. Whatever the wisdom of that move then, it is certainly not in keeping with the changing needs of the financial services landscape nor working to the benefit of our citizens today.

The time has come for Congress to heed the call of the consumers and regulators of insurance to bring this crucial industry under our antitrust laws. I urge our colleagues to join us in this important effort. Mr. Speaker, I submit with this statement a list of some of the supporters of repeal of the McCarran-Ferguson antitrust exemption for the insurance industry.

PARTIAL LIST OF SUPPORTERS OF REPEAL OF THE INSURANCE INDUSTRY'S ANTITRUST EXEMPTION UNDER MCCARRAN-FERGUSON

The 1986 White House Conference on Small Business
National Conference of State Legislatures
National Association of Attorney's General
Daniel Oliver, Chairman, Federal Trade Commission
Charles Rule, Assistant, Attorney General in Charge of the Antitrust Division, Department of Justice
Small Business Legislative Council
American Bankers Association
National Association of Women Business Owners
Consumer Bankers Association
AFL-CIO
American Association of Nurse Anesthetists
Association of American Physicians and Surgeons
American Nurses Association
American Association of Retired Persons
National Council of Senior Citizens
Amalgated Transit Union
National Insurance Consumer Organization
Women's Equity Action League
Environmental Policy Institute
National Federation of Business and Professional Women's Clubs (BPW/USA)
Consumer Federation of America
Consumers Union
Public Citizen's Congress Watch
U.S. Public Interest Research Group
Environmental Action

WHAT WILL BE THE MEANING OF GLASNOST

HON. CHRISTOPHER H. SMITH

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 18, 1987

Mr. SMITH of New Jersey. Mr. Speaker, Secretary General Gorbachev has initiated one of the most noted public image campaigns witnessed by the Soviet people and the world in the last half of a century. Only time and intense scrutiny will determine the true effects of this stated policy.

Mr. Speaker, Members may be somewhat surprised to learn that glasnost is not a new word or idea to be used in the Soviet political context. As early as 1919, Vladimir Lenin himself used and manipulated this word when he sought to ease some of the Communist bureaucracy at that time. Although he permitted certain free market activities, eased some political restrictions and even allowed a few private publishing houses and art groups to function, these freedoms were snuffed out with the consolidation of power and the beginnings of Stalin's reign of terror.

I would hope Mr. Speaker, that glasnost will translate into the toleration of religious precepts and an end to the methodical discrimination and harassment of the people of faith.

Mr. Speaker, we can hope that the policy of glasnost will reverse the restrictions which have been imposed on Soviet citizens who desire to emigrate, especially those Soviet Jews who have been longing to join their families in Israel or in the West. Unfortunately, Mr. Speaker, only 16 days following the glasnost initiative an announcement was made on February 12 by the OVIR, the Moscow visa office, that eight individuals were prohibited from emigrating because of their past employment in fields which allegedly gave them access to state secrets. In actual fact, most of these refuseniks had first applied over a decade ago and it was at least that long since they had worked in the government. Yesterday, I was joined by 69 of our colleagues in introducing a resolution regarding not only these eight and their families but all Soviet Jews who are wishing to exercise their right to emigrate. Clearly, Mr. Speaker, if the word, glasnost, and the commitment of the Soviet Union is to have any meaning at all, it cannot continue to deprive Soviet Jews of their basic human rights.

On another humanitarian plane, Mr. Speaker, we can hope that glasnost will mean the termination of the severe limitations which are placed on the Soviet citizens' right to travel abroad. This is especially important in the case of families wishing to visit with their relatives. With about 5 million Americans who have familial ties in and trace their origins to lands now part of the Soviet Union, there are countless relatives who would give their life's savings to travel and visit one another, if only they were allowed by the Soviet Government. Mr. Speaker, a number of our colleagues in both Houses of Congress have joined Senator DECONCINI and myself as cosponsors of a resolution which we introduced in both the House and Senate emphasizing the importance of and urging the Soviet Union to respect the right of unrestricted family visits.

We hope, Mr. Speaker, that glasnost means an end to the psychiatric hospitals which are a barbaric means of penalizing political dissidents. Reliable reports show that there are a total of 13 special psychiatric hospitals administered by the Ministry of Internal Affairs, five special psychiatric colonies for the treatment of those in labor camps and other general psychiatric hospitals throughout the country which are used to detain and treat dissidents arbitrarily. My colleagues may remember that in February 1983, prior to the censure threatened by the World Psychiatric Association Congress, the official Soviet All-Union Society of Psychiatrists and Neurologists abruptly withdrew itself from the association. This preemptive move lends additional credence to the indictment that Soviet psychiatric hospitals are being used to suppress their people.

How can Mr. Gorbachev expect to have a "demokratizatsia"—the democratization—of government officials if constructive political debate is not allowed? Only a weak and insecure political system crushes dissent.

The Russian people are a proud and noble people—they deserve better than absolute tyranny and terror. Perhaps—and its a big perhaps—Mr. Gorbachev's glasnost will mean an easing of current repression and the opening of a new society in the Union of the Soviet Socialist Republics. We can hope, Mr. Speaker, but we must not forget to assess progress with the litmus test of real freedoms—the freedoms of thought, movement, religious faith, and political debate which must be enjoyed by all Soviet citizens.

TRIBUTE TO JUDGE BLAIR REEVES

HON. ALBERT G. BUSTAMANTE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 18, 1987

Mr. BUSTAMANTE. Mr. Speaker, it is a privilege to bring to the attention of my colleagues a distinguished tribute which has been paid to a highly respected member of the San Antonio community, Judge Blair Reeves.

Judge Reeves was honored last week by the Disabled American Veterans [DAV] as the national disabled veteran for 1987. Each year the Disabled American Veterans nominates an outstanding disabled veteran who overcomes a disability and achieves successful fulltime work for this award.

Judge Reeves began his military service with the U.S. Marine Corps in 1942, serving in the Pacific during World War II. While on duty, he was wounded at Okinawa in May 1945. Returning to San Antonio in a wheelchair, he entered college and earned a law degree from St. Mary's University. In 1967 he was elected county judge for Bexar County and served as the county's top administrative official until 1977. After 5 years as a County Court at Law Judge he was nominated for a seat in the Fourth Court of Appeals where he serves today as an associate justice.

Judge Reeves is a role model not only for the more than 2.5 million disabled veterans in the United States, but for all Americans. His achievements pay tribute to the power of the human spirit.

It is with great pleasure that I join the people of the 23rd Congressional District and the city of San Antonio in recognizing Judge Reeves' accomplishments.

TRIBUTE TO THE TARZANA CHAMBER OF COMMERCE 10 OUTSTANDING WOMEN OF THE YEAR

HON. HOWARD L. BERMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 18, 1987

Mr. BERMAN. Mr. Speaker, I rise today to pay tribute to 10 extraordinary members of my community. They have been selected by the Tarzana Chamber of Commerce as the 10 Outstanding Women of the Year. Their various accomplishments exemplify the highest standards of commitment, dedication, and community involvement.

Ms. Barbara Bloomberg, following the death of her 16-year-old son in an automobile accident caused by a drunk driver, founded the Los Angeles Chapter of Mothers Against Drunk Driving. She has served on the MADD National Board of Directors, the MADD State Coordinating Committee, the California Youth Authority Advisory Task Force on Victim Programming, and the city attorney's Citizen's Advisory Commission on Alcoholism. She is currently chairperson of the Los Angeles County Wide Task Force on Drunk Driving.

Ms. Judith Fisher is president of R.J. Associates, an executive search and consulting firm. She is a member of the Women's Conference, Community Outreach Task Force, National Association of Women Business Owners, and the Los Angeles Chamber of Commerce. Elected as a delegate to the White House Conference on Small Business in Washington, DC, she most recently was involved with the Valley Youth Fair which provided summer jobs for high school students.

A tireless community worker, Ms. Louise Frankel is the founder and president emeritus of the Planning and Zoning Committee of the Tarzana Property Owners Association. She has also served on the YWCA Board, the Board of Zoning Appeals, the Los Angeles County Civil Service Commission, and the Steering Committee of the Encino-Tarzana Community Plan. She is now at work on panels studying security for county buildings and development problems on Ventura Boulevard.

Ms. Patricia Geautreau, R.N., has worked in the Pediatric I.C.U. Burn Unit and as supervisor of the operating rooms at West Valley Hospital. She has also served as director of operating rooms, outpatient surgery, and the recovery room at AMI Tarzana Regional Medical. A past president of the Association of Operating Room Nurses, she has worked with battered women in Thousand Oaks and helped find homes for unwed mothers.

Ms. Julie Gertler is currently chief deputy for Councilwoman Joy Picus, and has served as president of the National Council of Jewish Women. The author of an organizational and training manual for national issue campaigns, she is a founding member of the New Reform Congregation, and has worked on congressional campaigns and numerous advocacy movements.

Ms. Vicki Israel serves as senior director and supervisor of the Encino Balboa Woodley Recreational Complex. She is involved with the Special Olympics, Play Day, and Superstar Day, as well as numerous track and field meets, and volunteer banquets. She has also worked with the International Year of the Child and as coordinator of the Israeli Festival-Solidarity Walk.

The chief deputy for my colleague, the Honorable ANTHONY C. BEILENSON, Ms. Carol Plotkin serves as chairperson of the Board of San Fernando Valley Community Relations and of the Board of the Jewish Federation Council Family Service Community Council. She is also a member of the Reseda Multi-Purpose Board and the Valley Interfaith Group.

Ms. Judith F. Sultan cofounded and continues to serve as president of the Valley Parents Support Group for High Risk Infants. She has helped coordinate similar groups throughout Los Angeles, and is a member of the March of Dimes Educational Committee, Parent Care Inc., the California Prenatal Association, and several other neonatal groups. She is currently serving as a member of Surgeon General C. Everett Koop's Steering Committee for the 1987 Conference on "Self Help and Public Health."

Ms. Lillian Wall is a member of the Society for Psychic Research, the Republican Senatorial Inner Circle, and several chambers of commerce. She has starred in movies and commercials, helped to plan, build, and decorate the Wall St. Plaza on Ventura Boulevard, and is currently working for the beautification of the Tarzana area.

Dr. Nan Zaitlen, a pediatrician in Tarzana, is active in numerous pediatric societies and community programs. An integral member of the community, she exemplifies the best qualities of the old-fashioned physician, serving as teacher and counselor, as well as medical doctor.

It is my distinct honor and pleasure to join my colleagues in paying tribute to these 10 women. Contributing their time and effort, they have each provided an invaluable service to the community.

THE HEALTH OF OUR CHILDREN

HON. WAYNE OWENS

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 18, 1987

Mr. OWENS of Utah. Mr. Speaker, today I am concerned about the health of our schoolchildren. Last week, when the American Alliance for Health, Physical Education, Recreation and Dance appeared on Capitol Hill, I was startled by their statistics concerning the fitness of our children.

According to their information, 40 percent of children ages 5 to 8 are already exhibiting obesity, elevated blood pressure, high cholesterol levels, and inactivity. As many of 50 percent of our children are not getting enough exercise to develop a healthy heart and lungs. One-third of the school-age boys and one-half of girls cannot run a mile in less than 10 minutes. Forty percent of boys ages 6 to 12 and 70 percent of all girls cannot do a single pushup.

The figures are especially troublesome to me, because the percentage of youth in Salt Lake County, which I represent, is higher than the national average.

In this regard, I have been impressed with Senator BINGAMAN's bill S. 1348 and am today introducing a corresponding House bill. This bill would establish an Office of Comprehensive School Health Education within the Department of Education to assist, encourage, and issue grants to State and local educational agencies to provide comprehensive agencies to provide comprehensive school health education to elementary and secondary school students.

Schools need to educate children on health and nutrition in order to prevent diseases and illnesses before they happen. In the long run, prevention will help keep down the costs of health care and add to the future health of our Nation.

OUTSTANDING SCHOLAR-ATHLETE ERIC SWANSON TO ATTEND U.S. MERCHANT MARINE ACADEMY

HON. CHARLES E. SCHUMER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 18, 1987

Mr. SCHUMER. Mr. Speaker, I would like to bring to the attention of my colleagues the achievements of an outstanding student in my district. It is with great pride that I announce that Eric Swanson of 23 Sherman Street in Brooklyn, NY, has been invited to attend one of our Nation's finest service academies. It is refreshing to see achievement such as his. This young man personifies the level of excellence to which we should all aspire.

Mr. Swanson, who recently graduated from Poly Prep Country Day School, will attend the U.S. Merchant Marine Academy at Kings Point. This school is one of the finest institutions of higher learning in this country. Only superior students with exceptional leadership potential are accepted to the academy. Eric is a highly qualified student with an impressive record of achievements. Eric is a star athlete. He is captain of the Poly Prep Swimming Team and has competed in the New York State championships. Eric has tested his endurance and strength in two triathalons.

I congratulate Eric Swanson on his achievements and I ask you to join me in wishing him well as he prepares to expand on his already fine qualities. It is my hope that the achievements and ambition of this fine scholar-athlete will inspire his peers to strive for similar personal and academic distinctions.

A BILL TO REDUCE THE OVERLOAD OF CLAIMS FOR BLACK LUNG AND SOCIAL SECURITY BENEFITS

HON. PAUL E. KANJORSKI

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 18, 1987

Mr. KANJORSKI. Mr. Speaker, as the author of previous legislation to allow Federal agencies to borrow administrative law judges to hear backlogged claims, I am pleased to join my colleague, Mr. MURPHY, in the introduction of a bill which should significantly reduce the overload of claims for black lung and Social Security benefits by consolidating administrative law judges [ALJ's] throughout the Federal system into one central panel. We have discussed the need for centralization on several occasions and to see our thoughts materialize in today's action is of great significance for us both.

This type of restructuring is necessary to better utilize ALJ's who because of a classification rule handle far fewer cases in less demanding areas while their black lung and Social Security counterparts are overburdened with hearing requests. A better distribution of case workload seems to be the most logical way to eventually eliminate the backlog of black lung claims that has built up over the years while improving the overall adjudication system.

Chairman MURPHY saw fit in 1985 to grant my request to hold a subcommittee field hearing in Wilkes-Barre to examine the problems retired mine workers and their widows face in processing claims for black lung benefits. Those proceedings brought attention to the serious need for more ALJ's to hear black lung cases. Testimony revealed that if current rates were allowed to continue, it would take more than 35 years to reduce the backlog to a so-called reasonable level of only 6,000 cases.

While the Labor Department took steps to improve the situation such as calling for $17.7 million for the hiring of 141 temporary positions to hear black lung cases and upgrading the status of all GS-15 black lung judges one level, full utilization of all administrative law judges still hadn't occurred. There were still nine times as many cases pending for every black lung judge as there were for every nonblack lung judge; hardly an even distribution of personnel.

Mr. Speaker, I strongly support the concept of a collective system in which administrative law judges are assigned to areas where they are needed. As it stands, too many ALJ's are being wasted under current outmoded classification rules. The Labor Department has long awaited a method of drawing on the untapped resources of agencies carrying a light load. This legislation is a way to make that possible.

PERMANENT WHITE HOUSE CONFERENCE ON SMALL BUSINESS

HON. ANDY IRELAND

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 18, 1987

Mr. IRELAND. Mr. Speaker, on Tuesday Representatives FOLEY, LOTT, CONTE, and I introduced H.R. 2690, a bill to provide permanent authorization for White House Conferences on Small Business. I believe that this legislation could be one of the most significant steps taken by the Congress since the formation during the Eisenhower administration of the Small Business Administration.

A White House Conference on Small Business was first held in 1980. Another one then met in 1986. These conferences have provided the Nation's small business owners with a forum to discuss issues and formulate recommendations on matters of concern to small business. The results of the two conferences already held have been astonishing. Several major legislative initiatives have resulted—the Regulatory Flexibility Act, the Paperwork Reduction Act, the Prompt Payment Act, the ExImBank Small Business Amendments—to name a few. In addition to greatly changing the Federal landscape for small business, the national conferences have fostered State small business conferences throughout the Nation as well as similar legislation in many States which emulates what we have done here in the Congress in the last 6 years.

Unfortunately the first two national small business conferences were authorized on an ad hoc basis. This has created great uncertainty about the future of such events. To end this uncertainty and also to in a sense take the matter out of a continuous political dialog, H.R. 2690, a bipartisan effort has been introduced. The bill as drafted would require that a White House Conference on Small Business be held once during each 4-year period following a Presidential election. These conferences offer substantive results, yet they also focus the public's mind on the contributions and importance of small business.

In the near future we will be circulating a Dear Colleague on this matter. I urge all Members to join this effort. Let us move this legislation expeditiously through the House and show the small business community we means business, small business.

TRIBUTE TO MAJ. GEN. RICHARD D. KENYON

HON. WILLIAM L. DICKINSON

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 18, 1987

Mr. DICKINSON. Mr. Speaker, I would like to pay tribute to Maj. Gen. Richard D. Kenyon, the Chief of Army Legislative Liaison, who will be honored with a retirement review hosted by the Secretary of the Army, Hon. John O. Marsh, Jr., at Fort Myer, VA, June 26, 1987.

Major General Kenyon, a native of Buffalo, NY, has distinguished himself throughout his 30-year career. He has been the epitome of the true professional with unquestionable loyalty to the U.S. Army and complete responsiveness to the U.S. Congress. As stewart of the Secretary of the Army's liaison mission with Congress, General Kenyon's performance has been exemplary. His vast experience with weapons systems made him an invaluable source of information as he articulated to members and their staffs the importance and dynamics of those programs critical to the Army. General Kenyon was a skillful manager as he kept continuous the flow of information between Capitol Hill and the leadership of the Army. His astute judgment and effective communications skills enabled the Congress to understand and appreciate Army plans and policies.

His military career began in 1957 when he graduated from the U.S. Military Academy. He served in a variety of company and staff assignments, including command of the 145th Combat Aviation Battalion in Vietnam.

Throughout his distinguished career he has served his country in a wide variety of important senior command and staff positions to include Deputy Commanding General and Assistant Commandant of the Army Aviation Center and Fort Rucker in Alabama; Director of Weapons Systems and Assistant Deputy Chief of Staff for Research, Development, and Acquisition of the Army Staff. And in the field of Army Aviation, General Kenyon has left a positive mark for years to come. In his roles as Program Manager for the Heavy Lift and Black Hawk helicopter, Director of Weapons Systems Management, and Army Aviation Officer, he focused on research, development, acquisition, and fielding of the best possible combat, combat support, and combat service support, equipment of the Army's most precious asset—the individual soldier.

I ask my colleagues to join me in honoring a man who has served his country so devotedly and unselfishly. Thank you Dick Kenyon for your extraordinary service to this country. I am most pleased that you and your lovely wife Ginny have chosen to retire in a part of my district. We wish you both the very best. You deserve it.

NAACP 78TH ANNUAL CONVENTION AND 10TH ANNIVERSARY OF DR. BENJAMIN L. HOOKS AS EXECUTIVE DIRECTOR

HON. MIKE ESPY

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 18, 1987

Mr. ESPY. Mr. Speaker, the National Association for the Advancement of Colored People [NAACP] will be holding its 78th Annual Convention in New York City, July 5-9. During that time the membership will also celebrate the 10th anniversary of its executive director, Dr. Benjamin Hooks.

The world renowned voice of racial fairness and equality among people is the voice of the NAACP. Long live their ideals and their determination to bring justice to the lives of all people. Strong leadership is imperative for the stability and growth of any organization. During the past 10 years, Dr. Hooks has led the NAACP through some difficult and trying times without losing the foresight and concepts that have been the food and drink of this venerable association.

Mr. Speaker, leadership can be manifested in an individual by virtue of his or her age; by their place among siblings; or by election; or through ones' knowledge. It is obvious that Dr. Hooks has gained and maintained high stature as a national leader. By combining tenacity, compassion, and a love of truth and justice, Dr. Hooks has become a living symbol of the goals and ideals that have made the NAACP a beacon of racial equality.

I am glad to share this information with my House colleagues, and I submit, Mr. Speaker, that we can all be assured that equality, freedom, and the rights of every American citizen as spelled out in our Constitution will become actualized and protected when we have adopted the spirit of the NAACP in our pursuit of these lofty goals.

TRIBUTE TO PROF. WALTER W. HELLER

HON. BRUCE F. VENTO

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 18, 1987

Mr. VENTO. Mr. Speaker, it is with great sadness that I note the death on June 16, 1987, of Walter W. Heller, the esteemed professor of economics who served as Chairman of the Council of Economic Advisers for both President John F. Kennedy and President Lyndon B. Johnson and was a friend to many Minnesotans, including myself.

Professor Heller was noted for his unique ability to explain complex economic issues in layman's terms. It was this gift as well as his superb knowledge of economic issues that endeared him to national political figures and made him a favorite adviser and teacher to many. He was often called upon by Members of this body to offer his advice and analysis on the path of our economy.

Professor Heller was a public servant in the best sense of the term. After gaining his Ph.D. in economics from the University of Wisconsin, he worked for the U.S. Treasury for several years and helped set up the income tax withholding system. He then accepted a faculty position at the University of Minnesota in 1946. In 1947, however, he spent a year working for the U.S. military government in Germany, and later, in 1951, returned there as an official of the Marshall plan for the postwar economic recovery of Europe. After returning to Minnesota, he bcame a consultant to Gov. Orville Freeman and was later introduced to Senator John F. Kennedy. He made such an impression and was so respected at the time that Kennedy, after becoming President, asked him to chair his Council of Economic Advisers. Professor Heller accepted the chairmanship and continued in that position under President Johnson until 1964, when he once again returned to the University of Minnesota. He has advised public officials since then in various positions and has always been viewed as a valued and knowledgeable source. Walter Heller's role as the Chairman of the Council of Economic Advisers really put economists and professionalism into the mainstream of executive branch policymaking.

His contributions to this country were enormous. He was a principal architect of the 1964 tax cut, a move that was widely viewed as setting off the longest period of sustained economic growth this country had ever enjoyed. He was widely respected in the academic community as he wrote a number of influential works in economics. Heller also knew how to frame and focus issues for the public in a way that reflected the consequences and reality of the varied choices and actions available to national decisionmakers.

During my tenure in Congress, Professor Heller, who was both a constituent and a supporter, often helped me. His presence in my community and in this Nation will be sorely missed. At this time I would like to share with my colleagues editorials from both the St. Paul Pioneer Press Dispatch and the Minneapolis Star & Tribune.

[From the St. Paul Pioneer Press Dispatch, June 17, 1987]

ALWAYS THE TEACHER

Walter Heller was one of those people you assume will live forever. He was just *there*, a public figure, a public wise man, throughout the aware life of many Americans, of many Minnesotans in particular. News of his sudden death Monday was hard to accept.

Mr. Heller moved onto the national stage at the invitation of John F. Kennedy. He achieved prominence for himself and for economics in general as chairman of the council of Economic Advisers for Presidents Kennedy and Johnson. Style and substance, wit and wisdom kept him from slipping into footnote status when Washington changed.

He remained a public wise man, a quotable commentator, back home at the University of Minnesota.

Mr. Heller was forever a teacher. In supporting education, he stressed the link between economic growth and investment in "human capital." In his own teaching, he knew how to catch and hold attention. He even liked mammoth lecture classes because they gave so many beginning students a taste of senior-faculty teaching and "an opportunity for exposure to some of the challenge and excitement—and even the occasional fun—of the big policy issues and battles in economics, the things they read about every day in their papers and magazines and see on TV."

Frequently, those articles and TV shows about the big policy battles seen by the university students featured or referred to Walter Heller (as good guy or bad; economics tends to be partisan). That's how he lectured a national classroom. Minnesota was lucky to have him.

[From the Minneapolis Star and Tribune, June 17, 1987]

THE SPECIAL WALTER HELLER ECONOMIC BLEND

It's appropriate, in a poignant way, that among the first to feel the loss of Walter Heller from public discussion will be participants in a forum this Friday on economic change. The appropriateness has to do with Heller's four decades on the economics faculty at the University of Minnesota, his combination of that career with top-level service in national government and his readiness always to teach with vivid clarity outside the classroom as well as in.

On Friday, the regents professor emeritus was to bring his special blend of experience, ability and community commitment to a "Minnesota Economic Summit" sponsored in Minneapolis by Reps. William Frenzel and Martin Sabo. The bipartisan wish to hear him fit the man too. Despite his identification with Democratic administrations, Heller won respect and affection from people throughout the political spectrum. But the invitation must go unfulfilled. Heller died Monday night of a heart attack.

He will be much missed beyond this week and beyond Minnesota. Among economists, Heller was unusual in his gift for expressing technical analysis in language that lay people could learn from and follow. Among those who learned were Presidents John Kennedy and Lyndon Johnson, for whom Heller chaired the Council of Economic Advisers. Congressional committees often benefited from his testimony as well. And he had a national audience for his newspaper and magazine writing, television interviews and straightforward opinions on economic issues.

For a decade or so, Heller's liberal economic views have not been as ascendant as they were before. All the more remarkable, then, that his respect for economists he disputed and their desire to hear his critiques seemed to increase, not diminish, as Heller reached and passed retirement age. Though a man of strong beliefs, Heller stood above the dangers of doctrinaire economic pronouncement. By example and graceful admonition he helped nonacademics avoid those dangers too. A wide lay public as well as his admiring professional colleagues will mourn the loss of Walter Heller.

OVERWORKED ADMINISTRATION LAW JUDGES

HON. AUSTIN J. MURPHY

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 18, 1987

Mr. MURPHY. Mr. Speaker, nothing is more frustrating to our constituents than waiting for a final determination on a claim or appeal. Months and sometimes years can pass before hearings are scheduled or decisions rendered at those agencies where the administrative law judges [ALJs] are overloaded with work.

Recently, many of us undertook a study of the Department of Labor [DOL] to determine what measures may be available to speed the adjudication process. One of the most glaring problems we discovered is that while DOL has a huge backlog, there are ALJ's at other agencies who are grossly underemployed. In fact, some judges at other agencies have few, if any, cases. We were able to identify literally hundreds of judicial "person-years" that could be made available to DOL to avoid the backlog of cases. However, bureaucratic shortsightedness and the rigid inelasticity of the budget process has precluded this logical action. Thus, while constituents were waiting to have their cases tried, the backlog continued to grow.

The Department of Labor repeatedly attempted to pursue a more sensible, cost-effective approach to dealing with this serious adjudication problem through pooling adjudicative resources with other less active agencies. These attempts were met with either outright refusal or demands for exorbitant reimbursement payments for judicial staff time that otherwise would be wasted. Consolidation of adjudicative staff throughout the Federal Government will better serve our constituents and at far less cost than the present system. Cost savings from present budget levels could run as high as 20 percent, certainly involving millions of dollars.

Mr. Speaker, today, along with 47 of our colleagues, I am introducing legislation to create a central panel of ALJ's which will permit the easy transfer of adjudicative resources from one agency to another. It will make the most efficient use of ALJ's and their support staffs.

This legislation will allow for all hearings and appeals from Federal agencies to be referred to a single adjudicative body which could assign work to hundreds of ALJ's on an equitable basis insuring that all of them will have a full docket. The current system of having adjudicators permanently and inflexibly assigned to one agency regardless of the demand for their services, results in inexcusable variations in productivity.

Will it work? Many States seem to think so; 11 already have central panel hearings and appeals offices in one form or another. Approximately 16 more are presently contemplating a central panel system. Their justification for a central panel system is compelling; better service, significant cost savings, and greater independence for administrative law judges.

Mr. Speaker, I urge support for the establishment of a central panel of administrative law judges and anticipate its favorable consideration in committee and on the floor.

SALUTE TO THE GLORIETA BATTLEFIELD PRESERVATION SOCIETY

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 18, 1987

Mr. RICHARDSON. Mr. Speaker, today I would like to bring to my colleague's attention the commemoration of the 125th anniversary of the pivotal battle of Glorieta Pass. A reenactment is to take place in my home State of New Mexico, this coming weekend.

Exactly, 125 years ago, on March 28, 1862, a desperate Confederate force of about 1,000 Texans were repelled by a determined ban of 800 Union troops and Colorado militia at a place called Pigeon's Ranch, NM. The pivotal clash became known as the Battle of Glorieta Pass. The defeat dashed a campaign, by the Confederacy, to capture Fort Union, NM, the largest union outpost in the Arizona-New Mexico territory and to seize the Colorado gold fields for Jefferson Davis.

This Father's Day weekend over 100 blue and gray-uniformed reenactors from Arizona, California, Colorada, Missouri, Oklahoma, and Texas have been invited to join the Civil War reenactors of New Mexico to commemorate the battle that was nicknamed the "Gettysburg of the West." The battlefield is still locally known as Pigeon's Ranch and is located approximately 17 miles east of Santa Fe. It straddles the fabled Santa Fe Trail that was recently named a national historic trail. I am proud to be the author of this bill that gave the Santa Fe Trail its proper place in history.

Last year approximately 5,000 spectators attended the reenactment of the Battle of Glorieta Pass, and produced an estimated $120,000 in gross receipts for the New Mexico travel industry. The majority of the spectators come from outlying States and distant New Mexico cities. It will be a big boost for the New Mexico travel and tourism economy because other historical sites are visited by these incoming tourists as well.

I know my colleagues in the House will join with me to take this opportunity to congratulate the Glorieta Battlefield Preservation Society for all their effort and hard work at making this an outstanding annual event since 1984. It's taken a great deal of time and personal sacrifice to establish the reenactment as an annual event. The reenactment gives us all an opportunity to relive a part of New Mexico's history.

PERSONAL EXPLANATION

HON. DAVID E. BONIOR

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 18, 1987

Mr. BONIOR of Michigan. Mr. Speaker, I was absent from House proceedings yesterday for recurring back problems. My physician has prescribed quiet bed rest to relieve the resulting pain and discomfort. Had I been present, on the following rollcall votes I would have voted:

"Aye" on rollcall vote 184.

"No" on rollcall vote 185.

"No" on rollcall vote 186.

"No" on rollcall vote 187.

"No" on rollcall vote 188.

"No" on rollcall vote 189.

"No" on rollcall vote 190.

On rollcall vote 191 I was paired for final passage of H.R. 281 as an indication of my strong support for this important piece of labor legislation.

SENATE—*Friday, June 19, 1987*

The Senate met at 9 a.m. and was called to order by the Honorable BOB GRAHAM, a Senator from the State of Florida.

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

Blessed are the peacemakers * * *.—Matthew 5: 9.

God of peace, thank You that we live in a land where we are free to disagree. There are countries where disagreement is not allowed under penalty of imprisonment. Thank You for a political system which assumes disagreement, discussion, and debate to the end of justice—whether it is a neighborhood dispute about zoning, a local club, or a church board.

But grant, gracious Father, that in disagreement spirits may be restrained from being hostile, unkind, or judgmental. You know our hearts, sovereign Lord, infinitely better than we. Guard our motives, our attitudes, our lips, against that which demeans or wounds another. However great the pressure, grant cool heads and warm hearts. Infuse us with Your love. Manifest Your presence—Your wisdom in this place—and guide the Senate to an equitable resolution of their differences. In the name of a God of love and justice and peace. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. STENNIS].

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, June 19, 1987.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable BOB GRAHAM, a Senator from the State of Florida, to perform the duties of the Chair.

JOHN C. STENNIS,
President pro tempore.

Mr. GRAHAM thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. The majority leader is recognized.

THE JOURNAL

Mr. BYRD. Mr. President, I ask unanimous consent that the Journal of the proceedings be approved to date.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

RESERVATION OF REPUBLICAN LEADER TIME

Mr. BYRD. Mr. President, I ask unanimous consent that the time of the distinguished Republican leader be reserved for his use later in the day.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

SCHEDULE

Mr. BYRD. Mr. President, there will be a cloture vote today. I do not anticipate that cloture will be invoked, but on this side of the aisle Senator BOREN and others are preparing an offer which we do not think our Republican friends can refuse. If they do, it will certainly be at the risk and with certitude that they will be revealed as being opposed to a genuine campaign financing reform bill because of its inclusion of campaign spending limitations.

Now, we are working and reaching across the aisle, and there are Senators on the other side of the aisle who are interested in trying to work out a compromise. I hope that we will be able to do that.

Next week, we will be, in all likelihood, operating on at least a two-track system. We will be continuing with campaign finance reform and with verisimilitude working on trade legislation as well. There will be late sessions. Both of these measures are very, very important.

The trade bill itself appeared on the calendar on last Friday. So we are prepared, and the Republican leader has given me consent, to go to this measure or to go to an omnibus measure, which I have talked about on several occasions and which needs no further elaboration here. So we will go to the trade bill at some point next week.

The budget conference report will probably come over from the House on Tuesday late, and that would enable us then to get to it on Wednesday if not on Tuesday. Of course, that is going to have the green light over everything.

So there will be votes early and late. And when I say "late," I am not just talking about 7 o'clock in the evening. Everybody knows that I believe that we ought to have some quality of life in this Chamber and I do not like to have late sessions, but there come times when desperate actions have to occur in order to achieve reasonable goals. The people's business must be done and we are going to do our best to get it done.

There will probably also be votes on certain nominations on the calendar at some point next week. But, in any event, I would urge Senators to read the RECORD and ponder carefully what I have said. Every majority leader has to do a little bluffing now and then, but there come times when the majority leader really is not bluffing. There come times when the majority leader has to take desperate measures—I will use the word "desperate" out of desperation—in order to get the work done.

This hurts me as much as it does anybody. I need my sleep as much as anybody else needs sleep. I like to be with my family as much as anyone else likes to be with family.

But, I am saying for the record that Senators had better not make plans for early evenings unless they are willing to miss votes. They, of course, have to reach their own judgments on that. I cannot do other than to urge all Senators to be in attendance. But, in making their plans, they should not plan on early evenings away, and they should not plan on mornings without votes and they should not plan on Fridays with votes at 10 o'clock and then no votes for the rest of the day. Count on votes every day—Tuesday, Wednesday, Thursday, Friday and do not rule out Saturday; do not rule out Saturday.

We have a Fourth of July break coming up, and we have a lot of business on our plate to be done before then.

We have not only the budget conference report, the trade bill, and the campaign finance reform bill, but there is still also the defense authorization bill which our Republican friends filibustered and which they were successful in blocking against three cloture efforts to get the bill up. That is still awaiting action.

There are going to be other extremely important measures coming along. They are not here yet. I refer to the reconciliation bill, the extension of the debt limit, and appropriations bills. We have an August recess, and I have already indicated that that August recess may suffer some erosion—may suffer some erosion.

I hesitate to use the word warn, but I am warning Senators to read this Record of what I am saying so that everybody will know, they will have been forwarned. That is all I can do. I have carried out my responsibility. I hate to ask for drastic action but that is what we are going to have to take if we cannot settle these matters reasonably, if we cannot get legislation up, if we cannot break these filibusters. Then we have to respond accordingly.

I urge Senators not to schedule trips out of town in the evenings, not to schedule trips out of town on Fridays, and to be very, very prepared to stay in town on Saturday.

Mr. President, I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Wisconsin is recognized.

HOW TO BUILD PEACE IN THE PERSIAN GULF

Mr. PROXMIRE. Mr. President, what should be the objective of the United States in the Middle East generally and the Persian Gulf specifically? Is our overriding objective peace in the Middle East? Is it the free flow of oil from this site of 60 percent of the world's oil reserves? Is it to prevent the domination of this critical strategic section of the world with its vital oil supplies by our great superpower adversary, the Soviet Union? Or is it all of these things? Of course, each of these objectives is related. Peace in the Iran-Iraq war would restore the freedom of oil transit in the Persian Gulf. The Soviet Union by virtue of its location, its size, and its military power has exerted considerable influence in the Middle East. It will continue to exert that influence. The Soviet Union is itself the biggest oil producer in the world. It is a major exporter. Obviously, it does not need the Persian Gulf oil. But the Soviet Union shares a very long common border with both Iraq and Iran—much like our border with Mexico. Do the Soviets want to dominate the Persian Gulf? Would the Russians want to control the vital oil shipments out of the gulf? Do bees like honey? Of course they do. And yes the Soviets would like very much to dominate the Persian Gulf and make it a Soviet lake. If the Soviet Union achieved that control, what would be the consequence for the United States and its European allies? The immediate economic consequence to the United States itself would be de minimum. Our oil import from the gulf is less than 6 percent of our oil consumption. We can easily compensate for such a loss by stepping up our own oil production and by effective oil conservation measures. But for France, for Germany, and especially for Japan, any action to cut off the flow of Persian Gulf oil would have very serious economic consequences, indeed.

Great Britain imports 11 percent of its oil from the Persian Gulf—down from 20 percent in 1986. Germany has cut its dependence from 20 to 9 percent in 1986. But Japan with 59 percent, France with 32 percent, and Italy with 49 percent have significant dependencies on that region.

Could this provoke an actual armed conflict involving the United States and its allies versus the Soviet Union in the Persian Gulf? Almost certainly not. The Soviets are very unlikely to engage in any effort to impede the transportation of oil in the gulf. They must know that in view of the decisive naval advantage, NATO would have a big head start at sea and in the air. They also know that any armed conflict between the United States and the Soviet Union could swiftly escalate into a grim choice for both sides. The choice: First, ignominiously stepping back or, second to avoid the ignominy foolishly moving ahead into a superpower naval and air war. Such a war would be fought at first with missiles such as the missile that struck the U.S.S. *Stark*. It could quickly move to an attack on air bases and ports.

Both sides would be extremely reluctant to be the first to use nuclear weapons. On the other hand, both sides might be strongly tempted to provide the surest expression of the deep seriousness with which it regarded its cause by firing one or two nuclear weapons. The other side would be very reluctant to "wimp out" by withdrawing at that point. It would be hard to resist a corresponding nuclear response. Now, of course, all of this is unlikely—very unlikely but it is possible.

Suppose, instead of pursuing a hostile response of any kind, the President welcomed the Soviet Union's announced willingness to provide cover for ships transporting oil in the Persian Gulf as part of a multinational force. Would the Soviet Union or the world view such a response as a sign of weakness? Would it appear that the Soviets with a greatly inferior naval force compared to NATO had cleverly moved in as a prime guardian of freedom of the seas in this trade that is absolutely critical for the economies of Japan, Germany, France, Italy, and other countries of the free world? Why should it appear that way? Soviet and American combined protection for oil transport in the gulf would not change the actual fact of naval or air power one bit. It would not give the Soviets one more aircraft carrier or submarine or frigate. It would not add to the Soviets' military technology or significantly to the combat experience or skill of Soviet military personnel. The Soviet Union would be just one participant out of many.

But it would do two other things: It would end any prospect of a superpower war beginning in the gulf. Second, it would commence a joint multinational peacekeeping effort in a very dangerous section of the world. It could act as a useful precedent of United States-Soviet cooperation at the very point where fundamental interests clashed and, however remotely, war threatened. Both superpowers would gain respect. The world could breathe more easily as the nuclear giants showed that they could and would solve even the most economically critical problems cooperatively.

A multinational force could have one other significant consequence. It just might cause the two belligerents to think twice about attacking ships in the gulf—because they might think that an attack could cause all the nations of the multinational force—France, Italy, the United States, Japan, Germany, the Soviet Union, and its Warsaw Pact allies—to retaliate. World opinion could change against the attacking nation. That is how all peacekeeping operations work, through the process of deterrence by virtue of having a common consensus to keep a geographic area open to commerce.

Reflagging 11 Kuwaiti tankers will not solve the problem of access to the Persian Gulf. Kuwait produces 12 percent of the gulf's oil and 70 percent of that is shipped on foreign flag ships. Therefore, we will be protecting only 4 percent of all gulf shipments. Economically, the proposed U.S. reflagging plan makes no sense and protects little at great cost.

But a multinational force could protect shipping from a broad range of nations and collaterally demonstrate that East and West can cooperate in a peacekeeping operation.

It is worth lcoking at.

Mr. President, I yield the floor.

ORDER OF PROCEDURE

The ACTING PRESIDENT pro tempore. The Senator from West Virginia.

Mr. BYRD. Mr. President, is the time equally divided between the two leaders?

The ACTING PRESIDENT pro tempore. Once the unfinished business is laid down, that will be the order.

Mr. BYRD. I thank the Chair.

SENATORIAL ELECTION CAMPAIGN ACT

The ACTING PRESIDENT pro tempore. The Senate will now resume consideration of the unfinished business, S. 2, which the clerk will report.

The legislative clerk read as follows:

A bill (S. 2) to amend the Federal Election Campaign Act of 1971 to provide for a voluntary system of spending limits and partial public financing of Senate general election

campaigns, to limit contributions by multicandidate political committees, and for other purposes.

The Senate resumed consideration of the bill.

Pending:

Byrd-Boren Amendment No. 305, in the nature of a substitute.

The ACTING PRESIDENT pro tempore. Who yields time?

The Senator from West Virginia.

RECESS FOR 15 MINUTES

Mr. BYRD. Mr. President, I ask unanimous consent that there be a recess for 15 minutes, with the time to be equally charged.

There being no objection, the Senate, at 9:16 a.m., recessed until 9:31 a.m.; whereupon, the Senate reassembled when called to order by the Acting President pro tempore.

The ACTING PRESIDENT pro tempore. The Senate will come to order.

Mr. BYRD. Mr. President, I suggest the absence of a quorum and I ask that the time be charged equally.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

RECESS UNTIL 9:50 A.M.

Mr. BYRD. Mr. President, Senator BOREN is in the Intelligence Committee at this moment. Other Senators are working in committees. I have discussed with the distinguished Senator from Kentucky [Mr. MCCONNELL] the necessity of either staying in a quorum for the moment or recessing, and so he and I have agreed that we will recess until 10 minutes to 10 o'clock. So I ask unanimous consent that the Senate stand in recess until 9:50 a.m. today with the time to be equally charged against both sides.

There being no objection, the Senate, at 9:35 a.m., recessed until 9:50 a.m.; whereupon, the Senate reassembled when called to order by the Acting President pro tempore.

The ACTING PRESIDENT pro tempore. The Senator from Kentucky.

Mr. McCONNELL. Mr. President, we have been on S. 2 for 2 weeks and 2 days.

Clearly, it is possible for the Senate to pass a meaningful campaign finance reform bill. The distinguished majority leader has indicated that his side is willing to talk, and I reiterate the observations of the Republican leader yesterday, that the leadership group on this side consisting of Senator STEVENS, Senator BOSCHWITZ, Senator PACKWOOD, and myself, has been saying for some 2 weeks and 2 days that we would like to sit down with those on the other side of the aisle and have a discussion on formulating a truly meaningful campaign finance reform bill.

There are a number of areas upon which we can agree. The Senator from Oklahoma and I yesterday discussed "soft money". We discussed independent expenditures. We discussed the need for effective controls on PAC's. We have discussed over the weeks the problem of the millionaires' loophole. These are the real problems that our constituents have spoken against, in letters, in calls, and even in editorials supplied by Common Cause. As I mentioned yesterday, only a very small percentage of these editorials that pile up on our desks advocate public financing and spending limits to bring down overall spending. Most just want to control the PAC's.

But today, I'm going to talk about the millionaires' loophole and independent expenditures, under current law, under S. 2, and under McConnell-Packwood. I am proposing today a constitutional amendment to deal with these campaign finance abuses, and I might add that we usually think that constitutional amendments take a long time to pass.

The constitutional amendment that I will be introducing is simple, direct, and strongly supported in this body. It would grant to this body and to the various State legislatures the authority to regulate what an individual could put into his own campaign from personal funds, just as we have the constitutional authority to regulate what any of us can put into somebody else's campaign from personal funds. It would also grant to the Congress and to the various State legislatures the authority to regulate the independent expenditures.

In the course of the debate on campaign finance reform, Members on both sides of the aisle have decried the ease with which wealthy candidates can virtually purchase congressional seats, and the surge of independent expenditures in campaigns.

Both of these campaign abuses are the result of loopholes in the Federal election law, carved out by the Supreme Court decision in *Buckley* v. *Valeo*, 424 U.S. 1 (1976). In that decision, the Supreme Court held that restrictions on campaign expenditures from personal funds and on independent political expenditures are violations of the first amendment guarantee of freedom of speech. Thus, the "millionaires' loophole" and the independent expenditure loophole are constitutional problems, and will not be corrected by any clever statutory incentive or spending of public moneys.

That is why I introduce today a joint resolution to amend the Constitution, to allow Federal, State, and local governments to restrict the spending of personal funds in campaigns, and the amount of independent expenditures in election cycles. Unlike a broad amendment to limit all campaign spending, this amendment would quickly pass through the Senate and be ratified by the State legislatures. It is a measure for which I have heard nothing but unqualified support.

I do not dispute that my earlier campaign finance reform bill, S. 1308, offers only imperfect solutions to the millionaires' loophole and independent expenditure problems. It is true, for example, that wealthy candidates could spend up to $250,000 in personal funds before S. 1308 would provide relief to opponents. And although my earlier bill incorporates the same restrictions and reporting requirements that S. 2 applies to independent expenditures, it is unlikely that any of these administrative constraints will curb the negative practices of independent expenditures.

S. 2, the taxpayer campaign finance bill now before the Senate, tries to address these two problems by spending the taxpayers' money. Candidates, facing wealthy opponents or negative ads financed by independent expenditures, would be armed with additional public funds—funds that would be diverted from farm programs, Social Security, education, and our antidrug war. Yet, S. 2 would probably not discourage wealthy candidates from sinking their personal fortunes into campaigns, particularly since S. 2 doesn't give the opponent much to compete with. Under S. 2, a candidate from the State of Arkansas would get a maximum of $1,727,200 to do battle with a millionaire. An Oklahoman would get $1,989,500, and a Coloradan would get $1,998,000. This is a lot of money to our taxpayers, but not much at all to a millionaire, unless he's a rather poor millionaire.

Further S. 2 hopes to limit independent expenditures by compensating each attacked candidate for the full amount spent against him or her. This candidate compensation fund again comes from the American taxpayer. Last year, independent expenditures totaled nearly $5 million in Senate races; thus, we can safely tack another $5 million onto S. 2's $100 million price tag, and another $5 million onto the overall amount of campaign spending allowed under S. 2.

Will those who now spend hundreds of thousands of dollars to express their political views independently be deterred simply by the spending of taxpayers' money against them? Mr. President, I think not. Will candidates be compelled to tap the public till every time they believe they are being unfairly treated in an independent ad? Mr. President, I hope not. It is apparent that S. 2's independent expenditure provision is just another loophole to funnel more of the taxpayer's money into our reelection campaigns.

Another $5 million every election year is obviously not very much to those who seek to dominate the political debate with independent expenditures—but it is a lot of money to the American taxpayer, and we shouldn't be throwing it away on a proposal that won't benefit anyone except broadcasters.

Neither administrative constraints nor government entitlements will prevent well-heeled individuals and groups from independently trying to influence elections. Nor will wealthy candidates be deterred from trying to purchase congressional seats merely by S. 2's costly but ineffective millionaires' loophole provision.

These are constitutional problems, demanding constitutional answers. This Congress should not hesitate, nor do I believe that it would hesitate, to directly address these imbalances in our campaign finance laws. I offer this constitutional amendment in the sincere hope that the Senate will begin to turn its attention to the real abuses in campaign finance—the millionaires' loophole, independent expenditures, political action committee contributions, and "soft money"—and develop simple, straightforward solutions, rather than strangle the election process with overall spending limits and a larger political bureaucracy.

Mr. President, I ask unanimous consent that this constitutional amendment be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S.J. RES. 166

Resolved by the Senate and House of Representatives of the United States of America in Congress assembed, That the following article is proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution when ratified by the legislatures of three-fourths of the several States within seven years from the date of its submission to the States by the Congress:

"ARTICLE —

SECTION 1. The Congress may enact laws regulating the amounts of expenditures a candidate may make from his personal funds or the personal funds of his immediate family or may incur with personal loans, and Congress may enact laws regulating the amounts of independent expenditures by any person, other than by a political committee of a political party, which can be made to expressly advocate the election or defeat of a clearly identified candidate for Federal office.

SECTION 2. The several States may enact laws regulating the amounts of expenditures a candidate may make from his personal funds or the personal funds of his immediate family or may incur with personal loans, and such States may enact laws regulating the amounts of independent expenditures by any person, other than by a political committee of a political party, which can be made to expressly advocate the election or defeat of a clearly identified candidate for State and local offices.".

Mr. McCONNELL. Mr. President, these two areas have repeatedly been agreed by both sides to be at the crux of the problem. What distorts the process, of course, is the ability of an individual of unlimited wealth to put literally everything he has into his own campaign; whereas, if he were contributing to anyone else's campaign, he would be limited to $1,000 in the primary and $1,000 in the general election. That is clearly unfair, and we ought to cure it. We can cure it, however, only with a constitutional amendment.

Another unfairness that we all agree on is the independent expenditure, again a constitutionally protected area of expression, according to the Supreme Court decision in Buckley versus Valeo.

This constitutional amendment that I propose would grant to the Congress and to the various State legislatures the right to deal with that problem.

Mr. President, if we dealt with three areas of great concern: The closing of the millionaires' loophole, the ability to regulate independent expenditures, and the cost of broadcast time, which we can address simply by statute, we would have passed in this body the most meaningful campaign finance reform since Watergate.

The third area I just referred to, Mr. President, is the cost of television. What has driven up the cost of campaigns in the last several years has been the cost of television advertising. Candidates have to use television because it is the most effective way to reach our people and communicate ideas. That is particularly true in the large States. My colleagues from New York, California, Texas, and Florida could shake hands all day, every day, for the rest of their lives, and never make a dent in the huge populations in their States, let alone discuss the issues that concern the citizens of those States. Clearly, both incumbents and challengers should be able to use television to reach our people.

What has happened, Mr. President, is that the broadcast stations in America have raised the rates they charge during key times in political campaigns, and have made handsome profits on the candidates, in terms of the cost of advertising.

We could in this body pass legislation that would, for example, require television stations to grant to candidates television time at the lowest unit rate of the previous year, for the class of time purchased. This would dramatically lower the cost of campaigns, and give us all an ability to afford the broadcast time which is absolutely essential to modern political communication.

What happened in Kentucky last May, just last month, is typical of what goes on all over America. The lowest unit rate skyrocketed just prior to the election, such that the "discount" given to candidates amounted to nothing—it was like offering a 25-percent-off sale after a 100-percent price increase. That problem, Mr. President, could be solved by legislation.

These are the kinds of agreements that we can reach together. I hope we can work together on direct, simple solutions to the real problems that plague our campaign finance system.

The ACTING PRESIDENT pro tempore. The time of the Senator from Kentucky has expired.

Mr. McCONNELL. Mr. President, I ask unanimous consent for 1 more minute.

Mr. BYRD. Mr. President, I yield to the distinguished Senator from Kentucky 1 minute from our side.

The ACTING PRESIDENT pro tempore. The Senator from West Virginia has yielded 1 minute to the Senator from Kentucky.

Mr. McCONNELL. I thank the distinguished majority leader.

The Senate could solve these key problems by the passage of the kind of constitutional amendment I outlined earlier. I believe that this resolution, unlike most constitutional amendments, would zip through this body and zip through the State legislatures; I believe that, by passing a statute that did something meaningful about the cost of television, we would bring down the cost of campaigns without deterring public participation through contributions.

Those accomplishments would be real reform, Mr. President, and we stand ready on this side to sit down with the leaders on the other side at any time, to work out the kind of bipartisan reform package that we all know will have to be reached, in order to pass any meaningful campaign reform legislation in 1987.

The ACTING PRESIDENT pro tempore. The Senator from Kentucky yields the floor.

Mr. McCONNELL. I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from West Virginia.

Mr. BYRD. Mr. President, if the Chair will indulge me momentarily and charge the time.

Mr. President, a parliamentary inquiry.

The ACTING PRESIDENT pro tempore. The Senator will state it.

Mr. BYRD. Mr. President, how much time do I have remaining?

The ACTING PRESIDENT pro tempore. Two minutes and 14 seconds.

Mr. BYRD. Mr. President, of course, I have listened with great interest and riveted attention to the urging that we need to meet and discuss compromise. But the problem is that the distinguished Senator from Kentucky [Mr. MCCONNELL] and I say this with all due respect, insists that we can compromise if the compromise is on his terms, namely, that there be no limitation on campaign spending.

Of course, that is not compromise. We are just wasting our time if we think that is ever going to happen.

Perhaps we will never get to a vote on it, but there has to be a limitation on campaign spending or else we are not passing genuine, meaningful, effective campaign financing reform.

As to a constitutional amendment, fine, but that takes years. It has to be passed by two-thirds of the Members of both Houses and ratified by three-fourths of the States through their legislatures or through conventions and that takes time. In the meantime, the money chase is continuing, becoming more intensified, and the people's mistrust in this institution is growing. The opportunities for scandal are ever present, omnipresent, and very likely to happen.

In the meantime, we need to get on with campaign spending reform now, and let a constitutional amendment work its way down the road. It takes time for three-fourths of the States to ratify such an amendment. Everybody knows that. One will learn that in high school; maybe before one gets to high school. These are all suggestions that are worthy of consideration. But we have got to be realistic at the same time.

Mr. President, how much time remains?

CLOTURE MOTION

The ACTING PRESIDENT pro tempore. One hour having passed since the Senate convened, the clerk will report the motion to invoke cloture. By unanimous consent, the quorum call has been waived.

The assistant legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators in accordance with the provisions of Rule XXII of the Standing Rules of the Senate, hereby move to bring to a close debate on the committee substitute for S. 2, to amend the Federal Election Campaign Act of 1971 to provide for a voluntary system of spending limits and partial public financing of Senate general election campaigns, to limit contributions by multicandidate political committees, and for other purposes.

Senators Brock Adams, David L. Boren, Jeff Bingaman, John Glenn, Jim Sasser, Tim Daschle, John F. Kerry, Wyche Fowler, Jr., Christopher Dodd, Wendell Ford, Edward M. Kennedy, Dennis DeConcini, Terry Sanford, Bob Graham, John Melcher, Robert C. Byrd, Claiborne Pell, and John C. Stennis.

VOTE

The ACTING PRESIDENT pro tempore. The question is, Is it the sense of the Senate that debate on the committee substitute for S. 2, a bill to amend the Federal Election Campaign Act of 1971, shall be brought to a close? The yeas and nays are automatic under the rule. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Washington [Mr. ADAMS], the Senator from Delaware [Mr. BIDEN], the Senator from Florida [Mr. CHILES], the Senator from Connecticut [Mr. DODD], the Senator from Georgia [Mr. FOWLER], the Senator from Nevada [Mr. REID], and the Senator from Illinois [Mr. SIMON] are necessarily absent.

I further announce that the Senator from Vermont [Mr. LEAHY] is absent on official business.

I further announce that, if present and voting, the Senator from Vermont [Mr. LEAHY] and the Senator from Nevada [Mr. REID] would each vote "yea."

Mr. DOLE. I announce that the Senator from Idaho [Mr. MCCLURE], the Senator from Alaska [Mr. MURKOWSKI], the Senator from Wyoming [Mr. SIMPSON], and the Senator from Wyoming [Mr. WALLOP] are necessarily absent.

The PRESIDING OFFICER (Mr. T4ConradT1). Are there any other Senators in the Chamber desiring to vote?

The yeas and nays resulted—yeas 45, nays 43, as follows:

[Rollcall Vote No. 153 Leg.]

YEAS—45

Baucus
Bentsen
Bingaman
Boren
Bradley
Breaux
Bumpers
Burdick
Byrd
Chafee
Conrad
Cranston
Daschle
DeConcini
Dixon
Exon
Ford
Glenn
Gore
Graham
Harkin
Inouye
Johnston
Kennedy
Kerry
Lautenberg
Levin
Matsunaga
Melcher
Metzenbaum
Mikulski
Mitchell
Moynihan
Nunn
Pell
Proxmire
Pryor
Riegle
Rockefeller
Sanford
Sarbanes
Sasser
Stafford
Stennis
Wirth

NAYS—43

Armstrong
Bond
Boschwitz
Cochran
Cohen
D'Amato
Danforth
Dole
Domenici
Durenberger
Evans
Garn
Gramm
Grassley
Hatch
Hatfield
Hecht
Heflin
Heinz
Helms
Hollings
Humphrey
Karnes
Kassebaum
Kasten
Lugar
McCain
McConnell
Nickles
Packwood
Pressler
Quayle
Roth
Rudman
Shelby
Specter
Stevens
Symms
Thurmond
Trible
Warner
Weicker
Wilson

NOT VOTING—12

Adams
Biden
Chiles
Dodd
Fowler
Leahy
McClure
Murkowski
Reid
Simon
Simpson
Wallop

The PRESIDING OFFICER. On this vote, the ayes are 45, the nayes are 43. Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is not agreed to.

SENATORIAL ELECTION CAMPAIGN ACT

Mr. BYRD addressed the Chair.

The PRESIDING OFFICER. The majority leader.

Mr. BYRD. Mr. President, as I stated earlier today, we did not have any expectations of invoking cloture. Everybody knew that. I do not think it comes as any news. But we are going to continue this fight because it is a fight for the right, and the people will know it and they are going to know it more as time goes on.

Senator BOREN and others on both sides are working, probing, trying to find a way to adopt meaningful effective campaign financing reform; there has to be a way for such, but there is no way to have meaningful, realistic, genuine campaign financing reform legislation without a limitation on campaign spending.

I believe that we can find an approach, and we are going to reach out our hands across the aisle—that is what we are doing—and by the first of next week we shall make a new offer. I believe that reason and realism will prevail.

In the meantime, that Senators may know what is in the offing, there will not be any rollcall votes during the rest of today. Debate will continue on campaign financing reform.

Beginning Tuesday or Wednesday we are going to have long sessions. I hope we will not have to go through all-night sessions, and I believe that with the offer of a new package, reason will prevail and Senators will invoke cloture and we can get on with letting the Senate work its will on campaign financing reform.

Trade legislation is now on the calendar. We have no problem with the 2-day rule; the distinguished Republican leader obviated that problem anyhow when he agreed to unanimous consent to proceed to either the bill that has been reported out of the Finance Committee or an omnibus bill, which I have been talking about for weeks and months and which I do not need to elaborate on here.

So by the middle of next week, certainly, I expect us to be on the trade legislation. We will have a two-track system. We will work on trade during the early part of the day up into the midafternoon or a little later than midafternoon. Then we will go to campaign financing reform. I would like to retain the flexibility to switch that mode, but that is my present plan, to go with trade first, then campaign financing reform. We can shift that, of course.

We will have the conference report on the budget, probably early Wednesday. The Speaker has informed me that the House will take up the conference report on Tuesday. Of course, that has a green light over everything—campaign financing reform, trade, or anything else. We will have that conference report up, and that comes under an ironclad time agreement.

Other than that, we probably will have a Panama resolution which has been discussed with the Republican leader. We will probably have something on that early next week.

There may be votes on at least two of the nominations on the calendar. I am deteremined to have a vote, one way or the other, on two nominations on the calendar. One is the Wells nomination. The problem may go away, because there are some indications that some progress is being made on that nomination, and I hope that continues to be the case.

There is also a nomination to the judiciary that has been on the calendar since May 1. The nomination of Melissa Wells has been on the calendar since March 31. There is no reason for continuing to delay these nominations much longer. I hope we do not run into a filibuster on either of these, but we will deal with that, also, if that occurs.

I am not going to see the nomination of David Sentelle for a judgeship stay on this calendar. I do not know the man. Nobody is going to put a hold on that and keep the Senate from working its will on it, unless I learn more about the nomination than I know now. The reasons I have heard for its being held up are not good enough.

I have to say, however, that there are those on this side who feel that the Wells nomination should go first because it has been on the calendar more than a month longer than the Sentelle nomination.

Mr. President, there will be rollcall votes next week every day. I believe there should be some quality of life, even for Senators, and certainly for their families. I try to be realistic and deal with the people's business in a way that preserves some quality of life. But there is not going to be more than a modicum of quality of life around here beginning next week if we do not get this campaign financing reform off the dime.

I hope Senators will not take that as mere bluff. All majority leaders have to do a little bluffing. The distinguished Republican leader has been a majority leader, and I have listened to him at times and have felt that he had to bluff a little bit. But there comes a time when the boy who is out there minding the flock yells "Wolf!" and it is real. We try not to do that too often, but it is becoming real.

I warn Senators—and I use that word with trepidation, because when one starts warning Senators, especially when he is in my position, he may put out his fist and draw back a stub. I use the word "warning" advisedly. They should be very careful about how they schedule their days and nights in the forthcoming fortnight.

I urge Senators not to be out of town in the evenings. I urge them not to plan on leaving town on Fridays by 10 o'clock, 11 o'clock, 1 o'clock, 5 o'clock, 7 o'clock, or 9 o'clock. I also urge them, that if they accept engagements for next Saturday, they do it on a conditional basis.

So I have tried to be as plainspoken and as realistic as I know how. But we do have some important legislation now, and coming down the pike behind it will be reconciliation, debt limit and, hopefully, the defense authorization bill. I would hope we could take that up without a filibuster. We have tried three times and have been unable to do it. I have been assessing that with the distinguished Republican leader; and I believe that, based on what he has indicated to me, there is some hope for granting the majority leader consent to take it up, after consultation with the minority leader, at some point. I know that he is working diligently and a lot of bases have to be covered.

I am just saying all these things, Mr. President, to let Senators know. I hope they will read the Record—I am trying to say what I say very carefully—I hope they will read the Record and understand that this is no bluff.

Mr. President, I yield the floor.

Mr. DOLE. Mr. President, I thank the majority leader for outlining the program.

So far as campaign financing reform is concerned, the two big problems will be public financing, or something in lieu thereof, and limiting expenditures, which we believe would be aimed directly at any efforts Republicans have in some of the one-party States of ever creating a two-party system. Those are the fundamental differences.

We are willing to reduce the amount political action committees can contribute. A lot of soft money ought to be limited. There are a lot of ways to limit campaign expenditures by an indirect approach, but the direct approach is going to be difficult because, in effect, we would be giving up any opportunity—or at least what the experts tell us is a good opportunity—of making any headway in the one-party States in this country; and we believe that the two-party system is not only good for our party but also good for the country.

So we are going to be reluctant, and I do not see any slippage on this side. We are willing to negotiate but not negotiate away an opportunity we have to strengthen this party.

Whether it is Common Cause or organized labor or whatever, we have some rights, too, as a party. We intend to defend those rights and to make certain that by limiting money in campaigns we are not, in effect, sealing our fate in many States where we believe a lot of conservative Democrats and Republicans will someday be the majority.

We are willing to look at the matter and are willing to meet with the Democrats and Republicans. We have four or five principal players on this side who are happy to meet at any time.

CENTRAL AMERICA COMMISSION

COMMISSION ESTABLISHED

Mr. DOLE. Mr. President, the Senate will recall that last year, as part of the legislative package providing aid to the Nicaraguan freedom fighters—the so-called Contras—Congress established a Central America Commission. The Commission was charged with monitoring any Central American negotiations which ensued. It was to be made up of five members—one appointed by each of the four members of the congressional leadership; and the fifth—the Chairman—to be elected by majority vote of the other four. And therein lies the problem. There were two Democrats appointed and two Republicans and nobody ever got together on any one, so the Commission reporting date has expired and they never had a Commission.

Maybe they are right, maybe they are wrong. But I—then as majority leader of the Senate—appointed former U.N. Ambassador Jeane Kirkpatrick as a member. House Republican leader Bob Michel appointed a distinguished clergyman, the Reverend Ira Gallaway from Illinois, as his designee. And both Senator Byrd, and then Speaker O'Neill, appointed members.

MONTHS OF DEADLOCK

Regrettably, the four members were not able to agree on a Chairman, despite considering many candidates. Ambassador Kirkpatrick and Reverend Gallaway, for example, nominated three distinguished Democrats—former Senator Dick Stone; Boston University president John Silber; and Bricklayers Union president John Joyce—each of them, candidates of unquestioned integrity; and with a great deal of knowledge of Central American affairs. But the other two members of the Commission voted against all three, even though all three, as I have indicated, were members of their party.

Finally, on April 21, after many months of deadlock, Ambassador Kirkpatrick nominated former Secretary of State Henry Kissinger. Reverend Gallaway heartily endorsed his candidacy. However, for more than 6 weeks, the other two Commission members were unwilling to vote on Dr. Kissinger's nomination. Finally, a bit over 2 weeks ago, one of the other members did decide to vote for Dr. Kissinger; the other member voted against him.

Unfortunately, by that point, with the passage of so much time, Dr. Kissinger was no longer available to accept the nomination. He has formally notified the committee members of that decision in a letter—a copy of which I ask unanimous consent be printed in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DR. IRA GALLAWAY,
First United Methodist Church,
Peoria, IL.
HON. JEANE KIRKPATRICK,
American Enterprise Institute,
Washington, DC.
MR. EDWARD L. KING,
Chevy Chase, MD.
MR. L. KIRK O'DONNELL,
Center for National Policy,
Washington, DC.

JUNE 9, 1987.

DEAR MEMBERS OF THE COMMISSION: I regret to inform the members of the Central American Negotiations Commission that I am unable to accept their offer to serve as Chair of the Commission.

It has been more than seven weeks since I first indicated to Ambassador Kirkpatrick my willingness to accept the Chairmanship, if offered. She placed my name in nomination at that time.

Now there is no longer sufficient time remaining to organize a staff and conduct a meaningful monitoring of Central American peace negotiations, especially of those proposals for regional peace and security put forward by the President of Costa Rica, Oscar Arias Sanchez.

I am, of course, grateful to the Commission for their offer, but I must decline the privilege of serving as Chair.

Sincerely,

HENRY A. KISSINGER.

UTILITY OF PURSUING ISSUE HAS DISAPPEARED

Mr. DOLE. Mr. President, after all these months, the utility of pursuing the Commission has disappeared. The legislation setting up the Commission concerned money available for the Contras in fiscal year 1987—that fiscal year is coming to a close. All the Contra aid money for fiscal year 1987 has been dispersed. Under the terms of the legislation, the Commission itself will cease to exist within days—having taken no action, and issued no reports.

Because of that, Ambassador Kirkpatrick and Reverend Gallaway have written to me, expressing their view that the Commission should discontinue its operations. They close their letter with an expression of deep regret that the Commission was "unable to serve the purposes which the Congress had envisaged for it." I ask unanimous consent that the text of their letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

AMERICAN ENTERPRISE INSTITUTE
FOR PUBLIC POLICY RESEARCH,
Washinton, DC June 4, 1987.

HON. ROBERT J. DOLE,
Minority Leader, Senate, Washington, DC.

Dear Senator Dole: We, the Republican appointees to the Central American Negotiations Commission, believe that the Commission, having failed since November to elect a chairman, is unable to fulfill its responsibility as mandated by existing legislation for monitoring progress toward a diplomatic settlement of the conflicts in Central America.

We made repeated, serious efforts over the last six months to comply with the intent and requirements of the authorizing legislation. Under the legislation, the Commission could not function until a chairman had been chosen. In a bipartisan spirit, we nominated three Democrats with broad knowledge of Central America: former Senator Richard Stone (nominated on November 21); President John Silber of Boston University (nominated on January 5); Mr. John T. Joyce, President of the Bricklayers and Allied Craftsmen Union (nominated in March). Each was rejected by the Democratic representatives. Finally, on April 21, we nominated former Secretary of State Henry Kissinger who had agreed to serve if selected. Unfortunately, six weeks elapsed before the Democratic appointees acted on the nomination. By then Secretary Kissinger believed that there was not sufficient time remaining for the Commission to discharge its responsibilities.

Now, the time allotted for the Commission's operations under the authorizing legislation has passed. The President issued his determination for further assistance to the Nicaraguan democratic resistance. The $100 million was disbursed. Having taken no official action and having issued no report, the Commission should discontinue its operations. We regret that the Commission was unable to serve the purposes which the Congress had envisaged for it.

Sincerely yours,

JEANE J. KIRKPATRICK.
IRA GALLAWAY.

Mr. DOLE. Mr. President, I share the regret they have expressed. But I believe they have made the right—the only practical—decision.

SERVICE OF MEMBERS

In conclusion, Mr. President, let me take this opportunity to thank Reverend Gallaway for his willingness to serve on the Commission. He was the only member who did not reside in Washington, so his efforts to make the Commission work placed a special burden on him. I know the Senate would join me in thanking him for those efforts.

I would also express appreciation to the members appointed by Senator BYRD and Speaker O'Neill for their willingness to serve and efforts through the months.

Finally, I would say a special word of appreciation to Ambassador Kirkpatrick. When I appointed her, I noted that she would bring to the Commission a unique combination of extraordinary talent and unmatched experience. I should add, now, that she also brought great energy and determination to her efforts to make the Commission work. I'm proud to have nominated her, and deeply appreciate that she agreed to serve, and did so with such distinction.

BICENTENNIAL MINUTE

JUNE 20, 1929: MAJORITY AND MINORITY SECRETARIES ESTABLISHED

Mr. DOLE. Mr. President, 58 years ago tomorrow, on June 20, 1929, the Senate offices of secretary for the majority and secretary for the minority were established into law. Carl A. Loeffler became the first Republican Secretary and Edwin A. Halsey the first Democratic Secretary. They filled the posts that are currently held by Howard O. Greene and Abby Saffold.

The two party secretaries aid the majority and minority leaders, and all other Senators, in a profusion of activities on the Senate floor and in the cloakrooms. They serve as the principal staff members of the party conferences, and attend party steering commitee and policy committee meetings. The party secretaries spend much of their time in the Senate Chamber, where they assist the leadership in counting heads before a vote; and they advise party Members on the nature of bills under consideration. They keep the leadership informed of any Members of their party who will be absent from town, to help in scheduling votes, and arrange "pairs" for Members who will miss votes. In short, they are expected to know all that there is to know about what is happening on their side of the aisle—and a good deal about the other side as well—and to assist their party in whatever ways may be required.

Considering this wide range of responsibilities, it is surprising that the positions were established so recently in the Senate's history. But in fact, even before there were officially designated party secretaries, there were staff members performing the roles. Between the 1890's and 1929, the Senate provided for two assistant sergeant at arms to be appointed by each party, and to serve the parties directly. The last two men to hold these posts were Carl Loeffler and Edwin Halsey. By 1929, their positions had grown so essential that the formal titles of "majority" and "minority" secretary were adopted.

Mr. President, I reserve the remainder of my time.

ORDER OF PROCEDURE

Mr. BYRD. Mr. President, I ask unanimous consent that the time during the afternoon up until no later than 4 o'clock be equally divided and controlled by the distinguished minority leader and myself and that Senators may speak out of order during the afternoon, notwithstanding the Pastore rule, and if the order is granted I will yield the control of my time to Mr. Boren or his designee.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. And I yield my time to Senator Packwood or his designee.

Mr. BYRD. Mr. President, I thank the Republican leader.

BUDGET POKER

Mr. BYRD. Mr. President, today's Washington Post carries an excellent editorial entitled "Now for the Republicans."

The President sent up a budget which was soundly defeated by both Houses of Congress. It got 16 votes here in the Senate out of 46 Republicans, a pretty sad commentary on the President's budget. It was a budget which did not meet the Nation's needs. Republican Members in both Houses obviously did not agree with the President's priorities or with the garage sale way of raising revenues he offered.

Democrats have crafted a sensible budget. Conference reports have not been adopted, but the conferees, the chairmen of the committees, the leadership on both sides of the Hill, have agreed on this budget.

I regret that we had to do it on our own without Republican input or assistance. The best thing for the country is a bipartisan meeting of the minds over how to address our needs and begin to get our runaway deficit under control.

We now have a budget proposal. Democrats have shown our hand. The President has folded his cards and walked away from the table. I hope he will come back. Instead of telling the American people the truth, he is perpetuating the old fiction that there is such a thing as a free lunch.

I do not believe that the President can bluff his way through this game. The stakes are too high and the American people know it. I think that the people know that all the balanced budget amendments which can be thought of will not help us with the deficit problem we have right now.

And it happened—I am talking about triple digit deficits—it happened on this President's watch.

I think that the American people want their elected leaders to get a handle on our budgetary problems and make the tough decisions that will get us back on the road to fiscal sanity and economic security. The problem is not process. The problem is a President who is leading a party that will not participate.

Leadership is about tough choices. Leadership is about taking responsibility. Those who sit on the sidelines have no right to complain about the way the game is going. Leadership is often difficult and thankless, but those who ask for it should be willing to try to meet the challenges head on.

Real leaders do just that. Real leaders think about the legacy they are leaving for the country and the problems they are leaving for future leaders.

Mr. President, I ask unanimous consent that the Post editorial be printed in the Record at this point with the fervent hope that all of us who have asked for leadership will read it.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

Now for the Republicans

The Democratic leadership did a little screeching—that's what leaders are for—and the factions of the party now seem to have broken their deadlock on the budget. The moderate document to which House and Senate conferees have agreed is a sensible plan on the merits, provides shelter for the party against both the charge of tax-and-spend and the charge that it is soft on defense, and is a solid starting point from which to bargain with the president if he ever chooses to come out and play. Both houses should gratefully adopt the resolution and get on with the business of carrying it out.

The sticking point during the month the Democrats spent in conference was defense. They more or less split the difference, but sensibly. There are always two defense budget numbers—spending authority, which speaks to the defense program of the future, and outlays or actual spending in the coming fiscal year. The habit the past several years has been to keep the authority of future figures relatively high but the outlay figure low. The virtue was that members could then vote simultaneously for a strong and cheap defense. The defect, of course, is that in doing so they only exacerbated the problem for the next fiscal year, because defense policy had still not been tailored to fiscal reality. The new Compromise does the opposite. To staisfy the House, the conferees came down relatively hard on authority and future obligations, while to satisfy the Senate they were relatively generous on the outlay side. That's the right way to move from rapid buildup to plateau, because it's more gradual. And understand what is being voted for defense: $290 billion in outlays versus $158 billion in fiscal 1981. That's close to a doubling in seven years.

The Democrats would restrain both domestic spending and defense, add a modest tax increase and—on the basis of current economic assumptions—reduce the deficit about $40 billion from the $180 billion expected this year. That's substantial progress, about all the economy can stand. Indeed, not even all of this may be achievable if interest rates turn up and growth is disappointing. The deficit is so high that the government has lost all maneuvering room. Fiscal policy is much more the prisoner of the economy than an instrument for influencing it. That is why this budget is important, why it is urgent to work the deficit down. The issue is whether, in a mechanical as well as philosophical sense, the country can recover self-control.

The congressional Republicans sat out this first round of the budget process, along with the president. The idea was to force the renascent Democrats to declare themselves, which was fair enough—but now they've done that. The interesting question is what the Republicans next do as Congress takes up the implementing legislation to carry out the budget resolution. Do they continue sitting idly by—or do they return to the government?

Mr. BYRD. I yield to the distinguished Senator from South Dakota such time as he may require.

Mr. DASCHLE. I thank the majority leader for yielding to me.

CAMPAIGN FINANCE REFORM

Mr. DASCHLE. Mr. President, I feel disappointed. I feel frustrated. I feel obligated, really, to take the floor at this time now that another cloture vote has failed.

The last time I spoke on this issue, that is campaign reform, one of my comments early on in the remarks I made was that I feel optimistic that somehow Republicans and Democrats who share the view that something needs to be done with regard to campaign reform will be done and that I was encouraged by the bipartisan tone that the debate had taken on that given afternoon.

I must say 3 weeks later that I do not share that optimism any longer, that I do not have the kind of euphoric feeling that I felt as we took this issue up that at long last, maybe at some point this session, we will address one of the most complex and difficult issues that we face in public policy today.

There are those who have indicated that this particular issue is really a nothing issue; that it really is not of major importance; that there really is not that kind of significance attached to the issue as some of us would argue. Well, I cannot think of anything more fundamental, I cannot think of anything more specifically and directly related to the way we govern than the way we elect our candidates. Something is awry, something is wrong when in South Dakota one has to spend $22 for every vote to get elected to this body. Something is wrong when we have to ask people to go in hock for the rest of their lives simply to ask for public service.

So today I am frustrated. Today I am less optimistic. Today I am very concerned about whether this session or next session or at any time in the foreseeable future we will have the opportunity to reform our election laws.

I think, as I have watched the last couple of weeks of debate, one of the greatest concerns that I have had is the incredible lack of proper information, the misinformation that has come about as a result of speeches and the debates that we have had on both sides of the aisle about what S. 2 does and what it does not do, about what McConnell-Packwood does and what it does not do. Each and every time someone advocating McConnell-Packwood gets up to say they are in favor of some limits of PAC's, I just about fall out of my chair, frankly.

So for the next couple of minutes perhaps the most important thing from my own perspective is to try as best I can to clarify the record, to do what I can to set the record straight, at least for the moment for anyone who may be watching—and on a Friday morning, I doubt if there are that many.

I think it is important, for my own purposes and for those who may be listening, that we clarify the record with regard to what we are doing here. One of the most important clarifications ought to be that we are not arguing here as advocated of change and advocated of the status quo. I do not know many Members of the Senate, if any, who are arguing for the status quo. The McConnell-Packwood bill argues for change. S. 2 argues for change. The Stevens bill argues for change. The Hollings constitutional amendment argues for change. So let that be the first clarification.

There are not many people here who would believe that somehow the status quo was appropriate, somehow we are satisfied with the current system. We are not satisfied. You are not satisfied when you have to spend $12 million or $14 million in California. You are not satisfied when you have to spend $3½ million in South Dakota. You are not satisfied when you subject the people time and again to the pressure that they feel from PAC's and big contributors when they come down here to vote.

And so what do we do? Well, we offer change. That is what they are doing with McConnell-Packwood. That is what they are doing with the Hollings amendment. That is what they are doing with the Stevens amendment. That is what they are trying to do with S. 2.

There is another clarification that somehow there is not any groundswell of support, that somehow this really is not an issue that has caught on with the American people. Well, I can only speak for my State, but I must say that the majority leader very appropriately indicated some show of support a couple of weeks ago by putting into the Record some 200 editorials from around the country from those people who have watched the political process, those people who are most sensitive to what is happening in the country, those people who understand that something has to change, the editorial writers in this country. They understand the need for change. They understand the need not only for change but for S. 2.

And so it is in South Dakota. Conservative and moderate editorial writers alike are saying enough is enough. One by one—the Brookings Register, the Mitchell Republic, the Sioux Falls Argus Leader, the Watertown Public Opinion—one by one editorial writers in South Dakota, who have seen what is happening in our system and advocate change, tell us now is the time, tell their Senators to support S. 2. I ask unanimous consent that those editorials be prined in the Record.

There being no objection, the editorials were ordered to be printed in the Record, as follows:

[From the Brookings (SD) Register, June 5, 1987]

A DUBIOUS DISTINCTION

This past fall, South Dakota finished first in something, but it was a rather dubious distinction.

To get your vote in the race for the Senate, Tom Daschle and Jim Abdnor combined to spend more than $25 per vote, more than double the previous per-vote spending record set in 1984 in the race between Sen. Jesse Helms and Gov. Jim Hunt in North Carolina.

More than $7,000,000 was spent electing a senator from South Dakota!

The Daschle-Abdnor confrontation was only one example of how public trust in our election system is being undermined by big money interests who invest huge sums of money to curry favor with candidates.

It's understandable that voters are starting to wonder if their candidates are being bought and paid for by the special interests.

The process of raising and spending such huge amounts of money is what was in question this week as the Senate began debate on a bill to limit campaign spending.

In a statement made in April, Daschle said, "More than any other single factor it is this almost unlimited funding that is a problem. If we are ever to get a handle on the multiple maladies that afflict our campaign financing system, our very first step must be to limit spending."

That is what Senate Bill 2 is designed to do.

S-2 is the Senatorial Election Campaign Act which was introduced by Sen. David Boren, D-Okla., and Senate Majority Leader Robert Byrd, D-W.VA. It's the first comprehensive campaign finance reform bill sent to the full Senate since 1977.

The bill provides a system of public financing for Senate elections. It would require candidates to limit their total spending in both the primary and general elections in return for being eligible to receive public funds to finance their general election campaigns.

In South Dakota, that limit would be $950,000 on the general election per candidate and $636,500 in the primary.

That limit of $1.6 million is well under half what both Daschle and Abdnor spent in 1986.

That extra $2 million allowed the candidates to go far beyond what was necessary to get their messages to the voters of South Dakota. There was so much money in the two campaigns that they almost couldn't spend it all.

In the last few weeks, the money which was burning a hole in the pockets of the candidates was used to burn their opponents with negative advertising.

The presence of big money throughout the campaign created another problem for the candidates. The candidates had to spend an inordinate amount of time trying to get those big bucks into their coffers.

That meant hours and hours on the phone and in meetings courting the big money people. Now even the most naive must wonder what promises had to be made to get that money.

The second important part of S-2 is a limit on how much money a candidate can accept from political action committees.

The limit in South Dakota would be $190,950.

For example, if S-2 had been in effect during the last election, the PAC receipts of Daschle would have been cut a whooping $971,000; for Abdnor, the cut would have been equally dramatic at $892,000.

We don't need to spend $7 million to get the message of candidates to the people of South Dakota.

If we don't limit campaign spending soon, what the voters of our state think won't much matter anymore.

Doug Anstaett, Editor and Publisher.

[From the Mitchell (SD) Republic, June 11, 1987]

STATE HAS SHOWN NEED FOR CAMPAIGN LIMITS

South Dakotans, it seems to us, have ceased marveling over the fact that the 1986 Senate race between Sen. Tom Daschle and former Sen. Jim Abdnor cost the candidates $25 per vote.

If that means that voters are prepared to accept spending at the rate of $30 or $35 a vote next time around, then we may be looking at a new and dubious meaning for the expression "silence is golden."

Under this new meaning, candidates later in the 1980s and in the 1990s may have to wheel carts full of gold bricks to their creditors.

As you have probably already been able to tell, we are far from ready to accept spending at this level as a political reality. Excess is, of course, much less noticeable when we reach it by degrees, rather than all at once but it is still excess.

So far as we're concerned South Dakotans should be especially concerned about the effects of virtually unlimited spending on election campaigns and especially vocal in calling for passage of limiting legislation now before Congress called "the Senatorial Election Campaign Act."

South Dakota's sparse population and relatively cheap rates for political advertising make us that much more vulnerable to politicians with a lot of money to thrown around. In South Dakota, the people doing the spending tend to get "a lot of bang for their buck."

Considering that South Dakota has the same right to two Senate seats that much bigger states have, we are a tempting target for national party organizations fighting for majority control in the Senate.

Without some clear and well-enforced limits, it seems safe to assume that we have nothing to look forward to in the years ahead but more and more advertising saturation, longer and longer campaign seasons, and votes that will command a higher and higher price per head.

News of this kind, we're sure, is enough to make mouths water in East Coast public relations firms and in the ranks of those whose life's work seems to involve drifting from the staff of one candidate to the staff of another.

Those of us in South Dakota who have yet to manage to put the 1986 Senate campaign out of our minds respond differently. It is about enough to make us lose our lunch. A.H.

[From the Sioux Falls (SD) Argus Leader, May 30, 1987]

CAMPAIGN FUNDING RULES IN NEED OF AN OVERHAUL

The word "scandal" is tossed around loosely in politics.

Common Cause, that high-road, public interest lobbying group, sees one in the way the nation finances congressional campaigns.

We won't go quite that far. We see the financing system as a national disgrace badly in need of reform.

Common Cause is on target, however, in calling for support for a bill pending in Congress to overhaul the campaign financing system.

The proposal, Senate Bill 2, would put overdue limits on how much money candidates for the Senate could spend in election campaigns.

Sen. Tom Daschle, D-SD., is among the bill's co-sponsors. The position of Sen. Larry Pressler, R-SD., is not as clear. In mailings on the topic, Pressler's support is couched in qualifiers.

With no limits, officeholders are too dependent on the checking accounts of political action committees, commonly called PACs. PACs are committees formed by trade organizations, businesses, labor groups and other organizations to make contributions to candidates.

The PAC problem is more pronounced in Senate races than House races because Senate campaigns usually cost more. Reform is needed for House races, too, though.

According to Common Cause, almost half the members of the House received 50 percent or more of their campaign money from PACs during the 1986 campaign. Incumbents received more than $65 million last year; challengers received less than $9 million.

Of course, PACs don't donate money just to be good Americans. They want access. They want influence. They want votes to go their way. And for Congress, it is difficult to say no to the groups that helped get them elected.

Under the bill proposing restrictions on Senate candidates, PACs still would be allowed to give up to $5,000 per candidate each election. But:

Each state would have a spending limit based on its voting-age population. The limit would range from a minimum of $950,000 to a maximum of $5.5 million

As a condition of eligibility for public financing in a general election, a candidate must certify that he or she will not spend more than 67 percent of the state's general election limit in the primary.

To qualify for public financing, a candidate would have to raise about 20 percent of the state limit in private contributions of $250 or less, with at least three-fourths of that coming from the candidate's home state.

The changes are overdue. The bill should be approved.

[From the Watertown (SD) Public Opinion, June 8, 1987]

PRESSLER NEEDS TO SUPPORT S. 2

On Saturday, May 30, we criticized opponents of Senate Bill 2, which is designed to bring comprehensive campaign funding reform to the U.S. Senate. In talking to South Dakota's two U.S. senators, Senator Daschle is a co-sponsor of this legislation and Senator Pressler said he needed to see some amendments to it before he could lend his support. He said at that time he felt that a proposed substitute amendment coming from Senator Packwood of Oregon would rectify some shortcomings S. 2 had.

Well, S. 2 has now been introduced on the Senate floor as has an amendment by Packwood and Senator McConnell of Kentucky. They say their amendment would eliminate PAC contributions to individual candidates. However, an article in *The Wall Street Journal* said about their proposal, "The move was seen mostly as a tactical ploy to protect Republicans from being branded as anti-reform." We can't say this is a strictly partisan proposal because there are a number of senators on both sides of the aisle who are mighty beholding to PACs for their past contributions.

The important thing here is that besides being a tactical ploy, this proposed legislation is a charade and would not accomplish its stated purpose.

The McConnell-Packwood bill would instead simply lead to PACs changing their method of providing money to a congressional candidate and in so doing would open the door to PACs providing unlimited sums to a congressional candidate.

The impact that this bill would have on PAC money is perhaps best demonstrated by what occurred in Packwood's 1986 reelection campaign. In that election ALIGNPAC, a PAC representing insurance interests, gave the senator a $1,000 contribution made out from ALIGNPAC to Senator Packwood. At the same time, ALIGNPAC's also gathered and turned over to the senator $215,000 in checks made out by ALIGNPAC's members directly to Senator Packwood. This controversial practice, known as "bundling," allowed ALIGNPAC to massively evade the $5,000 per election PAC contribution limit and to get credit for providing what was the equivalent of a $215,000 contribution from ALIGNPAC to the senator.

S. 2, the Senatorial Election Campaign Act, would make clear that PACs could not use this kind of "bundling" practice to evade contribution limits. All such contributions arranged for by a PAC would be counted against the PAC's contribution limit which under present law is $5,000 per election per candidate.

The "Mc-Pack" bill also claims to restrict this kind of bundling practice, but in fact it does nothing of the kind. The so-called "anti-bundling" language in McConnell-Packwood merely says that if a PAC gathers and delivers bundled contributions to a candidate the checks need to be made out by the individuals directly to the candidate. That is, of course, the very practice that ALIGNPAC used to provide $215,000 to Senator Packwood. Rather than restricting this kind of PAC bundling, McConnell-Packwood legitimizes the practice as a way for PACs to provide money to a candidate.

This amendment, if passed, would "hog house" the present wording of S. 2. This proposal to prohibit "direct" PAC contributions to a candidate, while legitimizing the practice of PACs bundling and delivering unlimited sums to a candidate, will result in all PACs simply mechanically changing their methods of raising money and providing it to a candidate without any limit on the total amount the PAC could provide. McConnell-Packwood will increase, not decrease, the ability of PAC money to unduly influence members of Congress.

The McConnell-Packwood bill is not campaign finance reform and should be rejected out of hand. After all of this, if Senator Pressler is really for reform, we hope he will support that rejection. If he doesn't, then the opposite is obvious.

[From the Watertown (SD) Public Opinion, May 30, 1987]

ITS TIME HAS COME!

The Rules Committee of the U.S. Senate favorably reported out Senate Bill 2 on April 29 and we have now learned that it will be up for consideration sometime in June by the full Senate. Why is S. 2 so important? Because it is the first time that this committee has sent a comprehensive campaign finance reform bill to the full Senate since 1977. While this may not be the most perfect piece of legislation calling for vast guidelines for financing the campaigns for our U.S. senators, it is better than the near nothing that we now have.

Of course, if the amendment goes through that is expected to be offered from the Senate floor by Senator Ted Stevens of Alaska, in our estimation even S. 2 will be watered down to such a degree that once again the U.S. Senate will win and the American people will lose.

The amendment by Stevens would eliminate two provisions that are essential for comprehensive campaign finance reform—overall spending limits and limits on the total amount of PAC contributions a candidate can accept. According to Common Cause President Fred Wertheimer, the Stevens amendment is "a diversionary tactic aimed at providing political cover for senators who want to be able to claim they're for campaign finance reform while they filibuster and otherwise drag their feet against S. 2 and, in effect, work to preserve the status quo—no campaign finance reform.

In a telephone call to us this week, South Dakota's Senator Larry Pressler argued bitterly, but not convincingly, against our stand on this issue. He said that S. 2 was a product of the ultra left Democrats and that the Stevens amendment would help rectify many of the faults found in the bill. This is contrary to what was said by the president of Common Cause, which is a congressional watchdog organization emphasizing open government. Pressler also told us that the Common Cause organization is now controlled by the ultra left.

The senator also told us he and a group of other senators are introducing another amendment to make S. 2 even more restrictive, but we haven't yet seen a copy of it so we cannot comment on it.

Senator Tom Daschle is a cosponsor of S. 2, but has not yet decided on the Stevens amendment because it is not yet in its final form, a Daschle spokesman said.

Now, whether or not S. 2 is the proper proposed legislation for comprehensive campaign finance reform, we would think it would behove our senators to introduce, with appropriate fanfare, legislation that would do the trick. To strengthen this argument, the Gallup Poll (Public Opinion April 23, page 16) found that a majority of the American people think federal funding of congressional campaigns is a good idea. The estimated cost of this would be paid for from the voluntary checkoff of our income tax statements just as we do now for the presidential elections.

Campaign financing reform just has to be when one considers the senatorial race last year in South Dakota cost each candidate more than $22 for every vote they received, the highest priced such election per voting capita in our nation's history.

To those opposed to public financing this may have to be a trade-off to get comprehensive campaign financing reform. There are currently some 65 national PAC organizations supporting this reform measure. Bonnie Reiss, treasurer of the Hollywood Women's Political Committee, a PAC that has raised more than $3 million for candidates in the last three years, said it best when she testified in April at the Senate hearings:

"We can't help but worry about the overwhelming amount of time spent raising money—yours and ours," she told the senators. "It appears that when you're not traveling seeking money, you're on the phone seeking money. When you're not on the phone seeking money, you're worrying about where else you're going to find money .... It is clear to us all that far too much of your time, energy and intellect is spent in demeaning pursuit of the almighty campaign buck."

If this bill becomes law, it will let members of Congress spend their time resolving the nation's problems instead of spending so much time raising campaign funds. It's about time ....

(Mr. HARKIN assumed the chair.)

Mr. DASCHLE. There needs to be another clarification, I suppose, and that is the difference between S. 2 and the McConnell-Packwood bill. Advocates of the McConnell-Packwood bill say that now is the time to eliminate the influence of political action committees. Well, for the life of me, I cannot understand how advocates can make that argument. And I only wish this morning that we have an opportunity to debate this question, because McConnell-Packwood clearly sets out an opportunity for anyone to send in a check, large or small, and preferably large, in the form of a concept we call bundling, allowing a PAC to contribute vast sums of money to any candidate with no limitation at all, none whatsoever.

Today, as everyone knows, a political action committee is prohibited by law from contributing more than $10,000 to a campaign, $5,000 in the primary and $5,000 in the general. Of course, McConnell-Packwood eliminates that, but what they say with a wink—with a wink—is:

> We will let you bundle as much as you want. Give us this and we will give you something a lot more valuable that a direct contribution. We will let you take checks 3 feet high if you want to. We will put a rubberband around them and send them to any candidate you want to send them to.

Now if that is not an improvement from the PAC's' point of view, what is? So there you have it. No limits. There is a reporting requirement, but we have that in S. 2. We deal with bundling. We eliminate bundling. We eliminate one of the greatest new threats to campaign reform by saying bundling is something we ought not have and it is time to get rid of it.

And so we lost a great opportunity here, as people interested in campaign reform, to give up on that issue. It is important for us and everyone to understand that particular point more than anything else. If you want limits, you cannot support McConnell-Packwood. If you want some reform of the PAC process, then, by heavens, make sure you understand the important role that bundling will play.

So bundling to me is one of the critical issues here as we debate campaign reform. People do not understand that. There are some who go out and with eyes wide open, telling the press and telling everyone else, "We put limits on our bundling program in the McConnell-Packwood bill."

Well, I only wish the press could ask, "How? Tell us how."

The second issue: soft money. Soft money is another one of those methods by which parties and candidates can benefit from contributions provided in indirect ways. I would rather throw out the word "soft." I would like to use the word "laundered." That is laundered money we are talking about. It is money that goes to a committee, a State committee or a national committee, and, through a third source, directs assistance in very fundamental ways, financially, to candidates who need help beyond the PAC limits that are now allowed.

McConnell-Packwood virtually takes the lid off of laundered money, laundered money in the way I define it, the so-called soft money today.

There is no limit on what they can give State parties. There is no limit to what corporations and other organizations can give State parties. Laundered money, as I define it, this so-called soft money, is one of the greatest threats to campaign reform we see as we look to the next couple of elections. More and more we are going to see soft money utilized. More and more we are going to see the potential for abuse. More and more it threatens any kind of limit that we can put on campaign finance.

I do not care whether you are talking about soft or laundered money, if you are talking reform you have to confront it. McConnell-Packwood does not touch it. It does not say there are any limits. In fact, it encourages additional soft money to be used in the future.

So where is the reform? Where is the limit that we are talking about? Where is the possibility that in some way we can constrain the amount of money being spent on campaigns in the future?

I know what I would have done. I know I would have gone to every corporation, every union and every source of money I have saying, "Give as much as you can to the party because the party can give it to me."

That is not the electoral process I want to be involved in. That is not the kind of election reform we ought to be talking about.

There is another notion that comes up again and again, and was again presented by the able minority leader just a moment ago. That is that somehow S. 2 is incumbent protection.

You talk about driving me up the wall, that is probably the one charge that does it quicker and more effectively than anything else. If we do not have incumbent protection today, what do we have? If we do not have a system whereby 95 percent of the candidates get reelected, what do we have? If we do not have a system where today incumbent challengers are four or five to one with the amount of money they can raise, what do we have if we do not have incumbent protection today? Incumbent protection is what we have lock, stock and barrel and everybody ought to know it. We have incumbent protection. That is why you have incumbents who refuse to bring up campaign reform year after year.

The first time I voted on it was 1979 and that was the last time I ever had an opportunity to vote on campaign reform. Why? I know why. Because incumbents today know how good they have it. That is why. They do not want to see change. Why change? Why give a challenger an opportunity to raise as much money as you are raising?

That is what we are doing with in this bill. We are actually giving people an opportunity to raise as much money as we do. That is unheard of. You cannot do that in Washington. A challenger comes to Washington hat in hand and where is he going to go? They say, "What do the polls look like?" The polls tell you, "I have a 20 or 30 percent right now. My incumbent has 50 or 60 percent. It is a 60 to 20 race. I would like to have you give me some support."

What happens? One by one these guys get turned down. One by one they go home emptyhanded. One by one they are thwarted in their ability to raise money because the incumbent looks invulnerable. With that invulnerability comes a proclamation across town that, "This challenger does not have a chance. Do not give him any money."

That is what happens and everybody knows it.

Talk about incumbent protection? Look at the facts. Look at who raises the money today. Look at who gets elected. Looking down the road, look at who will be elected unless we have a two-party system. If you want reform, given the challenger the opportunity to raise money as you raise money and you will have a two-party system.

Another incredible statement is that we could see a proliferation of candidates here. What are we going to do with all these candidates running for public office? This could be a madhouse.

Frankly, someone must have a different perception of the democratic process than I have.

It seems to me that in this democracy nothing could be better than to give each and every one of the pages sitting on the steps right now at some point in the future a chance to run for public office. Nothing would please me more than if in every race we had in South Dakota we had five or six candidates running. Each candidate has his or her own constituency. Each candidate brings some new people into the political process and they stay there for awhile.

What would be more helpful to us in bringing people back to vote, bringing people in once again, than to personify politics like it has not been before, by the proliferation of more candidates, by the opportunity for more people to be involved? That is what we are talking about here.

So the proliferation of candidates? I hope that argument keeps coming up again and again because I will talk to the American people about proliferation. I will talk about candidates' involvement. I will talk about the perception that we are closing out the American people. I will talk to anyone, Republican or Democrat, with the sense of encouragement that if you want to change it, if you really want to get involved, then let us give you an opportunity to be involved.

There was another comment made, which I have not heard in the last few days but which galls me to hear it, which is one of the reasons why some of us want S. 2 is that we are afraid to work.

Well, I have to tell you, I think I can speak for every single Member of this body. I know that I speak with some confidence in saying this. There is no one here afraid of work or they would not be here. There is no one here who is going to take a backseat to initiative. There is no one here who could possibly have gotten here if they were not willing to work for it.

The problem is, as we look to the future, that it is work on what? There are only 24 hours a day and I dare say most people here spend 14 hours a day in the work they are on. But if you have to take those 14 hours, or in a campaign 16 or 18 hours, and spend half of it raising money, what that simply means is that out of those 18 hours a bigger and bigger percentage of your work is going to tell people you want their dollars—not going into a discussion of how you respond once you got here, not about the issues that confront this country, not about arms control and human rights and the broad range of agricultural issues and economic issues, not in setting about being a better Senator but in asking people for money. That is the kind of work we are involved in now. I do not mind it, I will continue to do it, and there will always be that part. In fact, in S. 2 you could argue as a result of the way it is formulated we have to work harder for more dollars because it puts limits on the amount of dollars you can actually ask for, in smaller amounts.

If you want to work, go after $250 contributions. If you want to work, go one on one to these people and say you would like their help. But then, for heaven's sake, let us put some limit on the amount of time you spend working on that vis-a-vis working on what you were sent to do here.

That is what we are talking about. It is how you divide up your work. It is not whether somebody wants to work or not. Heavens, there are more people that work harder here than any place else I have seen.

We talk a lot about public finance, and you hear a lot of pros and cons about whether there ought to be public finance. If you go back to a fundamental notion that I have about finance in the first place, maybe this becomes just a little clearer; and I would like to clarify public finance for a moment.

My view is that tax expenditures are public finance. I cannot understand why we do not budget it. I cannot understand why we do not put some controls on it. But tax expenditures, that is tax deductions of kinds, tax credits, is a form of public finance. In business, in agriculture, in education, we expenditures today, through the Federal Government, that we use in the form of deductions and credits. We have had, from that perspective, a public finance system in our public campaign policy for a long, long time, and no one has argued against that.

No one has said: "Let's take away the tax credits or tax deductions because that's a form of public finance." That form of public finance there apparently seems to be unanimous support for. But you turn it around and say, "Let's not make it a credit, let's make it direct contribution," and for some reason people then have problems. But to my knowledge, I have not heard one candidate, one Senator come on this floor and ask us to repeal the Presidential system of public finance.

Where is the minority leader? Where are those who argue today that perhaps the public finance system as we have known it in the Presidential politics needs to be obliterated and apply McConnell-Packwood to that as well? No one has ever argued that. Apparently that has worked.

If that is the case, if it has worked there, then why does it not work as well for Senators? Why does it not work as well in setting some limits, some appreciation that we have got to control spending when it comes to Senate candidates as well?

In fact, the only thing I have heard is what we ought to do is extend the whole concept of campaign reform to Presidential primaries as well. That is what I have heard. That is the way the reform is being suggested for Presidential politics.

The one thing I can say, and I think it is safe to say, is that, sooner or later, there will be a campaign reform bill; unfortunately, it may be later. But there will be one.

One of the frustrations I have as a Senator, as a person in public life, is that in this body as well as in the House we are so retrospective. It takes a crisis for us to address the problem.

Once the crisis is more real, then we are more than happy to address it in some constructive fashion.

I would hope, just once, on something as fundamental as the way we elect our public officials, that we could show some prospective foresight that we could really demonstrate that we understand that unless something changes, we will have a crisis, and that there will be clamoring across this country for some form of campaign reform. I hope we can demonstrate that ability to be prospective that we need in this body.

There is a lot riding on whether or not, ultimately, we can resolve our differences. As one who stands, again, in frustration; who stands with a faded hope that yet this session we can address this issue successfully, I hope that we can resolve those differences. I hope that if we do withdraw this bill, at some point—or if we fail to come up with a compromise—we hold it firm that we are going to resolve this problem of campaign refrom at some point in my term in office. Let us hope that we can find the combined leadership, the willingness on both sides of the aisle to put aside our differences; to clarify these misunderstandings; to come to the conclusion that it is better now than at some point in the future to resolve the problem of campaign reform before it is too late.

I said the first time I spoke that at the rate of 400-percent increase in costs we have experienced in South Dakota and across the country, we will see a $12 million race for the U.S. Senate in South Dakota in 10 years; a $48 million race for the U.S. Senate in South Dakota in 20 years.

Is that what we want? Is that what we want to tell the young people sitting on the steps today: "We want you to get involved in the political process but I only have to come up with $48 million to do so"? That is not what we want.

Our foresight, our judgment, and our commitment to good government is better than that.

I yield the floor.

MORNING BUSINESS

Mr. BYRD. Mr. President, there has been no period provided for morning business, am I correct?

The PRESIDING OFFICER. The majority leader is correct.

Mr. BYRD. I ask unanimous consent that there be a period for morning business so that Senators may introduce resolutions and bills.

The PRESIDING OFFICER. Without objection, it is so ordered.

AIDS

Mr. DANFORTH. Mr. President, yesterday, I spent 2 hours visiting NIH, talking to key personnel and to an AIDS patient, trying to understand this terrible disease. It was in many ways the culmination of the first stage of my effort to learn about AIDS; it effects on people; its means of transmission and the efforts needed to prevent its further spread. Today I would like to take a few moments of my colleagues' time to share some of the conclusions I have arrived at during the last month.

Two points should determine Government's response to AIDS. First, this is a rapidly spreading, dreadful, contagious disease that warrants the urgent attention of our country. Second, we know how AIDS is spread and what we can do to avoid it.

The first diagnosed case of AIDS in America was reported in 1981. Six years later, on June 1, 1987, 36,158 cases had been reported. The Government's Centers for Disease Control estimate that unreported cases could push the actual figure 20-percent higher. By 1991, it is expected that 270,000 people will have been diagnosed with the disease.

In addition to these people who show the symptoms of AIDS, at least 1.5 million Americans have been infected with the virus and would test positive in blood tests. Today, it is estimated that 20 to 40 percent of these people will go on to develop AIDS within the next 5 years. I have heard estimates that anywhere from 30 to 100 percent of those who have the virus will eventually develop the symptoms of the disease. All of these infected individuals, whether or not they are ill, are capable of spreading the AIDS infection to others.

AIDS kills. To date, 20,849 of its victims have died. Most of them were between the ages of 20 to 40. By the end of 1991, it is believed that the number of deaths will increase to 179,000. For most, if not all of them, the end will be a blessing. Dying of AIDS is frightening and often painful. Many people with AIDS develop complex medical problems: severe infections, rare cancers that cause horrible disfigurement, and loss of mental faculties. For those with the cancer common to AIDS patients, skin lesions eventually spread throughout the body; in the gut and the lungs. These patients usually die as a result of an uncontrollable vomitting and discharging of blood.

For those patients who contract the pneumonia that is common to AIDS patients, death means suffocation. One patient I met with yesterday spoke of an overwhelming feeling of panic due to an inability to breath. Most of these people, once they have experienced these severe respiratory problems, ask not to be put in intensive care in the future. They would prefer to die than to endure a prolonged period of agony and fear.

Patients can also be infected by a number of different viruses and bacteria. They circulate throughout the body, often infecting the brain and the liver. It is very common for these patients to have uncontrollable diarrhea, often resulting in the loss of 30 to 50 percent of their body weight.

Finally, severe neurological problems are common. Patients can develop Alzheimer-like symptoms, lose control of themselves to such an extent that they need to be strapped down, or experience constant seizures and massive strokes. Most of these are young people who just months before may have been in the prime of their lives. These patients need our compassion and understanding. Yet, like the medieval plague, many are abandoned by family and friends. As one expert told me, "the disease is worse than death."

Unlike the black death of the 14th century, we know precisely how AIDS is spread and how it is not spread. This knowledge serves a dual purpose. It allows us to avoid contracting the disease by acting responsibly, and it allows us to avoid panic in the face of the unknown. For these reasons, knowledge is the key to stopping the spread of AIDS.

With rare exceptions, AIDS is transmitted in just three ways: sexual contact with an infected person, intravenous drug injections using contaminated needles and from an infected mother to her child in the uterus. It is not transmitted by casual contact.

Recently, the World Health Organization held a conference that brought together experts from 27 of the most prominent research institutes in the world. There will soon be a report documenting their consensus agreement. They concluded that casual contact will not transmit the disease. This means that you cannot catch AIDS from a fellow employee or a classmate in school or a resident in the same apartment building absent sex or shared needle use. If a person with AIDS shakes hands with you, you will not catch AIDS. If a person with AIDS sneezes on you, you will not catch AIDS. Researchers have documented that even immediate family members, living in the same house do not catch the disease from casual contact, regardless of how close the family. In one study of 100 people who lived with AIDS sufferers, sharing the same bathrooms, drinking glasses, kitchenware, et cetera, not one became infected with the virus.

This knowledge tells us both what we should do and what we need not do to avoid infection. Some of my constituents have suggested that Government should identify and then quarantine AIDS carriers. Even if this were practical, it would not be necessary. We don't have to avoid all contact with infected people. All we have to avoid is having sex with them or sharing drug needles with them.

In assessing the possibility of contracting AIDS, consider the following: 91 percent of the reported cases in the United States are occurring among homosexuals, intravenous drug users or both. Three percent of the reported cases have resulted from transfusions of contaminated blood or blood products. Four percent of the cases have occurred among heterosexuals. It is believed that intravenous drug users and prostitutes are responsible for much of the spread to heterosexuals.

With extraordinarily rare exceptions, there is no chance that persons who are not sexually promiscuous and who don't use IV drugs will contract AIDS. For this reason, there is no need to isolate infected people or deprive them of their livelihoods. All we have to do is control our own behavior, or, if we can't control ourselves, use condoms and clean needles.

Since knowledge is the best defense against AIDS, it is essential that we develop the best ways to disseminate that knowledge. This means that the general public should be given information through such means as mailings, the mass media, and the schools. I believe that such general information can be both accurate and tasteful, explaining both the cause and the consequences of the disease. More explicit information, relating, for example, to condoms and clean drug needles can be targeted to individuals engaging in high risk activities rather than to the general public. The Government should fund such an educational campaign and should enlist the support of the mass media in conducting it.

Because some have suggested that mandatory testing for AIDS should be used on a widespread basis, I have put that question to the various medical and public health experts I have visited with in the past month. So far, I have failed to find any expert who thinks that widespread mandatory testing is a good idea. In fact, the Surgeon General, who is the most senior health official in the United States, and the Institute of Medicine, which is one of the most prestigious scientific bodies in the world both have recommended strongly against mandatory testing. In addition, in February, 700 experts in the field of medicine, research, social science, and public health all met to discuss the value of testing. Almost unanimously, they agreed that mandatory testing was inadvisable and would probably be counterproductive.

Before I point out some of the reasons why mandatory testing would be inadvisable, let me say that it is a very natural first reaction to advocate widespread, mandatory testing. When I first started looking at the whole issue of prevention, I thought that everyone should be tested and given a card to identify his antibody status. It soon became clear to me, however, that the issues surrounding testing are enormously complicated and that my first response was quite naive.

What the experts led me to understand was that mandatory testing is a trap that will do more damage than good. Antibodies leading to a positive test do not show up in a victim's blood until sometimes 2 or 3 months after he or she is infected. Therefore, a person could be carrying the disease and still test negative. Similarly, a person could contract the infection hours after taking the test. Therefore, it is likely that AIDS carriers could naively proclaim themselves disease free, thereby relieving potential partners of their own sense of personal responsibility, and then transmit the virus. Implementing widespread, mandatory testing would provide a false sense of security to the public that would only exacerbate the problem of infection.

Even if this problem of a false sense of security did not exist, there would be enormous problems with the testing. In thinking through what could be done with the results after the tests are run, it quickly becomes clear that the uses would either be impractical or counterproductive. If we are planning to encourage people to change their behavior, mandating them to find out whether or not they are positive when we have nothing to offer them except possible discrimination, can only make them defensive and afraid, thereby driving them underground.

Finally, AIDS is a problem serious enough to warrant the united attention of all people in our country. Mandatory testing is the most divisive idea that has been considered on the subject of AIDS. There are special cases such as prisoners and applicants for immigration where mandatory testing may be advisable, but as a general rule, it should be avoided.

Many people will want to be tested on a voluntary basis, if for no other reason than to set their minds at ease, and such testing should be readily available. However, it should only be administered with adequate counseling which points out both the limitations of the test and ways to avoid either spreading or contracting the disease. Because some would not seek testing, counseling, or any kind of help without the knowledge that their test results will never be disclosed, we should allow anonymity at the testing sites. For those who get tested in places such as family physicians' offices where anonymity is impossible, we should ensure confidentiality of those results to the extent that is possible.

As a part of our education campaign, we must lead people to understand that there is no reason for discrimination. People who are infected with AIDS should be allowed to continue working and to keep their homes. In the case of AIDS, the problem of discrimination becomes an important public health consideration. If we are trying to encourage people to change their behavior, we will want them to seek help and advice. They will not seek help if doing so results in discrimination against them.

Education must take the lead in discouraging discrimination. Many people have suggested that legislation should be enacted to ensure nondiscrimination. I believe that AIDS victims should be treated the same as other handicapped people as indicated by the Supreme Court in School Board of Nassau County versus Arline. There it was held that having a contagious disease does not disqualify someone from being considered a handicapped person as long as he or she has a physical or mental impairment. The significance of this decision is that anyone who is sick with a contagious disease will be protected from discrimination in any program or activity that receives Federal financial assistance unless he or she proves to be unable to perform the job or medically, would be a threat to fellow workers. I do not believe that AIDS victims should be treated either better or worse than sufferers of, say, cancer, and I certainly do not believe that a special civil right should be created for one illness. I do believe that an anomaly pointed out by footnote number seven of the Arline case that specifically states that the decision does not address people who are asymptomatic carriers of a contagious disease should be corrected. Clearly, if discrimination is not permitted against full-fledged AIDS patients, it should not be permitted against those who only carry the virus but have not yet developed the symptoms of the disease.

Finally, in our prevention efforts, we should reexamine the drug problem in the United States. Clearly, the greatest risk to people in the heterosexual population, is the sexual transmission of the virus to partners of IV drug abusers. We must learn how to educate your young people so that drug habits never begin. In addition, as long as there are drug addicts who want to end their habit, we must ensure that there are resources available to treat them.

In conclusion, let me emphasize that the responsibility of Government is to make decisions based on the best available scientific knowledge. We must legislate based on facts and we must use our visibility in our own States to disseminate accurate information. It is only with knowledge that people can protect themselves and our country can avoid unnecessary panic. It is only with knowledge that we will conquer this horrible disease.

Mr. President, I yield the floor.

Mr. HECHT. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. HELMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. SHELBY). Without objection, it is so ordered.

TOSHIBA—A PATTERN OF BETRAYAL

Mr. HELMS. Mr. President, I have just been handed very disturbing news by the U.S. Embassy in Tokyo. The very efficient Tokyo Metropolian police have just learned that in fact, the Toshiba-Kongsberg sale of giant computer controlled milling machines was not a one time aberration but rather part of a larger pattern of betrayal.

Just before Prime Minister Nakasone visited Washington in late April we learned that Toshiba and Kongsberg, a Norwegian Government-owned defense contractor, had exported four giant milling machines to Russia.

I recall discussing this matter with Mr. Nakasone.

At the time we believed their highly sophisticated computer driven machines were to be used to make Soviet submarines quiet and hard to detect. The export of these machines took place in 1982 and 1983.

We now know, thanks to the Tokyo police, that these machines are to be used to make Soviet aircraft carriers faster and more maneuverable. The Soviets now have under construction their first large aircraft carrier, the *Leonid Brezhnev*.

More incredibly, we now know that Toshiba followed its first betrayal with at least one more. In 1984 the firm exported five axis milling machines to the Soviet Union. These machines are also to be used for finishing submarine propellers.

Mr. President, what we have here is a pattern of betrayal of the free world. This is a very serious matter affecting the strategic balance between the United States and the Soviet Union.

Toshiba and Kongsberg have put every Japanese citizen, every American citizen and every other free world citizen at peril.

Unfortunately, we cannot reach officials of Toshiba and Kongsberg with our criminal laws. However, we do have one asset, the largest open market in the free world. In my view, neither Toshiba nor Kongsberg are welcome here anymore.

The Senate Banking Committee has a provision in its portion on the trade bill barring Cocom violators from contracting with the U.S. Government. Senators GARN, HEINZ, and SHELBY have announced they will have a floor amendment limiting imports from Cocom violators.

When the bill reaches the floor I intend to address the question of compensation with more direct action. We have sustained a loss to Western defenses in the billions of dollars. Someone will have to pay and it should not be the American taxpayers. I will be discussing this further on the floor in the coming days.

Secretary Weinberger left for Japan yesterday for talks on this vital issue. Before he left a number of Senators and Congressmen joined me in a letter urging the Japanese Government to pursue this case vigorously. So far the Japanese Government is showing great determination. I congratulate the Tokyo police for pursuing this investigation with great thoroughness and tenacity. Without their strong sense of duty and integrity these revelations would never have come to light.

Mr. President, I ask unanimous consent that the following materials be printed in the RECORD at the conclusion of my remarks: A front-page news story published June 19, today, by Mainichi Daily News, Tokyo; a June 18 article by the same newspaper; and a June 16 article published by Yomiuri, also a leading newspaper in Tokyo; and, finally, my letter to Secretary Weinberger, dated June 16, and signed also by 10 of our colleagues and 22 Members of the House of Representatives.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

TOSHIBA BROKE COCOM RULES IN 1984 ALSO

Toshiba Machine Co., now under investigation for exporting computerized machine tools to the Soviet Union in 1982 and 1983, violated COCOM regulations once more in 1984 with the sale of another type of sophisticated numerically-controlled propeller-making machine, the Mainichi Shimbun learned Thursday.

Toshiba Machine has been under fire for selling nine-axis-type numerically-controlled propeller-making machinery to the Soviet Union.

Now, it has been learned that the machine tool maker illegally exported four smaller-scale five-axis-type numerically-controlled propeller-making machines, known as the MF-4522, to the Soviet Union in the following year encouraged by the success it had with the export of the nine-axis machines.

The five-axis machines are capable of cutting propellers of 4.5 meters circumference, the second-largest of the propeller-making machines manufactured by Toshiba after the nine-axis machines, which can cut propellers measuring 11 meters across.

The illegal exports by the Japanese machine tool maker has had a serious impact on U.S.-Japan relations, since it is believed the devices have allowed the Soviets to make quieter and harder-to-detect submarine propellers.

While it was previously thought that the Soviets were using Toshiba's nine-axis machines to make submarine propellers, police now believe that the five-axis devices were used in the making of submarine propellers and the larger nine-axis devices were used for aircraft carriers.

The five-axis machines went to the same Leningrad shipyards as the nine-axis models, it is believed.

The latest revelation came from testimony given by Toshiba Machine officials involved in the illegal exports, including Ryuzo Hayashi, 52, already arrested on charges of COCOM violations.

Police said that the Soviets ordered MF-4522 machines from Toshiba while Toshiba Machine officials were in Moscow in April 1981, for negotiations on the shipment of the nine-axis devices.

They signed a new contract for the sale of the MF-4522 machines in April 1983, two months before the illegal shipment of larger-scale nine-axis devices was completed. Toshiba Machine exported two MF-4522 machines each from Yokohama Port in April and May in 1984, with the hope of C. Itoh and Co., a major trading firm in Japan.

In case of the nine-axis devices, Toshiba Machine is thought to have skirted COCOM regulations by first importing two-axis propeller-making machines from Norway's largest arms maker Kongsberg Vaapenfrabrikk and then assembling them into nine-axis machines in the Soviet Union. They obtained export permits from the Ministry of International Trade and Industry claiming that the machines for export were only two-axis machines, not in violation of COCOM.

Toshiba is said to have used the same method to obtain export permits for the illegal five-axis machines, but using machines originally manufactured by Toshiba.

COCOM, the Coordinating Committee For Export Control, prohibits the export of sophisticated high-tech machinery to countries of the communist bloc.

TOSHIBA MACHINE CARRIED OUT ILLEGAL EXPORTS IN 1984, TOO; FOUR "FIVE-AXIS" MACHINE TOOLS TO SOVIET UNION; MITI CHECKING INTO ADDITIONAL SANCTIONS

In the case of Toshiba Machine's violation of COCOM regulations, a new fact to the effect that, besides the "nine-axis" numerical control-attached large-size machine tools, which have already been disclosed, Toshiba Machine had also illegally exported a total of four large-size machine tools equipped with "five-axis" NC's, which are also a violation of COCOM, to the Soviet Union, in 1984, came to light on the 17th. This was discovered through the Metropolitan Police Board's investigations, and even though this case already comes under the statute of limitations (three years) of the Foreign Exchange Law, MITI started questioning Ito-Chu Shoji (head office in Osaka City), which acted as the export agent for Toshiba Machine, about the circumstances. At the same time, it also started checking into additional sanction measures against these two companies.

It became known through the depositions of Toshiba Machine Materials Department Foundry Section Chief Ryuzo HAYASHI (52 years old) and other persons concerned, who have already been indicted on charges of violation of the Foreign Exchange Law, that Toshiba Machine had also illegally exported "five-axis NC"-attached machine tools to the Soviet Union. They were also propeller-processing machines, called "MF-4522," and the maximum diameter of the propellers which these machines can cut and process is 4.5 meters. As a machine tool manufactured by Toshiba Machine, it is the second biggest after the nine-axis NC machine tools, capable of processing a maximum diameter of 11 meters, which were brought to light this time.

According to investigations, the Soviet side placed an order with Toshiba Machine for four "five-axis NC" machine tools, in the course of the business negotiations for "nine-axis NC" machine tools, which were held in Moscow in around April of 1981. With Ito-Chu Shoji acting as the export agent, in the same way, a formal contract was concluded with the Soviet aids in April, 1983, just two months before the completion of the illegal exports of the "nine-axis NC" machine tools. A total of four machine tools was shipped from Yokohama Port, two in April, 1984, and two in May of the same year.

In the case of the "nine-axis" machine tools, the NC equipment for them was imported from Norway's state-run machinery manufacturer "Kongsberg," and installed in the machines, in order to evade the COCOM restrictions. However, in the case of the "five-axis" machine tools, NC equipment, manufactured by Toshiba Machine itself, was used.

In the exporting of these machine tools, Toshiba Machine submitted false documents, in the same way as in the case of the "nine-axis" machines, saying that they were "CFC-2022's," which are equipped with a "two-axis" NC, and obtained the ITI Minister's export permission.

The Metropolitan Police Board attached importance to the fact that Toshiba Machine also exported "five-axis" machine tools, after it illegally exported four "nine-axis" machine tools from 1982 to 1983, and as a result of its questioning the persons concerned about the circumstances, it unearthed the fact that, as it succeeded in the exporting of the "nine-axis" machine tools, it also exported the "five-axis" machine tools at one stroke, right after the first exports.

It is said that the "five-axis" machine tools were also delivered to the Baltic Shipyard in Leningrad, in the same way as the "nine-axis" machine tools.

The COCOM violation case this time is causing ripples between Japan and the US, on the ground that it led to the raising of the performance of the screws of Soviet submarines, and that it has dealt a blow to the US Navy's ability to detect Soviet submarines. With the discovery of the fact that "five-axis" machine tools had also been exported to the Soviet Union, the Metropolitan Police Board has strengthened its view that these "five-axis" machine tools, which are just the right size for the processing of screws for submarines, were probably used. This is because a "nine-axis" machine tool is too big for the processing of screws for submarines, and the possibility has become strong that the "nine-axis" machine tools, though they can also be used for the processing of screws for submarines, are being used for the processing of screws for ships which need bigger screws than those for submarines, such as aircraft carriers, for example.

ITO-CHU SHOJI, WHICH ACTED AS EXPORT AGENT, ALSO QUESTIONED ABOUT CIRCUMSTANCES

Toward MITI's inquiry into the circumstances of the exports of the "five-axis" machine tools, Toshiba Machine has completely admitted the fact of "illegal exports." Ito-Chu Shoji admitted that it acted as the export agent, although it asserts that "it did not know that they were illegal exports."

Toshiba Machine's General Affairs Department Vice Chief Hiroshi YAMAGUCHI says as follows: "The company itself has been indicted, and we cannot discuss the contents. As for the five-axis machine tools, no internal investigation has been made and I do not know about them."

HAD DESTROYED SECRET CONTRACTS; WHOLE COMPANY'S INVOLVEMENT IN ILLEGAL EXPORTS BY TOSHIBA MACHINE IS SUBSTANTIATED

In the case of the illegal exports to the Soviet Union by Toshiba Machine (Head Office in Chuo-ku, Tokyo), a top manufacturer of large-size machine tools, the Investigation Department of the Tokyo District Public Prosecutor's Office indicted the said Company, as a corporation, and two of the Company's staff members, namely Materials Business Department Foundry Section Chief Ryuzo HAYASHI (52 years old) and Machine Tools Businees Department Machine Tools 1st Technology Section Deputy Chief Hiroaki TANIMURA (50 years old), on the charges of violation of the Foreign Exchange Law, etc., on the 15th. Through the investigations of the Tokyo District Public Prosecutor's Office, it has become known that a report was submitted to the then President of Toshiba Machine, on the occasion of the company's deciding on the export of propellor surface-processing machines, which are COCOM contraband goods, to the Soviet Union in 1980, and that he knew that they were illegal exports. Still further, it was brought to light that they destroyed evidence, such as the destroying of secret contracts with the Soviet Union in April, 1985, centering on HAYASHI and others, in fear of being discovered, and substantiation has been obtained to prove that the Company as a whole was involved in the violation of COCOM.

According to the indictment, HAYASHI, who was an Office Chief in the Machine Tools Business Department in 1984, and TANIMURA, who was a Section Chief in the Machine Tools Export Department, exported to the Soviet Union, on around June 20, 1984, 12 cutter heads (equivalent to 23,370,000 yan at the time), which are parts for the nine-axis propellor surface-processing machines, without obtaining the approval of the ITI Minister, despite the fact that such approval was required. Still further, they illegally exported, in the same way, documents, including computer programs for the opertion of the processing machines, fitted with these cutter heads, on around July 1 of the same year.

Even before that, Toshiba Machine exported to the Soviet Union four processing machines (total amount of 4,125 million yen), from December, 1982 to June of the following year. However, the statute of limitations already applies to this case. However, when a proposition of exports to the Soviet Union was brought to Toshiba Machine by "Wako Koeki," a trading firm specializing in trade with the Soviet Union, in around 1979, Toshiba Machine took up this proposition also at a meeting to report to the President, at the time, and it concluded the business talks for these exports with the Soviet side in April, 1981. On that occasion, secret contracts, the contents of which were to guarantee the exports of nine-axis processing machines, which are banned by COCOM, were exchanged with the Soviet side's All-Soviet Technology and Machinery Import Corporation. However, HAYASHI and others, who sensed that a former Wako Koeki Moscow Branch Deputy Manager, who had resigned, was showing moves to report this COCOM violation to the Paris Headquaraters, destroyed related documents in April of the year before last. Still further, when they were questioned by MITI about the circumstances in February of last year and March of this year, they asserted to the last that "the processing machines which were exported were two-axis machines, which are outside the COCOM restrictions."

Of the payments of 4,125 million yen for the four processing machines, illegally exported, the amount received by Toshiba Machine was 3,722 million yen, and its rough profits amounted to as much as 2,287 million yen. Ito-Chu Shoji recieved 277 million yen, and Wako Koeki received 126 million yen as commission and charges for export procedures, etc. However, as regards Wako Koeki, as a corporation, and the seven Toshiba Machine employees, regarding whom papers have already been sent to the Public Prosecutor's Office, it is viewed that a decision for suspending the indictment will be reached soon.

UNITED STATES SENATE,
COMMITTEE ON FOREIGN RELATIONS,
Washington, DC, June 16, 1987.

Hon. CASPAR WEINBERGER,
Secretary of Defense,
Department of Defense,
Washington, DC.

DEAR SECRETARY WEINBERGER: During your visit to Japan later this month we hope you will vigorously raise the Toshiba/Kongsberg propeller milling technology diversion case. It is clear that this is one of the most serious losses to the defense posture of the Free World in this decade.

In our view there are three issues to this case. First, those who are culpable must be punished severely. The Japanese Government has made an excellent start on this with the arrest of two Toshiba Machine officials, and is pursuing severe administrative sanctions. Nevertheless, the Japanese Government should be encouraged to press the case to the fullest extent of Japanese law.

Second, the issue of compensation is still outstanding. It will be very expensive to raise the technological level of our anti-submarine warfare capability back to where it was before the diversion to the Soviets. Some one will eventually have to pay for this. We expect that before decisions are made to allow new U.S. Government contracts to either Toshiba or Kongsberg the entire question of compensation will be resolved.

Finally, we hope in your talks with the Japanese Government that you will receive satisfactory assurances that such cases will never happen again. The Japanese Government appears to be heading in the right direction. They should be encouraged to establish new procedures and add additional personnel if needed.

Sincerely,

Malcolm Wallop, John McCain, Jesse Helms, Chic Hecht, Steve Symms, James A. McClure, Jake Garn, Phil Gramm, Orrin G. Hatch, Kit Bond, John Heinz, Bob Dornan, Chris Smith, John G. Rowland, Ron Marlenee, Lynn Martin, Curt Weldon, Helen Delich Bentley, Charles Wilson, Phil Crane, Toby Roth, Duncan Hunter, David Dreier, Joel Hefley, Tom Lewis, Jack Davis, Jim Courter, Pat Swindall, John Hiler, Dan Coats, Ben Gilman, Jimmy Slattery, and James V. Hansen.

Mr. HELMS. Mr. President, I thank the Chair and I yield the floor.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

NATIONAL CATFISH DAY

Mr. BYRD. Mr. President, I ask the distinguished acting Republican leader [Mr. HECHT] if Calendar Order No. 172 has been cleared for action on his side of the aisle.

Mr. HECHT. Mr. President, Calendar Order 172 has been cleared.

Mr. BYRD. I thank the distinguished Senator.

Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar Order 172.

The PRESIDING OFFICER. The clerk will report the joint resolution.

The assistant legislative clerk read as follows:

A joint resolution (H.J. Res. 178) designating June 25, 1987, as "National Catfish Day."

The PRESIDING OFFICER. Without objection, the Senate will proceed to the immediate consideration of the joint resolution.

The Senate proceeded to consider the joint resolution.

NATIONAL CATFISH DAY

Mr. HEFLIN. Mr. President, I am pleased to join with my colleagues in supporting this joint resolution declaring June 25, 1987, as National Catfish Day.

Alabama has seen a tremendous growth in the catfish industry over the past several years. Since 1965, the number of pond acreage has increased from 500 acres to over 13,000 acres in Alabama. Soil conservationists believe that this can multiply to 60,000 acres in the next 15 to 20 years. In monetary terms for Alabama, this would mean an industry of approximately $120 million.

In these times of economic crisis for the agricultural industry, fish is the only agricultural product in America where demand is greater than supply.

The per capita consumption of fish is estimated at 14 pounds. More people are eating fish for health reasons. It is one of the highest quality animal protein available, and freshwater fish is especially low in saturated fat. Approximately 90 percent of the world's fish is caught in the ocean, but the ocean producers have not been able to substantially increase their yield to meet the increased demand for fish. As America demands fresh, quality fish, the catfish will rise even more in popularity. It is certainly easy to see that this is a bright area of agricultural expansion. With this expansion the potential of catfish production in the South is unlimited.

Catfish farming has allowed much-needed diversification in the agricultural sector. With such an impressive economic résumé and a taste that is second to none, catfish is well on the way to becoming a national favorite.

The joint resolution (H.J. Res. 178) was ordered to a third reading, read the third time, and passed.

The preamble was agreed to.

Mr. BYRD. Mr. President, I move to reconsider the vote by which the joint resolution was passed.

Mr. HECHT. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

NATIONAL LABOR RELATIONS ACT AMENDMENTS

Mr. BYRD. Mr. President, is there a House message at the desk on H.R. 281?

Mr. BYRD. Mr. President, I have been asked to initiate rule XIV as a mechanism for getting H.R. 281 on the calendar. On behalf of Mr. KENNEDY, I ask unanimous consent that the House message be read the first time.

The PRESIDING OFFICER. The clerk will read the bill for first time.

The assistant legislative clerk read as follows:

A bill (H.R. 281) to amend the National Labor Relations Act to increase the stability of collective bargaining in the building and construction industry.

Mr. BYRD. Mr. President, I ask unanimous consent for second reading of the bill, H.R. 281.

Mr. HECHT. Mr. President, I object.

The PRESIDING OFFICER. Objection is heard.

The bill will be held over until the next legislative day for its second reading.

ORDER FOR RECORD TO REMAIN OPEN

Mr. BYRD. Mr. President, I ask unanimous consent that the RECORD remain open today until 5 o'clock for statements and the introduction of bills and resolutions.

The PRESIDING OFFICER. Without objection, it is so ordered.

AUTHORITY FOR COMMITTEES TO FILE REPORTS

Mr. BYRD. Mr. President, I ask unanimous consent that committees may have until 5 o'clock today to submit reports, and I also ask unanimous consent that the committees may have between the hours of 10 a.m. and 3 p.m. on Monday to submit reports on legislative or executive business.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE 1988 WHEAT PROGRAM

Mr. BYRD. Mr. President, I understand that the distinguished acting Republican leader wishes to proceed with a resolution on behalf of the Republican leader. I yield the floor for that purpose.

Mr. HECHT. I thank the distinguished majority leader.

Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Senate Resolution 237, a resolution Senator DOLE submitted this morning on wheat. I ask unanimous consent for its immediate consideration.

The PRESIDING OFFICER. Is there objection?

Mr. BYRD. Mr. President, reserving the right to object, there is no objection. This resolution has been cleared on this side of the aisle and we are ready to proceed.

Mr. HECHT. Mr. President, I ask unanimous consent that a list of resolution cosponsors be printed in the RECORD.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

Senators Dole, Lugar, Melcher, Boschwitz, Boren, Pressler, Symms, Baucus, Burdick, Gore, Kassebaum, Karnes, Daschle, Evans, Cochran, Durenberger, Pryor, Nickles, Conrad, Bentsen, and Bond.

The PRESIDING OFFICER. The clerk will state the resolution by title.

The assistant legislative clerk read as follows:

A resolution (S. Res. 237) to express the sense of the Senate that it is in the best interests of United States wheat producers to immediately receive the details of the 1988 wheat program and that the program should include no more than a 27½ percent acreage limitation level.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. DOLE. Mr. President, it seems an annual problem faced by our Nation's wheat producers is not knowing the details of the program in time to make necessary planting decisions.

Wheat producers were expecting a preliminary announcement June 1, but as of today, still have not received word of what the program provisions will be. This makes it very difficult to make sound management decisions.

I understand the problem is an internal debate within the administration regarding the level of the Acreage Reduction Program [ARP]. Some within the administration would prefer a 30-percent ARP, since it would save a little money.

However, I believe there are many of us in this body who would side with a smaller ARP level of not more than 27.5 percent. Exports are up this marketing year and for the first time in several years, demand will exceed domestic production.

It is simply not good policy to keep raising ARP's with such trends. Not only do high ARP levels reduce producer income, they also send the wrong signal to our competitors who increase their production to take advantage of the higher set-aside requirements U.S. producers face.

We should also keep in mind that the Conservation Reserve Program [CRP] will take additional wheat acreage out of production this year.

RESOLUTION

Several of my colleagues and I are offering a sense-of-the-Senate resolution encouraging the administration to announce the details of the 1988 wheat program and to include not more than a 27.5-percent ARP level as part of the announcement.

I urge adoption of the resolution by my colleagues.

The resolution (S. Res. 237) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, is as follows:

S. RES. 237

Whereas United States wheat producers are still awaiting the details of the program for the 1988 crop of wheat established under section 107D of the Agricultural Act of 1949 (7 U.S.C. 1445b-3);

Whereas demand for United States wheat, for the first time in several years, will exceed domestic production;

Whereas United States wheat exports will be up more than 10 percent during the current marketing year;

Whereas high acreage limitation (ARP) levels under the acreage limitation program established under section 107D(f) of such Act increase the per unit cost of producers and reduce farm income;

Whereas high ARP levels send the wrong signal to foreign competitors by encouraging them to increase agricultural production;

Whereas the Secretary of Agriculture has discretion to set the ARP level at 27½ percent for the 1988 crop of wheat; and

Whereas the National Association of Wheat Growers (NAWG) has recommended a program that includes no more than a

27½ percent ARP level: Now, therefore, be it

Resolved, That is the sense of the Senate that—

(1) it is in the best interests of United States wheat producers to immediately receive the details of the program for the 1988 crop of wheat established under section 107D of the Agricultural Act of 1949 (7 U.S.C. 1445b-3); and

(2) such program should provide for an acreage limitation program (as described in section 107D(f)(2) of such Act) under which the acreage planted to wheat for harvest on a farm would be limited to the wheat crop acreage base for the farm reduced by no more than 27½ percent.

Mr. HECHT. I move to reconsider the vote by which the resolution was agreed to.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

EXECUTIVE CALENDAR

Mr. BYRD. Mr. President, I inquire of the distinguished acting Republican leader if the following nominations have been cleared on the other side of the aisle: The nominations beginning on page 2, under Equal Employment Opportunity Commission, and numbered as follows: Calendar Order Nos. 213, 214, and 215.

Mr. HECHT. They have been cleared, Mr. President.

Mr. BYRD. I thank the acting leader.

EXECUTIVE SESSION

Mr. BYRD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider Calendar Order Nos. 213, 214, and 215, that they be considered en bloc, agreed to en bloc, that the President be immediately notified of the confirmation of the nominees, and that the motion to reconsider be laid on the table.

The PRESIDING OFFICER. Without objection, it is so ordered.

The nominations considered and confirmed en bloc are as follows:

EQUAL EMPLOYMENT OPPORTUNITY COMMISSION

Evan J. Kemp, Jr., of the District of Columbia, to be a member of the Equal Employment Opportunity Commission for the remainder of the term expiring July 1, 1987.

Evan J. Kemp, Jr., of the District of Columbia, to be a member of the Equal Employment Opportunity Commission for the term expiring July 1, 1992.

DEPARTMENT OF LABOR

Fred William Alvarez, of New Mexico, to be an Assistant Secretary of Labor.

NOMINATION OF FRED ALVAREZ TO BE ASSISTANT SECRETARY OF LABOR

Mr. BINGAMAN. Mr. President, I am pleased to support the nomination of Fred W. Alvarez to be Assistant Secretary of Labor.

Mr. Alvarez is currently serving as a Commissioner of the Equal Employment Opportunity Commission where he has complied an outstanding record of enforcement. He has been at the EEOC since his nomination in 1984.

Mr. Alvarez is an imminently qualified attorney. After receiving his juris doctor degree from Stanford University in 1975, Mr. Alvarez served as law clerk for the chief justice of the New Mexico Supreme Court. He then held a position with the National Labor Relations Board regional offices in Oakland and San Francisco, CA, for 4 years as a trial attorney responsible for investigations and enforcement of, the National Labor Relations Act. His legal ability, integrity, and dedication earned him the trust and respect of his fellow professionals, both within the National Labor Relations Board and those in private practice.

In 1980, Mr. Alvarez returned to New Mexico and entered private practice with Sutin, Thayer & Browne, a law firm in Albuquerque. In 1983, he became a director of the firm. Mr. Alvarez has concentrated in the area of employment and labor relations law. He has counseled private and public sector employers and trade associations on a full range of employment relations law and has engaged in administrative law practice before Federal and State government agencies and departments.

Mr. Alvarez is a member of the New Mexico and California Bar Association as well as the American Bar Association. He has also been a member of the Stanford Law School Board of Visitors.

While with the National Labor Relations Board, Mr. Alvarez was a faculty member for the Council on Legal Educational Opportunity at the University of Santa Clara Law School during the summer of 1979.

Mr. Alvarez is an extremely competent and dedicated individual who has distinguished himself, displaying the rare talent in this city of being able to get things done. His entire career is marked with success and accomplishment. His record at the EEOC, in particular, is truly remarkable. Mr. Alvarez has been responsible for increased litigation efforts, streamlined enforcement, the adoption of new policies for enhanced remedies, and more. His experience makes him extremely well qualified for the position of Assistant Secretary for Employment Standards where he will be responsible for overseeing programs that touch the lives of millions of American workers.

I urge my colleagues to support this nomination.

NOMINATION OF FRED W. ALVAREZ TO BE ASSISTANT SECRETARY OF LABOR FOR EMPLOYMENT STANDARDS

Mr. DOMENICI. Mr. President, it is very much an honor for me to support the nomination of Fred W. Alvarez to be Assistant Secretary of Labor for Employment Standards. Over the last 2½ years Fred has distinguished himself as a committed, able, and productive member of the Equal Employment Opportunity Commission.

During Fred's tenure on the Commission, equal employment opportunity enforcement efforts were significantly improved. Litigation and investigation activities were increased such that an unprecedented number of cases were brought before the Commission for litigation consideration. Fred played a very important part in making these valuable improvements. His impressive record of accomplishment at EEOC gives me great confidence in saying that he will make many fine contributions to employment conditions in this country at the Department of Labor.

Fred is a native of Las Cruces, NM, and he showed his great promise at a young age when he graduated from the New Mexico Military Institute with distinction. Fred went on to graduate from Stanford University with honors in economics and later earned his law degree from Stanford in 1975.

As a law student, and later as law clerk to the distinguished New Mexico Supreme Court Justice LaFel E. Oman, Fred began pursuing his interests in equal employment policy. There he gained valuable experience in employment and equal opportunity law, and achieved considerable respect for his work.

Before being appointed to the EEOC, Fred was a member of the prestigious law firm of Sutin, Thayer & Brown, where he continued his work in employment law. As an attorney in Albuquerque, Fred developed an excellent reputation within the New Mexico legal community.

I believe that Fred is an excellent choice as Assistant Secretary for Employment Standards. As Assistant Secretary, Fred will be responsible for affirmative action, wage and hour, and workers' compensation programs. His experience and proven dedication make him particularly qualified to assume this new post.

When Fred was nominated to become a member of the EEOC, I was pleased to be able to recommend him to the Congress, and it is very much a pleasure for me to again come before my colleagues in the Senate to recommend Fred to another important position in the administration. I have full faith in Fred and believe he will make an even greater contribution to our Nation as Assistant Secretary of Labor for Employment Standards.

LEGISLATIVE SESSION

Mr. BYRD. Mr. President, I ask unanimous consent that the Senate return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I thank the distinguished acting Republican leader for his cooperation in expediting the business of the Senate.

CENTRAL AMERICAN COMMISSION

Mr. BYRD. Mr. President, this morning the able minority leader indicated that the Congressional Commission on Central American Negotiations which was mandated by last year's legislation on Contra aid, had not fulfilled its responsibility and should discontinue operation.

Mr. President, I must disagree with the distinguished minority leader on this matter. The money authorized for the Commission has not been expended and at least $200,000 is still available for conduct of Commission business. The Commission was authorized for fiscal year 1987 and its time of operation remains open ended.

Mr. President, the Congress continues to need the independent input which the Commission was created to provide. The issues of negotiations and Contra activity in Central America are not going to go away. Just yesterday the New York Times reported that the President told President Arias that he had serious reservations about Costa Rica's peace plan and that he remains fully committed to obtaining renewed funding for the Contras from Congress.

In his remarks this morning, the distinguished minority leader appeared to indicate that the Commission had failed to select a chairman because the two Democratic appointees had opposed three Democrats nominated by the Republican appointees. The minority leader also indicated that on the nomination of Secretary Kissinger, the Democratic appointees delayed their vote.

Mr. President, I think we need to set the record straight on this matter. The Democratic appointees nominated three distinguished Americans—former Secretary of Defense James Schlesinger, former NSC member, Mr. Robert Hunter, and former Senator Paul Tsongas. All of these nominations were opposed by the Republican appointees. And in the case of Secretary Schlesinger it took 9 weeks to get the Republican appointees to vote up or down on the nomination.

After Secretary Kissinger was nominated and offered the chair, nearly 2 weeks passed before he declined.

Mr. President, the Congress urgently needs the Commission to begin to function in its mandated role. Its time of operation is open ended and I propose that the congressional leadership appoint a chair for this important Commission so that it can get on with the work it was created for.

EXTRADITION OF MOHAMMED HAMADEI FROM WEST GERMANY

Mr. SPECTER addressed the Chair.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. SPECTER. I thank the Chair.

Mr. President, I have just come from the Dirksen Building, room 124, and a news conference on the issue of extradition of Mohammed Hamadei from West Germany. This conference was attended by the distinguished Republican leader, Mr. DOLE, Senators D'AMATO, DIXON, DECONCINI, and myself. It concerned a joint resolution which has been consponsored by some 65 Senators under the leadership of Senator D'AMATO calling for the executive branch—the President and the Department of State—to act with immediate attention to bring Hamadei back to the United States for trial.

This news conference was also attended by Mr. and Mrs. Stethem, whose son Robert, was the victim of the brutal murder committed by Hamadei as disclosed by evidence, probable cause and a warrant of arrest issued by the U.S. District Court for the District of Columbia.

Mr. President, I believe that it is important to call this issue to the attention of our colleagues on the floor of the U.S. Senate today, and I advised my colleague, Senator D'AMATO, as I left the news conference a few moments ago, that I would do so.

I believe it is important to do this because there are very important considerations involved in this issue of the extradition of Hamadei. The fact that 65 U.S. Senators have cosponsored this resolution is an emphatic statement to the West German Government about the seriousness with which we view this issue.

The United States and West Germany have been partners on many important ventures and we share many of the same values. I believe that it is important to underscore for the West Germans how vital we consider the extradition of Hamadei to the United States. The case involves the hijacking of a TWA airliner, a U.S. plane and it involves the murder of a U.S. Navy man, Robert Stethem. Under international extradition laws, this case ought to be in the United States. We have primacy. The close nexus is here.

There is a strong undercurrent of suggestion that the West Germans are retaining Hamadei because of some sort of deal which either has been worked out or may be worked out for the trade of two West German businessmen who were taken hostage in retaliation for West Germany's detention of Hamadei on this American warrant of arrest.

It is very unfortunate that the West Germans were taken hostage, and I sympathize with the problems that West Germany faces in that regard. But it cannot undercut, in my judgment, their obligation to honor the extradition treaty to send Hamadei back to the United States for trial.

The entire issue of extraterritorial jurisdiction by the United States, Mr. President, is one of enormous importance. The Congress has asserted the importance of this extraterritorial jurisdiction in a variety of ways: In 1984 with the Omnibus Crime Control Act, we made it a violation of U.S. law for anyone, anywhere in the world, to take a U.S. citizen hostage or to hijack a U.S. aircraft.

On August 27, 1986 the President signed into law a provision which I introduced in the Senate which makes it a violation of U.S. law for a terrorist to assault, maim, or murder a U.S. citizen anywhere in the world. In that same bill, another provision which I introduced calls for the President to solicit our allies to seek a Nuremberg tribunal for the trial of terrorists in an international context. Such an international tribunal is obviously a way off, but the jurisdictional authority of the United States to try terrorists like Hamadei and other terrorists who hijack U.S. planes, take U.S. citizens hostage is a very, very important item.

Mr. President, the Hamadei case is of special concern at a time when international terrorism is rampant. Just yesterday another U.S. citizen, a former reporter for ABC Television, was taken hostage in Beirut. We have today, Mr. President, in the Persian Gulf, a confrontation developing between the United States and Iran; Iran may respond to the United States action in the Persian Gulf by increasing acts of terrorism. We do not know whether the abduction yesterday was or was not conspired by Iran, but there is cause to be concerned about what part Iran played in the murder of the 240 U.S. marines in Lebanon in October 1983. There is cause to be concerned about the part Iran is playing in the international conspiracy on terrorism that may touch the Hamadei case. If the West Germans are to be weakened in the international resolve to move against terrorism by failing to honor their extradition obligations to extradite Hamadei to the United States for trial, it is a very, very serious issue, especially with the kidnapping of another U.S. citizen yesterday and with the kind of problems which we face in the Persian Gulf.

I made the point in the news conference, Mr. President, that the U.S. Senate and the House will be watching very closely what happens in the Hamadei case. The West German Government has not yet officially announced their decision, although it is anticipated they will decline our request for extradition. The Congress will be watching the West German action very closely, because the United States is called upon to make enormous contributions to NATO in terms of manpower and money, and that is an issue which will inevitably be reassessed by the Congress, certainly by this Senator. I cannot speak for others, but on the issue of our shared values with West Germany, our determination to make Western Europe strong, our determination to resist potential Soviet aggression, our determination to wage war on international terrorism, we have to watch closely what the West Germans do in pursuit and furtherance of these important objectives and ideals.

I believe that West Germany can yet rectify this record by extraditing Hamadei to the United States where he ought to be tried. The matter has been investigated by a grand jury in Washington, DC. They have returned an indictment based on probable cause. There has been a warrant of arrest issued and based on that warrant of arrest we have sought extradition. If Hamadei can avoid the process of international law because West Germans are taken hostage in Lebanon, then it is an open invitation to terrorists around the world to take more hostages if they are going to be successful in thwarting justice and thwarting the extradition of Hamadei. The West Germans ought not to do that, nor should any of the Western democracies nor any nation in the world encourage terrorism by rewarding the terrorists who take others hostage.

Mr. President, these matters are of utmost concern. I have discussed my concerns with Ambassador Burt on a recent trip to Bonn. I had occasion to discuss these matters with West German officials there, with Secretary of State Hans Neusel. I have discussed these matters in the last few days with representatives of the State Department. I now wish to express these concerns in the strongest language to the West German Government in conjunction with the joint resolution signed by 65 United States Senators. We have great concern on this issue and we regard it most seriously.

I thank the Chair and I yield the floor.

The PRESIDING OFFICER. The Senator from Alaska.

TRANS-ALASKA PIPELINE SYSTEM

Mr. STEVENS. Mr. President, my State of Alaska is celebrating an important anniversary. Tomorrow marks the completion of a decade of operation of the trans-Alaska pipeline system which we call TAPS. It was on June 20, 1977, that the first barrel of oil from the Prudhoe Bay oil field arrived at pump station 1 to begin its journey south.

Extending 800 miles from Alaska's North Slope, the trans-Alaska pipeline terminates at our port of Valdez, where Alaskan oil is loaded on tankers for a trip to what we call the lower 48.

This is the largest private construction venture ever completed. When the 5 millionth barrel of oil flowed through the pipeline last month, Prudhoe Bay became the most productive oil field in the U.S. history, surpassing even the giant east Texas field.

Oil is now flowing through our pipeline at a rate of 1.9 million barrels a day, more than the 1.8 million it was designed to carry. Actually, at times our Alaska pipeline has carried 2.8 million barrels of oil a day to the American economy.

We believe that Prudhoe Bay and TAPS have made an important contribution to Alaska and to our Nation during the last 10 years. In 1978, when the Iranian revolution brought a cut in oil production and threatened a new shortage, because TAPS was in place and oil was flowing, there was no threat to the United States oil supply. That is to be contrasted with what happened before TAPS was in place and we had the oil embargo.

Now one-fifth of the total United States domestic oil production comes from Alaska's North Slope. With our domestic production now only 8.5 million barrels a day and constantly falling, Alaska will be a major contributor to America's energy supply for many years to come.

However, Mr. President, to Alaskans, this is a bittersweet anniversary. While Prudhoe Bay has proven to be as prolific as the most optimistic commentators predicted, it is an oil field that we now should call middle aged. By the end of next year production will begin to decline at an annual rate of 10 to 12 percent. By the year 2000—just 13 years from now—North Slope production will be less than 600,000 barrels a day.

As production from Prudhoe Bay falls off, along with that from other domestic fields, our dependence on foreign sources of oil will increase. The most basic implication of increasing reliance on oil imports is instability and insecurity. Incremental increases in our level of imports mean increasing leverage for those who supply our energy.

We know what is in store for us if we fail to respond to this increasing threat. We know there is no single answer to America's energy needs. However, there are some basic steps we can take to improve the picture by increasing our domestic reserves.

The coastal plain of the Arctic National Wildlife Refuge is recognized as the best onshore prospect for new oil reserves in North America. By removing the barrier to exploration and production in this area which has existed for the last 7 years, we can take a positive step for America's energy future.

The history of the trans-Alaska pipeline is well worth recalling on its 10th anniversary.

First, I am sure most people would recall this pipeline was almost not built. As a matter of fact, here in the Senate there was a tie vote which was broken by the then Vice President, Spiro Agnew, the only vote he ever cast as Vice President.

The Department of the Interior prepared a massive environmental impact statement on the proposed pipeline. My good friend the late Roger S. Morton, then Secretary of the Interior, for many years a Member of Congress, made a decision in mid-1972 to grant the general right-of-way permit necessary to build this pipeline based upon that environmental impact statement. But extreme environmentalists filed suit in an attempt to block that construction, and they actually won the first case, based on a ruling that the Secretary did not have authority to grant a right-of-way wider than 50 feet, under the Mineral Leasing Act of 1920. But the environmental impact statement set forth that in order to protect the environment, it was necessary to have a right-of-way that was wider than 50 feet. This meant congressional action was necessary in the form of a grant of a right-of-way to build our pipeline.

During congressional consideration, again extreme environmentalists consistently attacked the Interior Department's decisionmaking process. They wanted to force the oil companies to abandon the pipeline by convincing Congress to order additional studies of alternatives, particularly the trans-Canadian pipeline route. These groups made dire predictions about our pipeline and its impact on wildlife, particularly the caribou.

It is good for all of us to remember that these are the same groups arguing before us now, and they said that if we built the pipeline and started development process at Prudhoe Bay, it would destroy the caribou. Today there are three times as many caribou in the Prudhoe Bay herd as when the pipeline was built. It is one of the largest caribou herds in the world.

Indefinite delay of North Slope energy development was the ultimate goal of the extreme environmental groups in responding to the TAPS proposal.

Unfortunately for them, the first signs of an energy crisis had already appeared by early 1973, and many Congressmen and Members of the

Senate were not sympathetic to the idea of delay for delay's sake.

In July 1973, after a week of intense debate, the Senate rejected an amendment that would have required further investigation of a trans-Alaska pipeline by a vote of 61 to 29. On the same day, a vote to recognize that the Interior Department's decisionmaking process had satisfied the requirements of the National Environmental Policy Act ended in the tie vote I mentioned. That was the significant vote in the process—had we complied with the National Environmental Policy Act in preparing the review and making the decision that the trans-Alaska pipeline should be built. The tie vote, as I said, was broken by the then Vice President Spiro Agnew; and we came close—that close—to not having in our economy over 5 billion barrels of oil so far, with at least another 5 billion barrels to come.

There is little doubt that if that vote on that day had gone the other way, the pipeline would not have been built, because there would have been additional delay and additional delay and additional delay. As a matter of fact, Congress, at my suggestion, took the extreme position of closing the courts of the United States to an appeal from that decision that the Environmental Policy Act had been complied with, an action very seldom taken, but within the power of Congress. There was no question then that there was an urgency so far as our Nation's energy future is concerned, and I doubt that anyone realizes how serious the energy situation is again today.

If the people who opposed our oil pipeline before had succeeded, today's domestic oil production reaching American markets would be only 7 million barrels a day. Our oil imports will be reaching almost 9 million barrels a day and increasing daily.

Now, Mr. President, we are striving to bring forward the congressional review of the Department of the Interior's recommendation that the Arctic National Wildlife Refuge Coastal Plain, 1.5 million acres, be leased to oil and gas exploration. This plain has been subject to extensive seismic review, based on an amendment offered by my late good friend, the Senator from Washington, Henry "Scoop" Jackson, that we have some information before we start exploration to justify the conclusion that there are structures in the area that are capable of producing substantial quantities of oil and gas.

I invite the Members of the Senate to read that record. It indicates substantial structures beneath the Arctic Wildlife Refuge Coastal Plain of the Saudi Arabian character. If there is oil in those structures, we have deposits that will exceed even the Prudhoe Bay, let alone the east Texas field.

I suggest to the Members of the Senate and others who may hear or read what I have said that we are hearing the same arguments, and in the days to come I am going to document those arguments. They are using exactly the same arguments now to say do not explore the national wildlife refuge as when they said do not build the trans-Alaska pipeline.

Fortunately, in that day, since it was exploration on State land, the extreme groups which opposed development could not block the exploration and actual discovery of the oil. Now, because the Federal Government owns the land and has received that land for a special purpose, these groups feel that they can actually block the exploration and development of probably the last great area for new discovery of oil on the North American continent.

Mr. President, finally, let me once again invite every Member of the Senate to come to Alaska this summer. I see my good friend the majority leader in the Chamber. I would be particularly pleased if he and his lovely wife would join Catherine and me and come to Alaska and see.

The trans-Alaska pipeline has the best environmental record in the history of the world. Yet, we are being attacked now, as we try, once again, to utilize our land to produce the energy that is necessary to keep the United States free of the pressures that will come from increased reliance on foreign oil.

Mr. President, these 10 years have escaped awfully fast, because I remember those debates on the floor of the Senate, and I remember who helped us get this pipeline started. I think it will be the tragedy of the 1980's if the Arctic National Wildlife Refuge is not explored. I intend to speak on that again and again on the floor of the Senate.

I yield the floor, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF BUSINESS

Mr. BYRD. Mr. President, I ask unanimous consent that during the afternoon I may from time to time speak on the subject of the U.S. Senate and that the RECORD show no interruptions of my speech.

The PRESIDING OFFICER (Mr. LEVIN). Without objection, it is so ordered.

Mr. BYRD. Mr. President, I will yield the floor at any time any other Senator wishes to have the floor and during the afternoon I shall probably have to from time to time leave the floor, but I will try not to impose on the Senate, the officers of the Senate, the pages, and the other employees of the Senate any more than I have to.

THE UNITED STATES SENATE

IMPEACHMENT

Mr. BYRD. Mr. President, the subject of my speech today is impeachment.

Mr. President, those of us who were Members of the Senate during the 99th Congress, and those new Senators who were Members of the House at the time, participated in a rare and historical event in the history of the Congress. That event was the impeachment and trial of Judge Harry E. Clairborne. I say it was rare because prior to 1986, the last time the Senate sat as a court of impeachment was in 1936, a half century earlier.

Impeachment is a very serious matter. It is perhaps the most awesome power of Congress, the ultimate weapon it wields against officials of the Federal Government. The House of Representatives is the prosecutor. The Senate Chamber is the courtroom. The Senate is the judge and jury. In the case of a Presidential impeachment trial, the Chief Justice presides. The final penalty is removal from office, and there is no appeal.

Impeachment was, for the English, the chief institution for the preservation of the government. By means of impeachment Parliament, after a long and bitter struggle, made ministers chosen by the King accountable to it rather than to the Crown—thus replacing absolutist pretentions by parliamentary supremacy. The first instance of impeachment occurred in 1376, when the House of Commons registered its opposition to the policies of Edward III by undertaking to prosecute before the Lords the most powerful offenders and the highest officers of the Crown. The crowning achievement of the 14th century, it has been said, was to devise impeachment as a procedure for trial of the King's ministers, who were otherwise not reachable. The impeachment of the Earl of Strafford in 1642 constitutes a great watershed in the English constitutional history, of which the Founding Fathers were very much aware. Strafford's downfall was rooted in a conflict between the view of Charles I that "the will of the prince. was the source of law," and that of Coke and his followers that law had an independent existence of its own, "set above the king as well as above his subjects." Strafford's impeachment may be regarded as the opening gun in the struggle whereby the Long Parliament prevented the English monarchy from hardening into an absolutism of the type that was then becoming general in Europe.

Strafford was charged by the Commons with subverting the fundamental law and introducing an arbitrary and tyrannical government, thereby, the Commons intended to pass judgment on the system of government as well as the man, because to them, Strafford personified, more than any other, the injustice and misrule that they meant to end. Menacing as the acts of Strafford were, they did not amount to treason within the common understanding because they were not, in the strict sense, acts committed against the authority of the King: they had his tacit consent, if not encouragement. The offense, rather, was that Strafford had undermined the immemorial constitution of the kingdom by attacking its free institutions.

After the evidence had been placed before the Lords and Strafford had been heard in his own defense, what did Commons do? The Commons abandoned the impeachment and turned to a bill of attainder. The attainder proceeded on the identical charges contained in the impeachment. The shift from impeachment to attainder may have resulted from the inability of the Commons to prove the charges of treason, so they turned to an act of attainder, which did not require trial.

Sir Thomas Osbourne, the Earl of Danby, in 1678, was impeached for high treason. He was the chief minister of Charles II. After the articles of impeachment were delivered to the Lords, the Commons requested that Danby be committed to safe custody. At this juncture the King came into the House of Lords and stated that he had given Danby a pardon and that Danby had already been dismissed. A storm blew up, for as Sir Francis Winnington, late Solicitor General, said, "an impeachment is of no purpose when a pardon shall stop our mouths."

After Lord Danby was impeached in 1678, Charles II dissolved Parliament on February 3, 1679. Nonetheless, the proceedings continued in spite of the dissolution and the King's pardon, and the trial was stopped only because Danby surrendered and was imprisoned in the Tower. The issue of whether a prorogation, a break between parliamentary sessions, or a dissolution halted impeachment proceedings was a question of first impression in Danby's case. In 1673, the Lords had appointed a committee to determine if appeals to the upper House pending or not resolved in one session of Parliament continued in *statu quo* until the next session. The committee answered in the affirmative, and their report was confirmed by the entire House. The decision on impeachment in Danby's case was consistent with this general rule. After stating the charges against Danby, the House of Lords held that they were: "still in force to be proceeded on, and for considering of the State of the impeachment brought up from the House of Commons the last Parliament * * * they continue, and are to be proceeded on, in *status quo*, as thy stood at the dissolution of the last Parliament, without beginning *de novo;* and that the dissolution of the last Parliament doth not alter the state of the impeachment brought up by the Commons in that Parliament.

Insofar as the nature, theory, and purposes of impeachments are concerned, it is clear that the Founding Fathers had the English experience very much in mind. In fact, during the debates at the Constitutional Convention regarding the definition of impeachable offenses and the method of trial, references were made to the impeachment trial of Warren Hastings, the British Governor General of Bombay, India. The very terms "impeachment * * * treason, bribery, or other high crimes and misdemeanors" were lifted bodily from English law. Aware that numerous and dangerous excrescencies had disfigured the English law of treason, the Constitutional framers delimited and defined treason and, thereby, put it beyond the power of Congress to extend the crime and punishment of treason. They banned the bill of attainder and corruption of blood; they replaced an unimpeachable king with an impeachable president. Profitting from Charles II's pardon of the Earl of Danby, they withheld from the President the power to pardon an impeached officer. And of far-reaching importance, they separated impeachment from subsequent criminal prosecution so that political passions no longer could sweep an accused to his death.

Because "crimes and misdemeanors" are familiar terms of criminal law, it is tempting to conclude that "high crimes and misdemeanors" are simply ordinary crimes and midemeanors raised to the ninth degree. The phrase "high crimes and misdemeanors" is first met not in an ordinary criminal proceeding but in an impeachment, that of the Earl of Suffolk in 1386. Impeachment itself was conceived because the objects of impeachment, for one reason or another, were beyond the reach of ordinary criminal redress. It was essentially a political weapon, an outgrowth of the fact that from an early date the King and his Council were the court for great men and great causes. Before the Commons assumed the role of accuser late in the reign of Edward III (about 1376) of those charged with "treason or other high crimes and misdemeanors" against the State, private persons had been wont to turn to the Crown to institute proceedings before the High Court of Parliament when they were aggrieved by officers of the Crown in "high trust and power, and against whom they had no other redress than by application to Parliament."

At the time when the phrase "high crimes and misdemeanors" is first met in the proceedings against the Earl of Suffolk in 1386, there was in fact no such crime as a "misdemeanor." Lesser crimes were prosecuted as "trespasses" well into the sixteenth century, and only then were "trespasses" supplanted by "misdemeanors" as a category of ordinary crimes. As the word "trespasses" itself suggests, "misdemeanors" derived from torts or private wrongs. "High crimes and misdemeanors" were a category of political crimes against the state, whereas "misdemeanors" described criminal sanctions of private wrongs. Nor did either "high crimes" or "high misdemeanors" find their way into the general criminal law of England. As late as 1757 Blackstone could say that "the first and principal (high misdemeanors) is the mal-administration of such high officers, as are in the public trust and employment. This is usually punished by the method of parliamentary impeachment." Other high misdemeanors, he stated, are contempts against the King's prerogative, against his person and government, against his title, "not amounting to treason," in a word, "political crimes." Treason is plainly a "political" crime, an offense against the State; so too bribery of an officer attempts to corrupt administration of the State. Indeed, early in the common law bribery was sometimes viewed as high treason. In addition to this identification of bribery, first with "high treason" and then with "misdemeanor," the association, as a matter of construction, of "other high crimes and misdemeanors" with "treason, bribery," which are unmistakably political crimes, lends them a similar connotation under the maxim noscitur a sociis. (It is known from its associates, the meaning of a word may be known from the accompanying words.)

In sum, "high crimes and misdemeanors" appear to be words of art confined to impeachments, without roots in the ordinary criminal law and which had no relation to whether an indictment would lie in the particular circumstances. Impeachments are framed to execute the law where it is "not easily discovered in the ordinary course of jurisdiction by reason of the peculiar quality of the alleged crimes." What lends a "peculiar" quality to these crimes is the fact that they are not encompassed by criminal statutes or, for that matter, by the common law cases.

One may fairly conclude that indictability was not the test of impeachment of a Minister. Nor was it the test of impeachment of a Justice. The Justices were a very small "elite group," originally a part of the King's entourage, who accompanied him on his travels; only later did they come to rest at Westminister Hall and, like the ministers of the King, they were deemed triable only by the Lords.

Although English impeachments did not require an indictable crime they were nonetheless criminal proceedings because conviction was punishable by death, imprisonment, or heavy fine. The impeachable offense, however, was not a statutory or ordinary common law crime but a crime by "the course of Parliament," the lex Parliamentaria. The following charges drawn from impeachment cases disclose that impeachable misconduct was patently not "criminal" in the ordinary sense; they furnish a guide to the "course of Parliament;" and they give content to the phrase "high crimes and misdemeanors."

Duke of Suffolk (1450), treason and high crimes and misdemeanors: procured offices for persons who were unfit and unworthy of them.

Lord Treasurer Middlesex (1624), high crimes and misdemeanors: allowed the Office of Ordnance to go unrepaired though money was appropriated for that purpose; allowed contracts for greatly needed powder to lapse for want of payment.

Peter Pett, Commissioner of the Navy (1668). High crimes and misdemeanors: negligent preparation for the Dutch invasion: loss of a ship through neglect to bring it to mooring.

Then there are a group of charges which can be gathered under the rubric "corruption," as when Lord Treasurer Middlesex was charged with "corruption, shadowed under pretext of a New Year's-Gift," and with "using the power of his place, and countenance of the king's service, to wrest (from certain persons) a lease and estate of great value." So too, Middlesex, and much earlier the Earl of Suffolk, were charged with obtaining property from the King for less than its value. Lord Halifax was accused of "opening a way to all manner of corrupt practices in the future management of the revenues" by appointing his brother to an office which had been designed as a check on his own, the profits to be held in trust for Halifax. There were charges of betrayal of trust, as when Buckingham put valuable ships within the grasp of the French, and when Orford weakened the navy while invasion threatened. And there were charges against Orford, Somers, Halifax, Viscount Bolingbroke, the Earl of Strafford, and the Earl of Oxford of giving pernicious advice to the Crown.

Broadly speaking, these categories may be taken to outline the boundaries of the phrase "high crimes and misdemeanors" at the time the Constitution was adopted. The importance of these categories for American law derives from two facts: (1) when the Framers employed language having a common law meaning it was expected that those terms would be given their common law content; (2) they considered that the phrase had a "limited," "technical meaning."

The Framers of the Constitution had the English practice constantly before their eyes; doubtless they were aware that the Act of Settlement (1700) foreclosed the plea of pardon to an impeachment, though it remained open to the King to issue a pardon after conviction. Since the Framers were following the English pattern in important respects, it was the counsel of prudence to bar a pardon after impeachment and conviction, not withstanding that separation or removal from subsequent indictment and conviction had rendered it unnecessary.

The Founders' almost exclusive concern with impeachment of the President led them to speak of the "technical" phrase "high crimes and misdemeanors" in terms of "great offenses." Does it necessarily follow that the terms must be similarly restricted when applied to judges?

Judges were added to the impeachment provision at the last minute, presumably by inclusion in the words "all civil officers," without any reference whatsoever either to judges or to governing standards. There was no intimation that the restrictive standards deemed appropriate for removal of the President were likewise to apply on removal of judges. And there are good reasons for differentiating between the two.

Removal of the President must generate shock waves that can rock the very foundations of government. Removal of a district judge, or even of a single justice in the supreme court, does not have nearly the same impact. Then too, if the President brings disgrace upon his office by a lesser offense, for example, by openly associating with notorious corruptionists, the people can remove him at the polls. Judges are not thus removable; and their tenure "during good behavior" indicates that the Framers did not intend to shelter those who indulged in disgraceful conduct short of "great offenses."

'Twas ever thus; impeachment was "essentially a political (factional) weapon" from its inception in 1386; and so it continued to be when it was revived in the reign of James I in order to bring his corrupt and oppressive ministers to heel. What was the impeachment of Strafford, where the rising force of parliamentary government defeated Stuart absolutism, but "political"? Post-Restoration impeachments were unabashedly "political."

We need to recall that in the great English impeachments the charges were often the sheerest facade for a "politically" motivated proceeding. But be the motivation what it may, in this country impeachment must proceed within the confines of "high crimes and misdemeanors" as exhibited by the prior English practice. No judicial impeachment, it may be added, aroused anything like the furious factionalism exhibited in the impeachment of President Andrew Johnson, which also lacked the normal braking action of conviction by a two-thirds vote because of the overwhelming representation of Republicans in both Houses. The critical focus, in sum, should be not on political animus, for that is the nature of the beast, but on whether Congress is proceeding within the limits of "high crimes and misdemeanors" and affording a fair trial, as was emphatically not the case in the Johnson impeachment.

Why, one asks, did the Framers take up this factionridden mechanism, which long before the Hastings trial had seen its best days?—for with the achievement of ministerial accountability early in the eighteenth century, the prime purpose of impeachment had been accomplished, and thenceforth it found but infrequent use. Then too, the successful struggle for ministerial accountability to Parliament, as has been noted, was not really relevant to a system which set up three separate, independent departments and made Cabinet members responsible to the President, not to Congress.

The American Founders thought of the King as the Chief Executive and replaced him by the President. You cannot get rid of a King by a hostile vote in the legislature, and perhaps their minds stopped there. Thus they made sure to reach the topmost executive by impeachment. In setting up an independent President who was to serve for a term, and in making cabinet officers a part of the executive branch, the Framers surely were aware that a mere vote of no confidence could not, as in England, topple a Secretary. It was because the separation of powers left no room for removal by a vote of no confidence that impeachment was adopted as a safety valve, a security against an oppressive or corrupt President and his sheltered ministers.

In truth, the gaze of the Framers was concentrated on the struggle with royal oppression during the seventeenth century rather than on the system of parliamentary government fully achieved in the eighteenth. Like the Colonists, the Founders were haunted by the threat to liberty of illimitable greed for power. Before them marched a procession of ghostly despots, they were familiar with absolutist Stuart claims; many dreaded that a single Executive might tend to monarchy. Benjamin Franklin asked, "What was the practice before this in cases where the chief Magistrate rendered himself obnoxious? Why recourse was had to assassination." Impeachment was preferable. Fear of presidential abuses prevailed over frequent objections that impeachment threatened a President's independence. "No point," said George Mason," is of more importance than that the right of impeachment should be continued."

It is true that the Framers had come to fear legislative excesses as a result of the states' post-1776 experience; and they fenced the Congress about with a number of restraints, for example, a presidential veto and judicial review. But the Colonial Assemblies-elected by themselves, not thrust upon them by a distant King, as were judges and Governors, had been the darling of the Colonists. At the end of the Colonial period the prevalent belief, said Corwin, was that " 'the executive magistracy' was the natural enemy, the legislative assembly the natural friend of liberty." To the radical Whig mind, a potent influence on Colonial thinking, "the most insidious and powerful weapon of eighteenth century despotism" was the "power of appointment to offices." The Executive, it was feared, could fasten his grip on the community by placemen scattered strategically over the nation. Such suspicions died hard; and when a choice had to be made the Framers preferred the Congress to the President, for as Madison explained in the Federalist, "in republican government, the legislative authority necessarily predominates."

One thing is clear; in the impeachment debate the convention was almost exclusively concerned with the President. The extent to which the President occupied center stage can be gathered from the fact that the addition to the impeachment clause of the Vice President and all civil officers only took place on September 8, shortly before the convention adjourned.

So grave is this power of impeachment, and so conscious is the Congress of this solemn power, that impeachment proceedings have been initiated in the House only sixty-one times since 1789. Only fourteen federal officers have been impeached: one president, one cabinet officer, one senator and eleven federal judges. Thirteen cases have reached the Senate. Of these, two were dismissed before trial because the individuals had left office, six ended in acquittal, and five in conviction. Each of the five Senate convictions has involved a federal judge.

In *Federalist* 65, Alexander Hamilton called impeachment a process designed "as a method of national inquest into the conduct of public men." Hamilton and his colleagues at the Constitutional Convention, who hammered out the provisions for impeachment, knew that the history of impeachment as a constitutional process dated from fourteenth century England, when the fledgling Parliament sought to make the King's advisers accountable. By the mid-fifteenth century, impeachmant had fallen into disuse in England, but, in the early seventeenth century, the excesses of the Stuart kings prompted Parliament to revive its impeachment power. Even as the Constitution's framers toiled in Philadelphia, the impeachment trial of Warren Hastings was in progress in London and avidly followed in America. Hastings, who was eventually acquitted, was charged with oppression, bribery and fraud as colonial administrator and first governor general in India.[1]

The American colonial governments and early state constitutions followed the British pattern of trial before the upper legislative body on charges brought by the lower house. Despite these precedents, a major controversy arose at the Constitutional Convention about whether the Senate should act as the court of impeachment. Opposing that role for the Senate, James Madison and Charles Cotesworth Pinckney asserted that it would make the president too dependent on the legislative branch. They suggested, as alternative trial bodies, the Supreme Court or the chief justices of the state supreme courts. Hamilton and others argued, however, that such bodies woud be too small and susceptible to corruption. In the end, after much wrangling, the Framers selected the Senate as the trial forum.[2] To Hamilton fell the task of explaining the Convention's decision. In *Federalist* 65, Hamilton argued:

> The Convention . . . thought the Senate the most fit depository of this important trust. Where else than in the Senate could have been found a tribunal sufficiently dignified, or sufficiently independent? What other body would be likely to feel confidence enough in its own situation, to preserve unawed and uninfluenced the necessary impartiality between an individual accused, and the representatives of the people, his accusers?[3]

There was also considerable debate at the convention in Philadelphia over the definition of impeachable crimes. In the original proposals, the president was to be removed on impeachment and conviction "for mal or corrupt conduct," or for "malpractice or neglect of duty." Later, the wording was changed to "treason, bribery, or corruption," then, to "treason or bribery" alone. Contending that "treason or bribery" were too narrow, George Mason proposed adding "mal-administration," but switched to "other high crimes and misdemeanors against the state" when Madison said that "mal-administration" was too broad. A final revision defined impeachable crimes as "treason, bribery or other high crimes and misdemeanors."[4]

The Constitution's provisions on impeachment are found in Article I, Sections 2 and 3; Article II, Sections 2 and 4; and Article III, Section 2. To the House is given the "sole power of impeachment." To the Senate is given "the sole power to try all impeachments." Impeachments may be brought against "the President, Vice President, and all civil officers of the United States." Conviction is automatically followed by "removal from office."

While the framers very clearly envisaged the occasional necessity of initiating impeachment proceedings, they put in place only a very general framework, leaving many questions open to differences of opinion and many details to be filled in. Despite the open-endedness, as Peter Charles Hoffer and N.E.H. Hull note in their recent book *Impeachment in America 1635–1805*, thanks to the framers:

> A tool used in Parliament to curb kings and punish placemen was molded into an efficient legislative check upon executive and judicial wrongdoing. The power of the English House of Commons to impeach anyone, for almost any alleged offense, was restrained; the threat of death and forfeiture upon conviction was lifted; and the interference of the Commons and the House of Lords with the regular courts of justice was limited. American impeachment law shifted, at first inadvertently and then deliberately, from the orbit of English precedent to a native republican course. Federal constitutional provisions for impeachment reflected indigenous experience and revolutionary tenets instead of English tradition.[5]

Throughout the Congress' two hundred years, several major questions have dogged impeachment proceedings. One concerns resignations. In general, the resignation of an official puts an end to impeachment proceedings because the primary objective, removal from office, has been accomplished. This was the case in the impeachment proceedings begun against President Nixon. However, resignation has not always been a foolproof way to preclude impeachment, as Secretary of War William Belknap found out in 1876. Belknap, tipped off in advance that a House committee had unearthed information implicating him in the acceptance of bribes in return for lucrative Indian trading posts, rushed to the White House and tearfully begged President Grant to accept his resignation at ten o'clock on the morning of March 2, 1876. Around three o'clock that afternoon, representatives, furious at both the president and Belknap for thwarting them, impeached Belknap by voice vote anyway. The Senate debated the question of its jurisdiction, in light of Belknap's resignation, and decided by a vote of 37 to 29 that he could be impeached. But at the end of Belknap's sensational trial in the summer of 1876, he was found not guilty of the charges, not because the senators believed him innocent—most did not—but because most had decided they in fact had no jurisdiction over Belknap, then a private citizen.[6]

Another question, the one that is debated most hotly by members of Congress, defense attorneys, and legal scholars from the first impeachment trial to the most recent, concerns the issue of what exactly is an impeachable offense. The task of definition left to future legislators by the Framers has proved perplexing. Treason and bribery, the two constitutionally designated impeachable crimes, were clear cut. But what were "high crimes and misdemeanors?" Were misdemeanors lesser crimes, or merely misconducts? Did a high crime or misdemeanor have to be a violation of written law? Over the years, "high crimes and misdemeanors" have been about anything the prosecutors have wanted them to be. In an unsuccessful attempt to impeach Justice William O. Douglas in 1960, then-Representative Gerald Ford declared: "An impeachable offense is whatever a majority of the House of Representatives considers it to be at a given moment in history." That phrase is the subject of continuing debate, pitting broad constructionists, who view impeachment as a political weapon, against narrow constructionists, who regard impeachment as being limited to offenses indictable at common law.[7]

Narrow constructionists won a major victory when Justice Samuel Chase was acquitted in 1805, using as his defense the argument that the charges against him were not based on any indictable offense. President Andrew Johnson won acquittal with a similar defense in 1868. But the first two convictions in this century, those of Judge Robert Archbald in 1913 and Judge Halsted Ritter in 1936, neither of whom had committed indictable ofenses, made it clear that the board constructionists still carried considerable weight. The debate continued in 1974 with the investigation into the conduct of President Nixon, with the staff of the House Judiciary Committee arguing for a broad view of "high crimes and misdemeanors" while Nixon's defense attorneys understandably argued for a narrow view.[8]

I shall now turn to an examination of the specific impeachment cases that have come to the Senate for trial and set the precedents so recently exercised. I shall discuss the first three of these cases in some detail because they touch on several of the themes I have just mentioned, and because I think we tend to forget just what hurly-burly, partisan times those first years of the Republic were. The factiousness of these first cases is, I think, most instructive.

The first impeachment case reached the Senate in 1799. It concerned one of the Senate's own members, William Blount, the only senator ever to be impeached. On July 3, 1797, President John Adams, a staunch Federalist, sent to the Congress a letter from Senator Blount to James Carey, an interpreter to Cherokee Nation. In the letter, Blount imprudently spelled out plans to launch an attack by Indians and frontiersmen, aided by the British fleet, against Louisiana and Spanish Florida to achieve their transfer to British control. The letter was referred to a select Senate committee, which recommended his expulsion for "a high misdemeanor, entirely inconsistent with his public trust and duty as a senator." Blount's grandiose plotting was so distasteful to his fellow senators that they expelled him on July 8, 1797, by a 25 to 1 vote.

Federalist leaders in the House, however, were not content with Blount's expulsion and, in January 1798, initiated impeachment proceedings against him, eventually adopting five articles. On the surface, this impeachment of Blount, a former North Carolina Federalist turned Tennessee Republican, by Federalists at the height of their power in Congress, seems an open and shut case of a partisan vendetta. There were certainly this element in it, but the significance of the case runs deeper. If removal of Blount was all the Federalists could expect after an impeachment trial and Blount was already out of office, what could be the point of impeachment? Embedded in the passion of the Federalist managers of Blount's impeachment lay a broader, more covert political motive. If Blount, an elective office holder, could be impeached and disqualified for *misconduct,* not for any actual crimes, all Republicans in Congress could be threatened as long as Federalists controlled both houses. Blount's case was an opening gambit in this Federalist strategy, which, had it been successful, would have politicized the impeachment process to its core. What had at first seemed an open and shut case of one man's reckless cupidity now grew into a highly technical case with broad repercussions.

At first, Blount seemed a perfect target for this large objective. He was an unscrupulous, chronically overextended landjobber, and he had undeniably plotted turmoil among the United States, Britain and Spain. But did private plotting amount to an impeachable offense? Blount had acted in no official capacity. And neither his mania for land nor his meddling in foreign affairs was uncommon or indictable in regular court. Nevertheless, by great leaps of imagination, the House Federalists managed to stretch Blount's harebrained scheme into a genuine peril: treason, a clearly impeachable offense spelled out in the Constitution.

Blount did not attend his trial in the Senate. The ex-senator remained in Tennessee, furious and frightened. His counsel opened by arguing that Blount was a private citizen, that he could be tried only by a regular court of law, and that he had committed no crime. Despite their partisan advantage in Congress, the Federalist House managers of the prosecution knew they had their work cut out for them. Federalists also dominated the upper house, but the managers could not rely solely on political allegiances. The Senate could be expected to act as a brake upon the House, demanding sound grounds for conviction. If Blount's was a political case in the House, the Senate could still be expected to demand doctrinal arguments. Even more difficult, the prosecution had to convince senators that, like their former colleague Senator Blount, they, too, were liable to impeachment by their rivals for power in the lower house.

This last point, more than all the eloquent rhetoric of either side, was the crux upon which Blunt's fate rested. In the end, the Senate voted 14 to 11 to refuse jurisdiction in Blount's case. Among the naysayers were a near majority of the Senate's Federalists, who feared that senators would become targets of political reprisal. Blount's case was an object lesson to both Federalists and Republicans. There was no hope for politicizing impeachment law without broad revision or extension of the doctrine of impeachment, and any new doctrine would have to be consonant with the language of the Constitution. In the end, Blount, the vehicle for a larger partisan campaign, caused its abrupt demise. Within a few years, however, Republicans would try their own hand at the game of political impeachment.[9]

By 1803, the Republicans were riding the high tide of popular support. Now it was time for the Fedealists to tremble, as Republicans looked to impeachment as a way to root out entrenched opponents. Their targets were Federalist judges, for the Federalists' greatest remaining strength lay in the judiciary. The Republicans were merely waiting for the right case to which to apply the doctrine of political impeachment themselves.

The first case to present itself concerned an inebriated, half-mad federal judge, John Pickering of New Hampshire. Though elected to the Continental Congress, Pickering had refused to go, as he suffered from a phobia of crossing water on a boat. When Pickering became chief justice of New Hampshire in 1790, his general mental imbalance became evident. Pickering's erratic behavior led the state legislature to vote to remove him from office in 1794, but the governor, a political friend of Pickering's, allowed the bill to languish. Meanwhile, for loyal service to the Federalist party, Pickering was elevated to the federal bench, putting him within the grasp of hungry Republicans in Congress.

In 1803, Pickering's bizarre behavior brought him to the attention of the House of Representatives. He was impeached that fall by a vote of 45 to 8—with all the dissenting votes cast by Federalist. The four articles of impeachment grew out of a ship confiscation case, and the precise terminology of the charges was significant. Madness was not the offense. Instead, it was Pickering's violation of a statute, and acting "wickedly, meaning and intending to injure the revenues of the United States."

Federalists and Republicans in the Senate followed the Pickering impeachment as it unfolded in the House. The Federalists sought a strategy to prevent the headlong rush to trial of the impeachers, while a group of Republicans was anxious to begin the general housecleaning of opposition judges. Finally, in March 1804, the Senate convened as a court of impeachment, and Pickering was summoned to attend. His response was predictable. The old judge received the summons in high dudgeon, demanded "trial by battle," and challenged President Jefferson to a duel. There was no question of his coming to the capital.

After Pickering was publicly called three times and did not appear, President of the Senate Aaron Burr informed the court that he had received a petition from Pickering's son, Jacob. When read, it proved to be a piteous plea by a son for a father. Jacob Pickering claimed the judge was "insane, his mind wholly deranged," and begged the Senate not to proceed, since Pickering was incapable of defending himself or of appointing counsel to defend him. The debate over whether the Senate could try an insane man raged for days. Hoping to stall for time, Federalists proposed to postpone the trial until Pickering was sane enough to come or to name counsel, an unlikely prospect. The senators thrashed out the proposal behind closed doors, and it was defeated 19 to 9. After a series of related votes, the end result was clear. A two-thirds majority of the Senate stood ready to regard Pickering's conduct as culpable, whether or not it met a strict standards of "high crimes and misdemeanors." Federalists knew that their case was lost. The entire House demanded entry to the Senate chamber when the vote was to be taken and were somehow squeezed in. The Senate found Pickering guilty on all counts, making him the first individual to be removed from office by the Senate.[10]

The Federalists were badly frightened by the Pickering votes. Senator John Quincy Adams concluded that any "trivial error" could become grounds for impeachment. The irony of the Federalists' fears is that they drew the wrong conclusion from the Pickering verdict. The reluctance of many Republicans to take an active part in the trial and the stated feeling of many that something simply had to be done with Pickering because he was incapable of carrying on, indicated that the judge's politics were not the issue of prime importance. Pickering was removed because there was no other way to replace him. Despite decades of debate in trying to find a better solution to the problem of the removal of Federal judges—a debate that was renewed recently with the Claiborne case—there is still no other way to remove them save impeachment and conviction by the House and Senate. While some Republicans had plans for additional political prosecutions, Pickering's was not an entirely partisan case. It was actually the Federalists in the Senate who had thrown up a shield around one of their own and voted as a bloc. They themselves had politicized Pickering's case.[11]

It was easy to see why the Federalists were alarmed. Even while the Senate was removing Pickering from office, the House impeached another Federalist judge. This time the Republicans rested their arguments on what they termed "popular will," a doctrine that declared that impeachable offenses might be anything a lower house construed into a "high crime and misdemeanor." This doctrine, however, could not be used against any but the most unpopular Federalists; too many Republicans had proved loyal to a more moderate course in the Pickering case. The target for the Republicans' next test would be the virulently partisan, arrogant, and imposing Federalist Supreme Court Justice Samuel Chase.

Chase's career on the Federal bench had been marked not only by political controversy, but by a series of tumultuous circuit sessions. Even the Federalist district judges who sat with Chase found him short-tempered, harsh and mercurial. He showed Republican defendants, counsel and witnesses no mercy, and, unlike a number of his Federalist brethren, he refused to trim his sails after the Republican victories in 1800 and 1802. Chase's outspokeness finally got him into trouble in 1803, when one of his partisan charges to a grand jury was taken down and sent to President Jefferson. The President passed it on to the Republicans in the House, which initiated the process that led to Chase's impeachment. Federalists immediately shouted that the accusations were general, "not confined to any specific charge," as Senator William Plumer rightly argued. John Quincy Adams warned that a season of judge-hunting was upon them. In effect, Adams and Plumer were demanding that impeachment be above the very politics that their judges had practiced at the federal courts for so long.

After bitter floor fights, Chase was impeached and his case sent to the Senate, in December, 1804. On January 4, 1805, Chase responded to the charges at the bar of the Senate, but was interrupted so often by presiding officer Aron Burr that he seemed to sink in weakness and despair. He pleaded for a three-month delay to obtain further evidence. The Senate granted him one month. During that one month, in the boardinghouses and bars of Washington, Republicans crowed over their new doctrine that blatant partiality, plus irregular conduct, provided sufficient motive for impeachment.

On February 4, 1805, defendant, counsel, and House managers trooped into the Senate chamber. The small public galleries overflowed. In his opening remarks, Chase did not dispute the essential facts in the charges but claimed that the concept of impeachment itself was at issue. He made it clear that his removal would be for strickly political reasons since, in his view of the law of impeachment, his acts did not show criminality necessary for conviction. For almost a month, the House managers, led by Virginian John Randolph, who had made the impeachment of Chase a personal crusade, hammered away at the increasingly infirm Chase.

When the vote on the Chase impeachment was taken on March 1, it followed party lines, but with significant exceptions. Enough Republicans deserted their party to prevent a two-thirds vote on any one of the eight articles. To the Federalists' surprise, Chase's victory was resounding. Undoubtedly the destitute, frail man that Chase had become was a more sympathetic figure than Chase in full cry on the bench. His contribution to the winning of independence, added to the humiliation of the impeachment, might have strengthened the case against his removal. Also, according to John Quincy Adams, Randolph had alienated many Republicans by his bluster and incompetence. Others have argued that the moderate Republicans simply could not permit Randolph and his faction to dominate the party and dealt him this blow. Indeed, Jefferson, who detested the spitefulness of the gangling Virginian, made it plain that he did not count the vote on Chase as a test of loyalty to himself.

Eight days after the Chase verdict, John Quincy Adams informed his father that the Republicans' frontal attack upon Federalists in the judiciary was over. Adams gloated that a precedent had been established that only claims warranted impeachment. Adams, however, overstated his case. Chase's acquital did not erase the precedents set by Pickering. Other impeachments for incompetence and noncriminal offenses would follow.[12]

After the flurry of partisan impeachments, almost thirty years passed before the House, in 1830, brought a single article of impeachment against federal district judge of Missouri James Peck. Peck was officially impeached for imprisoning an attorney for contempt, but, in fact, the case arose out of the highly charged issue of land grants in which the federal courts had become embroiled. Opponents in the House of Peck's land rulings had tried on two previous occasions to impeach him, and it was only after three years of consideration and after their numbers had increased that in 1830 they finally succeeded. There was no suggestion that Peck had violated any criminal statute. Instead, the issues raised at Peck's trial concerned wrongful intent and whether the judge had exceeded the authority granted by the Judiciary Act of 1789. After nearly a two-month trial in the Senate, where sentiment over land grant policy was not so fevered, Peck was acquitted.[13]

Thirty more years passed before another federal judge, West Humphreys of the District of Tennessee, was impeached and tried in the Senate in 1862. Humpreys had accepted a judicial appointment in the Confederacy without resigning his Union judicial assignment. Seven articles of impeachment were adopted, charging Humphreys with, among other things, inciting revolt and rebellion against the government of the United States and aiding in the organization of an armed rebellion. Humphreys could not be served with the impeachment summons because he had fled Union territory. He neither appeared at his Senate trial nor contested the charges. In a one-day trial, the shortest ever, the Senate convicted Humpheys on all charges except one and removed him from office.[14]

The bitter animosities growing out of the Civil War gave rise to the most famous of all impeachment trials, that of President Andrew Johnson. The only presidential impeachment in American history—indeed, the only serious move towards presidential impeachment before the Nixon presidency—occurred in 1868. At the heart of the Johnson case, just as in the cases of Pickering and Chase, lay issues far larger than the individuals involved. The Johnson case revolved around the crisis of Reconstruction after the War.

As I have spoken of the Johnson impeachment trial in a previous address, I will summarize it only briefly here. When Johnson succeeded to the presidency in 1865, his ideas for a mild reconstruction of the Southern states clashed with the wishes of a majority of the Congress, controlled by Radical Republicans who favored much stronger action. Throughout 1866, Johnson and Congress were locked in battle.[15]

The Tenure of Office Act, the violation of which was to be the legal basis for impeachment, was passed over Johnson's veto on March 2, 1867. It forbade the president to remove civil officers appointed with the consent of the Senate without the approval of the Senate. Despite the certain consequences, Johnson decided to rid himself of Secretary of War Edwin Stanton, an ally of the Radicals. On December 12, 1867, Johnson suspended Stanton, an act that enraged the Radicals and set in motion events that led the House to vote eleven articles of impeachment against the president.[16]

Johnson's Senate trial began on March 5, 1868, with the defense immediately claiming the necessity of an indictable offense for impeachment. On May 16, after weeks of venomous argument, the Senate took a test vote on Article XI, a catch-all charge thought by the House managers most likely to produce a vote for conviction. The drama of the vote has become legendary. With 36 "guiltys" needed for conviction, the final count was guilty, 35; not guilty, 19. Seven Republicans joined the 12 Democrats in supporting Johnson. Stunned by the setback, the Radicals postponed voting until May 26, when votes on Articles II and III produced identical 35-19 votes. To head off further defeats, the Radicals moved to adjourn *sine die,* and the motion was adopted 34-16, abruptly ending the impeachment trial of President Andrew Johnson.[17]

The next Senate impeachment trial was that of former Secretary of War William Belknap in 1876. As I noted earlier, Belknap had hastily resigned one morning and was impeached by the House that afternoon for selling appointments. Even though he was no longer in office, Belknap's case was brought to trial in the Senate. Despite much damning evidence, Belknap was acquitted on every count because enough senators believed that the Senate lacked jurisdiction due to Belknap's prior resignation.[18]

Florida District Judge Charles Swayne was impeached in 1905. He was accused of filing false travel vouchers, improper use of private railroad cars, unlawfully imprisoning two attorneys for contempt, and living outside his district. Swayne's trial consumed two and a half months before it ended on February 27, 1905, when the Senate voted acquittal on each of the twelve articles. There was little doubt that Swayne was guilty of some of the offenses charged against him. Indeed, his counsel admitted as much, though calling the lapses "inadvertent." The Senate, however, refused to convict Swayne because its members did not believe his peccadilloes amounted to high crimes and misdemeanors.[19]

It was during the long Swayne trial that the initial suggestion that a Senate committee, rather than the Senate as a whole, receive impeachment evidence was made. Senator George F. Hoar of Massachusetts proposed that the presiding officer should appoint such a committee. While Hoar's proposal would eventually be embodied in Rule XI of the Senate's impeachment rules, in 1905 the resolution was referred to the Rules Committee, which took no action.[20]

The next impeachment trial was that of Judge Robert W. Archbald of the Commerce Court in 1913. Archbald was charged with numerous and serious acts of misconduct stretching over many years, including using his office to obtain advantageous business deals and free trips to Europe. As in the Swayne case, not one of the thirteen articles charged an indictable offense. Yet, apparently because of the seriousness and extent of his crimes, many of which he acknowledged, Archbald was convicted on five of thirteen articles. Archbald's counsel noted that the decision "determined that a judge ought not only to be impartial, but he ought so to demean himself, both in and out of the court, that litigants will have no reason to suspect his impartiality; and that repeatedly failing in that respect constituted a 'high misdemeanor'." After the Archbald impeachment, Alexander Simpson, Archbald's counsel, again suggested that impeachment evidence be taken by a Senate committee. Simpson argued that many senators were not in attendance when evidence was taken before the full Senate and thus relied on the printed RECORD.[21]

In 1933, the House Judiciary Committee recommended censure, rather than impeachment, for federal judge Harold Louderback of California. A minority of the committee, however, took the issue to the floor of the House where they persuaded that body to adopt five articles of impeachment, charging Louderback with favoritism and conspiracy in the appointment of backruptcy receivers. Louderback's Senate trial consumed nearly all of May 1933. A long parade of witnesses, including a faith healer who had to be brought into the chamber on a stretcher, filed through to testify. Democrats charged Republicans with using the trial to delay a banking reform bill, a charge Republicans denied. Tempers in the Senate frayed as witness after witness cast doubt on the charges. When the Senate finally voted on May 24, 1933, Louderback was acquitted on all five articles. Only on the fifth and last charge, a summation of the preceding four, did the vote even reach a majority, still eight votes short of the two-thirds needed for conviction.[22]

The trial of Judge Louderback again brought to the fore the problem of attendance at impeachment trials. After the trial, Representative Hatton Sumners of Texas, one of the House managers, recalled the scanty attendance: "At one time only three senators were present, and for ten days we presented evidence to what was practically an empty chamber." In 1934, Senator Henry Ashurst of Arizona, chairman of the Judiciary Committee, offered the resolution that became Rule XI after its adoption the following year. The key words of Rule XI, so prominent in the most recent impeachment trial, provide:

> That in the trial of any impeachment, the Presiding Officer of the Senate, if the Senate so orders, shall appoint a committee of senators to receive evidence and take testimony at such times and places as the committee may determine . . . .[23]

Rule XI was not used in the next impeachment trial, that of Florida District Judge Halsted Ritter in 1936. Ritter was charged with a wide range of improprieties that included practicing law while a judge, filing false income tax returns, extortion, and an omnibus charge of misconduct. Ritter's counsel argued that the judge had committed no offense that could be labeled a high crime or misdemeanor and was guilty only of exercising "poor judgement." In fact, Ritter was found "not guilty" by narrow margins on each of first six charges. On the seventh, however, the omnibus article combining the previous six, Ritter was found guilty by exactly the required two-thirds vote of bringing, by his combined actions, "his court into scandal and disrepute." Said *The New York Times* of the decision: "The Senate is putting judges on notice that they will be removed if the sum total of their crimes shows unfitness for the bench regardless of whether a specific high crime or misdemeanor could be established under ordinary rules of evidence."[24]

This brings us to the most recent impeachment trial, that of Judge Claiborne. The Claiborne trial last year was the first in which Rule XI was put into practice. It was also the first impeachment trial in half a century, but in the summer of 1974 it looked very much as though there might soon be an impeacment trial for a President of the United States, Richard Nixon. I have spoken in a previous address about the Senate and Watergate, so I will note only briefly that the events of those weeks precipitated a more thorough scrutiny of the Senate's impeachment rules that they had ever undergone.

I was then a member of the Rules Committee and privy to the long hours of serious reflection about the solemn duty we believed we might be called upon to perform. In July 1974, the Senate adopted my resolution directing the Rules Committee to review the existing impeachment rules and precedents and recommend revisions. We worked feverishly through the first days of that hot August. We were meeting on August 8, when President Nixon announced that he would resign the next day. Nevertheless, we continued with our work because we had a mandate from the Senate to file a report by september 1. The report contained our recommendations, which were for primarily technical changes in the rules that had been adopted in 1868 for another Presidential impeachment, that of Andrew Johnson, as I have already indicated. With the resignation of President Nixon, no further action was taken. The recommendations, however, were resurrected in the summer of 1986, and they helped inform the debates on how to conduct the trial of Judge Claiborne.[25]

Mr. President, I will not go into the Claiborne case at length. It is too recent. Federal Judge Harry E. Claiborne of Nevada became the only official to be unanimously impeached by the House, by a vote of 406 to 0, on July 22, 1986. The only sitting federal judge ever to be imprisoned, Claiborne was then serving a two-year prison term for tax evasion. During September 1986, a twelve-man committee took testimony and gathered evidence and presented their findings to the Senate. On October 9, after trial before the full Senate, Judge Claiborne was convicted on three of the four articles by votes of 87 to 10, 90 to 7, and 89 to 8. Judge Claiborne thus became the fifth person convicted by this body.

Mr. President, it is always a sad day for this nation when a Federal official is disgraced and impeached. But, as I hope this examination of the history of this procedure makes clear, each impeachment trial demonstrates once again the genius of the checks and balances system crafted two hundred years ago, which protects the independence of each branch of government but affords a mechanism for dealing with the rare rogue official, any one of whom in the past could have spared himself the humiliation and the disgrace of impeachment and conviction had he but read the Constitution and believed in this great system that provides for checks and balances.

Mr. President, I ask unanimous consent that Notes to "Senate and the Power of Impeachment" be included in the RECORD at this point.

There being no objection, the notes were ordered to be printed in the RECORD, as follows:

NOTES TO "SENATE AND THE POWER OF IMPEACHMENT"

[1] Philip Kurland, "Watergate, Impeachment, and the Constitution," *Mississippi Law Journal*, 45 (May 1974), 531-540; Peter Hoffer and N.E.H. Hull, *Impeachment in America, 1635-1805* (New Haven: 1984), 1-41, 113-115.

[2] Kurland, 540.

[3] Hoffer and Hull, 57-96; U.S. Congress, 99th Congress, 2nd sess. S. Rep. 99-401, "Amending the Rules of Procedure and Practice in the Senate When Sitting on Impeachment Trials," 2.

[4] Hoffer and Hull, 96-106.

[5] Ibid., xi.

[6] Congressional Quarterly, *Guide to Congress* (Washington: 1982), 243-46.

[7] Hoffer and Hull, 116; Kurland, 550-557; George Haynes. *The Senate of the United States* (Boston: 1938), Vol. II, 857-862.

[8] *Guide to Congress*, 246.

[9] Hoffer and Hull, 151-163.

[10] Ibid., 208-220; *Annals of Congress*, 8th Congress, 1st sess., 319-364; Haynes, Vol. II, 849-850.

[11] Hoffer and Hull, 219-220.

[12] Ibid., 228-255.

[13] U.S. Congress, 21st Congress, 1st sess., H.R. 325, 345, 359, and 385; 21st Congress, 2nd sess., S. Doc. 12 and S. Doc. 27.

[14] *Congressional Globe*, 37th Congress, 2nd sess., 2953; Kurland, 553.

[15] Michael Les Benedict. *The Impeachment and Trial of Andrew Johnson* (New York: 1973), 1-25.

[16] Benedict, 89-125.

[17] Benedict, 126-180; *Trial of Andrew Johnson, President of the United States, On Impeachment, By the House of Representatives For High Crimes and Misdemeanors* (New York: 1970, reprint of 1868 ed.), Vol. 2.

[18] Haynes, Vol. 2, 565-66, 875.

[19] Kurland, 556; Haynes, Vol. 2, 861; U.S. Congress, 58th Congress, 3rd sess., S. Doc. 133 and 194.

[20] Haynes, Vol. 2, 875; *Congressional Record*, 99th Congress, 2nd sess., 16350-53.

[21] Haynes, Vol. 2, 861, 875-877; U.S. Congress, 62nd Congress, 3 sess., S. Doc. 1140.

[22] *New York Times*, May 17, 18, 19, 21, 23, 24, 25, 1933; Haynes, Vol. 2, 875-877; U.S. Congress, 73rd Congress, 1st sess., S. Doc. 38 and 73.

[23] *Congressional Record*, 99th Congress, 2nd sess., 16352.

[24] Haynes, Vol. 2, 861-862; *New York Times*, April 18, 1936.

[25] "Floyd M. Riddick: Senate Parliamentarian," Oral History, Senate Historical Office, 284-343.

The PRESIDING OFFICER (Mr. SANFORD). The Chair recognizes the Senator from Michigan.

Mr. LEVIN. I thank the Chair.

THE UNITED STATES HAS BOTH INTERESTS AND OBLIGATIONS IN THE PERSIAN GULF

Mr. LEVIN. Mr. President, the United States has both interests and obligations in the Persian Gulf region. It is essential that we avoid confusing the two. I believe that is precisely what the administration's proposal to reflag and escort Kuwaiti tankers would do, confuse our obligations with our interests, to the detriment of the latter.

First, let's look at our obligations in the gulf region.

The clearest obligation of our Government in the Persian Gulf is to take reasonable measures to protect American lives and United States-owned property in the region. We have been doing that by escorting truly American-owned vessels in the gulf since the so-called "tanker war" began, and not a single truly American-owned vessel has been attacked by Iran.

Nothing obligates us to protect Kuwaiti shipping. In the absence of such an obligation, the decision to protect Kuwaiti shipping should be made solely on the basis of our interests in the gulf.

But what are our interests in the Persian Gulf?

Our primary national security interests in the Persian Gulf region are to ensure that the friendly Gulf States remain secure, and that Western access to the oil resources of the Persian Gulf States be maintained.

What threatens those primary interests?

Two potential threats exist: Iranian hegemony in the region and a significant increase in the Soviet military presence in the Persian Gulf.

I know of nobody in this body who wants to see either of these two threats realized.

What is not clear, at least to this Senator, is how either of those two threats is addressed by the administration's plan to reflag 11 Kuwaiti oil tankers, and escort them with United States naval vessels past Iranian missile sites and speed boats manned by fanatical revolutionary guardsmen.

For this Senator the fictional nature of this reflagging exercise sums up just how confused and ill-advised the administration's plans are.

I believe administration spokesman Assistant Secretary of State Armacost did not accurately represent the very important ownership issue to the Senate Armed Services Committee last week. He created the clear impression last Thursday that the owners of the holding company for the tankers as well as its parent corporations would be American. I do not believe that is the case. I believe the Kuwaitis will remain the effective de jure owners of these ships, and I believe that Iranians will treat those ships that way.

Indeed, if nobody else believes they are truly American-owned vessels, why should the Iranians?

I draw only one conclusion from these events: the administration must believe that we make our friends in the gulf more secure by tilting toward Iraq in the Iran-Iraq war. For that is precisely what we are doing by reflagging Kuwaiti tankers, and then escorting them with our Navy.

Kuwait is not impartial in the Iran-Iraq war. Kuwait clearly supports Iraq, and has supplied Iraq with billions in cash and has transshipped arms to Iraq. Thus, Kuwaiti ships headed for and leaving Kuwaiti ports are viewed by the Iranians as legitimate targets.

We know, and the world knows, that Iran has, in fact, been treating Kuwaiti ships as enemy ships, while they have been leaving our ships alone.

The question then becomes, will these tankers lose their character as Kuwaiti ships simply by being reflagged through a paper process organized by the United States Government?

I do not think they will in too many nations' eyes.

The tankers in question are now Kuwaiti-owned, they now carry Kuwaiti oil exports out of the gulf, and they are now attacked by the Iranians.

It is my understanding, despite the administration statements to the Senate Armed Services Committee I previously referred to, that those tankers will still be effectively Kuwaiti-owned after the reflagging. In Iranian eyes, they will still be Kuwaiti-owned. Is there any good reason to believe they will not still come under attack, or that Iran will not find some other way to attack us for so clearly siding with her enemy during war?

I am afraid not.

I think the Iranians will perceive our reflagging and escort operation as a clear American shift toward Iraq. We will be seen as riding shotgun on the Iraqi payroll stagecoach, although the stagecoach itself will have the emblem of the Chesapeake Shipping Co. painted on the side and the American flag flying overhead. But I believe Chesapeake will be owned by Kuwaitis—no matter how American its name sounds.

We are engaging in what most of the world will perceive as a fiction—and a fiction engaged in to tilt toward Iraq. And that bothers me Mr. President. It bothers me because I do not believe tilting toward Iraq in this way is in our interest.

It could well widen both the war and the Soviet military presence in the region to the detriment of our security interests. The administration's plan may well lead to an Iranian attack on United States persons and property. Such an attack would surely lead to an American retaliation against Iran.

Radical Shiites in the other friendly Gulf States will rejoice at the political windfall of such an American retaliation. The Soviets could profit greatly from an Iranian attack on us, our retaliation against Iran, and from political unrest in the GCC States.

If Kuwait were leasing United States tankers—that would be one thing. That would be significantly different from our Government pushing through a reflagging fiction. The former could result in our proper protection of American citizens and property. The latter is a figleaf that merely creates the fiction of U.S. ownership, when the reality is vastly different.

Mr. President, I yield the floor.

Mr. SANFORD addressed the Chair.

The PRESIDING OFFICER (Mr. Levin). The Senator from North Carolina.

EXPLORE PEACE IN NICARAGUA

Mr. SANFORD. Mr. President, the President of Costa Rica, Mr. Arias, was here yesterday talking to a great many Members in both Houses. I think he made a tremendous impression by his sincerity of purpose and by the fact that he has shown the initiative to attempt to bring to a conclusion the strife that we have seen for so long in Central America.

It is never easy to achieve peace. There are always doubts. There are always questions of what comes first. It is always difficult to have a cease fire or to stop hostilities.

But here is the President, the leader of one of the four democratic nations—in fact, the leader of the most firmly democratic nation in Central America—putting his own political reputation on the line and saying, as difficult as it is, "We think it can be done."

The only thing lacking right now, as I see it, is the proper level of support from the United States. The administration has grave reservations as to whether or not the Sandinistas can be trusted to convert to a democratic structure or even to open up the society to any extent, and, consequently, would like to see elections held and a new government in Nicaragua before we take any action to cease the flow of support to the Contras.

President Arias, on the other hand, argues convincingly that we must trust the Sandinistas, but only up to a point. If, indeed, they prove untrustworthy, we can then isolate them. The world will then know them for what they are, and whatever assistance they were to have gotten will be suspended. But somebody has to take the risk; somebody has to make the first move. As a neighbor in peril, more so than we are, he is willing to champion a plan and to take that risk in the hope that he can bring about peace in his region.

I would hope that the administration would give him the kind of confidence and support needed if we are to see a solution to the problems of Central America. Of course, it will require on our part not a heavy hand, not a demand that something be done, but it will require, as in most diplomatic endeavors, a very delicate touch; and, along with the delicate touch, a firm resolve that we should give this our very best try.

In the New York Times of June 18, is an editorial entitled "Explore Peace in Nicaragua." I ask unanimous consent that this editorial be printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

Explore Peace in Nicaragua

If President Reagan wanted an honorable and sensible resolution of conflicts in Central America, he would grab for the peace plan put forward by Costa Rica's President, Oscar Arias. Mr. Reagan's own policy of backing the Nicaraguan rebels and driving the Sandinistas out of Nicaragua is at a dead end. The Arias plan, whatever its flaws, has promise and wide support.

Mr. Reagan even felt compelled to issue a statement after his meeting with President Arias yesterday stressing their agreement on "objectives." But that's not enough. If the Arias plan is to get off the ground, the postponed Central American leaders' meeting to discuss it must be rescheduled. That means Washington must put its full weight behind the initiative. Otherwise, after Mr.

Reagan's years of lip service to negotiations, suspicions will rightly linger about his sincerity.

Mr. Arias proposes cease-fires and regional elections, the restoration of civil liberties and the beginning of talks between governments and their "unarmed internal opposition." Nicaragua would "democratize" and the United States would stop aid to the contras.

Outwardly, the differences boil down to timing. Mr. Arias wants Washington to stop aid to the contras at the same time the Sandinistas commit themselves to democratization. President Reagan insists on continuing to arm the rebels until Nicaraguan freedoms have been established. To Mr. Reagan, helping the contras is the best way to insure democratization. To Mr. Arias, the rebels are no solution; they are the problem, giving the Sandinistas cause for foreign sympathy and a pretext for repression.

Behind the jockeying lies Mr. Reagan's deeper reluctance for any kind of compromise that leaves the Sandinistas in power. That reluctance has doomed past peace initiatives from even being explored. There is no evidence even now that he has changed his mind.

Yet there are stirrings that encourage the plan's supporters. The Administration has been rocked by the Iran/contra affair; future aid for the contras is chancy. Pragmatists have gained in a White House staffed by Howard Baker.

Additionally, the Soviet Union has sharply cut oil shipments to Nicaragua. The difference will probably be made up by Mexico and Venezuela, giving them leverage. Since Nicaragua is nearly broke, it has an incentive for compromise, providing—and this is the catch—that Mr. Reagan is willing to end aid to the contras.

The Sandinistas have long said they are ready to ban foreign bases and accept policing of frontiers. But they adamantly rule out direct dealings with the contras and have long refused to accept an election process that jeopardized their power.

Much as Nicaragua's neighbors fear the Sandinistas, they are at least equally repelled by the contras. Mr. Reagan has so far refused to acknowledge this unpalatable truth, putting all his chips on the contras, an increasingly bad bet. If he wants to rescue his barren Central American policy, he'd better begin soon, by breathing life into the only plausible peace plan around.

Otherwise, Americans are bound to conclude that his real aim is not to explore peace but to pass an undeclared war on to his successor.

Mr. SANFORD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the role.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. ROCKEFELLER). Without objection, it is so ordered.

20-MINUTE RECESS

Mr. BYRD. Mr. President, I ask unanimous consent that the Senate stand in recess for 20 minutes.

There being no objection, the Senate recessed at 1:40 p.m. until 2 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. ROCKEFELLER).

MAKING A MOCKERY OF U.S. TRADE LAWS

Mr. HOLLINGS. Mr. President, next week the Senate will turn its attention to major trade legislation. It is high time. The fact is, our Nation is in the fourth quarter of a game for all the marbles. And we're not talking touch football here. We're talking about a bare-knuckles international competition for jobs, for standard of living, and for national security.

Looking ahead to that crucial trade debate, Mr. President, I ask unanimous consent that an article titled "Shell Game at the Docks," from the June 29, 1987, issue of Forbes magazine, be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. HOLLINGS. Mr. President, this article presents additional dramatic evidence of the pervasive flouting of U.S. laws by our so-called trade partners in order to seize illegal shares of the American domestic market. It documents the various shell games and subterfuges employed by other countries on a routine basis to export illegally to the United States.

Mr. President, the fact is, our Government's ability to control the flow of illegal imports is about on par with its ability to control the stream of illegal aliens coming across the Rio Grande. In the textile industry, alone, the Customs Service estimates that a whopping $5.5 billion in unreported imports slip across our borders each year. The total injury from all illegal imports is even more shocking: $3 billion in lost customs duties, $19 billion in lost sales by U.S. firms, $8 billion to $12 billion in lost national output, and nearly a half million lost jobs.

Many times I have taken the floor, Mr. President, to speak out about the textile industry, about how it is being eroded and, indeed, destroyed by the predator trading practices of our competitors. The most recent trade figures, for the month of April, show an acceleration of the assault on U.S. textiles. The textile trade deficit for April was $1.83 billion—a disastrous 34-percent increase over the same period last year. For the first 4 months of 1987, the textile trade deficit stood at $7.6 billion—a 21-percent increase over the first 4 months of last year.

Mr. President, we are not talking here about an industry of antiquated factories and overpaid workers. On the contrary, the Office of Technology Assessment has determined that the U.S. textile industry, measured in terms of output per person-hour, is among the most productive in the world. It has remained in the forefront of technology and innovation.

Mr. President, we have numerous bilateral trading agreements with our trading partners, agreements designed to create an orderly market for textile and apparel products. These arrangements were entered into freely. But they have been neither respected by our competitors nor enforced by our own Government. This situation has outraged and bewildered the hardworking men and women of the American textile industry. With good reason, they wonder whose side our Government is on. How many more factories, how many more jobs is the administration willing to sacrifice on its altar of so-called free trade?

Mr. President, I will have much more to say on this subject in the debate that lies ahead. In the meantime, I urge my colleagues to read the Forbes exposé. It is a refreshing antidote to our national naivete, our tendency to assume that other nations share our sense of fair play and our respect for the rules of the game. This is simply not the case.

As a simple matter of national pride and dignity, the time has come to draw the line. We should not slam the door on legitimate trade. But neither should we continue as doormat of the world trading community.

EXHIBIT 1

SHELL GAME AT THE DOCKS

(By Gary Slutsker)

Washington is talking tough these days with its trading partners, but so what? Foreigners are becoming so adept at sidestepping antidumping restrictions enforced by the overworked and understaffed U.S. Customs Service as to render the rules toothless. From steel to textiles, from paint brushes to copper sheets, imported goods keep pouring in at their old, low prices, unburdened by punitive duties.

Take steel, which is covered by voluntary restraint agreements enacted by Japan and the U.S. in 1984. Imports from Japan have declined sharply from their alltime high in 1976. But plenty of Japanese-made goods are being transshipped through Canada, whose steel exports to the U.S. have nearly doubled since 1982, and in the first quarter of 1987 stood neck and neck with Japan's.

Steelmakers from Japan and other countries ship the goods to Canada, where enough "value" is added to the product that it then technically qualifies as Canadian steel. [Adding value can involve as much transformation as turning steel into cars, or as little as putting a bend in galvanized steel sheets.] Either way, the exporters defeat the whole point of the dumping restrictions—which is to keep unfairly low-priced goods out of the U.S.

Japanese pipe manufacturers are using the same sort of gimmick, shipping industrial pipe first to Thailand where it is threaded, then on to the U.S. free of import quotas enacted in 1985 on the Japanese product. Customs officials have even counted into official import statistics steel from Nepal, which does not have the capacity to produce steel.

It's the same story in other markets, as well. After new trade restrictions on copper alloy sheet went into effect last December, imports immediately went down from countries covered by the new rules, including France, Italy and Brazil. But imports from Switzerland and Argentina—neighboring countries which do not happen to be covered by the trade restrictions—went up dramatically.

Normal market reaction? Not according to Joseph Mayer, president of the Copper & Brass Fabricators Council. Says he: "That is totally inconsistent with what we know of their capacity and their commercial dealings. That kind of switch doesn't happen in that amount of time."

An alternative to the transshipment ploy involves getting an exemption from an antidumping order. If a company covered by such a rule sells at fair market value for two years, it can then often get an exemption from the Commerce Department by pledging not to go back to dumping in the future. The convenient thing about an exemption is that the Commerce Department doesn't normally review exempted companies to see if they are honoring their word.

"Everybody knows the game plan," says James Conner, executive vice president of American Yarn Spinners Association, a Gastonia, N.C.-based trade group. "You get the exemption and then start dumping all over again—and no one checks up on you."

All this is happening for a simple reason: The U.S. Customs Service, which is charged with enforcing more than 1,000 trade laws, duties and quotas at the nation's ports and gateways, doesn't have enough people or money to do the job. Between 1980 and 1986 the staff at Customs, including inspectors and import specialists, dipped slightly, from 13,820 to 13,552, while total U.S. merchandise imports rose 50%, from $250 billion to $368 billion.

"We don't pretend to investigate every shipment—there's no need to," says John O'Loughlin, director of trade operations for U.S. Customs. In fact, Customs focuses most of its attention on shipments of goods covered by some sort of import restriction, with textiles and steel at the top of the list.

That kind of hit-or-miss approach hardly inspires confidence in executives in industries seeking protection from foreign dumpers. "You can win an antidumping case in court, then lose everything if you don't have proper enforcement of the dumping order by government," says David Hartquist, partner at Collier Shannon Rill & Scott, a Washington law firm with a large international trade practice. "The first thing we do after we win a case is go to Customs and tell them they can expect efforts to circumvent duties."

To get action, more companies are thus hiring private investigators to dig up evidence of dumping, then handing over the research to the government for prosecution. But even when fraud is uncovered, there is no assurance that the Justice Department, which is also overworked and understaffed, will act decisively on the information.

Explains trade law attorney John Greenwald, partner at Wilmer, Cutler & Pickering in Washington, D.C.: "Customs fraud is not high on most U.S. attorneys' priorities. They have other criminal activities that attract much more attention."

Let's face it: Beating U.S. trade barriers just doesn't rank with drug running, money laundering or even insider trading as a crime against humanity. So don't look for anything like fanatical enforcement. One more argument against reliance on trade barriers to keep the U.S. competitive.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Ms. Emery, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the Committee on Armed Services.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE

At 9:56 a.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the House has passed the following joint resolution, without amendment:

S.J. Res. 86. Joint resolution to designate October 28, 1987, as "National Immigrants Day."

The message also announced that the House has passed the following bill and joint resolution, in which it requests the concurrence of the Senate:

H.R. 281. An act to amend the National Labor Relations Act to increase the stability of collective bargaining in the building and construction industry; and

H.J. Res. 284. Joint resolution designating the week beginning June 21, 1987, as "National Outward Bound Week."

MEASURES REFERRED

The following joint resolution was read the first and second time by unanimous consent, and referred as indicated:

H.J. Res. 284. Joint resolution designating the week beginning June 21, 1987, as "National Outward Bound Week"; to the Committee on the Judiciary.

MEASURES READ THE FIRST TIME

The following bill was read the first time:

H.R. 281. An act to amend the National Labor Relations Act to increase the stability of collective bargaining in the building and construction industry.

REPORTS OF COMMITTEES SUBMITTED DURING ADJOURNMENT

Under the authority of the order of the Senate of June 18, 1987, the following reports of committees were submitted on June 18, 1987, during the adjournment of the Senate:

By Mr. Pell, from the Committee on Foreign Relations, without amendment:

S. 1394. An original bill to authorize appropriations for fiscal year 1988 for the Department of State, the United States Information Agency, the Board for International Broadcasting, and for other purposes (with additional views) (Rept. No. 100-75).

By Mr. Chiles, from the committee of conference:

Report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the concurrent resolution (H. Con. Res. 93) setting forth the congressional budget for the United States Government for the fiscal years 1988, 1989, and 1990 (Rept. No. 100-76).

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. BYRD (for Mr. Leahy), from the Committee on Agriculture, Nutrition, and Forestry, with an amendment in the nature of a substitute:

S. 512, to promote the export of United States agricultural commodities and the products thereof, and for other purposes (with additional views). (Rept. No. 100-77)

By Mr. GLENN, from the Committee on Governmental Affairs:

Report to accompany S. 328, to amend chapter 39 of title 31, United States Code, to require the Federal Government to pay interest on overdue payments, and for other purposes (with additional views). (Rept. No. 100-78)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. HECHT (for himself, Mr. Proxmire, Mr. Baucus, Mr. Cohen, Mr. Heinz, Mr. Humphrey, Mr. Mitchell, Mr. Reid, and Mr. Wirth):

S. 1395. A bill entitled "The Nuclear Waste Transportation Act of 1987"; to the Committee on Environment and Public Works.

By Mr. SPECTER:

S. 1396. A bill to amend the Unfair Competition Act of 1916 and Clayton Act to provide for private enforcement of the Unfair Competition statute in the event of unfair foreign competition, and to amend title 28 of the United States Code to provide for private enforcement of the Customs fraud statute; to the Committee on the Judiciary.

By Mr. CRANSTON (for himself, Mr. Murkowski, Mr. Thurmond, Mr. Nunn, Mr. Dole, Mr. Exon, Mr. Cohen, Mr. McCain, Mr. Adams, Mr. Armstrong, Mr. Warner, and Mr. Stevens):

S. 1397. A bill to recognize the organization known as the Non-Commissioned Officers Association of the United States of America; to the Committee on the Judiciary.

By Mr. DeCONCINI:

S. 1398. A bill to amend title 10, United States Code, to clarify the authority of the Secretary of the Air Force to permit female members of the Air Force to receive fighter pilot training; to the Committee on Armed Services.

By Mr. SHELBY:

S. 1399. A bill to prohibit the importation of products of the Toshiba Corporation, and for other purposes; to the Committee on Finance.

By Mr. CHAFEE:

S. 1400. A bill to suspend the duty on cultured pearls until January 1, 1991; to the Committee on Finance.

By Mr. DECONCINI (for himself, Mr. Pryor, Mr. Adams, Mr. Bumpers, and Mr. Simon):

S. 1401. A bill to restore, on an interim basis, certain recently amended procedures for determining the maximum attorney's fees which may be charged for services performed before the Secretary of Health and Human Services under the Social Security Act and to require a report by the Secretary of Health and Human Services regarding possible improvements in such procedures; to the Committee on Finance.

By Mr. KENNEDY (for himself, Mr. Hatch, Mr. Harkin, Mr. Mitchell, Mr. Matsunaga, Mr. Weicker, Mr. Stafford, Mr. Inouye, Mr. Simon, and Mr. Burdick):

S. 1402. A bill to amend title VIII of the Public Health Service Act to establish programs to reduce the shortage of professional nurses; to the Committee on Labor and Human Resources.

By Mr. McCONNELL:

S.J. Res. 166. A joint resolution proposing an amendment to the Constitution of the United States relative to contributions and expenditures intended to affect congressional, Presidential, and State elections; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. DOLE (for himself, Mr. Lugar, Mr. Melcher, Mr. Boschwitz, Mr. Boren, Mr. Pressler, Mr. Symms, Mr. Baucus, Mr. Burdick, Mr. Gore, Mrs. Kassebaum, Mr. Karnes, Mr. Daschle, Mr. Evans, Mr. Cochran, Mr. Durenberger, Mr. Pryor, Mr. Nickles, Mr. Conrad, Mr. Bentsen, Mr. Bond, and Mr. Thurmond):

S. Res. 237. A resolution to express the sense of the Senate that it is in the best interests of United States wheat producers to immediately receive the details of the 1988 Wheat Program and that the program should include no more than a 27½ percent acreage limitation level; considered and agreed to.

By Mr. D'AMATO (for himself Mr. Dixon, Mr. DeConcini, Mr. Hatch, Mr. Dole, Mr. Trible, Mr. Specter, Mr. Moynihan, Mr. Sarbanes, Ms. Mikulski, Mr. Kasten, Mr. Mitchell, Mr. Nickles, Mr. Wilson, Mr. Reid, Mr. McCain, Mr. Bond, Mr. McConnell, Mr. Armstrong, Mr. Pressler, Mr. Karnes, Mr. Thurmond, Mr. Hecht, Mr. Murkowski, Mr. Symms, Mr. Grassley, Mr. Boschwitz, Mr. Helms, Mr. Heinz, Mr. Cohen, Mr. Stevens, Mr. Domenici, Mr. Quayle, Mr. Weicker, Mr. Bumpers, Mr. Bingaman, Mr. Dodd, Mr. Simpson, Mr. Cochran, Mr. Warner, Mr. Breaux, Mr. Rudman, Mr. Humphrey, Mr. Durenberger, Mr. Proxmire, Mr. Hollings, Mr. Leahy, Mr. Wallop, Mr. Johnston, Mr. Inouye, Mr. Stafford, Mr. Rockefeller, Mr. Cranston, Mr. Heflin, Mr. Conrad, Mr. Danforth, Mr. Kerry, Mr. Bentsen, Mr. Matsunaga, Mr. Nunn, Mr. Harkin, Mr. Shelby, Mr. Gramm, Mr. Garn, Mr. Chiles, and Mr. Lautenberg):

S. Con. Res. 62. A concurrent resolution expressing the insistence of the Congress on the extradition of Mohammed Hamadei to the United States for trial in connection with the murder of Navy Diver Robert Stethem and the opposition of Congress to any trade of Mohammed Hamadei for West German nationals being held hostage; to the Committee on Foreign Relations.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. HECHT (for himself, Mr. Proxmire, Mr. Baucus, Mr. Cohen, Mr. Heinz, Mr. Humphrey, Mr. Mitchell, Mr. Reid, and Mr. Wirth):

S. 1395. A bill entitled the "Nuclear Waste Transportation Act of 1987;" to the Committee on Environment and Public Works.

NUCLEAR WASTE TRANSPORTATION ACT

Mr. HECHT. Mr. President, today I am introducing a bill to give direction to the Department of Transportation, and other affected Federal agencies, regarding the transportation of high level nuclear waste. I am pleased to be joined by Senators Proxmire, Baucus, Cohen, Heinz, Humphrey, Mitchell, Reid, and Wirth in this effort.

Under the provisions of this legislation, Mr. President, once nuclear waste leaves commercial nuclear powerplants, where it is generated, it will go directly to a monitored retrievable storage facility or a permanent repository.

Either way, this waste will be passing through most of the States of this country, and therefore the transportation issue should concern every Senator. When Congress passed the Nuclear Waste Policy Act of 1982, little attention was given to the transportation issue. We now realize that the transportation aspects of the nuclear waste issue may actually hold the greatest potential risk to the public health and safety.

My bill, the Nuclear Waste Transportation Act of 1987, takes a positive approach to the two major problem areas of the transportation issue.

First, the bill contains provisions to improve the safety of the packages used to carry nuclear waste. It provides for improved standards and testing for the casks that will carry nuclear waste. The bill directs that tests of cask design be actual tests, not computer simulations, tests with scale models, or mathematical analyses. Public health, and public confidence, require us to carry out full-scale tests on these waste containers. If we wish to assure our citizens that these containers are safe, we need to be able to "kick the tires."

Second, my bill mandates important steps to give local governments a more significant role in nuclear waste transportation. It makes it easier for local governments to route waste shipments to avoid our cities. It provides for the training of local public safety officials so they can effectively deal with any incidents that might take place involving nuclear waste transportation. Finally, the bill enhances the ability of local governments to stay informed about the timing of nuclear waste shipments.

Mr. President, the time has clearly come for our country to seriously debate how we want nuclear waste transported. We cannot sit back and wait until a monitored retrievable storage facility is built or a repository has been chosen. The Department of Energy is already exploring designs for waste containers.

If we, the representatives of the American people, want to be able to influence the transportation of nuclear waste, we should take action during this Congress. I therefore encourage my colleagues to support the bill I have introduced today, so we can start moving on this important issue.

I would like to offer my special appreciation to Senator Proxmire and Ruth Fleischer of his staff for their able assistance in drafting and promoting this legislation.

Mr. President, I ask unanimous consent that the text of the bill be printed in the Record immediately following my statement.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 1395

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be known as the "Nuclear Waste Transportation Act of 1987".

SEC. 2. AMENDMENT TO THE HAZARDOUS MATERIAL TRANSPORTATION ACT.

The Hazardous Materials Transportation Act (49 U.S.C. 1801) is amended by inserting the words "subtitle A—Hazardous Materials" after section 103, and by inserting the following new subtitle after section 115:

"SUBTITLE B—TRANSPORTATION OF HIGH LEVEL RADIOACTIVE WASTE AND SPENT NUCLEAR FUEL

SEC. 119. SHORT TITLE.

This Act may be known as the "Nuclear Waste Transportation Act of 1987".

SEC. 120. DEFINITIONS.

For purposes of this Act—

(1) The terms 'high level radioactive waste', 'Indian tribe', 'State', 'repository', 'spent nuclear fuel', and 'test and evaluation facility', have the same meaning given such terms in section 2 of the Nuclear Waste Policy Act of 1982 (42 U.S.C. 10101);

(2) the term 'corridor' means the area or route traversed by a particular mode of transportation; and

(3) the term 'person' includes a government entity.

TRANSPORTATION PACKAGES

SEC. 121. ACTUAL TESTS REQUIRED.

A package design shall be certified by the Nuclear Regulatory Commission and adopted by the Secretary of Energy and the Secretary of Defense only after it has been proven in actual tests on full-scale packages, not simulated tests, tests on scale models, or engineered analyses.

SEC. 122. REPORT TO CONGRESS.

The Secretary of Energy shall review the packages used by other nations, and report to the Nuclear Regulatory Commission and the Congress within one year of the date of enactment of this Act as to any case where the design standards directed under this Act, or additional standards recommended by the Secretary, are less safe than those imposed by other nations. The Secretary's report shall explain how the foreign standard is safer, and recommend whether that standard should be adopted for packages to be used in the United States. If the Secretary concludes that safer foreign standards need not be adopted in the United States, the report shall explain his reasoning in this regard.

SEC. 123. PACKAGE LICENSING.

As of the date of enactment of this Act, no high level radioactive waste or spent nuclear fuel may be transported by or for the Secretaries of Energy, Defense, or Transportation except in packages that have been certified for such purposes by the Nuclear Regulatory Commission.

SEC. 124. DESIGN STANDARDS.

Within 180 days of the date of enactment of this Act the Nuclear Regulatory Commision shall conduct public hearings on the adequacy of the design standards and tests for packages used in the transportation of high level radioactive waste and spent nuclear fuel.

TRANSPORTATION PROCEDURES

SEC. 130. MODES OF TRANSPORTATION

In selecting routes for the shipment of high level radioactive waste and spent nuclear fuel the Secretary of Transportation is encouraged to give preference to rail transportation, unless another mode is determined by the Secretary to be safer.

SEC. 131. TRANSPORTATION LICENSING.

(a) The Secretary of Transportation, after providing opportunity for public comment, shall establish a licensing program for all persons involved in the transportation of high level radioactive waste or spent nuclear fuel. Persons must satisfy the requirements of this licensing program before transporting spent nuclear fuel or high level radioactive waste.

(b) A license may be granted by the Secretary under this section upon application made in accordance with this section. Each application shall include—

(1) an emergency response and mitigation plan as provided in subsection c;

(2) a hazard/risk assessment of the corridor assessing the physical impacts that affect the risk of transporting in that corridor;

(3) an environmental analysis, if required by the Secretary;

(4) an analysis of alternate corridors including a comparison of risks and hazards;

(5) evidence that a notice of application has been sent to corridor States and affected tribes, and that such States and tribes have been consulted on corridor selection;

(6) sufficient information to determine the need for the shipment of waste or spent fuel; and

(7) proof of financial responsibility.

(c) Each application for a license to transport high level radioactive waste or spent nuclear fuel shall include an emergency response and mitigation plan outlining procedures to be taken in the event of a release or potential release or radioactive waste. Such procedures shall include—

(1) emergency tactics for investigation and monitoring;

(2) emergency medical and hospital procedures;

(3) containment and decontamination procedures for an accidental release of radioactive waste to the environment;

(4) decontamination procedures for public and emergency response personnel;

(5) cleanup procedures;

(6) coordinated response procedures with affected States, tribal, and local entities; and

(7) resource identification and accessibility. (d)(1) Prior to issuing a license to transport high level radioactive waste or spent nuclear fuel, the Secretary shall prepare an environmental analysis which shall include a detailed statement of the basis for the Secretary's decision and the probable impacts. Such an environmental analysis shall include, at a minimum—

(A) a comparison of the relative hazards and risks of alternative routes, modes, and timing of transportation;

(B) an evaluation of the emergency preparedness of States, local communities, and affected Indian tribes along the selected corridor;

(C) a description of the physiographic features along the selected corridor, especially those which might hinder recovery, containment, and cleanup of an accident involving the transportation of waste; and

(D) an evaluation of the environmental and human health effects of a release of high level radioactive waste during transport.

(2) To the extent necessary to protect public health and safety and the environment, the Secretary shall impose reasonable and prudent restrictions on the shipper based on the environmental analysis, which will either minimize the risk of an accident or enhance the containment and cleanup of an accident, or both.

SEC. 132. ROUTING THROUGH URBAN AREAS.

(a) The Secretary of Transportation shall not approve a route for the transportation of high level radioactive waste or spent nuclear fuel through an area designated by the Bureau of the Census as an urbanized area, if the Governor of the affected state, at the request of an affected local government, recommends to the Secretary a significantly safer route. The local government need not demonstrate that exceptional circumstances or unique physical conditions exist, only that an alternate route is significantly safer.

(b) For purposes of this section, a significantly safer route is one which is determined by the Secretary of Transportation to be characterized by a statistically significant lower probability of an accident occurring which would result in personal injury or property damage. Differences in travel time, time of day of travel, population size, physical condition of the routes, emergency response capabilities of the affected jurisdictions, and the frequency of changes in modes of transportation, must be taken into account in analyses intended to compare the safety of various routes.

(c) The Secretary of Transportation shall simultaneously work with all State and local jurisdictions along a transportation corridor to develop the best overall route and to most efficiently address the effect of an alternate route proposed by one jurisdiction on the route contemplated through adjacent jurisdictions.

SEC. 133. FEDERAL RESPONSIBILITY TO LOCAL GOVERNMENTS.

(a) The Secretary of Transportation shall provide training for public safety officials of units of general local government through whose jurisdiction the federal government plans to transport high level radioactive waste or spent nuclear fuel. Training will cover procedures required for safe routine transportation of these materials, as well as procedures for dealing with emergency response situations.

(b) Unless the Governor of the affected State certifies to the responsible federal agency that he does not desire the prenotification of local governments provided by this subsection, the responsible federal agency shall provide notice to the designated public safety official of units of general local government through whose jurisdiction the federal government plans to make unclassified shipments of high level radioactive waste or spent nuclear fuel, as follows:

(1) Initial written notice indicating the approximate date of transportation through the local government's jurisdiction is to be provided no less than 7 days prior to the date of transportation; and

(2) Final written notice indicating the date and approximate time of transportation through the local government's jurisdiction is to be provided no less than 72 hours prior to the approximate time of transportation.

(c) The Secretary of Energy and the Secretary of Defense shall abide by regulations of the Nuclear Regulatory Commission regarding advance notification of state and local governments prior to transportation of high level radioactive waste or spent nucler fuel.

SEC. 134. RIGHTS OF STATES AND INDIAN TRIBES.

States and Indian tribes may impose regulations for—

(a) implementation of inspection, surveillance, and enforcement permits;

(b) establishing fees designed to pay the cost of nuclear safety transportation programs;

(c) accident and incident reporting;

(d) advance notification of shipments;

(e) development or designation of alternate routes;

(f) identification of safe havens;

(g) driver certification requirements; and

(h) monitoring, containment, cleanup, and decontamination procedures.

SEC 135. PROMPT RESPONSE TO LICENSE APPLICATIONS.

The Secretary of Transportation shall—

(a) not later than 45 days after the receipt of an application for a license undr section 131 of this Act, notify the applicant whether such application is complete; and

(b) not later than 120 days after notifying the applicant involved that an application for a license under Section 131 of this Act is complete, issue such a license or notify such applicant that such application is rejected.

SEC. 136. FUNDING.

Funds for the work performed by federal agencies under this Act shall be derived from available appropriations from the Nuclear Waste Fund.

Mr. PROXMIRE. Mr. President, I am pleased to join with Senator HECHT in introducing new legislation regulating nuclear waste transportation. This bill is a modification of S. 1008 which I first introduced in 1985. In addition, our new bill adds sections on transportation package safety, preference for rail transport over other modes and preferences for nonurban routes as long as such routes are significantly safer.

Our bill amends the Hazardous Materials Transportation Act [HMTA] and creates an effective Federal-State scheme of transportation regulation in an increasingly important area. The current Federal system of nuclear transportation doesn't measure up, yet the hazardous Materials Transportation Act and Atomic Energy Act preempt States from acting themselves. As a result, there is often no regulation at all.

Why am I concerned with this subject? Wisconsin has had unique exposure to nuclear waste transportation. Fully 45 percent of all the nuclear waste transported by truck in the United States moved through Wisconsin. The State also hosted the largest rail shipments by volume yet sent, the 30 shipments of spent fuel which travelled from Northern States Power in Monticello, MN to interim storage in Morris, IL. These recently completed rail shipments point out the need for new legislation on both the State and Federal level.

Although Wisconsin wanted to impose a limited list of health, safety, and environmental protection measures on the utility and its carrier, a Federal court ruled that the Hazardous Materials Transportation Act and the Atomic Energy Act effectively eliminated a role for the State.

This restriction makes no sense. State, not Federal agencies, bear the emergency response burden should accidents occur. And States traditionally are responsible for local transportation health and safety regulation under their police powers. In contrast, the Federal Rail Administration has only a few dozen inspectors for all hazardous cargo nationwide and almost no special nuclear safety regulations. Even worse, because the Interstate Commerce Commission denied the rail industry request for a special nuclear waste tariff, railroads seldom use dedicated trains, the simplest safety measure.

While the United States has not yet suffered any major accidents from highly radioactive cargo, this may be more a result of luck and the relatively small volume of shipments than of an inherently safe transportation system. Within the last year a truck with a nuclear cargo fell into the Snake River in Idaho and a train car carrying nuclear waste was briefly lost in Ohio. Even worse, last October there was an apparent attempt to sabotage one of the trains involved in the Wisconsin shipments.

This bill beefs up Federal regulation of highly radioactive nuclear cargoes while providing a greater role for the States. It places primary responsibility for regulation of nuclear waste transportation in the Department of Transportation as part of the Hazardous Materials Transportation Act while giving significant new powers to the Nuclear Regulatory Commission.

The bill has several parts. First, the lead agency licenses shipments of high-level nuclear materials or spent fuel after analysis of: Relative hazards and risks of alternative routes and transportation modes; evaluation of emergency preparedness; environmental features of the route; factors affecting site cleanup; potential health and safety affects; and need for the shipments.

Second, the bill sets out the rights of States to regulate nuclear shipments. Under its terms, States and Indian tribes can implement requirements for: accident reporting; inspection; fees; advance notice of shipments; cleanup procedures; and other requirements which insure local health, safety, and environmental protection. Narrow interpretations of existing Department of Transportation requirements under the HMTA severely limit States from imposing these kinds of regulations.

Third, the bill requires actual testing of shipping packages and a report to Congress on package standards.

Finally, the bill makes significant changes regarding mode of transportation and routing through urban areas.

Shipments will increase as utilities run out of storage space for spent fuel and the Department of Energy gears up under Nuclear Waste Policy Act. The United States cannot afford to ignore this problem any longer.

● Mr. BAUCUS. Mr. President, the bill that we are introducing today takes a positive approach to the transportation of nuclear waste across our country to safe disposal sites. The transportation of high-level radioactive waste and spent nuclear fuel could potentially affect most States. This legislation provides for more attention to be paid to the transportation of this waste prior to the increase in the number and size of shipments that will occur in the foreseeable future. Aspects of this legislation may serve well as a model in addressing the transportation of other hazardous materials across our States.

This legislation, the Nuclear Waste Transportation Act of 1987, recognizes the potential threat to public health and the environment from the transportation of nuclear waste from its point of origin to either a monitored retrieval storage facility or to a permanent repository. While this activity is inescapable, it can be managed to better safeguard our metropolitan areas.

Current law permits the Federal Government to compel local governments to allow transportation through urban areas unless the local governments can demonstrate that unique physical conditions or exceptional circumstances exist. This is a heavy burden to impose on our cities and towns. This legislation simply requires local government to identify a safer route than the one selected by the Federal Government. Federal agencies are called upon to cooperate with local governments in planning these alternative routes around metropolitan areas.

Local governments will be provided with notice prior to the shipment of high level radioactive waste or spent nuclear fuel unless the Governor certifies that he does not want prenotification. The legislation also calls for the transportation of this waste by rail instead of by truck when possible. Training will be provided to local governments through whose jurisdiction the Federal Government plans to transport these wastes. This training would cover procedures for safe, routine transportation and procedures for dealing with emergency response situations.

Finally this legislation provides States, local governments and Indian tribes with the right to implement permits for inspection and enforcement and the right to establish fees designed to pay the cost of nuclear safety transportation programs.

Within the next several months, more waste material will be transported as the Department of Energy ships material from Washington and Idaho to the waste isolation pilot project in New Mexico. This is an important time for the Federal Government to be sensitive to State and local governments in planning alternative routes around high population centers.

Nuclear and other radioactive wastes travel through Montana. Interstates 90 and 94 are the routes most commonly used in transporting these materials. Billings, Butte, and Missoula are therefore the metropolitan areas where this legislation would have the greatest impact. This legislation gives States the opportunity to work with the Federal agencies to select alternative routes for transporting these hazardous materials. This is an important step in allowing States to play a vital role in protecting public health and environment.

Montanans, as well as all Americans, have a right to know about the hazardous materials that are being transported through their States. States also have a right to a vote in selecting the preferable transportation route in their own metropolitan areas.●

By Mr. SPECTER:

S. 1396. A bill to amend the Unfair Competition Act of 1916 and Clayton Act to provide for private enforcement of the Unfair Competition statute in the event of unfair foreign competition, and to amend title 28 of the United States Code to provide for private enforcement of the customs fraud statute; to the Committee on the Judiciary.

UNFAIR FOREIGN COMPETITION ACT

Mr. SPECTER. Mr. President, I am today introducing a bill which would give American industries direct access to Federal courts to halt promptly the injurious imports of products which are dumped, subsidized, or in violation of our customs laws, and to recover monetary damages for such abuses.

The bill I am introducing today expands upon S. 361, which I introduced on January 21, 1987. S. 361 would provide a private right of action in Federal court to enforce existing laws prohibiting illegal dumping or customs fraud. The version I introduce today revises the subsidy provision to include a private right of action to allow injured American parties to sue in Federal court for injunctive relief against, and monetary damages from, foreign manufacturers and exporters who receive subsidies, and any inporter related to the manufacturer or exporter. This bill would provide a comprehensive approach to address three of the most pernicious unfair export strategies used by foreign companies against American companies: dumping, subsidies, and customs fraud.

The concept upon which this bill is based benefits from thorough consideration by the Senate. I introduced similar legislation to create a private right of action in the 97th Congress as S. 2167, in the 98th Congress as S. 418, in the 99th Congress as S. 236 and S. 1655, and most recently, in the 100th Congress as S. 361. I also introduced S. 1104 on April 28, 1987, which would amend the Antidumping Act of 1916 to enhance the act's private right of action provision.

I introduce this bill today to provide continuity to prior efforts to obtain a private right of action. Introduction of this legislation also is in preparation for my likely offering of the bill as an amendment to S. 490, the omnibus trade bill.

The need for enactment of this legislation is greater than ever before. The huge trade deficit is intolerable, domestic companies are suffering increasing injury, and thousands of American jobs are lost to illegal imports each year.

This is an effective remedy because it does not address the problem after the fact. It stops goods from coming into this country before they can displace American products and American jobs.

The current regulatory scheme rarely imposes retroactive duties; it merely restricts future dumping. This bill would allow domestic companies to recover damages for injuries sustained when injunctive relief cannot be timely provided or is otherwise inadequate.

We desperately need the vigorous private enforcement this bill would spur if we are to successfully chart a course between the grave dangers of increased protectionism and the certain peril which would result from unabated illegal foreign imports. Accordingly, I urge my colleagues to join me in supporting this bill.

I ask unanimous consent that the bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 1396

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. PRIVATE ACTIONS FOR RELIEF FROM UNFAIR FOREIGN COMPETITION.

(a) Clayton Act.—Section 1 of the Clayton Act (15 U.S.C. 12) is amended by inserting "section 801 of the Act of September 8, 1916, entitled 'An Act to raise revenue, and for other purposes' (39 Stat. 798; 15 U.S.C. 72);" after "nineteen hundred and thirteen;".

(b) Action for Dumping Violations.—Section 801 of the Act of September 8, 1916 (39 Stat. 798; 15 U.S.C. 72) is amended to read as follows:

"Sec. 801. (a) No person shall import or sell within the United States any article manufactured or produced in a foreign country if—

"(1) such article is imported or sold within the United States at a United States price which is less than the foreign market value or constructed value of such article, and

"(2) such importation or sale—

"(A) causes or threatens material injury to industry or labor in the United States, or

"(B) prevents, in whole or in part, the establishment or modernization of any industry in the United States.

"(b) Any interested party whose business or property is injured by reason of an importation or sale in violation of this section, may bring a civil action in the district court of the District of Columbia or in the Court of International Trade against—

"(1) any manufacturer or exporter of such article, or

"(2) any importer of such article into the United States who is related to the manufacturer or exporter of such article.

"(c) In any action brought under subsection (b), upon a finding of liability on the part of the defendant, the plaintiff shall—

"(1) be granted such equitable relief as may be appropriate, which may include an injunction against further importation into, or sale or distribution within, the United States by such defendant of the articles in question, or

"(2) if such injunctive relief cannot be timely provided or is otherwise inadequate, recover damages for the injuries sustained, and

"(3) recover the costs of the action, including reasonable attorney's fees.

"(d)(1) The standard of proof in any action filed under this section is a preponderance of the evidence.

"(2) Upon—

"(A) a prima facie showing of the elements set forth in subsection (a) in an action brought under subsection (b), or

"(B) affirmative final determinations adverse to the defendant that are made by the administering authority and the United States International Trade Commission under section 735 of the Tariff Act of 1930 (19 U.S.C. 1673d) relating to imports of the article in question for the country in which the manufacturer of the article is located, the burden of proof in such action shall be upon the defendant.

"(e)(1) Whenever, in any action brought under subsection (b), it shall appear to the court that justice requires that other parties be brought before the court, the court may cause them to be summoned, without regard to where they reside, and the subpoenas to that end may be served and enforced in any district of the United States.

"(2) Any foreign manufacturer, producer, or exporter who sells products, or for whom products are sold by another party in the United States, shall be treated as having appointed the District Director of the United States Customs Service of the Department of the Treasury for the port through which the product is commonly imported as the true and lawful agent of such manufacturer, producer, or exporter upon whom may be served all lawful process in any action brought under subsection (b) against such manufacturer, producer, or exporter.

"(f)(1) An action may be brought under subsection (b) only if such action is commenced within 4 years after the date on which the cause of action accrued.

"(2) The running of the 4-year period provided in paragraph (1) shall be suspended while any administrative proceedings under subtitle B of title VII of the Tariff Act of 1930 (19 U.S.C. 1673, et seqq.) relating to the product that is the subject of the action brought under subsection (b), or any appeal of a final determination in such proceeding, is pending and for one year thereafter.

"(g) If a defendant in any action brought under subsection (b) fails to comply with any discovery order or other order or decree of the court, the court may—

"(1) enjoin the further importation into, or the sale or distribution within, the United States by such defendant of articles which are the same as, or similar to, those articles which are alleged in such action to have been sold or imported under the conditions described in subsection (a) until such time as the defendant complies with such order or decree, or

"(2) take any other action authorized by law or by the Federal Rules of Civil Procedure, including entering judgment for the plaintiff.

"(h)(1) Except as provided in paragraph (2), the confidential or privileged status accorded by law to any documents, evidence, comments, or information shall be preserved in any action brought under subsection (b).

"(2) The court in any action brought under subsection (b) may—

"(A) examine, in camera, any confidential or privileged material,

"(B) accept depositions, documents, affidavits, or other evidence under seal, and

"(C) disclose such material under such terms and conditions as the court may order.

"(i) Any action brought under subsection (b) shall be advanced on the docket and expedited in every way possible.

"(j) For purposes of this section—

"(1) Each of the terms 'United States price', 'foreign market value', 'constructed value', 'subsidy', and 'material injury', have the respective meaning given such term by title VII of the Tariff Act of 1930.

"(2) If—

"(A) a subsidy is provided to the manufacturer, producer, or exporter of any article, and

"(B) such subsidy is not included in the foreign market value or constructed value of such article (but for this paragraph),

the foreign market value of such article or the constructed value of such article shall be increased by the amount of such subsidy.".

"(k) The court shall permit the United States to intervene in any action brought under subsection (b), as a matter of right. The United States shall have all the rights of a party to such action.

"(l) Any order by a court under this section is subject to nullification by the President pursuant to the President's authority under section 203 of the International Emergency Economic Powers Act (50 U.S.C. 1702).".

(c) Action for Subsidies Violations.—Title VIII of the Act of September 8, 1916 (39 Stat. 798; 15 U.S.C. 72 et seqq.) is amended by adding at the end thereof the following new section:

"Sec. 807. (a) No person shall import or sell within the United States any article manufactured or produced in a foreign country if—

"(1) the foreign country, any person who is a citizen or national of the foreign country, or a corporation, association, or other organization organized in the foreign country, is providing (directly or indirectly) a subsidy with respect to the manufacture, production, or exportation of such article, and

"(2) such importation or sale—

"(A) causes or threatens material injury to industry or labor in the United States, or

"(B) prevents, in whole or in part, the establishment or modernization of any industry in the United States.

"(b) Any interested party whose business or property is injured by reason of an importation or sale in violation of this section, may bring a civil action in the district court of the District of Columbia or in the Court of International Trade against—

"(1) any manufacturer or exporter of such article, or

"(2) any importer of such article into the United States who is related to the manufacturer or exporter of such article.

"(c) In any action brought under subsection (b), upon a finding of liability on the part of the defendant, the plaintiff shall—

"(1) be granted such equitable relief as may be appropriate, which may include an injunction against further importation into, or sale or distribution within, the United States by such defendant of the articles in question, or

"(2) if such injunctive relief cannot be timely provided or is otherwise inadequate, recover damages for the injuries sustained, and

"(3) recover the costs of the action, including reasonable attorney's fees.

"(d)(1) The standard of proof in any action filed under this section is a preponderance of the evidence.

"(2) Upon—

"(A) a prima facie showing of the elements set forth in subsection (a) in an action brought under subsection (b), or

"(B) affirmative final determinations adverse to the defendant that are made by the administering authority and the United States International Trade Commission under section 705 of the Tariff Act of 1930 (19 U.S.C. 1671d) relating to imports of the article in question for the country in which the manufacturer of the article is located,

the burden of proof in such action shall be upon the defendant.

"(e)(1) Whenever, in any action brought under subsection (b), it shall appear to the court that justice requires that other parties be brought before the court, the court may cause them to be summoned, without regard to where they reside, and the subpoenas to that end may be served and enforced in any district of the United States.

"(2) Any foreign manufacturer, producer, or exporter who sells products, or for whom products are sold by another party in the United States, shall be treated as having appointed the District Director of the United States Customs Service of the Department of the Treasury for the port through which the product is commonly imported as the true and lawful agent of such manufacturer, producer, or exporter upon whom may be served all lawful process in any action brought under subsection (b) against such manufacturer, producer, or exporter.

"(f)(1) An action may be brought under subsection (b) only if such action is commenced within 4 years after the date on which the cause of action accrued.

"(2) The running of the 4-year period provided in paragraph (1) shall be suspended while any administrative proceedings under subtitle A of title VII of the Tariff Act of 1930 (19 U.S.C. 1671, et seq.) relating to the product that is the subject of the action brought under subsection (b), or any appeal of a final determination in such proceeding, is pending and for one year thereafter.

"(g) If a defendant in any action brought under subsection (b) fails to comply with any discovery order or other order or decree of the court, the court may—

"(1) enjoin the further importation into, or the sale or distribution within, the United States by such defendant of articles which are the same as, or similar to, those articles which are alleged in such action to have been sold or imported under the conditions described in subsection (a) until such time as the defendant complies with such order or decree, or

"(2) take any other action authorized by law or by the Federal Rules of Civil Procedure, including entering judgment for the plaintiff.

"(h)(1) Except as provided in paragraph (2), the confidential or privileged status accorded by law to any documents, evidence, comments, or information shall be preserved in any action brought under subsection (b).

"(2) The court in any action brought under subsection (b) may—

"(A) examine, in camera, any confidential or privileged material,

"(B) accept depositions, documents, affidavits, or other evidence under seal, and

"(C) disclose such material under such terms and conditions as the court may order.

"(i) Any action brought under subsection (b) shall be advanced on the docket and expedited in every way possible.

"(j) For purposes of this section, each of the terms 'subsidy' and 'material injury' have the respective meaning given such term by title VII of the Tariff Act of 1930.

"(k) The court shall permit the United States to intervene in any action brought under subsection (b), as a matter of right. The United States shall have all the rights of a party to such action.

"(l) Any order by a court under this section is subject to nullification by the President pursuant to the President's authority under section 203 of the International Emergency Economic Powers Act (50 U.S.C. 1702).".

(d) Action for Customs Fraud.—

(1) Chapter 95 of title 28, United States Code, is amended by adding at the end thereof the following new section:

"§ 1586. Private enforcement action for customs fraud

"(a) Any interested party whose business or property is injured by a fraudulent, grossly negligent, or negligent violation of section 592(a) of the Tariff Act of 1930 (19 U.S.C. 1592) may bring a civil action in the district court of the District of Columbia or in the Court of International Trade, without respect to the amount in controversy.

"(b) Upon proof by an interested party that the business or property of such interested party has been injured by a fraudulent, grossly negligent, or negligent violation of section 592(a) of the Tariff Act of 1930, such interested party shall—

"(1) be granted such equitable relief as may be appropriate, which may include an injunction against further importation into the United States of the articles or products in question, or

"(2) if such injunctive relief cannot be timely provided or is otherwise inadequate, recover damages for the injuries sustained, and

"(3) recover the costs of suit, including reasonable attorney's fees.

"(c) For purposes of this section—

"(1) The term 'interested party' means—

"(A) A manufacturer, producer, or wholesaler in the United States of a like or competing product, or

"(B) a trade or business association a majority of whose members manufacture, produce, or wholesale a like product or a competing product in the United States.

"(2) The term 'like product' means a product which is like, or in the absence of like, most similar in characteristics and uses with products being imported into the United States in violation of section 592(a) of the Tariff Act of 1930.

"(3) The term 'competing product' means a product which competes with or is a substitute for products being imported into the United States in violation of section 592(a) of the Tariff Act of 1930.

"(d) The court shall permit the United States to intervene in any action brought under this section, as a matter of right. The United States shall have all the rights of a party.

"(e) Any order by a court under this section is subject to nullification by the President pursuant to the President's authority under section 203 of the International Emergency Economic Powers Act (50 U.S.C. 1702).".

(2) The table of contents for chapter 95 of title 28, United States Code, is amended by adding at the end thereof the following:

"1586. Private enforcement action for customs fraud.".

SEC. 2. ACCORDANCE WITH GATT.

It is the sense of the Congress that the provisions of this section are consistent with, and in accord with, the General Agreement on Tariffs and Trade (GATT).

By Mr. CRANSTON (for himself, Mr. Murkowski, Mr. Thurmond, Mr. Nunn, Mr. Dole, Mr. Exon, Mr. Cohen, Mr. McCain, Mr. Adams, Mr. Armstrong, Mr. Warner, and Mr. Stevens):

S. 1397. A bill to recognize the organization known as the Non Commissioned Officers Association of the United States of America; to the Committee on the Judiciary.

NON COMMISSIONED OFFICERS ASSOCIATION

Mr. CRANSTON. Mr. President, it is with great pleasure that, as the chairman of the Veterans' Affairs Committee, I introduce legislation, S. 1397, to grant a Federal charter to the Non Commissioned Officers Association of the United States of America [NCOA]. I am delighted to be joined on the bill by the ranking minority member of the Veterans' Affairs Committee, Senator Murkowski, two of our committee members, Senators DeConcini and Thurmond, who also serve on the Judiciary Committee to which the bill will be referred, and our other colleagues, Senators Nunn, Dole, Exon, Cohen, Adams, McCain, and Armstrong.

Since its inception in 1960, NCOA has grown to become one of the largest organizations in the United States representing current and former enlisted personnel. Included in its more than 170,000 members are active, retired, reserve, and veteran noncommissioned and petty officers of the Army, Navy, Marine Corps, Air Force, Coast Guard, and National Guard.

NCOA is a patriotic, fraternal, and benevolent association, organized into nearly 300 chapters in all 50 States as well as 6 other Nations around the world. These chapters are involved in a wide range of activities, including scholarship and national defense foundations, medical trust funds, and veterans employment assistance programs. In my home State of California, the NCOA chapters are deeply involved in a wide range of activities, including civic activities such as working with the Special Olympics.

The NCOA veterans' service program—which includes accredited national service officers—is one of the largest in the Nation. This program assists thousands of veterans each year as well as many thousands of dependents and survivors in applying for benefits and services from the Veterans' Administration and other Federal and State agencies.

The NCOA has an active scholarship program under which nearly $50,000 in scholarships will be awarded this year to the children of noncommissioned and petty officers.

NCOA is also active in employment matters. For example, the association will host 20 job fairs in the United States and Europe during this year to assist veterans and in-service military personnel in obtaining postservice employment. Last year NCOA held a special job fair for handicapped veterans at the U.S. Department of Labor.

Mr. President, NCOA is a most worthy organization which serves not only its members but also the general public. I urge my colleagues to join me in cosponsoring this legislation, and I look forward to working with my colleagues on the Judiciary Committee as that committee considers this measure.

Mr. President, I ask unanimous consent that the text of the bill be printed in the Record at this point.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 1397

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

CHARTER

Section 1. The Non-Commissioned Officers Association of the United States of America, Incorporated, a nonprofit corporation organized under the laws of the State of Texas, is recognized as such and is granted a Federal charter.

POWERS

Sec. 2. The Non Commissioned Officers Association of the United States of America, Incorporated (hereinafter in this Act referred to as the "corporation"), shall have only those powers granted to it through its bylaws and articles of incorporation filed in the State in which it is incorporated and subject to the laws of such State.

OBJECTS AND PURPOSES OF CORPORATION

Sec. 3. The objects and purposes of the corporation are those provided in its bylaws and articles of incorporation and shall include—

(1) upholding and defending the Constitution of the United States;

(2) promoting health, prosperity, and scholarship among its members and their dependents and survivors through benevolent programs;

(3) assisting veterans and their dependents and survivors through a service program established for that purpose;

(4) improving conditions for servicemembers, veterans, and their dependents and survivors; and

(5) fostering fraternal and social activities among its members in recognition that cooperative action is required for the furtherance of their common interests.

SERVICE OF PROCESS

Sec. 4. With respect to service of process, the corporation shall comply with the laws of the State in which it is incorporated and those States in which it carries on its activities in furtherance of its corporate purposes.

MEMBERSHIP

Sec. 5. Except as provided in section 8, eligibility for membership in the corporation and the rights and privileges of members of the corporation shall be as provided in the constitution and bylaws of the corporation.

BOARD OF DIRECTORS; COMPOSITION; RESPONSIBILITIES

Sec. 6. Except as provided in section 8, the composition of the board of directors of the corporation and the responsibilities of such board shall be as provided in the articles of incorporation of the corporation and inconformity with the laws of the State in which it is incorporated.

OFFICERS OF CORPORATION

Sec. 7. Except as provided in section 8, the positions of officers of the corporation and the election of members to such positions shall be as provided in the articles of incorporation of the corporation and in conformity with the laws of the State in which it is incorporated.

NONDISCRIMINATION

Sec. 8. In establishing the conditions of membership in the corporation and in determining the requirements for serving on the board of directors or as an officer of the corporation, the corporation may not discriminate on the basis of race, color, religion, sex, handicap, age, or national origin.

RESTRICTIONS

Sec. 9. (a) No part of the income or assets of the corporation may inure to the benefit of any member, officer, or director of the corporation or be distributed to any such individual during the life of this charter. Nothing in this subsection shall be construed to prevent the payment of reasonable compensation to the officers of the corporation or reimbursement for actual necessary expenses in amounts approved by the board of directors.

(b) The corporation may not make any loan to any officer, director, or employee of the corporation.

(c) The corporation shall have no power to issue any shares of stock nor to declare or pay any dividends.

(d) The corporation shall not claim congressional approval or the authorization of the Federal Government for any of its activities by virtue of this Act.

LIABILITY

Sec. 10. The corporation shall be liable for the acts of its officers and agents whenever such officers and agents have acted within the scope of their authority.

BOOKS AND RECORDS; INSPECTION

Sec. 11. The corporation shall keep correct and complete books and records of account and minutes of any proceeding of the corporation involving any of its members, the board of directors, or any committee having authority under the board of directors. The corporation shall keep at its principal office a record of the names and addresses of all members having the right to vote in any proceeding of the corporation. All books and records of such corporation may be inspected by any member having the right to vote in any corporation proceeding, or by any agent or attorney of such member, for any proper purpose at any reasonable time. Nothing in this section shall be construed to contravene any applicable State law.

AUDIT OF FINANCIAL TRANSACTIONS

Sec. 12. The first section of the Act entitled "An Act to provide for audit of accounts of private corporations established under Federal law", approved August 30, 1964 (36 U.S.C. 1101), is amended by adding at the end the following new paragraph:

"(73) The Non Commissioned Officers Association of the United States of America, Incorporated.".

ANNUAL REPORT

SEC. 13. The corporation shall report annually to the Congress concerning the activities of the corporation during the preceding fiscal year. Such annual report shall be submitted at the same time as the report of the audit required by section 2 of the Act referred to in section 12 of this Act. The report shall not be printed as a public document.

RESERVATION OF RIGHT TO AMEND OR REPEAL CHARTER

SEC. 14. The right to alter, amend, or repeal this Act is expressly reserved to the Congress.

DEFINITION OF "STATE"

SEC. 15. For purposes of this Act, the term "State" includes the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, and the territories and possessions of the United States.

TAX-EXEMPT STATUS

SEC. 16. The corporation shall maintain its status as an organization exempt from taxation as provided in the Internal Revenue Code of 1986. If the corporation fails to maintain such status, the charter granted by this Act shall expire.

EXCLUSIVE RIGHT TO NAMES

SEC. 17. The corporation shall have the sole and exclusive right to use the names "The Non Commissioned Officers Association of the United States of America", "Non Commissioned Officers Association of the United States of America", "Non Commissioned Officers Association", and "NCOA", and such seals, emblems, and badges as the corporation may lawfully adopt. Nothing in this section shall be construed to conflict or interfere with established or vested rights.

TERMINATION

SEC. 18. If the corporation shall fail to comply with any of the restrictions or provisions of this Act, the charter granted by this Act shall expire.

By Mr. DECONCINI:

S. 1398. A bill to amend title 10, United States Code, to clarify the authority of the Secretary of the Air Force to permit female members of the Air Force to receive fighter pilot training; to the Committee on Armed Services.

FIGHTER PILOT TRAINING FOR FEMALE MEMBERS OF THE AIR FORCE

● Mr. DECONCINI. Mr. President, it has come to my attention that there exists within this Nation's Armed Forces a situation of unfair and unequal treatment of the sexes. This is a situation which needs to be addressed and rectified at the earliest possible opportunity.

At Shepherd Air Force Base in Wichita Falls, TX, the United States is involved in training NATO Air Force personnel as fighter pilots. The purpose of the Euro-NATO Joint Jet Pilot Training Program is to train the best pilots in the tactics and skills necessary to be effective fighter pilots. These pilots are from every member nation in the NATO alliance and supposedly represent the best that each country has to offer.

In December last year, the program graduated a very special student pilot from the Netherlands. Her name is Nelly Speerstra and she is a lieutenant in the Dutch Air Force. According to the December 18, 1986 issue of the Los Angeles Times, Lieutenant Speerstra completed the yearlong program with over 300 hours of flying time in T-37 and T-38 trainers. She became NATO's first woman combat fighter pilot and a shining example to young women around the free world of the new heights to which women can aspire and achieve. She stated that, upon graduation, she planned to return to the Netherlands to train in the ultra-sophisticated F-16 jet aircraft.

Unfortunately, Mr. President, while Lieutenant Speerstra has become an example for the young women in Europe, her example cannot be followed here in the United States because Federal law prohibits women from entering fighter pilot training programs at Shepherd AFB's Jet Pilot Training School or other schools around the country. Today I am proposing to correct that inequity.

I am introducing legislation which will clarify the authority of the Secretary of the Air Force to permit female members of the Air Force to receive fighter pilot training. With the great advances which women have made in the Armed Forces, and especially in this Nation's space program in the past decade, it is unfortunate that we still inhibit women's growth in certain areas which remain under the rubric of "males-only territory."

Sally Ride, Judith Resnick, and Christa MacAuliffe became synonomous with the U.S. aerospace program and were initimately involved in all of the rigorous aspects of the space shuttle program. Similarly, recently retired rear admiral, Grace Hopper, of the U.S. Navy, proved her skill and dedication to the Navy and the growth of nuclear naval forces at a time when the role of women was limited to the home and certain clerical positions in the office.

In Arizona today, there exists a graduate of Arizona State University—a cadet in the Air Force ROTC Program at that institution—who is attempting to enter the Euro-NATO Joint Jet Training Program. She writes convincingly and eloquently of her desire to become a fighter pilot in the U.S. Air Force.

She cites this program as an important step in achieving her goal of becoming a space shuttle pilot. She wants to serve her country in the Air Force as a pilot and to serve her sex as yet another ground breaker for equal opportunity. This legislation may come too late to assist her in her effort. She may ultimately be found to be ill suited to this particular program, but I strongly feel that she—and others like her—should not be denied the chance to test herself and prove herself.

I wish to clarify certain issues at this point, before I ask unanimous consent that the bill and certain other items be printed following the completion of my statement. I want it understood that I continue to believe that women should not be placed in combat situations and that they should not be drafted.

I also am not seeking changes in the manner in which students are chosen for this type of training. If a women wishes to enter the program, she must qualify for the program and meet all the requisite requirements before she begins her training. This is meant to maintain the high standards of the program and the integrity of the applicants. I repeat that no special allowances are being sought through this legislation.

If a woman qualifies for the fighter pilot training program, satisfactorily completes her training and graduates, what—one might ask—comes next? If she is barred from combat, how shall she use her skills? My ultimate hope is that no graduates of these programs ever have to use their skills in actual combat situations. She would not use her skills in combat, but they could be put to use training other qualified pilots—both men and women. And I am certain there are other creative and practical uses for skilled fighter pilots of both sexes.

Mr. President, let us remove yet another hurdle impeding the advancement of women who wish to serve their Nation. Other nations, both NATO and non-NATO, allow women to answer the call to serve. Why should this nation limit the opportunities available to all citizens to serve their country. I ask unanimous consent that the bill, an article from Los Angeles Times and two letters from constituents in Arizona be printed at this point in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1398

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 8549 of title 10, United States Code, is amended by adding at the end the following new sentence: "However, nothing in this title shall be construed to prohibit female members of the Air Force from receiving fighter pilot training.".

[From the Los Angeles Times, Dec. 18, 1987]

NATO PILOT JUST ONE OF THE GUYS

"I don't feel very special. I just did everything the guys did," said Lt. Nelly Speerstra, 23, of Holland. And what the guys did was to complete the yearlong Euro-NATO Joint Jet Pilot training program at Sheppard Air Force Base in Wichita Falls, Tex. Speerstra, who collected more than 300 hours of flying time in T-37 and T-38 trainers, received her wings at the base, becoming the North Atlantic Treaty Organization's first woman combat fighter pilot. "I love to fly," she said, "especially the low-level flying with sharp turns," She will soon return to the Netherlands, where she will receive a year of training in the ultra-sophisticated F-16 jets. The shy, soft-spoken woman said she had a few problems in cracking into one of the world's most exclusive men's clubs. "From the very beginning, the other students totally accepted me," she said.

TEMPE, AZ,
January 30, 1987.

Hon. DENNIS DECONCINI,
Senate Hart Office Building, Washington, DC.

DEAR SENATOR DECONCINI: I am an AFROTC cadet at Arizona State University. After receiving my commission as a second lieutenant in the United States Air Force, I will attend pilot training at one of six bases in the United States. At the present time, US Air Force female pilot candidates are allowed to attend pilot training at only five of the six bases. These bases train pilots through a program called Undergraduate Pilot Training (UPT). The sixth is Shepherd AFB in Texas. It is the home of Euro-Nato Joint Jet Pilot Training (ENJJPT). I would like the opportunity to be assigned to this base if I am qualified.

ENJJPT's mission is to train officers from the United States, Europe, and other NATO countries to be fighter pilots. Our country's laws about women in the military prohibit female pilot candidates from attending ENJJPT and becoming fighter pilots. The United States has been a world leader in giving its women opportunities to serve and excel in the military. However, ENJJPT's first female graduate last December was from the Netherlands and not the United States.

The opportunity to fly for the United States in a military capacity is one I do not take lightly. My goals are to be the best officer, leader, and pilot that I am capable of being. If given the opportunity, I could be a great ENJJPT graduate. If not ENJJPT, then a great UPT graduate. Without breaking any of the Federal Laws prohibiting women from combat, I believe that women could successfully serve as instructor pilots in fighter aircraft and/or aggressor pilots. Aggressor pilots fly fighter aircraft in mock air combat against regular USAF squadrons in dissimilar air combat training. I would very much like the opportunity to fly in either of these roles.

I so deeply believe in these goals that I would give up an active duty assignment after graduating from pilot training to fly with an Air Force Reserve unit. At the present time, the Air Force is looking for AFROTC cadets to transfer into the Reserve or Air Guard to save money. Although the Reserve and Guard units are bound by the same laws as the Regular Air Force, there still lies the possibility of becoming fighter instructor pilot. I would seriously consider taking this option if I could be assigned to a fighter unit.

Serving my country as an Air Force Officer and future pilot will be a great honor for me. The opportunity to serve is a committment I take very seriously. To serve means to take orders from those lawfully appointed over me and if it is in the best interests of our country that my service is in a support role flying transports and tankers, then I will do my duty and provide that support. Please consider giving me and other women the opportunity to attend ENJJPT, become fighter pilots, and/or aggressor pilots. If I am too late for myself, please pave the streets of opportunity for future aspiring and dedicated young women.

Very respectfully,
JAMIE E. CONTES,
Cdt. Lt. Col. AFROTC.

June 7, 1987.

DEAR SENATOR DECONCINI: I saw on television last Sunday an Air Force Combat Fighter Pilot Instructor Lt. Sheila O'Grady. Before becoming a Combat Fighter Pilot Instructor she was a test pilot for General Dynamics. After being rejected by the Air Force Academy twice she was finally admitted and finished at the top of her class.

But I was infuriated beyond belief when I found out that she was being held back from becoming a combat fighter pilot herself because she is a woman.

How long must this Stone Age mentality continue? She obviously is a better pilot than the man she is training. This is a gross injustice to Lt. O'Grady and a deliberate waste of American womanpower.

I can understand that no woman is presently allowed combat rolls in the Army because many situations require the brute physical strength of a man's body, such as pushing a stuck jeep out of mud in a combat zone. But flying F-16s in combat requires brains, not strength. Lt. O'Grady has already flown F-16s as a civilian. It is absolutely insane to hold back this woman and other woman pilots from combat fighter pilot status.

I am sure that many Americans would be outraged if they knew of the unfair roadblock against Lt. Sheila O'Grady. Other nations, such as the Soviet Union, Israel, and now Holland have proven that womanpower is equal to manpower in many ways. Please use all of your influence in Congress to end this injustice to American women who aspire to serve their country as combat fighter pilots.

Most sincerely yours,
DON JORDAN●

By Mr. SHELBY:

S. 1399. A bill to prohibit the importation of products of the Toshiba Corp., and for other purposes; to the Committee on Finance.

TECHNOLOGY TRANSFER ENFORCEMENT ACT

Mr. SHELBY. Mr. President, over the past several days, we have learned of a serious threat to our national security.

Since 1979, a Japanese company, the Toshiba Machine Co., and a Norwegian Company, Konsberg have engaged in the diversion of submarine propeller quieting technology to the Soviets. This technology, has enabled the Soviet Union to equip their submarines with propellers allowing them to operate virtually undetected.

Mr. President, this illegal sale has caused irreperable harm to our national security.

Our submarine superiority, to date, has been the cornerstone of our Navy's maritime strategy of forward deployment. Mr. President, this illegal sale undermines this strategy immeasurably. As a member of the Armed Services Committee, I have received testimony this year regarding Soviet submarine forces. The Soviets have made a top military priority, improvement of their submarine fleet. The Soviets have produced 7 new attack submarine classes and 3 new strategic submarine classes in the past 10 years. This signifies remarkable advances for the Soviets.

And now, with these quieter propellers, Soviet submarines will be able to patrol within the United States 12-mile territorial limit undetected. This places Soviet missiles within 10 minutes flying time to United States targets.

Mr. President, to counter the Soviet advances made possible by these sales, the United States would be obliged to spend millions of dollars—money we just do not have.

The United States Government has abided by the principles of Cocom, the Coordinating Committee of Export Control, made up of NATO and Japan. Under Cocom's charter, sales of high technology equipment to Communist nations are restricted. Further sales of restricted technology will increase the challenge to U.S. security, and Cocom seems helpless to prevent them.

Mr. President, I am appalled that these Western companies would compromise the military superiority and security of the West for the sake of just one more sale; one more dollar.

Mr. President, today I am introducing legislation that would prohibit the importation to the United States of products manufactured by the Toshiba Corp. or by any of its direct affiliates or subsidiaries. Likewise, my bill would also prohibit the Secretary of Defense from entering into contracts or subcontracts with the Toshiba Corp. or the Norweigan trading company, Kongsberg.

The American people are outraged. Just last night I learned that a corporation in my home State of Alabama, in reaction to these illegal sales, has canceled all future contracts with the Toshiba Corp. I commend this company's display of patriotism.

And Mr. President, I commend my colleagues who have also expressed similar outrage, as the Senator from North Carolina [Mr. HELMS] did earlier today. I urge them and all of my colleagues to cosponsor this legislation and deal swiftly and firmly with this situation.

By Mr. CHAFEE:

S. 1400. A bill to suspend the duty on cultured pearls until January 1, 1991; to the Committee on Finance.

SUSPENSION OF DUTY ON CULTURED PEARLS

● Mr. CHAFEE. Mr. President, today I am introducing a bill to suspend the duty on the importation of cultured pearls. Cultured pearls are not produced in the United States, and thus this duty is not necessary to protect a domestic industry. Indeed, continuation of the duty is causing additional expenses for domestic industries, specifically the jewelry manufacturers, which use cultured pearls. The jewelry manufacturing industry accounts for over 75 percent of the imports of cultured pearls.

As we are well aware, although the downward trend in the value of the dollar has generally been good for our balance of trade, domestic industries which depend on imports have been hurt by the devaluation of the dollar. While suspending the duty on cultured pearls will not totally compensate for the drop in the value of the dollar, suspension would be an ameliorating factor and not exacerbate the problem for the domestic jewelry industry which is using these imported cultured pearls.

In 1986, the value of imported cultured pearls was $191 million. The four major supplying countries were Japan, $160.9 million; Hong Kong $11.1 million; China, $4.2 million, and Australia, $3.3 million. Japan's share of the total has declined from a high of 91.5 percent in 1983 to 84.5 percent in 1986. Imports from Japan have been declining in recent years primarily in response to the changes in the exchange rate between the dollar and the yen.

Cultured pearls are formed by a physiological reaction occurring when an irritating foreign substance becomes imbedded in the tissues of an oyster or other mollusk. This foreign body is coated with many layers of nacreous material emitted by the oyster and in time becomes a pearl. The only difference between natural and cultured pearls is that the nucleus of a cultured pearl becomes imbedded as an accident of nature. The cultured pearl is the result of an artificial "seeding" process developed in Japan in 1893.

There are many types of mollusks which emit nacre, but only the pearl oyster, the white and blacklip oysters, and a few other species form pearls valued for use in jewelry. It takes 2 to 3 years for the pearl to develop to a marketplace size—about 3 millimeters in diameter.

Although there is no commercial production of cultured pearls in the United States, the irritant used to form cultured pearls is found in the United States. Bits or pieces of the pig-toe mussel shell, found mainly in the waters of the Mississippi and Wabash Rivers are used as the nucleas for pearls by the Japanese cultivators. These shells are desirable because they are a pure form of calcium carbonate which is white in color.

In 1986, pig-toe mussel shells valued at $14 million were exported by US firms. Of this total, 83 percent went to Japan. However, exports of these marine shells declined for the first time in 1986, largely as a result of a 17-percent drop in sales to Japan. An increase in the export of pig-toe mussel shell may also be a welcome by-product of this legislation.

In summary, the duty suspension I am proposing today is warranted because there are no U.S. firms producing cultured pearls, and there are domestic industries which face increased costs as a result of the duty. Industries which are dependent upon imports are already facing higher costs as a result of the devaluation of the dollar. We do not need to continue unnecessary duties which add to their expenses.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD immediately following these remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1400

Be it enacted by the Senate and the House of Representatives of the United States of America in Congress assembled,

SEC. 1. CULTURED PEARLS.

Subpart B of part 1 of the Appendix to the Tariff Schedules of the United States is amended by inserting in numerical sequence the following new item:

"912.40	Cultivated pearls and parts thereof (provided for in item 741.06, part 6B, schedule 7).	Free	No change ...	On or before 12/31/90".

SEC. 2. EFFECTIVE DATE.

The amendment made by this Act shall apply to articles entered, or withdrawn from warehouse, for consumption on or after the date that is 15 days after the date of enactment of this Act.●

By Mr. DECONCINI (for himself, Mr. PRYOR, Mr. ADAMS, Mr. BUMPERS, and Mr. SIMON):

S. 1401. A bill to restore, on an interim basis, certain recently amended procedures for determining the maximum attorney's fees which may be charged for services performed before the Secretary of Health and Human Services under the Social Security Act and to require a report by the Secretary of Health and Human Services regarding possible improvements in such procedures; to the Committee on Finance.

SOCIAL SECURITY ATTORNEYS' FEES

● Mr. DECONCINI. Mr. President, on March 31, 1987, the Social Security Administration's Office of Hearing Appeals issued new policy guidelines regarding the processing of attorneys' fees requests for representatives of Social Security claimant's. The Office of Hearing Appeals bases the proposed change upon the Office of Inspector General report, dated January 14, 1987. The recommendations contained therein support restricting the amount of attorneys' fees to be awarded to successful appellants by the administrative law judges [ALJ's]. Specifically, an internal memorandum of March 31, 1987, from Associate Commissioner Eileen Bradley to all regional and hearing ALJ's, reduces the authority hearing level ALJ's have to award from $3,000 to $1,500. Under the new policy, fees in excess of $1,500 must be sent to the regional ALJ. Also, a $75 per hour guideline has been established as a reasonable fee.

I am deeply concerned that this new policy violates the general intent of Congress when it amended the attorneys' fee regulations of the Social Security Act in 1968 to encourage competent counsel to represent disability claimants. Further, this new restrictive policy violates the specific intent of more recent amendments in 1984 which prohibited the Social Security Administration from the continued application of unconscionable policies with respect to these claims of individuals, many of whom have neither the educational or emotional capacity to adequately represent themselves.

The ultimate question we are faced with is whether this attempt to curb potential abuse of the current attorneys' fee process is genuine, or whether the Office of Hearings Appeals is seeking to deny elderly and disabled individuals a fair hearing of their claims for benefits by reducing their ability to retain adequate legal representation in an attempt to reduce the number of successful claimants. I regret to report that the evidence presented to date shows, as many courts have found, that the Social Security Administration has apparently determined to effect economies by systematically denying disability benefits to those that are entitled to them. Therefore, I must conclude, unless otherwise shown, that this new policy with respect to the review or requests for attorneys' fees is tainted by the continued indifference to these disadvantaged individuals.

Mr. President, prior to the March 31 policy memorandum, there was no guideline as to how much could be charged per hour. If the attorneys' services were concluded at the ALJ level, the fee petition was submitted to the ALJ. The ALJ had no restriction on the amount of attorneys' fee that could be authorized per hour, but the maximum attorney's fee that the ALJ could authorize was $3,000. If the attorney requested a fee in excess of $3,000, the ALJ would forward the request to the regional administrative law judge for ruling.

Virtually all attorneys' fee petitions requested fees of $3,000 or less because either, first, 25 percent of the past-due benefits were less than $3,000; or second, even though 25 percent of the past-due benefits exceeded $3,000, the attorney would petition $3,000 which represented the maximum of the ALJ's authority in these types of cases. Most, if not all, fee petitions not exceeding $3,000 were summarily granted, including a few that may have been excessive, but were approved by an overworked ALJ that did not have the time to fully review the fee request. Yes, the possibility for abuse existed, but the current policy change is an unsubstantiated overreaction to that threat. The system wasn't perfect and could be improved upon, but it wasn't broke.

Mr. President, immediate action is required to prevent the virtual elimination of the few attorneys that continue to represent elderly, physically disabled and mentally impaired claimants. There is evidence that these new guidelines have already begun to have an effect on the willingness of attorneys around the country to represent SSDI and other Social Security beneficiaries. My office has been contacted by numerous lawyers, Social Security advocates and administrative law judges, all of whom indicate that the new fee guidelines threaten to drive attorneys specializing in Social Security claims into other areas of legal work.

Furthermore, the arguments in support of these changes in policy contradict the very rationale for their implementation. The proposed changes will likely cost more than the imagined savings to claimants. First, there can hardly be any savings to an unsuccessful claimant that couldn't afford or find a competent legal representative to represent them, even though the claim could have been easily and successfully handled by an experienced attorney. Second, the changes necessitate duplication of review for all fee requests exceeding $1,500, and remove the authority to approve the request from the person most likely to have the best and most complete information as to the quality of representation and reasonableness of the fee requested, the ALJ which favorably ruled on the appeal of the claimant. Hence, the financial base upon which to pay all benefits is reduced due to redundancy and unwise delegation of authority to a level too far detached from the basic service level.

Last, I am aware of more than one constitutional challenge which is currently being prepared by various opponents of the policy change. Ironically, the Social Security Administration will very likely be required to reinstate the former policy, and pay thousands of dollars in attorneys' fee to defend itself and pay to the prevailing parties as well as the damages sustained as a result of its' delayed payment of attorneys' fees.

Mr. President, given the apparent satisfaction with the prior guidelines, it defies logic to make such a drastic change in the current system without the benefit of a thorough examination of whether or what kind of changes are actually needed.

The bill my colleagues and I are introducing today would prohibit the implementation of the March 31 policy order. Further, the bill would impose a moratorium on the issuance of new regulations in this area for 1 year, and mandate a study by the Secretary of Health and Human Services of the issues relating to compensation for claimants' representatives, and last, require a report of the findings of that report to the Senate Finance and House Ways and Means Committees. I believe these modest steps will ensure that, pending further investigation, claimants will retain their present rights to secure competent representation and, therefore, a full and fair hearing on their appeals for Social Security benefits.

This bill is virtually identical to a recent measure introduced by Congressman BARNEY FRANK in the House of Representatives, H.R. 2312. I commend Representative FRANK for his leadership in the area. The Senate version expands the scope of the study to be conducted to assure consideration of other alternative methods of payment, such as direct payment of the full retroactive benefits to the attorney and client, and the qualifications and methods of payment for nonattorney legal representatives of Social Security claimants.

Mr. President, I also applaud the leadership of Representative ANDY JACOBS who had the foresight to hold an oversight hearing on this very issue over a month ago. The testimony given before his Ways and Means Subcommittee on Social Security was unanimously in opposition to the March 31 policy memorandum guidelines. This hearing served to educate and mobilize a vast array of senior citizen advocates, and greatly facilitated the development of this most important piece of legislation.

I urge my distinguished colleagues to cosponsor this bill, and the Finance Committee leadership to expedite consideration to prevent further erosion of the rights of Social Security applicants to a full and fair hearing on their claims.

Mr. President, I ask unanimous consent that the full text of the bill be placed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1401

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. INTERIM RESTORATION OF PROCEDURES FOR ESTABLISHING MAXIMUM FEES FOR SERVICES RENDERED BY REPRESENTATIVES OF CLAIMANTS BEFORE THE SECRETARY OF HEALTH AND HUMAN SERVICES.

(a) REPEAL OF NEW RULES.—

(1) IN GENERAL.—The provisions of the memorandum of the Associate Commissioner of Social Security, dated March 31, 1987 (relating to revised delegations of authority for administrative law judges to determine fees of representatives) which amend sections 1-220 through 1-226 of the Office of Hearings and Appeals Staff Guides and Programs Digest (commonly referred to, and hereinafter in this Act referred to, as the OHA Handbook) and Interim Circular No. 122 (relating to the determination authority regarding fees for representation of claimants) are hereby null and void.

(2) EFFECTIVE DATE.—Paragraph (1) shall apply with respect to determinations of fees made on or after March 31, 1987.

(b) INTERIM RESTORATION OF OLD RULES.—

(1) IN GENERAL.—Determinations of fees for representatives of claimants made pursuant to section 206(a) of the Social Security Act on or after March 31, 1987, and before 90 days after the date of the submission of the report required under section 2 shall be made in accordance with the provisions of—

(A) sections 1-220 through 1-226 of the OHA Handbook,

(B) Interim Circular No. 122 (referred to in subsection (a)(1)), and

(C) all other sections of the OHA Handbook to the extent they relate to fees for representation of claimants determined pursuant to such section 206(a),

as such provisions were in effect on March 30, 1987.

(2) RECONSIDERATION.—Any determination made by or under the Secretary of Health and Human Services on or after March 31, 1987, and on or before the date of the enactment of this Act which was made contrary to the requirements of paragraph (1) shall be immediately reconsidered in accordance with such requirements.

SEC. 2. STUDY RELATING TO POSSIBLE IMPROVEMENTS IN PROCEDURES FOR ESTABLISHING MAXIMUM FEES FOR SERVICES RENDERED BY REPRESENTATIVES OF CLAIMANTS BEFORE THE SECRETARY OF HEALTH AND HUMAN SERVICES.

(a) STUDY BY THE SECRETARY OF HEALTH AND HUMAN SERVICES.—As soon as possible after the date of the enactment of this Act, the Secretary of Health and Human Services shall undertake a thorough study with respect to the procedures for establishing maximum fees for services rendered by representatives of claimants before the Secretary pursuant to section 206(a) of the Social Security Act. In conducting the study, the Secretary shall solicit comments from attorneys who have served as such representatives.

(b) MATTERS TO BE STUDIED.—(1) In carrying out the study provided for in this section, the Secretary of Health and Human Services shall address, analyze, and report specifically on—

(A) possible changes in the fee authorization and payment processes under section 206(a) of the Social Security Act which—

(i) would produce fees which are more fair, equitable, and consistent and which both protect the economic security interests of claimants and fairly compensate attorney and nonattorney representatives for their services, and

(ii) would simplify such processes to ensure more timely reimbursement for quality services provided by representatives, and

(B) any other matters which the Secretary considers would be relevant and useful to the Congress in considering legislation relating to such processes.

(2) The possible changes to be addressed by the Secretary under paragraph (1)(A) include (but are not limited to)—

(A) withholding the fees of nonattorney representatives from past-due benefits in the same manner in which the fees of attorneys are withheld from such benefits (as described in the fourth sentence of section 206(a) of the Social Security Act), and

(B) issuing reimbursement checks that require the endorsement of the claimant and the representative (and other alternative reimbursement mechanisms).

(c) REPORT.—Not later than 270 days after the date of the enactment of this Act, the Secretary of Health and Human Services shall submit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate a report of the findings of the study provided for in this section, together with any recommendations the Secretary considers appropriate.

● Mr. PRYOR. Mr. President, I am proud to join the distinguished Senator from Arizona [Mr. DECONCINI] and others in sponsoring legislation designed to maintain access to legal representation for Social Security disability claimants. This is an issue of great concern to me, and I urge my colleagues to join in our efforts.

Since the early 1980's I have been concerned about the manner in which the reviews of Social Security disability cases have been conducted. In 1984 the Congress took steps to reform the continuing disability review process, and that legislation is beginning to be implemented by the Social Security Administration [SSA]. Reviews are beginning to come through the pipeline, and in the coming months we will begin to get a better feel for the effectiveness of the changes we legislated.

However, a new concern has arisen with respect to the payment of attorneys' fees for Social Security cases; I believe this issue must be addressed if claimants are to be assured the right to due process throughout the benefit appeals process.

Over the years SSA has made several attempts to alter the attorneys' fees award process. By law SSA holds back up to 25 percent of past due benefits in order to ensure some payment will be available to the attorney. In addition (under current law), an administrative law judge [ALJ] may authorize up to $3,000 in fee payments for a claimant's representative. All petitions over $3,000 until recently were referred to the regional chief ALJ's office for review.

In August 1986 the Department proposed in the Federal Register that SSA be permitted to review attorneys' fee petitions on its "own motion" if there appeared to be an error of fact of improper application of the statute or regulations. There was widespread opposition to this proposal—many saw it as an opportunity for SSA to review and reject attorneys' fee petitions on an ad hoc basis and to further discourage claimant representation. SSA never implemented the change.

In January 1987, the Health and Human Services [HHS] Inspector General issued a report critical of the current attorney fee process. The IG cited problems with inadequate administrative law judge review of fee petitions and excessive fee awards. In response to the report, the SSA Associate Commissioner for Hearings and Appeals issued revised procedures for the handling of attorneys' fees effective March 31, 1987, which limited fee awards to $1,500; anything over $1,500 must be reviewed by a regional chief ALJ. In addition, recommendation was made that fee rates not exceed $75 per hour, the amount stipulated as the maximum Government payment under the Equal Access to Justice Act. These changes were implemented without the benefit of public notice and comment opportunity in the Federal Register.

In testimony before the House Social Security Subcommittee, Associate Commissioner of the Office of Hearings and Appeals Eileen Bradley stated that these changes were "interim" in nature—that the Department was reviewing the attorneys' fees process thoroughly with the goal of publishing proposed regulations by the end of the summer. Associate Commissioner Bradley testified that the IG's proposals do not adequately address the concerns about the fee approval process.

Bradley's testimony raises an important question. If the Department is not satisfied with the IG's recommendations and intends to overhaul the attorneys' fees process, why implement unacceptable "interim" changes? If the Department is not ready, as yet, to deal with this area in a comprehensive manner, why not wait until the prolems can be thoroughly addressed? The Department's action will only serve to further discourage attorneys from representing claimants.

In fact, it is my understanding that a major problem with attorneys' fees in these cases is that the final approval and awarding of a fee takes months beyond resolution of the case. With the imposition of a lower fee threshold for regional office review, even more fee petitions will be subject to review than in the past, further clogging the pipeline for resolution of these cases.

The legislation we are introducing today would take modest steps toward the resolution of the attorneys' fees problem. First, it would prohibit the implementation of the March 31 policy change. In addition, HHS would be prohibited from issuing new regulations regarding claimants' attorneys' fees for 1 year, and the Department would be required to report back to the Ways and Means and Finance Committees a study on issues related to compensation for claimants' representatives.

I believe enactment of this legislation essential to the preservation of claimants' right to adequate representation and a fair review of their cases until such time as the claimants' representatives fee issues can be satisfactorily resolved. I urge my colleagues to join in suport of this action.●

● Mr. ADAMS. Mr. President, I rise in support of this legislation. This is one more chapter in an on-going struggle between the Social Security Administration and Congress over the Social Security Administration's handling of its benefit programs. Congress decided many years ago that the Social Security programs we have today were good public policy. The Social Security Administration does not exist as an entity to save money, or cut costs. It exists to ensure that Government benefits are distributed to eligible recipients as quickly and fairly as possible.

Unfortunately, the Social Security Administration has acted in recent years as if its mission in life is to singlehandedly eliminate the entire Federal deficit by slashing its rolls and making it as difficult as possible for qualified elderly and disabled Americans to receive benefits. Previous attempts to do so have been met with swift congressional resistance. However, the Social Security Administration is regrettably nothing but persistent, and once again Congress is forced to respond.

On March 31, The Social Security Administration's Office of Hearings and Appeals [OHA] issued guidelines limiting allowable attorneys' fees in successful benefit appeals. Under current rules, administrative law judges who presided over a case could award a successful attorney up to $3,000 in fees. Under the recent OHA order, however, allowable attorneys' fees by the ALJ who hears the case would be limited to an amount equal to no more than $75 per hour worked by that attorney up to a limit of $1,500.

I believe that as a result of this rule, many attorneys who do these kinds of cases, which are hardly lucrative at the present time, will no longer be able to do so. This means that claimants, who often have disabilities which limit their functioning, will be forced to make their way through a tortuous application and appeal procedure without assistance. I believe that in many cases persons eligble for benefits will not receive them.

Social Security has every right to make decisions about how persons who represent Social Security claimants should be compensated for their work. Given, however, that Social Security has designed its application process so that eligible claimants will often not receive the benefits to which they are entitled by law unless they retain qualified representation, modification of the representative compensation rules should be subject to public and congressional scrutiny.

This legislation, I believe, is offered in the spirit of cooperation that should exist between Congress and the Social Security Administration. It does not tell Social Security how to structure its representative compensation process. The legislation merely rescinds an arbitrary internal decision, and asks for a study and report to Congress on this important issue.

One side issue I would like to briefly discuss concerns the matter of compensation of representatives who are not attorneys. The bill directs the Secretary to consider the possibility of withholding the fees of nonattorney representatives from past-due benefits in the same manner in which the fees of attorneys are withheld under current law. At this time this is the only distinction that the official Social Security Federal regulations make between attorney and nonattorney claimant representatives. Nonattorneys can represent claimants, they can charge contingency fees for their services, they can collect the same amount of money as attorneys' the only difference is that they have to collect their fees directly from their indigent clients.

I believe that this entire issue is ripe for reexamination. While there is no substitute for trained legal counsel in any legal or quasi-legal setting, properly trained nonattorneys are capable of providing competent representation in this particular situation. I am aware of several excellent organizations in my State who provide assistance to claimants who are unable to find an attorney.

Under current regulations, all fee awards are approved by either the administrative law judge who heard the case, or one of their supervisers. Because these awards are made mostly by persons with direct experience with the quality of the representative's work, I believe there are sufficient safeguards in place to ensure that fees are awarded only to people who have earned them. There is no reason, therefore, why nonattorney representatives should be forced to go to their former clients for compensation, with all the difficulty and animosity that entails, when Social Security has a withholding mechanism in place.

In addition to the issue of compensation, I am concerned that the regulations as written allow for totally unskilled persons to act as claimant representatives. I encourage the Social Security Administration to use the study mandated in this act as an opportunity to consider methods of ensuring that representatives must be able to demonstrate the minimum skills neccessary for effective representation.

By Mr. KENNEDY (for himself, Mr. HATCH, Mr. HARKIN, Mr. MITCHELL, Mr. MATSUNAGA, Mr. WEICKER, Mr. STAFFORD, Mr. INOUYE, Mr. SIMON, and Mr. BURDICK):

S. 1402. A bill to amend title VIII of the Public Health Service Act establish programs to reduce the shortage of professional nurses; to the Committee on Labor and Human Resources.

NURSING SHORTAGE REDUCTION ACT

● Mr. KENNEDY. Mr. President, today I am introducing legislation to address the national nursing shortage, which has reached crisis proportions. This shortage is threatening the quality of health care in our Nation. New initiatives are necessary to improve working conditions for nurses in acute and long-term care settings. Moreover, without intensive recruitment efforts, the problem will only increase.

The legislation proposes demonstration projects to improve the working conditions in hospitals, enhance the links between academic nursing programs and long-term care settings, and develop regional recruitment centers to increase enrollment in our nation's nursing programs.

BACKGROUND

Recent reports from health care facilities and organizations have indicated that our Nation is currently experiencing a nurse shortage more severe and widespread than any previously reported. A recent study from the American Organization of Nurse Executives reports that our Nation's hospitals are having great difficulty with recruiting both new and experienced nurses to fill vacant positions. The vacancy rate for RN's more than doubled between 1985 and 1986, from 6.3 percent to 13.6 percent. In some regions of the country, notably the New England and Middle Atlantic regions, hospitals are reporting recruitment periods in excess of 90 days. Almost one-quarter of our Nation's hospitals reported vacancy rates in excess of 15 percent. Vacant registered nurse positions were more likely to occur in our Nation's largest hospitals, those settings which are most likely to need the most sophisticated or highly educated nurses. In fact, 87 percent of the hospitals reported extreme difficulty with recruitment of nurses to work in intensive care units or coronary care units.

These figures, although startling, do not tell the entire story. In the past, policymakers attempting to deal with nursing shortages have considered attempts to entice nonpracticing nurses who have left nursing to return to the health care system as health care providers. However, today, our Nation's nurses are more likely to be employed than ever. The employment rate of nurses stays high at all ages, with significant decline only occurring at the age when most working individuals seek retirement. Therefore, any legislative initiatives aimed at reentry into practice will likely not address the problem at hand. Of the 1.8 million nurses in this country, 1.5 million are currently employed in nursing.

Of even greater concern for the future of health care are the current projections related to nursing school enrollments. The American Association of Colleges of Nursing reports that in the last year, enrollments in baccalaureate nursing programs decreased by 12.6 percent. Moreover, from 1984 to 1986, nursing school enrollments decreased by 17.6 percent.

A recent study completed at the University of California, Los Angeles, projects even greater drops in the next few years. The study has identified career choice trends of entering college freshmen. In the last 2 years, the number of first-time, full-time freshmen desiring to be nurses has decreased by 33 percent. This figure projects even greater declines in actual nursing school enrollments in the next few years.

The solutions are complex because the issues causing the problems are complex. Nurses work in settings that require round the clock coverage. Financial rewards are not commensurate with the responsibilities required of nurses; opportunities for upward mobility are lacking; nurses have insufficient authority and autonomy in the work setting; work demands are increasing because of rising severity of illness; and nurses do not participate in management decisions regarding the practice standards or support services necessary for high quality care.

The result has been declining interest in nursing as a career choice. To entice more individuals to choose nursing as a career, the problems identified above must be addressed.

LEGISLATIVE PROPOSAL

I am proposing matching demonstration projects to support creative hospital nursing practice models designed to reduce nurse vacancies and make the hospital nursing role more attractive as a career option. Demonstrations would include ways to restructure the clinical nurse role, and test innovative wage structures and benefits for nurses. Two million dollars would be spent to conduct these demonstrations.

There is a clearly projected need for more nurses to care for the elderly, so I am also proposing long-term care practice demonstrations to demonstrate liaisons between practice and education to increase quality of care and recruitment of nurses in home health care and nursing home care.

Two million dollars would be authorized for this purpose next year.

The final initiative in this legislation would establish one to five regional model professional nurse recruitment centers to recruit individuals into professional nursing education. Programs would be targeted at four groups: First, 12 to 14 year olds, second, high school students, third, college students with an undeclared major, and fourth, adult learners desiring to enter nursing. Activities of the centers will include:

Developing and compiling resource materials to be disseminated to groups such as community and professional organizations, career and guidance counselors in educational institutions, hospitals, and the public media;

Identifying potential applicants for nursing education and providing information on the role of the nurse and nursing education programs; and

Assisting groups in establishing nurse mentorships that link potential nurse applicants with nurse role models.

Proposed authorization for this program would be $1 million for fiscal year 1988.

To ensure quality of care in our Nation's health-care system, we must address problems facing the nursing profession today. This legislation is a step in that direction. I urge my colleagues to join me in this endeavor, and I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1402

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Nursing Shortage Reduction Act of 1987".

ESTABLISHMENT OF PROGRAM

SEC. 2. Title VIII of the Public Health Service Act is amended by adding at the end and thereby the following new part:

"PART D—INITIATIVES TO REDUCE NURSING SHORTAGES

"ADVISORY COMMITTEE

"SEC. 861. The Secretary shall establish a special advisory committee to develop a comprehensive plan which specifies long-term solutions to the problems experienced by hospitals and other health care institutions in recruiting and retaining professional nurses. Such committee shall consist of representatives of professional nursing organizations, other health care professional organizations, hospitals and other health care providers, and experts in rural health care.

"INNOVATIVE HOSPITAL NURSING PRACTICE MODELS

"SEC. 862. (a) The Secretary shall make a grant to a nonprofit private entity with a demonstrated record in supporting innovative health initiatives for a project to demonstrate and evaluate innovative hospital nursing practice models designed to reduce vacancies in hospital nursing positions and to make the hospital nursing position a more attractive career choice. Models demonstrated and evaluated under a grant under this section shall include initiatives to—

"(1) restructure the role of the hospital nurse, through changes in the composition of hospital staffs, in order to ensure that the particular expertise of nurses is efficiently utilized and that nurses are engaged in direct patient care during a larger proportion of their work time;

"(2) test innovative wage structures for nurses in order to—

"(A) reduce vacancies in work shifts during unpopular work hours; and

"(B) provide financial recognition based upon experience and education; and

"(3) evaluate the effectiveness of providing benefits for nurses, such as pensions, sabbaticals, and payment of educational expenses, as a means of developing increased loyalty of nurses to health care institutions and reducing turnover in nursing positions.

"(b) The Federal share of the costs oi the project supported with a grant under this section shall not exceed 50 percent.

"(c) For a grant under this section, there are authorized to be appropriated $2,000,000 for each of the fiscal years 1988, 1989, and 1990.

"LONG-TERM CARE NURSING PRACTICE DEMONSTRATION

"SEC. 863. (a) The Secretary shall make grants to or enter contracts with public and nonprofit private collegiate schools of nursing for projects to demonstrate and evaluate innovative nursing practice models with respect to the provision of long-term managed health care services and health care services in the home or the provision of health care services in long-term care facilities. Models demonstrated and evaluated with grants and contracts under this section shall be designed to increase the recruitment and retention of nurses to provide nursing care for individuals needing long-term care and to improve nursing care in home health care systems and nursing homes.

"(b) For grants and contracts under this section, there are authorized to be appropriated $2,000,000 for fiscal year 1988 and such sums as may be necessary for each of the fiscal years 1989 and 1990.

"NURSE RECRUITMENT CENTERS

"SEC. 864. (a) The Secretary shall make grants to and enter into contracts with public and nonprofit private entities to develop, establish, and operate at least one and not more than five regional model professional nurse recruitment centers for the purpose of recruiting individuals to enter education programs to train professional nurses.

"(b) Each center developed, established, or operated with a grant or a contract under this section shall—

"(1) conduct nursing recruitment programs directed towards—

"(A) individuals between the ages of 12 and 14 years of age;

"(B) individuals who are enrolled in high schools;

"(C) individuals enrolled in colleges and universities who have not declared a major field of study; and

"(D) adults who are not in school and who may desire to enter nursing;

"(2) develop and compile resource materials concerning professional opportunities in nursing, and disseminate such materials to appropriate individuals and groups, such as community and professional organizations, hospitals, career and guidance counselors in educational institutions, and the print and broadcast media;

"(3) identify potential applicants for nursing education programs and provide information to such potential applicants on the role of the nurse and nursing education programs; and

"(4) assist individuals and organizations to establish mentor relationships between professional nurses and potential applicants for nursing education programs.

"(c) For grants and contracts under this section, there are authorized to be appropriated $1,000,000 for fiscal year 1988 and such sums as may be necessary for each of the fiscal years 1989 and 1990.

"APPLICATION REQUIREMENTS

"SEC. 865. No grant may be made and no contract may be entered into under this part unless an application therefor is submitted to the Secretary at such time, in such form, and containing such information as the Secretary may prescribe.".

● Mr. HARKIN. Mr. President, I rise today to join my distinguished colleague from Massachusetts, Mr. KENNEDY, in the introduction of the Nursing Shortage Reduction Act of 1987, a bill to address the critical problem of the shortage and recruitment of nurses.

We face a grave problem in our health care system due to the nursing shortage. Today patients in our hospitals are sicker than ever before, requiring more nursing care. This problem is compounded by a lack of nurses to care for these patients.

Nationwide, the vacancy rates for registered nurses in hospitals more than doubled between 1985 and 1986, up from 6.3 percent to 13.6 percent. A recent findings by the American Hospital Association found that 83 percent of hospitals reported registered nurse vacancies in 1986, compared with 65 percent in 1985.

In my own home State of Iowa, the Iowa Association of Colleges of Nursing estimates there are two to three times as many hospital nursing positons open nationally as there were a year ago. This shortage is not contained to a specific region either, it is a national problem.

The nursing shortage is not expected to improve either in the next few years, due to declining enrollment for nursing schools. From 1983 to 1985 there has been a 13-percent decline in enrollment in nursing school's nationally. In Iowa, schools of nursing reported a 24- to 50-percent decrease in admissions in the past year.

This dilemma poses a serious threat to the quality of health care services. The ratio of patients to nurses is much too high to care for patients safety and adequately. Nurses also face serious problems in their work environment. The pressure on nurses in hospitals today is tremendous. They are caring for critically ill patients in technologically complex environments, facing earlier discharage problems and coping with chronic staffing problems. They have been underpaid, and have historically not been recognized for the knowledge they contribute to the health care process. If measures are not taken now to correct the shortage and recruitment problem, it will only exacerbate the problem; discouraging nurses from remaining in nursing and others from entering the profession.

This legislation is a significant step toward addressing these problems. It would establish an advisory committee to develop a long-term comprehensive plan to deal with these problems, and demonstration grant money to develop innovative nursing practice models designed to make nursing an attractive career choice. It also addresses the needs of long-term care facilities in relation to the nursing shortage.

I commend this legislative initiative and hope my fellow colleagues will join me in supporting this legislation.●

● Mr. SIMON. Mr. President, I am proud to join my distinguished colleague and chairman of the Labor and Human Committee as a cosponsor of the Nursing Shortage Reduction Act of 1987. I thank Senator KENNEDY and his staff for their fine efforts.

Recent surveys by both the American Nurses Association and the Institute of Medicine confirm that we are experiencing a nursing shortage that is likely to become increasingly serious. The vacancy rate for registered nurses [RN's] in U.S. hospitals has gone from 6.3 percent in 1985 to 13.6 percent in 1986. Enrollment in nursing schools is down, resulting in an estimated 15 percent decline in graduation from 1986 to 1990. Particularly as a result of the changing nature of health care, the demand for nurses with bachelors, masters, and doctoral degrees is predicted to exceed the supply in the 1990's. We must be doing all that we can to encourage nursing as a profession.

As we seek ways to reduce the cost of health care while improving the quality of care, we simply cannot overlook the role of nurses as primary care providers. The December 1986 OTA report on quality and cost-effectiveness of nurse practitioners [NP's], certified nurse midwives [CNM's] and physician assistants [PA's] noted that in addition to providing care of equivalent quality, the NP's and CNM's are more adept than other health-care workers at providing services that depend on communication with patients and preventive actions.

I am supportive of cost containment. I am concerned, however, that as we continue to send this message of "cut at all costs" that we are sacrificing both quality and access. My reading of the OTA report is that by better utilizing nurses, we can contain costs and improve care quality.

Professional nursing care must be seen as a economical approach to servicing the health of the population at large. With primary prevention, health promotion can become the norm, ultimately saving health-care dollars.

This legislation is a step in the right direction and I am pleased to support it.●

NURSING SHORTAGE REDUCTION

● Mr. BURDICK. Mr. President, I am pleased to join my colleagues in offering the Nursing Shortage Reduction Act of 1987. There is a developing shortage of nurses in various locations throughout the country. The problem will only worsen as States such as North Dakota continue to see enrollments in their schools of nursing decline. Many nurses who graduate from nursing shools in North Dakota tend to leave the State and practice elsewhere across the country making North Dakota a provider State of nurses for other States. However, as schools in North Dakota and those across the country experience declining numbers in admissions and subsequent enrollments, the quality of health care in North Dakota and other States will be adversely affected.

Initially, some health care facilities may be able to absorb a small number of vacant positions. However, if a hospital in a rural town such as Northwood Deaconess Hospital in Northwood, ND, a 25 bed hospital, loses two or three nurses, a nursing shortage exists. The decline in enrollments compounded by problems with retention of nurses in health care facilities have far-reaching implications for both rural and urban settings. Moreover, we are losing adequate numbers of professional nures at the very time when health care delivery is exhibiting increasing complexity. This increasing complexity requires very knowledgeable and highly skilled nurses in the provision of patient care.

The increase in health care sophistication makes nursing practice more demanding than ever before. Yet it has been noted that college educated nurses often earn less than the average hospital maintenance worker. The tremendous responsibility dealing with minute-by-minute needs of very sick patients coupled with expectations to work overtime in the absence of adequate numbers of nurses and salaries that frequently are uncompetitive with other disciplines lead to talented men and women opting for other career paths. That is a loss that the health care system cannot afford.

The Nursing Shortage Reduction Act of 1987 is a comprehensive initiative that will address problems related to both nursing school enrollments and retention of nurses in health-care settings. Furthermore, the bill targets the special needs for nurses exhibited in long term and home health care settings. Important to rural areas, the bill will establish an advisory committee which will include rural health care experts.

The committee will be responsible for determining greatly needed long term solutions to the nursing shortage crisis unique to rural and urban settings. With these extremely important components in place, I firmly believe this legislation can help the health-care system maintain its supply of one of the most important health professionals in our country—nurses.

I would urge my Senate colleagues to join me in supporting this effort to minimize the increasingly adverse effects of the nursing shortage on the recipients of health care.●

ADDITIONAL COSPONSORS

S. 104

At the request of Mr. INOUYE, the names of the Senator from New Mexico [Mr. DOMENICI], and the Senator from Nebraska [Mr. EXON] were added as cosponsors of S. 104, a bill to recognize the organization known as the National Academies of Practice.

S. 328

At the request of Mr. BYRD, his name was added as a cosponsor of S. 328, a bill to amend chapter 39, United States Code, to require the Federal Government to pay interest on overdue payments, and for other purposes.

S. 533

At the request of Mr. THURMOND, the name of the Senator from Massachusetts [Mr. KERRY] was added as a cosponsor of S. 533, a bill to establish the Veterans' Administration as an executive department.

S. 567

At the request of Mr. DECONCINI, the names of the Senator from Montana [Mr. MELCHER], and the Senator from Louisiana [Mr. BREAUX] were added as cosponsors of S. 567, a bill to clarify the circumstances under which territorial provisions in licenses to distribute and sell trademarked malt beverage products are lawful under the antitrust laws.

S. 604

At the request of Mr. PRYOR, the name of the Senator from Connecticut [Mr. WEICKER] was added as a cosponsor of S. 604, a bill to promote and protect taxpayer rights, and for other purposes.

S. 979

At the request of Mr. EVANS, the name of the Senator from South Dakota [Mr. DASCHLE] was added as a cosponsor of S. 979, a bill to provide that political candidates meet certain requirements in advertising.

S. 997

At the request of Mr. PELL, the name of the Senator from Missouri [Mr. BOND] was added as a cosponsor of S. 997, a bill to require the Director of the National Institute on Aging to provide for the conduct of clinical trials on the efficacy of the use of tetrahydroaminoacidine in the treatment of Alzheimer's disease.

S. 1199

At the request of Mr. LAUTENBERG, the names of the Senator from Hawaii [Mr. INOUYE], the Senator from Alaska [Mr. STEVENS], and the Senator from Arizona [Mr. DECONCINI] were added as cosponsors of S. 1199, a bill to prevent suicide by youth.

S. 1203

At the request of Mr. GRASSLEY, the name of the Senator from South Carolina [Mr. HOLLINGS] was added as a cosponsor of S. 1203, a bill to amend title 22, United States Code, to make unlawful the establishment or maintenance within the United States of an office of the Palestine Liberation Organization, and for other purposes.

S. 1207

At the request of Mr. DURENBERGER, the names of the Senator from Oklahoma [Mr. BOREN], and the Senator from Iowa [Mr. GRASSLEY] were added as cosponsors of S. 1207, a bill to amend title XVIII of the Social Security Act to establish a program of grants, funded from the Federal hospital insurance trust fund, to assist small rural hospitals in modifying their service mixes to meet new community needs and in providing more appropriate and cost-effective health care services to Medicare beneficiaries.

S. 1220

At the request of Mr. KENNEDY, the names of the Senator from Hawaii [Mr. INOUYE], the Senator from Hawaii [Mr. MATSUNAGA], the Senator from North Dakota [Mr. BURDICK], the Senator from Utah [Mr. HATCH], the Senator from South Carolina [Mr. THURMOND], the Senator from Vermont [Mr. STAFFORD], the Senator from Connecticut [Mr. WEICKER], and the Senator from Mississippi [Mr. COCHRAN] were added as cosponsors of S. 1220, a bill to amend the Public Health Service Act to provide for a comprehensive program of education, information, risk reduction, training, prevention, treatment, care, and research concerning acquired immunodeficiency syndrome.

S. 1234

At the request of Mr. CHAFEE, the name of the Senator from Pennsylvania [Mr. HEINZ] was added as a cosponsor of S. 1234, a bill to amend title 38, United States Code, to ensure eligibility of certain individuals for beneficiary travel benefits when traveling to Veterans' Administration medical facilities.

S. 1242

At the request of Mr. HUMPHREY, the name of the Senator from South Carolina [Mr. THURMOND] was added as a cosponsor of S. 1242, a bill to prohibit the use of Federal funds for abortions except where the life of the mother would be endangered, and to prohibit the provision under title X of the Public Health Service Act of Federal family planning funds to organizations that perform or refer for abortions, except where the life of the mother would be endangered, and for other purposes.

S. 1247

At the request of Mr. MCCAIN, the name of the Senator from South Carolina [Mr. THURMOND] was added as a cosponsor of S. 1247, a bill to designate the area of Arlington National Cemetery where the remains of four unknown service members are interred as the "Tomb of the Unknowns."

S. 1280

At the request of Mr. QUAYLE, the names of the Senator from New York [Mr. MOYNIHAN], the Senator from Pennsylvania [Mr. HEINZ], and the Senator from Indiana [Mr. LUGAR] were added as cosponsors of S. 1280, a bill to increase the sale of United States-made auto parts and accessories to Japanese markets for original and after-market equipment in Japan, in the United States and in third markets, and for other purposes.

S. 1333

At the request of Mr. MCCONNELL, the names of the Senator from Texas [Mr. GRAMM], the Senator from South Dakota [Mr. PRESSLER], the Senator from Nevada [Mr. HECHT], the Senator from California [Mr. WILSON], and the Senator from Alaska [Mr. MURKOWSKI] were added as cosponsors of S. 1333, a bill to allow the 65 miles per hour speed limit on highways that meet interstate standards and are not currently on the National System of Interstate and Defense Highways.

At the request of Mr. NICKLES, the names of the Senator from Mississippi [Mr. COCHRAN] was added as a cosponsor of S. 1333, supra.

S. 1351

At the request of Mr. LAUTENBERG, his name was added as a cosponsor of S. 1351, a bill to amend the Clean Air Act to establish new requirements for areas that have not yet attained the health-protective ambient air quality standards, to provide new deadlines for such attainment, to delay the imposition of sanctions, and for other purposes.

S. 1365

At the request of Mr. GRAHAM, the name of the Senator from North Carolina [Mr. SANFORD] was added as a cosponsor of S. 1365, a bill to amend title 38, United States Code, to establish presumptions of service connection for certain diseases of former prisoners of war.

S. 1371

At the request of Mr. MOYNIHAN, the names of the Senator from Illinois [Mr. DIXON], the Senator from Michigan [Mr. LEVIN], and the Senator from Arkansas [Mr. BUMPERS] were added as cosponsors of S. 1371, a bill to designate the Federal building located at 330 Independence Avenue SW, Washington, District of Columbia, as the "Wilbur J. Cohen Federal Building."

SENATE JOINT RESOLUTION 26

At the request of Mr. PELL, the names of the Senator from Maine [Mr. MITCHELL], the Senator from Missouri [Mr. BOND], the Senator from Indiana [Mr. QUAYLE], the Senator from Missouri [Mr. DANFORTH], and the Senator from Kansas [Mrs. KASSEBAUM] were added as cosponsors of Senate Joint Resolution 26, a joint resolution to authorize and request the President to call a White House Conference on Library and Information Services to be held not later than 1989, and for other purposes.

SENATE JOINT RESOLUTION 106

At the request of Mr. BINGAMAN, the names of the Senator from Alaska [Mr. MURKOWSKI], and the Senator from South Dakota [Mr. DASCHLE] were added as cosponsors of Senate Joint Resolution 106, a joint resolution to recognize the Disabled American Veterans Vietnam Veterans National Memorial as a memorial of national significance.

SENATE JOINT RESOLUTION 109

At the request of Mr. DURENBERGER, the names of the Senator from Utah [Mr. GARN], and the Senator from Kentucky [Mr. FORD] were added as cosponsors of Senate Joint Resolution 109, a joint resolution to designate the week beginning October 4, 1987, as "National School Yearbook Week."

SENATE JOINT RESOLUTION 121

At the request of Mr. TRIBLE, the names of the Senator from Indiana [Mr. QUAYLE], the Senator from Oregon [Mr. PACKWOOD], the Senator from New Jersey [Mr. LAUTENBERG], the Senator from Michigan [Mr. LEVIN], the Senator from Minnesota [Mr. BOSCHWITZ], the Senator from Missouri [Mr. BOND], the Senator from Minnesota [Mr. DURENBERGER], and the Senator from South Carolina [Mr. THURMOND] were added as cosponsors of Senate Joint Resolution 121, a joint resolution designating August 11, 1987, as "National Neighborhood Crime Watch Day."

SENATE JOINT RESOLUTION 122

At the request of Mr. METZENBAUM, the names of the Senator from Rhode Island [Mr. PELL], the Senator from Rhode Island [Mr. CHAFEE], the Senator from Mississippi [Mr. COCHRAN], the Senator from Mississippi [Mr. STENNIS], the Senator from New Mexico [Mr. DOMENICI], the Senator from Washington [Mr. ADAMS], the Senator from Georgia [Mr. FOWLER], the Senator from Minnesota [Mr. BOSCHWITZ], the Senator from Oklahoma [Mr. BOREN], the Senator from California [Mr. WILSON], the Senator from Kansas [Mr. DOLE], and the Senator from New Hampshire [Mr. Humphrey] were added as cosponsors of Senate Joint Resolution 122, a joint resolution to designate the period commencing on October 18, 1987, and ending on October 24, 1987, as "Gaucher's Disease Awareness Week."

SENATE JOINT RESOLUTION 136

At the request of Mr. Humphrey, the names of the Senator from Ohio [Mr. Metzenbaum], the Senator from Rhode Island [Mr. Pell], and the Senator from Colorado [Mr. Wirth] were added as cosponsors of Senate Joint Resolution 136, a joint resolution to designate the week of December 13, 1987, through December 19, 1987, as "National Drunk and Drugged Driving Awareness Week."

SENATE JOINT RESOLUTION 142

At the request of Mr. Weicker, the names of the Senator from Montana [Mr. Baucus], and the Senator from Georgia [Mr. Fowler] were added as cosponsors of Senate Joint Resolution 142, a joint resolution to designate the day of October 1, 1987, as "National Medical Research Day."

SENATE JOINT RESOLUTION 148

At the request of Mr. D'Amato, the names of the Senator from Ohio [Mr. Glenn], the Senator from Colorado [Mr. Wirth], the Senator from Florida [Mr. Chiles], the Senator from Texas [Mr. Bentsen], and the Senator from Maryland [Ms. Mikulski] were added as cosponsors of Senate Joint Resolution 148, a joint resolution designating the week of September 20, 1987, through September 26, 1987, as "Emergency Medical Services Week."

SENATE JOINT RESOLUTION 154

At the request of Mr. Pell, the names of the Senator from Vermont [Mr. Leahy], the Senator from Ohio [Mr. Glenn], the Senator from Georgia [Mr. Nunn], the Senator from Florida [Mr. Chiles], the Senator from Utah [Mr. Hatch], the Senator from Michigan [Mr. Riegle], the Senator from Georgia [Mr. Fowler], the Senator from Massachusetts [Mr. Kerry], the Senator from Hawaii [Mr. Matsunaga], the Senator from Illinois [Mr. Simon], the Senator from South Dakota [Mr. Pressler], the Senator from Montana [Mr. Baucus], the Senator from Mississippi [Mr. Cochran], the Senator from Minnesota [Mr. Durenberger], the Senator from California [Mr. Cranston], the Senator from South Carolina [Mr. Hollings], the Senator from Mississippi [Mr. Stennis], the Senator from North Dakota [Mr. Burdick], and the Senator from Wisconsin [Mr. Kasten] were added as cosponsors of Senate Joint Resolution 154, a joint resolution to designate the period commencing on November 15, 1987, and ending on November 22, 1987, as "National Arts Week."

SENATE JOINT RESOLUTION 155

At the request of Mr. McCain, the names of the Senator from New Jersey [Mr. Bradley], the Senator from Rhode Island [Mr. Chafee], the Senator from Kansas [Mr. Dole], the Senator from Minnesota [Mr. Durenberger], the Senator from Hawaii [Mr. Inouye], the Senator from Michigan [Mr. Riegle], the Senator from Vermont [Mr. Stafford], the Senator from California [Mr. Wilson], the Senator from Pennsylvania [Mr. Heinz], the Senator from Utah [Mr. Hatch], the Senator from Wisconsin [Mr. Kasten], the Senator from New York [Mr. D'Amato], the Senator from Wyoming [Mr. Wallop], the Senator from Virginia [Mr. Warner], the Senator from Washington [Mr. Evans], the Senator from California [Mr. Cranston], the Senator from Maryland [Ms. Mikulski], the Senator from Connecticut [Mr. Dodd], the Senator from Missouri [Mr. Danforth], the Senator from Alaska [Mr. Murkowski], the Senator from Indiana [Mr. Quayle], the Senator from Pennsylvania [Mr. Specter], the Senator from Oklahoma [Mr. Boren], the Senator from Massachusetts [Mr. Kerry], the Senator from Florida [Mr. Graham], the Senator from Arizona [Mr. DeConcini], the Senator from Colorado [Mr. Wirth], the Senator from Kansas [Mrs. Kassebaum], and the Senator from North Carolina [Mr. Helms] were added as cosponsors of Senate Joint Resolution 155, a joint resolution to designate the period commencing on September 13, 1987, and ending on September 19, 1987, as "National Reye's Syndrome Week."

SENATE JOINT RESOLUTION 161

At the request of Mr. DeConcini, the name of the Senator from Iowa [Mr. Grassley] was added as a cosponsor of Senate Joint Resolution 161, a joint resolution proposing an amendment to the Constitution to provide for a balanced budget for the U.S. Government and for greater accountability in the enactment of tax legislation.

SENATE JOINT RESOLUTION 162

At the request of Mr. Johnston, the names of the Senator from Georgia [Mr. Nunn], the Senator from Arizona [Mr. DeConcini], the Senator from Hawaii [Mr. Inouye], and the Senator from New Jersey [Mr. Bradley] were added as cosponsors of Senate Joint Resolution 162, a joint resolution to designate the month of August 1987, as "Cajun Music Month."

SENATE CONCURRENT RESOLUTION 15

At the request of Mr. Hatch, his name was added as a cosponsor of Senate Concurrent Resolution 15, a concurrent resolution expressing the sense of the Congress that no major change in the payment methodology for physicians' services, including services furnished to hospital inpatients, under the Medicare Program should be made until reports required by the 99th Congress have been received and evaluated.

SENATE CONCURRENT RESOLUTION 29

At the request of Mr. DeConcini, the names of the Senator from Utah [Mr. Hatch], and the Senator from Missouri [Mr. Bond] were added as cosponsors of Senate Concurrent Resolution 29, a concurrent resolution expressing the sense of Congress regarding the inability of American citizens to maintain regular contact with relatives in the Soviet Union.

SENATE CONCURRENT RESOLUTION 56

At the request of Mr. Durenberger, the name of the Senator from New Mexico [Mr. Domenici], was added as a cosponsor of Senate Concurrent Resolution 56, a concurrent resolution expressing the sense of Congress that no major change in the payment methodology for physicians' services, including services furnished to hospital inpatients, under the Medicare Program should be made until reports required by the 99th Congress have been received and evaluated.

SENATE CONCURRENT RESOLUTION 230

At the request of Mr. Lautenberg, the name of the Senator from California [Mr. Cranston], was added as a cosponsor of Senate Resolution 230, a resolution to call upon the Federal Aviation Administration to immediately implement the priority 1, urgent recommendation of the National Transportation Safety Board in connection with our air traffic control system.

AMENDMENT NO. 272

At the request of Mr. Evans, the name of the Senator from South Dakota [Mr. Daschle], was added as a cosponsor of amendment No. 272 intended to be proposed to S. 2, a bill to amend the Federal Election Campaign Act of 1971 to provide for a voluntary system of spending limits and partial public financing of Senate general election campaigns, to limit contributions by multicandidate political committees, and for other purposes.

SENATE CONCURRENT RESOLUTION 62—RELATING TO THE EXTRADITION OF MOHAMMED HAMADEI TO THE UNITED STATES

Mr. D'AMATO (for himself, Mr. Dixon, Mr. DeConcini, Mr. Hatch, Mr. Dole, Mr. Trible, Mr. Specter, Mr. Moynihan, Mr. Sarbanes, Ms. Mikulski, Mr. Kasten, Mr. Mitchell, Mr. Nickles, Mr. Wilson, Mr. Reid, Mr. McCain, Mr. Bond, Mr. McConnell, Mr. Armstrong, Mr. Pressler, Mr. Karnes, Mr. Thurmond, Mr. Hecht, Mr. Murkowski, Mr. Symms, Mr. Grassley, Mr. Boschwitz, Mr. Stevens, Mr. Helms, Mr. Heinz, Mr.

COHEN, Mr. DOMENICI, Mr. QUAYLE, Mr. WEICKER, Mr. BUMPERS, Mr. BINGAMAN, Mr. DODD, Mr. SIMPSON, Mr. COCHRAN, Mr. WARNER, Mr. BREAUX, Mr. RUDMAN, Mr. HUMPHREY, Mr. DURENBERGER, Mr. PROXMIRE, Mr. HOLLINGS, Mr. LEAHY, Mr. WALLOP, Mr. JOHNSTON, Mr. INOUYE, Mr. STAFFORD, Mr. ROCKEFELLER, Mr. CRANSTON, Mr. HEFLIN, Mr. CONRAD, Mr. DANFORTH, Mr. KERRY, Mr. BENTSEN, Mr. MATSUNAGA, Mr. NUNN, Mr. HARKIN, Mr. SHELBY, Mr. GRAMM, Mr. GARN, Mr. CHILES, and Mr. LAUTENBERG) submitted the following concurrent resolution; which was referred to the Committee on Foreign Relations:

S. CON. RES. 62

Whereas on June 14, 1985, Trans World Airlines Flight 847 departed Athens International Airport enroute to Rome, Italy, with 153 predominantly American passengers and crew on board;

Whereas two hijackers, identified by the Department of Justice as Mohammed Hamadei and Hasan "Izz-al-din," commandeered the aircraft, and pistol whipped the flight crew;

Whereas the aircraft flew between Beirut and Algiers several times over the next two days while the hijackers retained control of the plane;

Whereas the hijackers bound Navy diver Robert Stethem with an electric cord, beat him until he was unconscious, and after the aircraft's second landing in Beirut, shot him in the head in cold blood, and dumped his body onto the tarmac in Beirut;

Whereas Mohammed Hamadei has been charged by the United States with murder, hijacking, hostage-taking, and other crimes, and was indicted on these charges in the United States District Court for the District of Columbia in November, 1985;

Whereas the United States has requested the Federal Republic of Germany to extradite Mohammed Hamadei under the extradition treaty between the United States and the Federal Republic of Germany;

Whereas the Federal Republic of Germany is bound under this extradition treaty to extradite to the United States persons charged with offenses under United States law if it is not going to prosecute such persons for the same offenses for which extradition is sought;

Whereas it takes approximately two to four months for the German Government to extradite under its treaty with the United States;

Whereas it has been almost five months since the United States requested the extradition of Mohammed Hamadei;

Whereas there have been recent reports in the German press that the Federal Republic of Germany is considering not extraditing Mohammed Hamadei to the United States; therefore be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress—

(1) That the President should express to the Government of the Federal Republic of Germany in the strongest possible terms that the United States expects it to comply with both the letter and the spirit of its treaty obligations by estraditing Mohammed Hamadei to the United States as quickly as possible; and

(2) Any action by the Government of the Federal Republic of Germany that directly or indirectly involves the exchange of Mohammed Hamadei for German nationals being held hostage by terrorists will have extremely serious consequences for the relationship between our two countries.

Mr. D'AMATO. Mr. President, I submit a concurrent resolution on behalf of myself, Senator DOLE, and 63 original cosponsors. All together, a total of 65 Senators support this resolution.

Mr. President, yesterday we learned that an American journalist, Charles Glass, was kidnaped in Moslem West Beirut. The abduction of Mr. Glass raises the number of Americans held hostage in Lebanon to nine.

At the same time, we have been receiving rather discouraging information from the West German Government, information that would lead us to believe that the West Germans are not going to extradite Mohammed Hamadei, the alleged killer of Navy Diver Robert Stethem, to the United States for trial and prosecution.

Such a decision would be a capitulation to terrorists and all that they stand for. What a sad decision.

Joining me today are Senators DIXON, DECONCINI, and DOLE along with 61 other original cosponsors, to introduce a resolution urging our President to express to the Government of West Germany in the strongest possible terms that Hamadei be extradited immediately to the United States.

This resolution also expresses the sense of Congress that any effort by the West German Government to allow Hamadei to escape justice through a trade for West German nationals being held in Lebanon will have very serious consequences upon the relationship between our two countries.

Senator DOLE and I sent a telegram today to Attorney General Meese, urging him to reaffirm American insistance that Hamadei be extradited.

Attorney General Meese will soon be meeting with West German officials on this matter.

Mr. President, I am going to read the telegram we sent today to Attorney General Meese:

> DEAR MR. ATTORNEY GENERAL:
>
> We understand that you will be meeting shortly with West German officials to discuss our pending request for extradition of accused terrorist and murderer Mohammed Hamadei.
>
> As you enter those talks, we wanted to reaffirm for you the deep concern in the Congress about this issue. We can see no reason why the West German Government would not honor this extradition request. It is entirely in conformity with our bilateral extradition treaty with Bonn. It is critically important to establish our bilateral cooperation as we address the urgent and tragic issue of international terrorism. If this issue is not satisfactorily resolved, it will inevitably affect broader United States-West German relations.
>
> Today we have had the opportunity to meet with the family of Robert Stethem—

Indeed, Mr. President, the family is here and is looking on.

To conclude the telegram:

> the American citizen of whose murder Hamadei is accused. You can imagine their feelings of deep sadness; you can appreciate their feelings of frustration that there has been such delay in attempting to bring Hamadei to justice—American justice.
>
> We promised the Stethem family we would not rest until Hamadei is brought to this country, in accord with legal procedures, to stand trial. We will keep that promise.
>
> We know we can count on you to make the strongest and most determined representations to the West German authorities.
>
> Sincerely yours,
>
> ALFONSE D'AMATO,
> *U.S. Senate.*
> BOB DOLE,
> *U.S. Senate.*

Mr. President, as indicated in our telegram, we hope we can count on the Attorney General to make the strongest case possible. I hope that that is the case, Mr. President, because in the spirit of that extradition treaty the decision should be that Hamadei be charged and tried here, where he can best be prosecuted and brought to justice, not out of reaction to the fear of what terrorists will or will not do in the future. If Hamadei is not extradited, it will mean that the Germans have decided to bow to terrorist pressure rather than promote the most effective prosecution available under the treaty.

What can the Germans hope to gain by trying Hamadei? The answer is obvious—an eventual trade of Hamadei for the two German hostages. The West German Government should take careful note of the fact that to date, all of its negotiations, discussions et cetera, have not changed the status of the German nationals held hostage. By failing to extradite Hamadei, the Germans will be leaving themselves open to more demands from the terrorists.

Germany certainly is not the best place to try Hamadei. Most of the witnesses and victims are from the United States, not Germany.

The United States is prepared to prosecute Hamadei now, while witnesses' memories are still fresh. If the Germans prosecute Hamadei, it will take them at least 1 full year to develop their case, a year that they will spend negotiating with terrorists. It took our own FBI almost 2 years to assemble all the evidence against Hamadei. Mr. President, even if the Germans convict Hamadei, he may well be freed in 15 years or less. I would suggest that only our system can assure, if convicted, the imposition of a life sentence. I hope the German Government can be persuaded to extradite Hamadei. But it is up to us to make those arguments. It is up to the Attorney General and the President to press on.

It seems to me that, with all the speeches made in terms of our anger and our sorrow over the brutality of the killing of that Navy diver, we now have an opportunity to put those words into some action not only by raising our voice but also by urging the administration in the strongest way to go forward and to do the business of the people and to pursue justice, justice that we know is correct, justice provided for under the extradition treaty we have with Bonn.

COSPONSORSHIP OF RESOLUTION

Mr. DOLE. Mr. President, I am pleased to join with Senator D'AMATO and more than 60 other Senators in sponsoring this important resolution. I would again express by admiration for the effective leadership that Senator D'AMATO has provided on this issue—and indeed on the broader question of forging an effective strategy to combat terrorism.

I really think that little more talk about the Hamadei extradition is necessary. I have spoken about it twice before here on the floor, most recently on June 3—when Senator D'AMATO and I wrote the President, asking him to raise the extradition question with West German Chancellor Kohl.

THE FACTS ARE CLEAR

The facts are clear.

The sentiments of the Senate are clear.

What the West German Government ought to do is clear. Mohammed Hamadei ought to be extradited. He ought to be extradited now.

Today, Senator D'AMATO and I had the opportunity to meet with the family of Robert Stethem—who was a passenger on TWA 847; the young American that Hamadei has been accused of murdering.

They are a brave family; a grieving family. They do not want revenge. They do want justice. And they will just not accept anyone saying: Well, in this case, geopolitical requirements weigh more heavily than justice.

Senator D'AMATO and I promised the Stethem family that we would not rest until Hamadei is brought before the bar of justice. We intend to keep that promise.

MEESE TO MEET WITH WEST GERMANS

We understand that Attorney General Meese will be meeting with West German authorities on the Hamadei case next week. For that reason, we have sent the Attorney General a telegram, expressing the strength and depth of congressional feelings on this issue. It is important that Ed Meese carry that message loud and clear to Bonn.

And we can send the same message—even more strongly—by all joining in cosponsoring this resolution. And by passing it quickly and unanimously.

TIME TO ACT

Mr. President, we should act on this matter decisively.

It is important—as part of our effort to forge a united stand, internationally, against terrorism.

It is significant—as it will bear on United States-West German relations.

It is necessary—as a matter of simple justice.

And it is right—the least we can do for the family of Robert Stethem.

SENATE RESOLUTION 237—RELATING TO THE 1988 WHEAT PROGRAM

Mr. DOLE (for himself, Mr. LUGAR, Mr. MELCHER, Mr. BOSCHWITZ, Mr. BOREN, Mr. PRESSLER, Mr. SYMMS, Mr. BAUCUS, Mr. BURDICK, Mr. GORE, Mrs. KASSEBAUM, Mr. KARNES, Mr. DASCHLE, Mr. EVANS, Mr. COCHRAN, Mr. DURENBERGER, Mr. PRYOR, Mr. NICKLES, Mr. CONRAD and Mr. THURMOND) submitted the following resolution; which was considered and agreed to:

S. RES. 237

Whereas United States wheat producers are still awaiting the details of the program for the 1988 crop of wheat established under section 107D of the Agricultural Act of 1949 (7 U.S.C. 1445b-3);

Whereas demand for United States wheat, for the first time in several years, will exceed domestic production;

Whereas United States wheat exports will be up more than 10 percent during the current marketing year;

Whereas high acreage limitation (ARP) levels under the acreage limitation program established under section 107D(f) of such Act increase the per unit cost of producers and reduce farm income;

Whereas high ARP levels send the wrong signal to foreign competitors by encouraging them to increase agricultural production;

Whereas the Secretary of Agriculture has discretion to set the ARP level at 27½ percent for the 1988 crop of wheat; and

Whereas the National Association of Wheat Growers (NAWG) has recommended a program that includes no more than a 27½ percent ARP level: Now, therefore, be it

Resolved, That it is the sense of the Senate that—

(1) it is in the best interests of United States wheat producers to immediately receive the details of the program for the 1988 crop of wheat established under section 107D of the Agricultural Act of 1949 (7 U.S.C. 1445b-3); and

(2) such program should provide for an acreage limitation program (as described in section 107D(f)(2) of such Act) under which the acreage planted to wheat for harvest on a farm would be limited to the wheat crop acreage base for the farm reduced by no more than 27½ percent.

AMENDMENTS SUBMITTED

OMNIBUS TRADE ACT OF 1986

SPECTER AMENDMENT NO. 315

(Ordered to lie on the table.)

Mr. SPECTER submitted an amendment intended to be proposed by him to the bill (S. 409) to authorize negotiations of reciprocal trade agreements, to strengthen United States trade laws, and for other purposes; as follows:

At the end of subtitle A of title III of the bill, add the following:

SEC. —. PRIVATE ACTIONS FOR RELIEF FROM UNFAIR FOREIGN COMPETITION.

(a) CLAYTON ACT.—Section 1 of the Clayton Act (15 U.S.C. 12) is amended by inserting "section 801 of the Act of September 8, 1916, entitled 'An Act to raise revenue, and for other purposes' (39 Stat. 798; 15 U.S.C. 72);" after "nineteen hundred and thirteen;".

(b) ACTION FOR DUMPING VIOLATIONS.—Section 801 of the Act of September 8, 1916 (39 Stat. 798; 15 U.S.C. 72) is amended to read as follows:

"SEC. 801. (a) No person shall import or sell within the United States any article manufactured or produced in a foreign country if—

"(1) such article is imported or sold within the United States at a United States price which is less than the foreign market value or constructed value of such article, and

"(2) such importation or sale—

"(A) causes or threatens material injury to industry or labor in the United States, or

"(B) prevents, in whole or in part, the establishment or modernization of any industry in the United States.

"(b) Any interested party whose business or property is injured by reason of an importation or sale in violation of this section, may bring a civil action in the district court of the District of Columbia or in the Court of International Trade against—

"(1) any manufacturer or exporter of such article, or

"(2) any importer of such article into the United States who is related to the manufacturer or exporter of such article.

"(c) In any action brought under subsection (b), upon a finding of liability on the part of the defendant, the plaintiff shall—

"(1) be granted such equitable relief as may be appropriate, which may include an injunction against further importation into, or sale or distribution within, the United States by such defendant of the articles in question, or

"(2) if such injunctive relief cannot be timely provided or is otherwise inadequate, recover damages for the injuries sustained, and

"(3) recover the costs of the action, including reasonable attorney's fees.

"(d)(1) The standard of proof in any action filed under this section is a preponderance of the evidence.

"(2) Upon—

"(A) a prima facie showing of the elements set forth in subsection (a) in an action brought under subsection (b), or

"(B) affirmative final determinations adverse to the defendant that are made by the administering authority and the United States International Trade Commission under section 735 of the Tariff Act of 1930 (19 U.S.C. 1673d) relating to imports of the article in question for the country in which the manufacturer of the article is located,

the burden of proof in such action shall be upon the defendant.

"(e)(1) Whenever, in any action brought under subsection (b), it shall appear to the court that justice requires that other parties be brought before the court, the court may cause them to be summoned, without regard to where they reside, and the subpoenas to that end may be served and enforced in any district of the United States.

"(2) Any foreign manufacturer, producer, or exporter who sells products, or for whom products are sold by another party in the United States, shall be treated as having appointed the District Director of the United States Customs Service of the Department of the Treasury for the port through which the product is commonly imported as the true and lawful agent of such manufacturer, producer, or exporter upon whom may be served all lawful process in any action brought under subsection (b) against such manufacturer, producer, or exporter.

"(f)(1) An action may be brought under subsection (b) only if such action is commenced within 4 years after the date on which the cause of action accrued.

"(2) The running of the 4-year period provided in paragraph (1) shall be suspended while any administrative proceedings under subtitle B of title VII of the Tariff Act of 1930 (19 U.S.C. 1673, et seq.) relating to the product that is the subject of the action brought under subsection (b), or any appeal of a final determination in such proceeding, is pending and for one year thereafter.

"(g) If a defendant in any action brought under subsection (b) fails to comply with any discovery order or other order or decree of the court, the court may—

"(1) enjoin the further importation into, or the sale or distribution within, the United States by such defendant of articles which are the same as, or similar to, those articles which are alleged in such action to have been sold or imported under the conditions described in subsection (a) until such time as the defendant complies with such order or decree, or

"(2) take any other action authorized by law or by the Federal Rules of Civil Procedure, including entering judgment for the plaintiff.

"(h)(1) Except as provided in paragraph (2), the confidential or privileged status accorded by law to any documents, evidence, comments, or information shall be preserved in any action brought under subsection (b).

"(2) The court in any action brought under subsection (b) may—

"(A) examine, in camera, any confidential or privileged material,

"(B) accept depositions, documents, affidavits, or other evidence under seal, and

"(C) disclose such material under such terms and conditions as the court may order.

"(i) Any action brought under subsection (b) shall be advanced on the docket and expedited in every way possible.

"(j) For purposes of this section—

"(1) Each of the terms 'United States price', 'foreign market value', 'constructed value', 'subsidy', and 'material injury', have the respective meaning given such term by title VII of the Tariff Act of 1930.

"(2) If—

"(A) a subsidy is provided to the manufacturer, producer, or exporter of any article, and

"(B) such subsidy is not included in the foreign market value or constructed value of such article (but for this paragraph),

the foreign market value of such article or the constructed value of such article shall be increased by the amount of such subsidy.".

"(k) The court shall permit the United States to intervene in any action brought under subsection (b), as a matter of right. The United States shall have all the rights of a party to such action.

"(l) Any order by a court under this section is subject to nullification by the President pursuant to the President's authority under section 203 of the International Emergency Economic Powers Act (50 U.S.C. 1702).".

(c) ACTION FOR SUBSIDIES VIOLATIONS.—Title VIII of the Act of September 8, 1916 (39 Stat. 798; 15 U.S.C. 72 et seq.) is amended by adding at the end thereof the following new section:

"SEC. 807. (a) No person shall import or sell within the United States any article manufactured or produced in a foreign country if—

"(1) the foreign country, any person who is a citizen or national of the foreign country, or a corporation, association, or other organization organized in the foreign country, is providing (directly or indirectly) a subsidy with respect to the manufacture, production, or exportation of such article, and

"(2) such importation or sale—

"(A) causes or threatens material injury to industry or labor in the United States, or

"(B) prevents, in whole or in part, the establishment or modernization of any industry in the United States.

"(b) Any interested party whose business or property is injured by reason of an importation or sale in violation of this section, may bring a civil action in the district court of the District of Columbia or in the Court of International Trade against—

"(1) any manufacturer or exporter of such article, or

"(2) any importer of such article into the United States who is related to the manufacturer or exporter of such article.

"(c) In any action brought under subsection (b), upon a finding of liability on the part of the defendant, the plaintiff shall—

"(1) be granted such equitable relief as may be appropriate, which may include an injunction against further importation into, or sale or distribution within, the United States by such defendant of the articles in question, or

"(2) if such injunctive relief cannot be timely provided or is otherwise inadequate, recover damages for the injuries sustained, and

"(3) recover the costs of the action, including reasonable attorney's fees.

"(d)(1) The standard of proof in any action filed under this section is a preponderance of the evidence.

"(2) Upon—

"(A) a prima facie showing of the elements set forth in subsection (a) in an action brought under subsection (b), or

"(B) affirmative final determinations adverse to the defendant that are made by the administering authority and the United States International Trade Commission under section 705 of the Tariff Act of 1930 (19 U.S.C. 1671d) relating to imports of the article in question for the country in which the manufacturer of the article is located,

the burden of proof in such action shall be upon the defendant.

"(e)(1) Whenever, in any action brought under subsection (b), it shall appear to the court that justice requires that other parties be brought before the court, the court may cause them to be summoned, without regard to where they reside, and the subpoenas to that end may be served and enforced in any district of the United States.

"(2) Any foreign manufacturer, producer, or exporter who sells products, or for whom products are sold by another party in the United States, shall be treated as having appointed the District Director of the United States Customs Service of the Department of the Treasury for the port through which the product is commonly imported as the true and lawful agent of such manufacturer, producer, or exporter upon whom may be served all lawful process in any action brought under subsection (b) against such manufacturer, producer, or exporter.

"(f)(1) An action may be brought under subsection (b) only if such action is commenced within 4 years after the date on which the cause of action accrued.

"(2) The running of the 4-year period provided in paragraph (1) shall be suspended while any administrative proceedings under subtitle A of title VII of the Tariff Act of 1930 (19 U.S.C. 1671, et seq.) relating to the product that is the subject of the action brought under subsection (b), or any appeal of a final determination in such proceeding, is pending and for one year thereafter.

"(g) If a defendant in any action brought under subsection (b) fails to comply with any discovery order or other order or decree of the court, the court may—

"(1) enjoin the further importation into, or the sale or distribution within, the United States by such defendant of articles which are the same as, or similar to, those articles which are alleged in such action to have been sold or imported under the conditions described in subsection (a) until such time as the defendant complies with such order or decree, or

"(2) take any other action authorized by law or by the Federal Rules of Civil Procedure, including entering judgment for the plaintiff.

"(h)(1) Except as provided in paragraph (2), the confidential or privileged status accorded by law to any documents, evidence, comments, or information shall be preserved in any action brought under subsection (b).

"(2) The court in any action brought under subsection (b) may—

"(A) examine, in camera, any confidential or privileged material,

"(B) accept depositions, documents, affidavits, or other evidence under seal, and

"(C) disclose such material under such terms and conditions as the court may order.

"(i) Any action brought under subsection (b) shall be advanced on the docket and expedited in every way possible.

"(j) For purposes of this section, each of the terms 'subsidy' and 'material injury' have the respective meaning given such term by title VII of the Tariff Act of 1930.

"(k) The court shall permit the United States to intervene in any action brought under subsection (b), as a matter of right. The United States shall have all the rights of a party to such action.

"(l) Any order by a court under this section is subject to nullification by the President pursuant to the President's authority under section 203 of the International Emergency Economic Powers Act (50 U.S.C. 1702).".

(d) ACTION FOR CUSTOMS FRAUD.—

(1) Chapter 95 of title 28, United States Code, is amended by adding at the end thereof the following new section:

"§ 1586. Private enforcement action for customs fraud

"(a) Any interested party whose business or property is injured by a fraudulent, grossly negligent, or negligent violation of section 592(a) of the Tariff Act of 1930 (19 U.S.C. 1592) may bring a civil action in the district court of the District of Columbia or in the Court of International Trade, without respect to the amount in controversy.

"(b) Upon proof by an interested party that the business or property of such interested party has been injured by a fraudulent, grossly negligent, or negligent violation of section 592(a) of the Tariff Act of 1930, such interested party shall—

"(1) be granted such equitable relief as may be appropriate, which may include an injunction against further importation into the United States of the articles or products in question, or

"(2) if such injunctive relief cannot be timely provided or is otherwise inadequate, recover damages for the injuries sustained, and

"(3) recover the costs of suit, including reasonable attorney's fees.

"(c) For purposes of this section—

"(1) The term 'interested party' means—

"(A) A manufacturer, producer, or wholesaler in the United States of a like or competing product, or

"(B) a trade or business association a majority of whose members manufacture, produce, or wholesale a like product or a competing product in the United States.

"(2) The term 'like product' means a product which is like, or in the absence of like, most similar in characteristics and uses with products being imported into the United States in violation of section 592(a) of the Tariff Act of 1930.

"(3) The term 'competing product' means a product which competes with or is a substitute for products being imported into the United States in violation of section 592(a) of the Tariff Act of 1930.

"(d) The court shall permit the United States to intervene in any action brought under this section, as a matter of right. The United States shall have all the rights of a party.

"(e) Any order by a court under this section is subject to nullification by the President pursuant to the President's authority under section 203 of the International Emergency Economic Powers Act (50 U.S.C. 1702).".

(2) The table of contents for chapter 95 of title 28, United States Code, is amended by adding at the end thereof the following:

"1586. Private enforcement action for customs fraud.".

(e) ACCORDANCE WITH GATT.—It is the sense of the Congress that the provisions of this section are consistent with, and in accord with, the General Agreement on Tariffs and Trade (GATT).

CLEAN AIR ACT AMENDMENTS

DURENBERGER AMENDMENT NO. 316

(Ordered referred to the Committee on Environment and Public Works.)

Mr. DURENBERGER submitted an amendment intended to be proposed by him to the bill (S. 1384) to amend the Clean Air Act, and for other purposes; as follows:

At the end thereof add the following new section:

"SEC. 85. (a) Section 202(b)(1) is amended by adding the following new paragraph:

"(D) The Administrator shall promulgate regulations under subsection (a) applicable to emissions of formaldehyde from light-duty vehicles and engines manufactured during and after model year 1990 which may be fueled, in whole or in part, by fuels other than gasoline. Such regulations shall contain standards which reflect the greatest degree of emission reduction achievable through the application of technology which the Administrator determines may reasonably be expected to be available. In no event may such regulations permit emissions of formaldehyde at a higher rate than from comparable gasoline-fueled vehicles.

"(b) Section 202(a)(3) is amended by inserting the following new subparagraph after (E) and redesignating succeeding paragraphs accordingly:

"(F) The Administrator shall promulgate regulations under paragraph (1) applicable to emissions of formaldehyde (i) from heavy-duty vehicles and engines and (ii) from light-duty trucks and engines manufactured during and after model year 1991 which may be fueled, in whole or in part, by fuels other than gasoline. Such regulations shall contain standards which reflect the greatest degree of emission reduction achievable through the application of technology which the Administrator determines may reasonably be expected to be available. In no event may such regulations permit emissions of formaldehyde at a higher rate than from comparable gasoline-fueled vehicles.

"(c) Section 211 of the Clean Air Act is amended by adding the following provisions:

"(h) TESTING AND REVIEW OF FUEL ADDITIVES AND LUBRICANTS.—Notwithstanding other requirements of this section, effective three years after the date of enactment it shall be unlawful to sell, offer for sale, or introduce into commerce any fuel additive or lubricant unless the Administrator determines, after notice and opportunity to comment, that such fuel additive or lubricant (and all byproducts of such fuel additive or lubricant which may reasonably be anticipated as a result of its use) have been subjected to thorough and complete health and environmental effects testing and may not reasonably be anticipated to cause any adverse effect on the health of persons or the environment.

"(i) REDUCTION IN BENZENE, TOLUENE, AND XYLENES.—Not later than one year after the date of enactment, the Administrator shall issue regulations, after notice and opportunity to comment, which limit the permissible concentration of benzene, toluene, and xylenes in gasoline sold, offered for sale, or introduced into commerce more than five years after the date of enactment to the lowest concentration of such substances that the Administrator determines was contained in gasoline in any of the ten years preceding the date of enactment. Such regulations shall also provide for phased reductions in the permissible concentration of such substances in gasoline in the five year period after the date of enactment. It shall be unlawful to sell, offer for sale, or introduce into commerce gasoline containing such substances in concentrations in excess of those permitted by such regulations.

SENATORIAL ELECTION CAMPAIGN ACT

FORD AMENDMENT NOS. 317 AND 318

(Ordered to lie on the table.)

Mr. FORD submitted two amendments intended to be proposed by him to the bill (S. 2) to amend the Federal Election Campaign Act of 1971 to provide for a voluntary system of spending limits and partial public financing of Senate general election campaigns, to limit contributions by multicandidate political committees, and for other purposes; as follows:

AMENDMENT NO. 317

At the appropriate place add the following:

POLITICAL COMMITTEE BENEFITS

SEC. . Subsection (e) of section 3626 of title 39, United States Code, is hereby repealed.

AMENDMENT NO. 318

On page 88, after line 10, add the following new section:

NEWSLETTERS

SEC. 15. Section 3210(a)(3)(G) of title 39, United States Code, is amended by inserting ", other than newsletters from members of the Senate" after "mass mailings".

Mr. FORD. Mr. President, this afternoon I am submitting two amendments. We have heard a lot of talk. We have heard a lot of good speeches. I think the distinguished Senator from South Dakota [Mr. DASCHLE] made one of the most eloquent speeches as regards the difference between the McConnell-Packwood and S. 2 bills that I have heard so far. I was impressed by how he was interested in the young people who were sitting here in the Chamber, and what the costs would be to them and what their bill would be in order to run for public office, particularly a seat in this distinguished body.

We have heard those who oppose S. 2 say that they do not want to use any public funding; that they do not want it to cost any money. I have also heard the distinguished Senators that propose the Gramm-Rudman-Hollings proposal particularly the distinguished Senator from Texas [Mr. GRAMM], that if you are going to offer an amendment, if you are going to offer a piece of legislation, you ought to have offsetting cost savings.

This afternoon, Mr. President, I hope that my two amendments will draw some attention, because both of these amendments will have offsetting funding, as it relates to the cost of campaign reform, which I consider one of the major pieces of legislation that has been put forward since I have been in the Senate.

I compliment the distinguished majority leader [Mr. BYRD], Senator BOREN, and others, who worked so hard to try to put together this piece of legislation today.

So, Mr. President, my first amendment would be to repeal section 3626(e) of title 39 of the United States Code, which extends to political party committees the third-class mailing rate.

The intent of Congress in adopting this section was to extend the nonprofit third-class mail rates to the two national party committees, the State committees of those two parties, the Senate and House party committee. But, through poor drafting, administrative regulations, and court decisions, we now have 708 political parties that are taking advantage of that one piece of legislation and they are taking advantage of the third-class mail rate which reduces their costs somewhere between 5 and 6 cents per piece of mail.

Mr. President, the interesting part is some of these parties that are taking advantage of this particular piece of legislation, or the amendment to the statute: The Free Libertarian Party is one, the Conservative Party of the State of New York, the Socialist Labor Party, the Peace and Freedom Party, American Independent Party—and now, Mr. President, listen to this—the Communist Party of Ohio, the Communist Party of Maine, the Communist Party of Massachusetts, and the Communist Party of the United States of America are the ones who are taking advantage of this one particular statute that gives the third-class mailing permit that we passed with one intent.

So, Mr. President, the annual savings by eliminating this one small section of our Federal statutes would be between $11 million, which is the estimate of the Postal Service Department, and $13 million, which is the Congressional Budget Office's estimate. That means somewhere between $11 million and $13 million annually would be saved. That means we could reduce the budget to the Postal Service, and that would offset, then, any costs that might be derived as they relate to the public funding of campaigns for the U.S. Senate. That would make us between $24 million and $26 million every 2 years.

Now, the annualized estimate of S. 2 for the year 1990, the high is only $20.3 million and the low is $16.25 million. So this one item, then, would eliminate the cost, would be the offset, as it relates to public funding of the campaign reform bill, as it relates to S. 2.

Now, Mr. President, if that is not enough money—some will have questions about the cost—I have a second amendment which is a very simple amendment. It just eliminates the franking privilege as it relates to newsletters for all U.S. Senators, those who are now taking advantage of it; a great many are not. But it would modify section 3210(A)(6) of title 29 of the United States Code to prohibit the use of franks, franking for mailing congressional newsletters.

Mr. President, that has an annual saving of $13 million and a 2-year saving of $26 million. So when you begin to put all these together, you have more than enough to offset the cost of public financing of senatorial campaigns.

If the argument is going to be we do not want to use public funding, that means it is direct. What I am saying to my colleagues is: Here is an offset. We are going to take away the mailing privileges, the cut rate to the Communist Party of Ohio, the Communist Party of Maine, the Communist Party of Massachusetts, and the Communist Party of the United States, and say we are going to use that to elect our U.S. Senators. I think it is a good way to offset any cost to the general fund.

So, Mr. President, I hope my colleagues hear about this over the weekend; that when they come back in here on Tuesday they say that the Senator from Kentucky [Mr. FORD] might have a good idea. That good idea is that we have the funding necessary to offset any cost to the public general fund as it relates to the reform of our political process in this country.

NOTICES OF HEARINGS

SUBCOMMITTEE ON OVERSIGHT OF GOVERNMENT MANAGEMENT

Mr. LEVIN. Mr. President, I wish to announce that the Subcommittee on Oversight of Government Management, Committee on Governmental Affairs, will hold a hearing on postemployment lobbying restrictions on Thursday, June 25, at 9:30 a.m., in room 342 of the Dirksen Senate Office Building.

SUBCOMMITTEE ON PUBLIC LANDS, NATIONAL PARKS AND FORESTS

Mr. BUMPERS. Mr. President, I would like to announce for the public that a hearing has been scheduled before the Subcommittee on Public Lands, National Parks and Forests.

The hearing will take place July 14, 1987, 2 p.m., in room SD-366 of the Dirksen Senate Office Building in Washington, DC.

The purpose of this hearing is to receive testimony on a measure currently pending before the subcommittee—S. 735, a bill to amend the Land and Water Conservation Fund Act of 1965, and for other purposes.

Those wishing information about testifying at the hearing or submitting written statements should write to the Subcommittee on Public Lands, National Parks and Forests, U.S. Senate, room SD-364, Dirksen Senate Office Building, Washington, DC., 20510. For further information, please contact Tom Williams at 224-7145.

Mr. President, I would like to announce for the public that hearings have been scheduled before the Subcommittee on Public Lands, National Parks and Forests.

The hearings will take place July 21 and July 23, 1987, 2 p.m., in room SD-366 of the Dirksen Senate Office Building in Washington, DC.

The purpose of these hearings is to receive testimony on a measure currently pending before the subcommittee—S. 7, a bill to provide for the protection of the public lands in the California desert.

Those wishing information about testifying at the hearings or submitting written statements should write to the Subcommittee on Public Lands, National Parks and Forests, U.S. Senate, room SD-364, Dirksen Senate Office Building, Washington, DC 20510. For further information, please contact Tom Williams at 224-7145 or Beth Norcross at 224-7933.

AUTHORITY FOR COMMITTEES TO MEET

SUBCOMMITTEE ON ENVIRONMENTAL PROTECTION

Mr. BYRD. Mr. President, I ask unanimous consent that the Subcommittee on Environmental Protection, Committee on Environment and Public Works, be authorized to meet during the session of the Senate on June 19, to conduct a hearing on toxic air pollutants.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ARMED SERVICES

Mr. BYRD. Mr. President, I ask unanimous consent the Committee on Armed Services be authorized to meet during the session of the Senate on Friday, June 19, 1987, to receive a briefing from committee staff relative to a Marine Corps nomination list that is pending before the committee.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON SECURITIES

Mr. BYRD. Mr. President, I ask unanimous consent that the Subcommittee on Securities of the Committee on Banking, Housing, and Urban Affairs be allowed to meet during the session of the Senate on Friday, June 19, 1987, to conduct oversight hearings on the definition of insider trading.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON LABOR AND HUMAN RESOURCES

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on Labor and Human Resources be authorized to meet during the session of the Senate on Friday, June 19, 1987, to conduct a hearing on polygraphs.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON NEAR EASTERN AND SOUTH ASIAN AFFAIRS

Mr. BYRD. Mr. President, I ask unanimous consent that the Subcommittee on Near Eastern and South Asian Affairs of the Committee on Foreign Relations be authorized to meet during the session of the Senate on Friday, June 19, 1987, at 2 p.m. to hold a hearing on ambassadorial nominations.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

SAVING WHALES

● Mr. CRANSTON. Mr. President, this coming Monday, June 22, is the start of the International Whaling Commission meeting in Bournemouth, England. It may be the finish for whales—unless the IWC plugs a regulation loophole that is allowing the continued slaughter of whales.

The International Whaling Commission is the international forum of whaling and nonwhaling nations. A long-term moratorium on commercial whaling was approved by the IWC, effective January 1, 1986. But some countries ignored the moratorium: Japan, Norway, and the Soviet Union continued whaling last year, despite worldwide public outcry.

Some countries—such as the Philippines—have already ended commercial whaling. The Soviet Union has announced its intention to do so. But while major whaling nations say they will discontinue commercial whaling, several are suddenly very interested in killing whales in the name of science—for study. Iceland has been the initial leader in this new-found interest in whale research. Last year, 117 sei and fin whales were killed by Iceland—and the whale meat was intended for export to Japan. So far, the United States and Germany have successfully blocked this scheme.

Now Japan, South Korea, and Norway are proposing so-called scientific projects, and other countries are watching to see if these three countries are successful. According to the Whale Center—a conservation and education organization based in Oakland, CA—1,530 whales may be butchered next year in the name of science.

If whales are to be studied for science, there are all sorts of ways to do it without slaughter: Photo identification, radio telemetry, and nonintrusive observations can provide data.

The salvation of whales is on the line in Bournemouth. The International Whaling Commission must meet its responsibility—and close the regulation loophole on alleged scientific takings.●

FATHER'S DAY

● Mr. DOMENICI. Mr. President, across the Nation families will join together this Sunday to celebrate Father's Day. As a proud father of eight myself, I would like to say a few words about this special holiday.

Originating in 1909, Sonora Louise Smart Dodd of Spokane, WA, is credited with the idea for the Father's Day observance. Her inspiration was her own father, William Smart, who was a Civil War veteran who raised Mrs. Dodd and her five brothers by himself. Realizing the difficulties he must have faced, and in appreciation for his constant devotion to his family, she spoke to the minister of her church about her desire to observe a day in which fathers should receive words of appreciation and affection from their children.

Her minister warmly approved the idea and the first Father's Day was celebrated on the third Sunday in June 1910. President Woodrow Wilson officially approved the idea in 1916:

> A day to strengthen the relationships between fathers and their children, and also to impress upon fathers the full measure of their obligations.

I would ask that fathers everywhere join me this Sunday when I renew my commitment to love and protect my children. In our society today, it seems to me that it is easy to diminish the role of father. This is a mistake; there is no role more important to the well-being of the family and ultimately society than that of the father. Douglas MacArthur, our great military hero, stressed the importance of fatherhood when he said:

> By profession I am a soldier and take pride in that fact. But I am prouder-infinitley prouder—to be a father. A soldier destroys in order to build; the father only builds, never destroys. The one has the potentiality of death, the other embodies creation and life. And while the hordes of death are mighty, the battalions of life are mightier still. It is my hope that my son, when I am gone, will remember me not from the battle but in the home repeating with him our simple daily prayer.

I think the most valuable thing a father can do for his child is to inspire and encourage him. As with Mrs. Dodd, my own father was perhaps my greatest inspiration to work to my full potential and accept new challenges.

My father emigrated to the United States from Italy when he was 14 years old. He knew no English and had only 4 years of formal education. My father was a hard working man. He knew that in order to succeed, you must have a dream and then work to achieve it.

When I was growing up, my family owned a small store. Fortunately, my father was a very successful businessman and we did quite well. However, he was always very careful to make sure that his children were aware of how lucky they were, and saw to it that we didn't take our good fortune for granted.

My father was a generous man and he wanted his children to have every advantage. But, he saw to it that we had the satisfaction of earning certain privileges. By constantly challenging me, my father taught me to make thoughtful decisions. Although I was the one with a degree from high school, college, and law school, my father had a wealth of knowledge. His encouragement helped me to move ahead with foresight. I hope I have passed this wisdom on to my own children.

For hundreds of years fathers have lifted, inspired and blessed the lives around them through acts of selflessness and courage. It is because of what fathers give to their children, and, in the process, for society, that I ask you to join me in honoring them on Father's Day.●

ALEXANDER IOFFE

● Mr. DeCONCINI. Mr. President, I would like to bring to the attention of my colleagues the tragic fate of Alexander Ioffe and his family. Alexander is an internationally known mathematician who has been trying to emigrate from the Soviet Union for more than a decade. I first met Alexander during a visit to Moscow in 1978. Since that time, I have raised his case with Soviet officials at every appropriate opportunity. Unfortunately, all to no avail.

I spoke to Alexander on the phone this week and he informed me that he will begin another hunger strike on June 22 to protest his most recent visa refusal by the Soviet Government. Furthermore, he was told he could not reapply until 1993.

Alexander, who first applied to emigrate in 1976, has been continually denied an emigration visa on "state secrecy" grounds. This is an outrageous reason in light of the fact that Alexander voluntarily left the institute in question in 1972 and any information he may have acquired is now antiquated. Moreover, Alexander's work had only dealt with mathematical problems and his papers were published in academic journals within the U.S.S.R. and abroad. Surely, Soviet technology cannot be that stagnant that people are refused visas on their exposure to "classified information" obtained 15 years ago. Surely, Alexander cannot be a threat to his Government's security.

I am deeply concerned about the Soviet Government's current policy of frequently using "state secrets" and "state security" as grounds for denying visas. This new decree, which went into effect in January of this year, fails to provide guidelines as to the limitations period on access to state secrets and, therefore, continues to permit Soviet officials to create their own arbitrary rules, based on nothing more than expediency. It is apparent that an applicant who is alleged to have knowledge of state secrets could be permanently denied an exit visa.

What did Gorbachev mean when he stated at a Paris press conference on October 2, 1985, that the length of the declassification period lasts from 5 to 10 years. This is most certainly not the reality of the situation in Alexander Ioffe's case, as well as many other Soviet emigration cases.

What does Gorbachev mean when he speaks of "glasnost?" Do the new Soviet laws liberalize or prevent emigration?

This issue was recently addressed by Ambassador Zimmerman, the head of the U.S. delegation in Vienna which is reviewing implementation of all aspects of the final act of the Conference on Security and Cooperation in Europe. The cornerstone of this international agreement, commonly referred to as the Helsinki accords, is recognition of and compliance with fundamental human rights principles. Representatives from 35 nations, including the Soviet Union, signed this document on August 1, 1975. Although the Soviet Union was one of the strongest proponents of the Helsinki accords, its record of compliance over the last 12 years is abysmal. The following is an excerpt from Ambassador Zimmerman's remarks made at a plenary meeting on May 5, 1987, which exemplifies in human terms the continued absurdities of Soviet emigration policy.

> There is no sign that the shameful official intimidation of all who apply to emigrate has lessened. Prospective emigrants continue to face job dismissals, social ostracism, and official harassment. In addition, the secrecy disqualification for emigration continues to be used and abused. Lev Elbert has not seen a secret since he completed his military service in 1972. Aleksandr Lerner ended his classified work in cybernetics 18 years ago and Ida Nudel was fired from her work in hygiene and infection control in the food industry 15 years ago. Vladimir Slepak, a radio engineer, has done no sensitive work since 1969. And Naum Meiman, a 76-year old mathematician who lost his wife Inna in February, has done nothing of a classified nature for over 30 years. These facts lead to one conclusion—that secrecy is the pretext, not the reason, why these people, many with close relatives abroad, are forced to wander perpetually between a world they cannot leave and a world they cannot enter.
>
> Perhaps a new level of callousness, or absurdity, was reached just last week, when Benjamin Charny was again refused an exit visa to join his brother in the United States, where he wants to receive treatment for cancer and for a heart condition which has caused two heart attacks. Despite the merit of his case on humanitarian and even legal grounds (it meets the strictist criteria of the new Soviet legislation), the Deputy Chief of the Moscow Office of Visas and Registration told Charny just eight days ago that he should not reapply until 1995 when by actuarial probability he will be dead. The reason for refusal was Charny's work as a mathematician on the Soviet civil space program in the 1960's. Charny ceased this work 18 years ago; meanwhile, in 1981, a colleague who had done the same work in the same office was allowed to emigrate. The irony and tragedy of this case speak for themselves.

Mr. President, these trumped up excuses for denying individuals their right to live where they choose cannot be tolerated. I am particularly discouraged by what Ambassador Zimmerman described, because I personally know Lev Elbert, Aleksandr Lerner, Vladimir Slepak and Naum Meiman. How much more suffering must they endure?

Although I am specifically addressing Alexander Ioffe's situation today, he is not suffering alone. Thousands of Soviet citizens face similar predicaments. Alexander will begin a hunger strike on June 22. He is desperate. He is tired of being the victim of vague and arbitrary Soviet laws. If the Soviets are sincere about their commitment to the human rights provisions of the Helsinki accords, their emigration procedures must be changed. For example, when an individual is refused a visa on the grounds of "state security," the refusal should be in written form, it should specifically state the grounds for refusal and the exact time duration of the restriction. Once the time period has expired, the person should be allowed to emigrate.

Mr. President, we must continue to monitor any apparent policy shifts by the Soviet Union which might affect the life of an Alexander Ioffe or any of the thousands of others who are struggling for basic freedoms. We must continue to hold the Soviets accountable for their flagrant human rights abuses. As a U.S. Senator and the recently appointed Cochairman of the Helsinki Commission. I will continue to speak out on this issue until the Soviets comply fully with what they have agreed to on paper. Words are meaningless without action. Actions must be the standard by which we determine the Soviet's commitment to the Helsinki accords. To date, their actions fail to pass muster.●

INGALLS SHIPBUILDING CITED FOR ECONOMY AND EFFICIENCY

● Mr. COCHRAN. Mr. President, the largest single industrial employer in my home State of Mississippi, the Ingalls Shipbuilding Unit of Litton Industries, located at Pascagoula on the gulf coast, has recently received some very favorable publicity for its economy and efficiency.

With Congress and the administration annually debating the levels of defense spending, it is encouraging to note that one of the Nation's foremost defense contractors and naval shipbuilders is saving the Navy, and the American taxpayers, tens of millions of dollars through shipyard efficiencies and other sound practices.

Mississippians are proud of the performance record of the men and women who work at the Ingalls Shipyard in Pascagoula, from the most senior official to the youngest apprentice. They have proven time and again that dedication and hard work, coupled with the engineering and technology necessary for such important construction projects, result in a first-class product for the lowest possible cost to the taxpayers.

Mr. President, I ask that an editorial that appeared in the Mississippi Press newspaper of Pascagoula, MS, concerning the success of the Ingalls operation, be printed in the RECORD.

The article follows:

SAVING THE NAVY TENS OF MILLIONS

When the respected Wall Street Journal says something good about you, that's impressive.

In a report on Navy shipbuilding, The Wall Street Journal says:

"The Navy does have some bright spots where it can look for help. For instance the Ingalls Shipbuilding unit of Litton Industries, Inc., has actually saved the Navy tens of millions of dollars in cruiser construction mainly through shipyard efficiencies."

That's a super reputation that means much, not only to Ingalls Shipbuilding, but to this community.

When Ingalls won a major DDG-51 guided missile contract last week Ingalls President Jerry St. Pe' summed up the team effort.

"Our success demonstrates two elements in our shipyard which I believe cannot be found together in any other shipyard in America: Understanding and dedication."

The Wall Street Journal comments are simply a reflection of the Navy's facts and figures about the job being done at Ingalls. When a shipyard builds quality ships on time and within or under budget, the reputation grows.

Unfortunately, many shipyards don't have that record. As the Journal reported, "Of 22 shipbuilding studies by the General Accounting Office, a congressional watchdog agency, 17 have begun to swell beyond the target prices established in the contracts. Government estimates project $1.2 billion more may be needed to cover costs."

The Congress, the Navy and the taxpayers should appreciate it when the men and women of Ingalls Shipbuilding do a job right. Considering the number of contracts that Ingalls keeps winning, they apparently do appreciate that reputation.

EXTENDED VOLUNTARY DEPARTURE STATUS FOR POLISH REFUGEES

● Mr. DIXON. Mr. President, since the declaration of martial law in Poland in 1981, the United States has provided extended voluntary departure [EVD] status for Polish political refugees. Such status, renewed every 6 months, is necessary to prevent their deportation back to Poland.

These 7,000 to 10,000 people are mostly members of Solidarity, who had to flee Poland 6 years ago when martial law was imposed. Most of them have been living in this country for a period of time longer than that required to obtain U.S. citizenship. They have work permits and are legally employed. Many have had children here who are American citizens.

The current period of extended voluntary departure status expires at the end of this month. Recently, the State Department recommended the end of this special immigration status, which would allow Polish nationals without valid current visas to be expelled from the United States beginning July 1.

Mr. President, I believe that to put the present status of these people in jeopardy would be cruel and inhuman. If these Poles were forced to return to Poland, they would face repression at the hands of the Jaruzelski regime, the same regime responsible for the martial law which caused these people to leave their homeland. They would be subjected to discrimination, and denied jobs and housing. Further, removing EVD status would be tantamount to issuing an unqualified certificate of good conduct in the area of human rights to the Polish Communist authorities.

When A.D. Moyer, District Director of the Immigration and Naturalization Service in Chicago, heard about this gravely unjust recommendation, he immediately sent a telegram to Immigration and Naturalization Service Commissioner, Alan Nelson, to express his alarm at this proposal. I commend him for his decisive action.

Yesterday, I phoned the White House to express my alarm over the State Department proposal. By the end of the day, the administration told me that EVD status would be extended to these Polish political refugees until the end of this year.

Mr. President, I am pleased by this decision. I believe that this 6-month period will provide an opportunity to resolve this problem administratively. I plan to work hard with the White House to find a solution to this matter. In this year, as we celebrate the bicentennial of our Constitution, we must not forget our sacred tradition of offering protection to people persecuted in their own country.●

CONGRATULATIONS TO THE OKLAHOMA STATE GOLF TEAM

● Mr. NICKLES. Mr. President, I wish to take this opportunity to congratulate the Oklahoma State University golf team on its outstanding performance this year and its sixth NCAA golf championship. The Cowboys finished the tournament with a 16-stroke lead over the nearest contender. It is a well deserved title for the Cowboys who have finished first or second in the tournament 12 out of the last 13 seasons. I'd also like to extend special congratulations to the tournament medalist, and second year all-American, Brian Watts, who tied a course record of 66 to lead the Cowboys home in the final round. Also on the Cowboy team were Michael Bradly, E.J. Phister, Tim Fleming, and Brain Montgomery, of which Bradley and Fleming were also all-American selections. Finally, I would like to commend Coach Mike Holder, for his persistence and foresight which has established Oklahoma State as the perennial powerhouse in college golf.●

RELEASE OF ABE STOLAR

● Mr. LEVIN. Mr. President, last month I received some wonderful news. After 13 years of waiting, Abe Stolar and his family were at last being given permission to leave the Soviet Union to emigrate to Israel. Many of my colleagues may recall that I have risen on numerous occasions to speak on this family's behalf. Some of my colleagues may even remember that there have been times when it seemed as if the Stolars had been given permission to leave the Soviet Union—only to have their hopes cruelly dashed at the last minute.

Abe Stolar is an American citizen who has been living in the Soviet Union since 1931. Abe, his wife, and his son applied to leave there in 1974. In 1975, the Stolars received exit visas to emigrate to Israel. After shipping all their belongings to Israel and selling their apartment, they went to the Moscow International Airport to catch their flight to freedom. But at the last minute, they were turned back on the pretext that Mrs. Stolar had had access to state secrets in her job as an analytical chemist.

In November 1985 the New York Times published the names of 10 families that had been granted permission to leave Russia, 1 of which was the Stolar's. Nine of these families have long since departed from Moscow International Airport. Only the Stolars remain.

On April 16, 1987, Soviet Foreign Minister Spokesman Gerasimov announced the release of several refuseniks. The only families he listed by name were those of Leonid Feltzman and Abe Stolar. It was announced on Wednesday of this week that the Feltzman family is leaving the Soviet Union. Again, Abe and Gita Stolar, their son and daughter-in-law, Michale and Julia, and their granddaughter, Sarah, remain.

Perhaps I was too quick in rejoicing last month after I received the "wonderful news." But in the spirit of the Soviet-claimed glasnost, I thought that there was reason to take this news seriously. I had my office issue a press release and was delighted that his case was at last resolved—only to find out weeks later that Abe had in fact been given the cold slap of refusal, once again. The Ovir Emigration Office informed him that the family now needs permission from Mrs. Stolar's mother.

Mr. President, where is the trust that the Russians claim they are trying to build in the relationship between our two nations? Where is the honesty and openness that we have been hearing about since Mr. Gorbachev's ascension to power? Will there be a day when I receive news about Abe Stolar that I can take as the truth?●

RESOLUTIONS OF OREGON LEGISLATIVE ASSEMBLY

● Mr. HATFIELD. Mr. President, I request that three legislative memorials be included in the RECORD, as recognition of the keen leadership and valuable initiative of the 64th Oregon Legislative Assembly.

The memorials follow:

SENATE JOINT MEMORIAL 4

Whereas federal student financial aid provides vital assistance to students attending Oregon's post-secondary institutions; and

Whereas federal student financial aid has been reduced by 10 percent over the past six years; and

Whereas the federal Department of Education budget for fiscal year 1988 proposes to reduce student financial aid by $3.7 billion by eliminating many aid programs and severely restricting eligibility for aid; and

Whereas these proposed reductions constitute a 45 percent reduction in federal student aid over fiscal year 1987 appropriations; and

Whereas virtually all of the more than 50,000 Oregon students receiving federal financial aid will be adversely affected by these budget proposals; and

Whereas the proposed reductions in federal student aid will severely limit access to higher education; and

Whereas many low and middle income students will be unable to afford higher education should these proposals be adopted; and

Whereas the nation's security and economic growth depends on a well educated citizenry; now, therefore,

Be It Resolved by the Legislative Assembly of the State of Oregon:

(1) The Congress of the United States is memorialized to resist these drastic reductions in federal student financial aid programs and urged to maintain the current level of funding for student financial aid programs for fiscal year 1988.

(2) A copy of this memorial shall be sent to the Speaker of the House of Representatives, the President of the Senate and to each member of the Oregon Congressional Delegation.

SENATE JOINT MEMORIAL 11

Whereas for the past several decades there has existed in America a pluralistic electric industry that includes publicly owned, privately owned and cooperatively owned electric generation, transmission and distribution utilities; and

Whereas the Federal Government has developed a publicly owned electric power system which generates and transmits power to millions of Americans through consumer-owned distribution utilities, the sales of which completely repays the federal investment in those facilities; and

Whereas the benefits of this federal investment are shared in Oregon not only by the thousands of people, businesses and industries served by consumer-owned electric utilities but by the residential and farm customers of investor-owned electric utilities through the "exchange" provisions of the Pacific Northwest Electric Power Planning and Conservation Act, P.L. 96-501, and by the firms and thousands of employees of those companies served directly by the federal Columbia River Power System; and

Whereas over 80 years of federal legislative and case law history has honed the role and relationship of consumer-owned utilities, and that of the Bonneville Power Administration and other federal power marketing administrations; and

Whereas the overriding effect of these laws has been to insure competition and to provide a yardstick of comparison between types of utility organizations, thus providing citizens of this nation with the highest quality of service at lower cost and a choice of the utility providing that service; and

Whereas the President's proposed budget for fiscal year 1988 contains calculations which assume the sale of the federal Department of Energy's power marketing administrations and which assume changes in the repayment of debt on power marketing administrations' facilities; and

Whereas there exists in this nation's courts and Congress a challenge to the laws regulating the relationships between the federally owned dams and their consumer-owned customers as well as the relationships between the various types of utility organizations; and

Whereas if these challenges are successful because of a lack of knowledge of the history of utility industry development or a lack of understanding of the rule community-controlled electric utilities play in that industry, such action would overturn more than 30 federal statutes spanning eight decades of good public policy, sell vital natural resources held by the Federal Government in trust for all the people of the United States, to private interests be they domestic or foreign, stifle competition, perpetuate monopoly control and raise electric costs to 11 million Americans including over one million of Oregon's households; now, therefore,

Be It Resolved by the Legislative Assembly of the State of Oregon:

(1) The Congress of the United States is memorialized to reject any budget proposal, bill, amendment or other legislative initiative that would study or authorize the sale of the Bonneville Power Administration or any other federal power marketing administration to private interests, to reject any change in the repayment schedules for debt owed on any facilities owned by a federal power marketing administration, and to reject any legislation which seeks to overturn the existing federal power program.

(2) A copy of this memorial shall be sent to the President of the United States, to each member of the Oregon, Washington, Montana and Idaho Congressional Delegations, to the Secretary of Energy, to the Speaker of the House of Representatives and President of the Senate, and to the Majority and Minority Leaders of the House of Representatives and Senate.

HOUSE JOINT MEMORIAL 14

We, your memorialists, the Sixty-fourth Legislative Assembly of the State of Oregon, in legislative session assembled, most respectfully represent as follows:

Whereas Crater Lake Lodge, built in 1914, is of historic and architectural importance to the people of the State of Oregon and the people of the United States; and

Whereas Crater Lake Lodge has been listed in the National Register of Historic Places; and

Whereas Crater Lake Lodge adds much to the total experience and enjoyment of a visit to Crater Lake National Park; and

Whereas Crater Lake Lodge is one of the few examples in Oregon of the historic character which represents an early era in park development and is an historical attraction in itself that is a stately reminder of the relatively early date of Crater Lake's designation and devlopment as a national park; and

Whereas the removal of the overnight accommodations as currently and historically located inevitably would diminish the quality of experience sought by a significant number of park visitors; and

Whereas a farsighted nation preserves the quality of its past as a guide and standard for its future; and

Whereas the National Park Service is now considering options for the future of Crater Lake Lodge; now, therefore,

Be It Resolved by the Legislative Assembly of the State of Oregon:

(1) We urge the Department of the Interior and the National Park Service to preserve and restore historic Crater Lake Lodge as a national asset to provide lodging at Crater Lake National Park that can be enjoyed by future generations of Americans and increasing numbers of international visitors.

(2) A copy of this memorial shall be transmitted to the Secretary of the Interior, the Director of the National Park Service, and each member of the Oregon Congressional Delegation.●

CITIZENS COMMISSION ON INDOCHINESE REFUGEES CALLS FOR CONTINUATION OF FIRST ASYLUM, STRENGTHENED REFUGEE PROTECTION, AND ONGOING UNITED STATES RESETTLEMENT PROGRAMS

● Mr. PELL. Mr. President, the Citizens Commission on Indochinese Refugees, formed under the auspices of the International Rescue Committee, has just completed a week-long study mission to Thailand for a firsthand look at the ongoing situation of Indochinese refugees. The commission is headed by longtime IRC Vice President Bayard Rustin, and included among its members the gifted and distinguished film and theater actress Liv Ullman, also a vice president of IRC—long known for her support of refugees throughout the world. The other members of the citizens commission are the chairman of the IRC's executive committee, James T. Sherwin, the IRC's capable executive director, Robert P. DeVecchi, and Betsy Trippe DeVecchi, Hiroko Sherwin, and Donald Saunders.

I have served as a vice president of the International Rescue Committee, and I remain a member of its board of directors—it is one of my proudest affiliations. For over a half a century the IRC has been in the lead of those calling attention to the needs of refugees and seeking practical, humane solutions to their plight. Its original chairman was the esteemed theologian Reinhold Niebuhr, and its chairman for most of its existence has been Leo Cherne, whose leadership on behalf of refugees has been deservedly recognized and honored.

The citizens commission mission to Thailand took place in the period May 29–June 4, 1987. It was convened and carried out with urgency to deal with three major concerns:

First, the vital need to preserve first asylum, in Thailand and other countries of Southeast Asia, for refugees who continue to flee Vietnam, Laos, and Cambodia;

Second, the need to guarantee basic protection to refugees in countries of first asylum; and

Third, the need to ensure the continuation of reliable, consistent, fair and compassionate refugee resettlement policies by countries of final resettlement.

The commission focused its attention on the plight of the 260,000 Cambodians living in uncertain and hazardous conditions on the Thai-Cambodian border, as well as the 22,000 Khmer refugees in Khao I Dang. It calls for improved education programs for Khmer children on the border as part of a series of actions needed to improve conditions for this especially vulnerable population. It supports the recommendations of the Indochinese Refugee Panel headed by former Iowa Gov. Bob Ray that further review is imperative for the so-called rejected refugees at Khoa I Dang—the camp known to the world from the final scenes of the Academy Award-winning film, "The Killing Fields."

The commission counsels against schemes to try to return refugees to Vietnam, including those who survived the hazardous land passage across Cambodia as well as those who continue to arrive by sea. It also calls for the immediate resumption of the Orderly Departure Program [ODP] from Vietnam as a necessary step to give Vietnamese an alternative to escape by unsafe boats with the terrible risk of pirate attacks.

The commission calls attention to the plight of the Lao refugees, expressing particular concern about reports of push-backs and involuntary repatriation of Highland Lao—the Hmong so long associated with United States efforts in the region. For all these groups the citizens committee counsels improved protection, enhanced education, health, and mental health programs, and a continuing commitment for resettlement by the United States and other countries.

The report is short and to the point. It is worth a careful reading as a blueprint for what needs to be done for Indochinese who continue to flee as refugees. I ask that the text of the report, along with a letter to me from Robert DeVecchi, be printed in the RECORD.

The material follows:

CITIZENS COMMISSION ON INDOCHINESE REFUGEES MISSION TO THAILAND, MAY 29-JUNE 4, 1987, REPORT AND RECOMMENDATIONS

The Citizens Commission on Indochinese Refugees has just completed a mission to Thailand. During the course of its trip, the Commission visited the Cambodian refugee camp of Khao I Dang, the Khmer border encampments at "Site II", the Lowland Lao refugee camp at Napho, as well as the detention center for Lowland Lao at Nong Saeng, the Lao hilltribe camp at Ban Vinai, the Vietnamese boat refugees at Phanat Nikhom and the immigration jail facility at Suan Plu.

The Commission met with representatives of the Royal Thai Government, including the Ministry of Foreign Affairs, the Ministry of the Interior, and the National Security Council. The Commission also met with representatives of the United Nations High Commissioner for Refugees, the United Nations Special Representative for the People of Kampuchea, the United Nations Border Relief Operation, the International Committee for the Red Cross, the United States Ambassador to Thailand and the members of the American Embassy concerned with refugee affairs.

The Commission's initiative was due to three major and interrelated concerns.

1. *The vital need to preserve first asylum, in Thailand and other countries of Southeast Asia, for refugees who continue to flee Vietnam, Laos and Cambodia.* In this connection, it is of critical importance to note the root causes which lead these refugees to risk their lives in the search for freedom: the suppression of basic human rights by the Vietnamese authorities within their own country and against their own people, their continued subjugation of Laos, and their continued occupation of Cambodia, and the consequence of the genocidal acts of the Khmer Rouge. So long as these regimes create conditions which compel their own people to flee, there will be a need for first asylum and the guarantee of a safe haven. We strongly urge the ASEAN nations, the United States, and other countries of the free world to press for an urgent resolution of these problems and the restoration of basic human rights to the long-suffering peoples of Indo-China.

2. *The need to guarantee basic protection to refugees in countries of first asylum.* Refugees are the most vulnerable of populations. Those who risk their lives fleeing oppression, tyranny and persecution must be given basic protection by the countries to which they have fled.

3. *The need to insure the continuation of reliable, consistent, fair and compassionate refugee resettlement policies by countries of final resettlement.* We believe that the United States has a special responsibility and leadership role in this regard, that the American people continue to offer a generous welcome to refugees in need, and that the United States Government has the authority and Congressional support for a continued commitment to refugee resettlement.

The Commission recognizes that a major portion of the responsibility for refugee populations has fallen on Thailand and the Royal Thai Government. We acknowledge with deep appreciation Thailand's efforts and contributions in this regard. We recognize at the same time the responsibilities of the free world, and especially of the United States to relieve Thailand of as much of this burden as possible.

The Commission makes the following specific recommendations:

BORDER KHMER

The safety and welfare of the 260,000 Khmer on the Thai-Cambodian border should be further safeguarded by bringing them within the protection of the UNHCR, in addition to the continued presence of UNBRO and the ICRC.

The 150,000 Khmer at the present Site II are in a war zone where protection is impossible, and should be moved to a safe location. During the Commission's visit, seven Khmer were killed by shelling of this camp and numerous others seriously wounded.

Since 1979, a generation of Khmer children has been born knowing no more of life than a refugee camp. There is every indication that the Cambodian conflict will not be resolved in the near future. It is therefore incumbent on the civilized world to ensure that this population has an opportunity for education, including primary and secondary schooling for all the children, as well as special programs for the handicapped.

The well-being and security of those at Site II would be enhanced by the establishment of a free market which would allow for a more varied diet and be conducive to freer interchange among the sections of the camp.

KHAO I DANG

The nearly 22,000 Khmer refugees in Khao I Dang—a camp synonymous worldwide with refugee compassion—should be processed for resettlement as expeditiously as possible. The Commission takes special note of the rejected case load of over 12,000 refugees and concludes, consonant with the recommendations of the Ray Commission, that further review of these cases is imperative. The Commission intends to take this matter up with the U.S. Government immediately upon return. We also urge the speedy processing of the 7,000 Ration Card and 1,500 remaining Family Card holders. In the meantime, we ask the Royal Thai Government to allow this additional processing to be completed before any relocation of this population.

VIETNAMESE REFUGEES

The Commission is concerned by the increase in the numbers of Vietnamese boat refugees and the resulting overcrowded living conditions in Section C at Phanat Nikom camp. We are equally concerned with the plight of Vietnamese who have flew overland through Cambodia. Based on the 1986 Department of State Country Reports on Human Rights Practices in Vietnam, and the fact that Vietnam refuses to accept the return of those who have fled, such Vietnamese should have presumptive eligibility for refugee status. We will urge this position on our Government upon return.

ORDERLY DEPARTURE PROGRAM (ODP)

The Commission regrets the suspension by the authorities in Hanoi of ODP interviewing, and calls for its immediate resumption. This program should be the alternative to clandestine escapes in often unsafe boats, many of whch have fallen victim to pirate attacks.

LOWLAND LAO REFUGEES

The commission examined the screening of refugees by the Royal Thai Government authorities with UNHCR observers. We cannot help but conclude that the procedure would benefit from improvement. In particular, we urge greater UNHCR participation by international staff. We also urge the United States Embassy to take a more active role in reviewing all "screened out" cases in order to ensure that any refugees with valid claims for resettlement are identified.

The processing for resettlement of the 23,000 Lowland Lao refugees at Na Pho camp should be completed expeditiously. We conclude that there should be a complete and thorough review of all rejected cases to ensure consistency and fairness. This position, too, we will urge upon our return.

Durable solutions for lowland Lao refugees should not be foreclosed. In this connection, we would urge the U.S. Government to work with the government of Laos towards the establishment of normal immigration procedures and to explore the possibility of an orderly departure program from Laos.

HIGHLAND LAO

While the commission acknowledges the patience and assistance of the Royal Thai Government over the years in providing first asylum to highland Lao, we are deeply concerned by reports of push-backs and involuntary repatriation. We recommend that all Highland Lao seeking asylum and refuge in Thailand be permitted to enter the screening process, and if determined to be eligible, be allowed to enter one of the UNHCR camps.

We call on the United States to make an ongoing commitment to accept Highland Lao refugees who seek resettlement.

VULNERABLE POPULATIONS

The commission notes the presence of a number of vulnerable refugee groups, many of whom have been in camps or detention for a period of years and for whom no relief is presently in sight. We call on the U.S. and other countries of reettlement to be particularly responsive to the needs of these populations, which include:

1. Khmer boat refugees.
2. Khmer refugees in camps other than Khao I Dang.
3. Khmer Krom (Ethnic Khmer born in Vietnam) on the Thai-Cambodian border.
4. Vietnamese unaccompanied minors in Phanat Nikhom.
5. Defectors from the communist army of Vietnam presently at Phanat Nikhom or at Site II.

One final word. The Commission is deeply aware that the Indochinese refugee crisis has lasted for over twelve years. It continues to put a severe strain on the people of Thailand and all those involved with refugees. The strains are most telling on the refugees themselves, especially those who have been victims of violence, who have been in camp the longest, and who have been passed over or rejected for resettlement.

We are concerned that severe mental health and emotional problems are on the increase and urge the Royal Thai Government, the international organizations concerned, and the private voluntary agencies involved in refugee assistance, to be alert and responsive to these circumstances.

Bayard Rustin, Chairman; Liv Ullmann; James T. Sherwin; Robert P. DeVecchi; Donald Saunders; Betsy Trippe DeVecchi; Hiroko Sherwin.

INTERNATIONAL RESCUE COMMITTEE, INC.,
New York, June 8, 1987

Hon CLAIBORNE PELL,
U.S. Senate, Russell Senate Office Building, Washington, DC

DEAR SENATOR PELL: I wanted to share with you the enclosed report issued by the Citizens Commission on Indochinese Refugees. It was issued in Bangkok on June 4, following a week long study mission.

The report contains specific policy recommendations which the Commission members unanimously endorsed. These were arrived at following extensive discussions with Thai, UN and U.S. officials concerned, and visits to all the major refugee camps.

We left Thailand with no doubts in our minds that the refugee situation there is at a critical juncture. The generous policy of first asylum which Thailand has granted for refugees is in jeopardy. Refugee protection is equally endangered. Vital to the maintenance of these is the need for an on-going U.S. resettlement commitment which is reliable, consistent, fair and compassionate.

The Commission intends to follow up on this report and looks forward to the opportunity of working with you to this end.

Sincerely,

ROBERT P. DEVECCHI,
Executive Director.

COMMODITY MARKETING ORDERS

● Mr. BOSCHWITZ. Mr. President, recently I offered an amendment to the Federal Trade Commission [FTC] reauthorization that would have lifted the congressional ban on investigation and study of Federal commodity marketing orders by the FTC.

At that time it was argued by most cooperatives, and Members of the Senate who agreed with them, that the U.S. Department of Agriculture Agricultural Marketing Service [USDA-AMS] has full and complete power to regulate the marketing orders so that no abuses of the antitrust exemption provided for marketing orders could occur. Further, study by any agency except USDA-AMS was duplicative and unneeded because AMS is doing a great job.

Recently someone else did take a look at the California-Arizona navel orange marketing order. Victor Palmer, USDA Acting Chief Administrative Law Judge, found that the Agricultural Marketing Service has not handled this marketing order appropriately.

Four California navel orange handlers regulated under the California-Arizona navel orange marketing order instituted proceedings against USDA under section 15(A) of the Agricultural Marketing Agreement Act of 1937 (7 U.S.C. 608c(15)(A)). The four California handlers charged that the Secretary of Agriculture's annual implementation and weekly allocation of prorated volume restrictions (the amount of navel oranges legally allowed to be shipped to market on a weekly basis) for the last 11 annual seasons:

First. Amounted to an unlawful delegation of authority by the Secretary of Agriculture to the order's Navel Orange Administrative Committee that is dominated by Sunkist Growers, an organization that is in direct competition with the petitioning California orange handlers;

Second. Constituted arbitrary and capricious exercises of regulatory power which were abuses of discretion by the Secretary of Agriculture;

Third. Were not in compliance with the most basic requirements of the Administrative Procedure Act; and

Fourth. Discriminated against petitioners by denying them the "equity of marketing opportunity" that the act and the order requires be given to all handlers.

Acting USDA Chief Administrative Law Judge Victor Palmer ruled on this matter on April 23, 1987. Agreeing with the petitioners and deciding against USDA on the major points of law, Judge Palmer found:

The prorated flow-to-market restrictions imposed under Marketing Order 907 upon petitioners' handling of California-Arizona navel oranges from autumn of 1979 through January 31, 1985, were not in accordance with law due to the failure of the Department of Agriculture to:

First, perform the independent evaluation and analysis of NOAC's recommendations sufficient for the exercise of allocations of the restrictions, as required by the Administrative Procedure Act; and

Second, provide petitioners with advance notice and opportunity to comment upon the restrictions as required by the Administrative Procedure Act.

Today, in the Senate Agriculture Committee, we had testimony from Willie Nelson and others advising us that we should start an international grain cartel so that we could extract from customers the price that we want for our grain. Not only has this approach failed in the international arena, but it is failing here at home where we have such arrangements.

The first article I would like to enter into the record is authored by Marj Charlier of the Wall Street Journal. The article explains how independent procedures are fighting and winning a few battles to grow and sell their products without the interference of Federal marketing orders.

The second article, by Neil Behrmann of the Wall Street Journal, examines the fate of world commodity cartels. The evidence is conclusive that they have not worked in the past which leads me to believe that they will not work in the future.

The articles follow:

[From the Wall Street Journal, June 17, 1987]

FIGHTING QUOTAS—INDEPENDENT FARMERS OPPOSE RULES LETTING CARTELS DECIDE OUTPUT

(By Marj Charlier)

SANGER, CA.—Inside a big metal building on the Riverbend International Corp. farm here, shiny oranges bounce jauntily along conveyor belts and down chutes, automatically joining like-sized fruit in boxes bound for Pacific Rim markets.

But outside, in orchards that stretch across the San Joaquin Valley, oranges just as fine plop off trees and rot in the scorching heat. Perry Walker, Riverbend's vice president, says that the fruit wouldn't be going to waste if it weren't for restrictions imposed by a government-backed cartel.

Rotting fruit and lost profits have become a cause. Mr. Walker has joined a growing group of independent fruit and nut farmers and packers who are fighting what they see as 1930s-bred socialism. Fifty-year-old federal regulations allow farmers to form cartels to control supplies, share marketing efforts and allocate production rights through "marketing orders" approved and enforced by the U.S. Agricultural Department. Says one grower: "Even the Communists don't do what we're doing—destroying good food."

SMART AND TOUGH

Using petitions, lawsuits and other legal maneuvers, the farmers and packers are winning some battles. In California, Florida and the Upper Midwest, they have gotten rid of some of the nation's 47 marketing orders and begun to weaken others. "The little guys are starting to get smart and tough," says John Ford, a former Agriculture Department official who works as a consultant for farmers fighting marketing orders.

At stake is the enormous power of huge produce-marketing cooperatives. Because of their big market shares, co-ops like Sunkist, Sun-Diamond and the California Almond Growers Exchange have most of the votes on the committees that administer the marketing orders. Without the protection from competition that the production limits provide, the co-ops might lose farmer members and valuable markets to the independents.

Consumers and many farmers stand to gain if the independents' campaign succeeds. More fruit and nuts on the market would lower retail prices, the U.S. Small Business Administration advocacy office has concluded. And eliminating restrictions would increase farmers' profits 10% to 20% by reducing administrative costs and discouraging imports, among other things, according to a study published recently in the Journal of Law and Economics.

EVENING ODDS

Back in 1938 when the marketing orders were set up, the co-ops were seeking to even up the odds between thousands of Depression-era small farmers—all trying to sell their produce at the same time—and powerful urban buyers. The law allowed farmers, co-ops and packers to form boards to write and administer marketing orders controlling the movement of produce to market. The lemon and orange orders sought to create "equity of opportunity" in the marketplace for all farmers and packers by letting the boards set weekly quotas for each farmer and packer.

Now, no one is predicting that the marketing-order system will collapse overnight. Indeed, while fruit and nut growers are fighting to eliminate supply controls, Congress is considering mandatory controls for grain farmers. The Save the Family Farm Act, sponsored by Sen. Thomas Harkin, an Iowa Democrat, and Rep. Richard Gephardt, a Missouri Democrat, would have farmers vote to limit their production as a solution to grain surpluses and the nation's farm crisis.

And not all farmers and packers dislike marketing orders. The orders benefit small, part-time farmers who don't have time to vie for market share. And their generic advertising programs and quality standards are universally praised.

A DERAILED CRUSADE

Only four years ago, the Agriculture Department itself wanted to overhaul the system, which it oversees. Under former Secretary John Block, the department pushed to reduce cooperative control and rein in anti-competitive orders. But pressure from Sunkist, the huge Arizona and California orange and lemon cooperative, derailed that crusade, says Mr. Ford, the deputy assistant secretary at the time. (Sunkist officials declined to be interviewed for this story.)

Now, the department has dropped the matter, says Patrick Boyle, who heads the department's Agriculture Marketing Service. "In previous years there was more discussion about that," he says. "But if you look to the department to take the lead, that's not going to happen."

Fine, say the independent farmers and packers; they will do it themselves. And they have become a formidable force. "The system's a house of cards," says James Moody, a Washington, D.C., lawyer who has worked for the growers for the past eight years. "If you keep banging away at it, it will fall."

In the past decade, young, college-educated farmers with marketing expertise have quit the co-ops to pack and market their own produce, capturing profits that used to go to middlemen. Computers, larger farms, better transportation and advance buying by supermarkets have all made that easier. Today, 100 packers process and market almonds, while only 15 did a decade ago.

The new independent farmers and packers like this heated competition. Carl "Skip" Pescosolido, a petroleum marketer and orange grower from Irving, Texas, is one of them. He drove to the San Joaquin Valley for the first time in 1970, bought a farm and in 1979 began funneling his marketing skills into selling oranges. He quickly ran up against marketing-order restrictions—he could sell more oranges than the order would allow—and became an early opponent of the California citrus order.

"I was the only voice of reason in the industry," he says. "Today, it's fair to say 30% of my fellow growers share my views."

What really irks these growers is that the quotas have routinely restricted the sale of oranges in only one of four districts regulated by the committee—the district where most of Sunkist's competitors, the independents, operate. These growers, including Messrs. Walker and Pescosolido, are regularly required to divert about 32% of their navel oranges to lower-profit channels like the export market, charities or juice plants.

The independent growers blame the market restrictions for declining per-capita consumption of oranges and increasing imports. They also note that farm prices haven't improved despite the supply controls.

"ORDERLY FLOW"

Billy J. Peightal, the manager of the orange marketing committees, concedes that oranges haven't been consistently profitable but says that prices have been higher than they would have been without the marketing orders. "The system creates an orderly flow of oranges to the market," he says. "In the long run, everybody would suffer without this order."

But the only time the orange marketing order was lifted—for five months in 1985 after a severe freeze in Florida and Texas-prices to farmers rose and consumer prices didn't. In a study of that episode, the Agriculture Department's economic research service concluded that most times, grower income would be greater without the restrictions.

Meanwhile, independent almond producers have their own complaints. A major one is that the almond marketing board, dominated by CAGE members, requires co-op and independent packers to spend 2.5 cents on brand-specific advertising for each pound of almonds they handle. If they don't spend it, they must forfeit the money to the almond board.

But independent handlers sell more than 90% of their almonds overseas and as ingredients for ice cream and other foods. Many don't have a brand, and brand advertising won't increase their sales one iota, says Robert Saulsbury of Saulsbury Orchards in Madera, Calif. His 2.5-cent levy over the past seven years has added up to more than $1.4 million.

CAGE, which holds most of the retail market with its Blue Diamond brand, does benefit from brand advertising. The co-op spends its advertising money and doesn't have to pay it to the board.

GENERIC ADS

The almond board has consistently voted against using the forfeited funds on the generic advertising that many independents would like. "We question if 'go out and eat more almonds' helps sell almonds," says Steven Easter, a CAGE and almond board member.

Mr. Saulsbury and two other almond packers have also filed petitions protesting the board's requirement that producers sell a set percentage of their crop to someone who will make almond butter out of it. The butter is supposed to compete with peanut butter and provide a new market for almonds. But butter makers pay less than market value for the almonds, and many of the independents don't believe that almond butter will sell anyway—especially when it is four times as expensive as peanut butter. "Everybody hates almond butter," says Cloyd Angle, who owns the independent packinghouse Cal-Almond Inc. (Mr. Easter says that the almond-butter program has had siginficant success in Europe.)

Independent growers and packers are beginning to win some significant victories. In April an adminsitrative law judge agreed with Messrs. Pescosolido and Walker and other orange producers who challenged the navel-orange marketing order. Six years' worth of weekly restrictions on marketing oranges were illegal, the judge said, because the Agriculture Department approved them without adequate review and because they weren't fair to the independent growers. The department has appealed the decision.

CHERRIES AND HOPS

Meanwhile, cherry growers in the Upper Midwest gathered enough votes to get rid of their marketing order, and hops growers in California voted to scratch theirs last year. In the state of Washington, spearmint growers the contemplating either a lawsuit or an administrative petition to kill their marketing order. And Florida grapefruit growers voted last month to kill theirs. "As growers realize the marketing orders hinder their ability to satisfy customers, they kill them," says Gregory Nelson, of grapefruit grower DNE Sales Inc. in Fort Pierce, Fla.

The fight against the orders has attracted some colorful warriors. One of them is prune packer Neil Denny of Marysville, Calif., a veteran of battles with the county commission, the state environmental protection agency and the county sheriff. Recently, when the prune marketing board, dominated by the Sunsweet cooperative, proposed a reserve to limit sales and raise prices, Mr. Denny's hackles rose again.

"You don't hide anything from the market anymore," he says. The pools only "keep a small guy who's aggressive out."

While marketing board members flew to Washington at the board's expense to persuade the Agriculture Department to approve the reserve, Mr. Denny and fellow independent grower Neill Mitchell paid their own way and burst into department offices to protest. "We were just two little guys with a big story," say Mr. Denny. But he and Mr. Mitchell stopped the reserve, nonetheless.

[From the Wall Street Journal, June 1, 1987]

Market Forces and Discord Stymie Cartels

(By Neil Behrmann)

London.—The price-bolstering clout of the world's commodity cartels is evaporating amid discord among producing nations and the dominance of market forces.

"Commodity agreements are an endangered species," say Charles Young, director of research at Landell Mills Commodities Studies Ltd. Such accords were fashionable in the 1970s, he says, but policy makers today believe in "free markets and privatization."

Nearly a decade ago, more than 150 nations, rich and poor, wanted to devise a grand strategy to stabilize prices of 10 commodities and bolster cash flows of the Third World nations that produce raw materials. United Nations planners envisioned a "common fund" that would finance various pacts covering coffee, tea, cocoa, sugar, cotton, rubber, jute, sisal, tin and copper.

Despite six years of effort, however, the fund never materialized. And just one new pact, covering rubber, was negotiated.

INTERNAL BICKERING

Tin's international agreement dates from World War II, and sugar, coffee and cocoa pacts existed before 1977 and have been renegotiated several times since then. Only cocoa and rubber are fully active now, though.

Coffee's price-support mechanisms have been suspended more than a year while producing and consuming members argue about how to allocate export quotes. Although the International Coffee Organization's executive board meets this week in Bali, the panel isn't expected to decide the quota question before it meets in September at its London headquarters.

The International Sugar Agreement's price and quota functions lapsed in 1984 when members couldn't agree on export restrictions to support prices. And metal markets still suffer from the October 1985 collapse of the International Tin Council, which ran out of money by supporting prices far about market levels. Malaysia and Indonesia scuttled attempts to save the ITC early last year, delegates say, because the two nations weren't prepared to raise more money for support operations.

—

The spirit behind the international planning of 10 years ago "is dead," says Robert Fish, managing director of Primary Commodity Research, Ltd., a consulting firm. Noble efforts to bolster the economies of Third World nations have been overtaken by self-interest, he says.

"Some years ago we were sympathetic to producers' problems," a European delegate says. "Now we enter negotiations to obtain the best possible deal for ourselves."

Commodity packs generally rely on quotas and buffer stocks, or common inventories, to keep prices in an agreed range. The intent is to assure stable supplies and output, and an orderly market for producers and consumers alike.

When a commodity's price falls below a specified level, the accord's representatives typically buy it on the market to force quotes back up. When prices surge, the council sells surpluses from its stockpile. Producers can also agree to restrict exports when the market is weak and to suspend quotas when prices are high.

In practice, though, producing members of several pacts have ignored quotas and stepped up output, even at low prices, because they need foreign currency to repay international loans.

Actions of non-member producers also put strain on cartels. While the sugar pact imposed strict export quotas on its producing nations, the Common Market, a major producer, didn't belong to the world organization. Huge amounts of Common Market sugar poured into the international market, undermining prices.

The cocoa pact, which failed dismally to support prices a few years ago, is being tested again this year after a major hitch was straightened out. The buffer-stock manager at the International Cocoa Organization now can buy from producers that aren't members, such as Malaysia. Last month the manager kept prices from falling by purchasing cocoa both from member and nonmember countries, although one analyst says the manager isn't buying very aggressively.

Mr. Fish warns that if cocoa surpluses continue to swamp the market, the buffer stock manager will soon exhaust his $250 million purchase budget. Just such a drain helped stymie previous price-support efforts. When prices fell in 1984, the market anticipated the moves by the buffer stock manager and waited them out.

The rubber pact is working best because it is elastic, says a delegate to several commodity organizations. Price ranges at which the buffer-stock manager trade are adjusted to reflect the market forces. Export quotas aren't used.

ROLE OF SPLINTER GROUPS

Some commodity agreements have been undermined when threats by some producers to form their own cartels antagonised consumer members. In the tin organization, Malaysia, Indonesia and Thailand plied a separate course, and Latin American coffee producers raised the specter of their own coffee group.

Indonesia, the world's third-largest coffee producer, has said it will seek more support in the ICO from Asian-Pacific nations. Indonesia, the Philippines, Thailand and Singapore are members of the Asean coffee club, formed in 1980. Asean—the Association of Southeast Asian Nations—also includes Malaysia and Brunei.

Indonesia and seven other coffee producers have said demands by Brazil and 23 other producers to maintain the traditional ICO quotas are unrealistic. Quotas were suspended in February 1986 when prices soared to more than $2 a pound because of drought damage to the crop in Brazil, the world's largest producer with an ICO quota of 30% of the market. Coffee stood at $1.12 a pound Friday.

Market forces, too, have militated against commodity pacts. Supplies of raw materials surged in the 1980s as Third World nations overproduced, spurred by the price gains of the 1970s.

Meanwhile agricultural subsidies in the Common Market, the U.S. and elsewhere accentuated the commodities glut that led to the inevitable failure of the pacts, says John Calverly, an economist at American Express Bank.

On the other hand, when demand for sugar surged in 1980, prices more than doubled despite the stabilization efforts of the international organization.

In recent years consuming nations have lost enthusiasm for the idea of commodity price and production stabilization. Although they were receptive in the 1970s when they wanted to curb rapidly climbing prices, analysts say, the subsequent commodities slump has helped curb runaway inflation in major consuming countries.

Still, self-interest may encourage some consuming nations to stick with commodity pacts. Latin American countries are having trouble repaying bank loans, and in one analyst's view that is a big incentive for consuming countries to prop prices for coffee and cocoa.●

NATIONAL INVENT AMERICA! WEEK

● **Mr. HARKIN.** Mr. President, I want to call the attention of my colleagues in the Senate and the entire Nation to the first annual Invent America! Week, June 21-26, here in Washington, DC, to honor and celebrate the inventive talents and ideas of this country's student inventors in kindergarten through the eighth grade.

Invent America! is a program whose time has come for this Nation. The Invent America! program and its State, regional, and national competition to promote excellence in education through the invention process, recognizes that the greatest innovations for new jobs, technologies, and economic competitiveness in America, will come from the men and women—young and old—who dare to take great risks to invent our future.

At the very heart of America's greatness is its inventive and independent spirit. This spirit allowed early Americans the freedom to forge a technologically rich and aggressive country from an agrarian society. Our Nation then went on to lead the world in many fields. America's leadership ability and economic vigor throughout the last 200 years has characterized the "never say never" drive of America's inventors and innovators who dared to challenge the known to create a better quality of life for all of us.

In celebration of this remarkable spirit and national heritage, and the critical need to refocus Americans on the pursuit of new ideas, the U.S. Patent Model Foundation, a nonprofit organization, launched the Invent America! program in this Nation's schools in February on this year. This program encourages our next generation of doers, thinkers, and creators—our 31 million elementary schoolchildren—to develop the skills they will need to keep America strong for the next 200 years. Student inventors from all 50 States have participated in the Invent America! program this first year. Invent America! week will recognize the brighest ideas of 45 regional winning student inventors, their teachers and parents who will be here in Washington, DC, for the selection of nine national winners on June 25. I am proud to announce two of the regional winners are students from Iowa: Crystal Davey, a fourth grade student from Dallas Center, created an adaptable baseball glove, which would be used by kids suffering from cerebral palsey; and, Randy Read, a seventh grader from Malcom who made a Piglet Catcher to aid farmers in the difficult task of catching piglets.

And, early this summer, I, along with other members of the Iowa congressional delegation, the Governor, the Iowa Department of Education and several statewide associations will formally announce Invent Iowa!—a comprehensive statewide project to encourage the development of invention programs throughout the State of Iowa, for Iowa's youth.

These important initiatives—Invest America! on the national level and Invest Iowa on the State level—will work hand-in-hand in an effort to revitalize the great American spirit of invention, competitiveness and free enterprise through an innovative educational method. These programs set an important example for all 50 States to revitalize a legacy that will directly affect increased domestic productivity and global competitiveness.

We have seen the reward of this type of educational emphasis in other nations. For example, the Japanese people, since 1941, have combined the efforts of industry, government, and education to promote creativity and productivity in a comprehensive program for invention and innovation.

Until the U.S. Patent Model Foundation introduced Invent America!, this country had not had such a program and the U.S. Patent Office figures have reflected the results. In 1986 Japan alone took 18 percent of U.S. patents issued—13,857. Figures for 1986 also reveal that of the 76,862 patents issued in this country, a total of 34,859 went to foreign residents, and over the past 20 years, the percentage of U.S. patents obtained by foreigners has more than doubled.

The message is clear from both the public and private sector, that a dangerously high percentage of America's young job applicants and new hires lack the critical and creative thinking skills necessary to handle today's rapidly changing technology and highly competitive corporate environment. All children, regardless of social or economic background and physical or academic ability can be winners with the Invent America! program. Invent America! will give students the tools they need to meet and surpass global competitiveness. In recognizing and rewarding creativity, throug the Invent America! program in schools, we can begin to once again create a culture which encourages and rewards inventions and innovation.

Fifteen States across America have already announced statewide support for Invent America! in its first year, and I am proud to list Iowa as one of them with the announcement of the Invent Iowa Program. These programs offer a unique opportunity to strengthen critical partnerships between government, education, and business sectors.

In this important national endeavor, the Invent America! program has also recognized the significant contributions that our senior citizens with lifetimes of experience in the area of invention, education, and business can make to the effort. To this end, the foundation is developing a Senior Inventor Outreach Program to use our Nation's senior citizens to expand Invent America! by their participation in on-site school visits, special workshops and after-school programs.

Invent America! is truly a positive investment in America's most precious resource—our youth—and is the type of program that we, as elected leaders of our people, should support. With Invent America!, every young American will have the opportunity to reach his or her own personal creative and inventive potential.

I urge each of you to advocate the Invent America! program in the schools in your district and your State, and participate in the events of national Invent America! Week in June.

As Albert Einstein once said, "Imagination is more important than knowledge for knowledge is limited, whereas imagination embraces the entire world."

I'm looking forward to working on these invention programs and I encourage you to support these efforts to help our Nation perform more effectively in an increasingly competitive world.●

TRIBUTE TO LT. FRED D. CAROZZO, JR.

● Mr. HEINZ. Mr. President, I rise today to recognize Lt. Fred D. Carozzo, Jr., of Clairton, PA, who died in the service of his country on March 22, 1987, in a U.S. naval air accident in the East China Sea near Okinawa.

In honor of his exemplary service and patriotism, the mayor and members of the Clairton City Council proclaimed April 20, 1987, as Lt. Fred C. Carozzo, Jr., Day. I ask unanimous consent that the proclamation be printed in the Record at this point.

The proclamation follows:

Proclamation

Whereas the Mayor and Members of the City Council of Clairton, Allegheny County, Pennsylvania proclaim April 20, 1987 as Lt. Fred D. Carozzo, Jr. Day in the City of Clairton,

Whereas Lt. Fred D. Carozzo, Jr. was born and raised in Clairton and graduated from Clairton High School. He also was a 1978 graduate of the University of Nebraska,

Whereas on March 21, 1987 he died in a U.S. Naval air accident in the East China Sea Near Okinawa,

Whereas by his final selfless act Lt. Fred D. Carozzo, Jr., was instrumental in saving his two crewman's lives.

Whereas we acknowledge the fine character of Lt. Fred D. Carozzo, Jr., and all our young men serving our country,

Whereas Lieutenant Carozzo has left a last impression on the Department of the Navy and will be remembered for his outstanding performance in some of the most demanding assignments. He had only recently completed. The overall plan for antisubmarine defense of the entire Battle Group.

In the final seconds before his death, Lieutenant Carozzo's responsible and courageous action saved the lives of two of his crewmen. His split-second decision to initiate his plane's ejection sequence permitted the crewmen to escape immediately before impact. Unfortunately, Lieutenant Carozzo was unable to complete his own escape.

I extend my heartfelt condolences to the family, friends and fellow servicement of Lt. Fred C. Carozzo, Jr., as they mourn the loss of this brave and decent man.●

THE BUDGET: BETTER NEVER THAN LATE

● Mr. HATFIELD. Mr. President, with much fanfare, the conferees on the budget resolution have finally reached agreement, more than 2 months after they were obliged to complete their work under the schedule established by the Gramm-Rudman-Hollings amendments to the Budget Act. I understand that the conference report may be ready for consideration by the Senate next week, only a few days prior to the beginning of our July 4th recess.

With the adoption of the conference report, the Appropriations Committee can at last be given an allocation pursuant to section 302(a) of the Budget Act, make an allocation to its subcommittees under section 302(b) of the Budget Act, and proceed with subcommittee and full committee markups of the fiscal year 1988 appropriations bills. I am confident the committee will proceed expeditiously and discharge those responsibilities as promptly as possible. Chairman Stennis has pledged to do that, and I will support him in every way I can.

But I'm afraid it's too late, Mr. President. By the time the Appropriations Committee receives its 302(a) allocation from the Budget Committee, it will be mid-July. We will have 6 weeks of session scheduled between that time and September 30, when we must conclude our business or resort to a continuing resolution. The Budget Committees took 6 months to complete one resolution. Does anyone believe we can enact 13 appropriations bills in just 6 weeks? It can't be done, Mr. President, and it won't ever be done if the budget process continues to fail us as it has again this year. If my colleagues want to avoid continuing resolutions, then let's do away with budget resolutions. Better no budget resolution at all than one that comes so late.●

ESSAY ON POLITICS BY KRIS JENSEN

● Mr. DASCHLE. Mr. President, the following essay concerning politics and public service was written by Kris Jensen, a young man from Aberdeen, SD. Kris successfully completed a rehabilitation program this spring at the Youth Forestry Camp for youthful offenders in Custer, SD. I wanted to share Kris's thoughts today to help remind us all of the spirit of public service and the responsibility we have to foster this spirit among all young Americans.

The essay follows:

Politics

I would like to be a politician if I could be anything I wanted to be. I would preferably like to be a Democratic Senator. My new self wouldn't change any from what my old self is like. I would like to further my education and enhance some of my abilities that I already possess. I would own the same car I have now to show people that I don't need to have anything different than most people have. I would also live in a small, but comfortable apartment instead of some huge house that I don't need. I would keep the same friends and try to make more along the way. I wouldn't let my success go to my head.

My new self would go to the Senate to work for the people. I would try to pass or bring up on the floor, new bills or amendments that would help the people and not me or the rest of the government. I would try to help the needy and the lower and middle classes of people. I would try to help the senior citizens and the street people or the homeless to find ways they could earn a living or "make ends meet." I would try to fight the cuts on social security, the amount of drugs in the U.S., the senseless killing, and drunken driving on our interstates.

I would like to be a politician in order to help others because there are only a few people * * * who care about the rising problems in our country and our state. Only a few people really care what happens to America and its people. I would try to be one of the best Senators there has ever been and to go down in history as a person who cared. I think we need to take a look at America's problems first before we put our noses in other countries problems. If there were more people who cared, this country would be a beautiful place to live. Our main problems we face nowdays are AIDS, Political corruption, Drugs, nuclear accidents, and corruption in our churches. Another major problem is the spying and the traitors in the Armed Services. If we take care of these problems, we would be a better country. Most of all, I would like to work for the people and not myself.

KRIS JENSEN.

MAY 21, 1987.●

WEST VIRGINIA DAY 1987

Mr. BYRD. Mr. President, this Saturday, June 20, West Virginia will be celebrating its 124th year as the 35th State in the Union.

Over nearly one-and-a-quarter centuries, most Americans have come to take West Virginia for granted, even if some others sometimes forget that West Virginia is no longer just the western part of Virginia.

Few people today, however, realize how near West Virginia came to not becoming a separate State.

Not surprisingly, West Virginia shares with her mother State a mutual history up until the prelude of the War Between the States. In thinking and in fact Virginians, the early settlers of trans-Allegheny Virginia during the Revolutionary War, has furnished George Washington some of his fiercest and most effective warriors. And even to this day, the names of many West Virginia counties pay tribute to outstanding Virginians from the antebellum past—Brooke, Cabell, Gilmer, McDowell, Nicholas, Pleasants, Preston, Randolph, Tyler, and Wood memorialize Governors of Virginia; Barbour, Braxton, Doddridge, Hardy, Harrison, Lewis, Mason, Pendleton, Ritchie, Roane, Taylor, Tucker, Upshur, and Wirt honor distinguished Virginia statesmen, jurists, and writers; and Berkeley recalls one of Virginia's royal colonial Governors.

As the frontier had moved westward across Virginia and beyond the Ohio River, however, new elements had filtered into northwestern Virginia from New England, New York, and Pennsylvania. Evincing Yankee values and customs, the new northwestern Virginians did not trace their roots to the shores of the Chesapeake or the banks of the James or Rappahannock Rivers. Of different stock going back to their origins in the British Isles, the northwestern Virginians largely spoke a different dialect, were inclined more to commerce and industry than to agriculture, and were often less sympathetic to the "southron cause" than were a majority of their compatriot Virginians to the South and Southeast.

Those differences had caused tensions in Virginia from the early decades of the 18th century onward. To head off a political rupture of Virginia in the late 1820's, the more powerful, wealthier, and numerous eastern Virginians had agreed to a Constitutional Convention in 1829, which, with former President James Monroe presiding, somewhat streamlined and democratized Virginia government. A second reform convention met in 1850, producing constitutional revisions that somewhat papered over the east-west strains in Virginia. In 1851, a distinguished western Virginian from Harrison County, Congressman Joseph Johnson, was elected the first and only Governor of Virginia from the trans-Allegheny section of the State. Until the John Brown raid at Harper's Ferry, eastern and western Virginia settled into an uncomfortable accommodation with one another.

The Dred Scott decision, the Brown raid, and the gubernatorial election of 1859 left Virginia reeling in confusion and anxiety.

The Presidential election of 1860 revealed how ambiguous the political situation in Virginia was on the eve of the Civil War. Douglas, the northern Democrat, received barely 16,000 votes, mostly in the valley of Virginia and along the Ohio. Lincoln's vote of less than 2,000 came entirely from the northern panhandle squeezed between Pennsylvania and Ohio. John Bell of Tennessee, running on a platform of unity and compromise on the slavery question, polled the majority of Virginia's votes, east and west, and won Virginia's electoral votes. Buchanan's Vice President, John C. Breckenridge, however, was the candidate of Southern Democrats, advocating Federal protection of slavery along the lines of Dred Scott, and coming in second to Bell in Virginia by only 500 votes.

As Virginia staggered into secession with the election of Abraham Lincoln, however, the splits between the two primary segments of Virginia became too severe to paste back together. Eager to remain loyal to the United States, a number of northwestern Virginians set about trying to keep Virginia in the Union. Failing that, however, other northwestern Virginians were equally committed to breaking away from the Richmond government and forming a new State.

Opposed to the new statehood movement, however, a significant number of western Virginians desired just as sincerely to stay a part of Virginia, and to join the new Confederacy. Some historians have projected that the majority of troops serving under Stonewall Jackson in defense of the Confederacy may have been, like Jackson himself, natives of western Virginia. The famous Hatfield-McCoy Feud had its origins in devil Anse Hatfield's reputation as a Confederate sharpshooter, as well as the allegiance of many McCoys on both sides of the Big Sandy and Tug Fork Rivers to the Union.

Thus, in the divided families and communities of trans-Allegheny Virginia, was the ground laid for a bloody and often fratricidal struggle that tore West Virginia from 1861 until hostilities ended in 1865. During the years of the conflict between North and South—genuinely a War Between the States—West Virginia was the scene of the real Civil War, with brother killing brother, neighbor fighting neighbor, and former friends hating one another with jingoistic fervor.

At the same time that loyal, pro-Union Virginians were planning and creating a new political entity in the mountainous west of their State, powerful men in Washington were adamantly opposing statehood for West Virginia.

First, that part of Virginia that lay behind Union lines—much of which was petitioning for statehood—was still legally slave territory. Even the Emancipation Proclamation did not remedy the problem, including as it did in its terms of Emancipation only those areas still in rebellion against the Federal Government in Washington. Staunch abolitionists, not yet certain that the war would end slavery, were reluctant to admit into the Union another slave State.

Again, legalists and jurists in Washington were concerned about a particular point of constitutional law. If secession from the Union was wrong for the Confederacy, they asked, how could Washington sanction the counties of a State seceding from that State without legal permission? By "legal permission" in West Virginia's case they meant, not the permission of the official but weak and questionable government of the Unionist Governor of Virginia, Francis Pierpont in Alexandria, but a Richmond government duly chosen in an election held from Norfolk to the Ohio River.

Fortunately, President Abraham Lincoln admired both the loyalty and the bravery of the Unionists of West Virginia. His influence swung support to West Virginia statehood. After all, Lincoln said:

> * * * there is still a difference between secession against the Constitution, and secession in favor of the Constitution.

So, on June 20, 1863, West Virginia officially became the 35th State.

Yes, Virginia there is a Santa Claus. And, yes, there is a West Virginia; a separate State; a sovereign State; a State of patriots, law-abiding citizens, people who have faith in their country, their flag, their Government, and in God. And in themselves. Yes, West—W-e-s-t—Virginia; two words, two States: Virginia and West Virginia.

After the war between the States, Union and Confederate West Virginians alike joined in developing their new State. In the State legislatures that met variously in Wheeling and Charleston, former Union Army officers sat beside former Confederate Army officers. With the healing of the physical wounds of the Civil War in West Virginia, wounded relationships between loved ones and friends healed, as well. Drawing on their pioneering heritage, the men and women of the new State harnessed West Virginia's natural resources and made West Virginia one of the world's industrial giants. In so doing, West Virginia's founding patriarchs and matriarchs also left a legacy of decency, democracy, hard work, courage, and patriotism for which our State is recognized even today.

As West Virginia celebrates its 124th birthday, we are proud of our rich history, and are working to build on that foundation to make our State stronger and more prosperous in the years ahead.

Happy 124th birthday, West Virginia!

Mr. ROCKEFELLER. Mr. President, 124 years ago tomorrow—June 20, 1863—West Virginia joined the Union as the 35th State. On behalf of the 2 million people who are proud to call themselves Mountaineers, I would like to wish West Virginia a very happy birthday.

Our State was born in the midst of the Civil War. It surely was not easy for the people of western Virginia to break away from the distinguished history of one of America's original States. But West Virginians, known even then for their loyalty, perseverance, and strong family ties, could not sever the bond to the Republic that gave her people the rights they loved so dearly.

President Lincoln had these remarks to make upon West Virginia's admittance to the Union.

> We can scarcely dispense with the aid of West Virginia in this struggle; much less can we afford to have her against us, in Congress and in the field. Her brave and good men regard her admission to the Union as a matter of life and death. They have been true to the Union under very severe trials.

Mr. President, throughout their history, West Virginians have continued to remain true under such trials. West Virginians are as tough and resilient as the mountains that surround them. Our proud history had shown them to be intensely loyal to their family, to their friends, and to their State. Witness the number of West Virginians who prefer to face the present hardships our State confronts rather than desert the homeland of their parents and grandparents before them.

Loyalty to country has always been a trademark of our people. Many have given the greatest sacrifice of all. In the Vietnam war, West Virginians suffered the highest casualty rate of any State. The freedom and opportunity that this country provides are wholeheartedly embraced and fiercely protected by my fellow West Virginians.

For 23 years, I have been proud to call West Virginia my home. Settling there changed my life—all for the better. My four children were born there and love it as much as my wife and I do. Mr. President, I would like you to join me in a special tribute to my State and its wonderful people. Happy Birthday West Virginia!

ORDERS FOR TUESDAY, JUNE 23, 1987

ADJOURNMENT UNTIL 2:00 P.M.

Mr. BYRD. Mr. President, in order that Senators may have time in the morning on Tuesday to work on the amendment that will be introduced by Senator BOREN, myself, and others, in order that we might try to reach our hands across the aisle, I shall not have the Senate come in until the hour of 2 o'clock p.m.

So, Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until the hour of 2 o'clock p.m. on Tuesday next.

The PRESIDING OFFICER. Without objection, it is so ordered.

WAIVER OF CALL OF CALENDAR

Mr. BYRD. Mr. President, I ask unanimous consent that on Tuesday next the call of the calendar be waived under rule VII.

The PRESIDING OFFICER. Without objection, it is so ordered.

MOTIONS OR RESOLUTIONS, OVER UNDER THE RULE

Mr. BYRD. Mr. President, I ask unanimous consent that on Tuesday next, no motions or resolutions, over under the rule, come over.

The PRESIDING OFFICER. Without objection, it is so ordered.

PERIOD FOR TRANSACTION OF MORNING BUSINESS

Mr. BYRD. I ask unanimous consent that, after the two leaders have been recognized under the standing order on Tuesday next, there be a period for morning business not to extend beyond the hour of 2:30 p.m.; and that at the hour of 2:30 p.m., the Senate resume the consideration of unfinished business.

The PRESIDING OFFICER. Without objection, it is so ordered.

TIME FOR SENATORS TO SPEAK IN MORNING BUSINESS

Mr. BYRD. I ask unanimous consent that, during the period for the transaction of morning business on Tuesday next, Senators may speak for not to exceed 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

A HAPPY FATHER'S DAY TO ALL

Mr. BYRD. Mr. President, I thank all Senators and all officers of the Senate, employees, everyone involved for their patience. I hope everyone will have a good weekend, a restful weekend, and a joyous and happy birthday in West Virginia.

I also hope that all fathers and grandfathers will have a happy Father's Day and that all of our children and grandchildren will pause of reflect on the meaning of Fathers Day. Recently, we had a celebration of Mother's Day which was originated, by the way, in Grafton, As one who has grandfathered six wonderful grandchildren and fathered two beautiful daughters, I look forward to another Father's day.

ADJOURNMENT UNTIL TUESDAY, JUNE 23, 1987, AT 2 P.M.

Mr. BYRD. Mr. President, I am authorized by the leadership on the other side of the aisle to proceed to adjourn the Senate over, and I therefore move, in accordance with the order previously entered, that the Senate stand in adjournment until 2 o'clock p.m. on Tuesday next.

The motion was agreed to; and the Senate, at 3:30 p.m., adjourned until Tuesday, June 23, 1987, at 2 p.m.

NOMINATIONS

Executive nominations received by the Senate June 19, 1987:

IN THE AIR FORCE

The following-named officer, under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be general

Gen. Duane H. Cassidy, [redacted] FR, U.S. Air Force.

IN THE ARMY

The following-named officer under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be general

Gen. Joseph T. Palastra, [redacted] U.S. Army.

CONFIRMATIONS

Executive nominations confirmed by the Senate June 19, 1987:

EQUAL EMPLOYMENT OPPORTUNITY COMMISSION

Evan J. Kemp, Jr., of the District of Columbia, to be a member of the Equal Employment Opportunity Commission for the remainder of the term expiring July 1, 1987.

Evan J. Kemp, Jr., of the District of Columbia, to be a member of the Equal Employment Opportunity Commission for the term expiring July 1, 1992.

DEPARTMENT OF LABOR

Fred William Alvarez, of New Mexico, to be an Assistant Secretary of Labor.

The above nominations were approved subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.

HOUSE OF REPRESENTATIVES—*Monday, June 22, 1987*

The House met at 12 noon and was called to order by the Speaker pro tempore [Mr. FOLEY].

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
June 22, 1987.

I hereby designate the Honorable THOMAS S. FOLEY to act as Speaker pro tempore on Monday, June 22, 1987.

JIM WRIGHT,
Speaker of the House of Representatives.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PRAYER

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

Gracious God, as we have received from You the light and warmth of Your truth, so may we find ways to infuse that truth in the daily concerns of life. As light can brighten every corner and warm the cold of any heart, may we allow the spirit of faith to touch life—at every crisis or celebration, in times of illness or uncertainty, at times of joy and thanksgiving. Bless us, each one, as we seek to make our faith active in deeds of love. Amen.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate had passed without amendment a bill and joint resolution of the House of the following titles:

H.R. 2243. An Act to designate the Federal Building located at 10 Causeway Street, Boston, MA, as the "Thomas P. O'Neill, Jr., Federal Building"; and

H.J. Res. 178. Joint resolution designating June 25, 1987, as "National Catfish Day."

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 52. An act to direct the cooperation of certain Federal entities in the implementation of the Continental Scientific Drilling Program;

S. 640. An act for the relief of the city of Dickinson, ND; and

S. 1383. An act to make certain technical corrections to H.R. 2, the "Surface Transportation and Uniform Relocation Assistance Act of 1987."

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair desires to announce that pursuant to clause 4 of rule I, the Speaker pro tempore signed the following enrolled bill and joint resolution on Friday, June 19, 1987:

H.R. 191. An act to authorize the establishment of a peace garden on a site to be selected by the Secretary of the Interior; and

S.J. Res. 86. Joint resolution to designate October 28, 1987, as "National Immigrants Day."

IT IS TIME TO PASS FUNDING FOR COMMODITY CREDIT CORPORATION

(Mr. GLICKMAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GLICKMAN. Mr. Speaker, today, I have written to the chairman of the House Appropriations Committee urging a swift resolution of the conference on the supplemental appropriations bill. I stressed to him, as I want to stress to my colleagues, that further delay in approving the funds in this bill for the Commodity Credit Corporation will place a severe strain on our Nation's farmers.

With each day that this bill is not passed, our farmers are stretched just a little thinner, to the point that many may indeed be stretched beyond the breaking point unless we keep our commitment to them by ensuring that these funds are available as we told them they would be.

In addition I want to stress to my colleagues and to my farmers that they keep in mind that this House approved this bill in a timely fashion: we approved it on April 24. It was not until 1 week after the CCC ran out of money, on May 7, that the other body even began debate. Some say that extraneous issues are holding up action and to them I say that the other body could have had a swift up or down vote on the bill and on those issues. The legislative process could have been much faster. But instead, the other body failed to act until June 2, fully 1 month after when CCC exhausted its resources. So, after weeks of delay, we are now in the position of dealing with the issues separating the two bills—weeks, I will point out to my colleagues, during which our farmers have waited.

That patience has ended and I urge that the conference on this bill move as expeditiously as possible. We owe it to our farmers to see that they are not left in the lurch a moment longer.

NOTICE OF INTENTION TO TAKE SPECIAL ORDER TO DISCUSS CORRUPTION, COMMUNISM AND THE 100TH CONGRESS: THE THREAT TO OUR CONSTITUTIONAL FREEDOMS

(Mr. GINGRICH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GINGRICH. Mr. Speaker, this afternoon I will take a special order to discuss corruption, communism and the 100th Congress, the threat to our constitutional freedoms. This afternoon I will not mention any Members of Congress by name.

In future weeks I will make a series of speeches outlining the threats of corruption, of communism and of the left wing machine which runs the House. Before each of those speeches I will inform those Members whose ethics and other record I will be discussing. If they choose to participate I will yield to them for that purpose at that time.

THE DEMOCRATS' WHIPPING BOY—NATIONAL DEFENSE

(Mr. RHODES asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RHODES. Mr. Speaker, it seems that anytime the Democrats put their imprint on our Nation's defense policy they use the old cat-o-nine tails and the conference report on the budget resolution bears this out.

Their budget blueprint for defense has two levels—one disastrous and the other disastrous.

Their so-called high level of defense spending would short change our country's security by $39 billion less than what CBO projects would be needed just to keep up with inflation.

The low level is much worse. It would cut nearly $70 billion from the CBO baseline.

No matter how it's sliced, the Democrat budget puts in place a 5-year decline in spending for National security.

Measuring their budget in constant fiscal year 1987 dollars shows a 6-percent decline this year and consecutive 3-percent decline in the following 2 years.

Mr. Speaker, we Republicans aren't calling for an increase in defense spending. We would like to see that it keeps pace with inflation. Anything less than that will surely erode morale, troop readiness and our efforts to modernize weapons.

The Democrats constantly use defense as its whipping boy. Any problem with the deficit is always blamed on defense spending. With 2 years of declines and a third assured with this budget, their whipping boy is near death.

They have billed this budget as the "economic power" budget and the "peoples" budget. Without adequate funding for national defense, neither claim can be achieved.

TIMELY ANNOUNCEMENT OF THE WHEAT AND CORN PROGRAMS

(Mr. ROBERTS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROBERTS. Mr. Speaker, I rise today to congratulate radio station KSAL in Salina, KA upon their 50th anniversary of broadcasting in my State and I reflect on that fine record in the extension of my remarks.

I also rise today regarding yet another problem we are having in farm country. I am calling for OMB Director Jim Miller to get out of the business of mico-managing the farm program. Down through the years, I have amended the farm bill to make sure the wheat and corn programs are announced on a timely basis.

The date for the wheat program was June 1 and here we are, late, because Mr. Miller wants a 30-percent acreage reduction and Secretary Lyng wants 27½ percent. As a consequence, we have been fiddling around with this business for 3 weeks.

Mr. Miller, with all due respect, get out of Dick Lyng's pasture. If the wheat program is not announced this week, I am going to introduce legislation mandating the wheat set-aside at the level the Secretary wants and if that doesn't work I will urge hearings to determine exactly what we should do when OMB causes the USDA to be in technical violation of the law.

DEMOCRATIC LEADERSHIP CRUELTY TO LAMEDUCK PRESIDENT

(Mr. GEKAS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GEKAS. Mr. Speaker, today I am going to file a complaint against the Democratic leadership in front of the SPCA, the Society for the Prevention of Cruelty to Animals, for attacking, as they are, the lameduck that happens to be in the White House. They attack him on every proposal that has ever come down the pike, even though it has been acceptable by the American people.

The latest is the conference report on the budget that will raise taxes by $65 billion over the next several years. This is in the face of the tax reform package that was passed by the Congress of the United States and signed by the President in which the ultimate promise to the American people was that there would be no new taxes attached to that proposal.

My colleagues may separate it as they want, but there can be no separation in the minds of the people of the United States who knew deep down that somebody had something in mind for new taxes in passing that tax reform, and here it is. Tomorrow it will come before the conference committee, and we will be asked to support a new tax package of $65 billion over the next several years.

Ladies and gentleman of the House, this is cruelty not just to the lameduck President who has tried to bring a budget forth with no new taxes, but cruelty to the very people in our country who elected the President to steer us through an economic course without the heavy hand of new taxes.

□ 1215

CONFERENCE REPORT ON HOUSE CONCURRENT RESOLUTION 93, CONCURRENT RESOLUTION ON THE BUDGET—FISCAL YEAR 1988

Mr. FOLEY submitted the following conference report and statement on concurrent resolution (H. Con. Res. 93) setting forth the Congressional Budget for the U.S. Government for the fiscal years 1988, 1989, and 1990:

CONFERENCE REPORT (H. REPT. 100-175)

[To accompany H. Con. Res. 93]

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. Con. Res. 93) setting forth the Congressional Budget for the United States Government for the fiscal years 1988, 1989, and 1990, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows:

In lieu of the matter to be inserted by the Senate amendment insert the following:

That the Congress hereby determines and declares that the concurrent resolution on the budget for fiscal year 1988 is established and the appropriate budgetary levels for fiscal years 1989 and 1990 are set forth.

MAXIMUM DEFICIT AMOUNTS

SEC. 2. The following levels and amounts in this section are set forth for purposes of determining, in accordance with section 301(i) of the Congressional Budget and Impoundment Control Act of 1974, as amended by the Balanced Budget and Emergency Deficit Control Act of 1985, whether the maximum deficit amount for a fiscal year has been exceeded, and as set forth in this concurrent resolution, shall be considered to be mathematically consistent with the other amounts and levels set forth in this concurrent resolution:

(1) The recommended levels of Federal revenues are as follows:

Fiscal year 1988: $932,800,000,000.
Fiscal year 1989: $993,950,000,000.
Fiscal year 1990: $1,066,750,000,000.

(2) The appropriate levels of total budget authority are as follows:

Fiscal year 1988: $1,153,200,000,000.
Fiscal year 1989: $1,217,900,000,000.
Fiscal year 1990: $1,261,600,000,000.

(3) The appropriate levels of total budget outlays are as follows:

Fiscal year 1988: $1,040,800,000,000.
Fiscal year 1989: $1,083,850,000,000.
Fiscal year 1990: $1,117,050,000,000.

(4) The amounts of the deficits are as follows:

Fiscal year 1988: $108,000,000,000.
Fiscal year 1989: $89,900,000,000.
Fiscal year 1990: $50,300,000,000.

RECOMMENDED LEVELS AND AMOUNTS

SEC. 3. (a) The following budgetary levels are appropriate for the fiscal years beginning on October 1, 1987, October 1, 1988, and October 1, 1989:

(1) The recommended levels of Federal revenues are as follows:

Fiscal year 1988: $692,300,000,000.
Fiscal year 1989: $732,300,000,000.
Fiscal year 1990: $779,800,000,000.

and the amounts by which the aggregate levels of Federal revenues should be increased are as follows:

Fiscal year 1988: $21,150,000,000.
Fiscal year 1989: $24,950,000,000.
Fiscal year 1990: $26,100,000,000.

and the amounts for Federal Insurance Contributions Act revenues for hospital insurance within the recommended levels of Federal revenues are as follows:

Fiscal year 1988: $59,700,000,000.
Fiscal year 1989: $63,850,000,000.
Fiscal year 1990: $68,950,000,000.

(2) The appropriate levels of total new budget authority are as follows:

Fiscal year 1988: $912,700,000,000.
Fiscal year 1989: $956,100,000,000.
Fiscal year 1990: $974,300,000,000.

(3) The appropriate levels of total budget outlays are as follows:

Fiscal year 1988: $836,200,000,000.
Fiscal year 1989: $868,200,000,000.
Fiscal year 1990: $888,300,000,000.

(4) The amounts of the deficits are as follows:

Fiscal year 1988: $144,000,000,000.
Fiscal year 1989: $135,800,000,000.
Fiscal year 1990: $108,500,000,000.

(5) The appropriate levels of the public debt are as follows:

Fiscal year 1988: $2,565,100,000,000.
Fiscal year 1989: $2,777,100,000,000.
Fiscal year 1990: $2,964,200,000,000.

(6) The appropriate levels of total Federal credit activity for the fiscal years beginning on October 1, 1987, October 1, 1988, and October 1, 1989, are as follows:

Fiscal year 1988:

(A) New direct loan obligations, $34,600,000,000.

(B) New primary loan guarantee commitments, $156,700,000,000.

(C) New secondary loan guarantee commitments, $100,600,000,000.

Fiscal year 1989:

(A) New direct loan obligations, $33,550,000,000.

(B) New primary loan guarantee commitments, $150,550,000,000.

(C) New secondary loan guarantee commitments, $97,600,000,000.

Fiscal year 1990:

(A) New direct loan obligations, $32,450,000,000.

(B) New primary loan guarantee commitments, $158,300,000,000.

(C) New secondary loan guarantee commitments, $94,600,000,000.

(b) The Congress hereby determines and declares that the appropriate levels of budget authority and budget outlays, and the appropriate levels of new direct loan obligations, new primary loan guarantee commitments, and new secondary loan guarantee commitments for fiscal years 1988 through 1990 for each major functional category are:

(1) National Defense (050):

Fiscal year 1988:

(A) New budget authority, $296,000,000,000.

(B) Outlays, $289,500,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1989:

(A) New budget authority, $303,700,000,000.

(B) Outlays, $292,300,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1990:

(A) New budget authority, $311,000,000,000.

(B) Outlays, $299,200,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

(2) International Affairs (150):

Fiscal year 1988:

(A) New budget authority, $16,200,000,000.

(B) Outlays, $16,100,000,000.

(C) New direct loan obligations, $6,700,000,000.

(D) New primary loan guarantee commitments, $9,100,000,000.

(E) New secondary loan guarantee commitments, $300,000,000.

Fiscal year 1989:

(A) New budget authority, $21,700,000,000.

(B) Outlays, $15,250,000,000.

(C) New direct loan obligations, $7,000,000,000.

(D) New primary loan guarantee commitments, $9,450,000,000.

(E) New secondary loan guarantee commitments, $300,000,000.

Fiscal year 1990:

(A) New budget authority, $18,450,000,000.

(B) Outlays, $15,200,000,000.

(C) New direct loan obligations, $7,200,000,000.

(D) New primary loan guarantee commitments, $9,900,000,000.

(E) New secondary loan guarantee commitments, $300,000,000.

(3) General Science, Space, and Technology (250):

Fiscal year 1988:

(A) New budget authority, $11,300,000,000.

(B) Outlays, $11,100,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1989:

(A) New budget authority, $13,500,000,000.

(B) Outlays, $13,000,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1990:

(A) New budget authority, $15,000,000,000.

(B) Outlays, $14,600,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

(4) Energy (270):

Fiscal year 1988:

(A) New budget authority, $4,500,000,000.

(B) Outlays, $4,550,000,000.

(C) New direct loan obligations, $2,100,000,000.

(D) New primary loan guarantee commitments, $7,300,000,000.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1989:

(A) New budget authority, $5,050,000,000.

(B) Outlays, $4,150,000,000.

(C) New direct loan obligations, $2,100,000,000.

(D) New primary loan guarantee commitments, $50,000,000.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1990:

(A) New budget authority, $4,650,000,000.

(B) Outlays, $4,250,000,000.

(C) New direct loan obligations, $2,100,000,000.

(D) New primary loan guarantee commitments, $50,000,000.

(E) New secondary loan guarantee commitments, $0.

(5) Natural Resources and Environment (300):

Fiscal year 1988:

(A) New budget authority, $15,900,000,000.

(B) Outlays, $15,100,000,000.

(C) New direct loan obligations, $100,000,000.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1989:

(A) New budget authority, $16,450,000,000.

(B) Outlays, $16,150,000,000.

(C) New direct loan obligations, $100,000,000.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1990:

(A) New budget authority, $16,850,000,000.

(B) Outlays, $17,250,000,000.

(C) New direct loan obligations, $100,000,000.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

(6) Agriculture (350):

Fiscal year 1988:

(A) New budget authority, $29,450,000,000.

(B) Outlays, $28,600,000,000.

(C) New direct loan obligations, $17,450,000,000.

(D) New primary loan guarantee commitments, $8,500,000,000.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1989:

(A) New budget authority, $29,950,000,000.

(B) Outlays, $26,100,000,000.

(C) New direct loan obligations, $16,200,000,000.

(D) New primary loan guarantee commitments, $9,000,000,000.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1990:

(A) New budget authority, $25,550,000,000.

(B) Outlays, $22,350,000,000.

(C) New direct loan obligations, $15,000,000,000.

(D) New primary loan guarantee commitments, $9,000,000,000.

(E) New secondary loan guarantee commitments, $0.

(7) Commerce and Housing Credit (370):

Fiscal year 1988:

(A) New budget authority, $12,500,000,000.

(B) Outlays, $7,800,000,000.

(C) New direct loan obligations, $4,000,000,000.

(D) New primary loan guarantee commitments, $91,650,000,000.

(E) New secondary loan guarantee commitments, $100,300,000,000.

Fiscal year 1989:

(A) New budget authority, $12,050,000,000.

(B) Outlays, $5,000,000,000.

(C) New direct loan obligations, $4,100,000,000.

(D) New primary loan guarantee commitments, $93,900,000,000.

(E) New secondary loan guarantee commitments, $97,600,000,000.

Fiscal year 1990:

(A) New budget authority, $15,350,000,000.

(B) Outlays, $6,800,000,000.

(C) New direct loan obligations, $4,100,000,000.

(D) New primary loan guarantee commitments, $98,750,000,000.

(E) New secondary loan guarantee commitments, $94,300,000,000.

(8) Transportation (400):

Fiscal year 1988:

(A) New budget authority, $29,200,000,000.

(B) Outlays, $28,250,000,000.

(C) New direct loan obligations, $400,000,000.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1989:

(A) New budget authority, $29,500,000,000.

(B) Outlays, $27,850,000,000.

(C) New direct loan obligations, $250,000,000.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1990:

(A) New budget authority, $30,200,000,000.

(B) Outlays, $27,650,000,000.

(C) New direct loan obligations, $200,000,000.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

(9) Community and Regional Development (450):

Fiscal year 1988:

(A) New budget authority, $7,500,000,000.

(B) Outlays, $6,600,000,000.

(C) New direct loan obligations, $1,050,000,000.

(D) New primary loan guarantee commitments, $350,000,000.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1989:

(A) New budget authority, $7,650,000,000.

(B) Outlays, $6,400,000,000.

(C) New direct loan obligations, $1,100,000,000.

(D) New primary loan guarantee commitments, $350,000,000.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1990:

(A) New budget authority, $7,800,000,000.

(B) Outlays, $6,700,000,000.

(C) New direct loan obligations, $1,150,000,000.

(D) New primary loan guarantee commitments, $350,000,000.

(E) New secondary loan guarantee commitments, $0.

(10) Education, Training, Employment, and Social Services (500):

Fiscal year 1988:

(A) New budget authority, $36,450,000,000.

(B) Outlays, $32,900,000,000.

(C) New direct loan obligations, $1,650,000,000.

(D) New primary loan guarantee commitments, $9,100,000,000.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1989:

(A) New budget authority, $38,050,000,000.

(B) Outlays, $35,700,000,000.

(C) New direct loan obligations, $1,650,000,000.

(D) New primary loan guarantee commitments, $9,100,000,000.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1990:

(A) New budget authority, $39,250,000,000.

(B) Outlays, $37,500,000,000.

(C) New direct loan obligations, $1,650,000,000.

(D) New primary loan guarantee commitments, $9,200,000,000.

(E) New secondary loan guarantee commitments, $0.

(11) Health (550):

Fiscal year 1988:

(A) New budget authority, $45,650,000,000.

(B) Outlays, $44,850,000,000.

(C) New direct loan obligations, $50,000,000.

(D) New primary loan guarantee commitments, $300,000,000.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1989:

(A) New budget authority, $49,750,000,000.

(B) Outlays, $49,450,000,000.

(C) New direct loan obligations, $50,000,000.

(D) New primary loan guarantee commitments, $300,000,000.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1990:

(A) New budget authority, $54,200,000,000.

(B) Outlays, $53,700,000,000.

(C) New direct loan obligations, $50,000,000.

(D) New primary loan guarantee commitments, $350,000,000.

(E) New secondary loan guarantee commitments, $0.

(12) Medicare (570):

Fiscal year 1988:

(A) New budget authority, $92,850,000,000.

(B) Outlays, $81,600,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1989:

(A) New budget authority, $102,300,000,000.

(B) Outlays, $89,450,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1990:

(A) New budget authority, $113,050,000,000.

(B) Outlays, $99,950,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

(13) Income Security (600):

Fiscal year 1988:

(A) New budget authority, $168,600,000,000.

(B) Outlays, $131,450,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1989:

(A) New budget authority, $176,650,000,000.

(B) Outlays, $139,000,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1990:

(A) New budget authority, $183,150,000,000.

(B) Outlays, $144,600,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

(14) Social Security (650):

Fiscal year 1988:

(A) New budget authority, $4,700,000,000.

(B) Outlays, $4,700,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1989:

(A) New budget authority, $5,300,000,000.

(B) Outlays, $5,300,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1990:

(A) New budget authority, $5,400,000,000.

(B) Outlays, $5,400,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

(15) Veterans Benefits and Services (700):

Fiscal year 1988:

(A) New budget authority, $27,900,000,000.

(B) Outlays, $27,350,000,000.

(C) New direct loan obligations, $1,100,000,000.

(D) New primary loan guarantee commitments, $30,400,000,000.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1989:

(A) New budget authority, $28,150,000,000.

(B) Outlays, $27,550,000,000.

(C) New direct loan obligations, $1,000,000,000.

(D) New primary loan guarantee commitments, $28,400,000,000.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1990:

(A) New budget authority, $28,250,000,000.

(B) Outlays, $27,900,000,000.

(C) New direct loan obligations, $900,000,000.

(D) New primary loan guarantee commitments, $30,700,000,000.

(E) New secondary loan guarantee commitments, $0.

(16) Administration of Justice (750):

Fiscal year 1988:

(A) New budget authority, $9,600,000,000.

(B) Outlays, $9,350,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1989:

(A) New budget authority, $9,550,000,000.

(B) Outlays, $9,550,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1990:

(A) New budget authority, $9,500,000,000.

(B) Outlays, $9,550,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

(17) General Government (800):

Fiscal year 1988:

(A) New budget authority, $7,700,000,000.

(B) Outlays, $7,150,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1989:

(A) New budget authority, $7,650,000,000.

(B) Outlays, $7,000,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1990:

(A) New budget authority, $7,850,000,000.

(B) Outlays, $7,200,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

(18) General Purpose Fiscal Assistance (850):

Fiscal year 1988:

(A) New budget authority, $1,800,000,000.

(B) Outlays, $1,800,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1989:

(A) New budget authority, $1,850,000,000.

(B) Outlays, $1,850,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1990:

(A) New budget authority, $1,900,000,000.

(B) Outlays, $1,900,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

(19) Net Interest (900):

Fiscal year 1988:

(A) New budget authority, $145,500,000,000.

(B) Outlays, $145,500,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1989:

(A) New budget authority, $151,800,000,000.

(B) Outlays, $151,800,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1990:

(A) New budget authority, $156,100,000,000.

(B) Outlays, $156,100,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

(20) Allowances (920):

Fiscal year 1988:

(A) New budget authority, −$700,000,000.

(B) Outlays, −$700,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1989:

(A) New budget authority, −$300,000,000.

(B) Outlays, −$550,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1990:

(A) New budget authority, $350,000,000.

(B) Outlays, $50,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

(21) Undistributed Offsetting Receipts (950):

(A) Fiscal year 1988:

(A) New budget authority, −$35,350,000,000.

(B) Outlays, −$42,650,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1989:

(A) New budget authority, −$36,150,000,000.

(B) Outlays, −$36,050,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1990:

(A) New budget authority, $37,150,000,000.

(B) Outlays, $37,150,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

(B) Fiscal year 1988:

(A) New budget authority, $14,650,000,000.

(B) Outlays, $14,650,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1989:

(A) New budget authority, $18,150,000,000.

(B) Outlays, $18,150,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1990:

(A) New budget authority, $32,350,000,000.

(B) Outlays, $32,350,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

RECONCILIATION

SEC. 4. (a) Not later than July 28, 1987, the committees named in subsections (b) through (s) of this section shall submit their recommendations to the Committees on the Budget of their respective Houses. After receiving those recommendations, the Committees on the Budget shall report to the House and Senate a reconciliation bill or resolution or both carrying out all such recommendations without any substantive revision.

SENATE COMMITTEES

(b) The Senate Committee on Agriculture, Nutrition, and Forestry shall report (1) changes in laws within its jurisdiction which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget and Impoundment Control Act of 1974, (2) changes in laws within its jurisdiction which provide spending authority other than as defined in section 401(c)(2)(C) of the Act, or (3) any combination thereof, sufficient to increase contributions and reduce budget authority and outlays as follows: $7,218,000,000 in contributions, $1,330,000,000 in budget authority and $1,330,000,000 in outlays in fiscal year 1988, $788,000,000 in contributions, $1,730,000,000 in budget authority and $1,730,000,000 in outlays in fiscal year 1989, and $788,000,000 in contributions, $2,778,000,000 in budget authority and $2,778,000,000 in outlays in fiscal year 1990.

(c) The Senate Committee on Banking, Housing, and Urban Affairs shall report (1) changes in laws within its jurisdiction which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget and Impoundment Control Act of 1974, sufficient to reduce budget authority and outlays, (2) changes in laws within its jurisdiction which provide spending authority other than as defined in section 401(c)(2)(C) of the Act, sufficient to reduce budget authority and outlays, or (3) any combination thereof, as follows: $200,000,000 in budget authority and $200,000,000 in outlays in fiscal year 1988, $200,000,000 in budget authority and $200,000,000 in outlays in fiscal year 1989, and $200,000,000 in budget authority and $200,000,000 in outlays in fiscal year 1990.

(d) The Senate Committee on Commerce, Science, and Transportation shall report (1) changes in laws within its jurisdiction which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget and Impoundment Control Act of 1974, sufficient to reduce budget authority and outlays, (2) changes in laws within its jurisdiction which provide spending authority other than as defined in section 401(c)(2)(C) of the Act, sufficient to reduce budget authority and outlays, or (3) any combination thereof, as follows: $394,000,000 in budget authority and $376,000,000 in outlays in fiscal year 1988, $394,000,000 in budget authority and $391,000,000 in outlays in fiscal year 1989, and $94,000,000 in budget authority and $93,000,000 in outlays in fiscal year 1990.

(e) The Senate Committee on Energy and Natural Resources shall report (1) changes in laws within its jurisdiction which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget and Impoundment Control Act of 1974, sufficient to reduce budget authority and outlays, (2) changes in laws within its jurisdiction which provide spending authority other than as defined in section 401(c)(2)(C) of the Act, sufficient to reduce budget authority and outlays, or (3) any combination thereof, as follows: $170,000,000 in budget authority and $170,000,000 in outlays in fiscal year 1988, $280,000,000 in budget authority and $280,000,000 in outlays in fiscal year 1989, and $280,000,000 in budget authority and $280,000,000 in outlays in fiscal year 1990.

(f) The Senate Committee on Environment and Public Works shall report (1) changes in laws within its jurisdiction which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget and Impoundment Control Act of 1974, sufficient to reduce budget authority and outlays, (2) changes in laws within its jurisdiction which provide spending authority other than as defined in section 401(c)(2)(C) of the Act, sufficient to reduce budget authority and outlays, or (3) any combination thereof, as follows: $150,000,000 in budget authority and $150,000,000 in outlays in fiscal year 1988, $150,000,000 in budget authority and $150,000,000 in outlays in fiscal year 1989, and $150,000,000 in budget authority and $150,000,000 in outlays in fiscal year 1990.

(g)(1) The Senate Committee on Finance shall report (A) changes in laws within its jurisdiction which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget and Impoundment Control Act of 1974, sufficient to reduce budget authority and outlays, (B) changes in laws within its jurisdiction which provide spending authority other than as defined in section 401(c)(2)(C) of the Act, sufficient to reduce budget authority and outlays, or (C) any combination thereof, as follows: $0 in budget authority and $1,600,000,000 in outlays in fiscal year 1988, $0 in budget authority and $3,150,000,000 in outlays in fiscal year 1989, and $0 in budget authority and $4,450,000,000 in outlays in fiscal year 1990.

(2) The Senate Committee on Finance shall report changes in laws within its jurisdiction sufficient to increase revenues as

follows: $19,300,000,000 in fiscal year 1988, $22,000,000,000 in fiscal year 1989, and $23,000,000,000 in fiscal year 1990.

(3) The Senate Committee on Finance shall report changes in laws to increase the statutory limit on the public debt to an amount not to exceed $2,565,100,000,000.

(h) The Senate Committee on Governmental Affairs shall report (1) changes in laws within its jurisdiction which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget and Impoundment Control Act of 1974, sufficient to reduce budget authority and outlays, (2) changes in laws within its jurisdiction which provide spending authority other than as defined in section 401(c)(2)(C) of the Act, sufficient to reduce budget authority and outlays, or (3) any combination thereof, as follows: $100,000,000 in budget authority and $100,000,000 in outlays in fiscal year 1988, $1,752,000,000 in budget authority and $1,782,000,000 in outlays in fiscal year 1989, and $3,253,000,000 in budget authority and $3,357,000,000 in outlays in fiscal year 1990.

(i) The Senate Committee on Labor and Human Resources shall report (1) changes in laws within its jurisdiction which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget and Impoundment Control Act of 1974, sufficient to reduce budget authority and outlays, (2) changes in laws within its jurisdiction which provide spending authority other than as defined in section 401(c)(2)(C) of the Act, sufficient to reduce budget authority and outlays, or (3) any combination thereof, as follows: $0 in budget authority and $100,000,000 in outlays in fiscal year 1988, $0 in budget authority and $200,000,000 in outlays in fiscal year 1989, and $0 in budget authority and $200,000,000 in outlays in fiscal year 1990.

(j) The Senate Committee on Veterans' Affairs shall report (1) changes in laws within its jurisdiction which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget and Impoundment Control Act of 1974, sufficient to reduce budget authority and outlays, (2) changes in laws within its jurisdiction which provide spending authority other than as defined in section 401(c)(2)(C) of the Act, sufficient to reduce budget authority and outlays, or (3) any combination thereof, as follows: $50,000,000 in budget authority and $50,000,000 in outlays in fiscal year 1988, $30,000,000 in budget authority and $30,000,000 in outlays in fiscal year 1989, and $0 in budget authority and $10,000,000 in outlays in fiscal year 1990.

HOUSE COMMITTEES

(k) The House Committee on Agriculture shall report (1) changes in laws within its jurisdiction which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget and Impoundment Control Act of 1974, (2) changes in laws within its jurisdiction which provide spending authority other than as defined in section 401(c)(2)(C) of the Act, or (3) any combination thereof, sufficient to increase contributions and reduce budget authority and outlays as follows: $7,218,000,000 in contributions, $1,240,000,000 in budget authority and $8,548,000,000 in outlays in fiscal year 1988, $788,000,000 in contributions, $987,000,000 in budget authority and $942,000,000 in outlays in fiscal year 1989, $788,000,000 in contributions, and $2,036,000,000 in budget authority and $1,990,000,000 in outlays in fiscal year 1990.

(l) The House Committee on Merchant Marine and Fisheries shall report (1) changes in laws within its jurisdiction which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget and Impoundment Control Act of 1974, sufficient to reduce budget authority and outlays, (2) changes in laws within its jurisdiction which provide spending authority other than as defined in section 401(c)(2)(C) of the Act, sufficient to reduce budget authority and outlays, or (3) any combination thereof, as follows: $94,000,000 in budget authority and $76,000,000 in outlays in fiscal year 1988, $94,000,000 in budget authority and $91,000,000 in outlays in fiscal year 1989, and $94,000,000 in budget authority and $93,000,000 in outlays in fiscal year 1990.

(m) The House Committee on Banking, Finance and Urban Affairs shall report (1) changes in laws within its jurisdiction which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget and Impoundment Control Act of 1974, sufficient to reduce budget authority and outlays, (2) changes in laws within its jurisdiction which provide spending authority other than as defined in section 401(c)(2)(C) of the Act, sufficient to reduce budget authority and outlays, or (3) any combination thereof, as follows: $200,000,000 in budget authority and $200,000,000 in outlays in fiscal year 1988, $200,000,000 in budget authority and $200,000,000 in outlays in fiscal year 1989, and $200,000,000 in budget authority and $200,000,000 in outlays in fiscal year 1990.

(n) The House Committee on Education and Labor shall report (1) changes in laws within its jurisdiction which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget and Impoundment Control Act of 1974, sufficient to reduce budget authority and outlays, (2) changes in laws within its jurisdiction which provide spending authority other than as defined in section 401(c)(2)(C) of the Act, sufficient to reduce budget authority and outlays, or (3) any combination thereof, as follows: $0 in budget authority and $100,000,000 in outlays in fiscal year 1988, $0 in budget authority and $200,000,000 in outlays in fiscal year 1989, and $0 in budget authority and $200,000,000 in outlays in fiscal year 1990.

(o) The House Committee on Energy and Commerce shall report (1) changes in laws within its jurisdiction which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget and Impoundment Control Act of 1974, sufficient to reduce budget authority and outlays, (2) changes in laws within its jurisdiction which provide spending authority other than as defined in section 401(c)(2)(C) of the Act, sufficient to reduce budget authority and outlays, or (3) any combination thereof, as follows: $590,000,000 in budget authority and $2,090,000,000 in outlays in fiscal year 1988, $700,000,000 in budget authority and $3,650,000,000 in outlays in fiscal year 1989, and $400,000,000 in budget authority and $4,650,000,000 in outlays in fiscal year 1990.

(p) The House Committee on Interior and Insular Affairs shall report (1) changes in laws within its jurisdiction which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget and Impoundment Control Act of 1974, sufficient to reduce budget authority and outlays, (2) changes in laws within its jurisdiction which provide spending authority other than as defined in section 401(c)(2)(C) of the Act, sufficient to reduce budget authority and outlays, or (3) any combination thereof, as follows: $180,000,000 in budget authority and $180,000,000 in outlays in fiscal year 1988, $180,000,000 in budget authority and $180,000,000 in outlays in fiscal year 1989, and $180,000,000 in budget authority and $180,000,000 in outlays in fiscal year 1990.

(q) The House Committee on Post Office and Civil Service shall report (1) changes in laws within its jurisdiction which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget and Impoundment Control Act of 1974, sufficient to reduce budget authority and outlays, (2) changes in laws within its jurisdiction which provide spending authority other than as defined in section 401(c)(2)(C) of the Act, sufficient to reduce budget authority and outlays, or (3) any combination thereof, as follows: $100,000,000 in budget authority and $100,000,000 in outlays in fiscal year 1988, $1,752,000,000 in budget authority and $1,782,000,000 in outlays in fiscal year 1989, and $3,253,000,000 in budget authority and $3,357,000,000 in outlays in fiscal year 1990.

(r) The House Committee on Veterans' Affairs shall report (1) changes in laws within its jurisdiction which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget and Impoundment Control Act of 1974, sufficient to reduce budget authority and outlays, (2) changes in laws within its jurisdiction which provide spending authority other than as defined in section 401(c)(2)(C) of the Act, sufficient to reduce budget authority and outlays, or (3) any combination thereof, as follows: $50,000,000 in budget authority and $50,000,000 in outlays in fiscal year 1988, $30,000,000 in budget authority and $30,000,000 in outlays in fiscal year 1989, and $0 in budget authority and $10,000,000 in outlays in fiscal year 1990.

(s)(1) The House Committee on Ways and Means shall report (A) changes in laws within its jurisdiction which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget and Impoundment Control Act of 1974, sufficient to reduce budget authority and outlays, (B) changes in laws within its jurisdiction which provide spending authority other than as defined in section 401(c)(2)(C) of the Act, sufficient to reduce budget authority and outlays, or (C) any combination thereof, as follows: $0 in budget authority and $1,600,000,000 in outlays in fiscal year 1988, $0 in budget authority and $3,150,000,000 in outlays in fiscal year 1989, and $0 in budget authority and $4,450,000,000 in outlays in fiscal year 1990.

(2) The House Committee on Ways and Means shall report changes in laws within its jurisdiction sufficient to increase revenues as follows: $19,300,000,000 in fiscal year 1988, $22,000,000,000 in fiscal year 1989, and $23,000,000,000 in fiscal year 1990.

FUNDING FOR DEFENSE

SEC. 5. *(a)(1) The following amounts of new budget authority and budget outlays for fiscal years 1988, 1989, and 1990 are hereby reserved for subsequent allocation under section 302(a) of the Congressional Budget and Impoundment Control Act of 1974:*

Function 050 (National Defense)

Fiscal year 1988:

(A) New budget authority, $7,000,000,000.

(B) Outlays, $5,900,000,000.

Fiscal year 1989:

(A) New budget authority, $8,900,000,000.

(B) Outlays, $4,300,000,000.

Fiscal year 1990:

(A) New budget authority, $13,100,000,000.

(B) Outlays, $7,200,000,000.

Function 900 (Net Interest)

Fiscal year 1988:

(A) New budget authority, $200,000,000.

(B) Outlays, $200,000,000.

Fiscal year 1989:

(A) New budget authority, $550,000,000.

(B) Outlays, $550,000,000.

Fiscal year 1990:

(A) New budget authority, $1,000,000,000.

(B) Outlays, $1,000,000,000.

(2) Pursuant to this subsection, the levels available for Function 050 are as follows:

Fiscal year 1988:

(A) New budget authority, $289,000,000,000.

(B) Outlays, $283,600,000,000.

Fiscal year 1989:

(A) New budget authority, $294,800,000,000.

(B) Outlays, $288,000,000,000.

Fiscal year 1990:

(A) New budget authority, $297,900,000,000.

(B) Outlays, $292,000,000,000.

(b) For purposes of section 311(a) of the Congressional Budget and Impoundment Control Act of 1974, the appropriate levels of total new budget authority and total budget outlays for fiscal year 1988 shall be considered to be the following:

Fiscal year 1988 Budget Authority $1,146,000,000,000.

Fiscal year 1988 Budget Outlays $1,034,700,000,000.

Provided, however, That if a revised allocation is made pursuant to subsections (c) and (d) then such levels shall be adjusted accordingly in any report pursuant to such subsections.

(c) The amounts in subsection (a)(1) withheld from allocation in fiscal year 1988 for function 050 (National Defense) and Function 900 (Net Interest) shall be allocated when a reconciliation bill containing the legislative provisions required by section 4(g) and 4(s) of this resolution is enacted into law.

(d) Upon the enactment of such reconciliation bill, the Chairmen of the Committees on the Budget shall file with their respective Houses revised allocations under section 302(a) of such Act of new budget authority and outlays to their respective Committee on Appropriations reflecting the full amount as set forth in section 3(b)(1) of this resolution.

DEFICIT REDUCTION ACCOUNT

SEC. 6. (a) It is assumed that as a procedure appropriate to carry out the purposes of the Congressional Budget and Impoundment Act of 1974 (within the meaning of section 301(b)(4) of such Act), the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives would, as an integral part of the changes in law reported pursuant to sections 4(g) and 4(s) of this concurrent resolution, report legislation—

(1) establish a separate account in the Treasury into which the amounts by which the aggregate levels of Federal revenues should be increased as set forth in section 3(a)(1) of this resolution as well as contributions resulting from the changes in law reported pursuant to sections 4(b) and 4(k) of this resolution would be deposited,

(2) ensure that any revenues deposited in such account would not be available for appropriation, and

(3) provide that any such revenues deposited in such account would be used to retire outstanding debt obligations of the United States Government.

(b) Legislation reported pursuant to subsections (a) shall not be considered to be extraneous for purposes of section 2001 of the Consolidated Omnibus Reconciliation Act of 1985 (as amended by section 7006 of the Omnibus Budget Reconciliation Act of 1986) or Senate Resolution 509 (99th Congress, 2d Session).

SALE OF GOVERNMENT ASSETS

SEC. 7. (a) It is the sense of the Congress that—

(1) from time to time the United States Government should sell assets to non-government buyers; and

(2) the amounts realized from such sales will not recur on an annual basis and do not reduce the demand for credit.

(b) The amounts to be realized from such sales not previously authorized by law shall not be treated as revenues, receipts, or negative outlays—

(1) for purposes of determining, in accordance with sections 301(i) and 311(a) of the Congressional Budget and Impoundment Control Act of 1974, as added by the Balanced Budget and Emergency Deficit Control Act of 1985, whether the maximum deficit amount for a fiscal year has been exceeded;

(2) for purposes of other points of order under section 311 of the Congressional Budget and Impoundment Control Act of 1974;

(3) for purposes of reconciliation under section 310 of the Congressional Budget and Impoundment Control Act of 1974; or

(4) for purposes of allocations and points of order under section 302 of the Congressional Budget and Impoundment Control Act of 1974.

(c) The prepayment described in section 8 of this resolution shall not be considered as an amount realized from the sale of an asset within the meaning of this section.

BUDGETARY TREATMENT OF LEGISLATION AUTHORIZING THE PREPAYMENT OF CERTAIN LOANS

SEC. 8. For purposes of allocations and points of order under section 302 of the Congressional Budget and Impoundment Control Act of 1974—contributions resulting from legislation authorizing the United States Government to waive the prepayment premium on certain government loans guaranteed by an agency and advanced by the Federal Financing Bank and allows repayment with new government guaranteed loans shall not be allocated to committee and shall not be scored with respect to the level of budget authority or outlays under a committee's allocation under section 302 of such act.

FUNDING FOR WELFARE REFORM AND MEDICARE CATASTROPHIC INSURANCE INITIATIVES

SEC. 9. (a) It would be appropriate for the House Committee on Ways and Means to increase outlays in fiscal years 1988, 1989, and 1990 for programs within the jurisdiction of that committee and not assumed in section 3 of this resolution if that committee reports changes in laws within its jurisdiction which increase revenues or reduce outlays in such fiscal years by amounts sufficient to ensure that the increased outlays for such programs would not increase the deficits set forth in such section.

(b)(1) In the Senate, of the amounts specified in section 3 of this resolution, budget authority and outlays in amounts not to exceed the amounts specified in subsection (b)(2) for fiscal year 1988, shall be allocated to the appropriate committees of the Senate to provide for the child care and job training initiative when the appropriate committees of the Senate have reported legislation that will, if enacted, make funds available for such initiative.

(2)(A) The amounts available for allocation under subsection (b)(1) for funding for child care for fiscal year 1988 shall not exceed $150,000,000 of new budget authority and $110,000,000 of outlays.

(B) The amounts available for allocation under subsection (b)(1) for funding for job training for fiscal year 1988 shall not exceed $900,000,000 of new budget authority and $300,000,000 of outlays.

(3) Upon the reporting of legislation pursuant to subsection (b)(1), and again upon the submission of a conference report on such legislation, if such a conference report is submitted, the Chairman of the Committee on the Budget of the Senate may file with the Senate appropriately revised allocations under section 302(a) of the Congressional Budget and Impoundment Control Act of 1974. If the conference report on such legislation, if any, contains levels of funding in excess of those set forth in subsection (b)(2) of this section, then upon the submission of such conference report, the Chairman of the Committee on the Budget of the Senate may file with the Senate appropriately revised aggregates. Such revised allocations and aggregates shall be considered for the purposes of such Act as allocations and aggregates contained in this resolution, and the appropriate committees of the Senate shall report revised allocations, pursuant to section 302(b) of such Act for fiscal year 1988 to carry out this section.

(c)(1) In the Senate, budget authority and outlays for fiscal year 1988 shall be allocated to the appropriate committees of the Senate to provide for the medicare catastrophic health insurance initiative, and the aggregates for fiscal years 1988, 1989, and 1990, in sections 2 and 3 of this resolution shall be adjusted accordingly, when—

(A) legislation has been reported that will, if enacted, ensure that any legislation providing for any such additional funding will not increase the deficits for fiscal years 1988, 1989, and 1990 above the levels set forth in sections 2 and 3 of this resolution; and

(B) the appropriate committees of the Senate have reported legislation that will, if enacted, make funds available for such initiative.

(2) Upon the reporting of legislation pursuant to subsection (c)(1), and again upon the submission of a conference report on such legislation, if such a conference report is submitted, the Chairman of the Committee on the Budget of the Senate may file with the Senate appropriately revised allocations under section 302(a) of the Congressional Budget Act of 1974 and revised functional levels and aggregates to carry out this section. Such revised allocations, functional levels, and aggregates shall be considered for the purposes of such Act as allocations, functional levels, and aggregates contained in this resolution, and the appropriate committees of the Senate shall report revised allocations pursuant to section 302(b) of such Act for fiscal year 1988 to carry out this section.

MEDICARE SAVINGS

SEC. 10. It is assumed that the Committee on Finance of the Senate and the Committees on Ways and Means and Energy and Commerce of the House of Representatives would achieve Medicare savings as specified in this resolution without increasing premiums or deductibles or delaying eligibility or otherwise raising beneficiary out-of-pocket costs.

SENSE OF SENATE ON INCOME TAX RATES

Sec. 11. (a) Findings.—The Senate finds—

(1) the Tax Reform Act of 1986 was enacted only after nearly two years of congressional study and deliberation,

(2) the most fundamental principle of tax reform has been the reduction or elimination of special tax benefits in order to reduce tax rates for all taxpayers, and

(3) taxpayers have a right to expect Congress to hold to its promise to reduce tax rates in return for elimination of special tax benefits, rather than to use tax reform as a disguised effort to raise taxes.

(b) Sense of the Senate.—It is the sense of the Senate that the assumptions underlying the revenue levels of this budget resolution will not be achieved by either raising or delaying the individual or corporate income tax rates provided in the Tax Reform Act of 1986.

RURAL HOSPITALS MEDICARE PROGRAMS

Sec. 12. It is the sense of the Congress that, in enacting any legislation that amends the Medicare Program to reconcile its expenditures with those required under a congressional concurrent resolution on the Federal budget for fiscal year 1988 and subsequent years, there should be taken into account the special needs of rural hospitals which are not currently taken into account under the Medicare Hospital Prospective Payment System.

SECTION 302(A) ALLOCATION IN THE HOUSE

Sec. 13. The Chairman of the Committee on the Budget of the House of Representatives may file, not later than July 1, 1987, a report in the House containing the allocations required to be made pursuant to section 302(a) of the Congressional Budget Act of 1974. The report shall be printed as, and considered to be, a report of the Committee on the Budget and such allocations made in that report shall be considered to be the allocations required to be in the joint explanatory statement accompanying this resolution.

And the Senate agree to the same.

William H. Gray III,
Thomas S. Foley,
Mike Lowry,
Butler Derrick,
Martin Frost,
Vic Fazio,
Marty Russo,
James L. Oberstar,
Mike Espy,
Managers on the Part of the House.

Lawton Chiles,
Ernest F. Hollings,
J. Bennett Johnston,
Jim Sasser,
Donald W. Riegle, Jr.,
J. James Exon,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the concurrent resolution (H. Con. Res. 93) setting forth the congressional budget for the United States Government for the fiscal years 1988, 1989, and 1990, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

Explanation of Conference Agreement

The following tables show the functional allocations and budget aggregates included in the conference agreement. The fiscal year 1988 columns show the budget aggregates and functional allocations for the budget resolution for fiscal year 1988. The columns for fiscal year 1989 and fiscal year 1990 show budget aggregates and functional allocations which the conferees consider appropriate for those years.

Conference agreement

[Dollars in billions]

Fiscal year 1988:	
Budget authority	$1,153.20
Outlays	1,040.80
Revenues	932.80
Deficit	108.00
Debt subject to limit	2,565.1
Fiscal year 1989:	
Budget authority	1,217.90
Outlays	1,083.85
Revenues	993.95
Deficit	89.90
Debt subject to limit	2,777.1
Fiscal year 1990:	
Budget authority	1,261.60
Outlays	1,117.05
Revenues	1,066.75
Deficit	50.30
Debt subject to limit	2,964.2

CONFERENCE AGREEMENT BY FUNCTION

[Dollars in billions]

	1988	1989	1990
050 National Defense—High tier:			
BA	$296.00	$303.70	$311.00
O	289.50	292.30	299.20
(050 National Defense—Low tier:)			
BA	(289.00)	(294.80)	(297.90)
O	(283.60)	(288.00)	(292.00)
150 International Affairs:			
BA	16.20	21.70	18.45
O	16.10	15.25	15.20
250 General Science, Space, and Technology:			
BA	11.30	13.50	15.00
O	11.10	13.00	14.60
270 Energy:			
BA	4.50	5.05	4.65
O	4.55	4.15	4.25
300 Natural Resources and Environment:			
BA	15.90	16.45	16.85
O	15.10	16.15	17.25
350 Agriculture:			
BA	29.45	29.95	25.55
O	28.60	26.10	22.35
370 Commerce and Housing Credit:			
BA	12.50	12.05	15.35
O	7.80	5.00	6.80
400 Transportation:			
BA	29.20	29.50	30.20
O	28.25	27.85	27.65
450 Community and Regional Development:			
BA	7.50	7.65	7.80
O	6.60	6.40	6.70
500 Education, Training, Employment, and Social Services:			
BA	36.45	38.05	39.25
O	32.90	35.70	37.50
550 Health:			
BA	45.65	49.75	54.20
O	44.85	49.45	53.70
570 Medicare:			
BA	92.85	102.30	113.05
O	81.60	89.45	99.95
600 Income Security:			
BA	168.60	176.65	183.15
O	131.45	139.00	144.60
650 Social Security:			
BA	256.80	281.50	310.60
O	220.75	235.40	252.00
700 Veterans Benefits and Services:			
BA	27.90	28.15	28.25
O	27.35	27.55	27.90
750 Administration of Justice:			
BA	9.60	9.55	9.50
O	9.35	9.55	9.55
800 General Government:			
BA	7.70	7.65	7.85
O	7.15	7.00	7.20
850 General Purpose Fiscal Assistance:			
BA	1.80	1.85	1.90
O	1.80	1.85	1.90
900 Net Interest:			
BA	139.25	143.30	144.55
O	139.25	143.30	144.55
920 Allowances:			
BA	−0.70	−0.30	0.35
O	−0.70	−0.55	0.05
950 Undistributed:			
A. Offsetting Receipts:			
BA	−40.60	−41.95	−43.55
O	−47.90	−41.90	−43.50
B. Offsetting Receipts:			
BA	−14.65	−18.15	−32.35
O	−14.65	−18.15	−32.35
Grand Total Spending:			
BA	1,153.20	1,217.90	1,261.60
O	1,040.80	1,083.85	1,117.05
Revenues [1]	932.80	993.95	1,066.75
Deficit, OMB estimate	−108.00	−89.90	−50.30
(Deficit, CBO estimate)	(−133.85)	(−115.05)	(−72.25)

[1] Revenue estimates include an economic and technical adjustment for OMB assumptions.

HOUSE-PASSED BUDGET RESOLUTION

[Dollars in billions]

	1988	1989	1990
050 National Defense:			
Budget Authority	$288.70	$299.20	$310.60
Outlays	281.70	289.00	298.60
150 International Affairs:			
Budget Authority	16.35	22.05	18.75
Outlays	16.20	15.55	15.45
250 General Science, Space, and Technology:			
Budget Authority	10.25	10.75	11.25
Outlays	10.45	11.10	11.60
270 Energy:			
Budget Authority	3.25	4.15	4.20
Outlays	3.60	3.30	3.25
300 Natural Resources and Environment:			
Budget Authority	13.90	14.80	15.55
Outlays	13.80	14.55	15.75
350 Agriculture:			
BA	29.50	30.00	26.15
O	28.65	26.10	23.00
370 Commerce and Housing Credit:			
BA	12.70	12.60	15.85
O	8.10	5.55	7.10
400 Transportation:			
BA	28.35	29.05	30.10
O	27.95	27.95	28.35
450 Community and Regional Development:			
BA	7.60	7.75	7.90
O	6.70	6.50	6.80
500 Education, Training, Employment, and Social Services:			
BA	36.45	38.05	39.25
O	32.95	35.70	37.50
550 Health:			
BA	45.70	49.75	54.20
O	44.90	49.45	53.70
570 Medicare:			
BA	93.20	102.60	113.30
O	81.60	89.25	98.75
600 Income Security:			
BA	168.60	176.65	183.15
O	131.35	139.10	144.75
650 Social Security:			
BA	256.80	281.45	310.60
O	220.95	235.55	252.20
700 Veterans Benefits and Services:			
BA	27.90	28.25	28.50
O	27.40	27.65	28.15
750 Administration of Justice:			
BA	9.20	9.35	9.50
O	9.00	9.30	9.50
800 General Government:			
BA	7.70	8.00	8.20
O	7.15	7.40	7.65
850 General Purpose Fiscal Assistance:			
BA	1.80	1.85	1.90
O	1.80	1.85	1.90
900 Net Interest:			
BA	139.10	142.45	143.60
O	139.10	142.45	143.60
920 Allowances:			
BA	−0.20	1.95	3.15
O	−0.20	2.05	3.40

HOUSE-PASSED BUDGET RESOLUTION—Continued

[Dollars in billions]

	1988	1989	1990
950 Undistributed:			
A. Offsetting Receipts:			
BA	−40.35	−41.95	−43.55
O	−40.35	−41.95	−43.55
B. Offsetting Receipts:			
BA	−14.30	−17.85	−32.10
O	−14.30	−17.85	−32.10
Grand Total Spending:			
BA	1,142.20	1,210.90	1,260.05
O	1,038.50	1,079.55	1,115.15
Revenues	930.90	990.25	1,062.95
Deficit	−107.60	−89.30	−52.20

SENATE-PASSED BUDGET RESOLUTION

[Dollars in billions]

	1988	1989	1990	1991
050 National Defense (with Pay-For-Defense):				
Budget Authority	$301.50	$307.30	$310.40	$313.60
Outlays	290.60	295.00	299.00	303.00
050 National Defense (without Pay-For-Defense)				
Budget Authority	(289.00)	(294.80)	(297.90)	(301.10)
Outlays	(283.60)	(288.00)	(292.00)	(296.00)
150 International Affairs:				
Budget Authority	15.80	20.30	16.00	15.30
Outlays	15.80	14.30	13.30	11.30
250 General Science, Space, and Technology:				
Budget Authority	11.50	13.70	15.20	15.80
Outlays	11.20	13.10	14.80	15.50
270 Energy:				
Budget Authority	4.80	5.40	5.00	4.70
Outlays	4.80	4.50	4.60	4.20
300 Natural Resources and Environment:				
Budget Authority	16.00	16.50	16.90	16.80
Outlays	15.10	16.20	17.30	17.20
350 Agriculture:				
Budget Authority	29.40	30.10	25.50	22.20
Outlays	28.60	26.20	22.30	20.30
370 Commerce and Housing Credit:				
Budget Authority	12.20	12.40	15.40	12.80
Outlays	7.50	5.40	6.80	4.80
400 Transportation:				
Budget Authority	29.40	29.60	30.30	30.90
Outlays	28.40	27.90	27.70	27.50
450 Community and Regional Development:				
Budget Authority	7.40	7.30	7.20	7.00
Outlays	6.70	6.40	6.50	6.30
500 Education, Training, Employment, and Social Services:				
Budget Authority	36.00	36.40	37.70	39.20
Outlays	32.90	35.90	36.90	38.20
550 Health:				
Budget Authority	45.10	48.00	51.80	56.00
Outlays	44.40	48.10	51.60	55.50
570 Medicare:				
Budget Authority	93.20	102.70	113.20	123.80
Outlays	80.10	89.10	99.80	111.30
600 Income Security:				
Budget Authority	168.00	175.50	181.50	215.20
Outlays	130.60	137.60	142.90	151.70
650 Social Security:				
Budget Authority	256.80	281.50	310.60	338.80
Outlays	220.70	235.40	252.00	269.70
700 Veterans Benefits and Services:				
Budget Authority	28.00	28.10	28.00	28.30
Outlays	27.40	27.50	27.70	27.90
750 Administration of Justice:				
Budget Authority	9.80	9.60	9.60	9.60
Outlays	9.50	9.60	9.60	9.60
800 General Government:				
Budget Authority	7.60	7.60	7.80	7.80
Outlays	7.10	7.00	7.20	7.10
850 General Purpose Fiscal Assistance:				
Budget Authority	1.80	1.70	1.80	1.80
Outlays	1.80	1.70	1.80	1.80
900 Net Interest:				
Budget Authority	139.20	142.20	142.50	140.30
Outlays	139.20	142.20	142.50	140.30
920 Allowances:				
Budget Authority	−0.30	0.00	0.60	1.20
Outlays	−0.60	−0.30	0.30	0.80

SENATE-PASSED BUDGET RESOLUTION—Continued

[Dollars in billions]

	1988	1989	1990	1991
950 Undistributed Offsetting Receipts:				
Budget Authority	−40.40	−42.00	−43.60	−45.30
Outlays	−40.40	−42.00	−43.60	−45.30
Grand Total Spending (with Pay-For-Defense):				
Budget Authority	1,172.80	1,233.90	1,283.40	1,355.80
Outlays	1,061.40	1,100.80	1,141.00	1,178.70
Revenues (with Pay-For-Defense)	927.80	995.40	1,084.70	1,181.70
Deficit, CBO estimate	−133.60	−105.50	−56.30	+2.70
(Deficit, OMB estimate)	(−107.80)	(−80.20)	(−33.60)	(−23.80)

ECONOMIC ASSUMPTIONS

The Conferees accepted the economic assumptions used in the President's budget as the basis for the deficit estimates. These economic assumptions are shown in the table below. Rates of change have been adjusted to reflect revisions in economic data for 1986.

[Calender years, billions of dollars]

	1987	1988	1989	1990	1991
Annual averages:					
Gross National Product	4,493	4,816	5,165	5,524	5,879
(percent change)	6.8	7.2	7.3	6.9	6.4
Real GNP (1982 dollars)	3,794	3,928	4,071	4,218	4,367
(percent change)	3.2	3.5	3.6	3.6	3.5
GNP deflator (percent change)	3.5	3.5	3.5	3.2	2.8
CPI–W (percent change)	3.0	3.6	3.6	3.2	2.8
Civilian unemployment rate (percent)	6.8	6.4	6.1	5.9	5.7
3 month Treasury bill rate (percent)	5.4	5.6	5.3	4.7	4.2
Taxable incomes:					
Wages and salaries	2,210	2,371	2,546	2,716	2,885
Corporate profits (before tax)	309	341	377	411	444

These are the amounts that the deficits would have been had they been determined on the basis of the economic and technical assumptions reported to the Congress by the Congressional Budget Office:

Fiscal year 1988: $133,850,000,000.
Fiscal year 1989: $115,050,000,000.
Fiscal year 1990: $72,250,000,000.

CREDIT BUDGET RECOMMENDATIONS BY FUNCTION

[Dollars in billions]

	1988	1989	1990
150 International Affairs:			
Senate-passed:			
DL	$6.00	$5.80	$5.70
LG	9.00	9.40	9.80
House-passed:			
DL	6.85	7.15	7.35
LG	9.10	9.45	9.90
Conference:			
DL	6.70	7.00	7.20
LG	9.10	9.45	9.90
270 Energy:			
Senate-passed:			
DL	2.10	2.10	2.10
LG	7.30	.....	.....
House-passed:			
DL	1.90	2.05	2.10
LG	0.05	0.05	0.05
Conference:			
DL	2.10	2.10	2.10
LG	7.30	0.05	0.05
300 Natural Resources and Environment:			
Senate-passed: DL	0.10	0.10	0.10
House-passed: DL	0.10	0.10	0.10
Conference: DL	0.10	0.10	0.10
350 Agriculture:			
Senate-passed:			
DL	17.50	16.20	15.00
LG	8.50	9.00	9.00
House-passed:			
DL	17.35	16.15	15.00
LG	7.80	8.40	8.50
Conference:			
DL	17.45	16.20	15.00
LG	8.50	9.00	9.00
370 Commerce and Housing Credit:			
Senate-passed:			
DL	4.00	4.10	4.10
LG	91.60	93.90	98.80
House-passed:			
DL	3.95	4.20	4.35
LG	91.65	94.05	99.00
Conference:			
DL	4.00	4.10	4.10
LG	91.65	93.90	98.75
400 Transportation:			
Senate-passed: DL	0.40	0.20	0.20
House-passed: DL	0.40	0.25	0.20
Conference: DL	0.40	0.25	0.20
450 Community and Regional Development:			
Senate-passed:			
DL	1.10	1.10	1.10
LG	0.30	0.30	0.30
House-passed:			
DL	1.05	1.10	1.15
LG	0.35	0.35	0.35
Conference:			
DL	1.05	1.10	1.15
LG	0.35	0.35	0.35
500 Education, Training, Employment, and Social Services:			
Senate-passed:			
DL	1.70	1.70	1.80
LG	9.10	9.10	9.20
House-passed:			
DL	1.65	1.65	1.65
LG	9.05	9.15	9.15
Conference:			
DL	1.65	1.65	1.65
LG	9.10	9.10	9.20
550 Health:			
Senate-passed:			
DL	(*)	(*)	(*)
LG	0.30	0.30	0.30
House-passed:			
DL	0.05	0.05	0.05
LG	0.30	0.30	0.35
Conference:			
DL	0.05	0.05	0.05
LG	0.30	0.30	0.35
600 Income Security:			
Senate-passed: DL	+(*)	+(*)	+(*)
House-passed: DL	+(*)	+(*)	+(*)
Conference: DL	+(*)	+(*)	+(*)
700 Veterans Benefits and Services:			
Senate-passed:			
DL	1.10	1.00	0.90
LG	30.40	28.40	30.70
House-passed:			
DL	1.20	1.10	1.00
LG	30.40	28.40	30.70
Conference:			
DL	1.10	1.00	0.90
LG	30.40	28.40	30.70
Totals:			
Senate-passed:			
DL	34.00	32.30	31.00
LG	156.50	150.40	158.10
House-passed:			
DL	34.50	33.80	32.95
LG	148.70	150.15	158.00
Conference:			
DL	34.60	33.55	32.45
LG	156.70	150.55	158.30

*Less than $50 million.

RECONCILIATION INSTRUCTIONS

The House resolution included reconciliation instructions to seven House committees to report legislation to achieve savings in fiscal years 1988–90. The House resolution also included directions to House Committee on Ways and Means to report legislation to increase revenues in fiscal years 1988–90. The Senate amendment contained instructions of this nature directed to 10 Senate committees and 10 House committees covering the period of fiscal years 1988–91. The conference agreement includes reconciliation instructions directed to 9 House committees and 9 Senate committees for the period of fiscal years 1988–90.

The House resolution required that instructed committees respond by June 10, 1987. The Senate amendment required instructed committees to report by May 14, 1987. The conference agreement provides that committees must report by July 28, 1987.

The conference agreement further instructed the Senate Committee on Finance to report changes in laws to increase the statutory limit on the public debt to an amount not to exceed $2,565,100,000,000.

RECONCILIATION IN CONFERENCE AGREEMENT BY HOUSE COMMITTEE

[Savings in billions of dollars]

	1988	1989	1990	1988–90
Conference agreement:				
Spending:				
BA	−2.394	−4.536	−6.755	−13.685
0	−3.976	−7.713	−11.318	−23.007
Contributions: CON	−7.218	−0.788	−0.788	−5.642
Revenues: REV	−19.300	−22.000	−23.000	−64.300
Total savings	−30.494	−28.925	−33.530	−92.949
Agriculture:				
Spending:				
Agriculture programs:				
BA	−1.200	−1.600	−2.650	−5.450
0	−1.200	−1.600	−2.650	−5.450
REA reforms:				
BA	−0.130	−0.130	−0.128	−0.388
0	−0.130	−0.130	−0.128	−0.388
Total, spending:				
BA	−1.330	−1.730	−2.778	−5.838
0	−1.330	−1.730	−2.778	−5.838
Contributions: REA prepayment: CON	−7.218	−0.788	−0.788	−5.642
Total, Agriculture:				
BA	−1.330	−1.730	−2.778	−5.838
0	−8.548	−0.942	−1.990	−11.480
Banking:				
Unspecified reconciliation:				
BA	−0.200	−0.200	−0.200	−0.600
0	−0.200	−0.200	−0.200	−0.600
Total, Banking:				
BA	−0.200	−0.200	−0.200	−0.600
0	−0.200	−0.200	−0.200	−0.600
Education and Labor:				
PBCG: [1]				
BA				
0	−0.100	−0.200	−0.200	−0.500
Total, Education and Labor:				
BA				
0	−0.100	−0.200	−0.200	−0.500
Energy and Commerce:				
Unspecified reconciliation:				
BA	−0.300	−0.300	−0.000	−0.600
0	−0.300	−0.300	−0.000	−0.600
NRC fees: [2]				
BA	−0.150	−0.150	−0.150	−0.450
0	−0.150	−0.150	−0.150	−0.450
Unspecified Medicare Provider reform: [3]				
BA				
0	−1.500	−2.950	−4.250	−8.700
Unspecified reconciliation:				
BA	−0.140	−0.250	−0.250	−0.640
0	−0.140	−0.250	−0.250	−0.640
Total, Energy and Commerce:				
BA	−0.590	−0.700	−0.400	−1.690
0	−2.090	−3.650	−4.650	−10.390
Interior:				
NRC fees: [2]				
BA	−0.150	−0.150	−0.150	−0.450
0	−0.150	−0.150	−0.150	−0.450
Unspecified reconciliation:				
BA	−0.030	−0.030	−0.030	−0.090
0	−0.030	−0.030	−0.030	−0.090
Total, Interior:				
BA	−0.180	−0.180	−0.180	−0.540
0	−0.180	−0.180	−0.180	−0.540
Merchant Marine and Fisheries:				
Sec. 32 (NOAA share):				
BA	−0.044	−0.044	−0.044	−0.132
0	−0.026	−0.041	−0.043	−0.110
Coast Guard user fees:				
BA	−0.050	−0.050	−0.050	−0.150
0	−0.050	−0.050	−0.050	−0.150
Total, Merchant Marine and Fisheries:				
BA	−0.094	−0.094	−0.094	−0.282
0	−0.076	−0.091	−0.093	−0.260
Post Office and Civil Service:				
Federal pay and other:				
BA	−0.100	−1.752	−3.253	−5.105
0	−0.100	−1.782	−3.357	−5.239
Total, Post Office and Civil Service:				
BA	−0.100	−1.752	−3.253	−5,105
0	−0.100	−1.782	−3.357	−5.239
Ways and Means:				
PBCG: [1]				
BA				
0	−0.100	−0.200	−0.200	−0.500
Unspecified Medicare provider reform: [3]				
BA				
0	−1.500	−2.950	−4.250	−8.700
Subtotal, Spending:				
BA				
0	−1.600	−3.150	−4.450	−9.200
Revenues	−19.300	−22.000	−23.000	−64.300
Total, Ways and Means:				
BA				
0	−20.900	−25.150	−27.450	−73.500
Veterans Affairs:				
Increase real property cash sales:				
BA	−0.050	−0.030	−0.000	−0.080
0	−0.050	−0.030	−0.010	−0.090
Total, Veterans Affairs:				
BA	−0.050	−0.030	−0.000	−0.080
0	−0.050	−0.030	−0.010	−0.090

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[1] Reconciled to Ways and Means and Education and Labor; not double counted in total.

[2] Reconciled to Energy and Commerce and Interior; not double counted in total.

[3] Reconciled to Energy and Commerce and Ways and Means; not double counted in total.

RECONCILIATION IN CONFERENCE AGREEMENT BY SENATE COMMITTEE

[Savings in billions of dollars]

	1988	1989	1990	1988–90
Conference agreement:				
Spending:				
BA	−2.394	−4.536	−6.755	−13.685
0	−3.976	−7.713	−11.318	−23.007
Contributions: CON	−7.218	0.788	0.788	−5.642
Revenues: REV	−19.300	−22.000	−23.000	−64.300
Total Savings	−30.494	−28.925	−33.530	−92.949
Agriculture:				
Spending:				
Agriculture programs:				
BA	−1.200	−1.600	−2.650	−5.450
0	−1.200	−1.600	−2.650	−5.450
REA reforms:				
BA	−0.130	−0.130	−0.128	−0.388
0	−0.130	−0.130	−0.128	−0.388
Total, spending:				
BA	−1.330	−1.730	−2.778	−5.838
0	−1.330	−1.730	−2.778	−5.838
Contributions: REA prepayment: CON	−7.218	0.788	0.788	−5.642
Total, Agriculture:				
BA	−1.330	−1.730	−2.778	−5.838
0	−8.548	−0.942	−1.990	−11.480
Banking:				
Unspecified reconciliation:				
BA	−0.200	−0.200	−0.200	−0.600
0	−0.200	−0.200	−0.200	−0.600
Total, Banking:				
BA	−0.200	−0.200	−0.200	−0.600
0	−0.200	−0.200	−0.200	−0.600
Commerce:				
Unspecified reconciliation:				
BA	−0.300	−0.300	−0.000	−0.600
0	−0.300	−0.300	−0.000	−0.600
Sec. 32 (NOAA share):				
BA	−0.044	−0.044	−0.044	−0.132
0	−0.026	−0.041	−0.043	−0.110
Coast Guard user fees:				
BA	−0.050	−0.050	−0.050	−0.150
0	−0.050	−0.050	−0.050	−0.150
Total, Commerce:				
BA	−0.394	−0.394	−0.094	−0.882
0	−0.376	−0.391	−0.093	−0.860
Energy and Natural Resources:				
Unspecified reconciliation:				
BA	−0.170	−0.280	−0.280	−0.730
0	−0.170	−0.280	−0.280	−0.730
Total, Energy and Natural Resources:				
BA	−0.170	−0.280	−0.280	−0.730
0	−0.170	−0.280	−0.280	−0.730
Environment and Public Works:				
NRC fees:				
BA	−0.150	−0.150	−0.150	−0.450
0	−0.150	−0.150	−0.150	−0.450
Total, Environment and Public Works:				
BA	−0.150	−0.150	−0.150	−0.450
0	−0.150	−0.150	−0.150	−0.450
Finance:				
PBCG: [1]				
BA				
0	−0.100	−0.200	−0.200	−0.500
Unspecified Medicare provider reform:				
BA				
0	−1.500	−2.950	−4.250	−8.700
Subtotal, Spending:				
BA				
0	−1.600	−3.150	−4.450	−9.200
Revenues	−19.300	−22.000	−23.000	−64.300
Total, Finance:				
RB				
0	−20.900	−25.150	−27.450	−73.500
Governmental Affairs:				
Pay and other management savings:				
BA	−0.100	−1.752	−3.253	−5.105
0	−0.100	−1.782	−3.357	−5.239
Total, Government Affairs:				
BA	−0.100	−1.752	−3.253	−5.105
0	−0.100	−1.782	−3.357	−5.239
Labor and Human Resources:				
PBGC: [1]				
BA				
0	−0.100	−0.200	−0.200	−0.500
Total, Labor and Human Resources:				
BA				
0	−0.100	−0.200	−0.200	−0.500
Veterans Affairs:				
Increase real property cash sales:				
BA	−0.050	−0.030	−0.000	−0.080
0	−0.050	−0.030	−0.010	−0.090
Total, Veterans Affairs:				
BA	−0.050	−0.030	−0.000	−0.080
0	−0.050	0.030	−0.010	−0.090

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[1] Reconciled to Finance and Labor and Human Resources; not double counted in total.

RECONCILIATION OF THE RURAL ELECTRIFICATION ADMINISTRATION LOANS

At the time of passage of this conference report, the Senate had passed a supplemental appropriations bill utilizing receipts from the prepayment of Rural Electrification Administration (REA) loans. The House-passed version of the supplemental bill contained no such provision. This conference report directs the anticipated savings from the REA loan prepayments to be

achieved by the Agriculture Committees of the House and Senate, based on the situation existing at the time of the conference on the budget resolution, as reflected in the House-passed version of the supplemental appropriations bill. If any or all of the assumed REA savings are achieved in another legislative vehicle, then the conferees assume that the Agriculture Committees will be held harmless for the savings from the prepayment of REA loans that they will no longer be able to realize.

SCOREKEEPING IN THE SENATE

In the exercise of its scorekeeping duties, the Committee on the Budget of the Senate shall continue to develop its reports to the Senate regarding the status of particular bills and amendments based on the economic and technical assumptions of the Congressional Budget Office. The Committee on the Budget shall determine the aggregate levels of new budget authority, budget outlays, new spending authority, and revenues for a fiscal year on the basis of standard, consistent, defined adjustments to the Congressional Budget Office's estimates consistent with the adjustments underlying this budget resolution.

BANKING COMMITTEE RECONCILIATION

Function 450 assumes reconciliation of $200 million in budget authority and outlays to the Banking Committees in the House and Senate in each of fiscal years 1988-90. This reconciliation is intended to produce budget authority and outlay savings from direct spending programs under the jurisdiction of the Banking Committees, and therefore cannot be achieved through a reduction in discretionary authorizations for programs such as the Community Development Block Grant and the Urban Development Action Grant programs.

REVENUES

Revenue that results from spending decisions not within the jurisdiction of the taxwriting committees, such as an additional Internal Revenue Service appropriation, is not subject to, nor credited towards, reconciliation.

Miscellaneous Provisions

FUNDING FOR DEFENSE

The Senate amendment contained a procedure under which spending levels for function 050 (National Defense) would be increased if a reconciliation bill is enacted with additional revenues. The provision further directed that the Senate Committee on Finance and the House Committee on Ways and Means, as part of their reconciliation submissions, provide that revenue changes earmarked for defense increases shall not be effective unless the House and Senate Appropriations Committee report the higher defense funding levels.

The House resolution contained no similar provision.

The conference agreement contains a provision similar in effect to the Senate position, except that it does not contain the language directing that the Senate Committee on Finance and the House Committee on Ways and Means provide that the portion of revenue changes earmarked for defense increases shall not be effective unless the Appropriations Committees report the higher defense funding levels.

DETERMINATIONS OF WHETHER MAXIMUM DEFICIT AMOUNT IS EXCEEDED

The Senate amendment contained a provision expressing the sense of the Congress that any determination under section 311(a) of the Budget Act, with respect to whether a measure would cause the maximum deficit amount to be exceeded, would be based upon the economic and technical assumptions underlying the President's fiscal year 1988 budget as submitted.

The House resolution contained no similar provision.

The Senate conferees receded to the House position.

DEFICIT REDUCTION ACCOUNT

The House resolution provided that for fiscal years 1988 through 1990, specific amounts of revenues increased through legislation would only be used for purposes of deficit reduction and further directed the President to establish a separate account in the Treasury into which such revenues would be deposited.

The Senate amendment directed the Senate Committee on Finance and House Committee on Ways and Means to report legislation, as part of revenue reconciliation submissions, to establish a separate account in the Treasury into which revenues increased through reconciliation would be deposited, ensure that revenues deposited be used to retire Government debt obligations, and ensure that revenue increases reconciled not be effective if either the House or Senate Appropriations committees exceed their allocations under section 302(b) of the Budget Act. The Senate amendment further provided that the deficit reduction account legislation directed would not be considered extraneous to a reconciliation bill under Senate rules.

The conference agreement contains a provision similar to the Senate provision with the exception of excluding the requirement that reconciled revenues would not be effective if Appropriations Committee 302(b) allocations are exceeded.

SALE OF GOVERNMENT ASSETS

The Senate amendment included a provision expressing the sense of the Congress that, from time to time, the Government should sell assets to non-governmental buyers, but noted amounts realized from such sales are not recurring and do not reduce the demand for credit. The provision further included language in subsection (c) allowing the Senate to provide for specific asset sales if it so desired. The Senate amendment also provided that amounts realized from the newly-authorized sales would not be treated as revenues, receipts, or negative outlays for purposes of certain Budget Act enforcement and scorekeeping procedures.

The House resolution contained no similar provision.

The conference agreement is similar to the Senate position except that it does not contain language allowing the Senate to provide for specific sales, and except that it specifically distinguishes the treatment of prepayments under the following section.

BUDGETARY TREATMENT OF LEGISLATION AUTHORIZING THE PREPAYMENT OF CERTAIN LOANS

The Senate amendment contained a provision stating that when legislation authorized waivers of prepayment penalties on certain Government guaranteed loans and allows repayment with new guaranteed loan, proceeds from such prepayments would be scored as revenues rather than negative outlays for purposes of reconciliation and would remain unassigned to committees for purposes of allocation and enforcement under section 302 of the Budget Act.

The House resolution contained no similar provision.

The conference agreement contains a provision similar to the Senate provision except that contributions from the prepayment would not be counted as revenues.

FUNDING FOR WELFARE REFORM INITIATIVE

The Senate amendment contained a procedure under which specific amounts of new budget authority and outlays for the child care and job training initiative assumed in the resolution would be withheld from allocation to committees until such time as the appropriate committees of the House of Representatives or Senate report legislation that would, if enacted, make funds available for such initiative.

The House resolution contained a provision that stated it would be appropriate for the House Committee on Ways and Means to increase outlays for programs within its jurisdiction if the committee also increased revenues or decreased outlays in an offsetting amount.

The conference agreement contains a provision similar to the Senate provision that would apply only in the Senate and the identical House provision that would apply only in the House.

FUNDING FOR MEDICARE CATASTROPHIC HEALTH INSURANCE INITIATIVE

The Senate amendment contained a procedure under which budget authority and outlays for the Medicare catastrophic health insurance initative, assumed to be deficit neutral, would be allocated to the appropriate committees of the House of Representatives and the Senate and aggregates adjusted accordingly when legislation is reported ensuring the deficit-neutrality of such an initiative and legislation is reported that would, if enacted, make funds available for such an initiative.

The House resolution contained a provision that stated it would be appropriate for the House Committee on Ways and Means to increase outlays for programs within its jurisdiction if the committee also increased revenues or decreased outlays in an offsetting amount.

The conference agreement contains a provision similar to the Senate provision that would apply only in the Senate and the identical House provision that would apply only in the House.

MEDICARE SAVINGS

The Senate amendment contained a provision stating the assumption that the Senate Committee of Finance and the House Committees on Ways and Means and Energy and Commerce would achieve Medicare savings assumed in the resolution without increasing premiums or deductibles or delaying eligibility or othewise raising beneficiary out-of-pocket costs.

The House resolution contained no similar provision.

The House conferees receded to the Senate position.

SENSE OF SENATE ON INCOME TAX RATES

The Senate amendment contained a provision expressing the sense of the Senate that the assumptions underlaying the revenue levels in the resolution will not be achieved by raising or delaying the individual or corporate income tax rates enacted in the Tax Reform Act of 1986.

The Houses resolution contained no similar provision.

The House conferees receded to the Senate position.

RURAL HOSPITALS MEDICARE PROGRAM

The Senate amendment contained a provision expressing the sense of the Congress that any legislation that amends the Medicare program to reconcile its expenditures with those required in the budget resolution should take into account the special needs of rural hospitals which are not currently taken into account under the Medicare hospital prospective payment system.

The House resolution contained no similar provision.

The House conferees receded to the Senate position.

FUNCTIONAL LANGUAGE

FUNCTION 050

The managers expressed concern over the ability of the U.S. industry to support the needs of defense as well as to compete in the world economy. The United States may well be at a turning point today in terms of economic competitiveness and technological superiority. The U.S. semi-conductor industry is a significant example of a crucial industry currently facing these difficulties. In response, funding is provided within this budget to begin addressing the problems in the semi-conductor industry and certain other manufacturing technologies.

The budget allocation for National Defense includes funds required for the continuation of the congressionally initiated modernization of the National Guard and Reserve.

The conference recommendation assumes that within the funds available in this function, funding will be made available sufficient to pursue a vigorous Defense Waste and Transporation Management Program to provide for the cleanup, interim storage, transportation, and disposal of radio active and hazardous wastes at the several affected sites (including Hanford and Savannah River among others.)

FUNCTION 150

Foreign assistance

The conferees assume the 1988–1990 program levels for the discretionary appropriated accounts are set at the 1987 level. In addition, the conferees assume an overall reduction in foreign aid outlays of less than 32 percent. Committees of jurisdiction could choose to consolidate and reduce less effective economic and military assistance programs, particularly those with large unobligated or unexpended balances, to achieve these savings. The conferees assume these reductions could be incorporated without reducing the level of assistance to those countries covered by the Camp David accords.

Guarantee reserve fund

The conferees remain concerned that the resources of the Foreign Military Sales Guarantee Reserve Fund will not be adequate to make required payments to the Federal Financing Bank for anticipated defaults and reschedulings of Foreign Military Sales loans in 1988. In order to ensure that the Guarantee Reserve Fund will be able to meet its obligations to the Federal Financing Bank, the conferees intend that for all scorekeeping purposes $0.5 billion of the total amount available in Function 150 shall be treated as mandatory spending to replenish the Guarantee Reserve Fund.

FUNCTION 250

The totals assumed for the Department of Energy's general science programs are sufficient to fund the Budget Request for the Superconducting Supercollider. The conferees anticipate that the budget submittals for fiscal year 1989 and beyond will reflect the construction schedule proposed for the Superconducting Supercollider, without adversely affecting funding for other programs in this function.

FUNCTION 270

The managers assume that no changes will be made in the reconciliation bill that would result in increasing the rates charged by DOE's Power Marketing Administrations (PMA's)—such as legislated changes to the repayment schedule, or to the interest rates due on PMA debt.

FUNCTION 350

The Conference recommendation assumes that, to the extent feasible in determining these program changes, the Agriculture Committee will not make reductions in programs which promote and enhance the export of agriculture commodities.

FUNCTION 500

The conference agreement assumes the House budget authority levels for fiscal years 1988 through 1990, the Senate outlay level for fiscal year 1988, and House outlay levels for fiscal years 1989 and 1990.

The Senate conferees assume $134 million in budget authority and $11 million in outlays to increase funding for the Job Corps in fiscal year 1988.

The conferees urge the appropriate committees of jurisdiction to continue assisting business-education consortia in ameliorating enrollment declines of graduate minority students.

The Immigration and Control Act of 1986 established a State Legalization Impact Assistance grant program to help states cope with the cost incurred due to the participation of legalized aliens in programs of public assistance. The Conferees encourage the appropriate committees of jurisdiction to consider the fiscal impact on States of the Federal administrative offset, and give thought to providing the appropriation of $1 billion to the states for each fiscal year 1988 through 1991.

The Senate conferees recognize a consensus to effectively improve the delivery of public assistance services to dependent children, the chronically unemployed, and individuals working to become self-sufficient. To finance welfare reform and job retraining initiatives, in the Senate, funds in fiscal year 1988 not to exceed the following amounts shall be allocated to the appropriate committees when legislation to achieve these objectives is reported:

Fiscal Year 1988:
Budget Authority, $900,000,000.
Outlays, $300,000,000.

To finance child care initiatives, in the Senate, funds in fiscal year 1988 not to exceed the following amounts shall be allocated to the appropriate committees when legislation to achieve this objective is reported:

Fiscal Year 1988:
Budget Authority, $150,000,000.
Outlays, $110,000,000.

The House conferees assume no reserve funds in this function.

FUNCTION 550

The conference agreement provides for an increase of $0.55 billion in 1988 and $2.4 billion over three years for Medicaid initiatives to combat infant mortality and to address the needs of the elderly poor and working welfare recipients. This amount could also accommodate an increase in Medicaid funding for insular areas to cover inflation since the last adjustment was made.

Recognizing the crisis nature of the AIDS epidemic, the conference agreement provides for a significant funding increase to combat AIDS, the nation's number one public health priority.

FUNCTION 570

The conference agreement on the budget resolution provides for enactment of new Medicare catastrophic health insurance on a deficit neutral basis.

It is the sense of the conferees that reconciled Medicare savings will be achieved through continued restraint and reform in payments to providers, not through reductions in benefits or increases in beneficiary out-of-pocket costs.

FUNCTION 600

The Conference report assumes the baseline amount for refugee and entrant assistance and that $48 million be used for the refugee targeted assistance program.

FUNCTION 650

The conferees wish to make it clear that none of the savings in Function 650 are assumed to come from reductions in Social Security beneficiary payments or from reductions in personnel costs or the closing of offices of the Social Security Administration.

FUNCTION 700

The conference agreement provides for $27.90 billion in budget authority and $27.35 billion in outlays for veterans benefits and services in fiscal year 1988. The agreement provides for full inflation for medical care, and full COLAs for veterans disability compensation and pensions. The agreement reconciles savings of $50 million in fiscal year 1988 ($90 million over three years) to be achieved through increased cash sales of real property, not affecting veterans benefits or services in any way.

WILLIAM H. GRAY III,
THOMAS S. FOLEY,
MIKE LOWRY,
BUTLER DERRICK,
MARTIN FROST,
VIC FAZIO,
MARTY RUSSO,
JAMES L. OBERSTAR,
MIKE ESPY,
Managers on the Part of the House.

LAWTON CHILES,
ERNEST F. HOLLINGS,
J. BENNETT JOHNSTON,
JIM SASSER,
DONALD W. RIEGLE, JR.,
J. JAMES EXON,
Managers on the Part of the Senate.

COMMUNICATION FROM CHAIRMAN OF COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION

The SPEAKER pro tempore (Mr. GRAY of Illinois) laid before the House the following communication from the chairman of the Committee on Public Works and Transportation; which was read and, without objection, referred to the Committee on Appropriations.

COMMITTEE ON PUBLIC WORKS
AND TRANSPORTATION,
Washington, DC, June 12, 1987.

Hon. JIM WRIGHT,
The Speaker, House of Representatives, Washington, DC.

DEAR MR. SPEAKER: Pursuant to the provisions of the Public Buildings Act of 1959, as amended, the House Committee on Public

Works and Transportation approved the following projects on June 3, 1987:

REPAIR AND ALTERATION

Fiscal Year 1987 Prospectus for Design.

Fiscal Year 1988 Prospectus for Design.

New Construction—Prospectus for Site Acquisition and Design.

Polychlorinated Biphenyl Abatement (PCB's), various buildings.

Elevators/Escalators—various buildings, Washington, D.C. area.

Central Heating Plant, Washington, D.C.

Federal Building 2, Arlington, Virginia.

Federal Building, 201 Varick Street, New York, New York.

Federal Annex, Atlanta, Georgia.

U.S. Appraisers Stores Building, Baltimore, Maryland.

West Heating Plant, Washington, D.C.

U.S. Post Office and Courthouse, Pittsburgh, Pennsylvania.

Federal Building—Courthouse, Trenton, New Jersey.

Post Office—Vehicle Maintenance Facility, West Palm Beach, Florida.

Federal Building No. 2, Brooklyn, New York.

F. Edward Herbert Federal Building, New Orleans, Louisiana.

U.S. Post Office—Courthouse, San Antonio, Texas.

Federal Building—Courthouse, Birmingham, Alabama.

Federal Building, Miami, Florida Associated Lease.

Federal Building—Post Office—Courthouse, Raleigh, North Carolina. Associated Lease.

Federal Building, Des Moines, Iowa.

Federal Building, Bethesda, Maryland.

Federal Archives and Records Center, East Point, Georgia.

Pentagon, Arlington, Virginia.

J.W. McCormack Post Office—Courthouse, Boston, Massachusetts.

James A. Byrne U.S. Courthouse, Philadelphia, Pennsylvania, Associated Lease.

B.F. Sisk Federal Building—U.S. Courthouse, Fresno, California.

Federal Building, 300 North Los Angeles Street, Los Angeles, California.

U.S. Courthouse, Foley Square, New York, New York.

Everett M. Dirksen Federal Building, Chicago, Illinois.

LEASE PROSPECTUSES

Department of Defense, Towson, Maryland.

Internal Revenue Service, Denver, Colorado.

Agriculture & General Accounting Office, Denver, Colorado.

White House Garage, Washington, DC.

Federal Aviation Administration, Seattle, Washington.

Strategic Petroleum Reserve, New Orleans, Louisiana.

Lakewood Office Plaza, Lakewood, Colorado.

Tyler Building, McLean, Virginia.

The original and one copy of the authorizing resolution is enclosed.

Every best wish.

Sincerely,

JAMES J. HOWARD,
Chairman.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to the provisions of clause 5, rule I, the Chair announces that he will postpone further proceedings today on each motion to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 4 of rule XV.

Such rollcall votes, if postponed, will be taken on Tuesday, June 23, 1987.

OFFICE OF ENVIRONMENT QUALITY AUTHORIZATION

Mr. STUDDS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2020) to authorize appropriations for the Office of Environmental Quality for fiscal years 1987, 1988, and 1989, as amended.

The Clerk read as follows:

H.R. 2020

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

TITLE I

SEC. 101. Section 204 of the National Environmental Policy Act of 1969, as amended, is further amended by:

(1) striking the "and" at the end of paragraph (7);

(2) striking the "." at the end of paragraph (8) and insert in lieu thereof "; and"; and

(3) adding the following new subsection:

"(9) to promulgate regulations implementing the National Environmental Policy Act for all Federal agencies, including independent regulatory commissions.".

SEC. 102. REVIEW FUNCTIONS OF COUNCIL.

(a) AMENDMENTS.—Section 204 of the National Environmental Policy Act of 1969 (42 U.S.C. 4344) is amended—

(1) by inserting "(a)" before "It"; and

(2) by adding at the end thereof the following:

"(b)(1) In addition to any other review and appraisal carried out under subsection (a)(3), the Council shall evaluate, and annually report in writing to the Congress on the results of, the reviews carried out by Federal agencies under paragraph (2) and may include in the report such recommendations for legislation as the Council considers appropriate regarding issues raised incident to the evaluation.

"(2) Each Federal agency shall, on a continuing basis and subject to such guidelines as the Council shall establish, select and review a statistically significant sample of the detailed statements prepared under section 102(2)(C) by the agency in which measures were specified for the mitigation of the adverse impact on fish and wildlife populations and habitat that was predicted to result from the action.

"Each Federal agency shall promptly submit to the Council the reviews prepared by the agency under this paragraph.

"(3) The guidelines established by the Council under paragraph (2) shall require that the Federal agency review—

"(A) the extent to which the mitigation measures specified in the statement were implemented in connection with the project;

"(B) the accuracy of the predicted adverse impact which the establishment or operation of the project would have on fish and wildlife populations and habitat; and

"(C) the effectiveness of the implemented mitigation measures.".

(b) INITIAL REVIEWS.—In carrying out subsection (b) of section 204 of the National Environmental Policy Act of 1969 (as added by subsection (a)), each Federal agency, as soon as practicable after the date of the enactment of this Act, shall—

(1) select and review under such subsection a statistically significant sample of detailed statements which were prepared for appropriate projects which were completed before such date of enactment; and

(2) submit the reviews to the Council on Environmental Quality.

SEC. 103. Section 205 of the Environmental Quality Improvement Act of 1970, as amended (42 U.S.C. 4374), be amended by adding the following new subsection:

"(e) $750,000 for each of the fiscal years ending on September 30, 1987, 1988, and 1989."

TITLE II

SEC. 201. PURPOSES OF FOUNDATION.

(a) IN GENERAL.—Section 2(b) of the National Fish and Wildlife Foundation Establishment Act (16 U.S.C. 3701(b) is amended—

(1) by striking out "and" at the end of paragraph (1);

(2) by striking out the period at the end of paragraph (2) and inserting "; and"; and

(3) by adding at the end thereof the following:

"(3) to participate with, and otherwise assist, foreign governments, entities, and individuals in undertaking and conducting activities that will further the conservation and management of the fish, wildlife, and plant resources of other countries.".

(b) CONFORMING AMENDMENT.—Section 4(a)(2) of the National Fish and Wildlife Foundation Establishment Act (16 U.S.C. 3703(a)(2)) is amended by inserting "and abroad" after "United States".

SEC. 202. ACQUISITION, MANAGEMENT AND DISPOSAL OF REAL PROPERTY.

(a) Section 4(c)(2) of the National Fish and Wildlife Foundation Establishment Act (16 U.S.C. 3703(c)(2)) is amended by deleting "therein;" and inserting in lieu thereof the following: "therein, subject to subsection (e); ".

(b) Section 4 of the National Fish and Wildlife Foundation Establishment Act (16 U.S.C. 3703) is amended by adding at the end thereof the following:

"(e) ACQUISITION, MANAGEMENT AND DISPOSAL OF REAL PROPERTY.—

"(1) The Foundation may only use Federal funds for the acquisition of interests in real property if—

"(A) the interest is a long-term property interest, and

"(B) the Director of the United States Fish and Wildlife Service (hereinafter in this subsection referred to as the 'Director') consents to the acquisition in writing.

"(2) The Foundation shall convey to the United States Fish and Wildlife Service for inclusion within the National Wildlife Refuge System any real property acquired by the Foundation in whole or in part with Federal funds if the Director, within 1 year after the date on which the property was acquired by the Foundation, requests the conveyance in writing.

"(3)(A) Subject to subparagraph (B), the Foundation may—

"(i) convey to another person any real property acquired in whole or in part with Federal funds and not conveyed under paragraph (2); and

"(ii) grant or otherwise provide Federal funds to another person for purposes of assisting that person to acquire real property in whole or in part with such funds.

"(B) The Foundation may only make a conveyance or provide Federal funds under subparagraph (a) if—

"(i) the conveyance or provision is subject to terms and conditions that will ensure that the real property will be administered for the conservation and management of fish and wildlife in perpetuity and in a manner that will provide for appropriate public access and use; and

"(ii) the Director finds that conveyance or provision of Federal funds meets the requirements of clause (i) and consents to it in writing.

"(4) All real property acquired by the Foundation in whole or in part with Federal funds and held by it shall be administered for the conservation and management of fish and wildlife and in a manner that will provide for appropriate public access and use.

"(5) The Foundation shall convey at not less than fair-market value any real property acquired by it in whole or in part with Federal funds if the Foundation and the Director determine, in writing, that—

"(A) the land is no longer valuable for the purposes of fish and wildlife conservation or management, and

"(B) the purposes of the Foundation would be better served by the use of the Federal funds for other authorized activities of the Foundation.".

(c) Conforming Amendment.—Section 7(b) of such Act (16 U.S.C. 3706(b)) is amended by inserting before the period the following: "; and a description of all acquisition and disposal of real property that is subject to section 4(e)".

SEC. 203. REIMBURSEMENT FOR ADMINISTRATIVE SERVICES.

Section 5 of the National Fish and Wildlife Foundation Establishment Act (16 U.S.C. 3704) is amended—

(1) by inserting "(a) Provision of Services.—" before "The Secretary";

(2) by striking out "Act," and all that follows thereafter and inserting "Act."; and

(3) by adding at the end thereof the following:

"(b) Reimbursement.—The Foundation may reimburse the Secretary for any administrative service provided under subsection (a). The Secretary shall deposit any reimbursement received under this subsection into the Treasury to the credit of the appropriations then current and chargeable for the cost of providing such services.".

SEC. 204. AUTHORIZATION OF APPROPRIATIONS.

Section 10 of the National Fish and Wildlife Foundation Establishment Act (16 U.S.C. 3709) is amended to read as follows:

"SEC. 10. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated to the Department of the Interior for each of fiscal years 1988 through 1993, inclusive, not to exceed $5,000,000 to be made available to the Foundation—

"(1) to match partially or wholly the amount or value of contributions (whether in currency, services, or property) made to the Foundations by private persons and State and local government agencies; and

"(2) to provide administrative services under section 5.".

The SPEAKER pro tempore. Is a second demanded?

Mr. DAVIS of Michigan. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Massachusetts [Mr. Studds] will be recognized for 20 minutes and the gentleman from Michigan [Mr. Davis] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Massachusetts [Mr. Studds].

Mr. STUDDS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 2020 is a bill to reauthorize the Office of Environmental Quality—the administrative support office for the Council on Environmental Quality [CEQ] and the National Fish and Wildlife Foundation. It also proposes several amendments to the National Fish and Wildlife Foundation Act itself and to the Environmental Quality Improvement Act—the law establishing CEQ.

Mr. Speaker, on April 8, 1987, I introduced H.R. 2020 with Chairman Jones and the leadership of the Merchant Marine Committee.

On April 9, the subcommittee conducted a hearing on H.R. 2020: All witnesses appearing before the subcommittee, including the administration, testified in support of reauthorization.

On June 4, the subcommittee ordered H.R. 2020 reported to the full committee with three noncontroversial amendments. On June 9, the full committee ordered the amended bill reported to the House by unanimous voice vote.

Mr. Speaker, H.R. 2020, as amended, would:

Reauthorize the Office of Environmental Quality through 1989 at $750,000;

Clarify that the National Environmental Policy Act and its CEQ regulations are binding upon all Federal agencies, including independent regulatory commissions;

Require Federal agencies to review a select number of environmental impact statements to evaluate their implementation; and

Reauthorize the National Fish and Wildlife Foundation through 1993 and both clarify and restrict their land acquisition authorities.

Mr. Speaker, I believe H.R. 2020 proposes several modest but constructive improvements to CEQ and the Fish and Wildlife Foundation, and I urge its passage by the House.

Mr. Speaker, I reserve the balance of my time.

Mr. DAVIS of Michigan. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 2020, which provides continuing authority under the Environmental Quality Improvement Act of 1970 for the Office of Environmental Quality, the support staff for the Council on Environmental Quality.

The Council on Environmental Quality was established by the National Environmental Policy Act. Its basic responsibilities involve providing advice to the President and Congress on environmental issues. It assists in coordinating Federal environmental programs which involve more than one agency and assists in the preparation of the President's annual report to Congress on the environmental quality of the Nation.

The Subcommittee on Fisheries and Wildlife Conservation and the Environment strengthened the legislation as introduced and I would like to commend Chairman Studds, Congressman Young from Alaska, and Congressman Weldon for their efforts.

This bill also addresses the U.S. Fish and Wildlife Foundation, clarifying the Foundation's land acquisition authority and increasing the authorization for matching grants. The Foundation has exceeded our expectations and done much to enhance our Nation's fish and wildlife resources.

Mr. Speaker, I support the bill and urge its adoption.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. STUDDS. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Massachusetts [Mr. Studds] that the House suspend the rules and pass the bill, H.R. 2020, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. STUDDS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

UNITED STATES-REPUBLIC OF KOREA INTERNATIONAL FISHERY AGREEMENT EXTENSION

Mr. STUDDS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2480) to extend temporarily the governing international fishery agreement between the United States and the Republic of Korea, and for other purposes, as amended.

The Clerk read as follows:

H.R. 2480

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. EXTENSION OF GOVERNING INTERNATIONAL FISHERY AGREEMENT BETWEEN THE UNITED STATES AND SOUTH KOREA.

Notwithstanding any provision of the Magnuson Fishery Conservation and Management Act (16 U.S.C. 1801 et seq.), the governing international fishery agreement entered into between the Government of the United States and the Government of the Republic of Korea on July 26, 1982, shall remain in force and effect with respect to the United States until the closing date of the sixty-day period referred to in section 203(a) of such Act that applies with respect to any new governing international fishery agreement between the United States and the Republic of Korea that is transmitted to the Congress under section 203(a) after May 1, 1987, or November 1, 1987, whichever is earlier.

SEC. 2. TECHNICAL AMENDMENT.

Section 309(a)(1) of the Magnuson Fishery Conservation and Management Act (16 U.S.C. 1859(a)(1)) is amended by striking out "(J)" and inserting "(I)".

SEC. 3. FEDERAL FELLOWSHIPS.

Section 208 of the National Sea Grant College Program Act (3) U.S.C. 1127) is amended—

(1) by striking out "Sea" in the third sentence of subsection (a) and inserting "Except as provided in subsection (b), sea";

(2) by redesignating subsection (b) as subsection (c); and

(3) by inserting after subsection (a) the following new subsection:

"(b) FEDERAL FELLOWSHIPS.—(1) As part of the sea grant fellowship program, the Secretary may award sea grant fellowships to support the placement of qualified individuals in positions with the executive and legislative branches of the United States Government. No fellowship may be awarded under this paragraph for a period exceeding 1 year.

"(2) For purposes of this subsection, the term 'qualified individual' means an individual at the graduate level of education in fields related to ocean and coastal resources.".

SEC. 4. EFFECTIVE DATE.

The amendment made by section 3 shall take effect January 1, 1978.

The SPEAKER pro tempore. Is a second demanded?

Mr. DAVIS of Michigan. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Massachusetts [Mr. STUDDS] will be recognized for 20 minutes and the gentleman from Michigan [Mr. DAVIS] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Massachusetts [Mr. STUDDS].

Mr. STUDDS. Mr. Speaker, I yield myself such time as I may consume.

Mr. SPEAKER, H.R. 2480 was introduced by Congressman WALTER JONES, chairman of the Merchant Marine and Fisheries Committee, and Congressman DON YOUNG, ranking member of the Fisheries and Wildlife Subcommittee, on May 20. The purpose of the bill is to extend until November 1, at the latest, the existing Governing International Fishery Agreement between the United States and the Republic of Korea.

Mr. Speaker, the Subcommittee on Fisheries and Wildlife Conservation and the Environment conducted a hearing on the bill on June 4, at which time the administration testified in support of the legislation. The subcommittee reported the bill with an amendment to the full committee, which ordered the bill reported to the full House on June 9, 1987.

Personally I have very serious reservations about reaching any accord with the current Government of the Republic of Korea. I support this temporary extension of the current GIFA because U.S. fishermen will benefit. The extension is needed to avoid disruption of current joint-venture fishing operations in the Pacific Northwest. Because the Department of State has been tardy in sending to Congress the new Korean GIFA, the existing agreement, if not extended, will expire prior to the new GIFA going into effect and United States fishermen would be forced to stop fishing. When the new GIFA is presented to us, I have every intention of fully reviewing its merits during the 60-day congressional review period.

Section 2 of the bill contains a technical correction to the Fishery Conservation and Management Act of 1976. Unfortunately, last Congress a typographical error was made in a bill which amended the act. This section corrects that error.

Last, the committee has added an additional amendment to the bill to clarify the legal status of the Sea Grant College Fellowship Program, which has been in existence since 1978. Questions have recently been raised about whether the general education and training language in the sea grant statute provides sufficient authority to carry out the fellowship program, which the committee and the Congress has strongly supported for over 9 years. This amendment is to resolve those questions by clarifying the statutory basis for the program.

Mr. Speaker, I reserve the balance of my time.

Mr. DAVIS of Michigan. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 2480 and urge its adoption.

H.R. 2480 extends temporarily the Governing International Fishery Agreement [GIFA] between the United States and the Republic of Korea. It also makes technical changes to the Fishery Conservation and Management Act. These changes are necessary to correct an error made when the act was reauthorized by the House last year.

Under our law, a Governing International Fishery Agreement must be in force to continue operations occurring at this time involving Korean vessels which are buying fish from United States fishermen who do not have domestic markets. A new agreement is being reported to the House by the President and will go into effect this fall. By extending the existing agreement, we avoid interruptions in existing commercial activities.

The committee has added an additional amendment to clarify the legal status of the Sea Grant College Fellowship Program, which has been in existence since 1978. Within the last few days, a question has been raised about whether the general education and training language in the sea grant statute provides sufficient authority to carry out the fellowship program which the committee and the Congress has strongly supported for over 9 years.

Section 3 of the bill will remove any uncertainty about the program. No new budget authority or authorization is contained in this provision as the fellowship program is funded out of the basic sea grant appropriation.

Mr. Speaker, this bill is supported by the administration and imposes no cost to U.S. taxpayers. It is a good bill which was reported unanimously by the Committee on Merchant Marine and Fisheries, and I believe it should be adopted.

Mr. YOUNG of Alaska. Mr. Speaker, I rise in support of H.R. 2480 and urge the House to adopt it.

Since 1978 the United States and the Republic of Korea have cooperated in developing the fishery resources in the United States Exclusive Economic Zone. This cooperation has involved Korean companies purchasing fish from United States fishermen who are unable to find markets for their fish in the United States. These joint ventures have been extremely important to fishermen in the Pacific Northwest and Alaska and are continuing as we speak.

If H.R. 2480 is not adopted, the existing Governing International Fishery Agreement between the United States and the Republic of Korea will expire and, by law, the joint venture operations must halt. I, therefore, think it important that we extend the existing agreement as we are doing in H.R. 2480 until the new agreement is reported to the House and comes into effect.

While we have seen good cooperation in our groundfish fisheries, I do want to make clear to the Government of the Republic of Korea that we expect better cooperation in terms of research and monitoring of their high seas squid driftnet fleet. As the members of the Subcommittee on Fisheries and Wildlife Conservation and the Environment heard just the other day, high seas driftnets are responsible for interception of large numbers of Alaskan salmon. Although this problem is shared by a number of countries, Korea is certainly involved. I hope by showing our willingness to engage in joint economic activity through passage of this legislation that Korea will do its part to help end the interception of Alaska salmon.

Mr. Speaker, again I support this legislation and urge its adoption by the House.

Mr. DAVIS of Michigan. Mr. Speaker, I have no further requests for time, and I yield the balance of my time.

Mr. STUDDS. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Massachusetts [Mr. STUDDS] that the House suspend the rules and pass the bill, H.R. 2480, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. STUDDS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

RECOGNIZING ACCOMPLISHMENTS OF THE FEDERAL AID IN WILDLIFE RESTORATION ACT IN HONOR OF ITS 50TH ANNIVERSARY

Mr. STUDDS. Mr. Speaker, I move to suspend the rules and agree to the concurrent resolution (H. Con. Res. 130) recognizing the accomplishments of the Federal Aid in Wildlife Restoration Act in honor of its 50th anniversary.

The Clerk read as follows:

H. CON. RES. 130

Whereas the Federal Aid in Wildlife Restoration Act (commonly known as the "Pittman-Robertson Act") was signed into law on September 2, 1937, and is regarded as a model of effectiveness and efficiency among programs under which Federal grants are provided to the States;

Whereas the manufacturers, importers, and buyers of sporting arms and ammunition, archery equipment, and handguns have jointly supported the levying of the excise tax on those products to finance the Pittman-Robertson Act program;

Whereas the excise tax has generated more then $1,750,000,000 for national wildlife restoration over the past 50 years without cost to the general taxpayer;

Whereas except for the money deducted for the administrative costs of the program (which costs are normally less than the 8 percent deduction permitted by law), all moneys generated by the excise tax are allocated among the States under a formula based on the relative size of the States and number of licensed hunters;

Whereas although the State restoration projects that are financed through Pittman-Robertson Act program must conform to Federal standards of quality and substance, the projects are selected, designed, and implemented by the States, where needs are best determined;

Whereas with the assistance of Pittman-Robertson Act program, the States have—

(1) developed and applied management measures that have helped reverse the slide toward extinction of numerous species, including the antelope, beaver, wood duck, white-tailed deer, giant Canada goose, elk, black bear, cougar, and wild turkey;

(2) provided annual training in safety, wildlife and outdoor ethics for more than 700,000 first-time hunters; and

(3) purchased more than 6,400 square miles (4.1 million acres) of land for wildlife management purposes and have negotiated agreements to participate in the management of lands exceeding 10 times that area;

Whereas although hunters and shooters are the sole source of Pittman-Robertson Act program moneys, the nonhunting use of the lands acquired or managed under the program exceeds hunting use by nearly three times, and nonhunted species (including endangered species) are regular beneficiaries of the management measures implemented under the program for hunted species;

Whereas the Pittman-Robertson Act, by creating a nationwide demand for trained scientists to carry out research regarding, and to manage, wildlife, has been a major force in the establishment of wildlife management as a profession and science: Now, therefore, be it.

Resolved by the House of Representatives (the Senate concurring), That the Congress recognizes the accomplishments of the Federal Aid in Wildlife Restoration Act in enhancing, during the past 50 years, the knowledge, conservation, management, and habitat of our Nation's wildlife resources, as well as hunter education; and commends hunters and shooters in the United States for the contributions they have made to make the Act such a success.

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from Massachusetts [Mr. STUDDS] will be recognized for 20 minutes and the gentleman from Michigan [Mr. DAVIS] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Massachusetts [Mr. STUDDS].

Mr. STUDDS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, House Concurrent Resolution 130, to recognize the accomplishments of the Federal Aid in Wildlife Restoration Act—better known as the Pittman-Robertson Act—in honor of its 50th anniversary, was introduced by Congressman BOB DAVIS, the ranking minority member of the Merchant Marine and Fisheries Committee, on May 28, 1987, and was reported by the Merchant Marine Committee on June 9 without amendment by unanimous voice vote.

Rather then explain the purpose of the resolution myself, I will defer to the gentleman who is its sponsor, noting only that it is a noncontroversial resolution that deserves the full support of the House.

Mr. Speaker, I reserve the balance of my time.

Mr. DAVIS of Michigan. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of House Concurrent Resolution 130 which applauds the fine accomplishments of the Federal Aid in Wildlife Restoration Act, also known as the Pittman-Robertson Act [P-R], on its 50th anniversary.

In the early 1930's, the accumulated impacts of wasted and plundered natural resources were brought into sharp focus by the worst drought and the worst economic depression in American history. Chief among these threatened resources were many of the Nation's wildlife populations which had been decimated by years of uncontrolled hunting to supply commerical markets with fur, feathers, meat, and oil.

However, there were several far sighted conservationists who responded to this wildlife crisis. A plan was developed to urge Congress to extend the life of an existing 10-percent tax on firearms and ammunition which would earmark the proceeds directly to the States for wildlife restoration. The emphasis was not just to restock depleted wildlife populations, but rather on building a comprehensive restoration program which included scientific research and habitat management. The results of this plan brought about the Federal Aid in Wildlife Restoration Act which was signed by President Franklin Delano Roosevelt on September 2, 1937.

In examining the multitude of benefits that have resulted from the P-R Program over the last 50 years, it is important to remember that although P-R is financed wholly by firearm and archery enthusiasts, its benefits extend to a much larger number of people who never hunt but who do enjoy wildlife-related pastimes. The P-R Program has directed more than $1.7 billion in Federal excise taxes to the States for the sole purpose of wildlife restoration. These moneys have enabled the States to purchase and manage over 400 million acres of wildlife habitat. These areas are not only managed for the sport of hunting, for a far larger share of use comes from birdwatchers, photographers, canoeists, and others who enjoy wildlife in its natural habitat. These P-R lands have served to help restore the populations of many once-threatened birds and mammals, such as the white-tailed deer, wild turkey, North American elk, beaver, black bear, wood duck, Canada goose, desert bighorn sheep, pronghorned antelope, bald eagle, and a variety of songbirds. P-R funds have also been used to support hunter education programs which instruct more than

700,000 people each year on firearms safety and outdoor ethics.

One of the most important contributions of P-R is probably the least visible and quantifiable; it is the creation of a science of wildlife management. Since the passage of the act in 1937, its funds have supported numerous inventories of wildlife species. These inventories assist State wildlife agencies in setting hunting regulations, improving habitat, and spotting troubled species before they become threatened or endangered. Availability of P-R funds has also stimulated the creation of technology necessary to carry out research, such as solar-powered radios, to permit the biologists to track the movements of even the most elusive animals and transmitters small enough to be attached to birds.

Finally, P-R funds have helped to provide the ground work whereby more than 10,000 books, bulletins, and articles on wildlife and its management have been published, providing a rich reservoir of scientific knowledge.

Mr. Speaker, let me close by basically urging my colleagues to join with me in adopting this resolution saluting the golden anniversary of the Pittman-Robertson Act. Looking back over the nearly 50-year span of this law, the argument can be made that P-R has been responsible for restoration of more wildlife species than any other piece of legislation in the history of wildlife conservation. The Pittman-Robertson Program can continue to help wildlife thrive as long as Americans are willing to continue to support such legislation and to provide sufficient funding for this and other wildlife programs. The success of P-R has proven that saving our wildlife is well worth the price and the effort.

Mr. Speaker, I urge the adoption of the resolution.

Mr. YOUNG of Alaska. Mr. Speaker, I rise in support of House Concurrent Resolution 130 which recognizes the accomplishments of the Federal Aid in Wildlife Restoration Act, commonly known as the Pittman-Roberston Act, in honor of its 50th anniversary. This act was signed into law on September 2, 1937, and today it is regarded as a unique model of effectiveness and efficiency among programs under which Federal grants are provided to the States. What is unique about the P-R Program is that it is financed soley through an excise tax that is placed on the manufacturers and buyers of sporting arms and ammunition, archery equipment, and handguns. To date, P-R has generated more than $1.75 billion for wildlife restoration without any cost to the general taxpayer. In fiscal year 1986 alone, hunters and shooters provided over $109 million toward this effort. In addition, State wildlife restoration projects have benefited from more than $500 million raised in matching funds through the collection of hunting license fees. Together, these funds have helped numerous wildlife species, including antelope, wood duck, white-tailed deer, elk, black bear, and wild turkey.

The P-R Program has also assisted in purchasing more than 6,400 square miles of land for wildlife management purposes. The program has provided the finances to support hunter education programs which instruct more than 700,000 people each year on firearms safety and outdoor ethics. The P-R Program continues to provide the revenues to assist wildlife research programs to increase our scientific knowledge for managing wildlife populations. Finally, through the P-R Program over 10,000 technical articles on wildlife and associated subjects have been published representing a substantial proportion of the world's total knowledge on the subject of wildlife management and conservation.

Mr. Speaker, House Concurrent Resolution 130 provides deserved recognition of the fine accomplishments that the Federal Aid in Wildlife Restoration Act has contributed to wildlife management over the past 50 years. The present knowledge, management, conservation and habitat of our wildlife resources, as well as hunter education is a fine tribute to the hunters and shooters in the United States for the contributions they have made to make this act the success that it is today.

Mr. Speaker, I commend the Republican vice chairman of the Merchant Marine and Fisheries Committee for his efforts in introducing this resolution and urge its adoption by the House.

□ 1230

Mr. DAVIS of Michigan. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. STUDDS. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. GRAY of Illinois). The question is on the motion offered by the gentleman from Massachusetts [Mr. STUDDS] that the House suspend the rules and agree to the House Concurrent Resolution 130.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. STUDDS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on House Concurrent Resolution 130, the concurrent resolution just agreed to.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

REPORT ON RESOLUTION WAIVING CERTAIN POINTS OF ORDER AGAINST CONSIDERATION OF H.R. 2712, INTERIOR AND RELATED AGENCIES APPROPRIATIONS, 1988

Mr. BEILENSON, from the Committee on Rules, submitted a privileged report (Rept. No. 100-177) on the resolution (H. Res. 206) waiving certain points of order against consideration of the bill (H.R. 2712) making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 1988, and for other purposes, which was referred to the House Calendar and ordered to be printed.

FAIR TREATMENT OF AVIATION EMPLOYEES

Mr. MINETA. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1101) to amend section 408 of the Federal Aviation Act of 1958 to ensure fair treatment of airline employees in airline mergers and similar transactions.

The Clerk read as follows:

H.R. 1101

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 408 of the Federal Aviation Act of 1958 (49 U.S.C. App. 1378) is amended by adding at the end the following new subsection:

"FAIR TREATMENT OF EMPLOYEES

"(g) In any case in which the Secretary determines that the transaction which is the subject of the application would tend to cause reduction in employment or to adversely affect the wages and working conditions including the seniority of any air carrier employees, labor protective provisions calculated to mitigate such adverse consequences, including procedures culminating in binding arbitration, if necessary, shall be imposed by the Secretary as a condition of approval, unless the Secretary finds that the projected costs of protection would exceed the anticipated financial benefits of the transaction. The proponents of the transaction shall bear the burden of proving there will be no adverse employment consequences or that projected costs of protection would be excessive.".

(b) That portion of the table of contents contained in the first section of the Federal Aviation Act of 1958 which appears under the side heading

"Sec. 408. Consolidation, merger, and acquisition of control."

is amended by adding at the end the following:

"(g) Fair treatment of employees.".

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from California [Mr. MINETA] will be recognized for 20 minutes and the gentleman from Arkansas [Mr. HAMMERSCHMIDT] will be recognized for 20 minutes.

The Chair recognizes the gentleman from California [Mr. MINETA].

Mr. MINETA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the bill reported by the Committee on Public Works and Transportation, H.R. 1101, requires the Department of Transportation to impose labor protective conditions in airline merger cases to ensure that the merger is fair to airline employees. Similar legislation was overwhelmingly passed by the House last September by a vote of 329 to 72.

This legislation to require DOT to impose merger LPP's is needed because airline employees have not received the fair treatment we intended to provide under the Deregulation Act of 1978 and subsequent legislation. When we deregulated the airlines we recognized that deregulation would impose penalties on companies which were inefficiently managed or misjudged what the public wanted. We wanted to be sure that airline employees would not be required to carry too great a portion of the burden of deregulation.

At the time of deregulation we also wanted to ensure that deregulation of airline economic decisions would not result in any deterioration in the indutry's excellent safety record. Although airline safety is subject to Government regulation, Government inspectors cannot directly oversee every flight or every maintenance action. Airline safety requires competent, motivated airline employees who are able to give their full attention to operating the airline with the highest degree of safety. An airline work force which is being treated unfairly and which is operating under a state of siege with management may be unable to give its full attention to safety.

For these reasons, the Airline Deregulation Act and subsequent legislation have included provisions to ensure fair treatment of airline employees.

Regrettably, our efforts to protect airline employees have been frustrated, primarily by Reagan administration policies. Largely through administrative inaction, the employee protective provisions in the Airline Deregulation Act have not been implemented. In addition, the Department of Transportation has refused to follow a directive in the committee report on the Civil Aeronautics Board Sunset Act of 1984, in which we directed DOT to continue to impose labor protection provisions in airline merger cases. Despite this directive, recent decisions in mergers and similar cases indicate that DOT is unwilling to impose LPP's.

The merger LPP's which we directed DOT to impose were those imposed by the Civil Aeronautics Board in approving mergers by major and national airlines. The CAB's merger LPP's were designed to ensure that the seniority lists of the merging airlines would be integrated in a fair and equitable manner and to provide financial benefits to help relieve the burdens on employees who might lose their jobs or suffer a reduction in wages as a result of a merger.

H.R. 1101 gives the Secretary discretion to develop LPP's to fit the needs of a particular case. However, we would expect that administrative proceedings on mergers would consider the LPP's developed by CAB, the so-called Allegheny Mohawk conditions, as a starting point. These conditions worked well in CAB cases for over 30 years, and with some adjustments they should be appropriate for many mergers today.

Some airlines have argued that if LPP's were required there would be astronomical costs to merging airlines. In our committee report on the bill we have included data demonstrating that these claims are exaggerated. I would also note that the benefits which employees are likely to receive from LPP's are insignificant compared to the "Golden Parachutes" which protect top airline management. Many of these contracts provide several years pay for executives whose annual salaries are well in excess of $100,000. In some cases these benefits are available even if an executive leaves the company voluntarily. Nonmanagement employees are certainly entitled to benefits which are a mere fraction of those paid to top executives.

In sum, the reported bill requires the continuation of an LPP policy which was followed by the CAB for many years and which Congress directed the Department of Transportation to continue. Requiring merger LPP's is the least we can do to reverse the refusal of the administration to afford airline employees the protections which Congress intended them to have. These protections are particularly needed to mitigate the sometimes harsh effects on employees of the wave of mergers now sweeping the airline industry.

I urge my colleagues to join me in passing this needed legislation.

Mr. Speaker, I reserve the balance of my time.

Mr. HAMMERSCHMIDT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of this bill.

Since passage of the Airline Deregulation Act in 1978, we have seen many changes in the airline industry. Most of these changes have been for the better—low fares, more service, increased flexibility to respond to market demands.

But I have long been concerned that the changes brought about by deregulation would adversely affect some groups.

Airline employees are one group that do not seem to have benefited from deregulation. As competition intensified, airlines cut fares and reduced costs. Some airlines even went belly-up. Airline employees bore the brunt of this process. Many had their wages cut and some even lost their job.

Indeed, we recognized that such problems might occur when we passed the Deregulation Act. That is why we included a provision—section 43—that provided certain benefits and rights to airline employees hurt by deregulation. These included rights to compensation and rights to have first crack at new jobs that opened up in the airline industry. However, it took a long time to implement some of these benefits while others were not implemented at all.

In addition, the recent rash of mergers have exposed many airline employees to further losses in jobs, wages, and seniority. We have heard many complaints from employees about their treatment by the management of a recently merged airline.

At one time, airline employees were routinely protected in airline merger cases. The Civil Aeronautics Board [CAB] would impose labor protective provisions [LPP's] to ensure fair treatment of the employees involved in such cases.

But these LPP's have gradually been phased out. The Department of Transportation [DOT], which took over responsibility for airline mergers from the CAB, never imposes them. This bill would help to restore LPP's. It would require the Department of Transportation to impose labor protective provisions in most airline merger cases.

Mr. Speaker, the Government cannot and probably should not, intervene in every dispute between airline employees and their management. But we can, and should, make good on some of the commitments we made to these employees in 1978. That's what this bill does.

It is important to note, however, that this bill is not inflexible. Where the costs of the LPP's exceed the benefits of the merger, DOT would not have to impose LPP's. DOT would also have the discretion to tailor the specific LPP requirements to the particular situation.

In view of the recent wave of mergers and the problems experienced by some employees of merged carriers, passage of this bill is the least we can do for airline workers. And when you consider the millions that have been paid to airline executives who had "Golden Parachutes", the cost to the airlines of this bill is not unreasonable. I urge my colleagues to support it.

Mr. MINETA. Mr. Chairman, I yield 1 minute to the gentleman from Minnesota [Mr. VENTO].

Mr. VENTO. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, I rise in support of the legislation, the fair treatment of aviation employees legislation.

I would just point out, Mr. Speaker, I think what this legislation does is it opts for cooperation over confrontation.

When we have a merger of airlines, under the airline deregulation that seems to be happening with more and more frequency, we are moving toward larger airlines notwithstanding some of the concerns that many might have with regards to that, it seems only logical that we provide for an orderly policy path with regard to how the employees can function and work successfully to provide efficient, safe transportation in terms of air service.

I want to commend the gentleman from California [Mr. MINETA], the subcommittee chairman, and the gentleman from Arkansas [Mr. HAMMERSCHMIDT], the ranking member, for the work they have done. The gentleman from California [Mr. MINETA] has been working on this issue for the last 10 years.

I remember when the initial airline deregulation was first considered the gentleman championed and tried to provide an opportunity for labor protection provisions in the law that would treat employees fairly.

Unfortunately, the regulations and the guidelines that follow have fallen far short of the initial policy intentions; and it is necessary that we pass this to clarify that and provide the right direction in terms of these issues.

H.R. 1101 will ensure fair treatment of airline employees in airline mergers. This legislation has become even more important and necessary with the passage of time since the House passed H.R. 4838 last September. The intent of Congress when it passed the Airline Deregulation Act of 1978 to protect the thousands of men and women who work for our Nation's airlines remains the same. The regrettable inaction on the part of the Departments of Labor and Transportation in implementing labor protection provisions, unfortunately, also remains the same.

Undoubtedly, the changes made possible by the deregulation have helped to make inexpensive and accessible air transport a reality for much of the traveling public. Low air fares, new carriers and routes made it possible to keep this pledge. Unfortunately, at the same time, despite a clear congressional mandate, the labor protection provisions [LPP's] that were a vital part of deregulation were never fully implemented.

Congress was aware of the effect deregulation would have on the airline industry and wanted to assure that the employees that helped to create the safest and most reliable transportation system in history would not bear an unreasonable burden as the industry made the transition through the processes of mergers or acquisitions facilitated by the new law.

That is reason the LPP's of the 1978 Deregulation Act exist, first on the provision provide financial benefits to an airline employee who lost his or her job because of deregulation and in the second provision which grants dislocated airline employees the right-of-first-hire on other airlines. Unfortunately airline employees have never truly received these protections.

The Department of Labor has virtually ignored the mandate to create regulations to totally adopt the financial benefits provision despite its obligation to do so within 6 months after the 1978 bill was enacted. The Department of Transportation has been equally unwilling to impose the provisions unless they are absolutely necessary to prevent labor strife that could interrupt the national air transportation system. What do they want confirmation before they act? In light of these deliberate delays, it is clear that Congress should adopt legislation that requires LPP's to be imposed during mergers or similar transactions and seek resolutions to labor in analogy conflicts through an orderly procedure intended when the law was enacted in 1978.

We cannot ignore the needs of employees such as the more than 20,000 in Minnesota that were affected by the merger of Northwest Orient Airlines and Republic Airlines. Despite urging for approval by myself and others, Secretary Dole declined to include LPP's. H.R. 1101 will require that LPP's be included and will therefore restore balance in the workplace for our airline employees while also maintaining the ability of airline companies to manage their businesses within the frame work envisioned by the law.

Mr. Speaker, I rise on behalf of the rights of the working men and women in the airline industry who are deserving of this economic protection. I would again urge my colleagues to join me in fulfilling our promise of 1978 by adopting this legislation.

Mr. HOWARD. Mr. Speaker, I rise in strong support of H.R. 1101, a bill to ensure the fair treatment of airline employees in mergers. The distinguished chairman of the Subcommittee on Aviation has described the bill in detail, so I will not cover that ground again. I will say that this bill is identical to a bill that passed the House last September on a 329 to 72 vote. The Senate was not able to take up the legislation in the waning days in the 99th Congress.

What I would like to emphasize is that the reason we are here today with legislation is that the executive branch, the Department of Transportation in particular, has been consistently ignoring congressional intent as to how airline rank-and-file employees should be treated when management decides to merge with or take over another company.

When the Congress overwhelmingly adopted the Civil Aeronautics Board Sunset Act of 1984, the legislative history was clear. When airlines merge, employee protective provisions were to be imposed so that there would be a smooth transition and integration of the two workforces, and compensation for employees who lost their jobs because of the merger.

Our committee has held numerous hearings and written numerous letters on this matter and the response from DOT has been to ignore the legislative intent of the Congress. It is regrettable that this issue has to be revisited in this fashion today, but given the administration's policies, we have been left with no alternative.

Our committee brings this bill to the floor on a completely bipartisan basis because the issue is simply one of fair treatment of rank-and-file workers in mergers. I am proud that our committee has been able to bring this legislation to the floor with strong support from both sides of the aisle, and with the leadership of the ranking Republican on the committee, the gentleman from Arkansas.

Again, I rise in support of this legislation and urge an "aye" vote.

Mr. HAMMERSCHMIDT. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. MINETA. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. GRAY of Illinois). The question is on the motion offered by the gentleman from California [Mr. MINETA] that the House suspend the rules and pass the bill, H.R. 1101.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. MINETA. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

IMPOSING CRIMINAL PENALTIES FOR OFFENSES RELATING TO CERTAIN AVIATION REPORTS AND RECORDS

Mr. GLICKMAN. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1163) to amend chapter 101 of title 18, United States Code, to impose criminal penalties for offenses relating to certain aviation reports and records, as amended.

The Clerk read as follows:

H.R. 1163

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 902(e) of the Federal Aviation Act of 1958 (49 U.S.C. App. 1472(e)) is amended to read as follows:

"FAILURE TO FILE REPORTS; FALSIFICATION OF RECORDS

"(e)(1) Whoever, being an air carrier, or an officer, agent, employee, or representative of an air carrier, intentionally—

"(A) fails to make a report or to keep an account, record, or memorandum;

"(B) falsifies, mutilates, or alters a report, account, record, or memorandum; or

"(C) files a false report, account, record, or memorandum;

under this Act, shall be fined not more than $5,000 in the case of an individual and not more than $10,000 in the case of a person other than an individual.

"(2) Whoever, being an air carrier, or an officer, agent, employee, or representative of an air carrier, intentionally—

"(A) falsifies or conceals a material fact; or

"(B) invites reliance on a false statement or representation concerning a material fact;

in a report, account, record, or memorandum under title VI of this Act shall be fined under title 18, United States Code, or imprisoned not more than 5 years, or both.".

The SPEAKER pro tempore. Is a second demanded?

Mr. GEKAS. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Kansas [Mr. GLICKMAN] will be recognized for 20 minutes and the gentleman from Pennsylvania [Mr. GEKAS] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Kansas [Mr. GLICKMAN].

Mr. GLICKMAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the bill before the House today increases penalties for criminal violations of Federal Aviation Act regulations. The bill is not controversial and enjoys bipartisan support. It was reported from the Committee on the Judiciary without dissent and was sequentially referred to the Committee on Public Works until June 19.

In 1985, international commercial aviation experienced the highest number of fatalities in a single year. Subsequent investigations have uncovered serious questions pertaining to the airlines' voluntary compliance with FAA regulations governing commercial airline safety. In the last 6 months alone, the National Transportation Safety Board has made over 200 safety related recommendations regarding airline recordkeeping and inspections to the Federal Aviation Administration.

At the same time, the FAA's ability to vigorously monitor airline compliance with the law has deteriorated. GAO studies indicate that "the FAA suffers from a shortage of safety inspectors" and has "allowed major safety problems to go undetected or uncorrected for long periods of time." Short on inspectors and unable to physically inspect all of the commercial aircraft, the FAA has been forced to rely upon the accuracy of reports and records filed by the airlines pursuant to the Federal Aviation Act of 1958. A system of random checks of these airline reports and records is currently the heart of the FAA safety surveillance program. This, of course, heightens the importance of airline recordkeeping, and when combined with revelations regarding the accuracy and reliability of these reports has provoked questions concerning the adequacy of the present sanction against the airlines for failing to file or for filing false reports. This current sanction—a fine of up to $5,000—has not been changed since it was enacted 30 years ago and is no longer an effective deterrent. It is apparent that legislation is needed to prevent any further erosion of air safety.

As reported by the Committee on the Judiciary, the bill transferred to title 18 of the United States Code the criminal provision presently set forth in section 902(e) of the Federal Aviation Act of 1958. Out of a concern that the bill as reported by the Committee on the Judiciary would, if enacted, divest the Committee on Public Works and Transportation, the bill is before the House today with an amendment that strikes the transfer of the provision to title 18. The bill as amended instead amends section 902(e).

The bill as amended rewrites section 902(e) employing the format and drafting conventions and techniques developed by the Committee on the Judiciary during its work on the recodification of Federal criminal laws. (See generally H.R. Rept. 1396, 96th Cong., 2d Sess. 12-13, 15-20, 30-36 (1980).) (See also H.R. Rept. 1114, 100th Cong., 1st Sess. 4 n.9 (1987).) New section 902(e) sets forth two offenses, one a misdemeanor and one a felony.

New section 902(e)(1) makes it an offense for an air carrier or an officer, agent, employee, or representative of an air carrier, intentionally: First, to fail to make a report or to keep an account, record, or memorandum required by the Federal Aviation Administration under the Federal Aviation Act of 1958; second, to falsify, mutilate, or alter a report, account, record, or memorandum required to be made or kept by the Federal Aviation Administration under the Federal Aviation Act of 1958; or third, to file a false report, account, record, or memorandum required by the Federal Aviation Administration under the Federal Aviation Act of 1958. New section 902(e)(1) has a mens rea requirement of "intentionally." This is the equivalent of the "knowingly and willfully" mens rea requirement of current section 902(e). (See H.R. Rept. 114, 100th Cong., 1st Sess. 4 n.9 (1987).) (See also H.R. Rept. 1396, 96th Cong., 2d Sess. 34 (1980).)

New section 902(e)(1) encompasses all reports, accounts, records, or memoranda required to be made or kept by the Federal Aviation Administration by virtue of authority bestowed upon the Federal Aviation Administration by the Federal Aviation Act of 1958. Thus, new section 902(e)(1) would reach an intentional failure to enter aircraft defects or discrepancies into aircraft logs; an intentional recording of aircraft maintenance not performed; an intentional failure to record in an aircraft log the time and service of parts, as well as hours in flight; and an intentional falsification of a pilot certification and retraining certificate by a check pilot, who is employed by an air carrier and certified by the Federal Aviation Administration.

The penalty for violating new section 902(e)(1) is a fine of not more than $5,000 if the person convicted is an individual, and a fine of not more than $10,000 if the person convicted is an organization.

New Section 902(e)(2) makes it an offense for an air carrier, or an officer, agent, employee, or representative of an air carrier, intentionally: First to falsify or conceal a material fact in a report, account, record, or memorandum required to be made or kept by the Federal Aviation Administration under title VI of the Federal Aviation Act of 1958; or second, to invite reliance on a false statement or representation concerning a material fact in a report, account, record, or memorandum required to be made or kept by the Federal Aviation Administration under title VI of the Federal Aviation Act of 1958. New section 902(e)(1) has a mens rea requirement of "intentionally." This is the equivalent of the "knowingly and willfully" mens rea requirement of current section 902(e). (See H.R. Rept. 114, 100th Cong., 1st Sess. 4 n.9 (1987).) (See also H.R. Rept. 1396, 96th Cong., 2d Sess. 34 (1980).)

New section 902(e)(2), unlike new section 902(e)(1), has a materiality requirement. The term "material" in new section 902(e)(2) is not defined but is intended to have the meaning that the term "material" has in the Federal perjury provision, (18 U.S.C. 1621). (See H.R. Rept. 1396, 96th Cong., 2d Sess. 171-72, 180, 185 (1980).)

New section 902(e)(2) uses the phrase "invites reliance on", which is derived from criminal code recodification legislation reported by the Committee on the Judiciary. (See H.R. Rept. 1396, 96th Cong., 2d Sess. 181-83 (1980) (discussing proposed 18 U.S.C. 1742(a)(1)(C).) The other body's Judiciary Committee has likewise used this phrase in criminal code recodification legislation that it has reported. (See S.

Rept. 307, 97th Cong., 1st Sess. 409 (1981) (discussing proposed 18 U.S.C. 1343(a)(1) (D) and (E)).) These bills derived the phrase from the recommendations of the National Commission on the Reform of Federal Criminal Laws (see Nat'l Com'n of Reform of Fed. Crim. Laws, Final Report § 1352(2) (c) and (d) (1971)), which in turn adopted the phrase from the Model Penal Code (see Model Penal Code § 241.3(1)(c) (Proposed Official Draft 1962)).

The maximum penalty for violating new section 902(e)(2) is 5 years imprisonment and a fine under title 18 of the United States Code. The maximum fine under 18 U.S.C. 3623 for a felon committed by an individual is the greatest of: First, $250,000; second, if the defendant derived any percuniary gain from the offense, twice the gross gain; or third, if the offense results in pecuniary loss to another person, twice the gross loss. The maximum fine under 18 U.S.C. 3623 for a felony committed by an organization is the greatest of: First, $500,000; second, if the defendant derived any pecuniary gain from the offense, twice the gross gain; or third, if the offense results in pecuniary loss to another person, twice the gross loss. In determining the amount of a fine, a court must consider the factors set forth in 18 U.S.C. 3622, which include, for example, the defendant's income, earning capacity, and financial resources.

Mr. Speaker, H.R. 1163 is supported by the administration—both the FAA and the Department of Justice endorse it, and I urge my colleagues to support it.

Mr. GEKAS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the gentleman from Kansas [Mr. GLICKMAN] has very adequately represented the contents of the bill before us, and all that we can do is add to it our reemphasis that the most important quotient in airline traffic is safety, and because more and more it has come into focus over the last few years, it is appropriate to yield time and actions of the Congress to address those problems.

There is only one really sound way that the Congress can proceed in this issue, and that is to look at the criminal penalties that have been in existence and to enhance them if necessary, which the bill does, for some of the salient features of how we determine whether or not an airline has acted safely, and that is through its maintenance reports and other important ways in which reviews can be made on the daily maintenance and outflow of machinery, et cetera, with regard to the aircraft industry. And so we endorse the legislation.

We note further, as did the gentleman from Kansas, that this is a replication of the work that was done by the gentleman from Kansas and others the last term in Congress, so the record should be made clear that this is not a new idea, but rather one whose time has now come before the House.

Mr. Speaker, I rise in support of H.R. 1163. This legislation is nonpartisan and deserves the support of each Member. It is intended to make air passenger travel safer by increasing the penalties associated with the Airline reporting requirements of the Federal Aviation Act. The fine level for violating these reporting requirements has remained essentially unchanged for more than 30 years and, if these laws are to have any deterent value, it is necessary that they be increased. Moreover, H.R. 1163 draws an important distinction between reporting requirements related to safety and those dealing with administrative matters. Recognizing the importance of that distinction, the bill creates a new 5-year felony offense for those who intentionally falsify or conceal a material fact in reports, accounts, records or memoranda under title VI of the Federal Aviation Act, dealing with aircraft safety.

This legislation will contribute to safer skies for America's air passengers and should, therefore, be approved without delay.

Mr. Speaker, I reserve the balance of my time.

Mr. GLICKMAN. Mr. Speaker, I yield such time as he may consume to my distinguished colleague, the gentleman from California [Mr. MINETA], the chairman of the Subcommittee on Aviation of the Committee on Public Works and Transportation.

Mr. MINETA. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, I rise in support of H.R. 1163. The bill will promote aviation safety by increasing the criminal penalties imposed on airlines which fail to file reports, or file false reports, with the Federal Aviation Administration.

The Federal Aviation Administration's system of aviation safety inspection is predicated upon accurate record keeping and report filing by the airlines. FAA could never hire enough inspectors to directly oversee every maintenance or operational action by an airline. Instead, FAA requires airlines to document all important actions affecting safety. FAA inspectors rely primarily on periodic reviews of carrier records, supplemented by spot checks of actual operations and maintenance.

Clearly, accurate record keeping is critical to FAA inspections and to aviation safety. We must impose severe penalties on airlines who fail to keep records or who falsify records. H.R. 1163 increases the criminal penalties for false record keeping, and I believe that these increased penalties will help promote aviation safety.

The Committee on Public Works and Transportation, on which I serve, shares jurisdiction with the Committee on the Judiciary over the subject matter of H.R. 1163. H.R. 1163 was sequentially referred to the Public Works Committee after the bill was reported by Judiciary. We appreciate the cooperation of the Judiciary Committee in working with us to develop a substitute bill which met some concerns we had with the reported bill. We look forward to continuing to work with the Judiciary Committee as the bill goes forward.

I urge my colleagues to support this important legislation.

Mr. GEKAS. Mr. Speaker, I yield such time as he may consume to the gentleman from Arkansas [Mr. HAMMERSCHMIDT].

Mr. HAMMERSCHMIDT. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, I rise in support of this bill.

For almost 2 years now, the major U.S. airlines have operated without any fatal accidents. If we are to ensure that this safety record is maintained, continued close Federal supervision is essential. The responsibility for this rests with the Federal Aviation Administration [FAA].

It is important to realize that the FAA typically does not ensure an airline's safety by actually inspecting the carrier's aircraft. They just don't have the staff to do that. Instead, the FAA looks at an airline's records, particularly its maintenance records. In this way, the FAA makes sure that the airline has kept its aircraft in safe working condition.

Since the FAA's safety program relies so heavily on airline records, it is absolutely essential that these records are accurate and honest. We are conserned, however, that there may be pressures on some airlines not to keep proper records in order to avoid having to ground one of their planes. Given the penalties in current law, that may even seem to make economic sense, although certainly not safety sense.

This bill would change that. It would increase the penalties for dishonest recordkeeping and thereby enhance the FAA's safety program.

I don't believe that any airline would want to do anything to jeopardize their passengers' safety. But for any that might become slipshod, passage of this bill would send a clear signal that Congress and the FAA won't tolerate it.

I would like to compliment the members of the Judiciary Committee for their initiative on this issue. In addition, I would like to join with the chairman in expressing our appreciation for the cooperation the Judiciary Committee has shown in working out the differences between our two committees on this bill.

I believe that the revised bill before us now is a good one and I urge my colleagues to support it.

Mr. GLICKMAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I want to pay tribute to the gentleman from Michigan [Mr. CONYERS], without whose help this bill would not have made it to the floor, to pay special tribute to the gentleman from Pennsylvania [Mr. GEKAS], who has been very effective in seeing that airline safety is promoted in this country and moving the legislation to the floor, and to the gentleman from California [Mr. MINETA] and the gentleman from Arkansas [Mr. HAMMERSCHMIDT], who have been the leaders in this Congress on aviation issues and aviation safety. We very much appreciate working with all of these gentlemen, and hopefully this bill will become law. It is supported by the administration, and it is one which I think will help flying passengers in this country very, very much.

Mr. HOWARD. Mr. Speaker, I rise in support of H.R. 1163, a bill to increase the criminal penalties imposed on airlines and their employees for failing to keep records or for falsifying records relied upon by the Federal Aviation Administration to determine whether an airline is adhering to regulations and safe practices. Others have described the need for the legislation because FAA inspection and surveillance of the airlines is largely dependent upon good, honest recordkeeping.

But beyond this, we should recognize that engaging in these sorts of actions with respect to recordkeeping is truly criminal behavior and should be dealt with strongly including jail sentences if necessary. Presently, when falsification of records is discovered, the FAA's policy is to take away an airline's operating certificate, or in other words ground the airline. This policy should continue, but at the same time, we need to inject a strong dose of personal culpability into this system. This bill will serve as a strong deterent to individuals who may be inclined to engage in this sort of crime.

I commend our colleagues on the Committee on the Judiciary for their work in this area and for their cooperation with the Committee on Public Works and Transportation in addressing our concerns with the Judiciary Committee reported bill.

Again, I rise in support and urge an "aye" vote.

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Mr. GEKAS. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. GLICKMAN. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. GRAY of Illinois). The question is on the motion offered by the gentleman from Kansas [Mr. GLICKMAN] that the House suspend the rules and pass the bill, H.R. 1163, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The title of the bill was amended so as to read: "A bill to amend section 902(e) of the Federal Aviation Act of 1958 to revise criminal penalties relating to certain aviation reports and records offenses."

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. GLICKMAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kansas?

There was no objection.

CRIMINAL LAW AND PROCEDURE MINOR SUBSTANTIVE AND TECHNICAL AMENDMENTS ACT OF 1987

Mr. GLICKMAN. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2182) to make minor substantive and technical amendments to title 18, United States Code, and for other purposes, as amended.

The Clerk read as follows:

H.R. 2182

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

TITLE I—CRIMINAL LAW AND PROCEDURE MINOR SUBSTANTIVE AND TECHNICAL AMENDMENTS ACT OF 1987.

SEC. 101. SHORT TITLE.

This title may be cited as the "Criminal Law and Procedure Minor Substantive and Technical Amendments Act of 1987".

SEC. 102. CORRECTION OF CROSS REFERENCE.

Section 38 of the Criminal Law and Procedure Technical Amendments Act of 1986 is amended by striking out "section 23" and inserting "section 34" in lieu thereof.

SEC. 103. CORRECTION OF ERRONEOUS REFERENCE.

Section 50(a) of the Criminal Law and Procedure Technical Amendments Act of 1986 is amended by striking out "1961(a)" and inserting "1961(1)" in lieu thereof.

SEC. 104. CORRECTION OF MISPRINT.

Section 58(g) of the Criminal Law and Procedure Technical Amendments Act of 1986 is amended by striking out "SECTION 3147 AMENDMENTS.—Section 3147 of title" and inserting "REPEAL.—(1) Title" in lieu thereof.

SEC. 105. CORRECTION OF TYPOGRAPHICAL ERROR IN SECTION 31.

Section 31 of title 18, United States Code, is amended by striking out "door in opened" and inserting "door is opened" in lieu thereof.

SEC. 106. CORRECTION OF TYPOGRAPHICAL ERROR IN SECTION 32.

Section 32(a)(3) of title 18, United States Code, is amended by striking out "intefering" and inserting "interfering" in lieu thereof.

SEC. 107. CORRECTION OF TYPOGRAPHICAL ERROR IN SECTION 152.

The third paragraph of section 152 of title 18, United States Code, is amended by striking out "penalty or perjury" and inserting "penalty of perjury" in lieu thereof.

SEC. 108. CONSPIRACY AGAINST CIVIL RIGHTS.

(a) IN GENERAL.—Section 241 of title 18, United States Code, is amended by striking out "citizen" and inserting "inhabitant of any State, Territory, or District" in lieu thereof.

(b) CONFORMING AMENDMENTS.—(1) The heading for section 241 of title 18, United States Code, is amended by striking out "of citizens".

(2) The item relating to section 241 in the table of sections at the beginning of chapter 13 of title 18, United States Code, is amended by striking out "of citizens".

SEC. 109. DEPRIVATION OF CIVIL RIGHTS.

Section 242 of title 18, United States Code, is amended by inserting "and if bodily injury results shall be fined under this title or imprisoned not more than ten years, or both;" after "both;".

SEC. 110. DESIGNATION OF ADDITIONAL HIGH LEVEL OFFICIALS OF THE DEPARTMENT OF JUSTICE TO PERFORM CERTAIN FUNCTIONS RELATING TO CRIMINAL AND ANCILLARY PROCEEDINGS.

(a) APPROVAL OF CERTAIN CIVIL RIGHTS PROSECUTIONS.—Section 245(a)(1) of title 18, United States Code, is amended—

(1) by striking out "or the Deputy" and inserting ", the Deputy" in lieu thereof;

(2) by inserting ", the Associate Attorney General, or any Assistant Attorney General specially designated by the Attorney General" after "Deputy Attorney General".

(b) APPROVAL OF PROSECUTIONS FOR FLIGHT TO AVOID SERVICE OF PROCESS AND RELATED PROCEEDINGS.—Section 1073 of title 18, United States Code, is amended by inserting ", the Deputy Attorney General, the Associate Attorney General," after "the Attorney General".

(c) DEFINITION OF "ATTORNEY GENERAL" FOR PURPOSES OF CERTAIN RACKETEERING PROCEEDINGS.—Section 1961(10) of title 18, United States Code, is amended by inserting "the Associate Attorney General of the United States," after "Deputy Attorney General of the United States,".

(d) SUMMONING OF SPECIAL GRAND JURIES.—Section 3331(a) of title 18, United States Code, is amended by inserting ", the Associate Attorney General" after "Deputy Attorney General".

(e) REQUESTING JUDICIAL GRANT OF IMMUNITY IN GENERAL.—Section 6003(b) of title 18, United States Code, is amended—

(1) by inserting ", the Associate Attorney General" after "Deputy Attorney General"; and

(2) by inserting "or Deputy Assistant Attorney General" after "Assistant Attorney General".

(f) REQUESTING JUDICIAL GRANT OF IMMUNITY IN CERTAIN DRUG CASES.—Section 514(c) of the Controlled Substances Act (21 U.S.C. 884(c)) is amended by inserting ", the Associate Attorney General" after "Deputy Attorney General".

(g) OBJECTING TO DISCLOSURE OF CLASSIFIED INFORMATION UNDER THE CLASSIFIED INFORMATION PROCEDURES ACT.—Section 14 of the Classified Information Procedures Act (18 U.S.C. App. 14) is amended by inserting ", the Associate Attorney General," after "Deputy Attorney General".

SEC. 111. OFF-HIGHWAY VEHICLE IDENTIFICATION OFFENSE.

Section 553(b)(2) of title 18, United States Code, is amended to read as follows:

"(2)(A) in the case of a motor vehicle, is not a violation of section 511 of this title (relating to altering or removing motor vehicle identification numbers); or

"(B) in the case of off-highway mobile equipment, would not be exempted by subsection (b) of such section 511 of this title if such equipment were a motor vehicle.".

SEC. 112. REDESIGNATION OF PARAGRAPHS IN SECTION 831.

Paragraphs (3) through (6) of section 831(e) of title 18, United States Code, are redesignated as paragraphs (2) through (5), respectively.

SEC. 113. IDENTIFICATION FRAUD.

Section 1028(a)(6) of title 18, United States Code, is amended—

(1) by inserting "knowingly" before "possesses";

(2) by inserting "lawful" before "authority" the first place it appears; and

(3) by inserting "such" before "authority" the second place it appears.

SEC. 114. TRANSMISSION OF WAGERING INFORMATION.

(a) Transmission of Information to Foreign Countries.—Section 1084(b) of title 18, United States Code, is amended by inserting "or foreign country" after "State" the second place it appears.

(b) Definition of "State".—(1) Section 1084 of title 18, United States Code, is amended by adding at the end the following:

"(e) As used in this section, the term 'State' means a State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, or a territory or possession of the United States.".

(2) Section 1084(c) of title 18, United States Code, is amended by striking out ", Commonwealth of Puerto Rico, territory, possession, or the District of Columbia".

SEC. 115. PUNCTUATION CORRECTION IN SECTION 1111.

Section 1111(a) of title 18, United States Code, is amended by inserting a comma after "arson".

SEC. 116. PUNCTUATION CORRECTION IN SECTION 1114.

Section 1114 of title 18, United States Code, is amended by striking out the second comma after "terms of this section".

SEC. 117. CLARIFICATION OF RELATION BETWEEN TWO AMENDMENTS MADE BY PUBLIC LAWS ENACTED IN THE 99TH CONGRESS.

Section 1153 of title 18, United States Code, is amended by striking out "maiming" and all that follows through "incest" and inserting in lieu thereof "maiming, a felony under chapter 109A, incest".

SEC. 118. CORRECTION OF SUBSECTION DESIGNATION.

Section 1203 of title 18, United States Code, is amended by striking out "(C)" the last place it appears and inserting "(c)" in lieu thereof.

SEC. 119. OBSTRUCTION OF JUSTICE AMENDMENTS.

(a) Expansion of Venue for Sections 1512 and 1503 Cases.—Section 1512 of title 18, United States Code, is amended by adding at the end the following:

"(h) A prosecution under this section or section 1503 may be brought in the district in which the official proceeding (whether or not pending or about to be instituted) was intended to be affected or in the district in which the conduct constituting the alleged offense occurred.".

(b) Definition Changes.—Section 1515(1)(A) of title 18, United States Code, is amended by inserting "a judge of the United States Tax Court, a judge of the United States Claims Court," after "bankruptcy judge,".

(c) Corrupt Persuasion.—Section 1512(b) of title 18, United States Code, is amended by striking out "or threatens" and inserting in lieu thereof "threatens, or corruptly persuades".

(d) Definition.—Section 1515(a) of title 18, United States Code, is amended—

(1) by striking out "and" at the end of paragraph (4);

(2) by striking out the period at the end of paragraph (5) and inserting "; and" in lieu thereof; and

(3) by adding at the end the following:

"(6) the term 'corruptly persuades' does not include conduct which would be misleading conduct but for a lack of a state of mind.".

SEC. 120. CONFORMING AMENDMENT TO TABLE OF SECTIONS.

The item relating to section 1515 in the table of sections at the beginning of chapter 73 of title 18, United States Code, is amended by inserting "; general provision" after "provisions".

SEC. 121. CROSS REFERENCE CORRECTION.

Section 1956(c)(7)(D) of title 18, United States Code, is amended by striking out "section 511" and inserting "section 513" in lieu thereof.

SEC. 122. CROSS REFERENCE CORRECTION.

Section 1961(1) of title 18, United States Code, is amended by striking out "section 2320" and inserting "section 2321" in lieu thereof.

SEC. 123. SYNTAX CORRECTION IN SECTION 1962.

Section 1962(d) of title 18, United States Code, is amended by striking out "subsections" and inserting "subsection" in lieu thereof.

SEC. 124. SECTION 1963 AMENDMENTS.

(a) Correction of Typographical Error in Subsection (n).—Section 1963(n) of title 18, United States Code, is amended by striking out "act of omission" and inserting "act or omission" in lieu thereof.

(b) Redesignation.—Subsection (n) of section 1963 of title 18, United States Code, is redesignated as subsection (m).

SEC. 125. CLERICAL CORRECTION TO TABLE OF CONTENTS FOR CHAPTER 119.

The table of sections at the beginning of chapter 119 of title 18, United States Code, is amended by striking out "wire or oral" in the items relating to sections 2511, 2512, 2513, 2516, 2517, 2518, and 2519 and inserting "wire, oral, or electronic" in lieu thereof.

SEC. 126. SECTION 2516 AMENDMENTS.

(a) Syntax Correction.—Section 2516(1) of title 18, United States Code, is amended by inserting "or" after "Associate Attorney General,".

(b) Correction of Cross-Reference.—Section 2516(1)(c) of title 18, United States Code, is amended by striking out "the second section 2320" and inserting "section 2321" in lieu thereof.

SEC. 127. CORRECTION OF CROSS REFERENCE.

Section 2702(b)(2) of title 18, United States Code, is amended by striking out "2516" and inserting "2517" in lieu thereof.

SEC. 128. GOVERNMENTAL ACCESS TO CONTENTS OF ELECTRONIC COMMUNICATIONS IN A REMOTE COMPUTING SERVICE.

Section 2703(b)(1)(B)(i) of title 18, United States Code, is amended by inserting "or trial" after "grand jury".

SEC. 129. DEFINITION OF COURT FOR CERTAIN APPLICATIONS.

Section 2703(d) of title 18, United States Code, is amended by inserting "may be issued by any court that is a court of competent jurisdiction set forth in section 3126(2)(A) of this title and" before "shall issue".

SEC. 130. SECTION 3124 AMENDMENT.

Section 3124(b) of title 18, United States Code, is amended by inserting "order" after "court" the last place it appears.

SEC. 131. SENTENCING CLASSIFICATION OF OFFENSES.

(a) Redesignation.—Section 3559(a) of title 18, United States Code, is amended—

(1) by striking out "classified—" and all that follows through "is—" and inserting in lieu thereof "classified if the maximum term of imprisonment authorized is—"; and

(2) by redesignating subparagraphs (A) through (I) as paragraphs (1) through (9).

(b) Class B Classification.—Section 3559(a) of title 18, United States Code, is amended in each of paragraphs (2) and (3) (as so redesignated by subsection (a)), by striking out "twenty" and inserting "twenty-five" in lieu thereof.

(c) Effective Date.—The amendment made by subsection (a) shall take effect on the date such section 3559 takes effect.

SEC. 132. CORRECTION OF SYNTAX AND FORM.

Subsection (h) of section 3579 of title 18, United States Code, is amended to read as follows:

"(h) An order of restitution may be enforced—

"(1) by the United States—

"(A) in the manner provided for the collection and payment of fines in section 3565 of this title; or

"(B) in the same manner as a judgment in a civil action; and

"(2) by a victim named in the order to receive the restitution, in the same manner as a judgment in a civil action.".

SEC. 133. CORRECTION OF SYNTAX.

Section 3742(e)(2) of title 18, United States Code, is amended in each of subparagraphs (A) and (B) by striking out "the court shall remand" and inserting "and shall remand" in lieu thereof.

SEC. 134. FURLOUGH OF CERTAIN INDIVIDUALS ORDERED TO BE COMMITTED FOR INSANITY.

Section 4243 of title 18, United States Code, is amended by adding at the end the following:

"(h) Limitations on Furloughs.—An individual who is hospitalized under subsection (e) of this section after being found not guilty only by reason of insanity of an offense for which subsection (d) of this section creates a burden of proof of clear and convincing evidence, may leave temporarily the premises of the facility in which that individual is hospitalized only—

"(1) with the approval of the committing court, upon notice to the attorney for the Government and such individual, and after opportunity for a hearing;

"(2) in an emergency; or

"(3) when accompanied by a Federal law enforcement officer (as defined in section 115 of this title).".

SEC. 135. PERIODIC REPORTS RELATING TO CERTAIN HOSPITALIZED PERSONS.

Section 4247(e)(1)(B) of title 18, United States Code, is amended by adding at the end: "A copy of each such report concerning a person hospitalized after the beginning of a prosecution of that person for violation of section 871, 879, or 1751 of this title shall be submitted to the Director of the United States Secret Service. Except with the prior approval of the court, the Secret Service shall not use or disclose the information in these copies for any purpose other than carrying out protective duties under section 3056(a) of this title.".

SEC. 136. INSERTION OF MISSING CLOSE PARENTHESIS.

The last paragraph of section 5034 of title 18, United States Code, is amended by striking out "facility upon" and inserting "facility) upon" in lieu thereof.

SEC. 137. CONTINUATION OF INTERIM RULE 35 CHANGE.

The amendment to rule 35(b) of the Federal Rules of Criminal Procedure made by the order of the Supreme Court on April 29, 1985, shall continue in effect until the taking effect of section 215(b) of the Comprehensive Crime Control Act of 1984 and shall apply with respect to all crimes committed before that taking effect.

SEC. 138. AMENDMENT TO RULES OF EVIDENCE CONFORMING TERMINOLOGY RELATING TO SEX OFFENSES.

(a) In General.—Rule 412 of the Federal Rules of Evidence is amended—

(1) in the heading of such rule, by striking out "**Rape**" and inserting "**Sex Offense**" in lieu thereof;

(2) in subdivisions (a) and (b), by striking out "rape or of assault with intent to commit rape" each place it appears and inserting "an offense under chapter 109A of title 18, United States Code" in lieu thereof; and

(3) in subdivision (a), by striking out "rape or assault" and inserting "offense" in lieu thereof.

(4) by striking out "rape or assault with intent to commit rape" each place it appears and inserting "an offense under chapter 109A of title 18, United States Code" in lieu thereof; and

(5) in subdivision (b)(2)(B), by striking out "rape or assault" and inserting "such offense" in lieu thereof.

(b) Clerical Amendment.—The item relating to rule 412 in the table of contents at the beginning of the Federal Rules of Evidence is amended by striking out "Rape" and inserting "Sex Offense" in lieu thereof.

SEC. 139. ELIMINATION OF SUPERFLUOUS MATTER IN SECTION 3563.

Section 3563(c) of title 18, United States Code, (relating to modification of conditions of probation) is amended—

(1) by striking out the comma after "court may"; and

(2) by striking out "the provisions applicable to the initial setting of the conditions of probation".

SEC. 140. GOVERNMENTAL ACCESS TO RECORDS CONCERNING ELECTRONIC COMMUNICATION SERVICE OR REMOTE COMPUTING SERVICE.

Section 2703(c)(1)(B)(i) of title 18, United States Code, is amended by inserting "or trial" after "grand jury".

SEC. 141. ELIMINATION OF EXTRA COMMA.

Section 2516(1) of title 18, United States Code, is amended by striking out the comma which follows a comma.

SEC. 142. EXTENSION OF POWER TO MAKE CERTAIN EXAMINATIONS TO ALL PSYCHOLOGISTS.

Section 4247(b) of title 18, United States Code, is amended by striking out "clinical psychologist" and inserting "psychologist" in lieu thereof.

SEC. 143. SYNTACTICAL CORRECTION RELATING TO CERTAIN COUNTERFEIT OR FORGED ITEMS.

The second paragraph of section 2315 of title 18, United States Code, is amended by striking out "which have crossed a State or United States boundary after being stolen, unlawfully converted, or taken" and inserting "moving as, or which are a part of, or which constitute interstate or foreign commerce" in lieu thereof.

SEC. 144. FORM CORRECTION IN FEDERAL RULES OF CIVIL PROCEDURE.

Rule 17(a) of the Federal Rules of Civil Procedure is amended by striking out "with him".

SEC. 145. PUNCTUATION CORRECTION IN FEDERAL RULES OF CIVIL PROCEDURE.

(a) In General.—Rule 71A(e) is amended by striking out "taking of the defendants property" and inserting "taking of the defendant's property" in lieu thereof.

(b) Effective Date.—The amendment made by subsection (a) shall take effect on August 1, 1987.

TITLE II—RULES ENABLING ACT OF 1987

SEC. 201. SHORT TITLE.

This title may be cited as the "Rules Enabling Act of 1987".

SEC. 202. RULES ENABLING ACT AMENDMENTS.

(a) In General.—Title 28 of the United States Code is amended by striking out section 2072 and all that follows through section 2076 and inserting in lieu thereof the following:

"§ 2072. Rules of procedure and evidence; power to prescribe

"(a) The Supreme Court shall have the power to prescribe general rules of practice and procedure and rules of evidence for cases (including all bankruptcy matters) in the United States district courts (including proceedings before magistrates thereof) and courts of appeals.

"(b) Such rules shall not abridge, enlarge, or modify any substantive right or supersede any provision of a law of the United States except any rule of practice or procedure or evidence—

"(1) in effect on the day before the date of the enactment of the Rules Enabling Act of 1987;

"(2) prescribed under this chapter; or

"(3) consisting of an amendment made by Act of Congress to a rule described in paragraph (1) or (2) of this subsection.

"§ 2073. Rules of procedure and evidence; method of prescribing

"(a)(1) The Judicial Conference shall prescribe and publish the procedures for the consideration of proposed rules under this section.

"(2) The Judicial Conference may authorize the appointment of committees to assist the Conference by recommending rules to be prescribed under section 2072 of this title. Each such committee shall consist of a balanced cross section of bench and bar, and trial and appellate judges.

"(b) The Judicial Conference shall authorize the appointment of a standing committee on rules of practice, procedure, and evidence under subsection (a) of this section. Such standing committee shall review each recommendation of any other committees so appointed and recommend to the Judicial Conference rules of practice, procedure, and evidence and such changes in rules proposed by a committee appointed under subsection (a)(2) of this section as may be necessary to maintain consistency and otherwise promote the interest of justice.

"(c)(1) Each meeting for the transaction of business under this chapter by any committee appointed under this section shall be open to the public, except when the committee so meeting, in open session and with a majority present, determines that it is in the public interest that all or part of the remainder of the meeting on that day shall be closed to the public, and states the reason for so closing the meeting. Minutes of each meeting for the transaction of business under this chapter shall be maintained by the committee and made available to the public, except that any portion of such minutes, relating to a closed meeting and made available to the public, may contain such deletions as may be necessary to avoid frustrating the purposes of closing the meeting.

"(2) Any meeting for the transaction of business under this chapter by a committee appointed under this section shall be preceded by sufficient notice to enable all interested persons to attend.

"(d) In making a recommendation under this section or under section 2072, the body making that recommendation shall provide a proposed rule, an explanatory note on the rule, and a written report explaining the body's action, including any minority or other separate views.

"(e) Failure to comply with this section does not invalidate a rule prescribed under section 2072 of this title.

"§ 2074. Rules of procedure and evidence; submission to Congress; effective date

"(a) The Supreme Court shall transmit to the Congress not later than May 1 of the year in which a rule prescribed under section 2072 is to become effective a copy of the proposed rule. Such rule shall take effect no earlier than December 1 of the year in which such rule is so transmitted unless otherwise provided by law. The Supreme Court may fix the extent such rule shall apply to proceedings then pending, except that the Supreme Court shall not require the application of such rule to further proceedings then pending to the extent that, in the opinion of the court in which such proceedings are pending, the application of such rule in such proceedings would not be feasible or would work injustice, in which event the former rule applies.

"(b) Any such rule creating, abolishing, or modifying an evidentiary privilege shall have no force or effect unless approved by Act of Congress.".

(b) Advisory Committees for Courts.—Section 2077(b) of title 28, United States Code, is amended—

(1) by striking out "of appeals" the first place it appears and inserting ", except the Supreme Court, that is authorized to prescribe rules of the conduct of such court's business under section 2071 of this title" in lieu thereof; and

(2) by striking out "the court of appeals" the second place it appears and inserting "such court" in lieu thereof.

(c) Clerical Amendment.—The table of sections at the beginning of chapter 131 of title 28 of the United States Code is amended by striking out the item relating to section 2072 and all that follows through the item relating to section 2076 and inserting in lieu thereof the following:

"2072. Rules of procedure and evidence; power to prescribe.

"2073. Rules of procedure and evidence; method of prescribing.

"2074. Rules of procedure and evidence; submission to Congress; effective date.".

SEC. 203. COMPILATION AND REVIEW OF LOCAL RULES.

(a) Compilation.—Section 604(a) of title 28 of the United States Code is amended—

(1) by inserting after paragraph (16) the following:

"(17) Periodically compile—

"(A) the rules which are prescribed under section 2071 of this title by courts other than the Supreme Court;

"(B) the rules which are prescribed under section 372(c)(11) of this title; and

"(C) the orders which are required to be publicly available under section 372(c)(15) of this title;

so as to provide a current record of such rules and orders;"; and

(2) by redesignating paragraph (17) as paragraph (18).

(b) Review.—Section 331 of title 28 of the United States Code is amended by inserting after the fifth paragraph the following:

"The Judicial Conference shall review rules prescribed under section 2071 of this title by the courts, other than the Supreme Court and the district courts, for consistency with rules prescribed under section 2072 of this title. The Judicial Conference may modify or abrogate any such rule so reviewed found inconsistent in the course of that review.".

SEC. 204. RULES BY CERTAIN COURTS AND ORDERS BY CIRCUIT JUDICIAL COUNCILS AND THE JUDICIAL CONFERENCE.

(a) Rules by Certain Courts.—(1) Section 2071 of title 28 of the United States Code is amended—

(A) by inserting "(a)" before "The";

(B) by striking out "by the Supreme Court" and inserting "under section 2072 of this title" in lieu thereof; and

(C) by adding at the end the following:

"(b) Any rule prescribed by a court, other than the Supreme Court, under subsection (a) shall be prescribed only after giving appropriate public notice and an opportunity for comment. Such rule shall take effect upon the date specified by the prescribing court and shall have such effect on pending proceedings as the prescribing court may order.

"(c)(1) A rule of a district court prescribed under subsection (a) shall remain in effect unless modified or abrogated by the judicial council of the relevant circuit.

"(2) Any other rule prescribed by a court other than the Supreme Court under subsection (a) shall remain in effect unless modified or abrogated by the Judicial Conference.

"(d) Copies of rules prescribed under subsection (a) by a district court shall be furnished to the judicial council, and copies of all rules prescribed by a court other than the Supreme Court under subsection (a) shall be furnished to the Director of the Administrative Office of the United States Courts and made available to the public.

"(e) If the prescribing court determines that there is an immediate need for a rule, such court may proceed under this section without public notice and opportunity for comment, but such court shall promptly thereafter afford such notice and opportunity for comment.

"(f) No rule may be prescribed by a district court other than under this section.".

(2) Section 332(d) of title 28 of the United States Code is amended by adding at the end the following new paragraph:

"(4) Each judicial council shall periodically review the rules which are prescribed under section 2071 of this title by district courts within its circuit for consistency with rules prescribed under section 2072 of this title. Each council may modify or abrogate any such rule found inconsistent in the course of such a review.".

(b) Orders by Circuit Judicial Councils.—Section 332(d)(1) of title 28 of the United States Code is amended by inserting after the first sentence the following new sentence: "Any general order relating to practice and procedure shall be made or amended only after giving appropriate public notice and an opportunity for comment. Any such order so relating shall take effect upon the date specified by such judicial council. Copies of such orders so relating shall be furnished to the Judicial Conference and the Administrative Office of the United States Courts and be made available to the public.".

(c) Rules by Judicial Conference and Circuit Judicial Councils.—Section 372(c)(11) of title 28 of the United States Code is amended by inserting before "Any rule promulgated" the following new sentence: "Any such rule shall be made or amended only after giving appropriate public notice and an opportunity for comment.".

SEC. 205. CONFORMING AND OTHER TECHNICAL AMENDMENTS.

(a) Conforming Repeal of Criminal Rules Enabling Provisions.—(1) Title 18 of the United States Code is amended by striking out chapter 237.

(2) The table of chapters for part II of title 18 of the United States Code is amended by striking out the item relating to chapter 237.

(b) Conforming Repeals Relating to Magistrates.—(1) Section 3402 of title 18 of the United States Code is amended by striking out the second paragraph.

(2) Section 636(d) of title 28 of the United States Code is amended by striking out "section 3402 of title 18, United States Code" and inserting "section 2072 of this title" in lieu thereof.

(c) Cross Reference Technical Amendment.—Section 9 of the Act entitled "An Act to provide an adequate basis for the administration of the Lake Mead National Recreation Area, Arizona and Nevada, and for other purposes" approved October 8, 1964 (Public Law 88-639) is amended by striking out the sentence beginning "The provisions of title 18, section 3402".

SEC. 206. SAVINGS PROVISION.

The rules prescribed in accordance with law before the taking effect of this title and in effect on the date of such taking effect shall remain in force until changed pursuant to the law as modified by this title.

SEC. 207. EFFECTIVE DATE.

This title shall take effect December 1, 1987.

The SPEAKER pro tempore. Is a second demanded?

Mr. GEKAS. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Kansas [Mr. Glickman] will be recognized for 20 minutes and the gentleman from Pennsylvania [Mr. Gekas] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Kansas [Mr. Glickman].

Mr. GLICKMAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 2182 makes both technical amendments and minor substantive amendments to various provisions of title XVIII of the United States Code, the Federal Rules of Criminal Procedure, and the Federal Rules of Evidence. The bill was drafted by the Subcommittee on Criminal Justice after consultations with interested parties, including the U.S. Department of Justice, the Administrative Office of U.S. Courts, the American Bar Association, the Federal Public and Community Defenders, and the National Association of Criminal Defense Lawyers.

The technical amendments correct grammatical, punctuation, and spelling errors. The other amendments make minor substantive changes in current law. For example, current law prohibits the transmittal of wagering information from a stage where gambling is legal to a foreign country, even if gambling is legal in that foreign country. The bill amends that provision to permit the transmittal of gambling information, if gambling is legal in the State from which the information is transmitted and in the foreign country to which the information is transmitted.

Another minor substantive change concerns the temporary release of a person who is hospitalized following an acquittal by reason of insanity for a serious offense. Current law is silent about such furloughs. The bill amends current law to provide that such a person may be temporarily released from the hospital only if: First, the committing court approves; second, a Federal law enforcement officer accompanies the person; or third, there is an emergency—such as the person's need for immediate medical attention. A death of a family member would not be an emergency within the meaning of this provision. Also in the area of the insanity defense, the bill amends a provision of current law that requires a hospital to submit annual reports on the mental condition of persons committed to it after they have been acquitted by reason of insanity. These annual reports go to the committing courts. The bill amends current law to provide that, for hospitalized persons who have been acquitted of an offense against someone protected by the Secret Service—such as the President—these annual mental condition reports must also be provided to the Secret Service.

The bill is at the desk today with an amendment that adds several other provisions. Some of these provisions make additional technical changes, correcting punctuation and syntax, in provisions of title XVIII of the United States Code and the Federal Rules of Civil Procedure. One provision makes a minor substantive change to permit any licensed or certified psychologist, not just licensed or certified clinical psychologists, to conduct certain mental examinations. This amendment has been agreed to by the interested parties. Finally, the amendment adds to the bill a title II that, with only minor changes, is identical to a bill, which the House unanimously passed last term, that revises the procedure by which amendments to the Federal Rules of Evidence and to rules of procedure used in Federal courts are drafted and take effect. Mr. Speaker, on behalf of the committee, I want to acknowledge the work of Christie Quick, an intern from Washington University Law School in St. Louis, who was primarily responsible for the drafting of this legislation and the accompanying report. Ms. Quick's work was excellent and reflects well on the Washington University Law School.

To assist my colleagues, here is a section-by-section analysis of the bill before the House:

Section-by-Section Analysis of H.R. 2182 as Amended

TITLE I

Section 101

Section 101 of the bill before the House is similar to section 1 of the bill as reported. *See* H.R. Rep. No. 169, 100th Cong., 1st Sess. 6 (1987). Section 101 provides that the short title for title I of the bill before the House is the "Criminal Law and Procedure Minor Substantive and Technical Amendments Act of 1987".

Section 102

Section 102 of the bill before the House is identical to section 2 of the bill as reported. *See id.*

Section 103

Section 103 of the bill before the House is identical to section 3 of the bill as reported. *See id.*

Section 104

Section 104 of the bill before the House is identical to section 4 of the bill as reported. *See id.*

Section 105

Section 105 of the bill before the House is identical to section 5 of the bill as reported. *See id.*

Section 106

Section 106 of the bill before the House is identical to section 6 of the bill as reported. *See id.* at 7.

Section 107

Section 107 of the bill before the House is identical to section 7 of the bill as reported. *See id.* at 7.

Section 108

Section 108 of the bill before the House is identical to section 8 of the bill as reported. *See id.* at 7.

Section 109

Section 109 of the bill before the House is identical to section 9 of the bill as reported. *See id.* at 7-8.

Section 110

Section 110 of the bill before the House is identical to section 10 of the bill as reported. *See id.* at 8-9.

Section 111

Section 111 of the bill before the House is identical to section 11 of the bill as reported. *See id.* at 9.

Section 112

Section 112 of the bill before the House is identical to section 12 of the bill as reported. *See id.* at 9.

Section 113

Section 113 of the bill before the House is identical to section 13 of the bill as reported. *See id.* at 9.

Section 114

Section 114 of the bill before the House is identical to section 14 of the bill as reported. *See id.* at 10.

Section 115

Section 115 of the bill before the House is identical to section 15 of the bill as reported. *See id.* at 10.

Section 116

Section 116 of the bill before the House is identical to section 16 of the bill as reported. *See id.* at 10.

Section 117

Section 117 of the bill before the House is identical to section 17 of the bill as reported. *See id.* at 10-11.

Section 118

Section 118 of the bill before the House is identical to section 18 of the bill as reported. *See id.* at 11.

Section 119

Section 119 of the bill before the House is identical to section 19 of the bill as reported. *See id.* at 11-13.

Section 120

Section 120 of the bill before the House is identical to section 20 of the bill as reported. *See id.* at 14.

Section 121

Section 121 of the bill before the House is identical to section 21 of the bill as reported. *See id.* at 14.

Section 122

Section 122 of the bill before the House is identical to section 22 of the bill as reported. *See id.* at 14.

Section 123

Section 123 of the bill before the House is identical to section 23 of the bill as reported. *See id.* at 14.

Section 124

Section 124 of the bill before the House is identical to section 24 of the bill as reported. *See id.* at 14.

Section 125

Section 125 of the bill before the House is identical to section 25 of the bill as reported. *See id.* at 15.

Section 126

Section 126 of the bill before the House is identical to section 26 of the bill as reported. *See id.* at 15.

Section 127

Section 127 of the bill before the House is identical to section 27 of the bill as reported. *See id.* at 15.

Section 128

Section 128 of the bill before the House is identical to section 28 of the bill as reported. *See id.* at 15.

Section 129

Section 129 of the bill before the House is identical to section 29 of the bill as reported. *See id.* at 15-16.

Section 130

Section 130 of the bill before the House is identical to section 30 of the bill as reported. *See id.* at 16.

Section 131

Section 131 of the bill before the House is identical to section 31 of the bill as reported. *See id.* at 16.

Section 132

Section 132 of the bill before the House is identical to section 32 of the bill as reported. *See id.* at 16.

Section 133

Section 133 of the bill before the House is identical to section 33 of the bill as reported. *See id.* at 16.

Section 134

Section 134 of the bill before the House is identical to section 34 of the bill as reported. *See id.* at 16-17.

Section 135

Section 135 of the bill before the House is identical to section 35 of the bill as reported. *See id.* at 17.

Section 136

Section 136 of the bill before the House is identical to section 36 of the bill as reported. *See id.* at 17.

Section 137

Section 137 of the bill before the House is identical to section 37 of the bill as reported. *See id.* at 17-18.

Section 138

Section 138 of the bill before the House is identical to section 38 of the bill as reported. *See id.* at 19-20.

Section 139

Section 139 of the bill before the House amends 18 U.S.C. 3563(c), which deals with modification of the conditions of probation, by striking out a superfluous punctuation mark and a superfluous phrase. Section 139 of the bill makes no substantive change.

Section 140

Section 140 of the bill before the House amends 18 U.S.C. 2703(c)(1)(B)(i), which authorizes a provider of electronic communication service or a remote computing service to disclose certain information in response to a grand jury subpoena, to authorize these persons to provide such information in response to a subpoena issued by a trial court. Such a subpoena is less intrusive than a grand jury subpoena and would further aid the enforcement of section 2703. The change made by section 140 of the bill parallels the change made by section 128 of the bill. *See* H.R. Rep. No. 169, 100th Cong., 1st Sess. 15 (1987).

Section 141

Section 141 of the bill before the House amends 18 U.S.C. 2516(1), which deals with authorizing an application for a court order approving the interception of wire or oral communications, to delete a superfluous punctuation mark. Section 141 of the bill makes no substantive change.

Section 142

Section 142 of the bill before the House amends 18 U.S.C. 4247(b), which deals with a psychiatric or psychological examination ordered under 18 U.S.C. ch. 313 ("Offenders with Mental Disease or Defect"). Section 4247(b) presently authorizes such an examination to be conducted by a "licensed or certified psychiatrist or clinical psychologist". Section 142 of the bill before the House amends that provision to authorize a licensed or certified psychologist to conduct such an examination.

Psychologists are licensed for independent practice in all 50 states and the District of

Columbia. Section 142 of the bill will enlarge the number of qualified persons from whom a court may draw when ordering a mental examination under 18 U.S.C. ch. 313.

In deference to the Rules Enabling Acts, no change is being made to Rule 35(a) of the Federal Rules of Civil Procedure, which authorizes a court to order that a party, or a person in the legal control of a party, undergo a "mental examination by a physician". Since psychiatry is a branch of medicine and psychology is not, Rule 35(a) on its face requires that a court select a psychiatrist (or a psychologist who is a physician) when ordering a mental examination under that provision. Contra, Massey v. Manitowoc Co., Inc., 101 F.R.D. 304 (E.D. Pa. 1983).

The Massey court found that a licensed psychologist is as capable as a psychiatrist of carrying out the examinations provided for by Rule 35(a) of the Federal Rules of Civil Procedure. Noting that neither Rule 35(a) nor the advisory committee notes disclosed "any legitimate reason why only physicians should be permitted to administer the examination", the Massey court held that a Rule 35(a) mental examination could be conducted by a licensed psychologist who is not a physician.

Rule 35(a), however, unambiguously precludes selecting such a person. The Massey court erred in not following the rule, even if, in that court's opinion, the purpose of the rule was served by permitting a licensed psychiatrist to conduct the examination. No matter how desirable that outcome as a matter of policy, the Massey decision is wrong as a matter of rule interpretation.

The *Massey* court's conclusion that a licensed psychologist is as capable as a psychiatrist of carrying out mental examinations is consistent with section 142 of the bill before the House. It would be appropriate for the Judicial Conference's Advisory Committee on Civil Rules to address whether Rule 35(a) should be amended to include licensed or certified psychologists.

Section 143

Section 143 of the bill before the House amends 18 U.S.C. 2315, which deals with the sale or receipt of stolen goods, securities, moneys, or fraudulent tax stamps. The second paragraph of that section deals with falsely made, forged, altered or counterfeited securities or tax stamps. An amendment last Congress to section 2315 added language to paragraph two referring to stolen or unlawfully converted securities or tax stamps. Section 143 of the bill deletes that language and restores paragraph two of section 2315 to where it was prior to the amendment last Congress.

Section 144

Section 144 of the bill before the House amends Rule 17(a) of the Federal Rules of Civil Procedure, which deals with who may bring a civil action. Pursuant to the Rules Enabling Act for rules of civil procedure, 28 U.S.C. 2072, the Supreme Court recently transmitted to Congress proposed amendments to the Federal Rules of Civil Procedure. *See* H. Doc. No. 100-40 (March 2, 1987). The principal purpose of these amendments is to gender neutralize the present Federal Rules of Civil Procedure. *See id.* at 92. The gender specific phrase "with him" was intended to be struck from Rule 17(a), *see id.* at 113 (showing a deletion of the phrase), but the amendment to Rule 17(a) as transmitted did not strike out that phrase, *see id.* at 19. Section 144 of the bill before the House effectuates the intent to gender neutralize Rule 17(a) completely by striking out the phase "with him".

Section 145

Section 145 of the bill before the House amends Rule 71A of the Federal Rules of Civil Procedure, which deals with condemnation of property. The amendment to subdivision (e) of Rule 71A that the Supreme Court transmitted to Congress contains a punctuation error that section 145(a) of the bill before the House corrects. Section 145(b) of the bill before the House provides that the amendment made by section 145(a) of the bill before the House takes effect on August 1, 1987.

TITLE II

Background

Title II of the bill before the House is identical to H.R. 1507, a bill that, with minor changes, is identical to a bill (H.R. 3550) passed unanimously by the House last term. The Committee's Report on last term's bill, H.R. Rep. No. 422, 99th Cong., 1st Sess. (1985), applies to the provisions of title II, except as noted below. *See also* 131 Cong. Rec. E-177 (daily ed. Feb. 3, 1986) (remarks of Rep. Kastenmeier) (correcting printing errors in H.R. Rep. No. 422, 99th Cong., 1st Sess. (1985)).

Provisions of titles 18 and 28 of the United States Code known as the "Rules Enabling Acts" set forth the procedure for amending various rules of procedure used by Federal courts and the Federal Rules of Evidence. In brief, the rule-making procedure begins with an advisory committee of the Judicial Conference of the United States preparing an initial draft of a proposed new rule or amendment to an existing rule, which it submits to the Judicial Conference's Standing Committee on Rules of Practice and Procedure. The Judicial Conference reviews any proposal recommended by the Standing Committee, and submits that proposal, together with the Conference's recommendation, to the Supreme Court.

The Supreme Court acts upon the Judicial Conference's recommendation and must, before May 1 of any year, promulgate any new rule, or amendment to an existing rule, of which it approves. A new rule or amendment promulgated by the Supreme Court does not take effect until 90 days after promulgation (180 days after promulgation in the case of the Federal Rules of Evidence) in order to give Congress an opportunity to review the new rule or amendment before it takes effect.

The Rules Enabling Acts process worked well for many years, with the Federal rules becoming a model for the states. New rules and amendments to existing rules routinely took effect without any Congressional intervention. In recent years, however, Congress has taken a greater interest in new rules and amendments promulgated under the Rules Enabling Acts. Congress intervened in 1973 to delay indefinitely the effective date of the proposed Federal Rules of Evidence, and subsequently enacted a Congressionally-drafted Rules of Evidence, along with an "enabling act" for the Rules of Evidence. Since then, Congress frequently has intervened either to delay the effective date of, disapprove, or modify rules and amendments promulgated under the Rules Enabling Acts. *See* H.R. Rep. No. 422, 99th Cong., 1st Sess. 7-9; 131 Cong. Rec. E-177 (daily ed. Feb. 3, 1986) (remarks of Rep. Kastenmeier) (correcting printing errors in H.R. Rep. No. 422, 99th Cong., 1st Sess. (1985)).

In response to this congressional intervention, and to criticisms of the Rules Enabling Acts process, the Judicial Conference made several changes in the method by which it initiates proposed new rules and amendments. These changes broadened participation in the rulemaking process, and they should help ensure that proposed rules and amendments are thoroughly considered by the Judicial Conference and its committees before being forwarded to the Supreme Court.

Last Congress, the Subcommittee on Courts, Civil Liberties, and the Administration of Justice, under the able leadership of its chairman, the gentleman from Wisconsin (Mr. Kastenmeier), and its ranking minority member, the gentleman from California (Mr. Moorhead), undertook a review of the Rules Enabling Act process. That Subcommittee held thorough hearings on the matter and drafted a bill to revise the Rules Enabling Acts process and to increase participation in that process by all segments of the bench and bar.

The Subcommittee's bill (H.R. 3550) was recommended favorably by the Committee on the Judiciary, *see* H.R. Rep. No. 422, 99th Cong., 1st Sess. (1985); 131 Cong. Rec. E-177 (daily ed. Feb. 3, 1986) (remarks of Rep. Kastenmeier) (correcting printing errors in H.R. Rep. No. 422, 99th Cong., 1st Sess. (1985)). The Committee found that the Rules Enabling Acts process lacked sufficient openness and that the Rules Enabling Acts contain provisions that have already served their purpose, including the supersession provisions. The Committee also found a proliferation of local rules, many of which conflict with national rules of general applicability. *See* H.R. Rep. No. 422, 99th Cong., 1st Sess. 16-17 (1985); 131 Cong. Rec. E-177 (daily ed. Feb. 3, 1986) (remarks of Rep. Kastenmeier) (correcting printing errors in H.R. Rep. No. 422, 99th Cong., 1st Sess. (1985)).

The Rules Enabling Acts contain supersession provisions. While they are not all identically worded, they are all very similar. The supersession clause of the Rules Enabling Act for the Federal Rules of Civil Procedure, for example, provides that, "All laws in conflict with any such rules [promulgated under the enabling act] shall be of no further force or effect after such rules have taken effect."

Originating in the Rules Enabling Act of 1934, this clause sought to ensure the replacement of a large number of procedural statutes that, it was believed, would have been difficult to identify before those rules were promulgated. *See* S. Burkank, *The Rules Enabling Act of 1934,* 130 U. Pa. L. Rev. 1015, 1050-54 (1982). In addition, the clause was thought necessary in order to avoid a conflict with the Conformity Act. *See id.*

The original justification for the supersession clause is no longer valid. *See* H.R. Rep. No. 422, 99th Cong., 1st Sess. 16-17, 22-23 (1985); 131 Cong. Rec. E-177 (daily ed. Feb. 3, 1986) (remarks of Rep. Kastenmeier) (correcting printing errors in H.R. Rep. No. 422, 99th Cong., 1st Sess. (1985)). The 1948 recodification of titles 18 and 28 of the United States Code eliminated most of the pleading, practice, and procedure statutes and repealed the Conformity Act. The supersession clause, therefore, no longer serves the purpose for which it was intended.

In addition to having fulfilled its purpose, the supersession clause is unnecessary today because Congress tends to legislate against the backdrop of the existing federal rules of practice and procedure. *See, e.g.,* Comprehensive Crime Control Act of 1984, Pub. L. No. 98-473, §§ 215, 216, 98 Stat. 2014-17

(1984) (amending Rules 32, 35, 38, 40, 54 and 6(e)(3)(c) of the Federal Rules of Criminal Procedure, and Rule 9 of the Rules of Procedure for the Trial of Misdemeanors Before United States Magistrates).

Additionally, Congress has responded promptly when the Judicial Conference has criticized practice or procedure statutes that interfere with the efficient and just administration of the judicial system. For example, over many Congresses, a series of civil priorities were engrafted into the United States Code. Judicial Conference criticisms of those provisions led Congress to repeal them. Pub. L. No. 98-620, § 401, 98 Stat. 3356-57 (1984). *See* H. Rep. No. 1062, 98th Cong. 2d Sess. (1984). Thus, in practical terms, the supersession clause is unnecessary.

Moreover, as a matter of policy, it is unwise to permit a procedural rule-making process to be used, in effect, to overturn provisions of law enacted by Congress. *See* H.R. Rep. No. 422, 99th Cong., 1st Sess. 13-14 (1985) (discussing proposed amendments to Rule 68 of the Federal Rules of Civil Procedure); 131 Cong. Rec. E-177 (daily ed. Feb. 3, 1986) (remarks of Rep. Kastenmeier) (correcting printing errors in H.R. Rep. No. 422, 99th Cong., 1st Sess. (1985)). Finally, the clause seems unnecessary because of the cloud placed over it by the Supreme Court's decision in I.N.S. v. Chadha, 462 U.S. 9919 (1983). *See* H.R. Rep. No. 422, 99th Cong., 1st Sess. 17 (1985).

The problem of proliferating local rules is being addressed by the Judicial Conference. Under the able leadership of Senior District Judge Edward Thaxter Gignioux, chairman of the Judicial Conference's Standing Committee on Rules of Practice and Procedure, a special project has been launched to study the local rules problem. The Standing Committee has retained Dean Dan Coquillette of Boston College Law School as a reporter on local rules and Professor Stephen Subrin of Northeastern University Law School as a special consultant. Dean Coquillette and Professor Subrin, together with Mary Squires, the project director, have already done much valuable work and have planned an important conference on the project for November.

The House last Congress passed H.R. 3550 unanimously. *See* 130 Cong. Rec. H-11396-99 (daily ed. Dec. 9, 1985). With some minor changes, the bill was reintroduced this Congress as H.R. 1507, and the provisions of that bill constitute title II of the bill before the House.

Section 201

Section 201 of the bill before the House is similar to section 1 of H.R. 1507. *See* H.R. Rep. No. 422, 99th Cong., 1st Sess. 19 (1985). Section 201 provides that the short title of title II of the bill before the House is the "Rules Enabling Act of 1987".

Section 202

Section 202 of the bill before the House is identical to section 2 of H.R. 1507. *See* H.R. Rep. No. 422, 99th Cong., 1st Sess. 19-27 (1985); 131 Cong. Rec. E-177 (daily ed. Feb. 3, 1986) (remarks of Rep. Kastenmeier) (correcting printing errors in H.R. Rep. No. 422, 99th Cong., 1st Sess. (1985)). Section 2 of H.R. 1507 is identical to section 2 of H.R. 3550 of the 99th Congress, save in one respect.

Section 2 of H.R. 3550 of the 99th Congress provided, in proposed 28 U.S.C. 2072(b), that a rule of practice or procedure or evidence promulgated under 28 U.S.C. 2072 would not supersede any provision of a law of the United States, except a rule of practice or procedure or evidence (1) that is in effect on the day before the enactment of the legislation, or (2) that is prescribed under 28 U.S.C. ch. 131. *See* H.R. Rep. No. 422, 99th Cong., 1st Sess. 22-23 (1985). That formulation permitted supersession of rules, or parts of rules, that had been amended by Act of Congress before the date of enactment of the legislation, but would not permit supersession of any rule, or a part of any rule, amended by Act of Congress after the date of enactment. Since that would hamper the proper functioning of the rule-making process, section 202 of the bill before the House, in proposed 28 U.S.C. 2072(b)(3), provides that a rule promulgated under 28 U.S.C. 2072 supersedes a rule of practice or procedure or evidence, or a part of a rule, enacted by Act of Congress after the date of enactment of the legislation. Thus, any Congressionally-enacted rule of practice or procedure or evidence can be modified through the Rules Enabling Act process. An enacted provision dealing with the practice or procedure or evidence that is not embodied in a rule of practice or procedure or evidence, however, cannot be modified through the Rules Enabling Act process. Such a provision can only be modified by a later enactment.

Section 203

Section 203 of the bill before the House is identical to section 3 of H.R. 1507. *See* H.R. Rep. No. 422, 99th Cong., 1st Sess. 27-28 (1985); 131 Cong. Rec. E-177 (daily ed. Feb. 3, 1986) (remarks of Rep. Kastenmeier) (correcting printing errors in H.R. Rep. No. 422, 99th Cong., 1st Sess. (1985)). Section 3 of H.R. 1507 is identical to section 3 of H.R. 3550 of the 99th Congress, with two differences. One difference is technical. Section 3(a) of H.R. 3550 of the 99th Congress added a new paragraph to 28 U.S.C. 604(a), designating the new paragraph as "(18)". Section 203(a) of the bill before the House adds an identical new paragraph to 28 U.S.C. 604(a), but designates the new paragraph as "(17)".

The other difference involves the review of local rules of court. Section 3 of H.R. 3550 of the 99th Congress provided that local rules established by district courts were to be reviewed for consistency with the national rules by the judicial council of the appropriate circuit, and that local rules established by the courts of appeals were to be reviewed for consistency with the national rules by the Judicial Conference. That formulation, however, did not cover local rules that could be issued by federal courts that were neither district courts nor courts of appeals, such as the Court of Claims and the Court of International Trade. Section 203(b) of the bill before the House corrects this oversight by providing for Judicial Conference review of local rules of all federal courts other than the Supreme Court and district courts.

Section 204

Section 204 of the bill before the House is identical to section 4 of H.R. 1507. *See* H. Rep. No. 422, 99th Cong., 1st Sess. 28-29 (1985). Section 4 of H.R. 1507 is identical to section 4 of H.R. 3550 of the 99th Congress.

Section 205

Section 205 of the bill before the House is identical to section 5 of H.R. 1507. *See* H. Rep. No. 422, 99th Cong., 1st Sess. 29 (1985). Section 5 of H.R. 1507 is identical to section 5 of H.R. 3550 of the 99th Congress.

Section 206

Section 206 of the bill before the House is identical to section 6 of H.R. 1507. *See* H. Rep. No. 422, 99th Cong., 1st Sess. 29 (1985). Section 6 of H.R. 1507 is identical to section 5 of H.R. 3550 of the 99th Congress.

Section 207

Section 207 of the bill before the House provides that the provisions of title II of the bill before the House take effect on December 1, 1987.

Title II of the bill is the product of a bipartisan effort under the distinguished leadership of the chairman of the Subcommittee on Courts, Civil Liberties and the Administration of Justice, the gentleman from Wisconsin [Mr. KASTENMEIER], and that subcommittee's ranking minority member, the gentleman from California [Mr. MOORHEAD]. The committee has benefited tremendously during the development of the Rules Enabling Act of 1987 from the scholarship and counsel of Prof. Stephen B. Burbank of the University of Pennsylvania Law School, and the committee is most grateful for his assistance. Finally, I want to acknowledge the outstanding work on this legislation performed by David W. Beier, counsel to the Subcommittee on Courts, Civil Liberties and the Administration of Justice.

Mr. Speaker, this legislation was recommended without dissent by the Subcommittee on Criminal Justice, and was reported favorably by the Committee on the Judiciary, again without dissent. I urge my colleagues to support it.

Mr. GEKAS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this bill, as has been described by the gentleman from Kansas [Mr. GLICKMAN], is one that requires the attention of the Congress only insofar as it provides some technical amendments to a whole host of provisions.

But there is one substantive part to which the gentleman from Kansas alluded which I would like to just describe a little bit further.

Mr. Speaker, my colleagues will all recall just very recently when John Hinckley, the would-be assassin of the President of the United States, in his hospital environs applied for, and it appeared that he might gain permission to go on a furlough from the confines of the hospital to his home area or to somewhere else, I am not sure exactly where. That is when we first discovered that in a case where an individual is found not guilty by reason of insanity that decisions for furloughs or off campus excursions, as it were, from the hospital to which they had been relegated as a result of a court procedure, that that individual can go on furlough subject only to the approval of the hospital mechanism that is in place—the board, the doctors, the social workers who are in charge of those things.

Many of us were shocked.

The response immediately from this Member and others was to see whether or not we could put into law a provision which would require that in the event of someone being found guilty or not guilty by reason of insanity, but by court is ordered to be confined in a mental institution or hospital, that that individual's course of treatment cannot include a furlough or an off campus excursion unless and until the court would review that application and make a final decision through court procedures, not hospital procedures.

Happily, that bill that we introduced found its way in the form of an amendment into the technical amendments that are being presented as a part of this bill. I would ask that the House adopt the measure.

Mr. Speaker, I rise in support of H.R. 2182 and urge its adoption by this body under suspension.

This bill was initiated in response to a request by the Department of Justice and was drafted as consensus legislation by the majority and minority, working together with representatives of the Department and the defense bar. Although the bill's provisions are largely technical or nonsubstantive in nature, what substantive changes are made were approved in the same bipartisan consensus fashion. Probably the most substantive provisions are a penalty enhancement for violations of 18 U.S.C. 242, deprivation of civil rights under color of law, where bodily injury occurs, and a clarification of 18 U.S.C. 241, conspiracy to violate civil rights so that it protects "inhabitants" of the United States rather than simply "citizens" as the statute now does. Both changes were requested by the Department of Justice, the first to reflect the seriousness of the offense and the second to conform the protective extent of these two civil rights statutes.

H.R. 2182 was reported without dissent from the Judiciary Committee and has received no criticism of which I am aware. As I noted earlier, the legislation has bipartisan support and should be approved by this body. I urge its adoption under suspension.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. GLICKMAN. Mr. Speaker, I yield back the balance of my time.

Mr. SPEAKER pro tempore. The question is on the motion offered by the gentleman from Kansas [Mr. GLICKMAN] that the House suspend the rules and pass the bill, H.R. 2182, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. GLICKMAN. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days in which to revise and extend their remarks on the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kansas?

There was no objection.

NATIONAL HISTORIC PRESERVATION ACT AMENDMENT EXTENDING HISTORIC PRESERVATION FUND AUTHORIZATION

Mr. VENTO. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1744), to amend the National Historic Preservation Act to extend the authorization for the Historic Preservation Fund.

The Clerk read as follows:

H.R. 1744

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 108 of the National Historic Preservation Act is amended by striking "1987" and inserting in lieu thereof "1992".

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from Minnesota [Mr. VENTO] will be recognized for 20 minutes and the gentleman from Montana [Mr. MARLENEE] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Minnesota [Mr. VENTO].

GENERAL LEAVE

Mr. VENTO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 1744, the bill presently under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. VENTO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, from the historic resources of this country Americans learn who we are and where we have come from as a people and a nation. The preservation of such resources fosters our national sense of identity and provides us with a sense of continuity with both past and future. Such understanding becomes even more important in this fast-moving time we live in today.

Mr. Speaker, the preservation of our Nation's cultural heritage receives critical support from the Historic Preservation Fund. The Historic Preservation Fund helps support both the State historic preservation offices and the National Trust for Historic Preservation. Because historic preservation in this country is undertaken as a partnership among the Federal, State and local governments with major private and volunteer efforts as well, the Historic Preservation Fund serves as the "glue" that holds the system together. States more than match the moneys they receive from the Historic Preservation Fund, making this a very good investment by the Federal Government in preserving our national past. Without this bonding, we would likely lose a national program of preservation. As it is, the national Government spends only a small fraction of what is needed to keep in place the resources that protect our historic and cultural treasures nationwide. Some would write off the Historic Preservation Fund because of tax law but tax law doesn't help nonprofit or Government entities and the very law itself depends absolutely on the fund.

The authorization to deposit into the Historic Preservation Fund expires at the end of this fiscal year, on September 30, 1987—less than 120 days from now. H.R. 1744 would simply amend the Historic Preservation Act and extend the authorization for income into the Historic Preservation Fund from 1987 to 1992.

Mr. Speaker, I would be remiss if I did not point out the disappointment of myself and other committee members at the level of appropriation that has been provided especially in recent years under this authority. The administration posture is very disappointing, requesting zero funding year after year, it has therefore been an uphill fight for the Congress to keep even limited funding in place. This is ironic when we look at the important work that we depend on States and local government to do the certification of historic preservation Federal tax credits, the surveys of historic resources and sites and the creation of State historic preservation plans. Some States have even threatened to abandon the cooperative venture because of the national government mandates without the funding commitment justified to help achieve such State fulfilled tasks. Fortunately to date the intrastructure remains intact. As we reauthorize this Historic Preservation Fund hopefully we will recommit ourselves, the Congress and the administration to the basic commitment and promise of the 1966 National Historic Preservation Act.

This legislation should be enacted to help ensure that our past will not be lost, now or in the future. Mr. Speaker, I urge adoption of this measure to make certain that the Historic Preservation Act has some fuel in the tank to keep the engine running for at least the next few years.

Mr. MARLENEE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 1744, that would extend the authorization of the Historic Preservation Fund through 1992. Rather than listing all the reasons of why this bill should be given approval by this body, let me highlight only one point. This entire bill is only one sentence long and it allows a current program to remain in law until 1992. The administration does not oppose this even though they have recommended zero funding in their last several budgets.

There have been many accomplishments in protecting and keeping our past available for everyone to enjoy. This has been done not only through this legislation, but by private individuals and groups and with a favorable tax incentive. With strong backing from the private sector and the support of State and local government this program has continued although not in the degree that some would like but in short it's alive and well, but maybe not fat and happy.

Mr. VENTO. Mr. Speaker, I yield myself such time as I may consume and rise to point out this bill enjoys the sponsorship of the gentleman from Arizona [Mr. UDALL], chairman of the full committee, and the gentleman from California [Mr. LAGOMARSINO], the ranking minority member, on a bipartisan basis.

I want to thank the gentleman from Montana [Mr. MARLENEE] for rising and being in support of this measure. I hope the House will act on this measure.

Mr. MARLENEE. Mr. Speaker, I yield myself such time as I may consume to commend the gentleman from Minnesota [Mr. VENTO] and the gentleman from California [Mr. LAGOMARSINO], who has a very great interest in this piece of legislation. I think they have done a superb job with the hearings, and I recommend passage of the legislation.

Mr. Speaker, I yield back the balance of my time.

Mr. VENTO. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. SPEAKER pro tempore. The question is on the motion offered by the gentleman from Minnesota [Mr. VENTO] that the House suspend the rules and pass the bill, H.R. 1744.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

COMPUTER SECURITY ACT OF 1987

Mr. ROE. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 145) to provide for a computer standards program within the National Bureau of Standards, to provide for Governmentwide computer security, and to provide for the training in security matters of persons who are involved in the management, operation, and use of Federal computer systems, and for other purposes, as amended.

The Clerk read as follows:

H.R. 145

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Computer Security Act of 1987".

SEC. 2. PURPOSE.

(a) IN GENERAL.—The Congress declares that improving the security and privacy of sensitive information in Federal computer systems is in the public interest, and hereby creates a means for establishing minimum acceptable security practices for such systems, without limiting the scope of security measures already planned or in use.

(b) SPECIFIC PURPOSES.—The purposes of this Act are—

(1) by amending the Act of March 3, 1901, to assign to the National Bureau of Standards responsibility for developing standards and guidelines for Federal computer systems, including responsibility for developing standards and guidelines needed to assure the cost-effective security and privacy of sensitive information in Federal computer systems, drawing on the technical advice and assistance (including work products) of the National Security Agency, where appropriate;

(2) to provide for promulgation of such standards and guidelines by amending section 111(d) of the Federal Property and Administrative Services Act of 1949;

(3) to require establishment of security plans by all operators of Federal computer systems that contain sensitive information; and

(4) to require mandatory periodic training for all persons involved in management, use, or operation of Federal computer systems that contain sensitive information.

SEC. 3. ESTABLISHMENT OF COMPUTER STANDARDS PROGRAM.

The Act of March 3, 1901 (15 U.S.C. 271-278h), is amended—

(1) in section 2(f), by striking out "and" at the end of paragraph (18), by striking out the period at the end of paragraph (19) and inserting in lieu thereof: "; and", and by inserting after such paragraph the following:

"(20) the study of computer systems (as that term is defined in section 20(d) of this Act) and their use to control machinery and processes.";

(2) by redesignating section 20 as section 22, and by inserting after section 19 the following new sections:

"SEC. 20. (a) The National Bureau of Standards shall—

"(1) have the mission of developing standards, guidelines, and associated methods and techniques for computer systems;

"(2) except as described in paragraph (3) of this subsection (relating to security standards), develop uniform standards and guidelines for Federal computer systems, except those systems excluded by section 2315 of title 10, United States Code, or section 3502(2) of title 44, United States Code;

"(3) have responsibility within the Federal Government for developing technical, management, physical, and administrative standards and guidelines for the cost-effective security and privacy of sensitive information in Federal computer systems except—

"(A) those systems excluded by section 2315 of title 10, United States Code, or section 3502(2) of title 44, United States Code; and

"(B) those systems which are protected at all times by procedures established for information which has been specifically authorized under criteria established by an Executive order or an Act of Congress to be kept secret in the interest of national defense or foreign policy,

the primary purpose of which standards and guidelines shall be to control loss and unauthorized modification or disclosure of sensitive information in such systems and to prevent computer-related fraud and misuse;

"(4) submit standards and guidelines developed pursuant to paragraphs (2) and (3) of this subsection, along with recommendations as to the extent to which these should be made compulsory and binding, to the Secretary of Commerce for promulgation under section 111(d) of the Federal Property and Administrative Services Act of 1949;

"(5) develop guidelines for use by operators of Federal computer systems that contain sensitive information in training their employees in security awareness and accepted security practice, as required by section 5 of the Computer Security Act of 1987; and

"(6) develop validation procedures for, and evaluate the effectiveness of, standards and guidelines developed pursuant to paragraphs (1), (2), and (3) of this subsection through research and liaison with other government and private agencies.

"(b) In fulfilling subsection (a) of this section, the National Bureau of Standards is authorized—

"(1) to assist the private sector, upon request, in using and applying the results of the programs and activities under this section;

"(2) to make recommendations, as appropriate, to the Administrator of General Services on policies and regulations proposed pursuant to section 111(d) of the Federal Property and Administrative Services Act of 1949;

"(3) as requested, to provide to operators of Federal computer systems technical assistance in implementing the standards and guidelines promulgated pursuant to section 111(d) of the Federal Property and Administrative Services Act of 1949;

"(4) to assist, as appropriate, the Office of Personnel Management in developing regulations pertaining to training, as required by section 5 of the Computer Security Act of 1987;

"(5) to perform research and to conduct studies, as needed, to determine the nature and extent of the vulnerabilities of, and to devise techniques for the cost effective security and privacy of sensitive information in Federal computer systems; and

"(6) to coordinate closely with other agencies and offices (including, but not limited to, the Departments of Defense and Energy, the National Security Agency, the General Accounting Office, the Office of Technology Assessment, and the Office of Management and Budget)—

"(A) to assure maximum use of all existing and planned programs, materials, studies, and reports relating to computer systems security and privacy, in order to avoid unnecessary and costly duplication of effort; and

"(B) to assure, to the maximum extent feasible, that standards developed pursuant to subsection (a) (3) and (5) are consistent and compatible with standards and procedures developed for the protection of information in Federal computer systems which is authorized under criteria established by Execu-

tive order or an Act of Congress to be kept secret in the interest of national defense or foreign policy.

"(c) For the purposes of—

"(1) developing standards and guidelines for the protection of sensitive information in Federal computer systems under subsections (a)(1) and (a)(3), and

"(2) performing research and conducting studies under subsection (b)(5),

the National Bureau of Standards shall draw upon computer system technical security guidelines developed by the National Security Agency to the extent that the National Bureau of Standards determines that such guidelines are consistent with the requirements for protecting sensitive information in Federal computer systems.

"(d) As used in this section—

"(1) the term 'computer system'—

"(A) means any equipment or interconnected system or subsystems of equipment that is used in the automatic acquisition, storage, manipulation, management, movement, control, display, switching, interchange, transmission, or reception, of data or information; and

"(B) includes—

"(i) computers;

"(ii) ancillary equipment;

"(iii) software, firmware, and similar procedures;

"(iv) services, including support services; and

"(v) related resources as defined by regulations issued by the Administrator for General Services pursuant to section 111 of the Federal Property and Administrative Services Act of 1949;

"(2) the term 'Federal computer system'—

"(A) means a computer system operated by a Federal agency or by a contractor of a Federal agency or other organization that processes information (using a computer system) on behalf of the Federal Government to accomplish a Federal function; and

"(B) includes automatic data processing equipment as that term is defined in section 111(a)(2) of the Federal Property and Administrative Services Act of 1949;

"(3) the term 'operator of a Federal computer system' means a Federal agency, contractor of a Federal agency, or other organization that processes information using a computer system on behalf of the Federal Government to accomplish a Federal function;

"(4) the term 'sensitive information' means any information, the loss, misuse, or unauthorized access to or modification of which could adversely affect the national interest or the conduct of Federal programs, or the privacy to which individuals are entitled under section 552a of title 5, United States Code (the Privacy Act), but which has not been specifically authorized under criteria established by an Executive order or an Act of Congress to be kept secret in the interest of national defense or foreign policy; and

"(5) the term 'Federal agency' has the meaning given such term by section 3(b) of the Federal Property and Administrative Services Act of 1949.

"Sec. 21. (a) There is hereby established a Computer System Security and Privacy Advisory Board within the Department of Commerce. The Secretary of Commerce shall appoint the chairman of the Board. The Board shall be composed of twelve additional members appointed by the Secretary of Commerce as follows:

"(1) four members from outside the Federal Government who are eminent in the computer or telecommunications industry, at least one of whom is representative of small or medium sized companies in such industries;

"(2) four members from outside the Federal Government who are eminent in the fields of computer or telecommunications technology, or related disciplines, but who are not employed by or representative of a producer of computer or telecommunications equipment; and

"(3) four members from the Federal Government who have computer systems management experience, including experience in computer systems security and privacy, at least one of whom shall be from the National Security Agency.

"(b) The duties of the Board shall be—

"(1) to identify emerging managerial, technical, administrative, and physical safeguard issues relative to computer systems security and privacy;

"(2) to advise the Bureau of Standards and the Secretary of Commerce on security and privacy issues pertaining to Federal computer systems; and

"(3) to report its findings to the Secretary of Commerce, the Director of the Office of Management and Budget, the Director of the National Security Agency, and the appropriate Committees of the Congress.

"(c) The term of office of each member of the Board shall be four years, except that—

"(1) of the initial members, three shall be appointed for terms of one year, three shall be appointed for terms of two years, three shall be appointed for terms of three years, and three shall be appointed for terms of four years; and

"(2) any member appointed to fill a vacancy in the Board shall serve for the remainder of the term for which his predecessor was appointed.

"(d) The Board shall not act in the absence of a quorum, which shall consist of seven members.

"(e) Members of the Board, other than full-time employees of the Federal Government, while attending meetings of such committees or while otherwise performing duties at the request of the Board Chairman while away from their homes or a regular place of business, may be allowed travel expenses in accordance with subchapter I of chapter 57 of title 5, United States Code.

"(f) To provide the staff services necessary to assist the Board in carrying out its functions, the Board may utilize personnel from the National Bureau of Standards or any other agency of the Federal Government with the consent of the head of the agency.

"(g) As used in this section, the terms 'computer system' and 'Federal computer system' have the meanings given in section 20(d) of this Act."; and

(3) by adding at the end thereof the following new section:

"Sec. 23. This Act may be cited as the National Bureau of Standards Act.".

SEC. 4. AMENDMENT TO BROOKS ACT.

Section 111(d) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 759(d)) is amended to read as follows:

"(d)(1) The Secretary of Commerce shall, on the basis of standards and guidelines developed by the National Bureau of Standards pursuant to section 20(a) (2) and (3) of the National Bureau of Standards Act, promulgate standards and guidelines pertaining to Federal computer systems, making such standards compulsory and binding to the extent to which the Secretary determines necessary to improve the efficiency of operation or security and privacy of Federal computer systems. The President may disapprove or modify such standards and guidelines if he determines such action to be in the public interest. The President's authority to disapprove or modify such standards and guidelines may not be delegated. Notice of such disapproval or modification shall be submitted promptly to the Committee on Government Operations of the House of Representatives and the Committee on Governmental Affairs of the Senate and shall be published promptly in the Federal Register. Upon receiving notice of such disapproval or modification, the Secretary of Commerce shall immediately rescind or modify such standards or guidelines as directed by the President.

"(2) The head of a Federal agency may employ standards for the cost effective security and privacy of sensitive information in a Federal computer system within or under the supervision of that agency that are more stringent than the standards promulgated by the Secretary of Commerce, if such standards contain, at a minimum, the provisions of those applicable standards made compulsory and binding by the Secretary of Commerce.

"(3) The standards determined to be compulsory and binding may be waived by the Secretary of Commerce in writing upon a determination that compliance would adversely affect the accomplishment of the mission of an operator of a Federal computer system, or cause a major adverse financial impact on the operator which is not offset by government-wide savings. The Secretary may delegate to the head of one or more Federal agencies authority to waive such standards to the extent to which the Secretary determines such action to be necessary and desirable to allow for timely and effective implementation of Federal computer systems standards. The head of such agency may redelegate such authority only to a senior official designated pursuant to section 3506(b) of title 44, United States Code. Notice of each such waiver and delegation shall be transmitted promptly to the Committee on Government Operations of the House of Representatives and the Committee on Governmental Affairs of the Senate and shall be published promptly in the Federal Register.

"(4) The Administrator shall revise the Federal information resources management regulations (41 CFR ch. 201) to be consistent with the standards and guidelines promulgated by the Secretary of Commerce under this subsection.

"(5) As used in this subsection, the terms 'Federal computer system' and 'operator of a Federal computer system' have the meanings given in section 20(d) of the National Bureau of Standards Act.".

SEC. 5. FEDERAL COMPUTER SYSTEM SECURITY TRAINING.

(a) In General.—Each Federal agency shall provide for the mandatory periodic training in computer security awareness and accepted computer security practice of all employees who are involved with the management, use, or operation of each Federal computer system within or under the supervision of that agency. Such training shall be—

(1) provided in accordance with the guidelines developed pursuant to section 20(a)(5) of the National Bureau of Standards Act (as added by section 3 of this Act), and in accordance with the regulations issued under subsection (c) of this section for Federal civilian employees; or

(2) provided by an alternative training program approved by the head of that agency on the basis of a determination that the alternative training program is at least as effective in accomplishing the objectives of such guidelines and regulations.

(b) Training Objectives.—Training under this section shall be started within 60 days after the issuance of the regulations described in subsection (c). Such training shall be designed—

(1) to enhance employees' awareness of the threats to and vulnerability of computer systems; and

(2) to encourage the use of improved computer security practices.

(c) Regulations.—Within six months after the date of the enactment of this Act, the Director of the Office of Personnel Management shall issue regulations prescribing the procedures and scope of the training to be provided Federal civilian employees under subsection (a) and the manner in which such training is to be carried out.

SEC. 6. ADDITIONAL RESPONSIBILITIES FOR COMPUTER SYSTEMS SECURITY AND PRIVACY.

(a) Identification of Systems That Contain Sensitive Information.—Within 6 months after the date of enactment of this Act, each Federal agency shall identify each Federal computer system, and system under development, which is within or under the supervision of that agency and which contains sensitive information.

(b) Security Plan.—Within one year after the date of enactment of this Act, each such agency shall, consistent with the standards, guidelines, policies, and regulations prescribed pursuant to section 111(d) of the Federal Property and Administrative Services Act of 1949, establish a plan for the security and privacy of each Federal computer system identified by that agency pursuant to subsection (a) that is commensurate with the risk and magnitude of the harm resulting from the loss, misuse, or unauthorized access to or modification of the information contained in such system. Copies of each such plan shall be transmitted to the National Bureau of Standards and the National Security Agency for advice and comment. A summary of such plan shall be included in the agency's five-year plan required by section 3505 of title 44, United States Code. Such plan shall be subject to disapproval by the Director of the Office of Management and Budget. Such plan shall be revised annually as necessary.

SEC. 7. DEFINITIONS.

As used in this Act, the terms "computer system", "Federal computer system", "operator of a Federal computer system", and "sensitive information", and "Federal agency" have the meanings given in section 20(d) of the National Bureau of Standards Act (as added by section 3 of this Act).

SEC. 8. RULES OF CONSTRUCTION OF ACT.

Nothing in this Act, or in any amendment made by this Act, shall be construed—

(1) to constitute authority to withhold information sought pursuant to section 552 of title 5, United States Code; or

(2) to authorize any Federal agency to limit, restrict, regulate, or control the collection, maintenance, disclosure, use, transfer, or sale of any information (regardless of the medium in which the information may be maintained) that is—

(A) privately-owned information;

(B) disclosable under section 552 of title 5, United States Code, or other law requiring or authorizing the public disclosure of information; or

(C) public domain information.

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from New Jersey [Mr. Roe] will be recognized for 20 minutes and the gentleman from New York [Mr. Horton] will be recognized for 20 minutes.

The Chair recognizes the gentleman from New Jersey [Mr. Roe].

Mr. ROE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, Members on both sides of the aisle have worked unusually hard on this bill. I particularly want to acknowledge the leadership of Manuel Lujan, the ranking Republican of the full committee; Doug Walgren and Dave McCurdy, chairmen of the two subcommittees that dealt with this legislation; and Sherry Boehlert and Tom Lewis, ranking Republicans of the subcommittees. I would like to pay special tribute to Dan Glickman whose inspiration and perseverance were the driving forces behind this bill.

Hearings first began nearly 4 years ago in the subcommittee, chaired at that time by Mr. Glickman. Since then, many others, including our colleagues on the Government Operations Committee, have joined in as the true size and character of the problem became clear.

The bill that the two committees are bringing to the floor today is a culmination of 2 years' work. It represents what I believe is a long-overdue step toward solving a growing problem, one brought about by our ever-increasing dependence on computer systems. It is no secret that society—and especially the Government—has become highly dependent on computers and the enormous quantities of information they contain. Yet the low level of protection given to this information, in most cases, makes it vulnerable to all kinds of abuse.

I believe these steps will go a long way toward protecting the vast array of information with which we entrust the Federal Government. For example, the committee received testimony that computer fraud and abuse cost the Government an estimated $1 billion each year, largely because of inadequate safeguards in various financial and benefit systems. Another area that concerns me greatly is the integrity of air traffic control information. The FAA absolutely depends on these data to keep airplanes from colliding in the skies. Yet there is very little protection from the possible criminal action of a disgruntled person. Although unlikely, the consequences of such action could be a major air disaster. We simply must take reasonable precautions to assure the integrity of this information.

H.R. 145 accomplishes two objectives that will lead to much greater security of Federal computer systems. First, it calls for improved training of Federal workers in good computer security practice. And it provides a strengthened focal point for developing policy and guidance for the civil agencies.

Mr. Speaker, these provisions of this bill were worked out over many months and with great care. I believe we have a strong consensus among both committees that the bill is a practical and cost-effective approach. I recommend its adoption.

□ 1320

Mr. Speaker, I reserve the balance of my time.

Mr. HORTON. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, I rise in strong support of H.R. 145, the Computer Security Act of 1987. This legislation is the product of many months of negotiations between the Government Operations and Science Committees, on the one hand, and the administration on the other. I believe we have fashioned a good, workable bill worthy of the support of all of the Members.

Many people deserve credit for putting this bill together. The chairman of the Committee on Science and Technology, Mr. Roe, just mentioned many of them and I would like to reiterate some of them. First of all, I certainly want to include the chairman of my committee, the Committee on Government Operations, Chairman Jack Brooks, and the chairman of the Committee on Science and Technology, Bob Roe, the ranking minority member of the Science Committee, Manuel Lujan and, of course, Congressman Dan Glickman and the original sponsor of this legislation.

I also would like to include in that list the White House Chief of Staff Howard Baker, National Security Adviser Frank Carlucci, Secretary of Commerce Malcolm Baldrige, Deputy Secretary of Defense Will Taft, and Office of Management and Budget Director Jim Miller.

They worked hard and made it possible for us to bring this landmark legislation to the floor and I think we can all be proud of our work in this matter.

Mr. Speaker, H.R. 145 assigns to the National Bureau of Standards responsibility for developing standards and guidelines to assure the cost-effective security and privacy of sensitive, nonclassified information in Federal computer systems. There is no question of the need for a prudent tightening of computer security in the Federal Government. The legislation responds to this need by requiring the establishment of security plans by all operators of Federal computer systems. It also mandates periodic training in accepted computer security practice for all persons involved in the management, use, or operation of those systems.

This bill is directed toward sensitive computer information such as Social Security, tax, and census records. There is a pressing need to control loss and unauthorized modification or disclosure of sensitive information in such systems, both to protect personal privacy and to prevent computer-related fraud and abuse.

I want to note that H.R. 145 applies only to computer systems which do not contain classified information. This allows the defense and intelligence communities to meet their specific computer security needs in whatever manner is appropriate for them.

I have mentioned that H.R. 145 is the product of negotiations that led to a compromise acceptable to all sides. The main point of controversy was which agency in the Government should have primary responsibility for setting computer security standards for systems which contain unclassified information. The National Security Agency has great expertise in the area of computer security, but that expertise is narrowly focused to meet intelligence and national security needs. The Government Operations Committee, the Science, Space and Technology Committee, and the administration have all concluded that the security responsibility for setting security standards for other systems properly lies with a civilian agency like the National Bureau of Standards. NBS is experienced in setting computer standards. It understands the need of civilian agencies and users of similar systems in the business world, and it deals regularly with a wide range of computer equipment vendors. It is best able to do the job called for in H.R. 145.

The compromise directs NBS to develop the Governmentwide standards and guidelines, drawing upon the work of the National Security Agency, where it is consistent with the requirements of unclassified systems. The National Security Agency has a role with regard to standards or guidelines, but it is advisory to NBS. Clearly, these two agencies must work together if the Government is to take full advantage of the technical resources which are available between them. However, it is my belief—and one shared by both committees—that the National Bureau of Standards must be the clear leader when we are dealing with civilian programs.

Mr. Speaker, enactment of H.R. 145 will establish a framework for correcting the defects and lapses in our current means of securing Government civilian computer systems. The bill is supported by the administration. White House and agency officials worked closely with both the Committee on Government Operations and the Committee on Science, Space, and Technology to achieve this compromise version. I urge its adoption.

Mr. Speaker, I reserve the balance of my time.

Mr. ROE. Mr. Speaker, I yield such time as he may consume to the distinguished chairman of the Committee on Government Operations, the gentleman from Texas, Mr. JACK BROOKS.

Mr. BROOKS. Mr. Speaker, as chairman of the Committee on Government Operations, I rise in full support of the Computer Security Act of 1987. I want to commend Chairman ROE, Congressman GLICKMAN, and the other members of the Science, Space, and Technology Committee for their excellent work on this legislation. During the 3 days of hearings held by the Government Operations Committee, we found that a strong computer security program was urgently needed to protect the Government's computerized data bases from unauthorized manipulation and potential destruction.

Current estimates from the Office of Technology Assessment indicate that over $60 billion is spent annually by Federal agencies to acquire, develop, and use information technology. While it has greatly increased the efficiency of Government programs, information technology has also made the agencies vulnerable to outside penetration by criminal or foreign elements.

H.R. 145 would correct this problem by increasing the awareness of the critical importance of computer security in Federal agencies. To accomplish this goal, the bill sets up within the National Bureau of Standards a Governmentwide computer security program to assess the vulnerability of Federal information systems. NBS is also required to develop standards and guidelines to defend against unauthorized access to vital Government information and for mandatory training of Federal employees.

In addition, H.R. 145 would require NBS to create a Computer Security Board composed of experts from the Government and the private sector. The bill also makes it clear that nothing in this act will affect the release of information as required under the Freedom of Information Act or other laws.

During the committee's consideration of the bill, concerns were raised by a wide range of witnesses that actions by a few DOD officials under national security decision directive 145 and the Poindexter directive were leading to "Big Brotherism." To allay these concerns, we worked with the administration to ensure that a civilian agency, NBS, would be in charge of this important program.

I am pleased to say that, as a result of our joint efforts, the administration has given its full support to the passage of the bill. I urge all Members to do likewise and vote in favor of the Computer Security Act of 1987.

I also request permission to include at the close of my comments a letter from the very able Director of the Office of Management and Budget, Jim C. Miller III, on this very subject in which he agrees with the substance of this legislation and he adds the fact, which we all ought to be aware of, that the National Security Agency will be utilized and will be drawn upon to give available technical information to the National Bureau of Standards as a workout of these guidelines. They are not obligated to do that. Mr. Miller points that out. It is advisory, subject to the appropriate national board of a standards review.

The text of the letter referred to is as follows:

OFFICE OF MANAGEMENT AND BUDGET,
Washington, DC, May 12, 1987.

Hon. JACK BROOKS,
Chairman, Committee on Government Operations, House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: I am pleased that through intensive consultations between the Administration and the Congress great progress has been made toward agreement on a Computer Security Act of 1987. I hope that this statement of administration views will assist in offering construction solutions to areas where further improvements are desirable.

As we have reviewed H.R. 145, a primary concern has been to assure that roles of the National Bureau of Standards (NBS) and the National Security Agency (NSA) are discharged in a manner that will promote a sound public policy and result in efficient, cost effective, and productive solutions. In this regard it is the Administration's position that NBS, in developing Federal standards for the security of computers, shall draw upon technical security guidelines developed by NSA in so far as they are available and consistent with the requirements of civil departments and agencies to protect data processed in their systems. When developing technical security guidelines, NSA will consult with NBS to determine how its efforts can best support such requirements. We believe this would avoid costly duplication of effort.

Computer security standards, like other computer standards, will be developed in accordance with established NBS procedures. In this regard the technical security guidelines provided by NSA to NBS will be treated as advisory and subject to appropriate NBS review. In cases where civil agency needs will best be served by standards that are not consistent with NSA technical guidelines, the Secretary of Commerce will have authority to issue standards that best satisfy the agencies' needs. At the same time agencies will retain the option to ask for Presidential review of standards issued by the Department of Commerce which do not appear to be consistent with U.S. public interest, including that or our national security. I am enclosing proposed changes to the present text of H.R. 145 which are consistent with the NBS-NSA relationship outlined above and make several minor changes that would further improve the bill.

In closing, I want to assure you that a reported bill within the parameters outlined in this letter will have the Administration's support.

Sincerely yours,

James C. Miller III,
Director.

Mr. HORTON. Mr. Speaker, I yield 5 minutes to the gentleman from New Mexico, Mr. Manuel Lujan, the ranking minority member of the Committee on Science, Space, and Technology, one of the principal architects of this legislation.

I would like to take this opportunity to commend the gentleman for his fine leadership on this legislation.

Mr. LUJAN. I thank the gentleman for yielding me this time and for those kind remarks.

Mr. Speaker, I rise in support of H.R. 145, as amended by the Science, Space, and Technology Committee. This bill is the product of extensive negotiations with the administration, the Committee on Government Operations and the Science Committee. H.R. 145 seeks to focus the civil agencies' attention on the need for computer security training and cost-effective procedures for protecting sensitive Government information from unauthorized uses.

I have expressed strong reservation, in the past, with various provisions in the bill, as introduced. The bill established, within the National Bureau of Standards [NBS], the authority to develop computer security guidelines and standards for civil agencies. I feel strongly that this should be done with full knowledge and review of any and all existing Federal efforts in this area. Whether it be within the classified community, or not, substantial taxpayer dollars have gone toward creating a wealth of technical information on computer security measures.

Under H.R. 145, as reported by the Science, Space, and Technology Committee, NBS can draw upon such expertise, so as to minimize duplication of effort and to encourage coordination with the National Security Agency [NSA]. While there may be the need for NBS to recommend more cost-effective measures than that which the classified community requires, this should never be done without "the left hand knowing what the right hand is doing."

To further enhance intra-Federal cooperation, the 10th National Computer Security Conference, sponsored by NSA and NBS, will be held September 21-24, 1987. The theme of this year's conference is "Computer Security—from Principles to Practices." This conference should assist in bringing together, not only Federal agencies, but also State and local governments, the private sector and academia in a setting that encourages the sharing of technical information and expertise.

Mr. Speaker, this bill addresses the need to secure sensitive information. This is distinct from information that is clearly under the classified umbrella. Nevertheless, there may be instances when a Federal agency or a Federal computer system may involve the use of classified and nonclassified information. Under such circumstances, H.R. 145 gives authority to agency heads to elect the more secure standards, so as to eliminate the need for dual security procedures.

As the fine points of this legislation have been worked out over the last several months, I urge my colleagues to support passage of this legislation. I believe it will assist in raising computer security procedures "up the ladder" of priorities in the Federal civilian agencies.

Mr. ROE. Mr. Speaker, I yield 2 minutes to the gentleman from Kansas [Mr. Glickman].

□ 1325

Mr. GLICKMAN. Mr. Speaker, the bill before us today is the product of 2 year's work by two committees, as well as the leadership provided by the gentleman from New Jersey [Mr. Roe], the gentleman from Texas [Mr. Brooks], the gentleman from New York [Mr. Horton], and the gentleman from New Mexico [Mr. Lujan].

All of these gentleamn deserve a great deal of praise today for getting this bill to the floor.

The need, for H.R. 145 was first identified in hearings held almost 4 years ago. At that time, we noted that the Federal Government had become totally dependent on automated information systems to perform a multitude of essential services. Furthermore, the information stored in Government computers and transmitted over various communications networks is vulnerable to unauthorized access and disclosure, fraudulent manipulation, and disruption. The situation was described as the electronic equivalent of leaving the bank door open.

Yet, despite the potential serious consequences of these threats, we found little evidence of an overall, systematic approach to computer and communications security.

Of particular concern was the level of security awareness among people who operate, use and manage computers. Such people are extremely important in a security sense because, as studies have shown, they are the greatest problem. It is not the much publicized hacker, working to penetrate from the outside. Rather, it is the insider, the one who already has authorized, that causes the greatest damage, in practice.

Yet, as we learned from GAO's survey of 25 computer systems, there is very little formalized effort made to reach these individuals, to make them aware of system vulnerabilities and the importance of enhancing security.

The purpose of H.R. 145 is to strengthen this link. It does this by establishing a research program at the National Bureau of Standards aimed at developing guidance for use by agencies in structuring computer security awareness training programs for their employees. It also requires that such training be given periodically in each agency.

The bill also establishes a focal point within the Government for developing computer system security standards and guidelines to protect unclassified, but sensitive, information. The organization location of this focal point is the National Bureau of Standards. The need for this provision was precipitated by National Security Decision Directive 145, a directive issued by the President about 3 years ago. The purpose of NSDD-145 was to deal broadly with Government computer security, a widely recognized problem. The implementing means is an interagency committee invested with the authority to issue Governmentwide policy and guidance.

Both committees held hearings on the implications of NSDD-145. Both concluded that although there is a clear need for better centralized leadership in this area, the particular formula in NSDD-145—which favors the military—is inappropriate for handling civilian needs. For this reason, H.R. 145 establishes a civil counterpart to develop policy and guidance for protecting unclassified, sensitive information.

Mr. Speaker, I believe we have ample evidence of a disaster waiting to happen in the Federal sector. I think virtually all Members agree with the need to strengthen our overall posture in the computer security area. I also feel we have an acceptable and cost-effective vehicle for dealing with the problem. I urge passage of H.R. 145.

Mr. Speaker, before I close, in addition to thanking the Members that I did today, I wish to thank the majority and minority staff on both committees for being so helpful, and give particular reference to Rob Ketcham and Tony Taylor from the Committee on Science, Space, and Technology who did a great deal to see that this process was kept moving on the science side of this picture.

I am sure there are comparable staffs from the Committee on Government Operations who also deserve that kind of praise, as well as other staff members in the Committee on Science, Space, and Technology, so with that, Mr. Speaker, I urge passage of the bill.

Mr. WALGREN. Mr. Speaker, I rise in support of H.R. 145, the Computer Security Act of 1987. This measure, which assures civilian control of the computer systems of civilian programs, is the result of much hard work on the part of the Committee on Government Operations. The Subcommittee on Transportation, Aviation, and Materials, and my own Subcommittee, Science, Research and Technology. I want to compliment Mr. GLICKMAN, the original author of the bill, who has persevered in bringing this most important issue to the attention of the House, as well as the ranking Republican member of the full committee, Mr. LUJAN, for the input and insight he has added to this bill. I also want to express appreciation to the administration for the flexibility and spirit of compromise they have shown in helping to craft a measure which is fair, equitable, and acceptable to all interested parties.

Recent studies by the Government Accounting Office and other agencies have shown that financial losses due to computer-related fraud run into the billions of dollars. Regretfully, our Government has a history of providing adequate security only for computers processing classified data. Computers in the civilian agencies remain vulnerable to knowledgeable outsiders, known as hackers, as well as to disgruntled or unhappy employees. Therefore, the well-designed, effective security program, provided for in this legislation, is badly needed.

In 1983, a report by the Department of Health and Human Services on computer fraud in various Federal agencies reviewed 103 cases of computer abuse and 69 cases of computer fraud. The average theft was $117,000 and involved low-level employees. Computer abuse typically involved using a Federal computer for outside business or entertainment. Even rudimentary security precautions would have prevented most of these crimes.

H.R. 145 addresses these security problems. The measure assigns the National Bureau of Standards [NBS] the responsibility for developing, with the help of the National Security Agency, standards and guidelines, for the cost-effective security and privacy of sensitive information in unclassified Federal computer systems. The bill also requires all operators of Federal computer systems that contain sensitive information to establish computer security plans. Furthermore, it mandates periodic training sessions, administered by the Office of Personnel Management [OPM], for all Government and Government contractor employees who manage, use, or operate these computers. Let me emphasize that H.R. 145 assures civilian control over computers in Federal civilian agencies.

The Federal Government is the largest user of computers in the United States, accounting for 6 percent of all the automated data processing [ADP] market. The problems associated with computer security are immense and costly. We can no longer afford to ignore them. Therefore, I ask support of my colleagues for H.R. 145, a bill that enjoys bipartisan support, that has been carefully modified to address Reagan administration concerns, and which tackles the problem of Federal computer security in a straightforward, unambiguous way.

Mr. HORTON. Mr. Speaker, I commend the bill; it is a landmark piece of legislation.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. ROE. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. GRAY of Illinois). The question is on the motion offered by the gentleman from New Jersey [Mr. ROE] that the House suspend the rules and pass the bill, H.R. 145, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. ROE. I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 145, the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

CONGRATULATIONS TO MONTANA U.S.A. WRESTLING TEAM

(Mr. MARLENEE asked and was given permission to address the House for 1 minute.)

Mr. MARLENEE. Mr. Speaker, we have with us today the Montana U.S.A. Wrestling Team.

Tomorrow this team, after much long and arduous training and practice, will be traveling to the Soviet Union; and there they will be challenged by teams from all over the Soviet Union.

They are our ambassadors. They are clean cut, vigorous youths of Montana and of this Nation, and we are proud of them.

I wish them well when they go over there. The Russians are hard to pin, but I hope that you pin them down and come back with some medals.

Congratulations to the team.

PASSING THE HAT ABROAD—THE ADMINISTRATION'S DOUBLE STANDARD

(Mr. MOODY asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. MOODY. Mr. Speaker, Secretary Shultz recently said that he had no intention of "passing the hat" among U.S. allies for financial help in keeping shipping lanes open in the Persian Gulf.

On June 13, Secretary Shultz told the Los Angeles Times: "The idea of the United States going around (abroad) getting contributions for the support of our Navy just has no appeal."

Mr. Speaker, contrast the Secretary's remarks here with the record of his top aide, Elliot Abrams, of actively and vigorously soliciting contributions abroad for the Nicaraguan Contras.

Secretary Abrams, as we all now know, traveled to London under an assumed name to meet with the Sultan of Brunei and provide account numbers for Colonel North's Swiss bank accounts. Then he lied to Congress about it.

I am concerned that this administration, and particularly Secretary Shultz, wants to go it alone when the activity is legal, as in the Persian Gulf, without seeking the active commitment and cooperation of our allies. But when the administration wants to conduct foreign policy clearly in conflict with the will of Congress and our country's laws, as in Central America, it finds our foreign friends convenient sources of funds.

Apparently, passing the hat to carry out foreign policy is OK if the activity is illegal, but it is not if it is legal.

This double standard shows disdain for our allies and contempt for Congress at a time when the administration badly needs the support and cooperation of both.

The Los Angeles Times article referred to:

[From the Los Angeles Times, June 13, 1987]

U.S. WON'T PASS THE HAT FOR PATROLS IN GULF, SHULTZ SAYS

ANCHORAGE, ALASKA.—Secretary of State George P. Shultz, in an implied rebuke to congressional critics of Administration policy on the Persian Gulf, said Friday that the United States has no intention of seeking funds from Japan or nations in Western Europe to pay part of the cost of keeping the gulf open to shipping.

Shultz, on the first leg of a 7,575-mile flight from a North Atlantic Treaty Organization foreign ministers meeting in Iceland to talks in the Philippines, said, "The idea of the United States going around getting contributions for the support of our Navy just has no appeal. We don't have to do that."

Shultz spoke to reporters before his aircraft made a refueling stop at Elemdorf Air Force Base near Anchorage.

After conferring with President Corazon Aquino in Manila, Shultz is scheduled to attend a meeting of Southeast Asian foreign ministers in Singapore.

Members of Congress, including Senate Republican leader Bob Dole of Kansas, have called for the Administration to obtain the help of U.S. allies before undertaking the risky process of escorting Kuwaiti oil tankers in the war-torn gulf.

Several lawmakers have suggested that Japan and West Germany, which receive much of their oil from the gulf, should be required to make financial contributions because their post-World War II constitutions prohibit them from mounting military operations that far from their own shores.

Although Shultz received no offers of help from NATO and President Reagan was unable to get any new commitments for the U.S. military position in the gulf during the economic summit in Venice, Shultz predicted that congressional opposition would fade once the lawmakers realize the full extent of British and French activities in the gulf.

"Those members of Congress who have gone to the area have come back pretty much saying that it is essential for us to be there," Shultz said.

PERSONAL EXPLANATION

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from New York [Mr. GILMAN] is recognized for 5 minutes.

Mr. GILMAN. Mr. Speaker, last Thursday, June 18, 1987 I was away on official business as part of the U.S. delegation to the International Conference on Drug Abuse and Illicit Trafficking. I was designated by the Speaker of the House, Mr. WRIGHT, to be one of two representatives of this distinguished body. Accordingly, I was not able to cast my votes on a number of amendments to H.R. 1777, a bill authorizing appropriations for fiscal years 1988 and 1989 for the Department of State. Had I been present, I would have voted "present" on quorum calls 192 and 195; "aye" on rollcall 193, on agreeing to the Herger amendment; "no" on rollcall 194, on agreeing to the Conyers amendment; "aye" on rollcall 196, on agreeing to the Bartlett amendment; to the Fenzel amendment; "no" on rollcall 197, on agreeing to the Frenzel amendment, as amended; "no" on rollcall 198, on agreeing to the Dornan amendment; "no" on rollcall 199, on agreeing to the Walker amendment to the McCollum amendment; and "no" on rollcall 200, on agreeing to the McCollum amendment.

CORRUPTION, COMMUNISM IN THE 100TH CONGRESS: THREAT TO OUR CONSTITUTIONAL LIBERTIES

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from Georgia [Mr. GINGRICH] is recognized for 60 mintues.

Mr. GINGRICH. Mr. Speaker, I will talk today on corruption, communism in the 100th Congress: the threat to our constitutional liberties.

Mr. Speaker, I rise to report to the House and to the American people, about a series of threats which are undermining the very fabric and spirit of our Constitution.

Mr. Speaker, we have now completed the first 5 months of the 100th Congress. This Congress should be a celebration of the 200th anniversary of the Constitution. This Congress should be dedicated to the principles of freedom, of representative government, and of a strong defense of government of the people, by the people, and for the people.

Yet, after the first 5 months of this Congress, I must report to my fellow citizens that this 100th Congress may be the most irresponsible, destructive, corrupt, and unrepresentative Congress of the modern era.

The gap between the Constitution we celebrate and the Congress we have is so great that it is truly hard to believe.

Yet often historical truth is far stranger than any fiction we could imagine.

I was reminded of the startling realities of an historical change recently while reading Gov. Dick Lamm's Megatraumas. He opened his book with a fascinating excerpt from Gen. Sir John Hackett's "The Third World War," and I quote:

> There is a nice story of a political prophet in Munich in 1928, who was asked to prophesy what would be happening to the burghers of his city in 5, 15, 29 and 40 years' time.
>
> He began, "I prophesy that in 5 years' time, in 1933, Munich will be part of a Germany that has just suffered five million unemployed and that will be ruled by a dictator with a certifiable mental illness who will proceed to murder six million Jews."
>
> His audience said, "Ah! Then you must think that in 15 years' time we will be in a sad plight."
>
> "No," replied the prophet, "I prophesy that in 1943 Munich will be part of a Greater Germany whose flag will fly from the Volga to Bordeaux, from northern Norway to the Sahara."
>
> "Ah, then you must think that in twenty years' time, we will be mighty indeed,"
>
> "No, my guess is that in 1948 Munich will be part of a Germany that stretches only from the Elbe to the Rhine, and whose ruined cities will recently have seen production down to only 10 percent of the 1928 level."
>
> "So you think we face black ruin in forty years' time?"
>
> "No, by 1968 I prophesy that real income per head in Munich will be four times greater than now, and that in the year after that 90 percent of German adults will sit looking at a box in a corner of their drawing rooms, which will show live pictures of a man walking upon the moon."
>
> They locked him up as a madman, of course.

We know how strange the development of 20th century German history was, so we know, too, in German democracy one could be killed by dictatorship and horrors could follow.

But what about America? Can America face real dangers? Can there be threats to American democracy? Could our system decay, decline, and be defeated? Could horrors follow in America?

Our Founding Fathers knew how fragile and how difficult self-government is. They struggled for a generation to create a free self-governing republic. In Benjamin Franklin's case, he worked from the Albany Convention in 1754 to the Constitutional Convention in 1787 and lived to see George Washington, sworn in as the first President. For 33 years he struggled actively to help freedom's cause.

As we celebrate the 200th anniversary of our Constitution, we should ask, what would the Founding Fathers have done if the following things had been true for their generation.

What would the Founding Fathers have done if America were threatened by a Soviet empire which was professionally and systematically spying, buying Western technology, mobilizing its own military resources on the greatest peacetime scale in history, and developing a Soviet imperial team which was systematically attacking and undermining freedom in virtually every country?

What if America's response was divided between inadeqaute resources, sincere but ineffective amateurism, and a hardened minority of Americans who were systematically undermining and crippling their own country's ability to contain the Soviet empire?

What if the Soviet military buildup were so consistent, so unrelenting, and so massive that even the peak of the Reagan rearmament was pathetically small compared to normal, regular Soviet military preparations?

What would the Founding Fathers have said if the combination of Soviet systematic effort and American bureaucratic and political incompetence had led to the threat that the Soviet empire would dominate space and command the dominant arena of mankind's future?

What if the most prestigious analytical agency, a British publication, had said, "The Soviet lead in space is now almost frightening"?

What would the Founding Fathers have done if the Soviet empire had captured a colony 90 miles off our shore and were using Cuban communism as a puppet to capture parts of Africa and Central America while using Cuba itself to spy on the United States and to establish naval and air bases to threaten the United States and its allies?

What would Madison and Monroe have said if the Soviet empire had gained a foothold in the North American Continent, threatened the Panama Canal, and began building a Nicaraguan Communist colony that could undermine all of Central America and ultimately destabilize Mexico and threaten our southern borders?

What would the friends of Lafayette have said if freedom lovers were punished while the friends of the Soviet empire were rewarded?

What would the Founding Fathers have done if they had learned that Members of Congress were actively helping communism and Communist governments?

What if a Member of Congress had sent his staff member to Moscow to participate in a Soviet front group?

What if Members of Congress were actively raising money for Communist guerrillas against a pro-American government even though their own Congress had voted to help the pro-American government?

What if other Members of Congress were actively advising a Communist dictatorship on how to survive even when the American President was warning that it threatened America?

How would the Founding Fathers have reacted to the following facts: two Members of Congress have signed fundraising letters for groups that assist Communist rebels in El Salvador; one Member signed fundraising letters for the Nicaraguan network to lobby Communists against aid and send Americans to work for Nicaraguan communism; two Members have threatened to cut off foreign aid to nations that support the freedom fighters; two Members introduced a bill in 1985 to make it a criminal offense for private citizens to send aid to the Nicaraguan freedom fighters or refugees in Costa Rica or Honduras but had no provisions for cutting off the aid to the Nicaraguan Communist government or to the Communist guerrillas in El Salvador; five Members publicly promoted and endorsed a report on Contra terrorism in 1986? It was promoted by a public relations firm registered as an official agent for the Nicaraguan Communist government. One Member held a press conference to support a report written by a member of the National Lawyers Guild, the most prominent front group for the United States Communist Party, which itself has for years been financed by the Soviet Union. Five Members endorsed the United States Peace Council on a national conference on Nicaragua in 1979. The United States Peace Council is the American affiliate of the Soviet-dominated World Peace Council started by Joseph Stalin in 1949.

One Member spoke at the U.S. Peace Council's founding conference in 1979. One Member arranged for a former president of the National Lawyers Guild, the leading Communist Party United States front group, to testify about the Federal Bureau of Investigation's harassment of Soviet front groups in the United States.

□ 1340

Nineteen representatives signed a letter of greeting to the Youth Festival organized by a front group, according to the United States State Department, for the Soviet Union.

Finally, one chairman of the Congress edited a World Peace Council publication that appeared in the record in the hearing on Soviet active measures. The section taken out was references to activities of seven United States House Members who were helping the Soviet front group.

With their experience of the weak ineffective Articles of Confederation, how would the Founding Fathers have responded to a Congress which had 535 voluntary Secretaries of State and 535 voluntary Secretaries of Defense?

What would the Founding Fathers have said if a Member of Congress could fly halfway around the world and talk to the press about a wounded American warship and our dead sailors before the Navy Board of Inquiry could begin its professional investigation?

How would the Founding Fathers have reacted to a congressional committee which smeared America's allies names across the front page, thus teaching foreign countries never to give America secret help unless you are willing to have your country embarrassed, humiliated, and even crippled in the American news media.

George Washington had a strong belief in executive privilege, as the key to effective government. How would he have responded to the public bullying, brutalizing, and badgering of Presidential assistants and even office secretaries by arrogant overbearing Members of Congress?

How would the Founding Fathers have reacted to witness intimidation on television that taught young Americans, if the President of the United States calls, make sure you consult a lawyer before you agree to help your country.

However, the dangers of America destroying itself by its own amateur incompetence, congressional self-destruction, and the deliberate systematic efforts of a hardened pro-Communist minority are not all that the Founding Fathers would have found unbelievable. Consider our major public health and public safety crises. What if the Founding Fathers learned that a deadly fatal epidemic threatened every American and the Government's public health service was arguing for a policy of willful ignorance which might kill literally thousands and thousands of Americans?

What if Benjamin Franklin, our leading scientist of that era, learned that in order to protect the confidentiality of drug addicts, homosexuals, and prostitutes, the source of 90 percent of the American AIDS deaths so far, the Government was failing to test and monitor high-risk groups?

What if thousands of innocent children were going to die in the nineties because no one required their parents to test for AIDS before marriage.

What if over a million Americans were spreading the AIDS disease in ignorance because no one had established a system for testing?

What if each American ran a steadily rising risk of infection and death because the civil liberties of the AIDS carrier were now more powerful than the right to live of healthy innocent Americans?

How would the Founding Fathers have reacted to that kind of public health crisis?

Parallel to the AIDS epidemic, making it worse and threatening the American people with yet another evil, is the drug epidemic. What if the Founding Fathers knew that in New York City alone there were 200,000 drug addicts? What if they knew that for some countries, their export of illegal drugs to America was their largest source of dollars?

What if they knew that for some American States, illegal drugs were the largest cash crop?

What if they knew that in virtually all of America the underground empire of illegal drugs had far more money and manpower than the forces of law and public safety?

Finally, what if the Founding Fathers learned that a passion for technical and legalistic procedures minimized the risk to all criminals, including drug dealers, and maximized the threat to the lives of innocent Americans and to their property?

The Founding Fathers wrote a Constitution to secure justice, not to provide loopholes and escapes for the guilty.

As the Supreme Court said:

> While the Constitution protects against invasions of individual rights, it is not a suicide pact, yet on AIDS and drugs the Founding Fathers would find some American arguing for a suicide pact of civil libertarianism run riot.

Turning from threats to public safety, both foreign and domestic, what would the Founding Fathers have found hard to believe about the American economy in 1987? The Founding Fathers all believed in balanced budgets, honest money, and entrepreneurial free enterprise. Most of them had been successful in business or in commercial agriculture. They hated inflation, expected pay-as-you-go budgets and wanted a vibrant, dynamic job and wealth-creating private economy.

What if the Founding Fathers learned that in the last 34 years the Congress had approved four balanced budgets and 30 deficits?

What if the Founding Fathers learned that the total surplus since 1954 was $7.6 billion and the total deficit for those 34 years was $2,307 billion?

What would the Founding Fathers think if we had dishonest inflationary money that in recent years caused 13-percent inflation and 22-percent interest rates?

How big a crisis would the Founding Fathers think we had if 75 percent of the Japanese tested scored higher in math than the top 5 percent of Americans?

How concerned would the Founding Fathers be if the school systems were producing graduates incapable of informed citizenship because they knew no history, no geography, and in tragically too many cases, could not read the diploma they received at graduation?

How would the Founding Fathers have reacted to a welfare program which replaced our Creator's endowment of the right to pursue happiness with food stamps, bureaucratic housing and a poverty-plantation mentality in which work and self-help were discouraged, an America in which the civil liberties of drug addicts, prostitutes, and homosexuals, to have and spread AIDS was protected and the civil liberties of drug dealers was vigorously supported?

How surprised would the Founding Fathers be to discover that there were no civil liberties for workers in the construction industry? Indeed, what if the very people who voted to protect the civil liberties of drugs and AIDS carriers also voted to force workers to join labor unions which had officials convicted of racketeering and bribery and voted to force workers to join unions that had directly engaged in violence and been convicted of that violence?

What if the Founding Fathers discovered that big labor had such enormous power that AFL-CIO executive Howard Samuels could boast in Time magazine: "We control the committees and the agenda on the floor."

How would the Founding Fathers have reacted to a leftwing big labor use of the legal system which tried a Secretary of Labor, Ray Donovan, and forced him to resign from office and spend millions of dollars defending himself from a politically inspired case so weak that both the judge and the jury foreman condemned the left-wing pro-labor union prosecutor for bringing it?

How would the Founding Fathers have responded to an independent prosecutor system which threatened to jail active anti-Communists, while ignoring active pro-Communists?

How would the Founding Fathers have appraised a system in which a leading political figure could be involved in killing someone, fail to report it to the law, avoid the normal legal processes and in a few years be considered the appropriate chairman of a Judiciary Committee which would oversee all Federal judgeship appointments?

Faced with our ethics problems, how would the Founding Fathers have responded to these examples of seemingly inappropriate behavior? One Member is accused of using his campaign funds improperly, traveling improperly, improperly intervening with the Defense Department on behalf of a contractor and having his wife paid by the contractor? There was no investigation.

One Member is accused of abusing his campaign funds in his financial disclosure forms. The Ethics Committee finds him guilty in such a backhanded, indirect way, that the Member was able to declare, "They exonerated me completely."

One Member, a committee chairman, is involved in a series of errors, including a $1,500,000 error on how much he had earned one year on the value of his property, including a series of phone calls to a Federal Regulatory Agency which he had oversight over, on behalf of a friend; he committed a series of errors that ran 1,500 pages in the report; yet nothing was done.

Another Member clearly paid a staffer improperly against the rules of the House, yet nothing is done.

Another Member borrowed money from a campaign account, with little or no interest for personal expenses on a fairly large scale, over $50,000, yet nothing is done.

The Ethics Committee in fact adopts the opposite view of the Iran Committee. When the Iran Committee appears on television and every hearsay can be thrown in, every witness badgered, every opportunity for sensationalism exploited, the Ethics Committee adopts the following kind of attitude: For example, on June 17, 1987, in releasing a report on one Member's potential indiscretions: "Neither the committee nor its staff respond to any questions on the matter."

In another occasion on May 18, 1987, in response to an inquiry from me based on a rumor that when Representative Dan Daniel was investigated for traveling in corporate aircraft, there were 23 other Members who had done the same thing, but were not reported. The Ethics Committee response to me on May 18 was that: "No information or testimony received or the contents of a complaint or the fact of its filing shall be publicly disclosed by a committee or staff member unless specifically authorized in each instance by a vote of the full committee. Consequently, we decline to comment on the matters raised by your inquiry. We should also point out that this declination should in no way be construed to be confirmation of the facts giving rise to your question."

In other words, not only did the Ethics Committee not tell you whether or not there were 23 people who did the same thing as Congressman Daniel, none of whom were prosecuted, but in fact they will not tell you whether they did it, whether they did not do it, whether they were investigated, whether they were not investigated, and in effect you just do not know.

Several leading figures have had some relationship with congressional investigations. Leon Jaworski, the former Watergate special prosecutor helped the House with Koreagate in 1977-1978. When he left his assignment he publicly declared that Congress could not police its own Members nor could any other branch of Government.

Victor Kramer, special Koreagate counsel to the Senate Ethics Committee for Koreagate, says:

> Neither House has impressed me over the years with being particularly interested in strong touch enforcement.

Fred Wurthheimer, president of Common Cause, referring to two House Ethics Committee decisions last year, said:

> They were very damaging because the message came out that if someone gets caught, that they take some steps toward restitution, fine, don't worry about it.

The fact is, and every Member I talk to on the House floor agrees in private, but refuses to talk in public, the fact is, we are in an ethical mess in the U.S. Congress. The fact is, there are Members doing things they should not do. The system is not working. The public is not getting accurate representation. The investigations are not being handled properly and every one of us bears some burden.

All the students of American history will remember the famous incident in which Thoreau refused to pay his taxes because he thought the Mexican War was unjust in the 1840's and he went to jail. Ralph Waldo Emerson, the leading American essayist and intellectual of his generation, wrote Thoreau a letter and said, "Why are you in there?"

Thoreau wrote back, "Why are you out there?" Meaning, of course, that unless you had a moral case for doing what Emerson was doing, maybe you ought to join Thoreau, who had a moral case for doing what he was doing.

I would suggest to all colleagues, if we now live in a House in which it is better to be quiet about corruption than to speak out about it, that tells each one of us a great deal about ourselves. It tells us a lot about the House, but it also tells us about ourselves, and yet the case is very, very clear. We have examples of corruption in this Congress which are unworthy of the 100th Congress, which are unworthy of celebrating the 200th anniversary of the Constitution and which strikes at the heart of representative democratic government. If we on this floor are going to condemn Marcos, then what about our own messes? If we on this floor are going to condemn dictatorships overseas for corruption, then what about our own shortcomings?

If we are to be worthy of representing the American people, then do we not have an obligation to start here?

Let me make clear what finally convinced me to come to the floor and lay all this out. We had two days of hearings on airline delays and airline delays are a mess and they have got to be cured. I am honored to serve on the Aviation Subcommittee. But the fact is that we had 10 Members of Congress come and complain, and I listened for several hours, and the Members are intelligent, they are sophisticated and they are saying things that made a lot of sense, and suddenly it hit me. I belong to a U.S. Congress which was 60 days late passing the budget. I belong to a U.S. Congress which last passed all of its appropriation bills in 1975. I belong to a Congress which has selective outrage. When it is our Members, we hide and turn our faces and fail to cleanup the corruption. When it is the executive branch, we beat up on them cheerfully and in public and with maximum histrionics.

We believe in selective outrage. When the Congress violates the Byrd amendment, which was the law for years and which said you could not have a deficit, we just laughed about it and walked on.

□ 1355

When the executive branch violates the Boland amendment, we are prepared to organize a lynch mob, because they should not do that.

I was struck that we have now become an institution in which Members rushed off to the Middle East to examine the *Stark*, the frigate which had been hit by a missile, before the Navy knew that had happened, in which Members are cheerful about being experts on everything, unable to run the Congress, unable to clean up their own mess, eagerly ready to take over United Air Lines and Delta Air Lines and American Airlines and tell them how to run their institutions, unable to take care of our own committees, but eager to take over the Navy and tell the Navy how to run its ships.

Part of the reason I think that we have grown so out of touch and so arrogant is that Congress is less and less challenged by the American people. We have become princes of power. Warren Weaver wrote a fascinating article in the New York Times on Monday, June 15. He pointed out that as late as 1936, 52 percent of the seats in the U.S. House were competitive, and that year by year Congress has learned how to get away from the American people.

The House was originally designed to be the one institution close to the American people. The House Members only ran every 2 years so that they would have to go back home regularly. House Members represent districts and individuals, unlike Senators, who originally were to represent the States and were originally elected by the legislatures. It was clear that the Founding Fathers wanted this building, this room, to be the people's House.

Hear the record, year by year. In 1936, 52 percent of the races were competitive. Now this was a dramatic decline from the 19th century, when in the average election over half of all House Members were freshmen. In 1936, 52 percent were competitive. By 1956, that had dropped to 41 percent; by 1966, to 35 percent; by 1976, to 31 percent; and in 1986, only 20 percent of the House seats were competitive. This is by a very generous measure of competition: "Was the race closer than 60 percent of the vote for one candidate?"

As we have gotten further and further away from defeat, as 94, 95 percent of House incumbents get reelected, we have ceased to be Representatives. We should not be called Representatives any more, because this is now much more the House of Lords. There are princes who walk around here, princes who are ready to be Secretary of the Navy at a moment's notice, Secretary of State at the following moment, ready to run the airlines the following moment, and then to turn and decide that they could manage whatever else came up on television that morning.

The princes of power, I think, are forgetting why the United States had elections originally, how the Founding Fathers intended that this country should be run.

Daniel Webster, on January 26, 1830, said it brilliantly. He said that we have "the people's government, made for the people, made by the people, and answerable to the people."

Yet the fact is that the House is no longer the people's House. I quoted earlier from the AFL-CIO in which big labor said that they owned the committees, that they set the agenda. But it is more than that. It is clear that there is a leftwing machine which has now run the House since 1954. It is clear that that leftwing machine is amalgamation. It has federally financed elections, because we have our staffs, our franking privileges, we have our offices paid for by the taxpayer, we spend between a half million and a million dollars before our challenger even gets started.

The leftwing machine is gerrymandered in most States so that it is almost impossible to win, California being the best example, in that the left has designed the State so that 50 percent of the vote gets the left 60 percent of the seats. When necessary, the left is willing to steal. Fifty thousand votes were cast in Chicago in the mayor's race this year that did not exist. There were not people behind the ballots. We had the similar case in southern Indiana in the district in which McIntyre lost a seat that he had clearly won.

The labor union machine does not count as part of the election. One report said that in 1984 big labor spent outside the processs between $10 and $20 million for Walter Mondale to give him its best shot.

Yet the fact is in America in the end the people are sovereign. I found it fascinating that faced with the reality that the people were not having an impact on House election, a leading member of the leftwing machine said in the New York Times article, "I don't think less competition makes any difference. The question is whether people are getting better representation."

Now of course the question is: If there is no competition, if you have no ability to fire the incumbent, if there is no way of having a close race, how do you know whether the people are getting representation?

I thought to myself reading this, if this quote had come from a dictator in the Philippines or Chile or Nicaragua or the Soviet Union, "I don't think less competition makes any difference," we would have all been shocked, but when it came from a member of the left, whose machine has now dominated the House for 33 years, it is just normal in this body.

Yet Lord Acton warned us that power tends to corrupt, and absolute power tends to corrupt absolutely. The corruption is not just the examples that I cited earlier, it is not just Members who engage in petty activities of misreporting, of using their office for influence, of spending the public money unwisely, of beating up on the bureaucracy to get it to do what they want for their friends and for their contributions—and I would encourage every Member to look, for example, at today's New York Times on page 10-B, as an example of intervention by a powerful Member of this House which inappropriately, at least according to the article, influenced Federal enforcement on behalf of a major contributor to the leftwing machine.

But it goes deeper than that. Consider the reality that in all of America on big issues—for example, a constitutional amendment to require a balanced budget—there is an overwhelming majority of the American people who favor that amendment, but it does not get to the House floor. Possibly as much as 80 percent of the American people favor that amendment, according to most polls, but it cannot be voted on on the House floor.

Why? Because the leftwing machine owns the calendar, it owns the agenda, and it sets the rules of the game. So what happens? Compulsory unionism for the construction worker—that is right, forcing members to join a union—gets to the House floor, because that is what the leftwing machine wants, even though in the Nation at large only probably 12 percent of the people want that. On the other hand, issues that the American people want cannot quite get here.

Let me carry it a step further. We have now had in the last 30 years the rise in the Western world of a unilateral disarmament. European socialism, willing to appease the Soviet empire. The German socialist party, the British Labor Party, and the leftwing machine in America. It is a constant belief. They use the same language. They talk about the same ideas. They have the same vision of the future. They do not really share the American dream. They have accepted that we cannot ever get to the American dream, and their vision is of a European socialist-style welfare state in which the bureaucracy decides, the bureaucracy has power, the bureaucracy will give you the life that you can get, because you cannot pursue the happiness that you would like to.

Furthermore, faced with the choice of competing or retreating, whether it is the German socialists, the British Labor Party, or the American left, it is clear what they would do. They would retreat. Is there danger in the Persian Gulf? The answer is "retreat." Is there danger in Nicaragua from Soviet Communism? The answer is "retreat." Are there difficulties in competing with the Japanese in the quality of education? Let us retreat into protectionism. Are there problems in trying to make sure that we can contain the AIDS virus? Let us retreat into ignorance.

It is fascinating. When you look at the similarity of the proposals, of the language, whether it is Mondale in America, Kinnock in Britain, or the leftwing of the German Socialists, the patterns are remarkably similar. Yet the fact is that in America, the overwhelming majority of Americans are center and right. This is frankly also true in Germany; it is true in Britain; it is true now in France. That is why in Germany, once Chancellor Kohl had the courage to face the Socialist Party head on, to argue face to face about unilateral disarmament and appeasement, to argue against higher taxes and more social-welfare-state programs, in fact the hard left was defeated. That is why recently when Margaret Thatcher had the courage to go toe to toe with the British Labor Party, to argue against unilateral disarmament—and Members need to remember, these words have real meaning—when asked on television what the British left's answer to defense would be, the British Labor Party said, "We would make the occupation of Britian untenable." In other words, the British people would wage guerrilla warfare against their Soviet conquerers.

□ 1405

It was that sort of leftwing lunacy, if you will, which was defeated so decisively, and yet on the floor of this House this spring 60 Members of this House voted against every element of the strategic defense and against the strategic defense initiative. That is 60 Members voted in essence for unilateral disarmament.

This House adopted positions on arms control which can only be described as helpful to Gorbachev and the Soviet Union, and which weakened the American Government's negotiating position.

There is a narrow majority in this House today for leftwing positions far closer to the British Labor Party and the German Socialists than for the position of the vast majority of the American people. Why is there such a gap?

Why is it that in 1968 the American people repudiated the left, in 1972 the American people defeated the left decisively, in 1976 in a very narrow election both candidates claimed to be in rebellion against Washington, there was no left wing candidate; in 1980 the left was defeated and in 1984 for President the left lost every single seat, every single State except one? Yet, in the House, the left owns the committees and the left owns the floor, as big labor said in Time Magazine. Why is that so?

The fact is, as was paraphrased in a "U.S. News" interview with somebody in Iowa who said it does not seem to matter who the captain of the ship is, the same rats stay on. I think if you look at it carefully, there is a great deal of truth in that quote. The fact is that the American left has figured out how to rig the game, and while 7 out of every 10 Americans favor centrist and conservative positions, the 3 who favor the left are organized. While 7 out of 10 Americans want to balanced budget, the 3 want more of your money so that they can spend it, and they are organized. While 7 out of every 10 Americans wants to stop the AIDS epidemic and, in fact, on things like mandatory testing for marriage it is even higher than that, it is closer to 9 out of every 10, the hard left does not agree, and they control because they are organized.

Where most Americans want a strategic defense initiative to protect us from nuclear missiles, almost 8 out of every 10 feel that way, the 2 on the left are organized. Therefore, we end up in this situation. Those who want to retreat from the world, to retreat into a welfare state, to higher taxes, to decay, into a world that is permissive on drugs, that would ignore AIDS until it kills us, that would hide from the Soviet Empire, that would disarm and appease, they are a clear-cut community of the left and they protect themselves, they organize themselves, they know what they are doing and they cling together. If some of their friends are a little corrupt, that is all right, they will be taken care of. If some of their friends help communism a little bit, that is all right, they will be taken care of. If some of their friends need a few billions to compel Americans to give up their civil liberties, to be forced to join a union, that is all right, they will be taken care of.

Meanwhile, the rest of us are laughed at. We do not have power. We do not control the people's House. It is now the prince of politics who controls the people's House.

I made this speech because I went home to Griffin over the weekend and talk to people all day on Saturday. I told them why I honestly believe after 9 years of serving here that what I am saying today is accurate, it is candid and it needs to be said. I told them that I have no interest in serving in a Congress in which corruption is the norm and tolerated. I have no interest in serving in a Congress in which people are afraid to speak up because they are afraid someone will punish them. I have no interest in serving in a Congress in which the left dominates without anyone challenging it.

Again and again people said to me that they were afraid, they were afraid for their country because they saw the Iran hearings tearing us apart. They saw the Iran hearings weakening us in the face of communism. They were afraid of a country whose values they no longer understood. They were afraid of the AIDS epidemic that they were convinced they were not being told the truth about. They were afraid of the drug epidemic that they were convinced we were not defeating. They were afraid of the growing power of the left to coerce them on issues, to take money out of their pockets in higher taxes, to take money out of their pockets in compulsory unionism, to take money out of their pockets by raising the tariffs so they could not have choices as consumers. And then having weakened them on every front, to turn them into a welfare state in which the bureaucrats would decide how they could live.

Faced with all of that, my citizens back home overwhelmingly in town hall meetings, in a series of private meetings, again and again said it is time people stood up.

My message to my colleagues is simple. Over the next few weeks I intend to take the floor on a series of issues, on the way in which the Soviet Union wages political warfare in the United States, the degree to which we are penetrated by communism, the degree to which we have a very severe problem in Soviet, Nicaraguan, and Cuban active efforts to win in the United States what they cannot win in Central America.

I intend to take the floor on the AIDS epidemic and what I think is the greatest single public health scandal of modern times, the degree to which our public health bureaucracy has been consistently and systematically behind the curve on the epidemic of AIDS, and has been consistently in favor of ignorance instead of testing, in favor of avoidance instead of notification, in favor of protecting those who would be spreading the disease instead of protecting those who are healthy.

I will talk about corruption in the U.S. House, about problems which run to the very top of the U.S. House, about a history over the last 10 or 15 years of avoiding cleaning this place up.

These are not easy topics, but I would ask my colleagues as we celebrate the 200th anniversary of the Constitution, is this not exactly what the House of Representatives should be about? Is it not time we talked out, is it not time we told the truth to the American people and to ourselves? And if the place is a mess, is it not time we started cleaning up the mess?

I think most Americans are ready to take back their own Congress. I think most Americans are ready to have a Congress in which labor does not own the floor, the people do; big labor does not own the committees, the people do.

I think the American people are ready for a Congress in which issues that are just middle of the road, issues that are conservative, have as much chance to have an up or down vote as leftwing issues.

I think, finally, and maybe more important, the American people know that we live in a dangerous world. They know that Iranian extremists threaten us; they know the Soviet Empire threatens us; and they know that spies, political penetration, deliberate disinformation, and the active effort of the Soviets and the Cuban agents threaten us. And the American people would like to have a Congress that worked at making sure America survives. Then we can solve all of our lesser problems.

Mr. GRAY of Illinois. Mr. Speaker, will the distinguished gentleman from Georgia yield?

Mr. GINGRICH. I am glad to yield to the gentleman from Illinois.

Mr. GRAY of Illinois. Mr. Speaker, I thank my distinguished friend from Georgia for yielding and I hope we can disagree without being disagreeable.

Mr. Speaker, I saw a bumper sticker on a car as I came to work this morning and it said, "Did you wake up grouchy this morning, or did you let him sleep?" I would have to think that my dear friend from Georgia, I believe, woke up grouchy this morning.

I sat here for more than 30 minutes, and all he has done is to tear this body apart. He has even gone back to our Founding Fathers. And he made one statement that I just cannot let go by. He said the left owns the committees and the left owns the House.

Would the gentleman like to explain just a little more what he means by the left owns the committees, since he and I both serve on the Committee on Public Works and Transportation, and it is chaired by a very distinguished gentleman from New Jersey [Mr. HOWARD], whom I have served with for more than 20 years. I do not know of any bills that have come out of that committee that really were not almost unanimous. The gentleman from Arkansas [Mr. HAMMERSCHMIDT] of the gentleman's own party is the ranking minority member and a great American and a great legislator.

We passed H.R. 2, which is a bill that is going to help build up the infrastructure, the greatest public works program in the history of the country, and that passed the House almost unanimously, and we even overrode a Presidential veto.

We passed out a clean water bill in this Congress. We passed out a major housing bill, and we passed a bill for the homeless. We have passed legislation that is designed to raise up the social and economic well-being of the American people.

So I do not know what the gentleman means when he says the committee is owned by the left and the House leadership is owned by the left. I came here with the gentleman from Texas, Speaker WRIGHT, 33 years ago. There is not a greater red-blooded American than JIM WRIGHT. He fought for his country. He was an aviator. He has been in the forefront of legislation that is designed to help people.

I do not understand the gentleman's comment, and as I say, I have great respect for the gentleman as an individual, but his ideology and some of the remarks he has made here on the floor, I can only come to the conclusion that this could be a diversionary speech, because tomorrow the Iran-Contra hearings resume in the House. They are televised nationally, and being an old magician, I know you always use the right hand here to show what you are doing when the dirty work is being done over here on the left.

I did not mean to make a speech, and I yield back to my friend to tell me what he means by the left owns the committee and the left owns the House.

Mr. GINGRICH. Let me say to my friend I think it is possible to disagree without being disagreeable.

I would first refer the gentleman to the original quote which I cited which was by Howard Samuels of the AFL-CIO that was in Time magazine, and it was stated I think by the head of the political division of big labor that they were quoting him in Time magazine and said he boasted, and boasted is the word that Time used, he boasted that big labor owned the committees and big labor owned the floor agenda. I am sure the gentleman knows Mr. Samuels far better than I do. He may want to call him today and ask him what exactly did he mean when he said to Time magazine that big labor owned the committees and big labor owned the floor of the House. It happens to fit with the particular bill we are talking about which came out of the Committee on Education and Labor.

Mr. GRAY of Illinois. Will the gentleman yield further?

Mr. GINGRICH. Go ahead, I am glad to yield to the gentleman from Illinois.

Mr. GRAY of Illinois. I am sure the gentleman certainly would not take one Member, I do not care whether he is prolabor or antilabor, one comment of one individual out of 245 million and castigate and cast aspersions on all of his fellow Members of this body? As I said, he even went back as far as the Founding Fathers. I am sure that the Founding Fathers would not be proud of Ronald Reagan who raised more debt for our children and generations yet unborn in 6 short years than all Presidents from Washington up to and including Jimmy Carter.

So the gentleman can take almost any statement of any individual out of context, but certainly a pancake never gets so flat but what it has two sides. The other side of that story is that fellow did not know what he was talking about.

Mr. GINGRICH. Let me say to my friend I think he could go to virtually any neutral observer and they would agree that there are some committees of this House which have never reported a bill which big labor opposed in the last 30 years. Big labor does have enormous muscle in this building, and I think my friend would agree with that.

Mr. GRAY of Illinois. I wonder what big labor is? Is that the fellow that works in a garment factory out in my district, or a coal miner who belongs to the United Mine Workers that works in the bowels of the Earth, 800 feet below the surface on inspiration and perspiration? Is that big labor?

Mr. GINGRICH. I think those are the people that voted for Ronald Reagan and against the AFL-CIO endorsement of Mondale. I think the difference you are talking about, you put your finger on it. There are a handful of labor bosses that control the money labor spends and they make the decisions.

But let me carry it, if I could, one step further, because the gentleman made a comment that I cannot quite let him get by with.

Of the 30 deficits that the Democrats have passed in the U.S. House since they took control in 1954, only 6 were under Ronald Reagan. Twenty-four of those thirty deficits occurred under other Presidents.

Mr. GRAY of Illinois. If the gentleman will yield further, but when one adds all of those up, from 1954 to 1980, they pale in comparison to the six of Ronald Reagan. This is the point I was making.

Mr. GINGRICH. But I would say to my friend, is it not true that the gentleman's party controlled the House and voted for every single dollar of spending, and that without the Democrats, that under the Constitution if the House did not pass it, the budget would not exist, the spending could not occur, and that it is a little bit I think sophistry for Democrats who have owned the House since 1955, January 1955—I believe the gentleman was here then, if I remember correctly. Is that not correct, was not the gentleman a distinguished Member of that Congress?

Mr. GRAY of Illinois. Yes, and let us put this in proper perspective. This Democratic controlled House has reduced the total aggregate of Ronald Reagan's budgets by billions, and Ronald Reagan is now out pounding the table asking for a constitutional amendment for a balanced budget. Why do they have to hold a gun to his head? Why does he not submit a balanced budget up here so that we can take a look at it?

Mr. GINGRICH. I think this discussion makes my point. The people of the United States in every survey taken in the last decade favor a constitutional amendment for a balanced budget. I would say that the Chair has the power any time it wants to to ask the Rules Committee to report out a balanced budget. The Chair could deliver a balanced budget.

Mr. GRAY of Illinois. If my distinguished friend will yield again, that is a very important point, and I am glad my distinguished friend from Georgia raised it.

Would the gentleman tell me, if we could go retroactively to the 99th Congress, and last year have passed a balanced budget amendment, where he and/or his President, Mr. Reagan, would take that $200 million deficit out of? Would it be the sick and disabled veterans, would it be Medicare, would it be Social Security?

Mr. GINGRICH. My friend evades the question. I asked the gentleman, his party, the Democratic Party, controls the House, and why are you afraid to allow a balanced budget constitutional amendment to come to the floor?

MR. GRAY of Illinois. Because, if the gentleman will yield, we know Ronald Reagan. We know where he will cut it. He will leave it in the military and he will cut it out of the hides of housing, the homeless, Medicare, Social Security, food stamps, and job training. We know exactly where it will come from.

Mr. GINGRICH. I know the gentleman learned that speech at some point in the 1950's, and it is a great speech.

Mr. GRAY of Illinois. I talk from the heart.

Mr. GINGRICH. I know. But my question for the gentleman is, and it is the same list, and it is a powerful list, my question is if the American people by about 7½ to 2, if you look at the pooling data it is about 75 percent favor a constitutional amendment for a balanced budget and about 20 percent oppose it, if the 75 percent of the American people want a balanced budget and a balanced budget constitutional amendment, then if we are to be the people's House and now owned by a leftwing machine, do we not at least owe it to the American people to give them a vote so they can then decide which Members of the Congress in fact vote for a constitutional amendment and which Members come back home and talk one way but vote another?

□ 1420

Mr. GRAY of Illinois. I thank the gentleman for yielding.

Of course, they want to balance the budget. It sounds good. But when you connect it with a tax increase they say, "No." That poll just flips over the other way. And you cannot have both. You cannot have a growing economy and a growing population with 245 million people who have needs, many of them disabled, not able to work, you cannot cut the budget and have this bloated military budget.

When I retired from the Congress 13 years ago, the military budget was $98 billion. Under Ronald Reagan, he asked for $320 billion this year and he is not going to come off of that request. And you cannot over here have the tremendous buildup in military and provide for the sick and disabled people and the veterans and all of this country's needs and have a balanced budget without raising taxes. This President will not go along with increasing taxes.

Mr. GINGRICH. Let me ask my friend. In other words, we are back to what I thought was—and this is my exact point at the beginning of this special order—we are back to the fact that in 1984 when 49 States repudiated the Democratic candidate who wanted to raise taxes, the Members of the House, very decent people, very well-meaning people, basically said to the American people, "I am not going to accept your marching orders, I am not going to try to get to a balanced budget without raising taxes." Even if they do not want it, you are going to raise it if you can find a way to do it.

I will be glad to yield to the gentleman.

Mr. GRAY of Illinois. I thank the gentleman for yielding.

The gentleman just made my point. Walter Mondale made the point. People want all these things. When you present it to them "Do you want a balanced budget?" "Yes, I want a balanced budget." "Do you want to raise taxes?" "Absolutely not." Walter Mondale made that mistake. He put his foot in his mouth. And as the gentleman has made my argument for me.

Mr. GINGRICH. But this is what I mean by, "Princes of Power."

If we are representative and if 49 States reject the candidate of tax increases, is that not a signal to the U.S. House that maybe we should represent the will of the people and we should go out and try to find a way to control spending without raising taxes and punishing the family budget?

I will be glad to yield to the gentleman from Illinois.

Mr. GRAY of Illinois. I thank the gentleman for yielding.

Sure my friend says to go out and try to find a way. You have a teeter-totter. You are playing teeter-totter. Do you remember when you played it in school? One side goes up and the other side goes down. And when you cut $200 billion out of the domestic budget and continue to spend $300 billion defense, the tetter-totter is out of balance and the American people would not allow you to cut out Medicare, Social Security, veterans benefits and other needed programs. They would march on Washington.

So that theory will not work. It has been tried but it will not work. When you dance, you pay the fiddler.

Mr. GINGRICH. Let me ask the gentleman one more question. All of my friends on the left have this passion for attacking the defense budget as though it existed in isolation. Does it not scare the gentleman just a little bit that James which is the most authoritative British publication, says that the Soviet lead in space is not frightening? Does it not worry you just a little bit that at the peak of the Reagan buildup the Russians built twice as many tanks that year as we did and that was the peak of our buildup and they were just building a normal number of tanks. Does it not scare you a little bit that with Soviet help the Syrian Army has more artillery than the entire American Army? Now, are not defense budgets driven by our enemies rather than by our domestic budget?

I yield to the gentleman from Illinois.

Mr. GRAY of Illinois. I thank my friend for yielding.

When the gentleman takes a bath, I am sure, when the water gets up to the top of the tub he does not let it run over to the floor and ruin the carpet and the furniture. When we reach that point with nuclear weapons, when we can blow the Soviet Union up 15 times over, why does it make any difference what they do? They could build a million tanks and if we ever get into a war with them we have enough nuclear weapons to blow them up 15 times over. How high do you want the rubble to bounce?

Mr. GINGRICH. So my friend from Illinois would advocate nuclear war or surrender.

Mr. GRAY of Illinois. No, absolutely not, I would not advocate either one of them, but strength, and we have it has worked very well as a deterrent.

Mr. GINGRICH. Did not the gentleman——

Mr. GRAY of Illinois. When you get the tub full, turn off the spigot.

Mr. GINGRICH. Did not the gentleman say, and this is exactly my point about the British Labor Party and the German Social Party, did the gentleman not just say, and I do not want to put words in his mouth, but did he not just say in effect if the Russians rolled across a border, the border could be Iran, the border could be—again, Afghanistan reminds us that the Russians do on occasion roll across borders such as Czechoslovokia and Hungary—but did not the gentleman just say if the Russians were to roll across the border your defense policy, that of the Democratic left would be nuclear war or nothing?

Mr. GRAY of Illinois. No, I did not say that at all.

Mr. GINGRICH. Well, then, does it not worry the gentleman a little bit further——

Mr. GRAY of Illinois. If the gentleman would yield further, I am sick and tired of countries like Japan who are taking $55 billion more of our money out of our economy and buying up skyscrapers and hotels in Hawaii and New York City, not defending their own country. I am sick and tired of NATO—and here we have rioting going on now in South Korea, where we have 35,000 troops over there doing nothing but watching people that have these robust economies and with our tremendous deficit, ought to be doing more. We ought to be pushing those people, not beating our own people over the head by denying their needs.

Mr. GINGRICH. So, would the gentleman cut defense spending and weaken our position in Europe?

Mr. GRAY of Illinois. Cut defense spending? One month ago I just voted on this floor for $290 billion.

Does the gentleman know how much that is? While he and I have been talking the Pentagon has spent $60 million. They are spending 1 million dollars a minute, $60 million an hour, $1 billion 200 million a day, and almost $300 billion a year, and you call we Democrats soft on defense? Come on, my friend.

Mr. GINGRICH. Well, wait a second. That is also less spending than Jimmy Carter called for in his last year in office.

Mr. GRAY of Illinois. Well, those are semantics.

Mr. GINGRICH. Well, wait a second, that is a fact, not a semantic. The fact is this Congress has cut defense, the fact is the very Democrats who complained about the *Stark*'s equipment are the same Democrats who failed to equip American ships and American troops adequately.

I would be glad to yield to the gentleman.

Mr. GRAY of Illinois. The gentleman says we cut defense spending. What we did, we cut Ronald Reagan's budget request. That game is as old as I am. And that is you always ask for more then you need or expect to get. So everybody is happy. He sends up a $320 billion budget that he knows is not going to be adopted. Then we approve $290 billion and reorder that $30 billion into domestic spending and they call us weak on defense.

Mr. GINGRICH. So it does not worry the gentleman the Janes authoritative publication says the Russian lead in space is frightening?

Mr. GRAY of Illinois. Beg pardon?

Mr. GINGRICH. It does not worry the gentleman that Janes, which is the authoritative British publication, says that the Russian lead in space, for example, is now frightening.

I yield to the gentleman.

Mr. GRAY of Illinois. Does the gentleman really believe that any kind of publication in this country or in England knows about what our responsibilities are in the world?

The gentleman loves to lift out of context all of these publication statements.

Mr. GINGRICH. My answer to the gentleman is "Yes."

Mr. GRAY of Illinois. The gentleman loves to lift out of context all of these publication statements. If "Cap" Weinberger, our Secretary of Defense, tells me that $290 billion is not enough I might listen to him.

Mr. GINGRICH. He has said that. He has said that publicly. I cannot believe that the gentleman asks that question.

Mr. GRAY of Illinois. Says what?

Mr. GINGRICH. The Secretary of Defense, Secretary Weinberger, said flatly that that is too small an amount and it risks our national security.

Mr. GRAY of Illinois. Yes, to go ahead and build Sergeant York weapons for $1.5 billion when you have other weapons then scrap it. You go ahead and buy and build a lot of stuff you do not need.

Mr. GINGRICH. Well, wait a second. Now we are back to the question, my earlier question. In order to avoid nuclear war you have to have a strong conventional military. Now, is the gentleman saying that he prefers nuclear war or surrender or does he want a strong conventional military? You cannot have it both ways.

Mr. GRAY of Illinois. If the gentleman would yield again, the gentleman is posing a hypothetical question: Do we want to surrender? No.

Mr. GINGRICH. Well, let me ask another question.

Mr. GRAY of Illinois. You know, my friend, I laid in a fox hole in World War II and I think I know as much about war as the gentleman from Georgia. I spent 2 years in Italy, in southern France, on the island of Corsica. And I have been shot at all my life. I am going to vote for an adequate defense. But when we catapulted this budget from $90 billion 13 years ago up to $290 billion which this Democratic House approved this year, I cannot believe that anybody would say we are soft on defense.

Mr. GINGRICH. Let me ask one other question. I also talked a little bit in my special order about the current problems with ethics in the House. What is the gentleman's reaction to all that?

I yield to the gentleman.

Mr. GRAY of Illinois. If the gentleman would yield, I have not found a Republican-appointed prosecutor in this country who is not eager to prosecute. Here in the District of Columbia, you have the Mayor—I do not know whether he has committed any indiscretions or not—but he went to court over the weekend to even find out what they were accusing him of because they have all these investigations and then they leak to the press everything that they are doing. We have a Member from New York, a fine Member of this House who is under indictment. We will leave it up to the courts as to whether or not he is guilty. But I do not know of a prosecutor or a judge in the United States that if they find wrongdoing will not bring you up to the bar of justice. So I do not know what the gentleman is talking about.

Mr. GINGRICH. This is a quote from the New York Times today referring to a senior Member of the House, quote, "For the first time in the FSLIC" which is the Federal Savings and Loan Insurance Corporation, "For the first time in the FSLIC we are seeing recurring attempts to use political influence to prevent FSLIC from taking effective enforcement action against hopelessly insolvent thrifts. Such interference from influential powerful Members of Congress will increase FSLIC's losses. Somebody is going to have to pay for the losses." They are quoting William K. Black, Deputy Director of the Savings and Loan Insurance Corporation, page 10-B, New York Times today. There is a whole series of these problems.

I will be glad to yield to the gentleman.

Mr. GRAY of Illinois. First of all, the gentleman from Georgia knows that a Member of Congress is just a spokesman for approximately 535,000 people. You get all kinds of requests. You would be derelict in your duty if you did not contact these agencies when requested to do so. I do not have any idea what caused the matter the gentleman refers to, but I am saying somewhere probably several bankers called that Member and asked him to intervene.

Mr. GINGRICH. In this particular case, if I can cite the New York Times, it says, "The person involved is a former finance chairman of the Democratic Congressional Campaign Committee and a member of Impact '88, a group of prominent Democratic fundraisers for the 1988 Presidential race. He has contributed thousands of dollars to the Speaker's appreciation fund and has said he plans to raise money for the Presidential race." The point of this being is not one of your random down home constituents who came by the town hall meeting and said, "Boy, do I need an ombudsman." This was, at least according to the New York Times, this was somebody who had some direct interest.

REBUTTAL TO CHARGES RAISED IN PREVIOUS SPECIAL ORDER WITH REGARD TO FSLIC

The SPEAKER pro tempore (Mr. DERRICK). Under a previous order of the House, the gentleman from Illinois [Mr. GRAY] is recognized for 5 minutes.

Mr. GRAY of Illinois. I thank the Chair.

Mr. Speaker, may I have the attention of the distinguished gentleman from Georgia? Since the gentleman was kind enough to let me use up a great majority of his time, I have five minutes and my distinguished friend, the gentleman from Texas [Mr. GONZALEZ] has a few questions he would like to ask. I yield to the gentleman from Texas.

Mr. GONZALEZ. I thank the gentleman for yielding.

More than a question, I wanted to clarify what otherwise would be a serious, very serious and I think damaging insinuation to members of the Committee on Banking. I happen to be the ranking Member of the Committee on Banking, Finance and Urban Affairs.

When the gentleman, Mr. GINGRICH, mixes his facts up I feel it imperative that he be straightened out.

FSLIC is in dire straits because of the dire straits of the industry that it is set aside to protect, to insure, that is the savings industry.

One year and three months ago, this committee of ours asked GAO to tell us what the needs for recapitalization would be for FSLIC. This was a request on the part of the committee.

The industry was making statements, public and otherwise, to the effect that it was fully capable of handling the matter. One year and two months ago, or three months ago, GAO gave us a report in which they stated it would take no less than $23 billion of recapitalization in order to enable FSLIC to do the job that needs to be done to protect those depositors who in good faith were continuing to deposit their money in institutions that were either insolvent or in the process of insolvency and would not be able to hold up or be shored up.

In the meanwhile, we had the concomitant depression in such States as Texas, Louisiana, to a certain extent, California. When the gentleman says that this particular interest had either contributed money or had tried to influence the judgment for a reduced amount of capitalization, I want the gentleman to know that we passed out of the committee by a close vote a $15 billion recapitalization. But when it reached the House floor it was the overwhelming preponderant majority of the Members of the House that reduced that to $5 billion.

□ 1435

Now, I want the gentleman to correct his insinuative statement because he must then accept the fact that this is the same industry that lobbied very hard between the time that the bill or the resolution was approved by the House and the time the House debated it, and he must show that the overwhelming preponderant majority of the House Members must have been improperly influenced. I think the gentleman does not mean that. I think the gentleman has reached highly improper conclusions based on a history that shows contributions made without discrimination to party affiliation or rank, for that matter, to Members of the House generally and members of the Banking Committee specifically.

Mr. GINGRICH. Mr. Speaker, will my colleague, the gentleman from Illinois, yield to me?

Mr. GRAY of Illinois. I yield to the gentleman from Georgia.

Mr. GINGRICH. Mr. Speaker, all I say to my friend, the gentleman from Texas, is that I was quoting from a New York Times story today which quoted William K. Black, who is a Democrat and who is a deputy director of the Federal Savings and Loan Insurance Corporation, who said, talking about part of this behavior—and this goes back for the last 2 years—who said, "It was an absolutely unprecedented step, really incredible. What a precedent it established for folks who have the political muscle to get an investigation started."

I am just quoting Mr. Black, who is a Democrat and who has been on the board since April 1984 as the senior associate general counsel, and what I am suggesting is that this is similar, as my colleague knows, to other allegations made earlier about the chairman of your committee in terms of—I believe it was another Federal bank institution, not FSLIC. All I am suggesting is that we have a significant series of ethics problems in this House. We do not have an adequate mechansim for dealing with them, and we as Members of the 100th Congress have a moral obligation, I think, to go out here and work on this whole problem: how do we set clear, open rules?

The SPEAKER pro tempore (Mr. DERRICK). The time of the gentleman from Illinois [Mr. GRAY] has expired.

A SUMMING UP OF FOUR BASIC ISSUES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. GONZALEZ] is recognized for 60 minutes.

Mr. GRAY of Illinois. Mr. Speaker, will the gentleman yield?

Mr. GONZALEZ. I yield to the gentleman from Illinois.

Mr. GRAY of Illinois. Mr. Speaker, I want to thank my distinguished friend for yielding. Before he gets into his dissertation, I want to make just a couple of concluding observations.

As I said earlier, I have great respect for the gentleman from Georgia [Mr. GINGRICH]. He serves on the same committee on which I serve, the Public Works and Transportation Committee. He is a learned Member. But I rose reluctantly today because I really resent anyone getting up and saying that any Member is owned by the left, that the leadership of this body is owned by the left. I assure the Members that this 12-term Member from the 22d District of Illinois is not owned by anybody except the constituents who sent me here.

I also want to say that I came here on the same day that our beloved Speaker, JIM WRIGHT, came here, and I know, having had my office next door to him for 20 years, that he is not owned by any one group or any one individual.

I think the record ought to be extremely clear that in my personal opinion some of these remarks may be smokescreens, because we know what is going to be waffling over the airwaves starting tomorrow in those Iran-Contra hearings, and I think we Democrats have the responsibility of defending what I consider to be an outstanding legislative record.

We have already had, I say to my friend, the gentleman from Texas, 200 rollcalls so far in June. That is almost unheard of. I am sure the gentleman would agree with me that it is usually the last part of the year before we reach 200 rollcalls. The gentleman from Texas, as we know, worked up a very fine housing bill that this administration was opposed to. This is the first housing bill in 6 years, and it will give low-income people and senior citizens a decent place to live. We also passed a clean water bill and a highway bill. I could go on and on and on. I am sure that neither one of us wants to allow the record to stand by saying that this body is doing nothing but fighting each other and that it is filled with a bunch of crooks and left wingers.

I do not think the gentleman from Georgia meant to say that, but that is the impression he left when he talked about everybody, every committee and every Member of the House being owned by the left.

Mr. Speaker, I want to thank my distinguished friend for yielding.

Mr. GONZALEZ. Mr. Speaker, I in turn want to thank my distinguished colleague, the gentleman from Illinois. I thank him personally as a Member of the majority side for his fortitude and courage to stand up and at least clarify the record. All we have is just one voice, as the poet says, to "undo the folded lie," and I think it is imperative upon us to stand up every time our integrity, our honor, or our patriotism is questioned. This has been my fundamental principle.

At the same time I must say that the record and the words speak for themselves, and we all have a debt of gratitude we owe to the gentleman from Illinois for his very capable work and for the very competent manner in which he addressed this discussion this afternoon.

The facts are there. The results are there. Labels I have never had any use for. I have never used this forum for purposes that I leave and reserve for the politial stump back home. Nobody in all the time that I have had the privilege of utilizing special order time can say that I ever indulged in political stumping, because I think that abuses this great and high privilege of ours, to have this extra time to address those matters in a more in-depth fashion than what the limitations of debate time allow us during the consideration by the full House.

I think it is to be regretted that any one of us would question motives and actions of other Members in very insinuative terms without any specific allegations. I think the record will show that in just that one instance when I got up the answer just was not forthcoming, because the record is here to show what the committee did despite industry lobbying and what the full House undid. I think that is just one example.

I also feel that the privilege given us of these special orders is of such a high nature that its abuse can easily lead to the loss of this privilege. I consider this a privilege. I am a student of the history of when and what gave rise to special orders. I thank the gentleman for his efforts to maintain the purity and the integrity of the process known as special orders.

My purpose, Mr. Speaker, today is a summing up. That is what I would entitle this. And again, out of this great privilege, I would repeat the respect I hold for every one of my colleagues. We disagree, of course. That is why we are here, to parley, to discuss, to argue. So naturally we disagree.

But I have met many Members elected to this body, and I have served since I have been here with close to 6,000 different individuals, men and women, Ph.D's, ex-atomic submarine captains, scientists, atomic and otherwise, great teachers and leaders of colleges and universities, plain, ordinary working folk, painters, former laborers, and Members who had a very distinguished record, even though they had no privilege of more than five grades of formal education, and I think that it would violate my own sense of self-respect to, in the course of debate—no matter how passionate the debate—cast aspersions as to motives.

Motives, I think, are revealed by actions. At least the law says so, and our actions, not our words, are the best record.

In my case, I want to sum up on the four basic issues of the immediate past year, beginning with the last half of the year 1986 and extending now almost through the first half of this year.

□ 1445

I will address its seriatim beginning with the last issue I discussed on the floor and proceeding in reverse order, chronologically speaking, to the first that I really developed indepth last year.

The first is the question of the filing of charges of simple assault after 5 months, unprecedented in Bexar County to be filed on the county or district attorney level, but which obviously has been 100 percent politically motivated, and the fact that I addressed the House on that issue for one reason, and for one reason only, though it has been misinterpreted back home by some editorial writers and some columnists, and particularly some cartoonists who have tried to ridicule, bring about what I would call almost a calumny, hold me up to ridicule and contempt by criticizing the fact that I took to the floor to address this matter.

The reason I did was not because it involved me, but because it involved the immunities of the House, the entire membership, and particularly in view of that fact that there is now pending in another jurisdiction involving a Member of this body, a colleague of mine, in the State of Tennessee the similar validity or question of a so-called gag order, also unprecedented in the history of this level of decorum in the county of Bexar which I come from.

There was a gag order announced of dubious validity, even in its structured sentencing. However, it was immediately interpreted by the press as being directed to me exclusively.

In view of the fact that the Constitution, article I, section 6 provides that immunity to Members not only of the Congress but to State legislators, every State constitution I know embodies the same provision which is inherited from the English Parliament when tyrannical, overbearing kings who tried to intimidate members of the parliament by bringing about either their threatened arrest or their actual arrest or their condemnation for utterances made in the course of debate that the king did not like, and so this is an integral part of the first article about the Constitution, article I, section 6.

I took it, because at that time also it was in my opinion incumbent that I do so, because it did not stop on my person alone, but was involving every single Member of the Congress or similar body as the Congress.

At that time, even though I was ridiculed, criticized, and as I said as late as last week, two rather bitter and derogatory cartoons, the fact is that when asked, this same judge said that he was about to take a vacation, and that he would ponder the matter and come back after 2 weeks.

He did, and I want to announce to the Members, and I will include in the RECORD the report of his conclusion, after he admitted he had time to read the Constitution, and very gallantly said, and very cavalierly, that I was within my rights, and I certainly had the privilege to speak in the Hall of the House. That was mighty fine of him.

I would like to inform everyone that I am also rising in behalf of those who do not happen to be Members of Congress, because I think that the order of the judge is as invalid and overreaching as any dictum improperly issued by a judge, or a member of the judiciary.

On the other hand, there were also remarks attributed to the gentleman lawyer who had proffered his help and who apparently, because for whatever reasons, caused me to lose confidence and trust in his judgment and service; and I, therefore, had proffered help also, and I called a long-term friend, probably the most competent legal expert in that territory, Mr. Pat Malony. He, together with his associate for this matter, Mr. Jack Leon, very graciously accepted the charge of pursuing the defense of my interests, so I fell very confident in their topnotch capabilities and qualifications, as well as their integrity.

In the course of the statements made by this original attorney, he made reference in a newspaper to the fact that he had not heard from me, whereas I had written him in May in writing. In fact, it was holographic; it was not typed, but it was in my own handwriting, in which I said that I at that moment was my own counsel, and would have to seek other counsel, competent counsel.

Whatever reason or motive there would be in saying that I was not heard from, I do not know; but he said yes, he had a letter, but he did not dare show it, because it would be so embarrassing.

I will include that letter in the RECORD, and every one of the preceding letters for the past 3 months will be included in the RECORD in order to clarify that situation, because as happens in these cases, detractors, opponents and outright enemies—I have had my share of the "bitterist" kind, and I have been shot at.

I have had attempts to frame me going back to 1954 when I was on the City Council of San Antonio, and at that time I literally was alone, and one of the newspapers was in, as we say in Texas, cahoots with the maligners, and those who thought that all they had to do was bring this kind of a threat and thrust, and I would be scared as the ex-city attorney who was masterminding the framework said in a bar that night, "We will scare this little SOB Mexican to where he will wish he had never heard of the city council," and of course, here I am some 33 years later still in public, elective office; and they are long gone and forgotten.

I have had shots taken at me. As a matter of fact, as I stated on the first occasion when I addressed this subject matter, and by way of background gave the reasons why the police, under the circumstances that they did, 10 days after the occasion, said to me that it was obviously political, that this kind of matter they would get four or five cases a day, and they would not go anyplace; and if they did, they would go to the municipal court or city court, or maybe at the worst, the J.P. court.

I said, "Why the difference?" They said, "Well, this is you, this is a Congressman."

Also, I must point out that I never have been fully accepted by the economic powers that be who do control the news media, both printed as well as electronic.

At no time have I been fully accepted since the beginning. I was the first to break through that total control that existed in my city and county.

In 1950, the first time I ever sought any kind of office, and in 1956 when for the first time, unaided with minimum, in fact subminimum funds, I defeated the unbeatable, the undefeatable incumbent State senator.

It was a revolution. I did not expect to win. Nobody else did, but the people came through, and it seems that all along I have not had these powerful forces; and if they do what they have done after trying and spending quite a number of thousands of dollars, they have just kind of accepted the fact, but now and then they come out of the woodwork.

When they think they have got something on me, that is when they really come out in all their glory and grandeur.

☐ 1455

But I want to say that I owe it to the House of Representatives to sum up and say that at this point the case will proceed as it probably should have from the beginning, that there is no question about it, the series of events that led after 5 months a malicious district attorney to file this kind of an unprecedented and selective case, this is a selective case, it is not a general case, so that in the due course of time that will all come out.

At this point I just want to report to the House that the county judge who had issued the gag order as of last week publicly stated that, yes, the Constitution did say that such a right existed and he recognized it and respected it.

Now, on the other hand, I recognize a legitimate reason. Generally during the trial of a case is when one hears about a gag order, but even at that, I am willing to respect and have continued to respect any kind of admonition to not discuss the merits of a case, and that is what I have tried to do. That I have done, both on and off the floor, because the reason I was impelled to take a special order to begin with, one in the beginning for 5 minutes and the other for a few more minutes on the second occasion, was to stipulate the course of events. I did not refer to the merits and I will continue to refer to what are obviously inordinate, unprecedented, procedural methods.

I pointed out that had it not been for the county clerk, the same judge who is going to have the case would have had a warrant issued which would have been unusual, because the main practice is to have process sustained and papers signed; so that I want to put these papers in the RECORD and clarify that point.

The next and the second to the last issue was, of course, dealing with the impeachment resolution directed toward President Ronald Reagan that I submitted to the House on March 5 of this year. I had six specific recitals or articles of impeachment and, of course, the general, which is sufficient and has been more than not in past impeachment cases involving not only Presidents, but other than Presidents.

In this case, there is no question in my mind that the Congress has indeed abdicated a trust and that is to exercise its constitutionally granted authority to restrain a President who has been conducting war. The Constitution provides that only the Congress and the Congress only can declare war, so that in following the impeachment proceedings and given the utterances of the President after the attack on the frigate *Stark*, I introduced another resolution with respect to the War Powers Limitation Act. This I think the Congress had best address one way or another.

With respect to the impeachment resolution, it was submitted after 6 months, or a little less than 6 months, that is, since last November 1986, and the President's nationally admitted acts that he took. Everybody has forgotten what the President said on national TV on November 11 last year. Just taking his utterances at face value, he in effect has tacitly admitted to three violations of our statutes, and actually a fourth, but one which you could say, well, maybe he just did not have an opportunity to notify, but nevertheless, a violation of the law.

The resolution has been honed and very carefully prepared. If ultimately any decision is made by any committee to affirmatively vote articles of impeachment, this resolution will not be able to be improved upon. I have a great debate of gratitude to my legislative assistant, a young attorney by the name of Nick Bourne. I think he worked very diligently and most effectively. No million dollar lawyer can do better, I will assure my colleagues.

But the main impelling reason for the timing in March is and was and continues to be that the President is on an inexorable course of intervention with our own troops in Nicaragua, which I did consider and have considered and consider his course of action in Central America as being the most catastrophic, the most disastrous to the future well-being of our country and our future generations of anything ever done by any President, even in prior invasions of Nicaragua. You know, we have invaded Nicaragua 9 times since 100 years ago. In this century alone, we have invaded Nicaragua 7 times. The last time, and I never dreamed that a President in the late part of the 20th century would ever go back to Calvin Coolidge's gunboat diplomacy. Coolidge's Secretary of State used the same rationale in the white paper. Frank Kellogg was the name of the Secretary and he used the white paper rationalizing the invasion of Nicaragua and its occupation for 13 years. We imposed the Somoza regime. We had the Marines there for 13 years. We built his National Guard in order to perpetuate the Somoza regime, the most corrupt, the most tyrannical, the most thorough-going oppressive regime of any country in any land.

Do my colleagues not know what is going on south of the border? Do my colleagues know what has been going on in Guatemala, where we have sanctioned, aided and abetted genocide of the poorest and the weakest human beings on Earth, the Indian tribes up in the mountains of Guatemala?

I have spoken from this floor for 4 years with respect to that genocidal American-sponsored genocide.

Do we sit here and wait for judgment of God himself?

Sure, my impeachment resolution can be laughed at. Sure, it can be ridiculed. I have been ridiculed before many times, but I appeal to a higher judgment that I am sure has already impeached our President, just as Napoleon was impeached by a higher order when everybody thought he was winning victories and got his Waterloo. We are answerable to a higher power, both individually and collectively.

What right do we have to pillage and plunder by agents called the Contras, what I call the immoral equivalent of our Founding Fathers, which our President in a monstrous distortion of words dares to call the moral equivalent of our Founding Fathers? Our Founding Fathers never raped. They never pillaged. They have plundered. They did not thieve. They did not engage in drug trafficking, which the Contras do and continue to do, and they will never rule, even if we were to send our soldiers in to help them tear down Nicaragua. They will never rule. The Nicaraguan revolution is from the people.

□ 1505

And after suffering—and I wish that my colleagues would take time to go to the very places where hundreds of thousands of fingernails extracted from the political victims of Somoza were extracted—where were all of these rightwing, if you please—as much as I detest labels, this is the way they describe themselves on the floor—where were they when human rights were not even thought of in Nicaragua? Where were our leaders worrying about civil rights and proverty and oppression and tyranny in Nicaragua? Why as long as our corporate interests like United Fruit, who controlled thoroughly and completely the state that we are occupying, Honduras—just last week, finally, one of the Honduran leaders went to their Congress and said, "We don't want the Contras here. We don't want the Americans here." We are occupying Honduras. We had 50,000 of our soldiers there just in the last month of May.

So knowing that, I thought that my impeachment resolution, if all that it could receive would be just a hearing in a subcommittee—What are we afraid of? I will plead the case, and then the Members can judge it. But let us do it, because the President is unrestrained, the President is willful, he is in heedless disregard of this Congress, he has mocked it, he has disdained it, he has acted unconstitutionally. Are we to sit here and remain silent because of the threat of political loss? Of what?

My dear colleagues, arise. You have nothing to lose but your seats. And I say that the American people, charged with knowledge, which they do not have fully, would rise as one and say, "No, we don't stand for that, because that's against every one of the traditions, moral and otherwise, of our Founding Fathers, of our Constitution."

What the world clamors from America is not bigger bombs, it wants moral leadership, moral leadership, and certainly that is the situation the resolution is attempting to address.

The other, the third-to-the-last issue, which continues unabated, is that force sinister that has destroyed America's economy. We can talk all we want to about who is to blame—Carter, Reagan—but the fact is that just within the last 2 years, for the first time since 1914, America is the biggest debtor nation in the world. We have sold our substance out. Our main lands, shopping centers, other industrial activities, are now controlled by fickle foreign capital, where they control the destiny of our economic wellbeing.

What is at stake? What I said was at stake 15 years ago, not last month—more than that, more than 15 years ago, I go back to the middle sixties, when I said the issue was our vaunted American standard of living.

Since then we have become an importing nation, not an exporting nation. Last year we imported more food than we exported. That has been unheard of. My colleagues 15, 20 years ago, the leaders then of this House, would have died a thousand deaths before allowing any such thing to happen, but the Congress has looked the other way.

Some of us raised our voices, and we have since 1965, particularly the credit crunch in 1966, and the reason that I speak today is because since I spoke on the subject matter, particularly with reference to the Federal Reserve Board, we had had a change. The Chairman about whom I introduced not once but in three Congresses in a row, impeachment resolutions, and oh, I wish that my colleagues would at least have had a little hearing on one of them. I had specifics. I was not alleging vague generalities. I was not just flinging arms in the air. And I was predicting that the insidious negative destructive high-interest-rate factor was destroying the very economic fiber of our backbone, the small business, in our country.

That continues unabated. In fact, the stories are how in the last month or so interest rates are going up again. "Oh, but inflation has been controlled." As I said 3 years ago and 4 years ago when they were talking about the Reagan prosperity, how interest rates had gone down, how inflation had been controlled, I do not find that to be the case when I go with my wife to shop for groceries. I do not find that in my utility bill. My utility bills are going up every month, whether it is water, light, or gas.

What about rents? I am the chairman of the Housing Subcommittee of the Committee on Banking, Finance and Urban Affairs of this House of Representatives, and let me tell you, if you can find affordable, available, for moderate income families, a decent and safe home or apartment for rent at an affordable price, where you do not have to pay more than 45 percent of your income, I would like to have it listed. All you have to do is just go into the immediate vicinity of Washington, DC, and see for yourselves.

So who is deluding whom? Why has this come to be? Because we have left the American people stripped of all protection from extortionate, usurious rates of interest. I have introduced bills since 1965 with respect to the Federal Reserve Board. It does not make any difference whom you change as manager. The Federal Reserve Board is not accountable to the President. It is owned and it belongs to the private commercial banks, and the way that it has been operating since the middle fifties, that means the seven biggest banks in the United States, and that in turn means that they will determine the interest rates that you pay, and that means that you will be fleeced, you will be extorted, you will be robbed, every time we allow this.

The Congress has seen fit to do nothing about interest rates. In fact, it has gone the other way around and has taken action on the national level that I protested, and compelled those States that still had some semblance of antiusury laws to repeal them, all in the name of what? Competing for funds or capital. But in turn, what we have done is given up again our substance. We have given up our heritage, our inheritance. For what?

What is the state of the economy at this point? Well, you have a proximity of a monetary earthquake, because now the question is which will come first, the national or the international? We are now subject to such forces over which we have no control that no matter how many decisions we take domestically, we will still be very vulnerable. I pointed this out in a floor speech that I made in August 1979, pointed out how for the first time, we had reached in our financial institutional picture that rule of thumb that the really big international bankers, the IBS—the International Bank of Settlements—has always had. These are the real big cookies. They are the ones who are telling our financial leaders how the cow eats the cabbage. And, of course, that means that the American people are just patsies. They are not even pawns, they are just patsies. And we have become, as I said, an importing nation. We are now at the mercy of external forces over which we have no control.

We read about the recent Venice economic summit meeting. Some will recall the economic summit meeting in Bonn of 1985, the first week in May. You would have thought that all that the President went there for was to go lay a wreath of flowers at a Nazi cemetery. On the contrary, when he went to Venice a few week ago, he did not go there to ride the gondolas, but he went there and found out that the same people had developed what I have been speaking about single and lonely in this entire Congress, the development of the European Currency Unit—the ECU—and the European Monetary System—the EMS—which is intended to and has in effect begun to supplant the dollar as the international reserve unit.

□ 1515

What does that mean to you and me? That sounds like a lot of talk. It means everything. It means everything. It means our integral economic well-being. It means our standard of living which has already eroded. Which American can tell me today that he can work easier and less to earn the same amount of money he was a few years ago and is still barely trying to make those ends meet? I want to see him.

I pride myself in being in touch with the people in my district. I pride myself very much in that because I feel that to be presumptuous enough to call myself a Representative, like I studied in engineering the so-called asymptote, the curve which is defined in mathematics as that curve which is always approaching the axis but never quite reaching it. It is like our effort to try to seek perfection in human life. It is the same thing trying to represent over one-half of a million fellow Americans. It is easier said than done, and I think it takes more than those human endowments with which God has given us. So it means we have to try hard and, therefore, I feel that the first and main principle is one, to be honest and to be fair, and to try to seek the greatest interest of the greatest number.

That also sounds easy, but it is not easy at times. It takes a lot of doing. But I think that is the challenge and I think that this system to which I owe all, that I am so sensitive to, is the abuse of it, it is to that system that I rise and I speak.

This is the only reason I would speak about President Reagan. It is not comfortable for me to say that. I respect the office of the Presidency but I have always detested the abuse of that or any other office in a democracy, for in a democracy we are doomed, we are doomed as a free people. Free people, free nations all through history have never lost their freedom in one fell swoop. They have lost it by increments as we are losing our freedom here today. And even at that, hand in hand with political freedom is economic freedom.

We are creating underclasses in our country, what they call in Europe a lumpen proletariat, and under this regime of President Ronald Reagan, who believes in the old English saying, the rich man in his castle and the poor man at his gates, each God has in his separate state. That is not American. American is if you have what it takes, no matter what you are, no matter what the color of your skin is, no matter what church you go to, no matter how poor you are, no matter how rich you are, you shall have a chance. This is the issue today. And if I speak on these subject matters, that is why.

Then the last subject which was the first I started out with last year, and I spoke for at least 3 hours, three separate 1-hour discussions, and that is the continuing peril we face with our close to 2,000 men that we have in the Sinai. How many Americans know that we have 2,000 of our soldiers in that desert, subject, you call it terrorism, if anybody is subject to that it will not be the ships in the Persian Gulf, it will be our soldiers that we have as a result of the 1982 action here on the floor, that I got up and deplored with just a handful of us here.

Since the Fiji Islands were producing the next in numbers of soldiers with the so-called peacekeeping group, military group, mind you, not a civilian group, with our 2,000 or so soldiers, and since the Fiji Islands have had a disruption in their governmental affairs, led by the commander of the Fiji troops in the Sinai, what is our vulnerability? I ask the Congress to please reexamine. I have been asking this since 1982, because the Congress did an unprecedented thing that it had not done since 1789, the First Congress to sit, and that was it mandated the formation of a military group and mandated it and deployed it. This has never been done by the Congress and it is vulnerable, it is being held hostage.

What was the reason for its creation? In order to safeguard the Camp David agreements, but the Camp David agreements the United States is not a party to, it is not a party signatory. It is between Egypt and Israel, and with the deterioration of the situation in the Middle East and in Egypt particularly, I say, my colleagues, let us reevaluate these hostages, because that is what they are, that we have assigned to the desert of the Sinai. I think we owe it to them now when we can do it, not after they have been assaulted. They have no armor, they have no air power, and they are subject to a well equipped—all they have to have are some recoilless rifles of some kind what we would call terrorist groups, but which some Middle East groups would call heroes, and these are the subject matters I wanted to sum up. And I do so, and I am grateful for this opportunity.

Letters and article referred to follow:

JUDGE SAYS GONZALEZ DID NOT VIOLATE GAG ORDER WITH SPEECHES IN CONGRESS

(By John Tackett)

The judge scheduled to try U.S. Rep. Henry B. Gonzalez on charges that he slugged a man said he does not believe the San Antonio congressman violated a gag order by talking about the case on the House floor.

County Court-at-Law Judge Tim Johnson made the comments Monday, saying Gonzalez had special congressional immunity when he spoke about the Dec. 4 incident at Earl Abel's Restaurant.

The congressman has made three "special orders" speeches in which he lambasted those involved in the case against him.

Gonzalez did so even though Johnson issued a gag order against all parties in the case.

"If you read the Constitution," Johnson said, "it's clear he (Gonzalez) does have immunity."

He said he would deal with any accusation of contempt of his order at a pretrial hearing scheduled for Aug. 10, The trial is scheduled for Aug. 24.

In his first speech, Gonzalez said he feared the man he punched, Bill Allen, would pull a knife on him.

The speech was made to an almost empty House hall, but broadcast across the nation on C-Span, the cable network that airs government proceedings.

In the speech, he admitted the incident happened after he asked Allen to stand up and repeat his accusation that Gonzalez was a communist.

Johnson also said Monday that questions over who will represent Gonzalez remain unresolved.

Gonzalez's attorney of record, Charles Butts, filed a motion to withdraw after Gonzalez lashed out at him in a speech, saying he was part of a Republican conspiracy.

It appeared Monday that attorney Pat Maloney will represent the congressman, but nothing formally has been filed.

Johnson has not acted on Butt's motion.

"I don't know who is representing him at this point," he said.

The judge said when another lawyer files to represent Gonzalez, he will act on Butt's motion.

Maloney said he was asked to consider representing Gonzalez.

"I have made a decision, but what that decision is should come from the congressman himself, since there is an attorney-client relationship involved," Maloney said.

Also, no motion has been filed to move the trial on a change of venue.

"I anticipate a lot of spectators," Johnson said. "I am going to use Judge (Carolyn) Spears' court."

MAY 30, 1987.

MR. CHARLES BUTTS,
Attorney, San Antonio, TX.

DEAR MR. BUTTS: This is merely to acknowledge receipt of your last and quite condescending and self-serving letter.

You have delivered me unto mine enemies. Need I say more?

HENRY GONZALEZ.

SOULES, REED & BUTTS,
San Antonio, TX, May 27, 1987.

Re your letter of May 23, 1987 concerning your case in County Court at Law No. 5, Bexar County, TX.

Hon. HENRY B. GONZALEZ,
U.S. Congress, Rayburn Office Building, Washington, DC.

MY DEAR FRIEND: I returned this morning from a trip to Austin yesterday and have just read your letter of the 23rd (which was read to me on the phone yesterday afternoon). I am somewhat bewildered by your letter.

When I arranged for your PR bond; the filing of it by me instead of your having to appear; the waiver of your personal appearance for arraignment; the setting of the case due to your Congressional obligations for August the 24th; et cetera—I also agreed as a part of the "deal" or "package arrangements" that we would file a waiver of Speedy trial. This was made necessary in view of the passage of months from date of the issuance of the complaint and information in County Court to the date of August 24. Actually, it was my understanding that your schedule was such that August would be the best all around. Good friend, I gave my personal and professional word (and I know that means much to you and your own word) that the waiver would be filed, therefore, I want a letter in writing back from you over your signature authorizing me to go ahead and enter the waiver of record. There is no legal or any other valid or sensible reason NOT to file the waiver. You will NOT be prejudiced in any manner by its filing.

Additionally, there is the matter of the court's order against public statements about the case (especially the merits of the case). Although it is my opinion that the First Amendment to the U.S. Constitution allows a person accused of a criminal offense to exercise his or her rights of free speech (especially in the matter of protesting and explaining his or her innocence) in most any manner other than an open breach of the peace, there still remains the power of a court to transfer a case to another county on the court's own motion if the court determines in his or her discretion that publicity has escalated to the extent that a fair trial cannot be had in the county of origin. It has been my observation that it is rare, if ever, that the court's exercise of that discretion is overturned by an appellate court. Thus, we do not want to win a battle but lose the war.

Still further, you must understand that I was in the process of arranging a personal visit with Mr. Bill Allen for the Monday morning following the issuance of your statements on, I believe, a Thursday in Washington (that lead to the final decision by Fred Rodriguez to file formal charges against you). I talked with Mr. Allen on Friday morning before making a trip to Alice, Texas, and then again on the following Monday morning, and had an appointment with him to attempt final resolution of this case—but things, as you know, got out of hand with the D.A.'s holding the press conference about filing charges and so on. I then called Mr. Allen back and called off our meeting, however, he said he still would be willing to meet with me. So much for that and "what might have been".

On the matter of resolution short of an actual trial, it has always been my thought—and still is—that it would be appropriate for Mr. Allen to make some sort of joint and mutual acknowledgment with you and you to him that he regrets his remarks and retracts them and that he recognizes you are a true American; that you, in turn, acknowledge in some way that perhaps you overreacted and that you regret the incident; that, in short, both of you acknowledge that the time has come for everyone to work together and so on. Failing that then, there really are but perhaps two other possible resolutions of the problem, actually, three and they are: (1) For you to enter a plea of either the Class A charge or to a reduced charge of simple assault (Class C); (2) For the D.A. to dismiss (or for Mr. Allen to sign a "non-prosecution affidavit); (3) To try the case with a jury and let it all "hang out." Obviously, I do not recommend No. 1, and it does not appear at the moment that No. 2 is probable (but still it is possible). This leaves No. 3—a jury trial.

In the event of the actuality of a jury trial then, regardless of your fine image as an American; regardless of the number of friends and supporters we may have—regardless of anything else, it has always been my practice to go into court both prepared to defend and prepared to "attack." We could NOT and must NOT take anything for granted. It is, therefore, my serious advice to you as one whom I admire and as one whose friendship I hold in highest value that you not take this case lightly; that, in short, you book upon it not as a political matter but as a legal matter involving the specific law that I have heretofore spelled out to you.

Finally, I have spent many, many hours throughout the past several months on your behalf, and shall be happy to do so on anything else that may arise in the future. Additionally, I shall always consider you my friend and shall always support you in any manner within my abilities. Under all of the circumstances and in view of our past experiences together, I believe I am entitled to more of an explanation than your handwritten note, therefore, I respectfully ask that you respond to this letter of friendship, particularly the matter of the waiver of speedy trial. As you so well know, any person's word is of vital importance to that person's reputation and credibility; this is perhaps even more so with people such as Henry B. Gonzalez and Charlie Butts.

I wish you well in your every endeavor, dear friend.

Respectfully,

CHARLES D. BUTTS.

CONFERENCE REPORT ON H.R. 558

Mr. ST GERMAIN submitted the following conference report and statement on the bill (H.R. 558) to provide urgently needed assistance to protect and improve the lives and safety of the homeless, with special emphasis on elderly persons, handicapped persons, and families with children:

CONFERENCE REPORT (H. REPT. 100-174)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 558) to provide urgently needed assistance to protect and improve the lives and safety of the homeless, with special emphasis on elderly persons, handicapped persons, and families with children, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

TITLE I—GENERAL PROVISIONS

SECTION 101. SHORT TITLE AND TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Stewart B. McKinney Homeless Assistance Act".

(b) TABLE OF CONTENTS.—

TITLE I—GENERAL PROVISIONS

Sec. 101. Short title and table of contents.
Sec. 102. Findings and purpose.
Sec. 103. General definition of homeless individual.
Sec. 104. Funding availability and limitations.
Sec. 105. Audits by Comptroller General.

TITLE II—INTERAGENCY COUNCIL ON THE HOMELESS

Sec. 201. Establishment.
Sec. 202. Membership.
Sec. 203. Functions.
Sec. 204. Director and staff.
Sec. 205. Powers.
Sec. 206. Transfer of functions.
Sec. 207. Definitions.
Sec. 208. Authorization of appropriations.
Sec. 209. Termination.

TITLE III—FEDERAL EMERGENCY MANAGEMENT FOOD AND SHELTER PROGRAM

Subtitle A—Administrative Provisions

Sec. 301. Emergency Food and Shelter Program National Board.
Sec. 302. Local boards.
Sec. 303. Role of Federal Emergency Management Agency.
Sec. 304. Records and audit of National Board and recipients of assistance.
Sec. 305. Annual report.

Subtitle B—Emergency Food and Shelter Grants

Sec. 311. Grants by the Director.
Sec. 312. Retention of interest earned.
Sec. 313. Purposes of grants.
Sec. 314. Limitation on certain costs.
Sec. 315. Disbursement of funds.
Sec. 316. Program guidelines.

Subtitle C—General Provisions

Sec. 321. Definitions.
Sec. 322. Authorization of appropriations.

TITLE IV—HOUSING ASSISTANCE

Subtitle A—Comprehensive Homeless Assistance Plan

Sec. 401. Requirement for comprehensive homeless assistance plan.

Subtitle B—Emergency Shelter Grants Program
Sec. 411. Definitions.
Sec. 412. Grant assistance.
Sec. 413. Allocation and distribution of assistance.
Sec. 414. Eligible activities.
Sec. 415. Responsibilities of recipients.
Sec. 416. Administrative provisions.
Sec. 417. Authorization of appropriations.
Subtitle C—Supportive Housing Demonstration Program
Sec. 421. Establishment of demonstration program.
Sec. 422. Definitions.
Sec. 423. Types of assistance.
Sec. 424. Program requirements.
Sec. 425. Matching funds requirements.
Sec. 426. Guidelines.
Sec. 427. Report to Congress.
Sec. 428. Authorization of appropriations.
Subtitle D—Supplemental Assistance for Facilities To Assist the Homeless
Sec. 431. Definitions.
Sec. 432. Supplemental assistance.
Sec. 433. Regulations.
Sec. 434. Authorization of appropriations.
Subtitle E—Miscellaneous Provisions
Sec. 441. Section 8 assistance for single room occupancy dwellings.
Sec. 442. Community development block grant amendment.
TITLE V—IDENTIFICATION AND USE OF SURPLUS FEDERAL PROPERTY
Sec. 501. Use of underutilized public buildings and property for facilities to assist the homeless.
Sec. 502. Making surplus personal property available to nonprofit agencies.
TITLE VI—HEALTH CARE FOR THE HOMELESS
Subtitle A—Primary Health Services and Substance Abuse Services
Sec. 601. Establishment of grant program.
Sec. 602. Provision of health services to the homeless by national health service corps.
Sec. 603. Requirement of certain study with respect to homelessness.
Subtitle B—Community Mental Health Services
Sec. 611. Establishment of block grant program for services to homeless individuals who are chronically mentally ill.
Sec. 612. Community mental health services demonstration projects for homeless individuals who are chronically mentally ill.
Sec. 613. Community demonstration projects for alcohol and drug abuse treatment of homeless individuals.
TITLE VII—EDUCATION, TRAINING, AND COMMUNITY SERVICES PROGRAMS
Subtitle A—Adult Education for the Homeless
Sec. 701. Amendment to Adult Education Act.
Sec. 702. Statewide literacy initiatives.
Subtitle B—Education for Homeless Children and Youth
Sec. 721. Statement of policy.
Sec. 722. Grants for State activities for the education of homeless children and youth.
Sec. 723. Exemplary grants and dissemination of information activities authorized.
Sec. 724. National responsibilities.
Sec. 725. Definitions.
Subtitle C—Job Training for the Homeless
Sec. 731. Demonstration program authorized.
Sec. 732. State coordination with demonstration grant recipients.
Sec. 733. Application.
Sec. 734. Authorized activities.
Sec. 735. Payments; Federal share; limitation.
Sec. 736. Evaluation.
Sec. 737. Definitions.
Sec. 738. Homeless veterans' reintegration projects.
Sec. 739. Authorization of appropriations; availability of funds.
Sec. 740. Amendments to the Job Training Partnership Act.
Sec. 741. Termination.
Subtitle D—Emergency Community Services Homeless Grant Program
Sec. 751. Establishment of program.
Sec. 752. Allocation of grants.
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Subtitle E—Miscellaneous Provisions
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Sec. 811. Variety of commodities under TEFAP.
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Sec. 814. Continuation of TEFAP.
TITLE IX—VETERANS' PROVISIONS
Sec. 901. Extension of Veterans' Job Training Act.

SEC. 102. FINDINGS AND PURPOSE.

(a) FINDINGS.—The Congress finds that—

(1) the Nation faces an immediate and unprecedented crisis due to the lack of shelter for a growing number of individuals and families, including elderly persons, handicapped persons, families with children, Native Americans, and veterans;

(2) the problem of homelessness has become more severe and, in the absence of more effective efforts, is expected to become dramatically worse, endangering the lives and safety of the homeless;

(3) the causes of homelessness are many and complex, and homeless individuals have diverse needs;

(4) there is no single, simple solution to the problem of homelessness because of the different subpopulations of the homeless, the different causes of and reasons for homelessness, and the different needs of homeless individuals;

(5) due to the record increase in homelessness, States, units of local government, and private voluntary organizations have been unable to meet the basic human needs of all the homeless and, in the absence of greater Federal assistance, will be unable to protect the lives and safety of all the homeless in need of assistance; and

(6) the Federal Government has a clear responsibility and an existing capacity to fulfill a more effective and responsible role to meet the basic human needs and to engender respect for the human dignity of the homeless.

(b) PURPOSE.—It is the purpose of this Act—

(1) to establish an Interagency Council on the Homeless;

(2) to use public resources and programs in a more coordinated manner to meet the critically urgent needs of the homeless of the Nation; and

(3) to provide funds for programs to assist the homeless, with special emphasis on elderly persons, handicapped persons, families with children, Native Americans, and veterans.

SEC. 103. GENERAL DEFINITION OF HOMELESS INDIVIDUAL.

(a) IN GENERAL.—For purposes of this Act, the term "homeless" or "homeless individual" includes—

(1) an individual who lacks a fixed, regular, and adequate nighttime residence; and

(2) an individual who has a primary nighttime residence that is—

(A) a supervised publicly or privately operated shelter designed to provide temporary living accommodations (including welfare hotels, congregate shelters, and transitional housing for the mentally ill);

(B) an institution that provides a temporary residence for individuals intended to be institutionalized; or

(C) a public or private place not designed for, or ordinarily used as, a regular sleeping accommodation for human beings.

(b) INCOME ELIGIBILITY.—A homeless individual shall be eligible for assistance under any program provided by this Act, or by the amendments made by this Act, only if the individual complies with the income eligibility requirements otherwise applicable to such program.

(c) EXCLUSION.—For purposes of this Act, the term "homeless" or "homeless individual" does not include any individual imprisoned or otherwise detained pursuant to an Act of the Congress or a State law.

SEC. 104. FUNDING AVAILABILITY AND LIMITATIONS.

(a) CALCULATION.—The amounts authorized in this Act shall be in addition to any amount appropriated for the programs involved before the date of the enactment of this Act.

(b) AVAILABILITY UNTIL EXPENDED.—Any amount appropriated under an authorization in this Act shall remain available until expended.

(c) LIMITATION.—Appropriations pursuant to the authorizations in this Act shall be made in accordance with the provisions of the Congressional Budget and Impoundment Control Act of 1974, which prohibits the consideration of any bill that would cause the deficit to exceed the levels established by the Balanced Budget and Emergency Deficit Control Act of 1985, such that it shall not increase the deficit of the Federal Government for fiscal year 1987.

SEC. 105. AUDITS BY COMPTROLLER GENERAL.

The Comptroller General of the United States shall evaluate the disbursement and use of the amounts made available by appropriation Acts under the authorizations in titles III and IV, and submit a report to the Congress setting forth the findings of such evaluation, upon the expiration of the 4-month and 12-month periods beginning on the date of the enactment of this Act.

TITLE II—INTERAGENCY COUNCIL ON THE HOMELESS

SEC. 201. ESTABLISHMENT.

There is established in the executive branch an independent establishment to be known as the Interagency Council on the Homeless.

SEC. 202. MEMBERSHIP.

(a) MEMBERS.—The Council shall be composed of the following members:

(1) The Secretary of Agriculture, or the designee of the Secretary.

(2) The Secretary of Commerce, or the designee of the Secretary.

(3) The Secretary of Defense, or the designee of the Secretary.

(4) The Secretary of Education, or the designee of the Secretary.

(5) The Secretary of Energy, or the designee of the Secretary.

(6) The Secretary of Health and Human Services, or the designee of the Secretary.

(7) The Secretary of Housing and Urban Development, or the designee of the Secretary.

(8) The Secretary of the Interior, or the designee of the Secretary.

(9) The Secretary of Labor, or the designee of the Secretary.

(10) The Secretary of Transportation, or the designee of the Secretary.

(11) The Director of the ACTION Agency, or the designee of the Director.

(12) The Director of the Federal Emergency Management Agency, or the designee of the Director.

(13) The Administrator of General Services, or the designee of the Administrator.

(14) The Postmaster General of the United States, or the designee of the Postmaster General.

(15) The Administrator of Veterans' Affairs, or the designee of the Administrator.

(16) The heads of such other Federal agencies as the Council considers appropriate, or their designees.

(b) CHAIRPERSON.—The Council shall elect a Chairperson and a Vice Chairperson from among its members.

(c) MEETINGS.—The Council shall meet at the call of its Chairperson or a majority of its members. The first meeting of the Council shall be held not later than 30 days after the date of the enactment of this Act.

(d) PROHIBITION OF ADDITIONAL PAY.—Members of the Council shall receive no additional pay, allowances, or benefits by reason of their service on the Council.

SEC. 203. FUNCTIONS.

(a) DUTIES.—The Council shall—

(1) review all Federal activities and programs to assist homeless individuals;

(2) take such actions as may be necessary to reduce duplication among programs and activities by Federal agencies to assist homeless individuals;

(3) monitor, evaluate, and recommend improvements in programs and activities to assist homeless individuals conducted by Federal agencies, State and local governments, and private voluntary organizations;

(4) provide professional and technical assistance, through personnel employed by the Council in each of the 10 standard Federal regions, to States, local governments, and other public and private nonprofit organizations, in order to enable such governments and organizations to—

(A) effectively coordinate and maximize resources of existing programs and activities to assist homeless individuals; and

(B) develop new and innovative programs and activities to assist homeless individuals;

(5) collect and disseminate information relating to homeless individuals; and

(6) prepare the annual reports required in subsection (c)(2).

(b) AUTHORITY.—In carrying out subsection (a), the Council may—

(1) arrange Federal, regional, State, and local conferences for the purpose of developing and coordinating effective programs and activities to assist homeless individuals; and

(2) publish a newsletter concerning Federal, State, and local programs that are effectively meeting the needs of homeless individuals.

(c) REPORTS.—

(1) Within 90 days after the date of the enactment of this Act, and annually thereafter, the head of each Federal agency that is a member of the Council shall prepare and transmit to the Congress and the Council a report that describes—

(A) each program to assist homeless individuals administered by such agency and the number of homeless individuals served by such program;

(B) impediments, including any statutory and regulatory restrictions, to the use by homeless individuals of each such program and to obtaining services or benefits under each such program; and

(C) efforts made by such agency to increase the opportunities for homeless individuals to obtain shelter, food, and supportive services.

(2) The Council shall prepare and transmit to the President and the Congress an annual report that—

(A) assesses the nature and extent of the problems relating to homelessness and the needs of homeless individuals;

(B) provides a comprehensive and detailed description of the activities and accomplishments of the Federal Government in resolving the problems and meeting the needs assessed pursuant to subparagraph (A);

(C) describes the accomplishments and activities of the Council, in working with Federal, State, and local agencies and public and private organizations in order to provide assistance to homeless individuals;

(D) assesses the level of Federal assistance necessary to adequately resolve the problems and meet the needs assessed pursuant to subparagraph (A); and

(E) specifies any recommendations of the Council for appropriate and necessary legislative and administrative actions to resolve such problems and meet such needs.

(d) NOTIFICATION OF OTHER FEDERAL AGENCIES.—If, in monitoring and evaluating programs and activities to assist homeless individuals conducted by other Federal agencies, the Council determines that any significant problem, abuse, or deficiency exists in the administration of the program or activity of any Federal agency, the Council shall submit a notice of the determination of the Council to the Inspector General of the Federal agency (or the head of the Federal agency, in the case of a Federal agency that has no Inspector General).

SEC. 204. DIRECTOR AND STAFF.

(a) DIRECTOR.—The Council shall appoint an Executive Director, who shall be compensated at a rate not to exceed the rate of basic pay payable for level V of the Executive Schedule under section 5316 of title 5, United States Code. The Council shall appoint an Executive Director at the first meeting of the Council held under section 202(c).

(b) ADDITIONAL PERSONNEL.—With the approval of the Council, the Executive Director of the Council may appoint and fix the compensation of such additional personnel as the Executive Director considers necessary to carry out the duties of the Council.

(c) DETAILS FROM OTHER AGENCIES.—Upon request of the Council, the head of any Federal agency may detail, on a reimbursable basis, any of the personnel of such agency to the Council to assist the Council in carrying out its duties under this title. Upon request of the Council, the Secretary of Health and Human Services shall detail, on a reimbursable basis, any of the personnel of the Department of Health and Human Services who have served the Federal Task Force on the Homeless of the Department to assist the Council in carrying out its duties under this title.

(d) ADMINISTRATIVE SUPPORT.—The Secretary of Housing and Urban Development shall provide the Council with such administrative and support services as are necessary to ensure that the Council carries out its functions under this title in an efficient and expeditious manner.

(e) EXPERTS AND CONSULTANTS.—With the approval of the Council, the Executive Director of the Council may procure temporary and intermittent services under section 3109(b) of title 5, United States Code.

SEC. 205. POWERS.

(a) MEETINGS.—For the purpose of carrying out this title, the Council may hold such meetings, and sit and act at such times and places, as the Council considers appropriate.

(b) DELEGATION.—Any member or employee of the Council may, if authorized by the Council, take any action that the Council is authorized to take in this title.

(c) INFORMATION.—The Council may secure directly from any Federal agency such information as may be necessary to enable the Council to carry out this title. Upon request of the Chairperson of the Council, the head of such agency shall furnish such information to the Council.

(d) DONATIONS.—The Council may accept, use, and dispose of gifts or donations of services or property.

(e) MAILS.—The Council may use the United States mails in the same manner and under the same conditions as other Federal agencies.

SEC. 206. TRANSFER OF FUNCTIONS.

(a) TRANSFERS FROM HHS TASK FORCE.—The Council shall be the successor to the Federal Task Force on the Homeless of the Department of Health and Human Services. The property, records, and undistributed program funds of the Task Force shall be transferred to the Council.

(b) TERMINATION OF HHS TASK FORCE.—The Secretary of Health and Human Services shall terminate the Federal Task Force on the Homeless of the Department of Health and Human Services as soon as practicable following the first meeting of the Council.

SEC. 207. DEFINITIONS.

For purposes of this title:

(1) The term "Council" means the Interagency Council on the Homeless established in section 201.

(2) The term "Federal agency" has the meaning given the term "agency" in section 551(1) of title 5, United States Code.

SEC. 208. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to carry out this title $200,000 for fiscal year 1987 and $2,500,000 for fiscal year 1988.

SEC. 209. TERMINATION.

The Council shall cease to exist, and the requirements of this title shall terminate, upon the expiration of the 3-year period beginning on the date of the enactment of this Act.

TITLE III—FEDERAL EMERGENCY MANAGEMENT FOOD AND SHELTER PROGRAM

Subtitle A—Administrative Provisions

SEC. 301. EMERGENCY FOOD AND SHELTER PROGRAM NATIONAL BOARD.

(a) ESTABLISHMENT.—There is established to carry out the provisions of this title the Emergency Food and Shelter Program National Board. The Director of the Federal Emergency Management Agency shall constitute the National Board in accordance with subsection (b) in administering the program under this title.

(b) MEMBERS.—The National Board shall consist of the Director and 6 members appointed by the Director. The initial members of the National Board shall be appointed by the Director not later than 30 days after the date of the enactment of this Act. Each such member shall be appointed from among individuals nominated by 1 of the following organizations:

(1) The United Way of America.

(2) The Salvation Army.

(3) The National Council of Churches of Christ in the U.S.A.

(4) Catholic Charities U.S.A.

(5) The Council of Jewish Federations, Inc.

(6) The American Red Cross.

(c) CHAIRPERSON.—The Director shall be the Chairperson of the National Board.

(d) OTHER ACTIVITIES.—Except as otherwise specifically provided in this title, the National Board shall establish its own procedures and policies for the conduct of its affairs.

(e) TRANSFERS FROM PREVIOUS NATIONAL BOARD.—Upon the appointment of members to the National Board under subsection (b)—

(1) the national board constituted under the emergency food and shelter program established pursuant to section 101(g) of Public Law 99-500 or Public Law 99-591 shall cease to exist; and

(2) the personnel, property, records, and undistributed program funds of such national board shall be transferred to the National Board.

SEC. 302. LOCAL BOARDS.

(a) ESTABLISHMENT.—Each locality designated by the National Board shall constitute a local board for the purpose of determining how program funds allotted to the locality will be distributed. The local board shall consist, to the extent practicable, of representatives of the same organizations as the National Board, except that the mayor or other appropriate heads of government will replace the Federal members. The chairperson of the local board shall be elected by a majority of the members of the local board. Local boards are encouraged to expand participation of other private nonprofit organizations on the local board.

(b) RESPONSIBILITIES.—Each local board shall—

(1) determine which private nonprofit organizations or public organizations of the local government in the individual locality shall receive grants to act as service providers;

(2) monitor recipient service providers for program compliance;

(3) reallocate funds among service providers;

(4) ensure proper reporting; and

(5) coordinate with other Federal, State, and local government assistance programs available in the locality.

SEC. 303. ROLE OF FEDERAL EMERGENCY MANAGEMENT AGENCY.

(a) IN GENERAL.—The Director shall provide the National Board with administrative support and act as Federal liaison to the National Board.

(b) SPECIFIC SUPPORT ACTIVITIES.—The Director shall—

(1) make available to the National Board, upon request, the services of the legal counsel and Inspector General of the Federal Emergency Management Agency;

(2) assign clerical personnel to the National Board on a temporary basis; and

(3) conduct audits of the National Board annually and at such other times as may be appropriate.

SEC. 304. RECORDS AND AUDIT OF NATIONAL BOARD AND RECIPIENTS OF ASSISTANCE.

(a) ANNUAL INDEPENDENT AUDIT OF NATIONAL BOARD.—

(1) The accounts of the National Board shall be audited annually in accordance with generally accepted auditing standards by independent certified public accountants or independent licensed public accountants certified or licensed by a regulatory authority of a State or other political subdivision of the United States. The audits shall be conducted at the place or places where the accounts of the National Board are normally kept. All books, accounts, financial records, reports, files, and all other papers, things, or property belonging to or in use by the National Board and necessary to facilitate the audits shall be made available to the person or persons conducting the audits, and full facilities for verifying transactions with any assets held by depositories, fiscal agents, and custodians shall be afforded to such person or persons.

(2) The report of each such independent audit shall be included in the annual report required in section 305. Such report shall set forth the scope of the audit and include such statements as are necessary to present fairly the assets and liabilities of the National Board, surplus or deficit, with an analysis of the changes during the year, supplemented in reasonable detail by a statement of the income and expenses of the National Board during the year, and a statement of the application of funds, together with the opinion of the independent auditor of such statements.

(b) ACCESS TO RECORDS OF RECIPIENTS OF ASSISTANCE.—

(1) Each recipient of assistance under this title shall keep such records as may be reasonably necessary to fully disclose the amount and the disposition by such recipient of the proceeds of such assistance, the total cost of the project or undertaking in connection with which such assistance is given or used, and the amount and nature of that portion of the cost of the project or undertaking supplied by other sources, and such other records as will facilitate an effective audit.

(2) The National Board, or any of its duly authorized representatives, shall have access for the purpose of audit and examination to any books, documents, papers, and records of the recipient that are pertinent to assistance received under this title.

(c) AUTHORITY OF COMPTROLLER GENERAL.—The Comptroller General of the United States, or any of the duly authorized representatives of the Comptroller General, shall also have access to any books, documents, papers, and records of the National Board and recipients for such purpose.

SEC. 305. ANNUAL REPORT.

The National Board shall transmit to the Congress an annual report covering each year in which it conducts activities with funds made available under this title.

Subtitle B—Emergency Food and Shelter Grants

SEC. 311. GRANTS BY THE DIRECTOR.

Not later than 30 days following the date on which appropriations become available to carry out this subtitle, the Director shall award a grant for the full amount that the Congress appropriates for the program under this subtitle to the National Board for the purpose of providing emergency food and shelter to needy individuals through private nonprofit organizations and local governments in accordance with section 313.

SEC. 312. RETENTION OF INTEREST EARNED.

Interest accrued on the balance of any grant to the National Board shall be available to the National Board for reallocation, and total administrative costs shall be determined based on total amount of funds available, including interest and any private contributions that are made to the National Board.

SEC. 313. PURPOSES OF GRANTS.

(a) ELIGIBLE ACTIVITIES.—Grants to the National Board may be used—

(1) to supplement and expand ongoing efforts to provide shelter, food, and supportive services for homeless individuals with sensitivity to the transition from temporary shelter to permanent homes, and attention to the special needs of homeless individuals with mental and physical disabilities and illnesses, and to facilitate access for homeless individuals to other sources of services and benefits;

(2) to strengthen efforts to create more effective and innovative local programs by providing funding for them; and

(3) to conduct minimum rehabilitation of existing mass shelter or mass feeding facilities, but only to the extent necessary to make facilities safe, sanitary, and bring them into compliance with local building codes.

(b) LIMITATIONS ON ACTIVITIES.—

(1) The National Board may only provide funding provided under this subtitle for—

(A) programs undertaken by private nonprofit organizations and local governments; and

(B) programs that are consistent with the purposes of this title.

(2) The National Board may not carry out programs directly.

SEC. 314. LIMITATION ON CERTAIN COSTS.

Not more than 5 percent of the total amount appropriated for the emergency food and shelter program for each fiscal year may be expended for the costs of administration.

SEC. 315. DISBURSEMENT OF FUNDS.

Any amount made available by appropriation Acts under this title shall be disbursed by the National Board before the expiration of the 3-month period beginning on the date on which such amount becomes available.

SEC. 316. PROGRAM GUIDELINES.

(a) Guidelines.—The National Board shall establish written guidelines for carrying out the program under this subtitle, including—

(1) methods for identifying localities with the highest need for emergency food and shelter assistance;

(2) methods for determining the amount and distribution to such localities;

(3) eligible program costs, including maximum flexibility in meeting currently existing needs; and

(4) guidelines specifying the responsibilities and reporting requirements of the National Board, its recipients, and service providers.

(b) Publication.—Guidelines established under subsection (a) shall be published annually, and whenever modified, in the Federal Register. The National Board shall not be subject to the procedural rulemaking requirements of subchapter II of chapter 5 of title 5, United States Code.

Subtitle C—General Provisions

SEC. 321. DEFINITIONS.

For purposes of this title:

(1) The term "Director" means the Director of the Federal Emergency Management Agency.

(2) The term "emergency shelter" means a facility all or a part of which is used or designed to be used to provide temporary housing.

(3) The term "local government" means a unit of general purpose local government.

(4) The term "locality" means the geographical area within the jurisdiction of a local government.

(5) The term "National Board" means the Emergency Food and Shelter Program National Board.

(6) The term "private nonprofit organization" means an organization—

(A) no part of the net earnings of which inures to the benefit of any member, founder, contributor, or individual;

(B) that has a voluntary board;

(C) that has an accounting system, or has designated a fiscal agent in accordance with requirements established by the Director; and

(D) that practices nondiscrimination in the provision of assistance.

(7) The term "State" means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Northern Mariana Islands, the Trust Territory of the Pacific Islands, and any other territory or possession of the United States.

SEC. 322. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to carry out this title $15,000,000 for fiscal year 1987 and $124,000,000 for fiscal year 1988.

TITLE IV—HOUSING ASSISTANCE

Subtitle A—Comprehensive Homeless Assistance Plan

SEC. 401. REQUIREMENT FOR COMPREHENSIVE HOMELESS ASSISTANCE PLAN.

(a) Plan Required.—Assistance authorized by this title may be provided to, or within the jurisdiction of, a State or a metropolitan city or urban county that is eligible to receive a grant under the emergency shelter grants program in an amount in excess of the minimum allocation requirement applicable under section 413(b) only if—

(1) it submits to the Secretary of Housing and Urban Development (in this subtitle referred to as the "Secretary") a comprehensive homeless assistance plan (in this subtitle referred to as the "comprehensive plan"); and

(2) the comprehensive plan is approved by or in accordance with procedures established by the Secretary;

except that a private nonprofit organization may apply for and receive assistance under subtitle C or D without regard to such comprehensive plan approval if the applicable State comprehensive plan has been approved.

(b) Contents.—A comprehensive plan submitted under this section shall contain—

(1) a statement describing the need for assistance under this title;

(2) a brief inventory of facilities and services that assist the homeless population within that jurisdiction;

(3) a strategy (A) to match the needs of the homeless population with available services within that jurisdiction, and (B) to recognize the special needs of the various types of homeless individuals, particularly families with children, the elderly, the mentally ill, and veterans; and

(4) an explanation of how the Federal assistance provided under this title will complement and enhance the available services.

(c) Review.—

(1) Upon receipt of a comprehensive plan, the Secretary shall review the comprehensive plan. Not later than 30 days after receipt, the comprehensive plan shall be approved unless the Secretary determines that the comprehensive plan plainly does not satisfy the requirements of subsection (b), in which case the Secretary shall, not later than 15 days after the Secretary's determination, inform the State, county, or city of the reasons for disapproval as well as the steps that need to be taken to make the comprehensive plan acceptable. If the Secretary fails to inform the State, county, or city of the reasons for disapproval within such period, the comprehensive plan shall be deemed to have been approved.

(2) The Secretary shall permit amendments to, or the resubmission of, any comprehensive plan that is disapproved.

(d) Performance Reviews.—

(1) Each State, metropolitan city, and urban county described in subsection (a) shall review annually the progress it has made in carrying out its comprehensive plan.

(2) Each State, metropolitan city, and urban county described in subsection (a) shall report annually to the Secretary the results of such review. The Secretary shall review the reports submitted under this paragraph and shall make such recommendations as may be appropriate.

(3) Further assistance under this title shall not be made available to, or within the jurisdiction of, any State, metropolitan city, or urban county described in subsection (a) that fails to review and report progress as required by paragraphs (1) and (2).

(e) Publication by Notice.—Not later than 30 days after the date of enactment of this Act, the Secretary shall by notice establish such requirements as may be necessary to carry out this subtitle.

(f) Applications.—Any application for assistance under this title shall contain or be accompanied by a certification by the public official responsible for submitting a comprehensive plan for the jurisdiction to be served by the proposed activities that the proposed activities are consistent with the comprehensive plan.

Subtitle B—Emergency Shelter Grants Program

SEC. 411. DEFINITIONS.

For purposes of this subtitle:

(1) The term "local government" means a unit of general purpose local government.

(2) The term "locality" means the geographical area within the jurisdiction of a local government.

(3) The term "metropolitan city" has the meaning given such term in section 102 of the Housing and Community Development Act of 1974.

(4) The term "operating costs" means expenses incurred by a recipient operating a facility assisted under this subtitle with respect to—

(A) the administration, maintenance, repair, and security of such housing; and

(B) utilities, fuels, furnishings, and equipment for such housing.

(5) The term "private nonprofit organization" means a secular or religious organization described in section 501(c) of the Internal Revenue Code of 1986 that is exempt from taxation under subtitle A of such Code, has an accounting system and a voluntary board, and practices nondiscrimination in the provision of assistance.

(6) The term "recipient" means any governmental or private nonprofit entity that is approved by the Secretary as to financial responsibility.

(7) The term "Secretary" means the Secretary of Housing and Urban Development.

(8) The term "State" means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Northern Mariana Islands, the Trust Territory of the Pacific Islands, and any other territory or possession of the United States.

(9) The term "urban county" has the meaning given such term in section 102 of the Housing and Community Development Act of 1974.

SEC. 412. GRANT ASSISTANCE.

The Secretary of Housing and Urban Development shall, to the extent of amounts approved in appropriation Acts under section 417, make grants to States and local governments (and to private nonprofit organizations providing assistance to homeless individuals, in the case of grants made with reallocated amounts) in order to carry out activities described in section 414.

SEC. 413. ALLOCATION AND DISTRIBUTION OF ASSISTANCE.

(a) In General.—The Secretary shall allocate assistance under this subtitle to metropolitan cities, urban counties, and States (for distribution to local governments in the States) in a manner that ensures that the percentage of the total amount available under this subtitle for any fiscal year that is allocated to any State, metropolitan city, or urban county is equal to the percentage of the total amount available for section 106 of the Housing and Community Development Act of 1974 for such prior fiscal year that is allocated to such State, metropolitan city, or urban county.

(b) Minimum Allocation Requirement.—If, under the allocation provisions applicable under this subtitle, any metropolitan city or urban county would receive a grant of less than 0.05 percent of the amounts appropriated to carry out this subtitle for any fiscal year, such amount shall instead be reallocated to the State, except that any city that is located in a State that does not have counties as local governments, that has a population greater than 40,000 but less than 50,000 as used in determining the fiscal year 1987 community development block grant program allocation, and that was allocated in excess of $1,000,000 in community development block grant funds in fiscal year

1987, shall receive directly the amount allocated to such city under subsection (a).

(c) DISTRIBUTIONS TO NONPROFIT ORGANIZATIONS.—Any local government receiving assistance under this subtitle may distribute all or a portion of such assistance to private nonprofit organizations providing assistance to homeless individuals.

(d) REALLOCATION OF FUNDS.—

(1) The Secretary shall, not less than twice during each fiscal year, reallocate any assistance provided under this subtitle that is unused or returned or that becomes available under subsection (b).

(2) If a city or county eligible for a grant under subsection (a) fails to obtain approval of its comprehensive plan during the 90-day period following the date funds authorized by this subtitle first become available for allocation during any fiscal year, the amount that the city or county would have received shall be available to the State in which the city or county is located if the State has obtained approval of its comprehensive plan. Any amounts that cannot be allocated to a State under the preceding sentence shall be reallocated to other States, counties, and cities that demonstrate extraordinary need or large numbers of homeless individuals, as determined by the Secretary.

(3) If a State fails to obtain approval of its comprehensive plan during the 90-day period following the date funds authorized by this subtitle first become available for allocation during any fiscal year, the amount that the State would have received shall be reallocated to other States and to cities and counties that demonstrate extraordinary need or large numbers of homeless individuals, as determined by the Secretary.

(e) ALLOCATIONS TO TERRITORIES.—In addition to the other allocations required in this section, the Secretary shall (for amounts appropriated after the date of enactment of this Act) allocate assistance under this subtitle to the Virgin Islands, Guam, American Samoa, the Northern Mariana Islands, the Trust Territory of the Pacific Islands, and any other territory or possession of the United States, in accordance with an allocation formula established by the Secretary.

SEC. 414. ELIGIBLE ACTIVITIES.

(a) IN GENERAL.—Assistance provided under this subtitle may be used for the following activities relating to emergency shelter for homeless individuals:

(1) The renovation, major rehabilitation, or conversion of buildings to be used as emergency shelters.

(2) The provision of essential services, including services concerned with employment, health, drug abuse, or education, if—

(A) such services have not been provided by the local government during any part of the immediately preceding 12-month period; and

(B) not more than 15 percent of the amount of any assistance to a local government under this subtitle is used for activities under this paragraph.

(3) Maintenance, operation (other than staff), insurance, utilities, and furnishings.

(b) WAIVER AUTHORITY.—The Secretary may waive the 15 percent limitation on the use of assistance for essential services contained in subsection (a)(2)(B), if the local government receiving the assistance demonstrates that the other eligible activities under the program are already being carried out in the locality with other resources.

SEC. 415. RESPONSIBILITIES OF RECIPIENTS.

(a) MATCHING AMOUNTS.—

(1) Each recipient under this subtitle shall be required to supplement the assistance provided under this subtitle with an equal amount of funds from sources other than this subtitle. Each recipient shall certify to the Secretary its compliance with this paragraph, and shall include with such certification a description of the sources and amounts of such supplemental funds.

(2) In calculating the amount of supplemental funds provided by a recipient under this subtitle, a recipient may include the value of any donated material or building, the value of any lease on a building, any salary paid to staff to carry out the program of the recipient, and the value of the time and services contributed by volunteers to carry out the program of the recipient at a rate determined by the Secretary.

(b) ADMINISTRATION OF ASSISTANCE.—Each recipient shall act as the fiscal agent of the Secretary with respect to assistance provided to such recipient.

(c) CERTIFICATIONS ON USE OF ASSISTANCE.—Each recipient shall certify to the Secretary that—

(1) it will maintain any building for which assistance is used under this subtitle as a shelter for homeless individuals for not less than a 3-year period or for not less than a 10-year period if such assistance is used for the major rehabilitation or conversion of such building;

(2) any renovation carried out with assistance under this subtitle shall be sufficient to ensure that the building involved is safe and sanitary; and

(3) it will assist homeless individuals in obtaining—

(A) appropriate supportive services, including permanent housing, medical and mental health treatment, counseling, supervision, and other services essential for achieving independent living; and

(B) other Federal, State, local, and private assistance available for such individuals.

SEC. 416. ADMINISTRATIVE PROVISIONS.

(a) REGULATIONS.—Not later than 60 days after the date of enactment of this Act, the Secretary shall by notice establish such requirements as may be necessary to carry out the provisions of this subtitle. Such requirements shall be subject to section 553 of title 5, United States Code. The Secretary shall issue requirements based on the initial notice before the expiration of the 12-month period following the date of enactment of this Act. Prior to the issuance of such requirements in final form, the requirements established by the Secretary implementing the provisions of the emergency shelter grants program under the provisions made effective by section 101(g) of Public Law 99-500 or Public Law 99-591 shall govern the emergency shelter grants program under this subtitle.

(b) INITIAL ALLOCATION OF ASSISTANCE.—Not later than the expiration of the 60-day period following the date of enactment of a law providing appropriations to carry out this subtitle, the Secretary shall notify each State, metropolitan city, and urban county that is to receive a direct grant of its allocation of assistance under this subtitle. Such assistance shall be allocated and may be used notwithstanding any failure of the Secretary to issue requirements under subsection (a).

SEC. 417. AUTHORIZATION OF APPROPRIATIONS.

In addition to other amounts authorized by law, there are authorized to be appropriated for the emergency shelter grants program $100,000,000 for fiscal year 1987 and $120,000,000 for fiscal year 1988.

Subtitle C—Supportive Housing Demonstration Program

SEC. 421. ESTABLISHMENT OF DEMONSTRATION PROGRAM.

(a) IN GENERAL.—The Secretary of Housing and Urban Development shall carry out a program in accordance with the provisions of this subtitle to develop innovative approaches for providing supportive housing, especially to deinstitutionalized homeless individuals, homeless families with children, and homeless individuals with mental disabilities and other handicapped homeless persons.

(b) PURPOSES.—The demonstration program carried out under this subtitle shall be designed to determine—

(1) the cost of acquisition, rehabilitation, acquisition and rehabilitation, or leasing of existing structures for the provision of supportive housing;

(2) the cost of operating such housing and providing supportive services to the residents of such housing;

(3) the social, financial, and other advantages of such housing as a means of assisting homeless individuals; and

(4) the lessons that the provision of such housing might have for the design and implementation of housing programs that serve homeless individuals and families with special needs, particularly deinstitutionalized homeless individuals, homeless families with children, and homeless individuals with mental disabilities and other handicapped homeless persons.

The Secretary shall administer the program under this subtitle and award assistance to applicants in a manner that clearly demonstrates that a central purpose and major funding priority of the program is to provide supportive housing for deinstitutionalized homeless individuals and other homeless individuals with mental disabilities.

SEC. 422. DEFINITIONS.

For purposes of this subtitle:

(1) The term "applicant" means a State, metropolitan city, urban county, tribe, or private nonprofit organization that is eligible to be a recipient under this subtitle, except that, in the case of permanent housing for handicapped homeless persons, such term means the State in which the project is to be located.

(2) The term "handicapped" means an individual who is handicapped within the meaning of section 202 of the Housing Act of 1959.

(3) The term "handicapped homeless person" means a handicapped individual who is a homeless individual within the meaning of section 103, is at risk of becoming a homeless individual, or is a handicapped individual who has been a resident of transitional housing carried out pursuant to the provisions made effective by section 101(g) of Public Law 99-500 or Public Law 99-591.

(4) The term "metropolitan city" has the meaning given such term in section 102 of the Housing and Community Development Act of 1974.

(5) The term "operating costs" means expenses incurred by a recipient operating transitional housing under this subtitle with respect to—

(A) the administration, maintenance, repair, and security of such housing;

(B) utilities, fuel, furnishings, and equipment for such housing;

(C) the conducting of the assessment required in section 424(c)(2); and

(D) the provision of supportive services to the residents of such housing.

(6) The term "private nonprofit organization" means an organization—

(A) no part of the net earnings of which inures to the benefit of any member, founder, contributor, or individual;

(B) that has a voluntary board;

(C) that has an accounting system, or has designated a fiscal agent in accordance with requirements established by the Secretary; and

(D) that practices nondiscrimination in the provision of assistance.

(7) The term "project" means a structure or a portion of a structure that is acquired or rehabilitated with assistance provided under this subtitle.

(8) The term "project sponsor" means a private nonprofit organization that operates a project for permanent housing for handicapped homeless persons, and that is approved by the Governor or other chief executive official of a State as to financial responsibility.

(9) The term "recipient" means any governmental or nonprofit entity that is approved by the Secretary as to financial responsibility.

(10) The term "Secretary" means the Secretary of Housing and Urban Development.

(11) The term "State" means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Northern Mariana Islands, the Trust Territory of the Pacific Islands, and any other territory or possession of the United States.

(12) The term "supportive housing" means a project assisted under this subtitle that provides housing and supportive services for homeless individuals. Such housing shall be safe and sanitary and when appropriate meet all applicable State and local housing codes and licensing requirements in the jurisdiction in which the housing is located. All or part of the supportive services may be provided directly by the recipient or by arrangements with other public or private service providers. The term includes the following:

(A) Transitional housing, which means a project assisted under this subtitle that has as its purpose facilitating the movement of homeless individuals to independent living within a reasonable amount of time, as determined by the Secretary. Transitional housing includes housing primarily designed to serve deinstitutionalized homeless individuals and other homeless individuals with mental disabilities, and homeless families with children.

(B) Permanent housing for handicapped homeless persons, which means a project assisted under this subtitle that provides community-based long-term housing and supportive services for not more than 8 handicapped homeless persons and that is carried out by a project sponsor. Each project shall be either a home designed solely for housing handicapped persons or dwelling units in a multifamily housing project, condominium project, or cooperative project. Not more than 1 home may be located on any 1 site and no such home may be located on a site contiguous to another site containing such a home. All projects shall be integrated into the neighborhoods in which they are located.

(13) The term "supportive services" means assistance designed by the recipient that the Secretary determines (A) addresses the special needs of persons, such as deinstitutionalized homeless individuals, homeless families with children, and homeless individuals with mental disabilities and other handicapped homeless persons, intended to be served by a project; and (B) assists in accomplishing the purposes of the different types of supportive housing made eligible under this subtitle.

(14) The term "urban county" has the meaning given such term in section 102 of the Housing and Community Development Act of 1974.

SEC. 423. TYPES OF ASSISTANCE.

(a) In General.—The Secretary may provide the following assistance to a project under this subtitle:

(1) An advance, in an amount not to exceed $200,000, of the aggregate cost of acquisition, substantial rehabilitation, or acquisition and rehabilitation of an existing structure for use in the provision of supportive housing.

(2) A grant for moderate rehabilitation of an existing structure for use in the provision of supportive housing.

(3) Annual payments for operating costs of transitional housing, not to exceed 75 percent of the annual operating costs of such housing.

(4) Technical assistance in establishing and operating such housing and providing supportive services to the residents of such housing.

(b) Repayment of Advance.—Subject to the foregoing, any advance provided under subsection (a)(1) shall be repaid on such terms as may be prescribed by the Secretary when the project ceases to be used as supportive housing in accordance with the provisions of this subtitle. Recipients and project sponsors shall be required to repay 100 percent of the advance if the project is used as supportive housing for fewer than 10 years following initial occupancy. If the project is used as supportive housing for more than 10 years, the percentage of the amount that shall be required to be repaid shall be reduced by 10 percentage points for each year in excess of 10 that the property is used as supportive housing. A project may continue to be treated as supportive housing for purposes of this subsection if the Secretary determines that such project is no longer needed for use as supportive housing and approves the use of such project for the direct benefit of lower income persons.

(c) Prevention of Undue Benefits.—Upon any sale or other disposition of a project acquired or rehabilitated with assistance under this subtitle prior to the close of 20 years after the project is placed in service, other than a sale or other disposition resulting in the use of the project for the direct benefit of lower income persons or where all of the proceeds are used to provide supportive housing, the recipient shall comply with such terms and conditions as the Secretary may prescribe to prevent the recipient from unduly benefiting from the sale or other disposition of the project.

SEC. 424. PROGRAM REQUIREMENTS.

(a) Applications.—

(1) Applications for assistance under this subtitle shall be submitted by an applicant in such form and in accordance with such procedures as the Secretary shall establish.

(2) The Secretary shall require that applications contain at a minimum—

(A) a description of the proposed project;

(B) a description of the size and characteristics of the population that would occupy supportive housing;

(C) a description of the public and private resources that are expected to be made available in compliance with section 425;

(D) assurances satisfactory to the Secretary that the project assisted will be operated for not less than 10 years for the purpose specified in the application;

(E) a certification from the public official responsible for submitting a comprehensive plan for the jurisdiction to be served by the proposed project (by the State in the case of a project for permanent housing for the handicapped homeless) that the proposed project is consistent with the applicable comprehensive plan; and

(F) in the case of permanent housing for handicapped homeless persons—

(i) a letter of participation from the Governor or other chief executive official of the State assuring that the State will promptly transmit assistance to the project sponsor and will facilitate the provision of necessary supportive services to the residents of the project;

(ii) a designation of the State agency, the primary responsibility of which is the provision of services to handicapped persons and that will assist the State housing finance agency in fulfilling the State responsibilities under this subtitle; and

(iii) an assessment of how the proposed project would meet the needs of handicapped homeless persons in the State.

(b) Selection Criteria.—The Secretary shall establish selection criteria for a national competition for assistance under this subtitle, which shall include—

(1) the ability of the applicant or the project sponsor to develop and operate supportive housing;

(2) the innovative quality of the proposal in providing supportive housing;

(3) the need for such supportive housing in the area to be served;

(4) the extent to which the amount of assistance to be provided under this subtitle will be matched with more than an equal amount of funds from other sources;

(5) the cost effectiveness of the proposed project;

(6) the extent to which the project would meet the needs of handicapped homeless persons in the State as described pursuant to subsection (a)(2)(F)(iii); and

(7) such other factors as the Secretary determines to be appropriate for purposes of carrying out the demonstration program established by this subtitle in an effective and efficient manner.

(c) Required Agreements.—The Secretary may not approve assistance for any project under this subtitle unless the applicant agrees or certifies that each project sponsor has agreed—

(1) to operate the proposed project as supportive housing in accordance with the provisions of this subtitle;

(2) to conduct an ongoing assessment of the supportive services required by the residents of the project;

(3) to provide such residential supervision as the Secretary determines is necessary to facilitate the adequate provision of supportive services to the residents of the project;

(4) to monitor and report to the Secretary on the progress of the project; and

(5) to comply with such other terms and conditions as the Secretary may establish for purposes of carrying out the demonstration program established in this subtitle in an effective and efficient manner.

(d) Occupant Rent.—Each homeless individual residing in a facility assisted under this subtitle shall pay as rent an amount determined in accordance with the provisions of section 3(a) of the United States Housing Act of 1937.

SEC. 425. MATCHING FUNDS REQUIREMENTS.

(a) TRANSITIONAL HOUSING.—Each recipient shall be required to supplement the amount of assistance provided under paragraphs (1) and (2) of section 423(a) with an equal amount of funds from sources other than this subtitle. In calculating the amount of supplemental funds provided by a recipient under this subsection, a recipient may include the value of any donated material or building and the value of any lease on a building.

(b) PERMANENT HOUSING FOR HANDICAPPED HOMELESS PERSONS.—

(1) Each State submitting an application for assistance for permanent housing for handicapped homeless persons shall certify that it will supplement the assistance provided under this subtitle with at least an equal amount of State or local government funds—

(A) that are to be used solely for acquisition or rehabilitation; and

(B) not more than 50 percent of which may be local government funds.

(2) The Secretary may waive all or part of the requirement established in paragraph (1) if the State demonstrates to the satisfaction of the Secretary that—

(A) the State is experiencing a severe financial hardship that makes it unable to provide an equal amount of funds; and

(B) the local governments of the areas to be served by the project will contribute funds from other non-Federal sources in an aggregate amount equal to the amount of such contribution waived for the State under this paragraph.

SEC. 426. GUIDELINES.

(a) REGULATIONS.—Not later than 90 days following the date of enactment of this Act, the Secretary shall by notice establish such requirements as may be necessary to carry out the provisions of this subtitle. Until final regulations are issued under this subtitle, the regulations established by the Secretary implementing the provisions made effective by section 101(g) of Public Law 99-500 or Public Law 99-591 shall govern the transitional housing provisions of this subtitle.

(b) LIMITATION ON USE OF FUNDS.—No assistance received under this subtitle (or any State or local government funds used to supplement such assistance) may be used to replace other public funds previously used, or designated for use, to assist handicapped persons, homeless individuals, or handicapped homeless persons.

(c) LIMITATION ON ADMINISTRATIVE EXPENSES.—No recipient may use more than 5 percent of an advance or grant received under this subtitle for administrative purposes.

SEC. 427. REPORT TO CONGRESS.

The Secretary shall submit to the Congress—

(1) not later than 3 months after the end of fiscal year 1987, an interim report summarizing the activities carried out under this subtitle during such fiscal year and setting forth any preliminary findings or conclusions of the Secretary as a result of such activities; and

(2) not later than 6 months after the end of fiscal year 1988, a final report summarizing all activities carried out under this subtitle and setting forth any findings, conclusions, or recommendations of the Secretary as a result of such activities.

SEC. 428. AUTHORIZATION OF APPROPRIATIONS.

(a) IN GENERAL.—In addition to other amounts authorized by law, there are authorized to be appropriated to carry out this subtitle \$80,000,000 for fiscal year 1987 and \$100,000,000 for fiscal year 1988.

(b) SET ASIDE.—Of the funds provided under this subtitle for any fiscal year—

(1) not less than \$20,000,000 shall be allocated to transitional housing projects that serve homeless families with children; and

(2) not less than \$15,000,000 shall be allocated to projects that provide permanent housing for handicapped homeless persons.

(c) FUNDING CONSIDERATIONS.—The Secretary shall provide additional consideration to projects designed especially to meet the needs of deinstitutionalized homeless individuals and other homeless individuals with mental disabilities, so that such projects will receive a significant share of the funds provided under this subtitle.

Subtitle D—Supplemental Assistance for Facilities To Assist the Homeless

SEC. 431. DEFINITIONS.

For purposes of this subtitle:

(1) The term "applicant" means a State, metropolitan city, urban county, tribe, or private nonprofit organization that is eligible to be a recipient under this subtitle.

(2) The term "assistance" means non-interest bearing advances to assist the acquisition, lease, renovation, substantial rehabilitation, or conversion of facilities to assist the homeless, grants for moderate rehabilitation, and grants for other purposes.

(3) The term "metropolitan city" has the meaning given such term in section 102 of the Housing and Community Development Act of 1974.

(4) The term "outpatient health services" means outpatient health care, outpatient mental health services, outpatient substance abuse services, and case management services.

(5) The term "private nonprofit organization" means an organization—

(A) no part of the net earnings of which inures to the benefit of any member, founder, contributor, or individual;

(B) that has a voluntary board;

(C) that has an accounting system, or has designated a fiscal agent in accordance with requirements established by the Secretary; and

(D) that practices nondiscrimination in the provision of assistance.

(6) The term "recipient" means any governmental or nonprofit entity that is approved by the Secretary as to financial responsibility.

(7) The term "Secretary" means the Secretary of Housing and Urban Development.

(8) The term "State" means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Northern Mariana Islands, the Trust Territory of the Pacific Islands, and any other territory or possession of the United States.

(9) The term "supportive services" means food, child care, assistance in obtaining permanent housing, outpatient health services, employment counseling, nutritional counseling, security arrangements necessary for the protection of residents of facilities to assist the homeless, and such other services essential for maintaining independent living as the Secretary determines to be appropriate. Such term includes the provision of assistance to homeless individuals in obtaining other Federal, State, and local assistance available for such individuals, including mental health benefits, employment counseling, and medical assistance. Such term does not include major medical equipment.

(10) The term "urban county" has the meaning given such term in section 102 of the Housing and Community Development Act of 1974.

SEC. 432. SUPPLEMENTAL ASSISTANCE.

(a) IN GENERAL.—The Secretary of Housing and Urban Development is authorized in accordance with the provisions of this subtitle—

(1) to provide assistance to cover the costs in excess of assistance provided under the emergency shelter grant program or the supportive housing demonstration program that are required—

(A) to meet the special needs of homeless families with children, elderly homeless individuals, or the handicapped; or

(B) to facilitate the transfer and utilization of public buildings to assist homeless individuals and families; or

(2) to provide comprehensive assistance for particularly innovative programs for, or alternative methods of, meeting the immediate and long-term needs of homeless individuals and families by assisting—

(A) the purchase, lease, renovation, or conversion of facilities to assist the homeless, which facilities shall be safe and sanitary and, when appropriate, meet all applicable State and local housing and building codes and licensing requirements in the jurisdiction in which the facility is located; or

(B) the provision of supportive services for homeless individuals.

(b) LIMITATIONS.—

(1) The Secretary may not provide assistance under this subtitle unless the Secretary determines that—

(A) the applicant has made reasonable efforts to utilize all available local resources and resources available under the other provisions of this title; and

(B) that other resources are not sufficient or are not available to carry out the purpose for which the assistance is being sought.

No assistance provided under this subtitle may be used to supplant any non-Federal resources provided with respect to any project.

(2) Any advance provided under this subtitle shall be repaid on such terms as may be prescribed by the Secretary when the project ceases to be used to assist homeless individuals in accordance with the provisions of this subtitle. A recipient shall be required to repay 100 percent of the advance if the recipient uses the project to assist homeless individuals for fewer than 10 years following initial occupancy. If the recipient uses the project to assist homeless individuals for more than 10 years, the percentage of the amount that the recipient shall be required to repay shall be reduced by 10 percentage points for each year in excess of 10 that the property is used to assist homeless individuals. A project may continue to be treated as a project to assist homeless individuals for purposes of this paragraph if the Secretary determines that such project is no longer needed to assist homeless individuals and approves the use of such project for the direct benefit of lower income persons.

(3) Upon any sale or other disposition of a project acquired, leased, renovated, rehabilitated, or converted with assistance under this subtitle prior to the close of 20 years after the project is placed in service, other than a sale or other disposition resulting in the use of the project for the direct benefit of lower income persons, the recipient shall comply with such terms and conditions as the Secretary shall have prescribed to prevent the recipient from unduly benefiting from the sale or other disposition of the project.

(4) Not more than $10,000 of any grant or advance under this subtitle may be used for outpatient health services (excluding the cost of any rehabilitation or conversion).

(c) ELIGIBILITY.—To receive assistance under this subtitle, a State, metropolitan city, urban county, tribe, or private nonprofit organization shall submit an application to the Secretary in such form and containing such information as the Secretary shall prescribe.

(d) SELECTION.—Assistance may be provided under this subtitle only to an applicant that—

(1) has shown a demonstrated commitment to alleviating poverty;

(2) has furnished assurances satisfactory to the Secretary that any property purchased, leased, renovated, or converted with assistance under this subtitle will be operated to assist homeless individuals for not less than 10 years;

(3) has the continuing capacity to effectively provide assistance to homeless individuals; and

(4) complies with such other requirements for assistance under this section as the Secretary may establish.

To the maximum extent practicable, the Secretary shall reserve not less than 50 percent of all funds provided under this section for the support of facilities designed primarily to benefit homeless elderly individuals and homeless families with children (and a portion of such funds shall be used for child care facilities). To the extent practicable, the Secretary shall distribute the funds available to carry out this subtitle equitably across geographic areas.

(e) COORDINATION WITH SECRETARY OF HEALTH AND HUMAN SERVICES.—

(1) Promptly upon receipt of any application for assistance under this subtitle that includes the provision of outpatient health services, the Secretary of Housing and Urban Development shall consult with the Secretary of Health and Human Services with respect to the proposed outpatient health services. If the Secretary of Health and Human Services determines that the proposal for delivery of outpatient health services does not meet the guidelines described in paragraph (2), the Secretary of Housing and Urban Development may require resubmission of the application. The Secretary of Housing and Urban Development may not approve such portion of the application unless and until it has been resubmitted in a form that the Secretary of Health and Human Services determines meets the guidelines.

(2) The Secretary of Housing and Urban Development and the Secretary of Health and Human Services shall jointly establish guidelines for determining under this section the appropriateness of proposed outpatient health services. Such guidelines shall include such provisions as are necessary to enable the Secretary of Housing and Urban Development to meet the time limits under this subtitle for the final selection of applications for assistance.

(f) LIMITATION ON ADMINISTRATIVE EXPENSES.—Not more than 5 percent of a grant or advance made under this section may be expended for administrative expenses.

SEC. 433. REGULATIONS.

Not later than the expiration of the 30-day period beginning on the date of enactment of this Act, the Secretary shall by notice establish such requirements as may be necessary to carry out the provisions of this subtitle. Such requirements shall not be subject to section 553 of title 5, United States Code, or section 7(o) of the Department of Housing and Urban Development Act. Such notice shall—

(1) provide that a notice of funding availability shall be published in the Federal Register not later than the expiration of the 30-day period beginning on the date on which amounts become available to carry out this subtitle;

(2) require all applications for assistance under this subtitle to be submitted not later than the expiration of the 60-day period beginning on the date on which the notice of funding availability is published in the Federal Register; and

(3) provide that the final selection of applications for assistance under this subtitle shall be completed not later than the expiration of the 90-day period beginning on the date on which the notice of funding availability is published in the Federal Register.

SEC. 434. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to carry out this subtitle $25,000,000 for each of the fiscal years 1987 and 1988. Any amounts that are appropriated to carry out this subtitle and that are not reserved prior to the 30-day period preceding the close of a fiscal year shall be made available prior to the close of such fiscal year.

Subtitle E—Miscellaneous Provisions

SEC. 441. SECTION 8 ASSISTANCE FOR SINGLE ROOM OCCUPANCY DWELLINGS.

(a) INCREASE IN BUDGET AUTHORITY.—The budget authority available under section 5(c) of the United States Housing Act of 1937 for assistance under section 8(e)(2) of such Act is authorized to be increased by $35,000,000 on or after October 1, 1986, and by $35,000,000 on or after October 1, 1987.

(b) USE OF FUNDS.—The amounts made available under this section shall be used only in connection with the moderate rehabilitation of housing described in section 8(n) of the United States Housing Act of 1937 for occupancy by homeless individuals.

(c) ALLOCATION.—The amounts made available under this section shall be allocated by the Secretary of Housing and Urban Development on the basis of a national competition to the applicants that best demonstrate a need for the assistance under this section and the ability to undertake and carry out a program to be assisted under this section. To be considered for assistance under this section, an applicant shall submit to the Secretary of Housing and Urban Development a written proposal containing—

(1) a description of the size and characteristics of the population within the applicant's jurisdiction that would occupy single room occupancy dwellings;

(2) a listing of additional commitments from public and private sources that the applicant might be able to provide in connection with the program;

(3) an inventory of suitable housing stock to be rehabilitated with such assistance; and

(4) a description of the interest that has been expressed by builders, developers, and others (including profit and nonprofit organizations) in participating in the program.

No single city or urban county shall be eligible to receive more than 10 percent of the assistance made available under this section.

(d) FIRE AND SAFETY IMPROVEMENTS.—Each contract for housing assistance payments entered into with the authority provided under this section shall require the installation of a sprinkler system that protects all major spaces, hard wired smoke detectors, and such other fire and safety improvements as may be required by State or local law.

(e) COST LIMITATION.—

(1) The total cost of rehabilitation that may be compensated for in a contract for housing assistance payments entered into with the authority provided under this section shall not exceed $14,000 per unit, plus the expenditures required by subsection (d).

(2) The Secretary of Housing and Urban Development shall increase the limitation contained in paragraph (1) by an amount the Secretary determines is reasonable and necessary to accommodate special local conditions, including—

(A) high construction costs; or

(B) stringent fire or building codes.

(f) CONTRACT REQUIREMENTS.—Each contract for annual contributions entered into with a public housing agency to obligate the authority made available under this section shall—

(1) commit the Secretary of Housing and Urban Development to make such authority available to the public housing agency for an aggregate period of 10 years, and require that any amendments increasing such authority shall be available for the remainder of such 10-year period;

(2) provide the Secretary of Housing and Urban Development with the option to renew the contract for an additional period of 10 years, subject to the availability of appropriations; and

(3) provide that, notwithstanding any other provision of law, first priority for occupancy of housing rehabilitated under this section shall be given to homeless individuals.

SEC. 442. COMMUNITY DEVELOPMENT BLOCK GRANT AMENDMENT.

Section 102(a)(6) of the Housing and Community Development Act of 1974 is amended in the second sentence by inserting "or 1984" after "fiscal year 1983".

TITLE V—IDENTIFICATION AND USE OF SURPLUS FEDERAL PROPERTY

SEC. 501. USE OF UNDERUTILIZED PUBLIC BUILDINGS AND PROPERTY FOR FACILITIES TO ASSIST THE HOMELESS.

(a) IDENTIFICATION OF UNDERUTILIZED SUITABLE BUILDINGS AND PROPERTY.—The Secretary of Housing and Urban Development shall collect information about Federal public buildings and other Federal real properties (including fixtures) that are described in surveys by the heads of controlling agencies as underutilized and shall identify which of those buildings and properties are suitable for use for facilities to assist the homeless. The Secretary, in consultation with the Secretary of Health and Human Services and the Administrator of General Services, shall develop criteria with respect to suitability of such property for use as facilities to assist the homeless.

(b) AGENCY RESPONSES.—The Secretary of Housing and Urban Development shall notify each Federal agency with respect to any property of that agency that the Secretary has identified under subsection (a) of this section. The head of such agency shall, within 30 days after receipt of such a notice, transmit to the Secretary and the Administrator of General Services the agency's response, which shall include—

(1) a statement of the agency's intention to declare the property excess to the agency's need, in accordance with applicable law; or

(2) a statement of the reasons that the property cannot be declared excess.

(c) AVAILABILITY FOR FACILITIES TO ASSIST THE HOMELESS.—The Administrator of General Services and the Secretary of Health and Human Services shall, in accordance with

other applicable Federal law, take such actions as may be necessary to make buildings and property identified under subsection (a) available for use for facilities to assist the homeless operated by private nonprofit organizations, units of local government, and States.

(d) AVAILABILITY OF FEDERAL BUILDINGS OR PROPERTY BY LEASE.—

(1) Federal buildings or property may be made available under this section only through the use of leases for at least 1 year. Ownership of the buildings and property shall not be transferred from the Federal Government.

(2) To permit leases of surplus Federal buildings and other real property under this section, the Secretary of Health and Human Services and the Administrator of General Services shall include, as a permissible use in the protection of public health within the meaning of section 203(k) of the Federal Property and Administrative Services Act of 1949, the furnishing of real property for use for facilities to assist the homeless and shall issue regulations permitting leases for such public-health purposes.

(e) QUARTERLY REPORTS.—Within 90 days after the enactment of this Act and quarterly thereafter, the Administrator of General Services shall submit to the Congress and to the Interagency Council on the Homeless quarterly reports on the implementation of this section. Such reports shall include—

(1) a list of the properties identified by the Secretary of Housing and Urban Development under subsection (a);

(2) a statement of the agency responses under subsection (b) to such identifications; and

(3) a description of the actions taken by the Administrator and the Secretary of Health and Human Services under applicable law to make such property available for use for facilities to assist the homeless operated by private nonprofit organizations, units of local government, and States.

SEC. 502. MAKING SURPLUS PERSONAL PROPERTY AVAILABLE TO NONPROFIT AGENCIES.

(a) ELIGIBILITY.—Section 203(j)(3)(B) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 484(j)(3)(B)) is amended by inserting "providers of assistance to homeless individuals" after "health centers,".

(b) REQUIREMENT FOR NOTIFICATION.—Within 90 days after the enactment of this Act, the Administrator of General Services shall require each State agency administering a State plan under section 203(j) of the Federal Property and Administrative Services Act of 1949 to make generally available information about surplus personal property which may be used in the provision of food, shelter, or other services to homeless individuals.

(c) COSTS.—Surplus personal property identified pursuant to this section shall be made available to providers of assistance to homeless individuals by a State agency distributing such property at (1) a nominal cost to such organization or (2) at no cost when the Administrator agrees to reimburse the State agency for the costs of care and handling of such property.

TITLE VI—HEALTH CARE FOR THE HOMELESS

SUBTITLE A—PRIMARY HEALTH SERVICES AND SUBSTANCE ABUSE SERVICES

SEC. 601. ESTABLISHMENT OF GRANT PROGRAM.

Part D of title III of the Public Health Service Act (42 U.S.C. 254b et seq.) is amended by striking subpart IV and inserting the following new subpart:

"Subpart IV—Health Services for the Homeless

"GRANT PROGRAM FOR CERTAIN HEALTH SERVICES FOR THE HOMELESS

"SEC. 340. (a) ESTABLISHMENT.—(1) The Secretary, acting through the Administrator of the Health Resources and Services Administration, shall make grants for the purpose of enabling grantees, directly or through contracts, to provide for the delivery of health services to homeless individuals.

"(2) In carrying out the program established in paragraph (1), the Administrator shall consult with the Director of the National Institute on Alcohol Abuse and Alcoholism and with the Director of the National Institute of Mental Health.

"(b) MINIMUM QUALIFICATIONS OF GRANTEES.—The Secretary may not make a grant under subsection (a) to an applicant unless—

"(1) the applicant is a public or nonprofit private entity;

"(2) the applicant has the capacity to effectively administer a grant under subsection (a); and

"(3) with respect to health services that are covered in the appropriate State plan approved under title XIX of the Social Security Act—

"(A) if the applicant will provide under the grant any such health services directly—

"(i) the applicant has entered into a participation agreement under the appropriate State plan; and

"(ii) the applicant is qualified to receive payments under the appropriate State plan; and

"(B) if the applicant will provide under the grant any such health services through a contract with an organization—

"(i) the organization has entered into a participation agreement under the appropriate State plan; and

"(ii) the organization is qualified to receive payments under the appropriate State plan.

"(c) PREFERENCES IN MAKING GRANTS.—The Secretary shall, in making grants under subsection (a), give preference to qualified applicants that—

"(1)(A) are experienced in the direct delivery of primary health services to homeless individuals or medically underserved populations; or

"(B) are experienced in the treatment of substance abuse in homeless individuals or medically underserved populations; and

"(2) agree to provide for health services to homeless individuals through both public entities and private organizations.

"(d) REQUIREMENT OF SUBMISSION OF APPLICATION CONTAINING CERTAIN AGREEMENTS.—(1) The Secretary may not make a grant under subsection (a) to an applicant unless the applicant has submitted to the Secretary an application for the grant containing agreements in accordance with—

"(A) subsection (e)(1)(A)(ii), relating to the provision of matching funds;

"(B) subsection (f), relating to the provision of certain health services;

"(C) subsection (h), relating to restrictions on the use of funds;

"(D) subsection (i), relating to a limitation on charges for services;

"(E) subsection (j), relating to the administration of grants; and

"(F) subsection (k), relating to a limitation on administrative expenses.

"(2) An application required in paragraph (1) shall, with respect to agreements required to be contained in the application, provide assurances of compliance satisfactory to the Secretary and shall otherwise be in such form, be made in such manner, and contain such information in addition to information required in paragraph (1) as the Secretary determines to be necessary to carry out this section.

"(e) REQUIREMENT OF PROVISION OF MATCHING FUNDS.—(1)(A) The Secretary may not make a grant under subsection (a) to an applicant—

"(i) in an amount exceeding 75 percent of the costs of providing health services under the grant; and

"(ii) unless the applicant agrees that the applicant will make available, directly or through donations to the applicant, non-Federal contributions toward such costs in an amount equal to not less than $1 (in cash or in kind under subparagraph (B)) for each $3 of Federal funds provided in such grant.

"(B)(i) Non-Federal contributions required in subparagraph (A) may be in cash or in kind, fairly evaluated, including plant, equipment, or services. Amounts provided by the Federal Government, or services assisted or subsidized to any significant extent by the Federal Government, may not be included in determining the amount of such non-Federal contributions.

"(ii) Such determination may not include any cash or in-kind contributions that, prior to February 26, 1987, were made available by any public or private entity for the purpose of assisting homeless individuals (including assistance other than the provision of health services).

"(2) The Secretary may waive the requirement established in paragraph (1)(A) if—

"(A) the applicant involved is a nonprofit private grantee under section 330; and

"(B) the Secretary determines that it is not feasible for the applicant to comply with such requirement.

"(f) REQUIREMENT OF PROVISION OF CERTAIN HEALTH SERVICES.—The Secretary may not make a grant under subsection (a) to an applicant unless the applicant agrees that the applicant will, directly or through contract—

"(1) provide health services at locations accessible to homeless individuals;

"(2) provide to homeless individuals, at all hours, emergency health services;

"(3) refer homeless individuals as appropriate to medical facilities for necessary hospital services;

"(4) refer for mental health services homeless individuals who are mentally ill to entities that provide such services, unless the applicant will provide such services pursuant to subsection (g);

"(5) provide outreach services to inform homeless individuals of the availability of health services; and

"(6) aid homeless individuals in establishing eligibility for assistance, and in obtaining services, under entitlement programs.

"(g) OPTIONAL PROVISION OF MENTAL HEALTH SERVICES.—A grantee under subsection (a) may expend amounts received pursuant to such subsection for the purpose of providing mental health services to homeless individuals.

"(h) RESTRICTIONS ON USE OF GRANT FUNDS.—(1) The Secretary may not, except as provided in paragraph (2), make a grant under subsection (a) to an applicant unless the applicant agrees that amounts received pursuant to such subsection will not, directly or through contract, be expended—

"(A) for any purpose other than the purposes described in subsections (a) and (g);

"(B) to provide inpatient services, except with respect to residential treatment for sub-

stance abuse provided in settings other than hospitals;

"(C) to make cash payments to intended recipients of health services or mental health services; or

"(D) to purchase or improve real property (other than minor remodeling of existing improvements to real property) or to purchase major medical equipment.

"(2) If the Secretary finds that the purpose described in subsection (a) cannot otherwise be carried out, the Secretary may, with respect to an otherwise qualified applicant, waive the restriction established in paragraph (1)(D).

"(i) LIMITATION ON CHARGES FOR SERVICES.—The Secretary may not make a grant under subsection (a) to an applicant unless the applicant agrees that, whether health services are provided directly or through contract—

"(1) health services under the grant will be provided without regard to ability to pay for the health services; and

"(2) if a charge is imposed for the delivery of health services, such charge—

"(A) will be made according to a schedule of charges that is made available to the public;

"(B) will not be imposed on any homeless individual with an income less than the official poverty level; and

"(C) will be adjusted to reflect the income and resources of the homeless individual involved.

"(j) REQUIREMENTS WITH RESPECT TO ADMINISTRATION.—The Secretary may not make a grant under subsection (a) to an applicant unless the applicant—

"(1) agrees to establish such procedures for fiscal control and fund accounting as may be necessary to ensure proper disbursement and accounting with respect to the grant;

"(2) agrees to establish an ongoing program of quality assurance with respect to the health services provided under the grant;

"(3) agrees to ensure the confidentiality of records maintained on homeless individuals receiving health services under the grant;

"(4) with respect to providing health services to any population of homeless individuals a substantial portion of which has a limited ability to speak the English language—

"(A) has developed and has the ability to carry out a reasonable plan to provide health services under the grant through individuals who are able to communicate with the population involved in the language and cultural context that is most appropriate; and

"(B) has designated at least one individual, fluent in both English and the appropriate language, to assist in carrying out the plan; and

"(5) agrees to submit to the Secretary an annual report that describes the utilization and costs of health services provided under the grant and that provides such other information as the Secretary determines to be appropriate.

"(k) LIMITATION ON ADMINISTRATIVE EXPENSES OF GRANTEE.—The Secretary may not make a grant under subsection (a) to an applicant unless the applicant agrees that the applicant will not expend more than 10 percent of amounts received pursuant to such subsection for the purpose of administering the grant.

"(l) USE OF GRANT FUNDS FOR REFERRALS TO CERTAIN ADVOCACY SYSTEMS.—A grantee under subsection (a) may, with respect to title I of the Protection and Advocacy for Mentally Ill Individuals Act of 1986, expend amounts received under subsection (a) for the purpose of referring homeless individuals who are chronically mentally ill, and who are eligible under such Act, to systems that provide advocacy services under such Act.

"(m) USE OF SELF-HELP ORGANIZATIONS.—Any grantee under subsection (a) may provide health services through contracts with nonprofit self-help organizations that—

"(1) are established and managed by current and former recipients of mental health services, or substance abuse services, who have been homeless individuals; and

"(2) with respect to the provision of health services described in subsection (b)(3), are organizations qualified under subparagraph (B) of such subsection.

"(n) TECHNICAL ASSISTANCE.—(1) The Secretary may, without charge to any grantee under subsection (a), provide technical assistance to any such grantee with respect to the planning, development, and operation of programs to carry out the purpose described in such subsection. The Secretary may provide such technical assistance directly, through contract, or through grants.

"(2) Of the amounts appropriated pursuant to subsection (p)(1), the Secretary may expend not more than $2,000,000 for the purpose of carrying out paragraph (1).

"(o) ANNUAL REPORTS BY SECRETARY.—Not later than January 10 of each year, the Secretary shall submit to the Congress a report describing the utilization and costs of health services provided under subsection (a) during the immediately preceding fiscal year.

"(p) FUNDING.—(1) There are authorized to be appropriated to carry out this section $50,000,000 for fiscal year 1987 and $30,000,000 for fiscal year 1988.

"(2) Amounts received by a grantee pursuant to subsection (a) remaining unobligated at the end of the fiscal year in which the amounts were received shall remain available to the grantee during the succeeding fiscal year for the purpose described in such subsection.

"(q) DEFINITIONS.—For purposes of this section:

"(1) The term 'health services' means primary health services and substance abuse services.

"(2) The term 'homeless individual' means an individual who lacks housing (without regard to whether the individual is a member of a family), including an individual whose primary residence during the night is a supervised public or private facility that provides temporary living accommodations.

"(3) The term 'medically underserved population' has the meaning given such term in section 330(b)(3).

"(4) The term 'official poverty level' means the nonfarm income official poverty line defined by the Office of Management and Budget and revised annually in accordance with section 673(2) of the Omnibus Budget Reconciliation Act of 1981.

"(5) The term 'organization' includes individuals, corporations, partnerships, companies, and associations.

"(6) The term 'primary health services' has the meaning given such term in section 330(b)(1).

"(7) The term 'substance abuse' has the meaning given such term in section 536(4).

"(8) The term 'substance abuse services' includes detoxification and residential treatment for substance abuse provided in settings other than hospitals.".

SEC. 602. PROVISION OF HEALTH SERVICES TO THE HOMELESS BY NATIONAL HEALTH SERVICE CORPS.

Section 332(a) of the Public Health Service Act (42 U.S.C. 254e(a)) is amended by adding at the end the following new paragraph:

"(3) Homeless individuals (as defined in section 340(q)(2)) may be a population group under paragraph (1).".

SEC. 603. REQUIREMENT OF CERTAIN STUDY WITH RESPECT TO HOMELESSNESS.

The Secretary of Health and Human Services shall, not later than 18 months after the date of the enactment of this Act—

(1) complete a study with respect to determining the extent to which the mental health deinstitutionalization policies of the States are contributing to the problem of homelessness; and

(2) submit to the Congress the findings made as a result of such study, including any recommendations of the Secretary with respect to administrative and legislative initiatives that can reduce the number of chronically mentally ill individuals who are homeless.

SUBTITLE B—COMMUNITY MENTAL HEALTH SERVICES

SEC. 611. ESTABLISHMENT OF BLOCK GRANT PROGRAM FOR SERVICES TO HOMELESS INDIVIDUALS WHO ARE CHRONICALLY MENTALLY ILL.

Title V of the Public Health Service Act (42 U.S.C. 290aa et seq.) is amended—

(1) by redesignating part C as part D;

(2) by redesignating sections 520 through 527 as sections 541 through 548, respectively; and

(3) by inserting after part B the following new part:

"PART C—COMMUNITY MENTAL HEALTH SERVICES FOR THE HOMELESS

"ESTABLISHMENT OF BLOCK GRANT PROGRAM FOR SERVICES TO HOMELESS INDIVIDUALS WHO ARE CHRONICALLY MENTALLY ILL

"SEC. 521. (a) REQUIREMENT OF ALLOTMENTS FOR STATES.—The Secretary shall for fiscal years 1987 and 1988 allot to each State an amount determined in accordance with sections 528 and 529. The Secretary shall, in accordance with section 530, make payments each such fiscal year to each State from the allotment for the State if the Secretary approves for each such fiscal year an application submitted by the State pursuant to section 522.

"(b) PURPOSE OF ALLOTMENTS.—The Secretary may not make payments under subsection (a) to a State for a fiscal year unless the State agrees that amounts received by the State pursuant to such subsection will be expended only for the purpose of providing, in accordance with section 524, community mental health services to homeless individuals who are chronically mentally ill.

"REQUIREMENT OF SUBMISSION OF APPLICATION CONTAINING CERTAIN AGREEMENTS

"SEC. 522. (a) IN GENERAL.—The Secretary may not make payments under section 521(a) to a State for a fiscal year unless the State has submitted to the Secretary an application for the payments containing agreements in accordance with—

"(1) section 521(b), relating to the purpose of allotments;

"(2) section 523(a)(2), relating to the provision of matching funds;

"(3) section 524, relating to the provision of certain mental health services;

"(4) section 525, relating to restrictions on the use of payments;

"(5) section 526, relating to the submission of a description of the intended use of a block grant; and

"(6) section 527, relating to reports by the States.

"(b) CERTIFICATIONS.—Agreements required under subsection (a) to be submitted to the Secretary shall be made through certification from the chief executive officer of the State involved.

"(c) SUBMISSION OF CERTAIN DOCUMENTS RELATING TO USE OF PAYMENTS.—

"(1) The Secretary may not make payments under section 521(a) to a State for a fiscal year unless the application submitted pursuant to subsection (a) contains the description required in section 526.

"(2) For fiscal years subsequent to fiscal year 1987, the Secretary may not make payments under section 521(a) to a State unless such application contains the report required in section 527.

"(d) ADDITIONAL REQUIRED INFORMATION.—An application required in subsection (a) shall, with respect to agreements required to be contained in the application, provide assurances of compliance satisfactory to the Secretary and shall otherwise be in such form, be made in such manner, and contain such information in addition to information required in subsections (a) and (c) as the Secretary determines to be necessary to carry out this part.

"REQUIREMENT OF PROVISION OF MATCHING FUNDS

"SEC. 523. (a) IN GENERAL.—The Secretary may not make payments under section 521(a) to a State—

"(1) in an amount exceeding 75 percent of the costs of providing services described in section 521(b); and

"(2) unless the State agrees that the State will make available, directly or through donations from public or private entities, non-Federal contributions toward such costs in an amount equal to not less than $1 (in cash or in kind under subsection (b)) for each $3 of Federal funds provided in such grant.

"(b) DETERMINATION OF AMOUNT OF NON-FEDERAL CONTRIBUTION.—

"(1) Non-Federal contributions required in subsection (a) may be in cash or in kind, fairly evaluated, including plant, equipment, or services. Amounts provided by the Federal Government, or services assisted or subsidized to any significant extent by the Federal Government, may not be included in determining the amount of such non-Federal contributions.

"(2) A determination under paragraph (1) may not include any cash or in-kind contributions that, prior to February 26, 1987, were made available by any public or private entity for the purpose of assisting homeless individuals (including assistance other than the provision of community mental health services).

"REQUIREMENT OF PROVISION OF CERTAIN MENTAL HEALTH SERVICES

"SEC. 524. (a) IN GENERAL.—The Secretary may not make payments under section 521(a) to a State for a fiscal year unless the State agrees that projects receiving amounts pursuant to such section will—

"(1) provide outreach services to chronically mentally ill individuals who are homeless or who are subject to a significant probability of becoming homeless;

"(2) provide community mental health services, diagnostic services, crisis intervention services, and habilitation and rehabilitation services to individuals described in paragraph (1);

"(3) refer such individuals as appropriate to medical facilities for necessary hospital services and to entities that provide primary health services and substance abuse services;

"(4) provide, in accordance with subsection (b), appropriate training to individuals who provide services to individuals described in paragraph (1), including the training of individuals who work in shelters, mental health clinics, and other sites where homeless individuals receive services;

"(5) provide appropriate case management services to homeless individuals, including—

"(A) preparing a plan for the provision of community mental health services to the homeless individual involved and reviewing such plan not less than once every 3 months;

"(B) providing assistance in obtaining and coordinating social and maintenance services for the individual, including services relating to daily living activities, transportation services, and habilitation and rehabilitation services, prevocational and vocational services, and housing services;

"(C) providing assistance to the individual in obtaining income support services, including housing assistance, food stamps, and supplemental security income benefits;

"(D) referring the individual for such other services as may be appropriate; and

"(E) providing representative payee services in accordance with section 1631(a)(2) of the Social Security Act if the individual is receiving aid under title XVI of such Act and if the applicant is designated by the Secretary to provide such services; and

"(6) provide supportive and supervisory services to homeless individuals in residential settings not supported under—

"(A) the transitional housing demonstration program carried out by the Secretary of Housing and Urban Development pursuant to section 101(g) of Public Law 99-500 or Public Law 99-591; or

"(B) the supportive housing demonstration program established in subtitle C of title IV of the Stewart B. McKinney Homeless Assistance Act.

"(b) CERTAIN REQUIREMENTS WITH RESPECT TO TRAINING OF STAFF.—The Secretary may not make payments under section 521(a) to a State for a fiscal year unless the State agrees that training required in subsection (a)(4) will include training with respect to—

"(1) identifying individuals who are chronically mentally ill;

"(2) referring individuals to services available to such individuals, including job training services, literacy education, community health centers, community mental health centers, and substance abuse treatment programs; and

"(3) identifying programs that provide benefits to homeless individuals and referring such individuals to the programs.

"RESTRICTIONS ON USE OF PAYMENTS

"SEC. 525. (a) IN GENERAL.—The Secretary may not make payments under section 521(a) to a State unless the applicant agrees that amounts received pursuant to such section will not be expended—

"(1) to provide inpatient services;

"(2) to make cash payments to intended recipients of mental health services;

"(3) to purchase or improve real property (other than minor remodeling of existing improvements to real property) or to purchase major medical equipment; or

"(4) to satisfy any requirement for the expenditure of non-Federal funds as a condition for the receipt of Federal funds.

"(b) LIMITATION WITH RESPECT TO ADMINISTRATIVE EXPENSES.—The Secretary may not make payments under section 521(a) to a State for a fiscal year unless the State agrees that the State will not expend more than 4 percent of the payments for the purpose of administering the payments and that the State will pay from non-Federal sources the remaining costs of administering the payments.

"REQUIREMENT OF SUBMISSION OF DESCRIPTION OF INTENDED USE OF BLOCK GRANT

"SEC. 526. (a) IN GENERAL.—The Secretary may not make payments under section 521(a) to a State for a fiscal year unless—

"(1) the State submits to the Secretary a description of the intended use for the fiscal year of the amounts for which the State is applying pursuant to such section;

"(2) such description identifies the geographic areas within the State in which the greatest numbers of homeless individuals with a need for mental health services are located;

"(3) such description provides information relating to the programs and activities to be supported and services to be provided, including information relating to coordinating such programs and activities with any similar programs and activities of public and private entities; and

"(4) the State agrees that such description will be revised throughout the year as may be necessary to reflect substantial changes in the programs and activities assisted by the State pursuant to section 521.

"(b) OPPORTUNITY FOR PUBLIC COMMENT.—The Secretary may not make payments under section 521(a) to a State for a fiscal year unless the State agrees that, in developing and carrying out the description required in subsection (a), the State will provide public notice with respect to the description (including any revisions) and such opportunities as may be necessary to provide interested persons an opportunity to present comments and recommendations with respect to the description.

"(c) RELATIONSHIP TO STATE COMPREHENSIVE MENTAL HEALTH SERVICES PLAN.—

"(1) For fiscal year 1987, the Secretary may not make payments under section 521(a) to a State unless the services to be provided pursuant to the description required in subsection (a) are consistent with the State comprehensive mental health services plan required in subpart 2 of part B of title XIX.

"(2) For fiscal years subsequent to fiscal year 1987, the Secretary may not make payments under section 521(a) to a State unless the services to be provided pursuant to the description required in subsection (a) have been considered in the preparation of, have been included in, and are consistent with, the State comprehensive mental health services plan referred to in paragraph (1).

"REQUIREMENT OF REPORTS BY STATES

"SEC. 527. (a) IN GENERAL.—For fiscal years subsequent to fiscal year 1987, the Secretary may not make payments under section 521(a) to a State unless the State agrees that the State will prepare and submit to the Secretary an annual report in such form and containing such information as the Secretary determines (after consultation with the States and the Comptroller General of the United States) to be necessary for—

"(1) securing a record and a description of the purposes for which amounts received under section 521(a) were expended and of the recipients of such amounts;

"(2) determining whether such amounts were expended in accordance with the needs within the State identified pursuant to section 526(a)(2); and

"(3) determining whether such amounts were expended in accordance with the purpose described in section 521(b).

"(b) AVAILABILITY TO PUBLIC OF REPORTS.—The Secretary may not make payments under section 521(a) to a State unless the State agrees that the State will make copies of the reports described in subsection (a) available for public inspection.

"(c) EVALUATIONS BY COMPTROLLER GENERAL.—The Comptroller General of the United States shall, from time to time, evaluate the expenditures by States of grants under this part in order to ensure that expenditures are consistent with the provisions of this part.

"DETERMINATION OF AMOUNT OF ALLOTMENTS

"SEC. 528. (a) IN GENERAL.—The allotment for a State under section 521(a) for a fiscal year shall be the greater of—

"(1) $275,000; and

"(2) an amount determined in accordance with subsection (b).

"(b) DETERMINATION OF TENTATIVE AMOUNT OF ALLOTMENT.—

"(1) The amount referred to in subsection (a)(2) is the product of—

"(A) an amount equal to the amounts appropriated for the fiscal year pursuant to section 535; and

"(B) the percentage described in paragraph (2).

"(2) The percentage referred to in paragraph (1)(B) is a percentage equal to the quotient of—

"(A) an amount equal to the population living in urbanized areas of the State involved, as indicated by the most recent data collected by the Bureau of the Census; divided by

"(B) an amount equal to the population living in urbanized areas of the United States, as indicated by the sum of the respective amounts determined for each State under subparagraph (A).

"DISPOSITION OF CERTAIN FUNDS APPROPRIATED FOR ALLOTMENTS

"SEC. 529. (a) ADDITIONAL ALLOTMENTS FOR CERTAIN STATES.—Amounts described in subsection (b) shall be allotted each fiscal year by the Secretary to States receiving allotments under section 521(a) for the fiscal year (other than any State described in subsection (b)(3)). The amount of an allotment for a State shall be determined in accordance with subsection (c).

"(b) DESCRIPTION OF FUNDS.—The amounts referred to in subsection (a) are any amounts made available in appropriations Acts for allotments under section 521(a) that are not allotted under such section as a result of—

"(1) the failure of any State to submit an application under section 522;

"(2) the failure of any State to prepare, within a reasonable period of time in the determination of the Secretary, such application in compliance with such section; or

"(3) any State informing the Secretary that the State does not intend to expend the full amount of the allotment made to the State.

"(c) DETERMINATION OF AMOUNT OF ALLOTMENT.—The allotment under subsection (a) for a State shall be an amount equal to the product of—

"(1) an amount equal to the amount described in subsection (b) for the fiscal year; and

"(2) the percentage determined under section 528(b)(2) for the State involved.

"DISBURSEMENT AND AVAILABILITY OF FUNDS

"SEC. 530. (a) DISBURSEMENT.—Payments under section 521(a) shall be made in accordance with section 6503(a) of title 31, United States Code.

"(b) AVAILABILITY.—Amounts received by a State under section 521(a) remaining unobligated at the end of the fiscal year in which the amounts were received shall remain available to the State during the succeeding fiscal year for the purpose described in section 521(b).

"TECHNICAL ASSISTANCE

"SEC. 531. The Secretary may, without charge to a State receiving amounts under section 521(a), provide technical assistance to the State with respect to the planning, development, and operation of programs to carry out the purpose described in section 521(b). The Secretary may provide such technical assistance directly, through contract, or through grants.

"FAILURE TO COMPLY WITH AGREEMENTS

"SEC. 532. (a) REPAYMENT OF PAYMENTS.—

"(1) The Secretary may, in accordance with subsection (c), require a State to repay any amounts received under section 521(a) that, in the determination of the Secretary, were not expended by the State in accordance with the agreements required to be contained in the application submitted by the State pursuant to section 522.

"(2) If a State fails to make a repayment required in paragraph (1), the Secretary may offset the amount of the repayment against the amount of any payment due to be paid to the State under section 521(a).

"(b) WITHHOLDING OF PAYMENTS.—

"(1) The Secretary may, in accordance with subsection (c), withhold payments due under section 521(a) if the Secretary determines that the State involved is not expending amounts received under such section in accordance with the agreements required to be contained in the application submitted by the State pursuant to section 522.

"(2) The Secretary shall cease withholding payments from a State under paragraph (1) if the Secretary determines that the State is expending amounts received under section 521(a) in accordance with the agreements required to be contained in the application submitted by the State pursuant to section 522.

"(c) OPPORTUNITY FOR A HEARING.—Before requiring repayment of payments under subsection (a)(1), or withholding payments under subsection (b)(1), the Secretary shall provide to the State involved an opportunity for a hearing.

"(d) CONSTRUCTION OF PURPOSE OF ALLOTMENTS.—Notwithstanding any other provision of this part, a State receiving amounts under section 521(a) may not, with respect to the agreements required to be contained in the application submitted by the State pursuant to section 522, be considered to be in violation of any such agreements by reason of the fact that the State, in the regular course of providing mental health services to homeless individuals who are chronically mentally ill, incidentally provides mental health services to homeless individuals who are not chronically mentally ill.

"ESTABLISHMENT OF PROHIBITION AGAINST MAKING CERTAIN FALSE STATEMENTS

"SEC. 533. (a) IN GENERAL.—

"(1) A person may not knowingly make or cause to be made any false statement or representation of a material fact in connection with the furnishing of items or services for which payments may be made by a State from amounts paid to the State under section 521(a).

"(2) A person with knowledge of the occurrence of any event affecting the right of the person to receive any payments by a State from such amounts may not conceal or fail to disclose any such event with the intent of securing such a payment that the person is not authorized to receive or securing such a payment in an amount greater than the amount that the person is authorized to receive.

"(b) CRIMINAL PENALTY FOR VIOLATION OF PROHIBITION.—Any person who violates the prohibition established in subsection (a) may for each violation be fined in accordance with title 18, United States Code, or imprisoned for not more than 5 years, or both.

"NONDISCRIMINATION

"SEC. 534. (a) IN GENERAL.—

"(1) For the purpose of applying the prohibitions against discrimination on the basis of age under the Age Discrimination Act of 1975, on the basis of handicap under section 504 of the Rehabilitation Act of 1973, on the basis of sex under title IX of the Education Amendments of 1972, or on the basis of race, color, or national origin under title VI of the Civil Rights Act of 1964, programs and activities funded in whole or in part with funds made available under this part shall be considered to be programs and activities receiving Federal financial assistance.

"(2) No person shall on the ground of sex or religion be excluded from participation in, be denied the benefits of, or be subjected to discrimination under, any program or activity funded in whole or in part with funds made available under this part.

"(b) ENFORCEMENT.—

"(1) Whenever the Secretary finds that a State, or an entity that has received a payment pursuant to section 521(a), has failed to comply with a provision of law referred to in subsection (a)(1), with subsection (a)(2), or with an applicable regulation (including one prescribed to carry out subsection (a)(2)), the Secretary shall notify the chief executive officer of the State and request the chief executive officer to secure compliance. If within a reasonable period of time, not to exceed 60 days, the chief executive officer fails or refuses to secure compliance, the Secretary may—

"(A) refer the matter to the Attorney General with a recommendation that an appropriate civil action be instituted;

"(B) exercise the powers and functions provided by the Age Discrimination Act of 1975, section 504 of the Rehabilitation Act of 1973, or title VI of the Civil Rights Act of 1964, as may be applicable; or

"(C) take such other actions as may be authorized by law.

"(2) When a matter is referred to the Attorney General pursuant to paragraph (1)(A), or whenever the Attorney General has reason to believe that a State or an entity is engaged in a pattern or practice in violation of a provision of law referred to in subsection (a)(1) or in violation of subsection (a)(2), the Attorney General may bring a civil action in any appropriate district court of the United States for such relief as may be appropriate, including injunctive relief.

"AUTHORIZATIONS OF APPROPRIATIONS

"SEC. 535. There are authorized to be appropriated to carry out this part $35,000,000 for fiscal year 1987 and such sums as may be necessary for fiscal year 1988.

"DEFINITIONS

"SEC. 536. For purposes of this part:

"(1) The term 'homeless individual' has the meaning given such term in section 340(q)(2).

"(2) The term 'primary health services' has the meaning given such term in section 330(b)(1).

"(3) The term 'State' means each of the several States, the District of Columbia, and the Commonwealth of Puerto Rico.

"(4) The term 'substance abuse' means the abuse of alcohol or other drugs.".

SEC. 612. COMMUNITY MENTAL HEALTH SERVICES DEMONSTRATION PROJECTS FOR HOMELESS INDIVIDUALS WHO ARE CHRONICALLY MENTALLY ILL.

(a) IN GENERAL.—There is authorized to be appropriated for payments pursuant to section 504(f) of the Public Health Service Act $10,000,000 for fiscal year 1987, in addition to any other amounts appropriated for such payments for such fiscal year. Such additional amounts shall be available only for the provision of community-based mental health services to homeless individuals who are chronically mentally ill.

(b) AVAILABILITY.—Amounts paid to a grantee under section 504(f) pursuant to subsection (a) remaining unobligated at the end of the fiscal year in which the amounts were received shall remain available to the grantee during the succeeding fiscal year for the purposes for which the payments were made.

SEC. 613. COMMUNITY DEMONSTRATION PROJECTS FOR ALCOHOL AND DRUG ABUSE TREATMENT OF HOMELESS INDIVIDUALS.

(a) IN GENERAL.—Section 512 of the Public Health Service Act (42 U.S.C. 290bb-1a) is amended by redesignating subsection (c) as subsection (d) and by inserting after subsection (b) the following new subsection:

"(c)(1) The Secretary, acting through the Director of the Institute, may make grants to, and enter into contracts and cooperative agreements with, community-based public and private nonprofit entities for the purpose of developing and expanding alcohol and drug abuse treatment services for homeless individuals. In carrying out this subsection, the Director shall consult with the Director of the National Institute on Drug Abuse.

"(2) Amounts paid to a grantee pursuant to paragraph (1) remaining unobligated at the end of the fiscal year in which the amounts were received shall remain available to the grantee during the succeeding fiscal year for the purposes for which the grants were made.".

(b) LIMITATION ON AUTHORITY TO MAKE GRANTS.—Section 512(d) of the Public Health Service Act (as redesignated in subsection (a) of this section) is amended by striking "subsection (a)" and inserting "subsections (a) or (c)".

(c) AUTHORIZATION OF APPROPRIATIONS.—Section 513 of the Public Health Service Act (42 U.S.C. 290bb-2) is amended—

(1) by inserting "(a)" after "513."; and

(2) by adding at the end the following new subsection:

"(b) There is authorized to be appropriated to carry out section 512(c) $10,000,000 for fiscal year 1987.".

TITLE VII—EDUCATION, TRAINING, AND COMMUNITY SERVICES PROGRAMS

SUBTITLE A—ADULT EDUCATION FOR THE HOMELESS

SEC. 701. AMENDMENT TO ADULT EDUCATION ACT.

(a) STATE PLANS.—Section 306(b) of the Adult Education Act (20 U.S.C. 1205(b)) is amended—

(1) in paragraph (1), by inserting "homeless adults," after "English language skills,";

(2) in paragraph (7), by inserting "organizations providing assistance to the homeless," after "antipoverty programs,"; and

(3) in paragraph (8), by inserting "homeless adults," after "English language skills,".

(b) RESEARCH AND DEMONSTRATION.—Section 309(a)(1)(A) of the Adult Education Act (20 U.S.C. 1207a(a)(1)(A)) is amended—

(1) by inserting "homeless adults," before "elderly"; and

(2) by inserting a comma after "individuals".

SEC. 702. STATEWIDE LITERACY INITIATIVES.

(a) GENERAL AUTHORITY.—The Secretary of Education shall make grants to State educational agencies to enable each such agency to develop a plan and implement a program of literacy training and basic skills remediation for adult homeless individuals within the State, which shall—

(1) include a program of outreach activities; and

(2) be coordinated with existing resources such as community-based organizations, VISTA recipients, adult basic education program recipients, and nonprofit literacy-action organizations.

(b) APPLICATION.—Each State educational agency desiring to receive its allocation under this section shall submit to the Secretary of Education an application at such time, in such manner, and containing such information as the Secretary may reasonably require.

(c) AUTHORIZATION OF APPROPRIATIONS; ALLOCATION.—

(1) There are authorized to be appropriated $7,500,000 for fiscal year 1987 and $10,000,000 for fiscal year 1988, for the adult literacy and basic skills remediation programs authorized by this section.

(2) The Secretary of Education shall distribute funds to States on the basis of the assessments of the homeless population in the States made in the comprehensive plans submitted under this Act, except that no State shall receive less than $75,000 under this section.

(d) DEFINITION.—As used in this section, the term "State" means each of the several States, the District of Columbia, and the Commonwealth of Puerto Rico.

SUBTITLE B—EDUCATION FOR HOMELESS CHILDREN AND YOUTH

SEC. 721. STATEMENT OF POLICY.

It is the policy of the Congress that—

(1) each State educational agency shall assure that each child of a homeless individual and each homeless youth have access to a free, appropriate public education which would be provided to the children of a resident of a State and is consistent with the State school attendance laws; and

(2) in any State that has a residency requirement as a component of its compulsory school attendance laws, the State will review and undertake steps to revise such laws to assure that the children of homeless individuals and homeless youth are afforded a free and appropriate public education.

SEC. 722. GRANTS FOR STATE ACTIVITIES FOR THE EDUCATION OF HOMELESS CHILDREN AND YOUTH.

(a) GENERAL AUTHORITY.—The Secretary of Education is, in accordance with the provisions of this section, authorized to make grants to States to carry out the activities described in subsections (c), (d), and (e).

(b) ALLOCATION.—From the amounts appropriated for each fiscal year pursuant to subsection (g), the Secretary shall allot to each State an amount which bears the same ratio to the amount appropriated in each such year as the amount allocated under section 111 of the Elementary and Secondary Education Act of 1965 (as incorporated by reference in chapter 1 of the Education Consolidation and Improvement Act of 1981) to the local educational agencies in the State in that year bears to the total amount allocated to such agencies in all States, except that no State shall receive less than $50,000 in any fiscal year.

(c) AUTHORIZED ACTIVITIES.—Grants under this section shall be used—

(1) to carry out the policies set forth in section 721 in the State;

(2) to establish or designate an Office of Coordinator of Education of Homeless Children and Youth in accordance with subsection (d); and

(3) to prepare and carry out the State plan described in subsection (e).

(d) FUNCTIONS OF THE OFFICE OF COORDINATOR.—The Coordinator of Education of Homeless Children and Youth established in each State shall—

(1) gather data on the number and location of homeless children and youth in the State, and such data gathering shall include the nature and extent of problems of access to, and placement of, homeless children and homeless youth in elementary and secondary schools, and the difficulties in identifying the special needs of such children;

(2) develop and carry out the State plan described in subsection (e); and

(3) prepare and submit to the Secretary an interim report not later than December 31, 1987, and a final report not later than December 31, 1988, on the data gathered pursuant to paragraph (1).

To the extent that reliable current data is available in the State, each coordinator described in this subsection may use such data to fulfill the requirements of paragraph (1).

(e) STATE PLAN.—

(1) Each State shall adopt a plan to provide for the education of each homeless child or homeless youth within the State which will contain provisions designed to—

(A) authorize the State educational agency, the local educational agency, the parent or guardian of the homeless child, the homeless youth, or the applicable social worker to make the determinations required under this section; and

(B) provide procedures for the resolution of disputes regarding the educational placement of homeless children and youth.

(2) Each plan adopted under this subsection shall assure, to the extent practicable under requirements relating to education established by State law, that local educational agencies within the State will comply with the requirements of paragraphs (3) through (6).

(3) The local educational agency of each homeless child or youth shall either—

(A) continue the child's or youth's education in the school district of origin for the remainder of the school year; or

(B) enroll the child or youth in the school district where the child or youth is actually living;

whichever is in the child's best interest or the youth's best interest.

(4) The choice regarding placement shall be made regardless of whether the child or youth is living with the homeless parents or has been temporarily placed elsewhere by the parents.

(5) Each homeless child shall be provided services comparable to services offered to other students in the school selected according to the provisions of paragraph (3), including educational services for which the child meets the eligibility criteria, such as compensatory educational programs for the disadvantaged, and educational programs for the handicapped and for students with limited English proficiency; programs in vo-

cational education; programs for the gifted and talented; and school meals programs.

(6) The school records of each homeless child or youth shall be maintained—

(A) so that the records are available, in a timely fashion, when a child or youth enters a new school district; and

(B) in a manner consistent with section 438 of the General Education Provisions Act.

(f) Application.—No State may receive a grant under this section unless the State educational agency submits an application to the Secretary at such time, in such manner, and containing or accompanied by such information as the Secretary may reasonably require.

(g) Authorization of Appropriations.—

(1) There are authorized to be appropriated $5,000,000 for each of the fiscal years 1987 and 1988 to carry out the provisions of this section.

(2) Sums appropriated in each fiscal year shall remain available for the succeeding fiscal year.

SEC. 723. EXEMPLARY GRANTS AND DISSEMINATION OF INFORMATION ACTIVITIES AUTHORIZED.

(a) General Authority.—

(1) The Secretary shall, from funds appropriated pursuant to subsection (f), make grants for exemplary programs that successfully address the needs of homeless students in elementary and secondary schools of the applicant.

(2) The Secretary shall, in accordance with subsection (e), conduct dissemination activities of exemplary programs designed to meet the educational needs of homeless elementary and secondary school students.

(b) Applicants.—The Secretary shall make grants to State and local educational agencies for the purpose described in paragraph (1) of subsection (a).

(c) Eligibility for Grants.—No applicant may receive an exemplary grant under this section unless the applicant is located in a State which has submitted a State plan in accordance with the provisions of section 722.

(d) Application.—Each applicant which desires to receive a demonstration grant under this section shall submit an application to the Secretary at such time, in such manner, and containing or accompanied by such information as the Secretary may reasonably require. Each such application shall include—

(1) a description of the exemplary program for which assistance is sought;

(2) assurances that the applicant will transmit information with respect to the conduct of the program for which assistance is sought; and

(3) such additional assurances that the Secretary determines are necessary.

(e) Dissemination of Information Activities.—The Secretary shall, from funds appropriated pursuant to subsection (f), conduct, directly or indirectly by way of grant, contract, or other arrangement, dissemination activities designed to inform State and local educational agencies of exemplary programs which successfully address the special needs of homeless students.

(f) Appropriations Authorized.—There is authorized to be appropriated $2,500,000 for fiscal year 1988 to carry out the provisions of this section.

SEC. 724. NATIONAL RESPONSIBILITIES.

(a) General Accounting Office.—The Comptroller General of the United States shall prepare and submit to the Congress not later than June 30, 1988, a report on the number of homeless children and youth in all States.

(b) Secretarial Responsibilities.—

(1) The Secretary shall monitor and review compliance with the provisions of this subtitle in accordance with the provisions of the General Education Provisions Act.

(2) The Secretary shall prepare and submit a report to the Congress on the programs and activities authorized by this subtitle at the end of each fiscal year.

(3) The Secretary shall compile and submit a report to the Congress containing the information received from the States pursuant to section 722(d)(3) within 45 days of its receipt.

SEC. 725. DEFINITIONS.

As used in this subtitle—

(1) the term "Secretary" means the Secretary of Education; and

(2) the term "State" means each of the several States, the District of Columbia, and the Commonwealth of Puerto Rico.

Subtitle C—Job Training for the Homeless

SEC. 731. DEMONSTRATION PROGRAM AUTHORIZED.

(a) General Authority.—The Secretary of Labor shall, from funds appropriated pursuant to section 739, make grants for the Federal share of job training demonstration projects for homeless individuals in accordance with the provisions of this subtitle.

(b) Contract Authority.—The Secretary is authorized to enter into such contracts with State and local public agencies, private nonprofit organizations, private businesses, and other appropriate entities as may be necessary to carry out the provisions of this subtitle.

SEC. 732. STATE COORDINATION WITH DEMONSTRATION GRANT RECIPIENTS.

A State shall describe in the comprehensive plan required under section 401 how the State will coordinate projects conducted within a State under this subtitle with other services for homeless individuals assisted under this Act.

SEC. 733. APPLICATION.

Each applicant which desires to receive a demonstration grant under this subtitle shall submit an application to the Secretary at such time, in such manner, and containing or accompanied by such information as the Secretary may reasonably require. Each such application shall include—

(1) a description of the activities for which assistance is sought;

(2) plans for the coordination and outreach activities, particularly with case managers and care providers, designed to achieve referral of homeless individuals to the demonstration projects authorized by this subtitle;

(3) plans to offer in-shelter outreach and assessment activities and where practicable, pre-employment services, so as to increase the participation of homeless individuals in the demonstration project and to contract for, or provide, training services and activities;

(4) a description of the standards by which performance may be measured under the demonstration project, together with assurances that a preliminary evaluation of the project will be completed not later than the end of the first year for which assistance is sought;

(5) assurances that the recipient of demonstration grants under this subtitle will pay the non-Federal share of the activities for which assistance is sought from non-Federal sources; and

(6) such additional assurances as the Secretary determines are necessary to insure compliance with the requirements of this subtitle.

SEC. 734. AUTHORIZED ACTIVITIES.

Demonstration grants under this subtitle may be used for—

(1) basic skills instruction;

(2) remedial education activities;

(3) basic literacy instruction;

(4) job search activities;

(5) job counseling;

(6) job preparatory training, including resume writing and interviewing skills; and

(7) any other activities described in section 204 of the Job Training Partnership Act which the grant recipient determines will contribute to carrying out the objectives of this subtitle;

for homeless individuals.

SEC. 735. PAYMENTS; FEDERAL SHARE; LIMITATION.

(a) Payments.—The Secretary shall pay to each applicant having an application approved under section 733 the Federal share of the cost of activities described in the application.

(b) Federal Share.—

(1)(A) The Federal share for each fiscal year shall be not less than 50 percent nor more than 90 percent.

(B) The Federal share shall be determined by the Secretary for each recipient under this subtitle based upon the ability of the recipient to meet the non-Federal share of the cost of the program for which assistance is sought.

(2) The non-Federal share of payments under this subtitle may be in cash or in kind fairly evaluated, including plant equipment or services.

(c) Limitation.—The Secretary may not make grants in any State in an aggregate in excess of 15 percent of the amount appropriated to carry out this subtitle in each fiscal year.

SEC. 736. EVALUATION.

(a) Demonstration Project Responsibility.—The Secretary shall evaluate each project assisted under this subtitle at the end of the first fiscal year for which funds are appropriated under this subtitle. The Secretary shall submit the findings of the evaluations to the Interagency Council. Not later than 6 months before the termination date specified in section 741, the Secretary shall prepare and submit a final report of the evaluations required by this subsection to the President, to the Congress, and to the Interagency Council.

(b) Contents of Evaluations.—Each evaluation required by this section shall include—

(1) the number of homeless individuals served;

(2) the number of homeless individuals placed in jobs;

(3) the average length of training time under the project;

(4) the average training cost under the project; and

(5) the average retention rate of placements of homeless individuals after training with assistance made under this subtitle.

(c) Evaluation by Interagency Council.—

(1) The Interagency Council shall evaluate each project receiving assistance under this subtitle.

(2) The Interagency Council shall prepare and publish a report of its findings in the annual report of the Council. The evaluation of the demonstration projects authorized by this subtitle shall include a determination of the relative effectiveness of programs assisted under this subtitle together with recommendations, including recom-

mendations for legislation, to the Congress on job training programs for homeless individuals to be established on a national basis.

SEC. 737. DEFINITIONS.

As used in this subtitle—

(1) the term "applicant" means public agencies, private nonprofit organizations, private businesses, and other appropriate entities;

(2) the term "Interagency Council" means the Interagency Council on the Homeless;

(3) the term "local public agency" means any public agency of a general purpose political subdivision of a State which has the power to levy taxes and spend funds, as well as general corporate and police powers;

(4) the term "Secretary" means the Secretary of Labor; and

(5) the term "State" means each of the several States and the District of Columbia.

SEC. 738. HOMELESS VETERANS' REINTEGRATION PROJECTS.

(a) GENERAL AUTHORITY.—The Secretary, using funds appropriated and made available for the purpose of carrying out this section, shall conduct, directly or through grant or contract, such programs as the Secretary determines appropriate to expedite the reintegration of homeless veterans into the labor force. Notwithstanding any other provision of law, the amount so appropriated shall be available for distribution in such manner as the Assistant Secretary of Labor for Veterans' Employment and Training considers appropriate and shall remain available until expended.

(b) AUTHORITY TO MONITOR THE EXPENDITURE OF FUNDS.—The Secretary is authorized to obtain such information as the Secretary considers appropriate to enable the Secretary to monitor and evaluate the distribution and expenditure of funds appropriated pursuant to the authorization contained in subsection (a). Such information shall be furnished to the Secretary in such form as the Secretary considers appropriate for the purpose of this subsection.

(c) ADMINISTRATION THROUGH THE ASSISTANT SECRETARY OF LABOR FOR VETERANS' EMPLOYMENT AND TRAINING.—The Secretary shall administer the program provided for by this section through the Assistant Secretary of Labor for Veterans' Employment and Training.

(d) DEFINITION.—As used in this section, the term "homeless veteran" means a homeless individual who is a veteran within the meaning of section 101(2) of title 38, United States Code.

SEC. 739. AUTHORIZATION OF APPROPRIATIONS; AVAILABILITY OF FUNDS.

(a) AUTHORIZATION OF APPROPRIATIONS.—

(1) There is authorized to be appropriated $12,000,000 for fiscal year 1988 to carry out the provisions of this subtitle, of which $2,000,000 shall be available only for the purpose of carrying out section 738.

(2) If in fiscal year 1988 the appropriation is less than $12,000,000 to carry out the provisions of this subtitle, the amount available in such fiscal year for the programs under this subtitle other than section 738 and for the program under section 738 shall be ratably reduced.

(3) Nothing in this subtitle shall be construed to require the Secretary to carry out the provisions of this subtitle from funds appropriated for programs other than funds appropriated for this subtitle.

(b) AVAILABILITY OF FUNDS.—Funds obligated for any fiscal year may be expended by each recipient during that fiscal year and the succeeding fiscal year.

SEC. 740. AMENDMENTS TO THE JOB TRAINING PARTNERSHIP ACT.

(a) DEFINITION.—Section 4(8) of the Job Training Partnership Act (29 U.S.C. 1503(8)) is amended—

(1) by redesignating clauses (D) and (E) as clauses (E) and (F), respectively; and

(2) by inserting after clause (C) the following:

"(D) qualifies as a homeless individual under section 103 of the Stewart B. McKinney Homeless Assistance Act;".

(b) SERVICE REQUIREMENT.—Section 141(e) of the Job Training Partnership Act (29 U.S.C. 1551(e)) is amended by inserting before the period at the end the following: ", including exceptions necessary to permit services to homeless individuals who cannot prove residence within the service delivery area".

SEC. 741. TERMINATION.

The provisions of this subtitle other than section 740 shall terminate on October 1, 1990.

SUBTITLE D—EMERGENCY COMMUNITY SERVICES HOMELESS GRANT PROGRAM

SEC. 751. ESTABLISHMENT OF PROGRAM.

The Secretary of Health and Human Services (in this subtitle referred to as the "Secretary") shall carry out an emergency community services homeless grant program through the Office of Community Services of the Department of Health and Human Services.

SEC. 752. ALLOCATION OF GRANTS.

(a) GENERAL ALLOCATION PROCEDURE.—From the amounts made available under this subtitle, the Secretary shall make grants to States that administer programs under the Community Services Block Grant Act (42 U.S.C. 9901 et seq.). Such grants shall be allocated to the States in accordance with the formula set forth in section 674(a)(1) of such Act (42 U.S.C. 9903(a)(1)).

(b) ALTERNATE ALLOCATION PROCEDURE.—If a State does not apply for a grant or does not submit an approvable application for a grant under this subtitle, the Secretary shall use the amounts made available under this subtitle to make grants directly to agencies and organizations in such State in accordance with the criteria set forth in section 753(b)(1).

SEC. 753. PROGRAM REQUIREMENTS.

(a) APPLICATION.—In order to receive a grant under this subtitle, a State shall submit an application to the Secretary in such form and at such time as the Secretary may require. Such application shall describe the agencies, organizations, and activities that the State intends to support with the amounts received.

(b) ASSURANCES.—In order to receive a grant under this subtitle, a State shall ensure that—

(1)(A) it will award all of the amounts it receives to—

(i) community action agencies that are eligible to receive amounts under section 675(c)(2)(A) of the Community Services Block Grant Act (42 U.S.C. 9904(c)(2)(A));

(ii) organizations serving migrant and seasonal farmworkers; and

(iii) any organization to which a State, that applied for and received a waiver from the Secretary under Public Law 98-139, made a grant under the Community Services Block Grant Act (42 U.S.C. 9901 et seq.) for fiscal year 1984; and

(B) not less than 90 percent of the amounts received shall be awarded to such agencies and organizations that, as of January 1, 1987, are providing services to meet the critically urgent needs of homeless individuals;

(2) no amount received under this subtitle will be used to supplant other programs for homeless individuals administered by the State; and

(3) no amount received under this subtitle will be used to defray State administrative costs.

(c) ELIGIBLE USE OF FUNDS.—Amounts awarded under this subtitle may be used only for the following purposes:

(1) Expansion of comprehensive services to homeless individuals to provide follow-up and long-term services to enable homeless individuals to make the transition out of poverty.

(2) Provision of assistance in obtaining social and maintenance services and income support services for homeless individuals.

(3) Promotion of private sector and other assistance to homeless individuals.

SEC. 754. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to carry out this subtitle $40,000,000 for each of the fiscal years 1987 and 1988.

SUBTITLE E—MISCELLANEOUS PROVISIONS

SEC. 761. STUDY OF YOUTH HOMELESSNESS.

(a) AUTHORIZATION.—The Secretary of Health and Human Services may make demonstration grants to a qualified applicant for a special research project to study the underlying causes of youth homelessness.

(b) FUNDING.—The Secretary of Health and Human Services shall make available not to exceed $50,000 of the funds appropriated under section 426 of the Social Security Act for fiscal year 1987 for the purpose of making a grant under this section.

SEC. 762. SET-ASIDES FOR NATIVE AMERICANS.

(a) IN GENERAL.—Not less than 1.5 percent of the funds provided under this title for each of the following programs shall be allocated to Indian tribes:

(1) The job training demonstration program established in section 731.

(2) The emergency community services homeless grant program established in section 751.

(b) DEFINITION.—For purposes of this section, the term "Indian tribe" means any tribe, band, nation, or other organized group or community of Indians, including any Alaska Native village or regional or village corporation (as defined in, or established pursuant to, the Alaska Native Claims Settlement Act), that is recognized by the Federal Government as eligible for special programs and services provided to Indians because of their status as Indians.

TITLE VIII—FOOD ASSISTANCE FOR THE HOMELESS

SUBTITLE A—FOOD STAMP PROGRAM

SEC. 801. DEFINITION OF HOMELESS INDIVIDUAL.

Section 3 of the Food Stamp Act of 1977 (7 U.S.C. 2012) is amended by adding at the end thereof the following new subsection:

"(s) 'Homeless individual' means—

"(1) an individual who lacks a fixed and regular nighttime residence; or

"(2) an individual who has a primary nighttime residence that is—

"(A) a supervised publicly or privately operated shelter (including a welfare hotel or congregate shelter) designed to provide temporary living accommodations;

"(B) an institution that provides a temporary residence for individuals intended to be institutionalized;

"(C) a temporary accommodation in the residence of another individual; or

"(D) a public or private place not designed for, or ordinarily used as, a regular sleeping accommodation for human beings.".

SEC. 802. DEFINITION OF HOUSEHOLD.

(a) Revision of Definition.—The first sentence of section 3(i) of the Food Stamp Act of 1977 (7 U.S.C. 2012(i)) is amended—

(1) by striking out "or (2)" and inserting in lieu thereof "(2)";

(2) by inserting before the semicolon the following: ", or (3) a parent of minor children and that parent's children (notwithstanding the presence in the home of any other persons, including parents and siblings of the parent with minor children) who customarily purchase food and prepare meals for home consumption separate from other persons, except that the certification of a household as a separate household under this clause shall be reexamined no less frequently than once every 4 months"; and

(3) by inserting "(other than as provided in clause (3))" after "except that".

(b) Effective Date.—The amendments made by this section shall become effective on October 1, 1987.

SEC. 803. ANNUAL ADJUSTMENT OF INCOME ELIGIBILITY STANDARDS.

(a) Date of Annual Adjustment.—Section 5(c) of the Food Stamp Act of 1977 (7 U.S.C. 2014(c)) is amended by inserting "shall be adjusted each October 1 and" after "eligibility" the first place it appears.

(b) Effective Date.—The amendment made by this section shall become effective on July 1, 1988.

SEC. 804. ANNUAL ADJUSTMENTS TO THE STANDARD DEDUCTION.

(a) Revision of Deduction.—The second sentence of section 5(e) of the Food Stamp Act of 1977 (7 U.S.C. 2014(e)) is amended—

(1) by striking out "and (3)" and inserting in lieu thereof "(3)";

(2) by striking out "each October 1 thereafter" in clause (3) and inserting in lieu thereof "October 1, 1986"; and

(3) by inserting before the period at the end thereof the following: ", and (4) on October 1, 1987, and each October 1 thereafter, to the nearest lower dollar increment to reflect changes in the Consumer Price Index for all urban consumers published by the Bureau of Labor Statistics, for items other than food, for the twelve months ending the preceding June 10".

(b) Effective Date.—The amendments made by this section shall become effective on October 1, 1987.

SEC. 805. INELIGIBILITY FOR EARNED INCOME DEDUCTION.

(a) Ineligibility for the Deduction.—The third sentence of section 5(e) of the Food Stamp Act of 1977 (7 U.S.C. 2014(e)) is amended by inserting before the period at the end the following: ", except that such additional deduction shall not be allowed with respect to earned income that a household willfully or fraudulently fails (as proven in a proceeding provided for in section 6(b)) to report in a timely manner".

(b) Effective Date and Application.—

(1) The amendment made by this section shall become effective and shall be implemented 45 days after the date of enactment of this Act.

(2) The amendment made by this section shall not apply with respect to allotments issued under the Food Stamp Act of 1977 to any household for any month beginning before the effective date of the amendment.

SEC. 806. EXCESS SHELTER EXPENSE.

(a) Revision of Deduction.—The proviso to the fourth sentence of section 5(e) of the Food Stamp Act of 1977 (7 U.S.C. 2014(e)) is amended by striking out "That the amount of such" and all that follows through the end of the sentence and inserting in lieu thereof the following: "That the amount of such excess shelter expense deduction shall not exceed $164 a month in the forty-eight contiguous States and the District of Columbia, and shall not exceed, in Alaska, Hawaii, Guam, and the Virgin Islands of the United States $285, $234, $199, and $121 a month, respectively, adjusted on October 1, 1988, and on each October 1 thereafter, to the nearest lower dollar amount increment to reflect changes in the shelter, fuel, and utilities components of housing costs in the Consumer Price Index for All Urban Consumers published by the Bureau of Labor Statistics, as appropriately adjusted by the Bureau of Labor Statistics after consultation with the Secretary, for the twelve months ending the preceding June 30.".

(b) Effective Date and Application.—

(1) The amendment made by this section shall become effective on October 1, 1987.

(2) The amendment made by this section shall not apply with respect to an allotment issued under the Food Stamp Act of 1977 to a household for a certification period beginning before October 1, 1987.

SEC. 807. THIRD PARTY PAYMENTS FOR CERTAIN HOUSING.

(a) Exclusion From Income.—Section 5(k)(2) of the Food Stamp Act of 1977 (7 U.S.C. 2014(k)(2)) is amended—

(1) in subparagraph (D), by striking out "or" at the end;

(2) by redesignating subparagraph (E) as subparagraph (F); and

(3) by inserting after subparagraph (D) the following new subparagraph:

"(E) housing assistance payments made to a third party on behalf of a household residing in temporary housing if the temporary housing unit provided for the household as a result of such assistance payments lacks facilities for the preparation and cooking of hot meals or the refrigerated storage of food for home consumption; or".

(b) Effective Dates and Application.—

(1) The amendments made by this section shall be effective and shall be implemented for the period beginning 90 days after the date of enactment of this Act and ending September 30, 1989.

(2) The amendments made by this section shall not apply with respect to allotments issued under the Food Stamp Act of 1977 to any household for any month beginning before the effective period of this section begins.

SEC. 808. FOOD STAMP INFORMATION FOR THE HOMELESS.

(a) Authority to Provide Information.—Section 11(e)(1)(A) of the Food Stamp Act of 1977 (7 U.S.C. 2020(e)(1)(A)) is amended by inserting "except, at the option of the State agency, food stamp informational activities directed at homeless individuals" after "Act".

(b) Administrative Expenses.—The first sentence of section 16(a) of the Food Stamp Act of 1977 (7 U.S.C. 2025(a)) is amended by striking out "and (4)" and inserting in lieu thereof "(4) food stamp informational activities permitted under section 11(e)(1)(A), and (5)".

SEC. 809. EXPEDITED FOOD STAMP SERVICE.

(a) Eligibility.—Section 11(e)(9) of the Food Stamp Act of 1977 (7 U.S.C. 2020(e)(9)) is amended—

(1) by striking out "and" after the semicolon at the end of clause (ii) of subparagraph (A);

(2) by redesignating subparagraph (B) as subparagraph (D);

(3) by inserting after subparagraph (A) the following new subparagraphs:

"(B) provide coupons no later than five days after the date of application to any household in which all members are homeless individuals and that meets the income and resource criteria for coupons under this Act;

"(C) provide coupons no later than five days after the date of application to any household that has a combined gross income and liquid resources that is less than the monthly rent, or mortgage, and utilities of the household; and"; and

(4) in subparagraph (D) (as redesignated), by striking out "the household" and inserting in lieu thereof "a household referred to in subparagraph (A), (B), or (C)".

(b) Effective Date.—The amendments made by this section shall become effective and be implemented as soon as the Secretary of Agriculture determines is practicable after the date of enactment of this Act, but not later than 160 days after the date of enactment of this Act.

Subtitle B—Temporary Emergency Food Assistance Program (TEFAP)

SEC. 811. VARIETY OF COMMODITIES UNDER TEFAP.

(a) Commodities for Eligible Recipient Agencies.—Section 202(d) of the Temporary Emergency Food Assistance Act of 1983 (7 U.S.C. 612c note) is amended by inserting after "shall include" the following: "a variety of commodities and products thereof that are most useful to eligible recipient agencies, including".

(b) Technical Amendment.—Section 202 of the Temporary Emergency Food Assistance Act of 1983 (7 U.S.C. 612c note) is amended by inserting the subsection designation "(a)" after "Sec. 202.".

SEC. 812. DISTRIBUTION OF SURPLUS FLOUR, CORNMEAL, AND CHEESE.

The Temporary Emergency Food Assistance Act of 1983 (7 U.S.C. 612c note) is amended by inserting after section 202 the following new section:

"AVAILABILITY OF CCC FLOUR, CORNMEAL, AND CHEESE

"Sec. 202A. Notwithstanding any other provision of law—

"(a)(1) To the extent provided in advance in an appropriation Act, in fiscal year 1988, flour, cornmeal, and cheese acquired by the Commodity Credit Corporation that are in excess of quantities needed to—

"(A) carry out other domestic donation programs,

"(B) meet other domestic obligations (including quantities needed to carry out a payment-in-kind acreage diversion program),

"(C) meet international market development and food aid commitments, and

"(D) carry out the farm price and income stabilization purposes of the Agricultural Adjustment Act of 1938, the Agricultural Act of 1949, and Commodity Credit Corporation Charter Act,

shall be made available as provided in paragraph (2).

"(2) The Secretary shall make such excess flour, cornmeal, and cheese available in any State, in addition to the normal allotment of such commodities (adjusted by any reallocation) for fiscal year 1988 under this Act, at the request of the chief executive officer of such State who certifies to the Secretary that—

"(A)(i) individuals in such State who are eligible to receive flour, cornmeal, and cheese under this Act are not receiving such *commodities distributed under other provisions of this Act, or*

"(ii) the number of unemployed individuals in such State has increased during the most recent 90-day period for which unemployment statistics are available prior to the date the certification is made, and

"(B) the distribution of flour, cornmeal, and cheese under this section in such State will not substantially displace the commercial sale of such commodities in such State.

"(b) Flour, cornmeal, and cheese made available under this section by the Secretary shall be made available without charge or credit in fiscal year 1988, in a usable form, for use by eligible recipient agencies in a State.

"(c) The amount of cheese made available under this section in fiscal year 1988 shall not exceed 14,000,000 pounds.

"(d) Whenever the Secretary receives a request submitted under subsection (a)(2), the Secretary shall immediately notify the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate that such request was received.".

SEC. 813. AUTHORIZATION OF APPROPRIATIONS FOR FOOD STORAGE AND DISTRIBUTION COSTS UNDER TEFAP.

The first sentence of section 204(c)(1) of the Temporary Emergency Food Assistance Act of 1983 (7 U.S.C. 612c note) is amended by striking out "and September 30, 1987" and inserting in lieu thereof "through September 30, 1988".

SEC. 814. CONTINUATION OF TEFAP.

(a) In General.—Section 212 of the Temporary Emergency Food Assistance Act of 1983 (7 U.S.C. 612c note) is amended by striking out "1987" and inserting in lieu thereof "1988".

(b) Conforming Amendment.—Section 210(c) of the Temporary Emergency Food Assistance Act of 1983 (7 U.S.C. 612c note) is amended—

(1) by striking out "beginning October 1, 1983, and ending September 30, 1987" and inserting in lieu thereof "ending on the date specified in section 212"; and

(2) by striking out "fiscal year ending September 30, 1987" and inserting in lieu thereof "fiscal year ending September 30, 1988".

TITLE IX—VETERANS' PROVISIONS

SEC. 901. EXTENSION OF VETERANS' JOB TRAINING ACT.

(a) Authorization of Appropriations.—Section 16 of the Veterans' Job Training Act (29 U.S.C. 1721 note) is amended—

(1) by striking out "$65,000,000 for fiscal year 1986" and inserting in lieu thereof "a total of $65,000,000 for fiscal years 1986, 1987, and 1988"; and

(2) by striking out "September 30, 1988" and inserting in lieu thereof "September 30, 1989".

(b) Extension of Termination Dates.—Section 17(a) of such Act is amended—

(1) by striking out "January 31, 1987" in clause (1) and inserting in lieu thereof "December 31, 1987"; and

(2) by striking out "July 31, 1987" in clause (2) and inserting in lieu thereof "June 30, 1988".

And the Senate agree to the same.

From the Committee on Banking, Finance and Urban Affairs, for consideration of secs. 1 and 2, Title I (except secs. 101 (a), (b), (h), and (i)), and Title IV of the House bill and secs. 1 through 3, Title IV, and Title X (except secs. 1003 and 1005) of the Senate amendment, and modifications committed to conference:

Fernand J. St Germain,
Henry B. Gonzalez,
Walter E. Fauntroy,
M.R. Oakar,
Bruce F. Vento,
Robert Garcia,
Barney Frank,
Chalmers P. Wylie,
George C. Wortley,
Marge Roukema,
Tom Ridge,

From the Committee on Banking, Finance and Urban Affairs, for consideration of Title III (except sec. 302), and Title VI of the House bill and Title I, Title III (parts A and B), and sec. 1005 of the Senate amendment, and modifications committed to conference:

Fernand J. St Germain,
Henry B. Gonzalez,
Bruce F. Vento,
Chalmers P. Wylie,
Tom Ridge,

From the Committee on Energy and Commerce, for consideration of sec. 101 (a) and (b), Title II, Title III (except sec. 302), and Title VI of the House bill and Title I, Title III (parts A and B), Title V, and sec. 1005 of the Senate amendment, and modifications committed to conference:

John D. Dingell,
Henry A. Waxman,
Mickey Leland,

From the Committee on Education and Labor, for consideration of sec. 101 (h) and (i) and Title VI of the House bill and Title III (part C), Title VI, Title VII, sec. 1003, and sec. 1005 of the Senate amendment, and modifications committed to conference:

Augustus F. Hawkins,
William D. Ford,
Joseph M. Gaydos,
Jim Jeffords,
Bill Goodling,

From the Committee on Agriculture, for consideration of Title V of the House bill and Title VIII of the Senate amendment, and modifications committed to conference:

E de la Garza,
Leon E. Panetta,
Harley O. Staggers, Jr.,
Bill Emerson,
Tom Lewis,

From the Committee on Government Operations, for consideration of sec. 302 of the House bill and Title II of the Senate amendment, and modifications committed to conference:

Jack Brooks,
Cardiss Collins,
Frank Horton,

From the Committee on Veterans' Affairs, for consideration of Title IX of the Senate amendment, and modifications committed to conference:

G.V. Montgomery,
Don Edwards,
Marcy Kaptur,
Wayne Dowdy,
Jerry Solomon,
John Paul
Hammerschmidt,

Managers on the Part of the House.

For consideration of all matters:

Alan Cranston,
George Mitchell,
Lawton Chiles,
Mark O. Hatfield,
Pete V. Domenici,

For consideration of Titles I, II, and III:

John Glenn,
Jeff Bingaman,
Albert Gore, Jr.,
John Heinz,

For consideration of Title IV:

Don Riegle,
Paul Sarbanes,
Alan J. Dixon,
Jim Sasser,
John Heinz,
Alfonse M. D'Amato,
Kit Bond,

For consideration of Titles V, VI, and VII:

Edward M. Kennedy,
Howard M. Metzenbaum,
Christopher J. Dodd,
Daniel Patrick
Moynihan,
Orrin G. Hatch,
Robert T. Stafford,
Lowell P. Weicker, Jr.,

For consideration of Title VIII:

Patrick Leahy,
Tom Harkin,
John Melcher,
Richard G. Lugar,
Rudy Boschwitz,

For consideration of Title IX:

Alan Cranston,
Spark Matsunaga,
Dennis DeConcini,
Frank H. Murkowski,
Alan K. Simpson,

Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 558) to provide urgently needed assistance to protect and improve the lives and safety of the homeless, with special emphasis on elderly persons, handicapped persons and families with children, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

The Senate amendment struck out all of the House bill after the enacting clause and inserted a substitute text.

The House recedes from its disagreement to the amendment of the Senate with an amendment which is a substitute for the House bill and the Senate amendment. The differences between the House bill, the Senate amendment, and the substitute agreed to in conference are noted below, except for clerical corrections, conforming changes made necessary by agreements reached by the conferees, and minor drafting and clarifying changes.

TITLE I—GENERAL PROVISIONS

Short Title

The House bill and the Senate amendment contain the same short title, Urgent Relief for the Homeless Act. The conference report entitles the bill Stewart B. McKinney Homeless Assistance Act, in honor of the dedication and work in support of homeless and disadvantaged persons put forth by Representative McKinney (R., Connecticut) who died on May 7, 1987.

Findings and Purposes

Findings.—The House bill and the Senate amendment found an immediate and increasingly severe crisis of homelessness which demands greater resources than has been provided by public and private organizations. The Senate amendment contained a provision not included in the House bill which found that the causes and solutions of homelessness were many and diverse. The conference report contains these provisions.

The House bill found that the federal government has a moral responsibility to assist the homeless. The conference report contains the House provision with an amendment to find that the federal government has a clear responsibility to assist the homeless.

Purpose.—The House bill and the Senate amendment established as a purpose of this legislation the provision of funds for and increased coordination of programs to assist the homeless. The conference report contains these provisions.

The House bill contained a provision not included in the Senate amendment which established as a purpose of this legislation the placement of special emphasis upon elderly persons, handicapped persons and families without children. The conference report contains the House provision with an amendment to place special emphasis on elderly persons, handicapped persons, families with children, Native Americans and veterans.

The House bill contained a provision which established as a purpose of this legislation the creation of the Interagency Commission on the Homeless. The Senate amendment contained a provision not included in the House bill which established as a purpose of this legislation the creation of the Interagency Council on the Homeless. The conference report contains the Senate provision.

GENERAL DEFINITION OF HOMELESS INDIVIDUAL

The Senate amendment, for the purpose of the bill, defined a "homeless person" who lacks a fixed, regular, adequate nighttime residence; and a person who has a primary nighttime residence that is: (1) a publicly or privately operated shelter for temporary accommodation (including welfare hotels, congregate shelters, and transitional housing for the mentally ill), (2) an institution providing temporary residence for individuals intended to be institutionalized, or (3) a public or private place not designed for, or ordinarily used as, a regular sleeping accommodation for human beings. The term did not include a person imprisoned or detained pursuant to an Act of Congress or a State law.

The House bill contained separate definitions of the term "homeless" for each newly authorized program and maintained the definitions found in existing law for existing programs. The definitions contained in the House bill defined the term "homeless" to include those persons who lack traditional or permanent housing and who have incomes of less than 80 percent of median income of the area.

The conference report contains the Senate definitions with an amendment that limits eligibility for assistance under this Act to persons with incomes that do not exceed the applicable income requirements for the particular program. The conference also excludes from eligibility for assistance under this Act persons who are confined to correctional facilities.

FUNDING AVAILABILITY AND LIMITATIONS

Availability.—The House bill contained a provision not contained in the Senate amendment that provided that funds authorized in this Act shall be in addition to any funds appropriated before this Act and that any funds appropriated under an authorization contained in this Act shall remain available until expended. The conference report contains the House provision.

Limitations.—The Senate amendment contained a provision not included in the House bill which required that appropriations made pursuant to authorizations provided in this bill for Fiscal Year 1987 shall not cause an increase in the deficit levels established for Fiscal Year 1987 in the Balanced Budget and Emergency Deficit Control Act of 1985 (Gramm-Rudman-Hollings Act). The conference report contains the Senate provisions.

DISBURSEMENT OF FUNDS

The House bill contained a provision not included in the Senate amendment which requires that the disbursement of funds appropriated for the Federal Emergency Management Agency (FEMA) Emergency Food and Shelter Program, Sec. 8 Housing Assistance, Grants for Facilities to Assist the Homeless, and the Permanent Housing for Handicapped Homeless Program, shall be made by each federal agency to the appropriate grantees or administering entities within three months from the date that funds become available. The conference report contains the House provision with an amendment that applies the disbursement of funds requirement only to the FEMA Emergency Food and Shelter Program.

RECORDING AND AUDITING

Recordkeeping.—The Senate amendment contained a provision not included in the House bill which required (a) that each recipient of funds under this Act to keep records that fully disclose the amount and disposition of the assistance, the total project cost for which funds were provided, the amount and nature of the project's cost supplied by other sources and other records necessary for an effective audit; and (b) that the Interagency Homeless Council and each federal agency that is a Council member have access to a grantee's or recipient's books and records. The conference report does not contain the Senate amendment.

Auditing.—The House bill required the U.S. Comptroller General to report to Congress, within a four-month and twelve-month period from the enactment date, evaluating the disbursements and use of program amounts, except for the Health Care and Mental Health Services Programs, made available through Appropriations Acts pursuant to authorizations in this Act. The Senate amendment required the U.S. Comptroller General to have access to the recipient's books, documents, papers, and records. The conference report contains the House provision with a modification granting the Comptroller General the authority to evaluate the disbursement and the use of the amounts made available by appropriations acts under the authorizations in Titles III and IV of this bill. The Conference Managers take note of the fact that the Comptroller General of the United States has the authority (under 31 U.S.C. sec. 712, 717, 719) to perform audits and investigate the receipt, disbursement, and use of public money. Consequently, the Conference Managers expect that any federal agency distributing funds made available under this act will ensure that recipients of such funds maintain such records, books, papers, or accounts as are sufficient to insure proper accountability.

NATIVE AMERICANS

The Senate amendment contained a provision not included in the House bill which sets aside for Indian Tribes 1.5 percent of all funds under the FEMA Emergency Food and Shelter Program (Title III), Housing Assistance Programs (Title IV), Health Service Programs (Title V) and the Job Training for the Homeless Demonstration Project (Title VII). It defined "Indian Tribe" as any tribe, band, nation, or other organized group or community of Indians, including any Alaska Native village or regional or village corporation (as defined in, or established pursuant to the Alaska Native Claims Settlement Act) which is recognized by the federal government as eligible for special programs and services provided to Indians because of their status as Indians.

The conference report contains the Senate provision for Title VII and also takes special account of the needs of homeless Native Americans by (1) specifically identifying Native Americans as part of the homeless population in the findings and purposes sections and (2) by making an Indian tribe an eligible recipient in the Supportive Housing Demonstration Program and the Supplemental Assistance Program. The conferees intend that homeless Native Americans be eligible for and served by all the programs established and authorized by this Act.

SECRETARY OF STATE MEETING WITH SOVIET FOREIGN MINISTER

The Senate amendment contained a provision not included in the House bill which expressed the sense of the Senate that: (1) the Secretary of State should not meet with the Soviet Foreign Minister in Moscow unless and until a thorough examination is made of the security situation in Moscow and those facilities are determined to be secure; and (2) unless such a determination can be made prior to April 13, 1987, the Department of State should seek to change the meeting to a location where the U.S. can occupy secure facilities. The conference report does not contain the Senate provision.

WORK-FARE REQUIREMENTS

The House bill contained a provision not included in the Senate amendment that required, as a condition for receipt of funds authorized by this Act, (1) States that have workfare programs to establish such a program for able-bodied and mentally competent homeless, (2) States to establish a job search program for the homeless if they do not have a workfare program, and (3) provided that these requirements become effective one year after the enactment date or 180 days after each State legislature convenes. The conference report does not contain the House provision.

DAVIS-BACON PROVISION

The Senate amendment contained a provision not included in the House bill which required that the Davis-Bacon Act not apply to the employment of any homeless individual in connection with a project constructed, improved or assisted under any provision of this Act. The Davis-Bacon Act would set the rate of wages paid to laborers and mechanics employed on public buildings of the United States by contractors and subcontractors. The conference report does not contain the Senate provision.

TITLE II—INTERAGENCY COUNCIL ON THE HOMELESS

Establishment.—The House bill contained a provision not contained in the Senate amendment which established an Interagency Commission on the Homeless. The Senate amendment contained a provision not included in the House bill which established an Interagency Council on the Homeless. The conference report contains the Senate provision with an amendment clarifying the independent status of the Interagency Council on the Homeless.

Membership.—The Senate amendment provided Council membership for a number of heads of federal agencies that were not members of the commission in the House bill. These members included the Secretaries of Commerce, Education, Energy, Interior, Labor and Transportation, the Director of the Action Agency, the U.S. Postmaster General and the heads of such other federal agencies as the Council considers appropriate. The House bill contained a provision not included in the Senate amendment that allowed each federal member to indicate a designee. The conference report contains the Senate provision with an amendment that permits each head of a federal agency who is a member of the Council to indicate a designee.

Council Leadership and Meetings.—The Senate amendment contained a provision not contained in the House bill that required the election of a Vice Chairperson from among the Interagency Council's membership and permitted meeting to be called by the Chairperson or a majority of the Council. The conference report contains the Senate provision.

Duties.—The Senate amendment contained a provision not contained in the House bill which required the Council to (1) take necessary actions to reduce duplication among federal programs and activities that assist the homeless; (2) provide professional and technical assistance to public and private nonprofit organizations to coordinate existing programs and develop new and innovative programs; (3) collect and disseminate information; (4) establish Council procedures for the review and approval of comprehensive homeless assistance plans; and (5) prepare annual reports. The Senate amendment also contained a provision not included in the House bill that permitted the Council to arrange federal, regional, state and local conferences to develop and coordinate effective programs and activities to assist the homeless and to publish a newsletter. The conference report contains the Senate provision with an amendment that deletes the requirement that the Council establish procedures for the approval of Comprehensive Homeless Assistance plans.

AGENCY REPORT AND ANNUAL REPORT

Agency Reports.—The Senate amendment contained a provision not included in the House bill that required each federal agency represented on the Council to issue a report annually describing programs administered by the agency which assist the homeless, impediments to the use of such programs by homeless persons, and efforts by the agency to increase opportunities for homeless individuals to obtain food, shelter and supportive services.

Annual Report.—The House bill and Senate amendment require that the Interagency Council on the Homeless prepare and transmit a report to the President and Congress that assesses the nature and extent of the problem of homelessness, provides a detailed description of the efforts and success of the federal government in resolving the problem, assesses the level of federal assistance necessary to resolve the problem adequately and specifies any recommendations for resolving these problems. The Senate amendment contained a provision not included in the House bill which requires that the Council's annual report also include a description of the activities and accomplishments of the Council in working with various organizations to assist the homeless. The conference report contains the Senate provision.

NOTIFICATION OF OTHER FEDERAL AGENCIES

The conference report contains a provision that requires the Council to notify the Inspector General of the appropriate Federal agency if the Council determines within its monitoring and evaluation of the homeless programs that any significant problem, abuse, or deficiency exists in a program or activity of that agency.

STAFF AND OFFICES

Staff.—The House bill contained a provision requiring the Department of Housing and Urban Development to provide the Commission with the necessary staff and office facilities in order to carry out the Commission's functions in an efficient and expeditious manner. The Senate amendment required the Department of Health and Human Services to provide administrative and support services requested by the Council. The Senate amendment contained a provision not contained in the House bill that authorized each federal agency, at the Council's request, to detail on a reimbursable basis, any personnel. The conference report contains the House provision with an amendment that requires the Department of Housing and Urban Development to provide administrative and support services to the Council, allows federal agencies to detail personnel to assist the Council, and requires the Department of Health and Human Services to detail the Council personnel of the Federal Task Force on the Homeless.

Executive Director.—The Senate amendment contained a provision not included in the House bill which requires the Council to appoint an Executive Director, provides compensation, and provides that the Executive Director may, subject to the Council's approval, appoint and establish the compensation of additional personnel. The conference report contains the Senate provision with an amendment that requires the Council to hold its first meeting within 30 days of the enactment date and appoint an executive director.

POWERS

The Senate amendment contained a provision not included in the House bill which authorized (1) the Council to hold meetings, sit and act as the Council deems appropriate, (2) a Council member or employee to take actions which are authorized by the council, and (3) the Council to secure information from any federal agency as is necessary to assist the Council in fulfilling its functions. The conference report contains the Senate provision.

MISCELLANEOUS PROVISIONS

HHS Task Force.—The Senate amendment included a provision not contained in the House bill which required the Council to succeed and assume all functions of the Federal Task Force of the Department of Health and Human Services and requires the termination of the Federal Task Force. The conference report contains the Senate provision with an amendment to require that the property records and undistributed funds of the Federal Task Force be transferred to the Council and that the Secretary shall terminate the Task Force as soon as practicable following the first meeting of the Council.

Definitions.—The Senate amendment contained a provision not contained in the House bill which defined terms for purposes of establishing the Council. The conference report contains the Senate provision.

Authorization.—The Senate amendment contained a provision not contained in the House bill which authorized the appropriation of $200,000 in Fiscal Year 1987 and such sums as may be necessary for Fiscal Year 1988. The conference report contains the Senate provisions with an amendment that authorizes $200,000 for Fiscal Year 1987 and $2.5 million for Fiscal Year 1988.

TITLE III—FEDERAL EMERGENCY MANAGEMENT AGENCY EMERGENCY FOOD AND SHELTER PROGRAM

ESTABLISHMENT OF THE NATIONAL BOARD AND MEMBERSHIP

The Senate amendment contained a provision not included in the House bill which established an Emergency Food and Shelter Program National Board, required the Director of the Federal Emergency Management Agency to convene the Board and administer the program, and required the Director of the Federal Emergency Management Agency to serve as the chairperson of the Board. The Director of the Federal Emergency Management Agency was also required to appoint 6 Board members within 30 days of enactment from individuals nominated by each of the following: United Way of America, the Salvation Army, National Council of Churches of Christ in the U.S.A., Catholic Charities U.S.A., the Council of Jewish Federations, Inc., and the American Red Cross. The Senate amendment also contained a provision not included in the House bill which required the Director of the Federal Emergency Management Agency to serve as the Board Chairman and required the Board to establish its own procedures and policies. The conference report contains these Senate provisions with an amendment to terminate the previous National Board established in existing Public Law 99-500 and Public Law 99-591 and transfer personnel, property, records and undistributed funds to the new Board.

ESTABLISHMENT OF LOCAL BOARD AND REQUIREMENTS

The Senate amendment contained provisions not included in the House bill which: (1) required each locality designated by the Board to determine fund distribution (2) required to the extent practicable the local board to consist of the same organization representatives as those that serve on the National Board, (3) required that the mayor or other local government head will replace the federal representative, (4) required that the local board majority shall elect a chair, (5) encouraged the local boards to expand the participation of private nonprofit organizations on the local board, and (6) required each local board to select private nonprofit organizations or public organizations for program grants, monitor recipient service providers, reallocate funds among service providers, ensure proper reporting and coordinate its efforts with other Federal, State and local assistance programs in the locality. The conference report contains the Senate provision.

ROLE OF FEMA

The Senate amendment contained a provision not included in the House bill which required the FEMA Director to provide the Board with administrative support, act as a federal liaison to the Board, make available FEMA's legal counsel and inspector general upon the Board's request, assign clerical personnel to the Board and conduct audits of the Board annually and at other appropriate times. The conference report contains the Senate provision.

RECORDS AND AUDIT OF BOARD AND RECIPIENTS

The Senate amendment contained several provisions not included in the House bill which: (1) required an annual independent audit of the National Board to include the Board's asset and liability statements, indications of surplus or deficit, a reasonably detailed income and expense statement, statements of the application of funds, and the auditor's opinion of these statements; (2) required grant recipients to keep records as may reasonably be necessary to disclose the amount and disposition of grant funds, the total project cost, and the amount from other sources; and (3) required the Board and the Comptroller General to have access to books and records of the recipient that are pertinent to assistance received under this program. The conference report contains the Senate provisions.

ANNUAL REPORT

The Senate amendment contained a provision not included in the House bill which required the board to submit to Congress an annual report covering funded activities. The conference report contains the Senate provision.

GRANTS TO NATIONAL BOARD AND RETENTION OF EARNED INTEREST

The Senate amendment contained provisions not included in the House bill which: (1) required the FEMA Director to award to the National Board the full grant amount within 30 days of the enactment of a law providing appropriations and (2) authorized the Board to reallocate accrued interest and required that the total administrative costs be based on the total amount available, including interest and any private contributions which are made to the Board. The conference report contains the Senate provisions.

ELIGIBLE PROGRAM ACTIVITIES

The Senate amendment contained a provision not included in the House bill which authorized the use of funds made available through this program to supplement and strengthen ongoing services to provide shelter, food and supportive services, to strengthen efforts to create more effective and innovative local programs and to conduct minimum rehabilitation of mass feeding and shelter facilities so that such facilities are safe, sanitary and in compliance with local building codes. The Senate amendment contained a provision not included in the House bill which prohibits the National Board from funding programs not undertaken by nonprofit organizations or local governments or which are inconsistent with the purposes of the program. The conference report contains the Senate provision. The conferees stress that in making grants, the National Board should be sensitive to the transition from temporary shelter to permanent housing, the special needs of homeless individuals with disabilities, and the importance of facilitating access by homeless individuals to other sources of services and benefits. The conferees recognize that rent and utility assistance is an eligible activity under the Emergency Food and Shelter Program. The conferees encourage the National Board and local boards to prevent homelessness by providing rent and utility assistance where there are sufficient other resources available in the community.

PROGRAM GUIDELINES

The Senate amendment contained a provision not included in the House bill which required the Board to establish written program guidelines which include: (1) methods for identifying localities with the highest need for emergency food and shelter assistance; (2) methods for determining the amount and distribution to localities; (3) eligible program costs, including maximum flexibility in meeting existing needs; and (4) guidelines specifying responsibilities and reporting requirements of the Board, its recipients and service providers. The Senate amendment also contained a provision not included in the House bill which required program guidelines to be published annually, and whenever modified, in the Federal Register and exempted these guidelines from federal procedural rule making requirements. The conference report contains the Senate provisions.

DEFINITIONS

The Senate amendment contained provisions not included in the House bill which provided definitions for purposes of carrying out the Emergency Food and Shelter Program. The conference report contains the Senate provisions with an amendment which defines an eligible "private voluntary organization" to be nonprofit, have a voluntary board, have an accounting system or has designated a fiscal agent and practices nondiscrimination in providing assistance.

AUTHORIZATION AND SHORT TITLE

The House bill authorized the appropriation of an additional $35 billion in Fiscal Year 1987 for the Emergency Food and Shelter Program administered by the Federal Emergency Management Agency, of which $20 million was to be used to provide emergency rent and utility assistance to prevent homelessness. The Senate amendment authorized appropriation of $50 million during Fiscal Year 1987 which had previously been appropriated in Public Law 100-6, and authorized the appropriation of such sums as may be appropriated for Fiscal Year 1988. The conference report contains the Senate provision with an amendment to authorize the appropriation of an additional $15 million in Fiscal Year 1987 and $124 million in Fiscal Year 1988. The conference report does not contain the House provision designating funds for rent and utility assistance.

The Senate amendment contains a provision not contained in the House bill which provides "Emergency Food and Shelter Act of 1987" as the short title of this title. The conference report does not contain the Senate provision.

TITLE IV—HOUSING ASSISTANCE

SUBTITLE A—COMPREHENSIVE HOMELESS ASSISTANCE PLAN

Required Plan—The Senate amendment contained a provision not included in the House bill which required States, cities or urban counties eligible for a direct grant under the Emergency Shelter Grants Program to have a comprehensive homeless assistance plan approved by the Secretary of HUD. In general, housing assistance under this title could not be provided within the jurisdiction of a State, city or urban county that did not have an approved plan. The comprehensive homeless assistance plan was required to: (1) assess the size and characteristics of the homeless population; (2) describe services available to the homeless; (3) provide a strategy to match the needs of the homeless with available services, and meet the specific needs of families with children, the elderly, the mentally ill and veterans; (4) explain how federal assistance provided in this Act would complement and enhance available services; and (5) include any necessary additional information for program monitoring and evaluation.

The conference report contains the Senate provision with an amendment to require a comprehensive plan that contains a statement of need, a brief inventory of facilities and services available to the homeless, a strategy to match the needs of the homeless with available services and an explanation of how federal assistance will complement available services. The conference report does not contain the Senate provision which would permit the Secretary to require additional information. The conference report contains the Senate provision that requires the submission and approval of such a comprehensive plan as a condition of receiving assistance authorized in Title IV of this Act.

The conference report requires that States, cities or urban counties submit a comprehensive plan to the Secretary of HUD. The conference report improves upon current law (1) by providing a streamlined requirement for one comprehensive plan covering all facets of assistance to the homeless under this Act, and (2) by placing at the relevant State or local level clear responsibility for coordinating assistance under various sections of this Act with other forms of assistance. The conferees have reviewed homeless assistance plans submitted in the first round of the Emergency Shelter Grants Program and, in general, found that these plans would satisfy the requirements of this Act. The conferees want to stress that the purpose of these plans is not to provide a source of delay or administrative burden, but to ensure that assistance under this emergency legislation is provided in a coherent and expeditious manner.

REVIEW AND PROCEDURES

The Senate amendment contained provisions not included in the House bill that (1) required the Interagency Council to approve the submitted plan within 30 days of receipt unless it determined that the plan was unsatisfactory, upon which the Council was to inform the applicants within 15 days of its determination of the reasons for disapproval as well as the steps necessary to make plans acceptable; (2) required plans to be considered approved if the Council failed to inform the state, county or city of the reasons for disapproval; and (3) required the Council to establish review and approval procedures to permit amendments to or the resubmission of disapproved plans. The conference report contains the Senate provision with an amendment that requires submission of the comprehensive plan to the Secretary instead of the Interagency Council on the Homeless. The conference report requires approval of the comprehensive plan within 30 days. If the Secretary determines the comprehensive plan to be plainly unsatisfactory the Secretary shall notify the applicant within 15 days of the determination. The comprehensive plan will be considered approved unless the Secretary determines the plan is plainly unsatisfactory and notifies the applicant of the reasons of disapproval within 15 days of the determination. The Secretary is also required to permit amendments to or the resubmission of any comprehensive plan that is disapproved.

PERFORMANCE MONITORING

The Senate amendment contained a provision not included in the House bill that required that states and eligible cities and counties monitor their progress in carrying out their comprehensive plans and annually report their results to the Interagency Council. The failure of any state, eligible city or eligible county to monitor and report would result in the loss of eligibility for any further assistance provided in this title. The Senate amendment required the Interagency Council to make recommendations for regulatory or legislative changes to improve the provision of assistance to the homeless.

The conference report contains the Senate provision with an amendment which requires that each state, eligible city or eligible county review its performance in carrying out its comprehensive plan. Each year this review will be submitted to the Secretary. The conference report provides for review instead of monitoring in order to ensure that the process will not be an onerous requirement on states, cities or counties. The Conferees intend that the administrative burden of the performance review not exceed what is necessary to ensure that these programs are prudently managed in conformance with the requirements of the Act. The performance review should be a tool for the state, city or county to examine the success of assistance to the homeless and provide guidance for the state, city or county to improve delivery of assistance during the forthcoming year.

COUNCIL PERFORMANCE EVALUATIONS

The Senate amendment contained provisions not included in the House bill that required the Interagency Council, starting in Fiscal Year 1989, to complete performance evaluations of the states and other eligible recipients and report its findings to Congress. The conference report does not contain the Senate provision.

CERTIFICATION OF CONSISTENCY WITH THE COMPREHENSIVE PLAN

The Senate amendment contained a provision not included in the House bill that required applications for housing assistance for the homeless to be accompanied by certification from the public official responsible for submitting the comprehensive plan that the activities proposed in the application are consistent with the comprehensive plan. The conference report contains the Senate provision with an amendment that requires this certification to accompany any application for assistance authorized in Title IV of this Act.

NOTICE OF REQUIREMENT

The conference report contains a provision not contained in either the House bill or the Senate amendment, that requires the Secretary to establish, by notice, requirements for comprehensive plans, performance reviews and certifications of consistency with the comprehensive plan. This provision is consistent with the notice requirement for the existing Emergency Shelter Grant Program.

Subtitle B—Department of Housing and Urban Development (HUD) Emergency Shelter Grants Program

AUTHORIZATION

The House bill authorized the appropriation of an additional $100 million for Fiscal Year 1987 for the Department of Housing and Urban Development (HUD) Emergency Shelter Grant Program established in existing law (P.L. 99-500 or P.L. 99-591). The Senate amendment authorized the appropriation of an additional $80 million for Fiscal Year 1987 and such sums as may be necessary for Fiscal Year 1988. The conference report contains the Senate provision with an amendment to authorize (a) the appropriation of an additional $100 million in Fiscal Year 1987 and (b) the appropriation of $120 million in Fiscal Year 1988. The amendment to the Senate provision also reauthorizes the Emergency Shelter Grant Program as enacted in Public Law 99-500 or Public Law 99-591 except for modifications contained below.

ALLOCATION TO VIRGIN ISLANDS AND TRUST TERRITORIES

The House bill contained a provision not included in the Senate amendment that required the Secretary, in allocating funds made available after the date of enactment, to allocate funds to the Virgin Islands, Guam, American Samoa, the Northern Mariana Islands, Pacific Islands Trust Territory and any other United States territory or possession in accordance with a formula established by the Secretary of HUD. The conference report contains the House provision with an amendment that defines the term state to mean the several states, Virgin Islands, Guam, American Samoa, the Northern Mariana Islands, Pacific Islands Trust Territory and any other United States territory or possession.

MINIMUM GRANT ALLOCATION

The Senate amendment contained a provision not included in the House bill that increased the minimum program allocation to a metropolitan city or urban county from $30,000 in existing law to .3% of the amount appropriated in that Fiscal Year. The conference report contains the Senate provision with an amendment that provides that the minimum allocation in the given Fiscal Year is 0.05% of the total amount appropriated for the Emergency Shelter Grant Program in that Fiscal Year. As a result the minimum allocation to any community in a given year under the Emergency Shelter Grant Program would be $50,000 if $100,000,000 were appropriated for this program in that Fiscal Year. The amendment to the Senate provision also provides that any city (a) that is located in a state that does not have counties as units of general local government, (b) has a population greater than 40,000 but less than 50,000 as used in determining the Fiscal Year 1987 Community Development Block Grant (CDBG) program allocation, and (c) was allocated in excess of $1 million in CDBG funds in Fiscal Year 1987, shall directly receive the amount allocated to such city under this program.

REALLOCATION OF CERTAIN AMOUNTS

The Senate amendment contained a provision not included in the House bill that required the reallocation of program amounts to other states, counties and cities that are identified by the Homeless Interagency Council as demonstrating extraordinary need or large numbers of homeless. Funds to be reallocated would consist of funds allocated to states, cities or urban counties that fail to obtain approval of their comprehensive plans. The conference report contains the Senate provision with an amendment that provides that in the case of amounts allocated to a city or county that does not obtain approval of its comprehensive plan, the amount shall be made available to the state in which the city or county is located. These funds could be reallocated to (1) any city or county in that state which receives funds directly under the Emergency Shelter Grants Program and has an approved plan or (2) any other city or county in that state which is not eligible to receive funds directly. In the case of amounts allocated to states which do not have approved comprehensive plans, the funds shall be reallocated by the Secretary to states, cities or counties that demonstrate extraordinary need or large numbers of homeless individuals.

PLANNING REQUIREMENT

The Senate amendment contained a provision not included in the House bill which deleted the requirement under current law for a plan to be submitted by applicants under the Emergency Shelter Grants Program. The conference report contains the Senate provision. Since the conference report requires approval of a comprehensive plan, submission of a separate homeless assistance plan as required under section 524(a) of Public Law 99-500 or Public Law 99-591 is no longer necessary.

WAIVER OF LIMITATION ON EXPENDITURES FOR ESSENTIAL SERVICES

The conference report includes a provision contained in both the House bill and the Senate amendment that permits the Secretary to waive the 15 percent limitation on the use of grant funds for essential services (such as employment, health, drug abuse, education or child care services.) The Conferees intend that such waivers shall be granted when an applicant demonstrates that activities other than essential services are adequately provided from other public or private resources and that grant funds cannot practicably be used for eligible activities other than essential services.

Subtitle C—Supportive Housing Demonstration Program

The House Bill authorized the appropriation of an additional $30 million in Fiscal Year 1987 for the HUD Transitional Housing Demonstration Program primarily to meet the needs of deinstitutionalized homeless persons and other homeless persons with mental disabilities. The Senate amendment authorized the appropriation of an additional $60 million in Fiscal Year 1987 and such sums as may be necessary for fiscal year 1988 for the Transitional Housing Program.

The House Bill also contained a provision not included in the Senate amendment which authorized the appropriation of $25 million in Fiscal Year 1987 for the Permanent Housing for Handicapped Homeless Persons program. This program would have enabled States to provide nonprofit organizations with grants to finance the acquisition and rehabilitation of property to serve as permanent community-based housing for handicapped homeless persons. Assistance would have been provided to the States through a percentage distribution based on amounts received in the state under the CDBG allocation formula in the prior fiscal year. Federal funds were to be matched with an equal amount of State or local monies.

The conference report combines the Transitional Housing Demonstration Program and the proposed Permanent Housing for the Handicapped Homeless Persons program into the Supportive Housing Demonstration Program. The Conferees believe that this would provide a flexible and efficient program that can accommodate the needs of various segments of the homeless population. The Conferees also concluded that distribution of the funds through a competitive grants system would better target funds towards specific homeless needs while ensuring that the funds would be used effectively.

The Conferees emphasize that a central purpose of the Supportive Housing Demonstration Program is to meet the needs of deinstitutionalized homeless persons and other persons with mental disabilities. The Conferees note favorably that this objective is consistent with the original purpose of the Transitional Housing legislation introduced by Congresswoman Mary Rose Oakar, legislation authorizing housing programs which passed the House of Representatives on several occasions in the 99th Congress and was contained in H.R. 558. The Conferees recognize that deinstitutionalized homeless persons and other persons with mental disabilities are among the most difficult segments of the homeless population to serve and, therefore, intend that special consideration be given to projects designed to meet their needs so that such projects will receive a significant share of the funding made available under this program. The Conferees intend that the Secretary administer this program with this purpose and objective in mind.

The Conference report contains an authorization of an additional $80 million in Fiscal Year 1987 and $100 million in Fiscal Year 1988 for the Supportive Housing Demonstration Program. The Conference report contains set-asides of not less than $20 million each year for transitional housing projects that serve homeless families with children and not less than $15 million each year to projects that provide permanent housing for handicapped homeless persons.

ESTABLISHMENT OF THE SUPPORTIVE HOUSING DEMONSTRATION PROGRAM

General Provision.—The conference report requires the Secretary to administer a demonstration program to assist in the development of innovative approaches for providing supportive housing especially to deinstitutionalized homeless persons, homeless families with children, and homeless persons with mental disabilities and other handicapped homeless persons.

Purposes.—The conference report requires this demonstration program to be designed to determine (1) the cost of acquisition, rehabilitation, acquisition and rehabilitation, or leasing of existing structures for providing supportive housing; (2) operating costs and the cost of providing supportive services to residents of supportive housing; (3) the social, financial, and other advantages of supportive housing as a means of assisting homeless persons; and (4) the lessons which the provisions of supportive housing might have for the design and implementation of housing programs that serve homeless persons and families with special needs, particularly deinstitutionalized homeless persons, homeless families with children, and homeless persons with mental disabilities and other handicapped persons.

DEFINITIONS

The conference report includes the following definitions.

Supportive housing.—A project assisted under this demonstration program that provides housing and supportive services for homeless persons. All or part of the supportive services may be provided directly by the recipient or by arrangements with other public or private service providers.

Transitional housing.—A project that has as its purpose facilitating the movement of homeless persons to independent living within a reasonable amount of time. Transitional housing includes but is not limited to housing primarily designed to serve deinstitutionalized homeless persons, other homeless persons with mental disabilities and homeless families with children.

Permanent housing for handicapped homeless persons.—A project that provides community-based long-term housing and supportive services for not more than 8 handicapped homeless persons. Each project shall be either a home designed solely for housing handicapped persons or units in a multifamily housing project, condominium project, or cooperative project.

Supportive services.—Assistance that addresses the special needs of homeless persons, and assists in accomplishing the purposes of supportive housing.

Handicapped.—An individual who is handicapped within the meaning of Section 202 of the Housing Act of 1959.

Handicapped Homeless Person.—A handicapped individual who is homeless as defined in this Act, is at risk of becoming homeless, or has been a resident of transitional housing.

Operating costs.—Expenses incurred by a recipient operating transitional housing with respect to: the administration, maintenance, repair and security of supportive housing; the provision of utilities, fuel, furnishings and equipment of supportive housing; the provision of supportive services to residents; or conducting the assessments required by the Act.

TYPES OF ASSISTANCE

General Provision.—The conference report authorizes the Secretary to provide project assistance through (1) an advance which cannot exceed $200,000 of the aggregate cost of acquisition, rehabilitation, or acquisition and rehabilitation of an existing structure; (2) a grant for moderate rehabilitation of an existing structure for supportive housing; (3) annual payments for operating costs of transitional housing, which does not exceed 75 percent of the annual operating costs; (4) technical assistance to establish and operate supportive housing and provide supportive services to the residents of such housing. The conferees believe that moderate rehabilitation should be limited to modest rehabilitation activity the cost of which the Secretary determines is too low to necessitate an advance.

Repayment of Advance.—The conference report requires that program assistance be repaid on such terms as may be prescribed by the Secretary when the project ceases to be used as supportive housing. Specifically, the conference report requires that (1) recipients and project sponsors repay 100 percent of the advance if the project is used as supportive housing for less than 10 years following initial occupancy, and (2) requires that if the project is used as supportive housing for more than 10 years, the amount to be repaid shall be reduced by 10 percentage points for each year in excess of 10 during which the property is used as supportive housing. The conference report provides that a project may continue to be treated as supportive housing for purposes of the repayment requirement if the Secretary determines that the project is no longer needed for use as supportive housing and approves the use of the project for the direct benefit of lower income persons.

Prevention of Undue Benefits.—The Conference report provides that the Secretary may prescribe terms and conditions to prevent the recipient from unduly benefiting from the sale or other disposition of the project which occurs prior to 20 years after initial occupancy. Such terms and conditions shall be in addition to the repayment of advances and shall not apply to a sale or disposition that results in the use of the project for the direct benefit of lower income persons or the provision of supportive housing.

PROGRAM REQUIREMENTS

Applications.—The Conference report requires that applications be submitted in the form and according to the procedures established by the Secretary. The applications must contain at least (a) a description of the proposed project; (b) a description of the population size and characteristics within the applicant's jurisdiction that would occupy supportive housing; (c) a description of the public and private resources that are expected to be made available; (d) assurances that all projects will be operated for at least 10 years; (e) a certification of consistency with the applicable comprehensive plan; and (f) in the case of permanent housing for handicapped homeless persons a letter of participation from the Governor.

Selection Criteria.—The Conference report requires that the Secretary establish selection criteria for a national competition that includes (1) the applicant or project sponsor's ability to develop and operate supportive housing; (2) the innovative quality of the proposal in providing supportive housing; (3) the need for supportive housing in the area; (4) the extent to which the amount of assistance provided will be matched with more than an equal amount of funds from other sources; (5) the cost effectiveness of the proposed project; (6) the extent to which the project meets the needs of handicapped homeless persons; and (7) other factors that the Secretary determines to be effective and efficient in carrying out this demonstration program.

The Conferees intend that in funding projects under the Supportive Housing Demonstration Program selection criteria for transitional housing may be different than selection criteria for permanent housing for handicapped homeless persons. In this regard the conferees intend that there be separate competitions for transitional housing for families with children, transitional housing primarily designed to serve deinstitutionalized homeless persons and other homeless persons with mental disabilities, and permanent housing for handicapped homeless persons.

Required Agreements.—The Conference report requires each applicant to certify that it has agreed to (1) operate the proposed project as supportive housing; (2) conduct an ongoing assessment of the supportive services required by the residents; (3) provide residential supervision; (4) monitor and report to the Secretary on the project's progress; and (5) comply with such other terms and conditions as determined by the Secretary.

Occupant Rent.—The Conference report requires that each homeless person residing in supportive housing pay rent in compliance with Sec. 3(a) of the 1937 Housing Act.

MATCHING FUNDS REQUIREMENT

Transitional.—The Conference report requires that each recipient match the amount of a program advance or grant for moderate rehabilitation with funds from other sources which can include the value of any donated material or building or the value of any building lease.

Permanent Housing for Handicapped.—The Conference report requires that each State applying for permanent housing for handicapped homeless assistance certify that it will match the federal assistance with at least the same amount of State or local government funds. The state shall also certify that these state or local funds will be used solely for acquisition or rehabilitation and that no more than 5 percent of the funds may be local funds. The Secretary may waive the matching fund requirement if the Secretary finds that the State is experiencing severe financial hardship which prevents it from providing an equal amount of funds and that the local government in the area where the project is to be located will contribute funds from other nonfederal sources which equals the amount the State would otherwise have to contribute. The conferees intend that in every instance the federal assistance shall be matched by an equal amount of assistance from state or local sources.

GUIDELINES AND REPORT TO CONGRESS

Regulations.—The Conference report requires the Secretary to issue program requirements by notice within 90 days of the enactment date. The conference report also provides that until final regulations are published for the permanent housing for the handicapped homeless and the transitional housing program, the regulations currently governing the transitional housing program shall continue to govern the transitional housing program.

Fund Limitation.—The Conference report prohibits federal, state or local funds used to provide transitional housing or permanent housing for handicapped homeless from replacing other funds previously used to assist handicapped persons, homeless persons or handicapped homeless persons.

Administrative Expense Limitation.—The Conference report prohibits program recipients from using more than five percent of an advance or grant for administrative purposes.

Report to Congress.—The conference report requires that the Secretary, within three months after the end of Fiscal Year 1987, submit to Congress an interim report which summarizes the program activities during the fiscal year and any preliminary findings or conclusions of the Secretary as a result of the program activities. The Secretary is also required to submit a final report within six months after the end of Fiscal Year 1988 on program activities, findings, conclusions or recommendations.

SUBTITLE D—SUPPLEMENTAL ASSISTANCE FOR FACILITIES TO ASSIST THE HOMELESS

The House bill authorized the appropriation of $75 million for Fiscal Year 1987 for Grants for Facilities to Assist the Homeless. The program would have authorized the Secretary of HUD to make grants to private voluntary organizations, units of local governments and States for purposes of using underutilized public and private buildings and property as facilities to assist the homeless and to provide supportive services. The Senate Amendment did not contain any similar provision.

The conference report authorizes the appropriation of $25 million for Fiscal Year 1987 and $25 million for Fiscal Year 1988 for Supplemental Assistance for Facilities to Assist the Homeless. The conferees believed that the major objective of the House provision was to compensate for programmatic rigidities in the Emergency Shelter Grants Program and the Transitional Housing Demonstration Program. The conferees determined that this objective could best be served by a program that (1) adds flexibility to the Emergency Shelter Grants Program and Transitional Housing Demonstration Program and (2) in special circumstances, could provide funding for proposals that promote particularly innovative approaches to satisfying the immediate and long-term needs of the homeless.

Funds under the Supplemental Assistance Program would be made available to supplement assistance received under the Emergency Shelter Grants Program and the Transitional Housing Demonstration Program to meet the needs of special population groups and to make use of underutilized public buildings, and to provide comprehensive assistance for particularly innovative programs or alternative methods of meeting the immediate and long-term needs of the homeless. Funds not reserved 30 days before the end of the fiscal year shall be made available prior to the close of that fiscal year.

Assistance would be provided in the form of advances for capital costs such as major rehabilitation, grants for moderate rehabilitation and grants for other purposes. Recipients of advances would be required to pay 100 percent of the advance if the project ceases to be used to benefit homeless persons unless the Secretary determines that the facility is no longer needed to assist the homeless and the facility will continue to be used for the direct benefit of lower income persons. The amount of the advance the recipient would be required to repay would be reduced by 10 percent for each year in excess of 10 years that the property is used to assist the homeless. Recipients of advances must comply with requirements established by the Secretary to prevent recipients from unduly benefitting from any sale or disposition. Such requirements shall not apply to a sale or disposition that results in the project being used for the direct benefit of lower income persons.

The conference report includes the selection criteria in the House bill with a modification that requires the recipients of advances to assure that they will operate an assisted facility for at least 10 years. The agreement specifies that before awarding assistance, the Secretary must determine that the applicant has made reasonable efforts to use all available local resources and resources available under other provisions of this title and that other resources are not sufficient to carry out the purpose for which assistance is being sought. Further, no assistance provided under this subtitle may be used to supplant non-federal resources provided with respect to any project. The conference report also contains definitions for the purposes of carrying out the program.

The conference report requires that (1) a notice of funding availability (NOFA) shall be published no later than 30 days after appropriations become available; (b) applications be submitted no later than 60 days after publication of the NOFA; and (3) final selection of applications for assistance be completed no later than 90 days after publication of the NOFA.

The conference report provides for the involvement of the Secretary of HHS in reviewing those portions of grant applications relating to outpatient health services. It is the intent of the conferees that the Secretary of HHS shall attempt to negotiate with the applicant if the proposal as it relates to out-patient health services is determined to be impracticable. Only as a final resort, and after negotiations with the applicant, shall the Secretary of HHS recommend that the portion of the grant application relating to outpatient health services not be funded. The HHS Secretary's binding decision as to the outpatient health services portion of an application would not preclude the HUD Secretary's decision on the remainder of that application; thus, disapproval by the former would not require disapproval by the latter. However, the HUD Secretary could fund the remainder of the application after finding that the proposal a) is superior to other applications in the competition designed to select particularly innovative projects and b) could not be funded any other way. The HUD Secretary would be required to consult with the HHS Secretary in developing selection criteria for grants as they relate to outpatient health services. The conferees expect that the Secretary of HHS would carry out his responsibilities under this provision through the Health Resources and Services Administration, which will administer the Health Services for the Homeless Grant Program established under Title VI of this Act. In reviewing the relevant portions of these grant application, the Secretary of HHS shall inform the HUD Secretary of his recommendation in a timely manner so as to ensure that the Secretary of HUD can make the final selection of applications within the 90-day time period following publication of the NOFA.

ELIGIBILITY OF RELIGIOUS ORGANIZATIONS FOR CDBG AND HOMELESS ASSISTANCE FUNDS

It is the intent of Congress that in creating programs administered by the Department of Housing and Urban Development, such as the Community Development Block Grant Program, the Emergency Shelter Grants Program and the Transitional Housing Demonstration Program, and in providing further assistance to the homeless under this Act, religious organizations and organizations with religious affiliations may receive federal funds if constitutional guidelines are followed and those funds are provided for secular purposes and kept separate from sectarian activities. The Conferees agree with and endorse the intent of the House Report 100-10, Part I, that accompanies the House bill and the joint statement made during consideration of the Senate amendment on April 9, 1987. The conferees expect the Department to move quickly to issue clear regulations and guidelines governing the CDBG and homeless assistance programs that permit religious organizations and organizations with religious affiliations to use federal funds under the conditions outlined in the House Report (100-10, Part I).

COMMUNITY DESIGN CENTER

The Conferees recognize the value of community design centers in assisting in the design of facilities funded through the Emergency Shelter Grants Program, the Supportive Housing Demonstration Program and Supplemental Assistance for facilities to Assist the Homeless.

SUBTITLE E—MISCELLANEOUS

SECTION 8 CERTIFICATION PROGRAM

Authorization.—The House bill authorized the appropriation of an additional $90 million in budget authority for the Section 8 Existing Program in Fiscal Year 1987. The Senate amendment authorized the appropriation of an additional $50 million in budget authority for the Section 8 Existing Program in Fiscal Year 1987. The Conference report does not contain either the House or Senate provisions.

Exemption.—The House bill contained a provision not included in the Senate amendment which exempted this assistance from the income eligibility restrictions on families between 50 and 80 percent of median income established under Sec. 16 of the 1937

Housing Act. The Conference report does not contain the House Provision.

Notification Requirement.—The House bill contained a provision not included in the Senate amendment which required the HUD Secretary to establish requirements for the administration of this Section 8 assistance through notice issued within 30 days of enactment and exempted these requirements from administrative or HUD rulemaking requirements established in either Sec. 553 of Title 5 of the U.S. Code or Sec. 7(o) of the Departmental Act. The conference report does not contain the House provision.

SECTION 8 MODERATE REHABILITATION ASSISTANCE FOR SINGLE ROOM OCCUPANCY (SRO) DWELLINGS

Authorization.—The Senate amendment contained a provision not included in the House bill that authorized $35 million in additional budget authority in Fiscal Year 1987 for Section 8 Moderate Rehabilitation Assistance under Sec. 8(e)(2) of the 1987 Housing Act. This assistance could only be used in connection with the rehabilitation of single room occupancy dwellings (SROs) which are defined in Sec. 8(n) of the 1937 Act. The Conference report contains the Senate provision.

Fund Distribution.—The Senate amendment contained a provision not included in the House bill that required HUD to allocate funds through a National competition which considers the need for the assistance and the ability to carry out the program. The conference report contains the Senate provision.

Application Requirement.—The Senate amendment contained a provision not included in the House bill that required applicants to submit a written proposal containing: the size and characteristics of the population within the applicants' jurisdiction that would occupy SROs; the additional public and private resources that the applicant might be able to provide in connection with the program; an inventory of suitable housing stock to be rehabilitated with the funds; and the interest expressed in participating in this program by builders, developers and others (including profit and nonprofit organizations). The conference report contains the Senate provision.

Limitation.—The Senate amendment contained a provision not included in the House bill which required that no city or urban county shall receive more than 10 percent of the total program assistance. The conference report contains the Senate provision.

Safety Requirements.—The Senate amendment contained a provision not included in the House bill which required the installation of a sprinkler system that protects all major spaces, hard wired smoke detectors and compliance with the State and local fire and safety requirements. The conference report contains the Senate provision.

Rehabilitation.—The Senate amendment contained a provision not included in the House bill which limits the total Section 8 moderate rehabilitation assistance to not more than $14,000 per unit plus the cost of any safety features. The Senate amendment authorizes the Secretary to increase the limitation by a reasonable amount to accommodate high construction costs or stringent fire or building codes. The conference report contains the Senate provision.

Contract Term Requirement.—The Senate amendment contained a provision not included in the House bill which required HUD to enter into an Annual Contributions Contract with a Public Housing Authority to obligate this Section 8 Moderate Rehabilitation assistance for a ten year period, required that amendments which increase these contracts be available for the remainder of the ten years, and provided HUD with the option to renew the contract for an additional ten year period, subject to the availability of appropriations. The conference report contains the Senate provision.

Occupancy Priority.—The Senate amendment contained a provision not included in the House bill which required, notwithstanding any other provision of law, that priority be given to homeless individuals in occupying the rehabilitated SROs. The conference report contains the Senate provision.

COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM (CDBG)

The House bill contained a provision not included in the Senate bill which amended Sec. 102(a)(6) of the 1974 Housing and Community Development Act to preserve eligibility for growing urban counties under the CDBG formula for allocating homeless assistance and CDBG funds. The conference report contains this provision.

TITLE V—IDENTIFICATION AND USE OF SURPLUS FEDERAL PROPERTY

SECTION 501. IDENTIFICATION OF UNDERUTILIZED SUITABLE BUILDINGS AND PROPERTY

Section 202 of the Senate amendment requires each executive agency to identify excess property under its control as suitable for use as a shelter or for providing services to homeless individuals. Section 203 of the Senate amendment requires the Administrator of General Services to report the availability of excess property for such use to the Interagency Council on the Homeless and to revise such report every 90 days.

Sections 302 (a), (b), and (c) of the House bill (a) require the Secretary of Housing and Urban Development to identify underutilized public buildings and other real property suitable for use for facilities to assist the homeless, and to solicit information from other Federal agencies, States, and local government units to identify such property; (b) require that Secretary to take appropriate actions, in accordance with other Federal law, to make such property available to assist the homeless, and (c) prohibit Federal property to be made available under this section except through use of leases for at least 1 year, so that ownership of the property shall not be transferred from the Federal Government.

The House recedes with an amendment. Section 501(a) of the conference agreement requires the Secretary of Housing and Urban Development to collect information about Federal public buildings and other real properties which controlling agency heads have identified in surveys pursuant to existing requirements of law as underutilized, and to identify those properties that are suitable for use for facilities to assist the homeless, as well as to develop suitability criteria in consultation with the Secretary of Health and Human Services and the Administrator of General Services.

The conferees expect that controlling agency heads will carry out the surveys and related actions required under existing law, particularly section 202(b) of the Federal Property and Administrative Services Act of 1949, with vigor and with special awareness of the urgent need to which property identified as suitable for facilities to assist the homeless can be put.

The conference agreement (section 501(b)) also requires the Secretary of Housing and Urban Development to notify the controlling agency head of property the Secretary has identified under subsection (a); thereafter such agency head shall send a response to the Secretary and the Administrator of General Services concerning the agency head's intention to declare the property excess in accordance with applicable law or giving reasons that the property cannot be declared excess.

The conference requirement (section 501(c)) also requires the Administrator of General Services and the Secretary of Health and Human Services, acting in accordance with other applicable Federal law, to take actions necessary to make the properties identified as suitable available for use for facilities to assist the homeless operated by private nonprofit organizations and State or local governments.

The conference agreement (section 501(d)) also requires that properties may be made available under this section only through the use of leases for at least 1 year, so that ownership of the property is not transferred from the Federal Government. It declares that the furnishing of property for facilities to assist the homeless is a permissible use in the protection of public health within the meaning of section 203(k) of the Federal Property Act and requires the Secretary of Health and Human Services and the Administrator of General Services to issue regulations permitting leases for such pubic-health purposes.

The conferees expect the Secretary of Health and Human Services and the Administrator of General Services to recognize fully the special urgency that attaches to the need for such use of these properties and to give priority of consideration to necessary leasehold-interest disposals.

The conference agreement (section 501(e)) also requires that the Administrator of General Services shall send to the Congress and the Interagency Council on the Homeless quarterly reports on implementation of this section that will include properties identified as suitable under subsection (a), agency responses to such identifications, and actions taken to make the property available to assist the homeless.

SECTION 502. MAKING SURPLUS PERSONAL PROPERTY AVAILABLE TO NONPROFIT AGENCIES

The Senate amendment (section 204(a)) amends the provision of the Federal Property Act (section 203(j)) authorizing the Administrator of General Services to transfer surplus personal property to the appropriate State surplus property agencies for donation to eligible recipient organizations. It specifically amends section 203(j)(3)(B) of that Act to assure that nonprofit tax-exempt providers of assistance to homeless are eligible to receive donable surplus personal property from the State surplus property agencies.

The Senate amendment (section 204(b)) also provides that the State surplus property agencies will make information available about property usable for food, shelter, or other services for the homeless.

The Senate amendment (section 204(c)) also provides that the State surplus property agencies will distribute property identified pursuant to section 204 at nominal cost to nonprofit organizations and at no cost when the Administrator of General Services agrees to reimburse the State surplus property agency for care and handling costs.

The House bill contains no provision with respect to making surplus property available.

The House recedes with a clarifying amendment that specifically identifies providers of assistance to homeless individuals as the organizations benefiting from nominal cost or no cost of donable property.

Section 205 of the Senate amendment amends section 203(j)(3)(B) of the Federal Property and Administrative Services Act of 1949 to assure the eligibility for donated surplus personal property of providers of assistance to homeless individuals. The House bill has no such provision.

The Senate recedes. This language is identical to that contained in section 502(a) of the conference agreement.

TITLE VI—HEALTH CARE FOR THE HOMELESS

SUBTITLE A—PRIMARY HEALTH SERVICES AND SUBSTANCE ABUSE SERVICES

1. ESTABLISHMENT OF GRANT PROGRAM (SECTION 601)

House bill

The House bill authorizes the Secretary of Health and Human Services (HHS), acting through the Administrator of the Health Resources and Services Administration, to make grants to public or private nonprofit entities to provide for the delivery of outpatient health services (primary care, substance abuse treatment, mental health services, and case management) to homeless individuals. A total of $75 million is authorized to be appropriated for this purpose in FY 1987; any amounts appropriated would remain available until expended. The Secretary would be authorized to spend up to $2 million of this amount for technical assistance. The amount of the grant to any individual grantee could not exceed 75 percent of the cost of the services for which the grant was made; a grantee would have to make non-Federal contributions available for the remaining 25 percent of the service costs, except in the case of certain Community Health Centers receiving funds under section 330 of the Public Health Service Act. Grantees could not spend more than 10 percent of their grant awards on administrative expenses.

Senate Amendment

The Senate amendment authorizes the Secretary of Health and Human Services to make grants to public or private nonprofit entities to provide for the delivery of outpatient health services to homeless individuals, alcohol and drug abuse treatment services to homeless individuals, and mental health services to homeless individuals who do not have a chronic mental illness. The amendment authorizes the appropriation of $30 million for this purpose in FY 1987 and an additional $30 million in FY 1988. Of the amounts appropriated, 1.5 percent is to be allocated to Indian tribes. The amendment does not authorize funds for technical assistance, does not contain a matching requirement for grantees and does not place a limit on grantee administrative expenses.

Conference Agreement

The conference agreement follows the House bill with two modifications. First, the agreement would authorize appropriations of $50 million in FY 1987 and $30 million in FY 88; any amounts appropriated would remain available through the fiscal year following the one in which they were appropriated. Second, the agreement would allow grantees, at their option, to use their grant funds to provide, or arrange for the provision of, mental health services (including case management services) to homeless individuals; grantees would be required to refer the mentally ill homeless for mental health services to other providers in the grantee's service area. Grantees would remain responsible for the delivery of, or arranging for the delivery of, primary care and substance abuse treatment services to the homeless mentally ill population, as specified in their approved grant applications. The precise mix of these services would be determined by the grantee, consistent with the needs specific to the homeless population served by the grantee, and the grant and matching funds available. In the provision of substance abuse services, each grantee is responsible for providing, or making available through contract, to the extent feasible, a variety of treatment environments and modalities, including detoxification services and long- and short-term residential treatment provided in such settings as half-way houses and social model homes.

Effective Date: Enactment.

2. PROVISION OF HEALTH SERVICES TO THE HOMELESS BY NATIONAL HEALTH SERVICE CORPS (SECTION 602)

Current Law

A population group which has a shortage of health professionals serving it may be designated as a "health manpower shortage area" for purposes of receiving a National Health Service Corps (NHSC) provider. This, in turn, allows placement of NHSC providers to serve the population group even though the geographic area in which the group is located has a sufficient number of providers to serve all other residents.

House bill

Clarifies that homeless individuals may be designated as a population group with a shortage of health professionals serving it for purposes of placement of NHSC providers.

Senate amendment

No provision.

Conference agreement

The conference agreement follows the House bill.

Effective Date: Enactment.

3. REQUIREMENT OF CERTAIN STUDY WITH RESPECT TO HOMELESSNESS (SECTION 603)

House bill

The House bill requires each State to conduct a study of the extent to which its deinstitutionalization policies are contributing to the problem of homelessness and to submit a report to the Secretary of HHS. The Secretary is directed to summarize the individual State reports for the Congress.

Senate amendment

No provision.

Conference agreement

The conference agreement follows the House bill with a modification requiring the Secretary, within 18 months of enactment, to conduct and submit to the Congress a study of the extent to which the deinstitutionalization policies in each State are contributing to the problem of homeless.

Effective Date: Enactment.

4. APPLICABILITY OF WORKFARE REQUIREMENTS

House bill

The House bill provides that grant funds under this Act may not be expended in any State that does not by law require an able-bodied, mentally competent homeless person to participate in work requirement programs if the person is receiving services pursuant to this Act.

Senate bill

No provision.

Conference agreement

The conference agreement follows the Senate amendment.

SUBTITLE B—COMMUNITY MENTAL HEALTH SERVICES

5. ESTABLISHMENT OF BLOCK GRANT PROGRAM FOR SERVICES TO HOMELESS INDIVIDUALS WHO ARE CHRONICALLY MENTALLY ILL (SECTION 611)

House bill

No provision.

Senate amendment

The amendment would authorize appropriations of $55 million in FY 1987 and such sums as necessary in FY 1988 for an Emergency Assistance for Homeless Mentally Ill Individuals Block Grant. States would be required to use amounts allotted to them for emergency projects for homeless individuals who have chronic mental illness, including outreach, outpatient mental health services, training, case management, and supportive and supervisory services. Of the amounts appropriated, 1.5 percent would be allocated among Indian tribes. No more than 2 percent could be used by the Secretary to pay the costs of administration, and States could spend no more than 4 percent of amounts allotted to them for administration. Funds would be allotted among the States on the basis of the allocation formula under the Community Development Block Grant; each State would receive a minimum allotment of one half of one percent of the amount available for allotment. States would not be required to contribute any non-Federal matching funds for mental health services for the homeless.

Conference agreement

The conference agreement follows the Senate amendment with the following modifications. First, $35 million would be authorized to be appropriated in FY 1987 and such sums as necessary in FY 1988. The Secretary would not be allowed to use 2% of any funds appropriated under this authority for administration; instead, the conferees expect that the Department will provide the support necessary to administer this program. Funds would be allotted among the States based upon the ratio of the population of each State which lives in urbanized areas to the total population in the United States living in urbanized areas. Each State would be eligible to receive a minimum allotment of $275,000. To assure each State this minimum, the allotments to States under the formula in excess of $275,000 are proportionately reduced. In Fiscal Year 1987, the formula prescribed by the agreement would allocate funds among the States in accordance with the following table:

ESTIMATED STATE ALLOTMENTS FOR HOMELESS BASED ON URBAN POPULATION

[Appropriation equals $35,000,000 and minimum allotment equals $275,000]

	Percent share of resident population (1)	Percent share of urban population (2)	Allotment percent (3)	Percent share of allotment (4)
United States	100.00	100.00	35,000,000	100.00
Alabama	1.66	1.23	382,228	1.09
Alaska	.22	.15	275,000	.78
Arizona	1.32	1.51	470,361	1.34
Arkansas	.97	.39	275,000	.78
California	10.89	14.80	4,617,109	13.19
Colorado	1.34	1.52	472,853	1.35

ESTIMATED STATE ALLOTMENTS FOR HOMELESS BASED ON URBAN POPULATION—Continued

[Appropriation equals $35,000,000 and minimum allotment equals $275,000]

	Percent share of resident population (1)	Percent share of urban population (2)	Allotment percent (3)	Percent share of allotment (4)
Connecticut	1.31	1.59	495,677	1.41
Delaware	.26	.26	275,000	.78
District of Columbia	.26	.42	275,000	.78
Florida	4.70	5.76	1,798,230	5.13
Georgia	2.47	1.91	597,033	1.70
Hawaii	.44	.51	275,000	.78
Idaho	.42	.13	275,000	.78
Illinois	4.77	5.63	1,755,104	5.01
Indiana	2.27	1.75	546,250	1.56
Iowa	1.19	.62	275,000	.78
Kansas	1.01	.60	275,000	.78
Kentucky	1.54	.84	275,000	.78
Louisiana	1.85	1.58	491,710	1.40
Maine	.48	.17	275,000	.78
Maryland	1.81	2.20	685,948	1.95
Massachusetts	2.41	3.03	945,615	2.70
Michigan	3.76	3.81	1,189,464	3.39
Minnesota	1.73	1.42	442,985	1.26
Mississippi	1.08	.41	275,000	.78
Missouri	2.08	1.80	561,894	1.60
Montana	.34	.15	275,000	.78
Nebraska	.66	.44	275,000	.78
Nevada	.39	.47	275,000	.78
New Hampshire	.41	.21	275,000	.78
New Jersey	3.12	4.34	1,352,740	3.86
New Mexico	.60	.39	275,000	.78
New York	7.35	9.38	2,927,574	8.36
North Carolina	2.58	1.43	446,400	1.27
North Dakota	.28	.12	275,000	.78
Ohio	4.44	4.37	1,364,057	3.89
Oklahoma	1.36	.93	289,786	.82
Oregon	1.11	.87	275,000	.78
Pennsylvania	4.90	4.81	1,501,375	4.28
Rhode Island	.40	.54	275,000	.78
South Carolina	1.38	.86	275,000	.78
South Dakota	.29	.10	275,000	.78
Tennessee	1.97	1.45	453,753	1.29
Texas	6.76	7.06	2,201,967	6.29
Utah	.68	.79	275,000	.78
Vermont	.22	.05	275,000	.78
Virginia	2.36	2.18	681,197	1.94
Washington	1.82	1.88	586,461	1.67
West Virginia	.80	.27	275,000	.78
Wisconsin	1.97	1.59	497,053	1.42
Wyoming	.21	.09	275,000	.78
Puerto Rico	1.36	1.19	370,176	1.5

Under the conference agreement, States would be required to make available non-Federal contributions (in cash or in kind) of $1 for every $3 in Federal funds allotted. In meeting this 25 percent matching requirement, the conferees intend that States be allowed to provide the matching funds during the course of the period covered by the grant award.

Effective Date: Enactment.

6. COMMUNITY MENTAL HEALTH SERVICES DEMONSTRATION PROJECTS FOR HOMELESS INDIVIDUALS WHO ARE CHRONICALLY MENTALLY ILL (SECTION 612)

Current law

The National Institute of Mental Health administers the Community Support Program (CSP), a demonstration program for the provision of community-based services to chronically mentally ill adults and children. Current appropriations for CSP in FY 1987 are $15 million.

House bill

The House bill authorizes an additional appropriation of $25 million in FY 1987 for CSP demonstration grants limited to providing community-based services to chronically mentally ill individuals who are homeless or at risk of homelessness. Funds appropriated for this purpose would remain available until expended.

Senate amendment

No provision.

Conference agreement

The conference agreement follows the House bill with a modification authorizing $10 million in FY 1987 for CSP demonstration grants for community-based services to chronically mentally ill individuals who are homeless or at risk of homelessness. Funds appropriated for this purpose would remain available through FY 1988.

Effective date: Enactment.

7. COMMUNITY DEMONSTRATION PROJECTS FOR ALCOHOL AND DRUG ABUSE TREATMENT OF HOMELESS INDIVIDUALS (SECTION 613)

House bill

No provision.

Senate amendment

The Senate amendment would increase the authorization for the Alcohol, Drug Abuse, and Mental Health Block Grant for FY 1987 by $20 million from $576 million to $596 million. States would be required to use their increased allocations from this authority for the provision of prevention, treatment, and rehabilitation services for homeless individuals who are alcoholics, alcohol abusers, or drug abusers.

Conference agreement

The conference agreement directs the Secretary, acting through the Director of the National Institute on Alcohol Abuse and Alcoholism (NIAAA), to make grants to, and enter into contracts or cooperative agreements with, community-based public and private nonprofit entities to develop and provide alcohol and drug abuse treatment services for homeless individuals. The agreement authorizes the appropriation of $10 million in FY 1987 for this purpose. Funds appropriated for this purpose would remain available through FY 1988. In implementing this program, the Director of NIAAA is directed to consult with the Director of the National Institute on Drug Abuse.

Effective date: Enactment.

TITLE VII—EDUCATION, TRAINING AND COMMUNITY SERVICES PROGRAMS

SUBTITLE A—ADULT EDUCATION FOR THE HOMELESS

The Senate recedes to the House amendment with modifications.

In recognition of the fact that existing adult basic education may not currently be available to the homeless, an amendment is made to the Adult Basic Education Act to ensure that homeless individuals are eligible for adult education services. In addition, a new program is established in which state educational agencies will be awarded grants to develop and implement programs of tutoring to improve literacy and basic skills remediation for homeless individuals.

SUBTITLE B—EDUCATION FOR HOMELESS CHILDREN AND YOUTH

The House recedes to the Senate amendment with modifications.

The Conferees have agreed on the following statement of explanation to Subtitle B:

The increasing number of homeless families with children and runaway and homeless youth is of great concern to the Committee of Conferees. Out of 29 cities surveyed by the U.S. Conference of Mayors, 17 reported that homeless children were denied access to education. As these families move in order to secure housing—often only temporary housing—children may shift from one school attendance area to another, or from one school district to another. Education is often disrupted which lowers student achievement, reduces attendance, and increases the risk that a student will drop out of school completely. Travelers Aid International and the Child Welfare League report that only 43% of school-age homeless children currently attend school.

Indications are that the problem is not improving. The U.S. Department of Housing and Urban Development estimated that 250,000 persons were homeless in 1984. Current estimates by the National Coalition for the Homeless are that as many as 3 million individuals may be homeless. Washington city officials reported a 500 percent increase in the number of homeless families seeking shelter just this year.

The purpose of this subtitle is to make plain the intent and policy of Congress that every child of a homeless family and each homeless youth be provided the same opportunities to receive free, appropriate educational services as children who are residents of the state. No child or youth should be denied access to any educational services simply because he or she is homeless. Of particular concern are potential disputes between school districts over the placement of these children, which could result in the homeless being denied an education in any school district.

To assist in carrying out this purpose, it is the intent of Congress that every state, upon receiving funds authorized for this purpose, designate or establish an office of Coordinator of Education of Homeless Children and Youth who will report to the State School Superintendent or to the Commissioner of the State Educational Agency. The Coordinator's responsibilities will include the development and implementation of a state plan regarding the education of homeless children and youth. This plan must provide for continuation of a homeless child's or youth's education in the school district of origin or the school district in which the child or youth is living, whichever is in the best interest of the child or youth. The plan must also contain a mechanism to resolve disputes which arise between and within local educational agencies regarding the responsibility for providing educational services to homeless children located therein in an expeditious and timely manner.

The plan shall assure that homeless children and youth have access to educational services comparable to those offered to other students in that particular school for which they are otherwise eligible, including compensatory educational programs for the disadvantaged; and educational programs for the handicapped and for students with limited English proficiency; vocational education programs; and gifted and talented programs. The Conferees intend that services such as school meals and transportation be provided at the same level and to the same degree as those offered to other students in that particular school. Access to these services shall not be compromised solely because a child or youth is homeless.

The plan shall assure that student records of a homeless child or youth are available in a timely fashion when that individual enters a new school district.

In addition, the Coordinator will be responsible for obtaining data on the number and location of homeless children and youth throughout the state, and identifying what the special needs are of this population, what difficulties arise in placement of these youngsters in school, and what is being done to resolve these difficulties. Reports containing this information are to be submitted to the Secretary of Education by December 31, 1987 and December 31, 1988. The Secretary, in turn, is to submit this information to the Congress within 30 days of its receipt.

This subtitle provides that the Secretary of Education shall prepare and submit to Congress a report on the programs and activities authorized by this subtitle at the end of each fiscal year. It is intended that this report encompass related activities conducted by all states, even if not all states participate in the program authorized herein. This report should include information about homeless children and youth who are not attending school, in order to provide the Congress with current information.

SUBTITLE C—JOB TRAINING FOR THE HOMELESS DEMONSTRATION PROJECT

The conference agreement accepted the Senate amendment to establish a job training demonstration project for the homeless. It also accepts the amendments to JTPA included in the House bill. Minor technical improvements were made to both of these provisions in conference.

Conference agreement

The conference agreement establishes a competitive grant program for job training demonstration projects. The Secretary may award contracts to State and local public agencies, private nonprofit organizations, private businesses, and other appropriate entities to carry out this Title. Grant applicants must provide, in addition to a description of their proposed job training activities, plans for obtaining referrals of homeless individuals to their project and care providers. Additionally, a grant applicant must describe plans to offer in-shelter outreach and assessment and pre-employment services where practicable, and other similar activities that will increase participation in their project. Performance standards must be identified and assurances must be given by the applicant that a preliminary project evaluation will be completed not later than the end of the first year of funding. Applicants must also provide assurances that they will pay the 10-50 percent non-Federal share for the project activities either in cash or kind.

The job training demonstration grants may be used to contract for or to provide the basic skills, remedial, or basic literacy instruction, or for job counseling, job search, or job preparatory training (e.g., resume writing). Any other activities described in section 204 of the Job Training Partnership Act which will assist in achieving the objectives of this title may be funded.

An evaluation of each grant program must be completed by the Secretary at the end of the first year for which the project was funded, and reported to and reviewed by the Interagency Council on the Homeless. The Secretary shall prepare a final report and recommendations not later than six months prior to the termination of this demonstration program. This report shall also be submitted to the Interagency Council. The Council, in turn, will make recommendations to Congress and the President about the need for subsequent legislation based on the results of this three year demonstration project.

The conferees recognize that homelessness is an on-going problem that will not be solved by a short-term demonstration program, but acknowledges that additional information and data are necessary before a detailed national policy on training for the homeless may be developed. It is the intention of the conferees that these program evaluations provide a source of information and direction for the future of job training programs for homeless Americans.

The conferees are concerned that the Secretary of Labor have sufficient funds at his discretion to conduct this demonstration. If, however, sufficient funds are not appropriated for this program, the conferees do not expect the Secretary to draw funds away from other worthwhile programs, in particular, those in the Job Training Partnership Act.

SUBTITLE D—EMERGENCY COMMUNITY SERVICES HOMELESS GRANT PROGRAM

House bill

The House bill provides $45 million for the Community Services Block Grant for Community Action Programs. The money is to be used to provide services to meet the critically urgent needs of the homeless.

Senate amendment

The Senate amendment provides $20 million for the Community Services Block Grant with monies to be made available to Community Action Programs as well as other eligible entities who obtained a waiver from the Secretary of Health and Human Services under the provision of Public Law 98-139. The money is to be used for the provision of services to meet the critically urgent needs of the homeless.

Conference agreement

The Conference agreement adopts the House bill with one modification by providing support for "eligible entities." In providing support under this legislation for "eligible entities" designated under the Community Services Block Grant, the Committee has recognized that the vast majority of such entities are community action agencies and migrant and seasonal farmworkers organizations, which have shown a distinct ability to provide a broad range of needed services to the homeless. Although states are technically permitted to select eligible entities other than community action agencies and migrant and seasonal farmworker organizations to administer projects for the homeless, the Conferees urge states to utilize community action agencies and migrant and seasonal farmworkers organizations in administering homeless projects under subtitle D of this Act.

SUBTITLE E—MISCELLANEOUS PROVISIONS

HOMELESS CHILDREN PROGRAM

The Senate amendment contained a provision not included in the House bill which authorized HHS to provide a demonstration grant for a special research project to study the underlying causes of youth homelessness and required the HHS Secretary to provide up to a $50,000 grant from funds appropriated under Section 426 of the Social Security Act for Fiscal Year 1987. The conference report contains this provision.

TITLE VIII—FOOD ASSISTANCE FOR THE HOMELESS

The differences between title V of the *House* bill, comparable provisions of the *Senate* amendment, and the substitute agreed to in conference are noted below, except for clerical corrections, conforming changes made necessary by agreements reached by the conferees, and minor drafting and clarifying changes.

(1) ANNUAL ADJUSTMENT OF INCOME ELIGIBILITY STANDARDS

The *House* bill requires that food stamp income eligibility standards be annually adjusted each October 1. (Sec. 501.) The effect of this provision will be to change the date when the annual inflation adjustment is made to the food stamp income eligibility standards, from July 1 to October 1. (NOTE.—Under the Food Stamp Act of 1977, households whose income exceeds the income eligibility standards are ineligible for food stamps. Currently, there are two such income standards:)

(a) For all households, net income (income reduced by all exclusions and deductions) cannot exceed 100 percent of the poverty line.

(b) For households not containing an elderly or disabled member, income reduced by exclusions (but before deductions are taken) cannot exceed 130 percent of the poverty line.)

The *Senate* amendment contains no comparable provision.

The *Conference* substitute adopts the *House* provision with an amendment making it effective July 1, 1988. (Sec. 803.) The currently scheduled July 1, 1988, adjustment will be postponed until October 1, 1988, and future adjustments will occur each October 1 thereafter.

(2) INELIGIBILITY FOR EARNED INCOME DEDUCTION

The Food Stamp Act of 1977 currently allows a deduction from earned income to cover taxes, mandatory deductions from paychecks, and other work expenses of employed persons. The amount of the deduction is 20 percent of earned income.

The *House* bill prohibits allowing this 20 percent deduction in establishing claims against households with respect to any earned income that the household has been proven (in a food stamp disqualification proceeding) to have willfully or fraudulently failed to report in a timely manner. (Sec. 502.)

The *Senate* amendment contains no comparable provision.

The *Conference* substitute adopts the *House* provision with an amendment to make it effective and implemented 45 days after enactment of the bill and including the *House* provision (described in item 8(b)) relating to the application of the amendment made by the provision. (Sec. 805.)

(3) EXCESS SHELTER EXPENSE CEILING

Currently under the Food Stamp Act of 1977, when computing income for food stamp purposes, a deduction is allowed to the extent that shelter costs (e.g., rent or mortgage, utilities, insurance, basic service fee for one telephone, and property taxes) exceed 50 percent of net household income (incomes after all other deductions and all exclusions have been taken). Thus, if a household's net income is $400 a month and its shelter costs total $250 a month, it would receive a $50 excess shelter cost deduction. [250−(.5x400)=50] Its income for food stamp purposes would be $350 per month, which amount would be used to determine its level of food stamps. [$400 net income−$50 excess shelter deduction=$350]

However, under the Food Stamp Act the maximum allowable amount of the excess shelter cost deduction is now $149 per month in the 48 States and the District of Columbia (with comparable caps of $260, $213, $182, and $111 for Alaska, Hawaii, Guam, and the Virgin Islands, respectively), inflation-indexed each October 1.

The *House* bill increases the ceiling on the deduction to $168 per month in the 48 States and the District of Columbia (with comparable ceilings of $292, $239, $204, and $124 a month in Alaska, Hawaii, Guam, and the Virgin Islands, respectively) beginning October 1, 1987. (Secs. 503 and 509(a)(3).)

The *Senate* amendment changes the way in which the annual inflation adjustments to the ceilings are computed. (NOTE.—The ceilings are now adjusted based on changes in the (a) shelter component of housing costs (exclusive of homeowners' costs and maintenance and repair costs), and (b) fuel and utilities components of housing costs, in the Consumer Price Index for All Urban Consumers.) The *Senate* amendment provides for a new calculation for October 1, 1987, based on a recomputation, over the 24-month period ending June 30, 1987, of changes using the full shelter component (including homeowners' costs and maintenance and repair costs), and makes this new method of adjusting the ceilings the rule for future adjustments. It is estimated by the Congressional Budget Office that the *Senate* provision would lead to a new ceiling of $158 per month for the 48 States and the District of Columbia beginning in October 1988. (Sec. 803(b)(1).)

The *Conference* substitute adopts the *House* provision with an amendment—

(a) establish the ceilings at $164, $$285, $234, $199, and $121 (for the 48 contiguous States and the District of Columbia, Alaska, Hawaii, Guam, and the Virgin Islands, respectively), effective October 1, 1987; and

(b) requiring that, effective beginning with the October 1, 1988, adjustment, the ceilings will be adjusted to reflect changes in the shelter (including homeowners' costs and maintenance and repair costs in addition to renters' costs), fuel, and utilities components of the Consumer Price Index for All Urban Consumers for the 12 months ending the preceding June 30, rounded to the nearest lower dollar increment. (Sec. 806.)

(4) THIRD PARTY PAYMENTS FOR CERTAIN HOUSING

The Food Stamp Act of 1977, in section 5(d)(1), currently excludes from income "any gain or benefit which is not in the form of money payable directly to a household." But section 5(k) of the Act, in paragraph (1), requires that certain specified assistance provided to a third party on behalf of a food stamp household by a State or local government be considered as money paid directly to the household, for purposes of section 5(d)(1). The assistance specified in paragraph (1) of subsection (k) is: Benefits for living expenses under a State aid to families with dependent children program or a general assistance program. Paragraph (2) of subsection (k) provides that paragraph (1) will *not* apply to—

(a) medical assistance,

(b) child care assistance,

(c) energy assistance,

(d) assistance provided by a State or local housing authority, or

(e) emergency and special assistance (to the extent excluded under regulations prescribed by the Secretary of Agriculture).

(NOTE.—Under current Department of Agriculture policy, a portion of any public assistance (such as aid to families with dependent children) or general assistance (State or locally funded aid) grant paid to a hotel owner or landlord on behalf of a food stamp household is counted as income for food stamp purposes.)

The *House* bill adds to paragraph (2) of section 5(k) a sixth category of benefits exempted from paragraph (1) of section 5(k) (and thus excludes from food stamp income), as follows: housing assistance payments made to a third party on behalf of a household residing in temporary housing, if the temporary housing unit provided as a result of such assistance lacks facilities for the preparation and cooking of hot meals or the refrigerated storage of food for home consumption. (Sec. 504.)

The *Senate* amendment contains no comparable provision.

The *Conference* substitute adopts the *House* provision with an amendment making it effective for the period beginning 90 days after enactment of the bill and ending September 30, 1989, and including the *House* provision (described in item 8(b)) relating to the application of the amendment made by the provision. (Sec. 807.)

The reference in this provision to facilities for the preparation and cooking of food refers to facilities that would allow a household to buy and cook food the way households in normal living arrangements can. The presence of a hot-plate or a low-boy or counter-level refrigerator, capable of storing food for only a few days at a time, would not constitute adequate cooking facilities and would not be cause for denying a household the benefit of this provision.

(5) IMPLEMENTATION OF SECTION 5(k)(2) OF THE FOOD STAMP ACT

The Food Security Act of 1985 added the provision to section 5(k)(2) of the Food Stamp Act of 1977 stating that assistance provided to a third party on behalf of a household by a State or local government shall be excluded from income for food stamp purposes if the payments represent "emergency and special assistance, to the extent excluded in regulations prescribed by the Secretary."

The *Senate* amendment requires the Department of Agriculture to issue regulations to carry out this provision of section 5(k)(2) 30 days after enactment of the bill. (Sec. 806.)

The *House* bill contains no comparable provision.

The *Conference* substitute deletes the *Senate* provision.

(6) PROVIDING FOOD STAMP INFORMATION TO THE HOMELESS

The *House* bill (sec. 505) and the *Senate* amendment (sec. 804) contain substantially similar provisions to authorize the provision of food stamp information to the homeless.

The *House* bill allows for 50 percent Federal funding of State "outreach" targeted on the homeless while the *Senate* amendment allows for 50 percent Federal funding of State "informational activities" designed to reach the homeless. (NOTE.—See also item (9), which explains the differences between the *House* bill and *Senate* amendment in describing the homeless population.)

The *Conference* substitute adopts the *Senate* provision with an amendment making it effective on enactment of the bill. The Department of Agriculture is expected to issue interim regulations on this matter as soon as practicable; and it is expected that State agencies will be able to claim reimbursement for those informational activities initiated prior to the issuance of regulations only to the extent they are covered under the regulations. (Sec. 808.)

(7) DISTRIBUTION OF SURPLUS COMMODITIES

(A) TYPES OF COMMODITIES

Under current law, the Temporary Emergency Food Assistance Program (TEFAP) (7 U.S.C. 612c note) distributes Commodity Credit Corporation surplus commodities by providing these commodities to States for distribution under TEFAP rules. The State may distribute the commodities to needy persons itself or use local distribution organizations.

The *House* bill, at the request of the Governor of a State, *allows* the Department of Agriculture to distribute up to 14 million pounds of cheese annually (in each of the fiscal years 1988, 1989, and 1990) under TEFAP, subject to appropriations in advance. Such distributions would be in addition to commodities allocated through TEFAP under current law. (Sec. 506.)

The *Senate* amendment, at the request of the Governor of a State, *requires* that flour and cornmeal be distributed and *allows* for the distribution of cheese, butter, nonfat dry milk, rice, and honey, during such fiscal years, in addition to normal allocations, subject to appropriations in advance. There are no limits in the *Senate* bill on the amounts to be distributed. (Sec. 812.)

The *Conference* substitute adopts the *Senate* amendment with an amendment to require the distribution of flour and cornmeal, and up to 14 million pounds of cheese, in fiscal year 1988 in addition to normal allocations and reallocations, subject to appropriations in advance. (Sec. 812.)

It is the expectation of the conferees that the Department of Agriculture will expand the use of surplus commodities through TEFAP and, in particular, will meet all the requests for flour and cornmeal made by the executive officers of the States who have certified need pursuant to subsection (a)(2) of new section 202A. The conferees note the large quantities of CCC wheat and corn and the Department of Agriculture's projection of continuing large CCC stocks in the coming years. The conferees believe that persons qualified for TEFAP commodities should be able to receive adequate quantities of flour and cornmeal and expect the Department to make these commodities available for distribution within the States.

(B) NOTIFICATION OF CONGRESS

The *House* bill requires that Congress be notified each time a request for TEFAP additional commodities is made by a Governor. (Sec. 506.)

The *Senate* amendment contains no comparable provision.

The *Conference* substitute adopts the *House* provision. (Sec. 812.)

(C) VARIETY OF COMMODITIES

The *Senate* amendment requires the Department of Agriculture to distribute a "variety of commodities and products thereof that are most useful to eligible recipient agencies" under TEFAP. (Sec. 811.)

The *House* bill contains no comparable provision.

The *Conference* substitute adopts the *Senate* provision with an amendment making the provision effective on enactment of the bill. (Sec. 812.)

(D) FEDERAL TEFAP FUNDING PROVIDED TO STATES

Under current law, the Department of Agriculture provides $50 million annually in funding to States, through a formula based on the number of persons below the poverty line and the number of unemployed in the State, to cover such TEFAP administrative costs as transportation, food storage, handling, and salaries.

The *House* bill and *Senate* amendment provide different levels of funding for State TEFAP administrative expenses for different years as noted below:

[In millions of dollars]

	1987	1988	1989	1990
House sec. 507(a)	N/A	51.85	53.95	56.20
Senate sec. 804	53.00	65.00	0	0

(NOTE.—Current law provides an authorization of $50 million for such appropriations in fiscal year 1987.)

The *Senate* amendment also contains a second TEFAP authorization provision for 1987 and 1988. (Sec. 813.) The levels set by *Senate* section 813 are $60 million for fiscal year 1987 and $70 million for fiscal year 1988.

The *Conference* substitute adopts the *Senate* provision with an amendment authorizing an appropriation of $50 million in fiscal year 1988 only. (Sec. 813.) (NOTE.—See also item (e) below.)

(E) TEFAP EXTENSION

The *House* bill authorizes the operation of the Temporary Emergency Food Assistance Program until September 30, 1990. (Sec. 507(b).)

The *Senate* amendment authorizes the operation of the program until September 30, 1988. (Sec. 814(a).)

The *Conference* substitute adopts the Senate provision. (Sec. 814(a).)

The conferees note that, under section 203B(a) of the Temporary Emergency Food Assistance Act, the Secretary of Agriculture must provide the commodities made available under TEFAP "as expeditiously as possible". However, the conferees are aware of problems that the States are experiencing due to late deliveries of commodities under TEFAP. Therefore, the conferees expect the Department of Agriculture to make immediate improvements in the timing of its commodity distributions with the goal of ensuring delivery of a State's full allotment by the fifteenth day of each month, where appropriate.

(F) CONFORMING AMENDMENT

Section 210(c) of the Temporary Emergency Food Assistance Act requires the publication in the Federal Register, prior to each fiscal year in which the program is in effect, of an estimate of the commodities that likely will be available under the program during the coming year.

The *Senate* amendment extends the applicability of section 210(c) to the expiration date of TEFAP specified in section 212 (see also item (e) above). (Sec. 814(b).)

The *House* bill contains no comparable provision.

The *Conference* substitute adopts the *Senate* provision. (Sec. 814(b).)

(8) EFFECTIVE DATES AND IMPLEMENTATION

(A) REGULATORY IMPLEMENTATION

The *House* bill provides that regulations must be issued by the Secretary of Agriculture not later than July 1, 1987, to carry out the provisions of title V of the bill. (Sec. 508.)

The *Senate* amendment requires that the comparable provisions thereof be implemented as soon as practicable but not later than 160 days after enactment of the bill except for section 803 (annual adjustments to the standard deduction), which is to become effective October 1, 1987 (see item (11)), and section 806 (the implementation of the vendor payment exclusions in the Food Security Act of 1985), for which the Department of Agriculture is required to issue rules 30 days after enactment of the bill (see item (5)). (Sec. 821.)

The *Conference* substitute adopts the *Senate* provision with amendments—

(i) adopting the implementation schedule reflected in the descriptions of individual items; and

(ii) deleting the reference to regulations relating to vendor payment exclusions.

(B) EFFECTIVE DATES

Title V of the *House* bill is to take effect on date of enactment of the bill, except that sections 502, 504, and 505 (see items (2), (4), and (6), respectively) would take effect on the date the Secretary of Agriculture issues rules to implement those provisions, but not later than July 1, 1987. The amendments made by sections 502 and 504 (see items (2) and (4), respectively) would not apply to any household for any month beginning before the effective dates of such sections. The *House* bill further provides that sections 503 and 506 are to take effect on October 1, 1987 (see items (3) and (7)(a), respectively). (Secs. 508 and 509.)

The *Senate* amendment requires that the comparable provisions thereof become effective and implemented as soon as practicable after enactment of the bill, but not later than 160 days after enactment, except for sections 803 and 806, described in item (a) above. (Sec. 821.)

The *Conference* substitute adopts the effective date provisions reflected in the descriptions of individual items; and the *Conference* substitute adopts the *House* provision relating to the application of amendments (see items (2) and (4)).

(9) DEFINITION OF HOMELESS

The *Senate* amendment defines the term "homeless individual" as an individual without a fixed, regular, and adequate nighttime residence or an individual whose primary residence is a welfare hotel or homeless shelter, a halfway house (a temporary residence for those intended to be institutionalized), a temporary accommodation in the residence of another, or a place not designed for, or ordinarily used as, a regular sleeping accommodation for humans. (Sec. 802.) (NOTE.—The term "homeless" appears in sections 804 (information directed at the homeless) and 805 (expedited service for the homeless) of the *Senate* amendment (see items (6) and (12).)

The *House* bill does not define the term "homeless" but provides, in section 505 (see item (6)), that outreach may be directed to "households that do not reside in permanent dwellings and households that have no fixed mailing addresses".

The *Conference* substitute adopts the *Senate* provision with an amendment—

(a) changing the reference to "fixed, regular, and adequate" nighttime residence to a reference to "fixed and regular" nighttime residence; and

(b) making the provision effective on enactment of the bill. (Sec. 801.)

(10) HOUSEHOLD COMPOSITION

The Food Stamp Act of 1977 generally prohibits parents and children, and siblings, from being considered as separate households for food stamp purposes if they live together. Unrelated persons who live together can be considered separate food stamp households if they purchase food and prepare meals separately.

The *Senate* amendment allows a sibling, with minor children, to live together with a sibling and yet be considered a separate household if the person with minor children purchases food and prepares meals separately from the other person. The *Senate* amendment also allows three generations living together to form two separate households if the parents with minor children purchase and prepare meals separately from the grandparents. (Sec. 801.)

The *House* bill contains no comparable provision.

The *Conference* substitute adopts the *Senate* provision with an amendment making it effective October 1, 1987. (Sec. 802.)

(11) ANNUAL ADJUSTMENTS TO THE STANDARD DEDUCTION

The Food Stamp Act of 1977 currently provides for a standard deduction to be subtracted from monthly household income—the level is now $99 per month. That amount is adjusted annually to reflect changes in the Consumer Price Index for All Urban Consumers for all items *other than* food and the homeowners' costs and maintenance and repair components of housing costs.

The *Senate* amendment, in section 803(a), provides that beginning October 1, 1987, changes in the homeowners' costs and maintenance and repair component will also be included in the Consumer Price Index used to adjust the standard deduction. This provision conforms to the indexing change found in section 803(b) of the *Senate* amendment relating to the excess shelter expense deduction (see item (3)).

The *House* bill contains no comparable provision.

The *Conference* substitute adopts the *Senate* provision including the *Senate* effective date of October 1, 1987. (Sec. 805.)

(12) EXPEDITED SERVICE

The Food Stamp Act of 1977 currently provides that otherwise eligible households with gross income less than $150 per month and liquid resources (cash on hand or readily available) not exceeding $100 are entitled to receive food stamp benefits in five calendar days, instead of within the normal 30-day processing period.

The *Senate* amendment extends this five-day expedited service requirement to homeless individuals otherwise eligible, and to households whose combined gross income and liquid resources is less than monthly rent and utilities if they are otherwise eligible. (Sec. 805.) (NOTE.—See also item (9), which describes the definition of the term "homeless individual" under the *Senate* amendment.)

The *House* bill contains no comparable provision.

The *Conference* substitute adopts the *Senate* provision, including the *Senate* effective date (as soon as practicable but not later than 160 days after enactment).

The conferees intend that this provision expanding the availability of expedited service apply only to those households that otherwise meet food stamp eligibility standards, including rules governing household composition and the eligibility of those in institutions. (Sec. 809.)

TITLE IX—VETERANS' PROVISIONS

Senate amendment

The Senate amendment contains provisions which would:

Authorize the Veterans' Administration, during FYs 1987, 1988, and 1989, to enter into agreements with veterans' and certain other organizations to sell to them—for consideration the Administrator of Veterans' Affairs determines is in the best interests of the Government, the VA's home loan guaranty program, and the solvency of the VA's Loan Guaranty Revolving Fund—for use as shelters for homeless veterans certain hard-to-sell dwellings from the VA's inventory of properties acquired as a result of defaults on VA loans.

Authorize the VA, during FYs 1987, 1988, and 1989, to lease to those same kinds of organizations underutilized VA facilities for use as emergency shelters for homeless veterans.

Require the VA (1) to inventory dwellings it has held for more than 12 months after post-default acquisition and underutilized VA facilities in order to identify those that might be suitable for sale or lease and (2) to notify the organizations described above of the availability of such dwellings and facilities.

Require the VA to establish a pilot program, for at least 2 years in ten geographic areas with significant populations of homeless veterans, whereby various activities would be undertaken to improve the VA's ability to assist homeless veterans and their families.

Require the VA to report on (1) its outreach efforts in FYs 1986 and 1987 to assist homeless veterans to receive certain benefits and services for which they may be eligible, and (2) any plans to increase those efforts.

Require the VA, in coordination with any Federal coordinating body, and, as appropriate, in conjunction with carrying out other programs under the Senate amendment, to conduct a survey to estimate the number and service-periods of veterans who are homeless and what veterans' benefits and services they would likely be eligible to receive.

Require the VA, as part of a statutory report on the treatment of chronically mentally ill veterans, to provide information on the numbers of veterans furnished inpatient psychiatric care by the VA in FYs 1984 through 1987, together with an analysis of any change in the numbers of veterans furnished or expected to be furnished such care during that period covered by the report.

Provide for the continuation beyond FY 1987 of the VA's authority to contract for community-based psychiatric residential care for certain veterans with chronic mental illness (CMI) disabilities, and expand that authority to include care for veterans who need such care for a service-connected CMI disability.

Require the VA to carry out a 2½ year pilot program—spending up to $25 million in FYs 1987, 1988, and 1989—of contracting for community-based residential care for homeless veterans suffering from CMI disabilities, and to submit a report, by February 1989, on the first 18 months' experience under this pilot program.

Authorize $30 million to be appropriated for the Veterans' Job Training Act (VJTA) for FYs 1987 and 1988—by extending through FYs 1987 and 1988 the current FY 1986 authorization of appropriations of $65 million, of which $35 million was appropriated for FY 1986; make eligible for the VJTA program without satisfying the length-of-unemployment criterion those unemployed veterans who are homeless or who have service-connected disabilities rated at 30 percent or more; and postpone by approximately 6 months the deadlines for veterans to apply for VJTA participation, from July 2, 1987, to December 31, 1987, and to enter training, from January 2, 1988, to June 30, 1988.

Require the VA, without diminishing the conversion of VA hospital-care beds to nursing-home-care beds, to convert underutilized space in VA facilities (located in urban areas having significant numbers of homeless veterans) to 500 domiciliary-care beds primarily for the care of homeless veterans unless it is impracticable to do so.

House bill

The House bill contained no comparable provisions.

Conference agreement

The conference agreement contains only the provisions authorizing VJTA appropriations and extending the deadlines for VJTA participation.

The conferees note that all of the Senate provisions were also passed by the Senate on March 31, 1987, in S. 477, the proposed "Homeless Veterans' Assistance Act of 1987", which has been referred to the House Committee on Veterans' Affairs. Thus, the provisions not included in the conference agreement will be considered in the context of S. 447, to which the House Committee on Veterans' Affairs plans to give expeditious consideration in the next several weeks.

From the Committee on Banking, Finance and Urban Affairs, for consideration of secs. 1 and 2, Title I (except secs. 101 (a), (b), (h), and (i)), and Title IV of the House bill and secs. 1 through 3, Title IV, and Title X (except secs. 1003 and 1005) of the Senate amendment, and modifications committed to conference:

Fernand J. St Germain,
Henry B. Gonzalez,
Walter E. Fauntroy,
M.R. Oakar,
Bruce F. Vento,
Robert Garcia,
Barney Frank,
Chalmers P. Wylie,
George C. Wortley,
Marge Roukema,
Tom Ridge,

From the Committee on Banking, Finance and Urban Affairs, for consideration of Title III (except sec. 302), and Title VI of the House bill and Title I, Title III (parts A and B), and sec. 1005 of the Senate amendment, and modifications committed to conference:

Fernand J. St Germain,
Henry B. Gonzalez,
Bruce F. Vento,
Chalmers P. Wylie,
Tom Ridge,

From the Committee on Energy and Commerce, for consideration of sec. 101 (a) and (b), Title II, Title III (except sec. 302), and Title VI of the House bill and Title I, Title III (parts A and B), Title V, and sec. 1005 of the Senate amendment, and modifications committed to conference:

John D. Dingell,
Henry A. Waxman,
Mickey Leland,

From the Committee on Education and Labor, for consideration of sec. 101 (h) and (i) and Title VI of the House bill and Title III (part C), Title VI, Title VII, sec. 1003, and sec. 1005 of the Senate amendment, and modifications committed to conference:

Augustus F. Hawkins,
William D. Ford,
Joseph M. Gaydos,
Jim Jeffords,
Bill Goodling,

From the Committee on Agriculture, for consideration of Title V of the House bill and Title VIII of the Senate amendment, and modifications committed to conference:

E de la Garza,
Leon E. Panetta,
Harley O. Staggers, Jr.,
Bill Emerson,
Tom Lewis,

From the Committee on Government Operations, for consideration of sec. 302 of the House bill and Title II of the Senate amendment, and modifications committed to conference:

Jack Brooks,
Cardiss Collins,
Frank Horton,

From the Committee on Veterans' Affairs, for consideration of Title IX of the Senate amendment, and modifications committed to conference:

G.V. Montgomery,
Don Edwards,
Marcy Kaptur,
Wayne Dowdy,
Jerry Solomon,
John Paul
Hammerschmidt,
Managers on the Part of the House.

For consideration of all matters:

Alan Cranston,
George Mitchell,
Lawton Chiles,
Mark O. Hatfield,
Pete V. Domenici,

For consideration of Titles I, II, and III:

John Glenn,
Jeff Bingaman,
Albert Gore, Jr.,
John Heinz,

For consideration of Title IV:

Don Riegle,
Paul Sarbanes,
Alan J. Dixon,
Jim Sasser,
John Heinz,
Alfonse M. D'Amato,
Kit Bond,

For consideration of Titles V, VI, and VII:

Edward M. Kennedy,
Howard M. Metzenbaum,
Christopher J. Dodd,
Daniel Patrick
Moynihan,
Orrin G. Hatch,
Robert T. Stafford,
Lowell P. Weicker, Jr.,

For consideration of Title VIII:

Patrick Leahy,
Tom Harkin,
John Melcher,
Richard G. Lugar,
Rudy Boschwitz,

For consideration of Title IX:

Alan Cranston,
Spark Matsunaga,
Dennis DeConcini,
Frank H. Murkowski,
Alan K. Simpson,
Managers on the Part of the Senate.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore, entered, was granted to:

(The following Members (at the request of Mr. Rhodes) to revise and extend their remarks and include extraneous materials:)

Mr. Gingrich for 60 minutes, today.

Mr. Dannemeyer, for 60 minutes, June 25, 30, and July 1.

Mr. Gilman, for 5 minutes, today.

(The following Members (at the request of Mr. Glickman) to revise and extend their remarks and include extraneous material:)

Mr. Annunzio, for 5 minutes, today.

(The following Member (at his own request) to revise and extend his remarks and include extraneous material:)

Mr. Gray of Illinois, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. Rhodes) and to include extraneous matter:)

Mr. Coughlin.

Mr. Crane.

Mr. Fawell.

Mr. Michel.

Mr. Wolf.

(The following Members (at the request of Mr. Glickman) and to include extraneous matter:)

Mr. Anderson in 10 instances.

Mr. Gonzalez in 10 instances.

Mr. Brown of California in 10 instances.

Mr. Annunzio in six instances.

Mr. Jones of Tennessee in 10 instances.

Mr. Boner of Tennessee in five instances.

Mr. Garcia in two instances.

Mr. Hamilton in two instances.

Mr. Dyson.

Mr. Lipinski.

Mr. Hoyer.

Mr. Fascell in three instances.

Mr. Bonior of Michigan.

Mr. Aspin.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 52. An act to direct the cooperation of certain Federal entities in the implementation of the Continental Scientific Drilling Program; to the Committees on Interior and Insular Affairs and Science, Space, and Technology.

S. 640. An act for the relief of the city of Dickinson, ND; to the Committee on Interior and Insular Affairs.

S. 1383. An act to make certain technical corrections to H.R. 2, the Surface Transportation and Uniform Relocation Assistance Act of 1987; to the Committee on Public Works and Transportation.

ENROLLED BILL AND JOINT RESOLUTION SIGNED

Mr. ANNUNZIO, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill and joint resolution of the House of the following titles, which were thereupon signed by the Speaker pro tempore:

H.R. 191. An act to authorize the establishment of a Peace Garden on a site to be selected by the Secretary of the Interior, and

H.J. Res. 178. Joint resolution designating June 25, 1987, as "National Catfish Day."

SENATE ENROLLED JOINT RESOLUTION SIGNED

The SPEAKER pro tempore announced his signature to an enrolled joint resolution of the Senate of the following title:

S.J. Res. 86. Joint resolution to designate October 28, 1987, as "National Immigrants Day."

SENATE RESOLUTION PRESENTED TO THE PRESIDENT

Mr. ANNUNZIO, from the Committee on House Administration, reported that that committee did on the following date present to the President, for his approval a joint resolution of the House of the following title:

On June 19, 1987:

H.J. Res. 106. Joint resolution to designate June 19, 1987, as "American Gospel Arts Day."

ADJOURNMENT

Mr. GONZALEZ. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 22 minutes p.m.), the House adjourned until tomorrow, Tuesday, June 23, 1987, at 12 noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1629. A letter from the Chairman, Farm Credit Administration, transmitting the agency's annual report for calendar year 1985, pursuant to 12 U.S.C. 2252(a)(3); to the Committee on Agriculture.

1630. A letter from the Assistant Attorney General, Office of Legislative and Intergovernmental Affairs, Department of Justice, transmitting the final version of Tab C to accompany the report on a comprehensive drug interdiction program previously submitted by the Attorney General, in his capacity as Chairman, National Drug Policy Board (Ex. Com. No. 1601), pursuant to Public Law 99-661; to the Committee on Armed Services.

1631. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to 1 U.S.C. 112b(a); to the Committee on Foreign Affairs.

1632. A letter from the Inspector General, Department of Health and Human Services, transmitting a report of the Department's Office of Inspector General for the period October 1, 1986 through March 31, 1987, pursuant to 42 U.S.C. 3524(a); to the Committee on Government Operations.

1633. A letter from the Comptroller General, General Accounting Office, transmitting a list of all General Accounting Office reports issued during May 1987, pursuant to 31 U.S.C. 719(h); to the Committee on Government Operations.

1634. A letter from the Deputy Assistant Secretary of Defense (Resource Management and Support), transmitting the Department's fiscal year 1986 report on the actuarial status of the military retirement system, pursuant to 31 U.S.C. 9503(a)(1)(B); to the Committee on Government Operations.

1635. A letter from the Chairman, National Capital Planning Commission, transmitting a report of the Commission's activities under the Freedom of Information Act during calendar year 1986, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

1636. A letter from the Deputy Associate Director for Royalty Management, Department of the Interior, transmitting notification of proposed refunds of excess royalty payments in OCS areas, pursuant to 43 U.S.C. 1339(b); to the Committee on Interior and Insular Affairs.

1637. A letter from the Deputy Associate Director for Royalty Management, Department of the Interior, transmitting notification of proposed refunds of excess royalty payments in OCS areas, pursuant to 43 U.S.C. 1339(b); to the Committee on Interior and Insular Affairs.

1638. A letter from the Secretary of Housing and Urban Development, transmitting a draft of proposed legislation to amend provisions of the Bankruptcy Code governing the powers of a bankruptcy court and the effect of automatic stays as they relate to certain multifamily mortgages or other loans insured or held by the Secretary of Housing and Urban Development or the Secretary of Agriculture, and for other purposes; to the Committee on the Judiciary.

1639. A letter from the Special Counsel, U.S. Merit Systems Protection Board, transmitting a copy of the findings and conclusions of the Secretary of the Army's investigation into allegations of violations of law and regulations by a contractor of the Army Education Center, Fort Meade, MD, pursuant to 5 U.S.C. 1206(b)(5)(A); to the Committee on Post Office and Civil Service.

1640. A letter from the Administrator, General Services Administration, transmitting a copy of a lease prospectus to satisfy the housing needs of the Census Bureau as part of their preparations for the 1990 Decennial Census of Population and Housing, pursuant to 40 U.S.C. 606(a); to the Committee on Public Works and Transportation.

1641. A letter from the United States Trade Representative, transmitting a draft of proposed legislation to approve the international convention on the harmonized commodity description and coding system, to authorize the implementation in the U.S. Customs tariff of the harmonized system nomenclature established internationally by the convention, and for other purposes; to the Committee on Ways and Means.

1642. A letter from the Chairman, Interstate Commerce Commission, transmitting the Commission's 100th annual report which summarizes its activities during fiscal year 1986, pursuant to 49 U.S.C. 10311, 10311 nt., 10386, 10706(h), and 10731(b)(3); jointly; to the Committee on Energy and Commerce and Public Works and Transportation.

1643. A letter from the Secretary to the Board, Railroad Retirement Board, transmitting a report on the actuarial status of the railroad retirement system, pursuant to 45 U.S.C. 321f-1 (Pub. L. 98-76, sec. 502), jointly, to the Committees on Energy and Commerce and Ways and Means.

1644. A letter from the Comptroller General, General Accounting Office, transmitting a report of the agency's qualified opinion on the Panama Canal Commission's financial statements for the years ended September 30, 1985 and 1984; separate reports on the Commission's internal accounting controls and on its compliance with laws and regulations follow the opinion (GAO/AFMD-87-4; June 1987), pursuant to 22 U.S.C. 3601-2871 (1982); jointly, to the Committees on Government Operations and Merchant Marine and Fisheries.

1645. A letter from the Secretary of Energy, transmitting a draft of proposed legislation to authorize construction of a monitored retrievable storage; jointly, to the Committees on Interior and Insular Affairs and Energy and Commerce.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

[Pursuant to the order of the House on June 18, 1987, the following report was filed on June 19, 1987]

ST GERMAIN: Committee of conference. Conference report on H.R. 558 (Rept. 100-174). Ordered to be printed.

[Submitted June 22, 1987]

Mr. GRAY of Pennsylvania: Committee of conference. Conference report on House Concurrent Resolution 93 (Rept. 100-175). Ordered to be printed.

Mr. DINGELL: Committee on Energy and Commerce. House Concurrent Resolution 50. Concurrent resolution concerning the encouragement and support for international negotiations, pursuant to section 156 of the Clean Air Act, by the President to develop a protocol to the Vienna Convention for the Protection of the Ozone Layer setting forth standards and regulations to protect the stratosphere from the adverse effects of chlorofluorocarbons. (Rept. 100-176, Pt. 1). Ordered to be printed.

Mr. GORDON: Committee on Rules. House Resolution 206. Resolution waiving certain points of order against consideration of H.R. 2712. A bill making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 1988, and for other purposes. (Rept. 100-177). Referred to the House Calendar.

SUBSEQUENT ACTION ON A REPORTED BILL SEQUENTIALLY REFERRED

Under clause 5 of Rule X the following action was taken by the Speaker:

[The following action occurred on June 19, 1987]

H.R. 1163. The Committee on Public Works and Transportation discharged from further consideration of H.R. 1163, H.R. 1163 referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. MARKEY (for himself, Mr. Lent, Mr. Rinaldo, Mr. Bryant, Mr. Leland, Mr. Swift, Mrs. Collins, and Mr. Boucher):

H.R. 2736. A bill to eliminate the automatic termination date from the cable must-carry regulations of the Federal Communications Commission; to the Committee on Energy and Commerce.

By Miss SCHNEIDER (for herself, Mr. Lujan, and Mr. Brown of California):

H.R. 2737. A bill to direct the cooperation of certain Federal entities in the implementation of the Continental Scientific Drilling Program; jointly, to the Committees on Science, Space and Technology and Interior and Insular Affairs.

By Mr. WYDEN (for himself and Mr. Levin of Michigan):

H.R. 2738. A bill to amend title XVIII of the Social Security Act to provide that services furnished by a clinical social worker are covered under part B of the Medicare Program when furnished by a health maintenance organization to a member of that organization; jointly, to the Committees on Ways and Means and Energy and Commerce.

By Mr. MONTGOMERY:

H. Con. Res. 144. Concurrent resolution expressing the sense of the Congress with respect to relations between Vietnam and the United States; to the Committee on Foreign Affairs.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

135. By the SPEAKER: Memorial of the Legislature of the State of Louisiana, relative to U.S. naval task forces and commercial shipping; to the Committee on Armed Services.

136. Also, memorial of the Legislature of the State of Nevada, relative to exchange students between the United States and the Soviet Union; to the Committee on Foreign Affairs.

137. Also, memorial of the Legislature of the State of Louisiana, relative to the Choctaw Indian community of Louisiana; to the Committee on Interior and Insular Affairs.

138. Also, memorial of the Legislature of the State of Louisiana, relative to the Kemp's Ridley sea turtle; to the Committee on Merchant Marine and Fisheries.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. YOUNG of Alaska introduced a bill (H.R. 2739) to clear certain impediments to the licensing of a vessel for employment in the coastwide trade and fisheries of the United States; which was referred to the Committee on Merchant Marine and Fisheries.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 51: Mr. Sabo, Mr. Akaka, Mr. Borski, and Mr. Foglietta.

H.R. 378: Mr. Smith of Iowa and Mr. Owens of Utah.

H.R. 737: Mr. Martinez, Mr. Owens of New York, Mr. Schulze, Mr. Feighan, Mr. Pepper, Mr. Akaka, Mr. Hawkins, Mr. Neal, Mrs. Meyers of Kansas, Mr. Murphy, Mr. Howard, and Mrs. Boxer.

H.R. 778: Mr. Markey.

H.R. 898: Mr. Berman.

H.R. 1018: Ms. Slaughter of New York.

H.R. 1144: Mr. Garcia, Mr. Martinez, Mr. Ortiz, Mr. Pickle, and Mr. Towns.

H.R. 1173: Mr. Berman.

H.R. 1187: Mr. Eckart and Mr. Scheuer.

H.R. 1310: Mr. Tauke.

H.R. 1609: Mr. Vento and Mr. Weiss.

H.R. 1742: Mr. Stokes.

H.R. 1766: Mr. Leath of Texas, Mr. Huckaby, and Mr. Bliley.

H.R. 1782: Mr. Gregg, Mr. MacKay, Mr. Sisisky, Mr. Roth, and Mr. Traxler.

H.R. 2138: Mr. LaFalce.

H.R. 2318: Mr. Bateman, Mr. Lancaster, Mrs. Bentley, Mr. Solomon, Mr. Young of Alaska, Mrs. Vucanovich, Mr. Obey, and Mr. Duncan.

H.R. 2522: Mr. Udall, Mr. Rahall, Mr. Russo, Mr. Towns, Ms. Kaptur, Mr. Atkins, Mr. Lehman of Florida, and Mr. Studds.

H.J. Res. 24: Mr. Dixon, Mr. Berman, Mr. MacKay, Mrs. Collins, Mr. Burton of Indiana, Mr. Hiler, Mr. Gilman, Mr. Stump, Mr. Udall, Mr. Wyden, Mr. Ballenger, Mr. Vander Jagt, Mr. Weber, Mr. Jontz, Mr. Carr, Mr. Jacobs, Mr. Denny Smith, Mr. McMillen of Maryland, Mr. Hertel, Mr. Dingell, Mr. Bonior of Michigan, Mr. Upton, Mr. Vento, Mr. Bilbray, Mrs. Vucanovich, Mr. Shumway, Mr. Waxman, Mr. McCloskey, Mr. Hamilton, Mr. Gephardt, Mr. Hayes of Louisiana, Mr. Green, Mr. Hochbrueckner, Mr. Schuette, Mr. Bilirakis, Mr. Feighan, Mr. Gunderson, Mr. Manton, Mr. Whittaker, Mr. Wolpe, Mr. Coleman of Missouri Mr. Ackerman, Mr. Florio, Mr. Hefner, Mrs. Bentley, Mrs. Kennelly, Mr. Dyson, Mr. Edwards of Oklahoma, Mr. McDade, Mr. Chandler, and Mr. Spence.

H.J. Res. 50: Mr. Coble, Mr. Coleman of Missouri, Mr. Clinger, Mr. McMillen of Maryland, and Mr. Solarz.

H.J. Res. 148: Mr. Fazio, Mr. Kennedy, Mr. McMillan of North Carolina, and Mr. Sawyer.

H.J. Res. 266: Mr. Wolf, Mr. Young of Alaska, Mr. Bliley, Mr. Coughlin, Mr. Coyne, Mr. Dixon, and Mr. Donnelly.

H. Con. Res. 114: Mr. Russo and Mr. Swift.

H. Res. 141: Mr. Clarke, Mr. Rodino, Mr. Moakley, Mr. Downey of New York, Mr. Goodling, Mr. Beilenson, Mr. Gejdenson, Mr. Sharp, Mr. Edwards of California, Mr. Waxman, Mr. Bryant, Mr. Saxton, and Mr. Richardson.

EXTENSIONS OF REMARKS

CRISIS IN KOREA

HON. DANTE B. FASCELL

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 22, 1987

Mr. FASCELL. Mr. Speaker, the dramatic events now unfolding in the Republic of Korea leave little doubt about the aspirations for democracy held by the Korean people. The actual realization of those aspirations, however, is largely dependent on President Chun Doo Hwan's response to the present popular unrest. So far, the signs are not encouraging that his Government is willing to turn this crisis into an opportunity for democratization.

The street demonstrations that began 2 weeks ago in the wake of the ruling Democratic Justice Party's nomination of Chun's hand-picked successor, former General Roh Tae Woo, have broadened to include a diverse mix of workers, members of the middle class and professionals, as well as students. This development is significant and underscores the overwhelming desire of the Korean people for a truly democratic government and for the full restoration of the human rights of all Koreans. The protestors, having been denied freedom of assembly, are willing to risk being gassed with a potent pepper tear gas and being taken in for questioning in order to express their discontent with the present regime.

The foundation for this present crisis was laid earlier this year when President Chun unilaterally suspended negotiations with the opposition on the constitutional reform. That action denied Koreans the right to determine their own political future and, coupled with concern about widespread human rights abuses, including the use of torture, set the stage for the current protests. Violations of human rights in Korea have been well documented by a number of international human rights organizations. Just last month, Asia Watch released "Legal Process and Human Rights in South Korea," an excellent report detailing the denial of the rights of assembly, expression, and association, the right to a fair trial and to be free from torture in Korea.

It is in the best interest of the United States to fully support the Korean people's democratic aspirations. Our Government should encourage specific actions by the Korean Government to ease present tensions and establish a more conciliatory climate. The release of all political prisoners, and end to the deplorable practice of torture, full freedom of the press and of assembly, the restoration of civil and political rights for all Koreans including Kim Dae Jung, and the reestablishment of negotiations on the issue of constitutional revision are important first steps the Chun government can and should take immediately to diffuse this crisis.

The grounds for the crisis, however, will remain until all Koreans have the opportunity to freely elect a truly representative, civilian government and to exercise their basic human rights. The promotion of this goal, which will ensure long-term stability on the Korean peninsula, should be United States policy. I am concerned that Ambassador Lilley's presence at the ruling Democratic Justice Party's recent convention and the State Department statement that the events in Korea are "an internal matter" send precisely the wrong message to the Chun government and to the Korean people. We need to convey clear and consistent support for democratization in Korea. I am pleased to note, however, the administraton's public support for a Congressional resolution which does just that. The resolution—House Concurrent Resolution 141—calls upon the Chun government to take precisely the steps which could help to establish a climate of trust between the Korean Government and the Korean people. It has broad-based bipartisan support in the Congress and it is my intention, Mr. Speaker, to move speedy consideration of this measure in the full Committee on Foreign Affairs and to bring it to the House floor for consideration in the very near future.

Mr. Speaker, our distinguished colleague, Representative STEPHEN J. SOLARZ, the chairman of the Subcommittee on Asian and Pacific Affairs of the Committee on Foreign affairs, visited Korea in April and met with a wide range of Koreans. He wrote a thoughtful piece in the New York Times last month which emphasized the need for the United States to press the Seoul government to reopen negotiations with the political opposition. I think our colleagues will find this article very timely and ask unanimous consent that it be reprinted in the RECORD.

The article appears as follows:

APPLYING LEVERAGE ON SOUTH KOREA

(By Stephen J. Solarz)

WASHINGTON.—The decision by South Korea's President Chun Doo Hwan to end negotiations with the opposition on a new system of government, and to proceed with a presidential election on the basis of the existing Constitution, could jeopardize South Korea's future and impair vital American interests in Asia.

The South Korean Government seems to believe that President Chun's willingness to leave office at the completion of his term in 1988 is sufficient to satisfy the democratic aspirations of the people.

Yet South Koreans are not likely to accept "Chunism without Chun" as a substitute for genuine democratization. In view of the opposition's strong feeling that the current system of indirect Presidential elections is stacked against it, Mr. Chun's decision could well lead to huge protests by students and other alienated sectors of the population who want democracy now rather than at some indefinite time in the future.

A recurring cycle of challenges to, and crackdowns by, the authorities would likely lead to political instability, economic uncertainty and even a growing danger of war. Across the border, barely 30 miles from Seoul, lies hostile North Korea headed by Kim Il-Sung, who could view widespread disorder in South Korea as an opportunity to achieve his ambition of reunifying the Korean peninsula under Communist control.

This potentially explosive situation is fraught with peril for the United States. Some 40,000 American troops, who would instantaneously be involved if another war broke out, continue to stand watch along the 38th Parallel, a tangible manifestation of our formal defense commitment to the security of South Korea. Twenty billion dollars in trade flows between our two countries, making South Korea our seventh largest trading partner. South Korea is, in short, a country we cannot afford to ignore.

It is, therefore, essential that a way be found to reopen negotiations between the Chun Government and the opposition. For it is only through such a dialogue that a national consensus can be achieved and that political stability, continued economic growth, and the preservation of peace can be assured.

The South Korean Government, if it is sincere in its professed commitment to democratization, could move unilaterally to improve its human rights record. There is nothing to stop it from immediately removing constrants on the press, releasing all political prisoners, ending the torture of detainees and establishing an independent judiciary.

By taking these actions, the Government would go a long way toward improving the human rights situation, but equally important, such steps would generate the kind of trust and confidence on the part of the opposition that could facilitate an agreement on a broadly acceptable political system for the nation.

The differences between the Government, which favors the establishment of a parliamentary system, and the opposition, which has insisted on a system of direct presidential elections, pose a serious political problem for the United States.

Democracy, after all, can take many forms—presidential as well as parliamentary, federal as well as unitary unicameral as well as bicameral. And it would clearly be inappropriate for Washington to express a preference for a particular democratic system, just as it would be inappropriate for us to endorse a particular party or candidate. These are matters for the South Korean people to determine for themselves.

But given our interest in South Korea, it is entirely appropriate for us to express a preference for democracy over dictatorship, for tolerance over torture and for peaceful reform over violent revolution.

Some skeptics have argued that democracy is not possible in South Korea. It is said that a Confucian heritage, with its emphasis on authority and obedience, is incompatible with a pluralistic civic culture. Others contend that the military threat from the North makes democracy a luxury that South Korea cannot afford.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

South Korea, to be sure, does have a Confucian legacy, but so does Japan, which for the last 40 years has maintained a free and open society. Moreover, even traditional Confucian systems recognize that rulers should be responsive to the needs of their subjects and accountable for their actions.

Nor do the imperatives of national security necessarily conflict with the requirements of democracy. In peace and war, the United States, Israel and the countries of Western Europe have demonstrated not only that political pluralism can prosper in a hostile environment, but that by giving the people a greater stake in the defense of their country, democracy can actually enhance the security of a nation.

In considering how the United States can help to bring about the establishment of democracy and a greater respect for human rights in South Korea, we need to understand the sources of our leverage as well as the limitations on our influence.

Since South Korea is no longer a recipient of American foreign aid, we are not in a position to cut or condition such assistance as a way to move the Government in Seoul in the direction of greater democratization.

As for the 40,000 troops that we have stationed in South Korea, it would be both inadvisable and imprudent to threaten their withdrawal. The presence of the United States forces lends credibility to our defense commitment, while their removal would significantly diminish the deterrent value of our mutual security treaty, thereby increasing the chances of war.

This is a view shared by South Korea's two leading opposition figures, Kim Dae Jung (who again is under house arrest) and Kim Young Sam, and by such prominent champions of human rights as Stephen Cardinal Kim, who believe that another war would spell the end of all their hopes for greater political freedom in South Korea.

Still, by virtue of the important contribution we make to the security and prosperity of South Korea, we are not without influence in Seoul. What the United States says does matter to the South Korean Government and the people.

Whether or not we succeed in our efforts to bring about a change in Government policy, it is essential that we make it clear to the South Korean people that we are on the side of democracy rather than dictatorship.

One of the most disturbing developments for this close ally in the last few years has been the emergence of a vigorous and occasionally even virulent anti-Americanism. Already many South Koreans blame us for President Chun's illegal seizure of power in 1980. If they now conclude that we have acquiesced in Mr. Chun's recent decision to break off talks with the opposition, they may well hold us doubly responsible for their present political plight.

This is the time, therefore, not so much for private persuasion as for public diplomacy. It would be very helpful for President Reagan to issue a statement, Secretary of State George P. Shultz to make a speech and Congress to adopt a resolution unequivocally proclaiming America's support for democracy and human rights in South Korea.

It would also be useful if American military officers in South Korea were instructed to make it clear in all their dealings with their South Korean counterparts that they believe a politically neutral military supportive of democracy is critical to continued good relations between our two countries.

As a way of lending substance to these declarations, we could also instruct our representatives at the multilateral banks to vote against further loans to South Korea in the absence of real progress on democracy and human rights. In view of South Korea's booming economy, this would not jeopardize the country's prosperity, but it would reinforce the credibility of our representations about democracy.

In the final analysis, our ability to move the South Korean Government toward democracy and human rights may prove limited. But we must leave no doubt in the minds of the South Korean people about where the United States stands. The future of South Korea and of Korean-American relations may depend upon it.

THE IMPORTANCE OF NATO

HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, June 22, 1987

Mr. GARCIA. Mr. Speaker, as chairman of the North Atlantic Assembly's Civilian Affairs Committee, I have come to realize the importance of NATO for keeping the peace. Since NATO has come under much criticism lately, I think it is important to remember just how effective it has been for nearly four decades.

That is not to say that it cannot be changed for the better, after all NATO is a democratic alliance and is, therefore, subject to legitimate criticism. In a recent column in the New York Times, Flora Lewis talks about some of the problems confronting the alliance and makes suggestions as to how they might be handled.

She concludes her essay by saying that legislators should try to work out a framework for meeting coming challenges. I agree, and the North Atlantic Assembly is a perfect place to begin to do precisely that.

I am submitting Ms. Lewis' fine column for the RECORD for my colleagues' perusal.

[From the New York Times, June 19, 1987]

DEFENDING EUROPE

(By Flora Lewis)

PARIS.—There is a certain ferment just below the top in Western Europe as people begin to contemplate the uncertain prospects of strategic change once disarmament actually starts.

For the moment it isn't going anywhere for lack of impetus from leaders. Margaret Thatcher of Britain, whom former President Valery Giscard d'Estaing of France has called "a remarkable professional, surely the best in Europe," is the only figure in power with the perceived strength to launch an effective initiative.

But she doesn't seem interested. Like the others, her focus is on home affairs. "And that means England, not even Scotland," a British official said in private indiscretion. President Reagan arrived home from the Venice summit meeting claiming broad allied agreement, but it went no further than hoping for economic growth and deploring the Persian Gulf war, not on what to do next. All the leaders are dragging their feet.

Still, pressures to recognize the need for new plans are mounting. In France, the focus is on new defense concepts based on some kind of French-German military integration. Mr. Giscard and West Germany's former Chancellor Helmut Schmidt have come out for a joint command under a French general, and Mr. Giscard would have France declare that its independent nuclear deterrent could also be invoked to protect West Germany.

These are far-reaching ideas, implying a reversal of historic policies, so much so that even the many proponents refuse to face the full implications and therefore are not yet taken really seriously. The key question ducked is what that would mean for the Atlantic alliance, answered only with vague allusions to a need for "coordination."

All West German forces are now committed to NATO. Would a French commander in charge of all or part of them in turn be integrated within the alliance structure, thus ending France's proclaimed supreme autonomy? Impossible, is the unanimous French response. In that case, would Germans under the command be removed from NATO, almost surely destroying the alliance? That is definitely not the aim. So the impasse remains.

But the reasoning leading up to the final barrier is powerful. Together, with the geographical depth of France and its access to the Atlantic, French and German forces could present a much more impressive conventional strength, reducing but not eliminating reliance on the nuclear deterrent in Europe.

Two fears haunt the French now. One is that German dreams of reunification will lead to neutralism. There has been a good deal of speculative comment here that Mikhail Gorbachev might attempt to seduce the Germans with such an offer.

It is almost certainly outlandish. High officials in Moscow make it clear that the last thing the Russians want to see in Europe is the re-emergence of a single Germany, which would have great economic and political power even if pledged to nonalignment. And though he draws all the advantages he can from relations with West Germany, East Germany's Erich Honecker, or his successor, would not easily accede to disappearance of the rump state they have built. Further, what would Poland do?

Still, the French are obsessed with the thought. Full military ties with West Germany would insure against the possibility.

The second French fear, ironic though it may sound from a country that expelled American troops, is that the U.S. will withdraw much of its forces from Europe and "decouple," substantially diminishing its guarantees for Western Europe's defense. Despite mounting budget constraints and occasional American suggestions that this would startle the Europeans into doing more for themselves, it is also unlikely.

The basics of the alliance remain unchanged and need not be affected by nuclear, and it must be hoped eventual conventional, arms reductions as long as they are carefully planned and balanced. That will require the development of a European policy, which doesn't yet exist.

Mr. Giscard, who plans to run for President of Europe if that post is ever created, now heads the foreign affairs committee of the French Assembly. He intends to use the platform as a "center of reflection," calling foreign as well as French witnesses on major policy directions. This fall, he says, he will convene joint hearings with the defense committee on "strategy for France and the West."

This is a useful approach, which Congress might consider for its own purposes. Congress now can do little more than fight White House policies it can't accept. But if governments won't propose and innovate, why shouldn't legislators try to work out a framework for meeting coming challenges?

THE CONTINENTAL SCIENTIFIC DRILLING AND EXPLORATION ACT

HON. CLAUDINE SCHNEIDER

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Monday, June 22, 1987

Miss SCHNEIDER. Mr. Speaker, today I am introducting with Congressmen LUJAN and GEORGE BROWN the Continental Scientific Drilling and Exploration Act. A companion bill, S. 52, which was introduced by Senator PRESSLER of South Dakota, passed the Senate last Thursday. This bill directs the National Science Foundation [NSF], the Department of Energy [DOE], and the U.S. Geological Survey [USGS] to cooperate in implementing the Continental Scientific Drilling Program [CSDP]. The CSDP will enhance our knowledge about earthquakes, volcanic eruptions, geothermal energy, distribution of minerals and fossil fuels, and the nature and extent of aquifers. Quite simply, the program is aimed at studying the fundamental way in which the Earth works and how we can best adapt to living on it.

For many years, scientists considered the continents to be essentially static since their formation over 4 billion years ago. This concept was changed radically as drilling in the deep seas discovered dynamic relationships between the ocean crust and the continents. U.S. scientists developed the CSDP to increase our understanding about geologic questions of importance to mankind. These questions concern the dynamics, structure, properties, and evolution of the Earth's crust. Resolving these questions requires samples and measurements from deep drill holes.

The CSDP was initiated following passage of Public Law 98–473, the joint resolution making continuing appropriations for fiscal year 1985. Section 323 of this law expressed the sense of the Congress that the CSDP is an important national scientific endeavor and that it should be implemented through a joint cooperative effort among NSF, DOE, and USGS. A private, nonprofit corporation, the Deep Observation and Sampling of the Earth's Continental Crust, Inc. [DOSECC], was formed by a consortium of universities to design and manage the CSDP under a cooperative agreement with NSF. Today, DOSECC has 40 member institutions, including Brown University from my home State.

While the DOSECC Program is making some headway, we need to consider whether we should be doing more. Other nations have recognized the importance of a continental drilling program. Russia has announced a commitment to a series of 22 ultradeep holes to be drilled over the next 14 years. West Germany has committed over $250 million to drill a hole up to 40,000 feet deep. The United States has not made the same commitment as have these countries.

The Continental Scientific Drilling and Exploration Act will move us in the right direction. The act would require NSF, DOE, and USGS to submit a report to Congress within 180 days of enactment of the act. The report must identify: First, the policy objectives and goals of the CSDP; second, the projected schedule of activities, associated funding requirements and benefits to be achieved by the activities; and third, a program of international cooperation. According to the Congressional Budget Office, the bill will not result in significant additional costs to the Federal Government.

The Congress needs to decide whether to invest in a full-scale continental drilling program as the Russians and West Germans are doing and retain our leadership in the Earth sciences. To make this decision, we need the information that will be generated by the Continental Scientific Drilling and Exploration Act. I urge my colleagues to join me in support of the Continental Scientific Drilling and Exploration Act.

THE 355TH ANNIVERSARY OF THE FOUNDING OF MARYLAND

HON. ROY DYSON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Monday, June 22, 1987

Mr. DYSON. Mr. Speaker, I rise today to commemorate the 355th anniversary of the establishment of Maryland. More precisely, today is the day when, 355 years ago, in 1632, King Charles I of England granted a charter of the peninsula and the land between the south bank of the Potomac and the 40th parallel to "Cecilius" Calvert, second Lord Baltimore. Mr. Speaker, today I would like to impart a short historical background of the founding of our great State in order to put today's anniversary into perspective.

The history of Maryland begins with Lord George Calvert who became Principal Secretary of State of Britain in 1620. Having found the climate of Newfoundland too harsh for the anticipated needs of his planned plantation colony, Lord Calvert turned his sights southward. George Calvert found the fertile land that he was looking for north of the James River, "in the peninsula between the ocean and the bay." He sought a charter for this land and it was granted, but before the plans were finalized, he died, on April 15, 1632. The plan was realized 2 months later when, his son, Cecilius Calvert, managed to obtain the charter.

The charter granted Cecilius Calvert vast powers; including "all those needed to defend, develop, administer, and fully govern his province." Calvert could declare war, proclaim ordinances, establish courts, punish crimes, impose taxes, and appoint officials. He would have, in short, full discretionary oversight over the early life and growth of the colony.

The first task for Lord Calvert in the setting up of the colony was proper financing of the original expedition. In that age of strident English Protestentism, the Roman Catholic background of Cecilius Calvert narrowed the field of potential investors in the project. The original funding for the colony came mainly from the Roman Catholic landed gentry of England. As a result, Lord Baltimore was forced to devote a large part of this personal fortune to the Maryland enterprise. Calvert hoped to attract additional investors in a lucrative fur enterprise. He therefore organized a joint-stock company to control this fur trade, and he offered a "portion and share thereof unto such as should adventure their persons and estates for the beginning of a plantation." Lord Baltimore also promised a grant of at least 1,000 acres for those bringing along three men or more. The promise of a new, prosperous land, and the search for a haven of religious tolerance inspired many of the original settlers of Maryland.

These early adventurers, with all their hopes and dreams, worked mercilessly to transform this place called Maryland from a vast stretch of wilderness into a home where they, with their families, could live, work, and prosper. On November 22, 1633, the dream that became Maryland began to be realized. On that day, Mr. Speaker, some 200 colonists, consisting of gentlemen adventurers with their families, yeomen, artisans, and laborers, indentured and other servants, set sail, with Cecilius's 25-year-old brother Leonard as Governor. The two ships, the *Ark* and the *Dove,* came to anchor off of St. Clements Island in the Potomac, now a State park in the First District, on March 25, 1634. Leonard Calvert managed to buy intact a small Indian village, which was renamed St. Marys and made the capital of the province. Thus were planted the seedlings that grew into the beautiful place that we call Maryland.

This, Mr. Speaker, represents the account of the founding of the beautiful and bountiful State of Maryland. Although she had a difficult beginning, Mr. Speaker, Maryland managed to grow with this great Nation and become the pristine, prosperous place she is today. Mr. Speaker, on this 355th anniversary of the granting of the charter, I would like to recognize the history of my home State for all that Maryland has gone through and all that she will become.

A TRIBUTE TO AMERICA

HON. DANTE B. FASCELL

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 22, 1987

Mr. FASCELL. Mr. Speaker, one of my constituents in Miami, FL, has shown a true appreciation of what it means to live in America during its celebration of the Fourth of July. Last year on this date, Mr. Eduardo Martinez, a Cuban immigrant and a leading member of the Miami community, led his neighbors and friends in what soon became a very special tribute to our Nation's independence. In the midst of the national extravaganza commemorating the anniversary of the Statue of Liberty, nearly 10,000 people gathered at Mr. Martinez' home in southwest Miami around a 28-foot replica of the Statue of Liberty and scaled plywood replicas of the White House and the Capitol. This crowd celebrated our Nation's independence on that day with a passion and devotion for this country unlike most we have ever witnessed.

The Fourth of July represents an important national day of celebration for all Americans.

This date marks the anniversary of the signing of the Declaration of Independence and our declared freedom from England. Although not all of the signers of the Declaration were completely confident that the new Nation could survive on its own, the past 211 years have demonstrated the remarkable foresight and subsequent successes of our founding forefathers.

It is often through the efforts of such patriotic individuals as Mr. Martinez that we truly appreciate the strength and greatness for which this country is so well known. This Fourth of July, Mr. Martinez will again host a community-wide celebration of America's freedom. I commend the efforts which he has made in helping others understand what it means to live in a free country, and in making our children aware of the greatness of this Nation and of the true significance of Fourth of July parades and celebrations.

MIKHAIL GORBACHEV: MADISON AVENUE BOLSHEVIK?

HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, June 22, 1987

Mr. GARCIA. Mr. Speaker, while the Russians since the time of Lenin have relied on propaganda to promote their political agenda, Mikhail Gorbachev has ushered Soviet propaganda into the high-tech age by becoming a master of public relations [PR].

This in itself might be ironically amusing were it not for the fact that he is having some success in grabbing the attention of our NATO allies. We must be wary of this Madison Avenue Bolshevik, but we must also be cautious and not overreact to his overtures. That means we cannot dismiss his attempt to change the Soviet way of doing business entirely.

Yet our agenda, both political and military, with our NATO allies must not be swayed by Gorbachev's overtures. We must work together for peace and security as we have done through the Alliance for nearly four decades.

As Chairman of the North Atlantic Assembly's Civilian Affairs Committee, I have come to appreciate the importance of communicating the goals and purpose of NATO to Alliance nation publics. In fact, the Civilian Affairs Committee has been studying the effectiveness of NATO's PR program. Perhaps we have a lesson to relearn from Mr. Gorbachev about PR and getting our message across to the public. I say relearn because after all, while glasnost may be Russian, PR is very much a Western concept, invented and developed by us. Let's put it to good use, assuring the people of the West that we really are the good guys and that while there may be a positive side to glasnost it may not be all that it first seemed to be.

It is in that light that I am submitting for the RECORD three articles on this subject for my colleagues' perusal.

[From the Washington Post, June 19, 1987]

"Glasnost": What's in a Word?

(By Stephen S. Rosenfeld)

For a couple of years now, we of the press, including those of us who know some Russian, and lots of others have been talking of Soviet leader Mikhail Gorbachev's campaign for "openness"—to the point of making *glasnost* one of those few Russian words that is presumed to be in the informed citizen's vocabulary and so hardly needs to be translated anymore.

It comes, then, as a rude but necessary awakening to be told by former American diplomat William H. Luers, in a footnote to his article on Eastern Europe in Foreign Affairs magazine, that we have got the translation wrong—and that it makes a heck of a difference, too.

Luers, an old Moscow hand and our ambassador to Czechoslovakia in 1983-86, translates *glasnost* as "public airing," footnoting as follows:

"One equivalent in Czech to *glasnost*, seems to be *hlasitost*, which means 'loudness.' The Czechs * * * simply use the Russian word in reporting about Gorbachev's efforts, but they, like others in Eastern Europe, know that it does not mean 'openness,' and speculate that it is closer in meaning to 'publicity.' This is the meaning listed in Russian/English dictionaries. The English-language media and scholars seriously distort its meaning, in my view, by translating *glasnost* as 'openness.' "

With a clutching feeling, I looked up—for the first time—*glasnost* in my old student Smirnitskii. "Publicity." An unsystematic computer search established that in Gorbachev's first days, Reuter was saying "publicity" and the Associated Press "openness or publicity"—evidence that some journalists were trying to grapple with the complexity of it all—but in more recent times almost all of us have succumbed to the convenience of "openness."

What difference does it make? Only this: openness summons up the friendly images of an open Western-type or would-be-Western society, while publicity or public airing, though not exact, indicates more of the truth of the matter, which is the use of information or inquiry by an otherwise closed communist society for purposes that the leadership alone defines.

Practically speaking, openness involves publicity and publicity involves some openness. Essentially, however, openness goes to the nature of a society that is shedding controls, and publicity is merely a technique of manipulation, something subject to being turned on and off.

In political terms, routine usage of "openness" gives an unearned gift to Gorbachev. That term tends to make his policy sound familiar, safe, innocent, incipiently democratic, potentially coverging. No single thing may have softened his Western reception more than the uncritical spreading of this one definition of *glasnost* by the journalists and others who are supposedly the guards at the linguistic/political gates. Carelessness and wishful thinking surely account for some part of this prevasive misreading.

But there is another part, which is that *glasnost* is an odd duck, and none of us, perhaps not even Gorbachev, has yet figured out exactly what it is. It is not just hopeful Westerners, for instance, who see the new mode as something that could move the Soviet Union toward pluralism and democracy. Wary Soviet communists feel the same way. Princeton's Robert C. Tucker notes that Gorbachev has found it necessary to quash fears that his prescriptions seemed too radical, assuring the Communist Party's central committee that "no breakup of our political system" is intended.

Gail W. Lapidus, a Berkeley professor, locates in *glasnost* a "simultaneous connotation of both candor and publicity" whose purposes are to reduce the Soviet people's reliance on foreign (radio) and unofficial (gossip) sources of information and to enhance the regime's credibility and popular standing. *Glasnost* also offers, she observes, "a convenient weapon for use against political opponents."

This element of official hands-on is precisely what fades into the mists of openness. The economist tried and failed this week to find a one-word substitute. Bill Luers' "public airing" has two words and handles a bit awkwardly but goes in the right direction. It's got openness.

[From the Wall Street Journal, June 17, 1987]

Gorbachev Plays All the Right Cards Against Allies . . .

(By Philip Revzin)

PARIS.—A leading figure has emerged in recent months as the agenda-setter for the Western alliance.

His name is Mikhail Gorbachev.

The Soviet leader's arms-control initiatives have put the North Atlantic Treaty Organization on the defensive. Well-timed political statements have sown confusion and conflicting hopes in West Germany, France and Britain. And he isn't finished: Analysts are bracing for new proposals, ranging from troop pullouts to the release of dissidents to reunifying Germany, that could stun public opinion and increase political pressure of Western governments.

In Europe, speculation about what Mr. Gorbachev might do, and when, has come to dominate the political stage. At last week's economic summit in Venice, Italy, the U.S. desire to discuss the Persian Gulf was swamped by European fascination with Mr. Gorbachev. British officials say the Venice meeting's political discussion consisted almost entirely of an exchange of opinions about what Mr. Gorbachev is up to by leaders who recently met with him, such as Britain's Margaret Thatcher and France's Jacques Chirac.

TAKING UP OLD PROPOSALS

Their broad conclusion: In the game of strategic gin rummny, he is playing in a new and alarming way—throwing down just the cards the West has said it wants, but threatening to win anyway.

So far Mr. Gorbachev's approach has been to take the West up on a series of old proposals made when NATO was certain previous Soviet leaders would reject them. "We used to be able to make silly proposals, like the zero option, knowing they'd be rejected," says a top French official. "We booby-trapped ourselves. Gorbachev pulled the right string, and the whole thing unraveled. Beautiful. Well played." The zero option refers to a plan under negotiation to remove U.S. and Soviet intermediate-range missiles from Europe.

What Western Europe fears next is a series of well-timed Soviet proposals, perhaps followed by action. A unilateral troop withdrawal from East Germany or Czechoslovakia would grab headlines without affecting Soviet military dominance there. A pullout from Afghanistan, or a settlement involving the former king, would burnish Mr. Gorbachev's peacemaker image.

A proposal for a weapons-free Middle European corridor would appeal to many people in the West. And even a hint that the Berlin Wall could come down—as President Reagan demanded again last Friday—would make Mr. Gorbachev a hero in West Germany.

OUTPLAYING THE WEST

Europeans are convinced that Mr. Gorbachev's aims are the same as those of every Soviet leader since World War II: to decouple Western Europe from the U.S. and thereby dominate the continent.

Previous Soviet leaders tried to cow Europe, with military might. But Mr. Gorbachev's subtler game puts political appeal before might. If he can win political concessions, he could divert resources from military to industrial uses at home, as well as attracting, or coercing, high technology and money from the newly docile West, analysts reason.

"He has completely turned around Soviet strategy and tactics, and thus has turned inside-out all of the West's traditional positions," says Francois Heisbourg, a French strategic planner. "He's playing on Western public opinion, on politics, and so far he has thoroughly outplayed us."

Mr. Gorbachev entered the game by picking up an old Western discard—the zero option. The West countered by seeking the elimination of the Soviet advantage in shorter-range missiles. He speedily agreed, totally confounding NATO.

In Reykjavik, Iceland, last week, NATO reluctantly accepted this so-called double-zero option while calling for substantial cuts in Soviet convention forces. While it isn't yet certain, the Russians have hinted that Mr. Gorbachev will trump this card, too.

"I would be surprised if there wasn't another Gorbachev spectacular fairly soon, this time involving short-range nuclear arms and conventional and chemical weapons," says Mr. Heisbourg. Indeed, rumors raged last month during a Warsaw Pact meeting in East Berlin that Mr. Gorbachev would propose unilateral troop withdrawals and offer the reunification of the two Germanys in return for a Central European neutral zone—the two Germanys, Poland and Hungary. Western strategics also fear a Gorbachev trump to the West's 25-year-old demand that the Soviets tear down the Berlin Wall, perhaps as part of the "demilitarized zone."

NO IDEA WHAT TO DO

"We in the West aren't ready for such a proposal," says Peter Danylow of Bonn's Institute for Foreign Policy Research.

Says a high-ranking French government official: "We would all have to applaud, of course, but then we'd have absolutely no idea what to do." He adds: "Do the French really want a reunified, strong Germany? Do the British? Do the Americans? The timing is terrible for us, because it's Gorbachev's timing. But how could we say no?"

In many cases, the trial balloons accomplish as much politically as talking substantive action. "He's put both an Afghanistan settlement and the Berlin Wall back into the game without actually doing anything," says a British official. "The jokers remain in his hand."

Adds a top West German policy maker: "He's already got all of us Germans talking about reunification, without actually having done or said anything. Both the left and the right wings here are discussing something that could be very dangerous, at a cost to the Russian of zero."

Should Mr. Gorbachev actually play these cards, his actions would polish his new-found image as a peacemaker: West German, British and Dutch polls already show that more people see him as a man of peace than do Mr. Reagan.

"His goal is to turn the Soviet Union into a real superpower, not just a superpower in arms alone," says a British Foreign Office Soviet expert. "What makes him tick is his profound sense of the failure and economic stagnation of this country compared to the West. He's a competitive chap, and he's humiliated that they can't do better."

This official says Mr. Gorbachev's goal is to gain a detente that "would allow enough stability, security and predictability in foreign relations to allow him to get on with his economic reforms at home, helped by Western credits and technology. He can't do this if the Soviet Union is seen as threatening its neighbors, as it has been for the past 40 years."

SAVING STAR WARS

Mr. Gorbachev, of course, hasn't won every trick. Western analysts say his main goal at February's Reykjavik summit was to get rid of the U.S.'s Strategic Defense Initiative, something the Russians fear would give the West an advantage and would be costly to duplicate. SDI, the so-called Star Wars missile defense, hasn't been mentioned much lately by the Soviets, through some analysts expects it to reappear as a bargaining goal in return for hefty cuts in intercontinenal missiles, during the next U.S. administration.

Each Gorbachev initiative could catch the West flat-footed and divided, as the nuclear proposals have done. "Conventional arms reductions could be very sticky for us," says John Roper, of the Royal Institute of International Affairs in London. "If he offers attractive troop reductions just when Congress is trying to save some money on U.S. troops, he could touch off some real Euro-handwringing just by doing what we've asked him to do."

[From the Wall Street Journal, June 17, 1987]

. . . AS WASHINGTON PUZZLES OVER ITS HAND

(By Frederick Kempe)

WASHINGTON.—The Reagan administration is responding haphazardly and, so far, ineffectually to Mikhail Gorbachev's effort to cast himself as a world peacemaker.

Distracted by the Iran-arms scandal and hobbled by disagreement with its allies about Soviet intentions, the U.S. is groping for ways to counter Mr. Gorbachev's foreign-policy initiatives. It has come up with a few diplomatic innovations, notably a plan to loosen Moscow's hold on Eastern Europe. But for the most part, Washington is on the defensive.

Lt. Gen. Brent Scowcroft, President Ford's national security adviser, says the Reagan administration lacks a coherent policy for dealing with Mr. Gorbachev.

"They [the Soviets] have exchanged the sledgehammer for the rapier," Gen. Scowcroft says. And while he isn't too alarmed yet—Moscow needs to make up lost ground and there is international wariness about its aims—he believes the U.S. must act more decisively. "We aren't doing enough to answer them. We don't have a strategy," he says.

AD HOC RESPONSE

Adds Stephen Sestanovich of the Georgetown Center for Strategic and International Studies: "I don't think there is a new concept, but rather a case-by-case response to counter Soviet moves."

Mr. Gorbachev's well-publicized arms-control initiatives have sown confusion in the Western alliance. The Soviets are also negotiating deals in previously ignored Third World states such as Zaire and Zimbabwe at a time when U.S. aid is down sharply. Mr. Gorbachev even plans the first trip of a Soviet leader to Mexico and Latin American countries in Washington's sphere of influence.

In the Mideast, Moscow helped reunite the Palestine Liberation Organization, is brokering talks between feuding Syria and Iraq and is trying to lay the foundation for diplomatic relations with Israel and an international peace conference.

"If Gorbachev does nothing else, he has impaired our ability to act by breaking the U.S. foreign policy consensus on how to deal with the Soviet Union," says Dmitri Simes of the Carnegie Endowment for International Peace. "He has greatly confused the Americans and greatly confused the Europeans. He has made being a Soviet apologist a respectable profession again."

LOOKING EAST

One way the U.S. is trying to turn Mr. Gorbachev's policy of *glasnost*, or openness, to its advantage is by improving relations with Moscow's Warsaw Pact neighbors. The State Department last summer devised a step-by-step approach to strengthen relations with each of the six East European states. It aims at finding specific interests of both parties and then finding a trade-off ranging from issues such as the U.S. desire to get East Germany to pay Jewish war claims, to Bulgaria's search for American markets.

The trick is to move slowly enough so as not to alarm either the Soviets or U.S. right-wingers, who fear that closer ties would give Soviet client states more legitimacy.

The effort "has already begun to show some early results and we are confident it will show more results," says Deputy Secretary of State John Whitehead, who is supervising the project. "The government of the East European countries feel the tight reins on them have been loosened."

As a result, Bulgaria has removed the barrier outside the U.S. Embassy library in Sofia, allowing Bulgarian students to enter. It is also providing more help to U.S. efforts to stop the drug trade.

CHURCH GAINS

The Romanians have for the first time in years allowed Baptists in their country to print Bibles, and they canceled the planned demolition of a church and allowed another one to be built. U.S. officials also take partial credit for Poland's amnesty for political prisoners, which resulted in Washington's lifting of sanctions. And yesterday, Warsaw said President Reagan's decision to lift remaining sanctions against it opened the way for an exchange of ambassadors with Washington for the first time in four years.

Elsewhere in the world, the Pentagon wants the U.S. to provide Awacs radar planes to Pakistan to reassure a key American ally and boost the Reagan doctrine of supporting anti-Communist guerrillas at a time when the Soviets are intensifying military, diplomatic and covert efforts to undermine such efforts.

And last Friday, President Reagan momentarily took the offensive against the Kremlin with his dramatic appeal to Mr. Gorbachev in West Berlin to tear down the Berlin Wall.

Too often, though, U.S. moves to counter Soviet influence appear clumsy. The administration decision to allow 11 Kuwaiti tankers to fly under the protection of the U.S. flag in the Persian Gulf after Moscow had offered to protect three Kuwaiti ships has drawn intense criticism at home and won only lukewarm support from Washington's allies.

Mr. Simes of the Carnegie Endowment for International Peace says former Secretary of State Henry Kissinger showed greater subtlety than current-day policy makers in blocking attempts by the Soviets to extend their influence.

"Kissinger talked little about the Soviet threat and didn't provoke Moscow, yet he worked purposefully to exclude them in the Middle East," says Mr. Simes. "The Reagan administration walks with a big stick, shouting, "the Russians are 'coming,' yet it takes actions that let them into the Persian Gulf and elsewhere. The contrast couldn't be more dramatic."

The Soviets "get more credit for doing less and taking less risk because they responded more quickly and intelligently," says William Quandt of the Brookings Institution.

Their new activism has also enabled pro-Western countries to play the Soviet Union off against the U.S. A senior Arab diplomat in Washington makes no secret that Kuwait realized the best way to gain U.S. help was to involve Moscow. The Indians also use the Soviet card in their efforts to gain more trade benefits from the U.S. "It isn't that you want the Soviets on your side to the exclusion of the Americans," the Arab diplomat says. "You simply realize that sometimes the only way to get American attention is by involving the Soviets."

U.S. officials can't afford to ignore such reactions. Arab potentates fear the Soviets less than they did before, when they viewed the Kremlin as a force bent on undermining their rule.

As so often where there is new Soviet action, it isn't yet clear what Moscow can deliver. Moreover, U.S. officials say, Mr. Gorbachev's hold on power can't be taken for granted. However, experts say that in the West, style can be a substance in itself, swinging votes in parliaments and undermining support for U.S. policies.

"Somehow, it is becoming more difficult to do things," says Richard Pipes of Harvard University, who was the National Security Council's Soviet expert early in the Reagan administration. "Gorbachev's style can have an effect because the margin between those legislators and officials who want to do something and don't is usually very narrow. Gorbachev has created a sense of momentum which raises imponderable impediments to action."

He has the advantage, experts say, of operating in a society that doesn't expect overnight miracles. Whether the U.S. can show the persistence and consistency required to meet his diplomatic challenge remains an open question. "The Soviets have a long-film society that has more patience than our Polaroid society," says Jonathan Sanders of Columbia University.

NATIONAL ESSAY CONTEST WINNER

HON. LAWRENCE COUGHLIN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 22, 1987

Mr. COUGHLIN. Mr. Speaker, it gives me great pleasure today to submit for the RECORD, a copy of an essay written by one of my high school constituents.

Kevin Lawlor of Fort Washington, PA, wrote one of the six winning essays chosen in a contest sponsored by the North Atlantic Treaty Organization.

High school students throughout the Nation were sponsored by their teachers and were asked to compose an essay in response to the question: What does NATO mean to you as a U.S. citizen?

Kevin's essay aptly describes the importance of NATO to all of us here in the Congress and I commend it to my colleagues.

Kevin's fine work is a tribute to his teacher, Mr. Seven Heck of Hatfield, PA, and his high school in Upper Dublin.

I met with Kevin earlier in my office and I want all of my colleagues to know that he is a fine individual and will serve us well during his trip to Brussels.

The essay follows:

NATO?

(By Kevin Lawlor)

When my history teacher asked if anyone would like to enter a contest dealing with NATO. I thought why not and there was a possibility of winning a trip to Brussels. The short answer part of the contest was challenging, but it did not compare to the essay question. "What does NATO mean to you as a U.S. citizen," it seems like a simple question but the more I thought about it the more difficult it became. I knew that it was an organization designed to help the members defend themselves, after that, I had never really given it much consideration. The longer I reflected the more meaning NATO had in both real and symbolic terms.

Looking at NATO in a straight forward perspective, it is a mutual defense treaty designed to pool the resources of its members to strengthen them in the hope of deterring any antagonist from attacking. As a United States citizen, the thought that this alliance will strengthen the U.S. is comforting. Not just because the U.S. is stronger than if she stood alone, but because it is a deterrent to war. A potential adversary would be more reluctant to attack an alliance than a single country. However, NATO is also an entangling alliance and Europe is a place where a conflict could easily break out. If this were to happen the U.S., along with other countries, would likely be dragged into it, because of North Atlantic Treaty obligations. This might mean NATO, and other alliances, could cause a minor conflict to grow into a world war.

When viewing NATO in symbolic terms it becomes much more. It shows just how complex our world is by the means we use to maintain peace. We threaten each other with complete annihilation to keep each other from attacking. Showing man's ability and willingness to destroy himself. It demonstrates that man has to work hard at living peacefully with other men. He will fight things that differ from his ideology, risking his life and everything that is dear to him. NATO symbolizes man's quest for peace through threats of violence or violence itself.

"What does NATO mean to you as a U.S. citizen?" It means that there is an alliance out there defending me, and my country's values, ideas, and ideals. That the security provided by this alliance is a fragile protection, and that my world, as I know it, could easily be destroyed. But without this alliance my country would be much weaker and that it is important to the defense of my country. Also it demonstrates man's inability to live peacefully with other men, and that he will resort to the threat of violence or violence to reach his goals. Be it peace and security or domination of others.

CONGRATULATIONS TO DR. GELL

HON. ROY DYSON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Monday, June 22, 1987

Mr. DYSON. Mr. Speaker, I rise today to salute Dr. Robert Gell, Cecil County Community College president, upon being named Outstanding Chief Executive Officer of the Year by the Northeast region of the Association of Community College Trustees. The important role of community colleges in providing an upper-level education for local citizens is often overlooked. Fortunately, Dr. Gell's tireless efforts have brought some deserved recognition to himself and to Cecil County Community College.

Dr. Gell's development of innovative programs, his success in involving the college in community economic development, his cooperative efforts with county government, local business and industry, and his contributions to the Maryland community college system and Cecil County are justifiably recognized in the award.

Throughout Dr. Gell's 9-year tenure, he has consistently provided inspired and creative leadership to his college and to his community. Some of the programs he has developed include a pilot project for training Aid to Families with Dependent Children workers, the Equine Science Program, and the Tractor-Trailer Driver Training Program.

Today I rise to congratulate Dr. Gell upon his deserved receipt of the ACCT Award, Mr. Speaker, and to thank him on behalf of all of the First District of Maryland for his outstanding contributions to our community.

U.S. POLICY ON THE STANDING CONSULTATIVE COMMISSION—PART I

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 22, 1987

Mr. HAMILTON. Mr. Speaker, on September 22, 1986, Congressman DANTE B. FASCELL, chairman of the House Foreign Affairs Committee and I initiated correspondence with the Department of State concerning the handling of arms control compliance matters within the joint United States-U.S.S.R. Standing Consultative Commission [SCC], which was established by treaty for the purpose of resolving such questions.

We received a reply on December 30, 1986. A followup letter was sent on February 11, 1987, and a reply was received on April 9, 1987. We requested further clarification on April 29, 1987, and a reply was received on June 12.

This correspondence comprises an important statement of U.S. policy on the SCC. The first three letters of this correspondence are attached for the attention of our colleagues:

CONGRESS OF THE UNITED STATES,
Washington, DC, September 22, 1986.

Hon. GEORGE P. SHULTZ,
Secretary of State, Washington, DC

DEAR MR. SECRETARY: We are writing to express our serious concern over the Administration's handling of arms control compliance matters within the Joint U.S.-U.S.S.R. Standing Consultative Commission (SCC). Certain charges levied recently in the press are disturbing and deserve careful attention since they strike at the very heart of the SCC's ability to carry out its mandate—the resolution of compliance matters and the maintenance of an open dialogue regarding differences in treaty interpretation.

We would like the Administration's considered response to the following questions:

1. It is our understanding that U.S. Commissioner Ellis has been instructed to tell his Soviet counterpart that, in the future, the U.S. will restrict SCC compliance discussions to the ABM Treaty. Please clarify the Administration's position as to its approach and objectives on compliance concerns in the SCC, including that body's current and future jurisdiction on arms control matters.

Will the Administration continue to address SALT-related compliance concerns in the SCC? If not, how will these concerns be alleviated in the future?

2. Press reports have charged that during the fall 1982 round of the SCC, General Ellis was prevented from completing an understanding in the Commission on the testing of air defense systems and components. It is alleged that General Ellis' instructions prevented him from concluding this agreement for nearly three years.

Was General Ellis authorized to initiate discussions on the issue of "concurrent operations" during 1983, and why did it take three years to conclude an agreement on this matter in the SCC if an agreement on the circumstances surrounding these operations between the two sides had been achieved in fall 1982?

Why did the Administration's public reports on "Soviet non-compliance" not acknowledge that this particular issue had been resolved?

3. It is our understanding that General Ellis has sought authority in the past to work out agreed procedures for dismantling or converting strategic bombers. This issue is of critical importance since it is of direct relevance to the Administration's charge that the Soviets have violated their political committment to stick to a Strategic Nuclear Delivery Vehicle (SNDV) limit of 2,504 under SALT II.

Has the Administration ever initiated a dialogue in the SCC to conclude bomber dismantlement and conversion procedures?

Is it the Administration's position that the establishment of such procedures is now superfluous given recent policy statements on SALT?

Please delineate General Ellis' specific instructions regarding the bomber dismantlement issue and whether he has now been charged to bring such procedures to fruition, or to shelve them.

4. Press reports have mentioned a memorandum authored by Secretary of Defense Weinberger sent to then National Security Affairs Advisor Robert McFarlane that sought "to quash all of the initiatives proposed by the SCC Commissioner." This memo apparently argued that SCC efforts to update strategic force data bases under SALT were not needed and that possible U.S. steps to clarify ABM provisions covering large phased-array radars, such as that at Krasnoyarsk, would be "cosmetic or marginal" solutions to Soviet non-compliance.

Does such a memorandum exist?

What is U.S. policy regarding the resolution of compliance issues currently identified by the Administration?

To what degree are U.S. agencies evaluating options regarding the resolution of compliance issues such as the Krasnoyarsk radar, the SS-25 and telemetry encryption? Has the President personally reviewed such options, and if so, what are they?

What alternative solutions regarding these compliance issues are considered acceptable by the Administration?

5. Is it your view that a consultative SCC-type forum will be a vital component of any future arms control agreement?

Do you expect that such a forum will be necessary to arrive at specific procedures for implementing and ensuring the best possible reciprocal interpretation of treaty provisions?

In your view, is the ability of the U.S. and the Soviet Union to use such a body and to make it work effectively of primary importance to arms control and U.S.-Soviet relations at large?

6. It is our understanding that the U.S. component of the SCC currently has no formally appointed Deputy Commissioner. Why has a Deputy Commissioner not been appointed, and is one expected?

We appreciate your consideration of the above questions, and look forward to your prompt reply.

Sincerely,

LEE H. HAMILTON,
Chairman, Permanent Select Committee on Intelligence.
DANTE B. FASCELL,
Chairman, Committee on Foreign Affairs.

U.S. DEPARTMENT OF STATE,
Washington, DC, December 30, 1986.

DEAR MR. CHAIRMAN: Thank you for your letter of September 22, 1986, to Secretary Shultz, in which you express concern over the Administration's handling of arms control compliance matters in the Standing Consultative Commission (SCC). I am writing to answer your questions and to address your concerns. I also wish to apologize for the delay in this response.

It has been, and continues to be, the policy of the Administration to raise and pursue its compliance concerns with the Soviet Union in the SCC and through other appropriate diplomatic channels. The Administration's objective is to seek, as appropriate, Soviet corrective action or clarifications and explanations sufficient to alleviate our concerns.

The Administration believes that a consultative forum, such as the SCC, where the United States and the Soviet Union discuss compliance concerns is a vital component of a stable arms control regime. Such a forum is useful for discussing implementation of agreements and for clarifying ambiguities in the meanings of the provisions of such agreements.

As provided for in Article 7 of the Agreement on Measures to Reduce the Risk of Outbreak of Nuclear War and in Article XIII of the ABM Treaty, the Standing Consultative Commission (SCC) will continue to deal with matters related to these two agreements.

The President stated on May 27, 1986:

"I have determined that, in the future, the United States must base decisions regarding its strategic force structure on the nature and magnitude of the threat posed by Soviet strategic forces and not on standards contained in the SALT structure which has been undermined by Soviet non-compliance and especially in a flawed SALT II treaty which was never ratified, would have expired if it had been ratified, and has been violated by the Soviet Union."

In view of that decision, the US will no longer base its strategic force decisions on the standards of SALT II or the SALT I Interim Agreement. Accordingly, the United States has deployed its 131st ALCM-equipped bomber without compensating dismantlement of Poseidon submarine SLBM launchers. It would not be appropriate, therefore, to pursue in the SCC compliance issues associated with the SALT I Interim Agreement and the SALT II Treaty.

As you know, the rules of the SCC are designed to encourage quiet, confidential deliberations. Accordingly, the work of the SCC, its subjects of discussion, and any agreements it concludes are considered confidential diplomatic exchanges and remain classified. An understanding was reached with the Soviet Union in June 1985. Consistent with our agreement with the Soviet Union to keep such matters confidential, no public identification of that understanding has been made. A classified version of the President's December 1985 report on Soviet non-compliance has been provided to the Committee on Intelligence, and your attention is drawn to the Concurrent Testing section of that report.

The United States Government remains concerned about certain types of Soviet concurrent operations of ABM and air defense components. The President's December 1985 Unclassified Report to Congress on Soviet Non-compliance with Arms Control Agreements states:

"The US Government reaffirms the judgment made in the February 1985 report that the evidence of Soviet actions with respect to concurrent operations is insufficient fully to assess compliance with Soviet obligations under the ABM Treaty. However, the Soviet Union has conducted tests that have involved air defense radars in ABM-related activities. The large number, and consistency over time, of incidents of concurrent operation of ABM and SAM components, plus Soviet failure to accommodate fully US concerns, indicate the USSR probably has violated the prohibition on testing SAM components in an ABM mode. In several cases this may be highly probable. This and other ABM-related activities suggest the USSR may be preparing an ABM defense of its national territory."

With regard to other points raised in you
letter, the Administration has not initiat

discussions in the SCC to conclude the SALT II procedures for dismantling or destruction of strategic offensive arms. The SALT II Treaty is obsolete, was never ratified, would have expired if it had been ratified, and has been repeatedly violated by the Soviet Union.

The Acting Deputy Commissioner of the SCC is Mr. S. Read Hanmer.

Let me assure you that the Administration, which is serious about Soviet non-compliance, is equally serious about attempting to resolve that non-compliance. The President made his May 27, 1986 decision on the SALT I Interim Agreement and the SALT II Treaty only after long and fruitless compliance discussions, in some cases lasting several years, with the Soviet Union. We intend to continue our efforts to seek resolution of our concerns with respect to Soviet non-compliance, or probable non-compliance, with provisions of the ABM Treaty, the Limited Test Ban Treaty of 1963, the Biological and Toxin Weapons Convention, and the Geneva Protocol on Chemical Weapons.

I hope this information will be of use to you.

With best wishes,

Sincerely,

J. Edward Fox,
Assistant Secretary, Legislative and Intergovernmental Affairs.

Congress of the United States,
Committee on Foreign Affairs,
Washington, DC, February 11, 1987.

Hon. George P. Shultz,
Secretary of State, Washington, DC.

Dear Mr. Secretary: We are writing to follow-up on our September 22, 1986 letter to you concerning the Administration's handling of arms control compliance matters within the joint U.S.-U.S.S.R. Standing Consultative Commission (SCC). Your December 30, 1986 reply addressed some of the questions asked in our letter, but many were left unanswered. The purpose of this letter is to request further clarification and a response to questions not answered in your reply.

We were pleased to learn that it remains Administration policy to raise and pursue compliance concerns with the Soviet Union in the SCC and through other appropriate diplomatic channels, and that the Administration believes a consultative forum such as the SCC is vital to a stable arms control regime.

Given these Administration positions, there arise questions concerning the future effectiveness of the SCC, issues to be discussed there and the intended purpose of raising issues there. The Administration's views on these matters are important to assess the management of compliance issues and treaty implementing procedures in the SCC. Your timely response to the following questions would be appreciated.

1. What specific use does the Administration intend to make of the SCC in the next two years?

What arms control issues will be brought there and what arms control issues will not be brought there?

2. What is your view of the SCC today? Is it the view of the Administration that the SCC is, as one Administration official said, "a diplomatic carpet under which Soviet violations have been continuously swept, an Orwellian memory hole into which our concerns have been dumped like yesterday's trash?"

Critics have charged that the U.S. has pursued ideal solutions to treaty compliance problems raised by Soviet actions, and when the Soviets refuse to accept demands, the U.S. labels Soviet actions as treaty violations. How do you respond to these charges?

Critics charge that the U.S. raises problems at the SCC and then refuses to negotiate alternatives that might also serve U.S. interests. Is this a fair characterization of the way the SCC has worked the last several years?

3. Has the SCC, in your view, evolved from a discreet channel for solving arms control problems to a forum where each side now repeats carefully scripted accusations of the other's misdeeds?

How did this happen and who is responsible?

Why were previous Administrations able to achieve concrete results in resolving treaty interpretations at the SCC?

Why has this Administration been unable to make progress at the SCC on the several treaty violations it has cited by the Soviets?

4. Your December 30 reply notes that SALT-related compliance issues will no longer be pursued in the SCC in accordance with the Administration's recent policy decision to discontinue U.S. adherence to the SALT II Treaty.

If Soviet SALT II "noncompliance" has been injurious to U.S. security as Administration officials have maintained, why is it not appropriate that we continue to seek resolution of these matters in the forum so designated by the Treaty?

What concrete steps is the Administration taking to assure that U.S. security is not damaged by purported Soviet "noncompliance" with SALT II? Please delineate specific actions being undertaken by the U.S. to respond to Soviet "noncompliance."

5. Press reports have charged that during the fall 1982 round of the SCC, General Ellis was prevented from completing an understanding in the Commission on the testing of air defense systems and components. It is alleged that General Ellis' instructions prevented him from concluding this agreement for nearly three years.

In what respect are these reports accurate?

Was General Ellis authorized to initiate discussions on the issue of "concurrent operations" during 1983, and why did it take three years to conclude an agreement on this matter in the SCC if an agreement on the circumstances surrounding these operations between the two sides had been achieved in fall 1982?

Your December 30 reply notes that an understanding was reached in the SCC on the matter of concurrent operations in June 1985. Your reply states: "Consistent with our agreement with the Soviet Union to keep such matters confidential, no public identification of that understanding has been made." Why was no public statement made, when the U.S. has done so in previous cases where SCC proceedings have remained classified but results have been publicly announced?

Your reply notes that "The United States Government remains concerned about certain types of Soviet concurrent operations of ABM and air defense components." Have there been troublesome ABM-air defense concurrent operations since the June 1985 SCC agreement was reached? If so, what are they? (If this question requries a classified response, please provide this response under separate cover.)

6. It is our understanding that General Ellis has sought authority in the past to work out agreed procedures for dismantling or converting strategic bombers. Your letter notes that ". . . the Administration has not initiated discussions in the SCC to conclude the SALT II procedures for dismantling or destruction of strategic offensive arms."

If the alleged strategic nuclear delivery vehicle (SNDV) violation noted by the Administration was deemed to be significant, why was no effort made to initiate a discussion on destruction and dismantlement procedures?

Is it the Administration's position that the establishment of such procedures are no longer important, and hence, the Soviet SNDV "violation," is not significant to U.S. security?.

Please delineate General Ellis' specific instructions regarding the bomber dismantlement issue.

7. Press reports have mentioned a memorandum authored by Secretary of Defense Weinberger sent to then National Security Advisor Robert McFarlane on July 31, 1985 that sought "to quash all of the initiatives proposed by the SCC Commissioner." This memo apparently argued that SCC efforts to update strategic force data bases under SALT were not needed and that possible U.S. steps to clarify ABM provisions covering large phased-array radars, such as that at Krasnoyarsk, would be "cosmetic or marginal" solutions to Soviet noncompliance.

Does such a memorandum exist?

Could you provide us with a copy?

8. To what degree are U.S. agencies evaluating options regarding the resolution of compliance issues such as the Krasnoyarsk radar, the SS-25 and telemetry encryption?

Has the President personally reviewed such options, and if so, what are they?

What alternative solutions are possible? Soviet remedial actions are considered acceptable by the Administration, given ACDA Director Adelman's assertion that ". . . many Soviet violations can still be remedied."

9. It is our understanding that the U.S. component of the SCC currently has no formally appointed Deputy Commissioner. Why has a Deputy Commissioner not been formally appointed, and when is one expected?

10. It is our understanding that the SCC has traditionally been the forum for conducting periodic ABM Treaty Review Conferences. Please describe the Administration's plans for the upcoming 1987 ABM Treaty Review Conference.

Will this review conference be conducted within the SCC as previously done? If not, why not?

What is the current agenda of issues to be discussed at this conference?

What are U.S. goals and objectives at the conference? Is it our purpose to strengthen the ABM Treaty regime and, if so, how will U.S. presentations at the conference embody that goal?

Does the U.S. intend to pursue a renegotiation or "shoring-up" of the ABM Treaty's provisions covering large phased-array radars (LPARS), critical treaty definitions, and permitted ABM research activities?

11. Press reports have noted that an exchange took place in May 1985 between the American and Soviet Commissioners in the SCC which addressed the issue of "restrictive" vs. "broad" interpretations of the ABM Treaty. This exchange allegedly confirmed that both the U.S. and the Soviets shared a more restrictive interpretation of the Treaty which would not permit the testing, development or deployment of space-based ABM systems.

Are these reports accurate?

What is your understanding of the exchanges that took place? Did Commissioner Ellis at that time state that the U.S. believed a more restrictive interpretation was appropriate and that this was U.S. policy?

If this was the U.S. view in May 1985, what happened between then and October of 1985 to change the U.S. position? Were the Soviets formally notified through the SCC that our position on interpretation was under review and might fundamentally change?

Does the Administration maintain that the Soviets have never expressed a restrictive view of the Treaty until after the U.S. developed its new interpretation? If so, how does this square with the May 1985 SCC discussions?

Will the SCC address this issue in the 1987 ABM Treaty Review Conference?

12. Administration officials have at times been critical of the SCC and its operations. While the SCC is a diplomatic tool of both nations used to implement and fine-tune agreements over time, its effectiveness is directly dependent upon the degree to which both countries wish to use it.

What is your assessment of the SCC's performance in carrying out its charter as laid out in Article XIII of the ABM Treaty and other implementing documents?

If the SCC's performance is under attack within the Administration, what substantive steps have been taken unilaterally by the U.S. executive branch to strengthen and enhance the Commission's operations and performance?

What steps have been taken bilaterally with the Soviets to enhance and strengthen the SCC?

To what degree is U.S. Commissioner Ellis directly involved in the drafting of instructions for the SCC? Is his advice solicited in formulating the U.S. approach toward compliance issues in the SCC, and is he consulted prior to changes or modifications in his instructions?

We appreciate your consideration of the above questions, and look forward to your prompt reply.

Sincerely,

LEE H. HAMILTON,
Chairman, Subcommittee on Europe and the Middle East.
DANTE FASCELL,
Chairman.

BRING HOME THE BACON

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 22, 1987

Mr. MICHEL. Mr. Speaker, forgive me if I again take personal pride in letting my colleagues know of the fine achievements of the forensic team at my old alma mater, Bradley University.

The article entitled "Speech Team Wins First & Second" speaks for itself and I just have to say again how proud we are of the abilities of those students at Bradley who have set such a high standard in this field and consistently bring home the bacon when it comes to tournament time.

SPEECH TEAM WINS FIRST AND SECOND

The Bradley speech team has done it again! They overwhelmingly won their eighth consecutive American Forensics Association title and finished second in the National Forensics Association tournament.

In the AFA tourney, Bradley collected 238 points. The runner-up schools, Southern Utah University, George Mason University, and the University of North Iowa, had 98, 86, and 85 points respectively.

This is the wildest point-margin Bradley has ever had in this tournament," said coach George Armstrong. "I was especially impressed with the number of freshmen doing well."

Bradley has 22 students in the finals and won four first-place trophies. Tom Doyle '87 won the individual sweepstakes competition. He was first in extemporaneous speaking, second in after dinner speaking, and a semi-finalist in four other events—impromptu speaking, communication anaylsis, oratory, and informative speaking.

Ken Klawitter '88 was fourth in the individual sweepstakes. He placed first in prose and was a quarterfinalist in dramatic interpretation and in duet interpretation with Jim Skeffington '89.

Skeffington and Susan Bass '88 won duet interpretation, and Skeffington also placed second in prose.

Steve Markov '87 won communication analysis and was a quarterfinalist in after dinner speaking.

For the second year, Bradley placed second out of 106 schools in the National Forensics Association tournament, losing to defending champion Eastern Michigan University. EMU had 517 points to Bradley's 466. Other top finishers were Illinois State University with 308 points, the University of Minnesota with 228, and the University of Wisconsin-Madison with 217. Of the 30 Bradley team members who participated in the tourney, 18 advanced to the final rounds.

Ken Klawitter '88 and Jim Skeffingon '89 won duet interpretation, Bradley's only first place trophy. Klawitter was also a semifinalist in duet interpretation with Susan Bass '88 and a quarterfinalist with Anne Hutchcroft '87 in the same event.

Kevin Spengel '88 placed seventh in the individual sweepstakes competition. He was fifth in dramatic duo with Tracey Bettermann '90, fourth in poetry, and a quarterfinalist in both after dinner speaking and in dramatic due with Sarah Braun '90.

Tom Doyle '87 placed eighth in the individual sweepstakes competition. He was fifth in extemporaneous, impromptu, and after dinner speaking, and he was also a quarterfinalist in communication anaylsis.

Coach George Armstrong received a special recognition award from the National Forensics Association for continued dedication to forensics. It is only the fifth time the NEA has given this award.

Bradley won the NFA, as well as the AFA, from 1982 until 1985. Bradley is the only college or university to win both titles for four years.

The squad, with three seniors, is the youngest to represent Bradley since we won our first national championship in 1980. I am very proud of this year's team," said coach Gary Dreibelbis. "With so many returning and an excellent recruiting year we look forward to big things next season."

A SERVICEMAN'S FINAL GREETING

HON. SANDER M. LEVIN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, June 22, 1987

Mr. LEVIN of Michigan. Mr. Speaker, One of the servicemen killed on the U.S.S. *Stark* was Joseph Watson of Ferndale, MI.

Joe Watson wanted to be sure that his dad received a Father's Day card. Uncertain as to when his ship would return to port, he wrote and mailed it several weeks in advance of Father's Day. It arrived at the parent's home the day after his tragic death.

If a family can find any solace after the death of a beloved younger member it is the mutuality of love and respect they have for each other—a relationship that Joseph Watson shared with his mother and father, his wife, and his brothers and sisters, and they with him.

In this spirit, I am inserting into the RECORD the poignant Father's Day message from Joe Watson.

Dear Mom and Dad: Happy Father's Day, Dad! I wish I could be there to remember all those times we spent together and the fun we had, and all the valuable things you taught me that have helped me day after day. I love you Dad, and I'm looking forward to seeing you and having a fun visit when I see you again! Mom, did you like the flowers that Kristin and I sent you? I heard that both of you had a good visit with Kristin and Joan. Kristin said that both of you really helped her and Mom out.

We are almost out of here. We will leave the Gulf July 5th.

I have never been in better shape. I hope you do well with the house. It kind of makes me sad to see the house in Ferndale go, but I'm happy that both of you are getting out of the area. Charlevoix is so nice!

Please write when you get a chance. It makes me feel wonderful to have parents like the both of you. It's sad how sometimes all of us maybe take that for granted. You're both real special and I love you a lot.

Take care.

All my love.

Joseph.

P.S. Sorry it is early Dad, but I wasn't sure when the mail would leave to port again.

Love, Joseph.

TWENTY-NINTH ANNIVERSARY OF EXECUTION OF IMRE NAGY, HUNGARIAN PATRIOT

HON. STENY H. HOYER

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Monday, June 22, 1987

Mr. HOYER. Mr. Speaker, yesterday marked the anniversary of a tragic event that the free world should never forget. Twenty nine years ago, on June 16, 1958, the Prime Minister of free Hungary, Imre Nagy, was executed by Soviet forces in Romania. A little less than 2 years earlier, Soviet tanks had crushed the ill-fated attempt of Hungarian students and workers to free their country from Soviet occupation.

Imre Nagy had been a committed Communist whose personal qualities of integrity, and respect for human dignity and national traditions led him to break with the inhuman doctrines of Stalinism. Following the death of Stalin, he became Prime Minister of Hungary. His term of office is remembered for the release of thousands of political prisoners and the closing of the most notorious concentration camps that had existed in Hungary during Stalin's days. For his liberalism and humanity, however, the Soviets forced him to leave office after a few months and he was expelled from the Communist Party. When the Hungarian people rose up to declare their genuine independence from the Soviet Union, Imre Nagy was their natural choice to lead them as Prime Minister.

And yesterday in Budapest, on the anniversary of Mr. Nagy's death, a small procession made its way toward the monument to another Hungarian patriot, Count Lajos Batthyany, where the participants laid a wreath and a memorial tablet. Count Batthyany had been a leader of the Hungarian revolt against the Austrian Empire in 1848, and, like Imre Nagy, was executed when the forces of reaction triumphed. According to one of the leaders of the procession, the monument will henceforth be known as the Batthyany-Imre Nagy monument.

In the afternoon the marchers visited the section of the cemetery outside of Budapest where Mr. Nagy is assumed to be buried along with many of his compatriots who fought in the streets of Budapest and died on the gallows. There, they placed a bouquet of flowers in memory of these brave men and women.

In the evening a memorial service was held in a private home, which was attended by Erzsebet Nagy, the daughter of Imre Nagy. She read an appeal calling for the removal of those persons implicated in suppressing the 1956 uprising, and their replacement with persons to whom she could, in good conscience, appeal for her father's rehabilitation.

Indeed, when he spoke his last words from the gallows, Imre Nagy stated his fear, not of death, but that some day his very executioners would rehabilitate him. Nagy had spent 15 years in the Soviet Union. He knew the system well. He knew that the rehabilitation of the victims of Stalin's purges going on at that time was being carried out by many of the same persons who had collaborated with the victims' jailers and executioners.

Mr. Speaker, the Hungarian people have not forgotten their martyred leader, and neither should those of us who love freedom and liberty. May Imre Nagy and those who fell with him be honored in our memories, and may their countrymen achieve the freedom and liberty for which those of another generation so valiantly struggled.

A TRIBUTE TO HUGO AND MARJORIE MORRIS

HON. HOWARD L. BERMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 22, 1987

Mr. BERMAN. Mr. Speaker, I rise today to pay tribute to two extraordinary members of my community, Mr. Hugo Morris and Mrs. Marjorie Morris. They have served the southern California community in a variety of capacities for over 30 years. This week the Democratic Party of the San Fernando Valley is honoring Hugo and Marjorie with the Helen Greenberg Memorial Achievement Award. In recognition of this honor, I ask my colleagues to join me in paying tribute to this outstanding couple.

Called by the Los Angeles Times "one of the main advocates for children in the State, if not the Nation," Marjorie Morris began her work with children as a kindergarten teacher at Morningside Elementary School in San Fernando. Still recalled by her students as a remarkable and progressive teacher, she has always devoted her time and efforts to advancing the interests of children.

Since 1976, Marjorie has served as executive director of the Child Care Resource Center in Van Nuys, a private nonprofit center serving the entire San Fernando Valley. As director, she works to connect parents, employers, and child-care providers. The center also offers temporary child care for disabled children, and reimburses family child-care providers for some food costs. Handling over 200 requests for these various services each day, the center occupies a vital role in the community.

Hugo Morris has an equally distinguished career in his work with labor unions and the community. He currently serves as director of public affairs for the Joint Council of Teamsters No. 42, covering 29 local unions in southern California and Nevada. His responsibilities include coordination of political activities and negotiating collective-bargaining agreements. In addition, Hugo is a commissioner on the California Health Policy and Data Advisory Commission, and participates on numerous community committees and organizations. He has been actively involved with such diverse issues as economic literacy, health care costs, community colleges, industrial relations, fair housing, and children's advocacy.

It is my distinct honor and pleasure to thank and pay tribute to Hugo and Marjorie Morris for their many years of dedication and involvement. Together they have helped countless individuals and provided an invaluable service to the community.

EXPLANATION OF VOTE

HON. FRANK R. WOLF

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 22, 1987

Mr. WOLF. Mr. Speaker, because of a previous commitment to address a high school commencement in my district, I was unavoidably absent for two votes on June 18, 1987, during consideration of H.R. 1777, the State Department authorization bill. Had I been present, I would have voted "aye" on roll No. 199, the Walker amendment, and "no" on roll No. 200, the McCollum amendment.

CHRISTINE KILIS, 1987 HERITAGE ESSAY CONTEST WINNER

HON. HARRIS W. FAWELL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 22, 1987

Mr. FAWELL. Mr. Speaker, I would like to recognize Christine Kilis of Lemont, IL. Christine's essay was selected first place among 522 entries in the 1987 Heritage Essay Contest for eighth graders. Her essay, "The U.S. Constitution: Guardian of Freedom," exemplifies why we should be proud to celebrate the bicentennial of the U.S. Constitution. I insert her essay in the Record.

The essay follows:

The U.S. Constitution: Guardian of Freedom

The United States Constitution has proven to be so successful that after two hundred years, it is still guaranteeing the freedoms of all citizens: from the native-born Americans to the just-naturalized immigrants. The Constitution provides freedom and equality for all.

The writers of the Constitution could never have imagined that their document, written for an America of the year 1787 with a population of about four million people living in the original thirteen states, would still be working for more than two-hundred twenty-six million people living in the fifty state America today. But it has. And in fact, many other nations have used the Constitution as a pattern for their own.

Time and time again, the Constitution has been put to the test. Every issue questioning the Constitution's abilities to provide justice has been resolved. National crisis and issues were worked out by looking deep into the meaning of each clause of the Constitution. Each problem solved strengthened the great plan of government just a little more. It has stood up to every test. Its flexible, changeable form has given it room to grow with the nation, and to meet our changing needs.

The freedoms defined in the Constitution are a prized part of the American way of life. They are symbols of our people, symbols of our great want and need for equality. They are there for us when we need them to lean on. But we must also realize that without people supporting and fighting for these rights and freedoms, our nation would fail. It would become a nation of hatred and injustice, of discrimination and tyranny. We would be ruled by the dictatorship of anger and unrest. No one would ever know the meaning of freedom. We can never let this happen.

The Constitution is the guardian of freedom. It does not guard with a sword and shield, but with the basic ideals and principles of humanity. It guards our right to a fair and free life. Happy two-hundreth birthday to the American Constitution. May it live and guard our freedom forever.

A TRIBUTE TO DICK HOWSER

HON. ALAN WHEAT

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Monday, June 22, 1987

Mr. WHEAT. Mr. Speaker, professional athletics is often the stage where men and women reveal the best and worst of human nature. Over the years, sports has shown us as many indignant losers as gracious champions. Dick Howser, who lived on that stage as a player and a manager for more than 20 years, was the most gracious of champions, exemplifying the best in all of us.

His work ethic, integrity, and principles made Dick Howser one of baseball's most endearing individuals. He stood in stark contrast in a game that has become littered with multi-million-dollar contracts, oversized egos, and "superstars" who never quite fulfill their potential. Slightly built and well under 6 feet tall, he scrapped and hustled through eight successful seasons as a major league shortstop with less talent than many who never make the major leagues. His rookie season in 1961 with the Kansas City Athletics was his best. He batted .280, including 29 doubles, and stole 37 bases as the starting shortstop. Those statistics would command a million dollar contract and a slew of endorsements in today's major league market. But Dick Howser was happy that his play had earned him an opportunity to continue to do what he enjoyed doing the most, play baseball.

Dick Howser spent 18 seasons in the major leagues as a player and a coach before getting his chance to manage his own team. His managerial debut occurred in 1980 with the New York Yankees, a team many experts thought could win the World Series. Under Howser's guidance, the Yankees won 103 regular season games and earned first place in the American League's Eastern Division that year. But it was after the American League's Championship series that the public learned that Dick Howser would not compromise his integrity in the blind pursuit of victory.

The Yankees lost three straight to the Royals in the Championship Series, ending any hopes of a world championship. After the third loss, owner George Steinbrenner told Howser to fire Coach Mike Ferraro, a friend of Howser's. Howser didn't and he was quickly dismissed from one of baseball's most glamorous jobs. He didn't fire his friend because empty gestures to satisfy the public and the ego of a brutish man were not Dick Howser's style. Standing by his friends in troubled times was the way he operated.

"Baseball," Leo Durocher once said, "is like church. Many attend, but few understand." Dick Howser was one of those few who understood baseball. The statistics show that. His teams finished first or second in 6 of the 7 years he managed. His keen baseball mind enabled him to be a successful manager of both the Royals, a family more than a team, and the Yankees, a group of well-paid individuals who masqueraded as a team. One of his teams, his 1985 Royals ball club, reached the pinnacle, twice defying the odds and climbing back from seemingly insurmountable deficits to beat the Toronto Blue Jays in the playoffs and then the St. Louis Cardinals in the World Series.

It was during that World Series when many seriously questioned Howser's understanding of the game. After, the Royals had lost the first game of the World Series, Howser left a struggling starting pitcher in the game and one of the game's most effective relief pitchers in the bullpen until too late. The Royals lost the second game, and Howser endured a to rent of criticism from the fans and the media.

Against that criticism, Howser stood tall, repeatedly explaining his managerial decisions to people with less understanding of the game. Someone who was less sure of his knowledge of the game may have wavered amid the criticism, maybe even altered his managerial style for the remainder of the World Series. Howser didn't, and the Royals became one of the few teams in modern baseball history to recover from a 3-to-1 deficit to win in a World Series. Baseball fan or not, anyone who has had to defend themselves in the face of public criticism could share in Howser's and the Royals' dramatic victory.

Eleven months ago, doctors diagnosed Dick Howser as having a malignant brain tumor. He confronted this personal tragedy in the manner that characterized his life. He calmly accepted the cruel fate and displayed a gritty determination to overcome the disease. He took part in experimental brain tumor therapy in December, and reported to Fort Myers, FL, for spring training in February. A tribute to his great inner strength and perseverance, Dick Howser was in uniform and on the field February 21 to lead the Royals through their first spring training workout. The next day, however, fatigue forced him to leave the field halfway through the team's workout and he resigned as manager the next day. His courageous battle taught those around him to more fully appreciate life.

One slogan that has become part of baseball's lore is "nice guys finish last." Like a lot of slogans, there's more myth than reality in those words. One of baseball's most beloved gentleman, Dick Howser, finished first on the playing field. But more importantly, among players, even those in the opposing dugout, colleagues, family, friends, and the community, Dick Howser was a winner. He will be missed by all of us.

TRIBUTE TO THE FIELD LIBRARY FOR A CENTURY OF SERVICE

HON. HAMILTON FISH, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, June 22, 1987

Mr. FISH. Mr. Speaker, I rise to speak to this Chamber about a community library in my home district which will celebrate its 100th anniversary on September 27. The Field Library, Peekskill, NY has from its beginning kept pace with the changing needs of Peekskill residents, young and old. As president of the Alice and Hamilton Field Library in neighboring Garrison, I am particularly pleased to speak on this occasion.

Founded in 1887 by Cortland de Peyster Field, one of Peekskill's earliest philanthropists, the library was chartered by the New York State Legislature on April 11, 1887. It began to serve the public in October of that year.

The first site of the Field Library was the second floor of a riding academy and it began with a collection of 5,000 books and an endowment of $10,000 from Mr. Field. From this stable beginning, the library moved in 1924 to a building formerly used as a Presbyterian Church. The library moved to its present location in the Neighborhood Center in 1978.

This is a brief historical account of a very forward thinking institution. Much energy has been put toward procuring a large collection of historic maps, books, and periodicals. To protect them from aging the library has installed lighting and shades that restrict damaging ultraviolet radiation and uses special display cases.

The library has recently begun a central automation project in conjunction with the Westchester Library System. Automated circulation speeds interlibrary loans. The availability of books can be realized immediately by calling for the title on the central computer rather than making time-consuming phone calls or written requests to neighboring libraries.

The video age is upon us and thriving at Field Library. The library belongs to a consortium which provides them 24 new video cassettes each month. Among their other technological advances, the library offers talking books for use by the sick, too tired to read as they once did, and the blind. I understand they are a big hit with commuters—carpooling with Henry James or F. Scott Fitzgerald.

Children are very important customers at the library. Children are challenged through reading games and story hours. One program I wholeheartedly support features plays acted by large puppets some of which are disabled. The children not only learn about books but why some of their classmates are different.

This library and all those associated with it can take pride in their work. I am pleased to see all they have accomplished, and I know the progress will continue.

LOUIS VAN IERSEL

HON. CARLOS J. MOORHEAD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 22, 1987

Mr. MOORHEAD. Mr. Speaker, I rise today to pay tribute to a heroic member of our armed services.

Louis Van Iersel, a constituent of my area who received the Congressional Medal of Honor for saving 1,000 American soldiers in World War I, died early this month at the age of 93.

Van Iersel represented the values of a true American. Born in Dussen, Holland, Van Iersel came to New Jersey and lied about his age in order to join the military. A member of both the Army and the Marines, he received more than a dozen medals for valor in both world wars.

Van Iersel is best remembered for crossing the German lines, discovering enemy positions and swimming across the Seine River to relay information during World War I. He survived seven major battles during the war including Soissons, St. Michiel, Champagne, Verdun, and Meusse Argon. He once said that he would do it all again if given the chance.

He is quoted as saying, "I think this country is worth fighting for. This is God's country and we want to keep it that way."

Along with the Congressional Medal of Honor, Van Iersel was also awarded the Silver Star as well as the Purple Heart. I ask my colleagues to join me today in remembering this courageous man and his contributions to our country.

KSAL RADIO 50TH ANNIVERSARY

HON. PAT ROBERTS

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 22, 1987

Mr. ROBERTS. Mr. Speaker, it was on June 16, 1937 that KSAL radio in Salina, KA, went on the air to serve the many citizens of north central Kansas. I extend my congratulations to KSAL as they begin this week to broadcast another 50 years.

When KSAL radio first went on the air during the dust bowl days of the late 1930's, a broadcasting cornerstone of service was set in place. And, as Kansas has grown, so too has KSAL. In 1949, KSAL increased its power to 5,000 watts and expanded its coverage area to better serve north central Kansas with news, market reports and timely weather information that is so vital to our farmers, ranchers and business people—all of the listening public.

Mr. Speaker, KSAL radio combines the best of small town broadcasting with big time performance. Again, I congratulate this station for 50 years of dedicated and excellent service and join their many listeners as we look forward to the same kind of standard for the next 50 years from KSAL.

PERSONAL EXPLANATION

HON. DAVID E. BONIOR

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, June 22, 1987

Mr. BONIOR of Michigan. Mr. Speaker, I was absent from House proceedings on Thursday, June 18 because of recurring back problems. My physician has prescribed quiet bedrest to relieve resulting pain and discomfort. Had I been present, on the folllowing rollcall votes I would have voted:

"No" on rollcall vote 193.

"No" on rollcall vote 194.

"Aye" on rollcall vote 196.

On rollcall vote 197 I asked and was paired against the Frenzel amendment.

"No" on rollcall vote 198.

"No" on rollcall vote 199.

"No" on rollcall vote 200.

THE HEROISM OF LANCE COLLINS

HON. FRED GRANDY

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 22, 1987

Mr. GRANDY. Mr. Speaker, today I pay tribute to a young man from Iowa's Sixth Congressional District who has served his country in the tradition that all Americans can be proud of.

Lance Collins of Hampton, IA, a petty officer second class, was one of the many U.S. Navy personnel abroad the U.S.S. *Stark* on the tragic day it was hit by an Iraqi missile in the Persian Gulf last month.

Unaware that they were being attacked, many brave men died with no warning. For that we are all deeply saddened. But the bravery, valor, and selflessness of men like Lance Collins prevented even more deaths.

For many uninterrupted hours Lance Collins led numerous hose teams into areas of intense heat, smoke, and flames. His work saved the lives of many Americans and it helped save his vessel from further destruction.

For this, Lance Collins has been duly honored with the Navy-Marine Medal for Heroism. This is a most prestigious award, and it is delivered only when the individual has performed while risking his own life.

Today we honor Lance Collins and share in the pride felt by his mother, Neva Stock, and of all the citizens from Iowa's Sixth District.

Let our native son serve as an outstanding example of the quality of America's armed servicemen. For it is personal sacrifice and service beyond the call of duty, such as displayed by Lance Collins, that makes our Nation safe and free.

INTRODUCTION STATEMENT

HON. RON WYDEN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Monday, June 22, 1987

Mr. WYDEN. Mr. Speaker, today I am introducing legislation that would permit health maintenance organizations [HMO's] to have clinical social workers treat Medicare patients, to the extent their State practice acts allow.

Medicare patients participating in risk-sharing HMO's can currently take advantage of the services of a variety of health practitioners—nurse practitioners, physician assistants, and psychologists. My bill would simply allow those HMO's to provide Medicare patients the services of clinical social workers as well.

Clinical social workers have a long track record of providing high quality mental health care and medical social services throughout our medical system. Health promotion, risk assessment, case management, financial counseling, patient advocacy, family education, discharge planning, and posthospitalization care are just a few of the vital services social workers now provide to millions of Americans.

Furthermore, Medicare already indirectly reimburses clinical social workers through hospitals for discharge planning services, Federal and military employees can receive direct reimbursement for the services of clinical workers through the Federal Employees Health Benefits and CHAMPUS Programs. My bill is a limited expansion of these roles.

Finally, because this authorization provides services through risk-sharing HMO's, there is no additional cost to the Federal Government. HMO's are paid on a capitated basis. Any cost incurred would be voluntarily paid for by the HMO. The Congressional Budget Office unofficially told the bill's Senate sponsor, Hawaii's senior Senator, Mr. INOUYE, that the measure would be cost neutral.

Mr. Speaker, this limited measure is long overdue. I hope other Members will join Mr. LEVIN, my distinguished colleague from Michigan, and myself in supporting this legislation.

COMPUTER TECHNOLOGY HELPS COMMITTEE CUT PRINTING COSTS

HON. G.V. (SONNY) MONTGOMERY

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Monday, June 22, 1987

Mr. MONTGOMERY. Mr. Speaker, I am proud to report that through the use of computer and laser printing technology, the Committee on Veterans' Affairs has dramatically cut its costs for printing committee documents. This is based on figures supplied by the office of the Public Printer of the U.S. Government Printing Office.

Using this technology and dial-up composition—in laymen's terminology, desk-top publishing—for copy that otherwise would have to be keyboarded at GPO, the committee is saving about $40.50 per page on each of the documents it prints. In addition, the time from transcript to completed document is greatly reduced. All proofreading, editing, and keyboarding can be done in-house.

During the second session of the 99th Congress, the committee printed 1,084 pages of hearings, 266 pages of committee prints, and 410 pages of legislative information sheets. Had these documents been subjected to the conventional back-and-forth composition process between GPO and the committee with GPO doing all of the keyboarding, the cost would have been in the neighborhood of $84,000. Instead the committee's printing costs for these documents were approximately $13,000.

Mr. Speaker, the committee will continue to seek cost-effective methods of printing in the interest of saving tax dollars, and we highly recommend the application of this cost-saving process to each committee.

UKRAINIAN INDEPENDENCE

HON. HOWARD WOLPE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, June 22, 1987

Mr. WOLPE. Mr. Speaker, in this century no one has felt the scourge of totalitarianism more keenly than the Ukrainians. Their oppression by both Nazi Germany and the Soviet Union has formed one of the most tragic chapters in the history of humankind.

The struggle of the Ukrainians has also been a testament to the strength of the human spirit, however. We are now approaching the anniversary of an important moment in the history of that struggle. On June 30, 1941, the Ukrainian nation proclaimed the renewal of its independence, an event which marked the beginning of the Ukrainians' heroic stand against Adolf Hitler's invasion of Eastern Europe. Over 7 million Ukrainians lost their lives defending their freedom, but the steadfastness of their resistance was a crucial factor in the eventual collapse of the Third Reich.

On behalf of the Ukrainian community, I call upon all Americans to join in commemorating this event—an event of great importance not only for the Ukrainian people but also for all fighters in the struggle for freedom around the world.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Any changes in committee scheduling will be indicated by placement of an asterisk to the left of the name of the unit conducting such meetings.

Meetings scheduled for Tuesday, June 23, 1987, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

JUNE 24

9:00 a.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions With Iran on matters relating to the Iran/Contra affair.

SR-325

9:30 a.m.

Banking, Housing, and Urban Affairs

Business meeting, to consider the nominations of M. Danny Wall, of Virginia, to be a Member of the Federal Home Loan Bank Board, Edward H. Fleischman, of New Jersey, to be a Member of the Securities and Exchange Commission, Roger W. Jepsen, of Iowa, to be a Member of the National Credit Union Administration Board, and Simon C. Fireman, of Massachusetts, to be a Member of the Board of Directors of the Export-Import Bank of the United States, and proposed legislation authorizing funds for the Securities and Exchange Commission.

SD-538

Commerce, Science, and Transportation

Surface Transportation Subcommittee

To resume oversight hearings on the railroad industry, focusing on proposals to revise certain provisions of the Staggers Rail Act (P.L. 96-448) to enhance rail competition and ensure reasonable rail rates, including S. 676.

SR-253

Foreign Relations

African Affairs Subcommittee

To hold hearings on Mozambique and U.S. policy.

SD-419

Veterans' Affairs

To hold hearings on Veterans' Administration efforts in AIDS research.

SR-418

10:00 a.m.

Agriculture, Nutrition, and Forestry

Business meeting, to consider pending calendar business.

SR-332

Banking, Housing, and Urban Affairs

To continue hearings on proposals with respect to corporate takeovers, including S. 227, S. 678, S. 1264, S. 1323, and S. 1324.

SD-538

Labor and Human Resources

To hold hearings on S. 1265, to provide minimum health benefits to all workers in the United States.

SD-430

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions With Iran on matters relating to the Iran/Contra affair.

SR-325

JUNE 25

9:00 a.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions With Iran on matters relating to the Iran/Contra affair.

SR-325

9:30 a.m.

Energy and Natural Resources

Business meeting, to consider pending calendar business.

SD-366

Governmental Affairs

Oversight of Government Management Subcommittee

To hold oversight hearings on post-employment lobbying restrictions.

SD-342

10:00 a.m.

Agriculture, Nutrition, and Forestry

Agricultural Production and Stabilization of Prices Subcommittee

To resume hearings on the current status of farm programs.

SR-332

Banking, Housing, and Urban Affairs

To continue hearings on proposals with respect to corporate takeovers, including S. 227, S. 678, S. 1264, S. 1323, and S. 1324.

SD-538

Environment and Public Works

Superfund and Environmental Oversight Subcommittee

To hold hearings on Superfund clean up standards implementation issues.

SD-406

Foreign Relations

Business meeting, to mark up S. 1327, to prevent United States involvement in hostilities in the Persian Gulf, and other pending calendar business.

SD-419

Judiciary

Antitrust, Monopolies and Business Rights Subcommittee

To hold hearings on S. 844, to exempt from the antitrust laws any joint discussion or agreement by persons in the television industry to alleviate the negative impact of violence in television broadcast material.

SD-226

2:00 p.m.

Foreign Relations

Terrorism, Narcotics and International Operations Subcommittee

To hold closed hearings to review United States foreign policy as it relates to law enforcement and drug trafficking.

S-116, Capitol

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions With Iran on matters relating to the Iran/Contra affair.

SR-325

7:00 p.m.

Labor and Human Resources

Business meeting, to mark up S. 79, High Risk Occupational Disease Notification and Prevention Act, proposed Public Health Service Infant Mortality Amendments Act, and proposed Nursing Shortage Reduction Act.

SD-430

JUNE 26

9:00 a.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions With Iran on matters relating to the Iran/Contra affair.

SR-325

10:00 a.m.
Agriculture, Nutrition, and Forestry
Agricultural Research, and General Legislation Subcommittee
To hold hearings to examine new uses for farm and forest products.
SR-332

Banking, Housing, and Urban Affairs
To hold oversight hearings on the role of employee ownership in corporate takeovers.
SD-538

Labor and Human Resources
Education, Arts, and Humanities Subcommittee
To resume hearings on S. 373, authorizing funds for fiscal years 1988 through 1993 for elementary and secondary education assistance.
SD-430

2:00 p.m.
Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions With Iran on matters relating to the Iran/Contra affair.
SR-325

JUNE 29

10:00 a.m.
Labor and Human Resources
Education, Arts, and Humanities Subcommittee
To hold hearings on proposed legislation authorizing funds to provide grants to assist local school districts in implementing voluntary desegregation plans (Magnet School Assistance).
SD-430

Special on Aging
To hold hearings on the need for a new Consumer Price Index (CPI) to reflect the inflation rate that the elderly face and the process by which the Department of Labor should develop such an index.
SD-628

2:00 p.m.
Energy and Natural Resources
To hold oversight hearings on the Department of Energy's geologic disposal of civilian high-level radioactive nuclear waste.
SD-366

Environment and Public Works
Environmental Protection Subcommittee
Business meeting, to mark up proposed legislation to provide for more effective clean air quality standards.
SD-406

JUNE 30

9:00 a.m.
Veterans' Affairs
To hold hearings on S. 9, Service-Disabled Veterans' Benefits Improvement Act, S. 453, Veterans' Ionizing Radiation Compensation Improvements Act, S. 1002, Veterans' Radiation Exposure Disability and Death Benefits Act, and other related measures.
SR-418

9:30 a.m.
Agriculture, Nutrition, and Forestry
To hold hearings on the nominations of Ewen M. Wilson, of Virginia, to be an Assistant Secretary of Agriculture, and a Member of the Board of Directors of the Commodity Credit Corporation, and Milton J. Hertz, of North Dakota, to be a Member of the Board of Directors of the Commodity Credit Corporation.
SR-332

10:00 a.m.
Banking, Housing, and Urban Affairs
Securities Subcommittee
To resume hearings on S. 1380, to provide a statutory definition of insider trading under the Federal securities laws.
SD-538

Energy and Natural Resources
Mineral Resources Development and Production Subcommittee
To hold hearings on S. 1388, to reform Federal onshore oil and gas leasing procedures, and S. 66, to provide for competitive leasing for onshore oil and gas.
SD-366

Judiciary
Immigration and Refugee Affairs Subcommittee
To hold hearings on the Administration's proposed regional refugee admissions level for fiscal year 1987.
SD-430

10:30 a.m.
Environment and Public Works
Environmental Protection Subcommittee
Business meeting, to mark up proposed legislation to provide for more effective clean air quality standards.
SD-406

2:00 p.m.
Energy and Natural Resources
Public Lands, National Parks and Forests Subcommittee
To hold hearings on S. 59, National Forests and Public Lands of Nevada Enhancement Act, and S. 854, Nevada-Florida Land Exchange Authorization Act.
SD-366

JULY 1

10:00 a.m.
Environment and Public Works
Environmental Protection Subcommittee
Business meeting, to mark up proposed legislation to provide for more effective clear air quality standards.
SD-406

JULY 7

9:30 a.m.
Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To resume joint hearings with the House Select Committee to Investigate Covert Arms Transactions With Iran on matters relating to the Iran/Contra affair.
SR-325

2:00 p.m.
Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions With Iran on matters relating to the Iran/Contra affair.
SR-325

JULY 8

9:30 a.m.
Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions With Iran on matters relating to the Iran/Contra affair.
SR-325

2:00 p.m.
Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions With Iran on matters relating to the Iran/Contra affair.
SR-325

JULY 9

9:30 a.m.
Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions With Iran on matters relating to the Iran/Contra affair.
SR-325

2:00 p.m.
Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions With Iran on matters relating to the Iran/Contra affair.
SR-325

JULY 10

9:30 a.m.
Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions With Iran on matters relating to the Iran/Contra affair.
SR-325

2:00 p.m.
Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions With Iran on matters relating to the Iran/Contra affair.
SR-325

JULY 13

9:30 a.m.
Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To resume joint hearings with the House Select Committee to Investigate Covert Arms Transactions With Iran on matters relating to the Iran/Contra affair.
2172 Rayburn Building

2:00 p.m.
Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions With Iran on matters relating to the Iran/Contra affair.
2172 Rayburn Building

JULY 14

9:30 a.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions With Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

10:00 a.m.

Energy and Natural Resources

Mineral Resources Development and Production Subcommittee

To hold hearings on S. 1006, Geothermal Steam Act Amendments of 1987.

SD-366

2:00 p.m.

Energy and Natural Resources

Public Lands, National Parks and Forests Subcommittee

To hold hearings on S. 735, to revise certain provisions of the Land and Water Conservation Fund Act of 1965.

SD-366

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions With Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

JULY 15

9:30 a.m.

Commerce, Science, and Transportation

Surface Transportation Subcommittee

To hold hearings on S. 747, to establish a motor carrier administration in the Department of Transportation, and S. 861, to require certain actions by the Secretary of Transportation regarding certain drivers of motor vehicles and motor carriers.

SR-253

Energy and Natural Resources

Business meeting, to consider pending calendar business.

SD-366

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions With Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions With Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

JULY 16

9:30 a.m.

Commerce, Science, and Transportation

Science, Technology, and Space Subcommittee

National Ocean Policy Study Subcommittee

To hold joint hearings on global climate change.

SR-253

Energy and Natural Resources

To hold hearings on proposals to resolve certain problems relating to the storage of high-level radioactive waste, including S. 1007, S. 1141, S. 1211, and S. 1266.

SD-366

Veterans' Affairs

Business meeting, to consider S. 6, Veterans' Health Care Improvement Act, S. 9, Service-Disabled Veterans' Benefits Improvement Act, S. 917, to authorize a headstone allowance for prepurchased grave markers and to modify eligibility requirements to the plot allowance, S. 1090, Veterans Administration Insurance Amendments, and related proposals, and proposed legislation providing for disability payments based on nuclear-detonation radiation exposure.

SR-418

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions With Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

JULY 17

9:30 a.m.

Commerce, Science, and Transportation

Communications Subcommittee

To hold hearings on S. 1277, to revise certain provisions of the Communications Act of 1974 regarding the responsibilities of broadcasting licensees.

SR-253

Energy and Natural Resources

Research and Development Subcommittee

To hold oversight hearings on environmental and safety issues at the Department of Energy's defense materials production reactors.

SD-366

JULY 20

2:00 p.m.

Commerce, Science, and Transportation

Communications Subcommittee

To resume hearings on S. 1277, to revise certain provisions of the Communications Act of 1974 regarding the responsibilities of broadcasting licensees.

SR-253

JULY 21

9:30 a.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To resume joint hearings with the House Select Committee to Investigate Covert Arms Transactions With Iran on matters relating to the Iran/Contra affair.

SR-325

2:00 p.m.

Energy and Natural Resources

Public Lands, National Parks and Forests Subcommittee

To hold hearings on S. 7, to provide for protection of the public lands in the California desert.

SD-366

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions With Iran on matters relating to the Iran/Contra affair.

SR-325

JULY 22

9:30 a.m.

Energy and Natural Resources

Business meeting, to consider pending calendar business.

SD-366

Environment and Public Works

Water Resources, Transportation, and Infrastructure Subcommittee

To hold hearings to review infrastructure issues.

SD-406

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions With Iran on matters relating to the Iran/Contra affair.

SR-325

2:00 p.m.

Commerce, Science, and Transportation

To hold hearings on the nominations of Darrell M. Trent, of Kansas, Robert D. Orr, of Indiana, and Charles Luna, of Texas, each to be a Member of the Board of Directors of the National Railroad Passenger Corporation.

SR-253

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions With Iran on matters relating to the Iran/Contra affair.

SR-325

JULY 23

9:30 a.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions With Iran on matters relating to the Iran/Contra affair.

SR-325

2:00 p.m.

Energy and Natural Resources

Public Lands, National Parks and Forests Subcommittee

To resume hearings on S. 7, to provide for protection of the public lands in the California desert.

SD-366

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions With Iran on matters relating to the Iran/Contra affair.

SR-325

JULY 24

9:30 a.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions With Iran on matters relating to the Iran/Contra affair.

SR-325

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions With Iran on matters relating to the Iran/Contra affair.

SR-325

JULY 27

9:30 a.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To resume joint hearings with the House Select Committee to Investigate Covert Arms Transactions With Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions With Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

JULY 28

9:30 a.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions With Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions With Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

JULY 29

9:30 a.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions With Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions With Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

9:30 a.m.

JULY 30

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions With Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions With Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

JULY 31

9:30 a.m.

Commerce, Science and Transportation Communications Subcommittee

To hold hearings on S. 889, to provide for fair marketing practices for certain encrypted satellite communications.

SR-253

AUGUST 3

9:30 a.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To resume joint hearings with the House Select Committee to Investigate Covert Arms Transactions With Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions With Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

AUGUST 4

9:30 a.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions With Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions With Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

AUGUST 5

9:30 a.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions With Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions With Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

AUGUST 6

9:30 a.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions ith Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions With Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

AUGUST 7

9:30 a.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions With Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions With Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

CANCELLATIONS

JUNE 23

10:00 a.m.

Governmental Affairs

Business meeting, to consider pending committee business.

SD-342